



# LETTER TO OUR SHAREHOLDERS

MARCH 2018



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Plastic Omnium once again achieved a record year and it is with enthusiasm that we enter the year 2018.

LAURENT BUELLE  
CHAIRMAN AND  
CHIEF EXECUTIVE OFFICER

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A car respectful of its environment  
Light-weight composite materials  
Backbone structure  
Front crash module



# MESSAGE

from the Chairman and Chief Executive Officer



You can find the presentation of the 2017 annual results at [www.plasticomnium.com](http://www.plasticomnium.com)



**€8 billion**  
revenue  
**+15%**

**€641 million**  
operating  
margin  
**+15%**

**€425 million**  
net profit,  
group share  
**+36%**

**€933 million**  
EBITDA  
**+15%**

**€186 million**  
Free cash-flow

**€0.67**  
Dividend  
per share  
**+37%**

(proposed to the General Meeting on April 26, 2018)



## DEAR OUR SHAREHOLDERS,

Plastic Omnium once again achieved a record year. In 2017, we outperformed the global automotive market by nine points and posted growth across all operating regions. We successfully consolidated the businesses acquired in 2016 and continued to improve our industrial performance. With our financial solidity and confidence in our capacity to continue to develop our activities and increase our profitability, we are stepping up our innovation program in order to address the challenges of tomorrow's carbon-free, connected and autonomous cars. We are investing in new research centers, developing and acquiring new technologies, and training and recruiting tomorrow's skills.

Our success remains underpinned by our industrial excellence and total quality for our customers.

**LAURENT BURELLE**  
CHAIRMAN AND  
CHIEF EXECUTIVE OFFICER

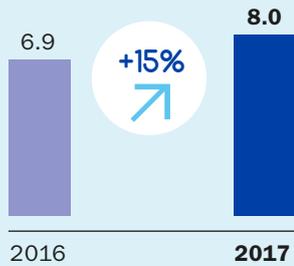
Our success remains underpinned by our industrial excellence and total quality for our customers. In a mixed global environment, we are enthusiastic as we move into 2018 with the outlook of a further improvement in results.

Thank you for your trust.



### 2017 annual results

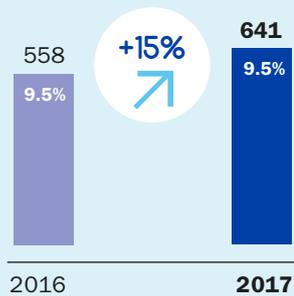
#### Change in economic revenue in billions of euros



The economic revenue of Compagnie Plastic Omnium amounted to €8,000.6 million, **up by 15.4%**.

This sharp increase is attributable to organic **growth of 10.8%** in **the automotive business**, which **outperformed** global automotive production by **8.6 points** and to the exterior systems acquired on July 29, 2016.

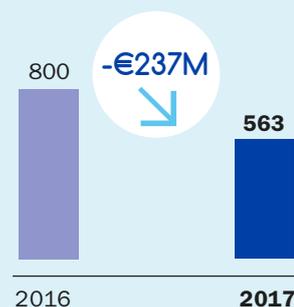
#### Operating margin in millions of euros and as a percentage of consolidated revenue



In 2017, the **operating margin posted a hike of 14.9%** and rose to €641.0 million (i.e. 9.5% of consolidated sales, versus **9.0%** for 2016, proforma).

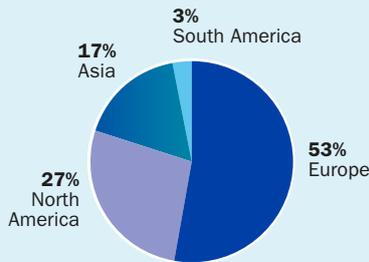
In 2017, the **automotive operating margin** stood at **€619.8 million**, representing 9.6% of consolidated sales (versus 9.1% for 2016, proforma) thanks to a high production capacity utilization rate worldwide (85%), a strict cost control, the operational excellence employed during the 126 launches of new programs and the earlier than expected success of the recovery measures to turnaround the Exterior Systems business acquired in July 2016.

