Technical perfection, automotive passion

Interim Results
2011

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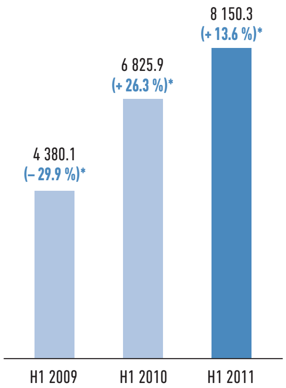
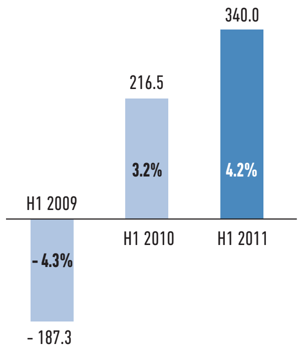
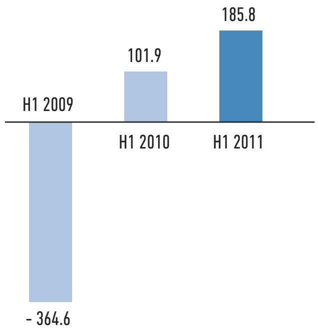


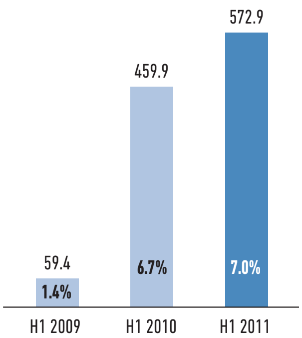
Sales *(in €m)*
** Change in sales, excluding sales of catalytic converter monoliths, at constant exchange rates and on a like-for-like basis.*



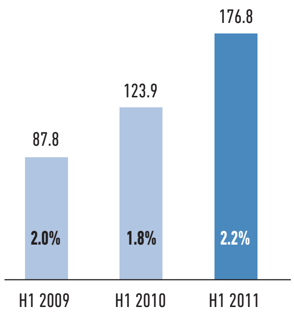
Operating income [1]
(in €m and as a % of sales)



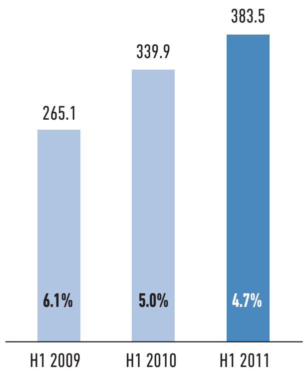
Net income/(loss) attributable to equity holders
(in €m)



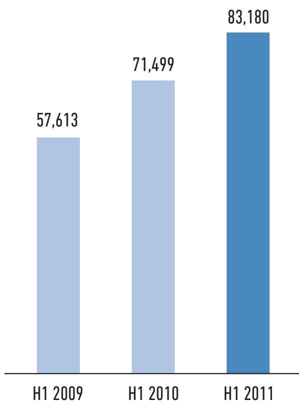
EBITDA [2]
(in €m and as a % of sales)



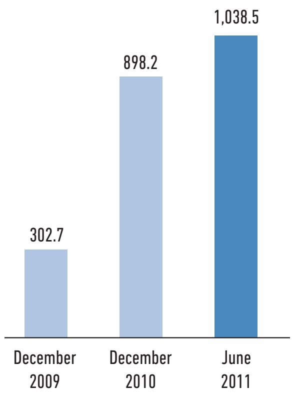
Capital expenditure
(in €m and as a % of sales)



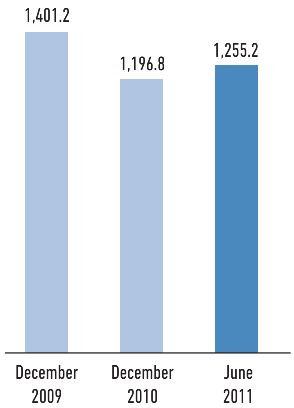
Gross R&D expenditure [3]
(in €m and as a % of sales)



Number of employees



Total equity
(in €m)



Net debt [4]
(in €m)

(1) Defined in Note 1-15 to 2010 consolidated financial statements of the 2010 Registration document.
(2) Operating income + depreciation, amortization and provisions for impairment in value of property, plant and equipment and intangible assets (see Note 5-4).
(3) Before capitalized development costs and amounts billed to customers (See Note 5-3).
(4) Defined in Note 26-1 to the interim consolidated financial statements of the 2010 Registration document.

1

Interim management report

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1.1. Business review

1.1.1. THE GROUP'S SALES

In the first half of 2011, Faurecia **consolidated sales** totaled €8,150.3 million, a 19.4% increase from the first half of 2010. This includes:

- sales from Angell-Demmel, which was consolidated on January 1, 2011, for €44.4 million;
- the acquisition of a Nissan seat assembly plant in Madison County, MS on April 4, 2011, for a total of €34.3 million;
- sales generated by Plastal Spain business activities (consolidated as of October 1, 2010) for €87.0 million;
- the impact over the first quarter of 2011 of sales from Plastal Germany business activities (consolidated as of April 1, 2010) for €135.9 million.

At constant exchange rates and on a like-for-like basis (2010 data restated for Q1 2011 incorporation of Plastal Germany sales, 2011 data excluding Plastal Spain, Angell-Demmel and Madison plant), there was a 15.5% increase in Group sales compared to the first half of 2010.

Catalytic converter monolith sales totaled €1,324.9 million (+25.6%), a 26.2% increase (at constant exchange rates) compared to the same period in 2010.

Excluding catalytic converter monoliths included in the Emissions Control Technologies business, sales totaled €6,825.4 million (+18.3%), a 13.6% increase at constant exchange rates and on a like-for-like basis.

Invoicing clients for **development, tool and prototype costs** totaled €493.2 million (+18.4%), up 11.1% from the first half of 2010 at constant exchange rates and on a like-for-like basis.

Product sales, including shipments of parts and components to builders, were €6,332.2 million (+18.3%), a 13.8% increase at constant exchange rates and on a like-for-like basis, compared to the first half of 2010.

Product sales by major geographic region for the first half of 2011 break down as follows:

- in **Europe,** they rose 15.3% (8.5% at constant exchange rates and on a like-for-like basis) to €4,170.1 million. Over the first half of 2011, Europe accounted for 65.9% of product sales;
- in **North America,** they reached €1,223.6 million (19.3% of total product sales), a 28.6% increase, or 30.1% at constant exchange rates and on a like-for-like basis;
- in **South America,** they totaled €316.6 million (5.0% of total product sales), a 25.1% gain, or 23.6% at constant exchange rates;
- in **Asia,** they increased 14.8% (16.2% at constant exchange rates, 11.8% of which in China and 29.4% in Korea) to €507.6 million (8.0% of total product sales);
- in other countries, product sales totaled €114.2 million, up 27.5%, or 24.6% at constant exchange rates.

Compared to the first half of 2010, changes in product sales (excluding catalytic converter monoliths) by client were as follows:

- sales to the Volkswagen Group increased 13.7%, 13.5% of which was for the Volkswagen brand and 14.4% for the Audi brand. Sales increased over all geographic regions;
- supported by the high level of growth from sales in North America (+31.9%), sales to the Ford Group increased +9.4%, despite a downturn in Europe (-2.4%) and in Asia (-14.6%);
- sales to Chrysler almost doubled (+98.7%) thanks to continued recovery on the North American continent;
- sales to the General Motors Group increased 4.0%, despite the drop in sales to its European subsidiary Opel Vauxhall (-7.5%);
- sales to PSA and BMW rose by 11.6% and 10.8%, respectively;
- sales to Daimler and Renault-Nissan increased 6.1% and 3.7%, respectively;

- sales to Toyota fell 3.5%, and sales to the Hyundai Group rose 32.6%;
- sales to the Geely-Volvo Group increased 14.2%.

Faurecia's five main customers account for 73.4% of product sales: VW 24.3%, PSA 18.1%, Renault-Nissan 11.5%, Ford 11.0% and GM 8.4%.

1.1.2. INTERIOR MODULES

In the first half of 2011, sales for "Interior Modules" reached €4,386.2 million, up 13.1% compared to the same period in 2010, or 11.8% at constant exchange rates and on a like-for-like basis.

Product sales increased 13.0% (11.7% at constant exchange rates and on a like-for-like basis) to €4,032.9 million.

Automotive Seating

Over the first half of the year, sales for Automotive Seating business totaled €2,547.6 million, a 10.1% increase over the same period in 2010 and 9.4% at constant exchange rates and on a like-for-like basis.

Product sales reached €2,450.0 million (€34.2 million of which was related to the integration of the Madison plant), an 11.2% increase, and 10.4% at constant exchange rates and on a like-for-like basis:

- in Europe, product sales totaled €1,706.1 million, up 6.5% at constant exchange rates;
- in North America, product sales totaled €394.2 million, up 18.2% at constant exchange rates and on a like-for-like basis;
- in Asia, the Automotive Seating business achieved €208.6 million in sales, up 10.9% at constant exchange rates;
- in South America, sales rose 50.3% at constant exchange rates to €129.8 million.

