H1 2015 Results
Jacques Aschenbroich – CEO
H1 highlights

Fueled by innovation

Order intake\(^{(1)}\) of €10.7bn

Sales of €7.3bn

OEM sales of €6.3bn

World OEM sales

Europe +10%
China +10%
North America +4%
Asia (excluding China) +2%
South America -13%

Growth\(^*\)

Outperformance**

World OEM sales +7%

Europe +10%
China +10%
North America +4%
Asia (excluding China) +2%
South America -13%

\(^*\)OEM sales like-for-like

\(^{(2)}\)Constant Group structure and exchange rates.

Outperformance**

+18% as reported +13% like-for-like (2)
+15% as reported +6% like-for-like (2)
+16% as reported +7% like-for-like (2)

+6pts
+8pts
+5pts
+1pt
+3pts
+3pts

**vs automotive production

Aftermarket sales of €0.8bn

+8% as reported +2% like-for-like (2)
H1 highlights

### Strong improvement in Profitability
- Operating margin\(^{\dagger}\) of €538m 7.4% of sales
- Net income of €344m 4.7% of sales
- EPS of €4.41

### Significant cash generation increase
- EBITDA\(^{\dagger}\) of €913m 12.5% of sales
- Free cash flow\(^{\dagger}\) of €306m
- Cash conversion rate (FCF/EBITDA)
- ROCE\(^{\dagger}\)
- ROA\(^{\dagger}\)
- Net debt\(^{\dagger}\) of €219m

- up 23%
- up 34%
- up 34%
- up 24%
- Double H1 14
- 33%
- 32%
- 21%
- down €122m vs end 2014

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\(^{\dagger}\) See glossary page 40
* incl. joint ventures and associates in accordance with new IFRS standards

July 27, 2015
Chinese trend

Latest market trends

- Growth rate slowing down
- Many customers extending summer holidays
- Full-year growth production forecast: between 4% and 5%

Valeo’s performance

- YTD organic growth of 10%
- Numerous starts of production ongoing thanks to very high historical level of order intake
- Strong growth with Chinese OEM
- Thanks to ongoing starts of production, H2 sales and operating margin in line or better than H1
- Adapt hiring and capex to current market conditions
- No change in long term view presented in London in March 2015

Outperformance versus production in 2015

July 27, 2015
2015 outlook

Based on the following key assumptions for full-year 2015:

- Automotive production growth consistent with LMC estimates:
  - World: between 2% and 3%
  - Europe (excl. Russia): between 4% and 5%
  - China: between 4% and 5%

- Raw material prices and currencies in line with current levels

Valeo raises its full-year 2015 guidance:

- Sales growth outperformance in the main production regions including China

- Operating margin* (as a % of sales) higher than 2014 with a slight increase in operating margin* (as a % of sales) in the second half 2015 as compared to the first half

* Including joint ventures and associates in accordance with new IFRS standards
Strategic plan 2015-2020
Valeo ahead of the plan

Sales growth
[2015-2020] CAGR 8%
H1 15 order intake growth like-for-like +13%

Cash conversion rate
2020 >30%
H1 14 21%
H1 15 33%

ROCE*
2020 >35%
H1 15 32%

Outperformance
[2015-2020] +5pts
H1 15 +6pts

Operating margin
2020 [8%-9%]
H1 14 +6.9%
H1 15 +7.4%

*See glossary page 40
**FCF/EBITDA
Half year order intake of €10.7bn up 18% (up 13% like-for-like) confirming high growth potential
Acceleration in order intake up 18% (up 13% like-for-like)…
… leading to an acceleration in Valeo’s future organic growth

Order intake* €bn

<table>
<thead>
<tr>
<th>Year</th>
<th>H1</th>
<th>H2</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>2.8</td>
<td>2.8</td>
<td>5.6</td>
</tr>
<tr>
<td>2006</td>
<td>4.3</td>
<td>4.3</td>
<td>8.6</td>
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<tr>
<td>2007</td>
<td>4.6</td>
<td>4.6</td>
<td>9.2</td>
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<tr>
<td>2008</td>
<td>4.9</td>
<td>4.9</td>
<td>9.8</td>
</tr>
<tr>
<td>2009</td>
<td>3.8</td>
<td>3.8</td>
<td>7.6</td>
</tr>
<tr>
<td>2010</td>
<td>5.6</td>
<td>5.6</td>
<td>11.2</td>
</tr>
<tr>
<td>2011</td>
<td>6.6</td>
<td>6.6</td>
<td>13.2</td>
</tr>
<tr>
<td>2012</td>
<td>7.4</td>
<td>7.4</td>
<td>14.8</td>
</tr>
<tr>
<td>2013</td>
<td>7.5</td>
<td>7.5</td>
<td>15.0</td>
</tr>
<tr>
<td>2014</td>
<td>9.1</td>
<td>9.1</td>
<td>18.2</td>
</tr>
<tr>
<td>2015</td>
<td>10.7</td>
<td>10.7</td>
<td>21.4</td>
</tr>
</tbody>
</table>

CAGR +12%

Innovation fueling future organic growth as a % of order intake*

- Innovation 30% (1)

FY order intake* €bn

- €8.8bn
- €13bn
- €15bn
- €17.5bn

(1) Products and technologies sold by less than 3 years

*Excluding Access Mechanisms business from 2005 to 2013 and including joint ventures consolidated proportionally

