



Investor Overview

December 2025

Making every drive better™

Safe Harbor Statement

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding anticipated financial results and liquidity. The words “will,” “may,” “designed to,” “outlook,” “believes,” “should,” “anticipates,” “plans,” “expects,” “intends,” “estimates,” “forecasts”, “targets” and similar expressions identify certain of these forward-looking statements. The Company also may provide forward-looking statements in oral statements or other written materials released to the public. All statements contained or incorporated in this press release or in any other public statements that address operating performance, events or developments that the Company expects or anticipates may occur in the future are forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements are discussed in the Company’s Annual Report on Form 10-K for the year ended December 31, 2024, its Quarterly Report on Form 10-Q for the quarter ended September 27, 2025, and its other Securities and Exchange Commission filings. Future operating results will be based on various factors, including actual industry production volumes, the impact of, and our ability to mitigate the effects of, U.S. policy regarding trade, including tariffs and any changes to such tariffs, any response by foreign countries to such policies and tariffs, any resulting volume reductions or changes in vehicle production schedules by our customers, and any other industry disruptions, supply chain disruptions, labor disruptions, commodity prices, changes in foreign exchange rates, the impact of restructuring actions and the Company’s success in implementing its operating strategy. Information in this presentation relies on assumptions in the Company’s core sales backlog. The Company’s core sales backlog reflects anticipated net sales from formally awarded new programs less lost and discontinued programs and excludes the impact of non-core products winding down in our E-Systems business. 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 production, and many of these contracts may be terminated by the Company’s customers at any time. Therefore, these contracts do not represent firm orders. Further, the calculation of the core sales backlog does not reflect customer price reductions on existing or newly awarded programs. The core sales backlog may be impacted by various assumptions embedded in the calculation, including vehicle production levels on new programs, foreign exchange rates and the timing of major program launches.

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

Non-GAAP Financial Information

This presentation also contains non-GAAP financial information. For additional information regarding the Company’s use of non-GAAP financial information, as well as reconciliations of non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with accounting principles generally accepted in the United States (“GAAP”), please see slides titled “Non-GAAP Financial Information” at the end of this presentation.

Lear At A Glance

A Global Automotive Supplier

Sales of \$23.3 Billion in 2024

SEATING

\$17.2 billion 2024 sales

E-SYSTEMS

\$6.1 billion 2024 sales

~173,700 EMPLOYEES GLOBALLY

Industry leading talent and technical expertise

255 FACILITIES IN 37 COUNTRIES

Global engineering, manufacturing and administrative footprint

480 VEHICLE NAMEPLATES

Designing, engineering and manufacturing world-class products for every major automotive manufacturer in the world

**100+
YEAR
HERITAGE**

As an
automotive
supplier



#1 IN AUTOMOBILES & PARTS

CNBC 2025



Leads in Top 3
Finishes in
J.D. Power
2024 U.S. Seat
Quality Awards



FORTUNE
2025 World's
Most Admired
Companies

MAKING EVERY DRIVE BETTER™

Global Footprint

North America

76,300
employees

77
facilities

5
countries

South America

9,500
employees

14
facilities

2
countries

Global Headquarters
Southfield, Michigan

South America Regional Headquarters
São Paulo, Brazil

Europe E-Systems Regional Headquarters
Valls, Spain

Europe Seating Regional Headquarters
Munich, Germany

Asia Regional Headquarters
Shanghai, China

Europe & Africa

64,500
employees

103
facilities

20
countries

Asia Pacific

23,400
employees

61
facilities

10
countries



**68% of Manufacturing Facilities and
86% of Employees Located in Low-Cost Countries**

Our Commitment to a Low-Carbon Future

2030

50% reduction in Scopes 1 & 2 carbon emissions at our facilities*

(SBTi validated)

100% renewable energy for electric power consumed at our facilities

2033

35% reduction in Scope 3 emissions*

(SBTi validated)



Lear aspires to
Net-Zero Emissions
by **2050**



United Nations Global
Compact Participant

Key Financials

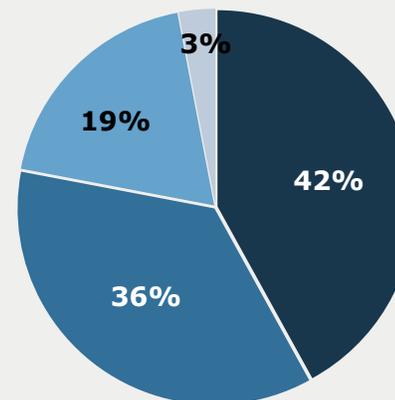
(\$ in millions, except per share amounts)

	2023	2024	2025 Outlook* (Mid-Point)
Net Sales	\$23,467	\$23,306	\$23,000
Core Operating Earnings**	\$1,120	\$1,096	\$1,025
Operating Margin %	4.8%	4.7%	4.5%
Adjusted Earnings Per Share	\$12.02	\$12.62	Not Provided
Operating Cash Flow	\$1,249	\$1,120	\$1,060

Well-Diversified By Region and Customer

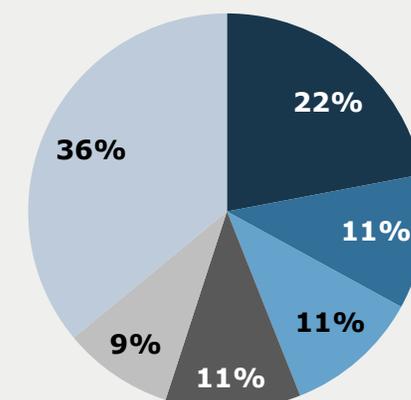
2024 Percentage of Sales

By Region



■ North America ■ Europe & Africa
■ Asia ■ South America

By Customer



■ General Motors ■ Ford
■ Volkswagen ■ Mercedes-Benz
■ Stellantis ■ Other

*Assumptions and Source: 2025 Full Year Outlook assumes an average Euro of \$1.13 and an average Chinese RMB of 7.21/\$ and reflects S&P Global Mobility production forecast as of October 15, 2025, and Company estimates.

