



2016 Interim Results

July 26, 2016

faurecia

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Highlights

Patrick Koller

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Financial performance

Michel Favre

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2016 Outlook

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2016 Outlook

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■ Total sales	€9.53 bn	+3.4% organic* (value added** sales +5.0% organic*)
■ Operating income	€490 m	5.1% margin on total sales or +110bp (6.2% margin on value added** sales or +130bp)
■ Net cash flow	€205 m	2.2% of total sales
■ Net income	€245 m	up 56%

Highlights

- **Strong growth and robust profitability improvement in Europe**
- **North America strong profitability improvement confirming operational breakthrough**
- **Profitability in Asia remains at high level despite more challenging market environment**
- **All three Business Groups showing profitability improvement and converging to similar profitability levels**
- **Order intake momentum maintained**

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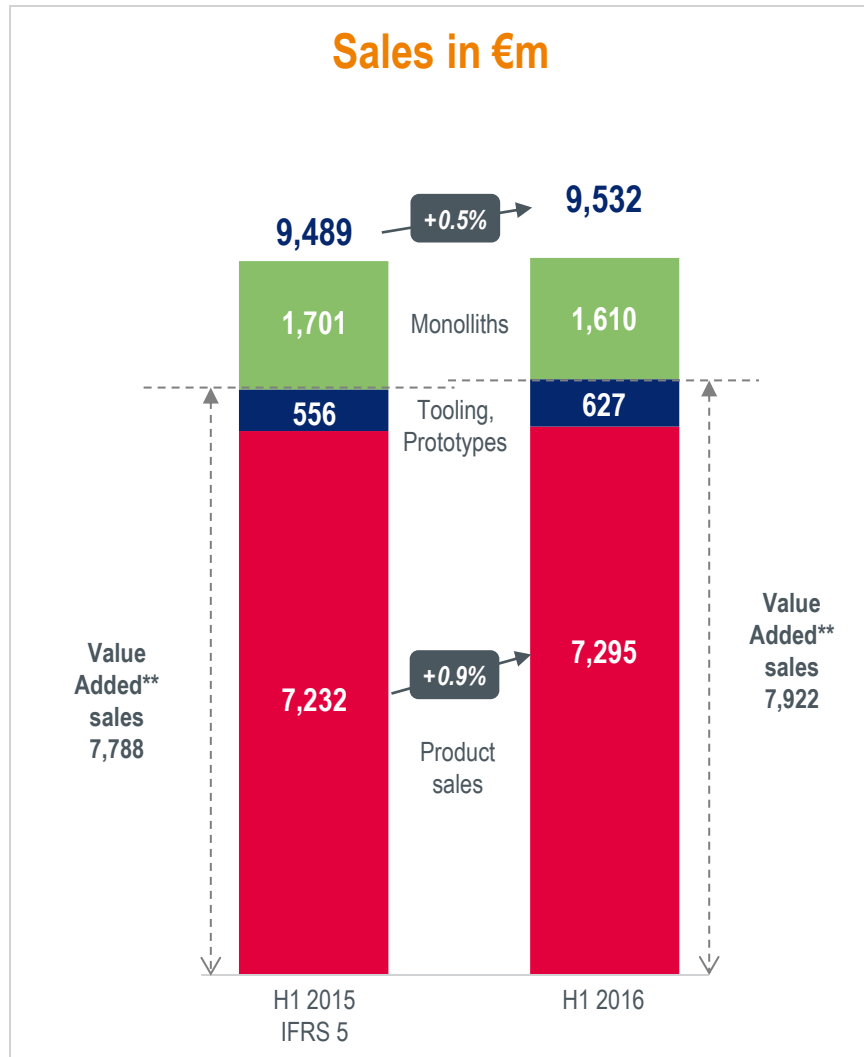
3

2016 Outlook

Patrick Koller

Solid organic growth

Value Added** sales up 5.0%*



H1 2016 vs H1 2015 (IFRS 5)

Variation	Reported	Currencies	Other	Like for like*
Total Sales	+0.5%	(2.5%)	(0.5%)	+3.4%
Value Added** Sales	+1.7%	(2.7%)	(0.6%)	+5.0%
Product Sales	+0.9%	(2.7%)	(0.6%)	+4.2%

- **Currencies had an overall negative impact of:**
 - €233 m on total sales
 - €210 m on value added sales
 - €195 m on product sales
- **Lower precious metal prices had a negative impact on Monoliths sales of around €135 m or close to 800bp**

