

■ Note 4 – Segment information

In accordance with IFRS 8—Operating Segments, segment information is presented in line with the indicators used internally by Management to measure the performance of the Group's different business segments. The Group's main performance indicator is recurring operating income.

4.1. Business segments

The Group's operations are organized around five main segments:

- the Automobile Division, covering the design, manufacture and sale of passenger cars and light commercial vehicles under the Peugeot and Citroën marques;
- the Automotive Equipment Division, corresponding to the Faurecia group, which specializes in the Vehicle Interiors, Automotive Seating, Front End and Exhaust Systems businesses;
- the Transportation and Logistics Division, corresponding to the Gefco group, which specializes in logistics and vehicle and goods transportation;

- the Finance Division, corresponding to the Banque PSA Finance group, which provides retail financing to customers of the Peugeot and Citroën marques and wholesale financing to the two marques' dealer networks;
- other businesses, which include the activities of the holding company, Peugeot S.A., and Peugeot Motorcycles.

Balances for each segment, as shown in the table below, are on a stand-alone basis. All intersegment balance sheet items and transactions are eliminated, and for the purposes of reconciliation with the Group's financial statements are shown under the heading "Eliminations and reconciliations" together with unallocated amounts.

All intersegment commercial transactions are carried out on an arm's length basis on the same terms and conditions as those applicable to the supply of goods and services to third parties.

2007 <i>(in millions of euros)</i>	Automobile	Automotive Equipment	Transportation and Logistics	Finance companies	Other	Eliminations and reconciliations	Total
Sales and revenue							
- third parties	47,408	10,028	1,403	1,544	230	-	60,613
- intragroup, intersegment	48	2,633	2,151	455	266	(5,553)	-
Total	47,456	12,661	3,554	1,999	496	(5,553)	60,613
Recurring operating income	858	121	155	608	10	-	1,752
Restructuring costs	(229)	(105)	(42)	-	(4)	-	(380)
Impairment losses	(216)	(61)	-	-	(12)	-	(289)
Other non-recurring operating income and (expenses)	97	(60)	-	-	-	-	37
Operating income (loss)	510	(105)	113	608	(6)	-	1,120
Interest income		16		-		267	283
Finance costs		(121)		-		(185)	(306)
Other financial income and (expenses), net		(10)		(1)		(6)	(17)
Net financial income (expense)	-	(115)	-	(1)	-	76	(40)
Income taxes		(13)		(186)		(103)	(302)
Share in net earnings of companies at equity	46	2	-	-	-	-	48
Consolidated profit (loss) for the year		(231)		421		(27)	826
Segment assets	27,544	6,228	1,203	28,768	(560)	(1,847)	61,336
<i>of which investments in companies at equity</i>	<i>677</i>	<i>45</i>	<i>3</i>	<i>12</i>	<i>-</i>	<i>-</i>	<i>737</i>
Segment liabilities	(20,040)	(3,415)	(844)	(25,874)	141	1,855	(48,177)
Capital employed (note 39.1)	7,504	2,813	359	2,894	(419)	8	13,159
Capital expenditure (excluding sales with a buyback commitment)	2,182	472	53	27	6	-	2,740
Depreciation and amortization	(2,728)	(479)	(55)	(14)	(8)	-	(3,284)

