



Annual Shareholder's Meeting

27 May 2015

faurecia

Agenda

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2014 Results

Michel Favre

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Short and medium term outlook

Yann Delabrière/Patrick Koller

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Resolutions concerning governance

Jean-Pierre Clamadieu

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2014 Results

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Short and medium term outlook

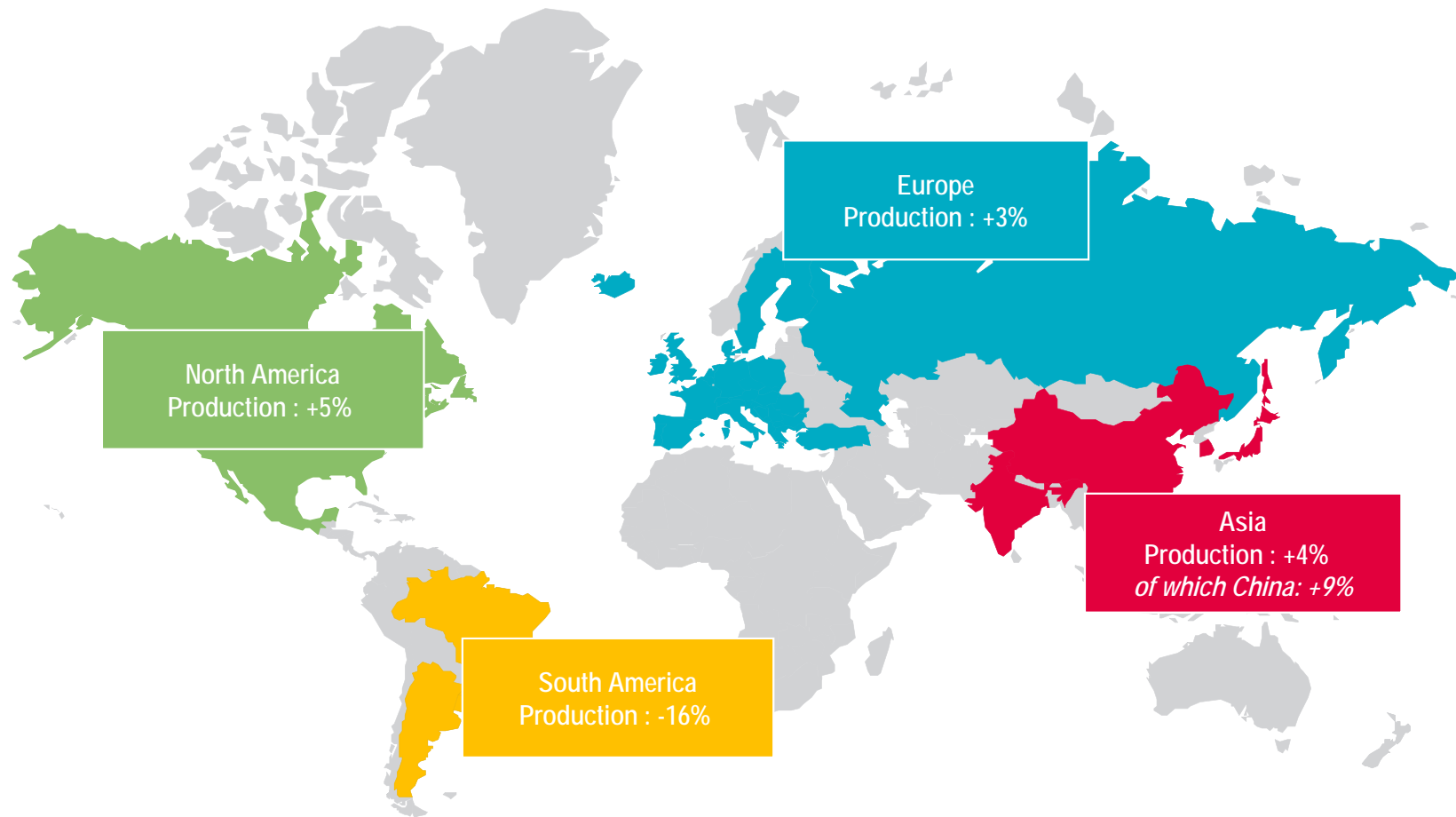
Yann Delabrière/Patrick Koller

3

Resolutions concerning governance

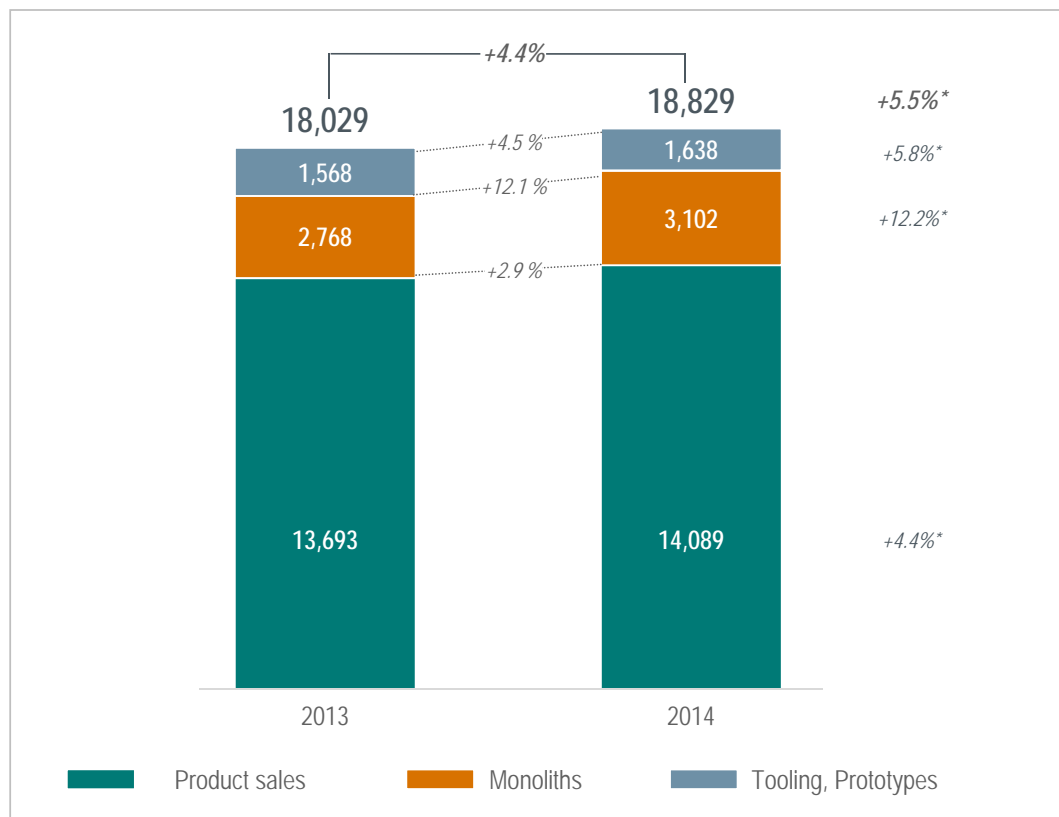
Jean-Pierre Clamadieu

Global automotive production up 3% in 2014



Sustained growth Total Sales up 5.5%*

€m

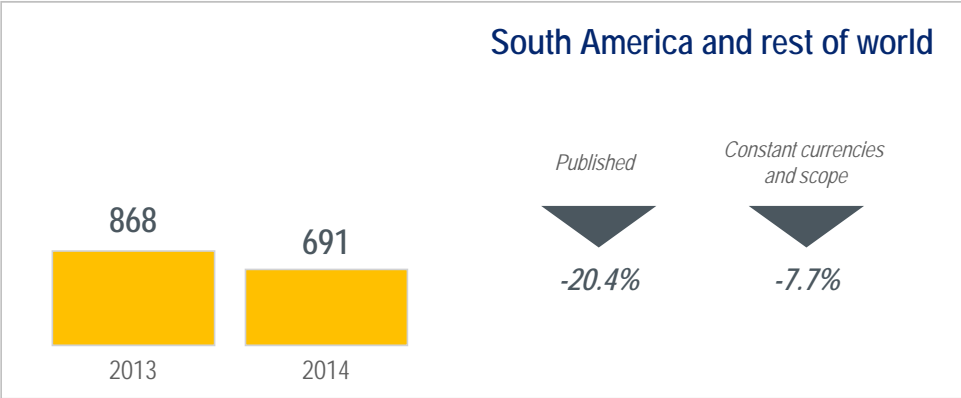
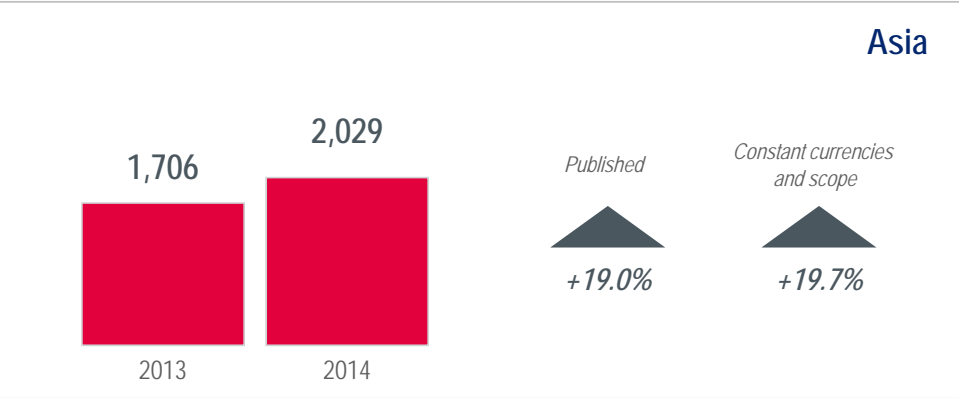