**Please see appendix for discussion of non-GAAP financial measures, as well as reconciliations of non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP. Certain of the forward-looking financial measures are provided on a non-GAAP basis. The company does not provide a reconciliation of forward-looking financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP because to do so is potentially misleading and not practical given the difficulty of projecting event driven transactional and other non-core operating items in any future period. The magnitude of these items, however, may be significant.

Capital Allocation Driving Shareholder Value

Strong balance sheet supports growth and capital returns to shareholders

- BBB credit rating at S&P, Moody's and Fitch
- No debt maturities until 2027
- Low cost of bonds averaging less than 4%
- Total available liquidity of ≈\$3.0 billion*

Improving cash flow generation

- Targeting ≈80% free cash flow conversion

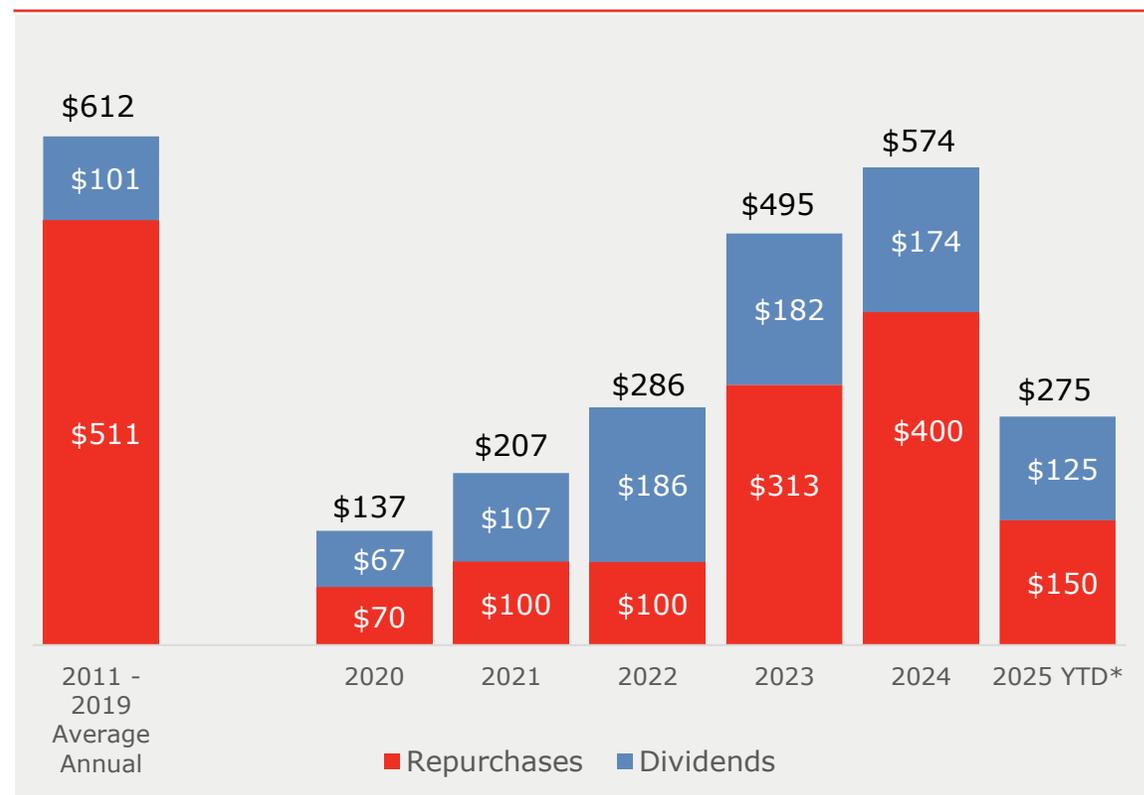
Investments support growth and vertical integration

- Majority of capital spending related to new business wins and product innovation
- ASI, InTouch, Thagora, WIP Automation and StoneShield acquisitions driving automation

Consistently returning excess cash to shareholders

- Targeting share repurchases of >\$300 million in 2025
- Quarterly dividend of \$0.77 per share
- ≈\$950 million remaining share repurchase authorization through December 31, 2026*

SHARE REPURCHASES AND DIVIDENDS



Long-Term Strategic Priorities

Extending our global leadership in Seating

Expanding margins through our focused portfolio in E-Systems

Growing our capabilities in operational excellence through IDEA by Lear

Supporting our sustainable value creation with disciplined capital allocation

Strategic Actions Improving the Margin Profiles and Cash Flow Generation of Both Business Segments

