



Σ-Sigmatech, December 13, 2017

Plastic Omnium, a growth and innovation strategy SHAPE THE FUTURE NOW!

To mark its Investor Day, held today at its Σ-Sigmatech global R&D center for exterior components and modules in Lyon, Plastic Omnium is unveiling its growth and innovation strategy geared towards meeting the new challenges of the connected, autonomous and carbon-free car.

2017: a year of strong growth

Plastic Omnium confirms, despite adverse currency effects, that its 2017 economic revenue will reach 8 billion euros, representing strong growth compared with the 6.9 billion euros recorded in 2016 and a robust outperformance compared to worldwide automotive production.

The Group's profitability will improve and will well exceed the 9% proforma operating margin of 2016, and net profit-Group share will be up very strongly.

2017-2021: continued outperformance and recurring improvement in financial indicators

- 10 billion euros in economic revenue in 2021

Thanks to a backlog secured at more than 85% in 2021, market share gains on its products and the success of its innovative offer, Plastic Omnium will continue to outperform worldwide automotive production by an average of 5 points per year over the 2017-2021 period, bringing economic revenue to 10 billion euros in 2021.

Already ranked number 1 worldwide in each of its businesses, Plastic Omnium aims to strengthen its leadership positions, with market share of 19% expected in bumpers in 2021, vs. 16% in 2017, and 25% in fuel systems, vs. 22% in 2017.

Plastic Omnium will also benefit from the development of its portfolio of innovative products, with market shares of 45% expected in thermoplastic tailgates in 2021, vs. 40% in 2017, and 26% in SCR systems for the depollution of diesel vehicles, vs. 17 % in 2017.

- **Steady improvement in operating margin**

The Group's operating margin is expected to increase steadily over the 2017-2021 period. Plastic Omnium stands to benefit from the following operating levers:

- the accretive growth of the Group's operations in North America;
- the improvement of the utilization rates of the Group's industrial facilities, particularly in China;
- the success of the innovation portfolio;
- and the faster-than-expected turnaround of the exterior systems business acquired in 2016.

- **More than 1 billion euros in free cash flow over the 2017-2021 period after 2.5 billion euros in investments**

To meet the commercial successes with the world's leading carmakers and satisfy future market needs, Plastic Omnium plans to invest 2.5 billion euros over the 2017-2021 period. This capital expenditure is aimed at building new capacities, continuously optimizing industrial facilities (industry 4.0 and operational excellence), developing new programs and launching new research projects.

The Group will generate more than 1 billion euros in free cash flow over the period while leading this investment policy.

Premium positioning to meet the challenges of the car of tomorrow

Building on the momentum offered by the continuous improvement of its industrial and financial performance, Plastic Omnium is in this way giving itself the means necessary to further accelerate its capacity for innovation so as to meet the challenges represented by the carbon-free, connected and autonomous car of tomorrow. Its ambitious and determined policy will give rise to both new technology investments and strategic acquisitions, as opportunities arise.

In carbon-free cars, Plastic Omnium is positioned as a player of storage for each form of energy, developing specific solutions for plug-in hybrid vehicles (PHEV), turbocharged engine vehicles and electric vehicles. The Group has also become involved in fuel cell propulsion.

For the connected and autonomous car, Plastic Omnium is positioning itself as the integrator of connectivity by developing its innovation capacity in complex modules that integrate radar and sensors in the exterior parts. By 2025, smart bumpers and smart tailgates will represent greater added value and embedded intelligence.

These new positions will enable Plastic Omnium to pursue long-term profitable and value-creating growth.

Plastic Omnium has already established new means to achieve this ambition:

- **Ξ PO-CellTech**, a fundamental research center in the field of fuel cells in Israel;
- the construction of **Δ-Deltatech**, a new Brussels-based advanced research center dedicated to new energies, such as hydrogen;
- the launch in Wuhan (China) of **ω-Omegatech**, its new testing and development center for fuel systems for Asia, due to open in 2019;
- the launch of a program to expand and digitize **Σ-Sigmatech**, its global R&D center for exterior components and modules located near Lyon;

- the investment of 20 million euros in Aster, a venture capital firm specializing in digital transformation and new industrial models;
- partnerships with prominent universities such as MIT in the United States, the Technion in Israel and DTU in Denmark.

With this growth and innovation strategy, Plastic Omnium is positioning itself to design the exterior modules of the vehicle of the future and to be a reference equipment supplier for all propulsion energies (gasoline, diesel, hybrid, hydrogen and electric).

The detailed presentation of the 2017-2021 growth and innovation strategy will take place on Tuesday, December 13, 2017 at 10:30 a.m. Paris time.

It will also be accessible via webcast on the Plastic Omnium Group's website at www.plasticomnium.com.

Glossary

1. Economic revenue corresponds to consolidated revenue, plus revenue from the Group's joint ventures, consolidated at their percentage of ownership. The figure reflects the operational and managerial realities of the Group.
2. Consolidated revenue, in implementation of IFRS 10-11-12, does not include the share of joint ventures, which are consolidated by using the equity method.