



# FY 2012 Results

Jacques ASCHENBROICH – CEO

February 22, 2013

# Highlights

FY 2012

- Record order intake<sup>(1)</sup> of 15.8 bn€
  - Driven by innovation and Asia
  - Improved profitability
  
- Sales up 8.2% to 11.8 bn€
  
- OE sales up 8% to 9.9 bn€
  - Up 2% like-for-like
  - Asia now at 26% of OE sales (22% in 2011)
  - German and Asian customers respectively at 29% and 28% of OE sales
  - Global performance in line with the market excl. Japanese OEMs

# Highlights

FY 2012

- Operating margin<sup>(2)</sup> of 725 M€ (+3% vs 2011), or 6.2% of sales
  - Stability of H2 margin compared to H1 despite European slowdown (-8%)
  
- Net income of 380 M€ (420 M€ excl. non recurring items<sup>(3)</sup>)
  - EPS of 5.03 €
  - EPS excl. non recurring items in line with 2011 at 5.56 €
  
- Free cash flow<sup>(7)</sup> of 81 M€ in a context of
  - Challenging environment in Europe
  - High level of capital requirement to prepare future organic growth
  - Net debt of 763 M€ at Dec 31, 2012
  
- Dividend up 7% to 1.50€/share will be proposed to the next Shareholders' Meeting
  - Increase of payout ratio from 25% to 30%

## 2013 outlook

Based on the following key assumptions for FY 2013:

- Automotive production:
  - Europe: -4%
  - World: +1%
- Raw material prices in line with 2012 levels

Valeo has set the following objectives for 2013:

- Performance higher than the market in each of the main production regions
- Assuming an upturn in the European market in the second half of 2013, operating margin in line with 2012 (in millions of euros) despite a decline in the first half of the year as a result of market conditions

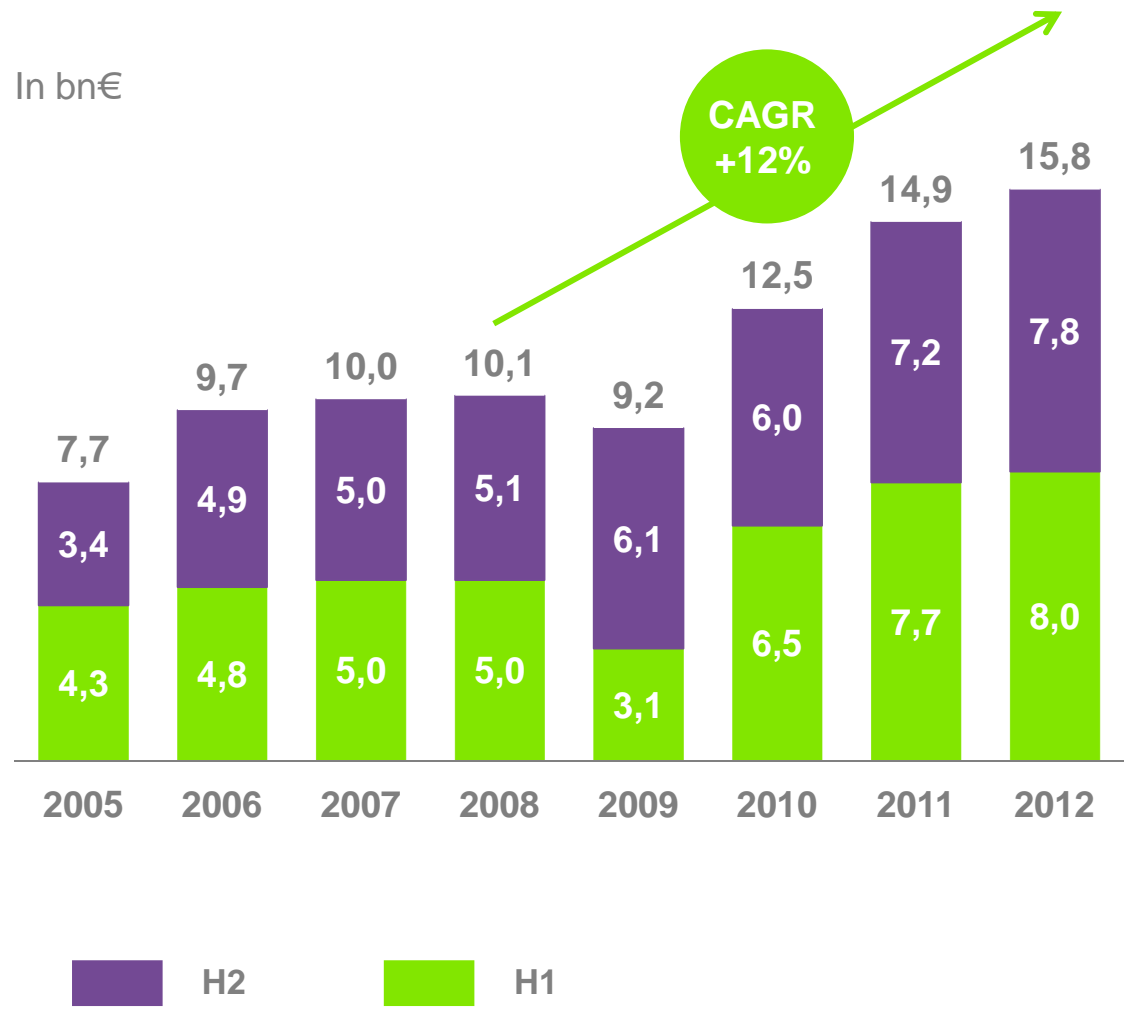


Record order intake<sup>(1)</sup> of 15.8 bn€

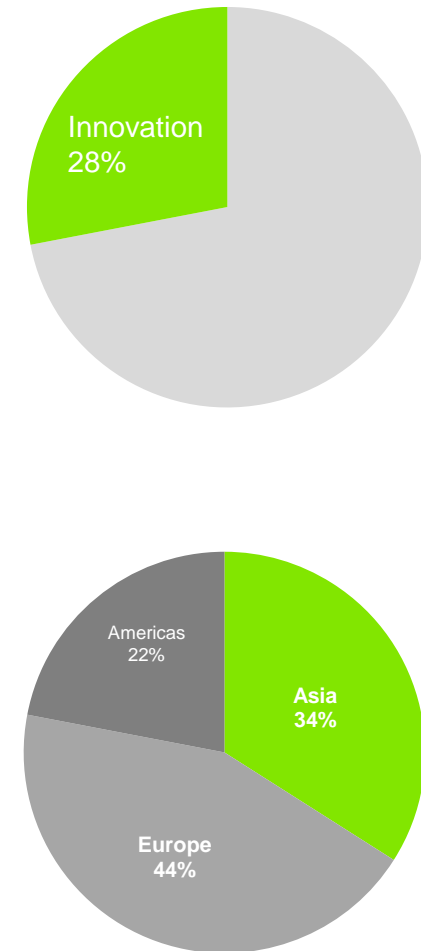
Well positioned to perform better than the market  
thanks to innovation and the acceleration  
in Asia and the emerging markets

# Record order intake<sup>(1)</sup> thanks to innovation and Asia

Growing order intake fuelling organic growth

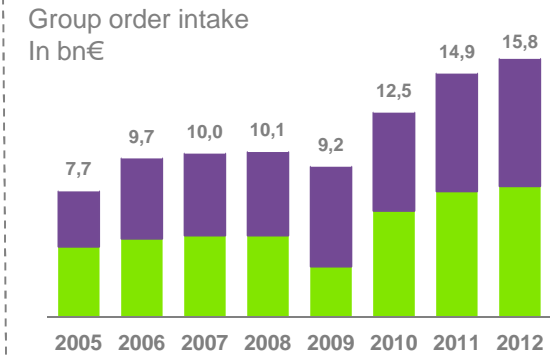


% of order intake










# Innovation fuelling organic growth

## Strong product portfolio in CO<sub>2</sub> emissions reduction



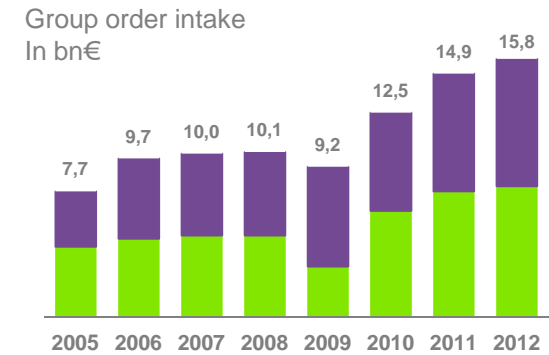
Since 2009, CO<sub>2</sub> emission reduction order intake increased by around 70%

Main drivers	Examples of innovations	Recent order intake
Hybrid/electric	 Power electronics  Range Extender	First order for an inverter-DC/DC from an American OEM and a first order for a Range extender generator
Stop-Start	 i-StARS  Restarter	Confirmation of the success of i-StARS with a new order from another Japanese OEM
Combustion engine improvement	 Air Intake Module	Launch of an air intake module with an integrated water cooled charge air cooler for a European OEM
Transmission improvement	 Double Clutch Transmission	First order for a Wet Double Clutch Transmission
Energy efficiency	 Full LED headlamp	World Firsts at the Paris Mondial, FullLED Headlights for the Ford Mondeo and the Seat Leon

# Innovation fuelling organic growth

## Strong product portfolio in intuitive driving

2012 THOMSON REUTERS  
**TOP 100**  
 GLOBAL INNOVATORS



Since 2009, intuitive driving order intake increased by around 130%

### Main drivers

### Examples of innovations

### Recent order intake

Automated/  
connected car



Park4U®  
Remote

An order from a European OEM of an autonomous parking system derived from Park4U Remote

Low speed  
maneuvering



360Vue®  
/mega pixel

The launch of a mega-pixel camera with a premium European OEM

Safe & intuitive  
interface



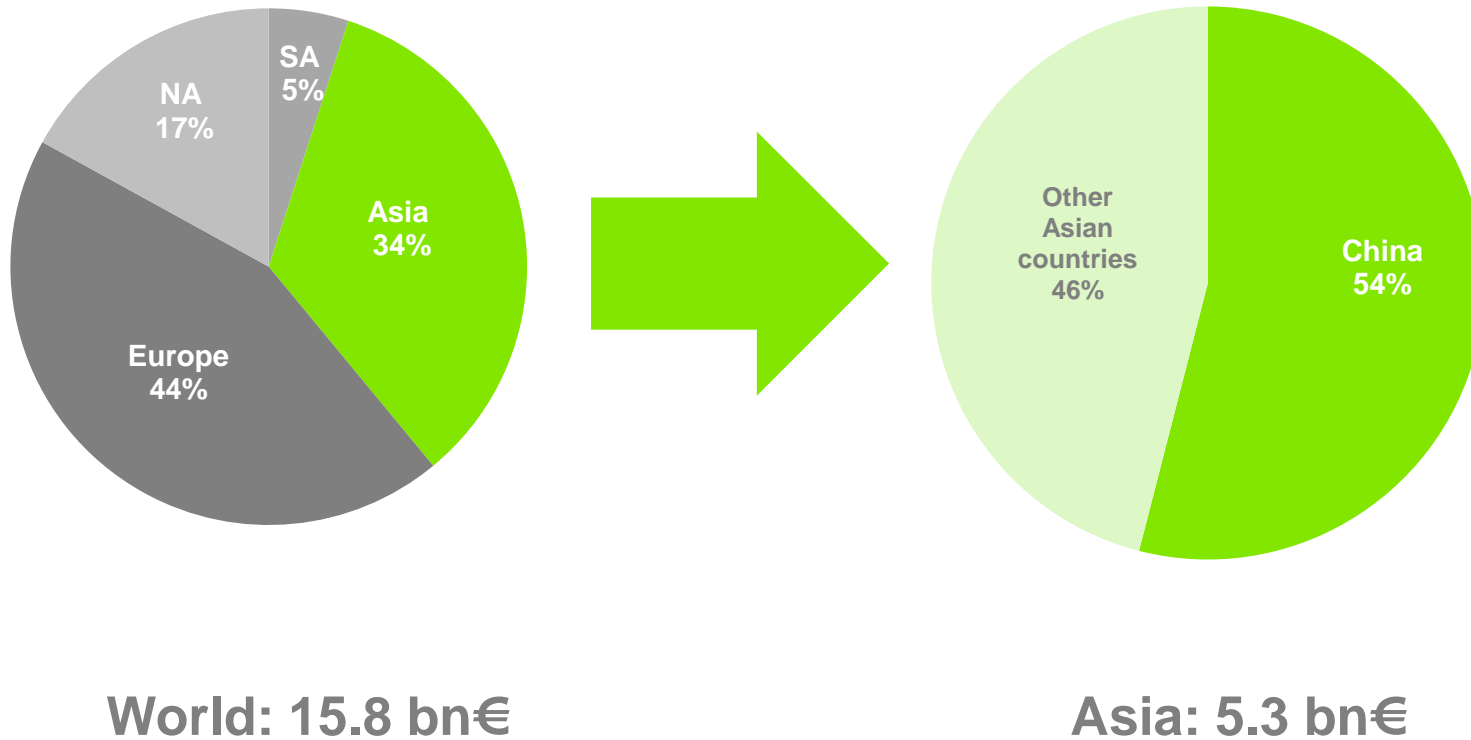
Multifunction  
TouchScreen

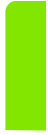
Two orders from a European OEM for a touch screen for the central control panel



