Q3 2020 SALES

Significantly better than previously expected

H2 guidance *upgraded*

October 23, 2020
Key messages

Q3 sales

€3.9bn

significantly better than previously expected

- Strong organic sequential improvement:
  -7.0% in Q3, after -19.7% in Q1 and -50.0% in Q2

- Month-after-month improvement,
  with September up 1.2% year-on-year

- Strong organic sales in China,
  up 15.4%

- Outperformance of Seating and Clean Mobility,
  representing combined 65% of Group sales

H2 guidance upgraded

- Worldwide automotive production now
  expected to drop in the mid-single digits in H2

- Consequently, sales, profitability
  and cash targets upgraded
Agenda

1. **Review** of Q3 2020 sales

2. **Upgraded** H2 2020 guidance
Strong sequential improvement in Q3
Faurecia monthly organic sales

Q1 sales
-19.7%

Q2 sales
-50.0%

Q3 sales
-7.0%

September sales up 1.2% year-on-year
Q3 2020 sales at €3.9bn
significantly better than previously expected

Reported sales down **7.4%**, of which:

- Negative currency effect of **€(135)m**, higher than in previous quarters
- Positive scope effect of **€117m**, due to SAS for €160m partly offset by a negative contribution of €(43)m from Clarion**
- Organic drop of **7.0%**, reflecting underperformance of Interiors and FCE (35% of Group sales), while Seating and Clean Mobility (65% of Group sales) outperformed the market

---

**Q3 2019**

- WW auto prod. 20.3m*

**Currency effect**

- €(135)m -3.2%

**Organic**

- €(293)m -7.0%

**Scope effect**

- €117m +2.8%

**Q3 2020**

- WW auto prod. 19.3m*

*Source: IHS Markit forecast dated October 2020 (vehicles segment in line with CAAM for China) / ** In Q3 2019, four months of Clarion were consolidated (June catch-up + July to September)
Outperformance of 260bps, driven by all three of Faurecia’s major regions

As from Q3 2020, sales evolution is no longer impacted by the EoPs that had a negative effect in the previous quarters

Conversely, significant SoPs will start as from Q2 2021 and boost Seating outperformance as from next year

Underperformance of 670bps, largely due to lower tooling sales, down 45.0% year-on-year, caused by delayed programs in Europe, North America and China. Excluding tooling, Product sales were down 8.5%, i.e. an underperformance of 360bps

Product sales outperformed the market in all regions, except in Europe:

- In Europe, lower content for new models for VW and Daimler and temporary unfavorable product mix with PSA

Scope effect due to the consolidation of SAS (since February 1st)

*Source: IHS Markit forecast dated October 2020 (vehicles segment in line with CAAM for China)
Clean Mobility
26% of Group sales

- Outperformance of 80bps, with double-digit sales growth in China
- Contrasted evolution for Commercial vehicles, in line with market regional sales evolution for this segment:
  - Double-digit growth in China
  - Double-digit drop in Europe and North America

Contrasted evolution for Commercial vehicles, in line with market regional sales evolution for this segment:

- Double-digit growth in China
- Double-digit drop in Europe and North America

Clarion Electronics
5% of Group sales

- Underperformance, highly impacted by the sales decline with Nissan, Clarion’s major customer
  - This effect will continue to impact sales in Q4 and gradually disappear in 2021
- Clarion Electronics is on track to overachieve its order intake target of €2.1bn in 2020
- Negative scope effect as in Q3 2019, four months of Clarion were consolidated (June catch-up + July to September) vs. 3 months in Q3 2020

*Source: IHS Markit forecast dated October 2020 (vehicles segment in line with CAAM for China)
Sales down 11.5% on an organic basis ➔ underperformance of 380bps

- Mostly reflecting the underperformance of Interiors and the double-digit drop in sales for Clean Mobility Commercial Vehicles

Reported sales down 7.9%
- Positive scope impact of +4.7%, or €88m

Sales down 3.3% on an organic basis ➔ underperformance of 380bps

- Mostly attributable to the double-digit drop in sales for Clean Mobility Commercial Vehicles and, to a lower extent, to lower sales to Nissan for Clarion Electronics

Reported sales down 3.3%
- Negative currency impact of -3.3%, or €(37)m
- Positive scope impact of +3.2%, or €37m

* Including a positive contribution from SAS (3 months) and a negative contribution from Clarion (1 month), as in Q3 2019 four months of Clarion were consolidated (June catch-up + July to September)

** Source: IHS Markit forecast dated October 2020 (vehicles segment in line with CAAM for China)
Q3 2020 Sales

**Sales up 0.4% on an organic basis**
- **outperformance of 450bps**
  - Strong growth in China of 15.4% and outperformance of 850bps, driven by Seating and Clean Mobility with strong sales to international OEMs, new customers and commercial vehicles

