BANQUE PSA FINANCE

2013
HALF-YEAR REPORT

BOARD OF DIRECTORS

Jean-Baptiste de Chatillon
Director and Chairman

Philippe Alexandre
Director

Philippe Varin
Director

Michel Philippin
Director

François Pierson
Director

PEUGEOT S.A.
Director
Permanent representative:
Pierre Todorov

AUTOMOBILES PEUGEOT
Director
Permanent representative:
Maxime Picat

EXECUTIVE COMMITTEE

Philippe Alexandre
Chief Executive Officer

Alain Martinez
Executive Managing Officer

Bernard Darrieutort
Executive Managing Officer
(Based in Shanghai)

STATUTORY AUDITORS

Ernst & Young audit
Mazars

SUBSTITUTE AUDITORS

PICARLE et associés
Guillaume Potel

As of July 29, 2013

BANQUE PSA FINANCE

Société anonyme (limited company). Share capital: €177,408,000

Registered office - 75 avenue de la Grande Armée – 75116 Paris – France
Registered in Paris under no. 325 952 224 – Siret 325 952 224 00013
APE business identifier code: 6419Z
Interbank code: 13168N

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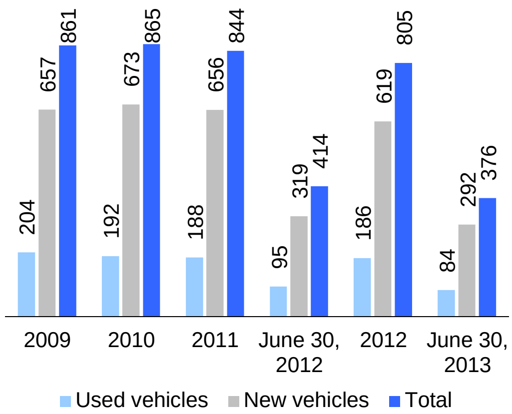
ORIAS (registry of insurance intermediaries) registration number 07 008 501 available at www.orias.fr

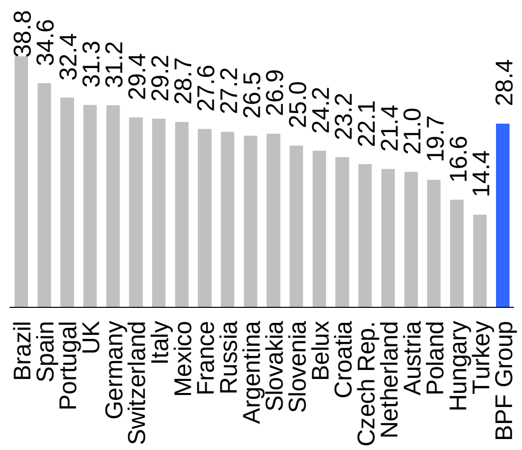
1 MANAGEMENT REPORT

1.1 Key figures

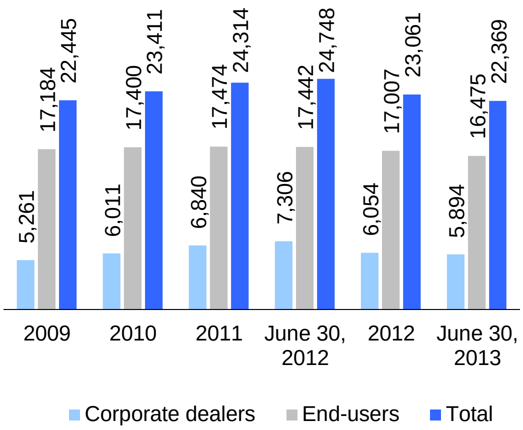
NUMBER OF VEHICLES FINANCED, END-USER LOANS
(in thousand vehicles)



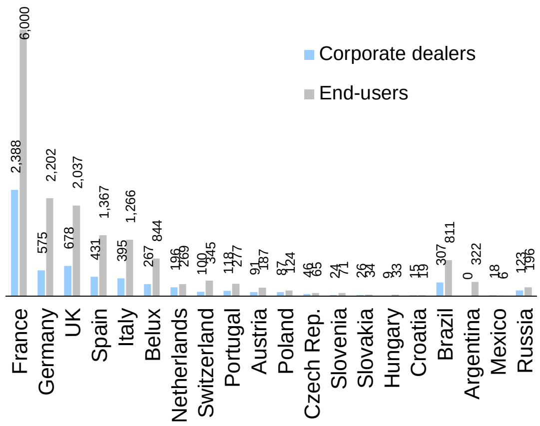
PENETRATION RATE BY COUNTRY AT JUNE 30, 2013
(% PSA Peugeot Citroen new Vehicles Financed / New Vehicles Registered)



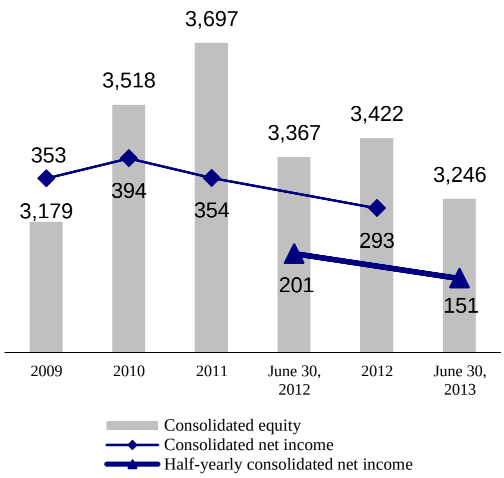
END-USERS AND CORPORATE DEALERS LOANS AT JUNE 30, 2013 (in million euros)



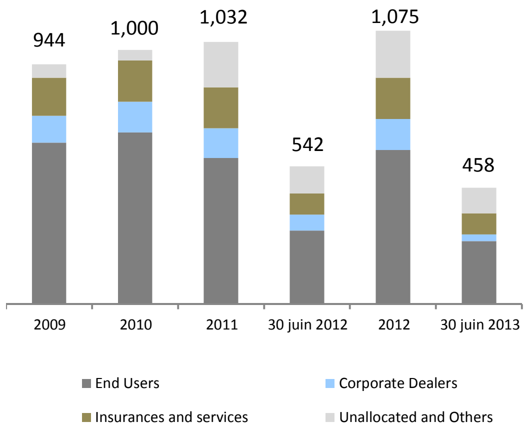
OUTSTANDING BY COUNTRY AT JUNE 30, 2013 (in million euros)



EQUITY AND NET INCOME AT JUNE 30, 2013 (in million euros)



NET BANKING REVENUE AT JUNE, 30 2013
(in million euros)



1.2 Operations and results

1.2.1 Summary Financial Information

The following historical consolidated financial overview is based on the consolidated financial statements of Banque PSA Finance (hereafter referred to as BPF) included in this half-year report and prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. Our consolidated financial statements were audited by our independent auditors Ernst & Young and Mazars for 2012 and 2011.

NEW CONTRACTS AND NEW FINANCING

	Jun. 30, 2013	Jun. 30, 2012	% change
End-users loans			
Number of vehicles financed	375,820	413,531	- 9.1
Amount of financing *(in million euros, excluding interests)*	3,900	4,327	- 9.9
Corporate dealers loans			
Number of vehicles financed	836,047	947,891	- 11.8
Amount of vehicles financing *(in million euros)*	15,411	17,557	- 12.2
Amount of spare parts financing and other *(in million euros)*	1,946	2,374	- 18.0
Insurance and services activity			
Number of new contracts	691,606	698,656	- 1.0

BALANCE SHEET

(in million euros)

Assets	Jun. 30, 2013	Jun. 30, 2012	% change
Financial assets at fair value through profit or loss	826	1,407	- 41.3
Loans and advances to credit institutions	1,721	1,221	+ 41.0
Customer loans and receivables	22,369	23,061	- 3.0
Deferred tax assets	145	140	+ 3.6
Other assets	1,912	1,355	+ 41.1
Total assets	**26,973**	**27,184**	**- 0.8**

Equity and liabilities	Jun. 30, 2013	Jun. 30, 2012	% change
Deposits from credit institutions	5,829	8,105	- 28.1
Debt securities	14,680	13,326	+ 10.2
Other liabilities	3,218	2,331	+ 38.1
Equity	3,246	3,422	- 5.2
Total equity and liabilities	**26,973**	**27,184**	**- 0.8**

NET INCOME

(in million euros)	Jun. 30, 2013	Jun. 30, 2012	% change
Net banking revenue	458	542	- 15.5
General operating expenses and equivalent[1]	-193	-192	+ 0.5
Cost of risk	-60	-79	- 24.1
Operating income	**205**	**271**	**- 24.4**
Non operating income	4	5	- 20.0
Income taxes	-58	-75	- 22.7
Net income for the year	**151**	**201**	**- 24.9**

1 - including depreciation and amortization of intangible and tangible assets and gains and losses on disposals of fixed assets

CUSTOMER LOANS AND RECEIVABLES

By Customer Segment

(In million euros)	Jun. 30, 2013	Jun. 30, 2012	% change
Corporate dealers	5,894	6,054	- 2.6
End-users	16,475	17,007	- 3.1
of which Retail	14,800	15,416	- 4.0
of which Corporate and equivalent	1,675	1,591	+ 5.3
Total Customer Loans and Receivables	**22,369**	**23,061**	**- 3.0**

By Geographical Region

in million euros	Jun. 30, 2013	Jun. 30, 2012	% change
France	8,388	8,572	- 2.1
Western Europe (excluding France)	11,645	12,003	- 3.0
Central and Eastern Europe	553	623	- 11.2
Latin America	1,464	1,505	- 2.7
Rest of the World	319	358	- 10.9
Total	**22,369**	**23,061**	**- 3.0**

NET BANKING REVENUE BY COSTUMER SEGMENT

(in million euros)	Jun. 30, 2013	Jun. 30, 2012	% change
End-users	248	290	- 14.5
of which Retail	237	275	- 13.8
of which Corporate and equivalent	11	15	- 26.7
Corporate dealers	26	63	- 58.7
Insurances and Services (including net refinancing costs)	84	82	+ 2.4
Unallocated and other[1]	100	107	- 6.5
Total	**458**	**542**	**- 15.5**

1 - Represents primarily refinancing cost adjustment reflecting the fact that interest expenses are allocated to customer segments based on our average financing rates, and on the assumption that loans are financed fully with debt.

1.2.2 Banque PSA Finance Branch and Subsidiary Operations

Wholly-owned by Peugeot S.A., Banque PSA Finance provides financing for sales of Peugeot and Citroën vehicles in 23 countries. It also provides Peugeot and Citroën dealers with financing for car stocks (new vehicles and used vehicles) and spare parts inventories, together with other financing needs such as working capital, and offers to individual and company clients a full-range offer of insurance and services.

Our offerings to individuals and businesses typically combine insurance and services with financing through packaged products.

In March 2013, BPF started a new deposits activity with the launch on the Internet of a savings account, “Distingo”.

Unless otherwise mentioned, the results presented in this half-year report exclude operations in China, as the relevant entity is not consolidated through full integration, but integrated according to the equity method

1.2.2.1 Our Products and Services

Our financing products, insurance and services include the following:

- ***End-user financing***
  (74% of total outstanding as of June 30, 2013)

We offer for individuals, small businesses and corporate and equivalent customers financing solutions, including credit for the purchase of new and used vehicles, as well as a variety of leasing solutions with and without purchase options.

- **Corporate dealer financing**
  (26% of total outstanding as of June 30, 2013.)

Dealers in the Peugeot and Citroën networks have a large range of solutions: Financing for inventories of new and used vehicles, replacement parts and financing of working capital requirements.

- ***Insurance and services***

Loan payment insurance covering unemployment, disability and death, car insurance, and vehicle related services such as warranty extensions and vehicle maintenance contracts. BPF offers some or all its services associated with packaged or integrated products in order to satisfy global customers' needs.

In March, Banque PSA Finance launched a new savings business under the PSA Banque brand. At end-June and for a four-month period, the “Distingo” passbook savings account generated €782 million in funds. Collected funds are exclusively used to finance Peugeot and Citroen Car acquisitions by individuals and corporate dealers. This new business supplements and strengthens Banque PSA Finance's financing diversification policy.

1.2.2.2 Geographical coverage

We provide financing to end-user customers in 23 countries (including China) which accounted for 88% of Peugeot and Citroën vehicle sales in the first half of 2013 (70% for BPF excluding China).

Our principal markets are Western Europe (Notably France, Great-Britain, Spain, Germany and Italy) and Brazil. We also maintain a strong presence in Latin America, in Central and Eastern Europe, in China since 2006 and in Russia since the second half of 2010.

1.3 Analysis of Operational Results

1.3.1 Peugeot and Citroën Vehicle Sales

Global automotive markets rose by 3% in the first half of 2013. This slight increase masks significant disparities: Europe was down 7% and Russia fell 5.5%, however Latin America grew 6% and China, the largest automotive market in the world, rose by as much as 16%.

Even within Europe, the picture was mixed. The Southern European markets continued to decline, with France down 11%, Spain down 5% and Italy down 11%. They were joined by Germany, which fell by 8%. The United Kingdom was the exception, with its automotive market growing 10%.

Highlights of the first half of 2013:

- Worldwide unit sales of 1,461,000;
- European market share of 12.2%;
- Share of sales outside of Europe at 41%, a 7-point increase;
- Strong growth in sales in China, Argentina and Algeria;
- Successful recent launches, of the Peugeot 208, 301, 2008 and the Citroën DS3 Cabrio and C-Elysée, and very strong start for the Citroën C4 Picasso;
- Leadership on the light commercial vehicles market in Europe, with a 21.1% market share;
- Leading European manufacturer of hybrid vehicles.

In Europe, where the passenger car and light commercial vehicle market contracted by 7%, PSA Peugeot Citroën sold 855,000 vehicles, down 13% compared with the first half of 2012. The Group's market share reached 12.2% versus 12.9% in the first half of 2012.

The PSA Peugeot Citroën Group has a three-pronged strategy to develop the automobile business:

- **Upmarket positioning:** nearly one in five of the Group's vehicles is in the premium category, confirming the success of its upmarket strategy;
- **Leading manufacturer of hybrid vehicles:** reflecting the strong sales of the four models equipped with HYbrid4 technology (Peugeot 508, 508 RXH, 3008 and Citroën DS5), PSA Peugeot Citroën has confirmed its position as the leading European manufacturer of hybrid vehicles. It also ranks second in terms of sales, with a 16.1% share of the European hybrid market
- **Continued globalization of sales**
  - o **Record sales in China,** where PSA Peugeot Citroën grew at twice the rate of the market. It sold 278,000 units, i.e., up 33% in a market up 16%. These record sales correspond to a nearly 4% market share;
  - o **Sales momentum in Latin America**: the 20% increase in PSA Peugeot Citroën's sales was more than double that of the market, at 146,000 units sold in the region;
  - o **Russia**: the year was off to a difficult start but several major launches are planned. The Russian market has been falling since the start of 2013. Against this backdrop, the Group's sales were down 22% to 32,000 units in the first half of the year;
  - o **Rest of world**: sales up 23%, mainly due to the success of the Peugeot 301 and Citroën C-Elysée. In Algeria, registrations rose by more than 66%, lifting the Group's market share to 22.8%. In Turkey, the Group sold more than 30,100 vehicles in the first half of the year, a nearly 20% increase compared with the first half of 2012 in a market up 11.5%.

The pace of new launches is expected to remain steady in the second half. In total, no less than 17 vehicles will have been launched over the course of the year, of which nine in Europe and eight in the rest of the world.

Given the steady pace of new launches, the average age of Peugeot and Citroën's entire passenger car range will remain at just 3.8 years in 2013.

PSA Peugeot Citroën registrations (BPF perimeter, excl. China)

By Geographical Region	Jun. 30, 2013	Jun. 30, 2012
France	339,159	388,925
Western Europe (excluding France)	451,839	511,328
Central and Eastern Europe	37,411	39,908
Latin America	137,089	128,015
Rest of the World	61,458	64,385
Total	1,026,956	1,132,561

1.3.2 BPF Commercial Activity

1.3.2.1 End-user Financing

BPF maintained its performance despite the difficult economic conditions on European market, thanks to a rise in its penetration rate that reached a record 28.4% at end-June 2013, representing a slight 0.3 point increase compared with the first half of 2012. This result is the confirmation of a good sales momentum with both Brands. Regarding volumes, taking into account the market slowdown and its impact on new vehicle registrations of PSA Peugeot Citroën (down 9.3%), the number of new vehicle financing contracts for end-user customers declined by 8.3% to 292,005 from 318,457 PSA contracts in the first half of 2012.

For the entire European zone (Western, Central and Eastern Europe), which has been hit particularly hard by the crisis, the new vehicle penetration rate remained stable. Performances in Latin America continued to improve, with a 38.8% penetration rate in Brazil, i.e., up 2.1 points compared with the first half of 2012, and a 26.5% rate in Argentina, i.e., up 5.3 points. Growth was also seen in Russia and China. In Russia, penetration reached 27.2%, i.e., a 1.8 point increase in the first half of 2013 compared with the year-ago period. In China (subsidiary accounted for by the equity method), the penetration rate improved by three points with a 10.1% penetration rate and contract volumes rose by 86% (26 075 contracts).

Due to wide variances from one country to another depending on the continued effects of the financial crisis on the car market, BPF recorded a decrease in overall volumes of end-user financing for new and used vehicles in the first half of 2013, with 375,820 contracts compared to 413,531 in the first half of 2012. The following table provides information relating to BPF's end-user financing activity for the first half of 2012 and the first half of 2013 (excluding China).

END-USER FINANCING OF NEW AND USED VEHICLES

in number of contracts	Jun. 30, 2013	Jun. 30, 2012	% change
Installment sales	259,926	288,627	- 9.9
Leasing activity and other financing	115,894	124,904	- 7.2
TOTAL	**375,820**	**413,531**	**- 9.1**
of which outside Western Europe	71,522	70,614	+ 1.3
in million euros (excluding accrued interests)			
Installment sales	2,277	2,542	- 10.4
Leasing activity and other financing	1,623	1,785	- 9.1
TOTAL	**3,900**	**4,327**	**- 9.9**
of which outside Western Europe	579	559	+ 3.6

The decline in new financings, including both installment sales and leasing activity, was 9.1%. Average amounts financed remained stable between the first half of 2013 and the first half of 2012.

The following table illustrates the amount of new financing granted in the first half of 2012 and in the first half of 2013 (excluding China) by customer segment.

FINANCING OF NEW AND USED VEHICLES BY MARKET SEGMENT

in million euros	Jun. 30, 2013	Jun. 30, 2012	% change
Retail financing	3,434	3,783	- 9.2
of which new vehicles	2,830	3,082	- 8.2
of which used vehicles and other	604	701	- 13.7
Corporate and equivalent financing	466	544	- 14.3
End-user financing	**3,900**	**4,327**	**- 9.8**

New financing for individuals and small and medium businesses declined by 9.2% in the first half of 2013 compared to the first half of 2012. Financing of new vehicles for this customer segment decreased by 8.2% in 2012, while the decline in used vehicle financing was 13.7%. New financing for corporate and equivalent customers fell by 14.3%.

The following table breaks down the end-user loans made in the first half of 2012 and in the first half of 2013 by region (excluding China), based on the number of vehicles financed.

FINANCING OF NEW AND USED VEHICLES BY REGION

in number of contracts	Jun. 30, 2013	Jun. 30, 2012	% change
France	130,433	146,785	- 11.1
Western Europe (excluding France)	173,865	196,132	- 11.4
Central and Eastern Europe	9,488	9,718	- 2.4
Latin America	49,006	43,088	+ 13.7
Rest of the World	13,028	17,808	- 26.8
Total	**375,820**	**413,531**	**- 9.1**

A. New Vehicle Financing

BPF financed 292,005 new PSA vehicles through installment sales financing or leases in the first half of 2013, representing a decrease of 8.3% compared to the first half of 2012. This decrease was lower than the decline in the number of PSA Peugeot Citroën registrations, showing the positive impact of synergy policies implemented with Peugeot and Citroën marketing and sales teams.

The bank's overall penetration rate was at a record high 28.4% in the first half of 2013, compared to 28.1% in the first half of 2012, supported mainly by the joint sales operations developed by BPF and the brands.

Outside of Europe, Argentina and China (subsidiary accounted for by the equity method) posted strong growth. New vehicle contracts rose by 60% in Argentina and by 85% in China (see “1.4.2.4 Financing in China”) on the heels of the strong increase in Peugeot and Citroën registrations in these markets.

