Paris – 26 March 2014

# Final Agreements Signed Between PSA Peugeot Citroën, Dongfeng Motor Group, the French State and the Family-Owned Etablissements Peugeot Frères and FFP

- **Strengthening and deepening the existing manufacturing and sales partnership with Dongfeng Motor Group (DFG)**
- **Manufacturing synergies estimated at around €400 million a year for PSA Peugeot Citroën in 2020**
- **Share and rights issues totalling €3 billion, of which €800 million taken up by DFG and €800 million by the French State**
- **Share warrants granted without consideration to existing shareholders**
- **A balanced shareholder structure for Peugeot SA, with the French State, the family-owned Etablissements Peugeot Frères and FFP and DFG each owning 14%.**

In Paris today, Pierre Moscovici, France's Minister of Economy and Finance, Philippe Varin, Chairman of the PSA Peugeot Citroën Managing Board, Xu Ping, Chairman of the Board of Directors of DFG, Robert Peugeot, Chairman and Chief Executive Officer of FFP and Jean-Philippe Peugeot, Chairman and Chief Executive Officer of Etablissements Peugeot Frères, signed the final agreements concerning the share and rights issues announced last 19 February.

The ceremony was attended by Xi Jinping, President of the People's Republic of Chine and François Hollande, President of France.

Capitalising on the success of their cooperation initiated more than 20 years ago, PSA Peugeot Citroën and DFG today opened a new phase with the signature of the final agreement concerning their strategic manufacturing and sales partnership.

This strategic partnership covers three aspects:

- Increasing output at DPCA, the Wuhan-based joint venture created in China by DFG and PSA Peugeot Citroën, with the objective of producing and selling 1.5 million vehicles per year in 2020.
- Creating a joint R&D centre in China, dedicated to the development of products and technologies for fast-growing markets, including China,
- Creating a new joint venture to drive the sales of Peugeot, Citroën and Feng Shen (DPCA own brand)-branded vehicles in South-east Asia and possibly in other emerging markets.

Thanks to this partnership, PSA Peugeot Citroën and DFG estimate that they will each be able to generate around €400 million in manufacturing synergies a year in 2020.

***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 Group is the European leader in terms of $CO_2$ emissions, with an average of 115.9 grams of $CO_2$/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*

***About the PSA Peugeot Citroën capital increase***

*As announced last 19 February, the agreements provide for the issue of new shares and rights to new shares in a total amount of €3 billion and the grant of share warrants without consideration to existing Peugeot SA shareholders, under the following terms and conditions:*

- *A restricted share issue, in an amount of €1,048 million, would be taken up equally by DFG and the French State on the basis of €7.50 per share.*
- *A rights issue, in an amount of around €1,950 million and open to all Peugeot SA shareholders, including DFG and the French State, would be underwritten by a broad banking syndicate for the portion not taken up by DFG, the French State and FFP/EPF.*
- *Prior to these issues, warrants would be granted without consideration to existing Peugeot SA shareholders (i.e. excluding DFG and the French State) on the basis of one warrant for every share held, with ten warrants giving the right to purchase three new shares. These warrants would expire in three years, with the possibility of exercise from the second year at the same price as the shares issued under the offer restricted to DFG and the French State, e.g. €7.50 per share.*

*Through these issues, DFG and the French State are expected to invest €800 million each in Peugeot SA, giving them a 14% stake in the Company, the same as the Peugeot family group.*

*The restricted share issues and the grant of warrants without consideration will be described in a prospectus filed with French securities regulator AMF before the Annual Meeting of Peugeot SA shareholders called for 24 April 2014. The rights issue will be described in a prospectus filed after the Annual Meeting.*
*A share issue restricted to employees will also be carried out in 2014, in order to give them a greater stake in their Group's recovery.*

*These transactions are subject to obtaining the related regulatory authorisations in France and China, as well as to the approval of Peugeot SA shareholders at the Annual Meeting.*

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***Important information***

*No communication and no information in respect of this transaction may be distributed to the public in any jurisdiction where a registration or approval is required. No steps have been or will be taken in any jurisdiction (other than France) where such steps would be required. The issue, the subscription for or the purchase of Peugeot S.A.'s shares and/or warrants may be subject to specific legal or regulatory restrictions in certain jurisdictions. Peugeot S.A. assumes no responsibility for any violation of any such restrictions by any person.*

*This announcement is not a prospectus within the meaning of Directive 2003/71/EC of the European Parliament and the Council of November 4th, 2003, as amended, in particular by Directive 2010/73/EU to the extent such Directive has been transposed in the relevant member State of the European Economic Area (together, the "Prospectus Directive").*
*No securities offering will be opened to the public in France before the delivery of the visa on a prospectus prepared in compliance with the Prospectus Directive, as approved by the French Autorité des marchés financiers.*

*With respect to the member States of the European Economic Area which have implemented the Prospectus Directive (each, a "relevant member State"), other than France, no action has been undertaken or will be undertaken to make an offer to the public of the securities requiring publication of a prospectus in any relevant member State. As a result, the new shares and/or warrants of Peugeot S.A. may only be offered in relevant member States (i) to qualified investors, as defined by the Prospectus Directive; or (ii) in any other circumstances, not requiring Peugeot S.A. to publish a prospectus as provided under Article 3(2) of the Prospectus Directive.*

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