

Financial indicators

In the context of its financial communication, the Group uses financial indicators based on consolidated data from the consolidated financial statements issued in accordance with IFRS as adopted within the European Union.

As indicated in Note 3.1 to the consolidated financial statements as of December 31, 2015 relating to segment information, for operational management purposes the Group uses the concept of economic sales, which corresponds to the consolidated sales of the Group and its joint ventures up to the Group's percentage stake: HBPO, a German company and world leader in front-end modules, Yanfeng Plastic Omnium, the Chinese leader in exterior body parts, BPO, a major player in the Turkish market for exterior equipment and Plastic Recycling, a specialist company in plastics recycling.

Reconciliation between economic sales and consolidated sales:

<i>(in thousands of euros)</i>	2015	2014
ECONOMIC SALES	5,982,499	5,250,775
<u>Including</u> Sales from joint ventures at the Group's percentage stake	972,604	813,570
CONSOLIDATED SALES	5,009,895	4,437,205



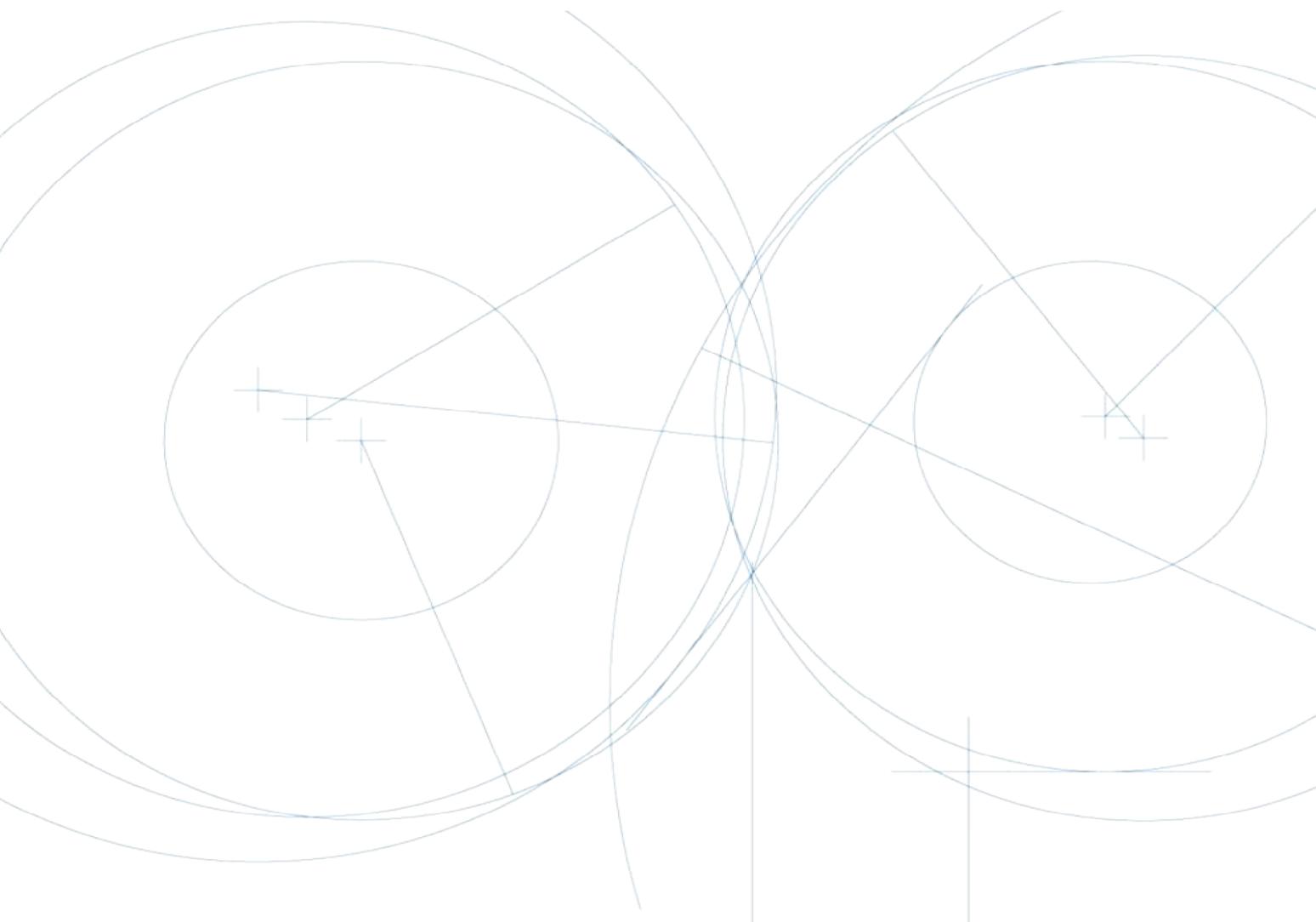
COMPAGNIE PLASTIC OMNIUM

Incorporated in France with limited liability and issued capital of €9,214,603.20

Registered office: 19 Boulevard Jules Carteret – 69007 Lyon – France

Lyon Trade and Companies Register 955 512 611

CONSOLIDATED FINANCIAL STATEMENTS AS OF December 31, 2015



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BALANCE SHEET – CONSOLIDATED FINANCIAL STATEMENTS

<i>(in thousands of euros)</i>	Notes	December 31, 2015	December 31, 2014
ASSETS			
Goodwill	3.1.2 - 3.2 - 5.1.1 - 5.1.2	287,496	284,570
Other intangible assets	3.1.2 - 3.2 - 5.1.2	381,164	351,718
Property, plant and equipment	3.1.2 - 3.2 - 3.3 - 5.1.3 - 5.1.4	1,149,215	1,008,470
Investment property	3.1.2 - 3.2 - 5.1.5	93,263	88,825
Investments in associates and joint ventures	5.1.6	159,073	144,793
Available-for-sale financial assets* #	5.1.7 - 5.2.7.5 - 6.4.2 - 6.7	1,528	1,841
Other non current financial assets*	5.1.8 - 5.2.7.5 - 6.7	64,740	45,147
Deferred tax assets	5.1.12	87,310	78,067
TOTAL NON CURRENT ASSETS		2,223,789	2,003,431
Inventories	3.1.2 - 5.1.9	347,413	313,476
Finance receivables *	5.1.10 - 5.2.7.5 - 6.7	18,833	31,213
Trade receivables	3.1.2 - 5.1.11.2 - 5.1.11.4 - 6.3.1 - 6.4.2 - 6.7	577,855	501,602
Other	3.1.2 - 5.1.11.3 - 5.1.11.4	225,689	194,281
Other financial assets and financial receivables*	5.1.10 - 5.2.7.5 - 6.4.2 - 6.7	27,010	8,104
Hedging instruments*	3.1.2 - 5.2.7.5 - 5.2.8 - 6.4.2 - 6.7	1,558	374
Cash and cash equivalents*	3.1.2 - 5.1.13.1 - 5.1.13.2 - 5.2.7.5 - 6.4.2 - 6.7	663,156	535,412
TOTAL CURRENT ASSETS		1,861,514	1,584,462
Assets held for sale	5.1.16	5,780	-
TOTAL ASSETS		4,091,083	3,587,893
EQUITY AND LIABILITIES			
Capital	5.2.1.1	9,215	9,215
Treasury stock		(52,502)	(33,948)
Additional paid-in capital		38,637	38,637
Consolidated reserves		1,012,773	815,782
Net income for the period		258,374	224,553
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		1,266,497	1,054,239
Attributable to non-controlling interests		20,822	17,749
TOTAL EQUITY		1,287,319	1,071,988
Current borrowings*	3.1.2 - 5.2.7.5 - 6.7	921,148	901,649
Provisions for pensions and other post-employment benefits	5.2.5 - 5.2.6.5	101,991	93,165
Provisions for liabilities and charges	5.2.5	34,498	24,451
Current grants	5.2.4	13,875	11,287
Deferred tax liabilities	5.1.12	59,704	47,778
TOTAL NON CURRENT LIABILITIES		1,131,216	1,078,330
Bank overdrafts*	3.1.2 - 5.1.13.2 - 5.2.7.5 - 6.4.2 - 6.7	15,891	4,148
Current borrowings*	3.1.2 - 5.2.7.5 - 6.7	94,188	88,688
Current debt*	3.1.2 - 5.2.7.5 - 6.4.2 - 6.7	4	17
Hedging instruments*	3.1.2 - 5.2.7.5 - 5.2.8 - 6.4.2 - 6.7	12,757	16,658
Provisions for liabilities and charges	5.2.5	35,019	49,395
Current grants	5.2.4	281	273
Trade payables	5.2.9.1 - 5.2.9.3 - 6.4.2 - 6.7	1,010,431	803,993
Other operating liabilities	5.2.9.2 - 5.2.9.3	503,977	474,403
TOTAL CURRENT LIABILITIES		1,672,548	1,437,575
Liabilities related to assets held for sale	5.1.16	-	-
TOTAL EQUITY AND LIABILITIES		4,091,083	3,587,893

(*) Components of net debt. Net debt stood at €267.5 million at December 31, 2015 compared with €389.5 million at December 31, 2014 (see Note 5.2.7.5).

(#) Of which €1,172 thousand at December 31, 2015 and €1,372 thousand at December 31, 2014, respectively, are included in the calculation of net debt (see Notes 5.1.7 and 5.2.7.5).

INCOME STATEMENT – CONSOLIDATED FINANCIAL STATEMENTS

<i>(in thousands of euros)</i>	Notes	2015	%	2014	%
CONSOLIDATED SALES (Revenue)	3.1.1 - 3.1.4.1 - 3.1.4.2	5,009,895	100.0%	4,437,205	100.0%
Cost of goods and services sold	4.2	(4,172,415)	-83.3%	(3,705,041)	-83.5%
GROSS PROFIT		837,480	16.7%	732,164	16.5%
Net research and development costs	4.1 - 4.2	(108,079)	-2.2%	(104,035)	-2.3%
Selling costs	4.2	(62,215)	-1.2%	(57,297)	-1.3%
Administrative expenses	4.2	(213,423)	-4.3%	(199,276)	-4.5%
OPERATING MARGIN before amortization of intangible assets acquired in business combinations and before share of profit of associates and joint ventures	3.1.1	453,763	9.1%	371,557	8.4%
Amortization of intangible assets acquired in business combinations*	3.1.1 - 4.4	(18,795)	-0.4%	(18,297)	-0.4%
Share of profit/loss of associates and joint ventures	3.1.1 - 4.5	34,749	0.7%	39,321	0.9%
OPERATING MARGIN α	3.1.1	469,717	9.4%	392,581	8.8%
Other operating income	3.1.1 - 4.6	20,943	0.4%	3,373	0.1%
Other operating expenses	3.1.1 - 4.6	(96,441)	-1.9%	(38,010)	-0.9%
Finance costs, net	3.1.1 - 4.7	(53,646)	-1.1%	(51,244)	-1.2%
Other financial income and expenses, net	3.1.1 - 4.7	(2,532)	-0.1%	(13,050)	-0.3%
PROFIT FROM CONTINUING OPERATIONS before income tax and after share of profits of associates and joint ventures	3.1.1	338,041	6.7%	293,650	6.6%
Income tax	3.1.1 - 4.8	(75,200)	-1.5%	(64,168)	-1.4%
NET INCOME	3.1.1	262,841	5.2%	229,482	5.2%
Net profit attributable to non-controlling interests	4.9	4,467	0.1%	4,929	0.1%
Net profit attributable to owners of the Parent Company		258,374	5.2%	224,553	5.1%
Earnings per share attributable to owners of the Parent Company	4.10				
Basic earnings per share (in euros)**		1.75		1.52	
Diluted earnings per share (in euros)***		1.72		1.49	

(α) *Operating margin after amortization of intangible assets acquired in business combinations and after share of profit of associates and joint ventures: The Group has changed the way the share of profit/(loss) of associates and joint ventures is now shown at the operating level in the income statement; it is now shown at the operating margin level.*

(*) *Intangible assets acquired in business combinations.*

(**) *Basic earnings per share are calculated using the weighted average number of ordinary shares outstanding, less the average number of shares held in treasury stock.*

(***) *Diluted earnings per share takes into consideration the average number of treasury shares deducted from equity and shares which might be issued under stock option programs.*

STATEMENT OF COMPREHENSIVE INCOME – CONSOLIDATED FINANCIAL STATEMENTS

<i>(in thousands of euros)</i>	2015			2014		
	Total	Gross	Tax	Total	Gross	Tax
Net profit for the period - Group share(*)	258,374	332,453	(74,079)	224,553	287,804	(63,251)
Reclassified to the income statement	25,858	27,404	(1,546)	37,015	37,962	(947)
Reclassified in the period	1,626	2,620	(994)	3,233	4,816	(1,583)
Exchange differences on translating foreign operations - reclassified to the income statement	-	-	-	642	642	-
Cash flow hedges - Interest rate instruments reclassified to the income statement	1,626	2,620	(994)	2,591	4,174	(1,583)
Reclassified at a later date	24,232	24,784	(552)	33,782	33,146	636
Exchange differences on translating foreign operations	23,374	23,374	-	33,682	33,682	-
Cash flow hedges	858	1,410	(552)	100	(536)	636
Gains/(losses) for the period - Interest rate instruments	858	1,410	(552)	568	218	350
Gains/losses for the period - Currency instruments	-	-	-	(468)	(754)	286
Cannot be reclassified to the income statement at a later date	(2,455)	(1,745)	(710)	(14,750)	(20,264)	5,514
Actuarial gains/(losses) recognized in equity	(2,455)	(1,745)	(710)	(16,180)	(22,570)	6,390
Fair value adjustments to property, plant and equipment	-	-	-	1,430	2,306	(876)
Other comprehensive income	23,403	25,659	(2,256)	22,265	17,698	4,567
Comprehensive income - Group share(**)	281,777	358,112	(76,335)	246,818	305,502	(58,684)
Net profit for the period attributable to non-controlling interests	4,467	5,588	(1,121)	4,929	5,845	(916)
Reclassified to the income statement	409	409	-	(679)	(679)	-
Reclassified at a later date	409	409	-	(679)	(679)	-
Exchange differences on translating foreign operations	409	409	-	(679)	(679)	-
Cannot be reclassified to the income statement at a later date	(5)	(5)	-	(119)	(119)	-
Actuarial gains/(losses) recognized in equity	(5)	(5)	-	(119)	(119)	-
Other comprehensive income	404	404	-	(798)	(798)	-
Comprehensive income attributable to non-controlling interests	4,871	5,992	(1,121)	4,132	5,048	(916)
Total comprehensive income	286,648	364,104	(77,456)	250,949	310,550	(59,600)

(*) Net profit for the period amounted to €151,691 thousand at December 31, 2015 compared with €132,082 thousand at December 31, 2014.

(**) Total net profit attributable to owners of the parent amounted to €165,431 thousand at December 31, 2015 compared with €145,178 thousand at December 31, 2014.

CHANGE IN EQUITY – CONSOLIDATED FINANCIAL STATEMENTS

(in thousands of euros)
(in thousand units for the number of shares)

	Number of shares	Capital	Additional paid-in capital	Treasury stock	Other reserves *	Translation adjustment	Net profit for the period	Shareholders' equity		Total equity
								Attributable to owners of the parent	Attributable to non-controlling interests	
Equity at December 31, 2013	154,977	9,299	65,913	(44,348)	675,275	(28,991)	193,211	870,358	15,570	885,928
Appropriation of net profit at December 2013	-	-	-	-	193,211	-	(193,211)	-	-	-
Net profit at December 31, 2014	-	-	-	-	-	-	224,553	224,553	4,929	229,482
Other comprehensive income	-	-	-	-	(12,686)	34,951	-	22,265	(798)	21,467
<i>Exchange differences on translating foreign operations</i>	-	-	-	-	(627)	34,951	-	34,324	(679)	33,645
<i>Actuarial gains/(losses) recognized in equity</i>	-	-	-	-	(16,180)	-	-	(16,180)	(119)	(16,299)
<i>Cash flow hedges - Interest rate instruments</i>	-	-	-	-	3,159	-	-	3,159	-	3,159
<i>Cash flow hedges – currency instruments</i>	-	-	-	-	(468)	-	-	(468)	-	(468)
<i>Fair value adjustments to property, plant and equipment</i>	-	-	-	-	1,430	-	-	1,430	-	1,430
Comprehensive income	-	-	-	-	180,525	34,951	31,342	246,818	4,132	250,949
Treasury stock transactions	-	-	-	(16,960)	3,038	-	-	(13,922)	-	(13,922)
Capital reduction (cancellation of treasury stock)*	(1,400)	(84)	(27,276)	27,360	-	-	-	-	-	-
Tax effect of treasury stock transactions	-	-	-	-	(1,154)	-	-	(1,154)	-	(1,154)
Change in scope of consolidation and reserves **	-	-	-	-	(221)	(1,248)	-	(1,469)	-	(1,469)
Dividends paid by Compagnie Plastic Omnium	-	-	-	-	(48,746)	-	-	(48,746)	-	(48,746)
Dividends paid by other Group companies	-	-	-	-	-	-	-	-	(1,953)	(1,953)
Stock option costs	-	-	-	-	2,354	-	-	2,354	-	2,354
Equity at December 31, 2014	153,577	9,215	38,637	(33,948)	811,071	4,712	224,553	1,054,239	17,749	1,071,988
Appropriation of net profit at December 2014	-	-	-	-	224,553	-	(224,553)	-	-	-
Net profit at December 31, 2015	-	-	-	-	-	-	258,374	258,374	4,467	262,841
Other comprehensive income	-	-	-	-	(39)	23,442	-	23,403	404	23,807
<i>Exchange differences on translating foreign operations</i>	-	-	-	-	(68)	23,442	-	23,374	409	23,783
<i>Actuarial gains/(losses) recognized in equity</i>	-	-	-	-	(2,455)	-	-	(2,455)	(5)	(2,460)
<i>Cash flow hedges - Interest rate instruments</i>	-	-	-	-	2,484	-	-	2,484	-	2,484
Comprehensive income	-	-	-	-	224,514	23,442	33,821	281,777	4,871	286,648
Treasury stock transactions	-	-	-	(18,554)	1,278	-	-	(17,276)	-	(17,276)
Change in scope of consolidation and reserves**	-	-	-	-	(435)	-	-	(435)	797	362
Dividends paid by Compagnie Plastic Omnium	-	-	-	-	(54,833)	-	-	(54,833)	-	(54,833)
Dividends paid by other Group companies	-	-	-	-	-	-	-	-	(2,595)	(2,595)
Stock option costs	-	-	-	-	3,025	-	-	3,025	-	3,025
Equity at December 31, 2015	153,577	9,215	38,637	(52,502)	984,620	28,154	258,374	1,266,497	20,822	1,287,319

(*) See Note 5.2.1.2 for details of “Other reserves and retained earnings”.

(**) See Note 5.2.1.3 for details of “Changes in scope of consolidation and reserves”.

The dividend per share distributed in 2015 by Compagnie Plastic Omnium in respect of the 2014 fiscal year was €0.37 compared with €0.33 in 2014 in respect of the 2013 fiscal year (see Note 5.2.2 on dividends voted and paid).

STATEMENT OF CASH FLOWS – CONSOLIDATED FINANCIAL STATEMENTS

<i>(in thousands of euros)</i>	Notes	2015	2014
I - CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	3.1.1	262,841	229,482
Dividends received from associates and joint ventures		24,887	22,685
Non-cash items		318,389	302,589
<i>Share of profit/(loss) of associates and joint ventures</i>	4.5	(34,749)	(39,321)
<i>Stock option plan expense</i>		3,025	2,354
<i>Other adjustments</i>		(1,715)	10,420
<i>Depreciation and provisions for impairment of fixed assets</i>	3.1.3 - 5.1.3	144,809	122,343
<i>Depreciation and provisions for impairment of intangible assets</i>	3.1.3 - 5.1.2	80,852	78,138
<i>Changes in provisions</i>		2,384	16,411
<i>Net (gains)/losses on disposals of non current assets</i>	4.6 a	887	1,058
<i>Proceeds from operating grants recognized in the income statement</i>		(2,388)	(1,392)
<i>Current and deferred taxes</i>	4.8.1	75,200	64,168
<i>Interest expense</i>		50,084	48,410
NET OPERATING CASH GENERATED BY OPERATIONS BEFORE IMPACT OF FINANCIAL EXPENSES AND INCOME TAX CASH PAYMENTS (A)		606,117	554,756
Change in inventories and work-in-progress – net		(24,649)	(37,253)
Change in trade receivables – net		(81,644)	22,576
Change in trade payables		133,961	22,155
Change in other operating assets and liabilities - net		5,958	(24,447)
CHANGE IN WORKING CAPITAL REQUIREMENTS (B)		33,626	(16,969)
TAXES PAID (C)		(65,262)	(80,990)
Interest paid		(52,465)	(53,411)
Interest received		2,625	5,871
NET FINANCIAL INTEREST PAID (D)		(49,840)	(47,540)
NET CASH GENERATED BY OPERATING ACTIVITIES (A+B+C+D)		524,641	409,257
II – CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of property, plant and equipment	3.1.3 - 3.2 - 5.1.3	(269,311)	(253,736)
Acquisitions of intangible assets	3.1.3 - 5.1.2	(108,891)	(92,697)
Disposals of property, plant and equipment	4.6 a	4,625	8,519
Disposals of intangible assets	4.6 a	7,973	3,559
Net change in advances to suppliers of fixed assets		38,034	7,905
Government grants received		4,916	643
NET CASH USED IN OPERATIONS-RELATED INVESTING ACTIVITIES (E)		(322,654)	(325,807)
FREE CASH FLOW (A + B + C + D + E)*		201,987	83,450
Acquisitions of shares in subsidiaries and associates	5.1.14.1	101	(208)
Investments in associates and joint ventures and related investments		4	16,610
Proceeds from disposals of shares in subsidiaries and associates	4.6 a - 5.1.14.2	4	16,610
Impact of changes in scope of consolidation – Cash and cash equivalents contributed by companies entering the scope of consolidation	5.2.1.3	797	
NET CASH FROM FINANCIAL INVESTING ACTIVITIES (F)		901	16,402
NET CASH FROM INVESTING ACTIVITIES (E+F)		(321,753)	(309,405)
III - CASH FLOWS FROM FINANCING ACTIVITIES			
(Purchases)/sales of treasury stock, net		(17,276)	(13,922)
Dividends paid to Burelle SA [#]		(32,161)	(28,684)
Dividends paid to other shareholders ^{###}		(25,267)	(22,015)
Increase in financial debt		41,561	68,394
Repayment of borrowings		(52,950)	(60,311)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES (G)		(86,094)	(56,538)
Effect of exchange rate changes (H)		(793)	5,119
NET CHANGE IN CASH AND CASH EQUIVALENTS (A + B + C + D + E + F + G + H)		116,001	48,433
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	5.1.13.2	531,264	482,831
CASH AND CASH EQUIVALENTS AT END OF PERIOD	5.1.13.2	647,265	531,264

(*) "Free Cash Flow" is an important concept for the Plastic Omnium Group. It is used in all of the Group's external financial communication (press releases) and, in particular, for annual and interim results presentations.

(#) Compagnie Plastic Omnium paid the dividend to Burelle SA in full over the two periods.

(###) In 2015, the dividend paid to other shareholders amounting to €22,672 thousand (compared with €20,062 thousand in 2014) was paid by Compagnie Plastic Omnium, bringing the total dividends paid by Compagnie Plastic Omnium to €54,833 thousand (compared with €48,746 thousand in 2014). See Note 5.2.2 "Dividends voted and paid by Compagnie Plastic Omnium".

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Plastic Omnium Group for the fiscal year ended December 31, 2015 were approved by the Board of Directors of February 24, 2016. They will be submitted to the Combined Shareholders' Meeting of April 28, 2016 for approval.

GROUP OVERVIEW

Compagnie Plastic Omnium, a company governed by French law, was set up in 1946. The bylaws set its duration until April 24, 2112. The Company is registered in the Lyon Trade and Companies Register under number 955 512 611 and its registered office is at 19, boulevard Jules-Carteret, 69007 Lyon, France.

The terms "Compagnie Plastic Omnium", "the Group" and "the Plastic Omnium Group" all refer to the group of companies comprising Compagnie Plastic Omnium and its consolidated subsidiaries.

The Plastic Omnium Group is a world leader in the transformation of plastic materials for the automotive market (body component modules, fuel storage and distribution systems) representing 92.3% of its consolidated sales (93.6% of its economic sales) and for local authorities (waste collection containers and highway signage) for the remainder of its sales revenue.

Plastic Omnium Group shares have been traded on the Paris Stock Exchange since 1965. Listed on Eurolist in compartment A since January 17, 2013, the Group is part of the SBF 120 and the CAC Mid 60 indices. The Group's main shareholder is Burelle SA, which owned 56.60% of the Group's shares (58.71% excluding treasury stock) at December 31, 2015.

The unit of measurement used in the Notes to the consolidated financial statements is thousands of euros, unless otherwise indicated.

1. ACCOUNTING POLICIES, ACCOUNTING RULES AND PRINCIPLES

1.1 Basis of preparation

The accounting policies used to prepare the consolidated financial statements are those applied by the Group at December 31, 2014. They comply with the International Financial Reporting Standards (IFRS) standards and interpretations adopted for use in the European Union at December 31, 2015 and are available on the website: http://ec.europa.eu/internal_market/accounting/ias_fr.htm#adopted-commission. IFRS includes the International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) and interpretations published by the International Financial Reporting Interpretations Committee (IFRIC). These principles are not materially different from the mandatory standards and interpretations published by the IASB and applicable with effect from December 31, 2015.

The accounting policies applied by the Group are described in Note 1 "Basis of Preparation" to the 2014 consolidated financial statements, except for those affected by the new standards and amendments mandatory from January 1, 2015. In fact, the Group applied IFRIC 21 which specifies the accounting rules for various taxes, duties and other levies falling within the scope of IAS 37 "Provisions, contingent liabilities and contingent assets" as well as other standards mandatory from January 1, 2015 ("Annual improvements" - 2011-2013 cycle), without any material impact on the Group's 2015 financial statements.

Furthermore, the Group has changed the way the share of profit of associates and joint ventures is shown in the consolidated income statement in order to provide more relevant information; because these companies' operations impact the continuing business activity of the Group, the share of their profits is now shown at the operating margin level.

Standards, interpretations and amendments applicable after January 1, 2016:

The impact of IFRS 9 "Financial Instruments" and IFRS 15 "Revenue from Contracts with Customers", published in 2015 by the IASB with an application date of January 1, 2018 but not yet adopted by the European Union, is currently being analyzed by the Group. At this stage, the analyses have not revealed any material impact.

1.1.1 Consolidation principles

Entities in which the Group owns more than 50% of the voting rights are fully consolidated. Entities in which the Group owns less than 50% but that are controlled in substance are also fully consolidated.