## Asia fuelling organic growth

Acceleration in Asia (34% of order intake, 26% of OE sales) and in China (18% of order intake, 10% of OE sales)



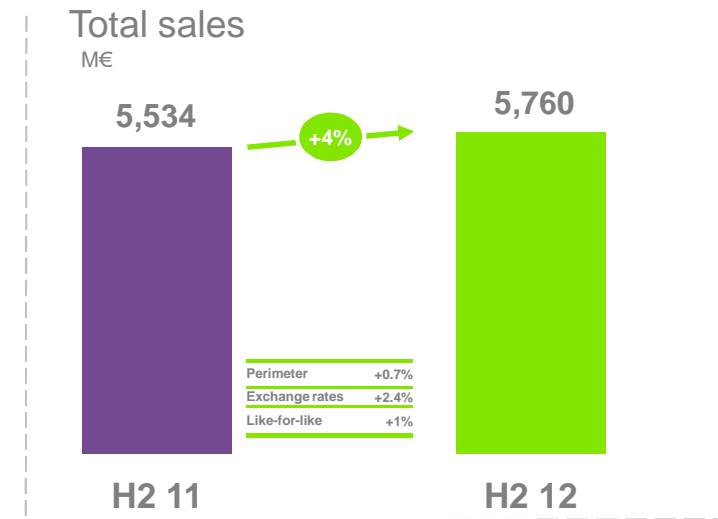
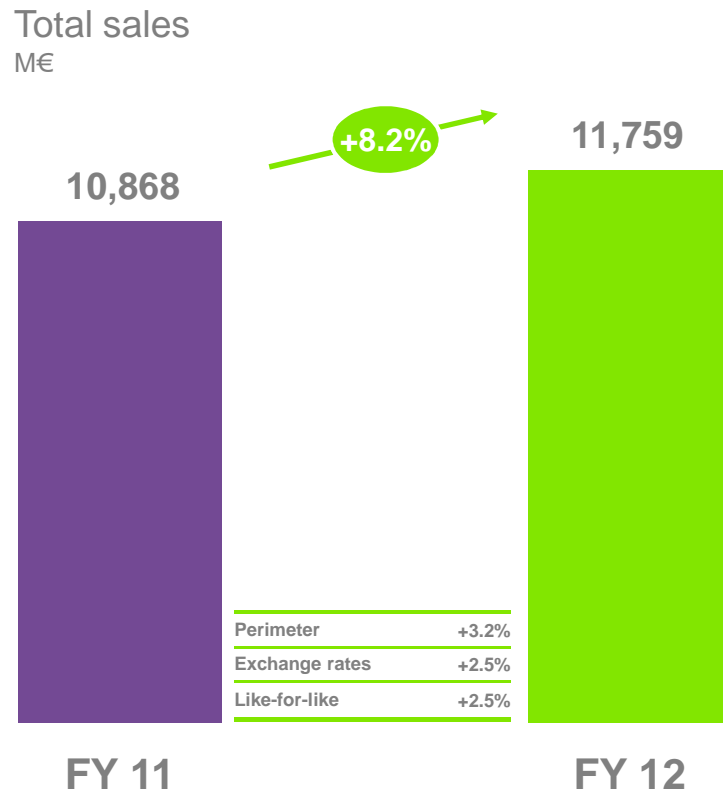


Sales up 8.2% to 11.8 bn€

Well positioned to perform better than  
the market thanks to innovation and  
repositioning of customer & geographic mix

# Total sales up 8.2% (+2.5% like-for-like) to €11.8 bn

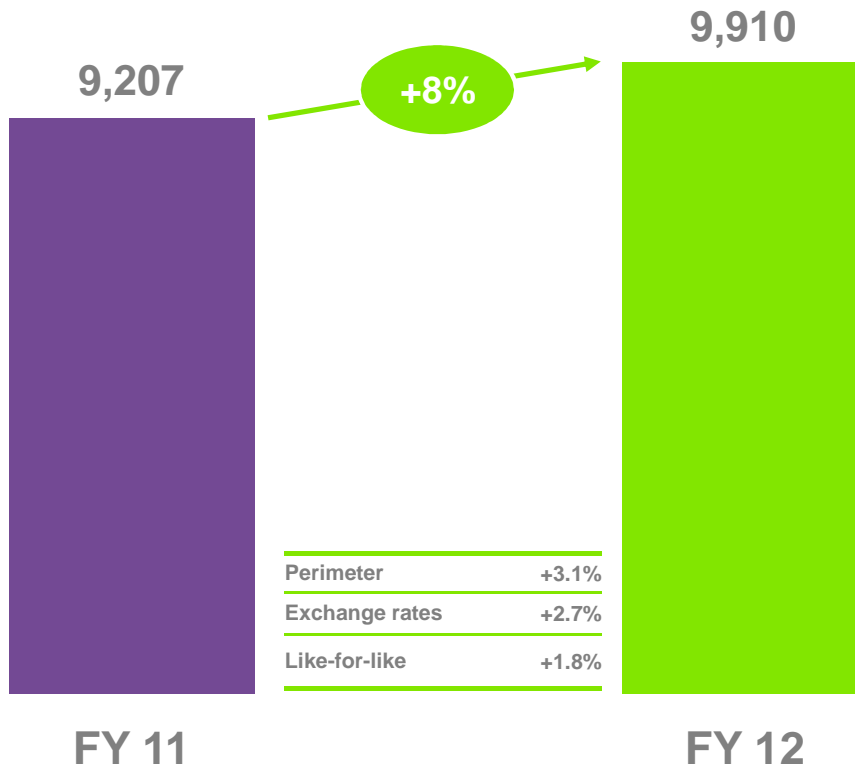
H2 sales impacted by a deteriorating European environment



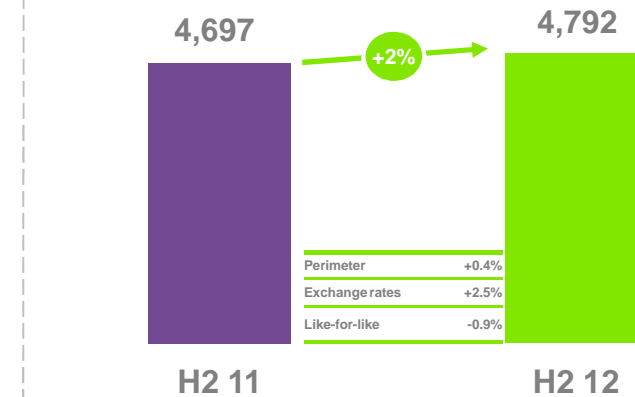
# OE sales up 8% (+2% like-for-like) to 9.9 bn€

H2 OE sales impacted by a deteriorating European environment

OE sales  
M€



OE sales  
M€



# Improving aftermarket performance up 4% in H2

71% rise in miscellaneous sales (including tooling revenues) in H2

In M€ and YoY change

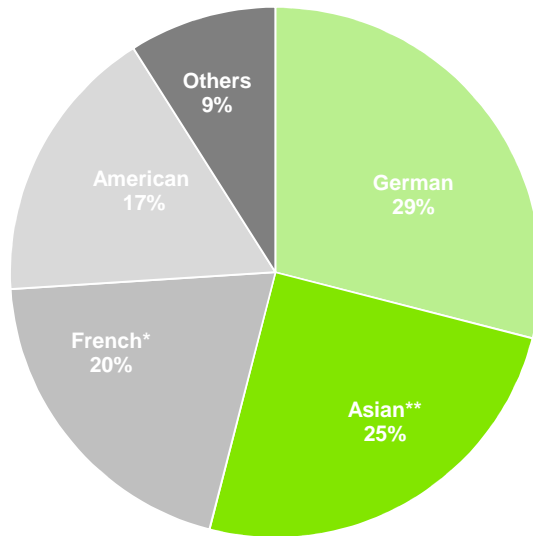
H2 11	H2 12	Ch.	Ch. like-for-like		FY 11	FY 12	Ch.	Ch. like-for-like
4,697 85%	4,792 83%	+2%	-1%	Original Equipment <i>% of sales</i>	9,207 85%	9,910 84%	+8%	+2%
693 13%	722 13%	+4%	+1%	Aftermarket <i>% of sales</i>	1,412 13%	1,454 12%	+3%	-2%
144 3%	246 4%	+71%	+66%	Miscellaneous <i>% of sales</i>	249 2%	395 4%	+59%	+52%
5,534	5,760	+4%*	+1%	Sales	10,868	11,759	+8%*	+2.5%

\*Perimeter : +0.7%, exchange rates + 2.4%

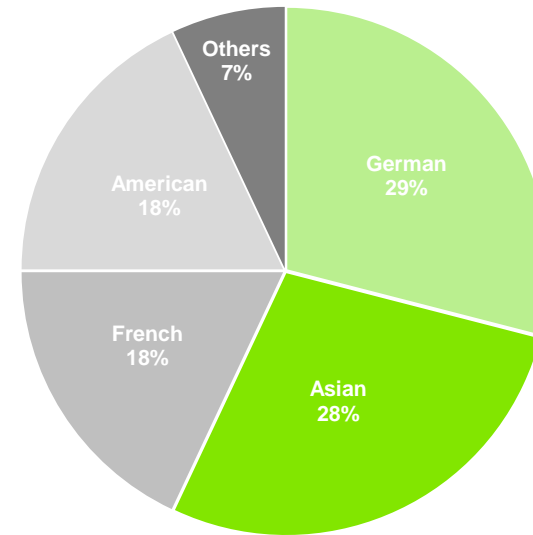
\*Perimeter : +3.2%, exchange rates +2.5%

