

Paris - 9 January 2013

**PSA Peugeot Citroën Faces Sharply Lower Demand in Europe  
But Achieves Gains in International Markets  
Worldwide Sales of 2,965,000 Units in 2012****2012 Highlights**

- **Worldwide sales of assembled vehicles down 8.8% to 2,820,000 units.**
- **Sales of new vehicles and CKD units down 16.5% to 2,965,000 units, reflecting the suspension of CKD sales in Iran.**
- **Percentage of assembled vehicles sold outside Europe up sharply, to 38% of the total from 33% in 2011.**
- **European leader once again in low-carbon vehicles, with corporate average CO<sub>2</sub> emissions of 122.9 g/km.**
- **Successful launch of the Peugeot 208.**
- **300,000 Citroën DSs sold worldwide since launch.**

In 2012, the worldwide automobile market showed decidedly mixed trends, with demand continuing to contract in 30-country Europe (down 8.6%), while expanding in Russia (up 10.1%), China (up 7.2%) and Latin America (up more than 5.6%).

In this environment, PSA Peugeot Citroën recorded worldwide unit sales of 2,820,000 assembled vehicles, down 8.8%. Together, sales of assembled vehicles and CKD units totalled 2,965,000, down 16.5%.

The decline in Group sales reflects the crisis affecting the European automobile market. Southern Europe, where PSA Peugeot Citroën has a particularly large presence, was hit hardest, with the market down 13.3% in France, 14.9% in Spain and 20.9% in Italy. The Group's 2012 market share in 30-country Europe came to 12.7%, corresponding to a share of 13% based on the 2011 market weighting.

In addition, the decision to suspend sales of CKD units in Iran as from February in compliance with international regulations, which made it impossible to finance Iran-bound sales due to tighter international sanctions, also impacted Group sales in 2012. A total of 457,900 CKD units were sold in Iran in 2011.

PSA Peugeot Citroën's strategy to expand its international presence has produced results, with the percentage of assembled vehicles sold outside Europe climbing from 24% of the total in 2009 to 33% in 2011 and 38% in 2012. The Group confirms its target of generating 50% of sales outside Europe in 2015.

The year was also shaped by the successful launch of the Peugeot 208, with 221,000 units sold. The introduction of 3-cylinder petrol engine versions in the summer added to the sales dynamic. In Europe, the Peugeot 208 has been the top-selling diesel in its segment since June. This performance helped make Peugeot the leading European brand in the segment in the second half of the year. In December, the Peugeot 208 was the best-selling car in France, all categories combined.

Similarly, the Group's upmarket strategy is on track. The percentage of sales generated by premium vehicles has doubled over the past three years to 18% of the Group total. This reflects, in part, the first full year of sales of the Group's world premiere diesel hybrids. With 22,000 units delivered in 2012, PSA Peugeot Citroën ranks second in hybrid vehicle sales in Europe, where one Peugeot 508 out of five, one Peugeot 3008 out of six and one Citroën DS5 out of four feature diesel hybrid technology.

Lastly, PSA Peugeot Citroën maintained its low-carbon leadership in Europe, with corporate average CO<sub>2</sub> emissions of 122.9 g/km.

**Frédéric Saint-Geours, Executive Vice-President, Brands noted:**

*"PSA Peugeot Citroën has felt the full force of the sustainable decline in Europe's automobile markets. This situation makes our international strategy more necessary than ever. We stepped up our global expansion in 2012 and will continue in 2013, with a growing presence in China, Latin America and Russia. 2013 will be another difficult year in Europe, but we have innovative and attractive vehicles there. The Group will build on the success of the DS line, the Peugeot 208, our HYbrid4 vehicles and Europe's lowest carbon emissions line-up. We will also be lifted by new launches in 2013, with the largest number of new Peugeot and Citroën models ever coming to market in a single year."*

**Negative impact from Southern Europe**

The overall European market contracted by 8,6% in 2012, with the individual markets experiencing a variety of trends. Southern Europe\*, which accounted for 57% of the Group's European sales in 2012, was particularly hard hit by the economic crisis. Automobile demand declined by 13.3% in France, 14.9% in Spain, 20.9% in Italy and 40% in Portugal—all countries in which the Group has a heavy presence. This particularly unfavourable market mix was a major factor in the Group's lower market share, which stood at 12.7% versus 13.3% in 2011.

