



# LETTER TO OUR SHAREHOLDERS

SEPTEMBER 2017



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Our revenue is expected to exceed €10 billion in 2021

LAURENT BURELLE  
CHAIRMAN AND  
CHIEF EXECUTIVE OFFICER

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## MESSAGE

from the Chairman and Chief Executive Officer



€4.06 billion  
revenue  
**+28%**

€325 million  
operating  
margin  
**+22%**

€210 million  
net income,  
Group share  
**+35%**

€469 million  
EBITDA  
**+22%**

€101 million  
free cash-flow  
**+10%**

€207 million  
capital  
expenditures  
**+19%**

### DEAR OUR SHAREHOLDERS,

In the first half of 2017, our income surged again. Net income jumped 35% and the financial position strengthened even further. 2017 promises to be a year of robust growth.

We also continued our strategy of long-term growth:

- Capital expenditures were €207 million and our gross R&D expenditures increased by 28% to €210 million.
- We began work in the United States on our biggest plant—a pilot facility of the “4.0” plant of the future. These investments position us at the forefront of new production methods that combine robotics, algorithms and artificial intelligence. The methods will later be rolled out in all the Group’s plants, and this will be a real boost to our industrial efficiency.
- We invested as a co-sponsor in the new fund of Aster Capital, a venture capital firm that focuses on sustainable mobility start-ups. We also expanded our Automotive Strategic Analysis Committee to include leading, internationally renowned scientists.

This will help us improve our ability to identify new technologies to enhance our innovative strength as we lay the groundwork for the Group’s positioning when it comes to the clean, autonomous, connected vehicle of the future.

We are committed to managing our growth and the expansion of our order book. Our revenue is expected to exceed €10 billion in 2021.

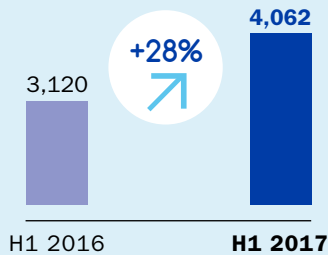
Thank you for your trust.

**LAURENT BURELLE**  
CHAIRMAN AND  
CHIEF EXECUTIVE OFFICER



### 2017 half-year results

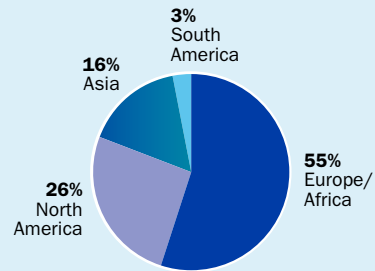
#### Change in economic revenue in millions of euros



The robust growth in revenue stems from:

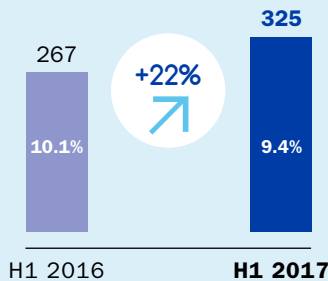
- 12.6% organic growth in the Automotive Division, which outperformed global automotive manufacturing by 10 points.
- the acquisition of the Exterior Systems business in July 2016.

#### Breakdown of revenue by region



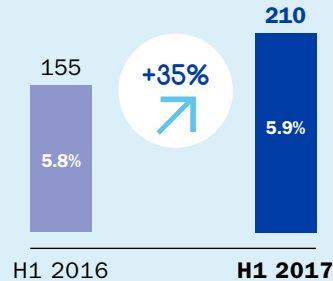
German manufacturers contributed 36% of revenue, compared to 27% for American manufacturers, 18% for Asian manufacturers, and 16% for French manufacturers.

#### Operating margin in millions of euros and as a % of consolidated revenue



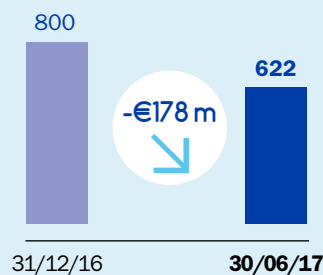
The increase reflects the ongoing improvement of industrial performance and the optimization of the plants' capacity. The acquired Exterior Systems business, which is margin dilutive, is currently being streamlined.

#### Net income, Group share in millions of euros and as a % of consolidated revenue



All the Group's financial indicators rose by double digits, with **net income increasing by +35%**. It reached a record high of €210 million over the half-year period.

#### Net debt in millions of euros



**Net debt now** represents 39% of equity and 0.7 x EBITDA.

#### Outlook

Automotive production is expected to increase by 1.5 to 2 points for all of 2017. Based on these figures, Plastic Omnium is expected to post strong revenue growth of €8 billion. Income is projected to grow steadily.





