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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended October 3, 2026.

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____.

Commission file number: 001-11311

(Exact name of registrant as specified in its charter)

Delaware	**13-3386776**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

21557 Telegraph Road, Southfield, MI 48033
(Address of principal executive offices)

(248) 447-1500
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common stock, par value $0.01	**LEA**	**New York Stock Exchange**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer ☐
Non-accelerated filer	☐	Smaller reporting company ☐
		Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 27, 2026, the number of shares outstanding of the registrant's common stock was 48,192,039 shares.

LEAR CORPORATION AND SUBSIDIARIES

FORM 10-Q
FOR THE QUARTER ENDED OCTOBER 3, 2026

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LEAR CORPORATION AND SUBSIDIARIES

PART I — FINANCIAL INFORMATION

ITEM 1 — CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

INTRODUCTION TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

We have prepared the unaudited condensed consolidated financial statements of Lear Corporation and subsidiaries pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP") have been condensed or omitted pursuant to such rules and regulations. We believe that the disclosures are adequate to make the information presented not misleading when read in conjunction with the financial statements and the notes thereto included in our Annual Report on Form 10-K, as filed with the Securities and Exchange Commission, for the year ended December 31, 2025.

The financial information presented reflects all adjustments (consisting of normal recurring adjustments) which are, in our opinion, necessary for a fair presentation of the results of operations, cash flows and financial position for the interim periods presented. These results are not necessarily indicative of a full year's results of operations.

LEAR CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions, except share data)

	October 3, 2026 [1]	December 31, 2025
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 889.4	$ 1,033.0
Accounts receivable	4,076.0	3,902.8
Inventories	1,759.8	1,693.2
Other	1,285.7	1,034.0
Total current assets	8,010.9	7,663.0
LONG-TERM ASSETS:		
Property, plant and equipment, net	2,869.1	2,913.1
Goodwill	1,775.3	1,777.8
Other	2,612.3	2,489.2
Total long-term assets	7,256.7	7,180.1
Total assets	$ 15,267.6	$ 14,843.1
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Short-term borrowings	$ 29.3	$ 27.9
Accounts payable and drafts	3,776.6	3,416.5
Accrued liabilities	2,368.5	2,219.0
Current portion of long-term debt	641.3	3.7
Total current liabilities	6,815.7	5,667.1
LONG-TERM LIABILITIES:		
Long-term debt	2,075.4	2,711.5
Other	1,234.7	1,263.5
Total long-term liabilities	3,310.1	3,975.0
EQUITY:		
Preferred stock, 100,000,000 shares authorized (including 10,896,250 Series A convertible preferred stock); no shares outstanding	—	—
Common stock, $0.01 par value, 300,000,000 shares authorized; 64,571,405 shares issued as of October 3, 2026 and December 31, 2025	0.6	0.6
Additional paid-in capital	1,106.5	1,111.1
Common stock held in treasury, 16,379,366 and 13,924,658 shares as of October 3, 2026 and December 31, 2025, respectively, at cost	(2,040.1)	(1,721.3)
Retained earnings	6,570.8	6,189.0
Accumulated other comprehensive loss	(640.0)	(544.3)
Lear Corporation shareholders' equity	4,997.8	5,035.1
Noncontrolling interests	144.0	165.9
Equity	5,141.8	5,201.0
Total liabilities and equity	$ 15,267.6	$ 14,843.1

(1) Unaudited

The accompanying notes are an integral part of these condensed consolidated balance sheets.

LEAR CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited; in millions, except share and per share data)

	Three Months Ended		Nine Months Ended	
	October 3, 2026	September 27, 2025	October 3, 2026	September 27, 2025
Net sales	$ 5,773.0	$ 5,679.8	$ 17,805.2	$ 17,270.5
Cost of sales	5,390.7	5,316.1	16,502.3	16,108.5
Selling, general and administrative expenses	180.6	166.4	568.4	525.1
Amortization of intangible assets	4.7	4.8	14.6	14.7
Interest expense, net	20.9	24.6	70.7	75.8
Other expense, net	3.3	8.5	18.8	34.1
Consolidated income before provision for income taxes and equity in net income of affiliates	172.8	159.4	630.4	512.3
Provision for income taxes	42.2	45.1	129.1	131.9
Equity in net income of affiliates	(18.9)	(12.1)	(52.6)	(40.4)
Consolidated net income	149.5	126.4	553.9	420.8
Less: Net income attributable to noncontrolling interests	12.9	18.2	52.2	66.7
Net income attributable to Lear	**$ 136.6**	**$ 108.2**	**$ 501.7**	**$ 354.1**
Basic net income per share attributable to Lear (Note 13)	**$ 2.77**	**$ 2.03**	**$ 9.99**	**$ 6.60**
Diluted net income per share attributable to Lear (Note 13)	**$ 2.74**	**$ 2.02**	**$ 9.89**	**$ 6.56**
Cash dividends declared per share	**$ 0.77**	**$ 0.77**	**$ 2.31**	**$ 2.31**
Average common shares outstanding	**49,269,498**	**53,222,383**	**50,214,187**	**53,631,217**
Average diluted shares outstanding	**49,853,832**	**53,653,263**	**50,749,895**	**53,976,161**
Consolidated comprehensive income (Condensed Consolidated Statements of Equity)	$ 33.6	$ 174.8	$ 464.6	$ 965.4
Less: Comprehensive income attributable to noncontrolling interests	14.6	18.4	58.6	69.0
Comprehensive income attributable to Lear	$ 19.0	$ 156.4	$ 406.0	$ 896.4

The accompanying notes are an integral part of these condensed consolidated statements.

LEAR CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(Unaudited; in millions, except share and per share data)

	Three Months Ended October 3, 2026					
	Common Stock	Additional Paid-In Capital	Common Stock Held in Treasury	Retained Earnings	Accumulated Other Comprehensive Loss, Net of Tax	Lear Corporation Shareholders' Equity
Balance at July 4, 2026	$ 0.6	$ 1,097.0	$ (1,867.6)	$ 6,473.1	$ (522.4)	$ 5,180.7
Comprehensive income (loss):						
Net income	—	—	—	136.6	—	136.6
Other comprehensive income (loss)	—	—	—	—	(117.6)	(117.6)
Total comprehensive income (loss)	—	—	—	136.6	(117.6)	19.0
Stock-based compensation	—	15.8	—	—	—	15.8
Net issuance of 34,525 shares held in treasury in settlement of stock-based compensation	—	(6.3)	4.2	—	—	(2.1)
Repurchase of 1,375,917 shares of common stock at average price of $127.19 per share	—	—	(176.7)	—	—	(176.7)
Dividends declared to Lear Corporation shareholders	—	—	—	(38.9)	—	(38.9)
Dividends declared to noncontrolling interest holders	—	—	—	—	—	—
Balance at October 3, 2026	$ 0.6	$ 1,106.5	$ (2,040.1)	$ 6,570.8	$ (640.0)	$ 4,997.8

	Nine Months Ended October 3, 2026					
	Common Stock	Additional Paid-In Capital	Common Stock Held in Treasury	Retained Earnings	Accumulated Other Comprehensive Loss, Net of Tax	Lear Corporation Shareholders' Equity
Balance at January 1, 2026	$ 0.6	$ 1,111.1	$ (1,721.3)	$ 6,189.0	$ (544.3)	$ 5,035.1
Comprehensive income (loss):						
Net income	—	—	—	501.7	—	501.7
Other comprehensive income (loss)	—	—	—	—	(95.7)	(95.7)
Total comprehensive income (loss)	—	—	—	501.7	(95.7)	406.0
Stock-based compensation	—	53.7	—	—	—	53.7
Net issuance of 287,886 shares held in treasury in settlement of stock-based compensation	—	(58.3)	34.3	(0.8)	—	(24.8)
Repurchase of 2,742,594 shares of common stock at average price of $127.62 per share	—	—	(353.1)	—	—	(353.1)
Dividends declared to Lear Corporation shareholders	—	—	—	(119.1)	—	(119.1)
Dividends declared to noncontrolling interest holders	—	—	—	—	—	—
Balance at October 3, 2026	$ 0.6	$ 1,106.5	$ (2,040.1)	$ 6,570.8	$ (640.0)	$ 4,997.8

The accompanying notes are an integral part of these condensed consolidated statements.

LEAR CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(Unaudited; in millions, except share and per share data)

	Three Months Ended October 3, 2026		
	Lear Corporation Shareholders' Equity	Non-controlling Interests	Equity
Balance at July 4, 2026	$ 5,180.7	$ 144.0	$ 5,324.7
Comprehensive income (loss):			
Net income	136.6	12.9	149.5
Other comprehensive income (loss)	(117.6)	1.7	(115.9)
Total comprehensive income (loss)	19.0	14.6	33.6
Stock-based compensation	15.8	—	15.8
Net issuance of 34,525 shares held in treasury in settlement of stock-based compensation	(2.1)	—	(2.1)
Repurchase of 1,375,917 shares of common stock at average price of $127.19 per share	(176.7)	—	(176.7)
Dividends declared to Lear Corporation shareholders	(38.9)	—	(38.9)
Dividends declared to noncontrolling interest holders	—	(14.6)	(14.6)
Balance at October 3, 2026	$ 4,997.8	$ 144.0	$ 5,141.8

	Nine Months Ended October 3, 2026		
	Lear Corporation Shareholders' Equity	Non-controlling Interests	Equity
Balance at January 1, 2026	$ 5,035.1	$ 165.9	$ 5,201.0
Comprehensive income (loss):			
Net income	501.7	52.2	553.9
Other comprehensive income (loss)	(95.7)	6.4	(89.3)
Total comprehensive income (loss)	406.0	58.6	464.6
Stock-based compensation	53.7	—	53.7
Net issuance of 287,886 shares held in treasury in settlement of stock-based compensation	(24.8)	—	(24.8)
Repurchase of 2,742,594 shares of common stock at average price of $127.62 per share	(353.1)	—	(353.1)
Dividends declared to Lear Corporation shareholders	(119.1)	—	(119.1)
Dividends declared to noncontrolling interest holders	—	(80.5)	(80.5)
Balance at October 3, 2026	$ 4,997.8	$ 144.0	$ 5,141.8

The accompanying notes are an integral part of these condensed consolidated statements.

LEAR CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(Unaudited; in millions, except share and per share data)

	Three Months Ended September 27, 2025					
	Common Stock	Additional Paid-In Capital	Common Stock Held in Treasury	Retained Earnings	Accumulated Other Comprehensive Loss, Net of Tax	Lear Corporation Shareholders' Equity
Balance at June 28, 2025	$ 0.6	$ 1,088.7	$ (1,449.3)	$ 6,081.6	$ (639.6)	$ 5,082.0
Comprehensive income:						
Net income	—	—	—	108.2	—	108.2
Other comprehensive income	—	—	—	—	48.2	48.2
Total comprehensive income	—	—	—	108.2	48.2	156.4
Stock-based compensation	—	11.8	—	—	—	11.8
Net issuance of 35,360 shares held in treasury in settlement of stock-based compensation	—	(5.6)	4.9	(1.1)	—	(1.8)
Repurchase of 968,884 shares of common stock at average price of $103.34 per share	—	—	(101.1)	—	—	(101.1)
Dividends declared to Lear Corporation shareholders	—	—	—	(41.5)	—	(41.5)
Dividends declared to noncontrolling interest holders	—	—	—	—	—	—
Contribution from noncontrolling interest holder	—	—	—	—	—	—
Balance at September 27, 2025	$ 0.6	$ 1,094.9	$ (1,545.5)	$ 6,147.2	$ (591.4)	$ 5,105.8

	Nine Months Ended September 27, 2025					
	Common Stock	Additional Paid-In Capital	Common Stock Held in Treasury	Retained Earnings	Accumulated Other Comprehensive Loss, Net of Tax	Lear Corporation Shareholders' Equity
Balance at January 1, 2025	$ 0.6	$ 1,077.4	$ (1,423.6)	$ 5,931.0	$ (1,133.7)	$ 4,451.7
Comprehensive income:						
Net income	—	—	—	354.1	—	354.1
Other comprehensive income	—	—	—	—	542.3	542.3
Total comprehensive income	—	—	—	354.1	542.3	896.4
Stock-based compensation	—	48.7	—	—	—	48.7
Net issuance of 196,782 shares held in treasury in settlement of stock-based compensation	—	(31.2)	29.5	(10.3)	—	(12.0)
Repurchase of 1,503,004 shares of common stock at average price of $99.88 per share	—	—	(151.4)	—	—	(151.4)
Dividends declared to Lear Corporation shareholders	—	—	—	(127.6)	—	(127.6)
Dividends declared to noncontrolling interest holders	—	—	—	—	—	—
Contribution from noncontrolling interest holder	—	—	—	—	—	—
Balance at September 27, 2025	$ 0.6	$ 1,094.9	$ (1,545.5)	$ 6,147.2	$ (591.4)	$ 5,105.8

The accompanying notes are an integral part of these condensed consolidated statements.

LEAR CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(Unaudited; in millions, except share and per share data)

	Three Months Ended September 27, 2025		
	Lear Corporation Shareholders' Equity	Non-controlling Interests	Equity
Balance at June 28, 2025	$ 5,082.0	$ 128.7	$ 5,210.7
Comprehensive income:			
Net income	108.2	18.2	126.4
Other comprehensive income	48.2	0.2	48.4
Total comprehensive income	156.4	18.4	174.8
Stock-based compensation	11.8	—	11.8
Net issuance of 35,360 shares held in treasury in settlement of stock-based compensation	(1.8)	—	(1.8)
Repurchase of 968,884 shares of common stock at average price of $103.34 per share	(101.1)	—	(101.1)
Dividends declared to Lear Corporation shareholders	(41.5)	—	(41.5)
Dividends declared to noncontrolling interest holders	—	(11.5)	(11.5)
Contribution from noncontrolling interest holder	—	1.1	1.1
Balance at September 27, 2025	$ 5,105.8	$ 136.7	$ 5,242.5

	Nine Months Ended September 27, 2025		
	Lear Corporation Shareholders' Equity	Non-controlling Interests	Equity
Balance at January 1, 2025	$ 4,451.7	$ 149.3	$ 4,601.0
Comprehensive income:			
Net income	354.1	66.7	420.8
Other comprehensive income	542.3	2.3	544.6
Total comprehensive income	896.4	69.0	965.4
Stock-based compensation	48.7	—	48.7
Net issuance of 196,782 shares held in treasury in settlement of stock-based compensation	(12.0)	—	(12.0)
Repurchase of 1,503,004 shares of common stock at average price of $99.88 per share	(151.4)	—	(151.4)
Dividends declared to Lear Corporation shareholders	(127.6)	—	(127.6)
Dividends declared to noncontrolling interest holders	—	(83.7)	(83.7)
Contribution from noncontrolling interest holder	—	2.1	2.1
Balance at September 27, 2025	$ 5,105.8	$ 136.7	$ 5,242.5

The accompanying notes are an integral part of these condensed consolidated statements.

LEAR CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited; in millions)

	Nine Months Ended	
	October 3, 2026	September 27, 2025
Cash Flows from Operating Activities:		
Consolidated net income	$ 553.9	$ 420.8
Adjustments to reconcile consolidated net income to net cash provided by operating activities:		
Depreciation and amortization	451.9	448.2
Net change in recoverable customer engineering, development and tooling	(63.5)	31.7
Net change in working capital items (see below)	(30.3)	(355.3)
Other, net	(24.1)	67.5
Net cash provided by operating activities	887.9	612.9
Cash Flows from Investing Activities:		
Additions to property, plant and equipment	(468.2)	(366.8)
Other, net	13.9	41.2
Net cash used in investing activities	(454.3)	(325.6)
Cash Flows from Financing Activities:		
Repurchases of common stock	(350.0)	(150.1)
Dividends paid to Lear Corporation shareholders	(119.2)	(125.4)
Dividends paid to noncontrolling interests	(81.1)	(84.2)
Other, net	(28.6)	10.9
Net cash used in financing activities	(578.9)	(348.8)
Effect of foreign currency translation	3.1	20.5
Net Change in Cash, Cash Equivalents and Restricted Cash	(142.2)	(41.0)
Cash, Cash Equivalents and Restricted Cash as of Beginning of Period	1,035.3	1,055.4
Cash, Cash Equivalents and Restricted Cash as of End of Period	$ 893.1	$ 1,014.4
Changes in Working Capital Items:		
Accounts receivable	$ (188.7)	$ (427.9)
Inventories	(86.8)	(73.6)
Accounts payable	353.5	197.5
Accrued liabilities and other	(108.3)	(51.3)
Net change in working capital items	$ (30.3)	$ (355.3)
Supplementary Disclosure:		
Cash paid for interest	$ 78.0	$ 81.4
Cash paid for income taxes, net of refunds received	$ 201.2	$ 212.9

The accompanying notes are an integral part of these condensed consolidated statements.

LEAR CORPORATION AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(1) Basis of Presentation

Lear Corporation ("Lear," and together with its consolidated subsidiaries, the "Company") and its affiliates design, develop, engineer and manufacture complete seat systems, key seat components, complete electrical distribution and connection systems, high-voltage power distribution products, including battery disconnect units ("BDUs"), and low-voltage power distribution products and electronic controllers. The Company's main customers are major automotive manufacturers. The Company operates facilities worldwide.

The accompanying condensed consolidated financial statements include the accounts of Lear, a Delaware corporation, and the wholly-owned and less than wholly-owned subsidiaries controlled by Lear. In addition, Lear consolidates all entities in which it has a controlling financial interest. Investments in affiliates in which Lear does not have control, but does have the ability to exercise significant influence over operating and financial policies, are accounted for under the equity method.

The Company's annual financial results are reported on a calendar year basis, and quarterly interim results are reported using a thirteen week reporting calendar.

