(incorporated under the laws of France as a *société anonyme à conseil d'administration, i.e.,* a limited liability company)

€140,000,000
9.375% Senior Notes due 2016
guaranteed on a senior unsecured basis by certain subsidiaries
to be consolidated and form a single series with the €350,000,000 9.375% Senior Notes due 2016 issued on 9 November 2011

Faurecia (the "**Issuer**" or "**Faurecia**") is offering €140,000,000 principal amount of its 9.375% Guaranteed Senior Notes due 2016 (the "**Additional Notes**"). The Additional Notes offered hereby constitute a reopening of the €350,000,000 principal amount of 9.375% Guaranteed Senior Notes due 2016 that Faurecia issued on 9 November 2011 (the "**Existing Notes**", and together with the Additional Notes, the "**Notes**"). The Additional Notes are constituted by a trust deed to be dated as of the date the Additional Notes are to be issued, supplemental to the trust deed dated 9 November 2011 pursuant to which the Issuer issued the Existing Notes. The Additional Notes have the same terms as, and will be consolidated with and form a single series with, the Existing Notes in all respects, including without limitation in respect of interest payments, waivers, amendments, redemptions and offers to purchase. The Additional Notes will have a separate ISIN number and Common Code, and will trade separately from the Existing Notes, until 25 March 2012, after which date the Additional Notes will trade interchangeably with the Existing Notes. Upon completion of this offering, €490,000,000 principal amount of Notes will be outstanding.

The Existing Notes were issued pursuant to an offering circular dated 3 November 2011 (the "**Original Offering Circular**"), which is incorporated by reference into this Offering Circular Supplement. Investors should read the Original Offering Circular together with this Offering Circular Supplement in connection with a decision to invest in the Additional Notes.

The Issuer will pay interest on the Notes semi-annually in arrears on 15 June and 15 December of each year, commencing on 15 June 2012. The Issuer will make the first payment on 15 June 2012 for interest accrued (or deemed to have accrued) and unpaid from 9 November 2011, the issue date of the Existing Notes. The Notes will mature on 15 December 2016.

The Additional Notes will be senior unsecured obligations of Faurecia and will be initially guaranteed on a senior unsecured basis (the "**Guarantees**") by certain of Faurecia's subsidiaries (the "**Guarantors**"). The Additional Notes will rank equally with all of Faurecia's existing and future unsecured senior debt and senior to all of its existing and future subordinated debt. The Guarantees will rank equally with all of the Guarantors' existing and future unsecured senior debt and senior to all of their existing or future subordinated debt. The Additional Notes and the Guarantees will be effectively subordinated to all secured indebtedness, if any, of Faurecia and the Guarantors, respectively, to the extent of the value of the assets securing such indebtedness, if any. The Additional Notes will also be effectively junior to all obligations of Faurecia's subsidiaries that do not guarantee the Additional Notes.

At any time prior to the maturity date of the Notes, the Issuer may, at its option and on one or more occasions, redeem up to 35% of the outstanding principal amount of Notes with the net proceeds from one or more specified equity offerings at a redemption price equal to 109.375% of the principal amount thereof, plus accrued and unpaid interest, if any. In the event of certain developments affecting taxation, the Issuer may redeem all, but not less than all, of the Notes at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any. Prior to the maturity date of the Notes, the Issuer will also be entitled, at its option, to redeem the Notes in whole or in part at a redemption price equal to 100% of the principal amount thereof plus the relevant "make-whole" premium. In addition, holders of the Notes may cause the Issuer to repurchase the Notes at a price equal to 101% of the outstanding principal amount thereof, plus accrued and unpaid interest, if any, if the Issuer undergoes specific kinds of changes of control.

Application has been made to have the Additional Notes admitted to listing on the official list of the Luxembourg Stock Exchange (the "**Official List**") and admitted to trading on the Euro MTF market, where the Existing Notes are already admitted to trading. References in this Offering Circular Supplement to the Additional Notes being "listed" (and all related references) shall mean that the Additional Notes have been admitted to the Official List and admitted to trading on the Euro MTF market.

Investing in the Additional Notes involves risks. You should carefully consider the risk factors beginning on page 15 of the Original Offering Circular before investing in the Additional Notes.

The Additional Notes will be in registered form in denominations of €100,000 and integral multiples of €1,000 in excess thereof. The Additional Notes will be represented on issue by one or more global notes, which will be delivered through Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme*, on or about 21 February 2012 or such later date as agreed between the Issuer and Managers (as such term is defined under "Subscription and Sale of the Additional Notes").

Issue Price: 107.5%, plus accrued interest, if any, from 9 November 2011.

The Additional Notes and Guarantees will be offered and sold in offshore transactions outside the United States in reliance on Regulation S under the US Securities Act of 1933, as amended (the "Securities Act"). The Additional Notes and the Guarantees have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Joint Bookrunning Managers

Joint Global Coordinators

Crédit Agricole CIB **NATIXIS** **BNP PARIBAS** **Societé Générale Corporate & Investment Banking**

Co-Manager

Citigroup

The date of this Offering Circular Supplement is 14 February 2012.

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THE OFFERING CIRCULAR SUPPLEMENT

This offering circular supplement (the "**Offering Circular Supplement**") has been prepared solely for use in connection with, and prospective investors are authorised to use this Offering Circular Supplement only in connection with, a private placement of the Additional Notes by Faurecia to institutional investors outside of the United States. Faurecia and the Managers reserve the right to reject any offer to subscribe for the Additional Notes for any reason. You may not reproduce or distribute this Offering Circular Supplement, in whole or in part, and you may not disclose any of the contents of this Offering Circular Supplement, including the Original Offering Circular (defined below), or use any information herein for any purpose other than considering subscribing for the Additional Notes. You agree to the foregoing by accepting delivery of this Offering Circular Supplement.

This Offering Circular Supplement is a supplement to, and should be read together with, the Issuer's Offering Circular dated 3 November 2011 (the "**Original Offering Circular**"), which was prepared in connection with the offer and sale of the Existing Notes. This Offering Circular Supplement, taken together with the Original Offering Circular (but subject to the next paragraph), is referred to as the "**Offering Circular**".

To the extent that there is any inconsistency between (a) any statement in this Offering Circular Supplement (including the 2011 Results Report, defined below), and (b) any statement in the Original Offering Circular, the statements in this Offering Circular Supplement will prevail. In particular (and without limitation):

- Information in the Original Offering Circular relating to the Issuer's results of operations and financial condition as of and for the six months ended 30 June 2011 and as of and for the three months and nine months ended 30 September 2011 is superseded (to the extent inconsistent) by the information in the 2011 Results Report;
- Information in the Original Offering Circular under the heading "Capitalisation and Indebtedness" is superseded by the information in this Offering Circular Supplement under the heading "Capitalisation and Indebtedness";
- Certain information in the Original Offering Circular under the heading "Taxation—French Tax Considerations" is superseded to account for the Revised 2011 Budget Act enacted on 29 December 2011 which amended, effective 1 January 2012, the rates of the withholding tax set out under Article 119 bis 2 of the French general tax code. As a result, the withholding tax rates of 25% and 50% referred to thereunder are replaced respectively by the rates of 30% and 55%. Thus, the second paragraph under the heading "Payment on the Notes" on page 153 of the Original Offering Circular is superseded and replaced by the following paragraph:

  > "Furthermore, according to Article 238 A of the *Code général des impôts*, interest and other revenues will not be deductible from our taxable income if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid to a bank account opened in a financial institution located in such a Non-Cooperative State. Under certain conditions, any such non-deductible interest or other revenues may be re-characterised as constructive dividends pursuant to Articles 109 *et seq*. of the *Code général des impôts*, in which case such non-deductible interest and other revenues may be subject to the withholding tax provided under Article 119- *bis* 2 of the same Code, at a rate of 30% or 55%, subject to the more favorable provisions of any applicable double tax treaty (Ruling (rescrit) No. 2010/30 of the *Direction Générale des Finances Publiques* dated 4 May 2010)."; and

- Information in the Original Offering Circular relating to the offer and sale of the Existing Notes, including the names of the Managers and the information therein under the headings "Stabilisation", "Use of Proceeds", "Sources and Uses of Funds" and "Subscription and Sale of the Notes", is either inapplicable to the Additional Notes or superseded by the information contained in this Offering Circular Supplement.

Capitalised terms used in this Offering Circular Supplement without definition have the respective meanings assigned to them in the Original Offering Circular.

The Additional Notes offered hereby will constitute "Additional Notes" issued pursuant to Condition 2.2 described under "Terms and Conditions of the Notes" in the Original Offering Circular.

Annex A to this Offering Circular Supplement includes the Issuer's Annual Results 2011 report (the "**2011 Results Report**"), which contains the Issuer's Business Review and consolidated financial statements for the fiscal year ended 31 December 2011, prepared in accordance with IFRS as adopted by the European Union and the related audit report. The 2011 Results Report is also available on the Issuer's website at: www.faurecia.com.

The Offering Circular is a prospectus for the purpose of the Luxembourg law dated 10 July 2005 on prospectuses for securities.

IMPORTANT INFORMATION ABOUT THE OFFERING CIRCULAR

No person has been authorised to give any information or to make any representations in connection with the offering or sale of the Additional Notes other than as contained or incorporated by reference in this Offering Circular, and, if given or made, such information or representations must not be relied upon as having been authorised by Faurecia, the Managers, any of their affiliates, or by any other person. See "Incorporation of Certain Documents by Reference".

None of Faurecia, the Managers or any of their affiliates or representatives is making any representation to any recipient of the Additional Notes regarding the legality of an investment by such purchaser of the Additional Notes under appropriate legal investment or similar laws. Neither the delivery of this Offering Circular nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of Faurecia or its subsidiaries since the date hereof or that the information contained herein is correct and complete as of any time subsequent to the date hereof.

Faurecia has prepared this Offering Circular and is solely responsible for its contents. You are responsible for making your own examination of Faurecia and your own assessment of the merits and risks of investing in the Additional Notes. Faurecia has summarised certain documents and other information in a manner it believes to be accurate. However, Faurecia refers you to the actual documents for a more complete understanding of the matters discussed in this Offering Circular. Where information has been sourced from a third party, we confirm that this information has been accurately reproduced and that as far as we are aware and are able to ascertain from information published by third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Where third party information has been included, its source has been stated.

This Offering Circular has been prepared by Faurecia on the basis that any purchaser of the Additional Notes is a person or entity having such knowledge and experience of financial matters as to be capable of evaluating the merits and risks of such purchase. Before making any investment decision with respect to the Additional Notes, potential investors should conduct such independent investigation and analysis regarding Faurecia and the Additional Notes as they deem appropriate to evaluate the merits and risks of such investment. In making any investment decision with respect to the Additional Notes, investors must rely (and will be deemed to have relied) solely on their own independent examination of Faurecia and the terms of the Additional Notes, including the merits and risks involved. Before making any investment decision with respect to the Additional Notes, prospective investors should consult their own counsel, accountants, or other advisers, and carefully review and consider such investment decision in light of the foregoing.

To the best of its knowledge and belief, having taken all reasonable care to ensure that such is the case, Faurecia pledges the information contained or incorporated by reference in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information. Faurecia accepts responsibility for the information contained or incorporated by reference in this Offering Circular accordingly.

Neither Faurecia nor the Managers nor any of their respective affiliates or representatives is making any representation to you regarding the legality of an investment in the Additional Notes, and you should not construe anything in this Offering Circular as legal, business, tax or other advice. You should consult with your own advisors as needed to assist you in making your investment decision and to advise you whether you are legally permitted to purchase the Additional Notes.

No representation or warranty, express or implied, is made by the Managers or any of their respective affiliates or advisors or selling agents, nor any of their respective representatives, as to the accuracy or completeness of the information set forth herein, and nothing contained or incorporated by reference in this Offering Circular is, or shall be relied upon as, a promise or representation by any of them, whether as to the past or the future.

Investors are urged to pay careful attention to the risk factors described under the section "Risk Factors" of the Original Offering Circular, as well as the other information contained herein, before making their investment decision. The occurrence of one or more of the risks described therein could have an adverse effect on Faurecia's activities, financial condition or results of operations. Furthermore, other risks not yet identified or not considered significant by Faurecia could have adverse effects, and investors may lose all or part of their investment.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

We are incorporating by reference into this Offering Circular Supplement the Original Offering Circular, which is available on the on the website of the Luxembourg Stock Exchange at www.bourse.lu.

This Offering Circular Supplement must be read in conjunction with the Original Offering Circular, which together constitute the Offering Circular for the Additional Notes (except for any superseded information as described under "The Offering Circular Supplement" above).

STABILISATION

In connection with the issue of the Additional Notes, Crédit Agricole Corporate and Investment Bank (the "**Stabilising Manager**") (or any person acting on behalf of the Stabilising Manager) may over allot Additional Notes or effect transactions with a view to supporting the market price of the Existing Notes and the Additional Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Additional Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Additional Notes and 60 days after the date of the allotment of the Additional Notes. Any stabilisation action or over allotment must be conducted by the relevant Stabilising Manager (or person(s) acting on behalf of any Stabilising Manager) in accordance with all applicable laws and rules.

IMPORTANT INFORMATION ABOUT JURISDICTIONAL AND SELLING RESTRICTIONS

General

This Offering Circular does not constitute an offer to sell or an invitation to subscribe for or purchase any of the Additional Notes in any jurisdiction in which such offer or invitation is not authorised or to any person to whom it is unlawful to make such an offer or invitation. The distribution of this Offering Circular Supplement and the offer or sale of the Additional Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Offering Circular comes are required to inform themselves about and to observe any such restrictions.

No action has been taken in any jurisdiction that would permit a public offering of the Additional Notes. No offer or sale of the Additional Notes may be made in any jurisdiction except in compliance with the applicable laws thereof. You must comply with all laws that apply to you in any place in which you buy, offer or sell any Additional Notes or possess this Offering Circular.

For a description of certain restrictions relating to the offer and sale of the Additional Notes, see "Subscription and Sale of the Additional Notes" in this Offering Circular Supplement. Faurecia accepts no liability for any violation by any person, whether or not a prospective purchaser of the Additional Notes, of any such restrictions.

United States

The Additional Notes have not been and will not be registered under the US Securities Act of 1933, as amended (the "**Securities Act**"), and may be offered and sold only outside the United States in "offshore transactions" as defined in, and in accordance with, Regulation S under the Securities Act ("**Regulation S**").

Accordingly, the offer is not being made in the United States and this document does not constitute an offer, or an invitation to apply for, or an offer or invitation to purchase or subscribe for, any Additional Notes in the United States.

Any person who subscribes or acquires Additional Notes will be deemed to have represented, warranted and agreed, by accepting delivery of this Offering Circular or delivery of the Additional Notes, that it is subscribing or acquiring the Additional Notes in compliance with Rule 903 of Regulation S in an "offshore transaction" as defined in Regulation S.

In addition, until 40 days after the commencement of the offering of the Additional Notes, an offer or sale of the Additional Notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Notice to Prospective Investors in the United Kingdom

This Offering Circular is for distribution only to, and is only directed at, persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, (the "**Financial Promotion Order**"), (ii) are persons falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the Financial Promotion Order or (iii) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any Additional Notes may otherwise lawfully be communicated (all such persons together being referred to as "**relevant persons**"). This Offering Circular is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons. The Additional Notes are being offered solely to "qualified investors" as defined in the Prospectus Directive and accordingly the offer of Additional Notes is not subject to the obligation to publish a prospectus within the meaning of the Prospectus Directive. Further information with regard to restrictions on offers, sales and deliveries of the Additional Notes and the distribution of this Offering Circular and other offering material relating to the Additional Notes is set out under "Subscription and Sale of the Additional Notes."

Notice to Prospective Investors in the European Economic Area

With respect to each member state of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date"), no offer has been made and no offer will be made of the Additional Notes to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Additional Notes that has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that, with effect from and including the Relevant Implementation Date, an offer of the Additional Notes may be made to the public in that Relevant Member State:

a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the Managers; or

c) in any other circumstances not requiring us to publish a prospectus pursuant to Article 3(2) of the Prospectus Directive.

As used in this paragraph, the expression "offer of Additional Notes to the public" in relation to any Additional Notes in a given Relevant Member State means any communication to persons in any form and by any means, presenting sufficient information on the terms of the offer and the Additional Notes to be offered, so as to enable an investor to decide to purchase or subscribe for these Additional Notes, as this definition may have been amended in the Relevant Member State by any measure implementing the Prospectus Directive in that relevant Member State. The expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

These restrictions on sale concerning Relevant Member States are in addition to any other restrictions on sale applicable in the Relevant Member States having implemented the Prospectus Directive.

This Offering Circular has been prepared on the basis that all offers of the Additional Notes in any Relevant Member State will be made pursuant to an exemption under the Prospectus Directive, as amended, as implemented in the Relevant Member States, from the requirement to produce a prospectus for offers of the Additional Notes. Accordingly, any person making or intending to make any offer within the European Economic Area of the Additional Notes that are the subject of the placement contemplated in this Offering Circular should only do so in circumstances in which no obligation will arise for us or the Managers to produce a prospectus pursuant to Article 3(2) of the Prospectus Directive for such offer. Neither we nor the Managers have authorised, nor do we or they authorise, the making of any offer of the Additional Notes through any financial intermediary, other than offers made by the Managers, which constitutes the final placement of the Additional Notes contemplated in this Offering Circular.

Notice to Prospective Investors in France

This Offering Circular has not been prepared and is not being distributed in the context of a public offering of securities in France within the meaning of Article L. 411-1 of the French *Code monétaire et financier* and, therefore, this Offering Circular or any other offering material relating to the Additional Notes have not been and will not be filed with the French *Autorité des marchés financiers* for prior approval or submitted for clearance to the French *Autorité des marchés financiers* and, more generally, no prospectus has been prepared in connection with the offering of the Additional Notes that has been approved by the French *Autorité des marchés financiers* or by the competent authority of another state that is a contracting party to the Agreement on the European Economic Area and notified to the French *Autorité des marchés financiers*; no Additional Notes have been offered or sold nor will be offered or sold, directly or indirectly, to the public in France; this Offering Circular and any other offering material relating to the Additional Notes have not been distributed or caused to be distributed and will not be distributed or caused to be distributed to the public in France; offers, sales and distributions of the Additional Notes have been and shall only be made in France to (i) persons licensed to provide the investment service of portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), (ii) qualified investors (*investisseurs qualifiés*) investing for their own account and/or (iii) a restricted circle of investors (*cercle restreint d'investisseurs*) investing for their own account, all as defined in and in accordance with Articles L. 411-2, D. 411-1 to D. 411-4 of the French C*ode monétaire et financier*. The direct or indirect distribution to the public in France of any Additional Notes so acquired may be made only as provided by Articles L. 411-1 to L. 411-4, L. 412-1 and L. 621-8 to L. 621-8-3 of the French *Code monétaire et financier* and applicable regulations thereunder.

Notice to Prospective Investors in Canada, Australia and Japan

The Additional Notes may not be offered, sold or purchased in Canada, Australia or Japan.

SUMMARY

The following summary highlights selected information contained elsewhere or incorporated by reference in this Offering Circular Supplement. Accordingly, this summary may not contain all of the information that may be important to you. We urge you to carefully read and review this document in order to fully understand our company. You should also read the "Risk Factors" section in the Original Offering Circular to determine whether an investment in the Additional Notes is appropriate for you.

OUR COMPANY

We are one of the world's largest automotive equipment suppliers. We develop, manufacture and sell original equipment for vehicles, through our four main business lines: Automotive Seating, Interior Systems, Emissions Control Technologies and Automotive Exteriors. Our portfolio includes high quality, award winning, technologically advanced products based on proprietary expertise. We have close relationships with substantially all of the world's major automobile manufacturers, and we work closely with our customers to develop product designs and features that enhance our presence and leading market positions.

2011 RESULTS

On 8 February 2012, we announced our annual results for 2011. In the year ended 31 December 2011, our consolidated sales were €16,190 million, a 17.4% increase compared to 2010, or 15.0% on a like-for-like basis (at constant exchange rates and scope). Product sales (deliveries of parts and components to automakers) were €12,391 million in 2011, an increase of 15.8% compared to 2010, and a 12.9% increase on a like-for-like basis.

Compared with 2010, product sales growth in 2011 reflects:

- continued strong business expansion in North America, with an increase of 32.6%, or 32.6% on a like-for-like basis, and an increase of 14.8% in South America, or 17.2% on a like-for-like basis;
- accelerated business development in Asia, with an increase of 15.4%, or 16.1% on a like-for-like basis; and
- sustained growth in Europe, with an increase of 11.0%, or 6.2% on a like-for-like basis.

Our four business lines recorded strong product sales growth compared with 2010, including:

- Automotive Exteriors: an increase of 30.1%, or 10.9% on a like-for-like basis;
- Emissions Control Technologies (excluding catalytic converter monoliths): an increase of 18.4%, or 20.7% on a like-for-like basis;
- Interior Systems: an increase of 16.7%, or 14.1% on a like-for-like basis; and
- Automotive Seating: an increase of 9.8%, or 8.3% on a like-for-like basis.

In 2011, our operating income was €651 million, compared to €456 million in 2010, an increase of 43%. Net income in 2011 was €371 million, an increase of 84% compared to 2010.

For more information, see the 2011 Results Report included as Annex A to this Offering Circular Supplement, which includes our Business Review and our consolidated financial statements for the fiscal year ended 31 December 2011.

NEW SENIOR CREDIT FACILITIES

We signed a New Senior Credit Agreement on 20 December 2011 with BNP Paribas, Crédit Agricole Corporate and Investment Bank, Natixis and Société Générale, among others, to establish a new €1,150 million syndicated multi-currency revolving credit facility with those banks and other participating banks. The New Senior

Credit Facilities are divided into a €690 million tranche expiring on 20 December 2014, with the possibility of certain extensions, and a €460 million tranche expiring on 20 December 2016.

The terms of the New Senior Credit Agreement are described under the heading “Description of Other Indebtedness – New Senior Credit Facilities” in the Original Offering Circular. We repaid the Existing Senior Credit Facilities and the PSA Loan on 20 December 2011, concurrently with the signature of the New Senior Credit Agreement.

THE OFFERING OF THE ADDITIONAL NOTES

The summary below describes the principal terms of the offering of the Additional Notes. Some of the terms and conditions described below are subject to important limitations and exceptions. You should carefully read the "Terms and Conditions of the Notes" section of the Original Offering Circular for a more detailed description of the terms and conditions of the Additional Notes.

Issuer..	Faurecia, a company with limited liability (*société anonyme*) incorporated under the laws of the Republic of France (the "**Issuer**").
Guarantors...	Certain subsidiaries as listed in "Listing and General Information – The Guarantors" and any other subsidiary of the Issuer that may in the future guarantee the Notes pursuant to the terms and conditions of the Notes and the Trust Deed. As of the date of this Offering Circular Supplement, the Guarantors include: Faurecia Automotive do Brasil Ltda, Faurecia Emissions Control Technologies do Brasil Ltda (being the surviving company of the merger of Faurecia Emissions Control Technologies, Limeira with Faurecia Sistemas de Escapamento do Brasil Ltda), Financière Faurecia, Faurecia Intérieur Industrie, Faurecia Bloc Avant, Faurecia Sièges d'Automobile, Faurecia Automotive Industrie, Faurecia Systèmes d'Echappement, Trecia, Faurecia Innenraum Systeme GmbH, Faurecia Autositze GmbH, Faurecia Exteriors GmbH, Faurecia Kunststoffe Automobilsysteme GmbH, Faurecia Abgastechnik GmbH, Faurecia Sistemas Automotrices de Mexico S.A. de C.V., ET Mexico Holdings I, S. de R.L. de C.V., Faurecia Exhaust Mexicana S.A. de C.V., Faurecia Walbrzych S.A. (formerly Faurecia Walbrzych Sp.Zo.o), Faurecia Gorzow S.A. (formerly Faurecia Gorzow Sp.Zo.o), Faurecia Automotive Polska S.A. (formerly Faurecia Automotive Polska Sp.Zo.o), Faurecia Sistemas de Escape España S.A., Faurecia Interior Systems España S.A., Faurecia Automotive Exteriors España S.A., SAI Automotive Fradley Ltd, Faurecia Automotive Seating UK Limited, SAI Automotive Washington Limited, Faurecia Automotive Seating, LLC, Faurecia Interior Systems, Inc. and Faurecia Exhaust Systems, Inc. (together, the "**Initial Guarantors**"). By 15 April 2012, the Guarantors will also include Faurecia Automotive España, S.L. and Asientos de Galicia, S.L., upon their conversion into *sociedades anonimas*, or certain other subsidiaries should such conversion not occur (the "**Additional Guarantors**").
Additional Notes Offered.................	€140,000,000 aggregate principal amount of 9.375% Guaranteed Senior Notes due 2016 (the "**Additional Notes**"). The Additional Notes constitute a reopening of the €350 million principal amount of 9.375% Guaranteed Senior Notes due 2016 that Faurecia issued on 9 November 2011 (the "**Existing Notes**" and, together with the Additional Notes, the "**Notes**"). The Additional Notes have the same terms as, and will be consolidated with and form a single series with, the Existing Notes in all respects, including without limitation in respect of interest payments, waivers, amendments, redemptions and offers to purchase.
Maturity Date....................................	15 December 2016 (the same as the maturity date of the Existing Notes).
Issue Price..	107.5% (plus accrued interest from 9 November 2011).
Interest Payment Dates....................	Semi-annually in arrears on 15 June and 15 December of each year, commencing on 15 June 2012.

Interest Commencement Date	Interest will accrue from 9 November 2011 (as if the Additional Notes had been issued on such date) and will be computed on the basis of a 360 day year comprised of twelve 30 day months.
Denomination	€100,000 and integral multiples of €1,000 in excess thereof.
Ranking	The Additional Notes will be senior unsecured obligations of the Issuer and will: • rank *pari passu* in right of payment with all existing and future unsecured senior indebtedness of the Issuer, including indebtedness under the New Senior Credit Agreement; • rank senior in right of payment to any future subordinated obligations of the Issuer; • rank effectively junior to all existing and future secured indebtedness of the Issuer to the extent of the value of the assets securing such indebtedness; and • rank structurally subordinate to all existing and future indebtedness and other liabilities of the Issuer's subsidiaries (except to the extent of the Guarantees). As of 31 December 2011, the gross debt of the Issuer's Restricted Subsidiares which are not Guarantors amounted to €233.6 million.
Guarantees	The Additional Notes are guaranteed on a senior unsecured basis by the Guarantors. The Guarantees provided by certain Guarantors are subject to limitations under the laws of the relevant Guarantor's jurisdiction of organisation. See "Risk Factors – Risks Relating to the Notes and the Guarantees – The guarantees may be significantly limited by applicable laws or subject to certain limitations or defences" in the Original Offering Circular. The Guarantees will rank equally with all of the Guarantors' existing and future unsecured senior debt and senior to all of their existing or future subordinated debt. The Guarantees will be effectively subordinated to all secured indebtedness, if any, of the relevant Guarantors to the extent of the value of the assets securing such indebtedness, if any. The Guarantees of the Additional Notes are being provided by the same Guarantors that have guaranteed the Existing Notes, on terms that are identical to the guarantees provided in respect of the Existing Notes. Upon the issuance of the Additional Notes, the Guarantees (and the guarantees provided at the time of the issuance of the Existing Notes) will apply equally and without distinction to the Additional Notes and the Existing Notes. The limitations applicable to the Guarantees (and the guarantees provided at the time of issuance of the Existing Notes) will apply on a single, cumulative, and *pari passu* basis to the Additional Notes and the Existing Notes.
Optional Redemption	At any time prior to the maturity date of the Notes, the Issuer may, at its option and on one or more occasions, redeem up to 35% of the outstanding principal amount of Notes with the net proceeds from one or more specified equity offerings at a redemption price equal to 109.375% of the principal amount thereof, plus accrued and unpaid interest, if any.

Prior to the maturity date of the Notes, the Issuer will also be entitled, at its option, to redeem the Notes in whole or in part at a redemption price equal to 100% of the principal amount thereof plus the relevant "make-whole" premium. See "Terms and Conditions of the Notes – Condition 3: Optional Redemption" in the Original Offering Circular.

