

CONSOLIDATED FINANCIAL STATEMENTS

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At December 31, 2017, Compagnie Plastic Omnium's economic revenue amounted to €8,000.6 million, up by 15.4%. For the year, the currency effect stood at -€98.6 million, and the scope effect at €707.7 million (including €558.4 million from the acquisition of the Faurecia's Exterior Systems business on July 29, 2016).

This sharp increase is attributable to:

- organic growth of 10.8% in the automotive business, which outperformed global automotive production by 8.6 points;
- the exterior systems acquired on July 29, 2016.

At December 31, 2017, Compagnie Plastic Omnium's consolidated sales amounted to €6,768.5 million, up by 15.6% as reported and by 9.6% at constant scope and exchange rates. There was a negative currency effect of -€68.8 million and the scope effect stood at €684.5 million.

In late 2017, Plastic Omnium launched its project to dispose its Environment division.

The Environment Division's activity, after the disposal of peripheral activities in mid-2016 (Signature Limited, a United Kingdom-based subsidiary specializing in highway signage, and Emballagen GmbH, a Germany-based subsidiary specializing in the development, production, and marketing of metal drums for the chemicals industry), is now fully refocused on products and services for optimizing waste management for local authorities and industry. At December 31, 2017, its revenue amounted to €335.5 million, up 2.5% at constant scope and exchange rates.

In €M, by segment	2016	2017	Change	% change Like-for-like
Automotive	6,566.8	7,665.1	+16.7%	+10.8%
Environment	368.9	335.5	-9.1%	+2.5%
Economic revenue⁽¹⁾	6,935.7	8,000.6	+15.4%	+10.4%
Automotive	5,488.3	6,433.0	+17.2%	+10.0%
Environment	368.9	335.5	-9.1%	+2.5%
Consolidated revenue⁽²⁾	5,857.3	6,768.5	+15.6%	+9.6%

In € millions and as a % of revenue, by region	2016	2017	Change	At constant scope and exchange rates
Europe/Africa	3,738.5	4,359.4	+16.6%	+6.0%
	54%	54%		
North America	1,810.5	2,044.9	+12.9%	+15.5%
	26%	26%		
South America	198.4	269.5	+35.9%	+23.8%
	3%	3%		
Asia	1,188.4	1,326.8	+11.7%	+14.0%
	17%	17%		
Economic revenue⁽¹⁾	6,935.7	8,000.6	+15.4%	+10.4%

(1) Economic revenue corresponds to consolidated sales, plus revenue from the Group's joint ventures, at their percentage of ownership: BPO, HBPO and YFPO for Plastic Omnium Automotive. The figure reflects the operational and managerial realities of the Group.

(2) Consolidated revenue, in accordance with IFRS 10, 11 and 12, does not include the Company's share of the revenue of joint ventures which are accounted for by the equity method.

COMMENTS ON THE CONSOLIDATED FINANCIAL STATEMENTS

Automotive Division: robust growth in all geographic areas in 2017

The economic revenue⁽¹⁾ of Plastic Omnium Automotive stood at €7,665.1 million. It grew by 16.7% as reported and by **10.8%** at constant scope and exchange rates within a 2.2% increase in worldwide automotive production over 2017 (source: IHS January 2018), outperforming **the market by 8.6 points**. This is the result to market share gains, the ramp-up of new production capacities, and the success of the innovative products launched. All geographical areas contributed to the strong growth in sales.

Business was sustained in **Europe**, which accounts for 53% of total automotive revenue⁽¹⁾. It increased by 19.2%, benefiting from the acquisition of external systems, a mainly European business. Plastic Omnium grew by 6.3% at constant scope and exchange rates as production increased by 3.3%. Business was particularly strong in 2017 in **France** (up by 12.0% at constant scope and exchange rates), in the **UK** (up by 14.1% at constant scope and exchange rates) thanks in particular to the commissioning of the Warrington-Liverpool plant for exterior parts for Jaguar Land-Rover in June 2016, and in **Germany** (up by 8.3% at constant scope and exchange rates).

Business in **North America** grew by 12.8% and **15.3%** at constant scope and exchange rates over the year, **outperforming** automotive production by **19.8 points**. The business benefited from the new capacities that have come on stream over the past 3 years (2 plants commissioned in the United States in 2015, followed by 3 plants in Mexico in 2016-2017), and the expected ramp-up of SCR systems to reduce diesel vehicle emissions in the United States. And in North America, the Group benefited from a significant exposure on SUV/Light Truck models, which account for more than 80% of its business.

Business in Asia, including China, grew by 14.3% at constant scope and exchange rates. In **China**, where economic revenue amounted to €721 million, or 9% of total automotive revenue, business grew by **17.0%** at constant exchange rates within a 2.7% increase in global automotive production over the year, **outperforming** the market by **14.3 points**. The Group benefited from strong investments made over the last three years to develop the industrial footprint, consisting of 26 plants, and increase market shares, particularly with Chinese manufacturers. Plastic Omnium has 25 local brands in its customer portfolio, which represent a growing share of revenue produced in China (currently 16%), particularly with SUVs.

In the rest of Asia, business growth was 11.2% at constant scope and exchange rates, driven by Japan, India and South Korea.

Also contributing to the Group's growth dynamic, the innovation portfolio continues to strengthen, with in particular:

- further growth worldwide of SCR systems for reducing diesel vehicle emissions, with an increase of 28% over the year to reach revenue of €390 million. Eight new contracts were signed in 2017, four of which are with new customers for China, India, and Thailand;
- the range of tailgate and spoiler products, which represented €255 in revenue in 2017, was expanded by 21 new contracts including five additional customers (including three new electric entrants);
- production of the first pressurized tanks for plug-in hybrid vehicles started in December 2016 in South Korea for Hyundai. A second contract started production in January 2018 in China for Geely/Volvo. Five new programs are in development in Asia and North America, including two additional customers. Thanks to its technology, the Group is poised to serve the strong growth of hybrid electric vehicles around the world in the years to come.

In 2017, Volkswagen remained the Group's leading customer with 21% of Automotive revenue, ahead of PSA Peugeot Citroën with 13% and General Motors with 12%.

In 2017, German carmakers remained the top contributors to Automotive revenue with 35% of the business (versus 33% in 2016), ahead of American carmakers with 25% (versus 28% in 2016), Asian carmakers with 22% (versus 19% in 2016), and French carmakers with 16% (versus 17% in 2016). In total, the Group has a portfolio of 78 customer brands, 25 of which are Chinese customers and 7 pure electrics.

Consolidated gross profit was €1,101 million, versus €975 million in 2016. It represented 16.3% of consolidated sales, versus 16.6% in 2016.

Gross R&D spend was €401 million compared with €339 million in 2016, an increase of 18.2%. Net R&D spend, after deduction of capitalized development costs and amounts re-invoiced to customers, was €170 million (2.5% of consolidated sales), stable compared with €146 million in 2016.

Selling costs were €61 million (0.9% of consolidated sales) compared with €55 million (0.9% of consolidated sales) in 2016.

Administrative expenses rose from €246 million in 2016 to €270 million in 2017 and represent 4.0% of consolidated sales, versus 4.2% in 2016.

Amortization of intangible assets acquired in business combinations amounted to an expense of €20 million in 2017, compared with €22 million in 2016.

(1) Economic revenue corresponds to consolidated sales, plus revenue from the Group's joint ventures, at their percentage of ownership: BPO, HBPO and YFPO for Plastic Omnium Automotive. The figure reflects the operational and managerial realities of the Group.

The share of profit of associates and joint ventures amounted to €62 million in 2017, versus €52 million in 2016. This strong growth mainly comes from the Chinese joint venture YFPO.

The operating margin, after amortization of intangible assets acquired in business combinations and after share of profit of associates and joint ventures, amounts to €641 million in 2017 (9.5% of consolidated sales), versus €558 million in 2016 (9.5% of consolidated sales; 9.0% of revenue on a comparable basis, i.e. integrating at January 1, 2016 the External Systems business acquired on July 29, 2016). For the year, it was up 14.9%.

Operating margin for the Automotive business amounted to €619.8 million at December 31, 2016, or 9.6% of consolidated sales (compared with 9.1% proforma 2016). On a comparable basis, the Automotive Division improved its operating margin with:

- a high utilization rate of its production capacity worldwide (85%, based on three teams per day for five days);

- the operational excellence achieved with the 126 new programs launched during the year;
- strict cost controls;
- and the earlier than expected success of turnaround measures aimed at the Exterior Systems business acquired in July 2016 (merger of 2 organizations, adjustment of the program portfolio, the closure of plants in the United States in 2016 and in Brazil early 2017, and of 2 paint lines in Germany in 2017, streamlining of the workforce, etc.).

Plastic Omnium Environment produced an operating margin of €21.1 million in 2017, i.e. 6.3% of consolidated sales, versus €24.4 million in 2016 (6.6% of consolidated sales) and €22.7 million and 6.8% of consolidated sales in pro forma 2016 data (i.e. by accounting for the disposal of non-strategic businesses in highway signage and metal drums).

Consolidated revenue and operating margin by business Aggregates expressed in € millions	2016			2017		
	Revenue	Operating margin	%	Revenue	Operating margin	%
Plastic Omnium Automotive	5,488	533	9.7%	6,433	620	9.6%
Plastic Omnium Environment	369	24	6.6%	335.5	21	6.3%
Total	5,857	558	9.5%	6,768.5	641	9.5%

Other operating income and expense resulted in a net expense of €59 million in 2017, versus net expense of €85 million in 2016. This includes €119 million in non-current expenses, of which €44.2 million in restructuring costs, +€43.7 million in value adjustment on the acquisition of the Exterior Systems business, and +€15.9 million recognized in CICE research tax credits for 2014, 2015, and 2016.

Net finance costs amounted to €67 million, versus €68 million in 2016. These costs account for 1.0% of revenue.

In 2017, the Group recorded income tax expense of €85 million, versus €86 million in 2016. The Group's effective "tax rate" was 18.7% in 2017 (versus 24.5% in 2016). It recognizes net income of €12 million corresponding to changes in the tax rate, particularly in the United States.

Thus net income rose by 35.2% to €430.5 million and represents 6.4% of consolidated revenue (from €318 million and 5.4% of consolidated revenue in 2016). **The Group's share of net income** amounted to **€425.2 million**, or 6.3% of consolidated revenue (compared with €312 million and 5.3% of consolidated revenue in 2016), **an increase of 36.2%**.

Basic earnings per share amounted to €2.88, versus €2.11 in 2016 (+36.5%).

Cash flow and capital

Group **EBITDA** was up by 15.2% to €933.0 million (**13.8%** of consolidated sales) and cash flow from operations was up by 17.3% to €859.4 million (12.7% of consolidated sales).

Engaged in a sustained investment program totaling €2.5 billion over the 2017-2021 period, the Group invested €457.1 million in 2017, i.e. 6.8% of consolidated revenue (versus €402.0 million i.e. 6.9% of consolidated revenue in 2016), a rise of 13.7%. The plant for exterior body parts at San Luis Potosi (Mexico) and the fuel systems plant in Chongqing (China) began production.

Six plants are currently under construction: two in India, one in Slovakia, one in Morocco and two in the United States, including the Greer pilot plant (South Carolina) for the Group's Industry 4.0 program.

A €100 million program has been undertaken for the development of R&D capabilities: creation of an advanced new energy research center which will open in Brussels in mid-2019; a new development and test center for fuel systems in Wuhan (China) in 2019, and the digitalization and expansion by 2020 of the worldwide R&D center for exterior body parts in Lyon.

OUTLOOK AND POST-BALANCE SHEET EVENTS

In this context of robust investment, the Group generated free cash flow of **€185.8 million** in 2017, i.e. 2.7% of consolidated sales.

Net debt amounted to €563 million at December 31, 2017, down by €237 million compared with December 31, 2016, after the payment of €73 million in dividends and the buyback of treasury shares for a net amount of €42 million. The Group's net debt now represents 32% of equity and 0.6x EBITDA.

As a reminder, on March 31, 2017 in accordance with the European Commission decision, the Group finalized the sale of the French operations of the exteriors systems and the front-end module businesses in Germany acquired in 2016, at an enterprise value of €200 million, in accordance with the European Commission decision. Moreover, Plastic Omnium sold, on June 30, 2017, its truck composites business, which had annual revenues of about €200 million in France, Mexico and China.

Lastly, Compagnie Plastic Omnium completed on June 19, 2017, the placement of a €500 million bond issue with European investors without covenants or rating, with a 7-year maturity and 1.25% coupon.

INVESTMENTS 2017-2021

To respond to the commercial success with the world's major carmakers and to the market's future needs, Plastic Omnium plans to invest €2.5 billion over the 2017-2021 period. These investments will be in new capacities, the ongoing optimization of the manufacturing base (industry 4.0 and operational excellence), the development of new programs, and the launch of new research projects.

Outlook and Post-balance Sheet Events

In 2018, with an expected slight rise of around 2% in global automotive production, the Group should see a further improvement in results.

For the 2017-2021 period, Plastic Omnium confirms its financial outlook announced in December 2017:

- its automotive activities should continue to outperform global automotive production by an average of around 5 points per year over the period, reaching revenue of €10 billion in 2021 (including €1.7 billion from joint ventures);
- the Group's operating margin should continue to steadily increase throughout the period;
- the Group will pursue its investment program of €2.5 billion over the 2017-2021 period while generating free cash flow of over €1 billion.

The Group is actively preparing for the upcoming changes in the automotive industry, by investing in innovation, research and high-tech acquisitions.

No other event likely to have a material impact on the Group's business, financial position, earnings or assets and liabilities at December 31, 2017 has occurred since the closing date.

Financial indicators

In the context of its financial communication, the Group uses financial indicators based on the consolidated financial statements drawn up in accordance with IFRS, as adopted in the European Union.

As indicated in Note 3.1 of the consolidated financial statements as of December 31, 2017 relating to segment information, the Group uses the concept of “economic revenue” for operational management purposes, which corresponds to the consolidated sales of the Group and its joint ventures up to the Group’s percentage stake: HBPO, a German company and world leader in front-end modules, Yanfeng Plastic Omnium, the Chinese leader in exterior body parts, B.P.O., a major player in the Turkish market for exterior equipment, and Plastic Recycling, a specialist company in plastics recycling.

Reconciliation of economic revenue with consolidated revenue:

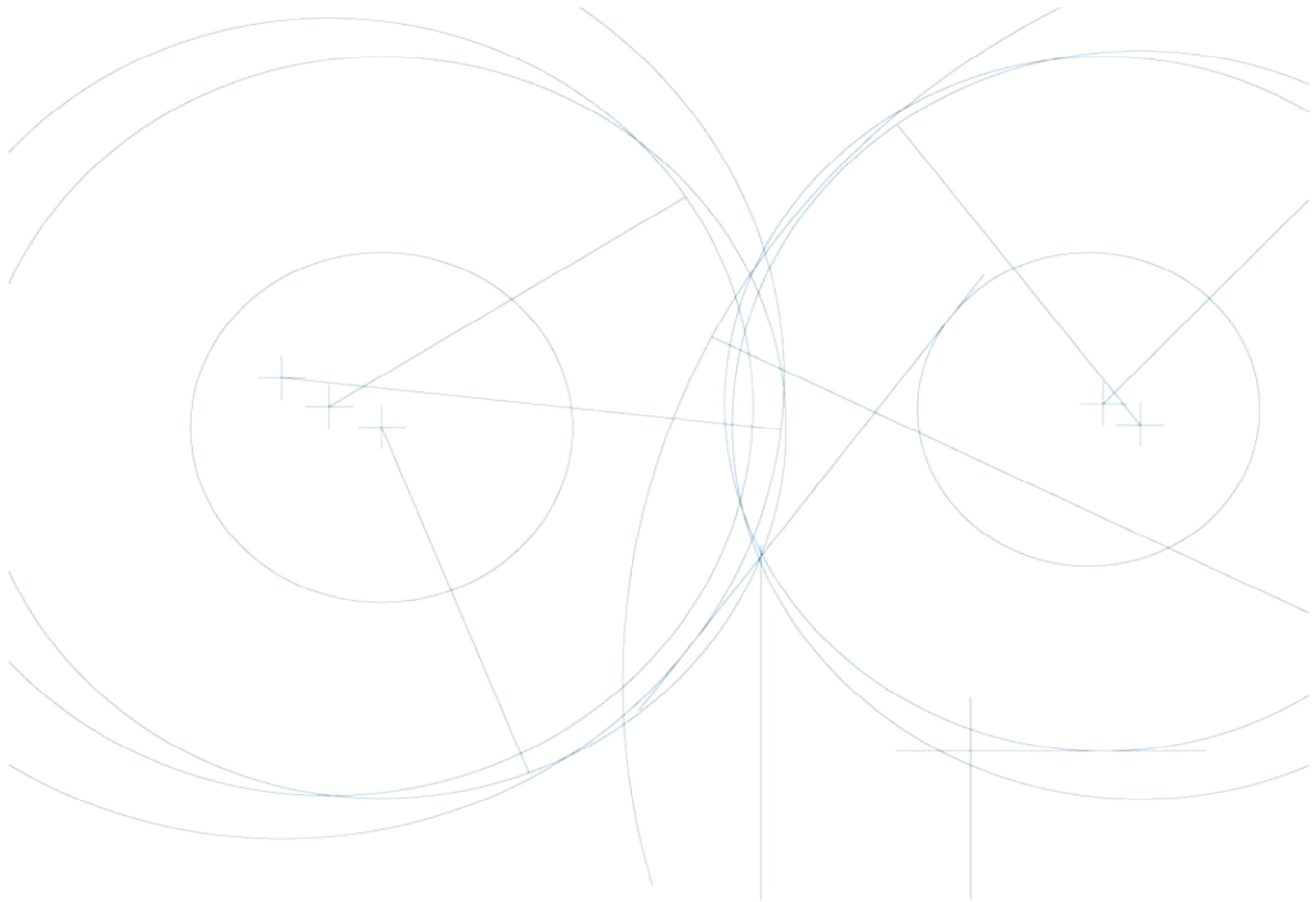
In thousands of euros	2017	2016
Economic revenue	8,000,618	6,935,732
<i>Including Sales from joint ventures at the Group's percentage stake</i>	<i>1,232,141</i>	<i>1,078,481</i>
CONSOLIDATED REVENUE	6,768,477	5,857,251



COMPAGNIE PLASTIC OMNIUM

Incorporated in France with limited liability and issued capital of € €9,058,603.20
Headquarters: 19 Boulevard Jules Carteret – 69007 Lyon (France)
955 512 611 Lyon Trade and Companies Register

CONSOLIDATED FINANCIAL STATEMENTS AS OF December 31, 2017



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BALANCE SHEET

In thousands of euros	Notes	December 31, 2017	December 31, 2016 adjusted (1)
ASSETS			
Goodwill	3.2 - 5.1.1 - 5.1.2	584,685	579,958
Other intangible assets	3.2 - 5.1.2	497,857	484,321
Property, plant and equipment	3.2 - 3.3 - 5.1.3 - 5.1.4	1,410,465	1,353,589
Investment property	3.2 - 5.1.5	93,263	93,263
Investments in associates and joint ventures	5.1.6	211,174	190,192
Available-for-sale financial assets	5.1.7.1 - 6.7	316	394
Other available-for-sale financial assets ⁽²⁾	5.1.7.2 - 5.2.7.5 - 6.4.2 - 6.7	27,514	30,451
Other non-current financial assets ⁽²⁾	5.1.8 - 5.2.7.5 - 6.7	59,060	54,449
Deferred tax assets	5.1.12	96,663	143,657
TOTAL NON-CURRENT ASSETS		2,980,997	2,930,274
Inventories	5.1.9	414,013	388,689
Finance receivables ⁽²⁾	5.1.10 - 5.2.7.5 - 6.7	42,807	33,918
Trade receivables	5.1.11.2 - 5.1.11.4 - 6.3.1 - 6.4.2 - 6.7	940,084	809,419
Other	5.1.11.3 - 5.1.11.4	354,602	347,160
Other financial assets and financial receivables ⁽²⁾	5.1.10 - 5.2.7.5 - 6.4.2 - 6.7	83,209	62,388
Hedging instruments ⁽²⁾	5.2.7.5 - 5.2.8 - 6.4.2 - 6.7	5,254	499
Cash and cash equivalents ⁽²⁾	5.1.13.1 - 5.1.13.2 - 5.2.7.5 - 6.4.2 - 6.7	939,635	334,189
TOTAL CURRENT ASSETS		2,779,604	1,976,262
Assets held for sale	5.1.16	846	238,883
TOTAL ASSETS		5,761,447	5,145,419
EQUITY AND LIABILITIES			
Capital	5.2.1.1	9,059	9,149
Treasury stock		-61,764	-61,192
Additional paid-in capital		17,389	17,389
Consolidated reserves		1,337,759	1,202,579
Net income for the period		425,177	312,112
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		1,727,620	1,480,037
Attributable to non-controlling interests		26,614	23,674
TOTAL EQUITY		1,754,234	1,503,711
Non-current borrowings ⁽²⁾	5.2.7.5 - 6.7	1,323,771	1,119,337
Provisions for pensions and other post-employment benefits	5.2.5 - 5.2.6.5	106,517	109,718
Provisions for liabilities and charges	5.2.5	54,689	64,470
Non-current government grants	5.2.4	6,557	12,420
Deferred tax liabilities	5.1.12	20,975	78,460
TOTAL NON-CURRENT LIABILITIES		1,512,509	1,384,405
Bank overdrafts ⁽²⁾	5.1.13.2 - 5.2.7.5 - 6.4.2 - 6.7	9,993	10,307
Current borrowings ⁽²⁾	5.2.7.5 - 6.7	381,078	168,320
Current debt ⁽²⁾	5.2.7.5 - 6.4.2 - 6.7	4	5
Hedging instruments ⁽²⁾	5.2.7.5 - 5.2.8 - 6.4.2 - 6.7	5,618	17,870
Provisions for liabilities and charges	5.2.5	70,944	67,122
Current government grants	5.2.4	3,948	-
Trade payables	5.2.9.1 - 5.2.9.3 - 6.4.2 - 6.7	1,233,221	1,229,049
Other operating liabilities	5.2.9.2 - 5.2.9.3	789,898	685,262
TOTAL CURRENT LIABILITIES		2,494,704	2,177,935
Liabilities related to assets held for sale	5.1.16	-	79,368
TOTAL EQUITY AND LIABILITIES		5,761,447	5,145,419

(1) In accordance with IFRS 3R, the published balance sheet as at 31 December 2016 has been restated to reflect asset and liability value adjustments to the Faurecia Exterior Systems business, acquired in 2016 during the purchase price allocation period. These adjustments are presented in note 2.1.1 and in the schedule which follows the Group summary statements.

(2) Components of net debt : Net debt stands at €563 milion at December 31, 2017 compared with €799.9 milion at December 31, 2016 (see Note 5.2.7.5).

INCOME STATEMENT

In thousands of euros	Notes	2017	%	2016	%
Consolidated sales (revenue)	3.1.1 - 3.1.4.1 - 3.1.4.2	6,768,477	100.0%	5,857,251	100.0%
Cost of goods and services sold	4.2	-5,667,843	-83.7%	-4,882,708	-83.4%
Gross profit		1,100,634	16.3%	974,543	16.6%
Net research and development costs	4.1 - 4.2	-170,011	-2.5%	-145,740	-2.5%
Selling costs	4.2	-61,167	-0.9%	-55,086	-0.9%
Administrative expenses	4.2	-269,981	-4.0%	-246,180	-4.2%
Operating margin before amortization of intangible assets acquired in business combinations and before share of profit of associates and joint ventures	3.1.1	599,475	8.9%	527,537	9.0%
Amortization of intangible assets acquired in business combinations ⁽¹⁾	3.1.1 - 4.4	-20,264	-0.3%	-21,583	-0.4%
Share of profit/loss of associates and joint ventures	3.1.1 - 4.5	61,746	0.9%	51,801	0.9%
Operating margin	3.1.1	640,957	9.5%	557,755	9.5%
Other operating income	3.1.1 - 4.6	36,770	0.5%	34,861	0.6%
Other operating expenses	3.1.1 - 4.6	-95,930	-1.4%	-120,134	-2.1%
Financing costs, net	3.1.1 - 4.7	-63,946	-0.9%	-58,859	-1.0%
Other financial income and expenses, net	3.1.1 - 4.7	-2,817	-0.0%	-9,027	-0.2%
Profit from continuing operations before income tax and after share of profits of associates and joint ventures	3.1.1	515,035	7.6%	404,595	6.9%
Income tax	3.1.1 - 4.8	-84,548	-1.2%	-86,307	-1.5%
Net income	3.1.1	430,487	6.4%	318,288	5.4%
Net profit attributable to non-controlling interests	4.9	5,310	0.1%	6,176	0.1%
Net profit attributable to owners of the parent		425,177	6.3%	312,112	5.3%
Earnings per share attributable to owners of the parent company	4.10				
Basic earnings per share (in euros) ⁽²⁾		2.88		2.11	
Diluted earnings per share (in euros) ⁽³⁾		2.86		2.09	

(1) Intangible assets acquired in business combinations, mainly contractual customer relationships

(2) Basic earnings per share are calculated using the weighted average number of ordinary shares outstanding, less the average number of shares held in treasury stock.

(3) Diluted earnings per share take into consideration the average number of treasury shares deducted from equity and shares which might be issued under stock option programs.

STATEMENT OF COMPREHENSIVE INCOME

In thousands of euros	2017			2016		
	Total	Gross	Tax ⁽³⁾	Total	Gross	Tax
Net profit for the period attributable to owners of the parent⁽¹⁾	425,177	507,815	-82,638	312,112	397,065	-84,953
Reclassified to the income statement	-61,820	-60,782	-1,038	6,001	6,221	-220
Reclassified in the period	494	826	-332	379	663	-284
Exchange differences on translating foreign operations - reclassified to the income statement	-	-	-	-161	-161	-
Cash flow hedges - Interest rate instruments reclassified to the income statement	494	826	-332	540	824	-284
Reclassified at a later date	-62,314	-61,608	-706	5,622	5,558	64
Exchange differences on translating foreign operations	-63,049	-63,049	-	4,701	4,701	-
Cash flow hedges	1,697	2,403	-706	-123	-187	64
Gains/(losses) for the period - Interest rate instruments	-	-	-	-	-	-
Gains/(losses) for the period - Exchange rate instruments	1,697	2,403	-706	-123	-187	64
Fair Value adjustment to available-for-sale assets	-962	-962	-	1,044	1,044	-
Cannot be reclassified to the income statement at a later date	-1,885	2,427	-4,312	-8,449	-12,806	4,357
Actuarial gains/(losses) recognized in equity	-1,885	2,427	-4,312	-8,449	-12,806	4,357
Other comprehensive income	-63,705	-58,355	-5,350	-2,448	-6,585	4,137
Comprehensive income attributable to owners of the parent⁽²⁾	361,472	449,460	-87,988	309,664	390,480	-80,816
Net profit for the period attributable to non-controlling interests	5,310	7,220	-1,910	6,176	7,530	-1,354
Reclassified to the income statement	-1,797	-1,797	-	613	613	-
Reclassified in the period	-	-	-	-	-	-
Exchange differences on translating foreign operations - reclassified to the income statement	-	-	-	-	-	-
Reclassified at a later date	-1,797	-1,797	-	613	613	-
Exchange differences on translating foreign operations	-1,797	-1,797	-	613	613	-
Cannot be reclassified to the income statement at a later date	-	-	-	-	-	-
Actuarial gains/(losses) recognized in equity	-	-	-	-	-	-
Other comprehensive income	-1,797	-1,797	-	613	613	-
Comprehensive income attributable to non-controlling interests	3,513	5,423	-1,910	6,789	8,143	-1,354
Total comprehensive income	364,985	454,883	-89,898	316,453	398,623	-82,170

- (1) Net profit for the period attributable to owners of the parent amounted to €250,259 thousand at December 31, 2017 compared with €182,991 thousand at December 31, 2016.
- (2) Total net profit attributable to owners of the parent amounted to €212,763 thousand at December 31, 2017 compared with €181,556 thousand at December 31, 2016.
- (3) The tax presented in other comprehensive income takes into account the effects of changes in tax rates in France and in United States that occurred in 2017.

CHANGES IN EQUITY

In thousands of euros
In thousand units for the number of shares

Shareholders' equity

	Number of shares	Capital	Additional paid-in capital	Treasury stock	Other reserves (1)	Translation adjustment	Net profit for the period	Attributable to owners of the parent	Attributable to non-controlling interests	Total equity
Equity at December 31, 2015	153,577	9,215	38,637	-52,502	984,620 ⁽¹⁾	28,154	258,374	1,266,497	20,822	1,287,319
Appropriation of net profit at December 31, 2015	-	-	-	-	258,374	-	-258,374	-	-	-
First-half 2016 net profit	-	-	-	-	-	-	312,112	312,112	6,176	318,288
Other comprehensive income	-	-	-	-	-8,534	6,086	-	-2,448	613	-1,835
<i>Exchange differences on translating foreign operations</i>	-	-	-	-	-1,546	6,086	-	4,540	613	5,153
<i>Actuarial gains/(losses) recognized in equity</i>	-	-	-	-	-8,449	-	-	-8,449	-	-8,449
<i>Cash flow hedges - Interest rate instruments</i>	-	-	-	-	540	-	-	540	-	540
<i>Cash flow hedges - currency instruments</i>	-	-	-	-	-123	-	-	-123	-	-123
Comprehensive income	-	-	-	-	249,840	6,086	53,738	309,664	6,789	316,453
Treasury stock transactions	-	-	-	-29,938	-7,294	-	-	-37,232	-	-37,232
Capital reduction (cancellation of treasury stock)	-1,100	-66	-21,248	21,248	-	-	-	-66	-	-66
Change in scope of consolidation and reserves ⁽²⁾	-	-	-	-	-1,812	-	-	-1,812	-1,488	-3,300
Dividends paid by Compagnie Plastic Omnium	-	-	-	-	-60,512	-	-	-60,512	-	-60,512
Dividends paid by other Group companies	-	-	-	-	-	-	-	-	-2,449	-2,449
Stock option costs	-	-	-	-	8	-	-	3,498	-	3,498
Equity at December 31, 2016	152,477	9,149	17,389	-61,192	1,168,339 ⁽¹⁾	34,240	312,112	1,480,037	23,674	1,503,711
Appropriation of net profit at December 31, 2016	-	-	-	-	312,112	-	-312,112	-	-	-
First-half 2017 net profit	-	-	-	-	-	-	425,177	425,177	5,310	430,487
Other comprehensive income	-	-	-	-	-656	-63,049	-	-63,705	-1,797	-65,502
<i>Exchange differences on translating foreign operations</i>	-	-	-	-	-	-63,049	-	-63,049	-1,797	-64,846
<i>Actuarial gains/(losses) recognized in equity</i>	-	-	-	-	-1,885	-	-	-1,885	-	-1,885
<i>Cash flow hedges - Interest rate instruments</i>	-	-	-	-	494	-	-	494	-	494
<i>Cash flow hedges - Currency instruments</i>	-	-	-	-	1,697	-	-	1,697	-	1,697
<i>Change in the fair value adjustment of Other available-for-sale Financial assets</i>	-	-	-	-	-962	-	-	-962	-	-962
Comprehensive income	-	-	-	-	311,456	-63,049	113,065	361,472	3,513	364,985
Treasury stock transactions	-	-	-	-41,955	-	-	-	-41,955	-	-41,955
Capital reduction (cancellation of treasury stock)	-1,500	-90	-	41,383	-41,383	-	-	-90	-	-90
Tax effect of treasury stock transactions	-	-	-	-	-2,441	-	-	-2,441	-	-2,441
Dividends paid by Compagnie Plastic Omnium	-	-	-	-	-72,272	-	-	-72,272	-	-72,272
Dividends paid by other Group companies	-	-	-	-	-	-	-	-	-573	-573
Stock option and share purchase plan costs	-	-	-	-	3,327	-	-	3,327	-	3,327
Deferred tax on stock option and share purchase plans	-	-	-	-	-962	-	-	-962	-	-962
Effet de la variation de taux d'impôt sur les impôts différés liés à la comptabilisation des actifs corporels à la juste valeur	-	-	-	-	504	-	-	504	-	504
Equity at December 31, 2017	150,977	9,059	17,389	-61,764	1,366,568 ⁽¹⁾	-28,809	425,177	1,727,620	26,614	1,754,234

(1) See Note 5.2.1.2 for details of "Other reserves and retained earnings".

(2) See Note 5.2.1.3 for details of "Changes in scope of consolidation and reserves".

The dividend per share distributed on December 31, 2017 by Compagnie Plastic Omnium in respect of the 2016 fiscal year is € 0,49 compared with €0.41 on December 31, 2016 in respect of 2015 fiscal year (see Note 5.2.2 on dividends voted and paid).

