COMFORT & DRIVING ASSISTANCE SYSTEMS (CDA)

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Intuitive driving: A growing market trend

More Automated

20% of U.S. customers ready to invest over $5000 for automated systems in cars

(Source BCG)

Push for active safety

EURO NCAP
Intuitive driving: A growing market trend

More Automated
- 20% of U.S. customers ready to invest over $5000 for automated systems in cars
  (Source: BCG)
- Push for active safety

More Connected
- 53% of new cars will be connected by 2020
  (Source: SBD)
Intuitive driving: A growing market trend

More Automated

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Push for active safety

More Connected

53% of new cars will be connected by 2020
(Source SBD)

More Intuitive

“They like iPhones and iPods more than they like their cars’ - you hear that?”
(Ralph Speth, CEO of Jaguar Land Rover)
Valeo Intuitive Driving Vision

More Automated

More Connected

More Intuitive

#1 Worldwide in Driving Assistance

#1 Worldwide in Interior Controls
A Market Structured by the Race towards Automated Car
A Market Structured by the Race towards Automated Car

0. No Automation
1. Driver Assistance
2. Partial Automation
3. Conditional Automation
4. High Automation
5. Full Automation

Hands / Feet Off
Eyes Off
Mind Off
A Market Structured by the Race towards Automated Car

Connectivity
- V2V
- HD (High Definition) Map

Recovery Mode
- Driver Fallback
- System Failsafe

Driver Interface
- Driver
- System

Lateral / Longitudinal Control
- Driver
- System

Levels of Automation:
0. No Automation
1. Driver Assistance
2. Partial Automation (Hands / Feet Off)
3. Conditional Automation (Eyes Off)
4. High Automation (Mind Off)
5. Full Automation
A Market Structured by the Race towards Automated Car

Driver drives balanced driving experience

Car drives

- **No Automation (0)**: No Automation
- **Driver Assistance (1)**: Driver Assistance
- **Partial Automation (2)**: Partial Automation
- **Conditional Automation (3)**: Conditional Automation
- **High Automation (4)**: High Automation
- **Full Automation (5)**: Full Automation

Driver Fallback

HD (High Definition) Map

V2V

Connectivity

Recovery Mode

Driver Interface

Lateral / Longitudinal Control

Adaptation of the legal framework required
Valeo World Leader in Driving Assistance

Parking Automation
- >5 million Park4U® systems
- >10 million viewing cameras
- >450 million ultrasonic sensors
- Sensor Fusion ECU in 2016

Active Safety
- >5 million radar sensors
- SCALA Laser Scanner
- NCAP sensor (LED + Camera)

Viewing Cameras
Ultrasonic Systems

Parking & Manoeuvring
Active Safety
Front Camera
Cocoon & Front Radar
Infrared Ranging
Valeo World Leader in Driving Assistance

Automated Driving

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Parking & Manoeuvring
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- Ultrasonic Systems

Active Safety
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Towards a Safe and Automated Experience

360° Detection and Sensor Fusion needed for next generation systems
Towards a Safe and Automated Experience
Automated Driving Roadmap

- **Highway**
  - Lane Keeping Assist
  - Highway Assist
  - Traffic Jam Assist
  - Highway Chauffeur
  - Traffic Jam Chauffeur
  - Highway Pilot

- **Urban**
  - Emergency Braking (City)
  - Blind Spot Detection
  - Lane Change Assist
  - Local Map
  - Valet Park4U* X

- **Parking**
  - 360Vue*
  - Object Detection
  - Park4U* Remote
  - Garage Park4U*
  - Local Map

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Technologies for Automated Parking and Automated Driving are merging.
Automated Driving platforms in Collaboration

Cruise4U™

2 Partial Automation
3 Conditional Automation
Automated Driving platforms in Collaboration

Cruise4U™

1. Partial Automation
2. Conditional Automation

Drive4U™

4. High Automation
5. Full Automation

with iau

with Valeo

with Safran
Intuitive Controls: Short and Safe Transition for automated cars with Möbi/us

**MANUAL**

- Awareness of car environment & Hands on the steering wheel
- Driver monitoring to check driver’s attention

- 2 clearly differentiated modes

**AUTOMATED**

- Full digital experience
- Reconfigurable touch-screen control
Integrated solution Valeo Cockpit
VALEO INTUITIVE DRIVING

