AGENDA

11H00 - 13H00
A SUCCESSFUL TRANSFORMATION

11H00 - 11H30 : JACQUES ASCHENBROICH - A SUCCESSFUL TRANSFORMATION
11H30 - 11H45 : HANS-PETER KUNZE - PLATFORMS DRIVE OUR CONTENT PER CAR INCREASE
11H45 - 12H10 : CHRISTOPHE PERILLAT - DRIVING THE PERFORMANCE
12H10 - 12H30 : ROBERT CHARVIER - FOCUS ON PROFIT & CASH GENERATION
12H30 - 13H00 : Q&A

13H00 - 13H45
LUNCH

13H45 - 15H45
FOCUS ON NEW TECHNOLOGICAL PLATFORMS

13H45 - 14H50 : XAVIER DUPONT & MICHEL FORISSIER - LEADERSHIP IN ELECTRIFICATION
14H50 - 15H55 : MARC VRECKO & JOACHIM MATHES - LEADERSHIP IN ADAS
15H55 - 16H20 : WRAP-UP

16H20 - 18H00
SHOWROOM VISIT
JACQUES
ASCHEBROICH
CHAIRMAN AND
CHIEF EXECUTIVE OFFICER

CHRISTOPHE
PERILLAT
CHIEF OPERATING OFFICER

ROBERT
CHARVIER
CHIEF FINANCIAL OFFICER

HANS-PETER
KUNZE
EXECUTIVE VICE PRESIDENT,
SALES & BUSINESS DEVELOPMENT
XAVIER DUPONT
POWERTRAIN SYSTEMS BUSINESS GROUP PRESIDENT

MARC VRECKO
COMFORT & DRIVING ASSISTANCE SYSTEMS BUSINESS GROUP PRESIDENT

MICHEL FORISSIER
POWERTRAIN SYSTEMS CHIEF TECHNICAL OFFICER

JOACHIM MATHES
COMFORT & DRIVING ASSISTANCE SYSTEMS CHIEF TECHNICAL OFFICER
A SUCCESSFUL TRANSFORMATION
A SUCCESSFUL TRANSFORMATION

WE CREATED #1 POSITION IN ELECTRIFICATION AND ADAS

THANKS TO 12 NEW KEY TECHNOLOGICAL PLATFORMS

EXPANDING OUR COMPETITIVE EDGE THROUGH HIGH BARRIERS TO ENTRY

LEADING TO A STRONG INCREASE OF OUR CONTENT PER CAR

~5 PTS SALES OUTPERFORMANCE

FOCUS ON PROFIT & CASH
A SUCCESSFUL TRANSFORMATION

#1 IN ELECTRIFICATION

2 OUT OF 3 EUROPEAN OEMs HV LAUNCHES IN 2019-2022 EQUIPPED WITH OUR HV SOLUTIONS

#1 IN ADAS

1 OUT OF 4 PRODUCED VEHICLES IN 2019 EQUIPPED WITH OUR ADAS SOLUTIONS
OVERPERFORMING MOST OF OUR PEERS IN GROWTH AND EBITDA

Sales Growth (base 100 – 2015)

- Valeo: CAGR: +9%
- Valeo Peers: CAGR: +7%
- WW Auto. Prod.: CAGR: +2%

EBITDA evolution (base 100 – 2015)

- Valeo: CAGR: +9%
- Valeo Peers: CAGR: +4%

Peers includes Bosch Auto, Denso, Continental Auto excl. tyres, ZF, Magna, Aptiv
Source: Capital IQ, Peers publications
WE HAVE INVESTED TO CREATE UNIQUE TECHNOLOGICAL PLATFORMS WITH HIGH BARRIERS TO ENTRY

Cumulated Free Cash Flow 2017-2019 (€bn)

TRADITIONAL PRODUCTS: 1.2
NEW KEY TECHNOLOGICAL PLATFORMS: -0.5
VALEO: 0.7

* only Valeo
THOSE NEW KEY TECHNOLOGICAL PLATFORMS ARE OUR MAIN DRIVER FOR FUTURE GROWTH AND OUTPERFORMANCE OF THE MARKET

Cumulated Free Cash Flow 2017-2019 (€bn)

- **TRADITIONAL PRODUCTS**: 1.2
- **NEW KEY TECHNOLOGICAL PLATFORMS**: -0.5
- **VALEO**: 0.7

**ADDITIONAL SALES 2022**: €2.6bn

**FREE CASH FLOW BREAKEVEN 2022**

* only Valeo
VALEO SIEMENS e-AUTOMOTIVE HAS INVESTED TO CREATE UNIQUE TECHNOLOGICAL PLATFORMS WITH HIGH BARRIERS TO ENTRY

Cumulated Free Cash Flow 2017-2019 (€bn)

* financing
50% Valeo
50% Siemens
VALEO SIEMENS e-AUTOMOTIVE
THE EMERGENCE OF A LEADER

SALES 2022
€1.4bn
EBITDA 2022
8%
SALES 2024
>€2.0bn
EBITDA 2024
>12%

FREE CASH FLOW
BREAKEVEN

2022
ONGOING NEGOTIATION ON NEW PROJECTS AND RENEWALS

Cumulated Free Cash Flow 2017-2019 (€bn)

* financing
50% Valeo
50% Siemens
WE HAVE INVESTED IN **12 NEW KEY TECHNOLOGICAL PLATFORMS** TO CREATE AND COMPLETE A **UNIQUE PRODUCT PORTFOLIO** IN **ELECTRIFICATION AND ADAS**