Strategic Actions	Near-Term	Mid-Term	Long-Term
Efficiency improvements in North America wire	✓		
Lower launch costs and prioritized capital expenditures to align with anticipated volumes	✓		
Customer commercial recoveries for changes in launch timing and volume	✓		
Acceleration of automation and advanced manufacturing investment savings	✓	✓	
Footprint rationalization through restructuring and shifts to lower-cost countries	✓	✓	
Leveraging internally developed capital	✓	✓	
Consolidation of functions across both business segments	✓	✓	
Increasing Seating scale and vertical integration through growth in thermal comfort and modularity		✓	✓
New conquest awards in both segments expanding market leadership		✓	✓
Expansion and diversification of customer base in both segments through growth with Chinese automakers and strengthening relationships with Japanese automakers		✓	✓
Thermal comfort sales growth at margins accretive to Seating		✓	✓
Margin improvement from focused E-Systems portfolio		✓	✓
Next generation products priced for economic costs			✓



Innovative. Digital. Engineered. Automated.

by



IDEA is the evolution of Lear's strategy to drive growth and improve profitability by developing innovative products and utilizing advanced technology to extend our leadership position in operational excellence

- Continuing competitive advantages in operational excellence, vertical integration and innovation have positioned Lear as a leading automotive supplier
- Automation and digital technologies are key enablers to driving margin expansion
- Innovative products and technologies are accelerating profitable growth in both Seating and E-Systems

Growing with Key Chinese Domestic Automakers

CHINA REVENUE BY CUSTOMER

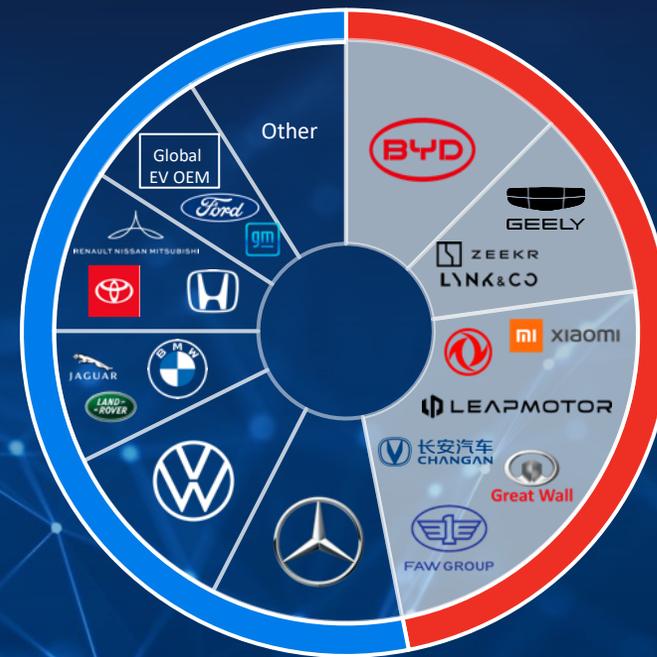
2024 Actual
 ≈33% with Chinese Domestic Automakers



2025 Outlook
 ≈37% with Chinese Domestic Automakers



2027 Target
 ≈50% with Chinese Domestic Automakers



■ Chinese Domestic Automakers

■ U.S. / European / Other Asian Automakers

Key Growth and Margin Improvement Metrics Scorecard

Growth Metric	Q3 Update
Conquest Wins - JIT	Won conquest awards in Asia and South America
Conquest Wins - Wire	Won three low-voltage wire conquest awards; two with Stellantis and one with the Dongfeng Group
Thermal Comfort / Modularity Awards	Won new ComfortFlex™ awards including a conquest award with Hyundai and awards with BMW, Leapmotor and Seres
Awards with Chinese Domestic Automakers	Won five complete seat awards and four wire awards

Margin Improvement Metric	Status YTD	2025 Targets
IDEA / Automation Savings	≈\$50 million	≈\$70 million
Restructuring Savings	≈\$55 million	≈\$85 million
Global Hourly Headcount Reduction	≈3,400 reduction	≈10,000 reduction
Net Performance	Seating ≈70 bps E-Systems ≈105 bps	Seating ≈60 bps E-Systems ≈75 bps

Global Vehicle Production and Currency

2025 Full Year Outlook

INDUSTRY PRODUCTION

(units in millions)

	GLOBAL	NORTH AMERICA	EUROPE AND AFRICA	CHINA
FY 2024	88.3	15.4	17.6	29.0
FY 2025	90.0	15.1	17.2	30.8
	UP 2% YOY <i>Prior Outlook: FLAT</i>	DOWN 2% YOY <i>Prior Outlook: Down 4%</i>	DOWN 2% YOY <i>Prior Outlook: Down 3%</i>	UP 6% YOY <i>Prior Outlook: Up 3%</i>
	Lear Sales-Weighted Basis FLAT YOY <i>Prior Outlook: Down 2%</i>			

KEY CURRENCIES

	FY 2024	FY 2025	
EURO	\$1.08 / €	\$1.13 / €	UP 4%
CHINESE RMB	7.20 / \$	7.21 / \$	FLAT

2025 Full Year Outlook

Net Sales

\$22,850 - \$23,150 million

Prior Outlook \$22,470 - \$23,070 million

Core Operating Earnings

\$995 - \$1,055 million

Prior Outlook \$955 - \$1,095 million

Adjusted EBITDA

\$1,605 - \$1,665 million

Prior Outlook \$1,570 - \$1,710 million

Interest Expense

≈\$105 million

Prior Outlook \$110 million

Effective Tax Rate

20% - 22%

Adjusted Net Income

\$615 - \$665 million

Prior Outlook \$585 - \$695 million

Restructuring Costs

≈\$235 million

Prior Outlook \$215 million

Operating Cash Flow

\$1,035 - \$1,085 million

Prior Outlook \$1,010 - \$1,110 million

Capital Expenditures

≈\$560 million

Prior Outlook \$590 million

Free Cash Flow

\$475 - \$525 million

Prior Outlook \$420 - \$520 million

2025 Full Year Outlook excludes any future impact of potential changes to tariffs or Company and industry-wide production disruptions due to supplier export constraints

As reported on October 31, 2025 (third quarter 2025 earnings release). Its usage here is not a reaffirmation of such prior guidance.

