PRESS RELEASE  
Paris, April 26, 2022

Solid performance in first-quarter 2022

Sales of 4,753 million euros

Outperformance of 5 percentage points excluding the impact of the geographic mix

Strong growth in aftermarket sales, up 16% year on year on a like-for-like basis

2022 guidance confirmed

Christophe Périllat, Valeo’s Chief Executive Officer, said:

"Activity in the first quarter proved resilient, with an outperformance in all production regions, driven in particular by our activities in the areas of ADAS and the thermal management of electrified vehicles. Our aftermarket business posted double digit growth, buoyed by an attractive offering for customers as well as market momentum.

I would like to thank our teams for the exceptional quality of their work.

Based on the latest automotive production estimates, current levels of raw material and energy prices, constructive pricing discussions with our customers, and the operational efficiencies in our plants, we are able to confirm our 2022 financial objectives. However, we will continue to pay close attention to developments in the Covid-19 situation in China and their impacts on overall production volumes, particularly in the second quarter.

Valeo’s teams are fully engaged in implementing our Move Up plan as presented at our Investor Day on February 25, 2022.”
In first-quarter 2022, automotive production contracted by 4% compared to the same period in 2021, as the automotive sector continued to face headwinds such as tensions in the supply chain for electronic components—which is nevertheless showing some signs of improvement, the outbreak of the Russia-Ukraine crisis and lockdown measures in China following the resurgence of Covid-19 cases.

<table>
<thead>
<tr>
<th>Sales (in millions of euros)</th>
<th>As a % of Q1 2022 sales</th>
<th>Q1 2022</th>
<th>Q1 2021</th>
<th>LFL* change</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original equipment</td>
<td>83%</td>
<td>3,932</td>
<td>3,937</td>
<td>-3%</td>
<td>0%</td>
</tr>
<tr>
<td>Aftermarket</td>
<td>12%</td>
<td>579</td>
<td>508</td>
<td>+16%</td>
<td>+14%</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>5%</td>
<td>242</td>
<td>222</td>
<td>+6%</td>
<td>+9%</td>
</tr>
<tr>
<td>Q1 total</td>
<td>100%</td>
<td>4,753</td>
<td>4,667</td>
<td>0%</td>
<td>+2%</td>
</tr>
</tbody>
</table>

*Like for like*.1

The Group’s consolidated sales came to 4,753 million euros in the first quarter, stable compared to the same period in 2021. Changes in exchange rates had a positive 2.5% impact, primarily due to the depreciation of the euro against the US dollar and the Chinese yuan. Changes in Group structure had a negative 0.4% impact for the period.

Original equipment sales were down 3% on a like-for-like basis owing to the decline in automotive production. Business was affected by supply difficulties for electronic components as well as the Russia-Ukraine crisis and the lockdown measures in China, which have disrupted supply chains and automakers' production schedules.

Like-for-like aftermarket sales rose sharply by 16%, buoyed by an attractive offering for customers as well as market momentum.

"Miscellaneous" sales rose by 6% on a like-for-like basis, supported by customer contributions to R&D.

1 See financial glossary, page 10.
First-quarter 2022 original equipment sales by destination region

<table>
<thead>
<tr>
<th>Original equipment sales (in millions of euros)</th>
<th>As a % of Q1 2022 sales</th>
<th>Q1 2022</th>
<th>Q1 2021</th>
<th>LFL* change</th>
<th>Outperf. vs. S&amp;P Global Mobility**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe &amp; Africa</td>
<td>45%</td>
<td>1,767</td>
<td>1,896</td>
<td>-7%</td>
<td>+10 pts</td>
</tr>
<tr>
<td>Asia, Middle East &amp; Oceania</td>
<td>33%</td>
<td>1,301</td>
<td>1,236</td>
<td>+2%</td>
<td>+1 pt</td>
</tr>
<tr>
<td>o/w China</td>
<td>16%</td>
<td>638</td>
<td>518</td>
<td>+12%</td>
<td>+6 pts</td>
</tr>
<tr>
<td>o/w Japan</td>
<td>7%</td>
<td>265</td>
<td>294</td>
<td>-9%</td>
<td>+3 pts</td>
</tr>
<tr>
<td>o/w South Korea</td>
<td>7%</td>
<td>265</td>
<td>303</td>
<td>-8%</td>
<td>-1 pt</td>
</tr>
<tr>
<td>o/w India</td>
<td>1%</td>
<td>53</td>
<td>50</td>
<td>+3%</td>
<td>+5 pts</td>
</tr>
<tr>
<td>North America</td>
<td>20%</td>
<td>790</td>
<td>733</td>
<td>+1%</td>
<td>+3 pts</td>
</tr>
<tr>
<td>South America</td>
<td>2%</td>
<td>74</td>
<td>72</td>
<td>+1%</td>
<td>+14 pts</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>3,932</td>
<td>3,937</td>
<td>-3%</td>
<td>+1 pt</td>
</tr>
<tr>
<td>Total adjusted for geographic mix</td>
<td>100%</td>
<td>3,932</td>
<td>3,937</td>
<td>0%</td>
<td>+5 pts</td>
</tr>
</tbody>
</table>

