



PARIS

October 22, 2026

Third quarter in line with annual objectives Valeo confirms its FY 2026 guidance



- Q3 sales at 4.9 billion euros, down 2.6% on a like-for-like basis
- North America and Asia (excluding China) continued to outperform; original equipment sales of 4.1 billion euros, down by 3.8% like for like in a market that was down 1.6% overall
- BRAIN Division returned to growth with sales up 8.2% on a like-for-like basis, marking the first step towards the Group's return to growth in 2027
- FY 2026 objectives confirmed:
 - 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
 - Valeo is targeting second-half operating margin (as a % of sales) and free cash flow equivalent to those of the first half

"Our performance in the third quarter is in line with our objectives for the full year, demonstrating Valeo's resilience in a demanding market environment where challenges have intensified over recent months.

In this context, the rebound in activity in the BRAIN Division provides a positive signal. It sets the first concrete milestone toward the Group's return to growth in 2027, the third engine of our "Elevate 2028" strategic plan.

We are entering the final quarter with the same absolute rigor in operational execution and cost management. Our teams are fully mobilized to tackle the headwinds and deliver on all our objectives for the full year."

Christophe Périllat, Valeo's Chief Executive Officer

Sales of 4,881 million euros in the third quarter of 2026, down 2.6% like for like

SALES

(in millions of euros)	As a % of sales	Q3 2026	Q3 2025	Change	FX	Scope	LFL* change
Original equipment	84%	4,080	4,229	-3.5%	+1.1%	-0.8%	-3.8%
Aftermarket	10%	516	503	+2.6%	-0.2%	-0.1%	+3.0%
Miscellaneous	6%	285	265	+7.6%	+1.1%	0.0%	+6.6%
TOTAL	100%	4,881	4,997	-2.3%	+1.0%	-0.7%	-2.6%

* On a like-for-like basis⁽¹⁾.

Based on S&P Global Mobility estimates, automotive production was down 1.6% year on year in the third quarter of 2026.

Total sales for third-quarter 2026 came in at 4,881 million euros, down 2.3% compared with the same period in 2025.

Changes in Group structure had a negative 0.7% impact linked to the disposal of the automotive powertrain systems sensor business in November 2025 (POWER Division).

Exchange rates had a positive impact of 1.0%, due to the increase in value of international currencies against the euro, particularly the US dollar and Chinese renminbi.

On a like-for-like basis, sales were down 2.6%.

Original equipment sales contracted by 3.8% like for like, representing a gap in performance versus global automotive production of 2.2 percentage points, taking into account a positive 0.8 percentage point geographic mix effect. These sales were affected by an unfavorable base effect related to customer compensation recorded in the POWER Division in the third quarter of 2025.

Aftermarket sales rose by 3.0% on a like-for-like basis compared with the prior-year period, supported by ongoing momentum in North America, Asia and Europe.

"Miscellaneous" sales, essentially comprising customer contributions to R&D costs and prototypes, were up 6.6% on a like-for-like basis.

North America and Asia (excluding China) continue to outperform

ORIGINAL EQUIPMENT SALES***

(in millions of euros)	As a % of sales	Q3 2026	Q3 2025	Change	LFL* change	Perf.**
Europe	46%	1,891	2,058	-8.1%	-7.1%	-7 pts
Asia (excluding China)	18%	717	681	+5.3%	+7.5%	+3 pts
China	13%	534	576	-7.3%	-12.9%	-7 pts
North America	21%	840	826	+1.7%	0.0%	+5 pts
South America	2%	98	88	+11.6%	+5.2%	-1 pt
TOTAL	100%	4,080	4,229	-3.5%	-3.8%	-2 pts

* On a like-for-like basis.

** Based on S&P Global Mobility automotive production estimates released on October 15, 2026 (Q3 2026 estimated global production: -1.6%).

*** Original equipment sales by destination region. Europe includes Africa. Asia (excluding China) includes the Middle East and Oceania.

Third-quarter original equipment sales saw a gap in performance of 2.2 percentage points versus automotive production, while also benefiting from a favorable geographic mix effect of 0.8 percentage points.

In Europe, the 7-percentage point gap in performance versus automotive production reflects a downturn in the POWER Division, largely attributable to an unfavorable base effect, offset by the continued strong performance of the LIGHT and BRAIN Divisions.

In Asia (excluding China), which was buoyed by strong performance from the POWER and LIGHT Divisions, Valeo posted growth of 7.5% on a like-for-like basis, an outperformance of 3 percentage points compared with automotive production.