**Sales down 4.2% on a reported basis**
- Negative currency impact of -3.6%, or €(34)m

---

Asia
23% of Group sales

- **€942m**
  - -3.6%
  - +0.4%
  - -1.0%
  - **€903m**

Vs. automotive production growth** of -4.1%

South America
3% of Group sales

- **€186m**
  - -19.3%
  - -24.7%
  - +1.1%
  - **€106m**

Vs. automotive production growth** of -21.4%

---

**Sales down 24.7% on an organic basis**
- **underperformance of 330bps**
  - Mostly impacted by Brazil as gradual exit from Argentina is underway

**Sales down 42.9% on a reported basis**
- Negative currency effect of -19.3%, or €(36)m

---

* Including a positive contribution from SAS (3 months) and a negative contribution from Clarion (1 month), as in Q3 2019 four months of Clarion were consolidated (June catch-up + July to September)

** Source: IHS Markit forecast dated October 2020 (vehicles segment in line with CAAM for China)
Agenda

1. Review of Q3 2020 sales
2. Upgraded H2 2020 guidance
Considering improved market conditions, Faurecia now expects worldwide automotive production to drop in the mid-single digits in H2 (vs. an assumption of “down around 15%” on July 27)

With the above assumption and thanks to the confirmed positive effects of measures deployed to further increase resilience, our guidance is revised upward:

- **H2 sales** at least **€8.0bn**
  - vs. “around €7.6 billion” as announced on July 27
- **H2 operating margin** at least **5.5% of sales**
  - vs. “around 4.5% of sales” as announced on July 27
- **H2 net cash flow** at least **€700m**
  - vs. “around €600 million” as announced on July 27

- The assumption of worldwide automotive production in H2 assume no major lockdown in any automotive region during the last quarter of the year
- Main currency assumptions for H2: USD/€ @ 1.17 and CNY/€ @ 8.12, on average
The 46% stake of PSA in Faurecia is now expected to be distributed to all Stellantis shareholders after completion of the merger:

- Considering the minimum time period required for the approval process, the spin-off could happen at the latest in Q2 2021.
- This event will contribute to significantly increase the Faurecia’s free float and share liquidity.

Key takeaways

**Sales significantly better** than previously expected

- supported by improved worldwide automotive production

**Upgraded guidance**

- thanks to improved environment and the positive effects of our resilience measures

**Faurecia on track** to achieve its sales, profitability and cash ambition

- as a strong market rebound is expected in the next 2 years
Appendices
## 9m sales by Region

<table>
<thead>
<tr>
<th>Region</th>
<th>9M 2019</th>
<th>Value</th>
<th>%</th>
<th>Value</th>
<th>%</th>
<th>9M 2020</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REPORTED</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CURRENCY EFFECT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>GROWTH EX-CURRENCIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>SCOPE EFFECT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>REPORTED</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td>6,406</td>
<td>-32</td>
<td>-0.5%</td>
<td>-1,849</td>
<td>-28.9%</td>
<td>4,755</td>
<td>-25.8%</td>
</tr>
<tr>
<td>North America</td>
<td>3,423</td>
<td>-3</td>
<td>-0.1%</td>
<td>-991</td>
<td>-28.9%</td>
<td>2,571</td>
<td>-24.9%</td>
</tr>
<tr>
<td>Asia</td>
<td>2,659</td>
<td>-47</td>
<td>-1.8%</td>
<td>-395</td>
<td>-14.9%</td>
<td>2,373</td>
<td>-10.7%</td>
</tr>
<tr>
<td>of which China</td>
<td>1,806</td>
<td>-32</td>
<td>-1.8%</td>
<td>-125</td>
<td>-6.9%</td>
<td>1,703</td>
<td>-5.7%</td>
</tr>
<tr>
<td>South America</td>
<td>530</td>
<td>-83</td>
<td>-15.6%</td>
<td>-191</td>
<td>-36.0%</td>
<td>263</td>
<td>-50.5%</td>
</tr>
<tr>
<td>RoW</td>
<td>139</td>
<td>-14</td>
<td>-9.8%</td>
<td>-43</td>
<td>-31.3%</td>
<td>82</td>
<td>-41.1%</td>
</tr>
<tr>
<td><strong>GROUP</strong></td>
<td>13,157</td>
<td>-178</td>
<td>-1.4%</td>
<td>-3,470</td>
<td>-26.4%</td>
<td>10,043</td>
<td>-23.7%</td>
</tr>
</tbody>
</table>

* Scope effect included 3 months of Clarion and 8 months of SAS
## 9m sales by Business Group

