



2015 Results

Jacques Aschenbroich – CEO

February 18, 2016

H2 highlights

<p>Innovation fueling future growth</p>	<p>Order intake⁽¹⁾ of €9.4bn</p>	<p>+12%</p>
<p>Growth accelerating</p>	<p>Sales of €7.2bn</p> <p>OEM sales of €6.3bn <i>7-percentage point outperformance</i></p> <p>Aftermarket sales of €0.8bn</p>	<p>+14% as reported +8% like-for-like⁽²⁾</p> <p>+15% as reported +9% like-for-like⁽²⁾</p> <p>+6% as reported +4% like-for-like⁽²⁾</p>
<p>Profitability improving</p>	<p>Operating margin⁽¹⁾ of €578m up 21%</p> <p>Net income⁽¹⁾ of €385m up 26%</p>	<p>8.0% of sales</p> <p>5.3% of sales</p>
<p>Cash generation increasing</p>	<p>EBITDA⁽¹⁾ of €934m up 18%</p> <p>Free cash flow⁽¹⁾ up 49%</p> <p>Cash conversion rate ^(FCF/EBITDA)</p> <p>ROCE⁽¹⁾</p>	<p>12.9% of sales</p> <p>€259m</p> <p>28%</p> <p>33%</p>

(1) See glossary page 49
 (2) Constant Group structure and exchange rates.

FY highlights

Innovation
fueling future growth

Order intake⁽¹⁾ of €20.1bn

+15%

Sales of €14.5bn

+14% as reported
+7% like-for-like⁽²⁾

OEM sales of €12.6bn

+16% as reported
+8% like-for-like⁽²⁾

OEM sales outperformance

Growth⁽²⁾

Outperformance⁽³⁾

growth
accelerating
throughout the year

World

+8%

+6pts

Europe

+11%

+6pts

China

+8%

+4pts

Asia (excluding China)

+6%

+7pts

North America

+5%

+2pts

South America

-18%

+1pt

Aftermarket sales of €1.6bn

+7% as reported
+3% like-for-like⁽²⁾

(1) See glossary page 49

(2) Constant Group structure and exchange rates.

(3) Vs automotive production

FY highlights

Growth accelerating

Sales of €14.5bn

+14% as reported
+7% like-for-like⁽²⁾

Profitability continuing to improve

Operating margin⁽¹⁾ of €1,116m up 22%

Net income⁽¹⁾ of €729m up 30%
Net income excl. non recurring items of €825m up 39%

EPS up 29%
EPS excl. non recurring items up 38%

7.7% of sales

5.0% of sales
5.7% of sales

€9.33
€10.56

Strong financial position

EBITDA⁽¹⁾ of €1,847m up 21%

Free cash flow⁽¹⁾ up 73%

Cash Conversion rate (FCF/EBITDA)

ROCE⁽¹⁾

ROA⁽¹⁾

Net debt⁽³⁾ of €124m

12.7% of sales

€565m

31%

33%

20%

down €253m

Dividend proposed at the next AGM

2015 dividend of €3 per share

Payout ratio

up 36%

32%

⁽¹⁾ See glossary page 49

⁽²⁾ Constant Group structure and exchange rates

⁽³⁾ New definition available in glossary page 49 – applied also on 2014 amount on a retrospective basis

2016 outlook

Based on the following key assumptions for full-year 2016:

- Automotive production growth:
 - World: around 2.5%
 - Europe: around 2%
 - China: around 5%
 - North America: around 2%
- Raw material prices and currencies in line with current levels

Valeo sets the following objectives for 2016:

- Strong sales growth, outperforming the market in the main production regions including China
- Slight increase in operating margin* (as a % of sales) despite higher net R&D expenses to fuel future growth in CO₂ emission reductions and intuitive driving

Mid term objectives:

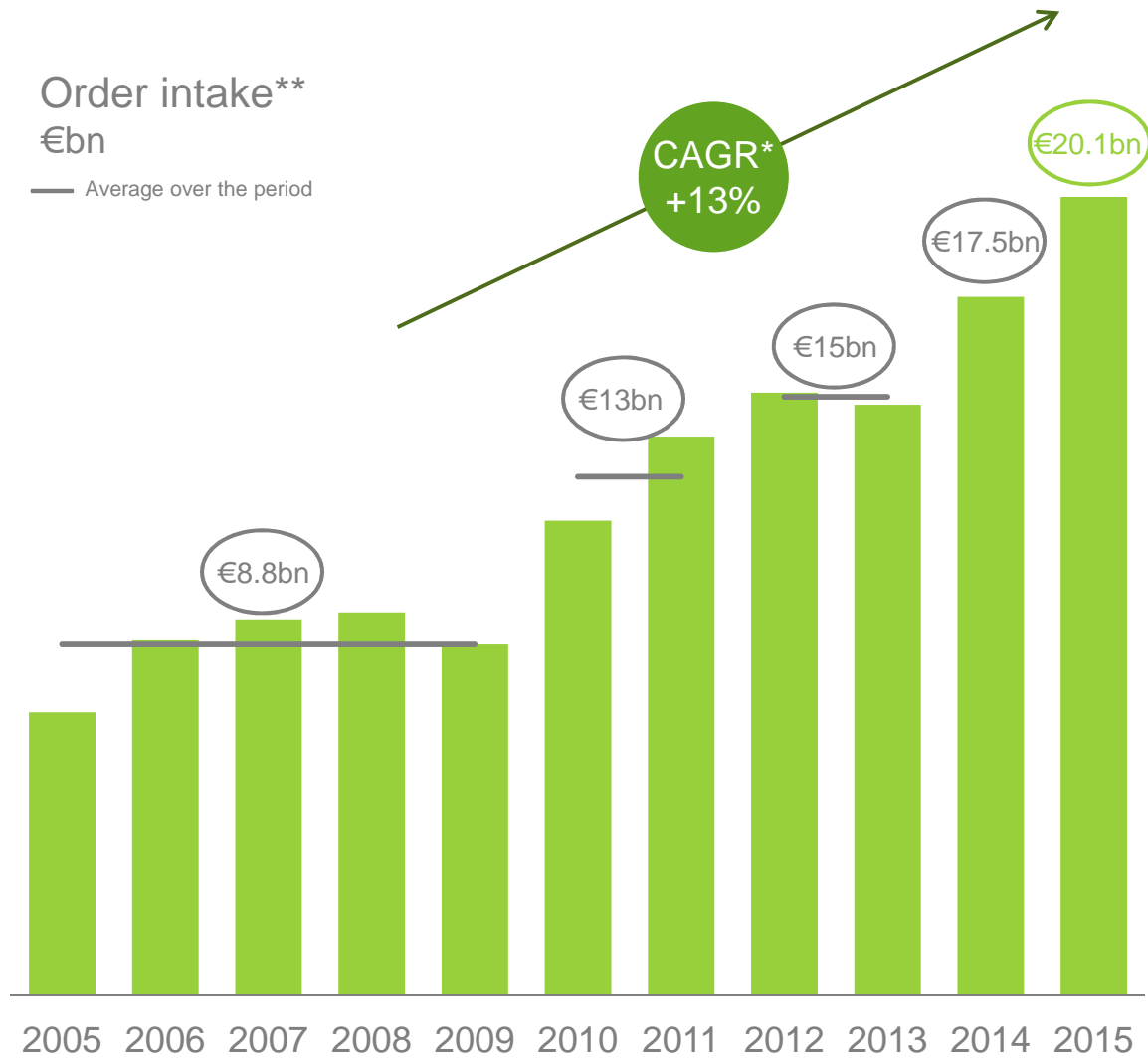
- Confidence in achieving 2020 targets thanks to high level of order intake

* Including joint ventures and associates in accordance with new IFRS standards.

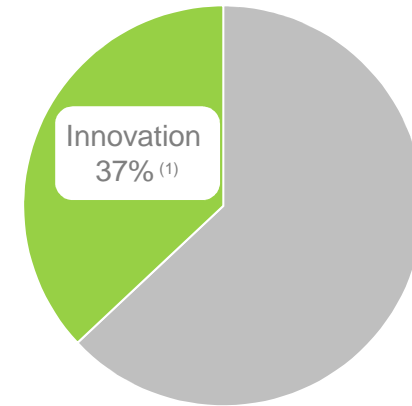


Order intake of €20.1bn, up 15%
confirming high growth potential

Acceleration in order intake up 15%... ... leading to stepped-up future organic growth

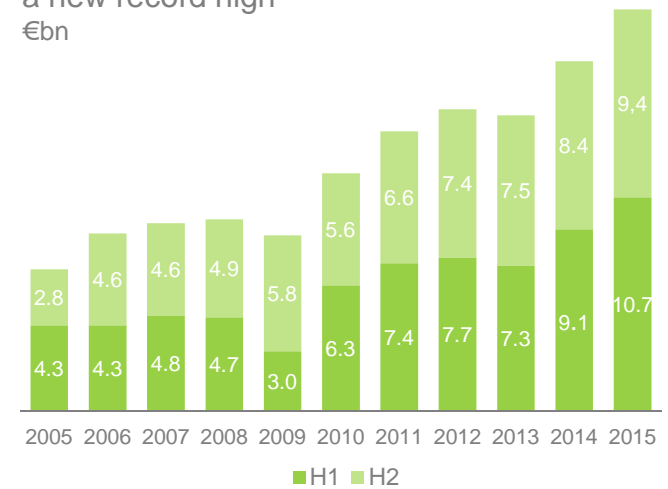


Innovation fueling future organic growth...
as a % of order intake**



(1) Products and technologies sold by less than 3 years

...with 2015 half-year order intake** reaching
a new record high
€bn



*Reference 2008 (average 2005-2009) → 2015

**Excluding the Access Mechanisms business and including
joint ventures consolidated proportionally

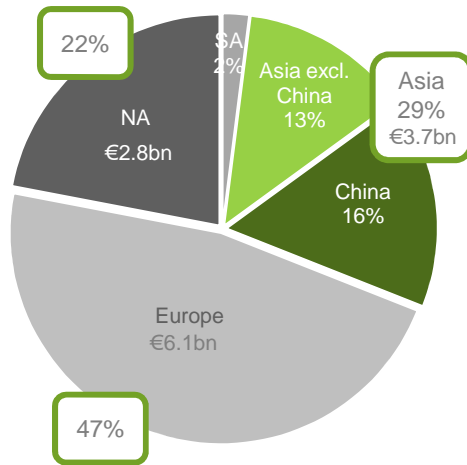
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Acceleration in order intake fueling future organic growth

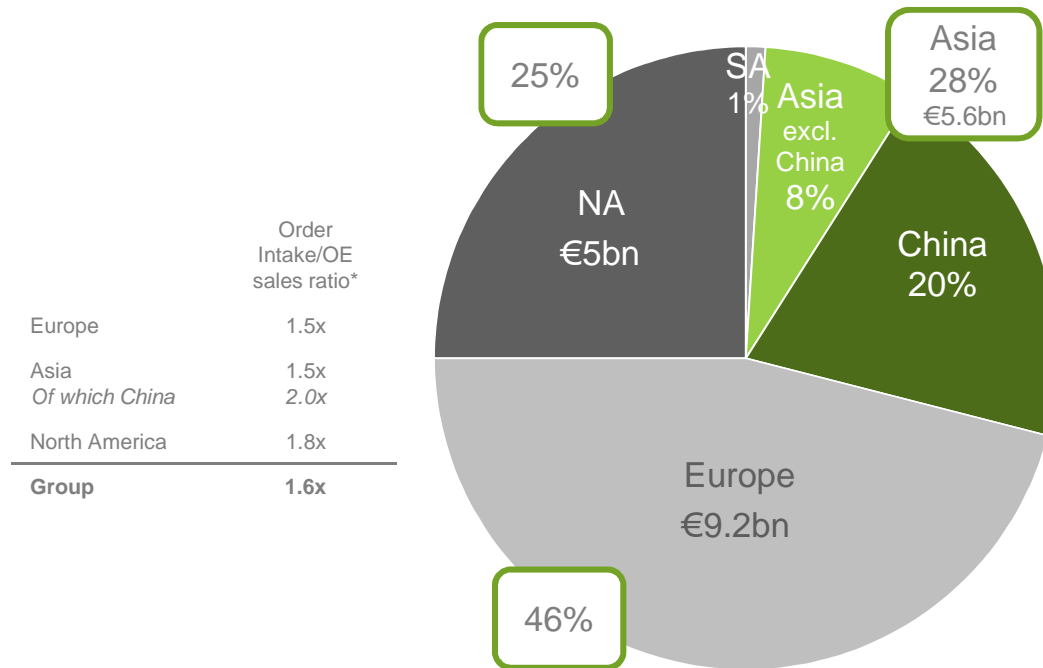
China: local OEMs represent ~20% of OEM sales and 41% of order intake

% of 2015 OEM sales*



OEM sales of €12.6bn

% of 2015 order intake*



Order intake of €20.1bn

Group	Order Intake/OE sales ratio*
Europe	1.5x
Asia	1.5x
Of which China	2.0x
North America	1.8x
Group	1.6x

*OEM sales and order intake by destination including joint ventures consolidated proportionally



