

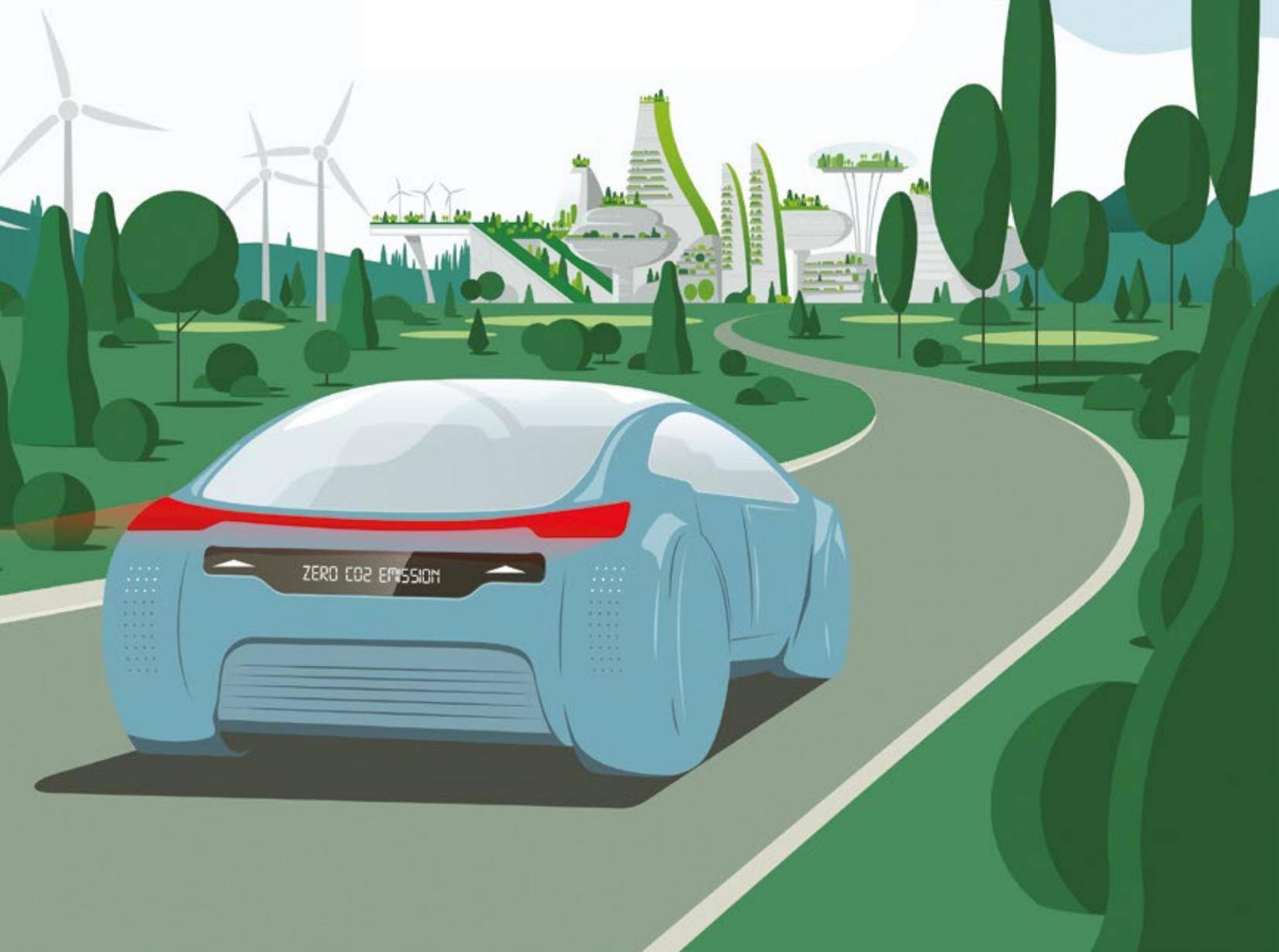
SHAPING THE FUTURE OF MOBILITY

REVOLUTIONS POWERED BY PLASTIC OMNIUM



PLASTIC OMNIUM

2021 INTERIM FINANCIAL REPORT



COMPAGNIE PLASTIC OMNIUM

2021 INTERIM FINANCIAL REPORT

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DECLARATION BY THE PERSON RESPONSIBLE FOR THE INTERIM FINANCIAL REPORT

I declare that, to the best of my knowledge, the condensed interim consolidated financial statements of Compagnie Plastic Omnium SE for the half-year period have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, financial position and results of both the Company and all consolidated companies, and that the interim business report herewith presents a true picture of major events occurring during the first six months of the accounting period, of their impact on financial statements and of the major transactions between related parties, and that it describes the main risks and uncertainties for the remaining six months of the year.

Levallois, July 20, 2021

Laurent Favre
Chief Executive Officer

INTERIM BUSINESS REPORT

KEY EVENTS IN THE FIRST HALF OF 2021

Changes in the Group's governance

Increase in Burelle SA's control as the majority shareholder of Compagnie Plastic Omnium SE

The Burelle SA holding company's stake in Compagnie Plastic Omnium SE rose from 58.8% to 59.4% following the cancellation of 1,443,954 treasury shares, equal to 0.97% of the share capital, on February 25th, 2021.

Board of Directors

The terms of office of two directors – Jean Burelle and Jérôme Gallot – were not renewed, and so they ceased to be directors at the end of the shareholders' general meeting of April 22nd, 2021. Jean Burelle was appointed non-voting director (*censeur*) of Compagnie Plastic Omnium SE through a decision by the Board of Directors on February 17th, 2021.

Changes in the Group's Executive Committee

The following people joined the Group in the first half of 2021:

- **Kathleen WANTZ-O'ROURKE** as Executive Vice-President, Group Chief Financial Officer and Chief Information Officer;
- **Jana KLEY** as Group Executive Vice-President, Human Resources;

And in newly created roles:

- **Alexandre CORJON** as Group Executive Vice-President, Innovation;
- **Cécile CANET-TEIL** as Group Executive Vice-President, Corporate Communications.

The Group's Executive Committee now has 14 members including 6 women, and has greater international experience.

Faster order intake and innovation in electric vehicles

In the first half of 2021, Plastic Omnium saw increased orders relating to electric vehicles from long-standing clients across all geographical zones:

- **Germany:** front and rear bumpers for Ford's new electric SUV, along with display and rollo shutter modules for Volkswagen's ID-buzz electric camper van;
- **Germany, Slovakia and Hungary:** front and rear bumpers and front-end modules for the electric and combustion models of the new Mercedes-Benz CLA and A-Class;
- **France:** front and rear bumpers for the new 5-Echo electric car (the new version of the Renault 5);
- **United States:** front-end modules for a 100% electric vehicle producer;
- **Mexico:** front and rear bumpers for General Motors and Honda's new electric SUVs and for the Volkswagen Jetta;
- **China:** active grille shutters for Audi's Q4 e-tron electric vehicle.

Plastic Omnium also broadened its client base, adding three new carmakers to its 93-brand portfolio:

- **Honda** selected Plastic Omnium to produce bumpers for its new Prologue electric SUV in Mexico;
- **VW Anhui**, the first joint venture dedicated to new electric vehicles in China, selected the Group to produce bumpers for its first Tavascan model;
- **Lotus**, the Geely subsidiary that is now focusing on developing electric vehicles, selected Plastic Omnium to produce ventilation flaps for the Lotus Lambda and Alpha models in China.

As a result of these successes, electric vehicles represent 5% of Group revenues in 2020 and 17% in 2025, a larger share than BEV in total automotive production (2% in 2020 and 15% in 2025).

Plastic Omnium is also continuing to improve its technological offering in this segment by developing specific modules such as an electric charging module and a trunk module. These innovations will allow the Group to increase the amount of content sold per vehicle.

Deployment of the hydrogen strategy

On March 1st, 2021, Plastic Omnium and ElringKlinger launched their **EKPO Fuel Cell Technologies** joint venture, a leading player in fuel cells for a wide range of applications including commercial vehicles, buses, passenger cars, trains and boats. Plastic Omnium has also acquired ElringKlinger Fuelcell Systems Austria GmbH (EKAT), which is ElringKlinger's Austrian subsidiary specializing in integrated hydrogen systems.

Plastic Omnium has a comprehensive offering including hydrogen storage, fuel cells and integrated hydrogen systems. Combined with its available industrial capacity, this means that it can respond to the increasing number of invitations to tender in the hydrogen mobility segment, as well as confirming its ambition of generating €3 billion of revenues in 2030.

The Group deployed that strategy in the first half of 2021, winning a large number of orders in various segments.

- In hydrogen storage:

Plastic Omnium entered into a partnership with **Hopium**, the French manufacturer of high-end hydrogen cars, to develop the hydrogen storage system for the future Hopium Māchina. This high-end car, first announced in October 2020, is intended to be the first French hydrogen-powered sedan to hit the market in 2026. The Māchina prototype will be equipped with a 700-bar Type IV vessel made by Plastic Omnium in its Herentals plant (Belgium), which has been operational since fall 2020.

Building on this initial collaboration, Hopium and Plastic Omnium have established a partnership to develop the hydrogen storage system for the Hopium Māchina production model. Based on almost 40 patents and a range of certified hydrogen storage vessels developed in-house, Plastic Omnium will produce a prototype high-pressure Type IV hydrogen vessel that will then be provided to Hopium for testing. This new-generation vessel will be optimally integrated into the vehicle chassis, enabling Hopium to maximize the quantity of hydrogen stored and achieve its ambitious 1,000-kilometer target range.

➤ In fuel-cell systems:

Elektro-Fahrzeuge Stuttgart GmbH (EFA-S) selected Plastic Omnium to deliver fuel-cell systems to equip the GAZelle with an electronic powertrain. This emissions-free truck will first be used by the city of Esslingen (Germany) for road maintenance. The ambition of EFA-S is to establish a fleet of more than 100 hydrogen-powered vehicles by 2023.

➤ By the EKPO fuel-cell joint venture:

- EKPO Fuel Cell technologies (EKPO) has been selected by **GCK (Green Corp Konnection)** as stack supplier for its power fuel-cell system;
- EKPO has signed an exclusive multi-year contract with mobility specialist **AE Driven Solutions GmbH (AEDS)**, based in Aix-la-Chapelle, for NM5-evo fuel cells, with a total value of several tens of millions of euros;

The Group has also formed a strategic partnership with **McPhy**, which specializes in hydrogen production and distribution equipment, with the aim of collaborating on filling protocols and interfaces between hydrogen stations and high-pressure vessels, thereby helping broaden the Group's expertise across the entire hydrogen value chain.

More specifically, the technological collaboration will aim to improve the performance and connectivity of high-pressure vessels, by analyzing and mining the data generated by the interface at the filling station.

Plastic Omnium and McPhy are also looking at developing joint commercial products and solutions starting from the needs analysis phase, for Plastic Omnium's long-standing customers as well as new hydrogen mobility players.

Intensive marketing activity is taking place, targeting both carmakers and other mobility players (producers of buses, trucks and trains).

Progress in sustainability

Plastic Omnium has continued to prepare its carbon-neutrality roadmap, details of which will be provided in the second half of 2021. In the first half of the year, the Group has signed agreements with two external partners specializing in energy transition, and together with them has already committed to:

- auditing all facilities in order to identify ways of increasing energy efficiency and the investments required to implement them (scopes 1 and 2);
- analyzing the potential to shift the Group's energy sourcing towards renewable energies and devising the related action plan (scopes 1 and 2);
- putting together an action plan to reduce the carbon footprint of suppliers and transportation providers (upstream scope 3);
- quantifying and increasing the positive impact of the Group's innovative products for end-customers and end-users (downstream scope 3).

Plastic Omnium has already engaged with the Science-Based Target Initiative in order to align its CO₂ reduction targets with the most ambitious "Business Ambition for 1.5°C" methodology. The Group is also preparing scenarios for possible changes to its business activities in a carbon-constrained world, and supports the recommendations of the TCFD (Task-Force on Climate-Related Financial Disclosures), which aims to build a more resilient industrial and financial system.

Without waiting to announce its roadmap, Plastic Omnium is already stepping up efforts to decarbonize its sites, and in particular is aiming to use 100% renewable electricity⁸ at its sites (as opposed to 32% currently). In addition to the four sites equipped with solar panels in 2020, agreements to equip a further 17 sites with solar panels or wind turbines have been formed since the start of 2021.

Finally, the Group is working on using a greater proportion of recycled materials in its products, in close collaboration with its clients.

Construction of Plastic Omnium's 33rd site in China

- Plastic Omnium has announced the construction of a new plant in LinGang (Shanghai region) by YFPO, its joint venture with Yanfeng that is China's leading manufacturer of exterior body systems. Bumper production will begin in 2022, with capacity of more than 1 million pieces per year.
- China is the world's largest automotive market and is strategic for Plastic Omnium, which already has 32 production facilities there, along with two R&D centers and an office in Shanghai. The Group generated 10% of its economic revenues in China in the first half of 2021 (€434 million).

CONSOLIDATED INTERIM 2021 RESULTS

These 2021 half-year results represent a major improvement on those for the first half of 2020, which were very significantly affected by plant shutdowns arising from the Covid-19 crisis. They reflect operational performance that is already back to 2019 levels, even though worldwide automotive production is still lower than it was before the crisis (down 10% compared with 2019).

Free cash-flow also accelerated.

In € millions	H1 2020	H1 2021
Economic revenues ¹	3,233	4,138
Consolidated revenues ²	2,962	3,784
Operating margin ³ % of consolidated revenues	-116 -3.9%	234 6.2%
Net result - Group share	-404	142
EBITDA ⁴ % of consolidated revenues	171 5.8%	461 12.2%
Investments	226	149
Free cash-flow ⁵	-572	151
Net debt ⁶ at June 30	1,410	890
Net debt / Equity	78%	44%
Net debt / EBITDA	2.1	0.9

Revenues up 32% despite a €550 million adverse impact from chip shortages

In the first half of 2020, worldwide automotive production volumes amounted to 29.3 million vehicles, representing a historic decline of 33% as a result of the Covid-19 pandemic and plant shutdowns. In the first half of 2021, production rebounded to 37.9 million vehicles. This was still around 10% lower than 2019 figures, due in particular to chip shortages, the impact of which increased during the half-year period, dragging down production by 1.4 million vehicles in the first quarter of 2021 and 2.6 million in the second.

Plastic Omnium generated **economic revenues** of €4,138 million in the first half of 2021, **up 31.9%** compared with the first half of 2020 on a like-for-like basis. An estimated €550 million of revenues were lost as a result of production stoppages at carmakers arising from the shortage of electronic components.

Both of the Group's two businesses contributed to the sharp upturn, with revenues up 29.2% at constant scope and exchange rates at Plastic Omnium Industries and up 39.5% at Plastic Omnium Modules.

Plastic Omnium's **consolidated revenues**, excluding joint ventures, amounted to €3,784 million in the first half of 2021, up 31.8% at constant exchange rates compared with the first half of 2020.

In € millions by business	H1 2020	H1 2021	Change	LFL change*
Plastic Omnium Industries	2,395	2,992	+24.9%	+29.2%
Plastic Omnium Modules	838	1,146	+36.7%	+39.5%
Economic revenues	3,233	4,138	+28.0%	+31.9%
Joint ventures	271	354	+30.4%	+32.9%
Plastic Omnium Industries	2,203	2,739	+24.3%	+28.7%
Plastic Omnium Modules	759	1,045	+37.7%	+40.7%
Consolidated revenues	2,962	3,784	+27.8%	+31.8%

*Like-for-like: at constant scope and exchange rates

Outperformance of 2.5 points relative to worldwide automotive production, driven by Asia, including China

With economic revenues up 31.9% at constant exchange rates, the Group outperformed worldwide automotive production (up 29.4%) by 2.5 points in the first half of 2021.

In € millions by region	H1 2020	H1 2021	LFL change*	Change in automotive production
Europe	1,770	2,277	+28.9%	+27.8%
North America	860	1,030	+31.1%	+31.4%
China	326	434	+33.8%	+26.6%
Asia excluding China	215	283	+36.7%	+29.5%
Other	62	116	+96.8%	+46.8%
Economic revenues	3,233	4,138	+31.9%	+29.4%
Joint ventures	271	354	+32.9%	
Consolidated revenues	2,962	3,784	+31.8%	+29.4%

*Like-for-like: at constant scope and exchange rates

In **Europe**, Plastic Omnium's revenues amounted to €2,277 million in the first half of 2021. Revenues in the region rose by 28.9% against a 27.8% increase in automotive production, representing an outperformance of 1.1 points. Germany – the largest contributor to Group revenues, accounting for 16% of the total – outperformed by 17 points, with growth of 32% driven by the Group's positions in new electric vehicles. In Spain, France and the UK, business levels at the Group's main clients were affected by chip shortages.

In **North America**, Plastic Omnium's revenues totalled €1,030 million in the first half of 2021. That represented an increase of 31.1% at constant scope and exchange rates, in line with the rise in automotive production (+31.4%)

In **Asia excluding China**, revenues came to €283 million in the first half of 2021, up 36.7% at constant exchange rates. Relative to market growth of 29.5%, this represented an outperformance of 7.2 points. Business benefited from a strong recovery in South Korea, India and Thailand.

In **China**, which accounts for 10% of Group economic revenues, Plastic Omnium posted revenues of €434 million. Revenues were up 33.8% at constant exchange rates in the first half of the year, representing an outperformance of 7.2 points. This was due to market share gains and growth in the modules business, which was launched in 2018.

Operating margin at 6.2%, thereof 7.6% at Plastic Omnium Industries, thanks to flexibility and cost-reduction efforts

Since the start of 2021, Plastic Omnium has been managing its operations on the basis of a 5% discount to expected worldwide automotive production volumes. Flexibility measures were stepped up in the first half to absorb the consequences of production line stoppages and the reduction in production volumes by many carmakers as a result of supply shortages affecting chips, and increases in raw materials.

The Group also continued to deploy its OMEGA transformation plan, with the aim of improving organizational effectiveness; leveraging industrial efficiency by simplifying processes, accelerating digitization, and facilitating a more cross-functional approach. 2,500 initiatives were formally adopted, allowing the Group to confirm its cost-reduction target of €100 million for 2021.

