



# FY 2022 RESULTS

*February 20, 2023*

**FORVIA**  
·faurecia



# AGENDA

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2022 KEY HIGHLIGHTS

02

2022 RESULTS REVIEW

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FY 2023 GUIDANCE AND  
KEY TAKEAWAYS



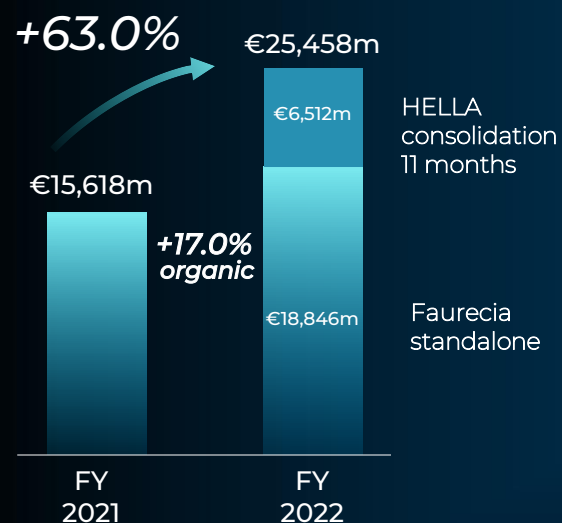


01

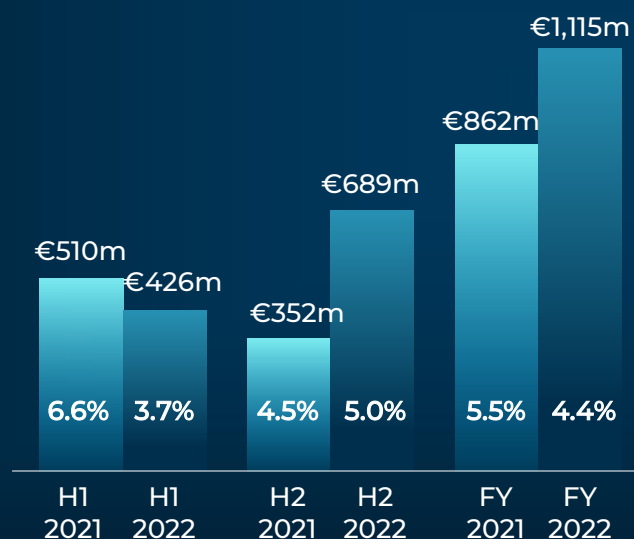
2022 KEY  
HIGHLIGHTS

# 2022: GROWTH, RESILIENCE, CASH GENERATION AND DELEVERAGING

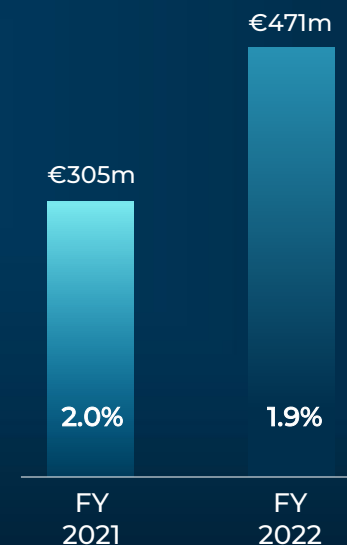
## STEP CHANGE IN SIZE



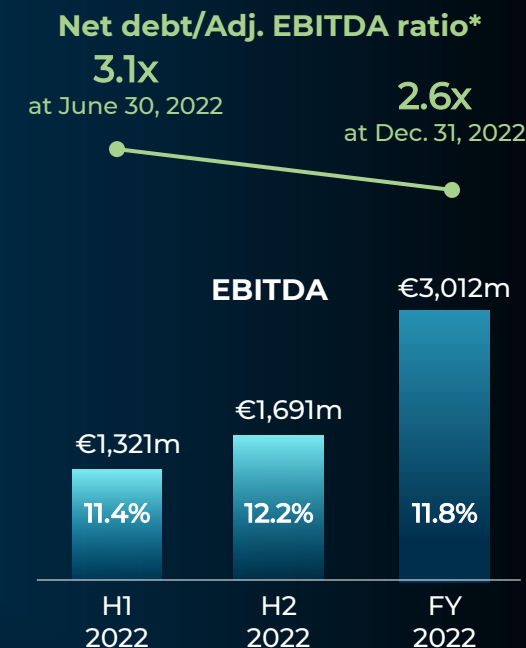
## RESILIENT OPERATING MARGING



## STRONG NET CASH FLOW



## DELEVERAGING UNDERWAY



\* Net debt/Adj. EBITDA ratio at Dec. 31, 2022 is calculated as Net debt at Dec. 31, 2022 / Consolidated adj. EBITDA proforma for the last 12 months period



# IN LINE WITH OUR THREE PRIORITIES

## DELEVERAGING

- **€1BN DISPOSAL PROGRAM FULFILLED THROUGH CONTEMPLATED TRANSACTIONS ANNOUNCED TO DATE**
- **REFINANCING OF THE BRIDGE-TO-BOND AND BRIDGE-TO-EQUITY TO ACQUIRE HELLA COMPLETED EARLY 2023**

## HELLA INTEGRATION

- **UPGRADED COST SYNERGIES TO >300M 2025 EBITDA RUN-RATE**
- **UPGRADED SALES SYNERGIES TO >400M IN 2025 SUPPORTED BY STRONG JOINT ORDER INTAKE OF €1.8BN IN 2022**

## SUSTAINABLE GROWTH

- **RESILIENT FINANCIAL PERFORMANCE IN 2022**
- **STRONG ORDER INTAKE OF €31BN IN 2022 AT AN AVERAGE OPERATING MARGIN >7%**
- **CONTINUED PROGRESS ON SUSTAINABILITY ROADMAP**
- **CREATION OF MATERI'ACT**

# DELEVERAGING BOOSTED BY THE €1BN DISPOSAL PROGRAM

- **July 2022:**
  - HELLA announced the sale of its 33.33% stake in HBPO to its co-shareholder, Plastic Omnium, for €290m (closed in December 2022)
- **December 2022:**
  - Announcement of the sale of Faurecia's Interiors business in India to TAFE (Tractors and Farm Equipment Ltd)
  - Faurecia, Michelin (50/50 partner in Symbio) and Stellantis announced exclusive negotiations for Stellantis to acquire a substantial stake in Symbio (closing expected in H1 2023)
- **February 2023:**
  - Faurecia and Cummins announced they are in exclusive negotiations for the potential sale to Cummins of Faurecia's commercial vehicle exhaust aftertreatment business in Europe and the United States for an enterprise value of €150m
  - Faurecia announced that the Motherson group has committed to acquire its SAS Cockpit Modules division (assembly and logistics services) for an enterprise value of €540 million

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CONTEMPLATED TRANSACTIONS ANNOUNCED TO DATE  
FULFILL THE €1BN DISPOSAL PROGRAM OF NON-STRATEGIC ASSETS BY END-2023



# INTEGRATION OF HELLA WELL UNDERWAY

WE PIONEER TECHNOLOGY FOR MOBILITY EXPERIENCES  
THAT MATTER TO PEOPLE



## COMMERCIAL

**Combined go-to-market**  
Positive customer feedback  
from **CES 2023**

**Multiple joint  
awards won for  
€1.8bn in 2022**

**AUTO Shanghai 2023**

## PROCESS / COST OPTIMIZATION

**Kick-off for common  
FORVIA Excellence  
System in Operations**

**Deploy Joint  
Purchasing  
commodity strategies**

**Faurecia /HELLA  
Electronics  
collaboration  
strengthened**

## PEOPLE

**Celebrating together  
FORVIA's  
1<sup>st</sup> anniversary**

**Common ESG targets**

**Enhanced  
opportunities  
across the Group**



# HELLA COST & REVENUE SYNERGIES UPGRADED

Cost synergies and optimization  
target upgraded to

**> €300m**  
2025 EBITDA run-rate  
(vs. >€250m previously)

- Robust **tracking & governance**
- **> 40%** of 2025 cost synergies in 2023

Revenue synergies  
target upgraded to

**> €400m**  
annual sales  
increase by 2025  
(vs. between €300m and €400m previously)

- **€1.8bn** joint order intake in 2022
- **> €300m** of 2025 revenue synergies awarded with 2026 run-rate > €400m
- Strong pipeline of opportunities and robust outlook beyond 2025

# 2022 ORDER INTAKE OF €31BN SUPPORTS MEDIUM-TERM PROFITABLE GROWTH

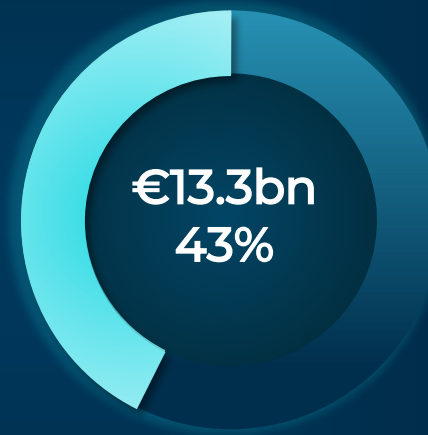
ELECTRONICS



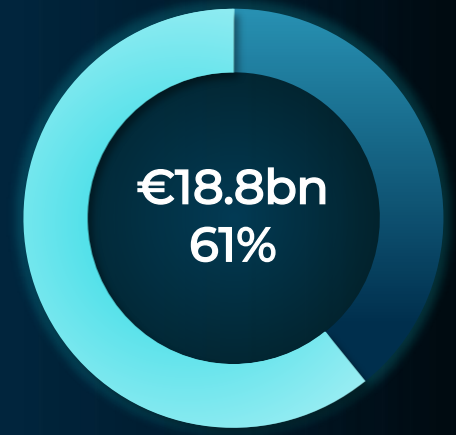
CHINA



EVs (BEVs + FCEVs)

