

Half-year results 2013

Technical perfection, automotive passion

faurecia

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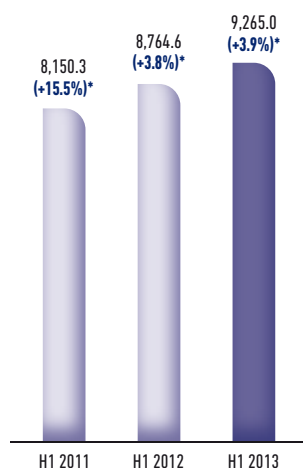
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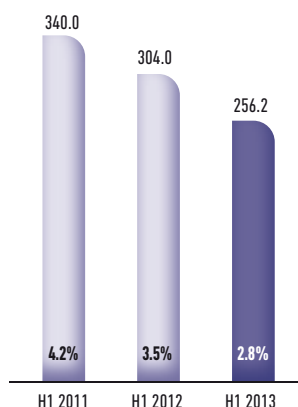
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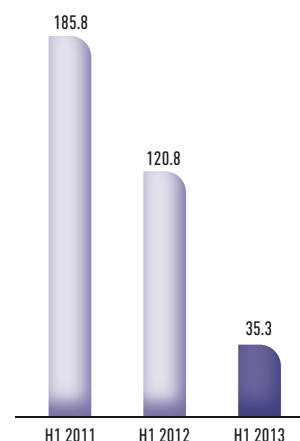
Key figures



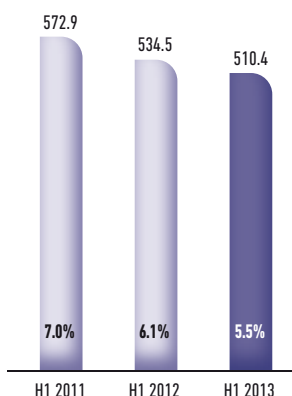
Sales (in €m)
* Change in sales, at constant exchange rates and on a like-for-like basis.



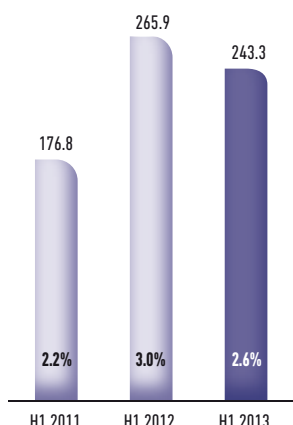
Operating income ⁽¹⁾
(in €m and as a % of sales)



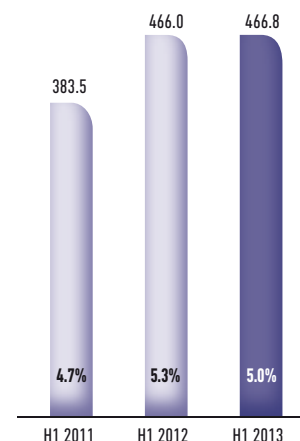
Net income/(loss) attributable to equity holders
(in €m)



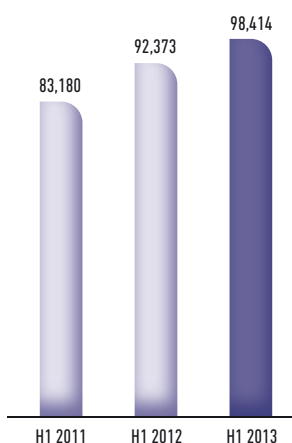
EBITDA ⁽²⁾
(in €m and as a % of sales)



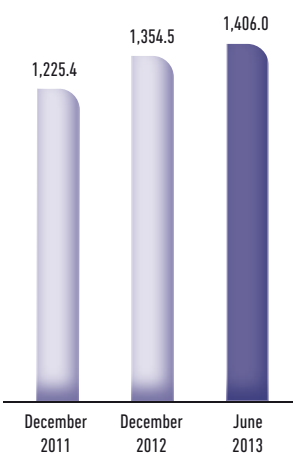
Capital expenditure
(in €m and as a % of sales)



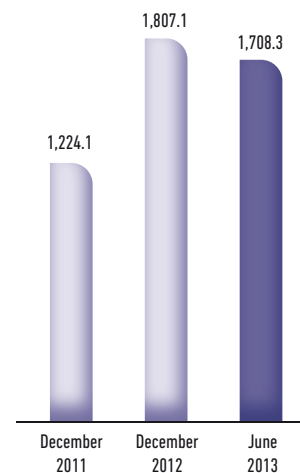
Gross R&D expenditure ⁽³⁾
(in €m and as a % of sales)



Number of employees



Total equity
(in €m)



Net debt ⁽⁴⁾
(in €m)

(1) Defined in Note 1.15 to 2012 consolidated financial statements of the 2012 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 2012 consolidated financial statements of the 2012 Registration document.





Half year management report

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1.1 Business review

1.1.1 THE GROUP'S SALES

In the first half of 2013, Faurecia's **consolidated sales** totaled €9,265.0 million, a 5.7% increase compared with the first half of 2012. This includes the impact of the following new perimeters:

- sales from the Saline plant (Michigan, United States), acquired from Ford and consolidated on June 1, 2012, in the amount of €203.9 million;
- sales, in the first half of 2013, from the Plastal plant (Hambach, France, acquired on August 30, 2012), in the amount of €32.3 million;
- the impact, in the first half of 2013, of the sales of the Sora Composites plants (Thiellay and Saint Méloir des Ondes, France), acquired on July 13, 2012, in the amount of €24.2 million;
- sales generated by the new Interior Systems businesses acquired in the first half of 2012 (the Saint-Quentin plant, acquired from Borgers, and the Mornac plant in France and the Pardubice plant in the Czech Republic), in the amount of €8.6 million.

At constant exchange rates and like-for-like basis (2013 excluding the first-half 2013 sales of the sites listed above), sales were up 3.9% compared with the first half of 2012.

Catalytic converter monolith sales totaled €1,387.4 million (-1.6%), a decline of 0.8% at constant exchange rates compared with the same period in 2012.

Invoicing of **costs relating to development, tooling, prototypes and other services** amounted to €740.0 million (+23.0%), an increase of 22.8% compared with the first half of 2012 on a like-for-like basis and constant exchange rates. The increase was attributable mainly to a high level of tooling sales related to programs started during the first half.

Product sales, including deliveries of parts and components to automakers, totaled €7,137.7 million (+5.7%), a 3.2% increase on a like-for-like basis and at constant exchange rates compared with the first half of 2012.

Product sales by major geographic region for the first half of 2013 break down as follows:

- in **Europe**, product sales totaled €3,884.2 million, down 2.8% (-4.1% on a like-for-like basis and constant exchange rates. During the same period, production by automakers in Europe fell by 3.7% (source: IHS Automotive, July 2013). Over the period, 54.4% of Faurecia's product sales were made in Europe, compared with 59.2% for the same period in 2012;
- in **North America**, they totaled €1,995.5 million, an increase of 17.8%, or +7.7% on a like-for-like basis and constant exchange rates. They accounted for 28% of total product sales, compared with 25% in the first half of 2012. This compares with a 3.5% increase in automotive production (source: IHS Automotive, July 2013);
- in **South America**, they totaled €370.7 million (5.2% of total product sales), an increase of 17.0% compared with the first half of 2012 (+31.2% at constant exchange rates), on a 14.9% increase in automotive production (source: IHS Automotive, July 2013);
- in **Asia**, they increased by 22.8% (+22.0% at constant exchange rates, including +27.4% in China) to €799.2 million (11.2% of total product sales), on a 2.6% increase in automotive production (source: IHS Automotive, July 2013);
- in other countries, product sales totaled €88.1 million, a decline of 8.2% on a reported basis, but an increase of 5.6% on a like-for-like basis.

Compared with the first half of 2012, changes in product sales by client (on a like-for-like basis and constant exchange rates) were as follows:

- sales to the Volkswagen group were down 2.1%. Sales to the VW group increased in Asia (+9.3%), but fell in Europe (-5.0%);
- sales to the Ford group were up 17.1%, with increases in Europe (+5.1%) and North America (+9.8%), and sharper increases of 85.3% and 73.2% in Asia and South America respectively;
- sales to the General Motors group were down 7.7%;
- sales to Fiat-Chrysler were up 3.6%, mainly in North America (+3.4%);

- sales to Daimler were up 15.1%, with the 19.1% drop in sales in Europe in the wake of the S-Class model changeover offset by a significant 107.3% increase in North America, linked to the ramp-up of production of the M and G-Classes;
- sales to PSA edged down by 0.2% overall, with a contrast between Europe (-6.9%) and Asia (+18.3%), and strong growth in South America;
- sales to Renault-Nissan, up 2.5% overall, were more contrasted: the decline in sales to Renault (-11.4%), in line with the decline of Renault's production in Europe, was partially offset by growth in sales to Nissan (+28.1%) and Dacia (+9.4%);
- sales to BMW were up 9.3%;
- sales to the Hyundai group were up 8.2%;
- sales to the Geely-Volvo group were up 3.1%.

Faurecia's five biggest customers accounted for 71.7% of product sales: VW 23.9%, Ford 14.9%, PSA 14.2%, Renault-Nissan 10.6% and BMW 8.1%.

1.1.2 INTERIOR MODULES

In the first half of 2013, Interior Modules sales totaled €5,079.9 million, an increase of 7.3% compared with the same period in 2012, or +4.3% on a like-for-like basis and constant exchange rates.

Product sales were up 6.6% (+3.2% on a like-for-like basis and constant exchange rates) at €4,576.7 million.

Automotive Seating

In the first half of 2013, Automotive Seating sales totaled €2,718.6 million, a 1.9% increase compared with the same period in 2012, or +2.9% on a like-for-like basis and constant exchange rates.