July 27, 2015 | 8
Acceleration in order intake fueling future organic growth
China: local OEMs representing ~20% of OEM sales and 44% of order intake

% of H1 2015 OEM sales*

<table>
<thead>
<tr>
<th>Region</th>
<th>Sales (€bn)</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>€3.1bn</td>
<td>48%</td>
</tr>
<tr>
<td>China</td>
<td>€1.6bn</td>
<td>22%</td>
</tr>
<tr>
<td>SA</td>
<td>€0.8bn</td>
<td>12%</td>
</tr>
<tr>
<td>NA</td>
<td>€1.4bn</td>
<td>22%</td>
</tr>
</tbody>
</table>

Order intake: €10.7bn

% of H1 2015 order intake*

<table>
<thead>
<tr>
<th>Region</th>
<th>Intake (€bn)</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>€5.2bn</td>
<td>49%</td>
</tr>
<tr>
<td>China</td>
<td>€2.6bn</td>
<td>25%</td>
</tr>
<tr>
<td>NA</td>
<td>€2.2bn</td>
<td>21%</td>
</tr>
<tr>
<td>Asia excl. China</td>
<td>€0.4bn</td>
<td>4%</td>
</tr>
<tr>
<td>Other Asia</td>
<td>€0.2bn</td>
<td>2%</td>
</tr>
</tbody>
</table>

OEM sales: €6.5bn

Order Intake/ OE sales ratio

<table>
<thead>
<tr>
<th>Region</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia excl. China</td>
<td>2.6x</td>
</tr>
<tr>
<td>Europe</td>
<td>1.7x</td>
</tr>
<tr>
<td>North America</td>
<td>1.6x</td>
</tr>
<tr>
<td>Group</td>
<td>1.6x</td>
</tr>
</tbody>
</table>

*OEM sales and order intake by destination including joint-ventures consolidated proportionally
Sales of €7.3bn, up 15% as reported

OEM sales, up 16% as reported

Aftermarket sales, up 8% as reported

July 27, 2015
H1 sales totaled €7.3bn, up 15% as reported (up 6% like-for-like)
Consistent performance over H1
Consistent performance in OEM sales, up 16% as reported

Improvement in aftermarket sales (up 6% as reported in Q1, up 10% as reported in Q2)

**OEM sales**

<table>
<thead>
<tr>
<th></th>
<th>Q1 15</th>
<th>Q2 15</th>
<th>H1 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>€m</td>
<td>3,113</td>
<td>3,203</td>
<td>6,316</td>
</tr>
</tbody>
</table>

**Aftermarket**

<table>
<thead>
<tr>
<th></th>
<th>Q1 15</th>
<th>Q2 15</th>
<th>H1 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>+6%*</td>
<td>400</td>
<td>413</td>
<td>813</td>
</tr>
<tr>
<td>+1%**</td>
<td>+3%**</td>
<td>+2%**</td>
<td></td>
</tr>
<tr>
<td>+8%*</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Miscellaneous**

<table>
<thead>
<tr>
<th></th>
<th>Q1 15</th>
<th>Q2 15</th>
<th>H1 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>+15%*</td>
<td>68</td>
<td>101</td>
<td>169</td>
</tr>
<tr>
<td>-2%*</td>
<td>-5%**</td>
<td></td>
<td></td>
</tr>
<tr>
<td>+4%*</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Like-for-like**

<table>
<thead>
<tr>
<th></th>
<th>Q1-2014</th>
<th>Q2-14</th>
<th>H1-2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exchange rates</td>
<td>2,677</td>
<td>2,755</td>
<td>5,432</td>
</tr>
<tr>
<td>Scope</td>
<td>+0.5%</td>
<td>+9.3%</td>
<td>+9.0%</td>
</tr>
</tbody>
</table>

**Scope**

- +6%
- +10%
- +8%
- +15%
- -2%
- +4%
- +10%
- -5%
OEM sales outpaced the market in all production regions

Q2
Like-for-like

North America
OEM sales** +4%
Production*** +3%
23% of Valeo sales

South America
OEM sales** -11%
Production*** -18%
2% of Valeo sales

Europe*
OEM sales** +10%
Production*** -1%
49% of Valeo sales

Asia* excl. China
OEM sales** +2%
Production*** -1%
12% of Valeo sales

World
OEM sales** +6%
Production*** 0%

China
OEM sales** +6%
Production*** +3%
14% of Valeo sales

* Europe including Africa;
  Asia including Middle East
** Valeo OEM sales by destination
*** LMC estimates – light vehicle production

July 27, 2015
Above-market growth in all Asian countries

**Q2**
Like-for-like

**Asia**
- OEM sales*: +4%
- Production**: +1%
- Outperf +3pts
- 26% of Valeo sales

**Japan**
- OEM sales*: -6%
- Production**: -10%
- Outperf +4pts
- 17% of Asia sales

**Korea**
- OEM sales*: +5%
- Production**: +2%
- Outperf +3pts
- 22% of Asia sales

**China**
- OEM sales*: +6%
- Production**: +3%
- Outperf +3pts
- 53% of Asia sales

**India**
- OEM sales*: +21%
- Production**: +6%
- Outperf +15pts
- 3% of Asia sales

*Valeo OEM sales by destination
**LMC estimates – light vehicle production
OEM sales outpaced the market in all production regions

