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## PSA Group and SAIPA finalize their agreement joint-venture for Citroën in Iran

**PSA Group and SAIPA, Citroën's historic partner in Iran since 1966, have signed today a joint-venture agreement to produce and sell Citroën vehicles in Iran.**

This 50/50 joint-venture lays the foundations for a strategic partnership between the two companies. It will cover the entire value chain, from the design stage right through to vehicle marketing, including purchasing. Manufacturing will take place at the Kashan plant in Iran, which will be 50%-owned by PSA Group. This industrial site is the most modern of Iran with a flexible industrial process at the highest level of environmental standards (water-soluble paints for example).

The joint-venture will invest more than €300 million in manufacturing and R&D capacity over the next five years. The agreement will be backed up by technology transfers and a significant level of local content.

Consistent with the core model strategy deployed in the Push to Pass plan, the production in Kashan of three vehicles adapted to the heart of Iranian market will start in 2018. From early 2017, imported vehicles will be staging Citroën's comeback in the country.

Citroën models will be sold throughout the country via a network dedicated exclusively to the brand. No less than 150 Citroën outlets will open in the next 5 years.

Commenting on the new agreement, Carlos Tavares, Chairman of the PSA Group Managing Board, said: "With more than 50 years of presence in Iran, PSA Group through this new strategic partnership is clearly committed to the deployment of a rich product plan that meets the expectations of Iranian clients."

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### **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 including the Free2Move brand, 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](http://groupe-psa.com/en).*

### **About SAIPA**

*Founded in 1966, SAIPA is the second-largest car manufacturer in the MENA region and one of the 20 largest automakers worldwide. With a 40% market share in Iran, the company exports its products to 21 countries, leveraging manufacturing facilities across 4 continents.*