OVERALL MARKET CONDITIONS

July guidance:

- In view of uncertainties relating to disruptions to the production of certain vehicles in Europe (mainly during the third quarter) in connection with the WLTP
- Global automotive production at +1.5%

Q3 18 market conditions:

- World: ~ -3%
- Europe excl. Russia: ~ -5%
- China(1): ~ -7%
- Performance was heavily impacted in September both in Europe and China

FY 18 automotive production growth weaker than expected at ~0%

(1) China Passenger Car Association (CPCA) estimates
## Q3 OUTPERFORMANCE IMPACTED BY MARKET CONDITIONS

<table>
<thead>
<tr>
<th>Description</th>
<th>Impact on Q3 Valeo’s outperformance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth of 5% in Q3 at same exchange rate</td>
<td>-1 point*</td>
</tr>
<tr>
<td>2 percentage point OEM Sales outperformance (Like for Like) in Q3</td>
<td>-0.5 point*</td>
</tr>
<tr>
<td>Start of production delays (primarily in Europe)</td>
<td></td>
</tr>
<tr>
<td>Unfavorable geographical and client mix either in Europe (WLTP) or in China</td>
<td></td>
</tr>
</tbody>
</table>

* Percentage point outperformance
VALEO’S H2 ACTION PLAN

Quick reaction to the market conditions

Cost reduction initiatives
► €100m in costs

Reduction in PP&E capex
► €100m vs 2017 (at constant Group structure)

Action plan to be continued, as necessary, in 2019
IMPACT ON VALEO’S 2018 MARGINS
A PARTICULARLY DIFFICULT ENVIRONMENT IN H2

Valeo’s action plan for cost reduction

- WLTP in Europe and decline in business activity in China ~ €(150m)
- Continued increase in raw material prices (steel, plastic resins, etc.) and shortage of electronic components ~ €(60m)
- One-time accruals for quality costs ~ €(40m)
- Disruption in factory plants due to market disturbances ~ €(60m)

Total ~ €(210m)
The Valeo Group has set the following objectives for 2018:

- Growth of around 6% at constant exchange rates
- OEM sales outperformance of around 2 points in H2 2018
- Operating margin excluding share in net earnings of equity-accounted companies (as a % of sales) at between 6.2% and 6.5% of sales
- Free cash flow generation of between €120m and €150m
To accommodate its fast-paced expansion going forward, Valeo Siemens eAutomotive will bear the costs required to push ahead with ongoing projects and structure its organization. Accordingly, the “Share in net earnings of equity-accounted companies” caption will have an impact of between -0.4 and -0.5 points on Valeo’s statement of income in 2018.

Medium-term objectives:

By 2022, Valeo Siemens eAutomotive should be delivering:

- sales of more than 2 billion euros; and
- a similar EBITDA margin (as a % of sales) to that of Valeo.
Q3 SALES GROWTH

SALES OF €4.5bn, UP 5% AT CONSTANT EXCHANGE RATES
DOWN 1% LIKE FOR LIKE

OEM SALES UP 4% AT CONSTANT EXCHANGE RATES
DOWN 1% LIKE FOR LIKE, 2-POINT OUTPERFORMANCE

AFTERMARKET SALES UP 11% AT CONSTANT EXCHANGE RATES
UP 3% LIKE FOR LIKE
2-POINT OEM SALES OUTPERFORMANCE (LIKE FOR LIKE)
SALES UP +5% AT CONSTANT EXCHANGE RATES

Q3 18
At constant exchange rates

€m
3,904
4,488

OEM
+4%
-1%
Q3 17
3,751
Exchange rates
0%
Scope
+5%

Aftermarket
+11%
+3%
Q3 17
446
Exchange rates
-2%
Scope
+7%

Miscellaneous
-3%
-1%
Q3 17
104
Exchange rates
+1%
Scope
-1%

Sales
+5%
+4%
Q3 17
4,301
Exchange rates
0%
Scope
+5%

REPORTED
LIKE FOR LIKE
SALES UP +5% AT CONSTANT EXCHANGE RATES

Non-
IFRS 15

Like for like
Reported

+4%
+3%
-2%
0%
Q3 18
Like for like

21% of Valeo sales\(^2\)
Outperformance
+3pts vs IHS\(^3\)

North America
OEM sales\(^2\)
+5%

44% of Valeo sales\(^2\)
Outperformance
+1pt vs IHS\(^3\)

Europe\(^1\)
OEM sales\(^2\)
-3%

20% of Valeo sales\(^2\)
Outperformance
+3pts vs IHS\(^3\)

Asia\(^1\) excl. China
OEM sales\(^2\)
+2%

13% of Valeo sales\(^2\)
Outperformance
+3pts vs CPCA\(^1\)

China
OEM sales\(^2\)
-10%

World
Outperformance
+2pts vs IHS/CPCA\(^3\)

OEM sales\(^2\)
-1%

Non-IFRS 15

(1) Europe including Africa;
Asia including Middle East
(2) Valeo OEM sales by destination
(3) IHS estimates released on October 16, 2018 – In China, China Passenger Car Association (CPCA) estimates
1-POINT OEM SALES OUTPERFORMANCE (LIKE FOR LIKE) IN ASIA

