



**EXECUTION VERSION**

**Final Terms dated 14 June 2018**

**VALEO**

**Issue of EUR 600,000,000 1.500 per cent. Notes due 18 June 2025 (the "Notes")**

**under the EUR 4,000,000,000 Euro Medium Term Note Programme**

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**SERIES N°: 11**  
**TRANCHE N°: 1**

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**Joint Lead Managers**

**BNP PARIBAS**  
**CITIGROUP GLOBAL MARKETS LIMITED**  
**CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK**  
**HSBC**  
**NATIXIS**

**MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes taking into account the five categories referred to in item 18 of the Guidelines on MiFID II product governance requirements published by ESMA dated 5 February 2018, has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “**MiFID II**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels:

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (“**MiFID II**”); or (ii) a customer within the meaning of Directive 2002/92/EC (“**IMD**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the “**PRiIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRiIPs Regulation.

#### **PART A - CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 5 July 2017 which received visa no. 17-337 from the *Autorité des marchés financiers* (the “**AMF**”) on 5 July 2017, (the “**Base Prospectus**”), the first supplement to the Base Prospectus dated 4 September 2017 which received visa no. 17-456 from the AMF on 4 September 2017 and the second supplement to the Base Prospectus dated 29 May 2018 which received visa no. 18-207 from the AMF on 29 May 2018 which together constitute a base prospectus for the purposes of the Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 as amended in particular by Directive 2010/73/EU (the “**Prospectus Directive**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus as so supplemented. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus as so supplemented. The Base Prospectus, the first supplement to the Base Prospectus, the second supplement to the Base Prospectus and the Final Terms are available, in accordance with Article 14 of Directive 2003/71/EC, for viewing at the office of the Paying Agents during normal business hours and on the websites of (a) the *Autorité des marchés financiers* ([www.amf-france.org](http://www.amf-france.org)) and (b) the Issuer ([www.valeo.com](http://www.valeo.com)) and copies may be obtained free of charge from Valeo, 43 rue Bayen, 75017 Paris, France.

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| 1. | (i) Issuer:                          | Valeo  |
| 2. | (i) Series Number:                   | 11   |
|    | (ii) Tranche Number:                 | 1  |
| 3. | Specified Currency:                  | Euro (“ <b>EUR</b> ”)                              |
| 4. | Aggregate Principal Amount of Notes: |  |
|    | (i) Series:                          | EUR 600,000,000                                    |
|    | (ii) Tranche:                        | EUR 600,000,000                                    |
| 5. | Issue Price:                         | 99.644 per cent. of the Aggregate Principal Amount |

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| 6. Specified Denomination:                                   | EUR 100,000  |
| 7. (i) Issue Date:   | 18 June 2018   |
| (ii) Interest Commencement Date:                             | Issue Date   |
| 8. Maturity Date:  | 18 June 2025   |
| 9. Interest Basis:   | 1.500 per cent. Fixed Rate   |
| 10. Redemption Basis:  | Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount |
| 11. Put/Call Options:  | Make-whole Redemption by the Issuer<br>Residual Maturity Call Option<br>Clean-Up Call Option<br><i>(further particulars specified below)</i>           |
| 12. Change of Control:                                       | Change of Control Put Option Applicable  |
| 13. (i) Status of the Notes:                                 | Unsubordinated Notes   |
| (ii) Date of corporate authorisations for issuance of Notes: | Resolutions of the Board of Directors of the Issuer dated 22 February 2018 and the <i>décision d'émission</i> adopted on 14 June 2018                  |
| 14. Method of distribution:                                  | Syndicated   |

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

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| 15. Fixed Rate Note Provisions   | Applicable  |
| (i) Rate of Interest:  | 1.500 per cent. per annum payable in arrear on each Interest Payment Date |
| (ii) Interest Payment Dates:   | 18 June in each year not adjusted   |
| (iii) Fixed Coupon Amount:   | EUR 1,500 per Note of EUR 100,000 Specified Denomination                  |
| (iv) Broken Amounts:   | Not Applicable  |
| (v) Day Count Fraction:  | Actual/Actual (ICMA)  |
| (vi) Determination Dates:  | 18 June in each year  |
| (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: | Not Applicable  |
| 16. Floating Rate Note Provisions  | Not Applicable  |
| 17. Change of Interest Basis:  | Not Applicable  |

18. Zero Coupon Note Provisions Not Applicable

### PROVISIONS RELATING TO REDEMPTION

19. Issuer Call Option Not Applicable

20. Make-whole Redemption by the Issuer: Applicable

(i) Notice Period: As set out in Condition 6(b)(ii)

(ii) Parties to be notified (if other than set out in Condition 6(b)(ii)) Not Applicable

(iii) Make-whole Redemption Margin: 0.25 per cent.

