



PLASTIC OMNIUM

Levallois, October 25, 2018,

Revenue¹ at September 30, 2018:
€5,858 million, +3.6%

- Strategic positioning of the Group as an automotive pure player with the acquisition of the world leader of front-end modules, HBPO, and the on-going disposal of the Environment Division.
- Revenue¹ growth of 3.6% over the first nine months of the year and 15.7% over the third quarter.
- Considering the evolution of market conditions, the Group forecasts for 2018 (and in comparison to 2017 IFRS 5 data):
 - a growth in revenue¹ of at least 5% (ie proforma⁴ revenue¹ of around €8.9 billion euros);
 - a 2018 operating result comparable to that of 2017;
 - a sharp increase in net result group share following scope effects;
 - a triple-digit free cash-flow.
- Investor Day held on December 13, 2018 at α-Alphatech (Compiègne, France) to present the Group's growth and innovation strategy in its new scope of activities.

In €M	9 months 2017 restated IFRS 5	9 months 2018	Change	Change at constant scope and exchange rates ⁵	Change in global automotive production
Economic revenue¹	5,655.9	5,858.5	+3.6%	+2.3%	+0.8%
In €M	Q3 2017 restated IFRS 5	Q3 2018	Change	Change at constant scope and exchange rates ⁵	Change in global automotive production
Economic revenue¹	1,761.7	2,037.6	+15.7%	-2.1%	-2.1%

*IHS data – October 2018

Change in the scope and presentation of the businesses of Compagnie Plastic Omnium

- Planned disposal of the Environment Division

On July 19, 2018, Compagnie Plastic Omnium signed a put option for the sale of its subsidiary Plastic Omnium Environment BV to the Latour Capital/BpiFrance (Banque publique d'investissement) consortium. Approval was obtained from the relevant competition authorities, as well as from the employee representatives. The closing of this operation is expected by the end of 2018.

In application of IFRS 5 on January 1st, 2018, the results of the Environment business are presented in a specific line "results from discontinued operations". As a consequence, revenue from the first nine months of 2017 was restated to report on a basis comparable to the first nine months of 2018.

- Takeover of HBPO, world leader of front-end modules

On June 26, 2018, Compagnie Plastic Omnium completed the acquisition of the German group Mahle's 33.33% shareholding in the HBPO joint venture, up to then held by Plastic Omnium, Hella and Mahle. Plastic Omnium now holds 66.67% of HBPO, world leader of front-end modules, with a revenue of €2 billion.

In application of IFRS 10, Compagnie Plastic Omnium's revenue includes, starting on July 1, 2018, HBPO at 100% (full consolidation). Up to June 30, 2018, HBPO had been accounted for by the equity method and its share in revenue was reported in economic revenue only.

- New presentation of the Group's activities around two operating segments

Since July 1st, 2018, Plastic Omnium reports its activities around two different operating segments:

- **Plastic Omnium Industries** brings together the production activities, with 98 plants in 22 countries:
 - o *Intelligent Exterior Systems*, dedicated to complex and intelligent exterior systems.
 - o *Clean Energy Systems*, dedicated to clean energy storage systems.

- **Plastic Omnium Modules** brings together the module assembly activities, with 24 sites in 11 countries:
 - o *HBPO*, dedicated to front-end modules.

Change in revenue by operating segment

Over the first nine months of 2018, economic revenue¹ of Compagnie Plastic Omnium totaled €5,858.5 million, an increase of 3.6%, in comparison with the IFRS 5 restated first nine months of 2017.

Growth was 2.3% at constant scope and exchange rates (€219.9 million due to negative currency effects and €255.9 million due to positive scope effects).

The outperformance of the automotive production was 1.5 point (IHS October 2018: automotive production up 0.8% over nine months), of which 2.8 points for Plastic Omnium Industries.