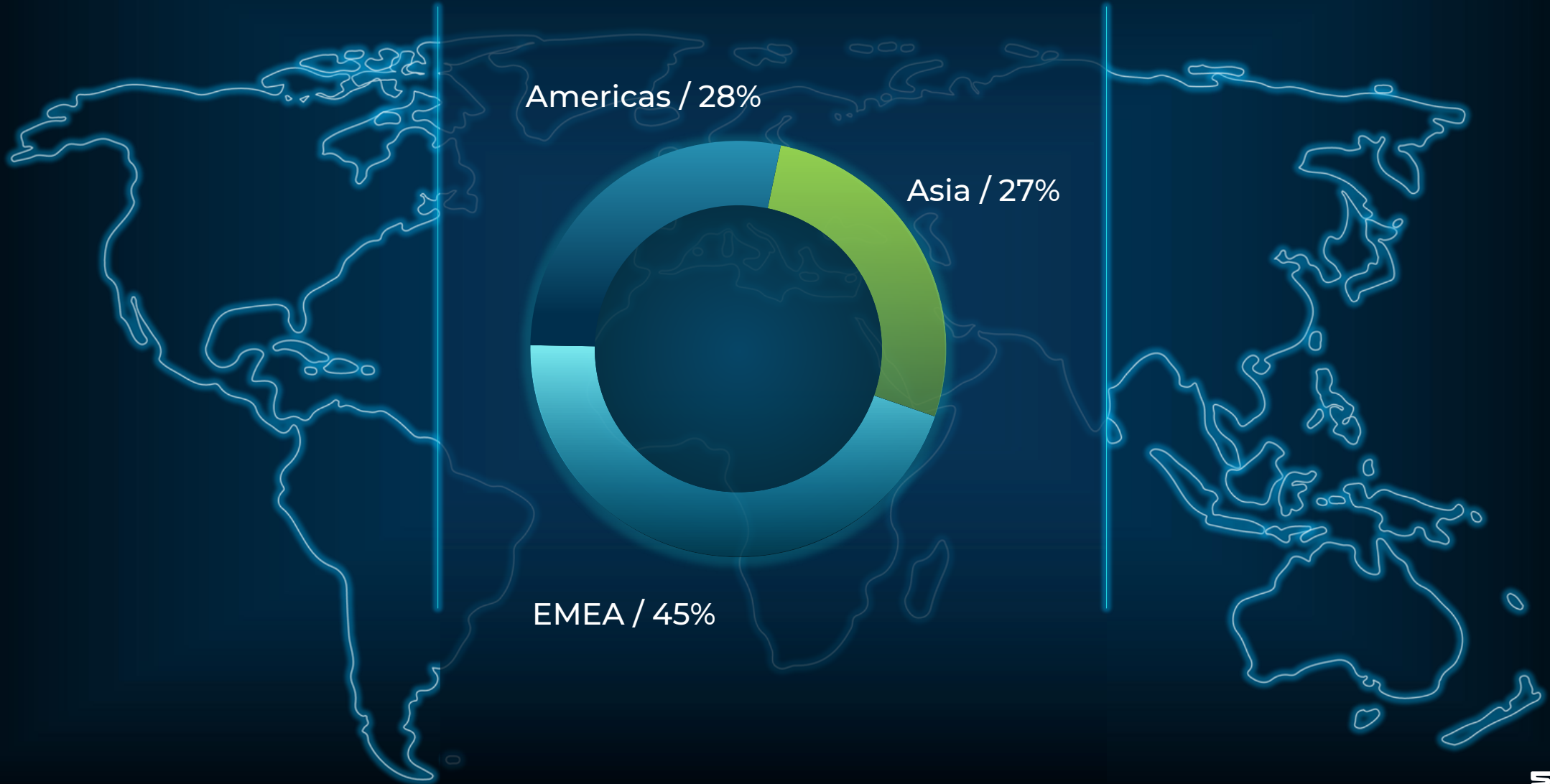


PREMIUM & SUVs



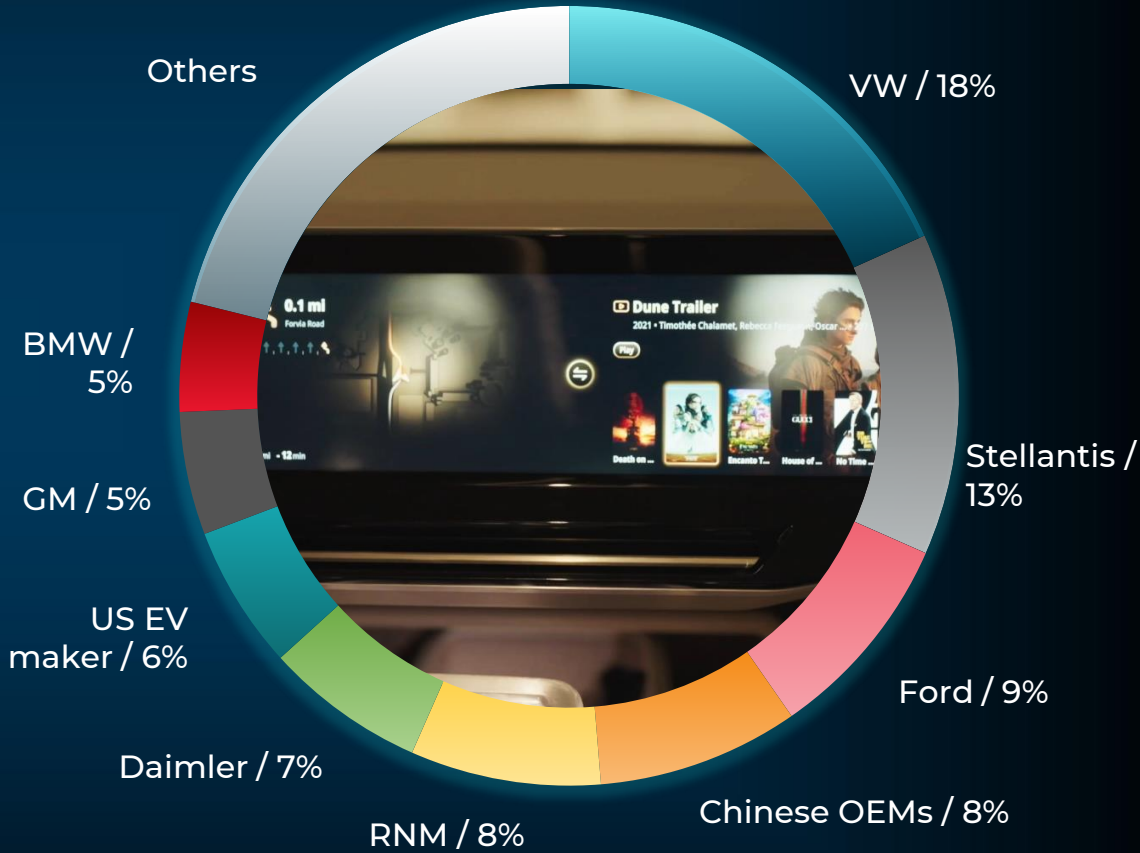
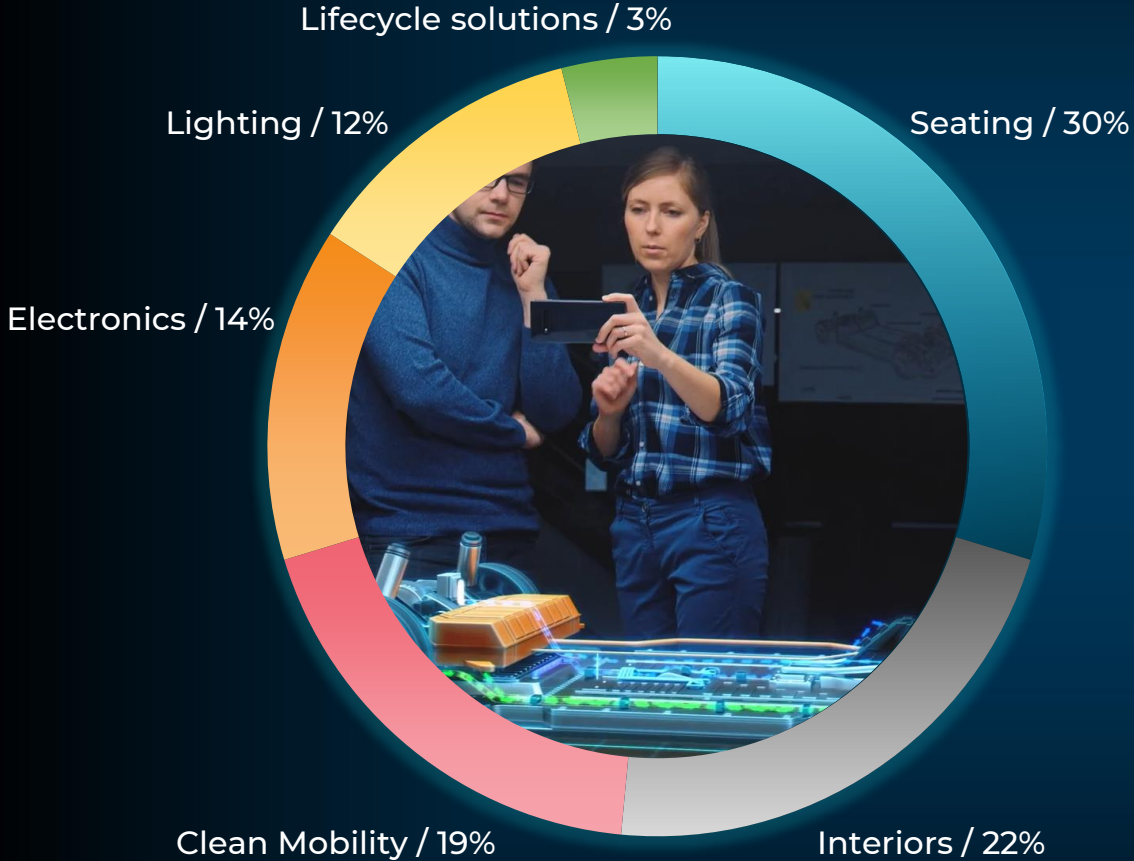
SELECTIVE ORDER INTAKE WITH AN AVERAGE OPERATING MARGIN >7%,  
ALREADY REACHING **POWER25** TARGETED PROFITABILITY

