

Press release

Nanterre (France), September 23, 2021

2021 GUIDANCE ADJUSTED TO REFLECT MAJOR REVISION BY IHS MARKIT OF WORLDWIDE AUTOMOTIVE PRODUCTION FORECAST FOR H2 2021

The latest forecast for worldwide automotive production, released last Thursday by IHS Markit, reflected a strong reset of the expected figures for H2 2021. This sharp reduction is primarily attributable to a higher than expected impact from semiconductor shortage that creates high volatility in OEM programs.

Worldwide automotive production¹ for H2 2021 is now estimated by IHS Markit at:

- **34.5 million vehicles for H2 2021** (of which 16.1 million in Q3 and 18.4 million in Q4) **vs. 39.3 million vehicles in the previous forecast dated August** (of which 18.1 million in Q3 and 21.2 million in Q4),

resulting in FY 2021 worldwide automotive production now estimated at:

- **72.0 million vehicles for FY 2021 vs. 76.8 million vehicles in the previous forecast dated August.**

Faurecia's financial guidance for 2021 was explicitly based on the assumption of 76.6 million vehicles produced in the full year, i.e. 39.1 million vehicles produced in H2 2021.

Due to current high volatility and, consequently, low reliability of OEM programs (collected through EDI) and taking into account the sharp reduction by 4.8 million vehicles to be produced in H2 according to the latest forecast of IHS Markit, which is our reference for the industry, Faurecia revises its financial guidance for the full year 2021.

Based on the assumption of 72 million vehicles produced in the full year 2021, Faurecia now targets:

- **Sales of c. €15.5bn with strong organic sales outperformance > +600bps** (vs. previous guidance of \geq €16.5bn with strong organic sales outperformance > +600bps)
- **Operating margin between 6.0% and 6.2% of sales** (vs. previous guidance of c. 7% of sales)
- **Net cash flow of c. €500m and net debt-to-EBITDA ratio \leq 1.5x at year-end** (vs. previous guidance of net cash flow > €500m and net debt-to-EBITDA ratio < 1.5x at year-end)

In 2020, with worldwide automotive production at similar level (71 million vehicles) and sales of €14.5bn, Faurecia generated an operating margin of 2.9% of sales and net cash flow of €13 million.

The revised 2021 guidance, adjusted to reflect the sharp reduction in worldwide automotive production to 72 million vehicles in FY 2021, confirms Faurecia's strong operating leverage and effectiveness of resilience actions.

¹ IHS Markit forecast dated September, as usually restated by Faurecia, i.e. vehicles segment in line with CAAM China (excluding vehicles > 3.5t)

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About Faurecia

Founded in 1997, Faurecia has grown to become a major player in the global automotive industry. With 266 industrial sites, 39 R&D centres and 114,000 employees in 35 countries, Faurecia is a global leader in its four areas of business: seating, interiors, Clarion Electronics and clean mobility. The Group's strong technological offering provides carmakers with solutions for the cockpit of the future and sustainable mobility. In 2020, the Group reported total turnover of €14.7 billion. Faurecia is listed on the Euronext Paris market and is a component of the CAC Next 20 index. Find out more at: www.faurecia.com

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