

Nanterre (France), October 14, 2015

## Faurecia posts strong consolidated sales growth, up 8.3% (4.6% organic<sup>1</sup>), in the third quarter of 2015

Faurecia consolidated sales stood at €4,749.3 million in the third quarter of 2015, up 4.6% at constant exchange rates and scope. Reported sales were up 8.3%. Over the quarter, exchange rate variations added 5.9% on the business activity.

Sales growth is broken down as follows:

- **Product sales** (parts and components delivered to automakers) totaled €3,705.2 million during the third quarter of 2015, up 4.8% organic and up 11.1% on a reported basis. Exchange rate variations added 6.2% on the business activity or €207.3m;
- **Monolith sales**<sup>2</sup> were up 10.5% organic at €779.9 million and up 3.8% on a reported basis. Accounting harmonization for monoliths sales in Korea had a negative impact of €96.8 million;
- **Development, tooling and prototype sales** contracted by 13.3% organic, or down 11.3% on a reported basis, in the third quarter of 2015 to €264.1 million.

### PRODUCT SALES PER REGION

(All variations organic; for reported figures see Appendix.)

- In **Europe** (including Russia), product sales increased 9.0% to €1,959.9 million, against €1,803.7 million during the third quarter of 2014. European light vehicle production increased 5% (Faurecia estimate). This outperformance came mainly from strong sales to Renault-Nissan (+26%), Ford (+19%) and BMW (+14%). For 2015, Faurecia confirms its sales will outperform light vehicle production.
- In **North America**, product sales reached €1,087.9 million, up 6.9%, while production grew close to 5% (Faurecia estimate). The positive sales momentum will continue in the fourth quarter of 2015.
- In **Asia**, product sales contracted by 10.6% to €506.6m in the third quarter driven mainly by a 16.2% contraction in China (to €401.9m). Light vehicle production in China contracted by 9% (Faurecia estimate) with production of international joint-ventures decreasing by 13% (Faurecia estimate). Faurecia's largest customers in China reduced their production more in order to reduce inventories. Sales to Chinese automakers grew very fast (+69%) and now represent 11% of the overall business in China.
- In **South America**, product sales declined 6.8% to €112.6 million, while Faurecia estimates that production was down 19%.
- In the **rest of the world** (mainly South Africa), product sales increased 8.9% to €38.2 million.

### PRODUCT SALES BY BUSINESS GROUP

(All variations organic; for reported figures see Appendix.)

#### **Automotive Seating**

Product sales reached €1,347.1 million, up 9.3%. European and North American sales were up respectively 18% and 10%. This very strong performance is driven by the full effect of new programs, mainly for Renault-Nissan (+31%), Ford (+89%) and BMW (+30%).

<sup>1</sup> Organic: at constant exchange rates & scope

<sup>2</sup> Monoliths: precious metals and ceramics used in emissions control systems.

**Emissions Control Technologies**

Product sales reached € 883.4 million, down 1.4%. Sales in Europe increased 12% but were down 16% in Asia. Sales to Cummins rose 6% with Commercial Vehicle sales now reaching 9% of the Business Group's sales.

**Interior Systems**

Product sales totaled € 1,056.0 million, up 5.0%. North American product sales rose 16%, mainly driven by Ford (+31%). In Asia, Interior Systems outperformed the market with a growth rate of 14%.

**Automotive Exteriors**

Product sales reached € 418.8 million, up 4.4%. Front-End Modules contracted 11%, weighing on the overall rate of growth.

**Recent development on diesel engines:**

After having received numerous questions concerning the diesel market, Faurecia is disclosing the following information:

- Diesel passenger car related product sales amounted to € 670m in 2014;
- In Europe, diesel passenger car product sales represented € 575m in 2014;
- Diesel light vehicle product sales in North America reached € 24m in 2014;
- Diesel passenger car product sales to the Volkswagen group amounted to € 160m in 2014, of which € 10 million were generated in North America.

It is now widely expected that emissions regulations will be significantly tightened. In this context, Faurecia anticipates:

- An acceleration in the deployment of the most efficient systems to reduce NOx (Nitrogen Oxides), such as SCR (Selective Catalytic Reduction);
- An acceleration of the after-treatment for PM (Particulate Matter), including potentially for gasoline direct injection (GDI) engines;
- An acceleration of the weight reduction effort already deployed by all automakers.

This represents an important potential. Faurecia has solutions ready to support its customers.