# STRONG PRESENCE IN ALL MAJOR REGIONS





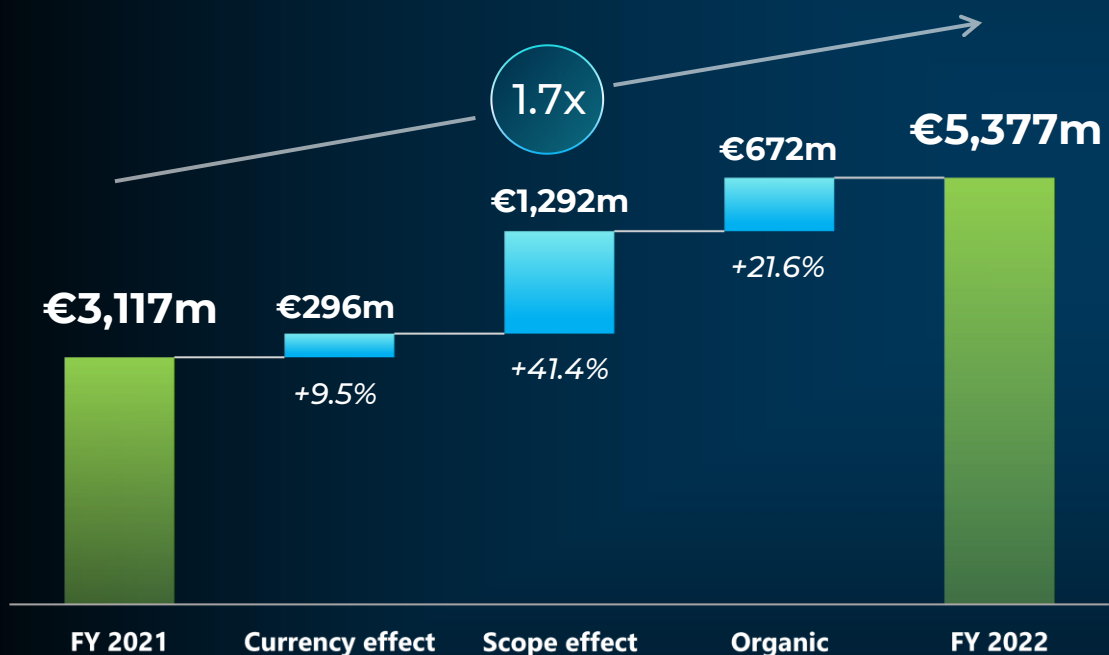
# SIX CORE BUSINESS GROUPS AND A BALANCED CUSTOMER PORTFOLIO



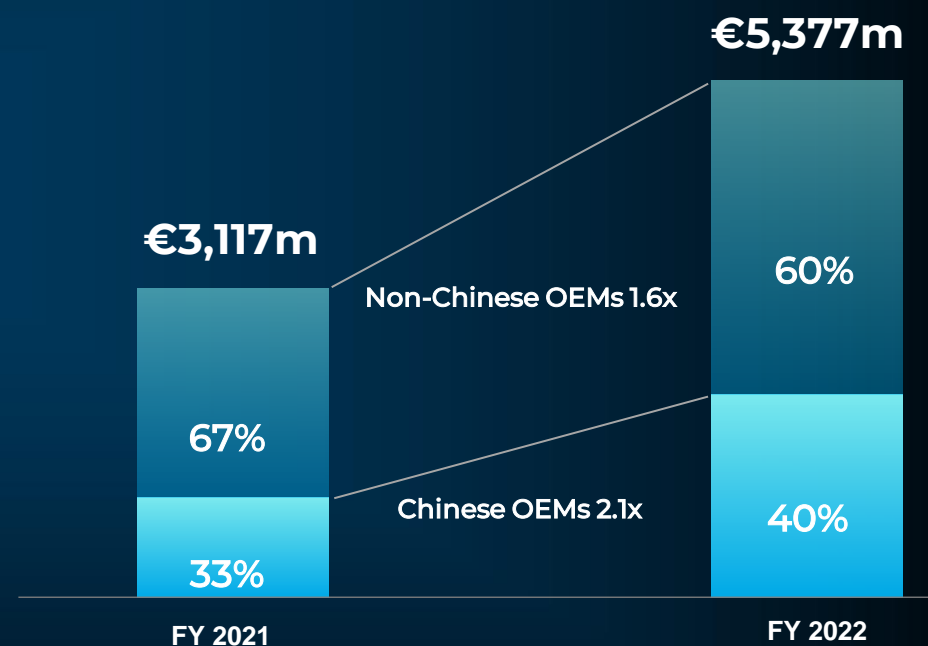
NO CUSTOMER ABOVE 20% OF GROUP SALES

# STRONG GROWTH IN CHINA DRIVEN BY CHINESE OEMs

SALES IN CHINA = 21% OF GROUP SALES IN 2022



INCREASING SHARE OF CHINESE OEMs





# DRIVING A MORE SUSTAINABLE FUTURE

FORVIA **FIRST AUTOMOTIVE COMPANY WITH NET-ZERO TARGET** APPROVED BY THE SCIENCE BASED TARGETS INITIATIVE



**1st** automotive company with **net-zero target** approved by the Science Based Targets (June 22)

**Net Zero by 2045**

2 intermediate steps:

**Scopes 1 & 2:**  
CO<sub>2</sub>-neutral by 2025

**Scope 3:**  
-45% CO<sub>2</sub> by 2030

Creation of

**MATERIACT** 

a new company for sustainable materials (Nov. 2022)

**>400 people** by 2025  
**€2bn** sales by 2030

**€950m**

issuance of **sustainability-linked senior notes** due 2026 (Nov. 22 + Jan. 23)