Additional Amounts .... Any payments made by the Issuer with respect to the Notes will be made without withholding or deducting for taxes in any relevant taxing jurisdiction, unless required by law. If the Issuer is required by law to withhold or deduct for such taxes with respect to a payment to the holders of the Notes, the Issuer will pay the additional amounts necessary (subject to certain exceptions) so that the net amount received by the holders of the Additional Notes after the withholding is not less than the amount they would have received in the absence of the withholding, subject to certain exceptions. The same undertakings with respect to any withholding taxes imposed by the relevant taxing jurisdictions will apply to the Guarantors. See "Terms and Conditions of the Notes – Condition 4: Taxation" in the Original Offering Circular.

Tax Redemption................................. The Issuer may, but is not required to, redeem the Notes at any time in whole, but not in part, at a price equal to 100% of the principal amount thereof plus accrued and unpaid interest, if any, to the date of redemption in the event the Issuer or a Guarantor has become or would become obligated to pay "additional amounts" as a result of certain changes in tax laws or their interpretation. See "Terms and Conditions of the Notes – Condition 4: Taxation" in the Original Offering Circular.

Change of Control .... Upon the occurrence of certain specified changes of control, the holders of the Notes will have the right to require the Issuer to repurchase all or part of the Notes at a purchase price equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. See "Terms and Conditions of the Notes – Condition 5: Change of Control" in the Original Offering Circular.

Supplemental Trust Deed................. The Additional Notes will be issued pursuant to a supplemental trust deed dated 21 February 2012 (the "**First Supplemental Trust Deed**") to the trust deed dated 9 November 2011 pursuant to which the Existing Notes were issued (the "**Original Trust Deed**" and, together with the First Supplemental Trust Deed, the "**Trust Deed**").

Covenants .... The Trust Deed will, among other things, limit the ability of the Issuer and of the restricted subsidiaries to:

- incur or guarantee additional indebtedness;
- make restricted payments and investments;
- transfer or sell assets or subsidiary stock;
- create liens;
- merge or consolidate with other entities;
- enter into transactions with affiliates; and
- enter into arrangements that limit the ability of restricted subsidiaries to pay dividends or make other payments to the Issuer.

	Each of the covenants is subject to a number of important exceptions and qualifications. See "Terms and Conditions of the Notes – Condition 7: Covenants" in the Original Offering Circular. Certain of the above covenants will be suspended upon achievement and during maintenance of investment grade status for the Notes, in the event that the Notes have been assigned at least two of the following ratings: (x) BBB- or higher by S&P, (y) Baa3 or higher by Moody's or (z) BBB- or higher by Fitch. See "Terms and Conditions of the Notes – Condition 8: Suspension of Covenants During Achievement of Investment Grade Status" in the Original Offering Circular.
Form of Additional Notes.................	The Additional Notes will be represented on issue by one or more global notes which will be delivered through Euroclear Bank S.A./N.V., and Clearstream Banking, *société anonyme*. Interests in a global note will be exchangeable for the relevant definitive Additional Notes only in certain limited circumstances, described under "Book-Entry, Delivery and Form" in the Original Offering Circular.
Transfer Restrictions........................	The Additional Notes and the Guarantees have not been and will not be registered under the Securities Act or the securities laws of any other jurisdiction. The Additional Notes offered hereby are being offered and sold to investors outside the United States in reliance on Regulation S under the Securities Act. See "Subscription and Sale of the Additional Notes".
Use of Proceeds	In connection with the offering of the Additional Notes, Faurecia will receive net proceeds of approximately €152.4 million, which includes premium and accrued interest amounts, net of deduction of estimated costs and underwriting commissions. These net proceeds will be used primarily to reduce its outstanding debt, including the repayment of part of the revolving indebtedness under the New Senior Credit Facilities. See "Use of Proceeds".
Listing..	Application has been made to admit the Additional Notes to the Official List of the Luxembourg Stock Exchange and admit the Additional Notes for trading on the Euro MTF market. The Additional Notes will trade separately from the Existing Notes until 25 March 2012.
Global Note Codes	The Additional Notes offered hereby have been accepted for clearance through Euroclear and Clearstream, Luxembourg. Through 25 March 2012 (the 40th day following the commencement of the offering of the Additional Notes), the Additional Notes will have the following temporary ISIN and Common Code numbers: ISIN: XS0748128054 Common Code: 074812805 Thereafter, the Additional Notes will have the same ISIN and Common Code numbers as the Existing Notes: ISIN: XS0704870392 Common Code: 070487039
Trustee...	Citibank, N.A., London Branch
Principal Paying Agent	Citibank, N.A., London Branch

Governing Law of the Notes, the Trust Deed and the Guarantees...	England and Wales
Risk Factors	You should refer to "Risk Factors" beginning on page 15 of the Original Offering Circular for a description of certain risks involved in investing in the Additional Notes.

SUMMARY HISTORICAL FINANCIAL AND OPERATING DATA

The summary financial data set forth below has been prepared on the basis of the audited consolidated financial statements of Group for the years ended 31 December 2009, 2010 and 2011. The Group's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

Summary Group consolidated income statement data

	For the year ended 31 December		
(in € millions)	**2009**	**2010**	**2011**
Sales	**9,292.2**	**13,795.9**	**16,190.2**
Product sales[1]	7,590.3	10,695.8	12,391.1
Cost of sales	(8,840.1)	(12,593.3)	(14,806.4)
Research and development costs	(207.9)	(303.2)	(222.3)
Selling and administrative expenses	(335.9)	(443.8)	(510.6)
Operating income / (loss)	**(91.7)**	**455.6**	**650.9**
Other operating income and expense	(134.1)	(36.0)	(57.9)
Income from loans, cash investments and marketable securities	12.3	8.1	10.6
Finance costs	(135.3)	(98.7)	(109.1)
Other financial income and expense	(43.9)	(25.6)	(19.0)
Consolidated net income / (loss) attributable to equity owners of the parent	**(433.6)**	**201.7**	**371.3**

(1) See "Presentation of Financial and Other Information – Presentation of Product Sales" on page vi of the Original Offering Circular for a definition of "Product sales".

Summary Group consolidated cash flow statement data

	For the year ended 31 December		
(in € millions)	**2009**	**2010**	**2011**
Net cash provided (used) by:			
Operating activities	87.4	724.1	725.5
Investing activities	(309.2)	(394.0)	(697.5)
Financing activities	171.8	(112.2)	(9.9)

Summary Group consolidated balance sheet data

	As of 31 December		
(in € millions)	**2009**	**2010**	**2011**
Cash and cash equivalents	357.8	605.8	630.1
Intangible assets	396.9	435.2	464.2
Property, plant and equipment	1,224.6	1,575.5	1,733.4
Inventories, net	438.6	734.0	885.4
Trade accounts receivable	1,025.9	1,387.7	1,620.2
Total assets	**4,892.9**	**6,480.4**	**7,264.6**
Total equity attributable to equity owners of the parent	**256.9**	**810.5**	**1,153.9**

Other consolidated Group financial and operating data

	For the year ended 31 December		
(in € millions)	**2009**	**2010**	**2011**
EBITDA[1]	395.3	941.2	1,104.5
Finance Costs	(135.3)	(98.7)	(109.1)
Capital expenditure	(169.1)	(304.3)	(451.4)
Capitalised development costs	(104.4)	(154.3)	(178.9)

Net debt [2]	1,401.2	1,196.8	1,224.1
Net debt to EBITDA	3.5x	1.3x	1.1x
EBITDA to cash interest expense [3]			10.6x
Adjusted ratio of EBITDA to cash interest expense [4]			7.6x

(1) EBITDA is a non-IFRS measure, defined as operating income before charges for depreciation, amortisation and provisions for impairment in the value of non-current assets. It should not be considered as an alternative to operating income, net income, cash flow from operating activities or as a measure of liquidity. Companies with similar or different activities may calculate EBITDA differently than Faurecia.

(2) Net debt is total non-current and current financial liabilities, less derivatives classified under non-current and current assets, less cash and cash equivalents.

(3) Cash interest expense is finance costs less the amortisation of the equity component of the OCEANE (convertible bonds) issued in 2009 and due in 2015. This amortisation expense was €4.91 million for the year ended 31 December 2011.

(4) The adjusted ratio of EBITDA to cash interest expense is based on a calculation of EBITDA for the year ended 31 December 2011. For this purpose, we have assumed that the Notes (including the Additional Notes and the Existing Notes) were issued and the New Senior Credit Agreement was entered into as of 1 January 2011.

EBITDA reconciliation

	For the year ended 31 December		
(in € millions)	**2009**	**2010**	**2011**
Operating income / (loss)	**(91.7)**	**455.6**	**650.9**
Amortisation of capitalised development costs	(161.1)	(175.5)	(141.7)
Depreciation and impairment of PP&E items	(306.3)	(323.7)	(314.0)
Provisions for impairment of capitalised development costs	(19.6)	13.6	2.1
EBITDA	**395.3**	**941.2**	**1,104.5**

USE OF PROCEEDS

In connection with the offering of the Additional Notes, Faurecia will receive net proceeds of approximately €152.4 million, which includes premium and accrued interest amounts, net of deduction of estimated costs and underwriting commissions.

Faurecia will use the net proceeds of the offering of the Additional Notes primarily to reduce its outstanding debt, including the repayment of part of the revolving indebtedness under the New Senior Credit Facilities. Faurecia does not intend to reduce the commitments under the New Senior Credit Facilities, and repaid amounts may be redrawn in the future.

CAPITALISATION AND INDEBTEDNESS

The following table sets forth Faurecia's cash and cash equivalents, total financial debt and total capitalisation as at 31 December 2011 on a historical basis and as adjusted to reflect the completion of the offering of the Additional Notes made hereby and the use of the net proceeds as set forth under "Use of Proceeds". You should read this table in conjunction with the information in the 2011 Results Report included as Annex A to this Offering Circular Supplement.

	As at 31 December 2011	
(in € millions)	**Historical**	**As adjusted** *(unaudited)*
Cash and cash equivalents	630.1	630.1
Other current financial assets included in Net debt	1.5	1.5
Total cash and cash equivalents	631.6	631.6
Short-term borrowings(1)	573.7	573.7
Current portion of long-term debt	36.0	36.0
Other current financial liabilities	5.9	5.9
Total current financial liabilities	**615.6**	**615.6**
New Senior Credit Facilities (excluding current portion)(2)	490.0	337.6
OCEANE (convertible bonds)	195.4	195.4
Existing Notes	348.2	348.2
Other long-term debt	200.6	200.6
Additional Notes offered hereby(3)	--	152.4
Other non-current financial liabilities	5.9	5.9
Total long-term debt	**1,240.1**	**1,240.1**
Minority Interests	**113.5**	**113.5**
Total equity(4)	**1,153.9**	**1,153.9**
Total capitalisation	**3,123.1**	**3,123.1**

(1) Short-term borrowings include commercial paper.

(2) For illustrative purposes, in the table above we have applied the net proceeds of the offering of the Additional Notes to the repayment of outstanding revolving indebtedness under the New Senior Credit Facilities. We do not intend to reduce the commitments under the New Senior Credit Facilities, and repaid amounts may be redrawn in the future.

(3) Based on amortised cost method, gross proceeds of €154.2 million, including a €10.5 million premium on a €140.0 million principal amount of Additional Notes at an issue price of 107.50% plus €3.7 million in accrued interest at a rate of 9.375%, less estimated transaction expenses of €1.8 million.

(4) Includes €772.6 million of share capital, €282.4 million of share premium, €(357.1) million of reserves and €371.3 million of current period net income. As of 31 December 2011, Faurecia had 110,368,345 shares outstanding (including 46,872 treasury shares), and was authorised to issue approximately 60 million additional shares (directly or by issuing securities giving access to capital such as convertible bonds).

Since 31 December 2011, we have drawn down certain additional amounts under the New Senior Credit Facilities for general corporate purposes to address seasonality in our operations and planned capital expenditures.

SUBSCRIPTION AND SALE OF THE ADDITIONAL NOTES

Each of the Managers, in their capacities as initial purchasers, pursuant to a purchase agreement, dated 14 February 2012 (the "**Purchase Agreement**"), has agreed with us, subject to the satisfaction of certain conditions, to subscribe and pay for the Additional Notes at the initial purchase price specified therein, less subscription and underwriting fees and certain expenses to be agreed between us and the Managers. The Purchase Agreement entitles the Managers to terminate the Purchase Agreement in certain circumstances prior to payment being made to the Issuer.

The Managers are BNP Paribas, Citigroup Global Markets Limited, Crédit Agricole Corporate and Investment Bank, Natixis and Société Générale (together, the "**Managers**").

We have been advised by each Manager that it proposes to resell the Additional Notes outside the United States to persons in offshore transactions in reliance on Regulation S and in accordance with applicable law.

Pursuant to the Purchase Agreement, the Issuer has agreed to indemnify the Managers against certain liabilities.

The Additional Notes will be issued in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof.

This Offering Circular has been prepared by us for use in connection with the offer and sale of the Additional Notes outside the United States in offshore transactions in reliance on Regulation S and for the admission of the Additional Notes to listing on the Official List of the Luxembourg Stock Exchange and the admission of the Additional Notes to trading on the Euro MTF market. Each of us and the Managers reserve the right to reject any offer to purchase, in whole or in part, for any reason, or to sell less than the principal amount of Additional Notes which may be offered. This Offering Circular does not constitute an offer to any Person in the United States. Distribution of this Offering Circular to any Person within the United States is unauthorised and any disclosure of any of its contents to such persons is prohibited.

The Managers have advised us that they presently intend to make a market in the Additional Notes as permitted by applicable laws and regulations. The Managers are not obligated, however, to make a market in the Additional Notes and any such market making may be discontinued at any time at the sole discretion of the Managers. Accordingly, no assurance can be given as to the liquidity of, or trading markets for, the Additional Notes. See "Risk Factors — Risks Related to the Notes and the Guarantees— There currently exists no market for the Notes, and we cannot provide assurance that an active trading market will develop for the Notes" in the Original Offering Circular.

The Additional Notes will initially be offered at the price indicated on the cover page hereof. After the initial offering of the Additional Notes, the offering price and other selling terms of the Additional Notes may from time to time be varied by the Managers without notice.

We have applied, through our listing agent, to have the Additional Notes listed on the Official List of the Luxembourg Stock Exchange and to admit the Additional Notes to trading on the Euro MTF market. Neither the Managers nor we can assume that Additional Notes will be approved for admission to listing and trading, and will remain listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF market.

The Managers or their respective Affiliates from time to time have provided in the past and may provide in the future investment banking, commercial lending, consulting and financial advisory services to us and our affiliates in the ordinary course of business for which we may receive customary advisory and transaction fees and expense reimbursement. Affiliates of the Managers are parties to the New Senior Credit Agreement.

General

Each Manager has represented and warranted that no action has been or will be taken in any jurisdiction by such Manager that would permit a public offering of the Additional Notes, or the possession, circulation or distribution of this Offering Circular or any other material relating to the Issuer, the Guarantors, or the Additional Notes, in any jurisdiction where action for such purpose is required. Accordingly, the Additional Notes may not be offered or sold, directly or indirectly, and neither this Offering Circular nor any other offering material or advertisements in connection with the Additional Notes may be distributed or published, in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

Each Manager has also agreed to comply with the selling restrictions set forth below.

United States

The Additional Notes have not been and will not be registered under the Securities Act and the Additional Notes may not be offered or sold within the United States except in certain transactions exempt from the registration requirements of the Securities Act.

In addition, until 40 days after the commencement of the offering, an offer or sale of Additional Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Terms used in the paragraph above have the meanings given to them by Regulation S under the Securities Act.

United Kingdom

Each of the Managers has represented and warranted that: (i) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000, including any supplements and amendments thereto (the "**FSMA**") with respect to anything done by it in relation to the Additional Notes in, from or otherwise involving the United Kingdom; and (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Additional Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantors.

European Economic Area

Each of the Managers has acknowledged that with respect to any member state of the European Economic Area which has implemented the Prospectus Directive (the "**Relevant Member States**"), no measure has or will be taken in view of permitting an offer to the public of the Additional Notes entailing the need for the publication of a prospectus in any Relevant Member State. Accordingly, the Additional Notes may be offered in Relevant Member States only:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the Managers; or

(c) in any other circumstances not requiring us to publish a prospectus pursuant to Article 3(2) of the Prospectus Directive.

As used in this paragraph, the expression "offer of Additional Notes to the public" in relation to any Additional Notes in a given Relevant Member State means any communication to persons in any form and by any means, presenting sufficient information on the terms of the offer and the Additional Notes to be offered, so as to enable an investor to decide to purchase or subscribe for these Additional Notes, as this definition may have been amended in the Relevant Member State by any measure implementing the Prospectus Directive in that relevant Member State. The expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

These restrictions on sale concerning Relevant Member States are in addition to any other restrictions on sale applicable in the Relevant Member States having implemented the Prospectus Directive.

Each of the Managers has acknowledged that this Offering Circular has been prepared on the basis that all offers of the Additional Notes in any Relevant Member State will be made pursuant to an exemption under the Prospectus Directive, as amended, as implemented in the Relevant Member States, from the requirement to produce a prospectus for offers of the Additional Notes. Accordingly, any person making or intending to make any offer within the European Economic Area of the Additional Notes that are the subject of the placement contemplated in this Offering Circular should only do so in circumstances in which no obligation will arise for us or the Managers to produce a prospectus pursuant to Article 3(2) of the Prospectus Directive for such offer. Neither we nor the Managers have authorised, nor do we or they authorise, the making of any offer of the Additional Notes through any financial intermediary, other than offers made by the Managers, which constitutes the final placement of the Additional Notes contemplated in this Offering Circular.

France

Each of the Managers has acknowledged that this Offering Circular has not been prepared and is not being distributed in the context of a public offering of securities in France within the meaning of Article L. 411-1 of the French *Code monétaire et financier* and, therefore, this Offering Circular or any other offering material relating to the Notes have not been and will not be filed with the French *Autorité des marchés financiers* for prior approval or submitted for clearance to the French *Autorité des marchés financiers* and, more generally, no prospectus has been prepared in connection with the offering of the Notes that has been approved by the French *Autorité des marchés financiers* or by the competent authority of another state that is a contracting party to the Agreement on the European Economic Area and notified to the French *Autorité des marchés financiers*; no Notes have been offered or sold nor will be offered or sold, directly or indirectly, to the public in France; this Offering Circular and any other offering material relating to the Notes have not been distributed or caused to be distributed and will not be distributed or caused to be distributed to the public in France; offers, sales and distributions of the Notes have been and shall only be made in France to (i) persons licensed to provide the investment service of portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), (ii) qualified investors (*investisseurs qualifiés*) investing for their own account and/or (iii) a restricted circle of investors (*cercle restreint d'investisseurs*) investing for their own account, all as defined in and in accordance with Articles L. 411-2, D. 411-1 to D. 411-4 of the French *Code monétaire et financier*. The direct or indirect distribution to the public in France of any Notes so acquired may be made only as provided by Articles L. 411-1 to L. 411-4, L. 412-1 and L. 621-8 to L. 621-8-3 of the French *Code monétaire et financier* and applicable regulations thereunder.

Canada, Australia and Japan

Each of the Managers has acknowledged that the Additional Notes may not be offered, sold or purchased in Canada, Australia or Japan.

LISTING AND GENERAL INFORMATION

Listing

Application has been made to the Luxembourg Stock Exchange for the Additional Notes to be admitted to listing on the Official List and to be admitted to trading on the Euro MTF market in accordance with the rules of that exchange. The Additional Notes will trade separately from the Existing Notes until 25 March 2012.

Notice of any optional redemption, change of control, or change in the rate of interest payable on the Notes will be published in a Luxembourg newspaper of general circulation (which is expected to be the *Luxembourger Wort*) or on the website of the Luxembourg Stock Exchange, at www.bourse.lu.

For so long as the Notes are listed on the Euro MTF market and the rules of the Luxembourg Stock Exchange require, copies of the following documents may be inspected and obtained at the specified office of the listing agent in Luxembourg during normal business hours on any weekday:

- the organisational documents of Faurecia and each of the Guarantors;
- our most recent audited consolidated financial statements and any of our interim financial statements;
- the Trust Deed (which includes the subsidiary guarantees), including the First Supplemental Trust Deed; and
- the Agency Agreement.

We will maintain a Paying and Transfer Agent in Luxembourg for as long as any of the Notes are listed on the Euro MTF market of the Luxembourg Stock Exchange. The current paying and transfer agent is Citibank, N.A., London Branch. We reserve the right to vary such appointment and we will publish notice of such change of appointment in a newspaper having a general circulation in the Grand Duchy of Luxembourg (which is expected to be the *Luxembourger Wort*) or on the website of the Luxembourg Stock Exchange, at www.bourse.lu.

Clearing Information

The Additional Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. Through 25 March 2012 (the 40th day following the issue date of the Additional Notes), the Additional Notes will have temporary Common Code 074812805 and temporary international securities information number (ISIN) XS0748128054. Thereafter, the Additional Notes will have the same numbers as the Existing Notes, which are Common Code 070487039 and ISIN XS0704870392.

The address of Euroclear is Euroclear Bank S.A./N.V., 1 Boulevard du Roi Albert II, B 1210 Brussels, Belgium; and the address of Clearstream is Clearstream Banking, 42 Avenue JF Kennedy, L 1855 Luxembourg.

The address of Euroclear France is 155, rue de Réaumur, 75081 Paris, Cedex 02, France.

Legal Information

Our financial year runs from 1 January to 31 December. We are required by our primary regulator, the *Autorité des marchés financiers*, to publish financial results twice a year, on an annual and semi-annual basis.

The creation and issuance of the Additional Notes was authorised by resolutions of our Board of Directors approved on 7 February 2012.

For a description of our material indebtedness as of 31 December 2011, see our 2011 Results Report included as Annex A to this Offering Circular Supplement.

The Guarantors

Specific information about each of the Guarantors is provided under the heading "Listing and General Information – The Guarantors" in the Original Offering Circular. The 31 Guarantors (including Spanish subsidiaries Faurecia Automotive Espana, S.L. and Asientos de Galicia, S.L. after their corporate conversion) are incorporated in eight different jurisdictions, including 23 Guarantors based in Europe, and together they accounted for 76.7% of the Group's total EBITDA for the year ended 31 December 2011 and 60.7% of the Group's total assets (after eliminating inter-company assets) as of 31 December 2011. None of the Guarantors represented more than 8.0% of the Group's total EBITDA for the year ended 31 December 2011.

On 16 December 2011, two of the Initial Guarantors of the Existing Notes, Faurecia Emissions Control Technologies, Limeira and Faurecia Sistemas de Escapamento do Brasil Ltda, signed an agreement whereby Faurecia Emissions Control Technologies, Limeira would be fully merged into its subsidiary Faurecia Sistemas de Escapamento do Brasil Ltda, including the transfer of all assets and liabilities (the "**Merger**"). On 30 December 2011, the sole shareholder of Faurecia Sistemas de Escapamento do Brasil Ltda, namely Faurecia Emissions Control Technologies, Limeira, approved the Merger and changed the surviving company's name to Faurecia Emissions Control Technologies do Brasil Ltda. On the same date, both shareholders of Faurecia Emissions Control Technologies, Limeira, namely ET Dutch Holdings BV and ET Dutch Holdings II BV, approved the Merger and the subsequent termination of Faurecia Emissions Control Technologies, Limeira.

As a result of the Merger, Faurecia Emissions Control Technologies do Brasil Ltda has legally succeeded both Faurecia Emissions Control Technologies, Limeira and Faurecia Sistemas de Escapamento do Brasil Ltda as a Guarantor of the Existing Notes. Faurecia Emissions Control Technologies do Brasil Ltda, described below, will also be a Guarantor of the Additional Notes pursuant to the Terms and Conditions of the Notes and the Trust Deed.

Faurecia Emissions Control Technologies do Brasil Ltda

Faurecia Emissions Control Technologies do Brasil Ltda is a limited liability company (*sociedade limitada*) organised under the laws of Brazil. Its share capital is R$78,064,939 divided into 78,064,939 fully paid shares, with a nominal value of R$1 each. It was incorporated on 11 December 1997 for an indefinite term and 99.99% of its share capital is held by ET Dutch Holdings B.V. and 0.01% by ET Dutch Holdings II B.V.

The registered office of Faurecia Emissions Control Technologies do Brasil Ltda is located at Rodovia Engenheiro João Tosello, SP-147, km 103,3, Bairro do Pinhal, CEP 13486-264, Limeira, State of São Paulo, Brazil, and its registration number at the commercial registry of State of São Paulo is 35.214.869.287.

The main activities of Faurecia Emissions Control Technologies do Brasil Ltda include conducting research and development projects, manufacturing, sales, and import/export of systems, parts, accessories and equipment for the automotive industry and of all types of plastic products. As of the date of hereof, the managers of the company include the following three members:

- Abdo Jorge Chaves Kassisse (managing director);
- Pedro Luiz Moraes (director); and
- Francisco Carlos de Campos Maciel (executive director).

Polish Guarantors

Each of the Polish Guarantors was subject to the corporate restructuring process which resulted in its conversion from a limited liability company (*spólka z organiczoną odpowiedzialnosią*) into a joint-stock company (s*pólka akcyjna*). Below is an updated description of the Polish Guarantors.

Faurecia Wałbrzych S.A.

Faurecia Wałbrzych S.A. is a joint stock company (s*pólka akcyjna*) incorporated under the laws of Poland with its registered office at 3 Mariana Jachimowicza St., 58-306 Wałbrzych, Poland. Its issued share capital is PLN 150,000,000 and is divided into 150,000,000 fully paid shares with a nominal value of PLN 1 each.The only shareholder holding 100% of its share capital is Faurecia Automotive Polska S.A. Faurecia Wałbrzych S.A. was incorporated on 13 March 2000 as a limited liability company (*spólka z organiczoną odpowiedzialnosią*) and converted into a joint-stock company based on the shareholders resolution adopted on 21 November 2011. Faurecia Wałbrzych S.A. is registered with the register of entrepreneurs of the National Court Register under the number 0000403295.

Its main activity is manufacturing mechanism and frames for car seats. It has a management board and a supervisory board. As of the date hereof, the management board consists of the same members indicated as members of the management board of Faurecia Wałbrzych Sp.Zo.o. in the Original Offering Circular, and the supervisory board consists of three members:

- Jack van den Maegdenbergh;
- Pedro Garcia; and
- Patrick Koller.

Faurecia Gorzów S.A.

Faurecia Gorzów S.A. is a joint stock company (s*pólka akcyjna*) incorporated under the laws of Poland with its registered office at Szczecińska 31, 66-400 Gorzów Wielkopolski, Poland. Its issued share capital is PLN 60,000,000 divided into 60,000,000 fully paid shares, each with a nominal value of PLN 1 each. The only shareholder holding 100% of its share capital is Faurecia Automotive Polska S.A. Faurecia Gorzów S.A. was incorporated on 22 July 2002 as a limited liability company (*spólka z organiczoną odpowiedzialnosią*) and converted into a joint-stock (s*pólka akcyjna*) company based on the shareholders resolution adopted on 21 November, 2011. Faurecia Gorzów S.A. is registered with the register of entrepreneurs of the National Court Register under the number 0000403805.

Its main activity is manufacturing of interior systems, instruments and door panels for Volkswagen/Audi. Faurecia Gorzów S.A. has a management board and a supervisory board. As of the date hereof, the management board and supervisory board consist of the same members indicated as members of the management board and supervisory board of Faurecia Gorzów Sp.Zo.o. in the Original Offering Circular.

Faurecia Automotive Polska S.A.

Faurecia Automotive Polska S.A. is a joint stock company (s*pólka akcyjna*) incorporated under the laws of Poland with its registered office at Spółdzielcza 4, 05-600 Grójec, Poland. Its issued share capital is PLN 147,751,200 divided into 147,751,200 fully paid shares, each with a nominal value of PLN 1 each. The only shareholder holding 100% of its share capital is Faurecia Investments SAS. Faurecia Automotive Polska S.A. was incorporated on 11 October 1996 as a limited liability company (*spólka z organiczoną odpowiedzialnosią*) and converted into a joint-stock (s*pólka akcyjna*) company based on the shareholders resolution adopted on 21 November 2011. Faurecia Automotive Polska S.A. is registered with the register of entrepreneurs of the National Court Register under the number 0000403609.

Its main activity is manufacturing of mechanisms and frames for car seats. Faurecia Automotive Polska S.A. has a management board and a supervisory board. As of the date hereof, the management board consists of the same members indicated as members of the management board of Faurecia Automotive Polska Sp.Zo.o. in the Original Offering Circular, and the supervisory board consists of three members:

- Frank Imbert;
- Patrick Koller; and
- Jean-Philippe Grégoire.