Q3 18

Like for like

33% of total sales

Outperformance +1pt vs IHS/CPCA(2)

OEM sales(1) -3%

Asia

26% of Asian sales

Outperformance +10pts vs IHS(2)

OEM sales(1) +7%

Japan

24% of Asian sales

Outperformance -1pt vs IHS(2)

OEM sales(1) -10%

South Korea

40% of Asian sales

Outperformance -3pts vs CPCA(2)

OEM sales(1) -10%

China

4% of Asian sales

Outperformance +34pts vs IHS(2)

OEM Sales(1) +41%

India

24% of Asian sales

Outperformance -10%

OEM sales(1)

Valeo OEM sales by destination

(1) Valeo OEM sales by destination

(2) IHS estimates released on October 16, 2018 – In China, China Passenger Car Association (CPCA) estimates

Non-IFRS 15

October 25, 2018
Q3 2018 SALES BY BUSINESS GROUP

- **Total sales growth**
  - At constant exchange rates:
    - **+2%**
    - **+23%***
    - **+2%**
    - **-5%**

- **Total sales**
  - In €m:
    - Comfort & Driving Assistance: 880
    - Powertrain: 1,179
    - Thermal: 1,180
    - Visibility: 1,282

- **OEM sales growth**
  - Like for like:
    - **+3%**
    - **-1%**
    - **+1%**
    - **-5%**

- **IHS/CPCA**
  - Worldwide production estimates:
    - **+6pts**
    - **+2pts**
    - **+4pts**
    - **-2pts**

- **Outperformance**
  - **Visibility negatively impacted by**:
    - Delays in SOP
    - WLTP in Europe
    - Unfavorable customer mix in China

* Including FTE automotive & Valeo-Kapec
YTD SALES GROWTH

SALES OF €14.4bn, UP 8% AT CONSTANT EXCHANGE RATES
UP 2% LIKE FOR LIKE

OEM SALES UP 8% AT CONSTANT EXCHANGE RATES
UP 2% LIKE FOR LIKE, 2-POINT OUTPERFORMANCE

AFTERMARKET SALES UP 12% AT CONSTANT EXCHANGE RATES
UP 5% LIKE FOR LIKE
2-POINT OEM SALES OUTPERFORMANCE (LIKE FOR LIKE)
SALES UP +8% AT CONSTANT EXCHANGE RATES

At constant exchange rates

OEM

+8%

1,523

€m

12,532

Aftermarket

+12%

372

Miscellaneous

+3%

+

Sales

+8%

14,427

Like for like

+2%

Reported

+5%

YTD 17

11,986

Exchange rates -3%

Scope +6%

+5%

YTD 17

1,409

Exchange rates -4%

Scope +8%

+5%

YTD 17

370

Exchange rates -3%

Scope +5%

+5%

YTD 17

13,765

Exchange rates -3%

Scope +6%

Non-IFRS 15
2-POINT OEM SALES OUTPERFORMANCE (LIKE FOR LIKE)

At constant exchange rates

<table>
<thead>
<tr>
<th></th>
<th>H1 18</th>
<th>Q3 18</th>
<th>YTD 18</th>
</tr>
</thead>
<tbody>
<tr>
<td>€m</td>
<td>8,628</td>
<td>3,904</td>
<td>12,532</td>
</tr>
</tbody>
</table>

OEM sales growth
Like for like

IHS/CPCA
Worldwide production estimates

Outperformance

- H1 18: +9%
- Q3 18: +4%
- YTD 18: +8%

- OEM sales growth: +3%
- IHS/CPCA: +2%
- Outperformance: +1pt
2-POINT OEM SALES OUTPERFORMANCE (LIKE FOR LIKE)

YTD 18
Like for like

North America
- 19% of Valeo sales (2)
- OEM sales (2) +1%
- Outperformance +2pts vs IHS (3)

South America
- 2% of Valeo sales (2)
- OEM sales (2) +23%
- Outperformance +16pts vs IHS (3)

Europe (1)
- 47% of Valeo sales (2)
- Outperformance 0pt vs IHS (3)

Asia (1) excl. China
- 19% of Valeo sales (2)
- OEM sales (2) +6%
- Outperformance +5pts vs IHS (3)

China
- 13% of Valeo sales (2)
- OEM sales (2) -3%
- Outperformance -3pts vs CPCA (3)

World
- OEM sales (2) +2%
- Outperformance +2pts vs IHS/CPCA (3)

(1) Europe including Africa; Asia including Middle East
(2) Valeo OEM sales by destination
(3) IHS estimates released on October 16, 2018 – In China, China Passenger Car Association (CPCA) estimates

October 25, 2018
Japan: 25% of Asian sales
South Korea: 23% of Asian sales
India: 4% of Asian sales
China: 42% of Asian sales

OEM Sales +32%

Outperformance +2% vs IHS/CPCA(2)

Like for like: Valeo OEM sales by destination

IHS estimates released on October 16, 2018 – In China, China Passenger Car Association (CPCA) estimates
BALANCED GEOGRAPHIC POSITIONING

