VISIBILITY SYSTEMS’ ACCELERATION

MAURIZIO MARTINELLI  VISIBILITY SYSTEMS BUSINESS GROUP PRESIDENT

CHRISTOPHE LE LIGNÉ  VISIBILITY SYSTEMS BUSINESS GROUP R&D AND PRODUCT MARKETING DIRECTOR
VALEO VISIBILITY SYSTEMS
KEY FIGURES (END OF 2016)

TOTAL SALES
€4.6 BN

EBITDA
13.9 % OF SALES

29,000 EMPLOYEES

33 PRODUCTION SITES

16 COUNTRIES

20 RESEARCH & DEVELOPMENT CENTERS
VALEO VISIBILITY SYSTEMS
WORLDWIDE PRESENCE (END OF 2016)

**NORTH AMERICA**
- 20% SALES
- 15% HEADCOUNT

**EUROPE**
- 46% SALES
- 41% HEADCOUNT

**CHINA**
- 16% SALES
- 22% HEADCOUNT

**SOUTH AMERICA**
- 2% SALES
- 3% HEADCOUNT

**ASIA* EXCL. CHINA**
- 16% SALES
- 19% HEADCOUNT

* Including ICHIKOH
SUCCESSFUL INTEGRATION OF VALEO SYLVANIA

TOWARD A SUCCESSFUL INTEGRATION OF ICHIKOH

* At iso currency vs 2016
<table>
<thead>
<tr>
<th>COMMITTED IN 2015</th>
<th>ACHIEVED IN 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ANNUAL GROWTH OVER</strong></td>
<td><strong>ANNUAL GROWTH FROM</strong></td>
</tr>
<tr>
<td>2014 - 2020 PERIOD</td>
<td>2014 TO 2016</td>
</tr>
<tr>
<td>8%</td>
<td><strong>13.4%</strong></td>
</tr>
<tr>
<td><strong>EBITDA MARGIN IMPROVEMENT</strong></td>
<td>2016 EBITDA</td>
</tr>
<tr>
<td>FROM 10.6% IN 2014 TO</td>
<td><strong>13.9%</strong></td>
</tr>
<tr>
<td><strong>12.5%</strong> IN 2020</td>
<td></td>
</tr>
</tbody>
</table>
WE ARE AHEAD OF THE PLAN ANNOUNCED IN MARCH 2015
OVERPERFORMING THE MARKET
WITH OUR INNOVATIONS

GROWTH ENGINES*

Valeo +23% per year
Market: +15.5%/year

TRADITIONAL PRODUCTS

Valeo -1% per year
Market: -3%/year

Source: Valeo
*Strategic products and services that are positioned in growing markets or generate a significant increase in Group sales
VISIBILITY GROWTH IS FUELED BY SUCCESSIVE INNOVATION WAVES

1. GENERALIZATION OF LEDs
2. REINVENTION OF WIPER SYSTEMS
3. EXPERIENCE OF TRAVELING
VISIBILITY GROWTH IS FUELED BY SUCCESSIVE INNOVATION WAVES

1. GENERALIZATION OF LEDS
2. REINVENTION OF WIPER SYSTEMS
3. EXPERIENCE OF TRAVELING
GENERALIZATION OF LEDS

XENON ➤ BILED ➤ LED

HALOGEN

WORLDWIDE FRONT LIGHTING TECHNOLOGY TAKE RATE (VOLUMES)

2016 ➤ 2026

1st GENERATION ➤ 2nd GENERATION

CHOSEN BY 8 OEMs
GENERALIZATION OF LEDs

WORLDWIDE FRONT LIGHTING TECHNOLOGY TAKE RATE (VOLUMES)

**PEOPLED**

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.5 M Vehicles</td>
<td>4 M Vehicles</td>
</tr>
</tbody>
</table>

11 BRANDS TO DATE
AUGMENTED VISIBILITY FOR THE TASK OF DRIVING: LIGHTING

GLARE-FREE HIGH BEAM
1 PIXEL

MATRIX BEAM
4 to 25 PIXELS

PIXEL LIGHTING
32 to 300 PIXELS

PICTURE BEAM
1M PIXELS

GLARE-FREE TAKE RATE:
1.5% in 2016 ▶ 10% in 2021

AVERAGE CONTENT PER CAR:
100 in 2016 ▶ 160 in 2021

Base 100 2016 (Price & technology)
AUGMENTED VISIBILITY FOR THE TASK OF DRIVING: LIGHTING