Main Subsidiaries

Faurecia is the parent company of the Faurecia Group, which, at 31 December 2011, included 169 fully consolidated subsidiaries and 34 entities consolidated under the equity method. None of our subsidiaries account for more than 10% of the Group's total consolidated EBITDA, sales or assets. Our consolidated subsidiaries for each respective year are set out in the notes to the financial statements for the years ended 31 December 2009, 2010 and 2011.

Significant Change

Except as disclosed in this Offering Circular, there has been no significant change in our financial or trading position since 31 December 2011, and there has been no material adverse change in our prospects since 31 December 2011.

Litigation

Except as disclosed in this Offering Circular, we are not involved in and have no knowledge of any threatened litigation, administrative proceedings or arbitration which would have a material adverse impact on our results of operation or financial condition or on the issue and offering of the Additional Notes.

Material Contracts

Except as disclosed in this Offering Circular, there are, at the date of this Offering Circular, no material contracts entered into other than in the ordinary course of our business, which could result in our company being under an obligation or entitlement that is material to our ability to meet our obligations to Noteholders in respect of the Additional Notes being issued.

Conflicts of Interest

Except as disclosed in this Offering Circular, there are, at the date of this Offering Circular, no conflicts of interest which are material to the issue of the Additional Notes between the duties of the members of our Board of Directors and their private interests and/or their other duties. For information on our relationships with our majority shareholder, see Note 32 to our 2011 consolidated financial statements.

Persons Having an Interest Material to the Issue

Save as disclosed in "Subscription and Sale of the Additional Notes", to our knowledge, no person involved in the issue of the Additional Notes has an interest material to the issue.

Responsibility

We accept responsibility for the information contained in this Offering Circular. We declare that, having taken all reasonable care to ensure that such is the case, the information contained in this Offering Circular is, to the best of our knowledge, in accordance with the facts and contains no omissions likely to affect its import.

LEGAL MATTERS

Certain legal matters in connection with the offering of the Additional Notes and the Guarantees will be passed upon for us and the Guarantors by Cleary Gottlieb Steen & Hamilton LLP, as to matters of English and French law. Certain legal matters in connection with the offering of the Additional Notes will be passed upon for the Managers by White & Case LLP, as to matters of English and French law.

STATUTORY AUDITORS

Our statutory auditors are PricewaterhouseCoopers Audit and Ernst & Young Audit. The address of PricewaterhouseCoopers Audit is 63, rue de Villiers, 92208, Neuilly-sur-Seine, France. The address of Ernst & Young Audit is Tour First, 1, place des saisons, TSA 14444, 92037 Paris-la Défense, France. Both entities are members of the *Compagnie régionale des Commissaires aux Comptes de Versailles* and are regulated by the *Haut Conseil du Commissariat aux Comptes* and duly authorised as *Commissaires aux Comptes*. PricewaterhouseCoopers Audit and Ernst & Young Audit have audited in accordance with professional standards applicable in France and rendered unqualified audit reports on the consolidated financial statements of the Issuer for each of the fiscal years ended 31 December 2009, 2010 and 2011 prepared in accordance with IFRS as adopted by the European Union and included, or incorporated by reference, in this Offering Circular.

ANNEX A

2011 RESULTS REPORT

*This Annex A contains the English version of the Issuer's Annual Results 2011 report (the "**2011 Results Report**"), which contains the Issuer's consolidated financial statements for the fiscal year ended 31 December 2011, prepared in accordance with IFRS as adopted by the European Union and the related audit report. This Annex A is an important part of this Offering Circular Supplement.*

The information in this Annex A has not been updated since 8 February 2012 and speaks only as of that date. Any statement contained in this Annex A shall be deemed to be modified or superseded for purposes of this Offering Circular Supplement to the extent that a statement contained in this Offering Circular Supplement modifies or supersedes such statement. Any statement that is modified or superseded shall be deemed, except as modified or superseded, not to constitute a part of this Offering Circular Supplement.

This Annex A contains forward-looking statements that are by definition subject to significant uncertainty. In particular, the forward-looking statements provided in section 1.4 (Outlook) of this Annex A are based on expectations regarding automobile production that were developed without the expectation of any material deterioration in economic conditions in Europe or elsewhere in 2012, which may turn out not to be accurate. Please see "Forward-Looking Statements" and "Risk Factors" in the Original Offering Circular.

Technical perfection, automotive passion

faurecia

Annual results
2011

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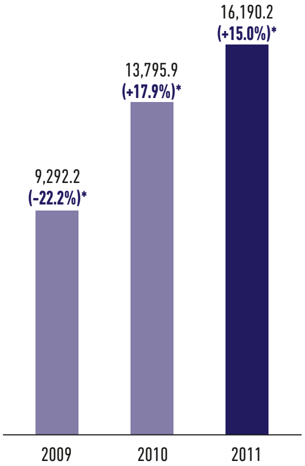
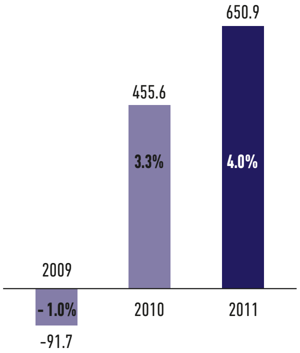
Key figures

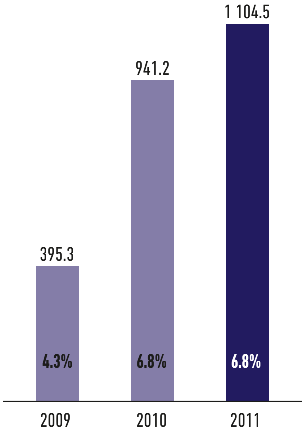


Sales *(in €m)*
** On a like-for-like basis*

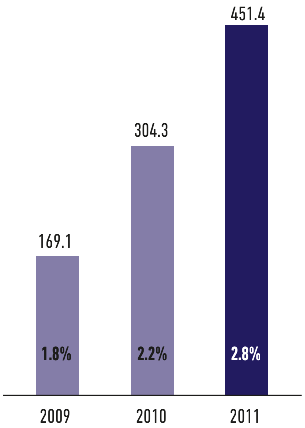


Operating income [1]
(in €m and as a % of sales)

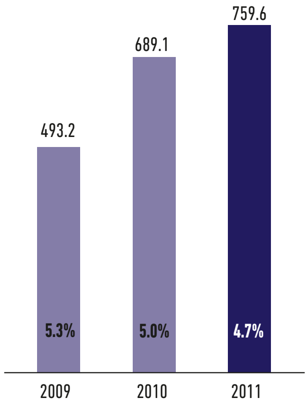
Net income/(loss) attributable
to equity holders
(in €m)



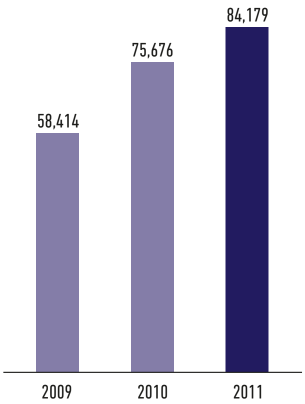
EBITDA [2]
(in €m and as a % of sales)



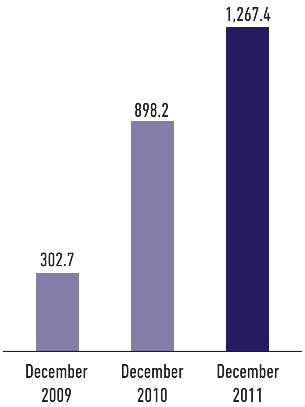
Capital expenditure
(in €m and as a % of sales)



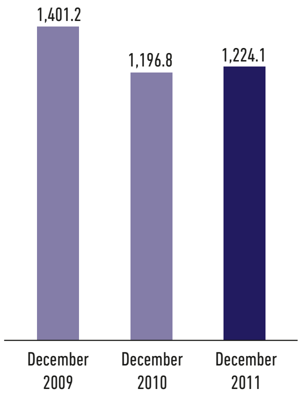
Gross R&D expenditure [3]
(in €m and as a % of sales)



Number of employees



Total equity
(in €m)



Net debt [4]
(in €m)

(1) Definition in Note 1.15 to the consolidated financial statements.
(2) Operating income plus depreciation, amortization and provisions for impairment in value of property, plant and equipment and intangible assets (See Note 5.5 to the consolidated financial statements).
(3) Before capitalized development costs and amounts billed to customers (See Note 5.4 to the consolidated financial statements).
(4) Definition in Note 26.1 to the consolidated financial statements.

1

Comments on the business review and on the consolidated financial statements

CONTENTS

1.1 Business review

1.1.1 THE FAURECIA GROUP

After a year marked by a recovery in global automotive production in 2010, business remained robust in 2011. The annualized growth rate of automotive production between 2010 and 2011 is estimated at 3% worldwide, with increases of 10% in North America, 6% in Europe and 3% in South America (source: IHS Automotive, January 2012).

Against this backdrop, Faurecia's consolidated 2011 sales totaled €16,190.2 million, compared to €13,795.9 million in 2010. This includes the sales generated by Angell-Demmel (consolidated since January 1, 2011), in the amount of €117.4 million, as well as those derived from the seat systems plant in Madison (Mississippi, United States), acquired on April 4, 2011, in the amount of €108.3 million.

The year-on-year growth rate of Faurecia's consolidated 2011 sales was 17.4% on a reported basis. On a like-for-like basis (2010 data restated to factor in the first-quarter 2011 sales of Plastal Germany; 2011 data excluding sales generated by Plastal Spain operations during the first nine months and operations for Madison and Angell-Demmel for the entire year), sales were up 15.0% compared to 2010, breaking down as growth of 15.5% in the first half and 14.6% in the second.

Product sales (deliveries of parts and components to automakers) amounted to €12,391.1 million, compared to €10,695.8 million in 2010, a 15.8% increase on a reported basis. On a like-for-like basis, sales increased by 12.9% (13.8% in the first half of the year, 11.9% in the second).

Sales of tooling, R&D and prototypes totaled €973.1 million, versus €795.4 million in 2010. This represents 22.3% growth on a reported basis. On a like-for-like basis, sales increased by 18.4% (14.8% in the first half, 21.3% in the second).

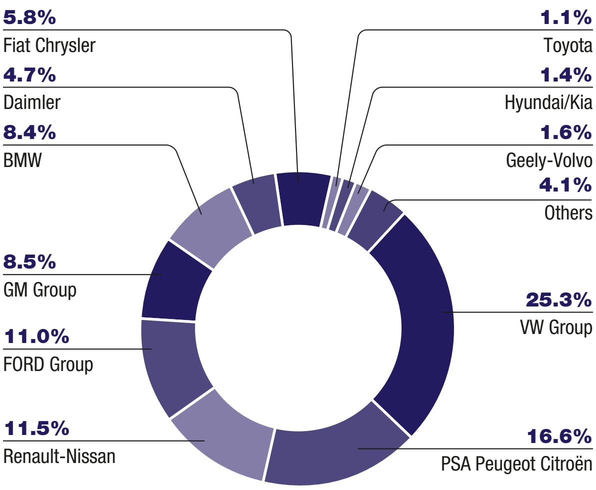
Sales of catalytic converter monoliths totaled €2,687.3 million, up from €2,168.1 million in 2010, representing increases of 23.9% on a reported basis and 25.4% on a like-for-like basis (26.2% in the first half of the year, 24.6% in the second).

Total sales excluding catalytic converter monoliths totaled €13,502.9 million in 2011, compared to €11,627.8 million in 2010, a 16.1% increase on a reported basis. On a like-for-like basis, growth compared was 13.1% from 2010, breaking down as increases of 13.6% in the first half of the year and 12.7% in the second.

Product sales by geographic region in 2011 break down as follows:

- In Europe, product sales amounted to €7,815.3 million (63.1% of total product sales), versus €7,042.9 million in 2010, up 11.0% on a reported basis and 6.2% on a like-for-like basis. After an 8.5% gain in the first half of the year, second-half sales advanced by 3.7% on a like-for-like basis. Business remained steady with German carmakers, which accounted for 50.4% of product sales in Europe during the second half of the year;
- In North America, product sales amounted to €2,579.2 million (20.8% of total product sales), versus €1,944.7 million in 2010, up 32.6% on a reported basis and 32.6% on a like-for-like basis (30.1% in the first half of the year, 35.0% in the second). Most of the gain was attributable to growth in sales to Daimler (new Mercedes M-Class), Volkswagen (Jetta, new Beetle, Passat), Ford (Fiesta and Focus) and General Motors (Cadillac in particular), as well as strong growth in product sales to Chrysler (new 200, Grand Cherokee). In addition, the acquisition of the seat systems plant in Madison contributed to the strong growth of North American sales to the Nissan group.
- In South America, product sales amounted to €639.0 million (5.2% of the total), versus €556.7 million in 2010, up 14.8% on a reported basis. On a like-for-like basis, growth was 17.2%, breaking down as increases of 23.6% in the first half of the year and 11.9% in the second;
- In Asia, product sales amounted to €1,116.8 million (9.0% of the total), versus €967.7 million in 2010, up 15.4% on a reported basis. On a like-for-like basis, the increase was 16.1%, 11.8% of which was in China – bringing annual product sales to €880.7 million – and 35.0% in Korea, where annual product sales totaled €163.2 million. In the second half of the year, product sales grew by 16.0% at constant exchange rates in Asia, with increases of 11.8% in China and 40.0% in Korea;
- In other countries, product sales amounted to €240.7 million, up 30.9% on a reported basis and 34.8% at constant exchange rates. These sales were mainly recorded in South Africa.

Product sales in 2011 by customer (%)



Product sales to the Volkswagen group totaled €3,136.8 million in 2011, up 20.8% on a reported basis and 15.0% on a like-for-like basis. They accounted for 25.3% of the Faurecia Group's total product sales. On a like-for-like basis, the increase was 13.7% in Europe, 29.6% in North America, 18.1% in Asia and 5.5% in South America.

Product sales to the PSA Peugeot Citroën group totaled €2,061.0 million in 2011, up 5.7% on a reported basis and 6.1% on a like-for-like basis. They accounted for 16.6% of the Faurecia Group's total product sales. On a like-for-like basis, sales growth was driven by Asia (+11.5%) and South America (+34.5%). In Europe, product sales growth was 3.3%.

Product sales to the Renault-Nissan group represented 11.5% of Faurecia's total product sales. They were up 11.7% compared to 2010 on a reported basis and 3.6% on a like-for-like basis, totaling €1,424.0 million. They were up 49.8% in North America and 32.8% in South America, but were flat in Europe (-0.1%) and Asia (-0.2%).

Product sales to the Ford group accounted for 11.0% of the Faurecia Group's total product sales, totaling €1,357.2 million in 2011. They were up 15.1% on a reported basis and 11.7% on a like-for-like basis, with 28.9% of growth in North America and 6.0% in Europe.

Product sales to the BMW group amounted to €1,045.9 million (8.4% of the Faurecia Group's total product sales). They were up 6.5% on a reported basis and 5.9% on a like-for-like basis. Growth mainly occurred in North America (+11.7%), with the increase in Europe coming to 2.8%, on like-for-like basis at constant exchange rates.

Product sales to the General Motors group in 2011 registered a 0.5% increase on a reported basis and a 2.7% increase on a like-for-like basis, totaling €1,052.8 million (8.5% of total product sales). On a like-for-like basis, sales were up 22.8% in Asia and 4.6% in North America. They were down 19.5% in Europe.

Product sales to the Daimler group totaled €584.9 million (4.7% of the Faurecia Group's total product sales). They were up 28.1% on a reported basis and 15.6% on a like-for-like basis, with increases of 6.8% in Europe and 282.4% in North America. The latter increase was attributable to the start of deliveries of seats and interior parts for the new Mercedes M-Class.

In 2011, product sales to Fiat-Chrysler were up 82.1% (83.3% on a like-for-like basis), 13.2% to Geely-Volvo (12.9% on a like-for-like basis) and 47.6% to Hyundai/Kia (48.7% on a like-for-like basis). They were down 22.3% to Toyota (20.6% at constant exchange rates).

1.1.2 SALES BY BUSINESS

1. Interior Modules

Sales for the Interior Modules segment totaled €8,626.7 million in 2011, up 12.6% on a reported basis. On a like-for-like basis, they were up 10.8% (11.8% in the first half of the year, 9.8% in the second).

Product sales amounted to €7,845.1 million in 2011, compared to €6,978.9 million in 2010, an increase of 12.4% on a reported basis. On a like-for-like basis, sales were up 10.5% (11.7% in the first half of the year, 9.2% in the second).

AUTOMOTIVE SEATING

The Automotive Seating business generated €4,981.2 million in sales in 2011, up 9.0% compared to 2010 on a reported basis and 7.5% on a like-for-like basis.

Product sales totaled €4,769.9 million, versus €4,343.2 million in 2010, up 9.8% on a reported basis and 8.3% on a like-for-like basis. The increase in the second half of the year was 8.4% on a reported basis and 6.1% on a like-for-like basis.

In Europe, product sales rose by 2.2% year-on-year on a reported basis to €3,131.4 million (2.3% on a like-for-like basis).

With product sales totaling €880.0 million, North America recorded 38.4% increase in annual growth on a reported basis, including 52.5% growth in the second half of 2011 compared with the second half of 2010. These sales factor in the seat systems plant business in Madison, in the amount of €107.7 million for the year. On a like-for-like basis, growth was 26.4% for the year and 34.6% in the second half of the year. The gain was attributable in large part to the ramp-up of the new Mercedes M-Class and sustained sales to Volkswagen (Jetta, new Beetle, Passat in the new Chattanooga plant).

In South America, product sales totaled €265.8 million in 2011, a 32.1% increase from 2010 on a reported basis (35.3% on a like-for-like basis). In the second half of the year, the increase was 17.7% on a reported basis and 24.1% on a like-for-like basis.

In Asia, product sales totaled €464.9 million, up 8.8% over the full year on a reported basis (9.4% on a like-for-like basis) and 8.4% in the second half (8.3% on a like-for-like basis).

INTERIOR SYSTEMS

Interior Systems sales totaled €3,645.5 million in 2011, up 17.9% on a reported basis versus 2010, and 15.6% on a like-for-like basis.

Product sales totaled €3,075.3 million, versus €2,635.7 million in 2010, up 16.7% on a reported basis, and 14.1% on a like-for-like basis. In the second half of the year, product sales were up 17.5% and 14.5% respectively.

In Europe, product sales totaled €2,056.5 million in 2011, up 14.0% versus 2010 on a reported basis, and 8.4% on a like-for-like basis.

In North America, sales amounted to €622.3 million, up 29.9% on a reported basis versus 2010, or 35.6% at constant exchange rates.

In South America, product sales totaled €192.2 million in 2011, up 17.6% compared to 2010 on a reported basis, and 19.8% on a like-for-like basis.

In Asia, the Interior Systems business product sales totaled €137.8 million, slightly decreasing 0.3% on a reported basis and 0.2% on a like-for-like basis. However, during the second-half of the year, product sales were up 7.1% and 6.5% respectively.

2. Other Modules

Sales for the Other Modules business totaled €7,563.5 million in 2011, up 23.3% on a reported basis. On a like-for-like basis, and excluding catalytic converter monoliths, sales in this segment increased by 17.5% (17.0% in the first half, 17.9% in the second).

Product sales excluding catalytic converter monoliths totaled €4,545.9 million in 2011, versus €3,716.9 million in 2010, up 22.3% on a reported basis. On a like-for-like basis, the increase was 17.2%, 17.7% of which was in the first half of the year and 16.7% in the second half.

EMISSIONS CONTROL TECHNOLOGIES

The Emissions Control Technologies business generated total sales of €5,779.3 million in 2011, up 20.9% on a reported basis and 20.5% at constant exchange rates and excluding sales of catalytic converter monoliths.

Product sales excluding catalytic converter monoliths totaled €2,934.6 million in 2011, increasing 18.4% on a reported basis and 20.7% on a like-for-like basis. In the second half of 2011, product sales increased by 15.9% on a reported basis and 18.9% at constant exchange rates.

By geographic region, product sales (excluding catalytic converter monoliths) rose by 11.9% in Europe (11.7% on a like-for-like basis), 26.4% in North America (32.0% on a like-for-like basis) and 27.8% in Asia (28.7% on a like-for-like basis). They were down 5.7% in South America (-3.9% on a like-for-like basis).

In the second half of 2011, product sales rose by 6.7% in Europe (6.8% on a like-for-like basis), 25.8% in North America (31.9% on a like-for-like basis) and 26.9% in Asia (27.3% on a like-for-like basis). They were down 9.4% in South America (-4.5% on a like-for-like basis).

AUTOMOTIVE EXTERIORS

Sales from the Automotive Exteriors business totaled €1,784.2 million in 2011, up 32.1% compared to 2010 on a reported basis, and 12.1% on a like-for-like basis. The reported change in sales factors in the contribution from Plastal Germany in the first quarter of 2011, in the amount of €135.9 million, and that of Plastal Spain in the first nine months of the year, in the amount of €121.6 million.

Product sales totaled €1,611.3 million in 2011. They were up 30.1% on a reported basis. Product sales were up 10.9% compared with 2010 on a like-for-like basis.

During the second half of 2011, product sales increased 17.4% compared with the same period of 2010 on a reported basis and 12.5% on a like-for-like basis.

(in € millions)	2H 2010	2H 2011	Chg. *	2010	2011	Chg. *
Total sales	6,970.0	8,039.9	12.7%	13,795.9	16,190.2	13.1%
Interior Modules	3,784.6	4,240.5	9.8%	7,663.8	8,626.7	10.8%
Other Modules	3,185.4	3,799.4	17.9%	6,132.1	7,563.5	17.5%
Product sales	5,341.4	6,058.9	11.9%	10,695.8	12,391.1	12.9%
- Automotive Seating	2,140.5	2,319.9	6.1%	4,343.2	4,769.9	8.3%
- Interior Systems	1,270.5	1,492.3	14.5%	2,635.7	3,075.3	14.1%
INTERIOR MODULES (SUB-TOTAL)	**3,411.0**	**3,812.2**	**9.2%**	**6,978.9**	**7,845.1**	**10.5%**
- Emissions Control Technologies	1,275.8	1,478.3	18.9%	2,478.0	2,934.6	20.7%
- Automotive Exteriors	654.6	768.4	12.5%	1,239.0	1,611.3	10.9%
OTHER MODULES (SUB-TOTAL)	**1,930.4**	**2,246.7**	**16.7%**	**3,716.9**	**4,545.9**	**17.2%**

* *On a like-for-like basis, excluding catalytic converter monoliths.*

1.2 Results of operations

1.2.1 OPERATING INCOME

Operating income for 2011 totaled a profit of €650.9 million, or 4.0% of sales, up 43% compared to 2010, when it represented a profit of €455.6 million, or 3.3% of sales.

In the second half of 2011, operating income totaled €310.8 million, or 3.9% of sales, up 30% compared to the same period in 2010, when it totaled €239.1 million, or 3.4% of sales.

The €71.7 million increase in operating income during the second half of 2011 compared to the same period of 2010 is mainly due to four factors:

- growth in sales volumes, with the additional contribution estimated at €190 million;
- a negative impact of €10 million from change in raw material prices, net of rebilling to customers, as well as other costs stemming from the strong growth of project start-ups, estimated at €45 million;
- a €46 million reduction in fixed costs in Europe;

- increased costs stemming from new facilities and the expansion of operations outside Europe, totaling €109 million. In North America, the main projects were the start of production for Volkswagen on the Chattanooga (Tennessee) site the start of production for the new Mercedes M-Class on the Cottondale and Tuscaloosa (Alabama) sites, the expansion of the Madison (Missouri) site for Nissan, and the Arlington (Texas), Lansing (Michigan) and Louisville (Kentucky) sites. In addition, Faurecia Emissions Control Technologies started producing emissions control systems for commercial vehicles in partnership with Cummins. In China, 11 new production sites were launched in Hadu, Chengdu (2), Wuhan, Shenyang, Beilun, Lixi, Xiangtan, Jinan, Yancheng and Lanzhou.

The increase of €195.3 million in operating income for all of 2011 compared to 2010 is attributable to the same factors:

- growth in sales volumes, contributing €373 million;
- a negative impact estimated at €40 million from change in raw material prices, net of rebilling to customers, as well as other costs in the amount of €17 million;
- a €75 million reduction in fixed costs in Europe;
- increased costs outside Europe to support new developments, totaling €196 million (see above).

The trend for individual business segments was similar to that for the Group as a whole:

- the operating income for Interior Modules (Automotive Seating and Interior Systems) increased €152.4 million from 2010. For 2011, it amounted to €407.5 million, or 4.7% of sales. This change resulted from improved operations and the profitability of programs launched during the last few years;
- the operating income for Other Modules (Emissions Control Technologies and Automotive Exteriors) increased €42.9 million, reaching €243.4 million, or 3.2% of sales. It amounted to 5.0% of sales excluding catalytic converter monoliths.

Gross R&D expenditure amounted to €759.6 million and represented 4.7% of sales, versus €689.1 million in 2010 (5.0% of sales). The increase was 10% on a like-for-like basis. It was attributable to development activity generated by the high level of order intakes recorded in 2010 and 2011.

Amounts billed and billable to customers rose sharply to €498.0 million, versus €393.5 million in 2010. The capitalized portion of research and development expenditure, in accordance with IFRS, amounted to €178.9 million, compared with €154.3 million in 2010. As a ratio of total research and development expenditure, capitalized expenditures went to 23.5%.

Faurecia benefited in France from the regime of specific tax credits awarded on the basis of research and development activity conducted in that country. For 2011, these tax credits, which are deducted from gross research and development expenditure, amounted to €35 million, compared with €13 million in 2010, the increase stemming chiefly from an additional amount calculated on expenditures made in prior years.

Together, these factors resulted in net development costs of €222.3 million, versus €303.2 million in 2010, and €207.9 million in 2009.

Selling and administrative expenses amounted to €510.6 million, or 3.2% of sales, versus €443.8 million or 3.2% of sales in 2010. Excluding change in the scope of consolidation and exchange rates, the increase was 11%, well below the increase in sales, and was mainly due to growth in trading outside Europe.

EBITDA – which corresponds to operating income before depreciation, amortization and provisions for impairment in value of plant, property and equipment and capitalized development costs – amounted to €1,104.5 million (6.8% of sales), compared to €941.2 million in 2010. The increase in EBITDA mainly stemmed from growth in operating income.

1.2.2 NET INCOME

The “Other operating income and expenses” item totaled €57.9 million. It included €55.8 million in restructuring charges. These mainly pertain to the restructuring of businesses in France (€20.4 million), Germany (€14.3 million) and the United States (€6.8 million). These charges represent the finalization of the restructuring plans set out in 2009, with the aim of adapting production facilities in Europe to the new market conditions, and generating synergies from the integration of Emcon Technologies, acquired in February 2010. They also include expenses relating to the redundancy of 1,338 employees.

Cash financial income totaled €10.6 million, versus €8.1 million in 2010. Finance costs totaled €109.1 million, versus €98.7 million in 2010. The increase in finance costs was attributable to an increase in average borrowing costs from 4.22% in 2010 to 4.42% in 2011. At year end, Faurecia issued a € 350 million bond maturing in five years, repaid early loans granted in November 2008 by a pool of banks and its largest shareholder, Peugeot S.A., and set up a new three-and five-year syndicated loan with its banks.

Other financial revenues and expenses totaled €19.0 million, versus €25.6 million in 2010. This item includes an €8.2 million impact from the discounting of pension liabilities and the accelerated amortization of the balance of commissions on the 2008 syndicated loan in the amount of €3.5 million.

The tax expense for the year was €95.9 million, versus €89.8 million in 2010, putting the average tax rate at 20% in 2011. A €12 million tax asset was recognized in Germany, where the Group makes significant profits but where it still has tax-loss carry-forwards. In total, Faurecia has unrecognized tax assets totaling €794 million, mainly in France and the United States.

The share of earnings of equity associates was €33.72 million, versus €18.8 million in 2010. The increase stemmed from the robust performance of SAS Automotive, a joint venture with the Continental group specializing in cockpit assembly.

After allocating their share of net income to minority interests (totaling €42 million in 2011, mainly the share of associates in the income of Chinese companies of which Faurecia is not the single shareholder), net income for the year amounted to €371.3 million, an increase of 84% compared to 2010, when it was €201.7 million.