OEM sales by production region
% of OEM sales

2017
- Western Europe: 32%
- Asia excl. China: 15%
- China: 14%
- Eastern Europe & Africa: 16%
- Mexico: 10%
- US: 11%
- SA: 2%

55% in Asia & emerging countries

56% in Asia & emerging countries

YTD September

2018
- Western Europe: 32%
- Asia excl. China: 18%
- China: 13%
- Eastern Europe & Africa: 15%
- Mexico: 10%
- US: 11%
- SA: 2%

56% in Asia & emerging countries

Non-IFRS 15
DIVERSE CUSTOMER PORTFOLIO

% of OEM sales

<table>
<thead>
<tr>
<th>Region</th>
<th>2017</th>
<th>YTD September</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian</td>
<td>32%</td>
<td>34%</td>
<td></td>
</tr>
<tr>
<td>American**</td>
<td>19%</td>
<td>18%</td>
<td></td>
</tr>
<tr>
<td>French*</td>
<td>15%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>German</td>
<td>28%</td>
<td></td>
<td>29%</td>
</tr>
</tbody>
</table>

* Including Opel
** Excluding Opel
YTD 2018 SALES BY BUSINESS GROUP

Total sales growth
At constant exchange rates

<table>
<thead>
<tr>
<th>Business Group</th>
<th>Total Sales (€m)</th>
<th>Total Sales Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comfort &amp; Driving Assistance</td>
<td>2,721</td>
<td>+3%</td>
</tr>
<tr>
<td>Powertrain</td>
<td>3,812</td>
<td>+25%*</td>
</tr>
<tr>
<td>Thermal</td>
<td>3,728</td>
<td>+4%</td>
</tr>
<tr>
<td>Visibility</td>
<td>4,270</td>
<td>+2%**</td>
</tr>
</tbody>
</table>

OEM sales growth
Like for like

<table>
<thead>
<tr>
<th>Business Group</th>
<th>OEM Sales Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comfort &amp; Driving Assistance</td>
<td>+3%</td>
</tr>
<tr>
<td>Powertrain</td>
<td>+1%</td>
</tr>
<tr>
<td>Thermal</td>
<td>+2%</td>
</tr>
<tr>
<td>Visibility</td>
<td>0%</td>
</tr>
</tbody>
</table>

IHS/CPCA
Worldwide production estimates

Outperformance

<table>
<thead>
<tr>
<th>Business Group</th>
<th>Outperformance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comfort &amp; Driving Assistance</td>
<td>+3pts</td>
</tr>
<tr>
<td>Powertrain</td>
<td>+1pt</td>
</tr>
<tr>
<td>Thermal</td>
<td>+2pts</td>
</tr>
<tr>
<td>Visibility</td>
<td>0pt</td>
</tr>
</tbody>
</table>

Total sales growth
Reported

<table>
<thead>
<tr>
<th>Business Group</th>
<th>Total Sales Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comfort &amp; Driving Assistance</td>
<td>+1%</td>
</tr>
<tr>
<td>Powertrain</td>
<td>+22%*</td>
</tr>
<tr>
<td>Thermal</td>
<td>-1%</td>
</tr>
<tr>
<td>Visibility</td>
<td>-1%</td>
</tr>
</tbody>
</table>

* Including FTE automotive & Valeo-Kapec
** Including Ichikoh

Non-IFRS 15

Group €14.4bn

% of YTD 2018 sales

VIS 29%
CDA 19%
PTS 26%
THS 26%
BACK-UP

- IFRS 15 & IFRS 9 impact in Q3 & YTD 2018
- Q3 & YTD 2018 sales under IFRS 15
- Business Group information
APPENDIX – IFRS 15 & IFRS 9 IMPACT IN Q3 & YTD 2018
Q3 SALES GROWTH

SALES OF €4.4bn, UP 4% AT CONSTANT EXCHANGE RATES
DOWN 1% LIKE FOR LIKE

OEM SALES UP 4% AT CONSTANT EXCHANGE RATES
DOWN 2% LIKE FOR LIKE, 1-POINT OUTPERFORMANCE

AFTERMARKET SALES UP 11% AT CONSTANT EXCHANGE RATES
UP 3% LIKE FOR LIKE
1-POINT OEM SALES OUTPERFORMANCE (LIKE FOR LIKE)
SALES UP +4% AT CONSTANT EXCHANGE RATES

Q3 18
At constant exchange rates

€m

OEM
-2%
+4%
3,781

Aftermarket
+3%
+8%
482

Miscellaneous
-2%
Q3 17
171

Sales
-1%
+4%
4,434

Like for like
Reported

Q3 17
Exchange rates
Scope
OEM
3,648
0%
5%

Exchange rates
Scope
Aftermarket
446
-2%
+7%

Exchange rates
Scope
Miscellaneous
175
+1%
-2%

Exchange rates
Scope
Sales
4,269
0%
+5%
Q3 2018 SALES BY BUSINESS GROUP

Total sales growth
At constant exchange rates

+3%
+23%*
+1%
-6%

Total sales
In €m
Comfort & Driving Assistance
905
Powertrain
1,190
Thermal
1,076
Visibility
1,296

