



Q3-2010 Sales

Jacques ASCHENBROICH – CEO

October 21, 2010

Valeo revises upwards its 2010 operating margin guidance

2nd half margin level higher than that of the 1st half (% of sales)

■ Third quarter

- Increase in consolidated sales of 22%
- +16% like-for-like

■ Third quarter and first nine months of the year

- Outperformance of OE sales vs global automotive production
- Outperformance of OE sales of the Business Groups

■ Outlook for full-year 2010

- Sales higher than 9.4 billion euros
- Operating margin level¹ of 2nd half slightly higher than 1st half
- Free cash flow² of around 400 million euros
- Net cash flow³ of around 340 million euros

¹ Operating income less other income and expenses

² Free cash flow corresponds to net operating cash flow less net disbursements on tangible/intangible assets. This indicator is therefore calculated before payment of interest payments.

³ Net cash flow corresponds to free cash flow less interest payments and after taking into account other financial flows

Automotive production back to pre-crisis level

Economic environment per region

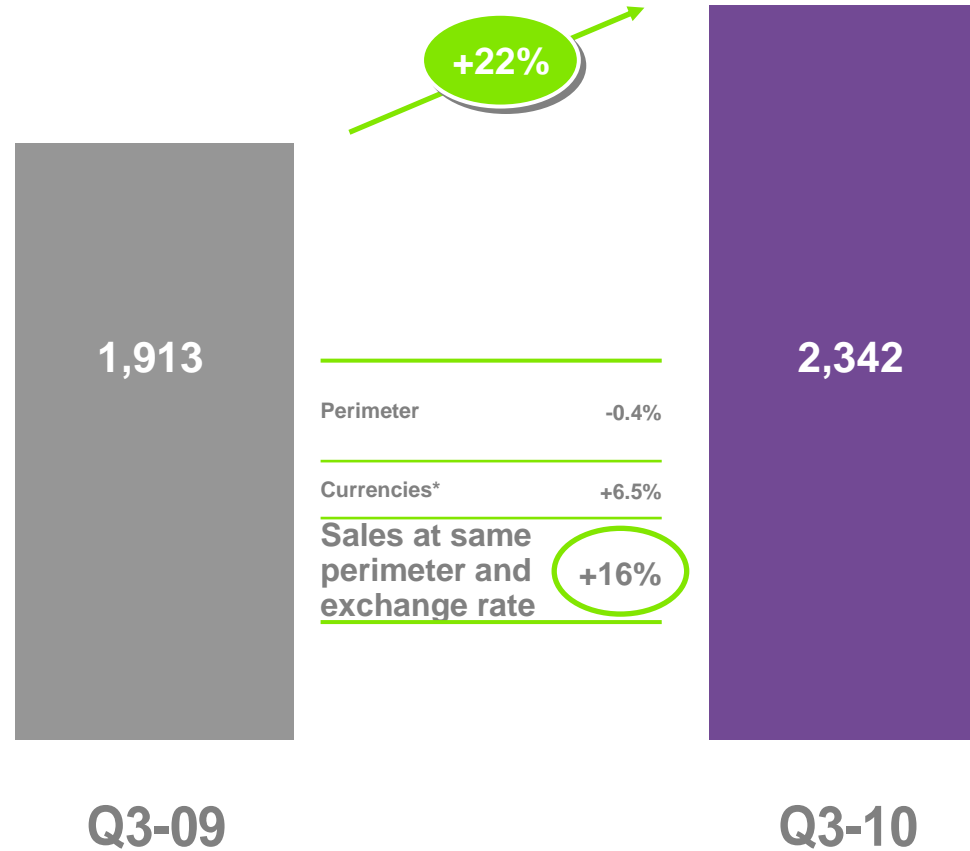
Fundamental shift of automotive production towards Asian market

| Light vehicles production* (million of vehicles) | Q3-07 | Q3-08 | Q3-09 | Q3-10 | ▲ (Q3-10/ Q3-07) | ▲ (Q3-10/ Q3-09) |
|---|-------------|-------------|-------------|-------------|------------------------|------------------------|
| Europe | 5.1 | 5.1 | 4.3 | 4.3 | -16% | 0% |
| Asia | 6.8 | 7.0 | 7.9 | 9.0 | +32% | +15% |
| North America | 3.5 | 3.0 | 2.3 | 3.0 | -14% | +26% |
| South America | 1.0 | 1.1 | 1.0 | 1.1 | +10% | +11% |
| Worldwide | 16.4 | 16.2 | 15.5 | 17.4 | +6% | +12% |

* JD Power estimates

Strong performance of Q3 sales on a like-for-like basis

In euro million



*Exchange rates: Appreciation vs Euro (change YoY): JPY (+21%), BRD (+18%), Won (+16%), CNY (+12%), USD (+11%)