The companies over which the Group exercises joint control with other shareholders, regardless of the shareholding percentage, treated as “joint ventures” insofar as the Group does not have joint operations, in addition to the companies over which the Group exercises significant influence, and treated as “Investments in associates” (significant influence is assumed when the Group holds more than 20% of the voting rights in a company) are recognized using the equity method.

1.1.2. Attributable to non-controlling interests

Non-controlling interests correspond to the share of the Group’s interest attributable to outside shareholders. They are presented as a separate item in the income statement and under equity in the consolidated balance sheet, separately from profit and equity attributable to owners of the parent.

Non-controlling interests may be measured either at fair value at the acquisition date (i.e. including a share of goodwill) or at their proportionate share of the fair value of the identifiable net assets acquired. The option is available on a transaction-by-transaction basis.

Changes in a parent’s ownership interest in a subsidiary that do not result in a loss of control are recognized as equity transactions. Accordingly, when the Group’s interest in a controlled entity is increased (or reduced), without control being acquired (or lost), the difference between the acquisition price (or disposal value) and the carrying amount of the share of the net assets acquired (sold) share is recorded in equity.

1.1.3. Segment information

Segment information is presented on the basis of the segments identified in the Group’s internal reporting and notified to the management in order to decide on the allocation of resources and for performance analysis.

The Group is managed on the basis of two operational segments:

- “Automotive”, which covers activities from design and manufacture to sales of body components and modules, and fuel storage and distribution systems;
- “Environment”, which covers activities for local authorities, i.e. pre-collection products and services and waste management activities, and “Signature” for road and highway signage.

1.1.4. Business combinations

Business combinations are recognized by applying the acquisition method. Under this method, assets, liabilities and identifiable contingent liabilities acquired are recognized at their fair value on the acquisition date.

Goodwill is recognized as the excess of (i) the consideration transferred to the vendor plus (ii) the amount of any non-controlling interest in the company acquired over (iii) the net balance of the identifiable assets and liabilities acquired.

In a business combination carried out in stages, the consideration also includes the acquisition-date fair value of the acquirer’s previously held equity interest in the acquired company. The previously held equity interest is measured at fair value through profit or loss.

Acquisition-related costs are recorded as expenses.

The fair value adjustments of assets and liabilities acquired are offset against goodwill adjustments for a period of twelve months after the acquisition date. After that date, any changes in value are recognized in profit or loss, including any changes in tax assets.

1.1.5. Translation of foreign subsidiaries' financial statements

Plastic Omnium Group uses the euro as its presentation currency in the consolidated financial statements. Financial statements of foreign subsidiaries are prepared in their functional currency i.e. the currency of the economic environment in which an entity operates; it is usually the local currency, except for certain subsidiaries that carry out the majority of their transactions in another currency. These accounts are translated into the Group's presentation currency, as follows:

- balance sheet items, other than equity, are translated at the exchange rate on the balance sheet date;
- income statement items are translated at the average exchange rate for the period;
- differences arising from translation are recognized in consolidated equity under "Translation reserves".

Goodwill arising from business combinations with foreign entities is recognized in the functional currency of the acquired entity. They are then translated into the Group's presentation currency at the closing rate, with the translation difference recorded in equity. On disposal of the entire interest in a foreign operation, the related translation differences initially recognized in equity, are reclassified in profit or loss.

1.1.6. Translation of transactions in foreign currencies

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rate in force on the transaction date. When the accounts are being drawn up, foreign currency monetary items are translated using the rate at the balance sheet date.

The resulting translation difference is recognized in the income statement under "Other operating income and expense" for transactions related to operating activities, and under "Other financial income and expenses" for financial transactions.

Borrowings in foreign currencies obtained from the Group by a subsidiary, for which repayment is neither planned nor likely in the foreseeable future, are considered as part of the net investment of the Plastic Omnium Group in this foreign business. The corresponding translation adjustments are recorded under equity.

1.1.7. Sales/Revenue

Revenue is recognized when control and the risks and rewards of ownership are transferred, and it is likely that future economic benefits associated with the transaction will flow to the Group and the amount of this revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, net of any trade discounts and volume rebates as well as any other sales taxes or customs duties.

Sales of goods

Revenue from the sale of goods and from wholesale transactions is recognized when the material risks and rewards of ownership of the goods are transferred to the buyer, generally on delivery.

Sales of services and tooling

Automotive Division

Revenue generated during the project phase of automotive contracts (development work and production of tooling) is recognized when the main risks and rewards of ownership have been transferred to the customer. A determining factor in the Group's analysis is whether or not the customer has formally agreed to the price.

When a contractual agreement has been signed with the customer concerning the sale price of the tooling, the tooling is considered as having been sold and the related revenue is recognized on the basis of the stage of completion validated by the customer and, at the latest, on the first day of series production of the model concerned. Similarly, when the Group has a contractual agreement with customers, development revenue billed on a time-spent basis is gradually recognized using the stage of completion method.

Where there is no such agreement with the customer (e.g.: where the customer finances the project by "development unit" with no volume guarantee), the Group does not believe the material risks and rewards are transferred to the client; the tooling and/or development time expenses are then recognized in the Group's property, plant and equipment and/or intangible assets, and amortized over the life of the series. Where necessary, income from the customer is recognized in revenue over the lifetime of the series.

Environment

Most lease-maintenance contracts are operating leases. Revenue from lease-maintenance contracts classified as operating leases is recognized on a straight-line basis over the lease term. Services provided under contracts classified as finance leases are recognized as a sale, for an amount corresponding to the sum of the survey and equipment installation costs and the estimated sale price of the equipment made available.

1.1.8. Receivables

Receivables are initially recognized at fair value. Fair value generally represents the nominal amount of the receivable when the corresponding sale is subject to routine payment terms. Provisions for doubtful accounts are recorded when there is objective evidence that the receivables are impaired. Their amount is determined separately for each customer.

Finance receivables mainly correspond to lease-financing sales in the Environment business, and development and tooling sales for which the Group has signed an agreement enabling customers to pay in installments (for example: "development unit" prices contractually agreed by customers.) These latter receivables are originally due in more than one year and may be interest-bearing in the framework of an asset financing agreement with the customer. The corresponding finance income is recognized in revenue. Finance receivables are deducted from the calculation of net debt.

Sold receivables, which are removed from the balance sheet, meet the following criteria:

- the contractual rights to the receivable are transferred to the buyer;
- substantially all the risks and rewards of ownership are transferred to the buyer;

The risks taken into account are:

- o credit risk;
- o risks related to payment delay both for the amount and duration;
- o interest rate risk, which is transferred in full to the buyer.

1.1.9. Operating margin

Operating margin corresponds to profit from fully consolidated companies, before other operating income and expenses which consist mainly of:

- gains from disposals of property, plant and equipment and intangible assets;
- impairment losses on non current assets (property, plant and equipment and intangible assets) including any impairment of goodwill;
- translation differences, corresponding to the difference between the exchange rates used to account for operating receivables and payables and the rates used to account for the related settlements;
- income and expenses that are unusual in nature, frequency or amount, such as profits and losses related to changes in scope, start-up costs of new plants, restructuring costs and downsizing costs.

Amortization of contractual customer relationships acquired in business combinations is recognized as a separate component of operating margin.

Since the 2015 fiscal year, a share of profit of associates and joint ventures has also been shown in the operating margin as a separate line item (See Note 1.1).

Consequently, the Group shows an operating margin prior to taking into account amortization of intangible assets from acquisitions within the framework of business combinations and the share of profit of associates and joint ventures, and an operating margin after taking these factors into account.

The operating margin, after taking these factors into account, is the main performance indicator used by the Group.

1.1.10. Research tax credit

Certain research expenditure by Group subsidiaries qualifies for French tax credits. These credits are included under operating margin as a deduction from “Net research and development costs”, see Notes 4.1 “Analysis of research and development costs” and 4.2 “Cost of sales, development, selling and administrative costs”.

1.1.11. Intangible assets

1.1.11.1. Research and development costs

Material development costs are recognized as an intangible asset when the entity can demonstrate in particular:

- its intention is to complete the project and the availability of adequate technical and financial resources to do so;
- that the development costs will generate probable future economic benefits;
- the ability to reliably value the cost of the assets.

Automotive Division development costs

Development hours devoted to an Automotive Division project subject to a customer contractual payment agreement are considered as sold and expensed on the basis of the stage of completion. The revenue recognition policy is described in Note 1.1.7 “Sales/Revenue”.

Costs incurred on orders for specific tooling and molds subject to a customer contractual payment agreement are considered as sold and recognized in inventories. Related income is recognized in “Revenue” based on the percentage of the total cost incurred on the date of technical acceptance, or, at the latest, on the first day of series production. Amounts received prior to these dates are recorded under “Customer prepayments”.

Development hours financed by the customer under “development unit” pricing and not covered by a customer contractual volume undertaking or payment guarantee are recognized under intangible assets in progress during the development phase.

These capitalized development amounts are amortized when daily output reaches 30% of estimated production and, at the latest, three months after the first day of series production. Amortization is calculated on a straight-line basis over the estimated period of series production, which averages three years for body parts and five years for fuel systems.

Other research and development costs

Other research and development costs are recognized under expenses for the period in which they are incurred.

1.1.11.2. Other intangible assets

Other intangible assets are measured at cost less accumulated amortization and impairment losses. They are amortized on a straight-line basis over their estimated useful lives.

They mainly include “Plastic Omnium Auto Inergy” and “Ford-Milan” customer contractual relationships.

These assets are tested for impairment whenever there is objective evidence that they are impaired.

1.1.12. Start-up costs

Costs corresponding to start-up phases, including organization costs, are included in expenses in accordance with the pace at which they are incurred. They correspond to the use of new production capacities or techniques. As indicated in Note 1.1.9. pre-start-up costs for new plants are recognized under other operating expenses.

1.1.13. Goodwill and impairment tests

Plastic Omnium Group goodwill is not amortized but is tested for impairment at least once a year, at the year-end, and on the interim balance sheet date if there is objective evidence of impairment.

Impairment tests are carried out at the level of each cash generating unit (CGU) or groups of units generating cash and cash equivalents, namely:

- “Automotive”
- “Environment” excluding “Signature”
- “Signature”

The Group presents its segment information in two "reportable segments", Automotive and Environment (see Note 3 “Segment information”), and information on Goodwill is presented on the same basis. (See Note 5.1.1 “Goodwill”).

The carrying amount of each CGU’s assets (including goodwill) is compared with its recoverable amount. Recoverable amount is the higher of fair value less the costs to sell and value in use, determined by the discounted cash flow method.

Future cash flows are estimated based on the Group's four-year business plan, revised where necessary to take into account the most recent market conditions. The terminal value is calculated by capitalizing projected cash flows for the last year covered by the business plan, using a long-term growth rate that reflects the outlook for the market concerned. The cash flow projections are then discounted.

The assumptions used to determine the discount rates take into account:

- an industry risk premium;
- an industry financing "spread" to value the cost of debt;
- the rates used by comparable companies in each segment concerned.

Sensitivity tests of a 0.5% increase in the discount rate or a reduction of 0.5% on the long-term growth rate or a reduction of 0.5% in the operating margin rate are regularly carried out.

Negative goodwill (badwill) is recorded in the income statement during the year of acquisition.

Goodwill is measured annually at cost, less any accumulated impairment losses. Impairment losses recognized on goodwill are irreversible.

1.1.14. Property, plant and equipment

Gross

Property, plant and equipment are initially recorded at acquisition cost, or production cost for assets manufactured by the Group (or by a subcontractor) for its own use, or at fair value in the case of assets acquired without consideration.

Gains and losses on intra-group sales or acquisitions of property, plant and equipment are eliminated in the consolidated financial statements.

Property, plant and equipment are subsequently recognized at their cost less accumulated amortization and accumulated impairment losses.

After initial recognition, property and industrial buildings are measured at depreciated cost. Maintenance and repair costs to restore or maintain the future economic benefits expected based on the asset's estimated level of performance at the time of acquisition are recognized as an expense as incurred.

Assets acquired under finance leases are recognized in property, plant and equipment at the lower of their fair value and the present value of future minimum lease payments. They are depreciated at the same rate as assets that are owned outright. Contracts classified as finance leases primarily concern industrial buildings, major functional assemblies such as paint lines and presses, and containers leased by Plastic Omnium Environment.

Depreciation

Property, plant and equipment are depreciated by the straight-line method over the following estimated useful lives:

Buildings and fixtures	20-40 years
Presses, blow molding and transformation	7-12 years
Machining, finishing and other equipment	3-7 years
Containers (Plastic Omnium Environment)	8 years

Each significant part of a property asset or major functional assembly, such as a paint line, press or blow molding machine, is depreciated separately over its specific estimated useful life.

Impairment of property, plant and equipment

Property, plant and equipment are tested for impairment when the decision is made to cease production, to withdraw a product manufactured using the assets concerned or to close a facility.

1.1.15. Investment property

The elements in the “*Investment property*” section of the assets on the Group’s balance sheet are not included in ordinary operations. These assets, which belong to the Group, correspond to real estate as follows:

- properties that are not occupied on the balance sheet date and whose use has yet to be decided;
- or properties held by the Group for their long-term appreciation, which are leased to third parties under operating leases.

The Group may select to use all or part of a property whose use has yet to be decided (in which case the relevant part is reclassified as owner-occupied property) or to lease it under one or more operating leases.

Investment property is measured at fair value at the balance sheet date, with changes in fair value recognized in profit or loss. The same accounting treatment is applied to the land on which the property is constructed. The land and buildings are valued at regular intervals as part of the year-end closing process by an independent valuer. Between two valuations, the Group is kept informed of any material changes in the real estate market. The fair value determined by the valuer is calculated by direct reference to observable prices in an active market (fair value level 2).

Properties or parts of properties previously classified under investment property and reclassified as operating property when the Group decides to use them for its own occupation, are recognized at their carrying amount on the transfer date.

When properties are moved from the “Property, plant and equipment” category to the “Investment property” category, any difference between their carrying amount and their fair value on that date is accounted for as a revaluation.

1.1.16. Inventories and goods in process

1.1.16.1. Raw materials inventories and other supplies

Raw materials and supplies are measured at the lower of cost and net realizable value.

A provision for impairment is recorded when the estimated selling price of the related finished products in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale, is less than the carrying amount of the raw materials or supplies.

1.1.16.2. Finished and semi-finished product inventories

Finished and semi-finished products are measured at standard production cost, adjusted annually. Cost includes raw materials and direct and indirect production costs. It does not include any administrative overheads or IT costs that are unrelated to production or any research and development or distribution costs. In addition, it does not include the cost of any below normal capacity utilization.

At each balance sheet date, the gross value of finished and semi-finished products is compared to their net realizable value, determined as explained above, and a provision for impairment is recorded when necessary.

1.1.17. Long-term borrowings

Current and non current debt are valued using the amortized cost method and the effective interest rate.

1.1.18. Provisions for liabilities and charges

Provisions for contingencies and charges are recorded when the Group has obligations to third parties involving a likely outflow of resources in favor of these third parties, and no equivalent benefit is expected to be received by the Group. Losses identified on onerous contracts, i.e. contracts where the unavoidable costs of meeting the obligations under the contract exceed the expected economic gains from said contracts, are recognized under provisions. These provisions for contingencies and charges are recognized in current or non current liabilities according to whether they are short- or medium-long term in nature.

The cost of downsizing plans is recognized in the period in which a detailed plan is drawn up and announced to the employees concerned or their representatives.

1.1.19. Provisions for pensions and other post-employment benefits

All Group employees are covered by pension and other long-term post-employment benefit plans. Pension plans comprise both defined contribution and defined benefit plans.

1.1.19.1. Defined contribution plans

The cost of defined contribution plans, corresponding to salary-based contributions to government-sponsored pension and death/disability insurance plans made in accordance with local laws and practices in each country is recognized in operating expense. The Group has no legal or constructive obligation to pay any additional contributions or any future benefits. Consequently, no benefit obligation is recognized in respect of these defined contribution plans.

1.1.19.2. Defined benefit plans

The Group's defined benefit plans are mainly post-employment benefit plans, consisting of length-of-service awards payable to employees of the French companies in the Group and:

- other pension and supplementary pension plans, mainly in the United States and France;
- plans for health insurance coverage in the United States.

Provisions for employee defined benefit plans are calculated on an actuarial basis by independent actuaries using the projected unit credit method.

The calculations take into account:

- retirement age assumptions based on legislation and, in particular for French employees, voluntary retirement when full benefit rights have been acquired;
- mortality assumptions;
- the probability of active employees leaving the Group before retirement age;
- estimated salary increases up to retirement;
- discount rate and inflation rate assumptions.

In the case of funded defined benefit plans, the obligations are deducted from the fair value of plan assets at the reporting date. This valuation builds in long-term profitability assumptions of invested assets calculated on the basis of the discount rate used to value Company commitments.

Changes in provisions for defined benefit obligations are recognized over the benefit vesting period, under "Operating expenses" in the income statement, except for:

- the effect of discounting the commitments, which is recognized in financial expense;
- actuarial gains and losses on post-employment benefit obligations, which are recognized in equity.

1.1.19.3. Other long-term benefits

Other long-term benefits mainly correspond to long-service awards payable to employees of French companies in the Group.

Actuarial gains and losses on “Other long-term benefit plans” (mainly long-service awards) are recognized immediately in profit or loss.

1.1.20. Current government grants

Government grants are recognized as a liability in the balance sheet and correspond to grants to finance investments in new facilities, production equipment or research and development programs.

They are reclassified in gross profit over the periods and in the proportions in which the acquired assets are depreciated.

1.1.21. Treasury stock

Treasury stock is recorded as a deduction from equity, regardless of the purpose for which the shares are being held.

Proceeds from sales of treasury stock are recorded directly as an increase in the Group's equity and gains or losses on the sales therefore have no impact on profit for the year.

1.1.22. Stock purchase and option plans

Employee stock options are measured at their fair value at the date of grant by the Board of Directors, using the Black & Scholes option pricing model.

The fair value is recognized in “Employee benefits expense” on a straight-line basis over the option vesting period, with a corresponding adjustment to reserves.

When options are exercised, the cash amount received by the Group for the exercise price is recorded in cash and cash equivalents with a corresponding adjustment to consolidated reserves.

1.1.23. Financial assets (other than derivatives)

Financial assets include equity interests in companies that are not consolidated because they are not controlled by the Group (either alone or jointly with a partner) or because the Group does not exercise significant influence over their management, as well as loans and securities.

Financial assets are classified as non current assets, except for assets maturing within twelve months of the balance sheet date which are recorded under current assets or cash equivalents, as appropriate.

1.1.23.1. Available-for-sale financial assets

Equity interests in companies over which the Group does not exercise control or significant influence are classified as available-for-sale financial assets. They are measured at their fair value at the closing date. Changes in fair value are directly recorded in equity. An impairment is recorded in the income statement when there is objective evidence that these securities have lost value. A significant or prolonged drop in the fair value with reference to the acquisition value is objective evidence of a loss in value. This impairment cannot be written back.

1.1.23.2. Other financial assets

Other financial assets comprise loans, security deposits and surety bonds. They are measured at amortized cost. Whenever there is any objective evidence of impairment – i.e. the carrying amount is lower than the recoverable amount – an impairment provision is recognized through profit or loss. These provisions may be reversed if the recoverable amount subsequently increases.

1.1.24. Derivative instruments and hedge accounting

In order to manage its interest rate risk, the Group uses over the counter derivatives. These hedging instruments are recognized and measured in the balance sheet at fair value.

Changes in the fair value of instruments described as “Cash flow hedges” are recorded under “Other comprehensive income” (equity) for the efficient parts and under “Net financial income” for the inefficient parts.

Changes in the fair value of instruments that do not qualify for hedge accounting are recognized directly in profit or loss.

1.1.25. Cash and cash equivalents

Cash and cash equivalents presented in the statement of cash flows are short-term, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of change in value. Cash comprises cash at bank and in hand, short-term deposits and bank balances in credit, except for funds used to cover short- or medium-term cash needs arising in the ordinary course of business. The latter are considered to represent sources of financing and, as such, are excluded from cash and cash equivalents. Cash equivalents correspond to the temporary investment of surplus cash in instruments with short maturities (money market mutual funds, negotiable debt securities, etc.). Changes in their fair value are recognized in profit or loss.

1.1.26. Assets held for sale and discontinued operations

The following items are classified as "Assets held for sale" on the balance sheet, as soon as the assets or groups of assets are available for sale in their current state and the sale is highly probable:

- the value of non current assets that are being held pending their sale;
- the value of a group of assets that is being held pending its sale rather than for continuing use (disposal groups); and
- the value of businesses and entities acquired with a view to their subsequent sale.

Liabilities related to these assets, groups of assets, activities or entities held for sale are also presented as a separate item under liabilities in the balance sheet: “Liabilities directly related to assets held for sale.”

Assets (or disposal groups) classified as held for sale are no longer depreciated. They are measured at the lower of their carrying amount and selling price, less costs to sell. Any impairment losses are recognized by the Group in “Other operating expense”.

In the balance sheet, data related to "Assets held for sale and discontinued operations" shown separately in the financial statements do not give rise to a restatement of prior years in terms of presentation.

In the income statement, the profit/loss (from the period and from sale) of business operations or entities that meet the definition of a discontinued operation are reported as a separate line item entitled “Net income from discontinued operations” in each of the fiscal years presented.

1.1.27. Income tax

Deferred taxes related to temporary differences between the carrying amount of assets and liabilities on the balance sheet and their tax base are recognized by the Plastic Omnium Group without discounting.

Deferred taxes are calculated using the liability method based on the most recent enacted tax rate (or the rate substantively enacted) at the balance sheet date that is applicable to the period in which the temporary differences reverse.

Tax credits and deferred tax assets on tax loss carryforwards and other temporary differences are only recognized when it is probable in the relative near term that sufficient taxable earnings will be generated to permit their utilization.

1.2. Use of estimates

In order to prepare its financial statements, the Plastic Omnium Group uses estimates and assumptions to value certain assets, liabilities, income, expenses and commitments. These estimates and assumptions are reviewed by senior management at regular intervals. The amounts shown in the future financial statements of the Group may reflect changes in these estimates or assumptions in consideration of experience or changes in circumstances or economic conditions.

As a general rule, estimates and assumptions used during the fiscal year are based on the latest available information on the balance sheet date. Estimates may be revised depending on developments in the underlying assumptions. The assumptions used mainly concern:

- **Deferred taxes:**
The recognition of deferred tax assets depends on the probability of sufficient taxable earnings being generated to permit their utilization. The Group makes regular estimates of future taxable earnings, mainly in its medium-term business plans. These estimates take account of the recurring or non-recurring nature of certain losses and expenses.
- **Provisions for pensions and other post-employment benefits:**
The Group, assisted by independent actuaries, adopts assumptions for actuarial valuations in respect of its defined benefit pension plans (see Notes 1.1.19 and 5.2.6 “*Provisions for pensions and other post-employment benefits*”) concerning:
 - discount rates for pension and other long-term benefit plans,
 - rates of growth in healthcare costs for the United States;
 - expected employee turnover and future salary increases;
- **Asset impairment tests:**
Asset impairment tests are conducted notably on goodwill and on development costs for automotive projects recognized as intangible assets. Within the framework of these tests, in order to determine the recoverable value, the concepts of fair value net of disposal costs and value in use obtained by the discounted cash flow method are used. These tests are based on assumptions concerning future flows of operational cash and cash equivalents and the discount rate. Assumptions that could significantly impact the financial statements concern in particular the discount rate and growth rates.

2. SIGNIFICANT EVENTS OF THE PERIOD

2.1. Proposed acquisition of the "Exterior Systems" business of the Faurecia Group

On December 14, 2015, Compagnie Plastic Omnium signed an MOU (Memorandum of Understanding) with the Faurecia Group to acquire its Exterior Systems business (bumpers and front-end modules) for an enterprise value of €665 million.

This consolidation of the French automotive sector creates a global leader in automotive equipment.

The Exterior Systems business of Faurecia Group has €2 billion in sales and employs 7,700 people at 22 industrial sites in Germany, France, Spain, Slovakia and North and South America. Half of the sales come from Germany where Plastic Omnium has no production sites for this business.

The transaction will firstly be reviewed by employee representative bodies in the countries concerned and then be submitted to the Competition Authorities for approval. The transaction should be completed in the second half of 2016.

The impact of the transaction on the 2015 consolidated financial statements only affects consultancy fees. They are recognized under other operating expenses (See Note 4.6).

2.2. Delivery and official opening of the Lyon Gerland real estate project

The official opening of the Lyon Gerland site took place on March 30, 2015. The project consisted of the construction of 33,000 sq. m. of office buildings by the Group (including 3,000 sq.m. of service buildings) for the rental market.

Total investment stands at €80.6 million (excluding the land value) since the start of the project, including:

- €7.0 million in 2015;
- €46.8 million in fiscal year 2014;
- and €26.8 million in fiscal year 2013.

The site is currently more than 80% occupied by a third-party tenant. The Plastic Omnium Group uses around 900 sq. m.

This property is classified as investment property. See Note 5.1.5 "Investment Property."

2.3 Investments in production capacity

Plant in Chattanooga, USA:

Construction of the plant in Chattanooga in the state of Tennessee, USA, was completed in spring 2015. Part of the Auto Exterior Division of the Automotive Division, it produces exterior body parts for Volkswagen and should ultimately accommodate nearly 180 employees. Investment stands at €46.2 million (US\$54.5 million) of which:

- €31.5 million (US\$35.0 million) in 2015;
- €14.7 million (US\$19.5 million) in 2014.

Plant in Fairfax, USA:

The construction of the General Motors plant in Fairfax in the state of Kansas, USA, was completed in the fall of 2015. Part of the Inergy Division of Automotive Division, it produces fuel systems for the General Motors assembly plant. The site should ultimately employ nearly 50 people.

The investment has been financed by the customer, General Motors, except for the industrial equipment.

To this end, the Group:

- invested €1.9 million (US\$2.1 million) in 2015;
- and had invested €1.7 million (US\$2.3 million) in 2014.

Plant in Warrington in the United Kingdom:

The Group started construction on a plant in Warrington in the United Kingdom in the first half of 2015, which should be completed in 2016. It is part of the Auto Exterior Division of the Automotive Division and will produce exterior body parts for the carmaker Jaguar Land-Rover.

Investments amounted to €60.9 million (£44.9 million), of which:

- €52.8 million (£38.3 million) in 2015;
- €8.1 million (£6.6 million) in 2014.

3. SEGMENT INFORMATION

3.1. Information by operating segment

The Group is divided into two operating segments: Automotive and Environment.

For operational management purposes the Group uses the concept of economic sales, which corresponds to the consolidated sales of the Group and its joint ventures up to the Group's percentage stake: HBPO, a German company and world leader in front-end modules, Yanfeng Plastic Omnium, the Chinese leader in exterior body parts, BPO, a major player in the Turkish market for exterior equipment and Plastic Recycling, a specialist company in plastics recycling.