(2) Restructuring

Restructuring costs include employee termination benefits, asset impairment charges and contract termination costs, as well as other incremental net costs resulting from the restructuring actions. Employee termination benefits are recorded based on existing union and employee contracts, statutory requirements, completed negotiations and Company policy. Other incremental net costs principally include equipment and personnel relocation costs and gains and losses on the sales of facilities. In addition to restructuring costs, the Company also incurs incremental manufacturing inefficiency and other charges at the operating locations impacted by the restructuring actions during the related restructuring implementation period. Restructuring costs are recognized in the Company's condensed consolidated financial statements in accordance with GAAP. Generally, charges are recorded as restructuring actions are approved, communicated and/or implemented.

A summary of the changes in the Company's restructuring reserves is shown below (in millions):

Balance at January 1, 2026	$	91.0
Provision for employee termination benefits		93.6
Payments, utilizations and foreign currency		(139.8)
Balance at October 3, 2026	$	44.8

Charges recorded in connection with the Company's restructuring actions are shown below (in millions):

	Nine Months Ended	
	October 3, 2026	September 27, 2025
Employee termination benefits	$ 93.6	$ 137.0
Asset impairments:		
Property, plant and equipment	11.7	11.2
Right-of-use assets	0.7	0.1
Contract termination costs	1.3	4.0
Other related costs	7.1	3.7
	$ 114.4	$ 156.0

Restructuring charges by income statement account are shown below (in millions):

	Nine Months Ended	
	October 3, 2026	September 27, 2025
Cost of sales	$ 99.4	$ 141.4
Selling, general and administrative expenses	16.6	17.4
Other income, net	(1.6)	(2.8)
	$ 114.4	$ 156.0

Restructuring charges by operating segment are shown below (in millions):

	Three Months Ended		Nine Months Ended	
	October 3, 2026	September 27, 2025	October 3, 2026	September 27, 2025
Seating	$ 26.3	$ 21.7	$ 73.2	$ 98.0
E-Systems	16.2	15.9	33.8	49.6
Other	2.9	0.6	7.4	8.4
	$ 45.4	$ 38.2	$ 114.4	$ 156.0

The Company expects to incur approximately $21 million and approximately $12 million of additional restructuring charges in its Seating and E-Systems segments, respectively, related to activities initiated as of October 3, 2026, and expects that the components of such costs will be consistent with its historical experience.

(3) Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is determined using standard costing, which approximates actual cost on a first-in, first-out method. Finished goods and work-in-process inventories include material, labor and manufacturing overhead costs. The Company records reserves for inventory in excess of production and/or forecasted requirements and for obsolete inventory in production and service inventories.

A summary of inventories is shown below (in millions):

	October 3, 2026	December 31, 2025
Raw materials	$ 1,326.7	$ 1,254.6
Work-in-process	154.2	129.0
Finished goods	492.4	518.8
Reserves	(213.5)	(209.2)
Inventories	$ 1,759.8	$ 1,693.2

(4) Pre-Production Costs Related to Long-Term Supply Agreements

The Company incurs pre-production engineering and development ("E&D") and tooling costs related to the products supplied to its customers under long-term supply agreements. The Company expenses all pre-production E&D costs for which reimbursement is not contractually guaranteed by the customer. In addition, the Company expenses all pre-production tooling costs related to customer-owned tools for which reimbursement is not contractually guaranteed by the customer or for which the Company does not have a non-cancelable right to use the tooling.

During the first nine months of 2026 and 2025, the Company capitalized $242.2 million and $216.2 million, respectively, of pre-production E&D costs for which reimbursement is contractually guaranteed by the customer. During the first nine months of 2026 and 2025, the Company also capitalized $102.7 million and $79.4 million, respectively, of pre-production tooling costs related to customer-owned tools for which reimbursement is contractually guaranteed by the customer or for which the Company has a non-cancelable right to use the tooling.

During the first nine months of 2026 and 2025, the Company collected $304.8 million and $343.2 million, respectively, of cash related to E&D and tooling costs.

The classification of recoverable customer E&D and tooling costs related to long-term supply agreements included in the accompanying condensed consolidated balance sheets is shown below (in millions):

	October 3, 2026	December 31, 2025
Other current assets	$ 232.4	$ 190.8
Other long-term assets	164.7	149.1
Recoverable customer E&D and tooling	$ 397.1	$ 339.9

(5) Long-Lived Assets

Property, Plant and Equipment

Property, plant and equipment is stated at cost. Costs associated with the repair and maintenance of the Company's property, plant and equipment are expensed as incurred. Costs associated with improvements which extend the life, increase the capacity or improve the efficiency or safety of the Company's property, plant and equipment are capitalized and depreciated over the remaining useful life of the related asset. Depreciable property is depreciated over the estimated useful lives of the assets, using principally the straight-line method.

A summary of property, plant and equipment is shown below (in millions):

	October 3, 2026	December 31, 2025
Land	$ 97.3	$ 102.9
Buildings and improvements	1,003.1	1,004.0
Machinery and equipment	6,137.3	5,984.9
Construction in progress	407.7	355.3
Total property, plant and equipment	7,645.4	7,447.1
Less – accumulated depreciation	(4,776.3)	(4,534.0)
Property, plant and equipment, net	$ 2,869.1	$ 2,913.1

Depreciation expense was $146.7 million and $147.5 million in the three months ended October 3, 2026 and September 27, 2025, respectively, and $437.3 million and $433.5 million in the nine months ended October 3, 2026 and September 27, 2025, respectively.

The Company monitors its long-lived assets for impairment indicators on an ongoing basis in accordance with GAAP. If impairment indicators exist, the Company performs the required impairment analysis by comparing the undiscounted cash flows expected to be generated from the long-lived assets to the related net book values. If the net book value exceeds the undiscounted cash flows, an impairment loss is measured and recognized. An impairment loss is measured as the difference between the net book value and the fair value of the long-lived asset. Fair value estimates of long-lived assets are based on independent appraisals or discounted cash flows, giving consideration to the highest and best use of the assets. Key assumptions used in the appraisals are based on a combination of market and cost approaches, as appropriate.

In the first nine months of 2026 and 2025, the Company recognized property, plant and equipment impairment charges of $11.7 million and $11.2 million, respectively, in conjunction with its restructuring actions (Note 2, "Restructuring"). In the first nine months of 2026 and 2025, the Company recognized additional property, plant and equipment impairment charges of $4.4 million and $0.4 million, respectively. The impairment charges are included in cost of sales in the accompanying condensed consolidated statements of comprehensive income.

(6) Goodwill

A summary of the changes in the carrying amount of goodwill, by operating segment, in the nine months ended October 3, 2026, is shown below (in millions):

	Seating	E-Systems	Total
Balance at January 1, 2026	$ 1,375.2	$ 402.6	$ 1,777.8
Foreign currency translation and other	(7.9)	5.4	(2.5)
Balance at October 3, 2026	$ 1,367.3	$ 408.0	$ 1,775.3

Goodwill is not amortized but is tested for impairment on at least an annual basis. Impairment testing is required more often than annually if an event or circumstance indicates that an impairment is more likely than not to have occurred. In conducting its annual impairment testing, the Company may first perform a qualitative assessment of whether it is more likely than not that a reporting unit's fair value is less than its carrying amount. If not, no further goodwill impairment testing is required. If it is more likely than not that a reporting unit's fair value is less than its carrying amount, or if the Company elects not to perform a qualitative assessment of a reporting unit, the Company then compares the fair value of the reporting unit to the related net book value. If the net book value of a reporting unit exceeds its fair value, an impairment loss is measured and recognized. The annual goodwill impairment assessment is completed as of the first day of the Company's fourth quarter.

There were no goodwill impairment indicators in the first nine months of 2026 and 2025. The Company will, however, continue to assess the impact of significant industry and other events on its recorded goodwill.

(7) Debt

Short-Term Borrowings

The Company utilizes uncommitted lines of credit as needed for its short-term working capital fluctuations. As of October 3, 2026 and December 31, 2025, the Company had lines of credit from banks totaling $378.5 million and $382.5 million, respectively. As of October 3, 2026 and December 31, 2025, the Company had short-term debt balances outstanding related to draws on its lines of credit of $29.3 million and $27.9 million, respectively.

Long-Term Debt

A summary of long-term debt, net of unamortized debt issuance costs and unamortized original issue premium (discount), and the related weighted average interest rates is shown below (in millions):

	October 3, 2026				
Debt Instrument	Long-Term Debt	Unamortized Debt Issuance Costs	Unamortized Original Issue Premium (Discount)	Long-Term Debt, Net	Weighted Average Interest Rate
Delayed-Draw Term Loan Facility (the "Term Loan")	$ 50.0	$ —	$ —	$ 50.0	4.886%
3.8% Senior Notes due 2027 (the "2027 Notes")	550.0	(0.4)	(0.4)	549.2	3.885%
4.25% Senior Notes due 2029 (the "2029 Notes")	375.0	(0.8)	(0.3)	373.9	4.288%
3.5% Senior Notes due 2030 (the "2030 Notes")	350.0	(1.0)	(0.3)	348.7	3.525%
2.6% Senior Notes due 2032 (the "2032 Notes")	350.0	(1.7)	(0.4)	347.9	2.624%
5.25% Senior Notes due 2049 (the "2049 Notes")	625.0	(5.0)	11.3	631.3	5.103%
3.55% Senior Notes due 2052 (the "2052 Notes")	350.0	(3.3)	(0.5)	346.2	3.558%
Other	69.5	—	—	69.5	N/A
	$ 2,719.5	$ (12.2)	$ 9.4	2,716.7	
Less — Current portion				(641.3)	
Long-term debt				$ 2,075.4	

	December 31, 2025				
Debt Instrument	Long-Term Debt	Unamortized Debt Issuance Costs	Unamortized Original Issue Premium (Discount)	Long-Term Debt, Net	Weighted Average Interest Rate
Term Loan	$ 50.0	$ —	$ —	$ 50.0	4.772%
2027 Notes	550.0	(0.7)	(0.7)	548.6	3.885%
2029 Notes	375.0	(1.1)	(0.4)	373.5	4.288%
2030 Notes	350.0	(1.2)	(0.3)	348.5	3.525%
2032 Notes	350.0	(1.9)	(0.5)	347.6	2.624%
2049 Notes	625.0	(5.2)	11.7	631.5	5.103%
2052 Notes	350.0	(3.4)	(0.5)	346.1	3.558%
Other	69.4	—	—	69.4	N/A
	$ 2,719.4	$ (13.5)	$ 9.3	2,715.2	
Less — Current portion				(3.7)	
Long-term debt				$ 2,711.5	

Senior Notes

The issuance, maturity and interest payment dates of the Company's senior unsecured 2027 Notes, 2029 Notes, 2030 Notes, 2032 Notes, 2049 Notes and 2052 Notes (collectively, the "Notes") are shown below:

Note	Issuance Date(s)	Maturity Date	Interest Payment Dates
2027 Notes	August 2017	September 15, 2027	March 15 and September 15
2029 Notes	May 2019	May 15, 2029	May 15 and November 15
2030 Notes	February 2020	May 30, 2030	May 30 and November 30
2032 Notes	November 2021	January 15, 2032	January 15 and July 15
2049 Notes	May 2019 and February 2020	May 15, 2049	May 15 and November 15
2052 Notes	November 2021	January 15, 2052	January 15 and July 15

Subject to certain exceptions, the indentures governing the Notes contain restrictive covenants that, among other things, limit the ability of the Company to: (i) create or permit certain liens and (ii) consolidate, merge or sell all or substantially all of the Company's assets. The indentures governing the Notes also provide for customary events of default.

As of October 3, 2026, the Company was in compliance with all covenants under the indentures governing the Notes.

Credit Agreement

The Company's amended and restated $2.0 billion unsecured revolving credit agreement (the "Credit Agreement") matures July 24, 2030.

In the nine months ended October 3, 2026 and September 27, 2025, there were no borrowings or repayments under the Credit Agreement. As of October 3, 2026 and December 31, 2025, there were no borrowings outstanding under the Credit Agreement.

Advances under the Credit Agreement generally bear interest based on (i) Term Benchmark, Central Bank Rate and Risk Free Rate ("RFR") (in each case, as defined in the Credit Agreement) or (ii) Alternate Base Rate ("ABR") and Canadian Prime Rate (in each case, as defined in the Credit Agreement). As of October 3, 2026, the ranges and rates are as follows (in percentages):

	Term Benchmark, Central Bank Rate and RFR Loans			ABR and Canadian Prime Rate Loans		
	Minimum	Maximum	Rate as of October 3, 2026	Minimum	Maximum	Rate as of October 3, 2026
Credit Agreement	0.925 %	1.450 %	1.125 %	0.000 %	0.450 %	0.125 %

A facility fee, which ranges from 0.075% to 0.20% of the total amount committed under the Credit Agreement, is payable quarterly.

The Credit Agreement contains various customary representations, warranties and covenants by the Company, including, without limitation, (i) covenants regarding maximum leverage, (ii) limitations on fundamental changes involving the Company or its subsidiaries and (iii) limitations on indebtedness and liens.

As of October 3, 2026, the Company was in compliance with all covenants under the Credit Agreement.

Term Loan

As of October 3, 2026 and December 31, 2025, the Company had $50.0 million outstanding under its unsecured delayed-draw term loan facility (the "Term Loan"), which matures September 30, 2027.

Advances under the Term Loan generally bear interest based on the Daily or Term SOFR (as defined in the Term Loan agreement) plus a margin determined in accordance with a pricing grid that ranges from 0.875% to 1.375%. As of October 3, 2026, the interest rate was 4.886%. The Term Loan contains the same covenants as the Credit Agreement.

As of October 3, 2026, the Company was in compliance with all covenants under the Term Loan.

Other

As of October 3, 2026 and December 31, 2025, other long-term debt, including the current portion, consisted of amounts outstanding under unsecured working capital loans and finance lease agreements.

For further information related to the Company's debt, see Note 5, "Debt," to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

(8) Leases

The Company has operating leases for production, office and warehouse facilities, manufacturing and office equipment and vehicles. Operating lease assets and obligations included in the accompanying condensed consolidated balance sheets are shown below (in millions):

	October 3, 2026	December 31, 2025
Right-of-use assets under operating leases:		
Other long-term assets	$ 727.2	$ 722.4
Lease obligations under operating leases:		
Accrued liabilities	$ 172.5	$ 169.4
Other long-term liabilities	589.2	594.9
	$ 761.7	$ 764.3

Maturities of lease obligations are shown below (in millions):

	October 3, 2026
2026 [1]	$ 53.1
2027	196.9
2028	165.2
2029	123.6
2030	97.6
Thereafter	235.3
Total undiscounted cash flows	871.7
Less: Imputed interest	(110.0)
Lease obligations under operating leases	$ 761.7

[1] For the remaining three months.

In the first nine months of 2026, the Company entered into two operating leases, one of which has a lease term of twenty-one years that is expected to commence in the second quarter of 2027 and the other of which has a lease term of ten years that is expected to commence in the second quarter of 2027. The total right-of-use asset and related lease obligation are expected to be approximately $55 million.

In the first nine months of 2025, the Company entered into an operating lease with a lease term of fifteen years that is expected to commence in the fourth quarter of 2026. The right-of-use asset and related lease obligation are expected to be approximately $11 million.

Cash flow information related to operating leases is shown below (in millions):

	Nine Months Ended	
	October 3, 2026	September 27, 2025
Non-cash activity:		
Right-of-use assets obtained in exchange for operating lease obligations	$ 152.3	$ 115.9
Operating cash flows:		
Cash paid related to operating lease obligations	$ 155.3	$ 149.1

Lease expense included in the accompanying condensed consolidated statements of comprehensive income is shown below (in millions):

	Three Months Ended		Nine Months Ended	
	October 3, 2026	September 27, 2025	October 3, 2026	September 27, 2025
Operating lease expense	$ 53.7	$ 50.1	$ 154.4	$ 145.8
Short-term lease expense	6.0	5.3	18.4	15.8
Variable lease expense	2.2	2.7	7.6	6.0
Total lease expense	$ 61.9	$ 58.1	$ 180.4	$ 167.6

The Company incurred usage-based employee transportation costs of $11.4 million and $11.3 million in the three months ended October 3, 2026 and September 27, 2025, respectively, and $32.9 million and $32.3 million in the nine months ended October 3, 2026 and September 27, 2025, respectively.

In the nine months ended October 3, 2026 and September 27, 2025, the Company recognized impairment charges of $0.7 million and $0.1 million, respectively, related to its right-of-use assets in conjunction with its restructuring actions (Note 2, "Restructuring"). The impairment charges are included in cost of sales in the accompanying condensed consolidated statement of comprehensive income.

The weighted average lease term and discount rate for operating leases are shown below:

	October 3, 2026
Weighted average remaining lease term	Six years
Weighted average discount rate	4.1 %

The Company is party to finance lease agreements, which are not material to the accompanying condensed consolidated financial statements (Note 7, "Debt").

For further information related to the Company's leases, see Note 6, "Leases," to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

(9) Pension and Other Postretirement Benefit Plans

The Company has noncontributory defined benefit pension plans covering certain domestic employees and certain employees in foreign countries, principally Canada. The Company also has postretirement benefit plans covering certain domestic and Canadian retirees. The Company's postretirement benefit plans generally provide for the continuation of medical benefits for eligible retirees.

