PARIS
July 22, 2026

Profitability and cash generation up in the first half of the year
Net debt down

Valeo confirms its 2026 objectives

- Sales of 10.4 billion euros, up 0.7% on a like-for-like basis
- BRAIN and LIGHT Divisions outperformed global automotive production; original equipment sales of 8.5 billion euros, down by 0.6% like for like in a market that was down 1.0%
- Operating margin of 514 million euros, or 5.0% of sales, up 8% on the same period in 2025, confirming the Group's improved profitability which has been ongoing since 2022
- Free cash flow of 242 million euros (100 million euros in H1 2025), confirming the Group's improved structural ability to generate cash and deleverage
- Net financial debt reduced by nearly 200 million euros to 3,828 million euros (4,022 million at December 31, 2025), representing a leverage ratio of 1.2x (1.3x at December 31, 2025)
- Sales momentum in line with the Elevate 2028 plan, with order intake totaling 12.1 billion euros. Promising progress in adjacent markets to the automotive sector, with a first contract secured to manufacture drone motors
- Valeo reaffirms all of its 2026 objectives
  - Sales: 20 to 21 billion euros
  - Operating margin (as a % of sales): 4.7% to 5.3%
  - Free cash flow (after net financial interest) of more than 400 million euros
  - Assuming stable market conditions, macroeconomic projections and supply chain, Valeo targets second-half operating margin (as a % of sales) and free cash flow at least equivalent to those of the first half

"The results for the first half of 2026 demonstrate that Valeo continues to move forward with rigor and consistency. Execution of the Elevate 2028 plan is well underway: our profitability continues to progress, we confirm the structural improvement in our ability to generate cash at a level that enables us to reduce our debt as early as the first half, and we are actively preparing our return to growth in 2027.

These strong results reflect the commitment and agility of our teams in staying resolutely on course against an uncertain geopolitical and macroeconomic backdrop and in continuing to manage our costs with the utmost discipline.

In parallel, our commercial momentum remains strong, supported by order intake in line with the trajectory of the Elevate 2028 plan. In addition, we are continuing to capitalize on opportunities in sectors beyond the automotive industry where our technologies can be applied without incurring additional development costs. Our early inroads in these areas are encouraging.

Bolstered by this operational strength and the quality of our order book, we confirm all of our 2026 objectives and remain firmly on track to deliver on our strategic roadmap."

Christophe Périllat, Valeo's Chief Executive Officer

Key figures for the first half of 2026

The financial statements for first-half 2026 were authorized for issue by the Board of Directors on July 22, 2026.

INCOME STATEMENT		H1 2026	H1 2025	Change
Sales	*(in €m)*	10,378	10,660	-3%
Operating margin*	*(in €m)*	514	476	+8%
	(as a % of sales)	5.0%	4.5%	+0.5 pts
Net attributable income	*(in €m)*	105	104	+1%
	(as a % of sales)	1.0%	1.0%	0 pts
Basic earnings per share	*(in €)*	0.43	0.43	0%

STATEMENT OF CASH FLOWS		H1 2026	H1 2025	Change
Free cash flow	*(in €m)*	242	100	+142%

FINANCIAL STRUCTURE		H1 2026	2025	Change
Net debt*	*(in €m)*	3,828	4,022	-194
Leverage ratio (net debt to adjusted EBITDA)	*(x)*	1.2	1.3	-0.1

* *See financial glossary, page 9.*

Sales of 10,378 million euros in first-half 2026, up 0.7% like for like

Sales *(in millions of euros)*	**As a % of sales**	**H1 2026**	**H1 2025**	**Change**	**FX**	**Scope**	**LFL* change**
Original equipment	82%	8,544	8,904	-4.0%	-2.7%	-0.7%	-0.6%
Aftermarket	11%	1,102	1,114	-1.0%	-3.1%	-0.1%	+2.1%
Miscellaneous	7%	731	642	+13.9%	-2.0%	0.0%	+15.9%
TOTAL	**100%**	**10,378**	**10,660**	**-2.6%**	**-2.7%**	**-0.6%**	**+0.7%**

* *On a like-for-like basis.*

Based on S&P Global Mobility estimates, global automotive production was down 1.0% in the first half of 2026.