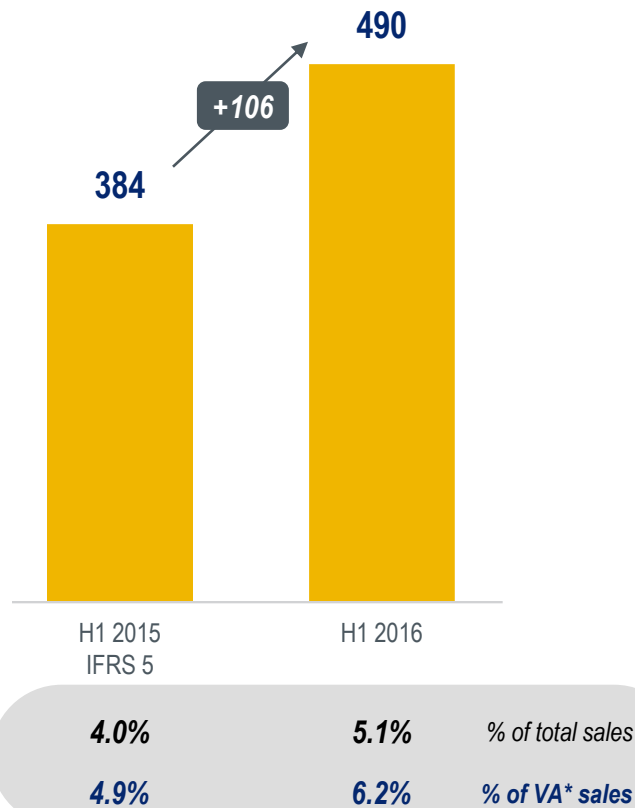
*: Constant currencies & scope;

** : Value Added (VA) sales: Total sales less monoliths sales

Profitability

Operating margin sharply up by 110bp to 5.1%

Operating income in € m



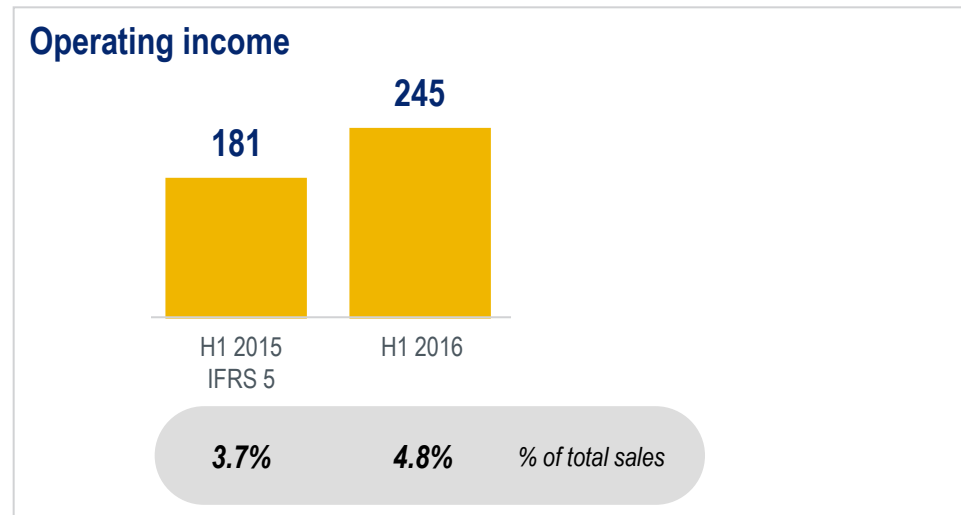
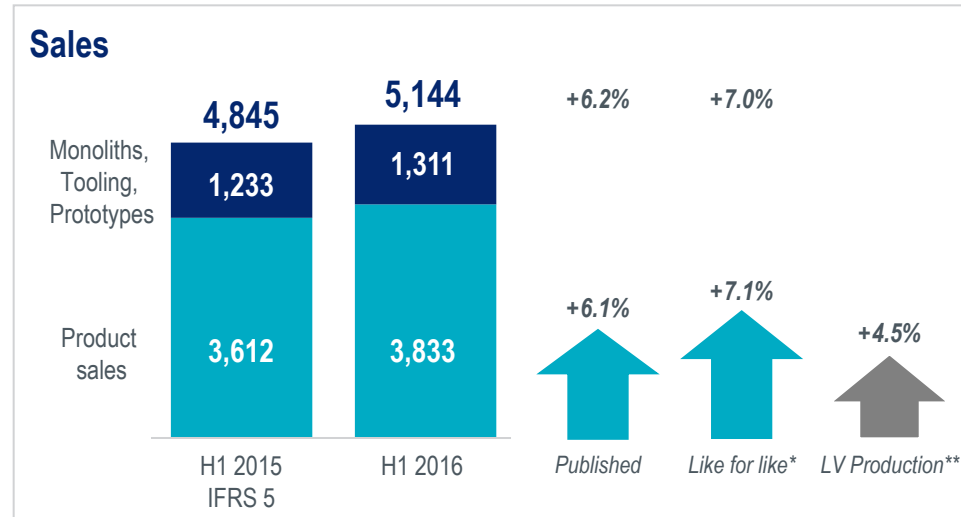
Operating margin +110bp

- Operating margin on total sales improved by 110bp to 5.1%
- On Value Added* (VA) sales, operating margin reached 6.2% an improvement of 130bp.
- Higher sales contribution
- Accelerating investments in Faurecia 4.0 project

