



FY 2022

Results

CHRISTOPHE
PÉRILLAT

CEO

SMART TECHNOLOGY FOR SMARTER MOBILITY

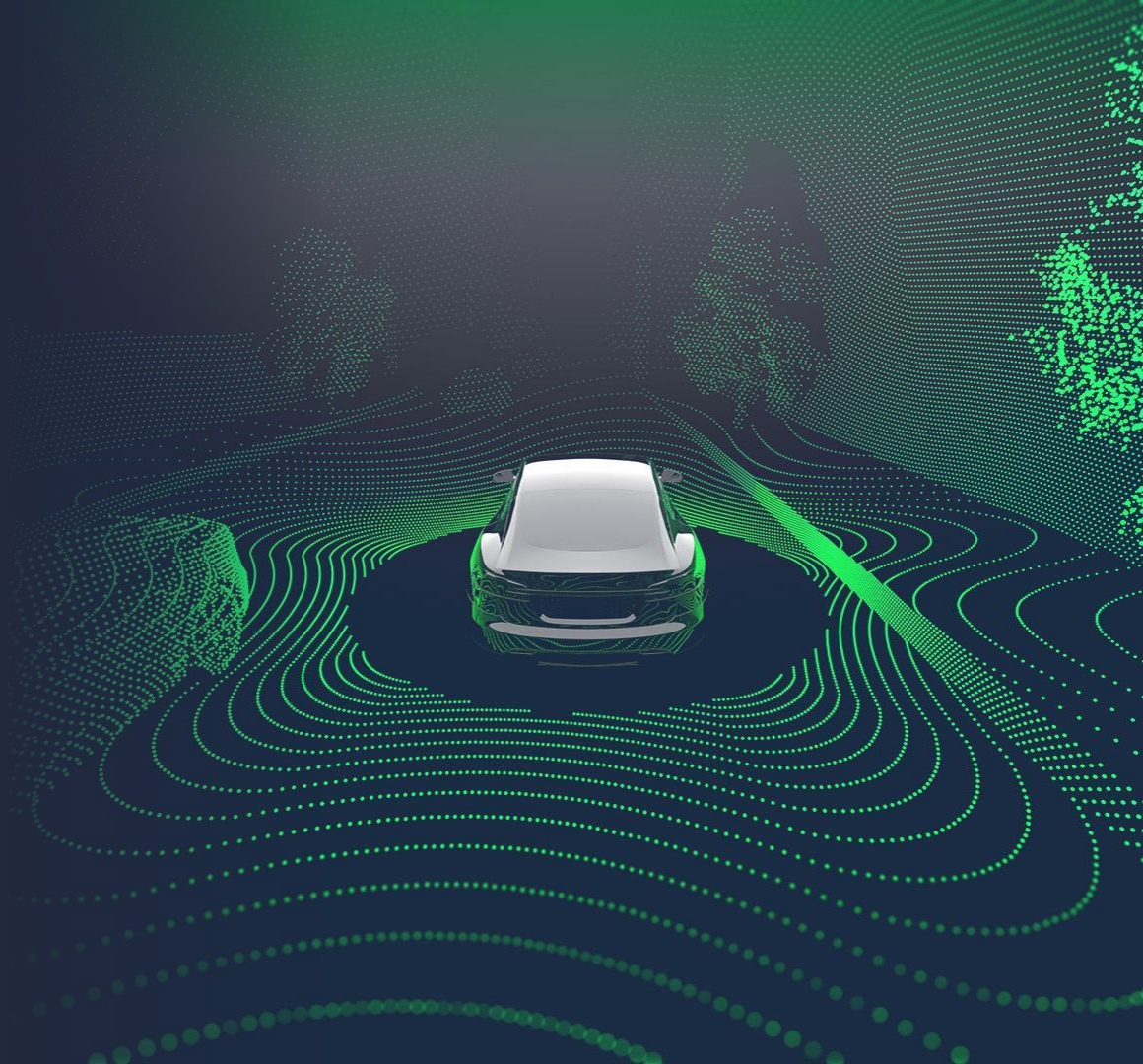


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2022 guidance achieved in a challenging environment throughout the year

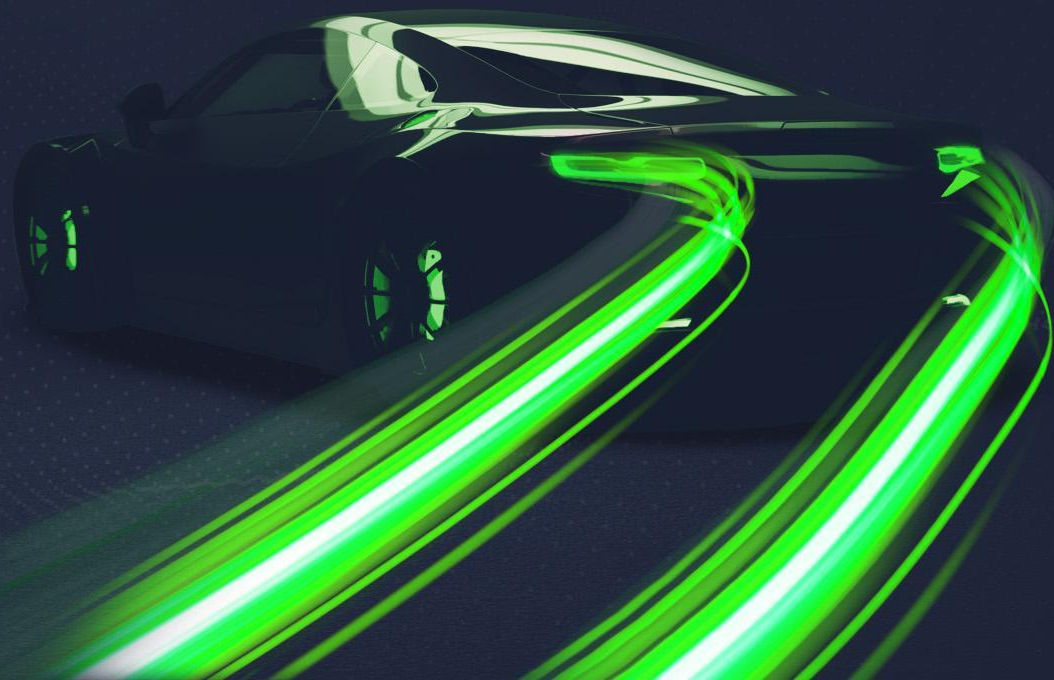
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above FY 2022 guidance

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01

A snapshot in 4 slides



01

FY 2022 GUIDANCE ACHIEVED ✓FY 2022
RESULTSGroup Sales
€20,037MEBITDA
€2,401M
12.0%Operating margin
€635M
3.2%Free cash flow
€388MFY 2022
GUIDANCEGroup Sales
€19.2-20BNEBITDA
11.8%-12.3%Operating margin
3.2%-3.7%Free cash flow
€320M*Higher than guidance*

01

FY sales up 16%

Main change in scope: Integration of the high-voltage powertrain business as of July 1, 2022*



