First Half 2010

Financial Results

Laurent Burelle
Chairman and Chief Executive Officer

Levallois, Thursday 22 July 2010

OUTLINE

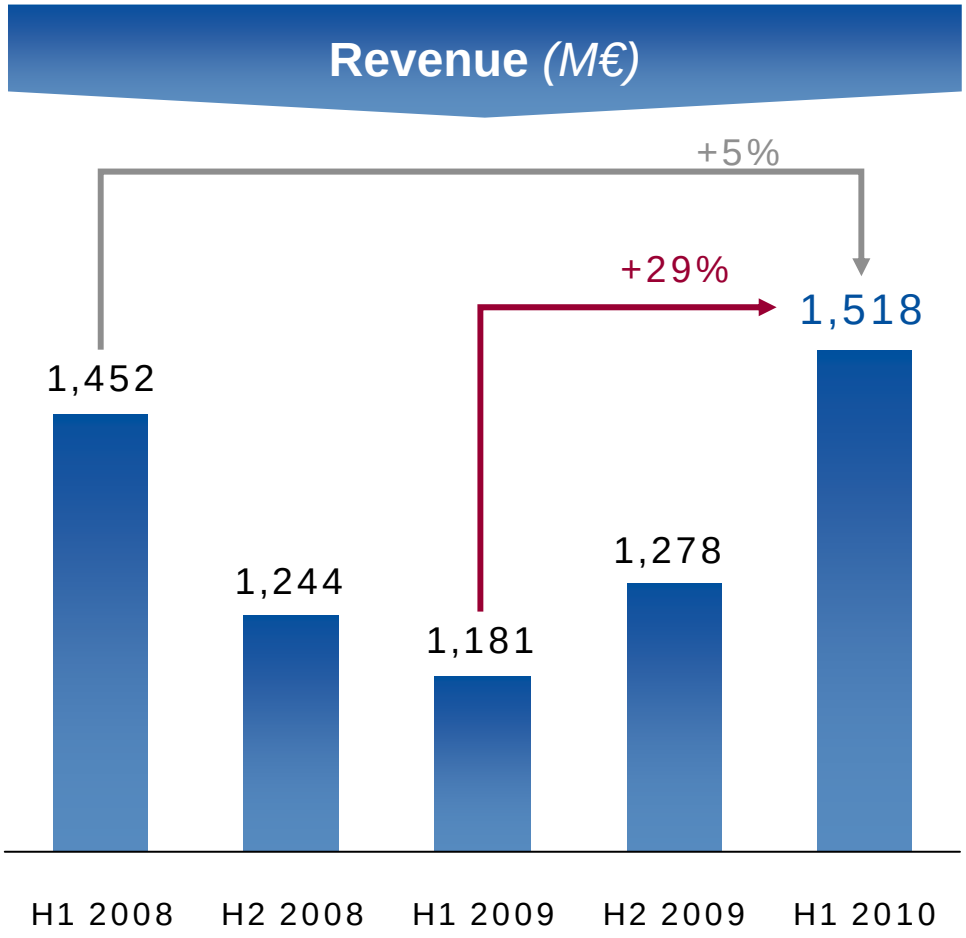
Overview of First-Half 2010

First-Half 2010 Financial Results

2010 Outlook

COMPAGNIE PLASTIC OMNIUM

A high level of activity in the first-half 2010:



COMPAGNIE PLASTIC OMNIUM

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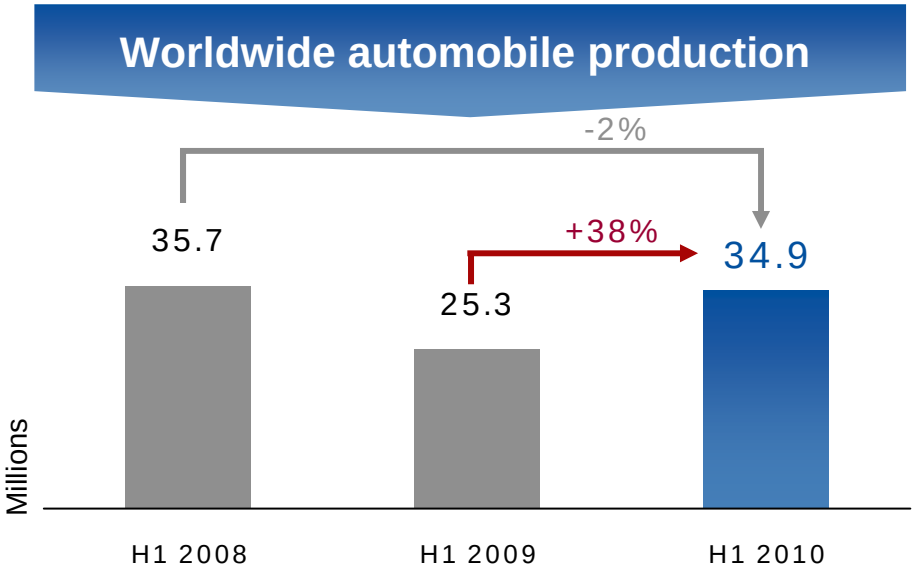
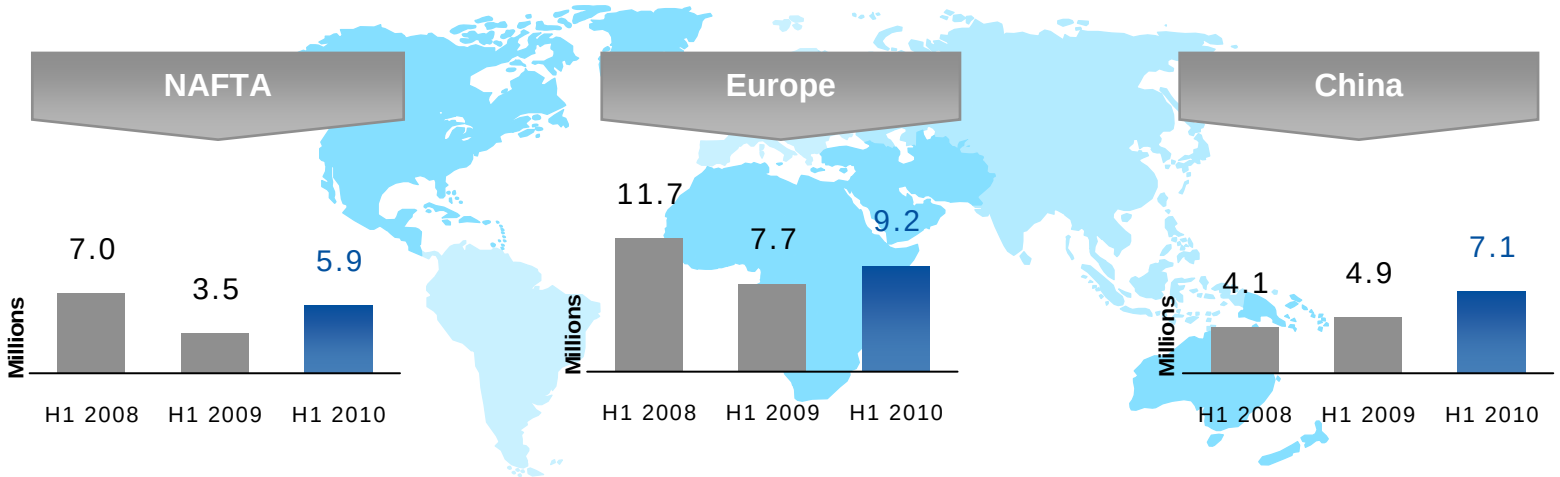