Strong improvement of OE and Aftermarket sales

In euro million and YoY variation

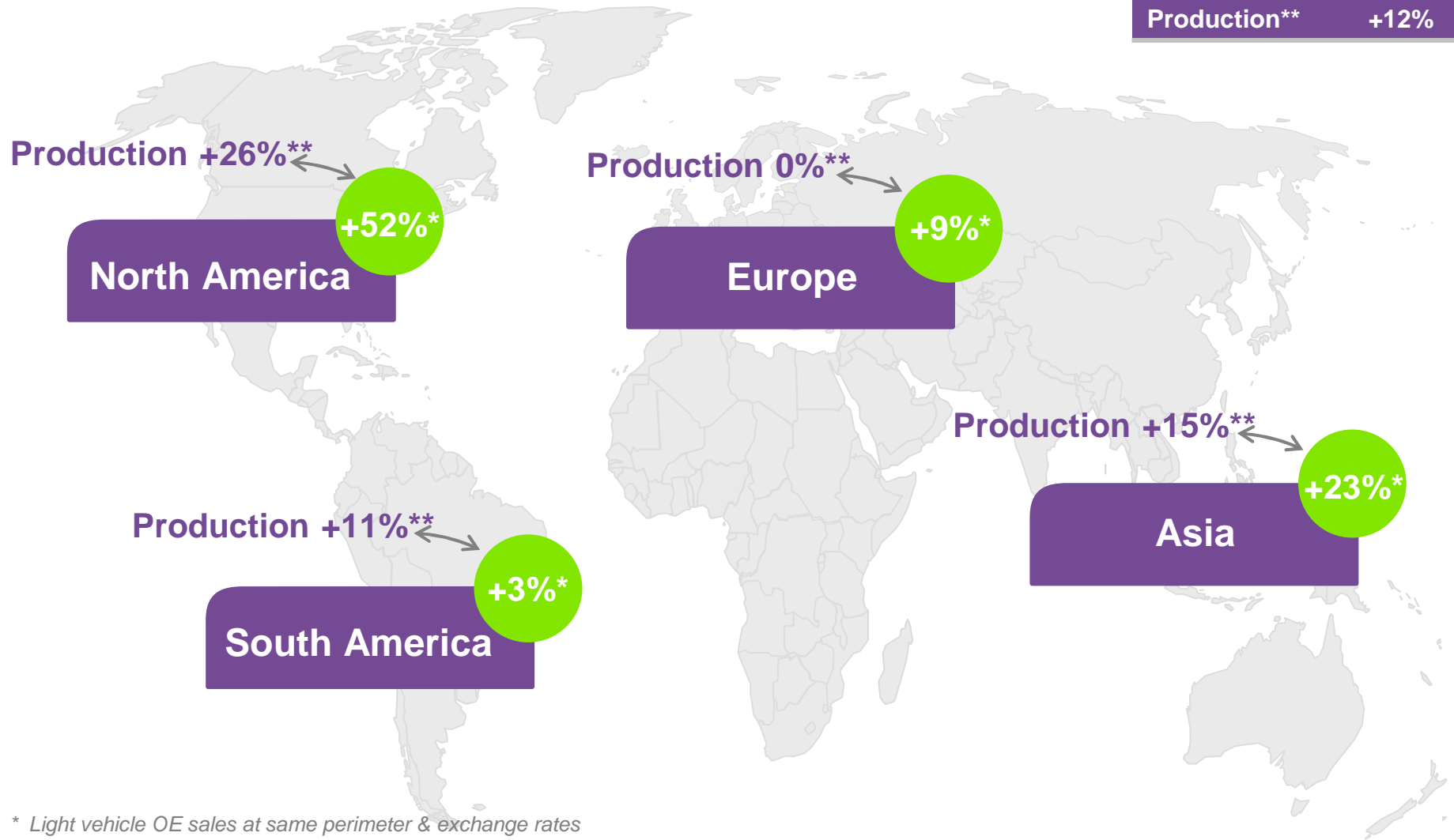
| | Q3-07 | Q3-08 | Q3-09 | Q3-10 | ▲ Q3-09/ Q3-10 |
|---|--------------|--------------|--------------|--------------|----------------------|
| Original Equipment <i>as % of sales</i> | 1,809 82% | 1,680 81% | 1,555 81% | 1,929 82% | +17%* |
| Aftermarket <i>as % of sales</i> | 366 17% | 337 16% | 307 16% | 359 15% | +14%* |
| Miscellaneous <i>as % of sales</i> | 42 1% | 62 3% | 51 3% | 54 3% | -3%* |
| Sales | 2,217 | 2,079 | 1,913 | 2,342 | +22% |
| <i>Sales at same perimeter & exchange rates</i> | | | | | +16%* |

*At same perimeter and exchange rates

Outperformance in our main regions

Q3 OE sales vs automotive production (YoY)

| World | Q3-10 |
|-----------------|-------|
| Valeo OE sales* | +16% |
| Production** | +12% |