Europe

Sales outperformance and profitability up (+110 bp)

in €m



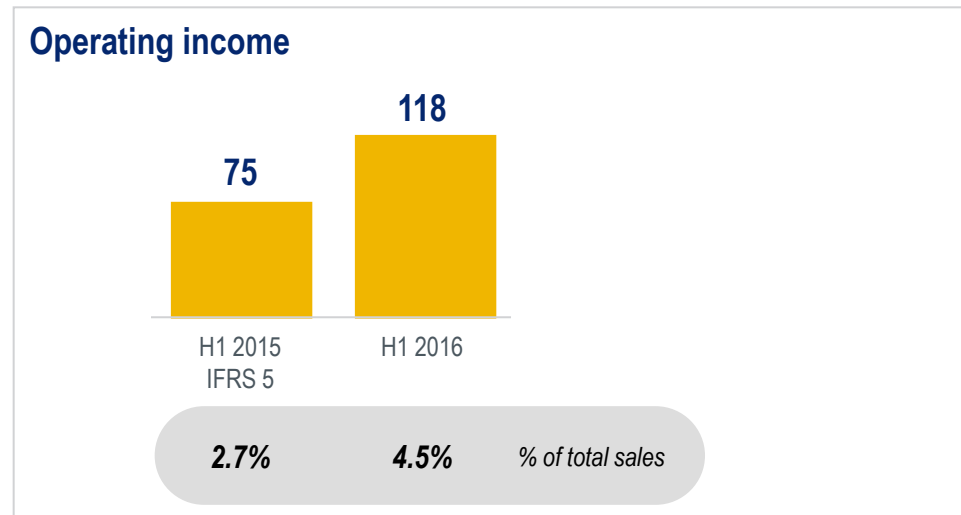
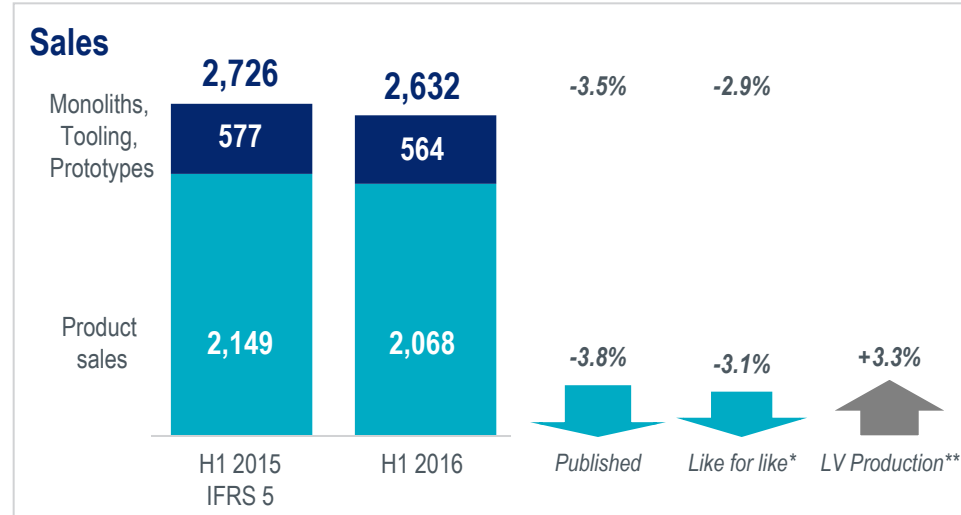
- **Solid product sales growth +7.1%* outpacing European production (+4.5%**)**
 - Renault-Nissan (+23%*)
 - Ford (+11%*)
 - BMW (+46%*)

- **Operating margin improvement of 110bp was mainly driven by:**
 - Higher sales contribution (close to 29% on product sales)
 - Whereas accelerating investments in Faurecia 4.0

North America

Strong profitability improvement confirming operational breakthrough

in €m



- Total sales decreased 2.9%* in H1.
- Product sales down 3.1%* due to FCA's decision to discontinue the Chrysler 200 in spring 2017. This alone is denting growth by 450bp (or €97 m).
- New business awarded so far on Dodge RAM and Jeep Grand Cherokee for over 850 million euros lifetime sales from 2018
- Renault-Nissan (+7%); Daimler (+20%)

