

Paris - 15 July 2010

**European Investment Bank and PSA Peugeot Citroën
Sign €200 Million Loan Agreement for the Development of Plug-In Hybrids**

Philippe de Fontaine Vive, Vice-President of the European Investment Bank, and Frédéric Saint Geours, Executive Vice President of Finance and Strategic Development at PSA Peugeot Citroën, today signed a €200-million loan agreement to finance the carmaker's programme to develop plug-in hybrid vehicles.

Representing a total outlay of €400 million, the programme is part of the Group's ongoing investment in R&D and is also aligned with the EIB's commitment to promoting sustainable development.

The project is designed to develop a new technology that will enable PSA Peugeot Citroën to maintain its lead in the reduction of CO₂ emissions.

By leveraging plug-in hybrid technology, the Group aims to develop multi-purpose vehicles that combine the advantages of a diesel engine on the highway and those of an electric motor for city driving. Five hundred PSA Peugeot Citroën employees will be working on the project.

"I am very happy to be signing this financing agreement with PSA Peugeot Citroën today," said Philippe de Fontaine Vive, Vice-President of the EIB. "The EIB loan perfectly illustrates Europe's commitment to promoting innovation and sustainable development in the automobile industry to enable the development of clean, fuel-efficient vehicles. Our objective is to help carmakers to significantly improve their vehicles' energy efficiency while reducing their carbon footprint. By providing the necessary financing, we're helping to build a better future."

The loan is the latest event in the high-quality partnership forged between PSA Peugeot Citroën and the EIB over more than 25 years. It was granted under the European Clean Transport Facility (ECTF) financing programme, one of the EIB's effective measures for stimulating the European economy. The ECTF aims to significantly reduce automotive CO₂ emissions through R&D and innovation and encourage the production of cleaner, more fuel-efficient cars, trucks and other vehicles. Since December 2008, the EIB has granted €8.6 billion in loans to carmakers and automotive equipment manufacturers. Of that figure, €6.7 billion was granted under the ECTF financing programme, including €600 million to PSA Peugeot Citroën.

About the European Investment Bank and PSA Peugeot Citroën:

European Investment Bank

The European Investment Bank was created by the Treaty of Rome in 1958 as the European Union's long-term lending bank. The Bank's objective is to contribute towards the integration, balanced development and economic and social cohesion of the EU Member States. The EIB raises substantial volumes of funds on the capital markets, which it lends on favourable terms to projects furthering EU policy objectives. The EIB continuously adapts its activity to developments in EU policies.

PSA Peugeot Citroën

With 3,188,000 vehicles sold worldwide in 2009 and 1,856,000 sold in the first half of 2010, PSA Peugeot Citroën is Europe's second-largest carmaker and the European leader in light commercial vehicles with a 22.7% market share. Backed by its two internationally recognised brands, Peugeot and Citroën, the Group has sales and/or manufacturing operations in 160 countries around the world and employs 180,000 people.

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