#### Net debt in millions of euros



**Net debt** amounted to €563 million at December 31, 2017, down by €237 million compared with December 31, 2016, after the payment of €73 million in dividends and the buyback of treasury shares for a net amount of €42 million. The Group's net debt now represents **32% of equity** and **0.6x EBITDA**.

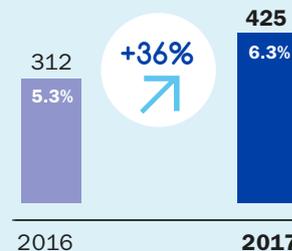
#### Distribution of revenue by region



Business was sustained in **Europe** rose by **19.2%**, boosted by the acquisition of Exterior Systems, a business which is mainly European.

**North America** grew by 12.8% **outperforming 19.8** points in automotive production. The business benefited from the new capacities that have come on stream over the past 3 years and the expected ramp-up of SCR systems to reduce diesel vehicle emissions in the United States. Finally, activity in **Asia**, including China, rose by **14.3%**. The Group benefited from the strong investments made over the past 3 years to develop its industrial footprint and gain market shares.

#### Net profit, group share in millions of euros and as a percentage of consolidated revenue



**Net profit - Group share** came to **€425.2 million** (i.e. 6.3% of consolidated sales), **growth of 36.2%**.

#### Outlook

For the 2017-2021 period, Plastic Omnium confirms its financial outlook announced in December 2017:

- its automotive activities should continue to outperform global automotive production by an average of around 5 points per year over the period, reaching revenue of €10 billion in 2021;
- the Group's operating margin should continue to steadily increase throughout the period;
- the Group will pursue its investment program of €2.5 billion over the 2017-2021 period while generating free cash flow of over €1 billion.

In 2018, with an expected slight rise of around 2% in global automotive production, the Group should see a further improvement in results.



# HIGHLIGHTS

At the heart of current Group news

## JUNE 30, 2017

### — Disposal of the HGV parts business

Plastic Omnium sold its composite HGV parts business which generated sales of around €200 million in France, Mexico and China.

## AUGUST 2017

### — Capital reduction of 0.98% by the cancellation of 1,500,000 treasury shares

The holding company Burelle SA increases its control from 57.01% to 57.57%.

## 12 TO 24 SEPTEMBER 2017

### — Frankfurt International Motor Show (IAA)

Plastic Omnium showcased its 2030 “Living Body” concept car, an intelligent car that communicates with its surroundings using the lighting system integrated into its structure.



### — Plastic Omnium signs a new agreement with Jaguar Land Rover at the IAA in Frankfurt September 12, 2017

Plastic Omnium provide the manufacturer with the painted exterior parts of all vehicles that will be produced by JLR at their new plant in Nitra, Slovakia.



From left to right: Ian Harnett, JLR Executive Global Purchasing & HR Director of JLR and Jean-Michel Szczerba, Co-Chief Executive Officer of Plastic Omnium



### — Project of disposal of the Environment Division 20 September 2017

Plastic Omnium announces its plan to sell its the Environment Division to concentrate exclusively on the global development of the motor vehicle activities.

## NOVEMBER 9, 2017

### — Investment in a venture capital fund dedicated to the energy transition and to the mobilities of the future

Investment as co-sponsor in the context of the capital raising of €240 million by Aster, a venture capital company specialising in digital transformation and new industrial models.



## NOVEMBER 28, 2017

### — Investment of €20 million in the R&D Center in Lyon (France)

Ambitious programme of enlargement and digitisation of the worldwide R&D Center for exterior parts and modules.



### DID YOU KNOW?

**29 million**  
car bumpers  
produced in 2017

**1 million+**  
clean diesel systems  
sold in 2017

**4 hours**  
the record time needed  
to produce and deliver modules  
consisting of up to 50 components



NOVELTY

DECEMBER 13, 2017



— Investor Day at the Σ-Sigmattech R&D Center in Lyon (France)

On its “Investor Day”, Plastic Omnium presented its growth and innovation strategy to respond to the new challenges of the low-carbon, connected and autonomous car.