Finally, the return to operational breakeven at Greer’s US site and the closure of the Eisenach fuel systems manufacturing site in Germany in the first quarter of 2021, helped drive the sharp upturn in operational performance.

As a result, the Group’s **operating income** comes to €234 million in the first half of 2021, 6.2% of revenues.

Plastic Omnium Industries achieved an operating margin of 7.6%.

In € millions and as a % of revenues by business	H1 2020	H2 2020	H1 2021
Consolidated revenues	2,962	4,111	3,784
Plastic Omnium Industries	2,203	2,940	2,739
Plastic Omnium Modules	759	1,171	1,045
Operating margin	-116	234	234
<i>% of consolidated revenues</i>	-3.9%	5.7%	6.2%
Plastic Omnium Industries	-106	205	209
<i>% of consolidated revenues</i>	-4.8%	7.0%	7.6%
Plastic Omnium Modules	-11	29	25
<i>% of consolidated revenues</i>	-1.4%	2.5%	2.4%

Net income – Group share: €142 million

Other operating expenses in the first half of 2021 amounted to €21 million as opposed to €313 million in June 2020 which included €255 million of asset impairment related to the volume impact of the Covid-19 pandemic and the adoption of a scenario projecting a slow recovery in worldwide automotive production.

Net financial expenses fell by €9.7 million to €26 million thanks to the combined effect of lower debt levels and lower interest rates, equalling 0.7% of revenues.

Tax expenses were €38.3 million resulting in an effective tax rate of 22.4%. In the first half of 2020, the Group recorded tax income of €47 million owing to deferred tax effects.

Net income – Group share totalled €142 million, representing 3.8% of consolidated revenues.

Free cash-flow of €151 million, equal to 4.0% of revenues and stronger financial position with Net debt/EBITDA ratio of 0.9x

EBITDA amounted to €461 million in the first half of 2021, representing 12.2% of consolidated revenues (and **14.9% of revenues at Plastic Omnium Industries**) versus €171 million and 5.8% of consolidated revenues in the first half of 2020.

In the first half of 2021, investments totalled €149 million, or 3.9% of revenues, as opposed to €226 million in the first half of 2020 and €148 million in the second. In 2021 as a whole, capex is likely to equal around 5% of revenues.

Sales of receivables fell by €20 million and a €100 million increase in inventories was largely due to efforts to secure supplies against a background of supply-chain pressures. As a result, the working capital requirement rose by €108 million.

In the first half of 2021, the Group generated €151 million of free cash-flow, **equal to 4.0% of consolidated revenues**.

Net debt stood at €890 million at June 30, 2021 (versus €1.410 billion at June 30, 2020 and €807 million at December 31, 2020) and included €115 million associated with the set-up of the EKPO JV and the acquisition of EKAT and a dividend payment of € 71 million.

Net debt equates to 44% of shareholders' equity and 0.9x EBITDA.

At June 30, 2021, the Group had liquidities of €2.45 billion comprising €0.57 billion in available cash and €1.88 billion in confirmed, undrawn credit lines, with an average maturity of 3.6 years and without any covenants.

OUTLOOK

Plastic Omnium is continuing to plan its operations on the basis of worldwide automotive production of 77 million cars in full-year 2021, with production volumes in the second half similar to those in the first and still affected by shortages of electronic components and pressure on the availability and prices of raw materials.

Based on that assumption and as a result of its flexibility and cost-reduction plans, the Group is raising its guidance for 2021:

- Sharp upturn in revenues
- Operating margin of at least 6% of revenue (previous guidance: 6%)
- Free cash-flow of significantly more than €220 million (previous guidance: more than €220 million)

RELATED PARTIES

Related party transactions correspond to transactions with Sofiparc, Burelle SA and Burelle Participations. Contracts between the Group and these companies were unchanged compared to 2020.

The compensation of senior managers and corporate officers were unchanged compared to December 31st, 2020.

Corporate officer compensation during the first half of 2021 was paid in accordance with the decision by the Board of Directors of Compagnie Plastic Omnium SE on February 17th, 2021, as set out on p.111 and following of Compagnie Plastic Omnium SE's 2020 Universal Registration Document.

Fixed compensation of Mr. Laurent Favre, Chief Executive Officer since January 1st, 2020

The Board of Directors decided that the Chief Executive Officer's fixed compensation for 2021 would remain unchanged relative to 2020, amounting to €900,000 for the full year.

The Chief Executive Officer also receives standard benefits in kind (company car, annual medical check-up, sports club membership, life insurance plan in accordance with Group policy). Mr. Laurent Favre also benefits from tax assistance, assistance with relocation and moving expenses up to a maximum of €40,000, as well as payment of the rent for his main residence if rent is paid on two properties at the same time, for a maximum period of eight months.

Fixed compensation of Mrs. Félicie Burelle, Managing Director since January 1st, 2020

Félicie Burelle's annual gross fixed compensation remains unchanged at €500,000. Mrs. Burelle also receives standard benefits in kind (company car, annual medical check-up, sports club membership, life insurance plan in accordance with Group policy).

With regard to variable compensation, the Board of Directors of Compagnie Plastic Omnium SE, acting on the recommendation of the Compensation Committee and the Appointments Committee, decided on the following items:

Variable compensation of Mr. Laurent Favre, Chief Executive Officer since January 1, 2020

Annual variable compensation is determined as a percentage of fixed compensation. 60% of it is determined on the basis of quantifiable criteria designed to reward economic performance and 40% of it is based on qualitative criteria. The qualitative criteria include the achievement of several targets regarding workforce-related, social and environmental responsibility, which together account for 20% and include the carbon-neutral strategy, the diversity policy, safety at work and the strengthening of the compliance policy. Quantifiable criteria are based on free cash flow (20%), net income attributable to equity holders of the parent (20%) and operating margin (20%). The quantifiable targets for 2021 have been defined in relation to the Group's forecast budget as presented to the Board of Directors on December 11th, 2020.

Grant of bonus shares to Mr. Laurent Favre, Chief Executive Officer since January 1st, 2020

The incentive component takes the form of performance shares subject to quantifiable performance conditions. It aims to incentivize the executive corporate officer to focus on the long term, to retain his services and to ensure that his interests are aligned with the Group's corporate interests and the interests of its shareholders. Accordingly, the vesting of these shares is subject to performance conditions, fulfillment of which is measured at the end of a vesting period of four years from the grant date. The value of those shares, estimated on the grant date in accordance with IFRSs used to prepare the consolidated financial statements, represents approximately 35% of the executive corporate officer's total compensation, without exceeding 100%.

Variable compensation of Mrs. Félicie Burelle, Managing Director since January 1, 2020

Annual variable compensation is determined as a percentage of fixed compensation. 60% of it is determined on the basis of quantifiable criteria designed to reward economic performance and 40% of it is based on qualitative criteria. The qualitative criteria include the achievement of several targets regarding workforce-related, social and environmental responsibility, which together account for 20% and include the carbon-neutral strategy, the diversity policy, safety at work and the strengthening of the compliance policy. Quantifiable criteria are based on free cash flow (20%), net income attributable to equity holders of the parent (20%) and operating margin (20%). The quantifiable targets for 2021 have been defined in relation to the Group's forecast budget as presented to the Board of Directors on December 11, 2020.

Grant of performance shares to Mrs. Félicie Burelle, Managing Director since January 1, 2020

The incentive component takes the form of performance shares subject to quantifiable performance conditions. It aims to incentivize the executive corporate officer to focus on the long term, to retain his services and to ensure that his interests are aligned with the Group's corporate interests and the interests of its shareholders. Accordingly, the vesting of these shares is subject to performance conditions, fulfillment of which is measured at the end of a vesting period of four years from the grant date. The value of those shares, estimated on the grant date in accordance with IFRSs used to prepare the consolidated financial statements, represents approximately 35% of the executive corporate officer's total compensation, without exceeding 100%.

RISKS IN H2 2021

The main risk factors for Compagnie Plastic Omnium SE remain those identified in the 2020 Universal Registration Document.

Glossary

1. Economic revenues reflects the Group's operational and managerial reality. It corresponds to consolidated revenues plus the Group's share of revenues from joint ventures based on ownership percentage: exterior body parts production in China (YFPO, 50%-owned) and in Turkey (BPO, 50%-owned) for Plastic Omnium Industries, and module assembly in South Korea (SHB Automotive Modules, 33%-owned) for Plastic Omnium Modules.
2. Consolidated revenues does not include the Group's share of revenues from joint ventures, which are consolidated using the equity method in accordance with IFRS 10, 11 and 12.
3. Operating income includes the Group's share of income from companies consolidated using the equity method and amortization of intangible assets acquired, before other operating income and expense.
4. EBITDA corresponds to operating income, which includes the Group's share of income from associates and joint ventures, before depreciation, amortization and operating provisions.
5. Free cash-flow corresponds to operating cash flow less expenditure on property, plant and equipment and intangible assets net of disposals, taxes and net interest paid, plus or minus the change in the working capital requirement (cash surplus from operations).
6. Net debt includes all long-term borrowings, short-term loans and bank overdrafts less loans, marketable debt instruments and other non-current financial assets, and cash and cash equivalents.
7. Like-for-like: at constant scope and exchange rates.
 - a. The currency effect is calculated by applying the period's average exchange rate to prior-year revenues. In the first half of 2021, currency effects had a €95 million negative impact on economic revenues and a €90 million negative impact on consolidated revenues.
 - b. Scope effects were not material in the first half of 2021.

All references to worldwide automotive production come from IHS data in July 2021.

CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS

AT JUNE 31, 2020

Financial indicators

In the context of its financial communication, the Group uses financial indicators based on aggregates taken from the consolidated financial statements prepared in accordance with IFRS, as adopted in the European Union.

As indicated in Note 3.1 of the consolidated financial statements at June 30, 2021, on segment information, the Group uses the notion of “economic revenue” for its operational management, which corresponds to the consolidated revenue of the Group and its joint ventures at their percentage stake: Yanfeng Plastic Omnium, the Chinese leader in exterior body parts, SHB Automotive modules, the leading Korean front-end module company and BPO, a major player in the Turkish exterior equipment market.

Reconciliation of economic revenue with consolidated revenue

In thousands of euros	First-half 2021	First-half 2020
Economic revenue	4,138,238	3,233,086
<i>Including revenue from joint ventures at the Group's percentage stake</i>	<i>353,912</i>	<i>271,351</i>
Consolidated revenue	3,784,326	2,961,735

BALANCE SHEET

In thousands of euros			
	Notes	June 30, 2021	December 31, 2020
ASSETS			
Goodwill	5.1.1	1,023,129	1,014,369
Other intangible assets	5.1.2	547,955	560,847
Property, plant and equipment	5.1.3	1,643,143	1,676,189
Investment property		30	30
Equity method and non-consolidated investments	5.1.4	271,945	180,342
Other non-current financial assets ⁽¹⁾	5.1.5	69,230	18,062
Deferred tax assets		156,997	128,471
TOTAL NON-CURRENT ASSETS		3,712,429	3,578,310
Inventories	5.1.6	758,243	656,812
Finance receivables ⁽¹⁾	5.1.7	4,435	6,340
Trade receivables	5.1.8	816,184	814,400
Other receivables	5.1.8	322,420	318,307
Other financial assets and financial receivables ⁽¹⁾	5.1.7	320	301
Hedging instruments ⁽¹⁾	5.2.6	1,201	7,625
Cash and cash equivalents ⁽¹⁾	5.1.9	635,834	829,989
TOTAL CURRENT ASSETS		2,538,637	2,633,774
TOTAL ASSETS		6,251,066	6,212,084
EQUITY AND LIABILITIES			
Capital	5.2.1.1	8,827	8,914
Treasury stock		-38,226	-61,339
Additional paid-in capital		17,389	17,389
Consolidated reserves		1,833,884	2,156,759
Net income for the period		142,241	-251,112
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		1,964,115	1,870,611
Attributable to non-controlling interests		67,502	69,677
TOTAL EQUITY		2,031,617	1,940,288
Non-current borrowings ⁽¹⁾	5.2.5.6	1,312,428	1,307,681
Provisions for pensions and other post-employment benefits		84,437	100,331
Provisions for liabilities and charges	5.2.4	36,992	30,926
Non-current grants		9,451	9,781
Deferred tax liabilities		69,204	43,477
TOTAL NON-CURRENT LIABILITIES		1,512,512	1,492,196
Bank overdrafts ⁽¹⁾	5.1.9.2	8,859	12,277
Current borrowings and financial debt ⁽¹⁾	5.2.5.6	275,229	349,160
Hedging instruments ⁽¹⁾	5.2.6	4,032	116
Provisions for liabilities and charges	5.2.4	73,366	87,888
Current grants		450	-
Trade payables	5.2.7.1	1,287,011	1,371,750
Other operating liabilities	5.2.7.2	1,057,990	958,409
TOTAL CURRENT LIABILITIES		2,706,937	2,779,600
TOTAL EQUITY AND LIABILITIES		6,251,066	6,212,084

(1) Components of net financial debt. Net financial debt stands at €889.5 million at June 30, 2021 compared with €806.9 million at December 31, 2020 (see Note 5.2.5.6).

INCOME STATEMENT

In thousands of euros	Notes	First-half 2021	%	First-half 2020	%
Consolidated sales (revenue)		3,784,326	100.0%	2,961,735	100.0%
Cost of goods and services sold	4.2	-3,292,226	-87.0%	-2,797,094	-94.4%
Gross profit		492,100	13.0%	164,641	5.6%
Research and Development costs	4.1 - 4.2	- 126,599	-3.3%	- 141,952	-4.8%
Selling costs	4.2	- 20,486	-0.5%	- 16,905	-0.6%
Administrative expenses	4.2	- 117,670	-3.1%	- 117,857	-4.0%
Operating margin before amortization of intangible assets acquired in business combinations and before share of profit of associates and joint ventures		227,345	6.0%	- 112 073	-3.8%
Amortization of intangible assets acquired in business combinations	4.3	- 10,095	-0.3%	- 13,366	-0.5%
Share of profit/loss of associates and joint ventures	4.4	16,775	0.4%	9,272	0.3%
Operating margin		234,025	6.2%	- 116 168	-3.9%
Other operating income	4.5	4,615	0.1%	4,493	0.2%
Other operating expenses	4.5	- 25,304	-0.7%	- 317,826	-10.7%
Borrowing costs	4.6	- 24,672	-0.7%	- 32,775	-1.1%
Other financial income and expenses	4.6	- 954	-0.0%	- 2,509	-0.1%
Profit from continuing operations before income tax and after share of profits of associates and joint ventures		187,710	5.0%	- 464,785	-15.7%
Income tax	4.7	- 38,289	-1.0%	46,931	1.6%
Net income		149,421	3.9%	- 417,855	-14.1%
Net profit attributable to non-controlling interests	4.8	7,180	0.2%	- 14,343	-0.5%
Net profit attributable to owners of the parent company		142,241	3.8%	- 403,512	-13.6%
Earnings per share attributable to owners of the parent company	4.9				
Basic earnings per share (in euros) ⁽¹⁾		0.98		-2.77	
Diluted earnings per share (in euros) ⁽²⁾		0.98		-2.77	

(1) Basic earnings per share are calculated using the weighted average number of ordinary shares outstanding, less the average number of shares held in treasury stock.

(2) Diluted earnings per share take into consideration the average number of treasury shares deducted from equity and shares related to the exercise of stock option plans.

STATEMENT OF COMPREHENSIVE NET INCOME AND GAINS AND LOSSES RECOGNIZED DIRECTLY IN EQUITY

In thousands of euros	First-half 2021			First-half 2020		
	Total	Gross	Tax	Total	Gross	Tax
Net profit for the period attributable to owners of the parent ⁽¹⁾	142,241	177,244	- 35,003	- 403,512	- 447,385	43,873
Reclassified to the income statement	15,995	16,905	-910	-21,057	-20,333	-724
Reclassified in the period	98	132	-34	130	130	-
Cash flow hedges	98	132	-34	130	130	-
Reclassified at a later date	15,897	16,773	-876	-21,187	-20,463	-724
Exchange differences on translating foreign operations	15,733	15,733	-	-23,268	-23,268	-
Cash flow hedges	164	1,040	-876	2,081	2,805	-724
Gains/(losses) for the period – Exchange rate instruments	164	1,040	-876	2,081	2,805	-724
Cannot be reclassified to the income statement at a later date	15,464	19,286	-3,822	-5,886	-8,237	2,351
Actuarial gains/(losses) relating to defined benefit plans	11,574	15,396	-3,822	-8,148	-10,499	2,351
Revaluation of long-term investments in equity instruments and funds	2,983	2,983	-	-752	-752	-
Revaluation of assets and liabilities due to hyperinflation in Argentina	907	907	-	3,015	3,015	-
Total gains and losses recognized directly in equity - Group share	31,459	36,191	-4,732	-26,943	-28,570	1,627
Net income and gains and losses recognized directly in equity - Group share⁽²⁾	173,700	213,435	-39,735	-430,455	-475,955	45,500
Net profit for the period attributable to non-controlling interests	7,180	10,466	-3,286	-14,343	-17,401	3,058
Reclassified to the income statement	1,466	1,466	-	-3,696	-3,696	-
Reclassified at a later date	1,466	1,466	-	-3,696	-3,696	-
Exchange differences on translating foreign operations	1,466	1,466	-	-3,696	-3,696	-
Total gains and losses recognized directly in equity - Non-controlling interests	1,466	1,466	-	-3,696	-3,696	-
Net income and gains and losses recognized directly in equity - Non-controlling interests	8,646	11,932	-3,286	-18,039	-21,097	3,058
Net income and gains and losses recognized directly in equity	182,346	225,367	-43,021	-448,494	-497,052	48,558

(1) Net profit for the period attributable to owners of the parent amounted to €85,401 thousand at June 30, 2021 compared to -€242,269 thousand at June 30, 2020.

(2) Net comprehensive income for the period attributable to owners of the parent amounted to €104,289 thousand at June 30, 2021 compared to -€258,447 thousand at June 30, 2020.

STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

In thousands of euros
In thousand units for the number of shares

	Number of shares	Capital	Capital reserve	Treasury stock	Other reserves (1)	Translation adjustment	Net profit for the period	Shareholders' equity		Total equity
								Attributable to owners of the parent	Attributable to non-controlling interests	
Equity at January 1, 2020	148,566	8,914	17,389	-54,071	2,044,775 (1)	-30,385	258,197	2,244,819	98,774	2,343,593
Appropriation of net profit at December 31, 2019	-	-	-	-	258,197	-	-258,197	-	-	-
Net profit at June 30, 2020	-	-	-	-	-	-	-403,512	-403,512	-14,343	-417,855
Total gains and losses recognized directly in equity	-	-	-	-	-3,002	-23,941	-	-26,943	-3,696	-30,639
Exchange differences on translating foreign operations	-	-	-	-	673	-23,941	-	-23,268	-3,696	-26,964
Actuarial gains/(losses) relating to defined benefit plans	-	-	-	-	-8,148	-	-	-8,148	-	-8,148
Cash flow hedges - Interest rate instruments	-	-	-	-	130	-	-	130	-	130
Cash flow hedges - Currency instruments	-	-	-	-	2,081	-	-	2,081	-	2,081
Change in the fair value adjustment of long-term investments in equity instruments and funds	-	-	-	-	-752	-	-	-752	-	-752
Revaluation of assets and liabilities due to hyperinflation in Argentina	-	-	-	-	3,015	-	-	3,015	-	3,015
Net income and gains and losses recognized directly in equity	-	-	-	-	255,195	-23,941	-661,709	-430,455	-18,039	-448,494
Treasury stock transactions	-	-	-	-12,369	-636	-	-	-13,005	-	-13,005
Dividends paid by Compagnie Plastic Omnium SE	-	-	-	-	-71,221 (2)	-	-	-71,221	-	-71,221
Dividends paid by other Group companies	-	-	-	-	-	-	-	-	-16,550	-16,550
Stock option costs	-	-	-	-	1,212	-	-	1,212	-	1,212
Deferred tax on stock option and share purchase plans	-	-	-	-	114	-	-	114	-	114
Equity at June 30, 2020	148,566	8,914	17,389	-66,440	2,229,440 (1)	-54,326	-403,512	1,731,464	64,185	1,795,649
Net profit from second-half 2020	-	-	-	-	-	-	152,400	152,400	12,403	164,803
Net income recognized directly in equity	-	-	-	-	7,642	-26,878	-	-19,236	-1,040	-20,276
Exchange differences on translating foreign operations	-	-	-	-	1,986	-26,878	-	-24,892	-1,040	-25,932
Actuarial gains/(losses) relating to defined benefit plans	-	-	-	-	5,296	-	-	5,296	-	5,296
Cash flow hedges - Interest rate instruments	-	-	-	-	35	-	-	35	-	35
Cash flow hedges - Currency instruments	-	-	-	-	37	-	-	37	-	37
Change in the fair value adjustment of long-term investments in equity instruments and funds	-	-	-	-	-3,279	-	-	-3,279	-	-3,279
Revaluation of assets and liabilities due to hyperinflation in Argentina	-	-	-	-	3,566	-	-	3,566	-	3,566
Net income and gains and losses recognized directly in equity	-	-	-	-	7,642	-26,878	152,400	133,163	11,363	144,527
Treasury stock transactions	-	-	-	5,101	1,303	-	-	6,404	-	6,404
Change in scope of consolidation and reserves	-	-	-	-	-	-	-	-	1,157	1,157
Dividends paid by other Group companies	-	-	-	-	-	-	-	-	-7,028	-7,028
Stock option costs	-	-	-	-	196	-	-	196	-	196
Deferred tax on stock option and share purchase plans	-	-	-	-	-618	-	-	-618	-	-618
Equity at December 31, 2020	148,566	8,914	17,389	-61,339	2,229,962 (1)	-81,204	-251,112	1,870,611	69,677	1,940,288
Appropriation of net profit at December 31, 2020	-	-	-	-	-251,112	-	251,112	-	-	-
Net profit at June 30, 2021	-	-	-	-	-	-	142,241	142,241	7,180	149,421
Net income recognized directly in equity	-	-	-	-	15,387	16,072	-	31,459	1,466	32,925
Exchange differences on translating foreign operations	-	-	-	-	-339	16,072	-	15,733	1,466	17,199
Actuarial gains/(losses) relating to defined benefit plans	-	-	-	-	11,574	-	-	11,574	-	11,574
Cash flow hedges - Interest rate instruments	-	-	-	-	98	-	-	98	-	98
Cash flow hedges - Currency instruments	-	-	-	-	164	-	-	164	-	164
Change in the fair value adjustment of long-term investments in equity instruments and funds	-	-	-	-	2,983	-	-	2,983	-	2,983
Revaluation of assets and liabilities due to hyperinflation in Argentina	-	-	-	-	907	-	-	907	-	907
Net income and gains and losses recognized directly in equity	-	-	-	-	-235,725	16,072	393,353	173,700	8,646	182,346
Treasury stock transactions	-	-	-	23,113	-32,929	-	-	-9,816	-	-9,816
Capital reduction through cancellation of treasury stock	-1,444	-87 (2)	-	-	-	-	-	-87	-	-87
Dividends paid by Compagnie Plastic Omnium SE	-	-	-	-	-71,287 (2)	-	-	-71,287	-	-71,287
Dividends paid by other Group companies	-	-	-	-	-	-	-	-	-10,821	-10,821
Stock option costs	-	-	-	-	1,338	-	-	1,338	-	1,338
Deferred tax on stock option and share purchase plans	-	-	-	-	-345	-	-	-345	-	-345
Equity at June 30, 2021	147,122	8,827	17,389	-38,226	1,899,015 (1)	-65,132	142,241	1,964,115	67,502	2,031,617

(1) See Note 5.2.1 for the breakdown of « Other reserves ».

(2) See Notes 2.2.1.1 and 5.2.1.1 on the capital reduction of Compagnie Plastic Omnium SE.

(3) The dividend per share distributed on June 30, 2021 by Compagnie Plastic Omnium in respect of the 2020 fiscal year is 0,49 euro as in 2020 in respect of the 2019 fiscal year (see Note 5.2.2 on dividends voted and paid).

STATEMENT OF CASH FLOWS

In thousands of euros	Notes	First-half 2021	2020	First-half 2020
I - CASH FLOWS FROM OPERATING ACTIVITIES				
Net income	3.1.1	149,421	- 253,051	-417,855
Dividends received from associates and joint ventures		30,619	35,473	15,085
Non-cash items		272,244	776,941	528,107
Share of profit/(loss) of associates and joint ventures	4.4	- 16,775	- 29,101	-9,272
Stock option plan expense		1,338	1,408	1,212
Other adjustments		- 614	4,676	-747
Depreciation and provisions for impairment of fixed assets		142,098	472,593	338,705
Amortization and provisions for impairment of intangible assets		88,644	288,313	197,330
Changes in provisions		- 7,682	12,861	15,065
Net (gains)/losses on disposals of non-current assets		6,357	584	728
Operating grants recognized in the income statement		- 590	- 825	-415
Current and deferred taxes	4.7.1	38,289	- 31,002	-46,931
Cost of net debt		21,179	57,434	32,434
CASH GENERATED BY OPERATIONS (before cost of net debt and tax) (A)		452,284	559,363	125,338
Change in inventories and work-in-progress – net		- 92,358	52,740	-8,856
Change in trade receivables – net		24,199	- 10,329	-
Change in trade payables		- 32,332	- 43,988	-393,060
Change in other operating assets and liabilities - net		- 7,753	- 43,510	-39,087
CHANGE IN WORKING CAPITAL REQUIREMENTS (B)		- 108,244	- 45,088	-414,544
TAXES PAID (C)		- 19,280	- 39,676	-13,330
Interest paid		- 24,967	- 70,603	-46,341
Interest received		859	4,010	3,189
NET FINANCIAL INTEREST PAID (D)		- 24,108	- 66,593	-43,152
NET CASH GENERATED BY OPERATING ACTIVITIES (A+B+C+D)		300,652	408,006	-345,687
II – CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisitions of property, plant and equipment	3.1.3	- 70,829	- 217,654	-116,096
Acquisitions of intangible assets	3.1.3	- 65,885	- 143,018	-70,201
Disposals of property, plant and equipment		1,758	2,651	856
Disposals of intangible assets		943	1,046	823
Net change in advances to suppliers of fixed assets		- 16,079	- 20,028	-43,139
Investment grants received		644	2,758	1,828
NET CASH USED IN OPERATIONS-RELATED INVESTING ACTIVITIES (E)		- 149,449	- 374,245	-225,929
FREE CASH FLOW (A + B + C + D + E)		151,203	33,761	-571,616
Acquisitions of shares in subsidiaries and associates, investments in associates and joint ventures, and related investments	2.2.2.1.1 - 5.1.10.1	- 43,489	- 812	-
Acquisitions of long-term investments in equity instruments and funds	5.1.5.1	- 49,511	- 7,107	-4,957
Disposals of long-term investments and financial income in listed equity instruments and funds	5.1.5.1	277	50,337	-
Impact of changes in scope of consolidation - cash and cash equivalents contributed by companies entering the scope of consolidation	2.2.2.1.4 - 5.1.10.1	373	1,418	-
NET CASH FROM FINANCIAL TRANSACTIONS (F)		- 92,349	43,836	-4,957
NET CASH FROM INVESTING ACTIVITIES (E+F)		- 241,798	- 330,409	-230,886
III - CASH FLOWS FROM FINANCING ACTIVITIES				
Reductions (Increases) in share capital and premiums	2.2.1.1 - 5.2.1.1	- 87	-	-
Purchases/sales of treasury stock		- 9,816	- 6,601	-13,005
Dividends paid by Compagnie Plastic Omnium SE to Burelle SA	5.1.11	- 42,788	- 42,788	-42,788
Dividends paid to other shareholders	5.1.11	- 40,009	- 51,502	-44,983
Increase in financial debt ⁽¹⁾	2.2.2.1.1 - 5.2.5.6	309,658	566,866	930,787
Repayment of financial debt and lease contracts liabilities, net		- 467,714	- 845,347	-753,127
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES (G)		- 250,758	- 379,372	76,884
Assets held for sale (and discontinued operations) (H)		-	-	-
Effect of exchange rate changes (I)		1,167	- 13,590	-10,228
NET CHANGE IN CASH AND CASH EQUIVALENTS (A + B + C + D + E + F + G + H + I)		- 190,737	- 315,365	-509,920
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	5.1.9.2 - 5.2.5.6	817,712	1,133,078	1,133,078
CASH AND CASH EQUIVALENTS AT END OF PERIOD	5.1.9.2 - 5.2.5.6	626,975	817,712	623,158

(1) The change in financial debt includes €70 million in share premiums not yet paid by the Group in connection with the acquisition of the stake in EKPO. See Note 2.2.2.1.1.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The condensed consolidated financial statements of the Plastic Omnium Group for the six months ended June 30, 2021 were approved by the Board of Directors on July 20, 2021.

PRESENTATION OF THE GROUP

Compagnie Plastic Omnium, a company governed by French law, was set up in 1946. The bylaws set its duration until April 24, 2112. It is registered in the Lyon Trade and Companies Register under number 955 512 611 and its registered office is at 19, boulevard Jules Carteret, 69007 Lyon, France.

The terms “Compagnie Plastic Omnium”, “the Group” and “the Plastic Omnium Group” refer to the group of companies comprising Compagnie Plastic Omnium SE and its consolidated subsidiaries.

The Plastic Omnium Group is a global leader in the transformation of plastic materials for the automotive market for body parts, storage systems and fuel supply systems (“Industries” segment) and front-end modules (“Modules” segment).

The Group has organized its business into two operating segments:

• **Industries:**

- *Intelligent Exterior Systems (IES)*, dedicated to complex and intelligent body systems;
- *Clean Energy Systems (CES)*, dedicated to clean energy storage systems and emission reduction systems.

• **Modules:** module design, development and assembly (HBPO).

Plastic Omnium Group shares have been traded on the Paris Stock Exchange since 1965. The Group is listed on Eurolist compartment A and is included in the SBF 120 and the CAC Mid 60 indices. The main shareholder is Burelle SA, which held 59.35% of the Group (60.04% excluding treasury shares) with a voting rights of 73.28 % at June 30, 2021.

The unit of measurement used in the Notes to the consolidated financial statements is thousand euros, unless otherwise indicated.

1. ACCOUNTING POLICIES, ACCOUNTING RULES AND PRINCIPLES

1.1. Basis of preparation

The Group's condensed consolidated financial statements for the six months ended June 30, 2021 have been prepared in accordance with IAS 34 "Interim Financial Reporting".

These condensed half-yearly consolidated financial statements do not include all the information required for annual financial statements and should be read in conjunction with the consolidated financial statements at December 31, 2020.

The accounting policies used are those applied by the Group at December 31, 2020 and described in Note 1 "Accounting policies, accounting rules and principles" of the 2020 consolidated financial statements.

The Group has not early applied any standards, interpretations and amendments that are not mandatory at June 30, 2021, and applied the accounting principles described in the consolidated financial statements at December 31, 2020 without any change.

The amendments to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", which specify that the costs to be included in determining whether a contract is onerous must include both the incremental costs of performing the contract and an allocation of other costs directly related to the performance of the contract, applicable as of January 1, 2022, have not been applied in advance. However, it should be noted that there is no impact as the aggregate currently used by the Group in the analysis of onerous contracts is the gross profit.

1.2. Preparation of interim financial statements

▪ Income tax

The tax expense (current and deferred) for the period is determined based on the estimated annual tax rate, applied to profit before tax for the period excluding significant non-recurring items.

See Note 2.1.2 the "Deferred tax assets".

▪ Employee benefits

The change in interest rates during the first-half 2021 led the Group to reassess its main employee benefits obligations in Europe and the United States. The rates used at June 30, 2021 in the main regions are respectively:

- 0.90% for the euro zone, compared to 0.35% at December 31, 2020; and
- 3.04% for the United States, compared to 2.46% at December 31, 2020.

The half-year expense for post-employment benefits corresponds to half of the budgeted net expense for the 2021 fiscal year, determined on the basis of the actuarial data December 31, 2020 and assumptions used at June 30, 2021, after taking into account, where applicable, specific events such as plan changes.

▪ Impairment tests

At June 30, 2021, as no indications of impairment had been identified by the Group, no impairment tests were carried out on goodwill.

The impairment tests performed in the context of the Covid-19 crisis on other depreciable intangible assets and depreciable tangible assets have been updated and the corresponding impairments adjusted where necessary.

1.3. Use of estimates and assumptions

In preparing its financial statements, the Plastic Omnium Group uses estimates and assumptions to assess some of its assets, liabilities, income, expenses and commitments. These estimates and assumptions, which are reviewed periodically by Senior Management, may lead to a material adjustment to the carrying amount of assets and liabilities. At June 30, 2021, they mainly concerned:

- deferred taxes;
- impairment tests on goodwill, intangible and tangible assets

The tests performed by the Group as part of the preparation of the consolidated financial statements at June 30, 2021, are based on the value in use, the latter being calculated as the present value of future cash flows and the discount rate. The assumptions that could have a significant impact on the financial statements relate in particular to the operating margin, discount rates and growth rates (see Note 2.1.1 “Asset impairment tests”).

- provisions:
 - retirement commitments and other employee benefits; and
 - other provisions (workforce adjustment, litigation, customer guarantees, legal and tax risks, etc.);
- leases (IFRS 16):

The use of the discount rate in determining the right of use and the lease liability for the leased property.

2. SIGNIFICANT EVENTS OF THE PERIOD

Continuation of the Covid-19 pandemic, emergence of the semiconductor shortage and impact on the first-half 2021 financial statements

After the shutdown of the Group's plants and research and development centers, in line with the shutdowns of the OEM's production lines in the first-half 2020 related to the Covid-19 crisis, business resumed in the second-half 2020 with a normal production rate for most plants.

In the first-quarter 2021, a shortage of semiconductors and raw materials impacting the worldwide automotive industry forced the Group's customers to shut down some of their production lines for varying lengths of time. This shortage and production line shutdowns worsened in the second quarter, and led to the Group adjusting its own production. The impact of customer shutdowns on the Group's consolidated sales is estimated at €518 million (versus €550 million on the Group's economic sales).

Based on information received from our customers and market intelligence, the Group expects that semiconductor shortages will continue to have a negative impact on automotive production in the second half of 2021. The Group does not expect semiconductor shortages beyond 2022.

The notes below cover the impacts and uncertainties related to the continuation of the Covid-19 pandemic and the automotive components shortage: see Note 2.1 "Management by the Group of the Covid-19 pandemic, the shortage of semiconductors and the impacts in the Group's financial statements for the first-half 2021".

International context and change in the automotive market:

In this context of the Covid-19 pandemic and the shortage of semiconductors for the automotive industry, the global production figures in terms of number of vehicles over the first-half of 2021 and 2020 are presented below:

In thousands of vehicles	Source: IHS ⁽¹⁾	First-half 2021	First-half 2020	Change	%
Vehicle production		38,023	29,284	8,738	29.8%

(1) IHS: "IHS Markit", an Anglo-American specialist economic information company, which publishes trends and forecasts, particularly

for the automotive sector. Publication: "IHS database as of June 15, 2021 – [0;3.5t PC + LCV]".

2.1. Management by the Group of the Covid-19 pandemic, the shortage of semiconductors and the impacts on the Group's first-half financial statements

The impacts directly related to the continuing Covid-19 pandemic and the shortage of semiconductors and raw materials are described in the following notes.

2.1.1. Asset impairment tests

As part of the preparation of the half-year financial statements and in accordance with IAS 36 "Impairment of assets", the impairment of non-current assets, including intangible assets, property, plant and equipment, assets in progress and HBPO customer contracts, recognized at December 31, 2020, has been updated at June 30, 2021.

In the first-half, the individual changes and the total net change are immaterial.

Impairments in the financial statements over the last three half-years are presented below:

In millions of euros	2020			2021	
	June 30	Change over the second-half	December, 31	Change over the first-half	June 30
Industrial assets	176.6	-6.0	170.6	-0.3	170.3
Project assets	53.1	3.1	56.2	-3.9	52.3
Customer contracts	32.0	-8.6	23.4	0.0	23.4
Total	261.7	-11.5	250.2	-4.2	246.0

These tests were updated on the basis of forecast data updated and revised in May and June 2021. They take into account IHS estimates of the volume, forecasts received from OEMs, discounted where appropriate depending on the history and knowledge of each program and in relation to market specifics.

