Sales[1] up 5% at constant exchange rates to 4.5 billion euros in the third quarter of 2018, following the successful integration of three recent acquisitions – Ichikoh in Japan, Valeo-Kapec in South Korea and FTE automotive in Germany

2 percentage point market outperformance (on a like-for-like basis) in a complex environment, driven mainly by an outperformance of 3 percentage points in North America and Asia excluding China, and 18 percentage points in Brazil

Consolidated growth impacted by WLTP in Europe and market downturn in China in the third quarter, effects of which expected to continue into fourth quarter

Jacques Aschenbroich, Valeo's Chairman and Chief Executive Officer, commented:

"On July 25, we made it clear that Valeo's sales would be impacted in the third quarter, temporarily by WLTP in Europe and by the market slowdown in China.

In this complex environment, Valeo outperformed the market by 2 percentage points during the period.

The impact of WLTP in Europe is set to continue into the fourth quarter, and market conditions in China will remain challenging.

The Group responded to these changing market conditions and the continued rise in raw material prices as early as July, implementing a vigorous action plan aimed at reducing its capital expenditure by 100 million euros compared with 2017 and cutting costs by around 100 million euros. These measures will be maintained into 2019 as necessary.

In light of this situation, the Group is revising its objectives for full-year 2018:

- *sales growth of around 6% at constant exchange rates, after the successful integration of Ichikoh in Japan, Valeo-Kapec in South Korea and FTE automotive in Germany, and an original equipment sales outperformance of around 2 percentage points over the second half of the year;*
- *operating margin excluding share in net earnings of equity-accounted companies at between 6.2% and 6.5% of sales, and free cash flow generation of between 120 and 150 million euros.*

We remain very confident in the relevance of our strategy and the solidity of our growth model, driven by our unique portfolio of technologies and products designed to meet the automotive industry's major challenges, namely powertrain electrification and the rise of the autonomous and connected vehicle. Production start-up for new contracts leveraging these innovations, which include cameras, 48V solutions and LED lighting, will enable us to achieve a stronger outperformance versus global automotive production throughout 2019."

Third-quarter 2018:

- **Consolidated sales of 4,488 million euros:**
  - ✓ up 5% at constant exchange rates;
  - ✓ down 1% like for like[2].
- **Original equipment sales of 3,904 million euros:**
  - ✓ up 4% at constant exchange rates;
  - ✓ down 1% like for like[2], outpacing automotive production by 2 percentage points.
- **Aftermarket sales** up 11% at constant exchange rates and up 3% like for like[2].

[1] For the sake of consistency in our financial communications, the sales figures presented in this document have been determined using the same accounting principles as in 2017 (i.e., before the application of IFRS 15).

[2] See Financial Glossary, page 13.

First nine months of the year:

- **Consolidated sales of 14,427 million euros:**
  - ✓ up 8% at constant exchange rates;
  - ✓ up 2% like for like[1].

- **Original equipment sales of 12,532 million euros:**
  - ✓ up 8% at constant exchange rates;
  - ✓ up 2% like for like[1], outpacing automotive production by 2 percentage points.

- **Aftermarket sales** up 12% at constant exchange rates and up 5% like for like[1].

Under IFRS 15, consolidated sales totaled 4,434 million euros in the third quarter of 2018[2].

Updated 2018 outlook

Based on growth in automotive production of close to 0% in 2018, Valeo is setting the following objectives for the full year:

- growth of around 6% at constant exchange rates;
- original equipment sales outperformance of around 2 percentage points in the second half;
- operating margin excluding share in net earnings of equity-accounted companies (as a % of sales) at between 6.2% and 6.5% of sales;
- free cash flow generation of between 120 and 150 million euros.

Valeo Siemens eAutomotive:

- to accommodate its fast-paced expansion going forward, Valeo Siemens eAutomotive will bear the costs required to push ahead with ongoing projects and structure its organization. Accordingly, the “Share in net earnings of equity-accounted companies” caption will have an impact of between -0.4 and -0.5 points on Valeo’s statement of income in 2018;
- by 2022, Valeo Siemens eAutomotive should be delivering sales of more than 2 billion euros and a similar EBITDA margin (as a % of sales) to that of Valeo.