STATEMENT OF CASH FLOWS

In thousands of euros	Notes	2017	2016
I - CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	3.1.1	430,487	318,288
Dividends received from associates and joint ventures		32,401	31,409
Non-cash items		396,516	382,890
<i>Share of profit/(loss) of associates and joint ventures</i>	4.5	-61,746	-51,801
<i>Stock option plan expense</i>	5.2.3 - 4.3	3,327	3,498
<i>Other adjustments</i>		688	6,117
<i>Depreciation and provisions for impairment of fixed assets</i>	3.1.3 - 5.1.3	168,512	170,756
<i>Depreciation and provisions for impairment of intangible assets</i>	3.1.3 - 5.1.2	127,660	109,094
<i>Changes in provisions</i>		-4,841	-9,476
<i>Net (gains)/losses on disposals of non-current assets</i>	4.6	19,606	14,786
<i>Proceeds from operating grants recognized in the income statement</i>		-2,274	-1,727
<i>Current and deferred taxes</i>	4.8.1	84,548	86,307
<i>Interest expense</i>		61,037	55,336
NET OPERATING CASH GENERATED BY OPERATIONS BEFORE IMPACT OF FINANCIAL EXPENSES AND INCOME TAX CASH PAYMENTS (A)		859,404	732,587
Change in inventories and work-in-progress – net		-42,327	44,913
Change in trade receivables – net		-195,976	-155,278
Change in trade payables		177,432	190,773
Change in other operating assets and liabilities - net		17,660	-20,235
CHANGE IN WORKING CAPITAL REQUIREMENTS (B)		-43,211	60,173
TAXES PAID (C)		-114,049	-97,271
Interest paid		-62,709	-55,486
Interest received		3,540	2,783
NET FINANCIAL INTEREST PAID (D)		-59,189	-52,703
NET CASH GENERATED BY OPERATING ACTIVITIES (A+B+C+D)		642,955	642,786
II – CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of property, plant and equipment	3.1.3 - 3.2 - 5.1.3	-328,718	-220,712
Acquisitions of intangible assets	3.1.3 - 5.1.2	-165,561	-151,120
Disposals of property, plant and equipment	4.6 a	20,638	4,852
Disposals of intangible assets	4.6 a	1,338	4
Net change in advances to suppliers of fixed assets		14,471	-35,313
Government grants received		688	210
NET CASH USED IN OPERATIONS-RELATED INVESTING ACTIVITIES (E)		-457,144	-402,079
FREE CASH FLOW (A + B + C + D + E)⁽¹⁾		185,811	240,707
Acquisitions of shares in subsidiaries and associates, investments in associates and joint ventures, and related investments	2.1.3 - 2.1.4	-21,419	-527,580
Acquisitions of available-for-sale financial assets	5.1.7.2	-32,874	-29,124
Proceeds from disposals of shares in subsidiaries and associates	4.6 a	10,678	15,638
Disposal of Available-for-sale financial assets ⁽²⁾	4.6 a - 5.1.16	196,266	-
Impact of changes in scope of consolidation -Cash and cash equivalents contributed by companies entering the scope of consolidation	2.1.1.5	747	9,480
Impact of changes in scope of consolidation - Cash and cash equivalents from companies leaving the scope of consolidation	2.3 - 5.1.16	-5,179	-830
Impact of changes in scope of consolidation - Borrowings contributed by companies entering the scope of consolidation	2.1.1.5	-	-157,124
NET CASH FROM FINANCIAL INVESTING ACTIVITIES (F)		148,219	-689,540
NET CASH FROM INVESTING ACTIVITIES (E+F)		-308,925	-1,091,619
III - CASH FLOWS FROM FINANCING ACTIVITIES			
Increases/reductions in share capital and premiums	5.2.1.1	-90	-66
Purchases/sales of treasury stock		-41,955	-37,232
Dividends paid to Burelle SA ⁽³⁾		-42,592	-35,638
Dividends paid to other shareholders ⁽⁴⁾		-30,253	-27,323
Acquisitions of non-controlling interests	2.1.2	-	-3,300
Increase in financial debt	2.1.3	507,371	362,385
Repayment of borrowings		-110,236	-126,410
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES (G)		282,245	132,416
Assets held for sale (and discontinued operations) (H)	5.1.16	-	-5,756
Effect of exchange rate changes (I)		-10,515	-1,210
NET CHANGE IN CASH AND CASH EQUIVALENTS (A + B + C + D + E + F + G + H + I)		605,761	-323,383
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	5.1.13.2 - 5.2.7.5	323,882	647,265
CASH AND CASH EQUIVALENTS AT END OF PERIOD	5.1.13.2 - 5.2.7.5	929,643	323,882

(1) The “Free Cash Flow” is an essential notion specific to the Plastic Omnium Group. It is used in all of the Group’s external financial communication and, in particular, for annual and interim results presentations.

(2) This includes the sale of the "Faurecia Exterior Systems" business classified as "Assets and liabilities held for sale" at December 31, 2016 for €159,424 thousand (see Note 2.1.1.4 and the sale of the shares of listed companies for €36,842 thousand (see Notes 4.6-a and 5.1.7.2).

(3) The full amount of the dividend paid to Burelle SA in the two periods was paid by Compagnie Plastic Omnium.

(4) In 2017, the dividend paid to other shareholders of €29,681 thousand (compared with €24,874 thousand in 2016) was paid by Compagnie Plastic Omnium, bringing the total dividends paid by Compagnie Plastic Omnium to €72,272 thousand (compared with €60,512 thousand in 2016). See Note 5.2.2 “Dividends voted and paid by Compagnie Plastic Omnium”.

TABLE OF CHANGES FROM THE PUBLISHED DECEMBER 31, 2016 BALANCE SHEET TO THE ADJUSTED BALANCE SHEET PRESENTED ON A COMPARATIVE BASIS IN THE DECEMBER 31, 2017 CONSOLIDATED FINANCIAL STATEMENTS

The value adjustments of the assets and liabilities of the Faurecia Exterior Systems business acquired in 2016 made during the acquisition period are presented in Note 2.1.1.

ADJUSTED BALANCE SHEET AT DECEMBER 31, 2016

The allocation period for the acquisition price of the “Faurecia Exterior Systems” business ended 12 months after the acquisition date, i.e. on July 29, 2017. Hereafter are the details of adjustments recorded in 2017:

In thousands of euros	December 31, 2016 published	Adjustments due to "Faurecia Exterior Systems" business acquisition (1)	December 31, 2016 adjusted
ASSETS			
Goodwill	531,077	48,881	579,958
Other intangible assets	484,321		484,321
Property, plant and equipment	1,353,589		1,353,589
Investment property	93,263		93,263
Investments in associates and joint ventures	190,192		190,192
Available-for-sale financial assets	394		394
Other available-for-sale financial assets	30,451		30,451
Other non-current financial assets	54,449		54,449
Deferred tax assets	140,355	3,302	143,657
TOTAL NON-CURRENT ASSETS	2,878,091	52,183	2,930,274
Inventories	390,312	-1,623	388,689
Finance receivables	33,918		33,918
Trade receivables	809,624	-205	809,419
Other	347,160		347,160
Other financial assets and financial receivables	62,388		62,388
Hedging instruments	499		499
Cash and cash equivalents	334,189		334,189
TOTAL CURRENT ASSETS	1,978,090	-1,828	1,976,262
Assets held for sale	240,712	-1,829	238,883
TOTAL ASSETS	5,096,893	48,526	5,145,419
EQUITY AND LIABILITIES			
Capital	9,149		9,149
Treasury stock	-61,192		-61,192
Additional paid-in capital	17,389		17,389
Consolidated reserves	1,202,579	-	1,202,579
Net income for the period	312,112		312,112
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	1,480,037	-	1,480,037
Attributable to non-controlling interests	23,674		23,674
TOTAL EQUITY	1,503,711	-	1,503,711
Non-current borrowings	1,119,337		1,119,337
Provisions for pensions and other post-employment benefits	109,718		109,718
Provisions for liabilities and charges	45,365	19,105	64,470
Non-current government grants	12,420		12,420
Deferred tax liabilities	78,643	-183	78,460
TOTAL NON-CURRENT LIABILITIES	1,365,483	18,922	1,384,405
Bank overdrafts	10,307		10,307
Current borrowings	168,320		168,320
Current debt	5		5
Hedging instruments	17,870		17,870
Provisions for liabilities and charges	41,912	25,210	67,122
Current government grants	-		-
Trade payables	1,226,618	2,431	1,229,049
Other operating liabilities	683,299	1,963	685,262
TOTAL CURRENT LIABILITIES	2,148,331	29,604	2,177,935
Liabilities related to assets held for sale	79,368		79,368
TOTAL EQUITY AND LIABILITIES	5,096,893	48,526	5,145,419

(1) See note 2.1.1.5 related to the "Opening balance sheet of Faurecia's Exterior Systems business".

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors approved the consolidated financial statements for the year ended December 31, 2017 for the Plastic Omnium Group on February, 14, 2018, which will be submitted to the Combined Shareholders' Meeting on April 26, 2018.

PRESENTATION OF THE GROUP

Compagnie Plastic Omnium, a company governed by French law, was set up in 1946. The bylaws set its duration until April 24, 2112. It is registered in the Lyon Trade and Companies Register under number 955 512 611 and its registered office is at 19, boulevard Jules Carteret, 69007 Lyon, France.

The terms “Compagnie Plastic Omnium”, “the Group” or “the Plastic Omnium Group” refer to the group of companies comprising Compagnie Plastic Omnium and its consolidated subsidiaries.

The Plastic Omnium Group is a world leader in the transformation of plastic materials for the automotive market (body parts, storage systems and fuel supply systems), representing 95.0% of its consolidated sales (95.8% of its economic revenue) and for local authorities (waste collection bins) for the remainder of its sales revenue.

Plastic Omnium Group shares have been traded on the Paris Stock Exchange since 1965. Listed on Eurolist in compartment A since January 17, 2013, the Group is part of the SBF 120 and the CAC Mid 60 indices. The main shareholder is Burelle SA, which holds 57.57% of the Group's share (58.86% excluding Treasury stock) at December 31, 2017.

The unit of measurement used in the Notes to the consolidated financial statements is thousands of euros, unless otherwise indicated.

For the opening balance sheet of the 2017 financial year, the consolidated financial statements published at December 31, 2016 will be identified using the notion “**published**”. The “**adjusted**” notion is used for the Consolidated Balance Sheet and the notes impacted by the adjustments in 2017 to allocate the acquisition price of the “Faurecia Exterior Systems” business, in accordance with IFRS 3R.

1. ACCOUNTING POLICIES, ACCOUNTING RULES AND PRINCIPLES

1.1. Accounting policies, accounting rules and methods

The accounting policies used to prepare the consolidated financial statements are those applied by the Group at December 31, 2016. They comply with IFRS standards and interpretations as adopted by the European Union at December 31, 2017 and available on the website: http://ec.europa.eu/internal_market/accounting/ias_fr.htm#adopted-commission. IFRS includes the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as well as the International Financial Reporting Interpretations Committee (IFRIC). These accounting principles do not differ significantly from mandatory application standards and interpretations as December 31, 2017, as published by the IASB.

The accounting policies applied by the Group are described in the Note 1.1 "Accounting policies, accounting rules and methods" of the 2017 consolidated financial statements, except those affected by the new standards and mandatory application amendments from January 1, 2018. The Group did in fact not opt for early application of standards, interpretations and amendments that are not mandatory at 31 December 2017.

Standards, interpretations and amendments applicable after January 1, 2018:

The Group has been applying IFRS 15 “Revenue from Contracts with Customers” since January 1, 2018. In this context, the accounting treatment of costs and products linked to activities carried out during the project phase of automotive contracts has been changed. The project phase corresponds to the period during which the Group works on the development of the part to be produced, on the design and manufacture of the specific tooling that will be used during

production as well as the structure of future production processes and logistics. It begins with the appointment of the Group on the vehicle and product concerned and ends when normal production volume is reached.

The new accounting treatment is based on the identification by the Group in most cases of two performance obligations, distinct from the production of parts, under the design activity and certain specific tooling whose control is transferred to clients.

Costs related to performance obligations are recognized in inventories during the project phase and then expensed when their control is transferred to the customer, i.e. when the series is launched. The income related to "lump sum" payments, or explicitly included in the price of the part, and therefore the negative or positive margin related to these performance obligations, is recognized at the start of the series life.

Other costs incurred during the project phase related to the execution of the contract where control is not transferred to the customers, are recognized in fixed assets and depreciated over the expected period of production, with a maximum of three years for visible parts and 5 years for fuel systems. They are subject to impairment tests when there is objective evidence of impairment.

Furthermore, under IFRS 15, only costs of obtaining contracts which would not have existed without a contract are capitalized and depreciated over the expected production period; costs incurred prior to the appointment of the Group, whether or not the contract is obtained, are recognized as an expense for the period.

The impact of this change in accounting treatment is not significant on the Group's consolidated accounts. An estimate based on the 2018 budget shows a lower than 0.5% impact on revenue and operating margin.

In view of these non-significant impacts during the transition, the Group decided to apply the modified retrospective method; the 2017 Consolidated Financial Statements will not be restated and the new accounting treatment is applied to unfinished projects, i.e. automotive contracts whose production has not been launched at December 31, 2017.

Concerning IFRS 9 "Financial Instruments", at this stage, no significant impact has been identified.

IFRS 16 "Leases", published in early 2016 by the IASB with an application of January 1, 2018 but not yet adopted by the European Union, is currently being analyzed by the Group. At this stage the main impacts identified concern real estate leases.

1.1.1. Consolidation principles

Companies in which the Group holds more than 50% of the voting rights, enabling it to exercise exclusive control, are fully consolidated. Companies in which the Group holds less than 50 per cent but over which the Group exercises control in substance are also fully consolidated.

Companies over which the Group exercises joint control with other shareholders, regardless of the percentage of the holding, treated as "joint ventures" insofar as the Group has no joint operations, in addition to the companies over which the Group exercises significant influence, and classified as "Interests in associates" (significant influence is assumed when the Group holds more than 20% of the voting rights in a company) are accounted for using the equity method.

The Group mainly reviews the following elements and criteria in order to assess whether joint control or significant influence is exercised over an entity:

- governance: representation of the Group on governance boards and committees, majority rules, veto rights;
- the determination of the substantive or protective rights granted to shareholders, particularly related to the relevant businesses of the entity, namely those that have a significant impact on the variable return of the entity;
- the consequences of a conflict resolution clause;

- the right / exposure of the Group to the variable returns of the entity.

1.1.2. Non-controlling interests

Non-controlling interests represent the share of interest, which is not held by the Group. They are presented as a separate item in the income statement and under equity in the consolidated balance sheet, separately from the profit and equity attributable to owners of the parent.

Non-controlling interests may be either measured at fair value on the acquisition date (i.e. with a share of goodwill) or for their share in the fair value of identifiable net assets acquired. This choice can be made on a transaction-by-transaction basis.

Changes in a parent's ownership interest in a subsidiary that do not change control are recognized as equity transactions. For example, in the event of an increase (or decrease) in the percentage ownership interest of the Group in a controlled entity, without change in control, the difference between the acquisition cost of (or transfer price) and the carrying amount of the share of net assets acquired (or sold) is recognized in equity.

1.1.3. Segment information

Segment information is presented on the basis of the segments identified in the Group's internal reporting and notified to the management in order to decide on the allocation of resources and to analyze performance.

The Group is managed according to two operating segments:

- "Automotive" means the activities of the body components (Automotive Exterior Division) and of the fuel storage and distribution systems, from the design to sales through to manufacturing (Auto Inergy Division);
- "Environment" which covers activities for local authorities, namely the pre-collection products and services and waste management activities.

1.1.4. Business combinations

Business combinations are recognized by applying the acquisition method. Identifiable assets, liabilities and contingent liabilities acquired are recognized at their fair value on the purchase date.

The surplus of the sum of the price paid to the seller and, where appropriate, the value of the non-controlling interest in the company acquired against the net balance of the acquired assets and the identifiable liabilities acquired is recognized in goodwill.

Where the takeover is carried out through successive purchases, the consideration also includes the acquisition-date fair value of the acquirer's previously held equity interest in the acquired company. The previously held equity interest is measured at fair value through profit or loss.

Acquisition costs are recorded as expenses.

The fair value adjustments of assets acquired and liabilities assumed are offset against goodwill adjustments on the basis of information obtained during the allocation period, i.e. within twelve months of the acquisition. Changes in value after that date are recognized in profit or loss, including any changes in deferred tax assets and liabilities, if they are related to new items that have occurred since the change of control. If they result from new information relating to facts existing at acquisition date and collected during the 12 months following this date, they are an offset to the acquisition's goodwill.

1.1.5. Translation of the financial statements of foreign subsidiaries

Plastic Omnium Group uses the euro as its presentation currency in its financial statements. The financial statements of foreign companies are prepared in their functional currency, i.e. in the currency of the economic environment in which

the entity operates; usually the functional currency corresponds to the local currency, except for some foreign subsidiaries such as the Mexican subsidiaries who carry out the majority of their transactions in another currency. These financial statements are translated into the Group's presentation currency, as follows:

- translation of balance sheet items, other than equity, at the closing rate;
- translation of income statement items at the average rate for the period;
- translation differences are recognized in consolidated equity.

Goodwill arising from business combinations with foreign companies is recognized in the functional currency of the acquired entity. They are subsequently translated into the Group's presentation currency at the closing rate, with the translation difference recognized in equity.

On disposal of the entire interest in a foreign company, the related translation differences are initially recognized in equity, then reclassified in profit and loss.

1.1.6. Recognition of transactions in foreign currencies

Transactions in foreign currencies are initially recorded in the functional currency at the rate on the transaction date. On the closing date, monetary assets and liabilities are revalued at the rates prevailing at the closing date. Non-monetary assets and liabilities at cost are valued at the historical rates, prevailing at the transaction date (for example, goodwill, tangible assets, inventories, etc.). Non-monetary assets and liabilities at fair value are valued at the rates prevailing at the date when fair value is determined (for example, assets available for sale).

For monetary items exchange rate differences arising from changes in interest rates are recorded in the income statement, as other operating income and expenses, when they are related to operations and as financial income/expense when they are related to financial transactions.

Borrowings in foreign currencies contracted by the Group and whose repayment is neither planned nor likely in the foreseeable future are considered to be part of the net investment of the Plastic Omnium Group in this foreign business. The corresponding translation differences are recorded in equity.

1.1.7. Revenue

Revenue is recognized when risks and rewards of ownership are transferred, and it is likely that future economic benefits will accrue to the Group and the amount of this income can be reliably measured. Revenue is measured at the fair value of the consideration received, net of any discounts, rebates and other taxes on sales and customs duties.

Sales of goods

The revenue from the sale of goods and from wholesale transactions is recognized when the material risks and rewards of ownership of the goods are transferred to the buyer, usually on delivery of the goods.

Sales of services and specific tooling

Automotive Business

Revenue from ordinary activities relating to the project phase of automotive contracts (development hours and tooling) is recognized when the risks and rewards of ownership have been transferred to the customer. A determining factor in the Group's analysis is whether or not the customer has formally agreed the price.

Thus, when the Group obtains a contractual agreement signed with its customers on the sales price of the tooling, the tooling is considered to be sold; the related revenue is recognized on the basis of the stage of completion validated by the customer and, at the latest, on the first day of series production of the model concerned. In the same way, when the Group obtains a contractual agreement from its customers, the expected development revenue on a time-spent basis is gradually recognized using the stage of completion method.

Without such an agreement with the customer (e.g. customer financing through a "development unit" with no volume guarantee), the Group considers that the material risks and rewards are not transferred to the client; the tooling and/or

development time expenses are therefore recognized in the Group's property, plant and equipment and/or intangible assets, and amortized over the life of the series. Where applicable, products received from customers are recognized in revenue over the life of the series.

Environment business

Most lease-maintenance contracts are operating leases. The lease payments received are accounted for on a straight-line basis over the term of the leases, except in the case of finance leases; in this case, a sale is recorded for the amount equal to the survey costs (costs incurred by individuals to collect information on the volume of bins placed at their disposal), the installation costs and the estimated sales price of the equipment made available.

1.1.8. Receivables

Receivables are initially recognized at their fair value.. The fair value generally represents the nominal amount of the receivable when the sale has been subject to routine payment terms. Impairments are recorded to cover the risks of non-recovery where there is objective evidence of loss of value. The impairment amount is determined individually for each customer.

Finance receivables correspond, for the most part, to the lease-financing sales of the Environment business, and to development and tooling sales for which the Group has signed an agreement enabling customers to pay in installments (for example: "development unit" prices contractually agreed by customers). These receivables have initial payment periods of more than one year and may bear interest in the framework of an asset financing agreement agreed with the customer. The income related to these receivables is recognized in revenue. These finance receivables are deducted when calculating the Group's net debt.

Sold receivables, which are removed from the balance sheet, meet the following criteria:

- the rights attached to the receivables are transferred to third parties;
- substantially all the risks and rewards of ownership are transferred to third parties;

The risks taken into account are the following:

- o credit risk,
- o risks related to payment arrears both for the duration and amounts,
- o the transfer of interest rate risk, which is fully assumed by the buyer.

1.1.9. Operating margin

Operating margin corresponds to the profit from fully consolidated companies before other operating income and expenses which mainly include:

- gains from disposals of property, plant and equipment and intangible assets;
- impairment losses on intangible assets and property, plant and equipment, including any impairment of goodwill;
- translation differences, corresponding to the difference between the exchange rates used to account for operating receivables and payables and the rates used to account for related settlements;

- income and expenses that are unusual in nature, frequency or amount, such as profits and losses related to changes in scope, the start-up costs of new plants, the costs of restructuring and downsizing costs.

Amortization of contractual customer relationships acquired in business combinations is recognized as a separate item in the operating margin.

The share of profit/(loss) of associates and joint ventures is also recorded in the operating margin as a separate item.

Thus, the Group has an operating margin before amortization of intangible assets acquired in business combinations and the share of profit/(loss) of associates and joint ventures and an operating margin after taking these factors into account.

The operating margin after taking these factors into account is the main performance indicator used by the Group.

1.1.10. Research tax credit

The Group benefits from tax credits linked to the research effort of its subsidiaries. These tax credits are included in operating margin under "Net research and development costs", see Notes 4.1 "Research and development costs" and 4.2 "Cost of sales, development, selling and administrative costs".

1.1.11. Intangible assets

1.1.11.1. Research and development costs

Development costs are recognized as intangible assets when the company can demonstrate in particular:

- its intention, financial capacity and technical capability to complete the development project;
- the probability of receiving future economic benefits from development expenditure;
- the ability to reliably value the cost of the asset.

Automotive business development costs

Development hours undertaken for an Automotive project subject to a customer contractual payment agreement are considered as sold and expensed on the basis of the stage of completion. The revenue recognition policy is described in Note 1.1.7 "Revenue".

Expenditure incurred on orders for specific tooling and molds subject to a customer contractual payment agreement shall be considered as sold and recognized in inventories. The related income is recognized in revenue based on the total cost incurred on the date of technical acceptance, or at the latest, on the first day of series production. Payments received prior to these dates are recorded under customer prepayments.

Development hours and tooling financed by the customer under "development unit" pricing, without contractual customer commitment on volumes or payment guarantee, are recognized as intangible or tangible assets in progress during the development phase.

These capitalized development amounts are amortized when daily output reaches 30% of estimated production and, at the latest, three months after the first day of series production. Amortization is calculated on a straight-line basis over the estimated period of series production, i.e. on average, three years for body parts and five years for fuel systems. The amortization of development hours is recorded in Research and Development and that of the tooling in gross margin.

Other research and development costs

Other research and development costs are recognized as expenses for the financial year.

1.1.11.2. Other intangible assets

Other intangible assets are measured at cost less accumulated amortization and impairment losses. They are amortized according to the linear method over their estimated useful lives.

These mainly include the “Plastic Omnium Auto Inergy” and “Ford-Milan” customer contractual relationships.

These assets are tested for impairment when there is an indication of impairment.

1.1.12. Start-up costs

Costs corresponding to start-up phases, including organizational costs, are expensed as they are incurred. They correspond to the use of new production capacity or techniques. As indicated in Note 1.1.9, pre-start-up costs for new plants are recognized under “Other operating expenses”.

1.1.13. Goodwill and impairment tests

Plastic Omnium Group goodwill is not amortized, but is tested for impairment at least once per year, at year-end, and on the interim balance sheet date if there is evidence of impairment.

Impairment tests are carried out at the level of each cash generating unit (CGU), or groups of cash generating units, which are:

- "Automotive"
- “Environment”

The Group presents its segment information in two “reportable segments,” Automotive and Environment (see Note 3 “Segment Information”), and the goodwill information follows the same presentation (see Note 5.1.1 “Goodwill”).

The net carrying amount of all assets (including goodwill), comprising each cash-generating unit, is compared to its recoverable amount, i.e. the higher of the fair value less disposal costs and the value in use determined using discounted cash flow method.

The cash flow forecast is based on the Group’s medium-term plans, which are prepared for the next four years, revised as necessary to reflect the most recent market conditions. Over this timeframe, a terminal value is calculated based on the capitalization of the projected cash flows for the last year covered by the business plan, using a long-term growth rate that reflects the outlook for the market. These cash flow projections are then discounted.

The assumptions used to determine the discount rates take into account:

- an industry risk premium;
- an industry financing “spread” to value the cost of debt;
- the rates used by comparable companies in each segment.

Goodwill is measured annually at cost, less any accumulated impairment representing loss of value. Impairments on goodwill are irreversible.

Sensitivity tests with an increase in the discount rate of 0.5% or a reduction of 0.5% in the long-term growth rate or a reduction of 0.5% in the operating margin rate are systematically carried out.

Negative goodwill (badwill) is recorded in the income statement during the year of acquisition.

1.1.14. Property, plant and equipment

Gross values

Property, plant and equipment are initially recorded at their acquisition cost, at their cost of production when they are manufactured by the company for itself (or subcontracted) or at their fair value for those acquired without consideration.

Gains and losses on intra-group sales or acquisitions of property are eliminated in the consolidated financial statements.

Property, plant and equipment are subsequently recognized at cost less accumulated amortization based on their life and accumulated impairment losses.

Industrial buildings are measured at depreciated cost. Maintenance and repair costs in order to restore or maintain the future economic benefits that the company may expect in terms of the estimated level of performance at the time of acquisition are recognized as an expense as incurred.

Future expenditures are capitalized only on the assumption that the future economic benefits associated with the expenditure will return to the Group.

Assets under finance leases are recognized in property, plant and equipment at the lower of their fair value and the present value of minimum lease payments and depreciated on the basis of Group depreciation rates applicable to the same assets owned outright. They mainly concern leases on industrial buildings, major functional assemblies (“presses”) and containers.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives:

Buildings and fixtures	10 - 40 years
Presses and transformation machines	7 - 10 years
Machining, finishing and other equipment	3 - 7 years
Containers rented to municipalities (bins for waste collection)	8 years
Other equipment rented to municipalities (playground equipment, bin lifts, etc.)	5 years

The Group applies the components approach to its property assets and major functional assemblies.

Impairment of property, plant and equipment

Property, plant and equipment are tested for impairment when decisions are made to cease production or to close a site.

1.1.15. Investment property

The items in the “Investment property” section of the Group’s balance sheet are not included in ordinary operations. These assets, which belong to the Group, correspond to real estate:

- not occupied on the balance sheet date and whose use is undecided;
- or held by the Group for their long-term appreciation and which are leased to third parties under operating leases.

The Group may, where appropriate, decide to use all or part of a property whose use is undecided (in which case the relevant part would be reclassified as being occupied) or lease them under one or more operating leases.

Investment property is measured at fair value at the balance sheet date, with changes in fair value recognized in profit or loss. The land on which the buildings are constructed follow the same accounting treatment. An independent appraiser makes regular valuations as part of the year-end closing process. Between two valuations, the Group ensures that the real estate market has not undergone any significant change. The fair value determined by the expert is assessed by direct reference to observable prices in an active market (level 2 fair value).

Properties or parts of properties previously classified under investment property and reclassified as operating property as the Group decides to use them for its own occupation, are recognized at their carrying amount at the date of transfer.

When properties are moved from the “Property, plant and equipment” category to the “Investment property” category, any difference between the carrying amount and the fair value on that date is accounted for as a revaluation.

1.1.16. Inventories and goods in process

1.1.16.1. Raw materials inventories and other supplies

Raw materials and supplies are measured at the lower of cost and net realizable value.

At the end of the financial year, a provision for impairment is recorded when the estimated sales price of the related finished products in the normal course of business, less the residual estimated marketing, production and processing costs, is less than the carrying amount of the raw materials or supplies.

1.1.16.2. Finished and semi-finished product inventories

Finished and semi-finished products are valued on the basis of standard production costs, revised annually. Cost includes raw materials and direct and indirect production costs. These costs do not include any administrative overheads or IT not linked to production or research and development costs or sales costs. In addition, it does not include the cost of any below-normal capacity utilization.

The cost of inventories is compared at the balance sheet date to the net realizable value. If it exceeds the net realizable value, an impairment loss is recorded to bring the inventories to their net realizable value.

1.1.17. Non-current and current borrowings

Current and non-current borrowings are valued using the amortized cost method using the effective interest rate.

1.1.18. Provisions

Provisions are booked when there are obligations to third parties leading to a likely outflow of resources for the benefit of these third parties without at least equivalent value expected for the Group. Losses identified on onerous contracts, i.e. contracts whose unavoidable costs relating to their obligations are greater than the expected economic benefits, are subject to provisions. These provisions are recognized in current or non-current liabilities depending on whether they are short- or medium-long term in nature.

The cost of downsizing plans is recognized in the period in which a detailed plan is drawn up and announced to the employees concerned or their representatives, thus creating a well-founded expectation that the Group will implement this plan.

1.1.19. Provisions for pensions and other post-employment benefits

All Group employees are covered by pensions and other long-term post-employee benefits plans. Pension plans comprise defined contribution plans or defined benefit plans.

1.1.19.1. Defined contribution plans

The cost of defined contribution plans, corresponding to salary-based contributions to government-sponsored pension and death/disability insurance plans made in accordance with local laws and practices in each country is recognized as an operating expense. The Group has no legal or implicit obligation to pay additional contributions or future benefits. Consequently, no actuarial liability is recorded under these defined contribution plans.

1.1.19.2. Defined benefit plans

Defined benefit plans mainly concern post-employment benefit plans, which are defined by:

- other pension and supplementary pension plans, mainly in the US and France;
- plans to cover healthcare costs in the US.

Defined benefit plans are subject to provisions for staff benefits calculated on the basis of actuarial valuations carried out by independent actuaries using the projected unit credit method.

These assessments take into account assumptions on:

- retirement dates determined according to the terms of the legislation and in particular for French employees, a voluntary retirement assumption when full benefit rights have been acquired;
- mortality;
- the probability of active employees departing before retirement age;
- estimates of salary increases up to retirement age;
- discount rates and inflation.

When defined benefit plans are funded, the commitments under these plans are deducted from the market value of plan assets at the reporting date. The valuation builds in long-term profitability assumptions of invested assets calculated on the basis of the discount rate used to value company commitments.

Changes in provisions for defined benefit obligations are recognized over the benefit vesting period, in the income statement under “Operating expenses”, except for:

- the effect of discounting the commitments recognized in financial expenses;
- actuarial gains and losses on post-employment benefit obligations recognized in equity.

1.1.19.3. Other long-term benefits

Other long-term benefits correspond to long-service awards for French employees.

Actuarial gains and losses on “Other long-term benefit plans” (mainly long-service awards) are recognized immediately in profit or loss.

1.1.20. Government grants

The grants received are recognized as liabilities in the balance sheet; they correspond to grants to finance investments in new sites, production equipment or research and development programs.

The grants are reclassified in gross profit over the periods and in the proportions in which the acquired assets are depreciated.

1.1.21. Treasury stock

Treasury stock is recorded as a deduction from equity, regardless of the purpose for which it is being held.

The proceeds from the sale of these securities are recorded directly as an increase in the Group's equity, any gain or loss on the sales have no impact on the income statement for the year.

1.1.22. Share-based payments

Options allocated under share purchase and subscription plans (at December 31, 2017 there are no stock option plans) are measured at their fair value at the date of grant by the Board of Directors, using the Black & Scholes option pricing model.

The fair value is recognized in "Employee benefits expense" on a straight-line basis over the vesting period, with a corresponding adjustment to reserves.

When options are exercised, the cash amount received by the Group for the exercise price is recorded in cash and cash equivalents with a corresponding adjustment to consolidated reserves.

1.1.23. Financial assets (excluding derivatives)

Financial assets include equity interests in companies that are not consolidated because they are not controlled by the Group (either alone or jointly) or because the Group does not exercise significant influence over their management, as well as loans and securities.

They are classified as non-current assets, with the exception of assets maturing within twelve months of the balance sheet date which are classified under current assets or cash equivalents as appropriate.

1.1.23.1. Available-for-sale financial assets

Equity interests in companies that are not controlled or under significant influence by the Group are presented as "Available-for-sale assets". They are measured at their fair value at the closing date. Changes in fair value are recognized directly in equity. An impairment is recognized in the income statement when there is objective evidence that these securities have lost value. A significant or prolonged decline in the fair value with reference to the acquisition value is objective evidence of loss of value. This impairment cannot be written back.

"Available-for-sale financial assets" also correspond to shares in listed companies and shares held in funds and venture capital companies. On the acquisition date, they are measured at fair value plus transaction costs directly attributable to their acquisition.

They are then measured on the basis of the fair value, respectively, the share price and the last net asset valuation communicated by the management company on the closing date of the closing of the financial statements.

Investments in funds of less than 12 months are kept at historical cost unless the situation of the company has materially deteriorated.

Changes in fair value are recognized directly in equity.

Where the fair value of an available-for-sale financial asset is lower than its carrying amount, the Group reviews the need for an impairment. For each asset, the Group uses its judgment by examining the quantitative and qualitative characteristics of the decline in order to determine whether it is an objective indicator of loss of value resulting in impairment. An impairment loss on "Available-for-sale financial assets" is systematically recognized in the income statement as a result of a material or prolonged loss of value. The decrease in fair value is considered to be material if the valuation has decreased by more than 50% versus the acquisition cost and is considered as prolonged when the valuation remains for at least two years below the acquisition cost. This impairment cannot be written back.

1.1.23.2. Other financial assets

Other financial assets include loans, security deposits and surety bonds. They are measured at amortized cost. Whenever there is objective evidence of impairment, i.e. a negative difference between the carrying amount and the recoverable amount, an impairment provision is recognized through profit or loss. This impairment may be reversed if the recoverable amount subsequently increases.

1.1.24. Derivatives and hedge accounting

In order to manage its interest rate risk, the Group uses OTC derivative instruments. These hedging instruments are valued and recognized in the balance sheet at their fair value.

Changes in the fair value of instruments described as “Cash flow hedges” are recorded under “Other comprehensive income” (equity) for the efficient parts and in financial income for the inefficient parts.

Changes in the fair value of derivatives that do not qualify for hedge accounting are recognized in profit or loss.

1.1.25. Cash and cash equivalents

Cash and cash equivalents presented in the statement of cash flows include short-term, highly liquid cash items, readily convertibles into known amounts of cash and subject to a negligible risk of change in value. Cash comprises cash and cash equivalents, short-term deposits and bank balances, with the exception of those authorized to cover short- or medium-term cash needs arising from day-to-day operations. Cash equivalents correspond to short-term investments and are subject to a negligible risk of changes in value in the context of the temporary use of cash surpluses (money market funds, negotiable debt securities, etc.). Changes in the fair value of these assets are recognized in profit or loss.

1.1.26. Assets held for sale and discontinued operations

The following items are classified as “Assets held for sale” on the balance sheet, as soon as the assets or groups of assets are available-for-sale in their current state and the sale is highly probable:

- non-current assets held pending their sale;
- a group of assets held for sale and not for continuing use;
- businesses or companies acquired with a view to subsequent sale.