The discount rate used is unchanged from last year, i.e. 9% and adjusted if necessary to take into account specific country economic conditions such as in India. Similarly, the perpetual growth rate used to determine the terminal value takes into account local economic conditions.

The changes in impairments of property, plant and equipment and intangible assets are recognized in “Other operating income and expenses” (see Note 4.5).

Sensitivity on intangible and tangible asset tests:

At June 30, 2021, as for December 31, 2020, sensitivity analyzes were carried out on the tests which led to the most significant impairments in the United States and in Germany. These impairments represent more than 60% of the total impairment of industrial assets and projects.

In this context, the Operating Margin was retained as a key assumption since it reflects the impact of the following two effects:

- the change in revenue, in particular the impact of a drop in sales that would not be offset by a reduction in costs and / or;
- a difference in the expected profitability of plants

A +/-10% change in the operating margin used over the term of the plan (2021-2025) and in the determination of the terminal value would have the following consequences:

- a -/+ €8 million change in the impairments recognized on assets in the United States;
- a -/+ €14 million change in impairments recognized on assets in Germany.

2.1.2. Deferred tax assets

The Group’s tax position has been analyzed taking into account the latest earnings forecasts, in line with the assumptions made in the valuation of other assets.

In accordance with the Group’s accounting principles, tax credits and deferred tax assets on tax loss carryforwards and temporary differences are only recognized when the probability of their utilization within a relatively short period of time is proven.

The impairment of deferred tax assets over the respective periods amounted to:

- +€3.8 million for the first-half 2021;
- €80.4 million for the first-half 2020 (taking into account the downward revision of future results);
- a reversal of +€1.3 million for the second-half 2020.

Impacts over the fiscal year 2021 are explained in Note 4.7 “Income tax”.

2.1.3. Implementation of part-time activity and State aid

State aid in the context of part-time activity over the last three half-years amounts to:

- €1.6 million for the first-half 2021;
- €18.1 million for the first-half 2020;
- and €13.6 million for the second-half 2020.

This State aid is recognized as a reduction in personnel costs.

2.1.4. Other costs related to Covid-19

Since fiscal year 2020, the Group has implemented very strict health measures ranging from providing protective equipment for employees, hydro-alcoholic gels, temperature-taking equipment, regular disinfection of premises, floor markings and displaying of instructions, etc.

These measures will be maintained until the health crisis has ended.

The costs incurred to implement these measures against Covid-19 amounted to:

- €4.7 million for the first-half 2021;
- €6.7 million for the first-half 2020;
- and €6.7 million for the second-half 2020.

They are recognized as operating expenses in the operating margin.

2.2. Other significant events of the period

2.2.1. Changes in the share capital of Compagnie Plastic Omnium SE

2.2.1.1. Share capital reduction by Compagnie Plastic Omnium SE by cancellation of treasury shares

At its meeting of February 17, 2021, the Board of Directors of Compagnie Plastic Omnium SE decided to cancel 1,443,954 treasury shares (0.97% of the share capital) effective February 25, 2021.

Compagnie Plastic Omnium SE's share capital, made up of 147,122,153 shares with a par value of €0.06, was thus reduced to €8,827,329.18. See Note 5.2.1.1 "Share capital of Compagnie Plastic Omnium SE".

At June 30, 2021, this transaction brings Burelle SA's stake in Compagnie Plastic Omnium SE from 58.78% to 59.35% of the share capital before the cancellation of the treasury shares.

2.2.2. Change in the scope in the first-half 2021 and monitoring of 2020 transactions

2.2.2.1. Company acquisition and equity investment in the German group ElringKlinger AG

Plastic Omnium Group and ElringKlinger AG, a German family-owned listed group and automotive parts manufacturer headquartered in Dettingen (in Bavaria), signed on October 28, 2020:

- an agreement to create a joint venture, EKPO Fuel Cell Technologies, a leader in the development and mass production of fuel cells to accelerate the development of hydrogen mobility;
- and a second agreement on the same day, for the acquisition by Plastic Omnium Group of the Austrian subsidiary of ElringKlinger, specialized in integrated hydrogen systems, ElringKlinger Fuelcell Systems Austria GmbH (EKAT), for an enterprise value of €15 million.

Both agreements were subject to competition authorities and customary legal requirements. Plastic Omnium Group received the approval of the competition authorities during the first-quarter, which enabled the transactions described below to be completed at March 1, 2021:

Creation of the EKPO Fuel Cell Technologies joint venture:

Plastic Omnium Group and its partner ElringKlinger created the joint venture “EKPO Fuel Cell Technologies” on March 1, 2021. Through the subscription to a capital increase carried out by EKPO Fuel Cell Technologies, the Plastic Omnium Group acquired 40% of the shares for €100 million.

ElringKlinger thus owns 60% of the joint venture and Plastic Omnium Group 40%. The partnership agreement documents ElringKlinger’s control and that Plastic Omnium has a significant influence over the operation. ElringKlinger brought its fuel cell business, more than twenty years of know-how and R&D capabilities, giving a large development potential.

This business employs more than 150 people and holds a portfolio of more than 150 patents in fuel cell components and several high power density fuel cell platforms, already marketed and manufactured at its Dettingen/Erms site (Baden-Württemberg), where the joint venture also has its registered office.

The price of the equity interest as well as the payment terms are presented in Table 2.2.2.1.1.

Acquisition of ElringKlinger Fuel Cell Systems Austria GmbH:

Plastic Omnium Group acquired on March 1, 2021 all of the shares in the Austrian subsidiary of ElringKlinger, “ElringKlinger Fuel Cell Systems Austria GmbH (EKAT)”, specialized in integrated hydrogen systems, to complete its global hydrogen offering. The acquisition price is €13.4 million.

The corporate name of this company has been changed and is now “Plastic Omnium New Energies Wels GmbH”.

2.2.2.1.1. The acquisition prices

The acquisition prices as well as the payment terms are summarized in the table below:

	EKPO Fuel Cell Technologies		Plastic Omnium New Energies Wels GmbH	
<i>In %</i>				
Consolidation date in the Group's consolidated financial statements	March 1, 2021		March 1, 2021	
Percentage of interest	40%		100%	
Consolidation method	Equity method		Full consolidation	
<i>In thousands of euros</i>	Amount paid on March 1, 2021	Balance to be paid	Amount paid on March 1, 2021	Total of acquisitions
Acquisition price	30,040	70,000⁽¹⁾	13,449	113,489
Planned payment schedule for the balance of the acquisition price of the EKPO shares:	<i>In thousands of euros</i>			
March 1, 2022		30,000		
March 1, 2023		10,000		
September 1, 2023		10,000		
March 1, 2024		10,000		
September 1, 2024		10,000		

(1) The remaining €70 million payable in respect of the acquisition of a 40% stake in EKPO are recorded as financial liabilities at June 30, 2021.

2.2.2.1.2. Provisional allocation of the acquisition prices

EKPO Fuel Cell Technologies:

The provisional allocation of the acquisition price to the acquired assets and liabilities identified a “Technology” intangible asset, provisionally valued at €131 million (i.e. €52 million for the share held by the Plastic Omnium Group), resulting in a revaluation of the intangible assets recognized by the entity of €117 million. This asset is amortized over twelve years with effect from March 1, 2021. The amortization charge for this intangible asset is included in the operating margin under “Share of profit/(loss) of associates and joint ventures”. See Note 4.4.

At June 30, 2021, the 40% share of equity held by the Group and recognized under “Equity method investments” (See Note 5.1.4), includes a provisional goodwill for €57.9 million.

Plastic Omnium New Energies Wels GmbH (EKAT):

The provisional allocation of the acquisition price to the acquired assets and liabilities identified a “Technology” intangible asset, provisionally valued at €8.8 million. It is amortizable over twelve years with effect from March 1, 2021.

At June 30, 2021, the provisional goodwill, after taking into account the deferred tax liability of €2.2 million related to this intangible asset, amounted to €6.3 million.

The provisional opening balance sheet as of March 1, 2021 is presented below. It will be finalized by March 1, 2022.

Provisional allocation of the acquisition prices to the acquired assets and liabilities						
In thousands of euros	EKPO Fuel Cell Technologies			Plastic Omnium New Energies Wels GmbH		Total of the Group acquisitions in 2021
	Equity of the entity at March 1, 2021 and the provisional allocation of acquisition price	Share of equity acquired by the Group and provisional allocation of the acquisition price	Opening balance sheet at March 1, 2021	Equity acquired and adjustments	Opening balance sheet at March 1, 2021	
Calculation basis	100.00%	40.00%		100.00%	100.00%	
Deferred tax rate	30.00%	30.00%		25.00%	25.00%	
Equity acquired	9,416	3,766	3,766	526	526	
Intangible asset : technology	131,076 ⁽¹⁾	52,430	52,430	8,816	8,816	
Deferred taxes	-35,093	-14,037	-14,037	-2,204	-2,204	
Equity acquired (after adjustments) (A)	105,399	42,160	42,160	7,138	7,138	49,298
Intangible of ElringKlinger related to the capital increase (B)	44,661	17,864				
Contribution of Plastic Omnium Group (C)	100,040	40,016				
Equity after capital increase (D) = (A + B + C)	250,100	100,040				
Goodwill (E) = (D - A) = (B + C)	144,701	57,880	57,880 ⁽²⁾	6,311	6,311 ⁽³⁾	64,191 ⁽⁴⁾
Total	250,100	100,040	100,040	13,449	13,449	113,489

- (1) This amount comprises a revaluation of €117 million recognized as part of the provisional allocation of the acquisition price.
- (2) This goodwill is a component of the value of the "EKPO Fuel Cell Technologies" investments in associates accounted by the equity method in the Group consolidated Balance Sheet. See Note 5.1.4.
- (3) This amount is recognized in the "Goodwill" item in the Group consolidated Balance Sheet. See Note 5.1.1.
- (4) This amount is split in "Investments in associates accounted by the equity method" for €57,880 thousand and for €6,311 thousand in "Goodwill" in the Group consolidated Balance Sheet. See Notes 5.1.4 and 5.1.1.

2.2.2.1.3. The opening balance sheets and their contribution in the Group consolidated balance sheet

The provisional opening balance sheets of the two companies and their contribution in the Group consolidated balance sheet at March 1, 2021, are presented in the table below.

In accordance with IFRS3R, these balance sheets will be finalized no later than March 1, 2022, i.e. within twelve months of the acquisition date:

	EKPO Fuel Cell Technologies			Plastic Omnium New Energies Wels GmbH			Total in the Group consolidated financial statements				
	March 1, 2021			March 1, 2021			March 1, 2021				
Consolidation percentage	100%	100%	100%	100%	40%	100%	100%	100%	100%		
In thousands of euros	Balance Sheet before the allocation of acquisition price	Provisional allocation of the acquisition price	Provisional opening Balance Sheet	Change to Group contribution	Contribution in the Group's provisional opening consolidated balance sheet	Balance Sheet before the allocation of acquisition price	Provisional allocation of the acquisition price	Provisional opening Balance Sheet	Passage en contribution du Groupe	Contribution in the Group's provisional opening consolidated balance sheet	Total contributions of the provisional opening balance sheets in the Group's consolidated statements
ASSETS											
Goodwill	-	44,661	44,661	-44,661	-	-	6,311	6,311	-	6,311	6,311
Other intangible assets	14,101	116,975	131,076	-131,076	-	59	8,816	8,875	-	8,875	8,875
<i>Intangible asset "Technology"</i>	14,101	116,975	131,076	-131,076	-	-	8,816	8,816	-	8,816	8,816
<i>Other intangible assets</i>	-	-	-	-	-	59	-	59	-	59	59
Property, plant and equipment	14,080	-	14,080	-14,080	-	3,358	-	3,358	-	3,358	3,358
Investments in associates and joint ventures	-	-	-	100,040	100,040	-	-	-	-	-	100,040
Cancellation of securities acquired in exchange of the share in the Group reserves	-	-	-	-100,040	-100,040	-	-	-	-13,449	-13,449	-113,489
Available-for-sale financial assets	-	-	-	-	-	-	-	-	-	-	-
Deferred tax assets	-	-	-	-	-	7	-	7	-	7	7
TOTAL NON-CURRENT ASSETS	28,181	161,636	189,817	-189,817	-	3,484	15,127	18,611	-13,449	5,162	5,162
Inventories	-	-	-	-	-	7	-	7	-	7	7
Trade receivables	1,073	-	1,073	-1,073	-	-	-	-	-	-	-
Other receivables	66,558	-	66,558	-66,558	-	42	-	42	-	42	42
Other financial assets and financial receivables	1,191	-	1,191	-1,191	-	-	-	-	-	-	-
Cash and cash equivalents	30,045	-	30,045	-30,045	-	373	-	373	-	373	373
TOTAL CURRENT ASSETS	98,867	-	98,867	-98,867	-	422	-	422	-	422	422
TOTAL ASSETS	127,048	161,636	288,684	-288,684	-	3,906	15,127	19,033	-13,449	5,584	5,584
EQUITY AND LIABILITIES											
Consolidated reserves	-	-	-	-	-	426	-	426	-426	-	-
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	123,557	126,543	250,100	-250,100	-	526	12,923	13,449	-13,449	-	-
Attributable to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-
TOTAL EQUITY	123,557	126,543	250,100	-250,100	-	526	12,923	13,449	-13,449	-	-
Non-current and current borrowings	-	-	-	-	-	-	-	-	-	-	-
Non-current finance lease liabilities	-	-	-	-	-	1,218	-	1,218	-	1,218	1,218
Provisions for pensions and other post-employment benefits	2,832	-	2,832	-2,832	-	4	-	4	-	4	4
Provisions for liabilities and charges	-	-	-	-	-	-	-	-	-	-	-
Current government grants	-	-	-	-	-	-	-	-	-	-	-
Deferred tax liabilities	-	35,093	35,093	-35,093	-	-	2,204	2,204	-	2,204	2,204
TOTAL NON-CURRENT LIABILITIES	2,832	35,093	37,925	-37,925	-	1,222	2,204	3,426	-	3,426	3,426
Current borrowings and financial debt	-	-	-	-	-	1,376	-	1,376	-	1,376	1,376
Current finance lease liabilities	-	-	-	-	-	158	-	158	-	158	158
Other current debt	-	-	-	-	-	-	-	-	-	-	-
Provisions for liabilities and charges	659	-	659	-659	-	-	-	-	-	-	-
Trade payables	-	-	-	-	-	232	-	232	-	232	232
Other operating liabilities	-	-	-	-	-	392	-	392	-	392	392
TOTAL CURRENT LIABILITIES	659	-	659	-659	-	2,158	-	2,158	-	2,158	2,158
TOTAL EQUITY AND LIABILITIES	127,048	161,636	288,684	-288,684	-	3,906	15,127	19,033	-13,449	5,584	5,584
Gross debt	1,191	-	1,191	-1,191	-	-2,692	-	-2,692	-	-2,692	-2,692
Net cash and cash equivalents	30,045	-	30,045	-30,045	-	373	-	373	-	373	373
Net debt	31,236	-	31,236	-31,236	-	-2,319	-	-2,319	-	-2,319	-2,319

2.2.2.1.4. Contribution to the Group Profit and Loss key aggregates of the two new companies

The contribution in the first-half 2021 of "EKPO Fuel Cell Technologies" and "Plastic Omnium New Energies Wels GmbH" to Plastic Omnium Group Profit and Loss key aggregates is provided here after:

First-half 2021 Contribution to the Group Profit and Loss key aggregates									
In thousands of euros	Plastic Omnium Group	EKPO Fuel Cell Technologies		% of Plastic Omnium Group consolidated revenue	Plastic Omnium New Energies Wels GmbH		% of Plastic Omnium Group consolidated revenue	Total contributions of the new entities in the group Plastic Omnium consolidated statements	
	Totals	Totals	%		Totals	%		Totals	%
Consolidated revenue of Plastic Omnium Group	3,784,326								100.0%
Consolidated revenue of entities acquired		N/A	N/A	N/A	-	0.0%	0.0%	-	0.0% ⁽¹⁾
Operating Margin of entities acquired		-2,772	N/A ⁽¹⁾	-0.1%	180	N/A ⁽¹⁾	0.0%	-2,592	-0.1% ⁽¹⁾

(1) The percentages are presented in relation to the weight compared to the sales.

2.2.3. Monitoring of the financial investments in AP Ventures

2.2.3.1. The Group payment of funds to AP Ventures during the first-half 2021

During the first-half 2021, as co-sponsor and member of the investment advisory committee, the Group paid AP Ventures, a London-based venture capital firm specializing in hydrogen and fuel cells, a total of €2.2 million (equivalent to \$2.4 million).

The Group committed to invest \$30 million over the life of the fund. The Group's total payment amounted to €6.1 million (equivalent to \$7.2 million) as at June 30, 2021 (see Note 5.1.5.1 "Long-term investments in equities and funds").

2.2.4. Transfer from Belgium to France of innovation and research activities

The Group will transfer to France its innovation and research activities currently located in Brussels, Belgium. These activities are part of the Clean Energy Systems division of the "Industries" segment.

At June 30, 2021, restructuring expenses recognized in connection with this transfer of business amounted to €11.6 million, of which €8.0 million were for workforce adjustment costs. The provision for employee benefit obligations was reduced by €3.7 million to take into account the revised termination dates of the concerned employees.

2.2.5. Financing transactions

2.2.5.1. Follow-up of credit lines and utilization during the period

In the first-half 2021, the Group retained the same credit lines as at December 31, 2020.

The only change over the first-half is the extension of the maturity for six months from May to October 2021, related to a €30 million credit line.

See Notes 5.1.9 "Cash and cash equivalents", 5.2.5.5 "Confirmed medium-term credit lines" and 5.2.5.6 "Reconciliation of gross and net financial debt".

2.2.5.2. Decreased issuance of Negotiable European Commercial Paper (Neu-CP) during the first-half 2021

During the first-half of 2021, the Group reduced its issuance of "Neu-CP". At June 30, 2021, it amounted to €100.5 million compared to €200.5 million at December 31, 2020.

The terms of these issuances are provided in Note 5.2.5.4 "Short-term borrowings: issuance of "Negotiable European commercial paper" (Neu-CP)".