Interior Systems

Over the first half of the year, sales for the Interior Systems business totaled €1,838.6 million, a 17.4% increase over the same period in 2010 and 15.5% at constant exchange rates and on a like-for-like basis. The impact from the Angell-Demmel business accounted for €44.4 million of this amount.

Product sales totaled €1,583.0 million (€41.8 million of which was for the Angell-Demmel business), a 16.0% increase and 13.8% at constant exchange rates and on a like-for-like basis:

- in Europe, product sales totaled €1,094.8 million, up 8.7% at constant exchange rates and on a like-for-like basis;
- in North America, product sales totaled €301.4 million, up 37.1% at constant exchange rates. This is due, in particular, to increased sales with Chrysler and Ford;
- in South America, sales increased 26.9% to €94.5 million at constant exchange rates;
- in Asia, product sales fell 6.9% to €63.3 million at constant exchange rates.

1.1.3. OTHER MODULES

Over the first half of 2011, sales from "Other Modules" reached €3,764.1 million, up 27.7% compared to the same period in 2010, or 20.2% at constant exchange rates and on a like-for-like basis. This figure includes the impact from integrating Plastal (the German business over the first quarter, the Spanish business over the first half of the year), which totaled €222.9 million.

Excluding catalytic converter monoliths, sales from "Other Modules" totaled €2,439.2 million, a 17.0% increase at constant exchange rates and on a like-for-like basis.

Product sales increased 28.7% (17.7% at constant exchange rates and on a like-for-like basis) to €2,299.3 million.

Emissions Control Technologies

Over the first half of the year, sales from Emissions Control Technologies activities totaled €2,848.7 million, a 22.9% increase over the same period in 2010 and 24.0% at constant exchange rates.

Excluding catalytic converter monoliths, sales totaled €1,523.8 million, up 22.1% at constant exchange rates.

Product sales excluding catalytic converter monoliths amounted to €1,456.4 million, a 21.1% increase and 22.6% at constant exchange rates:

- in Europe, product sales totaled €557.2 million, up 16.8% at constant exchange rates;
- in North America, product sales totaled €497.2 million, up 32.2% at constant exchange rates, thanks to increased sales with Chrysler and the growth of sales to Cummins;
- in Asia, product sales were up 30.3% to €235.7 million at constant exchange rates;
- in South America, sales were down 3.3% to €92.3 million at constant exchange rates.

Automotive Exteriors

In the first half of the year, sales from the Automotive Exterior business totaled €915.4 million, a 45.5% increase over the same period in 2010, and 8.5% at constant scope and exchange rates. This figure includes the impact from integrating Plastal (the German business over the first quarter, the Spanish business over the first half of the year), which totaled €222.9 million.

Product sales totaled €842.9 million (€118.0 million of which were from the Plastal Germany business over the first quarter and €76.7 million from the Plastal Spain business over the first half of the year), a 9.3% increase at constant exchange rates and on a like-for-like basis:

- in Europe, product sales totaled €812.1 million, up 7.0% at constant scope and exchange rates;
- in North America, product sales totaled €30.8 million.

1.2. Results of operations

1.2.1. OPERATING INCOME (LOSS)

Operating income amounted to €340.0 million, up €123.5 million from last year at the same date. This figure represented 4.2% of total sales, versus 3.2% during the first half of 2010.

This further increase in operating profitability was the result of the following factors:

- the increase in volumes on a like-for-like basis contributed an additional €182 million;
- operating income from the businesses consolidated during the first half of the year that were not included during the first half of 2010 (first quarter for Plastal Germany, Plastal Spain, Angell-Demmel, and the Madison plant) came to €9 million;
- the increase in fixed costs, related primarily to development outside Europe and strong business growth, totaled €58 million. It should be noted that, in Europe, fixed costs continued to drop by €29 million thanks to pursuing cost savings plans and synergy integration;
- the change in other items (currency, number, raw materials) had a negative impact of €10 million.

Operating income can be broken down by business segment as follows:

The "Interior Modules" segment generated €212.3 million in operating income, up €79.2 million compared to the first half of 2010. Operating income reached 4.8% of sales versus 3.4% last year at the same date.

The "Other Modules" segment generated €127.7 million in income, representing 3.4% of sales, versus €83.4 million (2.8% of sales) during the first half of 2010.

Total R&D expenditure amounted to €383.5 million and represented 4.7% of sales, versus a total of €339.9 million (5.0% of sales) during the first half of 2010. Excluding the amounts billed to customers and capitalized expenses, R&D expenditure came to €111.4 million, corresponding to 1.4% of sales, versus €149.6 million during the first half of 2010 (2.2% of sales).

Selling and administrative expenses amounted to €247.4 million and represented 3.0% of sales, versus €214.4 million during the first half of 2010 (3.1% of sales).

EBITDA – which corresponds to operating income plus amortization, depreciation and provisions for impairment in the value of non-current assets – amounted to €572.9 million, representing 7.0% of sales, compared with €459.9 million (6.7% of sales) during the first half of 2010.

The increase in EBITDA corresponds to the increase in operation income.

1.2.2. NET INCOME (LOSS)

The «other expenses» item came to €32.9 million, €32.3 million of which corresponds to restructuring costs. These expenses primarily involve the industrial restructuring plans implemented in Europe and the efforts to generate synergies from the integration of Emcon. €14.7 million of these costs pertain to Germany, €5.5 million to North America, and €4.9 million to France.

Net financial income/loss corresponded to an expense of €54,7 million, down from the first half of 2010 when this loss amounted to €61.6 million. The decrease is due mainly to: eliminating interest on the €205 million credit facility put in place during the first half of 2009 in order to partially refinance the 2005 bond, which matured in August of 2009.

The average rate of finance costs for the period came to 3.78%, compared to 4.62% during the first half of 2010. Other finance costs include the expenses related to the discounting of provisions for pensions and the amortization of costs related to arrangement fees for finance loans.

The tax charge amounted to €61.5 million, for an average tax rate of 24%. The Group benefited from existing deferred tax assets in France, Germany and the United States. The Group ended the first half of 2011 with a consolidated net income of €206.8 million, compared to €111.7 million in income during the first half of 2010.

After minority interests of €21 million, net income attributable to equity holders came to €185.8 million, equal to 2.3% of sales, compared with a net attributable income of €101.9 million, or 1.5% of sales, during the first half of 2010.

1.3. Financial structure and net debt

Net cash flows corresponding to changes in debt restated for the impact of sales of trade receivables, debt from acquired companies and excluding the impact of changes in exchange rates for debt in foreign currencies and other non-operating items represented a net cash outflow of €5 million.

The dividend paid to shareholders amounted to €27.6 million. The new businesses aqcuired (Amminex, Madison, Angell-Demmel and others) had a €62 million effect on debt.

Trade receivables sold and derecognized increased by €9 million, from €378 million to €387 million. Debt decreased by €32 million due to exchange rate changes related to debt in non-euro currencies and other non-operating items.

Together, these cash flows led to a change in net debt equal to €58 million, from €1,197 million at year-end 2010 to €1,255 million at June 30, 2011.

Cash flow from operations during the first half of 2011 amounted to €466.1 million, representing 5.7% of sales, compared to €292 million (4.3% of sales) during the first half of 2010. The change in working capital requirement needs including the outstanding amounts under receivables sales programs corresponds to an increase of €69 million, due mainly to the increased inventory resulting from the increase in business. Capital expenditure (including change in investment-related receivables and payables) totaled €187.6 million and 2.3% of sales, versus €112.7 million (1.7% of sales) for the same period in 2010.

Capitalized development costs totaled €94.6 million, versus €69.1 million for the same period in 2010.

Taking into account these items and net income recorded as of June 30, 2011, equity attributable to owners of the parent increased from €810.5 million as of December 31, 2010 to €955.5 million as of June 30, 2011.

Faurecia's Board of Directors also agreed to grant shares to 247 beneficiaries within the Group for a total maximum of 938,600 shares. Shares are vested proportionally based on performance objectives achieved during 2013.

1.4. Related party transactions

Details of transactions carried out with related parties are provided in Note 32 to the consolidated financial statements for the year ended December 31, 2010 – which details the financial impacts of such transactions over the last three years – as well as in Note 19 to the interim consolidated financial statements. The main related party transactions carried out by the Faurecia Group concern the PSA Peugeot Citroën Group as well as companies owned by PSA Peugeot Citroën or over which it exercises significant influence.

1.5. Strategic development

Major strategic transactions during the six-month period include the finalization of the acquisition of Angell-Demmel in Germany and Austria, the acquisition of a stake in the Danish company Amminex, and the take-over of Nissan's complete seat unit assembly plant in Madison, Mississippi.

On January 17, 2011, Faurecia finalized the take-over of Angell-Demmel's aluminum automotive interior trim business with two plants located in Lindau, Germany and Kennelbach, Austria. This rapidly growing business is expected to bring in approximately €80 million in 2011 mainly for German premium automakers.

It allows Faurecia to expand its vehicle interiors offering.

On January 17, 2011, Faurecia acquired a 21.2% stake in the Danish company Amminex for the amount of €19.6 million.