Assumptions and Source: 2025 Full Year Outlook assumes an average Euro of \$1.13 and an average Chinese RMB of 7.21/\$ and reflects S&P Global Mobility production forecast as of October 15, 2025, and Company estimates.

Certain of the forward-looking financial measures are provided on a non-GAAP basis. Please see appendix for discussion of non-GAAP financial measures. The company does not provide a reconciliation of forward-looking financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP because to do so is potentially misleading and not practical given the difficulty of projecting event driven transactional and other non-core operating items in any future period. The magnitude of these items, however, may be significant.

JLR Impact

Timeline

- **August 31st** – JLR’s systems were compromised by a cyberattack
- **September 1st** – JLR halted global production across all manufacturing plants and retail operations
- **October 6th** – JLR began initial production at its Wolverhampton Engine Manufacturing Centre
- **October 8th** – Production at the Solihull and Nitra plants began at low volumes
- **Mid-October into November** – Production ramps and additional plants resume production

Impact

- **Operating income amounts include impact from trapped labor**
- **Q3 2025 impact**
 - Revenue ≈\$111 million
 - Operating income ≈\$31 million
- **Q4 2025 estimated impact**
 - Revenue ≈\$143 million
 - Operating income ≈\$40 million
- **FY 2025 impact estimated impact**
 - Revenue ≈\$255 million
 - Operating income ≈\$71 million

Seating

Seating at a Glance

Leader in world-class automotive seating systems with 26% global market share and largest provider of luxury solutions



Most vertically integrated supplier of complete automotive seat systems including Just-In-Time ("JIT") assembly and components, providing advanced craftsmanship, elegance in design, use of innovative materials and industry-leading technology

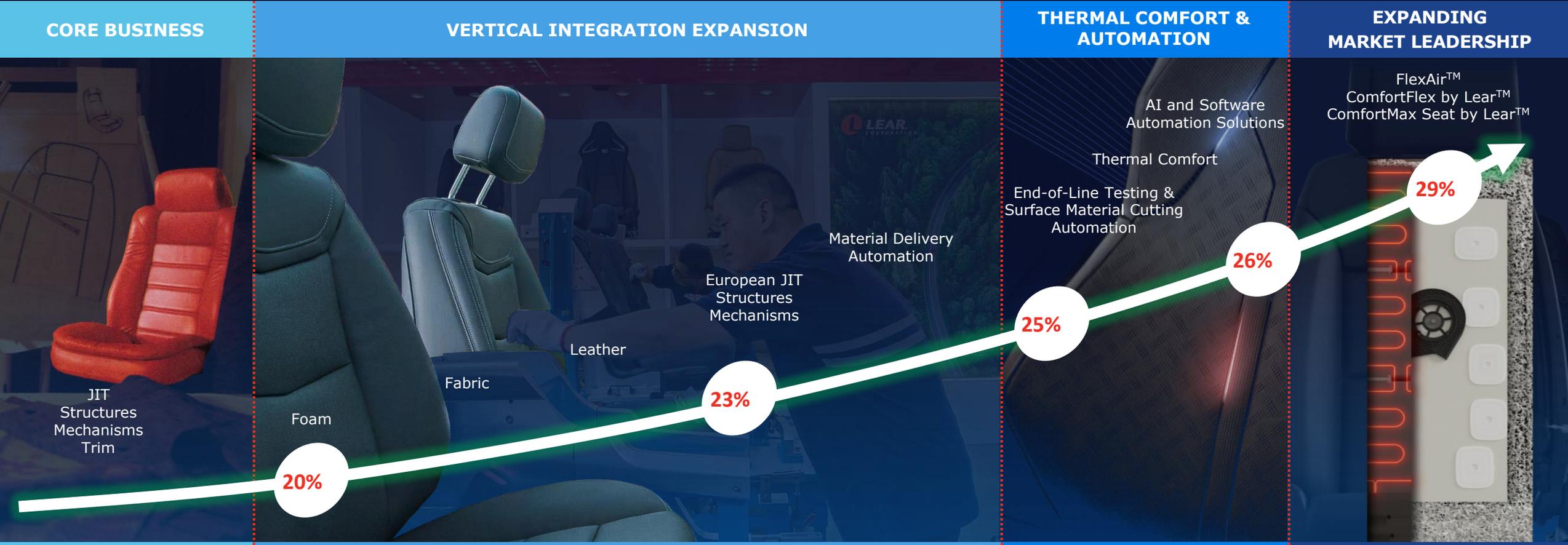
Innovative solutions, such as ComfortFlex by Lear™, ComfortMax Seat by Lear™ and FlexAir™, reduce complexity and mass while enhancing the comfort for the occupant

Low-cost global manufacturing presence focused on operational excellence and process innovation with a culture of continuous improvement