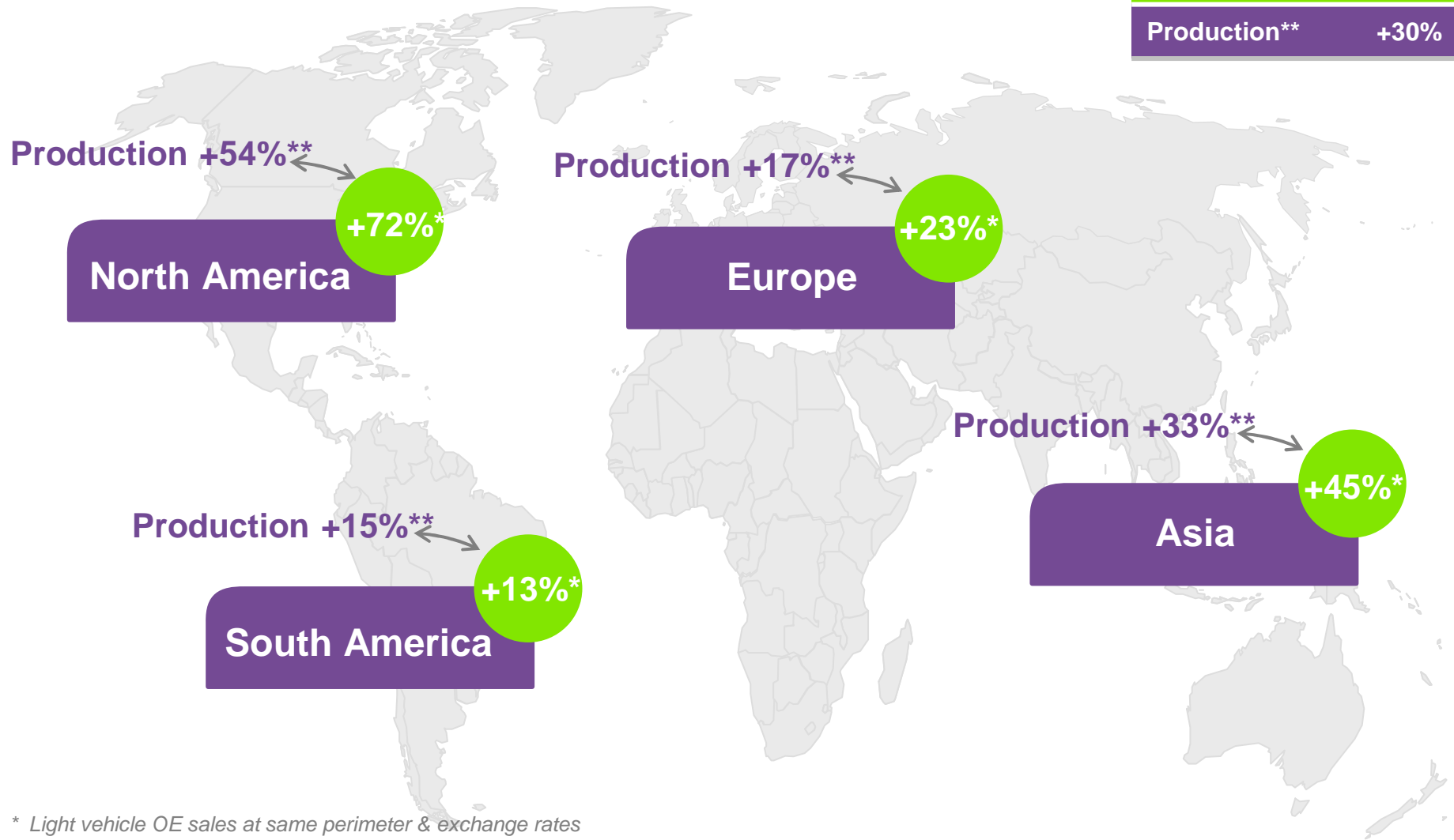
* Light vehicle OE sales at same perimeter & exchange rates

** JD Power estimates

Outperformance in our main regions

OE sales vs automotive production (YTD)

| World | 9 months |
|-----------------|----------|
| Valeo OE Sales* | +31% |
| Production** | +30% |