- **North America**
  - OEM sales** +4%**
  - Production*** +3%
  - Outperf. +1pt
  - 22% of Valeo sales

- **Europe***
  - OEM sales** +10%**
  - Production*** +2%
  - Outperf. +8pts
  - 49% of Valeo sales

- **Asia* excl. China**
  - OEM sales** +2%**
  - Production*** -1%
  - Outperf. +3pts
  - 13% of Valeo sales

- **China**
  - OEM sales** +10%**
  - Production*** +5%
  - Outperf. +5pts
  - 13% of Valeo sales

- **World**
  - OEM sales** +7%**
  - Production*** +1%
  - Outperf. +6pts

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* Europe including Africa
Asia including Middle East
** Valeo OEM sales by destination
***LMC estimates – light vehicle production
Above-market growth in all Asian countries

H1
Like-for-like

Asia
OEM sales* +6%
Production** +2%
26% of Valeo sales
Outperf +4pts

Japan
OEM sales* -2%
Production** -9%
18% of Asia sales
Outperf +7pts

Korea
OEM sales* +5%
Production** -1%
22% of Asia sales
Outperf +6pts

India
OEM sales* +14%
Production** +6%
3% of Asia sales
Outperf +8pts

China
OEM sales* +10%
Production** +5%
52% of Asia sales
Outperf +5pts

Outperf
Above-market growth in all Asian countries

* Valeo OEM sales by destination
** LMC estimates – light vehicle production
Ongoing geographic rebalancing...

OEM sales by production region

H1 2014

- Eastern Europe & Africa: 15%
- Western Europe: 38%
- Asia: 24%
- SA: 3%
- Mexico: 10%
- US: 10%

52% in Asia & emerging countries

H1 2015

- Eastern Europe & Africa: 15%
- Western Europe: 35%
- Asia: 26%
- SA: 2%
- Mexico: 11%
- US: 11%

54% in Asia & emerging countries
... And a balanced, diverse customer portfolio

% of OEM sales

H1 2014

H1 2015

* Excluding Nissan
** Including Nissan
Above-market growth in all Business Groups

<table>
<thead>
<tr>
<th>Total sales growth (year-on-year)</th>
<th>OEM sales growth (like-for-like)</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>Q1</td>
</tr>
<tr>
<td>CDA</td>
<td>+19%</td>
</tr>
<tr>
<td>Powertrain</td>
<td>+14%</td>
</tr>
<tr>
<td>Thermal</td>
<td>+13%</td>
</tr>
<tr>
<td>Visibility</td>
<td>+16%</td>
</tr>
</tbody>
</table>

Group €7.3bn

VIS 28%
CDA 18%
PTS 26%
THS 28%
Net income, up 34% to €344m or 4.7% of sales

Operating margin*, up 23% to €538m or 7.4% of sales

* incl. joint ventures and associates in accordance with new IFRS standards
Gross margin up 19% to €1,280m or 17.5% of sales
Improvement driven by volumes and operational efficiency

€1,086m  €1,080m  €1,280m

17.1%  17.0%  17.5%

H1-14 published  IFRIC 21 (change in accounting rules)  H1-14 restated  Volume/inflation  Operational efficiency  Depreciation linked to growth  South America  Perimeter  H1-15

+10bps  -10bps  +40bps  +30bps  -20bps  -10bps  +10bps

NB: rounded figures
Operating margin* up 23% to €538m or 7.4% of sales

* incl. JV & Associates in accordance with new IFRS standards

NB: rounded figures
Net R&D expenditure stable at 5.5% of sales
Strong R&D effort to sustain high order intake
G&A expenses down 10 basis points

