Second Quarter 2014
Financial Results

July 25, 2014

LEAR. CORPORATION

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, 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; 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 13 and 15 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

Second Quarter 2014 Highlights

- Sales of $4.6 billion, up 11% from a year ago versus global industry production growth of 3%
- Record core operating earnings of $275 million, up 23%; adjusted earnings per share of $2.12, up 31%
- Record sales in Seating and Electrical
- Seating operating earnings up 10%; margin improved sequentially to 5.7%
- Record earnings in Electrical; 19th consecutive quarter of year-over-year margin improvement
- Returned $172 million to shareholders through share repurchases and dividends, including $55 million to settle the ASR program
- Increasing full year outlook for sales, core operating earnings and free cash flow

Strategic Direction

- Continue to invest in emerging markets and component capabilities in both Seating and Electrical to support profitable growth

- Pursue complementary acquisitions to strengthen and grow both business segments

- Maintain strong balance sheet with investment grade credit metrics

- Consistently return cash to shareholders

Strong Financial Performance

- Sales and adjusted EPS have increased for four consecutive years
  - In 2014, on track for 5th consecutive year of higher sales and EPS
- Since 2010, 11% average annual sales growth is more than double the global industry production growth of 5%
- $1.9 billion three year sales backlog supports continued sales growth and diversification
- Four consecutive years of strong cash generation
- Returned $1.9 billion in cash to shareholders through share repurchases and dividends

Expanded Component Capabilities in Emerging Markets and Low-Cost Countries

- Since 2010, accelerated pace of capital spending to expand component capacity and infrastructure in emerging markets

- Total incremental investment of approximately $450 million

- Since the beginning of 2010, opened 24 new component operations in emerging markets and low-cost countries

- Total 2014 sales in new component plants expected to be greater than $1.5 billion

- Sales and earnings growth expected to continue as new plants reach full capacity

Pursuing Acquisitions to Strengthen Core Businesses

- Disciplined approach to acquisitions, taking into account strategic fit, as well as fair market valuation
- Focus on craftsmanship and innovation to differentiate Lear, improve our quality and continue to provide outstanding value to our customers
- Pursuing acquisitions in both product lines to:
  - Accelerate growth and improve returns
  - Enhance our present product offerings
  - Facilitate further diversification of our customer mix
  - Increase our component capabilities
  - Further penetrate emerging markets
- No transformational acquisitions are needed or planned

Maintain Strong and Flexible Balance Sheet and Return Cash to Shareholders

Balance Sheet

- Strong credit metrics in line with investment grade peers
- Improved financial profile recognized by rating agencies with multiple upgrades since 2010
- Capital structure provides flexibility to invest in our business and execute our strategic objectives going forward

Returning Cash to Shareholders

- In 2011, initiated dividend and share repurchase programs
  - Following downturn, one of the first automotive suppliers to initiate share repurchase program
  - Increased dividend each year since inception of program
- Since the beginning of 2011, we have repurchased 28.2 million shares, or approximately 25% of our outstanding shares at that time

Financial Results and Outlook

Second Quarter 2014
Global Vehicle Production

(Units in millions)

	Second Quarter 2014	
	Actual	**Change From Prior Year**
Europe and Africa	5.3	up 2%
China	5.2	up 12%
North America	4.4	up 4%
India	0.9	flat
Brazil	0.7	down 23%
Russia	0.5	down 3%
Global	**21.4**	**up 3%**

Source: IHS Automotive July 2014

Second Quarter 2014 Reported Financials

($ in millions, except per share amounts)	*Second Quarter 2013*	*Second Quarter 2014*	*2014 B/(W) 2013*
Net Sales			
Europe and Africa	$ 1,584.6	$ 1,830.7	16 %
North America	1,549.8	1,742.4	12 %
Asia	704.9	774.3	10 %
South America	273.8	237.7	(13)%
Global	**$ 4,113.1**	**$ 4,585.1**	11 %
Pretax Income Before Equity Income, Interest and Other Expense	$ 201.2	$ 232.8	16 %
Pretax Income Before Equity Income	$ 173.5	$ 201.4	16 %
Net Income Attributable to Lear	$ 137.3	$ 148.5	8 %
Diluted Earnings per Share Attributable to Lear	$ 1.60	$ 1.81	13 %
SG&A % of Net Sales	3.1%	3.0%	
Equity Income	$ (9.9)	$ (9.2)	$ (0.7)
Interest Expense	$ 17.4	$ 14.6	$ 2.8
Other Expense, Net	$ 10.3	$ 16.8	$ (6.5)
Depreciation / Amortization	$ 69.0	$ 78.2	$ (9.2)