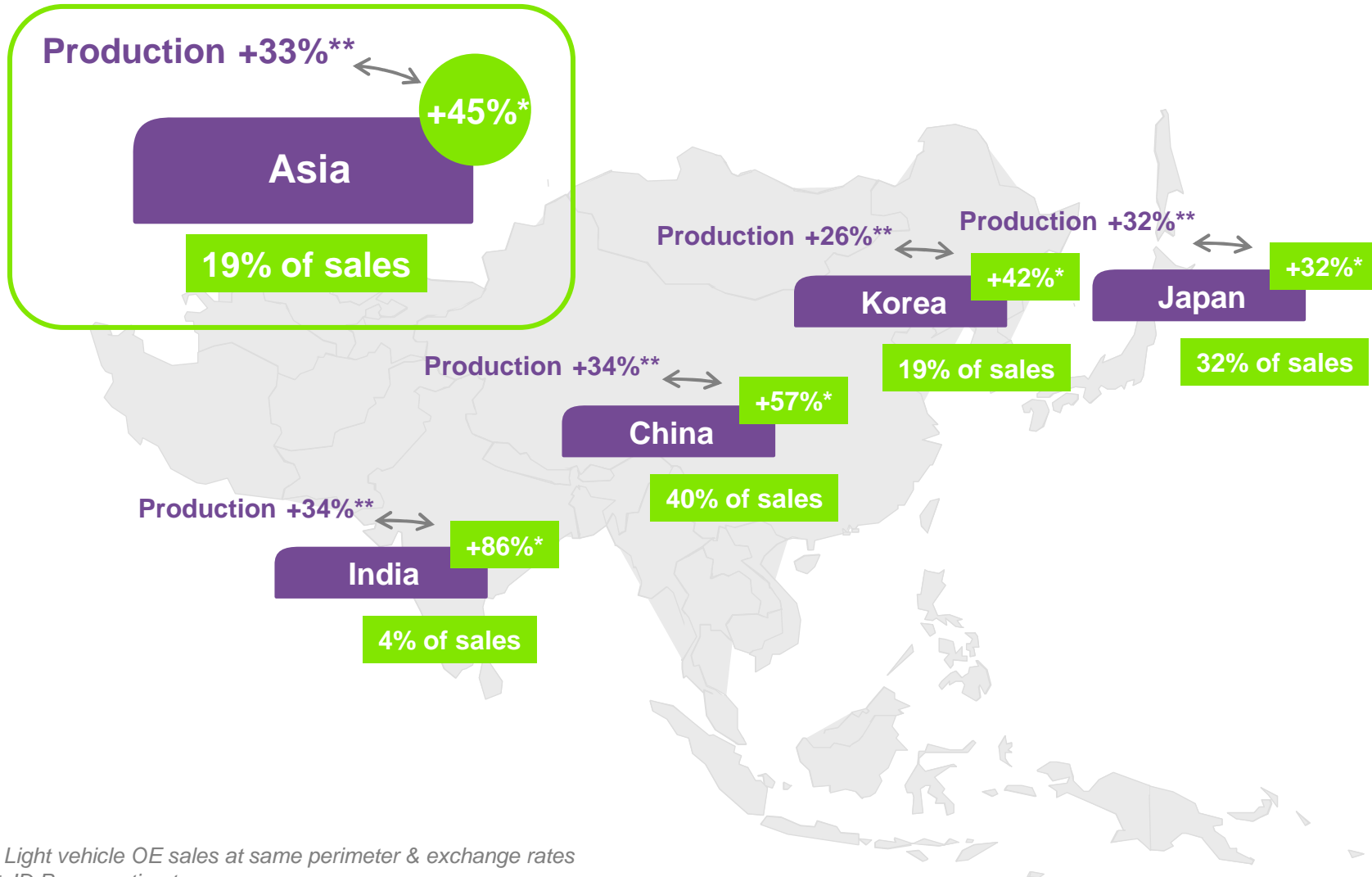


* Light vehicle OE sales at same perimeter & exchange rates

** JD Power estimates

Outperformance in Asia

Asian OE sales vs automotive production (YTD)

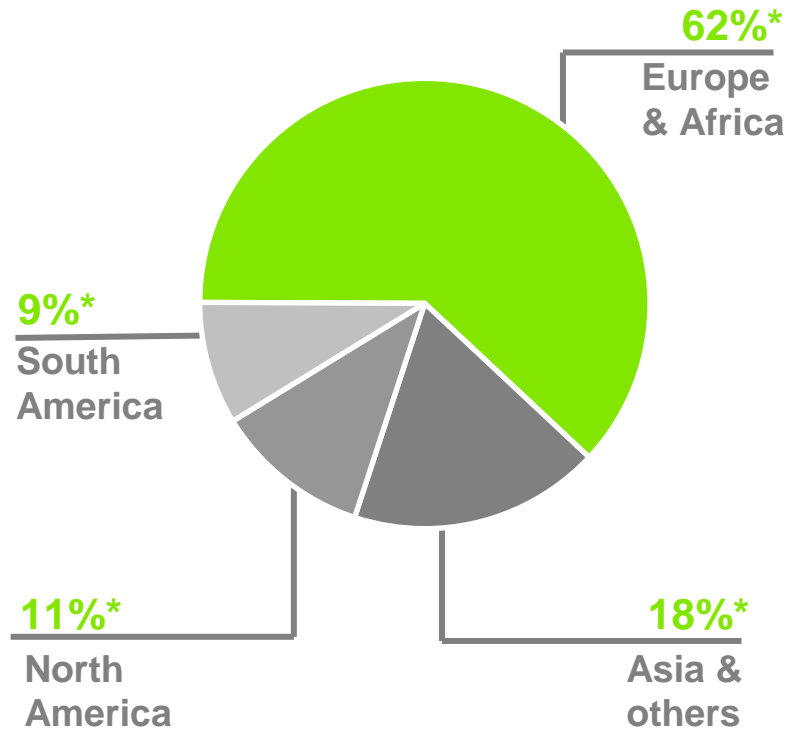


* Light vehicle OE sales at same perimeter & exchange rates

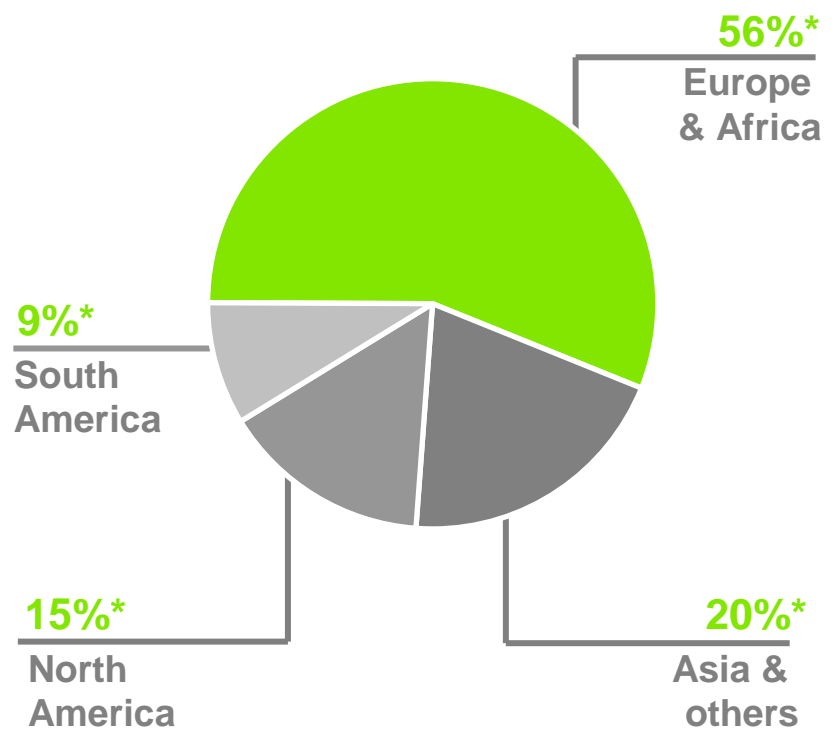
** JD Power estimates

Rebalanced geographical exposure

In % of OE sales (YoY)



