



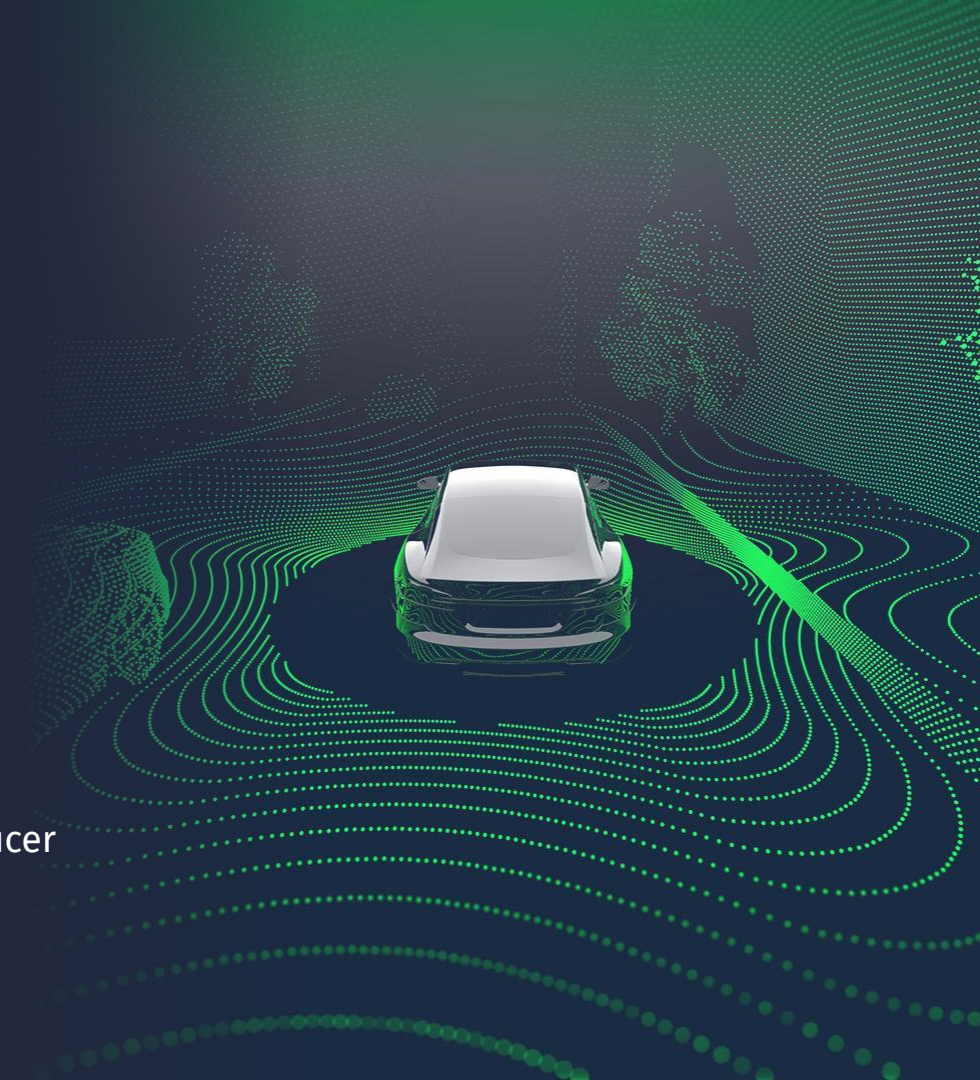
Half-Year 2023 RESULTS

July 27, 2023

Christophe Périllat
Chief Executive Officer

Robert Charvier
Chief Financial Officer

SMART TECHNOLOGY FOR SMARTER MOBILITY



Half-Year Results Summary

01

Highlights

02

**Financial
performance**

03

**FY guidance &
H2 key business
focus**

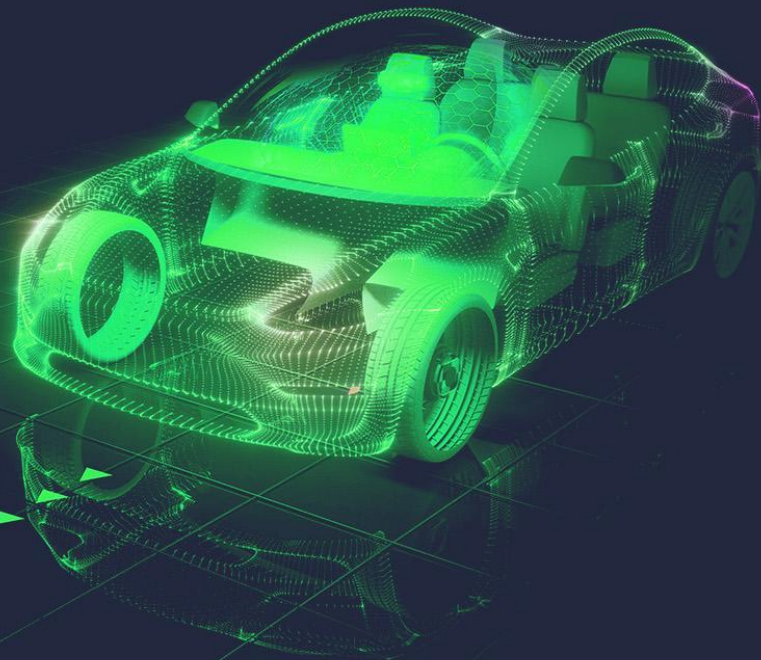
04

Backup slides

H1 2022 figures have been adjusted as though the high-voltage electric powertrain business had been consolidated in the Group's financial statements as of January 1, 2022, see glossary page 38.

01

Highlights



H1 in line with expectations

Sales
€11.2bn

OEM sales
like-for-like

H1: +19%*

Q2: +26%*

Outperformance

H1: +8pts*

Q2: +10pts*

Order intake*
€18.8bn, up 18%

at a **significantly higher**
level of **profitability**

More than half of new orders in **ADAS**, driven
by high demand in **Software Defined Vehicle**

* To calculate year-on-year changes in sales on an adjusted basis, 2022 figures have been adjusted as though the high-voltage electric powertrain business had been consolidated in the Group's financial statements as of January 1, 2022.

H1 in line with expectations



