

Business Update and 2017 Outlook

Presented by:
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January 10, 2017



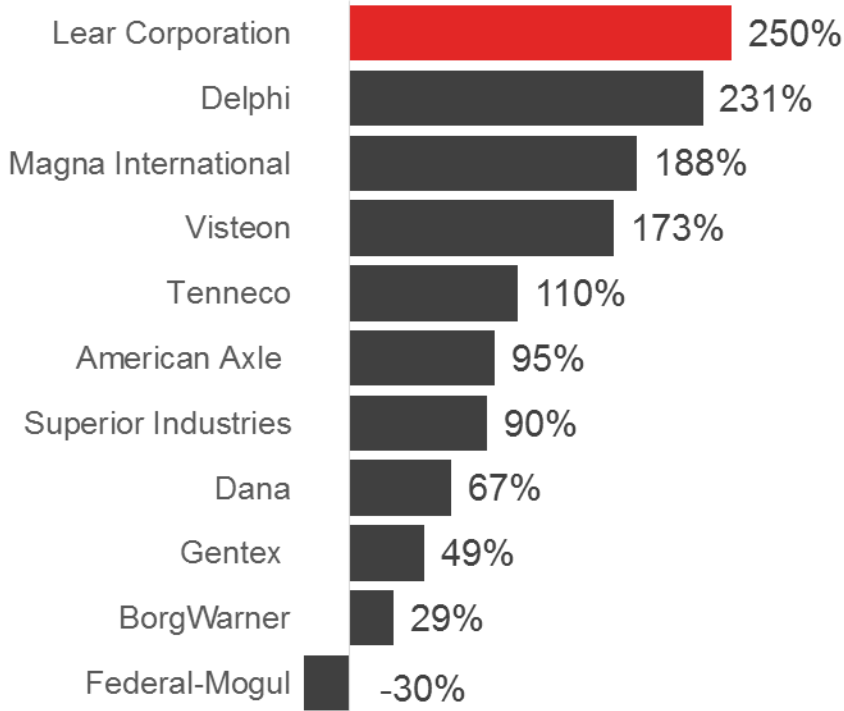
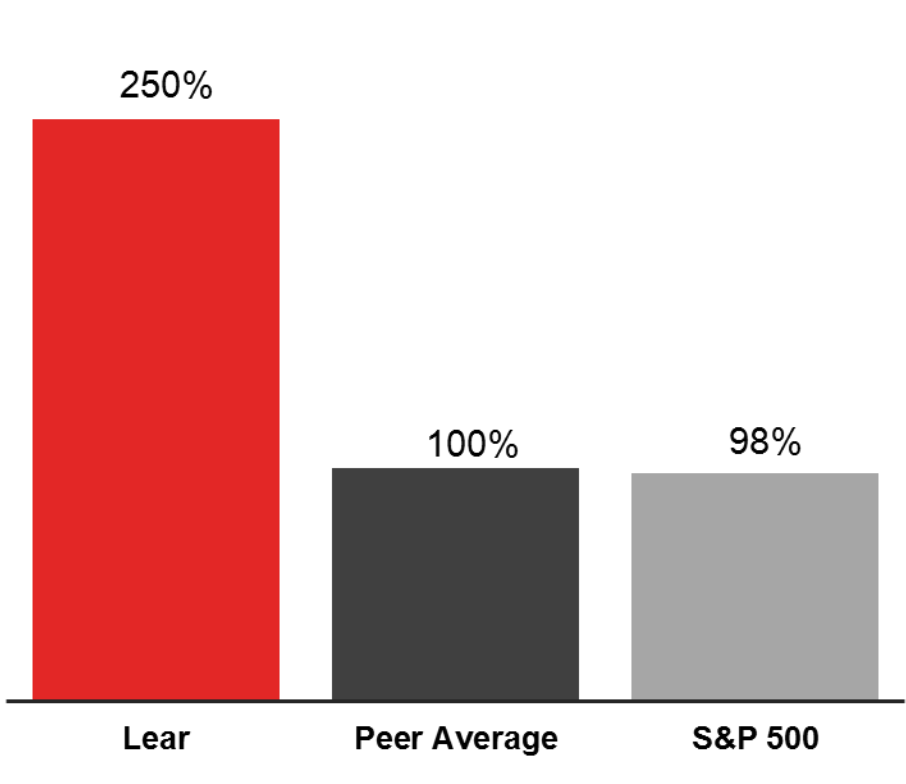
Lear Investment Profile

- Leading global supplier of automotive seating and electrical systems
- Sales are well diversified and growing faster than industry production
- Global capabilities in both business segments with low-cost footprint and superior technology
- Best financial performance among peer group
- Strong and flexible balance sheet with investment grade credit ratings
- Balanced strategy and superior execution delivering best total shareholder returns among peer group
- Lear shares remain undervalued relative to peer group

Lear Is Uniquely Positioned To Deliver Continued Profitable Sales Growth In Excess Of The Market

Industry-Leading Total Shareholder Returns

Total Shareholder Returns* 01/01/2012 to 12/31/2016



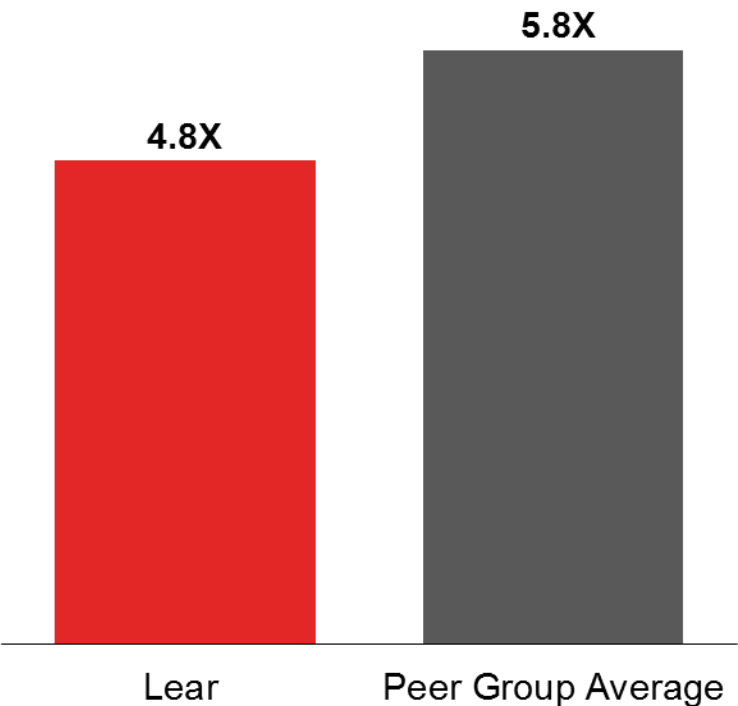
Lear's 5-Year Total Shareholder Return Is Best Among Peer Group

* Bloomberg as of 12/31/16. Assumes reinvested dividends. Peer Group includes American Axle, BorgWarner, Dana, Delphi, Federal-Mogul, Gentex, Magna International, Superior Industries, Tenneco and Visteon.

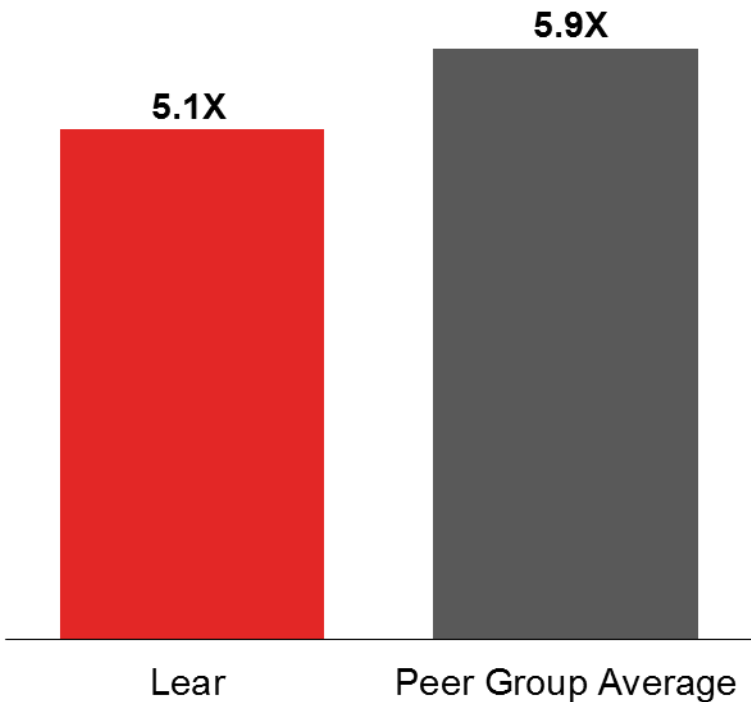
Lear Remains Undervalued Relative to Peer Group

Enterprise Value to Adjusted EBITDA*

2012-16 Average



2017 Guidance



* Bloomberg based on next twelve months EBITDA. Peer Group includes American Axle, BorgWarner, Dana, Delphi, Federal-Mogul, Gentex, Magna International, Superior Industries, Tenneco and Visteon.