Q3-09

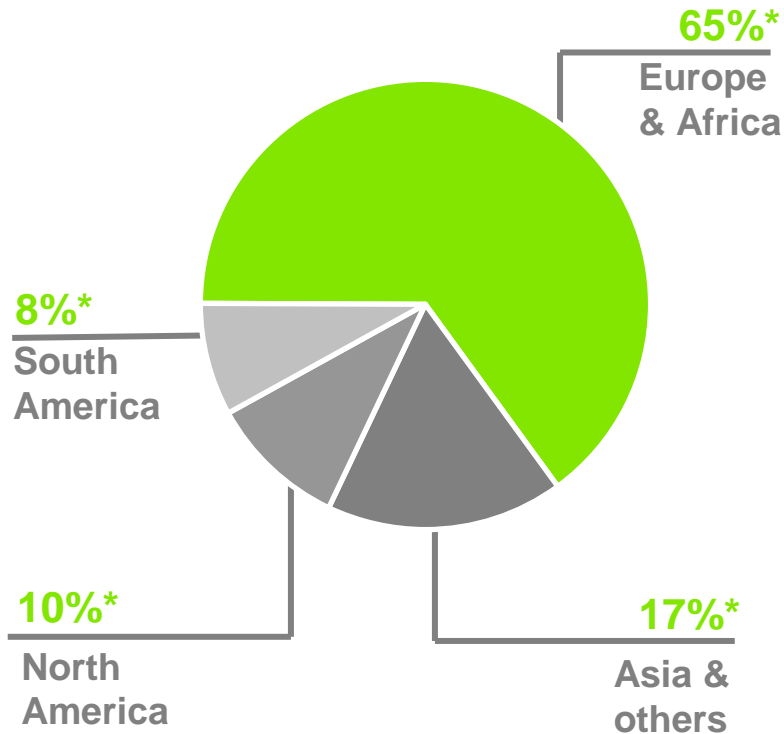


Q3-10

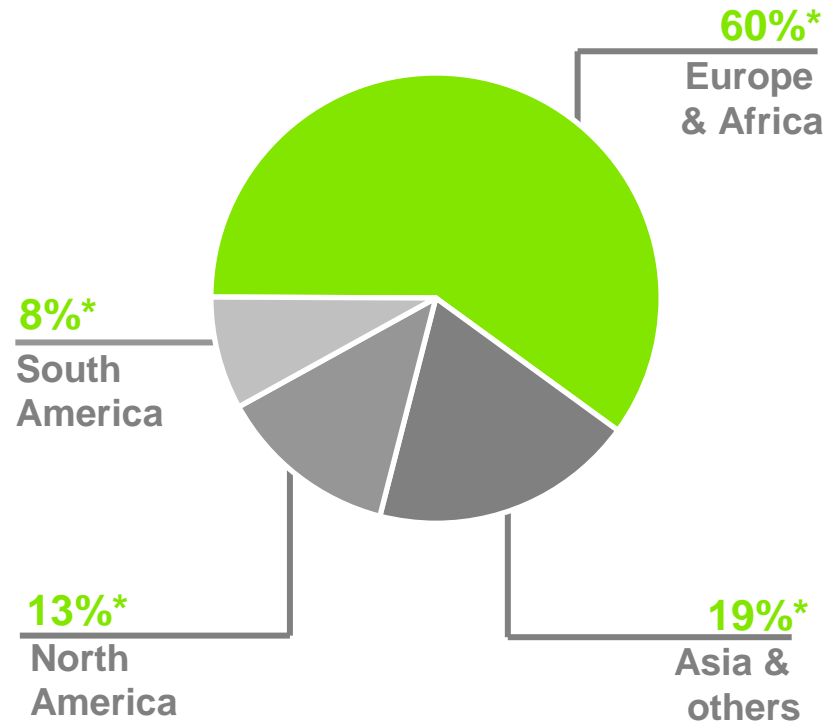
* In % of light vehicle OE sales

Rebalanced geographical exposure

In % of OE sales (YTD)