Product sales totaled €2,591.6 million, an increase of 1.3%, or +2.3% on a like-for-like basis and constant exchange rates:

- in Europe, product sales totaled €1,421.6 million, down 7.8% at constant exchange rates and a like-for-like basis;
- in North America, product sales totaled €691.2 million, up 16.4% on a like-for-like basis and constant exchange rates;
- in Asia, the Automotive Seating business recorded €341.1 million in sales, an increase of 22.1% at constant exchange rates;
- in South America, sales were up 17.0% at constant exchange rates at €123.8 million.

Interior Systems

In the first half of 2013, Interior Systems sales totaled €2,361.3 million, a 14.4% increase compared with the same period in 2012, or +6.0% on a like-for-like basis and constant exchange rates. This included €203.9 million in sales from the Saline plant (Michigan, United States) and €8.6 million from Interior Systems business on the Mornac, Saint-Quentin and Pardubice sites, acquired in 2012.

Product sales totaled €1,985.1 million, an increase of 14.5%, or +4.6% on a like-for-like basis and constant exchange rates:

- in Europe, product sales totaled €1,101.3 million, down 0.9% on a like-for-like basis and constant exchange rates;
- in North America, product sales totaled €658.6 million, up 7.5% on a like-for-like basis and constant exchange rates;
- in South America, sales were up 41.5% at constant exchange rates at €127.1 million;
- in Asia, product sales were up 18.0% at constant exchange rates at €76.5 million.



1.1.3 OTHER MODULES

In the first half of 2013, Other Modules sales totaled €4,185.1 million, an increase of 3.8% compared with the same period in 2012, or +3.5% at constant exchange rates and a like-for-like basis.

Product sales were up 4.1% (+3.1% on a like-for-like basis and at constant exchange rates) at €2,561.1 million.

Emissions Control Technology

In the first half of 2013, Emissions Control Technology sales totaled €3,200.0 million, a slight increase of 1.4% compared with the same period in 2012, or +2.8% on a like-for-like basis and at constant exchange rates.

Product sales amounted to €1,700.6 million, an increase of 2.5%, or +4.2% on a like-for-like basis and at constant exchange rates:

- in Europe, product sales totaled €567.6 million, down by 2.5% on a like-for-like basis and at constant exchange rates;
- in North America, product sales totaled €583.7 million, a decline of 3.2% on a like-for-like basis and at constant exchange rates;
- in Asia, product sales were up 22.5% at constant exchange rates at €381.3 million;
- in South America, sales were up 33.0% at constant exchange rates at €115.4 million.

Automotive Exteriors

In the first half of 2013, Automotive Exteriors sales totaled €985.1 million, an increase of 12.4% compared with the same period in 2012, or +6.2% on a like-for-like basis and at constant exchange rates. This includes sales from Sora Composites in the amount of €24.2 million and Plastal in the amount of €32.3 million, both acquired in 2012.

Product sales totaled €860.3 million, stable on a like-for-like basis and at constant exchange rates (+1.0%):

- in Europe, product sales totaled €793.7 million, a decline of 2.2% on a like-for-like basis and at constant exchange rates;
- in North America, product sales totaled €62.0 million, an increase of 44.3% on a like-for-like basis and at constant exchange rates.

1.2 Results of operations

1.2.1 OPERATING INCOME

Operating income for the first half of 2013 was €256.2 million, compared with €304.0 million in the first half of 2012. This represented 2.8% of total sales, compared with 3.5% in the first half of 2012.

The change in operating income was the result of very varied trends in the major geographical markets:

- in Europe, Faurecia's product sales were down 4% on a like-for-like basis and at constant exchange rates. Operating income fell by €50.9 million;
- in North America, the increase in product sales at constant exchange rate and like-for-like basis was +7.7% and operating income was stable compared with first semester 2012;
- Asia saw further growth in China and South Korea. Operating income increased by €9.1 million;
- lastly, other areas, mainly South America, saw a decline in operating income of €6.0 million.

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

The "Interior Modules" segment generated €164.4 million in operating income, down €12.6 million compared with the first half of 2012. Operating income represented 3.2% of sales, compared with 3.7% in the same period last year.

The "Other Modules" segment generated €91.8 million in operating income, representing 2.2% of sales, compared with €127.0 million and 3.1% of sales in the first half of 2012.

Gross Research & Development expenditure was stable compared with the first half of 2012 at €466.8 million, representing 5.0% of sales, compared with €466.0 million and 5.3% of total sales in the first half of 2012. Excluding amounts billed to customers and capitalized expenses, R&D expenditure totaled €146.4 million, representing 1.6% of sales, compared with €142.7 million and 1.6% of sales in the first half of 2012.

Selling and administrative expenses amounted to €303.0 million, or 3.3% of sales, compared with €293.1 million and 3.3% of sales in the first half of 2012.

EBITDA, which corresponds to operating income before depreciation, amortization and provisions for impairment in value of plant, property and equipment and capitalized development costs, totaled €510.4 million, or 5.5% of sales, compared with €534.5 million and 6.1% of sales in the first half of 2012.

1.2.2 NET INCOME

The "other operating expenses" item, which totaled €41.6 million, includes €39.2 million in restructuring expenses. Restructuring expenses totaled €4.8 million in Germany and €21.3 million in France.

Net financial expense totaled €114.4 million, compared with €88.9 million in the first half of 2012. The rise in net finance costs, which increased from €73.7 million to €97.1 million, was attributable mainly to the increase in costs for new sources of financing implemented to support the Company's expansion, in particular from additional bond issues.

The average rate of finance costs for the period was 6.33%, compared with 5.65% in the first half of 2012. 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 was €43.9 million.

Consolidated net income for the first half of 2013 totaled €60.1 million, compared with net income of €142.3 million in the first half of 2012.



After allocating their share of net income to minority interests in the amount of €24.8 million, net income attributable to equity holders was €35.3 million, or 0.4% of sales, compared with net attributable income of €120.8 million or 1.4% of sales in the first half of 2012.

Diluted earnings per share totaled €0.32, compared with €1.05 in the first half of 2012.

1.3 Financial structure and net debt

Net cash flows corresponding to change in debt restated for the impact of variation of factoring 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 inflow of €1 million, compared with an outflow of €118.9 million in the first half of 2012 and an outflow of €291 million in the second half of 2012.

These correspond to EBITDA of €510.4 million, less:

- a reduction of €86 million in working capital requirements, illustrating the more stable structure of working capital following the negative impacts caused by the sharp drop in production in late 2012 and the stabilization of the amount of studies and tooling to be billed to clients;
- restructuring costs representing cash outflows of €61.2 million;
- finance costs totaling €87.7 million;
- capital expenditure of €243.3 million, a decline compared with the same period in 2012 following the application of greater selectivity in respect of growth opportunities. Half of these investments were made outside Europe;
- capitalized development costs of €124.2 million, compared with €90.9 million in the first half of 2012;
- taxes representing cash outflow of €54.8 million and other cash outflows in the amount of €24.2 million.

Net debt eased from €1,807.1 million as of end-December 2012 to €1,708.3 million as of end-June 2013. The reduction was attributable to the following factors:

- the net cash inflow described above in the amount of €1 million;
- a €139.6 million increase in factoring of trade receivables;
- the overall impact of acquisitions/transfers of activities in a negative amount of €39.3 million, corresponding chiefly to the Saline cockpit assembly activity returned to the DMS joint venture, in which Faurecia holds a minority interest.

Cash and cash equivalents amounted to €842 million as of June 30, 2013, compared with €628 million as of December 31, 2012. As of June 30, 2013, Faurecia had undrawn confirmed credit lines totaling €800 million.

Equity attributable to the owners of the parent increased from €1,221.9 million as of end-December 2012 to €1,273.6 million as of end-June 2013.

Faurecia's Board of Directors has also authorized the award of a maximum of 1,215,500 shares to 272 beneficiaries within the Group. Shares are vested proportionally based on performance objectives achieved during 2015.

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, 2012, 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 and companies owned by PSA Peugeot Citroën or over which it exercises significant influence.

1.5 Risk factors

1.5.1 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.

1.5.2 SUPPLIER RISK

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 Faurecia's business activity, earnings and financial situation.

1.5.3 VOLUME RISK

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 2013, the production of light vehicles remained relatively stable compared with the same period in 2012: growth in worldwide production is estimated at 1.4% (IHS Automotive estimate, July 2013), with the following breakdown by region: in Europe, light vehicle production fell by 3.7%; it was up 3.5% in North America, 14.9% in South America and 2.6% in Asia.

With the exception of the risks set out in section 1.5 of the current report and Note 17 to the interim consolidated financial statements, the assessment of risks to which the Group is exposed has not changed since the presentation thereof on pages 25-30 of the 2012 Registration Document.



1.6 Outlook

Automotive production is likely to continue to vary widely across the different global markets.

In Europe, automotive production is likely to show a 3% to 4% year-over-year drop.

In North America, production should progress between 4% and 6%. Asia should also continue to grow at 3% with sustained growth of between 9% and 11% in China.

South America should show growth of between 4% and 6% in automotive production.

Faurecia has built its sales and operating margin forecast from production forecast of specialized institutes and automakers, and from internal production plans which are derived from them.

Against this backdrop, Faurecia confirms its 2013 targets as follows:

- consolidated sales between €17,800 and €18,000 million (compared with between €17,500 and €17,900 million targeted in February 2013);
- to grow its operating income, particularly due to an accelerated recovery in North America, a €50 million reduction in fixed costs in Europe and sustained high profitability in Asia;
- for the year, positive net cash flow before restructuring (estimated at €120 million).