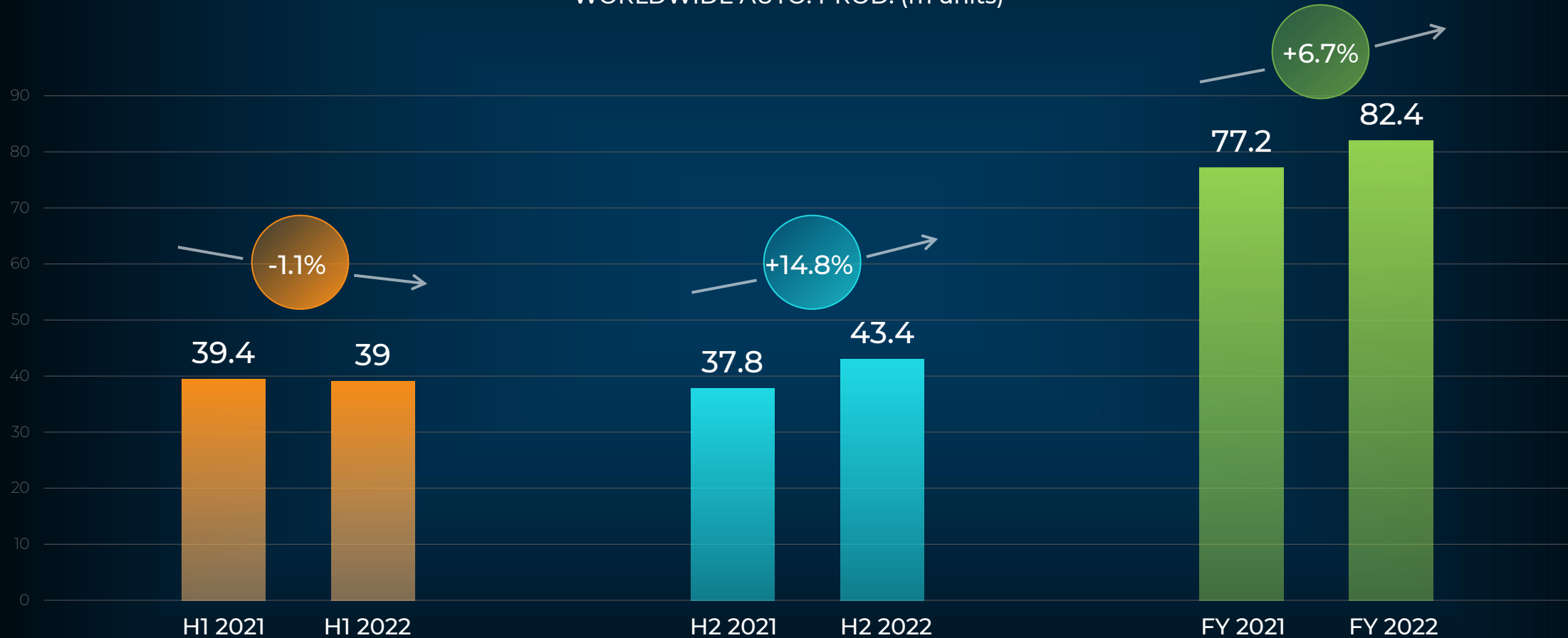


02

2022 RESULTS  
REVIEW

# 2022 WORLDWIDE AUTOMOTIVE PRODUCTION STILL WELL BELOW PRE-COVID LEVELS

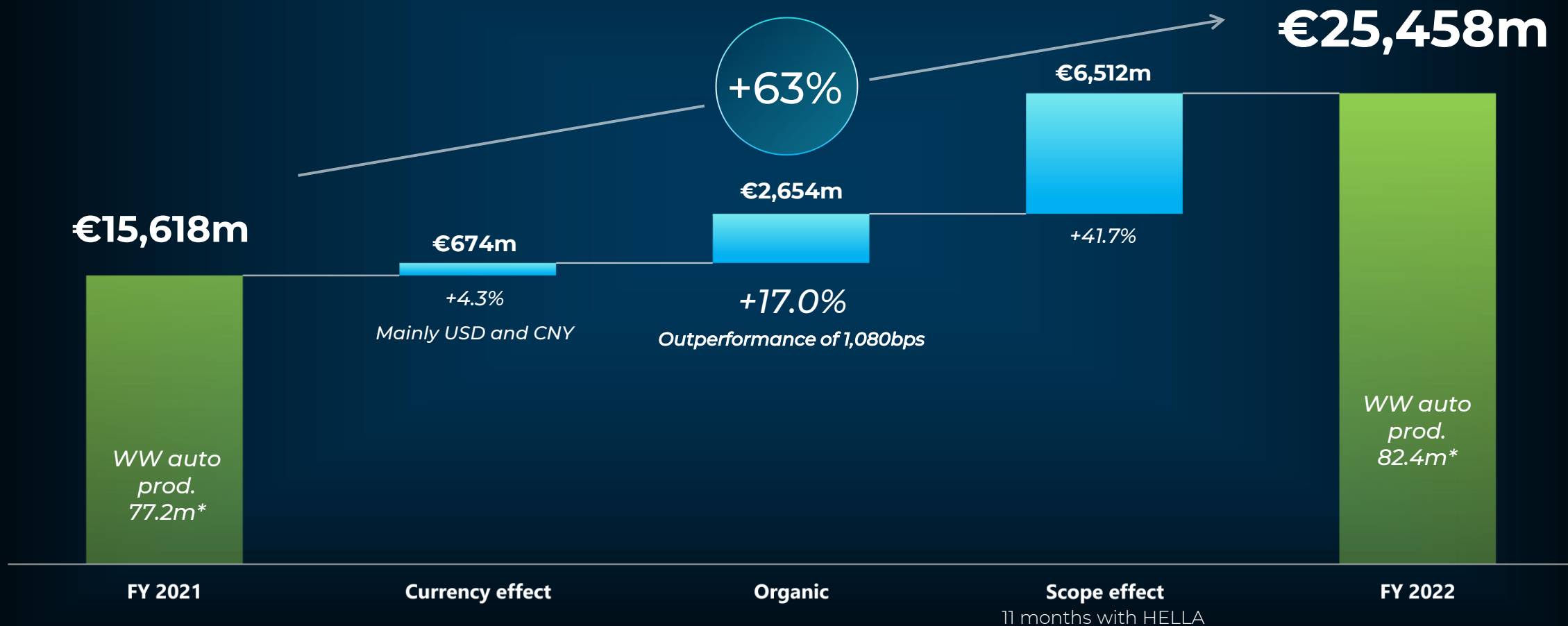
WORLDWIDE AUTO. PROD. (m units)



S&P Mobility (ex-IHS Markit) figures, dated February 2023

# STRONG SALES GROWTH IN 2022

UP 63% INCL. SCOPE EFFECT FROM HELLA  
UP 17% ON AN ORGANIC BASIS, INCL. EFFECT FROM INFLATION PASS-THROUGH



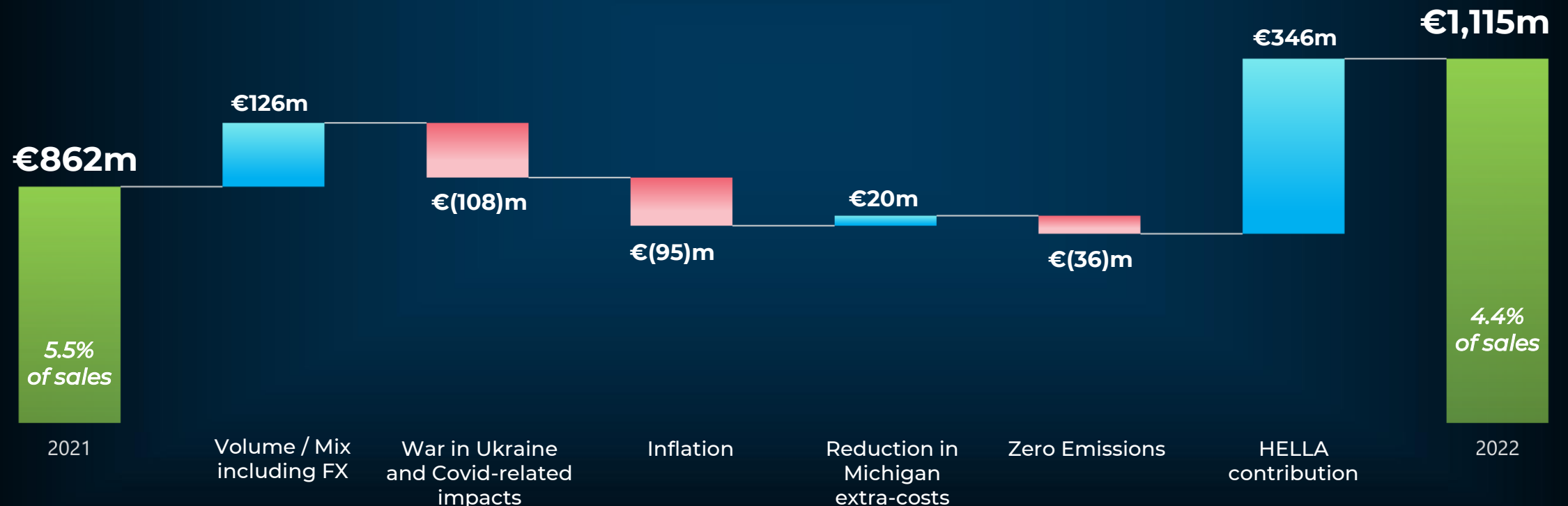
\* Source: S&P Global Mobility (ex IHS Markit) figures dated February 2023



# RESILIENT OPERATING MARGIN OF 4.4% OF SALES IN FY 2022

5.0% OF SALES IN H2 2022, UP 130BPS VS. H1 2022 AND UP 50BPS YEAR-ON-YEAR

## OPERATING INCOME



# LIMITING 2022 INFLATION IMPACT THANKS TO PASS-THROUGH

- In 2022, inflation generated c. €1.1bn of additional costs vs. 2021 for FORVIA
  - Raw material costs increased by mid- to high-single digits (with steel the most impacted)
  - Energy inflation was limited thanks to hedging policies proactively put in place in prior years and energy efficiency measures
  - Labor inflation was also managed efficiently through accelerated productivity
- **Conversely, inflation pass-through to customers generated additional sales of close to €1bn, through:**
  - Contractual mechanisms in place
  - Specific negotiations and claims to customers
- **Pass-through reached > 85% of cumulated inflation at the end of 2022**

# SEATING

30% OF GROUP CONSOLIDATED SALES IN THE PERIOD

|                              | 2021         | 2022         |
|------------------------------|--------------|--------------|
| <b>Sales (€m)</b>            | <b>6,049</b> | <b>7,704</b> |
| <i>YoY reported</i>          |              | +27.4%       |
| <i>Currency effect</i>       |              | +5.5%        |
| <i>YoY organic</i>           |              | +21.9%       |
| <b>Operating income (€m)</b> | <b>285</b>   | <b>197</b>   |
| <i>% of sales</i>            | 4.7%         | 2.6%         |

## STRONG ORGANIC SALES GROWTH OF +29.9% IN H2 AND +21.9% IN FY

- All regions contributed to organic growth: China and North America grew in strong double digits and Europe grew in high single digits
- North America was driven by Stellantis and China was driven by very strong growth from Chinese OEMs (mostly BYD) and a US EV carmaker present in China

## OPERATING INCOME RECOVERED TO 3.2% IN H2 AFTER 1.8% IN H1

- H2 reflected continued reduction in extra costs related to the Michigan plant (€35 million in H2 2022 after €45 million in H1 2022 and €100 million in H2 2021)
- **Excluding** these extra costs, operating margin in 2022 stood at 4.0% of sales in H2 and 3.6% of sales in FY
- Metal activity for this Michigan program now transferred to Monterrey







# INTERIORS

22% OF GROUP CONSOLIDATED SALES IN THE PERIOD

|                              | 2021         | 2022         |
|------------------------------|--------------|--------------|
| <b>Sales (€m)</b>            | <b>4,641</b> | <b>5,529</b> |
| <i>YoY reported</i>          |              | +19.2%       |
| <i>Currency effect</i>       |              | +2.4%        |
| <i>YoY organic</i>           |              | +16.8%       |
| <b>Operating income (€m)</b> | <b>190</b>   | <b>246</b>   |
| <i>% of sales</i>            | 4.1%         | 4.4%         |

## STRONG ORGANIC GROWTH OF +29.1% IN H2 AND +16.8% IN FY

- Organic growth was mainly driven by Europe and North America, which both grew in double digits
- North America reflected growth with GM, Ford, a US EV carmaker and new entrants, while Europe reflected strong growth with Ford and BMW

## OPERATING INCOME IMPROVED TO 5.2% IN H2 AFTER 3.6% IN H1, RESULTING IN 4.4% IN FY 2022, 30BPS ABOVE FY 2021

- This year-on-year improvement mainly reflected better fixed cost absorption through higher sales volume and positive effect from repricing in North America