SEATING

2016 Sales of ~\$14.4 Billion

Global leader in seat assembly
with strong and growing **market share**
in all major regions including **China**

Leader in **luxury & performance** seating;
Well positioned to capitalize on mix shift
toward Crossovers and SUVs

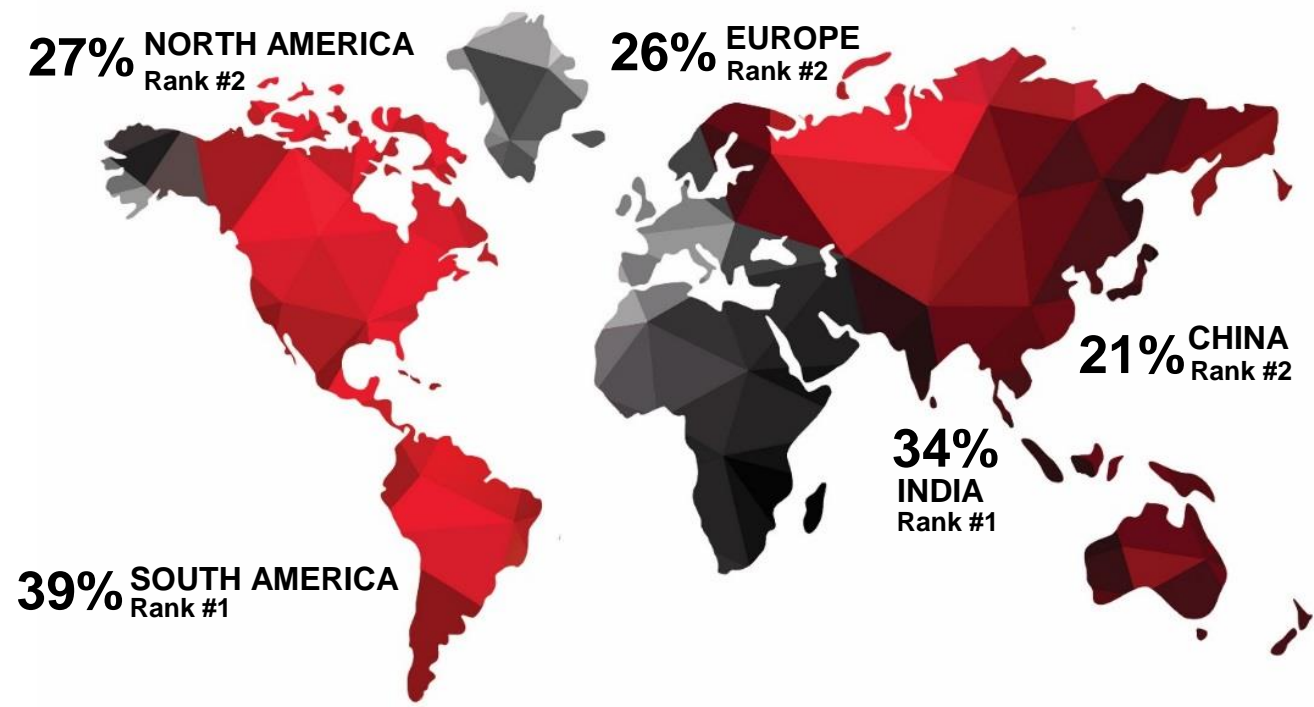
Most **complete seat component capabilities**
with **expertise** in fabric, leather and seat
cover cutting & sewing allowing the
highest level of **craftsmanship**

Unique **software capabilities** enabling
the innovative **intelligent seat**

Strong and Growing Market Share

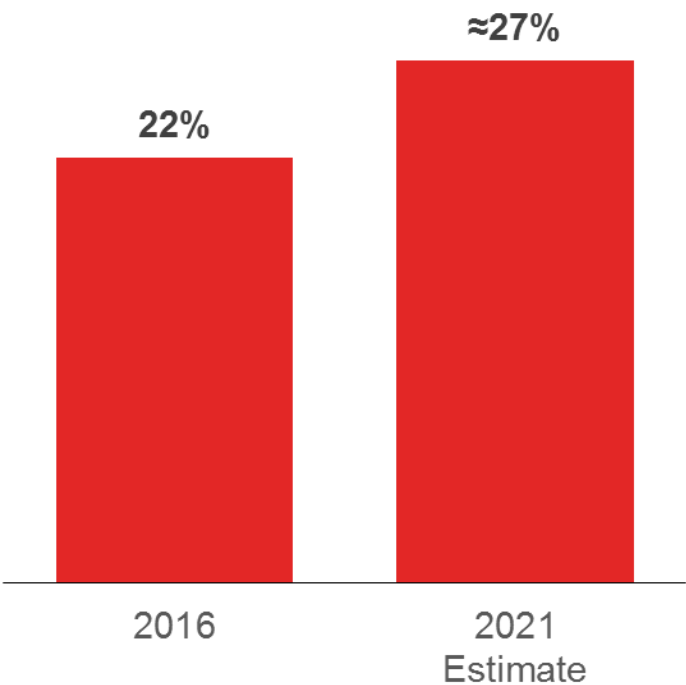
Seat Assembly

Lear Market Share and Ranking



Global Market ≈\$64B

Lear Global Market Share

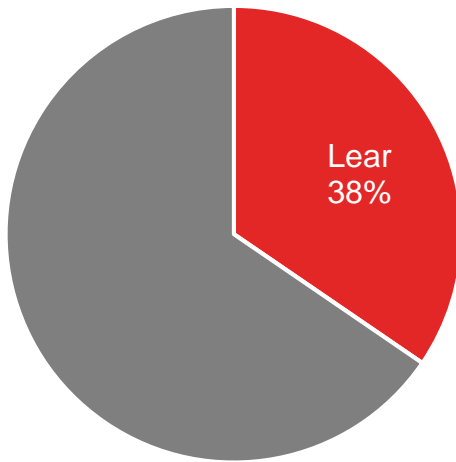


Strong Market Share In Every Region Of The World And Well Positioned For Continued Growth

Source: IHS Automotive and Lear estimates

World Leader in Luxury and Performance Automotive Seating

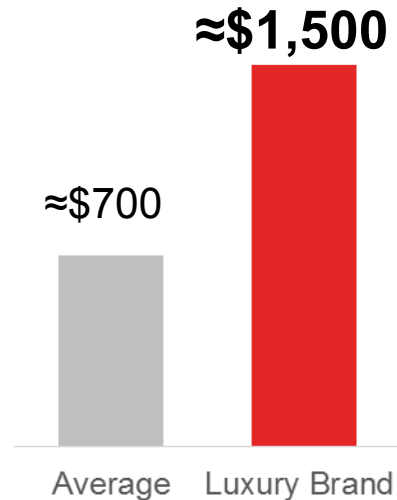
Seat Market Share *Luxury Brands*



- 20% of global market
- Growth outpacing overall market

Source: IHS Automotive and Lear estimates

Content per Vehicle



Seat Quality & Satisfaction Study™ * *Luxury Car Segment Rankings*

1. Porsche Cayman



2. Porsche 911 Carrera Cabriolet



3. Audi A4



4. Lincoln MKZ



**Lear Seats Rank Highest in Quality on 7 of Top 11
Luxury Cars, including Top 4 shown here**

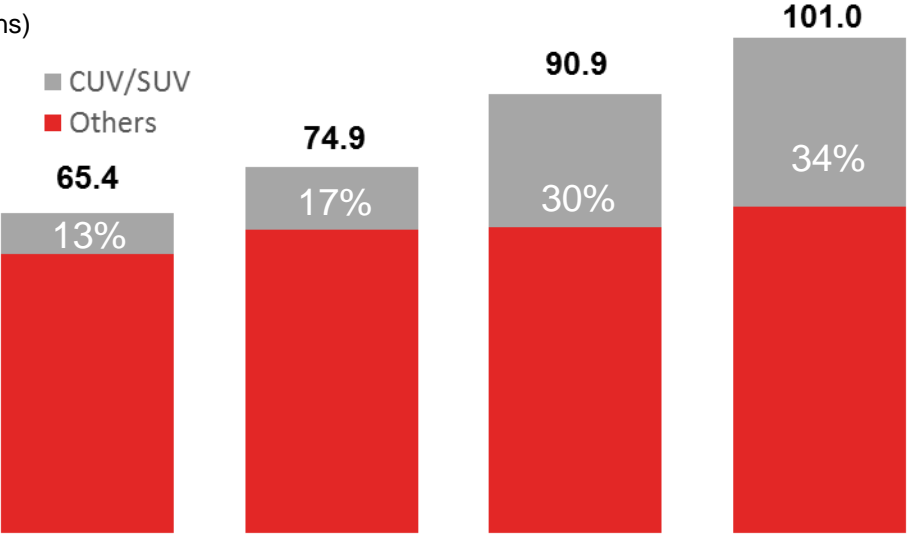
World Leader In Luxury Brand Market Share And Quality

Increased Demand for Crossovers and SUVs

Crossover & SUV Share Global Production

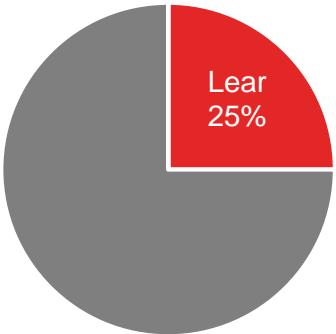
(Units in millions)

■ CUV/SUV
■ Others

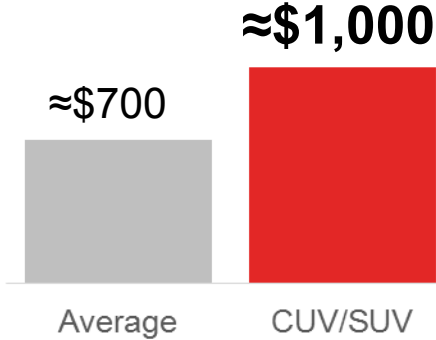


CUV/SUV Share of Market	2006	2011	2016	2021 Estimate
N.A.	25%	33%	38%	42%
China	4%	11%	35%	39%
Europe	4%	14%	23%	29%

Seat Market Share CUV/SUV



Content per Vehicle



Cadillac Escalade



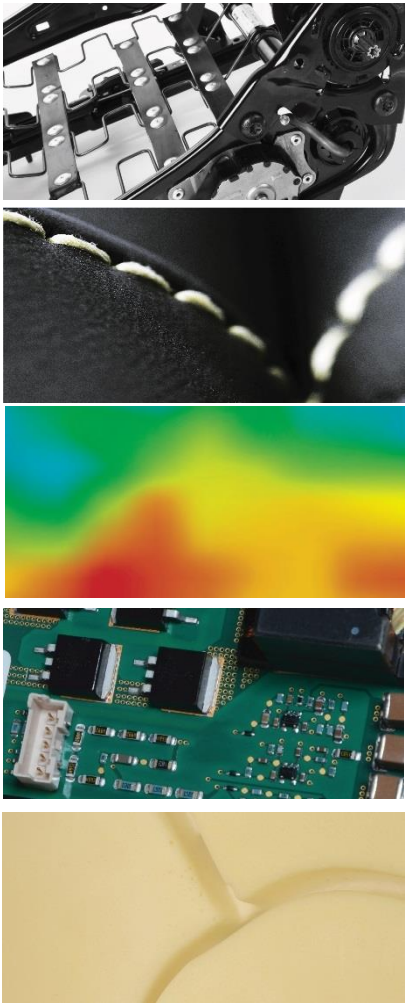
Range Rover Sport

Lear Is Well Positioned In All Regions To Capitalize On The Growing Shift To Crossovers And SUVs