OEM sales growth
Like for like

+3%
-1%
-1%
-6%

IHS/CPCA
Worldwide production estimates

-3%
-3%
-3%
-3%

Outperformance

+6pts
+2pts
+2pts
-3pts

Total sales growth
Reported

+3%
+22%*
+1%
-6%

Visibility negatively impacted by:
- Delays in SOP
- WLTP in Europe
- Unfavorable customer mix in China

* Including FTE automotive & Valeo-Kapec
SALES OF €14.3bn, UP 7% AT CONSTANT EXCHANGE RATES
UP 1% LIKE FOR LIKE

OEM SALES UP 7% AT CONSTANT EXCHANGE RATES
UP 1% LIKE FOR LIKE, 1-POINT OUTPERFORMANCE

AFTERMARKET SALES UP 12% AT CONSTANT EXCHANGE RATES
UP 5% LIKE FOR LIKE
### 1-POINT OEM SALES OUTPERFORMANCE (LIKE FOR LIKE)
SALES UP +7% AT CONSTANT EXCHANGE RATES

<table>
<thead>
<tr>
<th>Category</th>
<th>YTD 18 (€m)</th>
<th>YTD 17 (€m)</th>
<th>Like for like</th>
<th>Reported</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OEM</strong></td>
<td>14,297</td>
<td>13,702</td>
<td>+7%</td>
<td>+4%</td>
</tr>
<tr>
<td><strong>Aftermarket</strong></td>
<td>1,523</td>
<td>1,409</td>
<td>+5%</td>
<td>+8%</td>
</tr>
<tr>
<td><strong>Miscellaneous</strong></td>
<td>618</td>
<td>618</td>
<td>-1%</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Sales</strong></td>
<td>12,156</td>
<td>11,675</td>
<td>-3%</td>
<td>-4%</td>
</tr>
</tbody>
</table>

- **Exchange rates**: -3% (YTD 17, -4% YTD 18)
- **Scope**: +6% (YTD 17, +4% YTD 18)

**Like for like sales up +7% at constant exchange rates.**

*October 25, 2018*
YTD 2018 SALES BY BUSINESS GROUP

Total sales growth
At constant exchange rates

+3%
+25%*
+2%
+2%**

Total sales
In €m

Comfort & Driving Assistance
Powertrain
Thermal
Visibility

2,804
3,854
3,417
4,326

OEM sales growth
Like for like

+3%
+1%
0%
0%

IHS/CPCA
Worldwide production estimates

0%
0%
0%
0%

Outperformance

+3pts
+1pt
0pt
0pt

Total sales growth
Reported

+1%
+22%*
-2%
-2%

* Including FTE automotive & Valeo-Kapec
** Including Ichikoh
A press release covering the impacts of the application of IFRS 15 and IFRS 9 on 2017 comparative information was published on July 17, 2018.

The press release is also available on Valeo’s website:

https://www.valeo.com/fr/publications-presentations/
On July 17, 2018, Valeo reported the impacts of the application of IFRS 15 and IFRS 9 on 2017 comparative information.

The impacts of the application of IFRS 15 – “Revenue from Contracts with Customers” on sales for the first nine months of 2018 are as follows:

- the external cost of components imposed by customers, which was previously accounted for in original equipment sales, is now presented as a deduction from “Raw materials consumed”. This reclassification results in a 376 million euro reduction in sales for the first nine months of 2018 (and 311 million euros for the same period in 2017) and mainly concerns the Thermal Systems Business Group’s front-end module operations;

- customer contributions to Research and Development (including prototypes), which were previously presented as a deduction from “Research and Development expenditure”, are now presented in sales under “Miscellaneous”. This reclassification to sales represents an amount of 246 million euros for the first nine months of 2018 (and 248 million euros for the same period in 2017).
### YTD SEPTEMBER 2018 COMPARATIVE INFORMATION

#### SALES BY TYPE

<table>
<thead>
<tr>
<th></th>
<th>1st semester</th>
<th>3rd trimestre</th>
<th>Janvier-Septembre</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018*</td>
<td>2018*</td>
<td>2018*</td>
</tr>
<tr>
<td></td>
<td>2 017 Var. à pcc** Var.</td>
<td>2 017 Var. à pcc** Var.</td>
<td>2 017 Var. à pcc** Var.</td>
</tr>
<tr>
<td><strong>Première monte</strong></td>
<td>8 628 + 3 % + 5 %</td>
<td>3 904 - 1 % + 4 %</td>
<td>12 532 + 2 % + 5 %</td>
</tr>
<tr>
<td><strong>Remplacement</strong></td>
<td>1 041 + 5 % + 8 %</td>
<td>482 + 3 % + 8 %</td>
<td>1 523 + 5 % + 8 %</td>
</tr>
<tr>
<td><strong>Divers</strong></td>
<td>270 - 3 % + 1 %</td>
<td>102 - 1 % - 2 %</td>
<td>372 - 2 % + 1 %</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>9 939 + 3 % + 5 %</td>
<td>4 488 - 1 % + 4 %</td>
<td>14 427 + 2 % + 5 %</td>
</tr>
</tbody>
</table>

