Q1 2017 SALES

JACQUES ASCHENBROICH – CHAIRMAN & CEO
## HIGHLIGHTS

**Sales of €4.8bn**

- +22% as reported
- +13% like-for-like

**OEM sales of €4.2bn**

- +21% as reported
- +13% like-for-like

**OEM sales outperformance**

<table>
<thead>
<tr>
<th>Region</th>
<th>Growth(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>World</td>
<td>+13%</td>
</tr>
<tr>
<td>Europe</td>
<td>+12%</td>
</tr>
<tr>
<td>China</td>
<td>+25%</td>
</tr>
<tr>
<td>Asia (excluding China)</td>
<td>+6%</td>
</tr>
<tr>
<td>North America</td>
<td>+11%</td>
</tr>
<tr>
<td>South America</td>
<td>+16%</td>
</tr>
</tbody>
</table>

**Outperformance**

- +8pts
  - +6pts
  - +18pts
  - +1pt
  - +9pts
  - +5pts

**Aftermarket sales of €0.5bn**

- +19% as reported
- +8% like-for-like

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(1) Constant Group structure and exchange rates. (2) Vs automotive production
2017 OUTLOOK

Based on the following assumptions:

► An increase in global automotive production of between 1.5% and 2%
► Raw material prices and exchange rates in line with current levels

Valeo confirms its objectives for 2017:

► Sales growth outperforming the market by more than 5 percentage points
► A slight increase in operating margin* (as a % of sales and before acquisitions)

* Including joint ventures and associates
SUSTAINED SALES GROWTH

SALES OF €4.8BN, UP 22% AS REPORTED
UP 13% LIKE-FOR-LIKE

OEM SALES, UP 21% AS REPORTED
UP 13% LIKE-FOR-LIKE, 8-POINT OUTPERFORMANCE

AFTERMARKET SALES, UP 19% AS REPORTED
UP 8% LIKE-FOR-LIKE
SUSTAINED SALES GROWTH
SALES UP 22% AS REPORTED, UP 13% LIKE-FOR-LIKE

Like-for-like +13%  +8%  +38%  +13%

€m

4,174  487  106  4,767

Reported

OEM  Aftermarket  Miscellaneous  Sales

+21%  +19%  +54%  +22%

Q1 2016  3,437  Q1 2016  411  Q1 2016  69  Q1 2016  3,917
Exchange rates +1.9%  Exchange rates +1.2%  Exchange rates +2.9%  Exchange rates +1.8%
Scope +6.9%  Scope +9.0%  Scope +12.5%  Scope +7.3%

CONFIDENTIAL
SUSTAINED OEM SALES GROWTH LEADING TO OUTPERFORMANCE IN ALL PRODUCTION REGIONS

Q1 Like-for-like

North America
- 21% of Valeo sales
- Production*** +2%
- Outperf. +9pts

South America
- 2% of Valeo sales
- Production*** +11%
- Outperf. +5pts

Europe*
- 48% of Valeo sales
- Production*** +6%
- Outperf. +6pts

China
- 14% of Valeo sales
- Production*** +7%
- Outperf. +18pts

Asia* excl. China
- 15% of Valeo sales
- Production*** +6%
- Outperf. +1pt

World
- Production*** +5%
- Outperf. +8pts

OEM sales**

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

Outperf. +38% Including Ichikoh scope effect
9-POINT OUTPERFORMANCE IN ASIA

Q1

Like-for-like

29% of total sales

Asia
Production** +6%

OEM sales* +15%

Outperf. +9pts

19% of Asian sales

South Korea
Production** -7%

OEM sales* +3%

Outperf. +10pts

47% of Asian sales

China
Production** +7%

OEM sales* +25%

Outperf. +18pts

4% of Asian sales

India
Production** +7%

OEM sales* +18%

Outperf. +11pts

25% of Asian sales

Japan
Production** +9%

OEM sales* +2%

Underperf. -7pts

9-POINT OUTPERFORMANCE IN ASIA

+72% Including Ichikoh scope effect

*Valeo OEM sales by destination

**LMC estimates – light vehicle production
BALANCED GEOGRAPHIC POSITIONING

OEM sales by production region

% of OEM sales

Q1 2016

- Eastern Europe & Africa: 16%
- Western Europe: 35%
- Asia excl. China: 13%
- SA: 1%
- US: 12%
- Mexico: 10%

