

COMMUNIQUÉ DE PRESSE

2013-11-26

CHANGES IN THE EQUITY INTERESTS HELD BY RENAULT AND PSA PEUGEOT CITROËN IN SOCIÉTÉ DE TRANSMISSIONS AUTOMATIQUES (STA) ET FRANÇAISE DE MÉCANIQUE (FM)

Two works council meetings with labour and management representatives were held today, Tuesday November 26, at Douvrin and Ruitz. The objective was to present plans to change the equity interests held by PSA Peugeot Citroën and Renault in the subsidiaries Française de Mécanique (Douvrin, northern France) and Société de Transmissions Automatiques (Ruitz, northern France).

Under the terms of the plan presented, PSA Peugeot Citroën could take full ownership of FM while Renault could acquire a 100% stake in STA.

FM is a subsidiary in which PSA Peugeot Citroën and Renault currently both hold a 50% stake. In practice, 85% of the site's activity concerns PSA and 15% Renault.

STA is a subsidiary that is 80% owned by Renault and 20% by PSA Peugeot Citroën. Renault accounts for 60% of STA's turnover at present.

PSA Peugeot Citroën and Renault have both expressed a wish to acquire full independence in the management of these sites and to take responsibility for the strategic future of an exclusively owned subsidiary.

This change in the ownership structure of the two companies will have no impact on the workforce, activities or running of the two sites.

The plan will be presented in the near future to the Board of Directors of FM and STA for a definitive agreement within the next few months.

For **Frédéric Przybylski**, Director of Française de Mécanique: *"this agreement underscores the importance of Française de Mécanique in PSA Peugeot Citroën's international production base. More than 80% of FM's output is for Peugeot and Citroën, and by acquiring full ownership, the Group is putting the best conditions in place for the success of its future projects, and in particular the recently announced DV-R engine".*

Javier Bernaldez, Director of STA, said: *"the activity of Société de Transmissions Automatiques is essential to the international development of Renault. It was therefore only logical for the Renault group to seek to acquire a 100% interest in this subsidiary in order to take full strategic control. In practice, nothing will change for either the workforce or our activities".*

About

Française de Mécanique

An equally owned subsidiary of PSA Peugeot Citroën and Renault, Française de Mécanique was founded in 1969. Located in Douvrin in northern France, the facility has a workforce of 3,200 producing four families of engines: three for PSA Peugeot Citroën and one for Renault. Eighty-five percent of the site's activities concern PSA Peugeot Citroën, which has invested €120 million for its new EB Turbo PureTech three-cylinder petrol engine, scheduled to begin production at the end of 2013. PSA Peugeot Citroën has also chosen Française de Mécanique for a new family of diesel engines, with the first production module scheduled for installation in 2017.

Société de Transmissions Automatiques

Founded in 1970, Société de Transmissions Automatiques, is located in the second biggest region of activity of France's automotive industry. A French specialist in the production of automatic gearboxes, STA has a workforce of 563. More than five million gearboxes have been produced in its workshops. Occupying a 100,000 m² site, STA is also recognized for its specific technical expertise in areas such as cold forging and fine blanking. STA makes planet gears, sun gears, other types of gear and a wide range of transmission components used to manufacture engines or manual gearboxes.

STA recently opened new installations. In mid-October 2013, it started production of the new DP8 automatic gearbox. This gearbox is fitted on the Renault Duster 4x4 assembled by Avtoframos (Moscow) for the Russian market. This new gearbox was designed by STA's engineering teams, with support from the central engineering department at Rueil.

STA is an industrial site whose activity supports Renault's international development. It is the only site to manufacture the DP0, DP2 and DP8 gearboxes for the entire Renault group. Ninety percent of its output is for export.

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