*Les données 2018 ci-dessus sont présentées en appliquant le même référentiel comptable que celui utilisé pour les comptes consolidés au 30 septembre 2017, publiés en octobre 2017, i.e. avant l’application de la norme IFRS 15 (données non auditées)*

**A périmètre et taux de change constants**

<table>
<thead>
<tr>
<th></th>
<th>1st semester</th>
<th>3rd trimestre</th>
<th>Janvier-Septembre</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2017*</td>
<td>2018*</td>
<td>2018*</td>
</tr>
<tr>
<td></td>
<td>2 017 Var. à pcc** Var.</td>
<td>2 017 Var. à pcc** Var.</td>
<td>2 017 Var. à pcc** Var.</td>
</tr>
<tr>
<td><strong>Première monte</strong></td>
<td>8 375 + 2 % + 4 %</td>
<td>3 781 + 2 % + 4 %</td>
<td>12 156 + 1 % + 4 %</td>
</tr>
<tr>
<td><strong>Remplacement</strong></td>
<td>1 041 + 5 % + 8 %</td>
<td>482 + 3 % + 8 %</td>
<td>1 409 + 5 % + 8 %</td>
</tr>
<tr>
<td><strong>Divers</strong></td>
<td>447 - 1 % + 1 %</td>
<td>171 - 2 % - 2 %</td>
<td>618 - 1 % 0 %</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>9 863 + 2 % + 5 %</td>
<td>4 434 - 1 % + 4 %</td>
<td>13 702 + 1 % + 4 %</td>
</tr>
</tbody>
</table>

*Les données 2017 ont été modifiées par rapport à celles présentées dans les comptes consolidés au 30 septembre 2017, publiés en octobre 2017, pour tenir compte des incidences liées à l’application rétrospective de la norme IFRS 15*

**A périmètre et taux de change constants**

<table>
<thead>
<tr>
<th></th>
<th>1st semester</th>
<th>3rd trimestre</th>
<th>Janvier-Septembre</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018*</td>
<td>2018*</td>
<td>2018*</td>
</tr>
<tr>
<td></td>
<td>2 017 Var. à pcc** Var.</td>
<td>2 017 Var. à pcc** Var.</td>
<td>2 017 Var. à pcc** Var.</td>
</tr>
<tr>
<td><strong>Première monte</strong></td>
<td>- 253 - 1 pt - 1 pt</td>
<td>- 123 - 1 pt 0 pt</td>
<td>- 376 - 1 pt - 1 pt</td>
</tr>
<tr>
<td><strong>Remplacement</strong></td>
<td>0 0 pt 0 pt</td>
<td>0 0 pt + 2 pts</td>
<td>0 0 pt + 2 pts</td>
</tr>
<tr>
<td><strong>Divers</strong></td>
<td>+ 177 + 2 pts 0 pt</td>
<td>+ 69 + 1 pt 0 pt</td>
<td>+ 246 + 1 pt - 1 pt</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>- 76 - 31 - 1 pt 0 pt</td>
<td>- 54 0 pt 0 pt</td>
<td>- 130 - 63 - 1 pt - 1 pt</td>
</tr>
</tbody>
</table>

*A périmètre et taux de change constants*
## YTD September 2018 Comparative Information

### Original Equipment Sales by Region

**Avant IFRS 15 (en m€)**

<table>
<thead>
<tr>
<th>Region</th>
<th>1er semestre</th>
<th>3ème trimestre</th>
<th>Janvier-Septembre</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018*</td>
<td>2017 Var. à pcc**</td>
<td>2018*</td>
</tr>
<tr>
<td>Europe et Afrique</td>
<td>4 152</td>
<td>3 920 + 3 %</td>
<td>1 726 - 3 %</td>
</tr>
<tr>
<td>Asie, Moyen-Orient et Océanie</td>
<td>2 662</td>
<td>2 381 + 4 %</td>
<td>1 820 - 3 %</td>
</tr>
<tr>
<td>dont Chine</td>
<td>1 138</td>
<td>1 112 0 %</td>
<td>515 - 10 %</td>
</tr>
<tr>
<td>hors Chine</td>
<td>1 524</td>
<td>1 269 + 7 %</td>
<td>769 + 2 %</td>
</tr>
<tr>
<td>Amérique du Nord</td>
<td>1 615</td>
<td>1 752 - 1 %</td>
<td>805 + 5 %</td>
</tr>
<tr>
<td>Amérique du Sud</td>
<td>199</td>
<td>182 + 4 %</td>
<td>95 + 20 %</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>8 628</strong></td>
<td><strong>8 235 + 3 %</strong></td>
<td><strong>3 904</strong></td>
</tr>
</tbody>
</table>

- **Les données 2018 ci-dessus sont présentées en appliquant le même référentiel comptable que celui utilisé pour les comptes consolidés au 30 septembre 2017, publiés en octobre 2017, i.e., avant l’application de la norme IFRS 15 (données non auditées)**
- **A périmètre et taux de change constants**