DRIVEN CAR

GLARE-FREE HIGH BEAM

MATRIX BEAM

PIXEL LIGHTING

PICTURE BEAM

2014  2016  2018  2021  2025

SELF-DRIVING CAR
AUGMENTED VISIBILITY FOR THE TASK OF DRIVING: LIGHTING

SELF-DRIVING CAR

AVERAGE CONTENT PER CAR
Base 100 2016 (Price & technology)
VISIBILITY GROWTH IS FUELED BY SUCCESSIVE INNOVATION WAVES
ELECTRONIZED WIPER MOTORS

- Weight saving
- Noise reduction
- Packaging reduction
- Style optimization

2026 Take Rate ➤ 🇺🇸 50%  🇨🇳 49%  🇪🇺 61%
AQUABLADE

VALEO AQUABLADE VOLUMES

+76% PER YEAR

>10.5 M

5.5 M

AVERAGE CONTENT PER CAR
Base 100 2016 (Price & technology)

100

300

2012 2016 2021

AFTERMARKET

ORIGINAL EQUIPMENT

CHOOSEN BY
4 OEMs
WIPER AFTERMARKET REINVENTED

DIGITALIZATION AND INTERNET OF THINGS

Wear Indicator
Worn Blade: High torque

Carmaker App
“Dear client, you can reorder original blades at OEM.COM
Do you want to purchase now?”

OEM Cloud
Blades bought at OEM sales channel

HIGHER MARGINS
MORE WEBSITE TRAFFIC
ADDITIONAL SALES
IMPROVED RETENTION

REGIONAL ACCELERATION

2021 / 2016 SALES

2021 / 2016 Sales

USA x 3

CHINA x 6

WAVE 2
REMOTE WINDSHIELD DEFROSTING TECHNOLOGY
CLEAN4U

13 OEMs ASKED FOR A DEMOCAR

4 ONGOING PRE-DEVELOPMENTS
VISIBILITY GROWTH IS FUELED BY SUCCESSIVE INNOVATION WAVES

1. GENERALIZATION OF LEDS
2. REINVENTION OF WIPER SYSTEMS
3. EXPERIENCE OF TRAVELING
AUGMENTED VISIBILITY FOR THE EXPERIENCE OF TRAVELING

SENSOR CLEANING

LIFE ON BOARD
THE EXPERIENCE OF TRAVELING: SENSOR CLEANING

Price & technology 2016
UNIQUE INTERIOR EXPERIENCE
MULTI SENSORY, DIGITAL, SCALABLE, ADAPTIVE

CDA
Camera, driver monitoring & Human Machine Interface

THS
Thermal comfort, air quality, scents health care and well-being

VIS
Interior lighting
ambient lighting | well-being | smart functional lighting

THE EXPERIENCE OF TRAVELING
VISIBILITY GROWTH IS FUELED BY SUCCESSIVE INNOVATION WAVES

1. GENERALIZATION OF LEDS
2. REINVENTION OF WIPER SYSTEMS
3. EXPERIENCE OF TRAVELING
VISIBILITY SYSTEMS BUSINESS GROUP IS ACCELERATING

2016

VISIBILITY SYSTEMS

€4.6 BILLION SALES

13.9% EBITDA

2021

~€7.7 BILLION SALES*

CAGR: >10%

~14% EBITDA*

* INCLUDING ICHIKOH
SAFE HARBOR STATEMENT

Statements contained in this press release, which are not historical fact, constitute "Forward-Looking Statements". These statements include projections and estimates and their underlying assumptions, statements regarding projects, objectives, intentions and expectations with respect to future financial results, events, operations, services, product development and potential, and statements regarding future performance. Even though Valeo's management feels that the Forward-Looking Statements are reasonable as at the date of this press release, investors are put on notice that the Forward-Looking Statements are subject to numerous factors, risks and uncertainties that are difficult to predict and generally beyond Valeo's control, which could cause actual results and events to differ materially from those expressed or projected in the Forward-Looking Statements. 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 antitrust 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 with the AMF on March 26, 2016 (under no. D.16-0211).

Valeo has recognized an expense of 99 million euros in its consolidated financial statements to cover the main risks resulting from investigations currently being carried out by the antitrust authorities, as identified in the Registration Document, and risks relating to legal action resulting from such investigations.

The company assumes no responsibility for any analyses issued 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 subsequent to the date of this press release.