Major Seat Component Segments and Lear Share



	Estimated Market Size	Lear Share
SEAT STRUCTURES	\$19.9B	9%
SEAT COVERS	\$11.6B	17%
Leather ✓	\$3.8B	30%
Fabric	\$2.6B	17%
SEAT COMFORT	\$1.8B	N/A
Heat / Cool ✓	\$1.0B	
Lumbar / Massage	\$0.8B	
SEAT ELECTRONICS ✓	\$2.3B	9%
FOAM	\$6.4B	6%



Complete Seat Component Capability Driving Growth

**Crafted by Lear™
and Intelligent Seat**



Crafted by Lear – A Competitive Advantage



Unmatched global seat component and manufacturing capabilities allow for advanced design concepts to become production realities with the highest level of craftsmanship

crafted[™]
by **LEAR**
CORPORATION



**Applying Lear's Unmatched Capabilities
To Bring Aspirational Seat Design To Market**



- The seat is emerging as an integral component supporting connectivity and autonomous vehicles as the most direct link from the driver to the vehicle
- Lear's latest seat innovation – the Intelligent Seat – leverages our unique capabilities and expertise in both Seating and E-Systems
- Provides real-time ability to collect, analyze and use occupant-based information valuable to the driver/passenger
- Several programs in development with premium automakers; first program launches in 2019

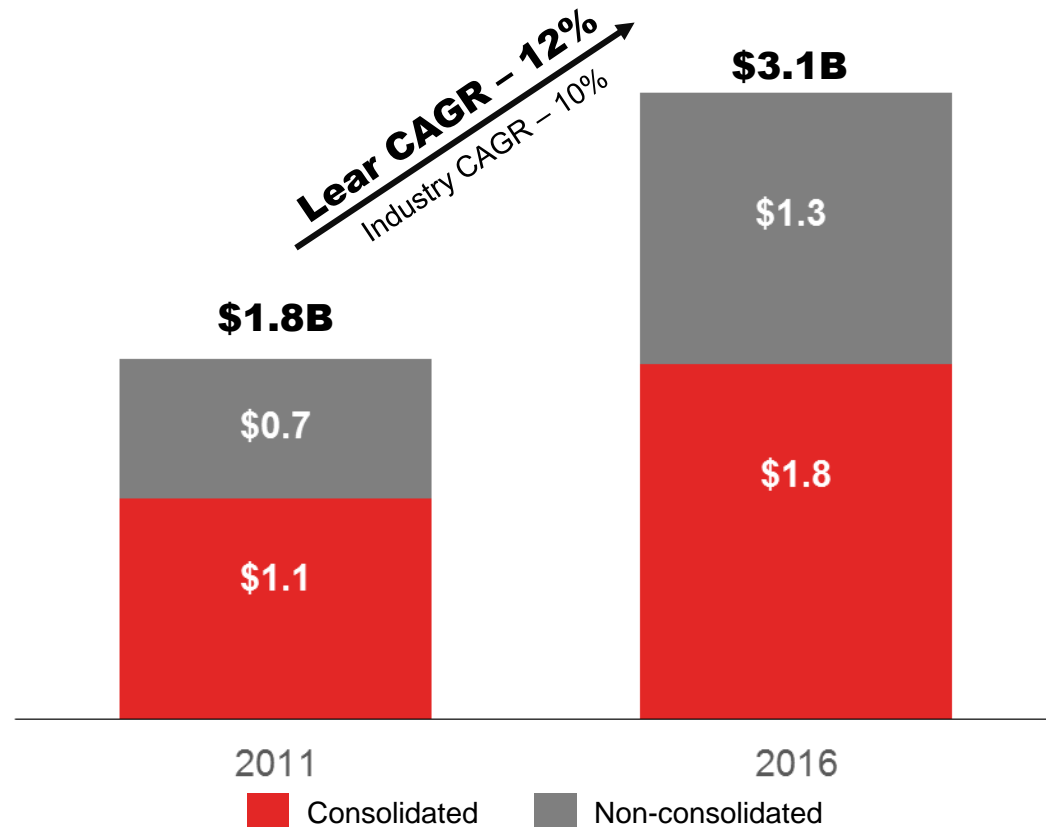
Lear's Intelligent Seat Dynamically Addresses Occupant Safety, Comfort, Posture And Health And Wellness

Seating – China Opportunity



Seating – China Opportunity

China Sales



Key Statistics

- 41 Facilities
 - 36 Manufacturing
 - 5 Admin / Engineering
- 13,000 Employees
- Complete technical and component capabilities
- Diverse customer mix balanced among domestic automakers and foreign joint ventures

Strong Market Position In China And Well Positioned For Future Growth



E-SYSTEMS

Power and Data Management

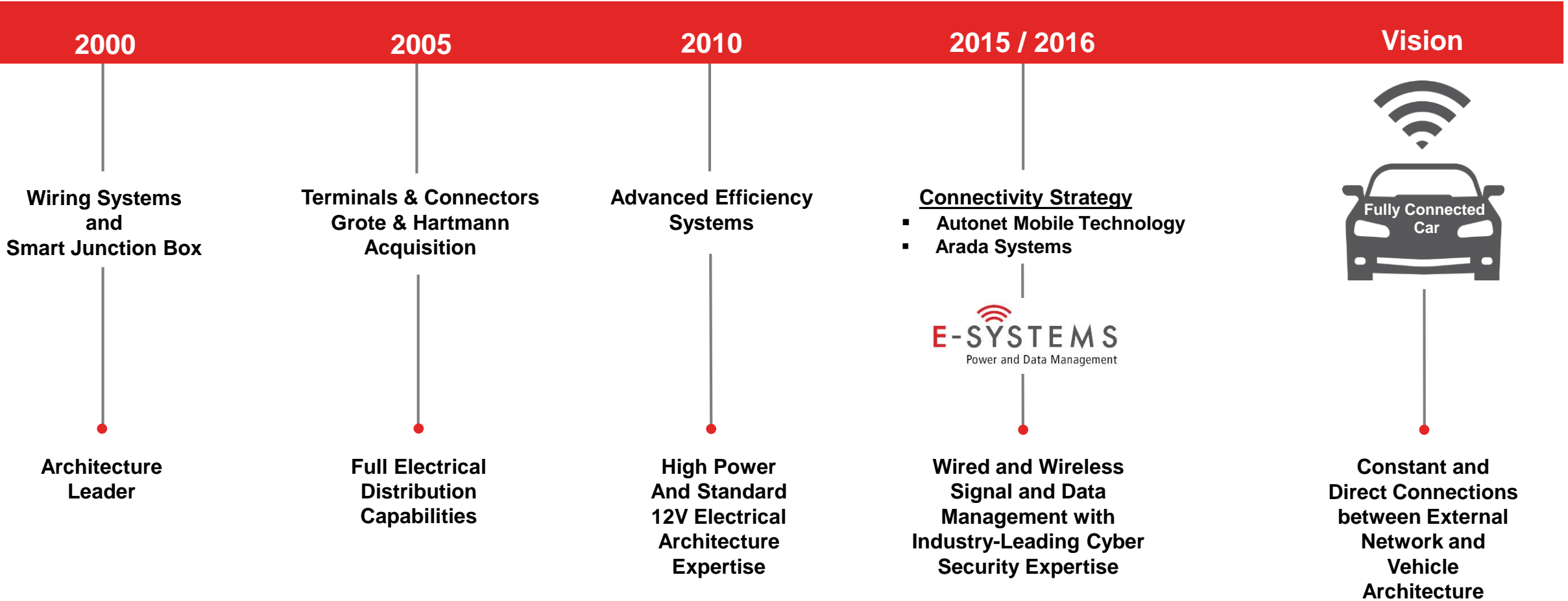
2016 Sales of ≈\$4.2 Billion

Global leader in electrical power and data management with complete **electrical architecture expertise**

Well positioned to benefit from rapidly increasing demands for additional **electronic content** and **software** driven by trends in **safety** and **fuel economy**

Uniquely positioned to grow with **vehicle electrification** and **connectivity** mega-trends with **industry-leading** electrical distribution and gateway modules

Evolution of Lear's Electrical Business

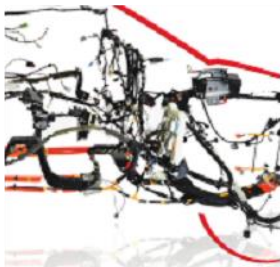


Building Capability To Become A Leader In Connected Vehicle Communication

E-Systems Product Portfolio

Traditional Electrical Products

Wire Harnesses



CURRENT
MARKET

\$40B

Electrical Architecture
Wire Harnesses
Power Distribution
12V, 48V & High Voltages

Terminals and Connectors



\$13B

Standard and High Power
High Speed
Communications
High Density Connection
Systems

Electronics



\$18B

Body Control Modules
Smart Junction Boxes
Wireless
Lighting & Audio Control
48V Systems

Emerging Industry Trends

High Power



\$7.2B

High Power Distribution
Charging Systems
High Power Energy
Management

Connectivity



\$1.3B

Cellular Connectivity
V2X Connectivity
Over-The-Air Software
Cyber Security

**Significant Near-Term Opportunities In Traditional Electrical Products And
Accelerated Long-Term Growth With Emerging Industry Trends**

E-Systems Growth Opportunities

MARKET / INDUSTRY TRENDS

Features

*More signals and
high speed data*

Safety

*Increasing
power demands*

Fuel Efficiency

*More electronics
and software*

Environment

High Power

*More circuits
and cabling*

Connectivity

GROWTH DRIVERS

- Vehicle data exchange expected to increase 20x by 2020
- Over 30% of all recent cellular activations were in vehicles
- Lines of software code forecasted to grow 100x by 2020
- Vehicles with electrical systems above 12-Volt expected to grow 140% by 2020
- Approximately 80% of consumers are willing to pay for advanced safety features
- 48-Volt architecture is forecasted to be produced on 10% of the total automotive market by 2025

