

## Press release

Nanterre (France), April 19, 2021

### FIRST-QUARTER 2021 SALES

#### Q1 2021 SALES UP 12.2% ON AN ORGANIC BASIS IN ALL REGIONS, STRONG OUTPERFORMANCE FULL-YEAR FINANCIAL TARGETS CONFIRMED

In €m	Q1 2020*	Q1 2021	Change
<b>Group sales</b>	<b>3,678</b>	<b>4,005</b>	<b>+8.9%</b>
At constant scope and currencies			+12.2%

\* Q1 2020 sales restated for IFRS 5 (see in Appendix)

#### Q1 SALES UP 12.2% ON AN ORGANIC BASIS, WITH STRONG OUTPERFORMANCE IN ALL REGIONS

- **Double-digit organic growth for Seating, Interiors and Clean Mobility; organic growth of 5.7% for Clarion Electronics, despite the shortage of electronic components**
- **In all regions, strong outperformance, with sales in China exceeding pre-Covid sales of Q1 2019**
- **At Group level, Q1 sales performance continued to be impacted by a significant unfavorable geographic mix effect estimated at c. 900bps**
- **Turnaround of this geographic mix effect and gradual ramp up of new Seating programs will contribute to accelerate organic growth and outperformance in Q2**

#### FULL-YEAR FINANCIAL TARGETS CONFIRMED

Faurecia's assumption that worldwide automotive production should amount to 76.6m vehicles in 2021 remains valid, considering the current shortage of electronic components.

**Consequently, all full-year financial targets, as presented on February 22, are confirmed:**

- **Sales  $\geq$  €16.5bn and strong organic sales outperformance  $>$  +600bps**
- **Operating margin of c. 7% of sales, close to pre-Covid levels**
- **Net cash flow of c. €500m and net-debt-to-EBITDA ratio  $<$  1.5x at year-end**

#### **Patrick KOLLER, CEO of Faurecia, declared:**

*"In Q1, our sales showed double-digit organic growth, with strong outperformance in all regions. Organic sales growth was solid across our different activities, despite the shortage of components during the quarter. Growth was particularly strong in China, where our sales exceeded pre-Covid sales of Q1 2019.*

*In Q2, even taking into account a negative impact from the shortage of electronic components, we will deliver very strong organic sales growth and outperformance, driven by the start of production of new programs.*

*We are fully on track to achieve all our financial targets for the year and our order intake objective.*

*After the successful spin-off, Faurecia has now a free float of 85% with an enlarged international shareholder base and an increased share liquidity."*

- The Board of Directors, under the chairmanship of Michel de Rosen, met on April 16, 2021 and reviewed the present press release.
- Operating income presented as Faurecia's main performance indicator is Operating income before amortization of intangible assets acquired in business combinations. All other definitions are explained at the end of this Press Release, under the section "Definitions of terms used in this document".
- All figures related to worldwide or regional automotive production refer to IHS Markit forecast dated April 2021 (vehicles segment in line with CAAM for China).

## GROUP SALES

### IFRS 5 - Discontinued Operations

- On February 18, Faurecia announced that it had signed a Memorandum of Understanding for the sale of its AST (Acoustics and Soft Trim) division and all conditions are met to qualify this activity as discontinued, in compliance with IFRS 5.
- Therefore, Group sales in 2021 exclude the AST figures and previous periods are restated and presented accordingly.
- This led to a restatement of Q1 2020 sales to €3,678 million vs. €3,739 million released in April 2020.
- A table in appendix presents 2020 restated quarterly figures; only Interiors, as regards Business Groups, and Europe, as regards regions, are impacted by this restatement.

	Faurecia sales in €m	WW auto prod in m vehicles*
Q1 2019 as released in April 2019, reminder	4,325	22,023
Q1 2020 as released in April 2020	3,739	17,251
<b>Q1 2020 restated for IFRS 5</b>	<b>3,678</b>	
Currency effect	-183	
<i>% of sales</i>	-5.0%	
Scope effect	60	
<i>% of sales</i>	1.6%	
Organic growth	450	
<i>% of sales</i>	12.2%	
<b>Q1 2021</b>	<b>4,005</b>	<b>19,459</b>
<b>reported change</b>	<b>8.9%</b>	

\* IHS Markit dated April 2021 (vehicles segment in line with CAAM for China)

### Q1 2021 sales amounted to €4,005 million, up 8.9% on a reported basis, including:

- A negative currency effect of €(183) million or -5.0% of sales, mainly attributable to the US dollar and the Brazilian real vs. the euro.
- A positive scope effect of €60 million or +1.6% of sales, due to one month of consolidation of SAS (January), whose consolidation started in February 2020.

