

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): **September 9, 2003**

LEAR CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

1-11311

(Commission File Number)

13-3386776

(IRS Employer Identification Number)

21557 Telegraph Road, Southfield, MI

(Address of principal executive offices)

48034

(Zip Code)

(248) 447-1500

(Registrant's telephone number, including area code)

N/A

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

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[Visual Slides from Presentation](#)

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Item 7. Financial Statements and Exhibits

(c) Exhibits

- 99.1 Visual slides from the presentation to be made by certain officers of Lear Corporation at the Frankfurt Autoshow Conference on September 10, 2003, filed herewith.

Item 9. Regulation FD Disclosure

On September 10, 2003, certain officers of Lear Corporation will make a presentation at the Frankfurt Autoshow Conference. The visual slides from the presentation are attached hereto as Exhibit 99.1 and incorporated by reference herein. This information 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.

SIGNATURE

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,
a Delaware corporation

Date: September 9, 2003

By: /s/ William C. Dircks

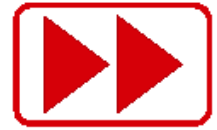
Name: William C. Dircks
Title: Vice President and
Corporate Controller

EXHIBIT INDEX

Exhibit No.	Description
99.1	Visual slides from the presentation to be made by certain officers of Lear Corporation at the Frankfurt Autoshow Conference on September 10, 2003, filed herewith.

Frankfurt Autoshow Conference

September 10, 2003

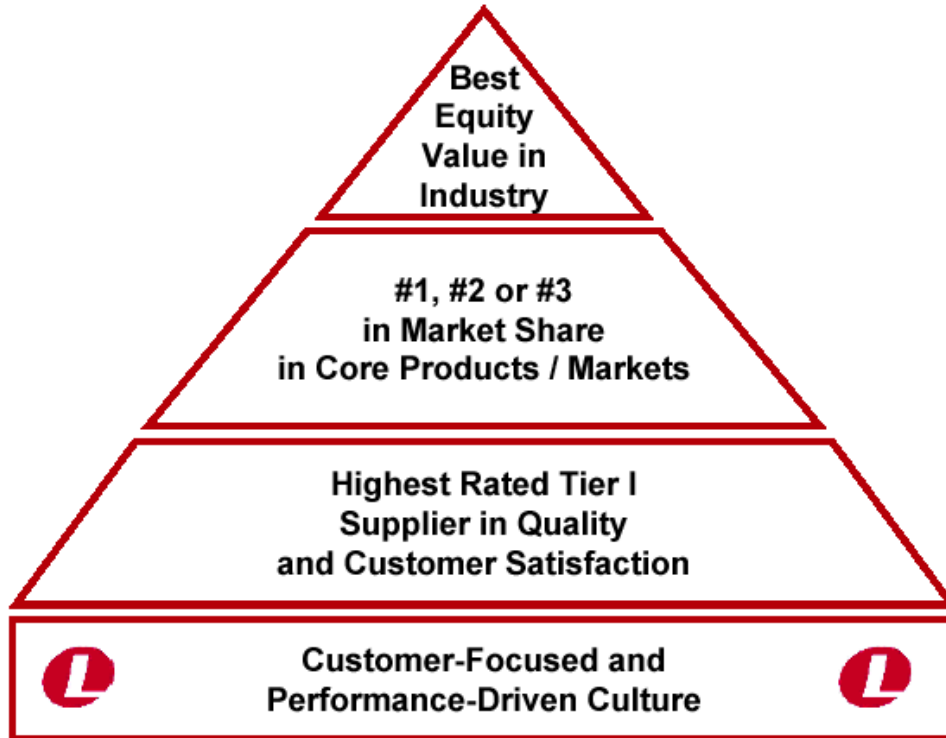


advance relentlessly

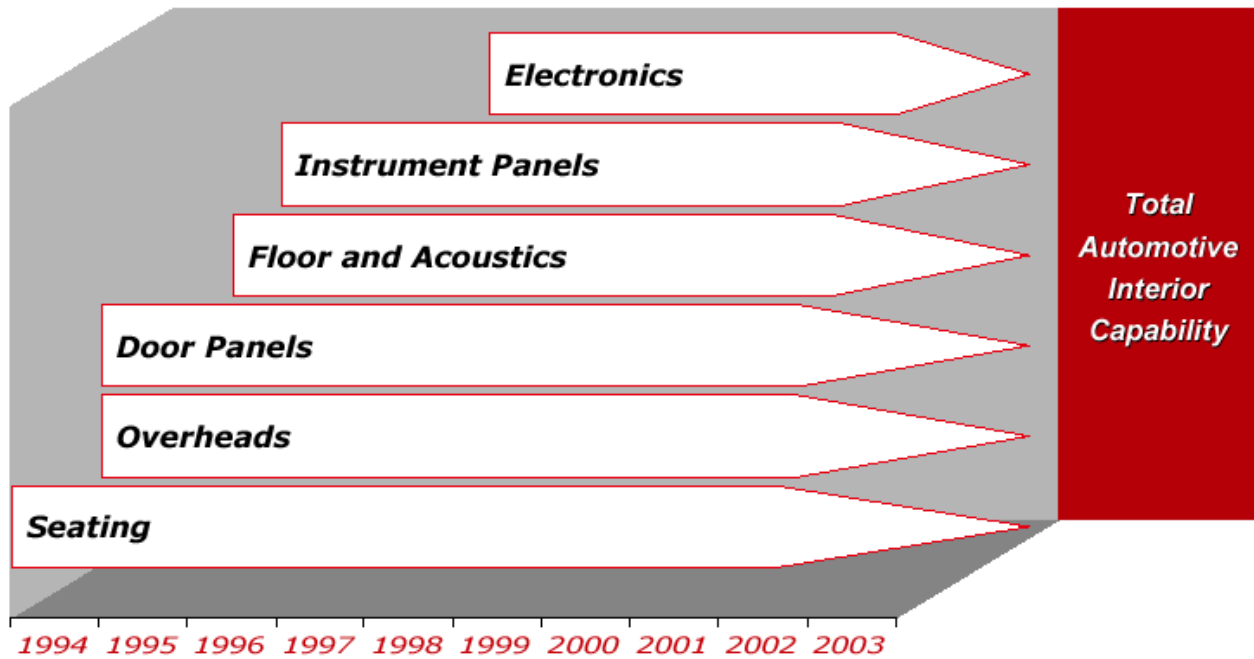
**Taking Care of Our Customers and
Delivering Shareholder Value**