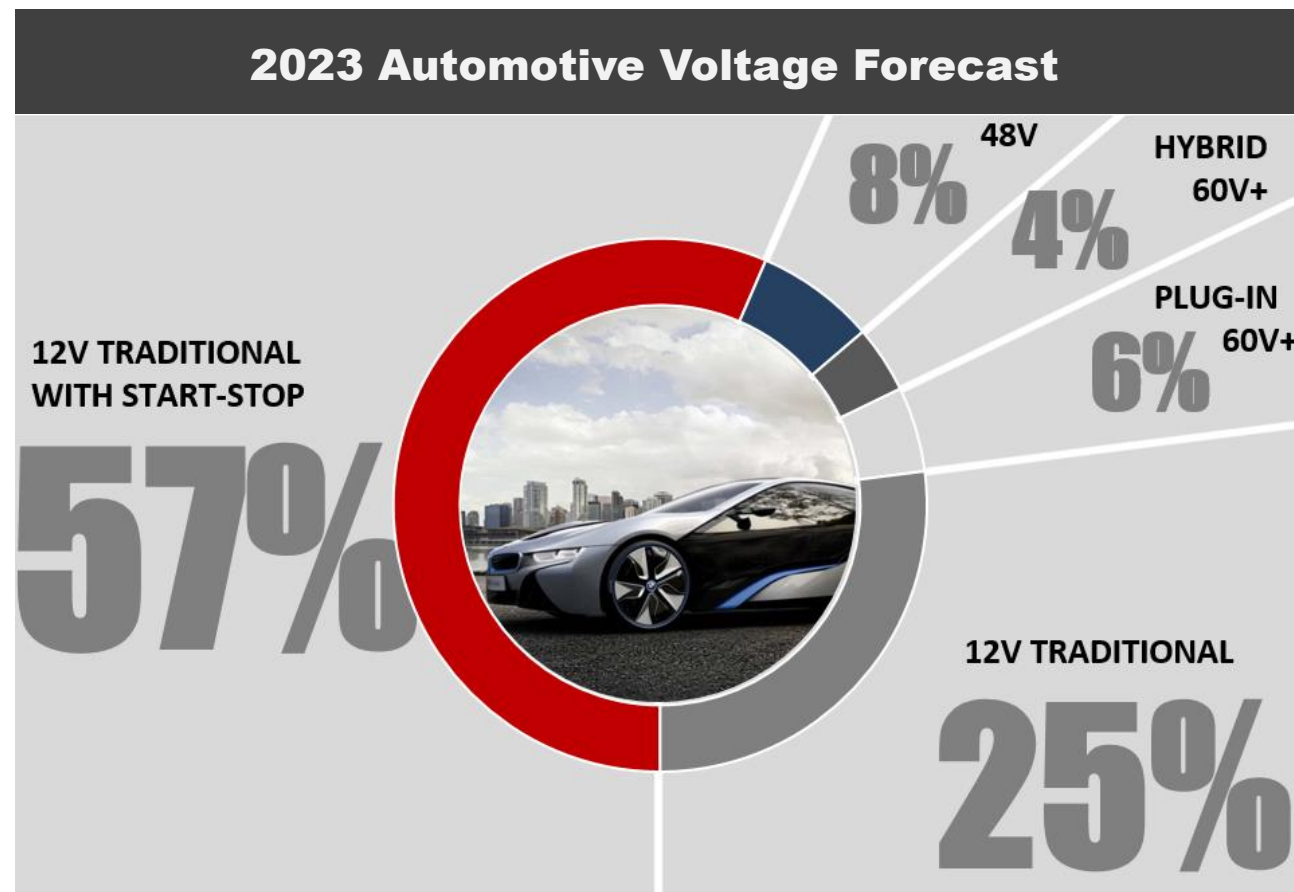
Market And Industry Trends Driving Growth In Electrical Content

48-Volt and High Power Growth Opportunity



48V and High Power Growth Opportunity

- E-Systems product portfolio is scalable across the full spectrum of vehicle voltage levels – 12V to High Power
- Market trends support growth in both 12V and High Power applications
- 48V and other high voltage electrical systems are expected to grow rapidly, reaching 18% of the market by 2023 from less than 5% today
- While the majority of vehicles will remain on a 12V system, growth in 48V and other high voltage systems represents incremental content per vehicle



Lear Is Currently In Development On Several 48V / High Power Programs

Incremental High Voltage Content Opportunity

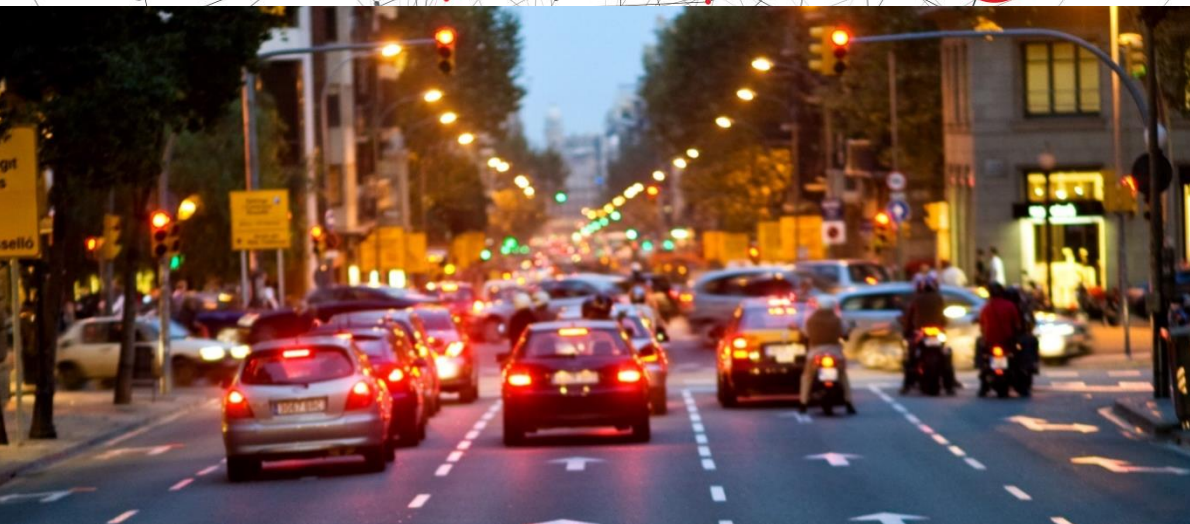


Source: IHS Automotive and Lear estimates

Lear's Connectivity Strategy



Lear's Connectivity Strategy



Connectivity Applications

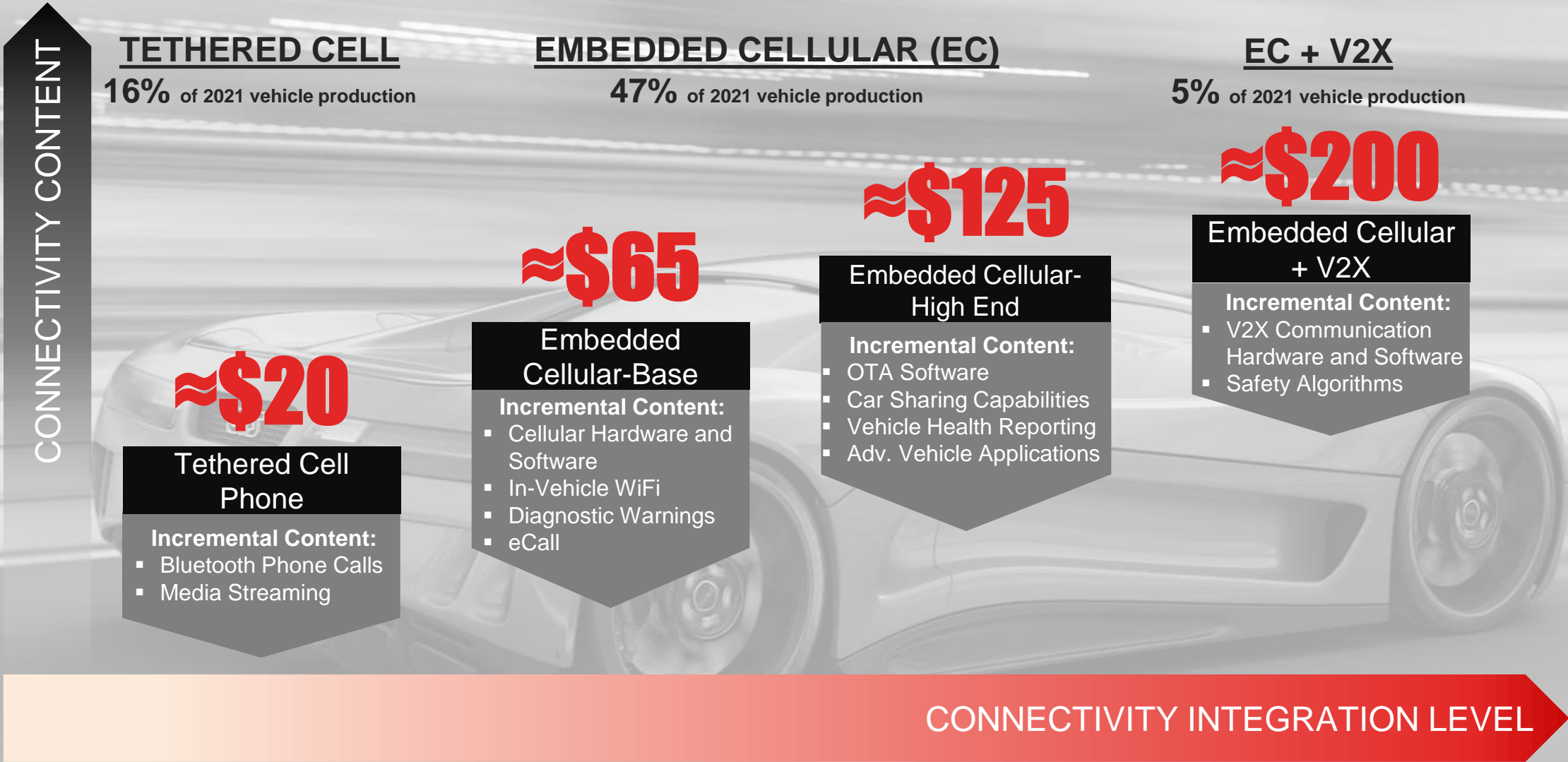
- Remote Vehicle Commands
- Vehicle Diagnostics
- Over-The-Air Software Updates
- Customer Relationship Management
- Infotainment / Internet Access

V2X Communications

- Vehicle to Vehicle / Infrastructure / Pedestrian
- Roadway Information / Intersection Assistance
- Event, Traffic and Weather Warnings
- Public Transportation Information
- Road Worker / Pedestrian Safety

Lear Has Hardware, Software And Cyber Security Expertise To Deliver A Fully Connected Car