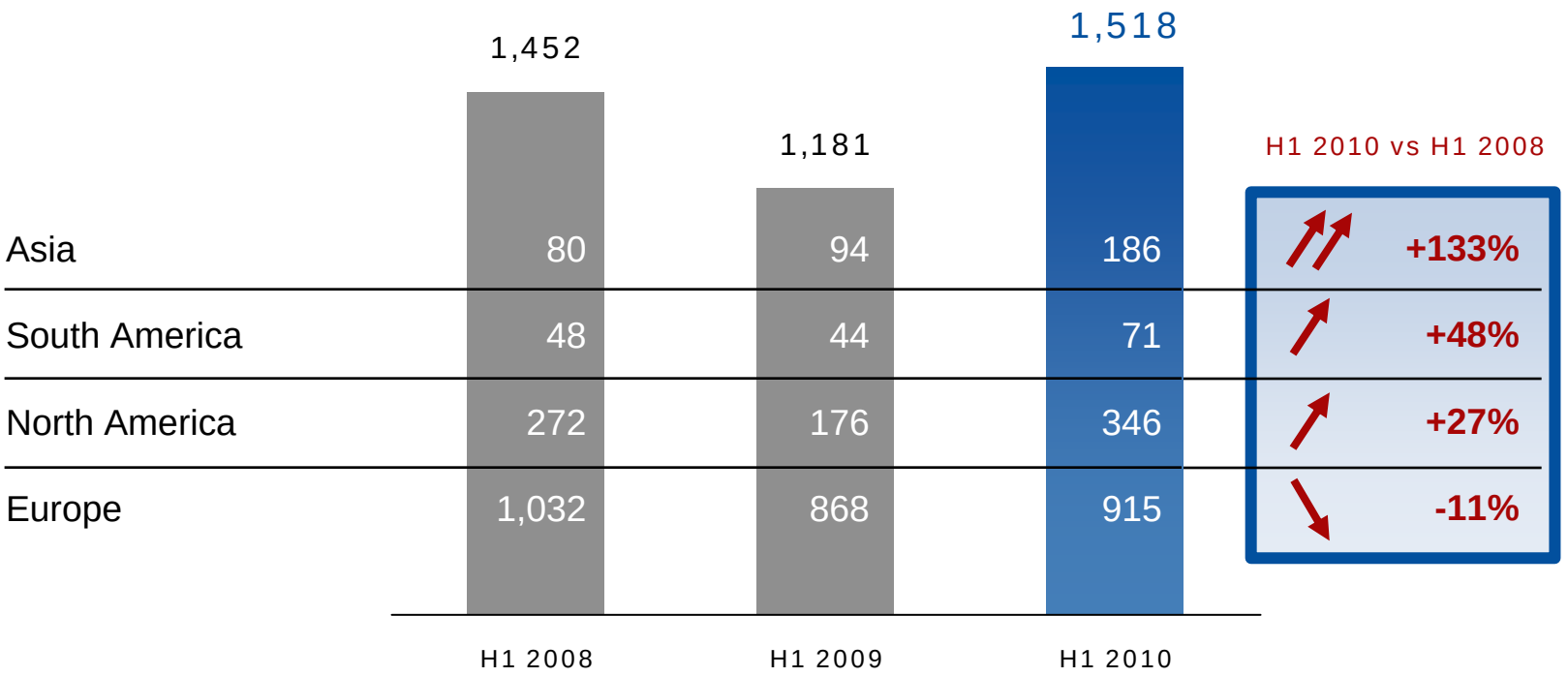


CSM Worldwide, Inc. June 2010

COMPAGNIE PLASTIC OMNIUM

Further international expansion in the first-half 2010:

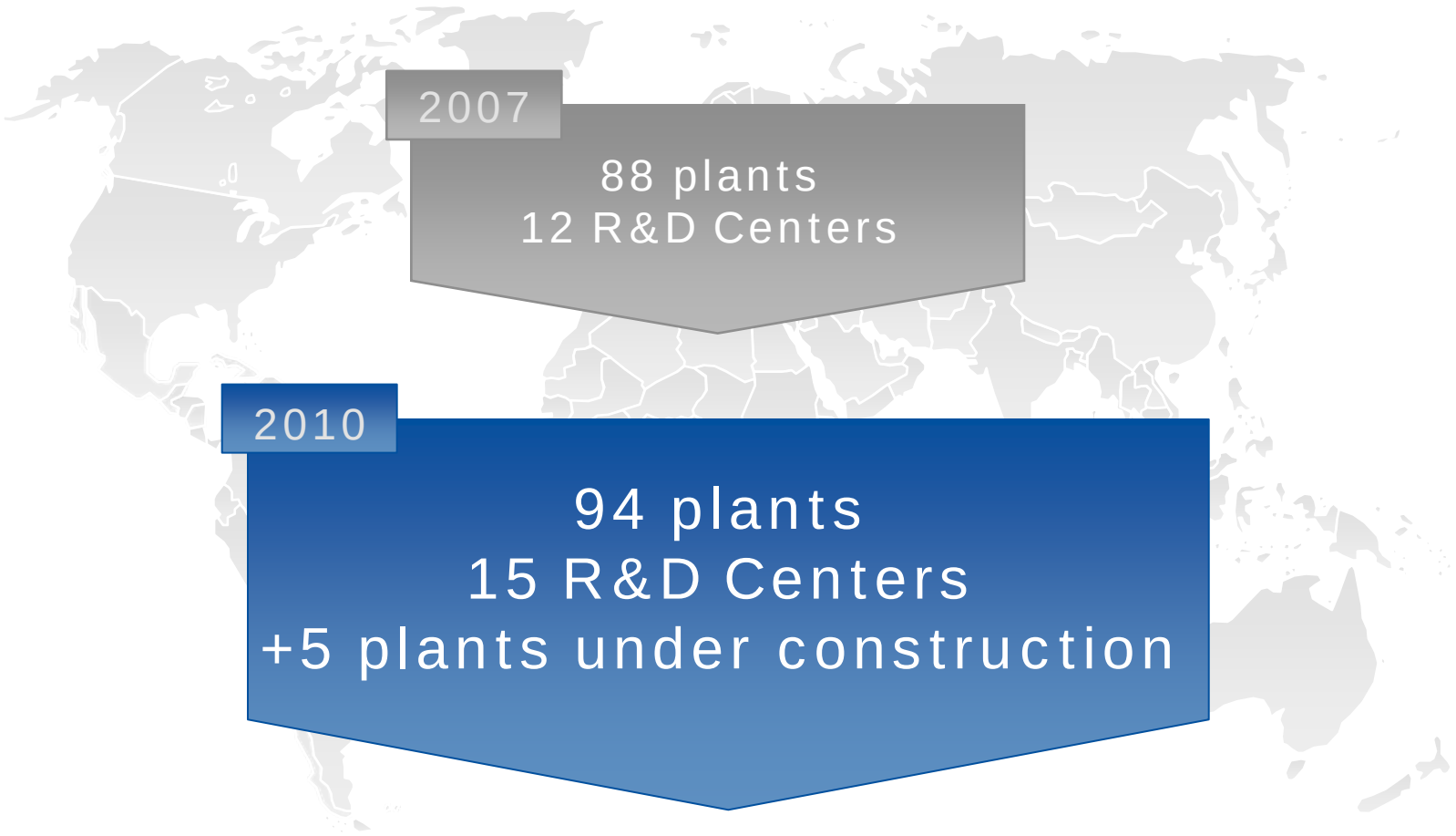
Revenue by region *(M€)*



PLASTIC OMNIUM

COMPAGNIE PLASTIC OMNIUM

Further international expansion in the first-half 2010:



PLASTIC OMNIUM

COMPAGNIE PLASTIC OMNIUM

Further international expansion in the first-half 2010:

2010 : total plants
Δ Changes in scope of consolidation in 2008 and 2009
Plants under construction

PLASTIC OMNIUM

Major production launches in the first-half 2010:

- BMW X1:
  - Production at Eisenach in Germany
  - Front and rear bumpers

- Citroën C3 and DS3:
  - Production at Vernon in France
  - Rear bumpers

- Renault Wind:
  - Production at Saint-Désirat in France
  - Trunk hood

Major production launches in the first-half 2010:

- Hyundai Sonata:
  - Production at Anderson in the United States
  - Fuel system

- Porsche Cayenne and Volkswagen Touareg :
  - Production at Lozorno in Slovakia
  - Front and rear bumpers
  - Front-end module
  - Fuel system

COMPAGNIE PLASTIC OMNIUM

Major production launches in the first-half 2010:

Suzuki Swift:

- Production at Lublin in Poland and Lozorno in Slovakia
- Energy absorption systems
- Fuel system

GM Cruze:

- Production at Anderson in the United States
- Fuel system

Ford Focus:

- Production at Adrian in the United States
- Fuel system

COMPAGNIE PLASTIC OMNIUM

- Tenders won in the first-half 2010:
  - Underground containers
    - 3,700 underground containers (out of which: Rueil, Bièvres and Lac du Bourget, Carcassonne, Nevers, Clamart) and development of related services contract (maintenance, cleaning…)

Minimax

Marine

Vivario

Multipack

Iceberg

PLASTIC OMNIUM

OVERVIEW

- Exclusive supplier for the city of Barcelona:
  - Sales contract for 20,000 two and four-wheeled bins suitable for use by disabled people
  - Signature of an 8-year services contract for bin maintenance and cleaning