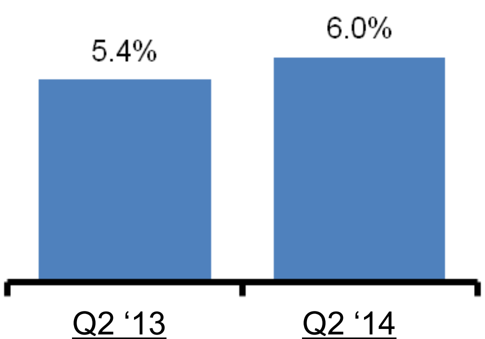
Second Quarter 2014
Impact of Restructuring and Other Special Items

($ in millions, except per share amounts)	*Second Quarter 2014*			
	Reported	***Restructuring Costs***	***Other Special Items***	***Adjusted***
Pretax Income Before Equity Income, Interest and Other Expense	$ 232.8	$ 43.3*	$ (1.4)	$ 274.7
Equity Income	(9.2)			(9.2)
Pretax Income Before Interest and Other Expense	$ 242.0			$ 283.9
Interest Expense	14.6			14.6
Other Expense, Net	16.8		(1.1)	15.7
Income Before Taxes	$ 210.6			$ 253.6
Income Taxes	52.8	12.7	5.2	70.7
Net Income	$ 157.8			$ 182.9
Noncontrolling Interests	9.3			9.3
Net Income Attributable to Lear	$ 148.5			$ 173.6
Diluted Earnings per Share	$ 1.81			$ 2.12

* Restructuring costs include $35.9 million in COGS and $7.4 million in SG&A.

Second Quarter 2014
Adjusted Segment Margins

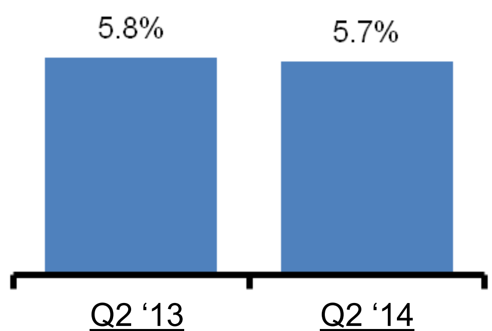
Total Company



($ in millions)

	Q2 '13	Q2 '14
Sales	$ 4,113.1	$ 4,585.1
Earnings	$ 201.2	$ 232.8
Adj. Earnings	$ 223.7	$ 274.7

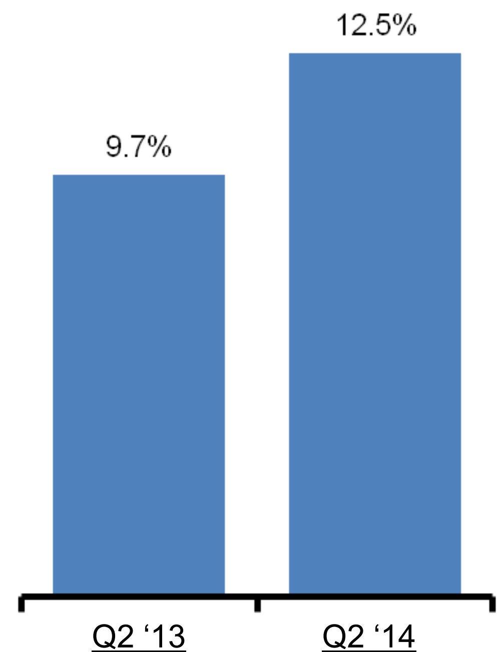
Seating



($ in millions)

	Q2 '13	Q2 '14
Sales	$ 3,069.2	$ 3,443.6
Earnings	$ 166.5	$ 164.2
Adj. Earnings	$ 178.0	$ 196.6

Electrical



($ in millions)

	Q2 '13	Q2 '14
Sales	$ 1,043.9	$ 1,141.5
Earnings	$ 94.9	$ 138.3
Adj. Earnings	$ 101.4	$ 142.5

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.

