

Paris – February 19, 2014

**Banque PSA Finance and Santander CF in exclusive negotiations to form
a European partnership**

Main characteristics of the project:

- **Accelerate the end of the use of the French State guarantee**
- **Improve Banque PSA finance's cost of funding and competitiveness**
- **A strengthened commercial tool for the Peugeot and Citroën Brands.**
- **Potential cash upstream up to €1.5bn by 2018 for the Group**

Banque PSA Finance, the auto finance company of the second largest European vehicle manufacturer and one of the leading auto finance companies in Europe, and Santander Consumer Finance ("Santander CF"), the consumer finance division of Santander, the largest bank in the Eurozone by market capitalisation, have entered into exclusive negotiations to form a 50/50 partnership to develop the activities of Banque PSA Finance in Europe. The negotiation would result in the creation of local partnerships, each 50/50 owned by Banque PSA Finance and Santander CF, across PSA Peugeot Citroën's main European markets. This partnership would create a competitive, sustainable and dynamic captive financing activity dedicated to PSA Peugeot Citroën's brands. This partnership would not need the French State guarantee for the funding of its activities.

Under the terms of the agreement, the partnership would enable the PSA Peugeot Citroën's brands captive to propose a more competitive financing to the dealers and the end-users. The partnership would enhance the commercial capabilities for the PSA Peugeot Citroën brands enabling to increase its penetration of the car finance market. The contemplated perimeter of the transaction would cover approximately 90% of Banque PSA Finance's current activities.

The entering into the agreements to implement this partnership is subject to the relevant regulatory and competition authorities agreements and the prior information and consultation of the relevant employee representative bodies. The closing of the transaction would then be expected to occur in H2 2015.

Commenting on this announcement, Jean-Baptiste de Chatillon, President of Banque PSA Finance, declared: *"This strategic partnership would be an important step for Banque PSA Finance, which would be able through the partnership to offer an even more competitive pricing to PSA Peugeot Citroën's clients and, accordingly, would contribute to better sales performance for the Group brands. Moving forward, we believe that Banque PSA Finance would be well positioned to fully play its role as a key pillar of PSA Peugeot Citroën's commercial strategy."*

Société Generale and Bredin Prat are acting respectively as financial and legal advisers to PSA Peugeot Citroën for the contemplated partnership between Banque PSA Finance and Santander Consumer Finance .

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About PSA Peugeot Citroën

With its two world-renowned brands, Peugeot and Citroën, PSA Peugeot Citroën sold 2.8 million vehicles worldwide in 2013, of which 42% outside Europe. The second largest carmaker in Europe, PSA Peugeot Citroën recorded sales and revenue of €54 billion in 2013. The Groupe is the European leader in terms of CO₂ emissions, with an average of 116,2 grams of CO₂/km in 2013. PSA Peugeot Citroën has sales operations in 160 countries. It is also involved in financing activities (Banque PSA Finance) and automotive equipment (Faurecia).

For more information, please visit www.psa-peugeot-citroen.com