Press release

Nanterre (France), October 11, 2018

THIRD-QUARTER 2018 SALES

STRONG SALES GROWTH OF 8.3%** AND ROBUST OUTPERFORMANCE OF 920bps

CONFIRMED FULL-YEAR GUIDANCE

in €m	Q3 2017*	Q3 2018	Change**	*Automotive production****
Sales	3,789	**4,014**	**+8.3%**	*-0.9%*
By Business Group				
• **Seating**	1,611	**1,743**	**+10.3%**	*-0.9%*
• **Interiors**	1,174	**1,211**	**+6.2%**	*-0.9%*
• **Clean Mobility**	1,004	**1,061**	**+7.6%**	*-0.9%*
By region				
• **Europe**	1,834	**1,858**	**+2.8%**	*-2.6%*
• **North America**	984	**1,114**	**+11.3%**	*+3.2%*
• **Asia**	698	**807**	**+16.7%**	*-2.1%*
• **South America**	202	**185**	**+27.1%**	*+8.1%*
• **Rest of the World**	72	**49**	**n/s**	*n/s*

** The implementation of IFRS15 led to restatements to the 2017 figures as reported in July 2017; a table in appendix indicates 2017 figures restated for this implementation*
*** At constant currencies*
**** Source: IHS forecast September 2018 (vehicles segment in line with CAAM for China)*
All definitions are explained at the end of this Press Release, under the section "Definitions of terms used in this document"

STRONG SALES GROWTH** OF 8.3% AND ROBUST OUPERFORMANCE OF 920 BASIS POINTS

- **All three Business Groups posted solid sales growth****
- **Sales growth** significantly outperformed local automotive production growth in all regions**

CONFIRMED FULL-YEAR GUIDANCE

- **FY 2018 sales growth of at least +8% (at constant currencies) or at least 600bps above worldwide automotive production growth**
- **FY 2018 operating margin of at least 7.2% of sales**
- **FY 2018 net cash flow above €500 million**
- **FY 2018 earnings per share above €5.00**

Patrick KOLLER, CEO of Faurecia declared:

"We delivered strong sales growth in the third quarter and significantly outperformed the market, despite some market headwinds in Europe and Asia.

The strong performance since the beginning of the year and our expectation for the last quarter allow us to fully confirm our full-year guidance, as upgraded in July.

From a medium-term perspective, we are focused on implementing our profitable growth plan, as presented at our Capital Markets Day in May, and are confident in our ability to achieve our 2020 financial targets."

The Board of Directors, under the Chairmanship of Michel de Rosen, met on October 10, 2018 and reviewed the present Press Release.

- ***Impact from IFRS15 implementation:***
  - *In 2017, Faurecia had already partly anticipated IFRS15 through the presentation of sales as "Value-added sales", i.e. "Total sales" minus "Monoliths", for which Faurecia operates as an agent*
  - *In addition, as from January 1, 2018, with the implementation of IFRS15:*
    - *Revenue from Tooling is recognized at the transfer of control to the customer (PPAP = Production Part Approval Process), shortly before serial production*
    - *Development costs are recognized as set-up costs for the serial parts production and the corresponding revenue is included in product sales*
  - *A table in appendix indicates 2017:*
    - *Sales figures by quarter/region/business group restated for the IFRS15 implementation*
    - *Operating income by half/region/business group restated for the IFRS15 implementation*
    - *Impacts are not material*

- ***Impact from recent investments:*** *in Q3 2018, sales contribution from bolt-ons amounted to €135m or 3.6% of Q3 2017 sales, including:*
  - *JV with Wuling for €14m in Seating*
  - *JV with BYD for €63m in Seating*
  - *Coagent for €26m in Interiors*
  - *JV with Wuling for €13m in Interiors*
  - *Hug for €17m in Clean Mobility*

- ***Operating income presented as Faurecia's main performance indicator is Operating income before amortization of intangible assets acquired in business combinations (PPA).***

STRONG SALES GROWTH AT CONSTANT CURRENCIES OF 8.3% IN Q3

Faurecia's sales reached €4,014 million in Q3 2018, up 8.3% excluding a negative currency impact of 2.4% (mostly attributable to the TRY, BRL and ARS)**.**

This growth outperformed worldwide automotive production growth by 920 basis points (-0.9%, source: IHS Automotive September 2018)**. It included €135 million (or +3.6%) from bolt-ons.**

On a reported basis, sales were up 5.9%.