- I. “This is Lear” Video (5:00 minutes)**
- II. Strategic Overview**
Bob Rossiter
Chairman & CEO
- III. Industry Challenges**
Jim Vandenberghe
Vice Chairman
- IV. European Operations**
Douglas DelGrosso
President and COO - Europe, Asia & Africa
- V. Delivering Shareholder Value**
Dave Wajsgas
SVP & CFO

Strategic Overview



**We've Steadily Increased our
Automotive Interior Capabilities**



**Transformation from Seat Manufacturer to
Integrator of Complete Automotive Interiors**



“Leverage our leadership position in total interiors in North America”

“Improve our business structure and grow our market share in Europe”

“Aggressively expand our presence with Asian OEMs”

Partnering With Our Customers to Pursue Profitable Growth Worldwide

Quote from our 2002 Annual Report...

"We as a team believe that if you give your **customers** the **highest possible quality** and **customer service**, growth is inevitable"

Industry Challenges

- ▶▶ Slow growth in global vehicle demand
 - ▶▶ Continuous quality improvement
 - ▶▶ Margins under pressure
 - ▶▶ Manage through business cycles
 - ▶▶ Improve financial results in Europe

Industry Challenge: Slow Growth



Lear Response: Profitable Growth Strategy

- ▶▶ Interiors are the fastest growing automotive segment
- ▶▶ Intense focus on improving interiors by all major automakers
- ▶▶ Lear's sales backlog of \$4 billion supports 5% annual growth
- ▶▶ Rapid growth potential with Asian OEMs, electronics and instrument panels / cockpits
- ▶▶ Industry's first Total Interior Integrator program
- ▶▶ New product innovation (e.g. IntelliTire™)

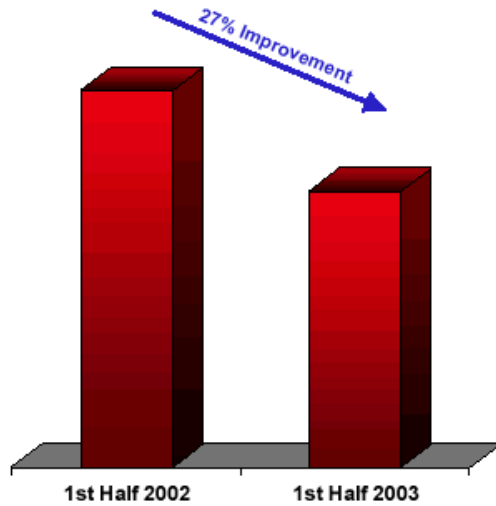
Lear is Well Positioned in the Fastest Growing Segment in the Automotive Industry

Industry Challenge: Quality



Lear Response: Continuous Improvement Culture

Parts Per Million (PPM) Defective*



- Management priority
- Global focus
- Part of Lear culture
- Six Sigma discipline
- Sharing best practices
- Teamwork

Driven to Provide the Highest Quality Products and Services in the Automotive Industry

* Based on internal and customer data.

Industry Challenge: Margins



Lear Response: Deliver High Value-Added

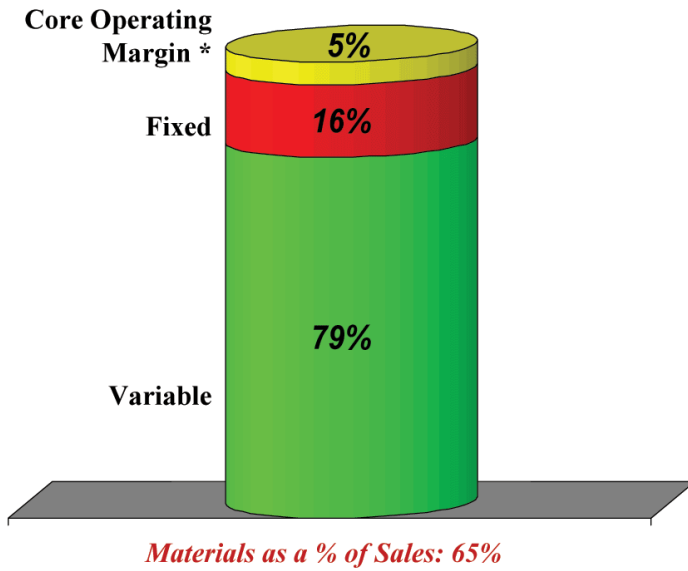
- ▶▶ Outstanding customer relationships
- ▶▶ Total interior capability
- ▶▶ True partner vs. supplier
- ▶▶ Economies of scale / common architecture
- ▶▶ Aggressive VA / VE initiatives
- ▶▶ Ongoing quality and cost efficiencies