In €m & as a % of sales

H1 14

326

Admin. expenses 223
or 3.5%

Selling expenses 103
or 1.6%

H1 15

363

Admin. expenses 248
or 3.4%

Selling expenses 115
or 1.6%

-10bps

stable
Net income up 34% to €344m or 4.7% of sales

<table>
<thead>
<tr>
<th></th>
<th>H1 14*</th>
<th>H1 15</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total sales (€m)</strong></td>
<td>6,347</td>
<td>7,298</td>
<td>+15%</td>
</tr>
<tr>
<td>Operating margin excl. JV &amp; Associates (€m)</td>
<td>404</td>
<td>515</td>
<td>+28%</td>
</tr>
<tr>
<td>As a % of sales</td>
<td>6.4%</td>
<td>7.1%</td>
<td>+70bp</td>
</tr>
<tr>
<td>JV &amp; Associates (€m)</td>
<td>32</td>
<td>23</td>
<td>-28%</td>
</tr>
<tr>
<td>As a % of sales</td>
<td>0.5%</td>
<td>0.3%</td>
<td>-20bp</td>
</tr>
<tr>
<td>Operating margin incl. JV &amp; Associates (€m)</td>
<td>436</td>
<td>538</td>
<td>+23%</td>
</tr>
<tr>
<td>As a % of sales</td>
<td>6.9%</td>
<td>7.4%</td>
<td>+50bp</td>
</tr>
<tr>
<td>Other income &amp; expenses (€m)</td>
<td>(34)</td>
<td>(21)</td>
<td>n/a</td>
</tr>
<tr>
<td>As a % of sales</td>
<td>-0.5%</td>
<td>-0.3%</td>
<td>+20bp</td>
</tr>
<tr>
<td>Operating income (€m)</td>
<td>402</td>
<td>517</td>
<td>+29%</td>
</tr>
<tr>
<td>As a % of sales</td>
<td>6.3%</td>
<td>7.1%</td>
<td>+80bp</td>
</tr>
<tr>
<td>Cost of net debt (€m)</td>
<td>(47)</td>
<td>(43)</td>
<td>-9%</td>
</tr>
<tr>
<td>Other financial expenses (€m)</td>
<td>(20)</td>
<td>(26)</td>
<td>+30%</td>
</tr>
<tr>
<td>Income before taxes (€m)</td>
<td>335</td>
<td>448</td>
<td>+34%</td>
</tr>
<tr>
<td>Taxes (€m)</td>
<td>(65)</td>
<td>(80)</td>
<td>+23%</td>
</tr>
<tr>
<td>Effective tax rate</td>
<td>21.5%</td>
<td>18.8%</td>
<td>-2.7pts</td>
</tr>
<tr>
<td>Non strategic activities (€m)</td>
<td>0</td>
<td>0</td>
<td>n/a</td>
</tr>
<tr>
<td>Non-controlling interests and other (€m)</td>
<td>(14)</td>
<td>(24)</td>
<td>n/a</td>
</tr>
<tr>
<td>Net income (€m)</td>
<td>256</td>
<td>344</td>
<td>+34%</td>
</tr>
<tr>
<td>As a % of sales</td>
<td>4.0%</td>
<td>4.7%</td>
<td>+70bp</td>
</tr>
<tr>
<td>Net income excl. non-recurring items (€m)</td>
<td>272</td>
<td>357</td>
<td>+31%</td>
</tr>
<tr>
<td>As a % of sales</td>
<td>4.3%</td>
<td>4.9%</td>
<td>+60bp</td>
</tr>
</tbody>
</table>

*Restated in accordance with IFRIC 21
Net income up 34%

<table>
<thead>
<tr>
<th></th>
<th>H1 14*</th>
<th>H1 15</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income (€m)</td>
<td>256</td>
<td>344</td>
<td>+34%</td>
</tr>
<tr>
<td>EPS</td>
<td>€3.29</td>
<td>€4.41</td>
<td>+34%</td>
</tr>
<tr>
<td>Net income (€m) (excluding non-recurring items)</td>
<td>272</td>
<td>357</td>
<td>+31%</td>
</tr>
<tr>
<td>EPS (excluding non-recurring items)</td>
<td>€3.50</td>
<td>€4.58</td>
<td>+31%</td>
</tr>
</tbody>
</table>

*Restated in accordance with IFRIC 21
ROCE at 32%

<table>
<thead>
<tr>
<th></th>
<th>H1 14*</th>
<th>H1 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total sales</td>
<td>€6.3bn</td>
<td>€7.3bn</td>
</tr>
<tr>
<td>Operating margin**</td>
<td>6.9%</td>
<td>7.4%</td>
</tr>
<tr>
<td>ROCE</td>
<td>32%</td>
<td>32%</td>
</tr>
<tr>
<td>ROA</td>
<td>20%</td>
<td>21%</td>
</tr>
</tbody>
</table>

*Restated in accordance with IFRIC 21  
** incl. JV & Associates in accordance with new IFRS standards
Free cash flow of €306m, double H1 2014
EBITDA margin up 90bps or 24%, to 12.5% of sales

<table>
<thead>
<tr>
<th>Segment</th>
<th>H1 14**</th>
<th>H1 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comfort &amp; Driving Assistance</td>
<td>14.1%</td>
<td>14.4%</td>
</tr>
<tr>
<td>As a % of sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Powertrain</td>
<td>12.2%</td>
<td>12.1%</td>
</tr>
<tr>
<td>As a % of sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thermal</td>
<td>11.0%</td>
<td>11.1%</td>
</tr>
<tr>
<td>As a % of sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Visibility</td>
<td>9.3%</td>
<td>11.8%</td>
</tr>
<tr>
<td>As a % of sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>11.6%</td>
<td>12.5%</td>
</tr>
</tbody>
</table>

In €m & as a % of sales

* In accordance with IFRS 11
**Restated in accordance with IFRIC21
Investments of €535m
Supporting the fast-growing order intake

In €m

<table>
<thead>
<tr>
<th></th>
<th>H1 14</th>
<th>H1 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capex*</td>
<td>294</td>
<td>362</td>
</tr>
<tr>
<td>Capitalized R&amp;D</td>
<td>150</td>
<td>173</td>
</tr>
</tbody>
</table>

+21%

(as a % of sales)

- Capex* | 4.6% | 5.0% |
- Capital R&D | 2.4% | 2.4% |

Development of footprint
Total sq.m. end 2014: 2.4m

- Completed in H1:
  - 3 new sites
  - 6 extensions
  - +60,500 sq.m.

- In progress:
  - 5 new sites
  - 8 extensions
  - +64,800 sq.m.