The columns in the tables below show the amounts for each segment. The "Unallocated items" column groups together inter-segment eliminations and amounts that are not allocated to a specific segment (e.g. holding company activities) so as to reconcile segment information to the Group's financial statements. Financial results, taxes and the share of profit/(loss) of associates are monitored by the Group and not allocated to the segments. Inter-segment transactions are carried out on an arm's length basis.

3.1.1. Consolidated income statement by operating segment

2015				
(in thousands of euros)	Automotive	Environment	Unallocated items	Total
ECONOMIC SALES ^(a)	5,596,732	385,767	-	5,982,499
<i>Including Sales from joint ventures at the Group's percentage stake</i>	972,604	-	-	972,604
Sales to third parties	4,624,217	385,828	(150)	5,009,895
Sales between segments	(89)	(61)	150	-
Consolidated revenue	4,624,128	385,767	-	5,009,895
<i>% of segment revenue - Total</i>	92.3%	7.7%	-	100.0%
Operating margin before amortization of intangible assets acquired in business combinations and before share of profit of associates and joint ventures	430,774	22,989	-	453,763
<i>% of segment revenue</i>	9.3%	6.0%	-	9.1%
Amortization of intangible assets acquired in business combinations	(18,795)	-	-	(18,795)
Share of profit/(loss) of associates and joint ventures	34,749	-	-	34,749
Operating margin ^(b)	446,728	22,989	-	469,717
<i>% of segment revenue</i>	9.7%	6.0%	-	9.4%
Other operating income	19,551	1,392	-	20,943
Other operating expenses	(89,936)	(6,505)	-	(96,441)
<i>% of segment revenue</i>	-1.5%	-1.3%	-	-1.5%
Finance costs, net				(53,646)
Other financial income and expenses, net				(2,532)
PROFIT FROM CONTINUING OPERATIONS BEFORE INCOME TAX AND AFTER SHARE IN ASSOCIATES AND JOINT VENTURES				338,041
Income tax				(75,200)
NET INCOME				262,841

2014				
(in thousands of euros)	Automotive	Environment	Unallocated items	Total
ECONOMIC SALES	4,840,342	410,432	-	5,250,775
<i>Including Sales from joint ventures at the Group's percentage stake</i>	792,278	21,292	-	813,570
Sales to third parties	4,048,150	389,397	(342)	4,437,205
Sales between segments	(86)	(256)	342	-
Consolidated revenue	4,048,064	389,141	-	4,437,205
<i>% of segment revenue - Total</i>	91.2%	8.8%	-	100.0%
Operating margin before amortization of intangible assets acquired in business combinations and before share of profit of associates and joint ventures	344,363	27,194	-	371,557
<i>% of segment revenue</i>	8.5%	7.0%	-	8.4%
Amortization of intangible assets acquired in business combinations	(18,297)	-	-	(18,297)
Share of profit/(loss) of associates and joint ventures	38,163	1,158	-	39,321
Operating margin ^(b)	364,229	28,352	-	392,581
<i>% of segment revenue</i>	9.0%	7.3%	-	8.8%
Other operating income	2,804	569	-	3,373
Other operating expenses	(28,956)	(9,054)	-	(38,010)
<i>% of segment revenue</i>	-0.6%	-2.2%	-	-0.8%
Finance costs, net				(51,244)
Other financial income and expenses, net				(13,050)
PROFIT FROM CONTINUING OPERATIONS BEFORE INCOME TAX AND AFTER SHARE IN ASSOCIATES AND JOINT VENTURES				293,650
Income tax				(64,168)
NET INCOME				229,482

(a) Economic sales correspond to the consolidated sales of the Group and of its joint ventures up to the Group's percentage stake.

(b) Operating margin after amortization of intangible assets acquired in business combinations and after share of profit of associates and joint ventures: the Group has changed the way the share of profit of associates and joint ventures is shown in the consolidated income statement; it is now shown at the operating margin level.

(*) "Unallocated items" correspond to inter-segment eliminations and amounts that are not allocated to a specific segment (for example, holding company activities). This column is included to enable segment information to be reconciled to the Group's financial statements.

3.1.2. Consolidated balance sheet data by operating segment

December 31, 2015				
<i>(in thousands of euros)</i>	Automotive	Environment	Unallocated items	Total
<i>Net amounts</i>				
Goodwill	168,225	119,271	-	287,496
Intangible assets	355,491	15,943	9,730	381,164
Property, plant and equipment	1 035,158	63,783	50,274	1,149,215
Investment property	-	-	93,263	93,263
Inventories	305,564	41,849	-	347,413
Trade receivables	522,801	46,778	8,276	577,855
Other	175,748	10,955	38,986	225,689
Finance receivables* (C)	51,439	4,091	-	55,530
Current accounts and other financial assets (D)	(270,706)	(17,395)	343,154	55,053
Available-for-sale financial assets - FMEA 2 (F)	-	-	1,172	1,172
Hedging instruments (E)	253	-	1,305	1,558
Net cash and cash equivalents** (A)	115,245	6,071	525,949	647,265
Total segment assets	2,459,218	291,346	1,072,109	3,822,673
Borrowings (B)	101,907	3,695	922,495	1,028,097
Segment liabilities	101,907	3,695	922,495	1,028,097
Segment net debt = (B - A - C - D - E - F)***	205,676	10,928	50,915	267,519
December 31, 2014				
Goodwill	165,378	119,192	-	284,570
Intangible assets	323,543	17,319	10,856	351,718
Property, plant and equipment	892,763	68,327	47,380	1,008,470
Investment property	-	-	88,825	88,825
Inventories	257,796	41,850	13,830	313,476
Trade receivables	443,221	43,365	15,016	501,602
Other receivables	151,873	9,126	33,282	194,281
Finance receivables* (C)	56,034	5,619	-	61,653
Current accounts and other financial assets (D)	(326,310)	636	348,486	22,811
Available-for-sale financial assets - FMEA 2 (F)	-	-	1,372	1,372
Hedging instruments (E)	-	-	374	374
Net cash and cash equivalents** (A)	132,915	6,536	391,813	531,264
Total segment assets	2,097,213	311,970	951,234	3,360,417
Borrowings (B)	86,706	6,450	913,856	1,007,012
Segment liabilities	86,706	6,450	913,856	1,007,012
Segment net debt = (B - A - C - D - E - F)***	224,067	-6,341	171,811	389,537

(*) At December 31, 2015, "Finance receivables" included €36,697 thousand reported in the balance sheet under "Other non current financial assets" against €30,440 thousand at December 31, 2014, and €18,833 thousand reported under "Finance receivables – current portion" against €31,213 thousand at December 31, 2014.

(**) Net cash and cash equivalents as reported in the statement of cash flows. See also Note 5.1.13.2 "Net cash and cash equivalents at end of period".

(***) See Note 5.2.7.1 "Net debt indicator used by the Group" and Note 5.2.7.5 "Reconciliation of gross and net debt".

3.1.3. Other consolidated information by operating segment

<u>2015</u> (in thousands of euros)	Automotive	Environment	Unallocated items	Total
Acquisitions of intangible assets	106,961	740	1,190	108,891
Capital expenditure including acquisitions of investment property	242,613	14,034	12,664	269,311
Depreciation and amortization expense*	(201,882)	(16,091)	(7,688)	(225,661)

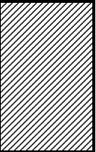
<u>2014</u> (in thousands of euros)	Automotive	Environment	Unallocated items	Total
Acquisitions of intangible assets	90,620	671	1,406	92,697
Capital expenditure including acquisitions of investment property	191,291	13,184	49,261	253,736
Depreciation and amortization expense*	(177,898)	(16,454)	(6,129)	(200,481)

(*) This item corresponds to depreciation, amortization and impairments of property, plant and equipment and intangible assets, including the amortization of intangible assets (brands and client contracts) acquired in business combinations.

3.1.4. Revenue - Information by geographic region and by country of sales

The following table shows revenue generated by the Group's subsidiaries in the regions or market countries indicated below:

3.1.4.1. Information by sales region

<u>2015</u>			<u>2014</u>		
(in thousands of euros)	Totals	%	(in thousands of euros)	Totals	%
France	746,508	12.5%	France	666,901	12.7%
North America	1 683,288	28.1%	North America	1,400,946	26.7%
Europe excluding France	2,333,553	39.0%	Europe excluding France	2,115,459	40.3%
South America	162,317	2.7%	South America	178,880	3.4%
Africa	55,497	0.9%	Africa	53,368	1.0%
Asia	1,001,336	16.7%	Asia	835,221	15.9%
Economic sales	5,982,499	100%	Economic sales	5,250,775	100%
Including Sales from joint ventures at the Group's percentage stake	972,604		Including Sales from joint ventures at the Group's percentage stake	813,570	
Consolidated revenue	5,009,895		Consolidated revenue	4,437,205	

3.1.4.2. Revenue for the first ten contributing countries

2015			2014		
<i>(in thousands of euros)</i>	Totals	%	<i>(in thousands of euros)</i>	Totals	%
United States	1,161,243	19.4%	United States	947,803	18.1%
Germany	748,501	12.5%	Germany	694,025	13.2%
France	746,508	12.5%	France	666,901	12.7%
China	510,958	8.5%	China	428,904	8.2%
Mexico	472,154	7.9%	Mexico	380,933	7.3%
United Kingdom	427,310	7.1%	Spain	369,364	7.0%
Spain	384,507	6.4%	United Kingdom	351,288	6.7%
South Korea	244,124	4.1%	Slovakia	207,329	3.9%
Slovakia	233,974	3.9%	South Korea	200,115	3.8%
Hungary	129,430	2.2%	Brazil	106,060	2.0%
Others	923,790	15.4%	Other	898 053	17.1%
Economic sales	5,982,499	100%	Economic sales	5,250,775	100%
Including Sales from joint ventures at the Group's percentage stake	972,604		Including Sales from joint ventures at the Group's percentage stake	813,570	
Consolidated revenue	5,009,895		Consolidated revenue	4,437,205	

3.1.4.3. Information by automotive manufacturer

2015			2014		
Automotive manufacturers	Totals		Automotive manufacturers	Totals	
(in thousands of euros)	Totals	% of total Automotive revenue	(in thousands of euros)	Totals	% of total Automotive revenue
Volkswagen - Porsche*	954,310	17.1%	Volkswagen - Porsche	787,975	16.3%
General Motors	886,897	15.8%	General Motors	747,506	15.4%
PSA Peugeot Citroën	651,540	11.6%	PSA Peugeot Citroën	601,729	12.4%
Renault/Nissan	555,357	9.9%	Renault/Nissan	471,580	9.7%
BMW	508,216	9.1%	BMW	491,368	10.2%
Total – main manufacturers	3,556,320	63.5%	Total – main manufacturers	3,100,158	64.0%
Other automotive manufacturers	2,040,412	36.5%	Other automotive manufacturers	1,740,184	36.0%
Total Automotive Segment – Economic sales	5,596,732	100.0%	Total Automotive Sector – Economic sales	4,840,342	100%
Including Sales from joint ventures at the Group's percentage stake Sub-total Automotive Segment	972,604		Including Sales from joint ventures at the Group's percentage stake Sub-total Automotive Segment	792,278	
Total Automotive Segment – Consolidated revenue	4,624,128		Total Automotive Segment – Consolidated revenue	4,048,064	

3.2. Non current assets by country

(in thousands of euros)	France	Europe excluding France	North America	Asia	South America	Other*	Total
December 31, 2015							
Goodwill	149,951	109,785	27,496	264	-	-	287,496
Intangible assets	82,258	145,249	108,296	39,244	3,062	3,055	381,164
Property, plant and equipment, of which	233,297	363,320	339,547	183,620	22,079	7,352	1,149,215
<i>Capital expenditure for the year</i>	<i>31,050</i>	<i>102,399</i>	<i>94,363</i>	<i>33,493</i>	<i>573</i>	<i>495</i>	<i>262,373</i>
Investment property, of which	93,263	-	-	-	-	-	93,263
<i>Investment property</i>	<i>6,938</i>	-	-	-	-	-	<i>6,938</i>
Total non current fixed assets	558,769	618,354	475,339	223,128	25,141	10,407	1,911,138

<i>(in thousands of euros)</i>	France	Europe excluding France	North America	Asia	South America	Other*	Total
December 31, 2014							
Goodwill	149,951	109,707	24,664	248	-	-	284,570
Intangible assets	108,918	127,006	75,552	34,355	4,188	1,699	351,718
Property, plant and equipment, of which	252,805	301,924	247,730	164,530	32,673	8,808	1,008,470
<i>Capital expenditure for the year</i>	73,282	55,566	46,186	25,904	5,492	534	206,964
Investment property, of which	88,825	-	-	-	-	-	88,825
<i>Investment property</i>	46,772	-	-	-	-	-	46,772
Total non current fixed assets	600,499	538,637	347,946	199,133	36,861	10,507	1,733,583

(*) "Others" includes South Africa and Morocco

3.3. Property, plant and equipment (excluding investment property) by operating segment

<i>(in thousands of euros)</i>	Automotive	Environment	Unallocated items	Total
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2015 Fiscal Year				
Property, plant and equipment owned outright – carrying amount	1,024,088	46,610	50,274	1,120,972
Property, plant and equipment owned outright and under operating leases where the Group is lessor – carrying amount*	-	14,005	-	14,005
Property, plant and equipment leased under finance leases where the Group is lessee – carrying amount [#]	11,070	-	-	11,070
Property, plant and equipment leased under finance leases where the Group is lessee that has been sub-let to third parties under operating leases where the Group is lessor – carrying amount* [#]	-	3,168	-	3,168
Total Property, plant and equipment (excluding Investment property)	1,035,158	63,783	50,274	1,149,215

<i>(in thousands of euros)</i>	Automotive	Environment	Unallocated items	Total
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2014 Fiscal Year				
Property, plant and equipment owned outright – carrying amount	877,995	49,455	47,380	974,830
Property, plant and equipment owned outright and under operating leases where the Group is lessor – carrying amount*	-	13,241	-	13,241
Property, plant and equipment leased under finance leases where the Group is lessee – carrying amount [#]	14,768	-	-	14,768
Property, plant and equipment leased under finance leases where the Group is lessee that has been sub-let to third parties under operating leases where the Group is lessor – carrying amount* [#]	-	5,632	-	5,632
Total Property, plant and equipment (excluding Investment property)	892,763	68,327	47,380	1,008,470

(*) The sum of "Owned property, plant and equipment leased under operating leases where the Group is lessor" and "Property, plant and equipment leased under finance leases where the Group is lessee that has been sub-let to third parties under operating leases where the Group is lessor" corresponds to the value of "Property, plant and equipment leased under operating leases where the Group is lessor" (see corresponding sub-section of Note 5.1.3).

(#) See sub-section "Property, plant and equipment leased under finance leases where the Group is lessee" in Note 5.1.3.

4. NOTES TO THE INCOME STATEMENT

4.1. Analysis of research and development costs

The percentage of research and development costs is expressed in relation to revenue.

<i>(in thousands of euros)</i>	2015	%	2014	%
Research and development costs	(295,404)	-5.9%	(256,763)	-5.8%
Of which capitalized development costs and research and development costs billed to customers	187,325	3.7%	152,728	3.4%
Net research and development costs	(108,079)	-2.2%	(104,035)	-2.4%

4.2. Cost of sales, development, selling and administrative costs

<i>(in thousands of euros)</i>	2015	2014
Cost of sales includes:		
Raw materials (purchases and changes in inventory)*	(3,109,711)	(2,747,510)
Direct production outsourcing	(13,389)	(10,899)
Utilities and fluids	(79,395)	(78,781)
Employee benefits expense	(502,094)	(452,607)
Other production costs	(337,006)	(282,890)
Proceeds from the sale of waste containers leased to customers under operating leases**	2,095	998
Carrying amount of waste containers leased to customers under operating leases**	(1,586)	(732)
Depreciation	(122,181)	(115,983)
Provisions for liabilities and charges	(9,148)	(16,637)
Total	(4,172,415)	(3,705,041)
Research and development costs include:		
Employee benefits expense	(136,216)	(125,391)
Amortization of capitalized development costs	(59,968)	(56,013)
Other	88,105	77,369
Total	(108,079)	(104,035)
Selling costs include:		
Employee benefits expense	(40,414)	(36,976)
Depreciation, amortization and provisions	(175)	(274)
Other	(21,626)	(20,047)
Total	(62,215)	(57,297)
Administrative costs include:		
Employee benefits expense	(120,863)	(110,286)
Other administrative expenses	(84,720)	(79,579)
Depreciation	(9,949)	(8,806)
Provisions for liabilities and charges	2,109	(605)
Total	(213,423)	(199,276)

(*) *Of which charges, reversals and provisions for impairment on inventories amounting to:*

• (€2,174) thousand in 2015;

• (€1,078) thousand in 2014;

(**) *See "Gains/(losses) on disposals of non current assets" in Note 4.6 "Other operating income and expenses".*

4.3. Employee benefits expense

<i>(in thousands of euros)</i>	2015	2014
Wages and salaries	(585,620)	(536,711)
Payroll taxes*	(160,296)	(149,722)
Non-discretionary profit-sharing	(12,418)	(10,052)
Share-based compensation	(3,025)	(2,354)
Pension and other post-employment benefit costs	(798)	(661)
Other employee benefits expenses	(37,432)	(25,759)
Total employee benefits expense excluding temporary staff costs	(799,589)	(725,259)
Temporary staff costs	(109,540)	(87,231)
Total employee benefits expenses	(909,129)	(812,490)

(*) This item combines payroll taxes on stock purchase and option plans in the amount of:

- (€1,811) thousand (including (€592) thousand for executive corporate officers) in 2015;
- no new stock purchase and option plans were granted in 2014.

4.4. Amortization of intangible assets acquired in business combinations

This item refers to recurring effects related to the recognition of the acquisition cost of 50% of Inergy Automotive Systems (acquired in 2010) and Ford's fuel tank business in the US (acquired in 2011).

<i>(in thousands of euros)</i>	2015	2014
Brands	(350)	(350)
Contractual customer relationships	(18,445)	(17,947)
Total amortization of intangible assets acquired in business combinations	(18,795)	(18,297)

4.5. Share of profit/(loss) of associates and joint ventures

The associates Chengdu Faway YFPO, Dongfeng PO AE and Hicom HBPO are included in the YFPO and HBPO joint ventures respectively.

The share of profit of associated companies and joint ventures in Group earnings is broken down as follows:

<i>(in thousands of euros)</i>	% Interest	2015	2014
JV HBPO GmbH and its subsidiaries and sub-subsidiaries	33.33%	12,731	10,999
JV Yanfeng Plastic Omnium and its subsidiaries	49.95%	12,668	17,398
B.P.O. AS	49.98%	9,543	10,030
Signal AG	50.00%	-	1,158
JV Valeo Plastic Omnium (SNC and SL)	50.00%	(4)	(8)
Plastic Recycling SAS	50.00%	(189)	(256)
Total share of profit/(loss) of associates and joint ventures		34,749	39,321

4.6. Other operating income and expenses

<i>(in thousands of euros)</i>	2015	2014
Gains/losses on disposals of non current assets ⁽⁴⁾	(1,396)	(1,325)
Pre-start-up costs at new plants ⁽¹⁾	(20,211)	(623)
Employee downsizing plans ⁽²⁾	(9,928)	(22,418)
Impairment of non current assets ⁽³⁾	(14,498)	(1,322)
Provisions for charges ⁽⁴⁾	(4,268)	(1,525)
Litigation	(613)	64
Foreign exchange gains and losses on operating activities ⁽⁵⁾	(13,585)	(6,695)
Impact of acquisitions: related fees and expenses ⁽⁶⁾	(7,654)	46
Other ⁽⁷⁾	(3,345)	(839)
Total operating income and expenses	(75,498)	(34,637)
- of which total other operating income	20,943	3,373
- of which total other operating expense	(96,441)	(38,010)

For the 2015 Fiscal Year:

(1): Pre-start-up costs at plants:

In the 2015 fiscal year, the Group opened three new plants in Russia and North America (See notes 2.3 "Investments in manufacturing capacity" and 5.1.3 "Property, plant and equipment excluding investment property "). Pre-start-up costs concern the Automotive sector and are broken down as follows:

- 91% for the Auto Exteriors division;
- and the remainder for the Fuel Systems division.

(2): Costs of employee downsizing plans:

These primarily involve:

- the continued reorganization of the Automotive division's Compiègne-Laval site in France;
- the restructuring of the Automotive division's "Composite" business in China;
- the restructuring of the Environment division's Neustadt sites in Germany;
- and the unreplaced start-up costs for a French subsidiary of the Environment division.

(3): Impairment of non current assets:

This essentially covers depreciation of the property, plant and equipment of the division's Composites business Automotive in France and China.

(4): Provisions for charges:

Provisions for charges cover the risk of customer returns under warranty for the Automotive division in Europe and Asia.

(5): Foreign exchange gains and losses on operating activities:

In fiscal year 2015, foreign exchange gains on transactions concerned:

- the "Auto Exteriors" Division of the Automotive segment 34.5%;
- and the "Fuel Systems" Division of the Automotive segment 62.4%.

The sharp variations were due to the fall in some currencies, mainly in South America.

(6): Impacts of acquisitions: related fees and expenses:

The Group embarked upon several acquisitions (*see notes 2.1 "Proposed acquisition of the Exterior Systems business of the Faurecia Group" and 7.6 "Subsequent events", etc.*). The costs recognized reflect the expenses incurred.

(7): "Other":

It includes various non-material amounts.

For the 2014 Fiscal Year:

(2): Costs of employee downsizing plans:

These primarily involve:

- the Automotive Division with respect to the Compiègne-Laval site in France, whose reorganization begun last year is ongoing;
- and the Environment Division with respect to the Neustadt site in Germany.

(7): Other:

They include various non-material amounts.

(a) Gains/losses on disposals of non current assets

The detail on disposals of non current assets shown below explains the impact on non current operating income of transactions in non current assets and reconciles them with changes in the statement of cash flows:

- *Proceeds from disposals of property, plant and equipment and intangible assets in the statement of cash flows include proceeds from disposals of assets reported under “Other operating income and expenses” and proceeds from waste containers leased to customers under operating leases reported under “Cost of sales” (see Note 4.2).*
- *and net (gains)/losses on disposals of non current assets in the statement of cash flows include gains and losses from disposals of property, plant and equipment and intangible assets reported under “Other operating income and expenses” and gains and losses from waste containers leased to customers under operating leases (see Note 4.2). Details below:*

<i>(in thousands of euros)</i>	2015		2014	
	Disposal proceeds	Gain/loss	Disposal proceeds	Gain/loss
Sales of waste containers included in operating margin	2,095	509	998	266
Total amount of waste containers included in operating margin (see Note 4.2)	2,095	509	998	266
Disposals of intangible assets	7,973	(195)	3,559	(113)
Disposals of property, plant and equipment	2,530	(1,197)	7,521	(425)
Total from disposals of non current assets excluding non current financial assets (see table above)	10,503	(1,392)	11,080	(538)
Disposals of non current financial assets	4	(4)	16,610	(786)
Total proceeds from disposal of non current financial assets (see table above)*	4	(4)	16,610	(786)
Total	12,602	(887)	28,688	(1,058)

2014:

() The entire income from the disposal of non current financial assets corresponded to the proceeds from the disposal of the 50% stake in Signal AG.*

4.7. Net financial income

<i>(in thousands of euros)</i>	2015	2014
Finance costs	(43,037)	(39,252)
Interest cost of post-employment benefit obligations*	(2,505)	(2,429)
Financing fees and commissions	(8,104)	(9,563)
Finance costs, net	(53,646)	(51,244)
Exchange gains or losses on financing activities	(1,150)	3,074
Gains or losses on interest rate and currency hedges**	(2,502)	(15,062)
Other	1,120	(1,062)
Other financial income and expenses, net	(2,532)	(13,050)
Total	(56,178)	(64,294)

(*) See Notes 5.2.6.5 on the "Changes in net balance sheet amounts."

(**) See Notes 5.2.8.1.3 on the "Impact of hedging on the Income statement" and 5.2.8.2.2 on the "Impact of non-unwound currency hedging on profit or loss."

4.8. Income tax

4.8.1. Income tax recorded in the income statement

Income tax expense breaks down as follows:

<i>(in thousands of euros)</i>	2015	2014
Current taxes	(78,683)	(80,390)
Current income tax (expense)/benefit	(83,682)	(74,802)
Tax (expense)/benefit on non-recurring items	4,999	(5,588)
Deferred taxes	3,483	16,222
Deferred tax (expense)/benefits on timing differences arising or reversing during the period	5,965	15,950
Effect of changes in tax rates or the introduction of new taxes	(2,482)	272
Income tax recorded in the consolidated income statement	(75,200)	(64,168)

4.8.2. Analysis of income tax expense – Tax proof

The analysis of the income tax expense reveals the following factors:

INCOME TAX ANALYSIS		2015	2014
Consolidated profit before tax and share of profit/(loss) of associates and joint ventures (A)	(in thousands of euros)	303,292	254,328
Actual income tax expense reported in the income statement (B)	(in thousands of euros)	(75,200)	(64,168)
Effective tax rate (C) = (B)/(A)	(in %)	24.8%	25.2%
French standard tax rate (D)	(in %)	38.0%	38%
Theoretical cost of income tax (E) = (A) * (D)	(in thousands of euros)	(115,251)	(96,645)
Difference (F)	(in thousands of euros)	40,051	32,477
Net actual cost of income tax (B) - Theoretical cost of income tax (E)			

Analysis of the difference between actual and theoretical income tax expense (F)	Totals	%	Totals	%
Tax credits and other tax savings	28,435	9.4%	22,636	8.9%
Permanent differences between recorded profits and taxable profits	(4,653)	-1.5%	(4,651)	-1.8%
Recognition and/or utilization of tax loss carryforwards and other deferred taxes (change in unrecognized deferred taxes)	(230)	-0.1%	(6,046)	-2.4%
Impact on opening deferred taxes of a tax rate change	(2,482)	-0.8%	272	0.1%
Impact of differences in foreign tax rates	22,481	7.4%	18,407	7.2%
Other	(3,500)	-1.2%	1,859	0.7%
Total difference (F)	40,051	13.2%	32,477	12.8%

The effective tax rate levied on the Group for 2015 was 24.8% (against 25.2% for 2014). The factors determining this tax rate have remained relatively stable.

At December 31, 2015, the actual income tax expense was €75 million (versus €64 million in 2014) compared with a theoretical tax expense of €115 million (versus €97 million in 2014) based on a tax rate of 38% in 2015 (unchanged from 2014).

The difference between actual income tax expense and theoretical income tax expense is accounted for by:

- €22 million (€18 million in 2014) due to the impact of lower foreign tax rates, particularly in Europe (Spain, the United Kingdom, Slovakia and Poland) and Asia (China, Thailand);
- €28 million (€23 million in 2014) to the use of specific tax reductions or credits, mainly in the United States, Asia and France;
- and for -2 million due to the impact of the change in the tax rate on company deferred taxes (French companies essentially, bringing the tax rate down from 38% to **34.4%**).

