



## Financial targets

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Investor Day • June 14, 2010



# 2010 - 2014 Financial targets

**Strong organic growth**

**Sustained profitability**

**Debt management**

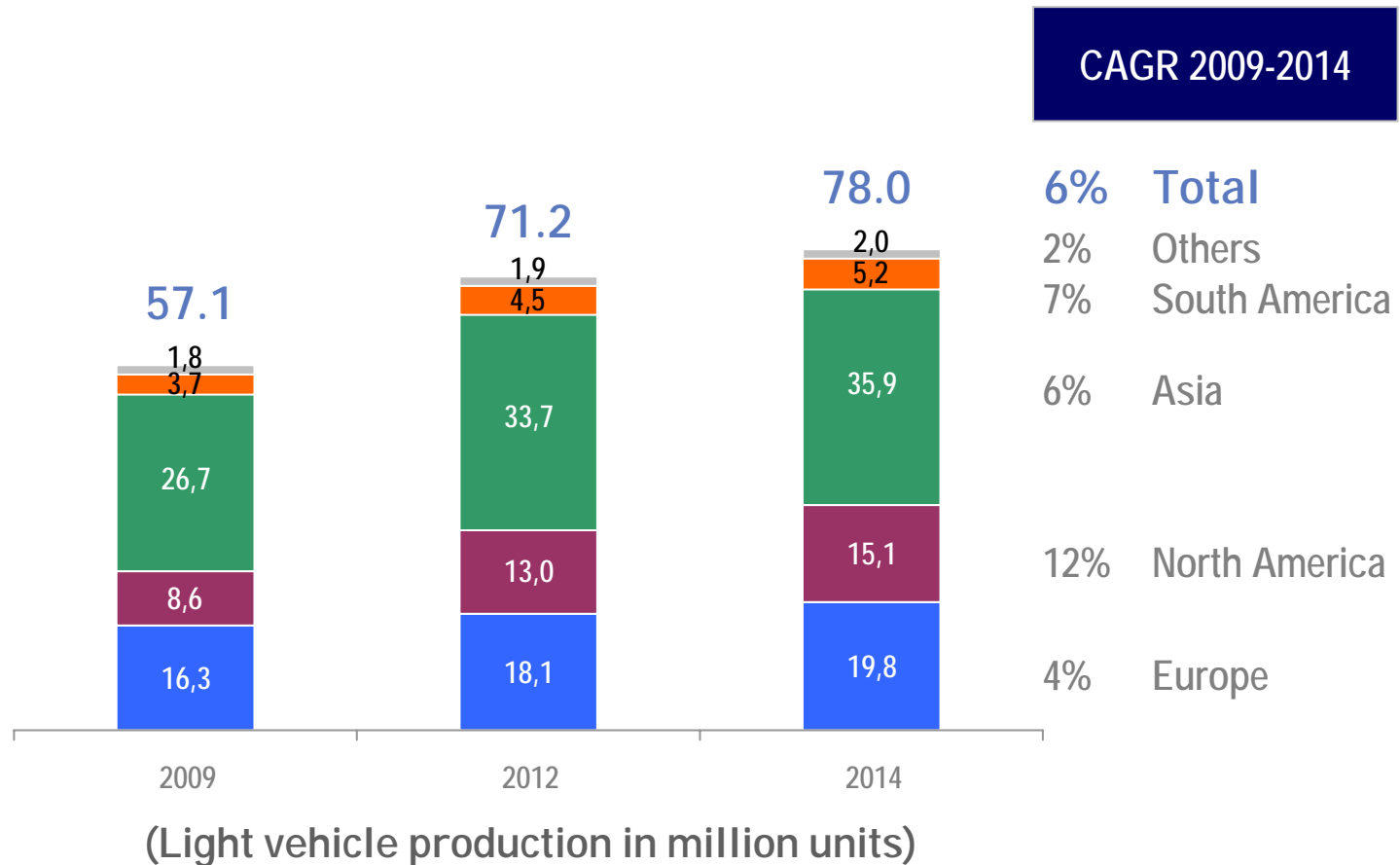
**Strong organic growth**

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Debt management

