FY 2019 RESULTS

2019 TARGETS ACHIEVED IN A TOUGHER ENVIRONMENT
AGENDA

2019 HIGHLIGHTS
ACCELERATION OF OUTPERFORMANCE AND CASH GENERATION IN H2

H2 2019 & FY 2019 RESULTS
FOCUS ON PROFIT & CASH GENERATION

2020 OUTLOOK
IN LINE WITH OUR INVESTOR DAY TARGETS
UPDATE ON COVID-19 & CHINA SITUATION

It is still too early to assess the impact of the COVID-19 outbreak in China on the automotive industry and on Valeo specifically.

Valeo has taken every step to protect its employees and their families.

All our 32 plants outside Hubei province have restarted, representing 90% China sales in nominal conditions.

Valeo’s supply chain is gradually getting back in order.

China represents 12% of our reported OEM sales by destination.
AGENDA

2019 HIGHLIGHTS
ACCELERATION OF OUTPERFORMANCE AND CASH GENERATION IN H2

H2 2019 & FY 2019 RESULTS
FOCUS ON PROFIT & CASH GENERATION

2020 OUTLOOK
IN LINE WITH OUR INVESTOR DAY TARGETS
2019 HIGHLIGHTS: RESULTS IN LINE WITH THE GUIDANCE WITH A STRONG ACCELERATION IN H2

- Valeo’s 2019 results in line with the guidance as presented in October 2019
- Strong and accelerating outperformance of the market at +8 points in H2 & +4 points in H1
- High level of cash flow generation with €519M in 2019
- Costs reduction by €107M and investments reduction by €204M in 2019
- Profitability recovery accelerating in H2:
  - EBITDA* at 13.7% of sales in H2 & 13.2% in 2019
  - Operating margin** at 6.1% of sales in H2 & 5.8% in 2019

* excl. impact of GM strike & TCM
** excl. JV & Associates, impact of GM strike & TCM
WE ARE IN LINE WITH OUR INVESTOR DAY TRAJECTORY

#1 in EV & ADAS
- >€30bn backlog at end of 2019
- >5 points OEM sales outperformance
- 10.2% in H2
- 6.1% in H2
- EBITDA* of 13.7% in H2 (+2.2pts yoy)
- 5.6% CAPEX in H2
- €519M free cash flow achieved

~5 points OEM sales outperformance
- 8 points outperformance in H2
- 5.8% in H2
- 10.2% in H2
- Operating margin** of 6.1% in H2 (+1.3pts yoy)

<10.6% gross R&D expenditure
- <6% R&D expenditure (net of R&D sales)
- <6% CAPEX

Focus on profitability
- Focus on cash

* Excl. Impact of GM strike and TCM
** Excl. JV & associates, impact of GM strike and TCM
We have invested in **12 new key technological platforms** to create a unique **product portfolio**.

Reinforcing our **#1 position in fast growing electrification and ADAS markets**.

Expanding our competitive edge through **high barriers to entry** leading to a **strong increase of our content per car**.*

*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)
OUTPERFORMANCE IS BACK ON TRACK
THANKS TO START OF PRODUCTION ON NEW CONTRACTS AND
TECHNOLOGICAL PLATFORMS STRATEGY

OEM SALES OUTPERFORMANCE (LIKE FOR LIKE)
IN PERCENTAGE POINTS
STRICT CONTROL OF COST AND CAPEX IN 2019

€107M COST REDUCTION

€204M IN CAPEX (5.9% OF SALES)
PROFITABILITY RECOVERY SINCE H2 18
IN LINE WITH EXPECTATIONS
DESPITE A 6% DROP IN AUTOMOTIVE PRODUCTION IN 2019

EBITDA
AS A % OF SALES

<table>
<thead>
<tr>
<th>Period</th>
<th>EBITDA as % of Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 18</td>
<td>13.6%</td>
</tr>
<tr>
<td>H2 18</td>
<td>11.5%</td>
</tr>
<tr>
<td>H1 19</td>
<td>12.6%</td>
</tr>
<tr>
<td>H2 19</td>
<td>13.7%</td>
</tr>
</tbody>
</table>

13.2% in 2019

+2.2pts

+0.6pts

12.6% in 2018
PROFITABILITY RECOVERY SINCE H2 18
IN LINE WITH EXPECTATIONS
DESPITE A 6% DROP IN AUTOMOTIVE PRODUCTION IN 2019

OPERATING MARGIN*
AS A % OF SALES

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 18</td>
<td>7.7%</td>
</tr>
<tr>
<td>H2 18</td>
<td>4.8%</td>
</tr>
<tr>
<td>H1 19</td>
<td>5.5%</td>
</tr>
<tr>
<td>H2 19</td>
<td>6.1%</td>
</tr>
</tbody>
</table>

* Excl. JV & associates

+1.3pts
VALEO SIEMENS eAUTOMOTIVE
THE EMERGENCE OF A LEADER

VSeA SALES (€BN)

- Peak of Valeo Siemens eAutomotive’s losses in 2019
- Strong decrease of R&D as of 2021
- 8% EBITDA in 2022 & 12% EBITDA in 2024
- Free cash flow breakeven in 2022
- Ongoing negotiation on new projects and renewals
€519M
FREE CASH FLOW
STRONG FOCUS ON CASH GENERATION

FREE CASH FLOW
IN €M

€161M in 2018

H1 18
36
H2 18
125

H1 19
237
H2 19
282

€519M in 2019
EARNING PER SHARE

EXCLUDING NON-RECURRING ITEMS

€1.86
STRONG FREE CASH FLOW GENERATION
SUPPORTING DIVIDEND POLICY

DIVIDEND OF
€1.25 PER SHARE
TO BE PROPOSED
AT THE NEXT AGM IN MAY 2020
SUSTAINABILITY AT THE HEART OF OUR STRATEGY

GREENER & SAFER MOBILITY AT THE HEART OF OUR STRATEGY

GREENER (57%)

2019 OEM Sales**

SAFER (36%)

IN 2020:

‣ NEW MID TERM SUSTAINABLE TARGETS

‣ LONG TERM CARBON NEUTRALITY PROGRAM

#1* ROBECOSAM

We are Sustainability Investing.