Group Sales

€20,037m

incl. Powertrain high-voltage*

€644m

+16% reported

+9% lfl

Exchange rate: +4%

Scope: +3%



OEM

€16,748m

incl. Powertrain high-voltage*

€620m

+18% as reported

+10% lfl

Exchange rate: +4%

Scope: +4%



Aftermarket

€2,256m

+9% as reported

+9% lfl

Exchange rate: -

Scope: -



Miscellaneous

€1,033m

-1% as reported

-5% lfl

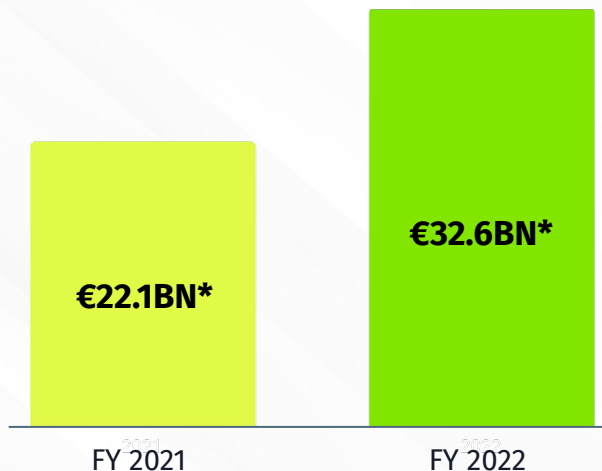
Exchange rate: +4%

Scope: -

01

Order intake up 48%

Highly driven by the acceleration in **electrification & ADAS**



2022 order intake: profitability significantly above 2025 operating margin objective set in the Move Up plan
leading to further improvement in margins beyond 2025



Electrification Acceleration

Powertrain + Thermal

Order intake related to high-voltage EV

2/3

of 2022 total Powertrain & Thermal order intake



ADAS Acceleration

Comfort & Driving Assistance

Order intake in ADAS

3X

2022 ADAS OEM sales

2023 outlook

Given the uncertainty regarding automotive production in our main business regions, and taking into account net inflation and cost reduction measures, we are setting the following **objectives for 2023** (see opposite).

These objectives lead to:

- a **0.8 to 1.6 percentage point improvement** compared with 2022 adjusted profitability (i.e., operating margin including the high-voltage electric powertrain business within the Powertrain Systems Business Group as of January 1, 2022)
- a **significant improvement in free cash flow generation** (compared with 2022 adjusted free cash flow).

with a significant improvement of our financial performance in 2nd half vs 1st half.



	2022 published	2022 adjusted*	2023 guidance**
Sales (in billions of euros)	20.0	20.4	22.0 - 23.0
Operating margin (as a % of sales)	3.2%	2.4%	3.2% - 4.0%
EBITDA (as a % of sales)	12.0%	11.4%	11.5% - 12.3%
Free cash flow (in millions of euros)	388	205	> 320

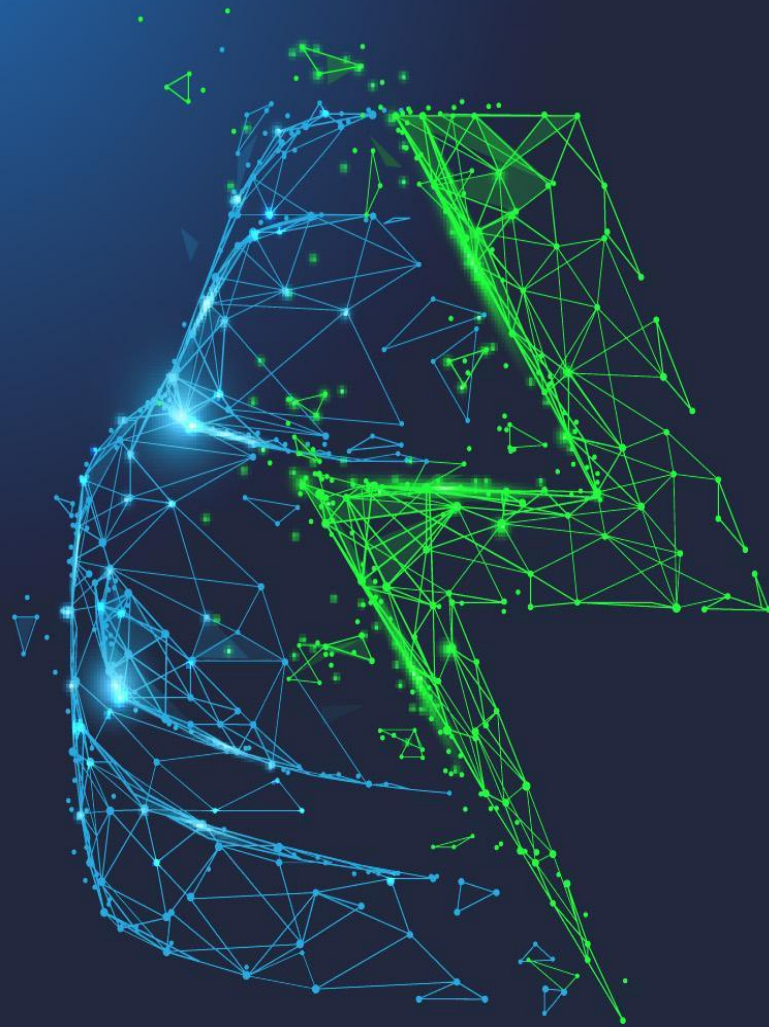
* Data for 2022 has been adjusted to include the integration of the high-voltage business (formerly Valeo Siemens eAutomotive) within the Powertrain Systems Business Group as of January 1, 2022

** Based on the following assumptions:

- **growth in global automotive production of between 0% and 3.3% in 2023** (3.3% = S&P Global Mobility estimates released on February 16, 2023);
- **an acceleration in automotive production in the 2nd half of the year** (in line with the S&P Global Mobility scenario released on February 16, 2023);
- **price increases** in relation to cost inflation **and internal cost reduction measures**

02

Sustainability at the heart of our strategy



Solid governance

Highly skilled Board of Directors with diversified competencies



Number of directors

14



Proportion of women*

42%



Independent Board Members**

92%



Nationalities



Strong commitment to CSR:

- A Board Committee specifically addresses CSR matters
- Short & long-term variable compensation of CEO and senior management includes CSR objectives

