UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) **January 25, 2007**

LEAR CORPORATION

(Exact name of Registrant as specified in its charter)

Delaware	**1-11311**	**13-3386776**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification Number)

21557 Telegraph Road, Southfield, Michigan	**48033**
(Address of principal executive offices)	(Zip Code)

(248) 447-1500

(Registrant’s telephone number, including area code)

N/A

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Lear Corporation ("Lear" or the "Company") is filing this Form 8-K to (i) furnish information regarding Lear's results of operations for the fourth quarter and full year of 2006, (ii) provide financial guidance for 2007 and (iii) supplement Lear's Current Report on Form 8-K initially filed on June 27, 2005, as supplemented on August 30, 2005, January 25, 2006, October 26, 2006 and January 11, 2007, in order to update certain disclosures with respect to Lear's restructuring strategy (the "Restructuring").

FORWARD-LOOKING STATEMENTS

The Current Report on Form 8-K contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding anticipated financial results and liquidity. Actual results may differ materially from anticipated results as a result of certain risks and uncertainties, including but not limited to, general economic conditions in the markets in which the Company operates, including changes in interest rates or currency exchange rates, the financial condition of the Company's customers or suppliers, fluctuations in the production of vehicles for which the Company is a 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 Company's ability to achieve cost reductions that offset or exceed customer-mandated selling price reductions, the outcome of customer productivity negotiations, the impact and timing of program launch costs, the costs and timing of facility closures, business realignment or similar actions, increases in the Company's warranty or product liability costs, risks associated with conducting business in foreign countries, competitive conditions impacting the Company's key customers and suppliers, raw material costs and availability, the Company's ability to mitigate the significant impact of increases in raw material, energy and commodity costs, the outcome of legal or regulatory proceedings to which the Company is or may become a party, unanticipated changes in cash flow, including the Company's ability to align its vendor payment terms with those of its customers, the finalization of the Company's restructuring strategy and other risks described from time to time in the Company's Securities and Exchange Commission filings. In particular, the Company's financial outlook for 2007 is based on several factors, including the Company's current vehicle production and raw material pricing assumptions. The Company's actual financial results could differ materially as a result of significant changes in these factors. In addition, the Company's agreement to contribute its North American interior business to IAC North America is subject to various conditions, including the receipt of required third-party consents, as well as other closing conditions customary for transactions of this type. No assurances can be given that the proposed transaction will be consummated on the terms contemplated or at all.

The forward-looking statements in this Current Report on Form 8-K 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.

Section 2 – Financial Information

Item 2.02 Results of Operations and Financial Condition.

The following information is provided pursuant to Item 2.02 of Form 8-K, "Results of Operations and Financial Condition," and Item 7.01 of Form 8-K, "Regulation FD Disclosure."

On January 25, 2007, Lear Corporation issued a press release reporting its financial results for the fourth quarter and full year of 2006 and providing financial guidance for 2007. A copy of the press release is attached hereto as Exhibit 99.1 and incorporated by reference herein.

On January 25, 2007, Lear Corporation made available the presentation slides attached hereto as Exhibit 99.2 in a webcast of its fourth quarter 2006 earnings call. Exhibit 99.2 is incorporated by reference herein.

The information contained in Exhibits 99.1 and 99.2 shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 2.05 Costs Associated with Exit or Disposal Activities.

As part of its previously announced Restructuring, Lear has continued consolidation and census actions. In 2006, these actions resulted in charges of $99.7 million, consisting of employee termination costs of $79.3 million, fixed asset impairment charges of $5.8 million, contract termination costs of $6.5 million and other costs of $8.1 million (including $6.5 million of manufacturing inefficiency costs resulting from the Restructuring). The severance and other incremental costs represent cash charges, while the asset impairment charges represent non-cash charges. Cash payments related to the Restructuring totaled $73.3 million in 2006.

Although all aspects of the Restructuring have not been finalized, the Company continues to expect to incur total pretax costs of approximately $300 million in connection with the Restructuring, of which $204.1 million of costs have been incurred to date. The remaining costs are expected to be incurred in 2007. Lear continues to estimate that approximately 80% of the restructuring costs will result in cash expenditures.

Item 2.06 Material Impairments.

The information set forth under Item 2.05 relating to impairment charges is incorporated herein by reference.

Section 7 – Regulation FD

Item 7.01 Regulation FD Disclosure.

See "Item 2.02 Results of Operations and Financial Condition" above.

Section 9 – Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.1 Press release issued January 25, 2007, furnished herewith.

99.2 Presentation slides from the Lear Corporation webcast of its fourth quarter 2006 earnings call held on January 25, 2007, furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Lear Corporation

Date: January 25, 2007

By: /s/ James H. Vandenberghe

Name: James H. Vandenberghe
Title: Vice Chairman and
Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press release issued January 25, 2007, furnished herewith.
99.2	Presentation slides from the Lear Corporation webcast of its fourth quarter 2006 earnings call held on January 25, 2007, furnished herewith.

Exhibit 99.1

FOR IMMEDIATE RELEASE

Investor Relations:
Mel Stephens
(248) 447-1624

Media:
Andrea Puchalsky
(248) 447-1651

Lear Reports Fourth-Quarter and Full-Year 2006 Results and Provides 2007 Financial Guidance

Southfield, Mich., January 25, 2007 — Lear Corporation [NYSE: LEA], a leading global supplier of automotive seating, electronics and electrical distribution systems, today reported financial results for the fourth quarter and full year of 2006 and provided financial guidance for 2007.

Fourth-Quarter Highlights:

- **Reported net sales of $4.3 billion**
- **Achieved positive free cash flow of $254 million**
- **Agreement to transfer North American Interior business to joint venture**
- **Completed offering of $900 million in new senior notes**
- **Hyundai seating plant honored as Assembly Plant of the Year**

For the fourth quarter of 2006, Lear reported net sales of $4.3 billion and a pretax loss of $635.9 million, including a loss of $607.3 million related to the divestiture of the Interior business, restructuring costs of $42.5 million and a loss on the extinguishment of debt of $48.5 million. For the fourth quarter of 2005, Lear reported net sales of $4.4 billion and a pretax loss of $346.1 million. Excluding the loss on divestiture, restructuring costs and other special items, Lear had pretax income of $63.2 million in the fourth quarter of 2006. This compares with pretax income before special items of $77.6 million in the same period a year earlier. A reconciliation of pretax income excluding the loss on divestiture, restructuring costs and other special items to pretax loss as determined by generally accepted accounting principles is provided in the supplemental data pages.