<table>
<thead>
<tr>
<th></th>
<th>REPORTED</th>
<th>CURRENCY EFFECT</th>
<th>GROWTH EX-CURRENCIES</th>
<th>SCOPE EFFECT*</th>
<th>REPORTED</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>9M 2019</td>
<td>value</td>
<td>%</td>
<td>value</td>
<td>%</td>
</tr>
<tr>
<td>Seating</td>
<td></td>
<td></td>
<td>5,210</td>
<td>-49</td>
<td>-0.9%</td>
</tr>
<tr>
<td>Interiors</td>
<td></td>
<td></td>
<td>3,939</td>
<td>-68</td>
<td>-1.7%</td>
</tr>
<tr>
<td>Clean Mobility</td>
<td></td>
<td></td>
<td>3,466</td>
<td>-57</td>
<td>-1.7%</td>
</tr>
<tr>
<td>Faurecia Clarion</td>
<td></td>
<td></td>
<td>542</td>
<td>-5</td>
<td>-0.9%</td>
</tr>
<tr>
<td>Electronics</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GROUP</td>
<td></td>
<td></td>
<td>13,157</td>
<td>-178</td>
<td>-1.4%</td>
</tr>
</tbody>
</table>

* Scope effect included 3 months of Clarion and 8 months of SAS
Sales growth
Faurecia’s year-on-year sales evolution is made of three components:

▸ A “Currency effect”, calculated by applying average currency rates for the period to the sales of the prior year,
▸ A “Scope effect” (acquisition/divestment),
▸ And “Growth at constant currencies”.

As scope effect, Faurecia presents all acquisitions/divestments, whose sales on an annual basis amount to more than €250 million.

Other acquisitions below this threshold are considered as “bolt-on acquisitions” and are included in “Growth at constant currencies”.

In Q3 2020, there was no effect from “bolt-on acquisitions”; as a result, “Growth at constant currencies” is equivalent to sales growth at constant scope and currencies also presented as organic growth.
Financial calendar

» February 22, 2021

FY 2020 results announcement (before market hours)
INVESTOR RELATIONS

Marc MAILLET
Tel: +33 1 72 36 75 70
E-mail: marc.maillet@faurecia.com

Anne-Sophie JUGEAN
Tel: +33 1 72 36 71 31
E-mail: annesophie.jugean@faurecia.com

23-27, avenue des Champs Pierreux
92000 Nanterre (France)

Web site: www.faurecia.com

CONTACT & SHARE DATA

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

Bonds ISIN Codes
2025 bonds: XS1785467751
2026 bonds: XS1963830002
2027 bonds: XS2081474046
2028 bonds: XS2209344543
Important information concerning forward looking statements

This presentation contains certain forward-looking statements concerning Faurecia. Such forward-looking statements represent trends or objectives and cannot be construed as constituting forecasts regarding the future Faurecia's results or any other performance indicator. In some cases, you can identify these forward-looking statements by forward-looking words, such as "estimate," "expect," "anticipate," "project," "plan," "intend," "objective," "believe," "forecast," "foresee," "likely," "may," "should," "goal," "target," "might," "would," "will," "could," "predict," "continue," "convinced," and "confident," the negative or plural of these words and other comparable terminology. Forward looking statements in this document include, but are not limited to, financial projections and estimates and their underlying assumptions, expectations and statements regarding Faurecia's operation of its business, and the future operation, direction and success of Faurecia's business.

Although Faurecia believes its expectations are based on reasonable assumptions, investors are cautioned that these forward-looking statements are subject to numerous various risks, whether known or unknown, and uncertainties and other factors, including the ongoing global impact of the COVID-19 pandemic outbreak and the duration and severity of the outbreak on Faurecia's business and operations, all of which may be beyond the control of Faurecia and could cause actual results to differ materially from those anticipated in these forward-looking statements. For a detailed description of these risks and uncertainties and other factors, please refer to public filings made with the Autorité des Marchés Financiers ("AMF"), press releases, presentations and, in particular, to those described in the section 2." Internal Controls & Risk Management" of Faurecia's 2019 Universal Registration Document filed by Faurecia with the AMF on April 30th, 2020 under number D. 20-0431 (a version of which is available on www.faurecia.com).

Subject to regulatory requirements, Faurecia does not undertake to publicly update or revise any of these forward-looking statements whether as a result of new information, future events, or otherwise. Any information relating to past performance contained herein is not a guarantee of future performance. Nothing herein should be construed as an investment recommendation or as legal, tax, investment or accounting advice.

This presentation does not constitute and should not be construed as an offer to sell or a solicitation of an offer to buy Faurecia securities.