2-wheeled bins

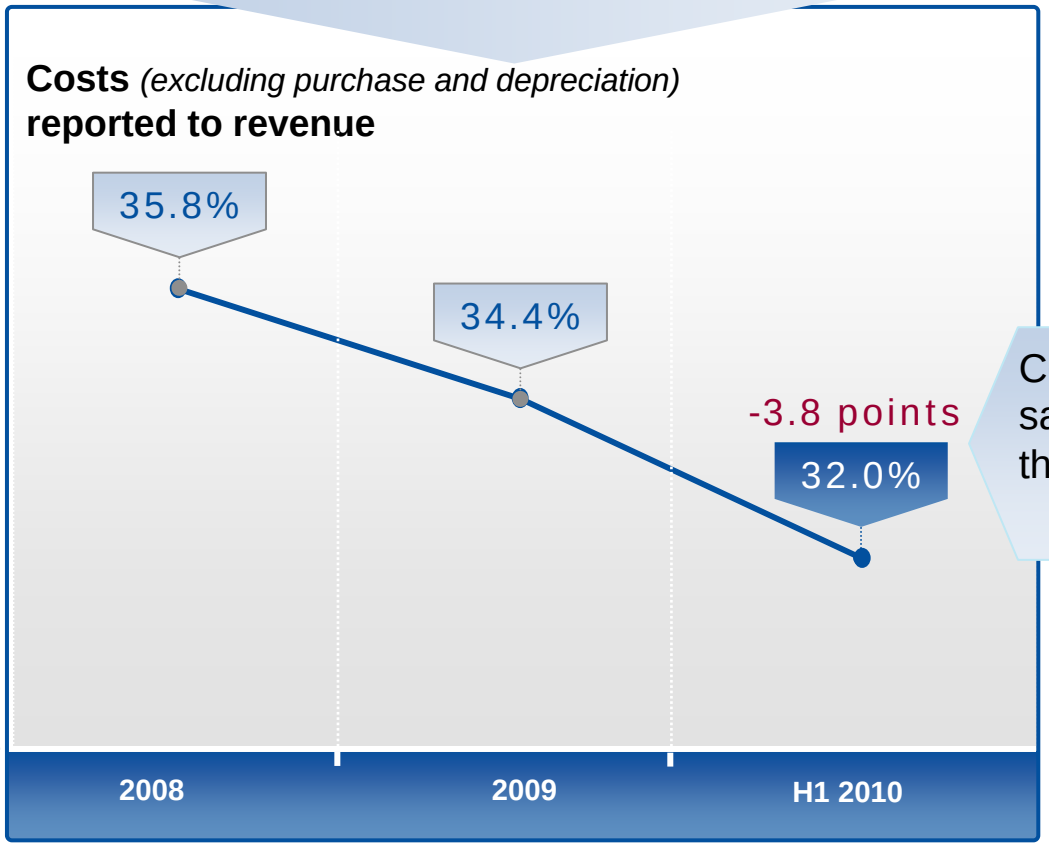
- Incentive-based invoicing
  - 5 incentive-based invoicing contracts launched on 8, bringing the number of residents invoiced by Plastic Omnium in Europe to 1 million

COMPAGNIE PLASTIC OMNIUM

First-Half 2010: High profitability

€100 million in sustainable cost savings thanks to the PO 2009 Plan

Costs *(excluding purchase and depreciation)* **reported to revenue**



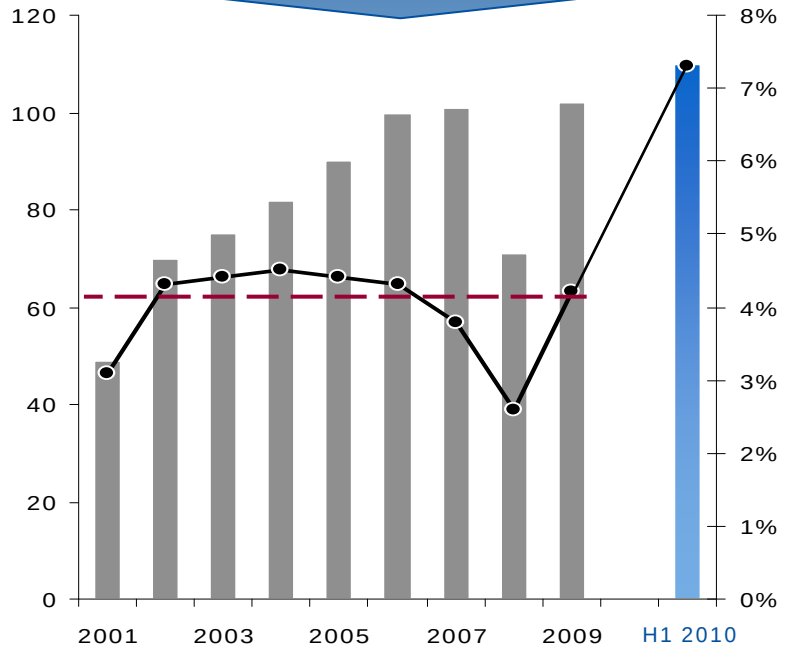
Corresponding to cost savings of €58m for the first-half 2010