4.9. Net profit attributable to non-controlling interests

The net profit attributable to non-controlling interests corresponds to that share of minority interests in the profit/loss of fully consolidated entities controlled by the Group. It breaks down as follows:

<i>(in thousands of euros)</i>	2015	2014
Inergy Automotive Systems Manufacturing (Beijing) Co. Ltd	3,987	4,175
Inergy Automotive Systems Manufacturing India Pvt Ltd	846	559
RMS Rotherm Maschinenbau GmbH	(10)	195
DSK Plastic Omnium Inergy	(215)	86
DSK Plastic Omnium BV	(141)	(86)
Total attributable to non-controlling interests	4,467	4,929

4.10. Earnings per share and diluted earnings per share

Net profit attributable to owners of the parent	2015	2014
Basic earnings per share (in euros)	1.75	1.52
Diluted earnings per share (in euros)	1.72	1.49
Weighted average number of ordinary shares outstanding	153,576,720	154,731,489
- Treasury stock	(5,592,866)	(7,158,328)
Weighted average number of ordinary shares, undiluted	147,983,854	147,573,161
- Impact of dilutive instruments (stock options)	2,534,828	3,092,705
Weighted average number of ordinary shares, diluted	150,518,682	150,665,866
Weighted average price of the Plastic Omnium share during the period		
- Weighted average share price	25.06	21.52

5. NOTES TO THE BALANCE SHEET

5.1 Assets

5.1.1 Goodwill

For 2015, the following assumptions were used for impairment tests (see Note 1.1.13) conducted on cash generating units (CGU) or groups of cash generating units (business segments):

- Automotive: a 1.5% perpetual growth rate and a 9.0% after-tax discount rate;
- Environment: a 1.5% perpetual growth rate and a 7.5% after-tax discount rate.

These assumptions are unchanged from 2014.

At December 31, 2015, the tests conducted did not lead to the recording of any impairment in respect of the Group's goodwill. A 0.5% increase in the discount rate or a reduction of 0.5% in the long-term growth rate or a reduction of 0.5% in the operating margin rate would not have any impact on the test results.

Concerning the Automotive and Environment CGUs, only unreasonable assumptions might jeopardize the test results. Unreasonable assumptions means a negative long-term growth rate combined with a discount rate increased by more than two points. For the Signature CGU, an increase of one point in the discount rate combined with a 0.5 point drop in the long-term growth rate could result in an impairment of approximately €1 million.

GOODWILL <i>(in thousands of euros)</i>	Cost	Impairment	Carrying amount
Value at January 1, 2014	301,521	(20,000)	281,521
Allocation of prior impairment losses	(20,000)	20,000	-
Translation adjustment	3,049	-	3,049
Value at December 31, 2014	284,570	-	284,570
Translation adjustment	2,926	-	2,926
Value at December 31, 2015	287,496	-	287,496

Goodwill by reporting segment:

GOODWILL BY REPORTING SEGMENT <i>(in thousands of euros)</i>	Cost	Impairment	Carrying amount
Automotive	168,225	-	168,225
Environment	119,271	-	119,271
Value at December 31, 2015	287,496	-	287,496
Automotive	165,377	-	165,377
Environment	119,193	-	119,193
Value at December 31, 2014	284,570	-	284,570

5.1.2. Goodwill and intangible assets

<i>(in thousands of euros)</i>	Goodwill	Patents and licenses	Software	Development costs	Contractual customer relationships	Other	Total
Carrying amount at January 1, 2015	284,570	26,154	16,989	251,210	56,063	1,302	636,288
Acquisitions	-	518	6,925	101,354	-	94	108,891
Disposals – net	-	(19)	(172)	(7,976)	-	-	(8,167)
Reclassifications	-	929	(3,956)	(7,506)	-	2,054	(567)
Depreciation for the period	-	(1,845)	(9,281)	(50,586)	(18,451)	(569)	(80,732)
Impairments recognized and reversed	-	(120)	-	-	-	-	(120)
Translation adjustment	2,926	(19)	53	8,193	1,660	254	13,067
Carrying amount at December 31, 2015	287,496	25,598	18,470	294,689	39,272	3,135	668,660

<i>(in thousands of euros)</i>	Goodwill	Patents and licenses	Software	Development costs	Contractual customer relationships	Other	Total
Carrying amount at January 1, 2014	281,521	26,774	17,623	212,625	72,132	1,117	611,792
Acquisitions	-	71	5,353	86,639	-	634	92,697
Disposals – net	-	-	487	(4,250)	-	-	(3,763)
Reclassifications	-	1,203	1,679	(4,184)	-	119	(1,183)
Depreciation for the period	-	(1,767)	(8,252)	(49,269)	(17,947)	(783)	(78,018)
Impairments recognized and reversed	-	(120)	-	-	-	-	(120)
Translation adjustment	3,049	(7)	99	9,649	1,878	215	14,883
Carrying amount at December 31, 2014	284,570	26,154	16,989	251,210	56,063	1,302	636,288

The significant changes under the sub-section "Goodwill and intangible assets "during the two periods 2015 and 2014 correspond essentially to increased Automotive Division development assets.

<i>(in thousands of euros)</i>	Goodwill	Patents and licenses	Software	Development costs	Contractual customer relationships	Other	Total
Analysis of carrying amount at January 1, 2015							
Cost	284,570	39,677	100,409	519,839	132,799	6,772	1,084,066
Accumulated amortization	-	(13,158)	(83,420)	(268,629)	(76,736)	(5,470)	(447,413)
Accumulated impairment (losses)	-	(365)	-	-	-	-	(365)
Carrying amount at January 1, 2015	284,570	26,154	16,989	251,210	56,063	1,302	636,288
Analysis of carrying amount at December 31, 2015							
Cost	287,496	41,081	113,972	613,288	135,655	6,794	1,198,286
Accumulated amortization	-	(14,998)	(95,502)	(318,287)	(96,383)	(3,659)	(528,829)
Accumulated impairment (losses)	-	(485)	-	(312)	-	-	(797)
Carrying amount at December 31, 2015	287,496	25,598	18,470	294,689	39,272	3,135	668,660

<i>(in thousands of euros)</i>	Goodwill	Patents and licenses	Software	Development costs	Contractual customer relationships	Other	Total
Analysis of carrying amount at January 1, 2014							
Cost	301,521	38,410	93,935	444,419	129,832	6,837	1,014,954
Accumulated amortization	-	(11,391)	(76,312)	(231,794)	(57,700)	(5,720)	(382,917)
Accumulated impairment (losses)	(20,000)	(245)	-	-	-	-	(20,245)
Carrying amount at January 1, 2014	281,521	26,774	17,623	212,625	72,132	1,117	611,792
Analysis of carrying amount at December 31, 2014							
Cost	284,570	39,677	100,409	519,839	132,799	6,772	1,084,066
Accumulated amortization	-	(13,158)	(83,420)	(268,629)	(76,736)	(5,470)	(447,413)
Accumulated impairment (losses)	-	(365)	-	-	-	-	(365)
Carrying amount at December 31, 2014	284,570	26,154	16,989	251,210	56,063	1,302	636,288

5.1.3 Property, plant and equipment excluding investment property

Property, plant and equipment owned or leased by the Group mainly pertain to plants and research and development centers.

These plants and development centers break down as follows by number and region:

Number of plants and research and development centers <i>(in units)</i>	December 31, 2015	December 31, 2014
Western Europe	53	52
Eastern Europe	16	15
North America	19	17
Asia	44	39
South America	7	7
Africa	2	2
Total	141	132
<i>Of which total plants managed under joint ventures</i>	39	33

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Asset breakdowns over the two periods are such that no factory site represents a material portion of the total property, plant and equipment over each period.

<i>(in thousands of euros)</i>	Land	Buildings	Revalued buildings	Tech. eq. & tools	Assets under construction		Other	Total
					Transferred to "Investment property"	Transferred to "Operating assets"		
Carrying amount at January 1, 2015	77,117	330,476	14,736	324,383	-	154,178	107,580	1,008,470
Acquisitions*	1,079	40,056	-	45,275	-	145,051	30,912	262,373
Disposals	(13)	(14)	-	(1,891)	-	(1)	(3,396)	(5,315)
Reclassifications**	3,303 [#]	43,857	(14,736) ^{##}	58,660	-	(121,125)	27,328	(2,713) ^{###}
Impairments recognized and reversed	-	(2,874)	-	(7,064)	-	-	(2,099)	(12,037)
Depreciation for the period	(1,061)	(21,380)	-	(72,211)	-	-	(38,120)	(132,772)
Translation adjustment	1,866	8,569	-	10,901	-	7,926	1,947	31,209
Carrying amount at December 31, 2015	82,291	398,690	-	358,053	-	186,029	124,152	1,149,2015

<i>(in thousands of euros)</i>	Land	Buildings	Revalued buildings	Tech. eq. & tools	Assets under construction		Other	Total
					Transferred to "Investment property"	Transferred to "Operating assets"		
Carrying amount at January 1, 2014	68,068	245,908	13,745	304,879	(996)	149,692	109,846	891,142
Acquisitions*	697	50,722	-	26,456	-	110,133	18,956	206,964
Disposals	-	(167)	-	(3,700)	-	-	(4,720)	(8,587)
Reclassifications	8,195	38,247	2,496	48,796	996	(113,199)	15,652	1,183 ^{###}
Revaluations	-	2,306	-	-	-	-	-	2,306
Impairments recognized and reversed	-	-	-	34	-	-	18	52
Depreciation for the period	(820)	(17,876)	(1,505)	(67,062)	-	-	(35,132)	(122,395)
Translation adjustment	977	11,336	-	14,980	-	7,552	2,960	37,805
Carrying amount at December 31, 2014	77,117	330,476	14,736	324,383	-	154,178	107,580	1,008,470

"Tech. eq. & tool": technical equipment and tooling

"Assets": non current assets

(*) At December 31, 2015, property, plant and equipment reported in the "Statement of cash flows" corresponded to acquisitions of property, plant and equipment excluding investment property for €262,373 thousand, against €206,964 thousand at December 31, 2014.

(**) At December 31, 2015, practically all depreciation of buildings, technical equipment, tooling and other property, plant and equipment concerned the assets of the Automotive division's Composites business in France and in China.

([#]) From now on, the Group uses the Nanterre site, which was previously classed as "investment property" for a value of €2.5 million, as the Environment division's exhibition center (See note 5.1.5). At December 31, 2015, this land was reclassified as "Operating buildings".

(^{##}) After reclassifying the Nanterre land to "Operating buildings", the entire Nanterre site, reclassified as an operating site, was switched to "Land" and "Buildings" at December 31, 2015.

(^{###}) At December 31, 2015, the net balance of €-2,713 thousand is due to the following reclassifications:

- (€5,780) thousand in "Assets held for sale"(see note 5.1.16);
- €2,500 thousand in "Investment property"(see note 5.1.5);
- and €567 thousand in "Intangible assets

At December 31, 2014, the net balance of an amount of €1,183 thousand is due to reclassifications under "Intangible assets".

<i>(in thousands of euros)</i>	Land	Buildings	Tech. eq. & tools	Assets under construction	Other	Total
<i>Analysis of carrying amount at January 1, 2015</i>						
Cost	84,369	557,961	1,223,536	154,178	411,705	2,431,749
Depreciation	(7,245)	(212,749)	(899,065)	-	(304,102)	(1,423,161)
Accumulated impairment (losses)	(7)	-	(88)	-	(23)	(118)
Carrying amount at January 1, 2015	77,117	345,212	324,383	154,178	107,580	1,008,470
<i>Analysis of carrying amount at December 31, 2015</i>						
Cost	90,727	635,223	1,331,283	186,029	436,425	2,679,687
Depreciation	(8,428)	(233,659)	(966,082)	-	(310,489)	(1,518,658)
Accumulated impairment (losses)	(8)	(2,874)	(7,148)	-	(1,784)	(11,814)
Carrying amount at December 31, 2015	82,291	398,690	358,053	186,029	124,152	1,149,215

<i>(in thousands of euros)</i>	Land	Buildings	Tech. eq. & tools	Assets under construction	Other	Total
<i>Analysis of carrying amount at January 1, 2014</i>						
Cost	74,445	438,312	1,128,789	148,696	396,135	2,186,377
Depreciation	(6,371)	(178,659)	(823,788)	-	(286,249)	(1,295,067)
Accumulated impairment (losses)	(6)	-	(122)	-	(40)	(168)
Carrying amount at January 1, 2014	68,068	259,653	304,879	148,696	109,846	891,142
<i>Analysis of carrying amount at December 31, 2014</i>						
Cost	84,369	557,961	1,223,536	154,178	411,705	2,431,749
Depreciation	(7,245)	(212,749)	(899,065)	-	(304,102)	(1,423,161)
Accumulated impairment (losses)	(7)	-	(88)	-	(23)	(118)
Carrying amount at December 31, 2014	77,117	345,212	324,383	154,178	107,580	1,008,470

"Tech. eq. & tool": technical equipment and tooling

"Assets": non current assets

- **Property, plant and equipment leased under operating leases where the Group is lessor**

<i>(in thousands of euros)</i>	December 31, 2015	December 31, 2014
Cost	60,742	64,205
Accumulated depreciation	(43,565)	(45,312)
Accumulated impairment	(5)	(20)
<i>Of which depreciation for the year</i>	<i>(4,844)</i>	<i>(4,666)</i>
<i>Of which provisions for the year</i>	<i>15</i>	<i>20</i>
Accumulated net depreciation and impairment	17,173	18,873

The above figures correspond to waste containers leased to customers by the Environment Division under contracts that do not qualify as finance leases.

- **Minimum lease payments receivable under non-cancelable operating leases and/or lease-maintenance contracts**

<i>(in thousands of euros)</i>	December 31, 2015	December 31, 2014
Due within one year	44,847	56,772
Due in one to five years	93,674	115,722
Due beyond five years	42,895	69,290
Total	181,416	241,784

- Property, plant and equipment under finance leases where the Group is lessee

These assets, which are included in the tables above on property, plant and equipment, correspond to plants, research and development centers and production equipment.

Changes in capital assets under finance leases where the Group is lessee:

<i>(in thousands of euros)</i>	Land and Buildings	Technical equipment and tooling	Total
Gross value at December 31, 2015	27,059	12,280	39,339
Accumulated depreciation and provisions at December 31, 2015	(20,302)	(4,799)	(25,101)
Carrying amount at December 31, 2015*	6,757	7,481	14,238

Gross value at December 31, 2014	36,412	14,880	51,292
Accumulated depreciation and impairment and provisions at December 31, 2014	(24,513)	(6,379)	(30,892)
Carrying amount at December 31, 2014*	11,899	8,501	20,400

(*) See Note 3.3. "Property, plant and equipment (excluding investment property) by operating segment."

Changes in payments and discounted value relating to assets under finance leases where the Group is lessee:

<i>(in thousands of euros)</i>	Minimum payments at December 31, 2015	Discounted value at December 31, 2015
Due within one year	2,463	2,503
Due in one to five years	4,718	4,137
Carrying amount at December 31, 2015*	7,181	6,640

<i>(in thousands of euros)</i>	Minimum payments at December 31, 2014	Discounted value at December 31, 2014
Due within one year	3,039	3,191
Due in one to five years	5,333	5,490
Carrying amount at December 31, 2014*	8,372	8,681

(*) See Note 5.2.7.5 "Reconciliation of gross and net debt."

5.1.4 Property, plant and equipment (excluding Investment property) by category

PROPERTY, PLANT AND EQUIPMENT BY CATEGORY <i>(in thousands of euros)</i>	Cost	Depreciation	Impairment	Total
2015 Fiscal Year				
Property, plant and equipment owned outright	2,587,051	(1,454,270)	(11,808)	1,120,972
Owned property, plant and equipment leased under operating leases where the Group is lessor*	53,298	(39,289)	(5)	14,005
Property, plant and equipment leased under finance leases where the Group is lessee#	31,895	(20,825)	-	11,070
Property, plant and equipment leased under finance leases where the Group is lessee that has been sub-let to third parties under operating leases where the Group is lessor*#	7,444	(4,276)	-	3,168
Total Property, plant and equipment (excluding Investment property)	2,679,688	(1,518,660)	(11,813)	1,149,215

PROPERTY, PLANT AND EQUIPMENT BY CATEGORY <i>(in thousands of euros)</i>	Cost	Depreciation	Impairment	Total
2014 Fiscal Year				
Property, plant and equipment owned outright	2,327,212	(1,352,285)	(101)	974,830
Owned property, plant and equipment leased under operating leases where the Group is lessor*	53,248	(39,987)	(20)	13,241
Property, plant and equipment leased under finance leases where the Group is lessee#	40,335	(25,566)	-	14,768
Property, plant and equipment leased under finance leases where the Group is lessee that has been sub-let to third parties under operating leases where the Group is lessor*#	10,957	(5,325)	-	5,632
Total Property, plant and equipment (excluding Investment property)	2,431,749	(1,423,160)	(118)	1,008,470

(*) The sum of "Property, plant and equipment owned outright and leased under operating leases where the Group is lessor" and "Property, plant and equipment leased under finance leases where the Group is lessee that has been sub-let to third parties under operating leases where the Group is lessor" corresponds to the value of "Property, plant and equipment leased under operating leases where the Group is lessor."

(#) See sub-section "Property, plant and equipment leased under finance leases where the Group is lessee."

5.1.5 Investment property

The item “Investment property” saw the following movements over the two periods:

<i>(in thousands of euros)</i>	Total	Land	Buildings
Fair value at December 31, 2014	88,825	15,200	73,625
Lyon Gerland building	6,938	-	6,938
Nanterre building - reclassification as operating building*	(2,500)	(2,500)	-
Fair value at December 31, 2015	93,263	12,700	80,563
<i>(in thousands of euros)</i>	Total	Land	Buildings
Fair value at December 31, 2013	42,053	15,200	26,853
Buildings under construction in Lyon Gerland	46,772	-	46,772
Fair value at December 31, 2014	88,825	15,200	73,625

(*) See reclassification of non current assets in Note 5.1.3 “Property, plant and equipment excluding investment property”.

These cumulative movements break down as follows:

In financial years 2014 and 2015:

<i>(in thousands of euros)</i>	Land	Buildings	Total
Lyon Gerland complex	12,700	80,563	93,263
Fair value at December 31, 2015*	12,700	80,563	93,263

<i>(in thousands of euros)</i>	Land	Buildings	Total
Nanterre site in Île-de-France in Hauts-de-Seine	2,500	-	2,500
Lyon Gerland complex	12,700	73,625	86,325
Fair value at December 31, 2014*	15,200	73,625	88,825

(*) See Note 2.2 “Delivery and inauguration of the Lyon Gerland building project.”

At December 31, 2015, the balance of investment property covered the following components:

- Lyon Gerland construction project: the Lyon Gerland real estate project for the construction of 33,000 sq. m. of office buildings (including 3,000 sq. m. of service buildings) for the rental market was delivered and inaugurated on March 30, 2015. Total investment (including the value of the land) was €93.3 million, €7.0 million of which was spent in 2015.

The primary tenant took occupancy of two-thirds of the offices (18,977 sq. m.) on April 1, 2015 as initially planned in the contract on a 12-year lease. On October 1, 2015, the same tenant signed an additional lease for a firm term of six years (5,684 sq. m.), increasing its occupancy rate to 82%. The Plastic Omnium Group uses around 900 sq. m.

The entire building complex is classified under investment property. The portion used by the Group for its own occupation is 3%, and deemed to be immaterial.

- Land attached to the Nanterre site in Île-de-France in Hauts-de-Seine: the land in Nanterre, which was classified as an investment property at December 31, 2014 was reclassified as operating property at December 31, 2015. It is now used by the Group as an exhibition center for the Environment Division's exterior fittings products.

5.1.6 Investments in associates and joint ventures

Investments in associates and joint ventures correspond to investments by the Group in the following companies:

<i>(in thousands of euros)</i>	% interest	December 31, 2015	December 31, 2014
JV HBPO GmbH and its subsidiaries and sub-subsidiaries	33.33%	33,100	30,446
JV Yanfeng Plastic Omnium and its subsidiaries	49.95%	105,121	93,995
B.P.O. AS	49.98%	20,983	20,292
JV Valeo Plastic Omnium (SNC and SL)	50.00%	(34)	(30)
Plastic Recycling SAS	50.00%	(97)	90
Total investments in associates and joint ventures		159,073	144,793

Investments in these entities include goodwill by segment in the following amounts:

<i>(in thousands of euros)</i>	December 31, 2015	December 31, 2014
Goodwill in associates and joint ventures - Automotive	21,333	21,044
Total goodwill in associates and joint ventures	21,333	21,044

The tables below provide summary balance sheet and income statement data for all of the associates and joint ventures.

The associates Chengdu Faway YFPO, Dongfeng PO AE and Hicom HBPO are included in the YFPO and HBPO joint ventures respectively.

The following presentation covers 100% of the data from the consolidated balance sheet and income statement before elimination of internal operations:

<i>(in thousands of euros)</i>	December 31, 2015	December 31, 2014
Non current assets	478,157	406,940
Current assets	1,200,402	999,619
Total assets	1,678,559	1,406,559
Shareholders' equity	515,202	464,981
Non current liabilities	6,472	6,300
Current liabilities	1,156,886	935,278
Total equity and liabilities	1,678,560	1,406,559
Revenue	3,195,096	2,631,984
Net income	210,106	162,242

5.1.7. Available-for-sale financial assets

<i>(in thousands of euros)</i>	December 31, 2015	December 31, 2014
Shell companies and dormant companies	356	469
Contribution to the "FMEA 2" fund*	1,172	1,372
Available-for-sale financial assets	1,528	1,841

(*) Contributions to the "FMEA 2" fund are listed with long-term financial receivables in Note 5.2.7.5 "Reconciliation of gross and net debt."

5.1.8 Other non current financial assets

<i>(in thousands of euros)</i>	December 31, 2015	December 31, 2014
Loans	220	228
Negotiable debt securities*	5,000	-
Deposits and bonds	22,775	14,436
Other	48	43
Other non current assets and financial receivables (see note 5.2.7.5)	28,043	14,707
Finance receivables related to Environment finance leases (see Note 6.4.1)	2,620	4,064
Finance receivables related to Automotive contracts (see Note 6.4.1)	34,077	26,376
Non current financial receivables (see Note 5.2.7.5)	36,697	30,440
Total	64,740	45,147

(*) See Note 5.2.7.3 "Loans, Negotiable debt securities and Other financial assets."

Deposits and bonds correspond mainly to guarantee deposits on leased offices and sold receivables sales programs.

Finance receivables mainly concern work in progress on automotive projects for which the Group has received a firm commitment on the selling price of developments and/or tooling. These receivables are discounted.

5.1.9 Inventories and goods in process

<i>(in thousands of euros)</i>	December 31, 2015		December 31, 2014	
Raw materials and supplies				
<i>At cost</i>	115,743		103,953	
Net realizable value		107,481		96,788
Molds, tooling and engineering				
<i>At cost</i>	128,648		102,933	
Net realizable value		128,583		102,844
Other work in progress				
<i>At cost</i>	63		13,940	
Net realizable value		63		13,847
Maintenance inventories				
<i>At cost</i>	41,381		36,144	
Net realizable value		33,617		29,168
Goods				
<i>At cost</i>	8,010		9,104	
Net realizable value		7,072		8,335
Semi-finished products				
<i>At cost</i>	33,019		30,468	
Net realizable value		31,008		28,910
Finished products				
<i>At cost</i>	42,758		36,286	
Net realizable value		39,589		33,584
Total, net		347,413		313,476

5.1.10. Current financial receivables

<i>(in thousands of euros)</i>	December 31, 2015		December 31, 2014	
	Undiscounted values	Carrying amount	Undiscounted values	Carrying amount
Current financial receivables (see Note 5.2.7.5)	19,205	18,833	31,456	31,213
<i>Of which Environment Division finance lease receivables</i>	1,653	1,471	1,791	1,555
<i>Of which Automotive Division finance receivables</i>	17,552	17,362	29,665	29,658
Other current financial assets and financial receivables (see note 5.2.7.5)	27,010	27,010	8,194	8,104
<i>Of which "Current accounts"</i>	1,852	1,852	1,934	1,934
<i>Of which "Negotiable debt securities"*</i>	19,030	19,030	-	-
<i>Of which "Other"</i>	6,128	6,128	6,260	6,170
TOTAL CURRENT FINANCIAL RECEIVABLES	46,215	45,843	39,650	39,317

(*) See Note 5.2.7.3 "Loans, Negotiable debt securities and Other financial assets."

5.1.11. Trade and other receivables

5.1.11.1. Sales of receivables

Compagnie Plastic Omnium and some of its European and North American subsidiaries have set up several receivables sales programs with French banks. These programs are due within more than two years on average:

Nearly all of these non-recourse programs transfer substantially all the risks and rewards of ownership to the buyer, with only the non-material dilution risk retained by the Group, and the sold receivables are therefore derecognized.

Receivables sold under these programs, and which are therefore no longer included on the balance sheet, totaled €260 million at December 31, 2015, against €235 million at December 31, 2014.

5.1.11.2. Trade receivables - cost, impairment and carrying amounts

<i>(in thousands of euros)</i>	December 31, 2015			December 31, 2014		
	Cost	Impairment	Carrying amount	Cost	Impairment	Carrying amount
Trade receivables	582,264	(4,409)	577,855	506,713	(5,111)	501,602

The Group has not identified material customer risk that has not been given an accounting provision in the two periods.