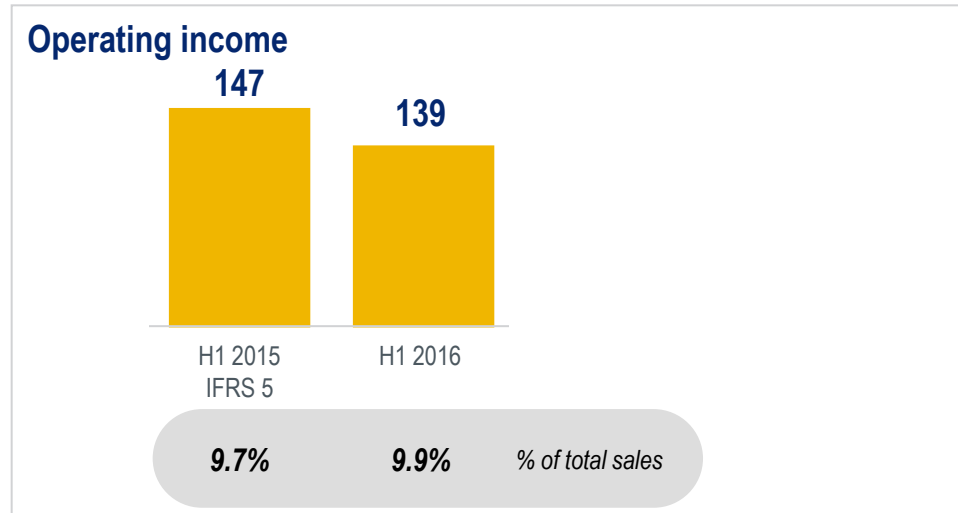
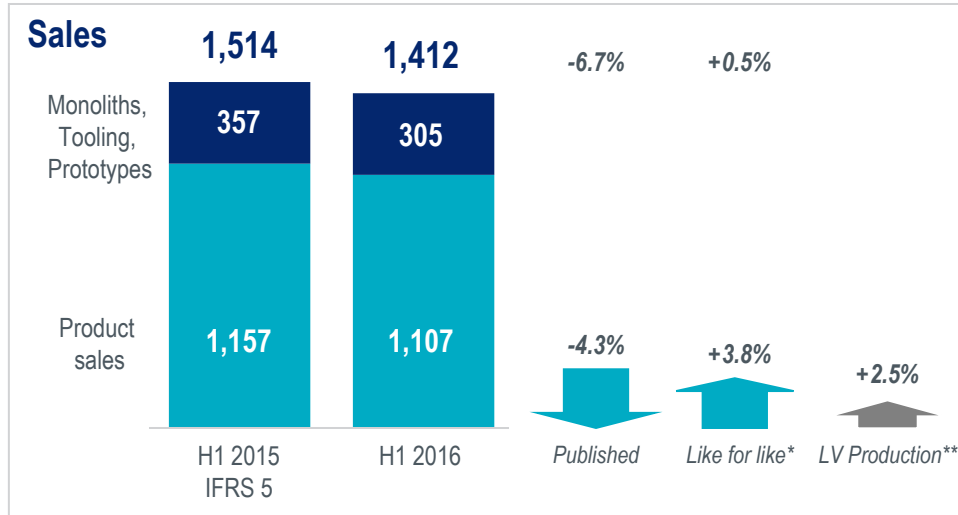
- Significant operational improvements with operating margin up 180bp to 4.5% of total sales
 - Continuing momentum
 - Excellent industrial performance

- 2016 operating margin to be between 4.5% and 5.0%

Asia

Margin slightly up in a lower growth environment

in €m



- **Product sales in Asia up 3.8%* in H1 above light vehicle production (+2.5%**)**
- **Product sales in China down 3.7%* in H1**
 - Sales to Chinese OEMs soared 31%* largely outperforming the market and represented 12% of Chinese sales.
 - Sales in China were affected by sales to PSA down 11% and negative client mix.
 - Production transfer of seat frames to Korea dented sales by around €44 m or around 460bp
 - Sales to the Dongfeng JV in Chengdu are starting and will ramp-up throughout H2 and in 2017
- **Operating margin slightly up at 9.9% of total sales or €139 m**
 - Profitability improvement in Korea and Thailand
 - Margin in China almost stable

Net income at €245 m up 56%, a net margin of 2.6%

in €m

	H1 2015*	H1 2016
Total sales	9,488.7	9,531.6
<i>o/w Value Added** sales</i>	<i>7,788.0</i>	<i>7,921.7</i>
Operating income	383.7	490.3
<i>(margin as % of total sales)</i>	<i>(4.0%)</i>	<i>(5.1%)</i>
<i>(margin as % of VA** sales)</i>	<i>(4.9%)</i>	<i>(6.2%)</i>
Restructuring & other income and expenses	(28.7)	(65.7)
Net interest expense & other income and interest expense	(99.9)	(106.0)
Pretax income of integrated companies	255.1	318.6
Corporate income taxes	(86.3)	(94.8)
Net income of associates & Other	(0.4)	13.2
Minority interests	(38.9)	(39.6)
Net profit from discontinued operations	27.9	47.6
Consolidated net income (Group share)	157.4	245.0
Net income per share (fully diluted)	1.21	1.79

- Operating leverage (excluding Fx): close to 20% on total sales (or 18% on VA sales)
- Restructuring €58 m (vs €31 m in 2015); due to European industrial plan for Emissions Control
- Net interest expenses of €91 m (vs €84 m in 2015) including a charge of €31 m of which €21 m in H1 instead of H2 for the early redemption of the 2016 bond. On track to reduce net financial expenses by around €50 m for 2016
- 29.7% tax rate, some tax optimization will secure 28% tax rate for FY 2016
- Big improvement (+56%) mostly generated by higher operating income
Net margin of 3.1% of Value Added sales