Liabilities related to these assets, group of assets, businesses and liabilities held for sale are also presented as a separate item under liabilities in the balance sheet, “Liabilities directly related to assets held for sale”.

Assets (or asset groups) classified in this category are no longer depreciated. They are valued at the lower of their carrying amount and selling price, less selling costs. Any impairment losses are recognized by the Group under “Other operating expenses”.

In the balance sheet, data related to “Assets held for sale” shown separately in the financial statements do not give rise to the restatement of prior years in terms of presentation.

In the income statement, the profit/loss (from the period and from the sale) of business operations or entities that meet the definition of a discontinued operation are reported as a separate line item entitled “Net income from discontinued operations” in each of the fiscal years presented.

1.1.27. Income taxes

The Plastic Omnium Group recognizes deferred taxes relating to temporary differences between the carrying amount of assets and liabilities on the balance sheet without discounting.

Deferred taxes are calculated using the carryover method, applying the last tax rate enacted (or the quasi-adopted rate) at the balance sheet date and applicable to the period in which the temporary differences reverse.

Tax credits and deferred tax assets on tax loss carryforwards and temporary differences are only recognized when the probability of their utilization within a relatively short period of time is proven.

1.2. Estimates and judgements

In preparing its financial statements, the Plastic Omnium Group uses estimates and assumptions to assess some of its assets, liabilities, income, expenses and commitments. Senior management reviews these estimates and assumptions periodically. The amounts in the future financial statements of the Group may include changes in estimates or assumptions in the consideration of past experience and changes in economic conditions.

In general, the estimates and assumptions used during the financial year were based on the information available at the balance sheet date. Estimates may be revised depending on changes in the underlying assumptions. These assumptions mainly concern:

Deferred taxes

Recognition of deferred tax assets depends on the probability of sufficient taxable earnings being generated to permit their utilization. This leads the Group to make regular estimates of future taxable earnings, particularly as part of the medium-term plans established within the Group. These estimates take into account the recurring or non-recurring nature of certain losses, expenses, etc.

Provisions

Provisions for pensions and other post-employment benefits

In the case of defined benefit plans, the Group, assisted by independent actuaries, adopts assumptions (see Notes 1.1.19 and 5.2.6 “Provisions for pensions and other post-employment benefits”) on:

- discount rates for pension and other long-term benefits;
- rates of growth in healthcare costs for the United States;
- employee turnover and future salary increases.

Other provisions

Estimates also cover provisions, particularly those relating to the workforce adjustments, litigation, customer guarantees, legal and tax risks for which in some cases the Legal Department may be required to employ specialized lawyers.

Asset impairment tests

Impairment tests are carried out in particular on goodwill and development costs relating to Automotive projects recognized as intangible assets. As part of these tests, to determine recoverable value, the concepts of fair value net of disposal costs and value in use obtained by the discounted cash flow method are used. These tests are based on assumptions on future cash flows and discount rates. Assumptions that could have a material impact on the financial statements concern, in particular, the discount rates and growth rates.

2. SIGNIFICANT EVENTS OF THE PERIOD

2.1. Acquisitions

2.1.1. Monitoring of the acquisition of the “Exterior Systems ” business of the Faurecia Group completed on July 29, 2016 and accounting treatment

The following items follow the chronological order of completion.

2.1.1.1. On March 31, 2017 - Disposal of activities classified under “ Assets and Liabilities held for sale ” at December 31, 2016

In accordance with the commitment made by the Group following the European Commission decision, the Group sold to the U.S. group Flex-N-Gate the sites of the Faurecia “ Exterior Systems ” business on 31 December 2017, which were classified as “ Assets and Liabilities held for sale ” on the basis of an enterprise value of €200 million.

The financial impact of this disposal was recognized at December 31, 2016.

2.1.1.2. On July 29, 2017 - Finalizing the allocation of the acquisition price of the businesses retained by the Plastic Omnium Group

The fair value measurement (recognition according to IFRS 3R “Business Combinations”) of the assets acquired and liabilities assumed from the Faurecia Exterior Systems business, acquired and retained by the Plastic Omnium Group, was completed on July 29, 2017, i.e. 12 months after the acquisition date.

Changes to the values initially allocated, related to facts and circumstances existing on the acquisition date, are recognized retrospectively to the acquisition date, impacting the goodwill amount and the balance sheet at December 31, 2016.

Adjustments to the opening balance sheet over the period from January 1 to July 29, 2017 relate mainly to:

- provisions for risks, charges, contingent liabilities and other risks;
- provisions for loss-making contracts.

A summary of assets acquired, liabilities assumed and changes made since the previous closing is presented in Note 2.1.1.4 “Recognition of the acquisition in Plastic Omnium Group financial statements”.

2.1.1.3. On October 4, 2017 - Final agreement between Plastic Omnium and Faurecia on the acquisition price of the “ Faurecia Exterior Systems ” business

On October 4, 2017, the Plastic Omnium Group obtained in the arbitration case against Faurecia, €37 million reduction in the purchase price of the acquired business, thus, making the acquisition price €474 million.

	<i>In thousands of euros</i>	Common information
Enterprise value		665,000
Opening gross Borrowings of businesses retained at the date of acquisition (before adjustments)		142,525
Acquisition price in the financial statements on December 31, 2016		511,030
Reduction of the purchase price on October 4, 2017 from Faurecia		-36,981
Final acquisition price at december 2017		474,049

Because the arbitration was decided after the twelve-month period of the acquisition price allocation, the purchase price reduction with respect to the adjustments contingent on the arbitration decision were recognized in the Income Statement under "Other operating income and expenses" (see Notes 2.1.1.4 “Recognition of the acquisition in Plastic Omnium Group financial statements” and 4.6 “Other Operating Income and Expenses”).

2.1.1.4. Recognition of the acquisition in Plastic Omnium Group financial statements

Allocation of the "Faurecia Exterior Systems" business acquisition cost					
In thousands of euros	Plastic Omnium Group subsidiaries and associates	Goodwill	Assets recognized in accordance with IFRS 5 "Assets and Liabilities held for sale" ⁽¹⁾		Total Plastic Omnium Group
			Net assets and liabilities acquired	Impacts related to the purchase price	
Allocation of the acquisition price presented at december 31, 2016	88,075	260,955	162,000	-	511,030 ⁽³⁾
Additional adjustments recognized before July 29, 2017					
<i>Provisions for risks, expenses, contingent liabilities and other risks</i>	-8,113				
<i>Provisions for loss-making contracts</i>	-36,202				
<i>Other</i>	-6,017				
<i>Contractual customer relationships</i>	-205				
<i>Deferred taxes</i>	3,485				
<i>Adjustment of Available-for-sale net assets</i>		-566	-2,576	748	
<i>Additional Goodwill due to 2017 adjustments</i>		49,447			
Total Adjustments	-47,053	48,881	-2,576	748	
<i>Change of the Available-for-sale net assets</i>				-1,828	
Total Available-for-sale net assets			159,424	748	
Allocation of acquisition price at July 29, 2017	41,022	309,836 ⁽²⁾	160,172		511,030 ⁽³⁾
Result of the arbitration case with Faurecia - Reduction of the purchase price	Adjustments accepted by both partners at July 29, 2017		-1,761		-1,761 ⁽⁴⁾
	Adjustments contingent on the arbitration decision	-31,014		-4,206	-35,220 ⁽⁴⁾
Final Purchase price obtained from Faurecia on October 4, 2017 (one year after the acquisition date and not attributable to the 1st allocation of acquisition price) - Recognition in the Income Statement under "Other operating income and expenses"					474,049 ⁽³⁾

(1) Assets concerned by the disposal commitment demanded of the Plastic Omnium Group by the European Commission. These assets are measured at fair value at the successive dates, corresponding to the estimated sale price. The final sale on March 31, 2017 to flex-N-Gate was completed on the basis of €160,172 thousands.

(2) At December 2017, the total goodwill includes \$57.9 million (€51.3 million) for tax deductible goodwill.

(3) See Note 2.1.1.3 on the final acquisition price agreement of Faurecia Exterior Systems business.

(4) The result of the arbitration of the dispute between the Group and Faurecia on October 4, 2017 resulted in a reduction in the purchase price. The portion corresponding to the adjustments accepted by both parties (items relating to objectively existing facts and circumstances at the acquisition date) before July 29, 2017 is charged against goodwill; the portion relating to contingent adjustments to the arbitration decision being outside the purchase price allocation period has been recognized in the Profit and Loss Account under "Other operating income and expenses".

2.1.1.5. Opening balance sheet of Faurecia’s Exterior Systems business

The opening balance sheet after taking into account the adjustments mentioned in Note 2.1.1.4 “Recognition of the acquisition in Plastic Omnium Group financial statements” for the portion integrated into the Group, is presented below. In accordance with IFRS3R, this balance sheet was finalized on July 29, 2017, i.e. within 12 months of the acquisition date:

In thousands of euros	July 29, 2016		
	Assets and Liabilities acquired, presented at December 31, 2016	Additional adjustments registered at July 29, 2017	Assets and Liabilities acquired at July 29, 2017
ASSETS			
Goodwill ⁽¹⁾	260,955	48,881	309,836
Other intangible assets	64,361	-	64,361
Property, plant and equipment	189,713	-	189,713
Available-for-sale financial assets	734	-	734
Deferred tax assets	58,485	3,302	61,787
TOTAL NON-CURRENT ASSETS	574,248	52,183	626,431
Inventories	102,352	-1,623	100,729
Trade receivables	133,504	-205	133,299
Other receivables	10,824	-	10,824
Other financial assets and financial receivables	-	-	-
Cash and cash equivalents	9,480	-	9,480
TOTAL CURRENT ASSETS	256,160	-1,828	254,332
Assets held for sale	162,000	-1,829	160,171
TOTAL ASSETS	992,408	48,526	1,040,934
EQUITY AND LIABILITIES			
Consolidated reserves	511,030	-	511,030
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	511,030	-	511,030
Attributable to non-controlling interests	-	-	-
TOTAL EQUITY	511,030	-	511,030
Non-current and current borrowings	16,588	-	16,588
Provisions for pensions and other post-employment benefits	852	-	852
Provisions for liabilities and charges	38,729	19,105	57,834
Current government grants	101	-	101
Deferred tax liabilities	25,692	-183	25,509
TOTAL NON-CURRENT LIABILITIES	81,962	18,922	100,884
Non-current and current borrowings	137,797	-	137,797
Other current debt	3,473	-	3,473
Provisions for liabilities and charges	12,239	25,210	37,449
Trade payables	146,527	2,431	148,958
Other operating liabilities	99,380	1,963	101,343
TOTAL CURRENT LIABILITIES	399,416	29,604	429,020
Liabilities related to assets held for sale	-	-	-
TOTAL EQUITY AND LIABILITIES	992,408	48,526	1,040,934
Gross debt	-157,124	-	-157,124
Net cash and cash equivalents	9,480	-	9,480
Net debt	-147,644	-	-147,644

(1) This final goodwill represents, in particular, anticipated industrial , profits expected from new relationships with Audi, Mercedes and Ford or from strengthened ties with Volkswagen, Seat, PSA, BMW and Fiat Chrysler Automobiles.

2.1.2. Acquisition in China of “Changchun Huaxiang Automotive Plastic Parts Manufacturing Co Ltd”

On April 27, 2017, the Chinese company “Yanfeng Plastic Omnium Automotive Exterior Systems Co. Ltd” (YFPO), 49.95%-owned by Compagnie Plastic Omnium, signed a contract for the acquisition of 50% with “Ningbo Huazhong Plastic Products Co. Ltd”, of the company “Changchun Huaxiang Faurecia Plastic Parts Manufacturing Co. Ltd” for a

total of 29,990 thousand renminbi (or €3,933 thousand at December 31, 2017). This company manufactures external automotive components and is part of the Auto Exterior Division of the Automotive segment.

The company was renamed “Changchun Huazhong Yanfeng Plastic Omnium Automotive Exteriors Co. Ltd”.

Given the exclusive control exercised by YFPO, this company is consolidated using the full integration method in YFPO’s accounts.

2.1.3. Acquisition of two new companies in the "Fuel Systems" division of the Automotive segment

During the second half of 2017, the Group acquired the following companies:

Swiss Hydrogen :

A Swiss company based in Fribourg, it specializes in the design and production of management and energy control solutions for fuel cell systems dedicated to mobility ("balance of plant / BOP").

It was acquired on December 18, 2017 for €12.80 million (CHF 14.88 million). The transaction resulted in the provisional recognition of €9 million of goodwill.

Optimum CPV :

A Belgian company based in Zonhoven, it specializes in the design and production of tanks in filament composite for the storage of pressurized hydrogen.

It was acquired for €6.1 million including €1 million for a patent and €1 million as a deferred payment, not yet paid to the seller (amount recognized as financial debt) as part of the guarantee of liabilities. The transaction resulted in the provisional recognition of € 4.9 million of goodwill.

2.1.4. Additional investment in the Israeli company "POCellTech"

Following the partnership agreement signed in 2016 with the Israeli company, “ELBIT Systems” to form the start-up company for fuel cells and supercapacitors, POCellTech, in Caesarea in Israel, and in accordance with the bylaws, Plastic Omnium Group unilaterally subscribed in the second half of 2017 to a capital increase of €2.5 million bringing its interest from 20% to 23%. This additional investment does not change the joint control with "ELBIT Systems" whose ownership interest percentage changed from 80% to 77%.

POCellTech is recognized in the Group’s accounts using the equity method (*see Notes 4.5 and 5.1.6 on the impact of "Investments in associates and joint ventures" in the Income Statement and Balance Sheet*).

2.1.5. Investment in the venture capital company “Aster”

In the second half of 2017, the Group subscribed, as a co-sponsor, to a commitment of €20 million/thousand in the €240 million of funds raised by the venture capital company “Aster”.

The "Aster" company supports the growth of innovative start-ups in energy, greentech for energy transition, innovative materials, intelligent transport systems, digital transformation, new industrial models and the internet of things.

As of 31 December 2017, the amount paid is €500 thousand. It is recognized in the balance sheet under “Other available-for-sale financial assets” (*See Note 5.1.7.2*).

2.2. Investments and Site Openings

2.2.1. Investments in production capacity: Greer and Smyrna plants in the United States

The Group has started construction of two plants in the United States, scheduled to begin operations at the end of the first half of 2018.

Greer plant in South Carolina in the United States:

During the first-half of 2017, the Group began construction of the Greer plant in South Carolina in the United States. Part of the Auto Exterior Division of the Automotive segment, it is designed to deliver all major exterior body parts of the BMW X3, X4, X5, X6 and future models of the BMW plant. It will also supply Volvo in South Carolina and Daimler in Alabama.

The Greer plant is the 1st plant in the history of the Group (pilot plant) that will operate on technology "4.0". It will lead to further improvements in industrial processes, parts quality, robotization, standardization and competitiveness.

As of December 31, 2017, the investments amount to €40.0 million (\$45.2 million).

Smyrna plant in Tennessee in the United States:

In addition, in the first-half of 2017 the Group commenced construction of the Smyrna plant in Tennessee in the United States for the Automotive segment's "Fuel Systems" Division. It will produce fuel systems for a Japanese carmaker.

At December 31, 2017, investments amount to €10.6 million (\$12.0 million).

2.2.2. Investments in production capacity: plant in Hlohovec in Slovakia for the production of body parts

In the second half of 2017, the Group started construction for the Auto Exterior Division of the Automotive segment of a new plant in Hlohovec, Slovakia, for body parts for the carmaker Jaguar Land Rover, which also set up in Slovakia in Nitra.

The €84 million project (€31 million of which for land and buildings and other industrial equipment) includes several buildings for the production of body parts, the assembly of parts up to the paint injection and machinery equipment (bumpers, tailgates, etc.).

The work will end in the first half of 2019, the year in which the production begins.

As of December 31, 2017, the investment stands at nearly €4 million.

2.2.3. Expansion and reinforcement of advanced tools from the International R&D Centre for body components and modules: Σ-Sigmattech

As part of its overall strategy for responding to new challenges arising from the preparation of the future vehicle and the advent of the connected, autonomous and cleaner car, the Group has launched an extension and digitization program for its international R&D center, Σ-Sigmattech, for a total of €20 million.

The program will provide the center with resources in mechatronic, connected systems, virtual reality and collaborative robots.

As the project is in the preparatory phase at December 31, 2017, the costs incurred are not significant.

2.2.4. Monitoring of the opening of the innovation center and high-tech activity: Δ -Deltatech

The construction project to build a new energy innovation and high-tech business center, Δ -Deltatech, Brussels, Belgium launched by the Group in the second half of 2016, is expected to open in early 2019. The research center will employ approximately two hundred engineers.

At December 31, 2017, investments amounted to nearly €0.8 million, mainly corresponding to the advance on the acquisition of the land. The total investment including the land is €50 million.

2.2.5. Construction of a Chinese technical center in Wuhan for “Fuel systems” in the Automotive segment - ω -Omegatech

In order to support its growing activities in Asia, reducing use of the α -alphatech center in France at Compiègne (Oise department) and outsourcing, the Group is starting a project to build a technical center in Wuhan in China; ω -Omegatech ; near its current plant specializing in fuel systems manufacturing. The center will include technical premises for the development of new fuel tank projects and the new parts validation tests, a fuel test laboratory, a mechanical laboratory and a prototype development workshop.

Construction will start in the second quarter of 2018 and will be completed in the first quarter of 2019. The total cost of the project is close to RMB 137 million (equivalent to €18.0 million at December 31, 2017)

As of December 31, 2017, a total of RMB 19 million was committed for the acquisition of land (equivalent to €2.5 million).

2.3. Disposals of companies, property assets and site closures

2.3.1. Project to sell the "Environment" business

Plastic Omnium announced on September 20, 2017 its plan to sell its Environment Division, an historic Division specializing in services to local authorities, mainly companies and individuals, to focus on the global development of its automotive businesses.

The Environment Division has revenues of nearly €33 million, i.e. 4% of Group revenue. It employs 1,800 people and has an R&D center and six plants in Europe (France, Germany and Spain).

Activities:

- containers: household waste receptacles, containers, composters, underground and semi-underground containers;
- associated services: maintenance, washing, surveys and implementation, data management, etc.;
- urban furniture: waste disposal areas, playgrounds, equipment for parks and streets.

As of December 31, 2017, a process is underway to find a buyer; given the progress of the disposal plan, however, it is not possible at December 31, 2017 to conclude that the sale is highly probable. On this basis, IFRS 5 “Non-current assets held for sale and discontinued operations” has not been applied as of December 31, 2017.

2.3.2. Disposal of the truck business

On June 30, 2017, the Plastic Omnium Group sold its composite truck parts business to the German group mutares AG. This business in the design and manufacture of body and structural parts for the truck industry, which employs 1,500 people, produced revenues of approximately €200 million in 9 production sites (5 in France, 1 in Germany, 1 in Mexico and 2 in China) in 2016.

The Group's income statement takes into account the profit and loss of the truck business up to the date of loss of control, i.e. until June 30, 2017.

The impact of the disposal was recognized at December 31, 2016 and adjusted during 2017 (see *Notes 4.6 "Other operating income and expenses"* and 5.1.16 "Assets and liabilities held for sale").

2.3.3. Sale of "Sulo Emballagen" administrative and industrial buildings in Herford, Germany

In connection with the sale of "Sulo Emballagen GmbH" which completed on September 30, 2016, Compagnie Plastic Omnium also sold, on January 10, 2017, its administrative and industrial buildings complex in Herford, Germany.

At December 31, 2016, this building was classified as "Assets held for sale" (see note 5.1.16).

The transaction resulted in a loss of -€4,398 thousand recognized in the financial statements at December 31, 2016 (see Note 4.6 on "Other operating income and expenses").

2.3.4. Disposal of the Laval "Fuel systems" Division production site

The fuel systems production site in the Mayenne department, shown in "Assets and liabilities held for sale" at December 31, 2016 (*See Note 5.1.16*), was sold in December 2017 for €1.4 million. The transaction resulted in the recognition of a loss of €0.6 million at December 31, 2017 (*see Note 4.6 "Other operating income and expenses"*).

2.3.5. Disposal in U.S. of the Norcross (Georgia) Automotive segment "Auto Exterior" division bumper production site

On October 19, 2016, the Group announced the closure of its bumper production plant (operated by the American company, "Plastic Omnium Auto Exteriors LLC", part of the "Auto Exterior" division of the Automotive segment) in Norcross, Georgia as a result of under capacity. Production at this plant was transferred to the plants in Chattanooga, Tennessee and Anderson, South Carolina.

The plant was sold in December 2017 for €5.0 million (\$5.65 million) for an insignificant gain in the income statement at December 31, 2017 (*see Note 4.6 "Other operating income and expenses"*).

2.4. Financing transactions

2.4.1. New bond issue on June 19, 2017

On June 19, 2017, Compagnie Plastic Omnium completed a €500 million bond placement to European investors without covenants and rating.

The terms of this bond issue are described in Note 5.2.7.2 "Borrowings: private placement notes and bonds".

2.4.2. Repayment of the fixed portion of the 2012 "Schuldschein" private placement

On June 27, 2017, the Group repaid as planned on its maturity the €45 million fixed portion of the "Schuldschein" private placement with private investors in France and abroad (*See Note 5.2.7.2 "Borrowings: private placement notes and bonds"*).

2.5. Other transactions

2.5.1. “Credit for competitiveness and employment (CICE)” for French companies

During the first-half of 2017, the Group’s French entities exercised their right to credit for the competitiveness and employment of (CICE). This is recognized as a reduction in staff costs. The impact on the 2017 financial year amounts to €6.2 million.

However, for the final amounts relating to the years 2014-2016, i.e. €15.9 million, the CICE is recognized under other operating income.

The Notes impacted are: 4.2 “Costs of sales, development, selling and administrative costs”, 4.6 “Other operating income and expenses”; 4.8 “Income tax” and 5.2.9.2 “Other operating liabilities”.

2.5.2. Reimbursement of the 3% contribution on the dividend distribution

Following the decision n ° 2017-660 QPC (priority issue of constitutionality) of October 6, 2017 by the Constitutional Council, which declared the 3% contribution on dividend distributions to be unconstitutional, the Plastic Omnium Group asked for reimbursement of the amounts paid as well as the default interest accrued since 2014. The amount stands at €7.7 million euros, accounted for as a reduction of current tax expense (see Notes 4.8.2 “Income tax analysis - Tax proof” and 5.2.9.2 “Other operating liabilities” for the corporate income tax debt.).

2.5.3. Compagnie Plastic Omnium capital reduction

On July 20, 2017, the Board of Directors of Compagnie Plastic Omnium decided to cancel 1,500,000 treasury shares, i.e. 0.98% of the share capital. The transaction took effect on August 14, 2017.

The share capital of Compagnie Plastic Omnium is now composed of 150,976,976 shares with a par value of €0.06 (See Note 5.2.1.1 “Capital of Compagnie Plastic Omnium”).

This transaction brings the equity interest of the parent company, the Burelle SA holding company, to 57.57% of the share capital before cancellation of treasury shares.

3. SEGMENT INFORMATION

3.1. Information by operating segment

The Group is divided into two operational segments: Automotive and Environment.

The Group uses the concept of “economic revenue” for its operational management, which corresponds to the consolidated sales of the Group and its joint ventures at their ownership percentage: HBPO a German company, the world leader in front-end modules, Yanfeng Plastic Omnium, the Chinese leader in exterior body parts, BPO, a major player in the Turkish market for exterior equipment, and Plastic Recycling, a specialist company in plastics recycling.

The columns in the tables below show the amounts for each segment. The “Unallocated items” column groups together inter-segment eliminations and amounts that are not allocated to a specific segment (e.g. holding company activity) by enabling segment data to be reconciled with the Group’s financial statements. Financial results, taxes and the share of profit/(loss) of associates are monitored at Group level and are not allocated to the segments. Transactions between segments are carried out on an arm’s length basis.

3.1.1. Income statement by operating segment

In thousands of euros	2017			
	Automotive	Environment	Unallocated items ⁽²⁾	Total
Economic sales (revenue)⁽¹⁾	7,665,142	335,476	-	8,000,618
<i>Including Sales from joint ventures at the Group's percentage stake</i>	<i>1,232,141</i>	-	-	<i>1,232,141</i>
Sales to third parties	6,433,078	335,543	-144	6,768,477
Sales between segments	-77	-67	144	-
Consolidated sales (revenue)	6,433,001	335,476	-	6,768,477
<i>% of segment revenue - Total</i>	<i>95.0%</i>	<i>5.0%</i>		<i>100.0%</i>
Operating margin before amortization of intangible assets acquired in business combinations and before share of profit of associates and joint ventures	578,326	21,149	-	599,475
<i>% of segment revenue</i>	<i>9.0%</i>	<i>6.3%</i>		<i>8.9%</i>
Amortization of intangible assets acquired in business combinations	-20,264	-	-	-20,264
Share of profit/(loss) of associates and joint ventures	61,746	-	-	61,746
Operating margin	619,808	21,149	-	640,957
<i>% of segment revenue</i>	<i>9.6%</i>	<i>6.3%</i>		<i>9.5%</i>
Other operating income	36,770	-	-	36,770
Other operating expenses	-87,453	-8,477	-	-95,930
<i>% of segment revenue</i>	<i>-0.8%</i>	<i>-2.5%</i>		<i>-0.9%</i>
Finance costs, net				-63,946
Other financial income and expenses, net				-2,817
Profit from continuing operations before income tax and after share in associates and joint ventures				515,035
Income tax				-84,548
Net income				430,487

In thousands of euros	2016			
	Automotive	Environment	Unallocated items ⁽²⁾	Total
Economic sales (revenue)⁽¹⁾	6,566,823	368,909	-	6,935,732
<i>Including Sales from joint ventures at the Group's percentage stake</i>	<i>1,078,481</i>	-	-	<i>1,078,481</i>
Sales to third parties	5,488,424	368,977	-150	5,857,251
Sales between segments	-82	-68	150	-
Consolidated sales (revenue)	5,488,342	368,909	-	5,857,251
<i>% of segment revenue - Total</i>	<i>93.7%</i>	<i>6.3%</i>		<i>100.0%</i>
Operating margin before amortization of intangible assets acquired in business combinations and before share of profit of associates and joint ventures	503,100	24,438	-	527,537
<i>% of segment revenue</i>	<i>9.2%</i>	<i>6.6%</i>		<i>9.0%</i>
Amortization of intangible assets acquired in business combinations	-21,583	-	-	-21,583
Share of profit/(loss) of associates and joint ventures	51,801	-	-	51,801
Operating margin	533,318	24,438	-	557,755
<i>% of segment revenue</i>	<i>9.7%</i>	<i>6.6%</i>		<i>9.5%</i>
Other operating income	25,355	9,506	-	34,861
Other operating expenses	-77,335	-42,799	-	-120,134
<i>% of segment revenue</i>	<i>-0.9%</i>	<i>-9.0%</i>		<i>-1.5%</i>
Finance costs, net				-58,859
Other financial income and expenses, net				-9,027
Profit from continuing operations before income tax and after share in associates and joint ventures				404,595
Income tax				-86,307
Net income				318,288

(1) Economic sales (revenue) correspond to the sales of the Group and its joint ventures consolidated at their percentage of ownership.

(2) "Unallocated items" correspond to inter-segment eliminations and amounts that are not allocated to a specific segment (for example, holding company activities). This column is included to enable segment information to be reconciled to the Group's financial statements.

3.1.2. Balance sheet data by operating segment

December 31, 2017					
In thousands of euros	Automotive		Environment	Unallocated items	Total
Net amounts					
Goodwill		486,160	98,525	-	584,685
Intangible assets		475,979	11,391	10,487	497,857
Property, plant and equipment		1,308,836	53,053	48,576	1,410,465
Investment property		-	-	93,263	93,263
Inventories		377,020	36,993	-	414,013
Trade receivables		886,624	46,369	7,091	940,084
Other		280,004	12,674	61,924	354,602
Finance receivables (C) ⁽¹⁾		50,200	1,865	-	52,065
Current accounts and other financial assets (D)		-561,801	1,082	693,730	133,011
Available-for-sale financial assets - FMEA 2 (F)		149	-	27,365	27,514
Hedging instruments (E)		-	298	4,956	5,254
Net cash and cash equivalents (A) ⁽²⁾		142,121	4,758	782,763	929,642
Total segment assets		3,445,292	267,008	1,730,155	5,442,455
Borrowings (B)		144,113	740	1,565,618	1,710,471
Segment liabilities		144,113	740	1,565,618	1,710,471
Segment net debt = (B - A - C - D - E - F) ⁽³⁾		513,444	-7,263	56,804	562,985
December 31, 2016 adjusted					
	Automotive		Environment	Unallocated items	Total
	Automotive Adjustments	December 31, 2016 published on Automotive			Adjusted
Goodwill	48,881	432,520	98,557	-	579,958
Intangible assets		461,842	12,749	9,730	484,321
Property, plant and equipment		1,251,537	55,129	46,923	1,353,589
Investment property		-	-	93,263	93,263
Inventories	-1,623	352,609	37,703	-	388,689
Trade receivables	-205	765,681	42,066	1,877	809,419
Other		301,935	10,614	34,611	347,160
Finance receivables (C) ⁽¹⁾		59,915	2,636	-	62,551
Current accounts and other financial assets (D)		-663,931	-6,150	758,285	88,204
Available-for-sale financial assets - FMEA 2 (F)		-	-	30,451	30,451
Hedging instruments (E)		139	461	-101	499
Net cash and cash equivalents (A) ⁽²⁾		137,334	8,803	177,745	323,882
Total segment assets	47,053	3,099,581	262,568	1,152,784	4,561,986
Borrowings (B)		128,802	1,392	1,175,338	1,305,532
Segment liabilities	-	128,802	1,392	1,175,338	1,305,532
Segment net debt = (B - A - C - D - E - F) ⁽³⁾	-	595,345	-4,358	208,958	799,945

(1) At December 31, 2017, "Finance receivables" included €9,258 thousand shown in the balance sheet under "Other non-current financial assets" against €28,633 thousand at December 31, 2016, and €42,807 thousand reported under "Finance receivables – current portion" against €33,918 thousand at December 31, 2016.

(2) Net cash and cash equivalents as reported in the Statement of Cash Flows. See also 5.1.13.2 "Net cash and cash equivalents at end of period".

(3) See Notes 5.2.7.1 "Net debt indicator used by the Group" and Note 5.2.7.5 "Reconciliation of gross and net debt".

3.1.3. Other information by operating segment

2017 In thousands of euros	Automotive	Environment	Unallocated items	Total
Acquisitions of intangible assets	162,344	721	2,496	165,561
Capital expenditure including acquisitions of investment property	310,153	13,195	5,370	328,718
Depreciation and amortization expense ⁽¹⁾	-292,398	-14,736	10,962	-296,172

2016 In thousands of euros	Automotive	Environment	Unallocated items	Total
Acquisitions of intangible assets	147,974	1,188	1,958	151,120
Capital expenditure including acquisitions of investment property	203,533	13,477	3,702	220,712
Depreciation and amortization expense ⁽¹⁾	-244,929	-15,098	-19,823	-279,850

- (1) This item corresponds to depreciation, amortization and impairments of property, plant and equipment and intangible assets, including the amortization of intangible assets (primarily contractual customer relationships and, to a lesser extent, brands) acquired in business combinations.

3.1.4. Revenue - Information by geographic region and by country of sales

The information given in the following tables corresponds to the revenue generated by the subsidiaries in the marketing regions or market countries as indicated below:

3.1.4.1. Information by market region

December 31, 2017			December 31, 2016		
In thousands of euros	Totals	%	In thousands of euros	Totals	%
France	826,216	10.3%	France	780,667	11.3%
North America	2,044,878	25.6%	North America	1,810,489	26.1%
Europe excluding France	3,453,121	43.1%	Europe excluding France	2,884,100	41.6%
South America	269,515	3.4%	South America	198,389	2.9%
Africa	80,058	1.0%	Africa	73,722	1.1%
Asia	1,326,830	16.6%	Asia	1,188,365	17.1%
Economic revenue	8,000,618	100%	Economic revenue	6,935,732	100%
<i>Including revenue from joint ventures at the Group's percentage stake</i>	<i>1,232,141</i>		<i>Including revenue from joint ventures at the Group's percentage stake</i>	<i>1,078,481</i>	
Consolidated revenue	6,768,477		Consolidated revenue	5,857,251	

3.1.4.2. Information for the first ten contributing countries

December 31, 2017			December 31, 2016		
In thousands of euros	Totals	%	In thousands of euros	Totals	%
Germany	1,359,954	17.0%	United States	1,307,320	18.8%
United States	1,356,089	16.9%	Germany	1,024,057	14.8%
France	826,216	10.3%	France	780,667	11.3%
China	721,039	9.0%	China	633,909	9.1%
Spain	689,559	8.6%	Spain	517,536	7.5%
Mexico	618,763	7.7%	United Kingdom	478,688	6.9%
United Kingdom	503,769	6.3%	Mexico	433,250	6.2%
South Korea	276,507	3.5%	South Korea	263,002	3.8%
Slovakia	236,479	3.0%	Slovakia	246,898	3.6%
Brazil	153,547	1.9%	Poland	126,409	1.8%
Other	1,258,696	15.8%	Other	1,123,996	16.2%
Economic revenue	8,000,618	100%	Economic revenue	6,935,732	100%
<i>Including revenue from joint ventures at the Group's percentage stake</i>	<i>1,232,141</i>		<i>Including revenue from joint ventures at the Group's percentage stake</i>	<i>1,078,481</i>	
Consolidated revenue	6,768,477		Consolidated revenue	5,857,251	

3.1.4.3. Information by automotive manufacturer

December 31, 2017			December 31, 2016		
Automotive manufacturers	Totals		Automotive manufacturers	Totals	
In thousands of euros	Totals	% of total Automotive revenue	In thousands of euros	Totals	% of total Automotive revenue
Volkswagen-Porsche	1,636,856	21.4%	Volkswagen-Porsche	1,272,421	19.4%
PSA Peugeot Citroën ⁽¹⁾	962,140	12.6%	General Motors	1,017,718	15.5%
General Motors	940,273	12.3%	PSA Peugeot Citroën	690,735	10.5%
Ford	731,096	9.5%	Renault/Nissan	627,059	9.5%
Renault/Nissan/Mitsubishi	615,660	7.9%	BMW	536,026	8.2%
Total – main manufacturers	4,886,025	63.7%	Total – main manufacturers	4,143,959	63.1%
Other automotive manufacturers	2,779,117	36.3%	Other automotive manufacturers	2,422,894	36.9%
Total Automotive segment – Economic revenue	7,665,142	100.0%	Total Automotive segment – Economic revenue	6,566,823	100%
<i>Including revenue from joint ventures at the Group's percentage stake Automotive revenue sub-total</i>	<i>1,232,141</i>		<i>Including revenue from joint ventures at the Group's percentage stake Automotive revenue sub-total</i>	<i>1,078,481</i>	
Total Automotive segment - Consolidated revenue	6,433,001		Total Automotive segment - Consolidated revenue	5,488,342	

(1) Takes into account the acquisition of Opel by PSA Peugeot Citroën from General Motors

3.2. Assets broken down by country

In thousands of euros	France	Europe excluding France	North America	Asia	South America	Others ⁽¹⁾	Total
December 31, 2017							
Goodwill	227,605	274,624	74,993	-	7,463	-	584,685
<i>including translation adjustment</i>	-	-32	-10,185	-10	1,075	-	-9,152
Intangible assets	72,375	235,172	141,066	44,078	2,980	2,186	497,857
Property, plant and equipment	209,014	556,345	416,873	187,079	34,367	6,787	1,410,465
<i>including capital expenditure for the year</i>	34,259	118,032	127,076	39,041	8,493	1,817	328,718
Investment property	93,263	-	-	-	-	-	93,263
<i>including the investment of property investments</i>	-	-	-	-	-	-	-
Total noncurrent fixed assets	602,257	1,066,141	632,932	231,157	44,810	8,973	2,586,270

(1) The section "Others" includes South Africa and Morocco.