2009



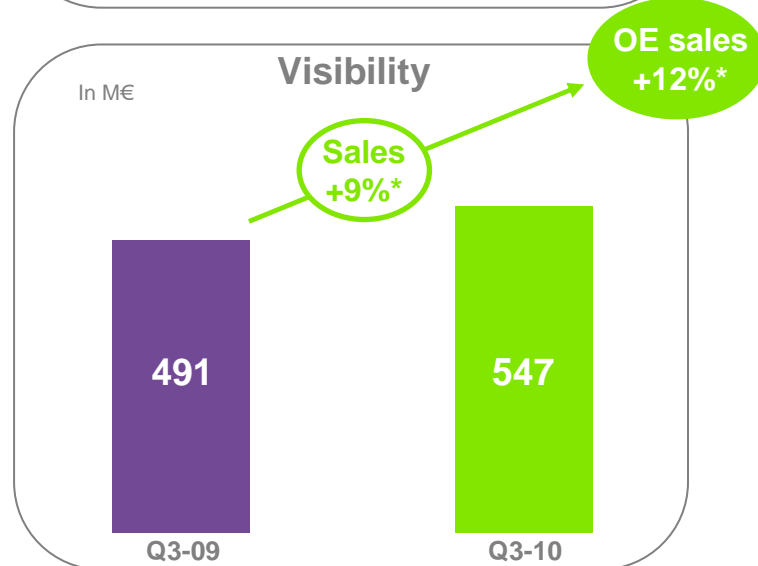
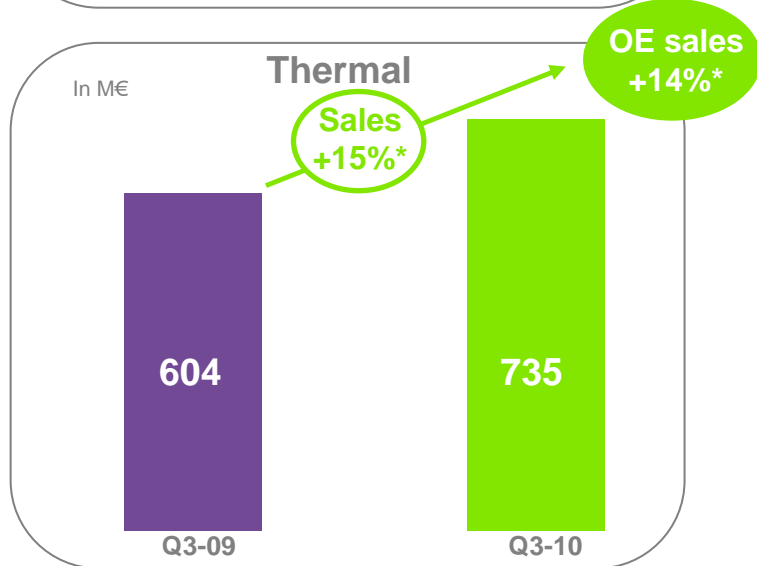
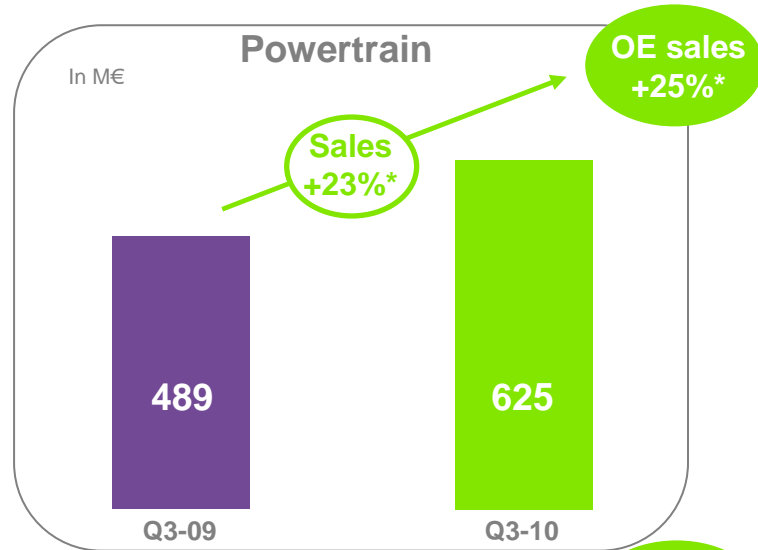
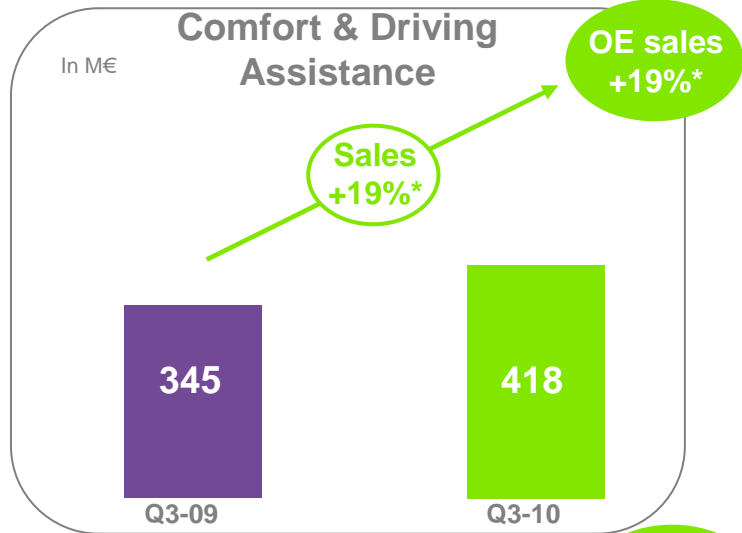
2010

* In % of light vehicle OE sales

BG outperformance

Worldwide Production** (YoY) +12%

OE sales performance vs worldwide automotive production (YoY)