PLASTIC OMNIUM

COMPAGNIE PLASTIC OMNIUM

First-Half 2010: High profitability

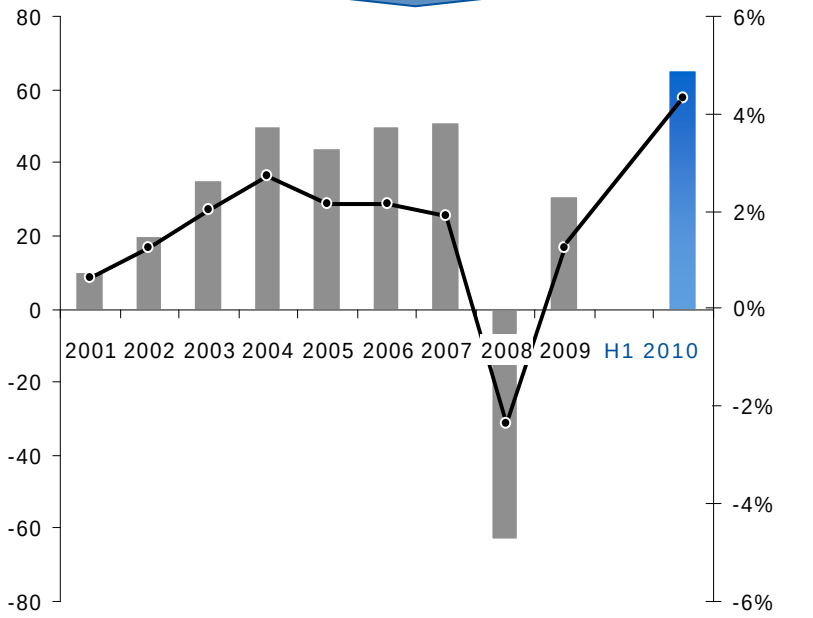
Operating margin *(M€)*



In % of revenue

Average operating margin 2001-2009: 4%

Net profit *(M€)*



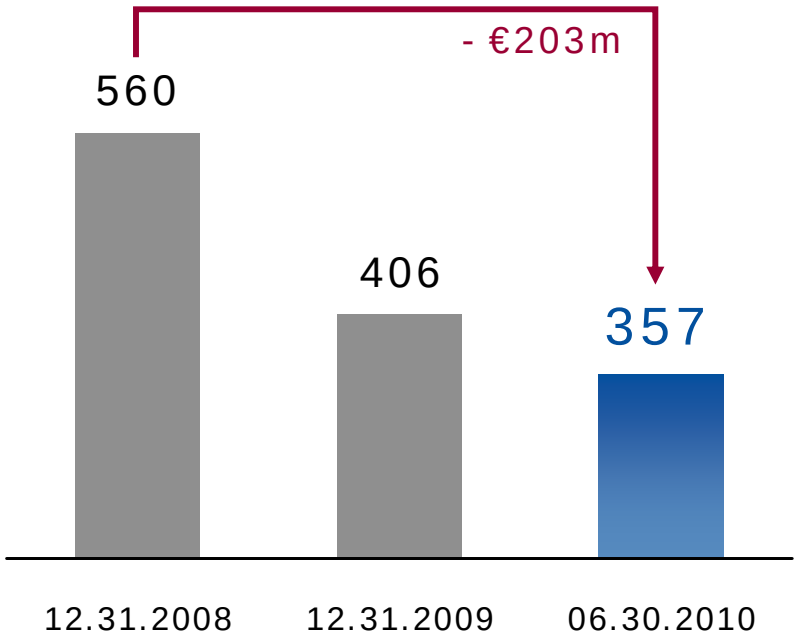
In % of revenue

PLASTIC OMNIUM

COMPAGNIE PLASTIC OMNIUM

First-Half 2010: Further reduction in debt

Debt *(M€)*



€246 million
in cumulative
free cash flow
2009-2010

PLASTIC OMNIUM

OUTLINE

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FIRST-HALF REVENUE

COMPAGNIE PLASTIC OMNIUM

By business

in M€	06.30.2009	**06.30.2010**	Change
Plastic Omnium Automobile	967.6	1,291.5	+33.5%
in % of revenue	*82%*	*85%*	
Plastic Omnium Environment	213.3	226.5	+6.2%
in % of revenue	*18%*	*15%*	
Consolidated revenue	**1,180.9**	**1,518.0**	**+28.5%**

PLASTIC OMNIUM

FIRST-HALF REVENUE

COMPAGNIE PLASTIC OMNIUM

By region

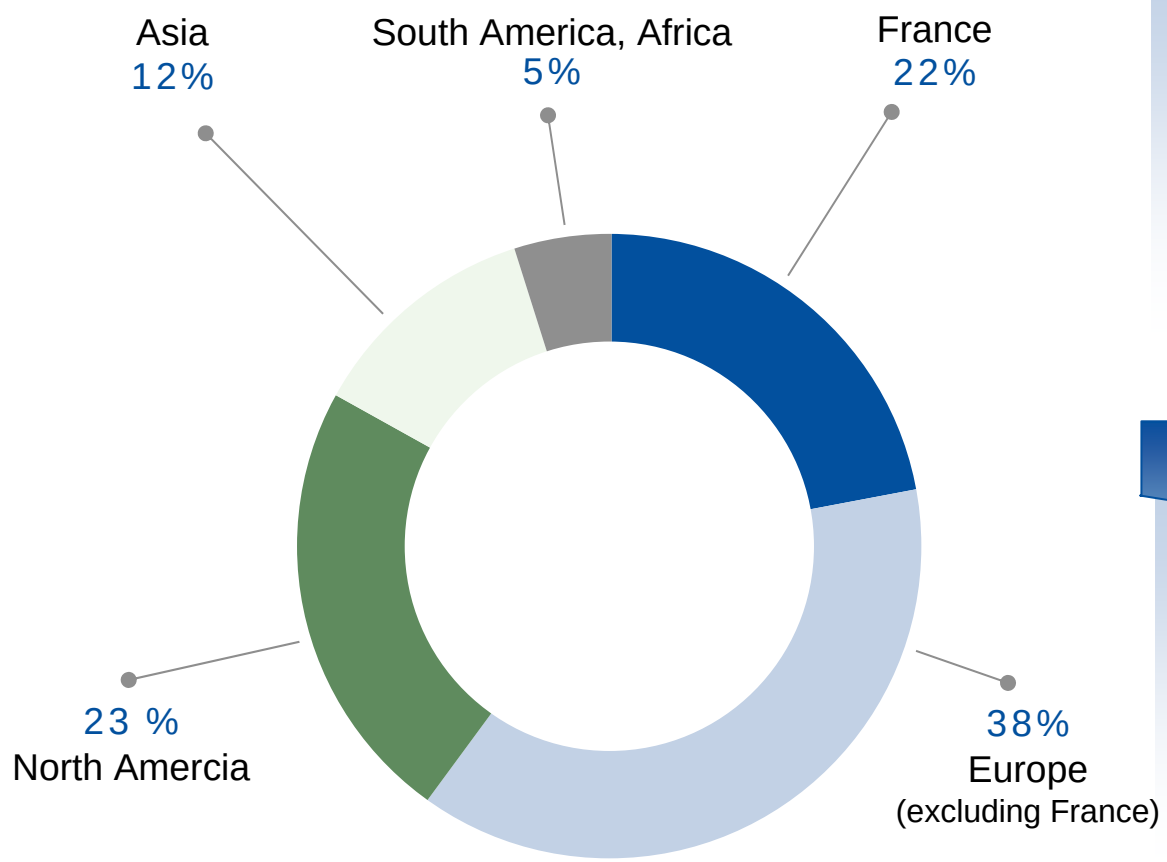
in M€	06.30.2009	**06.30.2010**	Change
France	400.0	**340.1**	-15.0%
Europe *(excluding France)*	467.6	**574.6**	+22.9%
North America	175.7	**345.6**	+96.7%
Asia	93.6	**186.4**	+99.1%
South America, Africa	44.0	**71.3**	+62.0%
Consolidated revenue	**1,180.9**	**1,518.0**	**+28.5%**