* excluding capitalized R&D
Free cash flow of €306m, double H1 2014

<table>
<thead>
<tr>
<th></th>
<th>H1 14*</th>
<th>H1 15</th>
<th>+24%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EBITDA (€m)</strong></td>
<td>734</td>
<td>913</td>
<td></td>
</tr>
<tr>
<td>Operating working capital (€m)</td>
<td>(29)</td>
<td>48</td>
<td></td>
</tr>
<tr>
<td>Restructuring &amp; employee-related costs (€m)</td>
<td>(17)</td>
<td>(11)</td>
<td></td>
</tr>
<tr>
<td>Other operating items (incl. taxes) (€m)</td>
<td>(84)</td>
<td>(105)</td>
<td></td>
</tr>
<tr>
<td>Of which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>(74)</td>
<td>(81)</td>
<td></td>
</tr>
<tr>
<td>Pensions</td>
<td>(12)</td>
<td>(16)</td>
<td></td>
</tr>
<tr>
<td><strong>Cash from operating activities</strong> (€m)</td>
<td>604</td>
<td>845</td>
<td></td>
</tr>
<tr>
<td><strong>Capex (incl. capitalized R&amp;D) (€m)</strong> ***</td>
<td>(451)</td>
<td>(539)</td>
<td></td>
</tr>
<tr>
<td><strong>Free cash flow</strong> <strong>(€m)</strong> (before interest payments)</td>
<td>153</td>
<td>306</td>
<td></td>
</tr>
<tr>
<td>Interest (€m)</td>
<td>(64)</td>
<td>(56)</td>
<td></td>
</tr>
<tr>
<td>Other financial items (€m)</td>
<td>(381)</td>
<td>(141)</td>
<td></td>
</tr>
<tr>
<td><strong>Net cash flow</strong> <em>(1) (€m)</em>*</td>
<td>(292)</td>
<td>109</td>
<td></td>
</tr>
<tr>
<td><strong>Net debt (€m)</strong></td>
<td>525</td>
<td>219</td>
<td></td>
</tr>
</tbody>
</table>

*Restated in accordance with IFRIC 21
**excluding sale of trade receivables
***cash outflow
(1) See glossary page 40

Double H1 2014

Of which:
- Dividend paid to shareholders (172)
Strong balance sheet
Leverage & gearing ratios at 0.1x and 7% respectively
Moody’s LT rating upgraded to Baa2 stable outlook (May 12, 2015)

Leverage: net debt/EBITDA

<table>
<thead>
<tr>
<th>Date</th>
<th>Leverage: net debt/EBITDA</th>
<th>Gearing: net debt/stockholders’ equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 30, 2014</td>
<td>1,401</td>
<td>net debt (€m)</td>
</tr>
<tr>
<td></td>
<td>525</td>
<td>EBITDA 12 months rolling (€m)</td>
</tr>
<tr>
<td>Dec 31, 2014</td>
<td>1,526</td>
<td>net debt (€m)</td>
</tr>
<tr>
<td></td>
<td>341</td>
<td>EBITDA 12 months rolling (€m)</td>
</tr>
<tr>
<td>June 30, 2015</td>
<td>1,705</td>
<td>net debt (€m)</td>
</tr>
<tr>
<td></td>
<td>219</td>
<td>EBITDA 12 months rolling (€m)</td>
</tr>
</tbody>
</table>

Gearing: net debt/stockholders’ equity
- Net debt (€m)
- Stockholders’ equity (€m) excluding non-controlling interests

<table>
<thead>
<tr>
<th>Date</th>
<th>Leverage: net debt/EBITDA</th>
<th>Gearing: net debt/stockholders’ equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 30, 2014</td>
<td>525</td>
<td>net debt (€m)</td>
</tr>
<tr>
<td></td>
<td>341</td>
<td>net debt (€m)</td>
</tr>
<tr>
<td></td>
<td>219</td>
<td>net debt (€m)</td>
</tr>
</tbody>
</table>

Leverage & gearing ratios:
- Leverage: net debt/EBITDA
- Gearing: net debt/stockholders’ equity

Moody’s LT rating:
- Baa2: Stable
- Prime-2: A-2

S&P rating:
- BBB: Stable
Debt maturity profile

Average maturity: 4.6 years

- Undrawn credit lines (4.5-year maturity)
- Cash & cash equivalents

July 27, 2015
2015 outlook
2015 outlook

Based on the following key assumptions for full-year 2015:

- Automotive production growth consistent with LMC estimates:
  - World: between 2% and 3%
  - Europe (excl. Russia): between 4% and 5%
  - China: between 4% and 5%

- Raw material prices and currencies in line with current levels

Valeo raises its full-year 2015 guidance:

- Sales growth outperformance in the main production regions including China

- Operating margin* (as a % of sales) higher than 2014 with a slight increase in operating margin* (as a % of sales) in the second half 2015 as compared to the first half

* Including joint ventures and associates in accordance with new IFRS standards
Contact

Investor Relations

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F-75848 Paris Cedex 17
France

Tel.: +33 (0) 1.40.55.37.93
Fax: +33 (0) 1.40.55.20.40

E-mail: thierry.lacorre@valeo.com
Website: www.valeo.com
Share Information

Share Data

- **Bloomberg Ticker**: FR FP
- **Reuters Ticker**: VLOF.PA
- **ISIN Number**: FR 000130338
- **Shares outstanding as of June 30, 2015**: 79,462,540

ADR Data

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

1) **Order intake** corresponds to business awarded by automakers during the period (including joint ventures at least 50%-owned by the Group) less any cancellations, based on Valeo’s best reasonable estimates in terms of volumes, selling prices and project lifespans. based on Valeo’s best reasonable estimates in terms of volumes, selling prices and project lifespans. *Unaudited indicator.*

2) **Operating margin including share in net earnings of equity-accounted companies** corresponds to operating income before other income and expenses.