*: Restated IFRS 5; ** Value Added (VA) sales: Total sales less Monoliths sales

Net cash flow exceeding €200 m in H1 2016

EBITDA up 20% to €814 m mostly driven by higher op. income

in €m

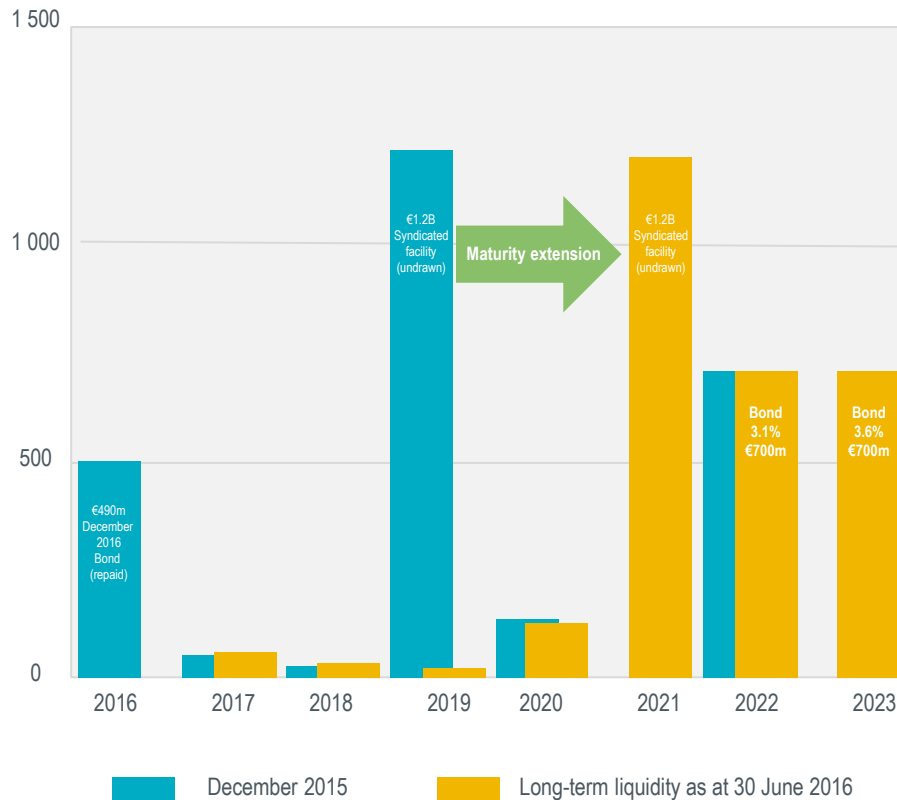
	H1 2015*	H1 2016
Operating income	384	490
D & A	294	324
EBITDA	678	814
Change in WCR	160	75
Capex	-240	-232
Capitalized R&D	-158	-185
Restructuring	-31	-24
Finance expenses	-95	-83
Taxes	-97	-105
Others	+96	-55
Net cash flow	312	205

- EBITDA up by €136 m or +20% mostly coming from higher operating income
- Positive WCR change thanks to tight control of all items.
- Capex + capitalized R&D at €417 m, to be close to €1.0 bn for the year
- Expected around €50m for full-year
- Significant reduction thanks to refinancing
- Lower cash tax rate around 33% (vs 38% in H1 2015)
- Net cash flow represented 2.2% of sales
Net cash flow minimum of €300 m in 2016

*: Restated IFRS 5

Successful refinancing plan completed

Maturities of long-term liquidity resources in € m



- **March 2016: €700 m, 7-year bond issued at 3.625%**
- **April 2016: Early redemption of the €490 m, Dec 2016 very expensive bond (over 9% coupon)**
- **June 2016: Syndicated credit facility of €1.2 bn renegotiated with better terms and extended to 5-year (2021).**
 - Back-up line
 - 100% undrawn at the end of June
- **No significant LT debt repayment before 2022**

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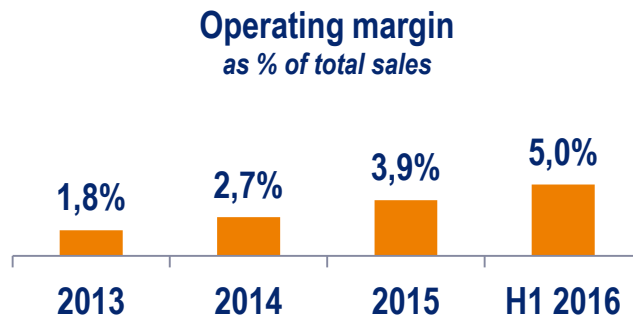
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2016 Outlook