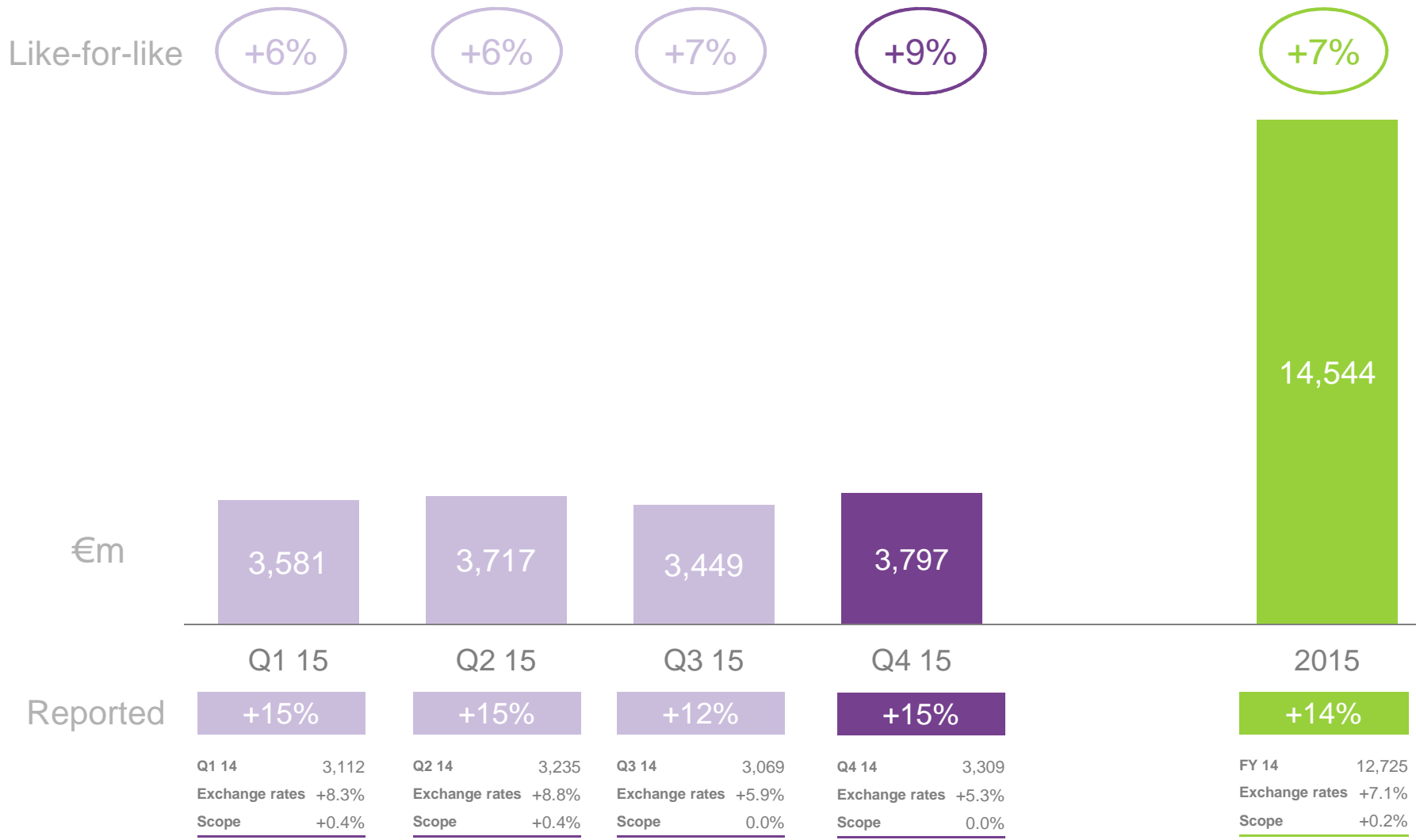
Growth accelerated throughout the year

Sales of €14.5bn, up 14% as reported
up 7% like-for-like

OEM sales, up 16% as reported
up 8% like-for like, 6-point outperformance

Aftermarket sales, up 7% as reported
up 3% like-for-like

Total sales growth accelerated throughout the year



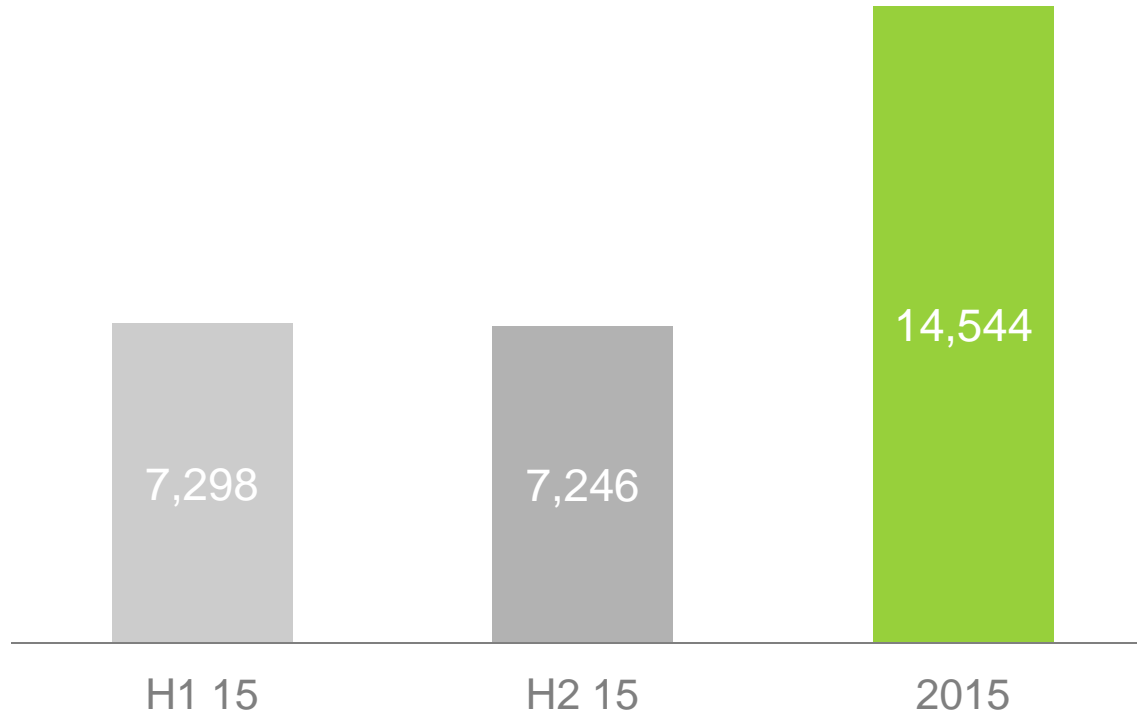
Total sales growth accelerated throughout the year

H1 up 6%, H2 up 8% like-for-like

Like-for-like



€m



Reported



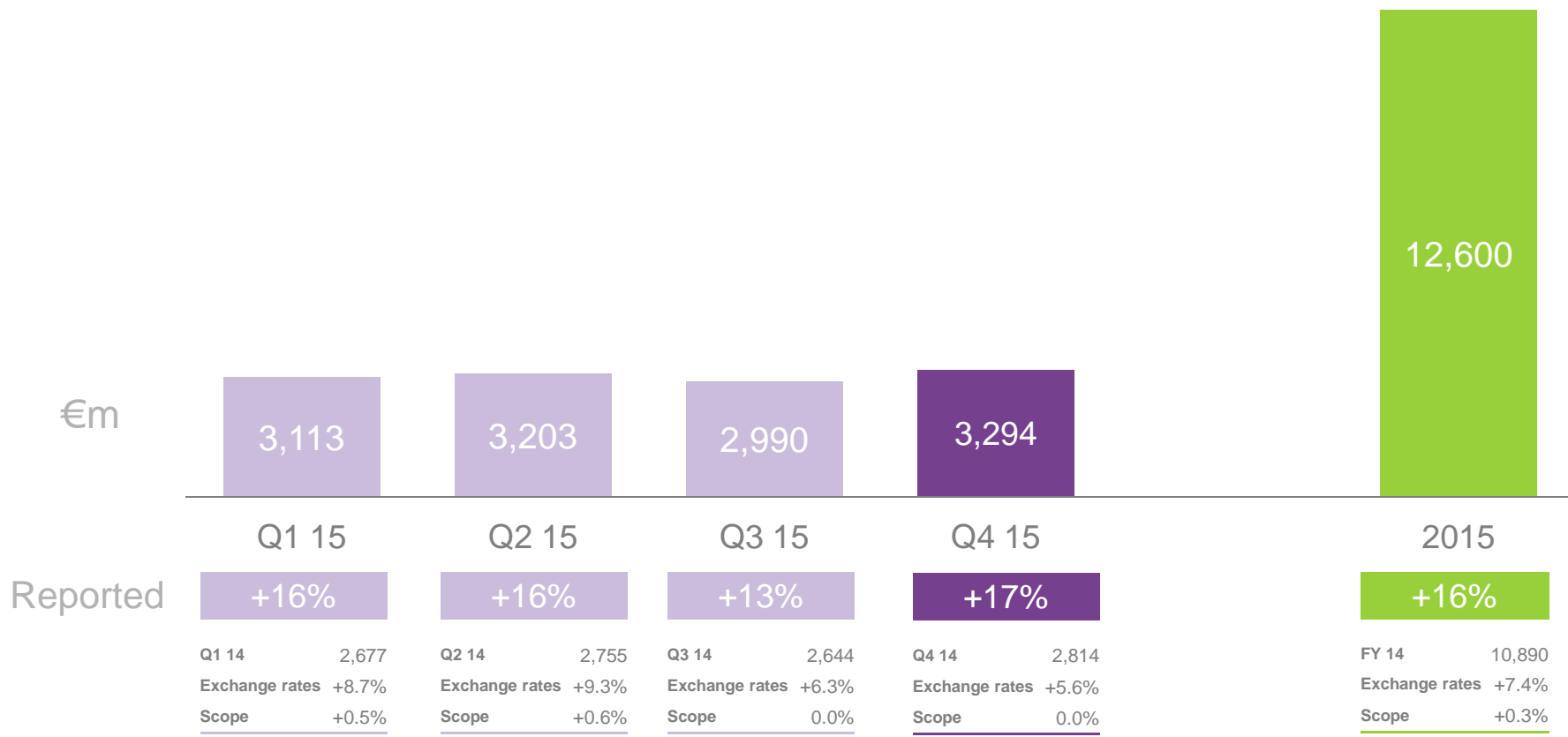
H1 14 6,347
Exchange rates +8.5%
Scope +0.5%

H2 14 6,378
Exchange rates +5.5%
Scope 0.0%

FY 14 12,725
Exchange rates +7.1%
Scope +0.2%

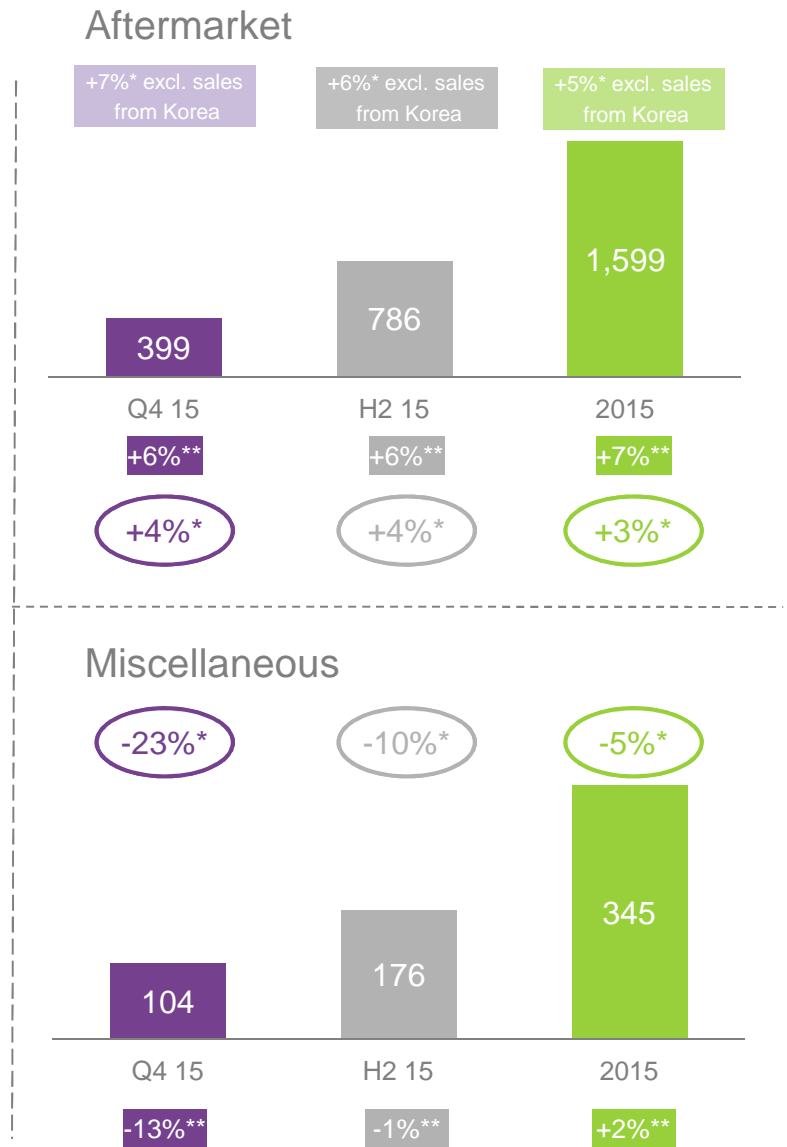
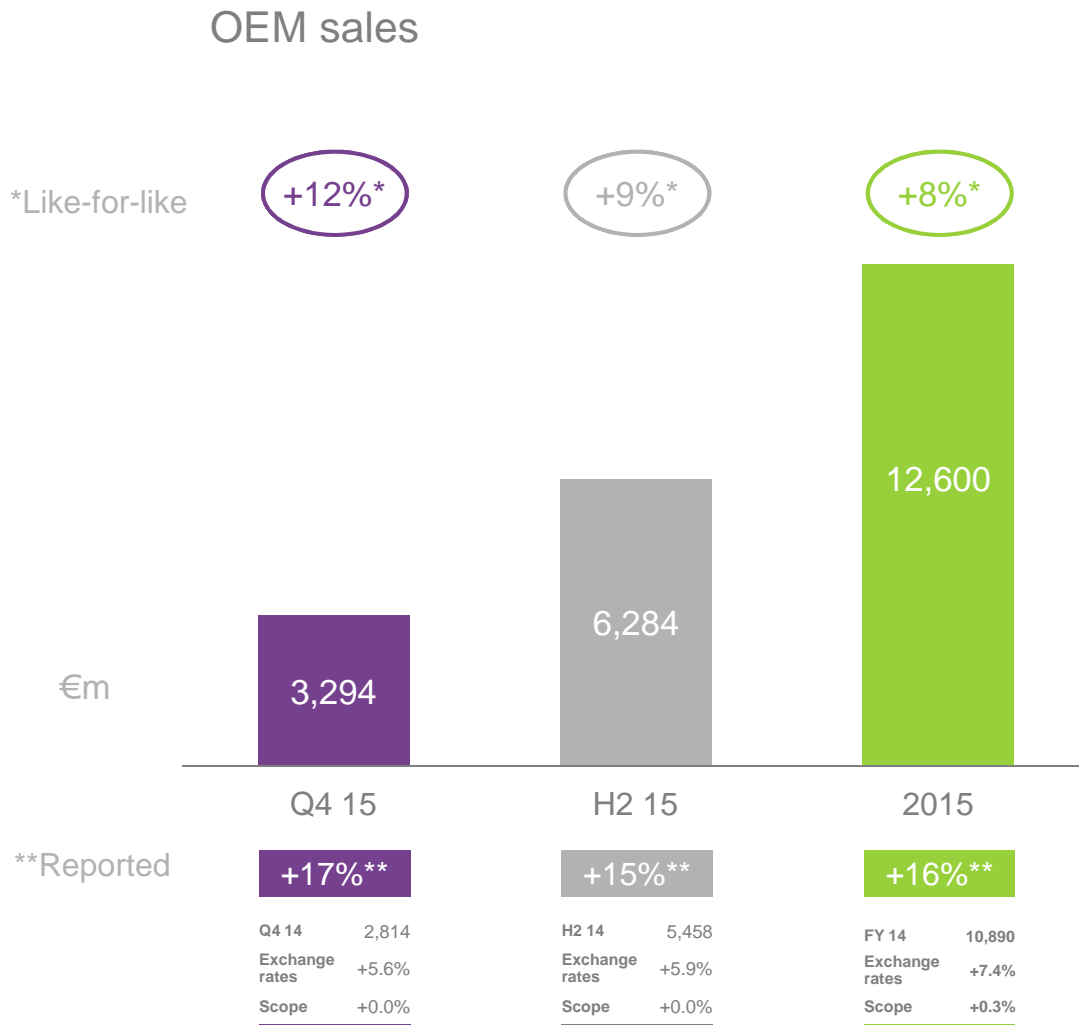
OEM Sales growth accelerated throughout the year