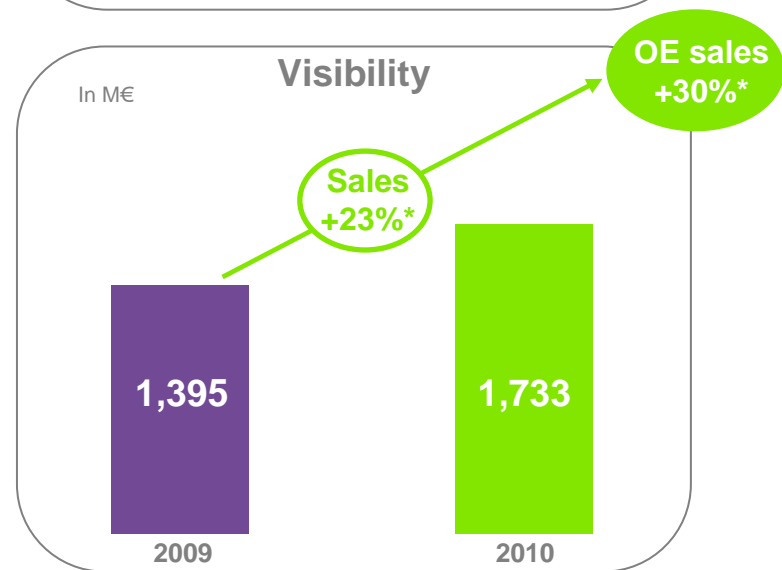
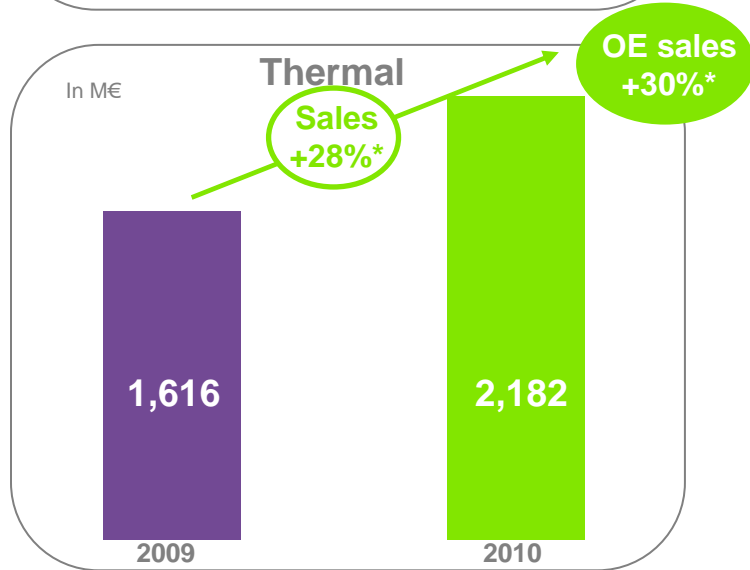
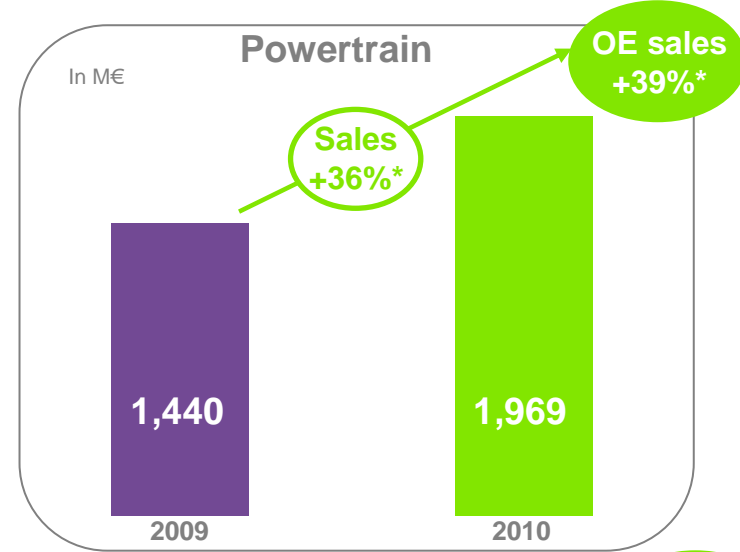
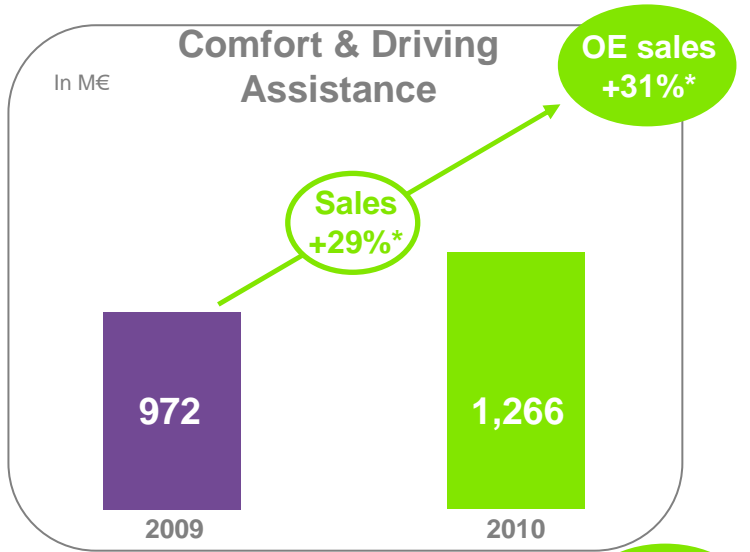


* At same perimeter and exchange rate ** JD Power light vehicle production estimates

BG outperformance

OE sales performance vs worldwide automotive production (YTD)