3) **Net attributable income excluding non-recurring items** corresponds to net attributable income adjusted for "other income and expenses" net of tax and non-recurring income and expenses net of tax shown in operating margin including share in net earnings of equity-accounted companies.

4) **ROCE**, or return on capital employed, corresponds to operating margin (including share in net earnings of equity-accounted companies) in relation to capital employed (including investments in equity-accounted companies) excluding goodwill.

5) **ROA**, or return on assets, corresponds to operating income in relation to capital employed (including investments in equity-accounted companies) including goodwill.

6) **EBITDA** corresponds to (i) operating margin before depreciation, amortization and impairment losses (included in the operating margin), and (ii) net dividends received from equity accounted companies.

7) **Free cash flow** corresponds to net cash from operating activities (excluding changes in the sale of non-recurring trade receivables) after taking into account acquisitions and disposals of property, plant and equipment and intangible assets.

8) **Net cash flow** corresponds to free cash flow less (i) cash flows in respect of investing activities, relating to acquisitions and disposals of investments and to changes in certain items shown in non-current financial assets, (ii) cash flows in respect of financing activities, relating to dividends paid, treasury share purchases and sales, interest paid and received, and acquisitions of equity interests without a change in control, and (iii) changes in sales of non-recurring trade receivables.

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.
Comfort & Driving Assistance Systems

Sales performance

Total sales - change as reported

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Total Sales (€m)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 15</td>
<td>657</td>
<td>+19%</td>
</tr>
<tr>
<td>Q2 15</td>
<td>679</td>
<td>+19%</td>
</tr>
<tr>
<td>H1 15</td>
<td>1,336</td>
<td>+19%</td>
</tr>
</tbody>
</table>

Total sales (€m)

OEM sales Like-for-like change

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Total Sales (€m)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 15</td>
<td>657</td>
<td>+13%</td>
</tr>
<tr>
<td>Q2 15</td>
<td>679</td>
<td>+13%</td>
</tr>
<tr>
<td>H1 15</td>
<td>1,336</td>
<td>+13%</td>
</tr>
</tbody>
</table>

2014 key figures:
- Sales: €2.3bn (18% of Group sales)
- EBITDA: 14.5% (22% of Group EBITDA)
- 14,195 employees
- 25 production units
- 8 development centers
- 9 research centers

Market share* and competitors:
- Driving Assistance: Valeo no.1
  Valeo + Bosch + Continental ~ 50%*
- Interior Controls: Valeo no.1
  Valeo + Kostal + Tokai Rika > 25%*

Key growth drivers:
- Development of solutions for connected and autonomous vehicles (Valeo first automotive supplier to present a product comparable to the Valet Park4U® driving assistance system)
- Change in regulations: mandatory rear camera in the U.S. as from May 2016 (100% applicable in 2018)

Latest business developments:
- 360Vue 3D "bowl view" launched end of 2014
- Exclusive technology cooperation agreement (fusion of sensors, front camera with Laser Scanner) with Mobileye in March 2015
- New Renault Espace center stack display
- First Telematic Control Unit to be launched in 2015 and 3 other projects awarded

* Valeo estimate
Key growth drivers:
Objective of reducing CO₂ emissions and fossil fuel consumption based on 3 priorities for engines:
- Downsizing /Downspeeding
- Automatic gearbox
- Electrification

Latest business developments:
- Pace award for the Efficient alternator
- Dual clutch: two launches in Asia
- Several order intakes in 48 volt in Europe and Asia
- Electric supercharger start of production in Q1 2016
- Power electronics: start of production of a charger on Volvo XC90 and of an inverter on Renault Zoe.
**Thermal Systems**

**Sales performance**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Total sales (€m)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 15</td>
<td>1,007</td>
<td>+4%</td>
</tr>
<tr>
<td>Q2 15</td>
<td>1,039</td>
<td>+1%</td>
</tr>
<tr>
<td>H1 15</td>
<td>2,046</td>
<td>+2%</td>
</tr>
</tbody>
</table>

2014 key figures:
- Sales: €3.6bn (28% of Group sales)
- EBITDA: 11.1% (26% of Group EBITDA)
- 19,359 employees
- 44 production units
- 8 development centers
- 3 research centers

**Market share** and competitors:
- Thermal Systems: Valeo no.2
- Denso + Valeo + Halla (Visteon) = 50%

**Key growth drivers:**
- Innovative solutions to comply with new regulations on gas pollutants and fuel consumption
- Thermal solutions for Electrified vehicles (PHEV/EV)

**Latest business developments:**
- Exhaust Heat Recovery System: first order for an Asian carmaker
- Engine cooling module: big orders with new generation of high performing radiator
- Battery thermal management: start of production of chiller new generation and several orders for German & Chinese carmakers
- Water condenser: new order for German carmakers on major platforms