Total sales came in at 10,378 million euros, down 2.6% compared with first-half 2025.

Exchange rates had a negative impact of 2.7%, primarily due to the increase in value of the euro against other major international currencies, particularly the US dollar and Asian currencies.

Changes in Group structure had a negative 0.6% impact linked to the disposal of the automotive powertrain systems sensor business in November 2025 (POWER Division).

On a like-for-like basis, sales rose by 0.7%.

Like-for-like **original equipment sales** were down by 0.6% in a market that was down 1.0%, representing a performance in line with global automotive production.

Aftermarket sales rose by 2.1% on a like-for-like basis compared with the prior-year period, supported by the performance of North America and Asia, as well as the development of new services for distributors.

"Miscellaneous" sales, which are essentially made up of customer contributions to R&D costs and prototypes, were up 16% on a like-for-like basis, due in particular to a favorable basis of comparison in the first quarter ("Miscellaneous" sales were down 15% in first-quarter 2025 on a like-for-like basis).

North America, Asia (excluding China) and South America posted like-for-like growth in first-half 2026

*Original equipment sales*** (in millions of euros)*	**As a % of sales**	**H1 2026**	**H1 2025**	**Change**	**LFL* change**	**Perf.****
Europe & Africa	51%	4,338	4,522	-4.1%	-3.4%	-3 pts
Asia (excluding China)	16%	1,360	1,413	-3.7%	+6.2%	+3 pts
China	12%	1,005	1,128	-11.0%	-8.9%	-4 pts
North America	19%	1,676	1,692	-1.0%	+6.1%	+7 pts
South America	2%	166	149	+10.9%	+7.9%	+2 pts
TOTAL	**100%**	**8,544**	**8,904**	**-4.0%**	**-0.6%**	**0 pts**

* *On a like-for-like basis.*

** *Based on S&P Global Mobility automotive production estimates released on July 16, 2026 (H1 2026 global production growth: -1.0%).*

*** *Original equipment sales by destination region.*

In the first half of the year, original equipment sales fell by 0.6% like for like in a market that was down 1.0%, representing a performance in line with global automotive production. These sales also benefited from a favorable geographic mix effect of 0.6 percentage points.

In **Europe**, the 3 percentage point gap in performance reflects the outperformance of the LIGHT and BRAIN Divisions, offset by the underperformance of the POWER Division.

In **Asia (excluding China)**, Valeo outperformed the market by 3 percentage points, with 6% growth on a like-for-like basis, driven by all of the Group's Divisions.

In **China**, the gap in performance was 4 percentage points. Progress continued to be made on repositioning the customer portfolio. The Group recorded 53% of original equipment sales and over 80% of order intake in China from Chinese OEMs (around 50% and 65% respectively during the first half of 2025). At June 30, 2026, the ratio of new orders to sales with Chinese OEMs stood at 5.0x (around 3.0x at June 30, 2025). In a highly volatile market, the Group is expecting to return to growth in China in the second half of 2026 with Chinese OEMs.

In **North America**, Valeo outperformed the market by 7 percentage points, with 6% growth on a like-for-like basis, driven by the POWER and BRAIN Divisions.

In **South America**, the Group outperformed automotive production by 2 percentage points.

Segment reporting

Sales by Divisions *(in millions of euros)*	**H1 2026**	**H1 2025**	**Change in sales**	**Change in OE sales***	**Perf.****
POWER	5,119	5,403	-5.3%	-1.2%	0 pts
BRAIN	2,527	2,526	0.0%	-0.4%	+1 pt
LIGHT	2,721	2,728	-0.3%	+0.7%	+2 pts
Other	11	3	ns	ns	ns
GROUP	**10,378**	**10,660**	**-2.6%**	**-0.6%**	**0 pts**