The decline in net sales for the quarter reflects primarily lower production in North America and the divestiture of Lear's European Interior business. Operating results also declined, reflecting the lower production, offset in part by the addition of new business and cost improvements.

(more)

Lear reported a net loss of $645.0 million, or $8.90 per share, including the loss on divestiture, restructuring costs and other special items, for the fourth quarter of 2006. This compares with a net loss of $602.6 million, or $8.97 per share, including special items, for the fourth quarter of 2005.

Fourth-quarter free cash flow was $254.4 million, compared with $46.0 million in the fourth quarter of 2005. The improvement reflects primarily lower capital spending and the timing of commercial recoveries. (Net cash provided by operating activities was $179.2 million and $332.0 million in the fourth quarters of 2006 and 2005, respectively. A reconciliation of free cash flow to net cash provided by operating activities is provided in the supplemental data pages.)

During the quarter, the Company made important progress on strategic priorities by reaching an agreement to transfer its North American Interior business to the International Automotive Components – North America joint venture (IAC North America) in return for a 25% equity stake. Lear also successfully completed the offering of $900 million in senior notes and the subsequent tender offer for substantially all of its outstanding 2008 and 2009 senior notes. In addition, Lear maintained its quality and customer service momentum and received several awards of recognition, including Assembly Plant of the Year by *Assembly* magazine for its Hyundai seating plant in Montgomery, Alabama.

2006 Full-Year Results

For the full-year 2006, Lear reported record net sales of $17.8 billion and a pretax loss of $655.5 million, including a loss of $636.0 million related to the divestiture of the Interior business, restructuring costs of $99.7 million and a fourth-quarter loss on the extinguishment of debt of $48.5 million. For 2005, Lear reported net sales of $17.1 billion and a pretax loss of $1,187.2 million. Excluding the loss on divestiture, restructuring costs and other special items, Lear had pretax income of $114.7 million in 2006. This compares with pretax income before special items of $96.6 million in 2005. A reconciliation of pretax income excluding the loss on divestiture, restructuring costs and other special items to pretax loss as determined by generally accepted accounting principles is provided in the supplemental data pages.

Full-year net sales were up, reflecting primarily the addition of new business, partially offset by lower production in North America and unfavorable platform mix. Operating results improved, reflecting the addition of new business and ongoing cost and efficiency actions, largely offset by lower production in North America and unfavorable platform mix.

“In a challenging environment last year, we improved our financial results for the full year, improved our liquidity position and took a number of important steps to reposition Lear for future success,” said Bob Rossiter, Lear Chairman and Chief Executive Officer. “We refocused our strategy to manage our business on a product-line basis. We increased our emphasis on new technology and innovation with our Core Dimension™ strategy. We also continued to make steady progress in diversifying our sales on a customer, regional and vehicle segment basis.”

Lear reported a net loss of $707.5 million, or $10.31 per share, including the loss on divestiture, restructuring costs and other special items, for the full-year 2006. This compares with a net loss of $1,381.5 million, or $20.57 per share, including special items, in 2005.

Free cash flow in 2006 was positive $115.7 million. This compares with negative free cash flow of $418.7 million in 2005. The improvement reflects primarily the non-recurrence of the one-time net negative impact of changes in customer payment terms, lower capital spending and the timing of commercial recoveries. (Net cash provided by operating activities was $285.3 million and $560.8 million in 2006 and 2005, respectively. A reconciliation of free cash flow to net cash provided by operating activities is provided in the supplemental data pages.)

Full-Year 2007 Guidance

Summarized below is 2007 financial guidance for Lear’s core businesses. The guidance shown excludes results for Lear’s Interior business for the full year. On this basis, Lear expects 2007 worldwide net sales of approximately $15 billion, reflecting primarily the addition of new business globally and the positive impact of foreign exchange, partially offset by unfavorable platform mix.

Lear anticipates 2007 income before interest, other expense, income taxes, restructuring costs and other special items (core operating earnings) to be in the range of $560 to $600 million. The improvement in core operating earnings reflects the addition of new business and cost improvements, offset in part by unfavorable platform mix.

Restructuring costs in 2007 are estimated to be about $100 million.

Interest expense is estimated to be in the range of $215 to $225 million. Pretax income before restructuring costs and other special items is estimated to be in the range of $270 to $310 million. Tax expense is expected to be between $100 and $120 million, depending on the mix of earnings by country.

Capital spending in 2007 is estimated at approximately $250 million. Depreciation and amortization expense is estimated at about $310 million.

Free cash flow is expected to be positive at about $225 million for the year.

Key assumptions underlying Lear's financial outlook include expectations for industry vehicle production of approximately 15.3 million units in North America and 19.2 million units in Europe. Lear continues to see production for the Big Three in North America being down slightly. In addition, we are assuming an exchange rate of $1.30/Euro.

Lear will webcast its fourth-quarter earnings conference call through the Investor Relations link at http://www.lear.com at 8:00 a.m. EST on January 25, 2007. In addition, the conference call can be accessed by dialing 1-800-789-4751 (domestic) or 1-706-679-3323 (international). The audio replay will be available two hours following the call at 1-800-642-1687 (domestic) or 1-706-645-9291 (international) and will be available until February 8, 2007, with a Conference I.D. of 2434064.

Lear Corporation is one of the world's largest suppliers of automotive interior systems and components. Lear provides complete seat systems, electronic products and electrical distribution systems and other interior products. With annual net sales of $17.8 billion in 2006, Lear ranks #127 among the Fortune 500. Lear's world-class products are designed, engineered and manufactured by a diverse team of 104,000 employees at 275 facilities in 33 countries. Lear's headquarters are in Southfield, Michigan, and Lear is traded on the New York Stock Exchange under the symbol [LEA]. Further information about Lear is available on the Internet at http://www.lear.com.

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 news release, the Company has provided information regarding "income before interest, other expense, income taxes, restructuring costs and other special items" (core operating earnings), "pretax income before loss on divestiture, restructuring costs and other special items" and "free cash flow" (each, a non-GAAP financial measure). Free cash flow represents net cash provided by operating activities before the net change in sold accounts receivable, less capital expenditures. The Company believes it is appropriate to exclude the net change in sold accounts receivable in the calculation of free cash flow since the sale of receivables may be viewed as a substitute for borrowing activity.

Management believes the non-GAAP financial measures used in this press release 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 and pretax income before loss on divestiture, 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 earnings 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 in future periods.