In this very difficult environment, PSA Peugeot Citroën nonetheless increased its share of the Italian market by 0.6 pt to 10.2%. Peugeot and Citroën also benefited from the healthy UK market (up 3.8%), where the popularity of Citroën's DS line and a good performance by the Peugeot 208 lifted market share by 0.2 pt to 9.3%. In Spain, PSA Peugeot Citroën reached a market share of 17.1%, which makes Peugeot and Citroën the second and third best-selling brands in the market.

In France, where sales of passenger cars and light commercial vehicles contracted by 13.3% in relation to 2011, Peugeot was the most resilient French brand, with 369,000 vehicles sold and 16.2% of the market.

The Group also confirmed its leadership of the European light commercial vehicle market, with a share of 20.8%.

\* France, Spain, Italy and Portugal

## **Global expansion produces results**

### **China: sales up faster than the market**

In a Chinese automobile market up 7.2% in 2012, Group sales rose 9.2% to 442,000 units, lifting market share to 3.5%. Sales of Peugeot brand vehicles jumped 24% to 216,000 units.

These figures confirm the success of the Group's strategy in China. The introduction of the Peugeot 3008 and Citroën C4 L in early 2013, followed by the Citroën C-Elysée and Peugeot 301, will continue to drive sales growth at Dongfeng Peugeot Citroën Automobile (DPCA) during the year, as will the development of the dealer networks.

The Group's second joint venture in China, Changan PSA Automobile (CAPSA) launched the Citroën DS line in 2012 as a premium brand and is building a dedicated dealership network. CAPSA's product strategy, which combines imported vehicles and local production, will enter a new phase in the second half of 2013 when production begins on the Citroën DS5 at the Shenzhen plant.

### **Latin America: a mixed situation**

Lifted by an improved economic climate in Brazil, the Latin American car market expanded by 5.6% in 2012. Group registrations declined by 8.3% to 277,000 units, for a market share of 4.8%.

The situation in Latin America was mixed in 2012. In Brazil, the sales tax on imported vehicles primarily helped the B popular segment, in which the Group has no presence. PSA Peugeot Citroën sales in Brazil were also negatively impacted by work to increase production capacity at the Porto Real plant, which has now been completed. In Argentina, on the other hand, registrations rose by 4.4%, giving the Group a 13.8% share of the market. For the second year in a row, the Palomar plant was the country's leading automobile production site, turning out 129,500 vehicles in one year.

In 2013, sales in Latin America will be lifted by recent and upcoming model launches, notably the Citroën C3 and the Peugeot 208.

### **Russia: vibrant sales and production**

The Russian automobile market continued to grow in 2012, by 10.1%. In this environment, Group sales rose by 7.4% to 77,300 units, for a market share of 2.6%. This performance reflects the 2012 launches of the Peugeot 408, 508 and 4008 and of the Citroën C4 Aircross, DS4 and DS5. Sales trends were particularly vibrant in the light commercial vehicle segment, where Group registrations increased by 18% in a market up 3.9%.

Peugeot and Citroën continued to extend their dealer networks, which now cover more than 90% of the country, including Russia's 25 largest cities. In addition, the Kaluga plant became fully operational in July.

The Group also enhanced its presence in Ukraine, with market share widening to 3.4% from 2.9% in 2011.

Total sales in the CIS (including Russia) reached 88,000 units over the full year, an increase of 110% since 2009.

## **Rest of the world**

In the rest of the world, Group sales rose by 16.5%, with an exceptional performance in Algeria and other North African countries. In an Algerian market up 45%, Group sales more than doubled to 81,000 units from 39,800 in 2011.

## **Continued drive to move the range upmarket**

In an increasingly "bipolar" European market experiencing a sustained decline, the strategy to move the Peugeot and Citroën brands upmarket has proven more relevant than ever.

Premium vehicles now account for 20% of Peugeot new vehicle orders, and Citroën has sold close to 300,000 vehicles from the DS line (DS3, DS4 and DS5) since it was launched in March 2010. The DS line accounted for 18% of Citroën's new vehicle orders in Europe in 2012.

In Germany, the Citroën DS3 was voted "Best Import" by the readers of Auto Zeitung magazine.

The new Citroën DS3 Cabrio will be added to the line-up in early 2013.

## **PSA Peugeot Citroën leads in reducing CO<sub>2</sub> emissions and exceeds European requirements**

In 2012, PSA Peugeot Citroën maintained its position as the European leader in carbon reduction, with corporate average emissions of 122.9 g/km\* of CO<sub>2</sub> versus 127.5 g/km in 2011.

This performance exceeds the 130 g/km target set by Brussels for 2015.

38.1% of Group vehicles sold in Europe emit less than 111 g/km of CO<sub>2</sub>, versus 30.3% in 2011.