Like-for-like +7% +6% +7% +12% +8%



OEM sales growth accelerated throughout the year

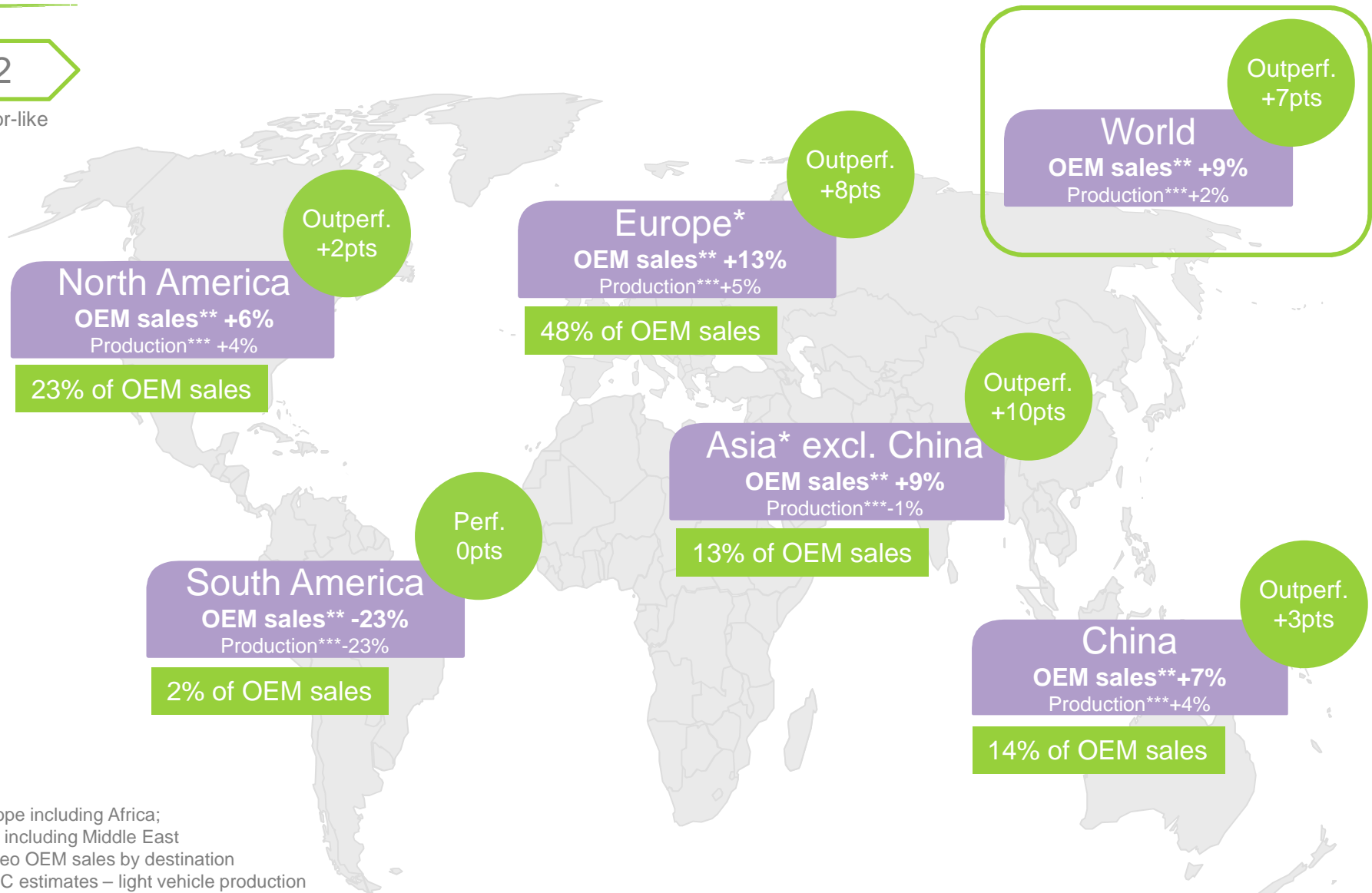
2015 up 8%, H2 up 9% and Q4 up 12% like-for-like



Outperformance accelerated throughout the year

H2

Like-for-like

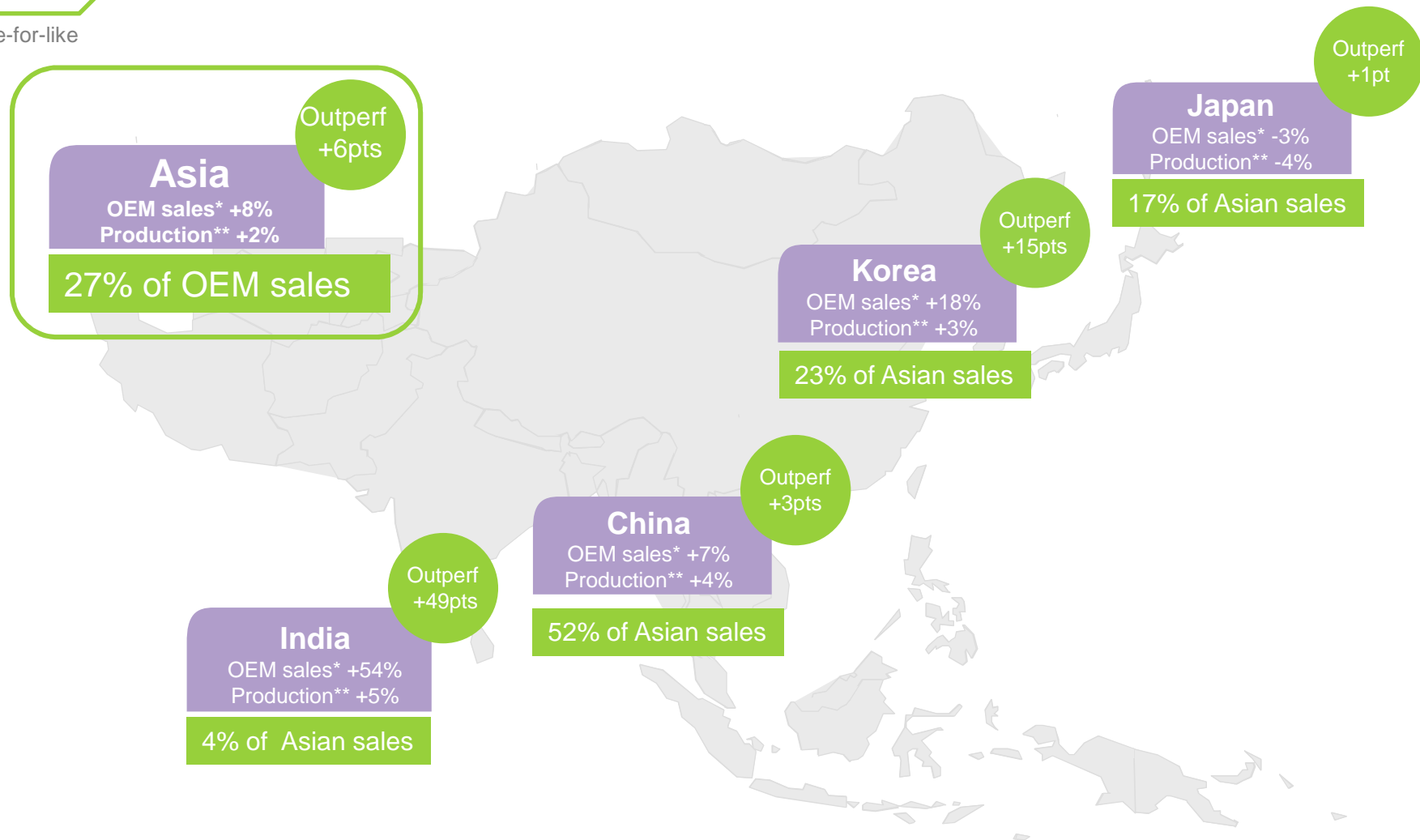


* Europe including Africa;
 Asia including Middle East
 ** Valeo OEM sales by destination
 *** LMC estimates – light vehicle production

Outperformance in all Asian production countries

H2

Like-for-like



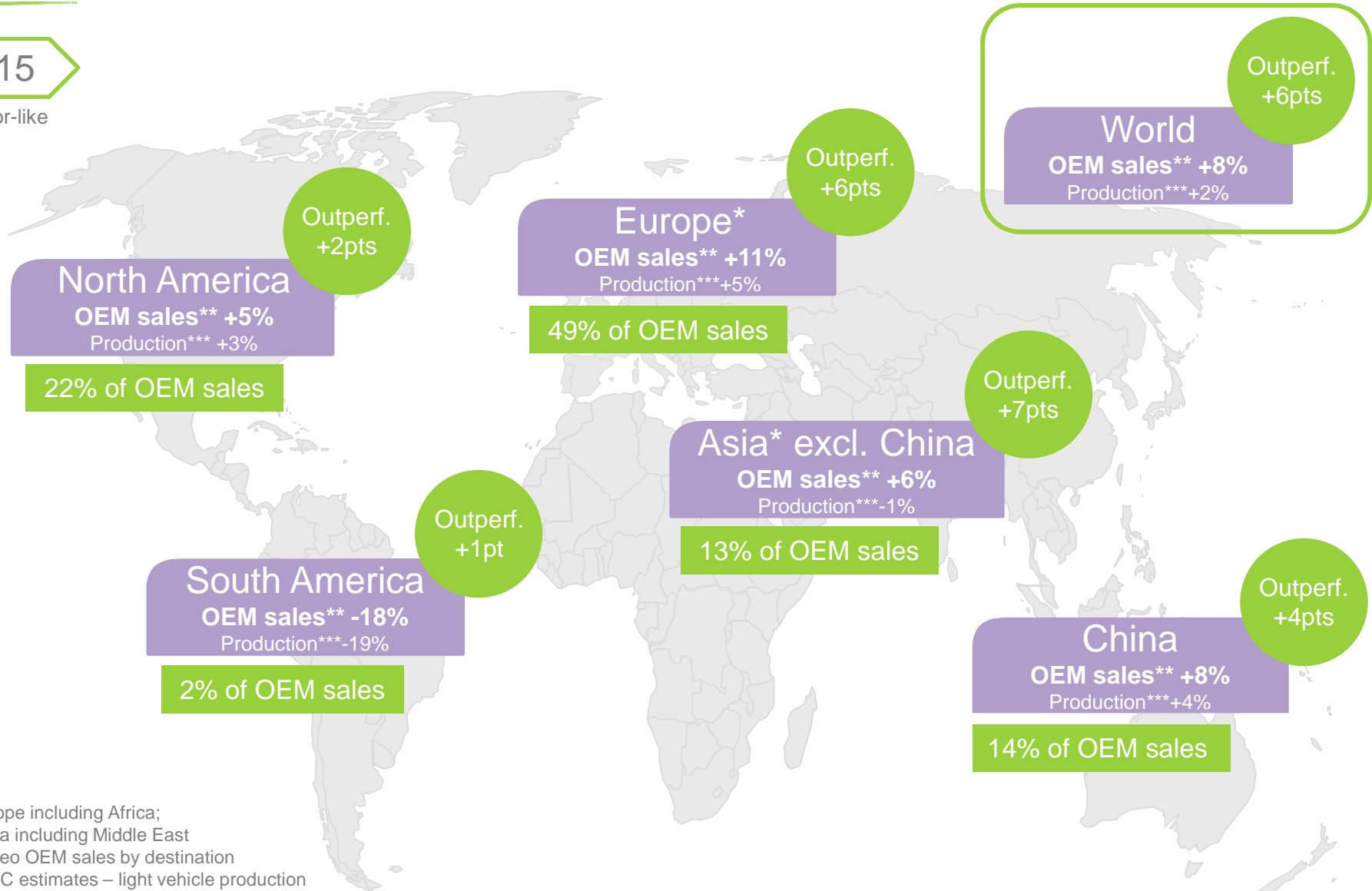
*Valeo OEM sales by destination

**LMC estimates – light vehicle production

Outperformance in all production regions

2015

Like-for-like

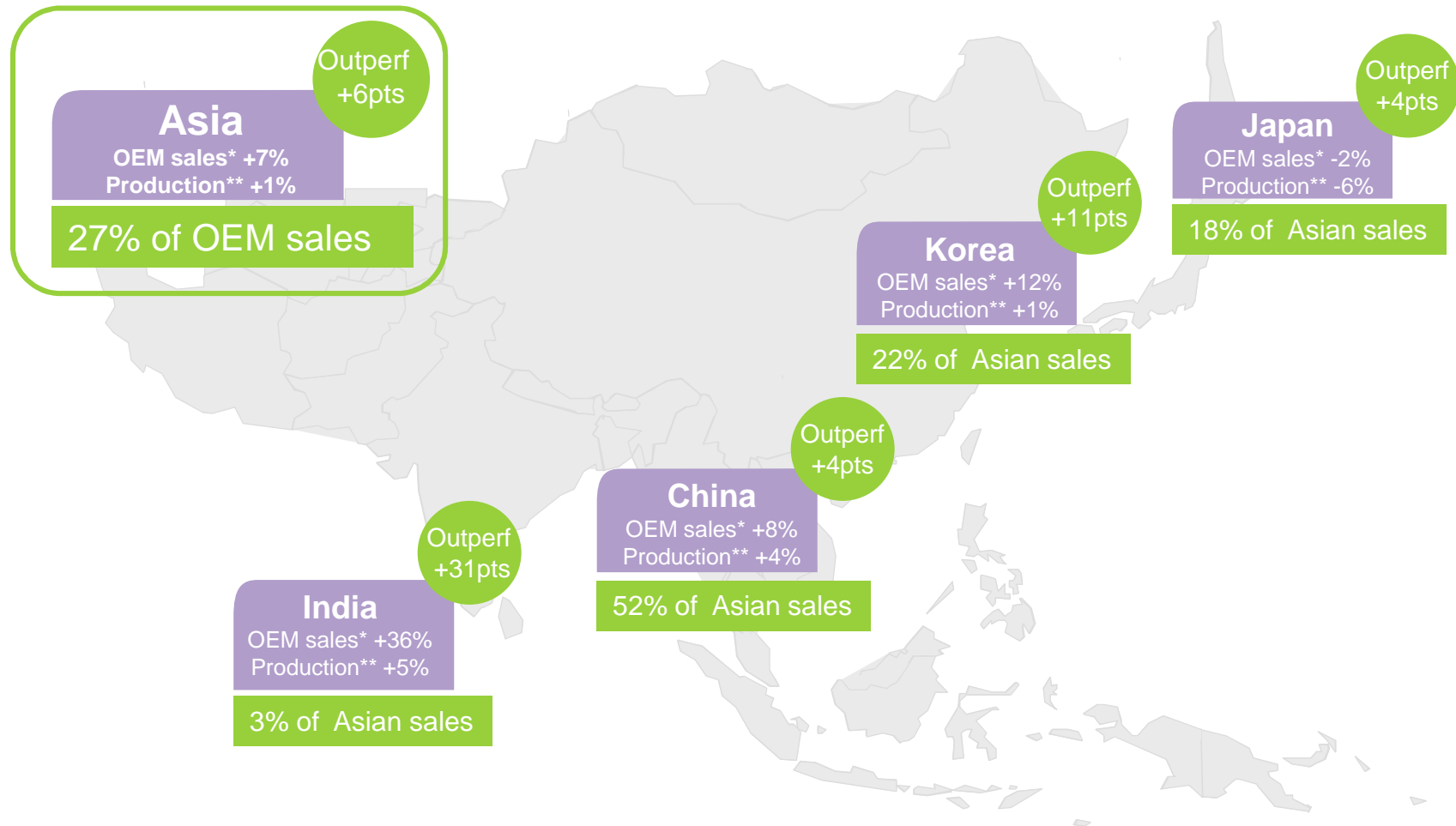


* Europe including Africa;
 Asia including Middle East
 ** Valeo OEM sales by destination
 *** LMC estimates – light vehicle production

Outperformance in all Asian production countries

2015

Like-for-like



*Valeo OEM sales by destination

**LMC estimates – light vehicle production

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Outperformance with all Chinese customers pick-up

2015

Like-for-like

Chinese OEMs representing:

- ~20% of OEM sales
- 46% of the local automotive production

Outperf.
+28pts

Chinese OEMs
OEM sales* +37%
Production +9%**

*Valeo OEM sales by destination

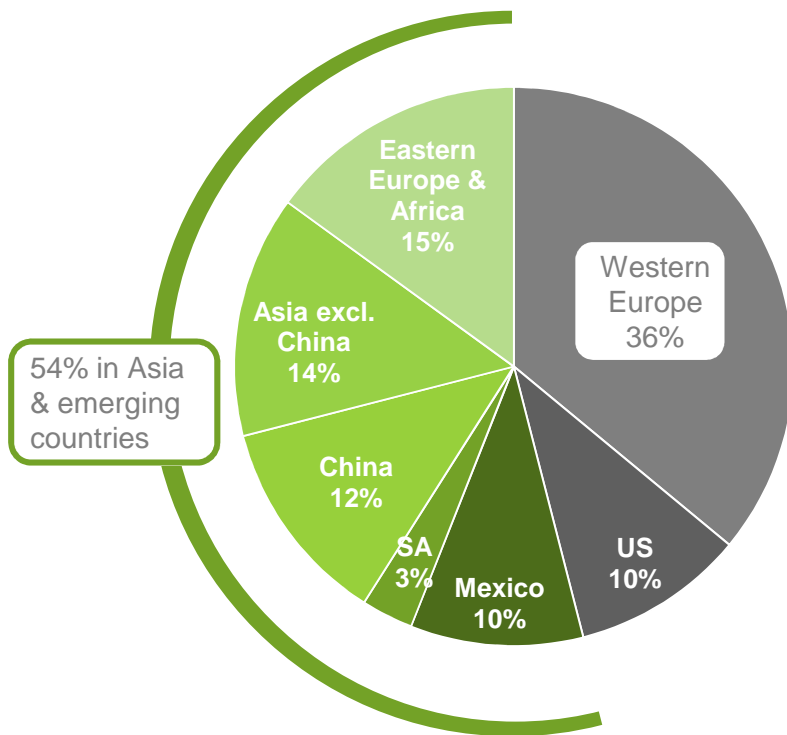
**LMC estimates – light vehicle production