Operating margin

3.2% vs 1.2% adjusted* in 2022



Another step forward
in our strategic plan to **improve margins**



Most inflation **negotiations complete**
of which **~€260m** recorded end of June
to be **cashed in Q3**



Leading to a **Free Cash Flow** of
€(156)m at the end of June**

* H1 2022 figures have been adjusted as though the high-voltage electric powertrain business had been consolidated in the Group's financial statements as of January 1, 2022.

** vs. €(4)m adjusted, at the end of June 2022.

Further improvement of financial performance in H2, in line with expectations FY guidance reaffirmed

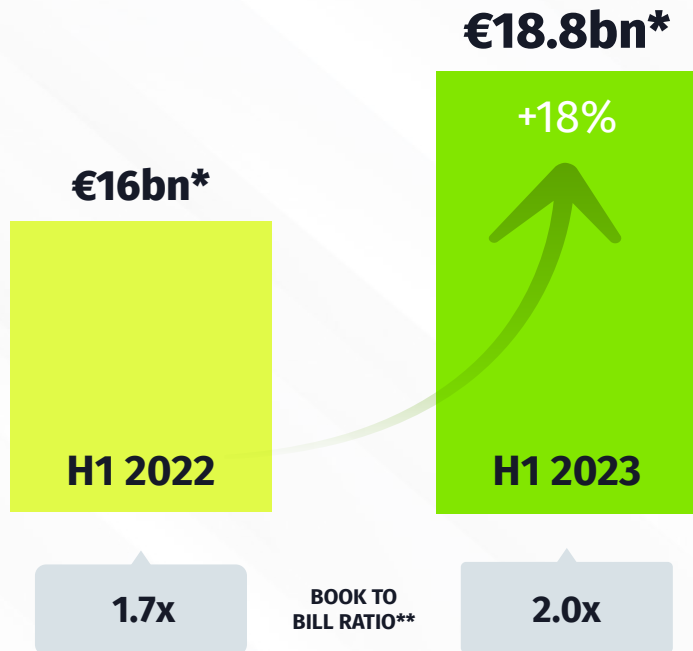
	H1 2022 reported	H1 2022 adjusted*	H1 2023	2023 guidance**
Sales	€9.4bn	€9.8bn	€11.2bn	€22bn - €23bn
EBITDA (as % of sales)	11.8%	10.6%	11.6%	11.5% - 12.3%
Operating margin (as % of sales)	2.7%	1.2%	3.2%	3.2% - 4.0%
Free cash flow	€179m	€(4)m	€(156)m ~€260m recorded in H1 to be cashed in Q3	> €320m

* To calculate year-on-year changes in sales on an adjusted basis, 2022 figures have been adjusted as though the high-voltage electric powertrain business had been consolidated in the Group's financial statements as of January 1, 2022.