Core operating earnings, pretax income before loss on divestiture, restructuring costs and other special items and free cash flow should not be considered in isolation or as a substitute for pretax income (loss), net income (loss), 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.

For reconciliations of non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP, see the supplemental data pages which, together with this press release, have been posted on the Company's website through the Investor Relations link at http://www.lear.com. Given the inherent uncertainty regarding special items and the net change in sold accounts receivable in any future period, a reconciliation of forward-looking financial measures is not feasible. The magnitude of these items, however, may be significant.

Forward-Looking Statements

This new release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding anticipated financial results and liquidity. Actual results may differ materially from anticipated results as a result of certain risks and uncertainties, including but not limited to, general economic conditions in the markets in which the Company operates, including changes in interest rates or currency exchange rates, the financial condition of the Company's customers or suppliers, fluctuations in the production of vehicles for which the Company is a 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 Company's ability to achieve cost reductions that offset or exceed customer-mandated selling price reductions, the outcome of customer productivity negotiations, the impact and timing of program launch costs, the costs and timing of facility closures, business realignment or similar actions, increases in the Company's warranty or product liability costs, risks associated with conducting business in foreign countries, competitive conditions impacting the Company’s key customers and suppliers, raw material costs and availability, the Company’s ability to mitigate the significant impact of increases in raw material, energy and commodity costs, the outcome of legal or regulatory proceedings to which the Company is or may become a party, unanticipated changes in cash flow, including the Company’s ability to align its vendor payment terms with those of its customers, the finalization of the Company’s restructuring strategy and other risks described from time to time in the Company’s Securities and Exchange Commission filings. In particular, the Company’s financial outlook for 2007 is based on several factors, including the Company’s current vehicle production and raw material pricing assumptions. The Company’s actual financial results could differ materially as a result of significant changes in these factors. In addition, the Company’s agreement to contribute essentially all of its North American Interior business to IAC North America is subject to various conditions, including the receipt of required third-party consents, as well as other closing conditions customary for transactions of this type. No assurances can be given that the proposed transaction will be consummated on the terms contemplated or at all.

The forward-looking statements in this news release 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.

# # #

Lear Corporation and Subsidiaries
Consolidated Statements of Operations

(In millions, except per share amounts)

	Three Months Ended	
	December 31, 2006	December 31, 2005
Net sales	$ 4,280.5	$ 4,397.3
Cost of sales	4,042.9	4,168.4
Selling, general and administrative expenses	152.8	146.0
Goodwill impairment charge on Interior business	—	342.8
Loss on divestiture of Interior business	607.3	—
Interest expense	52.3	45.1
Other expense, net	61.1	41.1
Loss before income taxes	(635.9)	(346.1)
Income taxes	9.1	256.5
Net loss	$ (645.0)	$ (602.6)
Basic and diluted net loss per share	$ (8.90)	$ (8.97)
Weighted average number of shares outstanding - basic and diluted	72.5	67.2

Lear Corporation and Subsidiaries
Consolidated Statements of Operations

(In millions, except per share amounts)

	Twelve Months Ended	
	December 31, 2006	December 31, 2005
Net sales	$ 17,838.9	$ 17,089.2
Cost of sales	16,911.2	16,353.2
Selling, general and administrative expenses	646.7	630.6
Goodwill impairment charges on Interior business	2.9	1,012.8
Loss on divestiture of Interior business	636.0	—
Interest expense	209.8	183.2
Other expense, net	87.8	96.6
Loss before income taxes and cumulative effect of a change in accounting principle	(655.5)	(1,187.2)
Income taxes	54.9	194.3
Loss before cumulative effect of a change in accounting principle	(710.4)	(1,381.5)
Cumulative effect of a change in accounting principle	2.9	—
Net loss	$ (707.5)	$ (1,381.5)
Basic and diluted net loss per share		
Loss before cumulative effect of a change in accounting principle	$ (10.35)	$ (20.57)
Cumulative effect of a change in accounting principle	0.04	—
Basic and diluted net loss per share	$ (10.31)	$ (20.57)
Weighted average number of shares outstanding - basic and diluted	68.6	67.2

Lear Corporation and Subsidiaries
Consolidated Balance Sheets

(In millions)

	December 31, 2006	December 31, 2005
ASSETS		
Current:		
Cash and cash equivalents	$ 502.7	$ 197.3
Accounts receivable	2,006.9	2,000.1
Inventories	581.5	595.6
Recoverable customer engineering and tooling	87.7	160.4
Current assets of business held for sale	427.8	607.7
Other	283.7	285.3
	3,890.3	3,846.4
Long-Term:		
PP&E, net	1,471.7	1,614.7
Goodwill, net	1,996.7	1,939.8
Long-term assets of business held for sale	—	485.2
Other	491.8	402.3
	3,960.2	4,442.0
Total Assets	$ 7,850.5	$ 8,288.4
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current:		
Short-term borrowings	$ 39.3	$ 23.4
Accounts payable and drafts	2,317.4	2,516.0
Accrued liabilities	1,099.3	1,008.6
Current liabilities of business held for sale	405.7	549.3
Current portion of long-term debt	25.6	9.4
	3,887.3	4,106.7
Long-Term:		
Long-term debt	2,434.5	2,243.1
Long-term liabilities of business held for sale	48.5	27.6
Other	878.2	800.0
	3,361.2	3,070.7
Stockholders' Equity	602.0	1,111.0
Total Liabilities and Stockholders' Equity	$ 7,850.5	$ 8,288.4

Lear Corporation and Subsidiaries
Supplemental Data

(Unaudited; in millions, except content per vehicle and share data)

	Three Months Ended	
	December 31, 2006	December 31, 2005
Net Sales		
North America	$ 2,240.1	$ 2,474.3
Europe	1,591.8	1,564.0
Rest of World	448.6	359.0
Total	$ 4,280.5	$ 4,397.3
Content Per Vehicle *		
North America	$ 623	$ 630
Total Europe	$ 339	$ 329
Free Cash Flow **		
Net cash provided by operating activities	$ 179.2	$ 332.0
Net change in sold accounts receivable	154.3	(131.9)
Net cash provided by operating activities before net change in sold accounts receivable	333.5	200.1
Capital expenditures	(79.1)	(154.1)
Free cash flow	$ 254.4	$ 46.0
Depreciation and Amortization	$ 92.8	$ 102.5
Pretax income excluding loss on divestiture, restructuring and other special charges **		
Pretax loss	$ (635.9)	$ (346.1)
Loss on divestiture of Interior business	607.3	—
Goodwill and fixed asset impairment charges	0.8	351.3
Costs related to restructuring actions	42.5	42.6
Loss on extinguishment of debt	48.5	—
Capital restructuring of joint ventures	—	29.8
	$ 63.2	$ 77.6

* Content Per Vehicle for 2005 has been updated to reflect actual production levels.

