Q1 2016 Sales
Jacques Aschenbroich
Chairman and CEO
April 26, 2016
**Highlights**

**Growth accelerating**

- **Sales of €3,917m**
  - **+10% like-for-like**, +9.4% as reported

- **OEM sales of €3.4bn**
  - OEM sales outperformance
    - **World**
      - Europe: +11%
      - China: +13%
      - Asia (excluding China): +9%
      - North America: +11%
      - South America: -12%
    - **Growth**:
      - **World**: +10%
      - **Outperformance**:
        - +9pts
          - +10pts
          - +9pts
          - +10pts
          - +6pts
          - +13pts
  - **OEM sales outperformance**
    - **Growth**:
      - **Outperformance**:
        - +6% **like-for-like**, +3% as reported

- **Aftermarket sales of €0.4bn**
  - +13%**

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(1) Constant Group structure and exchange rates.
(2) Versus automotive production
2016 outlook

Based on the following key assumptions for full-year 2016:

- Automotive production growth:
  - World: around 2.5%
  - Europe: around 2%
  - China: around 5%
  - North America: around 2%
- Raw material prices and exchange rates in line with current levels

Valeo confirms its objectives for 2016:

- Strong sales growth, outperforming the market in the main production regions including China
- Slight increase in operating margin* (as a % of sales) despite higher net R&D expenditure to fuel future growth in CO₂ emission reductions and intuitive driving

Mid term objectives:

- Confidence in achieving 2020 targets thanks to the high level of order intake

* Including joint ventures and associates in accordance with new IFRS standards.
Growth accelerating

Sales of €3,917m, up 10% like-for-like
up 9.4% as reported

OEM sales, up 10% like-for-like, 9-point outperformance
up 10% as reported

Aftermarket sales, up 6% like-for-like
up 3% as reported
Total sales growth accelerated as compared to 2015

Like-for-like
- +10%
- +6%
- +3%
- +10%

€m
- 3,437
- 411
- 69
- 3,917

Reported

<table>
<thead>
<tr>
<th></th>
<th>OEM</th>
<th>Aftermarket</th>
<th>Miscellaneous</th>
<th>Total sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2015</td>
<td>+10%</td>
<td>+3%</td>
<td>+2%</td>
<td>+9%</td>
</tr>
<tr>
<td>Exchange rates</td>
<td>-0.8%</td>
<td>-3.0%</td>
<td>-1.4%</td>
<td>-1.1%</td>
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<tr>
<td>Scope</td>
<td>+1.0%</td>
<td>+0.0%</td>
<td>0.0%</td>
<td>+0.9%*</td>
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<tr>
<td>Q1 2015</td>
<td>3,113</td>
<td>400</td>
<td>68</td>
<td>3,581</td>
</tr>
</tbody>
</table>

April 26, 2016
OEM sales accelerated in all production regions outperforming the global market by 9 percentage points.

* Europe including Africa;
  Asia including Middle East
** Valeo OEM sales by destination
***LMC estimates – light vehicle production
**** Weight in OE sales including JV sales proportionally, OE sales variation excluding JV

Q1
Like-for-like

22% of Valeo sales****
North America
Production*** +5%
Outperf. +6pts

49% of Valeo sales****
Europe*
Production*** +1%
Outperf. +10pts

12% of Valeo sales****
Asia* excl. China
Production***-1%
Outperf. +10pts

15% of Valeo sales****
China
Production***+4%
Outperf. +9pts

Outperf. +6pts

Outperf. +13pts

Outperf. +9pts

OEM sales** +10%

OEM sales** +11%

OEM sales** +9%

OEM sales** +13%

OEM sales** +11%
OEM sales accelerated in all Asian countries

- **Asia**
  - 27% of total sales***
  - 11% OEM sales* +1%
  - Outperf. +10pts

- **Japan**
  - 17% of Asian sales***
  - 0% OEM sales* +0%
  - Outperf. +2pts

- **Korea**
  - 21% of Asian sales***
  - -2% Production** +4%
  - Outperf. +28pts

- **India**
  - 55% of Asian sales***
  - 10% Production** +4%
  - Outperf. +49pts

- **China**
  - 4% of Asian sales***
  - +13% Production** +9%
  - Outperf. +9pts

- **Outperf.**
  - +2pts
  - +10pts

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*Valeo OEM sales by destination
**LMC estimates – light vehicle production
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Balanced geographic positioning