Amminex has developed a new technology to store ammonia using solid-state salts and then to release it in order to reduce the formation of nitrogen oxides in diesel engines. At the same time, Faurecia signed industrial and technological development agreements with Amminex in order to implement this technology in future nitrogen oxide treatment systems for major European automakers. This technology seems particularly promising with regard to the future Euro 6 and Euro 7 standards.

Lastly, beginning on April 1 of this year, Faurecia took over the complete seat unit assembly plant located in Madison County, supplier for the Nissan facility in Canton, Mississippi (USA).

The plant is expected to generate annual sales of approximately €150 million in the coming years. This marks a significant milestone in Faurecia's operations with the Renault-Nissan Group and an expansion of the services provided to Nissan in the United States.

1.6. Risk factors

1.6.1. RISK OF DEPENDENCE ON THE AUTOMOTIVE INDUSTRY AND CUSTOMERS

As the Faurecia Group manufactures automotive solutions for its customers, which are automakers, the Group's performance is directly linked to the performance of the automotive industry in the major geographic regions where Faurecia and its customers operate.

Its sales are directly correlated to the level of production and automotive sales achieved by its customers worldwide, as well as the consumption of goods and services on these markets and the confidence of the economic stakeholders in these markets.

As Faurecia's customers include the majority of the world's major automakers, it is very dependent on developments in the automotive industry worldwide. However, the Group's exposure to customer risk is naturally attenuated by its market share and its international presence.

1.6.2. SUPPLIER RISKS

To ensure supplies of raw materials and basic parts, Faurecia collaborates with a vast number of suppliers located in many countries.

Faurecia carefully assesses the quality and reliability of its suppliers' production operations as well as their credit status and sustainability in order to ensure that the Group's supply chain is secure.

A breakdown in a supplier's production chain, parts that are unexpectedly out of stock, quality defects, strikes, and other disruptions in the supply chain can have an impact on the Group's production operations and lead to additional costs that can affect its business activity, earnings and financial situation.

1.6.3. VOLUME RISKS

As a components producer and components and systems assembler for the automotive industry and given the high volumes that its customers order, Faurecia constantly has to adapt its business activity to its customers' demands in terms of their supply chain, production operations, services and R&D.

During the first half of 2011, light vehicle production continued to grow in all markets with the exception of Japan, which was impacted by the earthquake that occurred there on March 11, 2011.

1.7. Outlook

With the rapid growth recorded by the Group in the first half of the year and the increase in profitability (a 1-point increase in operating margin to 4.2%), Faurecia is now one year ahead of schedule in its 2010-2014 plan presented in June 2010.

Growth should remain steady in the second half of the year in all regions and is expected to remain solid in medium term driven by high level of new program acquisitions.

Against this backdrop, Faurecia has revised its 2011 targets as follows:

- consolidated sales between €15,700 and €15,900 million (compared with €14,800-€15,300 million targeted in February 2011);
- operating income between €620 and €650 million (compared with 580-640 million in February 2011);
- capital expenditure allowance increased to 450 million (compared with 350 million expected initially, net cash flow at around €100 million.

2 Consolidated financial statements

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2.1. Statement of comprehensive income

(in € millions)	*Notes*	First-half 2011	First-half 2010	Full-year 2010
SALES	*4*	**8,150.3**	**6,825.9**	**13,795.9**
Cost of sales	*5*	(7,451.5)	(6,245.4)	(12,593.3)
Research and development costs		(111.4)	(149.6)	(303.2)
Selling and administrative expenses		(247.4)	(214.4)	(443.8)
OPERATING INCOME (LOSS)		**340.0**	**216.5**	**455.6**
Other non operating income	*6*	0.0	60.6	87.2
Other non operating expense	*6*	(32.9)	(62.8)	(123.2)
Income from loans, cash investments and marketable securities		4.6	3.4	8.1
Finance costs		(46.5)	(50.8)	(98.7)
Other financial income and expense	*7*	(12.8)	(14.2)	(25.6)
INCOME (LOSS) BEFORE TAX OF FULLY CONSOLIDATED COMPANIES		**252.4**	**152.7**	**303.4**
Current taxes	*8*	(64.0)	(54.4)	(85.9)
Deferred taxes		2.5	6.7	(3.9)
NET INCOME (LOSS) OF FULLY CONSOLIDATED COMPANIES		**190.9**	**105.0**	**213.6**
Share of net income of associates:	*11*			
Before tax		*21.8*	*10.3*	*26.7*
After tax		15.9	6.7	18.8
CONSOLIDATED NET INCOME (LOSS)		**206.8**	**111.7**	**232.4**
Attributable to owners of the parent		**185.8**	**101.9**	**201.7**
Attributable to minority interests		21.0	9.8	30.7
Basic earnings (loss) per share *(in €)*	*9*	1.68	0.97	1.87
Diluted earnings (loss) per share *(in €)*	*9*	1.57	0.93	1.79

OTHER COMPREHENSIVE INCOME

(in € millions)	First-half 2011	First-half 2010	Full-year 2010
CONSOLIDATED NET INCOME (LOSS)	**206.8**	**111.7**	**232.4**
Gains (losses) arising on fair value adjustments to cash flow hedges	6.3	(5.0)	(1.3)
of which recognized in equity	*5.0*	*(3.8)*	*(0.8)*
of which transferred to net income (loss) for the period	*1.3*	*(1.2)*	*(0.5)*
Exchange differences on translation of foreign operations	(33.9)	68.9	53.8
TOTAL OF OTHER COMPREHENSIVE INCOME FOR THE PERIOD	**(27.6)**	**63.9**	**52.5**
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE PERIOD	**179.2**	**175.6**	**284.9**
Attributable to owners of the parent	161.1	160.2	250.3
Attributable to minority interests	18.1	15.4	34.6

2.2. Consolidated balance sheet

ASSETS

(in € millions)	*Notes*	June 30, 2011	Dec. 31,2010
Goodwill	*10*	1,226.9	1,230.8
Intangible assets		441.5	435.2
Property, plant and equipment		1,591.9	1,575.5
Investments in associates	*11*	38.1	43.6
Other equity interests		38.0	15.3
Other non-current financial assets	*13*	28.0	27.8
Other non-current assets		15.5	14.5
Deferred tax assets		87.7	86.2
TOTAL NON-CURRENT ASSETS		**3,467.6**	**3,428.9**
Inventories, net		852.9	734.0
Trade accounts receivables	*12*	1,889.4	1,387.7
Other operating receivables		287.2	223.3
Other receivables and prepaid expenses		100.9	100.7
Other current financial assets		4.0	0.0
Cash and cash equivalents	*16*	731.5	605.8
TOTAL CURRENT ASSETS		**3,865.9**	**3,051.5**
TOTAL ASSETS		**7,333.5**	**6,480.4**

EQUITY AND LIABILITIES

(in € millions)	*Notes*	June 30, 2011	Dec. 31, 2010
EQUITY			
Capital stock	*14*	772.6	772.6
Additional paid-in capital		282.4	282.4
Treasury stock		(1.4)	(10.4)
Retained earnings		(346.9)	(529.8)
Translation adjustments		63.0	94.0
Net income (loss) for the period attributable to owners of the parent		185.8	201.7
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENTS	*14*	**955.5**	**810.5**
Minority interests		83.0	87.7
TOTAL EQUITY		**1,038.5**	**898.2**
Long-term provisions	*15*	216.2	214.5
Non-current financial liabilities	*16*	1,192.8	1,114.9
Other non-current liabilities		1.5	1.3
Deferred tax liabilities		28.5	29.2
TOTAL NON-CURRENT LIABILITIES		**1,439.0**	**1,359.9**
Short-term provisions	*15*	370.0	416.6
Current financial liabilities	*16*	797.9	687.7
Prepayments from customers		134.2	87.8
Trade payables		2,793.1	2,419.9
Accrued taxes and payroll costs		597.4	452.8
Other payables		163.4	157.5
TOTAL CURRENT LIABILITIES		**4,856.0**	**4,222.3**
TOTAL EQUITY AND LIABILITIES		**7,333.5**	**6,480.4**