* Like-for-like
** Based on S&P Global Mobility (formerly IHS Markit) automotive production estimates released on April 19, 2022.

In first-quarter 2022, original equipment sales outperformed automotive production in all production regions, despite the electronic components shortage, the Russia-Ukraine crisis and the lockdown measures in China, which disrupted the supply chain and automakers’ production schedules. In this environment, the Group posted an overall outperformance of 5 percentage points, excluding the impact of the geographic mix:

- **in Europe and Africa**, original equipment sales fell by 7% on a like-for-like basis, outperforming automotive production by 10 percentage points despite disruptions caused by the electronic components shortage and the Russia-Ukraine crisis. Against this backdrop, **all Business Groups proved resilient**, albeit to a lesser extent for the Powertrain Systems and Visibility Systems Business Groups, which were hampered by an unfavorable product mix;

- **in Asia**, original equipment sales grew by 2% on a like-for-like basis, outpacing automotive production by 1 percentage point:
  - **in China**, original equipment sales were up 12% on a like-for-like basis, outperforming automotive production by 6 percentage points. Business was well above pre-crisis levels despite the impact of the initial lockdown measures. **The Comfort & Driving Assistance Systems Business Group** benefited from a **significant acceleration in camera sales to Chinese and international customers**, while the **Thermal Systems Business Group** was buoyed by exceptional sales of electrified vehicles to Chinese customers. Conversely, the Visibility Systems Business Group was

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2 See financial glossary, page 10.
impacted by an unfavorable product mix, which resulted in an underperformance over the period. Finally, the Powertrain Systems Business Group was hit by the decline in its truck business due to an unfavorable basis for comparison (strong growth in first-quarter 2021).

- in Japan, original equipment sales declined by 9% on a like-for-like basis, representing an outperformance of 3 percentage points, driven by a favorable customer mix amid supply chain tensions linked to the Fukushima earthquake,
- in South Korea, original equipment sales retreated by 8% on a like-for-like basis, underperforming automotive production by 1 percentage point;

- in North America, original equipment sales increased by 1% on a like-for-like basis, outperforming automotive production by 3 percentage points, driven mainly by the ramp-up of numerous projects in ADAS;
- in South America, original equipment sales expanded by 1% on a like-for-like basis, outperforming automotive production by 14 percentage points.

Balanced geographic positioning and customer portfolio

<table>
<thead>
<tr>
<th>Production regions</th>
<th>Q1 2022</th>
<th>Q1 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Europe</td>
<td>30%</td>
<td>33%</td>
</tr>
<tr>
<td>Eastern Europe &amp; Africa</td>
<td>15%</td>
<td>16%</td>
</tr>
<tr>
<td>China</td>
<td>18%</td>
<td>14%</td>
</tr>
<tr>
<td>Asia excluding China</td>
<td>15%</td>
<td>17%</td>
</tr>
<tr>
<td>United States</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td>Mexico</td>
<td>12%</td>
<td>11%</td>
</tr>
<tr>
<td>South America</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
</tr>
<tr>
<td><strong>Asia and emerging countries</strong></td>
<td><strong>62%</strong></td>
<td><strong>60%</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Customers</th>
<th>Q1 2022</th>
<th>Q1 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>German</td>
<td>29%</td>
<td>31%</td>
</tr>
<tr>
<td>Asian</td>
<td>32%</td>
<td>32%</td>
</tr>
<tr>
<td>American</td>
<td>20%</td>
<td>18%</td>
</tr>
<tr>
<td>French</td>
<td>14%</td>
<td>14%</td>
</tr>
<tr>
<td>Other</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

3 See financial glossary, page 10.
First-quarter sales by Business Group

The sales performance for the Business Groups reflects the specific product, geographic and customer mix and the relative weighting of the aftermarket in their activity as a whole.