** Based on S&P Global Mobility estimates released on July 14, 2023.

01

Profitable order intake driven by technology



* incl. Powertrain high voltage business, formerly VSeA

** order intake over OEM sales ratio

Further improvement in embedded margins

Leading to continued improvement in our margins beyond 2025

ADAS acceleration



More than half

of H1 group's order intake

Electrification acceleration



€5bn in new orders

in high-voltage electric powertrain

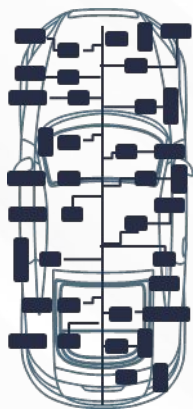
Strong momentum in Software Defined Vehicle

5 orders in high-performance computing unit incl. 2 strategic awards in 2023

SOFTWARE DEFINED VEHICLE

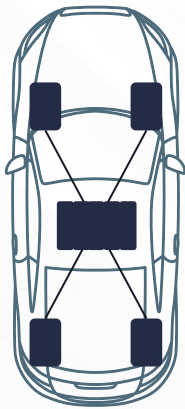
Offering new business opportunities

PREVIOUS



DISTRIBUTED

NOW



CENTRALIZED & ZONAL
SOFTWARE & OTA



VALEO'S FULL STACK OFFER

Applications software, middleware & integration services



SOFTWARE

Cooperation on
software development

Onboard application
software

Software integration
services



HARDWARE

High-performance
computing unit

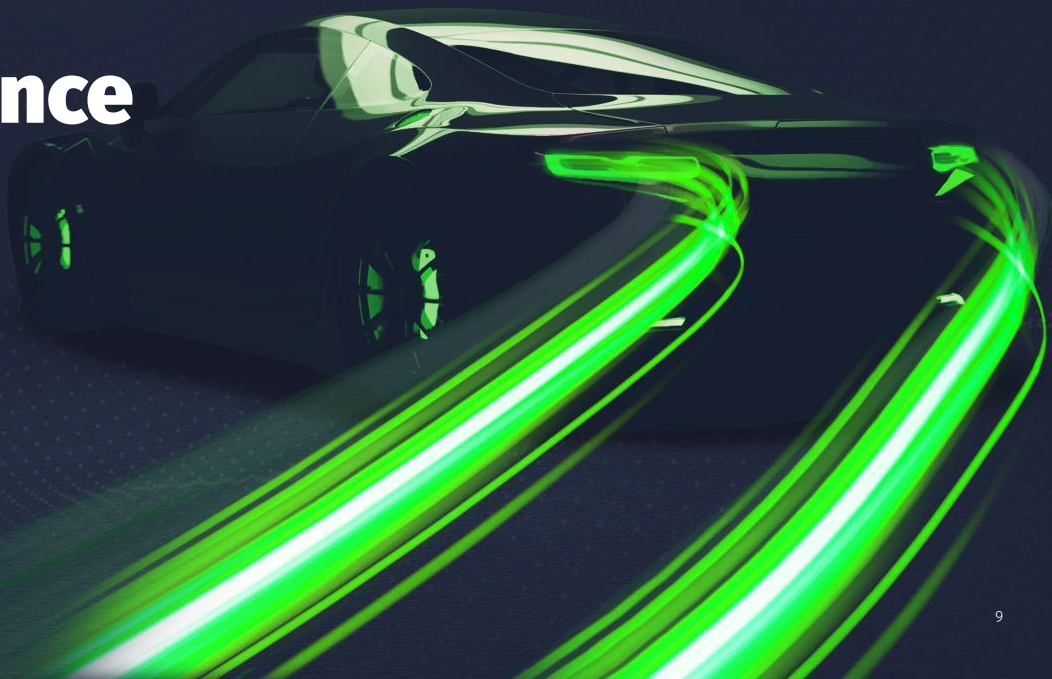
Zonal controllers

ADAS sensors

+

02

Financial performance



02

Summarized P&L

H1 2023 results showing strong improvement on an adjusted basis*

€m	H1 2022 adjusted*	H1 2023	▲
Total Sales	9,789	11,212	+17% lfl growth
EBITDA <i>As a % of sales</i>	1,033 10.6%	1,302 11.6%	+26% +100bps
Operating margin excl. JV & associates <i>As a % of sales</i>	117 1.2%	363 3.2%	+210% +200 bps
Net attributable income <i>As a % of sales</i>	(130) (1.3%)	119 1.1%	na +240 bps

* H1 2022 figures have been adjusted as though the high-voltage electric powertrain business had been consolidated in the Group's financial statements as of January 1, 2022.



Sales

+17% lfl adjusted*



EBITDA margin

+100 bps



Operating margin

+200 bps



Net income

+240 bps

02

Total sales amounting to €11.2bn, up 19%

H1 sales by type

Total sales
€11,212m

*incl. high-voltage powertrain**

+€847m

+17%

lfl adjusted growth*

Reported growth: +19%

Lfl growth: 13%

Exchange rate: -2%

Scope: +9%

OEM

€9,544m

+19%

lfl adjusted growth*

Reported growth: +22%

Lfl growth: +14%

Exchange rate: -2%

Scope: +10%

Aftermarket

€1,167m

+5%

lfl adjusted growth*

Reported growth: +2%

Lfl growth: +5%

Exchange rate: -4%

Scope: +2%

Miscellaneous

€501m

+8%

lfl adjusted growth*

Reported growth: +8%

Lfl growth: +3%

Exchange rate: -2%

Scope: +6%

OEM sales

Performance* by region

World

H1

+8pts
adjusted** perf.