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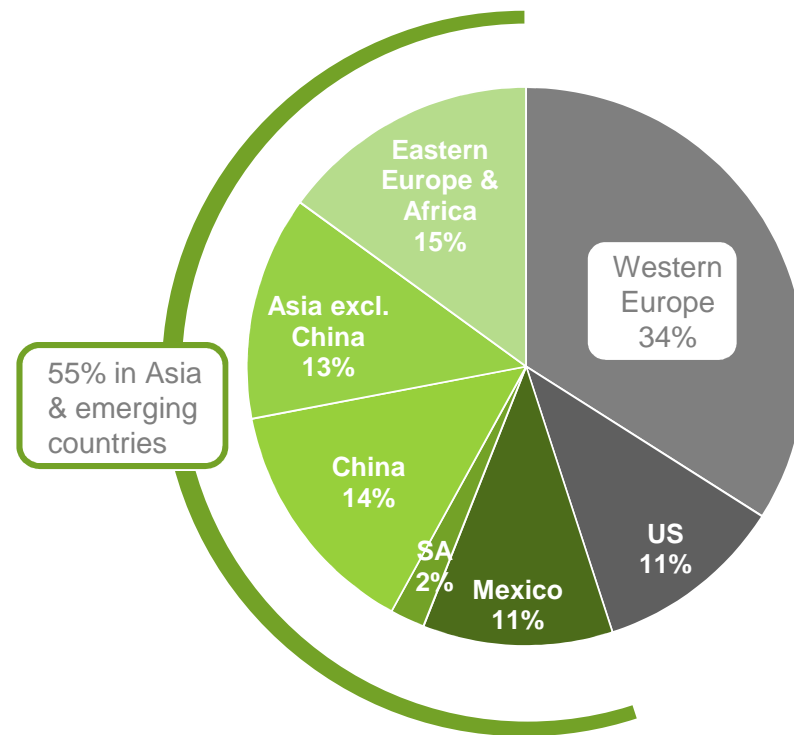


Balanced geographic positioning

OEM sales by production region
% of OEM sales



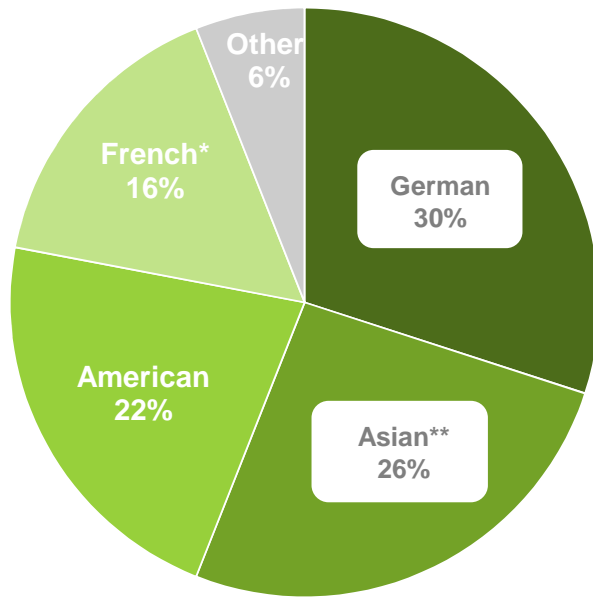
2014



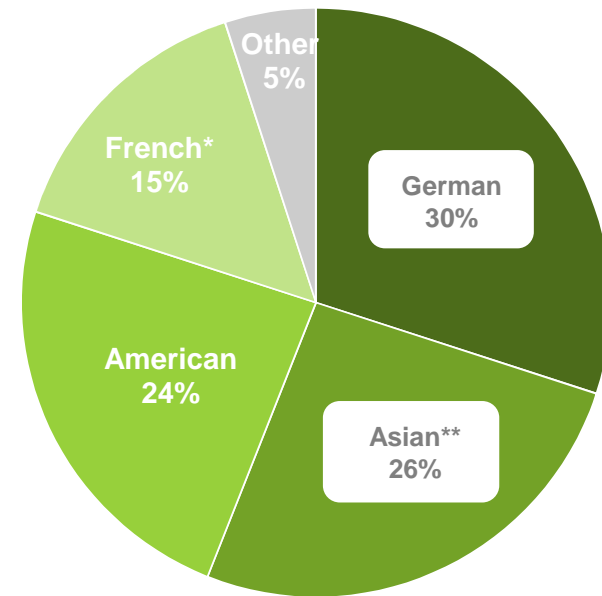
2015

Balanced customer portfolio

% of OEM sales



2014

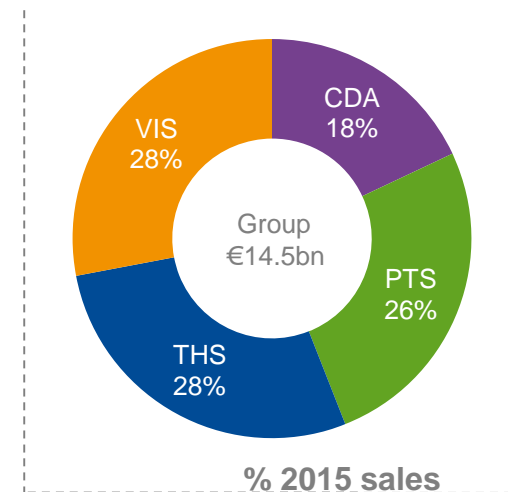


2015

* Excluding Nissan
** Including Nissan

Growth accelerated throughout the year in all Business Groups

	2015 total sales growth (year-on-year)	OEM sales growth (like-for-like)			
		2015	H2	Q4	Performance
CDA*	+18%	+13%	+13%	+15%	↗
Powertrain	+13%	+8%	+10%	+12%	↗
Thermal	+12%	+3%	+5%	+6%	↗
Visibility	+16%	+9%	+11%	+15%	↗
Group	+14%	+8%	+9%	+12%	↗



* Comfort & Driving Assistance



Operating margin*

H2: up 21% to €578m (8.0% of sales)
FY: up 22% to €1,116m (7.7% of sales)

Net income

H2: up 26% to €385m (5.3% of sales)
FY: up 30% to €729m (5.0% of sales)

* incl. JV & Associates in accordance with new IFRS standards

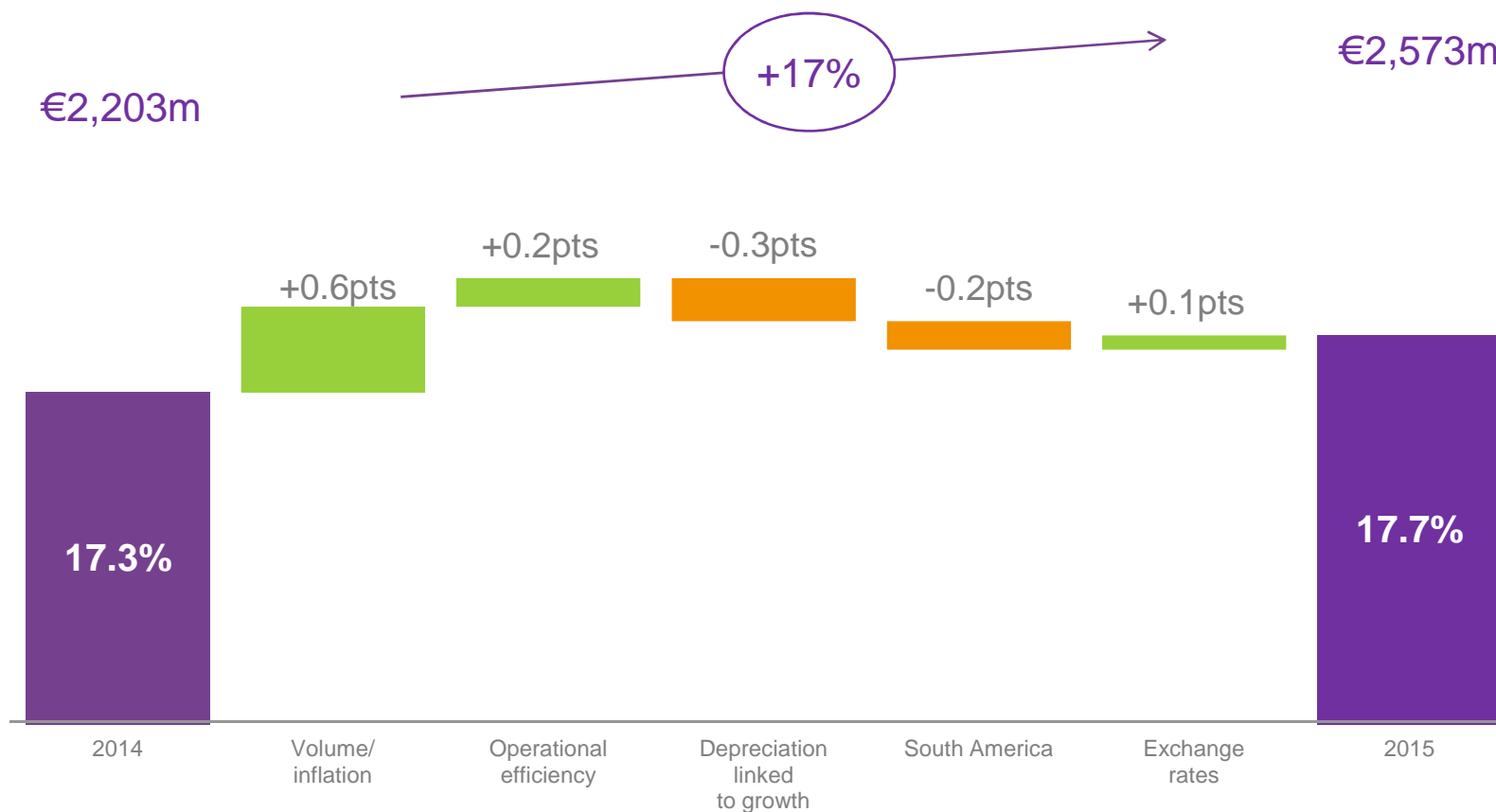
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2015 gross margin up 17% to €2,573m or 17.7% of sales

Improvement driven by operational leverage and efficiency gains

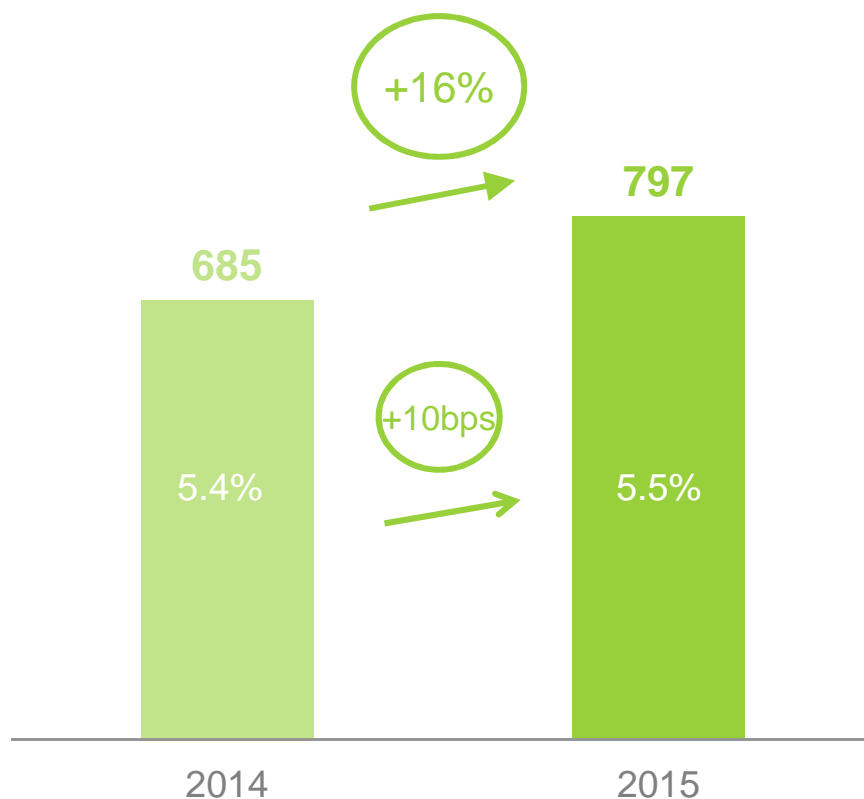
As a % of sales



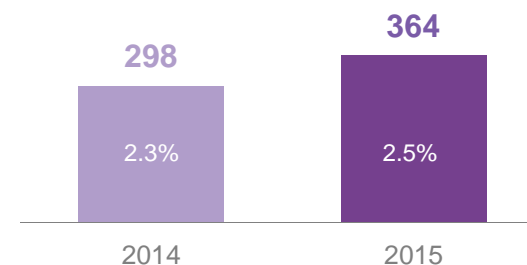
NB: rounded figures

2015 net R&D expenditure at 5.5% of sales, up 10bps

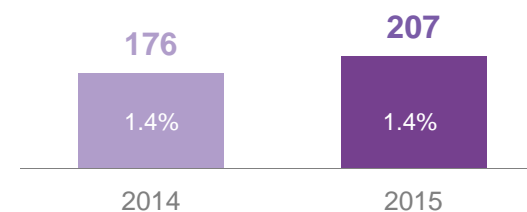
Net R&D
In €m and as a % of sales



Capitalized development
expenditure
In €m and as a % of sales



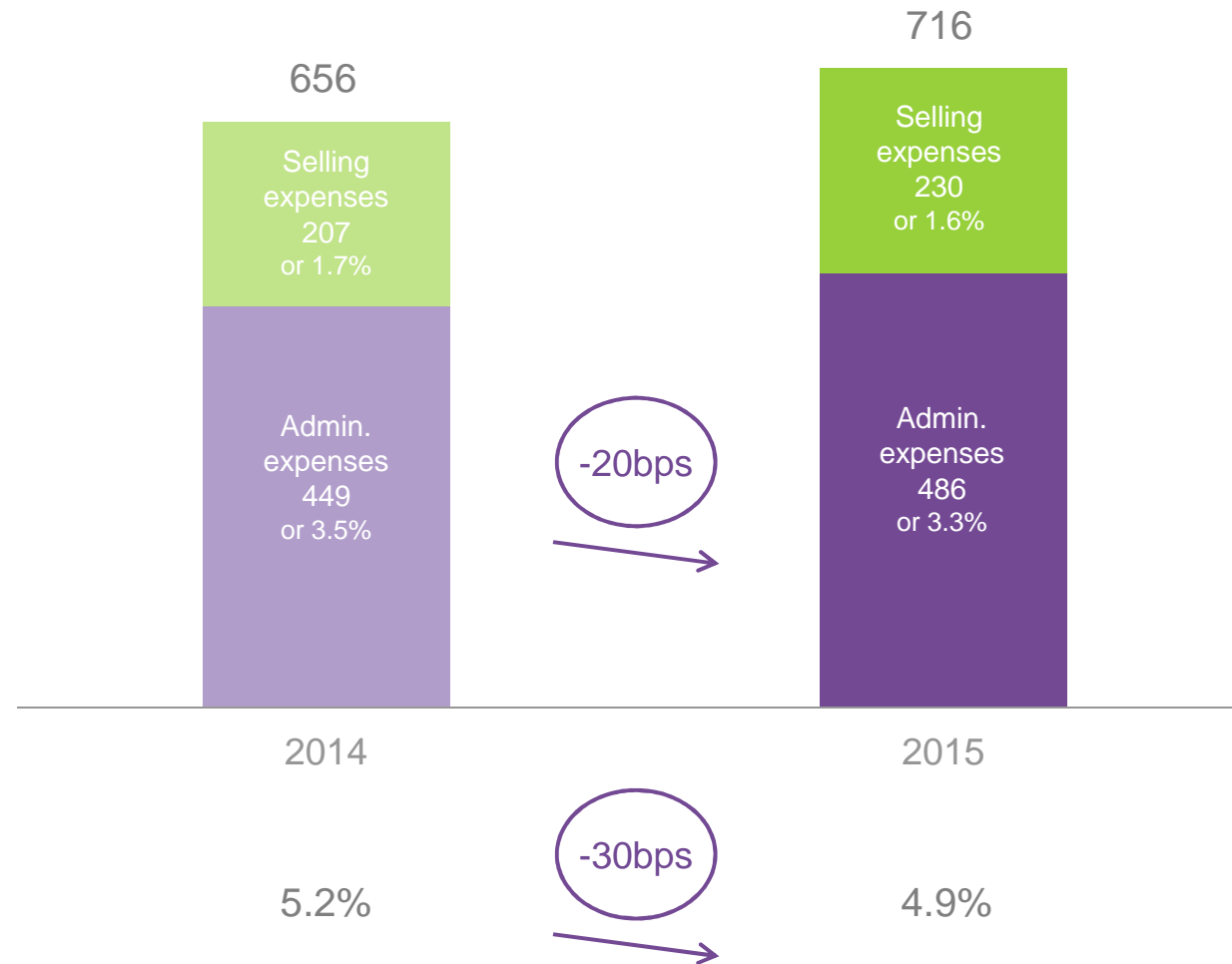
Amortization and impairment
of capitalized
development expenditure
In €m and as a % of sales