# CLEAN MOBILITY

19% OF GROUP CONSOLIDATED SALES IN THE PERIOD

|                              | 2021         | 2022         |
|------------------------------|--------------|--------------|
| <b>Sales (€m)</b>            | <b>4,091</b> | <b>4,736</b> |
| <i>YoY reported</i>          |              | +15.8%       |
| <i>Currency effect</i>       |              | +4.9%        |
| <i>YoY organic</i>           |              | +10.9%       |
| <b>Operating income (€m)</b> | <b>389</b>   | <b>336</b>   |
| <i>% of sales</i>            | 9.5%         | 7.1%         |

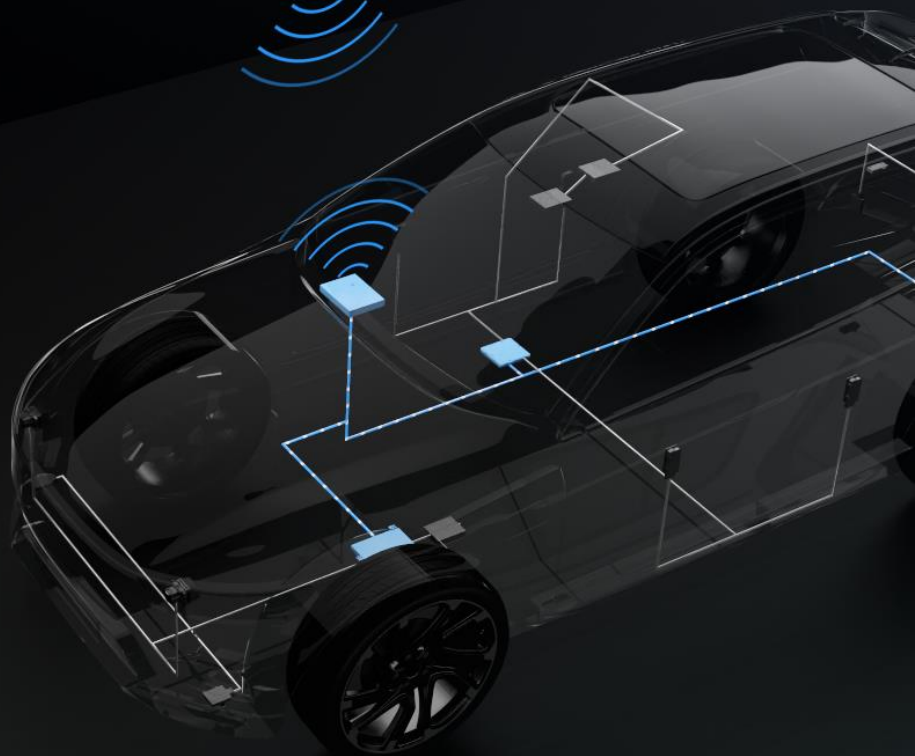
## ORGANIC GROWTH OF +15.1% IN H2 AND +10.9% IN FY

- Organic growth mainly driven by Europe and North America and, to a lesser extent, South America
- In Europe, organic growth was driven by Ford and sales related to commercial vehicles, while in North America it was also Ford and commercial vehicles, as well as GM

## OPERATING INCOME IMPROVED TO 7.5% IN H2 AFTER 6.6% IN H1, RESULTING IN 7.1% OF SALES IN FY

- Operating margin of 7.1% in FY 2022 vs. 9.5% in FY 2021 mainly reflected dilutive impact from inflation pass-through for c. 100bps, and the development of Zero Emissions for another 60bps





# ELECTRONICS

14% OF GROUP CONSOLIDATED SALES IN THE PERIOD

|                              | 2021*         | 2022*        |
|------------------------------|---------------|--------------|
| <b>Sales (€m)</b>            | <b>838</b>    | <b>3,522</b> |
| <i>YoY reported</i>          |               | +320.5%      |
| <i>Currency effect</i>       |               | +4.1%        |
| <i>YoY organic</i>           |               | +12.5%       |
| <i>Scope effect</i>          |               | +303.9%      |
| <b>Operating income (€m)</b> | <b>(2)</b>    | <b>141</b>   |
| <i>% of sales</i>            | <i>(0.2)%</i> | <i>4.0%</i>  |

## STEP CHANGE IN SIZE (MORE THAN 4X) AS ELECTRONICS NOW AGGREGATES:

- Faurecia' Electronics: €977m in 2022 vs. €838m in 2021,
- HELLA's Electronics: €2,545m of scope effect for 11 months in 2022

## OPERATING INCOME STOOD AT 4.0% IN FY AND INCLUDED:

- An operating loss of €(10)m related to Faurecia's Electronics activity
- An accounting impact of €(19)m mainly linked to revaluations in the context of HELLA's opening balance-sheet exercise

Restated for this last item, operating income was €160m, representing 4.5% of total Electronics sales, combining

- A loss of (1.0)% from Faurecia's Electronics activity in the full-year but at breakeven in H2 2022
- A profit of 6.7% from HELLA's Electronics activity

\* 2021 are Faurecia "stand-alone" figures as reported in February 2022; 2022 are FORVIA (Faurecia + 11m consolidation of HELLA) figures



# LIGHTING

12% OF GROUP CONSOLIDATED SALES IN THE PERIOD

|                              | 2022*        |
|------------------------------|--------------|
| <b>Sales (€m)</b>            | <b>3,074</b> |
| <i>YoY reported</i>          | <i>n/a</i>   |
| <i>Scope effect</i>          | <i>n/a</i>   |
| <i>YoY organic</i>           | <i>n/a</i>   |
| <b>Operating income (€m)</b> | <b>107</b>   |
| <i>% of sales</i>            | <i>3.5%</i>  |

## CONSOLIDATED FOR THE FIRST FISCAL YEAR IN FAURECIA'S CONSOLIDATED ACCOUNTS

- Sales for 11 months amounted to €3,074m

## OPERATING INCOME STOOD AT 3.5% IN FY

- Operating income of €107m included a positive accounting impact of €40 million mainly linked to revaluations in the context of HELLA's opening balance-sheet exercise
- Restated for this accounting item, operating income was €67m, representing 2.2% of Lighting sales



\* 2022 figures correspond to 11 months of consolidation of HELLA



# LIFECYCLE SOLUTIONS

3% OF GROUP CONSOLIDATED SALES IN THE PERIOD

|                              | 2022*       |
|------------------------------|-------------|
| <b>Sales (€m)</b>            | <b>893</b>  |
| <i>YoY reported</i>          | <i>n/a</i>  |
| <i>Scope effect</i>          | <i>n/a</i>  |
| <i>YoY organic</i>           | <i>n/a</i>  |
| <b>Operating income (€m)</b> | <b>89</b>   |
| <i>% of sales</i>            | <i>9.9%</i> |

## CONSOLIDATED FOR THE FIRST FISCAL YEAR IN FAURECIA'S CONSOLIDATED ACCOUNTS

- Sales for 12 months would amount to c. €1bn

## OPERATING INCOME STOOD AT 9.9% IN FY

- Operating income of €89m included a negative accounting impact of €(2)m mainly linked to revaluations in the context of HELLA's opening balance-sheet exercise
- Restated for this accounting item, operating income was €91m, representing 10.2% of Lifecycle Solutions sales

\* 2022 figures correspond to 11 months of consolidation of HELLA

# DOUBLE-DIGIT SALES OUTPERFORMANCE IN ALL REGIONS IMPROVED MARGIN IN NORTH AMERICA AND CONFIRMED DOUBLE-DIGIT MARGIN IN ASIA

|                                     | Europe        | North Am.    | South Am.  | Americas     | Asia         |
|-------------------------------------|---------------|--------------|------------|--------------|--------------|
| <b>% of 2022 consolidated sales</b> | <b>44%</b>    | <b>25%</b>   | <b>3%</b>  | <b>28%</b>   | <b>27%</b>   |
| <i>Regional auto. prod. YoY*</i>    | -0.5%         | +9.7%        | +8.4%      | +9.4%        | +8.2%        |
| <b>2021 sales (€m)</b>              | <b>6,996</b>  | <b>3,725</b> | <b>543</b> | <b>4,268</b> | <b>4,167</b> |
| <i>Currency effect</i>              | -2.4%         | +14.8%       | -1.9%      | +12.7%       | +7.2%        |
| <i>YoY organic</i>                  | +10.1%        | +20.7%       | +34.3%     | +22.4%       | +21.6%       |
| <i>Scope effect</i>                 | +52.0%        | +36.6%       | +4.1%      | +32.4%       | +34.3%       |
| <b>2022 sales (€m)</b>              | <b>11,165</b> | <b>6,410</b> | <b>741</b> | <b>7,151</b> | <b>6,795</b> |
| <i>YoY reported</i>                 | +59.6%        | +72.1%       | +36.4%     | +67.6%       | +63.1%       |
| <b>2021 operating income (€m)</b>   | <b>292</b>    | <b>49</b>    | <b>44</b>  | <b>92</b>    | <b>458</b>   |
| <i>% of sales</i>                   | 4.2%          | 1.3%         | 8.0%       | 2.2%         | 11.0%        |
| <b>2022 operating income (€m)</b>   | <b>180</b>    | <b>142</b>   | <b>51</b>  | <b>193</b>   | <b>723</b>   |
| <i>% of sales</i>                   | 1.6%          | 2.2%         | 6.9%       | 2.7%         | 10.6%        |