For the sake of consistency in our financial communications, the sales figures presented below have been determined using the same accounting principles as in 2017 (i.e., before the application of IFRS 15). The impact of IFRS 15 is presented on pages 9 to 12 of this document.

[1] See Financial Glossary, page 13.

[2] The impacts of the application of IFRS 15 are presented on pages 9 to 12 of this document.

Paris, France, October 25, 2018 – Following the meeting of its Board of Directors today, Valeo released its sales figures for the third quarter of 2018:

Global automotive production growth

In the third quarter of 2018, automotive production contracted by 3% compared with the same period in 2017, according to IHS.

Automotive production was impacted by the introduction of the Worldwide Harmonised Light Vehicle Test Procedure (WLTP) in Europe, and by the decline in new vehicle registrations in China.

	First-half	Third-quarter	Nine months ended September 30
Automotive production	**IHS/CPCA***	**IHS/CPCA***	**IHS/CPCA***
Europe and Africa	+2%	-4%	+1%
Asia, Middle East & Oceania	+3%	-4%	+1%
of which China	+4%	-7%	0%
excluding China	+2%	-1%	+1%
North America	-3%	+2%	-1%
South America	+10%	+2%	+7%
TOTAL	**+2%**	**-3%**	**0%**

* *Based on IHS automotive production estimates released on October 16, 2018/CPCA[1] estimates for data relating to China.*

[1] CPCA: China Passenger Car Association

Sales growth (before application of IFRS 15)[1]

Third-quarter 2018:

The impact of changes in exchange rates during the period was not material, while changes in Group structure had a positive 5-percentage point impact.

- **Sales**:
  - ✓ advanced 5% at constant exchange rates;
  - ✓ fell 1% like for like[2].
- **Original equipment sales**:
  - ✓ advanced 4% at constant exchange rates;
  - ✓ fell 1% like for like[2];
  - ✓ outperformed global production by 2 percentage points.
- **Aftermarket sales** rose by:
  - ✓ 11% at constant exchange rates;
  - ✓ 3% like for like[2].

Sales (in millions of euros)

Sales (in millions of euros)	As a % of 2018 nine-month sales	First-half					Third-quarter				
		2018*	2017	CER change**	LFL change***	Reported change	2018*	2017	CER change**	LFL change***	Reported change
Original equipment	87%	8,628	8,235	+9%	+3%	+5%	3,904	3,751	+4%	-1%	+4%
Aftermarket	10%	1,041	963	+13%	+5%	+8%	482	446	+11%	+3%	+8%
Miscellaneous	3%	270	266	+6%	-3%	+2%	102	104	-3%	-1%	-2%
TOTAL	100%	9,939	9,464	+9%	+3%	+5%	4,488	4,301	+5%	-1%	+4%

Sales (in millions of euros)	As a % of 2018 nine-month sales	Nine months ended September 30				
		2018*	2017	CER change**	LFL change***	Reported change
Original equipment	87%	12,532	11,986	+8%	+2%	+5%
Aftermarket	10%	1,523	1,409	+12%	+5%	+8%
Miscellaneous	3%	372	370	+3%	-2%	+1%
TOTAL	100%	14,427	13,765	+8%	+2%	+5%

** 2018 data are presented in accordance with the same accounting principles as those used in the third-quarter 2017 consolidated financial statements published in October 2017, i.e., before the application of IFRS 15 (unaudited data).*
*** At constant exchange rates.*
**** Like for like (constant Group structure and exchange rates)[2].*

First nine months of the year:

Changes in exchange rates had a negative 3% impact, and changes in Group structure related to the successful integration of recent acquisitions had a positive 6% impact, following:

- the takeover of Ichikoh, which was fully consolidated in the Group's financial statements as of February 1, 2017. Ichikoh contributed 100 million euros to consolidated sales in January 2018;
- the acquisition of FTE automotive at the end of October 2017, which contributed 386 million euros to consolidated sales;
- the creation of Valeo-Kapec, which is controlled by Valeo and was fully consolidated in the Group's financial statements as of December 1, 2017. Valeo-Kapec contributed 383 million euros to consolidated sales.