** See "Non-GAAP Financial Information" included in this news release.

Lear Corporation and Subsidiaries
Supplemental Data

(Unaudited; in millions, except content per vehicle and share data)

	Twelve Months Ended	
	December 31, 2006	December 31, 2005
Net Sales		
North America	$ 9,840.9	$ 9,231.7
Europe	6,426.2	6,542.6
Rest of World	1,571.8	1,314.9
Total	$ 17,838.9	$ 17,089.2
Content Per Vehicle *		
North America	$ 646	$ 586
Total Europe	$ 335	$ 345
Free Cash Flow **		
Net cash provided by operating activities	$ 285.3	$ 560.8
Net change in sold accounts receivable	178.0	(411.1)
Net cash provided by operating activities before net change in sold accounts receivable	463.3	149.7
Capital expenditures	(347.6)	(568.4)
Free cash flow	$ 115.7	$ (418.7)
Depreciation and Amortization	$ 392.2	$ 393.4
Basic Shares Outstanding at end of year	76,251,990	67,186,806
Diluted Shares Outstanding at end of year ***	76,251,990	67,186,806
Pretax income excluding loss on divestiture, restructuring and other special charges **		
Pretax loss	$ (655.5)	$ (1,187.2)
Loss on divestiture of Interior business	636.0	—
Goodwill and fixed asset impairment charges	12.9	1,095.1
Costs related to restructuring actions	99.7	102.8
Litigation charges	—	39.2
Loss on extinguishment of debt	48.5	—
Sale and capital restructuring of joint ventures	(26.9)	46.7
	$ 114.7	$ 96.6

* Content Per Vehicle for 2005 has been updated to reflect actual production levels.

** See “Non-GAAP Financial Information” included in this news release.

*** Diluted shares outstanding exclude shares related to outstanding convertible debt, as well as options, restricted stock units, performance units and stock appreciation rights, all of which were antidilutive.

Exhibit 99.2

LEAR CORPORATION

Fourth Quarter/Full Year 2006 Results and 2007 Financial Guidance

January 25, 2007

fast forward

advance relentlessly

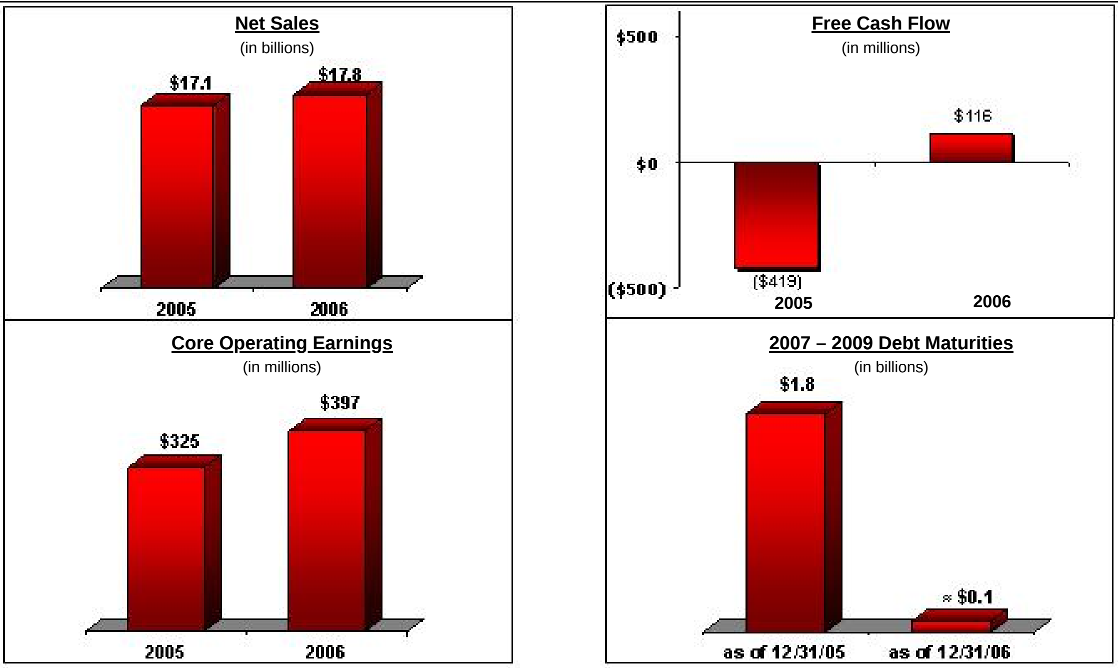
Agenda

- 2006 Highlights
  - *Bob Rossiter, Chairman and CEO*
- Operating Review
  - *Doug DelGrosso, President and COO*
- 2006 Financial Results and 2007 Guidance
  - *Jim Vandenberghe, Vice Chairman and CFO*
- Q and A Session

2006 Highlights

- Improved overall financial results and liquidity position
- Implemented comprehensive restructuring actions
- Expanded infrastructure in Asia; grew total Asian sales
- Continued to diversify mix of sales by region and customer
- Maintained strong market positions and superior quality in core products
- Repositioned Interior business for future success

2006 Highlights
Improved Financial Results and Liquidity Position*

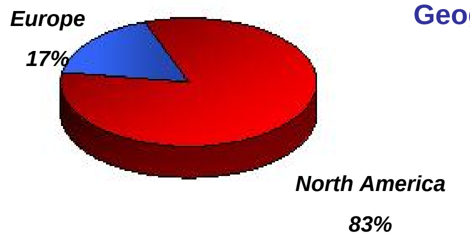


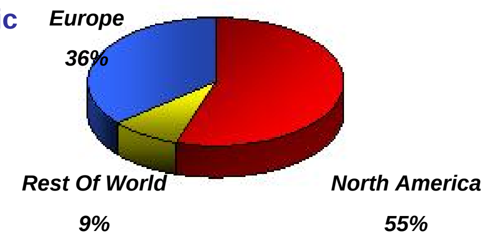
* Core operating earnings represent income before interest, other expense, income taxes, restructuring costs and other special items. Loss before income taxes was $655.5 million and $1,187.2 million for the years ended December 31, 2006 and 2005, respectively. Free cash flow represents net cash provided by operating activities before the net change in sold accounts receivable, less capital expenditures. Net cash provided by operating activities was $285.3 million and $560.8 million for the years ended December 31, 2006 and 2005, respectively. Please see slides titled "Non-GAAP Financial Information" at the end of this presentation for further information.

