

## 2010 FINANCIAL RESULTS

### NEW DIMENSION

In 2010, Compagnie Plastic Omnium stepped up the deployment of its profitable, independent growth strategy in its two core businesses – Automotive and Environment – both of which hold worldwide leadership positions.

The **€438 million** invested in acquiring the fuel systems business-Inergy Automotive Systems, rapidly expanding the Company's production base in fast-growing regions and strengthening its innovation strategy, which focuses on environmental challenges, led to a 32% rise in revenue to €3.25 billion. On a pro forma basis, revenue was up 48% to **€3.65 billion**.

By continuing to diligently manage costs and locking in **€100-million in cost reductions** stemming from the PO 2009 plan, the Company generated **operating margin that amounted to 7% of revenue** while net profit totaled €105.7 million.

Gearing declined to 87% after **free cash flow of €193 million**.

### 2010 Results

The Board of Directors of Compagnie Plastic Omnium met on 15 March 2011 under the chairmanship of Laurent Burelle to approve the accounts for the year ended 31 December 2010.

| (in € millions)          | 2009         | 2010         |
|--------------------------|--------------|--------------|
| Revenue                  | 2,458.6      | 3,249.6      |
| Operating margin         | 102.1        | 227.2        |
| <i>as a % of revenue</i> | <i>4.2%</i>  | <i>7.0%</i>  |
| Net profit               | 31.0         | 150.7        |
| EBITDA*                  | 276.5        | 377.5        |
| <i>as a % of revenue</i> | <i>11.2%</i> | <i>11.6%</i> |
| Net Debt at 31 December  | 406.0        | 538.0        |
| <i>Gearing</i>           | <i>92%</i>   | <i>87%</i>   |

\*EBITDA= operating margin + depreciation and amortization, without restructuring costs

Revenue rose by 32% compared with 2009, resulting in a record-high operating margin of €227 million (7% of revenue) and an increase of 36% in EBITDA to €377.5 million (11.6% of revenue).

Overall, 40% of revenue came from outside Europe.

#### Automotive

Plastic Omnium Automotive's revenue totaled €2,779 million, an increase of 24% at constant scope of consolidation. The Division continued to outgrow its markets, thanks to a development strategy focused on new countries, products and customers, with three-quarters of the growth coming from Asia, North America and South America. Together, Asia and South America now account for 21% of Automotive revenue.

Operating margin amounted to €201 million, or 7.2% of revenue, compared with 3.9% of revenue in 2009.

### *Environment*

Led by an expanded portfolio of products and services, Plastic Omnium Environment's revenue rose by 6% to €472 million.

Operating margin increased to €26 million, or 5.5% of revenue, compared with 5.4% of revenue in 2009.

### **Net profit of €150.7 million, representing 4.6% of revenue**

After €100 million in exceptional items and restructuring costs in 2008-2009, other expenses were held to €5.8 million in 2010.

Net finance costs totaled €7.2 million (0.8% of revenue), versus €25 million in 2009.

Net profit rose fivefold to €150.7 million, or 4.6% of consolidated revenue.

### **Free cash flow came to €193 million, or 5.9% of revenue**

Pursuing its targeted growth initiatives in fast-growing regions and the development of new solutions to reduce polluting emissions and waste, the Company allocated €138 million (4.2% of revenue) to capital expenditure and R&D projects in 2010. At a time of strong business growth, Plastic Omnium reduced its working capital requirement by €10 million. Free cash flow amounted to €193 million, or 5.9% of revenue.

After €300 million in acquisitions in 2010, net debt stood at €38 million, less than at year-end 2008 (€60 million). It represented 87% of equity, compared with 92% at year-end 2009, and 1.3x pro forma EBITDA.

### **Dividend per share of €1.40**

At the Annual Meeting of Shareholders on 28 April 2011, the Board of Directors will recommend payment of a dividend of €1.40 per share. It will also recommend a three-for-one share split.

### **Outlook**

Compagnie Plastic Omnium has acquired new resources to support its growth, with greater scope, profitability and an enhanced capacity to generate free cash flow.

The strategy of diligently controlling costs is being maintained and the breakeven point has been lowered for the long term.

Investments programs still focus on high-growth regions, with six new plants scheduled to open in 2011 – three in China and one each in Brazil, Morocco and Poland – for a significant generation of free cash flow. Plastic Omnium will pursue its strategy of making targeted acquisitions in both its Automotive and Environment businesses while carefully managing debt. In normal industrial market conditions, 2011 is shaping up better than 2010.

**More detailed financial information is available at [www.plasticomnium.com](http://www.plasticomnium.com)**