**OUTLOOK****Overall context for H2-2015:**

- Faurecia will continue to benefit from a positive market momentum in Europe and in North America;
- In North America, profitability improvement is gaining momentum and Faurecia is confirming the operating margin improvement target of above 120 basis points for FY 2015;
- In China, Faurecia expects weak sales to continue in Q4-2015. Faurecia has already adjusted its cost base sharply and therefore confirms its operating margin in Asia in H2-2015 to be comfortably above 8.0%.

**Faurecia fully confirms its H2-2015 and FY 2015 guidance:**

For H2-2015

- Group operating margin already reaching 2016 target of 4.5% - 5.0%;

For FY 2015

- Total sales up around 5.0% (organic);
- Operating margin better than 4.0%;
- Net cash flow above € 200m;
- Operating margin improvement in North America over 120 basis points.

**Faurecia also fully confirms its 2016 guidance:**

- Group total sales > € 21.0 billion;
- Operating margin between 4.5% and 5.0%;
- Net cash flow around € 300 million;
- ROCE<sup>3</sup> > 20%.

**NEXT EVENTS**

- FY 2015 results: Thursday, February 11, 2016 (8:00 am Paris time)
- 2016 Investor Day: Wednesday, March 23, 2016 (full day in Paris)

A conference call for analysts, investors and media with Michel Favre, Chief Financial Officer, will take place today at 6:00 pm (Paris time). You can also scan the QR-code below from your smartphone or tablet. It can also be followed online at: <http://www.faurecia.com/en/finance>

Faurecia is pleased to announce that its 2016 Investor Day will take place in Paris on Wednesday, March 23, 2016.

**Dial-in numbers:** France: +33 1 76 77 22 22 / UK: +44 203 427 1901 / USA: +1 646 254 33 60

**Confirmation code:** 7034380



For more details, a financial presentation is available for download on Faurecia's website at [www.faurecia.com](http://www.faurecia.com).

**About Faurecia**

Faurecia is one of the world's largest automotive equipment suppliers in four activities: Automotive Seating, Emissions Control Technologies, Interior Systems and Automotive Exteriors. In 2014, the Group posted total sales of €18.8 billion. At December 31, 2014, Faurecia employed 100,000 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](http://www.faurecia.com)

<sup>3</sup> ROCE = Return On Capital Employed, pre-tax & including goodwill

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**Definitions of terms used in this document:**1. Operating income

Operating income is the Faurecia group's principal performance indicator. It corresponds to net income of fully consolidated companies before:

- other operating income and expense, corresponding to material, unusual and non-recurring items including reorganization expenses and early retirement costs, the impact of exceptional events such as the discontinuation of a business, the closure or sale of an industrial site, disposals of non-operating buildings, impairment losses recorded for property, plant and equipment or intangible assets, as well as other material and unusual losses;
- income on loans, cash investments and marketable securities;
- finance costs;
- other financial income and expense, which include the impact of discounting the pension benefit obligation and the return on related plan assets, the ineffective portion of interest rate and currency hedges, changes in value of interest rate and currency instruments for which the hedging relationship does not satisfy the criteria set forth in relationship cannot be demonstrated under IAS 39, and gains and losses on sales of shares in subsidiaries;
- taxes.

2. Monoliths

Monoliths are components used in catalytic converters for exhaust systems. Monoliths are directly managed by automakers. They are purchased from suppliers designated by them and invoiced to automakers on a pass-through basis. They accordingly generate no industrial value added.

3. Net cash-flow

Net cash-flow is defined as follow: Net cash from (used in) operating and investing activities less (acquisitions)/disposal of equity interests and businesses (net of cash and cash equivalents), other changes and proceeds from disposal of financial assets.

## APPENDIX

### Q3-2015 DATA

Sales by type in €m	Product	Q3 2015		Total
		Monoliths	R&D & Tooling	
Automotive Seating	1,347.1		68.9	1,415.9
Emissions Control Technologies	883.4	779.9	58.3	1,721.6
Interior Systems	1,056.0		103.1	1,159.1
Automotive Exteriors	418.8		33.8	452.6
<b>TOTAL</b>	<b>3,705.2</b>	<b>779.9</b>	<b>264.2</b>	<b>4,749.3</b>

in €m	Q3 2014 Reported	Currencies	Scope	Organic*	Q3 2015 Reported
Total sales	4,385.6	259.5	-96.8	201.0	4,749.3
Var in %		5.9%	-2.2%	<b>4.6%</b>	<b>8.3%</b>
Product sales	3,336.3	207.3		161.6	3,705.2
Var in %		6.2%		<b>4.8%</b>	<b>11.1%</b>