The Group is pursuing four synergistic avenues to continue reducing carbon emissions:

- Optimised internal combustion engines, with the family of 3-cylinder petrol engines.
- Micro-hybrid technologies, with the extension of the second-generation e-HDi Stop & Start on all Peugeot and Citroën diesel ranges.
- Electric vehicles.
- Hybrid technologies, with the market introduction of the Peugeot 3008, 508 and 508 RXH and the Citroën DS5.

*\* Updated figures as of 31 October 2012*

## **Outlook for 2013**

The European market should continue to contract in 2013, by 3% to 5%. In this environment, the Peugeot and Citroën brands will step-up their sales offensive with 17 launches worldwide, of which nine in Europe. This should lower the line-up's average age to 3.5 years.

The Group will pursue its upmarket strategy with numerous new models in 2013, including the Citroën DS3 Cabrio and the Peugeot 208 GTI, 208 XY and 2008.

In China, DPCA has four launches scheduled and Changan PSA Automobile (CAPSA), the Group's second joint venture, will begin local production in the second half of the year.

These developments give PSA Peugeot Citroën a solid footing to pursue its development in a market that will enjoy sustained growth in 2013.

In Latin America, after a year of transition and transformation, the Group is well primed for a return to sales growth as the Porto Real plant begins production of the Peugeot 208 for market launch in the spring and other models are introduced to the market during the year.

In a Russian market expected to grow by around 5%, the Group will pursue its development strategy by leveraging a young range that includes six models launched in 2012. This dynamic will be maintained in 2013 with the introduction of the Peugeot 208 and 301 and the Citroën C-Elysée and C4 L.

Rising demand in these priority growth regions, coupled with local market share gains, will enable PSA Peugeot Citroën to meet its target of achieving 50% of sales outside Europe in 2015.

**Worldwide Sales of PSA Peugeot Citroën Passenger Cars and Light Commercial Vehicles, 2012 versus 2011**

		2011	2012
<b>Europe*</b>	Peugeot	1,101,000	947,000
	Citroën	962,000	811,000
	<b>Total PSA</b>	2,063,000	1,758,000
<b>Russia</b>	Peugeot	45,000	45,000
	Citroën	29,000	34,000
	<b>Total PSA</b>	75,000	78,000
<b>Latin America</b>	Peugeot	190,000	174,000
	Citroën	136,000	110,000
	<b>Total PSA</b>	326,000	284,000
<b>China</b>	Peugeot	174,000	216,000
	Citroën	231,000	226,000
	<b>Total PSA</b>	404,000	442,000
<b>Rest of the world</b>	Peugeot	146,000	173,000
	Citroën	78,000	84,000
	<b>Total PSA</b>	224,000	257,000
<b>Total Assembled Vehicles</b>	<b>Peugeot</b>	1,656,000	1,555,000
	<b>Citroën</b>	1,436,000	1,265,000
	<b>Total PSA</b>	3,092,000	2,820,000
<b>CKD Units</b>	Peugeot	458,000	145,000
	Citroën	0	0
	<b>Total PSA</b>	458,000	145,000
<b>Total Assembled Vehicles and CKD Units</b>	<b>Peugeot</b>	2,114,000	1,700,000
	<b>Citroën</b>	1,436,000	1,265,000
	<b>Total PSA</b>	3,549,000	2,965,000

\* Europe = EU, EFTA and Croatia

**Contacts:**

<b>Media Relations</b>	<b>Investor Relations</b>
Jonathan Goodman +33 (0) 1 40 66 47 59 jonathan.goodman@mpsa.com	Carole Dupont-Pietri +33 (0) 1 40 66 42 59 carole.dupont-pietri@mpsa.com
Pierre-Olivier Salmon +33 (0) 1 40 66 49 94 pierreolivier.salmon@mpsa.com	Olivier Sartoris +33 (0) 1 40 66 43 65 olivier.sartoris@mpsa.com
Cécile Damide +33 (0) 1 40 66 53 89 cecile.damide@mpsa.com	Christophe Fournier +33 (0) 1 40 66 57 45 christophe.fournier@mpsa.com
Caroline Brugier-Corbiere +33 (0) 1 40 66 58 54 Caroline.brugier-corbiere@mpsa.com	
Laure De Servigny +33 (0) 1 40 66 35 42 Laure.deservigny@mpsa.com	
Jean-Baptiste Mounier +33 (0) 1 40 66 54 22 jeanbaptiste.mounier@mpsa.com	Céline Jamet +33 (0) 1 40 66 48 52 celine.jamet@mpsa.com