5.1.11.3. Other

<i>(in thousands of euros)</i>	December 31, 2015	December 31, 2014
Sundry receivables	54,293	53,656
Prepayments to suppliers of tooling and prepaid development costs	36,536	12,890
Prepaid and recoverable income taxes	61,591	60,656
Other prepaid and recoverable taxes	68,046	60,470
Employee advances	951	3,369
Prepayments to suppliers of non current assets	4,272	3,240
Other	225,689	194,281

5.1.11.4. Trade and other receivables by currency

<i>(in thousands of currency units)</i>	Receivables at December 31, 2015			Receivables at December 31, 2014		
	Local currency	Euro	%	Local currency	Euro	%
EUR Euro	395,988	395,988	49%	373,648	373,648	54%
USD US dollar	200,324	184,003	23%	187,162	154,157	22%
CNY Chinese yuan	568,412	80,502	10%	441,297	58,560	8%
GBP Pound sterling	41,282	56,246	7%	24,145	30,999	4%
Other Other currencies		86,805	11%		78,519	11%
Total		803,544	100%		695,883	100%
<i>Of which:</i>						
Trade receivables		577,855	72%		501,602	72%
Other receivables		225,689	28%		194,281	28%

Sensitivity tests on exchange rate movements for "Trade and other receivables" give the following results:

<i>(in thousands of currency units)</i>	Sensitivity tests on Receivables at December 31, 2015						Sensitivity tests on Receivables at December 31, 2014					
	Base		Increase - all currencies		Decrease - all currencies		Base		Increase - all currencies		Decrease - all currencies	
			+10%	+20%	-10%	-20%			+10%	+20%	-10%	-20%
	Local currency	Translation rate	%	%	%	%	Local currency	Translation rate	%	%	%	%
EUR Euro	395,988	1.00000	47%	45%	52%	55%	373,648	1.00000	51%	49%	56%	59%
USD US dollar	200,324	0.91853	24%	25%	22%	20%	187,162	1.21410	23%	24%	21%	20%
CNY Chinese yuan	568,412	0.14163	10%	11%	9%	9%	441,297	7.53580	9%	9%	8%	7%
GBP Pound sterling	41,282	1.36249	7%	8%	7%	6%	24,145	0.77890	5%	5%	4%	4%
Other Other currencies			12%	11%	10%	10%			12%	13%	11%	10%
Total in euros		803,544	844,300	885,056	762,788	722,033		695,883	728,107	760,330	663,660	631,436
<i>Of which:</i>												
Trade receivables		577,855	607,164	636,473	548,547	519,238		501,602	524,830	548,057	478,375	455,148
Other receivables		225,689	237,136	248,583	214,241	202,795		194,281	203,277	212,273	185,285	176,288

Currency sensitivity tests on "Trade and other receivables" and "Trade payables and other operating liabilities" (see note 5.2.9.3) give practically the same net exposure for the Group by currency as the exposure calculated based on actual data in 2015.

5.1.12. *Deferred taxes*

As explained in Note 1.1.27 to the accounting rules and methods above, deferred tax assets corresponding to tax loss carryforwards, deductible temporary differences and tax credits are measured based on the probability of sufficient taxable earnings being generated to permit their utilization. To this end, new estimates were made for the year-end closing of accounts, leading to the recognition of assets based on probable use within a relatively short period. This reflects a prudent approach given the current economic context.

Recognized deferred taxes relate to the following items:

<i>(in thousands of euros)</i>	December 31, 2015	December 31, 2014
Property, plant and equipment	(46,150)	(42,697)
Post-employment benefit obligations	33,704	31,435
Provisions for liabilities and charges	42,916	31,192
Financial instruments	4,790	7,311
Tax loss carryforwards and tax credits	91,639	91,199
Other	(18,164)	(11,843)
Impairment of deferred tax assets	(81,129)	(76,308)
Total	27,606	30,289
<i>Of which:</i>		
<i>Deferred tax assets</i>	87,310	78,067
<i>Deferred tax liabilities</i>	59,704	47,778

Unrecognized deferred tax assets on tax loss carryforwards amounted to €55 million at December 31, 2015 against €58 million at December 31, 2014, as follows:

<i>(in thousands of euros)</i>	December 31, 2015	December 31, 2014
Evergreen tax loss carryforwards	45,743	50,115
Tax loss carryforwards available for more than 5 years	2,281	3,290
Tax loss carryforwards available for up to 5 years	3,165	2,613
Tax loss carryforwards available for up to 4 years	1,865	1,240
Tax loss carryforwards available for up to 3 years	1,115	605
Tax loss carryforwards available for less than 3 years	1,156	-
Total	55,325	57,863

The change during the year stems essentially from changes in France and Germany.

5.1.13. *Cash and cash equivalents*

5.1.13.1 Gross cash and cash equivalents

<i>(in thousands of euros)</i>	December 31, 2015	December 31, 2014
Cash at bank and in hand	212,968	182,972
Short-term deposits	450,188	352,440
Total cash and cash equivalents on the balance sheet	663,156	535,412

Group cash and cash equivalents breaks down as follows:

<i>(in thousands of euros)</i>	December 31, 2015	December 31, 2014
Cash and cash equivalents of the Group's captive reinsurance company	51,189	45,613
Cash and cash equivalents in countries with exchange controls on remittances and transfers*	70,100	85,225
Cash equivalents	541,867	404,574
Total cash and cash equivalents on the balance sheet	663,156	535,412

(*) *The "countries with exchange controls on remittances and transfers" include Brazil, China, India, Chile and Argentina.*

The above amounts are presented in the balance sheet as current assets as they are not subject to any general restrictions.

5.1.13.2. Net cash and cash equivalents at end of period

<i>(in thousands of euros)</i>	December 31, 2015	December 31, 2014
Cash and cash equivalents	663,156	535,412
Short-term bank loans and overdrafts	(15,891)	(4,148)
Net cash and cash equivalents at end of period in the statement of cash flows	647,265	531,264

5.1.14. Statement of cash flows – Acquisitions and disposals of non current financial assets and non-controlling interests

5.1.14.1 Acquisitions of shares in subsidiaries and associates and non-controlling interests

Financial acquisitions made by the Group are broken down into the following two categories:

a – Acquisitions of shares in subsidiaries and associates, investments leading to a change in control, equity investments in associates, joint ventures and related investments:

These are recorded under "Cash flows from investments" in the Consolidated statement of cash flows.

At December 31, 2015, the -€101 thousand under "Acquisitions of interests in non-consolidated companies" relates to the repatriation of amounts set aside in prior years for the creation of non-consolidated shell companies.

At December 31, 2014, the total was €208 thousand for transactions, which, taken individually, were not significant.

5.1.14.2 Disposals of shares in subsidiaries and associates and non-controlling interests

a – Disposals of shares in subsidiaries and associates:

The proceeds from disposals of shares in subsidiaries and associates are recorded under "Cash flows from investments" in the consolidated statement of cash flows.

2015:

In 2015, the Group disposed of €4 thousand in non-Group securities belonging to Compania PO SA.

2014:

In 2014, the Group had disposed of its 50% interest in Signal AG for €16,610 thousand. *See Note 2.4 of the 2014 Consolidated Financial Statements on the "Disposal of the Group's stake in Signal AG".*

5.1.15. Consolidated funds from operations and proportionate share of funds from operations of associates and joint ventures, after taxes and interest paid, net of dividends paid

Consolidated funds from operations and proportionate share of funds from operations of associates and joint ventures, after taxes and interest paid, net of dividends paid, break down as follows:

Consolidated financial statements	2015	2014
Funds from operations	606,117	554,756
Tax paid	(65,262)	(80,990)
Interest paid	(49,840)	(47,540)
Funds from operations after payment of taxes and interest	491,015	426,226

Associates and joint ventures

Share of funds from operations	58,408	75,253
Share of tax paid	(7,958)	(13,302)
Share of interest received/paid	1,255	1,927
Elimination of dividends paid	(24,887)	(22,685)
Share of funds from operations after payment of taxes and interest received, net of dividends paid	26,818	41,193

Total	517,833	467,419
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5.1.16. Assets and liabilities held for sale

After opening its new α -Alphatech Research and Development Center for fuel systems on 1 September 2014, the Group put its old technical center in the Oise department up for sale, as well as the one in Laval in the Mayenne department (*See Note 2.1 "Investments in the Research and Development Center" of the Consolidated Financial Statements at December 31, 2014*).

In addition, the Group put the assets of its Environment division's former Neustadt (Germany) site up for sale. The plant produced metal drums and has been shut down since May 2015, following the transfer of activities to the Herford plant in Germany.

The breakdown by site of assets reclassified to "Assets and liabilities held for sale" is given below:

		December 31, 2015	
<i>(in thousands of euros)</i>		Totals	
Compiègne technical center in the Oise department		846	
	<i>Of which Land</i>	167	
	<i>of which Buildings, equipment, building improvements, fixtures and fittings</i>	679	
Laval technical center in the Mayenne department		1,893	
	<i>Of which Land</i>	178	
	<i>of which Buildings, equipment, building improvements, fixtures and fittings</i>	1,715	
Environment division's Neustadt site in Germany		3,041	
	<i>of which, Land</i>	261	
	<i>of which Buildings, equipment, building improvements, fixtures and fittings</i>	2,780	
Net assets held for sale		5,780	

5.2. Equity and liabilities

5.2.1. Equity attributable to owners of the parent

5.2.1.1 Share capital of Compagnie Plastic Omnium

<i>(in euros)</i>	December 31, 2015	December 31, 2014
Share capital at January 1	9,214,603	9,298,621
Capital reduction during the year	-	(84,018)
Share capital at end of period (ordinary shares with a par value of €0.06)	9,214,603	9,214,603
Treasury stock	331,350	347,417
Total share capital net of treasury stock	8,883,254	8,867,186

Shares registered in the name of the same holder for at least two years carry double voting rights.

Structure of capital at December 31, 2015:

At December 31, 2015, Compagnie Plastic Omnium held 5,522,492 treasury shares, i.e. 3.60% of the share capital, against 5,790,280 or 3.77% of share capital at December 31, 2014.

Structure of capital at December 31, 2014:

The Board of Directors' meeting of October 24, 2014 had decided to reduce the share capital of Compagnie Plastic Omnium by €84,018.06, as authorized by the twelfth resolution of the Combined Shareholders' meeting of April 30, 2014. The capital reduction was done by cancelling 1,400,301 shares with a par value of €0.06, thus reducing the capital to €9,214,603.20 for 153,576,720 shares, versus €9,298,621.26 for 154,977,021 shares before the transaction.

5.2.1.2. Details of “Other reserves and retained earnings” in the consolidated statement of changes in equity

<i>(in thousands of euros)</i>	Actuarial gains/(losses) recognized in equity	Cash flow hedges – interest rate instruments	Cash flow hedges – currency instruments	Fair value adjustments to property, plant and equipment	Retained earnings and other reserves	Attributable to owners of the parent
December 31, 2013	(22,764)	(7,303)	419	16,726	688,197	675,275
Movements for 2014	(16,180)	3,159	(468)	1,430	147,855	135,796
At December 31, 2014	(38,944)	(4,144)	(49)	18,156	836,052	811,071
Movements for 2015	(2,455)	2,484	-	-	173,520	173,549
At December 31, 2015	(41,399)	(1,660)	(49)	18,156	1 009,572	984,620

5.2.1.3. Details of “Changes in scope of consolidation and reserves” in the consolidated statement of changes in equity

<i>(in thousands of euros)</i>	Shareholders' equity		Total equity
	Attributable to owners of the parent	Attributable to non-controlling interests	
Adjustment of opening balance sheet for Ford's US fuel tank business	(1,469)	-	(1,469)
Other changes in scope of consolidation at December 31, 2014	(1,469)	-	(1,469)
Impact IFRIC 21*	(435)	-	(435)
Partner's subscription to the DSK Plastic Omnium BV capital increase	-	797	797
Other changes in scope of consolidation at December 31, 2015	(435)	797	362

(*) See Note 1.1. "Basis of preparation" on IFRIC 21.

5.2.2. Dividends voted and paid by Compagnie Plastic Omnium

<i>(in thousands of euros)</i>	December 31, 2015		December 31, 2014	
<i>Dividend per share in euros</i>				
<i>Number of shares, in units</i>	Number of shares in 2014	Dividend	Number of shares in 2013	Dividend
Dividend per share (in euros)		0.37 *		0.33 *
Total number of shares outstanding at the end of the previous year	153,576,720		154,977,021	
Total number of shares held in treasury on the ex-dividend date	5,379,571 **		7,262,537 **	
Total number of shares held in treasury at the year-end (for information)	5,790,280 **		8,528,162 **	
Dividends on ordinary shares		56,823		51,142
Dividends on treasury stock (unpaid)		(1,990) **		(2,396) **
Total net dividend		54,833		48,746

(*) In 2015, Compagnie Plastic Omnium paid a dividend of €0.37 per share on profits from 2014.

In 2014, Compagnie Plastic Omnium paid a dividend of €0.33 per share on profits from 2013.

(**)

December 31, 2015: the number of treasury shares taken into account for the determination of the provisional total dividend was 5,790,280 at December 31, 2014. On the 2015 ex-dividend date, there were only 5,379,571 shares in treasury and the dividends attached to treasury shares therefore fell from €2,142 thousand to €1,990 thousand.

At December 31, 2014: the number of treasury shares taken into account for the determination of the provisional total dividend was 8,528,162 at December 31, 2013. On the 2014 ex-dividend date, there were only 7,262,537 shares in treasury, reducing the dividends attached to those shares from €2,814 thousand to €2,396 thousand.

The recommended dividend in respect of 2015, to be proposed to the Combined Shareholders' Meeting of April 28, 2016, amounts to €0.41 per share, representing a total payout of €62 966 thousand based on the 153,576,720 shares outstanding at December 31, 2015 before deducting treasury stock.

5.2.3. Share-based payments

On July 21, 2015, the Board of Directors allocated stock options (*see minutes of the Shareholders' Meeting of April 25, 2013*) with effect as from August 6, 2015 and exercisable as from August 7, 2019 for a three-year period. The exercise of the stock options granted to corporate officers is subject to market and performance conditions, details of which are given in Note 7.3.1 "Compensation paid to Senior Executives and Corporate Officers."

This plan has been assessed according to the method described in Note 1.1.22. The main assumptions used for this assessment are as follows:

Other information	August 6, 2015 plan
Plastic Omnium share price at the plan grant date	26.33
Exercise price	24.72
Zero-coupon interest rate	0.92%
Expected volatility	39.00%
Expected dividend rate	1.75%
Maturity	August 7, 2019
Total number of recipients	172
<i>subject to the achievement of certain market performance criteria</i>	<i>10</i>
<i>not subject to the achievement of certain market performance criteria</i>	<i>162</i>

On this basis, the plan was valued at €8,510,740. The cost will be amortized on a straight-line basis over the four-year vesting period.

The social contributions amounting to €1,810,846 relating to the implementation of this new plan were recognized in full as expenses in 2015. They were calculated on the basis of 25% of the share price on the stock option allocation date and represent 30% of the total value of the stock options allocated to French beneficiaries (917 thousand stock options).

Valuation of the August 6, 2015 plan <i>(in euros)</i> <i>In units for the number of options</i>	Stock options of the August 6, 2015 plan		TOTAL
	Subject to market conditions	Not subject to market conditions	
Average value of one stock option	4.34	8.68	6.79
Number of options	545,000	708,000	1,253,000
Accounting expense (with adjustment to reserves)	2,365,300	6,145,440	8,510,740

Outstanding stock option plans

Grant date	Options exercisable for	Grantees	Vesting conditions	Maximum number of options available under the plan	Multiplier following the division by three of the par value of the share on May 10, 2011	Maximum number of options available under the plan as adjusted for the stock split ^(x)	Multiplier following the division by three of the share par value on September 10, 2014	Maximum number of options available under the plan as adjusted for the stock split ^(xx)
July 22, 2008	Stock options	39		350,000	3	1,050,000	3	3,150,000
April 1, 2010	Stock options	124	Employment contract in force on the option exercise date, except in the case of transfer by the employer, early retirement or retirement	375,000	3	1,125,000	3	3,375,000
March 21, 2012	Stock options	208		N/A	N/A	889,500	3	2,668,500
August 7, 2013	Stock options	184		N/A	N/A	424,000	3	1,272,000
August 6, 2015	Stock options	172		N/A	N/A	N/A	N/A	1,253,000

(x) On April 28, 2011, the Extraordinary Shareholders' Meeting of Compagnie Plastic Omnium voted to divide the par value of its shares by three, with effect from May 10, 2011. The share price went from €0.50 to €0.17. Since all the plans outstanding at December 31, 2011 preceded that decision, the number of options granted to each employee in each plan as of that date, was multiplied by three and the exercise price divided by three.

(xx) On April 25, 2013, the Combined Shareholders' Meeting of Compagnie Plastic Omnium voted to divide the par value of its shares by three, with effect from September 10, 2013. The share price went from €0.17 to €0.06. The number of stock options for every employee in every plan preceding that decision was multiplied by three and the exercise price divided by three.

Successive effects of the three-to-one split of the Plastic Omnium share	Plan of	Plan of	Plan of	Plan of
	July 22, 2008	April 1, 2010	March 21, 2012	August 7, 2013

Effects of division by three of the par value of the share:				
Voted by the Extraordinary Shareholders' Meeting of April 28, 2011:				
Effective as from May 10, 2011:				
Number of stock options at January 1, 2011 before division by three of the par value of the share	340,800	371,500	N/A	N/A
Number of stock options at May 10, 2011 after division by three of the par value of the share	1,022,400	1,114,500	N/A	N/A
Effects of division by three of the par value of the share:				
Voted by the Shareholders' Meeting of April 25, 2013:				
Effective as from September 10, 2013 following the Meeting of the Board of Directors on July 23, 2013:				
Number of stock options before division by three of the par value of the share in 2013	773,422	1,030,500	842,000	424,000
Number of stock options at September 10, 2013 after three-to-one split of the par value of the share	2,320,266	3,091,500	2,526,000	1,272,000

(*) The number of stock options was multiplied by three following the division by three of the par value of the Plastic Omnium share on September 10, 2013.

Outstanding options at the year-end and cost for the period related to the stock option plans

The vesting period for each plan is four years.

Outstanding options <i>(in euros)</i> <i>In units for the number of options</i>	Options outstanding at January 1, 2015	Revaluations/ adjustments	Increases Options granted during the period	Decreases			Cost for the period	Options outstanding at December 31, 2015	
				Options forfeited during the period	Options that expired during the period	Options exercised during the period		Total	Of which, options exercisable at December 31, 2015
July 22, 2008 plan									
Number of options	144,000	72,000				(216,000)			
Share price at the grant date	1.99						1.99		
Exercise price	2.95						2.95		
Term	7 years						7 years		
Unrecognized cost at period-end	-						-		
Remaining life	-						-		

Outstanding options <i>(in euros)</i> <i>In units for the number of options</i>	Options outstanding at January 1, 2015	Revaluations/ adjustments	Increases Options granted during the period	Decreases			Cost for the period	Options outstanding at December 31, 2015	
				Options forfeited during the period	Options that expired during the period	Options exercised during the period		Total	Of which, options exercisable at December 31, 2015

April 1, 2010 plan									
Number of options	1,511,000			(18,000)		(867,000)		626,000	626,000
Share price at the grant date	3.2							3.2	
Exercise price	2.84							2.84	
Term	7 years							7 years	
Unrecognized cost at period-end	-							-	
Remaining life	2.5 years							1.5 years	

Outstanding options <i>(in euros)</i> <i>In units for the number of options</i>	Options outstanding at January 1, 2015	Revaluations/ adjustments	Increases Options granted during the period	Decreases			Cost for the period	Options outstanding at December 31, 2015	
				Options forfeited during the period	Options that expired during the period	Options exercised during the period		Total	Of which, options exercisable at December 31, 2015

March 21, 2012 plan									
Number of options	2,401,500			(63,000)				2,338,500	None
Share price at the grant date	7.3							7.3	
Exercise price	7.38							7.38	
Term	7 years							7 years	
Unrecognized cost at period-end	1,151,355			(127,787)			(837,673)	185,895	
Remaining life	4.25 years							3.25 years	

Outstanding options <i>i(n euros)</i> <i>In units for the number of options</i>	Options outstanding at January 1, 2015	Revaluations/ adjustments	Increases Options granted during the period	Decreases			Cost for the period	Options outstanding at December 31, 2015	
				Options forfeited during the period	Options that expired during the period	Options exercised during the period		Total	Of which, options exercisable at December 31, 2015
August 7, 2013 plan									
Number of options	1,233,000			(33,000)				1,200,000	None
Share price at the grant date	17.71							17.71	
Exercise price	16.17							16.17	
Term	7 years							7 years	
Unrecognized cost at period-end	3,674,990			(210,419)			(1,331,125)	2,133,446	
Remaining life	5.6 years							4.6 years	

Outstanding options <i>(in euros)</i> <i>In units for the number of options</i>	Options outstanding at January 1, 2015	Revaluations/ adjustments	Increases Options granted during the period	Decreases			Cost for the period	Options outstanding at December 31, 2015	
				Options forfeited during the period	Options that expired during the period	Options exercised during the period		Total	Of which, options exercisable at December 31, 2015
August 6, 2015 plan									
Number of options			1,253,000					1,253,000	None
Share price at the grant date			26.33					26.33	
Exercise price			24.72					24.72	
Term			7 years					7 years	
Unrecognized cost at period-end			8,510,740				(855,731)	7,655,009	
Remaining life			7 years					6.6 years	
Total cost for the year							(3,024,529)		

At December 31, 2015, the shares intended for grant but not yet allocated amounted to 303 000 shares against 189,000 shares at December 31, 2014.

5.2.4. Government grants

<i>(in thousands of euros)</i>	December 31, 2015	December 31, 2014
Grants recognized in non current liabilities	13,875	11,287
Grants recognized in current liabilities	281	273
Total grants recognized as liabilities	14,156	11,560

5.2.5. Provisions for liabilities and charges

(in thousands of euros)	December 31, 2014	Charges	Utilizations	Releases of surplus provisions	Reclassifications	Actuarial gains/(losses)	Translation adjustment	December 31, 2015
Customer warranties	7,840	10,564	(4,755)	(383)	4,057	-	(27)	17,296
Reorganization plans*	17,153	644	(13,879)	(828)	46	-	(120)	3,017
Taxes and tax risks	6,117	222	(2,985)	-	-	-	7	3,362
Contract risks**	33,241	23,208	(10,049)	(4,681)	(4,860)	-	6	36,865
Claims and litigation***	4,708	592	(1,044)	(1,541)	-	-	(58)	2,657
Other****	4,787	4,208	(2,908)	(530)	757	-	7	6,321
PROVISIONS FOR LIABILITIES AND CHARGES	73,846	39,438	(35,619)	(7,963)	-	-	(185)	69,517
Provisions for pensions and other post-employment benefits#	93,165	7,010	(3,413)	-	-	1,751	3,478	101,991
TOTAL	167,011	46,448	(39,032)	(7,963)	-	1,751	3,293	171,508

(*) See 2014 Note reference. This refers to the ongoing reorganization plans for the Compiègne-Laval and St-Désirat sites.

(**) These are impacts of onerous contracts and losses on completion of development contracts and various risks contracts in the Automotive Division referred to as of 2014.

(***) Charge/reversal for the period mainly concerns ongoing litigation in the Automotive Division.

(****) The sub-section "Other" is made up of non-material individual amounts.

(#) The actuarial gains/losses refer to the lower rates in the Eurozone and the American. Outsourcing of the North American retirement plan (see note 5.2.6.2) had no impact on changes in retirement provisions for the period, since the reduction in the amount was offset by the reduction in hedging assets.

(in thousands of euros)	December 31, 2013	Charges	Utilizations	Releases of surplus provisions	Reclassifications	Actuarial gains/(losses)	Translation adjustment	December 31, 2014
Customer warranties	8,714	9,869	(7,512)	(1,950)	(1,302)	-	21	7,840
Reorganization plans*	16,201	12,660	(11,389)	(299)	-	-	(20)	17,153
Taxes and tax risks	6,465	1,856	(2,161)	(32)	-	-	(11)	6,117
Contract risks**	14,325	33,118	(6,661)	(9,094)	1,536	-	17	33,241
Claims and litigation	5,117	507	(913)	(167)	-	-	164	4,708
Other***	6,305	2,383	(3,003)	(711)	(234)	-	47	4,787
PROVISIONS FOR LIABILITIES AND CHARGES	57,127	60,393	(31,639)	(12,253)	-	-	218	73,846
Provisions for pensions and other post employment benefits#	65,347	5,147	(3,311)	-	-	22,685	3,297	93,165
TOTAL	122,474	65,540	(34,950)	(12,253)	-	22,685	3,515	167,011

(*) Charges/reversals for the period mainly concerned the Automotive Division for the Compiègne-Laval site in France, which were still undergoing the reorganization started in prior years, and the Saint-Désirat site in France.

(**) Charges/reversals for the period mainly concerned the risks related to onerous contracts, losses on completion of development contracts and various contract risks on Automotive Division contracts.

(***) The sub-section "Other" was made up of non-material individual amounts.

(#) The actuarial loss corresponds to the fall in interest rates in the Euro zone and the United States, as well as changes to the mortality table in the United States.

5.2.6. Provisions for pensions and other post-employment benefits

Post-employment benefit plans:

The generic term “post-employment benefits” is used to refer to both pension benefits and other employee benefits.

Provisions for pensions:

Provisions for pensions mainly cover:

- benefits payable to employees on retirement;
- supplementary pension plans; and
- plans for the payment of healthcare costs of retired employees.

In France, supplementary pension plans only concern executive corporate officers and consist of termination benefits. In other countries, any supplementary pension plans concern all employees.

Plans for the payment of healthcare costs of retired employees mainly concern the North America region (United States).

Other long-term benefit plans:

Other long-term benefits concern other length-of-service awards.

Post-employment benefit plans are set up in accordance with the regulations applicable in each of the Group’s host countries. Consequently, the costs recorded in the accounts are not a function of the number of employees in each country.

The regions identified and presented are those for which the regulations are consistent, allowing data to be aggregated. Where no such aggregation is possible, no reference actuarial rates are provided as the differences in parameters are too great to allow an average rate to be calculated. Similarly, sensitivity tests are performed on country data that can be reliably aggregated.

5.2.6.1 Actuarial assumptions

The main actuarial assumptions used to measure post-employment and other long-term benefit obligations are as follows:

	2015		2014	
	France	United States	France	United States
	Managers and non-managers		Managers and non-managers	
Minimum age for receiving a full pension	60 to 62 years	65 years	60 to 62 years	65 years
Age from which no reduction applies	65 to 67 years		65 to 67 years	
Discount rate – post-employment benefits	2.00%	4.50%	1.75%	4.30%
Discount rate – length-of-service awards	1.50%		1.60%	
Inflation rate	1.70%		1.70%	
Rate of future salary increases	1.70% à 4.70%	3.25%	1.70% to 4.70%	3.25%
Rate of growth in healthcare costs (a)		7.50%		8.00%
Expected long-term rate of return on pension plan assets	2.00%	4.50%	1.75%	4.30%

(a): In the United States, rates are expected to decline by 0.5% per year to reach 5% in 2019.

Discount rates – post-employment benefits:

The Group uses as a reference the bond rates issued by good quality (AA) industrial and commercial companies with maturity equal to the estimated commitment.

Inflation rates:

In France, benefits are indexed to inflation.

In the United States, the impact of inflation is not material.

Average rate of future salary increases:

The average rates of future salary increases are weighted between “managers” and “other employees” and depending on employees’ ages.

Estimated long-term return on pension plan assets:

These rates are based on long-term market forecasts and take account of each plan’s asset allocation.

For other foreign subsidiaries, rate differentials are determined based on local conditions.