Incremental Connectivity Content Opportunity



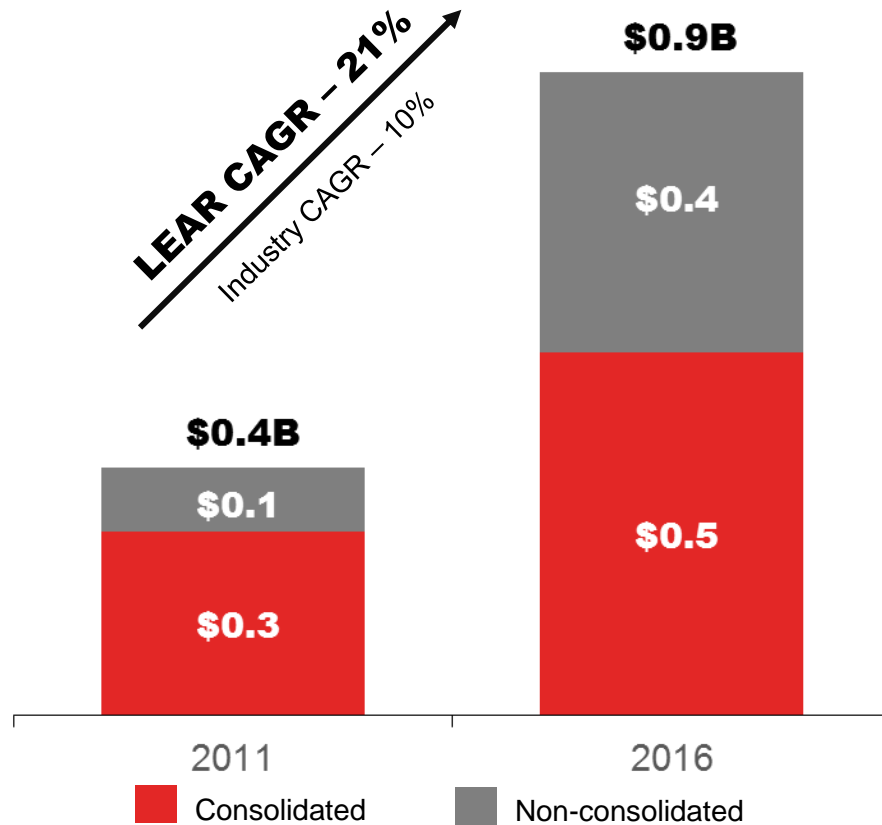
Source: IHS Automotive and Lear estimates

E-Systems – China Opportunity



E-Systems – China Opportunity

China Sales



Key Statistics

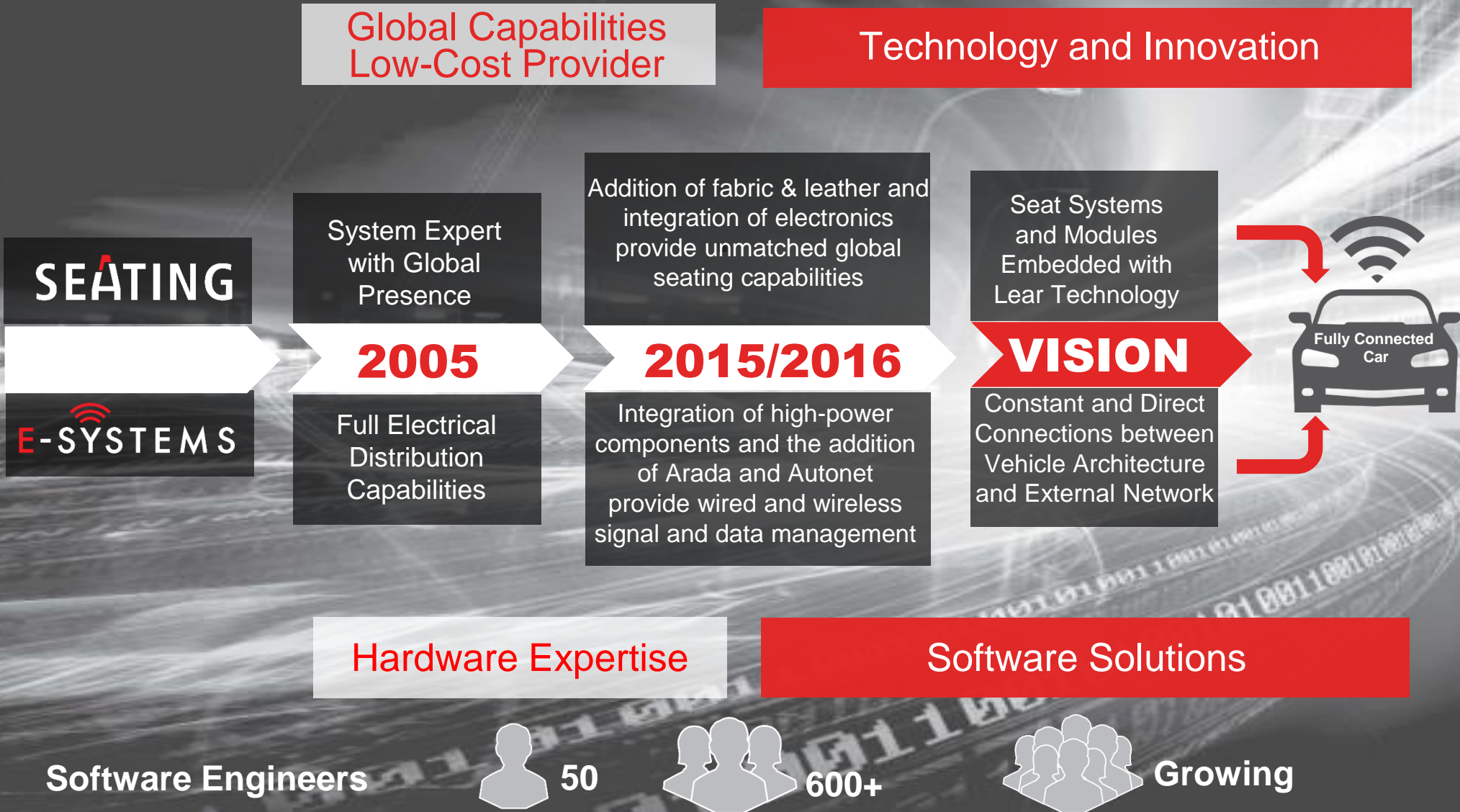
- 9 Facilities
 - 8 Manufacturing
 - 1 Engineering
- 14,000 Employees
- Complete technical and component capabilities
- Diverse customer mix balanced among domestic automakers and foreign joint ventures
- Government mandate could accelerate growth in electric or alternative powertrain vehicles

Strong Market Position In China And Well Positioned For Future Growth

Convergence of Lear's Seating and E-Systems Businesses



Evolution and Convergence of Lear's Seating and E-Systems Businesses

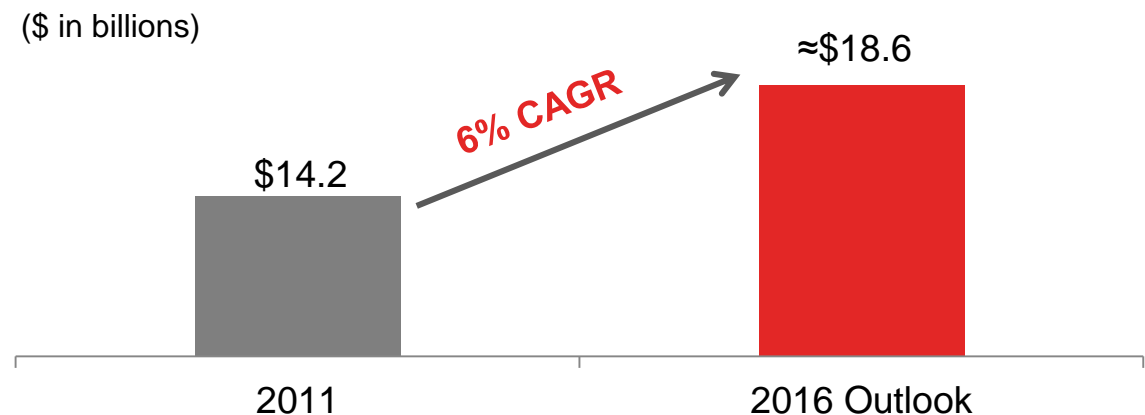


2016 Financial Update

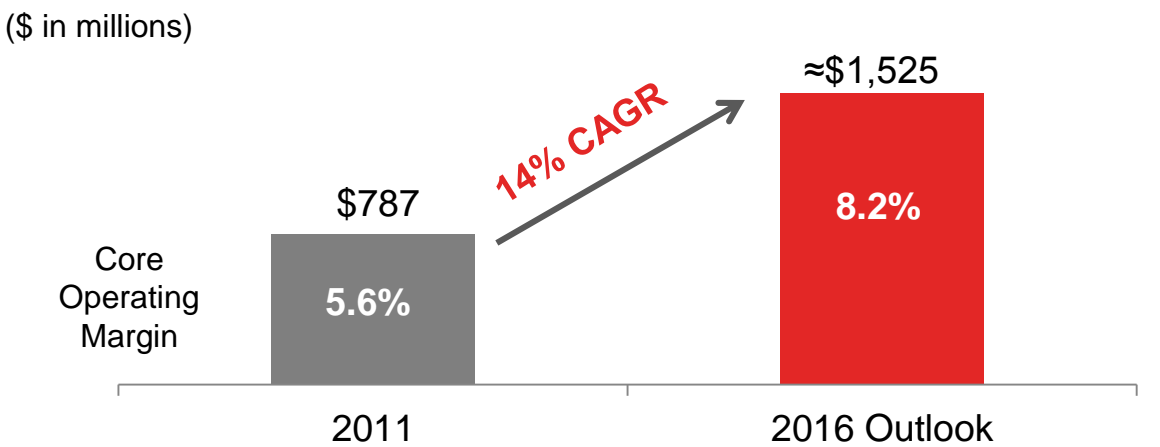


Key Financial Metrics (2011 to 2016 Outlook)