### ELECTRIFICATION

- **High voltage**
  - E-MACHINE & E-AXLE
  - INVERTER
  - ON-BOARD CHARGER

- **E-thermal**
  - BATTERY COOLING
  - E-THERMAL INTERIOR
  - HEAT PUMP

- **48V**
  - E-MACHINE & E-AXLE
  - DCDC

### ADAS

- FRONT CAMERA
- LIDAR SCALA®
- DRIVER MONITORING
- AUTONOMOUS POD
EXPANDING OUR COMPETITIVE EDGE THROUGH HIGH BARRIERS TO ENTRY

HIGHLY STANDARDIZED HARDWARE & SOFTWARE PLATFORMS

WE LEVERAGE OUR 12 NEW KEY TECHNOLOGICAL PLATFORMS FOR EACH NEW PROJECT

GROSS R&D EXPENDITURE 1ST PROJECT BASE 100
MARKET PUSHES TOWARDS

- ELECTRIFICATION
- SAFER MOBILITY
- SMART MOBILITY
MARKET PUSHES TOWARDS ELECTRIFICATION

REGULATIONS PUSH

~1 million electric cars in EU in 2020 to avoid CO₂ penalties

CITIES ARE NEW REGULATORS

700 city access regulations in UE

OFFER IS READY

>300 new xEV models until 2024

CONSUMERS INCREASINGLY OPEN

42% of consumers would consider an EV for their next car

SOURCE: www.urbanaccessregulations.eu
McKinsey ACES survey 2019
MARKET PUSHES TOWARDS ELECTRIFICATION

- CO₂ - DIESEL = + ELECTRIFICATION

UE CO₂ EMISSIONS REDUCTION PROPOSAL (g/km)

ACTUAL OEM CO₂ EMISSIONS
CO₂ REDUCTION SCHEMES

% OF DIESEL TAKE RATE IN EUROPE

MARKET PUSHES TOWARDS ELECTRIFICATION FOR BOTH 48V & HIGH VOLTAGE SOLUTIONS

2020

- 16% 48V ELECTRIFICATION*
- 84% INTERNAL COMBUSTION ENGINE

2025

- 45% 48V ELECTRIFICATION*
- 23% HIGH VOLTAGE ELECTRIFICATION**
- 22% INTERNAL COMBUSTION ENGINE

2030

- 74% 48V ELECTRIFICATION*
- 34% HIGH VOLTAGE ELECTRIFICATION**
- 26% INTERNAL COMBUSTION ENGINE

* Incl. 48V and 12V+12V
** Incl. HV BEV, PHEV, FCEV & FHEV
Source: IHS McKinsey Valeo estimation
**WE HAVE DEVELOPED SUCCESSFUL NEW KEY TECHNOLOGICAL PLATFORMS ALREADY IN SOP IN 2019**

<table>
<thead>
<tr>
<th>Technology</th>
<th>Content per Car Ratio</th>
<th>Cumulated OI</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>48V ELECTRIFICATION</strong></td>
<td>X2</td>
<td>7.5bn€</td>
</tr>
<tr>
<td><strong>E-THERMAL SOLUTIONS</strong></td>
<td>X2</td>
<td>2bn€</td>
</tr>
<tr>
<td><strong>HIGH VOLTAGE ELECTRIFICATION</strong></td>
<td>X9</td>
<td>11bn€</td>
</tr>
</tbody>
</table>

*Incl. 48V and 12V+12V
**Incl. HV BEV, PHEV, FCEV & FHEV
MARKET PUSHES TOWARDS SAFER MOBILITY

REGULATION

GLOBAL NCAP

Active safety push

TECHNOLOGY

Metallic car

Technology is ready

CONSUMER PUSH

50% of consumers recognize High safety standards as biggest driver

SOCIETAL GOAL

VISION ZERO

No fatalities or serious injuries through road accidents

SOURCE: McKinsey ACES survey 2019
## Safer Mobility Will Be Driving ADAS Market Growth

<table>
<thead>
<tr>
<th>Level</th>
<th>ADAS</th>
<th>Content Per Car</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level 1: Driver Assistance</td>
<td>Camera or Radar</td>
<td>Up to €200</td>
</tr>
<tr>
<td>Level 2: Advanced Partial Automation</td>
<td>Radar, Camera</td>
<td>€500</td>
</tr>
<tr>
<td>Level 2+: Advanced Partial Automation</td>
<td>LIDAR, Radar, Camera</td>
<td>€2,000</td>
</tr>
<tr>
<td>Level 3: Conditional Automation</td>
<td>LIDAR, Radar, Camera</td>
<td>€2,000</td>
</tr>
<tr>
<td>Level 4: High Automation</td>
<td>LIDAR, Radar, Camera</td>
<td>€10,000+</td>
</tr>
</tbody>
</table>

### Types of Sensors

- **Camera or Radar**
- **LIDAR**
- **Radar**
- **Camera**
- **Thermal Imaging**
WE BUILT SUCCESSFUL PLATFORMS FOR ADAS

CUMULATED ORDER INTAKE 2017-2019
>€11Bn

18% CAGR 2019-2022

~€3.2Bn SALES IN 2022

1 OUT OF 4 PRODUCED VEHICLES IN 2019 EQUIPPED WITH OUR ADAS SOLUTIONS
WE BUILT SUCCESSFUL PLATFORMS FOR ADAS

CUMULATED ORDER INTAKE 2017-2019

>€11Bn

18% CAGR 2019-2022

~€3.2Bn SALES IN 2022
MARKET PUSHES TOWARDS SMART MOBILITY

MOBILITY NEEDS ARE INCREASING

- PKT* is expected to grow by 30% between 2010 & 2050

DIFFERENT BUSINESS MODELS EMERGE

- 46% of US vehicle trips are < 5km

INVESTMENT FLOW IS INCREASING IN DIGITAL MOBILITY

- $35Bn invested in 2018 in venture transportation technology

ROBOTAXIS ARE A REALITY

- Waymo launched first rides in Phoenix without safety drivers

*PKT: PASSENGER x KM TRAVELLED
source: McKinsey ACES Survey 2019
SMART MOBILITY OFFERS MANY OPPORTUNITIES TO LEVERAGE OUR PLATFORMS