2

Consolidated financial statements

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2.1 Statement of comprehensive income

<i>(in € millions)</i>	<i>Notes</i>	First-half 2013	First-half 2012 *	Full-year 2012 *
SALES	4	9,265.0	8,764.6	17,364.5
Cost of sales	5	(8,559.4)	(8,024.8)	(16,038.7)
Research and development costs		(146.4)	(142.7)	(239.6)
Selling and administrative expenses		(303.0)	(293.1)	(569.9)
OPERATING INCOME (LOSS)		256.2	304.0	516.3
Other non operating income	6	0.4	14.6	15.5
Other non operating expense	6	(41.6)	(50.9)	(102.7)
Income from loans, cash investments and marketable securities		4.7	4.5	10.2
Finance costs		(101.8)	(78.2)	(175.4)
Other financial income and expense	7	(17.3)	(15.2)	(31.9)
INCOME (LOSS) BEFORE TAX OF FULLY CONSOLIDATED COMPANIES		100.6	178.8	232.0
Current taxes	8	(62.8)	(53.3)	(96.9)
Deferred taxes		18.9	5.2	29.5
NET INCOME (LOSS) OF FULLY CONSOLIDATED COMPANIES		56.7	130.7	164.6
Share of net income of associates:	11			
<i>Before tax</i>		10.1	19.8	34.0
<i>After tax</i>		5.2	14.0	23.6
Net income of continued operations		61.9	144.7	188.2
Net income of discontinued operations		(1.8)	(2.4)	(2.6)
CONSOLIDATED NET INCOME (LOSS)		60.1	142.3	185.6
Attributable to owners of the parent		35.3	120.8	143.5
Attributable to minority interests		24.8	21.5	42.1
Basic earnings (loss) per share <i>(in €)</i>	9	0.32	1.09	1.30
Diluted earnings (loss) per share <i>(in €)</i>	9	0.32	1.05	1.26
Basic earnings (loss) of continued operations per share <i>(in €)</i>	9	0.34	1.12	1.32
Diluted earnings (loss) of continued operations per share <i>(in €)</i>	9	0.33	1.06	1.28

Other comprehensive income

<i>(in € millions)</i>	First-half 2013	First-half 2012 *	Full-year 2012 *
CONSOLIDATED NET INCOME (LOSS)	60.1	142.3	185.6
Amounts to be potentially reclassified to profit or loss	5.1	22.0	(4.3)
Gains (losses) arising on fair value adjustments to cash flow hedges	(1.5)	8.0	10.8
<i>of which recognized in equity</i>	(4.2)	(4.9)	(4.0)
<i>of which transferred to net income (loss) for the period</i>	2.7	12.9	14.8
Exchange differences on translation of foreign operations	6.6	14.0	(15.1)
Amounts not to be reclassified to profit or loss	12.0	(4.6)	(43.1)
Actuarial gain/(loss) on post employment benefit obligations	12.0	(4.6)	(43.1)
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE PERIOD	77.2	159.7	138.2
Attributable to owners of the parent	50.3	138.1	99.5
Attributable to minority interests	26.9	21.6	38.7

* Cf. Note 1B.



2.2 Consolidated balance sheet

Asset

<i>(in € millions)</i>	<i>Notes</i>	June 30, 2013	Dec. 31, 2012 *
Goodwill	10	1,302.2	1,300.0
Intangible assets		644.9	588.1
Property, plant and equipment		2,012.9	1,972.2
Investments in associates	11	72.3	85.2
Other equity interests		14.2	13.4
Other non-current financial assets	13	55.7	54.2
Other non-current assets		19.6	18.1
Deferred tax assets		111.0	95.1
TOTAL NON-CURRENT ASSETS		4,232.8	4,126.3
Inventories, net		1,164.8	1,096.2
Trade accounts receivables	12	2,017.3	1,702.8
Other operating receivables		348.8	357.8
Other receivables		169.6	150.0
Other current financial assets		1.6	0.6
Cash and cash equivalents	16	846.5	628.0
TOTAL CURRENT ASSETS		4,548.6	3,935.4
Assets held for sale		5.6	8.7
TOTAL ASSETS		8,787.0	8,070.4

* Cf. Note 1B.

Liabilities

<i>(in € millions)</i>	<i>Notes</i>	June 30, 2013	Dec. 31, 2012 *
EQUITY			
Capital	14	775.9	775.8
Additional paid-in capital		279.1	279.1
Treasury stock		(1.6)	(1.6)
Retained earnings		108.2	(47.2)
Translation adjustments		76.7	72.3
Net income (loss) for the period attributable to owners of the parent		35.3	143.5
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENTS	14	1,273.6	1,221.9
Minority interests		132.4	132.6
TOTAL SHAREHOLDERS' EQUITY		1,406.0	1,354.5
Long-term provisions	15	293.6	300.8
Non-current financial liabilities	16	1,709.5	1,671.1
Other non-current liabilities		0.6	0.2
Deferred tax liabilities		12.6	14.0
TOTAL NON-CURRENT LIABILITIES		2,016.3	1,986.1
Short-term provisions	15	273.7	321.2
Current financial liabilities	16	846.9	764.6
Prepayments from customers		158.1	170.3
Trade payables		3,277.8	2,754.0
Accrued taxes and payroll costs		611.3	519.1
Sundry payables		182.6	154.4
TOTAL CURRENT LIABILITIES		5,350.4	4,683.6
Liabilities linked to assets held for sale		14.3	46.2
TOTAL LIABILITIES		8,787.0	8,070.4

* Cf. Note 1B.



2.3 Consolidated statement of cash flows

<i>(in € millions)</i>	First-half 2013	First-half 2012	Full-year 2012
I- OPERATING ACTIVITIES			
Consolidated net income (loss) of continued operations	61.9	144.7	188.2
Depreciation and amortization	257.1	231.1	499.7
Deferred tax (benefits) charges	(18.9)	(5.1)	(29.5)
Increase (decrease) in long-term provisions	11.3	5.1	13.7
Share of net income of associates, net of dividends received	14.7	11.0	1.4
Capital (gains) losses on disposals of non-current assets	1.9	(1.1)	1.1
Others *	8.6	(9.9)	(17.2)
CASH FLOW FROM OPERATIONS	336.6	375.8	657.4
Increase (usage & decrease) in short-term provisions	(47.1)	(9.3)	(19.2)
Change in inventories	(85.3)	(240.5)	(208.9)
Change in trade accounts receivables	(324.3)	(388.2)	(91.2)
Change in trade payables	536.9	347.6	(22.6)
Change in other operating receivables and payables	87.4	100.1	(18.1)
Change in other receivables and payables	10.2	(25.5)	(26.9)
(Increase) decrease in working capital requirement	177.8	(215.8)	(386.9)
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	514.4	160.0	270.5
II- INVESTING ACTIVITIES			
Additional to property, plant and equipment	(243.3)	(265.9)	(557.3)
Capitalized development costs	(124.2)	(90.9)	(266.7)
Acquisitions of investments and of business (net of cash and cash equivalents)	0.2	(70.7)	(71.2)
Proceeds from disposal of property, plant and equipment	3.5	5.6	13
Proceed from disposal of financial assets	2.3	0.0	0.7
Change in investment-related receivables and payables	(11.4)	(0.2)	7.6
Other changes	(10.0)	(15.1)	(28.9)
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES	(382.9)	(437.2)	(902.8)
CASH PROVIDED (USED) BY OPERATING AND INVESTING ACTIVITIES (I)+(II)	131.5	(277.2)	(632.3)
III- FINANCING ACTIVITIES			
Issuance of shares by Faurecia and fully-consolidated companies (net of costs)	0.0	0.5	9.0
Options component of convertible bonds	0.0	0.0	52.5
Dividends paid to owners of the parent company	0.0	(38.6)	(38.6)
Dividends paid to minority interests in consolidated subsidiaries	(25.1)	(16.1)	(27.0)
Issuance of debt securities and increase in other financial liabilities	172.2	572.6	850.5
Repayment of debt and other financial liabilities	(36.0)	(100.0)	(244.3)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	111.1	418.4	602.1
IV- OTHER CHANGES IN CASH AND CASH EQUIVALENTS			
Impact of exchange rate changes on cash and cash equivalents	0.3	6.4	(6.9)
Net flows linked to discontinued operations	(28.9)	22.3	35.0
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	214.0	169.9	(2.1)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR	628.0	630.1	630.1
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 16)	842.0	800.0	628.0

* O/W goodwill from Saline acquisition: €13,8 million for the 1st semester 2012 and €15,5 million for the full year 2012.