Separation of the roles of Chairman of the Board and CEO



Gilles Michel

Chairman of the Board of Directors as of January 1st 2023



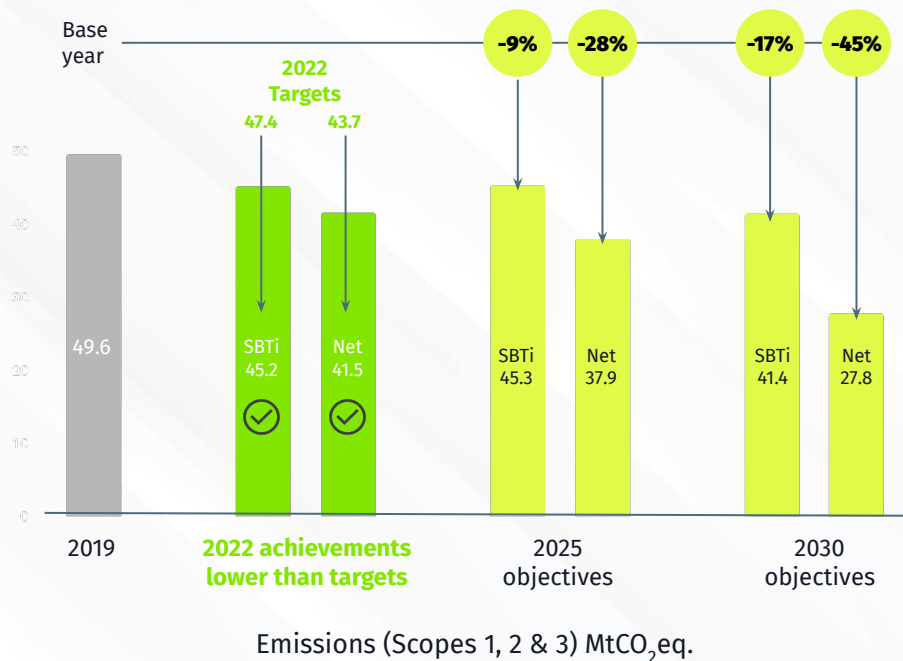
Christophe Perillat

CEO

02

Strong commitment to sustainable development

2022 objectives achieved ✓



Carbon neutrality trajectory on track CAP 50

Valeo's "Cap50" plan defines the trajectory for reducing greenhouse gas emissions to contribute to carbon neutrality by 2050 throughout the Group's value chain (Scopes 1, 2 and 3).

As part of this ambitious plan, Valeo has set itself two reduction targets for 2025 and 2030:

- The first, in accordance with the Science-Based Targets (SBTi) initiative;
- The second, taking into account the impact of the electrification benefits of Valeo's solutions in terms of CO₂ emissions reduction, also known as the "net" target.

02 An ESG leader recognized by rating agencies

#1

S&P Global

72/100

#2

SUSTAINALYTICS
a Morningstar company

10.6*

low-risk

#1

ISS ESG ▶
ethix • climate • oekom

B- Prime

#1

CDP

A Climate Change

#1

MSCI
ESG RATINGS

AAA


Top3

MOODY'S

66/100




Most represented auto parts company in ESG indices including




EURONEXT
CAC40 ESG
CAC40 SBT 1.5°

STOXX
Global ESG
Leaders



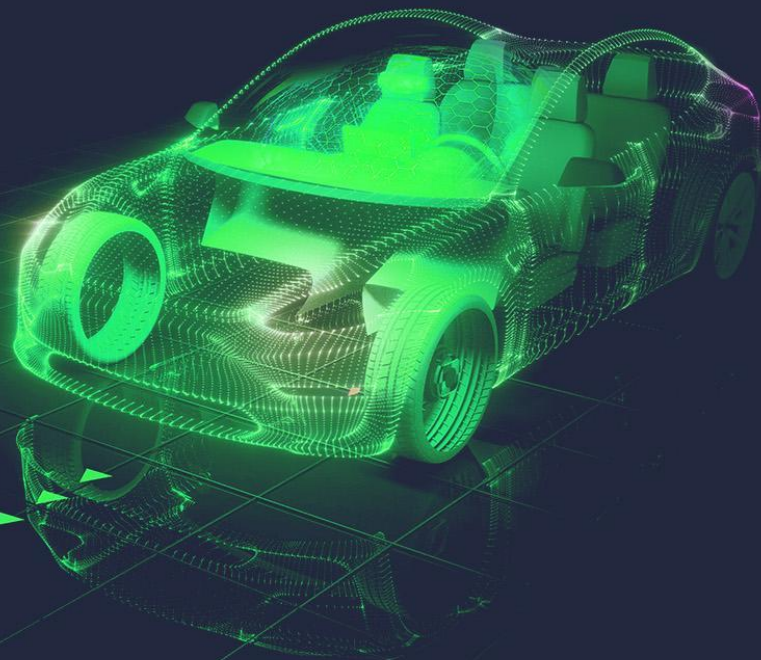
FTSE4Good

MSCI 
ESG Leaders

03

Sales

Outperformance in all regions



03

FY OEM sales outperformance in all regions

World

3pts
outperformance

5pts adjusted

Production +7%**

*2021 & H1 2022 adjusted for the integration of the high-voltage business (formerly Valeo Siemens eAutomotive)

** S&P Global Mobility estimates as of February 16, 2023



Europe (incl. Africa)
44% of OEM sales

Asia (incl. China)
34% of OEM sales

North America
20% of OEM sales

South America
2% of OEM sales

+10% OEM sales lfl
0% Production*

+9% OEM sales lfl
+8% Production*

+13% OEM sales lfl
+10% Production*

+25% OEM sales lfl
+8% Production*



10pts
outperformance

1pt
outperformance

3pts
outperformance

17pts
outperformance

Incl. **China 1pt** outperf.
17% of OEM sales

Growth contributors

CDA

PTS

THS

VIS

03

Q4 OEM sales outperformance in all regions

World

15pts
outperformance

ADAS: +45%
Powertrain HV: +76%

19pts adjusted*

Production +3%**

*2021 & H1 2022 adjusted for the integration of the high-voltage business (formerly Valeo Siemens eAutomotive)

** S&P Global Mobility estimates as of February 16, 2023



Europe (incl. Africa)
44% of OEM sales

Asia (incl. China)
35% of OEM sales

North America
19% of OEM sales

South America
2% of OEM sales

+24% OEM sales lfl
+7% Production*



17pts
outperformance

+12% OEM sales lfl
+1% Production*



11pts
outperformance

Incl. **China 3pts** outperf.
18% of OEM sales

+14% OEM sales lfl
+8% Production*



6pts
outperformance

+34% OEM sales lfl
+4% Production*



30pts
outperformance

Growth contributors

CDA

PTS

THS

VIS

04

Business Groups

Strong acceleration
in electrification
& ADAS



Comfort & Driving Assistance Systems (CDA)



CONTRIBUTING
TO SAFER
MOBILITY

04

Acceleration in ADAS

+11pts

Up 18% lfl

Outperformance

OEM sales organic
growth vs. 2021

ADAS
OEM Sales

€2.5bn in 2022

+29% lfl growth

**Interior
experience**
OEM Sales

€1.3bn in 2022

+2% lfl growth

Acceleration in ADAS & Interior Experience Reinvention

- Orders in ADAS **3x** OEM sales
- Leader in cameras
- World's first 2 Level 3 autonomy cars
- Software Defined Vehicle (SDV)
leading to significant increase in size
of the business

Powertrain Systems (PTS)



CONTRIBUTING
TO GREENER
MOBILITY

04

Acceleration in electrification

+5pts

Up 12% lfl
Adjusted*

Adj.* outperf.