\*: At constant exchange rates & scope

in €m	Q3 2014	Q3 2015	Var. in % Reported	Var. in % Organic*
<b>Total sales</b>				
Automotive Seating	1,230.6	1,415.9	15.1%	8.9%
Emissions Control Technologies	1,615.7	1,721.6	6.6%	5.2%
Interior Systems	1,105.4	1,159.1	4.9%	-0.8%
Automotive Exteriors	433.9	452.6	4.3%	3.9%
<b>TOTAL</b>	<b>4,385.6</b>	<b>4,749.3</b>	<b>8.3%</b>	<b>4.6%</b>
<b>Product sales</b>				
Automotive Seating	1,164.4	1,347.1	15.7%	9.3%
Emissions Control Technologies	824.3	883.4	7.2%	-1.4%
Interior Systems	949.1	1,056.0	11.3%	5.0%
Automotive Exteriors	398.5	418.8	5.1%	4.4%
<b>TOTAL</b>	<b>3,336.3</b>	<b>3,705.2</b>	<b>11.1%</b>	<b>4.8%</b>

\*: At constant exchange rates & scope

Product sales by region in €m	Q3 2014	Q3 2015	Var. in %		
			Reported	Organic*	LV production**
Europe (incl. Russia)	1,803.7	1,959.9	8.7%	9.0%	5%
North America	855.0	1,087.9	27.2%	6.9%	5%
Asia	495.5	506.6	2.2%	-10.6%	-3%
South America	145.4	112.6	-22.6%	-6.8%	-19%
Rest of the World	35.7	38.2	7.0%	8.9%	NS
<b>TOTAL</b>	<b>3,335.3</b>	<b>3,705.2</b>	<b>11.1%</b>	<b>4.8%</b>	<b>0%</b>

\*: At constant exchange rates & scope

\*\*: Source Faurecia estimates, October 12, 2015

## 9M-2015 DATA

Sales by type in €m	Product	9M 2015		Total
		Monoliths	R&D & Tooling	
Automotive Seating	4,285.3		233.9	4,519.2
Emissions Control Technologies	2,840.9	2,480.7	192.8	5,514.4
Interior Systems	3,342.6		351.0	3,693.6
Automotive Exteriors	1,383.0		146.2	1,529.2
<b>TOTAL</b>	<b>11,851.8</b>	<b>2,480.7</b>	<b>923.9</b>	<b>15,256.4</b>

in €m	9M 2014	Currencies	Scope	Organic*	9M 2015
	Reported				Reported
Total sales	13,713.9	1,047.6	-295.1	790.0	15,256.4
Var in %		7.6%	-2.2%	<b>5.8%</b>	<b>11.2%</b>
Product sales	10,425.8	827.5		598.5	11,851.8
Var in %		7.9%		<b>5.7%</b>	<b>13.7%</b>

\*: At constant exchange rates & scope

in €m	9M 2014	9M 2015	Var. in % Reported	Var. in % Organic*
<b>Total sales</b>				
Automotive Seating	3,861.2	4,519.2	17.0%	9.2%
Emissions Control Technologies	4,944.4	5,514.4	11.5%	7.6%
Interior Systems	3,473.3	3,693.6	6.3%	-0.7%
Automotive Exteriors	1,435.0	1,529.2	6.6%	5.6%
<b>TOTAL</b>	<b>13,713.9</b>	<b>15,256.4</b>	<b>11.2%</b>	<b>5.8%</b>
<b>Product sales</b>				
Automotive Seating	3,631.1	4,285.3	18.0%	10.0%
Emissions Control Technologies	2,539.5	2,840.9	11.9%	0.4%
Interior Systems	2,970.1	3,342.6	12.5%	4.9%
Automotive Exteriors	1,285.2	1,383.0	7.6%	6.4%
<b>TOTAL</b>	<b>10,425.8</b>	<b>11,851.8</b>	<b>13.7%</b>	<b>5.7%</b>

\*: At constant exchange rates & scope

Product sales by region	9M 2014	9M 2015	Var. in %		
in €m			Reported	Organic*	LV production**
Europe (incl. Russia)	5,921.1	6,400.5	8.1%	8.1%	4%
North America	2,557.0	3,305.6	29.3%	6.4%	3%
Asia	1,429.8	1,663.3	16.3%	-2.2%	1%
South America	416.2	359.1	-13.7%	-7.2%	-17%
Rest of the World	101.7	123.2	21.1%	14.1%	NS
<b>TOTAL</b>	<b>10,425.8</b>	<b>11,851.8</b>	<b>13.7%</b>	<b>5.7%</b>	<b>2%</b>

\*: At constant exchange rates & scope

\*\* : Source Faurecia estimates, October 12, 2015