2.3. Consolidated statement of cash flows

(in € millions)	First-half 2011	First-half 2010	Full-year 2010
I- OPERATING ACTIVITIES			
Consolidated net income (loss)	206.8	111.7	232.5
Depreciation and amortization	234.2	244.2	497.8
Deferred tax (benefits) charges	(2.5)	(6.7)	3.9
Increase (decrease) in long-term provisions	3.5	(2.3)	(5.9)
Share of net income of associates, net of dividends received	4.1	8.3	(3.8)
Capital (gains) losses on disposals of non-current assets	0.2	(1.0)	(0.4)
Others (*)	19.8	(62.2)	(86.4)
CASH FLOW FROM OPERATIONS	**466.1**	**292.0**	**637.7**
Increase (decrease) in short-term provisions	(46.2)	(20.6)	(35.3)
Change in inventories	(123.7)	(63.0)	(80.7)
Change in trade accounts receivables	(546.6)	(336.6)	(33.6)
Change in trade payables	425.4	346.2	298.6
Change in other operating receivables and payables	119.1	88.1	(47.8)
Change in other receivables and payables	18.6	22.8	(14.8)
(Increase) decrease in working capital requirement	**(153.4)**	**36.9**	**86.4**
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	**312.7**	**328.9**	**724.1**
II- INVESTING ACTIVITIES			
Additions to property, plant and equipment	(176.8)	(123.9)	(304.3)
Capitalized development costs	(94.6)	(69.1)	(154.3)
Acquisitions of investments	(49.9)	45.7	30.2
Proceeds from disposal of property, plant and equipment	6.5	8.7	17.3
Proceeds from disposal of financial assets	0.0	30.3	31.0
Change in investment-related receivables and payables	(10.8)	11.2	25.9
Other movements	(4.0)	(28.6)	(39.8)
NET CASH USED BY INVESTING ACTIVITIES	**(329.6)**	**(125.7)**	**(394.0)**
NET CASH PROVIDED (USED) BY OPERATING AND INVESTING ACTIVITIES (I)+(II)	**(16.9)**	**203.2**	**330.1**
III- FINANCING ACTIVITIES			
Issuance of shares by Faurecia and fully-consolidated companies (net of costs)	0.0	3.9	4.2
Dividends paid to owners of the parent company	(27.6)	0.0	0.0
Dividends paid to minority interests in consolidated subsidiaries	(12.3)	(5.4)	(6.0)
Issuance of debt securities and increase in other financial liabilities	224.4	38.1	77.6
Repayment of debt and other financial liabilities	(18.9)	(110.1)	(188.0)
Net cash provided (used) by financing activities	165.6	(73.5)	(112.2)
IV- OTHER CHANGES IN CASH AND CASH EQUIVALENTS			
Impact of exchange rate changes on cash and cash equivalents	(19.0)	31.5	30.1
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**129.7**	**161.2**	**248.0**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	**605.8**	**357.8**	**357.8**
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD (NOTE 16)	**735.5**	**519.0**	**605.8**

(*) O/w badwill from Plastal Germany and Plastal Spain acquisition: €84.3 million for the full year 2010 and €60 million the first half-year 2010.

2.4. Consolidated statement of changes in equity

						Fair value and translation adjustments				
(in € millions)	Number of shares	Capital stock	Additional paid-in capital	Treasury Stock	Retained earnings and net income (loss) for the period	Translation adjustments	Cash flow hedges	Equity attributable to owners of the parent	Minority interests	Total
BALANCE AS OF DEC. 31, 2009 BEFORE APPROPRIATION OF NET INCOME (LOSS)	**89,448,504**	**626.1**	**130.1**	**(10.4)**	**(523.6)**	**44.1**	**(9.5)**	**256.9**	**45.8**	**302.7**
Net income (loss) for the period					101.9			101.9	9.8	111.7
Translation adjustments						63.3		63.3	5.6	68.9
Changes in fair value of currency and interest rate hedging instruments							(5.0)	(5.0)		(5.0)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD					**101.9**	**63.3**	**(5.0)**	**160.2**	**15.4**	**175.6**
Issue of share capital	20,918,224	146.4	152.3					298.7	3.9	302.6
2009 dividends								0.0	(5.5)	(5.5)
Measurement of stock options					1.4			1.4		1.4
Purchases and sales of treasury stock								0.0		0.0
Changes in scope of consolidation								0.0	3.3	3.3
BALANCE AS OF JUNE 30, 2010 BEFORE APPROPRIATION OF NET INCOME (LOSS)	**110,366,728**	**772.5**	**282.4**	**(10.4)**	**(420.3)**	**107.4**	**(14.5)**	**717.1**	**62.9**	**780.0**
Net income (loss) for the period					99.8			99.8	20.9	120.7
Translation adjustments						(13.4)		(13.4)	(1.7)	(15.1)
Changes in fair value of currency and interest rate hedging instruments							3.7	3.7		3.7
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD					**99.8**	**(13.4)**	**3.7**	**90.1**	**19.2**	**109.3**
Issue of share capital								0.0	0.3	0.3
2009 dividends								0.0	(0.5)	(0.5)
Measurement of stock options and shares grant					3.2			3.2		3.2
Purchases and sales of treasury stock								0.0		0.0
Option component of convertible bonds								0.0		0.0
Changes in scope of consolidation								0.0	5.9	5.9
BALANCE AS OF DEC. 31, 2010 BEFORE APPROPRIATION OF NET INCOME (LOSS)	**110,366,728**	**772.5**	**282.4**	**(10.4)**	**(317.3)**	**94.0**	**(10.8)**	**810.5**	**87.7**	**898.2**
Net income (loss) for the period					185.8			185.8	21.0	206.8
Translation adjustments						(31.0)		(31.0)	(2.9)	(33.9)
Changes in fair value of currency and interest rate hedging instruments							6.3	6.3		6.3
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD					**185.8**	**(31.0)**	**6.3**	**161.1**	**18.1**	**179.2**
Issue of share capital	1,375	0.1						0.1		0.1
2010 dividends					(27.6)			(27.6)	(25.1)	(52.7)
Measurement of stock options and shares grant					4.7			4.7		4.7
Purchases and sales of treasury stock				9.0	(2.2)			6.8		6.8
Option component of convertible bonds								0.0		0.0
Changes in scope of consolidation								0.0	2.3	2.3
BALANCE AS OF JUNE 30, 2011 BEFORE APPROPRIATION OF NET INCOME (LOSS)	**110,368,103**	**772.6**	**282.4**	**(1.4)**	**(156.6)**	**63.0**	**(4.5)**	**955.5**	**83.0**	**1,038.5**

2.5. Notes to the interim consolidated financial statements

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Faurecia SA and its subsidiaries ("Faurecia") form one of the world's leading automotive equipment suppliers in four major vehicle businesses: Automotive Seating, Emissions Control Technologies, Interior Systems and Automotive Exteriors. The Group has operations in 33 countries, spanning 238 sites.

Faurecia's registered office is located in Nanterre, in the Hauts-de-Seine region of France. The Company is quoted on the Eurolist market of Euronext Paris.

The interim consolidated financial statements were approved by Faurecia's Board of Directors on July 25, 2011.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The interim consolidated financial statements of the Faurecia Group have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, including International Accounting Standards (IASs) and related Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC).

The interim consolidated financial statements comply with IAS 34, Interim Financial Reporting, which permits entities to present condensed information. They should therefore be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2010.

The standards used to prepare the interim consolidated financial statements for the six months ended June 30, 2011 and comparative data for 2010 are those published in the *Official Journal* of the European Union (OJEU) as of June 30, 2011, and whose application was mandatory as of that date.

Since January 1, 2011, the Group has applied the amendments and revisions to the existing standards IAS 1, IAS 21, IAS 24R, IAS 28, IAS 31, IAS 32, IAS 34, IAS 39, IFRS 3R, IFRS 7, IFRS 8; these amendments did not have any impact on the interim consolidated financial statements.

NOTE 2 CHANGES IN SCOPE OF CONSOLIDATION

2-1 First-half 2011

The Angell-Demmel operations in Germany have been consolidated in the Interior Systems business following the acquisition in January 2011. Faurecia Technical Center India, fully owned by Faurecia, was consolidated from January 1, 2011. Yutaka, in India, in the Emission Control Technologies business, was acquired and integrated from February 1, 2011.

2-2 Reminder of change in scope of consolidation introduced in 2010

The entities of the Emcon Group were integrated as part of Faurecia's Emissions Control Technologies business following the transfer of all of the shares in the Emcon Technologies Group to Faurecia by Emcon Holdings.

Faurecia acquired the German and Spanish operations of Plastal in the Automotive Exteriors business respectively on March 31, 2010 and September 30, 2010; these operations were consolidated from their respective acquisition date.

Faurecia consolidated the following companies as from January 1, 2010: (i) Korea-based Faurecia Shin Sung – which was set up in 2007 – as part of the Interior Systems business, (ii) Faurecia Metalloprodukcia in Russia and Faurecia Metalloprodukcia Holding in France – which were both formed in 2009 – as part of the Emissions Control Technologies business, (iii) Faurecia Informatique Tunisie (also formed in 2009), and (iv) Orcia in Turkey, which was acquired in 2008 and is consolidated by the equity method. Faurecia sold 40% of Faurecia ADP Holding during the first half of 2010.

2-3 Impact on consolidated data of changes in scope of consolidation

The changes in scope of consolidation during the period did not have a material impact on the presentation of the Group's interim consolidated financial statements.

NOTE 3 SEASONAL FLUCTUATIONS IN BUSINESS LEVELS

Business levels in the automotive industry are traditionally higher in the first half of the year than in the second half.

NOTE 4 INFORMATION BY OPERATING SEGMENT

4-1 Key figures by operating segment

In accordance with the option available under IFRS 8, the Automotive Seating and Interior Systems business units have been aggregated into the Interior Modules segment and the Emissions Control Technologies and Automotive Exteriors units have been aggregated into the Other Modules segment.

These business units have similar economic characteristics, notably in terms of medium-term earnings outlook, type of customer and manufacturing processes.