# Market trend 2009-2014

## Strong Growth in the Americas and Asia

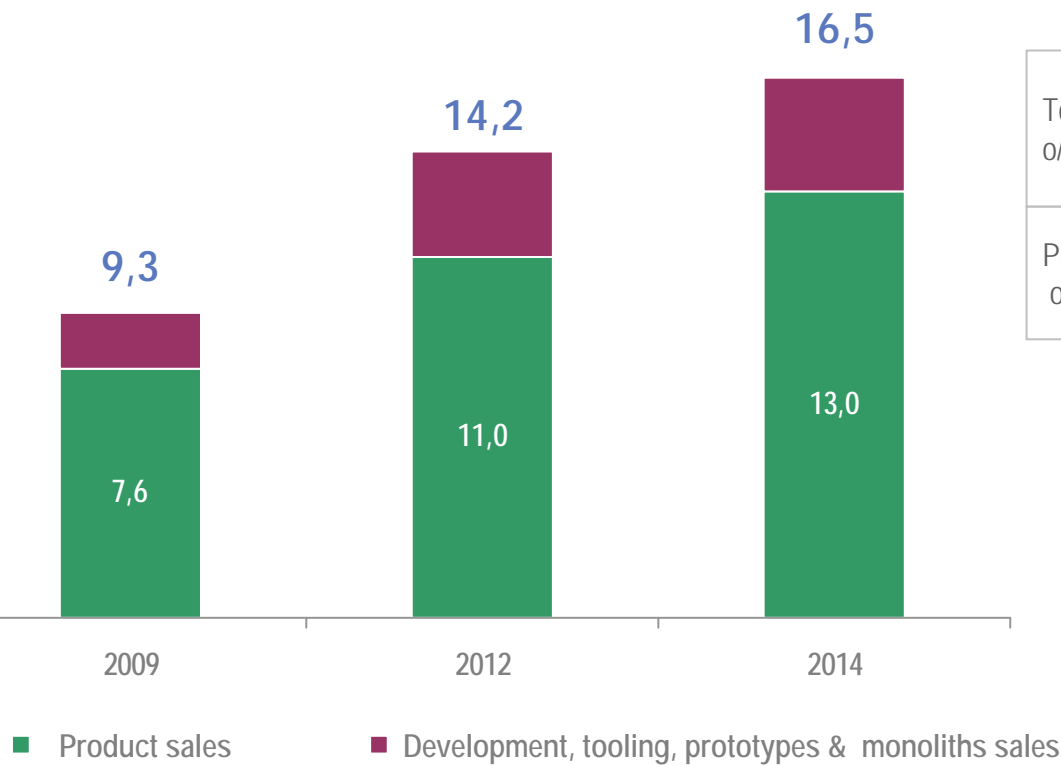


Source: Faurecia

# Faurecia 2009-2014

## Growth above market

Sales  
in €bn



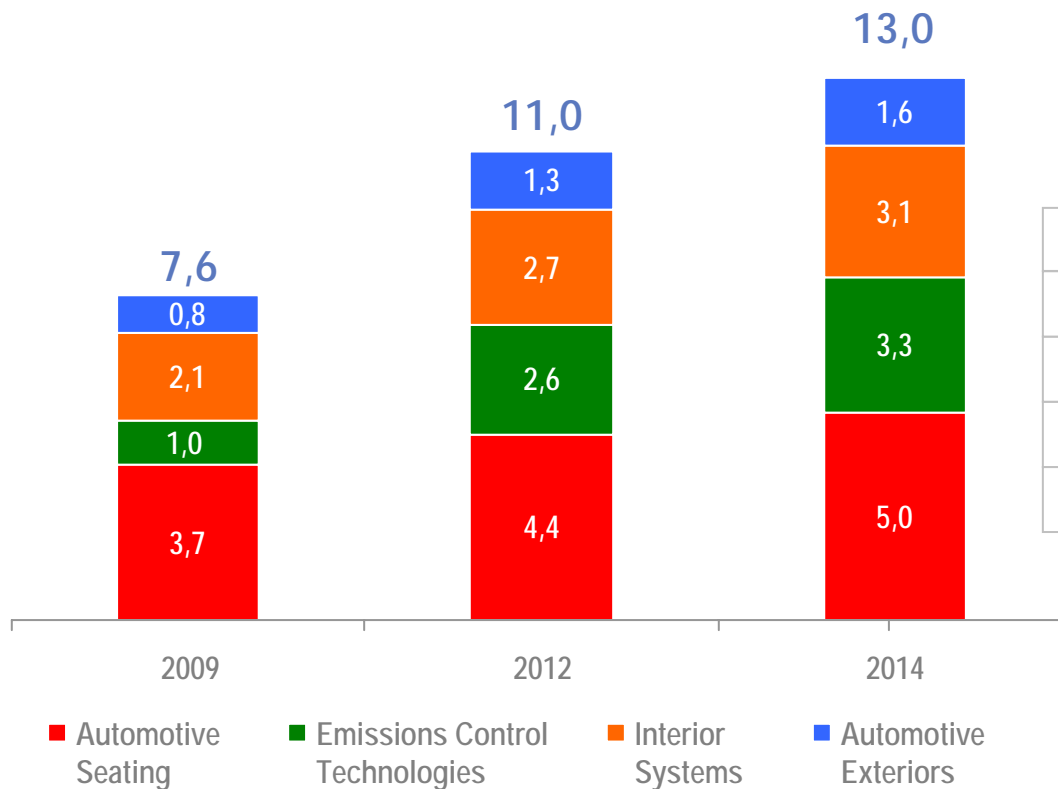
	2012 vs 2009	2014 vs 2009	CAGR 09-14
Total sales o/w organic	+53% +25%	+77% +45%	+12% +8%
Product sales o/w organic	+45% +25%	+71% +47%	+11% +8%