### Q1 2021 sales grew by 12.2% on an organic basis, with strong outperformance in all regions

- At Group level, a strong unfavorable geographic mix effect estimated at c. 900bps resulted in a slight underperformance of 60bps vs. worldwide automotive production growth of +12.8% (source: IHS Markit dated April 2021).
- This unfavorable geographic mix effect is due to the relative weight of Asia, the only region where automotive production grew in the quarter, that represented 44% of worldwide automotive production in Q1 2020 vs. only 17% of Faurecia worldwide sales for the same period.
- The turnaround of this geographic mix effect and the start of production of new Seating programs that will ramp up over the rest of the year will contribute to accelerate sales growth and outperformance as from Q2.

**SALES BY BUSINESS GROUP**

in €m	Seating	Interiors	Clean Mobility	Clarion Electr.	Group
Q1 2019 as released in April 2019, reminder	1,842	1,293	1,144	47	4,325
Q1 2020 as released in April 2020	1,402	1,165	976	197	3,739
<b>Q1 2020 restated for IFRS 5</b>	<b>1,402</b>	<b>1,103</b>	<b>976</b>	<b>197</b>	<b>3,678</b>
Currency effect	-49	-67	-58	-9	-183
<i>% of sales</i>	-3.5%	-6.0%	-5.9%	-4.7%	-5.0%
Scope effect		60			60
<i>% of sales</i>		5.4%			1.6%
Organic growth	191	129	120	11	450
<i>% of sales</i>	13.6%	11.7%	12.3%	5.7%	12.2%
<b>Q1 2021</b>	<b>1,544</b>	<b>1,225</b>	<b>1,038</b>	<b>199</b>	<b>4,005</b>
<i>reported change</i>	<b>10.1%</b>	<b>11.0%</b>	<b>6.4%</b>	<b>1.0%</b>	<b>8.9%</b>

**Seating (39% of Group sales)**

- **Double-digit organic sales growth of +13.6%**
- Organic growth was strong in China (both with international and Chinese OEMs); sales in all other regions recorded organic growth in the mid-single digits
- As already commented, significant SoPs (Start of Production) will start as from Q2 and boost Seating outperformance in the coming quarters

**Interiors (30% of Group sales)**

- **Double-digit organic sales growth of +11.7%**
- Reported sales included a positive scope effect of €60 million or +5.4% of sales, due to one month of consolidation of SAS (January), whose consolidation started in February last year; this positive scope effect did not fully offset the negative currency effect of €(67) million or -6.0% of sales in the quarter
- Organic growth was driven by China and Europe, as well as SAS (+30% on an organic basis)

**Clean Mobility (26% of Group sales)**

- **Double-digit organic sales growth of +12.3%**
- Organic growth was driven by China (+84% on an organic basis), as well as strong growth of commercial vehicles (+22% on an organic basis)

**Faurecia Clarion Electronics (5% of Group sales)**

- **Organic sales growth of +5.7%**
- Organic growth was driven by China but was impacted by the shortage of electronic components

## SALES BY REGION

in €m	Europe	North Am.	Asia	o/w China	South Am.	RoW	Group
Q1 2019 as released in April 2019, reminder	2,217	1,117	798	604	150	43	4,325
Q1 2020 as released in April 2020	1,931	1,014	635	357	128	32	3,739
<b>Q1 2020 restated for IFRS 5</b>	<b>1,869</b>	<b>1,014</b>	<b>635</b>	<b>357</b>	<b>128</b>	<b>32</b>	<b>3,678</b>
Currency effect	-28	-88	-24	-10	-41	-3	-183
<i>% of sales</i>	-1.5%	-8.6%	-3.7%	-2.8%	-32.1%	-8.4%	-5.0%
Scope effect	35	17	7	7	1		60
<i>% of sales</i>	1.9%	1.6%	1.1%	2.0%	0.5%		1.6%
Organic growth	94	9	310	316	26	12	450
<i>% of sales</i>	5.0%	0.9%	48.7%	88.4%	20.1%	38.8%	12.2%
<b>Q1 2021</b>	<b>1,970</b>	<b>952</b>	<b>928</b>	<b>670</b>	<b>113</b>	<b>42</b>	<b>4,005</b>
<i>reported change</i>	5.4%	-6.1%	46.1%	87.6%	-11.5%	30.2%	8.9%