(iv) Make-whole Redemption Rate: Reference Dealer Quotation

(v) Reference Screen Rate: Not Applicable

(vi) Reference Security: Federal Government Bond of Bundesrepublik Deutschland 0.50 per cent. due February 2025 (ISIN: DE0001102374)

(vii) Reference Dealers: As set out in Condition 6(b)(ii)

21. Residual Maturity Call Option: Applicable

Date from which the Residual Maturity Call Option may be exercised: The Issuer may exercise the Residual Maturity Call Option starting on 18 March 2025 and at any time thereafter.

22. Clean-Up Call Option: Applicable

23. Put Option Not Applicable

24. Change of Control Put Option: Applicable. Condition 6(c)(ii) will apply

25. Final Redemption Amount of each Note EUR 100,000 per Note of EUR 100,000 Specified Denomination

26. Early Redemption Amount (Tax)

Early Redemption Amount(s) (Tax) of each Note payable on redemption for taxation reasons on an event of default or other early redemption: EUR 100,000 per Note of EUR 100,000 Specified Denomination

### GENERAL PROVISIONS APPLICABLE TO THE NOTES

27. Form of Notes: Dematerialised Notes

(i) Form of Dematerialised Notes: Applicable (*bearer dematerialised form (au porteur)*)

- (ii) Registration Agent: Not Applicable
- (iii) Temporary Global Certificate: Not Applicable
- (iv) Applicable TEFRA exemption: Not Applicable
28. Financial Centre(s): Not Applicable
29. Talons for future Coupons to be attached to Definitive Bearer Materialised Notes (and dates on which such Talons mature): No
30. Redenomination, renominatisation and reconventioning provisions: Not Applicable
31. Consolidation provisions: Not Applicable
32. *Masse* Contractual Masse shall apply
- The initial representative of the *Masse* is:
- MASSQUOTE S.A.S.U.  
RCS 529 065 880 Nanterre  
7bis rue de Neuilly  
F-92110 Clichy  
France
- Mailing address:
- 33 rue Anna Jacquin  
92100 Boulogne Billancourt  
France
- Represented by its Chairman
- The alternative representative of the *Masse* will be:
- Gilbert Labachotte  
8 Boulevard Jourdan  
75017 Paris  
France.
- The Representative's fee is EUR 450 per year.

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## DISTRIBUTION

33. (i) If syndicated, names of Joint Lead Managers: BNP Paribas  
Citigroup Global Markets Limited  
Crédit Agricole Corporate and Investment Bank  
HSBC Bank plc  
Natixis
- (ii) Stabilising Manager(s) (if any): BNP Paribas
34. If non-syndicated, name of Dealer: Not Applicable
35. US Selling Restrictions (Categories of potential investors to which the Notes are offered): Reg. S Compliance Category 2 applies to the Notes; TEFRA not applicable to Dematerialised Notes

**PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for issue and admission to trading on Euronext Paris of the Notes described herein pursuant to the EUR 4,000,000,000 Euro Medium Term Note Programme of Valeo (the "Issuer").

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:



By: Christine Prevot Levy - Group financing and Treasury Director

Duly authorised

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing: Euronext Paris
- (ii) Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be listed and admitted to trading on Euronext Paris with effect from 18 June 2018.
- (iii) Estimate of total expenses related to admission to trading: EUR 10,700 (including the AMF fees)

### 2. RATINGS

- Ratings: The Notes to be issued have been rated:
- S & P: BBB
- Moody's: Baa2

Each of S & P and Moody's is established in the European Union, registered under Regulation (EC) No 1060/2009, as amended (the "CRA Regulation") and included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>) in accordance with CRA Regulation.

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in the Section "Subscription and Sale" of the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

### 4. Fixed Rate Notes only – YIELD

Indication of yield: 1.554 per cent. per annum

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

### 5. FLOATING RATE NOTES ONLY – HISTORIC INTEREST RATES

Historic Interest Rate Not Applicable

Benchmarks: Not Applicable

### 6. REASONS FOR THE OFFER AND USE OF PROCEEDS

The net proceeds of the issue will be used for the Issuer's general corporate purposes.

### 7. OPERATIONAL INFORMATION

- (i) ISIN Code: FR0013342334
- (ii) Common Code: 183705610

- (iii) Any clearing system(s) other than Euroclear France, Euroclear Bank S.A./N.V. and Clearstream Banking S.A. and the relevant identification number(s): Not Applicable
- (iv) Delivery: Delivery against payment
- (v) Names and addresses of Initial Paying Agent(s): BNP Paribas Securities Services  
Corporate Trust Services  
3-5-7 rue du Général Compans  
93500 Pantin  
France
- (vi) Names and addresses of additional Paying Agent(s) (if any): Not Applicable
- (vii) Name and address of any paying agent(s) and depository agent(s) in each country (in addition to the Principal Paying Agent): Not Applicable.

## 8. GENERAL

The aggregate principal amount of Notes issued has been translated into Euro at the rate of [•], producing a sum of (for Notes not denominated in Euro): Not Applicable