* *On a like-for-like basis.*

** *Based on S&P Global Mobility automotive production estimates released on July 16, 2026 (H1 2026 global production growth: -1.0%).*

Operating margin *(in millions of euros and as a % of sales by Division)*	**H1 2026**	**H1 2025**	**Change**
POWER	246	190	+29.5%
	4.8%	3.5%	+1.3 pts
BRAIN	142	154	-7.8%
	5.6%	6.1%	-0.5 pts
LIGHT	127	123	3.3%
	4.7%	4.5%	+0.2 pts
Other	-1	9	ns
GROUP	**514**	**476**	**+8.0%**
	5.0%	**4.5%**	**+0.5 pts**

In the first half of the year, the **POWER** Division delivered a performance in line with global automotive production. North America reported robust growth throughout the same period. The Division is performing well in electrification technologies, particularly in Asia, with the start of production of a complete e-Axle system for a major Indian customer.

The Division reported a significant improvement in profitability, with an operating margin of 4.8% of sales – up 1.3 percentage points – confirming the success of its strategy to restore competitiveness.

The **BRAIN** Division outperformed the automotive industry by 1 percentage point thanks to its display, telematics and vision system activities, notably reflected in the start of production for a major European automaker in the second quarter. The momentum behind software defined vehicles (SDVs) is growing with the start of construction of the McAllen site in the United States (Texas), with a view to starting production for a major order of central computing units (CCUs) for General Motors and significant orders received in China for autonomous driving control units (ADCUs).

Operating margin declined by 0.5 percentage points to 5.6% of sales, but shows a sequential improvement of 1 point (operating margin of 4.6% in H2 2025). It takes into account the R&D investments made to prepare for future starts of production, supported by a solid and profitable order book.

The **LIGHT** Division outperformed automotive production by 2 percentage points and posted good results in Europe, where business was buoyed by the ramp-up of lighting programs for premium and volume vehicles, and also in China, thanks to success with local automakers. In addition, the LIGHT Division secured its first contract with a premium global automaker through the Tactotek partnership.

Profitability improved in the first half of the year, with operating margin representing 4.7% of sales, up 0.2 percentage points, driven by new, more profitable product launches.

Efforts to further improve profitability continued in the first half of the year, with an operating margin of 5.0% of sales, up 0.5 percentage points

		H1 2026	H1 2025	Change
Sales	**(in €m)**	**10,378**	**10,660**	**-3%**
Gross margin	**(in €m)**	**2,147**	**2,094**	**+3%**
	(as a % of sales)	**20.7%**	**19.6%**	**+1.1 pts**
R&D expenditure	(in €m)	(1,142)	(1,115)	+2%
	(as a % of sales)	-11.0%	-10.5%	+0.5 pts
Gross Research and Development expenditure	*(in €m)*	(1,218)	*(1,256)*	-3%
	(as a % of sales)	-11.7%	*-11.8%*	-0.1 pts
IFRS Impact	*(in €m)*	35	*83*	-58%
	(as a % of sales)	0.3%	*0.8%*	-0.5 pts
Administrative and selling expenses	(in €m)	(490)	(503)	-3%
	(as a % of sales)	-4.7%	-4.7%	0 pts
Operating margin excluding share in net earnings of equity-accounted companies	**(in €m)**	**514**	**476**	**+8%**
	(as a % of sales)	**5.0%**	**4.5%**	**+0.5 pts**
Share in net earnings of equity-accounted companies	(in €m)	(8)	(21)	+61%
	(as a % of sales)	-0.1%	-0.2%	-0.1 pts
Operating margin including share in net earnings of equity-accounted companies	**(in €m)**	**506**	**455**	**+11%**
	(as a % of sales)	**4.9%**	**4.3%**	**+0.6 pts**
Other income and expenses	(in €m)	(78)	(86)	-9%
	(as a % of sales)	-0.7%	-0.8%	-0.1 pts
Operating income	**(in €m)**	**428**	**369**	**+16%**
	(as a % of sales)	**4.1%**	**3.5%**	**+0.6 pts**
Cost of debt	(in €m)	(126)	(117)	+8%
Other financial income and expenses	(in €m)	(15)	(34)	-56%
Income taxes	(in €m)	(140)	(83)	+69%
Effective tax rate	(in €m)	48%	35%	ns
Non-controlling interests and other	(in €m)	(41)	(31)	+35%
Net attributable income	**(in €m)**	**105**	**104**	**+1%**
	(as a % of sales)	**1.0%**	**1.0%**	**0 pts**