5.2.6.2. Changes in balance sheet commitments and benefit costs corresponding to the defined benefit plans

The amounts reported in the balance sheet for defined benefit plans are as follows:

<i>(in thousands of euros)</i>	Post-employment benefit plans			Other long-term benefits			Total		
	2015	2014	2013	2015	2014	2013	2015	2014	2013
Projected benefit obligation at January 1	125,733	86,910	89,593	6,989	7,056	7,241	132,722	93,966	96,834
Service cost	8,300	6,212	6,337	371	316	309	8,671	6,529	6,646
Interest cost	4,068	3,700	3,457	99	169	150	4,167	3,869	3,607
Curtailments, settlements and other	(6,652)	(244)	488	(1,299)	(82)	110	(7,951)	(326)	598
Actuarial gains and losses	6,307	25,152	(7,999)	(20)	(205)	(434)	6,287	24,948	(8,433)
<i>Of which, experience adjustments</i>	<i>1,676</i>	<i>221</i>	<i>374</i>	<i>(37)</i>	<i>(180)</i>	<i>(413)</i>	<i>1,639</i>	<i>41</i>	<i>(39)</i>
Benefits paid from plan assets	(13)	8	(256)	17	6	6	4	14	(250)
Benefits paid by the Company	(9,529)	(2,903)	(2,429)	(574)	(342)	(300)	(10,103)	(3,246)	(2,729)
Translation adjustment	6,910	6,898	(2,282)	95	71	(25)	7,005	6,968	(2,307)
Projected benefit obligation at December 31	135,123	125,733	86,910	5,678	6,989	7,056	140,802	132,722	93,966
<i>Change in projected benefit obligation</i>	<i>9,390</i>	<i>38,823</i>	<i>(2,683)</i>	<i>(1,311)</i>	<i>(68)</i>	<i>(185)</i>	<i>8,080</i>	<i>38,756</i>	<i>(2,868)</i>
Fair value of plan assets at January 1	39,557	28,619	21,439	-	-	-	39,557	28,619	21,439
Return on plan assets	1,663	1,440	901	-	-	-	1,663	1,440	901
Employer contributions	4,757	4,005	5,209	-	-	-	4,757	4,005	5,209
Actuarial gains and losses	4,556	2,406	2,933	-	-	-	4,556	2,406	2,933
Benefit payments funded by plan assets	(7,091)	77	(260)	-	-	-	(7,091)	77	(260)
Curtailments, settlements and other	(8,158)	(660)	(581)	-	-	-	(8,158)	(660)	(581)
Translation adjustment	3,527	3,670	(1,022)	-	-	-	3,527	3,670	(1,022)
Fair value of plan assets at December 31	38,811	39,557	28,619	-	-	-	38,811	39,557	28,619
<i>Change in fair value of plan assets</i>	<i>(746)</i>	<i>10,937</i>	<i>7,180</i>	-	-	-	<i>(746)</i>	<i>10,937</i>	<i>7,180</i>
Excess of projected benefit obligation over plan assets = provision recorded in the balance sheet	96,312	86,176	58,290	5,679	6,989	7,056	101,991	93,165	65,347
- of which France	49,185	44,860	36,603	4,226	4,162	3,815	53,411	49,022	40,418
- of which Europe excluding France and Switzerland	11,105	9,998	5,054	916	445	887	12,021	10,442	5,941
- of which United States	28,142	26,742	14,203	537	383	474	28,679	27,125	14,677
- of which other regions	7,880	4,576	2,431	1,999	1,879	1,879	7,880	6,575	4,310

The present value of partially funded obligations was €80,801 thousand at December 31, 2015, including €9,216 thousand for French plans and €54,942 thousand for US plans. The present value of partially funded obligations was €74,092 thousand at December 31, 2014, including €8,068 thousand for French plans and €59,326 thousand for American plans.

For the United States:

The American retirement plan was affected by two events that resulted in the outsourcing of all entitlements of retirees and deferred retirees (persons who are no longer employed by the American company, but have not yet reached the age for liquidating their entitlements):

- deferred members were able to opt for the payment of their entitlements in cash;
- entitlements of retirees and deferred members who had not opted for the first scheme were outsourced with an insurer, in return for a cash payment.

The obligation recognized for entitlements of retirees and deferred members is \$15.3 million; the two events described above resulted in a reduction of the obligation and a proportional reversal of the corresponding provision. Hedging assets were used to fund these two events. A \$0.2 million charge was recognized in the 2015 income statement under "Other operating expenses".

The remaining obligation under this plan concerns employees who joined the company before January 1, 2015, since this plan has been closed since that date.

For Europe excluding France:

The Group also carried out a valuation of the defined contribution plans for which the employer's obligation does not end after the premiums have been paid. This is because some defined contribution plans fall within the scope of the definition of defined benefit plans under IAS19R due to the existence of legal minimum yields. The impact is a €4 million increase in net obligations in respect of the plans of two Belgian subsidiaries.

5.2.6.3 Breakdown of net obligations by region

The following table shows the net projected benefit obligation by country:

<i>(in thousands of euros)</i>	2015				2014			
	France	Europe excluding France	United States	Other	France	Europe excluding France	United States	Other
Post-employment benefit plans								
Length-of-service awards payable on retirement	47,217	10,751	-	7,880	43,985	6,775	2,951	4,575
Supplementary pension plans	1,968	354	24,576	-	875	3,223	23,315	-
Healthcare plans			3,566	-			476	-
Total post-employment benefit obligations	49,185	11,105	28,142	7,880	44,860	9,998	26,742	4,575
Other long-term benefits	4,226	916	537	-	4,162	445	383	1,999
Total other post-employment benefit obligations	4,226	916	537	-	4,162	445	383	1,999
Net obligations recognized in the balance sheet	53,411	12,021	28,679	7,880	49,022	10,442	27,125	6,575

		2015		2014	
		France	United States	France	United States
Average maturity of obligations	<i>(in years)</i>	13	20	13	21
Amount of obligations	<i>(in thousands of euros)</i>	57,200	54,942	53,150	58,444
of which:					
Pension obligations		-	1,677	-	4,851
Deferred obligations		-	200	-	8,357
Asset obligations		57,200	53,065	53,150	45,236

5.2.6.4 Sensitivity tests – retirement obligations

For retirement obligations, the results of sensitivity tests on the main external variable – discount rates – in 2015 and 2014 were as follows:

<i>(in thousands of euros)</i>	2015					2014				
	Basis	Increase		Decrease		Basis	Increase		Decrease	
		+ 0.25%		- 0.25%			+ 0.25%		- 0.25%	
		Amount	%	Amount	%		Amount	%	Amount	%
France										
Effect on service cost and interest cost	4,616	4,597	-0.42%	4,634	0.39%	5,096	5,083	-0.27%	5,109	0.23%
Effect on projected benefit obligation	57,200	55,408	-3.12%	59,059	3.26%	58,442	56,791	-2.83%	60,159	2.94%
United States										
Effect on service cost and interest cost	6,302	6,137	-2.62%	6,469	2.65%	5,699	5,550	-2.61%	5,848	2.61%
Effect on projected benefit obligation	54,942	52,317	-4.78%	57,705	5.03%	59,324	56,268	-5.15%	62,330	5.07%
Switzerland										

5.2.6.5 Changes in net balance sheet amounts

Changes in net balance sheet amounts for defined benefit plans are as follows:

<i>(in thousands of euros)</i>	Post-employment benefit plans			Other long-term benefits			Total		
	2015	2014	2013	2015	2014	2013	2015	2014	2013
Net projected benefit obligation at January 1	86,176	58,290	68,151	6,989	7,056	7,241	93,165	65,347	75,394
<u>Expense/income for the year</u>									
Service cost	8,300	6,210	6,337	371	317	309	8,671	6,527	6,646
Curtailments, settlements and other	1,504	420	1,070	(1,300)	(76)	110	214	344	1,180
Benefits paid by the Company	(9,529)	(2,904)	(2,429)	(574)	(342)	(299)	(10,103)	(3,246)	(2,728)
Actuarial gains and losses				(20)	(143)	(434)	(20)	(143)	(434)
Benefit payments funded by plan assets	7,078	(69)	4	17	-	6	7,096	(69)	10
Employer contributions	(4,757)	(4,005)	(5,209)				(4,757)	(4,005)	(5,209)
Net non-recurring post-employment benefit plan costs recorded in operating expense**	2,596	(347)	(227)	(1,505)	(245)	(308)	1,091	(593)	(535)
Interest cost	4,068	3,700	3,454	100	169	150	4,168	3,869	3,604
Expected return on plan assets	(1,663)	(1,440)	(901)	-	-	-	(1,663)	(1,440)	(901)
Interest costs of post-employment benefit obligations*	2,405	2,259	2,552	100	169	150	2,505	2,429	2,702
Balance sheet impact									
Actuarial gains and losses	1,751	22,746	(10,932)	-	(61)	-	1,751	22,685	(10,932)
Translation adjustment	3,383	3,227	(1,257)	95	71	(26)	3,478	3,297	(1,283)
Balance sheet impact	5,135	25,972	(12,188)	95	9	(26)	5,230	25,982	(12,214)
Net projected benefit obligation at December 31	96,312	86,176	58,290	5,679	6,989	7,056	101,991	93,165	65,347

(*) See "Interest cost – post-employment benefit obligations" in Note 4.7 on "Net financial income."

(**) Including (€293) thousand recorded as non current assets for 2015 versus €1,254 thousand for 2014.

5.2.6.6 Healthcare cost sensitivity tests in the United States

The following table shows the impact of a 1-point change in the healthcare cost trend rate in the United States:

<i>(in thousands of euros)</i>	December 31, 2015		December 31, 2014	
	Increase	Decrease	Increase	Decrease
Effect on provisions for post-employment benefit obligations	520	(655)	448	(569)

5.2.6.7 Breakdown of plan assets by investment category

The funded plan assets at fair value – mainly in the United States – broke down as follows by investment category:

<i>(in thousands of euros)</i>	December 31, 2015	December 31, 2014
Equities	24,713	26,146
Bonds	4,998	9,794
Real estate	194	206
Other	8,905	3,412
Total	38,811	39,557

5.2.6.8 Contributions paid in respect of defined contribution plans

Contributions paid in respect of defined contribution plans amounted to €4,681 thousand in 2014 compared with €3,960 thousand in 2013.

5.2.7. Current and non current debt

5.2.7.1 Net debt indicator used by the Group

Net debt is an important indicator for day-to-day cash management purposes. It is used to determine the Group's debit or credit position outside of the operating cycle. Net debt is defined as:

- long-term borrowings:
 - Drawdowns on lines of credit,
 - Private placement notes,
 - Bonds;
- less loans, negotiable debt securities and other non current financial assets (*see Note 5.2.7.3 "Loans, Negotiable debt securities and Other financial assets"*);
- plus short-term debt;
- plus overdraft facilities;
- less cash and cash equivalents.

5.2.7.2 Borrowings: private placement notes and bonds

The history of the Group's private placement notes and bonds is as follows:

Bond issue of €500 million in 2013:

On May 21, 2013, the Group issued bonds to the value of €500 million on the European market, without covenants or ratings, as described below:

Bond issue		Issued in 2013
Issue - fixed rate	<i>(in euros)</i>	500,000,000
Maturity		May 29, 2020
Interest rate		2.875%
Listed		Euronext Paris

€250 million “EuroPP” private placement bond issue

“EuroPP” private bond placement of €250 million without financial “covenant” or “rating” with French banks, as described below:

Private placement notes		Euro PP
Issue - fixed rate	<i>(in euros)</i>	250,000,000
Maturity		December 12, 2018
Interest rate		3.875%
Listed		Euronext Paris

“Schuldschein” private placement for €119 million

A €119 million “Schuldschein” private placement notes issue placed mainly with foreign private investors (Asian, German, Canadian and Belgian) but also with French investors, with the following characteristics:

Private placement		
Schuldschein	Amount	Interest rate
Issue - fixed rate	<i>(in euros)</i> 45,000,000	3.72%
Issue - variable rate	<i>(in euros)</i> 74,000,000	6-month Euribor + 240 bps
Maturity	June 27, 2017	

5.2.7.3 Loans, Negotiable debt securities and Other financial assets

Other financial assets mainly comprise loans, security deposits and surety bonds and negotiable debt securities. They are measured at amortized cost. Whenever there is any objective evidence of impairment – i.e. the carrying amount is lower than the recoverable amount – an impairment provision is recognized through profit or loss. These provisions may be reversed if the recoverable amount subsequently increases.

Other financial assets also include short-term investment securities that do not meet the criteria to be classified as cash equivalents. They are measured at their fair value at the closing date, with changes in fair value recognized in net financial income. In 2015, the Group subscribed to four negotiable medium-term bank notes with a credit institution.

Negotiable medium-term notes (non current portion)*	
Subscription date	February 24, 2015
Nominal <i>(in euros)</i>	5,000,000
Maturity <i>(Not available for 8 quarters following the subscription date)</i>	February 24, 2020
Quarterly coupon	Sets the first eight quarters following the issue
	3-month Euribor + spread as of the ninth quarter

(*) See Note 5.1.8 “Other non current financial assets.”

Negotiable medium-term notes (current portion)**			
Subscription date	February 24, 2015	7/11/2014 [#]	July 13, 2015
Nominal <i>(in euros)</i>	5,000,000	10,000,000	4,000,000
Maturity <i>(Not available for 4 quarters following the subscription date)</i>	February 25, 2019	July 11, 2018	July 15, 2019
Quarterly coupon	Sets the first four quarters after the issue	Sets the first four quarters after the issue	Sets the first four quarters after the issue
	3-month Euribor + spread as of the fifth quarter (to place in the three cells)	3-month Euribor + spread as of the fifth quarter (to place in the three cells)	3-month Euribor + spread as of the fifth quarter (to place in the three cells)

(**) See Note 5.1.10 “Current financial receivables.”

(#) On July 13, 2015, the Group subscribed, on a secondary market, to this investment for which the first issue date was July 11, 2014.

5.2.7.4 Utilization of medium-term credit lines

At December 31, 2015 and December 31, 2014, the Plastic Omnium Group had access to several confirmed bank lines of credit with an average maturity of more than four years.

These confirmed bank lines of credit exceeded the Group’s requirements. At December 31, 2015, they amounted to €1,269 million, against €1,197 million at December 31, 2014.

5.2.7.5. Reconciliation of gross and net debt

<i>(in thousands of euros)</i>	December 31, 2015			December 31, 2014		
	Total	Income before non-operating items	Non current portion	Total	Income before non-operating items	Non current portion
Finance lease liabilities	6,640	2,503	4,137	8,681	3,191	5,490
Bonds and bank loans	1,008,696	91,685	917,011	981,656	85,497	896,159
<i>of which bond issue in 2013</i>	504,103	8,507	495,596	503,187	8,507	494,680
<i>of which EuroPP private placement notes issue</i>	248,811	504	248,307	248,281	504	247,777
<i>of which Schuldschein private placement notes issue</i>	119,000	-	119,000	119,000	-	119,000
<i>of which bank lines of credit</i>	136,782	82,674	54,108	111,188	76,486	34,702
Non current and current borrowings (+)	1,015,336	94,188	921,148	990,337	88,688	901,649
Other current debt (+)	4	4		17	17	
Hedging instruments – liabilities (+) [#]	12,757	12,757		16,658	16,658	
Total borrowings (B)	1,028,097	106,949	921,148	1,007,012	105,363	901,649
Available-for-sale financial assets - FMEA 2 fund (-) ^{##}	(1,172)		(1,172)	(1,372)		(1,372)
Other financial assets (-)	(83,573)	(18,833)	(64,740)	(76,360)	(31,213)	(45,147)
<i>of which non current financial receivables ^{###}</i>	(23,043)		(23,043)	(14,707)		(14,707)
<i>of which negotiable debt securities ^{####}</i>	(5,000)		(5,000)			
<i>of which finance receivables ^{####}</i>	(55,530)	(18,833)	(36,697)	(61,653)	(31,213)	(30,440)
Other current financial assets and financial receivables (-)	(27,010)	(27,010)		(8,104)	(8,104)	
<i>of which negotiable debt securities</i>	(19,030)	(19,030)				
Hedging instruments, assets (-) [#]	(1,558)	(1,558)		(374)	(374)	
Total financial receivables (C)	(113,313)	(47,401)	(65,912)	(86,210)	(39,691)	(46,519)
Gross debt (D) = (B)+(C)	914,784	59,548	855,236	920,801	65,672	855,129
Cash and cash equivalents (-) [*]	663,156	663,156		535,412	535,412	
Short-term bank loans and overdrafts (+)	(15,891)	(15,891)		(4,148)	(4,148)	
Net cash and cash equivalents as recorded in the statement of cash flows (A) ^{**}	(647,265)	(647,265)		(531,264)	(531,264)	
NET DEBT (E) = (D) + (A)	267,519	(587,717)	855,236	389,537	(465,592)	855,129

^(#) See Note 5.2.8 “Interest rate and foreign exchange hedges.”

^(##) See Note 5.1.7 “Available-for-sale financial assets.”

^(###) See Note 5.1.8 on “Other non current financial assets”

^(*) See Note 5.1.13.1 “Cash and cash equivalents – gross.”

^(**) See Note 5.1.13.2 “Net cash and cash equivalents at close”

5.2.7.6. Analysis of debt by currency

<i>As a % of total debt</i>	December 31, 2015	December 31, 2014
Euro	88%	89%
US dollar	5%	4%
Chinese yuan	4%	3%
Pound sterling	1%	2%
Brazilian real	1%	1%
Other currencies [*]	1%	1%
Total	100%	100%

^{*}: “Other currencies” concerns various currencies, which, taken individually, account for less than 1% of total financial debt over the two periods.

5.2.7.7. Analysis of debt by type of interest rate

<i>As a % of total debt</i>	December 31, 2015	December 31, 2014
Hedged variable rates	12%	18%
Unhedged variable rates	8%	0%
Fixed rates	80%	82%
Total	100%	100%

5.2.8. Interest rate and currency hedges

<i>(in thousands of euros)</i>	December 31, 2015		December 31, 2014	
	Assets	Liabilities and Shareholders' Equity	Assets	Liabilities And Shareholders' Equity
Interest rate derivatives	-	(8,145)	10	(11,911)
Foreign exchange derivatives	1,558	(4,612)	364	(4,747)
Total balance sheet	1,558	(12,757)	374	(16,658)

5.2.8.1 Interest rate hedges

Interest rate hedges used in first-half 2013 included swaps and caps. Their purpose is to hedge variable rate debt against increases in interest rates.

The total notional amount of derivative instruments used to manage interest rate risks was €255 million at December 31, 2015 (€355 million at December 31, 2014).

At December 31, 2015, the nominal value of cash-flow hedges as per IAS 39 amounted to €60 million (€13 million at December 31, 2014). In 2015, €100 million of interest rate swaps reached maturity and no interest rate derivatives were set up, settled or restructured.

Non-hedging instruments nonetheless form part of the Group's interest rate hedging strategy, as it obtains financing at variable rates of interest, in particular under the framework of its sales of receivables.

The derivatives are recognized in the balance sheet at fair value under "Hedging instruments" in assets or in liabilities.

For derivatives that qualify for hedge accounting under IFRS:

- The effective portion of the gain or loss on the hedging instrument is recognized in equity (in "Other comprehensive income").
- it is reclassified to the income statement in the same period as the hedged cash flows (i.e. interest payments) affect profit;
- the time value of options is excluded from the hedging relationship. Changes in the time value of options and the ineffective portion of the gain or loss on the hedging instrument are recognized in profit or loss.

Changes in fair value of instruments that do not qualify for hedge accounting are recognized directly in profit or loss.

5.2.8.1.1. Derivative portfolio

(in thousands of euros)	December 31, 2015			December 31, 2014		
	Fair value of hedging instruments	Recorded in assets	Recorded in liabilities	Fair value of hedging instruments	Recorded in assets	Recorded in liabilities
Interest rate derivatives (fair value)	(8,145)	-	(8,145)	(11,901)	10	(11,911)
Outstanding premiums	(1,035)	-	(1,035)	(1,717)	-	(1,717)
Total fair value and outstanding premiums		-	(9,180)		10	(13,628)

Composition of interest rate derivatives portfolio:

(in thousands of euros)	December 31, 2015								
	Fair value	Recorded in assets	Recorded in liabilities	Effective portion included in OCI*	Nominal	Maturity	Reference interest rate	Outstanding premiums*	Nature of derivative
Caps	-	-	-	-	60,000	May 2017	2-month Euribor	-	CFH***
Caps	-	-	-	-	90,000	June 2017	1-month Euribor	-	Not considered
Swaps	(8,145)	-	(8,145)	-	105,000	February 2019	1-month Euribor	N/A	Not considered
Total	(8,145)	-	(8,145)	-	255,000			-	

(in thousands of euros)	December 31, 2014								
	Fair value	Recorded in assets	Recorded in liabilities	Effective portion included in OCI*	Nominal	Maturity	Reference interest rate	Outstanding premiums*	Nature of derivative
Caps	7	7	-	-	60,000	May 2017	2-month Euribor	-715	CFH***
Caps	3	3	-	-	90,000	June 2017	1-month Euribor	(1,002)	Not considered
Swaps	(1,414)	-	(1,414)	(1,414)	75,000	June 2015	6-month Euribor	N/A	CFH***
Swaps	(261)	-	(261)	-	25,000	August 2015	1-month Euribor	N/A	Not considered
Swaps	(10,236)	-	(10,236)	-	105,000	February 2019	1-month Euribor	N/A	Not considered
Total	(11,901)	10	(11,911)	(1,414)	355,000			(1,717)	

(*) OCI: Other comprehensive income

(**) Cap premiums are paid out in installments over the duration of the instruments. Outstanding premium amounts are classified under liabilities and shareholders' equity in the consolidated balance sheet under "Non current debt" and "Current debt."

(***) CFH: Cash flow hedges.

5.2.8.1.2 Amounts recognized in equity under “Other comprehensive income”

The following amounts are expressed as gross values before tax.

<i>(in thousands of euros)</i>	Balance before tax recorded in OCI* at December 31, 2014	Transactions in the period	Change in fair value of derivatives	Fair value adjustments reclassified in profit or loss	Balance before tax recorded in OCI* at December 31, 2015
Effective portion of gains and losses on derivatives in the portfolio	(1,414)	-	1,414	-	-
Effect of August 2010 and February 2012 restructuring of the derivatives portfolio**	3,303	-	-	(676)	2 627
Effect of June 2013 restructuring of the derivatives portfolio	(8,453)	-	-	3,296	(5 157)
Total	(6,564)	-	1,414	2,620	(2 530)

<i>(in thousands of euros)</i>	Balance before tax recorded in OCI* at December 31, 2012	Transactions in the period	Change in fair value of derivatives	Fair value adjustments reclassified in profit or loss	Balance before tax recorded in OCI* at December 31, 2014
Effective portion of gains and losses on derivatives in the portfolio	(1,630)	-	216	-	(1,414)
Effect of August 2010 and February 2012 restructuring of the derivatives portfolio**	3,258	-	-	45	3,303
Effect of June 2013 restructuring of the derivatives portfolio	(12,582)	-	-	4,129	(8,453)
Total	(10,954)	-	216	4,174	(6,564)

(*) OCI: Other comprehensive income

(**) Restructuring of derivatives portfolio with no impact on cash flow, so as to extend maturity of hedging instruments.

5.2.8.1.3 Impact of hedging on the Income statement

<i>(in thousands of euros)</i>	December 31, 2015	December 31, 2014
Effective component of hedging instruments related to derivatives portfolio <i>(hedging of interest rates accruing over the period)</i>	(4,217)	(4,643)
Reclassification in profit or loss of accumulated gains and losses following past restructurings *	(2,620)	(4,174)
Time value of caps	674	256
Changes in fair value of instruments that do not qualify for hedge accounting	2,332	(2,118)
Total**	(3,831)	(10,679)

(*) See Note 5.2.8.1.2 “Reclassified in profit or loss”.

(**) See “Gains or losses on interest rate and currency hedges” in Note 4.7 “Net financial income.”
See also the impact of currency hedges in Note 5.2.8.2.

5.2.8.2. Currency hedges

The Group uses derivatives to hedge its exposure to currency risks. Changes in the fair value of financial instruments are recorded in profit or loss since January 1, 2014.

5.2.8.2.1. Portfolio of currency hedges:

	December 31, 2015				December 31, 2014			
	Fair value in thousands of euros	Notional amount in thousands of currency units	Medium-term exchange rate Currency/Euro	Exchange rate at December 31, 2015 Currency/Euro	Fair value in thousands of euros	Notional amount in thousands of currency units	Medium-term exchange rate Currency/Euro	Exchange rate at December 31, 2014 Currency/Euro
Net sell position (net buy position if <0)								
USD - Forward exchange contract	+221	(31,891)	1.1024	1.0887	(147)	(6,347)	1.2557	1.2141
GBP - Forward exchange contract	+510	(30,561)	0.7280	0.7340	-	-	-	-
HUF - Forward exchange contract	+1	(59,396)	313.5869	315.9800	+5	(54,035)	306.6140	315.5400
CNY - Forward exchange contract	+253	(48,000)	7.0550	7.0608	-	-	-	-
MYR - Forward exchange contract	-	(1,060)	4.6942	4.6959	-	-	-	-
PLN - Forward exchange contract	-	-	-	-	+15	+12,000	4.3074	4.2732
USD - Forward currency swap	(4,596)	(191,950)	1.1200	1.0887	(4,776)	(180,000)	1.2553	1.2141
GBP - Forward currency swap	(62)	(11,617)	0.7368	0.7340	+19	+7,800	0.7804	0.7789
CZK - Forward currency swap	-	+834	26.9350	27.0230	+15	(71,531)	27.5830	27.7350
PLN - Forward currency swap	-	-	-	-	+14	(4,112)	4.2493	4.2732
RUB - Forward currency swap	+619	(900,000)	76.7620	80.6736	+471	(700,000)	72.2350	72.337
SEK - Forward currency swap	-	-	-	-	+1	+436	9.4435	9.3930
TOTAL	(3,054)				(4,383)			

5.2.8.2.2 Impact of unsettled foreign exchange hedges on income

(in thousands of euros)	December 31, 2015	December 31, 2014
Value of unsettled currency hedges	1,329	(4,383)
Total*	1,329	(4,383)

(*) See "Gains or losses on interest rate and currency hedges" in Note 4.7 "Net financial income."
See also Note 5.2.8.1.3 "Impact of interest rate hedging on the Income statement".