### En application d’IFRS 15 (en m€)

<table>
<thead>
<tr>
<th>Region</th>
<th>1er semestre</th>
<th>3ème trimestre</th>
<th>Janvier-Septembre</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018*</td>
<td>2017* Var. à pcc**</td>
<td>2018*</td>
</tr>
<tr>
<td>Europe et Afrique</td>
<td>4 132</td>
<td>3 900 + 3 %</td>
<td>1 709 - 3 %</td>
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<tr>
<td>Asie, Moyen-Orient et Océanie</td>
<td>2 583</td>
<td>2 338 + 2 %</td>
<td>1 246 - 4 %</td>
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<td>dont Chine</td>
<td>1 076</td>
<td>1 074 0 %</td>
<td>548 - 10 %</td>
</tr>
<tr>
<td>hors Chine</td>
<td>1 507</td>
<td>1 264 + 6 %</td>
<td>758 + 1 %</td>
</tr>
<tr>
<td>Amérique du Nord</td>
<td>1 462</td>
<td>1 607 - 3 %</td>
<td>731 + 3 %</td>
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<tr>
<td>Amérique du Sud</td>
<td>198</td>
<td>182 + 23 %</td>
<td>95 + 20 %</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>8 375</strong></td>
<td><strong>8 027 + 2 %</strong></td>
<td><strong>3 781</strong></td>
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</table>

- **Les données 2017 ont été modifiées par rapport à celles présentées dans les comptes consolidés au 30 septembre 2017, publiés en octobre 2017, pour tenir compte des incidences liées à l’application rétrospective de la norme IFRS 15**
- **A périmètre et taux de change constants**

### Impact d’IFRS 15 (en m€)

<table>
<thead>
<tr>
<th>Region</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>2018*</td>
<td>2017 Var. à pcc*</td>
<td>2018*</td>
</tr>
<tr>
<td>Europe et Afrique</td>
<td>- 20</td>
<td>- 20 0 pt</td>
<td>- 11</td>
</tr>
<tr>
<td>Asie, Moyen-Orient et Océanie</td>
<td>- 79</td>
<td>- 43 - 2 pts</td>
<td>- 38</td>
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<td>hors Chine</td>
<td>- 17</td>
<td>- 5 - 1 pt</td>
<td>- 11</td>
</tr>
<tr>
<td>Amérique du Nord</td>
<td>- 153</td>
<td>- 145 - 2 pts</td>
<td>- 74</td>
</tr>
<tr>
<td>Amérique du Sud</td>
<td>- 1</td>
<td>0 - 1 pt</td>
<td>0</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>- 233</strong></td>
<td><strong>- 208 - 1 pt</strong></td>
<td><strong>- 123</strong></td>
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</tbody>
</table>

- **A périmètre et taux de change constants**
## YTD SEPTEMBER 2018 COMPARATIVE INFORMATION
(SALES BY BUSINESS GROUP (INCLUDING INTERSEGMENT SALES))

### Impact of IFRS 15

<table>
<thead>
<tr>
<th></th>
<th>1st trimestre</th>
<th>3rd trimestre</th>
<th>Janvier-Septembre</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018*</td>
<td>2017*</td>
<td>2018*</td>
</tr>
<tr>
<td></td>
<td>2 017 Var. CA Var. CA OME*</td>
<td>2 017 Var. CA Var. CA OME*</td>
<td>2 017 Var. CA Var. CA OME*</td>
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<tr>
<td>Systèmes de Confort et d’Aide à la Conduite</td>
<td>1 841 1 837 0 % + 3 % 880</td>
<td>2 017 859 + 2 % + 3 %</td>
<td>2 721 2 696 + 1 % + 3 %</td>
</tr>
<tr>
<td>Systèmes de Propulsion</td>
<td>2 633 2 163 + 22 % + 3 % 1 179</td>
<td>2 017 963 + 22 % - 1 %</td>
<td>3 812 3 126 + 22 % + 1 %</td>
</tr>
<tr>
<td>Systèmes Thermiques</td>
<td>2 548 2 594 - 2 % + 3 % 1 180</td>
<td>2 017 1 157 + 2 % + 1 %</td>
<td>3 728 3 751 - 1 % + 2 %</td>
</tr>
<tr>
<td>Systèmes de Visibilité</td>
<td>2 988 2 953 + 1 % + 3 % 1 282</td>
<td>2 017 1 355 - 5 % - 5 %</td>
<td>4 270 4 308 - 1 % 0 %</td>
</tr>
<tr>
<td><strong>GROUPE</strong></td>
<td>9 939 9 464 + 5 % + 3 % 4 488</td>
<td>2 017 4 301 + 4 % - 1 %</td>
<td>14 427 13 765 + 5 % + 2 %</td>
</tr>
</tbody>
</table>