SHAREHOLDERS’ SITE VISIT — AT RUITZ (FRANCE)

In a transparent and discovery approach of its business and processes, the Group has organized a private visit for its individual shareholders, on November 21, 2017 of its Ruitz exterior parts factory in the Hauts-de-France.

Twenty shareholders had the privilege of being guided by the plant’s management team and discovering the mixing table for raw materials, injection presses, the paint line, the assembly of bumpers and tailgates and quality control.

This plant employs over 360 people, produces 25,000 pieces daily and includes a chain of paint, 11 injection presses and 110 injection molds.

This plant produces bumpers and tailgates for the PSA Group (Peugeot, Citroën, DS), Opel, Renault and Volvo.

DECEMBER 21, 2017



— Two strategic acquisitions in the hydrogen field

Plastic Omnium strengthened its position in electric propulsion with the acquisition of the companies Swiss Hydrogen and Optimum CPV.



— Creation of a new entity “PO New Energies”

Specialising in developing the energies of the future, particularly in the field of fuel cells and hydrogen propulsion.

**Damien Degos,**  
President and CEO of « PO New Energies » and associate member of the Executive Committee





## DECIPHERING THE DATA

These events are making history for the Group



# AT PLASTIC OMNIUM, TOMORROW IS ALREADY HERE

The Company is ideally placed to respond to the challenges of the car of the future.

### LIVING BODY, AN ODYSSEY IN MOBILITY

In September 2017, this concept car showcased at the Frankfurt International Motor Show (IAA) contained all the innovative features developed by Plastic Omnium and crystallised its vision of the car of the future.

- An intelligent car that communicates with its surroundings using the lighting system integrated into its structure.
- New solutions to reduce weight and increase aerodynamics in order to improve the autonomy of this vehicle of the future.
- What is more, this 100% clean concept car protects the environment thanks to the combined action of its fuel cell and hydrogen, which provide propulsion but only emit water.



### A LIGHTER AND INTERACTIVE TAILGATE

#### • Safety and personalisation

Plastic Omnium has developed a new-generation tailgate made of high-performance composite materials which has several aerodynamic and interactive features. The tailgate can display messages, allowing the driver to communicate with his environment.

#### • An interactive tailgate

It interacts in three ways: facial recognition which unlocks the vehicle using specific software, and the “touch and open” and “touch and stop” systems which work by means of conductive paintwork. It is also equipped with ground or overhead obstacle detection, the latter allowing damage to be avoided when opening the tailgate.

#### • An aerodynamic tailgate

The use of active technologies such as an active spoiler, lateral deflectors and a movable diffuser under the vehicle improve aerodynamics and reduce CO<sub>2</sub> emissions by 2g/km.

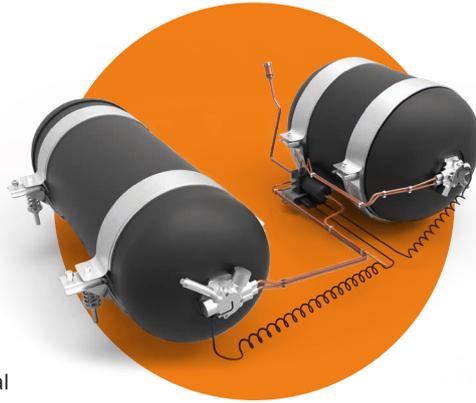


## STRATEGIC ACQUISITIONS IN THE HYDROGEN FIELD

To speed up its innovation strategy, the Group has created *Plastic Omnium New Energies*, a subsidiary of Plastic Omnium Auto Inergy, dedicated to developing the energies of the future, particularly in the field of fuel cells and hydrogen propulsion.