2006 (in millions of euros)	Automobile	Automotive Equipment	Transportation and Logistics	Finance companies	Other	Eliminations and reconciliations	Total
Sales and revenue							
- third parties	44,444	9,199	1,272	1,396	283	-	56,594
- intragroup, intersegment	122	2,450	1,973	365	370	(5,280)	-
Total	44,566	11,649	3,245	1,761	653	(5,280)	56,594
Recurring operating income	267	69	151	604	17	11	1,119
Restructuring costs ⁽¹⁾	(245)	(169)	(6)	-	(9)	-	(429)
Impairment losses ⁽¹⁾	(194)	(234)	-	-	(41)	-	(469)
Other non-recurring operating income and (expenses)	64	17	9	-	-	-	90
Operating income (loss)	(108)	(317)	154	604	(33)	11	311
Interest income		11		-		167	178
Finance costs		(86)		-		(148)	(234)
Other financial income and (expenses), net		(15)		(1)		(33)	(49)
Net financial income (expense)	-	(90)	-	(1)	-	(14)	(105)
Income taxes		(35)		(205)		84	(156)
Share in net earnings of companies at equity	16	4	-	-	-	-	20
Consolidated profit (loss) for the year		(438)		398		81	70
Segment assets	27,710	6,462	1,160	27,191	(155)	(1,850)	60,518
<i>of which investments in companies at equity</i>	644	40	3	12	-	-	699
Segment liabilities	(19,612)	(3,337)	(790)	(24,539)	(100)	1,991	(46,387)
Capital employed (note 39.1)	8,098	3,125	370	2,652	(255)	141	14,131
Capital expenditure (excluding sales with a buyback commitment)	2,852	515	70	27	20	-	3,484
Depreciation and amortization	(2,547)	(530)	(54)	(12)	(15)	-	(3,158)

(1) Restructuring costs for the Automobile Division include €71 million in impairment losses linked to the sale of the Ryton site in the UK (note 9.4)

2005 (in millions of euros)	Automobile	Automotive Equipment	Transportation and Logistics	Finance companies	Other	Eliminations and reconciliations	Total
Sales and revenue							
- third parties	44,940	8,510	1,157	1,380	280	-	56,267
- intragroup, intersegment	131	2,468	1,843	276	429	(5,147)	-
Total	45,071	10,978	3,000	1,656	709	(5,147)	56,267
Recurring operating income	916	267	145	607	1	4	1,940
Restructuring costs	(21)	(138)	-	-	(1)	-	(160)
Impairment losses ⁽¹⁾	-	(180)	-	-	-	-	(180)
Other non-recurring operating income and (expenses)	(1)	3	3	2	1	-	8
Operating income (loss)	894	(48)	148	609	1	4	1,608
Interest income		9		-		148	157
Finance costs		(76)		-		(143)	(219)
Other financial income and (expenses), net		(11)		(1)		(4)	(16)
Net financial income (expense)	-	(78)	-	(1)	-	1	(78)
Income taxes		(53)		(207)		(225)	(485)
Share in net earnings (losses) of companies at equity	(53)	6	-	-	-	-	(47)
Consolidated profit (loss) for the year		(173)		401		(220)	998
Segment assets	27,178	6,640	1,208	26,623	11	(1,720)	59,940
<i>of which investments in companies at equity</i>	661	35	3	-	-	-	699
Segment liabilities	(19,284)	(3,197)	(766)	(24,204)	(144)	1,818	(45,777)
Capital employed (note 39.1)	7,894	3,443	442	2,419	(133)	98	14,163
Capital expenditure (excluding sales with a buyback commitment)	3,061	656	63	31	21	-	3,832
Depreciation and amortization	(2,422)	(504)	(51)	(12)	(17)	-	(3,006)

(1) Additional impairment losses of €13 million attributable to the "Other" segment were also recorded in recurring operating income.

4.2. Geographical segments

In the table below, sales and revenue are presented by destination of products sold, and investments and assets by geographic location of the subsidiary concerned.

In accordance with IFRS 8, the Group's geographical segment analysis presents all non-current assets other than financial instruments, deferred tax assets and external pension plan assets.

2007 (in millions of euros)	Western Europe	Rest of Europe	Latin America	Rest of world	Total
Sales and revenue	47,533	3,552	3,391	6,137	60,613
Capital expenditure (intangible assets and property, plant and equipment)	2,319	156	183	82	2,740
Non-current assets (excluding deferred tax assets and financial instruments)	16,807	1,061	610	321	18,799