More Automated

VALEO INTUITIVE DRIVING
AUTOMATED CAR

More Connected

VALEO INTUITIVE DRIVING
CONNECTED CAR

More Intuitive

VALEO INTUITIVE DRIVING
INTUITIVE CONTROLS

CDA: a true Global Player in Intuitive Driving
CDA: 2014 key figures

Total sales
2.3 Bn €
Growth +15% compared to 2013*

EBITDA
14.5% of sales
+1.2pt compared to 2013

14,150 Employees
17 Countries
25 Production sites
13 Research & Development centers

* OEM sales growth on a like-for-like basis
CDA Worldwide Presence

- **North America**
  - 13% Turnover
  - 6% Headcount

- **Europe**
  - 51% Turnover
  - 46% Headcount

- **China**
  - 10% Turnover
  - 11% Headcount

- **South America**
  - 1% Turnover
  - 1% Headcount

- **Asia excl. China**
  - 25% Turnover
  - 36% Headcount
A Tech Company profile

Engineering Co vs Manufacturing Co

- Tangible assets
- Intangible assets
A Tech Company profile

Engineering Co vs Manufacturing Co

Current R&D Headcount: 3,200

4,500 Headcount in 2020

- One structure Headcount out of two in R&D
- One R&D Headcount out of two in Software and Systems
- A race towards competitive countries from ~30% to >40%
Open Innovation and Partnerships to boost Time to Market

VALEO INTUITIVE DRIVING
Open Innovation and Partnerships to boost Time to Market

VALEO INTUITIVE DRIVING

More Automated

VALEO INTUITIVE DRIVING

AUTOMATED CAR

LeaderTech
Bendix
Mobileye
ibeo AUTOMOTIVE
ottomatika
IAV
SAFRAN

合作伙伴
Open Innovation and Partnerships to boost Time to Market

More Automated

VALEO INTUITIVE DRIVING

VALEO INTUITIVE DRIVING

AUTOMATED CAR

More Connected

VALEO INTUITIVE DRIVING

CONNECTED CAR

Logos of various companies such as LeaderTech, Bendix, Mobileye, peiker, Sierra Wireless, Qualcomm, ottomatika, IAU, Safran, Morpho, and Vulog.
Open Innovation and Partnerships to boost Time to Market
Examples of recent Technological cooperation agreements

Sept. 2013

- Joint R&D in driving Assistance and autonomous vehicles
- Initial focus on:
  - Driver Attention Monitoring
  - 360° view visibility
  - Visibility in extreme weather
  - Vehicle robotization / dronization
Examples of recent Technological cooperation agreements

**SAFRAN**
- Sept. 2013
  - Joint R&D in driving Assistance and autonomous vehicles
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**Peiker**
- Feb. 2015
  - Joint telematics offers to OEMs combining Valeo global presence and Peiker technology bricks.
  - Joint development for LTE Advance Mobile (4G+) broadband services and beyond.
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**Mobileye**
- March 2015
- Valeo Front Cameras offer based on Mobileye’s EyeQ solutions.
- Exclusive cooperation to develop jointly for Automated Driving an innovative product combining Vision and Laser Scan
A Product Portfolio ensuring Growth Expectations

CDA growth >10% CAGR

CDA market growth 7% CAGR*

*Caleo estimates

2013

2019

Growth engines

Traditional products
Comfort & Driving Assistance Systems: Financial perspective 2020

Sales 2014: 2.3 Bn €
EBITDA 2014: 14.5% of sales

>10% CAGR 2020
~17.5% of sales
A revolution under way
Valeo uniquely positioned with its Intuitive Driving Vision
Strong growth expectation
Sustained by important R&D engagement
“The Light Touch of a Gentle Lady”
will drive an “Argyll” car. Everything is simplicity, everything is
“just there;” the driver has only to look ahead.
The “Argyll” cars will “go-anywhere-and-do-anything,” and they
excel in reliability and beauty of design.

Send for New Art Catalogue "B," which tells intending purchasers all they require to know.

ARGYLL MOTORS, LTD., Argyll Works, Bridgeton, GLASGOW.
SAFE HARBOR STATEMENT

Statements contained in this press release, 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 mainly comprise the risks resulting from the investigations currently being carried out by the anti-trust authorities as they have been identified in the Registration Document and risks relating to legal action resulting from such investigations, risks which relate to being a supplier in the automotive industry and 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 financial markets authority (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 28, 2014 (under no. D.14-0234).

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VALEO INVESTOR DAY 2015