#1 Corporate Knights

#1 MSCI

ESG RATINGS

#1* ISS ESG

* excl. Tyre companies
** incl. VSA
AGENDA

2019 HIGHLIGHTS
ACCELERATION OF OUTPERFORMANCE AND CASH GENERATION IN H2

H2 2019 & FY 2019 RESULTS
FOCUS ON PROFIT & CASH GENERATION

2020 OUTLOOK
IN LINE WITH OUR INVESTOR DAY TARGETS
8PTS OUTPERFORMANCE
STRONG ACCELERATION IN H2

H2 SALES

TOTAL SALES* OF €9.6bn:
UP 3% LIKE FOR LIKE

OEM SALES:
UP 3% AS REPORTED AND LIKE FOR LIKE

AFTERMARKET SALES:
STABLE LIKE FOR LIKE

UP 4% AS REPORTED

8PTS OUTPERFORMANCE

UP 1% AS REPORTED

* excl. TCM
8PTS OUTPERFORMANCE
STRONG ACCELERATION IN H2

€m

Reported
Like for like

OEM* +3% +3%
Exchange rates +1.7%
Scope -1.3%

Aftermarket* +1% 0%
Exchange rates +1.7%
Scope -1.0%

Miscellaneous* +11% +9%
Exchange rates +1.3%
Scope +0.4%

Sales* +4% +3%
Exchange rates +1.6%
Scope -1.2%

H2 2019

February 20, 2020
ACCELERATION OF OEM SALES OUTPERFORMANCE ACROSS ALL REGIONS

North America

- **20% of Valeo sales**: OEM sales +5%
- Outperformance +10pts vs IHS

Europe

- **45% of Valeo sales**: OEM sales +5%
- Outperformance +9pts vs IHS

Asia excl. China

- **19% of Valeo sales**: OEM sales -7%
- Outperformance 0pts vs IHS

South America

- **2% of Valeo sales**: OEM sales +10%
- Outperformance +16pts vs IHS

World

- **14% of Valeo sales**: OEM sales +8%
- Outperformance +8pts vs IHS

China

- **14% of Valeo sales**: OEM sales +8%
- Outperformance +11pts vs CPCA

Outperformance vs IHS:

- Europe: +9pts
- Asia excl. China: 0pts
- China: +11pts vs CPCA

Outperformance vs CPCA:

- China: +11pts

Footnotes:

1. Europe including Africa, Asia including Middle East
2. Valeo OEM sales by destination
3. IHS estimates – China Passenger Car Association (CPCA) estimates for China

February 20, 2020
ACCELERATION OF OUTPERFORMANCE IN EVERY BUSINESS IN H2

Outperformance

H2 total sales in €m
- Comfort & Driving Assistance*: 1,843
- Powertrain: 2,556
- Thermal: 2,252
- Visibility: 3,000

Total reported sales
- -1%
- +3%
- +1%
- +9%

OEM sales
- +4%
- +4%
- -1%
- +5%

% of H2 19 sales
- VIS 31%
- CDA 19%
- THS 23%
- PTS 27%
- Group €9.6bn*
ORDER INTAKE / OEM SALES RATIO AT 1.34

VALEO ORDER INTAKE
OF €22bn WITH AN INNOVATION* RATIO OF 47%

VALEO SIEMENS eAUTOMOTIVE
OF €0.8bn

* Products and technologies sold by less than 3 years incl. Valeo Siemens eAutomotive
ORDER INTAKE / OEM SALES RATIO AT 1.34

OEM sales of €16.4bn

- Asia excl. China 19% (€5.3bn)
- Asia 32% (€7.5bn)
- Europe 46% (€9.5bn)
- China 13% (€3.2bn)

% of 2019 OEM sales*

Order intake of €22bn

- Asia excl. China 19% (€4bn)
- Europe 43% (€9.5bn)
- China 16% (€7.8bn)
- SA 2% (€3.2bn)

Order intake/OEM sales ratio

- Asia 1.5x
- Of which China 1.6x
- Europe 1.3x
- North America 1.2x
- South America 2.1x
- Group 1.34x

* OEM sales and order intake by destination incl. joint ventures but excluding Valeo Siemens eAutomotive, excl. TCM

% of 2019 order intake*

- Asia 35%
- Europe 43%
- China 16%
- SA 2%

FY 2019

February 20, 2020
6PTS OUTPERFORMANCE
STRONG ACCELERATION IN 2019

2019 SALES

TOTAL SALES* OF €19.2bn:
STABLE LIKE FOR LIKE

OEM SALES:
STABLE AS REPORTED AND LIKE FOR LIKE

AFTERMARKET SALES:
DOWN 2% LIKE FOR LIKE

UP 1% AS REPORTED
6PTS OUTPERFORMANCE
DOWN 2% AS REPORTED
6PTS OUTPERFORMANCE
IN A DIFFICULT ENVIRONMENT WITH PRODUCTION DOWN 6%
6PTS OEM SALES OUTPERFORMANCE

Europe
- 47% of Valeo sales
- OEM sales +5%
- Outperformance +5pts vs IHS

North America
- 20% of Valeo sales
- OEM sales +5%
- Outperformance +9pts vs IHS

South America
- 2% of Valeo sales
- OEM sales +6%
- Outperformance +10pts vs IHS

Asia excl. China
- 19% of Valeo sales
- OEM sales -6%
- Outperformance 0pts vs IHS

China
- 12% of Valeo sales
- OEM sales -5%
- Outperformance +5pts vs CPCA

World
- OEM sales 0%
- Outperformance +6pts vs IHS

Asia incl. China
- 19% of Valeo sales
- OEM sales -6%
- Outperformance 0pts vs IHS
- Outperformance +5pts vs CPCA

Europe incl. Africa, Asia incl. Middle East

Notes:
1. Europe including Africa, Asia including Middle East
2. Valeo OEM sales by destination
3. IHS estimates – China Passenger Car Association (CPCA) estimates for China
OEM sales by production region

% of OEM sales

- Western Europe: 32%
- Asia excl. China: 18%
- China: 13%
- Mexico: 10%
- US: 9%
- Eastern Europe & Africa: 16%
- SA: 2%