- **LAST MILE DELIVERY**
- **E-MICROMOBILITY**
- **ROBOTAXIS**
- **ROBOSHUTTLES**

**COOPERATIONS**
- meituan.com
- TwinswHeel

**FIRST ORDERS**
- Waymo
- Nauya
- Easy Mile
WE ARE READY TO LEVERAGE OUR NEW KEY TECHNOLOGICAL PLATFORMS IN A CHALLENGING ENVIRONMENT

WORLDWIDE AUTOMOTIVE PRODUCTION (M vehicles)
IHS Markit November 2019
Excluding LCV China

<table>
<thead>
<tr>
<th>Year</th>
<th>Production</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>88.6</td>
</tr>
<tr>
<td>2017</td>
<td>91.0</td>
</tr>
<tr>
<td>2018</td>
<td>90.3</td>
</tr>
<tr>
<td>2019</td>
<td>85.1</td>
</tr>
<tr>
<td>2020</td>
<td>85.5</td>
</tr>
<tr>
<td>2021</td>
<td>90.7</td>
</tr>
<tr>
<td>2022</td>
<td>~88</td>
</tr>
</tbody>
</table>

**BASE SCENARIO (IHS MARKIT)**
CAGR 2019-2022: +2%

**PESSIMISTIC SCENARIO**
CAGR 2019-2022: +1%
~5PTS SALES OUTPERFORMANCE
2020 – 2022

Back to outperformance

STRONG INCREASE OF OUR CONTENT PER CAR
~5PTS SALES OUTPERFORMANCE

STRONG INCREASE OF OUR CONTENT PER CAR*

*SOP 2019

GM - SILVERADO: X1.6

PSA - 208: X1.3

PSA - e-208: X2.9

VW - GOLF 8: X3.4

VW - ID.3**: X4.5

*Ratio : Valeo + VSeA (average content per car new vehicle)/(average content per car previous generation)

**Ratio : Valeo + VSeA (average content per car ID.3)/(average content per car Golf 7)
LEVERAGING OUR NEW KEY TECHNOLOGICAL PLATFORMS TO REDUCE OUR GROSS R&D EXPENDITURE

Gross R&D expenditure
(In percentage of sales)


9.5% 10.8% 10.6%* 9.4%

*estimated 2019
LEVERAGING OUR NEW KEY TECHNOLOGICAL PLATFORMS TO OPTIMIZE CAPITAL EXPENDITURE

CAPITAL EXPENDITURE
(In percentage of sales)


5.6% 7.1% 7.0% 5.9%* 6.0%...
INCREASING IN EBITDA

12.8%

>15%

EBITDA IN % OF SALES 2022

*estimated 2019
DOUBLING OUR FREE CASH FLOW GENERATION

€0.7bn

€[1.3-1.5]bn

CUMULATED FREE CASH FLOW 2017-2019*

CUMULATED FREE CASH FLOW 2020-2022

*estimated 2019
DOUBLING OUR FREE CASH FLOW GENERATION

€[1.3-1.5]bn

- MAINTAIN DIVIDEND POLICY
- SUPPORT VSeA DEVELOPMENT
- DELEVERAGE OUR BALANCE SHEET

CUMULATED FREE CASH FLOW 2020-2022
WE WILL PURSUE THE ACTIVE MANAGEMENT OF OUR PORTFOLIO
SUSTAINIBILITY IS IN OUR DNA

ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE PERFORMANCE RANKING OF GLOBAL AUTOMOTIVE SUPPLIERS

* excl. Tyres companies
A SUCCESSFUL TRANSFORMATION

WE CREATED #1 POSITION IN ELECTRIFICATION AND ADAS

THANKS TO 12 NEW KEY TECHNOLOGICAL PLATFORMS

EXPANDING OUR COMPETITIVE EDGE THROUGH HIGH BARRIERS TO ENTRY

LEADING TO A STRONG INCREASE OF OUR CONTENT PER CAR

~5 PTS SALES OUTPERFORMANCE

FOCUS ON PROFIT & CASH
SMART TECHNOLOGY FOR SMARTER MOBILITY
PLATFORMS DRIVE OUR CONTENT PER CAR INCREASE
HANS-PETER KUNZE
EXECUTIVE VICE PRESIDENT,
SALES & BUSINESS DEVELOPMENT
WE WILL OUTPERFORM THE MARKET

WORLDWIDE AUTOMOTIVE PRODUCTION*

Base scenario
2019-2022: +2% CAGR

VALEO SALES OUTPERFORMANCE
2020-2022: ~5 PTS

WORLDWIDE AUTOMOTIVE PRODUCTION

Pessimistic scenario
2019-2022: +1% CAGR

*IHS Markit November 2019, excluding LCV China
WE WILL OUTPERFORM THE MARKET THANKS TO OUR BALANCED CUSTOMERS PORTFOLIO