OEM sales organic growth
vs. 2021

Incl. **4 pts** additional perf.
driven by **high-voltage** business, formerly VSeA

HV Powertrain
OEM sales

€1bn in 2022
+32% lfl growth

*H2 2021 restated for the integration of the High Voltage business (formerly Valeo Siemens eAutomotive)

Electrification Acceleration

● **2/3**

of 2022 Powertrain order intake
related to **high-voltage EV**

- **Major wins in 2022** incl. 800V SiC
- **A rare-earth free EESM motor**
co-developed with Renault Group
- **Start of production of Valeo Cyclee**,
our 48V bike electric assistance system

Integration of Valeo Siemens eAutomotive according to *Move Up* plan



Growth and synergies confirmed



04

Growth fueled by electrification

+5pts

Up 12% lfl

Outperformance

OEM sales organic growth vs. 2021

Electrification Acceleration

• 2/3

of 2022 order intake related to Thermal systems for **high-voltage EV**

- 2 **key wins** for technologies related to **electrified vehicles**
- Strong commercial momentum for the **Smart Heat Pump**

Visibility Systems (VIS)

04

Turning point in Q4
with an outperformance of +6pts

-2pts

Up 5% lfl

Outperformance

OEM sales organic growth vs. 2021



**CONTRIBUTING
TO GREENER &
SAFER MOBILITY**

Lighting everywhere

- **Multiple orders** in illuminated fascia & logo
- **Business extending to many surfaces of the vehicle** (interior and exterior)
- **Strategic alliances with SRG Global** in Europe and North America & **Ningbo Swell Industry** in China
- **New sophisticated LED** lighting pixelation

Aftermarket business

04

Dynamic aftermarket business

+9%

Aftermarket like-for-like sales growth

vs. FY 2021



Dynamic growth despite unfavorable base effect (+22% lfl growth in FY 2021 vs FY 2020)



**CONTRIBUTING
TO GREENER &
SAFER MOBILITY**



**1M products remanufactured
in 2022**



Drivers

- **Ageing & growing car fleet**
- **Extension of the product range and higher value products in Transmission systems** (kit offering) thanks to FTE acquisition
- **Pricing**

EBITDA margin by Business Group

Guidance achieved in a challenging environment

€2,401M

12.0% of sales

Per Business Group:

- CDA taking advantage of **ADAS acceleration**
- PTS profitability (i) in line with **Move Up plan** with 50% reduction in the **high-voltage electric business'** losses in 2022 vs 2021 & synergies confirmed, (ii) negatively impacted in H2 as expected, due to the **integration of the high-voltage electric business**, formerly Valeo Siemens eAutomotive
- VIS results supported by **Aftermarket** and higher **profitability in new technologies**
- THS highly negatively impacted by (i) **low production volumes** for certain vehicles in Europe and (ii) the **increase in price of aluminum (AL) paid by Valeo** (incl. premiums, additives, processing, etc.) that has diverged from generic AL index (LME)

	Change in EBITDA 2022 vs 2021 In €m	EBITDA margin 2022 In % of sales	Change 2022 vs 2021 In % pts
CDA	+84	15.8%	-1.4
ADAS	+62	18.0%	-3.1
iX*	+22	11.2%	+0.6
PTS	+53	10.9%	-1.3
VIS	+30	13.1%	-0.2
THS	-95	7.3%	-3.6

05

Profitability

2022 guidance achieved
in a challenging environment
throughout the year

Operating margin at 3.2% of sales

(€M)	FY 2021	FY 2022	▲
Total Sales	17,262	20,037	16%
Gross margin	3,040	3,447	13%
<i>As a % of sales</i>	17.6%	17.2%	-40bps
R&D expenditure	(1,510)	(1,880)	+25%
<i>As a % of sales</i>	(8.7)%	(9.4)%	-70bps
SG&A	(831)	(932)	+12%
<i>As a % of sales</i>	(4.8)%	(4.7)%	+10bps
Operating margin excl. JV & associates	699	635	-9%
<i>As a % of sales</i>	4.0%	3.2%	-80bps
JV & associates	(243)	115	na
<i>As a % of sales</i>	(1.4)%	0.6%	+200bps
Operating margin incl. JV & associates	456	750	65%
<i>As a % of sales</i>	2.6%	3.7%	110bps
EBITDA	2,308	2,401	+4%
<i>As a % of sales</i>	13.4%	12.0%	-140bps

3.2%

Operating margin

In line with 2022 guidance & *Move Up* plan

(9.4)%

R&D expenditure

IFRS impact of 0.4pts*

Net R&D cost (incl. R&D sales) at 6.8% of sales

Move Up 2025 target at 6.5% of sales

€115m

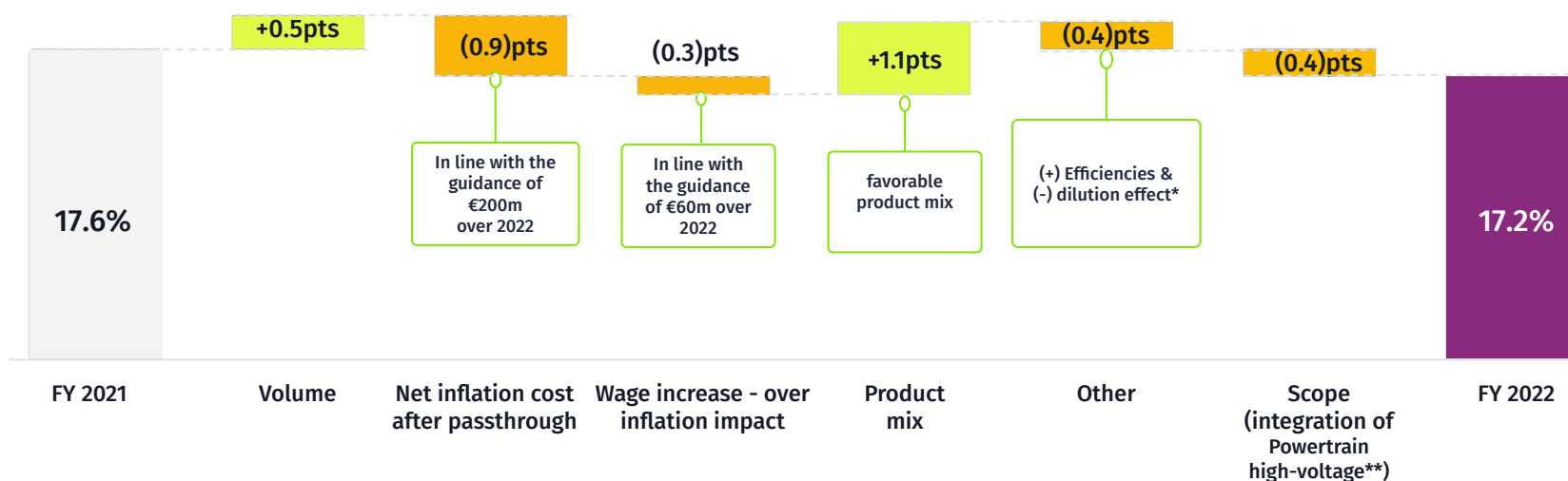
JV & associates of which

H1: €(82)m share in net earnings of Valeo Siemens eAutomotive (VSeA)

H2: €181m positive income due to revaluation to fair value remeasurement of the 50% equity interest held in VSeA (IFRS3) before full takeover

