Faurecia Automotive Seating at a glance

- **€5.2bn**
  - Total sales 2012

- **33,600 employees**

- **76 sites**

- **7 R&D Centers**

- **25 countries**

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**Seat Mechanisms & Frames**
- Full range of high performance mechanisms
- Global standard frame platform leader
- Advanced mechatronic systems

**Complete Seats**
- Full JIT services and seat component offer: covers, foams, accessories
- Personalized through Smart Comfort solutions
- Seat Electronic

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#1 worldwide

#3 worldwide
Faurecia covers 85% of the total value of the seat content

Complete seat cost structure

<table>
<thead>
<tr>
<th>Component</th>
<th>Value car</th>
<th>Premium car</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value car</td>
<td>€ 450 - 600</td>
<td>€ 2,500 - 4,500</td>
</tr>
<tr>
<td>Premium car</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Other seat components (~15%)**
  - Airbag
  - Wiring harness
  - Occupant detection

- **Covers & Accessories (~40%)**
  - Foam Pads
  - Trim Covers
  - Headrests
  - Armrests
  - Pneumatic Systems
  - Electronic Controllers

- **Mechanisms & Frames (~30%)**
  - Recliners
  - Tracks
  - Height adjusters
  - Electric Motors

- **JIT (~15%)**
  - Assembly and delivery of the complete seat

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Faurecia Product sales*
2013 – €4.9bn

- **Mechanisms**
  - 0.7
- **Frames**
  - 1.5
- **Covers & Accessories**
  - 0.5
- **Complete seats**
  - 3.5

(*) Total product sales including internal sales ~15% ~30% ~40% ~15%
A favorable competitive environment

- Both the Complete Seat and the Frame markets are consolidated
- Almost 30% of the JIT market is closed to competition, mainly in Asia
- Faurecia targets 30% share of the global platform frame market
- Mechanisms integration is a major competitive advantage
Strategic roadmap

2009-2013
Taxiing towards the runway

2013-2014
On the runway, accelerating

2015-2016
Taking-off

- Two different businesses (Mechanisms & Frames and Complete Seats): Two strategic answers to increase our value sold per car
- Finalize execution of our manufacturing footprint optimization plan
- Further consolidate our recognized technology leadership
- Take advantage of a favorable competitive environment
- Focus on an enlarged customer portfolio and an increasingly international business
2009-2013: Globalization and diversification

Product sales

Strong growth in North America and Asia

Strong growth with the German OEMs and Renault-Nissan

2009:
- Globalization and diversification
- €3.7bn
- 80% Europe
- 11% North America
- 3% South America
- 7% Asia

2013:
- €4.9bn
- 54% Europe
- 6% North America
- 15% South America
- 11% Asia

Europe, North America, South America, Asia

Strong growth in North America and Asia

Strong growth with the German OEMs and Renault-Nissan
2009-2013: Recognized technology leadership
Attractive product/process portfolio focused on weight savings and smart comfort

MECHANISMS
- NNRG/NNTG+
- Metal System

FRAMES
- Super Alma
- G&M2/3
- Low H point Frame

PNEUMATICS
- Silent pneumatics
- Adjustable Firmness
- Cushion Massage

COMFORT & TRIM
- Compliant HR
- CCT small parts
- Magic Foam
- New covers
- Slim Comfort Layer

MECHATRONICS
- Piezo actuators
- Gapless CLA

SEAT ELECTRONICS
- Bio-lens
- Climate Fit
- X-Fit
- Intuitive Adjustment

Investor day • November 25, 2013
2013-2014: On the runway, accelerating

- Consolidating our North American business
- Deploying our Generic Frames
- Further optimizing European fixed costs
- Increasing Covers & Accessories vertical integration
2013-2014: Consolidating our North American business
Focus on performance robustness

North American footprint

2013 achievements and priorities

- Management reinforcement achieved in the USA and in Mexico. Creation of Regional Business Units
- 3 loss-making plants fixed in 2013
- Further improve manufacturing robustness
- Launch flawlessly four key Complete Seat programs