B. Used Vehicle Financing

The used vehicle business was severely affected by the economic slowdown in Western Europe and by stiffer competition. Against this backdrop, while the average amounts financed remained stable, used vehicle financing fell by 11.8% in volume. The worldwide number of used vehicles financed was 83,695 in the first half of 2013 compared to 94,881 in the first half of 2012.

This decrease was mainly due to the decline in financing volumes in the United Kingdom, Germany and France (while we notice an increase in Italy and Spain). BPF's used vehicle financing business remains concentrated in these three countries. It was affected by the impact of new vehicle purchases supported by a number of commercial actions and motivated by financial incentives, and by the ongoing strict application of acceptance criteria.

1.3.2.2 Corporate Dealer Financing

Our Corporate dealer financing business decreased sharply in the first half of 2013, with the decline in the European markets and the end of certain financings.

BPF provided dealer financing for a total of 836,047 vehicles in the first half of 2013, a significant decrease compared with 2012. Vehicle financing amounts followed the same trend, with a 12.9% drop; the decline was, however, more pronounced for spare parts, at -18.0%.

The following table sets forth our new dealer financing activity for the first half of 2012 and the first half of 2012.

NEW CORPORATE DEALERS FINANCING

(in million euros)	Jun. 30, 2013	Jun. 30, 2012	% change
Number of vehicles	**836,047**	**947,891**	**- 11.8**
Amount (in million euros)	**17,357**	**19,931**	**- 12.9**
of which vehicles	15,411	17,557	- 12.2
of which spare parts and other	1,946	2,374	- 18.0

OUTSTANDING CORPORATE DEALER LOANS

(in million euros)	Jun. 30, 2013	Jun. 30, 2012	% change
Vehicles	4,195	4,302	- 2.5
Spare parts and other	1,701	1,752	- 2.9
Total	**5,896**	**6,054**	**- 2.6**

1.3.2.3 Insurance and Services

In the first half of 2013, we sold a record average of 1.81 insurance and services contracts to each end-user customer taking financing for a car, an increase compared to 1.67 contracts in the first six months of 2012. This reflects the strong performance by car insurance.

NEW INSURANCE AND SERVICES CONTRACTS

(In number of contracts)	Jun. 30, 2013	Jun. 30, 2012	% change
Financial services	295,760	311,020	- 4.9
Car insurance	134,722	119,113	+ 13.1
Vehicle-related services	261,124	268,523	- 2.8
Total	**691,606**	**698,656**	**- 1.0**

Revenues for the Insurance and Services business, up 3.7% compared with the first half of 2012, include two components, which are accounted for differently in BPF's consolidated financial statements:

- The margin on the insurance that we provide is recorded under "margin on sales of insurance services" and represents our earned premiums, less paid claims and changes in liabilities related to insurance contracts. This margin rose 15.2% compared with the first six months of 2012;
- Commissions that we earn from the sale of services of third party providers are recorded as "margin on sales of other services". These services include insurance that PSA Insurance does not provide directly (such as car insurance or insurance on markets where PSA Insurance cannot operate as an insurer), as well as vehicle-related services such as maintenance and extended warranties.

The following table shows our margin for insurance and services, broken down between these two categories, in 2012 and 2013.

NET BANKING REVENUE FROM INSURANCE AND SERVICES

(In million euros)	Jun. 30, 2013	Jun. 30, 2012	% change
Margin on sales of insurance services	53	46	+ 15.2
Margin on sales of other services[1]	31	35	- 11.4
Total[2]	**84**	**81**	**+ 3.7**

1 - After elimination of intra-segment transactions, which are primarily commissions paid by PSA Insurance to other group entities
2 - Excluding refinancing cost (see Note 26.2 in the consolidated financial statements)

1.3.2.4 Financing in China

A. DPCAFC Joint Venture

China represents a dynamic growth market, both for the PSA Peugeot Citroën group's vehicle sales activities, and for our financing activities. Through our DPCAFC joint venture, we have experienced strong growth in the financing business in recent years, with outstanding loans rising by 26% from the end of 2011 to the end of 2012 and by another 38% from the end of 2012 to end-June 2013.

This is not reflected in the figures relating to our consolidated loan portfolios, because our Chinese subsidiary is accounted for by the equity method. The following table sets forth information relating to our subsidiary's financing in China at June 30, 2012 and June 30, 2013.

FINANCING IN CHINA

	Jun. 30, 2013	Jun. 30, 2012	% change
End-user loans *(including leases)*			
Number of vehicles *(new and used)* financed	26,075	14,021	+ 86.0
Amount of financing *(in million euros, excluding interests)*	227	121	+ 87.6
Corporate dealer loans			
Number of vehicles financed	122,405	96,500	+ 26.8
Amount of financing *(in million euros, including spare parts)*	1,778	1,199	+ 48.3

Outstanding loans *(in million euros)*	Jun. 30, 2013	Jun. 30, 2012	% change
End-user loans *(including leases)*	472	375	+ 25.9
Corporate dealers loans	409	264	+ 54.9
Total loans	**881**	**639**	**+ 37.9**

B. CAPSA Joint Venture

In the context of its expansion in China, CAPSA (the joint venture between Chang'An and PSA) is finalizing a cooperation agreement with certain Chinese banks, with BPF's backing, to support the development of its network and offer retail loans tailored to the needs of the end-user once local DS production is launched in the last quarter of 2013.

At the same time, preparatory work continues with CAPSA and its shareholders on the launch of an Auto Finance Company (AFC) in the form of a joint venture.

1.3.3 Results of operation

NET INCOME

(in million euros)	Jun. 30, 2013	Jun. 30, 2012	% change
Net banking revenue	458	542	- 15.5
General operating expenses and equivalent[1]	-193	-192	+ 0.5
Cost of risk	-60	-79	- 24.1
Operating income	**205**	**271**	**- 24.4**
Non operating income	4	5	- 20.0
Income taxes	-58	-75	- 22.7
Net income for the year	**151**	**201**	**- 24.9**

1 - including depreciation and amortization of intangible and tangible assets and gains and losses on disposals of fixed assets

Pre-tax income	209	276	-24,3
Net income attributable to parent	144	195	-26,2

1.3.3.1 Net Banking Revenue

Net banking revenue fell by 15.5% to €458 million at June 30, 2013 vs. €542 million at June 30, 2012. This decline can be explained mainly by the increase in refinancing costs (due to the downgrade of Banque PSA Finance's short- and long-term ratings over the last 12 months), which could not be entirely passed on to dealers or end-users, and by the sharp decline in average net amounts outstanding (-€1.8 billion over the last 12 months).

Conversely, Insurance and Services net banking revenue continued to rise, increasing by 3.7% to €84 million at June 30, 2013.

1.3.3.2 General Operating Expenses

General operating expenses and equivalent remained under control at €193 million at June 30, 2013, despite the consideration of the investments, mainly in marketing expenses, required to launch the new deposit business in the first quarter of 2013.

1.3.3.3 Cost of Risk

Our cost of risk was €60 million at June 30, 2013, representing 0.55% of our average net amounts outstanding, compared to €79 million at June 30, 2012, representing 0.66% of our average net amounts outstanding.

Our retail cost of risk reflects the net impairment charges that we record in respect of delinquent and non-performing loans relating to installment sales and leases.

Our retail cost of risk (individuals and small businesses) stood at €56 million at June 30, 2013, compared with €71 million at June 30, 2012. This positive differential relates mainly to the adjustments of depreciation rates, down sharply in the first half of 2013 (approximately €10 million) compared with the first half of 2012 (approximately €19 million). With risk well under control, doubtful and non-performing loans at June 30, 2013 remained stable compared with June 30, 2012.

Our cost of risk for corporate and equivalent was €1 million at June 30, 2013, mainly due to a rise in the number of new defaults in Italy, Portugal and Germany, compared to €2 million at June 30, 2012,.

Cost of risk for corporate dealer financing dropped by half to €3 million at June 30, 2013, mainly due to additional impairments in Spain, compared to €6 million at June 30, 2012. This decrease in the cost of risk reflects the strong resilience of the Peugeot and Citroën dealer networks in response to the financial crisis, enhanced by increased supervision and strict monitoring of corporate dealer financing commitments by dedicated BPF teams.

1.3.3.4 Operating Income

Operating income declined by 24.4%, falling from €271 million at June 30, 2012 to €205 million at June 30, 2013. This drop stemmed from the reduction in net banking revenue, partially offset by Insurance and services activity results and the significant improvement in the cost of risk while general operating expenses and equivalent remained stable.

1.3.3.5 Consolidated Net Income

Consolidated net income amounted to €151 million at June 30, 2013 versus €201 million at June 30, 2012, a decrease of €50 million

Share in net income of associates and joint ventures accounted for by the equity method decreased slightly to €4 million at June 30, 2013, compared with €5 million at June 30, 2012. However, it should be noted that BPF's activities in China were 50% equity-accounted at June 30, 2013 versus 75% at June 30, 2012, following the December 2012 sale by BPF of 25% of its interest in DongFeng Peugeot Citroën Auto Finance Co. (DPCAAFC) to DongFeng Motor Group (DFG).

The corporate income tax burden also remained stable at 28% of the taxable income (see Note 25.2 of the consolidated financial statements).

1.4 Financial Condition

1.4.1 Assets

1.4.1.1 General

General total assets amounted to €26,973 million as of June 30, 2013, a 0.8% decrease compared to €27,184 million as of December 31, 2012. The large majority of our assets consist of outstanding customer loans.

1.4.1.2 Outstanding Loans

Total outstanding loans (including installment sales financing and lease contracts) decreased by 3% from €23,061 million as of December 31, 2012 to €22,369 million as of June 30, 2013. Loans to end-user customers and financing for corporate dealers declined by the same amount. The following table presents outstanding loans by customer segment for the periods ending June 30, 2013 and December 31, 2012.

CUSTOMER LOANS AND RECEIVABLES

By Customer Segment

(In million euros)	Jun. 30, 2013	Jun. 30, 2012	% change
Corporate dealers	5,894	6,054	- 2.6
End-users	16,475	17,007	- 3.1
of which Retail	14,800	15,416	- 4.0
of which Corporate and equivalent	1,675	1,591	+ 5.3
Total Customer Loans and Receivables	**22,369**	**23,061**	**- 3.0**

The proportion of installment sales in the total Retail portfolio remained stable at 62%. Installment sales therefore represented €9,215 million and lease contracts €5,360 million at June 30, 2013.

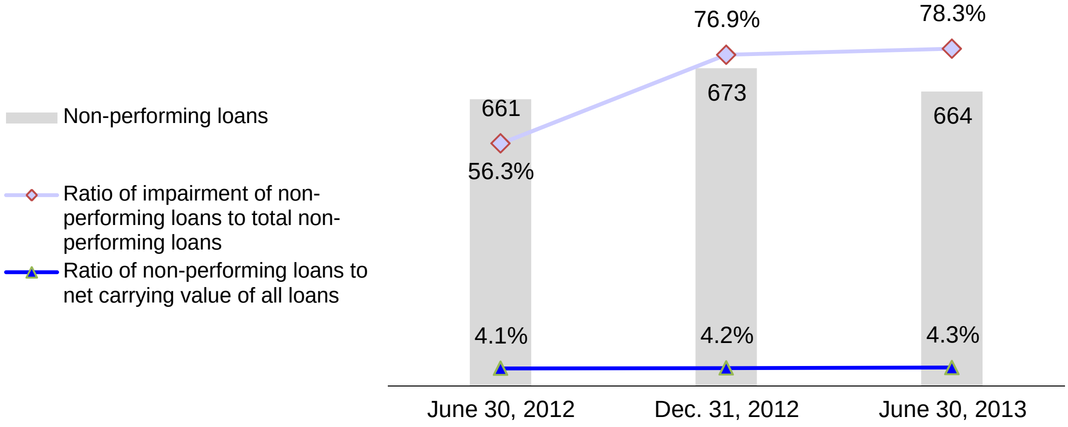
The overwhelming majority of the financing for corporate and equivalent customers consists of lease financing. The outstanding amount increased from €1,483 million as of December 31, 2012 to €1,523 million as of June 30, 2013.

OUTSTANDING LOAN BY REGION

	June 30, 2013			December 31, 2012		
in million euros	Corporate dealers	End-users	Total	Corporate dealers	End-users	Total
France	2,388	6,000	8,388	2,465	6,107	8,572
Western Europe (excluding France)	2,851	8,794	11,645	2,896	9,107	12,003
Central and Eastern Europe	207	346	553	245	378	623
Latin America	325	1,139	1,464	306	1,199	1,505
Rest of the World	123	196	319	142	216	358
Total	**5,894**	**16,475**	**22,369**	**6,054**	**17,007**	**23,061**

1.4.2 Loan Loss Allowances and Defaults

• **Retail non-performing loans** (in million euros)



The amount of doubtful loans fell compared with the amount at December 31, 2012. The explanation for this positive trend is twofold: first, the non-performing loans stemming mainly from the 2008-2009 financial crisis were recorded as corporate losses; and, second, the ability to recover existing non-performing loans has improved. However, doubtful loans as a percentage of total outstandings rose slightly owing to the decline in our outstandings. At the same time, the coverage ratio of non-performing loans has increased due to the aging of the stock of doubtful loans, as the oldest loans are more difficult to recover.

1.4.3 Refinancing

Our strong capital base, coupled with a quality asset portfolio, provide us with a strong foundation for obtaining financing. We have diversified our sources of funding in 2013, including bank deposits (with the start of our online savings account “DISTINGO” March 7, 2013), bonds, securitizations and back-up syndicated and bilateral revolving credit lines. As a regulated credit institution, we also have access to sources of liquidity such as the European Central Bank (ECB).

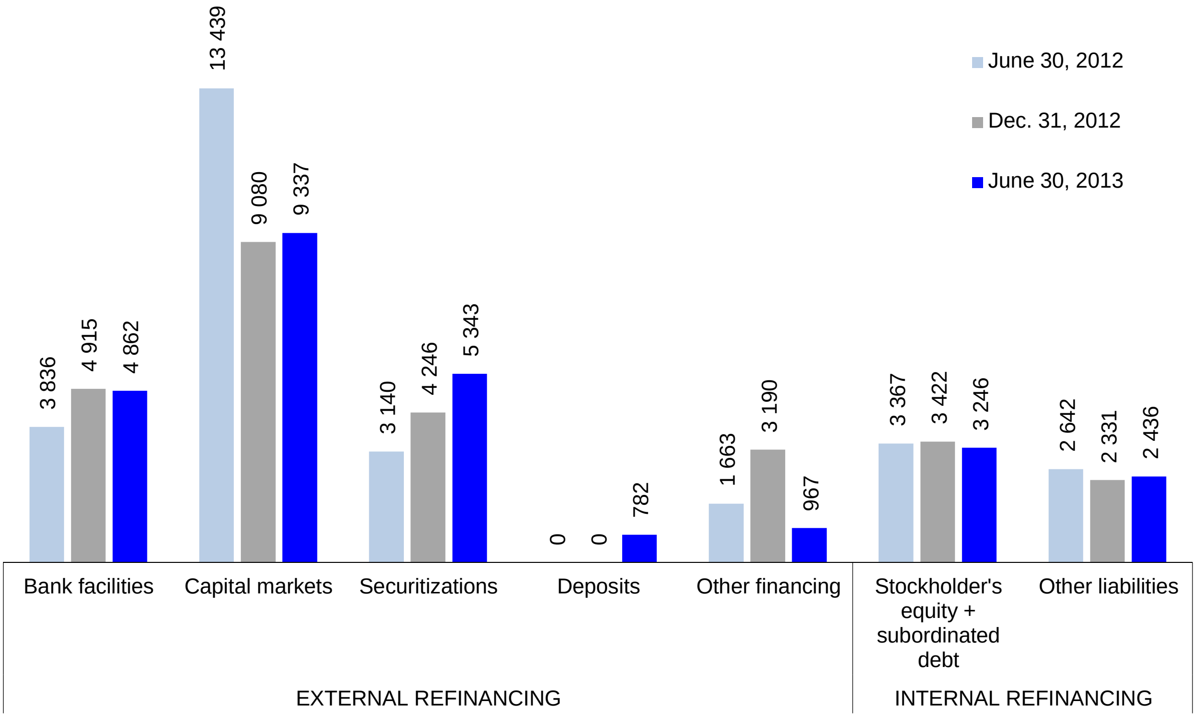
Our financing strategy is to diversify liquidity sources as broadly as possible, matching the maturities of assets and liabilities, and hedging exposure to currency and interest rate risk. Additionally, Banque PSA Finance's financial security is sound, backed by a liquidity reserve, undrawn bilateral revolving credit lines, back-up syndicated lines and the collateral available from the European Central Bank (see Note 19 of the consolidated financial statements).

Banque PSA Finance may also continue to borrow from the banking and capital markets in France and abroad (Americas, Asia and other currencies of the European area), to finance its current activity and investment necessary for its future development. As part of this funding policy, it can seize market opportunities to refinance in advance and thus increase the level of its debt.

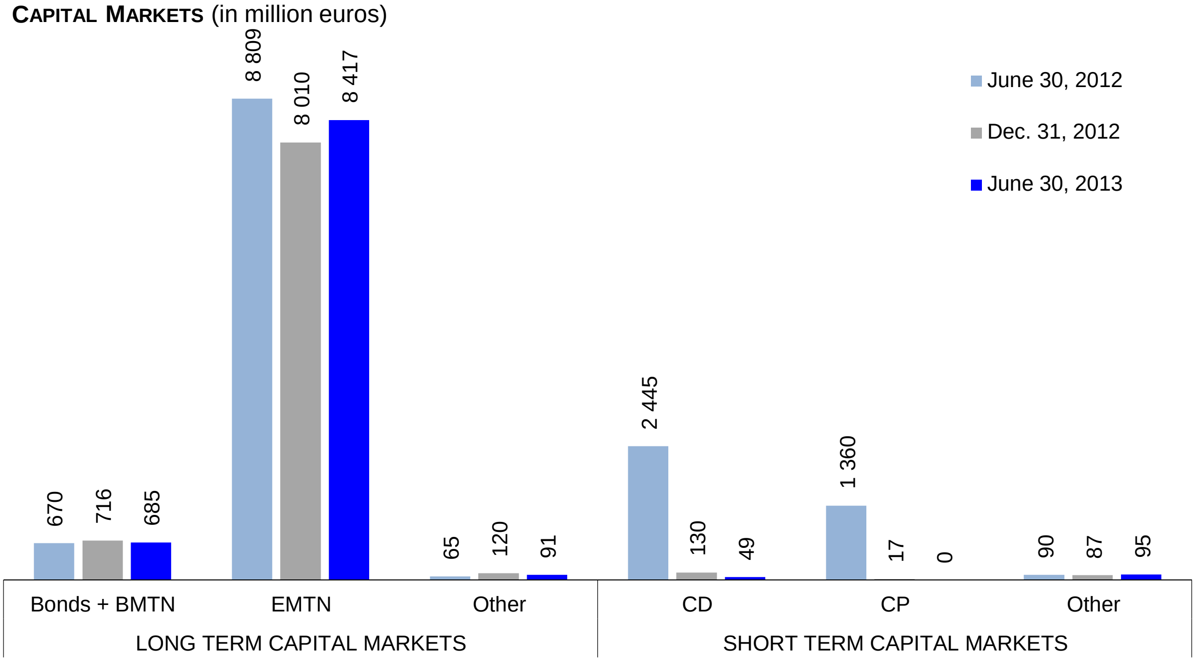
At June 30, 2013, 23% of financing was provided by bank facilities, 44% by the capital markets, 25% by loan securitizations, 5% from public sources such as the ECB or SFEF (the French State-sponsored liquidity provider that was established during the 2008-2009 financial crisis) and 4% by the bank deposit business launched in March 2013. At December 31, 2012, these sources provided 23%, 42%, 20% and 15% of our financing, respectively.

The following table and charts break down our financing by source of financing as of June 30, 2013, December 31, 2012 and June 30, 2012.

SOURCES OF REFINANCING *(in million euros)*
(EXCLUDING NON-DRAWN CONFIRMED BANK CREDIT LINES)



CAPITAL MARKETS (in million euros)



Under Article 85 of the Amending Finance Act of December 29, 2012, the Minister for the Economy is authorized to provide a State guarantee for a fee for securities issued between January 1, 2013 and December 31, 2016 by Banque PSA Finance in order to enable it to refinance itself. It is a guarantee for a maximum of €7 billion in capital, and does not represent a transfer of funds from the French State to Banque PSA Finance. It is only in the event of Banque PSA Finance defaulting that the Bank's counterparties could ask the State to honor the guarantee. The French State notified the European Commission of this guarantee on January 7, 2013.