Net Periodic Pension Benefit Cost and Other Postretirement Benefit (Credit) Cost

The components of the Company's net periodic pension benefit cost are shown below (in millions):

	Three Months Ended				Nine Months Ended			
	October 3, 2026		September 27, 2025		October 3, 2026		September 27, 2025	
	U.S.	Foreign	U.S.	Foreign	U.S.	Foreign	U.S.	Foreign
Service cost	$ —	$ 0.8	$ —	$ 1.0	$ —	$ 2.5	$ —	$ 2.9
Interest cost	4.3	3.9	4.4	3.9	13.1	11.8	13.4	11.5
Expected return on plan assets	(4.1)	(3.5)	(4.0)	(3.9)	(12.4)	(10.7)	(12.2)	(11.5)
Amortization of actuarial loss	0.2	0.4	0.1	0.4	0.6	1.2	0.4	1.2
Settlement gain	—	—	—	—	(0.1)	—	(0.1)	—
Net periodic benefit cost	$ 0.4	$ 1.6	$ 0.5	$ 1.4	$ 1.2	$ 4.8	$ 1.5	$ 4.1

The components of the Company's net periodic other postretirement benefit (credit) cost are shown below (in millions):

	Three Months Ended				Nine Months Ended			
	October 3, 2026		September 27, 2025		October 3, 2026		September 27, 2025	
	U.S.	Foreign	U.S.	Foreign	U.S.	Foreign	U.S.	Foreign
Interest cost	$ 0.3	$ 0.2	$ 0.4	$ 0.2	$ 1.0	$ 0.6	$ 1.1	$ 0.5
Amortization of actuarial gain	(0.6)	—	(0.6)	(0.1)	(1.8)	—	(2.0)	(0.2)
Amortization of prior service credit	—	—	(0.1)	—	(0.1)	—	(0.1)	—
Net periodic benefit (credit) cost	$ (0.3)	$ 0.2	$ (0.3)	$ 0.1	$ (0.9)	$ 0.6	$ (1.0)	$ 0.3

For further information related to the Company's pension and other postretirement benefit plans, see Note 8, "Pension and Other Postretirement Benefit Plans," to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

(10) Revenue Recognition

The Company enters into contracts with its customers to provide production parts generally at the beginning of a vehicle's life cycle. Typically, these contracts do not provide for a specified quantity of products, but once entered into, the Company is often expected to fulfill its customers' purchasing requirements for the production life of the vehicle. Many of these contracts may be terminated by the Company's customers at any time. Historically, terminations of these contracts have been infrequent. The Company receives purchase orders from its customers, which provide the commercial terms for a particular production part, including price (but not quantities). Contracts may also provide for annual price reductions over the production life of the vehicle, and prices may be adjusted on an ongoing basis to reflect changes in product content/cost and other commercial factors.

Revenue is recognized at a point in time when control of the product is transferred to the customer under standard commercial terms, as the Company does not have an enforceable right to payment prior to such transfer. The amount of revenue recognized reflects the consideration that the Company expects to be entitled to in exchange for those products based on the current purchase orders, annual price reductions and ongoing price adjustments. In the first nine months of 2026 and 2025, revenue recognized related to prior years represented approximately 1% of consolidated net sales (excluding the reversal of certain 2025 tariff recoveries in the first nine months of 2026). The Company's customers pay for products received in accordance with payment terms that are customary within the industry. The Company's contracts with its customers do not have significant financing components.

The Company records a contract liability for advances received from its customers. As of October 3, 2026 and December 31, 2025, there were no significant contract liabilities recorded. Further, in the first nine months of 2026 and 2025, there were no significant contract liabilities recognized in revenue.

Amounts billed to customers related to shipping and handling costs are included in net sales in the condensed consolidated statements of comprehensive income. Shipping and handling costs are accounted for as fulfillment costs and are included in cost of sales in the condensed consolidated statements of comprehensive income.

Taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction that are collected by the Company from a customer are excluded from revenue.

A summary of the Company's revenue by reportable operating segment and geography is shown below (in millions):

	Three Months Ended					
	October 3, 2026			September 27, 2025		
	Seating	E-Systems	Total	Seating	E-Systems	Total
North America	$ 2,057.3	$ 480.6	$ 2,537.9	$ 2,032.4	$ 548.6	$ 2,581.0
Europe and Africa	1,395.6	586.6	1,982.2	1,233.1	532.4	1,765.5
Asia	707.1	270.6	977.7	817.4	265.4	1,082.8
South America	166.1	109.1	275.2	166.7	83.8	250.5
	$ 4,326.1	$ 1,446.9	$ 5,773.0	$ 4,249.6	$ 1,430.2	$ 5,679.8

	Nine Months Ended					
	October 3, 2026			September 27, 2025		
	Seating	E-Systems	Total	Seating	E-Systems	Total
North America	$ 6,005.6	$ 1,254.3	$ 7,259.9	$ 5,827.7	$ 1,521.4	$ 7,349.1
Europe and Africa	4,590.3	2,019.2	6,609.5	4,195.1	1,795.7	5,990.8
Asia	2,282.5	905.5	3,188.0	2,428.4	870.6	3,299.0
South America	476.2	271.6	747.8	423.4	208.2	631.6
	$ 13,354.6	$ 4,450.6	$ 17,805.2	$ 12,874.6	$ 4,395.9	$ 17,270.5

(11) Other Expense, Net

Other expense, net includes non-income related taxes, foreign exchange gains and losses, gains and losses related to certain derivative instruments and hedging activities, gains and losses on certain disposals of assets, the non-service cost components of net periodic benefit cost and other miscellaneous income and expense.

A summary of other expense, net is shown below (in millions):

	Three Months Ended		Nine Months Ended	
	October 3, 2026	September 27, 2025	October 3, 2026	September 27, 2025
Other expense	$ 6.8	$ 16.0	$ 28.6	$ 49.8
Other income	(3.5)	(7.5)	(9.8)	(15.7)
Other expense, net	$ 3.3	$ 8.5	$ 18.8	$ 34.1

In the three months ended October 3, 2026, other income includes net foreign currency transaction gains of $3.3 million, including losses of $0.8 million related to the hyper-inflationary environment in Argentina. In the nine months ended October 3, 2026, other expense includes net foreign currency transaction losses of $10.4 million, including $1.4 million related to the hyper-inflationary environment in Argentina.

In the three and nine months ended September 27, 2025, other expense includes net foreign currency transaction losses of $8.9 million and $26.2 million, respectively, including losses of $4.0 million and $8.6 million, respectively, related to the hyper-inflationary environment in Argentina. In the nine months ended September 27, 2025, other expense also includes a loss of $2.7 million related to the disposal of a non-core business.

(12) Income Taxes

A summary of the provision for income taxes and the corresponding effective tax rate for the three and nine months ended October 3, 2026 and September 27, 2025, is shown below (in millions, except effective tax rates):

	Three Months Ended		Nine Months Ended	
	October 3, 2026	September 27, 2025	October 3, 2026	September 27, 2025
Provision for income taxes	$ 42.2	$ 45.1	$ 129.1	$ 131.9
Pretax income before equity in net income of affiliates	$ 172.8	$ 159.4	$ 630.4	$ 512.3
Effective tax rate	24.4 %	28.3 %	20.5 %	25.7 %

The Company's provision for income taxes is impacted by the level and mix of earnings among tax jurisdictions. In addition, the Company recognized discrete tax benefits (expense) on the significant items shown below (in millions):

	Nine Months Ended	
	October 3, 2026	September 27, 2025
Restructuring charges and various other items	$ 33.2	$ 25.3
Tax reserves and audit settlements	3.6	3.4
Valuation allowances on deferred tax assets	0.8	(0.6)
Share-based compensation	0.6	(1.8)
	$ 38.2	$ 26.3

Excluding the items above, the effective tax rate for the first nine months of 2026 and 2025 approximated the U.S. federal statutory income tax rate of 21%, adjusted for income taxes on foreign earnings, losses and remittances, valuation allowances, tax credits, income tax incentives and other permanent items.

The Company's current and future provision for income taxes is impacted by the initial recognition of and changes in valuation allowances in certain countries. The Company intends to maintain these allowances until it is more likely than not that the deferred tax assets will be realized. The Company's future provision for income taxes will include no tax benefit with respect to losses incurred and, except for certain jurisdictions, no tax expense with respect to income generated in these countries until the respective valuation allowances are eliminated. Accordingly, income taxes are impacted by changes in valuation allowances and the mix of earnings among jurisdictions. The Company evaluates the realizability of its deferred tax assets on a quarterly basis. In completing this evaluation, the Company considers all available evidence in order to determine whether, based on the weight of the evidence, a valuation allowance for its deferred tax assets is necessary. Such evidence includes historical results, future reversals of existing taxable temporary differences and expectations for future taxable income (exclusive of the reversal of temporary differences and carryforwards), as well as the implementation of feasible and prudent tax planning strategies. If, based on the weight of the evidence, it is more likely than not that all or a portion of the Company's deferred tax assets will not be realized, a valuation allowance is recorded. If operating results improve or decline on a continual basis in a particular jurisdiction, the Company's decision regarding the need for a valuation allowance could change, resulting in either the initial recognition or reversal of a valuation allowance in that jurisdiction, which could have a significant impact on income tax expense in the period recognized and subsequent periods. In determining the provision for income taxes for financial statement purposes, the Company makes certain estimates and judgments, which affect its evaluation of the carrying value of its deferred tax assets, as well as its calculation of certain tax liabilities.

For further information related to the Company's income taxes, see Note 7, "Income Taxes," to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

(13) Net Income Per Share Attributable to Lear

Basic net income per share attributable to Lear is computed by dividing net income attributable to Lear by the average number of common shares outstanding during the period. Common shares issuable upon the satisfaction of certain conditions pursuant to a contractual agreement are considered common shares outstanding and are included in the computation of basic net income per share attributable to Lear.

Diluted net income per share attributable to Lear is computed using the treasury stock method by dividing net income attributable to Lear by the average number of common shares outstanding, including the dilutive effect of common stock equivalents using the average share price during the period.

A summary of information used to compute basic and diluted net income per share attributable to Lear is shown below (in millions, except share and per share data):

	Three Months Ended		Nine Months Ended	
	October 3, 2026	September 27, 2025	October 3, 2026	September 27, 2025
Net income attributable to Lear	$ 136.6	$ 108.2	$ 501.7	$ 354.1
Average common shares outstanding	49,269,498	53,222,383	50,214,187	53,631,217
Dilutive effect of common stock equivalents	584,334	430,880	535,708	344,944
Average diluted shares outstanding	49,853,832	53,653,263	50,749,895	53,976,161
Basic net income per share attributable to Lear	$ 2.77	$ 2.03	$ 9.99	$ 6.60
Diluted net income per share attributable to Lear	$ 2.74	$ 2.02	$ 9.89	$ 6.56

(14) Comprehensive Income and Equity

Comprehensive Income

Comprehensive income is defined as all changes in the Company's net assets except changes resulting from transactions with shareholders. It differs from net income in that certain items recorded in equity are included in comprehensive income.

Accumulated Other Comprehensive Loss

A summary of changes in accumulated other comprehensive loss, net of tax, in the three and nine months ended October 3, 2026, is shown below (in millions):

	Three Months Ended October 3, 2026	Nine Months Ended October 3, 2026
Defined benefit plans:		
Balance at beginning of period	$ (99.2)	$ (100.7)
Reclassification adjustments (net of tax benefit of $0.1 million in the three and nine months ended October 3, 2026)	0.1	(0.1)
Other comprehensive income (loss) recognized during the period	(0.4)	1.3
Balance at end of period	$ (99.5)	$ (99.5)
Derivative instruments and hedging:		
Balance at beginning of period	$ 178.0	$ 146.2
Reclassification adjustments (net of tax benefit of $10.2 million and $27.5 million in the three and nine months ended October 3, 2026, respectively)	(39.6)	(108.6)
Other comprehensive income (loss) recognized during the period (net of tax benefit (expense) of $14.4 million and ($11.2) million in the three and nine months ended October 3, 2026, respectively)	(57.0)	43.8
Balance at end of period	$ 81.4	$ 81.4
Foreign currency translation:		
Balance at beginning of period	$ (601.2)	$ (589.8)
Other comprehensive loss recognized during the period (net of tax expense of $0.9 million and $2.4 million in the three and nine months ended October 3, 2026, respectively)	(20.7)	(32.1)
Balance at end of period	$ (621.9)	$ (621.9)
Total accumulated other comprehensive loss	$ (640.0)	$ (640.0)

In the three months ended October 3, 2026, foreign currency translation adjustments are primarily related to the weakening of the Euro relative to the U.S. dollar, partially offset by the strengthening of the Chinese renminbi, and include pretax gains of $2.8 million related to intercompany transactions for which settlement is not planned or anticipated in the foreseeable future.

In the nine months ended October 3, 2026, foreign currency translation adjustments are primarily related to the weakening of the Euro relative to the U.S. dollar, partially offset by the strengthening of the Chinese renminbi and, to a lesser extent, the Brazilian real, and include pretax losses of $0.4 million related to intercompany transactions for which settlement is not planned or anticipated in the foreseeable future.

In the three and nine months ended October 3, 2026, foreign currency translation adjustments also include net investment hedge gains of $4.4 million and $11.3 million, respectively.

A summary of changes in accumulated other comprehensive loss, net of tax, in the three and nine months ended September 27, 2025, is shown below (in millions):

	Three Months Ended September 27, 2025	Nine Months Ended September 27, 2025
Defined benefit plans:		
Balance at beginning of period	$ (93.5)	$ (91.1)
Reclassification adjustments (net of tax benefit (expense) of ($0.2) million and $0.9 million in the three and nine months ended September 27, 2025, respectively)	(0.5)	0.1
Other comprehensive income (loss) recognized during the period	1.0	(2.0)
Balance at end of period	$ (93.0)	$ (93.0)
Derivative instruments and hedging:		
Balance at beginning of period	$ 63.5	$ (133.7)
Reclassification adjustments (net of tax benefit of $3.1 million and $0.2 million in the three and nine months ended September 27, 2025, respectively)	(11.8)	(0.6)
Other comprehensive income recognized during the period (net of tax expense of $16.0 million and $65.1 million in the three and nine months ended September 27, 2025, respectively)	59.4	245.4
Balance at end of period	$ 111.1	$ 111.1
Foreign currency translation:		
Balance at beginning of period	$ (609.6)	$ (908.9)
Other comprehensive income recognized during the period (net of tax benefit (expense) of ($0.3) million and $4.8 million in the three and nine months ended September 27, 2025, respectively)	0.1	299.4
Balance at end of period	$ (609.5)	$ (609.5)
Total accumulated other comprehensive loss	$ (591.4)	$ (591.4)

In the three months ended September 27, 2025, foreign currency translation adjustments are primarily related to the strengthening of the Brazilian real and the Chinese renminbi relative to the U.S. dollar. In the nine months ended September 27, 2025, foreign currency translation adjustments are primarily related to the strengthening of the Euro and, to a lesser extent, the Brazilian real and the Chinese renminbi relative to the U.S. dollar.

In the three and nine months ended September 27, 2025, foreign currency translation adjustments include pretax losses of $0.8 million related to intercompany transactions for which settlement is not planned or anticipated in the foreseeable future, as well as net investment hedge gains (losses) of $1.5 million and ($22.7) million, respectively.

For further information regarding reclassification adjustments related to the Company's defined benefit plans, see Note 9, "Pension and Other Postretirement Benefit Plans." For further information regarding reclassification adjustments related to the Company's derivative and hedging activities, see Note 17, "Financial Instruments."

Lear Corporation Shareholders' Equity

Common Stock Share Repurchase Program

The Company may implement share repurchases through a variety of methods, including, but not limited to, open market purchases, accelerated stock repurchase programs and structured repurchase transactions. The extent to which the Company may repurchase its outstanding common stock and the timing of such repurchases will depend upon its financial condition, results of operations, capital requirements, prevailing market conditions, alternative uses of capital and other factors.

The Company has a common stock share repurchase program (the "Repurchase Program") which permits the discretionary repurchase of its common stock. Since the inception of the Repurchase Program in the first quarter of 2011, the Company's Board of Directors (the "Board") has authorized $7.8 billion in share repurchases, including an increase in the Company's repurchase authorization to $1.5 billion on September 24, 2026. As of October 3, 2026, the Company has repurchased, in aggregate, $6.3 billion of its outstanding common stock, at an average price of $96.38 per share, excluding commissions and related fees, and has a remaining repurchase authorization of $1.5 billion, which expires on December 31, 2029.

Share repurchases and the remaining repurchase authorization are shown below (in millions, except for share and per share amounts):

Nine Months Ended October 3, 2026				As of October 3, 2026
Aggregate Repurchases [1]	Cash Paid for Repurchases [1]	Number of Shares	Average Price per Share [1]	Remaining Purchase Authorization
$ 350.0	$ 350.0	2,742,594	$ 127.62	$ 1,498.2

[1] Excludes excise tax and commissions.

In addition to shares repurchased under the Repurchase Program described above, the Company classifies shares withheld from the settlement of the Company's restricted stock unit and performance share awards to cover tax withholding requirements as common stock held in treasury in the condensed consolidated balance sheets.

Quarterly Dividend

The Board declared a quarterly cash dividend of $0.77 per share of common stock in the first, second and third quarters of 2026 and 2025.

Dividends declared and paid are shown below (in millions):

	Nine Months Ended	
	October 3, 2026	September 27, 2025
Dividends declared	$ 119.1	$ 127.6
Dividends paid	119.2	125.4

Dividends payable on shares of common stock to be distributed under the Company's stock-based compensation program will be paid when such shares are distributed.

(15) Legal and Other Contingencies

As of October 3, 2026 and December 31, 2025, the Company had recorded reserves for pending legal disputes, including commercial disputes, product liability claims and other legal matters, of $16.2 million and $13.8 million, respectively. Such reserves reflect amounts recognized in accordance with GAAP and typically exclude the cost of legal representation. Reserves for warranty and recall matters are recorded separately from legal reserves, as described below.

Commercial Disputes

The Company is involved from time to time in legal proceedings and claims, including, without limitation, commercial or contractual disputes with its customers, suppliers and competitors. These disputes vary in nature and are usually resolved by negotiations between the parties.

Product Liability, Warranty and Recall Matters

In the event that use of the Company's products results in, or is alleged to result in, bodily injury and/or property damage or other losses, the Company may be subject to product liability lawsuits and other claims. Such lawsuits generally seek compensatory damages, punitive damages and attorneys' fees and costs. In addition, if any of the Company's products are, or are alleged to be, defective, the Company may be required or requested by its customers to support warranty costs or to participate in a recall or other corrective action involving such products. The Company is party to agreements with certain of its customers, whereby these customers may pursue claims against the Company for contribution of all or a portion of the amounts sought in connection with warranty and recall matters, and certain of the Company's customers have asserted such claims against the Company. The Company can provide no assurances that it will not experience material claims in the future or that it will not incur significant costs to defend such claims.