In thousands of euros	France	Europe excluding France	North America	Asia	South America	Others ⁽¹⁾	Total
December 31, 2016							
Goodwill	213,158	246,541	83,287	-	-11,909	-	531,077
Adjustment linked to the Faurecia Exteriors Systems business	14,446	14,247	1,891	-	18,297	-	48,881
Adjusted goodwill on December 31, 2016	227,604	260,788	85,178	-	6,388	-	579,958
<i>including translation adjustment</i>	-	-183	3,504	-9	101	-	3,413
Intangible assets	85,884	202,593	144,464	41,645	6,165	3,570	484,321
Property, plant and equipment	208,293	519,500	386,447	181,250	51,407	6,692	1,353,589
<i>including capital expenditure for the year</i>	36,565	75,628	75,651	29,920	2,538	410	220,712
Investment property	93,263	-	-	-	-	-	93,263
<i>including the investment of property investments</i>	-	-	-	-	-	-	-
Total noncurrent fixed assets	615,044	982,881	616,089	222,895	63,960	10,262	2,511,131

(1) The section "Others" includes South Africa and Morocco.

3.3. Property, plant and equipment owned by operating segments (excluding investment property)

In thousands of euros	Automotive	Environment	Unallocated items	Total Consolidated
December 31, 2017				
Property, plant and equipment owned outright - net value	1,288,330	41,577	48,576	1,378,483
Property, plant and equipment owned outright under operating leases where the Group is lessor - net value ⁽¹⁾	-	11,476	-	11,476
Property, plant and equipment leased under finance leases where the Group is lessee - net value ⁽²⁾	20,506	-	-	20,506
Property, Plant and Equipment leased under operating leases where the Group is lessor - net value ⁽¹⁾⁽²⁾	-	-	-	-
Total property, plant and equipment (excluding investment property) - Consolidated Financial Statements	1,308,836	53,053	48,576	1,410,465

In thousands of euros	Automobile	Environnement	Eléments non affectés	Total
December 31, 2016				
Property, plant and equipment owned outright – net value	1,228,745	40,151	46,923	1,315,819
Property, plant and equipment owned outright and under operating leases where the Group is lessor – net value ⁽¹⁾	-	13,824	-	13,824
Property, plant and equipment leased under finance leases where the Group is lessee – net value amount ⁽²⁾	22,792	-	-	22,792
Property, Plant and Equipment leased under finance leases where the Group is lessee that has been sub let to third parties under operating leases where the Group is lessor – net value ⁽¹⁾⁽²⁾	-	1,154	-	1,154
Total property, plant and equipment (excluding investment property) - Consolidated Financial Statements	1,251,537	55,129	46,923	1,353,589

(1) The sum of “Property, plant and equipment owned outright and leased under operating leases where the Group is lessor” and “Property, plant and equipment leased under finance leases where the Group is lessee that has been sub-let to third parties under operating leases where the Group is lessor” corresponds to the value of “Property, plant and equipment leased under operating leases where the Group is lessor” (see corresponding sub-section of Note 5.1.3).

(2) See sub-section “Property, plant and equipment leased under finance leases where the Group is lessee” in Note 5.1.3.

4. NOTES TO THE INCOME STATEMENT

4.1. Research and development costs

The percentage of research and development costs is expressed in relation to the amount of revenue.

In thousands of euros	2017	%	2016	%
Research and development costs	-400,981	-5.9%	-339,118	-5.8%
Capitalized development costs and research and development costs billed to customers	230,971	3.4%	193,378	3.3%
Net research and development costs	-170,011	-2.5%	-145,740	-2.5%

4.2. Cost of sales, development, selling and administrative costs

In thousands of euros	2017	2016
Cost of sales includes:		
Raw materials (purchases and changes in inventory) ⁽¹⁾	-4,248,085	-3,634,259
Direct production outsourcing	-14,718	-13,006
Utilities and fluids	-103,953	-88,854
Employee benefits expense ⁽²⁾	-711,832	-596,840
Other production costs	-438,762	-416,003
Proceeds from the sale of waste containers leased to customers under operating leases ⁽³⁾	4,243	1,469
Carrying amount of waste containers leased to customers under operating leases ⁽³⁾	-2,219	-1,706
Depreciation	-168,496	-148,450
Provisions for liabilities and charges	15,979	14,941
Total	-5,667,843	-4,882,708
Research and development costs include:		
Employee benefits expense ⁽²⁾	-189,616	-164,553
Amortization of capitalized development costs	-104,076	-84,758
Other	123,681	103,571
Other	-170,011	-145,740
Selling costs include:		
Employee benefits expense ⁽²⁾	-43,607	-37,877
Depreciation, amortization and provisions	-154	-156
Other	-17,406	-17,053
Total	-61,167	-55,086
Administrative costs include:		
Employee benefits expense ⁽²⁾	-155,122	-139,171
Other administrative expenses	-104,124	-96,993
Depreciation	-11,163	-10,260
Provisions for liabilities and charges	428	244
Total	-269,981	-246,180

(1) Including charges, reversals and provisions for impairment on inventories amounting to

· - €1,495 thousand, in 2017;

· - €1,965 thousand, in 2016

(2) See Significant events of the period, Note 2.5.1 on the implementation of the Competitiveness and Employment Tax Credit-CICE for French entities.

(3) See “Gains/(losses) on disposals of non-current assets” in Note 4.6 “Other operating income and expenses”.

4.3. Staff costs

In thousands of euros	2017	2016
Wages and salaries	-820,074	-690,904
Payroll taxes ⁽¹⁾	-219,808	-190,149
Non-discretionary profit-sharing	-18,115	-14,181
Share-based payments ⁽²⁾	-3,327	-3,498
Pension and other post-employment benefit costs	-2,840	-1,602
Other employee benefits expenses	-36,010	-38,101
Total employee benefits expense excluding temporary staff costs	-1,100,174	-938,435
Temporary staff costs	-142,677	-125,884
Total employee benefits expenses	-1,242,851	-1,064,319

(1) This item includes social contributions on stock purchase and subscription plans for an amount of:

- - €954 thousand euros (of which -€101 million for Executive Corporate Officers) in 2017.
- No plan in 2016

(2) See Note 5.2.3 “ Share-based payments ”.

4.4. Amortization of intangible assets acquired in business combinations

This item mainly refers to:

- the amortization over seven years of contractual customer relationships recognized during the acquisition in 2010 of 50% “Inergy Automotive Systems” (this amortization ended in September 2017).
- the amortization over nine years of contractual customer relationships recognized in 2011 on “Ford’s fuel tank” business in the United States;
- the amortization over six years of contractual customer relationships recognized during the acquisition on July 29, 2016 of the “Faurecia Group Exterior Systems” business (See Note 2.1.1.5 “Opening Balance Sheet”).

In thousands of euros	2017	2017
Brands	-350	-350
Contractual customer relationships	-19,914	-21,233
Total amortization of intangible assets acquired in business combinations	-20,264	-21,583

4.5. Share of profit/(loss) of associates and joint ventures

The associates Chengdu Faway Yanfeng Plastic Omnium, Dongfeng Plastic Omnium Automotive Exterior and Hicom HBPO are included in the YFPO and HBPO joint ventures respectively.

Share of profit/(loss) of associates and joint ventures is broken down as follows:

In thousands of euros	2017 % Interest	2016 % Interest	2017	2016
JV HBPO GmbH and its subsidiaries and associates	33.33%	33.33%	15,066	14,393
JV Yanfeng Plastic Omnium and its subsidiaries ⁽¹⁾	49.95%	49.95%	45,557	31,130
B.P.O. AS	49.98%	49.98%	9,232	9,323
JV Valeo Plastic Omnium SNC ⁽²⁾	-	50.00%	-	-5
Plastic Recycling SAS	50.00%	50.00%	-37	-157
POCellTech ⁽³⁾	23.00%	20.00%	-8,072	-2,883
Total share of profit/(loss) of associates and joint ventures			61,746	51,801

(1) See Note 2.1.2 on the acquisition of the Chinese entity Changchun Huazhong Yanfeng Plastic Omnium Automotive Exteriors Co. Ltd.

(2) The "JV Valeo Plastic Omnium SNC" was liquidated in 2016.

(3) See Note 2.1.4 on the acquisition of additional shares in Israeli company "POCellTech"

4.6. Other operating income and expenses

In thousands of euros	2017	2016
Pre-start-up costs at new plants ⁽¹⁾	-5,521	-10,639
Reorganization costs ⁽²⁾	-43,609	-21,946
Impairment of non-current assets ⁽³⁾	-4,410	-14,777
Provisions for charges ⁽⁴⁾	-17,947	-1,519
Litigation ⁽⁵⁾	-8,526	-9,829
Foreign exchange gains and losses on operating activities ⁽⁶⁾	-9,874	-6,001
Impact of acquisitions: related fees and expenses ⁽⁷⁾	-19,458	-6,405
Reduction of the purchase price of the "Faurecia Exterior Systems" business ⁽⁸⁾	43,733	-
Deconsolidation impact ^(a)	-3,677	-11,740
Impact 1st implementation of Competitiveness and Employment Tax Credit-CICE for French entities ⁽⁹⁾	15,924	-
Gains/losses on disposal of other available-for-sale financial assets ^(a)	1,905	-
Other ⁽¹⁰⁾	-1,527	2,094
Gains/losses on disposals of non-current assets ^(a)	-6,173	-4,511
Total operating income and expenses	-59,160	-85,273
- of which total other operating income	36,770	34,861
- of which total other operating expense	-95,930	-120,134

At December 31, 2017:

(1) : Pre-start-up costs at new plants:

Costs incurred on 2017 concern the construction of new plants, including, for the Auto Exterior Division of the Automotive Segment, Greer in the United States and San Luis Potosi in Mexico (see note 2.2 "Investments and site openings" in the consolidated accounts published at December 31, 2017).

(2) : Reorganization costs:

Reorganization costs relate to the significant restructuring in the Auto Exterior and Environment Divisions.

(3) : Impairment of non-current assets:

This item includes impairments mainly on assets of the Automotive Division and the reversal of the provision for impairment on the assets of Herford following the sale of the “ Sulo Emballagen GmbH ” industrial and office buildings in Germany.

(4) : Provisions for charges:

The provisions correspond to several quality and tax risks.

(5) : Disputes:

This item concerns legal fees and expenses relating to several disputes involving the Environment Division.

(6) : Foreign exchange gains and losses on operating activities:

Almost all foreign exchange losses were borne by the Automotive segment and covered various currencies including the Argentine peso, the Brazilian real and the renminbi in China. Losses on all currencies breakdown as follows:

- 56.8 % for the "Auto Exterior" Division; and
- 43.2 % for the "Fuel systems" Division ;

(7) : Impacts of acquisitions: related fees and expenses:

This includes fees on the external growth transactions completed in 2017 and external growth transactions already mentioned in 2016 (*see Notes on changes in scope of consolidation in paragraph 2 "Significant events of the period"*).

(8) : Reduction of the purchase price of the “Faurecia Exterior Systems” business:

For the final price, see Notes 2.1.1.3 "Final agreement between Plastic Omnium and Faurecia on the acquisition price of the Faurecia Exterior Systems business" and 2.1.1.4 "Accounting treatment of the acquisition in Plastic Omnium Group financial statements".

(9) : The item “Impact of first implementation of the Tax credit for employment and competitiveness-CICE-French companies”:

See Significant events of the period, Note 2.5.1 on the implementation of the Competitiveness and Employment Tax for French Companies.

(10) : Others :

The items are individually insignificant.

At December 31, 2016:

(1) : Pre-start-up costs at new plants:

All costs incurred in 2016 concerned the plants of the Auto Exterior Division of the Automotive Division and the plant in Warrington, the United Kingdom, which began production of body parts for the carmaker Jaguar Land-Rover and the San Luis Potosi plant in Mexico (*see Note 2.2 “Investments and openings of sites” in the December 31, 2016 Consolidated Financial Statements*).

(2) : Employee downsizing plans:

The costs of employee downsizing correspond mainly to the restructuring and the plan to safeguard the use of the Laval fuel systems production site in the Mayenne department (*see Notes 2.3.4 "Closure of the Laval fuel systems production site" and 5.2.5 "Provisions" in the December 31, 2016 Consolidated Financial Statements*).

(3) : Impairment of non-current assets:

Impairment of non-current assets corresponded mainly to:

- the provision of -€12,000 thousand to take into account at the end of the financial year, the estimated loss on the disposal of the Auto Exterior Division truck business (*see Note 2.3.1 "Disposal of the Auto Exterior Division business" of the December 31, 2016 Consolidated Financial Statements*);
- the net amount of -€4,398 thousand at December 31, 2016, corresponding to the estimated loss on the disposal of the "Sulo Emballagen GmbH" industrial and administrative buildings in Herford, Germany ("Sulo Emballagen GmbH" sale of "Sulo Emballagen GmbH"). The disposal took place on January 10, 2017 (*see Note 7.6 "Subsequent Events" in the December 31, 2016 Consolidated Financial Statements*);
- the impairment of -€1,600 thousand for the estimated loss on the future disposal of the Laval plant of Laval (*see Note 2.3.4 "Closure of the Laval Fuel systems production site" in the December 31, 2016 Consolidated Financial Statements*);
- and reversals of provisions for impairment relating to various fixed assets.

(4) : Provisions for charges:

Provisions for charges chiefly covered the risk of customer returns under warranty for the Automotive Division.

(5) : Disputes:

The amounts in this item corresponded to legal fees and expenses relating to several disputes involving the Environment Division.

(6) : Foreign exchange gains and losses on operating activities:

Almost all currency losses for the year were attributable to the Automotive Division and covered various currencies including the Mexican peso, the Argentine peso, the Polish zloty and the renminbi in Asia. Losses on all currencies broke down as follows:

- 35.5% for the "Auto Exterior" Division; and
- 64.5% for the "Fuel systems" Division.

(7) : Impacts of acquisitions: related fees and expenses:

The Group continued its acquisitions (*see Notes 2.1.1 "Acquisition of the Exterior Systems business of the Faurecia Group" and 2.1.2 "Acquisition of the minority interest in the German company RMS Rotherm Maschinenbau" in the December 31, 2016 Consolidated Financial Statements*).

(10) : Other :

This item essentially comprised an adjustment of third-party accounts of the Mexican subsidiary of Auto Exterior Division of the Automotive Division.

(a) Income from disposals of non-current assets

The breakdown of the disposals of non-current assets given below explains the impact on non-current operating income of transactions in non-current assets and reconciles them with changes in the statement of cash flows:

- *the amount of disposals of property, plant and equipment and intangible assets in the statement of cash flows is comprised of the amount of proceeds from disposals of fixed assets in "Other operating income and expenses" and the amount of proceeds from the disposal of waste containers leased to customers under operating leases. (see Note 4.2);*
- *and the amount of the capital gains or losses on disposals of fixed assets in the statement of cash flows is comprised of the amount in the income statement under "Other operating income and expenses" and the proceeds from the disposal of waste containers leased to customers under operating leases where the Group is lessee (see Note 4.2) The details are as follows:*

In thousands of euros	2017		2016	
	Disposal proceeds	Gain/loss	Disposal proceeds	Gain/loss
Sales of waste containers included in operating margin	4,243	2,024	1,469	-237
Total current sales of waste containers (see note 4.2)	4,243	2,024	1,469	-237
Disposals of intangible assets	1,338	870	4	-631
Disposals of property, plant and equipment ⁽¹⁾	16,395	-2,473	3,383	-3,880
Disposal of other available-for-sale financial assets ⁽²⁾	36,842	1,905	-	-
Total from disposals of non-current assets and other available-for-sale financial assets	54,575	302	3,387	-4,511
Disposals of non-current financial assets ⁽³⁾	170,102	-21,932	15,638	-10,038
<i>Shares in "Faurecia Exterior Systems" business, not retained by the Group</i>	159,424	-2,395	-	-
<i>Shares in "Truck" business entities</i>	10,678	-19,537	-	-
<i>Shares in "Signature LTD"</i>	-	-	13,811	-10,772
<i>Shares in "Sulo Emballagen"</i>	-	-	1,820	694
<i>Other shares sold</i>	-	-	7	40
Total proceeds from disposal of non-current financial assets (see table above)	170,102	-21,932	15,638	-10,038
Total	228,920	-19,606	20,494	-14,786

2017

- (1) Losses on disposals mainly concern the disposal of the office buildings of the Environment Division's "Sulo Emballagen" company in Herford, Germany (see Note 2.3.3 in the "Significant events of the period") and the disposal of the Norcross plant in the United States, from the "Auto Exterior" Division (see Note 2.3.5 in the "Significant events of the period").
- (2) The Group disposed the securities of listed companies shown on the balance sheet at December 31, 2016 under "Other available-for-sale financial assets".
- (3) Disposals of Faurecia Exterior Systems securities, reclassified in 2016 under "Assets held for sale" for €159,605 thousand, price correction for the disposal of the Spanish site for -€181 thousand and disposal of the truck business entities for the difference.

2016

- (2) Loss on disposals of property, plant and equipment correspond mainly to the loss on the sale of the Environment division's Neustadt site in Germany. It was classified at December 31, 2015 under "Assets and liabilities held for sale (see Note 5.1.16 to the consolidated financial statements published in 2016).
- (3) Losses on disposals of non-current financial assets correspond mainly to the -€10,772 thousand loss on the sale of Signature Ltd and the €694 thousand profit on the sale of Sulo Emballagen GmbH (see Notes 2.3.2 and 2.3.3 to the consolidated financial statements published in 2016).

4.7. Net financial income

In thousands of euros	2017	2016
Finance costs	-53,725	-48,849
Interest cost of post-employment benefit obligations ⁽¹⁾	-2,278	-2,647
Financing fees and commissions	-7,943	-7,363
Finance costs, net	-63,946	-58,859
Exchange gains or losses on financing activities	-13,722	614
Gains or losses on interest rate and currency hedges ⁽²⁾	10,822	-9,738
Other	83	97
Other financial income and expenses, net	-2,817	-9,027
Total	-66,763	-67,886

(1) See Note 5.2.6.5 on the “Changes in net balance sheet amounts”.

(2) See Notes 5.2.8.1.3 on the “Impact of hedging on the Income statement” and 5.2.8.2.2 on the “Impact of unsettled foreign exchange currency hedges on income and equity”.

4.8. Income tax

4.8.1. Income tax recorded in the income statement

Income tax expense includes taxes payable, deferred tax, and since January 1, 2016, the CVAE value-added tax.

Income tax expense breaks down as follows:

In thousands of euros	2017	2016
Current taxes	-101,719	-85,181
Current income tax (expense)/benefit	-97,081	-80,890
Tax (expense)/benefit on non-recurring items	-4,638	-4,291
Deferred taxes	17,171	-1,126
Deferred tax (expense)/benefits on timing differences arising or reversing during the period	5,229	-747
Effect of changes in tax rates or the introduction of new taxes	11,942	-379
Income tax recorded in the consolidated income statement	-84,548	-86,307

4.8.2. Income tax analysis - Tax proof

The analysis of the income tax expense reveals the following factors:

In thousands of euros	2017		2016	
	Totals	% ⁽¹⁾	Totals	% ⁽¹⁾
Consolidated profit before tax and share of profit/(loss) of associates and joint ventures (A)	453,289		352,794	
French standard tax rate (B)		34.43%		34.43%
Theoretical tax expense (C) = (A) x (B)	-156,067		-121,467	
Difference between theoretical tax expense and current and deferred tax expense excluding tax assessed on net interim profit (D)	71,519	-15.7%	35 160	-12.0%
Tax credits	39,856	-8.8%	27,437	-7.8%
Permanent differences between recorded profits and taxable profits	-5,317	1.2%	-5,513	1.6%
Change in unrecognized deferred taxes	14,301	-3.2%	4,893	-1.4%
Impact on deferred tax of a tax rate change	11,942	-2.6%	-379	0.1%
Impact of differences in foreign tax rates	15,070	-3.3%	18,194	-5.2%
Value-added tax contribution	-8,154	1.8%	-7,486	2.1%
Other impacts	3,821	-0.8%	-1,986	0.6%
Total current and deferred tax expense (E) = (C) - (D)	-84,548		-86,307	
Effective tax rate (E) / (A)		18.7%		24.5%

(1) Percentage expressed in relation to the consolidated profit before tax and share of profit/(loss) of associates and joint ventures (C)

The Group's effective tax rate is 18.7% in 2017 (24.5% in 2016 after reclassifying the CVAE).

In 2017, the tax recognized was an expense of €85 million (€76 million before reclassification of the CVAE) for a theoretical tax of €156 million, based on a tax rate of 34.43 %.

In 2016, the tax recognized was an expense of €86 million (€78 million before reclassification of the CVAE) for a theoretical tax of €121 million, based on a tax rate of 34.43 %.

The difference between the tax recognized and the theoretical tax is mainly explained:

- by €40 million by using specific tax reductions or credits mainly in North America, Asia and France; (€27 million at December 31, 2016) ;
- by €15 million through the impact of more favorable tax rates, mainly in Asia (China, Thailand) and Europe (excluding France and Belgium) (€18 million at December 31, 2016) ;
- by €14 million through the effect of losses or other assets generated in the year but not recognized, net of those previously not activated but used or recognized in the year (€5 million euros at December 31, 2016);
- by -€5 million through permanent differences between accounting income and taxable income such as taxable dividends (-€6 million at December 31, 2016) ;
- by -€8 million through the contribution to the value added of the businesses (-€7 million of taxes at December 31, 2016) ;
- And by €12 million through the consequences of changes in tax rates. This favorable item arises from the impact on the Group's deferred tax liabilities and the vote of legislation in the United States of a 21% tax rate compared with 35% previously. It is partly offset by the vote in France of a tax rate of 28.92% (against 34.43%) applicable to our assets in 2020, the horizon of future results taken into account to determine the tax assets (-€0.4 million at December 31, 2016).

4.9. Net profit attributable to non-controlling interests

The net profit attributable to non-controlling interests corresponds to the share of minority interests in the profit/loss of fully consolidated entities controlled by the Group. It breaks down as follows:

In thousands of euros	2017	2016
Beijing Plastic Omnium Inergy Auto Inergy Co. Ltd	1,919	3,773
Plastic Omnium Auto Inergy Manufacturing India Pvt Ltd	1,178	1,001
DSK Plastic Omnium Inergy	2,302	1,250
DSK Plastic Omnium BV	-89	152
Total attributable to non-controlling interests	5,310	6,176

4.10. Earnings per share and diluted earnings per share

Net profit attributable to owners of the parent	2017	2016
Basic earnings per share (in euros)	2.88	2.11
Diluted earnings per share (in euros)	2.86	2.09
Weighted average number of ordinary shares outstanding	151,901,377	152,717,157
- Treasury stock	-4,251,559	-4,848,974
Weighted average number of ordinary shares, undiluted	147,649,818	147,868,183
- Impact of dilutive instruments (stock options)	1,046,202	1,350,717
Weighted average number of ordinary shares, diluted	148,696,020	149,218,900
Weighted average price of the Plastic Omnium share during the period		
- Weighted average share price	34.26	29.06

5. NOTES TO THE BALANCE SHEET

5.1. Assets

5.1.1. Goodwill

For the 2017 financial year, the assumptions used for impairment tests (see Note 1.1.13) carried out at the level of the cash generating units (CGUs) or groups of cash generating units (business segments) are:

- Automotive: a 1.5% perpetual growth rate and a 9.0% after-tax discount rate;
- Environment: a 1.5% perpetual growth rate and a 7.5% after-tax discount rate.

These assumptions are identical to those used for 2016.

The tests conducted did not lead to the recording of any impairment of the Group's goodwill at December 31, 2017. An increase in the discount rate of 0.5% or a reduction of 0.5% in the long-term growth rate or a decrease of 0.5% in the operating margin rate would have no impact on the test results.

Concerning the Automotive and Environment CGUs, only unreasonable assumptions could jeopardize the test results. Unreasonable assumptions mean a negative long-term growth rate combined with a discount rate increased by more than two points.

GOODWILL	Gross Value	Impairments	Net Value
In thousands of euros			
Goodwill as of January 1, 2016	287,496	-	287,496
Goodwill on the acquisition of the "Exterior Systems" business from the Faurecia Group ⁽¹⁾	260,955	-	260,955
Sale of "Signature Ltd"	-17,031	-	-17,031
Sale of "Sulo Emballagen GmbH"	-3,501	-	-3,501
Reclassification in "Assets and liabilities held for sale" ⁽²⁾	-255	-	-255
Translation differences	3,412	-	3,412
Goodwill at December 31, 2016 published	531,077	-	531,077
Goodwill adjustment on the acquisition of the "Exterior Systems" business from the Faurecia Group ⁽³⁾	48,881	-	48,881
Goodwill at December 31, 2016 adjusted	579,958	-	579,958
IFRS 5 reclassifications ⁽²⁾	255	-	255
Sale of the "Truck" business from the "Auto Exteriors" division	-245	-	-245
Goodwill on the acquisition of new companies in the "Fuel Systems" division of the Automotive segment ⁽⁴⁾	13,869	-	13,869
Translation differences	-9,152	-	-9,152
Goodwill at December 31, 2017	584,685	-	584,685

(1) See Note 2.1.1 on the acquisition of the "Exterior Systems" business from Faurecia in the consolidated financial statements at December 31, 2016.

(2) See Note 5.1.16 for the breakdown of the items included in "Assets and liabilities held for sale" in the consolidated financial statements at December 31, 2016.

(3) See Note 2.1.1.2 « On July 29, 2017 - Finalizing the allocation of the acquisition price of the businesses retained by the Plastic Omnium Group».

(4) See Note 2.1.3 « Acquisition of two new start-ups » under Transactions during the period.

Hereafter, goodwill by reportable segment:

GOODWILL BY REPORTABLE SEGMENT	Cost	Impairment	Carrying amount
In thousands of euros			
Automotive	486,160	-	486,160
Environment	98,525	-	98,525
Value at December 31, 2017	584,685	-	584,685
Automotive	432,520	-	432,520
Environment	98,557	-	98,557
Value at December 31, 2016 published	531,077	-	531,077
Automotive - Adjustments on Faurecia's Exterior Systems business	48,881		48,881
Value at December 31, 2016 adjusted	579,958	-	579,958

5.1.2. Goodwill and intangible assets

In thousands of euros	Goodwill	Patents and licenses	Software	Development costs	Contractual customer relationships	Other	Total
Adjusted carrying amount at January 1, 2017⁽¹⁾	579,958	25,825	23,720	375,738	58,340	698	1,064,279
Increases	-	1,788	5,134	158,631	8	-	165,561
Disposals – net	-	-1,152	-74	-1,364	-	-	-2,590
Newly-consolidated companies ⁽²⁾	13,869	1,399	1,055	2,340	-	-	18,663
Changes in scope of consolidation (derecognition) ⁽³⁾	-245	-1	-27	-9,660	-	-	-9,933
IFRS 5 reclassifications ⁽⁴⁾	255	1	83	1,401	-	266	2,006
Other reclassifications	-	2,108	4,460	-3,933	-	-422	2,213
Depreciation for the period	-	-2,802	-12,097	-90,189	-19,914	-38	-125,040
Impairments recognized and reversed	-	-587	-	-2,033	-	-	-2,620
Translation adjustment	-9,152	-101	-256	-19,337	-1,140	-11	-29,997
Carrying amount at December 31, 2017	584,685	26,478	21,998	411,594	37,294	493	1,082,542

(1) See Adjusted Balance Sheet at December 31, 2016.

(2) Recognition of goodwill related to acquired companies: “Swiss Hydrogen SAS” (€8,999 thousand) and “Optimum CPV BVBA” (€4,870 thousand).

(3) Assets held for sale in 2016 were sold in 2017.

(4) See Note 5.1.16 for the breakdown of items included in “Assets and Liabilities held for sale” at December 31, 2016.

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In thousands of euros	Goodwill	Patents and licenses	Software	Development costs	Contractual customer relationships	Other	Total
Carrying amount at January 1, 2016	287,496	25,598	18,470	294,689	39,272	3,136	668,661
Increases	-	1,747	9,497	139,826	-	50	151,120
Disposals – net	-	-	-5	-628	-	-	-633
Newly-consolidated companies ⁽¹⁾	260,955	416	1,603	22,342	40,000	-	325,316
Changes in scope of consolidation (derecognition)	-20,532	-33	-7	-100	-	-1,958	-22,630
Reclassifications according to IFRS 5	-255	-1	-83	-1,401	-266	-	-2,006
Other reclassifications	-	205	4,670	-4,743	277	-58	351
Depreciation for the period	-	-2,077	-10,526	-75,053	-21,238	-223	-109,117
Impairments recognized and reversed	-	-50	-	73	-	-	23
Translation adjustment	3,413	20	101	733	295	-249	4,313
Carrying amount published at December 31, 2016	531,077	25,825	23,720	375,738	58,340	698	1,015,398
Adjustments on the acquisition of the Faurecia Group “Exterior Systems” business	48,881	-	-	-	-	-	48,881
Carrying amount adjusted at December 31, 2016	579,958	25,825	23,720	375,738	58,340	698	1,064,279

(1) See Note 2.1.1.5 on the Opening balance sheet of Faurecia's Exterior Systems business.

(2) Derecognition of goodwill relating to divested companies : "Signature Ltd" (-€17,031 thousand) and "Sulo Emballagen GmbH" (-€3,501 thousand).

(3) See Note 5.1.16 for the breakdown of components included in "Assets and Liabilities held for sale".

The significant changes under “Goodwill and intangible assets” correspond to the following impacts:

- in 2017: goodwill related to acquired companies: “Swiss Hydrogen SAS” (€8,999 thousand) and “Optimum CPV BVBA” (€4,870 thousand) ;
- in 2016: acquisition of the “ Exterior Systems ” business from the Faurecia Group.

In thousands of euros	Goodwill	Patents and licenses	Software	Development costs	Contractual customer relationships	Other	Total
Analysis of carrying amount at January 1, 2017							
Cost	531,078	49,705	135,440	769,231	176,563	1,281	1,663,298
Accumulated amortization	-1	-23,345	-111,720	-393,421	-118,223	-583	-647,293
Accumulated impairment (losses)	-	-535	-	-72	-	-	-607
Carrying amount published at January 1, 2017	531,077	25,825	23,720	375,738	58,340	698	1,015,398
Goodwill adjustment on the acquisition of the “Exterior Systems” business from the Faurecia Group	48,881	-	-	-	-	-	48,881
Carrying amount adjusted at January 1, 2017	579,958	25,825	23,720	375,738	58,340	698	1,064,279
Analysis of carrying amount at December 31, 2017							
Cost (excluding IFRS 5 reclassifications)	584,685	53,052	146,250	876,092	173,111	1,017	1,834,207
<i>IFRS 5 reclassifications ⁽¹⁾</i>	-255	-83	-603	-17,626	-	-2,579	-21,146
Accumulated amortization (excluding IFRS 5 reclassifications)	-	-25,452	-124,252	-462,397	-135,817	-524	-748,442
<i>IFRS 5 reclassifications ⁽¹⁾</i>	-	82	520	15,995	-	2,314	18,911
Accumulated impairment (excluding IFRS 5 reclassifications)	-	-1,122	-	-2,101	-	-	-3,223
<i>IFRS 5 reclassifications ⁽¹⁾</i>	-	-	-	229	-	-	229
Carrying amount at December 31, 2016	584,685	26,478	21,998	411,594	37,294	493	1,082,542

(1) At December 31, 2017, there were no additional IFRS 5 reclassifications because the Truck businesses had been sold.

In thousands of euros	Goodwill	Patents and licenses	Software	Development costs	Contractual customer relationships	Other	Total
Analysis of carrying amount at January 1, 2016							
Cost	287,496	41,081	113,972	613,288	135,655	6,794	1,198,286
Accumulated amortization	-	-14,998	-95,502	-318,287	-96,383	-3,659	-528,829
Accumulated impairment (losses)	-	-485	-	-312	-	-	-797
Carrying amount at January 1, 2016	287,496	25,598	18,470	294,689	39,272	3,135	668,660
Analysis of carrying amount at December 31, December 31, 2016							
Cost (excluding IFRS 5 reclassifications)	531,078	49,705	135,440	769,231	176,563	1,281	1,663,298
<i>Reclassifications IFRS 5 ⁽¹⁾</i>	255	83	603	17,626	2,579	-	21,146
Accumulated amortization (excluding IFRS 5 reclassifications)	-1	-23,345	-111,720	-393,421	-118,223	-583	-647,293
<i>Reclassifications IFRS 5 ⁽¹⁾</i>	-	-82	-520	-15,995	-2,314	-	-18,911
Accumulated impairment (excluding IFRS 5 reclassifications)	-	-535	-	-72	-	-	-607
<i>Reclassifications IFRS 5 ⁽¹⁾</i>	-	-	-	-229	-	-	-229
Carrying amount published at December 31, 2016	531,077	25,825	23,720	375,738	58,340	698	1,015,398

(1) See Note 5.1.16 for the breakdown of items included in “Assets and Liabilities held for sale” of 31, December 2016.