*Valeo estimate*
Visibility Systems

Sales performance

Total sales - change as reported

<table>
<thead>
<tr>
<th>Period</th>
<th>Total sales (€m)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 15</td>
<td>1,022</td>
<td>+17%</td>
</tr>
<tr>
<td>Q2 15</td>
<td>1,072</td>
<td>+16%</td>
</tr>
<tr>
<td>H1 15</td>
<td>2,094</td>
<td>+16%</td>
</tr>
</tbody>
</table>

OEM sales - Like-for-like change

<table>
<thead>
<tr>
<th>Period</th>
<th>Total sales (€m)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 15</td>
<td>1,022</td>
<td>+9%</td>
</tr>
<tr>
<td>Q2 15</td>
<td>1,072</td>
<td>+7%</td>
</tr>
<tr>
<td>H1 15</td>
<td>2,094</td>
<td>+8%</td>
</tr>
</tbody>
</table>

2014 key figures:
- Sales: €3.6bn (28% of Group sales)
- EBITDA: 10.6% (25% of Group EBITDA)
- 24,912 employees
- 36 production units
- 15 development centers
- 5 research centers

Market share* and competitors:
- Lighting Systems: Valeo no.2 Koito + Valeo + Magnetti Marelli > 55%*
- Wiper Systems: Valeo no.1 Valeo + Bosch + Denso > 75%*

Key growth drivers:
- Automakers' widespread implementation of lighting systems with LED low beam, high beam or daytime running lights
- Growing interest in electronic wiper systems and Aquablade® wiper technology

Latest business developments:
- 3 BeamAtic PremiumLED (Glare-free high beam) at 3 different customers
- First FullLED headlamp equipping a pure Chinese car
- First BeamAtic PremiumLED (Glare-free high beam) made-in-China
- Valeo AquaBlade® technology, as well as electronized motors have been chosen for the Mercedes GLE and Tesla X.

*Valeo estimate
### Quarterly information

In €m  (2014 restated in accordance with IFRIC 21)

#### Sales by segment

<table>
<thead>
<tr>
<th>Segment</th>
<th>Q1-13</th>
<th>Q2-13</th>
<th>Q3-13</th>
<th>Q4-13</th>
<th>Q1-14</th>
<th>Q2-14</th>
<th>Q3-14</th>
<th>Q4-14</th>
<th>Q1-15</th>
<th>Q2-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comfort &amp; Driving Assistance Systems</td>
<td>623</td>
<td>569</td>
<td>515</td>
<td>531</td>
<td>552</td>
<td>572</td>
<td>573</td>
<td>614</td>
<td>657</td>
<td>679</td>
</tr>
<tr>
<td>Powertrain Systems</td>
<td>774</td>
<td>817</td>
<td>752</td>
<td>818</td>
<td>848</td>
<td>848</td>
<td>798</td>
<td>843</td>
<td>948</td>
<td>978</td>
</tr>
<tr>
<td>Thermal Systems</td>
<td>818</td>
<td>885</td>
<td>832</td>
<td>837</td>
<td>880</td>
<td>934</td>
<td>889</td>
<td>934</td>
<td>1,007</td>
<td>1,039</td>
</tr>
<tr>
<td>Visibility Systems</td>
<td>733</td>
<td>762</td>
<td>711</td>
<td>764</td>
<td>876</td>
<td>925</td>
<td>856</td>
<td>957</td>
<td>1,022</td>
<td>1,072</td>
</tr>
<tr>
<td><strong>Total sales</strong></td>
<td>2,927</td>
<td>3,017</td>
<td>2,792</td>
<td>2,926</td>
<td>3,112</td>
<td>3,235</td>
<td>3,069</td>
<td>3,309</td>
<td>3,581</td>
<td>3,717</td>
</tr>
</tbody>
</table>