***Lear Works in Partnership with Customers to
Eliminate Waste and Add Value***

Industry Challenge: Business Cycles



Lear Response: Flexible Cost Structure



Lear Advantage

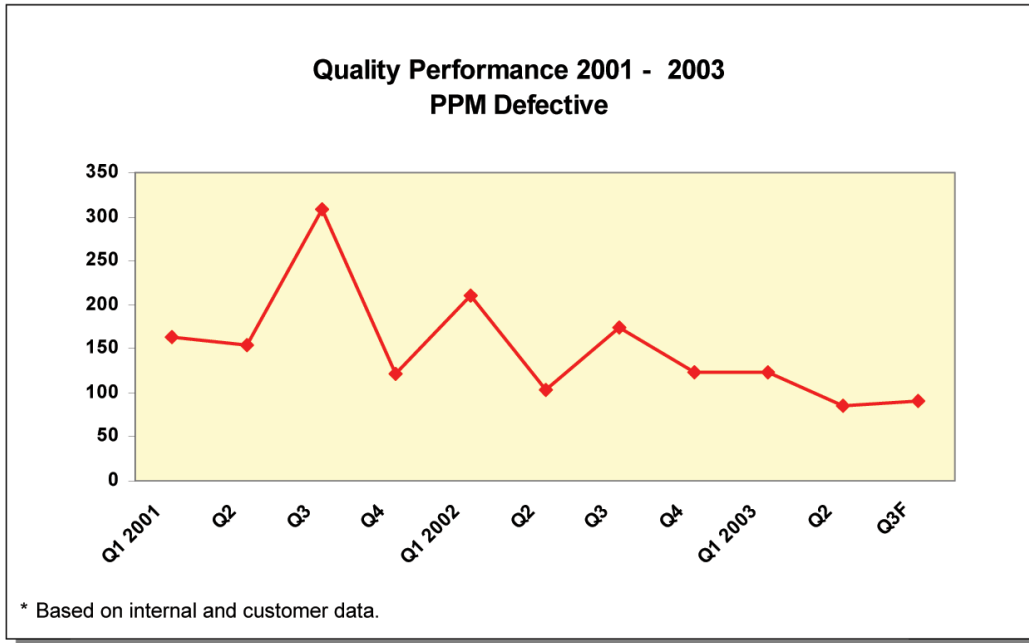
- ▶ High variable cost structure
- ▶ Highest-ever sales backlog
- ▶ No master labor agreement
- ▶ Low capital intensity business
- ▶ Legacy costs / pension liabilities not an issue

* Core operating margin is defined as income before interest, other expense and income taxes divided by net sales. Please see slides titled "Use of Non-GAAP Financial Information" at the end of this presentation.

- ▶▶ Aggressively grow content per vehicle
- ▶▶ Emphasize seats and electronics
- ▶▶ Source to lowest-cost countries
- ▶▶ Improve overall business structure
- ▶▶ Intense focus on quality and cost

***In a Challenging Environment, We are
Steadily Improving our Results in Europe***

European Operations



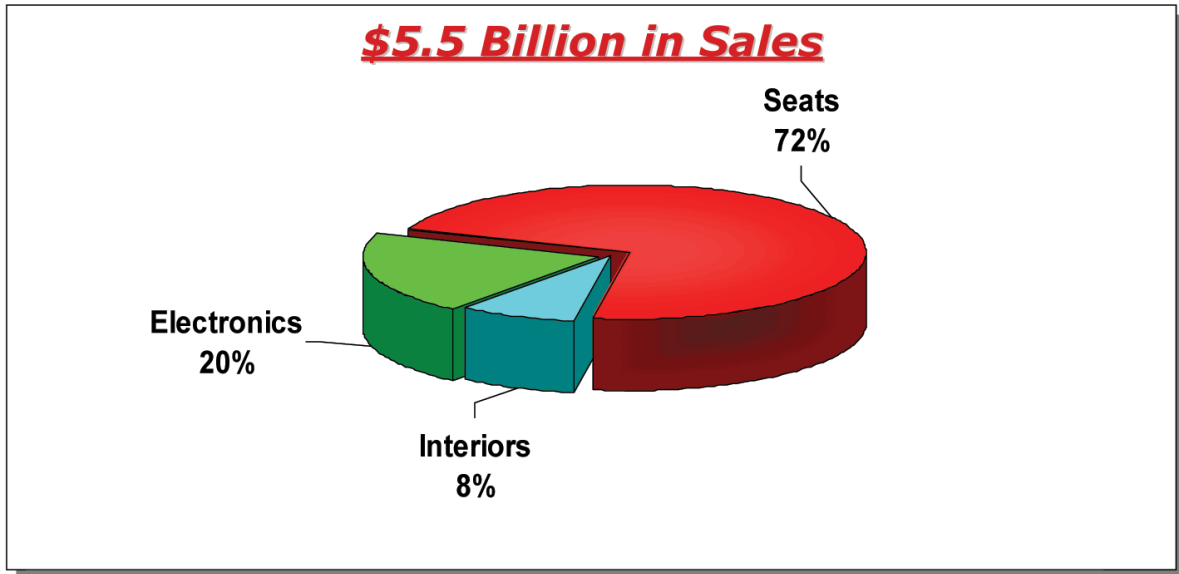
39% reduction year over year

Quality Recognitions

- GM Supplier of the Year
- Ford Silver Award
- Porsche Supplier of the Year
- Ferrari / Maserati Group Presidents Award
- Federal State Quality Award
- Cologne Engine Plant Certificate of Merit