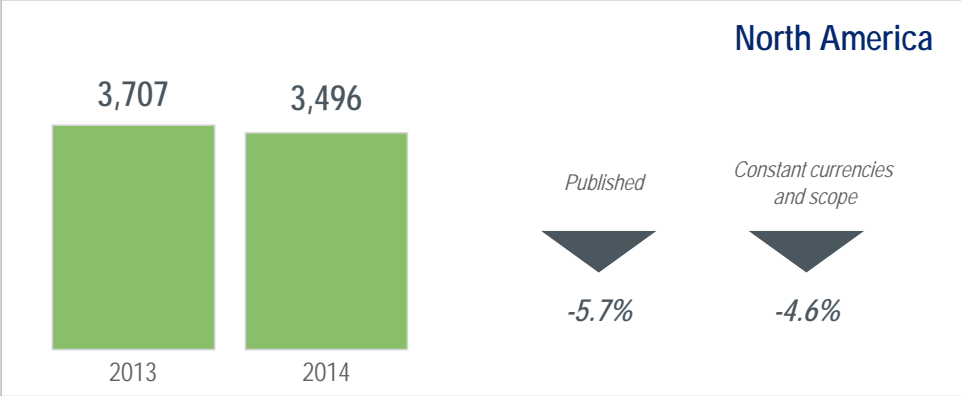
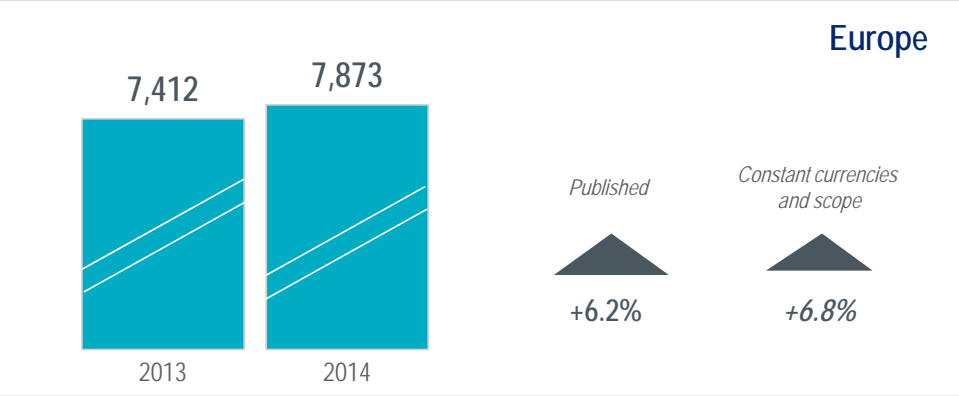


- Strong growth in second half with sales up 7.1%* thanks to a turnaround in Europe (+7%* in H2) and ongoing growth in Asia +17%* in H2)
- Exchange rate variations had a negative impact on sales of 1.0% (173 M€) for the year
- Sales of tooling and prototypes increased by 12.2%* due to the strong increase in order intake