In €M by operating segment	9 months 2017 published	9 months 2017 restated IFRS 5	9 months 2018	Change	Change at constant scope and exchange rates ⁵
Plastic Omnium Automotive	5,655.9	-		-	-
Plastic Omnium Industries	-	5,090.4	5,002.2	-1.7%	+3.6%
Plastic Omnium Modules	-	565.5	856.3	+51.4%	-4.6%
Plastic Omnium Environment	245.5	-	-	-	-
Economic revenue¹	5,901.4	5,655.9	5,858.5	+3.6%	+2.3%
Joint ventures	912.7	912.7	781.9	-14.3%	+4.8%
Consolidated revenue²	4,988.7	4,743.2	5,076.6	+7.0%	+2.0%

In the third quarter of 2018, Compagnie Plastic Omnium's economic revenue¹ amounted to €2,037.6 million, up 15.7% compared to the 2017 restated IFRS 5 3rd quarter. At constant scope and exchange rates, it was down by 2.1%, within a 2.1% drop in worldwide automotive production (source: IHS October 2018).

Plastic Omnium Industries, up 0.3% at constant scope and exchange rates, achieved an outperformance of 2.4 points compared to worldwide automotive production.

Plastic Omnium Modules, whose business is 30% German, was down 9.2% over the quarter. The cost structure of this activity is essentially variable. Three assembly plants are currently under construction (1 in Germany, 2 in Mexico) and will support growth from 2019.

In €M by operating segment	Q3 2017 published	Q3 2017 restated IFRS 5	Q3 2018	Change	Change at constant scope and exchange rates ⁵
Plastic Omnium Automotive	1,761.8	-		-	-
Plastic Omnium Industries	-	1,576.0	1,556.4	-1.2%	+0.3%
Plastic Omnium Modules	-	185.7	481.2	+159.2%	-9.2%
Plastic Omnium Environment	77.4	-	-	-	-
Economic revenue¹	1,839.2	1,761.7	2,037.6	+15.7%	-2.1%
Joint ventures	305.4	305.4	150.7	-50.7%	-0.5%
Consolidated revenue²	1,533.7	1,456.3	1,886.9	+29.6%	-2.2%

Change in economic revenue by region

In € millions and % of sales By region ³	9 months 2017 published	9 months 2017 restated IFRS 5	9 months 2018	Change	Change at constant scope and exchange rates ⁵
Europe	3,198.1	2,972.5	3,189.0	+7.3%	+2.2%
North America	1,539.2	1,532.2	1,525.4	-0.4%	+0.3%
South America	205.4	198.8	154.1	-22.5%	+5.4%
Asia, including China	958.7	952.4	990.0	+3.9%	+5.7%
Economic revenue¹	5,901.4	5,655.9	5,858.5	+3.6%	+2.3%
Joint ventures	912.7	912.7	781.9	-14.3%	+4.8%
Consolidated revenue²	4,988.7	4,743.2	5,076.6	+7.0%	+2.0%

In € millions and % of sales By region ³	Q3 2017 published	Q3 2017 restated IFRS 5	Q3 2018	Change	Change at constant scope and exchange rates ⁵
Europe	963.2	892.2	1,069.0	+19.8%	-3.2%
North America	491.2	488.7	582.3	+19.1%	-2.5%
South America	76.3	74.5	52.7	-29.2%	+2.2%
Asia, including China	308.5	306.3	333.6	+8.9%	+1.2%
Economic revenue¹	1,839.2	1,761.7	2,037.6	+15.7%	-2.1%
Joint ventures	305.4	305.4	150.7	-50.7%	-0.5%
Consolidated revenue²	1,533.7	1,456.3	1,886.9	+29.6%	-2.2%

Over the first nine months of the year, business activities in Europe, which represent 54% of total revenue¹, was up 7.3%. It benefited from the full consolidation of HBPO on July 1st, 2018, 60% of whose activity is European. At constant scope and exchange rates, the activity posted an increase of 2.2%, outperforming by 2.1 points the worldwide automotive production, stable at +0.1%.