### Main drivers

- Industry consolidation
- Product innovation
- Global platforms
- Cost leadership

# Emissions Control Technologies growing at twice market level

Product sales  
in €bn

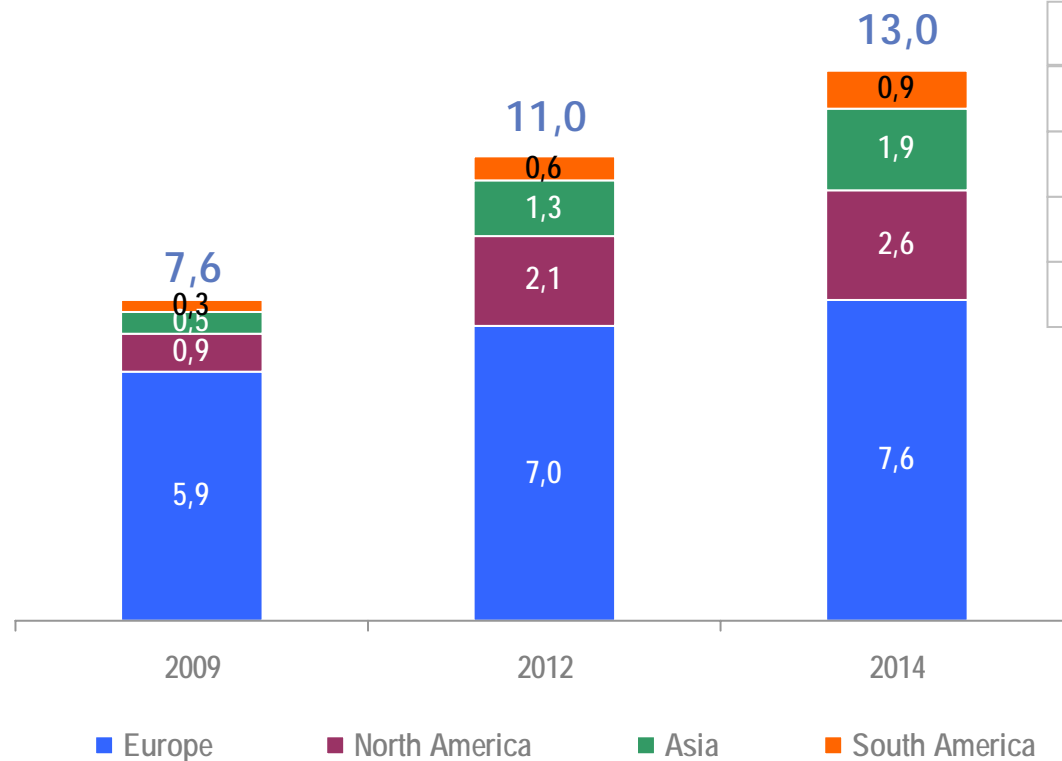


	CAGR 2009-2014	
	Global	Organic
TOTAL	+11%	+8%
Automotive Exteriors	+16%	+6%
Interior Systems	+8%	8%
Emissions Control	+27%	+13%
Automotive Seating	+6%	6%

# Faurecia 2009-2014

## Strong growth in Asia and Americas

Product sales  
in €bn



	CAGR 2009-2014	
	Global	Organic
TOTAL	+11%	+8%
South America	+25%	+20%
Asia	+31%	+27%
North America	+24%	+16%
Europe	+5%	+3%

### Main drivers

#### North America

- Rapid market recovery
- Global platforms
- European OEMs development
- Competitive Mexican footprint