Strong growth in Asia

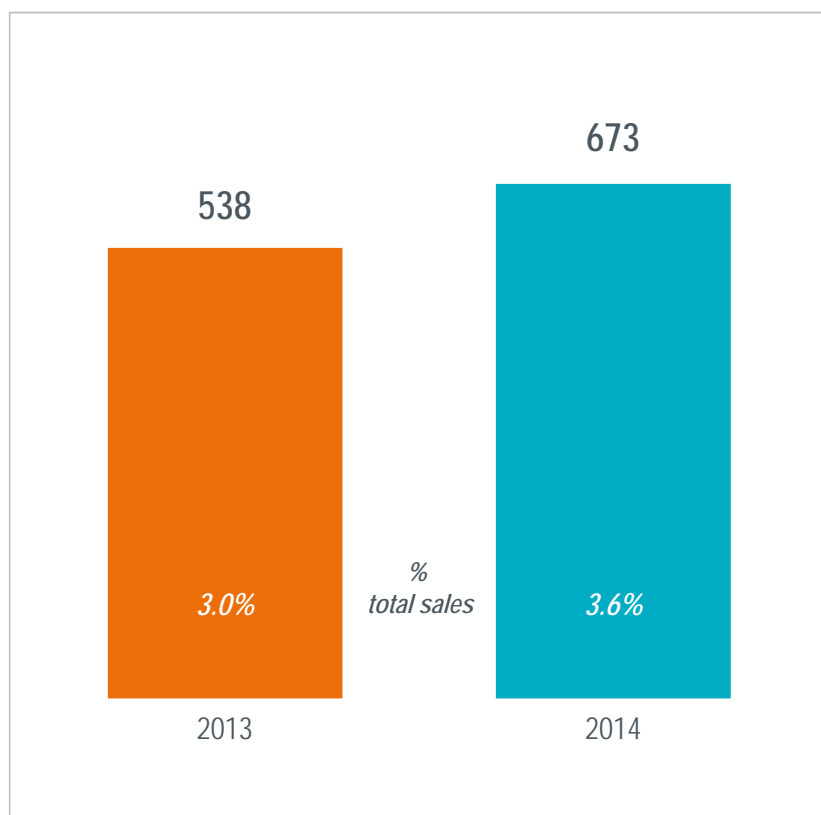
Region represents 16% of Group sales

Product sales by region in €m



Operating margin improvement throughout the year

Operating margin in €m



- The ongoing improvement in operating margin throughout the year to reach 3.6% of sales in 2014 (as compared to 3.0% in 2013) is due to:
 - Improved margin in Europe (3.6% versus 2.7%) following the pick up in sales and reduced fixed costs
 - Improvement of 60 basis points in Asia (8.9% versus 8.3%) due to a strong improvement in sales
 - The temporary drop in sales in North America, due to model renewals, impacted the operating margin which dropped to 1.7% of sales for the full year but was stable in the second half thanks to a sales improvement
- In the first half the operating margin improved by 50 basis points (3.3% versus 2.8%) and in the second half by 60 basis points (3.8% versus 3.2%)

Net income up 89% to reach € 166m

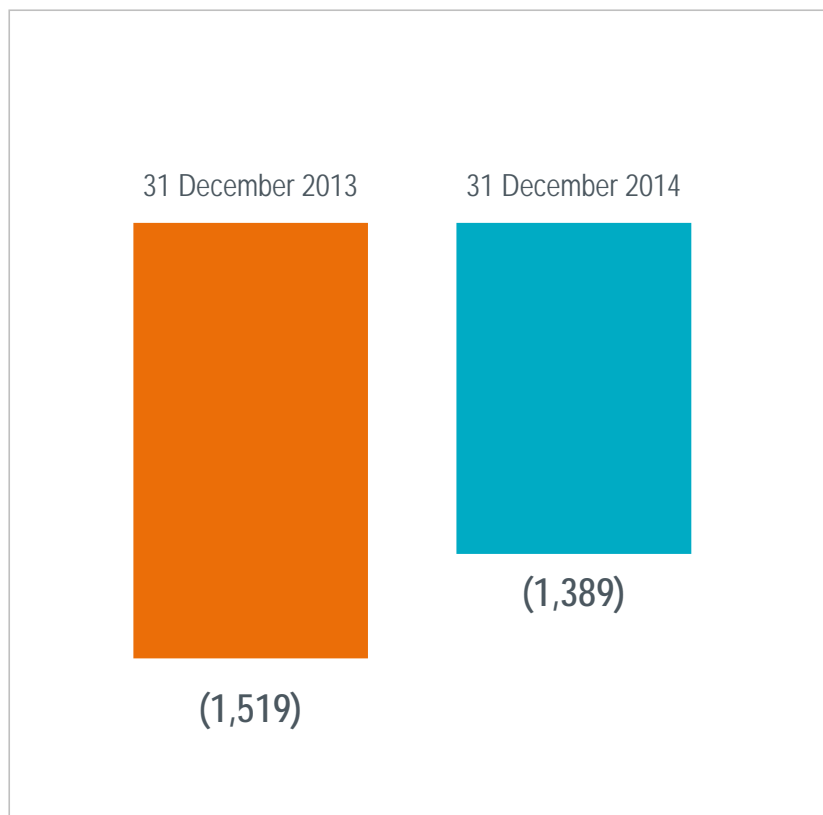
€m	2013	2014
Total sales	18,028.6	18,828.9
Operating income <i>margin as % of total sales</i>	538.3 <i>3.0%</i>	673.3 <i>3.6%</i>
Restructuring and other income (net)	(106.8)	(86.5)
Other income and financial expenses (net)	(234.3)	(243.6)
Pretax income of integrated companies	197.2	343.2
Corporate income taxes	(64.7)	(115.1)
Net income of associates and other minority interests	(44.9)	(62.4)
Consolidated net income (Group share)	87.6	165.7
Net income per share (fully diluted) (in euros)	0.82	1.34