2.4 Consolidated statement of changes in equity

(in € millions)	Number of shares	Capital stock	Additional paid-in capital	Treasury Stock	Retained earnings and net income (loss) for the period	Valuation adjustments				Equity attributable to owners of the parent	Minority interests	Total
						Translation adjustments	Cash flow hedges	Actuarial gain/(loss) on post employment benefit obligations				
Shareholders' equity as of Dec. 31, 2011 before appropriation of net income (loss)	110,368,345	772.6	282.4	(1.7)	31.3	86.4	(17.1)			1,153.9	113.5	1,267.4
Impact of IAS 19R adoption*					(12.0)	(2.6)	0.0		(27.5)	(42.1)	0.1	(42.0)
Shareholders' equity as of Dec. 31, 2011 before appropriation of net income & after IAS 19R	110,368,345	772.6	282.4	(1.7)	19.3	83.8	(17.1)		(27.5)	1,111.8	113.6	1,225.4
Net income (loss)					120.8					120.8	21.5	142.3
Other comprehensive income						14.0	8.0	(4.7)		17.3	0.1	17.4
Total income (expense) recognized in equity					120.8	14.0	8.0	(4.7)		138.1	21.6	159.7
Capital increase	465,400	3.3	(3.3)							0.0	0.5	0.5
2011 dividends					(38.6)					(38.6)	(20.9)	(59.5)
Measurement of stock options					5.7					5.7		5.7
Purchases and sales of treasury stock										0.0		0.0
Changes in scope of consolidation					(0.3)					(0.3)	(1.2)	(1.5)
Shareholders' equity as of June 30, 2012 before appropriation of net income (loss)*	110,833,745	775.9	279.1	(1.7)	106.9	97.8	(9.1)		(32.2)	1,216.7	113.6	1,330.3
Net income (loss)					22.7					22.7	20.6	43.3
Other comprehensive income						(25.6)	2.8	(38.4)		(61.3)	(3.5)	(64.7)
Total income (expense) recognized in equity					22.7	(25.6)	2.8	(38.4)		(38.6)	17.1	(21.5)
Capital increase										0.0	8.2	8.2
2011 dividends										0.0	(6.1)	(6.1)
Measurement of stock options and shares grant					(8.0)					(8.0)		(8.0)
Purchases and sales of treasury stock				0.1						0.1		0.1
Option component of convertible bonds					52.5					52.5		52.5
Changes in scope of consolidation					(0.8)					(0.8)	(0.2)	(1.0)
Shareholders' equity as of Dec. 31, 2012 before appropriation of net income (loss)*	110,833,745	775.9	279.1	(1.6)	173.3	72.2	(6.3)		(70.6)	1,221.9	132.6	1,354.5
Net income (loss)					35.3					35.3	24.8	60.1
Other comprehensive income						4.5	(1.5)	12.0		15.0	2.1	17.1
Total income (expense) recognized in equity					35.3	4.5	(1.5)	12.0		50.3	26.9	77.2
Capital increase	5,200									0.0	2.9	2.9
2012 dividends										0.0	(29.5)	(29.5)
Measurement of stock options and shares grant					0.5					0.5		0.5
Purchases and sales of treasury stock										0.0		0.0
Changes in scope of consolidation and other					0.9					0.9	(0.5)	0.4
Shareholders' equity as of June 30, 2013 before appropriation of net income (loss)	110,838,945	775.9	279.1	(1.6)	210.0	76.7	(7.8)		(58.6)	1,273.6	132.4	1,406.0

* Cf. Note 1B.



2.5 Notes to the half year consolidated financial statements

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Faurecia S.A. and its subsidiaries form one of the world's leading automotive equipment suppliers in four major vehicle businesses: Automotive Seating, Emissions Control Technology, Interior Systems and Automotive Exteriors.

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 24, 2013.

NOTE 1A

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, and available on the European Commission website: http://ec.europa.eu/internal_market/accounting/ias/index_fr.htm

These standards include International Financial Reporting Standards and International Accounting Standards (IAS), as well as the related International Financial Reporting Interpretations Committee (IFRIC) interpretations.

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, 2012.

The standards used to prepare the interim consolidated financial statements for the six months ended June 30, 2013 and comparative data for 2012 are those published in the Official Journal of the European Union (OJEU) as of June 30, 2013, and whose application was mandatory as of that date.

Since January 1, 2013 Faurecia has applied the standard IFRS 13 and the amendments to the standards IAS 1 and IAS 19 which impact the consolidated financial statements as presented in Note 1B. Moreover, Faurecia has not applied by anticipation the standards, amendments or interpretations:

- adopted by the European Union but which application is due for yearly statements opened later than January 1st, 2013 (standards and amendments to IFRS 10, IFRS 11, IFRS 12, IAS 28);
- not yet adopted by the European Union as of June 30, 2013 (standards and amendments to IFRS 9).

Moreover, the accounting policies used for the preparation of these interim financial statements are similar to the ones used for the consolidated financial statements as of December 31st, 2012.

NOTE 1B

CHANGES TO PREVIOUSLY PUBLISHED FINANCIAL STATEMENTS

Since January 1, 2013 Faurecia has applied the amendments to the existing standard IAS 19; the application of these amendments being retrospective, the previously published financial statements have been modified accordingly. The impacts are presented in the following schedules.

The amendments to IAS 19 Employee benefits suppresses notably the possibility retained so far by Faurecia to apply the corridor method. All actuarial gains and losses as well as service costs are now directly accounted for as liabilities in the balance sheet. Actuarial variances are fully recognized through other comprehensive income (expense) directly in equity and past service costs in period net income. These amendments also define the return on assets as the discount rate used to measure the benefits liability.



1B.1 Consolidated statement of comprehensive income

<i>(in € millions)</i>	First-half 2012 published in July 2012	IAS19R restate- ments	First-half 2012 published in July 2013	Full-year 2012 published in February 2013	IAS19R restate- ments	Full-year 2012 published in July 2013
Cost of sales	(8,026.3)	1.5	(8,024.8)	(16,041.3)	2.6	(16,038.7)
OPERATING INCOME (LOSS)	302.5	1.5	304.0	513.7	2.6	516.3
Other financial income and expense	(14.5)	(0.7)	(15.2)	(30.5)	(1.4)	(31.9)
INCOME (LOSS) BEFORE TAX OF FULLY CONSOLIDATED COMPANIES	178.0	0.8	178.8	230.8	1.2	232.0
NET INCOME (LOSS) OF FULLY CONSOLIDATED COMPANIES	129.9	0.8	130.7	163.4	1.2	164.6
Net income of continued operations	143.9	0.8	144.7	187.0	1.2	188.2
Net income of discontinued operations	(2.4)		(2.4)	(2.6)		(2.6)
CONSOLIDATED NET INCOME (LOSS)	141.5	0.8	142.3	184.4	1.2	185.6
Attributable to owners of the parent	120.0	0.8	120.8	142.3	1.2	143.5
Attributable to minority interests	21.5		21.5	42.1		42.1
Basic earnings (loss) per share <i>(in €)</i>	1.09		1.09	1.29		1.30
Diluted earnings (loss) per share <i>(in €)</i>	1.04		1.05	1.25		1.26
Basic earnings (loss) of continued operations per share <i>(in €)</i>	1.11		1.12	1.31		1.32
Diluted earnings (loss) of continued operations per share <i>(in €)</i>	1.06		1.06	1.27		1.28

Other comprehensive income

<i>(in € millions)</i>	First-half 2012 published in July 2012	IAS19R restate- ments	First-half 2012 published in July 2013	Full-year 2012 published in February 2013	IAS19R restate- ments	Full-year 2012 published in July 2013
CONSOLIDATED NET INCOME (LOSS)	141.5	0.8	142.3	184.4	1.2	185.6
Amounts to be potentially reclassified to profit or loss	22.9	(0.9)	22.0	(4.6)	0.3	(4.3)
Gains (losses) arising on fair value adjustments to cash flow hedges	8.0	0.0	8.0	10.8	0.0	10.8
<i>of which recognized in equity</i>	(4.9)		(4.9)	(4.0)		(4.0)
<i>of which transferred to net income (loss) for the period</i>	12.9		12.9	14.8		14.8
Exchange differences on translation of foreign operations	14.9	(0.9)	14.0	(15.4)	0.3	(15.1)
Amounts not to be reclassified to profit or loss	0.0	(4.6)	(4.6)	0.0	(43.1)	(43.1)
Actuarial gain/(loss) on post employment benefit obligations		(4.6)	(4.6)		(43.1)	(43.1)
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE PERIOD	164.4	(4.7)	159.7	179.8	(41.6)	138.2
Attributable to owners of the parent	142.8	(4.7)	138.1	141.0	(41.5)	99.5
Attributable to minority interests	21.6		21.6	38.8	(0.1)	38.7

1B.2 Balance sheet consolidated

Assets

<i>(in € millions)</i>	Dec. 31, 2011 published in February 2012	IAS19R restate- ments	Dec. 31, 2011 published in July 2013	Dec. 31, 2012 published in February 2013	IAS19R restate- ments	Dec. 31, 2012 published in July 2013
Other non-current assets	16.9	0.0	16.9	18.3	(0.2)	18.1
Deferred tax assets	78.3	0.0	78.3	94.7	0.4	95.1

Liabilities

<i>(in € millions)</i>	Dec. 31, 2011 published in February 2012	IAS19R restate- ments	Dec. 31, 2011 published in July 2013	Dec. 31, 2012 published in February 2013	IAS19R restate- ments	Dec. 31, 2012 published in July 2013
EQUITY						
Capital	772.6	0.0	772.6	775.8	0.0	775.8
Additional paid-in capital	282.4	0.0	282.4	279.1	0.0	279.1
Treasury stock	(1.7)	0.0	(1.7)	(1.6)	0.0	(1.6)
Retained earnings	(357.1)	(39.5)	(396.6)	35.5	(82.7)	(47.2)
Translation adjustments	86.4	(2.6)	83.8	74.4	(2.1)	72.3
Net income (loss) for the period attributable to owners of the parent	371.3	0.0	371.3	142.3	1.2	143.5
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENTS	1,153.9	(42.1)	1,111.8	1,305.5	(83.6)	1,221.9
Minority interests	113.5	0.1	113.6	132.6	0.0	132.6
TOTAL SHAREHOLDERS' EQUITY	1,267.4	(42.0)	1,225.4	1,438.1	(83.6)	1,354.5
Long-term provisions	218.7	41.9	260.6	217.0	83.8	300.8

NOTE 2

CHANGES IN SCOPE OF CONSOLIDATION

2.1 First-half 2013

In the Interior Systems business, Faurecia Summit Interior Systems, held at 50% by Faurecia, has been created in Thailand and is fully consolidated since March 2013. Foshan Faurecia Xuyang Interior Systems Company Limited, held at 60% by Faurecia, has been created in China and is fully consolidated since June 2013.

In the Automotive Seating business, Changchun Faurecia Xuyang Automotive Components Technologies R&D Company Limited, held at 45% by Faurecia, has been created in China and is consolidated by equity method since June 2013.