Patrick Koller

- **Interior Systems selective order intake to restore profitability**

- Breakthrough in operating margin from 1.8% in 2013 to 5.0% in H1 2016

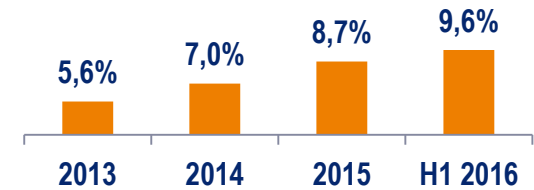


- Sale of Fountain Inn business in US (\$95 m sales in H2) finalized end June 2016, earnings enhancing
- Market consolidation supports profitability improvement

■ Emissions Control Technologies focused on consolidating market position post Emcon acquisition

- Operating margin improvement from 5.6% (on VA sales) in 2013 to 9.6% in H1 2016
- Market share close to be restored
- Strong business development with Cummins for Commercial Vehicles (+5% in H1)

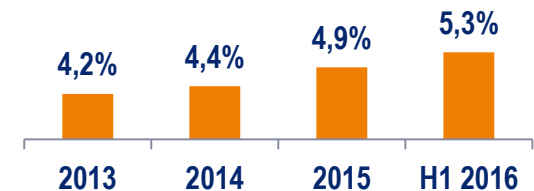
Operating margin
as % of value added sales



■ Accelerated profitable growth for Automotive Seating

- Double digit growth in 2015 and high growth in 2016 (+9.2% in H1)
- Operating margin improvement from 4.2% in 2013 to 5.3% H1 2016

Operating margin
as % of total sales



Automotive Exteriors disposal to be closed on July 29

- **July 11, 2016: The European Commission approved the sale of Faurecia Automotive Exteriors to Plastic Omnium**
- **July 29, 2016: Closing of the deal based on an EV (Enterprise Value) of €665 m**
 - The divestiture commitment (around €700 m of sales) made by Plastic Omnium has no impact on the sale of the business by Faurecia or on the amount of the transaction
- **Estimated net capital gain of around €200 m to be booked in H2 below operating income**
- **The proceeds from the disposal will almost eliminate Faurecia's net debt**

Full year guidance upgraded

- **Total sales growth between 1%* and 3%***
(no change)
- **Operating margin (on total sales) minimum of 5.0%**
(previous guidance: between 4.6% and 5.0%)
- **Net Cash flow minimum of €300 m**
(previous guidance: around €300 m)

Our ambition

Become leader in
Sustainable Mobility &
Cockpit of the Future

Expand Value Spaces to
reach > 30% of sales

Net cash flow objective
> 3% of total sales



DRIVING
WELL
BEING



Next events

Thursday Sept 8 (afternoon) in Beijing

Strategy update on China with Jean-Michel Vallin (CEO),
Jingcheng Li (Strategy & Partnership Director),
Mathias Miedriech (President Emissions Control Technologies Asia)

In conjunction with the Daimler CMD in Beijing (Sept 6-7)
and Volkswagen Group China investor presentation in Beijing (Sept 8 morning)

Venue TBD

Friday Sept 30, booth tour during the Paris Auto Show

Patrick Koller (CEO) & Christophe Aufrère (Chief Technology Officer)

faurecia

Technical perfection, automotive passion



Back-Up

Legal statement

- **The interim fiscal 2016 accounts were approved by the Board of Directors under the Chairmanship of Yann Delabrière at its meeting on July 25, 2016.**

- **Auditors have reviewed the accounts.**

Back-Up Profitability by region

TOTAL SALES* IN € M	H1 2015	H2 2015	2015	2015**	H1 2015**	H1 2016
Europe	5,767.7	5,488.6	11,256.3		4,845.1	5,144.1
North America	2,795.4	2,748.2	5,543.6		2,725.9	2,631.7
Asia	1,514.9	1,587.0	3,101.9		1,514.2	1,412.4
<i>o/w China</i>	1,267.0	1,325.0	2,592.0		1,267.0	1,101.4
South America	301.8	249.5	551.3		276.1	236.0
RoW, Other & Elims	127.3	111.5	238.8		127.4	107.4
TOTAL	10,507.1	10,184.8	20,691.9	18,770.4	9,488.7	9,531.6
<i>o/w Monoliths</i>	1,700.7	1,603.7	3,304.4	3,304.4	1,700.7	1,609.9
PRODUCT SALES* IN € M	H1 2015	H2 2015	2015	2015**	H1 2015**	H1 2016
Europe	4,440.6	4,116.2	8,556.8		3,612.0	3,833.1
North America	2,217.7	2,182.5	4,400.2		2,148.8	2,067.8
Asia	1,156.8	1,214.6	2,371.4		1,156.8	1,106.8
<i>o/w China</i>	952.0	993.7	1,945.7		952.0	842.7
South America	246.5	203.2	449.7		229.1	200.0
RoW, Other & Elims	85.0	85.5	170.5		85.0	87.0
TOTAL	8,146.6	7,802.0	15,948.6		7,231.7	7,294.7
OPERATING INCOME IN € M	H1 2015	H2 2015	2015	2015**	H1 2015**	H1 2016
Europe	223.3	224.5	447.9		180.6	244.6
<i>Margin (as % of Total sales)</i>	3.9%	4.1%	4.0%		3.7%	4.8%
North America	78.2	140.1	218.3		74.9	118.4
<i>Margin (as % of Total sales)</i>	2.8%	5.1%	3.9%		2.7%	4.5%
Asia	145.7	146.9	292.6		146.8	139.5
<i>Margin (as % of Total sales)</i>	9.6%	9.3%	9.4%		9.7%	9.9%
South America	-26.4	-27.7	-54.1		-21.7	-17.6
<i>Margin (as % of Total sales)</i>	-8.7%	-11.1%	-9.8%		-7.9%	-7.5%
RoW, Other & Elims	3.1	4.9	8.0		3.2	5.4
<i>Margin (as % of Total sales)</i>	2.4%	4.4%	3.4%		2.5%	5.0%
TOTAL	423.9	488.7	912.6	830.0	383.7	490.3
<i>Margin (as % of Total sales)</i>	4.0%	4.8%	4.4%	4.4%	4.0%	5.1%
Margin (as % of VA sales***)	4.8%	5.7%	5.2%	5.4%	4.9%	6.2%