Strong improvement in cash flow generation

€m	2013	2014
Operating income	538	673
Depreciation and amortization	532	556
EBITDA	1,070	1,229
Change in working capital requirement	364	263
Capex and capitalized R&D	(788)	(843)
Restructuring	(123)	(96)
Financial expenses	(187)	(180)
Taxes and other	(192)	(158)
Net cash flow	144	216

Net debt down by 129 million euros to reach 1.39 billion euros

Net debt in €m



- Renewal of the € 1.2bn syndicated facility in December 2014
- Credit rating improvement to BB- (Fitch)
- Since the beginning of 2015:
 - € 700 million 7 year bond issue at very competitive rate of 3.125%
 - Early repurchase in April of 2019 bond (250 millions euros at 8.75%)
 - Moody's debt rating improved to Ba3
- Total financial expenses expected to be reduced by 50 million euros in 2015 and by a similar amount in 2016

Faurecia S.A. financial statements

€m	2013	2014
Total sales	203.5	213.6
Operating income	1.9	8.1
Financial and other expenses (net)	20.1	101.2
Exceptional income and expenses	58.9	(40.2)
Corporate taxes*	18.2	39.6
Net income	99.1	92.5

Proposal for appropriation of net income

- Payment of a dividend of € 0.35 per share
- Choice between payment in cash or in shares, between 1 June and 16 June 2015 with trading ex-coupon on 1st June 2015
- Share price for payment in shares: € 38.28 representing a discount of 12.7% compared to the share price on 26 May (€ 43.83)
Share price for payment in shares is 90% of the average of the previous 20 days opening prices minus the dividend
- Payment of dividend and delivery of shares on 24 juin 2015

Proposal for appropriation of net income

Origin

Net income for the financial year	92,537,242.98 €
Retained earnings from previous years	1,080,998,788.59 €
Total to be allocated	1,173,536,031.57 €

Appropriation

Statutory reserve	4,626,862.15 €
Dividend	43,373,823.50 €
Retained earnings	1,125,535,345.92 €
Total appropriation	1,173,536,031.57 €

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Accelerating towards 2016 objectives

2016 Objectives

Total sales above 21 billion euros
Operating margin 4.5 – 5.0%
Net cash flow around 300 million euros

- Leverage growth in Europe
- Return to robust profitability in North America
- Accelerate in Asia
- Strong business development through customer excellence
- Develop value-added technologies

2015, an important step towards reaching 2016 objectives

■ Favorable macro-economic factors

- Lower oil price reducing energy, transport and oil-based plastic material costs
- Other raw material costs down (steel)
- Procyclical macro policies in Europe and Asia will support economic outlook
- Re-alignment of euro impacts positively profit and cashflow

