

Levallois, December 4, 2019

Plastic Omnium finalizes the disposal of non-industrial real estate assets for €128.5 million

Plastic Omnium today completed the sale of its non-industrial real estate assets to the real estate company Sofiparc, wholly-owned by Burelle SA, the holding company which also controls Plastic Omnium. As announced, the disposal was completed for an amount of €128.5 million.

This transaction is part of the rationalization of Plastic Omnium's asset portfolio, by valuing its non-industrial tertiary assets in a dedicated Burelle S.A. real estate structure. It helps strengthen Compagnie Plastic Omnium's financial structure.

Publication pursuant to article L.225-40-2 and R.225-30-1 of the French Commercial Code

On December 4, 2019, two real estate sale agreements were concluded for two properties, involving Compagnie Plastic Omnium S.E. and Plastic Omnium Gestion (as sellers), and Sofiparc (as purchaser).

I – The agreements in detail:

1) Real estate sale agreement for an office building located at 19-23 boulevard Jules Carteret in Lyon

This disposal concerns:

- On one hand, as the **seller**, the Company named Compagnie Plastic Omnium S.E., a European company with share capital of €8,913,966.42, headquartered in the 7th district of Lyon (69007), at 19 boulevard Jules Carteret, with the SIREN identification number 955.512.611 and registered in the Lyon Trade and Companies Register. Compagnie Plastic Omnium S.E. is 58.78%-owned by Burelle S.A., a French public limited company (société anonyme) with a share capital of €26,364,345, headquartered in the 7th district of Lyon (69007), at 19 boulevard Jules Carteret, with the SIREN identification 785.386.319 and registered with the Lyon Trade and Companies Register.
- On the other hand, as **purchaser**, the Company named Sofiparc, a French simplified joint stock company (société par actions simplifiée) with share capital of €54,577,500, headquartered in the 7th district of Lyon (69007) at 19 boulevard Jules Carteret, with the SIREN identification number 351.529.581 and registered in the Lyon Trade and Companies Register. Sofiparc is wholly-owned by Burelle S.A., a French public limited company (société anonyme) with share capital of €26,364,345, headquartered in the 7th district of Lyon (69007), at 19 boulevard Jules Carteret, with the SIREN identification 785.386.319 and registered with the Lyon Trade and Companies Register.

The real estate being sold is a property complex located at 19-23 boulevard Jules Carteret, 14 espace Henry Vallee, in the 7th district of Lyon (69007), with a total surface area of 17,238 square meters, comprising 32,433 m² of built space, including 29,239m² of office space. The building was delivered in 2015. The sale price of the building is €112,500,000 excluding VAT (VAT is €22,500,000).

2) Real estate sale agreement for an office building located at 59-63 rue Edouard Colonne, in Nanterre (92000)

This disposal concerns:

- On the one hand, as **seller**, two companies:
 - o The Company named Compagnie Plastic Omnium S.E., a European company with share capital of €8,913,966.42, headquartered in the 7th district of Lyon (69007), at 19 boulevard Jules Carteret, with the SIREN identification number 955.512.611 and registered in the Lyon Trade and Companies Register. Compagnie Plastic Omnium S.E. is 58.78%-owned by Burelle S.A., a French public limited company (société anonyme) with a share capital of €26,364,345,

headquartered in the 7th district of Lyon (69007), at 19 boulevard Jules Carteret, with the SIREN identification 785.386.319 and registered with the Lyon Trade and Companies Register; **AND**

- The Company named Plastic Omnium Gestion, a French partnership (société en nom collectif) with share capital of €2,011,500, headquartered in the 7th district of Lyon (69007), at 19 boulevard Jules Carteret, with the SIREN identification number 410.314.207 and registered in the Lyon Trade and Companies Register. Plastic Omnium Gestion is wholly-owned by Compagnie Plastic Omnium S.E.;
- On the other hand, as **purchaser**, the Company named Sofiparc, a French simplified joint stock company (société par actions simplifiée) with share capital of €54,577,500, headquartered in the 7th district of Lyon (69007) at 19 boulevard Jules Carteret, with the SIREN identification number 351.529.581 and registered in the Lyon Trade and Companies Register. Sofiparc is wholly-owned by Burelle S.A., a French public limited company (société anonyme) with share capital of €26,364,345, headquartered in the 7th district of Lyon (69007), at 19 boulevard Jules Carteret, with the SIREN identification 785.386.319 and registered with the Lyon Trade and Companies Register.

The real estate being sold is a property complex located 59-63 rue Edouard Colonne in Nanterre, having total surface area of 5,145 square meters, on which stands an office building acquired in 2000, totaling 4,017m² of office space, with an additional 100 indoor parking spaces and 25 outdoor parking spaces. The sale price of the building is €16,000,000, of which €1,400,000 for Plastic Omnium Gestion and €14,600,000 for Compagnie Plastic Omnium S.E.

