Sales up 10% to 3,069 million euros in the third quarter

Original equipment sales advanced 13% (up 7% on a like-for-like basis, beating global automotive production by nearly 7 percentage points, including 20 percentage points in China and 9 percentage points in Europe)

Jacques Aschenbroich, Valeo's Chief Executive Officer, stated: “Driven by our performances in the original equipment market (up 13%), Valeo built on the momentum of the past few half-year periods to post sales of 3,069 million euros in the third quarter of 2014, up 10% on the same prior-year period. Our sales growth outpaced global automotive production by 7 percentage points on a like-for-like basis (including 20 percentage points in China and 9 percentage points in Europe). This momentum is mainly attributable to the Group's innovative CO₂ emissions reduction and intuitive driving technologies and reflects the gradual entry into production of the high order intake recorded by the Group over the last few years. This confirms that we are on course to achieve our full-year 2014 objectives and to outperform the market over the coming years.”

Third-quarter 2014

- Consolidated sales came in at 3,069 million euros, up 10% (6% on a like-for-like basis)
- Original equipment sales amounted to 2,644 million euros, up 13% (7% like for like), outpacing global automotive production by nearly 7 percentage points:
  - China: up 25.3%, 20.3 percentage points higher than the market
  - Europe: up 9.0%, 9.2 percentage points higher than the market
  - Asia excluding China*: up 5.1%, 5.3 percentage points higher than the market
  - North America**: up 4.2%, 0.4 percentage points higher than the market
  - South America: down 21.7%, 2.2 percentage points lower than the market
- Aftermarket sales were up 1% (down 1% on a like-for-like basis)

2014 outlook

Based on the automotive production assumptions published in the Group's first-half 2014 results, namely an increase in global automotive production of approximately 3%, including an increase in automotive production in Europe of around 2%,

Valeo confirms its objectives for 2014:
- sales growth outperformance in the main production regions,
- operating margin*** slightly higher than 7% of sales

---
*Like-for-like (constant Group structure and exchange rates)
**After taking account of Valeo Sylvania
***Including share in net earnings of equity-accounted companies
Paris, France, October 21, 2014 – Following the meeting of its Board of Directors today, Valeo released its sales figures for the third quarter of 2014:

Global automotive production rose 0.7% in the third quarter of 2014

Automotive production rose slightly thanks to growth in Asia (up 2.3%) driven by China (up 5.0%), and continued growth in North America (up 3.8%). Production in Europe remained stable compared with third-quarter 2013, but fell sharply in South America (down 19.5%).

<table>
<thead>
<tr>
<th></th>
<th>Third-quarter⁽¹⁾</th>
<th>Nine months ended September 30⁽¹⁾</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>+0.7%</td>
<td>+2.7%</td>
</tr>
<tr>
<td>Europe and Africa</td>
<td>-0.2%</td>
<td>+3.2%</td>
</tr>
<tr>
<td>Asia (excl. China), Middle East &amp; Oceania</td>
<td>-0.2%</td>
<td>+1.0%</td>
</tr>
<tr>
<td>China</td>
<td>+5.0%</td>
<td>+8.5%</td>
</tr>
<tr>
<td>North America</td>
<td>+3.8%</td>
<td>-3.4%</td>
</tr>
<tr>
<td>South America</td>
<td>-19.5%</td>
<td>-18.9%</td>
</tr>
</tbody>
</table>

⁽¹⁾ LMC & Valeo estimates

In the third quarter, original equipment sales grew by 13% (up 7% on a like-for-like basis)

Valeo’s consolidated sales came to 3,069 million euros, up 10% on a reported basis on third-quarter 2013 and up 6% on a like-for-like basis, driven by the momentum of the original equipment business (up 7% like for like).

Changes in group structure had a positive 4.3% impact, mainly attributable to Valeo’s acquisition of the Valeo Sylvania joint venture (effective January 1, 2014) and, to a lesser extent, the Group’s takeover of the Nanjing Valeo Clutch Co. joint venture (effective July 1, 2014).