PLASTIC OMNIUM

FIRST-HALF REVENUE

COMPAGNIE PLASTIC OMNIUM

By region



Revenue

Low-cost countries 30%

70% High-cost countries

Employees

Low-cost countries 36%

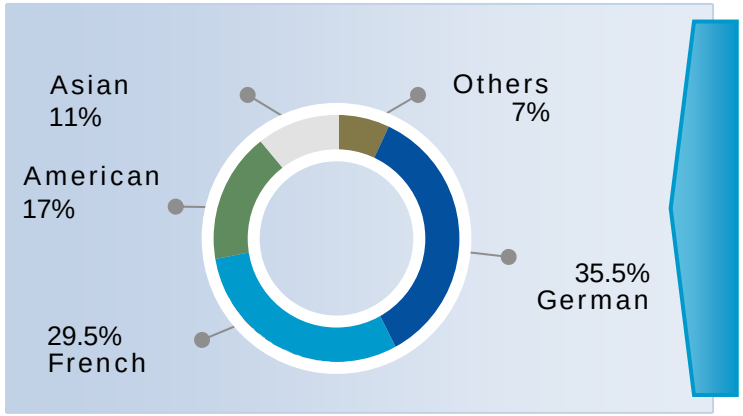
64% High-cost countries

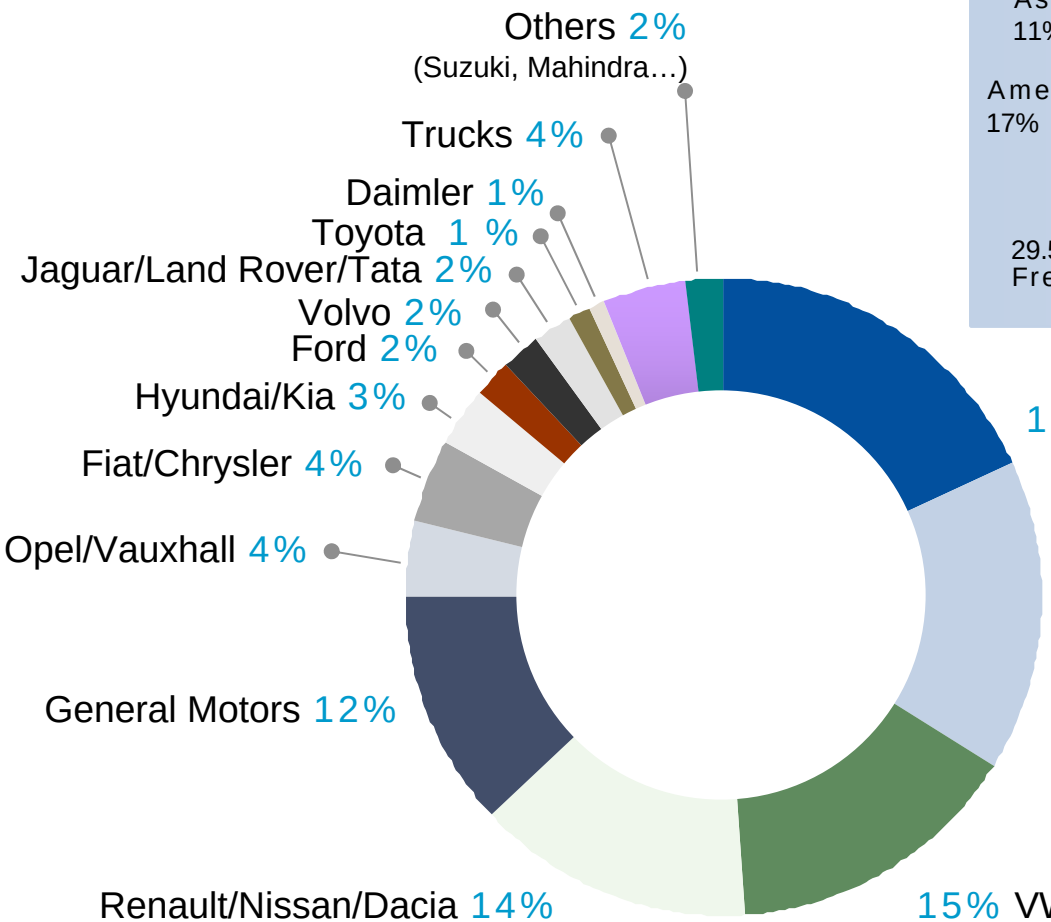
FIRST-HALF REVENUE

COMPAGNIE PLASTIC OMNIUM

Automotive revenue by carmaker

- At 30 June 2010 : €1,291m





CONSOLIDATED STATEMENT OF INCOME

COMPAGNIE PLASTIC OMNIUM

in M€	06.30.2009	% revenue	12.31.2009	*% revenue*	**06.30.2010**	***% revenue***
Revenue	**1,180.9**	**100%**	2,458.6	*100%*	**1,518.0**	***100%***
Automotive	*967.6*	*82%*	*2,014.5*	*82%*	***1,291.5***	***85%***
Environment	*213.3*	*18%*	*444.1*	*18%*	***226.5***	***15%***
Gross margin	150.9	*12.8%*	329.1	*13.4%*	**234.9**	***15.5%***
Operating margin	35.5	3.0%	102.1	*4.2%*	**111.3**	***7.3%***
Automotive	*29.3*	*3.0%*	*78.1*	*3.9%*	***101.3***	***7.8%***
Environment	*6.2*	*3.0%*	*24.0*	*5.4%*	***10.0***	***4.4%***

PLASTIC OMNIUM

CONSOLIDATED STATEMENT OF INCOME

COMPAGNIE PLASTIC OMNIUM

In M€	06.30.2009	% revenue	12.31.2009	% *revenue*	**06.30.2010**	**% *revenue***
Revenue	1,180.9	*100%*	2,458.6	*100 %*	**1,518.0**	***100%***
Operating margin	35.5	*3.0%*	102.1	*4.2%*	**111.3**	***7.3%***
Finance costs	-14.3	*-1.2%*	-25.0	*-1.0%*	**-14.3**	***-0.9%***
Restructuring costs	-7.9	*-0.7%*	-33.4	*-1.4%*	**-6.3**	***-0.4%***
Share of profit (loss) of associates	-1.5	*-0.1%*	-1.0	-	**-3.2**	***-0.2%***
Income tax expense	-2.6	*-0.2%*	-8.2	*-0.3%*	**-13.9**	***-0.9%***
Net loss from discontinued operations	-1.2	*-0.1%*	-3.4	*-0.1%*	**-1.3**	***-0.1%***
Consolidated net profit	8.0	*0.7%*	31.0	*1.3%*	**72.3**	***4.8%***
Attributable net profit	6.8	*0.6%*	27.9	*1.1%*	**66.8**	***4.4%***
Funds from operations	146.8	*12.4%*	253.9	*10.3%*	**160.5**	***10.6%***