2.2 Reminder of change in scope of consolidation introduced in 2012

In the Interior Systems business, the operations of the Mornac (France) and Pardubice (Czech Republic) sites, acquired from Mecaplast, have been consolidated following their acquisition from March 1, 2012, as well as operations from the St Quentin site (France), acquired from Borgers, from May 1, 2012 and the Saline operations (USA), acquired from the Ford group, from June 1, 2012. For the last, the cockpit assembly activities, acquired with the main activity, and which are progressively transferred by Faurecia to the Detroit Manufacturing Systems company, 45% held by Faurecia, are presented as discontinued operations in compliance with IFRS 5. In the Automotive Exteriors business, the operations taken over from Sora have been consolidated following their acquisition from July 1, 2012 as well as the operation taken over from Plastal France from September 1, 2012. The company Changchun Xuyang Faurecia Acoustics & Soft Trim Co., Ltd., 40% held by Faurecia, has been consolidated by equity method from July 1, 2012, as well as the company Amminex, now held at 42% by Faurecia, as of December 1st, 2012.



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 Technology 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 2013

<i>(in € millions)</i>	Interior Modules	Other Modules	Other	Total
Sales	5,102.0	4,189.3	159.0	9,450.3
Inter-segment eliminations	(22.1)	(4.2)	(159.0)	(185.3)
Consolidated sales	5,079.9	4,185.1	0.0	9,265.0
Operating income (loss) before allocation of costs	166.1	92.8	(2.7)	256.2
Allocation of costs	(1.7)	(1.0)	2.7	0.0
Operating income	164.4	91.8	0.0	256.2
Other non-operating income				0.4
Other non-operating expense				(41.6)
Finance costs, net				(97.1)
Other financial income and expense				(17.3)
Corporate income tax				(43.9)
Share of net income of associates				5.2
Net Income (Loss) of continued operations				61.9
Net Income (Loss) of discontinued operations				(1.8)
NET INCOME (LOSS)				60.1
Segment assets				
Net Property, plant and equipment, net	1,155.6	836.8	20.5	2,012.9
Other segment assets	3,474.2	2,144.9	(20.1)	5,599.0
TOTAL SEGMENT ASSETS	4,629.8	2,981.7	0.4	7,611.9
Investments in associates				72.3
Equity interests				14.2
Short and long-term financial assets				923.8
Tax assets (current and deferred)				159.2
Assets held for sale				5.6
TOTAL ASSETS				8,787.0
Segment liabilities	2,725.6	1,895.4	140.7	4,761.7
Borrowings				2,556.4
Tax liabilities (current and deferred)				48.6
Liabilities linked to assets held for sale				14.3
Equity and minority interests				1,406.0
TOTAL LIABILITIES				8,787.0
Capital expenditure	135.9	99.1	8.3	243.3
Depreciation of items of property, plant and equipment	(105.5)	(59.8)	(1.2)	(166.5)
Impairment of property, plant and equipment	(2.1)	(0.7)		(2.8)
Headcounts	67,402	29,102	1,910	98,414


First-half 2012

<i>(in € millions)</i>	Interior Modules	Other Modules	Other	Total
Sales	4,756.7	4,036.9	172.2	8,965.8
Inter-segment eliminations	(23.4)	(5.6)	(172.2)	(201.2)
Consolidated sales	4,733.3	4,031.3	0.0	8,764.6
Operating income (loss) before allocation of costs	185.8	132.2	(14.0)	304.0
Allocation of costs	(8.8)	(5.2)	14.0	0.0
Operating income	177.0	127.0	0.0	304.0
Other non-operating income				14.6
Other non-operating expense				(50.9)
Finance costs, net				(73.7)
Other financial income and expense				(15.2)
Corporate income tax				(48.1)
Share of net income of associates				14.0
Net Income (Loss) of continued operations				144.7
Net Income (Loss) of discontinued operations				(2.4)
NET INCOME (LOSS)				142.3
Segment assets				
Net Property, plant and equipment, net	1,118.4	759.6	16.2	1,894.2
Other segment assets	3,305.6	2,027.5	5.3	5,338.4
TOTAL SEGMENT ASSETS	4,424.0	2,787.1	21.5	7,232.6
Investments in associates				62.8
Equity interests				34.6
Short and long-term financial assets				868.4
Tax assets (current and deferred)				137.9
Assets held for sale				39.0
TOTAL ASSETS				8,375.3
Segment liabilities	2,668.8	1,801.6	135.0	4,605.4
Borrowings				2,326.3
Tax liabilities (current and deferred)				48.9
Liabilities linked to assets held for sale				64.4
Equity and minority interests				1,330.3
TOTAL LIABILITIES				8,375.3
Capital expenditure	139.0	111.4	15.5	265.9
Depreciation of items of property, plant and equipment	(96.7)	(54.1)	(2.0)	(152.8)
Impairment of property, plant and equipment	(0.6)			(0.6)
Headcounts	63,688	26,961	1,724	92,373

Full Year 2012

<i>(in € millions)</i>	Interior Modules	Other Modules	Other	Total
Sales	9,551.5	7,873.6	324.5	17,749.6
Inter-segment eliminations	(42.9)	(17.7)	(324.5)	(385.1)
Consolidated sales	9,508.6	7,855.9	0.0	17,364.5
Operating income (loss) before allocation of costs	325.5	191.9	(1.2)	516.2
Allocation of costs	(0.7)	(0.4)	1.2	0.1
Operating income	324.8	191.5	0.0	516.3
Other non-operating income				15.5
Other non-operating expense				(102.7)
Finance costs, net				(165.2)
Other financial income and expense				(31.9)
Corporate income tax				(67.4)
Share of net income of associates				23.6
Net income of continued operations				188.2
Net income of discontinued operations				(2.6)
NET INCOME (LOSS)				185.6
Segment assets				
Property, plant and equipment, net	1,136.0	813.8	22.4	1,972.2
Other segment assets	3,138.7	1,948.8	50.4	5,137.9
TOTAL SEGMENT ASSETS	4,274.7	2,762.6	72.8	7,110.1
Investments in associates				85.2
Equity interests				13.4
Short and long-term financial assets				703.3
Tax assets (current and deferred)				149.7
Assets held for sale				8.7
TOTAL ASSETS				8,070.4
Segment liabilities	2,401.0	1,651.5	133.8	4,186.3
Borrowings				2,435.7
Tax liabilities (current and deferred)				47.7
Liabilities linked to assets held for sale				46.2
Equity and minority interests				1,354.5
TOTAL LIABILITIES				8,070.4
Capital expenditure	292.7	241.5	23.1	557.3
Depreciation of items of property, plant and equipment	(206.8)	(114.6)	(1.4)	(322.8)
Impairment of property, plant and equipment	(4.1)			(4.1)
Headcounts	64,478	27,641	1,799	93,918



4.2 Sales by operating segment

<i>(in € millions)</i>	First-half 2013	%	First-half 2012	%	Full-year 2012	%
Interior Modules						
- Automotive Seating	2,718.6	29	2,668.5	30	5,155.9	30
- Interior Systems	2,361.3	25	2,064.8	24	4,352.7	25
	5,079.9	54	4,733.3	54	9,508.6	55
Other Modules						
- Emissions Control Technology	3,200.0	35	3,155.0	36	6,079.5	35
- Automotive Exteriors	985.1	11	876.3	10	1,776.4	10
	4,185.1	46	4,031.3	46	7,855.9	45
TOTAL	9,265.0	100	8,764.6	100	17,364.5	100

4.3 Sales by major customer

Sales by major customer* break down as follows:

<i>(in € millions)</i>	First-half 2013	%	First-half 2012	%	Full-year 2012	%
VW group	1,802.4	20	1,856.3	21	3,523.1	20
PSA Peugeot Citroën	1,202.0	13	1,219.5	14	2,263.2	13
Ford group	1,218.5	13	927.1	11	2,079.9	12
Renault-Nissan	768.6	8	780.5	9	1,509.5	9
GM	625.6	7	721.1	8	1,356.7	8
BMW	590.6	6	551.4	6	1,106.6	6
Others	3,057.3	33	2,708.7	31	5,525.5	32
TOTAL	9,265.0	100	8,764.6	100	17,364.5	100

* Invoiced sales.

The presentation of sales invoiced may differ from sales by end customer when products are sold to intermediary assemblers.

NOTE 5

OPERATING COSTS

5.1 Analysis by function

<i>(in € millions)</i>	First-half 2013	First-half 2012	Full-year 2012
Cost of sales	(8,559.4)	(8,024.8)	(16,038.7)
Research and development costs	(146.4)	(142.7)	(239.6)
Selling and administrative expenses	(303.0)	(293.1)	(569.9)
TOTAL	(9,008.8)	(8,460.6)	(16,848.2)

5.2 Analysis by nature

<i>(in € millions)</i>	First-half 2013	First-half 2012	Full-year 2012
Purchases consumed	(6,403.3)	(6,073.1)	(11,983.4)
External costs	(855.5)	(824.0)	(1,629.0)
Personnel costs	(1,682.9)	(1,620.6)	(3,182.9)
Taxes other than on income	(25.2)	(31.1)	(59.7)
Other income and expenses *	190.9	299.4	442.5
Depreciation, amortization and provisions for impairment in value of non-current assets	(254.2)	(230.5)	(495.7)
Charges to and reversals of provisions	21.4	19.3	60.0
TOTAL	(9,008.8)	(8,460.6)	(16,848.2)

* Including production taken into inventory or capitalized 191.3 294.9 427.6

The CICE (tax credit for competitiveness and employment) has been allocated to personnel costs.