#### Sales by type

<table>
<thead>
<tr>
<th>Type</th>
<th>Q1-13</th>
<th>Q2-13</th>
<th>Q3-13</th>
<th>Q4-13</th>
<th>Q1-14</th>
<th>Q2-14</th>
<th>Q3-14</th>
<th>Q4-14</th>
<th>Q1-15</th>
<th>Q2-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Equipment</td>
<td>2,470</td>
<td>2,567</td>
<td>2,348</td>
<td>2,449</td>
<td>2,677</td>
<td>2,755</td>
<td>2,644</td>
<td>2,814</td>
<td>3,113</td>
<td>3,203</td>
</tr>
<tr>
<td>Aftermarket</td>
<td>375</td>
<td>374</td>
<td>361</td>
<td>377</td>
<td>376</td>
<td>377</td>
<td>366</td>
<td>376</td>
<td>400</td>
<td>413</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>82</td>
<td>76</td>
<td>83</td>
<td>100</td>
<td>59</td>
<td>103</td>
<td>59</td>
<td>119</td>
<td>68</td>
<td>101</td>
</tr>
<tr>
<td><strong>Total sales</strong></td>
<td>2,927</td>
<td>3,017</td>
<td>2,792</td>
<td>2,926</td>
<td>3,112</td>
<td>3,235</td>
<td>3,069</td>
<td>3,309</td>
<td>3,581</td>
<td>3,717</td>
</tr>
<tr>
<td></td>
<td>2013</td>
<td>2014*</td>
<td>2015</td>
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<td></td>
<td>H1</td>
<td>H2</td>
<td>H1</td>
<td>H2</td>
<td>H1</td>
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<td></td>
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<td></td>
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<td></td>
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</tr>
<tr>
<td></td>
<td>5,944</td>
<td>5,718</td>
<td>6,347</td>
<td>6,378</td>
<td>7,298</td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>Gross margin</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>as a % of sales</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,011</td>
<td>998</td>
<td>1,086</td>
<td>1,123</td>
<td>1,280</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td>17.0%</td>
<td>17.5%</td>
<td>17.1%</td>
<td>17.6%</td>
<td>17.5%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R&amp;D expenditure, net</td>
<td>-318</td>
<td>-296</td>
<td>-326</td>
<td>-335</td>
<td>-402</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Selling &amp; administrative expenses</td>
<td>-318</td>
<td>-311</td>
<td>-326</td>
<td>-330</td>
<td>-363</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>8</td>
<td>18</td>
<td>32</td>
<td>19</td>
<td>23</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share in net earnings of equity-accounted companies</td>
<td>383</td>
<td>409</td>
<td>436</td>
<td>477</td>
<td>538</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>as a % of sales</td>
<td>6.4%</td>
<td>7.2%</td>
<td>6.9%</td>
<td>7.5%</td>
<td>7.4%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating margin incl. share in net earnings of equity-accounted companies</td>
<td>-41</td>
<td>-26</td>
<td>-34</td>
<td>-20</td>
<td>-21</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>as a % of sales</td>
<td>5.8%</td>
<td>6.7%</td>
<td>6.3%</td>
<td>7.1%</td>
<td>7.1%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating income</td>
<td>-49</td>
<td>-49</td>
<td>-47</td>
<td>-44</td>
<td>-43</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>as a % of sales</td>
<td>21</td>
<td>25</td>
<td>20</td>
<td>26</td>
<td>26</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income before income taxes</td>
<td>272</td>
<td>309</td>
<td>335</td>
<td>387</td>
<td>448</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income taxes</td>
<td>-68</td>
<td>-45</td>
<td>-65</td>
<td>-64</td>
<td>-80</td>
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<tr>
<td>Income from continuing operations</td>
<td>204</td>
<td>264</td>
<td>270</td>
<td>323</td>
<td>368</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>Non-strategic activities</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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</tr>
<tr>
<td>Net income for the period</td>
<td>204</td>
<td>264</td>
<td>270</td>
<td>323</td>
<td>368</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Non-controlling interests</td>
<td>-14</td>
<td>-15</td>
<td>-14</td>
<td>-17</td>
<td>-24</td>
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<tr>
<td>Net income</td>
<td>190</td>
<td>249</td>
<td>256</td>
<td>306</td>
<td>344</td>
<td></td>
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</table>

* 2014 restated in accordance with IFRIC 21
## Segment information

### H1 2015

<table>
<thead>
<tr>
<th>(€m)</th>
<th>Comfort &amp; Driving Assistance Systems</th>
<th>Powertrain Systems</th>
<th>Thermal Systems</th>
<th>Visibility Systems</th>
<th>Others</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>Sales:</td>
<td></td>
<td></td>
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<tr>
<td>• segment (excluding Group)</td>
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<td>1,898</td>
<td>2,022</td>
<td>2,035</td>
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<td>7,298</td>
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<td>• intersegment (Group)</td>
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<td>28</td>
<td>24</td>
<td>59</td>
<td>(120)</td>
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<tr>
<td>EBITDA</td>
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<td>231</td>
<td>227</td>
<td>247</td>
<td>16</td>
<td>913</td>
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<tr>
<td>Research &amp; Development expenditure, net</td>
<td>(125)</td>
<td>(90)</td>
<td>(72)</td>
<td>(111)</td>
<td>(4)</td>
<td>(402)</td>
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<td>Investments in property, plant &amp; equipment &amp; intangible asset</td>
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<td>131</td>
<td>109</td>
<td>133</td>
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<td>1,772</td>
<td>1,415</td>
<td>1,774</td>
<td>70</td>
<td>6,378</td>
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</table>

### H1 2014

<table>
<thead>
<tr>
<th>(€m)</th>
<th>Comfort &amp; Driving Assistance Systems</th>
<th>Powertrain Systems</th>
<th>Thermal Systems</th>
<th>Visibility Systems</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales:</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• segment (excluding Group)</td>
<td>1,115</td>
<td>1,673</td>
<td>1,793</td>
<td>1,751</td>
<td>15</td>
<td>6,347</td>
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<tr>
<td>• intersegment (Group)</td>
<td>9</td>
<td>23</td>
<td>21</td>
<td>50</td>
<td>(103)</td>
<td>-</td>
</tr>
<tr>
<td>EBITDA</td>
<td>159</td>
<td>207</td>
<td>199</td>
<td>167</td>
<td>2</td>
<td>734</td>
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<tr>
<td>Research &amp; Development expenditure, net</td>
<td>(99)</td>
<td>(82)</td>
<td>(82)</td>
<td>(84)</td>
<td>(3)</td>
<td>(350)</td>
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<tr>
<td>Investments in property, plant &amp; equipment &amp; intangible asset</td>
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<td>111</td>
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<td>129</td>
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<td>1,604</td>
<td>1,223</td>
<td>1,558</td>
<td>49</td>
<td>5,596</td>
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</table>
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 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 27, 2015 (under no. D.15-0220).

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