5.1.3. Property, plant and equipment excluding investment property

Property, plant and equipment owned or leased by the Group mainly pertain to factories and research and development centers.

These plants and research and development centers break down as follows by number and region:

Number of plants and research and development centers In units	December 31, 2017	December 31, 2016
Western Europe	54	59
Eastern Europe	18	17
North America	20	20
Asia	49	45
South America	8	9
Africa	2	2
Total	151	152
<i>of which total plants managed under joint ventures</i>	<i>45</i>	<i>41</i>

Asset breakdowns over the two periods are such that 'no factory site represents a significant proportion of total tangible assets over each period.

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In thousands of euros	Land	Buildings	Tech. eq. & tool.	Assets under construction	Other	Total
Carrying amount at January 1, 2017	86,619	440,770	504,842	173,567	147,791	1,353,589
Acquisitions ⁽¹⁾	6,334	12,878	56,604	205,856	47,046	328,718
Disposals	-1,704	-4,515	-5,003	15	-2,909	-14,116
Entering the consolidation scope	-	-	551	-	136	687
Changes in consolidation scope (disposals)	-1,892	-15,298	-13,936	-4,669	-4,278	-40,073
IFRS 5 reclassifications ⁽²⁾	3,373	16,521	5,742	2,362	4,558	32,556
Other reclassifications	2,021	18,511	76,994	-124,432	18,149	-8,757 ⁽⁴⁾
Impairments recognized and reversed ⁽³⁾	-	-4,217	14,138	-	-745	9,176
Depreciation for the period	-1,618	-28,037	-101,754	-	-46,279	-177,688
Translation adjustment	-4,047	-21,135	-28,757	-15,888	-3,800	-73,627
Carrying amount at December 31, 2017	89,086	415,478	509,421	236,811	159,669	1,410,465

In thousands of euros	Land	Buildings	Tech. eq. & tool.	Assets under construction	Other	Total
Carrying amount at January 1, 2016	82,292	398,690	358,053	186,029	124,151	1,149,215
Acquisitions ⁽¹⁾	221	21,411	50,539	124,876	23,665	220,712
Disposals	-47	-709	-1,688	-	-3,485	-5,929
Entering the consolidation scope ⁽⁵⁾	4,316	57,386	87,106	19,708	21,197	189,713
Changes in consolidation scope (disposals)	-1,160	-2,811	-1,272	-1	-641	-5,885
IFRS 5 reclassifications ⁽²⁾	-3,028	-13,278	-5,742	-2,362	-4,558	-28,968
Other reclassifications	5,097	8,528	111,328	-153,494	28,190	-351 ⁽⁴⁾
Impairments recognized and reversed ⁽³⁾	-	-4,349	-4,992	-	34	-9,307
Depreciation for the period	-1,463	-26,781	-91,150	-	-42,055	-161,449
Translation adjustment	391	2,682	2,659	-1,188	1,294	5,838
Carrying amount at December 31, 2016	86,619	440,769	504,841	173,568	147,792	1,353,589

"Tech. eq. & tool.": technical equipment and tooling

At December 31, 2017

(1) Acquisitions of property, plant and equipment reported in the Statement of Cash Flows correspond to acquisitions of property, plant and equipment excluding investment property for € 328,718, against € 220,712 thousand euros in the December 31, 2016

(2) See Note 5.1.16 for the breakdowns of items included in "Assets and Liabilities held for sale" at 31, December 2016.

(3) Nearly all depreciation/reversals of buildings, technical equipment, tooling and other property, plant and equipment concerned the assets of the Automotive Division's Composites business in France and China and the assets of the Faurecia business (Brazil).

(4) The net balance of the amount of -€8,757 thousand is due to reclassifications of "Intangible assets".

At December 31, 2016

(2) See Note 5.1.16 for the breakdowns of items included in "Assets and Liabilities held for sale" at 31, December 2016.

(3) Nearly all depreciation of buildings, technical equipment, tooling and other property, plant and equipment concerned the assets of the Automotive Division's Composites business in France and China.

(4) The net balance of the amount of -€351 thousand is due to reclassifications of "Intangible assets".

(5) See the Note 2.1.1.5 on the "Opening balance sheet of Faurecia's Exterior Systems business" to the consolidated financial statements at 31, December 2016.

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In thousands of euros	Land	Buildings	Tech. eq. & tool.	Assets under construction	Other	Total
Analysis of carrying amount at January 1 2017						
Cost	95,990	703,017	1,622,704	173,567	495,658	3,090,936
Depreciation	-9,364	-256,310	-1,113,700	-	-347,519	-1,726,893
Accumulated impairment (losses)	-7	-5,937	-4,162	-	-348	-10,454
Carrying amount at January 1, 2017	86,619	440,770	504,842	173,567	147,791	1,353,589
Analysis of carrying amount at December 31, 2017						
Cost (excluding IFRS 5 reclassifications)	99,376	693,129	1,662,872	236,811	510,246	3,202,434
<i>IFRS 5 reclassifications ⁽¹⁾</i>	4,207	48,232	84,288	2,362	26,333	165,422
Depreciation (excluding IFRS 5 reclassifications)	-10,283	-264,143	-1,151,595	-	-349,495	-1,775,516
<i>IFRS 5 reclassifications ⁽¹⁾</i>	-871	-24,149	-60,417	-	-20,242	-105,679
Accumulated impairment (excluding IFRS 5 reclassifications)	-7	-13,508	-1,856	-	-1,082	-16,453
<i>IFRS 5 reclassifications ⁽¹⁾</i>	-	-7,528	-18,129	-	-1,534	-27,191
Carrying amount at December 31, 2017	89,086	415,478	509,421	236,811	159,669	1,410,465

(1) See Note 5.1.16 for the breakdown of components included in “Assets and Liabilities held for sale”

In thousands of euros	Land	Buildings	Tech. eq. & tool.	Assets under construction	Other	Total
Analysis of carrying amount at January 1, 2016						
Cost	90,727	635,223	1,331,284	186,029	436,425	2,679,688
Depreciation	-8,428	-233,659	-966,083	-	-310,489	-1,518,659
Accumulated impairment (losses)	-8	-2,874	-7,148	-	-1,784	-11,814
Carrying amount at January 1, 2016	82,291	398,690	358,053	186,029	124,152	1,149,215
Analysis of carrying amount at December 31, 2016						
Cost (excluding IFRS 5 reclassifications)	95,990	703,016	1,622,703	173,568	495,659	3,090,936
<i>IFRS 5 reclassifications ⁽¹⁾</i>	-4,207	-48,232	-84,288	-2,362	-26,333	-165,422
Depreciation (excluding IFRS 5 reclassifications)	-9,364	-256,310	-1,113,700	-	-347,519	-1,726,893
<i>IFRS 5 reclassifications ⁽¹⁾</i>	871	24,149	60,417	-	20,242	105,679
Accumulated impairment (excluding IFRS 5 reclassifications)	-7	-5,937	-4,162	-	-348	-10,454
<i>IFRS 5 reclassifications ⁽¹⁾</i>	-	8,374	18,129	-	1,534	28,037
Carrying amount at December 31, 2016	86,619	440,769	504,841	173,568	147,792	1,353,589

“Tech. eq. & tool.”: technical equipment and tooling

- **Property, plant and equipment leased under operating leases where the Group is lessor**

In thousands of euros	December 31, 2017	December 31, 2016
Cost	52,242	58,233
Accumulated depreciation	-39,898	-43,097
Accumulated impairment	-868	-158
<i>of which depreciation for the year</i>	<i>-3,794</i>	<i>-4,297</i>
<i>of which provisions for the year</i>	<i>-710</i>	<i>-153</i>
Accumulated net depreciation and impairment	11,476	14,978

These assets correspond to waste containers leased to customers by the Environment Division under contracts that qualify as simple leases.

- **Minimum lease payments receivable under non-cancellable operating leases and/or maintenance contracts**

In thousands of euros	December 31, 2017	December 31, 2016
Due within one year	34,059	49,229
Due in one to five years	72,550	93,896
Due in more than five years	32,405	33,651
Total	139,014	176,776

- **Property, plant and equipment leased under finance leases where the Group is lessee**

These assets, which are included in the previous tables (of this same note) on property, plant and equipment, correspond to plants, research and development centers and industrial production equipment.

- **Change in capital assets under operating leases where the Group is lessee:**

In thousand of euros	Land and Buildings	Technical equipment and tooling	Total
Gross value at December 31, 2017	25,345	18,266	43,611
Accumulated depreciation, impairment and provisions at December 31, 2017	-19,404	-3,700	-23,104
Net carrying amount at December 31, 2017⁽¹⁾	5,940	14,566	20,506

Gross value at December 31, 2016	27,516	21,646	49,162
Accumulated depreciation, impairment and provisions at December 31, 2016	-21,154	-4,062	-25,216
Net carrying amount at December 31, 2016⁽¹⁾	6,362	17,584	23,946

(1) See Note 3.3 “Property, plant and equipment (excluding investment property) by operating segment”.

- **Change in payments and discounted value relating to assets subject to lease financing agreements**

In thousand of euros	Minimum payments at December 31, 2017	Discounted value at December 31, 2017
Due within one year	3,216	2,741
Due in one to five years	10,350	9,700
Due in more than five years	1,985	1,971
Net carrying amount at December 31, 2017 ⁽¹⁾	15,551	14,412

In thousand of euros	Minimum payments at December 31, 2016	Discounted value at December 31, 2016
Due within one year	3,458	2,821
Due in one to five years	11,281	10,242
Due in more than five years	4,071	3,996
Net carrying amount at December 31, 2016 ⁽¹⁾	18,810	17,059

(1) See Note 5.2.7.5 “Reconciliation of gross and net debt”.

5.1.4. Property, plant and equipment by category (excluding investment property)

In thousands of euros	Cost	Deprecia-tion	Impairment	Total
December 31, 2017				
Property, plant and equipment owned outright	3,110,498	-1,715,655	-15,514	1,379,329
Owned property, plant and equipment leased under operating leases where the Group is lessor ⁽¹⁾	52,242	-39,898	-868	11,476
Property, plant and equipment leased under finance leases where the Group is lessee ⁽²⁾	43,611	-23,034	-70	20,506
Property, plant and equipment leased under finance leases where the Group is lessee that has been sub-let to third parties under operating leases where the Group is lessor ⁽¹⁾⁽²⁾	-	-	-	-
Total Property, plant and equipment (excluding Investment property) before IFRS 5 reclassification ⁽³⁾	3,206,351	-1,778,587	-16,453	1,411,311
<i>IFRS 5 reclassifications⁽³⁾</i>	<i>-3,917</i>	<i>3,071</i>	<i>-</i>	<i>-846</i>
Total Property, plant and equipment (excluding Investment property) - Consolidated Balance Sheet	3,202,434	-1,775,516	-16,453	1,410,465

In thousands of euros	Cost	Deprecia-tion	Impairment	Total
December 31, 2016				
Property, plant and equipment owned outright	3,152,272	-1,766,480	-38,267	1,347,525
Owned property, plant and equipment leased under operating leases where the Group is lessor ⁽¹⁾	54,924	-40,995	-105	13,824
Property, plant and equipment leased under finance leases where the Group is lessee ⁽²⁾	45,853	-22,995	-66	22,792
Property, plant and equipment leased under finance leases where the Group is lessee that has been sub-let to third parties under operating leases where the Group is lessor ⁽¹⁾⁽²⁾	3,309	-2,102	-53	1,154
Total Property, plant and equipment (excluding Investment property) before IFRS 5 reclassification ⁽³⁾	3,256,358	-1,832,572	-38,491	1,385,296
<i>IFRS 5 reclassifications⁽³⁾</i>	<i>-165,422</i>	<i>105,679</i>	<i>28,037</i>	<i>-31,706</i>
Total Property, plant and equipment (excluding Investment property) - Consolidated Balance Sheet	3,090,936	-1,726,893	-10,454	1,353,589

(1) The sum of “Property, plant and equipment owned outright and leased under operating leases where the Group is lessor” and “Property, plant and equipment leased under finance leases where the Group is lessee that has been sub-let to third parties under operating leases where the Group is lessor” corresponds to the value of “Property, plant and equipment leased under operating leases where the Group is lessor”.

(2) See sub-section “Property, plant and equipment leased under finance leases where the Group is lessee”.

(3) See Note 5.1.16 for the breakdown of components included in “Assets and Liabilities held for sale”

5.1.5. Investment property

The item “Investment property” is unchanged since December 31, 2016. It includes:

- a complex of 33,000 sq.m. office buildings located in Lyon Gerland, 82% of the space of which is rented to a third party;
- as well as an undeveloped land in the Lyon region (Plastic Omnium ownership).

In thousands of euros	Land	Buildings	Total
Fair value at December 31, 2015	12,700	80,563	93,263
Fair value at December 31, 2015	12,700	80,563	93,263
Change in the fair value in 2017	-	-	-
Fair value at December 31, 2017	12,700	80,563	93,263

In thousands of euros	Land	Buildings	Total
Lyon Gerland complex	12,700	80,563	93,263
Fair value at December 31, 2017 and December 31, 2016	12,700	80,563	93,263

Investment property-related income and expenses are as follows:

In thousands of euros	December 31, 2017	December 31, 2016
Income from investment property rentals	6,592	6,565
Investment property direct operating expenses	-1,226	-1,350

5.1.6. Investments in associates and joint ventures

Investments in associates and joint ventures correspond to investments by the Group in the following companies:

In thousands of euros	2017 % interest	2016 % interest	December 31, 2017	December 31, 2016
JV HBPO GmbH and its subsidiaries and sub-subsidiaries	33.33%	33.33%	41,161	37,108
JV Yanfeng Plastic Omnium and its subsidiaries ⁽¹⁾	49.95%	49.95%	146,153	122,748
B.P.O. AS	49.98%	49.98%	16,057	16,925
Plastic Recycling SAS	50.00%	50.00%	258	294
POCellTech ⁽²⁾	23.00%	20.00%	7,545	13,117
Total investments in associates and joint ventures			211,174	190,192

(1) See "Significant events of the period" Note 2.1.2 on the acquisition of the Chinese entity Changchun Huazhong Yanfeng Plastic Omnium Automotive Exteriors Co. Ltd.

(2) See "Significant events of the period" Note 2.1.4 on the acquisition of an additional ownership stake in Israeli company "POCellTech"

Investments in these entities include goodwill by segment and for the following amounts:

In thousands of euros	December 31, 2017	December 31, 2016
Goodwill in associates and joint ventures - Automotive segment ⁽¹⁾	23,441	31,077
Total goodwill in associates and joint ventures	23,441	31,077

(1) The change over the period mainly corresponds to:

- the acquisition of Changchun Huaxiang Automotive Plastic Parts Manufacturing Co Ltd (See Note 2.1.2 in "Significant events of the period").
- the impairment of POCeCellTech Goodwill.

The summary balance sheet and income statement aggregates below are those of all associates and joint ventures.

The associates Chengdu Faway Yanfeng Plastic Omnium, Dongfeng Plastic Omnium Automotive Exterior and Hicom HBPO are included in the YFPO and HBPO joint ventures respectively.

The following presentation is based on 100% of the balance sheet and income statement data before elimination of internal transactions:

In thousands of euros	December 31, 2017	December 31, 2016
Non-current assets	530,965	453,383
Current assets	1,556,210	1,332,808
Total assets	2,087,175	1,786,191
Shareholders' equity	639,793	537,653
Non-current liabilities	12,397	14,250
Current liabilities	1,434,985	1,234,288
Total equity and liabilities	2,087,175	1,786,191
Revenue	3,950,724	3,492,332

5.1.7. Available-for-sale financial assets

At the end of each period, financial assets recognized under this item correspond to shares in non-material shell or dormant companies and the contribution invested in the "FMEA 2" fund to support Automotive Division subcontractors and investments in listed companies.

5.1.7.1. Available-for-sale financial assets - Equity interests

The financial assets recognized in this item correspond to insignificant shell companies and dormant companies.

5.1.7.2. Other available-for-sale financial assets

Financial assets recognized under this item include investments in listed securities, the funds invested in the venture capital company “Aster” and the Group’s investments in the “FMEA 2” fund, to support Automotive Division subcontractors.

In thousands of euros	December 31, 2017			December 31, 2016
	Subscribed amounts	Non-called-up amounts	Net	Net
Contributions to the “FMEA 2” fund ⁽¹⁾	-	-	1,512	1,427
Financial investments in listed securities ^{(1) (2)}	-	-	25,353	29,024
Investment in the venture capital company "Aster" ⁽³⁾	20,000	-19,500	500	-
Other	-	-	149	-
Other available-for-sale financial assets			27,514	30,451

- (1) Contributions to the “FMEA 2” fund and investments in shares in listed companies are listed with long-term financial receivables in Note 5.2.7.5 “Reconciliation of gross and net debt”.
- (2) The Group sold in 2017 for €36,842 thousand (net carrying amount of €34,937 thousand) the investments in shares of listed companies purchased in 2016 by the Group's captive reinsurance company and reinvested €32,874 thousand in new listed securities (see Note 5.1.13.1).
- (3) See Note 2.1.5 of the "Significant Events of the Period".

5.1.8. Other non-current financial assets

In thousands of euros	December 31, 2017	December 31, 2016
Loans	2	-
Deposits and bonds	49,758	25,786
Other receivables	42	30
Other non-current assets and financial receivables (see Note 5.2.7.5)	49,802	25,816
Finance receivables related to Environment finance leases (see Note 6.4.1)	856	1,637
Finance receivables related to Automotive contracts (see Note 6.4.1)	8,402	26,996
Non-current financial receivables (see Note 5.2.7.5)	9,258	28,633
Total	59,060	54,449

“Deposits and bonds” mainly concern guarantee deposits on leased offices and sold receivables sales programs.

“Finance receivables” mainly concern receivables for work in progress on Automotive projects for which the Group has received a firm sales price commitment on the developments and/or tooling. These receivables are discounted.

5.1.9. Inventories and goods in process

In thousands of euros	December 31, 2017	December 31, 2016 adjusted	Adjustments	December 31, 2016 published
Raw materials and supplies				
<i>At cost</i>	144,991	132,089		132,089
Net realizable value	134,802	122,445		122,445
Molds, tooling and engineering				
<i>At cost</i>	141,787	135,588		135,588
Net realizable value	141,199	135,411	-20	135,431
Other work in progress				
<i>At cost</i>	67	70		70
Net realizable value	67	70		70
Maintenance inventories				
<i>At cost</i>	59,199	55,694		55,694
Net realizable value	49,180	43,933	-1,603	45,536
Goods				
<i>At cost</i>	9,927	9,410		9,410
Net realizable value	8,822	8,406		8,406
Semi-finished products				
<i>At cost</i>	41,781	39,140		39,140
Net realizable value	38,582	36,859		36,859
Finished products				
<i>At cost</i>	44,391	45,323		45,323
Net realizable value	41,361	41,565		41,565
Total, net	414,013	388,689	-1,623	390,312

5.1.10. Current financial receivables

In thousands of euros	December 31, 2017		December 31, 2016	
	Undiscounted values	Carrying amount	Undiscounted values	Carrying amount
Current financial receivables (see Note 5.2.7.5)	42,631	42,807	34,038	33,918
<i>of which Environment division finance lease receivables</i>	833	1,009	1,119	999
<i>of which Automotive division finance receivables</i>	41,798	41,798	32,919	32,919
Other current financial assets and financial receivables (see Note 5.2.7.5)	83,209	83,209	62,388	62,388
<i>of which "Current accounts"</i>	1,344	1,344	1,337	1,337
<i>of which "Negotiable debt securities"⁽¹⁾</i>	24,011	24,011	24,016	24,016
<i>of which "UCITS" or mutual funds (2)⁽²⁾</i>	50,007	50,007	-	-
<i>of which receivables related to available-for-sale financial assets⁽³⁾</i>	-	-	30,179	30,179
<i>of which "Other"</i>	7,847	7,847	6,856	6,856
Total current financial receivables	125,840	126,016	96,426	96,306

(1) See Note 5.2.7.3 "Loans, negotiable debt securities and other financial assets" for the principal amount.

(2) As part of its cash management, the Group made this investment in a UCITS (Undertaking for Collective Investment in Transferable Securities) or mutual funds.

(3) As of December 31, 2016, this was a receivable related to the portion of the Faurecia Group's "Exterior Systems" business, for which the Plastic Omnium Group had withdrawn and which was in the process of being sold at this date. As of December 31, 2017, the receivable was paid.

5.1.11. Trade and other receivables

5.1.11.1. Sale of receivables

Compagnie Plastic Omnium and some of its European and US subsidiaries have set up several receivables sales programs with French banks. These programs have an average maturity of more than two years.

These non-recourse programs transfer substantially all the risks and rewards of ownership to the buyer of the sold receivables; for these programs, only the non-material dilution risk is not transferred to the buyer.

Receivables sold under these programs, which are therefore no longer included in the balance sheet, totaled €341 million at December 31, 2017 against €338 million at December 31, 2016.

5.1.11.2. Trade receivables - Cost, impairment and carrying amounts

In thousands of euros	December 31, 2017			December 31, 2016		
	Cost	Impairment	Carrying amount	Cost	Impairment	Carrying amount
Trade receivables published	944,886	-4,802	940,084	813,753	-4,129	809,624
Adjustments related to the Faurecia business					-205	-205
Adjusted trade receivables	944,886	-4,802	940,084	813,753	-4,334	809,419

The Group has not identified significant unfunded customer risk over the two periods.

5.1.11.3. Other receivables

In thousands of euros	December 31, 2017	December 31, 2016
Sundry receivables	95,389	91,568
Prepayments to suppliers of tooling and prepaid development costs	58,265	79,929
Prepaid and recoverable income taxes	93,048	78,759
Other prepaid and recoverable taxes	101,209	91,077
Employee advances	2,342	1,860
Prepayments to suppliers of non-current assets	4,349	3,967
Other receivables	354,602	347,160

5.1.11.4. Trade and other receivables by currency

In thousands of currency units	December 31, 2017			December 31, 2016 Adjusted	Adjustments	December 31, 2016		
	Local currency	Euro	%	Local currency		Euro	Local currency	Euro
EUR Euro	706,031	706,031	55%	561,010	-205	561,215	561,215	49%
USD US dollar	336,820	280,847	22%	249,676		263,184	249,676	22%
CNY Chinese yuan	703,206	90,104	7%	104,588		765,604	104,588	9%
GBP Pound sterling	63,968	72,099	6%	82,348		70,505	82,348	7%
Other Other currencies		145,605	11%	158,957			158,957	14%
Total		1,294,686	100%	1,156,579	-205		1,156,784	100%

<i>Of which:</i>								
• Trade receivables		940,084	73%	809,419	-205		809,624	70%
• Other receivables		354,602	27%	347,160			347,160	30%

Sensitivity tests on exchange rate movements of the “Trade and other receivables” give the following results:

In thousands of currency units	Sensitivity tests on receivables at December 31, 2017						December 31, 2016 Adjusted	Adjustments	Sensitivity tests on receivables at December 31, 2016					
	Base		Increase – all currencies		Decrease – all currencies		Base		Amount	Base		Increase – all currencies		Decrease – all currencies
	Local currency	Exchange rate	+10%	+20%	-10%	-20%	Euro	Euro		Local currency	Exchange rate	+10%	+20%	-10%
			%	%	%	%			%			%	%	%
EUR Euro	706,031	1.00000	52%	50%	57%	60%	561,010	-205	561,215	1.00000	46%	44%	51%	54%
USD US dollar	336,820	0.83382	23%	24%	20%	19%			263,184	0.94868	23%	23%	20%	19%
CNY Chinese yuan	703,206	0.12813	7%	8%	7%	6%			765,604	0.13661	9%	10%	9%	8%
GBP Pound sterling	63,968	1.12710	6%	6%	5%	5%			70,505	1.16798	7%	8%	7%	6%
Other Other currencies			12%	12%	11%	10%					15%	15%	13%	13%
Total in euros		1,294,686	1,353,551	1,412,417	1,235,821	1,176,955	1,156,579	-205		1,156,784	1,216,341	1,275,903	1,097,237	1,037,670

<i>Of which:</i>														
• Trade receivables		940,084	982,827	1,025,570	897,342	854,599	809,419	-205		809,624	851,308	892,992	767,941	726,258
• Other receivables		354,602	370,724	386,847	338,479	322,356	347,160			347,160	365,033	382,911	329,296	311,412

Exchange rate sensitivity tests on “Trade receivables and other receivables” and “Trade payables and other operating liabilities by currency” (see Note 5.2.9.3) show a low sensitivity of these items to exchange rate movements.

5.1.12. Deferred taxes

As noted in Note 1.1.27 of the accounting rules and principles, deferred tax assets on tax loss carryforwards, temporary differences and tax credits are assessed according to their probability of future use. For this purpose, estimates were made as part of the year-end closing of the financial statements and led to the recognition of assets based on probable use within a relatively short period of time reflecting a prudent approach given the current economic environment.

Deferred taxes are broken down as follows:

In thousands of euros	December 31, 2017	December 31, 2016 adjusted	Adjustments	December 31, 2016 publié
Property, plant and equipment	-49,370	-56,752		-56,752
Post-employment benefit obligations	28,596	40,017		40,017
Provisions for liabilities and charges	35,699	109,131	3,485	105,646
Financial instruments	43	5,981		5,981
Tax loss carryforwards and tax credits	139,011	100,861		100,861
Other	2,867	-26,146		-26,146
Impairment of deferred tax assets	-81,158	-107,895		-107,895
Total	75,688	65,197	3,485	61,712
<i>Of which:</i>				
<i>Deferred tax assets</i>	<i>96,663</i>	<i>143,657</i>	<i>3,302</i>	<i>140,355</i>
<i>Deferred tax liabilities</i>	<i>20,975</i>	<i>78,460</i>	<i>-183</i>	<i>78,643</i>

Unrecognized tax assets on tax loss carryforwards at December 31, 2017 amounted to €76 million, compared with €59 million at December 31, 2016 and have the following characteristics:

In thousands of euros	December 31, 2017	December 31, 2016
Evergreen tax loss carryforwards	63,640	49,818
Tax loss carryforwards available for more than 5 years	9,647	1,763
Tax loss carryforwards available for up to 5 years	1,823	2,337
Tax loss carryforwards available for up to 4 years	271	2,323
Tax loss carryforwards available for up to 3 years	81	1,341
Tax loss carryforwards available for less than 3 years	604	1,696
Total	76,066	59,278

The change in the financial year is essentially due to variations in France and Germany.

5.1.13. Cash and cash equivalents

5.1.13.1 Gross cash and cash equivalents

In thousands of euros	December 31, 2017	December 31, 2016
Cash at bank and in hand	762,731	222,307
Short-term deposits	176,904	111,882
Total cash and cash equivalents on the balance sheet	939,635	334,189

Gross cash and cash equivalents break down as follows:

In thousands of euros	December 31, 2017	December 31, 2016
Cash and cash equivalents of the Group's captive reinsurance company ⁽¹⁾	30,902	26,729
Cash and cash equivalents in countries with exchange controls on remittances and transfers ⁽²⁾	86,138	88,441
Cash equivalents ⁽³⁾	822,594	219,019
Total cash and cash equivalents on the balance sheet	939,635	334,189

- (1) Over the two years 2016 and 2017, the Group invested in securities of listed companies through its captive reinsurance company, (see Note 5.1.7.2 "Available-for-sale financial assets").
- (2) The countries in "regions with exchange controls on remittances and transfers" include Brazil, China, India, Chile, Argentina and South Korea.
- (3) The strong variation in cash is due to the availability of funds from the bond issue (€500 million) made in June 2017 and a positive cash generation directly linked to the activity of the period for nearly €156 million (of which €50 million invested in UCITS or mutual funds).

The above amounts are shown in the balance sheet as current assets as they are not subject to any general restrictions.

5.1.13.2 - Net cash and cash equivalents at end of period

In thousands of euros	December 31, 2017	December 31, 2016
Cash and cash equivalents	939,635	334,189
Short-term bank loans and overdrafts	-9,993	-10,307
Net cash and cash equivalents at end of period in the statement of cash flows	929,642	323,882

5.1.14. Statement of cash flows - Acquisitions and disposals of financial assets, non-controlling interests and related investments

5.1.14.1 Acquisitions of equity interests, non-controlling interests and related investments

The Group's financial acquisitions are broken down into two categories as follows:

a – Acquisitions of shares in subsidiaries and associates, investments leading to a change in control, equity investments in associates, joint ventures and related investments

These are recorded under "Cash flows from investments" in the Consolidated statement of cash flows.

At December 31, 2017:

The amount of €21.4 million under “Acquisitions of shares in subsidiaries and associates”, corresponds to:

- the acquisition of the following two companies (*see Note 2.1.3 in “Significant events of the period”*):
 - “Swiss Hydrogen” for €12.8 million ; and
 - “Optimum CPV BVPA” for €6.1 million (of which €1 million recognized in financial liabilities as a guarantee for liabilities);
- the subscription in 2017 to the capital increase of the Israeli company “POCelltech” (*see Note 2.1.4*) for an amount of €2.5 million.

At December 31, 2016:

The amount of €527,580 thousands in respect of acquisitions of shares in subsidiaries and associates and non-controlling interests was as follows:

- the acquisition of the “Exterior Systems” business of the Faurecia Group for a total of €511,030 thousand;
- investment in the Israeli company “POCelltech” for an amount of €16,000 thousand;
- and subscription to the capital increase of Plastic Recycling SAS, consolidated using the equity method, for an amount of €550 thousand.

b - Acquisitions of non-controlling interests:

These are recorded under “Cash flows from investments” in the Consolidated statement of cash flows.

2017: none

2016: Acquisition of the minority interests (30%) in the German company “RMS Rotherm Maschinenbau GmbH”.

5.1.14.2 Disposals of shares in subsidiaries and associates and non-controlling interests

Disposals of shares in subsidiaries and associates

Disposals of shares in subsidiaries and associates are recorded under “Cash flows from investments” in the Statement of Cash Flows.

2017: None

2016: The Group essentially sold the companies “Signature Ltd” for €13,812 and “Sulo Emballagen GmbH” for €1,820 thousand euros.

5.1.15. Consolidated funds and proportionate share of funds from operations of associates and joint ventures, after taxes and interest paid, net of dividends paid,

Consolidated self-financing capacity and proportionate share of funds from operations of associates and joint ventures, after taxes and interest paid, net of dividends paid, break down as follows:

Consolidated financial statements	2017	2016
Funds from operations	859,384	732,587
Tax paid	-114,049	-97,271
Interest paid	-59,169	-52,703
Funds from operations after payment of taxes and interest	686,167	582,613
Associates and joint ventures		
Share of funds from operations	95,433	73,892
Share of tax paid	-16,470	-10,138
Share of interest received/paid	1,135	1,549
Elimination of dividends paid	-32,401	-31,409
Share of funds from operations after payment of taxes and interest received, net of dividends paid	47,696	33,894
Total	733,863	616,507

5.1.16. Monitoring at December 31, 2017 of transactions covered by IFRS 5 at December 31, 2016

“Assets and Liabilities held for sale” are measured based on the best estimate of realizable values. The differences between realizable values and net carrying amounts, where these were negative, resulted in the recognition of an impairment at December 31, 2016. The impact on the income from disposals in 2017 is presented in Note 4.6 “Other operating income and expenses”.

5.1.16.1. Description of transactions covered by IFRS 5

The transactions that fall within the scope of IFRS 5 are listed chronologically:

IFRS 5 - Notes 1 and 1 bis: Fuel systems technical centers (Oise and Laval) of the "Fuel systems" division:

The Laval technical center in the Mayenne department and the former technical center for fuel systems in the Oise department, put up for sale following the opening on September 1, 2014, of its new research and development center α -Alphatech, are still unsold at December 31, 2017.

IFRS 5 – note 2: The “Fuel systems” Division (Laval) production site:

The Laval fuel systems production site in Mayenne was sold in December 2017 for an amount of €1.4 million, yielding a loss of €0.6 thousand (see Note 4.6 “Other operating income and expenses”).

IFRS 5 – note 3: “Sulo Emballagen” site in Herford, Germany:

The Herford site in Germany, representing the administrative and industrial buildings of the Environment Division’s “Sulo Emballagen” was sold in January 2017 for an amount of €1,150 thousand, generating a loss of €4,98 thousand, provisioned in the financial statements at December 31, 2016 (see Note 4.6 “Other operating income and expenses”).

IFRS 5 – note 4: The Faurecia Exterior Systems business held for sale from the Auto Exterior Division:

The Group sold to the US group “Flex-N-Gate” on 31 March 2017 the shares of the “Faurecia Exterior Systems” entities that it could not hold following the European Commission’s decision (see Note 2.1.1.5 “Opening balance sheet of Faurecia Exterior Systems business” and “Disposals of available-for-sale financial assets” in the Statement of Cash Flows).

IFRS 5 – notes 5 and 6: Auto Exterior Division’s Truck business:

On June 30, 2017, the Group sold to the German group "Mutares," which specializes in the acquisition of companies in turnaround, the securities of the Auto Exterior Division’s truck business. At December 31, 2016, the Group had recognized an impairment of non-current assets, based on the probable realizable value, representing the probable loss (see Note 4.6 “Other operating income and expenses” for the net impact on the financial statements over the period and “Disposals of available-for-sale financial assets” in the Statement of Cash Flows).

As December 31, 2017, the breakdown of “Assets and Liabilities held for sale” is provided in the following table.

The breakdown of “Assets and Liabilities held for sale” at June 30, 2017, is provided in the following table.