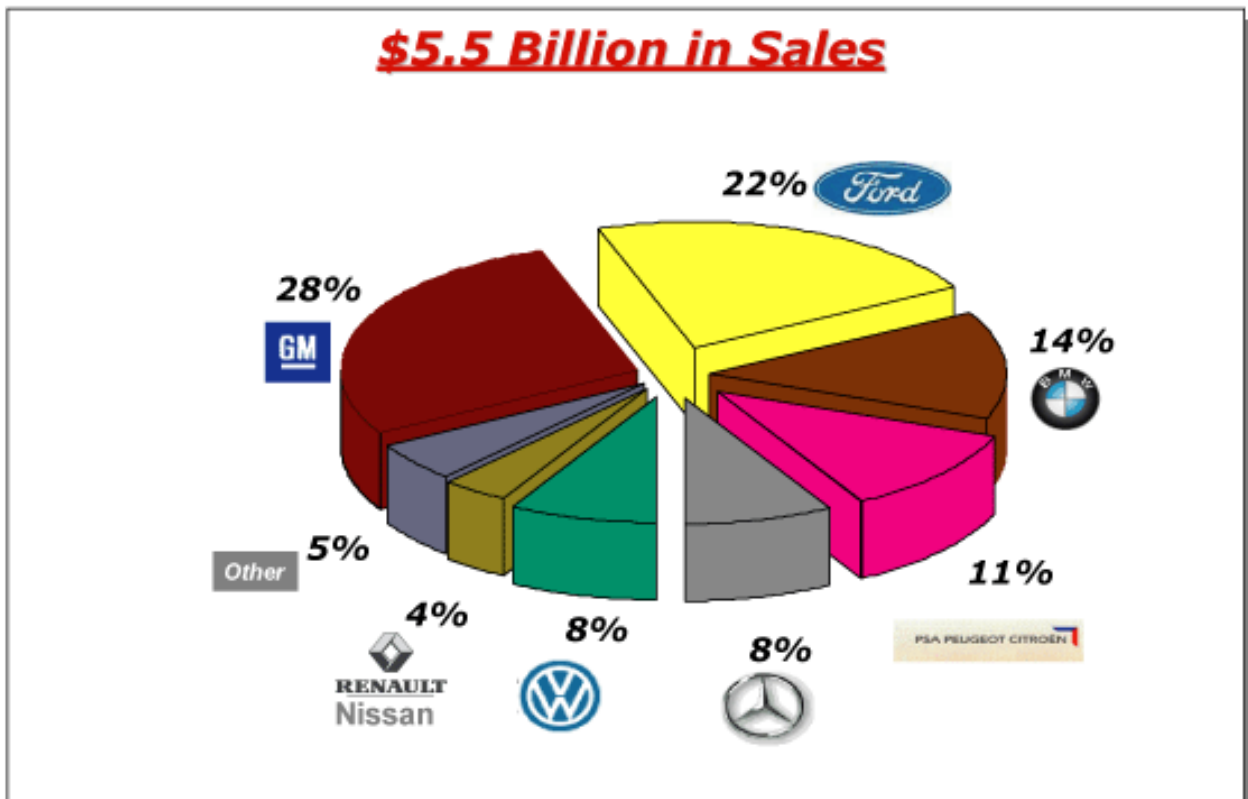


17 countries; 89 locations
37,000 employees



***European Operations Represent About 35%
of the Revenues of Lear Corporation***

Customer Mix



Volvo S40/V50
Electronics



Mazda 3/Axela
Electronics



Cadillac SRX
Seats



Ford C Max
Electronics



Land Rover Freelander
Electronics



BMW X3
Seats / Electronics



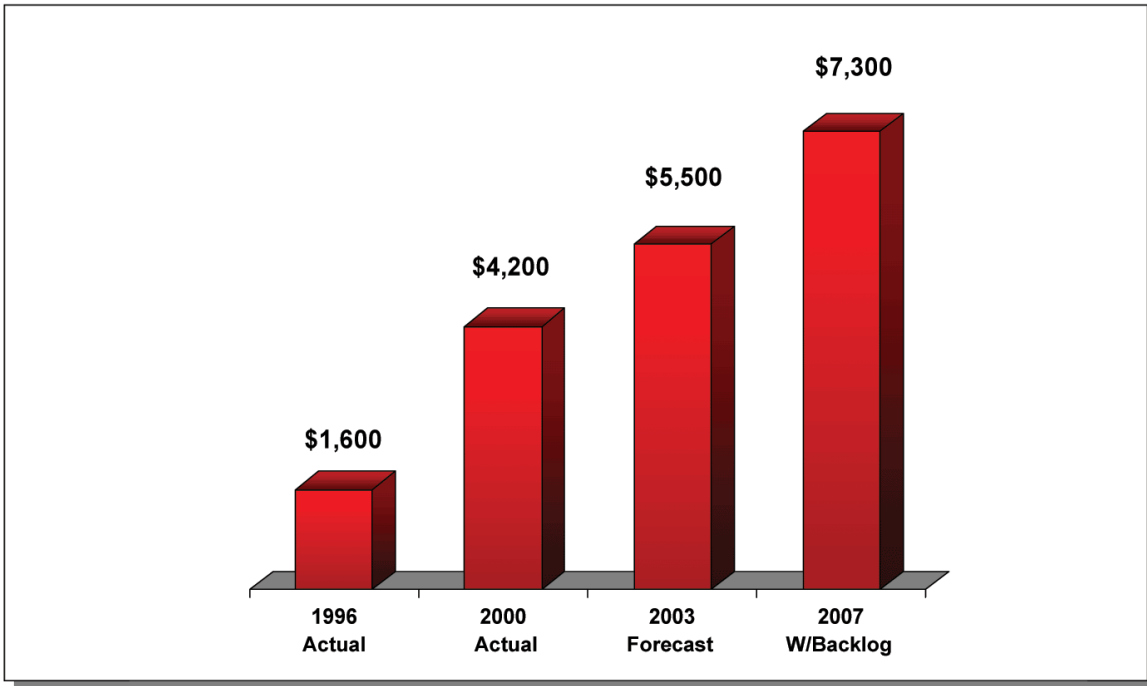
Citroen C2
Seats



European Growth



Net Sales (in millions)



- ▶▶ Develop core business
- ▶▶ Divest non-core businesses and assets
- ▶▶ Consolidate facilities - warehouses, engineering centers and manufacturing operations
- ▶▶ Expand Eastern Europe and Northern Africa Manufacturing Footprint

Continuous Focus on Improving the Business Structure and Reducing Costs

Electronics
Barcelona, Spain