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1 For the sake of consistency in our financial communications, sales are presented under the same accounting principles as in 2017 (i.e., before the application of IFRS 15). The impacts of the application of IFRS 15 are presented on pages 9 to 12 of this document.

2 See Financial Glossary, page 13.

Original equipment sales growth by region (before application of IFRS 15)[1]

Original equipment sales *(by destination, in millions of euros)*

Original equipment sales	First-half				Third-quarter				Nine months ended September 30			
	2018*	2017	LFL change**	Outperformance vs. IHS***	2018*	2017	LFL change**	Outperformance vs. IHS***	2018*	2017	LFL change**	Outperformance vs. IHS***
Europe and Africa	4,152	3,920	+3%	+1 pt	1,720	1,726	-3%	+1 pt	5,872	5,646	+1%	0 pts
Asia, Middle East & Oceania	2,662	2,381	+4%	+1 pt	1,284	1,200	-3%	+1 pt	3,946	3,581	+2%	+1 pt
▪ *of which China*	*1,138*	*1,112*	*0%*	*-4 pts*	*515*	*557*	*-10%*	*-3 pts*	*1,653*	*1,669*	*-3%*	*-3 pts*
▪ *excluding China*	*1,524*	*1,269*	*+7%*	*+5 pts*	*769*	*643*	*+2%*	*+3 pts*	*2,293*	*1,912*	*+6%*	*+5 pts*
North America	1,615	1,752	-1%	+2 pts	805	732	+5%	+3 pts	2,420	2,484	+1%	+2 pt
South America	199	182	+24%	+14 pts	95	93	+20%	+18 pts	294	275	+23%	+16 pts
TOTAL	**8,628**	**8,235**	**+3%**	**+1 pt**	**3,904**	**3,751**	**-1%**	**+2 pts**	**12,532**	**11,986**	**+2%**	**+2 pts**

** 2018 data are presented in accordance with the same accounting principles as those used in the third-quarter 2017 consolidated financial statements published in October 2017, i.e., before the application of IFRS 15 (unaudited data).*
*** Like for like (constant Group structure and exchange rates)[(2)].*
**** Based on IHS automotive production estimates released on October 16, 2018/CPCA estimates for data relating to China.*

In the third quarter of 2018, like-for-like[(2)] original equipment sales contracted by 1%, outperforming global automotive production by 2 percentage points (IHS/CPCA estimates):

- **in Europe (including Africa)** (44% of original equipment sales), like-for-like[(2)] original equipment sales were down 3%, outpacing automotive production by a slight 1 percentage point, due to the Group's exposure to a certain number of automaker customers that were particularly impacted by WLTP;
- in **North America** (21% of original equipment sales), like-for-like[(2)] original equipment sales rose 5%, outpacing automotive production by 3 percentage points;
- in **Asia excluding China** (20% of original equipment sales), like-for-like[(2)] original equipment sales climbed 2%, outpacing automotive production by 3 percentage points;
- in **China** (13% of original equipment sales), like-for-like[(2)] original equipment sales fell 10%, underperforming automotive production (CPCA estimates) by 3 percentage points, primarily as a result of Valeo's exposure to Ford;
- in **South America** (2% of original equipment sales), like-for-like[(2)] original equipment sales rose 20%, outpacing automotive production by 18 percentage points.

In the first nine months of 2018, original equipment sales climbed 2% on a like-for-like[(2)] basis, outpacing the market by 2 percentage points.

[1] For the sake of consistency in our financial communications, sales are presented under the same accounting principles as in 2017 (i.e., before the application of IFRS 15). The impacts of the application of IFRS 15 are presented on pages 9 to 12 of this document.
[2] See Financial Glossary, page 13.

Balanced geographic alignment of Valeo's businesses

Taking account of the external growth transactions carried out in 2018, the share of original equipment sales in the four main production regions was as follows in the first nine months of the year:

- a rise of 2 percentage points for Asia, accounting for 31% of original equipment sales;
- a fall of 1 percentage point for Europe, accounting for 47% of original equipment sales;
- a fall of 1 percentage point for North America, accounting for 20% of original equipment sales;
- stable for South America, accounting for 2% of original equipment sales.