Asia and emerging markets account for 53% of OEM sales

% of OEM sales by production region

Q1 2015

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

Q1 2016

- Asia: 26%
- Eastern Europe & Africa: 16%
- Western Europe: 35%
- US: 12%
- Mexico: 10%

54% in Asia & emerging countries

53% in Asia & emerging countries
Balanced customer portfolio

% of OEM sales

Q1 2015
- French*: 17%
- American: 23%
- Asian**: 25%
- Other: 6%
- German: 29%

Q1 2016
- French*: 16%
- American: 23%
- Asian**: 26%
- Other: 5%
- German: 30%

* Excluding Nissan
** Including Nissan
Strong growth in Comfort & Driving Assistance and Visibility
Above-market performance in Powertrain and Thermal

OEM sales growth like-for-like

Total sales in €m

Total sales growth On a reported basis

April 26, 2016
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Valeo Siemens joint venture
Valeo and Siemens are complementary.

Valeo

Power converters and inverters

Battery Charger

Electric motor

Lithium-ion battery

SIEMENS
Valeo activities for electric and hybrid vehicles

- Valeo develops high voltage power electronics (300V+):
  - inverters to control electrical machines,
  - embedded battery chargers,
  - voltage converters,
- and a high-voltage generator for BMW

- Inverter (Renault Zoe)
- Battery charger (BMW PHEV, Volvo XC90)
- DCDC converter (GM)
- Range extender generator (BMW i3)
Footprints & Reference Personnel Figures (by 31/12/2015)

- Valeo PEL High voltage (205 employees)
  - France – Cergy: 89
  - China – Shenzhen: 36
  - Hungary – Vezprem: 37
  - Norway – Drammen: 20
  - Poland – Czechowice: 16
  - Germany – Frankfurt: 7

- Siemens E-car Business (496 employees)
  - Germany – Erlangen & Bad Neustadt: 370
  - China – Shanghai & Changzhou & Tianjin: 126

Total: 701 employees
Contact

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Share information

Share data

- Bloomberg Ticker: FR FP
- Reuters Ticker: VLOF.PA
- ISIN Number: FR 000130338
- Shares outstanding as of March 31, 2016: 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
Back-up
Comfort & Driving Assistance Systems

Sales performance

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Total Sales (€m)</th>
<th>Like-for-like 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>Q3 15</td>
<td>663</td>
<td>+16%</td>
</tr>
<tr>
<td>Q4 15</td>
<td>721</td>
<td>+17%</td>
</tr>
<tr>
<td>Q1 16</td>
<td>794</td>
<td>+21%</td>
</tr>
</tbody>
</table>

2015 key figures:
- Sales: €2.7bn (18% of Group sales)
- EBITDA: 14.5% (21% of Group EBITDA)
- 15,300 employees
- 26 production units
- 8 development centers
- 9 research centers

Market share* and competitors:
- Driving Assistance: Valeo no.1
  Valeo + Bosch + Continental ~ 55%*
- Interior Controls: Valeo no.2
  Visteon + Valeo + Continental > 35%*

Key growth drivers:
- Development, particularly in emerging countries
- Increasingly stringent regulatory and certification environment (Euro NCAP in Europe and NTHSA in the US)
- Innovation driven market: active safety, interface between drive and vehicle controls, telematics

Latest business developments:
- Acquisition of peiker, a tech leader in connected vehicle solutions
- First contracts in 2016 with European and American OEMs, with Valeo Front Cameras powered by MobilEye EyeQ processors
- A number of new orders worldwide for the 360Vue 3D “bowl view” system
- Preliminary contact with one of the leading global automakers for the Sightstream (camera system that supersedes the traditional rear-view mirror)
- First order for the Head-up Display with a European automaker

* Valeo estimate
Powertrain Systems

Sales performance

- OEM sales
  - Like-for-like change
  - +4% Q1 15, +7% Q2 15, +8% Q3 15, +12% Q4 15, +6% Q1 16

- Total sales
  - €948 Q1 15, €978 Q2 15, €877 Q3 15, €959 Q4 15, €983 Q1 16
  - Change as reported: +12% Q1 15, +15% Q2 15, +10% Q3 15, +14% Q4 15, +4% Q1 16

Key growth drivers:
Objective of reducing CO₂ emissions and fossil fuel consumption based on 3 priorities for engines:
- Downsizing /Downspeeding
- Gearbox automation
- Powertrain electrification and development of 12V, 48V and 300V+ hybrid solutions

Latest business developments:
- Several new orders for 48 volt in Europe and Asia
- Second order for the E-Supercharger (was in 2015)
- Several new orders for on-board battery chargers in Europe and China
- New orders for the dual clutch and dual mass flywheels
- Award of major programs in Nafta, Europe & Asia for alternators.