<table>
<thead>
<tr>
<th>Sales by Business Group</th>
<th>Q1 2022</th>
<th>Q1 2021</th>
<th>Change in sales</th>
<th>Change in OE sales*</th>
<th>Outperf. vs. S&amp;P Global Mobility**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comfort &amp; Driving Assistance Systems</td>
<td>975</td>
<td>918</td>
<td>+6%</td>
<td>+2%</td>
<td>+6 pts</td>
</tr>
<tr>
<td>Powertrain Systems</td>
<td>1,311</td>
<td>1,291</td>
<td>+2%</td>
<td>-5%</td>
<td>-1 pt</td>
</tr>
<tr>
<td>Thermal Systems</td>
<td>1,079</td>
<td>1,023</td>
<td>+6%</td>
<td>0%</td>
<td>+4 pts</td>
</tr>
<tr>
<td>Visibility Systems</td>
<td>1,355</td>
<td>1,397</td>
<td>-3%</td>
<td>-7%</td>
<td>-3 pts</td>
</tr>
</tbody>
</table>

* Like for like
** Based on S&P Global Mobility (formerly IHS Markit) automotive production estimates released on April 19, 2022.

The Comfort & Driving Assistance Systems Business Group outperformed global automotive production by 6 percentage points, thanks to the start-up of numerous ADAS projects, notably in North America and especially in China (cameras), thereby reinforcing its position as a world leader.

The Powertrain Systems Business Group slightly underperformed global automotive production (down 1 percentage point) in an environment where vehicles equipped with high-voltage electrical systems are rapidly gaining market share, thereby reducing the relative size of the market for the Powertrain Systems Business Group given its current scope. This scope effect will correct itself in the second half of the year with the integration of Valeo Siemens eAutomotive. In addition, the Business Group's sales were affected by supply disruptions in Europe (electronic components and wiring harnesses from Ukraine), particularly with its German customers, and by the slowdown in its truck business in China.

The Thermal Systems Business Group outperformed global automotive production by 4 percentage points, buoyed by exceptional sales of thermal systems for electrified vehicles (battery cooling systems, dedicated air conditioning systems for electric vehicles) in China with Chinese customers and in Europe with premium German customers.

The Visibility Systems Business Group underperformed global automotive production by 3 percentage points. The Business Group was hit by disruptions in production on certain vehicle platforms, and by an unfavorable product mix (lower electronics content) following the electronic components crisis.

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4 See financial glossary, page 10
2022 outlook confirmed

Based on the latest automotive production estimates, current levels of raw material and energy prices, constructive pricing discussions with our customers and the operational efficiencies identified in our plants, we are able to confirm our 2022 financial objectives as published on February 25.

Indeed, automotive production estimates published by S&P Global Mobility (ex IHS Markit) on April 19, 2022, i.e., 80.6 million vehicles, with a significant imbalance between the first and second halves of the year, remain within the range of volumes (number of vehicles produced) used to establish our 2022 guidance.

However, we will continue to pay close attention to developments in the Covid-19 situation in China and their impacts on overall production volumes, particularly in the second quarter.