Basic earnings per share totaled €3.37 (€3.11 diluted earnings per share), versus €1.87 in 2010 (€1.79 diluted earnings per share), an 80% increase.

1.3 Financial structure and net debt

2011 was a year of strong growth for Faurecia, with increased investments, on means of production as well as product development, to allow the Group to pursue its growth, particularly in the emerging markets.

Net cash flows, corresponding to change in net debt restated for change in sales of derecognized trade receivables, dividends paid to minority interests and shareholders, investments in minority interests, debt relating to the acquisition of Angell-Demmel and the impact of exchange-rate fluctuations on debt denominated in foreign currencies, represented a negative €26 million net, a negative €6 million of which in the first half of the year and a negative €20 million in the second.

The negative net cash-flow balance of €26 million over the year was attributable to the following:

- EBITDA was €1,104.5 million, up 17% compared to 2010, when it was €941.2 million;
- an increase in the working capital requirements, which, restated for sales of derecognized trade receivables, rose by €114 million. This increase (€101 million) was mainly due to increases in billable studies and tooling following a surge in new contracts;
- restructuring represented cash outflows of €93 million, compared to €109 million in 2010;
- financial costs represented cash outflows of €120 million, versus €98 million in 2010. The difference was mainly due to costs relating to the bond issued in November 2011 and bank commissions on the new syndicated loan;
- capital expenditures represented cash outflows of €451 million, versus €304 million in 2010. Investments were lifted from €153 million to €257 million in low-cost countries, a 68% increase, and from €151 million to €194 million in high-cost countries. The share of investments made outside Europe was 47%, while sales outside Europe accounted for 37% in 2011;
- capitalized research and development costs represented cash outflows of €180 million, versus €154 million in 2010. The percentage of capitalized development costs went to 24% of total research and development costs;
- taxes represented cash outflows of €114 million, compared to €100 million in 2011;
- finally, other cash flow items represented €57 million in outflows, versus €30 million in inflows in 2010;

The €20 million negative net cash-flow balance in the second half of 2011 was attributable to the following:

- EBITDA amounted to €532 million;
- the working capital requirements, restated for sales of trade receivables, was a positive €10 million, representing a €56 million improvement in the production working capital requirements and a €47 million growth in billable studies and tooling;

- restructuring represented €48 million in cash outflows;
- finance costs represented €81 million in cash outflows;
- additions to property, plant and equipment represented €275 million in cash outflows;
- capitalized development costs represented €86 million in cash outflows;
- taxes represented €54 million in cash outflows;
- finally, other items represented €18 million in cash outflows.

In addition to net restated cash flows, the other items contributing to change in net debt were as follows:

- acquisitions of new companies and investments in unconsolidated companies represented in €85.4 million in cash outflows, €29.2 million of which was for the January 2011 acquisition of the German company Angell-Demmel, specialized in decorative aluminum vehicle-interior trimmings; €19.7 million for the acquisition of a 21.2% stake in the Danish company Amminex, specialized in technology for reducing nitrogen oxide in exhaust emissions, and €25 million in Chinese ventures, particularly with the manufacturer Geely to produce vehicle interiors and €11.6 million in other investments;
- dividends paid to shareholders represented €27.6 million in cash outflows;
- trade receivables sold and derecognized increased by €83.8 million over the year, rising from €377.9 million to €461.7 million. This increase was due mainly to the growth in sales;
- other exchange-rate fluctuations and sales of cash securities represented a positive balance of €28 million.

Net debt therefore amounted to €1,224.1 million as of year-end 2011, versus €1,196.8 million as of year-end 2010.

The Group's shareholders' equity sharply increased, rising from €810.5 million as of year-end 2010 to €1,153.9 million as of year-end 2011, due mainly to net income for the year.

At the end of 2011, Faurecia carried out a number of refinancing transactions aimed at reinforcing its credit lines and extending the maturity of its debt:

- issuance of a "Schuldschein," medium-term, three to five-year loan of €58 million provided by a pool of German banks;
- issuance of a €350 million bond maturing in December 2016, issued at 99.5% of par value, with a coupon of 9.375%. This placement, carried out in a challenging financial environment, was a major success with fixed-income investors, with demand representing four times the value of the issue. This proves Faurecia's capacity to refinance directly in the debt markets. To enter these markets, the Company sought a rating from Moody's, and was awarded a Ba3 rating with a positive outlook. The proceeds of the bond enabled repayment of the €250 million Peugeot S.A. credit line set up in November 2008;
- Lastly, Faurecia made the early repayment of a syndicated loan awarded by its pool of banks in November 2008, and renegotiated a new syndicated loan with the same pool of banks for a total amount of €1,150 million in two tranches, one three-year tranche renewable twice and one five-year tranche. A previous clause, which made the continuation of the loan conditional on Peugeot S.A. keeping a 40% stake in Faurecia's share capital, was replaced by a classic change of control clause.

As a consequence of these transactions, Faurecia does not forecast any significant refinancing before the end of 2014, or more likely the end of 2016 if, as in the past, the three-year tranche of the syndicated loan is renewed.

Faurecia's financing is therefore completely autonomous.

1.4 Outlook

For 2012, Faurecia forecasts a 3 to 5% increase in global automobile production. Production is forecast to increase 5 to 7% in North America, 4 to 6% in South America, and 7 to 9% in China. However, it should decrease 4 to 6% in Europe (including Russia).

Faurecia will continue to be favorably impacted by the split of its sales in Europe, with 50.4% of product sales achieved with German carmakers during the second half of 2011, and the split of these sales by segment, with 40.2% of product sales achieved with premium carmakers.

In North America, sales will be favorably impacted by new programs launched in 2011 and 2012 and gains in market share. In China, Faurecia should benefit from starting its new production sites and starting business with new carmakers.

Operating income should be impacted by the drop in automobile production in southern Europe. This negative impact should be absorbed by a better outlook in northern Europe and through flexible cost structures.

Net cash flows should receive more amortizations and impairments than in 2010 (approximately €50 million), the decrease in outflows corresponding to restructuring. On the other hand, capital expenditure should reach a maximum in 2012 (€500 million), as well as research and development costs capitalized at €250 million. Lastly, finance costs will be higher due to the refinancing transactions carried out in November 2011.

On this basis, Faurecia's objectives for 2012 are as follows:

- total sales of between €16.3 and €16.7 billion, a 1 to 3% increase of sales;
- operating income of between €610 million and €670 million;
- net cash flow at breakeven.

2

Consolidated financial statements

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2.1 Consolidated statement of comprehensive income

(in € millions)	*Notes*	2011	2010	2009
SALES	*4*	**16,190.2**	**13,795.9**	**9,292.2**
Cost of sales	*5*	(14,806.4)	(12,593.3)	(8,840.1)
Research and development costs	*5*	(222.3)	(303.2)	(207.9)
Selling and administrative expenses	*5*	(510.6)	(443.8)	(335.9)
OPERATING INCOME (LOSS)		**650.9**	**455.6**	**(91.7)**
Other non operating income	*6*	0.3	87.2	6.9
Other non operating expense	*6*	(58.2)	(123.2)	(141.0)
Income from loans, cash investments and marketable securities		10.6	8.1	12.3
Finance costs		(109.1)	(98.7)	(135.3)
Others financial income and expense	*7*	(19.0)	(25.6)	(43.9)
INCOME (LOSS) BEFORE TAX OF FULLY CONSOLIDATED COMPANIES		**475.5**	**303.4**	**(392.7)**
Current taxes	*8*	(97.7)	(85.9)	(42.2)
Deferred taxes	*8*	1.8	(3.9)	6.3
NET INCOME (LOSS) OF FULLY CONSOLIDATED COMPANIES		**379.6**	**213.6**	**(428.6)**
Share of net income of associates:	*13*			
Before tax		*46.0*	*26.7*	*14.8*
After tax		33.7	18.8	11.3
CONSOLIDATED NET INCOME (LOSS)		**413.3**	**232.4**	**(417.3)**
Attributable to owners of the parent		**371.3**	**201.7**	**(433.6)**
Attributable to minority interests		42.0	30.7	16.3
Basic earnings (loss) per *share (in €)*	*9*	3.37	1.87	(6.85)
Diluted earnings (loss) per sh*are (in €)*	*9*	3.11	1.79	(6.85)

Other comprehensive income

(in € millions)	2011	2010	2009
CONSOLIDATED NET INCOME (LOSS)	**413.3**	**232.4**	**(417.3)**
Gains (losses) arising on fair value adjustments to cash flow hedges	(6.3)	(1.3)	4.2
of which recognized in equity	*(7.6)*	*(0.8)*	*1.9*
of which transferred to net income (loss) for the period	*1.3*	*(0.5)*	2.3
Exchange differences on translation of foreign operations	(1.2)	53.8	8.6
Total comprehensive income (expense) for the period	**405.8**	**284.9**	**(404.5)**
Attributable to owners of the parent	357.4	250.3	(419.0)
Attributable to minority interests	48.4	34.6	14.5

2.2 Balance sheet consolidated

Assets

(in € millions)	Notes	December 31, 2011	December 31, 2010	December 31, 2009
Goodwill	*10*	1,260.6	1,230.8	1,039.9
Intangible assets	*11*	464.2	435.2	396.9
Property, plant and equipment	*12*	1,733.4	1,575.5	1,224.6
Investments in associates	*13*	71.0	43.6	31.0
Other equity interests	*14*	38.8	15.3	11.2
Other non-current financial assets	*15*	35.4	27.8	23.5
Other non-current assets	*16*	16.9	14.5	18.9
Deferred tax assets	*8*	78.3	86.2	72.0
TOTAL NON-CURRENT ASSETS		**3,698.6**	**3,428.9**	**2,818.0**
Inventories, net	*17*	885.4	734.0	438.6
Trade accounts receivables	*18*	1,620.2	1,387.7	1,025.9
Other operating receivables	*19*	297.6	223.3	171.0
Other receivables	*20*	131.2	100.7	79.9
Other current financial assets	*30*	1.5	0.0	1.7
Cash and cash equivalents	*21*	630.1	605.8	357.8
TOTAL CURRENT ASSETS		**3,566.0**	**3,051.5**	**2,074.9**
TOTAL ASSETS		**7,264,6**	**6,480,4**	**4,892.9**

Liabilities

(in € millions)	*Notes*	December 31, 2011	December 31, 2010	December 31, 2009
EQUITY				
Capital	22	772.6	772.6	626.1
Additional paid-in capital		282.4	282.4	130.1
Treasury stock		(1.7)	(10.4)	(10.4)
Retained earnings		(357.1)	(529.8)	(99.4)
Translation adjustments		86.4	94.0	44.1
Net income (loss) for the period attributable to owners of the parent		371.3	201.7	(433.6)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENTS	22	**1,153.9**	**810.5**	**256.9**
Minority interests	23	113.5	87.7	45.8
TOTAL SHAREHOLDERS' EQUITY		**1,267.4**	**898.2**	**302.7**
Long-term provisions	24	218.8	214.5	193.9
Non-current financial liabilities	26	1,240.1	1,114.9	1,232.2
Other non-current liabilities		1.5	1.3	2.3
Deferred tax liabilities	8	15.5	29.2	7.1
TOTAL NON-CURRENT LIABILITIES		**1,475.9**	**1,359.9**	**1,435.5**
Short-term provisions	24	322.3	416.6	320.3
Current financial liabilities	26	615.6	687.7	528.1
Prepayments from customers		138.5	87.8	80.8
Trade payables		2,762.0	2,419.9	1,730.6
Accrued taxes and payroll costs	27	507.6	452.8	371.7
Sundry payables	28	175.3	157.5	123.2
TOTAL CURRENT LIABILITIES		**4,521.3**	**4,222.3**	**3,154.7**
TOTAL LIABILITIES		**7,264.6**	**6,480.4**	**4,892.9**

2.3 Consolidated cash flow statement

(in € millions)	Notes	Full-year 2011	Full-year 2010	Full-year 2009
I - OPERATING ACTIVITIES				
Consolidated net income (loss)		413.3	232.5	(417.3)
Depreciation and amortization		460.7	497.8	496.6
Deferred tax (benefits) charges		(1.8)	3.9	(6.3)
Increase (decrease) in long-term provisions		2.7	(5.9)	(1.4)
Share of net income of associates, net of dividendes received		(12.7)	(3.8)	13.7
Capital (gains) losses on disposals of non-current assets		2.4	(0.4)	(2.4)
Others*		45.2	(86.4)	15.9
CASH FLOW FROM OPERATIONS		**909.8**	**637.7**	**98.8**
Increase (usage & decrease) in short-term provisions	24	(114.5)	(35.3)	(5.1)
Change in inventories		(137.6)	(80.7)	100.2
Change in trade accounts receivables		(221.9)	(33.6)	(66.8)
Change in trade payables		312.8	298.6	18.7
Change in other operating receivables and payables		20.7	(47.8)	(14.2)
Change in other receivables and payables		(43.8)	(14.8)	(44.2)
(Increase) decrease in working capital requirement		**(184.3)**	**86.4**	**(11.4)**
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES		**725.5**	**724.1**	**87.4**
II - INVESTING ACTIVITIES				
Additionals to property, plant and equipment	12	(451.4)	(304.3)	(169.1)
Capitalized development costs		(180.2)	(154.3)	(104.4)
Acquisitions of investments (net of cash and cash equivalents)		(66.3)	30.2	(12.0)
Proceeds from disposal of property, plant and equipment		10.2	17.3	20.1
Proceed from disposal of financial assets		0.2	31.0	0
Change in investment-related receivables and payables		11.0	25.9	(24.8)
Other changes		(21.0)	(39.8)	(19.0)
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES		**(697.5)**	**(394.0)**	**(309.2)**
CASH PROVIDED (USED) BY OPERATING AND INVESTING ACTIVITIES (I)+(II)		**28.0**	**330.1**	**(221.8)**
III - FINANCING ACTIVITIES				
Issuance of shares by Faurecia and fully-consolidated companies (net of costs)		1.2	4.2	446.1
Option component of convertible bonds			0.0	23.3
Dividends paid to owners of the parent company		(27.6)	0.0	0.0
Dividends paid to minority interests in consolidated subsidiaries		(26.7)	(6.0)	(9.3)
Issuance of debt securities and increase in other financial liabilities		925.1	77.6	214.4
Repayment of debt and other financial liabilities		(881.9)	(188.0)	(502.7)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		**(9.9)**	**(112.2)**	**171.8**
IV - OTHER CHANGES IN CASH AND CASH EQUIVALENTS				
Impact of exchange rate changes on cash and cash equivalents		6.2	30.1	(17.9)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**24.3**	**248.0**	**(67.9)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR		**605.8**	**357.8**	**425.7**
CASH AND CASH EQUIVALENTS AT END OF YEAR	26	**630.1**	**605.8**	**357.8**

* *O/w badwill from Plastal Germany and Plastal Spain acquisition: €84.3 million for the full year 2010.*

2.4 Consolidated statement of changes in equity

						Fair value and translation adjustments				
(in € millions)	Number of shares [(2)]	Capital stock	Additional paid-in capital	Trea-sury Stock	Retained earningd and net income (loss) for the period	Trans-lation adjust-ments	Cash flow hedges	Equity attribu-table to owners of the parent	Minority interests	Total
Shareholders' equity as of December 31, 2008 before appropriation of net income (loss)	**24,395,048**	**170.8**	**198.9**	**(11.5)**	**(175.3)**	**33.7**	**(13.7)**	**202.9**	**40.6**	**243.5**
Net income (loss)					(433.6)			(433.6)	16.3	(417.3)
Translation adjustments						10.4		10.4	(1.8)	8.6
Changes in fair value of hedging instruments							4.2	4.2		4.2
Total income (expense) recognized in equity					***(433.6)***	***10.4***	***4.2***	***-419.0***	***14.5***	***(404.5)***
Capital increase	65,053,456	455.3	(9.3)					446.1		446.1
2008 dividends								0.0	(9.3)	(9.3)
Measurement of stock options					3.4			3.4		3.4
Purchases and sales of treasury stock				1.1	(0.9)			0.2		0.2
Changes in scope of consolidation					23.3			23.3		23.3
Recognition of 2008 losses of the parent company			(59.5)		59.5			0.0		0.0
Shareholders' equity as of December 31, 2009 before appropriation of net income (loss)	**89,448,504**	**626.1**	**130.1**	**(10.4)**	**(523.5)**	**44.1**	**(9.5)**	**256.9**	**45.8**	**302.7**
Net income (loss)					201.7			201.7	30.7	232.4
Translation adjustments						49.9		49.9	3.9	53.8
Changes in fair value of currency and interest rate hedging instruments							(1.3)	(1.3)		(1.3)
Total income (expense) recognized in equity					***201.7***	***49.9***	***(1.3)***	***250.3***	***34.6***	***284.9***
Capital increase	20,918,224	146.4	152.3					298.7	4.2	302.9
2009 dividends								0.0	(6.0)	(6.0)
Measurement of stock options and shares grant					4.6			4.6		4.6
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	9.1	9.1
Shareholders' equity as of December 31, 2010 before appropriation of net income (loss)	**110,366,728**	**772.5**	**282.4**	**(10.4)**	**(317.2)**	**94.0**	**(10.8)**	**810.5**	**87.7**	**898.2**
Net income (loss)					371.3			371.3	42.0	413.3
Translation adjustments						(7.6)		(7.6)	6.4	(1.2)
Changes in fair value of currency and interest rate hedging instruments							(6.3)	(6.3)		(6.3)
Total income (expense) recognized in equity					***371.3***	***(7.6)***	***(6.3)***	***357.4***	***48.4***	***405.8***
Capital increase [(1)]	1,617	0.1						0.1	1.2	1.3
2010 dividends					(27.6)			(27.6)	(26.7)	(54.3)
Measurement of stock options and shares grant					11.1			11.1		11.1
Purchases and sales of treasury stock				8.7	(2.3)			6.4		6.4
Changes in scope of consolidation and other					(4.0)			(4.0)	2.9	(1.1)
Shareholders' equity as of December 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**

(1) Capital increase arising from the conversion of bonds for the Group part.
(2) O/w 270,814 of treasury stock as of 12/31/2009 & 2010, 46,872 as of 12/31/2011 (cf. Note 22.3).

2.5 Notes to the consolidated financial statements

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Faurecia S.A. and its subsidiaries ("Faurecia") form one of the world's leading automotive equipment suppliers in four vehicule businesses: Automotive Seating, Emission Control Technologies, 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 consolidated financial statements were approved by Faurecia's Board of Directors on February 7, 2012.

The accounts were prepared on a going concern basis.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Faurecia Group have been prepared in accordance with International Financial Reporting Standards (IFRS) published by the IASB, 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), a well as the related International Financial Reporting Interpretations Committee (IFRIC) interpretations.

The standards used to prepare the 2011 consolidated financial statements and comparative data for 2010 and 2009 are those published in the Official Journal of the European Union (OJEU) as of December 31, 2011, whose application was mandatory at that date.

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all of the years presented.

Since January 1, 2011 Faurecia 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 material impact on the consolidated financial statements as from December 31, 2010. Moerover, Faurecia has not applied by anticipation the standards, amendments or interpretations:

- adopted by the European Union but which application is due after December 31, 2011 (amendments to IFRS 7) ;
- not yet adopted by the European Union as of December 31, 2011 (standards IFRS 9, IFRS 10, IFRS 11, IFRS 12, IFRS 13, IAS 27, IAS 28, IAS 19, amendments to IAS 1, IAS 12). The amendment to IAS 19 Employee benefits suppresses notably the possibility retained by Faurecia to apply the corridor method. All actuarial gains and losses as well as service costs will be directly accounted for as liablilities in the balance sheet (see Note 25.2 Pension benefit obligations). Actuarial variances will be fully recognized through other comprehensive income (expense) directly in equity and past service costs in period net income. This amendment defines also the return on assets as the discount rate used to measure the benefits liability.

1.1 Consolidation principles

Companies over which the Group exercises significant influence and which are at least 20%-owned are consolidated where one or more of the following criteria are met: annual sales of over €20 million, total assets of over €20 million, and/or debt of over €5 million.

Non-consolidated companies are not material, either individually or in the aggregate.

Subsidiaries controlled by the Group are fully consolidated. Control is presumed to exist where the Group holds more than 50% of a company's voting rights, and may also arise as a result of shareholders' agreements.

Subsidiaries are fully consolidated as of the date on which control is transferred to the Group. They are no more consolidated as of the date that control ceases.

Companies over which the Group exercises significant influence but not control -generally through a shareholding representing between 20% and 50% of the voting rights are accounted for by the equity method.

The Faurecia Group's financial statements are presented in euros.

The functional currency of foreign subsidiaries is generally their local currency. The assets and liabilities of these companies are translated into euros at the year-end exchange rate and income statement items are translated at the average exchange rate for the year. The resulting currency translation adjustments are recorded in equity.

Certain companies located outside the eurozone which carry out the majority of their transactions in euros may, however, use euros as their functional currency.

All material inter-company transactions are eliminated in consolidation, including inter-company gains.

The accounting policies of subsidiaries and companies accounted for by the equity method are not significantly different from those applied by the Group.

1.2 Goodwill

In case of a business combination, the aggregate value of the acquisition is allocated to the identifiable tangible and intangible assets acquired based on their fair value determined at their acquisition date.

A goodwill is recognized when the aggregate of the consideration transferred and the amount of any non-controlling interest in the acquiree exceed the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In accordance with IAS 36, goodwill is not amortized but is tested for impairment at least once a year and more often if there is an indication that it may be impaired. For the purpose of impairment testing, goodwill is allocated to cash-generating units (CGUs). A CGU is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

The CGU to which goodwill is allocated represents the lowest level within the operating segment at which goodwill is monitored for internal management purposes. The Group has identified the following CGUs:

- Automotive Seating;
- Emissions Control Technologies;
- Automotive Exteriors;
- Automotive Seating.

The carrying amount of assets and liabilities thus grouped is compared to the higher of its market value and value in use, which is equal to the present value of the net future cash flows expected, and their net market value including costs of disposal.

1.3 Intangible assets

A - RESEARCH AND DEVELOPMENT EXPENDITURE

The Faurecia Group incurs certain development costs in connection with producing and delivering modules for specific customer orders which are not considered as sold to the customer, specially when paid for by the customer on delivery of each part. In accordance with IAS 38, these development costs are recorded as an intangible asset where the Company concerned can demonstrate:

- its intention to complete the project as well as the availability of adequate technical and financial resources to do so;
- how the customer contract will generate probable future economic benefits and the Company’s ability to measure these reliably;
- its ability to measure reliably the expenditure attributable to the contracts concerned (costs to completion).

These capitalized costs are amortized to match the quantities of parts delivered to the customer, over a period not exceeding five years except under exceptional circumstances.

Research costs, and development costs that do not meet the above criteria, are expensed as incurred.

B - OTHER INTANGIBLE ASSETS

Other intangible assets include development and purchase costs relating to software used within the Group – which are amortized on a straight-line basis over a period of between one and three years – as well as patents and licenses.

1.4 Property, plant and equipment

Property, plant and equipment are stated at acquisition cost, or production cost in the case of assets produced by the Group for its own use, less accumulated depreciation.

Maintenance and repair costs are expensed as incurred, except when they increase productivity or prolong the useful life of an asset, in which case they are capitalized.

In accordance with the amended version of IAS 23, borrowing costs on qualifying assets arising subsequent to January 1, 2009 are included in the cost of the assets concerned.

Property, plant and equipment are depreciated by the straight-line method over the estimated useful lives of the assets, as follows:

Buildings	20 to 30 years
Leasehold improvements, fixtures and fittings	10 to 20 years
Machinery, tooling and furniture	3 to 10 years

Certain tooling is produced or purchased specifically for the purpose of manufacturing parts or modules for customer orders, which are either a) not sold to the customer, or b) paid for by the customer on delivery of each part. In accordance with IAS 16, this tooling is recognized as property, plant and equipment.

It is depreciated to match the quantities of parts delivered to the customer over a maximum of three years, in line with the rate at which models are replaced.

Investment grants are recorded as a deduction from the assets that they were used to finance.

Property, plant and equipment acquired under finance leases which transfer substantially all the risks and rewards incidental to ownership of the asset to the lessee are recorded under assets at the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The recognized assets are subsequently depreciated as described above. An obligation of the same amount is recorded as a liability.

1.5 Cash generating units and impairment tests

Impairment tests are carried out whenever there is an indication that an asset may be impaired. Impairment testing consists of comparing the carrying amount of an asset, or group of assets, with the higher of its market value and value in use. Value in use is defined as the present value of the net future cash flows expected to be derived from an asset or group of assets.

The assets are grouped at the lowest levels for which there are separately identifiable cash flows (Cash Generating Units, or CGUs).

Impairment tests are performed on each group of intangible assets (development costs) and property, plant and equipment attributable to a customer contract. This is done by comparing the aggregate carrying amount of the group of assets concerned with the present value of the expected net future cash flows to be derived from the contract.

An impairment loss is recorded when the assets' carrying amount is higher than the present value of the expected net future cash flows. A provision is also recorded for losses to completion on loss-making contracts.

In case of triggering event, impairment testing is also carried out on general and corporate assets grouped primarily by type of product and geographic area.

The cash inflows generated by the assets allocated to these CGUs are largely interdependent due to the high overlap among the various manufacturing flows, the optimization of capacity utilization, and the centralization of research and development activities.

Manufacturing assets whose closure is planned are tested independently for impairment.

1.6 Financial assets and liabilities (excluding derivatives)

A - DEFINITIONS

In accordance with IAS 39, the Group classifies its financial assets in the following categories: loans and receivables, available-for-sale financial assets, and financial assets at fair value through profit or loss. They are recorded on the following balance sheet items: "Other equity interests" (Note 14), "Other non-current financial assets" (Note 15), "Trade account receivables" (Note 18), "Other operating receivables" (Note 19), "Other receivables" (Note 20) and "Cash and cash equivalents" (Note 21).

The Group does not use the IAS 39 categories of "Held-to-maturity investments" or "Financial assets held for trading".

The Group's financial liabilities fall within the IAS 39 categories of (i) financial liabilities at fair value through profit or loss, and (ii) other financial liabilities measured at amortized cost.

They are recorded on the following balance sheet items: "current financial liabilities" and "non current financial liabilities" (Note 26), "Accrued taxes and payroll costs" (Note 27) and "Other payables" (Note 28).

Financial assets and liabilities are broken down into current and non-current components for maturities at the balance sheet date: under or over a year.

B - RECOGNITION AND MEASUREMENT OF FINANCIAL ASSETS

Equity interests

Equity interests correspond to the Group's interests in the capital of non-consolidated companies. They are subject to impairment testing based on the most appropriate financial analysis criteria. An impairment loss is recognized where appropriate. The criteria generally applied are the Group's equity in the underlying net assets and the earnings outlook of the company concerned.

Loans and other financial assets

Loans and other financial assets are initialy stated at fair value and then at amortized cost, calculated using the effective interest method.

Provisions are booked on a case-by-case basis where there is a risk of non-recovery.

Cash and cash equivalents

Cash and cash equivalents include current account balances and units in money market funds that are readily convertible to a known amount of cash and are not subject to a significant risk of impairment in the event of changes in interest rates. They are measured at fair value and variances are booked through P&L.

C - RECOGNITION AND MEASUREMENT OF FINANCIAL LIABILITIES

The Group's financial liabilities are generally measured at amortized cost using the effective interest method.

1.7 Inventories and work-in-progress

Inventories of raw materials and supplies are stated at cost, determined by the FIFO method (First-In, First-Out).

Finished and semi-finished products, as well as work-in-progress, are stated at production cost, determined by the FIFO method. Production cost includes the cost of materials and supplies as well as direct and indirect production costs, excluding overhead not linked to production and borrowing costs.

Work-in-progress includes the costs of internally-manufactured specific tooling or development work which is sold to customers, i.e. where the related risks and rewards are transferred. These costs are recognized in the income statement over the period in which the corresponding sales are made, as each technical stage is validated by the customer, or when the tooling is delivered if the contract does not provide for specific technical stages.

Provisions are booked for inventories for which the probable realizable value is lower than cost.

1.8 Foreign currency transactions

Transactions in foreign currency are converted at the exchange rate prevailing on the transaction date. Receivables and payables are converted at the year-end exchange rate. resulting gain or loss is recorded in the income statement as operating income or expenses for operating receivables and payables, and under "Other financial income and expense" for other receivables and payables.