Gross margin reached 20.7% of sales, which is in line with the Group's goal of maintaining gross margin above 19% of sales and represents a 1.1 percentage point increase on first-half 2025. This improvement is the fruit of rigorous sales discipline and ongoing efforts to optimize the cost base.

Research and Development expenditure rose 2% year on year to 1,142 million euros, reflecting two opposing developments:

- a decline in gross R&D spending, down 3% or 0.1 percentage points compared with the same period in 2025, reflecting ongoing efforts to improve R&D efficiency while maintaining the Group's innovation capabilities;
- an IFRS impact (equal to the difference in percentage points between capitalized development expenditure as a proportion of sales, and depreciation, amortization and impairment as a proportion of sales), representing a positive 0.3 percentage points, including the effect of impairment recognized for around 85 million euros (0.8 percentage points), primarily linked to contract cancellations.

Administrative and selling expenses were 3% lower than in the first half of 2025, representing 4.7% of sales.

Operating margin came in at 514 million euros, or 5.0% of sales, up 0.5 percentage points on the same period in 2025, confirming the Group's improved profitability, which has been ongoing since 2022.

The share in net earnings of equity-accounted companies represented a loss of 8 million euros (up 13 million euros compared to the first half of 2025).

Operating margin including share in net earnings of equity-accounted companies came out at 506 million euros, or 4.9% of sales, up 0.6 percentage points compared with 2025.

Operating income amounted to 428 million euros (up 16% compared to first-half 2025) and includes other income and expenses representing a net expense of 78 million euros (86 million euro net expense in first-half 2025). This amount takes into account restructuring costs for a total of 78 million euros.

The refinancing of Valeo's debt (see debt, page 7), in a context of high interest rates, led to a cost of debt of 126 million euros (117 million euros in the first half of 2025).

Other financial items represented an expense of 15 million euros (34 million euros in the first half of 2025).

The effective tax rate came out at 48%. The tax expense was impacted by non-recurring items, notably the final phase of the European-oriented exceptional restructuring program for 400 million euros, as well as the program to repatriate cash in currencies other than the euro.

The Group recorded **net attributable income** of 105 million euros for first-half 2026, representing 1.0% of sales (104 million euros and 1.0% of sales in first-half 2025), after deducting non-controlling interests in an amount of 41 million euros (31 million euros in first-half 2025).

Return on capital employed (ROCE[1]) and **return on assets** (ROA[1]) stood at 18% and 10% respectively.

Free cash flow generation was more than double that of first-half 2025

(in millions of euros)	**H1 2026**	**H1 2025**
EBITDA	**1,492**	**1,472**
Investment in intangible assets	(474)	(486)
of which capitalized development expenditure	*(443)*	*(468)*
Investment in property, plant and equipment	(378)	(429)
Change in working capital	(26)	(77)
of which changes in inventory	*(4)*	*162*
Income tax	(152)	(145)
Net financial interest	(178)	(152)
Net payments for the principal portion of lease liabilities	(77)	(75)
Other	124	97
Restructuring costs	(89)	(105)
Free cash flow	**242**	**100**
Dividends	(137)	(122)
Other financial items	(45)	(58)
Net cash flow	**60**	**(80)**

(in millions of euros)	**H1 2026**	**2025**
Net debt	3,828	4,022
Leverage ratio (net debt to adjusted EBITDA)	1.2	1.3

In the first half of 2026, the Group generated free cash flow of 242 million euros after net financial interest, more than double the level recorded in the first half of 2025.

