

Firm Resistance in First-Half 2008 Operating Margin Expected to End the Year Higher

The PO 2009 Plan

In response to the steady sharp rise in raw materials prices and the faster decline in automotive production, particularly in North America, Plastic Omnium has implemented a worldwide cost reduction plan known as PO 2009. Launched in April and scheduled for completion in the third-quarter, the plan will represent €50 million in full-year savings.

With its focus on driving down overheads, operating costs and indirect production costs, PO 2009 will improve operating margin on a lasting basis. It is part of a process designed to implement a radically different organization and to selectively grow the revenue base. It will also lead to a reduction in debt.

First-half 2008 results

First-half 2008 results reflect Plastic Omnium's solid resistance in challenging economic conditions. Despite the €16 negative impact of higher raw materials prices and the dollar's weakness against the euro, operating margin remained steady compared with first-half 2007, at €50 million.

As announced, net profit was down considerably on the prior-year, after recognition of most of the restructuring costs involved in implementing the PO 2009 plan.

(In € million)	30 June 2007	30 June 2008
Revenue	1,246.3	1,452.3
Operating margin	47.9	50.2
<i>As a % of revenue</i>	<i>3.8%</i>	<i>3.5%</i>
Non operating expense, net	-0.2	-21.8
Consolidated net profit	30.2	2.5
<i>As a % of revenue</i>	<i>2.4%</i>	<i>0.2%</i>

When combined with the successful completion of PO 2009, this resistance will support a rebound in earnings and a reduction in debt in the second half.

Operating profit will end the year higher than in 2007.

Urban Systems results confirm the quality of the strategic acquisitions carried out in 2007 and their ability to improve the Company's financial performance.

By rapidly deploying the PO 2009 plan, Plastic Omnium is demonstrating its strategic commitment to independent leadership in its two core businesses, Automotive Equipment and Urban Systems.

Investor Relations

Tel: +33 (0)1 40 87 64 49 • Fax: +33 (0)1 40 87 96 62 • Email: investor.relations@plasticomnium.com