<table>
<thead>
<tr>
<th></th>
<th>2022*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales (in billions of euros)</td>
<td>19.2-20.0</td>
</tr>
<tr>
<td>EBITDA(6) (as a % of sales)</td>
<td>11.8%-12.3%</td>
</tr>
<tr>
<td>Operating margin(6) (as a % of sales)</td>
<td>3.2%-3.7%</td>
</tr>
<tr>
<td>Free cash flow(6) (in millions of euros)</td>
<td>~320</td>
</tr>
</tbody>
</table>

* Based on:
- The integration of Valeo Siemens eAutomotive after July 2022 following the acquisition by Valeo of the 50% stake held by Siemens in the joint venture. The transaction is subject to authorization from the relevant antitrust authorities and the relevant employee representative bodies will be informed and consulted.
- S&P Global Mobility (formerly IHS Markit) annual automotive production estimates released in February 2022 reduced by 1.5%, corresponding to around 82.9 million vehicles – falling within the range of 79.9 million to 84.1 million vehicles (with slight growth in the first half of 2022 and more than 10% growth in the second half).
- An expected 50% reduction in Valeo Siemens e-Automotive's losses in 2022 compared to 2021.

5 For 2022, the ROCE guidance is 8.60% (including Valeo Siemens eAutomotive (VSeA) over 12 months). This guidance does not take into account the potential unfavorable economic and financial impacts of the war in Ukraine.

6 See financial glossary, page 10.
Upcoming events

First-half 2022 results: July 26, 2022

Highlights

Governance

On January 26, 2022, Valeo announced the appointment of Christophe Périllat as Chief Executive Officer in accordance with the succession plan announced on October 27, 2020. Jacques Aschenbroich will continue to act as Chairman of the Board of Directors until the end of his current term of office as a Director (2023 Shareholders' Meeting).

On March 30, 2022, the Board of Directors of Valeo acknowledged the decision of the Board of Directors of Orange to appoint Jacques Aschenbroich as Chairman of the Board following its General Shareholders' Meeting to be held on May 19, 2022, subject to his appointment as Director. Valeo's Board of Directors, under the guidance of the Governance, Appointments & Corporate Social Responsibility Committee, is continuing the process of selecting a new Chairman of the Board. If this appointment is confirmed by Orange's shareholders, Jacques Aschenbroich will continue to act as Director and Chairman of the Board of Directors of Valeo until the appointment of the new Chairman and no later than 2022 year's end.

Strategic operations

On February 9, 2022, Valeo announced that it had signed an agreement with Siemens to hold 100% of Valeo Siemens eAutomotive, which will be integrated within Valeo's Powertrain Systems business after July 1, 2022, subject to authorization from the relevant antitrust authorities. The relevant employee representative bodies will be informed and consulted. Siemens’ 50% stake in Valeo Siemens eAutomotive will be acquired for 277 million euros on a debt-free basis. The impact of the acquisition is an increase of 741 million euros in Valeo's net debt.

"Move Up" medium-term plan

On February 25, 2022 during its Investor Day held in Paris, Valeo launched its Move Up plan, a value creation strategy built on the sustainable mobility megatrends.

It also presented its new financial objectives for 2025, including in particular:

- outperformance for original equipment sales of more than 5 percentage points per year on average over the 2021-2025 period;
- EBITDA margin of around 14.5% by 2025;
- free cash flow generation of between 800 million and one billion euros in 2025;
- divestiture of around 500 million euros’ worth of non-strategic assets over the term of the plan;
- optimized capital allocation and deleveraging.
Industrial partnership

On February 10, 2022, Valeo announced that it had signed a memorandum of understanding with Renault Group and Valeo Siemens eAutomotive to create a strategic partnership for the design, co-development and manufacture in France of a new-generation automotive electric motor, eliminating the use of rare earths.

The three partners will combine their know-how and recognized expertise to design a unique electric powertrain system that is unparalleled worldwide, offering more power on less energy, without the use of rare earths.

Under this partnership, each of the three partners will contribute to the development and production of the two key parts of the electric motor: the rotor and the stator.

Products/technologies and patents

On January 4, 2022, Valeo was named a CES® 2022 Innovation Awards Honoree for its UV Air Purifier, the world's most powerful air sterilization system for bus and coach cabins.

Upon activation, the system eliminates, in a single airflow cycle, more than 95% of viruses, including Covid-19, as well as any bacteria or mold present in the air circulating in the cabin. The Valeo-designed modules are effective throughout the vehicle's journey with passengers on board.

On February 16, 2022, 14 months after the launch of its initiative to create a range of motors for electric bikes, Valeo announced that it had won the trust of 14 bicycle manufacturers, the first customers for its electric assistance technology, combining efficiency, intelligence, comfort, robustness and ease of use.