2006 Highlights
Continued To Diversify Our Sales Mix

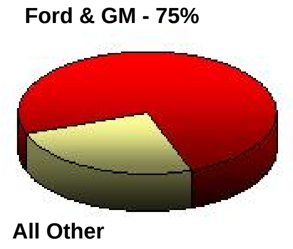
1994	2006

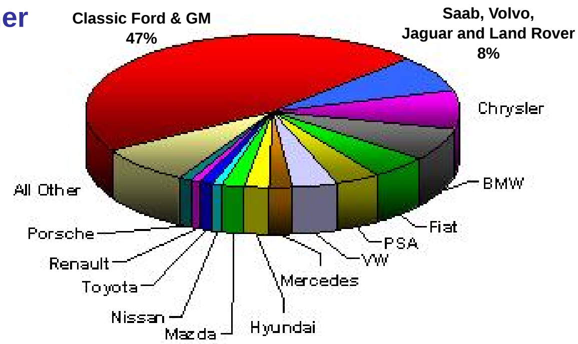
Geographic





Customer

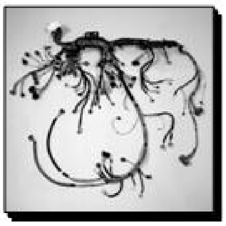




Lear's Total Asian Sales Were 10% Of Lear's Total Sales In 2006

2006 Highlights
Strong Market Positions and Superior Quality

- Lear is a true partner to all of the world's major automakers, with *strong market positions* and *superior quality* in our core businesses:



Seating Systems

- #2 Position globally, in a market estimated to be about $45 to $50 billion in size:
  - #2 Positions in North America and Europe
  - #3 Position in Asia, including #2 Position in China
- Lear is recognized as the highest quality major seat manufacturer for the past 6 years, according to the J.D. Power Seat Survey

Electrical Distribution Systems

- #3 Position in North America, #4 Position in Europe and #3 Position in China

Strong Global Market Positions And Superior Quality In Our Core Businesses

Source: Lear Market Share Study / CSM Worldwide Survey Data

2006 Highlights

Repositioned Interior Business For Future Success*

- Interior components are no longer a core business for Lear

- Contributed substantially all of Lear's European Interior business to International Automotive Components Group – Europe, which already owned Collins & Aikman's European Interior business, in return for a one-third equity interest

- Reached agreement to contribute substantially all of Lear's North American Interior business to International Automotive Components Group – North America in return for a 25% equity interest:

  – Expect to close transaction during the first quarter of 2007

Interior Business Now Positioned For Future Success; Lear To Participate In Upside With Minority Interests

* Please see slide titled "Forward-Looking Statements" at the end of this presentation for further information.

Operating Review

Emerging Trends Within Supply Base*

- Further consolidation of supply base
- Sourcing of individual components
- Global cost and quality benchmarks
- Increased emphasis on technology and innovation

Lear's Response

- Global restructuring actions
- Focus on core businesses; JVs for Interior business
- Selectively increase vertical integration
- Continue to evolve low-cost footprint
- Core Dimension™ product and technology strategy

* Please see slide titled "Forward-Looking Statements" at the end of this presentation for further information.

Summary of Global Restructuring Activity*

Completed Actions	Planned Actions
New streamlined, product-focused global organizational structure	
Consolidated several administrative functions / divisions	Additional consolidation of administrative functions / divisions
Plant efficiency actions involving numerous locations and the closure of 14 facilities	Further plant actions; including additional closures
Opening of 10 new Lear or Lear joint venture facilities to support low-cost footprint, growth in Asia and continued diversification	Opening of 12 new Lear or Lear joint venture facilities to support low-cost footprint, growth in Asia and continued diversification
Worldwide census reductions of 5% of total	Additional census reductions

* Please see slide titled "Forward-Looking Statements" at the end of this presentation for further information.

Action Plans To Improve Margins*

Revenue

- Proprietary products and technology
- Selective vertical integration (e.g., seat structures, trim and foam, as well as, terminals & connectors)
- Superior quality and service
- Diversification of sales

Labor Cost

- Increased low-cost sourcing
- Plant and facility consolidations
- Census reduction actions
- Improved program management and launch efficiency
- Productivity improvement actions
- Fully competitive labor contracts

Material Cost

- Evolving low-cost footprint
- Global restructuring savings
- CTO benchmarking initiative
- Design cost savings
- Commodity cost recovery actions
- Commercial negotiations

SG & A / Overhead

- Streamlined organizational structure
- Consolidation of administrative functions / divisions
- Ongoing cost and efficiency actions
- Divestiture of Interior business
- Increased low-cost engineering
- Froze U.S. salaried pension plan; defined benefit plan replaced by defined contribution plan

* Please see slide titled “Forward-Looking Statements” at the end of this presentation for further information.

Maintaining A Competitive Global Footprint*

- **Shown below is a summary of 22 new facilities Lear opened in 2006 or plans to open this year:**

Support Growth with Asian Automakers Globally
(3 JV Facilities)

TACLE JVs – Nissan Seating

Guangzhou, China
Sunderland, England
Smyrna, TN (U.S.)

Evolve Low-Cost Component Strategy
(9 Facilities)

China – Seating Components
Honduras – Wire Harnesses
India – Seating Components
Mexico – Seating Components (3)
Slovakia – Seating Components
South Africa – Seat Trim
Turkey – Seat Trim

Increase Lear's Infrastructure in Asia
(10 Facilities)

China

Nanjing
Ford / Mazda – Seating
Shanghai
Cadillac – Seating
CTO Center
Engineering Center
Wuhu
Chery – Seating

India

Chennai
BMW/Ford – Seating
Hyundai – Seating
Halol
GM – Seating
Nashik
M&M/Renault – Seating
Pune
TATA – Seating

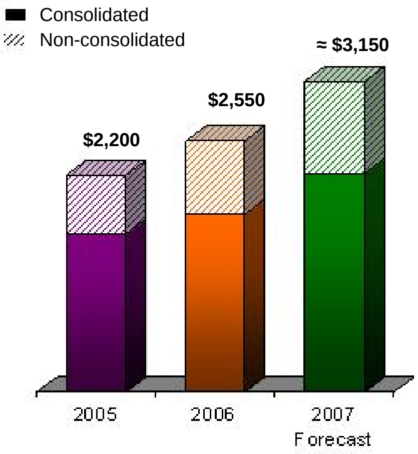
Lear Continues To Evolve Its Global Footprint To Improve Competitiveness And Support Future Sales Growth And Diversification

* Please see slide titled "Forward-Looking Statements" at the end of this presentation for further information.