2014 focus

- Last loss-making frames issue to be fixed through a combination of commercial and manufacturing solutions
- Start two new JIT plants, Wentzville and Puebla
- Further improve manufacturing robustness
- Confirm the Nissan and Ford business breakthrough
2013-2016: Further optimizing European fixed costs
Cumulative EBIT impact above €40m

**Profitability must be improved**
- Expecting limited growth
- Must further leverage our very efficient footprint in Poland and Portugal
- Better manage business development in adjacent growing markets

**Action plan**
- Merge South and North Europe operations into one single European entity
- Reduce significantly our actual # of suppliers
- Take advantage of our optimized manufacturing footprint – improve the supply chain

**Projected cumulative savings 2014-2016 (€m)**
- Purchasing: >10
- Logistics: >15
- Indirect headcount: >15
2013-2014: Deploying our Generic Frames
A strategic business and a game changer allowing a cost reduction breakthrough

- # 1 worldwide on generic platforms – consolidate 30% market share
  - Global platforms is changing the game – large volumes, standard systems
  - Generic frames allow a Development, Program Management and Manufacturing cost reduction breakthrough
  - Our leading position allows business selectivity in a consolidated market

- Essential for Mechanisms
  - The Tier1 frames business allows us the exclusive use of our Mechanisms
  - Mechanisms is a profitable business

- The way to penetrate new markets and new customers
  - Ford, Hyundai, Great Wall, …
  - Russia, Korea, …
2013-2014: Mechanisms next generations
Lighter and smaller

<table>
<thead>
<tr>
<th>Recliners</th>
<th>2010</th>
<th>2013</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>ø 83</td>
<td>370g</td>
<td>ø 70</td>
<td>NRG</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Height Adjusters</th>
<th>2010</th>
<th>2013</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>G3</td>
<td>570g</td>
<td>Nano</td>
<td>Nano 2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Mechatronics</th>
<th>2010</th>
<th>2013</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Faurecia Seat Actuator</td>
<td>E-Pump 1</td>
<td>E-Pump 2</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Tracks</th>
<th>2010</th>
<th>2013</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>4CB</td>
<td>1,500g</td>
<td>Ultima</td>
<td>NTG</td>
</tr>
<tr>
<td></td>
<td>1,200g</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Weight saving**

<table>
<thead>
<tr>
<th>2010</th>
<th>2013</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>-15%</td>
<td>-25%</td>
<td></td>
</tr>
</tbody>
</table>

**Cost saving**

<table>
<thead>
<tr>
<th>2010</th>
<th>2013</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>-10%</td>
<td>-20%</td>
<td></td>
</tr>
</tbody>
</table>
2013-2014: The Generics ramp-up is becoming reality
Total Generics to achieve close to 80% of sales in 2017

Frame Generics ramp-up over mid-term period
as % of sales

<table>
<thead>
<tr>
<th>Year</th>
<th>Non Generics</th>
<th>Generics</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>7%</td>
<td>93%</td>
</tr>
<tr>
<td>2014</td>
<td>20%</td>
<td>80%</td>
</tr>
<tr>
<td>2015</td>
<td>37%</td>
<td>63%</td>
</tr>
<tr>
<td>2016</td>
<td>49%</td>
<td>51%</td>
</tr>
<tr>
<td>2017</td>
<td>78%</td>
<td>22%</td>
</tr>
</tbody>
</table>
2013-2014: The market segmentation for front & rear seat structure has polarized the market and consolidation is achieved.
2013-2014: Key profitability improvement levers to achieve a Mechanisms & Frames operating margin >8% and a ROCE >20% by 2016

Overall profitability improvement (2016 in % of operating income)

Mechanisms
- New products: 3%
- Manufacturing footprint concentration and efficiency: 1%
- Strategic pricing: 1%
- Contingencies: -1%