Balanced customer portfolio

Taking account of the external growth transactions carried out in 2018, the share of original equipment sales among the Group's customers was as follows in the first nine months of the year:

- a rise of 2 percentage points for Asian customers, accounting for 34% of original equipment sales, further to the takeover of Ichikoh as of February 1, 2017, and the creation of Valeo-Kapec, fully consolidated since December 1, 2017;
- a rise of 1 percentage point for German customers, accounting for 29% of original equipment sales;
- a fall of 2 percentage points for French customers, accounting for 13% of original equipment sales;
- a fall of 1 percentage point for American customers, accounting for 18% of original equipment sales.

Sales growth by Business Group (before application of IFRS 15)[1]

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.

Sales by Business Group *(in millions of euros)*

Sales by Business Group (a)	First-half					Third-quarter				
	2018 (b)	2017	CER change (c)	Change in OE sales (d)	Change in sales	2018 (b)	2017	CER change (c)	Change in OE sales (d)	Change in sales
Comfort and Driving Assistance Systems	1,841	1,837	+3%	+3%	0 %	880	859	+2%	+3%	+2%
Powertrain Systems	2,633	2,163	+26% (e)	+3%	+22% (e)	1,179	963	+23%	-1%	+22%
Thermal Systems	2,548	2,594	+4%	+3%	-2%	1,180	1,157	+2%	+1%	+2%
Visibility Systems	2,988	2,953	+6% (f)	+3%	+1% (f)	1,282	1,355	-5%	-5%	-5%
GROUP	**9,939**	**9,464**	**+9%**	**+3%**	**+5%**	**4,488**	**4,301**	**+5%**	**-1%**	**+4%**

Sales by Business Group (a)	Nine months ended September 30				
	2018 (b)	2017	CER change (c)	Change in OE sales (d)	Change in sales
Comfort and Driving Assistance Systems	2,721	2,696	+3%	+3%	+1%
Powertrain Systems	3,812	3,126	+25% (e)	+1%	+22% (e)
Thermal Systems	3,728	3,751	+4%	+2%	-1%
Visibility Systems	4,270	4,308	+2% (f)	0%	-1% (f)
GROUP	**14,427**	**13,765**	**+8%**	**+2%**	**+5%**

(a) Including intersegment sales.
(b) 2018 data are presented in accordance with the same accounting principles as those used in the third-quarter 2017 consolidated financial statements published in October 2017, i.e., before the application of IFRS 15 (unaudited data).
(c) At constant exchange rates.
(d) Like-for-like (constant Group structure and exchange rates)[2].
(e) Including FTE automotive & Valeo-Kapec.
(f) Including Ichikoh.

Thanks to its original equipment operations, the **Comfort & Driving Assistance Systems Business Group** reported the highest rate of like-for-like growth. The 3% increase was driven by higher content per vehicle (take rates) in the driving assistance business as well as a favorable customer mix in China, and enabled the Business Group to outperform global production by 6 percentage points.

With growth of 23% at constant exchange rates in the third quarter, the **Powertrain Systems Business Group's** sales were buoyed by the successful integration of FTE automotive and Valeo-Kapec, leading to a 2-percentage point outperformance compared with global production.

The **Thermal Systems Business Group** outpaced global production by 4 percentage points, led by a favorable customer and geographic mix.

The **Visibility Systems Business Group's** sales grew at a slower pace than the rest of the Group in the third quarter, held back by its broad exposure in Europe to customers heavily impacted by WLTP, production start-up delays (primarily in Europe), and an unfavorable customer mix in China. The Business Group's performance was lifted by the strong growth of Ichikoh in Japan and the ASEAN[3], further highlighting the company's successful integration.

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[1] For the sake of consistency in our financial communications, sales are presented under the same accounting principles as in 2017 (i.e., before the application of IFRS 15). The impacts of the application of IFRS 15 are presented on pages 9 to 12 of this document.

[2] See Financial Glossary, page 13.

[3] ASEAN: Association of Southeast Asian Nations

Highlights

On September 19, 2018, Valeo and WABCO announced the signing of a memorandum of understanding (MoU) to bring the latest safety technologies to the commercial vehicle market in order to protect pedestrians and cyclists in city traffic and enable autonomous driving features. This MoU will enable Valeo and WABCO to play a leading role in the advanced driving assistance systems and automated driving markets for commercial vehicles.