+3pts
performance

Q2

+10pts
adjusted** perf.

Better outperformance** in Q2 in all regions

Continuing repositioning of our customer base in China



Europe
(including Africa)



North America



Asia
(excluding China)



China



South America

+9pts**

In line

+17pts**

-2pts**

-2pts

+1pt**

+12pts**

+9pts

+12pts**

In line**

+1pt

+6pts**

In line**

In line

In line**

* S&P Global Mobility estimates as of July 14, 2023

** To calculate yoy changes in sales on an adjusted basis, 2022 figures have been adjusted as though the high-voltage electric powertrain business had been consolidated in the Group's financial statements as of Jan. 1, 2022.

Outperformance in all business groups in Q2

Comfort & Driving Assistance Systems (CDA)

H1: +9 pt performance | Q2: +8 pts

ADAS

OEM Sales

+15 pts performance

Interior experience

OEM Sales

-1 pt performance

Powertrain Systems (PTS)

H1: +18 pt adjusted performance* | Q2: +26 pts*

High-voltage powertrain

OEM Sales

+108% lfl growth

Visibility Systems (VIS)

H1: Perf. in line with the market | Q2: +2 pts

Acceleration started in Q2

Thermal Systems (THS)

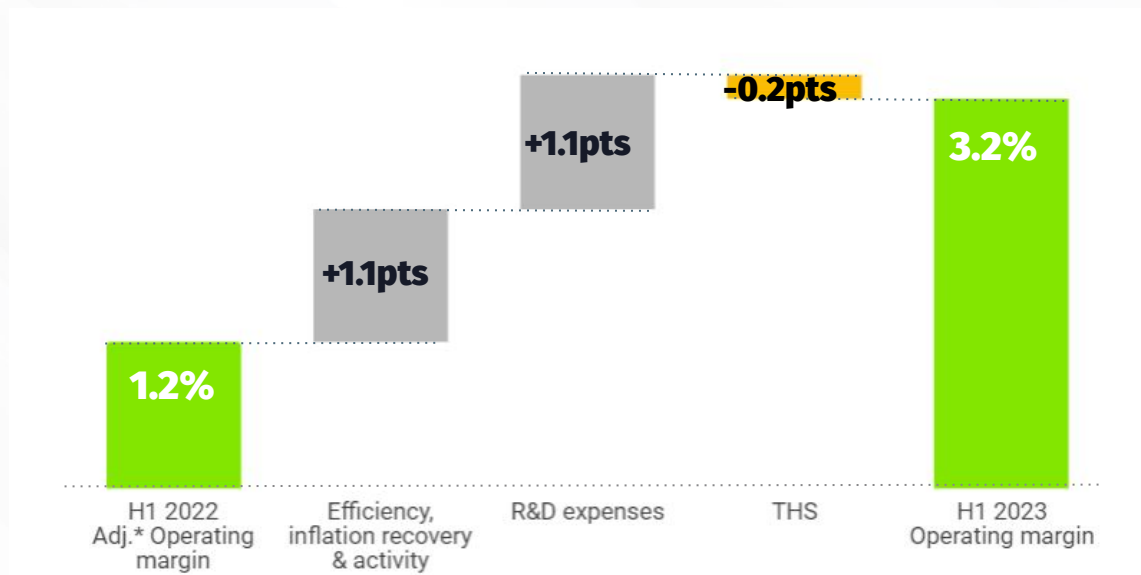
H1: +3 pt performance | Q2: +5 pts

Growth driven by high-voltage EV

H1 operating margin* at 3.2% of sales

+200 basis points on adjusted basis

As a % of sales



* To calculate year-on-year changes in sales on an adjusted basis, 2022 figures have been adjusted as though the high-voltage electric powertrain business had been consolidated in the Group's financial statements as of January 1, 2022.