Q1 2017

- Eastern Europe & Africa: 16%
- Western Europe: 32%
- Asia excl. China: 15%
- SA: 2%
- US: 12%
- Mexico: 10%

53% in Asia & emerging countries

56% in Asia & emerging countries
A MORE DIVERSE CUSTOMER PORTFOLIO

% of OEM sales

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

Q1 2017
- French*: 14%
- German: 28%
- American: 20%
- Asian**: 32%
- Other: 6%

* Excluding Nissan
** Including Nissan
SUSTAINED GROWTH IN THE 4 BUSINESS GROUPS

OEM sales growth like-for-like
- CDA: +20%
- PTS: +23%
- THS: +27%
- VIS: +30%

Total sales in €m
- Comfort & Driving Assistance: +18%*
- Powertrain: +12%
- Thermal: +23%**
- Visibility: +30%***

Total sales growth Year-on-year
- Group €4.8bn
- VIS 30%
- CDA 20%
- PTS 23%
- THS 27%

*Including peiker  **Including Spheros  ***Including Ichikoh
2017 OUTLOOK
2017 OUTLOOK

Based on the following assumptions:

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- Raw material prices and exchange rates in line with current levels

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- Sales growth outperforming the market by more than 5 percentage points
- A slight increase in operating margin* (as a % of sales and before acquisitions)

* Including joint ventures and associates
Investor Relations

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### SHARE INFORMATION

#### Share Data

<p>| | |</p>
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<td>FR FP</td>
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<tr>
<td>Reuters Ticker</td>
<td>VLOF.PA</td>
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<td>ISIN Number</td>
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<td>Shares outstanding as of March 31, 2017</td>
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#### ADR Data

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<td>Ratio (ADR: ord)</td>
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<td>Depositary Bank</td>
<td>J.P. Morgan</td>
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<tr>
<td>Contact at J.P. Morgan – ADR broker relationship desk</td>
<td>Jim Reeves</td>
</tr>
<tr>
<td></td>
<td>+1 212-622-2710</td>
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COMFORT & DRIVING ASSISTANCE

2016 key figures:
• Sales: €3.4bn (20% of Group sales)
• EBITDA: 14.7% (23% of Group EBITDA)
• 17,400 employees
• 28 plants
• 8 development centers
• 9 research centers

Market share* and competitors:
- Driving Assistance: Valeo no.1
  Valeo + Bosch + Continental ~ 57%*
- Interior Controls: Valeo no.2
  Continental + Valeo+ Visteon ~ 34%*

Key growth drivers:
- Increasingly stringent regulatory and certification environment (Euro NCAP in Europe and NTHSA in the US)
- Further take-up rate increase for existing innovative products (including cameras, displays, sensors)
- Perimeter change with peiker in March 2016

Latest business developments:
- Strong order intake in 2016 with first orders on front camera and interior monitoring systems
- First order for MovInBlue and Driver Monitoring System
- Acquisition of gestigon, cabin 3D image processing software company
**POWERTRAIN SYSTEMS**

*2016 key figures:*
- Sales: €4bn (24% of Group sales)
- EBITDA: 13.3% (25% of Group EBITDA)
- 20,700 employees
- 41 plants
- 18 development centers
- 7 research centers

*Valeo estimate*

<table>
<thead>
<tr>
<th>Total sales (€m)</th>
<th>Q1 16</th>
<th>Q2 16</th>
<th>Q3 16</th>
<th>Q4 16</th>
<th>Q1 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>OEM sales</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Like-for-like</td>
<td>+6%</td>
<td>+11%</td>
<td>+12%</td>
<td>+11%</td>
<td>+11%</td>
</tr>
<tr>
<td>change</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total sales</td>
<td>983</td>
<td>1,028</td>
<td>966</td>
<td>1,050</td>
<td>1,105</td>
</tr>
<tr>
<td>- change as</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>reported</td>
<td>+4%</td>
<td>+5%</td>
<td>+10%</td>
<td>+10%</td>
<td>+12%</td>
</tr>
</tbody>
</table>

Market share* and competitors:
- Transmission Systems: Valeo no.2
  Luk + Valeo + ZF Sachs ~ 47%*
- Electrical Systems & Power Electronics: Valeo no.1
  Valeo + Denso + Bosch ~ 76%*

*Valeo estimate*

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:
- Major contracts won by the Valeo Siemens eAutomotive joint venture in Europe and China
- Significant orders in the field of gearbox automation: torque converters in the NAFTA region, dual clutch in Asia and Europe
- New orders in Europe for air loop management (Exhaust Gas Recirculation)
- New orders for alternators in Asia and Europe
THERMAL SYSTEMS