Development and utilization of integrated sustainable solutions, including recycled and/or renewable content, bio-based materials and light-weighting

Evolution of Lear's Seating Business

% - JIT Market Share



CORE BUSINESS

VERTICAL INTEGRATION EXPANSION

THERMAL COMFORT & AUTOMATION

EXPANDING MARKET LEADERSHIP

JIT Structures
Mechanisms
Trim

Foam

Fabric

Leather

23%

European JIT Structures
Mechanisms

Material Delivery
Automation

25%

End-of-Line Testing &
Surface Material Cutting
Automation

Thermal Comfort

AI and Software
Automation Solutions

26%

FlexAir™
ComfortFlex by Lear™
ComfortMax Seat by Lear™

29%

1994 IPO

2008

2012

2015

2017

2018

2022

2023

2024

Target

KEY ACQUISITIONS:

RENOSOL

GUILFORD
MILLS

EAGLE
OTTAWA

GRUPO
ANTOLIN*

ASI
AUTOMATION

KONGSBERG AUTOMOTIVE*
INTOUCH AUTOMATION
THAGORA TECHNOLOGY

I.G.
BAUERHIN

WIP INDUSTRIAL
AUTOMATION

JIT Market Share based on S&P Global
Mobility and Company estimates

*Lear acquired a portion of the business

Seating Core Product Portfolio

Unmatched product portfolio driving better in-vehicle experiences



+ COMPLETE SEAT SYSTEMS

Lear is a trusted Just-in-Time (JIT) seating partner, integrating innovative materials and leading technology

+ SURFACE MATERIALS

Premium craftsmanship and elegant designs through vertical integration

- Advanced, eco-friendly materials and cutting-edge designs with **Guilford Performance Textiles** and **Eagle Ottawa Leather**.
- **ReNewKnit™**: a fully recyclable, sustainable sueded alternative material

+ THERMAL COMFORT SYSTEMS

Vertical integration of lumbar, massage, and thermal luxury comfort products complements Lear's suite of Seating technologies

- **ComfortFlex™**: proprietary technology that combines two or more thermal comfort functions for improved performance, reduced complexity, and lower cost
- **ComfortMax Seat by Lear™**: leverages our seat component and complete seat expertise by combining ComfortFlex™ modular designs into the seat trim cover for an enhanced in-vehicle experience
- **FlexAir™**: Our 100% recyclable non-foam alternative is integrated into our solutions to reduce mass and improve thermal comfort performance

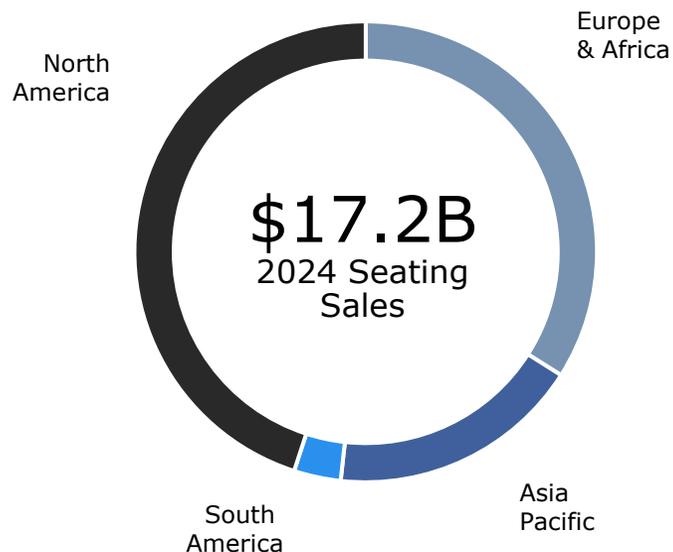
+ STRUCTURES

High-Quality seat structures (recliners, tracks, latches) exceed customer needs and include innovations like **Automotive News PACE Award winner Configure+™** reconfigurable track and cassette solution



Industry Leading Global Seating Supplier

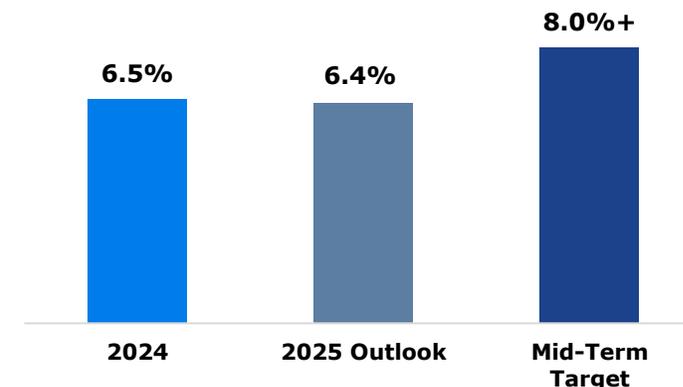
SALES BY REGION



TOP 5 CUSTOMERS



ADJUSTED OPERATING MARGIN*



VALUE DRIVERS

- Poised for industry volume recovery
- Strong quote pipeline including \$2 billion of conquest opportunities
- Long-term target of 4 points of Growth over Market
- Goal to increase JIT market share from 26% to 29%
- Growing thermal comfort products to deliver ≈\$1.0 billion in revenue and ≈10% margins
- Innovative products such as ComfortFlex by Lear™, ComfortMax Seat by Lear™, FlexAir™, ReNewKnit™ and ConfigE+™
- Continued focus and investment in operational excellence and automation