### Europe (51% of Group sales)

- Positive scope effect of €35 million (one month of SAS) or +1.9% of sales slightly exceeded negative currency effect of €(28) million or -1.5% of sales
- **Sales up 5.0% on an organic basis, outperforming regional automotive production by 590bps** (-0.9%, source: IHS Markit dated April 2021)
- Organic growth was mainly driven by Seating and Interiors (including SAS)

### North America (23% of Group sales)

- Strong negative currency effect of €(88) million or -8.6% of sales largely offset the positive scope effect of €17 million or +1.6% of sales and the organic growth of €9 million or +0.9% of sales, resulting in reported sales down 6.1% year-on-year
- **Sales up 0.9% on an organic basis, outperforming regional automotive production by 540bps** (-4.5%, source: IHS Markit dated April 2021)
- Organic growth was mainly driven by Seating

### Asia (23% of Group sales)

- **Sales up 48.7% on an organic basis, outperforming regional automotive production by 1,730bps** (+31.4%, source: IHS Markit dated April 2021)
- The strong double-digit organic growth was mainly driven by China
- **In China, sales grew by 88.4% on an organic basis, outperforming regional automotive production by 480bps** (+83.6%, source: IHS Markit dated April 2020)
- All Business Groups posted very strong double-digit growth
- **Faurecia's sales in Asia and China significantly exceeded pre-Covid sales of Q1 2019**

### South America (3% of Group sales)

- Strong negative currency effect of €(41) million or -32.1% of sales largely offset a limited positive scope effect of €1 million or +0.5% of sales and solid organic growth of €26 million or +20.1% of sales, resulting in reported sales down 11.5% year-on-year
- **Sales up 20.1% on an organic basis, outperforming regional automotive production by 1,610bps** (+4.0%, source: IHS Markit dated April 2021)
- Organic growth was mainly driven by Interiors and Clean Mobility

In Q1, the Group sales outperformance was impacted by a strong unfavorable geographic mix estimated at c. 900bps. This impact is due to the relative weight of Asia, the only region where automotive production grew in the quarter, that represented 44% of worldwide automotive production in Q1 2020 vs. only 17% of Faurecia worldwide sales for the same period.

## AFTER THE SUCCESSFUL SPIN-OFF, FAURECIA HAS NOW A FREE FLOAT OF 85% WITH AN ENLARGED INTERNATIONAL SHAREHOLDER BASE

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The distribution of the Faurecia shares that were previously held by PSA, then Stellantis, has now successfully taken place. As previously commented, Faurecia has now a free float of 85% with an enlarged international shareholder base and an increased share liquidity.

**This was reflected in the inclusion of Faurecia into the CAC® Next 20 Index, effective on March 22.**

In the 15% non-free float of Faurecia are the four major historic shareholders of PSA and FCA: Exor with 5.5% of total share capital, Peugeot 1810 (the subsidiary of Peugeot Invest and Établissements Peugeot Frères that holds their stake in Faurecia) with 3.1%, Bpifrance with 2.4% and Dongfeng with 2.2%. As a reminder, all four shareholders have undertaken a lockup agreement for a period of 180 days following the completion of the distribution by Stellantis.

The upcoming non-dilutive Employee Shareholding Plan (named "faur'Eso"), with shares delivery on July 28, should give total employee shareholding of up to 2.6%.

## ANNUAL SHAREHOLDERS' MEETING

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On April 16, the Board of Directors convened its Annual General Meeting to approve the 2020 financial statements.

The Annual General Meeting will be held on May 31 at the Company's registered office in Nanterre at 2pm. In the context of the Covid-19 sanitary crisis, the Board of Directors decided, in accordance with applicable regulation, that the General Meeting will take place behind closed doors, i.e. without shareholders being physically present.

**The Board of Directors proposes the payment in cash of a dividend of €1.00 per share.** The ex-dividend date will be June 3, 2021 (with a record date on June 4, 2021) and the dividend will be paid on June 7, 2021.

Shareholders will be asked to approve the ratification of the cooptation of Jean-Bernard Lévy as Board member and the renewal as Board members of Patrick Koller, Penelope Herscher and Valérie Landon. In addition, shareholders will be asked to appoint the company Peugeot 1810 as Board member, with Robert Peugeot as permanent representative.