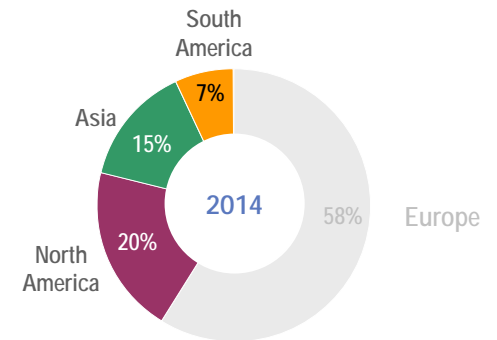
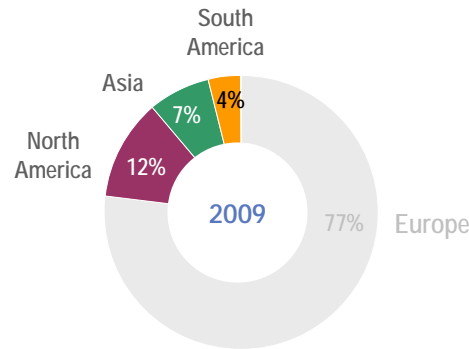
#### Asia

- Chinese growth potential
- Global OEMs intimacy
- Emissions control and mechanism leadership
- Korean OEM intimacy

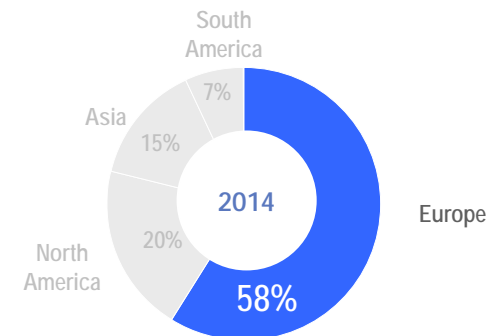
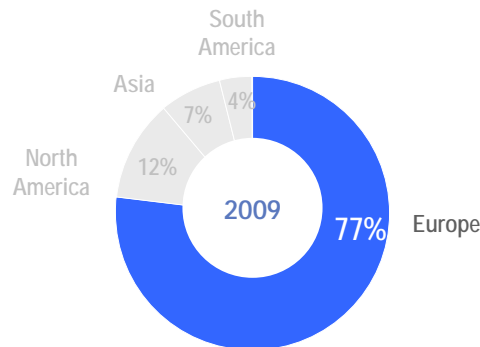
# 42% sales outside Europe by 2014