FY 2019

2018

59% in Asia & emerging countries

2019

58% in Asia & emerging countries
BALANCED CUSTOMER PORTFOLIO

% of OEM sales

2018

- German: 30%
- Asian: 33%
- American: 18%
- French: 13%
- Other: 6%

2019

- German: 30%
- Asian: 33%
- American: 18%
- French: 13%
- Other: 6%

FY 2019
EVERY BUSINESS GROUP IS OUTPERFORMING THE MARKET

Outperformance

2019 total sales

<table>
<thead>
<tr>
<th>Group</th>
<th>Outperformance</th>
</tr>
</thead>
<tbody>
<tr>
<td>€19.2bn*</td>
<td>+8pts</td>
</tr>
<tr>
<td>% of 2019 sales</td>
<td>+6pts</td>
</tr>
<tr>
<td>Comfort &amp; Driving Assistance*</td>
<td>+3pts</td>
</tr>
<tr>
<td>Powertrain</td>
<td>+6pts</td>
</tr>
<tr>
<td>Thermal</td>
<td></td>
</tr>
<tr>
<td>Visibility</td>
<td></td>
</tr>
</tbody>
</table>

2019 total sales in €m

<table>
<thead>
<tr>
<th>Category</th>
<th>2019 Total Sales</th>
<th>Outperformance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comfort &amp; Driving Assistance*</td>
<td>3,649</td>
<td>+8pts</td>
</tr>
<tr>
<td>Powertrain</td>
<td>5,121</td>
<td>+6pts</td>
</tr>
<tr>
<td>Thermal</td>
<td>4,582</td>
<td>+3pts</td>
</tr>
<tr>
<td>Visibility</td>
<td>6,014</td>
<td>+6pts</td>
</tr>
</tbody>
</table>

Total reported sales

<table>
<thead>
<tr>
<th>Category</th>
<th>Outperformance</th>
</tr>
</thead>
<tbody>
<tr>
<td>OEM sales</td>
<td>+2%</td>
</tr>
<tr>
<td>Like for like</td>
<td></td>
</tr>
</tbody>
</table>

% of 2019 sales

<table>
<thead>
<tr>
<th>Category</th>
<th>% of 2019 Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>VIS</td>
<td>31%</td>
</tr>
<tr>
<td>CDA</td>
<td>19%</td>
</tr>
<tr>
<td>PTS</td>
<td>26%</td>
</tr>
<tr>
<td>Group</td>
<td>29%</td>
</tr>
</tbody>
</table>

* Excl. TCM

February 20, 2020
STRICT CONTROL OF R&D, SG&A AND CAPEX

€107M COST REDUCTION

€204M IN CAPEX (5.9% OF SALES)
DECREASE IN R&D EXPENSES THANKS TO LEVERAGING OF OUR TECHNOLOGICAL PLATFORMS TO 7.8% OF SALES, DOWN 0.7PTS

In €m and as a % of sales

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Capitalized Development Expenditure</th>
<th>Amortization and Impairment</th>
</tr>
</thead>
<tbody>
<tr>
<td>H2 18</td>
<td>786</td>
<td>171</td>
</tr>
<tr>
<td>H2 19</td>
<td>750</td>
<td>217</td>
</tr>
</tbody>
</table>

Gap between capitalized R&D and amortization down 0.7 points from 2.2% to 1.5%
DECREASE IN R&D EXPENSES THANKS TO LEVERAGING OF OUR TECHNOLOGICAL PLATFORMS TO 7.9% OF SALES, DOWN 0.3PTS

In €m and as a % of sales

<table>
<thead>
<tr>
<th>Year</th>
<th>Capitalized Development Expenditure</th>
<th>Amortization and Impairment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>1,560 €m (8.2%)</td>
<td>308 €m (1.6%)</td>
</tr>
<tr>
<td>2019*</td>
<td>1,526 €m (7.9%)</td>
<td>398 €m (2.1%)</td>
</tr>
</tbody>
</table>

Gap between capitalized R&D and amortization down 0.3 points from 2.1% to 1.8%
DECREASE IN SG&A
DOWN 0.5PTS TO 4.3% OF SALES

In €m and as a % of sales

<table>
<thead>
<tr>
<th></th>
<th>H2 18</th>
<th>H2 19*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Selling expenses</td>
<td>€158m</td>
<td>€147m</td>
</tr>
<tr>
<td>Admin. expenses</td>
<td>€284m</td>
<td>€263m</td>
</tr>
<tr>
<td>% of sales</td>
<td>4.8%</td>
<td>4.3%</td>
</tr>
</tbody>
</table>

-50bps

-30bps

* Excl. TCM

H2 2019
DECREASE IN SG&A
DOWN 0.5PTS TO 4.3% OF SALES

In €m and as a % of sales

2018 2019*

Selling expenses
€316m €301m
1.7% 1.6%

Admin. expenses
€595m €559m
3.1% 2.9%

-30bps 20bps

-6%
CAPEX* DOWN €160M
THANKS TO TECHNOLOGICAL PLATFORMS

In €m and as a % of sales

<table>
<thead>
<tr>
<th>Year</th>
<th>CAPEX (€m)</th>
<th>% of Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>H2 18</td>
<td>696</td>
<td>-23%</td>
</tr>
<tr>
<td>H2 19</td>
<td>536</td>
<td>7.5%</td>
</tr>
</tbody>
</table>

* Excl. capitalized R&D
CAPEX* DOWN €204M
THANKS TO TECHNOLOGICAL PLATFORMS

In €m and as a % of sales

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount (€m)</th>
<th>% of Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>1,337</td>
<td>7.0%</td>
</tr>
<tr>
<td>2019</td>
<td>1,133</td>
<td>5.9%</td>
</tr>
</tbody>
</table>

* Excl. capitalized R&D

FY 2019

CAPEX DOWN €204M THANKS TO TECHNOLOGICAL PLATFORMS

2018
1,337
-15%

2019
1,133

€(204)m

7.0%
-110bps
5.9%

* Excl. capitalized R&D
IN A CHALLENGING ENVIRONMENT, GUIDANCE ACHIEVED THANKS TO COST REDUCTION PLAN AND TECHNOLOGICAL PLATFORMS

EBITDA* IN LINE WITH GUIDANCE AT €2,551M OR 13.2% OF SALES

OPERATING MARGIN* (EXCL. JV & ASSOCIATES) IN LINE WITH GUIDANCE AT €1,114M OR 5.8% OF SALES

JV & ASSOCIATES OF €(237)M

NET INCOME OF €313M OR 1.6% OF SALES

* Excl. Impact of GM strike and TCM
EBITDA* OF 2,551M
13.2% OF SALES, UP 0.6PTS

EBITDA
AS A % OF SALES

<table>
<thead>
<tr>
<th></th>
<th>H1 18</th>
<th>H2 18</th>
<th>H1 19</th>
<th>H2 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>13.6%</td>
<td>11.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td></td>
<td></td>
<td>12.6%</td>
<td>13.7%</td>
</tr>
</tbody>
</table>