Efficiency, inflation recovery & activity

Efficiency plan on track

Most of the negotiations complete

+1.1pts

R&D expenses

Higher capitalization

Higher order intake at a significant higher level of profitability

+1pt

Lower amortization of capitalized R&D

Delay in starts of production

+0.7pts

THS

EBITDA margin up around 2pts

in H2 vs H1

-0.2pts

Net income

(€m)	H1 2022 Adjusted*	H1 2023	▲
Operating margin excl. JV & associates	117	363	+208%
<i>As a % of sales</i>	1.2%	3.2%	+200 bps
JV & associates	2	4	na
Operating margin incl. JV & associates	119	367	+208%
<i>As a % of sales</i>	1.2%	3.3%	+210 bps
Other income & expenses	(71)	(18)	na
Cost of net debt	(66)	(108)	+116%
Other financial income & expenses	19	(24)	na
Income before taxes	(1)	217	na
<i>As a % of sales</i>	(0.0%)	1.9%	na
Income taxes	(101)	(64)	-32%
Minorities	(30)	(34)	+13%
Net attributable income	(130)	119	na
<i>As a % of sales</i>	(1.3%)	1.1%	+240 bps

* H1 2022 figures have been adjusted as though the high-voltage electric powertrain business had been consolidated in the Group's financial statements as of January 1, 2022.



Cost of net debt

Refinancing in a context of significant increase in interest rates

€(108)m



Effective tax rate

30%



Net income

1.1%

 of sales

Comfort & Driving Assistance Systems (CDA)

Very strong business momentum in ADAS in H1

CDA

Sales €2,331m

+20% OEM sales lfl growth

ADAS

+26% OEM sales lfl growth

Interior experience

+10% OEM sales lfl growth

ADAS business highlights

- Total order intake for LiDAR Gen 3 of €1bn
- Strong growth driven by front camera in all regions
- 12% increase in EBITDA

High order intake especially in Software Defined Vehicle & high-performance computing unit

EBITDA

CDA

-0.6pts

€300m
15.3%

H1 2022



ADAS

H1 2023
16.6% of sales

€343m
14.7%

H1 2023



Interior experience

H1 2023
10.8% of sales

02

Powertrain Systems (PTS)

H1 performance ahead of plan

PTS

Sales €3,571m

+29% OEM sales lfl growth adj.*

High-voltage electric

Sales €847m

+108% OEM sales lfl growth

Business highlights

- €5bn order intake in high-voltage
All technologies concerned, incl. 800V SiC / All production regions involved
- Lower EV car production for 1 program in Europe
leading to lower growth in H2 - Medium-term view unchanged

High-voltage integration & synergies better than expected leading to FY EBITDA > Move Up plan trajectory

EBITDA

PTS

+4.4pts

€209m*

7.1%

H1 2022

€411m

11.5%

H1 2023

Visibility Systems (VIS)

Solid performance in H1

VIS

Sales €2,816m

+11% OEM sales lfl growth

Acceleration driven by new production launches

Business highlights

- Acceleration started in Q2
- Around 60% of new orders in BEV
- Strong momentum in Aftermarket

Continued acceleration in H2 driven by production launches

EBITDA

VIS

+0.8pt



Thermal Systems (THS)

H1 seen as a turning point

THS

Sales **€2,384m**

+14% OEM sales lfl growth

Growth driven by ramp-up in high-voltage EV

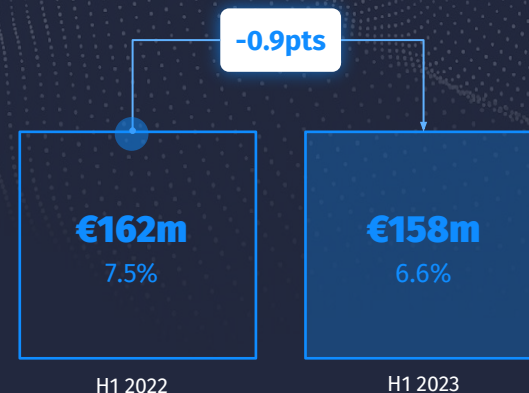
Business highlights

- Some inflation compensation negotiations still ongoing
- Multiple starts of production in H1 in front-end module activity leading to high start up costs (~ 1pt at THS level)

EBITDA margin up around 2 percentage points in H2

EBITDA

THS



02

H1 Free Cash Flow of €(156)m, given that 260m will be cashed in Q3

m€	H1 2022 adjusted*	H1 2023
EBITDA	1 033	1 302
Tangible CAPEX (property, plant & equipment)	(345)	(456)
Intangible CAPEX	(355)	(480)
<i>of which capitalized R&D</i>	(298)	(461)
Change in working capital	44	(237)
Taxes	(144)	(97)
Other**	(237)	(188)
Free Cash Flow	(4)	(156)
Net financial expenses	(67)	(119)
Dividends	(119)	(114)
Other financial items	(216)	(18)
Net Cash Flow	(406)	(407)

* H1 2022 figures have been adjusted as though the high-voltage electric powertrain business had been consolidated in the Group's financial statements as of Jan. 1, 2022.

** Other: lease liabilities (IFRS 16 impact) + pension obligations + restructuring costs for a total amount of €(118)m in H1 2023 vs. €(90)m in H1 2022 adjusted.