<table>
<thead>
<tr>
<th>NORTH AMERICA</th>
<th>EUROPE</th>
<th>ASIA</th>
</tr>
</thead>
<tbody>
<tr>
<td>17%</td>
<td>14%</td>
<td>33%</td>
</tr>
<tr>
<td>Ford</td>
<td>PSA</td>
<td>NISSAN</td>
</tr>
<tr>
<td>GM</td>
<td>PSA</td>
<td>HYUNDAI</td>
</tr>
<tr>
<td>CHRYSLER</td>
<td>PSA</td>
<td>TOYOTA</td>
</tr>
<tr>
<td></td>
<td>PSA</td>
<td>HONDA</td>
</tr>
<tr>
<td></td>
<td>PSA</td>
<td>SUBARU</td>
</tr>
<tr>
<td></td>
<td>PSA</td>
<td>GEELY</td>
</tr>
<tr>
<td></td>
<td>PSA</td>
<td>SUZUKI</td>
</tr>
<tr>
<td></td>
<td>PSA</td>
<td>KIA</td>
</tr>
</tbody>
</table>

HEAVY DUTIES

| DAF | IVECO | DAIMLER TRUCKS | MAN | SCANIA | VOLVO TRUCKS |

2022 Valeo sales by OEM origin
WE WILL OUTPERFORM THE MARKET THANKS TO OUR GLOBAL PRESENCE

2022 Valeo sales by destination

<table>
<thead>
<tr>
<th>Region</th>
<th>2022 Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>21%</td>
</tr>
<tr>
<td>South America</td>
<td>3%</td>
</tr>
<tr>
<td>Europe &amp; Africa</td>
<td>44%</td>
</tr>
<tr>
<td>China</td>
<td>14%</td>
</tr>
<tr>
<td>Asia Excl. China</td>
<td>18%</td>
</tr>
</tbody>
</table>
OUR ELECTRIFICATION AND ADAS STRATEGY IS MATCHING WITH THE ONES OF OUR CUSTOMERS
OUR ELECTRIFICATION AND ADAS STRATEGY IS SUPPORTING THE ONES OF OUR CUSTOMERS

MAJOR INVESTMENTS FOR A COMPLETE TRANSFORMATION
WE HAVE INVESTED IN 12 NEW KEY TECHNOLOGICAL PLATFORMS TO CREATE A UNIQUE PRODUCT PORTFOLIO

A COMPLETE OFFERING IN HARDWARE, SOFTWARE AND SYSTEMS
WE HAVE INVESTED IN SOFTWARE RESOURCES TO CREATE INTELLIGENT PRODUCTS IN ELECTRIFICATION AND ADAS

**Requirements**
- 48V
  - 4,000
- Inverter
  - 10,000
- Surround View Camera
  - 16,000

**Lines of Code**
- 48V
  - 600,000
- Inverter
  - 1,000,000
- Surround View Camera
  - 2,000,000

**7,000 Systems and Software Engineers Worldwide**
WITH THIS PRODUCT PORTFOLIO WE HAVE WON MAJOR ORDER INTAKE IN INNOVATIVE TECHNOLOGIES.

**Order Intake (bn€)**
- 2008: 9.6 bn€
- 2017: 27.6 bn€ (x3 within 10 years)
- 2018: 33.7 bn€

**Innovation % of Order Intake**
- 2008: 30%
- 2018: 59% (x2 within 10 years)
- 2017: 53%
A STRONG INCREASE OF OUR CONTENT PER CAR
EXAMPLE #1: SILVERADO

Ratio : Valeo + VSeA  (average content per car new vehicle) / (average content per car previous generation)
A STRONG INCREASE OF OUR CONTENT PER CAR
EXAMPLE #2: 208 ICE

MAIN TECHNOLOGIES

LED HEADLAMP
PASSIVE ENTRY/START
AUTOMATED PARKING

Ratio: Valeo + VSeA (average content per car new vehicle) / (average content per car previous generation)
A STRONG INCREASE OF OUR CONTENT PER CAR
EXAMPLE #3: e-208

MAIN TECHNOLOGIES

LED HEADLAMP
PASSIVE ENTRY/START
AUTOMATED PARKING
HEAT PUMP
BATTERY THERMAL MANAGEMENT

Ratio: Valeo + VSeA (average content per car new vehicle) / (average content per car previous generation)
A STRONG INCREASE OF OUR CONTENT PER CAR
EXAMPLE #4: GOLF 8

MAIN TECHNOLOGIES

FRONT CAMERA

PIXEL HEADLAMP

48V

AC MODULE

Ratio: Valeo + VSeA (average content per car new vehicle) / (average content per car previous generation)
A STRONG INCREASE OF OUR CONTENT PER CAR EXAMPLE #5: ID.3

MAIN TECHNOLOGIES

- FRONT CAMERA
- INVERTER
- HIGH VOLTAGE HEATER
- BATTERY THERMAL MANAGEMENT

Ratio: Valeo + VSeA (average content per car ID.3) / (average content per car Golf 7)
A STRONG INCREASE OF OUR CONTENT PER CAR
EXAMPLE #6: PREMIUM CAR

X 5.8

MAIN TECHNOLOGIES

HIGH VOLTAGE DRIVETRAIN SYSTEM

LIDAR SCALA®

AC MODULE

Ratio : Valeo + VSeA  (average content per car new vehicle) / (average content per car previous generation)

TO BE LAUNCHED SOON
OUR INVESTMENTS IN PLATFORMS GENERATE LEADING POSITIONS

2 OUT OF 3 EUROPEAN OEMs HV LAUNCHES IN 2019-2022 EQUIPPED WITH OUR HV SOLUTIONS

1 OUT OF 4 PRODUCED VEHICLES IN 2019 EQUIPPED WITH OUR ADAS SOLUTIONS
STANDARDIZATION OF OUR PLATFORMS LEADING TO CROSS-CUSTOMERS APPLICATIONS