Impacts of the application of IFRS 15 and IFRS 9

On July 17, 2018, Valeo reported the impacts of the application of IFRS 15 and IFRS 9 on 2017 comparative information.

The impacts of the application of IFRS 15 – "Revenue from Contracts with Customers" on sales for the first nine months of 2018 are as follows:

- the external cost of components imposed by customers, which was previously accounted for in original equipment sales, is now presented as a deduction from "Raw materials consumed". This reclassification results in a 376 million euro reduction in sales for the first nine months of 2018 (311 million euros for the same period in 2017) and mainly concerns the Thermal Systems Business Group's front-end module operations;
- customer contributions to Research and Development (including prototypes), which were previously presented as a deduction from "Research and Development expenditure", are now presented in sales under "Miscellaneous". This reclassification to sales represents an amount of 246 million euros for the first nine months of 2018 (248 million euros for the same period in 2017).

Sales by type (in millions of euros)

Before IFRS 15 (in millions of euros)	First-half				Third-quarter				Nine months ended September 30			
	2018*	2017	LFL change**	Reported change	2018*	2017	LFL change**	Reported change	2018*	2017	LFL change**	Reported change
Original equipment	8,628	8,235	+3%	+5%	3,904	3,751	-1%	+4%	12,532	11,986	+2%	+5%
Aftermarket	1,041	963	+5%	+8%	482	446	+3%	+8%	1,523	1,409	+5%	+8%
Miscellaneous	270	266	-3%	+1%	102	104	-1%	-2%	372	370	-2%	+1%
TOTAL	**9,939**	**9,464**	**+3%**	**+5%**	**4,488**	**4,301**	**-1%**	**+4%**	**14,427**	**13,765**	**+2%**	**+5%**

** 2018 data are presented in accordance with the same accounting principles as those used in the third-quarter 2017 consolidated financial statements published in October 2017, i.e., before the application of IFRS 15 (unaudited data).*
*** Like for like (constant Group structure and exchange rates)(1).*

Under IFRS 15 (in millions of euros)	First-half				Third-quarter				Nine months ended September 30			
	2018	2017*	LFL change**	Reported change	2018	2017*	LFL change**	Reported change	2018	2017*	LFL change**	Reported change
Original equipment	8,375	8,027	+2%	+4%	3,781	3,648	-2%	+4%	12,156	11,675	+1%	+4%
Aftermarket	1,041	963	+5%	+8%	482	446	+3%	+8%	1,523	1,409	+5%	+8%
Miscellaneous	447	443	-1%	+1%	171	175	-2%	-2%	618	618	-1%	0%
TOTAL	**9,863**	**9,433**	**+2%**	**+5%**	**4,434**	**4,269**	**-1%**	**+4%**	**14,297**	**13,702**	**+1%**	**+4%**

** 2017 data differ from the amounts presented in the third-quarter 2017 consolidated financial statements published in October 2017 since they have been adjusted to reflect the impact of retrospectively applying IFRS 15.*
*** Like for like (constant Group structure and exchange rates)(1).*

Impact of IFRS 15 (in millions of euros)	First-half				Third-quarter				Nine months ended September 30			
	2018	2017	LFL change*	Reported change	2018	2017	LFL change*	Reported change	2018	2017	LFL change*	Reported change
Original equipment	-253	-208	-1 pt	-1 pt	-123	-103	-1 pt	0 pts	-376	-311	-1 pt	-1 pt
Aftermarket	0	0	0 pts	0 pts	0	0	0 pts	+2 pts	0	0	0 pts	+2 pts
Miscellaneous	+177	+177	+2 pts	0 pts	+69	+71	-1 pt	0 pts	+246	+248	+1 pt	-1 pt
TOTAL	**-76**	**-31**	**-1 pt**	**0 pts**	**-54**	**-32**	**0 pts**	**0 pts**	**-130**	**-63**	**-1 pt**	**-1 pt**

** Like for like (constant Group structure and exchange rates)(1).*

[1]See Financial Glossary, page 13.