The full agenda, draft resolutions, as well as the main modalities for participating in and voting at the Annual General Meeting, will be set out in the meeting notice to be published in the *Bulletin des Annonces Légales Obligatoires* (BALO) and on the Group's website ([www.faurecia.com](http://www.faurecia.com)) on April 23, 2021.

The Annual General Meeting will be streamed (live and deferred broadcast) on the Group's website.

Further information required by law related to the General Meeting will be provided separately.

## 2021 FULL-YEAR GUIDANCE CONFIRMED

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**On February 22, Faurecia announced its 2021 full-year guidance, based on the assumption of 76.6 million vehicles produced in the world in 2021, up 8% vs. 2020** (vs. IHS Markit forecast of 80.9 million vehicles at that time).

The latest IHS Markit forecast (dated April 2021) now stands at 79.7 million vehicles, up 13% vs. 2020. This downward revision over the last two months reflects the impact of the shortage of electronic components on the automotive industry.

**Faurecia maintains its estimate of 76.6 million vehicles produced in 2021 and all its financial targets for the year are fully confirmed:**

- **Sales of at least €16.5 billion and sales outperformance > +600bps**
- **Operating margin of c. 7% of sales**, close to pre-Covid levels
- **Net cash flow of c. €500 million and net-debt-to-EBITDA ratio < 1.5x at year-end**

**All other 2022 and 2025 targets and ambition that were presented during the Capital Markets Day of February 22 are also confirmed.**

*Faurecia's assumption of 2021 worldwide automotive production assumes no major lockdown impacting production or retail sales in any automotive region during the year.*

*All financial targets are based on 2021 average currency rates of 1.18 for USD/€ and 8.15 for CNY/€.*

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

Dial-in numbers:

- France: +33 (0)1 76 70 07 94
- UK: +44 (0) 207 192 8000
- USA: +1 631 510 74 95

No access code needed.

The financial presentation accompanying the conference call will be available at 7:30 am today (Paris time) on the Faurecia website: [www.faurecia.com](http://www.faurecia.com) and may also be viewed at the following link:

**<https://edge.media-server.com/mmc/p/78ctqs49>**

A replay will be available as soon as possible after the call.

## Calendar

May 31, 2021:	Annual Shareholders' Meeting
July 26, 2021:	H1 2021 Results (before market hours)
October 26, 2021:	Q3 2021 sales (before market hours)

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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 centers and 114,500 employees in 35 countries, Faurecia is a global leader in its four areas of business: Seating, Interiors, Clarion Electronics and Clean Mobility. Faurecia has focused its technology strategy on providing solutions for the "Cockpit of the Future" and "Sustainable Mobility". In 2020, the Group posted sales of €14.7 billion. Faurecia is listed on the Euronext Paris stock exchange and included in the CAC® Next 20 Index. For more information, please visit [www.faurecia.com](http://www.faurecia.com)

## APPENDICES

### Definitions of terms used in this document

#### Sales growth

Faurecia's year-on-year **sales evolution** is made of three components:

- A "**Currency effect**", calculated by applying average currency rates for the period to the sales of the prior year,
- A "**Scope effect**" (**acquisition/divestment**),
- And "**Growth at constant currencies**".

As scope effect, Faurecia presents all acquisitions/divestments, whose sales on an annual basis amount to more than €250 million.

Other acquisitions below this threshold are considered as "bolt-on acquisitions" and are included in "Growth at constant currencies".

In Q1 2021, there was no effect from "bolt-on acquisitions"; as a result, "Growth at constant currencies" is equivalent to sales growth at constant scope and currencies also presented as "Organic growth".

### IFRS 5 – Discontinued Operations

On February 18, Faurecia announced that it had signed a Memorandum of Understanding for the sale of its AST (Acoustics and Soft Trim) division and all conditions are met to qualify this activity as discontinued, in compliance with IFRS 5.

Therefore, Group sales in 2021 exclude the AST sales and previous periods are restated and presented accordingly.

This restatement impacts only Interiors, as regards Business Groups, and Europe, as regards regions.

Sales (in € millions)	Q1 2020	Q2 2020	H1 2020	Q3 2020	Q4 2020	H2 2020	FY 2020
as previously released	3,739	2,431	6,170	3,874	4,610	8,484	14,654
restated for IFRS 5	3,678	2,406	6,084	3,823	4,538	8,361	14,445