12.6% in 2018
+0.6pts
13.2% in 2019
+2.2pts
GUIDANCE ACHIEVED DESPITE SHARPER DECLINE IN AUTOMOTIVE PRODUCTION

* Excl. JV & associates
** Excl. TCM
NB: rounded figures
### 2019 OPERATING MARGIN* AT 5.5% OF SALES
5.8% OF SALES EXCL. GM STRIKE

<table>
<thead>
<tr>
<th></th>
<th>H2 18</th>
<th>H2 19**</th>
<th>▲</th>
<th>2018</th>
<th>2019**</th>
<th>▲</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total sales (€m)</td>
<td>9,261</td>
<td>9,588</td>
<td>+4%</td>
<td>19,124</td>
<td>19,244</td>
<td>+1%</td>
</tr>
<tr>
<td>Gross margin</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As a % of sales</td>
<td>1,676</td>
<td>1,697</td>
<td>+1%</td>
<td>3,674</td>
<td>3,450</td>
<td>-6%</td>
</tr>
<tr>
<td></td>
<td>18.1%</td>
<td>17.7%</td>
<td>-40bps</td>
<td>19.2%</td>
<td>17.9%</td>
<td>-130bps</td>
</tr>
<tr>
<td>R&amp;D expenditure</td>
<td>(786)</td>
<td>(750)</td>
<td>-5%</td>
<td>(1,560)</td>
<td>(1,526)</td>
<td>-2%</td>
</tr>
<tr>
<td>As a % of sales</td>
<td>(8.5)%</td>
<td>(7.8)%</td>
<td>+70bps</td>
<td>(8.2)%</td>
<td>(7.9)%</td>
<td>+30bps</td>
</tr>
<tr>
<td>SG&amp;A</td>
<td>(442)</td>
<td>(410)</td>
<td>-7%</td>
<td>(911)</td>
<td>(860)</td>
<td>-6%</td>
</tr>
<tr>
<td>As a % of sales</td>
<td>(4.8)%</td>
<td>(4.3)%</td>
<td>+50bps</td>
<td>(4.8)%</td>
<td>(4.5)%</td>
<td>+30bps</td>
</tr>
<tr>
<td>Operating margin excl. JV &amp; associates</td>
<td>448</td>
<td>537</td>
<td>+20%</td>
<td>1,203</td>
<td>1,064</td>
<td>-12%</td>
</tr>
<tr>
<td>As a % of sales</td>
<td>4.8%</td>
<td>5.6%</td>
<td>+80bps</td>
<td>6.3%</td>
<td>5.5%</td>
<td>-80bps</td>
</tr>
<tr>
<td>JV &amp; Associates</td>
<td>(83)</td>
<td>(130)</td>
<td>na</td>
<td>(111)</td>
<td>(237)***</td>
<td>na</td>
</tr>
<tr>
<td>As a % of sales</td>
<td>(0.9)%</td>
<td>(1.4)%</td>
<td>-50bps</td>
<td>(0.6)%</td>
<td>(1.2)%</td>
<td>-60bps</td>
</tr>
<tr>
<td>Operating margin incl. JV &amp; associates</td>
<td>365</td>
<td>407</td>
<td>+12%</td>
<td>1,092</td>
<td>827</td>
<td>-24%</td>
</tr>
<tr>
<td>As a % of sales</td>
<td>3.9%</td>
<td>4.2%</td>
<td>+30bps</td>
<td>5.7%</td>
<td>4.3%</td>
<td>-140bps</td>
</tr>
</tbody>
</table>

* Excl. JV & associates
** Excl. TCM
*** Of which:
Valeo Siemens eAutomotive = €(260)m
Chinese and Indian joint ventures negatively impacted by local market conditions
## 2019 NET INCOME OF €313M OR 1.6% OF SALES

<table>
<thead>
<tr>
<th></th>
<th>H2 18</th>
<th>H2 19</th>
<th>▲</th>
<th>2018</th>
<th>2019</th>
<th>▲</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total sales (€m)</strong></td>
<td>9,261</td>
<td>9,701</td>
<td>+5%</td>
<td>19,124</td>
<td>19,477</td>
<td>+2%</td>
</tr>
<tr>
<td><strong>Operating margin incl. JV &amp; associates</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><em>As a % of sales</em></td>
<td>365</td>
<td>390</td>
<td>+7%</td>
<td>1,092</td>
<td>797</td>
<td>-27%</td>
</tr>
<tr>
<td><em>Other income &amp; expenses</em></td>
<td>(38)</td>
<td>(35)</td>
<td>-8%</td>
<td>(56)</td>
<td>(65)</td>
<td>+16%</td>
</tr>
<tr>
<td><em>As a % of sales</em></td>
<td>(0.4)%</td>
<td>(0.4)%</td>
<td>0bps</td>
<td>(0.3)%</td>
<td>(0.3)%</td>
<td>0bps</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>327</td>
<td>355</td>
<td>+9%</td>
<td>1,036</td>
<td>732</td>
<td>-29%</td>
</tr>
<tr>
<td><em>As a % of sales</em></td>
<td>3.5%</td>
<td>3.7%</td>
<td>+20bps</td>
<td>5.4%</td>
<td>3.8%</td>
<td>-160bps</td>
</tr>
<tr>
<td><em>Cost of net debt</em></td>
<td>(34)</td>
<td>(36)</td>
<td>+6%</td>
<td>(66)</td>
<td>(73)</td>
<td>+11%</td>
</tr>
<tr>
<td><em>Other financial income &amp; expenses</em></td>
<td>(7)</td>
<td>2</td>
<td>-129%</td>
<td>(25)</td>
<td>(2)</td>
<td>-92%</td>
</tr>
<tr>
<td><strong>Income before taxes</strong></td>
<td>286</td>
<td>321</td>
<td>+12%</td>
<td>945</td>
<td>657</td>
<td>-31%</td>
</tr>
<tr>
<td><em>Income taxes</em></td>
<td>(149)</td>
<td>(133)</td>
<td>-11%</td>
<td>(303)</td>
<td>(263)</td>
<td>-13%</td>
</tr>
<tr>
<td><em>Effective tax rate</em></td>
<td>40.4%</td>
<td>29.5%</td>
<td>-11pts</td>
<td>28.7%</td>
<td>29.4%</td>
<td>-16%</td>
</tr>
<tr>
<td><em>Non-controlling interests and other</em></td>
<td>(44)</td>
<td>(37)</td>
<td>-16%</td>
<td>(96)</td>
<td>(81)</td>
<td>-16%</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>93</td>
<td>151</td>
<td>+62%</td>
<td>546</td>
<td>313</td>
<td>-43%</td>
</tr>
<tr>
<td><em>As a % of sales</em></td>
<td>1.0%</td>
<td>1.6%</td>
<td>+60bps</td>
<td>2.9%</td>
<td>1.6%</td>
<td>-130bps</td>
</tr>
<tr>
<td><strong>EPS (€)</strong></td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>2.3</td>
<td>1.3</td>
<td>-43%</td>
</tr>
</tbody>
</table>
EXCLUDING NON-RECURRING ITEMS
EPS OF €1.86