\* Source: S&P Global Mobility (ex-IHS Markit) figures dated February 2023



# RESILIENT OPERATING MARGIN AT 4.4%

INCLUDING A DILUTIVE CUMULATED IMPACT FROM INFLATION PASS-THROUGH OF C. -120BPS

| in €m  | 2021*         | 2022*         |
|--|---------------|---------------|
| <b>Sales</b>   | <b>15,618</b> | <b>25,458</b> |
| <i>Reported growth</i>   |               | +63.0%        |
| <i>Organic growth</i>  |               | +17.0%        |
| <b>Gross margin</b>  | <b>1,883</b>  | <b>3,224</b>  |
| <b>% of sales</b>  | <b>12.1%</b>  | <b>12.7%</b>  |
| <i>R&amp;D costs, gross</i>  | (1,218)       | (2,079)       |
| <i>Capitalized dev. costs &amp; depreciations</i>                        | 888           | 1,182         |
| <i>R&amp;D costs, net</i>  | (331)         | (897)         |
| <i>% of sales</i>  | (2.1)%        | (3.5)%        |
| <i>Selling and administrative expenses</i>                               | (691)         | (1,212)       |
| <i>% of sales</i>  | (4.4)%        | (4.8)%        |
| <b>Operating income</b><br>(before amort. of acquired intangible assets) | <b>862</b>    | <b>1,115</b>  |
| <b>% of sales</b>  | <b>5.5%</b>   | <b>4.4%</b>   |

- **Gross margin of 12.7%, up 60bps year-on-year**
  - Accretive effect from the consolidation of HELLA
- **Net R&D expenses of €897m, up 140bps year-on-year**
  - HELLA's R&D intensity is higher than Faurecia's
- **Selling and administrative expenses of €1,212m**
  - Included integration costs and dilutive effect of HELLA
- **Operating margin included:**
  - c. -120bps dilutive cumulated impact from inflation
  - c. -30bps from the Michigan Seating program (extra costs of €80m)

In H2, operating margin stood at 5.0% of sales  
up 50bps year-on-year (vs. 4.5% in H2 2021)  
up 130bps sequentially (vs. 3.7% in H1 2022)

\* 2021 are Faurecia "stand-alone" figures as reported in February 2022; 2022 are FORVIA (Faurecia + 11m consolidation of HELLA) figures

# NET INCOME MAINLY IMPACTED BY COSTS RELATED TO THE ACQUISITION OF HELLA AND DISENGAGEMENT FROM RUSSIA

| in €m  | 2021*         | 2022*         |
|--|---------------|---------------|
| <b>Sales</b>   | <b>15,618</b> | <b>25,458</b> |
| <b>Operating income</b><br>(before amort. of acquired intangible assets) | <b>862</b>    | <b>1,115</b>  |
| <i>Amort. of int. assets acquired in business combinations</i>           | <i>(93)</i>   | <i>(219)</i>  |
| <b>Operating income</b><br>(after amort. of acquired intangible assets)  | <b>769</b>    | <b>896</b>    |
| <i>Restructuring</i>   | <i>(196)</i>  | <i>(352)</i>  |
| <i>Other non-recurring operating income and expense</i>                  | <i>(42)</i>   | <i>(97)</i>   |
| <i>Net interest expense &amp; Other financial income and expense</i>     | <i>(254)</i>  | <i>(523)</i>  |
| <b>Income before tax of fully consolidated companies</b>                 | <b>276</b>    | <b>(75)</b>   |
| <i>Income taxes</i>  | <i>(139)</i>  | <i>(186)</i>  |
| <b>Net income of fully consolidated companies</b>                        | <b>137</b>    | <b>(262)</b>  |
| <i>Share of net income of associates</i>                                 | <i>(25)</i>   | <i>11</i>     |
| <b>Net income from continued operations</b>                              | <b>113</b>    | <b>(250)</b>  |
| <b>Net income from discontinued operations</b>                           | <b>(96)</b>   | <b>-</b>      |
| <b>Consolidated net income before minority interest</b>                  | <b>16</b>     | <b>(250)</b>  |
| <i>Minority interest</i>   | <i>(95)</i>   | <i>(131)</i>  |
| <b>Consolidated net income, Group share</b>                              | <b>(79)</b>   | <b>(382)</b>  |

- 2022 net income included:
    - One-off charges (mainly asset impairment) of €(143m) related to the decision to disengage from Russia
    - Integration costs related to the acquisition of HELLA for €(51)m
    - One-off restructuring costs of €(86)m
    - Hyperinflation costs for €(41)m
- €(321)m**
- Income taxes of €(186)m mainly reflected unfavorable regional profit mix
  - Minority interests increase reflected higher profits in China and the minority interests in HELLA

\* 2021 are Faurecia "stand-alone" figures as reported in February 2022; 2022 are FORVIA (Faurecia + 11m consolidation of HELLA) figures  
 Reminder: 2021 net loss from discontinued operations reflected the divestment of AST

# ADJ. EBITDA INCREASED TO €3.0BN, 11.8% OF SALES SOLID NET CASH FLOW OF €471M, 1.9% OF SALES

| in €m   | 2021*        | H1 2022*     | H2 2022*     | 2022*        |
|---|--------------|--------------|--------------|--------------|
| <b>Operating income</b>                         | <b>862</b>   | <b>426</b>   | <b>689</b>   | <b>1,115</b> |
| <i>Depreciation and amortization, of which:</i> | 1,247        | 895          | 1,002        | 1,897        |
| - Amortization of R&D intangible assets         | 487          | 320          | 367          | 687          |
| - Other depreciation and amortization           | 760          | 575          | 635          | 1,210        |
| <b>Adj. EBITDA</b>                              | <b>2,109</b> | <b>1,321</b> | <b>1,691</b> | <b>3,012</b> |
| <i>% of sales</i>                               | 13.5%        | 11.4%        | 12.2%        | 11.8%        |
| <i>Capex</i>                                    | (530)        | (523)        | (654)        | (1,177)      |
| <i>Capitalized R&amp;D</i>                      | (670)        | (470)        | (496)        | (966)        |
| <i>Change in WCR</i>                            | (19)         | 22           | 352          | 374          |
| <i>Change in factoring</i>                      | 72           | 234          | (51)         | 183          |
| <i>Restructuring</i>                            | (175)        | (93)         | (91)         | (184)        |
| <i>Financial expenses</i>                       | (230)        | (182)        | (191)        | (373)        |
| <i>Taxes</i>                                    | (243)        | (220)        | (164)        | (384)        |
| <i>Other (operational)</i>                      | (9)          | 13           | (27)         | (14)         |
| <b>Net cash flow</b>                            | <b>305</b>   | <b>102</b>   | <b>369</b>   | <b>471</b>   |

- Capex of €1,177m
  - €608m for Faurecia (3.2% of sales, down 20bps year-on-year)
  - €569m for HELLA (8.7% of sales)
- Positive contribution from change in WCR of €374m reflected first effects of “Manage by Cash” program
- Extension to HELLA of Faurecia’s receivables factoring program in H1 2022
- Higher financial expenses mainly reflected increase in net debt due to the acquisition of HELLA

\* 2021 are Faurecia “stand-alone” figures as reported in February 2022; 2022 are FORVIA (Faurecia + 11m consolidation of HELLA) figures



# DELEVERAGING WITH NET DEBT/ADJ. EBITDA RATIO\* REDUCED TO 2.6x AT YEAR-END VS. 3.1x AT JUNE 30, 2022

| in €m  | 2021*          | H1 2022*       | 2022*          |
|--|----------------|----------------|----------------|
| <b>Net cash flow</b>                           | <b>305</b>     | <b>102</b>     | <b>471</b>     |
| <i>Dividends paid incl. minorities</i>         | (201)          | (5)            | (55)           |
| <i>Share purchase</i>                          | (26)           | -              | -              |
| <i>Net financial investment &amp; other</i>    | (126)          | (4,863)        | (4,539)        |
| <i>Discontinued operations</i>                 | (49)           | -              | -              |
| <i>IFRS16 impact</i>                           | (241)          | (162)          | (349)          |
| <b>Change in net debt</b>                      | <b>(339)</b>   | <b>(4,928)</b> | <b>(4,472)</b> |
| <i>Net debt at the beginning of the period</i> | (3,128)        | (3,467)        | (3,467)        |
| <b>Net debt at the end of the period</b>       | <b>(3,467)</b> | <b>(8,394)</b> | <b>(7,939)</b> |
| <b>Net-debt/Adj. EBITDA ratio*</b>             | <b>1.6x</b>    | <b>3.1x</b>    | <b>2.6x</b>    |

- Net financial investment and other mainly reflected the investment in HELLA, reduced by:
  - €0.7bn from the successful capital increase in June
  - €0.3bn from the divestment of HBPO in December
- Net debt of €(7.9)bn as of December 31, 2022
- Net debt/Adj. EBITDA ratio\* stood at 2.6x at year-end

As announced on November 3, the Board of Directors will propose at Faurecia's next Shareholders' meeting that no dividend be paid in 2023