Frames
- Manufacturing footprint concentration and efficiency: 3%
- Strategic pricing: 1%
- Contingencies: -1%
- D&D, launch cost reductions: 2%
- Purchasing productivity: 55% of total system value

45% of total system value
**2013-2014: Increasing Covers & Accessories**

**vertical integration**

**Significant growth potential through vertical integration**

- **Priorities:** leather covers, headrests
- **Main business targets**
  - China
  - German Premium OEMs
  - North America
- **Low up-fronts, high ROCE**
  - Covers: ROCE > 40%
  - Accessories: ROCE > 30%

**Target €800m in 2016**

---

**Covers & Accessories**

<table>
<thead>
<tr>
<th>Year</th>
<th>Product Sales (€m)</th>
<th>Market share gain</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>540</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>700</td>
<td>+13% pa</td>
</tr>
<tr>
<td>2016</td>
<td>800</td>
<td></td>
</tr>
</tbody>
</table>

**Complete Seats**

<table>
<thead>
<tr>
<th>Year</th>
<th>Product Sales (€m)</th>
<th>Market share gain</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>3,465</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>4,400</td>
<td>+13% pa</td>
</tr>
<tr>
<td>2016</td>
<td>5,200</td>
<td></td>
</tr>
</tbody>
</table>
2015-2016: Taking-off

Mastering sustainable growth in North America

Growing profitable in Asia, targeting 30% of total sales

Adding value per car through three Technology Start-ups

Confirming benchmark performances
2015-2016: Mastering sustainable growth in North America

Business objectives

- Become the lead supplier of frames and complete seats to Nissan in the USA and in Mexico
- Further grow our business with Ford following our first successes in frames and complete seats
- Consolidate our lead supplier position for frames with VW
- Consolidate our lead supplier position for complete seats with Daimler
- Target mechanism, frame and complete seat programs with GM and Chrysler
- Mid-term opportunities: Hyundai and Honda
2015-2016: Growing profitably in Asia
Targeting 30% of total sales

Product Sales (€m)

- Market volume = +5% pa
- +28% pa

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rest of Asia</td>
<td>710</td>
<td>1,050</td>
<td>1,400</td>
</tr>
<tr>
<td>China</td>
<td>700</td>
<td>1,100</td>
<td>1,600</td>
</tr>
</tbody>
</table>

China
- Global frame platforms with Nissan, VW, GM, PSA and BMW
- Further grow business with SAIC, FAW and Dongfeng
- Mid-term opportunities with BAIC and ChangAn
- Complete Seat profitability improvement through Covers & Accessories integration

Japan – Korea – India
- Mid-term opportunities: Honda, Suzuki
- Frames production in Korea for Nissan, Samsung and Hyundai
- First Frames business awards from Hyundai
- New Frames production footprint in India for Ford and further Mechanisms localization
2015-2016: Adding value per car through three Technology Start-ups

- Seat Electronics: Value per unit €20
- Pneumatic and Thermal Systems: Value per unit €40
- Mechatronics: Value per unit €10

Dedicated organization with full business development autonomy

Achieve €300m of sales, generate an operating margin >10% and ROCE >25%
2015-2016: Strategy to reach best-in-class profitability with very strong growth from 2015

**2013**
- Total sales €5.3bn
- Operating margin around 4%
- ROCE 14%

**Operations**
- Reach Operational Excellence
  - Generic frame strategy
  - European fixed cost optimization
  - Consolidation of Covers and Accessories

**Market**
- Leverage Asia and North America
  - China and Asian Customer growth
  - North America breakthrough with Nissan and Ford
  - 4 customers above €1.0bn of sales and 5 above €0.5bn

**Products**
- Technology focused on Weight Saving & Smart Comfort solutions
  - Mechanisms & Generic Frames solutions
  - Seat Electronics
  - Pneumatic & Thermal Comfort Systems
  - Mechatronics

**2016**
- Total sales > €7.1bn
- CAGR > 10%
- Operating margin > 5%
- ROCE > 20%
Technical perfection, automotive passion