Lear's Competitive Advantage in Seating

Most vertically integrated global supplier in the world

 Complete Capabilities Globally

CORE SEATING

	Complete Seat	Structures & Mechanisms	Foam	Cut & Sew	Fabric & Leather	Seating Electronics & Software
 LEAR	✓	✓	✓	✓	✓	✓
Adient	✓	✓	✓	✓		
Forvia	✓	✓	✓			
Magna	✓	✓	✓	✓		✓
Yanfeng						
Gentherm						

THERMAL COMFORT

Seat Heating	Seat Ventilation	Lumbar & Massage	Steering Wheel & Panel Heating
✓	✓	✓	✓
		✓	
✓	✓	✓	✓

Seating

Key 2025 Product Launches



= Hybrid / Electric Vehicle



= Luxury

Hyundai Palisade

Ram 1500 Ramcharger

Polestar 5

Land Rover
Range Rover / Sport PHEV

BYD Tang L

Cadillac Escalade
IQL

DELAYED TO 2026



JIT, Thermal Comfort
ASIA



JIT, Thermal Comfort
NORTH AMERICA



ComfortFlex™
ASIA



JIT, Thermal Comfort
EUROPE



JIT, Structures
ASIA



JIT
NORTH AMERICA



BMW iX3 / M-Sport

Audi Q3 /
Q3 Sportback

BYD Han L

Jeep Compass

NIO Leo

Global EV OEM



JIT, Trim
EUROPE



JIT
EUROPE



JIT
ASIA



JIT
EUROPE



JIT, Foam, Trim
ASIA



Foam
ASIA



E-Systems

E-Systems at a Glance

Leader in signal distribution and power management across all vehicle architectures

Fully integrated supplier through design, development, engineering and manufacturing of complete electrical distribution and connection systems, battery disconnect units and other electronic products

Innovative leader connecting networks and electrical signals and managing electrical power within the vehicle through our electrical distribution and connection systems portfolio of products such as low and high voltage wire, intercell connect boards and high-speed data cables

Technology leader facilitating signal, data and power management within the vehicle for all types of powertrains through our portfolio of products such as battery disconnect units and body domain and zone control modules

Our customizable solutions with optimized designs support future content growth as the industry trends toward electrification and vehicle architectures evolve



E-Systems Product Portfolio

Delivering expertise across complete electrical architectures

+ ELECTRICAL DISTRIBUTION SYSTEMS

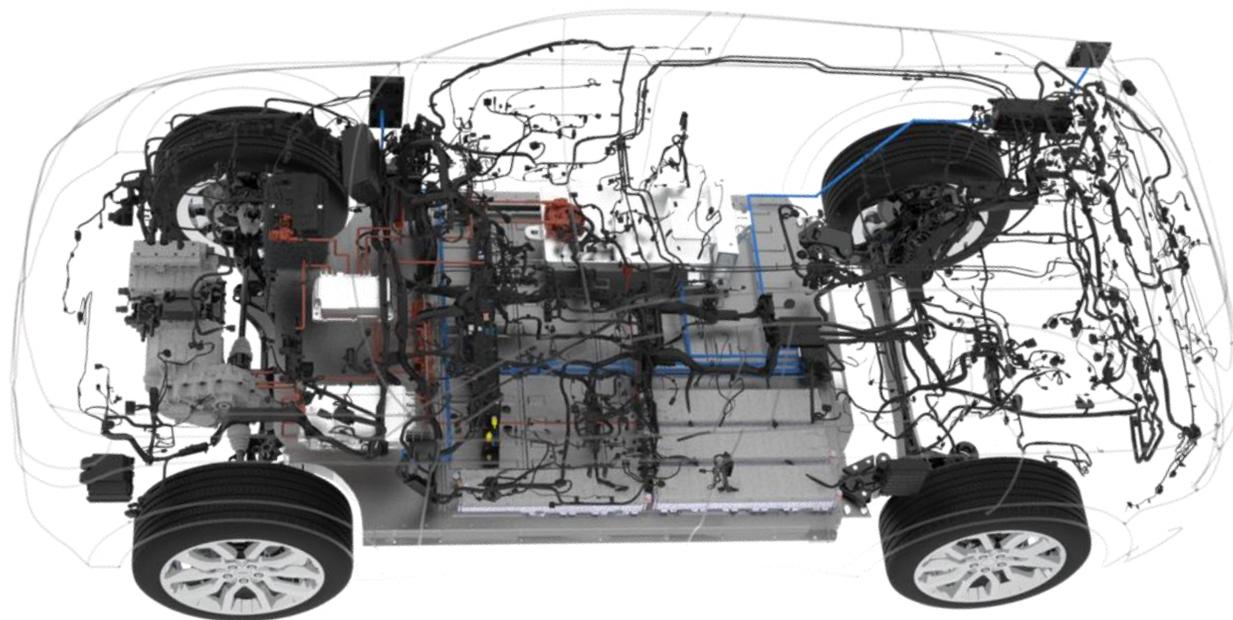
Proven partner with full-service capabilities across power, signal and data distribution within the vehicle for all types of powertrains. Wire harness assemblies, together with connection systems, link all of the various electrical and electronic devices within the vehicle to each other and/or to a power source