Banque PSA Finance carried out a bond issue for an amount of €1,200 million on March 25, 2013. This bond issue is the subject of a first call guarantee by the French State, following the temporary authorization received from the European Commission on February 11, 2013. The legal process is underway in order to receive definitive authorization from the European Commission, under State restructuring aid rules, for the French State guarantee for securities issued by Banque PSA Finance, for a maximum of €7 billion in capital.

In parallel, BPF signed a new club deal on January 11, 2013 with its banking syndicate to obtain commitment and financing terms similar to those expected for the government guarantee on new bond issues. Those renewals allowed us to maintain our bank facilities. We had €4,862 million in outstanding bank loans at June 30, 2013 versus €4,915 million at December 31, 2012.

At the end of 2012, Banque PSA Finance also began to restructure its syndicated lines to extend the maturity of its revolving secured lines, for an amount of €3 billion maturing in three years, and to arrange a term loan with a maximum maturity of five years. The first extension was finalized at the end of December 2012, and the second, using a Forward Start Facility, was signed on January 11, 2013. The term loan, for €4,099 million, was signed on the same date, with a large, international banking syndicate.

Lastly, in April 2013 Banque PSA Finance obtained a bank loan collateralized by Belgian credit sales receivables, generating €92 million in financing originally.

Our outstanding short- and medium-term capital markets financings increased from €9,080 million at December 31, 2012 to €9,337 million at June 30, 2013.

On March 25, 2013, Banque PSA Finance issued €1,200 million in bonds maturing in three years, covered by a first-demand guarantee signed by the French State. With this operation, outstanding EMTN, BMTN and equivalents financing stood at €9,193 million at June 30, 2013 (versus €8,846 million at December 31, 2012).

Banque PSA Finance also carried out three new securitization transactions in the first half of 2013 in two countries (France and Germany) for a total of €1,361 million of senior securities at issue date (see Note 14.2 of the consolidated financial statements).

In April 2013, the Sofira subsidiary sold €818 million in dealer floorplan receivables to the Auto ABS DFP Master Compartment France 2013 fund for €808 million post-discount. The fund issued class A bonds rated Aaa/AAA (€550 million), class S bonds rated Aaa/AAA (€30 million) and class B bonds (€228 million).

In May 2013, Banque PSA Finance's German branch sold €477 million in receivables, corresponding to future leases and the residual values of long-term lease contracts, to FCT Auto ABS 2013-1. The fund issued class A bonds rated AAA/Aaa (€361 million) and class B bonds (€116 million).

In June 2013, the Crédipar subsidiary sold €495 million in auto loan receivables to FCT Auto ABS 2013-2. The fund issued class A bonds rated AAA/Aaa (€450 million), class B mezzanine bonds rated A+/A2 (€20 million) and class C bonds (€25 million).

The outstanding amount of loan securitizations (including the Brazilian FIDC) increased from €4,246 million at December 31, 2012 to €5,343 million at June 30, 2013. All of our securitization transactions are fully consolidated and carried on balance sheet. Total receivables sold to securitization vehicles were €8,015 million as of June 30, 2013 and €6,742 million as of December 31, 2012 (see Note 8.3 of the consolidated financial statements). In addition to the securitizations, structured financing with the ECB represented €700 million at June 30, 2013 (see Note 12 of the consolidated financial statements) compared with €2,900 million at December 31, 2012. The total amount of customer receivables deposited as collateral with the ECB stood at €1,807 million at June 30, 2013 compared with €3,704 million at December 31, 2012 (see Note 19.1 of the consolidated financial statements).

The renewal of bank lines, combined with the securitization and structured financing operations, the launch of the interest-bearing Distingo account and the government-guaranteed bond issues, will secure Banque PSA Finance's financing for at least the next 12 months.

1.4.4 Security of liquidity

BPF seeks to maintain an appropriate balance between safeguarding our liquidity position, which is our first priority, and optimization of financing costs.

At June 30, 2013, financing with an original maturity of twelve months or more represented 97% of the total (versus 85% at December 31, 2012), providing continued solid coverage of potential liquidity risk.

The maturities of refinancing comfortably exceed the maturities of the retail financing loan book. The average maturity of medium- and long-term financing set up in 2013 is approximately 2.8 years.

Banque PSA Finance seeks to permanently maintain liquidity on the balance sheet, and bilateral revolving and back-up syndicated facilities to cover at least 6 months of refinancing needs. The 6-month objective corresponds to the results of a stress test whose scenario is continuity in financing new amounts based on the forecast activity in spite of the closing of financial markets. At June 30, 2013, the liquidity cushion (available liquid investments) represented €1,003 million (see Note 19.3 of the consolidated financial statements).

Banque PSA Finance holds undrawn committed credit facilities of €6,215 million including €3,400 million in back-up syndicated credit (see Note 19.2 of the consolidated financial statements).

At June 30, 2013, these lines of syndicated security break down into four maturities, June 2014, December 2014, December 2015 and January 2016, respectively, for €184, €216, €1,784 and €1,216 million. They were concluded with groups of banks, comprised of leading banking institutions. These back-up syndicated credit lines had not been drawn upon at June 30, 2013.

These credit facilities, active as of June 30, 2013, do not require BPF to adhere to obligations to establish sureties, or those governing default and similar clauses, beyond market practices. They imply, for Banque PSA Finance, the cancellation of these credit facilities, if Peugeot S.A. does not directly or indirectly hold a majority of the bank's outstanding shares. On these facilities, BPF must respect additional covenants to dispose of a possibility to use a government guarantee on the bond issues in euros and to respect a Common Equity Tier One ratio at a minimum of 11%.

At June 30, 2013, BPF holds on its customers commitments in amounts totaling €1,371 million, down compared to €1,426 million at December 31, 2012. In addition, the amount of guarantee commitments is €77 million versus €81 million at December 31, 2012 (see Note 19.1 of the consolidated financial statements).

1.4.5 Credit Ratings

After the February 13, 2013 publication of the 2012 annual results, Standard & Poor's lowered Banque PSA Finance's long-term rating, on February 14, 2013, from BBB- (negative outlook) to BB+ (negative outlook) and its short-term rating from A3 to B. On February 19, 2013, Moody's placed Banque PSA Finance's rating under review for a possible downgrade. On April 16, 2013, it lowered Banque PSA Finance's long-term rating from Baa3 to Ba1 (stable outlook) and its short-term rating from P3 to Not prime.

Consequently, the long-term and short-term ratings of Banque PSA Finance were established by Moody's Investors Service and Standard & Poor's, at Ba1/Not Prime (stable outlook) and BB+ (negative outlook)/B, respectively.

The two current ratings maintain the bank's non-investment grade rating, two and three notches above the ratings of Peugeot SA, depending on the rating agency.

Nevertheless, the bonds issued by Banque PSA Finance that are backed by the French government guarantee benefit from the French sovereign rating, i.e., AA+/Aa1 by Standard & Poor's and Moody's, respectively, for the €1,200 million bond issue carried out on March 25, 2013 and maturing in April 2016.

The rating agencies consider that four factors could lead to downgrading of the long-term rating of Banque PSA Finance: a deterioration of the cost of risk, a deterioration of the rating of its shareholder the PSA Peugeot Citroën Group, a negative outcome of the European Commission's examination of the French government's guarantee to Banque PSA Finance, and/or anything else that could lead to an unfavorable review of the assessment of the systematic support that Banque PSA Finance receives.

1.4.6 Capital and Capital Requirements

On April 6, 2009, the French banking supervisor, Autorité de Contrôle Prudentiel or ACP (formerly the Commission Bancaire) authorized Banque PSA Finance to use the "advanced" internal ratings-based credit risk approaches (IRBA) to calculate the minimum capital requirement for the Retail portfolio and the "foundation" internal ratings-based approaches (IRBF) for the Corporate portfolio. This measure took effect on January 1, 2009 in France, Germany, the United Kingdom, Spain and Portugal. In 2010 the IRBF and IRBA approaches were also authorized for Italy, and in 2011 for Belgium and the Netherlands.

The approvals granted by the ACP cover the main activities and markets on which BPF operates, and the internal methods used should be progressively deployed in the other subsidiaries. The bank is today engaged in the process of validating its internal calculation methods in Brazil, for which it made a filing to the ACP.

Our consolidated regulatory capital is calculated in accordance with French bank standard CRBF 90-02. The requirements for capital and the capital adequacy ratio are determined in compliance with the Decree of February 20, 2007 and French bank standard CRBF 90-02. In application of this standard, the negative difference between the recognized impairment and expected impairment losses (calculated using statistical methods) is deducted from the Common Equity Tier One. When this difference is positive, it is added to the supplementary capital within the limit of 0.6% of the weighted risks obtained using the internal rating-based approach.

CRBF 90-02 provides that loans to related parties must be deducted from regulatory capital unless the borrower has a rating greater than 4 from the Banque de France or an investment grade rating from a recognized rating agency. To date, the PSA Peugeot Citroën Group meets these criteria, on the basis of its ratings from the Banque de France. However, its ratings from Standard & Poor's, Moody's and Fitch are currently below investment grade. Our total risk-weighted exposure to the PSA Peugeot Citroën Group was €269.3 million as at December 31, 2012.

BPF maintains a solid financial structure. As of December 31, 2012 our consolidated Basel II Common Equity Tier One ratio (the most recent official ratio) was 13.13%.

Because all of our Tier One capital is in the form of common equity, our capital ratios should not be affected significantly by changes in the definition of Common Equity Tier One that are expected to be implemented in 2014 pursuant to the Basel III standards.

Before adjustment for the difference between recognized impairment and expected actual losses, regulatory capital (in the amount of €2,806 million) exceeded required capital by €1,214 million as of December 31, 2012. After deductions from regulatory capital, Common Equity Tier One Basel II capital stood at €2,613 million and the minimum capital requirement at €1,592 million.

Operational risk is measured using the standard approach, and the minimum capital requirement is calculated by applying a 12% ratio to the retail net banking revenue and 15% ratio to the non-retail net banking revenue. Currency risk reflects the capital allocated to subsidiaries and branches which do not benefit from an exemption from the General Secretariat of the ACP (SGACP).

As a full exemption was granted in November 2012, BPF has no capital requirement for this currency risk.

Moreover, in addition to the instructions of the SGACP, as the Basel II capital requirements for BPF are greater than the 80% floor of Basel I, there are no additional capital requirements for the two floors.

CAPITAL ADEQUACY RATIO

(in million euros)	**8 countries IRB December 31, 2012**	**8 countries IRB June 30, 2012**
Credit risk		
Standard approach	540	569
Foundation internal ratings-based approach (IRBF)	388	440
Advanced internal ratings-based approach (IRBA)	523	509
Subtotal	**1,451**	**1,518**
Operational risk (standard approach)	141	138
Currency risk (structural currency position)	0	25
Total risk-weighted assets (A)	**1,592**	**1,681**
Equivalent risk base (A)/0,08=(B)	19,900	21,013
Regulatory capital	2,806	2,931
Deductions from regulatory capital	-193	-216
Basel II Tier One capital (C)	**2,613**	**2,715**
Capital adequacy ratio (Basel II) : (C)/(B)	**13.13%**	**12.92%**

1.5 Risk Factors and Risk Management

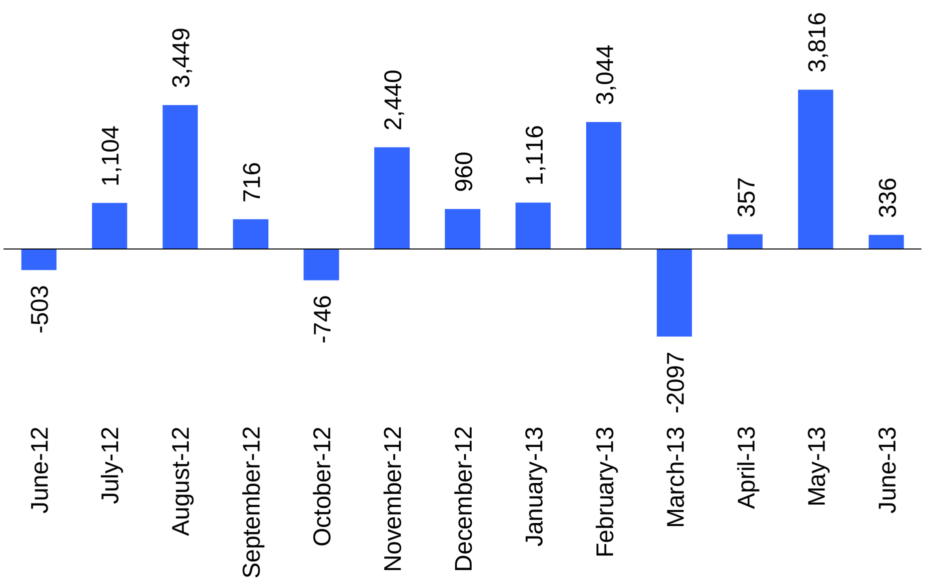
The main risk factors to which Banque PSA Finance may be exposed, as well as the methods used to assess, control and monitor risks, are presented beginning on page 36 of the 2012 Annual Report (Section 1.6 Risk Factors and Risk Management) and include:

- Business Risk;
- Credit risk on the retail and corporate portfolios;
- Financial risks and market risk, with financial risks comprising liquidity risk, the interest rate risk on the loan portfolio, counterparty risk and currency risk;
- Risks related to securitization operations;
- Concentration risk, which is addressed from three angles: individual concentration of the credit portfolio, sector concentration related to corporate fleet and non-corporate fleet business customers, and concentration of bank refinancing granted to BPF;
- Operational, non-compliance and reputational risks;
- Specific risks related to the insurance business;
- Correlation between Banque PSA Finance and its Shareholder.

The risk factors and the ways in which they are managed are the same as those described for fiscal year 2012. However, with respect to liquidity risk and compared with the situation described at the end of 2012, the launch of a customer deposit business reduces BPF's risk level by diversifying its sources of financing.

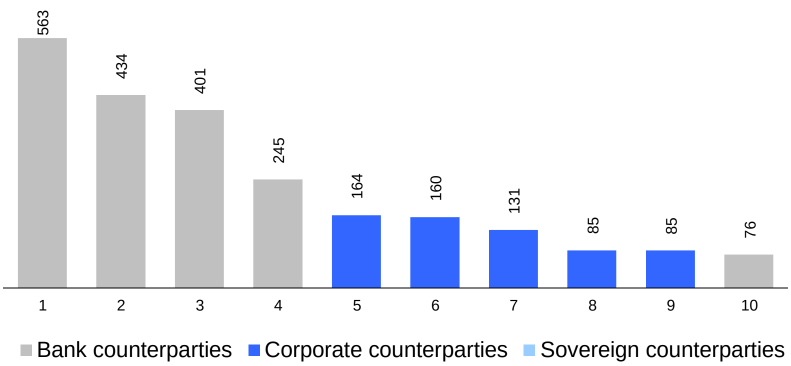
Moreover, at the request of BPF's Audit Committee, BPF's internal risk management charter specifies that when options are used for the anticipatory hedging of interest rate risk, this may only consist of the purchase of options.

SENSITIVITY TO A 1-POINT INCREASE IN INTEREST RATE (IN THOUSANDS EUROS)



TOP TEN RISK-WEIGHTED EXPOSURES TO CREDIT RISK

(in million euros, excluding financing extended to PSA Peugeot Citroën Group entities)



1.6 Internal Control

In line with standard regulation CRBF 97-02 dealing with internal control levels of credit institutions, Banque PSA Finance's internal control system is organized around two lines of responsibility - for recurring controls and periodic controls - and the first-tier controls performed by the operating units.

The fundamental principles underpinning the organization and implementation of internal control are set out in an internal control charter. The bank's internal control charter sets the organization, resources, scope, missions and processes of the bank's control system.

1.6.1 Recurring Controls

1.6.1.1 First-tier Controls, the Lynchpin of the Internal Control System

These controls exist within the operating units. The controls are performed by all employees in the normal course of their work, in application of procedures that include various controls to carry out, or they are performed by dedicated employees within the operating units. The first-tier controls are supervised by the units responsible for second-tier controls.

1.6.1.2 Second-tier Controls

Second-tier controls include compliance controls and controls over operational risks within the finance companies, insurance companies and corporate units, including those arising from refinancing and cash management services performed by the PSA Peugeot Citroën Group on our behalf. Responsibility for second-tier controls is therefore divided among three units:

- Compliance Control;
- Operational Risk Control of Finance Companies and central structures;
- Accounting and Outsourcing Operational Risk Control.

1.6.2 Periodic Controls

Periodic - or third-tier - controls consist of periodically checking transaction compliance, risk levels, compliance with procedures and the effectiveness of recurring controls.

They are performed by the internal auditors, based on an Internal Audit plan that provides for all of our units and entities (including essential service providers) to be audited at least once every three years.

1.6.3 Oversight by Executive Management and the Board

The internal control system is overseen by executive management and the Board, namely the Board of Directors and the BPF Executive Committee, in particular during dedicated meetings.

2 CONSOLIDATED STATEMENTS - JUNE 30, 2013

2.1 Consolidated Balance Sheet

(in million euros)	**June 30, 2013**	**Dec. 31, 2012**
Assets		
Cash, central banks, post office banks (Note 4)	621	18
Financial assets at fair value through profit or loss (Note 5)	826	1,407
Hedging instruments (Note 6)	304	327
Available-for-sale financial assets	11	12
Loans and advances to credit institutions (Note 7)	1,721	1,221
Customer loans and receivables (Notes 8, 24 and 26)	22,369	23,061
Fair value adjustments to finance receivables portfolios hedged against interest rate risks (Note 17.5)	36	85
Held-to-maturity investments	-	-
Current tax assets (Note 25.1)	30	62
Deferred tax assets (Note 25.1)	145	140
Accruals and other assets	679	622
Investments in associates and joint ventures accounted for using the equity method (Note 9)	51	46
Property and equipment	16	14
Intangible assets	81	86
Goodwill	83	83
Total assets (Note 26)	**26,973**	**27,184**

(in million euros)	**June 30, 2013**	**Dec. 31, 2012**
Equity and liabilities		
Central banks, post office banks	-	-
Financial liabilities at fair value through profit or loss (Note 10)	1	2
Hedging instruments (Note 11)	93	114
Deposits from credit institutions (Notes 12 and 26)	5,829	8,105
Due to customers (Note 13)	1,169	367
Debt securities (Notes 14 and 26)	14,680	13,326
Fair value adjustments to debt portfolios hedged against interest rate risks (Note 17.5)	139	226
Current tax liabilities (Note 25.1)	51	54
Deferred tax liabilities (Note 25.1)	388	391
Accruals and other liabilities	1,278	1,082
Liabilities related to insurance contracts (Note 15.1)	48	41
Provisions (Note 16)	51	54
Subordinated debt	-	-
Equity	3,246	3,422
- Equity attributable to equity holders of the parent	3,208	3,384
- Share capital and other reserves	835	835
- Consolidated reserves	2,384	2,384
- Income and expenses recognized directly in Equity	(155)	(116)
- Net income - equity holders of the parent	144	281
- Minority interests	38	38
Total equity and liabilities (Note 26)	**26,973**	**27,184**