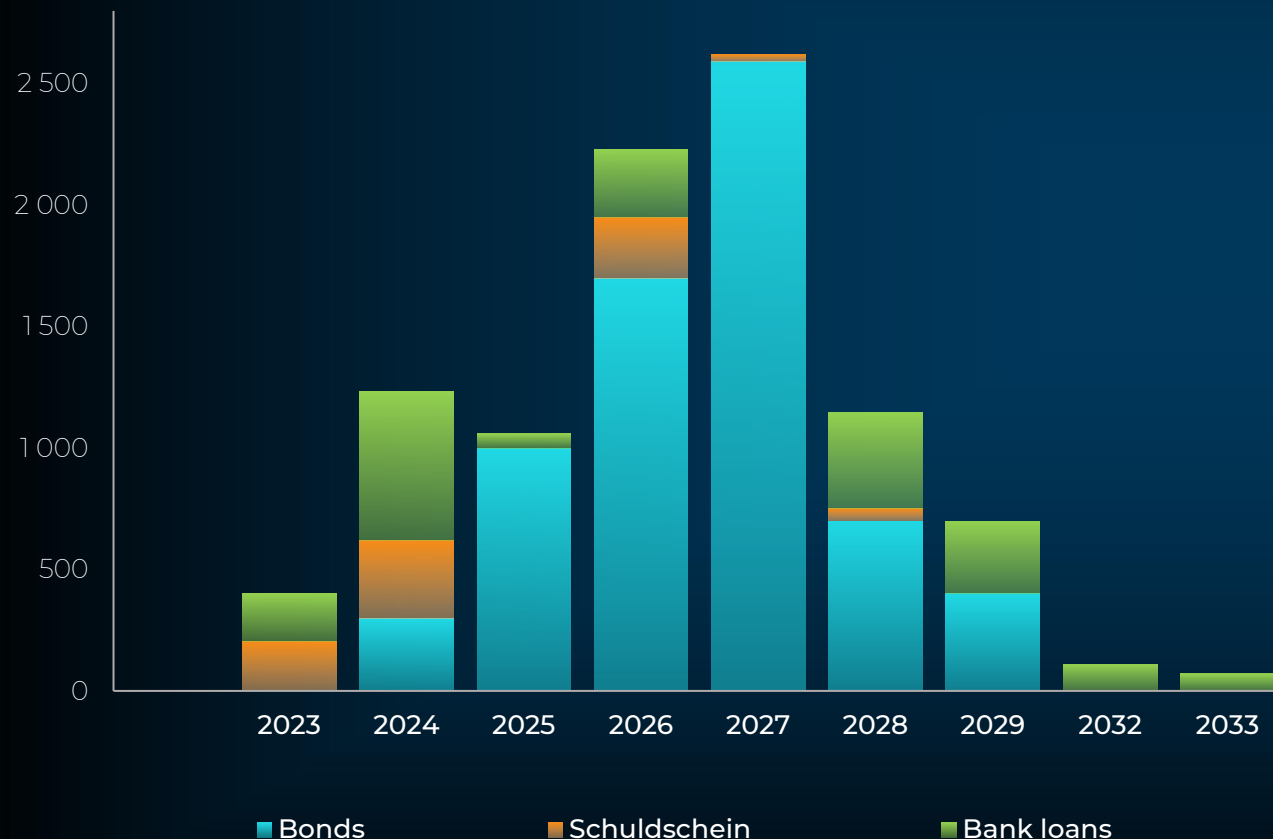
\* 2021 are Faurecia "stand-alone" figures as reported in February 2022; 2022 are FORVIA (Faurecia + 11m consolidation of HELLA) figures

\* Net debt/Adj. EBITDA ratio at Dec. 31, 2022 is calculated as Net debt at Dec. 31, 2022 / Consolidated adj. EBITDA proforma for the last 12 months period

# AVAILABLE CASH OF €4.2BN AT YEAR-END

## BREAKDOWN OF GROSS DEBT BY MATURITY

as of February 20, 2023 (including the €250m "New Notes" issued in January and post-reimbursement of the HELLA-related bridges early February)



**Full reimbursement of financing bridges to acquire HELLA completed on February 2, 2023**

**Average cost of long-term debt < 3.75%,**  
excl. IFRS16 debt

**Interest rate on gross debt c. 74% fixed**  
**and 26% variable**

**Liquidity of €6.2bn as of December 31, 2022:**

- €4.2bn of available cash
- €1.5bn from fully undrawn Faurecia Senior Credit Facility (maturity May 2026 with options up to 2028)
- €0.5bn from HELLA Senior Credit Facility



03

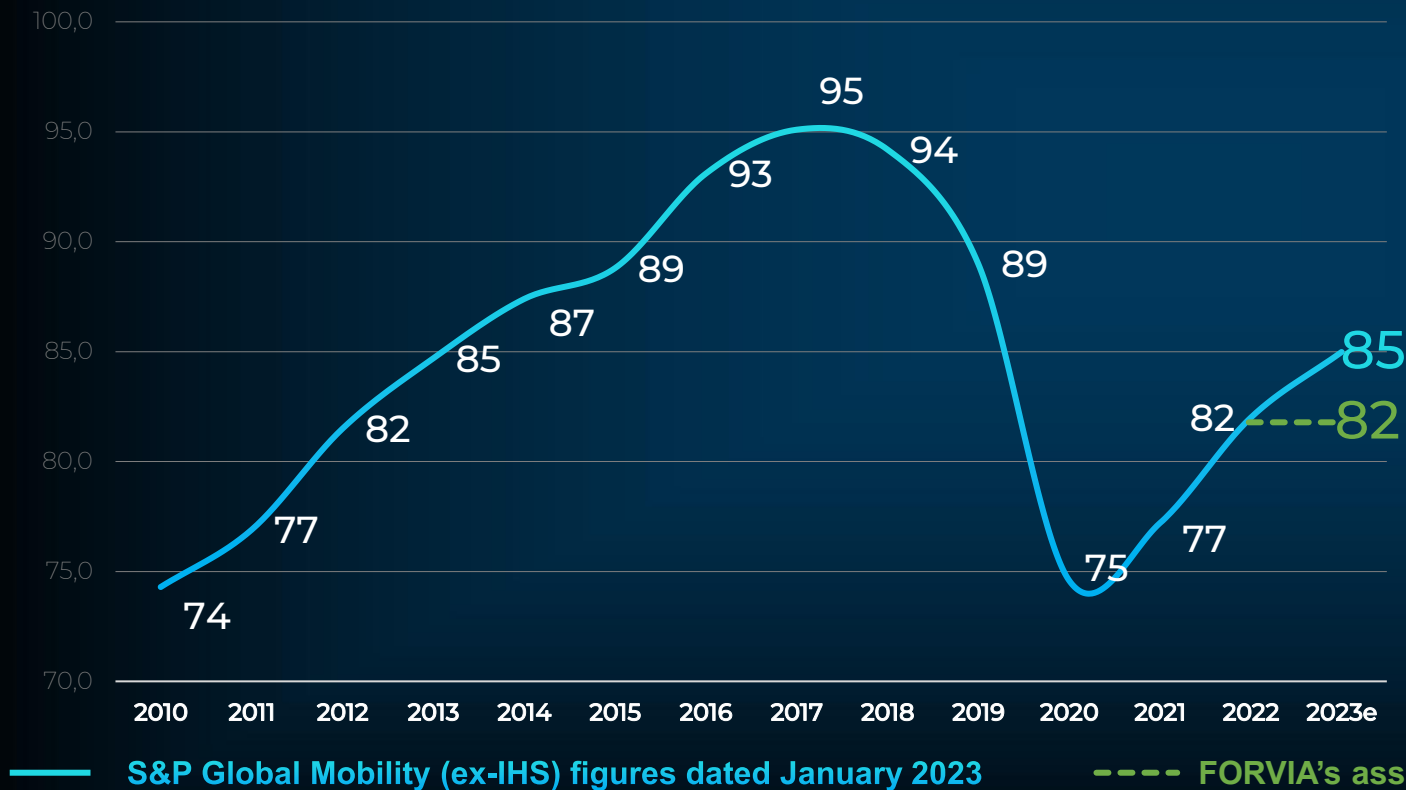
FY 2023  
GUIDANCE



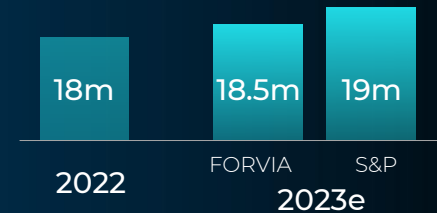
# FORVIA'S ASSUMPTION FOR 2023 WORLDWIDE AUTOMOTIVE PRODUCTION

IS MORE CONSERVATIVE THAN S&P'S LATEST FORECAST

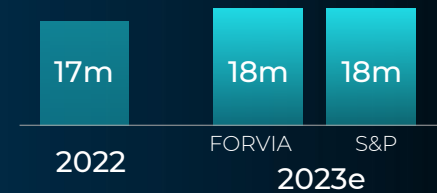
Worldwide automotive production  
(in million units)



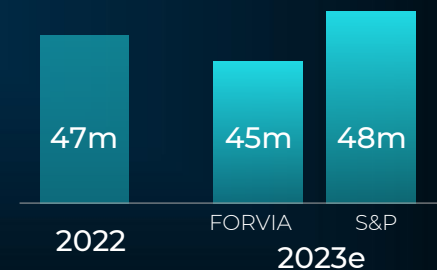
EMEA



AMERICAS



ASIA



# CONTINUING ACTIVE INFLATION MANAGEMENT IN 2023

## 2023 NEGOTIATION STRATEGIES ARE BEING DEPLOYED, FULLY BACKED-UP BY ANALYSIS OF :

- Results of 2022 negotiations with suppliers and main customers (“entry point 2023”)
- Uncovered inflation costs from 2021 and 2022
- Expected 2023 market price evolutions:
  - Raw materials (+/- vs. 2022)
  - Energy (+ vs. 2022)
  - Labor costs (+ vs. 2022)
- Benchmark with automotive industry players

**OBJECTIVE IS TO RECOVER > 90%  
BY END OF 2023**



# FY 2023 GUIDANCE: IMPROVED PROFITABILITY AND DELEVERAGING

- The guidance is based on the following assumptions:
  - Worldwide automotive production of 82m vehicles in 2023, broadly flat vs. actual production in 2022
  - Full-year average currency rates of 1.10 for USD/€ and of 7.50 for CNY/€

## Sales

Including estimated impact of transactions announced to date\*:

**between  
€25.2bn and  
€26.2bn**

## Operating margin

**between 5% and  
6% of sales**

## Net cash flow

**> 1.5% of sales**

## Net debt/ Adj. EBITDA at Dec. 31, 2023

**between 2.0x and 2.4x**  
incl. effect of  
disposal program

\*Estimated impact on sales of €(1.3)bn from disposals announced to date (mainly SAS deconsolidation as from January 1, 2023 to comply with IFRS 5 and business to be sold to Cummins as from July 1, 2023)

This guidance assumes no major lockdown impacting production or retail sales in any major automotive region