Original equipment sales by destination region (in millions of euros)

Before IFRS 15 (in millions of euros)	First-half			Third-quarter			Nine months ended September 30		
	2018*	2017	LFL change**	2018*	2017	LFL change**	2018*	2017	LFL change**
Europe & Africa	4,152	3,920	+3%	1,720	1,726	-3%	5,872	5,646	+1%
Asia, Middle East & Oceania	2,662	2,381	+4%	1,284	1,200	-3%	3,946	3,581	+2%
▪ *of which China*	*1,138*	*1,112*	*0%*	*515*	*557*	*-10%*	*1,653*	*1,669*	*-3%*
▪ *excluding China*	*1,524*	*1,269*	*+7%*	*769*	*643*	*+2%*	*2,293*	*1,912*	*+6%*
North America	1,615	1,752	-1%	805	732	+5%	2,420	2,484	+1%
South America	199	182	+24%	95	93	+20%	294	275	+23%
TOTAL	**8,628**	**8,235**	**+3%**	**3,904**	**3,751**	**-1%**	**12,532**	**11,986**	**+2%**

** 2018 data are presented in accordance with the same accounting principles as those used in the third-quarter 2017 consolidated financial statements published in October 2017, i.e., before the application of IFRS 15 (unaudited data).*
*** Like for like (constant Group structure and exchange rates)[1].*

Under IFRS 15 (in millions of euros)	First-half			Third-quarter			Nine months ended September 30		
	2018	2017*	LFL change**	2018	2017*	LFL change**	2018	2017*	LFL change**
Europe & Africa	4,132	3,900	+3%	1,709	1,716	-3%	5,841	5,616	+1%
Asia, Middle East & Oceania	2,583	2,338	+2%	1,246	1,167	-4%	3,829	3,505	0%
▪ *of which China*	*1,076*	*1,074*	*-2%*	*488*	*526*	*-10%*	*1,564*	*1,600*	*-5%*
▪ *excluding China*	*1,507*	*1,264*	*+6%*	*758*	*641*	*+1%*	*2,265*	*1,905*	*+5%*
North America	1,462	1,607	-3%	731	672	+3%	2,193	2,279	-1%
South America	198	182	+23%	95	93	+20%	293	275	+22%
TOTAL	**8,375**	**8,027**	**+2%**	**3,781**	**3,648**	**-2%**	**12,156**	**11,675**	**+1%**

** 2017 data differ from the amounts presented in the third-quarter 2017 consolidated financial statements published in October 2017 since they have been adjusted to reflect the impact of retrospectively applying IFRS 15.*
*** Like for like (constant Group structure and exchange rates)[1].*

Impact of IFRS 15 (in millions of euros)	First-half			Third-quarter			Nine months ended September 30		
	2018	2017	LFL change*	2018	2017	LFL change*	2018	2017	LFL change*
Europe & Africa	-20	-20	0 pts	-11	-10	0 pts	-31	-30	0 pts
Asia, Middle East & Oceania	-79	-43	-2 pts	-38	-33	-1 pt	-117	-76	-2 pts
▪ *of which China*	*-62*	*-38*	*-2 pts*	*-27*	*-31*	*0 pts*	*-89*	*-69*	*-2 pts*
▪ *excluding China*	*-17*	*-5*	*-1 pt*	*-11*	*-2*	*-1 pt*	*-28*	*-7*	*-1 pt*
North America	-153	-145	-2 pts	-74	-60	-2 pts	-227	-205	-2 pts
South America	-1	0	-1 pt	0	0	0 pts	-1	0	-1 pt
TOTAL	**-253**	**-208**	**-1 pt**	**-123**	**-103**	**-1 pt**	**-376**	**-311**	**-1 pt**

** Like for like (constant Group structure and exchange rates)[1].*

[1] See Financial Glossary, page 13.