2.2 Consolidated Statement of Income

(in million euros)	June 30, 2013	June 30, 2012	Dec. 31, 2012
Net interest revenue on customer transactions (Note 26.2)	**716**	**827**	**1,590**
- Interest and other revenue on assets at amortized cost (Notes 20 and 26.3)	742	820	1,608
- Fair value adjustments to finance receivables hedged against interest rate risks (Note 17.5)	(49)	24	12
- Net interest revenue from hedging instruments	(40)	(24)	(70)
- Fair value adjustments to hedging instruments (Note 17.5)	50	(25)	(12)
- Interest expense on customer transactions	(8)	(2)	(3)
- Other revenue and expense	21	34	55
Net investment revenue (Note 26.2)	**7**	**13**	**21**
- Interest and dividends on marketable securities	7	12	20
- Fair value adjustments to assets valued using the fair value option (Note 17.6)	-	-	-
- Gains and losses on sales of marketable securities	-	1	1
- Investment acquisition costs	-	-	-
Net refinancing cost (Note 26.2)	**(351)**	**(377)**	**(696)**
- Interest and other revenue from loans and advances to credit institutions	6	8	13
- Interest on deposits from credit institutions (Note 21)	(110)	(98)	(192)
- Interest on debt securities (Note 22)	(229)	(278)	(523)
- Expenses related to financing commitments received	(55)	(30)	(58)
- Fair value adjustments to financing liabilities hedged against interest rate risks (Note 17.5)	88	(41)	(42)
- Interest on hedging instruments	49	30	81
- Fair value adjustments to hedging instruments (Note 17.5)	(89)	43	49
- Fair value adjustments to financing liabilities valued using the fair value option (Note 17.6)	-	-	-
- Debt issuing costs	(11)	(11)	(24)
Net gains and losses on trading transactions	**2**	**(2)**	**(2)**
- Interest rate instruments (Note 17.6)	2	(3)	(4)
- Currency instruments	-	1	2
Net gains and losses on available-for-sale financial assets	**-**	**-**	**-**
Margin on sales of Insurance services (Note 15.3)	**53**	**46**	**96**
- Earned premiums	70	61	128
- Paid claims and change in liabilities related to insurance contracts	(17)	(15)	(32)
Margin on sales of services	**31**	**35**	**66**
- Revenues	47	50	97
- Expenses	(16)	(15)	(31)
Net banking revenue (Notes 26.2 and 26.3)	**458**	**542**	**1,075**
General operating expenses (Note 23)	**(182)**	**(184)**	**(375)**
- Personnel costs	(75)	(75)	(148)
- Other general operating expenses	(107)	(109)	(227)
Depreciation and amortization of intangible and tangible assets	(9)	(8)	(18)
Gains and losses on investments in companies that can be consolidated and other disposals of fixed assets	(2)	-	(1)
Gross operating income	**265**	**350**	**681**
Cost of risk (Notes 24, 26.2 and 26.3)	**(60)**	**(79)**	**(290)**
Operating income (Notes 26.2 and 26.3)	**205**	**271**	**391**
Share in net income of associates and joint ventures accounted for using the equity method	4	5	7
Impairment on goodwill	-	-	-
Pension obligation - expense (Note 16.1.E)	-	-	-
Pension obligation - income (Note 16.1.E)	-	-	-
Other non-operating items	-	-	(1)
Pre-tax income	**209**	**276**	**397**
Income taxes (Note 25)	(58)	(75)	(104)
Net income for the year	**151**	**201**	**293**
- of which minority interests	7	6	12
- of which attributable to equity holders of the parent	144	195	281
Earnings per share (in €)	*13.0*	*17.6*	*25.3*

2.3 Net Income and Income and Expenses Recognized Directly in Equity

(in million euros)	June 30, 2013 Before tax	June 30, 2013 Tax	June 30, 2013 After tax	June 30, 2012 Before tax	June 30, 2012 Tax	June 30, 2012 After tax	Dec. 31, 2012 Before tax	Dec. 31, 2012 Tax	Dec. 31, 2012 After tax
Income	209	(58)	**151**	276	(75)	**201**	397	(104)	**293**
- of which minority interest			*7*			*6*			*12*
Recyclable in profit and loss elements									
Fair value adjustments to hedging instruments (1)(2)	7	(2)	**5**	(4)	1	**(3)**	(19)	6	**(13)**
- of which revaluation reversed in net income	*(3)*	*1*	***(2)***	*(4)*	*1*	***(3)***	*(7)*	*2*	***(5)***
- of which revaluation directly by equity	*10*	*(3)*	***7***	-	-	**-**	*(12)*	*4*	***(8)***
Exchange difference	(48)	-	**(48)**	4	-	**4**	(18)	-	**(18)**
Total recyclable in profit and loss elements	(41)	(2)	**(43)**	-	1	**1**	(37)	6	**(31)**
- of which minority interest			*(2)*			-			*(4)*
Not recyclable in profit and losses elements									
Actuarial gains and losses on pension obligations (3)	2	-	**2**	-	-	**-**	(6)	2	**(4)**
Total income and expenses recognized directly in Equity	(39)	(2)	**(41)**	-	1	**1**	(43)	8	**(35)**
- of which minority interest			-			-			-
Total net income and income and expenses recognized directly in Equity	170	(60)	**110**	276	(74)	**202**	354	(96)	**258**
- of which minority interest			*5*			*6*			*8*
- of which attributable to equity holders of the parent			*105*			*196*			*250*

(1) The amounts recognized in equity as well as the deferred taxes, are recycled in profit and loss when the hedged item has an impact in income statement.

(2) Including a €10.1 million gain due to hedging cross currency swaps' basis spread (€10.8 million loss at December 31, 2012).

(3) The application of the revision of IAS 19 - Employee benefit is compulsory as at January 1st, 2013 and retrospective (see Note 2).

2.4 Consolidated Statement of Changes in Equity Attributable to Equity Holders of the Parent and Minority Interests

(in million euros)	Share capital and other reserves (1) Share capital	Issue, share and merger premiums	Legal reserve and other reserves	Consoli-dated reserves	Income and expenses recognized directly in Equity	Profit attributable to equity holders of the parent	Equity attributable to equity holders of the parent	Minority interests	Total equity
Equity at December 31, 2011	**177**	**340**	**318**	**2,571**	**(84)**	**345**	**3,667**	**30**	**3,697**
First IAS 19R application:									
Actuarial gains and losses on pension obligations (4)					(1)		(1)	-	(1)
Equity at January 1rst, 2012	**177**	**340**	**318**	**2,571**	**(85)**	**345**	**3,666**	**30**	**3,696**
Appropriation of prior-year income				(187)		(345)	(532)	-	(532)
Income for the period				-		195	195	6	201
Exchange difference					4		4	-	4
Fair value adjustments to hedging instruments (2)(3)					(4)		(4)	-	(4)
Actuarial gains and losses on pension obligations (4)					-	-	-	-	-
Deferred taxes on fair value adjustments to hedging instruments					1		1	-	1
Deferred taxes on actuarial gains and losses of pension obligations (4)					-	-	-	-	-
Equity at June 30, 2012	**177**	**340**	**318**	**2,384**	**(84)**	**195**	**3,330**	**36**	**3,366**
Income for the period				-		86	86	6	92
Exchange difference					(19)		(19)	(3)	(22)
Fair value adjustments to hedging instruments (2)(3)					(14)		(14)	(1)	(15)
Actuarial gains and losses on pension obligations (4)					(6)	-	(6)	-	(6)
Deferred taxes on fair value adjustments to hedging instruments					5		5	-	5
Deferred taxes on actuarial gains and losses of pension obligations (4)					2	-	2	-	2
Equity at December 31, 2012	**177**	**340**	**318**	**2,384**	**(116)**	**281**	**3,384**	**38**	**3,422**
Appropriation of prior-year income				-		(281)	(281)	(5)	(286)
Income for the period						144	144	7	151
Exchange difference					(46)		(46)	(2)	(48)
Fair value adjustments to hedging instruments (2)(3)					7		7	-	7
Actuarial gains and losses on pension obligations (4)					2		2	-	2
Deferred taxes on fair value adjustments to hedging instruments					(2)		(2)	-	(2)
Deferred taxes on actuarial gains and losses of pension obligations (4)					-	-	-	-	-
Other					-		-		-
Equity at June 30, 2013	**177**	**340**	**318**	**2,384**	**(155)**	**144**	**3,208**	**38**	**3,246**

Share capital amounts to €177 million, made up of 11,088,000 common shares, all fully paid. There were no changes in capital during the period.

(1) Including share capital, premiums and reserves of the parent company.

(2) Including fair value adjustments to cash flow hedges, mainly swaptions. The intrinsic value of swaptions at maturity is recognized over the life of the corresponding external swap purchased as a hedge of outstanding loans (fair value hedge). The income recognized during the period ended at June 30, 2013 amounted to €2.5 million (see Note 17.2).

(3) Including a €10.1 million gain due to hedging cross currency swaps' basis spread (€10.8 million loss at December 31, 2012).

(4) The application of the revision of IAS 19 - Employee benefit is compulsory as at January 1st, 2013 and retrospective (see Note 2).

2.5 Consolidated Statement of Cash Flows

(in million euros)	June 30, 2013	June 30, 2012	Dec. 31, 2012
Income attributable to equity holders of Banque PSA Finance	**144**	**195**	**281**
Adjustments for:			
- Minority interests in income of subsidiaries	7	6	12
- Net income of associates accounted for using the equity method, net of dividends received	(4)	(5)	(7)
- Change in depreciation, amortization and other provisions	16	14	38
- Change in deferred taxes	(11)	(32)	(35)
- (Profit)/loss on disposals of assets	-	-	1
Funds from operations	**152**	**178**	**290**
Increase/decrease in:			
- loans and advances to credit institutions	164	(14)	(193)
- deposits from credit institutions	(2,144)	432	3,097
Change in customer loans and receivables	457	(414)	1,152
Increase/decrease in:			
- amounts due to customers	822	-	25
- financial assets at fair value through profit or loss	(82)	89	124
- financial liabilities at fair value through profit or loss	(1)	(3)	(2)
- hedging instruments	12	(77)	(18)
- debt securities	1,378	(221)	(3,407)
Change in working capital: assets	(48)	(151)	(101)
Change in working capital: liabilities	218	390	84
Net cash provided by operating activities	**928**	**209**	**1,051**
Acquisitions of shares in subsidiaries	-	-	(10)
Proceeds from disposals of shares in subsidiaries	-	-	21
Investments in fixed assets	(11)	(10)	(19)
Proceeds from disposals of fixed assets	4	4	6
Effect of changes in scope of consolidation	-	-	-
Net cash used by investing activities	**(7)**	**(6)**	**(2)**
Dividends paid to PSA Peugeot Citroën Group	(286)	(532)	(532)
Dividends paid to minority interests	-	-	-
Capital increase	-	-	-
Net cash used by financing activities	**(286)**	**(532)**	**(532)**
Effect of changes in exchange rates	(8)	2	(2)
Net change in cash and cash equivalents	**627**	**(327)**	**515**
Cash and cash equivalents at the beginning of the period	**1,669**	**1,154**	**1,154**
Cash, central banks, post office banks	18	23	23
Mutual funds qualified as cash equivalents	649	300	300
Current account advances and loans and advances at overnight rates	1,002	831	831
Time accounts qualified as cash equivalents	-	-	-
Cash and cash equivalents at the end of the period	**2,296**	**827**	**1,669**
Cash, central banks, post office banks (Note 4)	621	22	18
Mutual funds qualified as cash equivalents (Note 5)	1	1	649
Current account advances and loans and advances at overnight rates (Note 7)	1,504	804	1,002
Time accounts qualified as cash equivalents (Note 7)	170	-	-

2.6 Notes to the Consolidated Financial Statements

Notes

Note 1 Main Events of the period and Group Structure

A. Main Events of the period

Roll-over of bank facilities

On January 11, 2013, Banque PSA Finance signed a new €4,099 million 5-year syndicated term loan agreement with 19 banks from 8 different countries taking part.

On the same day, as part of the plan to streamline and extend its back-up facilities, the Bank negotiated an extension of a €1,200 million syndicated credit facility to January 2016. In addition, Banque PSA Finance exercised its option to extend the syndicated credit facility of €2 billion signed in December 2011 and maturing in December 2014, to bring maturity to December 2015 at €1.8 billion, with the remainder retaining its maturity date of December 2014.

These signed contracts are subject to additional acceleration clauses which supplement the existing covenants : the prohibition on financing of PSA more in excess of €500 million, compliance with the solvency ratio Common Equity Tier One at 11% minimum and the continued possibility for guarantee by the French State for bond issues during the three next years. Should the State guarantee not be approved by European Commission prior to August 31, 2013, Banque PSA Finance will renegociate the undrawn part of the term loan agreement and the syndicated credit facilities with its pool of banks prior to November 30, 2013. In the event that no new agreement is reached, the facilities will be cancelled and the term loan drawdowns amortized until early 2016 (see Note 19.2).

Lastly, Banque PSA Finance also obtained the commitment to roll over the majority of its revolving bilateral bank facilities.

New refinancing lines and guarantee from the French State

Under Article 85 of the Amending Finance Act of December 29, 2012, the Minister for the Economy is authorized to provide a State guarantee for a fee for securities issued between January 1, 2013 and December 31, 2016 by Banque PSA Finance in order to enable it to refinance itself. It is a guarantee for a maximum of €7 billion in capital, and does not represent a transfer of funds from the French State to Banque PSA Finance. It is only in the event of Banque PSA Finance defaulting that the Bank's counterparties could ask the State to honor the guarantee. The French State notified the European Commission of this guarantee on January 7, 2013.

Banque PSA Finance issued a €1,200 million bond on March 25, 2013 and conducted three securitization transactions.

The French State announced it would provide a first demand guarantee to Banque PSA Finance's bond issue, under the temporary authorization granted by the European Commission on February 11, 2013.
The matter has been referred to the European Commission for definitive authorization, under State restructuring aid rules, of the French State's guarantee for the financing issued by Banque PSA Finance, up to €7 billion in capital.

To diversify its financing sources, the new brand of Banque PSA Finance specialized in savings activity, PSA Banque, launched the "DISTINGO" interest-bearing passbook savings account for retail clients in France, in March 2013, with €782 million in total funds at June 30, 2013.

Thanks to the bank facilities, along with the securitization programs, the collateralized customer loans and the March, 2013 bond issue, Banque PSA Finance is in a position to cover its refinancing needs for the next twelve months at least (see Note 19.4).

B. Changes in Group Structure

On February 2013, Crédipar repurchased the loans sold in 2007 to the Auto ABS 2007-1 fund, and the fund was wound up in advance. As the fund was consolidated, the transaction had no impact on the consolidated financial statements of Banque PSA Finance Group.

On April 2013, Sofira sold €818 million worth of wholesale financing loans to the Auto ABS DFP Master Compartment France 2013 fund and received €808 million after hair-cut. The fund issued €550 million worth of Aaa/AAA rated A bonds, €30 million worth of Aaa/AAA rated S bonds and €228 million worth of B bonds. The subsidiary is entitled to the bulk of the operating income generated by the receivables after payment of interest on the bonds. As a consequence, the fund has been fully consolidated since April 2013.

On May 2013, Banque PSA Finance's German branch sold €478 million worth of future finance lease revenues to the Auto ABS 2013-1 fund. The fund issued €362 million worth of AAA/Aaa rated A bonds and €116 million worth of B bonds. The branch is entitled to the bulk of the operating income generated by the receivables after payment of interest on the bonds. As a consequence, the fund has been fully consolidated since May 2013.

On June 2013, Crédipar sold €495 million worth of automobile loans to the Auto ABS 2013-2 fund. The fund issued €450 million worth of AAA/Aaa rated A bonds, €20 million worth of A+/A2 rated mezzanine B bonds and €25 million worth of B bonds. The subsidiary is entitled to the bulk of the operating income generated by the receivables after payment of interest on the bonds. As a consequence, the fund has been fully consolidated since June 2013.

Note 2 Accounting Policies

The interim consolidated financial statements for the six months ended June 30, 2013 have been prepared in accordance with IAS 34 – Interim Financial Reporting, which allows to present a selection of explanatory notes. The condensed interim consolidated financial statements should be red and understood in conjunction with the 2012 consolidated financial statements.

The accounting principles applied to prepare the interim consolidated financial statements for the six months ended June 30, 2013, are identical to those used to prepare the 2012 consolidated financial statements, with the exception of the application of new compulsory standards and interpretations, see section: “New compulsory standards and interpretations applicable on January 1, 2013”.

In accordance with European Council Regulation 1606/2002/EC dated July 19, 2002 on the application of international accounting standards from January 1, 2005, Banque PSA Finance’s consolidated financial statements for the year ended December 31, 2012 have been prepared in accordance with the International Financial Reporting Standards (IFRSs) applicable and adopted by the European Union as of that date.

International Financial Reporting Standards (IFRSs) also include International Accounting Standards (IASs) and related interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC).

New compulsory standards and interpretations applicable on January 1, 2013

The new texts, whose application is compulsory in the fiscal year commencing January 1, 2013 and applied by Banque PSA Finance are the following:

- Amendment to IAS 19 – Post-employment Benefits. This amendment removes the possibility, adopted by the Group, to apply the corridor method. This led to immediate recognition of all actuarial gains and losses as well as past service costs in the balance sheet. Actuarial variations are now systematically recorded in Other income and expenses recognized directly in equity. The costs of past service are now fully recorded in income for the period. This amendment also establishes a rate of return on financial assets corresponding to the discount rate used to calculate the net liability. Due to the retrospective application of this revision of IAS 19, the 2012 annual and half year financial statements were restated using the new principles for the purpose of comparison. The impacts of the first application of IAS 19 revised are presented in Note 3.

- Amendment to IAS 1 – Disclosures on the Income and Expenses Recognized Directly in Equity. This amendment, adopted in 2012 by the European Union, led to the separation in the “Income and expenses recognized directly in equity” statement of elements which may be recycled in the income statement from elements which may not be recycled.

- **IFRS 13** – Fair Value Measurement, which specifies how to measure the fair value when its application is already required or permitted by another IFRS standard. This text has no material impact on the Banque PSA Finance consolidated financial statements.

The other texts, applicable from January 1, 2013, and not adopted yet by the European Union, have no impact on the interim consolidated financial statements.

Standards and interpretations whose application was not compulsory in the European Union on January 1, 2013

All IFRS standards published by IASB, whose application was compulsory in the fiscal year commencing January 1, 2013 are the same as those adopted by the European Union and whose application was compulsory in the European Union, except for:

- IAS 39, only partially adopted by the European Union. The non adopted part had no impact on Banque PSA Finance's consolidated financial statements.

- IFRS 10, 11, 12 and amendments to IAS 27, 28 and 31, whose compulsory application has been postponed by the European Union to January 1, 2014, with early adoption possible. The Group did not early adopt these texts. The accounting principles introduced by these texts are described in Note 2 to the Group's consolidated financial statements as at December 31, 2012. The quantitative impacts of these texts on the Banque PSA Finance consolidated financial statements are not material.

The potential impacts of the main standards published by the IASB and the IFRIC, with compulsory application in the European Union for fiscal years starting after January 1, 2013 or that have not yet been adopted by the European Union, are under review.

- **Amendment to IAS 32** – Offsetting Financial Assets and Financial Liabilities. This text clarifies the rules to be used when applying the offsetting criteria in the existing IAS 32. This text was adopted by the European Union and will be compulsory as at January 1, 2014.

- **Interpretation IFRIC 21** – Levies. This text specifies when provisions to pay a levy imposed by the government should be recognized. This text has not yet been adopted by the European Union as at June 30, 2013.

- **IFRS 9** – Financial Instruments for the phase "Classification and Measurement", which is intended to replace a part of IAS 39 – Financial Instruments. This standard represents the first of the three phases of the IASB's project relating to financial instruments, and relates exclusively to the classification and measurement of financial assets. This text has not yet been adopted by the European Union as at June 30, 2013.

The consolidated financial statements include the financial statements of Banque PSA Finance and the French and foreign companies in the Banque PSA Finance Group. The individual financial statements of Banque PSA Finance and its subsidiaries and branches are prepared in accordance with the accounting principles in force in the countries where they do business. These statements are adjusted to comply with Group accounting policies for inclusion in the consolidated financial statements.

The term "related companies" refers to all companies that are fully consolidated in the PSA Peugeot Citroën Group consolidated financial statements.

The interim consolidated financial statements and notes for Banque PSA Finance Group as at June 30, 2013 were approved by the Board of Directors on July 29, 2013.

Pension Obligations

In addition to standard pensions payable under local legislation, Group employees receive supplementary pension benefits and retirement bonuses (see note 16.1). These benefits are paid under defined contribution and defined benefit plans.

The contributions paid under defined contribution plans are in full discharge of the Group's liability and are recognized as an expense.

In accordance with IAS 19 – Employee Benefits, obligations under defined benefit plans are measured by independent actuaries using the projected unit credit method. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation, which is then discounted to present value. The calculations mainly take into account:
- An assumed retirement date;
- A discount rate;
- An inflation rate;
- Assumptions concerning future salary levels and staff turnover rates.

Actuarial valuations are performed twice a year at each half year and annual closing for the main plans, and once every three years for the other plans, with more frequent valuations conducted if necessary to take account of changes in actuarial assumptions or significant changes in demographic data.

