



PRESS PACK

**MCV START OF PRODUCTION
CEREMONY**

OCTOBER 2d – 3d 2007

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Press pack

<p style="text-align: center;">THE COOPERATION BETWEEN THE TWO PARTNERS : A UNIQUE MODEL</p>

**FEATURES OF THE PSA PEUGEOT CITROËN AND FIAT INDUSTRIAL
COOPERATION**

- Although the cooperation between PSA Peugeot Citroën and Fiat in light commercial vehicles and executive MPVs has been copied, no competing agreements have come close to the content, scope and longevity of the productive ties the two automotive groups have nurtured. Other carmakers have created manufacturing and marketing partnerships to develop compact light commercial vehicles that were subsequently marketed under three different brands. Two German car manufacturers are also working together on large light commercial vehicles. However, beyond the remarkable three decades the partnership has endured and its extensive model range, what makes the exemplary cooperation between Fiat and PSA Peugeot Citroën special is their equal ownership of the related production facilities via two joint ventures.

**TWO JOINT-VENTURES OPERATING SPECIALISED PLANTS
WITH A TOTAL PRODUCTION CAPACITY OF 450,000 VEHICLES/YEAR**

Sevel Nord (Hordain, Northern France)

- Managed by PSA Peugeot Citroën, Sevel Nord manufactures executive MPVs, mid-range light commercial vehicles and combi-vans. The MPVs are currently being marketed as the Peugeot 807, the Citroën C8, the Fiat Ulysse and the Lancia Phedra. The compact light commercial vehicles are badged as the Peugeot Expert, the Citroën Dispatch and the Fiat Scudo.

Sevel Sud (Val di Sangro, Italy)

- Managed by Fiat, Sevel Sud is the largest light commercial vehicle plant in Europe. Larger vans such as the Peugeot Boxer, the Citroën Relay and the Fiat Ducato are manufactured at Val di Sangro.

**AN EFFICIENT PARTNERSHIP EXTENDED TO MANUFACTURING AGREEMENTS IN THE
MERCOSUR**

In June 2006, as part of their ongoing cooperative relationship, PSA Peugeot Citroën and Fiat signed a 10-year manufacturing agreement to supply the Mercosur markets. To start with, PSA Peugeot Citroën will assemble in 2008 one of its manual gearboxes at Fiat's plant in Cordoba, Argentina, in order to supply Peugeot and Citroën vehicles sold in South America. Plans call for the production of 140,000 units a year.

MILESTONES IN THE PSA PEUGEOT CITROËN-FIAT COOPERATION

- **1978** • **1st cooperation agreement**, covering the joint design and production of a light commercial vehicle.
Creation of the Société Européenne de Véhicules Légers (Sevel) SpA joint venture, owned 50% by Fiat, 25% by Automobiles Peugeot and 25% by Automobiles Citroën.
- **1981** • **Production start-up** of the Fiat Ducato, Peugeot J5, Talbot Express and Citroën C25 at Sevel's plant in Val di Sangro near Pescara, Italy.
- **1988** • **2nd agreement**, for the joint development of a multi-purpose vehicle and a light compact commercial vehicle at Sevel Nord and extension of the light commercial vehicle agreement to replace models in production since 1981.
- **1993** • **Production launch** of the Citroën Relay, Peugeot Boxer and Fiat Ducato at the Val di Sangro plant.
- **1994** • **Inauguration of the Sevel Nord** production plant, near Valenciennes in Northern France, for the production of the Peugeot 806, Citroën Synergie, Fiat Ulysse and Lancia Z (Zeta). Like Val di Sangro, the facility is equally owned by the two partners. In both cases, the plant is managed by the host-country partner.
- **1995** • **Production start-up** of the Peugeot Expert, Citroën Dispatch and Fiat Scudo at the Sevel Nord plant.
- **2002** • **Signature of a framework agreement** extending the cooperation between the two automotive groups in light commercial vehicles until 2017. PSA Peugeot Citroën and Fiat plan to design and build two ranges of light commercial vehicles to be launched after 2005.
- **2002** • **Launch of new executive MPVs** (Peugeot 807, Citroën C8, Fiat Ulysse, Lancia Phedra), replacing the Peugeot 806, Citroën Synergie, Fiat Ulysse and Z models, over 400,000 of which were sold.
- **2005** • **Signature of an agreement** with Turkish partner TOFAS for the development and production of a small entry-level light commercial vehicle manufactured by TOFAS at its Bursa plant.
- **2006** •

May - presentation of the new Citroën Relay, Peugeot Boxer and Fiat Ducato light commercial vehicles, at the Val di Sangro plant.