- **All Business Groups posted solid sales growth (at constant currencies)**
  - **Seating +10.3%**
  - **Interiors +6.2%**
  - **Clean Mobility +7.6%**
- **All regions significantly outperformed local automotive production growth**
  - **Europe +2.8%** *vs. IHS Sept. 2018 @ -2.6%* → *+540bps outperformance*
  - **North America +11.3%** *vs. IHS Sept. 2018 @ +3.2%* → *+810bps outperformance*
  - **Asia +16.7%** *vs. IHS Sept. 2018 @ -2.1%* → *+1,880bps outperformance*
  - **South America +27.1%** *vs. IHS Sept. 2018 @ +8.1%* → *+1,900bps outperformance*

Q3 SALES BY BUSINESS GROUP

Seating (43% of Group sales): **Double-digit growth of 10.3% at constant currencies**

Sales totaled €1,742.7 million in Q3 2018, compared to €1,611.5 million in Q3 2017. They were up 8.1% on a reported basis and up 10.3% at constant currencies, outperforming by 1,120bps worldwide automotive production growth (-0.9%, source: IHS Automotive September 2018). Sales included €78.3 million from bolt-ons (or 4.9% of Q3 2017 sales), related to JV with Wuling and BYD (consolidated as from July 1).

Out of the 10.3% growth at constant currencies:

- Europe posted growth of 3.0%, mostly supported by sales to VW (new complete seats business),
- Asia posted growth of 50.3%, boosted by Chinese OEMs and new JVs,
- South America posted growth of 48.2%, mostly supported by sales to VW.

North America posted slight decline at constant currencies (-0.9%), as growth in sales to Nissan (Altima) and Ford (Super Duty) was offset by ramp down in sales to Daimler (M-Class).

Interiors (30% of Group sales): **Robust growth of 6.2% at constant currencies**

Sales totaled €1,210.6 million in Q3 2018, compared to €1,173.6 million in Q3 2017. They were up 3.2% on a reported basis and up 6.2% at constant currencies, outperforming by 710bps worldwide automotive production growth (-0.9%, source: IHS Automotive September 2018). Sales included €40.2 million from bolt-ons (or 3.4% of Q3 2017 sales), related JV with Wuling and Coagent.

Out of the 6.2% growth at constant currencies:

- Europe posted growth of 1.8%, mostly supported by sales to Ford, JLR and Volvo that more than offset decline to Daimler (A-Class),
- North America posted growth of 32.6%, boosted by sales to FCA (RAM new models) and Tesla (Model 3 ramp-up),
- Sales in Asia were down 3.0%, mostly due to the decline in sales to Ford and PSA that more than offset growth in sales to Chinese OEMs, boosted by bolt-on contribution,
- Sales in South America were down 1.1%, mainly due to lower sales to FCA.

Clean Mobility (27% of Group sales): **Robust growth of 7.6% at constant currencies, with double-digit growth in North and South Americas**

Sales totaled €1,060.5 million in Q3 2018, compared to €1,003.8 million in Q3 2017. They were up 5.6% on a reported basis and up 7.6% at constant currencies, outperforming by 850bps worldwide automotive production growth (-0.9%, source: IHS Automotive September 2018). Sales included €16.7 million from bolt-ons (or 1.7% of Q3 2017 sales), related to Hug Engineering.

Out of the 7.6% growth at constant currencies:

- Europe posted growth of 5.2%, driven by Hug Engineering,
- North and South Americas posted respective growth of 11.6% and 52.1%, boosted by sales to FCA (RAM new models) and Cummins as regards North America and by sales to VW (Polo) as regards South America,
- Asia was broadly stable (-0.5%), as growth in sales to Chinese OEMs and Hyundai did not fully offset declines in sales to international OEMs.