Changes in actuarial assumptions and experience adjustments - corresponding to the effects of differences between the previous actuarial assumptions and what has actually occurred - give rise to actuarial gains and losses on the benefit obligation or on the plan assets. These gains and losses are recorded in the “Income and expenses recognized directly in equity” statement, and will not be recycled in the income statement.

In the event of modification of the benefits defined in a plan, the impact of changes to pension plans after January 1, 2012 is fully recognized under “Operating income” in the income statement for the period in which they occurred.

As a result, for each defined benefit plan, the Group records a provision in an amount equal to the projected benefit obligation less the fair value of the plan assets.

The purpose of external funds is to cover the total projected benefit obligation. In some cases the amount of these external funds may exceed the recognized portion of the projected benefit obligation, leading to the recognition of an “Other assets”.

In the case of plans that are subject to a minimum funding requirement under the law or the plan rules, if the Group does not have an unconditional right to a refund of a surplus within the meaning of IFRIC 14, this affects the asset ceiling. Regardless of whether the plan has a deficit or a surplus, a liability is recognized for the portion of the present value of the minimum funding in respect of services already received that, once paid and after covering the shortfall resulting from applying IAS 19, would generate a surplus in excess of the asset ceiling determined in accordance with IAS 19.

The net cost of defined benefit pension plans for the period therefore corresponds to the sum of the following:
- The service cost (recognized in “Operating income” in “Other general operating expenses”);
- The finance cost less the expected yield on plan assets (recognized in “Non-operating income” in “Pension obligation expense or income”). These two items (finance cost and expected yield on assets) are measured based on the rate used to discount the obligations.
- Any adjustment to the IFRIC 14 minimum funding requirement liability (recognized in “Non-operating income in “Pension obligation expense or income”).

Other employee benefits covered by provisions mainly concern long-service awards payable by French subsidiaries and some foreign subsidiaries.

The Group no longer has any liability to make good any under-funding of the Banking Industry Pension Fund (CRPB), as the latest independent actuarial valuations performed in 2010 indicate that the vested benefit entitlements of employees are covered by the contributions paid to date.

Note 3 Changes to Financial Statements Previously Reported

Amendment to IAS 19 - Employee Benefits

Application of the Amendment to IAS 19 - Employee Benefits is compulsory in the fiscal year commencing January 1, 2013 as well as in the presented previous periods.

Due to the retrospective application of this revision of IAS 19, the 2012 annual and half-year financial statements were restated in compliance with the new principles for comparison. The main effect on the consolidated financial statements at January 1, 2012 is a €1 million decrease in equity mainly arising from a €1 million decrease in the prepaid expenses for retirement, net of deferred taxes.

The impacts of restatements in the 2012 consolidated financial statements are the following:

Balance Sheet

(in million euros)	Dec. 31, 2012 proforma	Dec. 31, 2012 published	2012 impact
Assets			
Accruals and other assets	622	624	(2)
Total assets	**27,184**	**27,186**	**(2)**

(in million euros)	Dec. 31, 2012 proforma	Dec. 31, 2012 published	2012 impact
Equity and liabilities			
Deferred tax liabilities	391	392	(1)
Provisions	54	50	4
Equity	3,422	3,427	(5)
- Equity attributable to equity holders of the parent	3,384	3,389	(5)
- Share capital and other reserves	835	835	-
- Consolidated reserves	2,384	2,384	-
- Income and expenses recognized directly in Equity	(116)	(111)	(5)
- Net income - equity holders of the parent	281	281	-
- Minority interests	38	38	-
Total equity and liabilities	**27,184**	**27,186**	**(2)**

Consolidated Statement of Income

(in million euros)	June 30, 2012 proforma	June 30, 2012 published	June 2012 impact
Operating income	**271**	**271**	**-**
Share in net income of associates and joint ventures accounted for using the equity method	5	5	-
Impairment on goodwill	-	-	-
Pension obligation - expense	-	(2)	2
Pension obligation - income	-	2	(2)
Other non-operating items	-	-	-
Pre-tax income	**276**	**276**	**-**
Income taxes	(75)	(75)	-
Net income for the year	**201**	**201**	**-**
- of which minority interests	6	6	-
- of which attributable to equity holders of the parent	195	195	-

(in million euros)	Dec. 31, 2012 proforma	Dec. 31, 2012 published	2012 impact
Operating income	**391**	**391**	**-**
Share in net income of associates and joint ventures accounted for using the equity method	7	7	-
Impairment on goodwill	-	-	-
Pension obligation - expense	-	(3)	3
Pension obligation - income	-	3	(3)
Other non-operating items	(1)	(1)	-
Pre-tax income	**397**	**397**	**-**
Income taxes	(104)	(104)	-
Net income for the year	**293**	**293**	**-**
- of which minority interests	12	12	-
- of which attributable to equity holders of the parent	281	281	-

Note 4 Cash, central banks, Post Office Banks

(in million euros)	June 30, 2013	Dec. 31, 2012
Cash and post office banks	4	3
Central banks (1)	617	15
Total	**621**	**18**

(1) *The reserves deposited with the central banks are included in Banque PSA Finance Group's liquidity reserve (see Note 19.3).*

Note 5 Financial Assets at Fair Value Through Profit or Loss

(in million euros)	June 30, 2013	Dec. 31, 2012
Marketable securities	823	1,405
- Mutual funds	61	688
- Mutual funds qualified as cash equivalents (1)	1	649
- Units held by insurance companies	60	39
- Certificates of deposit	761	671
- of which held by securitization funds	*662*	*571*
- Other	1	46
Fair value adjustments	-	-
Marketable securities booked at fair value through profit or loss	**823**	**1,405**
- of which accrued interest	*1*	*1*
Accrued interest on trading derivatives (2)	**-**	**1**
Fair value of trading derivatives (2)	**3**	**1**
Total	**826**	**1,407**

Fair value is determined by applying valuation techniques based for the most part on observable market data (level 2), except for mutual fund units which are valued at the latest published net asset value (level 1).

(1) *These mutual funds are included in Banque PSA Finance Group's liquidity reserve (see Note 19.3).*

(2) *Only a restricted number of swaps are classified as held for trading and have a limited impact on the income statement (see Note 17.6). See the detail of these swaps in Note 17.1, footNote (1).*

Note 6 Hedging Instruments - Assets

(in million euros)	**June 30, 2013**	**Dec. 31, 2012**
Fair Value Hedges	**304**	**327**
Adjustment accounts - commitments in foreign currencies (1)	105	83
- of which related companies	*25*	*13*
Accrued income on swaps designated as hedges	17	1
- of which related companies	*-*	*1*
Positive fair value of instruments designated as hedges of:		
- Borrowings	5	8
- EMTNs/BMTNs	146	214
- of which due to hedging cross currency swaps' basis spread	*(1)*	*(11)*
- Bonds	20	18
- Certificates of deposit	-	-
- Other debts securities	-	1
- Customer loans (Installment contracts, Buyback contracts and Long-term leases)	11	2
Total	**304**	**327**

Fair value is determined by applying valuation techniques based for the most part on observable market data (level 2).

Fair Value Hedge effectiveness is analysed in Note 17.5.

(1) *Adjustment accounts are used to record fair value adjustments to currency swaps designated as hedges of foreign currency customer loans refinanced in euros and foreign currency financing liabilities. These fair value adjustments are offset by adjustments arising from the remeasurement of the underlying foreign currency customer loans and financing liabilities at period-end exchange rates (see Notes 11 and 17.4.A).*

Note 7 Loans and Advances to Credit Institutions

Analysis of Demand and Time Accounts

(in million euros)	**June 30, 2013**	**Dec. 31, 2012**
Demand accounts (non-group institutions)	**1,504**	**1,002**
- Ordinary accounts in debit	1,289	600
- of which held by securitization funds	*213*	*229*
- Cash receivables for securities to be delivered	-	-
- Loans and advances at overnight rates (1)	215	402
Time accounts (non-group institutions)	**216**	**218**
- Time accounts qualified as cash equivalents (2)	170	-
- Subordinated loans (3)	42	-
- Time accounts held by securitization funds	-	187
- Other	4	31
Accrued interest	**1**	**1**
Total	**1,721**	**1,221**

(1) *Corresponding to interbank loans included in Banque PSA Finance Group's liquidity reserve (see Note 19.3).*

(2) *Time accounts qualified as cash equivalents are included in Banque PSA Finance Group's liquidity reserve (see Note 19.3).*

(3) *Concerning the Belgian collateralization.*

Note 8 Customer Loans and Receivables

8.1 Analysis by Type of Financing

(in million euros)	June 30, 2013	Dec. 31, 2012
Installment contracts	**9,362**	**9,821**
- of which securitized (1)	*5,177*	*5,357*
Buyback contracts (2)	**2,203**	**2,327**
Principal and interest	2,521	2,669
- of which securitized (1)	*1,228*	*1,230*
Unaccrued interest on buyback contracts	(318)	(342)
- of which securitized (1)	*(173)*	*(175)*
Long-term leases (2)	**4,849**	**4,782**
Principal and interest	5,336	5,327
- Related companies	1	1
- Non-group companies	5,335	5,326
- of which securitized (1)	*782*	*353*
Unaccrued interest on long-term leases	(401)	(410)
- of which securitized (1)	*(60)*	*(23)*
Leasing deposits	(86)	(135)
Wholesale financing	**4,841**	**5,007**
Principal and interest	4,915	5,081
- Related companies	116	107
- Non-group companies	4,799	4,974
- of which securitized (1)	*1,061*	-
Wholesale financing deposits	(74)	(74)
- Related companies	(66)	(60)
- Non-group companies	(8)	(14)
Other finance receivables (including equipment loans, revolving credit)	**870**	**885**
Ordinary accounts in debit	**180**	**157**
- Related companies	49	4
- Non-group companies	131	153
Deferred items included in amortized cost - Customers loans and receivables	**64**	**82**
- Deferred acquisition costs	425	445
- Deferred loan set-up costs	(103)	(107)
- Deferred manufacturer and dealer contributions	(262)	(263)
- Deferred discounting adjustments to subsidized loans (3)	4	7
Total Loans and Receivables at Amortized Cost	**22,369**	**23,061**
- of which securitized (1)	*8,015*	*6,742*
- of which loans and receivables given as collateral (4)	*2,218*	*4,057*

(1) The Banque PSA Finance Group has set up several securitization programs (see Note 8.3.)

(2) Lease financing transactions (buyback contracts and long-term leases) are included in loans and receivables because they fulfill the criteria for classification as finance leases, since the risks and rewards of ownership of the vehicle do not lie with Banque PSA Finance.

(3) This concerns interest-free customer loans granted under the VIVE plan in Spain (see Note 12).

(4) Corresponding to receivables given as collateral at June 30, 2013 (see Note 19.1):

- *€1 807 million to the ECB,*
- *€166 million to the SFEF,*
- *and €245 million to credit institutions: €131 million by the Italian branch and €114 million by the Belgian subsidiary.*

8.2 Customer Loans and Receivables by Segment

IFRS 8 Segment / Type of financing	Corporate Dealers (A - see B Note 24.1)		End user: Retail (B - see A Note 24.1)		End user: Corporate and equivalent (C - see C Note 24.1)		Total	
(in million euros)	June 30, 2013	Dec. 31, 2012	June 30, 2013	Dec. 31, 2012	June 30, 2013	Dec. 31, 2012	June 30, 2013	Dec. 31, 2012
Installment contracts	33	44	9,215	9,660	114	117	9,362	9,821
Buyback contracts	49	47	2,064	2,185	90	95	2,203	2,327
Long-term leases	120	79	3,296	3,315	1,433	1,388	4,849	4,782
Wholesale financing	4,841	5,007	-	-	-	-	4,841	5,007
Other finance receivables	729	733	139	150	2	2	870	885
Ordinary accounts in debit	131	154	-	-	49	3	180	157
Deferred items included in amortized cost	(9)	(10)	86	106	(13)	(14)	64	82
Total customer loans by segment (based on IFRS 8)	**5,894**	**6,054**	**14,800**	**15,416**	**1,675**	**1,591**	**22,369**	**23,061**

8.3 Securitization programs

(in million euros) Country of Seller	Seller	Fund	Country of Fund	Date of Sale	Type of Financing	Sold receivables at June 30, 2013	Sold receivables at Dec. 31, 2012	Sold receivables at the origin
France	Crédipar	Auto ABS 2007-1	France	Jan. 26, 2007	Installment contracts	-	114	1,250
		Auto ABS 2011-1	France	July 07, 2011	Installment contracts	719	965	1,050
		Auto ABS 2012-1	France	July 12, 2012	Buyback contracts (1)	1,055	1,055	1,080
		Auto ABS French Loans Master	France	First sale on Nov. 29, 2012 (2)	Installment contracts	99	288	296
		Auto ABS 2013-2	France	June 7, 2013	Installment contracts	491	-	495
	Sofira	Auto ABS DFP Master Compartment France 2013	France	First sale on Apr. 09, 2013 (2)	Wholesale financing	1,061	-	818
Germany	Succursale de Banque PSA Finance	Auto ABS 2010-1	France	Nov. 18, 2010	Long-term leases (3)	246	330	680
		Auto ABS German Loans 2011-2	France	Nov. 15, 2011	Installment contracts	734	774	800
		Auto ABS 2013-1	France	May 04, 2013	Long-term leases (3)	476	-	478
Spain	Banque PSA Finance's branch	Auto ABS 2012-3	Spain	Nov. 23, 2012	Installment contracts	774	777	800
Italy	Banque PSA Finance's branch	Auto ABS S.r.l. 2007-2	Italy	July 5, 2007	Installment contracts	85	146	850
		Auto ABS S.r.l. 2012-2	Italy	Oct. 17, 2012	Installment contracts	462	574	621
United Kingdom	Banque PSA Finance's branch	Auto ABS UK Loans PLC	United Kingdom	Dec. 6, 2012	Installment contracts	1,208	1,290	1,331
Brazil	Banco PSA Finance Brasil S.A.	FIDC	Brazil	Start of sales on April 13, 2010 (4)	Installment contracts	605	429	N/A
Assigned loans, total						**8,015**	**6,742**	

The French, Spanish, Italian, British funds and the Brazilian FIDC are special purpose entities that are fully consolidated by Banque PSA Finance as its subsidiaries and branches retain the majority of the risks (principally credit risk) and rewards (net banking income) generated by the special entities.

(1) Sold receivables correspond to future finance buyback contracts revenues.

(2) The Auto ABS French Loans Master and the Auto ABS DFP Master Compartment France 2013 make it possible to purchase new production in a continuous way (Respectively "Installment contracts" and "Wholesale financing").

(3) Sold receivables correspond to future long-term lease revenues and residual value.

(4) The FIDC is an open-end fund that can purchase successive packages of loans, in line with the agreement entered into with Banco Santander.

Note 9 Investments in Associates and Joint Ventures Accounted for Using the Equity Method

(in million euros)	June 30, 2013	Dec. 31, 2012
At the beginning of the period	**46**	**62**
Share in net income	4	7
Change in Group structure (1)	-	(20)
Goodwill (1)	-	(2)
Exchange difference	1	(1)
At the end of the period	**51**	**46**
- of which goodwill (2)	*5*	*5*

(1) *On December 27, 2012, proceeds from disposal of 25% shares in the Chinese subsidiary Dongfeng Peugeot Citroën Auto Finance Company Ltd by PSA Finance Nederland B.V..*

(2) *Goodwill on the May 25, 2010 acquisition of a further 50% of the Chinese subsidiary Dongfeng Peugeot Citroën Auto Finance Company Ltd by PSA Finance Nederland B.V. amounted to CNY56.7 million (€7 million at December 31, 2011).*

On December 27, 2012, the proceeds from disposal of 25% shares in the Chinese subsidiary reduced the goodwill to CNY37.8 million (€4.7 million at June 30, 2013 and €4.6 million at December 31, 2012).

As Banque PSA Finance does not have full control of the subsidiary, it was accounted for using the equity method. Consequently, the goodwill has been added to the carrying amount of the investment presented in "Investments in Associates and Joint Ventures Accounted for using the Equity Method", in accordance with IAS 28-Investments in Associates.

Note 10 Financial Liabilities at Fair Value Through Profit or Loss

(in million euros)	June 30, 2013	Dec. 31, 2012
Accrued expense on trading derivatives (1)	1	2
Fair value of trading derivatives (1)	-	-
Total	**1**	**2**

Fair value is determined by applying valuation techniques based for the most part on observable market data (level 2).

(1) *Only a restricted number of swaps are classified as held for trading and have a limited impact on the income statement (see Note 17.6). See the detail of these swaps in Note 17.1, footnote (1).*

Note 11 Hedging Instruments - Liabilities

(in million euros)	June 30, 2013	Dec. 31, 2012
Fair Value Hedges	**93**	**114**
Adjustment accounts - commitments in foreign currencies (1)	-	-
- of which related companies	-	-
Accrued expenses on swaps designated as hedges	25	15
- of which related companies	*4*	*6*
Negative fair value of instruments designated as hedges of:		
- Borrowings	-	-
- EMTNs/BMTNs	9	2
- Bonds	20	18
- Certificates of deposit	-	-
- Customer loans (Installment contracts, Buyback contracts and Long-term leases)	38	79
- Variable rate EMTN (Cash Flow Hedge - see Note 17.3)	1	-
Total	**93**	**114**

Fair value is determined by applying valuation techniques based for the most part on observable market data (level 2).

Fair Value Hedge effectiveness is analysed in Note 17.5.

(1) *Adjustment accounts are used to record fair value adjustments to currency swaps designated as hedges of foreign currency customer loans refinanced in euros and foreign currency financing liabilities. These fair value adjustments are offset by adjustments arising from the remeasurement of the underlying foreign currency customer loans and financing liabilities at period-end exchange rates (see Notes 6 and 17.4.A).*

Note 12 Deposits from Credit Institutions

Analysis of Demand and Time Accounts

(in million euros)	June 30, 2013	Dec. 31, 2012
Demand deposits (non-group institutions)	**101**	**106**
- Ordinary accounts in credit	95	79
- Accounts and deposits at overnight rates	5	26
- Other	1	1
Accrued interest	**1**	**1**
Time deposits (non-group institutions)	**5,723**	**7,955**
- Conventional bank deposits	2,309	2,977
- Drawdowns on syndicated term loan (see Note 19.2)	1,800	473
- Drawdowns on revolving bilateral credit lines (see Note 19.2)	525	1,325
- of which deposits from the Italian collateralization (see Note 19.1)	*100*	*100*
- Deposits from the ECB (see Note 19.1)	700	2,900
- Deposits from the SFEF (see Note 19.1)	105	105
- Deposits from Instituto de Credito Oficial (ICO) by the spanish branch (1)	162	160
- Deposits from the Bundesbank by the German branch (see Note 19.1)	-	15
- Deposits from the Belgian collateralization (see Note 19.1)	122	-
Deferred items included in amortized cost of deposits from credit institutions	**(67)**	**(14)**
- Debt issuing costs (deferred charges)	(70)	(21)
- Deferred discounting adjustments to subsidized loans (2)	3	7
Accrued interest	**71**	**57**
Total deposits from credit institutions at amortized cost	**5,829**	**8,105**

(1) *This deposit obtained under the "VIVE" (Vehiculo Innovador Vehiculo Ecologico) plan in Spain is subject to discounting adjustment. The discounting adjustment has decreased over time. That explains the debt's increase.*

(2) *This concerns interest-free deposits held by the Spanish branch under the VIVE plan in Spain (see Note 8.1 and previous footnote).*

Note 13 Due to Customers

(in million euros)	June 30, 2013	Dec. 31, 2012
Demand accounts	**1,106**	**356**
- Dealers' ordinary accounts in credit		
- Related companies (1)	80	159
- Non-group companies	186	139
- Passbook savings accounts (2)	782	-
- Other amounts due to Customers		
- Related companies	6	-
- Non-group companies	52	58
Accrued interest	**6**	**-**
- of which passbook savings accounts (2)	*6*	*-*
Time deposits	**57**	**11**
- Related companies	1	-
- Non-group companies	56	11
Total	**1,169**	**367**

(1) *Primarily comprising subsidiaries' payment accounts concerning transactions with the PSA Peugeot Citroën Group.*

(2) *The increase in "Passbook savings accounts" is due to the "DISTINGO" interest-bearing savings account, launched for retail clients in France, in March 2013.*