5.1.16.2. Summary presentation of transactions covered by IFRS 5 “ Assets and liabilities held for sale ”

	December 31, 2017	December 31, 2016 adjusted	Adjustme nts	December 31, 2016 published
In thousands of euros	Totals	Totals	Totals	Totals
IFRS 5 - note 1 : Compiègne technical center in the Oise department	846	846	-	846
<i>of which Land</i>	167	167	-	167
<i>of which Buildings, equipment, building improvements, fixtures and fittings</i>	679	679	-	679
IFRS 5 - note 1 bis : Laval technical center in the Mayenne department⁽¹⁾	-	1,079	-	1,079
<i>of which Land</i>	-	178	-	178
<i>of which Buildings, equipment, building improvements, fixtures and fittings</i>	-	901	-	901
IFRS 5 - note 2 : Laval production site in Mayenne⁽¹⁾	-	871	-	871
<i>of which Plant</i>	-	871	-	871
IFRS 5 - note 3 : “Sulo Emballagen GmbH” site in Herford Germany⁽²⁾	-	1,150	-	1,150
IFRS 5 - note 4 : “Faurecia Exterior Systems” business not retained⁽³⁾	-	160,171	-1,829	162,000
IFRS 5 - note 5 : Auto Exterior division "Truck" business⁽⁴⁾	-	74,766	-	74,766
ASSETS held for sale	846	238,883	-1,829	240,712
IFRS 5 - note 4 : “Faurecia Exterior Systems” business not retained⁽³⁾	-	-	-	-
IFRS 5 - note 5 : Auto Exterior division "Truck" business⁽⁴⁾	-	79,368	-	79,368
LIABILITIES related to assets held for sale	-	79,368	-	79,368
NET ASSETS HELD FOR SALE	846	159,515	-1,829	161,344

(1) See Note 2.3.4 in "Significant events of the period" and Note 4.6 "Other operating income and expenses".

(2) See Note 2.3.3 in "Significant events of the period" and Note 4.6 "Other operating income and expenses".

(3) See Note 2.1.1.1 in "Significant events of the period" and Note 4.6 "Other operating income and expenses and the caption" and "Disposals of available-for-sale financial assets" in the Statement of Cash Flows.

(4) See Note 2.3.2 in "Significant events of the period" and Note 4.6 "Other operating income and expenses and the caption" and "Disposals of available-for-sale financial assets" in the Statement of Cash Flows.

5.2. Liabilities

5.2.1. Shareholders' equity

5.2.1.1 Share capital of Compagnie Plastic Omnium

In euros	December 31, 2017	December 31, 2016
Share capital at January 1	9,148,603	9,214,603
Capital reduction during the year	-90,000	-66,000
Share capital at end of period, made up of ordinary shares with a par value of €0.06 each over the two periods	9,058,603	9,148,603
Treasury stock	198,364	253,588
Total share capital net of treasury stock	8,860,239	8,895,015

Shares registered on behalf of the same holder for at least two years carry double voting rights.

Capital Structure at December 31, 2017:

On July 20, 2017, the Board of Directors of Compagnie Plastic Omnium decided to cancel 1,500,000 treasury shares, i.e. 0.98% of the share capital with effect from August 14, 2017.

The share capital of Compagnie Plastic Omnium decreased from 152,476,720 shares to 150,976,720 shares with a par value of €0.06, representing a total value of €9,08,603.20.

At December 31, 2017, Compagnie Plastic Omnium held 3,306,070 of its own shares, i.e. 2.19 of the share capital, against a total of 4,226,467 shares or 2.77% of the share capital at December 31, 2016.

Capital Structure at December 31, 2016:

On February 24, 2016, the Board of Directors of Compagnie Plastic Omnium decided to cancel 1,100,000 treasury shares, or 0.72% of the share capital with effect on March 21, 2016.

The share capital of Compagnie Plastic Omnium decreased from 153,576,720 shares to 152,476,720 shares with a par value of €0.06, representing a total value of €9,18,603.20.

At December 31, 2016, Compagnie Plastic Omnium held 4,226,467 treasury shares, i.e. 2.77% of the share capital, against five 5,522,492 i.e. 3.60% of the share capital at December 31, 2015.

5.2.1.2 Detail of "Other reserves and retained earnings" in the consolidated statement of changes in equity

<i>In thousands of euros</i>	Actuarial gains/(losses) recognized in equity	Cash flow hedges – interest rate instruments	Cash flow hedges – currency instruments	Fair value adjustments	Retained earnings and other reserves	Attributable to owners of the parent
December 31, 2015	-41,399	-1,660	-49	18,156	1,009,572	984,620
Movements for 2016	-8,449	540	-123	1,044	190,707	183,719
At December 31, 2016	-49,848	-1,120	-172	19,200	1,200,279	1,168,339
Movements for 2017	-1,885	494	1,697	-962	198,885	198,229
At December 31, 2017	-51,733	-626	1,525	18,238	1,399,164	1,366,568

5.2.1.3 Detail of “ Changes in scope of consolidation and reserves ” in the consolidated statement of changes in equity

In thousands of euros	Shareholders' equity		Total equity
	Attributable to owners of the parent	Attributable to non-controlling interests	
Buyout of non-controlling interests in Plastic Omnium Systems GmbH	-1,812	-1,488	-3,300
Other changes in scope of consolidation at December 31, 2016	-1,812	-1,488	-3,300
None			-
Other changes in scope of consolidation at December 31, 2017	-	-	-

5.2.2. Dividends voted and paid by Compagnie Plastic Omnium

In thousands of euros Dividend per share in euros Number of shares, in units	December 31, 2017		December 31, 2016	
	Number of shares in 2016	Dividend	Number of shares in 2015	Dividend
Dividend per share (in euros)		0.49 ⁽¹⁾		0.41 ⁽¹⁾
Total number of shares outstanding at the end of the previous year	152,476,720		152,476,720	
Total number of shares held in treasury on the ex-dividend date	4,981,805 ⁽²⁾		4,886,974 ⁽²⁾	
Total number of shares held in treasury at the year-end (for information)	4,226,467 ⁽²⁾		5,522,492 ⁽²⁾	
Dividends on ordinary shares		74,713		62,515
Dividends on treasury stock (unpaid)		-2,441 ⁽²⁾		-2,004 ⁽²⁾
Total net dividend		72,272		60,512

(1) In 2017, Compagnie Plastic Omnium paid a dividend €0.49 per share on profits from 2016.

In 2016, Compagnie Plastic Omnium paid a dividend of €0.41 per share on profits from the 2015.

(2) **At December 31, 2017:** the number of treasury shares taken into account at December 31, 2016, was 4,226,467 for the determination of the provisional total dividend. The number of treasury shares at the time of the dividend's payment in 2017 stood at 4,981,805, increasing the dividends attached to these shares from €2,071 thousand to €2,441 thousand.

At December 31, 2016: the number of treasury shares taken into account at December 31, 2015, was 5,522,492 for the determination of the provisional total dividend. The number treasury shares at the time of the dividends' payment in 2016 stood at 4,886,974, reducing the dividends attached to these shares from €2,264 thousand euros to €2,004 thousand.

The recommended dividend in respect of 2017 to be proposed to the Combined Shareholders' Meeting on April 26, 2018 amounts to €0.67 per share (total payout of €01,154 thousand for 150,976,720 existing shares before deducting treasury shares at December 31, 2017).

5.2.3. Share-based payments

On February 22, 2017, the Board of Directors granted stock options effective March 10, 2017 effect, exercisable as from 11 March 2021 for a three-year period. The exercise of the options granted to the corporate officers is subject to market

and performance conditions. Details are provided in Note 7.3.1 "Compensation of senior executives and corporate officers".

This plan has been evaluated using the "Black & Scholes" model as described in Note 1.1.22. The main assumptions used in this assessment are as follows:

Other information	March 10, 2017 Plan
Plastic Omnium share price at the plan grant date	33.71
Exercise price	32.84
Zero-coupon interest rate	0.04%
Expected volatility	33.00%
Expected dividend rate	1.45%
Maturity	11-Mar-2021
Total number of beneficiaries	200

On these bases, the March 10, 2017 plan was valued at €4,249,015. The cost is amortized on a straight-line basis over the vesting period, i.e. four years (of which €814,552 at December 31, 2017 and €228,539 related to options canceled during the year).

The social contributions related to the implementation of this new plan of €954,414 were recognized as expenses at December 31, 2017. They are calculated on the basis of 25% of the share price of the options awarded and represent 30% of the total value of the options granted to French beneficiaries (377,500 options).

Valuation of the March 10, 2017 plan	Stock Options for the March 10, 2017 plan		TOTAL
	<i>In euros</i> <i>In units for the number of options</i>		
	Subject to market conditions	Not subject to market conditions	
Average value of one stock option	4.39	8.79	7.34
<i>Number of options</i>	<i>190,000</i>	<i>388,500</i>	578,500
Accounting expense (with adjustment to reserves)	834,100	3,414,915	4,249,015

Summary of outstanding stock option plans

Grant date	Options exercisable for	Beneficiaries	Vesting conditions	Maximum number of options available under the plan	Multiplier following the division by three of the par value of the share on May 10, 2011	Maximum number of options available under the plan as adjusted for the stock split ⁽¹⁾	Multiplier following the division by three of the share par value on September 10, 2014	Maximum number of options available under the plan as adjusted for the stock split
April 1, 2010	Stock options	124		375,000	3	1,125,000	3	3,375,000
March 21, 2012	Stock options	208	Employment contract in force on the option exercise date, except in the case of transfer by the employer, early retirement or retirement	N/A	N/A	889,500	3	2,668,500
August 7, 2013	Stock options	184		N/A	N/A	424,000	3	1,272,000
August 6, 2015	Stock options	172		N/A	N/A	N/A	N/A	1,253,000
March 10, 2017	Stock options	200		N/A	N/A	N/A	N/A	578,500

(1) On April 28, 2011, the Extraordinary Shareholders' Meeting of Compagnie Plastic Omnium voted to divide the par value of its shares by three, with effect from May 10, 2011. The share price went from €0.50 to €0.17. Since all the plans outstanding at December 31, 2011 preceded that decision, the number of options granted to each employee in each plan as of that date, was multiplied by three and the exercise price divided by three.

(2) On April 25, 2013, the Combined Shareholders' Meeting of Compagnie Plastic Omnium voted to divide the par value of its shares by three, with effect from September 10, 2013. The share price went from €0.17 to €0.06. The number of stock options for every employee in every plan preceding that decision was multiplied by three and the exercise price divided by three.

Successive effects of the three-to-one split of the Plastic Omnium share	April 1, 2010 Plan	March 21, 2012 Plan	August 7, 2013 Plan	August 6, 2015 Plan	March 10, 2017 Plan
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Effects of division by three of the par value of the share					
Voted by the Extraordinary Shareholders' Meeting of April 28, 2011:					
Effective as from May 10, 2011:					
Number of stock options at January 1, 2011 before division by three of the par value of the share	371,500	N/A	N/A	N/A	N/A
Number of stock options at May 10, 2011 after division by three of the par value of the share	1,114,500	N/A	N/A	N/A	N/A
Effects of division by three of the par value of the share					
Voted by the Shareholders' Meeting of April 25, 2013:					
Effective as from September 10, 2013 following the Meeting of the Board of Directors on July 23, 2013:					
Number of stock options before division by three of the par value of the share in 2013	1,030,500	842,000	424,000	N/A	N/A
Number of stock options at September 10, 2013 after three-to-one split of the par value of the share ⁽¹⁾	3,091,500	2,526,000	1,272,000	N/A	N/A

(1) The number of stock options was multiplied by three following the division by three of the par value of the Plastic Omnium share on September 10, 2013.

Outstanding options at the end of the year and cost for the period of option

The vesting period is four years par

Outstanding options <i>In euros</i>	Options outstanding at January 1, 2017	Revaluations/adjustments	Increases Options granted during the period	Decreases			Cost for the period	Options outstanding at December 31, 2017	
				Options forfeited during the period	Options that expired during the period	Options exercised during the period		Total	Of which, options exercisable at December 31, 2017
<i>In units for the number of options</i>									
April 1, 2010 plan									
Number of options	118,000					-118,000		3.2	
Share price at the grant date	3.2							2.84	
Exercise price	2.84							7 years	
Term	7 years							-	
Unrecognized cost at period-end	-							-	
Remaining life	0.5 year							-	
Outstanding options									
<i>In euros</i>									
<i>In units for the number of options</i>									
March 21, 2012 plan									
Number of options	967,037					-393,025		574,012	574,012
Share price at the grant date	7.3							7.3	
Exercise price	7.38							7.38	
Term	7 years							7 years	
Unrecognized cost at period-end	-							-	
Remaining life	2.25 years							1.25 year	
Outstanding options									
<i>In euros</i>									
<i>In units for the number of options</i>									
August 7, 2013 plan									
Number of options	1,176,000				-15,000	-473,840		687,160	687,160
Share price at the grant date	17.71							17.71	
Exercise price	16.17							16.17	
Term	7 years							7 years	
Unrecognized cost at period-end	741,386				-95,645		-645,741	0	
Remaining life	3.6 years							2.6 years	

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Outstanding options <i>In euros</i> <i>In units for the number of options</i>	Options outstanding at January 1, 2017	Revaluations/adjustments	Increases Options granted during the period	Decreases			Cost for the period	Options outstanding at December 31, 2017	
				Options forfeited during the period	Options that expired during the period	Options exercised during the period		Total	Of which, options exercisable at December 31, 2017

August 6, 2015 plan									
Number of options	1,229,000							1,169,000	None
Share price at the grant date	26.33							26.33	
Exercise price	24.72							24.72	
Term	7 years							7 years	
Unrecognized cost at period-end	5,374,074						-1,866,644	2,986,630	
Remaining life	5.6 years							4.6 years	

Outstanding options <i>In euros</i> <i>In units for the number of options</i>	Options outstanding at January 1, 2017	Revaluations/adjustments	Increases Options granted during the period	Decreases			Cost for the period	Options outstanding at December 31, 2017	
				Options forfeited during the period	Options that expired during the period	Options exercised during the period		Total	Of which, options exercisable at December 31, 2017

March 10, 2017 plan									
Number of options			578,500	-26,000				552,500	None
Share price at the grant date			33.71					33.71	
Exercise price			32.84					32.84	
Term			7 years					7 years	
Unrecognized cost at period-end			4,249,015	-228,539			-814,552	3,205,924	
Remaining life			7 years					6.2 years	

Total expense for the fiscal year							3,326,937 euros		
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At December 31, 2017, there was no shares intended for allocation and not yet allocated. This position amounted to 226,587 shares at December 31, 2016.

5.2.4. Grants

In thousands of euros	December 31, 2017	December 31, 2016
Grants recognized in non-current liabilities	6,557	12,420
Grants recognized in current liabilities	3,948	-
Total grants recognized as liabilities	10,505	12,420

5.2.5. Provisions

In thousands of euros	December 31, 2016 adjusted	Charges	Utilizations	Releases of surplus provisions	Reclassifications according to IFRS 5 ⁽⁵⁾	Other reclassifications	Actuarial gains/(losses)	Changes in scope of consolidation (derecognition) ⁽⁵⁾	Translation adjustment	December 31, 2017
Customer warranties	19 985	16 557	-7 899	-941	-	-	-	-	-299	27 403
Reorganization plans ⁽¹⁾	10 752	13 098	-7 500	-263	-	-	-	-	-182	15 905
Taxes and tax risks ⁽²⁾	298	8 250	-	-	-	-	-	-	-	8 548
Contract risks ⁽³⁾	80 480	13 047	-39 320	-7 701	17 239	94	-	-15 879	-310	47 650
Claims and litigation	4 986	8 211	-1 557	-825	848	-146	-	-275	-70	11 172
Other ⁽⁴⁾	15 092	2 292	-1 070	-535	-	52	-	-	-877	14 955
Provisions for liabilities and charges	131 593	61 455	-57 346	-10 265	18 087	-	-	-16 154	-1 738	125 633
Provisions for pensions and other post-employment benefits ⁽⁶⁾	109 718	8 424	-3 375	-	9 990	-	-2 427	-10 601	-5 212	106 517
TOTAL	241 311	69 879	-60 721	-10 265	28 077	-	-2 427	-26 755	-6 950	232 150

- (1) Regarding the reorganization of an Automotive Division site in Germany.
- (2) The actuarial difference corresponds to the combined effect of the decrease in rates in the United States and the increase in rates in France.
- (3) Regarding provisions for tax audits ongoing in the Automotive division.
- (4) Regarding the impacts of loss-making contracts and losses on completion in the Automotive division.
- (5) Regarding provisions for companies classified in "Assets & Liabilities held for sale" in 2016 and actually sold in 2017 (See Note 5.116 for 2016 period). The two columns "Reclassifications according to IFRS 5" and "Change in scope of consolidation" are related.
- (6) The "Others" sub-section includes individually insignificant amounts.

In thousands of euros	December 31, 2015	Charges	Utilizations	Releases of surplus provisions	Reclassifications according to IFRS 5 ⁽⁵⁾	Other reclassifications	Actuarial gains/losses	Changes in scope of consolidation (derecognition) ⁽⁶⁾	Translation adjustment	December 31, 2016 published	Adjustments	December 31, 2016 adjusted
Customer warranties	17,296	9,853	-4,709	-2,707	-	-	-	326	-74	19,985		19,985
Reorganization plans ⁽¹⁾	3,017	7,667	-9,148	-45	-	268	-	8,943	-47	10,655	97	10,752
Taxes and tax risks	3,362	297	-3,361	-	-	-481	-	481	-	298		298
Contract risks ⁽²⁾	36,865	13,407	-21,655	-6,825	-17,239	1,551	-	34,542	-169	40,478	40,002	80,480
Claims and litigation	2,657	3,097	-654	-551	-848	167	-	-2	-23	3,843	1,143	4,986
Other ⁽³⁾	6,321	2,081	-1,594	-559	-	-1,505	-	6,679	596	12,019	3,073	15,092
Provisions for liabilities and charges	69,518	36,402	-41,121	-10,687	-18,087	-	-	50,969	283	87,277	44,315	131,593
Provisions for pensions and other post-employment benefits	101,991	7,826	-4,932	-	-9,990	-	12,806	409	1,609	109,718		109,718
TOTAL	171,509	44,228	-46,053	-10,687	-28,077	-	12,806	51,378	1,892	196,995	44,315	241,311

- (1) Regarding the ongoing reorganization at the Compiègne-Laval site in France.
- (2) Regarding the impacts of loss-making contracts and losses on completion in the Automobile segment
- (3) The "Others" sub-section includes individually insignificant amounts.
- (4) The actuarial difference corresponds to the decrease in rates in the Eurozone and United- States.
- (5) See Note 5.1.16 on the breakdown of the items included in Assets and Liabilities held for sale in the December 31, 2016 Consolidated Financial Statements.
- (6) These are mainly impacts related to Faurecia's Exterior Systems business.

5.2.6. Provisions for pensions and other post-employment benefits

Post-employment benefits:

The generic term "post-employment benefits" covers both pension and other employee benefits.

Provisions for pensions:

Provisions for pensions mainly concern:

- end of career benefits ;
- supplementary pension plans ;
- and healthcare coverage plans.

In France, supplementary pension plans only concern Executive Corporate Officers and consist end of career benefits (“IFC”). Supplementary pension plans, which affect the other geographical regions, concern all employees.

Plans for the payment of healthcare costs mainly concern North America Zone (United States)

Other long-term employee benefits:

Other long-term employee benefits cover long-service awards and other long-service awards within the Group.

Post-employment benefit plans are subject to the regulations applicable in each country. The benefits recognized in the financial statements are therefore not a function of the number of employees by region.

The regions identified and presented are those for which the regulations are consistent allowing data to be aggregated. Where no such aggregation is possible, no reference actuarial rate is given as a discrepancy in the parameters is too great to calculate an average. Similarly, sensitivity tests are carried out on significant, homogeneous and regional data.

5.2.6.1 Actuarial Assumptions

The main actuarial assumptions used to value post-retirement and long-term benefits are the following:

	December 31, 2017		December 31, 2016	
	France	United States	France	United States
	Managers and non-managers		Managers and non-managers	
Minimum age for receiving a full pension	60-62 years	65 years	60-62 years	65 years
Age from which no reduction applies	65-67 years		65-67 years	
Discount rate – post-employment benefits	1.60%	3.75%	1.25%	4.25%
Discount rate – length-of-service awards	1.10%		0.50%	
Inflation rate	1.70%		1.70%	
Rate of future salary increases	2.70%	3.50%	1.70% to 4.70%	3.50%
Rate of growth in healthcare costs ⁽¹⁾		7.50%		6.70%
Expected long-term rate of return on pension plan assets	1.00%	3.75%	2.00%	4.25%

(1) In the United States, rates are expected to decline by 0.5% per year to reach 5% in 2019.

Annual rate of discounting of post-employment benefits:

The Group uses, as a reference, the rate of bonds issued by good quality (AA) commercial and industrial companies and with maturity equal to the length of the commitment being valued.

Inflation rates:

In France, benefits are linked to inflation rates.

The impact of inflation rates is not material in the United States.

Average rate of future salary increases:

The average rates of future salary increases are weighted between "managers" and "non-executive" staff and the age of employees.

The expected long-term return on pension plan assets:

These rates are based on long-term market forecasts and take account of each plan's asset allocation.

For other foreign subsidiaries, rate differentials are determined based on local conditions.

5.2.6.2. Changes in balance sheet commitments and benefit costs corresponding to the defined benefit plans

The balance sheet amounts for these benefits are as follows:

In thousands of euros	Post-employment benefit plans			Other long-term benefits			Total		
	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2017	December 31, 2016	December 31, 2015
Projected benefit obligation at January 1	150,173	135,123	125,733	4,876	5,678	6,989	155,051	140,802	132,722
Service cost	11,108	8,929	8,300	263	658	371	11,371	9,587	8,671
Interest cost	3,626	3,881	4,068	44	94	99	3,670	3,975	4,167
Curtailments, settlements and other	632	-1,579	-6,652	-65	-239	-1,299	567	-1,818	-7,951
Actuarial gains and losses	1,172	12,411	6,307	-466	197	-20	706	12,608	6,287
<i>Of which, experience adjustments</i>	<i>-1,715</i>	<i>705</i>	<i>1,676</i>	<i>-327</i>	<i>-137</i>	<i>-37</i>	<i>-2,042</i>	<i>568</i>	<i>1,639</i>
Benefits paid from plan assets	-368	-711	-13	21	5	17	-347	-706	4
Benefits paid by the Company	-1,920	-2,050	-9,529	-324	-436	-574	-2,244	-2,486	-10,103
Change in scope	-9,703	572		-898	-163		-10,601	409	
Reclassifications according to IFRS 5(1) ⁽¹⁾	9,057	-9,057		933	-933		9,990	-9,990	
Translation adjustment	-9,378	2,654	6,910	-61	15	95	-9,439	2,669	7,005
Projected benefit obligation at December 31	154,399	150,173	135,123	4,323	4,876	5,678	158,722	155,049	140,802
<i>Change in projected benefit obligation</i>	<i>4,226</i>	<i>15,050</i>	<i>9,390</i>	<i>-553</i>	<i>-802</i>	<i>-1,311</i>	<i>3,671</i>	<i>14,247</i>	<i>8,080</i>
Fair value of plan assets at January 1	45,331	38,811	39,557				45,331	38,811	39,557
Return on plan assets	1,392	1,328	1,663				1,392	1,328	1,663
Employer contributions	6,655	4,996	4,757				6,655	4,996	4,757
Actuarial gains and losses	3,568	-459	4,556				3,568	-459	4,556
Benefit payments funded by plan assets	-514	-405	-7,091				-514	-405	-7,091
Curtailments, settlements and other			-8,158						-8,158
Translation adjustment	-4,226	1,060	3,527				-4,226	1,060	3,527
Fair value of plan assets at December 31	52,206	45,331	38,811				52,206	45,331	38,811
<i>Change in fair value of plan assets</i>	<i>6,875</i>	<i>6,520</i>	<i>-746</i>				<i>6,875</i>	<i>6,520</i>	<i>-746</i>
Excess of projected benefit obligation over plan assets = net provision recorded in the balance sheet	102,194	104,842	96,312	4,323	4,876	5,679	106,517	109,718	101,991
- of which France	47,720	50,026	49,185	3,047	3,496	4,226	50,767	53,522	53,411
- of which Europe excluding France	9,927	10,947	11,105	827	880	916	10,754	11,827	12,021
- of which United States	35,224	34,842	28,142	449	500	537	35,673	35,342	28,679
- of which other regions	9,323	9,027	7,880				9,323	9,027	7,880

(1) See Note 5.1.16 for the breakdown of components reclassified in “Assets and Liabilities held for sale”

The present value of partially funded commitments amounted to €99,903 thousand at December 31, 2017, including €12,712 thousand for French plans and €70,221 thousand for the United States plans. At December 31, 2016, the present value of partially funded obligations was as follows: at the end of the year, there were €95,859 thousand, including €12,817 for French plans and €66,641 thousand for the United States plans.

In 2017:

The decrease in the commitments is mainly related to the increase in discount rates in Europe.

In 2016:

The significant impacts were due to lower discount rates in Europe and the United States.

5.2.6.3 Analysis of net obligations by region

Details of net obligations by region are presented in the table below:

In thousands of euros	December 31, 2017				December 31, 2016			
	France	Europe excluding France	United States	Other	France	Europe excluding France	United States	Other
Post-employment benefit plans								
Length-of-service awards payable on retirement	46,378	738		9,323	45,857	691		9,027
Supplementary pension plans	1,342	9,189	31,968		4,169	10,256	31,093	
Healthcare plans			3,256				3,749	
Total post-employment benefit obligations	47,720	9,927	35,224	9,323	50,026	10,947	34,842	9,027
Other long-term benefits	3,047	827	449		3,496	880	500	
Total other post-employment benefit obligations	3,047	827	449		3,496	880	500	
Net obligations recognized in the balance sheet	50,767	10,754	35,673	9,323	53,522	11,827	35,342	9,027

		December 31, 2017		December 31, 2016	
		France	United States	France	United States
Average maturity of obligations	In years	12	21	13	21
Amount of obligations	In thousands of euros	57,362	70,221	57,920	66,641
<i>of which:</i>					
Retirees obligations		-	2,263	-	2,140
Vested deferreds obligations		-	3,203	-	2,094
Actives obligations		57,362	64,755	57,920	62,407

5.2.6.4 Sensitivity tests of Retirement obligations

The sensitivity tests on retirement obligations on the main external variable, the discount rate, in 2017 and in 2016 show the following impacts:

In thousands of euros	December 31, 2017					December 31, 2016				
	Basis	Increase		Decrease		Basis	Increase		Decrease	
		+ 0,25%		- 0,25%			+ 0,25%		- 0,25%	
		Amount	%	Amount	%		Amount	%	Amount	%
France										
Effect on service cost and interest cost	4,687	4,663	-0.52%	4,711	0.51%	4,629	4,678	1.06%	4,719	1.94%
Effect on projected benefit obligation	57,362	55,568	-3.12%	59,229	3.26%	57,920	56,300	-2.80%	59,851	3.33%
United States										
Effect on service cost and interest cost	7,329	7,162	-2.28%	7,496	2.27%	7,158	6,976	-2.54%	7,341	2.56%
Effect on projected benefit obligation	70,221	66,835	-4.82%	73,784	5.08%	66,641	60,134	-9.76%	63,388	-4.88%

5.2.6.5 Changes in net balance sheet amounts of the benefits

Changes in net balance sheet positions related to the full range of benefits are as follows:

In thousands of euros	Post-employment benefit plans			Other long-term benefits			Total		
	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2017	December 31, 2016	December 31, 2015
Net projected benefit obligation at January 1	104,842	96,312	86,176	4,876	5,679	6,989	109,718	101,991	93,165
<u>Expense/income for the year</u>									
Service cost	11,108	8,929	8,300	263	658	371	11,371	9,587	8,671
Curtailments, settlements and other	632	-1,579	1,504	-65	-239	-1,300	567	-1,818	204
Benefits paid by the Company	-1,920	-2,050	-9,529	-324	-436	-574	-2,244	-2,486	-10,103
Actuarial gains and losses		-8		-431	269	-20	-431	261	-20
Benefit payments funded by assets	146	-307	7,078	21	5	17	167	-302	7,096
Employer contributions	-6,655	-4,996	-4,757				-6,655	-4,996	-4,757
Net non-recurring post-employment benefit plan costs recorded in operating expenses⁽¹⁾	3,311	-11	2,596	-536	256	-1,505	2,775	245	1,091
Interest cost	3,626	3,881	4,068	44	94	100	3,670	3,975	4,168
Expected return on plan assets	-1,392	-1,328	-1,663				-1,392	-1,328	-1,663
Interest costs of post-employment benefit obligations⁽²⁾	2,234	2,553	2,405	44	94	100	2,278	2,647	2,505
<u>Balance sheet impact</u>									
Change in scope	-9,703	572		-898	-163		-10,601	409	
IFRS 5 reclassification ⁽³⁾	9,057	-9,057		933	-933		9,990	-9,990	
Actuarial gains and losses	-2,396	12,878	1,751	-35	-72		-2,431	12,806	1,751
Translation adjustment	-5,152	1,594	3,383	-61	15	95	-5,213	1,609	3,478
Balance sheet impact	-8,194	5,987	5,135	-61	-1,153	95	-8,255	4,834	5,230
Net projected benefit obligation at December 31	102,194	104,842	96,312	4,323	4,876	5,679	106,517	109,718	101,991

(1) Including €65 thousand recorded as other operating income and expenses for 2017 versus €1,847 thousand for 2016.

(2) See Interest costs of post-employment benefit obligations in note 4.7 on "Net Financial Income"

(3) See note 5.1.16 for the breakdown of components reclassified in "Assets and Liabilities held for sale"

5.2.6.6 Healthcare cost sensitivity tests in the United States

The following table shows the impact of a 1-point change in the rate of growth of health care costs in the United States:

In thousands of euros	December 31, 2017		December 31, 2016	
	Increase	Decrease	Increase	Decrease
Effect on provisions for post-employment benefit obligations	500	-633	536	-680

5.2.6.7 Breakdown of plan assets by category

The funded plan assets at fair value - mainly in the United States - broke down as follows by category:

In thousands of euros	December 31, 2017	December 31, 2016
Equities	25,083	22,263
Bonds	15,252	13,050
Real estate	598	217
Other	11,274	9,801
Total	52,206	45,331

5.2.6.8 Contributions paid in respect of defined contribution plans

Contributions paid in respect of defined contribution plans amounts to €11,594 thousand in 2017 compared to €10,181 thousand in 2016. The jump compared to the 2015 amount of €7,136 thousand reported in the December 31, 2016 Consolidated Financial Statements is due to the integration of the German subsidiary of Faurecia “Exterior Systems” business. With the acquisition of this business, the Group absorbed nearly 3,000 employees in Germany where the pension plan is based on defined contributions.

5.2.7. Non-current borrowings

5.2.7.1 Definition of debt instruments within the Group

Net debt is an important notion for the day-to-day management of Plastic Omnium cash. It is used to determine the Group’s debit or credit position outside of the operating cycle. Net debt is determined as:

- long-term borrowings:
 - drawdowns on lines of credit
 - private placement notes
 - bonds;
- less loans, negotiable debt securities and other long-term financial assets (*see Note 5.2.7.3 “Loans, negotiable debt securities and other financial assets”*);
- plus short-term loans;
- plus overdraft facilities;
- less cash and cash equivalents.

5.2.7.2 Borrowings: private placement notes

First Half of 2017:

On June 19, 2017, the Group placed out the placement of a €500 million bond with European investors without “covenants” or “rating”. The features of this bond issue are presented in the table below:

Bond issue	Issued on June 19, 2017
Fixed rate	<i>in euros</i> 500,000,000
Maturity	June, 26, 2024
Interest rate	1.25 %
Listed	Euronext Paris

At December 31, 2017:

The main features of the bonds and private placements as at December 31, 2017 are summarized in the following table:

December 31, 2017	Private placement bond issue of 2012	Private bond of 2013	"Schuldschein" private placement of 2016	Private placement bond issue of June 2017
Issue - Fixed rate <i>in euros</i>	250,000,000	500,000,000	300,000,000	500,000,000
Annual interest rate / coupon	3.875%	2.875%	1.478%	1.25%
Features	French institutional investors	European investors	International (Asia, Germany, Netherlands, Switzerland, Luxembourg, Belgium) and French investors	European investors
	No "covenants" and "rating"			
Maturity	December 12, 2018	May 29, 2020	June 17, 2023	June, 26, 2024

5.2.7.3 Loans, negotiable debt securities and other financial assets

Other financial assets include loans, security deposits and surety bonds and negotiable debt securities and mutual funds holding cash and bonds (UCITS - Undertaking for Collective Investment in Transferable Securities). They are valued at amortized cost. Whenever there is any objective evidence of impairment - i.e. a negative difference between the carrying amount and the recoverable amount - an impairment provision is recognized through profit or loss. This impairment is reversed if the amount recovered is favorable.

Other financial assets also include short-term investment securities that do not meet the criteria for the equivalent of cash equivalents. These assets are measured at their fair value at the closing date, and changes in fair value are recognized in net financial income.

In 2015, the Group subscribed to four negotiable medium-term notes with a credit institution and in 2017, the Group invested in UCITS comprising mutual funds holding medium-term bonds and cash. The summary is shown in the table below:

Negotiable medium-term note	Classified as current financial receivables ⁽¹⁾			UCITS ⁽²⁾
Subscription date	February 24, 2015	July 13; 2015	July 13, 2015	December, 14 and 29, 2017
Nominal (in euros)	5,000,000	10,000,000	4,000,000	50,006,265
Maturity	February 25, 2019	July 11, 2018	July 15, 2019	Indeterminate
	<i>Not available for four quarters following the subscription date</i>			
Quarterly coupon: Fixed rate Variable rate	Sets the first four quarters following the issue 3-month Euribor + spread as of the fifth quarter			N/A
	<i>Not available for eight quarters following the subscription date</i>			
	Sets the first eight quarters following the issue 3-month Euribor + spread as of the ninth quarter			
Total at December 31, 2017	24,000,000 euros			50,006,265 euros

(1) See Note 5.1.10 on Current financial receivables.

(2) UCITS : Undertaking for Collective Investment in Transferable Securities

5.2.7.4 Utilization of medium-term credit lines

At December 31, 2017 as at December 31, 2016, the Plastic Omnium Group had access to several confirmed bank lines of credit exceeding the Group's requirements.

At December 31, 2017, the amount of these confirmed bank lines of credit amounted to €1,349 million with an average maturity of four years, compared with €1,303 million at December 31, 2016.