■ All major regions forecasting automotive production growth

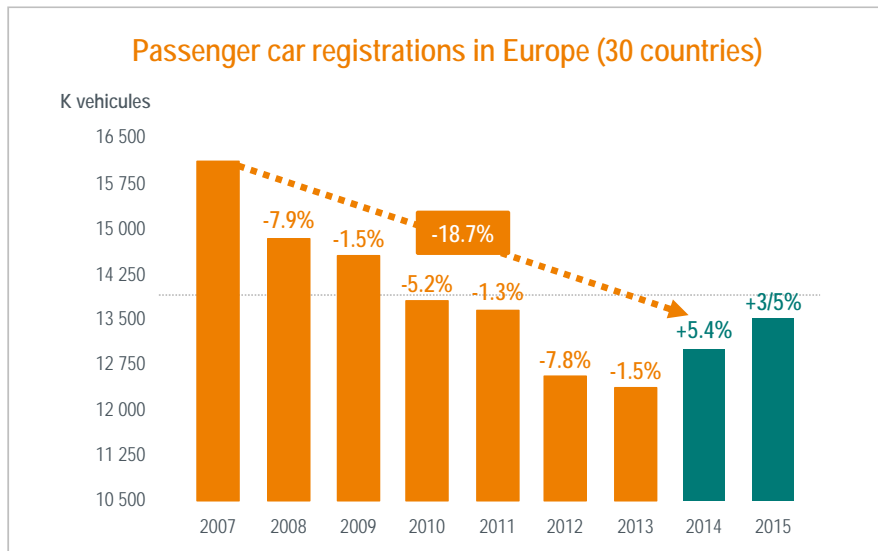
- Europe (excluding Russia) + 3/5%
- North America + 3%
- China + 7%

2015 Guidance

Organic growth around 5%
Operating margin above 4%
Net cash flow above 100 million euros

Leverage growth in Europe

- Market picking up after six consecutive years in decline
- As in 2014, Faurecia sales will outperform the market
- European industrial base is now efficient and competitive
- Profitability in Europe will leverage the increase in sales

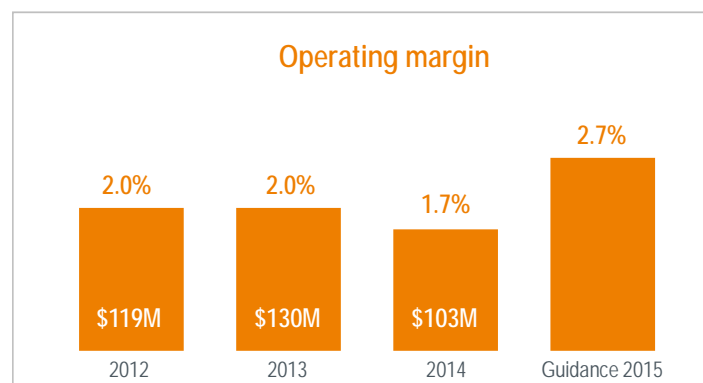
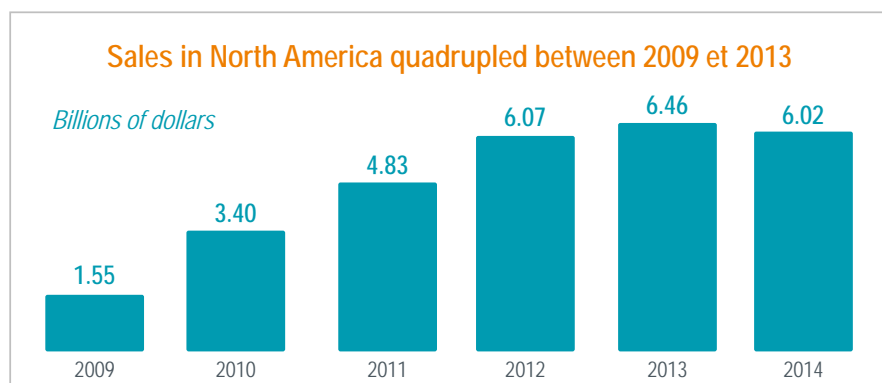


Faurecia Peine in German wins award for best factory of the year from A.T Kearney and Produktion Magazine



Return to robust profitability in North America

- Strong growth between 2009 and 2013 to become the 6th largest automotive supplier in North America
- North American management team strengthened through appointment of Mark Stidham as President, Faurecia North America
- Stabilized industrial footprint
- Interior Systems and Automotive Seating to benefit from ramp-up of many new programs launched in 2014: Ford F-150, Ford Mustang, Chrysler 200, Nissan Frontier, GMC Colorado
- Acceleration of profitable growth for Commercial Vehicles business due to strengthened partnership with Cummins (sales up 59% in 2014)
- Operating margin in North America to increase by 100 basis points in 2015