Note 14 Debt Securities

14.1 Analysis by Nature

(in million euros)	June 30, 2013	Dec. 31, 2012
Interbank instruments and money-market securities (non-group institutions)	**8,570**	**8,246**
- EMTNs and BMTNs (1)	8,521	8,099
- Certificates of deposit and "billets de trésorerie"	49	147
- of which paper in the process of being delivered	-	-
Accrued interest	**161**	**195**
Deferred items included in amortized cost of debt securities	**(17)**	**(14)**
- Debt issuing costs and premiums (deferred charges)	(17)	(14)
Bonds	**5,097**	**4,127**
- issued by the subsidiary PSA Finance S.C.S.	413	413
- Issued by securitization funds (see Note 14.2)	4,684	3,714
Accrued interest	**1**	**1**
- of which securitization	*1*	*1*
Other debt securities	**787**	**689**
- of which securitization: senior bonds (see Note 14.2)	*588*	*459*
Accrued interest	**81**	**82**
- of which securitization	*70*	*72*
Total debt securities at amortized cost	**14,680**	**13,326**

(1) *Including a €1,200 million State-guaranteed bond issued on March 25, 2013 (see Note 19.4, "Financing operations of the period" section).*

14.2 Securitization programs

Bonds (Except Accrued interest)

(in million euros)

Country of Seller	Fund	Country of Fund	Bonds	Rating	Issued Bonds at June 30, 2013	Issued Bonds at Dec. 31, 2012	Issued Bonds at the origin
France	Auto ABS 2007-1	France		*Moody's/S&P*			
			A Bonds	Aaa/AAA	-	63	1,181
			B Bonds	Aa3/A	-	69	69
	Auto ABS 2011-1	France		*Fitch/Moody's*			
			A Bonds	AAA/Aaa	656	910	956
			B Bonds	-	94	94	94
	Auto ABS 2012-1	France		*Fitch/S&P*			
			A Bonds	AAA/AAA	724	724	724
			B Bonds	-	356	356	356
	Auto ABS French Loans Master	France		*Fitch/Moody's*			
			A Bonds	AAA/Aaa	93	267	267
			B Bonds	-	10	29	29
	Auto ABS 2013-2	France		*Fitch/Moody's*			
			A Bonds	AAA/Aaa	450	-	450
			B Bonds	A+/A2	20	-	20
			C Bonds	-	25	-	25
	Auto ABS DFP Master Compartment France 2013	France		*Moody's/S&P*			
			A Bonds	Aaa/AAA	550	-	550
			S Bonds	Aaa/AAA	126	-	30
			B Bonds	-	267	-	228
Allemagne	Auto ABS 2010-1	France		*Fitch/S&P*			
			A Bonds	AAA/AAA	76	155	500
			B Bonds	-	80	80	80
			C Bonds	-	100	100	100
	Auto ABS German Loans 2011-2	France		*Fitch/Moody's*			
			A Bonds	AAA/Aaa	685	720	720
			B Bonds	-	80	80	80
	Auto ABS 2013-1	France		*Fitch/Moody's*			
			A Bonds	AAA/Aaa	361	-	361
			B Bonds	-	116	-	116
Espagne	Auto ABS 2012-3	Espagne		*Fitch/DBRS*			
			A Bonds	AA-/AA(low)	668	668	668
			B Bonds	-/CCC	132	132	132
Italie	Auto ABS S.r.l. 2007-2	Italie		*Moody's/S&P*			
			A Bonds	A2/AA+	70	140	816
			B Bonds	A3/A	34	34	34
			C Bonds	-	9	10	19
	Auto ABS S.r.l. 2012-2	Italie		*Fitch/S&P*			
			A Bonds	AA/AA	395	507	537
			B Bonds	-	94	94	94
United Kingdom	Auto ABS UK Loans PLC	United Kingdom		*Fitch*			
			A Bonds	AAA	856	899	905
			B Bonds	-	404	424	426
Elimination of intercompany transactions (1)					(2,847)	(2,841)	
Total					**4,684**	**3,714**	

(1) *Some transactions were purchased by Banque PSA Finance, including A Bonds, which are accepted as collateral by the ECB.*

Other debt securities (Except Accrued interest)

(in million euros)

Country of Seller	Fund	Country of Fund	Issued Securities	at June 30, 2013	at Dec. 31, 2012	at the origin
Brazil	FIDC	Brazil	Senior	588	459	N/A
			Subordinated	60	62	N/A
Elimination of intercompany transactions				(60)	(62)	
Total				**588**	**459**	

The French, Spanish, Italian, British funds and the Brazilian FIDC are special purpose entities that are fully consolidated by Banque PSA Finance as its subsidiaries and branches retain the majority of the risks (principally credit risk) and rewards (net banking income) generated by the special entities.

Note 15 Insurance Activities

15.1 Liabilities Related to Insurance Contracts

(in million euros)	June 30, 2013	Dec. 31, 2012
Life insurance liabilities	**23.6**	**19.3**
Unearned premium reserve (UPR)	6.6	5.9
Claims reserve		
- Claims reserve - reported claims	9.2	7.5
- Claims reserve - claims incurred but not reported (IBNR)	7.8	5.9
Other	-	-
Non-life insurance liabilities	**24.1**	**21.2**
Unearned premium reserve (UPR)	4.9	4.5
Claims reserve		
- Claims reserve - reported claims	7.4	7.2
- Claims reserve - claims incurred but not reported (IBNR)	11.8	9.5
Other	-	-
Total liabilities related to insurance contracts	**47.7**	**40.5**

15.2 Change in Liabilities Related to Insurance Contracts

15.2.1 Unearned Premium Reserve (UPR)

(in million euros)	Life	Non-Life	Total
At beginning of the period	**5.9**	**4.5**	**10.4**
+ Written premiums	29.0	42.4	71.4
- Earned premiums	(28.3)	(42.0)	(70.3)
+ Other movements	-	-	-
At the end of the period	**6.6**	**4.9**	**11.5**

15.2.2 Claims Reserve

(in million euros)	Life	Non-Life	Total
At beginning of the period	**13.4**	**16.7**	**30.1**
of which reported claims	*7.5*	*7.2*	*14.7*
of which claims incurred but not reported (IBNR)	*5.9*	*9.5*	*15.4*
- Claims paid in current period	(4.1)	(6.8)	(10.9)
+ Claims incurred in current period	6.3	8.5	14.8
+ Claims incurred in prior years	1.4	0.8	2.2
+ Other movements	-	-	-
At the end of the period	**17.0**	**19.2**	**36.2**
of which notified claims	*9.2*	*7.4*	*16.6*
of which claims incurred but not reported (IBNR)	*7.8*	*11.8*	*19.6*

15.3 Income from Activities

15.3.1 Technical Income from Insurance Activities

(in million euros)	June 30, 2013	June 30, 2012	Dec. 31, 2012
+ Earned premiums, net of reinsurance ceded premiums	70.3	60.9	128.3
Gross amount	*70.3*	*60.9*	*128.3*
Reinsurance ceded premiums	-	-	-
- Cost, net of reinsurance	(17.4)	(15.5)	(32.2)
Claims expenses (gross)	*(11.3)*	*(10.6)*	*(20.8)*
Reinsurance ceded claims expenses	-	-	-
Change in insurance liabilities (except for UPR)	*(6.1)*	*(4.9)*	*(11.4)*
Margin on sales of Insurance activities (1)	**52.9**	**45.4**	**96.1**
+/- Other technical income (expense)	(20.6)	(18.0)	(37.7)
Brokerage fees	*(20.1)*	*(17.4)*	*(36.8)*
Personnel costs	*(0.1)*	*(0.1)*	*(0.2)*
Reinsurance commissions	-	-	-
Other technical income (expense)	*(0.4)*	*(0.5)*	*(0.7)*
+ Investment income, net	0.3	0.6	0.9
Contribution to operating income before elimination of intercompany transactions	**32.6**	**28.0**	**59.3**
+/- Elimination of intercompany transactions	19.8	16.9	36.2
Contribution to operating income after elimination of intercompany transactions	**52.4**	**44.9**	**95.5**

(1) *See Note 26.2 Segment Information "Key Income Statement Items".*

15.3.2 Non-technical Income from Insurance Activities

(in million euros)	June 30, 2013	June 30, 2012	Dec. 31, 2012
+/- Other non-technical income (expense)	(1.3)	(1.0)	(2.1)
Personnel costs	*(0.4)*	*(0.3)*	*(0.7)*
Other non-technical income (expense)	*(0.9)*	*(0.7)*	*(1.4)*
Contribution to operating income before elimination of intercompany transactions	**(1.3)**	**(1.0)**	**(2.1)**
+/- Elimination of intercompany transactions	*0.2*	*0.1*	*(0.2)*
Contribution to operating income after elimination of intercompany transactions	**(1.1)**	**(0.9)**	**(2.3)**

15.3.3 Operating Income from Insurance Activities

(in million euros)	June 30, 2013	June 30, 2012	Dec. 31, 2012
Technical income	52.4	44.9	95.5
Non-technical income	(1.1)	(0.9)	(2.3)
Contribution to operating income after elimination of intercompany transactions (1)	**51.3**	**44.0**	**93.2**

(1) *See Note 26.2 Segment Information "Key Income Statement Items".*

Note 16 Provisions

(in million euros)	Dec. 31, 2012	Charges	Reversals Utilized	Reversals Unutilized	Equity	Reclassifi-cations, currency effect	June 30, 2013
Provisions for pensions and other post-retirement benefits	17	2	(1)	-	(2)	2	18
Provisions for doubtful commitments:							
- Corporate dealers	4	-	-	-	-	-	4
- Corporate and equivalent	-	-	-	-	-	-	-
Provisions for losses on sales of used cars (1)	14	3	(3)	-	-	(1)	13
Other	19	2	(4)	(1)	-	-	16
Total	**54**	**7**	**(8)**	**(1)**	**(2)**	**1**	**51**

(1) *The majority of these provisions are intended to cover losses on vehicles recovered or to be recovered in the United Kingdom, under contracts that give the borrower the option of returning the vehicle early without penalty.*

16.1 Pension Obligations

A. Assumptions

The actuarial assumptions used in the last three periods to measure projected benefit obligations were as follows:

	Euro zone	United Kingdom
Discount rate		
June-13	**3.20%**	**4.60%**
Dec.-12	3.00%	4.25%
June-12	3.50%	4.50%
Inflation rate		
June-13	**1.80%**	**3.20%**
Dec.-12	1.80%	2.70%
June-12	1.80%	2.70%

B. Amendement to IAS 19 application's impact on previous published datas

(in million euros)	Dec. 31, 2012 - IAS 19R France	Dec. 31, 2012 - IAS 19R United Kingdom	Dec. 31, 2012 - IAS 19R Other countries	Dec. 31, 2012 - IAS 19R Total	Dec. 31, 2012 - IAS 19 France	Dec. 31, 2012 - IAS 19 United Kingdom	Dec. 31, 2012 - IAS 19 Other countries	Dec. 31, 2012 - IAS 19 Total
Projected benefit obligation	**(11)**	**(36)**	**(41)**	**(88)**	**(11)**	**(36)**	**(41)**	**(88)**
Fair value of external funds	5	40	30	75	5	40	30	75
Surplus or (deficit)	**(6)**	**4**	**(11)**	**(13)**	**(6)**	**4**	**(11)**	**(13)**
Actuarial gains and losses not recognized in the balance sheet	-	-	-	-	2	1	3	6
(Provision) net asset before minimum funding requirement	**(6)**	**4**	**(11)**	**(13)**	**(4)**	**5**	**(8)**	**(7)**
Minimum funding requirement provision	-	-	-	-	-	-	-	-
(Provision) net asset recognized in the balance sheet	**(6)**	**4**	**(11)**	**(13)**	**(4)**	**5**	**(8)**	**(7)**
of which: provisions	*(6)*	*-*	*(11)*	*(17)*	*(5)*	*-*	*(8)*	*(13)*
of which: net assets	*-*	*4*	*-*	*4*	*1*	*5*	*-*	*6*
Actuarial gains and losses recognized directly in equity								
- before deferred taxes	2	1	3	6				
- after deferred taxes	1	1	3	5				

C. Details of Balance sheet items at June 30, 2013

(in million euros)	June 30, 2013 France	June 30, 2013 United Kingdom	June 30, 2013 Other countries	June 30, 2013 Total
Projected benefit obligation	**(11)**	**(32)**	**(42)**	**(85)**
Fair value of external funds	5	35	31	71
(Provision) net asset before minimum funding requirement	**(6)**	**3**	**(11)**	**(14)**
Minimum funding requirement provision	-	-	-	-
(Provision) net asset recognized in the balance sheet	**(6)**	**3**	**(11)**	**(14)**
of which: provisions	*(7)*	*-*	*(11)*	*(18)*
of which: net assets	*1*	*3*	*-*	*4*
Actuarial gains and losses recognized directly in equity (before deferred taxes)	1	1	3	5

Note 17 Derivatives

Group Interest Rate Management Policy

Interest rate risk:

Bank policy aims at neutralizing the effects of changes in interest rates on each entity's operating margin by using appropriate financial instruments to match interest rate structures between assets and liabilities.

In order to cap the refinancing cost of new financing (Installment contracts, Buyback contracts and Long-term leases), Banque PSA Finance purchased and sold swaptions (options on interest rate swaps, purchased net with the net premium paid). At December 31, 2011, all swaptions expired.

Currency risk:

Banque PSA Finance does not take currency positions. The assets and liabilities of each entity are matched through the use of appropriate financial instruments.

Counterparty risk:

Banque PSA Finance's exposure to counterparty risk is limited to its use of derivatives governed by standard FBF or ISDA agreements and very short term cash investments with leading counterparties. Almost all the swaps (more than 95%) are swaps with margin call. Customer credit risk is discussed in Note 24.

The bank limits the exposure at the minimum from the implementation of its investment policy. Available cash other than interbank loans and reserves deposited with central banks is invested solely in very short-term retail certificates of deposits and in mutual funds with a capital guarantee.

17.1 Banque PSA Finance Interest Rate Position

(in million euros)	0 to 1 year	1 to 5 years	+5 years	Total at June 30, 2013
Financial assets				
Wholesale financing	4,841	-	-	4,841
Fixed rate customer financing	6,633	10,095	-	16,728
Other adjustable rate loans and receivables	800	-	-	800
Fixed rate financial assets	-	-	-	-
Other financial assets	3,165	-	-	3,165
Total financial assets (a)	**15,439**	**10,095**	**-**	**25,534**
Other financial assets (derivatives and fair value adjustments to hedged finance receivables portfolios)	**343**	**-**	**-**	**343**
Non financial assets				
Fixed assets and goodwill	-	180	-	180
Other non financial assets	916	-	-	916
Total non financial assets	**916**	**180**	**-**	**1,096**
Total assets				*26,973*
Financial liabilities				
Hedged fixed rate debt	(2,697)	(5,828)	(191)	(8,716)
Hedged adjustable rate debt	(11,377)	-	-	(11,377)
Other borrowings and deposits	(1,271)	-	-	(1,271)
Total financial liabilities (b)	**(15,345)**	**(5,828)**	**(191)**	**(21,364)**
Other financial liabilities (derivatives and fair value adjustments to hedged debt portfolios)	**(233)**	**-**	**-**	**(233)**
Non financial liabilities				
Other non financial liabilities	(2,130)	-	-	(2,130)
Total non financial liabilities	**(2,130)**	**-**	**-**	**(2,130)**
Equity (3)	**-**	**(3,246)**	**-**	**(3,246)**
Total equity and liabilities				*(26,973)*
Net position before hedging = (a) + (b)	**94**	**4,267**	**(191)**	**4,170**
Derivatives - Notional amounts				
Derivatives hedging financial assets				
Swaps hedging fixed rate retail financing (Fair Value Hedge)				
- borrowing leg	(5,878)	(5,827)	-	(11,705)
- lending leg	11,705	-	-	11,705
Swaps hedging marketable securities (Fair Value Hedge)				
- borrowing leg	-	-	-	-
- lending leg	-	-	-	-
Total derivatives hedging financial assets (c)	**5,827**	**(5,827)**	**-**	**-**
Derivatives hedging financial liabilities				
Swaps hedging fixed rate debt (Fair Value Hedge) (2)				
- lending leg	2,697	5,353	191	8,241
- borrowing leg	(8,241)	-	-	(8,241)
Classified as held for trading swaps (unachievable hedging test) (1)				
- lending leg	-	475	-	475
- borrowing leg	(475)	-	-	(475)
Swaps hedging adjustable rate debt (Cash Flow Hedge)				
- borrowing leg	(16)	(44)	-	(60)
- lending leg	60	-	-	60
Total derivatives hedging financial liabilities (d)	**(5,975)**	**5,784**	**191**	**-**
Trading transactions (e) (1)	**381**	**14**	**-**	**395**
Derivatives net position = (c) + (d) + (e)	**233**	**(29)**	**191**	**395**
Net position after hedging (3)	**327**	**4,238**	**-**	**4,565**
Note: Net position after hedging in December 2012	*377*	*4,372*	*-*	*4,749*

This table analyzes financial assets and liabilities based on their maturity, for fixed rate items, or the next repricing date, for adjustable rate items.

In the section dealing with derivatives, the lending leg of swaps and other derivative transactions are reported as a positive amount and the borrowing leg is reported as a negative amount.

(1) *Out of €24,808 million total swaps nominal at Juin 30, 2013, a restricted number of swaps (€870 million) are classified as held for trading, including:*
- €475 million swaps which cover fixed rate debt, reclassified following an unachevievable hedging test;
- €395 million of variable/variable hedging swaps (open positions).

The impact of these swaps on the income statement is not material (see Notes 5, 10 and 17.6). Note that none of the swaps from the trading portfolio, and including those in open positions, are included in the negotiation portfolio as defined by the banking supervisor for regulatory reporting purposes.

(2) *Including €3,932 million of hedging swaps closed at consolidated level, set up during securitization transactions.*

(3) *The net position after hedging, with maturities ranging from 0 to 1 year, is not material. The net position after hedging, with maturities ranging from 1 to 5 years, amounts to €4,238 million and is mainly hedged by equity.*

17.2 Hedges of Interest Rate Risks on Future Lending Transactions

In order to cap the refinancing cost of new financing (Installment contracts, Buyback contracts and Long-term leases), Banque PSA Finance purchased and sold swaptions (options on interest rate swaps, purchased net with the net premium paid). The notional amounts and maturities (1 to 3 years) of the swaps (options on interest swaps) match the forecast amounts and maturities of new financing expected to be originated in these same periods. At December 31, 2011, all swaptions expired.

The change in value of this type of swaps was recognized directly in equity under "Income and expenses recognized directly in equity" until their maturity in 2011 (see "Consolidated statement of changes in equity attributable to equity holders of the parent and minority interests").

The deferred portion of the intrinsic value released to income during the period (expired swaptions), to offset changes in the value of the underlying item, was €2.5million. Deferred gains and losses amounted to €2.4 million (€1.6 million net of deferred tax).

Swaptions Designated as Cash Flow Hedges

(in million euros)	Dec 31, 2012	Change in intrinsic value	Gains or losses	Transfer to income	Change in deferred tax	June 30, 2013
Intrinsic value of open swaptions	-	-	-	-	-	-
Hedging gains or losses	4.9	-	-	(2.5)	-	2.4
Gains recognized directly in equity (gross)	**4.9**	**-**	**-**	**(2.5)**	**-**	**2.4**
Deferred tax	(1.7)	-	-	0.9	-	(0.8)
Gains recognized directly in equity (net)	**3.2**	**-**	**-**	**(1.6)**	**-**	**1.6**

Timing of Impacts on Income

(in million euros)	June 30, 2013	Dec. 31, 2012
0 to 3 months	0.8	1.5
3 to 6 months	0.8	1.0
6 months to 1 year	0.8	1.6
1 to 5 years	-	0.8
+ 5 years	-	-
Total	**2.4**	**4.9**

17.3 Hedges of Interest Rate Risks on Adjustable Rate Debt

Interest rate risks on fixed rate loans are hedged from the origination date by purchasing interest rate swaps on the market or, in countries where there is no liquid market for this type of instrument, by drawing down fixed rate financing facilities. In the latter case, variable rate financing may be set up, with the interest rate risk on the future cash flows hedged by means of a variable-to-fixed rate swap.

The change in value of this type of swaps was recognized directly in equity under "Income and expenses recognized directly in equity" (see "Consolidated statement of changes in equity attributable to equity holders of the parent and minority interests").