See also Note 5.2.5.6 "Reconciliation of gross and net financial debt".

2.2.6. Change in the international economy and impacts on the Group's financial statements

2.2.6.1. Monitoring of hyperinflation in Argentina and impacts on the Group's financial statements

The Argentine peso has fallen by 55% since December 31, 2020, impacting the main income statement aggregates of the Group's two Argentinian subsidiaries in the first-half 2021; Plastic Omnium Auto Inergy Argentina SA (Clean Energy Systems) and Plastic Omnium Argentina (Intelligent Exterior Systems); as follows:

<i>In thousands of euros</i>	First-half 2021	First-half 2020
Impact on the Group's revenue	+ €1,492K	+ €467K
Impact on the Group's operating margin	- €526K	- €432K
Impact on the Group's financial expense	- €133K	- €1,301K
Impact on the Group's other operating expense	- €5K	- €964K
Impact on the Group's tax expense	- €61K	- €159K
Impact on the Group's net income	- €724K	- €2,856K

3. SEGMENT INFORMATION

3.1. Information by operating segment

The Group uses the concept of “Economic revenue” for its operational management, which corresponds to the consolidated revenue of the Group and its joint ventures at their percentage stake: Yanfeng Plastic Omnium, the Chinese leader in exterior body parts, SHB Automotive modules, the leading Korean front-end module company and BPO, a major player in the Turkish market for exterior equipment.

The Group organizes its Automotive businesses into two operating segments (see Note on "Presentation of the Group"): “Industries” and “Modules”.

The columns in the tables below show the amounts by segment. The “Unallocated items” column groups together inter-segment eliminations and amounts that are not allocated to a specific segment (in particular, holding company activity) allowing for the reconciliation of segment data with the Group’s financial statements. Financial results, taxes and the share of profit/(loss) of associates are monitored at Group level and are not allocated to segments. Transactions between segments are carried out on an arm’s length basis.

3.1.1. Income statement by operating segment

	First-half 2021			
In thousands of euros	Industries	Modules	Unallocated items ⁽²⁾	Total
Economic revenue ⁽¹⁾	2,992,331	1,145,907	-	4,138,238
<i>Including revenue from joint ventures consolidated at the Group's percentage stake</i>	253,484	100,428	-	353,912
Sales per Segment	2,752,884	1,047,134	-15,692	3,784,326
Inter-segment sales	-14,037	-1,655	15,692	-
Consolidated revenue	2,738,847	1,045,479	-	3,784,326
<i>% of segment revenue - Total</i>	72.4%	27.6%	-	100.0%
Operating margin before amortization of intangible assets acquired and before share of profit/(loss) of associates and joint ventures	197,477	29,868	-	227,345
<i>% of segment revenue</i>	7.2%	2.9%	-	6.0%
Amortization of intangible assets acquired	-3,580	-6,515	-	-10,095
Share of profit/(loss) of associates and joint ventures	15,410	1,365	-	16,775
Operating margin	209,307	24,718	-	234,025
<i>% of segment revenue</i>	7.6%	2.4%	-	6.2%
Other operating income	4,615	-	-	4,615
Other operating expenses	-24,775	-529	-	-25,304
<i>% of segment revenue</i>	-0.7%	-0.1%	-	-0.5%
Borrowing costs	-	-	-	-24,672
Other financial income and expenses	-	-	-	-954
Profit/(loss) from continuing operations before income tax and after share in associates and joint ventures	-	-	-	187,710
Income tax	-	-	-	-38,289
Net income	-	-	-	149,421

	First-half 2020			
In thousands of euros	Industries	Modules	Unallocated items ⁽²⁾	Total
Economic revenue ⁽¹⁾	2,394,829	838,257	-	3,233,086
<i>Including revenue from joint ventures consolidated at the Group's percentage stake</i>	192,199	79,152	-	271,351
Sales per Segment	2,210,537	760,148	-8,950	2,961,735
Inter-segment sales	-7,907	-1,043	8,950	-
Consolidated revenue	2,202,630	759,105	-	2,961,735
<i>% of segment revenue - Total</i>	74.4%	25.6%	-	100.0%
Operating margin before amortization of intangible assets acquired and before share of profit/(loss) of associates and joint ventures	-109,600	-2,473	-	-112,073
<i>% of segment revenue</i>	-5.0%	-0.3%	-	-3.8%
Amortization of intangible assets acquired	-4,593	-8,773	-	-13,366
Share of profit/(loss) of associates and joint ventures	8,609	663	-	9,272
Operating margin	-105,585	-10,583	-	-116,168
<i>% of segment revenue</i>	-4.8%	-1.4%	-	-3.9%
Other operating income	3,338	1,155	-	4,493
Other operating expenses	-273,284	-44,542	-	-317,826
<i>% of segment revenue</i>	-12.3%	-5.7%	-	-10.6%
Borrowing costs	-	-	-	-32,775
Other financial income and expenses	-	-	-	-2,509
Profit/(loss) from continuing operations before income tax and after share in associates and joint ventures	-	-	-	-464,785
Income tax	-	-	-	46,931
Net income	-	-	-	-417,855

(1) Economic revenue corresponds to revenue of the Group and its joint ventures consolidated at their percentage of ownership.

(2) "Unallocated items" corresponds to inter-segments eliminations and amounts that are not allocated to a specific segment (such as, holding company activities). This column is included to enable segment information to be reconciled with the consolidated financial statements.

3.1.2. Balance sheet aggregate data by operating segment

June 30, 2021				
In thousands of euros	Industries	Modules	Unallocated items	Total
Net amounts				
Goodwill	495,403	527,726	-	1,023,129
Intangible assets	424,251	118,212	5,492	547,955
Property, plant and equipment	1,464,317	144,756	34,070	1,643,143
Investment property	-	-	30	30
Inventories	682,845	75,398	-	758,243
Trade receivables	639,758	177,979	-1,553	816,184
Other receivables	230,452	33,559	58,409	322,420
Finance receivables (C)	4,435	-	-	4,435
Current accounts and other financial assets (D)	-1,024,650	2,339	1,031,389	9,078
Long-term investments in equity instruments and funds - FMEA 2 (F)	6,262	-	54,211	60,473
Hedging instruments (E)	-	-	1,201	1,201
Net cash and cash equivalents (A) ⁽¹⁾	101,258	29,970	495,747	626,975
Segment assets	3,024,331	1,109,939	1,678,996	5,813,266
Borrowings and financial debt (B)	300,610	67,380	1,223,698	1,591,689
Segment liabilities	300,610	67,380	1,223,698	1,591,689
Segment net financial debt = (B - A - C - D - E - F) ⁽²⁾	1,213,305	35,071	-358,850	889,527
December 31, 2020				
In thousands of euros	Industries	Modules	Unallocated items	Total
Goodwill	486,643	527,726	-	1,014,369
Intangible assets	431,700	124,394	4,753	560,847
Property, plant and equipment	1,495,594	148,162	32,433	1,676,189
Investment property	-	-	30	30
Inventories	602,910	53,902	-	656,812
Trade receivables	632,522	183,384	-1,506	814,400
Other receivables	248,511	21,885	47,911	318,307
Finance receivables (C)	6,340	-	-	6,340
Current accounts and other financial assets (D)	-1,046,879	3,226	1,053,707	10,054
Long-term investments in equity instruments and funds - FMEA 2 (F)	4,086	-	4,223	8,309
Hedging instruments (E)	-	-	7,625	7,625
Net cash and cash equivalents (A) ⁽¹⁾	90,919	36,679	690,114	817,712
Total segment assets	2,952,346	1,099,358	1,839,290	5,890,994
Borrowings and financial debt (B)	265,472	67,294	1,324,191	1,656,957
Segment liabilities	265,472	67,294	1,324,191	1,656,957
Segment net financial debt = (B - A - C - D - E - F) ⁽²⁾	1,211,006	27,389	-431,478	806,917

(1) Net cash and cash equivalents as reported in the Statement of Cash Flows. See also 5.1.9.2 "Net cash and cash equivalents at end of period".

(2) See Note 5.2.5.1 "Definition of debt within the Group" and Note 5.2.5.6 "Reconciliation of gross and net financial debt".

3.1.3. Other information by operating segment

First-half 2021				
In thousands of euros	Industries	Modules	Unallocated items	Total
Acquisitions of intangible assets	56,230	7,878	1,777	65,885
Capital expenditure including acquisitions of investment property	57,615	8,768	4,446	70,829
First-half 2020				
In thousands of euros	Industries	Modules	Unallocated items	Total
Acquisitions of intangible assets	62,236	7,585	380	70,201
Capital expenditure including acquisitions of investment property	103,154	12,417	525	116,096

3.1.4. Revenue - Information by geographic region and country of sales

The breakdown of revenue by region is based on the location of the Plastic Omnium subsidiaries generating the sales. Until 2020, it was based on the country of location of their customers. The change, implemented to simplify the process of preparing the information, has no significant impact.

For the purposes of comparability, the information for 2020 has been restated.

3.1.4.1. Information by sales region

First-half 2021			First-half 2020		
In thousands of euros	Totals	%	In thousands of euros	Totals	%
France	270,866	6.5%	France	207,708	6.4%
North America	1,029,547	24.9%	North America	859,856	26.6%
Europe excluding France	2,005,716	48.5%	Europe excluding France	1,562,680	48.3%
South America	55,196	1.3%	South America	29,753	0.9%
Africa	60,566	1.5%	Africa	31,951	1.0%
Asia	716,348	17.3%	Asia	541,138	16.7%
Economic revenue	4,138,238	100%	Economic revenue	3,233,086	100%
<i>Including revenue from joint ventures at the Group's percentage stake</i>	353,912		<i>Including revenue from joint ventures at the Group's percentage stake</i>	271,351	
Consolidated revenue	3,784,326		Consolidated revenue	2,961,735	

3.1.4.2. Information for the top ten contributing countries

First-half 2021			First-half 2020		
In thousands of euros	Totals	%	In thousands of euros	Totals	%
Germany	676,567	16.3%	Germany	513,457	15.9%
United States	518,601	12.5%	United States	435,740	13.5%
Mexico	488,890	11.8%	Mexico	384,563	11.9%
China	433,504	10.5%	China	326,079	10.1%
Spain	323,290	7.8%	Spain	268,693	8.3%
Slovakia	310,956	7.5%	Slovakia	235,060	7.3%
France	270,866	6.5%	France	207,708	6.4%
United Kingdom	174,819	4.2%	Poland	134,529	4.2%
Poland	153,389	3.7%	Great Britain	130,078	4.0%
Korea	148,120	3.6%	Korea	128,546	4.0%
Other	639,236	15.6%	Other	468,633	14.5%
Economic revenue	4,138,238	100%	Economic revenue	3,233,086	100%
<i>Including revenue from joint ventures at the Group's percentage stake</i>	353,912		<i>Including revenue from joint ventures at the Group's percentage stake</i>	271,351	
Consolidated revenue	3,784,326		Consolidated revenue	2,961,735	

3.1.4.3. Information by automotive manufacturer

First-half 2021			First-half 2020		
Automotive manufacturers	Totals		Automotive manufacturers	Totals	
In thousands of euros	Totals	% of total automotive revenue	In thousands of euros	Totals	% of total automotive revenue
Volkswagen Group	1,116,216	27.0%	Volkswagen Group	830,190	25.7%
Stellantis	679,734	16.4%	Stellantis ⁽¹⁾	529,679	16.4%
Daimler	449,568	10.9%	Daimler	323,002	10.0%
BMW	361,693	8.7%	General Motors	283,861	8.8%
General Motors	301,145	7.3%	BMW	281,976	8.7%
Total - main manufacturers	2,908,356	70.3%	Total - main manufacturers	2,248,707	69.6%
Other automotive manufacturers	1,229,882	29.7%	Other automotive manufacturers ⁽¹⁾	984,379	30.4%
Total economic revenue	4,138,238	100.0%	Total economic revenue	3,233,086	100%
<i>Including revenue from joint ventures at the Group's percentage stake</i>	353,912		<i>Including revenue from joint ventures at the Group's percentage stake</i>	271,351	
Total consolidated revenue	3,784,326		Total consolidated revenue	2,961,735	

(1) Stellantis: including PSA Peugeot Citroën for €343,173 thousand and Fiat Chrysler Automobiles for €186,506 thousand ("Other" item) in the Consolidated Financial Statements of first-half 2020.

4. NOTES TO THE INCOME STATEMENT

Introduction to the Notes to the Income Statement - Impacts due to Covid-19

In addition to the ongoing Covid-19 pandemic, a problem related to the shortage of components for the automotive sector appeared in 2021 and led to the shutdown of some of the Group's plants.

In the first-half, Plastic Omnium Group's income statement was impacted by this decline in worldwide automotive production (see Chapter 2.1 "Management by the Group of the Covid-19 pandemic, the shortage of semiconductors and the impacts in the Group's financial statements for the first-half 2021").

Over the period, the Group updated the impairment of assets as well as the costs related to the various restructurings. The impacts were recorded under "Other operating income and expenses" in accordance with the Group's accounting principles.

4.1. Breakdown of Research and Development costs

The percentage of Research and Development costs is expressed in relation to the amount of revenue.

In thousands of euros	First-half 2021	%	First-half 2020	%
Research and Development costs after developments sold	-117,447	-3.1%	-122,715	-4.1%
Capitalized development costs	60,788	1.6%	67,601	2.3%
Depreciation of capitalized development costs	-76,663	-2.0%	-91,907	-3.1%
Research tax credit	5,009	0.1%	4,846	0.2%
Other (including grants and contributions received)	1,714	0.0%	223	0.0%
Research and Development costs	-126,599	-3.4%	-141,952	-4.8%

4.2. Cost of goods and services sold, development, selling and administrative costs

In thousands of euros	First-half 2021	First-half 2020
Cost of goods and services sold includes:		
Material consumptions (purchases and changes in inventory) ⁽¹⁾	-2,627,582	-2,114,210
Direct production outsourcing	-6,193	-6,752
Utilities and fluids	-45,365	-41,008
Salary and benefits	-366,731	-337,943
Other production costs	-122,105	-145,036
Depreciation and amortization	-128,797	-146,500
Provisions	4,547	-5,645
Total	-3,292,226	-2,797,094
Research and Development costs include:		
Salary and benefits	-101,736	-98,268
Depreciation, amortization and provisions	-86,928	-101,970
Other	62,065	58,286
Total	-126,599	-141,952
Selling costs include:		
Salary and benefits	-14,559	-12,363
Depreciation, amortization and provisions	-438	-1,650
Other	-5,489	-2,892
Total	-20,486	-16,905
Administrative costs include:		
Salary and benefits	-80,308	-75,785
Other administrative expenses	-28,777	-32,729
Depreciation and amortization	-8,776	-9,433
Provisions	191	91
Total	-117,670	-117,857

(1) Including charges and reversals of provisions for inventories amounting to :

· +€1,405 thousand at June 30, 2021;

· -€10,241 thousand at June 30, 2020.

4.3. Amortization of intangible assets acquired

This item corresponds mainly to:

- the amortization over six years of contractual customer relationships recognized on the takeover in July 2016 of the Faurecia Group Exterior Systems business;
- the amortization over seven years of contractual customer relationships and over 15 years for the brand recognized on the takeover of HBPO in July 2018; and
- and amortization over twelve years, since March 1, 2021, of the intangible asset "Technology" of the Austrian company "Plastic Omnium New Energies Wels GmbH" acquired on March 1, 2021. See Note 2.2.2.1.2 in "Other significant events of the period".

In thousands of euros	First-half 2021	First-half 2020
Amortization of brands	-273	-273
Amortization of contractual customer relationships	-9,577	-13,093
Amortization of intangible assets : technology ⁽¹⁾	-245	-
Total amortization of intangible assets acquired	-10,095	-13,366

- (1) See Note 2.2.2.1.2 "Provisional allocation of the acquisition prices" regarding EKPO in the "Other Significant events of the period". It has been amortized since March 1, 2021.

4.4. Share of profit/(loss) of associates and joint ventures

The associates Chengdu Faway Yanfeng Plastic Omnium and Dongfeng Plastic Omnium Automotive Exterior are included in the YFPO joint ventures and the associate EKPO Fuel Cell Technologies since March 1, 2021 (see Note 2.2.2.1 in the « Other significant events of the period »).

The Share of profit/(loss) of associates and joint ventures breaks down as follows (please refer to Note 5.1.4 for "Non-consolidated interests and investments in associates and joint ventures accounted for by the equity method" in the Balance Sheet):

In thousands of euros	First-half 2021 % Interest	First-half 2020 % Interest	First-half 2021	First-half 2020
HBPO - SHB Automotive Modules	33.34%	33.34%	1,365	652
HICOM HBPO Sdn Bhd ⁽¹⁾	34.00%	26.66%	-	11
JV Yanfeng Plastic Omnium and its subsidiaries - joint venture	49.95%	49.95%	16,197	5,942
B.P.O. AS - joint venture	49.98%	49.98%	1,985	2,667
EKPO Fuel Cell Technologies ⁽²⁾	40.00%	-	-2,772	-
Total share of profit/(loss) of associates and joint ventures			16,775	9,272

- (1) HBPO Hicom was accounted using the equity method until the end of September 2020. With the takeover by the Group on October 1, 2020, the company is now fully consolidated.

See Note 2.2.2.1.2 in the "Other significant events of the period". This share of profit includes a gross amount of -€1.1 million (-

- (2) €0.8 million net of tax) related to the amortization of the intangible asset "Technology" recognized in the acquisition price allocation.

4.5. Other operating income and expenses

In thousands of euros	First-half 2021	First-half 2020
Reorganization costs ⁽¹⁾	-6,564	-15,567
Impairment of non-current assets ⁽²⁾	-3,096	-267,156
Provisions for litigations and expenses ⁽³⁾	-7,620	-11,722
Foreign exchange gains and losses on operating activities ⁽⁴⁾	-2,801	-12,652
Gains/Losses on disposals of non-current assets ⁽²⁾	-308	-776
Other	-300	-5,461
Total operating income and expenses	-20,689	-313,333
- of which total income	4,615	4,493
- of which total expense	-25,304	-317,826

In first-half 2021:

(1): Reorganization costs:

Reorganization costs relate primarily to significant restructuring in the “Industries” segment in Germany and in Belgium.