### Impact of IFRS 15

<table>
<thead>
<tr>
<th></th>
<th>1st trimestre</th>
<th>3rd trimestre</th>
<th>Janvier-Septembre</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2 018</td>
<td>2 017</td>
<td>2 018</td>
</tr>
<tr>
<td></td>
<td>2 018*</td>
<td>2 017*</td>
<td>2 018*</td>
</tr>
<tr>
<td>Systèmes de Confort et d’Aide à la Conduite</td>
<td>1 899 1 889 + 1 % + 3 % 905</td>
<td>2 018 878 + 3 % + 3 %</td>
<td>2 804 2 767 + 1 % + 3 %</td>
</tr>
<tr>
<td>Systèmes de Propulsion</td>
<td>2 664 2 188 + 22 % + 3 % 1 190</td>
<td>2 018 973 + 22 % - 1 %</td>
<td>3 854 3 161 + 22 % + 1 %</td>
</tr>
<tr>
<td>Systèmes Thermiques</td>
<td>2 341 2 425 - 4 % 0 % 1 076</td>
<td>2 018 1 070 + 1 % - 1 %</td>
<td>3 417 3 495 - 2 % 0 %</td>
</tr>
<tr>
<td>Systèmes de Visibilité</td>
<td>3 030 3 014 + 1 % + 3 % 1 296</td>
<td>2 018 1 381 - 6 % - 6 %</td>
<td>4 326 4 395 - 2 % 0 %</td>
</tr>
<tr>
<td><strong>GROUPE</strong></td>
<td>9 863 9 433 + 5 % + 3 % 4 434</td>
<td>2 018 4 269 + 4 % - 2 %</td>
<td>14 297 13 702 + 4 % + 1 %</td>
</tr>
</tbody>
</table>

### Impact of IFRS 15

<table>
<thead>
<tr>
<th></th>
<th>1st trimestre</th>
<th>3rd trimestre</th>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2 018</td>
<td>2 017</td>
<td>2 018</td>
</tr>
<tr>
<td></td>
<td>2 018*</td>
<td>2 017*</td>
<td>2 018*</td>
</tr>
<tr>
<td>Systèmes de Confort et d’Aide à la Conduite</td>
<td>58 52 + 1 pt 0 pt 25</td>
<td>2 018 19 + 1 pt 0 pt 83</td>
<td>2 018 71 0 pt 0 pt</td>
</tr>
<tr>
<td>Systèmes de Propulsion</td>
<td>31 25 0 pt 0 pt 11</td>
<td>2 018 10 0 pt 0 pt 42</td>
<td>2 018 35 0 pt 0 pt</td>
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<tr>
<td>Systèmes Thermiques</td>
<td>-207 -169 - 2 pts - 3 pts -104</td>
<td>2 018 -87 - 1 pt - 2 pts - 311</td>
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<tr>
<td>Systèmes de Visibilité</td>
<td>42 61 0 pt 0 pt 14</td>
<td>2 018 26 - 1 pt - 1 pt 56</td>
<td>2 018 87 - 1 pt 0 pt</td>
</tr>
<tr>
<td><strong>GROUPE</strong></td>
<td>-76 -31 0 pt - 1 pt - 54</td>
<td>2 018 -32 0 pt - 1 pt -130</td>
<td>2 018 -63 - 1 pt - 1 pt</td>
</tr>
</tbody>
</table>

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** A périmètre et taux de change constants

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** A périmètre et taux de change constants

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** A périmètre et taux de change constants
**COMFORT & DRIVING ASSISTANCE**

**Total sales growth**
- At constant exchange rates: +3%
- Total sales (€m): 1,841 (H1 18), 880 (Q3 18), 2,721 (YTD)

**OEM sales**
- Like-for-like change: +3%
- Total sales growth: +3%

---

**Market share* and competitors:**
- **Comfort & Driving Assistance:**
  - Valeo no. 2
  - Continental + Valeo + Bosch ~ 74%*
- **Driving Assistance:**
  - Valeo no. 1
  - Continental + Valeo + Bosch ~ 47%*

**2017 key figures:**
- Sales: €3.6bn (19% of Group sales)
- EBITDA: 14.5% (21% of Group EBITDA)
- 22,900 employees
- 27 plants
- 10 development centers
- 8 research centers

---

**Key growth drivers:**
- 3 main macro-economic trends confirmed with cars more autonomous, more connected and more intuitive
- Supported by increasingly stringent regulatory and certification environment (Euro NCAP in Europe and NTHSA in the US)
- Leading to further increase in take-up of existing innovative products (including cameras, displays, sensors, etc.)