PLASTIC OMNIUM

CHANGE OF DEBT

COMPAGNIE PLASTIC OMNIUM

in M€	06.30.2009	Year 2009	06.30.2010
Debt at beginning of period	-560	-560	**-406**
Fund from operations	+147	+254	**+161**
Interest expenses and taxes	-17	-41	**-23**
Capital and R&D spending	-36	-84	**-58**
Change in working capital	+39	+53	**-15**
Free cash flow	+133	+181	**+65**
Dividends / Treasury stock	-7	-24	**-18**
Change in perimeter/Exchange rates/Others	-6	-3	**+2**
Debt at end of period	-440	-406	**-357**

PLASTIC OMNIUM

CHANGE OF DEBT

in M€	06.30.2009	12.31.2009	**06.30.2010**
Net debt	440	**406**	**357**
Equity	442	**440**	**556**
Net debt-to-equity	***99%***	***92%***	***64%***
EBITDA*	145	**272**	**173**
Net debt-to-EBITDA	1.5	**1.5**	**1.0**
ROCE	**8.1%**	**12.1%**	**24.4%**

**Operating margin before depreciation and amortization*

OUTLINE

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First-Half 2010 Financial Results

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2010 OUTLOOK

COMPAGNIE PLASTIC OMNIUM

- World leader in a promising market segment

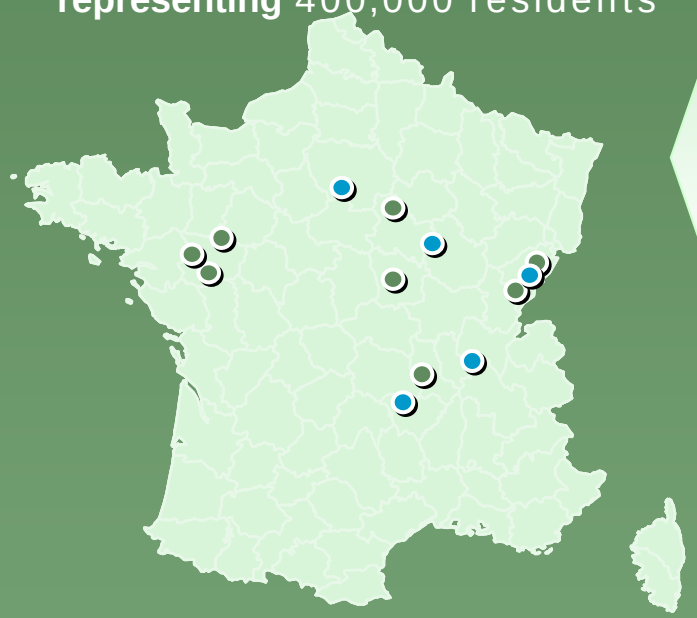
  ➔ Strong incentives to reduce waste, particularly in France under policies arising from the "Grenelle Environnement"

2010 OUTLOOK

COMPAGNIE PLASTIC OMNIUM

- Deliver real value added to local communities through innovative waste reduction solutions

13 local communities **offer incentive-based invoicing managed by Plastic Omnium representing** 400,000 residents



Incentive-based invoicing contracts
New contracts since the beginning of 2010

Leader in incentive-based invoicing

Target for 2014:
4 million residents in France invoiced by Plastic Omnium

PLASTIC OMNIUM

2010 OUTLOOK

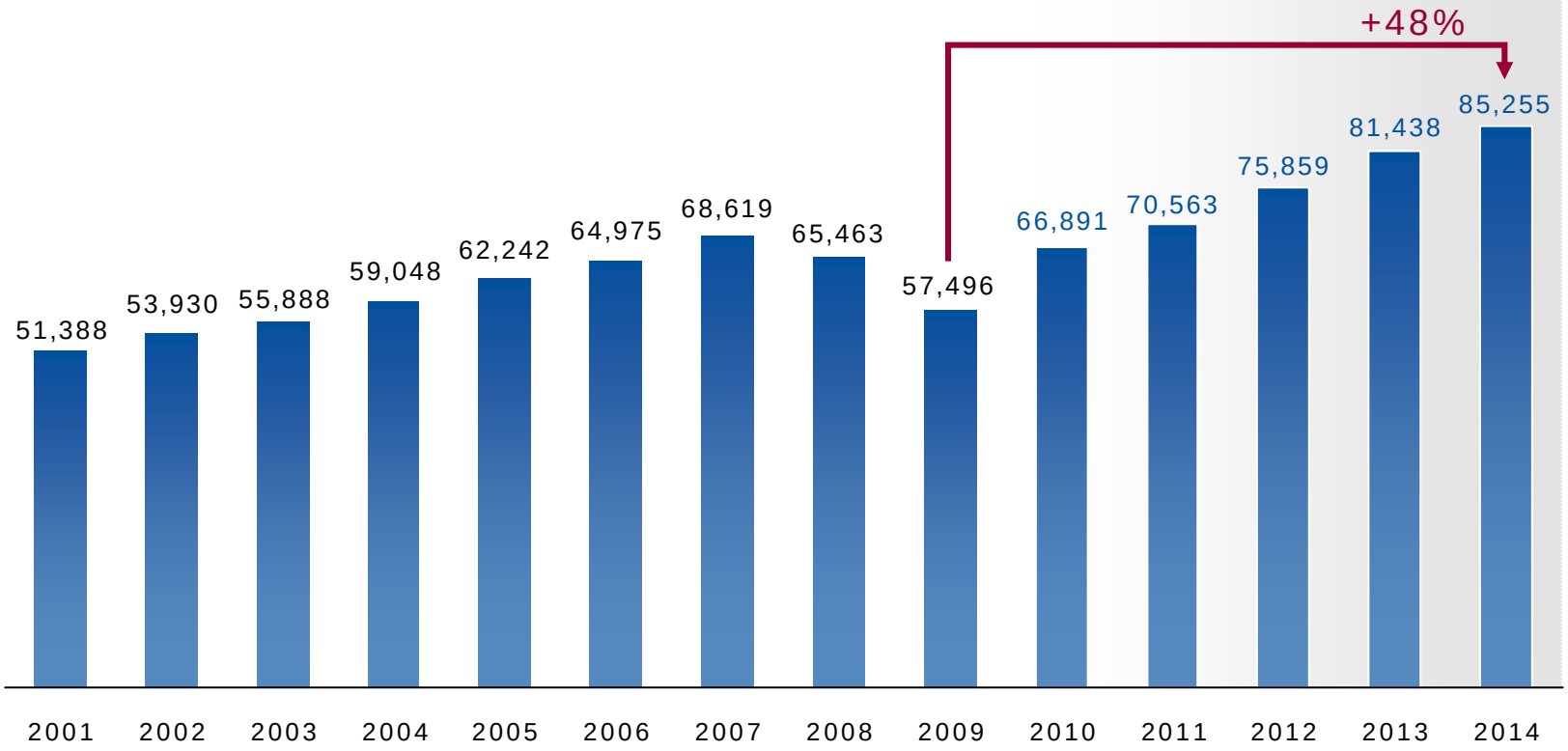
- Increase our market share in underground containers in Western Europe
- Deploy a selective acquisition strategy:
  - UK street lighting company acquired in first-half 2010

