

1st quarter revenue, 2020: -4.4%
A 20-point outperformance
over the worldwide automotive production⁴

**A resilient Group thanks to a solid financial structure
and committed teams**

1st quarter revenue, 2020

During the 1st quarter of 2020, thanks to its solid order backlog, Plastic Omnium managed to outperform by 20 points the worldwide automotive production, down by 24.4% due in particular to the Covid-19 pandemic (outperformance by 19.6 points on economic revenue and by 21.7 points on consolidated revenue).

This outperformance over worldwide automotive production occurs in the two Group's businesses, Plastic Omnium Industries and Plastic Omnium Modules, and in Europe, North America and China. Thus, Plastic Omnium once again demonstrated the soundness of its product and customer positioning and its global industrial footprint.

In € millions by business line	1 st quarter 2019	1 st quarter 2020	Change	Change like-for- like ³
Plastic Omnium Industries	1,673.4	1,597.8	-4.5%	-5.1%
Plastic Omnium Modules	562.8	538.9	-4.2%	-3.9%
Economic revenue¹	2,236.2	2,136.7	-4.4%	-4.8%
Joint ventures	161.3	107.5	-33.3%	
Consolidated revenue²	2,074.9	2,029.2	-2.2%	-2.7%

Economic revenue¹ for Compagnie Plastic Omnium SE amounted to €2,137 million for the 1st quarter of 2020, down by -4.4% compared to the 1st quarter of 2019 and -4.8% like-for-like.

Consolidated revenue² amounted to €2,029 million for the 1st quarter of 2020, down by -2.2% compared to the 1st quarter of 2019 and -2.7% like-for-like.

The production activities of Plastic Omnium Industries and the assembly activities of Plastic Omnium Modules, while down by 5.1% and 3.9% like-for-like over the quarter respectively, achieved an **outperformance of 19.3 points and 20.5 points**.

Plastic Omnium outperformed automotive production in Europe, North America and China:

In € millions and % of sales By region	1 st quarter 2019	1 st quarter 2020	Change	Change like-for- like*	Automotive production ⁴
Europe	1,206.5 54%	1,182.1 55%	-2.0%	-2.2%	-20.8%
North America	599.0 27%	647.7 30%	+8.1%	+5.8%	-11.1%
China	184.8 8%	121.4 6%	-34.3%	-34.0%	-49.3%
Asia excluding China	185.8 8%	136.4 6%	-26.6%	-26.0%	-14.5%
South America	37.4 1%	24.3 1%	-35.0%	-18.9%	-16.6%
Africa	22.7 1%	24.7 1%	+9.1%	+11.7%	-4.2%
Economic revenue¹	2,236.2	2,136.7	-4.4%	-4.8%	-24.4%
Joint ventures	161.3	107.5	-33.3%		-
Consolidated revenue²	2,074.9	2,029.2	-2.2%	-2.7%	-24.4%

* Change like-for-like = at constant scope and exchange rates

In **Europe**, automotive production, already expected to decrease by around 5% before Covid-19, suffered from the OEMs' abrupt shutdowns as of mid-March, resulting in a decrease of 20.8% for the 1st quarter of 2020. In this context, Plastic Omnium's revenue amounted to €1,182 million, down 2.2%, an outperformance of 18.6 points. It benefited in particular from strong business in Spain, the continued success of the SCR emissions control system and the extension of its modules range.

Since mid-March, the Group's 55 European plants have been gradually shut down. To date, 14 plants have restarted production.

Revenue in **North America** continued to benefit from the ramp-up of the new American and Mexican plants. Economic revenue amounted to €648 million, up by 5.8% like-for-like, an outperformance of 16.9 points.

From the end of March, production at the 27 North and South American plants has been progressively stopped. They are still at a standstill today.

China, which was the first country affected by Covid-19 and by OEMs' shutdowns since end of January, saw a 49.3% decrease in automotive production during the 1st quarter of 2020. In this context, Plastic Omnium's revenue limited its decline to -34% thanks to its solid order backlog, an outperformance of 15.3 points.

The Group began to shut down its plants at the start of February. By mid-March, all of the Group's 29 Chinese plants had restarted production. Their utilization rate is around 50% today.

In **Asia excluding China**, business decreased by 26% like-for-like, in a market that declined by 14.5%. From an operating standpoint, after short plant shutdowns, the activity restarted in South Korea and Thailand and continued in Japan; it is stopped in India and Malaysia.

On a worldwide basis, 81 out of the Group's 131 plants are currently closed. The OEMs' shutdowns are programmed for announced or estimated periods up to end April - during May 2020 but the Group is preparing for possible later re-openings. The impact on the Group's activity during the 2nd

quarter will depend on the pace of restarts at OEMs' plants, the stabilization of the global logistics chain and demand from final consumers.

Based on its experience of restarting its 29 Chinese plants, Plastic Omnium expects, in Europe and North America, a gradual restart of its industrial footprint between the start of May and end of June with utilization rates that will remain moderate for the first few months. The Group already expects a strong decline in revenue for the 2nd quarter in an automotive market down by 45%.

