

Chengdu, 7 September 2016

Dongfeng Peugeot Citroën Automobile (DPCA) inaugurates a new plant in Chengdu, China

- **A plant opened as part of the Push to Pass strategy for profitable growth, which will see 20 new launches in China and Southeast Asia by 2021**
- **A plant dedicated to the production of SUVs, a fast-growing segment in China**
- **Capacity to build 300,000 vehicles a year, in line with the target of selling one million vehicles in China and Southeast Asia in 2018**
- **The Peugeot 4008 will be the first vehicle produced**

As part of the implementation of the Push to Pass plan and to support the China & Southeast Asia region's goal of selling one million vehicles in 2018, DPCA today inaugurated its fourth assembly plant in Chengdu, China.

The ceremony was attended by Carlos Tavares, Chairman of the Managing Board of the PSA Group; Zhu Yanfeng, Chairman of the Board of Directors of Dongfeng Motor Corporation; Denis Martin, the PSA Group's Executive Vice-President, China and ASEAN; Liu Weidong, Chief Operating Officer of Dongfeng Motor Corporation; Su Weibin, General Manager of DPCA; Jean Christophe Marchal, Executive Vice-President of DPCA and representatives of Sichuan province and the municipality of Chengdu.

The fourth DPCA plant will manufacture vehicles for the Dongfeng Peugeot, Dongfeng Citroën and Dongfeng Fengshen brands on the PSA Group's EMP2 platform, primarily in the SUV segment. Production will begin with the new Peugeot 4008 SUV, which is scheduled for launch in November 2016. Following a gain of 53% in 2015, the SUV segment continued to expand rapidly in first-half 2016, with 44% growth. It currently accounts for 38.8% of the Chinese market. As a whole, the Chinese auto market offers great potential. Car ownership stands at 75 vehicles per 1,000 inhabitants, and the country recently overtook the United States to become home to the world's largest middle class, which represented 110 million people at end-2015. This figure is forecast to double to 220 million by 2022.

Leveraging the best practices of PSA and Dongfeng Motor (DFM), DPCA built the plant in two years according to the highest industry standards. The world-class facility uses a flexible manufacturing system that enables close cooperation with suppliers, while adhering to the most stringent environmental principles.

In addition to the CAPSA plant in Shenzhen, which manufactures DS models, DPCA's production base now comprises four assembly plants: three in Wuhan, in Hubei province, and one in Chengdu, in Sichuan province. With this new facility and DPCA's latest 5A+ medium-term plan unveiled on 11 May, the PSA Group and DFM have demonstrated their



commitment to strengthening their strategic partnership in order to satisfy the needs of the Chinese market. The two partners are pursuing three clear-cut objectives for improving the joint venture's financial performance:

- Significantly increasing customer satisfaction with products and services to become one of the top three in the industry by 2018 and No. 1 by 2020
- Generating revenue in excess of RMB 100 billion by 2020
- Achieving profitable, sustainable growth underpinned by productivity gains of 30% by 2020

During the ceremony, Carlos Tavares said: "This new plant will help us to expand our vehicle range in the fast-growing SUV segment and meet the needs of our Chinese customers. It represents an important step in implementing our Push to Pass plan and achieving our objective to launch 20 new models in China by 2021 and sell over one million vehicles in the region by 2018."

Media Contact: (+33) 1 40 66 42 00

About PSA Group

With sales and revenue of €54 billion in 2015, the PSA Group designs unique automotive experiences and delivers mobility solutions that provide freedom and enjoyment to customers around the world. The Group leverages the models from its three brands, Peugeot, Citroën and DS, as well as a wide array of mobility services, to meet the evolving needs and expectations of automobile users. PSA is the European leader in terms of CO₂ emissions, with average emissions of 104.4 grams of CO₂ per kilometre in 2015, and an early innovator in the field of autonomous and connected cars, with 1.8 million such vehicles worldwide. It is also involved in financing activities through Banque PSA Finance and in automotive equipment via Faurecia. Find out more at groupe-psa.com/en.