5.2.9. Operating and other liabilities
5.2.9.1 - Trade payables and other operating liabilities

(in thousands of euros)	December 31, 2015	December 31, 2014
Trade payables	897,404	734,023
Due to suppliers of fixed assets	113,027	69,970
Total	1,010,431	803,993

5.2.9.2 - Other operating liabilities

<i>(in thousands of euros)</i>	December 31, 2015	December 31, 2014
Accrued employee benefits expense	119,769	111,941
Accrued income taxes	30,877	25,167
Other accrued taxes	67,090	53,290
Other payables	141,497	125,890
Customer prepayments	144,744	158,115
Total	503,977	474,403

5.2.9.3 - Trade payables and other operating liabilities by currency

<i>(in thousands of currency units)</i>		Liabilities at December 31, 2015			Liabilities at December 31, 2014		
		Local currency	Euro	%	Local currency	Euro	%
EUR	Euro	689,143	689,143	46%	629,548	629,548	49%
USD	US dollar	426,623	391,865	26%	374,742	308,658	24%
GBP	Pound sterling	109,647	149,393	10%	72,839	93,515	7%
CNY	Chinese yuan	720,017	101,974	7%	643,506	85,393	7%
BRL	Brazilian real	62,169	14,419	1%	90,831	28,202	2%
Other	Other currencies		167,614	10%		133,080	11%
Total			1,514,408	100%		1,278,396	100%

<i>Of which:</i>							
Trade payables		1,010,431	67%		803,993	63%	
Other operating liabilities		503,977	33%		474,403	37%	

Sensitivity tests on exchange rate movements for "Trade payables and other liabilities" give the following results:

<i>(in thousands of currency units)</i>	Sensitivity tests on Liabilities at December 31, 2015						Sensitivity tests on Liabilities at December 31, 2014					
	Base		Increase - all currencies		Decrease - all currencies		Base		Increase - all currencies		Decrease - all currencies	
			+10%	+20%	-10%	-20%			+10%	+20%	-10%	-20%
	Local currency	Translation rate	%	%	%	%	Local currency	Translation rate	%	%	%	%
EUR Euro	689,143	1.00000	43%	41%	48%	51%	629,548	1.00000	49%	47%	45%	52%
USD US dollar	426,623	0.91853	27%	28%	25%	23%	374,742	0.82366	24%	25%	26%	23%
GBP Pound	109,647	1.36249	10%	11%	9%	9%	72,839	1.28386	7%	8%	8%	7%
CNY Chinese yuan	720,017	0.14163	7%	7%	6%	6%	643,506	0.13270	7%	7%	7%	6%
BRL Brazilian real	62,169	0.23193	1%	1%	1%	1%	90,831	0.31049	2%	2%	2%	2%
Other currencies			12%	12%	11%	10%			11%	11%	12%	10%
Total in euros		1,514,408	1,596,935	1,679,462	1,431,882	1,349,355		1,278,396	1,343,281	1,408,166	1,213,511	1,148,627
<i>Of which:</i>												
Trade payables		1,010,431	1,065,493	1,120,551	955,368	900,305		803,993	844,800	885,606	763,187	722,380
Other operating liabilities		503,977	531,442	558,906	476,514	449,050		474,403	498,481	522,560	450,324	426,247

Currency sensitivity tests on "Trade payables and other operating liabilities" and "Trade and other receivables" (see note 5.1.11) gives practically the same net exposure for the Group by currency as the exposure calculated based on actual data in 2014.

6. CAPITAL MANAGEMENT AND MARKET RISKS

Compagnie Plastic Omnium has set up a global cash management system with its subsidiary Plastic Omnium Finance, which manages liquidity, currency and interest rate risks on behalf of all subsidiaries. The market risks strategy, which may involve entering into balance sheet and off-balance sheet commitments, is approved every quarter by the Chairman and Chief Executive Officer.

6.1. Capital management

Plastic Omnium raises equity and debt capital on the markets to meet its objective of maintaining ready access to sufficient financial resources to carry out its business operations, fund the investments required to drive growth and respond to exceptional circumstances.

It seeks funding from the capital markets, leading to capital and financial liabilities management.

Under its capital management, the Group pays dividends to its shareholders and may adjust its strategy in line with changes in economic conditions.

The capital structure may also be adjusted by paying ordinary or special dividends, buying back and canceling Company shares, returning a portion of the share capital to shareholders or issuing new shares and/or securities carrying rights to shares.

The Group uses the gearing ratio – corresponding to the ratio of consolidated net debt to equity – as an indicator of its financial condition. Net debt includes all of the Group’s interest-bearing financial liabilities (other than operating payables) less cash and cash equivalents and other financial assets (other than operating receivables), such as loans and marketable securities. At December 31, 2015 and December 31, 2014, the gearing ratio stood at:

<i>(in thousands of euros)</i>	December 31, 2015	December 31, 2014
Net debt [†]	267,519	389,537
Equity (including non current government grants)	1,301,194	1,083,275
Gearing ratio	20.56%	35.96%

(*) See Note 5.2.7.5 “Reconciliation of gross and net debt.”

None of the Group’s bank loans or financial liabilities contains acceleration clauses based on compliance with financial ratios.

As part of its capital management strategy, the Group has made the following changes to its liquidity contract with financial institutions:

Compagnie Plastic Omnium ended the liquidity agreement signed with CM-CIC Securities.

It signed a new liquidity agreement (0 shares and €3,000 thousand in cash) on January 2, 2015 with Kepler Capital Markets SA, with a one-year term, renewable automatically. The agreement is compliant with the Code of Ethics drawn up by AMAFI (French Association of Financial Markets) and approved by the AMF (decision of March 21, 2011) and relates to Compagnie Plastic Omnium ordinary shares. The liquidity account shows the following positions:

- At December 31, 2015
 - 15 712 shares;
 - and €2 902 327 in cash.

- at December 31, 2014 just before the new liquidity contract was signed:
 - 0 shares,
 - and €1,393,422 in cash.

6.2. Commodities risk – Exposure to plastics risk

Plastic Omnium's operations use large quantities of plastic, steel, paint and other raw materials which are subject to price changes that could have an impact on its operating margin.

To limit the risks of price fluctuations, the Group has negotiated price indexation clauses with most of its automotive customers or, failing that, regularly renegotiates selling prices.

The Environment Division, as part of its proactive sustainability policy, manufactures its products using over 50% recycled plastic, which by nature is scarcely affected by price swings. For the remainder, the Division negotiates annual price contracts with its suppliers. Lastly, inventories are managed to reduce the price impact as much as possible.

Taking these measures together, the Group considers that raw material price changes do not have a material impact on its operating margin.

6.3. Credit risk

Credit risk covers customer credit risk and bank counterparty risk.

6.3.1 Customer credit risk

At December 31, 2015, 8.6% of the Group's Trade receivables were past due, against 8% at December 31, 2014. Trade receivables break down as follows:

Ageing analysis of receivables:

December 31, 2015 <i>(in thousands of euros)</i>	Total outstanding	Not yet due	Due and past-due	Less than 1 month	1-2 months	2-4 months	4-6 months	6-12 months	More than 12 months
Automotive	522,799	484,679	38,120	19,621	9,980	2,083	618	2,754	3,064
Environment	46,780	35,394	11,386	6,377	779	1,078	596	576	1,980
Unallocated items	8,276	8,261	15	-	-	-	-	-	15 *
Total	577,855	528,334	49,521	25,998	10,759	3,161	1,214	3,330	5,059

December 31, 2014 <i>(in thousands of euros)</i>	Total outstanding	Not yet due	Due and past-due	Less than 1 month	1-2 months	2-4 months	4-6 months	6-12 months	More than 12 months
Automotive	443,221	413,546	29,675	15,418	2,611	3,797	366	6,175	1,308
Environment	43,365	32,641	10,724	5,362	1,521	712	267	367	2,495
Unallocated items	15,016	14,886	130	108	-	-	-	-	22 *
Total	501,602	461,073	40,529	20,888	4,132	4,509	633	6,542	3,825

(*) This item corresponds to receivables regarding disposed entities and definitively recognized as receivables with regard to external third parties.

The risk of non-recovery is low and involves only a non-material amount of receivables more than twelve months past due.

6.3.2. Bank counterparty risk

The Group invests its cash surplus with first class banks and/or in senior securities.

6.4. Liquidity risk

The Group needs access, at all times, to adequate financial resources not only to finance operations and the investments required to support its growth, but also to withstand the effects of any exceptional events.

This requirement is met primarily through medium-term bank lines of credit, but also through short-term bank facilities.

The cash position of each division and the Group position are reviewed on a daily basis and a cash report is submitted to the Chairman and Chief Executive Officer and the Chief Operating Officers every week.

6.4.1. Other long-term financial receivables – carrying amounts and undiscounted values

Undiscounted values can be reconciled to the information listed in the table in Note 6.4.2 on “Liquidity risk by maturity”.

<i>(in thousands of euros)</i>	December 31, 2015		December 31, 2014	
	Undiscounted finance receivables	Carrying amount	Undiscounted finance receivables	Carrying amount
Due in one to five years	37,979	36,530	31,406	30,107
Other receivables (see Note 5.1.8)	48	48	19	19
Finance receivables related to Environment finance leases (see Note 5.1.8)	2,625	2,405	4,119	3,712
Automotive Division finance receivables (see Note 5.1.8)	35,306	34,077	27,268	26,376
Due beyond five years	249	215	445	376
Other receivables (see Note 5.1.8)	-	-	24	24
Finance receivables related to Environment finance leases (see Note 5.1.8)	249	215	421	352
Total	38,228	36,745	31,851	30,483

6.4.2. Liquidity risk by maturity

Liquidity risk by maturity is calculated on the basis of the undiscounted contractual cash flows of financial liabilities. An analysis of liquidity risk yields the following:

At December 31, 2015:

<i>(in thousands of euros)</i>	December 31, 2015	Less than 1 year	1 to 5 years	More than 5 years
Financial assets				
Available-for-sale financial assets	1,528	-	1,528	-
Other financial assets – Non current	28,043	-	28,043	-
Finance receivables – Current portion*	57,385	19,205	37,931	249
Trade receivables**	577,855	572,796	5,059	-
Other financial assets and financial receivables - Current	27,010	27,010	-	-
Hedging instruments	1,558	1,558	-	-
Cash and cash equivalents	663,156	663,156	-	-
TOTAL FINANCIAL ASSETS	1,356,535	1,283,725	72,561	249

FINANCIAL LIABILITIES				
Non current debt***	1,037,995	28,546	1,005,728	3,721
Bank overdrafts	15,891	15,891	-	-
Current debt****	97,890	97,890	-	-
Other current debt	4	4	-	-
Hedging instruments	12,757	12,757	-	-
Trade payables	1,010,431	1,010,431	-	-
TOTAL FINANCIAL LIABILITIES	2,174,969	1,165,520	1,005,728	3,721

FINANCIAL ASSETS AND FINANCIAL LIABILITIES – NET[#]	(818,434)	118,205	(933,167)	(3,472)
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At December 31, 2014:

<i>(in thousands of euros)</i>	December 31, 2014	Less than 1 year	1 to 5 years	More than 5 years
Financial assets				
Available-for-sale financial assets	1,841	-	1,841	-
Other financial assets – Non current	14,707	-	14,683	24
Finance receivables – Current portion*	63,264	31,456	31,387	421
Trade receivables**	501,602	497,777	3,825	-
Other financial assets and financial receivables- Current	8,194	8,194	-	-
Hedging instruments	374	374	-	-
Cash and cash equivalents	535,412	535,412	-	-
Total financial assets	1,125,394	1,073,213	51,736	445

FINANCIAL LIABILITIES				
Non current debt***	1,045,442	27,667	505,659	512,115
Bank overdrafts	4,148	4,148	-	-
Current debt****	92,215	92,215	-	-
Other current debt	17	17	-	-
Hedging instruments	16,658	16,658	-	-
Trade payables	803,993	803,993	-	-
TOTAL FINANCIAL LIABILITIES	1,962,473	944,699	505,659	512,115

FINANCIAL ASSETS AND FINANCIAL LIABILITIES – NET	(837,079)	128,514	(453,923)	(511,670)
#				

(*) *Undiscounted amounts (see Notes 5.1.10 “Current financial receivables” and 6.4.1 “Other long-term financial receivables”).*

(**) *“Trade receivables” includes €49 521 thousand past due at December 31, 2015, against €40,529 thousand at December 31, 2014. See Note 6.3.1 on “Customer risk”.*

(***) *Non current borrowings include the amounts reported in the balance sheet and interest payable over the remaining life of the debt.*

(****) *Current borrowings include the amounts reported in the balance sheet and interest due within one year.*

(#) *See Note 5.2.7.4 on confirmed medium-term credit lines and drawdowns: in 2015 and 2014, confirmed and undrawn bank lines of credit comfortably covered the Group’s medium-term cumulative financing needs.*

6.5. Currency risk

Plastic Omnium’s activities are based for the most part on local plants: By producing locally what is sold locally, the Group has little exposure to currency fluctuations, aside from currency translation adjustments for the financial statements.

The Company’s policy is to minimize the currency risk on transactions involving a future inflow or outflow of funds. Nonetheless, if a transaction does give rise to a material currency risk, it is hedged by a forward currency contract. The subsidiary involved places this hedge with the central treasury or, with the latter’s approval, locally.

6.6. Interest rate risk

Interest rate risk relates to the effect of possible increases in variable rates on variable rate debt, which would have a negative impact on net financial income. Interest rate risk on debt is managed by the Group with the prime objective of keeping debt financing costs relatively low so as not to threaten profits.

At December 31, 2015, as at December 31, 2014, most of the Group's financing was at fixed rates (see Note 5.2.7.7 "Analysis of debt by type of interest rate" and Note 5.2.8.1 "Interest rate hedges").

Financial transactions, particularly interest rate hedges, are carried out with a number of leading financial institutions. A competitive bidding process is used for all material transactions, one of the selection criteria being satisfactory resource and counterparty diversification.

Sensitivity to interest rate changes:

At December 31, 2015, an increase of 1% in the rate of interest charged on the variable-rate debt would result in a net increase of €0.3 million in interest expense, after taking into account the impact of hedging instruments, compared with an increase of €1.5 million (in interest expense, after the impact of hedging instruments, for a 1% increase in the rate charged on variable-rate debt) at December 31, 2014.

At December 31, 2015, a 1% reduction in the interest rate charged on the variable-rate debt would result in a net decrease of €0.1 million in interest expense, after taking into account the impact of hedging instruments, compared with a decrease of €0.04 million (in interest expense, after the impact of hedging instruments, for a 1% reduction in the rate charged on floating-rate debt) at December 31, 2014.

6.7. Additional information about financial assets and liabilities

Most of the derivatives are traded over-the-counter on which there are no listed prices. Accordingly, they are valued based on models commonly used by traders to evaluate financial instruments (future discounted cash flow models or option valuation models).

Financial assets and liabilities by category and fair value break down as follows:

2015									
Assets	At amortized cost	At fair value			Total Carrying amount	Valued at cost	Instrument listed on an active market (level 1)	Valuations based on observable market data (level 2)	Valuations based on unobservable market data (level 3)
		Through the income statement	Through shareholders' equity (AFS) **	Through shareholders' equity (CFH hedge) ***					
Available-for-sale financial assets	-	-	1,528	-	1,528	1,528	-	-	-
Other non current financial assets	64,740	-	-	-	64,740	-	-	-	-
Finance receivables – current portion	18,833	-	-	-	18,833	-	-	-	-
Trade receivables	577,855	-	-	-	577,855	-	-	-	-
Other current financial assets and financial receivables	27,010	-	-	-	27,010	-	-	-	-
Hedging instruments	-	1,558	-	-	1,558	-	-	1,558	-
Cash and cash equivalents	-	663,156	-	-	663,156	-	444,614	218,542	-

Liabilities	At amortized cost	At fair value			Total Carrying amount	Valued at cost	Instrument listed on an active market (level 1)	Valuations based on observable market data (level 2)	Valuations based on unobservable market data (level 3)
		Through the income statement	Through shareholders' equity (AFS) **	Through shareholders' equity (CFH hedge) ***					
Non current borrowings*	921,148	-		-	921,148	-	-	-	-
Bank overdrafts	15,891	-		-	15,891	-	-	-	-
Current debt	94,188	-		-	94,188	-	-	-	-
Other current debt	4	-		-	4	-	-	-	-
Hedging instruments	-	-		12,757	12,757	-	-	12,757	-
Trade payables	1,010,431	-		-	1,010,431	-	-	-	-

2014

Assets	At amortized cost	At fair value			Total Carrying amount	Valued at cost	Instrument listed on an active market (level 1)	Valuations based on observable market data (level 2)	Valuations based on unobservable market data (level 3)
		Through the income statement	Through shareholders' equity (AFS) **	Through shareholders' equity (CFH hedge) ***					
Available-for-sale financial assets	-	-	1,841	-	1,841	1,841	-	-	-
Other non current financial assets	45,147	-	-	-	45,147	-	-	-	-
Finance receivables – current portion	31,213	-	-	-	31,213	-	-	-	-
Trade receivables	501,602	-	-	-	501,602	-	-	-	-
Other current financial assets and financial receivables	8,104	-	-	-	8,104	-	-	-	-
Hedging instruments	-	374	-	-	374	-	-	374	-
Cash and cash equivalents	-	535,412	-	-	535,412	-	310,977	224,435	-

Liabilities	At amortized cost	At fair value			Total Carrying amount	Valued at cost	Instrument listed on an active market (level 1)	Valuations based on observable market data (level 2)	Valuations based on unobservable market data (level 3)
		Through the income statement	Through shareholders' equity (AFS) **	Through shareholders' equity (CFH hedge) ***					
Current borrowings*	901,649	-		-	901,649	-	-	-	-
Bank overdrafts	4,148	-		-	4,148	-	-	-	-
Current debt	88,688	-		-	88,688	-	-	-	-
Other current debt	17	-		-	17	-	-	-	-
Hedging instruments	-	-		16,658	16,658	-	-	16,658	-
Trade payables	803,993	-		-	803,993	-	-	-	-

(*) See Note 5.2.7.5 “Reconciliation of gross and net debt”. This includes “Finance lease liabilities” and “Bonds and bank loans”.

(**) AFS: “Available for sale.”

(***) CFH: “Cash Flow Hedge.”

There were no transfers between fair value levels in 2015, as in 2014.

The fair value of financial assets and liabilities at amortized cost was close to the carrying amount, except for current and non current debt.

(in thousands of euros)	Balance sheet values at December 31, 2015		
	Total	Income before non-operating items	Non current portion
Bonds and bank loans	1,008,696	91,685	917,011

Fair value %	Fair value at December 31, 2015		
	Total	Income before non-operating items	Non current portion
	1,055,535	92,098	963,437

(in thousands of euros)	Balance sheet values at December 31, 2014		
	Total	Income before non-operating items	Non current portion
Bonds and bank loans	981,656	85,497	896,159

Fair value at December 31, 2014		
Total	Income before non-operating items	Non current portion
997,126	85,354	911,773

(*) See Note 5.2.7.5 “Reconciliation of gross and net debt.”

Means of measuring fair value:

- The fair value of listed bonds is determined on the basis of listed prices (level 1). The fair value of other borrowings is determined in each case by discounting future cash flows at a rate corresponding to the Euribor yield curve at year-end, corrected for the Group's credit risk (level 2);
- The fair value of monetary and non-monetary UCITS is measured according to their last known liquidity value (level 1). The fair value of interest rate products (certificates of deposits, time-deposit accounts, negotiable medium term notes, etc.) is based on discounted future cash flows (nominal and interest) for the remaining duration of the product at year-end (level 2). The discount rate used is the market rate matching the product's maturity and characteristics.
- Other non current financial assets and finance receivables: items consisting mainly of finance receivables recorded based on a discounted value when their maturity is more than one year.
- Most of the derivatives are traded over-the-counter on which there are no listed prices. Accordingly, they are valued based on models commonly used by traders to evaluate financial instruments using future discounted cash flow models or option valuation models (level 2).

7. ADDITIONAL INFORMATION

7.1. Number of employees at year-end

Employees	December 31, 2015			December 31, 2014			
	Excluding temporary staff	Temporary staff	Total	Excluding temporary staff	Temporary staff	Total	Change over total
France	4,494	1,039	5,533	4,500	723	5,223	6
%	27.0%	28.4%	27.3%	27.9%	22.8%	27.1%	
Europe excluding France	5,495	1,238	6,733	5,109	1,215	6,324	6
%	33.0%	33.8%	33.2%	31.7%	38.4%	32.8%	
North America	3,455	569	4 024	3,161	526	3,687	9
%	20.8%	15.5%	19.8%	19.6%	16.6%	19.1%	
Asia and South America*	3,184	815	3 999	3,334	704	4,038	(1)
%	19.1%	22.3%	19.7%	20.7%	22.2%	21.0%	
Total	16,628	3,661	20 289	16,104	3,168	19,272	5

(*) The “Asia and South America” region includes Turkey, South Africa and Morocco.

7.2. Off-balance sheet commitments

7.2.1 Commitments given and received

At December 31, 2015:

(in thousands of euros)	Total	Intangible assets	Property, plant and equipment	Financial assets and liabilities	Other non-financial current assets/liabilities
Surety bonds given	(14,719)	-	(810)	(1,788)	(12,121)
Commitments to purchase assets*	(84,506)	-	(84,506)	-	-
Debt collateral (mortgages)	(4,151)	-	-	(4,151)	-
Other off-balance sheet commitments**	(10,085)	-	-	(5,200)	(4,885)
Total commitments given	(113,461)	-	(85,316)	(11,139)	(17,006)
Surety bonds received	2,298	-	799	781	718
Other commitments received	-	-	-	-	-
Total commitments received	2,298	-	799	781	718
Total commitments – net	(111,163)	-	(84,517)	(10,358)	(16,288)

At December 31, 2014:

<i>(in thousands of euros)</i>	Total	Intangible assets	Property, plant and equipment	Financial assets and liabilities	Other non-financial current assets/liabilities
Surety bonds given	(17,526)	-	(865)	(5,695)	(10,966)
Commitments to purchase assets***	(59,633)	-	(59,633)	-	-
Debt collateral (mortgages)	(4,589)	-	(4,589)	-	-
Other off-balance sheet commitments	(2,284)	-	-	(1,000)	(1,284)
Total commitments given	(84,032)	-	(65,087)	(6,695)	(12,250)
Surety bonds received	1,359	-	1,097	-	262
Other commitments received	310	-	310	-	-
Total commitments received	1,669	-	1,407	-	262
Total commitments – net	(82,363)	-	(63,680)	(6,695)	(11,988)

(*) At December 31, 2015, the increase in commitments given on the acquisition of assets was mainly related to the investments made:

- in Mexico at the Ramos, Puebla and Leon plants (for a total of €15 million);
- and in China, at Guangzhou (€5 million).

(**) The increase in other off-balance sheet commitments given on assets and liabilities relates to a €4.7 million counter-guarantee (for an ARS 60 million loan) to BNP Argentina in favor of the Automotive division's subsidiary Plastic Omnium SA.

(***) At December 31, 2014, the increase in commitments given on the acquisition of assets was mainly related to the investments made:

- in the United States for the Anderson and Huron sites in particular (€7 million); and
- in the United Kingdom for the Warrington site (€22million).

7.2.2. Operating leases where the Group is lessee

<i>(in thousands of euros)</i>	December 31, 2015	December 31, 2014
<i>Minimum lease payments under non cancelable operating leases</i>		
Due within one year	37,151	33,510
Due in one to five years	83,135	76,715
Due beyond five years	32,076	8,987
Total	152,362	119,212

7.3. Related party transactions

7.3.1 Compensation paid to senior executives and corporate officers

Senior managers are the “persons having authority and responsibility for planning, directing and controlling the activities” of Compagnie Plastic Omnium and its subsidiaries, as defined in IAS 24.

On July 21, 2015, the Board of Directors decided to allocate a stock option plan according to the terms set by the Combined Shareholders’ meeting of April 25, 2013 on the basis of 300,000 stock options for Executive Corporate Officers according to cumulative criteria relative to the SBF 120 index and to the main automotive equipment manufacturers. This plan took effect on August 7, 2015. They stock options may be exercised as from August 7, 2019 for a three-year period. The exercise of the options granted is subject to market conditions and performance.

The total amount of compensation paid to members of the Board of Directors and Senior managers is presented in the table below:

<i>(in thousands of euros)</i>	Paid or payable by ...	2015	2014
Directors’ fees	Paid by Compagnie Plastic Omnium	121	102
Directors’ fees	Paid by companies controlled by Compagnie Plastic Omnium (excl. Compagnie Plastic Omnium) and by Burelle SA	395	543
Gross compensation	Payable by the Plastic Omnium Group	6,089	5,620
Supplementary pension plans	Payable by the Plastic Omnium Group	886	886
Cost of stock option plans	Payable by the Plastic Omnium Group	1,476	718
	<i>Cost spread over the vesting period</i>	884	718
	<i>Social contributions related to the new plan over the period</i>	592	-
Total compensation		8,966	7,869

Analysis of the social contributions for the plan allocated on August 6, 2015:

The rate of social contributions for the stock option plan of August 6, 2015 is 30%. The Group did not grant any new stock option plans in 2014.

The share of contributions related to the stock options of Executive Corporate Officers is presented in the table below and concerns only 2015:

<i>(in thousands of euros)</i> <i>(in units for the number of options)</i>	August 6 2015 plan
	-
<i>Rate of contribution of payroll taxes on stock option plans</i>	30.00%
Total number of options forming part of the basis on which contributions are calculated	545,000
Total contributions subject to performance conditions (in thousands of euros)*	1,076
Number of share options of Executive Corporate Officers	300,000
Social contributions on stock options of Executive Corporate Officers (in thousands of euros)	592

(*): All stock options granted to Senior Executives and Corporate Officers are subject to performance conditions. Contributions for all stock options subject to performance conditions were €1,076 thousand, and €735 thousand for the others.

7.3.2 Transactions with Sofiparc SAS, Burelle SA and Burelle Participations SA

At December 31, 2015:

(in thousands of euros)	Direct and indirect costs	Royalties and management fees	Financial income and expenses	Current accounts	Deposits	Trade payables	Trade receivables	Other receivables	Long-term borrowings
Sofiparc SAS	862	(4,462)	10	1	1,059	25	2	-	-
Burelle SA	-	(8,206)	16	13	-	3,446	7	18	-
Burelle Participations SA	-	-	6	-	-	-	6	-	-

At December 31, 2014:

(in thousands of euros)	Direct and indirect costs	Royalties and management fees	Financial income and expenses	Current accounts	Deposits	Trade payables	Trade receivables	Other receivables	Long-term borrowings
Sofiparc SAS	(549)	(4,705)	10	2	1,058	48	2	-	-
Burelle SA	-	(7,794)	7	6	-	1,930	6	18	-
Burelle Participations SA	-	-	6	-	-	-	-	-	-

7.4. Fees paid to the Statutory Auditors

(in thousands of euros)	2015		
	Mazars	Ernst & Young	Total
Audit services	(1,774)	(2,018)	(3,792)
<i>Of which:</i>			
<i>Compagnie Plastic Omnium</i>	<i>(384)</i>	<i>(357)</i>	<i>(741)</i>
<i>Subsidiaries</i>	<i>(1,390)</i>	<i>(1,661)</i>	<i>(3,051)</i>
Other fees and services related directly to the duties of the Statutory Auditor	(177)	(35)	(212)
<i>Of which:</i>			
<i>Compagnie Plastic Omnium</i>	<i>(51)</i>	<i>12</i>	<i>(105)</i>
<i>Subsidiaries</i>	<i>(126)</i>	<i>(47)</i>	<i>(39)</i>
Total	(1,951)	(2,053)	(4,004)

	2014		
	Mazars	Ernst & Young	Total
<i>(in thousands of euros)</i>			
Audit services	(1,629)	(1,695)	(3,324)
<i>Of which:</i>			
<i>Compagnie Plastic Omnium*</i>	<i>(384)</i>	<i>(357)</i>	<i>(741)</i>
<i>Subsidiaries</i>	<i>(1,245)</i>	<i>(1,338)</i>	<i>(2,583)</i>
Other fees and services related directly to the duties of the Statutory Auditor	(213)	(183)	(396)
<i>Of which:</i>			
<i>Compagnie Plastic Omnium</i>	<i>(81)</i>	<i>(10)</i>	<i>(91)</i>
<i>Subsidiaries</i>	<i>(132)</i>	<i>(173)</i>	<i>(305)</i>
Total	(1,842)	(1,878)	(3,720)

7.5. Consolidating entity

Burelle SA holds 58.71% of Compagnie Plastic Omnium after the impact of cancellation of Compagnie Plastic Omnium's treasury stock (56.60% prior to cancelation of treasury stock) and fully consolidates the Company.

