

PSA Peugeot Citroën's Mulhouse Plant Drives Faster Improvement in its Manufacturing Performance

- Upgrading the car manufacturing process.
- Allows shifting to single flow production in the end
- Two new body styles announced for the plant.
- €300 million in capital expenditure planned by 2020.

At a special meeting today of the PSA Peugeot Citroën Mulhouse plant's Works Council, management presented its **plan to transform and speed up the site's manufacturing performance for the period 2014 - 2020**. The plan is aligned both with the Group's New Social Contract, signed last 24 October, and with the Back in the Race operating objective of enhancing the Group's competitiveness, in particular by developing a competitive manufacturing base in Europe.

It is based on four main levers:

- Thoroughly revamping and upgrading the entire vehicle manufacturing process, while introducing the new EMP2 platform. Mulhouse will be the Group's first plant in Europe to undergo this end-to-end modernization.
- Allows shifting to single flow production in the end to optimize the use of production facilities and reduce manufacturing costs, while ensuring skills are maintained and developed.
- Launching two new body styles built on the EMP2 platform.
- Reaffirming the role of the mechanical component plants and the metallurgical plant in the Group's manufacturing base.

All of these measures will require the commitment of more than €300 million in capital expenditure at the plant over the next five years.

As announced in the New Social Contract, this Works Council meeting provided an opportunity to confirm that output will remain steady at around 200,000 cars.

For Corinne Spilios, Plant Manager:

"This project is great news for the Mulhouse plant and for everyone who works there. It's also a huge challenge for us because upgrading the manufacturing process will make it possible for us to become one of the best European plants in the C and D segments, with superior quality and competitiveness. I believe that we will all help to drive the changes needed to succeed."

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