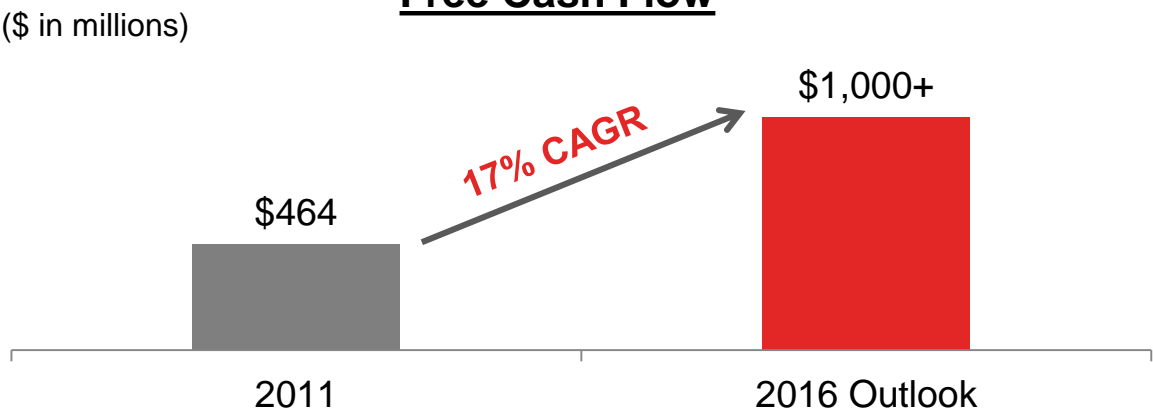
Sales



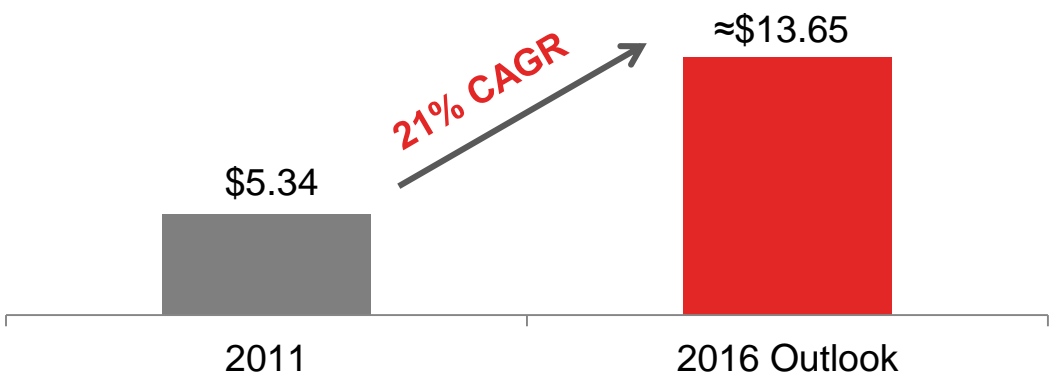
Core Operating Earnings



Free Cash Flow



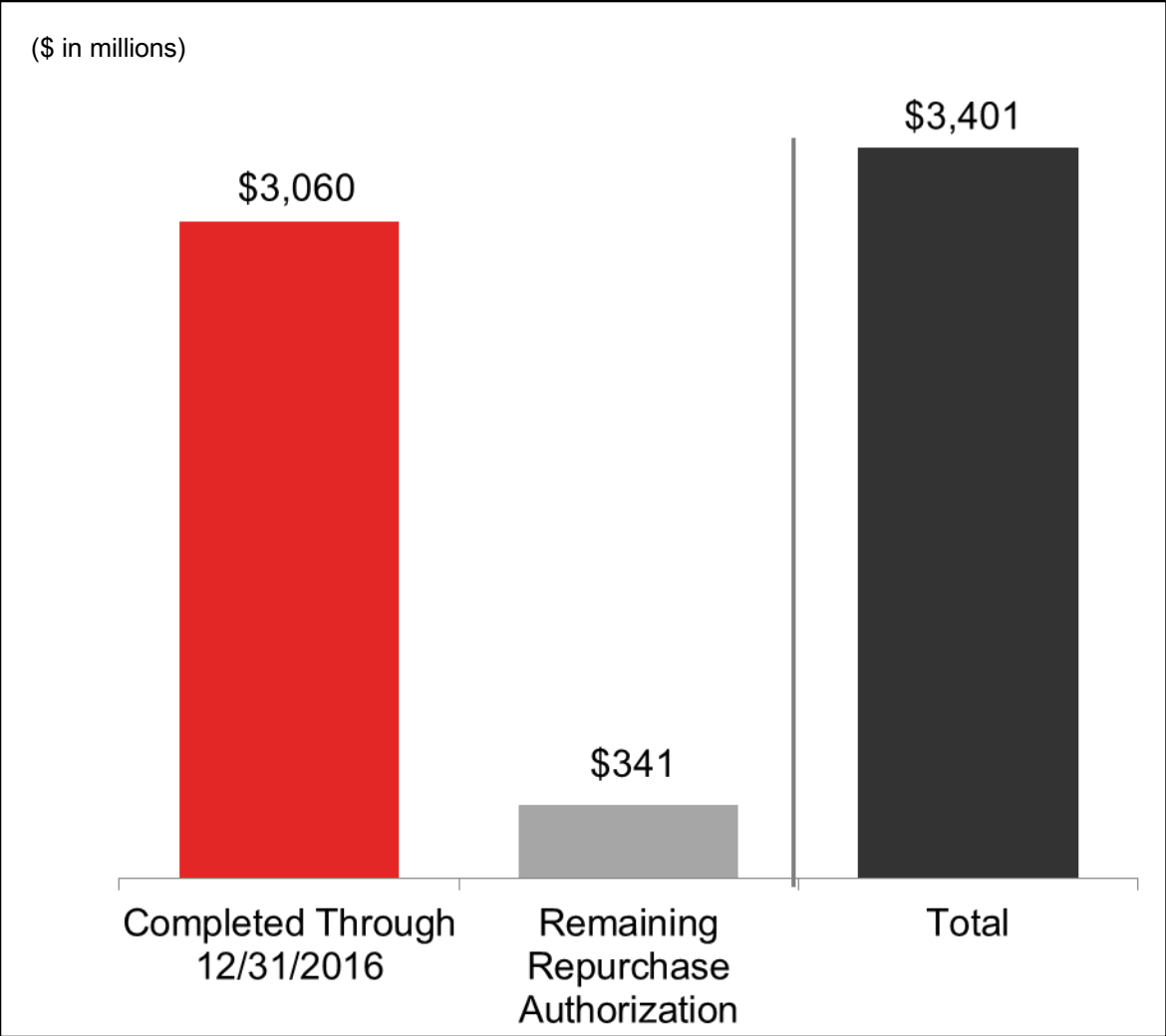
Adjusted Earnings Per Share



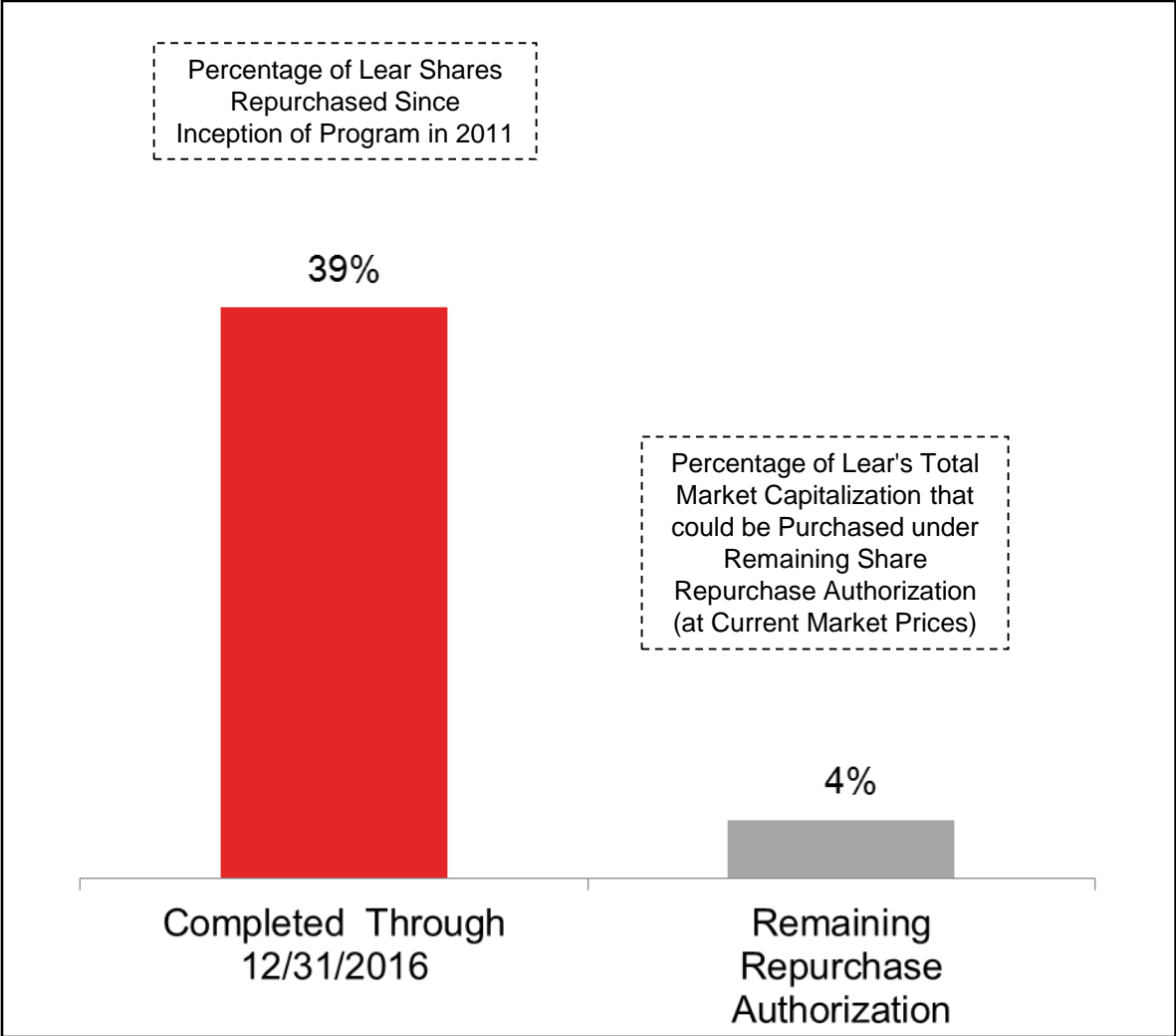
Delivering Superior Financial Performance

