

PURCHASING DIVISION

Poissy, January 23rd, 2012

Dear Sir, Madam, our suppliers,

2012 has started with an economic environment filled with uncertainty insofar the European automotive market is concerned. In this context, PSA Peugeot Citroën Group directs all its energy to meet the essential requirement for efficiency and operational excellence, which is needed to ensure both the success of its global strategy as well as the upmarket move of Peugeot and Citroën brands.

To accompany each and every of its suppliers, PSA Peugeot Citroën Purchasing Division has created a Supplier Development Department (DA/DSD), as of January 1st, 2012. It is intended to secure the flow of external supplies, both during the industrialisation stage of new projects and during mass production, in terms of quality as well as of logistics, right on the spot, at the side its suppliers.

Progressively, a unique window person called "SD Site", will be assigned to each PSA supplier production site. From the first quarter 2012 on, the "SD Site" will assess the industrial operational level of the site, using a new QIP - Quality and Industrial Performance - tool, and, depending on the criticality of encountered situations, will directly intervene to insure new productions start, anticipate difficulties or improve responsiveness.

This will lead the "SD Site" to have a complete overview of the activities carried out for PSA Peugeot Citroën, which is a significant simplification in the industrial relationship seen from suppliers' plants. We expect such organization to induce major reductions in disturbances and crises experienced by our plants.

I am relying on your support to improve our common efficiency.

Yours faithfully

Yannick Bézard

Purchasing Director