Cash Flow Hedges

(in million euros)	Dec 31, 2012	Fair value adjustments	June 30, 2013
Remeasurement of derivatives designated as hedges	(0.2)	(0.8)	(1.0)
Deferred tax	-	0.4	0.4
Gains (losses) recognized directly in equity, net	**(0.2)**	**(0.4)**	**(0.6)**

17.4 Banque PSA Finance Residual Positions in Foreign Currencies

A. Operational Positions in Foreign Currencies

Parent's External Positions

(in million euros)	HUF	CHF	CNY	CZK	GBP	JPY	MXN	PLN	RUB	USD
Assets	3	337	-	52	2,701	-	-	113	122	-
Liabilities	-	(187)	-	(52)	(1,249)	-	-	-	-	(955)
Net position before hedging	**3**	**150**	**-**	**-**	**1,452**	**-**	**-**	**113**	**122**	**(955)**
Hedging assets	(3)	(150)	-	-	(1,452)	-	-	(113)	(122)	-
Hedging liabilities	-	-	-	-	-	-	-	-	-	955
Hedging position	**(3)**	**(150)**	**-**	**-**	**(1,452)**	**-**	**-**	**(113)**	**(122)**	**955**
Net position after hedging at June 30, 2013	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Note: December 2012	-	-	-	-	-	-	-	-	-	-

Subsidiaries' External Positions

(in million euros)	EUR /PLN	CHF /HUF	EUR /AUD	EUR /BRL	EUR /DKK	EUR /GBP	EUR /HRK	EUR /HUF	EUR /NOK	CNY /EUR	EUR /TRY	EUR /USD
Assets	1	24	-	-	-	4	20	5	-	-	-	5
Liabilities	(1)	(24)	-	(62)	-	(4)	(20)	(5)	-	-	-	-
Net position before hedging	**-**	**-**	**-**	**(62)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**5**
Hedging assets	-	-	-	-	-	-	-	-	-	-	-	(5)
Hedging liabilities	-	-	-	62	-	-	-	-	-	-	-	-
Off-balance sheet commitment (1)	-	-	-	-	-	-	-	-	-	30	-	-
Hedging off-balance sheet commitment (1)	-	-	-	-	-	-	-	-	-	(30)	-	-
Hedging position	**-**	**-**	**-**	**62**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(5)**
Net position after hedging at June 30, 2013	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Note: December 2012	*1*	-	-	-	-	-	-	-	-	-	-	-

(1) The operational position in Chinese Yuan (CNY) arises from the commitment to carry out the capital increase of the Chinese subsidiary in September 2013 and its hedging by a foreign exchange forward.

These positions are hedged using currency swaps, cross currency swaps and forward foreign exchange contracts.

As a result of the hedging policy, substantial changes in currencies exchange rates will only have a limited impact on the Group net income.

B. Structural Positions in Foreign Currencies

Structural positions (investments in subsidiaries and the branches dotation capital) and future profits and losses are not hedged. As the business of subsidiaries and branches will, by definition, continue for an indefinite period, any such hedges would represent long-term open positions.

(in million euros)	CHF	CNY	CZK	GBP	HRK	HUF	MXN	PLN	RUB	TRY	USD (1)	TOTAL
Position at June 30, 2013	14	38	32	97	3	21	8	40	63	10	137	**463**
Note: December 2012	*14*	*31*	*33*	*161*	*3*	*21*	*8*	*43*	*67*	*10*	*136*	*527*

(1) The structural position in US dollars arises from the financing in dollars of the bank's net investment in its Brazilian, Argentine and Russian subsidiaries.

17.5 Analysis of Interest Rate Risk Hedging Effectiveness (Fair Value Hedge)

(in million euros)	June 30, 2013	Dec 31, 2012	Currency effect (1)	Fair value adjustments	Ineffective portion recognized in profit or loss
Fair value adjustments to customer loans (Installment contract Buyback contracts and Long-term leases)					
- Installment contracts	41	68			
- Buyback contracts	2	13			
- Long-term leases	(7)	4			
Total valuation, net	**36**	**85**	**-**	**(49)**	
Derivatives designated as hedges of customer loans					
- Assets (Note 6)	11	2			
- Liabilities (Note 11)	(38)	(79)			
Total valuation, net	**(27)**	**(77)**	**-**	**50**	**1**
Ineffective portion of gain and losses on outstanding hedging transactions	**9**	**8**			**1**
Fair value adjustments to hedged debt					
- Valuation, net	(5)	(8)			
Total valuation, net	**(5)**	**(8)**	**-**	**3**	
Derivatives designated as hedges of debt					
- Assets (Note 6)	5	8			
- Liabilities (Note 11)	-	-			
Total valuation, net	**5**	**8**	**-**	**(3)**	**0**
Ineffective portion of gain and losses on outstanding hedging transactions	**0**	**0**			**0**
Fair value adjustments to hedged EMTNs/BMTNs					
- Valuation, net	(134)	(218)			
Total valuation, net	**(134)**	**(218)**	**-**	**84**	
Derivatives designated as hedges of EMTNs/BMTNs					
- Assets (Note 6)	147	225			
- Liabilities (Note 11)	(9)	(2)			
Total valuation, net	**138**	**223**	**-**	**(85)**	**(1)**
Ineffective portion of gain and losses on outstanding hedging transactions	**4**	**5**			**(1)**
Fair value adjustments to hedged bonds					
- Valuation, net	-	-			
Total valuation, net	**-**	**-**	**-**	**-**	
Derivatives designated as hedges of bonds (2)					
- Assets (Note 6)	20	18			
- Liabilities (Note 11)	(20)	(18)			
Total valuation, net	**-**	**-**	**-**	**-**	**0**
Ineffective portion of gain and losses on outstanding hedging transactions	**0**	**0**			**0**
Fair value adjustments to other hedged debt securities					
- Valuation, net	-	(1)			
Total valuation, net	**-**	**(1)**	**-**	**1**	
Derivatives designated as hedges of other debt securities					
- Assets (Note 6)	-	1			
- Liabilities (Note 11)	-	-			
Total valuation, net	**-**	**1**	**-**	**(1)**	**0**
Ineffective portion of gain and losses on outstanding hedging transactions	**0**	**0**			**0**

(1) *The exchange difference is due to the fact that balance sheets of companies using currencies other than the euro are translated at the closing exchange whereas their income statement items are translated on a month-by-month basis at the average monthly rate.*

(2) *Closed position swaps (set up by Banque PSA Finance and the securitization funds) designated as hedges of the securitization funds' bond debt.*

Swaptions held to hedge future customer loans (Installment contracts, Buyback contracts and Long-term leases) are not included in the hedging effectiveness table as the loans have not yet been granted (see paragraph 17.2 above).

17.6 Impact in Profit and Loss of Fair Value Adjustements to Financial Assets and Liabilities at Fair Value

(in million euros)	June 30, 2013	Dec. 31, 2012	Fair value adjustments
Financial assets at fair value			
- Fair value adjustments to marketable securities	-	-	**-**
- Fair value of trading derivatives (Note 5)	3	1	**2**
Total valuation, net	**3**	**1**	**2**
Financial liabilities at fair value			
- Fair value of trading derivatives (Note 10)	-	-	**-**
Total valuation, net	**-**	**-**	**-**
Impact in profit or loss			**2**

Note 18 Fair Value of Financial Assets and Liabilities

(in million euros)	Fair value		Book value		Deferred gain or loss	
	June 30, 2013	Dec. 31, 2012	June 30, 2013	Dec. 31, 2012	June 30, 2013	Dec. 31, 2012
Assets						
Cash, central banks, post office banks	621	18	621	18	-	-
Financial assets at fair value through profit or loss (1)	826	1,407	826	1,407	-	-
Hedging instruments (1)	304	327	304	327	-	-
Available-for-sale financial assets (2)	11	12	11	12	-	-
Loans and advances to credit institutions (3)	1,721	1,221	1,721	1,221	-	-
Customer loans and receivables (4)	22,224	22,947	22,405	23,146	(181)	(199)
Equity and liabilities						
Central banks, post office banks	-	-	-	-	-	-
Financial liabilities at fair value through profit or loss (1)	1	2	1	2	-	-
Hedging instruments (1)	93	114	93	114	-	-
Deposits from credit institutions (5)	6,065	8,183	5,834	8,113	231	70
Due to customers (5)	1,169	367	1,169	367	-	-
Debt securities (5)	15,174	14,023	14,814	13,544	360	479

For instruments at fair value in the consolidated balance sheet, fair value is determined by applying valuation techniques based for the most part on observable market data (level 2), except for mutual fund units which are valued at the latest published net asset value (level 1).

(1) *The fair values of financial assets at fair value through profit or loss and hedging instruments are measured based on Euribor or other interbank market rates and on the daily exchange rates set by the European Central Bank.*

(2) *The fair value of investments in companies, which are included in "Available-for-sale financial assets", is considered as being equal to the most recent transaction price, corresponding to the purchase of the shares.*

(3) *The fair value of very short-term loans and advances to banks is close to their amortized cost.*

(4) *Customer loans and receivables are stated at amortized cost. They are generally hedged against interest rate risks (fair value hedge) and are therefore remeasured at the hedging rate (swap rate), in accordance with hedge accounting principles. Cumulative gains and losses arising from remeasurement are added to or deducted from their amortized cost. The fair value presented above has been estimated by discounting future cash flows at the rate at which similar loans were granted at the end of the period.*

(5) *Financing liabilities are stated at amortized cost. Hedge accounting is applied to liabilities hedged by interest rate swaps (fair value hedge), leading to their remeasurement at the discounted financing cost. Cumulative gains and losses arising from remeasurement are added to or deducted from their amortized cost. The fair value presented above therefore corresponds mainly to the change in the spread (premium over the risk-free rate) paid by Banque PSA Finance on its financial market borrowings.*

The other balance sheet items not listed above are either non-financial items, or very short-term assets and liabilities whose fair value is not materially different from their book value.

Note 19 Other Commitments

Note 19.1 Other Commitments

(in million euros)	June 30, 2013	Dec. 31, 2012
Financing commitments		
Commitments received from credit institutions (see Note19.2)	6,215	6,726
Commitments given to credit institutions	-	-
Commitments given to customers (1)	1,371	1,426
- of which Crédipar Group	*924*	*969*
Guarantee commitments		
Commitments received from credit institutions	489	1,512
- guarantees received in respect of customer loans	388	755
- guarantees received in respect of securities held	1	649
- other guarantees received from credit institutions	100	100
Guarantees given to credit institutions	1	1
Commitments given to customers	77	81
- Sofib	71	76
- Sofira	4	4
- Italian branch	2	1
Other commitments received		
Securities received as collateral	14	15
Other commitments given		
Assets given as collateral for proprietary transactions (see Notes 8.1 and 12)	3,104	5,499
- to the ECB (2)	2,693	5,146
- to the SFEF	166	180
- to credit institutions by the Italian branch	131	132
- to the Bundesbank by the German branch	-	41
- to credit institutions by the Belgian subsidiary	114	-
Other (3)	30	-

(1) *Commitments on preliminary credit offers made to customers are taken into account but approved wholesale lines of credit that can be cancelled at any time are not taken into account, except for specific contracts.*

(2) *Of which €1,807 million customer loans for long term €700 million financing granted at June 30, 2013; it remains a potential short term financing for an amount of €805 million (see Note 19.3).*

(3) *Commitment to carry out the capital increase of the Chinese subsidiary, see Note 17.4.A, footenote (1).*

Banque PSA Finance does not record the guarantees received from customers and does not include them in the calculation of credit risk exposure.

Note 19.2 Credit facilities

(in million euros)	June 30, 2013	Dec. 31, 2012
Undrawn bank facilities, by drawdown priority (see Note 12)		
Syndicated term loan (1)(2)	2,299	450
Revolving bilateral bank facilities (1)(3)	395	417
Other bank facilities	121	104
Syndicated credit facilities (1)(4)	3,400	5,755
Total	**6,215**	**6,726**

(1) *Correspond to mainly long-term received financing commitments.*

(2) *Out of a total of €4,099 million at June 30, 2013.*

(3) *Out of a total of €920 million at June 30, 2013.*

(4) *At June 30, 2013: €184 million expiring in June 2014, €216 million expiring in December 2014, €1,784 million expiring in December 2015 and €1,216 million expiring in January 2016.*

A change in the Banque PSA Finance's rating could lead to an adjustment of the financial terms of some of these credit lines, but their amount would not be reduced.

As specified in Note 1, the French State guarantee for the financing issued by Banque PSA Finance is subject to a ruling by the European Commission, currently in progress. Should the State guarantee not be approved by European Commission prior to August 31, 2013, Banque PSA Finance will renegociate the undrawn part of the term loan agreement and syndicated credit facilities with its pool of banks prior to November 30, 2013. In the event that no new agreement is reached, the facilities will be cancelled and the term loan drawdowns amortized until early 2016.

Note 19.3 Financial Security

The financial security corresponds to liquidity reserve, undrawn bank facilities (revolving bilateral bank facilities and syndicated term loan from the banking pool) and available collateral with the European Central Bank (ECB).

(in million euros)	**June 30, 2013**	**Dec. 31, 2012**
Liquidity Reserve (1)	1,003	1,066
- Reserves deposited with the central banks (2)	617	15
- Mutual funds qualified as cash equivalents (3)	1	649
- Interbank loans (4)	215	402
- Time accounts qualified as cash equivalents (4)	170	-
Undrawn bank facilities	6,215	6,726
Possibilities of financing from the ECB	805	441
Total	**8,023**	**8,233**

(1) *See "Liquidity Security" section in the Management Report.*

(2) *Classified as "Cash, central banks, Post Office Banks" (see Note 4).*

(3) *Classified as "Financial assets at fair value through profit or loss" (see Note 5).*

(4) *Classified as "Loans and advances to credit institutions" (see Note 7).*

Note 19.4 Management of liquidity risk

2013 first half-year registered the following operations:
- On March 25, 2013, Banque PSA Finance carried out a €1,200 million 0.625% bond issue due April 2016. This bond issue was carried out following of the temporary authorization received from the European Commision on February 11, 2013 for the French State guarantee (see Note 14.1).
- Banque PSA Finance has pursued the financing from the European Central Bank (ECB), part of the LTRO-Long-Term Refinancing Operation. At June 30, 2013, it amounted to €700 million (see Note 12).
- Three securitization programs were carried out in France and Germany (see Note 14.2).
- In April 2013, the Bank obtained a bank loan, secured against Belgian installment contracts, generating a €92 million net financing at the origin (see Notes 7 and 12).
- To diversify its financing sources, Banque PSA Finance launched the Distingo interest-bearing passbook savings account for retail clients in France, in March 2013, with €782 million in total funds at June 30, 2013 (see Note 13).

Banque PSA Finance constantly endeavours to strike the best possible balance between security liquidity, which is an ungoing priority, and optimising its financing costs.

Financing is arranged with maturities that comfortably cover the maturities of the retail financing portfolio. The average maturity of medium and long-term financing raised in 2013 is some 2.8 years.

Banque PSA Finance endeavours to maintain a certain level of financial security (see Note 19.3), in order to cover at least six months' financing needs.The 6-month target corresponds to the results of a stress test assuming continued financing of projected new lending without recourse to the financial markets. At June 30, 2013, the financial security amounted to €8,023 million.

Thanks to the bank facilities, along with the securitization programs, the collateralized customer loans and the March, 2013 bond issue, Banque PSA Finance is in a position to cover its refinancing needs for the next twelve months at least.

Note 20 Interest and Other Revenue on Assets at Amortized Cost

(in million euros)	June 30, 2013	June 30, 2012	Dec. 31, 2012
Installment contracts	**487**	**516**	**1,026**
- of which related companies	*36*	*34*	*70*
- of which securitized	*238*	*136*	*271*
Buyback contracts	**99**	**112**	**222**
- of which related companies	*6*	*6*	*12*
- of which securitized	*50*	*13*	*67*
Long-term leases	**183**	**185**	**370**
- of which related companies	*51*	*49*	*98*
- of which securitized	*12*	*13*	*24*
Wholesale financing	**112**	**144**	**265**
- of which related companies	*75*	*99*	*180*
Other finance receivables (including equipment loans, revolving credit)	**17**	**19**	**38**
- of which related companies	*-*	*-*	*-*
Commissions paid to referral agents	**(142)**	**(141)**	**(284)**
- Installment contracts	(96)	(96)	(192)
- Buyback contracts	(15)	(16)	(33)
- Long-term leases	(31)	(29)	(59)
- of which related companies	*(19)*	*(22)*	*(36)*
Other business acquisition costs	**(16)**	**(17)**	**(33)**
Interest on ordinary accounts	**2**	**2**	**4**
Interest on guarantee commitments	**-**	**-**	**-**
Total	**742**	**820**	**1,608**

Note 21 Interest on Deposits from Credit Institutions

This item represents the interest costs, on the one hand on deposit accounts, on the other hand on loans, from the credit institutions.

Note 22 Interest on Debt Securities

(in million euros)	June 30, 2013	June 30, 2012	Dec. 31, 2012
Interest expense on debt securities	(198)	(253)	(482)
Interest expense on bonds and other fixed income securities	(31)	(25)	(41)
- of which securitization: preferred bonds	*(30)*	*(22)*	*(37)*
Total	**(229)**	**(278)**	**(523)**

Note 23 General Operating Expenses

(in million euros)	June 30, 2013	June 30, 2012	Dec. 31, 2012
Personnel costs	**(75)**	**(75)**	**(148)**
- Wages and salaries	(56)	(56)	(110)
- Payroll taxes	(17)	(18)	(35)
- Employee profit sharing and profit-related bonuses	(2)	(1)	(3)
Other general operating expenses	**(107)**	**(109)**	**(227)**
- of which related companies	*(43)*	*(44)*	*(89)*
Total	**(182)**	**(184)**	**(375)**

Note 24 Cost of Risk

The tables below present the cost of risk by customer category, as no significant loss has been incurred on other financial assets.

24.1 Changes in Loans

(in million euros)	Balance at Dec 31, 2012	Net new loans and exchange difference (1)	Cost of risk: Charges	Cost of risk: Reversals	Cost of risk: Credit losses	Cost of risk: Recoveries on loans written off in prior periods	Cost of risk for the period at June 30, 2013	Balance at June 30, 2013
Retail								
Sound loans with no past-due installments	14,900	(621)				-	-	14,279
Sound loans with past-due installments	415	5				-	-	420
Guarantee deposits (lease financing)	(114)	31				-	-	(83)
Non-performing loans	673	47			(56)	-	(56)	664
Total	**15,874**	**(538)**	**-**	**-**	**(56)**	**-**	**(56)**	**15,280**
Impairment of sound loans with past-due installments	(47)	1	(7)	5	-	-	(2)	(48)
Impairment of non-performing loans	(517)	2	(64)	61	-	-	(3)	(518)
Total impairment	**(564)**	**3**	**(71)**	**66**	**-**	**-**	**(5)**	**(566)**
Deferred items included in amortized cost	**106**	(20)	**-**	**-**	**-**	**-**	**-**	**86**
Net book value (A - see B Note 8.2)	**15,416**	**(555)**	**(71)**	**66**	**(56)**	**-**	**(61)**	**14,800**
Recoveries on loans written off in prior periods						5	5	
Impairment of doubtful commitments			-	-	-	-	-	
Retail cost of risk			**(71)**	**66**	**(56)**	**5**	**(56)**	
Corporate dealers								
Sound loans with no past-due installments	5,912	(94)					-	5,818
Sound loans with past-due installments	40	(29)					-	11
Guarantee deposits	(94)	18					-	(76)
Non-performing loans	264	(52)			(3)		(3)	209
Total	**6,122**	**(157)**	**-**	**-**	**(3)**	**-**	**(3)**	**5,962**
Impairment of non-performing loans	(58)		(12)	11	-	-	(1)	(59)
Total impairment	**(58)**	**-**	**(12)**	**11**	**-**	**-**	**(1)**	**(59)**
Deferred items included in amortized cost	**(10)**	**1**	**-**	**-**	**-**	**-**	**-**	**(9)**
Net book value (B - see A Note 8.2)	**6,054**	**(156)**	**(12)**	**11**	**(3)**	**-**	**(4)**	**5,894**
Recoveries on loans written off in prior periods						1	1	
Impairment of doubtful commitments			-	-	-	-	-	
Corporate dealers cost of risk			**(12)**	**11**	**(3)**	**1**	**(3)**	
Corporate and equivalent								
Sound loans with no past-due installments	1,307	72					-	1,379
Sound loans with past-due installments	283	(3)					-	280
Guarantee deposits	(1)	-					-	(1)
Non-performing loans	33	15			(1)		(1)	47
Total	**1,622**	**84**	**-**	**-**	**(1)**	**-**	**(1)**	**1,705**
Impairment of non-performing loans	(17)	-	(3)	3	-	-	-	(17)
Total impairment	**(17)**	**-**	**(3)**	**3**	**-**	**-**	**-**	**(17)**
Deferred items included in amortized cost	**(14)**	**1**	**-**	**-**	**-**	**-**	**-**	**(13)**
Net book value (C - see C Note 8.2)	**1,591**	**85**	**(3)**	**3**	**(1)**	**-**	**(1)**	**1,675**
Recoveries on loans written off in prior periods						-	-	
Impairment of doubtful commitments			-	-	-	-	-	
Corporate and equivalent cost of risk			**(3)**	**3**	**(1)**	**-**	**(1)**	
Total loans								
Sound loans with no past-due installments	22,119	(643)	-	-	-	-	-	21,476
Sound loans with past-due installments	738	(27)	-	-	-	-	-	711
Guarantee deposits	(209)	49	-	-	-	-	-	(160)
Non-performing loans	970	10	-	-	(60)	-	(60)	920
Total	**23,618**	**(611)**	**-**	**-**	**(60)**	**-**	**(60)**	**22,947**
Impairment of sound loans with past-due installments	(47)	1	(7)	5	-	-	(2)	(48)
Impairment of non-performing loans	(592)	2	(79)	75	-	-	(4)	(594)
Total impairment	**(639)**	**3**	**(86)**	**80**	**-**	**-**	**(6)**	**(642)**
Deferred items included in amortized cost	**82**	**(18)**	**-**	**-**	**-**	**-**	**-**	**64**
Net book value	**23,061**	**(626)**	**(86)**	**80**	**(60)**	**-**	**(66)**	**22,369**
Recoveries on loans written off in prior periods						6	6	
Impairment of doubtful commitments			-	-	-	-	-	
Total cost of risk			**(86)**	**80**	**(60)**	**6**	**(60)**	

For impaired loans, the cost of risk includes interest invoiced and recognized under "Interest revenue on customer transactions".