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income* (€m)</td>
<td>313</td>
</tr>
<tr>
<td>EPS*</td>
<td>€1.31</td>
</tr>
<tr>
<td>Net income* (€m) (excluding non-recurring items)</td>
<td>444</td>
</tr>
<tr>
<td>EPS* (excluding non-recurring items)</td>
<td>€1.86</td>
</tr>
</tbody>
</table>

* Excl. Impact of GM strike and TCM
IN A CHALLENGING ENVIRONMENT, THANKS TO COST REDUCTION AND TECHNOLOGICAL PLATFORMS LEVERAGE

€519M FREE CASH FLOW
### €519M IN FREE CASH FLOW

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EBITDA (€m)</strong></td>
<td>2,410</td>
<td>2,496</td>
</tr>
<tr>
<td>Change in operating working capital*</td>
<td>(22)</td>
<td>301</td>
</tr>
<tr>
<td>Restructuring &amp; social costs</td>
<td>(31)</td>
<td>(37)</td>
</tr>
<tr>
<td>Other operating items (incl. taxes)</td>
<td>(280)</td>
<td>(475)</td>
</tr>
<tr>
<td>Of which: Taxes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pensions</td>
<td>(267)</td>
<td>(292)</td>
</tr>
<tr>
<td>IFRS 16 leases</td>
<td>(35)</td>
<td>(33)</td>
</tr>
<tr>
<td><strong>Cash from operating activities</strong> (€m)</td>
<td>(1,916)</td>
<td>(1,766)</td>
</tr>
<tr>
<td><strong>Free cash flow</strong> (€m)</td>
<td>161</td>
<td>519</td>
</tr>
<tr>
<td>Interest</td>
<td>(58)</td>
<td>(71)</td>
</tr>
<tr>
<td>Other financial items</td>
<td>(701)</td>
<td>(658)</td>
</tr>
<tr>
<td><strong>Net cash flow (€m)</strong></td>
<td>(598)</td>
<td>(210)</td>
</tr>
<tr>
<td><strong>Net debt (€m) before IFRS 16</strong></td>
<td>N/A</td>
<td>2,376</td>
</tr>
<tr>
<td>IFRS 16 impact on net debt</td>
<td>N/A</td>
<td>441</td>
</tr>
<tr>
<td><strong>Net debt (€m)</strong></td>
<td>2,248</td>
<td>2,817</td>
</tr>
</tbody>
</table>

- Decrease in tooling inventories
- Decrease in customers overdue

* Restated of R&D cash contribution reclassified in CAPEX
**Excl. sale of trade receivables

Incl. €343m in dividends paid

¢(150)m / -8%
THANKS TO FREE CASH FLOW OF €519M, BALANCE SHEET REMAINS STRONG

NET DEBT
OF €2,817M AFTER IFRS 16 OF +€441M
THANKS TO FREE CASH FLOW OF €519M, BALANCE SHEET REMAINS STRONG

Net debt to EBITDA

Net debt/EBITDA covenant of 3.5

Shareholders’ equity and net debt

Net debt (€m) excluding non-controlling interests

<table>
<thead>
<tr>
<th>LT</th>
<th>Outlook</th>
<th>ST</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moody’s</td>
<td>Baa3</td>
<td>Stable</td>
</tr>
<tr>
<td>S&amp;P</td>
<td>BBB-</td>
<td>Stable</td>
</tr>
</tbody>
</table>

Net debt (€m) 12-month rolling EBITDA (€m)

Leverage 0.93x
Leverage 1.06x
Leverage 1.26x
Leverage 0.95x
Leverage 1.13x
<table>
<thead>
<tr>
<th>Maturity</th>
<th>Outstanding amount</th>
<th>Coupon</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-dilutive Convertible bond</td>
<td>June 2021</td>
<td>USD 575m (€470m)</td>
</tr>
<tr>
<td>EMTN</td>
<td>Sept. 2022</td>
<td>€600m</td>
</tr>
<tr>
<td>EMTN</td>
<td>January 2023</td>
<td>€500m</td>
</tr>
<tr>
<td>Schuldcschein</td>
<td>April 2023</td>
<td>€336m</td>
</tr>
<tr>
<td>EMTN</td>
<td>January 2024</td>
<td>€700m</td>
</tr>
<tr>
<td>Schuldcschein</td>
<td>April 2025</td>
<td>€212m</td>
</tr>
<tr>
<td>EMTN</td>
<td>June 2025</td>
<td>€600m</td>
</tr>
<tr>
<td>EMTN</td>
<td>March 2026</td>
<td>€600m</td>
</tr>
</tbody>
</table>

VALEO’S DEBT MATURITY PROFILE
COMFORTABLY SPREAD OVER THE PERIOD 2021/2026

Average maturity: 4.0 years
STRONG FREE CASH FLOW GENERATION SUPPORTING OUR DIVIDEND POLICY

Dividend (€/share)


0.40 0.47 0.50 0.57 0.73 1.00 1.25 1.25 1.25 1.25

€1.25/SHARE DIVIDEND TO BE PROPOSED AT THE NEXT AGM IN MAY 2020
AGENDA

2019 HIGHLIGHTS
ACCELERATION OF OUTPERFORMANCE AND CASH GENERATION IN H2

H2 2019 & FY 2019 RESULTS
FOCUS ON PROFIT & CASH GENERATION

2020 OUTLOOK
IN LINE WITH OUR INVESTOR DAY TARGETS
Valeo expects automotive production to be down by 2% in 2020. Excluding the possible impact of the coronavirus in China, the Group has set the following objectives for 2020 in line with the objectives presented at the Investor Day on December 10, 2019:

- outperformance of more than 5 percentage points;
- strict control over costs and capital expenditure;
- further increase in EBITDA and improvement in operating margin excluding share in net earnings of equity-accounted companies (as a % of sales);
- reduction in the impact of the Valeo Siemens eAutomotive joint venture on “Share in net earnings of equity-accounted companies”;
- significant free cash flow generation.
IN LINE WITH OUR INVESTOR DAY TARGETS

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SALES (€bn)</strong></td>
<td>19.2</td>
<td>&gt;21.5</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>13.2%</td>
<td>&gt;15%</td>
</tr>
<tr>
<td><strong>OPERATING MARGIN BEFORE JV</strong></td>
<td>5.8%**</td>
<td>~ 7%</td>
</tr>
<tr>
<td><strong>CASH CONVERSION RATE (% EBITDA)</strong></td>
<td>21%</td>
<td>&gt;15%</td>
</tr>
<tr>
<td><strong>FREE CASH FLOW</strong></td>
<td>€519M</td>
<td>€1.3-1.5bn</td>
</tr>
</tbody>
</table>

* estimated 2019
** after one off effect linked to October 2019 GM strike in North America
BACK-UP
BACK-UP AGENDA

Q4 SALES
7 POINTS OEM SALES OUTPERFORMANCE

2019 RESULTS RECONCILIATION
TOP COLUMN MODULE BUSINESS & GM STRIKE IMPACT

BUSINESS GROUP INFORMATION
EVERY BUSINESS GROUP IS OUTPERFORMING THE MARKET
BACK-UP AGENDA

Q4 SALES
7 POINTS OEM SALES OUTPERFORMANCE

2019 RESULTS RECONCILIATION
TOP COLUMN MODULE BUSINESS & GM STRIKE IMPACT

BUSINESS GROUP INFORMATION
EVERY BUSINESS GROUP IS OUTPERFORMING THE MARKET
### 7 POINTS OEM SALES OUTPERFORMANCE

<table>
<thead>
<tr>
<th>Category</th>
<th>€m</th>
<th>Report %</th>
<th>Exchange rates</th>
<th>Scope</th>
</tr>
</thead>
<tbody>
<tr>
<td>OEM*</td>
<td>4,040</td>
<td>+1%</td>
<td>+1.3%</td>
<td>-1.2%</td>
</tr>
<tr>
<td>Aftermarket*</td>
<td>504</td>
<td>+4%</td>
<td>+1.3%</td>
<td>-0.6%</td>
</tr>
<tr>
<td>Miscellaneous*</td>
<td>316</td>
<td>-10%</td>
<td>+1.3%</td>
<td>-4.1%</td>
</tr>
<tr>
<td>Sales*</td>
<td>4,860</td>
<td>+1%</td>
<td>+1.3%</td>
<td>-1.4%</td>
</tr>
</tbody>
</table>

* Excl. TCM

Like for like:

<table>
<thead>
<tr>
<th>Category</th>
<th>€m</th>
<th>Report %</th>
<th>Exchange rates</th>
<th>Scope</th>
</tr>
</thead>
<tbody>
<tr>
<td>OEM*</td>
<td>4,040</td>
<td>+1%</td>
<td>+1.3%</td>
<td>-1.2%</td>
</tr>
<tr>
<td>Aftermarket*</td>
<td>504</td>
<td>+4%</td>
<td>+1.3%</td>
<td>-0.6%</td>
</tr>
<tr>
<td>Miscellaneous*</td>
<td>316</td>
<td>-7%</td>
<td>+1.3%</td>
<td>-4.1%</td>
</tr>
<tr>
<td>Sales*</td>
<td>4,860</td>
<td>+1%</td>
<td>+1.3%</td>
<td>-1.4%</td>
</tr>
</tbody>
</table>

* Excl. TCM
18% of Valeo sales
North America

Outperformance +5pts vs IHS

46% of Valeo sales
Europe

Outperformance +11pts vs IHS

19% of Valeo sales
Asia excl. China

Outperformance 0pts vs IHS

14% of Valeo sales
China

Outperformance +12pts vs CPCA

World

Outperformance +7pts vs IHS

OEM sales +6%
Production +4%

Outperformance +5pts vs IHS

Euro

+11pts vs IHS

Outperformance +10pts vs IHS

Outperformance +18pts vs IHS

Outperformance 0pts vs IHS

Outperformance +12pts vs CPCA

Valeo OEM sales by destination

(1) Europe including Africa; Asia including Middle East
(2) Valeo OEM sales by destination
(3) IHS estimates – China Passenger Car Association (CPCA) estimates for China
IN Q4, EVERY BUSINESS GROUP IS OUTPERFORMING THE MARKET

Q4 total sales in €m

<table>
<thead>
<tr>
<th>Category</th>
<th>Total Sales</th>
<th>Outperformance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comfort &amp; Driving Assistance*</td>
<td>908</td>
<td>+9pts</td>
</tr>
<tr>
<td>Powertrain</td>
<td>1,307</td>
<td>+9pts</td>
</tr>
<tr>
<td>Thermal</td>
<td>1,122</td>
<td>+3pts</td>
</tr>
<tr>
<td>Visibility</td>
<td>1,542</td>
<td>+8pts</td>
</tr>
</tbody>
</table>

Total reported sales

-6%  +2%  -3%  +6%

OEM sales

-6%  +2%  -3%  +6%

Like for like

+3%  +3%  -3%  +2%

* Excl. TCM

Q4 2019

%- of Q4 19 sales

- Group €4.9bn*
- CDA 19%
- VIS 32%
- PTS 27%
- THS 23%
BACK-UP AGENDA

Q4 SALES
7 POINTS OEM SALES OUTPERFORMANCE

2019 RESULTS RECONCILIATION
TOP COLUMN MODULE BUSINESS & GM STRIKE IMPACT

BUSINESS GROUP INFORMATION
EVERY BUSINESS GROUP IS OUTPERFORMING THE MARKET
RECONCILIATION OF VALEO AND TOP COLUMN MODULE (TCM) BUSINESS DATA AND IMPACT OF THE GENERAL MOTORS STRIKE

The Group decided to withdraw from the TCM segment and is no longer taking orders for this product line.