In certain instances, allegedly defective products may be supplied by the Company's suppliers. The Company may seek recovery from its suppliers of materials or services included within the Company's products that are associated with product liability claims or warranty and recall matters.

The Company carries insurance for certain legal matters, including product liability claims, but such coverage may be limited. The Company does not maintain insurance for warranty and recall matters.

The Company records reserves for warranty and recall matters when liability is probable and related amounts are reasonably estimable.

A summary of the changes in reserves for warranty and recall matters in the nine months ended October 3, 2026, is shown below (in millions):

Balance at January 1, 2026	$	39.9
Expense, net (including changes in estimates)		12.3
Settlements		(12.8)
Foreign currency translation and other		(1.9)
Balance at October 3, 2026	$	37.5

Environmental Matters

The Company is subject to local, state, federal and foreign laws, regulations and ordinances which govern activities or operations that may have or have had adverse environmental effects. These regulations impose liability for clean-up costs resulting from past spills, disposals or other releases of hazardous wastes and environmental compliance. The Company's policy is to comply with all applicable environmental laws and to maintain an environmental management program based on ISO 14001 to ensure compliance with this standard. However, the Company currently is, has been and in the future may become, the subject of formal or informal enforcement actions or procedures.

As of October 3, 2026 and December 31, 2025, the Company had recorded environmental reserves of $4.8 million and $4.9 million, respectively. The Company does not believe that the environmental liabilities associated with its current and former properties will have a material adverse impact on its business, financial condition, results of operations or cash flows; however, no assurances can be given in this regard.

Other Matters

The Company is involved from time to time in various other legal proceedings and claims, including, without limitation, intellectual property matters, tax claims and employment matters. Although the outcome of any legal matter cannot be predicted with certainty, the Company does not believe that any of the other legal proceedings or claims in which the Company is currently involved, either individually or in the aggregate, will have a material adverse impact on its business, financial condition, results of operations or cash flows. However, no assurances can be given in this regard.

Although the Company records reserves for legal disputes, warranty and recall matters, and environmental and other matters in accordance with GAAP, the ultimate outcomes of these matters are inherently uncertain. Actual results may differ significantly from current estimates.

(16) Segment Reporting

The Company is organized under two reportable operating segments: Seating and E-Systems. Each of these segments has a varied product and technology portfolio across a number of component categories. Further, the Company continuously evaluates this portfolio, aligning it with industry trends while balancing risk-adjusted returns, which allows the Company to offer value-added solutions to its customers.

The Seating segment consists of the design, development, engineering and manufacture of complete seat systems and key seat components. The Company's capabilities in operations and supply chain management enable synchronized assembly and just-in-time delivery of complex complete seat systems at high volumes to its customers. Key seat component product offerings include seat trim covers; surface materials such as leather and fabric; seat mechanisms; seat cushioning; headrests; and thermal comfort systems such as seat heating, ventilation, active cooling, pneumatic lumbar and massage products. All of these products are compatible with traditional internal combustion engine ("ICE") architectures and electrified powertrains, including the full range of hybrid, plug-in hybrid and battery electric architectures. Thermal comfort systems are facilitated by the Company's seat system, component and integration capabilities, together with the Company's competencies in electronics, sensors, software and algorithms.

The E-Systems segment consists of the design, development, engineering and manufacture of complete electrical distribution and connection systems; high-voltage power distribution products, including BDUs; and low-voltage power distribution products and electronic controllers.

- Electrical distribution and connection systems utilize low-voltage and high-voltage wire and high-speed data cables to connect networks' electrical signals and manage electrical power within the vehicle for all types of powertrains – from traditional ICE architectures to the full range of electrified powertrains that require management of higher voltage and power. Key components of the Company's electrical distribution and connection systems portfolio include wire harnesses, terminals and connectors, high-voltage battery connection systems and engineered components. High-voltage battery connection systems include intercell connect boards, bus bars and main battery interface connection systems.
- High-voltage power distribution products control the flow and distribution of high-voltage power throughout electric and hybrid vehicles and include BDUs, which control all electrical energy flowing into and out of high-voltage batteries in electrified vehicles.
- Low-voltage power distribution products and electronic controllers facilitate signal, data and/or power management within the vehicle and include the associated software required to facilitate these functions. Key components of this portfolio include zonal controllers, body domain control modules, and smart and passive power distribution modules. The Company's software offerings include embedded control, cybersecurity software and software to control hardware devices. The Company's customers traditionally have sourced the Company's electronic hardware together with the software that the Company integrates and embeds in it.

The other category includes unallocated costs related to corporate headquarters, regional headquarters and the elimination of intercompany activities, including intersegment revenues and cost of sales, none of which meets the requirements for being classified as an operating segment. Corporate and regional headquarters costs include various support functions, such as information technology, corporate finance, legal, executive administration and human resources. Such costs are reflected in the operating segment results to the extent they are directly attributable to an operating segment.

The Company's chief operating decision maker ("CODM") is Raymond E. Scott, President and Chief Executive Officer. Each of the Company's operating segments reports its results from operations and makes its requests for capital expenditures directly to the CODM. The CODM assesses the operating performance of each segment based on segment earnings (as defined below), which is driven primarily by automotive production volumes in the geographic regions in which it operates, as well as by the success of the vehicle platforms for which it supplies products. Also, each operating segment operates in the competitive Tier 1 automotive supplier environment and is continually working with its customers to manage costs and improve quality. The Company's production processes generally make use of an hourly workforce, dedicated facilities, sequential manufacturing and assembly processes and commodity raw materials.

The CODM evaluates the performance of its operating segments based primarily on (i) revenues from external customers, (ii) pretax income before equity in net income of affiliates, interest expense, net and other expense, net ("segment earnings") and (iii) cash flows, being defined as segment earnings less capital expenditures plus depreciation and amortization.

The accounting policies of the Company's operating segments are the same as those described in this note to the condensed consolidated financial statements.

A reconciliation of segment earnings to consolidated income before provision for income taxes and equity in net income of affiliates is shown below (in millions):

	Three Months Ended October 3, 2026			
	Seating	E-Systems	Other	Consolidated
Revenues from external customers	$ 4,326.1	$ 1,446.9	$ —	$ 5,773.0
Intersegment revenues [1]	—	72.7	(72.7)	—
Less [2]:				
Cost of sales	3,996.8	1,425.7	(31.8)	5,390.7
Gross margin	329.3	93.9	(40.9)	382.3
Selling, general and administrative	86.1	39.3	55.2	180.6
Amortization of intangibles	2.9	1.8	—	4.7
Intersegment support activities	1.9	2.8	(4.7)	—
Segment earnings [3]	$ 238.4	$ 50.0	$ (91.4)	197.0
Reconciliation of segment earnings:				
Interest expense, net				20.9
Other expense, net				3.3
Consolidated income before provision for income taxes and equity in net income of affiliates				$ 172.8

	Three Months Ended September 27, 2025			
	Seating	E-Systems	Other	Consolidated
Revenues from external customers	$ 4,249.6	$ 1,430.2	$ —	$ 5,679.8
Intersegment revenues [1]	0.8	67.1	(67.9)	—
Less [2]:				
Cost of sales	3,926.7	1,416.3	(26.9)	5,316.1
Gross margin	323.7	81.0	(41.0)	363.7
Selling, general and administrative	80.7	35.6	50.1	166.4
Amortization of intangibles	3.0	1.8	—	4.8
Intersegment support activities	2.4	2.6	(5.0)	—
Segment earnings [3]	$ 237.6	$ 41.0	$ (86.1)	192.5
Reconciliation of segment earnings:				
Interest expense, net				24.6
Other expense, net				8.5
Consolidated income before provision for income taxes and equity in net income of affiliates				$ 159.4

LEAR CORPORATION AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

	Nine Months Ended October 3, 2026			
	Seating	E-Systems	Other	Consolidated
Revenues from external customers	$ 13,354.6	$ 4,450.6	$ —	$ 17,805.2
Intersegment revenues [1]	1.0	216.6	(217.6)	—
Less [2]:				
Cost of sales	12,253.4	4,334.7	(85.8)	16,502.3
Gross margin	1,102.2	332.5	(131.8)	1,302.9
Selling, general and administrative	285.6	110.6	172.2	568.4
Amortization of intangibles	9.1	5.5	—	14.6
Intersegment support activities	5.5	8.0	(13.5)	—
Segment earnings [3]	$ 802.0	$ 208.4	$ (290.5)	719.9
Reconciliation of segment earnings:				
Interest expense, net				70.7
Other expense, net				18.8
Consolidated income before provision for income taxes and equity in net income of affiliates				$ 630.4

	Nine Months Ended September 27, 2025			
	Seating	E-Systems	Other	Consolidated
Revenues from external customers	$ 12,874.6	$ 4,395.9	$ —	$ 17,270.5
Intersegment revenues [1]	4.9	199.2	(204.1)	—
Less [2]:				
Cost of sales	11,864.6	4,322.3	(78.4)	16,108.5
Gross margin	1,014.9	272.8	(125.7)	1,162.0
Selling, general and administrative	262.0	108.3	154.8	525.1
Amortization of intangibles	9.3	5.4	—	14.7
Intersegment support activities	5.8	7.4	(13.2)	—
Segment earnings [3]	$ 737.8	$ 151.7	$ (267.3)	622.2
Reconciliation of segment earnings:				
Interest expense, net				75.8
Other expense, net				34.1
Consolidated income before provision for income taxes and equity in net income of affiliates				$ 512.3

[1] Intersegment transactions are accounted for at values comparable to unaffiliated third-party transactions.
[2] The significant expense categories and amounts align with the segment-level information that is regularly provided to the CODM. Intersegment expenses are included within the amounts shown.
[3] See definition above.

Other segment related disclosures are shown below (in millions):

	Three Months Ended October 3, 2026			
	Seating	E-Systems	Other	Consolidated
Depreciation	$ 94.1	$ 48.2	$ 4.4	$ 146.7
Capital expenditures	121.9	48.0	1.0	170.9

	Three Months Ended September 27, 2025			
	Seating	E-Systems	Other	Consolidated
Depreciation	$ 95.5	$ 46.3	$ 5.7	$ 147.5
Capital expenditures	92.2	40.1	5.1	137.4

	Nine Months Ended or As of October 3, 2026			
	Seating	E-Systems	Other	Consolidated
Depreciation	$ 287.5	$ 136.3	$ 13.5	$ 437.3
Capital expenditures	318.1	141.5	8.6	468.2
Inventories	909.0	850.8	—	1,759.8
Total assets	9,046.5	4,037.0	2,184.1	15,267.6

	Nine Months Ended or As of September 27, 2025			
	Seating	E-Systems	Other	Consolidated
Depreciation	$ 278.6	$ 138.4	$ 16.5	$ 433.5
Capital expenditures	249.0	104.1	13.7	366.8
Inventories	892.8	870.0	—	1,762.8
Total assets	8,872.5	4,091.2	2,194.0	15,157.7

(17) Financial Instruments

Debt Instruments

The carrying values of the Notes vary from their fair values. The fair values of the Notes were determined by reference to the quoted market prices of these securities (Level 2 input based on the GAAP fair value hierarchy). The carrying value of the Term Loan approximates its fair value (Level 3 input based on the GAAP fair value hierarchy). The estimated fair value, as well as the carrying value, of the Company's debt instruments are shown below (in millions):

	October 3, 2026	December 31, 2025
Estimated aggregate fair value [1]	$ 2,297.2	$ 2,422.3
Aggregate carrying value [1] [2]	2,650.0	2,650.0

[1] Excludes "other" debt.
[2] Excludes the impact of unamortized debt issuance costs and unamortized original issue premium (discount).

Cash, Cash Equivalents and Restricted Cash

The Company has cash on deposit that is legally restricted as to use or withdrawal. A reconciliation of cash and cash equivalents reported on the accompanying condensed consolidated balance sheets to cash, cash equivalents and restricted cash reported on the accompanying condensed consolidated statements of cash flows is shown below (in millions):

	October 3, 2026	September 27, 2025
Balance sheet:		
Cash and cash equivalents	$ 889.4	$ 1,009.6
Restricted cash included in other current assets	2.2	3.2
Restricted cash included in other long-term assets	1.5	1.6
Statement of cash flows:		
Cash, cash equivalents and restricted cash	$ 893.1	$ 1,014.4

Accounts Receivable

The Company's allowance for credit losses on financial assets measured at amortized cost, primarily accounts receivable, reflects management's estimate of credit losses over the remaining expected life of such assets, measured primarily using historical experience, as well as current conditions and forecasts that affect the collectability of the reported amount. Expected credit losses for newly recognized financial assets, as well as changes to expected credit losses during the period, are recognized in earnings. The Company also considers geographic and segment specific risk factors in the development of expected credit losses. As of October 3, 2026 and December 31, 2025, accounts receivable are reflected net of reserves of $25.0 million and $28.4 million, respectively. Changes in expected credit losses were not significant in the first nine months of 2026.

Marketable Equity Securities

Marketable equity securities, which the Company accounts for under the fair value option, are included in the accompanying condensed consolidated balance sheets as shown below (in millions):

	October 3, 2026	December 31, 2025
Other current assets	$ 6.1	$ 10.1
Other long-term assets	104.1	96.3
	$ 110.2	$ 106.4

Unrealized gains and losses arising from changes in the fair value of the marketable equity securities are recognized in other expense, net in the condensed consolidated statements of comprehensive income. The fair value of the marketable equity securities is determined by reference to quoted market prices in active markets (Level 1 input based on the GAAP fair value hierarchy).

Equity Securities Without Readily Determinable Fair Values

As of October 3, 2026 and December 31, 2025, investments in equity securities without readily determinable fair values of $8.7 million are included in other long-term assets in the accompanying condensed consolidated balance sheets. Such investments are valued at cost, less cumulative impairments of $19.6 million.

Derivative Instruments and Hedging Activities

The Company has used derivative financial instruments, including forwards, futures, options, swaps and other derivative contracts, to reduce the effects of fluctuations in foreign exchange rates and interest rates and the resulting variability of the Company's operating results. The Company is not a party to leveraged derivatives. The Company's derivative financial instruments are subject to master arrangements that provide for the net settlement of contracts, by counterparty, in the event of default or termination. On the date that a derivative contract for a hedge instrument is entered into, the Company designates the derivative as either (1) a hedge of the exposure to changes in the fair value of a recognized asset or liability or of an unrecognized firm commitment (a fair value hedge), (2) a hedge of the exposure of a forecasted transaction or of the variability

in the cash flows of a recognized asset or liability (a cash flow hedge), (3) a hedge of a net investment in a foreign operation (a net investment hedge) or (4) a contract not designated as a hedge instrument.

For a fair value hedge, the change in the fair value of the derivative is recorded in earnings and reflected in the condensed consolidated statements of comprehensive income on the same line as the gain or loss on the hedged item attributable to the hedged risk. For a cash flow hedge, the change in the fair value of the derivative is recorded in accumulated other comprehensive loss in the condensed consolidated balance sheets. When the underlying hedged transaction is realized, the gain or loss included in accumulated other comprehensive loss is recorded in earnings and reflected in the condensed consolidated statements of comprehensive income on the same line as the gain or loss on the hedged item attributable to the hedged risk. For a net investment hedge, the change in the fair value of the derivative is recorded in cumulative translation adjustment, which is a component of accumulated other comprehensive loss in the condensed consolidated balance sheets. When the related currency translation adjustment is required to be reclassified, usually upon the sale or liquidation of the investment, the gain or loss included in accumulated other comprehensive loss is recorded in earnings and reflected in other expense, net in the condensed consolidated statements of comprehensive income. Changes in the fair value of contracts not designated as hedge instruments are recorded in earnings and reflected in other expense, net in the condensed consolidated statements of comprehensive income. Cash flows attributable to derivatives used to manage foreign currency risks are classified on the same line as the hedged item attributable to the hedged risk in the condensed consolidated statements of cash flows. Upon settlement, cash flows attributable to derivatives designated as net investment hedges are classified as investing activities in the condensed consolidated statements of cash flows. Cash flows attributable to forward starting interest rate swaps are classified as financing activities in the condensed consolidated statements of cash flows.

The Company formally documents its hedge relationships, including the identification of the hedge instruments and the related hedged items, as well as its risk management objectives and strategies for undertaking the hedge transaction. Derivatives are recorded at fair value in other current and long-term assets and other current and long-term liabilities in the condensed consolidated balance sheets. The Company also formally assesses whether a derivative used in a hedge transaction is highly effective in offsetting changes in either the fair value or the cash flows of the hedged item. When it is determined that a hedged transaction is no longer probable to occur, the Company discontinues hedge accounting.

Foreign Exchange

The Company uses forwards, swaps and other derivative contracts to reduce the effects of fluctuations in foreign exchange rates on known foreign currency exposures. Gains and losses on the derivative instruments are intended to offset gains and losses on the hedged transaction in an effort to reduce exposure to fluctuations in foreign exchange rates. The principal currencies hedged by the Company include the Mexican peso, various European currencies and the Moroccan dirham.

Foreign currency derivative contracts not designated as hedging instruments consist principally of hedges of cash transactions, intercompany loans and certain other balance sheet exposures.

Net Investment Hedges

The Company uses cross-currency interest rate swaps, which are designated as net investment hedges of the foreign currency rate exposure of its investment in certain Euro-denominated subsidiaries. In the nine months ended October 3, 2026 and September 27, 2025, contra interest expense on net investment hedges of $3.2 million and $2.6 million, respectively, is included in interest expense, net in the accompanying condensed consolidated statements of comprehensive income.