5.3 Research and development costs

<i>(in € millions)</i>	First-half 2013	First-half 2012	Full-year 2012
Research and development costs, gross	(466.8)	(466.0)	(943.0)
- Amounts billed to customers and changes in inventories	278.2	302.6	595.9
- Capitalized development costs	120.9	89.7	263.9
- Amortization of capitalized development costs	(79.0)	(68.5)	(158.9)
- Charges to and reversals of provisions for impairment of capitalized development costs	0.3	(0.5)	2.5
NET EXPENSE	(146.4)	(142.7)	(239.6)



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

<i>(in € millions)</i>	First-half 2013	First-half 2012	Full-year 2012
Amortization of capitalized development costs	(79.0)	(68.5)	(158.9)
Amortization of other intangible assets	(11.1)	(9.9)	(21.4)
Depreciation of specific tooling	1.0	2.8	4.1
Depreciation and impairment of other items of property, plant and equipment	(165.4)	(154.4)	(322.0)
Provisions for impairment of capitalized development costs	0.3	(0.5)	2.5
TOTAL	(254.2)	(230.5)	(495.7)

NOTE 6

OTHER NON OPERATING INCOME AND EXPENSE

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

OTHER NON-OPERATING INCOME

<i>(in € millions)</i>	First-half 2013	First-half 2012	Full-year 2012
Provision for contingencies	0.1	0.0	0.0
Badwill from the acquisition of Saline plant	0.0	13.8	15.5
Other	0.3	0.8	0.0
TOTAL	0.4	14.6	15.5

OTHER NON-OPERATING EXPENSE

<i>(in € millions)</i>	First-half 2012	First-half 2012	Full-year 2012
Reorganization expenses *	(39.2)	(42.8)	(83.7)
Losses on disposal of assets	(0.1)	0.0	(0.3)
Other	(2.3)	(8.1)	(18.7)
TOTAL	(41.6)	(50.9)	(102.7)

* As of June 30, 2013 this item includes restructuring costs in the amount of €37,1 million and provisions for impairment in value of non-current assets in the amount of €2,1 million versus respectively, €79,4 million and €4,3 million for full year 2012, and €42,2 million and €0,6 million as of June 30, 2012.

NOTE 7 OTHER FINANCIAL INCOME AND EXPENSE

<i>(in € millions)</i>	First-half 2013	First-half 2012	Full-year 2012
Impact of discounting pension benefit obligations	(4.3)	(5.2)	(10.1)
Changes in the ineffective portion of currency hedges	(0.1)	0.8	0.6
Changes in fair value of currency hedged relating to debt	2.9	2.6	0.6
Changes in fair value of interest rate hedges	0.2	1.6	1.4
Translation differences on borrowings	(3.8)	(8.3)	(10.0)
Gains on sales of securities	0.0	0.0	0.0
Other	(12.2)	(6.7)	(14.4)
TOTAL	(17.3)	(15.2)	(31.9)

NOTE 8 CORPORATE INCOME TAX

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

<i>(in € millions)</i>	First-half 2013	First-half 2012	Full-year 2012
Pre-tax income of consolidated companies	100.6	178.8	232.0
<i>Tax rate at 36.1%</i>	<i>(36.3)</i>	<i>(64.5)</i>	<i>(83.8)</i>
Effect of rate changes on deferred taxes recognized on the balance sheet	(6.1)	(2.8)	(13.4)
Effect of local rate differences	14.6	17.8	26.5
Tax credits	2.8	11.7	11.6
Change in unrecognized deferred tax	(16.6)	9.1	16.9
Permanent differences & others	(2.3)	(19.4)	(25.2)
Corporate tax recognized	(43.9)	(48.1)	(67.4)

Deferred tax assets are not recognized for tax loss carryforwards that are not certain of being utilized. As of June 30, 2013, these assets amounted to €746.2 million, compared with €730.9 million as of December 31, 2012.



NOTE 9

EARNINGS PER SHARE

	First-half 2013	First-half 2012	Full-year 2012
Number of shares outstanding at end of period	110,838,945	110,833,745	110,833,745
Adjustments:			
- treasury stock	(47,345)	(48,887)	(41,979)
- weighted impact of share issue prorated	(2,413)	(447,500)	(222,527)
Weighted average number of shares before dilution	110,789,187	110,337,358	110,569,239
Weighted impact of dilutive instruments:			
- Stock options	0	0	0
- Free shares attributed	262,600	366,600	291,200
- Bonds with conversion option	0	4,723,144	2,599,982
Weighted average number of shares after dilution	111,051,787	115,427,102	113,460,421

Basic and diluted earnings per share (in €)

	First-half 2013	First-half 2012	Full-year 2012
Net income (Loss) (in € millions)	35.3	120.8	143.5
Basic earnings (loss) per share	0.32	1.09	1.30
After dilution	0.32	1.05	1.26
Net Income (Loss) of continued operations (in € millions)	37.1	123.2	146.1
Basic earnings (loss) per share	0.34	1.12	1.32
After dilution	0.33	1.06	1.28

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

<i>(in € millions)</i>	Gross	Impairment	Net
Net carrying amount as of January 1, 2012	1,771.2	(510.6)	1,260.6
Acquisitions and minority interest buyouts	40.2	0.0	40.2
Translation adjustments and other movements	(0.9)	0.1	(0.8)
Net carrying amount as of December 31, 2012	1,810.5	(510.5)	1,300.0
Acquisitions and minority interest buyouts	2.8	0.0	2.8
Translation adjustments and other movements	(0.8)	0.3	(0.6)
Net carrying amount as of June 30, 2013	1,812.5	(510.2)	1,302.2

Net goodwill breaks down as follows by business:

<i>(in € millions)</i>	June 30, 2013	Dec. 31, 2012
Automotive Seating	792.4	792.4
Emissions Control Technology	338.7	339.3
Interior Systems	45.6	45.6
Automotive Exteriors	125.5	122.7
TOTAL	1,302.2	1,300.0

There was no indication that any goodwill was to be impaired at June 30, 2013.

NOTE 11

INVESTMENTS IN ASSOCIATES

As of June 30, 2013 this item broke down as follows:

<i>(in € millions)</i>	% interest *	Group share of equity **	Dividends received by the Group	Group share of sales	Group share of total assets
Teknik Malzeme	50	4.7	0.0	22.5	28.7
Aminex Emissions Systems APS	50	8.3	0.0	0.1	11.4
Changchun Huaxiang Faurecia Automotive Plastic Components Co Ltd	50	5.4	0.0	24.5	34.0
Changchun Xuyang Faurecia Acoustic & Soft Trim Co.Ltd	40	5.6	0.0	3.6	10.8
Detroit Manufacturing Systems LLC	45	0.2	0.0	76.5	22.5
Zhejiang Faurecia Limin Interior & Exterior Systems Company Ltd	50	2.3	0.0	0.4	10.4
Jinan Faurecia Limin Interior & Exterior Systems Company Ltd	50	2.4	0.0	0.0	3.1
Other **	-	9.0	0.0	116.8	75.0
TOTAL	-	37.9	0.0	244.4	195.9
SAS group	50	34.4	(20.0)	776.1	286.9
TOTAL	-	72.3	(20.0)	1,020.5	482.8

* Percent interest held by the company that owns the shares.

**As the Group's share of some company's net equity is negative it is recorded under liabilities as a provision for contingencies and charges.



11.1 Movements in investments in associates

<i>(in € millions)</i>	First-half 2013	First-half 2012	Full-year 2012
Group share of equity at beginning of period	85.2	71.0	71.0
Dividends	(20.0)	(25.0)	(25.0)
Share of net income of associates	5.2	14	23.6
Change in scope of consolidation	1.1	2.2	17.1
Capital increase	0.0	0.0	0.0
Currency translation adjustments	0.8	0.6	(1.5)
Group share of equity at end of period	72.3	62.8	85.2

11.2 Group share of assets and liabilities of associates

<i>(in € millions)</i>	June 30, 2013	Dec. 31, 2012
Fixed assets	92.5	89.7
Current assets	355.2	306.1
Cash and cash equivalents	35.1	68.6
TOTAL ASSETS	482.8	464.4
Equity	67.0	78.3
Borrowings	41.7	41.8
Other non-current liabilities	10.5	14.8
Non-current financial liabilities	363.5	329.5
TOTAL EQUITY AND LIABILITIES	482.8	464.4

NOTE 12

TRADE ACCOUNTS RECEIVABLE

Under trade receivables sale programs, the Group can sell a portion of the receivables of a number of its French and German and other subsidiaries to a group of financial institutions, transferring substantially all of the risks and rewards relating to the receivables sold to the financial institutions concerned. These sales are performed monthly.

The following table shows the amount of sold receivables with maturities beyond June 30, 2013 for which substantially all the risks and rewards have been transferred, and which have therefore been derecognized as well as the financing under these programs – corresponding to the cash received as consideration for the receivables sold –

<i>(in € millions)</i>	June 30, 2013	Dec. 31, 2012
Financing	609.8	435.8
Guarantee reserve deducted from borrowings	(13.8)	(15.9)
Cash received as consideration for receivables sold	596.0	419.9
Receivables sold and derecognized	(452.6)	(313.0)

Individually impaired trade receivables are as follows:

<i>(In € millions)</i>	June 30, 2013	Dec. 31, 2012
Gross total trade receivables	2,038.5	1,720.3
Provision for impairment of receivables	(21.2)	(17.5)
TOTAL TRADE ACCOUNTS RECEIVABLE, NET	2,017.3	1,702.8

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, 2013, past due trade accounts receivable represented €111,9 million, breaking down as follows:

- €61,4 million less than one month past due;
- €12,7 million between one and two months past due;
- €7,4 million between two and three months past due;
- €10,5 million between three and six months past due;
- €19,9 million more than six months past due.

NOTE 13

OTHER NON-CURRENT FINANCIAL ASSETS

<i>(In € millions)</i>	June 30, 2013			Dec. 31, 2012
	Gross	Provisions	Net	Net
Loans with maturity longer than one year	38.2	(9.5)	28.7	29.0
Interest rate derivatives	0.1	0.0	0.1	0.0
Other	32.7	(5.8)	26.9	25.2
TOTAL	71.0	(15.3)	55,7	54,2

NOTE 14

EQUITY

14.1 Capital stock and additional paid-in capital

As of June 30, 2013 the Company's capital stock totalled €775,872,615 divided into 110,838,945 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, 2013, a total of 1,117,170 stock subscription options were outstanding.



Exercising these options would result in:

- capital stock being increased by €7.8 million;
- additional paid-in capital being increased by €39.8 million.