5.2.7.5 Reconciliation of gross and net debt

In thousands of euros	December 31, 2016			December 31, 2016		
	Total	Current portion	Non-current portion	Total	Current portion	Non-current portion
Finance lease liabilities	14,412	2,741	11,671	17,059	2,821	14,238
Bonds and bank loans	1,690,437	378,337	1,312,100	1,270,598	165,499	1,105,099
<i>of which the bond issue in 2017</i>	498,180	3,339	494,841	-	-	-
<i>of which the bond issue in 2013</i>	506,067	8,546	497,521	505,091	8,546	496,545
<i>of which the "EuroPP" bond issue</i>	249,964	249,964	-	249,390	531	248,859
<i>of which the "Schuldschein" private placement 2012</i>	-	-	-	45,000	45,000	-
<i>of which the "Schuldschein" private placement 2016</i>	301,173	2,393	298,780	300,960	2,393	298,567
<i>of which commercial paper</i>	-	-	-	12,000	12,000	-
<i>of which bank lines of credit</i>	135,053	114,095	20,958	158,157	97,029	61,128
Non-current and current borrowings (+)	1,704,849	381,078	1,323,771	1,287,657	168,320	1,119,337
Other current debt (+)	4	4		5	5	
Hedging instruments - liabilities (+) ⁽¹⁾	5,618	5,618		17,870	17,870	
Total borrowings (B)	1,710,471	386,700	1,323,771	1,305,532	186,195	1,119,337
Available-for-sale financial assets (-) ⁽²⁾	-27,514		-27,514	-30,451		-30,451
Other financial assets (-)	-101,867	-42,807	-59,060	-88,367	-33,918	-54,449
<i>of which non-current financial receivables⁽³⁾</i>	-49,802		-49,802	-25,816		-25,816
<i>of which negotiable debt securities⁽³⁾</i>	-		-	-		-
<i>of which trade accounts receivable⁽³⁾⁽⁴⁾</i>	-52,065	-42,807	-9,258	-62,551	-33,918	-28,633
Other current financial assets and financial receivables (-) ⁽⁴⁾	-83,209	-83,209		-62,388	-62,388	
<i>of which negotiable debt securities</i>	-74,018	-74,018		-24,016	-24,016	
<i>of which receivables attached to available-for-sale financial asset</i>	-	-		-30,179	-30,179	
Hedging instruments - assets (-) ⁽¹⁾	-5,254	-5,254		-499	-499	
Total financial receivables (C)	-217,844	-131,270	-86,574	-181,705	-96,805	-84,900
Gross debt (D) = (B) + (C)	1,492,627	255,430	1,237,197	1,123,827	89,390	1,034,437
Cash and cash equivalents (-) ⁽⁵⁾	939,635	939,635		334,189	334,189	
Short-term bank loans and overdrafts (+)	-9,993	-9,993		-10,307	-10,307	
Net cash and cash equivalents as recorded in the Statement of Cash Flows (A)⁽⁶⁾	-929,642	-929,642		-323,882	-323,882	
NET DEBT (E) = (D) + (A)	562,985	-674,212	1,237,197	799,945	-234,492	1,034,437

(1) See Note 5.2.8 "Interest rate and foreign exchange hedges".

(2) See Note 5.1.7 "Available-for-sale financial assets".

(3) See 5.1.8 "Other non-current financial assets".

(4) See Note 5.1.10 "Current financial assets" and 5.2.7.3 for the principal amount.

(5) See Note 5.1.13.1 "Cash and cash equivalents - Gross value".

(6) See Note 5.1.13.2 "Net cash and cash equivalents at close".

5.2.7.6 Analysis of gross debt by currency

The table below shows the gross financial debt after taking into account the swaps transactions that allowed the conversion of the euro into foreign currency.

<i>As a % of total debt</i>	December 31, 2017	December 31, 2016
Euro ⁽¹⁾	74%	63%
US dollar	18%	25%
Chinese yuan	3%	5%
Pound sterling	4%	5%
Brazilian real	1%	1%
Russian ruble	0%	0%
Polish zloty	0%	0%
Other currencies ⁽²⁾	0%	1%
Total	100%	100%

(1) The change of the relative weight of the euro in the Group's debt structure is explained by the €500 million bond issue on June 19, 2017 (See Note 2.4.1).

(2) "Other currencies" concerns various currencies, which, taken individually, account for less than 1% of total financial debt over the two periods.

5.2.7.7 Analysis of gross debt by type of interest rate

<i>As a % of total debt</i>	December 31, 2017	December 31, 2016
Hedged variable rates	0%	0%
Unhedged variable rates	7%	8%
Fixed rates	93%	92%
Total	100%	100%

5.2.8. Interest rate and currency hedges

<i>In thousands of euros</i>	December 31, 2017		December 31, 2016	
	Assets	Liabilities	Assets	Liabilities
Interest rate derivatives	-	-3,400	-	-6,414
Exchange rate derivatives	5,254	-2,218	499	-11,456
Total balance sheet	5,254	-5,618	499	-17,870

5.2.8.1 Interest rate hedges

Interest rate hedges included swaps and caps. The objective is to hedge the Plastic Omnium Group against the increase in interest rates to which its financing is exposed.

At December 31, 2017:

- the total notional amount of derivative instruments used for the management of interest rate risks stood at €105 million (swaps) compared with €255 million December 31, 2016 (swaps and caps).

The Group does not have any derivatives that are qualified as cash flow hedges as defined in IAS 39 ("Cash flow hedge"). The amount was €60 million at December 31, 2016.

Instruments that do not qualify for hedge accounting are nevertheless part of the Group's interest rate hedging strategy, which is financed at variable rates, particularly in the context of its sales of receivables.

The fair value of derivatives is recognized in the assets and liabilities in the consolidated balance sheet under “Hedging instruments”.

For derivatives that qualify for hedge accounting under IFRS:

- The effective portion of the change in fair value of the derivatives to hedge future periods is recognized in equity (“Other comprehensive income”).
- It is reclassified to the income statement in the same period as the hedged cash flows (i.e. interest payments) affect profit.
- The time value of options is excluded from the hedging relationship. Changes in the time value of options and the ineffective portion of the gain or loss on the hedging instrument are recognized in profit or loss.

Changes in fair value of instruments that do not qualify for hedge accounting are recognized directly in financial income.

5.2.8.1.1 Derivatives portfolio

In thousands of euros	December 31, 2017			December 31, 2016		
	Fair value of hedging instruments	Recorded in assets	Recorded in liabilities	Fair value of hedging instruments	Recorded in assets	Recorded in liabilities
Interest rate derivatives (fair value)	-3,400	-	-3,400	-6,414	-	-6,414
Outstanding premiums	-	-	-	-350	-	-350
Total fair value and outstanding premiums		-	-3,400		-	-6,764

Composition of interest rate derivatives portfolio:

December 31, 2017									
In thousands of euros	Fair value	Recorded in assets	Recorded in liabilities	Effective portion included in OCI(1)	Nominal	Maturity	Reference interest rate	Outstanding premiums(2)	Nature of derivative
Swaps	-3,400	-	-3,400	-	105,000	February 2019	Euribor 1M	N/A	Non qualified
Total	-3,400	-	-3,400	-	105,000			N/A	

December 31, 2016									
In thousands of euros	Fair value	Recorded in assets	Recorded in liabilities	Effective portion included in OCI(1)	Nominal	Maturity	Reference interest rate	Outstanding premiums(2)	Nature of derivative
Caps	-	-	-	-	60,000	May 2017	Euribor 2M	-140	CFH ⁽³⁾
Caps	-	-	-	-	90,000	June 2017	Euribor 1M	-210	Non qualified
Swaps	-6,414	-	-6,414	-	105,000	February 2019	Euribor 1M	N/A	Non qualified
Total	-6,414	-	-6,414	-	255,000			-350	

(1) OCI: Other comprehensive income.

(2) Cap premiums are paid out in installments over the duration of the instruments. Outstanding premium amounts are classified under liabilities and shareholders’ equity in the consolidated balance sheet under “Non-current borrowings” and “Current borrowings”.

(3) CFH: Cash flow hedges.

5.2.8.1.2 Amounts recognized in equity under “ Other comprehensive income ”

The amounts below are expressed as gross values before tax.

In thousands of euros	Balance before tax recorded in OCI (1) at December 31, 2016	Transactions in the period	Change in fair value of derivatives	Montant recyclé en résultat sur la période	Fair value adjustments reclassified in profit or loss December 31, 2017
Effect of August 2010 and February 2012 restructuring of the derivatives portfolio ⁽²⁾	1,824	-	-	-804	1,020
Effect of June 2013 restructuring of the derivatives portfolio	-3,530	-	-	1,630	-1,900
Total	-1,706	-	-	826	-880

In thousands of euros	Balance before tax recorded in OCI (1) at December 31, 2015	Transactions in the period	Change in fair value of derivatives	Amount reclassified in profit or loss in the period	Fair value adjustments reclassified in profit or loss December 31, 2016
Effect of August 2010 and February 2012 restructuring of the derivatives portfolio ⁽²⁾	2,627	-	-	-803	1,824
Effect of June 2013 restructuring of the derivatives portfolio	-5,157	-	-	1,627	-3,530
Total	-2,530	-	-	824	-1,706

(1) OCI: Other Comprehensive Income.

(2) Restructuring of derivatives portfolio to extend maturity of hedging instruments.

5.2.8.1.3 Impact of hedging on the income statement

In thousands of euros	December 31, 2017	December 31, 2016
Effective component of hedging instruments related to derivatives portfolio (hedging of interest rates accruing over the period)	-3,260	-3,622
Reclassification in profit or loss of accumulated gains and losses following past restructurings ⁽¹⁾	-826	-824
Time value of caps	299	686
Changes in fair value of instruments that do not qualify for hedge accounting	3,022	1,740
Total⁽²⁾	-765	-2,020

(1) See Note 5.2.8.1.2 “Reclassified in profit or loss”.

(2) See “Gains or losses on interest rate and currency hedges” in Note 4.7 “Net financial income”.

See also the impact of currency hedges in Note 5.2.8.2.

5.2.8.2 Currency hedges

The Group uses derivatives to hedge its exposure to currency risk.

Since 2016, the Group has chosen a policy of hedging the highly probable future transactions in foreign currencies of its entities. Hedging instruments implemented in this framework are forward purchases of foreign currency. The Group has applied to these instruments the accounting treatment of cash flow hedges as required by IAS 39.89: instruments are valued at fair value and changes in value are recognized in equity for the effective portion. These amounts recognized in equity are transferred to profit or loss when the hedged cash flows affect the income.

The Group also applies to certain instruments the accounting treatment of net assets as defined in IAS 39.89: instruments are measured at fair value and changes in value as well as their settlement are recognized in equity.

At December 31, 2017, the fair value of the instruments implemented and recognized was a positive amount €3,036 thousand, of which a positive €2,216 thousand recognized in equity.

Changes in the fair value of other currency hedging instruments are recognized in net financial income.

5.2.8.2.1 Portfolio of currency hedges

	December 31, 2017				December 31, 2016			
	Fair value in thousands of euros	Notional amount in thousands of currency units	Medium-term exchange rate	Exchange rate at December 31, 2017	Fair value in thousands of euros	Notional amount in thousands of currency units	Medium-term exchange rate	Exchange rate at December 31, 2016
			Currency / Euro	Currency / Euro			Currency / Euro	Currency / Euro
Net sell position (net buy position if <0)								
USD - Forward exchange contract	+2,216	-45,780	1.1492	1.1993	-1,041	-45,135	1.0992	1.0541
GBP - Forward exchange contract	-	-	-	-	+361	-7,436	0.8223	0.8562
HUF - Forward exchange contract	-19	-283,982	316.8402	310.3300	-	-	-	-
CNY - Forward exchange contract	-	-	-	-	-	-	-	-
MYR - Forward exchange contract	-	-	-	-	-	-	-	-
MXN - Forward exchange contract	-	-	-	-	-	-	-	-
CLP - Forward exchange contract	-1	+222,832	742.7733	-	-11	-332,157	-	707.8000
KRW - Forward exchange contract	-6	-2,225,591	1,281.7979	1,279.6100	+139	-9,090,523	+1,265	1,369.3600
USD - Forward currency swap	+2,739	-228,000	1.1834	1.1993	-9,247	-283,300	1.0923	1.0541
GBP - Forward currency swap	-519	-48,000	0.8980	0.8872	-281	-36,824	0.8619	0.8562
CZK - Forward currency swap	-	-	-	-	-	-	-	-
RUB - Forward currency swap	-76	-127,670	72.8100	69.3920	-263	-109,000	77.4600	64.3000
CNY - Forward currency swap	-1,300	-398,000	8.0525	7.8044	-601	-380,443	7.4766	7.3202
SEK - Forward currency swap	-	-	-	-	+1	+642	9.7300	9.5525
JPY -Forward currency swap	-	-	-	-	-13	+313,293	122.6700	123.4000
TOTAL	+3,036				-10,956			

5.2.8.2.2 Impact of unsettled foreign exchange hedges on income and equity

In thousands of euros	December 31, 2017	December 31, 2016
Impact of change in foreign exchange hedging portfolio on income (ineffective portion) ⁽¹⁾	11,587	-7,715
Impact of change in foreign currency hedging portfolio on equity (effective portion)	2,403	-187
Total	13,990	-7,902

(1) See “Gains or losses on interest rate and currency hedges” in Note 4.7 “Net financial income”.

See also Note 5.2.8.1.3 "Impact of hedging on the income statement".

5.2.9. Operating and other liabilities

5.2.9.1 - Trade payables

In thousands of euros	December 31, 2017	December 31, 2016 adjusted	Adjustments	December 31, 2016 published
Trade payables	1,146,885	1,151,155	2,431	1,148,724
Due to suppliers of fixed assets	86,336	77,894		77,894
Total	1,233,221	1,229,049	2,431	1,226,618

5.2.9.2 - Other operating liabilities

In thousands of euros	December 31, 2017	December 31, 2016 adjusted	Adjustments	December 31, 2016 published
Accrued employee benefits expense	156,558	137,058		137,058
Accrued income taxes	31,741	31,837		31,837
Other accrued taxes ⁽¹⁾	125,574	113,068		113,068
Other payables	260,760	202,601	1,963	200,638
Customer prepayments	215,265	200,698		200,698
Total	789,898	685,262	1,963	683,299

(1) For the impacts of the Tax Credit-CICE for French entities, see in Significant Events of the period, Note 2.5.1.

5.2.9.3 Payables and other operating liabilities by currency

In thousands of currency units	Liabilities at December 31, 2017			December 31, 2016 adjusted	Adjustments	Liabilities at December 31, 2016 published		
	Local currency	Euro	%			Euro	Euro	Local currency
EUR Euro	1,138,805	1,138,805	56%	977,378	4,394	972,984	972,984	51%
USD US dollar	538,656	449,142	22%	437,946		461,639	437,946	23%
GBP Pound sterling	118,456	133,512	7%	144,036		123,321	144,036	8%
CNY Chinese yuan	878,575	112,574	6%	125,475		918,505	125,475	7%
BRL Brazilian real	174,635	43,957	2%	40,280		138,182	40,280	2%
Other Other currencies		145,129	7%	189,196			189,196	9%
Total		2,023,119	100%	1,914,311	4,394		1,909,917	100%
<i>Of which:</i>								
• Trade payables		1,233,221	61%	1,229,049	2,431		1,226,618	64%
• Other operating liabilities		789,898	39%	685,262	1,963		683,299	36%

Sensitivity tests of exchange rate movements of “Trade payables and other liabilities” give the following results:

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In thousands of currency units	Sensitivity tests on liabilities at December 31, 2017						December 31, 2016 adjusted	Adjustments	Sensitivity tests on liabilities at December 31, 2016					
	Base		Increase – all currencies		Decrease – all currencies				Base	Base	Base		Increase – all currencies	
	Local currency	Conversion rate	+10%	+20%	-10%	-20%	Local currency	Local currency			Conversion rate	+10%	+20%	-10%
			%	%	%	%			%	%		%	%	
EUR Euro	1,138,805	1.0000	54%	52%	59%	62%	977,378	4,394	972,984	1.0000	49%	46%	54%	56%
USD US dollar	538,656	0.8338	23%	24%	21%	19%	461,639		461,639	0.9487	24%	25%	22%	20%
GBP Pound sterling	118,456	1.1271	7%	7%	6%	6%	123,321		123,321	1.1680	8%	8%	7%	7%
CNY Chinese yuan	878,575	0.1281	6%	6%	5%	5%	918,505		918,505	0.1366	7%	7%	6%	6%
BRL Brazilian real	174,635	0.2517	2%	2%	2%	2%	138,182		138,182	0.2915	2%	2%	2%	2%
Other Other currencies			8%	9%	7%	6%					10%	12%	9%	9%
Total in euros		2,023,119	2,111,554	2,199,985	1,934,690	1,846,258	1,914,310	4,394		1,909,916	2,003,609	2,097,302	1,816,223	1,722,529
Of which:														
• Trade payables		1,233,221	1,287,126	1,341,030	1,179,316	1,125,411	1,229,049	2,431		1,226,618	1,286,791	1,346,964	1,166,445	1,106,271
• Other operating liabilities		789,898	824,428	858,955	755,374	720,847	685,261	1,963		683,298	716,818	750,338	649,778	616,258

Exchange rate sensitivity tests on “Trade payables and other liabilities” and “Trade and other receivables” (See Note 5.1.11) show an insignificant net sensitivity to exchange rate fluctuations as at December 31, 2017.

6. CAPITAL AND MARKET RISK MANAGEMENT

Compagnie Plastic Omnium has set up a global cash management system with its subsidiary Plastic Omnium Finance, which manages liquidity, currency and interest rate risks on behalf of all subsidiaries. The market risks strategy, which may result in entering balance sheet and off-balance sheet commitments, is approved every quarter by the Chairman and Chief Executive Officer.

6.1. Capital management

The Group's objective is to have, at any time, sufficient financial resources to enable it to carry out its current business, fund the investments required for its development and also to respond to any exceptional events.

This is achieved through the use of capital markets, leading to capital and financial debt management.

As part of its capital management strategy, the Group pays dividends to its shareholders and may make adjustments in line with changes in economic conditions.

The capital structure may be adjusted by paying ordinary or special dividends, through share buybacks and cancellation of treasury stock, returning a portion of capital to shareholders or issuing new shares and/or securities giving rights to capital.

The Group uses the gearing ratio, corresponding to the ratio of consolidated net debt to equity, as a ratio of the Group's net debt. The Group includes in net debt all financial liabilities and commitments, other than operating payables, less cash and cash equivalents and other financial assets, other than operating receivables, such as marketable securities and loans. At December 31, 2017 and December 31, 2016, the gearing ratio was as follows:

In thousands of euros	December 31, 2017	December 31, 2016
Net debt ⁽¹⁾	562,985	799,945
Equity (including non-current government grants)	1,760,791	1,516,131
Gearing ratio	31.97%	52.76%

(1) See note 5.2.7.5 "Reconciliation of gross and net debt".

None of the Group's bank loans or financial liabilities contains covenants providing for early repayment in the event of non-compliance with financial ratios.

As part of its capital management, the liquidity account shows the following positions:

- at December 31, 2017:
 - 9,500 securities (shares) ;
 - and € 3,552,108 in cash.

- at December 31, 2016:
 - 25,032 securities (shares) ;
 - and € 2,925,457 in cash.

6.2. Commodities risk - Exposure to plastics risk

Plastic Omnium's business requires the purchase of large quantities of plastic, steel, paint and other raw materials subject to price changes that could have an impact on its operating margin.

To limit the risks associated with price fluctuations, the Group has negotiated price indexation clauses with most of its automotive customers or, failing that, regularly renegotiates selling prices.

The Environment segment, as part of an active sustainability policy, manufactures its products using over 50% recycled plastic, which is structurally barely affected by price swings. For the rest, the segment negotiates contracts with its

suppliers with annual price commitments. Finally, inventories are managed in such a way as to minimize the impact of price fluctuations.

In view of these measures, the Group considers that the price changes of the raw materials do not have a material impact on its operating margin.

6.3. Credit risk

Credit risk covers customer credit risk and bank counterparty risk.

6.3.1. Customer risk

At December 31, 2017, 13.2% of the Group's trade receivables were past due, versus 11.1% at December 31, 2016. Trade receivables break down as follows:

Ageing analysis of net receivables:

At December 31, 2017

In thousands of euros	Total outstanding	Not yet due	Due and past due	Less than 1 month	1-6 months	6-12 months	More than 12 months
Automotive	886,624	772,123	114,501	73,557	23,287	13,186	4,471
Environment	46,369	36,849	9,520	4,995	3,792	654	79
Unallocated items	7,091	7,091	-	-	-	-	-
Total	940,084	816,063	124,021	78,552	27,079	13,840	4,550

At December 31, 2016

In thousands of euros	Total outstanding adjusted	Adjustments	Total outstanding published	Not yet due	Due and past due	Less than 1 month	1-6 months	6-12 months	More than 12 months
Automotive	765,477	-205	765,682	686,293	79,389	45,222	24,654	4,391	5,123
Environment	42,066		42,066	31,448	10,618	5,404	3,258	478	1,478
Unallocated items	1,876		1,876	1,847	29	29	-	-	-
Total	809,419	-205	809,624	719,588	90,036	50,654	27,912	4,869	6,601
<i>IFRS 5 reclassifications⁽¹⁾</i>	25,231	-	25,231	22,759	2,472	1,966	220	125	161

(1) See the note 5.1.16 on the Summary of Transactions classified in Assets and Liabilities held for sale.

The risk of non-recovery is low and involves only a non-material amount of receivables more than twelve months past due.

6.3.2. Bank counterparty risk

The Group invests its cash surplus with first class banks and/or in senior securities.

6.4. Liquidity risk

The Group must have at all times sufficient financial resources to finance the current business and the investments required to support its development, but also to withstand any exceptional events.

This objective is mainly achieved by using medium-term lines of credit with banking institutions but also through short-term bank facilities.

The cash position of each division and the Group position are reviewed on a daily basis, and a weekly summary report is submitted to the Chairman and Chief Executive Officer and the Chief Operating Officers.

6.4.1. Other long-term financial receivables - carrying amounts and undiscounted values

Undiscounted values can be reconciled to the information in the table in Note 6.4.2 on “ Liquidity risks by maturity ”.

In thousands of euros	December 31, 2017		December 31, 2016	
	Undiscounted finance receivables	Carrying amount	Undiscounted finance receivables	Carrying amount
Due in one to five years	10,100	9,153	30,731	28,515
Other receivables (see Note 5.1.8)	42	42	29	29
Finance receivables related to Environment finance leases (see Note 5.1.8)	799	709	1,647	1,490
Finance receivables related to Automotive contracts (see Note 5.1.8)	9,259	8,402	29,055	26,996
Due beyond five years	156	147	149	147
Other receivables (see Note 5.1.8)	-	-	-	-
Finance receivables related to Environment finance leases (see Note 5.1.8)	156	147	149	147
Total	10,256	9,300	30,880	28,662

6.4.2. Liquidity risk by maturity

Liquidity risk by maturity is calculated on the basis of the undiscounted contractual cash flows of financial liabilities. The liquidity risk analysis shows the following:

At December 31, 2017:

In thousands of euros	December 31, 2017	Less than 1 year	1 to 5 years	More than 5 years
Financial assets				
Available-for-sale financial assets - Equity interests	316	-	316	-
Other available for sale financial assets	27,514	-	27,514	-
Other financial assets	49,802	-	49,802	-
Finance receivables ⁽¹⁾	53,103	42,889	10,058	156
Trade receivables ⁽²⁾	940,084	935,534	4,550	-
Other current financial assets and financial receivables	83,209	83,209	-	-
Hedging instruments	5,254	5,254	-	-
Cash and cash equivalents	939,635	939,635	-	-
Total financial assets	2,098,917	2,006,521	92,240	156

Financial liabilities				
Non-current borrowings ⁽⁴⁾	1,427,177	11,332	599,713	816,133
Bank overdrafts	9,993	9,993	-	-
Current borrowings ⁽⁵⁾	393,796	393,796	-	-
Other current debt	4	4	-	-
Hedging instruments	5,618	5,618	-	-
Trade payables	1,233,221	1,233,221	-	-
Total financial liabilities	3,069,810	1,653,964	599,713	816,133

Financial assets and financial liabilities - net⁽⁶⁾	-970,893	352,557	-507,473	-815,977
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(1) Undiscounted amount (see Notes 5.1.10 "Current financial receivables" and 6.4.1 "Other long-term financial receivables").

(2) "Trade receivables" includes €124,021 thousand pastdue at December 31, 2017 against €90,036 thousand at December 31, 2016. See Note 6.3.1 on "Customer credit risk".

(3) See Note 5.1.16 for the breakdown of items included in "Assets and Liabilities held for sale".

(4) "Non-current borrowings" includes the amounts reported in the balance sheet and interest payable over the remaining life of the debt.

(5) "Current borrowings" includes the amounts reported in the balance sheet and interest due within one year.

(6) See Note 5.2.7.4 on confirmed medium-term credit lines compared to uses in 2016 and 2015, the confirmed and unused bank lines largely covered the Group's cumulative medium-term financing requirements.

At December 31, 2016:

In thousands of euros	December 31, 2016 adjusted	Adjustments	December 31, 2016 published	Less than 1 year	1 to 5 years	More than 5 years
Financial assets						
Available-for-sale financial assets - Equity interests	394		394	-	394	-
Other available for sale financial assets	30,451		30,451	-	30,451	-
Other financial assets	25,816		25,816	-	25,816	-
Finance receivables ⁽¹⁾	64,889		64,889	34,038	30,702	149
Trade receivables ⁽²⁾	809,419	-205	809,624	803,023	6,601	-
Other current financial assets and financial receivables	62,388		62,388	62,388	-	-
Hedging instruments	499		499	499	-	-
Cash and cash equivalents	334,189		334,189	334,189	-	-
Total financial assets	1,328,045	-205	1,328,250	1,234,137	93,964	149
<i>Reclassification of Financial assets IFRS 5⁽³⁾</i>	<i>30,532</i>		<i>30,532</i>	<i>30,349</i>	<i>183</i>	<i>-</i>

Financial liabilities						
Non-current borrowings ⁽⁴⁾	1,230,968		1,230,968	28,497	890,667	311,805
Bank overdrafts	10,307		10,307	10,307	-	-
Current borrowings ⁽⁵⁾	174,117		174,117	174,117	-	-
Other current debt	5		5	5	-	-
Hedging instruments	17,870		17,870	17,870	-	-
Trade payables	1,229,049	2,431	1,226,618	1,226,618	-	-
Total financial liabilities	2,662,316	2,431	2,659,885	1,457,414	890,667	311,805
<i>Reclassifications of financial liabilities IFRS 5⁽³⁾</i>	<i>32,202</i>	<i>-</i>	<i>32,202</i>	<i>32,202</i>	<i>-</i>	<i>-</i>
Financial assets and financial liabilities - net⁽⁶⁾	-1,334,271	-2,636	-1,331,635	-223,277	-796,703	-311,656

(1) Undiscounted amounts (see Notes 5.1.10 “Current financial receivables” and 6.4.1 “Other long-term financial receivables”).

(2) “Trade receivables” includes €90,036 thousand past due at December 31, 2016, against €49,521 thousand at December 31, 2015. See Note 6.3.1 on “Customer credit risk”.

(3) See Note 5.1.16 for the breakdown of components included in “Assets and Liabilities held for sale”

(4) “Non-current borrowings” includes the amounts reported in the balance sheet and interest payable over the remaining life of the debt.

(5) “Current borrowings” includes the amounts reported in the balance sheet and interest due within one year.

See Note 5.2.7.4 on confirmed medium-term credit lines compared to uses in 2016 and 2015, the confirmed and unused

(6) bank lines largely cover the Group’s cumulated medium-term financing requirements.

6.5. Currency risks

Plastic Omnium’s business is based for the most part on local plants: by producing locally what is sold locally, the group has little exposure to currency fluctuations, except for the translation of financial statements.

The Group’s policy is to minimize the currency risk arising from transactions that will result in future payment or future revenue. If a transaction does give rise to a material currency risk, it is hedged with a forward currency contract. The subsidiary involved places this hedge with the central treasury or, with the latter’s approval, locally.

6.6. Interest rate risk

Interest rate risk relates to the effects of a potential increase in variable rates on variable rate debt, which would adversely affect net financial income. Interest rate risk is managed on the basis of the Group's consolidated debt with the main objective of maintaining relatively low financing costs in relation to the profitability of the Group's operations.

At December 31, 2017 as at December 31, 2016, the Group's core funding was at fixed rates (see Notes 5.2.7.7 "Analysis of debt by type of interest rate" and 5.2.8.1 "Interest rate hedges").

Financial transactions, particularly interest rate hedges, are carried out with a number of leading financial institutions. A competitive bidding process is carried out for any significant financial transactions and counterparty diversification and sufficient participants is among the selection criteria.

Sensitivity to interest rate changes:

At December 31, 2017, an increase of 1% in interest rates on variable rate debt would lead to a net increase €1.3 million in interest expense after taking into account the impact of hedging instruments compared with a reduction of €0.2 million (of interest expense after taking into account the impact of hedging instruments for a 1% increase in interest rate) at December 31, 2016.

At December 31, 2017, a 1% decrease in interest rates on floating rate debt would lead to a decrease of €1.3 in the cost of interest after taking into account the impact of hedging instruments compared with an increase of €0.6 million (of interest expense after taking into account the impact of hedging instruments for a 1% decrease in interest rate on variable rate debt) at December 31, 2016.

6.7. Additional information on financial assets and liabilities

Most derivatives are traded over-the-counter on which there are no listed prices. Therefore, their valuation is based on models commonly used by traders to evaluate these financial instruments (models for discounting future cash flows or options).

Financial assets and liabilities by category and fair value break down as follows:

2017									
In thousands of euros	At amortized cost	At fair value			Total Carrying amount	Valued at cost	Instrument listed on an active market (level 1)	Valuations based on observable market data (level 2)	Valuations based on unobservable market data (level 3)
ASSETS		Through the income statement	Through shareholders' equity (AFS) ⁽²⁾	Through shareholders' equity (CFH hedge) ⁽³⁾					
Available-for-sale financial assets - Equity interests	-	-	316	-	316	316	-	-	-
Available-for-sale financial assets	-	-	27,514	-	27,514	-	27,514	-	-
Other non-current financial assets	59,060	-	-	-	59,060	-	-	-	-
Finance receivables	42,807	-	-	-	42,807	-	-	-	-
Trade receivables	940,084	-	-	-	940,084	-	-	-	-
Other current financial receivables	33,202	50,007	-	-	83,209	-	50,007	-	-
Hedging instruments	-	5,254	-	-	5,254	-	-	5,254	-
Cash and cash equivalents	-	939,635	-	-	939,635	-	-	939,635	-

In thousands of euros	At amortized cost	At fair value			Total Carrying amount	Valued at cost	Instrument listed on an active market (level 1)	Valuations based on observable market data (level 2)	Valuations based on unobservable market data (level 3)
LIABILITIES		Through the income statement	Through shareholders' equity (AFS) ⁽²⁾	Through shareholders' equity (CFH hedge) ⁽³⁾					
Non-current borrowings ⁽¹⁾	1,323,771	-		-	1,323,771	-	-	-	-
Bank overdrafts	9,993	-		-	9,993	-	-	-	-
Current borrowings	381,078	-		-	381,078	-	-	-	-
Other current debt	4	-		-	4	-	-	-	-
Hedging instruments	-	8,021		-2,403	5,618	-	-	5,618	-
Trade payables	1,233,221	-		-	1,233,221	-	-	-	-

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2016											
Published											
In thousands of euros	At amortized cost	At fair value			Total Carrying amount published	Adjustments	Total Carrying amount adjusted	Valued at cost	Instrument listed on an active market (level 1)	Valuations based on observable market data (level 2)	Valuations based on unobservable market data (level 3)
		Through the income statement	Through shareholders' equity (AFS) ⁽²⁾	Through shareholder s' equity (CFH hedge) ⁽³⁾							
ASSETS											
Available-for-sale financial assets - Equity interests	-	-	394	-	394	-	394	394	-	-	-
Available-for-sale financial assets	-	-	30,451	-	30,451	-	30,451	-	30,451	-	-
Other non-current financial assets	54,449	-	-	-	54,449	-	54,449	-	-	-	-
Finance receivables	33,918	-	-	-	33,918	-	33,918	-	-	-	-
Trade receivables	809,624	-	-	-	809,624	-205	809,419	-	-	-	-
Other current financial receivables	62,388	-	-	-	62,388	-	62,388	-	-	-	-
Hedging instruments	-	499	-	-	499	-	499	-	-	499	-
Cash and cash equivalents	-	334,189	-	-	334,189	-	334,189	-	100,593	233,596	-

In thousands of euros	At amortized cost	At fair value			Total Carrying amount published	Adjustments	Total Carrying amount adjusted	Valued at cost	Instrument listed on an active market (level 1)	Valuations based on observable market data (level 2)	Valuations based on unobservable market data (level 3)
		Through the income statement	Through shareholders' equity (AFS) ⁽²⁾	Through shareholder s' equity (CFH hedge) ⁽³⁾							
LIABILITIES											
Non-current borrowings ⁽¹⁾	1,119,337	-		-	1,119,337	-	1,119,337	-	-	-	-
Bank overdrafts	10,307	-		-	10,307	-	10,307	-	-	-	-
Current borrowings	168,320	-		-	168,320	-	168,320	-	-	-	-
Other current debt	5	-		-	5	-	5	-	-	-	-
Hedging instruments	-	17,683		187	17,870	-	17,870	-	-	187	-
Trade payables	1,226,618	-		-	1,226,618	2,431	1,229,049	-	-	-	-

(1) See Note 5.2.7.5 “Reconciliation of gross and net debt”. This includes “Finance lease liabilities” and “Bonds and bank loans”.

(2) AFS: «Available-for-sale ».

(3) CFH: «Cash Flow Hedge ».

In 2017 as in 2016, there was no transfer between fair value levels.

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The fair value of financial assets and liabilities at amortized cost was close to the carrying amount, except for current and non-current debt.

In thousand of euros	Balance sheet values at December 31, 2017			Fair value at December 31, 2017		
	Total	Current portion	Non-current portion	Total	Current portion	Non-current portion
Bonds and bank loans ^{(1) (2)}	1,690,437	378,337	1,312,100	1,734,589	387,243	1,347,346

In thousand of euros	Balance sheet values at December 31, 2016			Fair value at December 31, 2016		
	Total	Current portion	Non-current portion	Total	Current portion	Non-current portion
Bonds and bank loans ⁽¹⁾	1,270,598	165,499	1,105,099	1,586,311	123,604	1,462,707

(1) See Note 5.2.7.5 “Reconciliation of gross and net debt”.