Aggressively Growing Total Asian Business*

Revenue in Asia and with Asian Manufacturers**

(in millions)



Major New Awards in 2006**

Automaker	Market	Lear Content	Future Vehicle Program(s)
Chery	China	Seating, IntelliTire ®	Several cars/vans
Nanjing Auto	China	Seating, Electronics	Rover
Toyota	U.S.	Flooring/Acoustics, Headliner	Tacoma
Chinese	China	Seating, Electronics	Various
GM	China	Seating, Flooring/Acoustics	Epsilon
Asian	Global	Seating, Electronics	Various
BMW	China	Seating, Entertainment System	5-Series
Mazda	China	Seating	Mazda2
Nissan	China	Seating, Junction Box	Qashqai
Honda	U.S./Canada	ProTec™	Accord, Pilot, TSX

Lear Continues To Aggressively Sign New Business In Asia And With Asian Automakers Globally

* Total Asian-related sales target includes consolidated and non-consolidated sales.
** Please see slide titled “Forward-Looking Statements” at the end of this presentation for further information.

2006 Financial Results and 2007 Guidance

Fourth Quarter 2006
Major Factors Impacting Financial Results*

- Major special items in fourth quarter:
  - Loss on the divestiture of North American Interior business
  - Loss on the extinguishment of debt
  - Costs related to restructuring actions

- Operating results exceeded previous guidance, reflecting:
  - Less adverse Lear platform mix globally
  - Lower depreciation, resulting from asset write-downs in Interior business
  - Favorable cost performance and operating efficiencies

- Free cash flow exceeded previous guidance by approximately $100 million, reflecting:
  - Higher operating earnings and lower capital spending
  - Lower than expected cash for restructuring, due to timing
  - Timing of commercial recoveries

* Please see slides titled "Non-GAAP Financial Information" at the end of this presentation for further information.

Fourth Quarter 2006
Industry Environment

	Fourth Quarter 2006	Fourth Quarter 2006 vs. 2005
North American Production		
Industry	3.6 mil	Down 8%
Big Three	2.3 mil	Down 13%
European Production		
Industry	4.7 mil	Down 1%
Lear's Top 5 Customers	2.4 mil	Down 2%
Key Commodities (Quarterly Average)	**vs. Prior Quarter**	
Steel (Hot Rolled)	Down 7%	Up 3%
Resins (Polypropylene)	Down 10%	Down 8%
Copper	Down 7%	Up 72%
Crude Oil	Down 15%	Down 1%

Fourth Quarter 2006 Financial Summary*

(in millions, except net loss per share)	*Fourth Quarter 2006*	*Fourth Quarter 2005*	*4Q '06 B/(W) 4Q '05*
Net Sales	$4,280.5	$4,397.3	($116.8)
Loss Before Interest, Other Expense and Income Taxes	($522.5)	($259.9)	($262.6)
Pretax Loss	($635.9)	($346.1)	($289.8)
Net Loss	($645.0)	($602.6)	($42.4)
Net Loss Per Share	($8.90)	($8.97)	$0.07
SG&A % of Net Sales	3.6 %	3.3 %	(0.3) pts.
Interest Expense	$52.3	$45.1	($7.2)
Depreciation / Amortization	$92.8	$102.5	$9.7
Other Expense, Net	$61.1	$41.1	($20.0)

* Please see slides titled “Non-GAAP Financial Information” at the end of this presentation for further information.

Fourth Quarter 2006
Restructuring and Special Items*

(in millions)	Fourth Quarter: *Loss Before Interest, Other Expense and Income Taxes*	Fourth Quarter: *Pretax Loss*	Memo: *Income Statement Category* COGS	SG&A	Interest / Other Expense
2006 Reported Results	$ (522.5)	$ (635.9)			
Reported results include the following items:					
Loss on divestiture of Interior business	$ 607.3	$ 607.3	$ -	$ -	$ -
Costs related to restructuring actions	44.0	42.5	34.0	10.0	(1.5)
Fixed asset impairment charges	0.8	0.8	0.8	-	-
Loss on extinguishment of debt	-	48.5	-	-	48.5
2006 Core Operating Results	**$ 129.6**	**$ 63.2**			
2005 Core Operating Results	**$ 138.5**	**$ 77.6**			

* Please see slides titled "Non-GAAP Financial Information" at the end of this presentation for further information.

Fourth Quarter 2006
Net Sales Changes and Margin Impact Versus Prior Year

Performance Factor	Net Sales Change (in millions)	Margin Impact	Comments
Industry Production / Platform Mix / Net Pricing / Other	$ (436)	Negative	Primarily lower industry production in North America (down 8%) and unfavorable platform mix (Big 3 down 13%)
Global New Business	279	Positive	In North America, Hyundai Santa Fe, DCX Caliber/Compass, GM large SUVs: In Europe, Opel Corsa, Ford Galaxy, Peugeot 207; In China, BMW 5-Series and various programs in South America
F/X Translation	138	Neutral	Euro up 8%, Canadian dollar up 3%
Commodity / Raw Material		Negative	Unfavorable year over year increases--copper up 72%
Acquisition / Divestiture	(98)	Neutral	Divestiture of European Interior business
Performance		Positive	Favorable operating performance in core businesses, including benefits from restructuring actions

Full Year 2006
Restructuring and Special Items*

(in millions)	Full Year: Loss Before Interest, Other Expense and Income Taxes	Full Year: Pretax Loss	Memo: Income Statement Category: COGS	SG&A	Interest/Other Expense
2006 Reported Results	$ (357.9)	$ (655.5)			
Reported results include the following items:					
Loss on divestiture of Interior business	$ 636.0	$ 636.0	$ -	$ -	$ -
Costs related to restructuring actions	105.6	99.7	88.4	17.2	(5.9)
Goodwill and fixed asset impairment charges	12.9	12.9	10.0	-	-
Loss on extinguishment of debt	-	48.5	-	-	48.5
Sale and capital restructuring of joint ventures	-	(26.9)	-	-	(26.9)
2006 Core Operating Results	**$ 396.6**	**$ 114.7**			
2005 Core Operating Results	**$ 324.5**	**$ 96.6**			

* Please see slides titled “Non-GAAP Financial Information” at the end of this presentation for further information.