# Repositioning towards German & Asian customers (57% of OE sales) 29% and 28% respectively in 2012

in % of OE sales



FY 11



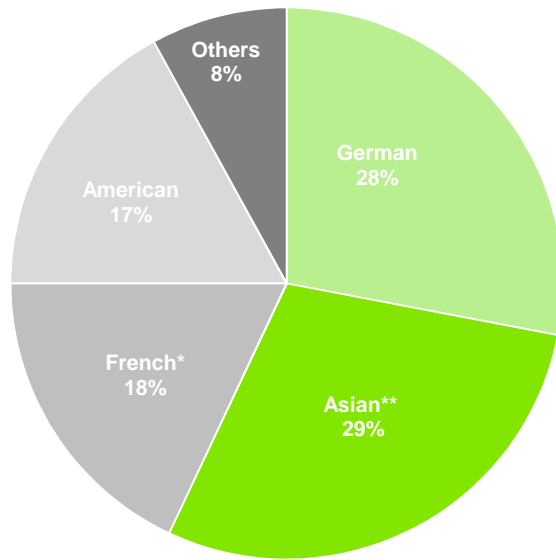
FY 12

\* Excluding Nissan

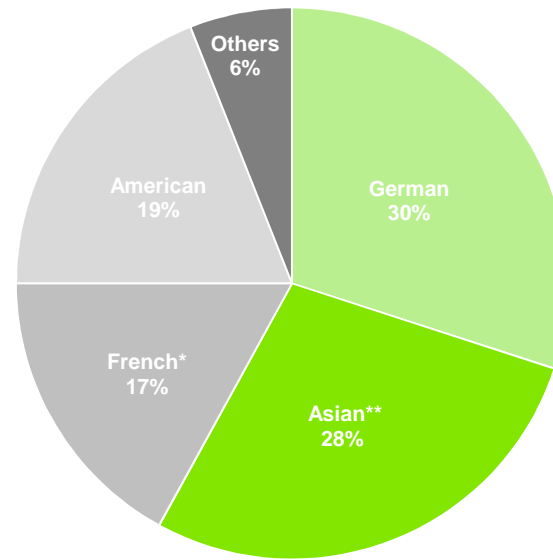
\*\* Including Nissan

# Repositioning towards German & Asian customers (58% of OE sales) 30% and 28%, respectively in H2

in % of OE sales



H2 11



H2 12

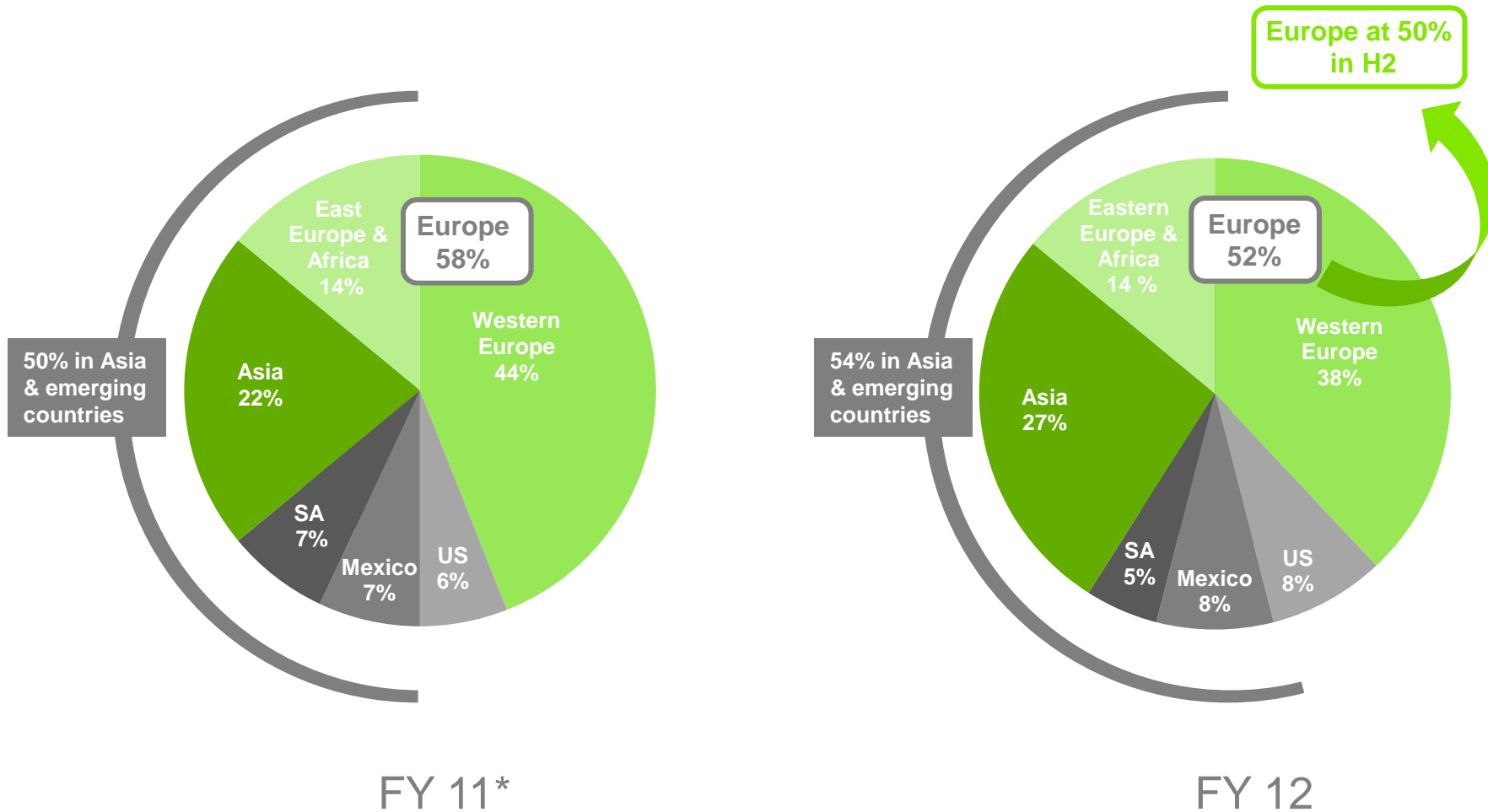
\* Excluding Nissan

\*\* Including Nissan

# Geographic repositioning

Asia and emerging countries at 54% of sales, with Asia accounting for 27%

OE sales by production region



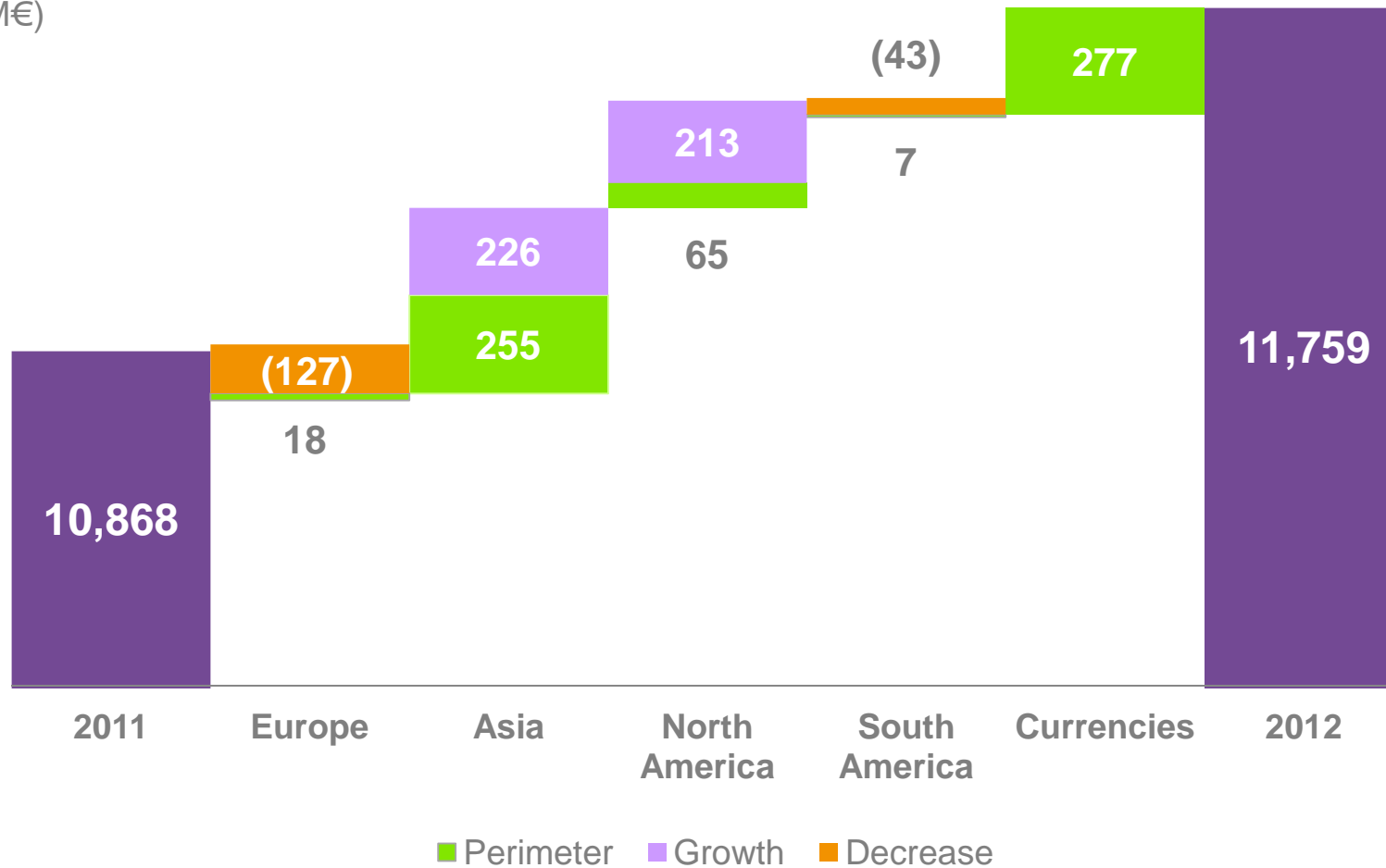
\* In 2012 perimeter



# Strong development in Asia and North America

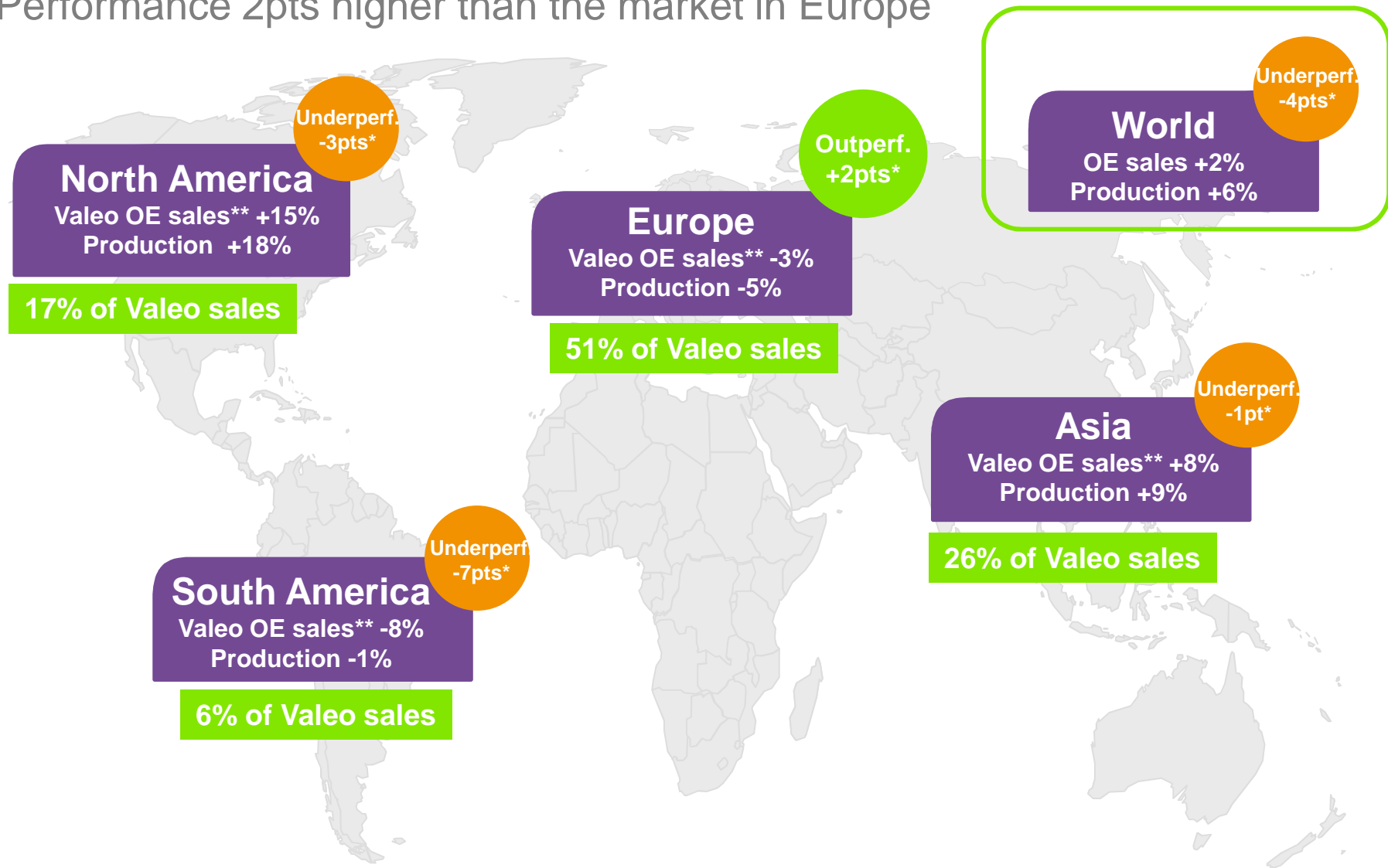
## Through organic & external growth

Geographic contribution to sales growth  
(in M€)