Lighting Columns in United Kingdom

COMPAGNIE PLASTIC OMNIUM

World leader in a promising market

Worldwide automotive production forecasts *(in thousands of vehicles)*



Data source : CSM

PLASTIC OMNIUM

COMPAGNIE PLASTIC OMNIUM

Plastic Omnium in China

- Production in 2010:
  - Bumpers for 1.4 million vehicles
  - Parts for 0.3 million trucks
  - Fuel systems for 0.5 million vehicles
- Construction of 2 plants per year in the next 3 years
- Objective:
  Revenue >€350m in 2014

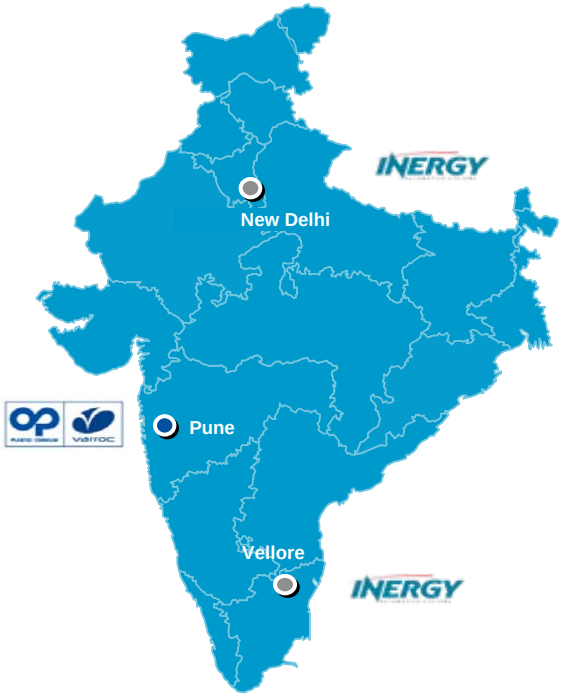
2 plants 3 plants 7 plants

Plastic Omnium in India

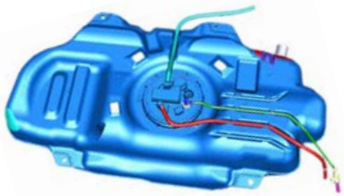
- Objective: Revenue >€100m in 2014
- Bumpers

GM BEAT
100,000 veh./year
Launch in 1st half of 2010

Mahindra
50,000 veh./year
Launch in 1st half of 2010



- Fuel systems



TOYOTA EFC
150,000 veh./year
Launch in 2nd half of 2010

SUZUKI Swift
70,000 veh./year
Launch in 1st half of 2011

2010 OUTLOOK

COMPAGNIE PLASTIC OMNIUM

Further progress in vehicle weight reduction and pollution control

New plastic body components:

- Spoiler for the future Peugeot 208
- Front and rear energy absorption systems for the Suzuki Swift
- “Higate” hybrid hatchback for PSA Peugeot Citroën, Jaguar/Land Rover

Development of recycled products:

- 2010 Supplier Award from PSA Peugeot Citroën for our sustainable development process

Fuel tank contracts for hybrid vehicles:

- BMW, Volkswagen, Toyota, GM, Hyundai, PSA

PLASTIC OMNIUM

COMPAGNIE PLASTIC OMNIUM

Increased backlog

- A large number of contracts won in first-half 2010:
  - With local communities in Europe
  - In every region by the Automotive Division
  - ➔ Significant organic revenue growth in coming years

- Plastic Omnium Auto Exterior has acquired German automotive supplier Peguform's plant in Vigo, which manufactures bumpers for PSA Peugeot Citroën's nearby plant

PLASTIC OMNIUM

2010 OUTLOOK

COMPAGNIE PLASTIC OMNIUM

- Planned buy-out of Inergy Automotive Systems
  - Acquisition of Solvay's 50% stake
  - World leader in fuel systems and tanks
  - Estimated 2010 revenue: €1.1 billion
  - Margins similar to Automotive Division's
  - Transaction to be completed in second-half 2010, after signature of sales agreement and approval from EU competition authorities

PLASTIC OMNIUM

2010 OUTLOOK

COMPAGNIE PLASTIC OMNIUM

Planned buy-out of Inergy Automotive Systems

- Consolidate our **position as world leader** in automotive equipment
- Expand internationally by **broadening our portfolio of customers and country markets**
- **Build critical mass** and enhance innovation potential
- **Support our strategy** in emissions reduction

COMPAGNIE PLASTIC OMNIUM

Staying the strategic course

- **World leadership in two fully-controlled businesses**
- **Sustained expansion:**
  - **In regions with fast-growing automotive industries**
  - **In environmental businesses worldwide**
- **Sustainably lower break-even point**
- **Higher cash flow and debt kept under control by confirmed five-year credit facilities**

PLASTIC OMNIUM

First Half 2010

Financial Results

Laurent Burelle
Chairman and Chief Executive Officer

Levallois, Thursday 22 July 2010