Q3 SALES BY REGION

Europe (46% of Group sales): **Robust outperformance in a tougher environment**

Sales totaled €1,857.9 million in Q3 2018, compared to €1,833.9 million in Q3 2017. They were up 1.3% on a reported basis and up 2.8% at constant currencies, outperforming by 540bps automotive production in Europe (incl. Russia) (-2.6%, source: IHS Automotive September 2018). Sales included €16.7 million from bolt-ons (or 0.9% of Q3 2017 sales), related to Hug Engineering.

All three Business Groups contributed to sales growth. Sales were mainly boosted by strong growth in sales to Ford, VW (new complete seats business) and Tata that more than offset declines in sales to PSA, Daimler, Renault-Nissan-Mitsubishi and FCA.

North America (28% of Group sales): **Strong growth thanks to SUVs, Light trucks and Commercial vehicles**

Sales totaled €1,114.5 million in Q3 2018, compared to €984.1 million in Q3 2017. They were up 13.2% on a reported basis, including a positive currency impact of 1.9% for the first quarter in the year, and were up 11.3% at constant currencies, outperforming by 810bps automotive production in North America (+3.2%, source: IHS Automotive September 2018).

Interiors and Clean Mobility were the main contributors to sales growth, which was mainly boosted by strong growth in sales to FCA, Renault-Nissan-Mitsubishi, Tesla, Ford and Cummins.

Asia (20% of Group sales, incl. China representing 78% of the region's sales i.e. 16% of Group sales): **Strong growth driven by Chinese OEMs and market share gain through bolt-ons**

Sales totaled €807.2 million in Q3 2018, compared to €697.6 million in Q3 2017. They were up 15.7% on a reported basis and up 16.7% at constant currencies, strongly outperforming automotive production in Asia (-2.1%, source: IHS Automotive September 2018, vehicles segment in line with CAAM for China). Sales in Q3 2018 included €118.5 million from bolt-ons (or 17.0% of last-year's sales), mainly due to the consolidation of the two JVs with Wuling (Interiors and Seating), Coagent and BYD (starting as from July 1).

Sales in China amounted to €628.5m, representing 78% of sales in Asia, and were up by 19.5% at constant currencies (vs. Chinese automotive production growth of -5.4%, source: IHS Automotive September 2018, vehicles segment in line with CAAM for China).

They continued to be driven by sales to Chinese OEMs, which amounted to €202m (2.7x sales in Q3 2017) and represented 32% of sales in China.

South America (5% of Group sales): **Strong negative currency effect offset strong double-digit growth at constant currencies**

Sales totaled €185.3 million in Q3 2018, compared to €201.7 million in Q3 2017. They were down 8.1% on a reported basis, because of a strong negative currency impact of 35.2% (mainly the BRL and the ARS vs. the euro), but they were up 27.1% at constant currencies, outperforming by 1,900bps automotive production in South America (+8.1%, source: IHS Automotive September 2018).

Seating and Clean Mobility contributed to this strong sales growth, driven by market recovery and increased sales to VW and Ford.

OUTLOOK

Faurecia fully confirms its full-year 2018 guidance, as upgraded in July 2018 along with the H1 2018 results (cf. Press Release dated July 20, 2018):

- **Sales growth of at least +8% (at constant currencies) or at least 600bps above worldwide automotive production growth**
- **Operating margin of at least 7.2% of sales**
- **Net cash flow above €500 million**
- **Earnings per share above €5.00**

This takes into account:

- Softer expectations for worldwide automotive production growth for the year (+1.3% according to IHS forecast September 2018, of which +0.6% in H2),
- The impact on Q4 2018 of the challenging base of comparison of Q4 2017, which was boosted by record high "Tooling and Prototypes" sales of €502m in Q4 2017 (vs. €230m on average in the three previous quarters - cf. appendix on page 7),
- USD/€ @ 1.20 on average and CNY/€ @ 7.80 on average for the full-year 2018.