Second Quarter 2014
Free Cash Flow

($ in millions)

	Second Quarter 2014
Net Income Attributable to Lear	$ 148.5
Depreciation / Amortization	78.2
Working Capital and Other	2.5
Net Cash Provided by Operating Activities	$ 229.2
Capital Expenditures	(92.7)
Free Cash Flow	$ 136.5

2014 Vehicle Production and Currency Assumptions

(Units in millions)

	2013	2014 Outlook	YOY Change	Change From Prior Outlook
China	19.4	21.2	up 9%	flat
Europe and Africa	19.8	20.4	up 3%	up 2%
North America	16.2	17.0	up 5%	up 1%
India	3.6	3.7	up 1%	down 2%
Brazil	3.5	3.2	down 8%	up 1%
Russia	2.1	1.9	down 8%	down 1%
Global	**82.8**	**85.7**	**up 4%**	**up 1%**
Key Currency				
Euro	$ 1.33 / €	$ 1.37 / €	up 3%	down 1%

2014 vehicle production estimates based on IHS Automotive July 2014 production forecast and Company estimates

2014 Financial Outlook

	2014 Financial Outlook
Net Sales	$17,600 to $17,900 million
Core Operating Earnings	$975 to $1,025 million
Depreciation and Amortization	≈ $310 million
Interest Expense	≈ $65 million
Pretax Income before restructuring costs and other special items	$910 to $960 million
Tax Expense excluding restructuring costs and other special items	$270 to $285 million
Adjusted Net Income Attributable to Lear	$610 to $645 million
Restructuring Costs	≈ $90 million
Capital Spending	≈ $450 million
Free Cash Flow	$400 to $450 million

Summary

Summary

- Continued positive momentum with record second quarter results
  - Sales growing faster than industry production
  - Gaining market share in both business segments
  - Core operating earnings up 23% and adjusted EPS up 31%
  - Company operating margin of 6.0%, up 60 basis points from 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

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 operating activities less capital expenditures.

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 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 13 and 15, as well as 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 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)	Three Months Q2 2013	Three Months Q2 2014
Pretax income before equity income	**$ 173.5**	**$ 201.4**
Interest expense	17.4	14.6
Other expense, net	10.3	16.8
Pretax income before equity income, interest and other expense	**$ 201.2**	**$ 232.8**

Non-GAAP Financial Information
Adjusted Segment Earnings

($ in millions)

	Three Months Q2 2013				Six Months Q2 2013			
	Seating	Electrical	HQ	Total	Seating	Electrical	HQ	Total
Sales	$ 3,069.2	$ 1,043.9	$ -	$ 4,113.1	$ 5,980.9	$ 2,079.3	$ -	$ 8,060.2
Segment earnings	$ 166.5	$ 94.9	$ (60.2)	$ 201.2	$ 307.9	$ 183.9	$ (116.4)	$ 375.4
Costs related to restructuring actions	5.1	6.5	4.1	15.7	21.7	7.2	5.2	34.1
Costs related to proxy contest	-	-	0.4	0.4	-	-	3.0	3.0
Losses and incremental costs related to the destruction of assets	1.5	-	-	1.5	7.3	-	-	7.3
Labor-related litigation claims	4.9	-	-	4.9	4.9	-	-	4.9
Adjusted segment earnings	$ 178.0	$ 101.4	$ (55.7)	$ 223.7	$ 341.8	$ 191.1	$ (108.2)	$ 424.7

	Three Months Q2 2014				Six Months Q2 2014			
	Seating	Electrical	HQ	Total	Seating	Electrical	HQ	Total
Sales	$ 3,443.6	$ 1,141.5	$ -	$ 4,585.1	$ 6,669.5	$ 2,275.4	$ -	$ 8,944.9
Segment earnings	$ 164.2	$ 138.3	$ (69.7)	$ 232.8	$ 316.4	$ 276.6	$ (144.9)	$ 448.1
Costs related to restructuring actions	32.4	3.8	7.1	43.3	54.7	4.8	9.1	68.6
Other	-	0.4	(1.8)	(1.4)	2.1	0.4	(1.3)	1.2
Adjusted segment earnings	$ 196.6	$ 142.5	$ (64.4)	$ 274.7	$ 373.2	$ 281.8	$ (137.1)	$ 517.9