(1) The exchange difference is due to the fact that balance sheets of companies using currencies other than the euro are translated at the closing exchange rate whereas their income statement items are translated on a month-by-month basis at the average monthly rate.

24.2 Change in Cost of Risk

(in million euros)	Retail	Corporate dealers	Corporate and equivalent	June 30, 2013	June 30, 2012	Dec. 31, 2012
Sound loans with past-due installments						
Charges	(7)	-	-	(7)	(4)	(10)
Reversals	5	-	-	5	3	10
Non-performing loans						
Charges	(64)	(12)	(3)	(79)	(103)	(301)
Reversals	61	11	3	75	74	113
Doubtful commitments						
Charges	-	-	-	-	-	-
Reversals	-	-	-	-	-	-
Credit losses	(56)	(3)	(1)	(60)	(55)	(114)
Recoveries on loans written off in prior periods	5	1	-	6	6	12
Cost of risk	**(56)**	**(3)**	**(1)**	**(60)**	**(79)**	**(290)**
- of which impact of change in estimate	-	-	-	-	-	*(136)*

The Bank's credit management policy is described in the "Credit Risk" section of the Management Report.

24.3 Information about Defaults with no Impairment

Defaults with no impairment concern only corporate loans.
Corporate loans with one or more installments that are over 90 days past due and loans to local administrations with one or more installments that are over 270 days past due are not classified as non-performing when the delays are due to payment incidents or claims, and do not reflect a default risk.

For 2013

(in million euros)	<= 90 days	> 90 days <= 180 days	> 180 days <= 1 year	> 1 year	Total at June 30, 2013
Sound loans with past-due installments with no impairment	285	3	2	1	**291**

For 2012

(in million euros)	<= 90 days	> 90 days <= 180 days	> 180 days <= 1 year	> 1 year	Total at Dec. 31, 2012
Sound loans with past-due installments with no impairment	319	2	1	1	**323**

Note 25 Income Taxes

25.1 Evolution of Balance Sheet Items

(in million euros)	Dec. 31, 2012	Income	Equity	Payment	Exchange difference and other (1)	June 30, 2013
Current tax						
Assets	62					30
Liabilities	(54)					(51)
Total	**8**	**(70)**	**-**	**41**	**-**	**(21)**
Deferred tax						
Assets	140					145
Liabilities	(391)					(388)
Total	**(251)**	**12**	**(2)**	**-**	**(2)**	**(243)**

(1) The exchange difference is due to the fact that balance sheets of companies using currencies other than the euro are translated at the closing exchange rate whereas their income statement items are translated on a month-by-month basis at the average monthly rate.

25.2 Income taxes of fully-consolidated companies

Income taxes currently payable represent the amounts paid or currently due to the tax authorities for the period, calculated in accordance with the tax rules and rates in effect in the various countries.

Deferred income taxes relate to timing differences between the recognition of certain items of income and expense for consolidated financial reporting and tax purposes. These differences relate principally to the accounting treatment of leasing and long-term rental transactions, and impairment of non-performing loans.

Deferred taxes are determined as described in the published accounts at December 31, 2012, Note 2.A, last paragraph dedicated to deferred taxes.

The French statutory income tax rate is 33.33%.

The Social Security Financing Act (no. 99-1140) dated December 29, 1999 provided for the introduction of a surtax equal to 3.3% of the corporate income tax liability of French companies. This surtax had the effect of raising the French corporate income tax rate by 1.1%.

France's 4th amended Finance Act dated December 21, 2011 introduced an exceptional 5% surtax for 2011 and 2012, lifting the tax rate for those years to 36.10% and limited the use of tax loss carryforwards to 60% of taxable profit of the year.

France's Finance Act 2013 (published in Official Gazette December 30, 2012) introduced an exceptional 5% surtax for 2013 and 2014, lifting the tax rate for those years to 36.10% and limited the use of tax loss carryforwards to 50% of taxable profit of the year.

At December 31, 2012 deferred tax liabilities falling due in 2013 and 2014 and deferred tax assets for tax loss carryforwards, corresponding to the tax loss carryforwards to be used in 2013 and 2014, were remeasured at the new rate. The net effect was an expense of €7.5 million in 2012.

At June 30, 2013, the positive €2.2 million reversal for utilization of this expense was offset by the negative €2.1 million revaluation of deferred tax liabilities.

(in million euros)	June 30, 2013	June 30, 2012	Dec. 31, 2012
Current tax			
Income taxes	(70)	(107)	(138)
Deferred tax			
Deferred taxes arising in the period	12	32	36
Unrecognized deferred tax assets and impairment losses	-	-	(2)
Total	**(58)**	**(75)**	**(104)**

25.3 Banque PSA Finance tax proof

(in million euros)	June 30, 2013	June 30, 2012	Dec. 31, 2012
Pre-tax income	209	276	397
Neutralization of the share in net income of associates and joint ventures accounted for using the equity method	(4)	(5)	(7)
Permanent differences	8	5	3
Taxable Income	**213**	**276**	**393**
Theoretical tax	(77)	(100)	(142)
Theoretical rate	*36.1%*	*36.1%*	*36.1%*
Impact of differences in foreign tax rates	20	22	39
Impact of changes in foreign tax rates	-	-	1
Impact of changes in France tax rates	-	2	(3)
Allowances on deferred tax assets:			
- Charges	-	(1)	(2)
- Reversals	-	-	-
Allocated tax saving transferred back to PSA Peugeot Citroën	-	(2)	(4)
Adjustment related to the previous year	-	-	5
Other	(1)	4	2
Income taxes	**(58)**	**(75)**	**(104)**
Group effective tax rate	*27.3%*	*27.2%*	*26.6%*

25.4 Deferred Tax Assets on Tax Loss Carryforwards

(in million euros)	Dec. 31, 2012	New tax losses	Tax losses utilized in the year	Charges / Reversals	Exchange difference and other (1)	June 30, 2013
Deferred tax assets on tax loss carryforwards	86	-	(6)	-	(3)	77
Allowances	(3)		-	-	-	(3)
Total	**83**	**-**	**(6)**	**-**	**(3)**	**74**

(1) The exchange difference is due to the fact that balance sheets of companies using currencies other than the euro are translated at the closing exchange whereas their income statement items are translated on a month-by-month basis at the average monthly rate.

Note 26 Segment Information

26.1 Key Balance Sheet Items

For 2013

(in million euros)	Financing activities – End user – Corporate dealers	Financing activities – End user – Retail	Financing activities – Corporate and equivalent	Unallocated	Insurance and services	Refinancing and securities	Eliminations	Total at June 30, 2013
Assets								
Customers loans and receivables	5,894	14,800	1,675		-	1,628	(1,628)	22,369
Securities			206	-	60	2,137	(1,577)	826
Loans and advances to credit institutions			1,790	14	96	18,851	(19,030)	1,721
Other assets				1,109	93	1,125	(270)	2,057
Total Assets							**(22,505)**	**26,973**
Liabilities								
Refinancing (1)	5,424	13,615	1,776	-	-	22,106	(21,624)	21,297
Due to customers (1)	246	28	109	-		546	(548)	381
Liabilities related to insurance contracts					48			48
Other liabilities				1,710	120	504	(333)	2,001
Equity (2)				2,098	53	1,095		3,246
Total Liabilities							**(22,505)**	**26,973**

For 2012

(in million euros)	Financing activities – End user – Corporate dealers	Financing activities – End user – Retail	Financing activities – Corporate and equivalent	Unallocated	Insurance and services	Refinancing and securities	Eliminations	Total at December 31, 2012
Assets								
Customers loans and receivables	6,054	15,416	1,591		-	1,401	(1,401)	23,061
Securities			196	-	39	1,971	(799)	1,407
Loans and advances to credit institutions			1,261	11	80	19,457	(19,588)	1,221
Other assets				1,082	87	589	(263)	1,495
Total Assets							**(22,051)**	**27,184**
Liabilities								
Refinancing (1)	5,540	14,106	1,719	-	-	21,387	(21,321)	21,431
Due to customers (1)	152	32	223	-		364	(404)	367
Liabilities related to insurance contracts					41			41
Other liabilities				1,510	65	674	(326)	1,923
Equity (2)				2,151	69	1,202		3,422
Total Liabilities							**(22,051)**	**27,184**

Segment information is disclosed before elimination of inter and intra company transactions, shown in the "Eliminations" column.

(1) *In the segment information, "Passbook savings accounts" are classified in "Refinancing".*

(2) *Equity is presented after deducting shares eliminated in consolidation, so as to show the contribution of each segment to Banque PSA Finance's reserves.*

26.2 Key Income Statement Items

For 2013

(in million euros)	Financing activities								
		End user			Financial derivative instruments (3)	Insurance and services	Refinan-cing and securities	Elimina-tions	Total at June 30, 2013
	Corporate dealers	Retail	Corporate and equivalent	Unallocated					
Net interest revenue on customer transactions (at amortized cost) (1)	127	601	44	(10)	(45)		19	(20)	716
Net investment revenue	-	-	-	1		-	15	(9)	7
Net refinancing cost (2) (3)	(101)	(364)	(33)	111	45	-	(38)	29	(351)
Net gains or losses on trading transactions							2		2
Net gains or losses on available-for-sale financial assets							-		-
Margin on sales of insurance services						33		20	53
Margin on sales of other services						51		(20)	31
Net banking revenue	**26**	**237**	**11**	**102**	**-**	**84**	**(2)**	**-**	**458**
Cost of risk	(3)	(56)	(1)						(60)
Net income after cost of risk	**23**	**181**	**10**	**102**	**-**	**84**	**(2)**	**-**	**398**
General operating expenses and equivalent				(178)		(2)	(13)	-	(193)
Operating Income	**23**	**181**	**10**	**(76)**	**-**	**82**	**(15)**	**-**	**205**
of which Insurance (see Note 15.3.3)						*31*		*20*	*51*

For 2012

(in million euros)	Financing activities								
		End user			Financial derivative instruments (3)	Insurance and services	Refinan-cing and securities	Elimina-tions	Total at June 30, 2012
	Corporate dealers	Retail	Corporate and equivalent	Unallocated					
Net interest revenue on customer transactions (at amortized cost) (1)	157	651	45	-	(31)		8	(3)	827
Net investment revenue	-	-	-	5		-	22	(14)	13
Net refinancing cost (2) (3)	(94)	(376)	(30)	112	31	1	(38)	17	(377)
Net gains or losses on trading transactions							(2)		(2)
Net gains or losses on available-for-sale financial assets							-		-
Margin on sales of insurance services						29		17	46
Margin on sales of other services						52		(17)	35
Net banking revenue	**63**	**275**	**15**	**117**	**-**	**82**	**(10)**	**-**	**542**
Cost of risk	(6)	(71)	(2)						(79)
Net income after cost of risk	**57**	**204**	**13**	**117**	**-**	**82**	**(10)**	**-**	**463**
General operating expenses and equivalent				(183)		(2)	(7)	-	(192)
Operating Income	**57**	**204**	**13**	**(66)**	**-**	**80**	**(17)**	**-**	**271**
of which Insurance (see Note 15.3.3)						*27*		*17*	*44*

Segment information is disclosed before elimination of inter and intra company transactions, shown in the "Eliminations" column.

(1) *Unallocated interest revenue on customer transactions for the part corresponds to the ineffective portion of gains or losses on hedging instruments recognized in the income statement in accordance with IAS 39 for a positive €1.0 million at June 30, 2013 (compared to a negative €0.6 million at June 30, 2012). The other part corresponds to other revenue and expense on customer transactions.*

(2) *Unallocated net refinancing costs correspond to the difference between a) the "Net refinancing cost" recorded in the accounts, and b) the theorical refinancing cost used by the management controllers, corresponding to the cost of refinancing the total loans and receivables, without taking into account possible liabilities (Equity and other net liabilities) in order to show, for each segment, a comparative analysis of margins between the different companies of the perimeter.*

(3) *In line with the Bank's policy of hedging interest rate risks on fixed rate customer loans, the interest differential on the swaps used to hedge these loans is reported in the income statement under "Net interest revenue from hedging instruments" in "Net interest revenue on customer transactions" and is not analysed by segment. The management reporting system, on the other hand, is used internally to manage the subsidiaries and branches whose performance is assessed based on the the original fixed rate of interest granted to customers and the resulting interest margin, determined by reference to the net post-swap, fixed rate refinancing cost communicated by management. Interest differentials on these swaps are therefore included by the management controllers in the net refinancing cost analysed by segment. This explains the €45 million reclassification at June 30, 2013 between "Net refinancing cost" and "Net interest revenue on customer transactions" in the "Financial derivatives instruments" column.*

26.3 Geographical Areas

Key Balance Sheet Items

(in million euros)	Total assets June 30, 2013	Total assets Dec. 31, 2012	Customer loans and receivables June 30, 2013	Customer loans and receivables Dec. 31, 2012	Refinancing (1) June 30, 2013	Refinancing (1) Dec. 31, 2012
France	11,145	10,834	8,388	8,572	15,795	16,507
Europe (excluding France)	13,669	14,099	12,198	12,626	4,077	3,464
- *o/w Germany*	*3,062*	*3,168*	*2,777*	*2,934*	*1,123*	*891*
- *o/w Spain*	*1,944*	*2,069*	*1,798*	*1,894*	*169*	*176*
- *o/w Italy*	*2,004*	*2,112*	*1,661*	*1,761*	*623*	*280*
- *o/w United Kingdom*	*3,068*	*2,974*	*2,715*	*2,599*	*1,203*	*1,203*
Rest of the world	2,159	2,251	1,783	1,863	1,425	1,460
- *o/w Brazil*	*1,409*	*1,505*	*1,118*	*1,198*	*1,019*	*1,077*
Total	**26,973**	**27,184**	**22,369**	**23,061**	**21,297**	**21,431**

(1) *Refinancing includes "Deposits from credit institutions" (see Note 12), "Debt securities" (see Note 14) and "Passbook savings accounts", classified in "Due to customers" (see Note 13). It concerns the group's external refinancing, mainly issued by Banque PSA Finance.*

Key Income Statement Items

(in million euros)	Interest and other revenue on assets at amortized cost June 30, 2013	Interest and other revenue on assets at amortized cost June 30, 2012	Interest and other revenue on assets at amortized cost Dec. 31, 2012	Net banking revenue June 30, 2013	Net banking revenue June 30, 2012	Net banking revenue Dec. 31, 2012
France	235	257	504	158	193	371
Europe (excluding France)	372	416	811	238	280	563
- *o/w Germany*	*95*	*108*	*208*	*57*	*71*	*139*
- *o/w Spain*	*54*	*62*	*119*	*27*	*35*	*70*
- *o/w Italy*	*45*	*51*	*99*	*19*	*24*	*49*
- *o/w United Kingdom*	*82*	*84*	*170*	*37*	*48*	*96*
Rest of the world	135	147	293	62	69	141
- *o/w Brazil*	*74*	*96*	*183*	*30*	*42*	*84*
Total	**742**	**820**	**1,608**	**458**	**542**	**1,075**

(in million euros)	Cost of risk June 30, 2013	Cost of risk June 30, 2012	Cost of risk Dec. 31, 2012	Operating income June 30, 2013	Operating income June 30, 2012	Operating income Dec. 31, 2012
France	(25)	(23)	(93)	57	98	125
Europe (excluding France)	(26)	(43)	(168)	112	137	193
- *o/w Germany*	*(5)*	*(5)*	*(12)*	*32*	*46*	*88*
- *o/w Spain*	*(6)*	*(14)*	*(51)*	*5*	*5*	*(12)*
- *o/w Italy*	*(8)*	*(10)*	*(42)*	*(3)*	*1*	*(21)*
- *o/w United Kingdom*	*(2)*	*(4)*	*(10)*	*19*	*28*	*52*
Rest of the world	(9)	(13)	(29)	36	36	73
- *o/w Brazil*	*(7)*	*(9)*	*(20)*	*16*	*21*	*41*
Total	**(60)**	**(79)**	**(290)**	**205**	**271**	**391**
- *of which impact of change in estimate*	-	-	*(136)*	-	-	*(136)*

Note 27 Subsequent Events

No event occurred between June 30, 2013 and the Board of Directors' meeting to review the financial statement on July 29, 2013 that could have a material impact on economic decisions made on the basis of these interim financial statements.

2.7 Statutory auditors' review report on the first half-yearly financial information

→ Six months ended June 30, 2013

To the Shareholders,

In compliance with the assignment entrusted to us by your annual general meeting and in accordance with the requirements of article L. 451-1-2 III of the French monetary and financial code (*Code monétaire et financier*), we hereby report to you on:

the review of the accompanying condensed half-yearly consolidated financial statements of Banque PSA Finance, for the period from January 1 to June 30, 2013, and

the verification of the information contained in the interim management report.

These condensed half-yearly consolidated financial statements are the responsibility of your board of directors. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

Without qualifying our conclusion, we draw your attention to notes "1.A Main Events of the period" and "19.4 Management of liquidity risk" of the condensed half-yearly consolidated financial statements regarding the liquidity position and measures taken by the group to secure its refinancing.

2. Specific verification

We have also verified the information presented in the interim management report in respect of the condensed half-yearly consolidated financial statements subject to our review.
We have no matters to report as to its fair presentation and its consistency with the condensed half-yearly consolidated financial statements.

Courbevoie and Paris la Défense, July 29, 2013

The statutory auditors
French original signed by:

MAZARS	ERNST & YOUNG Audit
Anne Veaute	Luc Valverde

Statement from the person responsible for the 2013 half year report

I hereby certify, after having taken all reasonable steps to this effect, that the information contained in this document is, to my knowledge, consistent with the truth and does not include any omission that could lead to a false interpretation.

I hereby certify, to my knowledge, that the financial statements for the first half of the year have been prepared in accordance with the applicable accounting standards and provide a true image of the company's assets, financial situation and earnings and of all of the companies included in the consolidation, and that the management report in this document presents a true picture of the business, the earnings and of the financial situation of the company and of all of the companies included in the consolidation during the first six months of the year as well as a description of the main risks and uncertainties that they face for the remaining six months of the year.

I have obtained an end of mission report from the statutory auditors in which they indicate that they have verified the information on the financial situation and the financial statements provided in this document and that they have read this document in its entirety.

Person responsible for the half-year report

Philippe Alexandre
Chief Executive Officer of Banque PSA Finance S.A.

Person responsible for the financial information

Carole Dupont-Pietri
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BANQUE PSA FINANCE

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