



First Quarter 2014 Financial Results

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; 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; 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; the impact of new regulations related to conflict minerals; 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; and other risks described in the Company’s Annual Report on Form 10-K for the year ended December 31, 2013, 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 10 and 12 and the slides titled “Non-GAAP Financial Information” at the end of this presentation.

Agenda

- **Company Update**
 - *Matt Simoncini, President and CEO*
- **Financial Results and Outlook**
 - *Jeff Vanneste, SVP and CFO*
- **Summary**
 - *Matt Simoncini, President and CEO*
- **Q and A Session**

First Quarter 2014 Highlights

- Sales of \$4.4 billion, up 10% from a year ago versus global industry production growth of 5%
- Core operating earnings of \$243 million, up 21%; adjusted earnings per share of \$1.84, up 42%
- Seating sales up 11% and earnings up 8%
- Record sales and earnings in Electrical; 18th consecutive quarter of year-over-year margin improvement
- Completed \$325 million debt refinancing -- lowered average interest rate and extended debt maturity profile
- Increased quarterly cash dividend per share by 18%
- Completed \$800 million accelerated share repurchase program



Share Repurchase Update

- In April 2013, announced \$800 million ASR and an incremental \$750 million share repurchase authorization upon completion of the ASR program
- ASR concluded on March 31, 2014
- Final settlement of ASR required Lear to deliver an additional \$55 million in cash, bringing the total ASR program cost to \$855 million and the total shares repurchased to 11.9 million
- Final average price per share for total ASR program was \$72.11 per share
- Remaining share repurchase authorization is \$695 million (\$750 million original authorization less \$55 million to settle ASR)
- Existing share repurchase authorization expires in April 2016

Capital Allocation Strategy

- Maintain strong and flexible balance sheet with investment grade credit metrics
- Continue to invest in existing businesses to support continued sales growth in excess of the industry
- Pursue complementary acquisitions to strengthen, grow and further diversify existing businesses
- Return cash to shareholders

Financial Results and Outlook

First Quarter 2014 Global Vehicle Production

(Units in millions)

	First Quarter 2014	
	<u>Actual</u>	<u>Change From Prior Year</u>
Europe and Africa	5.3	up 7%
China	5.2	up 11%
North America	4.2	up 6%
India	0.9	down 10%
Brazil	0.7	down 4%
Russia	0.4	down 9%
Global	21.7	up 5%

Source: IHS Automotive April 2014

First Quarter 2014 Reported Financials

(\$ in millions, except per share amounts)

	<i>First Quarter</i>		<i>2014 B/(W)</i>
	<i>2013</i>	<i>2014</i>	<i>2013</i>
Net Sales			
Europe and Africa	\$ 1,525.9	\$ 1,788.1	17 %
North America	1,510.6	1,596.0	6 %
Asia	670.4	752.8	12 %
South America	240.2	222.9	(7)%
Global	\$ 3,947.1	\$ 4,359.8	10 %
Pretax Income Before Equity Income, Interest and Other Expense	\$ 174.2	\$ 215.3	24 %
Pretax Income Before Equity Income	\$ 146.8	\$ 169.3	15 %
Net Income Attributable to Lear	\$ 108.5	\$ 122.0	12 %
Diluted Earnings per Share Attributable to Lear	\$ 1.13	\$ 1.47	30 %
SG&A % of Net Sales	3.3%	3.1%	
Equity Income	\$ (8.0)	\$ (12.0)	\$ 4.0
Interest Expense	\$ 16.7	\$ 16.8	\$ (0.1)
Other Expense, Net	\$ 10.7	\$ 29.2	\$ (18.5)
Depreciation / Amortization	\$ 66.4	\$ 74.5	\$ (8.1)

First Quarter 2014

Impact of Restructuring and Other Special Items

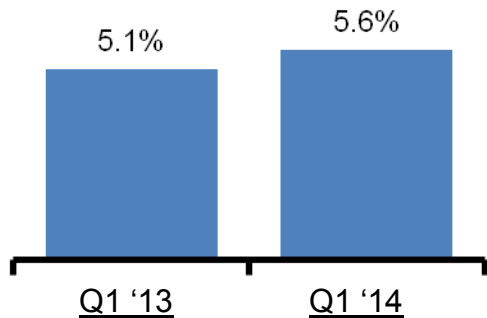
(\$ in millions, except per share amounts)

