

Paris (France), November 29, 2016

Faurecia and Borgward Group form strategic automotive seating joint-venture

Faurecia, one of the world's leading automotive equipment suppliers, and Borgward, the German premium automaker, have created a joint-venture in China to jointly develop and build complete seats for new Borgward vehicles. The joint venture agreement was announced today in Paris during a signing ceremony in the presence of Patrick Koller, CEO of Faurecia, Ulrich Walker, CEO of Borgward Group as well as of Faurecia China and Borgward China officials.

The joint-venture – Borgward Faurecia Auto Systems Co., Ltd. – will develop and produce automotive seats at a new plant with some 800 employees located in Tianjin, China. Faurecia holds 51 % of the joint-venture, Borgward Group AG 46% and Borgward Automotive (China) Co., Ltd. 3%. The plant will develop and produce the full range of automotive seating components starting with the just-in-time assembly of complete seats and will progressively add component products such as seat frames, seat foams and seat covers. As part of the strategic partnership, a technical center will also be created for product development, after-sales services and technical support. The joint venture is expected to reach a total production volume of 400,000 car sets by 2020.

“As part of our expansion strategy — particularly in China, but also in Europe — we are delighted to participate in the revival of the renowned automotive brand Borgward. Our extensive experience with premium and SUV seats was the main reason for the establishment of this new joint venture in China,” said Patrick Koller, CEO of Faurecia, at the signing of the joint venture agreement.

“We are proud to intensify our cooperation with Faurecia, one of the world's most successful and innovative automotive suppliers,” said Ulrich Walker, CEO of Borgward Group AG.

From January 2017, the joint venture will develop and manufacture seats for the new Borgward BX5 SUV and other models assembled in China, and later on intends to supply seats to Borgward for its vehicles to be assembled in Europe. Based on its leading position in the vehicle interior field, the long-term goal is also for Faurecia to develop entire cockpits for future Borgward vehicles.

Faurecia has been operating in China for over 20 years and has developed fast within China's booming automotive industry and considers the Chinese market a major priority. It currently employs 14,000 people, including 1,000 engineers, and is present in 21 cities across all the main automotive regions in China. The Group now operates 42 factories and 4 R&D centers.

About Faurecia

Faurecia is one of the world's largest automotive equipment suppliers with global leadership positions in three activities: Automotive Seating, Interior Systems and Emissions Control Technologies. Its strong technology offer provides automakers with solutions for the cockpit of the future and sustainable mobility. In 2015, the Group posted total sales of €20.7 billion and employed 103,000 people in 34 countries at 330 sites and 30 R&D centers. Faurecia is listed on the NYSE Euronext Paris stock exchange and trades in the U.S. over-the-counter (OTC) market. For more information, visit www.faurecia.com

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