The conference call for financial analysts and media will be held today at 8:00am (Paris time).

Dial-in numbers are:

- France: +33 (0)1 76 77 22 57
- UK: +44(0)330 336 9411
- USA: +1 929 477 0324

No access code needed

Webcast URL: https://edge.media-server.com/m6/p/m3z3uw98

Calendar

Until October 14, 2018:	Faurecia's presence at Paris Mondial de l'Auto
January 2019:	Faurecia's presence at Consumer Electronics Show (CES) in Las Vegas
February 18, 2019:	Full-year 2018 results announcement (before market hours)

About Faurecia

Founded in 1997, Faurecia has grown to become a major player in the global automotive industry. With 290 sites including 30 R&D centers and 109,000 employees in 35 countries, Faurecia is now a global leader in its three areas of business: automotive seating, interior systems and clean mobility. Faurecia has focused its technology strategy on providing solutions for smart life on board and sustainable mobility. In 2017, the Group posted total sales of €17.0 billion. Faurecia is listed on the Euronext Paris stock exchange and is a component of the CAC Next 20 index. For more information, please visit www.faurecia.com

Contacts

Press
Eric FOHLEN-WEILL
Head of Media Relations
Tel: +33 (0)1 72 36 72 58
eric.fohlen-weill@faurecia.com

Analysts/Investors
Marc MAILLET
VP Investor Relations
Tel: +33 (0)1 72 36 75 70
marc.maillet@faurecia.com

Definitions of terms used in this document:

1. Operating income
   Operating income is the Faurecia group's principal performance indicator. It corresponds to net income of fully consolidated companies before:
   - Amortization of intangible assets acquired in business combinations;
   - Other non-recurring operating income and expense, corresponding to material, unusual and non-recurring items including reorganization expenses and early retirement costs, the impact of exceptional events such as the discontinuation of a business, the closure or sale of an industrial site, disposals of non-operating buildings, impairment losses recorded for property, plant and equipment or intangible assets, as well as other material and unusual losses;
   - Income on loans, cash investments and marketable securities; Finance costs;
   - Other financial income and expense, which include the impact of discounting the pension benefit obligation and the return on related plan assets, the ineffective portion of interest rate and currency hedges, changes in value of interest rate and currency instruments for which the hedging relationship does not satisfy the criteria set forth in relationship cannot be demonstrated under IAS 39, and gains and losses on sales of shares in subsidiaries;
   - Taxes.

2. Net cash-flow
   Net cash-flow is defined as follow: Net cash from (used in) operating and investing activities less (acquisitions)/disposal of equity interests and businesses (net of cash and cash equivalents), other changes and proceeds from disposal of financial assets.

3. Net financial debt
   Net financial debt is defined as follow: Gross financial debt less cash and cash equivalents and derivatives classified under non-current and current assets.

Appendices

2017 sales restated for IFRS15 implementation

In 2017, Faurecia had already partly anticipated IFRS15 through the presentation of sales as "Value-added sales", i.e. "Total sales" minus "Monoliths", for which Faurecia operates as an agent

In addition, as from January 1, 2018, with the implementation of IFRS15:

- Revenue from Tooling is recognized at the transfer of control to the customer (PPAP = Production Part Approval Process), shortly before serial production
- Development costs are recognized as set-up costs for the serial parts production and the corresponding revenue is included in product sales

2017 SALES RESTATED FOR IFRS15 IMPLEMENTATION AT GROUP LEVEL

As reported during the fiscal year 2017 (in €m)	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017
Product sales	3 917,7	3 893,3	3 474,9	3 986,5	15 272,4
R&D and Tooling	308,1	465,5	315,4	600,8	1 689,9
Value-added sales	**4 225,8**	**4 358,8**	**3 790,3**	**4 587,3**	**16 962,2**
Monoliths	865,9	844,1	728,9	780,4	3 219,4
Total sales	**5 091,7**	**5 203,0**	**4 519,2**	**5 367,7**	**20 181,7**