CAPEX (PP&E)

Strict control over CAPEX



Most inflation negotiations complete

of which ~€260m recorded end of
June to be cashed in Q3

Working capital

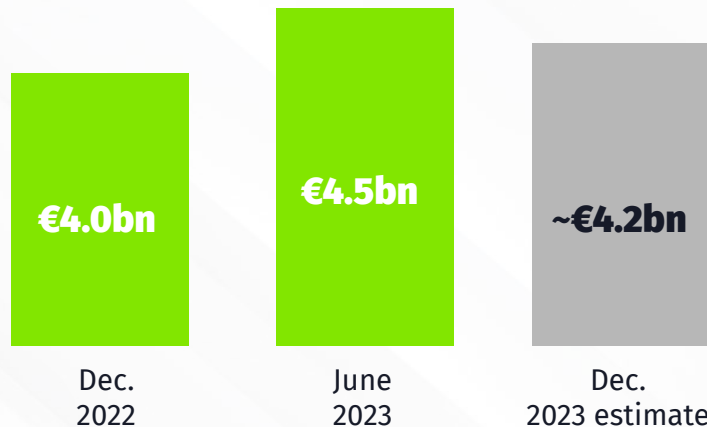
€(237)m

Free cash flow

€(156)m

H1 net debt evolution

Most of net debt increase reversed in H2, thanks to cash generation



Leverage ratio

Net debt/EBITDA
(Covenant: < 3.5)

1.76x

As of June 30, 2023

Gearing ratio

Net debt/Shareholders' equity

126%

As of June 30, 2023

Cash & Cash equivalents

€1.7bn



June 30, 2023

Net debt

€4.5bn



June 30, 2023

Credit ratings

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

02

€500m in divestment of non-strategic assets

Target: 100% of transactions signed before year-end



Signed or closed

Agreement for a total amount of
€80m



Advanced discussion

Advanced discussions for around
€120m



Ongoing

Projects now launched for
around €300m



03

FY guidance & H2 key business focus



Further improvement of financial performance in H2, in line with expectations FY guidance reaffirmed

	2022 reported	2022 adjusted*	2023 guidance **	Move Up 2025
Sales	€20.0bn	€20.4bn	€22bn - €23bn	~ €27.5bn
EBITDA (as % of sales)	12.0%	11.4%	11.5% - 12.3%	~ 14.5%
Operating margin (as % of sales)	3.2%	2.4%	3.2% - 4.0%	~ 6.5%
Free cash flow	€388m	€205m	> €320m	~ €0.8bn - €1bn

* H1 2022 figures have been adjusted as though the high-voltage electric powertrain business had been consolidated in the Group's financial statements as of January 1, 2022.

** Based on S&P Global Mobility estimates released on July 14, 2023.

H2 key business focus



THANK YOU

Q&A SESSION

04

Backup slides

04

Q2 Total sales

Sales by type

Total Sales

€5,730m

*incl. high-voltage powertrain**

+485m

+23%

lfl adjusted growth*

Reported growth: +23%

Lfl growth: 17%

Exchange rate: -4%

Scope: +10%

OEM

€4,907m

+26%

lfl adjusted growth*

Reported growth: +26%

Lfl growth: +19%

Exchange rate: -4%

Scope: +11%

Aftermarket

€552m

+4%

lfl adjusted growth*

Reported growth: -2%

Lfl growth: +3%

Exchange rate: -6%

Scope: +2%

Miscellaneous

€271m

+22%

lfl adjusted growth*

Reported growth: +21%

Lfl growth: +15%

Exchange rate: -3%

Scope: +10%

* To calculate year-on-year changes in sales on an adjusted basis, 2022 figures have been adjusted as though the high-voltage electric powertrain business had been consolidated in the Group's financial statements as of January 1, 2022.

04

H1 geographic & customer positioning

OEM sales by production region (% of OEM sales)

	H1 2023	H1 2022	▲
Western Europe	31%	31%	Stable
US	7%	8%	-1pp
Asia & emerging countries	62%	61%	+1pp
<i>Of which Asia excluding China</i>	15%	16%	-1pp
<i>Of which China</i>	16%	16%	Stable
<i>Of which Eastern Europe</i>	18%	15%	+3pp
<i>Of which Mexico</i>	11%	12%	-1pp
<i>Of which South America</i>	2%	2%	Stable

Customer portfolio (% of OEM sales)

German	33%	30%	+3pp
Asian	31%	31%	Stable
American	17%	19%	-2pp
French	13%	14%	-1pp
Other	6%	6%	Stable