Changes in exchange rates had no material impact over the period.

<table>
<thead>
<tr>
<th>Sales (in millions of euros)</th>
<th>As a % of total sales First 9 months</th>
<th>Third-quarter⁽¹⁾</th>
<th>Change</th>
<th>Change on a like-for-like basis</th>
<th>Nine months ended September 30⁽¹⁾</th>
<th>Change</th>
<th>Change on a like-for-like basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>100%</td>
<td>2,792</td>
<td>3,069</td>
<td>+10%</td>
<td>8,736</td>
<td>9,416</td>
<td>+8%</td>
</tr>
<tr>
<td>of which:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Original equipment</td>
<td>86%</td>
<td>2,348</td>
<td>2,644</td>
<td>+13%</td>
<td>7,385</td>
<td>8,076</td>
<td>+9%</td>
</tr>
<tr>
<td>Aftermarket</td>
<td>12%</td>
<td>361</td>
<td>366</td>
<td>+1%</td>
<td>1,110</td>
<td>1,119</td>
<td>+1%</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>2%</td>
<td>83</td>
<td>59</td>
<td>-29%</td>
<td>241</td>
<td>221</td>
<td>-8%</td>
</tr>
</tbody>
</table>

⁽¹⁾ Unaudited
⁽²⁾ Sales shown for 2013 differ from those presented during the publication of third-quarter 2013 sales since they have been adjusted to reflect the application of IFRS 11, effective as of January 1, 2014

Original equipment sales came out at 2,644 million euros (86% of total sales), up 13% (on a reported basis, and 7% like for like), outpacing global automotive production by nearly 7 percentage points. In line with the momentum observed over the past few half-year periods, this performance reflects the Group's innovative CO₂ emissions reduction and intuitive driving technologies, as well as the gradual entry into production of the high order intake recorded by the Group over the last three years.

Aftermarket sales (12% of total sales) edged up 1% (down 1% on a like-for-like basis), reflecting a performance by the independent aftermarket (IAM) in line with that of the previous year and a fall in sales of original equipment spares (OES), mainly attributable to the stock reductions of certain customers over the period.

Miscellaneous sales (2% of total sales), mainly consisting of tooling revenues, fell 14% like for like.
In the third quarter of 2014, original equipment sales advanced 7% on a like-for-like basis, beating global automotive production by nearly 7 percentage points (including 20 percentage points in China and 9 percentage points in Europe).

Valeo delivered market-beating growth in the main production regions, buoyed by its improved product mix combined with technical innovations (new functionalities and market penetration of the Group’s CO₂ emissions reduction and intuitive driving technologies), its positioning with regard to German and Asian customers, the growth of its business in Asia and emerging countries, and market share gains in Asia. This reflects the gradual entry into production of the high order intake over the last three years.

<table>
<thead>
<tr>
<th>Original equipment (by destination, in millions of euros)</th>
<th>Third-quarter(1)</th>
<th>Nine months ended September 30(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL</td>
<td>2,348 2,644</td>
<td>+7.3% -0.7% +6.6 pts</td>
</tr>
<tr>
<td>Europe and Africa</td>
<td>1,179 1,284</td>
<td>-9.0% -0.2% +9.2 pts</td>
</tr>
<tr>
<td>Asia (excl. China), Middle East &amp; Oceania</td>
<td>327 352</td>
<td>+5.1%(5) -0.2% +5.3 pts</td>
</tr>
<tr>
<td>China</td>
<td>261 339</td>
<td>+25.3% +5.0% +20.3 pts</td>
</tr>
<tr>
<td>North America</td>
<td>460 573</td>
<td>+4.2%(5) +3.8% +0.4 pts</td>
</tr>
<tr>
<td>South America</td>
<td>121 95</td>
<td>-21.7% -19.5% -2.2 pts</td>
</tr>
</tbody>
</table>

(1) Unaudited
(2) Sales shown for 2013 differ from those presented during the publication of third-quarter 2013 sales since they have been adjusted to reflect the application of IFRS 11, effective as of January 1, 2014
(3) Like-for-like
(4) LMC & Valeo estimates
(5) After taking account of Valeo Sylvania