FIRST-HALF 2011

(in € millions)	Interior Modules	Other Modules	Other	Total
Sales	**4,413.0**	**3,774.6**	**147.8**	**8,335.4**
Inter-segment eliminations	(26.8)	(10.5)	(147.8)	(185.1)
Consolidated sales	**4,386.2**	**3,764.1**	**0.0**	**8,150.3**
Operating income (loss) before allocation of costs	220.7	132.6	(13.3)	340.0
Allocation of costs	(8.4)	(4.9)	13.3	0.0
Operating income	**212.3**	**127.7**	**0.0**	**340.0**
Other non-operating income				0.0
Other non-operating expense				(32.9)
Finance costs, net				(41.9)
Other financial income and expense				(12.8)
Corporate income tax				(61.5)
Share of net income in associates				15.9
NET INCOME FOR THE PERIOD				**206.8**
Segment assets				
Property, plant and equipment, net	959.7	623.0	9.2	1,591.9
Other	2,859.0	1,867.8	34.2	4,761.0
TOTAL SEGMENT ASSETS	**3,818.7**	**2,490.8**	**43.4**	**6,352.9**
Investments in associates				38.1
Other equity interests				38.0
Short and long-term financial assets				780.8
Tax assets (current and deferred)				123.7
TOTAL ASSETS				**7,333.5**
Segment liabilities	**2,464.0**	**1,720.6**	**54.8**	**4,239.4**
Borrowings				1,990.7
Tax liabilities (current and deferred)				64.8
Equity and minority interests				1,038.6
TOTAL LIABILITIES				**7,333.5**
Capital expenditure	100.9	70.1	5.8	176.8
Depreciation of property, plant and equipment	(99.1)	(50.3)	(1.6)	(151.0)
Impairment in value of property, plant and equipment	2.2	(0.4)		1.8
Headcounts	56,293	25,409	1,478	83,180

FIRST-HALF 2010

(in € millions)	Interior Modules	Other Modules	Other	Total
Sales	**3,901.4**	**2,958.3**	**113.3**	**6,973.0**
Inter-segment eliminations	(22.3)	(11.5)	(113.3)	(147.1)
Consolidated sales	**3,879.1**	**2,946.8**	**0.0**	**6,825.9**
Operating income (loss) before allocation of costs	144.2	89.2	(16.9)	216.5
Allocation of costs	(11.1)	(5.8)	16.9	0.0
Operating income	**133.1**	**83.4**	**0.0**	**216.5**
Other non-operating income				60.6
Other non-operating expense				(62.8)
Finance costs, net				(47.4)
Other financial income and expense				(14.2)
Corporate income tax				(47.7)
Share of net income in associates				6.7
NET INCOME FOR THE PERIOD				**111.7**
Segment assets				
Property, plant and equipment, net	957.6	579.8	8.9	1,546.3
Other	2,644.6	1,735.4	43.5	4,423.5
TOTAL SEGMENT ASSETS	**3,602.2**	**2,315.2**	**52.4**	**5,969.8**
Investments in associates				27.4
Other equity interests				4.4
Short and long-term financial assets				564.1
Tax assets (current and deferred)				104.7
TOTAL ASSETS				**6,670.4**
Segment liabilities	**2,268.9**	**1,597.9**	**77.7**	**3,944.5**
Borrowings				1,871.3
Tax liabilities (current and deferred)				74.6
Equity and minority interests				780.0
TOTAL LIABILITIES				**6,670.4**
Capital expenditure	67.5	52.6	3.8	123.9
Depreciation of property, plant and equipment	(105.8)	(47.0)	(1.7)	(154.5)
Impairment in value of property, plant and equipment	(2.0)	(0.1)	-	(2.1)
Headcounts	49,493	20,763	1,243	71,499

FULL-YEAR 2010

(in € millions)	Interior Modules	Other Modules	Other	Total
Sales	**7,708.0**	**6,153.7**	**239.0**	**14,100.7**
Inter-segment eliminations	(44.2)	(21.6)	(239.0)	(304.8)
Consolidated sales	**7,663.8**	**6,132.1**	**0.0**	**13,795.9**
Operating income (loss) before allocation of costs	284.2	216.7	(45.3)	455.6
Allocation of costs	(29.1)	(16.2)	45.3	0.0
Operating income	**255.1**	**200.5**	**0.0**	**455.6**
Other non-operating income				87.2
Other non-operating expense				(123.2)
Finance costs, net				(90.6)
Other financial income and expense				(25.6)
Corporate income tax				(89.8)
Share of net income in associates				18.8
NET INCOME FOR THE PERIOD				**232.4**
Segment assets				
Property, plant and equipment, net	947.3	620.1	8.1	1,575.5
Other	2,460.6	1,582.8	33.1	4,076.5
TOTAL SEGMENT ASSETS	**3,407.9**	**2,202.9**	**41.2**	**5,652.0**
Investments in associates				43.6
Other equity interests				15.3
Short and long-term financial assets				648.1
Tax assets (current and deferred)				121.4
TOTAL ASSETS				**6,480.4**
Segment liabilities	**2,153.7**	**1,464.3**	**100.5**	**3,718.5**
Borrowings				1,802.6
Tax liabilities (current and deferred)				61.1
Equity and minority interests				898.2
TOTAL LIABILITIES				**6,480.4**
Capital expenditure	172.5	124.4	7.4	304.3
Depreciation of property, plant and equipment	(208.0)	(96.2)	(3.3)	(307.5)
Impairment in value of property, plant and equipment	(6.7)	(2.0)		(8.7)
Headcounts	51,385	22,868	1,423	75,676

4-2 Sales by operating segment

(in € millions)	First-half 2011	%	First-half 2010	%	Full-year 2010	%
Interior Modules						
• Automotive Seating	2,547.6	31	2,313.7	34	4,571.2	33
• Interior Systems	1,838.6	23	1,565.4	23	3,092.6	23
	4,386.2	**54**	**3,879.1**	**57**	**7,663.8**	**56**
Other Modules						
• Emissions Control Technologies	2,848.7	35	2,317.8	34	4,781.4	34
• Automotive Exteriors	915.4	11	629.0	9	1,350.7	10
	3,764.1	**46**	**2,946.8**	**43**	**6,132.1**	**44**
TOTAL	**8,150.3**	**100**	**6,825.9**	**100**	**13,795.9**	**100**

4-3 Sales by major customer

Sales by major customer break down as follows:

SALES BY MAJOR CUSTOMER (*)

(in € millions)	First-half 2011	%	First-half 2010	%	Full-year 2010	%
VW Group	1,650.1	20	1,319.2	19	2,767.7	20
PSA Peugeot Citroën	1,345.0	16	1,187.7	17	2,300.9	17
Ford Group	846.3	10	781.4	11	1,487.7	11
Renault-Nissan	787.1	10	771.8	11	1,442.1	10
GM	621.4	8	599.4	9	1,231.9	9
Others	2,900.4	36	2,166.4	32	4,565.6	33
TOTAL	**8,150.3**	**100**	**6,825.9**	**100**	**13,795.9**	**100**

(*) Invoiced sales.

Invoiced sales may differ from sales by end customer when products are sold to intermediary assemblers.

NOTE 5 OPERATING COSTS

5-1 Analysis by function

(in € millions)	First-half 2011	First-half 2010	Full-year 2010
Cost of sales	(7,451.5)	(6,245.4)	(12,593.3)
Research and development costs	(111.4)	(149.6)	(303.2)
Selling and administrative expenses	(247.4)	(214.4)	(443.8)
TOTAL	**(7,810.3)**	**(6,609.4)**	**(13,340.3)**

5-2 Analysis by nature

(in € millions)	First-half 2011	First-half 2010	Full-year 2010
Purchases used in production	(5,538.1)	(4,606.3)	(9,339.0)
External expenses	(718.1)	(610.2)	(1,212.6)
Payroll costs	(1,458.1)	(1,241.5)	(2,467.7)
Taxes other than on income	(26.9)	(21.8)	(46.0)
Other income and expenses (*)	131.6	87.8	171.1
Depreciation, amortization and provisions for impairment in value of non-current assets	(232.9)	(243.4)	(485.6)
Charges to and reversals of other provisions	32.2	26.1	39.5
TOTAL	**(7,810.3)**	**(6,609.3)**	**(13,340.3)**
(*) Including production taken into inventory or capitalized	*171.8*	*115.6*	*208.9*

5-3 Research and development costs

(in € millions)	First-half 2011	First-half 2010	Full-year 2010
Research and development costs, gross	(383.5)	(339.9)	(689.1)
• amounts billed to customers and changes in inventories	251.8	203.2	393.5
• capitalized development costs	93.8	71.4	154.3
• amortization of capitalized development costs	(75.1)	(85.7)	(175.5)
• charges to and reversals of provisions for impairment in value of capitalized development costs	1.6	1.4	13.6
NET EXPENSE	**(111.4)**	**(149.6)**	**(303.2)**

5-4 Depreciation, amortization and provisions for impairment in value of non-current assets

(in € millions)	First-half 2011	First-half 2010	Full-year 2010
Amortization of capitalized development costs	(75.1)	(85.7)	(175.5)
Amortization of other intangible assets	(10.3)	(5.4)	(19.5)
Depreciation of specific tooling	(6.3)	(7.9)	(11.5)
Depreciation of other items of property, plant and equipment	(142.8)	(145.8)	(292.7)
Variation of provisions for impairment in value of capitalized development costs	1.6	1.4	13.6
TOTAL	**(232.9)**	**(243.4)**	**(485.6)**