Details of the stock subscription option plans as of June 30, 2013 are set out in the table below:

Date of Shareholders' Meeting	Date of Board meeting	Adjusted number of options granted	Including granted to senior executive management	Start of exercise period		Options exercised	Options cancelled	Adjusted number of options outstanding as of June 30, 2013
	Adjusted exercise price (in €)			Last exercise date				
May 14, 2002	April 14, 2004	313,560	127,530	April 14, 2008	April 13, 2014	-	153,270	160,290
May 25, 2004	April 19, 2005	321,750	142,740	April 18, 2009	April 18, 2015	-	129,870	191,880
May 23, 2005	April 13, 2006	340,800	168,000	April 12, 2010	April 12, 2016	-	142,200	198,600
May 23, 2005	April 16, 2007	346,200	172,800	April 17, 2011	April 17, 2017	-	91,200	255,000
May 29, 2007	April 10, 2008	357,000	174,000	April 10, 2012	April 10, 2016	-	45,600	311,400
TOTAL								1,117,170

B – SHARE GRANTS

In 2010 Faurecia implemented a share grant policy 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.

Detail of the share grant plans open as of June 30, 2013 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		Performance condition
		reaching the objective	exceeding the objective	
May 26, 2011	July 25, 2011	640,000	832,000	2013 pretax income target as stated in mid term plan when granted
May 26, 2011	July 23, 2012	770,500	1,001,650	2014 pretax income target as stated in mid term plan when granted and earning per share of Faurecia compared to a reference group of companies

* Net of free shares granted cancelled.

Following the achievement of the performance condition for the first plan, 465,400 shares have been attributed in 2012 and 262,600 remain to be attributed. No shares have been attributed for the second plan, as the performance condition has not been met.

NOTE 15 LONG-AND SHORT-TERM PROVISIONS**15.1 Long and short term provisions****LONG-TERM PROVISIONS**

<i>(in € millions)</i>	June 30, 2013	Dec. 31, 2012
Provisions for pensions and other employee obligations		
- Pension obligations	245.6	251.3
- Long-service awards	23.9	22.8
- Healthcare costs	23.5	25.6
SUB TOTAL	293.0	299.7
Provisions for early retirement costs	0.6	1.1
TOTAL LONG-TERM PROVISIONS	293.6	300.8

SHORT-TERM PROVISIONS

<i>(in € millions)</i>	June 30, 2013	Dec. 31, 2012
Restructuring	127.7	153.0
Risks on contracts and customer warranties	73.8	86.7
Litigation	26.3	27.6
Other	45.9	53.9
TOTAL SHORT-TERM PROVISIONS	273.7	321.2

15.2 Provisions for pensions and other post employment benefits**A – ASSUMPTIONS USED**

<i>(in %)</i>	Euro zone	United Kingdom	United States
DISCOUNT RATE			
06/30/2013	3.20%	4.42%	4.66%
12/31/2012	3.00%	4.22%	3.79%
06/30/2012	3.50%	4.75%	4.23%
INFLATION RATE			
06/30/2013	1.80%	2.92%	2.00%
12/31/2012	1.80%	2.65%	2.00%
06/30/2012	1.80%	2.57%	2.00%

Nota: the iboxx AA note has been used as reference to determine the discount rate for the euro zone.



B – IMPACTS OF THE APPLICATION OF IAS 19 AMENDMENT ON PREVIOUSLY PUBLISHED INFORMATION

<i>(in € millions)</i>	12/31/2012 IAS 19R			12/31/2012 IAS 19		
	France	Abroad	Total	France	Abroad	Total
Projected benefit obligations	(130.2)	(261.4)	(391.6)	(130.2)	(261.4)	(391.6)
Value of plan assets	16.8	98.2	115.0	16.8	98.2	115.0
Surplus or (deficit)	(113.4)	(163.0)	(276.4)	(113.4)	(163.0)	(276.4)
Actuarial gains and losses	-	-	-	14.4	58.5	72.9
Past service costs	-	-	-	11.2	-	11.2
(Provisions) assets net	(113.4)	(163.0)	(276.4)	(87.8)	(104.5)	(192.4)
<i>of which provision for pension</i>	<i>(113.9)</i>	<i>(163.0)</i>	<i>(276.9)</i>	<i>(88.3)</i>	<i>(104.7)</i>	<i>(193.1)</i>
<i>of which assets (plan surplus)</i>	<i>0.5</i>	<i>-</i>	<i>0.5</i>	<i>0.5</i>	<i>0.2</i>	<i>0.7</i>
Impact directly booked in equity (after deferred taxes)	25.5	58.1	83.6			

Healthcare costs are included in the above presented impacts.

As of June 30, 2012, the adoption of the amendment to the standard IAS 19 would have lead to fully accrue for the obligation net of the value of the plan assets, meaning an increase of €46.6 millions.

C – RECONCILIATION OF BALANCE SHEET AS OF JUNE 30, 2013

<i>(in € millions)</i>	06/30/2013 IAS 19R		
	France	Abroad	Total
Projected benefit obligations	(125.8)	(252.0)	(377.8)
Value of plan assets	11.6	97.6	109.2
(Provisions) assets net	(114.2)	(154.4)	(268.6)
<i>of which provision for pension</i>	<i>(114.7)</i>	<i>(154.4)</i>	<i>(269.1)</i>
<i>of which assets (plan surplus)</i>	<i>0.5</i>		<i>0.5</i>
Impact directly booked in equity (after deferred taxes) on the period	3.1	8.9	12.0

NOTE 16 NET DEBT

<i>(in € millions)</i>	June 30, 2013	Dec. 31, 2012
Bonds	1,147.3	1,140.0
Bank borrowings	522.9	490.5
Other borrowings	3.2	4.2
Obligations under finance lease	31.7	29.3
Non-current derivatives	4.4	7.1
SUB-TOTAL NON-CURRENT FINANCIAL LIABILITIES	1,709.5	1,671.1
Current portion of long term debt	163.7	74.2
Short-term borrowings ⁽¹⁾	677.4	684.1
Payments issued ⁽²⁾ (A)	4.5	0.0
Current derivatives	1.3	6.3
SUB-TOTAL CURRENT FINANCIAL LIABILITIES	846.9	764.6
TOTAL	2,556.4	2,435.7
Derivatives classified under non-current and current assets	(1.6)	(0.6)
Cash and cash equivalents (B)	(846.5)	(628.0)
NET DEBT	1,708.3	1,807.1
Net cash and cash equivalent (B) - (A)	842.0	628.0

(1) Including bank overdrafts.

118.4 163.6

(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 Financing

The main components of Faurecia financing are described herebelow.

2016 BONDS

On November 9, 2011 Faurecia issued €350 million worth of bonds, due December 15, 2016. The bonds bear annual interest of 9.375% payable on June 15 and December 15 each year, as from June 15, 2012; they have been issued at 99.479% of the nominal value. An additional €140 million has been issued on February 21, 2012 with the same due date and same interest rate, at 107.5% of the nominal value; they are listed on the Luxembourg stock exchange. They include a covenant restricting the additional indebtedness if the EBITDA after some adjustments is lower than 2.5 times the gross interest costs, and restrictions on the debt similar to the ones of the syndicated credit loan. The costs related to the bond issue are expensed in P&L over the life time of the bonds. The 2016 bonds benefit from guarantees from some group affiliates.

2019 BONDS

On May 3, 2012 Faurecia issued €250 million worth of bonds, due June 15, 2019. The bonds bear annual interest of 8.75% payable on June 15 and December 15 each year, as from June 15, 2012; they have been issued at 99.974% of the nominal value and are listed on the Luxembourg stock exchange. They include the same covenants as the bonds due December 2016. They do not benefit from guarantees from Group affiliates. The costs related to the bond issue are expensed in P&L over the life time of the bonds.



SYNDICATED BANK LOAN

The syndicated bank loan implemented on December 20, 2011 is divided into a €41 million tranche expiring in December 2014, a €649 million tranche expiring in December 2015, after the exercise of the first option to extend its duration for one year and benefiting from a second option to extend the expiration to December 2016, and a €460 million tranche expiring in December 2016. As of June 30, 2013 the undrawn portion of this credit facility was €800 million.

The contracts relating to this credit facility include covenants, concerning compliance with consolidated financial ratios. The compliance with these ratios is a condition to the availability of this credit facility. As of June 30, 2013, the Group complied with all of these ratios, of which the amounts are presented below:

- Net debt */EBITDA ** <2.50;
- EBITDA **/net interests >4.50.

* Net debt = published consolidated net debt.

** Operating income plus depreciation, amortization and funding of provisions for impairment of property, plant and equipment and intangible assets, corresponding to the past twelve months.

Furthermore, this credit facility includes some restrictive clauses on asset disposals (disposal representing over 15% of the Group's total consolidated assets requires the prior approval of banks representing two-thirds of the syndicate) and on the debt level of some subsidiaries. The syndicated bank loan benefits from guarantees from some Group affiliates.

OCEANE 2018

On September 18, 2012 Faurecia issued €250 million worth of OCEANE bonds convertible into or exchangeable for new or existing shares, due January 1, 2018. The bonds mature on January 1, 2018 and bear annual interest of 3.25% payable on January 1 each year, as from January 1, 2013. Each bond has a nominal value of €19.48. Subject to certain conditions, Faurecia may redeem the bonds early, at any time beginning on January 15, 2016, 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 clause of change of control, but, as a difference to the convertible bonds 2015, they do not include an ownership 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 €198.3 million and €46.5 million. As of June 30, 2013 the liability component was €205.2 million.

OCEANE 2015

On November 26, 2009 Faurecia issued €211.3 million worth of OCEANE bonds convertible into or exchangeable for new or existing shares, due January 1, 2015. 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 early, at any time beginning on 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 an ownership 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, 2013 the liability component was €202.2 million.