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Acceleration in Asia

■ Continue profitable growth in China

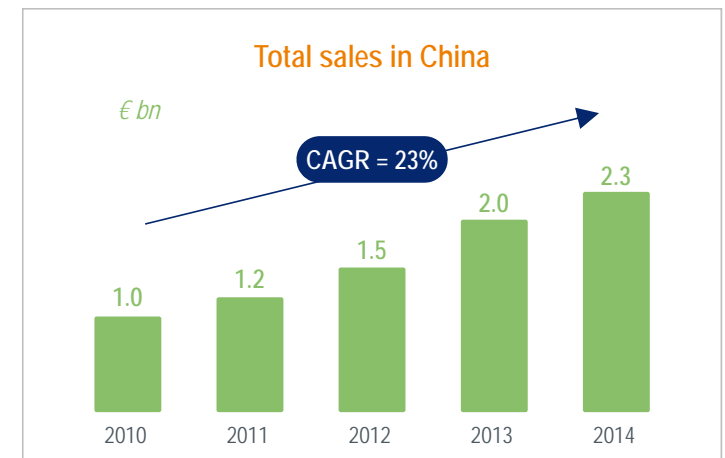
- Annual average sales growth of 23% between 2010 and 2014
- Sales to double again to reach 4 billion euros by 2018
- Additional growth from new partnerships with Chinese automakers
 - Geely (2012), Chang'An (2013), Dongfeng (2015)

■ Grow presence in Korea

- Emissions Control Technologies has had a solid presence in Korea for many years
- Automotive Seating has established its first production site in 2014
- A new R&D center will open in 2016

■ Penetrate South East Asia

- Significant foothold already established in Thailand



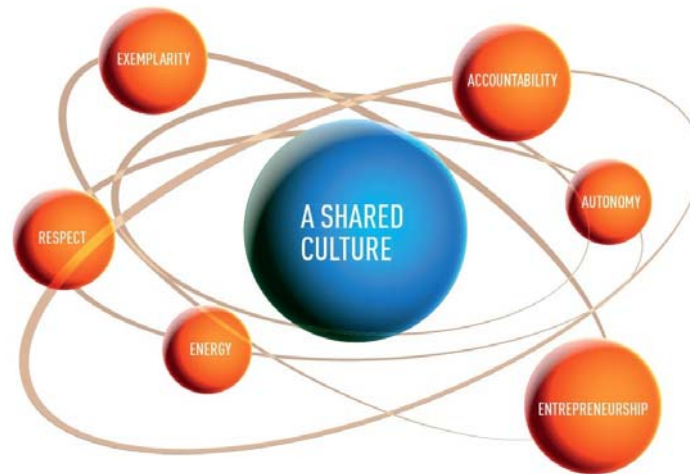
Technology acceleration for sustainable mobility and enhanced life-on-board



Strategic transformation initiatives

Cultural transformation

- Being Faurecia launched in 2014 to transform the corporate culture
- Following rapid growth and internationalization we have aligned our culture around six values
- Being Faurecia enhances entrepreneurship, autonomy and accountability to drive performance and value creation



Strategic transformation initiatives

Digital Enterprise

- Project launched in February 2015 to review all the opportunities presented by new digital technologies
- Key technologies being piloted include 3D Printing, robotization, augmented reality and predictive analytics
- Digital enterprise will improve efficiency across our business processes

Product
Lifecycle
Management

Operations
Manufacturing
& Supply chain

HR,
Communications &
Collaborative working

Customer
Relationship
Management

- Faurecia 4.0 plan will be developed by the end of the year for deployment from 2016

Strategic transformation initiatives

Strategic innovation

- **Accelerate deployment of high value creating innovations within Faurecia (energy recovery, mechanisms, decoration..)**
 - Optimize innovation processes and increase collaboration with start-ups and academic research establishments
- **Identify investment opportunities in adjacent technologies to increase value creation**
- **Identify new technological value spaces for Faurecia which represent high growth, high value investment opportunities**

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Resolutions concerning governance

Jean-Pierre Clamadieu

Reduction of the Board members' mandate to four years (11th resolution)

- The Board members' mandate was reduced from 6 to 5 years by the Shareholders' Meeting of 26 May 2011
- In order to be in conformity with the AFEP/MEDEF Code a modification of the bylaws is proposed to the Shareholders' meeting in order to reduce to 4 years:
 - Mandates of Board members renewed at the present Shareholders' Meeting
 - Mandate of any Board member nominated at subsequent Shareholders' Meetings
 - Current mandates will not be impacted and will terminate at the end of their initial period