# Global performance impacted by Japanese OEMs

Performance 2pts higher than the market in Europe

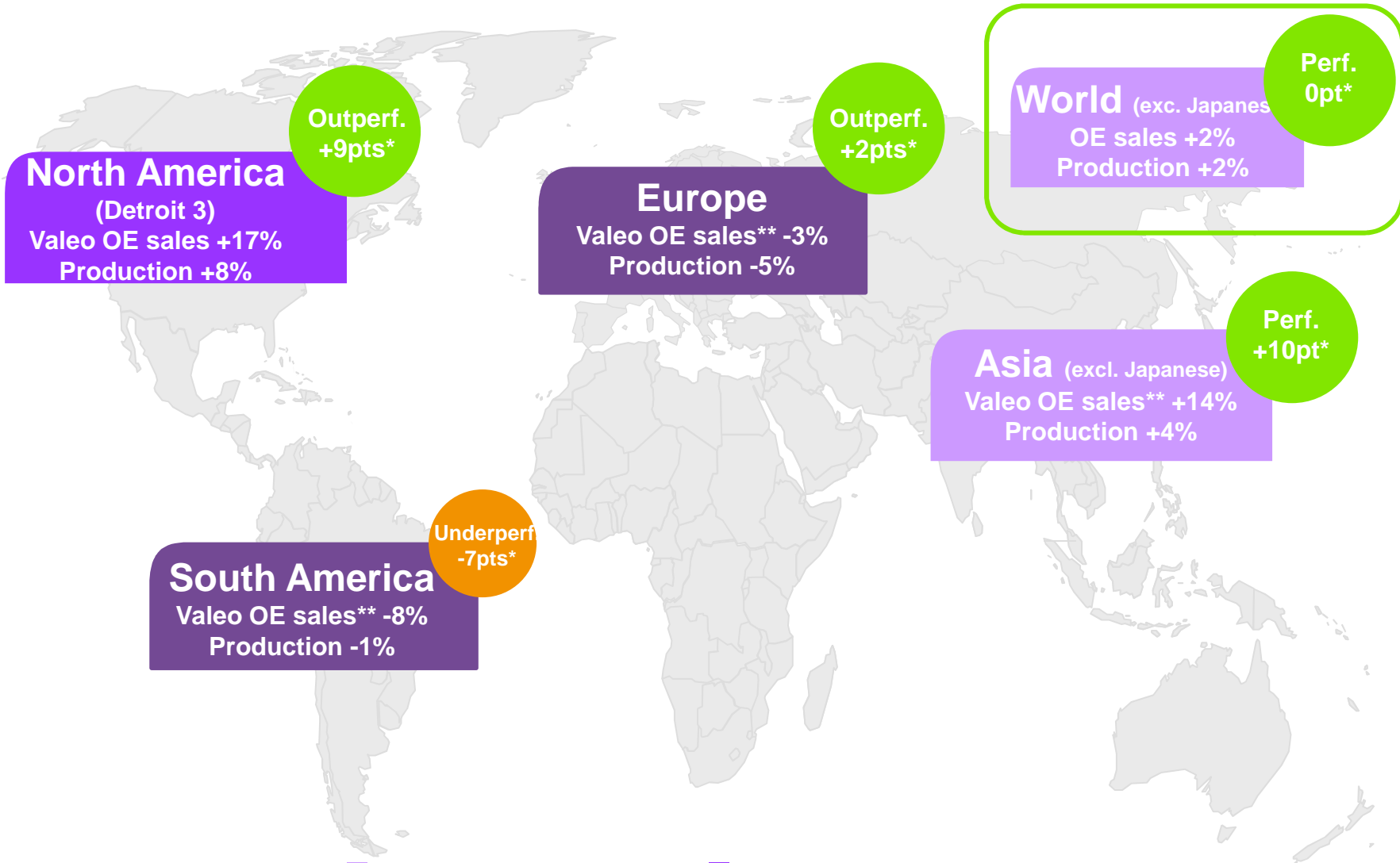


\*At same perimeter and exchange rates

\*\* Valeo sales by destination

# Global performance in line with the market excluding Japanese OEMs

## Performance higher than the market in Asia excluding Japanese OEMs



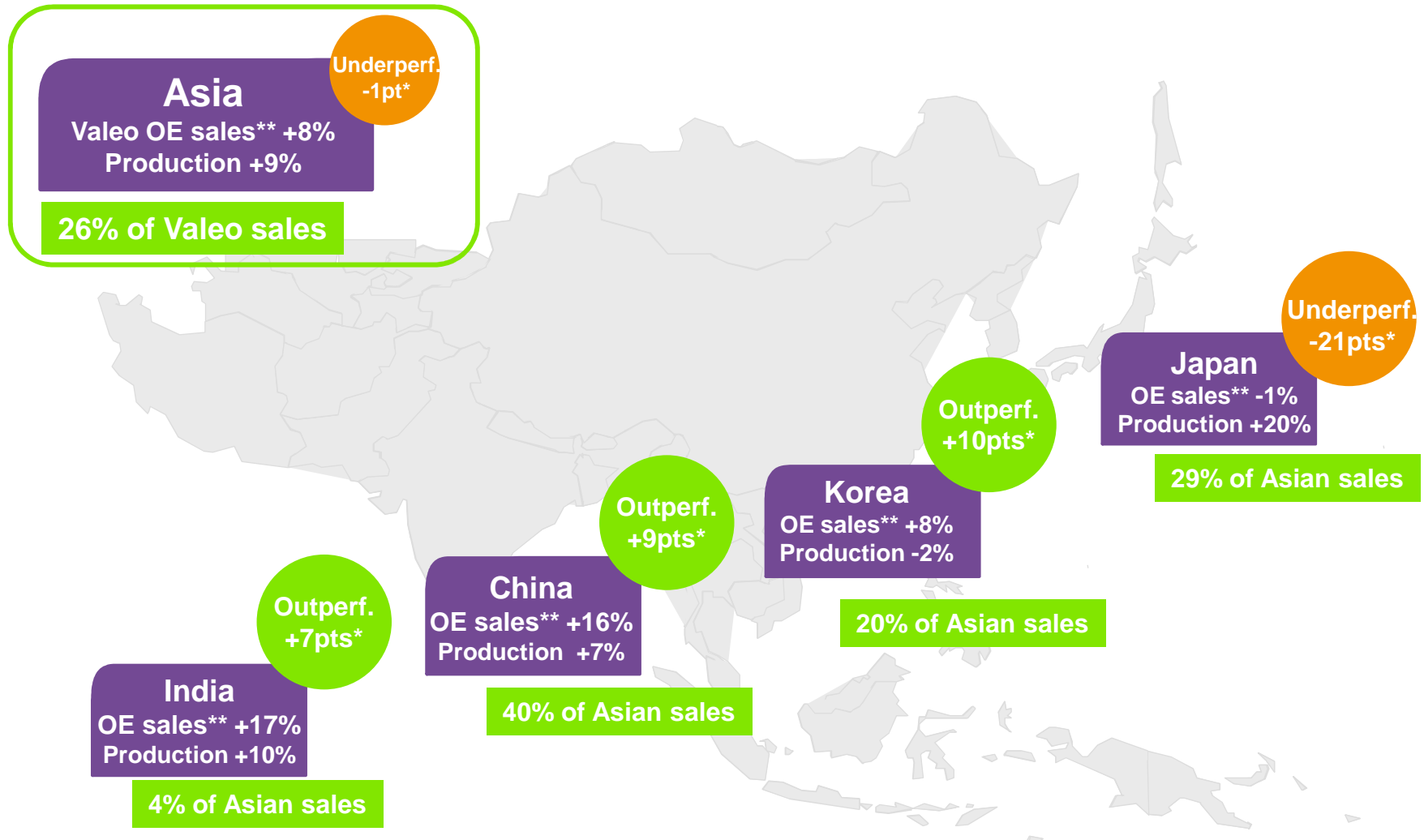
\*At same perimeter and exchange rates  
 \*\* Valeo sales by destination

Excluding Japanese OEMs

Detroit 3 (excluding Japanese OEMs)

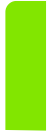
# Temporary underperformance in Asia

Only due to Japan



\*At same perimeter and exchange rates

\*\* Valeo sales by destination



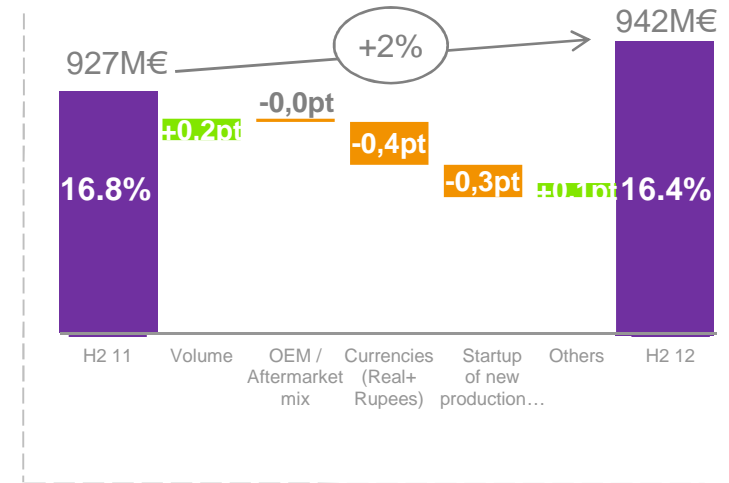
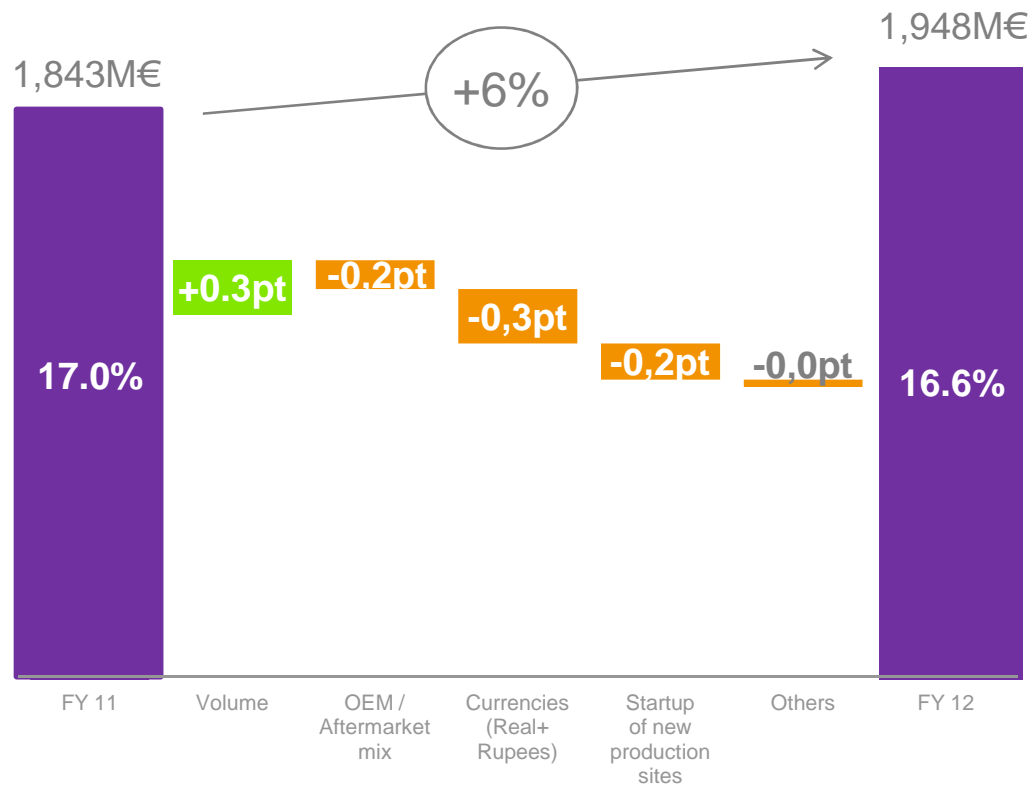
Operating margin<sup>(2)</sup> of 725 M€,  
up 3% vs 2011

Stability of H2 operating margin  
compared to H1 at 6.2% of sales,  
despite European slowdown (-8% in production)

# Gross margin at 1,948 M€ or 16.6% of sales

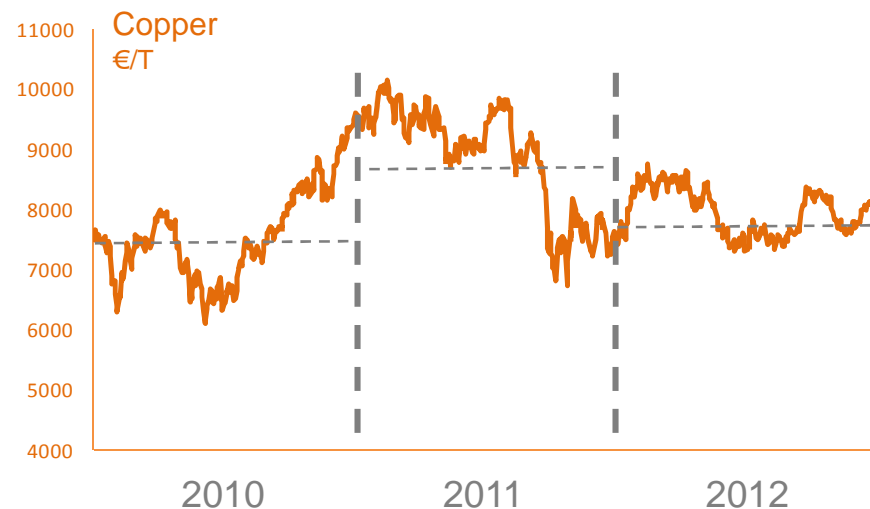
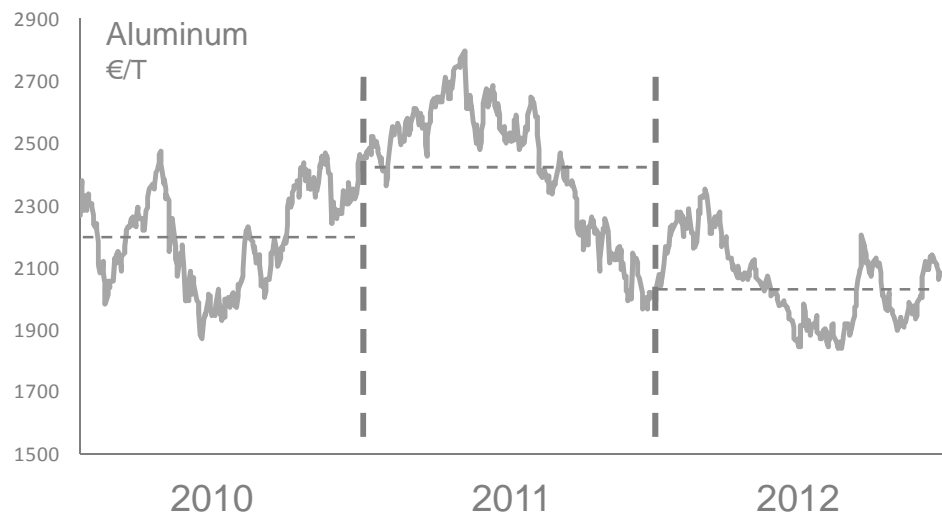
Mainly impacted by exchange rates & startup costs at new plants