The Group's operational management and reactivity with regard to plant closures

Having anticipated from the start of the year a significant decrease in automotive production then a growing risk from the Covid-19 pandemic, the Group has, for several months, organized itself to reduce its costs and be ready to rapidly adjust its industrial footprint. In the current context, these cost reduction plans have been strengthened through extremely rapid implementation and daily management on a site-by-site basis;

- Payroll flexibility measures have been implemented, according to the available provisions, in all European plants (*chômage partiel* in France, *kurzarbeit* in Germany, etc) and American plants (temporary lay-offs in the United States) from their dates of closure; the contracts of temporary employees (representing 20% of the workforce) in the countries concerned were terminated;
- These measures also cover all of the Group's R&D centers and administrative centers outside of China;
- The 305 Group's executives, as well as all of the members of the Group's Board of Directors, more than ever mobilized to manage the situation, are contributing to the collective effort. Compensation for executives has been reduced by 15% during the activity stoppage time (-20% for Executive Committee members and -25% for executive directors) and the annual directors' compensation was reduced, on their initiative, by 15%;
- All non-essential expense commitments have been stopped and the application of this rule strictly controlled;
- Cost reduction plans are subject to daily reporting.

All of these measures have enabled the Group to significantly reduce its breakeven.

The Group supports its employees through accompanying measures; he also created an ACT FOR ALL™ fund dedicated to the fight against the impacts of Covid-19

Plastic Omnium has implemented support measures in numerous countries, along with its social partners, in the form of additional compensation, early vacations, or hour banks to reduce the loss of purchasing power for its employees affected by the work flexibility measures.

The Group has also created a specific fund with an initial amount of €1 million dedicated to the fight against Covid-19. This will provide immediate tangible support for local players, as part of the Group's CSR policy, ACT FOR ALL™. Thanks to this fund and guided by the directors of plants and sites spread over 26 countries, Plastic Omnium's teams implement and finance local initiatives for the elderly, isolated people, health workers and all workers engaged in the front line against Covid-19.

The Group is preparing for the restart of its plants

Based on the experience gained during the restart of its 29 plants and two Research and Development centers in China, Plastic Omnium has anticipated and already implemented very detailed plans for the restart of its sites in order to protect the health of its employees, in close cooperation with the OEMs, employee representatives and all its suppliers:

- The Group is organizing health and protection measures for its employees in order to be able to restart the sites' activities, whilst ensuring maximum safety for all:
 - o Masks, hydro-alcoholic sanitizing gel and gloves will be provided to all employees;
 - o Plastic Omnium has set up two production lines for surgical masks. With one in France and one in Mexico, these will enable the Group to cover its own needs as of May;
 - o Employees' temperatures are electronically checked at each entry on-site;
 - o The production layout has been changed to ensure that employees do not cross paths at team changes;
 - o Work stations are disinfected at each team change and common areas every 2 hours. A maximum number of doors are left open;
 - o The number of employees has been reduced in the common areas (cafeteria, break room) with a minimum distance of 1 meter between each;
- The Group is ensuring the efficient restart to its entire supply chain.
- It is implementing validation processes to guarantee the best quality standards.

Sound financial structure

With a very solid financial position, the Group:

- strictly complies with all of its payment commitments towards its suppliers;
- has not requested the deferral of expenses, nor guaranteed loans from the French Government;
- will repay in May 2020, as planned, its €500 million bond at maturity;
- will pay, on May 4, 2020, a dividend of €0.49, reduced by 34%, for a total of €72 million, after approval from the Shareholders' Meeting of April 23, 2020.

It has focused on measures to preserve its cash, by strictly managing its working capital requirement and by reducing its investments for the year by at least 30% (compared to €512 million in 2019), whilst reinforcing its innovation strategy, particularly in hydrogen.

It has also suspended its share buybacks.

Plastic Omnium has €2.6 billion of liquidity as of April 21, 2020:

- €1.3 billion in cash and cash equivalents,
- €1.3 billion in confirmed and undrawn credit lines, with an average maturity of 5 years.

Plastic Omnium has carried out stress tests on its cash in the eventuality of a pandemic that extends over a longer period. These simulations have confirmed that all of the measures taken and its significant cash enable it to deal with the total stoppage of production, on a worldwide level, for several months, while meeting all of its payment dates.

Outlook

Plastic Omnium expects a decline of around 35% in worldwide automotive production for the 1st half-year of 2020, resulting in a production loss of around 15 million vehicles.

The Group continues its cost reduction and liquidity preservation plans based on an assumption of worldwide automotive production decreasing by around 25% over the full year 2020, i.e. 65 million vehicles produced in 2020 compared to 86 million in 2019 (-21 million vehicles).

The teams are fully committed. The measures implemented are rapid and efficient. The financial structure is sound. Plastic Omnium is ready to restart its businesses.

Given the systemic effect of the Covid-19 pandemic, the Group will present new financial targets for 2020 as soon as there is sufficient visibility regarding the schedule for restarting the production lines of its 93 automotive customers worldwide.

Calendar

April 23, 2020	Shareholders' Meeting held behind closed doors at 5 p.m. (live broadcast on www.plasticomnium.com)
April 29, 2020	Ex-dividend date
May 4, 2020	Payment of the dividend of €0.49
July 23, 2020	Results for the first half-year 2020

Glossary

1. The economic revenue reflects the Group's operational and managerial reality. It corresponds to the consolidated sales plus the sales of the Group's joint ventures at the Group's percentage stake: BPO (50%) and YFPO (50%) for Plastic Omnium Industries and SHB Automotive Modules (Samlip) (33%) for Plastic Omnium Modules.
2. Consolidated sales does not include the share of joint ventures, consolidated using the equity method, pursuant to IFRS 10-11-12.
3. Like-for-like = at constant scope and exchange rates:
 - a. The currency effect is calculated by applying the exchange rate of the previous period to the revenue of the current period. For the 1st quarter of 2020, it is negative with -€7.4 million for the economic revenue and -€9.5 million for consolidated revenue.
 - b. For the 1st quarter of 2020, the scope effect is nil.
4. Source : IHS, April 2020