# HIGHLIGHTS

At the heart of current Group news



## JANUARY 2017

### — NEW CONTRACTS AND A NEW PLANT FOR PSA IN MOROCCO

Plastic Omnium signed new agreements for exterior body parts with PSA Group. As a result, the Group is continuing to add to its order book in France and is constructing a new plant in Morocco.



Citroën, Aircross concept car

## MARCH 2017

### — INAUGURATION OF THE SAINT-PRIEST SITE



On March 3, 2017, Laurent Buelle and Gérard Collomb, former Senator and Mayor of Lyon and President of Metropolitan Lyon, and now State Minister, Interior Minister, inaugurated the Saint-Priest site. This site houses the R&D center of the Environment Division and the France Customer Services Center. It has 120 employees.

## FEBRUARY 2017

### — MASS PRODUCTION OF THE INWIN FUEL SYSTEM



The INWIN pressurized fuel system, which is designed for plug-in hybrid vehicles, helps resist the strong pressure of hydrocarbon vapors when the engine is in electric mode.

Mass production on a Hyundai vehicle began in South Korea.

### — A NEW CUSTOMER FOR THE FUEL SYSTEMS DIVISION

Plastic Omnium will manufacture fuel tanks for Jaguar Land Rover in Slovakia and in China.



## APRIL 2017

### — 3<sup>RD</sup> APPEARANCE AT SHANGHAI AUTOSHOW

Plastic Omnium has demonstrated its successful growth in China and its ability to continue to grow on the largest automotive market in the world. Revenue in China is expected to double to €1.3 billion in 2021.



### DID YOU KNOW?

**27 million**

bumpers produced in 2016  
1 vehicle in 7 vehicles equipped worldwide

**20 million**

tanks produced in 2016  
1 vehicle in 5 vehicles equipped worldwide

**100 million**

containers installed worldwide



MAY 2017



— AT ITS 2017 SUPPLIER AWARDS CEREMONY, PSA Group recognized Plastic Omnium with a Program Management Award honoring the **expertise and responsiveness** of the Auto Exterior Division staff in handling numerous complex developments, such as for the front bumpers on the 3008 and the front and rear bumpers and tailgate on the 5008.

JUNE 2017

— ON JUNE 19, Laurent Burelle received the **Stock Market Champions Award**, granted by Investir magazine, for the best SBF 120 value over 10 years.



Left to right: François Monnier, managing editor of Investir; Laurent Burelle, Chairman and Chief Executive Officer of Plastic Omnium; Sylvie Aubert, journalist.

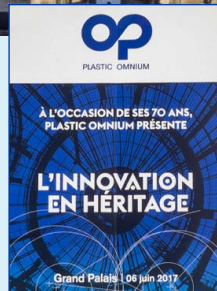
— ON JUNE 20, Félicie Burelle, Strategy & Development Executive VP, was named a 2017 **“Rising Star”** in the “Business Development” category by *Automotive News Europe* magazine.



1946 - 2016



## THE HERITAGE OF INNOVATION — JUNE 6, 2017 AT THE GRAND PALAIS, PARIS



The Group brought together 1,200 employees from 31 countries at the Grand Palais on June 6, 2017, to celebrate its 70<sup>th</sup> anniversary. The event gave shareholders a chance to view the exhibition in the main hall.

The event focused on 3 topics:

- **“We are PO”** recounted the Group's history since it started in 1946 in a basement on rue du Louvre in Paris;
- **“We imagine”** displayed Plastic Omnium solutions that can be incorporated into the cars and cities of the future;
- **“We protect”** showed innovations by the Group that can help make cities safer, cleaner and more connected.







## DECIPHERING THE DATA

These events are making history for the Group



Left to right: Jay Lee, Hiroaki Kitano, Ronan Stephan and Mathias Fink at the Levallois office.



## PLASTIC OMNIUM ENLISTS OUTSIDE, WORLD-RENOWNED EXPERTS TO HELP SPARK ITS INNOVATION CAPACITY

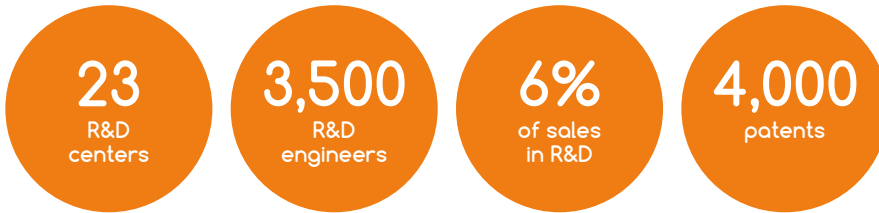
Plastic Omnium invited experts from outside the Group to join the Automotive Strategic Analysis Committee. The Group will be able to draw on the expertise of these new members to spark its innovation capacity. This committee, which was established in 2011 and is led by Ronan Stephan, Scientific Director, is developing an “Open Innovation” policy that engages in more collaboration, enters into more public-private partnerships and increases technology transfers.