Renewal of the mandate of three Board Members for a period of four years (resolutions 8 to 10)



Mr Eric Bourdais de Charbonnière

First nominated
by Shareholders' Meeting
of 8 February 2010



Mr Lee Gardner

First nominated
by Shareholders' Meeting
of 8 February 2010



Mr Hans-Georg Härter

First nominated
by Shareholders' Meeting
of 26 May 2010

Increase in attendance fees allocated to Board Members (7th resolution)

- AGM of 27 May 2003 fixed attendance fees at € 400K, since that date the amount has remained unchanged
- Since 2003 the Board structure of Faurecia has evolved:
 - Number of Board members increased from 11 to 13
 - Number of independent Board members increased from 4 to 8
 - A Strategy Committee was created in 2009 in addition to the existing committees (Audit, Compensation and Nominations)
- As a consequence of these factors and a comparison undertaken on the basis of an AFEP study, the annual envelope will be increased to € 600K
- The fees awarded in 2014 are to be found on page 120 of the 2014 registration document

Performance shares (20th resolution)

- **Six performance share programs have been awarded by the Board of Directors since 2010**
 - Two in 2010 and one per year from 2011 to 2014 for Senior Managers (around 300 key managers of the Group)
 - To date, only the shares of the first program in 2010 (linked to the 2011 results) have been acquired by the beneficiaries; the performance conditions of the second 2010 program (2012 results) and the programs in 2011 (2013 results) and 2012 (2014 results) were not achieved
 - The 2013 and 2014 programs (2015 and 2016 results respectively) are still open

Performance shares (20th resolution)

■ The following authorization is requested :

- A maximum of 2 million shares for the duration of the authorization (26 months)
- Attributions for corporate officers are limited to 15% of the overall allocation
- Performance conditions:
 - Pre-tax net income of the Group before taking into account exceptional items in the fiscal year preceding the acquisition date of the shares compared to this same income as forecast in the Group's mid-term Plan reviewed by the Board of Directors on the date when the shares are allocated
 - Growth in net earnings per Faurecia share assessed between the last fiscal year on the date when the shares are allocated and the last fiscal year on the date when the shares are acquired, compared with the average growth of a peer group comprising worldwide automotive suppliers over the same period

Compensation of Chairman & CEO (5th resolution)

Opinion on compensation due or granted to Mr Yann Delabrière in 2014

Amount in euros	Full year 2013	Full year 2014
Fixed compensation	700,000.00	700,000.00
Variable annual compensation	700,000.00	889,787.00
Valuation of benefits (car)	7,371.60	7,371.60
Valuation of performance shares attributed in the period	1,386,456.00	1,808,900.00
Total	2,793,827.60	3,406,058.60

Compensation of Chairman & CEO (5th resolution)

Opinion on compensation due or granted to Mr Yann Delabrière in 2014

- Fixed remuneration unchanged since 2011 at €700 K
- Variable remuneration subject to the criteria:
 - Quantitative (operating margin and free cash flow)
 - Qualitative (organization and management in North America; deployment of "Being Faurecia"; internal control and information systems)
- It being understood that:
 - Achievement of the quantitative objectives gives right to a variable compensation ranging from 0 to 150% of the fixed compensation; the Board of Directors determined that these objectives were achieved to 136.7%
 - Once the quantitative objectives are partially or totally achieved, the degree of achievement of the qualitative objectives enables the determination of a multiplier effect going from 0.70 to 1.20 of the quantitative objectives; the Board of Directors considers that the degree of achievement of the qualitative objectives corresponds to a multiplier effect of 0.93
 - In the light of the degree of achievement of all the objectives, the Board of Directors adopted a variable compensation for Mr Yann Delabrière of 127.1% of the fixed compensation for 2014

Compensation of Chairman & CEO (5th resolution)

Opinion on compensation due or granted to Mr Yann Delabrière in 2014

- **Maximum 68,900 shares were granted which will be acquired in July 2018 if the performance conditions are achieved:**
 - Group pre-tax net income on December 31, 2016 before exceptional items
 - The comparison between the growth in net income per Faurecia share measured between the 2013 and 2016 fiscal years on the one hand and the average growth of a reference group made up of worldwide automotive suppliers, on the other hand

Statutory auditors report

Fiscal year ended 31 December 2014

Eric Bertier
Denis Thibon

PriceWaterhouseCoopers
Ernst & Young Audit



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Technical perfection, automotive passion