1.9 Derivatives

Faurecia uses derivative instruments traded on organized markets or purchased over-the-counter from first-rate counterparties to hedge currency and interest rate risks.

They are recorded at fair value in the balance sheet.

CURRENCY HEDGES

The effective portion of changes in the fair value of instruments used to hedge future revenues is recorded in equity and taken to operating income when the hedged revenues are received.

Changes in the fair value of instruments used to hedge trade receivables and payables are recorded as operating income or expense.

The portion of the change in fair value of these hedges that is ineffective (time value of the hedges) is recorded under "Other financial income and expense" together with changes in the fair value of instruments used to hedge other receivables and payables.

INTEREST RATE HEDGES

Changes in the fair value of interest rate hedges are recorded directly in "Other financial income and expense" when the hedging relationship cannot be demonstrated under IAS 39, or where the the Group has elected not to apply hedge accounting principles.

1.10 Minority interests

This item corresponds to minority shareholders' interests in the equity of consolidated subsidiaries.

1.11 Provisions for pensions and other post-employment benefits

The Group's liability for pensions and other employee benefits is determined on an actuarial basis using the projected unit credit method. The valuation takes into account the probability of employees staying with the Group up to retirement age and expected future salary levels. Benefit obligations are partially funded by contributions to external funds. In cases where the funds are permanently allocated to the benefit plan concerned, their value is deducted from the related liability.

Actuarial gains and losses are recognized according to the corridor method over the expected average remaining working lives of the employees participating in the plans.

Periodic pension and other employee benefit costs are recognized as operating expenses over the benefit vesting period, except for the interest cost, which is recorded under "Other financial income and expense" in accordance with the alternative method under IAS 19. The impact of changes in the present value of external funds is also recorded under this item.

1.12 Stock option, share grant and free shares plans

Stock options and share grant plans for managers of Group companies. Options granted after November 7, 2002 that had not vested as of January 1, 2005 are measured at fair value as of the grant date using the Black & Scholes option pricing model. The fair value of stock options is recognized in payroll costs on a straight-line basis over the vesting period (the period between the grant date and the vesting date), with a corresponding adjustment to equity.

Free shares are measured at fair value by reference to the market price of Faurecia's shares at the grant date, less (i) an amount corresponding to the expected dividends due on the shares but not paid during the vesting period and (ii) an amount reflecting the cost of the shares being subject to a lock-up period. The fair value is recognized in payroll costs on a straight-line basis over the vesting period, with a corresponding adjustment to equity.

1.13 Restructuring and reorganization provisions

A provision is booked when Group General Management has decided to streamline the organization structure and announced the program to the employees affected by it or their representatives.

1.14 Sales recognition

Sales are recognized when the risks and rewards incidental to ownership of the modules or parts produced are transferred. This generally corresponds to when the goods are shipped.

For development contracts or the sale of tooling, sales are recognized when the technical stages are validated by the customer. If no such technical stages are provided for in the contract, sales are recognized when the related study is completed or the tooling is delivered.

1.15 Operating income

Operating income is the Faurecia Group's principal performance indicator.

It corresponds to net income of fully consolidated companies before:

- other operating income and expense, corresponding to material, unusual and non-recurring items including reorganization expenses and early retirement costs, the impact of exceptional events such as the discontinuation of a business, the closure or sale of an industrial site, disposals of non-operating buildings, impairment losses recorded for property, plant and equipment or intangible assets, as well as other material and unusual losses;

- income on loans, cash investments and marketable securities;
- finance costs;
- other financial income and expense, which includes the impact of discounting the pension benefit obligation and the return on related plan assets, the ineffective portion of interest rate and currency hedges, changes in value of interest rate and currency instruments for which the hedging relationship does not satisfy the criteria set forth in relationship cannot be demonstrated under IAS 39, and gains and losses on sales of shares in subsidiaries;
- taxes.

1.16 Deferred tax

Deferred taxes are recognized using the liability method for temporary differences arising between the tax bases for assets and liabilities and their carrying amounts on the consolidated financial statements. Temporary differences mainly arise from tax loss carryforwards and consolidation adjustments to subsidiaries' accounts.

Deferred taxes are measured using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available in the short or medium term against which the temporary differences or the loss carry forward can be utilized.

Where appropriate, a deferred taxes liability is booked to cover taxes payable on the distribution of retained earnings of subsidiaries and associates which are not considered as having been permanently reinvested and for which the Group is not in a position to control the date when the timing difference will reverse.

1.17 Use of estimates

The preparation of financial statements in accordance with IFRS requires the use of estimates and assumptions when measuring certain assets, liabilities, income, expenses and obligations. These estimates and assumptions are primarily used when calculating the impairment of property, plant and equipment, intangible assets and goodwill, as well as for measuring pension and other employee benefit obligations. They are based on historical experience and other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and assumptions.

The results of the sensitivity tests carried out on the carrying amounts of goodwill and provisions for pensions and other employee benefits are provided in Notes 10 and 25, respectively. In addition, Note 11 "Intangible Assets" describes the main assumptions used for measuring intangible assets.

1.18 Earnings per share

Basic earnings per share are calculated by dividing net income attributable to owners of the parent by the weighted average number of shares outstanding during the year, excluding treasury stock.

For the purpose of calculating diluted earnings per share, the Group adjusts net income attributable to owners of the parent and the weighted average number of shares outstanding for the effects of all dilutive potential ordinary shares (including stock options, free shares and convertible bonds).

NOTE 2 CHANGES IN SCOPE OF CONSOLIDATION

2.1 Change in scope of consolidation in 2011

The Angell Demmel operations, in Germany, have been consolidated in the Interior Systems business following the acquisition in January 2011. The company Faurecia Technical Center India, fully owned by Faurecia, was consolidated from January 1, 2011. The company Yutaka- India, in the Emission Control Technologies business, was acquired and integrated from February 1, 2011. In China, the five companies created after the strategic alliance signed with the Geely and Limin groups (Zeijiang Faurecia Limin interior & exterior systems, Xiangtan Faurecia Limin interior & exterior systems, Lanzhou Faurecia Limin interior & exterior systems, Jinan Faurecia Limin interior & exterior systems and Chengdu Faurecia Limin interior & exterior systems), in the Interior Systems business, have been consolidated from the second semester 2011, following the equity method for the first four, as well as Changchun Huaxiang Faurecia automotive plastic components, in the Automotive Exteriors business, following the equity method.

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 Technology business following the transfer of all of the shares in the Emcon Technologies Group to Faurecia by Emcon Holdings. This transaction was approved by Faurecia's shareholders at an Extraordinary General Meeting held on February 8, 2010. Faurecia's 50% ownership interest in Arvin Sango held since the Emcon acquisition was sold in June 2010.

On March 31, 2010 and September 30, 2010, respectively, Faurecia acquired the German and Spanish operations of Plastal, a leading supplier of plastic exterior parts for the automotive industry. They were consolidated as of the acquisition date.

Faurecia also acquired, as part of the Interior Systems business, part of the operations of the Rennes Visteon France plant on December 17, 2010 and the company Incalplas in August 2010; and, as part of the Automotive Seating business, the seating comfort operations of Hoerbiger Automotive Komfortsysteme on December 23, 2010.

In addition, Faurecia consolidated the following companies as from January 1, 2010: South Korea-based Faurecia Shin Sung, established in 2007, as part of the Interior Systems business, Russia-based Faurecia Metalloprodukcia and France-based Faurecia Metalloprodukcia Holding, as part of the Emissions Control Technologies business, and Faurecia Informatique Tunisie, established in 2009. The Turkey-based company Orcia, which was acquired in 2008, is consolidated by the equity method as from January 1, 2010. Faurecia sold 40% of Faurecia ADP Holding during the first half of 2010.

2.3 Impact on 2011 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 consolidated financial statements.

NOTE 3 EVENTS AFTER THE BALANCE SHEET DATE

No significant post-balance sheet events have occurred.

NOTE 4 INFORMATION BY OPERATING SEGMENT

For internal reporting purposes the Group is structured into the following four business units based on the type of products and services provided:

- Automotive Seating (design of vehicle seats, manufacture of seating frames and adjustment mechanisms, and assembly of complete seating units);
- Emissions Control Technologies (design and manufacture of exhaust systems);
- Interior Systems (design and manufacture of instrument panels, door panels and modules, and acoustic components);
- Automotive Exteriors (design and manufacture of front ends and safety modules).

These business units are managed on an independent basis in terms of reviewing their individual performance and allocating resources. The tables below show reconciliation between the indicators used to measure the performance of each segment – notably operating income – and the consolidated financial statements. Borrowings, other operating income and expense, financial income and expense, and taxes are monitored at Group level and are not allocated to the various segments.

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 long term economic characteristics, notably in terms of earnings outlook, type of customer and manufacturing processes.

4.1 Key figures by operating segment

2011

(in € millions)	Interior Modules	Other Modules	Other	Total
Sales	**8,677.0**	**7,583.6**	**319.6**	**16,580.3**
Inter-segment eliminations	(50.3)	(20.1)	(319.6)	(390.1)
Consolidated sales	**8,626.7**	**7,563.5**	**0.0**	**16,190.2**
Operating income (loss) before allocation of costs	421.6	251.6	(22.4)	650.9
Allocation of costs	(14.1)	(8.3)	22.4	0.0
Operating income	**407.5**	**243.4**	**0.0**	**650.9**
Other non-operating income				0.3
Other non-operating expense				(58.2)
Finance costs, net				(98.5)
Other financial income and expense				(19.0)
Corporate income tax				(95.9)
Share of net income in associates				33.7
NET INCOME (LOSS)				**413.3**
Segment assets				
Net Property, plant and equipment, net	1,016.7	698.1	18.6	1,733.4
Other segment assets	2,772.5	1,781.1	52.0	4,605.6
Total segment assets	**3,789.2**	**2,479.2**	**70.6**	**6,339.0**
Investments in associates				71.0
Equity interests				38.8
Short and long-term financial assets				683.9
Tax assets (current and deferred)				131.9
TOTAL ASSETS				**7,264.6**
Segment liabilities	**2,352.1**	**1,638.2**	**100.8**	**4,091.1**
Borrowings				1,855.7
Tax liabilities (current and deferred)				50.4
Equity and minority interests				1,267.4
TOTAL LIABILITIES				**7,264.6**
Capital expenditure	247.7	190.4	13.3	451.4
Depreciation of items of property, pland and equipment	(195.7)	(103.6)	0.5	(298.8)
Impairment of property, plant and equipment	(3.4)	(3.8)		(7.2)
Headcounts	57,156	25,437	1,586	84,179

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				**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, pland and equipment	(208.0)	(96.2)	(3.3)	(307.6)
Impairment in value of property, plant and equipment	(6.7)	(2.0)		(8.7)
Headcounts	51,385	22,868	1,423	75,676

2009

(in € millions)	Interior Modules	Other Modules	Other	Total
Sales	**6,649.3**	**2,712.4**	**205.4**	**9,567.1**
Inter-segment eliminations	(46.7)	(22.8)	(205.4)	(274.9)
Consolidated sales	**6,602.6**	**2,689.6**	**0.0**	**9,292.2**
Operating income (loss) before allocation of costs	(91.6)	50.0	(50.1)	(91.7)
Allocation of costs	(38.7)	(11.4)	50.1	0.0
Operating income	**-130.3**	**38.6**	**0.0**	**(91.7)**
Other non-operating income				6.9
Other non-operating expense				(141.0)
Finance costs, net				(123.0)
Other financial income and expense				(43.9)
Corporate income tax				(35.9)
Share of net income in associates				11.3
NET INCOME				**-417.3**
Segment assets				
Property, plant and equipment, net	951.2	261.8	11.6	1,224.6
Other	2,374.1	726.1	37.5	3,137.7
Total segment assets	**3,325.3**	**987.9**	**49.1**	**4,362.3**
Investments in associates				31.0
Other equity interests				11.2
Short and long-term financial assets				401.9
Tax assets (current and deferred)				86.5
TOTAL ASSETS				**4,892.9**
Segment liabilities	**2,039.4**	**667.0**	**89.3**	**2,795.7**
Borrowings				1,760.3
Tax liabilities (current and deferred)				34.2
Equity and minority interests				302.7
TOTAL LIABILITIES				**4,892.9**
Capital expenditure	114.6	45.9	8.6	169.1
Depreciation of property, pland and equipment	(230.7)	(61.6)	(3.4)	(295.7)
Impairment in value of property, plant and equipment	(9.8)	(1.2)		(11.0)
Headcounts	47,407	9,877	1,130	58,414

Sales by operating segment break down as follows:

Sales by operating segment

(in € millions)	2011	%	2010	%	2009	%
Interior Modules						
- Automotive Seating	4,981.2	31	4,571.2	33	3,990.9	43
- Interior Systems	3,645.5	23	3,092.6	23	2,611.7	28
	8,626.7	53	7,663.8	56	6,602.6	71
Other Modules						
- Emissions Control Technologies	5,779.3	36	4,781.4	34	1,826.1	20
- Automotive Exteriors	1,784.2	11	1,350.7	10	863.5	9
	7,563.5	47	6,132.1	44	2,689.6	29
TOTAL	**16,190.2**	**100**	**13,795.9**	**100**	**9,292.2**	**100**

4.2 Sales by major customer

Sales* by major customer break down as follows:

(in € millions)	2011	%	2010	%	2009	%
VW Group	3,418.0	21	2,767.7	20	1,824.7	20
PSA Peugeot Citroën	2,433.9	15	2,300.9	17	2,049.4	22
Ford Group	1,652.2	10	1,487.7	11	875.1	9
Renault-Nissan	1,555.2	10	1,442.1	10	1,164.3	13
BMW	1,092.6	7	1,037.0	8	857.8	9
GM	1,277.5	8	1,231.9	9	506.1	5
Others	4,760.8	29	3,528.6	25	2,014.8	22
TOTAL	**16,190.2**	**100**	**13,795.9**	**100**	**9,292.2**	**100**

* *Invoiced sales.*

Sales invoiced may differ from sales by end customer when products are transferred to intermediary assembly companies.

4.3 Key figures by geographic region

Sales are broken down by destination region. Other items are presented by the region where the companies involved operate.

2011

(in € millions)	France	Germany	Other European countries	North America	South America	Asia	Other countries	Total
Sales	2,281.6	3,939.4	3,828.3	3,359.7	729.6	1,772.2	279.5	16,190.2
Net property, plant and equipment	325.8	254.0	502.4	317.5	93.8	175.5	64.4	1,733.4
Capital expenditure	85.2	49.2	106.8	76.1	43.9	65.3	24.9	451.4
Number of employees as of December 31	14,237	13,261	24,204	15,973	5,180	8,952	2,372	84,179

2010

(in € millions)	France	Germany	Other European countries	North America	South America	Asia	Other countries	Total
Sales	2,214.5	3,294.1	3,426.8	2,496.9	636.6	1,407.7	319.3	13,795.9
Net property, plant and equipment	322.9	233.5	488.3	284.8	67.5	125.4	53.0	1,575.4
Capital expenditure	63.2	27.1	52.6	72.4	23.2	42.6	23.3	304.4
Number of employees as of December 31	14,663	11,283	24,021	12,571	4,770	6,598	1,770	75,676

2009

(in € millions)	France	Germany	Other European contries	North America	South America	Asia	Other countries	Total
Sales	2,059.0	2,334.4	2,413.1	1,077.7	335.1	827.0	245.9	9,292.2
Net property, plant and equipment	359.6	104.6	443.8	173.2	43.4	73.5	26.5	1,224.6
Capital expenditure	68.7	18.0	43.4	23.2	10.0	15.6	11.2	190.1
Number of employees as of December 31	15,530	7,410	18,613	7,488	2,969	4,185	2,219	58,414

NOTE 5 ANALYSIS OF OPERATING EXPENSES

5.1 Analysis of operating expenses by function

(in € millions)	Full-year 2011	Full-year 2010	Full-year 2009
Cost of sales	(14,806.4)	(12,593.3)	(8,840.1)
Research and development costs	(222.3)	(303.2)	(207.9)
Selling and administrative expenses	(510.6)	(443.8)	(335.9)
TOTAL	**(15,539.3)**	**(13,340.3)**	**(9,383.9)**

5.2 Analysis of operating expenses by nature

(in € millions)	Full-year 2011	Full-year 2010	Full-year 2009
Puchases consumed	(11,048.9)	(9,339.0)	(6,049.0)
External costs	(1,420.7)	(1,212.6)	(834.5)
Personnel costs	(2,883.2)	(2,467.7)	(1,922.3)
Taxes and other than on income	(56.5)	(46.0)	(48.7)
Other income and expenses *	257.1	171.1	10.6
Depreciation, amortization and provisions for impairment in value of non-current assets	(453.6)	(485.6)	(487.0)
Charges to and reversals of provisions	66.5	39.5	(53.1)
TOTAL	**(15,539.3)**	**(13,340.3)**	**(9,383.9)**
* *Including production taken into inventory or capitalized*	298.4	208.9	78.7

5.3 Personnel costs

(in € millions)	Full-year 2011	Full-year 2010	Full-year 2009
Wages and salaries *	(2,260.8)	(1,952.8)	(1,496.5)
Payroll taxes	(622.4)	(514.9)	(425.8)
TOTAL	**(2,883.2)**	**(2,467.7)**	**(1,922.3)**
* *Of which temporary employee costs*	(250.5)	(164.4)	(89.5)

Details of expenses relating to the Group's stock option plans and pension costs are provided in Notes 22.2 and 25, respectively.

5.4 Research and development costs

(in € millions)	Full-year 2011	Full-year 2010	Full-year 2009
Research and development costs, gross	(759.6)	(689.1)	(493.2)
- Amounts billed to customers and changes in inventories	498.0	393.5	361.6
- Capitalized development costs	178.9	154.3	104.4
- Amortization of capitalized development costs	(141.7)	(175.5)	(161.1)
- Charges to and reversals of provisions for impairment of capitalized development costs	2.1	13.6	(19.6)
NET EXPENSE	**(222.3)**	**(303.2)**	**(207.9)**

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

(in € millions)	Full-year 2011	Full-year 2010	Full-year 2009
Amortization of capitalized development costs	(141.7)	(175.5)	(161.1)
Amortization of items of property, plant and equipement	(20.9)	(19.5)	(12.1)
Depreciation of specific tooling	3.2	(11.5)	(12.9)
Depreciation and impairment of other items of property, plant and equipment	(296.3)	(292.7)	(281.3)
Provisions for impairment of capitalized development costs	2.1	13.6	(19.6)
TOTAL	**(453.6)**	**(485.6)**	**(487.0)**

NOTE 6 OTHER INCOME AND EXPENSE

Other non-operating income and expense are analyzed as follows:

OTHER NON-OPERATING INCOME

(in € millions)	Full-year 2011	Full-year 2010	Full-year 2009
Provision for contingencies	0.3	0.4	0.0
Badwill from the acquisition of Plastal Germany & Plastal Spain	0.0	84.3	0.0
Losses on disposals of assets	0.0	2.5	6.9
Other operating income	0.0	0.0	0.0
TOTAL	**0.3**	**87.2**	**6.9**

OTHER NON-OPERATING EXPENSES

(in € millions)	Full-year 2011	Full-year 2010	Full-year 2009
Reorganization expenses*	(55.8)	(117.0)	(129.5)
Losses on disposal of assets	0.0	0.0	0.0
Other**	(2.4)	(6.2)	(11.5)
TOTAL	**(58.2)**	**(123.2)**	**(141.0)**

* *As of December 31, 2011, this item includes restructuring costs in the amount of €48,7 million and provisions for impairment in value of non-current assets in the amount of €7,1 million, versus respectively, €104.7 million and €12.3 million in 2010 and €119.8 million and €9.7 million in 2009.*

** *This item includes the cost of acquisition of Emcon and Plastal principally in the amount of €7.6 million in 2009 and €5.3 million in 2010.*

RESTRUCTURING

Reorganization costs (€55,8 million) include redundancy and site relocation payments for 1,338 people and breakdown by country as follows:

	Millions of euros	Employees
France	20.4	120
Germany	14.3	205
USA	6.8	776
Other	14.3	237
TOTAL	**55.8**	**1,338**

NOTE 7 OTHER FINANCIAL INCOME AND EXPENSE

(in € millions)	Full-year 2011	Full-year 2010	Full-year 2009
Impact of discounting pension benefit obligations	(8.2)	(9.6)	(10.5)
Changes in the ineffective portion of currency hedges	(2.3)	(0.4)	(2.9)
Changes in fair value of currency hedged relating to debt	0.0	0.0	(1.7)
Changes in fair value of interest rate hedges	(0.3)	3.6	(6.0)
Translation differences on borrowings	3.3	(4.0)	(14.8)
Gains on sales of securities	(0.2)	0.0	0.0
Other	(11.3)	(15.2)	(8.0)
TOTAL	**(19.0)**	**(25.6)**	**(43.9)**

NOTE 8 CORPORATE INCOME TAX

Corporate income tax can be analyzed as follows:

(in € millions)	Full-year 2011	Full-year 2010	Full-year 2009
Current taxes			
- Current corporate income tax	(97.7)	(85.9)	(42.2)
Deferred taxes			
- Deferred taxes for the period	1.8	(3.9)	6.3
- Impairment of deferred tax assets previously recorded			
Deferred taxes	1.8	(3.9)	6.3
TOTAL	**(95.9)**	**(89.8)**	**(35.9)**

The 2011 tax charge includes for some countries the recognition of deferred income tax assets made possible by more favourable economic perspectives.

The income tax rate change in France has not had any impact on the 2011 group income tax.

8.1 Analysis of the tax charge

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

(in € millions)	Full-year 2011	Full-year 2010	Full-year 2009
Pre-tax income of consolidated companies	475.4	303.4	(392.7)
Tax at 36.1% (34.43% in 2009 and 2010)	*(171.6)*	*(104.5)*	*135.2*
Effect of rate changes on deffered taxes recognized on the balance sheet	(2.3)	0.0	(2.0)
Effect of local rate differences	45.1	31.5	(1.4)
Tax credits	17.5	20.4	10.1
Use of non-capitalized loss carryforwards	79.5	26.2	6.6
Non-capitalized tax losses	(61.5)	(103.7)	(183.9)
Impairment of tax carryforwards	0.0	0.0	0.0
Permanent differences and others	(2.6)	40.3	(0.5)
Corporate tax recognized	**(95.9)**	**(89.8)**	**(35.9)**

8.2 Analysis of tax assets and liabilities

(in € millions)	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009
Current taxes			
- Assets	53.6	35.2	14.5
- Liabilities	(34.9)	(31.9)	(27.1)
	18.7	**3.3**	**(12.6)**
Deferred taxes			
- Assets*	78.3	86.2	72.0
- Liabilities	(15.5)	(29.2)	(7.1)
	62.8	**57.0**	**64.9**
* *Of which tax assets on tax losses*	35.7	40.0	45.1

Changes in deferred taxes recorded on the balance sheet break down as follows:

(in € millions)	2011	2010	2009
Net amount at the beginning of the year	**57.0**	**64.9**	**53.2**
- Deferred taxes for the period carried to income	1.8	(3.9)	6.3
- Deferred taxes recognized directly in equity	0.0	0.0	0.0
- Effect of currency fluctuations and other movements	4.0	(4.0)	5.4
- Impairment of tax assets carryforwards	0.0	0.0	0.0
Net amount at the end of the year	**62.8**	**57.0**	**64.9**

8.3 Impairment of tax asset carryforwards

(in € millions)	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009
N+1	9.8	32.6	5.3
N+2	8.9	7.0	4.6
N+3	13.2	9.5	6.7
N+4	24.7	28.1	12.6
N+5 and above	187.9	220.3	207.9
Unlimited	549.5	505.8	461.2
TOTAL	**794.0**	**803.3**	**698.3**

These deferred income tax assets on loss carry forwards are originated mainly from France and the USA.

NOTE 9 EARNINGS PER SHARE

(in € millions)	Full-year 2011	Full-year 2010	Full-year 2009
Number of shares outstanding at year end (1)	**110,368,345**	**110,366,728**	**89,448,504**
Adjustements:			
- treasury stock	(46,872)	(270,814)	(270,814)
- weighted impact of share issue prorated	(583)	(2,235,098)	(25,843,154)
Weighted average number of shares before dilution	**110,320,890**	**107,860,816**	**63,334,536**
Weighted impact of dilutive instruments:			
- stock options (2)	0	0	0
- free shares attributed	2,465,850	1,344,500	0
- bonds with conversion option (3)	6,774,402	3,408,805	11,306,058
Weighted average number of shares after dilution	**119,561,142**	**112,614,121**	**74,640,594**

(1) Changes in the number of shares outstanding as of December 31 are analysed as follows:

As of December 31, 09: Number of Faurecia shares outstanding	*89,448,504*
Capital increase	*20,918,224*
As of December 31, 10: Number of Faurecia shares outstanding	*110,366,728*
Capital increase (bonds converted)	*1,617*
As of December 31, 11: Number of Faurecia shares outstanding	*110,368,345*

(2) As of December 31, 2011 1,475,348 stock options were outstanding and exercisable, compared with 1,523,998 as of December 31, 2010 and 1,594,223 as of December 31, 2009. Taking into account the average Faurecia share price for 2011, none of the stock options have a dilutive impact.

(3) Bonds with conversion option have a dilutive effect when the net interest per share deriving from the conversion is less than the basic earnings per share.

The dilutive impact of the bonds was calculated using the treasury stock method.

In relation to stock options, this method consists of comparing the number of shares that would have been issued if all outstanding stock options had been exercised to the number of shares that could have been acquired at fair value (in this case the average Faurecia share price for the year was €22.89 in 2011).

Earnings per share

Earnings per share break down as follows:

(in € millions)	Year 2011	Year 2010	Year 2009
Net income (Loss)	**371.3**	**201.7**	**(433.6)**
Basic earnings (loss) per share	3.37	1.87	(6.85)
After dilution	3.11	1.79	(6.85)

NOTE 10 GOODWILL

(in € millions)	Gross	Impairment	Net
Net carrying amount as of December 31, 2008	**1,550.8**	**(510.6)**	**1,040.2**
Acquisitions and minority interest buyouts	1.6	0.0	1.6
Impairment of goodwill	0.0	0.0	0.0
Translation adjustments and other movements	(1.8)	(0.1)	(1.9)
Net carrying amount as of December 31, 2009	**1,550.6**	**(510.7)**	**1,039.9**
Acquisitions and minority interest buyouts	178.7	0.0	178.7
Translation adjustments and other movements	12.6	(0.4)	12.2
Net carrying amount as of December 31, 2010	**1,741.9**	**(511.1)**	**1,230.8**
Acquisitions	25.5	0.0	25.5
Translation adjustments and other movements	3.8	0.5	4.3
Net carrying amount as of December 31, 2011	**1,771.2**	**(510.6)**	**1,260.6**

Breakdown of the net amount of goodwill by operating segment:

(in € millions)	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009
Automotive Seating	792.4	792.4	792.6
Emissions Control Technologies	340.2	335.8	151.2
Interior Systems	31.9	6.5	0.0
Automotive Exteriors	96.1	96.1	96.1
TOTAL	**1,260.6**	**1,230.8**	**1,039.9**

In accordance with the accounting policies described in Notes 1.2 and 1.5, the carrying amount of each CGU to which goodwill has been allocated has been compared to the higher of the CGU's value in use and its market value net of selling costs. Value in use corresponds to the present value of net future cash flows expected to be derived from the CGU's in question.

The cash flow forecasts used to calculate value in use were based on the Group's 2012-2015 medium-term business plan which was drafted in mid-2011 and adjusted at the end of the year based on the latest assumptions in the 2012 budget. The volume assumptions used in the 2012-2015 medium-term plan are based on external information sources.

The main assumption affecting value in use is the level of operating income used to calculate future cash flows and particularly the terminal value. The operating margin assumption for 2015 is 5.6% for the Group as a whole.

Projected cash flows for the last year of the medium-term business plan (2015) have been projected to infinity by applying a growth rate determined based on analysts' trend forecasts for the automotive market. The growth rate applied for the year-end 2011, 2010 and 2009 tests was 1.5%.

Faurecia called on an independent expert to calculate the weighted average cost of capital used to discount future cash flows. The market parameters used in the expert's calculation were based on a sample of 10 companies operating in the automotive supplier sector (seven in Europe and three in the United States). Taking into account these parameters and a market risk premium of 5.5% to 6%, the weighted average cost of capital used to discount future cash flows was set at 9.5% (on the basis of a range of values provided by the independent expert) in 2011 (9% in 2010). This rate was applied for the impairment tests carried out on all of the Group's CGU's. They all bear the same specific risks relating to the automotive supplier sector and the CGU'S multinational operation does not justify using geographically different discount rates.