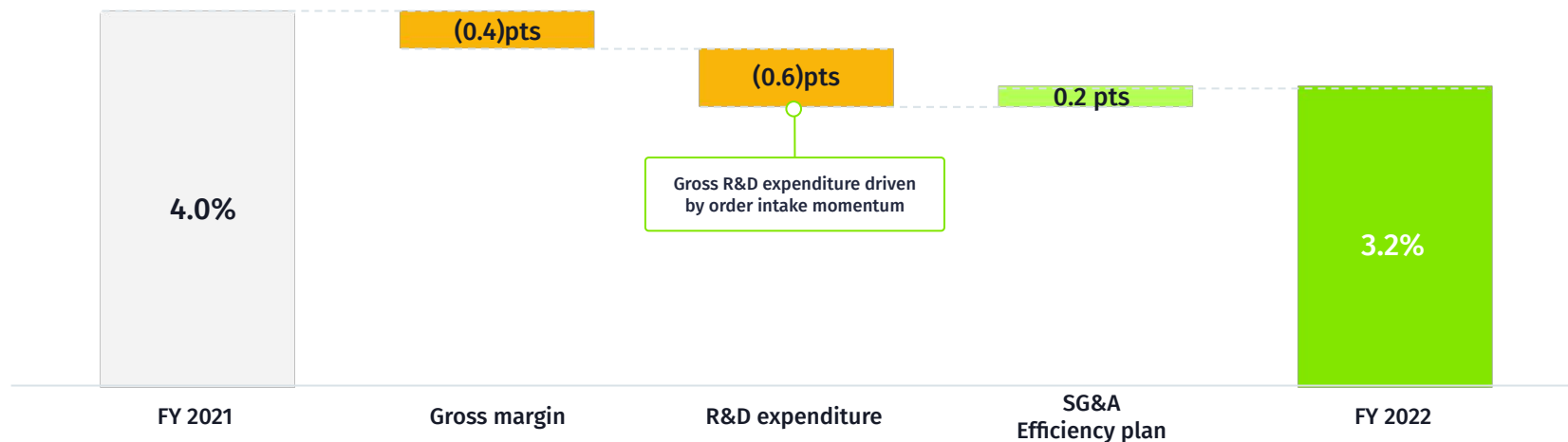
Resilient gross margin in an unfavorable environment

As a % of sales



Operating margin at 3.2% of sales

As a % of sales



FY net income of €230M

	FY 2021	FY 2022	▲
Total Sales	17,262	20,037	+16%
Operating margin incl. JV & associates	456	750	+65%
<i>As a % of sales</i>	2.6%	3.7%	+110bps
Other income & expenses	(50)	(106)	-112%
<i>As a % of sales</i>	(0.3)%	(0.5)%	-20bps
Operating income	406	644	+59%
<i>As a % of sales</i>	2.4%	3.2%	+80bps
Cost of net debt	(60)	(131)	+118%
Other financial income & expenses	96	(4)	na
Income before taxes	442	509	+15%
Income taxes	(197)	(214)	+9%
<i>Effective tax rate</i>	(29)%	(37)%	na
Non-controlling interests and other	(70)	(65)	-10%
Net income	175	230	+31%
<i>As a % of sales</i>	1.0%	1.1%	+10bps
EPS	0.73	0.95	+30%

€(106)m

Other income & expenses

incl. €43M one-off impairment charge linked to full writedown of assets related to Russia

€(131)m

Cost of net debt

of €131M due to rising interest rates in the context of debt replacement & refinancing of former VSeA's* debt

37%

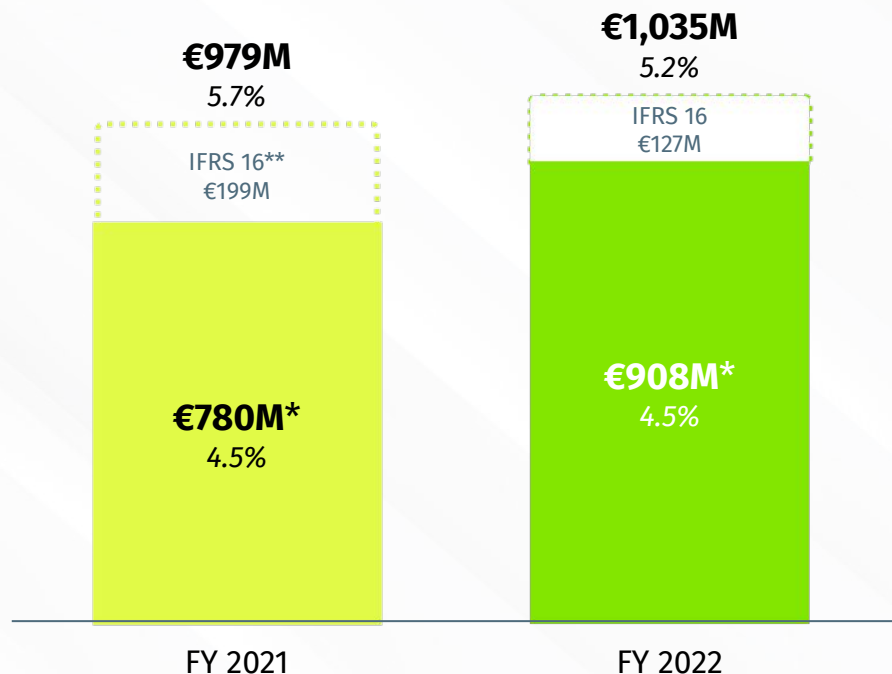
Effective tax rate

06

Solid cash generation
above FY 2022
guidance

Strong discipline in recorded CAPEX

In €M and as a % of sales



INVESTMENT CASH OUTFLOWS***

€753M

Strong discipline in investment cash outflows to optimize capital allocation

Free cash flow generation higher than guidance

(€M)	FY 2021	FY 2022
EBITDA	2,308	2,401
Change in operating working capital	(460)	99
Taxes	(237)	(291)
Restructuring & social costs	(78)	(78)
Operating provision variation	(79)	(281)
IFRS 16 leases	(86)	(100)
Pensions	(18)	(30)
Other	51	(43)
Investment outflows	(1,109)	(1,289)
CAPEX (excl. capitalized R&D)	(678)	(753)
Capitalized R&D	(431)	(536)
Free cash flow*	292	388
Interest	(28)	(100)
Dividends	(101)	(143)
Other	(315)	(552)
Net cash flow	(152)	(407)

€99M

Working Capital

Positive working capital contribution despite voluntary inventory increase to secure deliveries to customers

€753M

Investment outflows (excl. capitalized R&D)

strict control of our CAPEX (3.6 % of sales)

€(407)M

Net cash flow

€403m cashout relative to VSeA
 €143m in dividends to Valeo shareholders
 €50m in share buybacks

07

Capital allocation

Move Up plan:

Deleveraging priority confirmed



Leverage ratio of 1.67x EBITDA

In line with guidance

As of December 31, 2022

Net Debt/EBITDA
ratio

1.67x

Significant headroom vs covenant:
Net debt/EBITDA < 3.5

Gearing
ratio
105%

Credit ratings

	LT	Outlook	ST
MOODY'S	Baa3	Negative	Prime-3
S&P Global	BB+	Stable	B



**Deleveraging
priority
confirmed**

€500m in disposals of non-strategic assets: progress report



Wave 1

Agreement for the sale of 3 assets for a total amount of €80m



Wave 2

Advanced discussions for additional asset disposals for a total amount of around €120m