## Walkdown



# Positive impact of raw materials in H2

## Slight decrease in LME and drop in rare earth prices



FY 12 % of consumption		Gross impact - change %			Net impact FY 11/FY 12
		H1 11 / H1 12	H2 11 / H2 12	FY 11 / FY 12	
40%	LME*	-6%	-6%	-6%	+0.4pt
35%	Steel	+3%	-3%	+0%	
23%	Plastic	+6%	-1%	+2%	
2%	Rare earth	+10%	-69%	-51%**	
100%	Total	+0%	-7%	-4%	

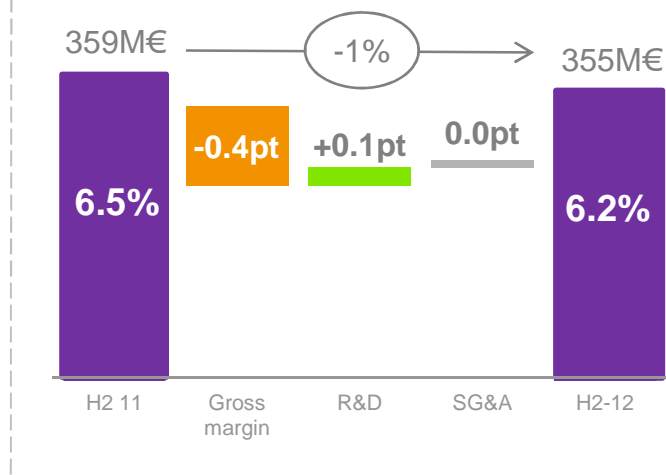
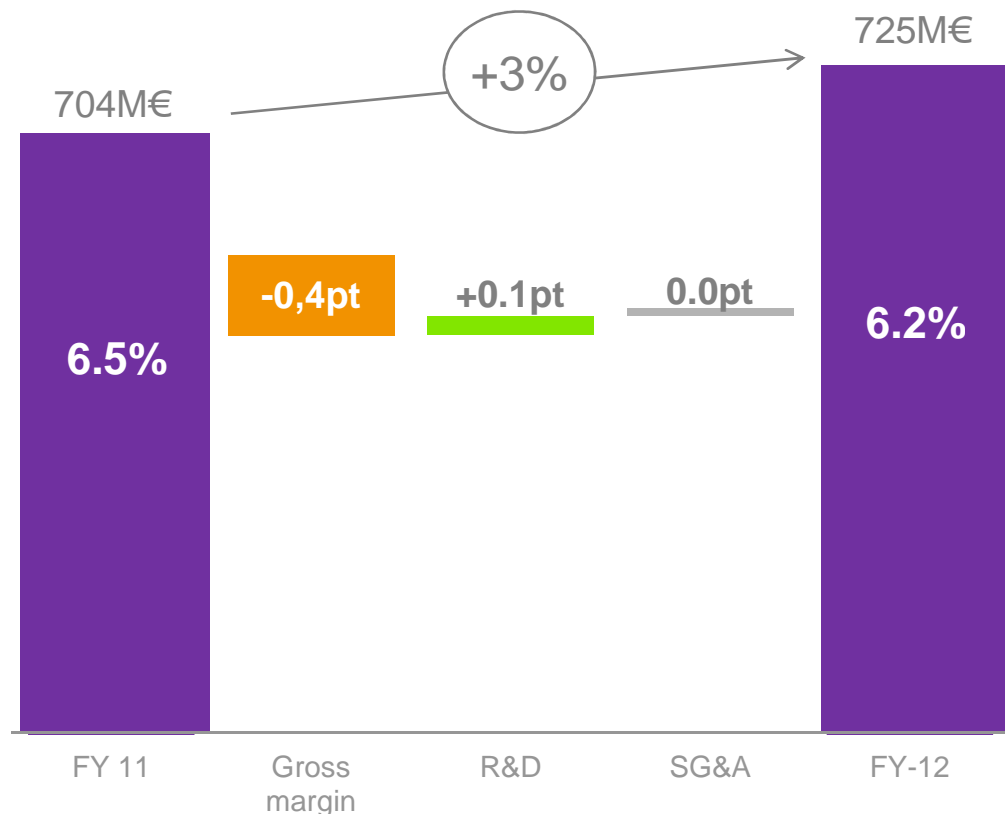
\*of which copper 51%, aluminum 43% and zinc 6%

\*\* Rare earth rates change & reduction in consumption

# Operating margin<sub>(1)</sub> up 3% to 725 M€ (6.2% of sales),

In H2, operating margin at 6.2% of sales despite 8% decline in European production

## Walkdown

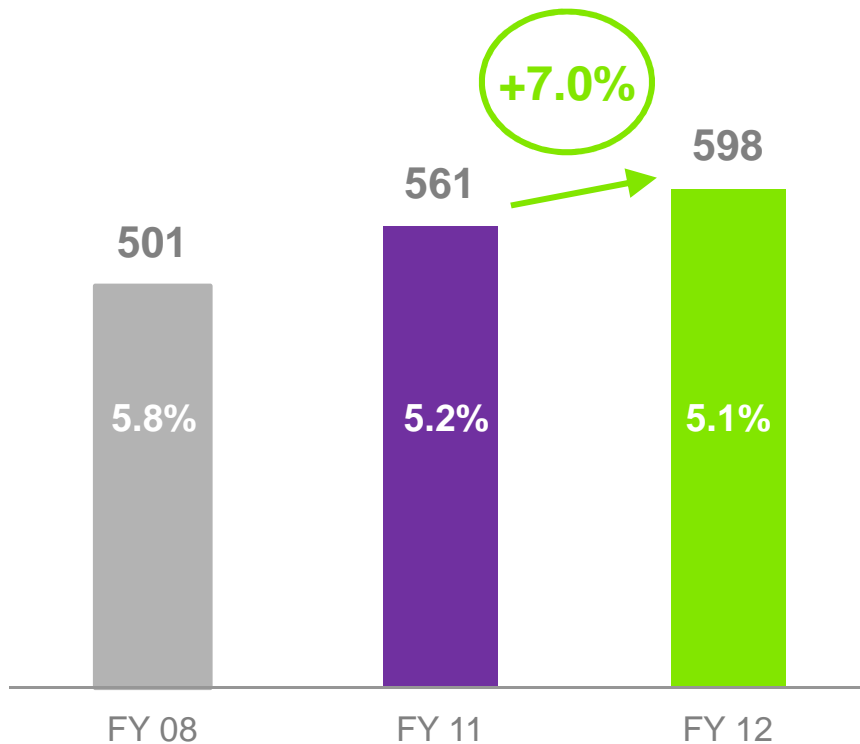




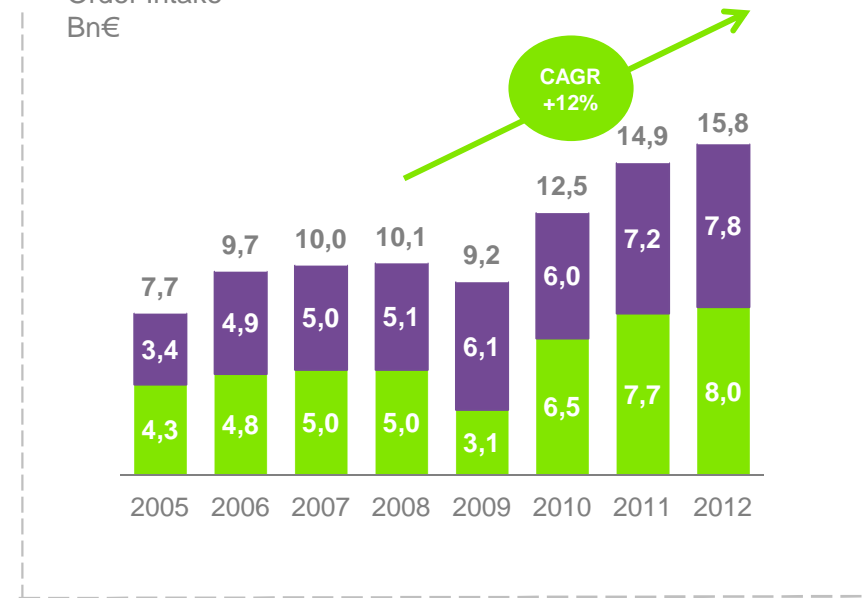
# Net R&D expenditure stable at 5.1% of sales

To support increasing order intake

In M€  
& % of sales



Order Intake  
Bn€

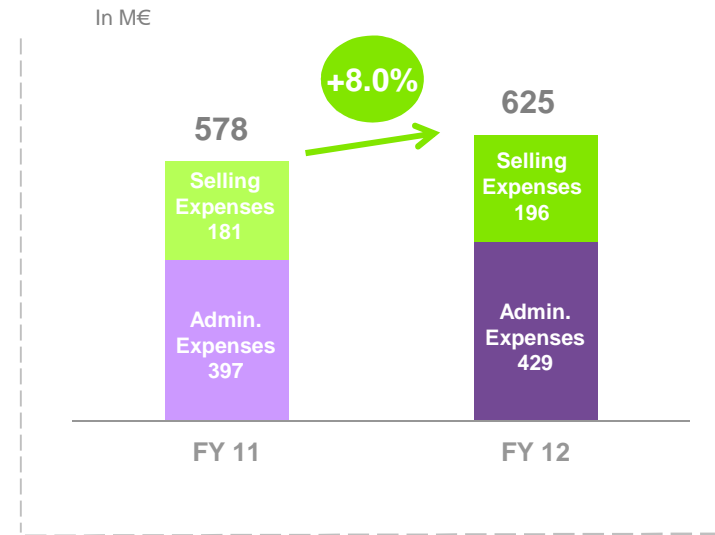
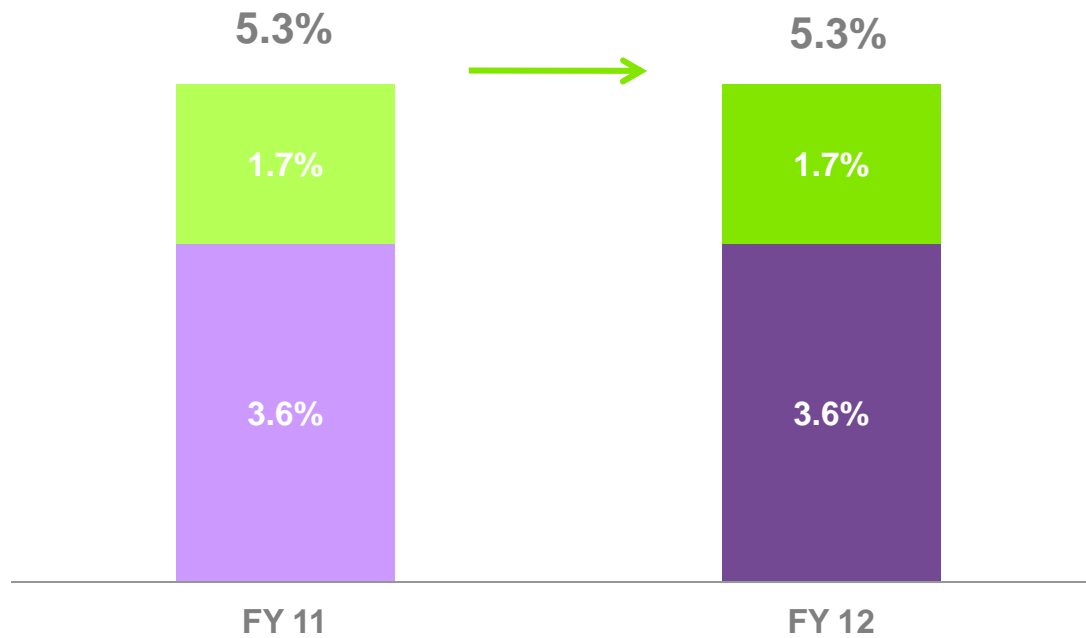