	First Quarter 2014			Adjusted
	Reported	Restructuring Costs	Other Special Items	
Pretax Income Before Equity Income, Interest and Other Expense	\$ 215.3	\$ 25.3*	\$ 2.6*	\$ 243.2
Equity Income	(12.0)			(12.0)
Pretax Income Before Interest and Other Expense	\$ 227.3			\$ 255.2
Interest Expense	16.8			16.8
Other Expense, Net	29.2		(17.5)	11.7
Income Before Taxes	\$ 181.3			\$ 226.7
Income Taxes	52.7	3.6	11.8	68.1
Net Income	\$ 128.6			\$ 158.6
Noncontrolling Interests	6.6			6.6
Net Income Attributable to Lear	\$ 122.0			\$ 152.0
Diluted Earnings per Share	\$ 1.47			\$ 1.84

* Restructuring costs include \$19.2 million in COGS and \$6.1 million in SG&A. Other special items include \$2.1 million in COGS and \$0.5 million in SG&A.

First Quarter 2014 Adjusted Segment Margins

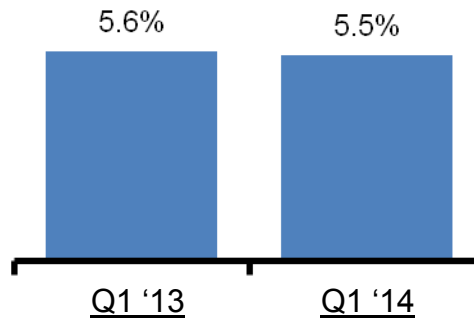
Total Company



(\$ in millions)

Sales	\$ 3,947.1	\$ 4,359.8
Earnings	\$ 174.2	\$ 215.3
Adj. Earnings	\$ 201.0	\$ 243.2

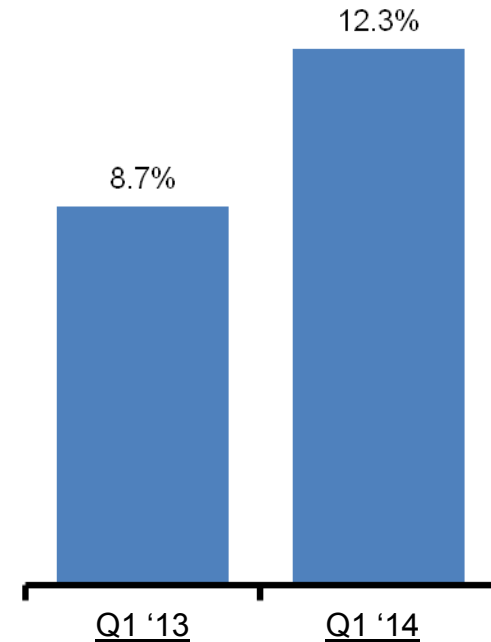
Seating



(\$ in millions)

Sales	\$ 2,911.7	\$ 3,225.9
Earnings	\$ 141.4	\$ 152.2
Adj. Earnings	\$ 163.8	\$ 176.6

Electrical



(\$ in millions)

Sales	\$ 1,035.4	\$ 1,133.9
Earnings	\$ 89.0	\$ 138.3
Adj. Earnings	\$ 89.7	\$ 139.3

Reported segment earnings represents pretax income before equity income, interest and other expense. Adjusted segment earnings represents reported segment earnings adjusted for restructuring costs and other special items.

First Quarter 2014

Free Cash Flow

(\$ in millions)

	First Quarter 2014
Net Income Attributable to Lear	\$ 122.0
Depreciation / Amortization	74.5
Working Capital and Other	<u>(250.7)</u>
Net Cash Used in Operating Activities	\$ (54.2)
Capital Expenditures	<u>(96.4)</u>
Free Cash Flow	<u><u>\$ (150.6)</u></u>



2014 Vehicle Production and Currency Assumptions

(Units in millions)