At a time when cities are being transformed to encourage low-carbon mobility – through zero-emission zones, investments in cycling infrastructure and the provision of car-share fleets – the electric bike is an ideal urban transportation solution.

Whether it be small electric urban vehicles, electric motorcycles or scooters, autonomous last-mile delivery droids or e-bikes, Valeo is accelerating its growth in the new mobility markets.

On March 3, 2022, Valeo received the Honda Supplier Award in the Development category for its contribution to the world’s first SAE (Society of Automotive Engineers) Level 3 Automated Driving System authorized for commercial use. Valeo widely contributed to this unique achievement, by supplying a high-performance onboard control unit as well as most of the sensors used to achieve Level 3 functionality. The Honda Legend is equipped with no less than five Valeo SCALA® 3D LiDARs and two front cameras observe the car’s surroundings. Valeo also provides the brains of the technology – the hardware and software – which combine and process the data collected.

On March 22, 2022, it was announced that Valeo SCALA® 2, Valeo's second-generation LiDAR – "the technology that sees what the human eye, cameras and radars cannot see" – was to play an important role in the Mercedes-Benz DRIVE PILOT system for conditionally automated driving (SAE-Level 3).

Valeo SCALA® also:

- measures the distance to surrounding objects to the nearest centimeter, by calculating the time it takes its laser beam to travel to an obstacle and back again. This enables it to build a complete 3D map of the vehicle's surroundings and anticipate open space where the car can drive safely;
- distinguishes between static and moving objects, by capturing their shape and position. SCALA 2 can also measure their speed and keep tracking them, even when they are no longer in the driver's line of sight;
- spots small or hard-to-see objects, for example a tire that has fallen on the road;
- uses a specific algorithm to recognize road markings based on their contrast with the road;
- transforms the raw data from the sensor into useful data by eliminating any data that could alter its
calculations, filtering the information to validate only relevant data;
- cancels out any "echoes" caused by raindrops on its light pulse;
- uses its software to self-troubleshoot: its cleaning and heating system is triggered whenever its field of vision is blocked, for example by dust or ice.

Valeo's LiDAR is the successful combination of hardware (high-precision mechanics, optics and electronics) and software (algorithms and artificial intelligence) which make it reliable, sharp and intelligent. Valeo is the world leader in ADAS, with one out of every three vehicles produced worldwide equipped with Valeo technologies including ultrasonic sensors, cameras and radars, as well as the first automotive-grade LiDAR on the market.

Other financial operations

**On March 24, 2022,** Valeo announced a share buyback program to cover performance share plans and the allotment of shares to employees via an investment services provider.

According to the terms of the contract signed on said date, it is agreed between the parties that the investment services provider will sell to Valeo, who undertakes to acquire them no later than May 13, 2022, a certain quantity of Valeo shares within the limit of 50 million euros. The average price per share will be determined based on the mean volume-weighted market price observed during the entire duration of the contract. This average price per share may not in any case exceed the maximum purchase price of 70 euros per share set by the Shareholders’ Meeting of May 26, 2021. All these shares will be allocated to cover the implementation of any performance share plan and the allotment of shares to employees as part of their involvement in the performance and growth of the Company, or the implementation of any company employee savings plan.
Financial glossary

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.

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.

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.
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 Universal 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. It is also exposed to environmental and industrial risks, risks associated with the Covid-19 epidemic, risks related to the Group’s supply of electronic components and the rise in raw material prices, risks related to the Russia-Ukraine conflict, 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 2021 Universal Registration Document registered with the AMF on April 7, 2022 (under number D.22-0254).

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 issued by analysts or to update any forward-looking statements to reflect events or circumstances which occur subsequent to the date of this document.

As a technology company and partner to all automakers and new mobility players, Valeo is innovating to make mobility cleaner, safer and smarter. The company is focusing on four key areas - electrification, driving assistance systems, reinventing the interior experience and lighting; Valeo is listed on the Paris Stock Exchange. Valeo in figures: In 2021, the Group generated sales of 17.3 billion euros and invested 8.7% of sales in R&D. At December 31, 2021, Valeo had 184 plants, 21 research centers, 43 development centers and 16 distribution platforms, and employed 103,300 people in 31 countries worldwide.

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