2012 THOMSON REUTERS  
**TOP 100**  
GLOBAL INNOVATORS

# Sound management of SG&A

With G&A costs remaining at 3.6% of sales

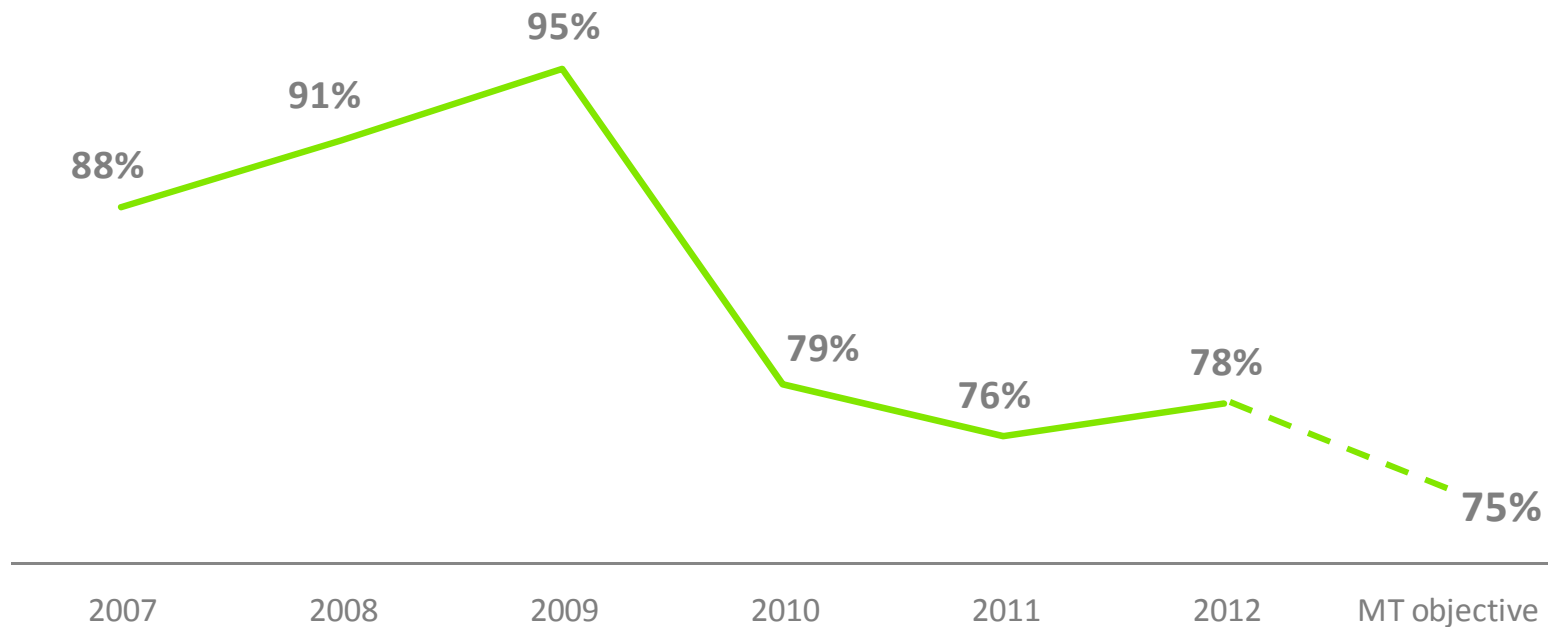
% of sales



# Sustainability of margins thanks to lower breakeven point

Breakeven point significantly lower than pre-crisis level

**Breakeven point**  
In % sales



# Net income of 380 M€ with EPS at 5.03€

Excl. non recurring items<sup>(3)</sup>, net income of 420 M€ with EPS at 5.56 €

	FY 11	FY 12	▲
Total sales (M€)	10,868	11,759	+8.2%
Operating margin <sup>(1)</sup> (M€)	704	725	+3.0%
<i>% of sales</i>	6.5%	6.2%	-0.3pt
Other income & expenses (M€)	0	(53)	na
<i>% of sales</i>	0.0%	-0.5%	-0.5pt
Operating income (M€)	704	672	-4.5%
<i>% of sales</i>	6.5%	5.7%	-0.8pt
Cost of net debt (M€)	(71)	(103)	+45.1%
Other financial expenses (M€)	(35)	(30)	-14.0%
Associates (M€)	2	14	na
Income before taxes (M€)	600	553	-7.8%
Taxes (M€)	(148)	(146)	-1.4%
<i>Effective tax rate</i>	25%	27%	+2pts
Non strategic activities (M€)	(1)	(2)	na
Non-controlling interests and others(M€)	(24)	(25)	na
Net income (M€)	427	380	-11.0%
<i>% of sales</i>	3.9%	3.2%	-0.7pt
Net income excl. non recurring items <sup>(3)</sup> (M€)	427	420	-1.6%
<i>% of sales</i>	3.9%	3.6%	-0.3pt
Basic earning per share (€)	5.68	5.03	-11.4%
Basic EPS excluding non recurring items (€)	5.68	5.56	-2.1%

Out of which  
Access Mecanism  
capital loss and  
carve out costs of 49M€ &  
restructuring of 11M€

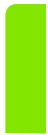
## ROCE<sub>(4)</sub> at 28%

Higher level of capital employed to support order intake<sub>(1)</sub>

	FY 11	FY 12
Total sales	10.9 bn€	11.8 bn€
Operating margin <sub>(1)</sub>	6.5%	6.2%
Capital turnover	4.9*	4.5**
ROCE <sub>(4)</sub>	31%	28%**
ROA <sub>(5)</sub>	19%	17%

\*Proforma sales

\*\*Proforma balance sheet

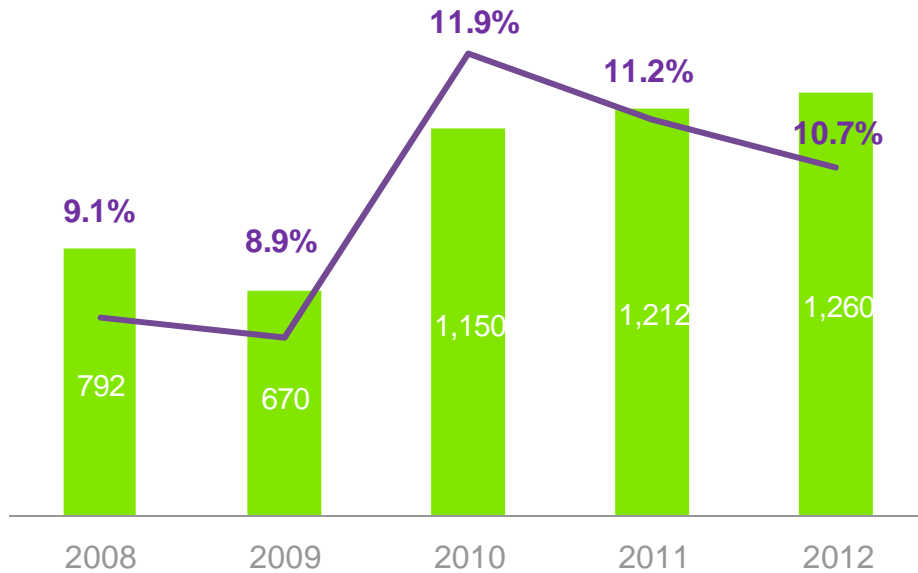


# Segment information

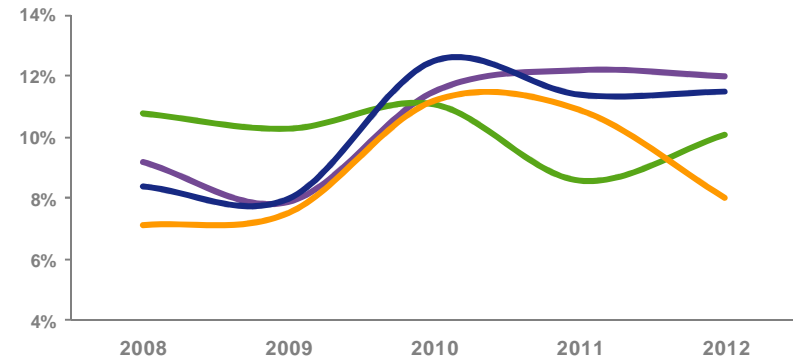
# EBITDA<sup>(6)</sup> of 1,260 M€ or 10.7% of sales

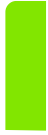
Visibility hit by weaker sales on aftermarket and startup costs / Recovery of Powertrain

M€ & % of sales



	FY 12
<b>Comfort &amp; Driving Assistance</b> <i>% of sales</i>	<b>11.9%</b>
<b>Powertrain</b> <i>% of sales</i>	<b>10.1%</b>
<b>Thermal</b> <i>% of sales</i>	<b>11.5%</b>
<b>Visibility</b> <i>% of sales</i>	<b>8.0%</b>





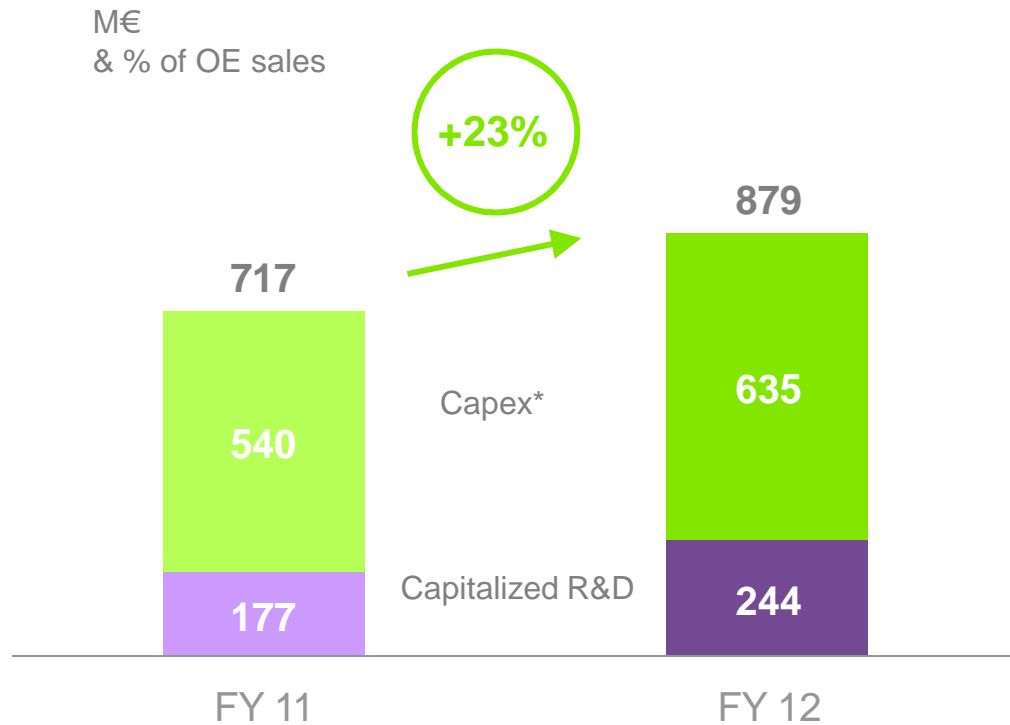
Free cash flow<sup>(7)</sup> of 81 M€ after  
investment flow of 857 M€

Strong increase in order intake requiring  
investment flows in  
production capacities in fast growing markets  
& R&D

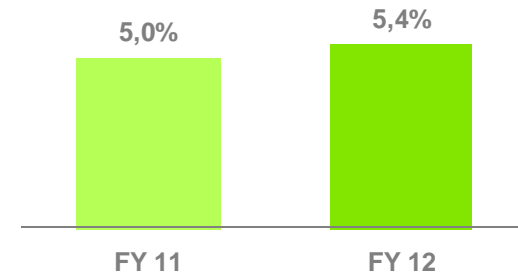


# Recorded investments increased to 879 M€

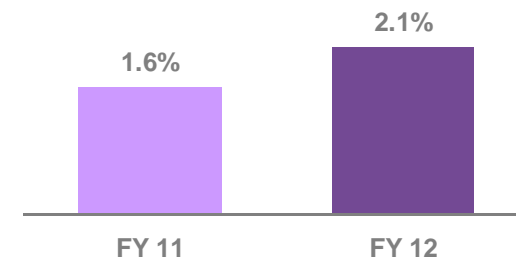
To support organic growth



Capex\*  
(% of sales)