6.2M UNITS BOOKED WITH 15 OEM BRANDS FOR DELIVERIES IN 2020-2022

48V E-MACHINE & E-AXLE PLATFORM
STANDARDIZATION OF OUR PLATFORMS LEADING TO LARGE SCALE EFFECTS

17.5M UNITS BOOKED WITH 10 OEM BRANDS FOR DELIVERIES IN 2020-2022

FRONT CAMERA PLATFORM
STANDARDIZATION IS AN OPPORTUNITY FOR GROWTH ACROSS CAR LINES AND BRANDS

AVERAGE CONTENT

X 1.6

AVERAGE CONTENT

X 4.2

LED HEADLAMP

AUTOMATED PARKING

BATTERY THERMAL MANAGEMENT

HEAT PUMP

208 SOP 2019

CORSA SOP 2019
FURTHER GROWTH OPPORTUNITIES UNDERWAY THROUGH OEMs PARTNERSHIPS
WE WILL OUTPERFORM THE MARKET THANKS TO OUR TECHNOLOGICAL PLATFORMS
DRIVING THE PERFORMANCE
PERFORMANCE OF OUR INFLATION BALANCE

PERFORMANCE IN DEVELOPMENT

PERFORMANCE IN MANUFACTURING
AFTER PEAKS IN GROSS R&D & CAPITAL EXPENDITURES...

EXTRAORDINARY ORDER INTAKE LEVEL FROM 2016 TO MID 2018

FORECAST OF MARKET GROWTH

12 NEW KEY TECHNOLOGICAL PLATFORMS
...WE DEMONSTRATED STRONG REACTION TO THE MARKET DROP OF 10% SINCE MID 2018

COMPENSATION FROM CUSTOMERS

COST AND CAPEX REDUCTION PLANS

* Estimated 2019

WHILE COMPLETING THE DEVELOPMENT OF 12 NEW KEY TECHNOLOGICAL PLATFORMS
WE ARE READY TO REACT QUICKLY TO A SLOWER MARKET EVOLUTION

WORLDWIDE AUTOMOTIVE PRODUCTION (M vehicles)
IHS Markit November 2019
Excluding LCV China

<table>
<thead>
<tr>
<th>Year</th>
<th>Worldwide Automotive Production</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>88.6 M</td>
</tr>
<tr>
<td>2017</td>
<td>91.0 M</td>
</tr>
<tr>
<td>2018</td>
<td>90.3 M</td>
</tr>
<tr>
<td>2019</td>
<td>85.1 M</td>
</tr>
<tr>
<td>2020</td>
<td>~88 M</td>
</tr>
<tr>
<td>2021</td>
<td>90.7 M</td>
</tr>
<tr>
<td>2022</td>
<td>90.7 M</td>
</tr>
</tbody>
</table>

BASE SCENARIO (IHS MARKIT) CAGR 2019-2022: +2%
PESSIMISTIC SCENARIO CAGR 2019-2022: +1%

SECURE NEW PROJECTS LAUNCHES AND BE READY FOR A PESSIMISTIC SCENARIO
COMPENSATION FROM CUSTOMERS
COST AND CAPEX REDUCTION PLANS
TEMPORARY WORKERS
RESTRUCTURING PLANS
PERFORMANCE OF OUR INFLATION BALANCE

PERFORMANCE IN DEVELOPMENT

PERFORMANCE IN MANUFACTURING
SUSTAINED POSITIVE INFLATION BALANCE

SELLING PRICE EVOLUTION

- SALARY INFLATION

PURCHASING PRICE EVOLUTION

+
SUSTAINED POSITIVE INFLATION BALANCE

PRICING POWER OF INNOVATIONS
SELECTIVITY OF ORDER INTAKE
STRICT FINANCIAL DISCIPLINE
PRICE INDEXATION

SELLING PRICE EVOLUTION

PURCHASING PRICE EVOLUTION
SUSTAINED POSITIVE INFLATION BALANCE

HIGH ATTRACTIVENESS THANKS TO OUTPERFORMING GROWTH
AMONG THE TOP ELECTRONIC TIERS 1
PERFORMANCE OF OUR INFLATION BALANCE

PERFORMANCE IN DEVELOPMENT

PERFORMANCE IN MANUFACTURING
BECAUSE PLATFORMS HAVE BEEN DEVELOPED, WE CAN NOW REDUCE OUR GROSS R&D EXPENDITURE

Gross R&D expenditure
(In percentage of sales)

*estimated 2019
EFFICIENCY THROUGH PLATFORMS

COST COMPETITIVE FOOTPRINT
EFFICIENCY THROUGH PLATFORMS

COST COMPETITIVE FOOTPRINT
WE HAVE INVESTED IN 12 NEW KEY TECHNOLOGICAL PLATFORMS TO CREATE AND COMPLETE A UNIQUE PRODUCT PORTFOLIO IN ELECTRIFICATION AND ADAS
INVESTMENTS HAVE BEEN MADE IN 12 NEW KEY TECHNOLOGICAL PLATFORMS

12 NEW KEY TECHNOLOGICAL PLATFORMS

HIGHLY STANDARDIZED HARDWARE & SOFTWARE WORLDWIDE
INCLUDING R&D AND INDUSTRIAL EXPERTISE
SUPPORTED BY STATE OF THE ART PRODUCT LIFECYCLE MANAGEMENT
HIGHLY STANDARDIZED HARDWARE & SOFTWARE PLATFORMS CREATING HIGH BARRIER TO ENTRY

85% STANDARDIZED HARDWARE

85% STANDARDIZED SOFTWARE
WE LEVERAGE THE 48V e-MACHINE & e-AXLE PLATFORM FOR EACH NEW PROJECT

GROSS R&D EXPENDITURE 1ST PROJECT BASE 100

ORDER INTAKE

CUSTOMER PROJECT

€7.5bn

AFTER SOP 1
AFTER SOP 2
AFTER SOP 3
SOP 2020
SOP 2021
WE LEVERAGE THE FRONT CAMERA PLATFORM FOR EACH NEW PROJECT

GROSS R&D EXPENDITURE 1ST PROJECT BASE 100

100. 75. 50. 25. 0.