## Product sales in %

Share of Asian and emerging markets: 2x from 11% to 22%



Europe remain key for global programs and innovation



# 2010 - 2014 Financial targets

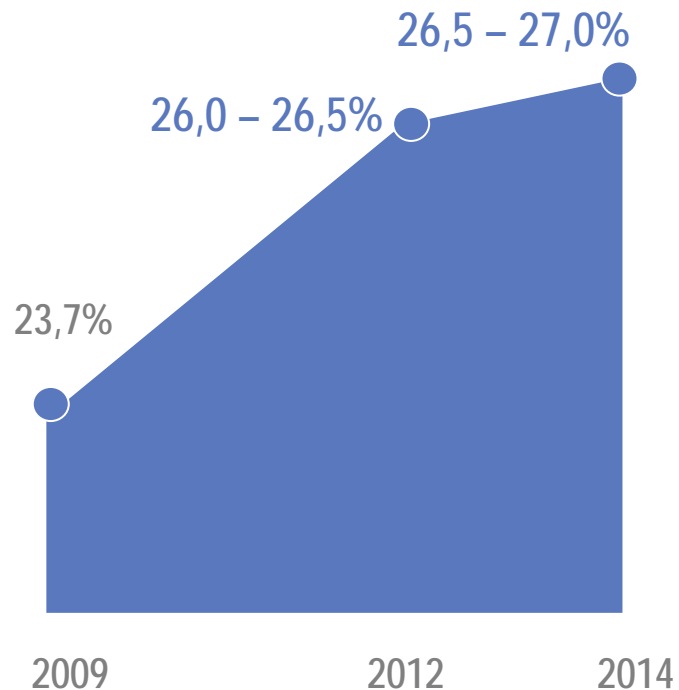
Strong organic growth

**Sustained profitability**

Debt management

# Continuous progress in the variable cost margin

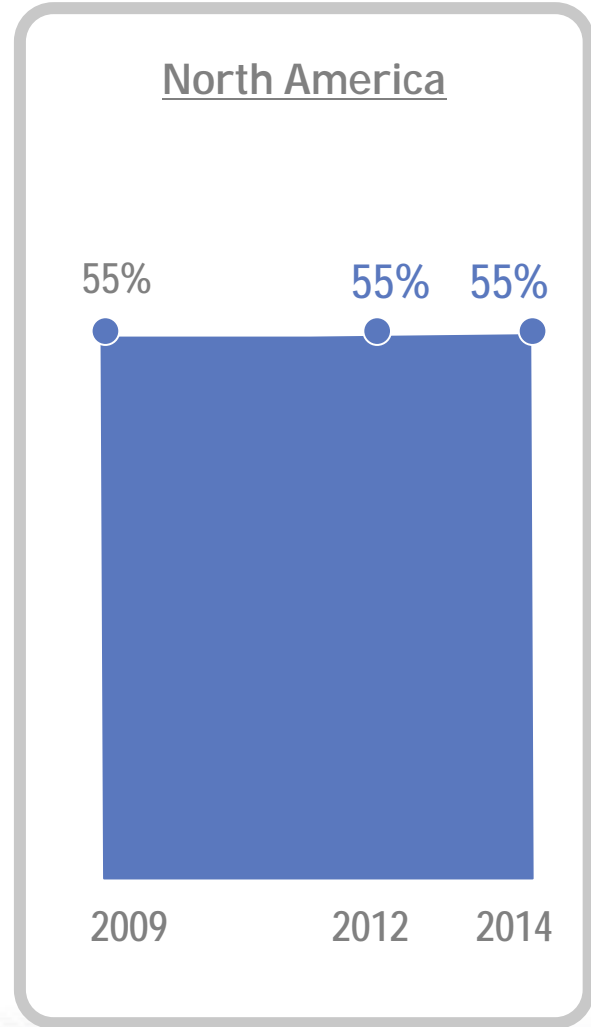
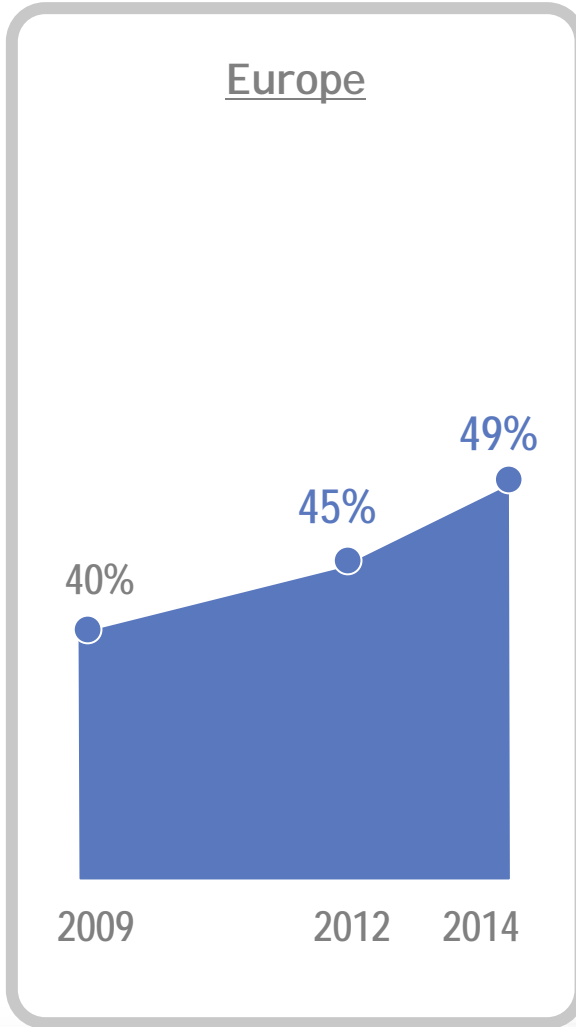
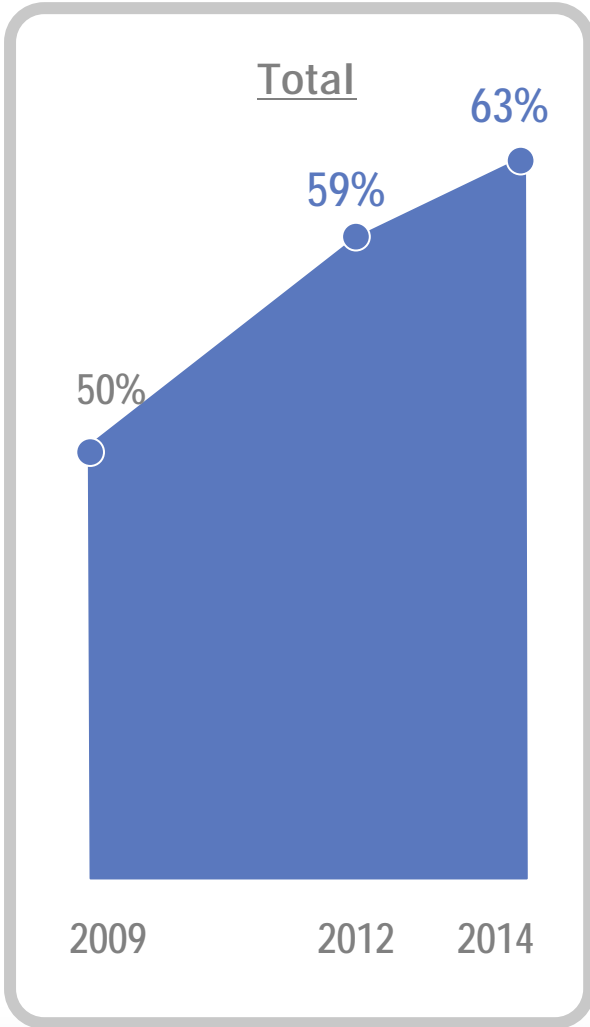
In % of product sales