Fourth Quarter and Full Year 2006 Business Segment Results*

($ in millions)

	Fourth Quarter 2006	Fourth Quarter 2005	Full Year 2006	Full Year 2005
Seating				
Net Sales	$ 2,903.2	$ 2,842.1	$ 11,624.8	$ 11,035.0
Segment Earnings*	$ 181.0	$ 153.4	$ 604.0	$ 323.3
% of Sales	*6.2 %*	*5.4 %*	*5.2 %*	*2.9 %*
*Adjusted % of Sales***	*6.7 %*	*5.9 %*	*5.6 %*	*3.5 %*
Electronic and Electrical				
Net Sales	$ 739.3	$ 718.8	$ 2,996.9	$ 2,956.6
Segment Earnings*	$ (5.1)	$ 34.1	$ 102.5	$ 180.0
% of Sales	*(0.7) %*	*4.7 %*	*3.4 %*	*6.1 %*
*Adjusted % of Sales***	*2.4 %*	*7.4 %*	*4.9 %*	*7.4 %*
Interior				
Net Sales	$ 638.0	$ 836.4	$ 3,217.2	$ 3,097.6
Segment Earnings*	$ (34.2)	$ (52.3)	$ (183.8)	$ (191.1)
% of Sales	*(5.4) %*	*(6.3) %*	*(5.7) %*	*(6.2) %*
*Adjusted % of Sales***	*(4.9) %*	*(3.5) %*	*(5.0) %*	*(2.5) %*

* Segment earnings represent income (loss) before goodwill impairment charge, loss on divestiture, interest, other expense and income taxes. Income before goodwill impairment charge, loss on divestiture, interest, other expense and income taxes for the Company was $84.8 million and $82.9 million for the three months ended 12/31/06 and 12/31/05, respectively, and $281.0 million and $105.4 million for the twelve months ended 12/31/06 and 12/31/05, respectively. Please see slides titled “Non-GAAP Financial Information” at the end of this presentation for further information.

** Adjusted % of Sales excludes impairments, restructuring costs and other special items of $39.4 million (Seating - $13.9, Electronic and Electrical - $22.8, Interior - $2.7) and $54.7 million (Seating - $12.9, Electronic and Electrical - $19.1, Interior - $22.7) for the three months ended 12/31/06 and 12/31/05, respectively, and $109.1 million (Seating - $41.7, Electronic and Electrical - $44.8, Interior - $22.6) and $217.1 million (Seating - $63.5, Electronic and Electrical - $39.0, Interior - $114.6) for the twelve months ended 12/31/06 and 12/31/05, respectively.

Fourth Quarter and Full Year 2006 Free Cash Flow*

(in millions)

	Fourth Quarter 2006	Full Year 2006
Net Loss	$ (645.0)	$ (707.5)
Divestiture of Interior Business	607.3	636.0
Depreciation / Amortization	92.8	392.2
Working Capital / Other	278.4	142.6
Cash from Operations	$ 333.5	$ 463.3
Capital Expenditures	(79.1)	(347.6)
Free Cash Flow	$ 254.4	$ 115.7

* Free Cash Flow represents net cash provided by operating activities ($179.2 million for the three months and $285.3 million for the twelve months ended 12/31/06) before net change in sold accounts receivable ($154.3 million for the three months and $178.0 million for the twelve months ended 12/31/06) (Cash from Operations), less capital expenditures. Please see slides titled "Non-GAAP Financial Information" at the end of this presentation for further information.

2007 Guidance
Full Year Production Assumptions*

	Full Year 2007 Guidance	Change from Prior Year
North American Production		
Total Industry	≈ 15.3 mil	about flat
Big Three	≈ 10.0 mil	down 2%
European Production		
Total Industry	≈ 19.2 mil	flat
Lear's Top 5 Customers	≈ 9.5 mil	down 3%
Euro	$1.30 / Euro	up 4%
Key Commodities	moderating	trending lower

* Please see slide titled "Forward-Looking Statements" at the end of this presentation for further information.

2007 Guidance
Factors Impacting Core Business Margins*

	2007 Margin Impact vs. 2006	
	Seating	**Electronic and Electrical**
Volume and Mix	–	–
New Business Globally	+	neutral
Commodity Costs/Recovery	+	+
Restructuring Savings	+	+
Ongoing Cost Reductions	+	+
Low-Cost Sourcing/Engineering	+	+
Selective Vertical Integration	+	+
Proprietary Products/Technology	+	+

* Please see slide titled “Forward-Looking Statements” at the end of this presentation for further information.

2007 Guidance
Full Year Financial Projections*

	Full Year 2007 Financial Guidance for Core Business (excludes Interior business)
Net Sales	≈ $15.0 billion
Core Operating Earnings Income before interest, other expense, income taxes, restructuring costs and other special items	$560 to $600 million
Interest Expense	$215 to $225 million
Pretax Income before restructuring costs and other special items	$270 to $310 million
Estimated Tax Expense	$100 to $120 million **
Pretax Restructuring Costs	≈ $100 million
Capital Spending	≈ $250 million
Depreciation and Amortization	≈ $310 million
Free Cash Flow	≈ $225 million

* Please see slides titled "Non-GAAP Financial Information" and "Forward-Looking Statements" at the end of this presentation for further information.

** Subject to actual mix of financial results by country.

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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 "income before interest, other expense, income taxes, restructuring costs and other special items" (core operating earnings), "loss before interest, other expense and income taxes," "pretax income before restructuring costs and other special items" and "free cash flow" (each, a non-GAAP financial measure). Free cash flow represents net cash provided by operating activities before the net change in sold accounts receivable, less capital expenditures. The Company believes it is appropriate to exclude the net change in sold accounts receivable in the calculation of free cash flow since the sale of receivables may be viewed as a substitute for borrowing activity.

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, loss before interest, other expense and income taxes and pretax income before 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 earnings 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 in future periods.

Core operating earnings, loss before interest, other expense and income taxes, pretax income before restructuring costs and other special items and free cash flow should not be considered in isolation or as a substitute for pretax income (loss), net income (loss), 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. Given the inherent uncertainty regarding special items and the net change in sold accounts receivable in any future period, a reconciliation of forward-looking financial measures is not feasible. The magnitude of these items, however, may be significant.