This mainly reflects:

- the contribution of EBITDA in an amount of 1,492 million euros, up 20 million euros compared with the same period in 2025;
- a fall in investments in intangible assets of 3% compared with the first half of 2025, to 474 million euros; capitalized development expenditure decreased by 5% to 443 million euros, illustrating the effectiveness of the action plan to improve R&D efficiency;
- strict management of investments in property, plant and equipment, which fell by 12% compared with the first half of 2025 to 378 million euros (3.6% of sales);
- a negative contribution of working capital of 26 million euros, including the increase in inventory (4 million euros);
- tax payments for 152 million euros;
- 178 million euros in net interest paid;
- net payments for the principal portion of lease liabilities (IFRS 16 impact) of 77 million euros.

Net cash flow[1] represented an inflow of 60 million euros, mainly comprising 137 million euros in dividends paid to Valeo shareholders and non-controlling shareholders of Group subsidiaries.

At June 30, 2026, net debt totaled 3,828 million euros, a decrease of 194 million euros compared to December 31, 2025. This change reflects net cash flow of 60 million euros, a favorable currency effect of 87 million euros, and miscellaneous items totaling 50 million euros, primarily related to changes in accrued interest.

(1) *See financial glossary, page 9.*

Net debt of 3,828 million euros and leverage ratio of 1.2x in the first half of 2026

Debt	H1 2026	2025	Change
Gross debt	6,887	6,561	+326
Net debt	3,828	4,022	-194
Leverage ratio (net debt to adjusted EBITDA)	1.2	1.3	-0.1
Gearing ratio (net debt to stockholders' equity)	112%	121%	-9 pts

The Group completed several financing transactions in the first half of 2026:

- on January 5, 2026, Valeo took out a 25 million euro bilateral loan;
- on February 10, 2026, Valeo repaid a 50 million euro installment on the second tranche of its European Investment Bank loan;
- on June 3, 2026, the Group issued 600 million euros' worth of six-year bonds maturing in February 2033 with a 4.875% coupon;
- on June 18, 2026, Valeo repaid a 50 million euro installment on the first tranche of its European Investment Bank loan.

2026 guidance reaffirmed

Based on its performance in the first half of the year, Valeo reaffirms all of its 2026 objectives (listed in the table below).

Assuming stable market conditions, macroeconomic projections and supply chain*, the Group targets an operating margin (as a % of sales) and free cash flow in the second half of the year at least equivalent to those of the first half.

	2025	2026 Guidance*
Sales (in billions of euros)	20.9	20-21
Operating margin (as a % of sales)	4.7%	4.7%-5.3%
Free cash flow after net financial expenses (in millions of euros)	371	>400

* *Based on S&P Global Mobility estimates at July 16, 2026. The forecasts assume that there will be no additional material changes to tariffs or trade restrictions in force on July 22, 2026, nor any significant changes in market conditions, macroeconomic projections or major supply chain disruptions.*

Upcoming event

Third-quarter sales: October 22, 2026

Full-year results: second half of February 2027

Key events of first-half 2026

Business momentum and an attractive product portfolio

January 5 - Valeo unveils advanced safety-enhancing monitoring solutions at CES 2026 thanks to Seeing Machines, an advanced computer vision technology company.

January 8 - Valeo and Hero MotoCorp, the world's leading manufacturer of motorcycles and scooters, announce the signing of a Memorandum of Understanding (MoU) for the development of advanced rider assistance systems (ARAS) for two-wheelers.

January 20 - Valeo wins a major car interior lighting solutions program from a premium global automaker. As part of this program, Valeo introduced a new, state-of-the-art, automated high-volume manufacturing solution utilizing TactoTek® In-Mold Structural Electronics (IMSE®) technology.

January 22 - Valeo and NATIX partner to build one of the largest open-source multi-camera world foundation models. This collaboration combines Valeo's world modeling expertise with NATIX's global multi-camera dataset to accelerate the development of physical AI.

February 16 - Valeo and 2CRSi launch an outdoor autonomous immersion-cooled edge data center solution for Indian telecom operators. This project directly addresses the infrastructure challenges driven by nationwide 5G deployment and the rapid expansion of AI applications.