AFTER SOP  AFTER SOP  SOP 2020  SOP 2020  SOP 2021

>€4bn ORDER INTAKE

CUSTOMER PROJECT
WE LEVERAGE THE HIGH VOLTAGE INVERTER PLATFORM FOR EACH NEW PROJECT

GROSS R&D EXPENDITURE
1ST PROJECT BASE 100

ORDER INTAKE
€4.2bn

CUSTOMER PROJECT
WE CREATED HIGH BARRIERS TO ENTRY AND WE LEVERAGE OUR 12 NEW KEY TECHNOLOGICAL PLATFORMS FOR EACH NEW PROJECT
EFFICIENCY THROUGH PLATFORMS

COST COMPETITIVE FOOTPRINT
AVERAGE R&D HOURLY RATE IS DECREASING THANKS TO COST COMPETITIVE FOOTPRINT

COST COMPETITIVE RATIO
IN % OF ENGINEERS’ HEADCOUNT

45% 46% 48% 49% 53% 57% 58% 60%

CAIRO & CHENNAI TAKE-OFF
ENGINEERS’ HEADCOUNT

2010 2019 2024
350 4600 8000
WHILE THE TRANSFORMATION TOWARDS SOFTWARE IS SUCCESSFUL

SOFTWARE HC EVOLUTION

% of total R&D HC

STATE OF THE ART A-SPICE LEVEL
PERFORMANCE OF OUR INFLATION BALANCE

PERFORMANCE IN DEVELOPMENT

PERFORMANCE IN MANUFACTURING
OBSESSION FOR CUSTOMER SATISFACTION

- 2.9 PPM in 2018
- 0 KM

- 104 AWARDS in 2018 vs 2016 +33%

STATE OF THE ART PROJECT MANAGEMENT
CAPITAL EXPENDITURE AT 6% OF SALES

VALEO FACTORY OF THE NEAR FUTURE

COST COMPETITIVE FOOTPRINT

SG&A OPTIMIZATION

CAPITAL EXPENDITURE AT 6% OF SALES

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CAPITAL EXPENDITURE AT 6% OF SALES

VALEO FACTORY OF THE NEAR FUTURE

COST COMPETITIVE FOOTPRINT

SG&A OPTIMIZATION
BECAUSE INVESTMENTS ARE NOW MARGINAL IN MATURE PRODUCTS, CAPITAL EXPENDITURE CAN BE OPTIMIZED

**CAPITAL EXPENDITURE**
(In percentage of sales)

- 2016: 5.6%
- 2017: 7.1%
- 2018: 7.0%
- 2019: 5.9%* (estimated 2019)
- 2020: 6.0%
- 2021: 6.0%
- 2022: 6.0%
- 2023: 6.0%
- 2024: 6.0%

---

- **Valeo Factory of the Near Future**
- **Cost Competitive Footprint**
- **SG&A Optimization**
- **Adaptation to New Market Forecast**
- **Strict Financial Discipline in Order Intake**
- **Worldwide Capacity Management**
- **Buy vs Make**
IN 2015, WE LAUNCHED VALEO FACTORY OF THE NEAR FUTURE

CAPITAL EXPENDITURE AT 6% OF SALES

VALEO FACTORY OF THE NEAR FUTURE

AUTOMATION

DIGITIZATION

5 YEARS LATER, WE ARE PROUD OF VALEO FACTORY OF TODAY

COST COMPETITIVE FOOTPRINT

SG&A OPTIMIZATION
VALEO FACTORY OF TODAY MAKES OUR PLANTS MORE EFFICIENT

CAPITAL EXPENDITURE AT 6% OF SALES

VALEO FACTORY OF THE NEAR FUTURE

AUTOMATION

COST COMPETITIVE FOOTPRINT

SG&A OPTIMIZATION

NUMBER OF ROBOTS

6,900
6900
2015

11,500
11500
2017

13,300
13300
2019

ROBOTIC DENSITY: 3X AUTOMOTIVE INDUSTRY
VALEO FACTORY OF TODAY MAKES OUR PLANTS MORE EFFICIENT

- DIGITIZATION
- SUPPLIER
- RECEIVING
- UPSTREAM PROCESS
- ASSEMBLY
- SHIPPING
- CUSTOMER

- COST COMPETITIVE FOOTPRINT

- SG&A OPTIMIZATION

- VISUAL RECORDER
- MANUFACTURING EXECUTION SYSTEM
- BUILT TO TRUCK
- WORKSTATION

CAPITAL EXPENDITURE AT 6% OF SALES

VALEO FACTORY OF THE NEAR FUTURE

OPTIMIZATION
VALEO FACTORY OF TODAY MAKES OUR PLANTS MORE EFFICIENT

AND MORE TO COME...