II - Elements used to assess the interest of the agreement for the company and shareholders, including minority shareholders, who are not directly or indirectly involved

The real estate disposal enables the Plastic Omnium Group to rationalize its asset portfolio, by valuing its non-industrial commercial assets. Plastic Omnium, an automotive pure player, is pursuing its growth in clean and connected mobility, with the additional financial flexibility provided by this disposal¹.

For Burelle S.A. and its subsidiary Sofiparc, a dedicated real estate company with a portfolio of real estate assets, the purchase of the property complex "allows Burelle S.A. to significantly develop its scope as a property company, and to develop in the unlisted sector with higher recurring revenues".²

The ratio between the sale price (€128,500,000) and Compagnie Plastic Omnium S.E.'s last annual profit (2018 net profit - Group share of €533,296,000) is as follows: 0.24 (24%)

The ratio between the sale price (€128,500,000) and Burelle S.A.'s last annual profit (2018 net income - Group share of €317,540,000) is as follows: 0.40 (40%)

The disposal received the prior approval of the boards of directors following **an independent valuation process, based on real estate expert appraisals conducted by highly qualified professionals**, which enabled the transaction price to be set.

On July 18, 2019 and October 29, 2019, the Board of Directors of Compagnie Plastic Omnium authorized the disposal of the office complex involved in the transaction. The persons/directors

¹ Plastic Omnium press release of July 25, 2019

² Burelle SA press release of July 25, 2019

directly or indirectly concerned did not take part in the decision. This decision followed an independent valuation process:

- At the Board meeting of February 19, 2019, a Director, Mr. Jérôme Gallot, was appointed to lead the fully independent real estate valuation process. Mr. Gallot appointed a real estate expert and legal counsel, who had not previously worked for Plastic Omnium, to assist him in his valuation assignment.
- Following a process carried out between May and July 2019, and conducted according to the most stringent professional standards, the real estate expert submitted his conclusions to the Director on July 4, 2019.

On July 24, 2019, the Board of Directors of Burelle S.A. authorized its subsidiary Sofiparc to acquire the property complex comprising the Lyon and Nanterre buildings involved in the transaction. The persons/directors directly or indirectly concerned did not take part in the decision. This decision followed an independent valuation process:

- At the Board meeting of March 29, 2019, Ms. Helen Lee Bouygues, an independent Director, was appointed to lead the fully independent real estate valuation process. Helen Lee Bouygues appointed a real estate expert and legal counsel, who had not previously worked for Plastic Omnium and who were different to those working under Mr. Jérôme Gallot, to assist her in her valuation assignment.
- Following a process carried out between May and July 2019, and conducted according to the most stringent professional standards, the real estate expert submitted his conclusions to the Director on July 1, 2019.

Mr. Jérôme Gallot and Ms. Helen Lee Bouygues, based on the conclusions of the respective expert valuations, agreed on July 8, 2019 on the price of €128,500,000 for the two properties involved in the real estate transaction and each proposed this figure to the Board, which in July 2019 accepted it without modification, intervention or participation in the decision of the directors and persons directly or indirectly concerned.

On October 30, 2019, the Supervisory Committee of Sofiparc voted in favor of the purchase of the real estate assets. To guarantee the financing of this transaction, a 15-year loan of €100 million at a rate of 1.55% was taken out by Sofiparc, in two agreements of €50 million each from CIC and BNP; Burelle S.A. subscribed to a €30 million capital increase after authorization from Sofiparc's Extraordinary Shareholders' Meeting held November 18, 2019.

Finally, on November 18, 2019, the Shareholders' Meeting of Plastic Omnium Gestion, after having heard the Executive Management's report, authorized the Administrator to sell to Sofiparc, on behalf of the Company, the share of the property located in Nanterre (92000) at 59-63 rue Edouard Colonne, belonging to Plastic Omnium Gestion (Cadastral Ref.: Section AG 22, 23, 102, 103, 123 for a total surface area of 1,796 m²) at a price of €1,400,000 euros.

Regulatory reference: Article R. 225-30-1 of the French Commercial Code

"Art. R. 225-30-1. - The publication mentioned in Article L. 225-40-2 contains the following information: the name or corporate name of the person directly or indirectly concerned, the nature of his or her relationship with the company, the date, and the financial terms of the agreement.

"It also contains any other information necessary to assess the interest of the agreement for the company and shareholders, including minority shareholders, who are not directly or indirectly involved. This information includes in particular the purpose of the agreement and the ratio between its price for the company and the latter's latest annual profit."