February 18 - On the occasion of the AI Impact Summit in New Delhi, Valeo reaffirmed its ambition for India, one of the world's fastest growing automotive markets. Anchored in its new "Elevate 2028" strategic plan, Valeo announced plans to invest more than 200 million euros in the coming years to significantly expand its industrial footprint in India.

March 11 - Valeo has partnered with POWEN, a leader in photovoltaic solutions, to advance its commitment to sustainability and energy efficiency. This collaboration focuses on a new 7.8 megawatt self-consumption solar project developed under a Power Purchase Agreement (PPA) model.

March 25 - Valeo broke ground on a new state-of-the-art manufacturing facility in McAllen, Texas, for Software-Defined Vehicle (SDV) technology. The Group is investing 225 million US dollars (207 million euros) over the next five years for a 31,308 sq.m. facility that will create up to 500 new jobs in the region. Production is scheduled to begin in late 2027. This new US footprint is being built to deliver one of the largest orders in Valeo's history.

March 30 - Valeo inaugurates a new electric powertrain manufacturing line in Pune, India. The state-of-the-art facility will manufacture highly integrated 3-in-1 e-axles, strengthening localization and supporting India's growing electric mobility ecosystem.

April 7 - Valeo inaugurates a new assembly line for vision camera manufacturing at the Sanand Facility, India. This significant expansion underscores the company's ongoing commitment to scaling the localized production of advanced vision systems and driving the future of mobility in India.

April 16 - Valeo and RESRG Automotive – a leading global supplier of coated exterior systems and components – extend their agreement to address exterior illuminated surfaces to carmakers worldwide. The partnership, initiated in 2022 for Europe and North America, is also extended to include China.

April 20 - Valeo celebrates 20 years in Egypt and launches AI development center in Cairo. This hub joins a global network of more than 200 AI experts and a dedicated AI research center.

April 22 - Valeo and Google Cloud expand strategic partnership to boost automotive innovation with Gemini for Workspace and agentic AI. Valeo has deployed Gemini for Workspace to all its employees for rapid productivity and quality enhancement. The Company accelerates agentic AI adoption with business functions using Gemini Enterprise for increased and faster innovation.

April 22 - Valeo presents a portfolio of integrated innovations designed at "China speed" at the 2026 Beijing International Automotive Exhibition (Auto China). The Group drastically shortens development cycles to match the pulse of local innovation, while maintaining the highest global safety standards

May 12 – Valeo joins the Global Impact Coalition (GIC), a platform enabling the chemical industry to transition to a net-zero chemicals future. Drawing on its know-how and its mastery of the value chain, Valeo applies its expertise to make automotive plastics more circular.

May 13 - Valeo is selected by one of India's leading automakers to deploy advanced ADAS systems. The new version of the VSS360, a scalable ADAS solution designed specifically for the Indian market, will be manufactured locally at the Sanand facility in Gujarat.

May 28 - Valeo and Zuken, a pioneer in electronic design automation (EDA) software, announce a major strategic partnership. In their joint "Zuken Valeo InnoLab", the two companies will create the most advanced and open AI-assisted electronic design platform on the market. The collaboration aims to significantly reduce design times and ensure robustness in electronic design by integrating AI across the entire design flow.

June 9 - Valeo and Calyos, a pioneer in advanced loop heat pipe (LHP) cooling solutions, announce the signing of a Memorandum of Understanding. It aims to develop and industrialize high-performance, standalone chip cooling solutions for the mobility and computing sectors, addressing the increasing thermal challenges posed by electrification and artificial intelligence (AI).

June 17 - Valeo announces the commercial launch of a 48V 2-speed eAxle equipped with smart dog clutch. The 48V 2-speed eAxle has been selected by Dacia for its new "Hybrid-G 150 4×4" powertrain, launched on the Dacia Duster, Bigster and in the months to come on the Striker.