VALEO FACTORY OF THE NEAR FUTURE

- BIG DATA IN MANUFACTURING
- CONNECTED WATCH
- BLOCKCHAIN

CAPITAL EXPENDITURE AT 6% OF SALES

- DIGITIZATION
- COST COMPETITIVE FOOTPRINT
- SG&A OPTIMIZATION

IMPROVED TRP

QUICKER REACTION

INTEGRATED SUPPLY CHAIN
A COST COMPETITIVE FOOTPRINT

COST COMPETITIVE RATIO
% OF HC DIRECT LABOR

- 65% in 2019
- 66% in 2020
- 68% in 2021
- 70% in 2022

CAPITAL EXPENDITURE AT 6% OF SALES

VALEO FACTORY OF THE NEAR FUTURE

COST COMPETITIVE FOOTPRINT

SG&A OPTIMIZATION
SG&A ARE OPTIMIZED

TOTAL SG&A COSTS (% OF SALES)

- 4.8%
- 4.7%*
- 4.4%

2018 2019 2020 2021 2022

*estimated 2019
THANKS TO OUR VERY COMMITTED TEAM

CERTIFIED "TOP EMPLOYERS"

PROMOTING DIVERSITY

GENDER DIVERSITY

GENERATIONAL DIVERSITY

DISABILITY RECRUITMENT & PROMOTION

PROMOTING EMPLOYEE SHAREHOLDING

45% OF OUR WW EMPLOYEES ARE SHAREHOLDERS

2.4% OF VALEO SHARE CAPITAL OWNED BY VALEO'S EMPLOYEES

CORPORATE SOCIAL RESPONSIBILITY

100% OF VALEO'S SITES ORGANIZE INITIATIVES FOR LOCAL COMMUNITIES

75% OF PLANTS RUN BY A LOCAL DIRECTOR

82% OF OUR SITES ARE PARTNERING WITH LOCAL ACADEMICS
FOCUS ON PROFIT & CASH GENERATION
ALL DATA RELATED TO 2019 - 2022 ARE BASED ON ON THE CURRENT PERIMETER*

VALEO SIEMENS E-AUTOMOTIVE IS CONSOLIDATED AT EQUITY

* After withdrawal of top column module segment
A CHALLENGING ENVIRONMENT

SHARP DROP OF THE AUTOMOTIVE PRODUCTION SINCE 2018...

-1.5% IN 2018 (-5% IN H2 2018)
-6.0% IN 2019

...LEADING TO A COMPLETE CHANGE OF THE AUTOMOTIVE ENVIRONMENT VERSUS OUR ASSUMPTIONS RELEASED DURING OUR VALEO INVESTOR DAY 2017

<table>
<thead>
<tr>
<th>WORLDWIDE AUTOMOTIVE PRODUCTION (IN MILLION VEHICLES)</th>
<th>INVESTOR DAY 2017</th>
<th>ESTIMATED LANDING</th>
<th>DELTA</th>
</tr>
</thead>
<tbody>
<tr>
<td>VOLUME 2019</td>
<td>96.0</td>
<td>85.1</td>
<td>-11.4%</td>
</tr>
</tbody>
</table>

WHICH HAS TRANSLATED IN LOWER OE SALES IN 2019
DURING THIS PERIOD WE HAVE HEAVILY INVESTED IN R&D TO DRIVE VALEO’S TRANSFORMATION

Gross Research and Development expenditure (€bn)
- 2016: 1.6
- 2019: 1.9
  +21% (same perimeter)

Cumulated FCF 2017-2019 Excluding VSeA (€bn)
- Traditional products: 1.2
- Key technological platforms: -0.5
- Valeo: 0.7

Share of net income of VSeA 2017-2019 (€mio)
- ~ €-430
VSeA*

Financing granted to VSeA by Valeo 2017-2019 (€mio)
- ~ €540
VSeA*

* estimated 2019
MARKET ASSUMPTIONS

WORLDWIDE AUTOMOTIVE PRODUCTION (M vehicles)
IHS Markit November 2019
Excluding LCV China

BASE SCENARIO (IHS MARKIT)
CAGR 2019-2022: +2%

PESSIMISTIC SCENARIO
CAGR 2019-2022: +1%
SALES ARE INCREASING IN ALL OUR MARKETS

Valeo Total sales
(€bn)

CAGR: +4%

Valeo OEM sales
(€bn)

CAGR LIKE FOR LIKE: ~+7%

Valeo aftermarket sales
(€bn)

CAGR LIKE FOR LIKE: +4%

Valeo Other sales
(€bn)

CAGR: +4%
OUTPERFORMING THE MARKET BY ~5 POINTS / BY YEAR

Valeo OEM sales (in €bn)

- 2019: ~16.3
- 2022: >18.3

CAGR LIKE FOR LIKE: ~+7%

INCLUDING:
- ADAS: +18%
- 48V: +59%

Valeo OEM sales (in €bn)

- 2022: >18.3
- 84% Booked Business

SECURED GROWTH: 84% OF OUR 2022 OEM SALES ARE BOOKED
WE ARE GAINING MARKET SHARE IN AFTERMARKET IN AN EVOLVING ECOSYSTEM

Valeo aftermarket sales (€bn)

- OEM MARKET SHARE & PORTFOLIO INCREASE
- GEOGRAPHICAL EXPANSION IN ASIA AND AMERICA
- IAM ACTORS CONSOLIDATION WITH RISKS & OPPORTUNITIES
- ACCIDENT RATE DECREASE AND HIGHER PRODUCT RELIABILITY
- EUROPEAN AFTERMARKET IS DECREASING

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales (€bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>~1.9</td>
</tr>
<tr>
<td>2022</td>
<td>&gt;2.1</td>
</tr>
</tbody>
</table>