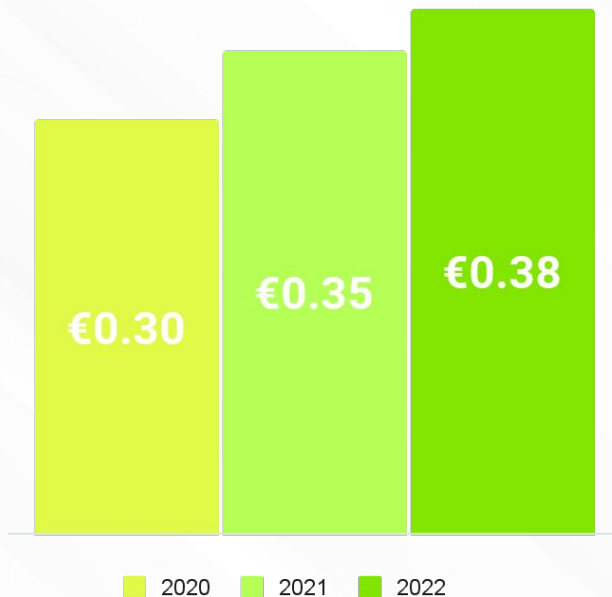
Wave 3

Additional assets to be disposed of have been identified
These disposals will be implemented when market conditions become favorable

■ Wave 1 ■ Wave 2 ■ Wave 3



Progressive increase in the dividend per share



**Dividend
of €0.38 per share,
Up 9% YoY**

To be proposed at the next
shareholder meeting

2022 achievements

- ✓ All financial objectives met
- ✓ Acceleration in electrification and ADAS
- ✓ High level of order intake

2023 outlook

- ✓ Significant improvement in financial performance vs 2022 adjusted data
- ✓ Further acceleration in electrification and ADAS
- ✓ Strong growth

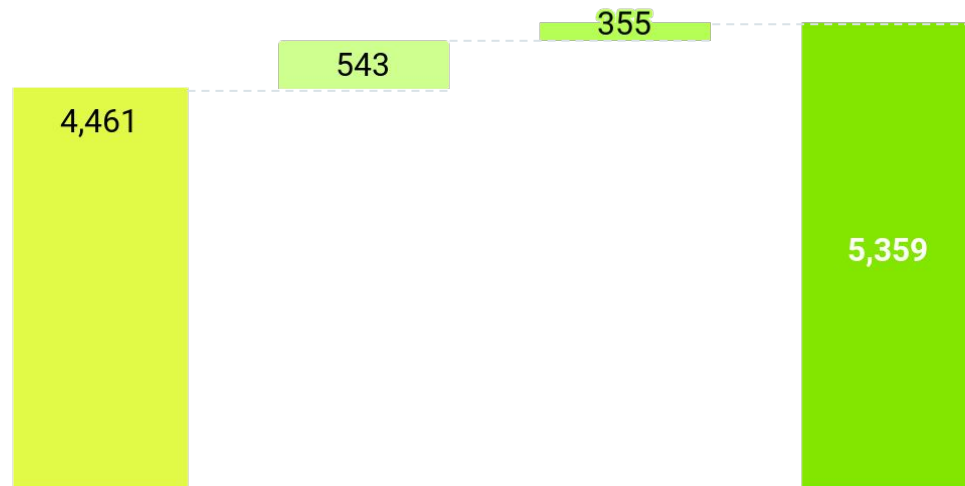
THANK YOU

Q&A SESSION

08

Backup slides

Q4 sales



€M

OEM

Aftermarket

Miscellaneous

Total sales

Reported:

+29%

+5%

+8%

+25%

Like for like:

+18%

+4%

+5%

+15%

Exchange rates:

+2.1%

-0.2%

+1.7%

+1.8%

Scope:

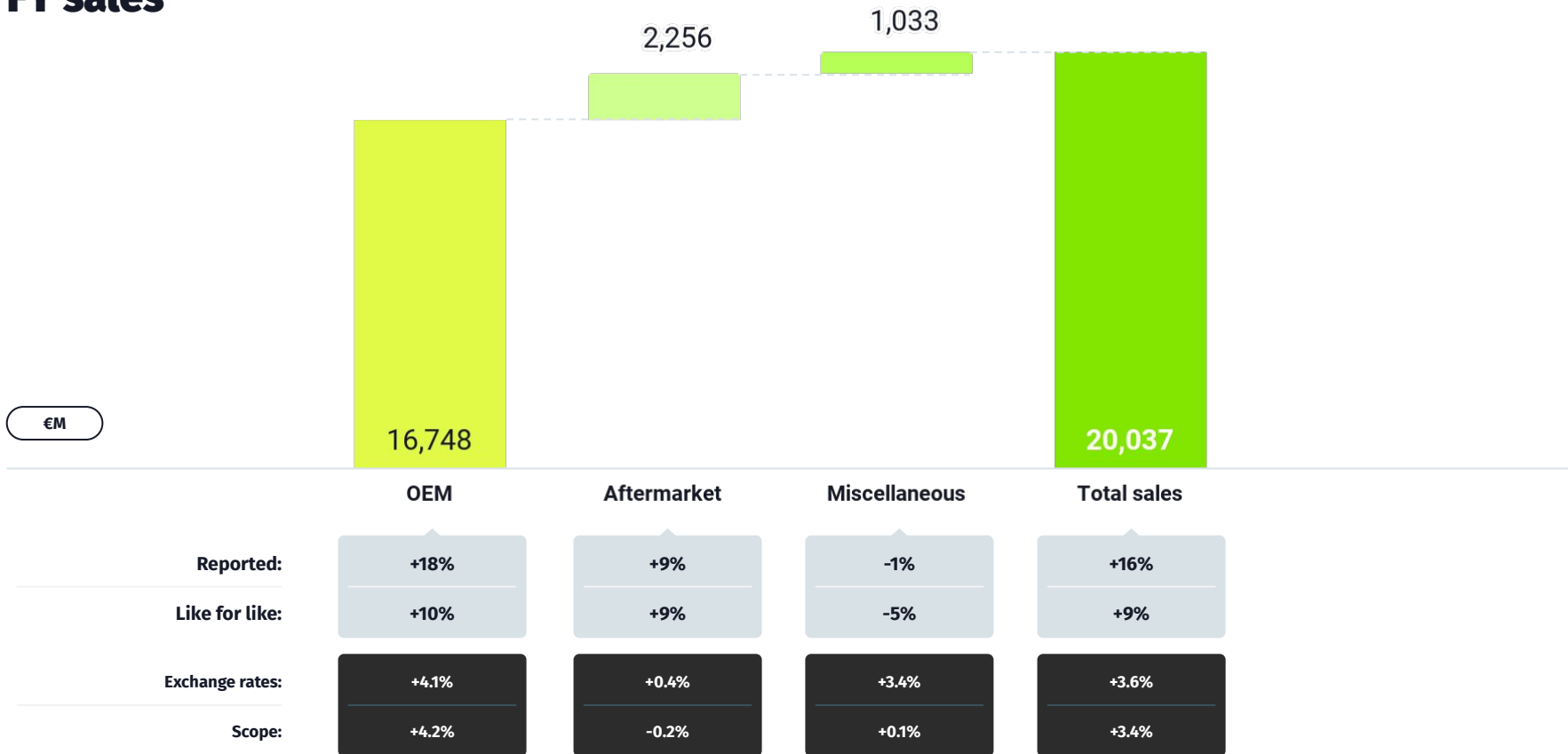
+9.1%

+0.8%

+0.5%

+7.4%

FY sales



03

FY OEM sales outperformance



1pt
outperformance

Production +8%*

* S&P Global Mobility (formerly IHS Markit) estimates as of February 16, 2023

VALEO RESERVED | FEB 23



China
50% of Asian sales

+7% OEM sales lfl
+6% Production*

1pt
outperformance



Japan
20% of Asian sales

+14% OEM sales lfl
0% Production*

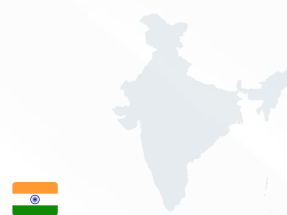
14pts
outperformance



South Korea
19% of Asian sales

2% OEM sales lfl
8% Production*

-6pts
performance



India
4% of Asian sales

-6% OEM sales lfl
+23% Production*

-29pts
performance

07

FY geographic & customer positioning

OEM sales by production region (% of OEM sales)