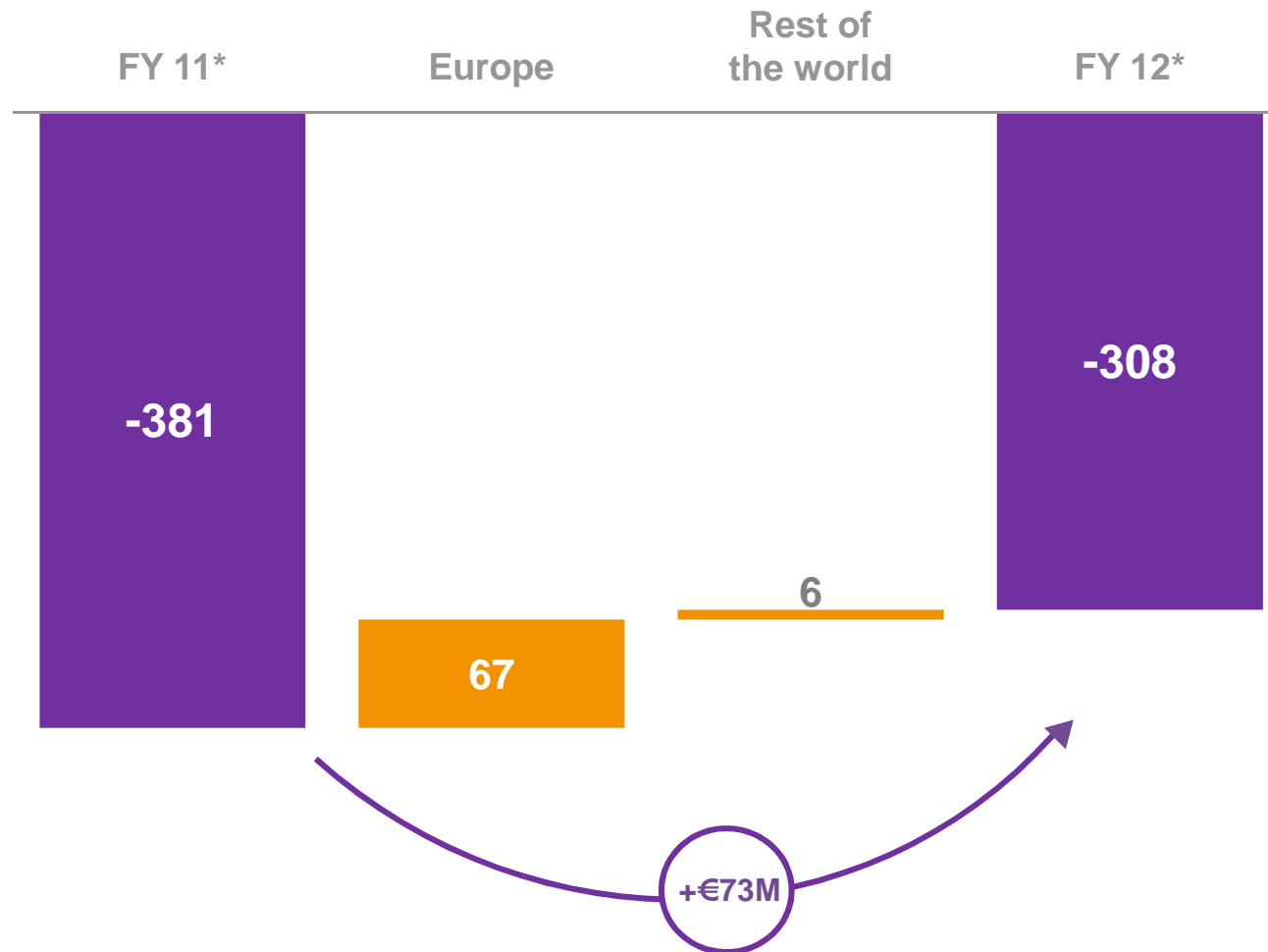
Increase in capitalized R&D driven  
by improving profitability of order book  
(% of sales)



\* excluding capitalized R&D

# Change in working capital of 73 M€ due to structural negative working capital in Europe

In M€



• Inventories, accounts and notes receivables, other current assets, accounts and notes payables, other current liabilities

## Free cash flow<sub>(7)</sub> of 81 M€

Further to investment flow & impact of slowdown in Europe on working capital

	FY 11	FY 12
EBITDA <sub>(6)</sub> (M€)	1,212	1,260
Operating working capital (M€)	(29)	(49)
<i>Of which impact of European slowdown</i>		(66)
Restructuring & employee-related costs (M€)	(52)	(37)
Other operating items (inc. taxes) (M€)	(233)	(236)
<i>Of which :</i>		
<i>Taxes</i>	(169)	(186)
<i>Pensions</i>	(70)	(60)
Cash from operating activities (M€)	898	938
Capex (inc. capitalized R&D) (M€)	(666)	(857)
Free cash flow <sub>(7)</sub> (M€) (before interest payments)	232	81
Interest (M€)	(57)	(66)
Other financial items (M€)	(402)	(195)
Net cash flow <sub>(8)</sub> (M€)	(227)	(180)
Net debt <sub>(9)</sub> (M€)	523	763

Out of which  
Capex excl. capitalized R&D  
of (613)M€  
& capitalized R&D of  
(244) M€

Out of which  
dividend payment to  
Stockholders of  
106 M€ & acquisition of  
minority interests  
in China JV of 52 M€



# Strong financial structure

“Investment Grade” rating  
confirmed by Moody’s and Standard & Poor’s

# “Investment Grade” rating

Confirmed by Moody’s and Standard & Poor’s

## Moody’s

Moody’s rating

Long term  
**Baa3**

Outlook  
**Stable**

Short term  
**Prime-3**

## Standard and Poor’s

S&P’s rating

Long term  
**BBB**

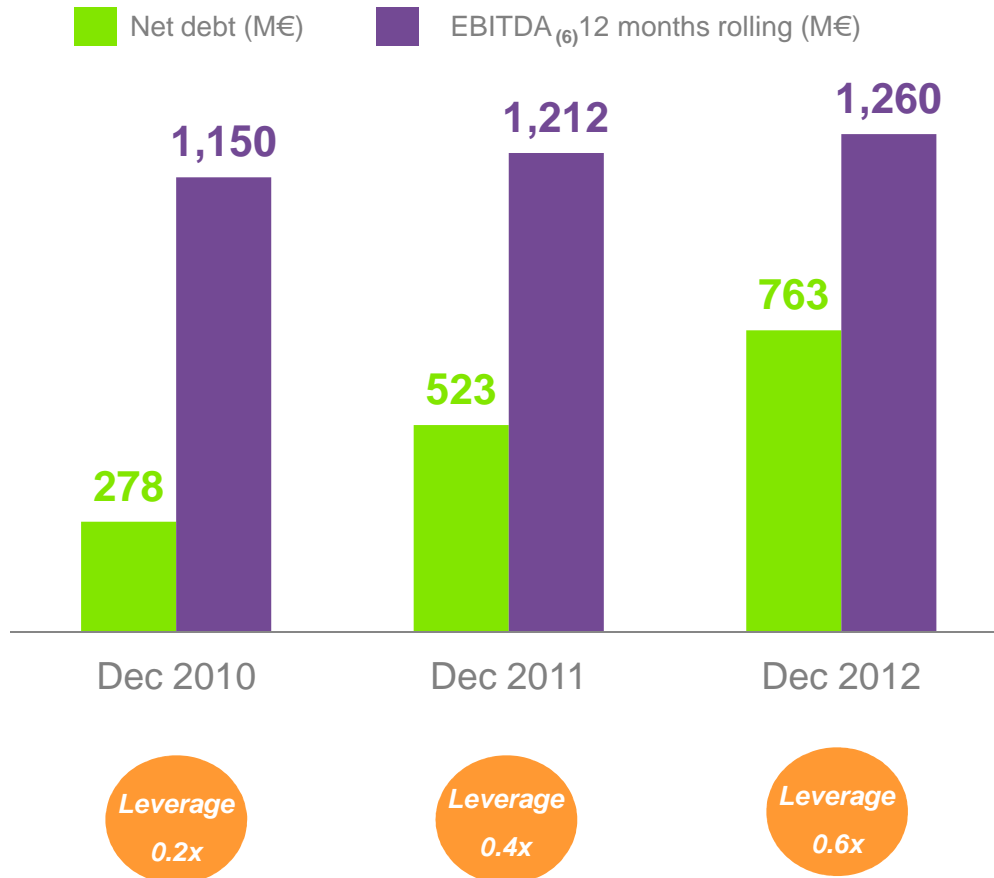
Outlook  
**Stable**

Short term  
**A-2**

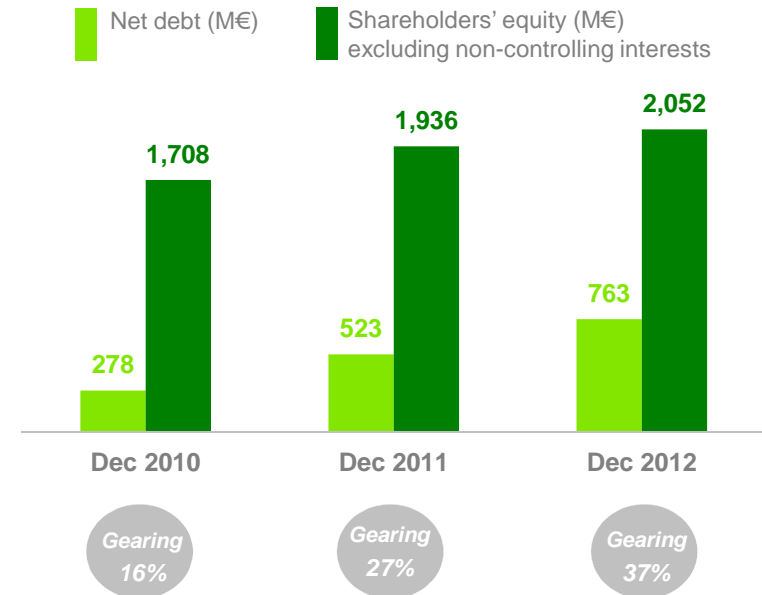
# Strong financial structure

In line with "Investment Grade" status

## Net debt <sup>(9)</sup> over EBITDA <sub>(6)</sub>



## Shareholders' equity and net debt



# Strong liquidity position

To cope with challenging environment

## Liquidity :

Cash & cash equivalent: 1.3 bn€

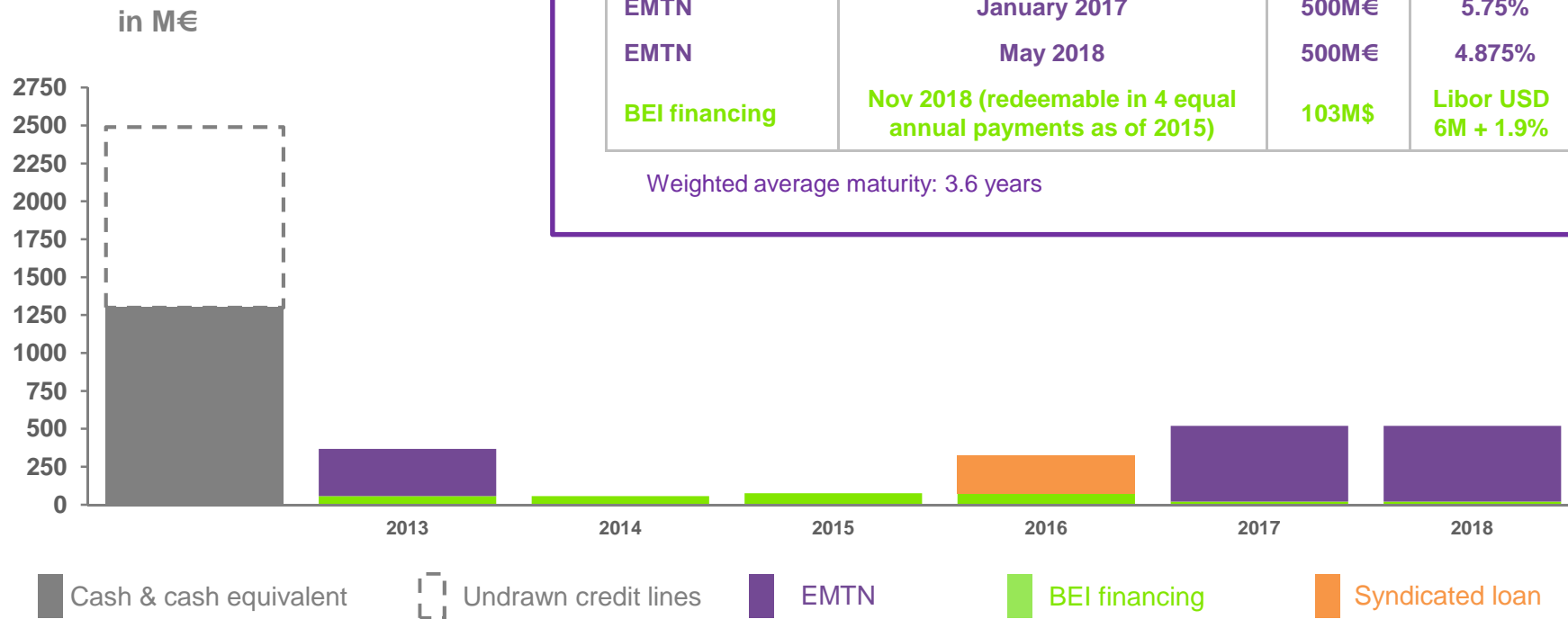
Undrawn bank credit lines: 1.2 bn€

Average Maturity : 3.3 years

## Debt:

	Maturity	Amount	Coupon
EMTN	June 2013	311M€	3.75%
Syndicated Loan	June 2016	250M€	Euribor 3M + 1.3%
BEI financing	Aug 2016 (redeemable in 4 equal annual payments as of 2013)	225M€	Euribor 6M + 2.46%
EMTN	January 2017	500M€	5.75%
EMTN	May 2018	500M€	4.875%
BEI financing	Nov 2018 (redeemable in 4 equal annual payments as of 2015)	103M\$	Libor USD 6M + 1.9%