IFRS15 proforma (in €m)	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017
Product sales	4 028,6	4 031,5	3 585,2	4 125,9	15 771,3
Tooling and Prototypes	174,6	310,5	203,7	502,1	1 190,9
Sales	**4 203,2**	**4 342,0**	**3 788,9**	**4 628,0**	**16 962,1**

Restatements by quarter (in €m)	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017
Sales	-22,7	-16,8	-1,4	40,7	**-0,1**

2017 SALES RESTATED FOR IFRS15 IMPLEMENTATION BY REGION & BUSINESS GROUP

IFRS15 proforma (in €m)	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017
Seating	1 786,6	1 850,1	1 611,5	1 881,0	7 129,2
Interiors	1 297,9	1 327,7	1 173,6	1 568,1	5 367,4
Clean Mobility	1 118,7	1 164,1	1 003,8	1 178,9	4 465,5
Sales	**4 203,2**	**4 342,0**	**3 788,9**	**4 628,0**	**16 962,1**

IFRS15 proforma (in €m)	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017
Europe	2 108,0	2 202,3	1 833,9	2 358,6	8 502,8
North America	1 177,2	1 173,9	984,1	1 137,9	4 473,2
Asia	688,5	686,4	697,6	860,4	2 932,9
of which China	*537,8*	*519,1*	*532,0*	*653,7*	*2 242,6*
South America	169,1	219,0	201,7	203,9	793,7
Rest of World	60,3	60,4	71,7	67,2	259,6
Sales	**4 203,2**	**4 342,0**	**3 788,9**	**4 628,0**	**16 962,1**

2017 operating income restated for IFRS15 implementation

	As initially reported (in €m)			IFRS15 proforma (in €m)		
	H1 2017	H2 2017	FY 2017	H1 2017	H2 2017	FY 2017
Seating	202,7	208,2	410,9	199,9	204,5	404,4
Interiors	152,4	147,4	299,7	151,5	148,3	299,8
Clean Mobility	231,6	228,1	459,7	231,2	222,2	453,4
Operating income	**586,7**	**583,6**	**1 170,3**	**582,7**	**574,9**	**1 157,6**

	As initially reported (in €m)			IFRS15 proforma (in €m)		
	H1 2017	H2 2017	FY 2017	H1 2017	H2 2017	FY 2017
Europe	266,0	261,1	527,0	270,6	253,4	524,0
North America	141,1	116,5	257,6	133,1	116,5	249,6
Asia	159,8	182,0	341,8	159,3	179,8	339,1
South America	5,9	5,7	11,6	6,0	6,8	12,8
Rest of World	13,9	18,3	32,2	13,7	18,3	32,0
Operating income	**586,7**	**583,6**	**1 170,3**	**582,7**	**574,9**	**1 157,6**

Q3 2018 - Sales by Business Group and region

Sales (in €m)	Restated Q3 2017	Currency effect value	Currency effect %	Growth ex-currencies value	Growth ex-currencies %	Reported Q3 2018	Reported %
Seating	**1 611,5**	-34,1	-2,1%	165,3	10,3%	**1 742,7**	8,1%
of which bolt-ons				*78,3*	*4,9%*		
Interiors	**1 173,6**	-35,8	-3,0%	72,8	6,2%	**1 210,6**	3,2%
of which bolt-ons				*40,2*	*3,4%*		
Clean Mobility	**1 003,8**	-19,9	-2,0%	76,6	7,6%	**1 060,5**	5,6%
of which bolt-ons				*16,7*	*1,7%*		
Group	**3 788,9**	**-89,8**	**-2,4%**	**314,7**	**8,3%**	**4 013,8**	**5,9%**
of which bolt-ons				***135,2***	***3,6%***		