(2): Impairment of non-current assets:

The net impact of asset impairment tests over the period is -€1.9 million compared to -€261.7 million over the first-half of 2020 (see Note 2.1.1 in “Significant events of the period”).

In addition, the impairment balance was reduced by +€6.1 million through disposals over the first semester of 2021, leading to a net reduction of +€4.2 million.

(3): Provisions for litigations and expenses:

This item mainly includes provisions for recalls and other disputes.

(4): Foreign exchange gains and losses on operating activities:

Over the period, foreign exchange gains and losses on operating activities mainly concern the Mexican peso, the Argentine peso and the US dollar.

First-half 2020

Please refer to the consolidated financial statements for the first-half 2020 for details of transactions for the previous half-year.

4.6. Net financial income

In thousands of euros	First-half 2021	First-half 2020
Finance costs	-17,593	-26,357
Interest on lease liabilities ⁽¹⁾	-3,626	-3,922
Financing fees and commissions	-3,453	-2,496
Borrowing costs	-24,672	-32,775
Exchange gains or losses on financing activities	10,628	-131
Gains or losses on interest rate and currency hedges ⁽²⁾	-10,691	1,796
Interest on post-employment benefit obligations	-758	-791
Other ⁽³⁾	-133	-3,383
Other financial income and expenses	-954	-2,509
Total	-25,626	-35,284

(1) See Notes 5.1.3 "Property, plant and equipment" and 5.2.5.6 "Reconciliation of gross and net financial debt".

(2) The Group no longer has any interest rate contracts. This item includes an expense of €10,561 thousand corresponding to the impact of currency hedges.

See Note 5.2.6.1.2 "Impact of unsettled foreign exchange hedges on net income and shareholder's equity".

(3) In the first-half 2021, the full amount corresponds to the financial impact of hyperinflation in Argentina for -€133 thousand compared to -€1,301 thousand during the first-half 2020.

4.7. Income tax

4.7.1. Income tax recognized in the income statement

The income tax expense breaks down as follows:

In thousands of euros	First-half 2021	First-half 2020
Current taxes on continuing activities	-47,698	3,186
Current income tax income/(expense)	-43,633	5,465
Tax expense/(income) on non-recurring items	-4,065	-2,279
Deferred taxes on continuing activities	9,409	43,745
Deferred tax income/(expense) on timing differences arising or reversed during the period	9,410	46,530
Expense/(income) resulting from changes in tax rates or the introduction of new taxes	-1	-2,785
Income tax income (expense) on continuing activities recorded in the consolidated income statement	-38,289	46,931

4.7.2. Income tax analysis - Tax proof

Analysis of the income tax expense includes the following:

In thousands of euros	First-half 2021		First-half 2020	
	Totals	% ⁽¹⁾	Totals	% ⁽¹⁾
Consolidated loss (profit) on continuing activities before tax and share of profit/(loss) of associates and joint ventures (A)	170,935		-474,056	
Tax rate applicable in France (B)		28.40%		32.02%
Theoretical tax income (expense) (C) = (A) x (-B)	-48,543		151,793	
Difference between the theoretical tax expense and the current and deferred tax expense excluding tax assessed on net interim profit on continuing activities (D)	10,254	6.0%	-104,862	22.1%
Tax credits	18,069	10.6%	3,176	-0.7%
Permanent differences between accounting profits and taxable profits	-4,691	-2.7%	-4,779	1.0%
Change in unrecognized deferred taxes	3,781	2.2%	-80,392	17.0%
Impact on deferred tax of a tax rate change	-1	0.0%	-2,276	0.5%
Impact of differences in foreign tax rates	5,292	3.1%	-22,972	4.8%
Contribution to Value Added "gross value"	-2,378	-1.4%	-3,529	0.7%
Other impacts	-9,818	-5.7%	5,910	-1.2%
Total current and deferred tax income (expense) on continuing activities (E) = (C) + (D)	-38,289		46,931	
Effective tax rate (ETR) on continuing activities (E)/(A)		22.4%		9.9%

(1) Percentage expressed in relation to the consolidated profit on continuing activities before tax and share of profit/(loss) of associates and joint ventures (C)

The Group's effective tax rate was 22.4% in the first-half 2021 (compared to 9.9% for first-half 2020).

In the first-half 2021, the tax expense recognized was -€38.3 million for a theoretical tax expense of -€48.5 million, based on a tax rate of 28.4%.

During the first-half 2020, the tax income recognized was €46.9 million for a theoretical tax income of €151.8 million, based on a tax rate of 32.02%.

The difference between the tax recognized and the theoretical tax mainly reflects:

- €18.1 million in specific tax reductions or tax credits mainly in North America, Belgium and France (€3.2 million for first-half 2020);
- €4.7 million in permanent differences between accounting income and taxable income (-€4.8 million for first-half 2020 mainly due to taxable dividends);
- €3.8 million from the effect of losses or other assets generated in the year but not recognized, net of those previously not capitalized but used or recognized during the year (-€80.4 million for first-half 2020) - Please refer to Note 2.1.2 "Deferred tax assets" in "Significant events of the period"; and
- €5,3 million from the impact of lower taxes, mainly in Asia (China, Thailand) and Europe (excluding France and Germany) (-€23 million for first-half 2020).

The difference between the tax rate in France and countries with lower tax rates has a favorable impact on profits and an opposite effect when loss-making.

4.8. Net profit attributable to non-controlling interests

The net profit attributable to non-controlling interests corresponds to the share of minority interests in the profit/loss of certain fully consolidated entities controlled by the Group. It breaks down as follows:

In thousands of euros	First-half 2021	First-half 2020
HBPO GmbH and its subsidiaries	4,510	-15,686
Beijing Plastic Omnium Inergy Auto Inergy Co. Ltd	777	-157
Plastic Omnium Auto Inergy Manufacturing India Pvt Ltd	246	-13
DSK Plastic Omnium Inergy	1,659	1,558
DSK Plastic Omnium BV	-13	-45
Total attributable to non-controlling interests	7,180	-14,343

4.9. Earnings per share and diluted earnings per share

Net profit attributable to owners of the parent	First-half 2021	First-half 2020
Basic earnings per share (in euros)	0.98	-2.77
Diluted earnings per share (in euros)	0.98	-2.77
Weighted average number of ordinary shares outstanding at end of period (in units)	147,560,924	148,566,107
- Treasury stock (in units)	-2,102,769	-2,910,190
Weighted average number of ordinary shares, undiluted (in units)	145,458,155	145,655,917
- Impact of dilutive instruments (stock options) (in units)	386,753	22,813
Weighted average number of ordinary shares, diluted (in units)	145,844,908	145,678,730
Weighted average price of the Plastic Omnium share during the period		
- Weighted average share price	29.96	18.94

5. NOTES TO THE BALANCE SHEET

5.1. Assets

5.1.1. Goodwill

As no indication of impairment was identified during the period, the Group did not perform an impairment test on goodwill.

In thousands of euros	Gross Value	Impairment	Net value
Goodwill at January 1, 2020	1,017,830	-	1,017,830
Goodwill of HBPO Hicom acquisition	2,931	-	2,931
Translation differences	-6,392	-	-6,392
Goodwill at December 31, 2020	1,014,369	-	1,014,369
Goodwill of Plastic Omnium New Energies Wels GmbH acquisition ⁽¹⁾	6,311	-	6,311
Translation differences	2,449	-	2,449
Goodwill at June 30, 2021	1,023,129	-	1,023,129

(1) The Group acquired the company Plastic Omnium New Energies Wels GmbH on March 1, 2021. See Note 2.2.2.1 in "Other significant events of the period".

5.1.2. Other intangible assets

Changes in the impairment of intangible assets over the period (see Note 2.1.1 "Asset impairment tests") are recognized in "Other operating income and expenses" in Note 4.5.

In thousands of euros	Patents and brands	Software	Development assets	Customer contracts	Other	Total
Carrying amount published at December 31, 2020	9,916	16,082	468,167	66,680	2	560,847
Capitalized development	-	-	60,788	-	-	60,788
Increases	19	583	4,495	-	-	5,097
Disposals - net	-	-	-6,087	-	-	-6,087
Newly-consolidated companies ⁽¹⁾	8,816	59	-	-	-	8,875
Other reclassifications	-	1,709	-1,597	-5	-	107
Amortization for the period	-2,370	-3,914	-76,663	-9,577	-	-92,524
Impairments recognized and reversed ⁽²⁾	-	11	3,869	-	-	3,880
Translation adjustment	-2	81	6,893	-	-	6,972
Carrying amount at June 30, 2021	16,379	14,611	459,865	57,098	2	547,955

(1) The Group acquired the company Plastic Omnium New Energies Wels GmbH on March 1, 2021 (recognition of a 'Technology' asset) See Note 2.2.2.1.

(2) For the period, this item includes all impairment losses, both the update of impairment losses recognized in the previous year and those not directly related to the pandemic. Please refer to Notes 2.1.1 "Asset impairment tests" and 4.5 "Other operating income and expenses".

5.1.3. Property, plant and equipment

Property, plant and equipment corresponds to tangible assets owned but also, since January 1, 2019, to rights of use related to leases of tangible assets following the application of IFRS 16 "Leases".

Changes in the impairment of property, plant and equipment over the period (see Note 2.1.1 "Asset impairment tests") are recognized in "Other operating income and expenses" in Note 4.5.

In thousands of euros	Land	Buildings	Tech. eq. & tool. (*)	Property, plant and equipment under construction	Other property, plant and equipment	Total
Carrying amount at January 1, 2021 : Property, plant and equipment owned outright	92,597	515,801	504,921	142,868	220,057	1,476,244
Acquisitions	63	2,582	5,294	57,326	5,565	70,829
Disposals	-	-171	-1,113	-	-1,685	-2,969
Newly consolidated companies	-	1,175	582	82	140	1,979
Other reclassifications	991	6,232	44,664	-73,344	21,614	156
Depreciation for the period	-745	-14,844	-57,094	-	-46,156	-118,840
Impairments and reversals ⁽¹⁾	-	1,071	217	-1,464	470	294
Translation adjustment	1,615	9,014	9,341	1,578	2,776	24,323
Property, plant and equipment in full ownership: Carrying amount at June 30, 2021 (A)	94,519	520,858	506,813	127,048	202,782	1,452,020

Carrying amount at January 1, 2021: Right-of-use assets for leases	652	172,738	14,443	-	12,112	199,945
Acquisitions	-	7,011	2,530	-	3,633	13,175
Decrease	-	-1,231	-69	-	-238	-1,538
Newly consolidated companies	-	1,313	-	-	66	1,379
Depreciation for the period	-61	-16,436	-3,419	-	-3,637	-23,553
Other reclassifications	-	-2	2	-	2	2
Translation adjustment	20	1,303	266	-	126	1,714
Right-of-use assets for leases: Carrying amount at June 30, 2021 (B)	610	164,695	13,752	-	12,066	191,123

Property, plant and equipment: Carrying amount at June 30, 2021 (C) = (A)+ (B)	95,129	685,553	520,565	127,048	214,848	1,643,143
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- (1) For the period, this item includes all impairment losses, both the update of impairment losses recognized in the previous fiscal year and those not directly related to the pandemic. Please refer to Notes 2.1.1 "Asset impairment tests" and 4.5 "Other operating income and expenses".

In thousands of euros	Land	Buildings	Tech. eq. & tool. (*)	Tangible assets under construction	Other tangible assets	Total
Analysis of carrying amount at January 1 2021						
Gross value	108,821	1,126,388	1,914,958	146,234	739,298	4,035,699
Depreciation	-12,594	-388,192	-1,293,581	-	-470,840	-2,165,207
Impairment	-2,978	-49,657	-102,012	-3,365	-36,289	-194,302
Carrying amount at January 1, 2021	93,249	688,539	519,364	142,868	232,169	1,676,189
Analysis of carrying amount at June 30, 2021						
Gross value	111,785	1,154,334	1,978,827	129,286	749,808	4,124,040
Depreciation	-13,638	-420,624	-1,353,275	-	-498,867	-2,286,404
Impairment	-3,018	-48,157	-104,987	-2,238	-36,093	-194,493
Carrying amount at June 30, 2021	95,129	685,553	520,565	127,048	214,848	1,643,143

(*) "Tech. eq. & tool.": technical installations, equipment and tooling

5.1.4. Non-consolidated interests and investments in associates and joint ventures accounted for by the equity method

Non-consolidated securities relate to shell companies, non-significant dormant companies and small stakes (Tactotek OY) for which changes in value are recognized in the income statement (IFRS 9 "Financial instruments").

Investments in associates and joint ventures correspond to investments by the Group in the following companies:

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In thousands of euros	2021 % interest	2020 % interest	June 30, 2021	December 31, 2020
HBPO - SHB Automotive Modules ⁽¹⁾	33.34%	33.34%	15,215	15,088
JV Yanfeng Plastic Omnium and its subsidiaries - joint venture	49.95%	49.95%	149,851	151,668
B.P.O. AS - joint venture	49.98%	49.98%	9,444	13,416
EKPO Fuel Cell Technologies ⁽²⁾	40.00%	-	97,268	-
Total investments in associates and joint ventures			271,778	180,172
Other non-consolidated equity investments			167	170
Total non-consolidated equity investments			167	170
Total investments consolidated by the equity method and non-consolidated equity instruments			271,945	180,342

(1) This relates to the HBPO Joint venture.

(2) See Note 2.2.2.1 "Company acquisition and equity investment in the German group ElringKlinger AG" in the "Other significant events of the period" and Note 4.4 "Share of profit/(loss) of associates and joint ventures".

Investments in these entities include goodwill by segment for the following amounts:

In thousands of euros	June 30, 2021	December 31, 2020
Goodwill in associates and joint ventures - Industries segment ⁽¹⁾	79,411	21,080
Goodwill in associates and joint ventures - Modules segment	3,856	4,257
Total goodwill in associates and joint ventures	83,267	25,337

(1) The change over the period corresponds mainly to the recognition of the provisional goodwill on EKPO Fuel Cell Technologies for €57,880 thousand. See Note 2.2.2.1.2 in the "Other Significant events of the period".

5.1.5. Non-current financial assets

The financial assets recognized under this item correspond to long-term investments in equities and funds as well as other assets such as deposits and surety bonds grouped as follows:

5.1.5.1. Long-term investments in equities and funds

- investments in listed companies, funds or equivalents and investments in securities of listed companies, including funds invested in the "Aster" venture capital company;
- the Group's investments in the "FMEA 2" fund as part of the support of the Automotive Division sub-contractors and in shell companies.

In the context of the application of IFRS 9 "Financial Instruments, the Group opted to recognize changes in the value of listed shares in non-recyclable profit and loss and changes in investments funds, such as "Aster", "Tactotek OY" and "FMEA" funds, in the income statement.

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In thousands of euros	June 30, 2021			December 31, 2020		
	Subscribed amounts	Non-called-up amounts	Net	Subscribed amounts	Non-called-up amounts	Net
Financial investments in the FMEA 2 fund ⁽¹⁾⁻⁽²⁾	4,000	-3,903	97	4,000	-3,563	437
Financial investments in listed securities ⁽⁴⁾⁻⁽³⁾	48,138	-	48,138	-	-	-
Financial investments in the venture capital AP Ventures ⁽⁴⁾⁻⁽⁴⁾	28,548	-22,470	6,078	26,896	-22,986	3,910
Investment in the venture capital company Aster ⁽⁴⁾⁻⁽⁵⁾	20,000	-14,024	5,976	20,000	-16,214	3,786
Other ⁽⁴⁾	-	-	183	-	-	176
Long-term investments in equities and funds			60,472			8,309

- (1) Financial investments in the FMEA 2 fund and investments in shares in listed companies are listed under long-term financial receivables in Note 5.2.5.6 "Reconciliation of gross and net financial debt".
- (2) The net value of FMEA 2 at each end of the period corresponds to the fair value of the Group's investments in the fund. Uncalled amounts include distributions of income as well as fair value adjustments.
- (3) These are financial investments over the period, through the Group reassurance captive in a basket of five securities from listed groups.
- (4) The total paid by the Group to AP Ventures, a venture capital fund dedicated to hydrogen, amounted to \$7.2 million (equivalent to €6.1 million) as of June 30, 2021 versus \$4.8 million at December 31, 2020 (€3.9 million).
The Group has committed up to \$30 million over the life of the fund.
- (5) The Group received €0.3 million in income distribution (€1.0 million as of December 31, 2020) (recognized in the balance sheet over the term of the full payment of the amount subscribed).

5.1.5.2. Other non-current financial assets

In thousands of euros	June 30, 2021	June 30, 2020
Loans	1,445	1,488
Deposits and surety bonds	7,310	8,265
Other receivables	3	-
Other non-current financial assets	8,758	9,753

Deposits and surety bonds mainly concern deposits relating to leased offices and receivables sale programs.

5.1.6. Inventories and Inventories in progress

In thousands of euros	June 30, 2021	December 31, 2020
Raw materials and supplies		
At cost (gross)	225,080	178,817
Net realizable value	207,674	160,463
Molds, tooling and engineering		
At cost (gross)	405,849	359,196
Net realizable value	396,806	350,811
Maintenance inventories		
At cost (gross)	77,126	74,207
Net realizable value	59,988	58,234
Goods		
At cost (gross)	1,734	1,646
Net realizable value	1,312	1,209
Semi-finished products		
At cost (gross)	58,668	54,466
Net realizable value	54,699	50,357
Finished products		
At cost (gross)	41,436	39,831
Net realizable value	37,764	35,738
Total net	758,243	656,812

5.1.7. Current financial receivables

In thousands of euros	June 30, 2021	December 31, 2020
Current financial trade receivables (see Note 5.2.5.6)	4,435	6,340
Other current financial assets and financial receivables (see Note 5.2.5.6)	320	301
Total current financial receivables	4,755	6,641

5.1.8. Trade and other receivables

5.1.8.1. Sale of receivables

Compagnie Plastic Omnium SE and some of its European and United States subsidiaries have set up several commercial receivables sale programs with French financial institutions. These programs have an average maturity of more than two years.

These non-recourse programs transfer substantially all the risks to credit institutions and rewards of ownership to the buyer of the sold receivables; for these programs, only the non-material dilution risk is not transferred to the buyer.