Seats / Interiors
Frankfurt, Germany



- Identify « Best in Class » at component level
- Common hardware opportunities across platform and customers
- Traditional VA/VE cost reduction

Delivering Shareholder Value

Operational Improvements Support a Positive Financial Outlook



Operating Perspective

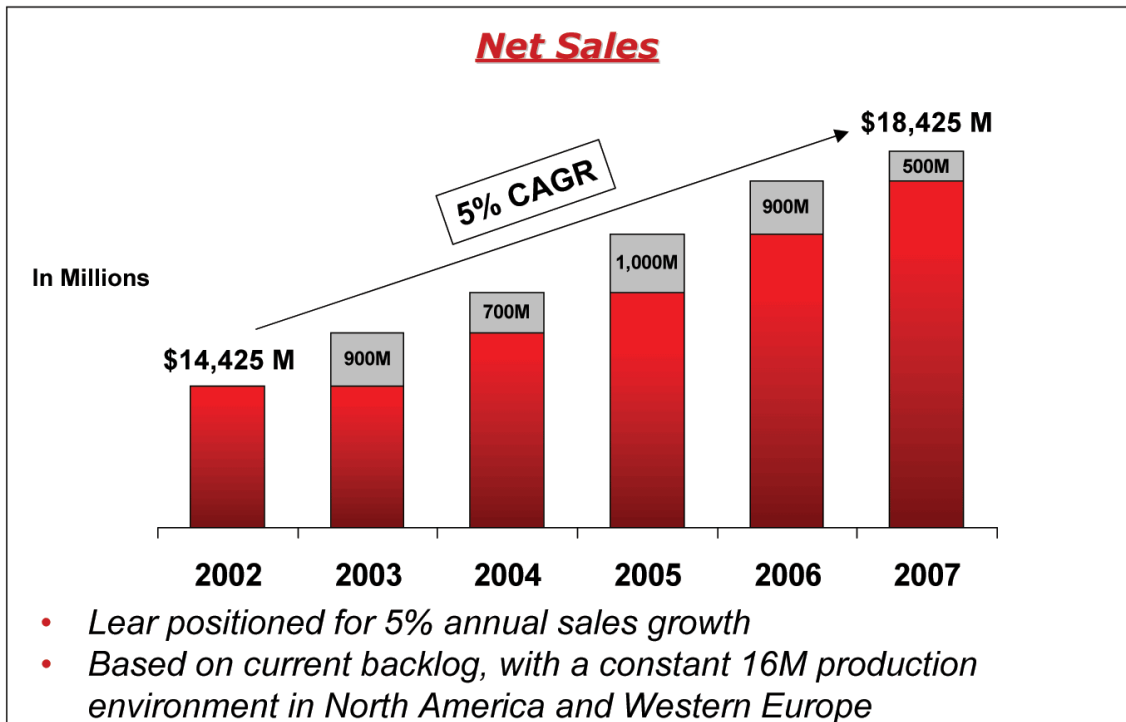
- Continuous improvement in quality, cost, speed, innovation and customer satisfaction

Financial Perspective

- Well positioned for sustainable growth; sales backlog at highest level ever
- Return on invested capital improving *
- Double-digit net income per share growth
- Continuing strong free cash flow *
- Solid and improving capital structure

Financial Outlook Remains Strong, Led by Our Customer-Focused and Performance-Driven Culture