The tests performed at year-end 2011 did not show any indication of further impairment in goodwill.

The projected discounted cash flows are significantly above the valuation based on the stock value on the market. However, the book value of the capital employed remains below this same value.

The table below shows the sensitivity of the impairment test results to changes in the assumptions used as of December 31, 2011 to determine the value in use of the CGU's to which the Group's goodwill is allocated:

Sensitivity *(in € millions)*	**Test income (value in use - net carrying value)**	**Cash flow discount rate +0.5pt**	**Growth rate to infinity -0.5pt**	**Operating Income for terminal value -0.5pt**	**Combination of the 3 factors**
Automotive Seating	1,583	(193)	(158)	(209)	(513)
Emissions Control Technologies	1,212	(129)	(106)	(206)	(399)
Interior Systems	1,480	(140)	(113)	(136)	(357)
Automotive Exteriors	590	(53)	(43)	(65)	(146)

NOTE 11 INTANGIBLE ASSETS

Intangible assets break down as follows:

(in € millions)	**Development costs**	**Software and other**	**Total**
NET AS OF JANUARY 1, 2009	**449.5**	**20.3**	**469.8**
Additions	104.2	2.6	106.8
Funding of amortization provisions	(161.1)	(12.1)	(173.2)
Funding of provisions	(19.6)	0.0	(19.6)
Translation adjustments and other	(3.6)	16.7	13.1
NET AS OF DECEMBER 31, 2009	**369.4**	**27.5**	**396.9**
Additions	154.6	4.8	159.4
Funding of amortization provisions	(175.5)	(19.5)	(195.0)
Funding of provisions	13.6	0.0	13.6
Translation adjustments and other	15.1	45.2	60.3
NET AS OF DECEMBER 31, 2010	**377.2**	**58.0**	**435.2**
Additions	180.2	6.9	187.1
Funding of amortization provisions	(148.3)	(20.9)	(169.2)
Funding of provisions	8.7	0.0	8.7
Translation adjustments and other	(2.7)	5.1	2.4
NET AS OF DECEMBER 31, 2011	**415.1**	**49.1**	**464.2**

The carrying amount of development costs allocated to a customer contract as well as the associated specific tooling is compared to the present value of the expected net future cash flows to be derived from the contract based on the best possible estimate of future sales. The volumes taken into account in Faurecia's Business Plans are the best estimates by the Group's marketing department based on automakers' forecasts when available.

NOTE 12 PROPERTY, PLANT AND EQUIPMENT

(in € millions)	Land	Buildings	Plant, tooling and equipment	Specific tooling	Other property, plant and equipment and property, plant and equipment in progress	Total
NET AS OF JANUARY 1, 2009	**58.1**	**343.1**	**703.0**	**23.9**	**232.7**	**1,360.8**
Additions (including own work capital) (1)	1.0	20.8	78.1	15.4	74.8	190.1
Disposals	(1.7)	(45.2)	(171.7)	(1.9)	(23.4)	(243.9)
Funding of depreciation, amortization and impairment provisions	(0.5)	(49.4)	(216.6)	(13.0)	(16.2)	(295.7)
Non-recurring impairment losses	(1.2)	(2.3)	(6.9)	(0.2)	(0.4)	(11.0)
Depreciation written off on disposals	0.3	41.9	166.6	1.3	21.5	231.6
Currency translation adjustments	0.4	4.4	5.2	0.2	1.4	11.6
Entry into scope of consolidation & other movements	1.1	52.5	95.6	(1.0)	(167.1)	(18.9)
NET AS OF DECEMBER 31, 2009	**57.5**	**365.8**	**653.3**	**24.7**	**123.3**	**1,224.6**
Additions (including own work capital) (1)	4.3	21.0	117.1	8.0	153.9	304.3
Disposals	(2.6)	(22.5)	(110.7)	(6.4)	(22.1)	(164.3)
Funding of depreciation, amortization and impairment provisions	(0.2)	(49.3)	(232.6)	(10.8)	(21.2)	(314.1)
Non-recurring impairment losses	0.0	(1.8)	(7.6)	(0.7)	(3.2)	(13.3)
Depreciation written off on disposals	1.7	19.7	112.6	6.4	22.0	162.4
Currency translation adjustments	1.9	13.2	31.2	0.3	6.7	53.3
Entry into scope of consolidation & other movements	24.5	66.9	284.5	1.1	(54.4)	322.6
NET AS OF DECEMBER 31, 2010	**87.1**	**413.0**	**847.8**	**22.6**	**205.0**	**1,575.5**
Additions (including own work capital) (1)	1.0	15.0	104.6	20.9	309.9	451.4
Disposals	(0.4)	(19.9)	(124.3)	(6.6)	(29.0)	(180.2)
Funding of depreciation, amortization and impairment provisions	(1.5)	(46.0)	(213.2)	(11.6)	(26.5)	(298.8)
Non-recurring impairment losses	(0.2)	(3.3)	(3.5)	0.0	(0.2)	(7.2)
Depreciation written off on disposals	0.2	20.0	122.8	6.4	27.4	176.8
Currency translation adjustments	(0.5)	(0.4)	(6.2)	0.5	(0.8)	(7.4)
Entry into scope of consolidation & other movements	(0.7)	46.6	138.3	(1.4)	(159.5)	23.3
NET AS OF DECEMBER 31, 2011	**85.0**	**425.0**	**866.3**	**30.8**	**326.3**	**1,733.4**

(1) Including assets held under finance leases

In 2009	*21.3*
In 2010	*4.0*
In 2011	*5.4*

(in € millions)	Dec. 31, 2011 Gross	Dec. 31, 2011 Depreciation	Dec. 31, 2011 Net	Dec. 31, 2010 Gross	Dec. 31, 2010 Net	Dec. 31, 2009 Net
Land	95.2	(10.2)	85.0	95.7	87.1	57.5
Buildings	1,051.1	(626.1)	425.0	1,018.5	413.0	365.8
Plant, tooling and technical equipment	3,127.3	(2,261.0)	866.3	3,123.1	847.8	653.3
Specific tooling	141.1	(110.3)	30.8	129.4	22.6	24.7
Other property, plant and equipment and property, plant and equipment in progress	603.7	(277.4)	326.3	499.0	205.0	123.3
TOTAL	**5,018.4**	**(3,285.0)**	**1,733.4**	**4,865.7**	**1,575.5**	**1,224.6**
Including assets subject to lease financing	122.7	(60.6)	62.1	135.4	68.2	44.8

Property, plant and equipment are often specific and dedicated to client programs. Their utilization rates are primarily dependent on the level of activity, with very few exceptions. The utilization rates for equipment are not monitored centrally or systematically.

NOTE 13 INVESTMENTS IN ASSOCIATES

As of December 31, 2011

(in € millions)	% interest **	Group share of equity	Dividends received by the Group	Group share of sales	Group share of total assets
Teknik Malzeme *	50	5.2	0.0	48.8	35.0
Copo Ibérica SA	50	2.7	0.0	18.2	7.7
Componentes de Vehiculos de Galicia SA	50	2.0	(1.0)	5.7	4.0
Zhejiang Faurecia Limin Interior & Exterior Systems Company Limited	50	3.9	0.0	0.0	4.7
Changchun Huaxiang Faurecia Automotive Plastic Components Co Ltd	50	6.1	0.0	7.4	14.6
Jinan Faurecia Limin Interior & Exterior Systems Company Limited	50	2.4	0.0	0.0	3.3
Others ***	-	5.2	0.0	319.7	104.9
TOTAL	**-**	**27.5**	**(1.0)**	**399.8**	**174.2**
SAS Group	50	43.5	(20.0)	2,213.1	349.2
TOTAL		**71.0**	**(21.0)**	**2,612.9**	**523.4**

** The company Orcia has been consolidated in Teknik Malzeme.*
*** 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 or contingencies and charges.*

SAS is a joint venture with Continental Automotive GmbH which manufactures full cockpit modules with electronics and circuitry built into the instrument panels.

In 2011, the consolidated financial statements were prepared using SAS Group's accounts as of December 31st, whereas for the years 2010 and 2009 SAS group's accounts as of September 30, were considered in order to meet the Faurecia Group's publication deadlines.

13.1 Change in investments in associates

(in € millions)	2011	2010	2009
Group share of equity at beginning of period	43.6	31.0	40.1
Dividends	(21.0)	(15.0)	(25.0)
Share of net income of associates	33.7	18.8	11.3
Change in scope of consolidation	13.8	4.8	3.9
Capital increase	0.0	0.9	0.7
Currency translation adjustments	0.8	3.1	0.0
Group share of equity at end of period	**71.0**	**43.6**	**31.0**

13.2 Group share of financial items of associates

(in € millions)	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009
Fixed assets	64.6	39.7	32.0
Current assets	397.9	388.0	331.1
Cash and cash equivalents	60.9	42.9	33.0
TOTAL ASSETS	**523.4**	**470.6**	**396.1**
Equity	63.5	35.1	27.1
Borrowings	32.4	18.9	18.1
Other non-current liabilities	18.3	33.7	24.9
Non-current financial liabilities	409.2	382.9	326.0
TOTAL EQUITY AND LIABILITIES	**523.4**	**470.6**	**396.1**

NOTE 14 OTHER EQUITY INTERESTS

		Dec. 31, 2011		Dec. 31, 2010	Dec. 31, 2009
(in € millions)	% of share capital	Gross	Net	Net	Net
Changchun Xuyang Industrial Group	19	11.9	11.9	11.0	0.0
Amminex	21	19.7	19.7		
Changchun Xuyang Faurecia Acoustics &Soft Trim Co., Ltd.	40	5.4	5.4		
Faurecia Technology Center India Ltd **				3.6	3.6
Faurecia Shin Sung *					4.3
Faurecia Metalloprodukcia *					2.4
Other	-	4.4	1.8	0.7	0.9
TOTAL		**41.4**	**38.8**	**15.3**	**11.2**

* *Companies consolidated as of 01/01/2010.*
** *Companies consolidated as of 01/01/2011.*

NOTE 15 OTHER NON CURRENT FINANCIAL ASSETS

(In € millions)	Dec. 31, 2011 Gross	Dec. 31, 2011 Provisions	Dec. 31, 2011 Net	Dec. 31, 2010 Net	Dec. 31, 2009 Net
Loans with maturity longer than one year	30.8	(8.2)	22.6	19.4	17.7
Interest rate derivatives	0.0	0.0	0.0	0.0	0.1
Other	13.7	(0.9)	12.8	8.4	5.6
TOTAL	**44.5**	**(9.1)**	**35.4**	**27.8**	**23.4**

NOTE 16 OTHER NON CURRENT ASSETS

This line includes:

(In € millions)	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009
Pension plan surpluses	0.1	0.2	0.0
Guarantee deposits and other	16.8	14.3	18.9
TOTAL	**16.9**	**14.5**	**18.9**

NOTE 17 INVENTORIES AND WORK IN PROGRESS

(en € millions)	Dec. 31, 2011 Gross	Dec. 31, 2011 Provisions	Dec. 31, 2011 Net	Dec. 31, 2010 Net	Dec. 31, 2009 Net
Raw materials and supplies	359.0	(39.7)	319.3	277.4	157.6
Engineering, tooling and prototypes	368.8	(23.3)	345.5	253.5	160.9
Work-in-progress for production	42.3	(2.5)	39.8	38.6	22.1
Semi-finished and finished products	210.4	(29.6)	180.8	164.5	98.0
TOTAL	**980.5**	**(95.1)**	**885.4**	**734.0**	**438.6**

NOTE 18 TRADE ACCOUNTS RECEIVABLE

Under trade receivables sale programs, the Group can sell a portion of the receivables of a number of its French and other European 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.

The following table shows the amount of receivables sold with maturities beyond December 31, 2011, for which substantially all the risks and rewards have been transferred, and which have therefore been derecognized:

(In € millions)	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009
Receivables sold and derecognized	461.7	377.9	290.7

Individually impaired trade receivables are as follows:

(In € millions)	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009
Gross total trade receivables	1,640.2	1,409.6	1,047.0
Provision for impairment of receivables	(20.0)	(21.9)	(21.1)
TOTAL TRADE ACCOUNTS RECEIVABLE, NET	**1,620.2**	**1,387.7**	**1,025.9**

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

Late payments as of December 31, 2011 were €83.9 million, breaking down as follows:

- €45.6 million less than one month past due;
- €10.6 million one to two months past due;
- €6.9 million two to three months past due;
- €8.8 million three to six months past due;
- €12.0 million more than six months past due.

NOTE 19 OTHER OPERATING RECEIVABLES

(In € millions)	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009
Down payments	116.3	61.6	39.5
Other receivables (1)	181.3	161.7	131.5
TOTAL	**297.6**	**223.3**	**171.0**
(1) Including the following amounts for VAT and other tax receivables	174.8	154.9	127.0

NOTE 20 OTHER RECEIVABLES

(In € millions)	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009
Short-term portion of loans	3.7	3.5	0.1
Prepaid expenses	9.0	14.6	4.6
Current taxes	53.6	35.3	14.5
Other sundry payables	64.9	47.3	60.7
TOTAL	**131.2**	**100.7**	**79.9**

NOTE 21 CASH AND CASH EQUIVALENTS

As of December 31, 2011, cash and cash equivalents included current account balances in the amount of €564.3 million (versus €532.5 million as of December 31, 2010 and €292.2 million as of December 31, 2009) and short-term investments in the amount of €65.8 million (versus €73.3 million as of December 31, 2010 and €65.6 million as of December 31, 2009).

The carrying amount of marketable securities is almost identical to market value as they are held on a very short term basis.

NOTE 22 SHAREHOLDERS' EQUITY

22.1 Capital

As of December 31, 2011, Faurecia's capital stock totaled €772,578,415 divided into 110,368,345 fully paid-in shares with a par value of €7 each.

The Group's capital is not subject to any external restrictions. Shares which have been registered in the name of the same holder for at least two years carry double voting rights.

As of December 31, 2011, Peugeot SA held 57.43% of Faurecia's capital and 72.87% of the voting rights.

22.2 Employee stock options and share grants

A - STOCK SUBSCRIPTION OPTIONS

Faurecia has a policy of issuing stock options to the executives of Group companies. As of December 31, 2011, a total of 1,475,348 stock options were outstanding.

The exercise of these options would result in increasing:

- the capital stock by €10.3 million;
- additional paid-in capital by €53 million.

Details of the stock subscription option plans as of December 31, 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	Including granted to senior executive management	Start of exercise period / Last exercise date	Options exercised	Options cancelled	Adjusted number of options outstanding as of Dec. 31, 2011
	June 26, 1997			June 27, 2002			
May 31, 1994	34.40	63,180	17,550	June 25, 2012	36,855	19,305	7,020
	February 22, 2002			February 23, 2006			
June 5, 1997	47.01	411,489	81,315	February 22, 2012	32,994	135,369	243,126
	November 28, 2002			November 29, 2006			
June 1, 2001	35.65	315,315	118,170	November 27, 2012	106,583	134,105	74,627
	April 14, 2004			April 14, 2008			
May 14, 2002	49.73	313,560	127,530	April 13, 2014	-	149,760	163,800
	April 19, 2005			April 18, 2009			
May 25, 2004	54.45	321,750	142,740	April 18, 2015	-	125,775	195,975
	April 13, 2006			April 12, 2010			
May 23, 2005	45.20	340,800	168,000	April 12, 2016	-	135,600	205,200
	April 16, 2007			April 17, 2011			
May 23, 2005	44.69	346,200	172,800	April 17, 2017	-	85,200	261,000
	April 10, 2008			April 10, 2012			
May 29, 2007	28.38	357,000	174,000	April 10, 2016	-	32,400	324,600
TOTAL							**1,475,348**

Movements in the aggregate number of options under all of the plans in force were as follows:

(in € millions)	2011	2010	2009
Total at beginning of the period	1,523,998	1,594,223	1,435,183
Adjustment related to the capital increase	0	0	256,093
Options granted	0	0	0
Options exercised	0	0	0
Options cancelled and expired	(48,650)	(70,225)	(97,053)
TOTAL	**1,475,348**	**1,523,998**	**1,594,223**

In accordance with IFRS 2, the six plans issued since November 7, 2002 have been measured at fair value as of the grant date. The measurement was performed using the Black & Scholes option pricing model based on the following assumptions:

	11/28/2002 plan	04/14/2004 plan	04/19/2005 plan	04/13/2005 plan	04/16/2007 plan	04/10/2008 plan
Option exercise price (as of the grant date) in euros*	35.65	49.73	54.45	45.20	44.69	28.38
Share price (as of the grant date) in euros	41.82	58.45	62.05	53.15	56.15	33.10
Option vesting period	4 years	4 years	4 years	4 years	4 years	4 years
Expected share dividend	2%	2%	2%	1.5%	0.00%	0.00%
Zero coupon rate	3.57%	3.33%	2.93%	3.50%	4.41%	3.86%
Expected share price volatility	40%	40%	40%	30%	30%	30%

* *Adjusted following the capital increase.*

The fair value of the option is amortized over the vesting period, with a corresponding adjustment to equity. The related expense in 2011 totaled €1.5 million, compared with €2 million in 2010.

B - STOCK PURCHASE OPTIONS

From 1999 to 2001, Faurecia granted stock options to executives of Group companies and their over 50%-owned subsidiaries. As of December 31, 2011, no stock purchase options are outstanding.

C - FREE SHARES ATTRIBUTED

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 this plan 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. The amount recognized in expenses for the period is €9.6 million, compared with €2.6 million in 2010.

Details of the share grant plans as of December 31, 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 condtion
	June 23, 2010	662,000	860,600	2011 pretax income target as stated in mid term plan when granted
February 8, 2010	July 21, 2010	682,500	887,250	2012 pretax income target as stated in mid term plan when granted
May 26, 2011	July 25, 2011	718,000	933,400	2013 pretax income target as stated in mid term plan when granted

22.3 Treasury stock

As of December 31, 2011, Faurecia held 46,872 shares of treasury stock.

The cost of the shares held in treasury stock as of December 31, 2011 totaled €1.7 million, representing an average cost of €36.79 per share.

NOTE 23 MINORITY INTERESTS

Changes in minority interests were as follows:

(in € millions)	2011	2010	2009
Balance as of January 1	87.7	45.8	40.6
Increase in minority shareholder interests	1.2	4.2	0.0
Other changes in scope of consolidation	2.9	9.1	0.0
Minority interests in net income for the year	42.0	30.7	16.3
Dividends paid to minority interests	(26.7)	(6.0)	(9.3)
Translation adjustments	6.4	3.9	(1.8)
BALANCE AS OF DECEMBER 31	**113.5**	**87.7**	**45.8**

NOTE 24 LONG AND SHORT TERM PROVISIONS

24.1 Long-term provisions

LONG-TERM PROVISIONS

(in € millions)	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009
Provisions for pensions and other employee obligations			
Pension obligations	162.4	157.3	143.2
Long-service awards	20.6	20.9	19.2
Healthcare costs	32.8	33.1	26.3
	215.8	**211.3**	**188.7**
Provisions for early retirement costs	3.0	3.2	5.2
TOTAL LONG-TERM PROVISIONS	**218.8**	**214.5**	**193.9**

CHANGES IN LONG-TERM PROVISIONS

(in € millions)	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009
Balance of provisions at beginning of year	**214.5**	**193.9**	**193.6**
Changes in scope of consolidation	0.0	25.8	0.0
Other movements	1.9	4.4	1.8
Funding (or reversal) of provision	22.3	26.2	22.1
Expenses charged to the provision	(7.3)	(19.5)	(15.4)
Payments to external funds	(12.6)	(16.3)	(8.2)
BALANCE OF PROVISIONS AT END OF YEAR	**218.8**	**214.5**	**193.9**

24.2 Short-term provisions

SHORT-TERM PROVISIONS

(in € millions)	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009
Restructuring	123.8	169.2	157.8
Risks on contracts and customer warranties	96.9	123.5	56.7
Litigation	38.6	43.9	47.4
Other	63.0	80.0	58.4
TOTAL SHORT-TERM PROVISIONS	**322.3**	**416.6**	**320.3**

Changes in these provisions in 2011 were as follows:

(in € millions)	Balance as of Dec. 31, 2010	Additions	Expenses charged	Reversals *	sub-total changes	Change in scope of consolidation ond other changes	Balance as of Dec.31, 2011
Restructuring	169.2	46.9	(89.1)	(2.4)	(44.6)	(0.8)	123.8
Risks on contracts and customer warranties	123.5	6.7	(56.7)	(1.2)	(51.2)	24.6	96.9
Litigation	43.9	10.5	(15.7)	0.0	(5.2)	(0.1)	38.6
Other provisions	80.0	12.4	(24.4)	(1.5)	(13.5)	(3.5)	63.0
TOTAL	**416.6**	**76.5**	**(185.9)**	**(5.1)**	**(114.5)**	**20.2**	**322.3**

* *Surplus provisions.*

LITIGATION

In the normal course of business, the Group may be involved in disputes with its customers, suppliers, tax authorities in France or abroad, or other third parties.

Faurecia Systèmes d'Échappement is subject to a claim concerning electrostatic filtration which has been brought before the courts following its unsuccessful cooperation with a service provider. On June 24, 2011, the Paris *Tribunal de Grande Instance* (district court of first instance) rendered a judgment favourable to Faurecia. The opposing party has served notice of its decision to appeal the judgment. No date has yet been settled by the *Cour d'Appel* (court of appeal). Suzuki has initiated a procedure of international arbitration against Faurecia Innenraum Systeme alleging delivery of defective products. The Group has filed its arguments in defence with the arbitral tribunal. A first hearing is scheduled for February 10, 2012. This claim had already been provisioned for the amount below franchise and for associated uninsured costs. The Group considers that the residual risks and impact of these proceedings are not material.

There are no other claims or litigation in progress or pending that are likely to have a material impact on the Group's consolidated financial position.

NOTE 25 PROVISIONS FOR PENSIONS AND OTHER POST EMPLOYMENT BENEFITS

25.1 Benefit obligations

(in € millions)	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009
Present value of projected obligations			
- Pension benefit obligations	290.7	270.3	222.9
- Long-service awards	20.6	20.9	19.2
- Healthcare costs	50.8	48.4	36.5
TOTAL	**362.1**	**339.6**	**278.6**
Value of plan assets			
- Provisions booked in the accounts	215.8	211.3	188.7
- External funds (market value)	104.5	101.6	83.6
- Plan surplus [1]	(0.1)	(0.2)	0.0
- Actuarial gains and losses	41.9	26.9	6.3
TOTAL	**362.1**	**339.6**	**278.6**

(1) Pension plan surpluses are included in "Other non-current assets".

25.2 Pension benefit obligations

A - DESCRIPTION OF THE PLANS

In addition to the pension benefits provided under local legislation in the various countries where Group companies are located, Group employees are entitled to supplementary pension benefits and retirement bonuses.

B - ASSUMPTIONS USED

The Group's obligations under these plans are determined on an actuarial basis, using the following assumptions:

- retirement age between 62 and 65 for employees in France;
- staff turnover assumptions based on the economic conditions specific to each country and/or Group company;
- mortality assumptions specific to each country;
- estimated future salary levels until retirement age, based on inflation assumptions and forecasts of individual salary increases for each country;
- the expected long-term return on external funds;
- discount and inflation rates (or differential) based on local conditions.

The main actuarial assumptions used in the past three years to measure the pension liability are as follows:

(in %)	Euro Zone	United Kingdom	United States
DISCOUNT RATE			
2011	4.50%	5.00%	4.99%
2010	4.15%	5.54%	5.35%
2009	5.00%	5.83%	5.75%
INFLATION RATE			
2011	2.00%	2.69%	2.00%
2010	2.00%	3.45%	1.50%
2009	2.00%	3.50%	2.70%
EXPECTED RETURN ON PLAN ASSETS			
2011	3.17%	6.82%	7.50%
2010	3.09%	6.85%	7.50%
2009	3.20%	7.76%	7.50%

C - INFORMATION ON EXTERNAL FUNDS

External funds are invested as follows:

	2011		2010		2009	
(in %)	Equities	Bonds	Equities	Bonds	Equities	Bonds
France	14%	86%	15%	85%	11%	89%
United Kingdom	61%	39%	62%	38%	69%	31%
United States	59%	41%	64%	36%	63%	37%

D - PROVISIONS FOR PENSION LIABILITIES RECOGNIZED ON THE BALANCE SHEET

	2011			2010			2009		
(in € millions)	France	Abroad *	Total	France	Abroad	Total	France	Abroad	Total
Balance of provisions at beginning of year	**76.7**	**80.4**	**157.1**	**77.0**	**66.2**	**143.2**	**71.0**	**68.6**	**139.6**
Effect of changes in scope of consolidation (provision net of plan surpluses)	0.0	0.0	0.0	0.2	17.4	17.6	0.0	0.0	0.0
Additions	7.5	8.7	16.2	7.7	8.7	16.4	9.8	5.9	15.7
Expenses charged to the provision	(0.2)	(2.1)	(2.3)	(1.7)	(7.2)	(8.9)	(1.7)	(3.1)	(4.8)
Payments to external funds	(4.1)	(5.8)	(9.9)	(6.5)	(6.7)	(13.2)	(2.1)	(6.1)	(8.2)
Other movements	0.9	0.3	1.2	0.0	2.0	2.0	0.0	0.9	0.9
BALANCE OF PROVISIONS AT END OF YEAR	**80.8**	**81.5**	**162.3**	**76.7**	**80.4**	**157.1**	**77.0**	**66.2**	**143.2**

** The provision for €81,5 million on December 31, 2011 relates mainly to Germany (€71,6 million).*

E - CHANGES IN PENSION LIABILITIES

(in € millions)	Dec. 31, 2011 France	Dec. 31, 2011 Abroad	Dec. 31, 2011 Total	Dec. 31, 2010 France	Dec. 31, 2010 Abroad	Dec. 31, 2010 Total	Dec. 31, 2009 France	Dec. 31, 2009 Abroad	Dec. 31, 2009 Total
PROJECTED BENEFIT OBLIGATION									
At beginning of the period	**88.7**	**181.6**	**270.3**	**80.4**	**142.5**	**222.9**	**97.1**	**129.0**	**226.1**
Service costs	4.8	4.6	9.4	4.5	4.0	8.5	6.7	2.2	8.9
Annual restatement	3.9	8.0	11.9	4.2	8.5	12.7	5.7	7.5	13.2
Benefits paid	(4.0)	(8.0)	(12.0)	(5.2)	(11.3)	(16.5)	(8.4)	(6.4)	(14.8)
Restatement differences	8.6	(1.3)	7.3	5.2	10.9	16.1	(18.3)	8.6	(9.7)
Other movements (including translation adjustment)	0.9	3.2	4.1	0.2	27.0	27.2	0.0	1.6	1.6
Curtailments and settlements	(0.3)	0.0	(0.3)	(0.6)	0.0	(0.6)	(2.4)	0.0	(2.4)
Effect of closures and plan amendments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
AT THE END OF THE PERIOD	**102.6**	**188.1 ***	**290.7**	**88.7**	**181.6**	**270.3**	**80.4**	**142.5**	**222.9**
VALUE OF PLANT ASSETS									
At beginning of the period	**15.9**	**85.6**	**101.5**	**12.6**	**71.0**	**83.6**	**17.1**	**58.1**	**75.2**
Expected return on plan assets	0.4	5.5	5.9	0.3	5.1	5.4	0.6	3.9	4.5
Restatement differences	(0.3)	(5.5)	(5.8)	0.0	0.8	0.8	(0.6)	4.9	4.3
Other movements (including translation adjustment)	0.0	2.6	2.6	0.0	6.1	6.1	0.0	1.3	1.3
Employer contributions	4.1	5.8	9.9	6.5	6.7	13.2	2.1	6.1	8.2
Benefits paid	(3.8)	(5.8)	(9.6)	(3.5)	(4.1)	(7.6)	(6.6)	(3.3)	(9.9)
Curtailments and settlements	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Effect of closures and plan amendments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
AT THE END OF THE PERIOD	**16.3**	**88.2**	**104.5**	**15.9**	**85.6**	**101.5**	**12.6**	**71.0**	**83.6**
DEFERRED ITEMS									
At beginning of the period	**(3.9)**	**15.6**	**11.7**	**(9.2)**	**5.3**	**(3.9)**	**9.0**	**2.3**	**11.3**
New deferred items	8.9	4.2	13.1	5.2	10.1	15.3	(17.8)	3.6	(14.2)
Amortization of deferred items	(0.1)	(1.4)	(1.5)	(0.4)	(1.4)	(1.8)	(0.2)	(0.1)	(0.3)
Other movements (including translation adjustment)	0.0	0.3	0.3	0.0	1.5	1.5	0.0	(0.5)	(0.5)
Curtailments and settlements	0.5	(0.2)	0.3	0.5	0.1	0.6	(0.2)	0.0	(0.2)
Effect of closures and plan amendments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
AT THE END OF THE PERIOD	**5.4**	**18.5**	**23.9**	**(3.9)**	**15.6**	**11.7**	**(9.2)**	**5.3**	**(3.9)**
BALANCE OF PROVISIONS AT THE END OF THE YEAR	**80.9**	**81.4**	**162.3**	**76.7**	**80.4**	**157.1**	**77.0**	**66.2**	**143.2**

** Of which €78,9 million for Germany.*

F - PERIODIC PENSION COST

Period pension cost is recognized

- in operating income for the portion relating to service cost and amortization of deferred items;
- in "Other financial income and expenses" for restatement of vested rights and the expected return on external funds.