# ON TRACK TO ACHIEVE 2025 FINANCIAL TARGETS

- 2025 financial targets as presented at recent Capital Markets Day fully confirmed
  - They are based on worldwide automotive production assumption of 88m LVs, more conservative than S&P Mobility's latest forecast of 90m LVs
  - They take into account the estimated impact of the disposal program of non-strategic assets for €1bn by end-2023



*These targets are based on full-year average currency rates of 1.05 for USD/€ and of 7.00 for CNY/€ over the 2023-2025 period, at current ownership of HELLA over the period and assume no major lockdown impacting production or retail sales in any major automotive region over the period*

# KEY TAKEAWAYS

DELEVERAGING

INTEGRATION

SUSTAINABLE  
GROWTH

**POWER25**

*Being\**  
**FORVIA**



# Q&A





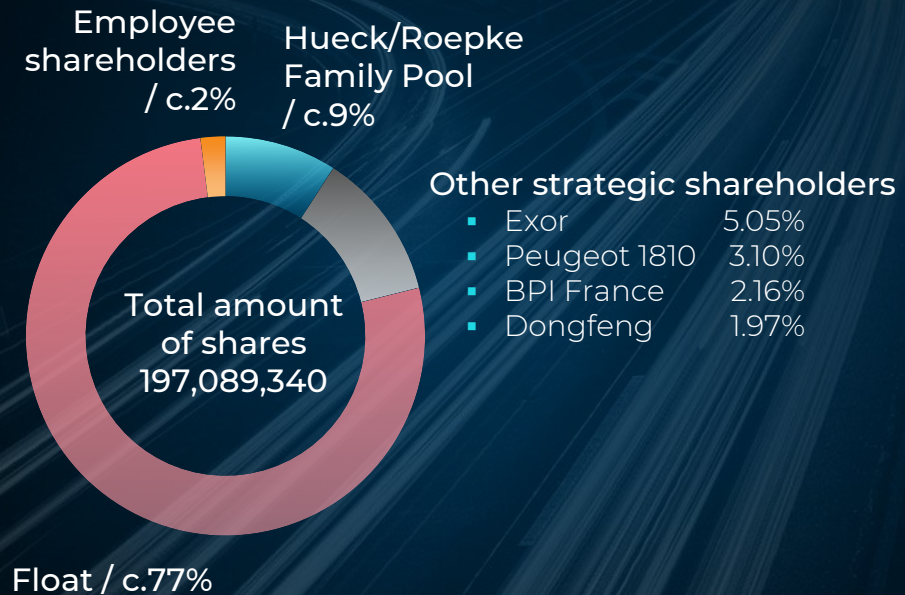
# APPENDICES

|



# SHAREHOLDING STRUCTURE AS OF DECEMBER 31, 2022

## SHAREHOLDER STRUCTURE AS OF DECEMBER 31, 2022



- **As of December 31, 2022:**
  - Total number of shares (incl. 45,482,154 new shares related to the June 2022 capital increase with preferential subscription right) is 197,089,340
  - Total number of voting rights is 199,381,524
- **The Hueck/Roepke Family pool, Exor, Peugeot 1810, Bpifrance and Dongfeng participated to the June 2022 capital increase in proportion of their rights**
- **The Hueck/Roepke Family pool have already agreed to a lock up period of 18 months from January 31, 2022 followed by a further 12-month lock up period for the portion of their Faurecia's shares exceeding 5% of the capital**

# DEFINITIONS OF TERMS

USED IN THIS DOCUMENT (1/3)

## SALES GROWTH

- Faurecia's year-on-year sales evolution is made of three components:
  - A "Currency effect", calculated by applying average currency rates for the period to the sales of the prior year,
  - A "Scope effect" (acquisition/divestment),
  - And "Growth at constant currencies".
- As scope effect, Faurecia presents **all acquisitions/divestments**, whose sales on an annual basis amount to more than €250 million.
- **Other acquisitions** below this threshold are considered as "bolt-on acquisitions" and are included in "Growth at constant currencies".
- In 2020, there was no effect from "bolt-on acquisitions"; as a result, "Growth at constant currencies" is equivalent to **sales growth at constant scope and currencies** also presented as **organic growth**.



# DEFINITIONS OF TERMS

USED IN THIS DOCUMENT (2/3)

## ADJUSTED EBITDA

Adjusted EBITDA is Operating income as defined above + depreciation and amortization of assets; to be fully compliant with the ESMA (European Securities and Markets Authority) regulation, this term of “Adjusted EBITDA” will be used by the Group as of January 1, 2022 instead of the term “EBITDA” that was previously used (this means that “EBITDA” aggregates until 2021 are comparable with ‘Adjusted EBITDA’ aggregates as from 2022).

## OPERATING INCOME

- Operating income is the Faurecia group’s principal performance indicator. It corresponds to net income of fully consolidated companies before:
  - Amortization of intangible assets acquired in business combinations;
  - Other non-recurring operating income and expense, corresponding to material, unusual and non-recurring items including reorganization expenses and early retirement costs, the impact of exceptional events such as the discontinuation of a business, the closure or sale of an industrial site, disposals of non-operating buildings, impairment losses recorded for property, plant and equipment or intangible assets, as well as other material and unusual losses;
  - Income on loans, cash investments and marketable securities; Finance costs;
  - Other financial income and expense, which include the impact of discounting the pension benefit obligation and the return on related plan assets, the ineffective portion of interest rate and currency hedges, changes in value of interest rate and currency instruments for which the hedging relationship does not satisfy the criteria set forth in relationship cannot be demonstrated under IFRS 9, and gains and losses on sales of shares in subsidiaries;
  - Taxes.



# DEFINITIONS OF TERMS

USED IN THIS DOCUMENT (3/3)

## NET CASH-FLOW

Net cash-flow is defined as follow: Net cash from (used in) operating and investing activities less (acquisitions)/disposal of equity interests and businesses (net of cash and cash equivalents), other changes and proceeds from disposal of financial assets. Repayment of IFRS 16 debt is not included.

## NET FINANCIAL DEBT

Net financial debt is defined as follow: Gross financial debt less cash and cash equivalents and derivatives classified under non-current and current assets. It includes the lease liabilities (IFRS 16 debt).

## DEBT COVENANT

Debt covenant is the ratio Net financial debt at the end of the period vs. Adjusted EBITDA over the last 12 months; it is tested twice every year as of June 30 and as of December 31.



# 2023 FINANCIAL AGENDA

(PROVISIONAL)

APRIL 17

Q1 2023  
Sales

Before market  
hours

MAY 30

Annual  
Shareholders'  
Meeting

Nanterre

JULY 27

H1 2023  
Results

Before market  
hours

OCTOBER 20

Q3 2023  
Sales

Before market  
hours



# INVESTOR RELATIONS

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Web site: [www.forvia.com](http://www.forvia.com)

## LISTING

The share is included in Euronext CAC Next 20, CAC 40 ESG and CAC SBT 1.5° indexes and in MSCI France

## SHARE DATA

Bloomberg Ticker: **EO:FP**

Reuters Ticker: **EPED.PA**

Datastream: **F:BERT**

ISIN Code: **FR0000121147**

## BONDS ISIN CODES

2025 bonds: **XS1785467751**

2026 bonds: **XS1963830002**

2027 bonds: **XS2081474046**

Additional 2027 bonds: **XS2290556666\***

2027 bonds: **XS2405483301**

2028 bonds: **XS2209344543**

*\*Consolidated into 2027 bonds ISIN XS2081474046 from 15 March 2021*

# Disclaimer

## IMPORTANT INFORMATION CONCERNING FORWARD LOOKING STATEMENTS

This presentation contains certain forward-looking statements concerning Faurecia. Such forward-looking statements represent trends or objectives and cannot be construed as constituting forecasts regarding the future Faurecia's results or any other performance indicator. In some cases, you can identify these forward-looking statements by forward-looking words, such as "estimate," "expect," "anticipate," "project," "plan," "intend," "objective", "believe," "forecast," "foresee," "likely," "may," "should," "goal," "target," "might," "would," "will", "could," "predict," "continue," "convinced," and "confident," the negative or plural of these words and other comparable terminology. Forward looking statements in this document include, but are not limited to, financial projections and estimates and their underlying assumptions including, without limitation, assumptions regarding present and future business strategies (including the successful integration of HELLA within the Faurecia Group), expectations and statements regarding Faurecia's operation of its business, and the future operation, direction and success of Faurecia's business. Although Faurecia believes its expectations are based on reasonable assumptions, investors are cautioned that these forward-looking statements are subject to numerous various risks, whether known or unknown, and uncertainties and other factors, all of which may be beyond the control of Faurecia and could cause actual results to differ materially from those anticipated in these forward-looking statements. For a detailed description of these risks and uncertainties and other factors, please refer to public filings made with the Autorité des Marchés Financiers ("AMF"), press releases, presentations and in particular to those described in the section 2."Risk factors & Risk management" of Faurecia's 2021 Universal Registration Document filed by Faurecia with the AMF on April 6th, 2022 under number D. 22-0246 (a version of which is available on [www.faurecia.com](http://www.faurecia.com)). Subject to regulatory requirements, Faurecia does not undertake to publicly update or revise any of these forward-looking statements whether as a result of new information, future events, or otherwise. Any information relating to past performance contained herein is not a guarantee of future performance. Nothing herein should be construed as an investment recommendation or as legal, tax, investment or accounting advice. The historical figures related to HELLA included in this presentation have been provided to Faurecia by HELLA within the context of the acquisition process. These historical figures have not been audited or subject to a limited review by the auditors of Faurecia. HELLA remains a listed company. For more information on HELLA, more information is available on [www.hella.com](http://www.hella.com). This presentation does not constitute and should not be construed as an offer to sell or a solicitation of an offer to buy Faurecia securities.

# FORVIA

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