	<u>2013</u>	<u>2014 Outlook</u>	<u>YOY Change</u>	<u>Change From Prior Outlook</u>
China	19.4	21.2	up 9%	up 2%
Europe and Africa	19.8	20.0	up 1%	flat
North America	16.2	16.8	up 4%	flat
India	3.6	3.7	up 3%	down 3%
Brazil	3.5	3.2	down 9%	down 10%
Russia	2.1	1.9	down 8%	down 6%
Global	82.8	84.8	up 2%	flat

Key Currency

Euro	\$ 1.33 / €	\$ 1.38 / €	up 4%	up 2%
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2014 vehicle production estimates based on IHS Automotive April 2014 production forecast and Company estimates

2014 Financial Outlook

	2014 Financial Outlook
Net Sales	\$17,200 to \$17,700 million
Core Operating Earnings	\$935 to \$985 million
Depreciation and Amortization	≈ \$310 million
Interest Expense	≈ \$65 million
Pretax Income before restructuring costs and other special items	\$870 to \$920 million
Tax Expense excluding restructuring costs and other special items	\$260 to \$275 million
Adjusted Net Income Attributable to Lear	\$580 to \$615 million
Restructuring Costs	≈ \$65 million
Capital Spending	≈ \$450 million
Free Cash Flow	\$375 to \$425 million

Summary

Summary

- Continued positive momentum with strong first quarter results
 - Sales growing faster than industry production
 - Gaining market share in both business segments
 - Core operating earnings up 21% and adjusted EPS up 42%
 - Company operating margin of 5.6%, up from 5.1% a year ago
- Increasing 2014 financial outlook reflecting positive sales and operating performance
- Strong financial position supports continued strategic investment and return of cash to shareholders for value creation

***On Track to Deliver 5th Consecutive Year
of Higher Sales and Earnings***

Non-GAAP Financial Information

In addition to the results reported in accordance with GAAP included throughout this presentation, the Company has provided information regarding “pretax income before equity income, interest and other expense,” “pretax income before equity income, interest, other expense, restructuring costs and other special items” (core operating earnings or adjusted segment earnings), “pretax income before restructuring costs and other special items,” “adjusted net income attributable to Lear,” “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 attributable to Lear and adjusted earnings per share represent net income attributable to Lear and diluted net income per share attributable to Lear, respectively, adjusted for restructuring costs and other special items, including the tax effect thereon. Free cash flow represents net cash provided by (used in) operating activities 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 pretax income before equity income, interest and other expense, core operating earnings, pretax income before restructuring costs and other special items, adjusted net income attributable to Lear, 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.

Pretax income before equity income, interest and other expense, core operating earnings, pretax income before restructuring costs and other special items, adjusted net income attributable to Lear, 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 pretax income before equity income, net income attributable to Lear, diluted net income per share attributable to Lear, cash provided by (used in) 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 slides 10 and 12, as well as 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 other expense in any future period, a reconciliation of forward-looking financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP is not feasible. The magnitude of these items, however, may be significant.

Non-GAAP Financial Information

Pretax Income before Equity Income, Interest and Other Expense

(\$ in millions)	First Quarter	
	2013	2014
Pretax income before equity income	\$ 146.8	\$ 169.3
Interest expense	16.7	16.8
Other expense, net	10.7	29.2
Pretax income before equity income, interest and other expense	\$ 174.2	\$ 215.3

Non-GAAP Financial Information

Adjusted Segment Earnings

(\$ in millions)	First Quarter 2013		
	Seating	Electrical	Total
Sales	\$ 2,911.7	\$ 1,035.4	\$ 3,947.1
Segment earnings	\$ 141.4	\$ 89.0	\$ 174.2
Costs related to restructuring actions	16.6	0.7	18.4
Costs related to proxy contest	-	-	2.6
Losses and incremental costs related to the destruction of assets	5.8	-	5.8
Adjusted segment earnings	\$ 163.8	\$ 89.7	\$ 201.0

(\$ in millions)	First Quarter 2014		
	Seating	Electrical	Total
Sales	\$ 3,225.9	\$ 1,133.9	\$ 4,359.8
Segment earnings	\$ 152.2	\$ 138.3	\$ 215.3
Costs related to restructuring actions	22.3	1.0	25.3
Other	2.1	-	2.6
Adjusted segment earnings	\$ 176.6	\$ 139.3	\$ 243.2