Period pension cost break down as follows:

	2011			2010			2009		
(in € millions)	**France**	**Abroad**	**Total**	**France**	**Abroad**	**Total**	**France**	**Abroad**	**Total**
Service costs	(4.8)	(4.6)	(9.4)	(4.5)	(4.0)	(8.5)	(6.7)	(2.2)	(8.9)
Restatement of projected benefits	(3.9)	(8.0)	(11.9)	(4.2)	(8.5)	(12.7)	(5.7)	(7.5)	(13.2)
Change in top-up scheme	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Expected return on plan assets	0.4	5.5	5.9	0.3	5.1	5.4	0.6	3.9	4.5
Curtailment and settlements	0.9	(0.2)	0.7	1.1	0.1	1.2	2.2	0.0	2.2
Amortization of deferred differences	(0.1)	(1.4)	(1.5)	(0.4)	(1.4)	(1.8)	(0.2)	(0.1)	(0.3)
TOTAL	**(7.5)**	**(8.7)**	**(16.2)**	**(7.7)**	**(8.7)**	**(16.4)**	**(9.8)**	**(5.9)**	**(15.7)**

a) The supplementary pension scheme for all managerial employees in France comprises:

- a defined contribution plan financed entirely by Faurecia whose contribution rate varies depending on salary tranches A or B applies,
- a defined benefit plan relating to salary tranche C;

b) In France, when calculating its pension liability as of December 31, 2011, the Group has used only voluntary retirement assumptions beginning at 62 years of age for non-management employees and at 65 years of age for management.

c) In France, pension liability increased by €13.9 million at year-end compared to 2010. This increase breaks down as follows:

- + €8.7 million relating to service cost and interest cost for 2011;
- - €4.0 million relating to lump-sum retirement bonuses and rights to capital for supplementary pension schemes;
- - €0.3 million relating to headcount reduction plans in 2011;
- + €1.9 million relating to increased lump-sum retirement bonuses according to the rates in the metallurgical collective labor agreement;
- + €7.6 million resulting from actuarial gains and losses, including - €3.9 million relating to the discount rate, + €9.9 million relating to experience and + €1.6 million for other assumptions.

G - RETIREMENT PENSION LIABILITIES: SENSITIVITY TO CHANGES IN THE DISCOUNT RATE IN MAIN PERIMETERS

The impact of a 0.25 percentage point increase in the discount rate for:

- total service cost for the period would be for France a 3.26% decrease and for Germany a 5.18% decrease;
- the projected benefit obligation would be for France a 2.63% decrease and for Germany a 3.92% decrease.

25.3 Long-service awards

The Group evaluates its liability for the payment of long-service awards, given to employees based on certain seniority requirements. The Group calculates its liability for the payment of long-service awards using the same method and assumptions as for its pension liability. Provisions for long-service awards have been set uside as follows:

(in € millions)	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009
French companies	6.6	6.9	8.5
Foreign companies	14.0	14.0	10.7
TOTAL	**20.6**	**20.9**	**19.2**

25.4 Healthcare costs

In addition to pension plans, some Group companies – mainly in the United States – cover the healthcare costs of their employees.

The related liability can be analyzed as follows:

(in € millions)	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009
Foreign companies	32.8	33.1	26.3
TOTAL	**32.8**	**33.1**	**26.3**

The impact of a one percentage point increase in healthcare cost trend rates would be:

- a 11% rise in total service cost for the period and financial expenses;
- a 10% rise in the projected benefit obligation.

The impact of a one percentage point decrease in medical cost trend rates would be:

- a 9% decrease in total service cost for the period and financial expenses;
- a 9% decrease in the projected benefit obligation.

Expenses recognized in connection with this liability break down as follows:

EXPENSES RECOGNIZED

(in € millions)	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009
Service cost	(2.7)	(3.1)	(2.5)
Interest cost *	(2.2)	(2.4)	(1.9)
Curtailment	0.0	0.0	(0.3)
Amortization of deferred differences	(1.4)	(1.0)	0.3
TOTAL	**(6.3)**	**(6.5)**	**(4.4)**

** Interest cost is recorded under "Other financial income and expenses".*

NOTE 26 NET DEBT

26.1 Detailed breakdown

(in € millions)	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009
Bonds	543.6	191.8	183.7
Bank borrowings	655.8	726.1	869.1
PSA loan	0.0	142.0	128.0
Other borrowings	5.0	5.7	6.3
Obligations under finance lease	29.8	37.0	29.4
Non-current derivatives	5.9	12.3	15.7
SUB-TOTAL NON-CURRENT FINANCIAL LIABILITIES	**1,240.1**	**1,114.9**	**1,232.2**
Current portion of long term debt	36.0	78.7	36.2
Short-term borrowings (1)	573.7	608.0	486.6
Payments issued (2) (a)	0.0	0.4	0.0
Current derivatives	5.9	0.6	5.4
SUB-TOTAL CURRENT FINANCIAL LIABILITIES	**615.6**	**687.7**	**528.2**
TOTAL	**1,855.7**	**1,802.6**	**1,760.4**
Derivatives classified under non-current and current assets	(1.5)	0.0	(1.4)
Cash and cash equivalents (b)	(630.1)	(605.8)	(357.8)
NET DEBT	**1,224.1**	**1,196.8**	**1,401.2**
Net cash and cash equivalent (b)-(a)	**630.1**	**605.4**	**357.8**
(1) Including bank overdrafts	137.2	162.7	128.0

(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.

26.2 Maturities of long-tem debt

(In € millions)	2013	2014	2015	2016	2017 and beyond	Total
Bonds	0.0	0.0	195.4	348.2	0.0	543.6
Bank borrowings	52.0	531.3	3.3	41.3	27.9	655.8
PSA loan	0.0	0.0	0.0	0.0	0.0	0.0
Other borrowings	2.5	1.3	0.7	0.3	0.2	5.0
Obligation under finance leases	7.9	2.3	2.4	2.1	15.1	29.8
TOTAL AS OF DEC. 31, 2011	**62.4**	**534.9**	**201.8**	**391.9**	**43.2**	**1,234.2**

26.3 Financing

Faurecia has implemented a new long term financing plan through a €350 million bond issue and the anticipated renewal of its syndicated bank loan for €1,150 million. Finally, a private placement has been issued in Germany for €58 million in October 2011. Taking advantage of this refinancing, the current amount of the €250 million loan granted by PSA Peugeot Citroën, correlated to the previous syndicated bank loan, has been fully reimbursed for €121 million. This loan has been simultaneously cancelled.

The syndicated bank loan implemented on December 20, 2011 is divided into a €690 million tranche expiring in November 2014, benefiting from two options to extend the expiration to November 2015 and November 2016, and a €460 million tranche expiring in November 2016. As of December 31, 2011 the undrawn portion of this credit facility was €660 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 December 31, 2011, 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.

Furthermore, this credit facility includes some restrictive clauses on asset disposals (any 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.

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 99.476% of the nominal value and are listed on the Luxemburg stock exchange. They also include a covenant restricting the additional indebtness 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 on the life time of the bonds.

The syndicated bank loan as well as the bond benefit from guarantees from some group affiliates.

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 a change of control clause relating to PSA.

In conformity with IAS 39, the fair value of OCEANE bonds is calculated based on two components, a liability component, calculated based on prevailing market interest rates for similar bonds with no conversion option, and a conversion option component, calculated based on the difference between the fair value of the OCEANE bonds and the liability component. Upon issue these two components were €184.3 million and €23.3 million, respectively. As of December 31, 2011 the liability component was €194.1 million, before hedging.

** 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.*

The Group's global contractual maturity schedule as of December 31, 2011 breaks down as follows:

(in € millions)	Carrying Amount			Remaining contractal maturities				
	Assets	**Liabilities**	**Total**	**0-3 months**	**3-6 months**	**6-12 months**	**1-5 years**	**> 5 years**
Other non-current financial assets	35.4		35.4				35.4	
Loans and receivables	16.9		16.9				16.9	
Other current financial assets	1.5		1.5	1.5				
Trade accounts receivables	1,620.2		1,620.2	1,596.6	20.4	3.2		
Cash and non cash equivalents	630.1		630.1	630.1				
Interests on other long term borrowings								
Syndicated credit facility		*(0.4)*	*(51.3)*	*(4.3)*	*(4.3)*	*(8.6)*	*(34.1)*	
Bonds 2011		*(4.7)*	*(165.0)*		*(16.6)*	*(16.7)*	*(131.7)*	
2009 OCEANE			*(28.7)*			*(9.6)*	*(19.1)*	
Other		*(16.0)*	*(13.7)*	*(2.2)*	*(1.4)*	*(2.1)*	*(8.0)*	
Obligations under finance leases (ST portion)		(14.2)	(14.2)	(10.8)	(1.2)	(2.2)		
Other current financial liabilities		(574.4)	(574.4)	(543.9)	(16.4)	(14.1)		
Trade accounts payable		(2,762.0)	(2,762.1)	(2,715.6)	(35.7)	(10.8)		
Bonds (excluding interest)								
2009 OCEANE		*(195.4)*	*(211.3)*				*(211.3)*	
Bonds 2011		*(348.2)*	*(350.0)*				*(350.0)*	
Bank borrowings								
Syndicated credit Facility		*(490.0)*	*(490.0)*				*(490.0)*	
Other		*(165.8)*	*(165.8)*				*(165.8)*	
PSA loan		0.0	0.0					
Other borrowings		(5.0)	(5.0)				(4.9)	(0.1)
Obligations under finance leases (LT portion)		(29.8)	(29.7)				(14.7)	(15.0)
Interest rate derivatives	**0.0**	**(6.9)**	**(5.4)**	**(1.0)**	**(1.0)**	**(2.1)**	**(1.3)**	**0.0**
- o/w cash flow hedges		(5.5)	(4.1)	(0.7)	(0.7)	(1.4)	(1.3)	
- o/w derivatives not qualifying for hedge accounting under IFRS		(1.4)	(1.3)	(0.3)	(0.3)	(0.7)		
Currency hedges	**1.5**	**(18.4)**	**(17.1)**	**(9.8)**	**(5.5)**	**(1.8)**	**0.0**	**0.0**
- o/w fair value hedges	1.5	(5.0)	(3.6)	(3.6)				
- o/w cash flow hedges		(13.5)	(13.5)	(6.2)	(5.5)	(1.8)		
- o/w derivatives not qualifying for hedge accounting under IFRS		0.1	0.1			0.1		
TOTAL	**2,305.6**	**(4,631.2)**	**(2,579.6)**	**(1,059.4)**	**(61.7)**	**(64.8)**	**(1,378.6)**	**(15.1)**

26.4 Securitization and factoring programs

Part of Faurecia's financing requirements are met through receivables sale programs (see Note 18).

In December 2011, financing under these programs – corresponding to the cash received as consideration for the receivables sold – totaled €535.2 million, versus €524.5 million as of December 31, 2010.

(in € millions)	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009
Financing	571.5	566.8	481.5
Guarantee reserve deducted from borrowings	(36.3)	(42.3)	(40.7)
Cash received as consideration for receivables sold	535.2	524.5	440.8
Receivables sold and derecognized	(461.7)	(377.9)	(290.7)

26.5 Analysis of borrowings

As of December 31, 2011, the floating rate portion was 67.7% of borrowings before taking into account the impact of hedging.

Derivatives have been set up to partially hedge interest payable on variable rate borrowings against increases in interest rates (see Note 30.2).

(in € millions)	Dec.31, 2011	
Variables rate borrowings	1,255.8	67.7%
Fixed rate borrowings	599.9	32.3%
TOTAL	**1,855.7**	**100.0**

Borrowings, taking into account exchange rate swaps, break down by repayment currency as follows:

(in € millions)	December 31, 2011		December 31, 2010		December 31, 2009	
Euros	1,431.3	77.2%	1,472.7	81.7%	1,233.2	72.9%
US Dollar	290.0	15.6%	279.6	15.5%	242.6	14.3%
Other currencies	134.4	7.2%	50.3	2.8%	215.8	12.8%
	1,855.7	**100,0%**	**1,802.6**	**100,0%**	**1,691.6**	**100,0%**

In 2011, the weighted average interest rate on gross outstanding borrowings was 4.42%.

NOTE 27 ACCRUED TAXES AND PAYROLL COSTS

(in € millions)	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009
Accrued payroll costs	242.9	226.2	181.7
Payroll taxes	135.8	121.9	106.2
Employee profit-sharing	15.2	2.4	1.2
Other accrued taxes and payroll costs	113.7	102.3	82.6
TOTAL	**507.6**	**452.8**	**371.7**

NOTE 28 SUNDRY PAYABLES

(in € millions)	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009
Due to suppliers of non-current assets	64.4	54.0	19.2
Prepaid income	24.0	47.4	47.2
Current taxes	34.9	32.0	27.1
Other	38.6	22.3	29.7
Currenciy derivatives for operations	13.4	1.8	0.0
TOTAL	**175.3**	**157.5**	**123.2**

NOTE 29 FINANCIAL INSTRUMENTS

29.1 Financial instruments recorded in the balance sheet

FINANCIAL INSTRUMENTS RECORDED IN THE BALANCE SHEET

	Dec. 31, 2011		Breakdown by category of instrument (1)				
(in € millions)	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
Other equity interests	38.8	38.8			38.8		
Other non-current financial assets	35.4	35.4				35.4	
Trade accounts receivables	1,620.2	1,620.2				1,620.2	
Other operating receivables	297.6	297.6				297.6	
Other receivables and prepaid expenses	131.2	131.2				131.2	
Currency derivatives	1.5	1.5	1.5				
Interest rate derivatives		0.0		0.0			
Cash and cash equivalent	630.1	630.1	630.1				
FINANCIAL ASSETS	**2,754.8**	**2,754.8**	**631.6**	**0.0**	**38.8**	**2,084.4**	**0.0**
Long-term debt *	1,234.2	1,270.0					1,234.2
Short-term debt	615.6	615.6					615.6
Prepayments from customers	138.5	138.5				138.5	
Trade payables	2,762.0	2,762.0				2,762.0	
Accrued taxes and payroll costs	507.6	507.6				507.6	
Sundry payables	175.3	175.3				175.3	
Currency derivatives	18.4	18.4	5.0	13.4			
Interest rate derivatives	6.9	6.9	2.9	4.0			
FINANCIAL LIABILITIES	**5,458.5**	**5,494.3**	**7.9**	**17.4**	**0.0**	**3,583.4**	**1,849.8**

(1) No financial instruments were transferred between categories in 2011.

(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 set out in Note 1.6.

** The market value of OCEANE was established on the base of the end of year valuation (December 31, 2011) of €20.1, at €227.2 million. In the balance sheet, OCEANE is recorded, on the one hand, as an amount of the component for bonds with no conversion option and, on the other, as a registered component of shareholder's equity that represents the value of the conversion option.*

FINANCIAL INSTRUMENTS RECORDED IN THE BALANCE SHEET

	Dec. 31, 2010		Breakdown by category of instrument (1)				
(in € millions)	**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 recei-vables**	**Financial liabilities measured at amortized cost**
Other equity interests	15.3	15.3			15.3		
Other non-current financial assets	27.8	27.8				27.8	
Trade accounts receivables	1,387.7	1,387.7				1,387.7	
Other operating receivables	223.3	223.3				223.3	
Other receivables and prepaid expenses	100.7	100.7				100.7	
Currency derivatives	0.0	0.0				0.0	
Interest rate derivatives	0.0	0.0		0.0			
Cash and cash equivalent	605.8	605.8	605.8				
FINANCIAL ASSETS	**2,360.6**	**2,360.6**	**605.8**	**0.0**	**15.3**	**1,739.5**	**0.0**
Long-term debt *	1,102.5	1,102.5					1,102.5
Short-term debt	687.1	687.1					687.1
Prepayments from customers	87.8	87.8				87.8	
Trade payables	2,419.9	2,419.9				2419.9	
Accrued taxes and payroll costs	452.8	452.8				452.8	
Sundry payables	155.7	155.7				155.7	
Currency derivatives	1.9	1.9		1.3			0.6
Interest rate derivatives	12.8	12.8	3.3	9.5			
FINANCIAL LIABILITIES	**4,920.5**	**4,920.5**	**3.3**	**10.8**	**0.0**	**3,116.2**	**1,790.2**

(1) No financial instruments were transferred between categories in 2010 or 2009.
(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 set out in Note 1.6.
** The market value of OCEANE was established on the base of the end of year valuation (December 31, 2010) of €24.2, at €273.6 million. In the balance sheet, OCEANE is recorded, on the one hand, as an amount of the component for bonds with no conversion option and, on the other, as a registered component of shareholder's equity that represents the value of the conversion option.*

FINANCIAL INSTRUMENTS RECORDED IN THE BALANCE SHEET

	Dec. 31, 2009		Breakdown by category of instrument (1)				
(in € millions)	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
Other equity interests	11.2	11.2			11.2		
Other non-current financial assets	23.3	23.3				23.3	
Trade accounts receivables	1,025.9	1,025.9				1,025.9	
Other operating receivables	171.0	171.0				171.0	
Other receivables and prepaid expenses	79.9	79.9				79.9	
Currency derivatives	1.7	1.7	1.2	0.5		0.0	
Interest rate derivatives	0.2	0.2	0.2	0.0			
Cash and cash equivalents	357.8	357.8	357.8				
FINANCIAL ASSETS	**1,671.0**	**1,671.0**	**359.2**	**0.5**	**11.2**	**1,300.1**	**0.0**
Long-term debt*	1,216.5	1,216.5					1,216.5
Short-term debt	528.7	528.7					528.7
Prepayments from customers	80.8	80.8				80.8	
Trade payables	1,730.6	1,730.6				1730.6	
Accrued taxes and payroll costs	371.7	371.7				371.7	
Sundry payables	123.2	123.2				123.2	
Currency derivatives	0.0	0.0				0.0	0.0
Interest rate derivatives	17.7	17.7	7.6	10.1			
FINANCIAL LIABILITIES	**4,069.2**	**4,069.2**	**7.6**	**10.1**	**0.0**	**2,306.3**	**1,745.2**

(1) No financial instruments were transferred between categories in 2010 or 2009.

(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 set out in Note 1–6.

* *The market value of Oceane was established on the base of the end of year valuation (December 31, 2009) of 18.95 euros, at 214.25 million euros. In the balance sheet, Oceane is recorded, on the one hand, as an amount of the component for bonds with no conversion option and, on the other, as a registered component of Shareholder's equity that represents the value of the conversion option.*

The main measurement methods applied are as follows:

- items accounted for at fair value through profit or loss, as well as hedging instruments, are 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;
- financial assets are primarily recognized at amortized cost calculated using the effective interest rate method;
- the fair value of trade receivables and payables related to manufacturing and sales operations corresponds to their carrying value in view of their very short maturities.

THE IMPACT OF FINANCIAL INSTRUMENTS ON INCOME

	2011	Breakdown by category of instrument				
(in € millions)	Impact Income	Fair trought income	Financial assets available for sale	Loans and receivables	Payables at cost amortized	Instruments derivatives
Translation differences on commercial transactions	(0.2)					(0.2)
Income on loans, cash investments and marketable securities	10.6	10.6				
Finance costs	(109.1)				(109.1)	
Other financial income and expenses	(19.0)			(16.4)		(2.6)
Net income (expense)	**(117.7)**	**10.6**	**0.0**	**(16.4)**	**(109.1)**	**(2.8)**

	2010	Breakdown by category of instrument				
(in € millions)	Impact Income	Fair trought income	Financial assets available for sale	Loans and receivables	Payables at cost amortized	Instruments derivatives
Translation differences on commercial transactions	0.3			(0.1)		0.4
Income on loans, cash investments and marketable securities	8.1	8.1				
Finance costs	(98.7)				(98.7)	
Other financial income and expenses	(25.6)			(28.9)		3.3
Net income (expense)	**(115.9)**	**8.1**	**0.0**	**(29.0)**	**(98.7)**	**3.7**

	2009	Breakdown by category of instrument				
(in € millions)	Impact Income	Fair trought income	Financial assets available for sale	Loans and receivables	Payables at cost amortized	Instruments derivatives
Translation differences on commercial transactions	0.1			2.4		(2.3)
Income on loans, cash investments and marketable securities	12.3	12.3				
Finance costs	(135.3)				(135.3)	
Other financial income and expenses	(10.2)			0.4		(10.6)
Net income (expense)	**(133.1)**	**12.3**	**0.0**	**2.8**	**(135.3)**	**(12.9)**

As of December 31, 2011, movements in provisions for impairment break down as follows by category of financial asset:

(in € millions)	Balance as of Dec. 31, 2010	Additions	Utilizations	Reversals (surplus provisions)	Change in scope of consolidation and other changes	Balance as of Dec. 31, 2011
Doubtful accounts	(21.9)	(8.4)	10.2	0.0	0.1	(20.0)
Shares in non-consolidated companies	(2.6)	0.0	0.0	0.0	0.0	(2.6)
Non-current financial assets	(8.0)	(0.1)	0.6	0.0	(1.6)	(9.1)
Other receivables	(1.5)	0.0	0.3	0.0	0.0	(1.2)
TOTAL	**(34.0)**	**(8.5)**	**11.1**	**0.0**	**(1.5)**	**(32.9)**

29.2 Financial instruments – 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 (prices quoted 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.

NOTE 30 HEDGING OF CURRENCY AND INTEREST RATE RISKS

30.1 Hedging of currency risks

Currency risks relating to the commercial transactions of the Group's subsidiaries are managed centrally by Faurecia using forward purchase and sale contracts and options as well as foreign currency financing. Faurecia manages the hedging of interest rate risks on a central basis, through the Group Finance 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.

Currency risks on forecast transactions are hedged on the basis of estimated cash flows determined in forecasts validated by General Management; these forecasts are updated on a regular basis. The related derivatives are classified as cash flow hedges when there is a hedging relationship that satisfies the IAS 39 criteria.

Subsidiaries with a functional currency different from the euro 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.

As of December 31, 2011

Currency exposure *(in € millions)*	USD	CZK	CAD	MXN	GBP	PLN	ZAR
Trade receivables (net of payables)	(0.1)	65.8	0.0	0.0	1.7	(9.6)	(7.0)
Financial assets (net of liabilities) *	290.1	(0.7)	59.7	18.8	(36.4)	0.0	64.7
Forecast transactions **	145.6	(118.2)	(24.5)	(71.3)	(5.2)	(114.0)	(70.1)
Net position before hedging	**435.6**	**(53.1)**	**35.2**	**(52.5)**	**(39.9)**	**(123.6)**	**(12.4)**
Currency hedges	(408.9)	22.2	(41.0)	41.7	43.2	89.0	(66.9)
Net position after hedging	26.7	(30.8)	(5.9)	(10.7)	3.2	(34.6)	(79.3)

* Including inter-company financing.
** Commercial exposure anticipated over the next 6 months.

As of December 31, 2010

Currency exposure *(in € millions)*	**USD**	**CZK**	**CAD**	**MXN**	**GBP**	**PLN**	**ZAR**
Trade receivables (net of payables)	0.0	0.0	0.0	16.2	1.4	(10.3)	18.3
Financial assets (net of liabilities) *	279.6	1.0	35.2	17.5	(39.8)	0.0	36.3
Forecast transactions **	28.1	(39.0)	(8.2)	(25.5)	(9.6)	(72.1)	(42.6)
Net position before hedging	**307.7**	**(38.0)**	**27.0**	**8.2**	**(48.0)**	**(82.4)**	**12.0**
Currency hedges	(311.9)	27.0	(24.4)	(40.4)	42.0	66.3	(39.1)
Net position after hedging	(4.2)	(11.0)	2.6	(32.2)	(6.0)	(16.1)	(27.1)

* Including inter-company financing.
** Commercial exposure anticipated over the next 6 months.

As of December 31, 2009

Currency exposure *(in € millions)*	**USD**	**CZK**	**CAD**	**MXN**	**GBP**	**PLN**	**ZAR**
Trade receivables (net of payables)	13.4	(3.4)	(8.4)	(2.3)	5.4	(4.1)	(3.2)
Financial assets (net of liabilities) *	242.6	89.0	22.2	17.2	58.1	0.0	14.8
Forecast transactions **	6.9	(14.6)	(11.6)	(14.9)	(23.7)	(63.9)	3.6
Net position before hedging	**262.9**	**71.0**	**2.2**	**0.0**	**39.8**	**(68.0)**	**15.2**
Currency hedges	(256.1)	(78.4)	(11.9)	5.4	(43.3)	45.7	(15.7)
Net position after hedging	6.8	(7.4)	(9.7)	5.4	(3.5)	(22.3)	(0.5)

** Including inter-company financing.*
*** Commercial exposure anticipated over the next 6 months.*

Hedging instruments are recognized in the balance sheet at fair value. Said value is determined based on measurements confirmed by banking counterparties.

Information on hedged notional amounts

	Carrying amount			**Maturities**		
As of December 31, 2011 *(in € millions)*	**Assets**	**Liabilities**	**National amount ***	**< 1 years**	**1 to 5 years**	**> 5 years**
Fair value hedges						
- forwad currency contracts	0.0	0.0	4.5	4.5	0.0	
- inter-company loans in foreign currencies swapped for euros	1.5	(5.0)	678.1	678.1	0.0	
Cash flow hedges						
- forwad currency contracts	0.0	(13.5)	333.7	333.7	0.0	
Not eligible for hedge accounting	0.0	0.1	25.8	25.8	0.0	
	1.5	**(18.4)**				

** Notional amounts based on absolute values.*

As of December 31, 2010 *(in € millions)*	Carrying amount			Maturities		
	Assets	Liabilities	National amount *	< 1 years	1 to 5 years	> 5 years
Fair value hedges						
- forwad currency contracts	0.0	(0.1)	3.0	3.0	0.0	0.0
- inter-company loans in foreign currencies swapped for euros	3.7	(3.7)	727.8	727.8	0.0	0.0
Cash flow hedges						
- forwad currency contracts	1.0	(2.7)	217.2	217.2	0.0	0.0
Not eligible for hedge accounting	0.1	0.0	8.9	8.9		
	4.8	**(6.5)**				

** Notional amounts based on absolute values.*

As of December 31, 2009 *(in € millions)*	Carrying amount			Maturities		
	Assets	Liabilities	National amount *	< 1 years	1 to 5 years	> 5 years
Fair value hedges						
- forwad currency contracts	0.1	(0.1)	4.0	4.0	0.0	
- currency options	0.0	0.0	0.0	0.0	0.0	
- inter-company loans in foreign currencies swapped for euros	2.2	(1.0)	523.7	523.7	0.0	
Cash flow hedges					0.0	
- forwad currency contracts	1.1	(0.6)	114.2	114.2	0.0	
- Currency options	0.0	0.0	0.0	0.0	0.0	
Not eligible for hedge accounting	0.0	0.0	0.0	0.0	0.0	
	3.5	**(1.7)**				

** Notional amounts based on absolute values.*

The sensitivity of Group income and equity as of December 31, 2011 to a fluctuation in exchange rates against the euro is as follows for the main currencies to which the Group is exposed:

(in € millions)

Currency	USD	CZK	CAD	MXN	GBP	PLN	ZAR
as of December 31, 2011	1.29	25.79	1.32	18.05	0.84	4.46	10.48
Currency fluctuation scenario (depreciation of currency/EUR)	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Exchange rate after currency depreciation	**1.36**	**27.08**	**1.39**	**18.95**	**0.88**	**4.68**	**11.01**
Impact on pre-tax income	0.85	(3.29)	(2.99)	(0.15)	0.01	0.34	0.28
Impact on equity	4.11	(1.02)	0.00	0.12	(0.32)	(4.79)	0.00

These impacts reflect (i) the effect on the income statement of currency fluctuations on the year-end valuation of assets and liabilities recognized on the balance sheet, net of the impact of the change in the intrinsic value of hedging instruments (both those qualifying and not qualifying as fair value hedges) and (ii) the effect on equity of the change in the intrinsic value of hedging instruments for derivatives qualifying as cash flow hedges.