NOTE 6 OTHER NON-OPERATING INCOME AND EXPENSE

Other non-operating income and expense can be analyzed as follows:

OTHER NON-OPERATING EXPENSE

(in € millions)	First-half 2011	First-half 2010	Full-year 2010
Reorganization expenses (*)	(32.3)	(58.3)	(117.0)
Other (**)	(0.6)	(4.5)	(6.2)
TOTAL	**(32.9)**	**(62.8)**	**(123.2)**

OTHER NON-OPERATING INCOME

(in € millions)	First-half 2011	First-half 2010	Full-year 2010
Provision for contingencies	0.0	0.0	0.4
Badwill (***)	0.0	60.0	84.3
Gains on disposals of assets	0.0	0.6	2.5
Other operating income			0.0
TOTAL	**0.0**	**60.6**	**87.2**

(*) For the six months ended June 30, 2011, this item includes €29.2 million worth of restructuring costs and €3.1 million in provisions for impairment in value of non-current assets (versus respective amounts of €104.7 million and €12.3 million for full-year 2010 and €57.4 million and €0.9 for the first half 2010). Restructuring costs include redundancy and site relocation payments for 1,535 people for the six months ended June 30, 2011.

(**) For the six months ended June 30, 2010, this item includes €4.4 million worth of acquisition costs relating to the purchases of Emcon and Plastal and €5.3 million for the total year 2010.

(***) O/w badwill from Plastal Germany and Plastal Spain acquisition: €84.3 million for the full year 2010 of which €60 million the first half-year 2010.

NOTE 7 OTHER FINANCIAL INCOME AND EXPENSE

(in € millions)	First-half 2011	First-half 2010	Full-year 2010
Impact of discounting pension benefit obligations	(4.0)	(4.8)	(9.6)
Changes in the ineffective portion of gains and losses on currency hedges	(1.0)	(0.1)	(0.4)
Changes in fair value of currency hedged relating to debt	0.0	3.0	0.0
Changes in fair value of interest rate instruments	(0.1)	(0.3)	3.6
Translation adjustments on borrowings	(3.0)	(1.4)	(4.0)
Gains and losses on sales of securities	0.0	0.0	0.0
Other	(4.7)	(10.6)	(15.2)
TOTAL	**(12.8)**	**(14.2)**	**(25.6)**

NOTE 8 CORPORATE INCOME TAX

The effective corporate income tax charge can be reconciled with the theoretical tax charge as follows:

(in € millions)	First-half 2011	First-half 2010	Full-year 2010
Income (loss) before tax of fully consolidated companies	252.4	152.7	303.4
Tax at standard French tax rate of 34.43%	(86.9)	(52.6)	(104.5)
Impact on deferred taxes of changes in tax rates	(0.7)	0.4	0.0
impact on different tax rates applicable to foreign subsidiaries	20.6	20.5	31.5
Tax credits	9.8	11.7	20.4
Utilization of previously unrecognized tax loss carryforwards	18.7	9.9	26.2
Tax loss carryforwards arising during the period for which no deferred tax asset was recognized	(2.7)	(56.0)	(103.7)
Impairment of previously recognized tax assets	0.0	0.0	0.0
Permanent differences and other	(20.3)	18.4	40.3
EFFECTIVE CORPORATE INCOME TAX CHARGE	**(61.5)**	**(47.7)**	**(89.8)**

Deferred tax assets are not recognized for tax loss carryforwards that are not certain of being utilized. As of June 30, 2011, these assets amounted to €730.5 million, compared with €803.3 million as of December 31, 2010.

NOTE 9 EARNINGS PER SHARE

(in € millions)	First-half 2011	First-half 2010	Full-year 2010
Number of shares outstanding at the period end	**110,368,103**	**110,366,728**	**110,366,728**
Adjustments:			
• treasury stock	(25,750)	(270,814)	(270,814)
• impact of share issues weighted based on the period between the date of the share issue and the period end	(893)	(4,507,242)	(2,235,098)
BASIC WEIGHTED AVERAGE NUMBER OF SHARES	**110,341,460**	**105,588,672**	**107,860,816**
Weighted impact of dilutive instruments:			
• stock subscription options	3,624	0	0
• share grants	1,344,500	662,000	1,344,500
• bonds with conversion option	6,884,859	3,820,988	3,408,805
WEIGHTED AVERAGE NUMBER OF SHARES AFTER DILUTION	**118,574,443**	**110,071,660**	**112,614,121**

Basic and diluted earnings per share (in €)

	First-half 2011	First-half 2010	Full-year 2010
Basic earnings (loss) per share	1.68	0.97	1.87
Diluted (loss) per share	1.57	0.93	1.79

Basic earnings per share are calculated by dividing net income by the weighted average number of shares outstanding during the period, excluding treasury stock.

NOTE 10 GOODWILL

(in € millions)	Gross	Impairment	Net
As of January 1, 2010	**1,550.6**	**(510.7)**	**1,039.9**
Acquisitions, minority interest buyouts and price adjustments	178.7		178.7
Impairment of goodwill		0.0	0.0
Translation adjustments and other movements	12.6	(0.4)	12.2
As of December 31, 2010	**1,741.9**	**(511.1)**	**1,230.8**
Acquisitions, minority interest buyouts and price adjustments	7.0		7.0
Translation adjustments and other movements	(11.1)	0.2	(10.9)
As of June 30, 2011	**1,737.8**	**(510.9)**	**1,226.9**

Net goodwill breaks down as follows by business:

(in € millions)	June 30, 2011	Dec. 31, 2010
Automotive Seating	792.2	792.4
Emissions Control Technologies	325.1	335.8
Interior Systems	13.5	6.5
Automotive Exteriors	96.1	96.1
TOTAL	**1 226.9**	**1 230.8**

There was no indication that any goodwill was impaired at June 30, 2011.

NOTE 11 INVESTMENTS IN ASSOCIATES

As of June 30, 2011 this item broke down as follows:

(in € millions)	% of share capital held (*)	Faurecia's share of equity	Dividends received by the Group	Faurecia's share of sales	Faurecia's share of equity in total shares
Vanpro Assentos Lda (**)	50	0.0	0.0	34.3	13.5
Teknik Malzeme (***)	50	5.7	0.0	24.7	37.6
Copo Iberica Sa	50	3.0	0.0	10.7	7.9
Componentes de Vehiculos de Galicia SA	50	2.9	0.0	3.3	4.3
Faurecia Japon NHK Co. Ltd (**)	50	0.0	0.0	84.8	39.7
Arsed d.o.o.	50	0.6	0.0	8.8	6.2
Kwang Jin Faurecia Ltd	50	1.2	0.0	14.1	10.0
AD Tech	50	1.3	0.0	2.3	5.7
Total	**-**	**14.7**	**0.0**	**183.0**	**124.9**
SAS Group	50	23.4	(20.0)	460.9	368.0
TOTAL	**-**	**38.1**	**(20.0)**	**643.9**	**492.9**

(*) Percent interest held by the company that owns the shares.
(**) As the Group's share of this company's net equity is negative it is recorded under liabilities as a provision for contingencies and charges.
(***) Orcia was consolidated in Teknik Malzeme.

11-1 Movements in investments in associates

(in € millions)	First-half 2011	First-half 2010	Full-year 2010
Group share of equity at beginning of period	43.6	31.0	31.0
Dividends	(20.0)	(15.0)	(15.0)
Share of net income of associates	15.9	6.7	18.8
Changes in scope of consolidation and other	(0.9)	2.8	4.8
Capital increase	0.0	0.9	0.9
Translation adjustments	(0.5)	1.0	3.1
Group share of equity at period end	**38.1**	**27.4**	**43.6**

11-2 Group share of assets and liabilities of associates

(in € millions)	June 30, 2011	Dec. 31, 2010
Non-current assets	49.0	39.7
Current assets	410.1	388.0
Cash and cash equivalents	33.8	42.9
TOTAL ASSETS	**492.9**	**470.6**
Equity	32.3	35,1
Borrowings	29.0	18,9
Other non-current liabilities	17.9	33.7
Non-financial current liabilities	413.7	382.9
TOTAL EQUITY AND LIABILITIES	**492.9**	**470.6**

NOTE 12 TRADE ACCOUNTS RECEIVABLE

In accordance with an annually renewable trade receivables sale program set up in May 2007, the Group can sell a portion of the receivables of a number of its French subsidiaries to a group of financial institutions. Under the related agreement substantially all of the risks and rewards relating to the sold receivables are transferred to the financial institutions concerned.

Other receivables sale agreements are in force between certain of the Group's European subsidiaries and a number of their banks, providing for the transfer of substantially all of the risks and rewards of the sold receivables.