	2021	2022	▲
Western Europe	31%	29%	-2pts
US	8%	8%	Stable
Asia & emerging countries	63%	61%	-2pts
<i>Of which Asia excluding China</i>	18%	15%	-3pts
<i>Of which China</i>	16%	18%	+2pts
<i>Of which Eastern Europe</i>	16%	15%	-1pt
<i>Of which Mexico</i>	11%	12%	+1pt
<i>Of which South America</i>	1%	2%	+1pt

Customer portfolio (% of OEM sales)

German	30%	31%	-1pt
Asian	33%	32%	-1pt
American	18%	19%	+1pt
French	14%	13%	+1pt
Other	5%	5%	Stable

61%
of OEM Sales

Exposure to Asian
& emerging markets

Great diversification
among OEM customers



Comfort & Driving Assistance Systems (CDA)

CONTRIBUTING TO SAFER MOBILITY

04

Acceleration in ADAS

+11pts

Up 18% lfl

Outperformance

OEM sales organic growth vs. 2021

ADAS

OEM Sales

€2,5bn in 2022

+29% lfl growth

Interior experience

OEM Sales

€1,3bn in 2022

+2% lfl growth



Start of production of numerous **ADAS** projects



Highly driven by cameras front camera and surround view



High growth in Europe, China & North America

ADAS Acceleration & Interior Experience Reinvention



- Orders in ADAS **3x** OEM sales ADAS : key wins incl. with **BMW** (controller, sensors, SW) & recently fully automated parking up to **Level 4**, **Stellantis** (LiDAR) & **multiple Chinese OEMs** (cameras and parking) in H2 2022
- **Leader in cameras** with (since launch) 100M+ surround view cameras and 13M+ front cameras with **Mobileye EyeQ®**
- World's first 2 **Level 3 autonomy** cars (**Honda Legend** & **Mercedes S-Class**) both equipped with Valeo's LiDAR
- **Software Defined Vehicle (SDV)** leading to **significant increase** in **size of the business**

1.4x increase in ADAS CPV*

between 2021 and 2025



*Content per vehicle

Powertrain Systems (PTS)



CONTRIBUTING TO GREENER MOBILITY

04

Acceleration in electrification

+5pts

Up 12% lfl
Adjusted*

Adj.* outperf.

OEM sales organic
growth vs. 2021

Incl. **4 pts** additional perf.
driven by **high-voltage**
business, formerly VSeA

HV Powertrain

OEM sales

€1bn in 2022

+32% lfl growth



Impacted by the **slowdown of truck business in China**



Market share gains in North America



Acceleration in South Korea
from H2 22



Key launches in North America **in H2 2023**

*H2 2021 restated for the integration of the High Voltage business (formerly Valeo Siemens eAutomotive)

Electrification Acceleration

- **2/3** of 2022 Powertrain order intake related to high voltage EV
- Major wins in 2022 involving **existing & new customers, all the powertrain technologies** incl. 800V SiC, **all the production regions**
- **A rare-earth free EESM motor** (co-developed with **Renault Group**) 1st prototype is running on test bench
- **Start of production of Valeo Cyclee**, our 48V bike electric assistance system which has already attracted 25 bicycle manufacturers

6x HV Systems
increase in CPV*
between 2021 and 2025



Opportunity in New Mobility 48V Systems



*Content per vehicle

Thermal Systems (THS)



CONTRIBUTING TO GREENER MOBILITY

04

Growth fueled by electrification

+5pts

Up 12% lfl

Outperformance

OEM sales organic growth vs. 2021



In Europe, sales acceleration for electrified vehicle systems with German and French customers (battery cooling systems, climate control systems for electric vehicles, heat pump etc.)



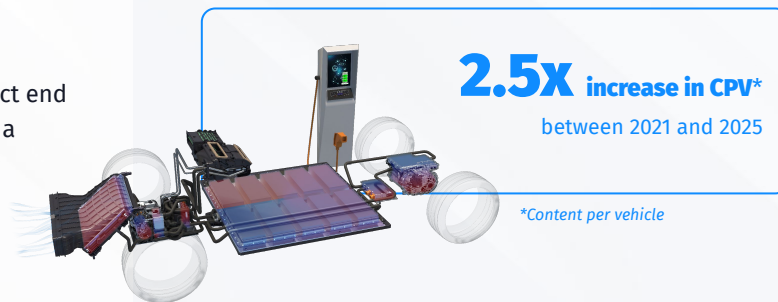
In China, acceleration in sales to German & Chinese customers



In North America, contract end (front-end module) with a Japanese OEM

Electrification Acceleration

- **2/3** of 2022 order intake related to Thermal high voltage EV
- **2 key wins** for technologies related to electrified vehicles with **Stellantis** (Smart Heat pump) & a **major European OEM** (air conditioning units and front-end cooling modules)
- Strong commercial momentum for the **Smart Heat Pump** (new, ultra-compact, fully integrated module)



Visibility Systems (VIS)



CONTRIBUTING TO GREENER & SAFER MOBILITY

04

Growth of 5% like-for-like

-2pt
Up 5% lfl

Outperformance

OEM sales organic growth vs. 2021



Product mix (electronics content) **to improve in 2023** thanks to easing in semiconductor supply



Performance in Europe will improve in 2023 with new contracts entering in production



Strong performance of **Aftermarket**

Lighting everywhere



- **Multiples orders** in illuminated fascia & logo
- **Business extending in many surfaces of the vehicle** (illuminated fascia, logo, light surface, coast to coast lighting) on top of interior
- **Strategic alliances with SRG Global** in Europe and North America & **Ningbo Swell Industry** in China, to jointly develop LED illuminated fascias for front-end modules
- **New sophisticated LED** lighting pixelation enabling the control of the **light intensity** projected with precision

1.2x

increase in CPV*
between 2021 and 2025



*Content per vehicle

FY Segment information

FY 2022

(€m)	CDA*	PTS	THS	VIS	Other	Total
Sales:						
Segment (Excluding Group)	4,192	5,574	4,463	5,331	320	19,880
Intersegment (Group)	42	115	80	32	(112)	157
EBITDA	671	619	333	705	73	2,401
Research & Development expenditure, net	(724)	(435)	(314)	(379)	(246)	(2,098)
Investments in property, plant & equipment & intangible assets	634	293	289	453	24	1,693
Segment assets	3,313	4,903	2,625	2,857	303	13,819