Sales by Business Group (including intersegment sales) (in millions of euros)

Before IFRS 15 (in millions of euros)	First-half				Third-quarter				Nine months ended September 30			
	2018*	2017	Change in sales	Change in OE sales**	2018*	2017	Change in sales	Change in OE sales**	2018*	2017	Change in sales	Change in OE sales**
Comfort and Driving Assistance Systems	1,841	1,837	0%	+3%	880	859	+2%	+3%	2,721	2,696	+1%	+3%
Powertrain Systems	2,633	2,163	+22%	+3%	1,179	963	+22%	-1%	3,812	3,126	+22%	+1%
Thermal Systems	2,548	2,594	-2%	+3%	1,180	1,157	+2%	+1%	3,728	3,751	-1%	+2%
Visibility Systems	2,988	2,953	+1%	+3%	1,282	1,355	-5%	-5%	4,270	4,308	-1%	0%
GROUP	9,939	9,464	+5%	+3%	4,488	4,301	+4%	-1%	14,427	13,765	+5%	+2%

** 2018 data are presented in accordance with the same accounting principles as those used in the third-quarter 2017 consolidated financial statements published in October 2017, i.e., before the application of IFRS 15 (unaudited data).*
*** Like for like (constant Group structure and exchange rates)[1].*

Under IFRS 15 (in millions of euros)	First-half				Third-quarter				Nine months ended September 30			
	2018	2017*	Change in sales	Change in OE sales**	2018	2017*	Change in sales	Change in OE sales**	2018	2017*	Change in sales	Change in OE sales**
Comfort and Driving Assistance Systems	1,899	1,889	+1%	+3%	905	878	+3%	+3%	2,804	2,767	+1%	+3%
Powertrain Systems	2,664	2,188	+22%	+3%	1,190	973	+22%	-1%	3,854	3,161	+22%	+1%
Thermal Systems	2,341	2,425	-4%	0%	1,076	1,070	+1%	-1%	3,417	3,495	-2%	0%
Visibility Systems	3,030	3,014	+1%	+3%	1,296	1,381	-6%	-6%	4,326	4,395	-2%	0%
GROUP	9,863	9,433	+5%	+2%	4,434	4,269	+4%	-2%	14,297	13,702	+4%	+1%

** 2017 data differ from the amounts presented in the third-quarter 2017 consolidated financial statements published in October 2017 since they have been adjusted to reflect the impact of retrospectively applying IFRS 15.*
*** Like for like (constant Group structure and exchange rates)[1].*

Impact of IFRS 15 (in millions of euros)	First-half				Third-quarter				Nine months ended September 30			
	2018	2017*	Change in sales	Change in OE sales**	2018	2017	Change in sales	Change in OE sales*	2018	2017	Change in sales	Change in OE sales*
Comfort and Driving Assistance Systems	58	52	+1 pt	0 pts	25	19	+1 pt	0 pts	83	71	0 pts	0 pts
Powertrain Systems	31	25	0 pts	0 pts	11	10	0 pts	0 pts	42	35	0 pts	0 pts
Thermal Systems	-207	-169	-2 pts	-3 pts	-104	-87	-1 pt	-2 pts	-311	-256	-1 pt	-2 pts
Visibility Systems	42	61	0 pts	0 pts	14	26	-1 pt	-1 pt	56	87	-1 pt	0 pts
GROUP	-76	-31	0 pts	-1 pt	-54	-32	0 pts	-1 pt	-130	-63	-1 pt	-1 pt

** Like for like (constant Group structure and exchange rates)[1].*

[1] See Financial Glossary, page 13.

Upcoming events

Full-year 2018 results: February 21, 2019

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.
- **Operating margin including share in net earnings of equity-accounted companies** corresponds to operating income before other income and expenses.
- **Free cash flow** corresponds to net cash from operating activities (excluding the change in non-recurring sales of receivables) after taking into account acquisitions and disposals of property, plant and equipment and intangible assets.

Valeo is an automotive supplier, partner to all automakers worldwide. As a technology company, Valeo proposes innovative products and systems that contribute to the reduction of CO_2 emissions and to the development of intuitive driving. In 2017, the Group generated sales of 18.5 billion euros and invested 12% of its original equipment sales in Research and Development. At September 30, 2018, Valeo had 186 plants, 20 research centers, 36 development centers and 15 distribution platforms, and employed 115,000 people in 33 countries worldwide. Valeo is listed on the Paris stock exchange and is a member of the CAC 40 index.

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