30.2 Interest-rate hedges

Faurecia manages the hedging of interest rate risks on a central basis. Said management is implemented through the Group Finance 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 table below shows the Group's interest rate position, with assets, liabilities and derivatives broken down into fixed or variable rates. Financial assets include cash and cash equivalents and interest rate hedges include interest rate swaps as well as in-the-money options.

	Under 1 year		1 to 2 years		2 to 5 years		More than 5 years		Total	
(in € millions) **Dec. 31, 2011**	**Fixed rate**	**Variable Rate**	**Fixed rate**	**Variable Rate**	**Fixed rate**	**Variable Rate**	**Fixed rate**	**Variable Rate**	**Fixed rate**	**Variable Rate**
Financial assets	0.0	630.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	630.1
Financial liabilities	0.0	(623.3)	0.0	0.0	(549.4)	(632.5)	(50.5)	0.0	(599.9)	(1,255.8)
Net position before hedging	**0.0**	**6.8**	**0.0**	**0.0**	**(549.4)**	**(632.5)**	**(50.5)**	**0.0**	**(599.9)**	**(625.7)**
Interest rate hedges	(158.0)	158.0	(223.6)	223.6	0.0	0.0	0.0	0.0	(381.6)	381.6
Net position after hedging	**(158.0)**	**164.8**	**(223.6)**	**223.6**	**(549.4)**	**(632.5)**	**(50.5)**	**0.0**	**(981.5)**	**(244.1)**

	Under 1 year		1 to 2 years		2 to 5 years		More than 5 years		Total	
(in € millions) **Dec. 31, 2010**	**Fixed rate**	**Variable Rate**	**Fixed rate**	**Variable Rate**	**Fixed rate**	**Variable Rate**	**Fixed rate**	**Variable Rate**	**Fixed rate**	**Variable Rate**
Financial assets	0.0	606.0							0.0	606.0
Financial liabilities	0.0	(656.6)	(169.0)	(787.1)	(190.1)	0.0	0.0	0.0	(359.1)	(1,443.7)
Net position before hedging	**0.0**	**(50.6)**	**(169.0)**	**(787.1)**	**(190.1)**	**0.0**	**0.0**	**0.0**	**(359.1)**	**(837.7)**
Interest rate hedges	(157.2)	157.2	(278.5)	278.5	0.0	0.0	0.0	0.0	(435.7)	435.7
Net position after hedging	**(157.2)**	**106.6**	**(447.5)**	**(508.6)**	**(190.1)**	**0.0**	**0.0**	**0.0**	**(794.8)**	**(402.0)**

	Under 1 year		1 to 2 years		2 to 5 years		More than 5 years		Total	
(in € millions) **Dec. 31, 2009**	**Fixed Rate**	**Variable Rate**	**Fixed Rate**	**Variable Rate**	**Fixed Rate**	**Variable Rate**	**Fixed Rate**	**Variable Rate**	**Fixed Rate**	**Variable Rate**
Financial assets		286.0							0.0	286.0
Financial liabilities	(8.5)	(428.7)	(129.7)	(624.0)	(184.7)	(311.0)	0.0	0.0	(322.9)	(1.363.7)
Net position before hedging	**(8.5)**	**(142.7)**	**(129.7)**	**(624.0)**	**(184.7)**	**(311.0)**	**0.0**	**0.0**	**(322.9)**	**(1.077.7)**
Interest rate hedges	(34.7)	34.7	(297.8)	297.8	67.5	(67.5)	0.0	0.0	(265.0)	265.0
Net position after hedging	**(43.2)**	**(108.0)**	**(427.6)**	**(326.2)**	**(117.2)**	**(378.5)**	**0.0**	**0.0**	**(587.9)**	**(812.7)**

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 arranged comprise euro- and dollar-denominated interest rate swaps, caps and other optionbased structures. These hedges cover some of the borrowings due in 2011, 2012 and to a lesser extent in 2013, against a significant rise in rates.

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

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

(in € millions)	Carring amount		National amounts by maturity		
As of Dec. 31, 2011	**Assets**	**Liabilities**	**< 1 years**	**1 to 5 years**	**> 5 years**
Interest rate options	0.0		150		
Variable-rate rate/fixed rate swaps		(6.9)	158	224	
Floor					
- Accured premiums payable					
	0.0	(6.9)	308	224	-

(in € millions)	Carring amount		National amounts by maturity		
As of Dec. 31, 2010	**Assets**	**Liabilities**	**< 1 years**	**1 to 5 years**	**> 5 years**
Interest rate options	0.0		1,600	150	-
Variable-rate rate/fixed rate swaps		(12.3)	157	279	-
Floor			0	0	-
- Accured premiums payable		(0.5)			
	0.0	(12.8)	1,757	429	-

(in € millions)	Carring amount		National amounts by maturity		
As of Dec. 31, 2009	**Assets**	**Liabilities**	**< 1 years**	**1 to 5 years**	**> 5 years**
Interest rate options	0.2		1,600	150	-
Variable-rate rate/fixed rate swaps		(17.7)	570	843	-
Floor	0.0				-
- Accured premiums payable		(3.5)			
	0.2	(21.2)	2,170	993	-

In view of the short-term rates in 2011, despite a continuous increase until the last quarter of the year, a number of the Group's option-based interest rate hedges are out of the money. A rise in short-term rates would therefore have an impact on financial expense.

The sensitivity tests performed, assuming a 100bp increase or decrease in average interest rates compared to the rate curve as of December 31, 2011 show that the negative effect on financial expense can be estimated at €8,7 million, taking into account the profile of the Group's borrowings and derivatives in place as of December 31, 2011.

Counterparty risk in connection to its derivatives:

Faurecia's counterparty risk connection with its derivatives is not significant as the majority of its derivatives are arranged with banks with strong ratings that form part of its banking pool.

NOTE 31 COMMITMENTS GIVEN AND CONTINGENT LIABILITIES

31.1 Commitments given

(in € millions)	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009
Future minimum lease payments under operating leases	235.1	232.6	104.6
Dept collateral:			
- mortgages	12.7	15.9	12.3
Other debt guarantees	39.7	55.0	27.5
Firm orders for property, plant and equipement and intangible assets	101.9	79.5	83.5
Other	5.0	1.3	0.6
TOTAL	**394.4**	**384.3**	**228.5**

Future minimum lease payments under operating leases break down as follows:

(in € millions)	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009
n+1	56.2	51.2	26.3
n+2	41.5	40.7	20.4
n+3	32.9	32.2	15.0
n+4	26.2	24.9	11.5
n+5 and above	78.3	83.6	31.4
TOTAL	**235.1**	**232.6**	**104.6**

Expiry dates of mortgages and guarantees:

(in € millions)	Dec. 31, 2011
- Less than a year	25.5
- 1 to 5 years	11.3
- more than 5 years	15.6
TOTAL	**52.4**

31.2 Contingent liabilities

INDIVIDUAL TRAINING ENTITLEMENT

In accordance with the provisions of French Act No. 2004-391 dated May 4, 2004 on professional training, employees of the Group's French companies are entitled to at least twenty hours of training per calendar year, which may be carried forward for up to six years. If all or part of the entitlement is not used within six years, it is capped at 120 hours.

In 2011, the average utilization rate of this entitlement was 1.1%.

The number of unused training hours accumulated at year-end totaled 1,176,825. No provision was recorded in the financial statements for these individual training entitlements as the Group does not have sufficiently reliable historical data to accurately estimate the related contingent liability. The potential impact is not, however, considered to be material.

NOTE 32 RELATED PARTY TRANSACTIONS

32.1 Transactions with PSA Peugeot Citroën

The Faurecia Group is managed independently and transactions with the PSA Peugeot Citroën Group are conducted at 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)	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009
Sales	2,433.9	2,300.9	2,049.4
Purshases of products, services and materials	12.5	10.2	10.6
Receivables *	474.5	457.6	447.7
Payables **	46.9	170.1	154.5
** After no-recourse sales of receivables amounting to:*	201.1	197.2	192.4
*** O/w borrowings amounting to:*	0.0	142.0	128.0

32.2 Management compensation

Total compensation for 2011 awarded to the members of the Board of Directors and the Group Executive Committee serving in this capacity on, December 31, 2011 amounted to €6,755,928, including directors' fees of €245,000, compared with the year-earlier figures of €6,293,092 and €212,500 respectively.

No Faurecia stock subscription options were awarded to management in 2011.

NOTE 33 FEES PAID TO THE STATUTORY AUDITORS

	PricewaterhouseCoopers				Ernst & Young			
	Amount (excl. VAT)		%		Amount (excl. VAT)		%	
(in € millions)	2011	2010	2011	2010	2011	2010	2011	2010
AUDIT								
Statutory and contracutual audits	2.8	2.7	96.6%	100.0%	4.2	3.6	97.7%	94.7%
Issuer	0.5	0.6	17.2%	22.2%	0.5	0.3	11.6%	7.9%
Fully consolidated companies	2.3	2.1	79.3%	77.8%	3.7	3.3	86.0%	86.8%
Other services relaing directly to the auditor's duties	0.1	0.0	3.4%	0.0%	0.1	0.2	2.3%	5.3%
Issuer	0.1	0.0	3.4%	0.0%	0.1	0.0	2.3%	0.0%
Fully consolidated companies	0.0	0.0	0.0%	0.0%	0.0	0.2	0.0%	5.3%
SUB-TOTAL	**2.9**	**2.7**	**100.0%**	**100.0%**	**4.3**	**3.8**	**100.0%**	**100.0%**
Other services provided by the network to fully consolidated companies	0.0	0.0	0.0%	0.0%	0.0	0.0	0.0%	0.0%
Legal and tax advisory services								
Fully consolidated companies	0.0	0.0	0.0%	0.0%	0.0	0.0	0.0%	0.0%
Other (disclosure required where > 10% of audit fees)	0.0	0.0	0.0%	0.0%	0.0	0.0	0.0%	0.0%
SUB-TOTAL	**0.0**	**0.0**	**0.0%**	**0.0%**	**0.0**	**0.0**	**0.0%**	**0.0%**
TOTAL	**2.9**	**2.7**	**100.0%**	**100.0%**	**4.3**	**3.8**	**100.0%**	**100.0%**

NOTE 34 INFORMATION ON THE CONSOLIDATING COMPANY

The consolidated accounts of the Faurecia Group are included in the consolidated financial statements of its parent, the PSA Peugeot Citroën Group, 75 avenue de la Grande Armée, 75116 Paris, France.

As at December 31, 2011, Peugeot S.A. held 57.43% of the capital and 72.87% of the voting rights of Faurecia SA.

NOTE 35 DIVIDENDS

The Board of Directors has decided to submit a proposal at the next Shareolders' Meeting for a dividend of €0.35 per share.

NOTE 36 CONSOLIDATED COMPANIES AS OF DECEMBER 31, 2011

	Country	Interest of the parent company (%)	Stake (%)[1]
I - FULLY CONSOLIDATED COMPANIES			
Société Internationale de Participations	Belgium	100	100
Faurecia (CHINA) Holding Co. Ltd	China	100	100
Faurecia	France	Parent Company	Parent Company
SFEA - Société Foncière pour l'Équipement Automobile	France	100	100
Financière Faurecia	France	100	100
Faurecia Investments	France	100	100
Faurecia Services Groupe	France	100	100
Faurecia Exhaust International	France	100	100
Faurecia Netherlands Holding Bv	Netherlands	100	100
Faurecia Informatique Tunisie	Tunisia	100	100
Faurecia USA Holdings, Inc.	USA	100	100
INTERIOR MODULES			
Faurecia Argentina S.A.	Argentina	100	100
Faurecia Automotive do Brasil Ltda	Brazil	100	100
Faurecia Industrie N.V.	Belgium	100	100
Faurecia Automotive Seating Canada Ltd	Canada	100	100
Changchun Faurecia XUYANG Automotive Seat Co., Ltd (CFXAS)	China	60	60
Faurecia- GSK (Wuhan) Automotive Seating Co., Ltd	China	51	51
Faurecia (Wuxi) Seating Components Co., Ltd	China	100	100
Faurecia (Changchun) Automotive Systems Co., Ltd	China	100	100
Faurecia (Shanghai) Management Company, Ltd	China	100	100
Faurecia (Wuhan) Automotive Seating Co., Ltd	China	100	100
Faurecia (Shanghai) Automotive Systems Co., Ltd	China	100	100
Faurecia (Shenyang) Automotive Systems Co., Ltd.	China	100	100
Faurecia (Wuhan) Automotive Components Systems Co., Ltd	China	100	100
Changchun Faurecia XUYANG Interior Systems Company Limited	China	60	60
Chongqing Guangneng Faurecia Interior Systems Company Limited	China	50	50
Chengdu Faurecia Limin Automotive Systems Company Limited	China	51	51
Faurecia (Yancheng) Automotive Systems Co., Ltd..	China	100	100
Faurecia (Guangzhou) Automotive Systems Co., Ltd	China	100	100

(1) Total interest of fullly-consolidated companies.

	Country	Interest of the parent company (%)	Stake (%)[1]
FAURECIA (Nanjing) Automotive Systems Co., Ltd	China	100	100
Faurecia Interior Systems Bohemia s.r.o.	Czech Republic	100	100
Faurecia Components Pisek s.r.o.	Czech Republic	100	100
Faurecia Interiors Pardubice s.r.o.	Czech Republic	100	100
Faurecia Autositze GmbH	Germany	100	100
Faurecia Angell-Demmel GmbH	Germany	100	100
Faurecia Automotive GmbH	Germany	100	100
Faurecia Innenraum Systeme GmbH	Germany	100	100
Asientos de Castilla Leon, S.A.	Spain	100	100
Asientos del Norte, S.A.	Spain	100	100
Faurecia Asientos Para Automovil España, S.A.	Spain	100	100
Industrias Cousin Frères, S.L.	Spain	50	50
Tecnoconfort	Spain	50	50
Asientos D Galicia, S.L.	Spain	100	100
Faurecia Automotive España, S.L.	Spain	100	100
Faurecia Interior System España, S.A.	Spain	100	100
Faurecia Interior System SALC España, S.L.	Spain	100	100
Valencia Modulos de Puertas,S.L.	Spain	100	100
Incalplas, S.L.	Spain	100	100
Faurecia Sièges d'automobile	France	100	100
Faurecia Industries	France	100	100
ECSA - Études Et Construction de Sièges pour l'Automobile'	France	100	100
Siebret	France	100	100
Siedoubs	France	100	100
Sielest	France	100	100
Siemar	France	100	100
Sienor	France	100	100
Sotexo	France	100	100
Sieto	France	100	100
Trecia	France	100	100
Faurecia Automotive Holdings	France	100	100
Faurecia Interieur Industrie	France	100	100
Automotive Sandouville	France	100	100
Faurecia ADP Holding	France	60	60

(1) Total interest of fullly-consolidated companies.

	Country	Interest of the parent company (%)	Stake (%)[1]
Faurecia JIT Plastique (ex-Flamant Jaune SAS)	France	100	100
Faurecia Automotive Seating UK Limited	United Kingdom	100	100
Faurecia Midlands Limited	United Kingdom	100	100
SAI Automotive Fradley Ltd	United Kingdom	100	100
SAI Automotive Washington Limited	United Kingdom	100	100
Faurecia Automotive Seating India Private Limited	India	100	100
Faurecia Interior Systems India Private Limited	India	100	100
Faurecia Azin Pars Company	Iran	51	51
FAURECIA JAPAN K.K.	Japan	100	100
Faurecia Trim Korea Ltd	South Korea	100	100
Faurecia Shin Sung Co. Ltd	South Korea	100	100
Faurecia Automotive Systems Korea Limited	South Korea	100	100
Faurecia AST Luxembourg S.A. (ex : SAI Automotive SILUX S.A.)	Luxembourg	100	100
Faurecia Equipements Automobiles Maroc	Morocco	100	100
Faurecia Sistemas Automotrices de Mexico, S.A. de C.V. (ex-Faurecia Duroplast Mexico, S.A. de E C.V.)	Mexico	100	100
Servicios Corporativos de Personal Especializado, S.A. de C.V.	Mexico	100	100
Faurecia Interor Systems Mexico, S.A. de C.V.	Mexico	100	100
Faurecia Automotive Seating B.V.	Netherlands	100	100
Faurecia Automotive Polska Spolka Akcyjna	Poland	100	100
Faurecia Walbrzych Spolka Akcyjna	Poland	100	100
Faurecia Grojec R&D Center Spolka Akcyjna	Poland	100	100
Faurecia Legnica Spolka Akcyjna	Poland	100	100
Faurecia Gorzow Spolka Akcyjna.	Poland	100	100
Faurecia - Assentos de Automovel, Limitada	Portugal	100	100
SASAL	Portugal	100	100
EDA - Estofagem de Assentos, Lda,	Portugal	100	100
Faurecia Sistemas de Interior de Portugal. Componentes Para Automoveis S.A. (Ex-SAI Potugal)	Portugal	100	100
Faurecia Seating Talmaciu S.R.L.	Romania	100	100
Euro Auto Plastic Systems S.R.L.	Romania	50	50
OOO Faurecia ADP	Russia	60	60
Faurecia Interior Systems Sweden AB	Sweden	100	100
Faurecia Slovakia s.r.o.	Slovakia	100	100
Faurecia Interior Systems Thailand	Thaïland	100	100

(1) Total interest of fullly-consolidated companies.

	Country	Interest of the parent company (%)	Stake (%)[1]
Société Tunisienne d'Équipements d'Automobile	Tunisia	100	100
Faurecia Polifleks Otomotiv Sanayi Ve Ticaret Anonim Sirketi	Turkey	100	100
Faurecia Automotive Seating, LLC	USA	100	100
Faurecia Interior Systems, Inc.	USA	100	100
Faurecia Madison Automotive Seating, Inc.	USA	100	100
Faurecia Interiors Louisville, LLC	USA	100	100
Faurecia Automotive del Uruguay	Uruguay	100	100
Faurecia Interior Systems South Africa (PTY) Ltd	South Africa	100	100
Faurecia Interior Systems Pretoria (Proprietary) Limited	South Africa	100	100
OTHER MODULES			
Faurecia Sistemas de Escape Argentina S.A.	Argentina	100	100
Faurecia Emissions Control Technologies Cordoba	Argentina	100	100
Faurecia Exterior Argentina	Argentina	100	100
ET (Barbados) Holdings SRL	Barbados	100	100
Faurecia Sistemas de Escapamento do Brasil Ltda	Brazil	100	100
Faurecia Emissions Control Technologies, Limeira	Brazil	100	100
EMCON Technologies Canada ULC	Canada	100	100
Faurecia Exhaust Systems Changchun Co., Ltd (ex-CLEC)	China	51	51
Faurecia Tongda Exhaust System (Wuhan Co., Ltd (ex-TEEC)	China	50	50
Faurecia HONGHU Exhaust Systems Shanghai, Co. Ltd (ex-SHEESC)	China	51	51
Faurecia Émissions Control Technologies Development (Shanghai) Company Ltd	China	100	100
Faurecia (Qingdao) Exhaust Systems Co, Ltd	China	100	100
Faurecia (Wuhu) Exhaust Systems Co, Ltd	China	100	100
Faurecia Émissions Control Technologies consulting (Shanghaï) Co., Ltd	China	100	100
Faurecia Émissions Control Technologies (Shanghaï) Co., Ltd	China	100	100
Faurecia Émissions Control Technologies (Chongqing) Co., Ltd	China	72,5	72,5
Faurecia Émissions Control Technologies (Yantaï) Co., Ltd.	China	100	100
Faurecia (CHengdu) Émission Control Technologies Co., Ltd	China	100	100
Faurecia Exhaust Systems s.r.o.	Czech Republic	100	100
Faurecia Automotive Czech Rebublic, s.r.o.	Czech Republic	100	100
Faurecia Emissions Control Technologies, Mlada Boleslav, s.r.o (previously Emcon Technologies Czech Republic, s.r.o.)	Czech Republic	100	100
Faurecia Kunststoffe Automobilsysteme GmbH	Germany	100	100
Faurecia Abgastechnik GmbH	Germany	100	100
Faurecia Emissions Control Technologies, Germany GmbH	Germany	100	100

(1) Total interest of fullly-consolidated companies.

	Country	Interest of the parent company (%)	Stake (%)[1]
Faurecia Emissions Control Technologies, Novaferra GmbH	Germany	100	100
Faurecia Emissions Control Technologies, Finnentrop GmbH	Germany	100	100
Faurecia Exteriors GmbH	Germany	100	100
Faurecia Sistemas de Escape España, S.A.	Spain	100	100
Faurecia Emissions Control Technologies, Pamplona, S.L.	Spain	100	100
Faurecia Automotive Exteriors España, S.A. (ex-Plastal Spain S.A.)	Spain	100	100
EAK Composants pour l'Automobile (EAK SAS)	France	51	51
EAK Composants pour l'Automobile (EAK SNC)	France	51	51
Faurecia Automotive Industrie	France	100	100
Faurecia Systèmes d'échappement	France	100	100
Faurecia Bloc Avant	France	100	100
Faurecia-Metalloprodukcia Holding	France	60	60
Emcon Technologies France SAS	France	100	100
Faurecia Emissions Control Technologies UK Limited	United Kingdom	100	100
Faurecia Magyarorszag Kipufogo-rendszer Kft	Hungary	100	100
Faurecia Émissions Control Technologies, Hungary Kft	Hungary	100	100
Faurecia Émissions Control Technologies India Private Limited	India	74	74
Yutaka Autoparts Pune Ptivate Limited	India	74	74
Faurecia Émissions Control Technologies, Italy SRL	Italy	100	100
Faurecia Émissions Control Systems Korea	South Korea	100	100
Faurecia Jit and Sequencing Korea	South Korea	100	100
Faurecia Exhaust Mexicana, S.A. de C.V.	Mexico	100	100
Exhaust Services Mexicana, S.A. de C.V.	Mexico	100	100
ET Mexico Holdings I, S. de R.L. de C.V.	Mexico	100	100
ET Mexico Holdings II, S. de R.L. de C.V.	Mexico	100	100
ET Dutch Holdings Cooperatie U.A.	Netherlands	100	100
ET Dutch Holdings BV	Netherlands	100	100
ET Dutch Holdings II BV	Netherlands	100	100
Faurecia Emissions Control Technologies Netherlands B.V.	Netherlands	100	100
Faurecia - SIstemas de Escape Portugal, LDA	Portugal	100	100
OOO Faurecia Metalloprodukcia Exhaust Systems	Russia	60	60
OOO Faurecia Automotive Development	Russia	100	100
Faurecia Exhaust Systems AB	Sweden	100	100
United Parts Exhaust Systems AB	Sweden	100	100
Faurecia Emissions Control Technologies, Thaïland Co. Ltd	Thaïland	100	100

(1) Total interest of fullly-consolidated companies.

	Country	Interest of the parent company (%)	Stake (%)[1]
Faurecia Exhaust Systems, Inc.	USA	100	100
Faurecia Emissions Control Technologies, USA, LLC	USA	100	100
Faurecia Exhaust Systems South Africa Ltd	South Africa	100	100
Émission Control Technologies Holdings S.A. (Pty) Ltd	South Africa	100	100
Émission Control Technologies S.A. (Ga-Rankuwa) (Pty) Ltd	South Africa	100	100
Faurecia Émission Control Technologies S.A. (CapeTown) (Pty) Ltd	South Africa	100	100
II - COMPANIES ACCOUNTED FOR BY THE EQUITY METHOD			
INTERIOR MODULES			
Zhejiang Faurecia Limin Interior & Exterior Systems Company Limited	China	50	50
Lanzhou Faurecia Limin Interior & Exterior Systems Company Limited	China	50	50
Xiangtan Faurecia Limin Interior & Exterior Systems Company Limited	China	50	50
Jinan Faurecia Limin Interior & Exterior Systems Company Limited	China	50	50
Componentes de Vehiculos de Galicia, S.A.	Spain	50	50
Copo Iberica, S.A.	Spain	50	50
Faurecia-NHK Co., Ltd	Japan	50	50
Kwang Jin Faurecia Co. Limited	South Korea	50	50
Vanpro Assentos Limitada	Portugal	50	50
Teknik Malzame Ticaret Ve Sanayi A.S.	Turkey	50	50
Orcia Otomotiv Yan Sanayi Ve Ticaret Anonim Sirketi	Turkey	50	50
Arsed, Podjetje Za Proizvodnjo In Trzenje Kovinske Opreme (Arsed Doo)	Slovenia	50	50
SAS GROUP			
SAS Automotriz Argentina S.A. (dormant Company)	Argentina	50	50
SAS Automotive N.V.	Belgium	50	50
SAS Automotive do Brasil Ltda	Brazil	50	50
SAS (Wuhu) Automotive Systems Co. Ltd	China	50	50
SAS AutoSystemtechnik s.r.o.	Czech Republic	50	50
SAS Autosystemtechnik Verwaltungs GmbH	Germany	50	50
SAS Autosystemtechnik GmbH und Co. KG	Germany	50	50
SAS Autosystemtechnick Zwickau Verwaltungs GmbH	Germany	50	50
SAS Autosystemtechnick Zwickau GmbH & Co. KG	Germany	50	50
SAS Automotive Ltd	Great Britain	50	50
SAS Autosystemstechnick, S.A.	Spain	50	50

(1) Total interest of fullly-consolidated companies.

	Country	Interest of the parent company (%)	Stake (%)[1]
SAS Automotive France	France	50	50
Cockpit Automotive Systems Douai SNC	France	50	50
SAS Automotive Systems S.A. de C.V.	Mexico	50	50
SAS Automotive Systems & Services S.A. de C.V.	Mexico	50	50
SAS AutoSystemtechnik de Portugal, Unipessoal, Lda.	Portugal	50	50
SAS Automotive s.r.o	Slovakia	50	50
SAS Otosistem Teknik Ticaret ve Limited Sirketi	Turkey	50	50
SAS Automotive USA Inc.	USA	50	50
SAS Automotive RSA (Pty) Ltd	South Africa	50	50
OTHER MODULES			
Changchun Huaxiang Faurecia Automotive Plastic Components Co., Ltd	China	50	50
AD Tech Co Ltd	South Korea	50	50

(1) Total interest of fullly-consolidated companies.

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Statutory Auditors' report on the consolidated financial statements

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the Auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Year ended December 31, 2011

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual Shareholders' Meeting, we hereby report to you, for the year ended December 31, 2011, on:

- the audit of the accompanying consolidated financial statements of Faurecia;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

I. OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group at December 31, 2011 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II. JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of Article L. 823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

- the Company performs impairment tests on goodwill at each reporting date and also assesses whether fixed assets show any indication of impairment, based on the methods described in Notes 1-2, 1-5, 10, 11 and 12 to the consolidated financial statements. We have reviewed the methods used to carry out these impairment tests as well as the corresponding assumptions applied by the Group;
- Note 1-16 to the consolidated financial statements concerning deferred taxes specifies that deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which they can be utilized. Our work consisted in verifying that this method had been correctly applied and reviewing the assumptions supporting the probability of recovery for these deferred tax assets;

- as part of our assessment of the accounting principles used by the Group, we verified the methods used to capitalize and amortize development costs. We also verified the recoverable amount of these assets and the appropriateness of the disclosures provided in Notes 1-3 and 1-5 to the consolidated financial statements.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. SPECIFIC VERIFICATION

As required by law and in accordance with professional standards applicable in France, we have also verified the information presented in the Group's management report.

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

Neuilly-sur-Seine and Paris-La Défense, February 8, 2012

The Statutory Auditors

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