The following table shows the amount of sold receivables with maturities beyond June 30, 2011 for which substantially all the risks and rewards have been transferred, and which have therefore been derecognized:

(In € millions)	June 30, 2011	Dec. 31, 2010	Dec. 31, 2009
Receivables sold and derecognized	386.5	377.9	290.76

Individually impaired trade receivables are as follows:

(In € millions)	June 30, 2011	Dec. 31, 2010	Dec. 31, 2009
Total trade accounts receivable, gross	1,907.0	1,409.6	1,047.0
Provision for impairment of receivables	(17.6)	(21.9)	(21.1)
TOTAL TRADE ACCOUNT RECEIVABLES, NET	**1,889.4**	**1,387.7**	**1,025.9**

Given the high quality of Group counterparties, late payments do not represent a material risk and generally arise from administrative issues.

As of June 30, 2011, past due trade accounts receivable represented €74.6 million, breaking down as follows:

- €34 million less than one month past due;
- €13 million between one and two months past due;
- €8 million between two and three months past due;
- €9.1 million between three and six months past due;
- €10.5 million more than six months past due.

NOTE 13 OTHER NON-CURRENT FINANCIAL ASSETS

	June 30, 2011			Dec. 31, 2010
(In € millions)	Gross	Provisions	Net	Net
Loans with maturity longer than one year	27.7	(6.9)	20.8	19.4
Interest rate derivatives	0.0	0.0	0.0	0.0
Other	7.9	(0.7)	7.2	8.4
TOTAL	**35.6**	**(7.6)**	**28.0**	**27.8**

NOTE 14 EQUITY

14-1 Capital stock and additional paid-in capital

As of June 30, 2011 the Company's capital stock totaled €772,576,721 divided into 110,368,103 fully paid-up common shares with a par value of €7 each. Shares which have been registered in the name of the same holder for at least two years carry double voting rights.

14-2 Employee stock options and share grants

A- STOCK SUBSCRIPTION OPTIONS

The Company has a policy of issuing stock options to the managers of Group companies and their over 50%-owned subsidiaries allowing them to subscribe for newly-issued Faurecia shares.

As of June 30, 2011, a total of 1,518,703 stock subscription options were outstanding.

Exercising these options would result in:

- capital stock being increased by €10.6 million;
- additional paid-in capital being increased by €54.2 million.

Details of the stock subscription option plans as of June 30, 2011 are set out in the table below:

Date of Shareholders' Meeting	Date of Board Meeting	Adjusted exercise price (in €)	Adjusted number of options granted	Of which granted to senior executive management/ Executive Committee members	Start of exercise period	Expiration of exercised period	Options exercised	Options forfeited	Adjusted number of options outstanding as of June 30, 2011
May 3, 1995	September 12, 1996	22.92	133,750	42,800	September 13, 2001	September 11, 2011	97,905	10,700	25,145
May 31, 1994	June 26, 1997	34.4	63,180	17,550	June 27, 2002	June 25, 2012	36,855	19,305	7,020
June 5, 1997 June 1, 2001	February 22, 2002	47.01	411,489	81,315	February 23, 2006	February 22, 2012	32,994	135,369	243,126
June 1, 2001 May 14, 2002	November 28, 2002	35.65	315,315	118,170	November 29, 2006	November 27, 2012	106,583	134,105	74,627
May 14, 2002	April 14, 2004	49.73	313,560	127,530	April 14, 2008	April 13, 2014	-	139,815	173,745
May 25, 2004	April 19, 2005	54.45	321,750	142,740	April 18, 2009	April 18, 2015	-	120,510	201,240
May 23, 2005	April 13, 2006	45.2	340,800	168,000	April 12, 2010	April 12, 2016	-	133,800	207,000
May 23, 2005	April 16, 2007	44.69	346,200	172,800	April 17, 2011	April 17, 2017	-	84,600	261,600
May 29, 2007	April 10, 2008	28.38	357,000	174,000	April 10, 2012	April 10, 2016	-	31,800	325,200
TOTAL									**1,518,703**

B- STOCK PURCHASE OPTIONS

Between 1999 and 2001, the Company granted stock options to the managers of Group companies and their over 50%-owned subsidiaries, allowing them to purchase existing Faurecia shares. There are no more outstanding stock purchase options as of June 30, 2011.

C- SHARE GRANTS

In 2010 Faurecia implemented a share grant plan for executives of Group companies. These shares are subject to service and performance conditions.

The fair value of these plans has been measured by reference to the market price of Faurecia's shares at the grant date, less an amount corresponding to the expected dividends due on the shares but not paid during the vesting period and an amount reflecting the cost of the shares being subject to a lock-up period. The corresponding expense will be deferred and recognized over the share vesting period.

Details of the share grant plans as of June 30, 2011 are set out in the table below:

Date of Shareholders' Meeting	Date of Board Meeting	Maximum number of free shares that can be granted for reaching the objective	Maximum number of free shares that can be granted for exceeding the objective	Performance condition
	June 23, 2010	662,000	860,600	2011 target for pretax income
February 8, 2010	July 21, 2010	682,500	887,250	2012 target for pretax income

NOTE 15 LONG- AND SHORT-TERM PROVISIONS

LONG-TERM PROVISIONS

(in € millions)	June 30, 2011	Dec. 31, 2010
Provisions for pensions and other employee benefits		
• Pensions	159.5	157.3
• Long-service awards	21.5	20.9
• Healthcare costs	32.9	33.1
	213.9	211.3
Provisions for early retirement costs	2.3	3.2
TOTAL LONG-TERM PROVISIONS	**216.2**	**214.5**

SHORT-TERM PROVISIONS

(in € millions)	June 30, 2011	Dec. 31, 2010
Restructuring	152.2	169.2
Risks on contracts and customer warranties	101.0	123.5
Claims and litigation	41.5	43.9
Other	75.3	80.0
TOTAL SHORT-TERM PROVISIONS	**370.0**	**416.6**

NOTE 16 NET DEBT

(in € millions)	June 30, 2011	Dec. 31, 2010
Bonds	193.5	191.8
Bank borrowings	803.1	726.1
Loan from PSA	152.0	142.0
Other borrowings	5.5	5.7
Obligations under finance lease	31.5	37.0
Non-current derivatives	7.2	12.3
SUB-TOTAL NON-CURRENT FINANCIAL LIABILITIES	**1,192.8**	**1,114.9**
Current portion of long term debt	62.1	78.7
Short-term borrowings (1)	733.9	608.0
Payments issued (2) (a)		0.4
Current derivatives	1.9	0.6
SUB-TOTAL CURRENT FINANCIAL LIABILITIES	**797.9**	**687.7**
TOTAL	**1,990.7**	**1,802.6**
Derivatives classified under non-current and current assets (b)	(4.0)	0.0
Cash and cash equivalents (b)	(731.5)	(605.8)
NET DEBT	**1,255.2**	**1,196.8**
Net cash and cash equivalent - (a) - (b)	735.5	605.4
(1) Including bank overdrafts.	*208.8*	*162.7*

(2) Payments awaiting clearance by the bank as they fall due on a non-banking day. The contra-entry is an increase in cash and equivalents under assets.

16-1 OCEANE bonds and syndicated credit facility

Since November 28, 2008, Faurecia has had access to a €1,420 million credit facility.

This facility comprises a syndicated bank loan of €1,170 million and a €250 million loan from Faurecia's majority shareholder PSA Peugeot Citroën. The two loans are correlated so that the drawdowns made by Faurecia on the PSA Peugeot Citroën loan are proportionate to those made on the syndicated bank loan, based on the same rates and periods.

The overall facility is divided into a €20 million tranche expiring in November 2011, a €690 million tranche expiring in November 2013 following the exercise by the banks and PSA of an option to extend the expiration, and a €710 million tranche expiring in November 2013.

As of June 30, 2011, the undrawn portion of this credit facility amounted to €556 million.

The contracts relating to this credit facility include covenants, notably a change of control clause relating to PSA and provisions concerning compliance with consolidated financial ratios. As of June 30, 2011, the Group complied with all of these ratios.

The financial ratios with which the Group is required to comply are as follows:

	Adjusted net debt (*)/ EBITDA (**)	EBITDA (**)/net interest
		Ceiling
June 30, 2011 and subsequent six-month periods	3.5:1	4.50:1

(*) Adjusted net debt = consolidated net debt + adjustments for certain commitments given, based on definitions provided in the credit agreement (e.g. mortgages or collateralized liabilities).

(**) Earnings before interest, tax, depreciation and amortization = Operating income + depreciation, amortization and provisions for impairment in value of property, plant and equipment and intangible assets, corresponding to the past 12 months.

Furthermore, any asset disposal representing over 15% of the Group's total consolidated assets requires the prior approval of banks representing two-thirds of the syndicate.

On November 26, 2009 Faurecia issued €211.3 million worth of OCEANE bonds convertible into new shares or exchangeable for existing shares. The bonds mature on January 1, 2015 and bear annual interest of 4.50% payable on January 1 each year, as from January 1, 2011. Each bond has a nominal value of €18.69.

Subject to certain conditions, Faurecia may redeem the bonds in advance at any time as from January 15, 2013, at a price equal to their par value plus accrued interest, provided that all of the outstanding bonds are redeemed. The bonds can be converted by their holders at any time as from their date of issue. The criteria relating to their compulsory early redemption include a change of control clause relating to PSA.