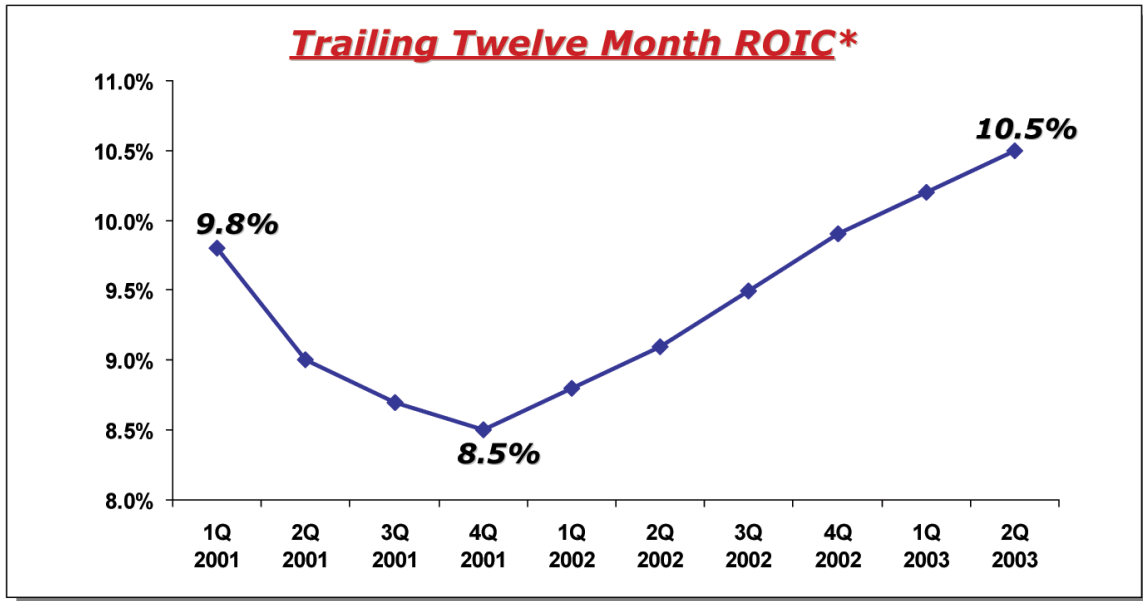
* Please see slides titled "Use of Non-GAAP Financial Information" at the end of this presentation.