For the 3rd quarter, growth reached 19.8% (full consolidation of HBPO for an entire quarter). At constant scope and exchange rates, revenue in Europe was down 3.2% within a decrease in automotive production of 5.3%. European automotive production has been particularly affected by occasional difficulties of OEMs in the application of the WLTP standards, especially in Germany (production down by 17.3%). This country is the largest contributor to the group's revenue (18% of total revenue). Excluding Germany, sales were up by 2.2%, mainly driven by Eastern Europe.

Business in North America grew slightly by 0.3% at constant scope and exchange rates over the first nine months of the year, in a context of automotive production down 1.2%.

In the third quarter, growth was up 19.1% due to the integration of HBPO: its contribution to revenue was €138 million. At constant scope and exchange rates, business in North America was down 2.5% in a context of worldwide automotive production up 1.7%. In July 2018, Plastic Omnium commissioned the Greer plant (South Carolina) for BMW, to which it initially transferred production from the Anderson plant (South Carolina). This plant, the Group's first 4.0 plant, will eventually represent the largest plant in the group, with more than \$450 million in revenue. The group is also in the process of launching new programs at its Mexican plants and has recently gained market share at HBPO. It thereby confirms its ability to significantly accelerate its growth in North America starting in 2019.

Business in Asia, including China, increased by 5.7%, at constant scope and exchange rates over nine months. In China, which represents revenue¹ of €549.5 million, or 9% of total revenue, the increase in business at constant exchange rates, came to 10.2% over the first nine months of the year. In the third quarter, growth in China was up 4.0%, whereas automotive production was down 3.6%, i.e. an outperformance of 7.6%. In this country, the Group is benefiting from gains in market shares, a steady ramp-up in its industrial footprint and an increasing business especially with European OEMs.

2018 outlook

Compared to an annual growth of the global automotive production estimated at +2.2% in July 2018, the latest forecasts for 2018 reduce it to +0.7% (source IHS: October 2018).

Given this evolution, the Group forecasts for 2018 (and in comparison with 2017 IFRS 5 data):

- a growth in revenue¹ of at least 5% (ie proforma⁴ revenue¹ of around €8.9 billion euros);
- a 2018 operating result comparable to that of 2017;
- a sharp increase in net result group share following scope effects;
- a triple-digit free cash-flow.

On December 13, 2018, Plastic Omnium will hold in α -Alphatech (Compiègne, France) an Investor Day dedicated to its growth and innovation strategy in its new scope of business.

Calendar

December 13, 2018	Investor Day in α -Alphatech (Compiègne, France)
February 14, 2019	2018 annual results

The conference call for financial analysts, investors and journalists will take place today at 7:30 am (Paris time).

Dial-in numbers are the following:

- France Toll: +33172727403 PIN: 50945666#
- United Kingdom Toll: +442071943759 PIN: 50945666#
- United States Toll: +1 6467224916 PIN: 50945666#

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%) and HBPO for 33.33% until its full consolidation on July 1st, 2018.
2. The consolidated sales does not include:
 - a. the share of joint ventures, which are accounted for by the equity method, in application of IFRS 10-11-12;
 - b. Plastic Omnium Environment's revenue, in application of IFRS 5 at January 1st, 2018.
3. The revenue per region breaks down as follows: Europe (including Africa), North America, South America and Asia.
4. Proforma economic revenue includes 100% of Plastic Omnium Modules' revenue at January 1st, 2018 and does not include Plastic Omnium Environment's revenue.
5. 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.
 - b. The scope effect is calculated:
 - i. by subtracting the revenue, over the current period, of the companies acquired during the previous period (Changchun),
 - ii. in the event of a change in the percentage of interest (HBPO): by applying to the previous period the consolidation method of the current period (full consolidation from July 1st, 2017),
 - iii. by subtracting the revenue (from the effective date of sale), over the period to be compared, of the companies sold during the current period (Plastic Recycling) and the previous period (Trucks).

Note : in application of IFRS 5 for the Environment division, the revenue is restated on January 1st of each reported period.