SG&A expenses down 30bps to 4.9% of sales

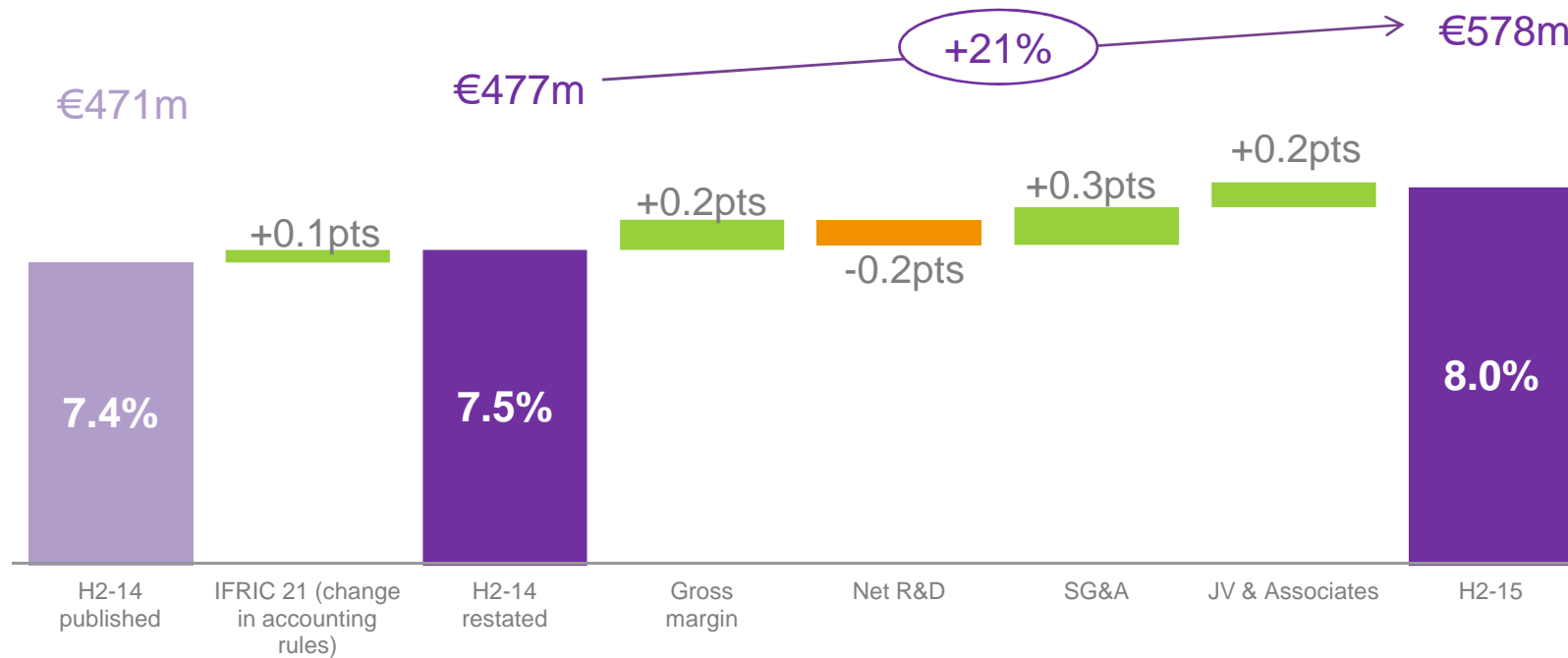
SG&A

In €m and as a % of sales



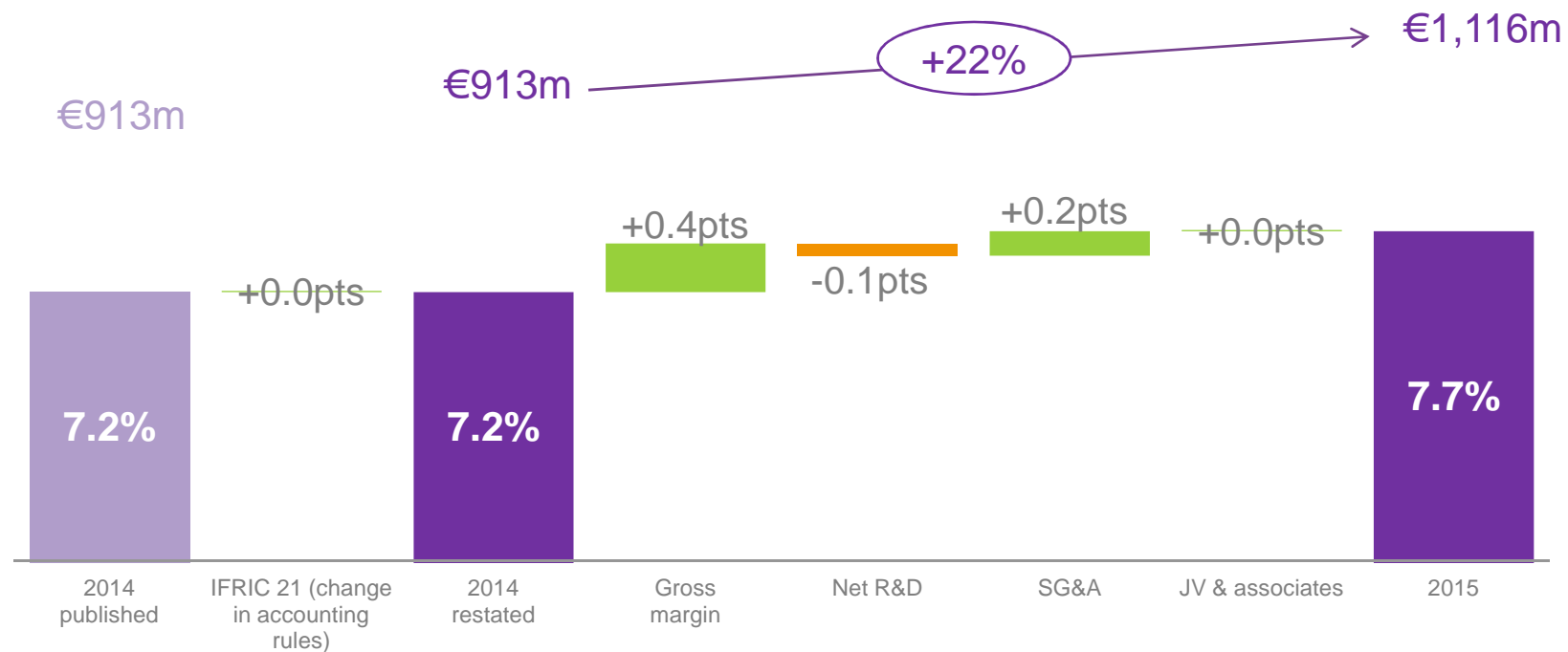
H2 operating margin* up 21% to €578m or 8.0% of sales

As a % of sales



* incl. JV & Associates in accordance with new IFRS standards
 NB: rounded figures

2015 operating margin* up 22% to €1,116m or 7.7% of sales



* incl. JV & Associates in accordance with new IFRS standards
 NB: rounded figures

Net income up 30% to €729m or 5.0% of sales

Other expenses at €117m (primarily South America and Spain) , effective tax rate at 12.9%

H2 14*	H2 15	▲		2014*	2015	▲
6,378	7,246	+14%	Total sales (€m)	12,725	14,544	+14%
458 7.2%	545 7.5%	+19% +30bps	Operating margin <small>excl. JV & Associates</small> <i>As a % of sales</i>	862 6.8%	1,060 7.3%	+23% +50bps
19 0.3%	33 0.5%	+74% +20bps	JV & Associates <i>As a % of sales</i>	51 0.4%	56 0.4%	+10% +0bp
477 7.5%	578 8.0%	+21% +50bps	Operating margin incl JV & Associates (€m) <i>As a % of sales</i>	913 7.2%	1,116 7.7%	+22% +50bps
(20) -0.3%	(96) -1.3%	n/a +100bps	Other income & expenses <i>As a % of sales</i>	(54) -0.4%	(117) -0.8%	n/a +40bps
457 7.2%	482 6.7%	+6% -50bps	Operating income <i>As a % of sales</i>	859 6.8%	999 6.9%	+16% +1bp
(44)	(41)	-7%	Cost of net debt	(91)	(84)	-8%
(26)	(9)	-65%	Other financial income & expenses	(46)	(35)	-24%
387	432	+12%	Income before income taxes	722	880	+22%
(64) 17.4%	(26) 6.5%	-59% -10.9pts	Income taxes <i>Effective tax rate</i>	(129) 19.2%	(106) 12.9%	-18% -6.3pts
(17)	(21)	n/a	Non-controlling interests and other	(31)	(45)	n/a
306 4.8%	385 5.3%	+26% +50bps	Net income (€m) <i>As a % of sales</i>	562 4.4%	729 5.0%	+30% +60bps
321 5.0%	468 6.5%	+46% +150bps	Net income excl. non-recurring items (€m) <i>As a % of sales</i>	593 4.7%	825 5.7%	+39% +100bps

* Restated in accordance with IFRIC 21

Other expenses of €117m in 2015

In €m

	2014	2015	
Other income & expenses <i>of which:</i>	(54)	(117)	
<i>Restructuring plans</i>	(29)	(69)	<i>Primarily South America and Spain</i>
<i>Impairment gains and loss on assets</i>	(15)	(27)	<i>Including South America and Argentina for -€ 42m</i>

EPS up 29%

Excluding non-recurring items, EPS up 38%

	2014*	2015	Change
Net income (€m)	562	729	+30%
EPS	€7.23	€9.33	+29%
Net income (€m) (excluding non-recurring items)	593	825	+39%
EPS (excluding non-recurring items)	€7.63	€10.56	+38%

* Restated in accordance with IFRIC 21

ROCE at 33%

	2014*	2015
Total sales	€12.7bn	€14.5bn
Operating margin**	7.2%	7.7%
ROCE	30%	33%
ROA	19%	20%

* Restated in accordance with IFRIC 21

**incl. JV & Associates in accordance with new IFRS standards



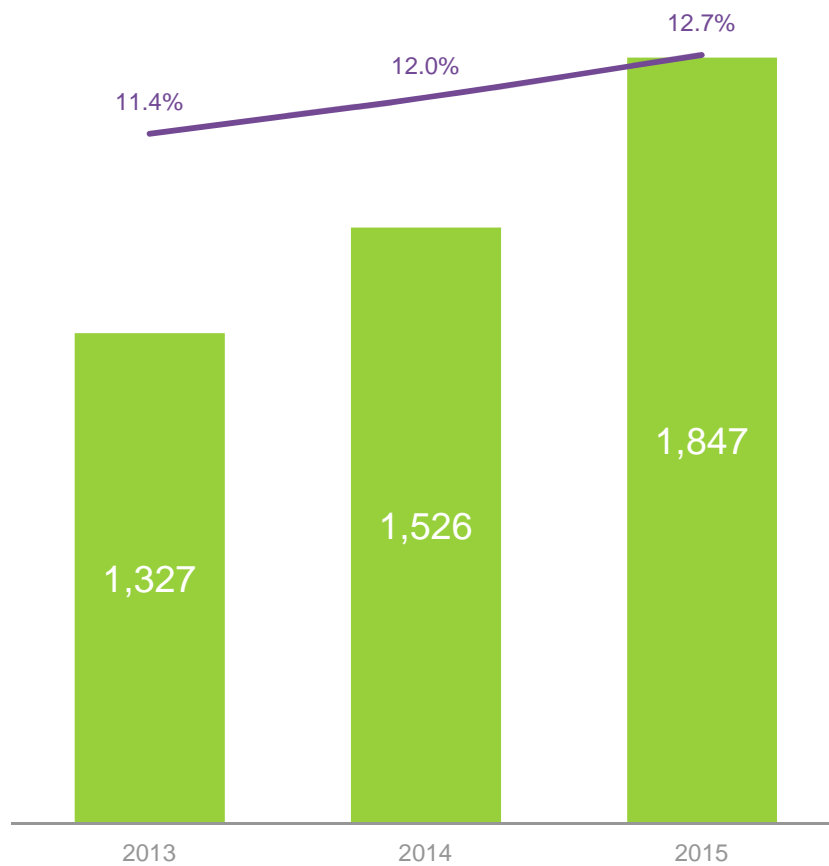
Free cash flow generation

H2: up 49% to €259m

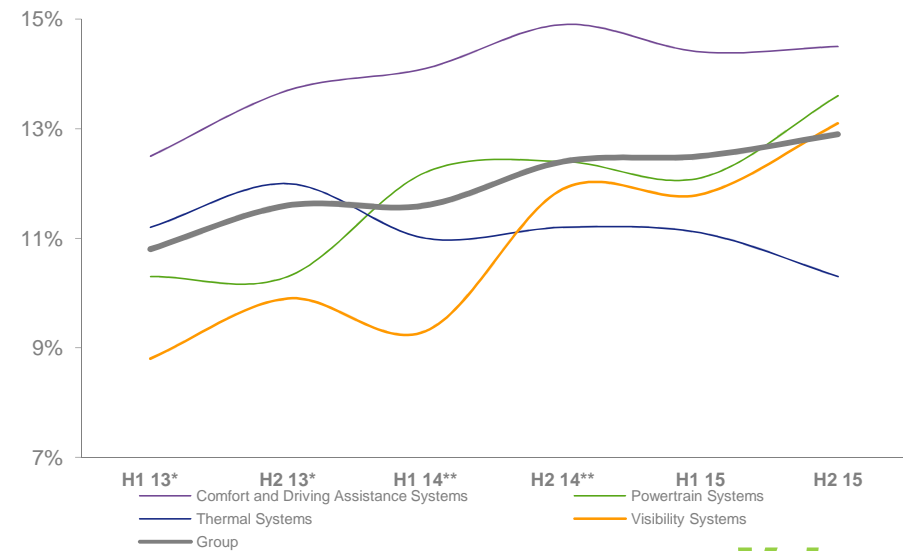
FY: up 73% to €565m

EBITDA of €1,847m, up 21% to 12.7% of sales

In €m and as a % of sales



As a % of sales	2013	2014	2015		
	FY	FY	H1	H2	FY
CDA	13.3	14.5	14.4	14.5	14.5
Powertrain	10.5	12.3	12.1	13.6	12.8
Thermal	11.8	11.1	11.1	10.3	10.7
Visibility	9.9	10.6	11.8	13.1	12.4
Group	11.4	12.0	12.5	12.9	12.7