The table below reconciles reported data for 2019 with data excluding the TCM business and excluding the impact of the General Motors strike:

<table>
<thead>
<tr>
<th></th>
<th>2019 (audited)</th>
<th>TCM</th>
<th>2019 excluding TCM</th>
<th>Impact of GM strike</th>
<th>2019 excluding TCM and GM strike</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>(in K€)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(in K€)</td>
<td>19,477</td>
<td>233</td>
<td>19,244</td>
<td>105</td>
<td>19,349</td>
</tr>
<tr>
<td>Original equipment sales</td>
<td>(in K€)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(in K€)</td>
<td>16,360</td>
<td>238</td>
<td>16,122</td>
<td>105</td>
<td>16,227</td>
</tr>
<tr>
<td>Gross margin</td>
<td>(as a % of sales)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(as a % of sales)</td>
<td>3,454</td>
<td>4</td>
<td>3,450</td>
<td>50</td>
<td>3,500</td>
</tr>
<tr>
<td>R&amp;D expenditure</td>
<td>(as a % of sales)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(as a % of sales)</td>
<td>(1,550)</td>
<td>(24)</td>
<td>(1,526)</td>
<td>(7.9%)</td>
<td>(1,526)</td>
</tr>
<tr>
<td>Selling and administrative expenses</td>
<td>(as a % of sales)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(as a % of sales)</td>
<td>(870)</td>
<td>(10)</td>
<td>(860)</td>
<td>(4.0%)</td>
<td>(860)</td>
</tr>
<tr>
<td>Operating margin excluding share in net earnings of equity-accounted companies</td>
<td>(as a % of sales)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(as a % of sales)</td>
<td>1,034</td>
<td>(30)</td>
<td>1,064</td>
<td>50</td>
<td>1,114</td>
</tr>
<tr>
<td>Share in net earnings of equity-accounted companies</td>
<td>(as a % of sales)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(as a % of sales)</td>
<td>(237)</td>
<td>(12.9%)</td>
<td>(237)</td>
<td>(1.2%)</td>
<td>(237)</td>
</tr>
<tr>
<td>Operating margin including share in net earnings of equity-accounted companies</td>
<td>(as a % of sales)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(as a % of sales)</td>
<td>797</td>
<td>(30)</td>
<td>827</td>
<td>50</td>
<td>877</td>
</tr>
<tr>
<td>EBITDA(1)</td>
<td>(as a % of sales)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(as a % of sales)</td>
<td>2,495</td>
<td>(5)</td>
<td>2,501</td>
<td>50</td>
<td>2,551</td>
</tr>
</tbody>
</table>

(1) EBITDA: Earnings Before Interest, Taxes, Depreciation, and Amortization.
BACK-UP AGENDA

Q4 SALES
7 POINTS OEM SALES OUTPERFORMANCE

2019 RESULTS RECONCILIATION
TOP COLUMN MODULE BUSINESS & GM STRIKE IMPACT

BUSINESS GROUP INFORMATION
EVERY BUSINESS GROUP IS OUTPERFORMING THE MARKET
COMFORT & DRIVING ASSISTANCE

2019 key figures:
- Sales: €3.6bn (19% of Group sales)
- 22,100 employees
- 31 plants
- 9 development centers
- 7 research centers

Market share* and competitors:
- Comfort & Driving Assistance: Valeo no. 2
  Continental + Valeo + Bosch + Kostal ~ 43%*

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 over 7x sales, orders for camera viewing & systems representing over 2x sales
- "Safety activity order intake covering laser scanner, front camera and radar

Reported
Outperformance
OEM sales growth
Like for like

Total sales (€m)

H1 19  H2 19  2019

1,806  1,843  3,649

-5%  -1%  -3%

* 2019 Valeo estimate
POWERTRAIN SYSTEMS

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 in the 48V in Europe and in Asia (South Korea and China)
- Additional contracts for the Istar product for Europe and India
- New contracts for dual mass flywheels (for 2 and pedals transmissions) in Europe and Asia
- New contracts for torque converters in Asia and North America
- New contracts in air management (sensors) in Asia and Europe, and active actuation in Europe
- Start of production of 1 major contract at Valeo Siemens eAutomotive in Europe (VW ID3)

Market share* and competitors:
- Powertrain Systems: Valeo no. 1
- Valeo & VSeA + BlueNexus & Denso + Luk ~40%*

2019 key figures:
- Sales: €5.1bn (26% of Group sales)
- 23,500 employees
- 57 plants
- 18 development centers
- 7 research centers

Outperformance
OEM sales growth
Like for like

Total sales (€m)
Reported

H1 19 2,565 2,556 1%
H2 19 +3pts 2,556 0%
2019 +6pts 5,121 0%

* 2018 Valeo estimate
Key growth drivers:
- Thermal solutions for Electrified vehicles

Latest business developments:
- Almost all PGs achieved the desired level of order intake, with particular good results for TCC
- Best order Intake results with Renault-Nissan and Toyota, but also strong achievement with PSA Group and FCA Group
- Key awards are: HVAC in Russia, Electrified HVAC and High Voltage Heaters In China

2019 key figures:
- Sales: €4.6bn (24% of Group sales)
- 25,100 employees
- 68 plants
- 10 development centers
- 3 research centers

Market share* and competitors:
Thermal Systems: Valeo no. 2
Denso + Valeo + Hanon + Mahle ~ 59%*

*2019 Valeo estimate
**VISIBILITY SYSTEMS**

**Key growth drivers:**
- Pixel 32 launched on Passat B8 PA, Pixel 22 on Golf A8, Matrix Beam launched on BMW X1 facelift & New Opel Corsa (first B-seg mainstream car with Matrix), life extension on several programs
- 100% LED lighting becoming the standard on all segments: Renault Megane, VW Golf, ...
- Increasing content in Interior Lighting & Welcome light with premium customers

**Latest business developments:**
- Pixel 48 awarded on C-segment mainstream car
- Monolithic HD Lighting: On-going RFQs with mainstream OEM
- Growth on new decorative lamps with German, Japanese customers: Logo & Grille lamps, Carpet light gen 2, etc
- Well positioned to provide integrated sensor cleaning solutions: First businesses awarded.
- Increasing interest in Centricam, RFQ expected in 2020
- OEMs becoming more interested in brushless motor concept for weight reduction

**Market share* and competitors:**
- **Lighting Systems:** Valeo no. 1
  - Valeo + Koito + AL Magnetti Marelli ~ 53%*
- **Wiper Systems:** Valeo no. 1
  - Valeo + Denso + Bosch ~ 69%*