62%
of OEM sales

Exposure to Asian
& emerging markets

Broad diversification
among OEM customers

Summarized P&L

Reported basis

€m	H1 2022 Reported	H1 2023	▲
Total Sales	9,419	11,212	+19%
EBITDA <i>As a % of sales</i>	1,111 11.8%	1,302 11.6%	+17% -20bps
Operating margin excl. JV & associates <i>As a % of sales</i>	258 2.7%	363 3.2%	+41% +50 bps
Net Income (Net attributable income) <i>As a % of sales</i>	(48) (0.5%)	119 1.1%	na +160 bps

Research & Development

Reported basis

(€m)	H1 2022	H1 2023	▲
Gross Research and Development expenditure	(959)	(1 245)	+30%
<i>As a % of sales</i>	(10.2%)	(11.1%)	(90 bps)
Capitalized development expenditure	295	461	+56%
<i>As a % of sales</i>	3.1%	4.1%	+100 bps
Amortization and impairment of capitalized development expenditure*	(292)	(272)	-7%
<i>As a % of sales</i>	(3.1%)	(2.4%)	+70 bps
Subsidies and grants, and other income	63	56	-11%
Research & Development expenditure	(893)	(1 000)	+12%
<i>As a % of sales</i>	(9.5%)	(8.9%)	+60 bps
R&D sales (contributions received from customers)	224	268	+20%
Net Research & Development cost	(669)	(732)	+9%
<i>As a % of sales</i>	(7.1%)	(6.5%)	+60 bps

* Solely impairment losses recorded in operating margin.

Research & Development

Adjusted basis

(€m)	H1 2022 adjusted	H1 2023	▲
Gross Research and Development expenditure	(1 042)	(1 245)	+19%
<i>As a % of sales</i>	<i>(10.6%)</i>	<i>(11.1%)</i>	<i>(50 bps)</i>
Capitalized development expenditure	299	461	+54%
<i>As a % of sales</i>	<i>3.1%</i>	<i>4.1%</i>	<i>+100 bps</i>
Amortization and impairment of capitalized development expenditure*	(302)	(272)	-10%
<i>As a % of sales</i>	<i>(3.1%)</i>	<i>(2.4%)</i>	<i>+70 bps</i>
Subsidies and grants, and other income	61	56	-8%
Research & Development expenditure	(984)	(1 000)	+1.6%
<i>As a % of sales</i>	<i>(10.0%)</i>	<i>(8.9%)</i>	<i>+110 bps</i>
R&D sales (contributions received from customers)	238	268	+13%
Net Research & Development cost	(746)	(732)	-2%
<i>As a % of sales</i>	<i>(7.6%)</i>	<i>(6.5%)</i>	<i>+110 bps</i>

* Solely impairment losses recorded in operating margin.

Net income

Reported basis

(€m)	H1 2022 reported	H1 2023	▲
Operating margin excl. JV & associates	258	363	+41%
<i>As a % of sales</i>	2.7%	3.2%	+50 bps
JV & associates	-76	4	na
Operating margin incl. JV & associates	182	367	+102%
<i>As a % of sales</i>	1.9%	3.3%	+140 bps
Other income & expenses	(71)	(18)	-75%
Cost of net debt	(50)	(108)	+116%
Other financial income & expenses	20	(24)	na
Income before taxes	81	217	+168%
<i>As a % of sales</i>	0.9%	1.9%	+100 bps
Income taxes	(97)	(64)	-33%
Minorities	(32)	(34)	+6%
Net Income (Net attributable income)	(48)	119	na
<i>As a % of sales</i>	(0.5%)	1.1%	+160 bps

H1 Segment information

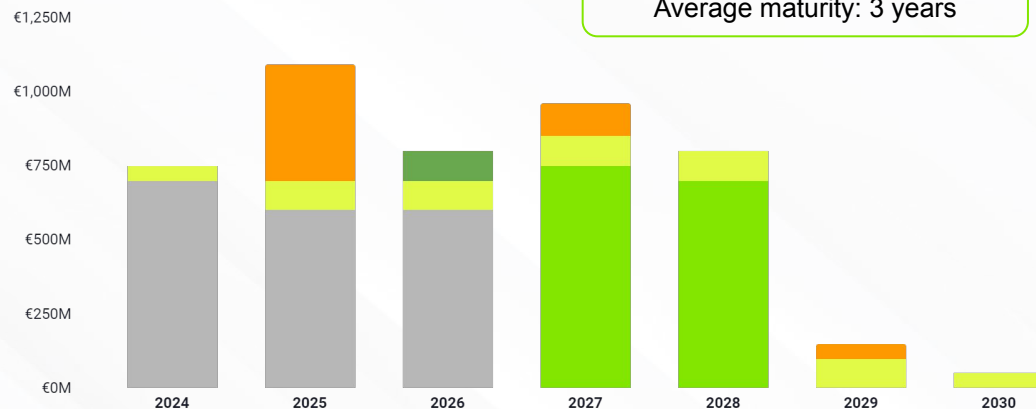
H1 2023 (€m)	CDA*	PTS	THS	VIS	Other	Total
Sales:						
Segment (Excluding Group)	2 315	3 528	2 354	2 813	202	11 212
Intersegment (Group)	16	43	30	3	(92)	-
EBITDA	343	411	158	372	18	1 302
Research & Development expenditure, net	(361)	(284)	(160)	(193)	(2)	(1 000)
Investments in property, plant & equipment & intangible assets	365	172	146	292	28	1 003
Segment assets*	3 159	4 624	2 517	2 899	270	13 469