Balance Sheet Classification

The notional amount, estimated aggregate fair value and related balance sheet classification of the Company's foreign currency and net investment hedge contracts are shown below (in millions, except for maturities):

	October 3, 2026	December 31, 2025
Fair value of foreign currency contracts designated as cash flow hedges:		
Other current assets	$ 102.2	$ 127.6
Other long-term assets	44.0	73.9
Other current liabilities	(13.8)	(0.5)
Other long-term liabilities	(14.4)	(0.1)
	118.0	200.9
Notional amount	$ 2,701.4	$ 2,728.8
Outstanding maturities in months, not to exceed	36	36
Fair value of derivatives designated as net investment hedges:		
Other current liabilities	$ (4.1)	$ (11.0)
Other long-term liabilities	(0.6)	(5.1)
	(4.7)	(16.1)
Notional amount	$ 300.0	$ 300.0
Outstanding maturities in months, not to exceed	32	41
Fair value of foreign currency contracts not designated as hedge instruments:		
Other current assets	$ 1.5	$ 1.7
Other current liabilities	(2.0)	(0.9)
	(0.5)	0.8
Notional amount	$ 328.1	$ 340.5
Outstanding maturities in months, not to exceed	1	1
Total fair value	$ 112.8	$ 185.6
Total notional amount	$ 3,329.5	$ 3,369.3

Accumulated Other Comprehensive Loss — Derivative Instruments and Hedge Activities

Pretax amounts related to foreign currency and net investment hedge contracts that were recognized in and reclassified from accumulated other comprehensive loss are shown below (in millions):

	Three Months Ended		Nine Months Ended	
	October 3, 2026	September 27, 2025	October 3, 2026	September 27, 2025
Gains (losses) recognized in accumulated other comprehensive loss:				
Foreign currency contracts	$ (71.4)	$ 75.4	$ 55.0	$ 310.5
Net investment hedge contracts	4.4	1.5	11.3	(22.7)
	(67.0)	76.9	66.3	287.8
(Gains) losses reclassified from accumulated other comprehensive loss to:				
Net sales	—	—	(0.1)	(0.5)
Cost of sales	(50.4)	(15.5)	(137.8)	(2.1)
Interest expense, net	0.6	0.6	1.8	1.8
	(49.8)	(14.9)	(136.1)	(0.8)
Comprehensive income (loss)	$ (116.8)	$ 62.0	$ (69.8)	$ 287.0

As of October 3, 2026 and December 31, 2025, pretax net gains of $122.5 million and $192.3 million, respectively, related to the Company's derivative instruments and hedge activities were recorded in accumulated other comprehensive loss.

During the next twelve-month period, net gains (losses) expected to be reclassified into earnings are shown below (in millions):

Foreign currency contracts	$	88.4
Interest rate swap contracts		(2.4)
Total	$	86.0

Such gains (losses) will be reclassified at the time that the underlying hedged transactions are realized.

Fair Value Measurements

GAAP provides that fair value is an exit price, defined as a market-based measurement that represents the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Fair value measurements are based on one or more of the following three valuation techniques:

Market: This approach uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.

Income: This approach uses valuation techniques to convert future amounts to a single present value amount based on current market expectations.

Cost: This approach is based on the amount that would be required to replace the service capacity of an asset (replacement cost).

Further, GAAP prioritizes the inputs and assumptions used in the valuation techniques described above into a three-tier fair value hierarchy as follows:

Level 1: Observable inputs, such as quoted market prices in active markets for identical assets or liabilities that are accessible at the measurement date.

Level 2: Inputs, other than quoted market prices included in Level 1, that are observable either directly or indirectly for the asset or liability.

Level 3: Unobservable inputs that reflect the entity's own assumptions about the exit price of the asset or liability. Unobservable inputs may be used if there is little or no market data for the asset or liability at the measurement date.

The Company discloses fair value measurements and the related valuation techniques and fair value hierarchy level for its assets and liabilities that are measured or disclosed at fair value.

Items Measured at Fair Value on a Recurring Basis

Fair value measurements and the related valuation techniques and fair value hierarchy level for the Company's assets and liabilities measured at fair value on a recurring basis as of October 3, 2026 and December 31, 2025, are shown below (in millions):

	October 3, 2026					
	Frequency	Asset (Liability)	Valuation Technique	Level 1	Level 2	Level 3
Foreign currency contracts, net	Recurring	$ 117.5	Market/ Income	$ —	$ 117.5	$ —
Net investment hedge contracts	Recurring	(4.7)	Market/ Income	—	(4.7)	—
Marketable equity securities	Recurring	110.2	Market	110.2	—	—

	December 31, 2025					
	Frequency	Asset (Liability)	Valuation Technique	Level 1	Level 2	Level 3
Foreign currency contracts, net	Recurring	$ 201.7	Market/ Income	$ —	$ 201.7	$ —
Net investment hedge contracts	Recurring	(16.1)	Market/ Income	—	(16.1)	—
Marketable equity securities	Recurring	106.4	Market	106.4	—	—

The Company determines the fair value of its derivative contracts using quoted market prices to calculate the forward values and then discounts such forward values to the present value. The discount rates used are based on quoted bank deposit or swap interest rates. If a derivative contract is in a net liability position, the Company adjusts these discount rates, if required, by an estimate of the credit spread that would be applied by market participants purchasing these contracts from the Company's counterparties. If an estimate of the credit spread is required, the Company uses significant assumptions and factors other than quoted market rates, which would result in the classification of its derivative liabilities within Level 3 of the fair value hierarchy. As of October 3, 2026 and December 31, 2025, there were no derivative contracts that were classified within Level 3 of the fair value hierarchy. In addition, there were no transfers in or out of Level 3 of the fair value hierarchy in the first nine months of 2026.

Items Measured at Fair Value on a Non-Recurring Basis

The Company measures certain assets and liabilities at fair value on a non-recurring basis, which are not included in the table above. As these non-recurring fair value measurements are generally determined using unobservable inputs, these fair value measurements are classified within Level 3 of the fair value hierarchy.

In the nine months ended October 3, 2026 and September 27, 2025, the Company completed impairment assessments and recorded related impairment charges of $16.1 million and $11.6 million, respectively, related to its property, plant and equipment and $0.7 million and $0.1 million, respectively, related to its right-of-use assets.

The fair value estimates of the related assets were based on management's estimates using a discounted cash flow method.

As of October 3, 2026, there were no additional significant assets or liabilities measured at fair value on a non-recurring basis.

(18) Accounting Pronouncements

Accounting Standards Updates ("ASU") Issued But Not Yet Adopted:

ASU 2024-03 (issued November 2024), "Disaggregation of Income Statement Expenses." The ASU requires the disaggregation of certain expenses presented on the face of the income statement in a tabular footnote disclosure. The expense categories include purchases of inventory, employee compensation, depreciation and amortization. It also requires the definition and disclosure of selling expense, a qualitative description of expense amounts not disaggregated and inclusion of existing expense disclosures within the same tabular footnote disclosure. The update is effective for fiscal years beginning after December 15, 2026, with early adoption permitted. The update is to be adopted prospectively; however, retrospective application is permitted. The ASU will modify the Company's financial statement disclosures but is not expected to have a significant impact on its consolidated financial statements.

ASU 2025-06 (issued September 2025), "Targeted Improvements to the Accounting for Internal-Use Software." The ASU removes all references to project development stages and provides new guidance on evaluating whether the recognition threshold to capitalize software costs has been met. The update is effective for fiscal years beginning after December 15, 2027, with early adoption permitted. The update may be adopted prospectively, retrospectively or using a modified transition approach. The ASU will not have a significant impact on the Company's consolidated financial statements.

ASU 2025-09 (issued November 2025), "Hedge Accounting Improvements." The ASU makes five targeted changes to the hedge accounting model including providing detailed guidance on how the analysis to demonstrate that individual transactions have a similar risk exposure is to be performed. The update is effective for fiscal years beginning after December 15, 2026, with early adoption permitted, and is to be adopted prospectively. The ASU will not have a significant impact on the Company's consolidated financial statements.

ASU 2025-10 (issued December 2025), "Accounting for Government Grants Received by Business Entities." The ASU leverages guidance in International Accounting Standard ("IAS") 20, "Accounting for Government Grants and Disclosure of Government Assistance," which is largely followed in the absence of current GAAP guidance. The update provides recognition, measurement and presentation guidance related to government grants depending on whether the grant is related to an asset or to income. The update also explicitly excludes certain items from government grant accounting not addressed by IAS 20. The update is effective for fiscal years beginning after December 15, 2028, with early adoption permitted. The update may be adopted using a modified prospective, modified retrospective or full retrospective approach. The ASU will not have a significant impact on the Company's consolidated financial statements.

The Company considers the applicability and impact of all ASUs issued by the Financial Accounting Standards Board. Other recently issued accounting pronouncements are not expected to have a significant impact or are not relevant to the Company's condensed consolidated financial statements.

ITEM 2 — MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

EXECUTIVE OVERVIEW

Lear Corporation is a global automotive technology leader in Seating and E-Systems, enabling superior in-vehicle experiences for consumers around the world. We supply complete seat systems, key seat components, complete electrical distribution and connection systems, high-voltage power distribution products, including battery disconnect units ("BDUs"), and low-voltage power distribution products and electronic controllers to all of the world's major automotive manufacturers.

Lear is built on a strong foundation and culture of innovation, operational excellence, and engineering and program management capabilities. We use our product and process design and technological expertise, as well as our global reach and competitive manufacturing footprint, to achieve our financial goals and objectives. These financial goals and objectives include continuing to deliver profitable growth while balancing risks and returns, investing in product and process innovations to drive business growth and profitability, maintaining a strong balance sheet with investment grade credit metrics, and generating strong cash flow and returning excess cash to shareholders. Further, we have aligned our strategy with key trends affecting our business. At Lear, we are *Making every drive better*™ by providing technology for safer, smarter and more comfortable journeys, while adhering to our values — *Be Inclusive. Be Inventive. Get Results the Right Way.*

Our business is organized under two reporting segments: Seating and E-Systems. Each of these segments has a varied product and technology portfolio across a number of component categories. Further, we continuously evaluate this portfolio, aligning it with industry trends while balancing risk-adjusted returns, which allows us to offer value-added solutions to our customers.

Our Seating business consists of the design, development, engineering and manufacture of complete seat systems and key seat components. Our capabilities in operations and supply chain management enable synchronized assembly and just-in-time delivery of complex complete seat systems at high volumes to our customers. As the most vertically integrated global seat supplier, our key seat component product offerings include seat trim covers; surface materials such as leather and fabric; seat mechanisms; seat cushioning; headrests; and thermal comfort systems such as seat heating, ventilation, active cooling, pneumatic lumbar and massage products. All of these products are compatible with traditional internal combustion engine ("ICE") architectures and electrified powertrains, including the full range of hybrid, plug-in hybrid and battery electric architectures. Our thermal comfort systems are facilitated by our seat system, component and integration capabilities, together with our competencies in electronics, sensors, software and algorithms.

Our E-Systems business consists of the design, development, engineering and manufacture of complete electrical distribution and connection systems; high-voltage power distribution products, including BDUs; and low-voltage power distribution products and electronic controllers. These capabilities enable us to provide our customers with customizable solutions with optimized designs at competitive costs for both low-voltage and high-voltage vehicle architectures.

- Electrical distribution and connection systems utilize low-voltage and high-voltage wire and high-speed data cables to connect networks' electrical signals and manage electrical power within the vehicle for all types of powertrains – from traditional ICE architectures to the full range of electrified powertrains that require management of higher voltage and power. Key components of our electrical distribution and connection systems portfolio include wire harnesses, terminals and connectors, high-voltage battery connection systems and engineered components. High-voltage battery connection systems include intercell connect boards, bus bars and main battery interface connection systems.
- High-voltage power distribution products control the flow and distribution of high-voltage power throughout electric and hybrid vehicles and include BDUs, which control all electrical energy flowing into and out of high-voltage batteries in electrified vehicles.
- Low-voltage power distribution products and electronic controllers facilitate signal, data and/or power management within the vehicle and include the associated software required to facilitate these functions. Key components of this portfolio include zonal controllers, body domain control modules, and smart and passive power distribution modules. Our software offerings include embedded control, cybersecurity software and software to control hardware devices. Our customers traditionally have sourced our electronic hardware together with the software that we integrate and embed in it.

We serve all of the world's major automotive manufacturers through both our Seating and E-Systems businesses, and we have automotive content on more than 500 vehicle nameplates worldwide as of December 31, 2025. It is common for us to have both seating and electrical and/or electronic content on the same vehicle platform.

Our businesses benefit globally from leveraging common operating standards and disciplines, including world-class product development and manufacturing processes, as well as common customer support and regional infrastructures, all of which

contribute to our reputation for operational excellence. Our core capabilities are shared across component categories and include high-precision manufacturing and assembly with short lead times, complex, global supply chain management, global engineering and program management, the agility to establish and/or transfer production between facilities, and a unique, customer-focused culture. In select instances, we are able to manufacture both Seating and E-Systems components in the same facility. Our businesses also utilize proprietary, industry-specific processes and standards, leverage common low-cost engineering centers and share centralized operating support functions. These functions include logistics, as well as all major administrative functions, such as corporate finance, executive administration, health and safety, human resources, information technology and legal.

We continue to build on our reputation for operational excellence through organic and inorganic investments in automation and other advanced manufacturing technologies and the digital transformation of both our operations and administrative functions. These investments and digital transformation involve the integration of new technologies, such as artificial intelligence ("AI"), machine learning and advanced automation, into production facilities and business operations. These technologies enable smart and automated machines and smart factories to communicate, analyze and optimize products and processes, resulting in higher efficiency, quality and responsiveness to customers.

IDEA by Lear™ - Innovative. Digital. Engineered. Automated. - reflects our commitment to continue to strengthen our competitive position in both of our business segments and to enhance the efficiency of our administrative functions. IDEA by Lear™ supports our strategy to drive growth and improve profitability through the development of innovative products and the utilization of advanced technologies and process automation that increase efficiency and extend our leadership position in operational excellence. We are leveraging our internal capabilities through strategic partnerships (e.g., Palantir Technologies, Inc.) and acquisitions to rapidly develop and deploy automation and AI solutions. Our strategic acquisitions of ASI Automation, InTouch Automation, StoneShield Engineering, Thagora Technology SRL and WIP Industrial Automation are further enhancing our automation system integration expertise. Our advanced manufacturing integration center in Rochester Hills, Michigan showcases our industry-leading capabilities in automation and digital tools, including fully automated ComfortFlex by Lear™, ComfortMax Seat by Lear™ and FlexAir® assembly lines, as well as automated end-of-line testing, sewing and wire taping capabilities. These strategic initiatives further advance our leadership in automotive technology and enable greater efficiency, superior quality and faster execution.

Through our products, processes, technology and strategic initiatives, we are well-positioned to capitalize on business growth opportunities. We are focused on profitably growing our businesses and have implemented a strategy designed to deliver industry-leading, long-term financial returns. This strategy is based on the following four pillars designed to drive growth and profitability in both of our business segments:

- Extend our market leadership position in Seating through differentiated product offerings and industry-leading vertical integration capabilities;
- Expand margins in E-Systems through a focused portfolio that leverages our strong operating capabilities and customer relationships;
- Build on our reputation for operational excellence through organic and inorganic investments, including partnerships, in automation and digital technologies; and
- Prioritize our employee and sustainability initiatives that drive business growth, cost reductions and improved workforce retention.

For further information related to our strategy, see Item 1, "Business," in our Annual Report on Form 10-K for the year ended December 31, 2025.

Industry Overview

We supply all vehicle segments of the automotive light vehicle original equipment market in every major automotive producing region in the world. Our sales are driven by the number of vehicles produced by the automotive manufacturers and our content per vehicle.

Since 2020, the global economy, as well as the automotive industry, have been influenced directly and indirectly by macroeconomic events resulting in unfavorable conditions, including the imposition of or increases in tariffs, shortages of semiconductor chips and other components, elevated inflation levels on commodities and labor, higher interest rates and energy shortages in certain markets. Certain of these factors, among others, continue to impact consumer demand. Our strategy to mitigate these impacts encompasses our comprehensive cost management process, including cost technology optimization, actions to further align our manufacturing capacity to the current industry production environment and investments in automation and other advanced manufacturing technologies, as well as commercial recovery mechanisms. This is designed to allow us to enhance operational efficiencies, improve the utilization of existing facilities and equipment to reduce future expenditures, and streamline administrative functions.

Due to the interconnectedness of the global economy, policy changes in one area of the world can have an immediate and material impact on markets around the world. Since his inauguration in January 2025, U.S. President Donald J. Trump has announced various tariffs that impact industries around the world, including the automotive industry. As of the date of this Report, many of the tariffs announced, implemented or threatened by the current U.S. administration apply to (a) the countries in which we do business or from which we purchase, either directly or indirectly, materials or components, including Mexico, Canada and China, and (b) the materials or components that we purchase, either directly or indirectly, or produce, including steel, aluminum and automobile parts, among others, and therefore could adversely impact our business by increasing our operating costs, requiring us to incur costs to transition to alternative suppliers if our mitigation efforts are unsuccessful, or negatively impacting our customers' production. In addition to tariffs, the U.S. and foreign governments have implemented sanctions, export controls and other trade restrictions that impact industries around the world, including the automotive industry.

Although tariffs did not have a material impact on our gross profit in the first nine months of 2026, the tariff and trade landscape continues to evolve, including with respect to the type of tariff or export control, the tariff rates, the countries, components and materials to which such tariffs apply, and the existence and applicability of any credits, refunds or exemptions. In particular, in April 2025, with revisions in October 2025, the U.S. administration implemented a policy allowing U.S. automotive manufacturers to offset a portion of the tariffs imposed under Section 232 of the Trade Expansion Act of 1962 ("auto parts tariffs") through government-provided import adjustment offset amounts ("tariff offset credits"). In addition, the U.S. tariffs imposed under the International Emergency Economic Powers Act ("IEEPA") became subject to refund after the U.S. Supreme Court issued an opinion on February 20, 2026, invalidating such tariffs. In 2025, we paid approximately $110 million of auto parts tariffs, for which we were allocated tariff offset credits by our customers in the first nine months of 2026, and $85 million of IEEPA tariffs, nearly all of which were recovered from our customers and are now subject to refund from the government.