Share Repurchase Summary

Share Repurchases



Percentage of Shares Repurchased

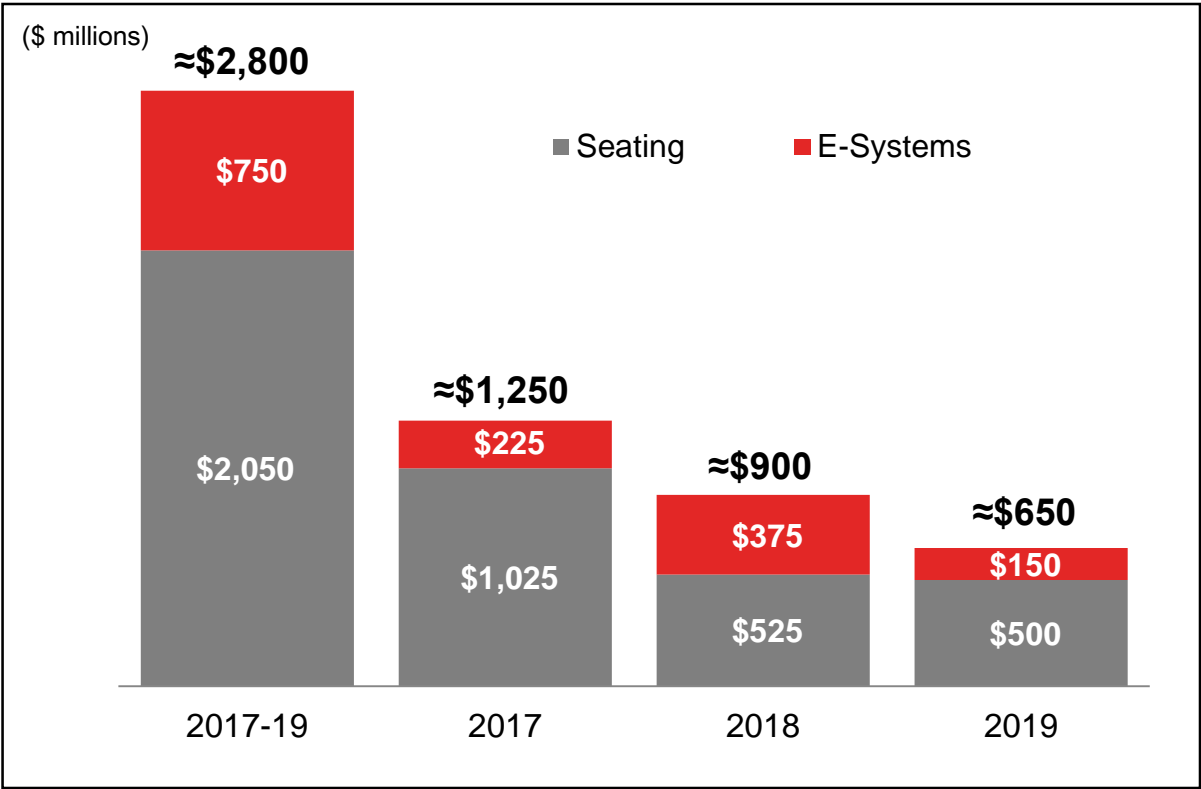


Sales Backlog

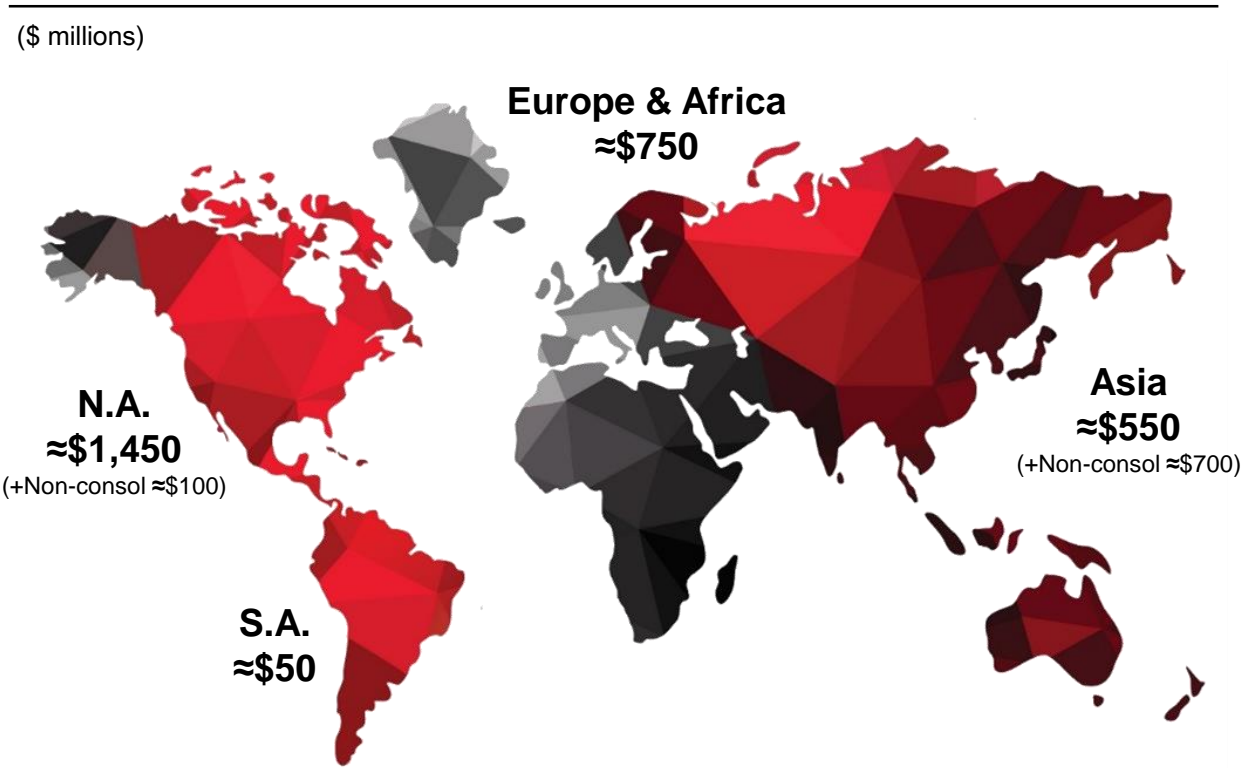


Sales Backlog Supports Continued Sales Growth

2017 – 2019
Consolidated Sales Backlog



Consolidated Backlog By Region



2017- 2019 Sales Backlog Of \$3.6 Billion
Including Non-Consolidated Business

2017 Outlook



2017 Outlook

Global Vehicle Production and Currency

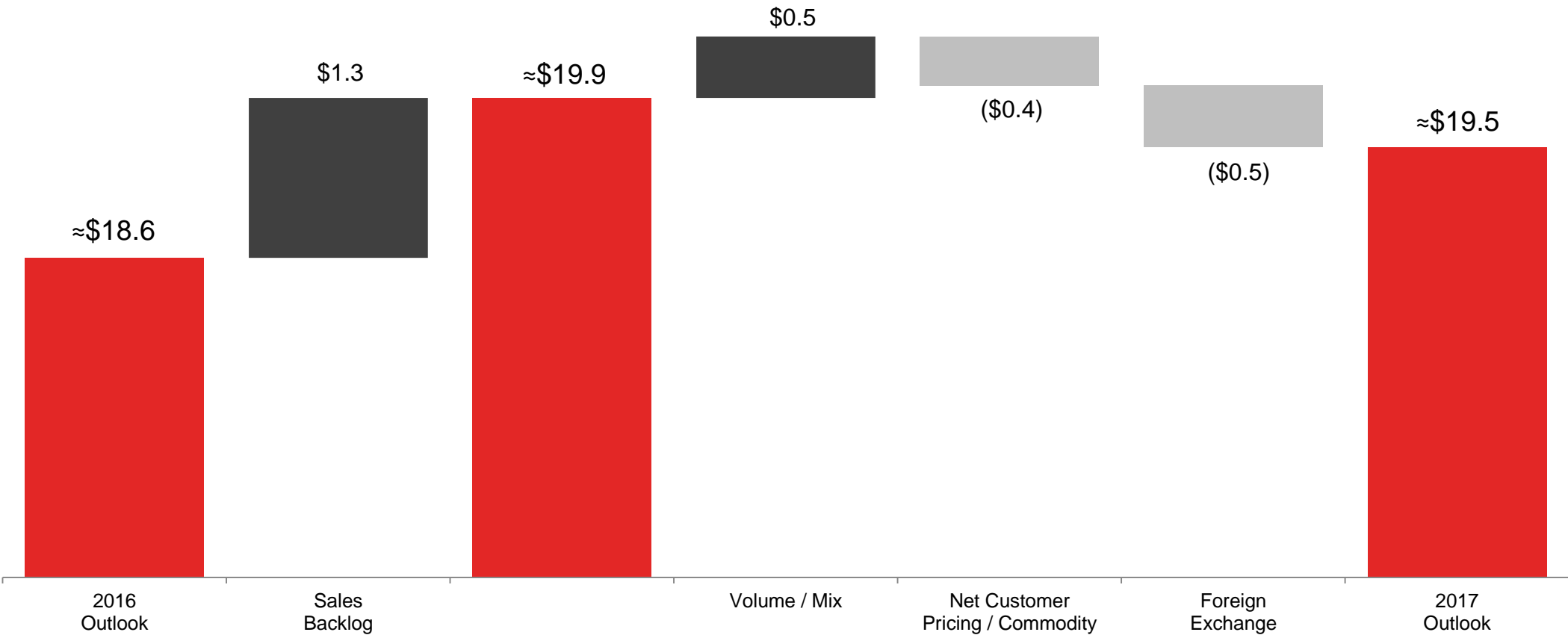
(Units in millions)

	2016 Outlook	2017 Outlook	YOY Change
China	25.5	25.4	Flat
Europe and Africa	22.3	22.7	up 2%
North America	17.8	17.6	down 1%
India	4.1	4.3	up 5%
Brazil	2.1	2.1	up 1%
Global	90.9	91.7	up 1%

Key Currencies

Euro	\$ 1.11 / €	\$ 1.05 / €	down 5%
Chinese RMB	6.64 / \$	6.95 / \$	down 5%

(\$ in billions)



**2017 Sales Growth Of 7% Before The Impact Of
Volume & Mix, Net Customer Price Concessions And Foreign Exchange**

2017 Financial Outlook*

≈ \$19.5 billion	Net Sales
≈ \$1.6 billion	Core Operating Earnings
≈ \$385 million	Depreciation and Amortization
≈ \$85 million	Interest Expense
≈ 26%	Effective Tax Rate
≈ \$1.1 billion	Adjusted Net Income
≈ \$65 million	Restructuring Costs
≈ \$550 million	Capital Spending
≈ \$1.0 billion	Free Cash Flow

2017 Outlook Reflects 8th Consecutive Year Of Increasing Sales And Adjusted EPS And Strong Free Cash Flow

* Certain of the forward-looking financial measures are provided on a non-GAAP basis. A reconciliation of forward-looking financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP is potentially misleading and not practical given the difficulty of projecting event driven transactional and other non-core operating items in any future period. The magnitude of these items, however, may be significant.