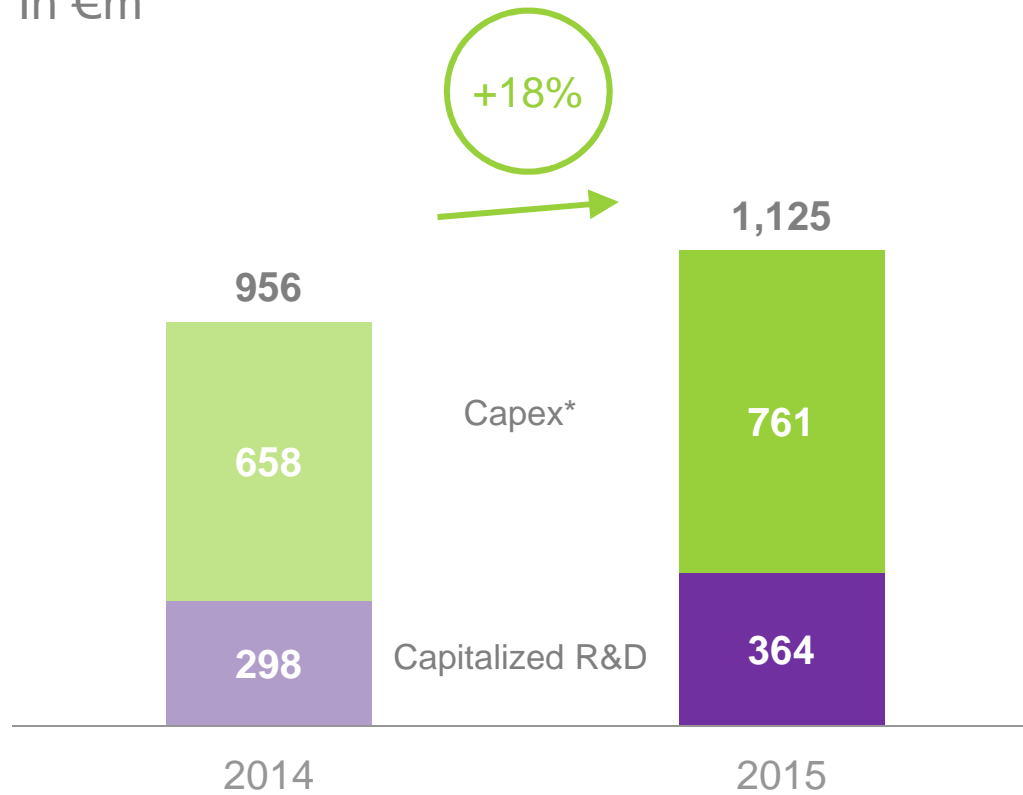


*In accordance with IFRS11
 **Restated in accordance with IFRIC 21

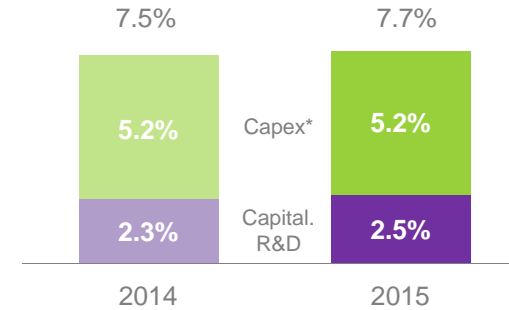
Investments of €1,125m

Supporting the fast-growing order intake

In €m



As a % of sales



Footprint development
Total sq.m. end 2015: 2.4m

- Completed in 2015:
 - 9 new sites
 - 11 extensions
 - +119,200 sq.m.
- In progress:
 - 1 new site
 - 5 extensions
 - +39,200 sq.m.

•excluding capitalized R&D

Free cash flow of €565m, up 73%

Cash conversion rate (FCF/EBIDTA) at 31%, 21% in 2014

H2 14*	H2 15		2014	2015	
792	934	EBITDA⁽¹⁾ (€m)	1,526	1,847	+21%
25	8	Operating working capital	(4)	56	
(21)	(21)	Restructuring & employee-related costs	(38)	(32)	
(137)	(92)	Other operating items (inc. taxes)	(221)	(197)	
		<i>Of which :</i>			
(89)	(109)	<i>Taxes</i>	(163)	(190)	
(17)	(10)	<i>Pensions</i>	(25)	(26)	
659	829	Cash from operating activities** (€m)	1,263	1,674	
(485)	(570)	Capex (incl. capitalized R&D) ***	(936)	(1,109)	
174	259	Free cash flow**⁽¹⁾ (€m) (before interest payments)	327	565	+73%
(19)	(14)	Interest	(83)	(70)	
(3)	(8)	Other financial items	(384)	(149)	→ Of which dividend paid to shareholders**** (172)
152	237	Net cash flow⁽¹⁾ (€m)	(140)	346	
377	124	Net debt⁽²⁾ (€m)	377	124	-67%

*Restated in accordance with IFRIC 21

**excluding sale of trade receivables

***cash outflow

****excluding non-controlling interests

(1) See glossary page 49

(2) New definition available in glossary page 49 – also applied on 2014 amounts on a retrospective basis



Strong balance sheet

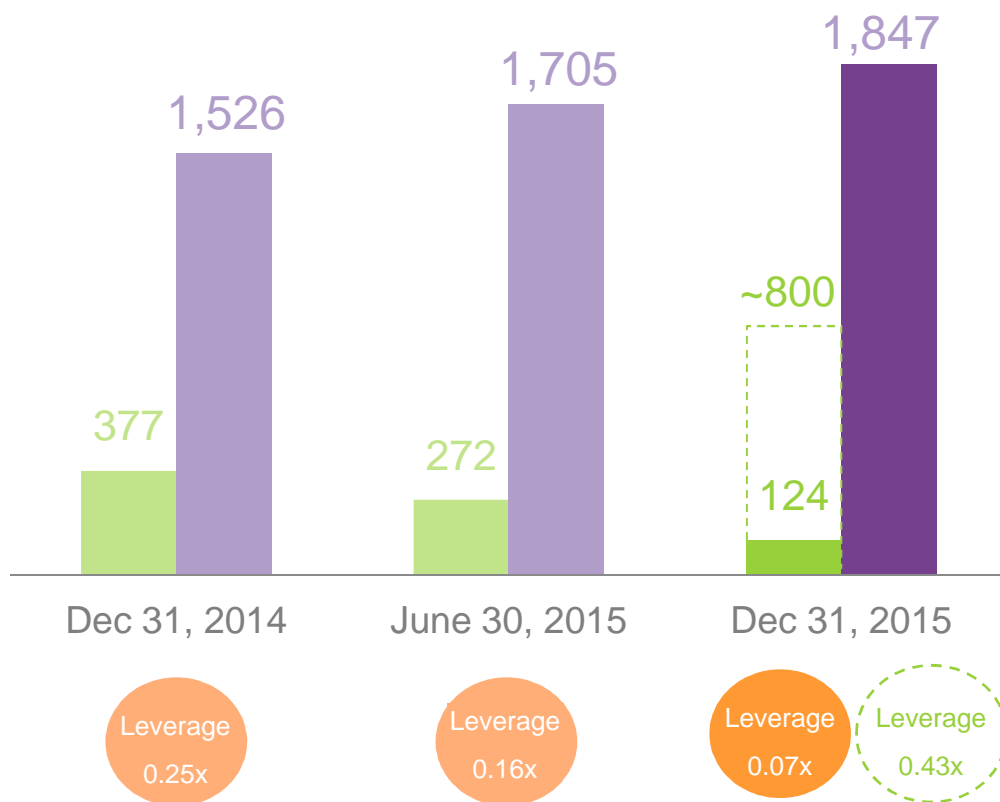
Strong balance sheet

Leverage ratio close to zero and gearing ratio at 4%

Net debt* over EBITDA

■ Net debt* (€m) ■ EBITDA 12 months rolling (€m)

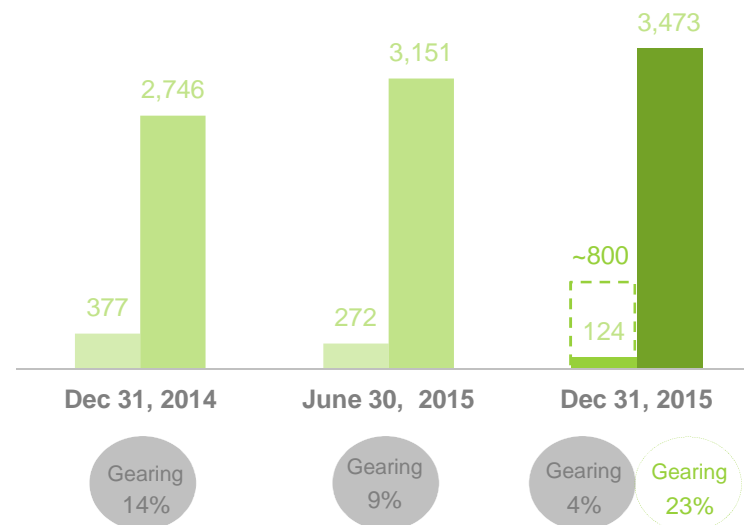
○ After acquisition of Peiker & Spheros



Net debt* over stockholders' equity

■ Net debt* (€m) ■ Stockholders' equity (€m) excluding non-controlling interests

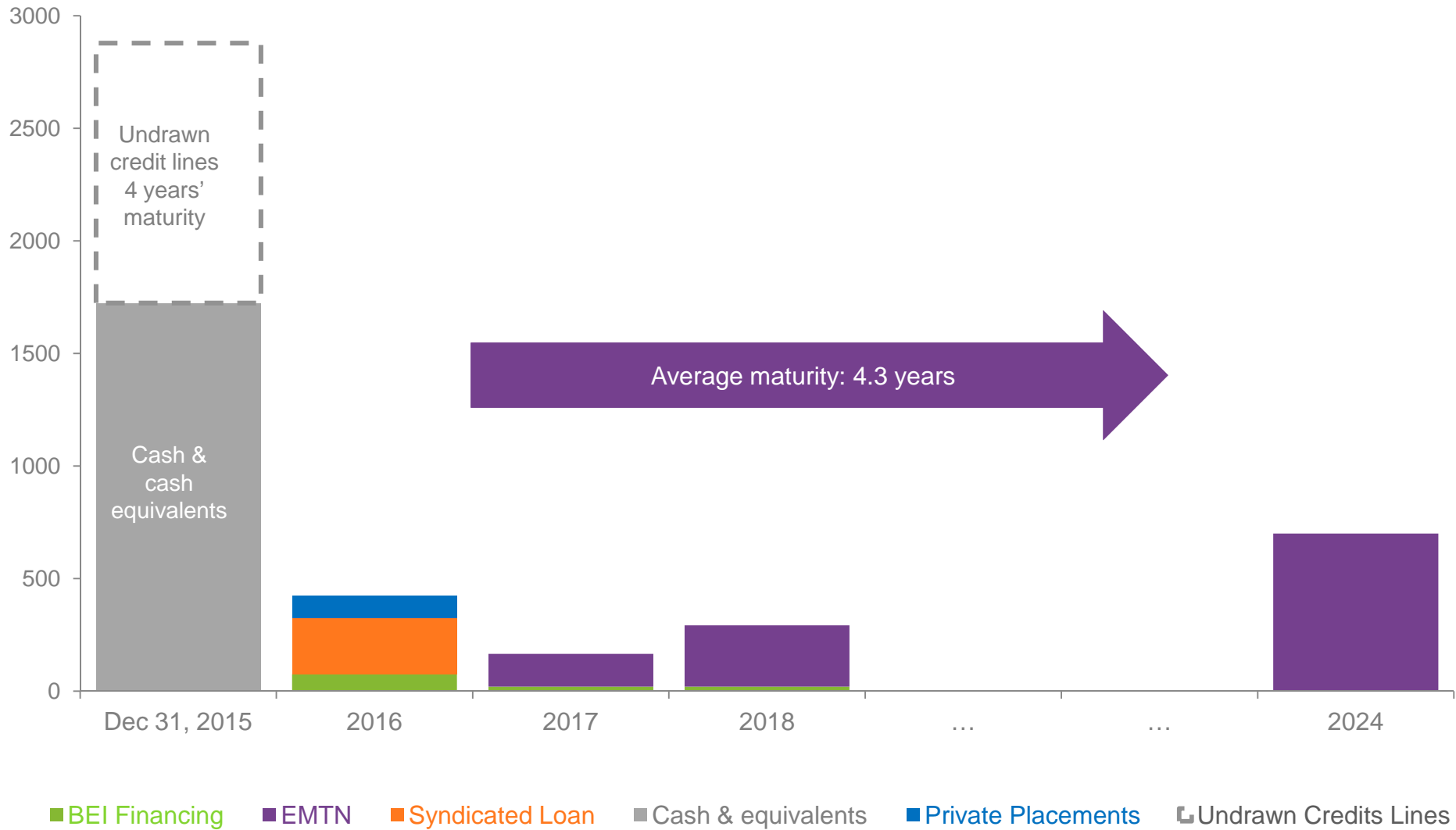
○ After acquisition of Peiker & Spheros



	LT	Outlook	ST
Moody's	Baa2	Stable	Prime-2
S&P	BBB	Stable	A-2

*New definition available in glossary page 49 – also applied on 2014 amounts on a retrospective basis

Debt maturity profile



■ BEI Financing ■ EMTN ■ Syndicated Loan ■ Cash & equivalents ■ Private Placements ■ Undrawn Credits Lines

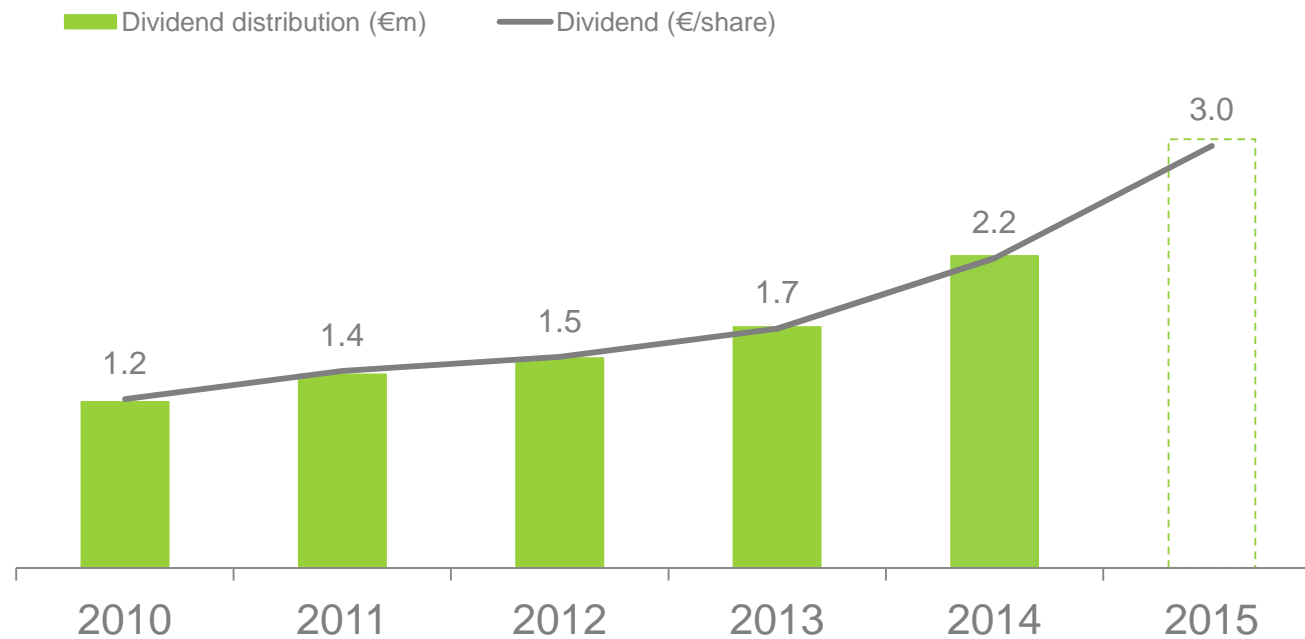


Dividend & 2016 outlook

Proposed dividend of €3/share, up 36%

Payout ratio of 32%

2015 dividend of €3/share
to be proposed at the next Shareholders' Meeting



EPS (€/share)	4.86	5.68	5.03	5.71	7.23	9.33
EPS excl. non-recurring items (€/share)	4.86	5.68	5.56	6.52	7.63	10.56
Payout ratio	25%	25%	30%	30%	30%	32%

2016 outlook

Based on the following key assumptions for full-year 2016:

- Automotive production growth:
 - World: around 2.5%
 - Europe: around 2%
 - China: around 5%
 - North America: around 2%
- Raw material prices and currencies in line with current levels


Valeo sets the following objectives for 2016:

- Strong sales growth, outperforming the market in the main production regions including China
- Slight increase in operating margin* (as a % of sales) despite higher net R&D expenses to fuel future growth in CO₂ emission reductions and intuitive driving

Mid term objectives:

- Confidence in achieving 2020 targets thanks to high level of order intake

* Including joint ventures and associates in accordance with new IFRS standards.