As a result of the allocation of tariff offset credits by our customers and the U.S. Supreme Court opinion, certain 2025 tariff amounts are now recoverable from the government and no longer due from our customers, which resulted in lower first half 2026 sales and cost of sales corresponding to certain of our 2025 auto parts and all of our 2025 IEEPA tariff costs.

In addition to tariffs, during the mandatory joint review on the six-year anniversary of the United States-Mexico-Canada Agreement ("USMCA") on July 1, 2026, the United States declined to extend the USMCA for another 16-year term in its current form. This decision triggered rolling annual reviews that could lead to the agreement's expiration in 2036 if extensions are not ultimately agreed upon. While the USMCA currently remains in force, there are no assurances that the USMCA will continue to be renewed or, if renewed, any newly negotiated terms in the USMCA will not adversely affect our business. Also, the strain in U.S.-China relations presents unique risks to U.S. automotive manufacturers due to the level of integration with key components in our global supply chain. It remains unclear what additional actions the current U.S. administration may take with respect to trade issues involving China and other countries.

Further, the U.S. and other governments could impose additional sanctions, export controls or other trade restrictions that could restrict us from doing business directly or indirectly in or with certain countries or parties, which could include affiliates (e.g., China has imposed tariffs and taken other retaliatory actions). The current trade environment could impact the status of other trade agreements between the United States and countries other than Mexico, Canada or China.

We are monitoring the evolving trade landscape, as the actual impacts of tariffs and other trade restrictions on our business, financial condition and results of operations continue to be subject to a number of factors that are not yet known or are subject to change, including the effect such tariffs or restrictions may have on consumer demand and global automotive production volumes, the duration of such tariffs or trade restrictions, future changes in the amounts and scope of tariffs, the potential withdrawal of such tariffs or restrictions, in whole or in part, the scope and effective date of any exemptions or credits with respect to such tariffs, countermeasures that target countries may take in response to such tariffs, the impact such tariffs may have on our customers and our supply chain, and whether and to what extent such tariffs are impacted by judicial review. To mitigate the impact of tariffs, we have entered into contractual agreements with our customers to recover substantially all tariff costs incurred to date; however, no assurance can be provided that our customers will continue to provide such recovery. In addition, we have implemented certain actions, and continue to consider others, to counter the potential impact of such tariffs on our business, financial condition and results of operations, including, without limitation, participating in efforts to inform the U.S. and certain foreign administrations and legislatures of the impact of current trade and tariff policies on the automotive industry and evaluating our production footprint and alternatives in our supply chain. To date, our mitigation efforts have been successful; however, no assurance can be given that future government actions will not adversely impact our customers' production or undermine our mitigation efforts, which could in turn adversely impact our business, financial condition and results of operations.

In addition to the above, the ongoing war in Iran and geopolitical tensions in the region could lead to significant disruption of global energy supplies and increases in global energy prices, adversely affect global supply chains, and heighten inflationary pressures. We are continuing to evaluate the evolving macroeconomic environment. Although these factors have not yet had a

material impact on our operations, any of the above factors could impact our operations, as well as our supply chain, and adversely affect our financial condition and operating results in the future.

Although industry production returned to pre-pandemic levels in 2023, industry production in 2025 remained approximately 2% below 2017 peak levels, and 2025 industry production levels in North America and Europe, our two largest markets, remained approximately 10% and 24%, respectively, below prior peak levels. Industry production in 2026 is expected to decrease approximately 2% as compared to 2025 (based on October 2026 Mobility Global projections). On a Lear sales-weighted basis[(1)], industry production in 2026 is expected to decrease approximately 1% as compared to 2025.

(1) The production change on a Lear sales-weighted basis is calculated using Lear's prior year regional sales mix. Management believes this provides a more meaningful comparison of our global revenue growth relative to global vehicle production.

For a description of risks related to tariffs and other trade restrictions, see Item 1A, "Risk Factors," in our Annual Report on Form 10-K for the year ended December 31, 2025.

Global automotive industry production volumes in certain key regions in the first nine months of 2026, as compared to the first nine months of 2025, are shown below (in thousands of units):

	Nine Months Ended		
	October 3, 2026 [(1)]	September 27, 2025 [(1)(2)]	% Change
North America	11,484.2	11,695.6	(2)%
Europe and Africa	13,160.5	13,010.0	1 %
Asia	38,498.1	38,929.5	(1)%
South America	2,379.7	2,254.7	6 %
Other	1,151.9	1,418.5	(19)%
Global automotive industry production	66,674.4	67,308.3	(1)%

(1) Production data based on Mobility Global.
(2) Production data for 2025 has been updated from our third quarter 2025 Quarterly Report on Form 10-Q to reflect actual production levels.

Automotive sales and production can also be affected by the age of the vehicle fleet and related scrappage rates, labor relations issues, labor shortages, fuel prices, regulatory requirements, government initiatives and incentives, trade agreements, tariffs and other non-tariff trade barriers (including recent U.S. tariffs imposed or threatened to be imposed on Mexico, Canada and China, as well as other countries and any retaliatory actions taken by such countries), the availability and cost of raw materials and critical components, logistics issues, cybersecurity incidents, and the availability and cost of credit, as well as vehicle affordability and consumer preferences regarding vehicle powertrains (including preferences regarding electric and hybrid vehicles), size, configuration and features, among other factors. In light of these uncertainties, we can provide no assurances that any mitigating actions that may become available to us will be successful. Our sales and production may be further affected by new entrants to the industry, as well as various automakers and suppliers entering or expanding in certain regions, and the restructuring actions, including facility closures, of our customers and suppliers. Our operating results are also significantly impacted by the overall commercial success of the vehicle platforms for which we supply particular products, as well as the profitability of the products that we supply for these platforms, which is determined, in part, by the level of vertical integration. The loss of business with respect to any vehicle model for which we are a significant supplier, or a decrease in the production levels of any such models, could adversely affect our operating results. In addition, larger cars and light trucks, as well as vehicle platforms that offer more features and functionality, such as luxury, sport utility and crossover vehicles, typically have more content and, therefore, tend to have a more significant impact on our operating results.

Our percentage of consolidated net sales by region in the first nine months of 2026 and 2025 is shown below:

	Nine Months Ended	
	October 3, 2026	September 27, 2025
North America	41 %	42 %
Europe and Africa	37 %	35 %
Asia	18 %	19 %
South America	4 %	4 %
Total	100 %	100 %

Our ability to reduce the risks inherent in certain concentrations of our business, and thereby maintain our financial performance in the future, will depend, in part, on our ability to continue to diversify our sales on a customer, product, platform and geographic basis to better reflect the market overall.

The automotive industry, and our business, continue to be shaped by the broad trend of electrification. The adoption of electrified vehicles has been slower than anticipated, particularly in the United States. Demand for, and regulatory developments related to, energy efficiency and sustainability (e.g., government mandates related to fuel economy and carbon emissions) have also had a significant impact on this trend.

Our material cost as a percentage of net sales was 63.5% in the first nine months of 2026 and 2025. Raw material, energy, commodity and product component costs, particularly electronic component costs, can be volatile, reflecting, among other things, changes in supply and demand, logistics issues, global trade and tariff policies, and geopolitical issues. We have commodity price risk with respect to purchases of certain raw materials, including steel, copper, diesel fuel, chemicals, resins and leather. Our primary commodity cost exposures relate to steel, copper and leather. Our exposure to changes in steel prices is primarily indirect, through purchased components, and a significant portion of our copper, leather and direct steel purchases are subject to price index agreements with our customers and suppliers. We have developed and implemented additional strategies to mitigate the impact of any such cost increases, including the selective in-sourcing of components, the continued consolidation of our supply base, longer-term purchase commitments, commercial recovery mechanisms and the selective expansion of low-cost country sourcing and engineering, as well as value engineering and product benchmarking. Certain of these strategies may limit our opportunities in a declining commodity price environment. In the current environment of elevated raw material, energy, commodity and product component costs, these strategies, together with commercial negotiations with our customers and suppliers and improved manufacturing productivity through automation and other advanced technologies, have more than offset the adverse impact. In addition, the availability of raw materials, energy, commodities and product components fluctuates from time to time due to factors outside of our control. If these costs increase further or availability is restricted, it could have an adverse impact on our operating results in the foreseeable future. See "— Forward-Looking Statements" below and Item 1A, "Risk Factors," in our Annual Report on Form 10-K for the year ended December 31, 2025.

Our customers typically require us to reduce our prices over the life of a vehicle model and, at the same time, assume significant responsibility for the design, development and engineering of our products. Our financial performance is largely dependent on our ability to offset these price reductions with product cost reductions through product design enhancements, supply chain management, manufacturing efficiencies and restructuring actions. We also seek to enhance our financial performance by investing in product development, design capabilities and new product initiatives that respond to and anticipate the needs of our customers and consumers. We continually evaluate operational and strategic alternatives to improve our business structure and align our business with the changing needs of our customers and major industry trends affecting our business.

Financial Measures

In evaluating our financial condition and operating performance, we focus primarily on earnings, operating margins, cash flows and return on invested capital. Our strategy includes expanding our business with new and existing customers globally through new products and our reputation for operational excellence and cost competitiveness. We have also increased our vertical integration capabilities globally, as well as expanded our component manufacturing capacity in Asia, Central America, Eastern Europe, Mexico and Northern Africa and our low-cost engineering capabilities in Asia, Eastern Europe and Northern Africa.

Our success in generating cash flow will depend, in part, on our ability to manage working capital effectively. Working capital can be significantly impacted by the timing of cash flows from sales, purchases, and tariff costs and recoveries. Historically, we generally have been successful in aligning our supplier payment terms with our customer payment terms. However, our ability to continue to do so may be impacted by adverse automotive industry conditions, including inconsistent production schedules due to supply shortages and lower consumer demand, changes to our customers' payment terms and the financial condition of our suppliers. In addition, our cash flow is impacted by our ability to manage our inventory and capital spending effectively. We utilize return on invested capital as a measure of the efficiency with which our assets generate earnings. Improvements in our return on invested capital will depend on our ability to maintain an appropriate asset base for our business and to increase productivity and operating efficiency.

Operational Restructuring

In the first nine months of 2026, we incurred pretax restructuring costs of $114 million and related manufacturing inefficiency and other charges of approximately $7 million, as compared to pretax restructuring costs of $156 million and related manufacturing inefficiency and other charges of approximately $3 million in the first nine months of 2025. None of the individual restructuring actions initiated in the first nine months of 2026 were material. Further, there have been no changes in previously initiated restructuring actions that have resulted (or will result) in a material change to our restructuring costs.

Our restructuring actions include plant closures and workforce reductions and are initiated to maintain our competitive footprint or are in response to customer initiatives or changes in global and regional automotive markets. Our restructuring actions are designed to maintain or improve our operating results and profitability throughout the automotive industry cycles. Restructuring actions are generally funded within twelve months of initiation and are funded by cash flows from operating activities and existing cash balances. We expect to incur approximately $33 million of additional restructuring costs related to activities initiated as of October 3, 2026, all of which are expected to be incurred in the next twelve months. We plan to implement additional restructuring actions in order to align our manufacturing capacity and other costs with prevailing regional automotive production levels. Such future restructuring actions are dependent on market conditions, customer actions and other factors.

For further information, see Note 2, "Restructuring," to the condensed consolidated financial statements included in this Report.

Financing Transactions

In the three months ended October 3, 2026, amounts outstanding under our $550 million 3.8% senior notes due 2027 (the "2027 Notes") and our delayed-draw term loan facility (the "Term Loan") were reclassified from long-term debt to current portion of long-term debt due to contractual maturities within the next twelve months.

For further information related to our Debt, see Note 7, "Debt," to the condensed consolidated financial statements included in this Report and Note 5, "Debt," to the consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2025.

Common Stock Share Repurchase Program and Quarterly Cash Dividends

We may implement share repurchases through a variety of methods, including, but not limited to, open market purchases, accelerated stock repurchase programs and structured repurchase transactions. The extent to which we may repurchase our outstanding common stock and the timing of such repurchases will depend upon our financial condition, results of operations, capital requirements, prevailing market conditions, alternative uses of capital and other factors. See "— Forward-Looking Statements" below.

Since the first quarter of 2011, our Board of Directors (the "Board") has authorized $7.8 billion in share repurchases under our common stock share repurchase program (the "Repurchase Program"), including an increase in our repurchase authorization to $1.5 billion on September 24, 2026. As of October 3, 2026, we have repurchased, in aggregate, $6.3 billion of our outstanding common stock, at an average price of $96.38 per share, excluding commissions and related fees, and have a remaining repurchase authorization of $1.5 billion, which expires on December 31, 2029. In the first nine months of 2026, we repurchased $350 million of our outstanding common stock.

Our Board declared a quarterly cash dividend of $0.77 per share of common stock in the first, second and third quarters of 2026.

For further information related to our common stock share repurchase program and our quarterly cash dividends, see Note 14, "Comprehensive Income and Equity," to the condensed consolidated financial statements included in this Report.

Other Matters

We recognized net tax benefits of $11 million and $38 million, respectively, in the three and nine months ended October 3, 2026, and $2 million and $26 million, respectively, in the three and nine months ended September 27, 2025, related to the release of tax reserves at foreign subsidiaries, restructuring charges and various other items.

Our results for the three and nine months ended October 3, 2026 and September 27, 2025, reflect the following items (in millions):

	Three Months Ended		Nine Months Ended	
	October 3, 2026	September 27, 2025	October 3, 2026	September 27, 2025
Costs related to restructuring actions, including manufacturing inefficiencies and other charges of $2 million and $7 million, respectively, in the three and nine months ended October 3, 2026, and $1 million and $3 million, respectively, in the three and nine months ended September 27, 2025	$ 47	$ 39	$ 121	$ 159
(Gain) loss related to disposal of a non-core business	—	(1)	—	3
Disposal costs	—	—	—	1
Debt refinancing	—	—	—	1
Recoveries related to Fisker Inc.	—	—	—	(1)
Costs related to power outages in Tunisia	8	—	8	—
Impairments (recoveries) related to Russian operations, net	—	—	1	(1)
Foreign exchange (gains) losses due to foreign exchange rate volatility related to Russia	(1)	(1)	—	2
Tax benefit, net	(11)	(2)	(38)	(26)

For further information regarding these items, see Note 2, "Restructuring," Note 11, "Other Expense, Net," and Note 12, "Income Taxes," to the condensed consolidated financial statements included in this Report.

This Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations," includes forward-looking statements that are subject to risks and uncertainties. For further information regarding these and other factors that have had, or may have in the future, a significant impact on our business, financial condition or results of operations, see "— Forward-Looking Statements" below and Item 1A, "Risk Factors," in our Annual Report on Form 10-K for the year ended December 31, 2025.

RESULTS OF OPERATIONS

A summary of our operating results in millions of dollars and as a percentage of net sales is shown below:

	Three Months Ended				Nine Months Ended			
	October 3, 2026		September 27, 2025		October 3, 2026		September 27, 2025	
Net sales								
Seating	$ 4,326.1	74.9 %	$ 4,249.6	74.8 %	$ 13,354.6	75.0 %	$ 12,874.6	74.5 %
E-Systems	1,446.9	25.1	1,430.2	25.2	4,450.6	25.0	4,395.9	25.5
Net sales	5,773.0	100.0	5,679.8	100.0	17,805.2	100.0	17,270.5	100.0
Cost of sales	5,390.7	93.4	5,316.1	93.6	16,502.3	92.7	16,108.5	93.3
Gross profit	382.3	6.6	363.7	6.4	1,302.9	7.3	1,162.0	6.7
Selling, general and administrative expenses	180.6	3.1	166.4	2.9	568.4	3.2	525.1	3.0
Amortization of intangible assets	4.7	0.1	4.8	0.1	14.6	0.1	14.7	0.1
Interest expense, net	20.9	0.4	24.6	0.4	70.7	0.4	75.8	0.4
Other expense, net	3.3	0.1	8.5	0.2	18.8	0.1	34.1	0.2
Provision for income taxes	42.2	0.7	45.1	0.8	129.1	0.7	131.9	0.8
Equity in net income of affiliates	(18.9)	(0.4)	(12.1)	(0.2)	(52.6)	(0.3)	(40.4)	(0.3)
Net income attributable to noncontrolling interests	12.9	0.2	18.2	0.3	52.2	0.3	66.7	0.4
Net income attributable to Lear	$ 136.6	2.4 %	$ 108.2	1.9 %	$ 501.7	2.8 %	$ 354.1	2.1 %

Three Months Ended October 3, 2026 vs. Three Months Ended September 27, 2025

Net sales in the third quarter of 2026 were $5.8 billion, as compared to $5.7 billion in the third quarter of 2025, an increase of $93 million or 2%. The impact of new business and higher production volumes on Lear platforms in Europe/Africa increased net sales by $141 million and $92 million, respectively. These increases were offset by lower production volumes on Lear platforms in Asia and North America, which reduced net sales by $249 million. The impact of commercial recoveries was partially offset by selling price reductions.

(in millions)	Cost of Sales
Third quarter 2025	$ 5,316.1
Material cost	5.6
Labor cost	94.6
Depreciation	0.4
Other	(26.0)
Third quarter 2026	$ 5,390.7

Cost of sales was $5.4 billion in the third quarter of 2026, as compared to $5.3 billion in the third quarter of 2025. The impact of new business increased costs of sales. This increase was partially offset by lower production volumes on Lear platforms, which reduced cost of sales.

Gross profit and gross margin were $382 million and 6.6% of net sales, respectively, in the third quarter of 2026, as compared to $364 million and 6.4% of net sales, respectively, in the third quarter of 2025. The impact of favorable operating performance, including the benefit of restructuring actions, net of selling price reductions, increased gross profit by $51 million. Gross profit also benefited from new business and higher production volumes on Lear platforms in Europe/Africa by $31 million. These increases were partially offset by lower production volumes on Lear platforms in Asia and North America, which reduced gross profit by $47 million. These factors had a corresponding impact on gross margin.