Operating Results

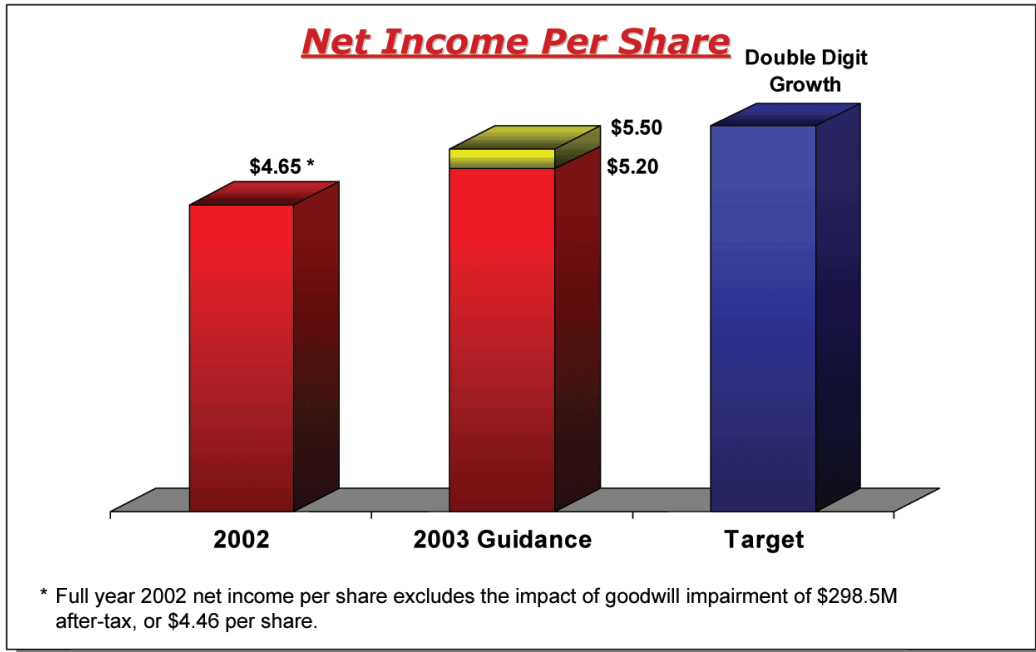


Return on Invested Capital Improving

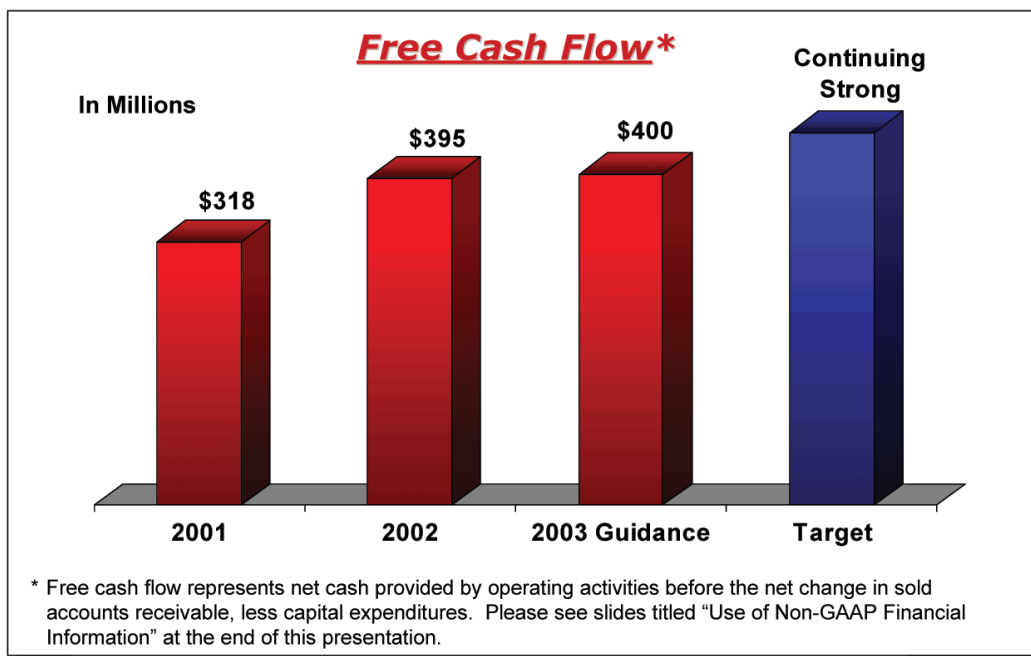


* Return on Invested Capital (ROIC) represents income before restructuring charges, amortization, interest, other expense and income taxes times (1 - effective tax rate) divided by average invested capital. Average invested capital is the sum of total assets, sold accounts receivable and the present value of operating leases (assuming a discount rate of 10%) less the sum of accounts payable and drafts and accrued liabilities, based on the account values on the last day of the prior four quarters. Please see slides titled "Use of Non-GAAP Financial Information" at the end of this presentation.

Net Income Per Share Double-Digit Growth



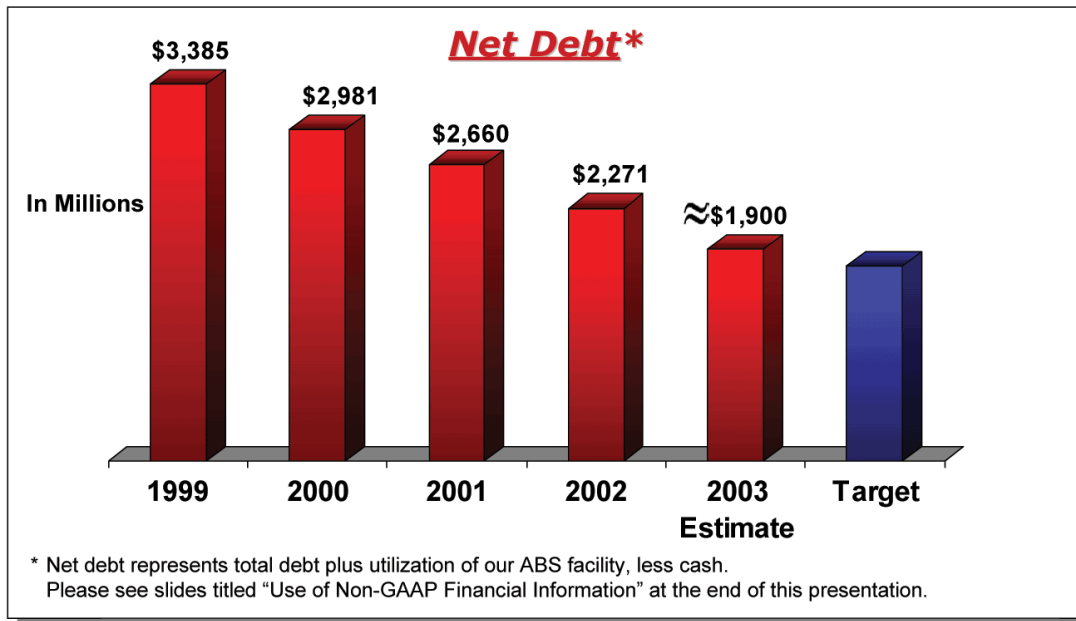
Free Cash Flow - Continuing Strong



Financial Leverage / Capital Structure -



Further Debt Reduction & Increased Financial Flexibility



Net Debt to Cap	70%	65%	63%	58%	High - 40% Range	Mid - 40% Range

Split Rated

	<u>Rating</u>	<u>Outlook</u>	<u>Action Taken</u>
S&P	BBB-	Stable	7/28/03 ✓
Moody's	Ba1	Stable	August 2002

Standard & Poor's

- Raised corporate credit and senior debt rating to investment grade
- Rating reflects:
 - Solid financial performance amid challenging industry conditions
 - Market leadership, diversity and flexible cost structure
 - Successful execution of ambitious growth strategy
- Rating assumes:
 - Disciplined growth profile going forward
 - Continued, consistent financial performance

Moody's

- Continuously review our performance

“Advantages”... of Investment Grade Status

- **Financial flexibility / access to capital**
 - *In a downturn*
 - *To respond to strategic opportunities*
- **Access to cheaper capital markets**
- **Ability to access market quickly**
 - *Less credit concern*
 - *Shorter road shows*
- **Enhanced credibility with customers / vendors**
 - *Financial strength nearer to competitors*
- **Less restrictive debt covenants**
- **Potential for P/E expansion**
 - *Access to broader universe of investors*
 - *Less volatile stock price through cycles*
 - *Signal to equity markets of lower-risk profile company*

- ▶▶ Fund Strategic Acquisitions
 - ▶▶ Fund New Business Opportunities
 - ▶▶ Initiate a Dividend
 - ▶▶ Repurchase Shares
 - ▶▶ Pre-Fund Pension and Healthcare Plans
 - ▶▶ Build Cash Balance
- 
- The diagram consists of three red arrows pointing to the right. The first arrow is positioned between the first two items of the list and points to the word 'Growth'. The second arrow is positioned between the third and fourth items and points to the words 'Shareholder Value'. The third arrow is positioned between the fifth and sixth items and points to the words 'Financial Strength'.