(2) The significant variation in bond issues between 2017 and 2016 is due to the new bond issued by Compagnie Plastic Omnium on June 17, 2017 (see Note 2.4.1 in the “Significant events of the period”).

Methods for measuring fair value:

- The fair value of listed bonds is determined on the basis of quoted prices (level 1). The fair value of other borrowings is determined for each loan by discounting future cash flows at a rate corresponding to the Euribor yield curve at year-end, corrected for the Group’s credit risk (level 2).
- The fair value of monetary and non-monetary UCITS is measured according to their last known liquidity value (level 1). The fair value of interest rate products (certificates of deposit, time-deposit accounts, negotiable medium-term notes, etc.) is based on discounted future cash flows (the principal and interest) for the remaining duration of the product on the balance sheet date (level 2) (certificates of deposit, term deposits, negotiable medium-term notes, etc.) (nominal and interest). The discount rate used in this framework is the market rate matching the maturity and products’ characteristics.
- Other non-current financial assets and finance receivables: items consisting mainly of finance receivables recorded on the basis of a discounted value when their maturity is more than one year.
- Most of the derivatives are traded over-the-counter on which there are no listed prices. As a result, their valuation is based on models commonly used by traders to evaluate financial instruments using discounted cash flow models or option valuation models (level 2).

7. ADDITIONAL INFORMATION

7.1. Headcount at year-end

	December 31, 2017			December 31, 2016			
	Excluding temporary	Temporary	Total	Excluding temporary	Temporary	Total	Changes/Total
France	3 703	867	4 570	4 456	1 037	5 493	-17%
%	17,5%	19,8%	17,9%	20,4%	22,4%	20,7%	
Europe excluding France (2) ⁽²⁾	10 210	2 112	12 322	9 617	1 975	11 592	6%
%	48,3%	48,3%	48,3%	43,9%	42,7%	43,7%	
North America	3 761	596	4 357	3 821	646	4 467	-2%
%	17,8%	13,6%	17,1%	17,5%	14,0%	16,8%	
Asia and South America (1) (2) ^{(1) (2)}	3 453	802	4 255	4 000	970	4 970	-14%
%	16,3%	18,3%	16,7%	18,3%	21,0%	18,7%	
Total	21 127	4 377	25 504	21 894	4 628	26 522	-4%

(1) The “Asia and South America” region includes Turkey, South Africa and Morocco.

(2) The headcount integrated through the acquisition of Faurecia's Systems business represents a total of 4,662 employees in 2016.

(3) The change in headcount mainly corresponds to the headcounts departures following the sale of the "Truck" business.

7.2. Off-balance sheet commitments

7.2.1. Commitments given and received

At December 31, 2017:

In thousands of euros	Total	Intangible assets	Property, plant and equipment	Financial assets and liabilities	Other non-financial current assets/liabilities
Surety bonds given	-15,141	-	-2,760	-556	-11,825
Commitments to purchase assets	-55,455	-	-55,455	-	-
Debt collateral (mortgages)	-3,221	-	-	-3,221	-
Other off-balance sheet commitments ⁽¹⁾	-340	-298	-	-	-42
Total commitments given	-74,157	-298	-58,215	-3,777	-11,867
Surety bonds received	320	-	-	-	320
Total commitments received	320	-	-	-	320
Total commitments – net	-73,837	-298	-58,215	-3,777	-11,547

At December 31, 2016:

In thousands of euros	Total	Intangible assets	Property, plant and equipment	Financial assets and liabilities	Other non-financial current assets/liabilities
Surety bonds given	-15,642	-	-1,448	-282	-13,912
Commitments to purchase assets	-54,858	-	-54,858	-	-
Debt collateral (mortgages)	-3,695	-	-	-3,695	-
Other off-balance sheet commitments	-4,291	-	-	-3,946	-345
Total commitments given	-78,486	-	-56,306	-7,923	-14,257
Surety bonds received	422	-	72	-	350
Total commitments received	422	-	72	-	350
Total commitments – net	-78,064	-	-56,234	-7,923	-13,907

At December 31, 2017:

(1) The change in other commitments given is explained as follows:

The change in other off-balance sheet commitments given on assets and liabilities corresponds to non-renewal in 2017 of a counter-guarantee in favor of PO Argentine for €3, 9 million (66 million of Argentinian pesos).

7.2.2. Operating leases where the Group is lessee

In thousand of euros	December 31, 2017	December 31, 2016
<i>Minimum lease payments under non cancelable operating leases</i>		
Due within one year	54,718	47,658
Due in one to five years	97,327	104,786
Due beyond five years	28,283	31,764
Total	180,328	184,208

7.3. Related-party transactions

7.3.1. Compensation paid to senior executives and corporate officers

The Senior Executives are, in accordance with IAS 24 “persons with the authority and responsibility for planning, directing and controlling the activities” of Compagnie Plastic Omnium and its subsidiaries.

The Board of Directors of February 22, 2017 granted 40,000 stock options to the Executive Corporate Officers. This plan took effect on March 10, 2017. It is exercisable as from March 11, 2021 for a period of three years and is subject to market and performance conditions.

The total amount of compensation paid to members of the Board of Directors and Senior Executives is presented in the table below:

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<i>In thousands of euros</i>	Paid or payable by...	2017	2016
Directors' fees	Paid by Compagnie Plastic Omnium	155	138
Directors' fees	Paid by companies controlled by Compagnie Plastic Omnium (excl. Compagnie Plastic Omnium) and by Burelle SA	404	381
Gross compensation	Payable by the Plastic Omnium Group	6,889	6,735
Supplementary pension plans	Payable by the Plastic Omnium Group	878	989
Cost of stock option plans	Payable by the Plastic Omnium Group	786	947
	<i>Cost spread over the vesting period</i>	685	947
	<i>Social contributions related to the new plan over the period ⁽¹⁾</i>	101	-
Total compensation		9,112	9,190

(1) Details of the social contributions of the plan allocated by Compagnie Plastic Omnium on March 10, 2017:

The rate of social contributions of March 10, 2017 share purchase plan is 30%. The Group did not grant any new stock option plan in 2016.

The share of contributions related to the stock options of Executive Corporate Officers is presented in the table below and concerns only 2017:

<i>In thousands of euros</i> <i>In units for the number of options</i>	2017 plan	2016 plan
<i>Rate of contribution of payroll taxes on stock option plans</i>	30.00%	
Total number of options forming part of the basis on which contributions are calculated	190,000	
Total contributions subject to performance conditions (in thousands of euros) (1)⁽¹⁾	480	None
Number of share options of Executive Corporate Officers	40,000	
Social contributions on stock options of Executive Corporate Officers (in thousands of euros)	101	

(1) All stock options granted to Senior Executives and Corporate Officers are subject to performance conditions. Contributions for all stock options subject to performance conditions amounted to €480 thousand, and €474 thousand for the others.

7.3.2. Transactions with Sofiparc SAS, Burelle SA and Burelle Participations SA

At December 31, 2017:

In thousands of euros	Direct and indirect costs	Royalties and management fees	Financial income and expenses	Current accounts	Deposits	Trade payables	Trade receivables	Other receivables	Other debtors
Sofiparc SAS	-	-5,468	5	-	1,185	-	-	-	2
Burelle SA	2	-7,891	12	-	-	2,460	-	-	11
Burelle Participations SA	-	-	6	-	-	-	-	-	-

At December 31, 2016:

In thousands of euros	Direct and indirect costs	Royalties and management fees	Financial income and expenses	Current accounts	Deposits	Trade payables	Trade receivables	Other receivables	Other debtors
Sofiparc SAS	-187	-5,261	14	-	1,185	7	14	-	-
Burelle SA	3	-8,529	15	17	-	2,975	41	-	11
Burelle Participations SA	-	-	6	-	-	-	-	-	-

7.4. Fees paid to the Statutory Auditors

In thousands of euros	2017		
	Mazars	Ernst & Young	Total
Audit services	-2,130	-1,954	-4,084
<i>of which:</i>			
<i>Compagnie Plastic Omnium</i>	-416	-424	-840
<i>Subsidiaries</i>	-1,714	-1,530	-3,244
Fees other than certification of accounts⁽¹⁾	-168	-602	-770
<i>of which:</i>			
<i>Compagnie Plastic Omnium</i>	-78	-288	-366
<i>Subsidiaries</i>	-90	-314	-403
Total	-2,298	-2,556	-4,854

(1) The "Fees other than certification of accounts" are related to the review of the consolidated social, environmental and societal information provided in the management report, the certificates, the tax compliance services, the agreed procedures, the financial and tax due diligence.

In thousands of euros	2016		
	Mazars	Ernst & Young	Total
Audit services	-1,879	-1,831	-3,710
<i>of which:</i>			
<i>Compagnie Plastic Omnium</i>	-366	-353	-719
<i>Subsidiaries</i>	-1,513	-1,478	-2,991
Fees and services specific to the duties of the Statutory Auditor	-77	-229	-306
<i>of which:</i>			
<i>Compagnie Plastic Omnium</i>	-59	-77	-136
<i>Subsidiaries</i>	-18	-152	-170
Total	-1,956	-2,060	-4,016

7.5. Consolidating Entity

Burelle SA holds 58.86% of Compagnie Plastic Omnium, after the cancellation of Compagnie Plastic Omnium's treasury stock (57.57% before cancellation of treasury stock), and fully consolidates the Company.

Burelle SA - 19, Boulevard Jules Carteret
69342 Lyon Cedex 07

7.6. Subsequent Events

No event likely to have a material impact on the Group's business, financial position, earnings or assets and liabilities at December 31, 2017 has occurred since the closing date.

LIST OF CONSOLIDATED COMPANIES AT DECEMBER 31, 2017

Legal name	Reportable segment			December 31, 2017			December 31, 2016			Tax group
	Auto-motive	Environment	Un-affected	Method of Consolidation	% control	% interest	Method of Consolidation	% control	% interest	
France										
COMPAGNIE PLASTIC OMNIUM SA			*	Parent company			Parent company			1 - a
PLASTIC OMNIUM SYSTEMES URBAINS SAS		*		FC	100	100	FC	100	100	1 - b
METROPLAST SAS		*		FC	100	100	FC	100	100	1 - b
LA REUNION VILLES PROPRES SAS		*		FC	100	100	FC	100	100	1 - b
PLASTIC OMNIUM CARAIBES SAS		*		FC	100	100	FC	100	100	1 - b
INERGY AUTOMOTIVE SYSTEMS FRANCE SAS	*			FC	100	100	FC	100	100	1 - a
PLASTIC RECYCLING SAS	*			EM_Ifrs_2014	50	50	EM_Ifrs_2014	50	50	
PLASTIC OMNIUM AUTO EXTERIEUR HOLDING SA	x2017f	*		FC	100	100	FC	100	100	1 - a
PLASTIC OMNIUM AUTO EXTERIEUR SERVICES SAS		*		FC	100	100	FC	100	100	1 - a
PLASTIC OMNIUM GESTION SNC			*	FC	100	100	FC	100	100	1 - a
PLASTIC OMNIUM FINANCE SNC			*	FC	100	100	FC	100	100	1 - a
LUDOPARC SAS		*		FC	100	100	FC	100	100	1 - b
PLASTIC OMNIUM AUTO EXTERIORS SA		*		FC	100	100	FC	100	100	1 - a
PLASTIC OMNIUM AUTO INERGY SAS		*		FC	100	100	FC	100	100	1 - a
PLASTIC OMNIUM AUTO INERGY MANAGEMENT SAS		*		FC	100	100	FC	100	100	1 - a
VALEO PLASTIC OMNIUM SNC	e2016	*		EM_Ifrs_2014	50	50	EM_Ifrs_2014	50	50	
BEAUVAIS DIFFUSION SAS		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AITO EXTERIEUR SA	x2017e	*		FC	100	100	FC	100	100	1 - a
TECHNIQUES ET MATERIELS DE COLLECTE - « TEMACO » SAS		*		FC	100	100	FC	100	100	1 - b
PLASTIC OMNIUM COMPOSITES SA	h2016 - ca2017	*		FC	100	100	FC	100	100	1 - a
MIXT COMPOSITES RECYCLABLES - MCR SAS	g2016 - c2017	*		FC	100	100	FC	100	100	
PLASTIC OMNIUM ENVIRONNEMENT HOLDING SAS			*	FC	100	100	FC	100	100	1 - b
SIGNALISATION FRANCE SA			*	FC	100	100	FC	100	100	1 - b
SULO FRANCE SAS		*		FC	100	100	FC	100	100	1 - b
INERGY AUTOMOTIVE SYSTEMS INDUSTRIES SAS	d2016	*		FC	100	100	FC	100	100	1 - a
PLASTIC OMNIUM AUTO INERGY SERVICES SAS		*		FC	100	100	FC	100	100	1 - a
PLASTIC OMNIUM AUTO INERGY FRANCE SAS		*		FC	100	100	FC	100	100	1 - a
PLASTIC OMNIUM MANAGEMENT 4	i2017	*		FC	100	100	-	-	-	
South Africa										
PLASTIC OMNIUM AUTO INERGY SOUTH AFRICA (PROPRIETARY) Ltd		*		FC	100	100	FC	100	100	

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Legal name	Reportable segment			December 31, 2017			December 31, 2016			Tax group
	Auto-motive	Environ-ment	Un-affected	Method of Consolidation	% control	% interest	Method of Consolidation	% control	% interest	
<u>Germany</u>										
PLASTIC OMNIUM GmbH			*	FC	100	100	FC	100	100	2 - b
PLASTIC OMNIUM AUTO COMPONENTS GmbH	*			FC	100	100	FC	100	100	2 - b
PLASTIC OMNIUM ENTSORGUNGSTECHNIK GmbH		*		FC	100	100	FC	100	100	2 - a
PLASTIC OMNIUM AUTO INERGY GERMANY GmbH	*			FC	100	100	FC	100	100	2 - b
HBPO BETEILIGUNGSGESELLSCHAFT GmbH	*			EM_Ifrs_2014	33.33	33.33	EM_Ifrs_2014	33.33	33.33	
HBPO RASTATT GmbH	*			EM_Ifrs_2014	33.33	33.33	EM_Ifrs_2014	33.33	33.33	
HBPO GERMANY GmbH	*			EM_Ifrs_2014	33.33	33.33	EM_Ifrs_2014	33.33	33.33	
HBPO GmbH	*			EM_Ifrs_2014	33.33	33.33	EM_Ifrs_2014	33.33	33.33	
PLASTIC OMNIUM ENVIRONNEMENT GmbH		*		FC	100	100	FC	100	100	2 - a
ENVICOMP SYSTEMLOGISTIK GmbH		*		FC	100	100	FC	100	100	2 - a
WESTFALIA INTRALOG GmbH		*		FC	100	100	FC	100	100	2 - a
SULO EISENWERK STREUBER & LOHMANN GmbH	d2016	*		-	-	-	FC	100	100	
SULO UMWELTTECHNIK GmbH		*		FC	100	100	FC	100	100	2 - a
SULO UMWELTTECHNIK BETEILIGUNGS GmbH	e2016	*		-	-	-	FC	100	100	2 - a
SULO EMBALLAGEN GmbH	c2016	*		-	-	-	FC	100	100	2 - a
PLASTIC OMNIUM URBAN SYSTEMS GmbH	d2016	*		-	-	-	FC	100	100	2 - a
PLASTIC OMNIUM COMPOSITES GmbH	h2016 - ca2017	*		FC	100	100	FC	100	100	2 - b
PLASTIC OMNIUM SYSTEMS GmbH	f2016 x2016a	*		FC	100	100	FC	100	100	2 - a
HBPO INGOLSTADT GmbH		*		EM_Ifrs_2014	33.33	33.33	EM_Ifrs_2014	33.33	33.33	
HBPO REGENSBURG GmbH		*		EM_Ifrs_2014	33.33	33.33	EM_Ifrs_2014	33.33	33.33	
SULO EA GmbH		*		FC	100	100	FC	100	100	2 - b
PLASTIC OMNIUM AUTOMOTIVE EXTERIORS GmbH	b2016	*		FC	100	100	FC	100	100	2 - bi
HBPO VAIHINGEN Enz GmbH	b2017	*		EM_Ifrs_2014	33.33	33.33	-	-	-	
<u>Argentina</u>										
PLASTIC OMNIUM AUTO INERGY ARGENTINA SA		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM SA		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTOMOTIVE ARGENTINA	b2016	*		FC	100	100	FC	100	100	
<u>Belgium</u>										
PLASTIC OMNIUM NV		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM ADVANCED INNOVATION AND RESEARCH NV		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY BELGIUM SA		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTOMOTIVE BELGIUM	b2016	*		FC	100	100	FC	100	100	
OPTIMUM CPV BVBA	b2017	*		FC	100	100	-	-	-	
<u>Brazil</u>										
PLASTIC OMNIUM AUTO INERGY		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM DO BRASIL Ltda		*		FC	100	100	FC	100	100	
HBPO BRASIL AUTOMOTIVE SERVICOS Ltda	a2016	*		EM_Ifrs_2014	33.33	33.33	EM_Ifrs_2014	33.33	33.33	
PLASTIC OMNIUM AUTOMOTIVE DO BRASIL Ltda	b2016 d2016	*		-	-	-	FC	100	100	

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Legal name	Reportable segment			December 31, 2017			December 31, 2016			Tax group
	Auto-motive	Environment	Un-affected	Method of Consolidation	% control	% interest	Method of Consolidation	% control	% interest	
Canada										
HBPO CANADA INC.	*			EM_Ifrs_2014	33.33	33.33	EM_Ifrs_2014	33.33	33.33	
Chil										
PLASTIC OMNIUM SA		*		FC	100	100	FC	100	100	
China										
PLASTIC OMNIUM COMPOSITES (JIANGSU) Co. Ltd	g2016 - c2017	*		FC	100	100	FC	100	100	
WUHAN PLASTIC OMNIUM AUTO INERGY Co. Ltd		*		FC	100	100	FC	100	100	
YANFENG PLASTIC OMNIUM AUTOMOTIVE EXTERIOR SYSTEMS Co. Ltd		*		EM_Ifrs_2014	49.95	49.95	EM_Ifrs_2014	49.95	49.95	
PLASTIC OMNIUM INERGY (SHANGHAI) CONSULTING Co. Ltd		*		FC	100	100	FC	100	100	
INERGY AUTOMOTIVE SYSTEMS CONSULTING (BEIJING) Co. Ltd		*		FC	100	100	FC	100	100	
BEIJING PLASTIC OMNIUM AUTO INERGY Co. Ltd	x2016c	*		FC	60	60	FC	60	60	
CHONGQING YANFENG PLASTIC OMNIUM AUTOMOTIVE EXTERIOR FAWAY Co. Ltd		*		EM_Ifrs_2014	49.95	25.47	EM_Ifrs_2014	49.95	25.47	
GUANGZHOU ZHONGXIN YANFENG PLASTIC OMNIUM AUTOMOTIVE EXTERIOR TRIM Co. Ltd		*		EM_Ifrs_2014	49.95	25.47	EM_Ifrs_2014	49.95	25.47	
CHENGDU FAWAY YANFENG PLASTIC OMNIUM Co. Ltd		*		EM	24.48	24.48	EM	24.48	24.48	
HBPO CHINA Co. Ltd		*		EM_Ifrs_2014	33.33	33.33	EM_Ifrs_2014	33.33	33.33	
YANFENG PLASTIC OMNIUM (SHANGHAI) AUTOMOTIVE EXTERIOR SYSTEMS Co. Ltd		*		EM_Ifrs_2014	49.95	49.95	EM_Ifrs_2014	49.95	49.95	
DONGFENG PLASTIC OMNIUM AUTOMOTIVE EXTERIOR SYSTEMS Co. Ltd		*		EM	24.98	24.98	EM	24.98	24.98	
GUANGZHOU PLASTIC OMNIUM AUTO INERGY Co. Ltd		*		FC	100	100	FC	100	100	
SHENYANG PLASTIC OMNIUM AUTO INERGY Co. Ltd		*		FC	100	100	FC	100	100	
YANFENG PLASTIC OMNIUM YIZHENG AUTOMOTIVE EXTERIOR SYSTEM Co. Ltd		*		EM_Ifrs_2014	49.95	49.95	EM_Ifrs_2014	49.95	49.95	
PLASTIC OMNIUM HOLDING (SHANGHAI) Co. Ltd			*	FC	100	100	FC	100	100	
YANFENG PLASTIC OMNIUM (SHENYANG) AUTOMOTIVE EXTERIOR SYSTEMS Co. Ltd		*		EM_Ifrs_2014	49.95	49.95	EM_Ifrs_2014	49.95	49.95	
YANFENG PLASTIC OMNIUM NINGBO AUTOMOTIVE EXTERIOR SYSTEMS Co. Ltd		*		EM_Ifrs_2014	49.95	49.95	EM_Ifrs_2014	49.95	49.95	
YANFENG PLASTIC OMNIUM WUHAN AUTOMOTIVE EXTERIOR SYSTEMS Co. Ltd		*		EM_Ifrs_2014	49.95	49.95	EM_Ifrs_2014	49.95	49.95	
NINGBO PLASTIC OMNIUM AUTO INERGY Co. Ltd		*		FC	100	100	FC	100	100	
HBPO CHINA BEIJING Co. Ltd		*		EM_Ifrs_2014	33.33	33.33	EM_Ifrs_2014	33.33	33.33	
YANFENG PLASTIC OMNIUM HARBIN AUTOMOTIVE EXTERIOR SYSTEMS Co. Ltd	a2015	*		EM_Ifrs_2014	49.95	49.95	EM_Ifrs_2014	49.95	49.95	
CHONGQING PLASTIC OMNIUM AUTO INERGY Co. Ltd	a2015	*		FC	100	100	FC	100	100	
CHANGCHUN HUAZHONG YANFENG PLASTIC OMNIUM AUTOMOTIVE EXTERIORS Co. Ltd	b2017 x2016d	*		EM_Ifrs_2014	24.98	24.98	-	-	-	
YANFENG PLASTIC OMNIUM HANGZHOU AUTO EXTERIOR SYSTEMS Co. Ltd	b2017	*		EM_Ifrs_2014	49.95	49.95	-	-	-	
South Korea										
SHB AUTOMOTIVE MODULES		*		EM_Ifrs_2014	16.67	16.67	EM_Ifrs_2014	16.67	16.67	
HBPO KOREA Ltd		*		EM_Ifrs_2014	33.33	33.33	EM_Ifrs_2014	33.33	33.33	
PLASTIC OMNIUM Co. Ltd		*		FC	100	100	FC	100	100	
HBPO PYEONGTAEK Ltd		*		EM_Ifrs_2014	33.33	33.33	EM_Ifrs_2014	33.33	33.33	
HBPO ASIA HQ Ltd		*		EM_Ifrs_2014	33.33	33.33	EM_Ifrs_2014	33.33	33.33	

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Legal name	Reportable segment			December 31, 2017			December 31, 2016			Tax group
	Auto-motive	Environment	Unaffected	Method of Consolidation	% control	% interest	Method of Consolidation	% control	% interest	
<u>Spain</u>										
COMPANIA PLASTIC OMNIUM SA			*	FC	100	100	FC	100	100	3
PLASTIC OMNIUM EQUIPAMIENTOS EXTERIORES SA	*			FC	100	100	FC	100	100	3
PLASTIC OMNIUM SISTEMAS URBANOS SA		*		FC	100	100	FC	100	100	3
PLASTIC OMNIUM AUTO INERGY SPAIN SA	*			FC	100	100	FC	100	100	3
PLASTIC OMNIUM COMPOSITES ESPANA SA	*			FC	100	100	FC	100	100	3
SIGNATURE SENALIZACION SA	e2016		*	FC	100	100	FC	100	100	3
HBPO AUTOMOTIVE SPAIN SL	*			EM_ifrs_2014	33.33	33.33	EM_ifrs_2014	33.33	33.33	
PLASTIC OMNIUM COMPONENTES EXTERIORES SL	*			FC	100	100	FC	100	100	3
PLASTIC OMNIUM AUTOMOTIVE ESPANA	b2016	*		FC	100	100	FC	100	100	3i
<u>United States</u>										
PLASTIC OMNIUM AUTO EXTERIORS LLC	*			FC	100	100	FC	100	100	4
PLASTIC OMNIUM Inc.			*	FC	100	100	FC	100	100	4
PLASTIC OMNIUM INDUSTRIES Inc.			*	FC	100	100	FC	100	100	4
PLASTIC OMNIUM AUTO INERGY (USA) LLC	*			FC	100	100	FC	100	100	4
PLASTIC OMNIUM AUTOMOTIVE SERVICES Inc.	e2016	*		FC	100	100	FC	100	100	4
HBPO NORTH AMERICA Inc.	*			EM_ifrs_2014	33.33	33.33	EM_ifrs_2014	33.33	33.33	
AUTOMOTIVE EXTERIORS LLC	b2016	*		FC	100	100	FC	100	100	4
<u>Hungary</u>										
HBPO MANUFACTURING HUNGARY Kft	*			EM_ifrs_2014	33.33	33.33	EM_ifrs_2014	33.33	33.33	
HBPO AUTOMOTIVE HUNGARIA Kft	*			EM_ifrs_2014	33.33	33.33	EM_ifrs_2014	33.33	33.33	
<u>India</u>										
PLASTIC OMNIUM AUTO EXTERIORS (INDIA) PVT Ltd	*			FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY INDIA PVT Ltd	*			FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY MANUFACTURING INDIA PVT Ltd	*			FC	55	55	FC	55	55	
<u>Israel</u>										
POCellTech	b2016p - f2017	*		EM_ifrs_2014	50	23	EM_ifrs_2014	50	20	
<u>Japan</u>										
PLASTIC OMNIUM KK	*			FC	100	100	FC	100	100	
HBPO JAPAN KK	*			EM_ifrs_2014	33.33	33.33	EM_ifrs_2014	33.33	33.33	

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Legal name	Reportable segment			December 31, 2017			December 31, 2016			Tax group
	Auto-motive	Environment	Un-affected	Method of Consolidation	% control	% interest	Method of Consolidation	% control	% interest	
<u>Malaysia</u>										
HICOM HBPO SDN BHD	*			EM	13.33	13.33	EM	13.33	13.33	
<u>Morocco</u>										
PLASTIC OMNIUM AUTO INERGY (MOROCCO) SARL	*			FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO EXTERIEUR	a2017f	*		FC	100	100	-	-	-	
<u>Mexico</u>										
PLASTIC OMNIUM AUTOMOVIL SA DE CV	d2016	*		FC	100	100	FC	100	100	
PLASTIC OMNIUM INDUSTRIAL AUTO EXTERIORES RAMOS ARIZPE SA DE CV		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM DEL BAJIO SA DE CV	d2016	*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY MEXICO SA DE CV		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY INDUSTRIAL MEXICO SA DE CV	d2016	*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO EXTERIORES SA DE CV	x2016b g2016 - c2017	*		FC	100	100	FC	100	100	
INOPLASTIC OMNIUM INDUSTRIAL SA DE CV	d2016	*		FC	100	100	FC	100	100	
PLASTIC OMNIUM SISTEMAS URBANOS SA DE CV		*		FC	100	100	FC	100	100	
HBPO MEXICO SA DE CV		*		EM_Ifrs_2014	33.33	33.33	EM_Ifrs_2014	33.33	33.33	
PLASTIC OMNIUM MEDIO AMBIENTE SA DE CV		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM TOLUCA SA DE CV	d2016	*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INDUSTRIAL SRL DE CV		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY INDUSTRIAL SA DE CV		*		FC	100	100	FC	100	100	
HBPO SERVICES MEXICO SA DE CV	a2016	*		EM_Ifrs_2014	33.33	33.33	EM_Ifrs_2014	33.33	33.33	
HBPO MANAGEMENT SERVICES MEXICO SA DE CV	a2016	*		EM_Ifrs_2014	33.33	33.33	EM_Ifrs_2014	33.33	33.33	
<u>Netherlands</u>										
PLASTIC OMNIUM BV		*		FC	100	100	FC	100	100	5
PLASTIC OMNIUM ENVIRONMENT BV		*		FC	100	100	FC	100	100	5
DSK PLASTIC OMNIUM BV		*		FC	51	51	FC	51	51	
PLASTIC OMNIUM AUTO INERGY NETHERLANDS HOLDING BV	i2016	*		FC	100	100	FC	100	100	
<u>Poland</u>										
PLASTIC OMNIUM AUTO INERGY POLAND Sp Z.O.O		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO EXTERIORS Sp Z.O.O		*		FC	100	100	FC	100	100	
SULO Sp Z.O.O		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO Sp Z.O.O		*		FC	100	100	FC	100	100	

CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2017 – Compagnie PLASTIC OMNIUM

Legal name	Reportable segment			December 31, 2017			December 31, 2016			Tax group
	Auto-motive	Environment	Un-affected	Method of Consolidation	% control	% interest	Method of Consolidation	% control	% interest	
<u>Czech republic</u>										
HBPO CZECH S.R.O.	*			EM_ifrs_2014	33.33	33.33	EM_ifrs_2014	33.33	33.33	
SULO S.R.O.		*		FC	100	100	FC	100	100	
<u>Romania</u>										
PLASTIC OMNIUM AUTO INERGY ROMANIA SRL	*			FC	100	100	FC	100	100	
<u>United Kingdom</u>										
PLASTIC OMNIUM AUTOMOTIVE Ltd	*			FC	100	100	FC	100	100	6
PLASTIC OMNIUM URBAN SYSTEMS Ltd		*		FC	100	100	FC	100	100	6
SIGNATURE Ltd	e2016	*		-	-	-	FC	100	100	
SULO MGB Ltd		*		FC	100	100	FC	100	100	6
HBPO UK Ltd		*		EM_ifrs_2014	33.33	33.33	EM_ifrs_2014	33.33	33.33	
<u>Russia</u>										
OOO STRAVROVO AUTOMOTIVE SYSTEMS	*			FC	100	100	FC	100	100	
DSK PLASTIC OMNIUM INERGY	*			FC	51	51	FC	51	51	
<u>Singapore</u>										
SULO ENVIRONMENTAL SYSTEMS PTE Ltd		*		FC	100	100	FC	100	100	
<u>Slovakia</u>										
PLASTIC OMNIUM AUTO EXTERIORS S.R.O.	*			FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTO INERGY SLOVAKIA S.R.O.	*			FC	100	100	FC	100	100	
HBPO SLOVAKIA S.R.O.		*		EM_ifrs_2014	33.33	33.33	EM_ifrs_2014	33.33	33.33	
PLASTIC OMNIUM AUTOMOTIVE SLOVAKIA S.R.O.	b2016 - d2017	*		FC	100	100	FC	100	100	
<u>Sweden</u>										
PLASTIC OMNIUM AB		*		FC	100	100	FC	100	100	
<u>Switzerland</u>										
PLASTIC OMNIUM AG		*		FC	100	100	FC	100	100	
PLASTIC OMNIUM RE AG			*	FC	100	100	FC	100	100	
SWISS HYDROGEN	b2017	*		FC	100	100	-	-	-	
<u>Thailand</u>										
PLASTIC OMNIUM AUTO INERGY THAILAND Co. Ltd	*			FC	100	100	FC	100	100	
PLASTIC OMNIUM AUTOMOTIVE Co. Ltd	*			FC	100	100	FC	100	100	
<u>Turkey</u>										
B.P.O. AS	*			EM_ifrs_2014	50	49.98	EM_ifrs_2014	50	49.98	

Consolidation method and special features:

FC:	Full consolidation
EM:	Companies that were already consolidated by the equity method before the application of the new consolidation standards at January 1 st 2014.
EM_IFRS_2014:	Companies consolidated by the equity method since the application of the new consolidation standards at January 1 st , 2014

Movements for the period:

Creation of companies:

a2016	Companies created in 2016
a2017	Companies created in 2017
a2017f	Companies being formed in 2017 created in 2018

Acquisition of companies:

b2016	Companies acquired in 2016
b2016p	Investments in 2016
b2017	Companies acquired in 2017

Disposal of companies:

c2016	Companies divested in 2016
c2017	Companies divested in 2017

Disposal of sites and/or activities:

ca2017	Disposal of sites and/or businesses
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Merging of companies:

d2016	Companies merged in 2016
d2017	Companies merged in 2017

Liquidation of companies:

e2016	Companies liquidated in 2016
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Change in the percentage of Plastic Omnium ownership:

f2016	Buyout of the minority stake in the company “ RMS Rotherm Maschinenbau GmbH ”. See “ x2016a ” for change in name
f2017	“ POCeITech ” capital increase.

Companies in the process of being sold:

g2016	Truck business companies reclassified as “ Assets and Liabilities held for sale ” in 2016. They were sold in 2017.
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Companies with sites in the process of being sold:

h2016	Companies with only the Truck business being reclassified in “ Assets and Liabilities held for sale ” in 2016. The activities concerned were sold in 2017.
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Activation of companies:

i2016	Companies activated during 2016
i2017	Companies activated during 2017

Change in company name:

x2016	Companies whose name was changed in 2016
x2016a	“ Plastic Omnium Systems GmbH ” is the new company name of “ RMS Rotherm Maschinenbau GmbH ”.
x2016b	“ Plastic Omnium Auto Exteriores SA de CV ” is the new company name of “ Inoplast Composites SA de CV ”.
x2016c	“ Beijing Plastic Omnium Auto Inergy Co. Ltd ” is the new company name of “ Inergy Automotive Systems Manufacturing (Beijing) Co. Ltd ”.
x2016d	“ Changchun Huazhong Yanfeng Plastic Omnium Automotive Exteriors Co. Ltd ” is the new name of “ Changchun Huaxiang Automotive Plastic Parts Manufacturing Co Ltd ”.
x2017	Companies whose name was changed in 2017
x2017e	“ Plastic Omnium Auto Exterieur SA ” is the new name of “ Plastic Omnium Vernon SAS ”.
x2017f	“ Plastic Omnium Auto Exterieur Holding SA ” is the new name of “ Plastic Omnium Auto Exterieur SA ”.

Tax group:

1 – a	Plastic Omnium France
1 – b	Plastic Omnium Environnement Holding
2 – a	Germany Systèmes Urbains
2 – b	Germany Plastic Omnium GmbH
2 – bi	Companies integrated during 2017 in the Germany Plastic Omnium GmbH tax group
2 – c	Germany Plastic Omnium Environnement
3	Spain
3i	Companies integrated during 2017 in the Spain tax group
4	United States
5	Netherlands;
6	United Kingdom.