- **Jay Lee**, professor and founding director of the Industry/University Cooperative Research Center on Intelligent Maintenance Systems at the National Science Foundation (Cincinnati), talked about **Industry 4.0 and the contributions of applied algorithmics to big data analytics.**
- **Hiroaki Kitano**, professor, head of the Systems Biology Institute (Tokyo) and President and CEO of Sony Research, discussed his vision for complex interdependent systems, providing illustrations from the “**smart city**” and **artificial intelligence.**
- **Mathias Fink**, professor, founder of the Langevin Institute, member of the French Academy of Sciences and French Academy of Technologies, focused on the potential of **acoustic sensors, radars and imaging.**

This initiative highlighting openness and dialogue aligns with the “Open Innovation” approach, which is vital for anticipating trends and staying at the forefront of emerging technologies.

In the same vein, Plastic Omnium is bolstering its innovation policy by cultivating partnerships with start-ups, universities and research centers such as CEA in France, the Technion in Israel and MIT in the United States in order to broaden its perspective and find new realms where it can make a difference.

## AT THE FOREFRONT OF INNOVATION



With 23 R&D centers, 124 plants equipped with cutting-edge technology and 3,500 creative, committed engineers, half of whom are outside France, Plastic Omnium makes innovation its number 1 lever of performance.

Beyond that, the Group is diversifying its approach by embracing new initiatives: partnerships with universities and research centers in France, Israel, Denmark and the United States.



Technical University  
of Denmark



Plastic Omnium recently invested in a venture capital fund aimed at acquiring stakes in fledgling, innovative companies that work on new energies of connected mobility and groundbreaking materials.



## New research center in 2019



The Group broke ground on  $\Delta$ -Deltatech, a research center focusing on new energies. Located in Brussels, it will require an investment of €50 million and will employ 200 engineers. It is due to open in early 2019.



## YOUR NEXT RENDEZ-VOUS



### SITE VISIT



Plastic Omnium is inviting shareholders to tour its exterior body parts plant in Ruitz (Pas-de-Calais) on November 21.

Places are limited, so please register by sending a message to:  
[investor.relations@plasticomnium.com](mailto:investor.relations@plasticomnium.com)

+33 (0)800 777 889



### AUTOMOTIVE



**GERMANY**  
**IAA Frankfurt**  
September 14-24, 2017  
Hall 5.1 – Stand A12



# SHAREHOLDER INFORMATION

Plastic Omnium & You



## Change in share price in euros

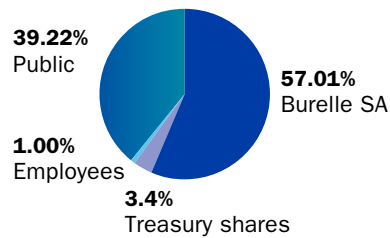


**Plastic Omnium shares** is listed on the NYSE Euronext Paris (Compartment A) and is a component of the SBF 120, CAC Mid 60 and SRD indices (ISN code: FR0000124570).

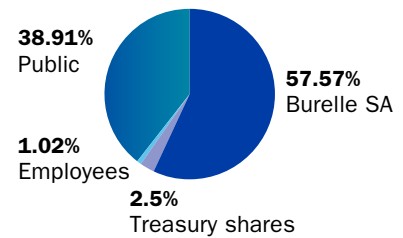
Market Capitalization  
at July 21, 2017  
**€5.03 billion**

At their meeting of July 20, 2017 the Board of Directors voted to cancel 1.5 million treasury shares as of August 14, 2017. After this cancellation, the percentage of control of Burelle SA will rise from 57.01% to 57.57%.

### JUNE 30, 2017 Number of shares: 152,476,720



### AUGUST 14, 2017 Number of shares: 150,976,720



## FINANCIAL CALENDAR

**OCTOBER 24, 2017**

Publication of quarterly information for the 3<sup>rd</sup> quarter of 2017

**FEBRUARY 15, 2018**

Publication of annual results for 2017

## SHAREHOLDER CALENDAR

**NOVEMBER 21, 2017**

Tour of exterior body parts plant in Ruitz, France

**APRIL 26, 2018**

2018 Shareholders' Meeting, Pavillon Dauphine, Paris



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