- **Operational efficiency:**
  - Improvement through Faurecia Excellence System (FES)
- **Program acquisition:**
  - Operating margin  $\geq 4.0\%$
  - Improvement during development of around 50bp
- **Purchasing efficiency:**
  - Supplier base consolidation
  - Increase lowcost sourcing
- **Industrial footprint:**
  - Going low cost

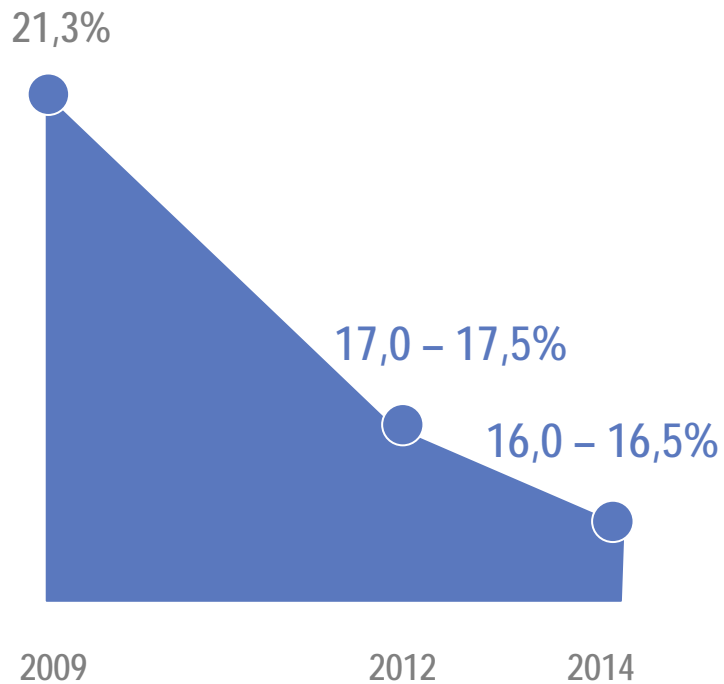
# Low cost direct headcount

## Steady growth



# Fixed cost reduction versus sales

## Fixed cost as % of total sales

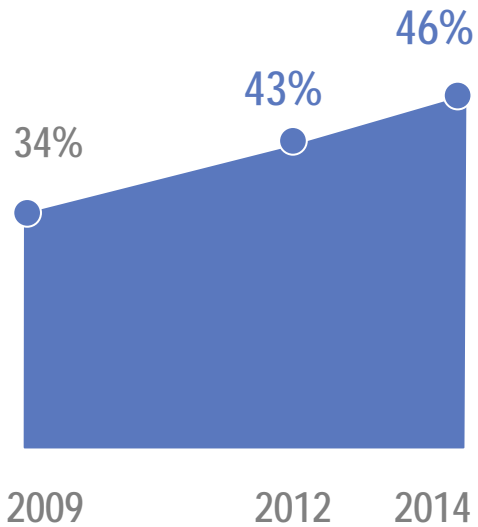


- Synergies Emcon and Plastal
- Development of R&D centers in low cost countries (India, China)
- Industrial footprint

