



Final Terms dated 17 January 2012

VALEO

**Issue of EUR 500,000,000 5.75 per cent. Notes due 19 January 2017 (the "Notes")
under the Euro 2,000,000,000 Euro Medium Term Note Programme**

**SERIES N°: 3
TRANCHE N°: 1**

Joint Lead Managers

**BNP PARIBAS
CITIGROUP GLOBAL MARKETS LIMITED
CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK
MITSUBISHI UFJ SECURITIES INTERNATIONAL PLC
SOCIETE GENERALE**

Co-Lead Manager

CM-CIC

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 13 April 2011 which received visa no. 11-108 from the *Autorité des marchés financiers* (the "AMF") on 13 April 2011, the supplement to the Base Prospectus dated 27 April 2011 which received visa no. 11-131 from the AMF on 27 April 2011 and the supplement to the Base Prospectus dated 17 November 2011 which received visa no. 11-538 from the AMF on 17 November 2011 which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003) as amended by Directive 2010/73/EC (the "**2010 PD Amending Directive**") to the extent implemented in the Relevant Member State (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus as so supplemented. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus as so supplemented. The Base Prospectus, the supplements to the Base Prospectus and the Final Terms are available for viewing at the office of the Paying Agents during normal business hours and on the websites of (a) the *Autorité des marchés financiers* (www.amf-france.org) and (b) the Issuer (www.valeo.com) and copies may be obtained free of charge from Valeo, 43 rue Bayen, 75017 Paris, France.

1. Issuer: Valeo
2. Series Number: 3
 - (i) Tranche Number: 1
3. Specified Currency or Currencies: Euro ("**EUR**")
4. Aggregate Principal Amount of Notes :
 - (i) Series: EUR 500,000,000
 - (ii) Tranche: EUR 500,000,000
5. Issue Price: 99.683 per cent. of the Aggregate Principal Amount
6. Specified Denomination: EUR 100,000
7.
 - (i) Issue Date: 19 January 2012
 - (ii) Interest Commencement Date: Issue Date
8. Maturity Date: 19 January 2017
9. Interest Basis: 5.75 per cent. Fixed Rate
(further particulars specified below)
10. Redemption/Payment Basis: Redemption at par
11. Change of Interest or

Redemption/Payment Basis:

12. Put/Call Options: Not Applicable
For the avoidance of doubt Condition 6(d)(ii) will apply
13. Status of the Notes: Unsubordinated Notes
- (i) Date of corporate authorisations for issuance of Notes: Resolution of the Board of Directors of the Issuer dated 24 February 2011 and *décision d'émission* of the *Directeur Général* dated 17 January 2012
14. Method of distribution: Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. Fixed Rate Note Provisions Applicable
- (i) Rate of Interest: 5.75 per cent. per annum payable annually in arrear
- (ii) Interest Payment Date(s): 19 January in each year up to and including the Maturity Date
- (iii) Fixed Coupon Amount: EUR 5.750 per Note of EUR 100,000 Specified Denomination
- (iv) Broken Amount(s): Not Applicable
- (v) Day Count Fraction: Actual/Actual (ICMA)
- (vi) Determination Dates: 19 January in each year
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: Not Applicable
16. Floating Rate Note Provisions Not Applicable
17. Zero Coupon Note Provisions Not Applicable
18. Index-Linked Interest Note/other variable-linked interest Note Provisions Not Applicable
19. Dual Currency Note Provisions Not Applicable

PROVISIONS RELATING TO REDEMPTION

20. Issuer Call Option Not Applicable
21. Investor Put Option Not Applicable
22. Final Redemption Amount of each Note EUR 100,000 per Note of EUR 100,000 Specified Denomination
23. Early Redemption Amount (Tax) or

Early Termination Amount

Early Redemption Amount(s) (Tax) of each Note payable on redemption for taxation reasons or Early Termination Amount(s) payable on an event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): EUR 100,000 per Note of EUR 100,000 Specified Denomination

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Form of Notes: Dematerialised Notes
- (i) Form of Dematerialised Notes: Bearer dematerialised form (*au porteur*)
- (ii) Registration Agent: Not Applicable
- (iii) Temporary Global Certificate: Not Applicable
- (iv) Applicable TEFRA exemption: Not Applicable
25. Financial Centre(s) or other special provisions relating to payment dates: Not Applicable
26. Talons for future Coupons or Receipts to be attached to Definitive Bearer Materialised Notes (and dates on which such Talons mature): No
27. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: Not Applicable
28. Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: Not Applicable
29. Redenomination, renominalisation and reconventioning provisions: Not Applicable
30. Consolidation provisions: Not Applicable
31. "Masse"
The Notes are issued outside France and Condition 11 applies.
The initial representative of the *Masse* is:



Alice Bonardi
Legal and Transaction Management Group
BNP Paribas
3 rue Taitbout
75009 Paris

The alternative representative of the *Masse* will be:

Anne Besson-Imbert
CIB Legal
BNP Paribas
10 Harewood Avenue
London NW1 6AA

The acting representative shall receive no remuneration.

32. Other final terms: Not Applicable
33. Applicable tax regime: As described in the Base Prospectus.

DISTRIBUTION

34. If syndicated, names of Managers: **Joint Lead Managers:**
BNP PARIBAS
CITIGROUP GLOBAL MARKETS LIMITED
MITSUBISHI UFJ SECURITIES INTERNATIONAL
PLC
CREDIT AGRICOLE CORPORATE AND
INVESTMENT BANK
SOCIETE GENERALE
Co-Lead Manager:
CM-CIC SECURITIES
- (i) Stabilising Manager(s) (if any): BNP PARIBAS
35. If non-syndicated, name of Dealer: Not Applicable
36. US Selling Restrictions: Reg. S Compliance Category 2 ; TEFRA Not Applicable
37. Additional selling restrictions: Not Applicable

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the regulated market of NYSE Euronext in Paris ("**Euronext Paris**") of the Notes described herein pursuant to the Euro 2,000,000,000 Euro Medium Term Note Programme of Valeo (the "**Issuer**").

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By: *R. CHARVIER* 
Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing: Euronext Paris
- (ii) Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be listed and admitted to trading on Euronext Paris with effect from 19 January 2012.
- (iii) Estimate of total expenses related to admission to trading: EUR 3,700

2. RATINGS

Ratings: The Notes to be issued have been rated:

Moody's: Baa3

As at the date of the Final Terms, Moody's is established in the European Union and is registered pursuant to Regulation (EU) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in the Section "Subscription and Sale" of the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

4. REASONS FOR THE OFFER

Reasons for the offer: The net proceeds of the issue of the Notes will be used to refinance existing debt of the Issuer. The Issuer intends thereby to take advantage of currently favourable market conditions to lengthen and smooth its debt maturity profile.

5. YIELD

Indication of yield: 5.825 per cent.per annum.

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. OPERATIONAL INFORMATION

- (i) ISIN Code: FR0011182112
- (ii) Common Code: 073112478
- (iii) Any clearing system(s) other than Euroclear France and the relevant identification number(s): Not Applicable
- (iv) Delivery: Delivery against payment
- (v) Names and addresses of Initial Paying Agent(s): BNP Paribas Securities Services
Global Corporate Trust
Les Grands Moulins de Pantin
9 rue du Débarcadère
93500 Pantin
- (vi) Names and addresses of additional Paying Agent(s) (if any): Not Applicable

7. GENERAL

The aggregate principal amount of Notes issued has been translated into Euro at the rate of [•], producing a sum of (for Notes not denominated in Euro): Not Applicable