**Latest business developments:**
- Another record order intake with orders for active safety products representing 12x sales, orders for camera viewing & systems representing over 2.5x sales and record order intake level in China
- Safety activity order intake covering laser scanner, front camera and radar

---

* Valeo estimate

**Non-IFRS 15**

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October 25, 2018
Key growth drivers: Objective of reducing CO₂ emissions and fossil fuel consumption through 3 priorities for engines:

- Cleaner engines
- Gearbox automation
- Powertrain electrification and development of low (12V, 48V) and high voltage

Latest business developments:

- New contracts for Istars in Europe, Asia and NAFTA countries
- New contracts in 48V IBSG in Asia and Europe
- New contract in Asia and Europe in active actuation for automatic transmission (PAS Product Group)

Market share* and competitors:

- Electrical Systems: Valeo no. 1
  Valeo + Denso + Bosch/ZMJ ~ 70%*

- Transmission Systems: Valeo no. 2
  Luk + Valeo + Exedy + ZF Sachs ~ 75%*

2017 key figures:

- Sales: €4.3bn (23% of Group sales)
- EBITDA: 13.2% (23% of Group EBITDA)
- 25,000 employees
- 55 plants
- 13 development centers
- 7 research centers

* Valeo estimate
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)
- Innovative solutions for in-vehicle air quality management

Latest business developments:

- New contracts with several automakers worldwide took Thermal Systems order intake for H1 2018 to a level almost similar to the H1 2017 record before application of IFRS 15.
- Again very solid booking in Europe and in China with book to bill ratio well above average
- Progress on EV in China with new HVAC order for electric vehicles with Chinese Customer, additional orders for Electric Driven Compressor with production in China
- New orders for battery thermal management with French and German Carmakers. With these orders, Valeo is demonstrating its capability for advanced technology in this field
- Renewed business for Front End Module in North America
- Additional order for Valeo brushless motor

2017 key figures:

- Sales: €5.0bn (27% of Group sales)
- EBITDA: 10.8% (22% of Group EBITDA)
- 24,200 employees
- 62 plants
- 10 development centers
- 3 research centers

Market share* and competitors:

Thermal Systems: Valeo no. 2
Denso + Valeo + Hanon + Mahle ~ 54%*
## VISIBILITY SYSTEMS

### Total sales growth

<table>
<thead>
<tr>
<th>Total sales growth</th>
<th>At constant exchange rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 18</td>
<td>2,988</td>
</tr>
<tr>
<td>Q3 18</td>
<td>1,282</td>
</tr>
<tr>
<td>YTD</td>
<td>4,270</td>
</tr>
</tbody>
</table>

### Market share* and competitors:

- **Lighting Systems:** Valeo no. 1
  - Valeo + Koito + Magnetti Marelli ~ 58%*

- **Wiper Systems:** Valeo no. 1
  - Valeo + Denso + Bosch ~ 67%*

### Key growth drivers:

- Increasing LED take rate in all segments with Toyota (Alphard, Avalon, Corolla), VW (Polo, T-Roc, Arteon), Audi A3, Q2 & A1, SEAT (Leon, Ibiza, Ateca, Arona & now Tarraco), Renault (Megane, Talisman) and Geely (Boyue)
- Increasing LED content with ADB Matrix on DS 3 (D34), Mini F56 LCI, Ford Edge, Toyota Alphard & Avalon, etc.
- Increasing content in Interior Lighting with Ambient Lighting on Volvo 40 & 60 clusters, Audi Q3, BMW G2X & PSA R8

### Latest business developments:

- Continuous increase in order intake increase with LED platform modules (PeopLED, Thin Lens) in North America (GM T1 Silverado & Sierra and Nissan Titan) and with Matrix/Pixel in Europe (JLR, Renault) and China (VW Teramont, Geely)
- LED transverse drivers awarded at VW Group
- Growth in Interior Lighting business: Selective Zoning with Daimler on S-Class and RGB Ambient with Volvo
- Awards at DAF in Aquablade (XF) and LED Headlamps (XF/CF) show a Heavy Duty market becoming more innovative
- Interest for brushless motor is growing, especially for heavy trucks and electric vehicles
- 4 Pole electronized motors perceived as competitive in the market
- Growing interest in sensor cleaning activity: Business awarded for a Robotaxi project and an OEM

### 2017 key figures:

- Sales: €5.8bn (31% of Group sales)
- EBITDA: 13.2% (32% of Group EBITDA)
- 37,200 employees
- 49 plants
- 15 development centers
- 5 research centers

*Valeo estimate
1) **Like for like (or LFL):** the currency impact is calculated by multiplying sales for the current period by the exchange rate for the previous period. The Group structure impact is calculated by (i) eliminating, for the current period, sales of companies acquired during the period, (ii) adding to the previous period full-year sales of companies acquired in the previous period, and (iii) eliminating, for the current period and for the comparable period, sales of companies sold during the current or comparable period.

2) **Operating margin including share in net earnings of equity-accounted companies** corresponds to operating income before other income and expenses.

3) **Free cash flow** corresponds to net cash from operating activities (excluding the change in non-recurring sales of receivables) after taking into account acquisitions and disposals of property, plant and equipment and intangible assets.
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France

Thierry Lacorre
E-mail: thierry.lacorre@valeo.com
Website: www.valeo.com
# SHARE INFORMATION

## Share Data

- **Bloomberg Ticker**: FR FP
- **Reuters Ticker**: VLOF.PA
- **ISIN Number**: FR 0013176526
- **Shares outstanding as of June 30, 2018**: 240,253,100

## ADR Data

- **Ticker/trading symbol**: VLEEEY
- **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
  - Phone: +1 212-622-2710
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 the 2017 Registration Document registered with the AMF on March 29, 2018 (under number D.18-0208).

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