In China, in a declining and particularly volatile market, Valeo posted a gap in performance versus automotive production of 7 percentage points. While business volumes with local automakers were down slightly, efforts to reposition the customer portfolio continue to advance (56% of original equipment sales to Chinese automakers since the start of the year, compared with 52% in 2025 over the same period and 53% in first-half 2026).

In North America, Valeo posted a 5-percentage point outperformance with sales remaining stable on a like-for-like basis, driven by the ongoing momentum of the POWER Division.

(1) See financial glossary, page 4.

Segment reporting

Growth resumption in the BRAIN Division in third-quarter 2026

SALES BY DIVISION

(in millions of euros)	Q3 2026	Q3 2025	Change in sales	Change in OE sales*	Perf.**
POWER	2,396	2,599	-7.8%	-9.6%	-8 pts
BRAIN	1,198	1,106	+8.3%	+8.2%	+10 pts
LIGHT	1,267	1,282	-1.2%	-3.2%	-2 pts
OTHER	20	10	ns	ns	ns
GROUP	4,881	4,997	-2.3%	-3.8%	-2 pts

* On a like-for-like basis.

** Based on S&P Global Mobility automotive production estimates released on October 15, 2026 (Q3 2026 estimated global production: -1.6%).

In the third quarter, the **POWER** Division posted a 8-percentage point gap in performance, caused by unfavorable base and mix effects in Europe. Growth remains robust, however, in North America and Asia, particularly for electrification technologies in India.

With an 8.2% increase on a like-for-like basis, the **BRAIN** Division returned to growth in the third quarter and outperformed the market by 10 percentage points. This performance reflects continued strong momentum in the display and telematics activities, as well as the ramp-up in

production of vision systems for a major European automaker.

The **LIGHT** Division saw a gap in performance versus automotive production of 2 percentage points. Momentum remains strong in Europe and Asia (excluding China), driven by lighting programs for premium and volume vehicles. Following success with Chinese automakers and a peak in production launches in the second half of 2025, business in China has returned to normal levels.

2026 guidance confirmed

Third-quarter sales are in line with annual objectives. For the fourth quarter, Valeo anticipates sequential growth in line with typical seasonality.

The Group confirms its 2026 guidance (as set out in the table below), and is targeting an operating margin (as a % of sales)

and free cash flow in the second half of the year 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 October 15, 2026. The forecasts assume that there will be no additional material changes to tariffs or trade restrictions in force on October 22, 2026, nor any significant changes in market conditions, macroeconomic projections or major supply chain disruptions.

Upcoming events

2026 annual results: February 25, 2027

First-quarter 2027 results: April 28, 2027

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.

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.

APPENDICES

Sales

Sales (in millions of euros)	As a % of sales	YTD 2026	YTD 2025	Change	LFL* change	FX	Scope
Original equipment	83%	12,624	13,133	-3.9%	-1.6%	-1.5%	-0.8%
Aftermarket	10%	1,618	1,617	+0.1%	+2.4%	-2.2%	-0.1%
Miscellaneous	7%	1,016	907	+12.1%	+13.2%	-1.1%	0.0%
TOTAL	100%	15,259	15,657	-2.5%	-0.3%	-1.5%	-0.7%

* On a like-for-like basis.

Sales by destination region***

Original equipment sales (in millions of euros)	As a % of sales	YTD 2026	YTD 2025	LFL* change	Perf. **
Europe	49%	6,229	6,580	-4.5%	-6 pts
Asia (excluding China)	17%	2,077	2,094	+6.6%	+3 pts
China	12%	1,539	1,704	-10.2%	-5 pts
North America	20%	2,515	2,519	+4.1%	+6 pts
South America	2%	264	237	+6.9%	+1 pt
TOTAL	100%	12,624	13,133	-1.6%	-1 pt

* On a like-for-like basis.

** Based on S&P Global Mobility automotive production estimates released on October 15, 2026.

*** Original equipment sales by destination region. Europe includes Africa. Asia (excluding China) includes the Middle East and Oceania

Sales by Division

Sales by Divisions (in millions of euros)	YTD 2026	YTD 2025	Change in sales	Change in OE sales*	Perf. **
POWER	7,514	8,002	-6.1%	-4.0%	-3 pts
BRAIN	3,731	3,632	+2.7%	+2.2%	+3 pts
LIGHT	3,987	4,010	-0.6%	-0.6%	0 pts
OTHER	27	13	ns	ns	ns
GROUP	15,259	15,657	-2.5%	-1.6%	-1 pt

* On a like-for-like basis.

** Based on S&P Global Mobility automotive production estimates released on October 15, 2026.

Safe Harbor Statement

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).

Learn more at www.valeo.com

Find all our press releases: <https://www.valeo.com/en/press-releases/>

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