In accordance with IAS 39, the fair value of the OCEANE bonds is split into two components: (i) a liability component calculated based on prevailing market interest rates for similar bonds with no conversion option and (ii) an equity component corresponding to the conversion option, calculated based on the difference between the fair value of the OCEANE bonds and the liability component. These two components were recognized at the bond issue date in respective amounts of €184.3 million and €23.3 million. As of June 30, 2011 the liability component was €191.7 million before hedging.

16-2 Securitization and factoring programs

Part of Faurecia's financing requirements are met through receivables sale programs (see Note 12).

As of June 30, 2011, financing under these programs – corresponding to the cash received as consideration for the receivables sold – totaled €541.8 million versus €524.5 million as of December 31, 2010.

(in € millions)	June 30, 2011	Dec. 31, 2010
Financing	587.8	566.8
Guarantee reserve deducted from borrowings	(46.0)	(42.3)
Cash received as consideration for receivables sold	541.8	524.5
Receivables sold and derecognized	(386.5)	(377.9)

16-3 Analysis of borrowings by interest rate and currency

As of June 30, 2011, 81.6% of the Group's borrowings were at variable rates before taking into account the impact of hedging, representing €1 663.9 million. Interest on variable rate borrowings has been partially hedged with a maturity within the next two years (see Note 17.2).

ANALYSIS OF BORROWINGS

(in € millions)	June 30, 2011	
Variable rate borrowings	1,613.1	81.0%
Fixed rate borrowings	377.6	19.0%
TOTAL	**1,990.7**	**100.0%**

Borrowings (taking into account currency swaps) break down as follows by repayment currency:

(in € millions)	June 30, 2011		Dec. 31, 2010	
Euro	1,633.9	82.1%	1,472.7	81.7%
US Dollar	277.9	14.0%	279.6	15.5%
Other currencies	78.9	4.0%	50.3	2.8%
TOTAL	**1,990.7**	**100.0%**	**1,802.6**	**100.0%**

The weighted average interest rate on outstanding borrowings was 3.78% for the first half of 2011.

16-4 Fair-value hierarchy

The Group's financial instruments that are measured at fair value break down as follows by level of fair value measurement: Level 1 (quoted prices in active markets) for short-term cash investments and Level 2 (inputs based on observable market data) for currency and interest rate instruments.

NOTE 17 HEDGING OF CURRENCY AND INTEREST RATE RISKS

17-1 Hedging of currency risks

Currency risks relating to the commercial transactions of the Group's subsidiaries are managed centrally by Faurecia, principally using forward purchase and sale contracts and options as well as foreign currency financing. The Group Financing and Treasury Department – which reports to Group General Management – is responsible for managing this centralized system. Hedging decisions are made by a Market Risk Management Committee that meets on a monthly basis.

Faurecia hedges its commercial positions either through derivatives or by setting up loans denominated in the same currency as the subsidiary's related exposure. Currency risks on forecast transactions are hedged on the basis of estimated cash flows determined in forecasts validated by General Management, and the related derivatives are classified as cash flow hedges where a hedging relationship exists that meets the criteria in IAS 39.

Subsidiaries outside the euro zone are granted inter-company loans in their operating currencies. Although these loans are refinanced in euros and eliminated in consolidation, they contribute to the Group's currency risk exposure and are therefore hedged through swaps.

Information on hedged notional amounts:

	Carrying amount			Notional amounts by maturity		
June 30, 2011	**Assets**	**Liabilities**	**Notional (*)**	**<1 year**	**1 to 5 years**	**>5 years**
Fair value hedges						
• forward currency contracts	0.0	0.0	1.5	1.5		
• inter company loans in foreign currency swapped in euros	4.3	(1.9)	592.6	592.6		
Cash flow hedges						
• forward currency contracts	2.0	(1.8)	238.8	238.8		
Not eligible for hedge accounting	0.3	(1.6)	86.8	86.8		
	6.6	(5.3)				

(*) Notional amounts based on absolute values.

	Carrying amount			Notional amounts by maturity		
Dec. 31, 2010	**Assets**	**Liabilities**	**Notional (*)**	**<1 year**	**1 to 5 years**	**>5 years**
Fair value hedges						
• forward currency contracts	0.0	(0.1)	3.0	3.0		
• currency options						
• inter company loans in foreign currency swapped in euros	3.7	(3.7)	727.8	727.8		
Cash flow hedges						
• forward currency contracts	1	(2.7)	217.2	217.2		
Not eligible for hedge accounting	0.1	0.0	8.9	8.9		
	4.8	(6.5)				

(*) Notional amounts based on absolute values.

17-2 Interest rate hedges

Faurecia manages the hedging of interest rate risks on a central basis, through the Group Financing and Treasury Department which reports to Group General Management. Hedging decisions are made by a Market Risk Management Committee that meets on a monthly basis.

The aim of the Group's interest rate hedging policy is to reduce the impact on earnings of changes in short-term rates as the majority of its borrowings are at variable rates. The hedges set up primarily comprise euro- and dollar-denominated swaps as well as, to a lesser extent, option-based structures (caps). They cover a part of the interest payable in 2011, 2012 and in 2013 against a rise in rates.

Since 2008, certain of the Group's derivatives have qualified for hedge accounting under IAS 39. The other derivatives purchased by the Group constitute economic hedges of interest rate risks on borrowings but do not qualify for hedge accounting under IAS 39. As a result, changes in the fair value of these instruments are recognized directly in income under "Other financial income and expense".

Interest rate hedging instruments are recognized in the balance sheet at fair value, determined based on measurements confirmed by banking counterparties.

The notional amounts of the Group's interest rate hedges break down as follows:

	Carrying amount		Notional amounts by maturity		
June 30, 2011	**Assets**	**Liabilities**	**<1 year**	**1 to 5 years**	**>5 years**
Interest rate options			150		
Variable rate/fixed rate swaps		(7.3)	152	237	
• Accrued premiums payable		(0.2)			
	0.0	**(7.5)**	**302**	**237**	**-**

	Carrying amount		Notional amounts by maturity		
Dec. 31, 2010	**Assets**	**Liabilities**	**<1 year**	**1 to 5 years**	**>5 years**
Interest rate options	0.0		1,600	150	-
Variable rate/fixed rate swaps		(12.3)	157	279	-
• Accrued premiums payable		(0.5)			
	0.0	**(12.8)**	**1,757**	**429**	**-**

NOTE 18 COMMITMENTS GIVEN

(in € millions)	**June 30, 2011**	**Dec. 31, 2010**
Future minimum lease payments under operating leases	235.2	232.6
Debt collateral:		
• mortgages	12.2	15.9
Other debt guarantees	43.6	55.0
Firm orders for property, plant and equipment and intangible assets	112.6	79.5
Other	2.8	1.3
TOTAL	**406.4**	**384.3**

NOTE 19 TRANSACTIONS WITH PSA PEUGEOT CITROËN

The Faurecia Group is managed independently and transactions with the PSA Peugeot Citroën Group are conducted on arm's length terms.

These transactions (including with companies accounted for by the equity method by the PSA Peugeot Citroën Group) are recognized as follows in the Group's consolidated financial statements:

(in € millions)	June 30, 2011	Dec. 31, 2010
Sales	1,345.0	2,300.9
Purchases of products, services and materials	6.1	10.2
Receivables (*)	568.9	457.6
Payables (**)	177.4	170.1
(*) After no-recourse sales of receivables amounting to :	*214.3*	*197.2*
(**) O/w borrowings amounting to:	*152.0*	*142.0*

NOTE 20 EVENTS AFTER THE BALANCE SHEET DATE

No significant post-balance sheet events have occurred since June 30, 2011.

3

Statement by the person responsible for the 2011 interim financial report

Statement by the person responsible for the 2011 interim financial report

I hereby declare that, to the best of my knowledge, the condensed interim consolidated financial statements for the six-month period ending June 30, 2011 have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and results of Faurecia and the consolidated companies making up the Group. I further declare that, to the best of my knowledge, the accompanying interim management report (i) provides a true and fair view of the material events that occurred in the first six months of the financial year and their impact on the interim financial statements, as well as of the main related-party transactions, and (ii) sets out a description of the principal risks and uncertainties for the remaining six months of the year.

July 25, 2011

Yann Delabrière

Chairman and Chief Executive Officer

4

Statutory Auditors' review report on the interim financial information

Statutory Auditors' review report on the interim financial information

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual Shareholders' 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 interim consolidated financial statements of Faurecia, for the period from January 1, 2011 to June 30, 2011 and;
- the verification of the information contained in the interim management report.

These condensed interim consolidated financial statements were prepared under the responsibility of the Board of Directors. 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 the financial statements, taken as a whole, are free from material misstatements, as we would not 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 these condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – "Interim Financial Reporting", as adopted by the European Union.

2. SPECIFIC VERIFICATION

We have also verified the information provided in the interim management report on the condensed interim consolidated financial statements subject to our review.

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

Neuilly-sur-Seine and Paris-La Défense, July 25, 2011

The Statutory Auditors

PricewaterhouseCoopers Audit	ERNST & YOUNG Audit
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Technical perfection, automotive passion