* by origin; ** Restated IFRS 5, remaining Automotive Exterior sales have been added to the sales of Interior Systems; *** Value Added sales = Total sales - Monoliths

Back-Up Profitability by BG

TOTAL SALES* IN € M	H1 2015	H2 2015	2015	2015*	H1 2015*	H1 2016
Automotive Seating	3,103.3	3,084.9	6,188.2		3,103.3	3,299.2
Emissions Control Technologies	3,792.7	3,657.3	7,450.0		3,792.8	3,691.4
Interior Systems	2,534.5	2,484.1	5,018.6		2,592.6	2,541.0
Automotive Exteriors (Sold July 29, 2016)	1,076.6	958.5	2,035.1			
TOTAL	10,507.1	10,184.8	20,691.9	18,770.4	9,488.7	9,531.6
<i>o/w Monoliths</i>	<i>1,700.7</i>	<i>1,603.7</i>	<i>3,304.4</i>	<i>3,304.4</i>	<i>1,700.7</i>	<i>1,609.9</i>

PRODUCT SALES* IN € M	H1 2015	H2 2015	2015	2015*	H1 2015*	H1 2016
Automotive Seating	2,938.1	2,888.3	5,826.4		2,938.1	3,134.9
Emissions Control Technologies	1,957.6	1,887.1	3,844.7		1,957.6	1,914.9
Interior Systems	2,286.7	2,165.3	4,452.0		2,336.0	2,244.9
Automotive Exteriors (Sold July 29, 2016)	964.2	861.3	1,825.5			
TOTAL	8,146.6	7,802.0	15,948.6		7,231.7	7,294.7

OPERATING INCOME IN € M	H1 2015	H2 2015	2015	2015*	H1 2015*	H1 2016
Automotive Seating	139.6	166.0	305.6		139.2	175.4
<i>Margin (as % of Total sales)</i>	<i>4.5%</i>	<i>5.4%</i>	<i>4.9%</i>		<i>4.5%</i>	<i>5.3%</i>
Emissions Control Technologies	171.7	188.2	359.9		171.4	200.5
<i>Margin (as % of Total sales)</i>	<i>4.5%</i>	<i>5.1%</i>	<i>4.8%</i>		<i>4.5%</i>	<i>5.4%</i>
<i>Margin (as % of VA sales**)</i>	<i>8.2%</i>	<i>9.2%</i>	<i>8.7%</i>		<i>8.2%</i>	<i>9.6%</i>
Interior Systems	89.3	108.4	197.7		79.7	126.8
<i>Margin (as % of Total sales)</i>	<i>3.5%</i>	<i>4.4%</i>	<i>3.9%</i>		<i>3.1%</i>	<i>5.0%</i>
Automotive Exteriors (Sold July 29, 2016)	23.3	26.1	49.3			
<i>Margin (as % of Total sales)</i>	<i>2.2%</i>	<i>2.7%</i>	<i>2.4%</i>			
<i>IFRS 5 Adjustment</i>					<i>-6.6</i>	<i>-12.4</i>
TOTAL	423.9	488.7	912.6	830.0	383.7	490.3
<i>Margin (as % of Total sales)</i>	<i>4.0%</i>	<i>4.8%</i>	<i>4.4%</i>	<i>4.4%</i>	<i>4.0%</i>	<i>5.1%</i>
Margin (as % of VA sales***)	4.8%	5.7%	5.2%	5.4%	4.9%	6.2%

*: Restated IFRS 5; remaining Automotive Exterior sales have been added to the sales of Interior Systems;