June 22 - Valeo and Nissan, a pioneer in electric mobility, announce an agreement to launch a comprehensive EV charging offer for the European market, starting in the United Kingdom.

June 30 - Valeo has secured a new contract for advanced safety technologies with a North American electric vehicle manufacturer. Valeo will deploy its corner radar suite, including both hardware and embedded software, for the carmaker's L2+ and L3 systems.

July 2 - Valeo's industrial site in Angers, a historic French hub of expertise in the design and production of automotive lighting systems, is finalizing the rollout of its modernization plan to produce complex, new-generation lighting systems. Conducted between 2023 and 2026 and representing an investment of more than 45 million euros, the plan has transformed the workshops and deployed new optical technologies to meet the growth targets outlined in the Valeo Elevate 2028 strategic plan.

Recognition and ratings

February 4 - In 2025, Valeo achieved the top A grade from CDP (Carbon Disclosure Project) for both Climate and Water Security, placing the company once again in the top tier of the leading global non-profit's environmental disclosure system. Valeo is one of a small number of companies that earned this rating: out of more than 20,000 companies, only 4% achieved the top grade.

February 4 - Valeo is proud to announce that Christophe Périllat, Chief Executive Officer, has been named "Automotive Personality of the Year" by Le Journal de l'Automobile. This prestigious award recognizes Christophe Périllat's leading role in transforming the automotive industry towards greater technology, safety and sustainability. This distinction also highlights his commitment to the implementation of European local content measures and his dedication to the industrial sovereignty of the European automotive industry.

March 17 - Valeo was awarded second place in the "Best Progress" category at the 2026 Gender Diversity Awards in automotive and mobility, organized by WAVE – Les Elles de l'Auto.

March 19 - Valeo has been honored with the Special Award at the 2026 Renault Group Supplier Awards, recognizing its outstanding contribution as a key technology and innovation partner. This distinction highlights Valeo's long-standing and strengthened partnership with Renault Group, as well as its significant contributions to performance and innovation.

March 24 - Valeo is once again France's leading patent applicant at the European Patent Office (EPO), with 650 patent applications filed in 2025.

This represents a significant 20.1% increase compared with 2024, according to the EPO Technology Dashboard 2025. This latest recognition came shortly after the Group was named among the LexisNexis Top 100 Global Innovators 2026.

May 21 - For the fourth year in a row, General Motors (GM) recognized Valeo as a Supplier of the Year in the category of Advanced Driver Assistance Systems (ADAS). TGM also recognized Valeo for its heating, ventilation and air conditioning (HVAC) expertise.

May 22 – Valeo wins two gold awards at the Grand Prix de la Créativité RH. Valeo received Gold Awards in the categories "Employer Brand" for the global success of Valeo's new employer brand platform, "Challenge drives us forward" and "Internal Communication & Employee Engagement" for its highly successful internal employee ambassador program, V-signers.

Financial 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, 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.

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

Adjusted 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 (new definition) corresponds to net cash from operating activities (excluding changes in non-recurring sales of receivables) after taking into account (i) acquisitions and disposals of property, plant and equipment and intangible assets, (ii) payments for the principal portion of lease liabilities and (iii) net financial interest.

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.

APPENDICES

Sales

Q2 sales *(in millions of euros)*	As a % of sales	Q2 2026	Q2 2025	Change	LFL* change	FX	Scope
Original equipment	82%	4,300	4,404	-2.4%	-0.5%	-1.2%	-0.7%
Aftermarket	10%	544	540	+0.8%	+2.3%	-1.4%	-0.1%
Miscellaneous	8%	414	403	+2.7%	+3.6%	-1.0%	+0.1%
TOTAL	**100%**	**5,258**	**5,347**	**-1.7%**	**+0.1%**	**-1.2%**	**-0.6%**

* *On a like-for-like basis.*

Sales by destination region

Original equipment sales *(in millions of euros)*	As a % of sales	Q2 2026	Q2 2025	LFL* change	Perf.**
Europe & Africa	50%	2,154	2,254	-3.9%	-3 pts
Asia (excluding China)	16%	688	685	+9.3%	+6 pts
China	12%	515	552	-8.8%	-6 pts
North America	20%	855	839	+5.1%	+5 pts
South America	2%	87	75	+9.8%	+2 pts
TOTAL	**100%**	**4,300**	**4,404**	**-0.5%**	**0 pts**