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:
New record figures for quarterly order intake booked thanks to:
- Strong air conditioning system orders booked with American and German customers for worldwide platforms
- Several orders for full air conditioning systems booked by Chinese customers for ICE vehicles and EVs
- New battery cooling system order from luxury car manufacturer for its next EV system

Market share* and competitors:
Thermal Systems: Valeo no.2
Denso + Valeo + Hanon + Mahle ~ 55%*

2016 key figures:
- Sales: €4.6bn (28% of Group sales)
- EBITDA: 10.0% (22% of Group EBITDA)
- 22,800 employees
- 57 plants
- 10 development centers
- 4 research centers

*Valeo estimate
VISIBILITY SYSTEMS

Key growth drivers in 2016:
- Increasing LED take-up rate, in particular in the B&C segment with VW (Passat), Renault (Megane), Infiniti (Q30), Audi (A3/Q2)
- 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 with Matrix/Pixel Front Lighting in Europe (VW Passat, Opel Adam, LR Evoque, Ford Kuga), North America (GM Sierra, Silverado HD, Ford Edge, Toyota Rav 4) and China (Passat CC, FCA Jeep, Nissan Sylphy)
- Re-entry of Mercedes Panel in Europe in Front and Rear Lighting
- Further development in Interior Lighting business with BMW and Renault
- Development of electronic transversal drivers (ZKW, Ichikoh)
- Valeo AquaBlade Wiper technology selected for premium vehicles, Wet Arm technology awarded at 2 new customers
- 4 Poles electronized Motors technology introduced for 3 new customers in Europe, North America and China
- Growing interest in sensor cleaning activity

2016 key figures:
- Sales: €4.6bn (28% of Group sales)
- EBITDA: 13.9% (30% of Group EBITDA)
- 29,000 employees
- 38 plants
- 15 development centers
- 5 research centers

Market share* and competitors:
- Lighting Systems: Valeo-Ichikoh no.2
  Koito + Valeo-Ichikoh + Magnetti Marelli ~ 60%*
- Wiper Systems: Valeo no.1
  Valeo + Denso + Bosch ~ 67%*

* Valeo estimate

OEM sales Like-for-like change

<table>
<thead>
<tr>
<th>Total sales (€m)</th>
<th>Q1 16</th>
<th>Q2 16</th>
<th>Q3 16</th>
<th>Q4 16</th>
<th>Q1 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total sales - change as reported</td>
<td>+10%</td>
<td>+10%</td>
<td>+14%</td>
<td>+11%</td>
<td>+30%</td>
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## QUARTERLY INFORMATION (IN €M)

### 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>
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<th>Q1-16</th>
<th>Q2-16</th>
<th>Q3-16</th>
<th>Q4-16</th>
<th>Q1-17</th>
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<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>
<td>866</td>
<td>825</td>
<td>877</td>
<td>938</td>
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<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>948</td>
<td>978</td>
<td>877</td>
<td>959</td>
<td>983</td>
<td>1,028</td>
<td>966</td>
<td>1,051</td>
<td>1,105</td>
<td></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>
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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>
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<td>967</td>
<td>1,124</td>
<td>1,119</td>
<td>1,176</td>
<td>1,102</td>
<td>1,252</td>
<td>1,458</td>
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<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>
<td>3,449</td>
<td>3,797</td>
<td>3,917</td>
<td>4,213</td>
<td>3,994</td>
<td>4,395</td>
<td>4,767</td>
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### Sales by type

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<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>
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<th>Q2-16</th>
<th>Q3-16</th>
<th>Q4-16</th>
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<td>Aftermarket</td>
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<td>374</td>
<td>361</td>
<td>377</td>
<td>376</td>
<td>377</td>
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<td>411</td>
<td>434</td>
<td>417</td>
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<td>487</td>
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<tr>
<td>Miscellaneous</td>
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<td>104</td>
<td>69</td>
<td>110</td>
<td>105</td>
<td>156</td>
<td>106</td>
</tr>
<tr>
<td><strong>Total sales</strong></td>
<td>2,927</td>
<td>3,017</td>
<td>2,792</td>
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SAFE HARBOR STATEMENT

Statements contained in this document, 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 document, 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, 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 2016 Registration Document registered with the AMF on March 24, 2017 (under no. D.17-0226).

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