- Record 2016 sales, core operating earnings and adjusted EPS
- Seating and E-Systems are both growing faster than the industry with margins at sustainable levels
- Investments in the business have strengthened our competitiveness, which is driving market share gains and record financial results
- 2017 outlook reflects 8th consecutive year of higher sales, adjusted EPS and strong free cash flow
- Uniquely positioned to take advantage of major industry trends in Seating (with Crafted by Lear and the Intelligent Seat) and in E-Systems (with High-Power and Connectivity Capabilities)
- Lear has outperformed the market but remains undervalued relative to the peer group

**Delivering Record Results, Outperforming The Market, Well Positioned For Growth
And Shares Remain At A Discount To Peer Group**

Investor Information

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding anticipated financial results and liquidity. The words "will," "may," "designed to," "outlook," "believes," "should," "anticipates," "plans," "expects," "intends," "estimates," "forecasts" and similar expressions identify certain of these forward-looking statements. The Company also may provide forward-looking statements in oral statements or other written materials released to the public. All such forward-looking statements contained or incorporated in this presentation or in any other public statements which address operating performance, events or developments that the Company expects or anticipates may occur in the future, including, without limitation, statements related to business opportunities, awarded sales contracts, sales backlog and ongoing commercial arrangements, or statements expressing views about future operating results, are forward-looking statements. Actual results may differ materially from any or all forward-looking statements made by the Company. Important factors, risks and uncertainties that may cause actual results to differ materially from anticipated results include, but are not limited to, general economic conditions in the markets in which the Company operates, including changes in interest rates or currency exchange rates; currency controls and the ability to economically hedge currencies; the financial condition and restructuring actions of the Company's customers and suppliers; changes in actual industry vehicle production levels from the Company's current estimates; fluctuations in the production of vehicles or the loss of business with respect to, or the lack of commercial success of, a vehicle model for which the Company is a significant supplier; disruptions in the relationships with the Company's suppliers; labor disputes involving the Company or its significant customers or suppliers or that otherwise affect the Company; the outcome of customer negotiations and the impact of customer-imposed price reductions; the impact and timing of program launch costs and the Company's management of new program launches; the costs, timing and success of restructuring actions; increases in the Company's warranty, product liability or recall costs; risks associated with conducting business in foreign countries; the impact of regulations on the Company's foreign operations; the operational and financial success of the Company's joint ventures; competitive conditions impacting the Company and its key customers and suppliers; disruptions to the Company's information technology systems, including those related to cybersecurity; the cost and availability of raw materials, energy, commodities and product components and the Company's ability to mitigate such costs; the outcome of legal or regulatory proceedings to which the Company is or may become a party; the impact of pending legislation and regulations or changes in existing federal, state, local or foreign laws or regulations; unanticipated changes in cash flow, including the Company's ability to align its vendor payment terms with those of its customers; limitations imposed by the Company's existing indebtedness and the Company's ability to access capital markets on commercially reasonable terms; impairment charges initiated by adverse industry or market developments; the Company's ability to execute its strategic objectives; changes in discount rates and the actual return on pension assets; costs associated with compliance with environmental laws and regulations; developments or assertions by or against the Company relating to intellectual property rights; the Company's ability to utilize its net operating loss, capital loss and tax credit carryforwards; global sovereign fiscal matters and creditworthiness, including potential defaults and the related impacts on economic activity, including the possible effects on credit markets, currency values, monetary unions, international treaties and fiscal policies; the anticipated departure of the United Kingdom from the European Union; and other risks described in the Company's Annual Report on Form 10-K for the year ended December 31, 2015, as supplemented and updated by the Company's Quarterly Report on Form 10-Q for the quarter ended July 2, 2016, and its other Securities and Exchange Commission filings. Future operating results will be based on various factors, including actual industry production volumes, commodity prices and the Company's success in implementing its operating strategy.

Information in this presentation relies on assumptions in the Company's sales backlog. The Company's sales backlog reflects anticipated net sales from formally awarded new programs less lost and discontinued programs. The calculation of the sales backlog does not reflect customer price reductions on existing or newly awarded programs. The sales backlog may be impacted by various assumptions embedded in the calculation, including vehicle production levels on new programs, foreign exchange rates and the timing of major program launches.

The forward-looking statements in this presentation are made as of the date hereof, and the Company does not assume any obligation to update, amend or clarify them to reflect events, new information or circumstances occurring after the date hereof.

Non-GAAP Financial Information

This presentation also contains non-GAAP financial information. For additional information regarding the Company's use of non-GAAP financial information, as well as reconciliations of non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with accounting principles generally accepted in the United States ("GAAP"), please see slides titled "Non-GAAP Financial Information" at the end of this presentation.

Non-GAAP Financial Information

In addition to the results reported in accordance with accounting principles generally accepted in the United States (“GAAP”) included throughout this presentation, the Company has provided information regarding “pretax income before equity income, interest, other expense, restructuring costs and other special items” (core operating earnings), “adjusted net income attributable to Lear” (adjusted net income), “adjusted diluted net income per share attributable to Lear” (adjusted earnings per share), “tax expense excluding the impact of restructuring costs and other special items” and “free cash flow” (each, a non-GAAP financial measure). Other expense includes, among other things, non-income related taxes, foreign exchange gains and losses, gains and losses related to certain derivative instruments and hedging activities, gains and losses on the extinguishment of debt and gains and losses on the disposal of fixed assets. Adjusted net income represents net income attributable to Lear adjusted for restructuring costs and other special items, including the tax effect thereon. Free cash flow represents net cash provided by operating activities, excluding the settlement of accounts payable in conjunction with the acquisition of Eagle Ottawa, less adjusted capital expenditures. Adjusted capital expenditures represent capital expenditures, net of related insurance proceeds.

Management believes the non-GAAP financial measures used in this presentation are useful to both management and investors in their analysis of the Company’s financial position and results of operations. In particular, management believes that core operating earnings, adjusted net income, adjusted earnings per share and tax expense excluding the impact of restructuring costs and other special items are useful measures in assessing the Company’s financial performance by excluding certain items that are not indicative of the Company’s core operating performance or that may obscure trends useful in evaluating the Company’s continuing operating activities. Management also believes that these measures are useful to both management and investors in their analysis of the Company’s results of operations and provide improved comparability between fiscal periods. Management believes that free cash flow is useful to both management and investors in their analysis of the Company’s ability to service and repay its debt. Further, management uses these non-GAAP financial measures for planning and forecasting future periods.

Core operating earnings, adjusted net income, adjusted earnings per share, tax expense excluding the impact of restructuring costs and other special items and free cash flow should not be considered in isolation or as a substitute for net income attributable to Lear, diluted net income per share attributable to Lear, cash provided by operating activities or other income statement or cash flow statement data prepared in accordance with GAAP or as a measure of profitability or liquidity. In addition, the calculation of free cash flow does not reflect cash used to service debt and, therefore, does not reflect funds available for investment or other discretionary uses. Also, these non-GAAP financial measures, as determined and presented by the Company, may not be comparable to related or similarly titled measures reported by other companies.

Set forth on the following slides are reconciliations of these non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP.

Non-GAAP Financial Information

Core Operating Earnings and Adjusted Margins

(\$ in millions)	2011	2012	2013	2014	2015
Net sales	\$ 14,156.5	\$ 14,567.0	\$ 16,234.0	\$ 17,727.3	\$ 18,211.4
Net income	\$ 540.7	\$ 1,282.8	\$ 431.4	\$ 672.4	\$ 745.5
Interest expense	39.7	49.9	68.4	67.5	86.7
Other expense, net	24.2	6.4	58.1	74.3	68.6
Income taxes	68.8	(638.0)	192.7	121.4	285.5
Equity in net income of affiliates	(23.5)	(30.3)	(38.4)	(36.3)	(49.8)
Net income attributable to noncontrolling interests	29.7	34.4	24.4	29.9	50.3
Costs related to restructuring actions	71.5	55.7	83.8	114.3	95.2
Costs related to proxy contest	-	-	3.0	-	-
Acquisition and other related costs	-	6.2	-	5.3	10.9
Acquisition-related inventory fair value adjustment	-	-	-	-	15.8
Losses and incremental costs (insurance recoveries), net related to the destruction of assets	13.3	(14.6)	7.3	-	-
Labor-related litigation claims	-	-	7.3	-	-
Other	22.1	10.1	1.4	0.8	1.5
Pretax income before equity income, interest, other expense, restructuring costs and other special items (Core operating earnings)	\$ 786.5	\$ 762.6	\$ 839.4	\$ 1,049.6	\$ 1,310.2
Core earnings margin	5.6%	5.2%	5.2%	5.9%	7.2%

Non-GAAP Financial Information

Free Cash Flow

(\$ in millions)	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Net cash provided by operating activities	\$ 790.3	\$ 729.8	\$ 820.1	\$ 927.8	\$ 1,271.1
Settlement of accounts payable in conjunction with acquisition of Eagle Ottawa	-	-	-	-	45.7
Adjusted capital expenditures ¹	<u>(326.0)</u>	<u>(439.1)</u>	<u>(453.5)</u>	<u>(424.7)</u>	<u>(485.8)</u>
Free cash flow	<u>\$ 464.3</u>	<u>\$ 290.7</u>	<u>\$ 366.6</u>	<u>\$ 503.1</u>	<u>\$ 831.0</u>

¹ Adjusted capital expenditures represent capital expenditures of \$329.5 million, \$458.3 million and \$460.6 million in 2011, 2012 and 2013, respectively, net of related insurance proceeds of \$3.5 million, \$19.2 million and \$7.1 million in 2011, 2012 and 2013, respectively.

Non-GAAP Financial Information

Adjusted Earnings Per Share

(\$ in millions)	<u>2011</u>
Net income	\$ 540.7
Costs related to restructuring actions	70.9
Gain related to affiliate transactions	(5.8)
Other	32.8
Tax impact of special items and other net tax adjustments *	<u>(70.4)</u>
Adjusted net income attributable to Lear	<u>\$ 568.2</u>
Weighted average number of diluted shares outstanding	<u>106.3</u>
Diluted net income per share attributable to Lear	<u>\$ 5.08</u>
Adjusted earnings per share	<u>\$ 5.34</u>

* Represents the tax effect of restructuring costs and other special items, as well as several discrete tax items. The identification of these tax items is judgmental in nature and their calculation is based on various assumptions and estimates.