Receivables sold under these programs, which are therefore no longer included in the balance sheet, totaled €307 million at June 30, 2021 versus €327 million at December 31, 2020.

5.1.8.2. Trade receivables – Gross values, impairment and carrying amounts

In thousands of euros	June 30, 2021			December 31, 2020		
	Gross value	Impairment	Carrying amount	Gross value	Impairment	Carrying amount
Trade receivables	828,201	-12,016	816,184	824,214	-9,814	814,400

The Group has not identified any significant non-provisioned customer risk over the two periods (see Note 6.2.1 "Customer risk").

5.1.8.3. Other receivables

In thousands of euros	June 30, 2021	December 31, 2020
Sundry receivables	111,287	89,031
Prepayments to suppliers of tooling and prepaid development costs	16,051	26,529
Income tax receivables	83,126	94,722
Other tax receivables	98,125	96,242
Employee advances	8,150	3,310
Prepayments to suppliers of non-current assets	5,681	8,473
Other receivables	322,420	318,307

5.1.8.4. Trade and other receivables by currency

In thousands of currency units		June 30, 2021			December 31, 2020		
		Local currency	Euro	%	Local currency	Euro	%
EUR	Euro	569,518	569,518	50%	500,699	500,699	44%
USD	US dollar	348,273	293,060	26%	393,438	320,624	28%
CNY	Chinese yuan	1,008,289	131,387	12%	1,120,250	139,638	12%
GBP	Pound sterling	41,019	47,805	4%	59,970	66,705	6%
Other	Other currencies		96,834	9%		105,041	9%
Total			1,138,604	100%		1,132,707	100%
Of which:							
• Trade receivables			816,184	72%		814,400	72%
• Other receivables			322,420	28%		318,307	28%

5.1.9. Cash and cash equivalents

5.1.9.1 Gross cash and cash equivalents

In thousands of euros	June 30, 2021	December 31, 2020	June 30, 2020
Cash at banks and in hand	612,740	827,196	567,448
Short-term deposits	23,094	2,794	63,562
Total cash and cash equivalents on the balance sheet	635,834	829,989	631,010

Cash and cash equivalents break down as follows:

In thousands of euros	June 30, 2021	December 31, 2020	June 30, 2020
Cash and cash equivalents of the Group's captive reinsurance company	13,507	62,926	12,132
Cash and cash equivalents in countries with exchange controls ⁽¹⁾	64,059	44,792	42,212
Available cash	558,268	722,272	576,666
Total cash and cash equivalents on the balance sheet	635,834	829,989	631,010

(1) "Countries with exchange controls" include Brazil, China, India, Chile, Argentina, South Korea & Malaysia.

The different categories of the above table are presented on the balance sheet under current assets in the absence of any general restriction on these amounts.

5.1.9.2. Net cash and cash equivalents at end of period

In thousands of euros	June 30, 2021	December 31, 2020	June 30, 2020
Cash and cash equivalents	635,834	829,989	631,010
Short-term bank loans and overdrafts	-8,859	-12,277	-7,852
Net cash and cash equivalents in the statement of cash flows	626,975	817,712	623,158

5.1.10. Statement of cash flows – Acquisitions and disposals of financial assets, non-controlling interests and related investments

5.1.10.1 Acquisitions of equity interests, non-controlling interests and related investments

The Group's financial acquisitions are as follows:

Acquisitions of equity interests in consolidated companies, investments leading to a change in control, equity investments in associates, joint ventures and related investments

These are recorded under "Financial transactions" in the statement of cash flows.

First-half 2021

The amount of -€43.5 million in "Acquisitions of shares in consolidated companies and takeovers" corresponds to the amounts paid out for the acquisition of a 40% stake in the company EKPO Fuel Cell Technologies and the acquisition of Plastic Omnium New Energies Wels GmbH during the half-year.

The Plastic Omnium Group has undertaken to pay, according to a contractual schedule, an amount of €70 million by September 2024 corresponding to the remaining balance of the purchase price of the shares. See the detail in Note 2.2.2.1.1 "The purchase price allocation" under "Other significant events of the period". The total value of the shares acquired therefore amounts to €113.5 million.

Plastic Omnium New Energies Wels GmbH contributed to €373 thousand of cash included in the opening balance sheet.

2020 Fiscal year:

The amount of -€0.8 million under "Acquisitions of equity interests of consolidated companies and takeovers" corresponded to the acquisition during the fiscal year 2020 of an 11% equity interest in Hicom for €0.8 million with a cash contribution of €1.4 million.

First-half 2020:

None.

5.1.11 Impact of dividends paid in the statement of cash flows

5.1.11.1 Impact on the statement of cash flows of dividends paid by the Compagnie Plastic Omnium Group

In the first-half 2021, the dividend paid by Compagnie Plastic Omnium SE to shareholders other than Burelle SA amounted to €28,499 thousand (compared to €28,443 thousand in 2020), bringing the total amount of the dividend thus paid by Compagnie Plastic Omnium SE to €71,287 thousand (compared to €71,221 thousand in the first-half 2020).

See the corresponding amount in the Changes in shareholders' equity and in Note 5.2.2 "Dividends approved and paid by Compagnie Plastic Omnium SE".

5.1.11.2 Impacts in the statement of cash flows of dividends paid by other Group companies

The amount of dividends of the other Group companies, voted and approved, amounted to €10,821 thousand as of June 30, 2021 (compared to €16,550 thousand at June 30, 2020) and is shown in the Statement of Changes in Shareholders' Equity.

The amount of dividends paid by the other Group companies, shown in the Statement of Cash Flows at June 30, 2021, amounted to €40,009 thousand (compared to €44,983 thousand at June 30, 2020).

The difference in the Statement of Changes in Shareholders' Equity and the Statement of Cash Flows in the first-half 2021 corresponds to the dividend approved but not yet paid to the non-controlling interests of a Group subsidiary for an amount of €0.7 million (nil in the first-half 2020).

5.2. Liabilities and Equity

5.2.1. Group shareholders' equity

5.2.1.1 Share capital of Compagnie Plastic Omnium SE

The share capital of Compagnie Plastic Omnium was reduced by 0.97% compared to December 31, 2020. See Note 2.2.1 "Changes in the share capital of Compagnie Plastic Omnium SE" under "Other significant events of the period".

In euros	June 30, 2021	December 31, 2020
Share capital at January 1 of the period	8,913,966	8,913,966
Capital reduction during the period	-86,637	-
Share capital at end of period, made up of ordinary shares with a per value of €0.06 each over the two periods	8,827,329	8,913,966
Treasury stock	100,436	170,054
Total share capital net of treasury stock	8,726,893	8,743,912

Voting rights of the main shareholder Burelle SA over the reference periods:

	June 30, 2021	December 31, 2020
Voting rights of Burelle SA	73.28%	72.77%

Shares registered on behalf of the same holder for at least two years shall have double voting rights.

The 400,000 Plastic Omnium shares acquired by Burelle SA during the first-quarter of 2019, have since the end of March 2021 earned double voting rights, increasing Burelle SA voting rights to 73.28% in 2021.

Capital structure at June 30, 2021

At June 30, 2021, the share capital of Compagnie Plastic Omnium was reduced by 1,443,954 shares with a par value of €0.06 compared to December 31, 2020, bringing the total number of shares comprising the share capital to 147,122,153 shares.

Treasury shares amounted to 1,673,937 shares, i.e. 1.14 % of the share capital, compared to 2,834,235 shares, i.e. 1.91% of the share capital at December 31, 2020.

Capital structure at December 31, 2020

At December 31, 2020, Compagnie Plastic Omnium's share capital was made up of shares with a par value of €0.06 bringing the Company's share capital to €8,913,966.42, with 2,834,235 treasury shares, representing 1.91% of the share capital, compared with 2,388,499 shares, representing 1.61% of the share capital at December 31, 2019.

5.2.1.2 Breakdown of "Other reserves" in the consolidated statement of changes in equity

In thousands of euros	Actuarial gains/(losses) relating to defined benefit plans	Cash flow hedges – interest rate instruments	Cash flow hedges – currency instruments	Fair value adjustments	Retained earnings and other reserves	Attributable to owners of the parent
At January 1, 2020	-62,220	-1,554	-2,107	28,894	2,081,762	2,044,775
Movements in First-half 2020	-8,148	130	2,081	-752	191,354	184,665
At June 30, 2020	-70,368	-1,424	-26	28,142	2,273,116	2,229,440
Movements in second-half 2020	5,296	35	37	-3,279	6,433	8,522
At December 31, 2020	-65,072	-1,389	11	24,863	2,279,549	2,237,962
Movements in First-half 2021	11,574	98	164	2,983	-353,766	-338,947
At June 30, 2021	-53,498	-1,291	175	27,846	1,925,783	1,899,015

5.2.1.3 Breakdown of “Changes in the scope of consolidation and reserves” in the “Consolidated statement of changes in equity”

In thousands of euros	Shareholders' equity		Total shareholders' equity
	Attributable to owners of the parent	Attributable to non-controlling interests	
Takeover of HBPO Hicom with consolidation of minority interests	-	1,157	1,157
Changes in the scope of consolidation at second half 2020	-	1,157	1,157

5.2.2. Dividends approved and paid by Compagnie Plastic Omnium SE

Amounts in thousands of euros Dividends per share in euros Number of shares in units	June 30, 2021		June 30, 2020	
	Number of shares in 2020	Dividend	Number of shares in 2019	Dividend
Dividends per share (in euros)		0.49 ⁽¹⁾		0.49 ⁽¹⁾
Total number of shares outstanding on the dividend payment date	147,122,153 ⁽²⁾		148,566,107	
Total number of shares outstanding at the end of the previous year	148,566,107		148,566,107	
Total number of shares held in treasury on the dividend payment date	1,637,740 ⁽³⁾		3,216,987 ⁽²⁾	
Total number of shares held in treasury at year-end (for information)	2,834,235 ⁽³⁾		2,388,499 ⁽²⁾	
Dividends on ordinary shares		72,090		72,797
Dividends on treasury stock (unpaid)		-803 ⁽²⁾		-1,576 ⁽²⁾
Total net dividends		71,287		71,221

(1) During first-half 2021, Compagnie Plastic Omnium paid a dividend of €0.49 per share on the 2020 net profit as well as on the 2019 net profit during first-half 2020.

(2) See Notes 2.2.1.1 "Compagnie Plastic Omnium SE capital decrease by cancellation of treasury shares" in the « Other significant events of the period » and 5.2.1.1 "Share capital of Compagnie Plastic Omnium SE".

(3) **At June 30, 2021:** 2,834,235 treasury shares were taken into account at December 31, 2020 to determine the provisional total dividend. The number of treasury shares at the time of the dividend's payment during the first-half 2021 amounted to 1,637,740 shares, decreasing the dividends attached to these shares from €1,389 thousand to €803 thousand.

At December 31, 2020: 2,388,499 treasury shares were taken into account at December 31, 2019 to determine the provisional total dividend. The number of treasury shares at the time of the dividend's payment during the first-half 2020 increased to 3,216,987 shares, increasing the dividends attached to these shares from €1,170 thousand to €1,576 thousand.

5.2.3. Share-based payments

Plan of April 23, 2021:

A performance share grant was awarded by the Board of Directors of February 17, 2021, to Executive Corporate Officers of Compagnie Plastic Omnium, with a four-year vesting period ending on April 23, 2025.

The main assumptions used for the valuation of the new 2021 Plan using the principles of IFRS 2 were as follows:

Valuation of April 23, 2021 plan <i>In euros</i> <i>In units for the number of shares</i>	Valuation of the number of shares awarded and valuation on April, 23, 2021		
	Initial	Renunciations during the 1st half of 2021	Final positions
Number of shares allocated to the performance share plan	45,947 shares	0 share	45,947 shares
Market conditions	Not subject to market conditions		
Plastic Omnium share price at the performance plan on the award date	€29.88		
Average value of one share	€27.92		
Number of shares to be awarded after application of an employee turnover rate	N/A at June 30, 2021		
Estimated overall cost of the plan on the award date of allocation - (Accounting expense with adjustment to reserves)	€1,286,516		

The overall cost of the plan was valued at the time of its implementation for the June 30, 2021 financial statements. The overall expense amounts to €1,286,516, amortized on a straight-line basis over the vesting period of four years of which €60,718 at June 30, 2021 (for an annual expense of €222,632).

The performance share plan is subject to a 20% social security contribution for the employer, as a French subsidiary. This contribution is due the month following the date of vesting by the beneficiary, i.e. in May 2025. It is subject to a provision, calculated on the nominal value of the shares according to the market price of the award date, spread over the term of the plan, i.e. four years. As of June 30, 2021, the provision for accrued expenses in this regard, amounted to €11 thousand.

5.2.4. Provisions

In thousands of euros	December 31, 2020	Allocations	Utilizations	Releases of surplus provisions	Reclassifications	Actuarial gains/(losses)	Translation adjustment	June 30, 2021
Customer warranties	28,713	14,524	-6,175	-3,835	-256	-	91	33,062
Reorganization plans ⁽⁴⁾	48,266	1,735	-13,291	-40	-	-	-2	36,668
Provisions for taxes and tax risks	954	936	-442	-	-	-	66	1,514
Contract risks	22,262	6,253	-5,733	-3,560	-84	-	172	19,310
Provisions for claims and litigation ⁽²⁾	11,269	645	-668	-588	-	-	196	10,854
Other	7,348	3,059	-1,161	-106	-166	-	-26	8,948
Provisions	118,814	27,152	-27,470	-8,129	-506	-	497	110,358
Provisions for pensions and other post-employment benefits	100,331	3,950	-5,141 ⁽³⁾	-	2	-15,396 ⁽⁴⁾	691	84,437
TOTAL	219,145	31,102	-32,611	-8,129	-504	-15,396	1,188	194,795

(1) Provisions for reorganization relate primarily to significant restructuring in the « Industries » segment in Germany and in Belgium.

(2) This item mainly corresponds to recall with several OEMs unrelated to the Covid-19 crisis.

The change over the period includes in particular a reversal of the provision for an amount of €3.7 million, related to the planned termination of the employees' employment contract in the context of the transfer in France of the activity of the Deltatech innovation and research center.

See Notes 2.2.4 in "Other significant events of the period" and 4.5 "Other operating income and expenses".

The decrease of the provisions for pension and retirement is also due to the actuarial difference during the period was mainly explained by the increase of the discount rate in the two main regions i.e. Europe (from 0.35% to 0.90%) and the United States (from 2.46% to 3.04%) over the period.

In thousands of euros	December 31, 2019	Allocations	Utilizations	Releases of surplus provisions	Reclassifications	Actuarial gains/(losses)	Translation adjustment	December 31, 2020
Customer warranties	33,974	11,662	-8,806	-7,670	42	-	-489	28,713
Reorganization plans ⁽¹⁾	31,015	26,827	-8,875	-310	-338	-	-53	48,266
Provisions for taxes and tax risks	804	224	-74	-	-	-	-	954
Contract risks ⁽²⁾	20,113	16,267	-9,919	-4,176	127	-	-150	22,262
Provisions for claims and litigation	7,964	4,881	-1,157	-122	427	-	-724	11,269
Other	6,460	2,976	-1,265	-237	-384	-	-203	7,348
Provisions	100,332	62,837	-30,096	-12,515	-126	-	-1,619	118,814
Provisions for pensions and other post-employment benefits	107,670	-2,153	-5,774	-	-	3,659 ⁽³⁾	-3,071	100,331
TOTAL	208,002	60,684	-35,870	-12,515	-126	3,659	-4,690	219,145

(1) Provisions for reorganization related primarily to significant restructuring in the « Industries » segment in Germany and in Belgium.

(2) The increase during the period corresponded to operating disputes unrelated to the Covid-19 crisis and labor disputes.

(3) The increase of the actuarial difference during the period was mainly explained by the decrease of the discount rate in the two main regions i.e. Europe (decrease from 0.75% to 0.35%) and the United States (decrease from 3.20% to 2.46%) over the period.

5.2.5. Current and non-current borrowings

5.2.5.1 Definition of net debt within the Group

Net debt is an important notion for the day-to-day management of Plastic Omnium's treasury cash. It is used to determine the Group's debit or credit position in relation to third parties and outside of the operating cycle. Net debt is determined as:

- long-term borrowings:
 - drawdowns on traditional lines of credit,
 - private placement notes,
 - bonds;
- minus loans, negotiable debt securities and other long-term financial assets;
- plus short-term loans;
- plus overdraft facilities; and
- minus cash and cash equivalents.

5.2.5.2 Borrowings: private placement notes and bonds

The main terms of the bonds and private placements as at June 30, 2021 are summarized in the following table:

June 30, 2021	"Schuldscheindarlehen" private placement of 2016	Private placement bond issue of June 2017	"Schuldscheindarlehen" private placement of December 21, 2018
Issue - Fixed rate (in euros)	300,000,000	500,000,000	300,000,000
Interest rate / annual coupon	1.478%	1.25%	1.6320%
Investors	International (Asian, German, Dutch, Swiss, Luxembourg, Belgian) and French investors	European investors	International (German, Chinese, Belgian, Swiss, Austrian) and French investors
	No covenant or rating obligations		
Maturity	June 17, 2023	June 26, 2024	December 21, 2025

5.2.5.3 Bank loans

The Group has not made any new drawdowns in the first-half 2021 compared to December 31, 2020. It retains the same lines as those negotiated on December 31, 2020.

See Note 2.2.5.1 in "Other significant events of the period".

5.2.5.4. Short-term borrowings: issuance of Negotiable European commercial paper (Neu-CP)

The Group reduced its issuance of Negotiable European Commercial Paper (Neu-CP) in the first-half 2021. The characteristics are presented in the table below:

June 30, 2021	Neu-CP during the period
Issuance - fixed rate in euros	100,500,000
Characteristics	European investors
Maturity	Less than 1 year

5.2.5.5 Confirmed medium-term credit lines

At June 30, 2021, the Group benefits from several confirmed bank credit lines whose amount exceeds the Group's needs.

At June 30, 2021, these confirmed bank lines of credit amounted to €1,960 million as at December 31, 2020. The average maturity is less than four years at June 30, 2021 compared to five years at December 31, 2020.