Selling, general and administrative expenses, including engineering and development expenses, were $181 million in the third quarter of 2026, as compared to $166 million in the third quarter of 2025. As a percentage of net sales, selling, general and administrative expenses were 3.1% in the third quarter of 2026 and 2.9% in the third quarter of 2025.

Amortization of intangible assets was $5 million in the third quarter of 2026 and 2025.

Interest expense, net was $21 million in the third quarter of 2026, as compared to $25 million in the third quarter of 2025.

Other expense, net, which includes non-income related taxes, foreign exchange gains and losses, gains and losses related to certain derivative instruments and hedging activities, gains and losses on certain disposals of assets, the non-service cost components of net periodic benefit cost and other miscellaneous income and expense, was $3 million in the third quarter of 2026, as compared to $9 million in the third quarter of 2025. In the third quarter of 2026 and 2025, we recognized foreign exchange (gains) losses of ($3) million and $9 million, respectively, including losses of $1 million and $4 million, respectively, related to the hyper-inflationary environment in Argentina.

In the third quarter of 2026, the provision for income taxes was $42 million, representing an effective tax rate of 24.4% on pretax income before equity in net income of affiliates of $173 million. In the third quarter of 2025, the provision for income taxes was $45 million, representing an effective tax rate of 28.3% on pretax income before equity in net income of affiliates of $159 million, for the reasons described below. For further information, see Note 12, "Income Taxes," to the condensed consolidated financial statements included in this Report.

In the third quarter of 2026 and 2025, the provision for income taxes was primarily impacted by the level and mix of earnings among tax jurisdictions. In the third quarter of 2026 and 2025, we recognized net tax benefits of $11 million and $2 million, respectively, related to the release of tax reserves at foreign subsidiaries, restructuring charges and various other items. Excluding these items, the effective tax rate for the third quarter of 2026 and 2025 approximated the U.S. federal statutory income tax rate of 21%, adjusted for income taxes on foreign earnings, losses and remittances, valuation allowances, tax credits, income tax incentives and other permanent items.

Equity in net income of affiliates was $19 million in the third quarter of 2026, as compared to $12 million in the third quarter of 2025.

Net income attributable to Lear was $137 million, or $2.74 per diluted share, in the third quarter of 2026, as compared to $108 million, or $2.02 per diluted share, in the third quarter of 2025. Net income and diluted net income per share increased for the reasons described above. Diluted net income per share also benefited from a reduction in shares outstanding between periods.

Reportable Operating Segments

We have two reportable operating segments: Seating and E-Systems. For a description of our reportable operating segments, see "Executive Overview" above.

The financial information presented below is for our two reportable operating segments and our other category for the periods presented. The other category includes unallocated costs related to corporate headquarters, regional headquarters and the elimination of intercompany activities, none of which meets the requirements for being classified as an operating segment. Corporate and regional headquarters costs include various support functions, such as information technology, corporate finance, legal, executive administration and human resources. Financial measures regarding each segment's pretax income before equity in net income of affiliates, interest expense, net and other expense, net ("segment earnings") and segment earnings divided by net sales ("margin") are not measures of performance under accounting principles generally accepted in the United States ("GAAP"). Segment earnings and the related margin are used by management to evaluate the performance of our reportable operating segments. Segment earnings should not be considered in isolation or as a substitute for net income attributable to Lear, net cash provided by operating activities or other income statement or cash flow statement data prepared in accordance with GAAP or as measures of profitability or liquidity. In addition, segment earnings, as we determine it, may not be comparable to related or similarly titled measures reported by other companies.

For a reconciliation of consolidated segment earnings to consolidated income before provision for income taxes and equity in net income of affiliates, see Note 16, "Segment Reporting," to the condensed consolidated financial statements included in this Report.

Seating

A summary of the financial measures for our Seating segment is shown below (dollar amounts in millions):

	Three Months Ended	
	October 3, 2026	September 27, 2025
Net sales	$ 4,326.1	$ 4,249.6
Segment earnings [1]	238.4	237.6
Margin	5.5 %	5.6 %

[1] See definition above.

Seating net sales were $4.3 billion in the third quarter of 2026, as compared to $4.2 billion in the third quarter of 2025, an increase of $76 million or 2%. The impact of new business increased net sales by $172 million. This increase was offset by lower production volumes on Lear platforms, which reduced net sales by $193 million. The impact of commercial recoveries was partially offset by selling price reductions.

Segment earnings, including restructuring costs, were $238 million in the third quarter of 2026 and 2025. Segment margins were 5.5% in the third quarter of 2026, as compared to 5.6% in the third quarter of 2025. The impact of favorable operating performance, including the benefit of operational restructuring actions, net of selling price reductions and higher restructuring costs, increased segment earnings by $20 million. This increase was partially offset by lower production volumes on Lear platforms, net of new business, which reduced segment earnings by $14 million.

E-Systems

A summary of financial measures for our E-Systems segment is shown below (dollar amounts in millions):

	Three Months Ended	
	October 3, 2026	September 27, 2025
Net sales	$ 1,446.9	$ 1,430.2
Segment earnings [1]	50.0	41.0
Margin	3.5 %	2.9 %

[1] See definition above.

E-Systems net sales in the third quarter of 2026 and 2025 were $1.4 billion, an increase of $17 million or 1%. Higher production volumes on Lear platforms increased net sales by $45 million. This increase was partially offset by the winddown of certain businesses, which reduced net sales by $36 million. The impact of commercial recoveries was partially offset by selling price reductions.

Segment earnings, including restructuring costs, and the related margin on net sales were $50 million and 3.5% in the third quarter of 2026, as compared to $41 million and 2.9% in the third quarter of 2025. The impact of favorable operating performance, including the benefit of operational restructuring actions, net of selling price reductions, increased segment earnings by $18 million. Segment earnings also benefited from higher production on Lear platforms by $6 million. These increases were partially offset by the winddown of certain businesses, which reduced segment earnings by $7 million.

A summary of financial measures for our other category, which is not an operating segment, is shown below (dollar amounts in millions):

	Three Months Ended	
	October 3, 2026	September 27, 2025
Net sales	$ —	$ —
Segment earnings [1]	(91.4)	(86.1)
Margin	N/A	N/A

[1] See definition above.

Segment earnings related to our other category were ($91) million in the third quarter of 2026, as compared to ($86) million in the third quarter of 2025.

Nine Months Ended October 3, 2026 vs. Nine Months Ended September 27, 2025

Net sales for the nine months ended October 3, 2026 were $17.8 billion, as compared to $17.3 billion for the nine months ended September 27, 2025, an increase of $535 million or 3%. The impact of foreign exchange rate fluctuations, higher production volumes on Lear platforms in Europe/Africa and North America, and new business in Europe/Africa and Asia increased net sales by $378 million, $297 million and $253 million, respectively. These increases were partially offset by lower production volumes on Lear platforms in Asia, the reversal of certain 2025 tariff recoveries and lower 2026 tariff recoveries, which reduced net sales by $405 million, $175 million and $116 million, respectively. The impact of commercial recoveries was partially offset by selling price reductions.

(in millions)	Cost of Sales
First nine months of 2025	$ 16,108.5
Material cost	181.0
Labor cost	290.7
Depreciation	7.2
Other	(85.1)
First nine months of 2026	$ 16,502.3

Cost of sales was $16.5 billion in the first nine months of 2026, as compared to $16.1 billion in the first nine months of 2025. The impact of foreign exchange rate fluctuations and new business increased costs of sales. These increases were partially offset by the reversal of certain 2025 tariff costs and lower 2026 tariff costs, which reduced cost of sales.

Gross profit and gross margin were $1.3 billion and 7.3% of net sales, respectively, in the nine months ended October 3, 2026, as compared to $1.2 billion and 6.7% of net sales, respectively, in the nine months ended September 27, 2025. The impact of favorable operating performance, including the benefit of restructuring actions and lower restructuring costs, net of selling price reductions, increased gross profit by $148 million. Gross profit also benefited from higher production volumes on Lear platforms in Europe/Africa and North America, the impact of new business in Europe/Africa and Asia, and foreign exchange rate fluctuations by $91 million. These increases were partially offset by lower production volumes on Lear platforms in Asia, which reduced gross profit by $78 million. These factors had a corresponding impact on gross margin.

Selling, general and administrative expenses, including engineering and development expenses, were $568 million in the first nine months of 2026, as compared to $525 million in the first nine months of 2025, driven by higher sales and higher compensation-related costs. As a percentage of net sales, selling, general and administrative expenses were 3.2% in the first nine months of 2026, as compared to 3.0% in the first nine months of 2025.

Amortization of intangible assets was $15 million in the first nine months of 2026 and 2025.

Interest expense, net was $71 million in the first nine months of 2026, as compared to $76 million in the first nine months of 2025.

Other expense, net, which includes non-income related taxes, foreign exchange gains and losses, gains and losses related to certain derivative instruments and hedging activities, gains and losses on certain disposals of assets, the non-service cost

components of net periodic benefit cost and other miscellaneous income and expense, was $19 million in the nine months ended October 3, 2026, as compared to $34 million in the nine months ended September 27, 2025. In the first nine months of 2026 and 2025, we recognized foreign exchange losses of $10 million and $26 million, respectively, including losses of $1 million and $9 million, respectively, related to the hyper-inflationary environment in Argentina. In the first nine months of 2025, we also recognized a loss of $3 million on the disposal of a non-core business.

For the nine months ended October 3, 2026, the provision for income taxes was $129 million, representing an effective tax rate of 20.5% on pretax income before equity in net income of affiliates of $630 million. For the nine months ended September 27, 2025, the provision for income taxes was $132 million, representing an effective tax rate of 25.7% on pretax income before equity in net income of affiliates of $512 million, for reasons described below. For further information, see Note 12, "Income Taxes," to the condensed consolidated financial statements included in this Report.

In the first nine months of 2026 and 2025, the provision for income taxes was primarily impacted by the level and mix of earnings among tax jurisdictions. In the first nine months of 2026 and 2025, we recognized net tax benefits of $38 million and $26 million, respectively, related to the release of tax reserves at foreign subsidiaries, restructuring charges and various other items. Excluding these items, the effective tax rate for the first nine months of 2026 and 2025 approximated the U.S. federal statutory income tax rate of 21%, adjusted for income taxes on foreign earnings, losses and remittances, valuation allowances, tax credits, income tax incentives and other permanent items.

Equity in net income of affiliates was $53 million in the first nine months of 2026, as compared to $40 million in the first nine months of 2025.

Net income attributable to Lear was $502 million, or $9.89 per diluted share, in the nine months ended October 3, 2026, as compared to $354 million, or $6.56 per diluted share, in the nine months ended September 27, 2025. Net income and diluted net income per share increased for the reasons described above. Diluted net income per share also benefited from a reduction in shares outstanding between periods.

Reportable Operating Segments

We have two reportable operating segments: Seating and E-Systems. For a description of our reportable operating segments, see "Executive Overview" and "Three Months Ended October 3, 2026 vs. Three Months Ended September 27, 2025 — Reportable Operating Segments" above.

Seating

A summary of the financial measures for our Seating segment is shown below (dollar amounts in millions):

	Nine Months Ended	
	October 3, 2026	September 27, 2025
Net sales	$ 13,354.6	$ 12,874.6
Segment earnings [1]	802.0	737.8
Margin	6.0 %	5.7 %

[1] See definition above.

Seating net sales were $13.4 billion for the nine months ended October 3, 2026, as compared to $12.9 billion for the nine months ended September 27, 2025, an increase of $480 million or 4%. The impact of new business and foreign exchange rate fluctuations increased net sales by $338 million and $270 million, respectively. These increases were partially offset by lower production volumes on Lear platforms, which reduced net sales by $148 million. The impact of commercial recoveries was offset by selling price reductions, the reversal of certain 2025 tariff recoveries and lower 2026 tariff recoveries.

Segment earnings, including restructuring costs, and the related margin on net sales were $802 million and 6.0% in the nine months ended October 3, 2026, as compared to $738 million and 5.7% in the nine months ended September 27, 2025. The impact of favorable operating performance, including the benefit of operational restructuring actions and lower restructuring costs, net of selling price reductions, increased segment earnings by $62 million. Segment earnings also benefited from the impact of foreign exchange rate fluctuations by $15 million. These increases were partially offset by lower production volumes on Lear platforms, net of new business, which reduced segment earnings by $5 million.

E-Systems

A summary of financial measures for our E-Systems segment is shown below (dollar amounts in millions):

	Nine Months Ended	
	October 3, 2026	September 27, 2025
Net sales	$ 4,450.6	$ 4,395.9
Segment earnings [1]	208.4	151.7
Margin	4.7 %	3.5 %

[1] See definition above.

E-Systems net sales were $4.5 billion for the nine months ended October 3, 2026, as compared to $4.4 billion for the nine months ended September 27, 2025, an increase of $55 million or 1%. The impact of foreign exchange rate fluctuations and higher production volumes on Lear platforms increased net sales by $108 million and $75 million, respectively. These increases were partially offset by the winddown of certain businesses, which reduced net sales by $34 million. The reversal of certain 2025 tariff recoveries, lower 2026 tariff recoveries and the impact of selling price reductions were partially offset by commercial recoveries.

Segment earnings, including restructuring costs, and the related margin on net sales were $208 million and 4.7% in the nine months ended October 3, 2026, as compared to $152 million and 3.5% in the nine months ended September 27, 2025. The impact of favorable operating performance, including the benefit of operational restructuring actions and lower restructuring costs, net of selling price reductions, increased segment earnings by $63 million.

Other

A summary of financial measures for our other category, which is not an operating segment, is shown below (dollar amounts in millions):

	Nine Months Ended	
	October 3, 2026	September 27, 2025
Net sales	$ —	$ —
Segment earnings [1]	(290.5)	(267.3)
Margin	N/A	N/A

[1] See definition above.

Segment earnings related to our other category were ($291) million in the first nine months of 2026, as compared to ($267) million in the first nine months of 2025, primarily reflecting higher compensation-related costs.

LIQUIDITY AND CAPITAL RESOURCES

Our primary liquidity needs are to fund general business requirements, including working capital requirements, capital expenditures, operational restructuring actions and debt service requirements. Our principal sources of liquidity are cash flows from operating activities, borrowings under available credit facilities and our existing cash balance.

Cash Provided by Subsidiaries

A substantial portion of our operating income is generated by our subsidiaries. As a result, we are dependent on the earnings and cash flows of and the combination of dividends, royalties, intercompany loan repayments and other distributions and advances from our subsidiaries to provide the funds necessary to meet our obligations.

As of October 3, 2026 and December 31, 2025, cash and cash equivalents of $558 million and $741 million, respectively, were held in foreign subsidiaries and can be repatriated, primarily through the repayment of intercompany loans and the payment of dividends. There are no restrictions on the ability of our subsidiaries to pay dividends or make other distributions to Lear that would have a material impact on Lear.

For further information related to potential dividends from our non-U.S. subsidiaries, see Note 7, "Income Taxes," to the consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2025.

Adequacy of Liquidity Sources

As of October 3, 2026, we had $0.9 billion of cash and cash equivalents on hand and $2.0 billion in available borrowing capacity under our unsecured revolving credit agreement. Together with cash provided by operating activities, we believe that these liquidity sources will enable us to meet our liquidity needs for the foreseeable future and to satisfy ordinary course business obligations. In addition, we expect to continue to pay quarterly cash dividends and repurchase shares of our common stock pursuant to our Repurchase Program, although such actions are at the discretion of our Board and will depend upon our financial condition, results of operations, capital requirements, prevailing market conditions, alternative uses of capital and other factors that our Board may consider at its discretion.

Our future financial results and our ability to continue to meet our liquidity needs are subject to, and will be affected by, cash flows from operations, as well as restructuring activities, automotive industry conditions, the financial condition of our customers and suppliers, supply chain disruptions and other related factors. Additionally, an economic downturn or further reduction in production levels could negatively impact our financial condition.

For further discussion of the risks and uncertainties affecting our cash flows from operations and our overall liquidity, see "— Executive Overview" above, "— Forward-Looking Statements" below and Item 1A, "Risk Factors," in our Annual Report on Form 10-K for the year ended December 31, 2025.

Cash Flows

A summary of our cash flows is shown below (in millions):

	Nine Months Ended		
	October 3, 2026	September 27, 2025	Increase (Decrease) in Cash Flow
Consolidated net income and depreciation and amortization	$ 1,006	$ 869	$ 137
Net change in working capital items:			
Accounts receivable	(189)	(428)	239
Inventories	(87)	(74)	(13)
Accounts payable	354	198	156
Accrued liabilities and other	(108)	(51)	(57)
Net change in working capital items	(30)	(355)	325
Other	(88)	99	(187)
Net cash provided by operating activities	$ 888	$ 613	$ 275
Net cash used in investing activities	$ (454)	$ (326)	$ (128)
Net cash used in financing activities	$ (579)	$ (349)	$ (230)

Operating Activities

Net cash provided by operating activities was $888 million in the first nine months of 2026, as compared to $613 million in the first nine months of 2025. The increase in operating cash flow between periods reflects higher earnings and a decrease in working capital cash usage in the first nine months of 2026, as compared to the first nine months of 2025.

Investing Activities

Net cash used in investing activities was $454 million in the first nine months of 2026, as compared to $326 million in the first nine months of 2025. In the first nine months of 2025, we received proceeds of $37 million related to the sale of a non-core business in the Company's Seating segment. Capital spending was $468 million in the first nine months of 2026, as compared to $367 million in the first nine months of 2025. Capital spending is estimated to be $660 million in 2026.

Financing Activities

Net cash used in financing activities was $579 million in the first nine months of 2026, as compared to $349 million in the first nine months of 2025. In the first nine months of 2026, we paid $350 million for repurchases of our common stock, $119 million in dividends to Lear shareholders and $81 million in dividends to noncontrolling interest holders. In the first nine months of 2025, we paid $150 million for repurchases of our common stock, $125 million in dividends to Lear shareholders and $84 million in dividends to noncontrolling interest holders.