** Value Added sales = Total sales - Monoliths

Back-Up Sales by type

SALES BY TYPE (N € M)	H1 2015*				H1 2016			
	Product	Monoliths	R&D & Tooling	Total	Product	Monoliths	R&D & Tooling	Total
Automotive Seating	2,938.1		165.2	3,103.3	3,134.9		164.3	3,299.2
Emissions Control Technologies	1,957.6	1,700.7	134.5	3,792.8	1,914.9	1,609.9	166.6	3,691.4
Interior Systems	2,336.0		256.6	2,592.6	2,244.9		296.1	2,541.0
TOTAL	7,231.7	1,700.7	556.3	9,488.7	7,294.7	1,609.9	627.0	9,531.6

*: Restated IFRS 5; remaining Automotive Exterior sales have been added to the sales of Interior Systems;

IN € M	H1 2015 IFRS 5	Currencies	Scope & Other	Organic (like for like)*	H1 2016 Reported
Total sales	9,488.7	-232.9	-46.1	321.9	9,531.6
<i>Var in %</i>		-2.5%	-0.5%	3.4%	0.5%
Value Added sales	7,788.0	-210.4	-46.1	390.2	7,921.7
<i>Var in %</i>		-2.7%	-0.6%	5.0%	1.7%
Product sales	7,231.7	-194.8	-45.8	303.6	7,294.7
<i>Var in %</i>		-2.7%	-0.6%	4.2%	0.9%

*: At constant exchange rates & scope

Back-Up

Sales variation by BG & Cash Flow reconciliation

SALES VARIATION BY BG IN € M	H1 2015*	H1 2016	Var in % Reported	Var in % Like for like**
TOTAL SALES				
Automotive Seating	3,103.3	3,299.2	6.3%	8.8%
Emissions Control Technologies	3,792.8	3,691.4	-2.7%	-0.2%
Interior Systems	2,592.6	2,541.0	-2.0%	2.2%
TOTAL	9,488.7	9,531.6	0.5%	3.4%
PRODUCT SALES				
Automotive Seating	2,938.1	3,134.9	6.7%	9.2%
Emissions Control Technologies	1,957.6	1,914.9	-2.2%	1.2%
Interior Systems	2,336.0	2,244.9	-3.9%	0.4%
TOTAL	7,231.7	7,294.7	0.9%	4.2%

*: Restated IFRS 5; **: At constant exchange rates & scope

CASH FLOW RECONCILIATION IN € M	H1 2016
Net Cash Flow	204.6
Acquisitions of investments and business (net of cash & cash equivalent)	-25.8
Proceeds from disposal of financial assets	0.0
Other changes	-23.6
Cash provided (used) by operating & investing activities	155.3

Back-Up

Sales variation by Region

SALES VARIATION BY REGION (IN € M)	H1 2015*	H1 2016	Reported	Var in % Like for like***	LV production**
TOTAL SALES					
Europe	4,845.1	5,144.1	6.2%	7.0%	
North America	2,725.9	2,631.7	-3.5%	-2.9%	
Asia	1,514.2	1,412.4	-6.7%	0.5%	
South America	276.1	236.0	-14.5%	15.8%	
Rest of the World	127.4	107.4	-15.7%	7.0%	
TOTAL	9,488.7	9,531.6	0.5%	3.4%	
PRODUCT SALES					
Europe	3,612.0	3,833.1	6.1%	7.1%	4.5%
North America	2,148.8	2,067.8	-3.8%	-3.1%	3.3%
Asia	1,156.8	1,106.8	-4.3%	3.8%	2.5%
South America	229.1	200.0	-12.7%	19.4%	-21.2%
Rest of the World	85.0	87.0	2.3%	29.1%	4.3%
TOTAL	7,231.7	7,294.7	0.9%	4.2%	2.4%

*: Restated IFRS 5; **: Source IHS estimates, July 2016; *** At constant currencies & scope

Contact & Share data

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Share Data

Bloomberg Ticker: EO:FP
Reuters Ticker: EPED.PA
Datastream: F:BERT
ISIN Code: FR0000121147

ADR Data

Ticker: FURCY
Ratio: 2 ADRs for 1 share
Agent: Citi Group

Bonds ISIN Codes

2022 bonds : XS1204116088

2023 bonds : XS1384278203

Safe Harbor Statement

This report contains statements that are not historical facts but rather forward-looking statements. The words "will," "may," "designed to," "outlook," "believes," "should," "anticipates," "plans," "expects," "intends," "estimates" and similar expressions identify these forward-looking statements. All such statements are based upon our current expectations and various assumptions, and apply only as of the date of this report.

Our expectations and beliefs are expressed in good faith and we believe there is a reasonable basis for them.

However, there can be no assurance that forward-looking statements will materialize or prove to be correct. Because such statements involve risks and uncertainties such as automotive vehicle production levels, mix and schedules, financial distress of key customers, energy prices, raw material prices, the strength of the European or other economies, currency exchange rates, cancellation of or changes to commercial contracts, liquidity, the ability to execute on restructuring actions according to anticipated timelines and costs, the outcome could differ materially from those set out in the statements.

Except for our ongoing obligation to disclose information under law, we undertake no obligation to update publicity any forward-looking statements whether as a result of new information or future events.

faurecia

Technical perfection, automotive passion