FY 2021

(€m)	CDA*	PTS	THS	VIS	Other	Total
Sales:						
Segment (Excluding Group)	3,396	4,528	3,869	5,038	431	17,262
Intersegment (Group)	21	123	57	56	(257)	0
EBITDA	587	566	428	675	52	2,308
Research & Development expenditure, net	(554)	(299)	(253)	(359)	(45)	(1,510)
Investments in property, plant & equipment & intangible assets	494	306	264	406	95	1,565
Segment assets	2,848	3,310	2,671	2,862	290	11,981

05

Net R&D costs at 6.8 % of sales

IFRS impact of 0.4%

(€M)	FY 2021	FY 2022	▲
Gross Research and Development expenditure <i>As a % of sales</i>	(1,704) (9.9)%	(2,077) (10.4)%	+22% -50bps
IFRS impact*	52	87	+67%
Subsidies and grants, and other income	142	122	-14%
Research & Development expenditure <i>As a % of sales</i>	(1511) (8.7)%	(1,880) (9.4)%	+25% -70bps
R&D sales (contributions received from customers)	385	524	+36%
Net Research & Development cost <i>As a % of sales</i>	(1125) (6.5)%	(1,356) (6.8)%	+21% -30bps
Capitalized development expenditure <i>As a % of sales</i>	586 3.4%	657 3.3%	+12% -10bps
Amortization and impairment of capitalized development expenditure** <i>As a % of sales</i>	(534) (3.1)%	(570) (2.8)%	+7% +30bps
IFRS impact* <i>As a % of sales</i>	52 0.3%	87 0.4%	+67% +10bps



6.8%

Net R&D cost

In line with *Move Up* objective of reducing Net R&D cost to ~6.5% of sales in 2025



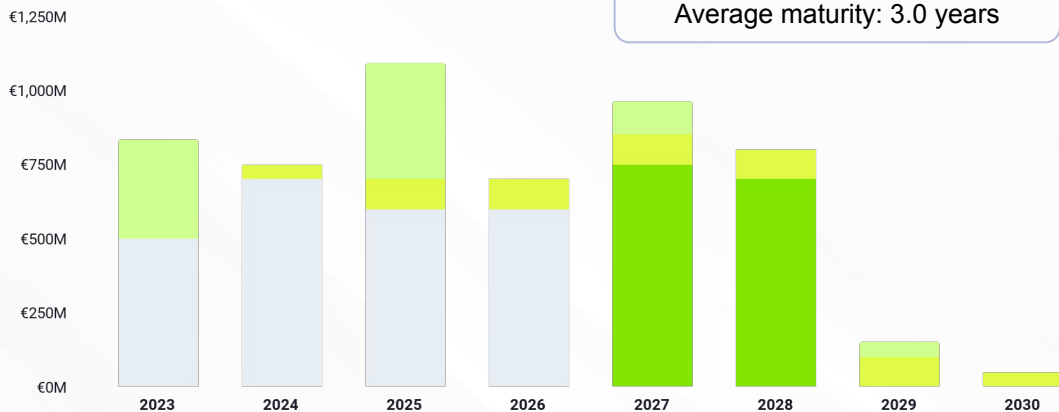
0.4%

IFRS impact*

Low spread underlying the quality of Group earnings

07

Balanced debt profile



Senior bond (EMTN)

Maturity	Amount	Coupon
January 2023	€500M	0.625%
January 2024	€700M	3.250%
June 2025	€600M	1.500%
March 2026	€600M	1.625%

Sustainability-linked senior bond (EMTN)

Maturity	Amount	Coupon
May 2027	€750M	5.375%
August 2028	€700M	1.000%

Schuldschein loan

Maturity	Amount	Coupon
April 2023	€115M/€221m	0.95%/E6M+0.95%
April 2025	€90M/€122M	1.291%/E6M+1.15%
October 2025	€30M/€149M	4.95%/E6M+1.90%
October 2027	€30M/€52M/€30M	5.251%/E6M+2.10%
October 2029	€5M/€45M	5.503%/E6M+2.30%

EIB loan

Maturity	Amount	Coupon
Repayment from 2024 until June 2029	€300M	0.885%
Repayment from 2025 until February 2030	€300M	1.083%

SLB aligned with Valeo's commitment to carbon neutrality by 2050

€750M

Amount

May 2027

Maturity

5.375%

Coupon

-45%

In Valeo's CO₂ emissions by 2030

37.95 MtCO₂eq.

As an intermediary target end of 2025*

Credit lines undrawn

€1.8BN

Average maturity : 3.7 yrs

Bridge to bond Undrawn

€650m

Maturity July 2023 with two 6-months extension options

Committed to the United Nations Sustainable Development Goals (SDGs)

4 MEGATRENDS TO SUPPORT VALEO'S GROWTH, FULLY ALIGNED WITH THE UN'S SDGs



Valeo

Group level & suppliers



03



Committed to our 2025 targets*

Sales
€27.5bn

>5pts

OUTPERF. OVER
2021/25 VS. IHS

EBITDA
~14.5%

EBIT
~6.5%

FCF
€0.8bn - €1.0bn

Leverage
<0.7x



CAGR** 2021-2025

PTS
15%
> 8pts
OUTPERF.

THS
11%
> 4pts
OUTPERF.

CDA
16%
> 9pts
OUTPERF.

VIS
10%
> 4pts
OUTPERF.

HV BUSINESS
INTEGRATION
SYNERGY

€120m
per year
at run rate
(2025)

EFFICIENCY PLAN

€100m
per year
at run rate
(2023)

DIVESTMENT OF
NON-STRATEGIC
ASSETS

€500m
in value

Contacts

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Integrated Report

For more insights on the Group's equity story, see the 2022 Integrated Report

Release date: March 30, 2023

Share information

Share Data

Bloomberg Ticker	FR FP
Reuters Ticker	VLOF.PA
ISIN Number	FR0013176526
Shares outstanding as of Dec. 31, 2022	243,501,944

ADR Data

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

Glossary

Order intake corresponds to business awarded by automakers during the period to Valeo, and to joint ventures and associates based on Valeo's share in net equity, (except Valeo Siemens eAutomotive, for which 100% of orders are taken into account), less any cancellations, based on Valeo's best reasonable estimates in terms of volumes, selling prices and project lifespans. Unaudited indicator.

Like for like (or LFL): the currency impact is calculated by multiplying sales for the current period by the exchange rate for the previous period. The Group structure impact is calculated by (i) eliminating, for the current period, sales of companies acquired during the period, (ii) adding to the previous period full-year sales of companies acquired in the previous period, and (iii) eliminating, for the current period and for the comparable period, sales of companies sold during the current or comparable period.

Adjusted data: data for first-half 2022 has been adjusted as though the high-voltage electrification business (formerly Valeo Siemens eAutomotive) had been consolidated in the Group's financial statements as of January 1, 2022. To calculate year-on-year changes in sales on an adjusted basis, 2021 figures have been adjusted as though the high-voltage electrification business had been consolidated in the Group's financial statements as of January 1, 2021.

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

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

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

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

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

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

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

Safe harbour 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.

The Valeo logo is rendered in a bold, white, italicized sans-serif font. A white swoosh underline is positioned beneath the letters 'e' and 'o', extending to the left and curving upwards.

SMART TECHNOLOGY
FOR SMARTER MOBILITY