Capitalization

Short-Term Borrowings

We utilize uncommitted lines of credit as needed for our short-term working capital fluctuations. As of October 3, 2026 and December 31, 2025, we had lines of credit from banks totaling $379 million and $383 million, respectively. As of October 3, 2026 and December 31, 2025, we had short-term debt balances outstanding related to draws on our lines of credit of $29 million and $28 million, respectively.

Senior Notes, Credit Agreement and Term Loan

In the three months ended October 3, 2026, approximately $600 million outstanding under our 2027 Notes and our Term Loan was reclassified from long-term debt to the current portion of long-term debt due to contractual maturities within the next twelve months.

For further information related to our debt, see Note 7, "Debt," to the condensed consolidated financial statements included in this Report and Note 5, "Debt," to the consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2025.

Common Stock Share Repurchase Program and Quarterly Cash Dividends

For information related to our common stock share repurchase program and dividends, see "— Executive Overview — Common Stock Share Repurchase Program and Quarterly Cash Dividends" above, Note 14, "Comprehensive Income and Equity," to the condensed consolidated financial statements included in this Report and Note 10, "Capital Stock, Accumulated Other Comprehensive Loss and Equity," to the consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2025.

Commodity Prices

Raw material, energy and commodity costs can be volatile, reflecting, among other things, changes in supply and demand, logistics issues, global trade and tariff policies, and geopolitical issues. We have commodity price risk with respect to purchases of certain raw materials, including steel, copper, diesel fuel, chemicals, resins and leather. Our primary commodity cost exposures relate to steel, copper and leather. The majority of the steel used in our products is comprised of fabricated components that are integrated into a seat system, such as seat frames, recliner mechanisms, seat tracks and other mechanical components. Therefore, our exposure to changes in steel prices is primarily indirect, through purchased components. Additionally, approximately 88% of our copper purchases and a significant portion of our leather and direct steel purchases are subject to price index agreements with our customers and suppliers. We have developed and implemented additional strategies to mitigate the impact of any such cost increases, including the selective in-sourcing of components, the continued consolidation of our supply base, longer-term purchase commitments, commercial recovery mechanisms and the selective expansion of low-cost country sourcing and engineering, as well as value engineering and product benchmarking. Certain of these strategies may limit our opportunities in a declining commodity price environment. In the current environment of elevated raw material, energy and commodity costs, these strategies, together with commercial negotiations with our customers and suppliers and improved manufacturing productivity through automation and other advanced technologies, have more than offset the adverse impact. However, no assurances can be provided that these costs will continue to be offset in the future. If these costs increase further, it could have an adverse impact on our operating results in the foreseeable future.

See "— Forward-Looking Statements" below and Item 1A, "Risk Factors — Increases in the costs and restrictions on the availability of raw materials, energy, commodities, product components and labor could adversely affect our financial performance," in our Annual Report on Form 10-K for the year ended December 31, 2025.

For further information related to the financial instruments described above, see Note 17, "Financial Instruments," to the condensed consolidated financial statements included in this Report.

OTHER MATTERS

Legal and Environmental Matters

We are involved from time to time in various legal proceedings and claims, including, without limitation, commercial and contractual disputes, product liability claims, and environmental and other matters. As of October 3, 2026, we had recorded reserves for pending legal disputes, including commercial and contractual disputes, product liability claims and other legal matters of $16 million. In addition, as of October 3, 2026, we had recorded reserves for warranty and recall matters of $38 million and environmental matters of $5 million. We carry insurance for certain legal matters, including product liability claims, but such coverage may be limited. We do not maintain insurance for warranty and recall matters. Although these reserves were determined in accordance with GAAP, the ultimate outcomes of these matters are inherently uncertain, and actual results may differ significantly from current estimates. For a description of risks related to various legal proceedings and claims, see Item 1A, "Risk Factors," in our Annual Report on Form 10-K for the year ended December 31, 2025. For a more complete description of our outstanding material legal proceedings, see Note 15, "Legal and Other Contingencies," to the condensed consolidated financial statements included in this Report.

Critical Accounting Estimates

Certain of our accounting policies require management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are based on our historical experience, the terms of existing contracts, our evaluation of trends in the industry, information provided by our customers and suppliers and information available from other outside sources, as appropriate. However, these estimates and assumptions are subject to an inherent degree of uncertainty. Accordingly, actual results in these areas may differ significantly from our estimates.

For a discussion of our significant accounting policies and critical accounting estimates, see Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations — Other Matters — Critical Accounting Estimates," and Note 2, "Summary of Significant Accounting Policies," to the consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2025. There have been no significant changes in our significant accounting policies or critical accounting estimates during the first nine months of 2026.

Recently Issued Accounting Pronouncements

For information on the impact of recently issued accounting pronouncements, see Note 18, "Accounting Pronouncements," to the condensed consolidated financial statements included in this Report.

Forward-Looking Statements

The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements made by us or on our behalf. The words "may," "designed to," "outlook," "believes," "should," "anticipates," "plans," "expects," "intends," "estimates," "forecasts" and similar expressions identify certain of these forward-looking statements. We 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 Report or in any other public statements which address operating performance, events or developments that we expect or anticipate 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 us. 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 we operate, including changes in interest rates or currency exchange rates;
- the impact of administrative policy, including trade policies and tariffs, in the United States and related actions by countries in which we do business;
- changes in actual industry vehicle production levels from our 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 we are a significant supplier;
- the outcome of customer negotiations and the impact of customer-imposed price reductions;
- increases in the costs and restrictions on the availability of raw materials, energy, commodities, product components and labor and our ability to mitigate such costs and insufficient availability;

- disruptions in relationships with our customers and suppliers;
- the financial condition of and adverse developments affecting our customers and suppliers;
- risks associated with conducting business in foreign countries, including the risk of war (including the war with Iran) or other geopolitical conflicts;
- currency controls and the ability to economically hedge currencies;
- 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;
- competitive conditions impacting us and our key customers and suppliers;
- labor disputes, including disruptions, involving us or our significant customers or suppliers or that otherwise affect us or our significant customers or suppliers;
- the consequences of violations of law by our employees, agents or business partners, including violations related to anti-bribery, competition, export and import, trade sanctions, data privacy, environmental, human rights and other laws;
- the operational and financial success of our joint ventures;
- our ability to attract, develop, engage and retain qualified employees;
- our ability to respond to the evolution of the global transportation industry;
- the outcome of an increased emphasis on global climate change and other sustainability matters by stakeholders;
- the impact of global climate change;
- the impact of pandemics, epidemics, disease outbreaks and other public health crises on our business;
- the impact and timing of program launch costs and our management of new program launches;
- the impact of delayed program launches due to customer planning decisions;
- changes in discount rates and the actual return on pension assets;
- impairment charges initiated by adverse industry or market developments;
- our ability to execute our strategic objectives;
- limitations imposed by our existing indebtedness and our ability to access capital markets on commercially reasonable terms;
- disruptions to our information technology systems, or those of our customers or suppliers, including those related to cybersecurity;
- increases in our warranty, product liability or recall costs;
- the outcome of legal or regulatory proceedings to which we are or may become a party;
- the impact of pending legislation and regulations or changes in existing federal, state, local or foreign laws or regulations;
- the impact of regulations on our foreign operations;
- costs associated with compliance with environmental laws and regulations;
- developments or assertions by or against us relating to intellectual property rights;
- the impact of changes in our effective tax rate, the adoption of new tax legislation or exposure to additional income tax liabilities on our profitability; and
- other risks, described in Item 1A, "Risk Factors," in our Annual Report on Form 10-K for the year ended December 31, 2025, and in our other Securities and Exchange Commission filings.

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

ITEM 3 — QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

MARKET RISK SENSITIVITY

In the normal course of business, we are exposed to market risks associated with fluctuations in foreign exchange rates, interest rates and commodity prices. We manage a portion of these risks through the use of derivative financial instruments in accordance with our policies. We enter into all hedging transactions for periods consistent with the underlying exposures. We do not enter into derivative instruments for trading purposes.

Foreign Exchange

Operating results may be impacted by our buying, selling and financing in currencies other than the functional currency of our operating companies ("transactional exposure"). Currently, our most significant foreign currency transactional exposures relate to the Mexican peso, various European currencies, the Chinese renminbi, the Moroccan dirham and the Honduran lempira. We may mitigate a portion of this risk by entering into forward foreign exchange, futures and option contracts. The foreign exchange contracts are executed with banks that we believe are creditworthy.

A summary of the notional amount and estimated aggregate fair value of our outstanding foreign exchange contracts is shown below (in millions):

	October 3, 2026	December 31, 2025
Notional amount (contract maturities < 36 months)	$ 3,030	$ 3,069
Fair value	118	202

As of October 3, 2026 and December 31, 2025, the potential change in fair value of our outstanding foreign exchange contracts assuming a hypothetical 10% adverse move in foreign currency exchange rates would result in a loss of approximately $271 million and $292 million, respectively.

As of October 3, 2026 and December 31, 2025, the potential change in fair value of our outstanding foreign exchange contracts assuming a hypothetical 10% favorable move in foreign currency exchange rates would result in a gain of approximately $329 million and $351 million, respectively.

As foreign currency exchange rates typically do not all move in the same direction, the estimated impact from changes in foreign currency exchange rates on the net fair value of the Company's foreign exchange contracts may be overstated. Gains and losses related to foreign exchange contracts are deferred where appropriate and included in the measurement of the foreign currency transaction subject to the hedge. Gains and losses related to foreign exchange contracts are generally offset by the direct effects of foreign currency exchange rate movements on the underlying transactions.

In addition to the transactional exposure described above, our operating results are impacted by the translation of our foreign operating income into U.S. dollars ("translational exposure"). In 2025, net sales outside of the United States accounted for 77% of our consolidated net sales, although certain non-U.S. sales are U.S. dollar denominated. We do not enter into foreign exchange contracts to mitigate our translational exposure.

ITEM 4 — CONTROLS AND PROCEDURES

(a) Disclosure Controls and Procedures

The Company has evaluated, under the supervision and with the participation of the Company's management, including the Company's President and Chief Executive Officer along with the Company's Senior Vice President and Chief Financial Officer, the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) as of the end of the period covered by this Report. The Company's disclosure controls and procedures are designed to provide reasonable assurance of achieving their objectives. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. Based on the evaluation described above, the Company's President and Chief Executive Officer along with the Company's Senior Vice President and Chief Financial Officer have concluded that the Company's disclosure controls and procedures were effective to provide reasonable assurance that the desired control objectives were achieved as of the end of the period covered by this Report.

(b) Changes in Internal Control over Financial Reporting

There was no change in the Company's internal control over financial reporting that occurred during the fiscal quarter ended October 3, 2026, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II — OTHER INFORMATION

ITEM 1 — LEGAL PROCEEDINGS

We are involved from time to time in various legal proceedings and claims, including, without limitation, commercial or contractual disputes, product liability claims, and environmental and other matters. For a description of risks related to various legal proceedings and claims, see Item 1A, "Risk Factors," in our Annual Report on Form 10-K for the year ended December 31, 2025. For a description of our outstanding material legal proceedings, see Note 15, "Legal and Other Contingencies," to the condensed consolidated financial statements included in this Report.

ITEM 1A — RISK FACTORS

For a description of our risk factors, see Item 1A, "Risk Factors," in our Annual Report on Form 10-K for the year ended December 31, 2025.

ITEM 2 — UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

As discussed in Part I — Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations — Executive Overview — Common Stock Share Repurchase Program and Quarterly Cash Dividends," and Note 14, "Comprehensive Income and Equity," to the condensed consolidated financial statements included in this Report, we have a remaining repurchase authorization of $1,498.2 million under our ongoing common stock share repurchase program.

A summary of the shares of our common stock repurchased during the quarter ended October 3, 2026, is shown below:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet be Purchased Under the Program (in millions)	
July 5, 2026 through August 1, 2026	244,183	$138.99	244,183	$ 565.8	
August 2, 2026 through August 29, 2026	537,191	$123.85	537,191	$ 499.3	
August 30, 2026 through October 3, 2026	594,543	$125.35	594,543	$ 1,498.2	[1]
Total	1,375,917	$127.19	1,375,917	$ 1,498.2	

[1] On September 24, 2026, our Board of Directors (the "Board") authorized an increase to our existing common stock share repurchase program authorization to $1.5 billion. Our Board originally authorized our common stock share repurchase program on February 16, 2011, and has authorized $7.8 billion in share repurchases since the inception of the program. The current authorization expires on December 31, 2029.

ITEM 5 — OTHER INFORMATION

RULE 10b5-1 TRADING PLAN

Insider Adoption or Termination of Trading Arrangements

During the three months ended October 3, 2026, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408 of Regulation S-K.

ITEM 6 — EXHIBITS

Exhibit Index

	Exhibit Number		Exhibit Name
**	10.1	*	First Amendment to the Amended and Restated Lear Corporation Annual Incentive Plan, effective as of September 23, 2026.
**	10.2	*	First Amendment to the Amended and Restated Lear Corporation Salaried Retirement Restoration Program, effective as of September 23, 2026.
**	31.1		Rule 13a-14(a)/15d-14(a) Certification of Principal Executive Officer.
**	31.2		Rule 13a-14(a)/15d-14(a) Certification of Principal Financial Officer.
***	32.1		Certification by Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
***	32.2		Certification by Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
****	101.INS		Inline XBRL Instance Document.
*****	101.SCH		Inline XBRL Taxonomy Extension Schema Document.
*****	101.CAL		Inline XBRL Taxonomy Extension Calculation Linkbase Document.
*****	101.LAB		Inline XBRL Taxonomy Extension Label Linkbase Document.
*****	101.PRE		Inline XBRL Taxonomy Extension Presentation Linkbase Document.
*****	101.DEF		Inline XBRL Taxonomy Extension Definition Linkbase Document.
****	104		Cover Page Interactive Data File.

*	Compensatory plan or arrangement.
**	Filed herewith.
***	Furnished herewith.
****	The Inline XBRL Instance Document and Cover Page Interactive Data File do not appear in the Interactive Data File because their Inline XBRL tags are embedded within the Inline XBRL document.
*****	Submitted electronically with the Report.

SIGNATURES

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

LEAR CORPORATION

Dated: October 30, 2026

By: /s/ Raymond E. Scott
Raymond E. Scott
President and Chief Executive Officer

By: /s/ Jason M. Cardew
Jason M. Cardew
Senior Vice President and Chief Financial Officer

FIRST AMENDMENT TO THE LEAR CORPORATION
ANNUAL INCENTIVE PLAN
(As Amended and Restated as January 1, 2024)

THIS FIRST AMENDMENT to the Lear Corporation Annual Incentive Plan (Amended and Restated as of January 1, 2024) (the "Plan") was approved on September 23, 2026, by the People and Compensation Committee of the Board of Directors of Lear Corporation, pursuant to the authority reserved to it under Article 6 of the Plan, effective as of September 23, 2026.

1. Article 4.6(c) of the Plan is hereby deleted and replaced with the following:

"(c) The Company's Chief Executive Officer or the Chief Executive Officer's designee (or in the case of a Section 16 Officer, the Committee) may determine, in its sole discretion, that (1) a Bonus will be payable pro-rata for a Participant who either (i) becomes eligible to participate during the Performance Period, (ii) terminates the Participant's employment with the Company during the Performance Period due to the Participant's death, Retirement or Disability or (iii) is involuntarily terminated, and (2) a Bonus will be adjusted to reflect a Participant's increase or decrease in annualized salary during the Performance Period."

2. Except to the extent hereby amended, the Plan shall remain in full force and effect

FIRST AMENDMENT TO THE LEAR CORPORATION
SALARIED RETIREMENT RESTORATION PROGRAM
(Effective December 31, 2024)

THIS FIRST AMENDMENT to the Lear Corporation Salaried Retirement Restoration Program, effective December 31, 2024 (the "Program") was approved on September 23, 2026, by the People and Compensation Committee of the Board of Directors of Lear Corporation, pursuant to the authority reserved to it under Article 9.2 of the Program, effective as of September 23, 2026.

1. Article 5.4 of the Plan is hereby deleted and replaced with the following:
"Vesting. Company Contributions described in Sections 5.1 and 5.2 vest after three (3) years of vesting service (as determined under the Savings Program), measured from a Participant's commencement of employment with the Company. Notwithstanding the foregoing, if a Participant experiences an involuntary Separation from Service before completing three (3) years of vesting service, the Committee may, in its sole discretion, determine that all or any portion of the Company Contributions described in Sections 5.1 and 5.2 shall become vested as of such Separation from Service. Any such accelerated vesting shall not alter the time or form of payment otherwise applicable under the Participant's Payment Schedule.

Company Contributions described in Section 5.3 vest according the schedule specified by the Participating Employer on or before the time the contributions are made.

All Accounts become one-hundred percent (100%) vested, if while employed by an Employer, a Participant dies, incurs a Disability or the Participant attains age 65."

2. Except to the extent hereby amended, the Program shall remain in full force and effect.

Exhibit 31.1

CERTIFICATION

I, Raymond E. Scott, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Lear Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 30, 2026 By: /s/ Raymond E. Scott

Raymond E. Scott
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Jason M. Cardew, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Lear Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 30, 2026 By: /s/ Jason M. Cardew

Jason M. Cardew
Senior Vice President and Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Lear Corporation (the "Company") on Form 10-Q for the period ended October 3, 2026, as filed with the Securities and Exchange Commission (the "Report"), the undersigned, as the Chief Executive Officer of the Company, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 30, 2026

Signed: /s/ Raymond E. Scott
Raymond E. Scott
Chief Executive Officer

This written statement accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Lear Corporation (the "Company") on Form 10-Q for the period ended October 3, 2026, as filed with the Securities and Exchange Commission (the "Report"), the undersigned, as the Chief Financial Officer of the Company, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 30, 2026

Signed: /s/ Jason M. Cardew

Jason M. Cardew
Chief Financial Officer

This written statement accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.