+ CONNECTION SYSTEMS

Includes terminals and connectors, high voltage battery connection systems and engineered components to support both low voltage and high voltage power distribution. Specific high voltage products include intercell connect boards, bus bars and main battery connection systems. These products are produced using highly automated processes, including stamping, bending, molding and assembly

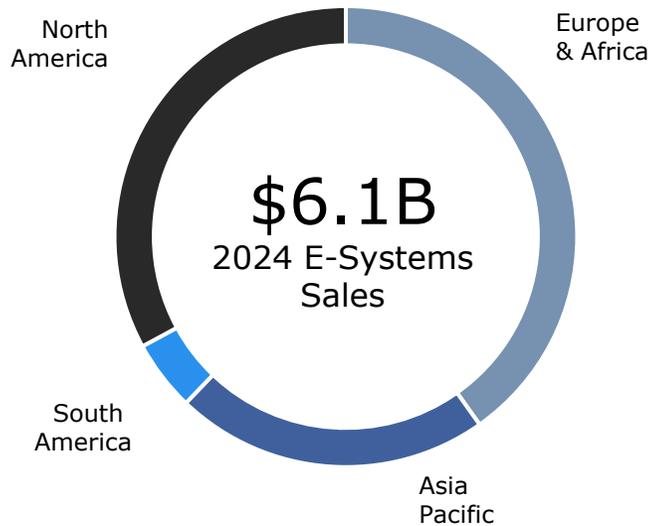
+ BATTERY DISCONNECT UNITS AND ELECTRONIC PRODUCTS

Experienced leader in power and thermal management and electrical architecture integration, as well as sophisticated body and core electronic products delivering innovation across battery disconnect units, body domain and zone control modules and low and high voltage power distribution units



Well-Diversified and Growing Global Electrical Distribution and Connection Systems & Electronics Supplier

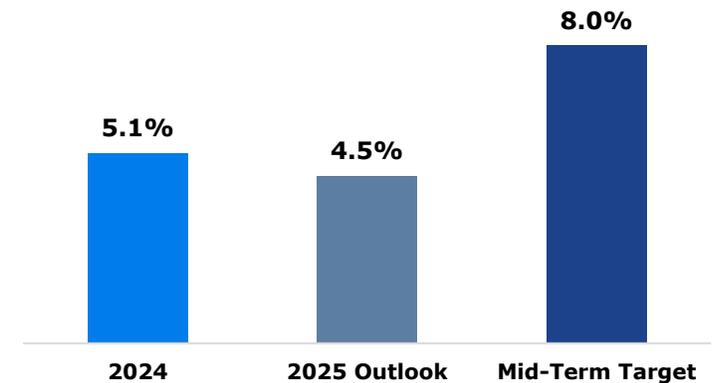
SALES BY REGION



TOP 5 CUSTOMERS



ADJUSTED OPERATING MARGIN*



VALUE DRIVERS

- Poised for industry volume recovery
- Strong quote pipeline for low and high voltage wiring, connection systems and electronics
- Long-term target of 6 points of Growth over Market
- Secular tailwinds in electrification and electrical architecture evolution
- Growing mix of connection systems, engineered components and high-speed data solutions
- Continued focus and investment in operational excellence and automation

E-Systems

Key 2025 Product Launches

 = Hybrid / Electric Vehicle

Chevrolet Bolt EV

Volvo ES90

Audi Q5

**Land Rover
Range Rover / Sport PHEV**

**Ford Expedition /
Lincoln Navigator**

**Renault & Nissan
Cross Platform**



Low Voltage Wiring
NORTH AMERICA

High Voltage Wiring and
Smart Junction Box
ASIA / NORTH AMERICA

Low Voltage Wiring
ASIA

Low Voltage Wiring
EUROPE

Low Voltage Wiring
NORTH AMERICA

Smart Junction Box
EUROPE



Global EV OEM

Audi Q6 e-tron

**BMW
Cross Platform**

**Land Rover
Defender PHEV**

Polestar 5

Chevrolet Onix



Low Voltage Wiring
NORTH AMERICA / EUROPE

High Voltage and Low
Voltage Wiring
ASIA

Zone Control Module
EUROPE

Low Voltage Wiring
EUROPE

High Voltage Wiring
ASIA

Low Voltage Wiring
SOUTH AMERICA



Summary

Lear Strategically Positioned to Drive Value for Shareholders

Extending Seating global leadership

- Growing **26% global JIT market share** with **≈50% share in luxury**
- **Most vertically integrated seat manufacturer** in the world
- **Over \$2.0 billion** in net **conquest wins** since 2019
- **Specialized thermal comfort systems** such as ComfortFlex and ComfortMax Seat by Lear™ and **innovative technologies** such as FlexAir™, ReNewKnit™ and ConfigurE+™
- Long-term targeting of **4 percentage points of Growth over Market**

Growing our capabilities in operational excellence through IDEA by Lear

- **Accelerating the use of digital tools and automation** to drive profitable growth through **IDEA by Lear**
- **Organic and inorganic investments** driving automation and plant efficiencies
- Track record of **positive net operating performance**
- **Rationalizing** manufacturing **footprint**

Expanding E-Systems margins through focused portfolio

- **Focused product portfolio** is well positioned for **long-term growth**
- **Innovative products** such as Battery Disconnect Unit and Zone Control Module
- **Improving margins** through growth in connection systems and power distribution products
- **Aligning resources** to match customer vehicle propulsion strategies
- Long-term target of **6 percentage points of Growth over Market**