 - Investment: €1.1 billion;
 - Capacity: 260,000 vehicles per year;
 - On sale: mid-June 2006.

November - presentation of the new Citroën Dispatch, Peugeot Expert and Fiat Scudo compact light commercial vehicles and combi-vans, and visit of Sevel Nord production plant.

 - Investment: €700 million;
 - Capacity: 130,000 vehicles per year;
 - On sale: mid-January 2007.

- **2007** • **September : industrial launch of the new Citroën Néo, Peugeot Bipper and Fiat Fiorino**

- Investment of €380 million, including €190 million for R&D;
- Capacity: 158,000 vehicles/year; of which two third for PSA Peugeot Citroën
- On sale: end of 2007(Italy, Turkey).

PSA PEUGEOT CITROËN, THE EUROPEAN MARKET LEADER IN LIGHT COMMERCIAL VEHICLES

↳ **PSA Peugeot Citroën has a long, prestigious track record in the commercial vehicle market.**

The Group has long been involved in light commercial vehicles, which are familiar sights on both city streets and country roads. Peugeot and Citroën were the first to introduce most of Europe's commercial vehicle concepts and to segment the model range:

Citroën:

- H (1948), 2CV small delivery van (1951).
- C35 (1974), Acadiane (1977), C25 (1981), C15 (1984).
- Jumper (1993 and 2006), Jumpy (1995 and 2007), Berlingo (1996) and Nemo (2008).

Peugeot:

- D3A (1950).
- J7 (1965), J9 (1980), J5 (1981), 205 small delivery van (1994).
- Boxer (1993 and 2006), Expert (1995 and 2007), Partner (1996) and Bipper (2008).

In 2007, Citroën and Peugeot offer one of the market's most comprehensive light commercial vehicle line-ups, comprising the Nemo/Bipper, Berlingo/Partner, Jumpy/Expert, Jumper/Boxer, and the C1, C2, C3, C4, 107, 1007, 206, 207 and 307 commercial models. Payloads range from 500 to 2,000 kg, with load capacity from 2.5 to 17 cubic meters.

The Group is the only European carmaker to offer two models in the small delivery van segment (Nemo/Berlingo – Bipper/ Partner) and the mid-sized/large van segment (Jumpy/Jumper – Expert / Boxer).

↳ **A dominant position in Europe**

PSA Peugeot Citroën has been the European market leader in light commercial vehicles since 1996. In 2006, it held 18.8% of the market, with 368,600 registrations in Western Europe. Market share has held firm in 2007, standing at 18.8% as of August 31.

At that date, the Group was leader in the D1 segment (passenger cars adapted to commercial use by removing the rear seats) with a 30% share, in the F1 segment (small delivery vans) with 29% and in the leisure activity vehicle market with 46.4%. It also held 14.7% of the K1 segment (small vans) and 14.4% of the K2 and K3 segment (mid-sized and large vans).

With 397,500 units sold in 2006, light commercial vehicles accounted for 11.8% of consolidated unit sales. In first-half 2007, PSA Peugeot Citroën sold 223,100 light commercial vehicles, up 7.7% and accounting for 12.6% of consolidated unit sales.

In the combined light commercial vehicle, combi-van and leisure-activity vehicle market, the Group holds a nearly 25% share in Europe, while together, these vehicles represent one in every six Peugeot and Citroën models sold worldwide.

KEY POINTS OF THE LIGHT COMMERCIAL VEHICLES IN EUROPE

- European light commercial vehicle market = 2 million units per year.
- Increased by 40% in the past ten years (10% market increase for the passenger car market).
- Four main segments in the LCV market:
 - Passenger cars adapted to commercial use by removing the rear seats;
 - Small delivery vans;
 - Compact light commercial vehicles;
 - Mid-size and large light commercial vehicles.

Passenger cars with rear seats removed to allow for commercial use. These are mainly cars like the Peugeot 206, Citroën C3 and C2 and Fiat Punto, or mid-size models like the Peugeot 307, Citroën C4 or Fiat Stilo. Sales in this segment have been stable over the past ten years, with 274,000 units in 2006.

Delivery vans, like the Peugeot Partner, Citroën Berlingo or Fiat Doblo, meet the needs of small business owners and contractors who need a vehicle perfectly matched to their business activities. In 2006, some 412,000 delivery vans were sold in Europe, representing over a fifth of light commercial vehicle sales. This segment is expected to grow in 2008 thanks to the launch of the new compact vans Citroën Nemo, Peugeot Bipper and Fiat Fiorino.