* The segment assets shown for the Visibility Systems Business Group do not include the amount relating to the assets of the Mirror business reclassified as held for sale at June 30, 2023

H1 2022 reported (€m)	CDA*	PTS	THS	VIS	Other	Total
Sales:						
Segment (Excluding Group)	1 940	2 490	2 135	2 617	237	9 419
Intersegment (Group)	18	59	36	22	(135)	-
EBITDA	300	287	162	328	34	1 111
Research & Development expenditure, net	(367)	(173)	(155)	(190)	(8)	(893)
Investments in property, plant & equipment & intangible assets	240	120	132	208	12	712
Segment assets	2 882	3 256	2 677	2 880	314	12 009

04

Debt profile



● Senior bond (EMTN)

Maturity	Amount	Coupon
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%

● Bilateral bank loan

Maturity	Amount	Coupon
August 2026	€100m	E3M-1.25%

● Schuldschein

Maturity	Amount	Coupon
April 2025	€90M	1.291%
April 2025	€122M	E6M+1.150%
October 2025	€30M	4.95%
October 2025	€149m	E6M+1.9%
October 2027	€30m	5.251%
October 2027	€82m	E6M+2.1%
October 2029	€5m	5.503%
October 2029	€45m	E6M+2.3%

● EIB loan

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

Undrawn credit facilities

€1.7BN

As of June 30, 2022

Undrawn Bridge to bond

€650M

Nominal

12 months

Maturity

July 15th, 2022

Signing date

Extension options

Two 6-months extension options at Valeo's hand

1st extension option activated

New maturity date January 2024

2019-2025 ESG performance



E

		2019 base year	2022 (change vs. 2019)	2025e (change vs. 2019)
Emissions reduction (Scope 1, 2 & 3) - validated by SBTi	in Mt CO ₂ eq.	49.6	45.2 (-9%)	45.3 (-9%)
Scope 1 & 2 & 3 emissions including gains from Valeo	in Mt CO ₂ eq.	49.6	41.5 (-16%)	37.9 (-23%)
Energy consumption	in MWh/€m	142	154 (+8%)	134 (-6%)
Water consumption	in cu.m/€m	197	186 (-6%)	185 (-6%)
Production of hazardous and non-hazardous waste	in t/€m	16.4	13.9 (-15%)	15.0 (-9%)



S

Accident rate frequency (FR1)	No. of accidents with lost time per million hours worked	1.9	1.1	<1 ⁽³⁾
Gender equity index	%	82.0	87.9	90
Proportion of plants run by a local director	% of plants	78	81	> 80
Share of purchases for which the suppliers' sustainable development practices were assessed during the year	% of purchases (value)	80	85	82



G

Best practices in governance	separation of Chairman & CEO roles ⁽⁵⁾	~ ⁽⁴⁾	✓	✓
CSR criteria included in top management's and 1,700 key managers' compensation	included in variable and/or long-term compensation	~ ⁽⁶⁾	✓	✓
Board independence ⁽¹⁾	% of independent members	92	92	-
Board diversity ⁽²⁾	% of women	42	42	-

(1) In accordance with Article L.225-27-1, II of French Commercial Code.

(2) In accordance with the recommendation in Article 9.3 of the AFEP-MEDEF Code.

(3) The continuous improvement of FR1 since 2020 has encouraged the Group to adjust its 2025 target from <1.7 to <1.

(4) Lead Director position at Board level effective until January 2022.

(5) Separation of Chairman of the Board and CEO roles, announced in October 2020 and effective in January 2022.

(6) Not included in 1,500 key managers' compensation.

Share Data

Bloomberg Ticker	FR FP
Reuters Ticker	VLOF.PA
ISIN Number	FR0013176526
Shares outstanding as of June 30, 2023	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, first-half 2022 figures have been adjusted as though the high-voltage electric business had been consolidated in the Group's financial statements as of January 1, 2022.

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

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 net 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.

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.

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 2022 Universal Registration Document registered with the AMF on March 30, 2023 (under number D.23-0200).

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 'o' and 'e', extending to the left and curving upwards.

SMART TECHNOLOGY
FOR SMARTER MOBILITY