Sales (in €m)	Restated Q3 2017	Currency effect value	Currency effect %	Growth ex-currencies value	Growth ex-currencies %	Reported Q3 2018	Reported %
Europe	**1 833,9**	-27,7	-1,5%	51,7	2,8%	**1 857,9**	1,3%
of which bolt-ons				*16,7*	*0,9%*		
North America	**984,1**	18,7	1,9%	111,7	11,3%	**1 114,5**	13,2%
Asia	**697,6**	-6,9	-1,0%	116,5	16,7%	**807,2**	15,7%
of which China	***532,0***	*-7,0*	*-1,3%*	*103,5*	*19,5%*	***628,5***	*18,1%*
of which bolt-ons				*118,5*	*17,0%*		
South America	**201,7**	-71,0	-35,2%	54,6	27,1%	**185,3**	-8,1%
RoW	**71,7**	-2,9	-4,0%	-19,9	-27,8%	**48,9**	-31,8%
Group	**3 788,9**	**-89,8**	**-2,4%**	**314,7**	**8,3%**	**4 013,8**	**5,9%**
of which bolt-ons				***135,2***	***3,6%***		

9m 2018 - Sales by Business Group and region

Sales (in €m)	Restated 9m 2017	Currency effect value	Currency effect %	Growth ex-currencies value	Growth ex-currencies %	Reported 9m 2018	Reported %
Seating	**5 248,2**	-210,0	-4,0%	485,9	9,3%	**5 524,1**	5,3%
of which bolt-ons				*128,4*	*2,4%*		
Interiors	**3 799,3**	-198,5	-5,2%	459,3	12,1%	**4 060,1**	6,9%
of which bolt-ons				*115,2*	*3,0%*		
Clean Mobility	**3 286,6**	-164,0	-5,0%	298,2	9,1%	**3 420,8**	4,1%
of which bolt-ons				*35,5*	*1,1%*		
Group	**12 334,1**	**-572,5**	**-4,6%**	**1 243,5**	**10,1%**	**13 005,1**	**5,4%**
of which bolt-ons				***279,1***	***2,3%***		

Sales (in €m)	Restated 9m 2017	Currency effect value	Currency effect %	Growth ex-currencies value	Growth ex-currencies %	Reported 9m 2018	Reported %
Europe	**6 144,2**	-79,0	-1,3%	522,8	8,5%	**6 588,0**	7,2%
of which bolt-ons				*35,5*	*0,6%*		
North America	**3 335,3**	-245,8	-7,4%	257,0	7,7%	**3 346,5**	0,3%
Asia	**2 072,5**	-73,2	-3,5%	350,7	16,9%	**2 350,0**	13,4%
of which China	***1 588,9***	*-49,2*	*-3,1%*	*257,8*	*16,2%*	***1 797,5***	*13,1%*
of which bolt-ons				*243,6*	*11,8%*		
South America	**589,8**	-161,7	-27,4%	120,6	20,5%	**548,7**	-7,0%
RoW	**192,3**	-12,8	-6,7%	-7,6	-4,0%	**171,9**	-10,6%
Group	**12 334,1**	**-572,5**	**-4,6%**	**1 243,5**	**10,1%**	**13 005,1**	**5,4%**
of which bolt-ons				***279,1***	***2,3%***		

Impact from bolt-ons

Sales (in €m)	Business Group	Region	Q1 2018	Q2 2018	H1 2018	Q3 2018	9m 2018
JV with Wuling	Seating	Asia	23,1	27,0	50,1	14,5	64,6
BYD	Seating	Asia				63,8	63,8
JV with Wuling	Interiors	Asia		13,7	13,7	12,6	26,3
Coagent	Interiors	Asia	33,7	20,2	53,9	25,6	79,5
Hug Engineering	Clean Mobility	Europe		18,8	18,8	16,7	35,5
Other	Interiors	Asia		7,3	7,3	2,0	9,3
TOTAL			**56,8**	**87,0**	**143,8**	**135,2**	**279,1**
Total Group sales 2017			4203,2	4342	8 545,2	3 788,9	12 334,1
% of 2018 contribution from bolt-ons vs. 2017			1,4%	2,0%	1,7%	3,6%	2,3%