Acquisition of 2 German Mittelstand
peiker, a tech leader in connected vehicle
solutions

Spheros, a market leader in the fast growing
air conditioning market for buses

peiker, a tech leader in connected vehicle solutions

- **peiker, a key acquisition in the fast growing on board telematics market...**
 - 2015 sales of €310m
 - Telematics is a strategic business for Valeo:
 - market of €2bn in 2015
 - double-digit growth rate with TCU (Telematics Control Unit) take-rate increasing from 10% in 2014 to 60% in 2025
 - Key growth drivers:
 - emergency call regulations (2015 in Russia and 2018 in Europe, and soon in China)
 - high speed services via Electronic Data Interchange (GPS, entertainment, fleet management, etc.)
 - Over The Air (OTA) software management (adaptable functionalities and repair throughout the vehicle's life)
 - connectivity for autonomous driving
- **...in a leading position, with strong value chain integration**
 - peiker, is a world leader in high-value technology vehicle connectivity and a key partner of German premium OEMs
 - One of the few NAD (network access device) designers
 - peiker is the No. 2 player in Telematics

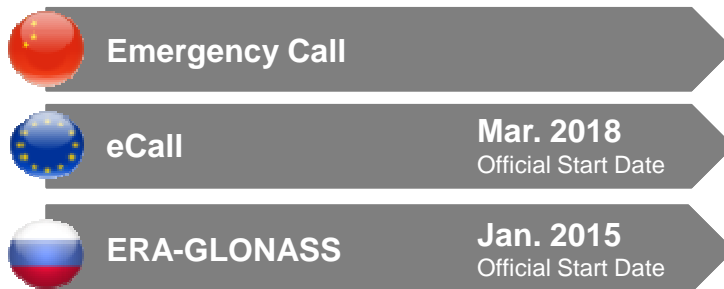
peiker, a leader in high-tech telematics

	Main applications		Wireless technology
High (Full Infotainment)		Wifi hotspot, Video Streaming Dynamic Map Update	4G, Wifi
Medium (Basic Infotainment)		Email, Off-board Navigation Audio Streaming OTA* Software update	3G
Entry (Regulatory & OEM services)		Emergency Call Stolen Vehicle Tracking, Remote Diagnostic ...	2G



*over the air

Emergency call regulation Mandates on new type approval:



Market volumes (k Units)



2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025

Spheros, a market leader in the fast growing air conditioning market for buses

- **Spheros, an opportunity to access a fast growing market: Air Conditioning for Buses**

- 2015 sales of €250m
- Bus Air Conditioning & Heater market represents a growth opportunity for Valeo:
 - Market of €1.6bn in 2014 (+5% CAGR)
 - Spheros is expected to grow faster (+7% CAGR) than the market thanks to increasing take rates
- Key growth drivers
 - Increasing need for public transportation at a time of accelerating urbanization
 - New regulations (Euro IV and Yellow Label in China) will lead to the renewal of the bus fleet
 - Higher take-rates with buses increasingly equipped with air conditioning systems

- **...in a leading position...**

- Spheros is the market leader in bus heating, pumps and air conditioning systems and electronics
- Valeo will become No. 1 worldwide in two product lines for buses, with a 14% market share in AC and a 40% market share in heating
- Reinforcing positions in thermal aftermarket products (13% of Spheros sales)

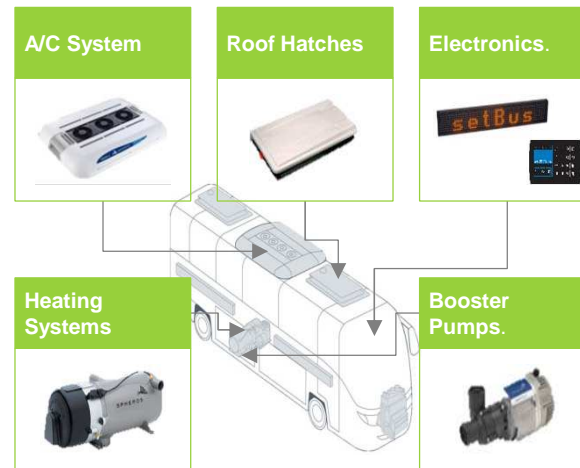
Spheros at a glance

Global market leader in bus heating, pumps and air conditioning systems

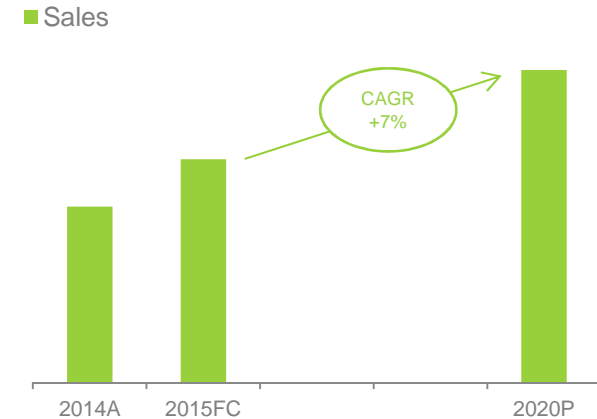
Overview

- Spheros Group is the market leader in bus Heating, Pumps and Air Conditioning systems and electronics
 - Global No. 1 in air conditioning systems
 - Global No. 1 in engine independent heating systems
 - Global No. 1 in roof hatches
 - Leader in the product segments it serves in the electronics business
- Spheros is at the forefront of technological innovation in the bus HVAC market, with outstanding design and engineering capabilities
 - Including hybrid/electric bus technology
- Well-balanced footprint and customer portfolio
- Driven by a very lean assembly-based business model, Spheros generates high growth, profitability, and cash flow

Products – 100% bus focus



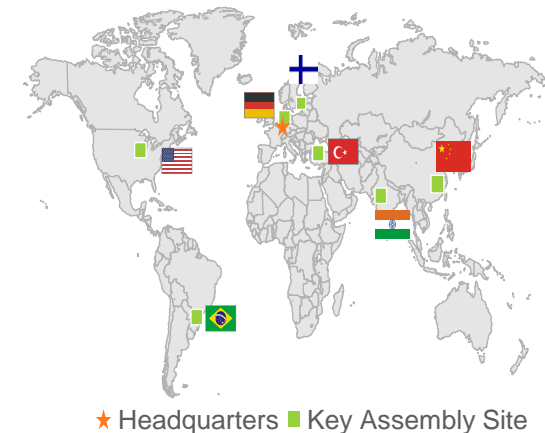
Strong financial profile with EBITDA margin > Group one



Customer overview



Global manufacturing footprint



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Share Information

Share Data

• Bloomberg Ticker	FR FP
• Reuters Ticker	VLOF.PA
• ISIN Number	FR 000130338
• Shares outstanding as of December 31, 2015	79,462,540

ADR Data

• Ticker/trading symbol	VLECY
• CUSIP Number	919134304
• Exchange	OTC
• Ratio (ADR: ord)	1:2
• Depository Bank	J.P. Morgan
• Contact at J.P. Morgan – ADR broker relationship desk	Jim Reeves +1 212-622-2710

Glossary

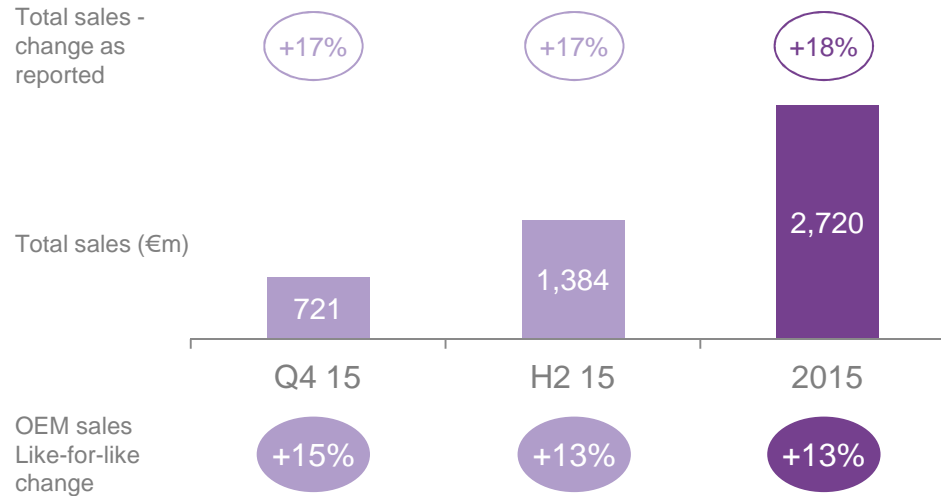
- 1) **Order intake** corresponds to business awarded by automakers during the period (including joint ventures at least 50%-owned by the Group) less any cancellations, based on Valeo's best reasonable estimates in terms of volumes, selling prices and project lifespans. *Unaudited indicator.*
- 2) **Operating margin including share in net earnings of equity-accounted companies** corresponds to operating income before other income and expenses.
- 3) **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.
- 4) **ROCE**, or return on capital employed, corresponds to operating margin (including share in net earnings of equity-accounted companies) in relation to capital employed (including investments in equity-accounted companies) excluding goodwill.
- 5) **ROA**, or return on assets, corresponds to operating income in relation to capital employed (including investments in equity-accounted companies) including goodwill.
- 6) **EBITDA** corresponds to (i) operating margin before depreciation, amortization and impairment losses (included in the operating margin), and (ii) net dividends received from equity accounted companies.
- 7) **Free cash flow** corresponds to net cash from operating activities (excluding changes in the sale of non-recurring trade receivables) after taking into account acquisitions and disposals of property, plant and equipment and intangible assets.
- 8) **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 sales of non-recurring trade receivables.
- 9) **Net debt** comprises all long-term debt, liabilities in respect of put options granted to owners of non-controlling interests, short-term debt and bank overdrafts, less loans and other non-current financial assets, cash and cash equivalents and the impact of fair value adjustments to derivative instruments hedging the related foreign exchange and interest rate risks.



Back-up

Comfort & Driving Assistance Systems

Sales performance



2015 key figures:

- Sales: €2.7bn (18% of Group sales)
- EBITDA: 14.5% (21% of Group EBITDA)
- 15,300 employees
- 26 production units
- 8 development centers
- 9 research centers

Market share* and competitors:

- Driving Assistance: Valeo no.1
Valeo + Bosch + Continental ~ 55%*
- Interior Controls: Valeo no.2
Visteon + Valeo + Continental > 35%*

Key growth drivers:

- Development, particularly in emerging countries: strong order intake in China in 2015
- Increasingly stringent regulatory and certification environment (Euro NCAP in Europe and NHTSA in the US)
- Interface between driver and vehicle controls (human-machine interaction)
- Regulations effective or pending for automated emergency calls

Latest business developments:

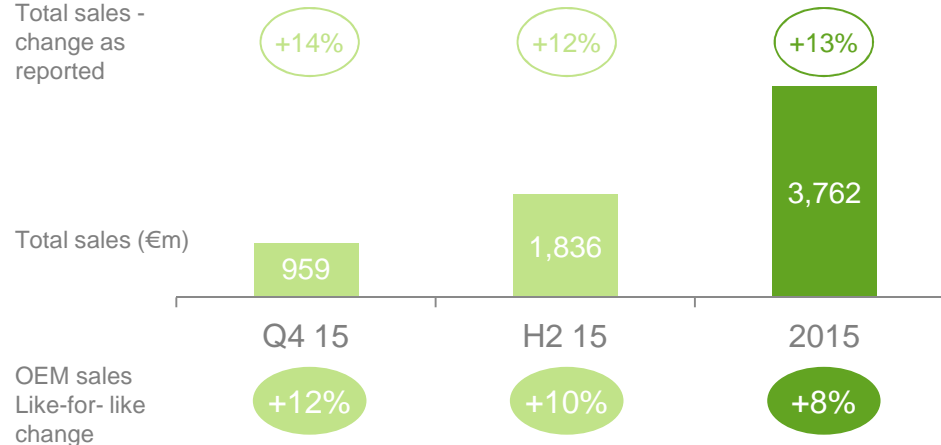
- Acquisition of peiker, a tech leader in connected vehicles solutions
- First contracts with European and American OEMs, with Valeo Front Cameras powered with MobilEye EyeQ processors
- A number of new orders worldwide for the 360Vue 3D "bowl view" system
- Preliminary contact with one of the leading global automakers for the Sightstream (camera system that supersedes the traditional rear-view mirror)
- Preliminary contact with a European automaker for the Head-up Display

* Valeo estimate

Powertrain Systems

Sales performance

Total sales -
change as
reported



2015 key figures:

- Sales: €3.8bn (26% of Group sales)
- EBITDA: 12.8% (26% of Group EBITDA)
- 19,400 employees
- 36 production units
- 15 development centers
- 6 research centers

Market share* and competitors:

- Transmission Systems: Valeo no.2
Luk + Valeo + ZF Sachs = 45%*
- Electrical Systems: Valeo no.1
Valeo + Denso + Bosch = 76%*

Key growth drivers:

Objective of reducing CO₂ emissions and fossil fuel consumption based on 3 priorities for engines:

- Downsizing /Downspeeding
- Gearbox automation
- Powertrain electrification and development of 12V, 48V and 300V+ hybrid solutions

Latest business developments:

- Several order intake in 48 volt in Europe and Asia
- Second order for the E-Supercharger
- Several new orders for on-board battery chargers in Europe and China
- New orders for the dual clutch and dual mass flywheels