Supporting sustainable value creation with disciplined capital allocation

- **Strong balance sheet** with no meaningful debt maturities until 2027
- Targeting **80%+ cash conversion** on adjusted net income
- **Returning excess cash to shareholders** through quarterly dividends and share repurchases

Appendix

Non-GAAP

In addition to the results reported in accordance with GAAP included throughout the presentation, the Company has provided information regarding “pretax income before equity income, interest, other expense, restructuring costs and other special items” (core operating earnings or adjusted segment earnings), “pretax income before equity income, interest, other expense, depreciation expense, amortization of intangible assets, restructuring costs and other special items” (adjusted EBITDA), “adjusted net income attributable to Lear”(adjusted net income), “adjusted diluted net income per share attributable Lear” (adjusted earnings per share), “effective tax rate excluding the impact of restructuring and other special items” and “free cash flow” (each, a non-GAAP financial measure). Other expense includes, among other things, non-income related taxes, foreign exchange gains and losses, gains and losses related to certain derivative instruments and hedging activities, gains and losses on certain disposals of assets and the non-service cost components of net periodic benefit cost. Adjusted net income and adjusted earnings per share represent net income attributable to Lear and diluted net income per share attributable to Lear, respectively, adjusted for restructuring costs and other special items, including the tax effect thereon. Free cash flow represents net cash provided by operating activities less capital expenditures.

Management believes the non-GAAP financial measures used in this presentation are useful to both management and investors in their analysis of the Company’s financial position and results of operations. In particular, management believes that core operating earnings, adjusted EBITDA, adjusted net income, adjusted earnings per share and effective tax rate excluding the impact of restructuring and other special items are useful measures in assessing the Company’s financial performance by excluding certain items that are not indicative of the Company’s core operating performance or that may obscure trends useful in evaluating the Company’s continuing operating activities. Management also believes that these measures provide improved comparability between fiscal periods. Management believes that free cash flow is useful to both management and investors in their analysis of the Company’s ability to service and repay its debt. Further, management uses these non-GAAP financial measures for planning and forecasting future periods.

Core operating earnings, adjusted EBITDA, adjusted net income, adjusted earnings per share, effective tax rate excluding the impact of restructuring and other special items and free cash flow should not be considered in isolation or as a substitute for net income attributable to Lear, diluted net income per share attributable to Lear, cash provided by operating activities or other income statement or cash flow statement data prepared in accordance with GAAP or as a measure of profitability or liquidity. In addition, the calculation of free cash flow does not reflect cash used to service debt and, therefore, does not reflect funds available for investment or other discretionary uses. Also, these non-GAAP financial measures, as determined and presented by the Company, may not be comparable to related or similarly titled measures reported by other companies.

Set forth on the following slides are reconciliations of these non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP.

Non-GAAP

Adjusted Net Income and Earnings Per Share (In millions, except per share amounts)	Full Year	
	2023	2024
Net income attributable to Lear	\$ 572.5	\$ 506.6
Costs related to restructuring actions	134.2	145.0
Acquisition costs	0.8	0.6
Acquisition-related inventory fair value adjustment	1.8	-
Non-cash loss relate to pending disposal of a non-core business	-	24.4
Costs related to CrowdStrike Holdings, Inc.	-	3.2
Impairments (recoveries) related to Fisker, Inc., net	-	15.0
Recoveries related to Russian operations, net of costs	2.4	(1.7)
Intangible asset impairment	1.9	-
Insurance recoveries related to typhoon in the Philippines, net of costs	(7.3)	-
Non-cash settlement loss on pension lump-sum payout	-	6.6
Foreign exchange gains due to foreign exchange rate volatility related to Russia	(1.9)	(2.0)
Favorable tax ruling in a foreign jurisdiction	(0.7)	-
Loss related to affiliates	7.0	-
Other	34.3	39.7
Tax impact of special items and other net tax adjustments ¹	(34.7)	(24.6)
Adjusted net income attributable to Lear	\$ 710.3	\$ 712.8
Weighted average number of diluted shares outstanding	59.1	56.5
Diluted net income per share available to Lear common stockholders	\$ 9.68	\$ 8.97
Adjusted earnings per share	\$ 12.02	\$ 12.62

¹ Represents the tax effect of restructuring costs and other special items, as well as several discrete tax items. The identification of these tax items is judgmental in nature, and their calculation is based on various assumptions and estimates.

Non-GAAP

Adjusted Segment Earnings and Margins

(\$ in millions)

Net sales

Segment earnings

Restructuring costs and other special items -

Costs related to restructuring actions

Costs (recoveries) related to CrowdStrike Holdings, Inc., net

Impairments related to Fisker, Inc.

Impairments (recoveries) related to Russian operations, net

Other

Adjusted segment earnings

Segment margins

Adjusted segment margins

	2024	
	Seating	E-Systems
Net sales	\$ 17,222.1	\$ 6,083.9
Segment earnings	\$ 988.5	\$ 247.4
Costs related to restructuring actions	110.0	40.5
Costs (recoveries) related to CrowdStrike Holdings, Inc., net	2.6	0.6
Impairments related to Fisker, Inc.	2.3	12.7
Impairments (recoveries) related to Russian operations, net	(1.7)	-
Other	13.8	9.0
Adjusted segment earnings	\$ 1,115.5	\$ 310.2
Segment margins	5.7%	4.1%
Adjusted segment margins	6.5%	5.1%