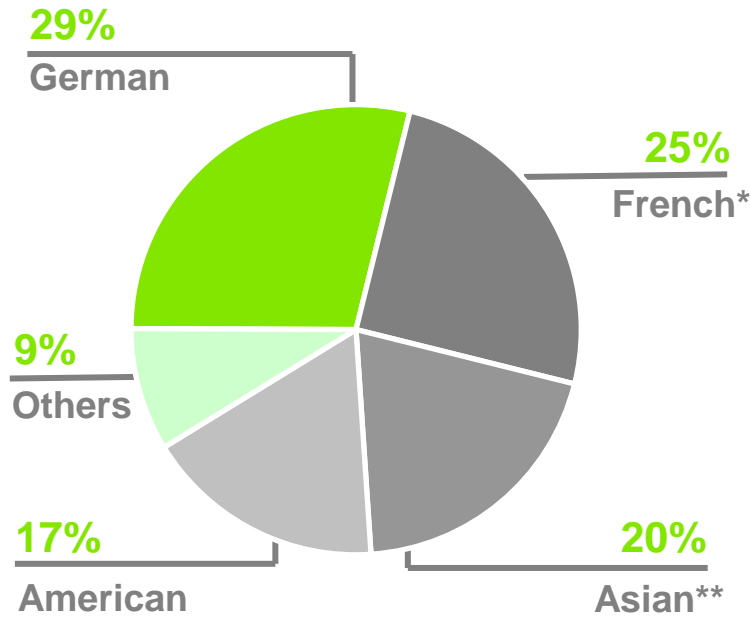
Worldwide Production** (YoY) +30%



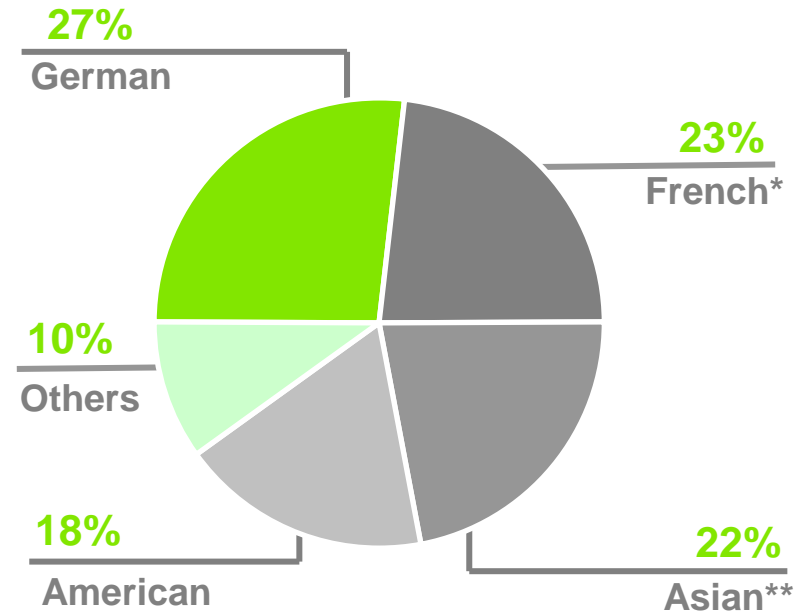
* At same perimeter and exchange rate ** JD Power light vehicle production estimates

Continued evolution of client exposure

In % of OE sales (YTD)



2009



2010

* Excluding Nissan

** Including Nissan



Outlook 2010

2010 business environment & developments

■ Given market's perspectives

| (change YoY) | FY 2010* |
|------------------------------|-----------------|
| Europe (& Africa) | +10% |
| Asia (& others) | +22% |
| North America | +34% |
| South America | +12% |
| Worldwide | +19% |

* figures disclosed September 27, 2010

■ And thanks to Valeo's capacity to:

- outperform its main markets
- keep costs under strict control while maintaining the flexibility of the cost structure
- deploy as planned the new organization around 4 Business Groups

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Share Information

Share Data

| | |
|--|--------------|
| ▪ Bloomberg Ticker | FR FP |
| ▪ Reuters Ticker | VLOF.PA |
| ▪ ISIN Number | FR 000130338 |
| ▪ Shares outstanding as per 30.09.2010 | 78,209,617 |

ADR Data

| | |
|-------------------------|-------------|
| ▪ Ticker/trading symbol | VLECY |
| ▪ CUSIP Number | 919134304 |
| ▪ Exchange | OTC |
| ▪ Ratio (ADR: ord) | 1:2 |
| ▪ Depository Bank | J.P. Morgan |



Back-up

Quarterly information

in € million

■ Sales by segments

| | Q1-10 | Q2-10 | Q3-10 |
|--------------------------------|--------------|--------------|--------------|
| Comfort and Driving Assistance | 408 | 440 | 418 |
| Powertrain Systems | 636 | 708 | 625 |
| Thermal Systems | 693 | 754 | 735 |
| Visibility Systems | 591 | 595 | 547 |
| Total sales | 2,309 | 2,478 | 2,342 |

■ OE & aftermarket sales

| | Q1-10 | Q2-10 | Q3-10 |
|--------------------|--------------|--------------|--------------|
| OE Sales | 1,898 | 2,059 | 1,929 |
| Aftermarket | 351 | 371 | 360 |
| Miscellaneous | 60 | 48 | 53 |
| Total sales | 2,309 | 2,478 | 2,342 |



Automotive technology, naturally