**2019 key figures:**
- **Sales:** €6.0bn (31% of Group sales)
- **38,900 employees**
- **51 plants**
- **16 development centers**
- **5 research centers**

**Outperformance**

**OEM sales growth**

Like for like

<table>
<thead>
<tr>
<th>period</th>
<th>total sales (€m)</th>
<th>H1 19</th>
<th>H2 19</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>reported</td>
<td>-1%</td>
<td>3,014</td>
<td>3,000</td>
<td>6,014</td>
</tr>
<tr>
<td>2019</td>
<td>+4pts</td>
<td>+10pts</td>
<td>+6pts</td>
<td></td>
</tr>
</tbody>
</table>

*2019 Valeo estimate
## SEGMENT INFORMATION

### 2019

<table>
<thead>
<tr>
<th>(€m)</th>
<th>Comfort &amp; Driving Assistance Systems</th>
<th>Powertrain Systems</th>
<th>Thermal Systems</th>
<th>Visibility Systems</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• segment (excluding Group)</td>
<td>3,877</td>
<td>4,998</td>
<td>4,516</td>
<td>5,923</td>
<td>167</td>
<td>19,477</td>
</tr>
<tr>
<td>• intersegment (Group)</td>
<td>28</td>
<td>123</td>
<td>66</td>
<td>91</td>
<td>(308)</td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>594</td>
<td>685</td>
<td>502</td>
<td>660</td>
<td>55</td>
<td>2,496</td>
</tr>
<tr>
<td>Research &amp; Development expenditure, net</td>
<td>(603)</td>
<td>(293)</td>
<td>(274)</td>
<td>(360)</td>
<td>(20)</td>
<td>(1,550)</td>
</tr>
<tr>
<td>Investments in property, plant &amp; equipment &amp; intangible asset</td>
<td>566</td>
<td>418</td>
<td>460</td>
<td>522</td>
<td>20</td>
<td>1,986</td>
</tr>
<tr>
<td>Segment assets</td>
<td>2,940</td>
<td>3,561</td>
<td>2,861</td>
<td>3,124</td>
<td>173</td>
<td>12,659</td>
</tr>
</tbody>
</table>

### 2018

<table>
<thead>
<tr>
<th>(€m)</th>
<th>Comfort &amp; Driving Assistance Systems</th>
<th>Powertrain Systems</th>
<th>Thermal Systems</th>
<th>Visibility Systems</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• segment (excluding Group)</td>
<td>3,741</td>
<td>5,036</td>
<td>4,517</td>
<td>5,699</td>
<td>131</td>
<td>19,124</td>
</tr>
<tr>
<td>• intersegment (Group)</td>
<td>25</td>
<td>105</td>
<td>52</td>
<td>84</td>
<td>(266)</td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>528</td>
<td>674</td>
<td>495</td>
<td>642</td>
<td>71</td>
<td>2,410</td>
</tr>
<tr>
<td>Research &amp; Development expenditure, net</td>
<td>(556)</td>
<td>(319)</td>
<td>(285)</td>
<td>(377)</td>
<td>(23)</td>
<td>(1,560)</td>
</tr>
<tr>
<td>Investments in property, plant &amp; equipment &amp; intangible asset</td>
<td>582</td>
<td>458</td>
<td>454</td>
<td>538</td>
<td>21</td>
<td>2,053</td>
</tr>
<tr>
<td>Segment assets</td>
<td>2,683</td>
<td>3,495</td>
<td>2,526</td>
<td>2,838</td>
<td>141</td>
<td>11,683</td>
</tr>
</tbody>
</table>
**Order intake** corresponds to business awarded by automakers during the period to Valeo, and to joint ventures and associates based on Valeo’s share in net equity, (except Valeo Siemens eAutomotive, for which 100% of orders are taken into account), less any cancellations, based on Valeo’s best reasonable estimates in terms of volumes, selling prices and project lifespans. *Unaudited indicator.*

**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.

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

**Net attributable income excluding non-recurring items** corresponds to net attributable income adjusted for “other income and expenses” net of tax and non-recurring income and expenses net of tax shown in operating margin including share in net earnings of equity-accounted companies.

**ROCE**, or return on capital employed, corresponds to operating margin (including share in net earnings of equity-accounted companies) divided by capital employed (including investments in equity-accounted companies), excluding goodwill.

**ROA**, or return on assets, corresponds to operating income divided by capital employed (including investments in equity-accounted companies) including goodwill.

**EBITDA** corresponds to (i) operating margin before depreciation, amortization and impairment losses (included in the operating margin) and the impact of government subsidies and grants on non-current assets, and (ii) net dividends from equity-accounted companies.

**Free cash flow** corresponds to net cash from operating activities (excluding changes in non-recurring sales of receivables and payments for the principal portion of lease liabilities) after taking into account acquisitions and disposals of property, plant and equipment and intangible assets.

**Net cash flow** corresponds to free cash flow less (i) cash flows in respect of investing activities, relating to acquisitions and disposals of investments and to changes in certain items shown in non-current financial assets, (ii) cash flows in respect of financing activities, relating to dividends paid, treasury share purchases and sales, interest paid and received, and acquisitions of equity interests without a change in control, and (iii) changes in non-recurring sales of receivables.

**Net debt** comprises all long-term debt, liabilities associated with put options granted to holders of non-controlling interests, short-term debt and bank overdrafts, less loans and other long-term financial assets, cash and cash equivalents and the fair value of derivative instruments hedging the foreign currency and interest rate risks associated with these items.
CONTACTS

INVESTOR RELATIONS

VALEO
43, rue Bayen
F-75848 Paris Cedex 17
France

Thierry Lacorre
E-mail: valeo.corporateaccess.mailbox@valeo.com
Website: www.valeo.com
SHARE INFORMATION

Share Data
• Bloomberg Ticker
  • Reuters Ticker
  • ISIN Number
  • Shares outstanding as of December 31, 2019
  • FR FP
  • VLOF.PA
  • FR 0013176526
  • 241,036,743

ADR Data
• Ticker/trading symbol
  • CUSIP Number
  • Exchange
  • Ratio (ADR: ord)
  • Depositary Bank
  • Contact at J.P. Morgan – ADR
  • broker relationship desk
  • VLEEEY
  • 919134304
  • OTC
  • 1:2
  • J.P. Morgan
  • Jim Reeves
  • +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 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.