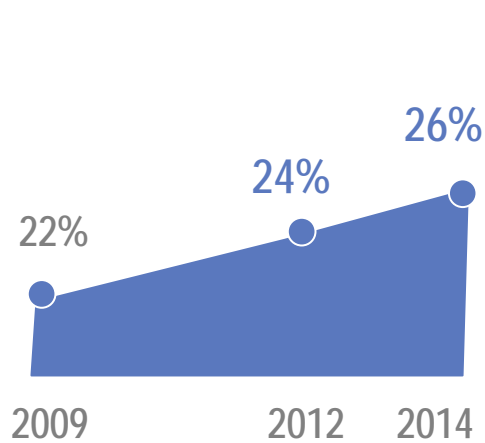
# Low cost indirect headcount

## Steady growth

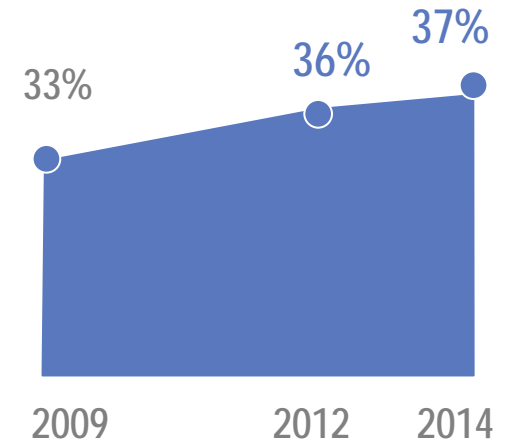
Total



Europe



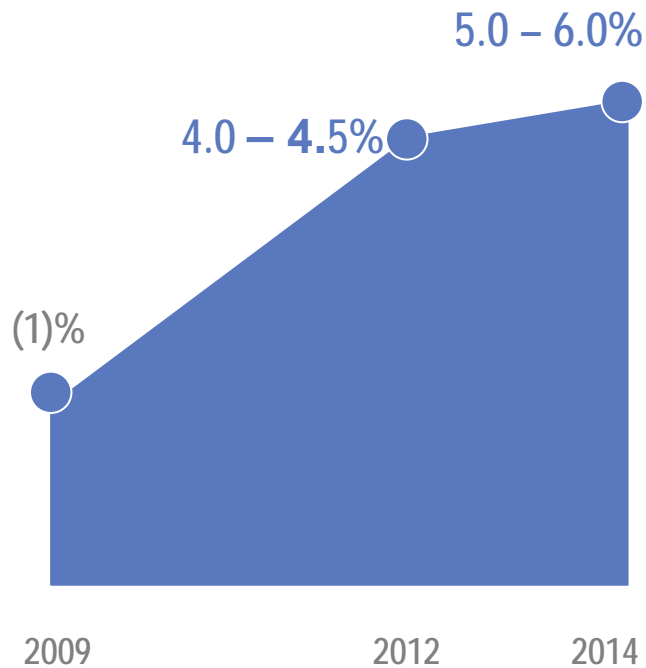
North America



# Operating margin target

## 4.0 - 4.5% by 2012 and 5.0 – 6.0% by 2014

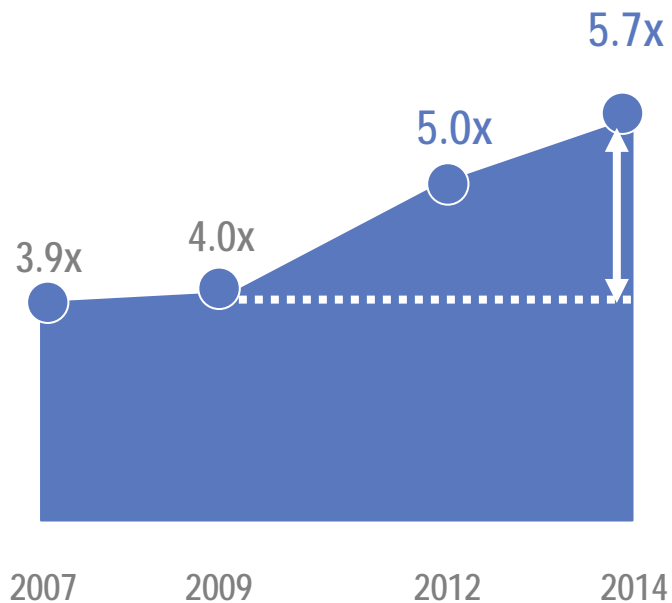
Operating margin  
as % of total Sales



- Variable cost margin up from 23.7% in 2009 to 26.0 - 26.5% in 2012, and to 26.5-27.0% in 2014.
- Fixed cost reduced from 21.3% of sales to 17.0 - 17.5% in 2012 and 16.0 - 16.5% in 2014
- Margin on development, tooling and monoliths: stable