LEAR
CORPORATION

ADVANCE RELENTLESSLY™

NYSE: LEA

www.lear.com

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 certain non-GAAP financial measures. These measures include "income before interest, other expense and income taxes," "income before restructuring charges, amortization, interest, other expense and income taxes," "free cash flow," "ROIC" and "net debt." 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 borrowing activity. ROIC represents income before restructuring charges, amortization, interest, other expense and income taxes times (1 - effective tax rate) divided by average invested capital. Average invested capital is the sum of total assets, sold accounts receivable and the present value of operating leases (assuming a discount rate of 10%) less the sum of accounts payable and drafts and accrued liabilities, based on the account values on the last day of the prior four quarters. Net debt represents total debt plus utilization under our ABS facility, less cash.

Management believes that 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 income before interest, other expense and income taxes and income before restructuring charges, amortization, interest, other expense and income taxes 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 believes that free cash flow is useful in analyzing the Company's ability to service and repay its debt. Management believes that ROIC is a commonly used measure that provides useful information regarding the efficiency with which the Company's assets are deployed. Management believes that net debt is generally accepted as providing useful information regarding a company's financial condition. Further, management uses these non-GAAP measures for planning and forecasting in future periods.

Neither income before interest, other expense and income taxes, income before restructuring charges, amortization, interest, other expense and income taxes, free cash flow, ROIC nor net debt should be considered in isolation or as substitutes for net income, net cash provided by operating activities, total debt or other balance sheet or income or cash flow statement data prepared in accordance with GAAP or as measures of profitability or liquidity. In addition, the calculation of free cash flow does not reflect cash used to service debt, and thus 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.

Use of Non-GAAP Financial Information

Return on Invested Capital Earnings



(in millions)	<u>Twelve Months</u>		
	<u>Q2 2003</u>	<u>Q4 2001</u>	<u>Q1 2001</u>
<u>Income before restructuring charges, amortization, interest, other expense and income taxes</u>			
Income before income taxes	\$ 515.9	\$ 89.9	\$ 395.9
Restructuring charges	-	159.3	4.2
Amortization	-	90.2	90.1
Interest expense	203.6	254.7	313.9
Other expense, net	<u>59.8</u>	<u>85.8</u>	<u>44.1</u>
Income before restructuring charges, amortization, interest, other expense and income taxes (return on invested capital earnings)	<u>\$ 779.3</u>	<u>\$ 679.9</u>	<u>\$ 848.2</u>

Use of Non-GAAP Financial Information

Free Cash Flow



(in millions)

<u>Free cash flow</u>	<u>2002</u>	<u>2001</u>
Net cash provided by operating activities	\$ 545.1	\$ 829.8
Net change in sold accounts receivable	<u>122.2</u>	<u>(245.0)</u>
Net cash provided by operating activities <u>before</u> net change in sold accounts receivable	667.3	584.8
Capital expenditures	<u>(272.6)</u>	<u>(267.0)</u>
Free cash flow	<u><u>\$ 394.7</u></u>	<u><u>\$ 317.8</u></u>

Use of Non-GAAP Financial Information



Net Debt

(in millions)

Net Debt	2002	2001	2000	1999
Short-term borrowings	\$ 37.3	\$ 63.2	\$ 72.4	\$ 103.6
Current portion long-term debt	3.9	129.5	155.6	63.6
Long-term debt	<u>2,132.8</u>	<u>2,293.9</u>	<u>2,852.1</u>	<u>3,324.8</u>
Total debt	2,174.0	2,486.6	3,080.1	3,492.0
Cash	(91.7)	(87.6)	(98.8)	(106.9)
Asset backed securitization	<u>189.0</u>	<u>260.7</u>	-	-
Net debt	<u>\$ 2,271.3</u>	<u>\$ 2,659.7</u>	<u>\$ 2,981.3</u>	<u>\$ 3,385.1</u>

Forward Looking Statement



This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding anticipated financial results. 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 and fuel prices, fluctuations in the production of vehicles for which the Company is a supplier, labor disputes involving the Company or its significant customers or that otherwise affect the Company, the Company's ability to achieve cost reductions that offset or exceed customer-mandated selling price reductions, increases in warranty costs, risks associated with conducting business in foreign countries, fluctuations in currency exchange rates, adverse changes in economic conditions or political instability in the jurisdictions in which the Company operates, competitive conditions impacting the Company's key customers, raw material cost and availability, unanticipated changes in free cash flow and other risks detailed from time to time in the Company's Securities and Exchange Commission filings. These forward-looking statements are made as of the date hereof, and the Company does not assume any obligation to update them.