Weighted average maturity: 3.6 years





# Outlook & dividend



**Proposed dividend payment of €1.50/share,  
ie payout ratio of 30%**

**2012 dividend of €1.50/share  
to be proposed at the next Shareholders' Meeting**

	<b>2010</b>	<b>2011</b>	<b>2012</b>
EPS	4.86	5.68	5.03
EPS excl. non recurring items	4.86	5.68	5.56
Dividend	1.20	1.40	1.50
Payout ratio	25%	25%	30%

## 2013 outlook

Based on the following key assumptions for FY 2013:

- Automotive production:
  - Europe: -4%
  - World: +1%
- Raw material prices in line with 2012 levels

Valeo has set the following objectives for 2013:

- Performance higher than the market in each of the main production regions
- Assuming an upturn in the European market in the second half of 2013, operating margin in line with 2012 (in millions of euros) despite a decline in the first half of the year as a result of market conditions

## Valeo's mid-term objectives

2010-2012 objectives set out during Investor Day – March 2011

According to the objectives set out in March 2011:

→ Operating margin between 6% to 7% over the period 2010-2012

	2010	2011	2012
Operating margin (% of sales)	6.4%	6.5%	6.2%

→ ROCE higher than 30% in 2010 and in 2011

	2010	2011	2012
ROCE	32%	31%	28%

2010-2012 profitability objectives achieved despite economic slowdown in Europe

## Valeo's mid-term objectives

Despite economic slowdown in Europe, mid-term objectives confirmed

Adjustement of Valeo's European automotive production assumptions

European Production	2011	2012	2013
Previous (March 9, 2011) <i>Change in %</i>	19.7	20.8 +6%	21.8 +5%
New (Feb 22, 2013) <i>Change in %</i>	21.1	20.0 -5%	19.1 -4%

-4% (between 20.8 and 21.8)  
 -12% (between 21.8 and 19.1)

## Valeo's mid-term objectives

A business model which remains valid

In view of the record order intake of the past few years driven by:

- a portfolio of innovative products
- the expansion in Asia and emerging countries

- 2010-2012 profitability objectives achieved despite economic slowdown in Europe
- Valeo is less dependant on the European market and remains confident in its ability to achieve its objectives:
  - Annual sales growth exceeding the market rate by 3 percentage points on average
  - Medium-term operating margin above 7%
  - Return on capital employed in the region of 30%
  - In a context of additional investments required to support the increase in order intake, the Group has set priorities of generating free cash flow and maintaining a solid financial position



## Investor Relations

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# Share Information

## Share Data

▪ Bloomberg Ticker	FR FP
▪ Reuters Ticker	VLOF.PA
▪ ISIN Number	FR 000130338
▪ Shares outstanding as of Dec. 31, 2012	79,462,540

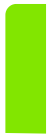
## ADR Data

▪ Ticker/trading symbol	VLEEY
▪ CUSIP Number	919134304
▪ Exchange	OTC
▪ Ratio (ADR: ord)	1:2
▪ Depository Bank	J.P. Morgan
▪ Contact at J.P. Morgan – ADR broker relationship desk	Jim Reeves +1 212-622-2710

# Glossary

- (1) **Order intake:** Order intake corresponds to business awarded by automakers (less any cancellations) during the period, based on Valeo's best and reasonable estimates in terms of volumes, sale prices and project lifespans.
- (2) **Operating margin** corresponds to operating income less other income and expenses
- (3) **Net attributable income (Group share) excluding non-recurring items** corresponds to net attributable income (Group share) adjusted for "other income and expenses" net of tax and negative goodwill recognized in respect of Detroit Thermal Systems in "share in net earnings of associates".
- (4) **ROCE**, or return on capital employed, corresponds to operating margin /capital employed less goodwill calculated over the last 12 months
- (5) **ROA**, or return on asset, corresponds to operating margin / committed capital including goodwill
- (6) **EBITDA** corresponds to operating income before depreciation and amortization of property, plant and equipment and intangible assets, impairment losses and other income and expenses.
- (7) **Free cash flow** corresponds to net cash from operating activities less net outflows on property, plant and equipment and intangible assets.
- (8) **Net cash flow** corresponds to free cash flow less financial expenses and after taking into account the payment of dividends and financial flows relating to mergers and acquisitions.
- (9) **Net debt** comprises all long-term debt, short-term debt and bank overdrafts, less loans and other non-current financial assets, cash and cash equivalents.





# Back-up

# Half year P&L

(in € million)	2009		2010		2011		2012	
	H1	H2	H1	H2	H1	H2	H1	H2
■ <b>Total sales</b>	3,472	4,027	4,787	4,845	5,334	5,534	5,999	5,760
■ <b>Gross margin</b>	453	685	856	879	916	927	1,006	942
<i>as % of sales</i>	13.0%	17.0%	17.9%	18.1%	17.2%	16.8%	16.8%	16.4%
R&D expenditure	(234)	(239)	(267)	(270)	(285)	(276)	(313)	(285)
Selling & administrative expenses	(270)	(262)	(297)	(284)	(286)	(292)	(323)	(302)
Other income & expenses	(37)	(12)	(31)	4	(1)	1	(22)	(31)
■ <b>Operating income</b>	(88)	172	261	329	344	360	348	324
<i>as % of sales</i>	-2.5%	4.3%	5.5%	6.8%	6.4%	6.5%	5.8%	5.6%
Cost of net debt	(21)	(39)	(32)	(35)	(29)	(42)	(50)	(53)
Other financial income and expenses	(37)	(20)	(14)	(18)	(17)	(18)	(16)	(14)
Equity in net earnings of associates	(40)	6	11	(12)	4	(2)	11	3
■ <b>Income before income taxes</b>	(186)	119	226	264	302	298	293	260
Income taxes	(26)	(53)	(47)	(57)	(77)	(71)	(78)	(68)
■ <b>Income from continuing operations</b>	(212)	66	179	207	225	227	215	192
Non-strategic activities	1	(1)	(2)	0	0	(1)	(2)	--
■ <b>Net income for the period</b>	(211)	65	177	207	225	226	213	192
Non-controlling interest	(2)	(5)	(9)	(10)	(7)	(17)	(15)	(10)
■ <b>Net income</b>	(213)	60	168	197	218	209	198	182

# Segment information

2012

<i>(in €m)</i>	Powertrain Systems	Thermal Systems	Comfort and Driving Assistance Systems	Visibility Systems	Others	TOTAL
<b>Net sales</b>						
· segment (excluding Group)	3,237	3,313	2,487	2,698	24	<b>11,759</b>
· intersegment (Group)	29	27	23	36	(115)	-
<b>EBITDA</b>	<b>329</b>	<b>383</b>	<b>298</b>	<b>220</b>	<b>30</b>	<b>1,260</b>
Research & Development expenditure, nets	(147)	(149)	(171)	(131)	-	<b>(598)</b>
Investments in property, plant and equipment and intangible assets	262	148	214	234	21	<b>879</b>
Segment assets	1,467	1,074	1,113	1,229	39	<b>4,922</b>

2011

<i>(in €m)</i>	Powertrain Systems	Thermal Systems	Comfort and Driving Assistance Systems	Visibility Systems	Others	TOTAL
<b>Net sales</b>						
· segment (excluding Group)	3,099	3,110	2,124	2,511	24	<b>10,868</b>
· intersegment (Group)	27	30	33	38	(128)	-
<b>EBITDA</b>	<b>268</b>	<b>359</b>	<b>264</b>	<b>279</b>	<b>42</b>	<b>1,212</b>
Research & Development expenditure, nets	(130)	(154)	(153)	(124)	-	<b>(561)</b>
Investments in property, plant and equipment and intangible assets	226	117	209	156	9	<b>717</b>
Segment assets	1,407	1,068	1,323	979	25	<b>4,802</b>

# Quarterly information

in M€

## Sales by segment

	Q1-10	Q2-10	Q3-10	Q4-10	Q1-11	Q2-11	Q3-11	Q4-11	Q1-12	Q2-12	Q3-12	Q4-12
Comfort & Driving Assistance	408	440	418	438	481	489	567	620	657	634	615	604
Powertrain Systems	636	708	625	714	767	782	743	834	855	826	784	802
Thermal Systems	693	754	735	751	783	776	777	804	864	855	808	813
Visibility Systems	591	595	547	621	664	640	597	648	685	672	656	722
<b>Total sales</b>	<b>2,309</b>	<b>2,478</b>	<b>2,342</b>	<b>2,503</b>	<b>2,669</b>	<b>2,665</b>	<b>2,662</b>	<b>2,872</b>	<b>3,033</b>	<b>2,966</b>	<b>2,842</b>	<b>2,918</b>

## OE & aftermarket sales

	Q1-10	Q2-10	Q3-10	Q4-10	Q1-11	Q2-11	Q3-11	Q4-11	Q1-12	Q2-12	Q3-12	Q4-12
OE Sales	1,898	2,059	1,929	2,066	2,263	2,247	2,262	2,435	2,602	2,516	2,393	2,399
Aftermarket	351	371	360	363	361	358	336	357	369	363	357	365
Miscellaneous	60	48	53	74	45	60	64	80	62	87	92	154
<b>Total sales</b>	<b>2,309</b>	<b>2,478</b>	<b>2,342</b>	<b>2,503</b>	<b>2,669</b>	<b>2,665</b>	<b>2,662</b>	<b>2,872</b>	<b>3,033</b>	<b>2,966</b>	<b>2,842</b>	<b>2,918</b>

# “Investment Grade” rating

Confirmed by Moody’s and Standard & Poor’s

## Moody’s

	Long term	Outlook	Short term
<b>Moody’s rating</b>	<b>Baa3</b>	<b>Stable</b>	<b>Prime-3</b>

*“The Baa3 rating is supported by the Group’s (i) solid business profile, (ii) adequate credit metrics and a (iii) balanced financial policy... Valeo ranks the largest European automotive suppliers, the Group’s product range is broadly diversified and Valeo holds leading positions in its relevant market segments. The rating also considers positively Valeo’s global presence,...”*

*Published January 29, 2013*

## Standard and Poor’s

	Long term	Outlook	Short term
<b>S&amp;P’s rating</b>	<b>BBB</b>	<b>Stable</b>	<b>A-2</b>

*“Valeo’s satisfactory business risk profile is supported by the Group’s solid market share in almost all of the segments in which it operates, good product and geographic diversity, and a wide array of commercial relationships with almost all OEMs.”*

*Published September 14, 2012*

## Safe Harbor Statement

Statements contained in this report, which are not historical fact, constitute “Forward-Looking Statements”. Even though Valeo’s management feels that the Forward-Looking Statements are reasonable, investors are put on notice that actual results may differ materially due to numerous important factors, risks and uncertainties to which Valeo is exposed. Such factors include, among others, the company’s ability to generate cost savings or manufacturing efficiencies to offset or exceed contractually or competitively required price reductions. The risks and uncertainties to which Valeo is exposed are mainly the risks resulting from the investigations currently being carried out by the antitrust authorities as they have been identified in the Registration Document, operational risks which relate to being a supplier in the automotive industry, to the development of new products and risks due to certain global and regional economic conditions. Also included are environmental and industrial risks as well as risks and uncertainties described or identified in the public documents submitted by Valeo to the French “*Autorité des marchés financiers*” (AMF), including those set out in the “Risk Factors” section of Valeo’s Registration Document registered at the AMF on March 29, 2012 (ref. no. D.12-0237).

The company assumes no responsibility for any estimates made by analysts and any other information prepared by third parties which may be used in this report. Valeo does not intend or assume any obligation to review or to confirm the estimates of analysts or to update any Forward-Looking Statements to reflect events or circumstances which occur after the date of this report.



Automotive technology, naturally