# Asset turn 2009-2014

from 4.0 in 2009 to 5.7 in 2014

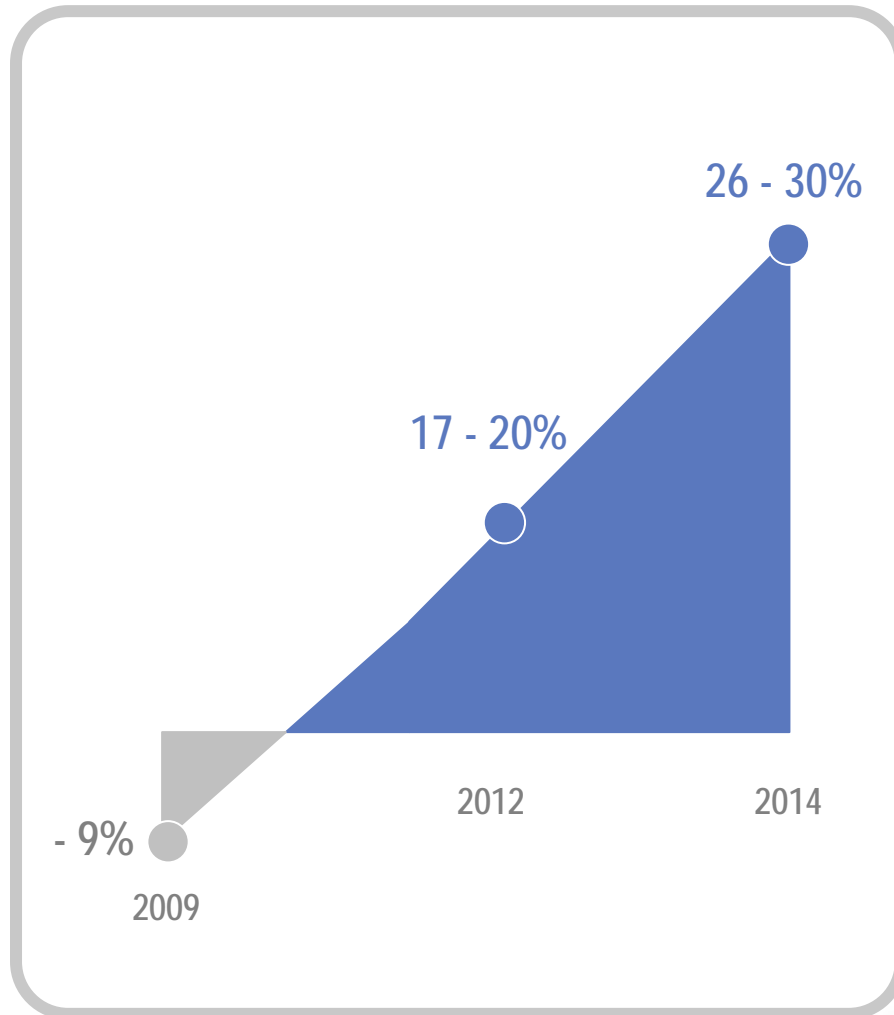


- Capex contained at 2.0 – 2.5% of total sales
  - Available capacity in Europe and North America
  - Lean Capex management generalized
- R&D capitalized contained to 1.0 – 1.5% of total sales
- Further improvement in inventory turn (9 days of production → 5 / 6 days)

*Asset turn = Sales / ( Intangible assets + tangibles + working capital + other assets – current liabilities)*

# ROCE

## 26 - 30% by 2014



- Operating margin improvement
- Capex and capitalized R&D contained

*ROCE = Operating profit - Restructuring cost / capital employed (including Goodwill)*

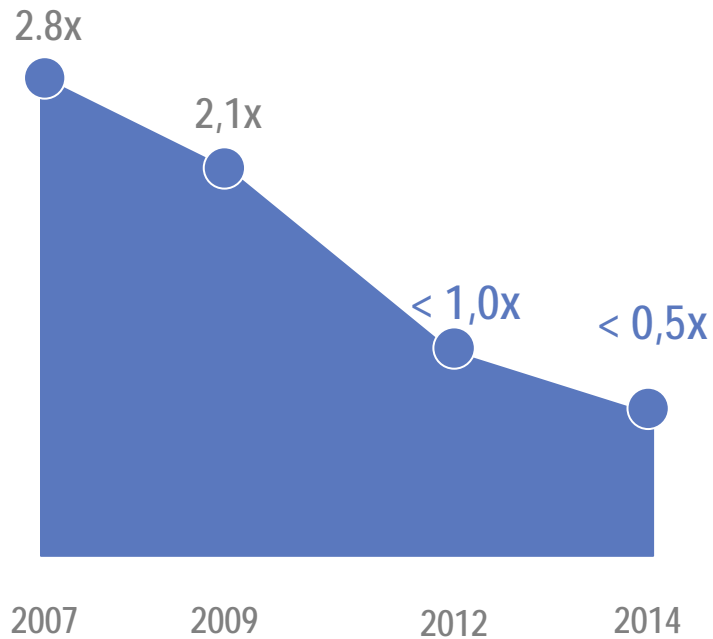
# 2010 - 2014 Financial targets

Strong organic growth

Sustained profitability

**Debt management**

## NET DEBT / EBITDA ratio



- Free cash flow generation starting 2010
- EBITDA increase through operating margin expansion

**Total sales**

**Total growth CAGR**

**Operating margin**

**ROCE**

**Net debt / Ebitda**

**Target 2012**

€14.2 Bn

4.0 – 4.5%

17 – 20%

< 1.0x

**Target 2014**

€16.5 Bn

12%

5.0 – 6.0%

26 – 30%

< 0.5x