At the other end of the spectrum are **mid-sized and larger light commercial vehicles** that focus on maximum payload and practical volumes, as well as on customisation potential (panel vans, chassis cabs, etc.). These vehicles accounted for nearly 30% of unit sales in 2006, making that segment the best selling in Europe. Historically, it is in that segment that PSA Peugeot Citroën and Fiat initiated their cooperation, enabling the two automotive groups to establish a strong hold in the light commercial vehicle market. The new generation of jointly developed light commercial vehicles, which are the segment's top sellers, was unveiled in May 2006. These are sold as the Citroën Relay(jumper) , the Peugeot Boxer and the Fiat Ducato by the three brands.

Compact light commercial vehicles and combi-vans are the latest growing segment of the light commercial vehicle market. They have seen a 3 digit growth over the past decade, twice as much as the total market. This is the segment that PSA Peugeot Citroën and Fiat identified as the most promising, and where they decided to extend their industrial cooperation in light commercial vehicles at the end of the 1980s.

In 1995, demand in the segment was flat; it was then dominated by a single manufacturer, accounting for nearly 60% of sales. The launch of the new vehicles developed by the PSA Peugeot Citroën-Fiat cooperation-derived from the MPV introduced a year earlier and marketed under the Peugeot Expert, Citroën Dispatch and Fiat Scudo brandshook

up the status quo and helped trigger tremendous growth in demand as the market quickly took off. In 2001, the arrival of new competitors (also made by a cooperative venture) consolidated growth. In 2006, the market reached 380 000 units. Thanks to the new generation of Peugeot Expert, Citroën Dispatch(Jumpy) and Fiat Scudo, launched in mid-

January 2007, the market remains as strong as ever with sales increased by more than 8% in the first eight months of 2007.

TOFAS PLANT IN BURSA

KEY DATA

- Created in 1970
- Equally owned by Fiat and Tofas, Tofas in charge of operational management.
- 93 hectares, including 34 hectares of covered areas
- Certified ISO 9001 and 14001 since 1998
- Largest employer in Bursa with some 5,300 employees. (4400 bleu collars, 900 white collars)
- The average employee's age is 35 and the average length of service 11 years.
- Maximum capacity 250.000 vehicles a year
- Production of 4 vehicle ranges : Fiat Doblo, Fiat Linea, Fiat Albea, Fiat Palio et MCV for Fiat, Citroën and Peugeot ;
- 2,706 million vehicles manufactured since 1970.
- Production record: 1996 with 196 000 vehicles.
- Flexible production facilities and logistics chain:
- 3 assembly lines : Linea & MCV ; Fiat Palio & Albea, Doblo
- Overall revenue budgeted for 2007 : 2,053 billion of euros

FIAT FIORINO, CITROËN NEMO AND PEUGEOT BIPPER DESIGN

The exterior style chosen is signed PSA. It is the result of a design competition between both Fiat and PSA Peugeot Citroen design studios.

▪ **KEY ELEMENTS**

ROBUSTNESS

Smooth body side with a gentle crown, Facets, Design cubic, Architectural feeling even product design. Most exterior elements are protected / set in to the volume by chamfers, side door windows, lamps. Tough functional door handles give a feeling of a tough working strong vehicle, Headlamp, ear lamp and fog lamps are position high up in the volume for protecting for knocks, and Front bumper has a rugged crossover feel. Wheels well positioned and the movement around the wheel arches gives an impression of strength and protection

COMPACT

Compact proportions inedited, short front and rear over hangs, wheel well positioned and in each corner. Compact solid front. All the space optimized.

VIVACITY

Vif. Wants to be driven / has to be driven, Strong character dynamic, young even sporty. It's a fusion - van, small passenger vehicle and a few of the visual queues from working 4X4 vehicles. Excellent proportions. Tight, Ball of nerves.

PASSENGER VEHICLE / UTILITY VEHICLE

Excellent proportions - bonnet /cabin / load area, real integrated functional sliding door, Good perception of load space. Load area had been optimized in every area, excellent forward visibility large windscreen and low side windows give good visibility and a light cabin. The inertia is well equipped with good storage areas, excellent driving position. The interior is coherent with the design values of the exterior.

KEY WORDS

New concept. Serious, Practical, Sympathetic, Tough, Cunning, Shrewd, Fit for its purpose. Small but strong, Reliable, Ready to go / pounce, always prepared. New styling codes for this segment, Modern, Solid, Tough, Practical, Generous volume.

Design Team PSA Peugeot Citroën

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