Burelle SA – 19 Boulevard Jules Carteret
69342 Lyon Cedex 07

7.6. Subsequent events

Closure of the Laval fuel systems production site:

On January 8, 2016, the Group announced its intention to close the fuel systems production site in Laval (Mayenne, France) during 2016. The site is part of the Automotive division and employs 93 people.

Business at the Laval site declined by 60% in the period 2011 to 2015, falling from an annual rate of production of 880,000 fuel systems to 350,000, with no recovery in sight.

The plan for the closure presented by Plastic Omnium provides for the transfer of fuel system production to two other sites in France, Pfastatt (Haut-Rhin) and Compiègne (Oise), and the takeover of part of the valves production activity by a local business.

All 93 employees will be offered redeployment support.

Acquisition of the minority stake in the German company RMS Rotherm Maschinenbau GmbH:

In a €3.3 million deal, on January 27, 2016 the Group acquired the 30% stake in the German-based RMS Rotherm Maschinenbau GmbH from its partners, brothers Egbert and Andreas Rotherm. Under the terms of the transaction, ownership is transferred immediately giving the Group 100% of the company.

Since the company was already controlled by the Group, the method of consolidation remains unchanged.

The impact of the acquisition of minority interests on 2016 consolidated equity - Group share will be €-1,812 thousand.

No event likely to have a material impact on the Group's business, financial position, earnings or assets and liabilities at December 31, 2015, has occurred since the closing date.

LIST OF CONSOLIDATED COMPANIES AT DECEMBER 31, 2015

Legal name	Reportable segments			December 31, 2015			December 31, 2014			Tax group
	Auto-motive	Environment	Not assigned	Consolidation method	% voting rights	% interest	Consolidation method	% voting rights	% interest	
France										
COMPAGNIE PLASTIC OMNIUM SA			*	Parent company			Parent company			1 - a
PLASTIC OMNIUM SYSTEMES URBAINS SAS		*		FC	100	100	FC	100	100	1 - b
METROPLAST SAS		*		FC	100	100	FC	100	100	1 - b
LA REUNION VILLES PROPRES SAS		*		FC	100	100	FC	100	100	1 - b
PLASTIC OMNIUM CARAIBES SAS		*		FC	100	100	FC	100	100	1 - b
INERGY AUTOMOTIVE SYSTEMS FRANCE SAS		*		FC	100	100	FC	100	100	1 - a
PLASTIC RECYCLING SAS		*		EM Ifrs 2014	50	50	EM_IFRS_2014	50	50	
PLASTIC OMNIUM AUTO EXTERIEUR SA		*		FC	100	100	FC	100	100	1 - a
PLASTIC OMNIUM AUTO EXTERIEUR SERVICES SAS		*		FC	100	100	FC	100	100	1 - a
PLASTIC OMNIUM GESTION SNC			*	FC	100	100	FC	100	100	1 - a
PLASTIC OMNIUM FINANCE SNC			*	FC	100	100	FC	100	100	1 - a
LUDOPARC SAS		*		FC	100	100	FC	100	100	1 - b
PLASTIC OMNIUM ENVIRONNEMENT SAS	d2015	*	*	FC	100	100	FC	100	100	1 - a
PLASTIC OMNIUM AUTO EXTERIORS SAS		*		FC	100	100	FC	100	100	1 - a
PLASTIC OMNIUM AUTO INERGY SAS	x2015a	*		FC	100	100	FC	100	100	1 - a
PLASTIC OMNIUM AUTO INERGY MANAGEMENT SAS	x2015b	*		FC	100	100	FC	100	100	1 - a
VALEO PLASTIC OMNIUM SNC		*		EM Ifrs 2014	50	50	EM_IFRS_2014	50	50	
BEAUVAIS DIFFUSION SAS		*		FC	100	100	FC	100	100	1 - b
PLASTIC OMNIUM VERNON SAS		*		FC	100	100	FC	100	100	1 - a
TECHNIQUES ET MATERIELS DE COLLECTE - « TEMACO » SAS		*		G	FC	100	FC	100	100	1 - b
PLASTIC OMNIUM COMPOSITES SA		*		FC	100	100	FC	100	100	1 - a
MIXT COMPOSITES ET RECYCLABLES - MCR SAS		*		FC	100	100	FC	100	100	1 - a
PLASTIC OMNIUM ENVIRONNEMENT HOLDING SAS		*		FC	100	100	FC	100	100	1 - b
SIGNALISATION FRANCE SA			*	FC	100	100	FC	100	100	1 - b
SULO FRANCE SAS		*		FC	100	100	FC	100	100	1 - b
PLASTIC OMNIUM AUTO EXTERIORS INDUSTRIES SAS	d2015	*		G	FC	100	FC	100	100	
PLASTIC OMNIUM INTERNATIONAL SAS	d2015	*		FC	100	100	FC	100	100	
INERGY AUTOMOTIVE SYTEMS INDUSTRIES SAS		*		FC	100	100	FC	100	100	1 - a
PLASTIC OMNIUM AUTO INERGY SERVICES SAS	a2015	*		FC	100	100	-	-	-	
PLASTIC OMNIUM AUTO INERGY FRANCE SAS	a2015	*		FC	100	100	-	-	-	
South Africa										
PLASTIC OMNIUM AUTO INERGY SOUTH AFRICA (PROPRIETARY) LTD	x2015c	*		FC	100	100	FC	100	100	

CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2015 - COMPAGNIE PLASTIC OMNIUM

Legal name	Reportable segments			December 31, 2015			December 31, 2014			Tax group
	Auto-motive	Environment	Not assigned	Consolidation method	% voting rights	% interest	Consolidation method	% voting rights	% interest	
<u>Germany</u>										
PLASTIC OMNIUM GmbH			*	FC	100	100	FC	100	100	2 - b
PLASTIC OMNIUM AUTO COMPONENTS GmbH	*			FC	100	100	FC	100	100	2 - b
PLASTIC OMNIUM ENTSORGUNGSTECHNIK GmbH		*		FC	100	100	FC	100	100	2 - c
PLASTIC OMNIUM AUTO INERGY GERMANY GmbH	x2015d	*		FC	100	100	FC	100	100	2 - b
HBPO BETEILIGUNGSGESELLSCHAFT GmbH	*			EM Ifrs 2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
HBPO RASTATT GmbH	*			EM Ifrs 2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
HBPO GERMANY GmbH	*			EM Ifrs 2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
HBPO GmbH	*			EM Ifrs 2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
PLASTIC OMNIUM ENVIRONNEMENT GmbH		*		FC	100	100	FC	100	100	2 - c
ENVICOMP SYSTEMLOGISTIK GmbH		*		FC	100	100	FC	100	100	2 - a
WESTFALIA INTRALOG GmbH		*		FC	100	100	FC	100	100	2 - a
SULO EISENWERK STREUBER & LOHMANN GmbH		*		FC	100	100	FC	100	100	2 - c
SULO UMWELTTECHNIK GmbH		*		FC	100	100	FC	100	100	2 - c
SULO UMWELTTECHNIK BETEILIGUNGS GmbH		*		FC	100	100	FC	100	100	
SULO EMBALLAGEN GmbH	a2015	*		FC	100	100	FC	100	100	2 - b
PLASTIC OMNIUM URBAN SYSTEMS GmbH		*		FC	100	100	FC	100	100	2 - a
PLASTIC OMNIUM COMPOSITES GmbH	*			FC	100	100	FC	100	100	2 - b
RMS ROTHERM MASCHINENBAU GmbH		*		FC	100	100	FC	70	70	
HBPO INGOLSTADT GmbH	*			EM Ifrs 2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
HBPO REGENSBURG GmbH	*			EM Ifrs 2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
SULO EA GmbH		*		FC	100	100	-	-	-	2 - c
<u>Argentina</u>										
PLASTIC OMNIUM AUTO INERGY ARGENTINA SA	e2015	*		FC	100	100	FC	100	100	
PLASTIC OMNIUM SA		*		FC	100	100	FC	100	100	
<u>Belgium</u>										
PLASTIC OMNIUM AUTOMOTIVE NV	e2015	*		FC	100	100	FC	100	100	
PLASTIC OMNIUM NV		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM ADVANCED INNOVATION AND RESEARCH NV	x2015f	*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY BELGIUM SA	x2015g	*		FC	100	100	FC	100	100	
<u>Brazil</u>										
INERGY AUTOMOTIVE SYSTEMS DO BRAZIL LDA		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM DO BRASIL Ltda		*	*	FC	100	100	FC	100	100	

CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2015 - COMPAGNIE PLASTIC OMNIUM

Legal name	Reportable segments			December 31, 2015			December 31, 2014			Tax group
	Auto-motive	Environment	Not assigned	Consolidation method	% voting rights	% interest	Consolidation method	% voting rights	% interest	
Canada										
INERGY AUTOMOTIVE SYSTEMS CANADA INC	e2014	*		-	-	-	FC	100	100	
HBPO CANADA INC.		*		EM Ifrs 2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
Chile										
PLASTIC OMNIUM SA			*	FC	100	100	FC	100	100	
China										
PLASTIC OMNIUM COMPOSITES (JIANGSU) Co Ltd		*		FC	100	100	FC	100	100	
WUHAN PLASTIC OMNIUM AUTO INERGY Co Ltd	x2015u	*		FC	100	100	FC	100	100	
YANFENG PLASTIC OMNIUM AUTOMOTIVE EXTERIOR SYSTEMS Co Ltd		*		EM Ifrs 2014	49.95	49.95	EM_IFRS_2014	49.95	49.95	
PLASTIC OMNIUM INERGY (SHANGHAI) CONSULTING Co Ltd		*		FC	100	100	FC	100	100	
INERGY AUTOMOTIVE SYSTEMS CONSULTING (BEIJING) Co Ltd		*		FC	100	100	FC	100	100	
INERGY AUTOMOTIVE SYSTEMS MANUFACTURING (BEIJING) Co Ltd		*		FC	60	60	FC	60	60	
CHONGQING YANFENG PLASTIC OMNIUM AUTOMOTIVE EXTERIOR FAWAY Co Ltd		*		EM Ifrs 2014	49.95	25.47	EM_IFRS_2014	49.95	25.47	
GUANGZHOU ZHONGXIN YANFENG PLASTIC OMNIUM AUTOMOTIVE EXTERIOR TRIM Co Ltd		*		EM Ifrs 2014	49.95	25.47	EM_IFRS_2014	49.95	25.47	
CHENGDU FAWAY YANFENG PLASTIC OMNIUM Co Ltd		*		EM	24.48	24.48	EM	24.48	24.48	
HBPO CHINA Co Ltd		*		EM Ifrs 2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
YANFENG PLASTIC OMNIUM (SHANGHAI) AUTOMOTIVE EXTERIOR SYSTEMS Co Ltd		*		EM Ifrs 2014	49.95	49.95	EM_IFRS_2014	49.95	49.95	
DONGFENG PLASTIC OMNIUM AUTOMOTIVE EXTERIOR SYSTEMS Co Ltd	g2014	*		EM	24.98	24.98	EM	24.98	24.98	
GUANGZHOU PLASTIC OMNIUM AUTO INERGY Co Ltd	x2015s	*		FC	100	100	FC	100	100	
SHENYANG PLASTIC OMNIUM AUTO INERGY Co Ltd	x2015t	*		FC	100	100	FC	100	100	
YANFENG PLASTIC OMNIUM YIZHENG AUTOMOTIVE EXTERIOR SYSTEM Co Ltd		*		EM Ifrs 2014	49.95	49.95	EM_IFRS_2014	49.95	49.95	
PLASTIC OMNIUM HOLDING (SHANGHAI) Co Ltd			*	FC	100	100	FC	100	100	
YANFENG PLASTIC OMNIUM (SHENYANG) AUTOMOTIVE EXTERIOR SYSTEMS Co Ltd		*		EM Ifrs 2014	49.95	49.95	EM_IFRS_2014	49.95	49.95	
YANFENG PLASTIC OMNIUM NINGBO AUTOMOTIVE EXTERIOR SYSTEMS Co Ltd		*		EM Ifrs 2014	49.95	49.95	EM_IFRS_2014	49.95	49.95	
YANFENG PLASTIC OMNIUM WUHAN AUTOMOTIVE EXTERIOR SYSTEMS Co Ltd		*		EM Ifrs 2014	49.95	49.95	EM_IFRS_2014	49.95	49.95	
(NINGBO) PLASTIC OMNIUM AUTO INERGY Co Ltd		*		FC	100	100	FC	100	100	
HBPO CHINA BEIJING Co Ltd	a2014	*		EM Ifrs 2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
YANFENG PLASTIC OMNIUM HARBIN AUTOMOTIVE EXTERIOR SYSTEMS Co Ltd	a2015	*		EM Ifrs 2014	49.95	49.95	-	-	-	
CHONGQING PLASTIC OMNIUM AUTO INERGY Ltd Co	a2015			FC	100	100	-	-	-	
South Korea										
SHB AUTOMOTIVE MODULES		*		EM Ifrs 2014	16.67	16.67	EM_IFRS_2014	16.67	16.67	
HBPO KOREA Ltd		*		EM Ifrs 2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
PLASTIC OMNIUM Co Ltd	x2015h	*		FC	100	100	FC	100	100	
HBPO PYEONGTAEK Ltd		*		EM Ifrs 2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
HBPO ASIA HQ Ltd	a2014	*		EM Ifrs 2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	

CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2015 - COMPAGNIE PLASTIC OMNIUM

Legal name	Reportable segments			December 31, 2015			December 31, 2014			Tax group
	Auto-motive	Environment	Not assigned	Consolidation method	% voting rights	% interest	Consolidation method	% voting rights	% interest	
<u>Spain</u>										
COMPANIA PLASTIC OMNIUM SA			*	FC	100	100	FC	100	100	3
PLASTIC OMNIUM EQUIPAMIENTOS EXTERIORES SA			*	FC	100	100	FC	100	100	3
PLASTIC OMNIUM SISTEMAS URBANOS SA			*	FC	100	100	FC	100	100	3
INERGY AUTOMOTIVE SYSTEMS VALLADOLID SL	e2014		*	-	-	-	FC	100	100	
PLASTIC OMNIUM AUTO INERGY SPAIN SA	x2015i		*	FC	100	100	FC	100	100	3
VALEO PLASTIC OMNIUM SL	e2014		*	-	-	-	EM_IFRS_2014	50	50	
PLASTIC OMNIUM COMPOSITES ESPANA SA			*	FC	100	100	FC	100	100	3
HBPO IBERIA SL	d2015		*	EM Ifrs 2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
SIGNATURE SENALIZACION SA			*	FC	100	100	FC	100	100	3
HBPO AUTOMOTIVE SPAIN SL			*	EM Ifrs 2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
PLASTIC OMNIUM COMPONENTES EXTERIORES SL			*	FC	100	100	FC	100	100	3
<u>United States</u>										
PLASTIC OMNIUM AUTO EXTERIORS LLC			*	FC	100	100	FC	100	100	4
PLASTIC OMNIUM Inc.			*	FC	100	100	FC	100	100	4
PLASTIC OMNIUM INDUSTRIES Inc.			*	FC	100	100	FC	100	100	4
PLASTIC OMNIUM AUTO INERGY (USA) LLC	x2015u		*	FC	100	100	FC	100	100	4
PLASTIC OMNIUM AUTOMOTIVE SERVICES Inc.			*	FC	100	100	FC	100	100	4
HBPO NORTH AMERICA Inc.			*	EM Ifrs 2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
INERGY AUTOMOTIVE SYSTEMS HOLDING Inc.	d2014		*	-	-	-	FC	100	100	
<u>Hungary</u>										
HBPO MANUFACTURING HUNGARY Kft			*	EM Ifrs 2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
HBPO AUTOMOTIVE HUNGARIA Kft			*	EM Ifrs 2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
<u>India</u>										
PLASTIC OMNIUM AUTO EXTERIORS (INDIA) PVT Ltd			*	FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY INDIA PVT Ltd	x2015v		*	FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY MANUFACTURING INDIA PVT Ltd	x2015w		*	FC	55	55	FC	55	55	
<u>Japan</u>										
PLASTIC OMNIUM KK	x2015j		*	FC	100	100	FC	100	100	
HBPO JAPAN KK	a2014		*	EM Ifrs 2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	

CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2015 - COMPAGNIE PLASTIC OMNIUM

Legal name	Reportable segments			December 31, 2015			December 31, 2014			Tax group
	Auto-motive	Environment	Not assigned	Consolidation method	% voting rights	% interest	Consolidation method	% voting rights	% interest	
Malaysia										
HICOM HBPO SDN BHD	*			EM	13.33	13.33	EM	13.33	13.33	
Morocco										
INERGY AUTOMOTIVE SYSTEMS (MOROCCO) SARL	*			FC	100	100	FC	100	100	
Mexico										
PLASTIC OMNIUM AUTOMOVIL SA DE CV	*			-	-	-	FC	100	100	
PLASTIC OMNIUM AUTO EXTERIORES SA DE CV	d2014*			FC	100	100	FC	100	100	
PLASTIC OMNIUM INDUSTRIAL AUTO EXTERIORES RAMOS ARIZPE SA DE CV	*			FC	100	100	FC	100	100	
PLASTIC OMNIUM DEL BAJIO SA DE CV	*			FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY MEXICO SA DE CV	x2015k			FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY INDUSTRIAL MEXICO SA DE CV	x2015l			FC	100	100	FC	100	100	
INOPLAST COMPOSITES SA DE CV	*			FC	100	100	FC	100	100	
INOPLASTIC OMNIUM INDUSTRIAL SA DE CV	*			FC	100	100	FC	100	100	
PLASTIC OMNIUM SISTEMAS URBANOS SA DE CV	*			FC	100	100	FC	100	100	
HBPO MEXICO SA DE CV	*			EM Ifrs 2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
PLASTIC OMNIUM MEDIO AMBIENTE SA DE CV	*			FC	100	100	FC	100	100	
PLASTIC OMNIUM TOLUCA SA DE CV	*			FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INDUSTRIAL SRL DE CV	*			FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY INDUSTRIAL SA DE CV	x2015m			FC	100	v	FC	100	100	
Netherlands										
PLASTIC OMNIUM BV	xd2014	*		FC	100	100	FC	100	100	5
PLASTIC OMNIUM ENVIRONMENT BV	x2015n	*		FC	100	100	FC	100	100	5
SULO BV	xd2014	*		FC	100	100	FC	100	100	5
DSK PLASTIC OMNIUM BV	*			FC	51	51	FC	51	51	
Poland										
PLASTIC OMNIUM AUTO INERGY POLAND Sp Z.O.O	x2015o	*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO EXTERIORS Sp Z.O.O	*			FC	100	100	FC	100	100	
SULO Sp Z.O.O	*			FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO Sp Z.O.O	*			FC	100	100	FC	100	100	

CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2015 - COMPAGNIE PLASTIC OMNIUM

Legal name	Reportable segments			December 31, 2015			December 31, 2014			Tax group
	Auto-motive	Environment	Not assigned	Consolidation method	% voting rights	% interest	Consolidation method	% voting rights	% interest	
<u>Czech Republic</u>										
HBPO CZECH S.R.O.	*			EM Ifrs 2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
SULO S.R.O.		*		FC	100	100	FC	100	100	
<u>Romania</u>										
PLASTIC OMNIUM AUTO INERGY ROMANIA SRL	x2015p	*		FC	100	100	FC	100	100	
<u>United Kingdom</u>										
PLASTIC OMNIUM AUTOMOTIVE Ltd		*		FC	100	100	FC	100	100	6
PLASTIC OMNIUM URBAN SYSTEMS Ltd		*		FC	100	100	FC	100	100	6
SIGNATURE Ltd		*		FC	100	100	FC	100	100	6
SULO MGB Ltd		*		FC	100	100	FC	100	100	
HBPO UK Ltd		*		EM Ifrs 2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
<u>Russia</u>										
OOO STRAVROVO AUTOMOTIVE SYSTEMS		*		FC	100	100	FC	100	100	
DSK PLASTIC OMNIUM INERGY		*		FC	51	51	FC	51	51	
<u>Singapore</u>										
SULO ENVIRONMENTAL SYSTEMS PTE Ltd			*	FC	100	100	FC	100	100	
<u>Slovakia</u>										
PLASTIC OMNIUM AUTO EXTERIORS S.R.O.		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY SLOVAKIA S.R.O.	x2015q	*		FC	100	100	FC	100	100	
HBPO SLOVAKIA S.R.O.		*		EM Ifrs 2014	33.33	33.33	EM_IFRS_2014	33.33	33.33	
<u>Sweden</u>										
PLASTIC OMNIUM AB			*	FC	100	100	FC	100	100	
<u>Switzerland</u>										
PLASTIC OMNIUM AG			*	FC	100	100	FC	100	100	
PLASTIC OMNIUM RE AG			*	FC	100	100	FC	100	100	
SIGNAL AG	c2014		*	-	-	-	EM_IFRS_2014	50	50	
<u>Thailand</u>										
PLASTIC OMNIUM AUTO INERGY THAILAND Co LTD	x2015x	*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTOMOTIVE Co Ltd		*					FC	100	100	
<u>Turkey</u>										
B.P.O. AS		*		EM Ifrs 2014	50	49.98	EM_IFRS_2014	50	49.98	

Consolidation method and notes:

FC:	Fully consolidated
EM:	Entities that were already consolidated by the equity method before the application of the new consolidation standards on January 1, 2014
EM_IFRS_2014:	Companies consolidated by the equity method since the application of the new consolidation standards as of January 1, 2014.

Movements during the period:

Creation of entities:

a2014	Companies newly-formed and/or in start-up phase in 2014
a2015	Companies newly-formed and/or in start-up phase in 2015

Disposal of entities:

c2014	Companies divested in 2014
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Merging of entities:

d2014	Companies merged in 2014
d2015	Companies merged in 2015
d2014*	Company legally absorbed by Inoplast Composites SA de CV in 2010 and recognized as such on the financial statements in June 2014.
xd2014	“Sulo BV” absorbed “Plastic Omnium BV” and took over the “Plastic Omnium BV” company name.

Liquidation of entities:

e2014	Companies liquidated in 2014
e2015	Companies liquidated in 2015

Change in the percentage of Plastic Omnium ownership:

g2014	Capital increase for “Dongfeng Plastic Omnium Automotive Exterior Systems Co Ltd” fully subscribed by Plastic Omnium
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Change in company name:

x2015	Companies whose name was changed in 2015
x2015a	"Plastic Omnium Auto Inergy SAS" is the new name of "Inergy Automotive Systems SAS."
x2015b	"Plastic Omnium Auto Inergy Management SAS" is the new name of "Inergy Automotive Systems Management SAS."
x2015c	"Plastic Omnium Auto Inergy South Africa (Proprietary) Ltd" is the new name of "Inergy Automotive Systems South Africa Ltd."
x2015d	"Plastic Omnium Auto Inergy Germany GmbH" is the new name of "Inergy Automotive Systems Germany GmbH."
x2015e	"Plastic Omnium Auto Inergy Argentina SA" is the new name of "Inergy Automotive Systems Argentina SA."
x2015f	"Plastic Omnium Advanced Innovation and Research NV" is the new name of "Inergy Automotive Systems Research NV."
x2015g	"Plastic Omnium Auto Inergy Belgium SA" is the new name of "Inergy Automotive Systems Belgium SA."
x2015h	"Plastic Omnium Co. Ltd" is the new name of "Inergy Automotive Systems Co. Ltd."
x2015i	"Plastic Omnium Auto Inergy Spain SA" is the new name of "Inergy Automotive Systems Spain SA."
x2015j	"Plastic Omnium K.K" is the new name of "Inergy Automotive Systems K .K."
x2015k	"Plastic Omnium Auto Inergy Mexico SA de CV" is the new name of "Inergy Automotive Systems Mexico SA de CV."
x2015l	"Plastic Omnium Auto Inergy Industrial Mexico SA de CV " is the new name of "Inergy Automotive Systems Industrial Mexico SA de CV."
x2015m	"Plastic Omnium Auto Inergy Industrial SA de CV" is the new name of "Inergy Automotive Industrial SA de CV"
x2015n	"Plastic Omnium Environment BV" is the new name of "Plastic Omnium International BV."
x2015o	"Plastic Omnium Auto Inergy Poland Sp Z.O.O." is the new name of "Inergy Automotive Systems Poland Sp Z.O.O."
x2015p	"Plastic Omnium Auto Inergy Romania SRL" is the new name of "Inergy Automotive Systems Romania SRL."

x2015q	"Plastic Omnium Auto Inergy Slovakia S.R.O." is the new name of "Inergy Automotive Systems Slovakia S.R.O."
x2015r	"Wuhan Plastic Omnium Auto Inergy Co Ltd" is the new name of "Inergy Automotive Systems (Wuhan) Co Ltd".
x2015s	"Guangzhou Plastic Omnium Auto Inergy Co Ltd" is the new name of "Inergy Automotive Systems Guangzhou Co Ltd"
x2015t	"Shenyang Plastic Omnium Auto Inergy Co Ltd" is the new name of "Inergy Automotive System Shenyang Co Ltd".
x2015u	"Plastic Omnium Auto Inergy (USA) LLC" is the new name of "Inergy Automotive Systems (USA)".
x2015v	"Plastic Omnium Auto Inergy India Pvt Ltd" is the new name of "Inergy Automotive Systems India Pvt Ltd".
x2015w	"Plastic Omnium Auto Inergy Manufacturing India Pvt Ltd" is the new name of "Inergy Automotive Systems Manufacturing India Pvt Ltd".
x2015x	"Plastic Omnium Auto Inergy Thailand Co Ltd" is the new name of "Inergy Automotive Systems (Thailand) Ltd".

Tax group:

1 – a	Plastic Omnium France
1 – b	France Plastic Omnium Environnement Holding
2 - a	Germany Systèmes Urbains
2 - b	Germany Plastic Omnium GmbH
2 - c	Germany Plastic Omnium Environnement
3	Spain
4	United States
5	Netherlands
6	United Kingdom