



VALEO
Société anonyme with a share capital of EUR 234 628 851
Registered office: 43 rue Bayen, 75017 Paris
552 030 967 RCS Paris
Siret : 552 030 967 00152

**Notice of redemption to holders of bonds with the option of conversion and/or
exchange for new or existing shares 2.375% issued on July 25, 2003 with a maturity
date on January 1st, 2011
(the "Océanes")**

In accordance with the terms of the issuance agreement, VALEO informs the holders of Océanes (Code ISIN FR0010007468), which were the subject of a listing prospectus (*note d'opération*) approved by the *Commission des Opérations de Bourse* (now the *Autorité des Marchés Financiers*) under the number n°03-707 on July 25, 2003, that the maturity date of the outstanding Océanes being January 1st, 2011 (or the first following business day if such day is not a business day), the Océanes may be either exercised until December 23, 2010 (inclusively) or, after this deadline, redeemed in cash on January 3, 2011, i.e. the first business day following January 1st, 2011.

The holders of Océanes can exercise their conversion/exchange right until December 23, 2010 (inclusively) at a ratio of 1.013 shares of VALEO per Océane exercised. If such ratio does not give rise to a whole number, each holder of Océane may request delivery of (i) either the nearest lower whole number of shares, in which case the Océane holder shall receive a cash supplement equal to the value of the corresponding fractional entitlement, valued on the basis of the market opening price on the last trading day of the exercise period during which the VALEO shares are traded, (ii) or the nearest higher whole number of shares, on condition of payment to VALEO of an amount equal to the value of the additional fractional entitlement thereby requested, calculated on the basis set out in (i) above.

Holders of Océanes should, as the case may be, send their conversion/exchange requests to BNP Paribas Securities Services, Grands Moulins de Pantin, 9 Rue du Débarcadère - 93500 Pantin.

According to the terms of the issuance agreement, the new VALEO shares issued upon conversion of the Océanes shall carry dividend rights as from the first day of the financial year in which the Océanes are converted and the existing VALEO shares delivered upon exchange of Océanes shall carry dividend rights as from the time of such delivery.

Holders of Océanes that have not exercised their conversion/exchange right on December 23, 2010 at the latest, shall receive on January 3, 2011 (the first business day following January 1st, 2011, which is the maturity date of the Océanes) an amount equal to the redemption price of EUR 46.40 per Océane, increased by the annual interest amount of EUR 1.102, i.e. a total amount of EUR 47.502 per Océane.



Interests will not accrue after January 1st, 2011.

Valeo is an independent industrial group fully focused on the design, production and sale of components, integrated systems and modules for cars and trucks. Valeo ranks among the world's top automotive suppliers. The Group has 110 plants, 11 R&D centers, 40 distribution centers, and employs 57,300 people in 27 countries worldwide.

For all additional information, please contact:
Thierry Lacorre, Investor Relations, Tel : +33 1.40.55.37.93

For more information about the Group and its activities, please visit our web site
www.valeo.com