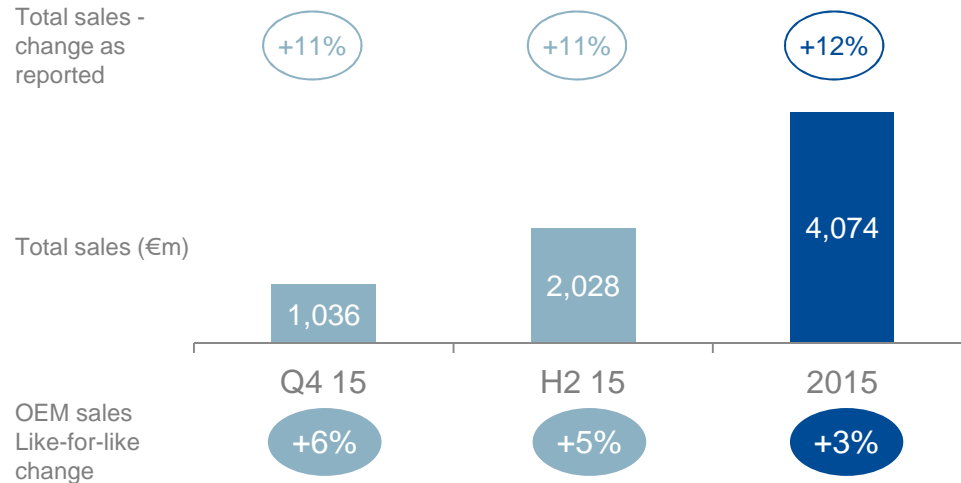
*Valeo estimate

February 18, 2016 | 52



Thermal Systems

Sales performance



2015 key figures:

- Sales: €4.1bn (28% of Group sales)
- EBITDA: 10.7% (24% of Group EBITDA)
- 20,100 employees
- 48 production units
- 10 development centers
- 3 research centers

Market share* and competitors:

Thermal Systems: Valeo no.2 ex aequo
Denso + Valeo + Mahle + Hanon = 56%*

Key growth drivers:

- Innovative solutions to comply with new regulations on gas pollutants and fuel consumption
- Thermal solutions for Electrified vehicles (PHEV/EV)

Latest business developments:

- Acquisition of Spheros: a market leader in the fast growing air conditioning market for buses
- Record order intake particularly in Asia and in North America
- Engine cooling module: big orders with new generation of high performing radiator
- Battery thermal management: start of production of chiller new generation and several orders for German & Chinese carmakers
- Water condenser: new order for German carmakers on major platforms

*Valeo estimate

Visibility Systems

Sales performance

Total sales -
change as
reported

+17%

+15%

+16%

Total sales (€m)

1,124

2,091

4,185

Q4 15

H2 15

2015

OEM sales
Like-for-like
change

+15%

+11%

+9%

2015 key figures:

- Sales: €4.2bn (28% of Group sales)
- EBITDA: 12.4% (28% of Group EBITDA)
- 26,300 employees
- 35 production units
- 15 development centers
- 5 research centers

Market share* and competitors:

- Lighting Systems: Valeo no.2
Koito + Valeo-Ichikoh + Magnetti Marelli > 55%*
- Wiper Systems: Valeo no.1
Valeo + Bosch + Denso = 71%*

Key growth drivers in 2015:

- Increasing LED Take rate, in particular with B & C Segment with VW (Passat), Renault (Megane), and Geely (GC9)
- Increasing LED Content on premium vehicles with Volvo (XC90), and Jaguar (XJ)
- Increasing Wiper Market share in China, with Ford and VW

Latest business developments:

- Continuous order intake increase on LED Front Lighting in Europe (VW Passat & Polo, Audi A1), North America (Toyota Avalon and Corolla, GM Silverado) and China (Ford Mondeo, Volvo XC90, Geely)
- Re-entered Mercedes Panel in Europe in Front and Rear Lighting
- First significant Ambient Lighting orders
- Valeo AquaBlade Wiper technology selected for premium vehicles, Wet Arm technology awarded at 2 new customers
- 4 Poles electronised Motors technology introduced for 3 new customers in Europe, North America and China
- Growing interest on sensor cleaning activity

*Valeo estimate

Quarterly information

In €m (2014 restated in accordance with IFRIC 21)

■ Sales by segment

	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14	Q2-14	Q3-14	Q4-14	Q1-15	Q2-15	Q3-15	Q4-15
Comfort & Driving Assistance Systems	623	569	515	531	552	572	573	614	657	679	663	721
Powertrain Systems	774	817	752	818	848	848	798	843	948	978	877	959
Thermal Systems	818	885	832	837	880	934	889	934	1,007	1,039	992	1,036
Visibility Systems	733	762	711	764	876	925	856	957	1,022	1,072	967	1,124
Total sales	2,927	3,017	2,792	2,926	3,112	3,235	3,069	3,309	3,581	3,717	3,449	3,797

■ Sales by type

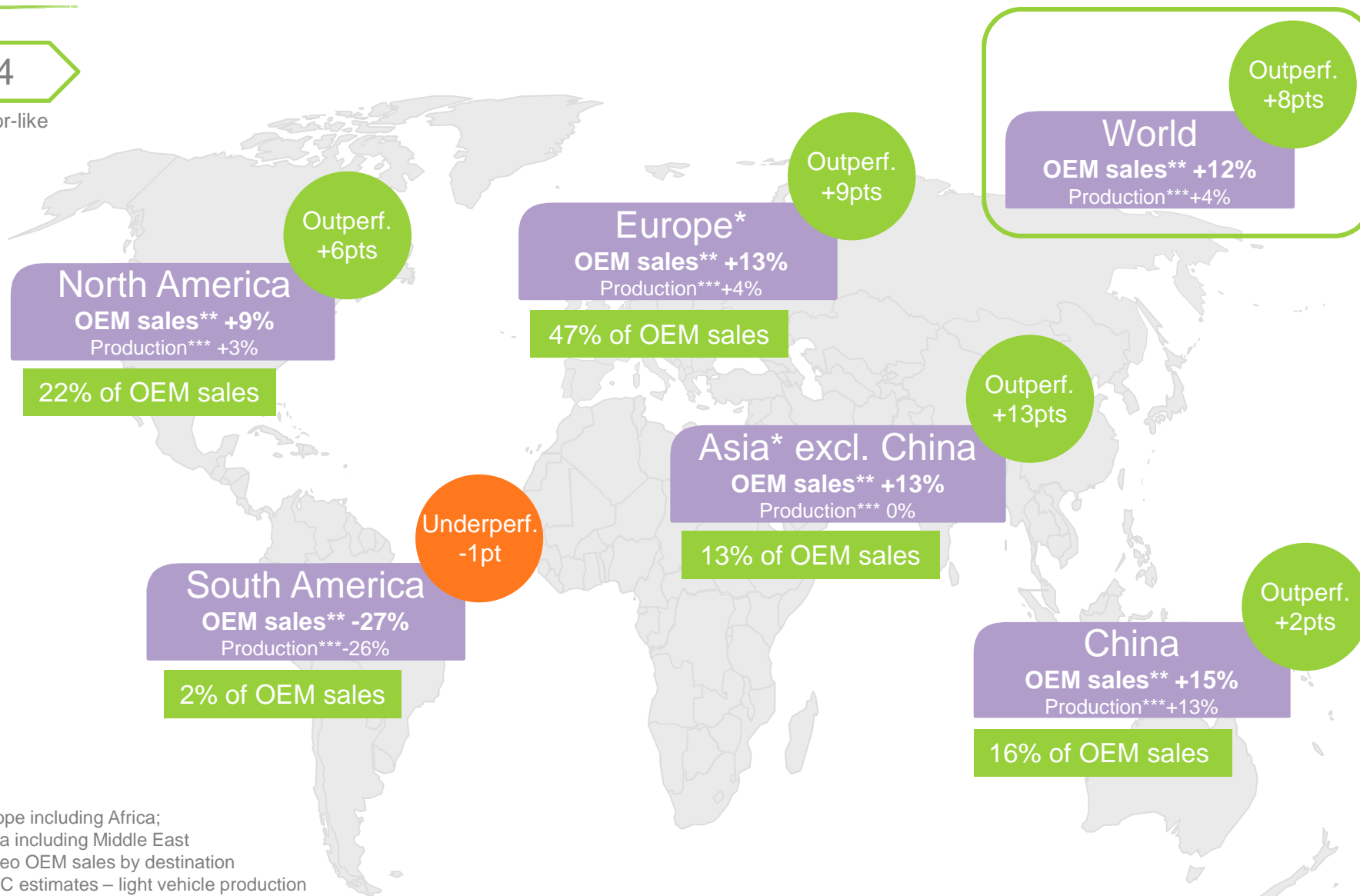
	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14	Q2-14	Q3-14	Q4-14	Q1-15	Q2-15	Q3-15	Q4-15
Original Equipment	2,470	2,567	2,348	2,449	2,677	2,755	2,644	2,814	3,113	3,203	2,990	3,294
Aftermarket	375	374	361	377	376	377	366	376	400	413	387	399
Miscellaneous	82	76	83	100	59	103	59	119	68	101	72	104
Total sales	2,927	3,017	2,792	2,926	3,112	3,235	3,069	3,309	3,581	3,717	3,449	3,797

Outperformance accelerated throughout the year

Recovery in North America

Q4

Like-for-like

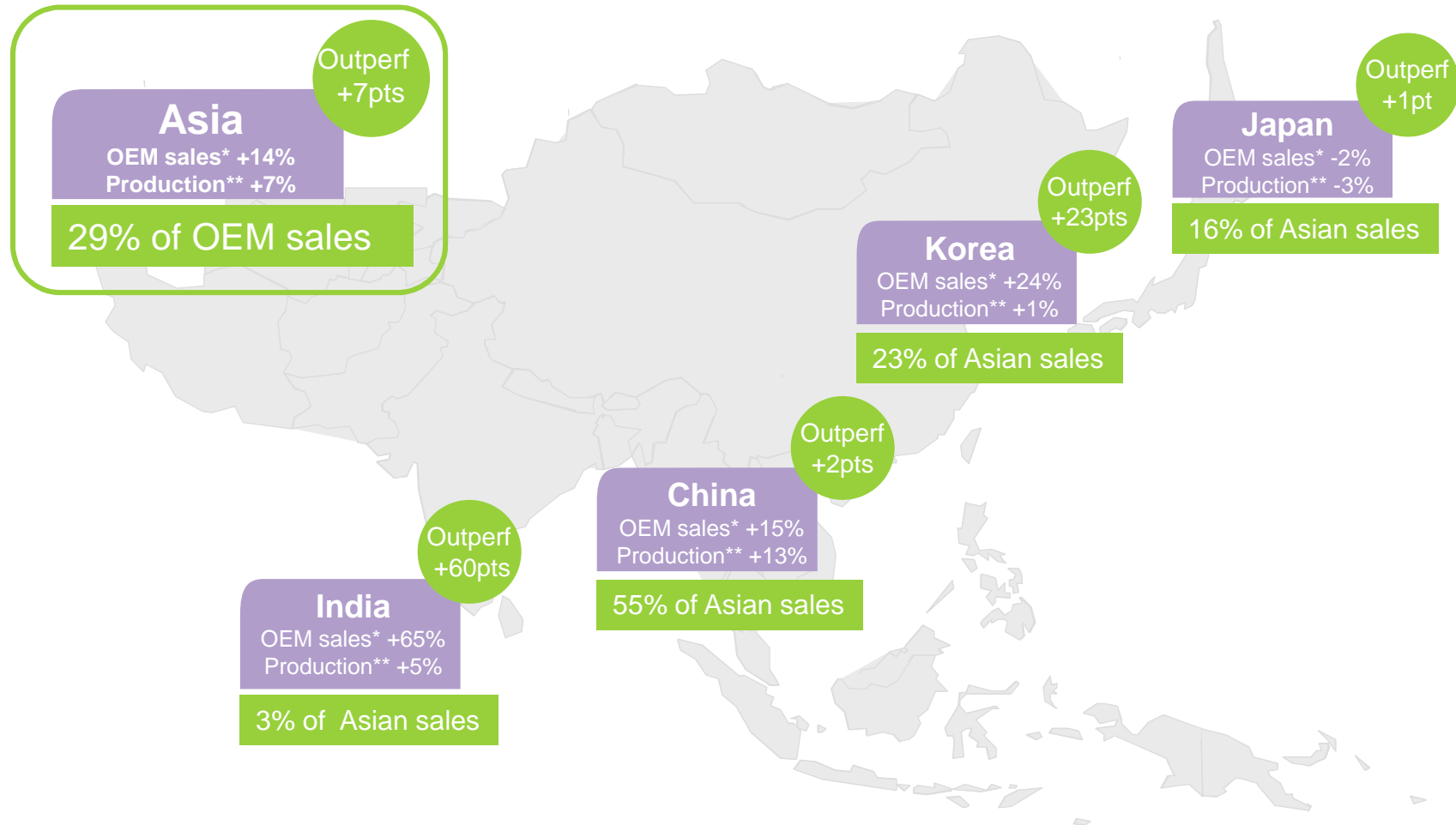


* Europe including Africa;
 Asia including Middle East
 ** Valeo OEM sales by destination
 *** LMC estimates – light vehicle production

Outperformance in all Asian production regions

Q4

Like-for-like



*Valeo OEM sales by destination

**LMC estimates – light vehicle production

Statement of income with half year breakdown

In €m	2013		2014*		2015	
	H1	H2	H1	H2	H1	H2
▪ Sales	5,944	5,718	6,347	6,378	7,298	7,246
▪ Gross margin	1,011	998	1,080	1,123	1,280	1,293
<i>as a % of sales</i>	17,0%	17,5%	17,0%	17,6%	17,5%	17,8%
R&D expenditure, net	(318)	(296)	(350)	(335)	(402)	(395)
Selling & administrative expenses	(318)	(311)	(326)	(330)	(363)	(353)
Share in net earnings of equity-accounted companies	8	18	32	19	23	33
▪ Operating margin incl. share in net earnings of equity-accounted companies	383	409	436	477	538	578
<i>as a % of sales</i>	6,4%	7,2%	6,9%	7,5%	7,4%	8,0%
Other income & expenses	(41)	(26)	(34)	(20)	(21)	(96)
▪ Operating income	342	383	402	457	517	482
<i>as a % of sales</i>	5,8%	6,7%	6,3%	7,2%	7,1%	6,7%
Cost of net debt	(49)	(49)	(47)	(44)	(43)	(41)
Other financial income and expenses	(21)	(25)	(20)	(26)	(26)	(9)
▪ Income before income taxes	272	309	335	387	448	432
Income taxes	(68)	(45)	(65)	(64)	(80)	(26)
▪ Income from continuing operations	204	264	270	323	368	406
Non-strategic activities	0	0	0	0	0	0
▪ Net income for the period	204	264	270	323	368	406
Non-controlling interests	(14)	(15)	(14)	(17)	(24)	(21)
▪ Net income	190	249	256	306	344	385

* 2014 restated in accordance with IFRIC 21

Segment information

2015	Comfort & Driving Assistance Systems	Powertrain Systems	Thermal Systems	Visibility Systems	Others	Total
(€ m)						
Sales:						
• segment (excluding Group)	2,702	3,706	4,032	4,073	31	14,544
• intersegment (Group)	18	56	42	112	(228)	-
EBITDA	394	482	437	521	13	1,847
Research & Development expenditure, net	(254)	(167)	(148)	(216)	(12)	(797)
Investments in property, plant & equipment & intangible asset	306	278	244	266	31	1,125
Segment assets	1,454	1,815	1,498	1,850	78	6,695

2014	Comfort & Driving Assistance Systems	Powertrain Systems	Thermal Systems	Visibility Systems	Others	Total
(€ m)						
Sales:						
• segment (excluding Group)	2,291	3,292	3,598	3,515	29	12,725
• intersegment (Group)	20	45	39	99	(203)	-
EBITDA	336	410	404	382	(6)	1,526
Research & Development expenditure, net	(201)	(146)	(153)	(173)	(12)	(685)
Investments in property, plant & equipment & intangible asset	249	255	178	243	31	956
Segment assets	1,244	1,731	1,292	1,656	65	5,988

Safe Harbor Statement

Statements contained in this press release, 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 press release, 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 anti-trust authorities as identified in the Registration Document and risks relating to legal action resulting from such investigations, 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 Valeo's Registration Document registered with the AMF on March 27, 2015 (under no. D.15-0220).

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 press release. 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 press release.



Automotive technology, naturally