CAGR LIKE FOR LIKE: +4%
PROFITABILITY WILL IMPROVE BY ~150BPS BETWEEN 2019 AND 2022

Total Sales
(€bn)

- Total Sales CAGR +4% by year
- Series 1: +11%
- 2019: ~19.3
- 2022: >21.5

Operating margin
Before JV & Associates
In % of sales

- 2019: 5.5%*
- Vol-mix: 0.8%
- Plant efficiency: 0.6%
- R&D exp: 0.4%
- SG&A: -0.3%
- Contingencies: ~7.0%
- 2022

CAGR +4% by year

* after one off effect linked to October 2019 GM strike in North America - Estimated 2019
PROFITABILITY STRESS TEST IN CASE OF A PESSIONISTIC SCENARIO

- INCREASE RESTRUCTURING PLANS

- MAINTAIN PERSONAL COST/Sales CONSTANT

- 2022 TARGET OF OPERATING MARGIN WOULD RANGE [6.7% - 7%]
R&D EFFICIENCY AND PLATFORM ORGANIZATION WILL OFFSET THE INCREASE OF DEPRECIATION

In % of sales

Depreciation of capitalized R&D

~10bps

Standardization from platforms Cost competitive footprint

~100bps

7.9%

~10bps

7.8%

* estimated 2019
CAPITAL EXPENDITURE OPTIMIZED AT 6%

CAPITAL EXPENDITURE
(In percentage of sales)


5.6% 7.1% 7.0% 5.9%* 6.0%

ADAPTATION TO NEW MARKET FORECAST
STRICT FINANCIAL DISCIPLINE IN ORDER INTAKE
WORLDWIDE CAPACITY MANAGEMENT
BUY VS MAKE

* estimated 2019
Profitability will improve by ~150bps between 2019 and 2022.

**Total Sales (€bn)**

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<th></th>
<th>2019</th>
<th>2022</th>
</tr>
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<td>Series 1</td>
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**CAGR +4% by year**

**EBITDA (in % of sales)**

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<th>2019*</th>
<th>2022</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>12.8%</td>
<td>&gt;15%</td>
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Every business group will positively contribute to profitability increase.

*Estimated 2019*
DOUBLING OUR FREE CASH FLOW GENERATION

INCREASING EBITDA

OPTIMIZED RECORDED CAPEX

WORKING CAPITAL REQUIREMENT INCREASE

FREE CASH FLOW (in €bn)

CUMULATED 2017-2019*
>0.7

CUMULATED 2020-2022
[1.3-1.5]

CASH CONVERSION RATE (in % of EBITDA)

2019*
~11.8%

2022
>15%

* estimated 2019
DOUBLING OUR FREE CASH FLOW GENERATION

CUMULATED FREE CASH FLOW 2020-2022

€[1.3-1.5]bn

- MAINTAIN DIVIDEND POLICY
- SUPPORT VSεA DEVELOPMENT
- DELEVERAGE OUR BALANCE SHEET
DEBT MATURITY PROFILE

~1.8%
AVERAGE EFFECTIVE INTEREST RATE

LEVERAGE RATIO

2018: 0.93
2022: ~0.7

GEARING RATIO

2018: 49%
2022: ~40%

Average maturity: 4.0 years

31/12/2019
2020
2021
2022
2023
2024
2025
2026

Undrawn credit lines
1.1 Mds euros
3.0 year maturity

~1.8%
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2021
2022
2023
2024
2025
2026

Un
2 MAJOR CONTRACTS IN PRODUCTION END OF 2019 AND S1 2021

STRONG DECREASE OF R&D AS OF 2021
(R&D FOOTPRINT + TECHNOLOGICAL PLATFORM ORGANIZATION)

ONGOING NEGOTIATION ON NEW PROJECTS AND RENEWALS

VSEa SALES (€bn)

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2022</th>
<th>2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>&gt;0.3</td>
<td>&gt;1.4</td>
<td>&gt;2.0</td>
</tr>
</tbody>
</table>

EBITDA 2022

- 8%

EBITDA 2024

- 12%

~450M€

FINANCING BY VALEO OVER 2020 - 2021

FREE CASH FLOW BREAKEVEN 2022

~450M€

FINANCING BY VALEO OVER 2020 - 2021

FREE CASH FLOW BREAKEVEN 2022

~450M€

FINANCING BY VALEO OVER 2020 - 2021

FREE CASH FLOW BREAKEVEN 2022

~450M€

FINANCING BY VALEO OVER 2020 - 2021

FREE CASH FLOW BREAKEVEN 2022
## 2022 Financial Targets

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<tr>
<th>Category</th>
<th>2019*</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales (€bn)</td>
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<td>&gt;21.5</td>
</tr>
<tr>
<td>EBITDA</td>
<td>~ 12.8%</td>
<td>&gt;15%</td>
</tr>
<tr>
<td>Operating Margin Before JV</td>
<td>~ 5.5%**</td>
<td>~ 7%</td>
</tr>
<tr>
<td>Cash Conversion Rate (% EBITDA)</td>
<td>11.8%</td>
<td>&gt;15%</td>
</tr>
<tr>
<td>Free Cash Flow 2020-2022</td>
<td>€ [1.3-1.5]bn</td>
<td></td>
</tr>
</tbody>
</table>

* Estimated 2019
** After one off effect linked to October 2019 GM strike in North America
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 2018 Registration Document registered with the AMF on March 29, 2019 (under number D.19-0224).

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 document. 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 document.
VALEO INVESTOR DAY
Paris 2019