The Group outperformed the market in the main automotive production regions:

- In China, original equipment sales were up 25% on a like-for-like basis, beating automotive production by 20 percentage points (by 23 percentage points over the first nine months of the year), reflecting the Group’s high level of investments in this region and the gradual entry into production of the high order intake over the past few years;

- In Europe (including Africa), like-for-like original equipment sales rose 9%, beating automotive production by 9 percentage points (by 6 percentage points over the first nine months of the year), driven by the appeal of Valeo’s portfolio of high-tech products and a favorable customer mix;

- In North America, after taking account of Valeo Sylvania, original equipment sales rose 4%, i.e. a performance, affected by the unfavorable customer mix over the quarter, slightly above automotive production (4 percentage points higher over the first nine months of the year).
In the first nine months of the year, Valeo continued to realign its businesses geographically...

The share of original equipment sales produced in Asia increased by 1 percentage point to 27%.
The share of original equipment sales produced in North America (US and Mexico) increased by 2 percentage points to 20%.
The share of original equipment sales produced in Western Europe decreased by 1 percentage point to 36%.

...and maintain a balanced, diverse customer portfolio *

German and Asian customers’ contribution remained stable at 30% and 26% of original equipment sales, respectively.
American customers accounted for 22% of original equipment sales, up by 1 percentage point.
French customers accounted for 16% of original equipment sales, down by 1 percentage point.

Above-market growth in all Business Groups

As is the case for the consolidated Group, the sales performance for the Business Groups reflects the specific product, geographic and customer mix and the relative weighting of the aftermarket in their activity as a whole.

<table>
<thead>
<tr>
<th>Sales(1)</th>
<th>Third-quarter(2)</th>
<th>Nine months ended September 30(2)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2013(3)</td>
<td>2014</td>
</tr>
<tr>
<td>comfort &amp; driving assistance systems</td>
<td>515</td>
<td>573</td>
</tr>
<tr>
<td>powertrain systems</td>
<td>752</td>
<td>798</td>
</tr>
<tr>
<td>thermal systems</td>
<td>832</td>
<td>889</td>
</tr>
<tr>
<td>visibility systems</td>
<td>711</td>
<td>856</td>
</tr>
</tbody>
</table>

(1) Including intersegment sales
(2) Unaudited
(3) Sales shown for 2013 differ from those presented during the publication of third-quarter 2013 sales since they have been adjusted to reflect the application of IFRS 11, effective as of January 1, 2014
(4) Like-for-like
(5) After taking account of Valeo Sylvania

In the third-quarter of 2014, the Comfort & Driving Assistance Systems Business Group’s original equipment sales increased by 13% on a like-for-like basis, lifted by the market’s growing interest in intuitive electronic driving products based on ultrasonic sensors, cameras and radars integrated into the Group’s vision and parking assistance systems.

After taking account of Valeo Sylvania, the Visibility Systems Business Group’s original equipment sales increased by 9% like for like thanks to market penetration of LED lighting technology.

* Based on 2013 reported sales (joint ventures consolidated using the proportionate method)
2014 outlook

Based on the automotive production assumptions published in the Group’s first-half 2014 results, namely an increase in global automotive production of approximately 3%, including an increase in automotive production in Europe of around 2%.

Valeo confirms its objectives for 2014:
- sales growth outperformance in the main production regions,
- operating margin slightly higher than 7% of sales.

Highlights

On August 14, 2014, Valeo announced that it had acquired 750,000 shares, at an average price of 97.1201 euros, according to the terms of the contract signed on May 27, 2014. These shares will be allocated to cover any stock purchase option plans, the allotment of shares to employees under profit-sharing plans, and the implementation of any company savings plans.

Upcoming event

Visit to the Shanghai Valeo Automotive Electrical Systems plant in Pudong (Shanghai, China) on November 12, 2014

Full-year 2014 results on February 24, 2015
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).

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 press release. 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 press release.