In December 2017, the Group completed the acquisition of two highly-technological companies operating in this field, for a total enterprise value of about €20 million:

- **Swiss Hydrogen**, a Swiss company based in Fribourg specialising in the design and production of energy management and control solutions for mobility fuel cell systems (“balance of plant”);



- **Optimum CPV**, a Belgian company based in Zonhoven specialising in the design and production of filament composite tanks for high-pressure hydrogen storage.



Following the creation of the Israeli company EPO-CellTech in the field of fuel cells in 2016, and with the Group becoming a member of the “Hydrogen Council” steering committee, Plastic Omnium is positioning itself as a key player in electric propulsion.



## FACTORY 4.0 DEVELOPING INTELLIGENT FACTORIES

With an area of 60,000 m<sup>2</sup> spread over 31 hectares and 35 logistics platforms, the factory under construction in Greer (South Carolina) will be “factory 4.0”, a Plastic Omnium pilot project intended to further improve the industrial processes, quality, robotisation,

standardisation and competitiveness of the Group’s new factories.

Plastic Omnium’s ambition is to double the performance of its tools, reduce cycle times, and reduce stocks and investments in order to produce better and cheaper.



*Robots and big data guarantee production to the highest standards and the highest level of customisation.*



## YOUR NEXT RENDEZ-VOUS



### SHAREHOLDERS’ MEETING

March 13, 2018  
in Lyon (France)



### AUTOMOTIVE

### PARIS MOTOR SHOW (FRANCE)

from 4 to 14 October 2018



### NEW

### Find all our financial news on the Plastic Omnium app

You can scan the QR Code or download the app, from the App Store for iPhones and iPads or from Google Play for Android.





# SHAREHOLDER INFORMATION

Plastic Omnium & You



## Change in share price in euros



The stock symbol of Plastic Omnium shares is listed on the NYSE and on Euronext Paris (Compartment A) and is a component of the SBF 120, CAC Mid 60 and SRD indices (ISN code: FR0000124570).

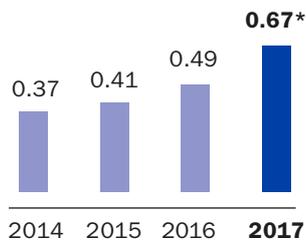
## Key trading data at December 31, 2017

Market capitalization  
**€5,721m**

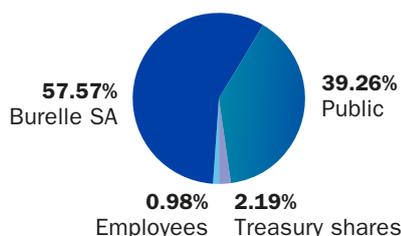
Closing price  
**€37.90**

Number of shares  
**150,976,720**

## Dividend performance per share (in euros)



## Distribution of share capital at December 31, 2017



(\*): Dividend per share proposed to the General Meeting on April 26, 2018: €0.67.



## FINANCIAL AGENDA

Date	Event
APRIL 24, 2018	Quarterly information from 1 <sup>st</sup> quarter 2018
JULY 20, 2018	2018 First-Half results
OCTOBER 25, 2018	Quarterly information from 3 <sup>rd</sup> quarter 2018

## SHAREHOLDER AGENDA

Date	Event
MARCH 3, 2018	Shareholders' meeting in Lyon
OCTOBER 2018	Shareholders' meeting in Nice (date to be confirmed)

## COMBINED SHAREHOLDERS' MEETING

AT THE PAVILLON DAUPHINE, PARIS, AT 5 P.M. ON APRIL 26, 2018.

All information in relation to the Shareholders' Meeting will be available via the « Shareholders » area of our website from April 4, 2018.

This year, Plastic Omnium is setting up VOTACCESS to facilitate your procedures.

- Registered shares, you can connect to the secure VOTACCESS platform, accessible via the *Planetshares* website <https://planetshares.bnpparibas.com>, which will be available from April 4 2018.

- Bearer shares, if the institution in charge of your account is connected to the VOTACCESS site, you will have to identify yourself on its Internet portal with your usual access codes.



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