* *On a like-for-like basis.*
** *Based on S&P Global Mobility automotive production estimates released on July 16, 2026.*

Sales by Division

Sales by Divisions *(in millions of euros)*	Q2 2026	Q2 2025	Change in sales	Change in OE sales*	Perf.**
POWER	2,533	2,680	-5.5%	-1.1%	-1 pt
BRAIN	1,330	1,288	+3.3%	+0.1%	0 pts
LIGHT	1,386	1,374	+0.9%	-0.2%	0 pts
OTHER	9	5	ns	ns	ns
GROUP	**5,258**	**5,347**	**-1.7%**	**-0.5%**	**0 pts**

* *On a like-for-like basis.*
** *Based on S&P Global Mobility automotive production estimates released on July 16, 2026.*

H1 2026 Research and Development

		H1 2026	H1 2025	Change
Sales	**(in €m)**	**10,378**	**10,660**	**-3%**
Gross Research and Development expenditure	**(in €m)**	**(1,218)**	**(1,256)**	**-3%**
	(as a % of sales)	**-11.7%**	**-11.8%**	**-0.1 pts**
Capitalized development expenditure	(in €m)	443	468	-5%
	(as a % of sales)	4.3%	4.4%	-0.1 pts
Amortization and impairment of capitalized development expenditure*	(in €m)	(408)	(385)	+6%
	(as a % of sales)	-3.9%	-3.6%	+0.3 pts
IFRS Impact	**(in €m)**	**35**	**83**	**-58%**
	(as a % of sales)	**0.3%**	**0.8%**	**-0.5 pts**
Subsidies and grants, and other income	(in €m)	38	58	-34%
Movements in provisions	(in €m)	2	-	ns
Research and Development expenditure	**(in €m)**	**(1,142)**	**(1,115)**	**+2%**
	(as a % of sales)	**-11.0%**	**-10.5%**	**+0.5 pts**

* *Impairment losses recorded in operating margin only.*

SAFE HARBOR

Statements contained in this document which, when they 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, and product development and potential and 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 negotiated or imposed price reductions. The risks and uncertainties to which Valeo is exposed mainly comprise the risks related to the automotive equipment industry and to the development and launch of new products and risks due to certain global and regional economic and geopolitical conditions, environmental and industrial risks as well as risks and uncertainties described or identified in the public documents submitted by Valeo to the French financial markets authority (*Autorité des marchés financiers* – AMF), including those set out in the "Risk Factors" section of the 2025 Universal Registration Document registered with the AMF on March 31, 2026 (under number D.26–0184).

In addition, other risks which are currently unidentified or considered to be non-material by the Group, could have the same adverse impact and investors could lose all or part of their investment. Forward-looking statements are given only as at the date of this document and Valeo does not undertake to update the forward-looking statements to reflect events or circumstances which occur subsequent to the publication of this document. Valeo 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 neither intends to review, nor will it confirm, any estimates issued by analysts.

About Valeo

Valeo is a global technology leader, designing innovative solutions and systems for its automotive and technology partners. The Group is organized around its POWER, BRAIN and LIGHT Divisions, and Valeo Service, which offers solutions for after-sales and new forms of mobility.

Valeo is committed to making mobility safer, more sustainable and more affordable for everyone. The Group is at the heart of tomorrow's cars: electrified, safer and software-driven. It enjoys technological and industrial leadership in the key areas that are transforming mobility – electrification, ADAS, software-defined vehicles and interior experience reinvention.

Valeo is listed on the Paris Stock Exchange.

Valeo at a glance: 20.9 billion euros in sales in 2025 | 100,000 employees worldwide | 29 countries | 149 plants | 59 R&D centers | 19 distribution platforms (at February 26, 2026).

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