5.2.5.6 Reconciliation of gross and net financial debt

In thousands of euros	June 30, 2021			December 31, 2020		
	Total	Current portion	Non-current portion	Total	Current portion	Non-current portion
Finance lease liabilities ⁽¹⁾⁽²⁾	211,434	48,542	162,892	222,013	48,330	173,683
Bonds and bank loans	1,306,223	196,687	1,109,536	1,434,828	300,830	1,133,998
<i>of which the 2018 "Schuldscheindarlehen" private placement</i>	301,615	2,575	299,040	299,120	148	298,972
<i>of which the bond issue in 2017</i>	497,621	87	497,534	500,375	3,238	497,137
<i>of which the 2016 "Schuldschein" private placement</i>	299,719	170	299,549	301,843	2,405	299,438
<i>of which Neu-CP⁽³⁾</i>	100,500	100,500	-	200,500	200,500	-
<i>of which bank lines of credit ⁽⁴⁾</i>	106,768	93,355	13,413	132,990	94,539	38,451
Current and non-current borrowings and other debt (+)	1,517,657	245,229	1,272,428	1,656,841	349,160	1,307,681
Other current and non-current debt related to EKPO investment stake (+) ⁽⁵⁾	70,000	30,000	40,000	-	-	-
Hedging instruments - liabilities (+) ⁽⁶⁾	4,032	4,032		116	116	
Total borrowings (B)	1,591,689	279,261	1,312,428	1,656,957	349,276	1,307,681
Long-term investments in equity instruments and funds (-) ⁽⁷⁾	-60,472		-60,472	-8,309		-8,309
Other financial assets (-)	-13,193	-4,435	-8,758	-16,093	-6,340	-9,753
<i>of which non-current financial receivables ⁽⁸⁾</i>	-8,758		-8,758	-9,753		-9,753
<i>of which finance receivables ⁽⁸⁾⁽⁹⁾</i>	-4,435	-4,435	-	-6,340	-6,340	-
Other current financial assets and financial receivables (-) ⁽⁹⁾	-320	-320		-301	-301	
Hedging instruments - assets (-) ⁽⁶⁾	-1,201	-1,201		-7,625	-7,625	
Total financial receivables (C)	-75,187	-5,956	-69,231	-32,328	-14,266	-18,062
Gross debt (D) = (B) + (C)	1,516,502	273,305	1,243,197	1,624,629	335,010	1,289,619
Cash and cash equivalents (-) ⁽¹⁰⁾	635,834	635,834		829,989	829,989	
Short-term bank loans and overdrafts (+)	-8,859	-8,859		-12,277	-12,277	
Net cash and cash equivalents as recorded in the statement of cash flows (A)⁽¹¹⁾	-626,975	-626,975		-817,712	-817,712	
NET FINANCIAL DEBT (E) = (D) + (A)	889,527	-353,670	1,243,197	806,917	-482,702	1,289,619

(1) During the first-half 2021, the change of net debt from lease contracts amounted to -€13.7 million, including +€16.9 million increase related to new contracts and -€30.6 million related to repayment on active assets contracts versus a change of net debt of -€4.1 million during the first-half 2020 (+€34.0 million on new contracts and -€38.1 million in repayments on active contracts).

(2) At June 30, 2021, the position includes a total amount of €1,376 thousand (of which €1,218 thousand in non-current and €158 thousand in current) contributed by Plastic Omnium New Energies Wels GmbH in its opening balance sheet. See Note 2.2.2.1.3 in the "Other significant events of the period".

(3) See Note 5.2.5.4 "Short-term borrowings: issuance of "Negotiable European Commercial Paper" (Neu-CP)"

(4) See Notes 2.2.5.1 in the "Other significant events of the period" , 5.2.5.3 "Bank loans" and 5.2.5.5 "Confirmed medium-term credit lines"

(5) See Note 2.2.2.1.1 "The acquisition prices" in "Other significant events of the period"

(6) See Note 5.2.6 "Interest rate and currency hedges"

(7) See Note 5.1.5.1 "Long-term investments in equities and funds"

(8) See Note 5.1.5.2 "Other non-current financial assets"

(9) See Notes 5.1.7 "Current financial receivables"

(10) See Note 5.1.9.1 "Gross cash and cash equivalents"

(11) See Note 5.1.9.2 "Net cash and cash equivalents at end of period"

5.2.5.7 Analysis of gross financial debt by currency

The table below shows the gross financial debt after taking into account the swap transactions that allowed the conversion from euros into foreign currency.

<i>As a % of total debt</i>	June 30, 2021	December 31, 2020
Euro	58%	48%
US dollar	28%	39%
Chinese yuan	7%	7%
Pound sterling	2%	2%
Japanese yen	2%	-
Brazilian real	1%	1%
Indian rupee	1%	1%
Polish zloty	-	1%
Other currencies ⁽¹⁾	1%	1%
Total	100%	100%

(1) "Other currencies" concerns various currencies, which taken individually account for less than 1% of total financial debt

5.2.5.8 Analysis of gross financial debt by type of interest rate

<i>As a % of total debt</i>	June 30, 2021	December 31, 2020
Hedged variable rates	-	-
Unhedged variable rates	17%	19%
Fixed rates	83%	81%
Total	100%	100%

5.2.6. Interest rate and currency hedges

The Group doesn't have interest rate contract.

<i>In thousands of euros</i>	June 30, 2021		December 31, 2020	
	Assets	Liabilities	Assets	Liabilities
Exchange rate derivatives	1,201	-4,032	7,625	-116
Total balance sheet	1,201	-4,032	7,625	-116

5.2.6.1 Currency hedges

The Group uses derivatives to hedge its exposure to currency risk.

The Group has chosen a hedging policy to cover the highly probable future transactions in its entities' foreign currencies. Hedging instruments implemented in this respect are forward purchases of foreign currencies. The Group has applied to these instruments the accounting treatment of cash flow hedges as provided for in the applicable IFRS standard: instruments are measured at fair value and changes in value are recognized in equity for the effective portion. These amounts recognized in equity are reported in profit or loss when the hedged cash flows affect income.

At June 30, 2021, the fair value of the instruments subscribed and thus recognized was -€2,831 thousand, including €304 thousand recognized in equity.

Changes in the fair value of currency hedging instruments are recognized in net financial income.

5.2.6.1.1. Portfolio of currency hedges

	June 30, 2021				December 31, 2020			
	Fair value (in thousands of euros)	Notional amount (in thousands of currency units)	Medium- term exchange rate	Exchange rate at June 30, 2021	Fair value (in thousands of euros)	Notional amount (in thousands of currency units)	Medium- term exchange rate	Exchange rate at December 31, 2020
			Currency / Euro	Currency / Euro			Currency / Euro	Currency / Euro
Net sell position (net buy position if >0)								
USD / EUR - Forward exchange contract	+1,035	-105,885	1.1769	1.1884	+91	-1,922	1.1667	1.2271
GBP / EUR - Forward exchange contract	-197	-2,973	0.9134	0.8581	-8	-3,952	0.9050	0.8990
PLN / EUR - Forward exchange contract	+150	+90,000	4.5614	4.5201	-	-	-	-
USD / EUR - Forward currency swap	-2,704	-478,300	1.1971	1.1884	+5,868	-529,300	1.2110	1.2271
GBP / EUR - Forward currency swap	-1	-6,200	0.8582	0.8581	+14	-30,000	0.8987	0.8990
CHF / EUR - Forward currency swap	+16	-10,700	1.0959	1.0980	-43	-9,750	1.0851	1.0802
RUB / EUR - Forward currency swap	-	-44,000	87.1685	86.7725	+18	-58,100	89.1435	91.4671
CNY / EUR - Forward currency swap	-962	-390,000	7.8710	7.6742	+1,232	-438,000	7.9219	8.0225
CNY / USD - Forward currency swap	-17	-86,530	6.5060	6.4576	-42	-87,707	6.5945	6.9760
JPY / EUR - Forward currency swap	-151	-	132.5235	131.4300	+379	3,600,000	124.8294	126.4900
TOTAL	-2,831				+7,509			

5.2.6.1.2. Impact of unsettled foreign exchange hedges on income and equity

In thousands of euros	June 30, 2021	December 31, 2020
Impact of change in foreign exchange hedging portfolio on income (ineffective portion) ⁽¹⁾	-10,561	2,893
Impact of change in foreign currency hedging portfolio on equity (effective portion)	221	2,855
Total	-10,340	5,748

(1) See “Gains or losses on interest rate and currency hedges” in Note 4.6 “Net financial income”.

5.2.7. Operating and other liabilities

5.2.7.1. Trade payables

In thousands of euros	June 30, 2021	December 31, 2020
Trade payables	1,227,910	1,278,933
Due to suppliers of fixed assets	59,101	92,817
Total	1,287,011	1,371,750

5.2.7.2. Other operating liabilities

In thousands of euros	June 30, 2021	December 31, 2020
Employee benefits expense	179,274	164,095
Income taxes	29,550	17,888
Other taxes	141,327	128,337
Other payables	331,425	328,378
Customer prepayments - Deferred revenues	376,414	319,711
Total	1,057,990	958,409

5.2.7.3. Trade payables and other operating liabilities by currency

In thousands of currency units	Liabilities at June 30, 2021			Liabilities at December 31, 2020		
	Local currency	Euro	%	Local currency	Euro	%
EUR Euro	1,366,358	1,366,358	58%	1,354,833	1,354,833	58%
USD US dollar	565,445	475,803	20%	595,983	485,684	21%
GBP Pound sterling	113,638	132,438	6%	115,655	128,644	6%
CNY Chinese yuan	1,266,165	164,990	7%	1,296,548	161,614	7%
BRL Brazilian real	201,662	34,151	1%	161,472	25,335	1%
Other Other currencies		171,261	7%		174,049	7%
Total		2,345,001	100%		2,330,159	100%
<i>Of which:</i>						
• Trade payables		1,287,011	55%		1,371,750	59%
• Other operating liabilities		1,057,990	45%		958,409	41%

6. CAPITAL MANAGEMENT AND MARKET RISKS

Compagnie Plastic Omnium has set up a global cash management system centralized within its subsidiary Plastic Omnium Finance, which manages liquidity, currency and interest rate risks on behalf of all subsidiaries. The market risk strategy, which may take the form of on- and off-balance sheet commitments, is validated quarterly by the Group’s Senior Management.

6.1. Capital management

The Group’s objective is to have, at all times, sufficient financial resources to enable it to carry out its current business, fund the investments required for its development and also to respond to any exceptional events.

This goal is achieved through the use of the capital markets, leading to capital and financial debt management.

As part of its capital management strategy, the Group compensates its shareholders primarily through the payment of dividends and may make adjustments in line with changes in economic conditions.

The capital structure may be adjusted by paying ordinary or special dividends, through share buybacks and cancellation of treasury stock, returning a portion of capital to shareholders or issuing new shares and/or securities giving rights to capital.

Monitoring of the financial measures taken by the Group to face the impacts of Covid-19:

Changes in the financial arrangements made by the Group in 2020 to face the impacts of the Covid-19 pandemic are presented in Note 2.2.5 “Financing transactions” in “Significant events of the period”. See also Notes 5.2.5.5 “Confirmed medium-term credit lines” and 5.2.5.4 “Short-term borrowings: issuance of Negotiable European commercial paper (Neu-CP)”.

Gearing:

The Group uses the gearing ratio, corresponding to the ratio of consolidated net debt to equity, as an indicator of the Group's leverage. The Group includes in net debt all financial liabilities and commitments, other than operating payables, interest-bearing liabilities, less cash and cash equivalents and other non-operating financial assets, such as marketable securities and loans.

At June 30, 2021 and December 31, 2020, gearing was as follows:

In thousands of euros	June 30, 2021	December 31, 2020
Net financial debt ⁽¹⁾	889,527	806,917
Equity (including non-current grants)	2,041,069	1,950,069
Gearing ratio	43.58%	41.38%

(1) See Note 5.2.5.6 "Reconciliation of gross and net financial debt".

None of the Group's bank loans or financial liabilities contains covenants providing for early repayment in the event of non-compliance with financial ratios.

6.2. Credit risk

Credit risk covers customer credit risk and bank counterparty risk.

6.2.1. Customer risk

At June 30, 2021, 6.6% of the Group's trade receivables were past due, versus 3.8% at December 31, 2020. Trade receivables break down as follows:

Ageing analysis of net receivables:

At June 30, 2021:

In thousands of euros	Total outstanding	Not yet due	Due and past due	Less than 1 month	1-6 months	6-12 months	>12 mois
Industries	639,758	586,011	53,747	42,286	6,844	1,307	3,310
Modules	177,979	177,559	420	158	262	-	-
Unallocated items	-1,553	-1,553	-	-	-	-	-
Total	816,184	762,017	54,167	42,444	7,106	1,307	3,310

At December 31, 2020:

In thousands of euros	Total outstanding	Not yet due	Due and past due	Less than 1 month	1-6 months	6-12 months	More than 12 months
Industries	632,522	602,093	30,428	17,780	5,789	5,643	1,216
Modules	183,384	182,668	717	275	442	-	-
Unallocated items	-1,506	-1,506	-	-	-	-	-
Total	814,400	783,255	31,145	18,055	6,231	5,643	1,216

The risk of non-recovery of trade receivables is low and involves only an immaterial amount of receivables more than twelve months past due. The necessary depreciation of receivables is recognized when a risk of non-recovery is identified (see Note 5.1.8.2).

6.2.2. Bank counterparty risk

The Group invests its cash surplus with leading banks and/or in highly-rated securities.

6.3. Liquidity risk

The Group must at all times have sufficient financial resources to finance the current business and the investments required to support its development, but also to withstand any exceptional events.

This objective is mainly achieved by using medium-term lines of credit with banking institutions but also by short-term bank resources.

The cash position of the Group is monitored daily for each business division and at central level, and a weekly summary report is submitted to the Group's Senior Management.

At June 30, 2021:

In thousands of euros	June 30, 2021	Less than 1 year	1 to 5 years	More than 5 years
FINANCIAL LIABILITIES				
Non-current borrowings ⁽¹⁾	1,347,465	-	1,291,582	55,883
Bank overdrafts	8,859	8,859	-	-
Current borrowings ⁽²⁾	295,593	295,593	-	-
Hedging instruments	4,032	4,032	-	-
Trade payables	1,287,011	1,287,011	-	-
Total financial liabilities	2,942,960	1,595,495	1,291,582	55,883

At December 31, 2020:

In thousands of euros	December 31, 2020	Less than 1 year	1 to 5 years	More than 5 years
FINANCIAL LIABILITIES				
Non-current borrowings ⁽¹⁾	1,357,663	-	1,295,567	62,096
Bank overdrafts	12,277	12,277	-	-
Current borrowings ⁽²⁾	371,844	371,844	-	-
Hedging instruments	116	116	-	-
Trade payables	1,371,750	1,371,750	-	-
Total financial liabilities	3,113,650	1,755,987	1,295,567	62,096

(1) "Non-current borrowings" includes the amounts reported in the balance sheet and interest payable over the remaining life of the borrowings.

(2) "Current borrowings" includes the amounts reported in the balance sheet and interest due within one year.

7. ADDITIONAL INFORMATION

7.1. Consolidating entity

Burelle SA holds 60.04% of Compagnie Plastic Omnium, after the cancellation of Compagnie Plastic Omnium SE's treasury shares (59.35% before cancellation of treasury shares), and fully consolidates Company Plastic Omnium SE.

Burelle SA - 19 Boulevard Jules Carteret
69342 Lyon Cedex 07

7.2. Subsequent events

No event likely to have a material impact on the Group's business, financial position, earnings or assets and liabilities at June 30, 2021 has occurred since the closing date.

LIST OF CONSOLIDATED COMPANIES AT JUNE 30, 2021

Except the creation of the entity Plastic Omnium New Energies France, the acquisition of the the Austrian entity "Plastic Omnium New Energies Wels GmbH" and the stake in the German company "EKPO Fuel Cell Technologies", the scope of consolidation remained unchanged since December 31, 2020.

Consolidation method and special features:

FC: Full consolidation

EM_IFRS: Companies consolidated by the equity method since the application of the new consolidation standards at January 1, 2014

Movements for the period:

a2021 : Companies acquired or created during first-half 2021

Legal name	Reportable segment			June 30, 2021			December 31, 2020			June 30, 2020		
	Industries	Modules	Un-allocated	Method of Consolidation	% control	% Interest	Method of Consolidation	% control	% Interest	Method of Consolidation	% control	% Interest
France												
PLASTIC OMNIUM NEW ENERGIES France				FC	100	100	-	-	-	-	-	-
a2021	*											
Germany												
EKPO FUEL CELL TECHNOLOGIES				EM_ifrs	40	40	-	-	-	-	-	-
a2021	*											
Austria												
PLASTIC OMNIUM NEW ENERGIES WELS GmbH				FC	100	100	-	-	-	-	-	-
a2021	*											

COMPAGNIE PLASTIC OMNIUM SE

Statutory Auditors' Review Report on the Half-yearly Financial Information

This is a free translation into English of the statutory auditors' report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France

Period from January 1st to June 30th, 2021

ERNST & YOUNG et Autres

MAZARS

ERNST & YOUNG et Autres
Tour First – TSA 14444
92037 Paris-La Défense Cedex
S.A.S. à capital variable

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles et du Centre

MAZARS
61, rue Henri Regnault
92075 Paris-La Défense Cedex
S.A. au capital de € 8.320.000

Société Anonyme d'Expertise Comptable
et de Commissariat aux Comptes
à Directoire et Conseil de Surveillance

Compagnie Plastic Omnium SE

Period from January 1st to June 30th, 2021

Statutory auditors' review report on the half-yearly financial information

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code (*Code monétaire et financier*), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Compagnie Plastic Omnium SE, for the period from January 1st to June 30th, 2021,
- the verification of the information presented in the half-yearly management report.

Due to the global crisis related to the Covid-19 pandemic, the condensed half-yearly consolidated financial statements of this period have been prepared and reviewed under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of our procedures.

These condensed half-yearly consolidated financial statements are the responsibility of the Management Board on July 20, 2021. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – standard of the IFRSs as adopted by the European Union applicable to interim financial information.

2. Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review prepared on July 20th, 2021.

We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Paris-La Défense, July 21th, 2021

The Statutory Auditors
French original signed by

MAZARS

ERNST & YOUNG et Autres

Juliette Decoux

May Kassis-Morin