2015 key figures:
- Sales: €3.8bn (26% of Group sales)
- EBITDA: 12.8% (26% of Group EBITDA)
- 19,400 employees
- 36 production units
- 15 development centers
- 6 research centers

Market share* and competitors:
- Transmission Systems: Valeo no.2
  - Luk + Valeo + ZF Sachs = 45%*
- Electrical Systems: Valeo no.1
  - Valeo + Denso + Bosch = 76%*

*Valeo estimate
Thermal Systems

2015 key figures:
- Sales: €4.1bn (28% of Group sales)
- EBITDA: 10.7% (24% of Group EBITDA)
- 20,100 employees
- 48 production units
- 10 development centers
- 3 research centers

Market share* and competitors:
Thermal Systems: Valeo joint no.2
Denso + Valeo + Mahle + Hanon = 56%*

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:
- Acquisition of Spheros: a market leader in the fast-growing air conditioning market for buses
- Record order intake particularly in Asia and in North America
- Engine cooling module: big orders with new generation of high-performing radiators and condensers
- Battery thermal management: start of production of new generation chiller and several orders for German and Chinese automakers
- New generation of air intake modules sold to German customers

*Valeo estimate
Visibility Systems

Sales performance

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<tr>
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<th>Total Sales (€m)</th>
<th>Like-for-like 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>Q3 15</td>
<td>967</td>
<td>+13%</td>
</tr>
<tr>
<td>Q4 15</td>
<td>1,124</td>
<td>+18%</td>
</tr>
<tr>
<td>Q1 16</td>
<td>1,119</td>
<td>+10%</td>
</tr>
</tbody>
</table>

2015 key figures:
- Sales: €4.2bn (28% of Group sales)
- EBITDA: 12.4% (28% of Group EBITDA)
- 26,300 employees
- 35 production units
- 15 development centers
- 5 research centers

Market share* and competitors:
- Lighting Systems: Valeo no.2
  Koito + Valeo-Ichikoh + Magnetti Marelli > 55%
- Wiper Systems: Valeo no.1
  Valeo + Bosch + Denso = 71%

Key growth drivers in 2015:
- Increasing LED take rate, in particular in the B&C Segment with VW (Passat), Renault (Megane), and Geely (GC9)
- Increasing LED content on premium vehicles with Volvo (XC90) and Jaguar (XJ)
- Increasing Wiper market share in China, with Ford and VW

Latest business developments:
- Continuous order intake increase on LED Front Lighting in Europe (VW Passat & Polo, Audi A1), North America (Toyota Avalon and Corolla, GM Silverado) and China (Ford Mondeo, Volvo XC90, Geely)
- Re-entered Mercedes Panel in Europe in Front and Rear Lighting
- First significant Ambient Lighting orders
- Valeo AquaBlade Wiper technology selected for premium vehicles, Wet Arm technology awarded at 2 new customers
- 4 poles electronised Motors technology introduced for 3 new customers in Europe, North America and China
- Growing interest in sensor cleaning activity

*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>
<th>Q3-15</th>
<th>Q4-15</th>
<th>Q1-16</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>
<td>663</td>
<td>721</td>
<td>794</td>
</tr>
<tr>
<td>Powertrain Systems</td>
<td>774</td>
<td>817</td>
<td>752</td>
<td>818</td>
<td>848</td>
<td>798</td>
<td>843</td>
<td>948</td>
<td>978</td>
<td>877</td>
<td>959</td>
<td>983</td>
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<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>
<td>992</td>
<td>1,036</td>
<td>1,063</td>
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<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>
<td>967</td>
<td>1,124</td>
<td>1,119</td>
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<td>Total sales</td>
<td>2,927</td>
<td>3,017</td>
<td>2,792</td>
<td>2,926</td>
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<td>3,235</td>
<td>3,069</td>
<td>3,309</td>
<td>3,581</td>
<td>3,717</td>
<td>3,449</td>
<td>3,797</td>
<td>3,917</td>
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</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>
<th>Q3-15</th>
<th>Q4-15</th>
<th>Q1-16</th>
</tr>
</thead>
<tbody>
<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>
<td>387</td>
<td>399</td>
<td>411</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>82</td>
<td>76</td>
<td>83</td>
<td>100</td>
<td>59</td>
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<td>119</td>
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<td>101</td>
<td>72</td>
<td>104</td>
<td>69</td>
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</table>
Safe Harbor Statement

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