Non-GAAP Financial Information
Cash from Operations And Free Cash Flow

(in millions)	Three Months Q4 2006	Full Year 2006	Full Year 2005
Net cash provided by operating activities	$ 179.2	$ 285.3	$ 560.8
Net change in sold accounts receivable	154.3	178.0	(411.1)
Net cash provided by operating activities before net change in sold accounts receivable (cash from operations)	333.5	463.3	149.7
Capital expenditures	(79.1)	(347.6)	(568.4)
Free cash flow	$ 254.4	$ 115.7	$ (418.7)

Non-GAAP Financial Information
Core Operating Earnings

(in millions)	Three Months Ended Q4 2006	Three Months Ended Q4 2005	Twelve Months Ended Q4 2006	Twelve Months Ended Q4 2005
Pretax loss	$ (635.9)	$ (346.1)	$ (655.5)	$ (1,187.2)
Interest expense	52.3	45.1	209.8	183.2
Other expense, net	61.1	41.1	87.8	96.6
Loss before interest, other expense and income taxes	**$ (522.5)**	**$ (259.9)**	**$ (357.9)**	**$ (907.4)**
Goodwill impairment charges	-	342.8	2.9	1,012.8
Loss on divestiture of Interior business	607.3	-	636.0	-
Costs related to restructuring actions	44.0	47.1	105.6	106.3
Fixed asset impairment charges	0.8	8.5	10.0	82.3
Litigation charges	-	-	-	30.5
Income before interest, other expense, income taxes, restructuring costs and other special items (core operating earnings)	**$ 129.6**	**$ 138.5**	**$ 396.6**	**$ 324.5**

Non-GAAP Financial Information
Pretax Income Before Restructuring Costs And Other Special Items

(in millions)	Q4 2005	2005
Pretax loss	$ (346.1)	$ (1,187.2)
Goodwill impairment charges	342.8	1,012.8
Costs related to restructuring actions	42.6	102.8
Fixed asset impairment charges	8.5	82.3
Litigation charges	-	39.2
Sale and capital restructuring of joint ventures	29.8	46.7
Pretax income before restructuring costs and other special items	**$ 77.6**	**$ 96.6**

Non-GAAP Financial Information
Segment Earnings Reconciliation

(in millions)	Three Months Ended Q4 2006	Three Months Ended Q4 2005	Twelve Months Ended Q4 2006	Twelve Months Ended Q4 2005
Seating	$ 181.0	$ 153.4	$ 604.0	$ 323.3
Electronic and Electrical	(5.1)	34.1	102.5	180.0
Interior	(34.2)	(52.3)	(183.8)	(191.1)
Segment earnings	$ 141.7	$ 135.2	$ 522.7	$ 312.2
Corporate and geographic headquarters and elimination of intercompany activity	(56.9)	(52.3)	(241.7)	(206.8)
Income before goodwill impairment charges, loss on divestiture, interest, other expense and income taxes	**$ 84.8**	**$ 82.9**	**$ 281.0**	**$ 105.4**
Goodwill impairment charges	-	342.8	2.9	1,012.8
Loss on divestiture of Interior business	607.3	-	636.0	-
Interest expense	52.3	45.1	209.8	183.2
Other expense, net	61.1	41.1	87.8	96.6
Pretax loss	**$ (635.9)**	**$ (346.1)**	**$ (655.5)**	**$ (1,187.2)**

Non-GAAP Financial Information
Adjusted Segment Earnings

(in millions)	Three Months Q4 2006 Seating	Three Months Q4 2006 Electronic and Electrical	Three Months Q4 2006 Interior	Three Months Q4 2005 Seating	Three Months Q4 2005 Electronic and Electrical	Three Months Q4 2005 Interior
Segment earnings	$ 181.0	$ (5.1)	$ (34.2)	$ 153.4	$ 34.1	$ (52.3)
Fixed asset impairment charges	-	-	0.8	-	-	8.5
Costs related to restructuring actions	13.9	22.8	1.9	12.9	19.1	14.2
Adjusted segment earnings	**$ 194.9**	**$ 17.7**	**$ (31.5)**	**$ 166.3**	**$ 53.2**	**$ (29.6)**

(in millions)	Full Year 2006 Seating	Full Year 2006 Electronic and Electrical	Full Year 2006 Interior	Full Year 2005 Seating	Full Year 2005 Electronic and Electrical	Full Year 2005 Interior
Segment earnings	$ 604.0	$ 102.5	$ (183.8)	$ 323.3	$ 180.0	$ (191.1)
Fixed asset impairment charges	-	-	10.0	-	-	82.3
Costs related to restructuring actions	41.7	44.8	12.6	33.0	39.0	32.3
Litigation charges	-	-	-	30.5	-	-
Adjusted segment earnings	**$ 645.7**	**$ 147.3**	**$ (161.2)**	**$ 386.8**	**$ 219.0**	**$ (76.5)**

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. Actual results may differ materially from anticipated results as a result of certain risks and uncertainties, including but not limited to, general economic conditions in the markets in which the Company operates, including changes in interest rates or currency exchange rates, the financial condition of the Company's customers or suppliers, fluctuations in the production of vehicles for which the Company is a 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 Company's ability to achieve cost reductions that offset or exceed customer-mandated selling price reductions, the outcome of customer productivity negotiations, the impact and timing of program launch costs, the costs and timing of facility closures, business realignment or similar actions, increases in the Company's warranty or product liability costs, risks associated with conducting business in foreign countries, competitive conditions impacting the Company's key customers and suppliers, raw material costs and availability, the Company's ability to mitigate the significant impact of increases in raw material, energy and commodity costs, the outcome of legal or regulatory proceedings to which the Company is or may become a party, unanticipated changes in cash flow, including the Company's ability to align its vendor payment terms with those of its customers, the finalization of the Company's restructuring strategy and other risks described from time to time in the Company's Securities and Exchange Commission filings. In particular, the Company's financial outlook for 2007 is based on several factors, including the Company's current vehicle production and raw material pricing assumptions. The Company's actual financial results could differ materially as a result of significant changes in these factors. In addition, the Company's agreement to contribute essentially all of its North American Interior business to IAC North America is subject to various conditions, including the receipt of required third-party consents, as well as other closing conditions customary for transactions of this type. No assurances can be given that the proposed transaction will be consummated on the terms contemplated or at all.

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.