16.2 Analysis of borrowings by interest rate and currency

As of June 30, 2013, 52% of the Group's borrowings were at variable rates before taking into account the impact of hedging, representing €1,330 million. Interest on variable rate borrowings has been partially hedged with a maturity within the next 2 years (see Note 17.2).

<i>(in € millions)</i>	June 30, 2013	
Variables rate borrowings	1,330.0	52.0%
Fixed rate borrowings	1,226.4	48.0%
TOTAL	2,556.4	100.0%

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

<i>(in € millions)</i>	June 30, 2013		Dec. 31, 2012	
Euros	1 789.4	70.0%	1,866.9	76.6%
US Dollar	510.6	20.0%	380.0	15.6%
Other currencies	256.4	10.0%	188.8	7.8%
TOTAL	2,556.4	100.0%	2,435.7	100.0%

The weighted average interest rate on outstanding borrowings was 6.33% for the first half of 2013.

16.3 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 (measured using a valuation technique based on rates quoted on the interbank market, such as Euribor and exchange rates set daily by the European Central Bank) for currency and interest rate instruments.



16.4 Financial instruments recorded in the balance sheet

FINANCIAL INSTRUMENTS RECORDED IN THE BALANCE SHEET

	June 30, 2013		Breakdown by category of instrument ⁽¹⁾				
	Carrying amount	Fair value	Financial assets / liabilities at fair value through profit or loss ⁽²⁾	Financial assets / liabilities at fair value through equity ⁽²⁾	Available-for-sale assets	Loans and receivables	Financial liabilities measured at amortized cost
<i>(in € millions)</i>							
Other equity interests	14.2	14.2			14.2		
Other non-current financial assets	55.7	55.7				55.7	
Trade accounts receivables	2 017.3	2 017.3				2 017.3	
Other operating receivables	348.8	348.8				348.8	
Other receivables and prepaid expenses	169.6	169.6				169.6	
Currency derivatives	2.5	2.5	1.6	0.9			
Interest rate derivatives	0.1	0.1		0.1			
Cash and cash equivalent	846.5	846.5	846.5				
FINANCIAL ASSETS	3 454.7	3 454.7	848.1	1.0	14.2	2 591.4	0.0
Long-term debt *	1705.1	1 917.4					1 705.1
Short-term debt	846.9	846.9					846.9
Prepayments from customers	158.1	158.1				158.1	
Trade payables	3 277.8	3 277.8				3 277.8	
Accrued taxes and payroll costs	611.3	611.3				611.3	
Sundry payables	182.6	182.6				182.6	
Currency derivatives	6.4	6.4	1.5	4.9			
Interest rate derivatives	4.6	4.6		4.6			
FINANCIAL LIABILITIES	6 792.8	7 005.1	1.5	9.5	0.0	4 229.8	2 552.0

(1) No financial instruments were transferred between categories during the period.

(2) All of the instruments in this category are financial assets or liabilities designated as measured at fair value through profit or loss on initial recognition as defined in Note 1.6 to the consolidated financials statements of the 2012 Registration document.

* The market value of OCEANE was established on the base of the end of period valuation (June 30, 2013) for the OCEANE 2009 of €21,25, at €240,2 million and for the OCEANE 2012 of €23, at €295,2 million.

In the balance sheet, OCEANE are recorded, on the one hand, as an amount of the component for bonds with no conversion option and, on the other hand, as a registered component of Shareholder's equity that represents the value of the conversion option.

The market value of the bonds was established on the base of the end of period valuation (June 30, 2013) before interest due respectively of 113,25% for the bond 2016, at €554,9 million and of 106,65% for the bond 2019, at €266,6 million.

	Dec. 31, 2012		Breakdown by category of instrument ⁽¹⁾				
	Carrying amount	Fair value	Financial assets / liabilities at fair value through profit or loss ⁽²⁾	Financial assets / liabilities at fair value through equity ⁽²⁾	Available-for-sale assets	Loans and receivables	Financial liabilities measured at amortized cost
<i>(in € millions)</i>							
Other equity interests	13.4	13.4			13.4		
Other non-current financial assets	54.2	54.2				54.2	
Trade accounts receivables	1,702.8	1,702.8				1,702.8	
Other operating receivables	357.8	357.8				357.8	
Other receivables and prepaid expenses	150.0	150.0				150.0	
Currency derivatives	3.5	3.5	1.2	2.3			
Interest rate derivatives	0.0	0.0					
Cash and cash equivalent	628.0	628.0	628.0				
FINANCIAL ASSETS	2,909.7	2,909.7	629.2	2.3	13.4	2,264.8	0.0
Long-term debt *	1,664.0	1,830.1					1,664.0
Short-term debt	758.3	758.3					758.3
Prepayments from customers	170.3	170.3				170.3	
Trade payables	2,754.0	2,754.0				2,754.0	
Accrued taxes and payroll costs	519.1	519.1				519.1	
Sundry payables	154.4	154.4				154.4	
Currency derivatives	4.3	4.3	4.3				
Interest rate derivatives	9.9	9.9	1.2	8.7			
FINANCIAL LIABILITIES	6,034.3	6,200.4	5.5	8.7	0.0	3,597.8	2,422.3

(1) No financial instruments were transferred between categories in 2012.

(2) All of the instruments in this category are financial assets or liabilities designated as measured at fair value through profit or loss on initial recognition, in accordance with the criteria as defined in Note 1.6 to the consolidated financial statements of the 2012 Registration document.

* The market value of OCEANE was established on the base of the end of year valuation (Dec. 31, 2012) for the OCEANE 2009 of €20,1, at €227,2 million and for the OCEANE 2012 of €18,8, at €241,2 million.

In the balance sheet, OCEANE are recorded, on the one hand, as an amount of the component for bonds with no conversion option and, on the other hand, as a registered component of Shareholder's equity that represents the value of the conversion option.

The market value of the bonds was established on the base of the end of year valuation (Dec. 31, 2012) respectively of €116,5 for the bond 2016, at €570,9 million and of €105,25 for the bond 2019, at €263,1 million.



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 eurozone 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:

As of June 30, 2013 (in € millions)	Carrying amount			Maturities		
	Assets	Liabilities	Notional amount *	< 1 year	1 to 5 years	> 5 years
Fair value hedges						
- forward currency contracts	0.0	(0.5)	4.6	4.6		
- inter-company loans in foreign currencies swapped for euros	1.5	(0.9)	756.0	756.0		
- cross-currency swaps	0.0	(0.6)	38.2	38.2		
Cash flow hedges						
- forward currency contracts	0.9	(4.9)	219.8	219.8		
Not eligible for hedge accounting	0.1	0.0	24.3	24.3		
TOTAL	2.5	(6.9)				

* Notional amounts based on absolute values.

As of Dec. 31, 2012 (in € millions)	Carrying amount			Maturities		
	Assets	Liabilities	Notional amount *	< 1 year	1 to 5 years	> 5 years
Fair value hedges						
- forward currency contracts	0.0	(0.3)	6.0	6.0	0.0	
- inter-company loans in foreign currencies swapped For euros	0.6	(3.2)	755.9	755.9	0.0	
- cross-currency swap	0.0	(0.3)	37.9	0.0	37.9	
Cash flow hedges						
- forward currency contracts	2.8	(0.4)	136.0	136.0	0.0	
Not eligible for hedge accounting	0.1	(0.1)	30.5	30.5	0.0	
TOTAL	3.5	(4.3)				

* 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 eventually dollar-denominated swaps. They cover a part of the interest payable from 2013 to 2015 against a rise in rates.

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:

As of June 30, 2013 (in € millions)	Carrying amount		Notional amounts by maturity		
	Assets	Liabilities	< 1 year	1 to 5 years	> 5 years
Interest rate options					
Variable-rate rate/ fixed rate swaps	0.1	(4.6)	25	470	
Accrued premiums payable					
TOTAL	0.1	(4.6)	25	470	-

As of Dec. 31, 2012 (in € millions)	Carrying amount		Notional amounts by maturity		
	Assets	Liabilities	< 1 year	1 to 5 years	> 5 years
Interest rate options					
Variable-rate rate/ fixed rate swaps		(9.9)	223	420	
Accrued premiums payable					
TOTAL	0.0	(9.9)	223	420	-

NOTE 18

COMMITMENTS GIVEN

(in € millions)	June 30, 2013	Dec. 31, 2012
Future minimum lease payments under operating leases	327.9	335.1
Debt collateral:		
- mortgages	10.8	14.8
- other debt guarantees	43.4	46.2
- firm orders for property, plant and equipment and intangible assets	104.8	122.7
- other	1.9	3.0
TOTAL	488.8	521.8



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:

<i>(in € millions)</i>	June 30 2013	Dec. 31, 2012
Sales	1,202.0	2,263.2
Purchases of products, services and materials	9.0	14.2
Receivables *	501.9	399.9
Payables	33.5	44.0
<i>* After no-recourse sales of receivables amounting to:</i>	<i>197.6</i>	<i>136.2</i>

NOTE 20

EVENTS AFTER THE BALANCE SHEET DATE

No significant post-balance sheet events have occurred since June 30, 2013.



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**Statement by the person
responsible for the 2013
half year financial report**



Statement by the person responsible for the 2013 half year financial report

I hereby declare that, to the best of my knowledge, the condensed interim consolidated financial statements for the six-month period ended June 30, 2013 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, 2013

Yann Delabrière

Chairman and Chief Executive Officer



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Statutory Auditors' review report on the half year financial information



Statutory Auditors' review report on the half year financial information

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

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 six months ended June 30, 2013;
- 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 – the standard of IFRSs as adopted by the European Union applicable to interim financial information.

Without qualifying our opinion, we draw your attention to the note 1B to the consolidated financial statements which sets out the effects of the application of the amendment to IAS 19 "Employee Benefits".

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, 2013

The Statutory Auditors
French original signed by:

PricewaterhouseCoopers Audit
Eric Bertier

ERNST & YOUNG Audit
Denis Thibon

