



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

**SCHEDULE 13E-3**

(Amendment No. 1)  
**Rule 13E-3 Transaction Statement**  
Pursuant to Section 13(e) of  
the Securities Exchange Act of 1934

**LEAR CORPORATION**

(Name of the Issuer)

**Lear Corporation**  
**American Property Investors, Inc.**  
**American Real Estate Partners, L.P.**  
**American Real Estate Holdings Limited Partnership**  
**AREP Car Holdings Corp.**  
**AREP Car Acquisition Corp.**

**Carl C. Icahn**

**Vincent J. Intrieri**

(Names of Person(s) Filing Statement)

**Common Stock, par value \$0.01 per share**  
(Title of Class of Securities)

**521865105**

(CUSIP Number of Class of Securities)

**Lear Corporation**  
**21557 Telegraph Road**  
**Southfield, MI 48033**  
**Attn: Daniel A. Ninivaggi**  
**Executive Vice President, Secretary and**  
**General Counsel**  
**(248) 447-1500**

**American Real Estate Partners, L.P.**  
**767 Fifth Avenue, Suite 4700**  
**New York, New York 10153**  
**Attn: Keith A. Meister**  
**Principal Executive Officer and Vice**  
**Chairman of the Board**  
**(212) 702-4300**

(Name, Address, and Telephone Numbers of Person Authorized to Receive Notices  
and Communications on Behalf of the Persons Filing Statement)

*With copies to:*

**Bruce A. Toth, Esq.**  
**Winston & Strawn LLP**  
**35 W. Wacker Drive**  
**Chicago, Illinois 60601**  
**(312) 558-5600**

**Steven L. Wasserman, Esq.**  
**DLA Piper US LLP**  
**1251 Avenue of the Americas**  
**New York, New York 10020**  
**(212) 335-4948**

This statement is filed in connection with (check the appropriate box):

- a.  The filing of solicitation materials or an information statement subject to Regulation 14A, Regulation 14C or Rule 13e-3(c) under the Securities Exchange Act of 1934.
- b.  The filing of a registration statement under the Securities Act of 1933.
- c.  A tender offer.
- d.  None of the above.

Check the following box if the soliciting materials or information statement referred to in checking box (a) are preliminary copies:

Check the following box if the filing is a final amendment reporting the results of the transaction:

**Calculation of Filing Fee**

|                       |                  |                      |            |
|-----------------------|------------------|----------------------|------------|
| Transaction valuation | \$2,858,944,606* | Amount of filing fee | \$87,770** |
|-----------------------|------------------|----------------------|------------|

\* **Calculated solely for the purpose of determining the filing fee.**

\*\* The maximum aggregate value was determined based upon the sum of (A) 76,642,783 shares of Common Stock multiplied by \$36.00 per share; (B) options to purchase 720,575 shares of Common Stock with exercise prices less than \$36.00 multiplied by \$3.94 (which is the difference between \$36.00 and the weighted average exercise price of \$32.06 per share); (C) restricted stock units with respect to 1,856,831 shares of Common Stock multiplied by \$36.00 per share; (D) stock appreciation rights with respect to 2,209,952 shares of Common Stock multiplied by \$9.16 (which is the difference between \$36.00 and the weighted average exercise price of \$26.84 per share); (E) deferred unit accounts with respect to 104,432 shares of Common Stock multiplied by \$36.00 per share; and (F) performance shares with respect to 169,909 shares of Common Stock multiplied by \$36.00 per share. In accordance with Section 14(g) of the Securities Exchange Act of 1934, as amended, the filing fee was determined by multiplying 0.0000307 by the sum calculated in the preceding sentence.

Check the box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: \$87,770 Filing Party: Lear Corporation  
Form or Registration No.: Schedule 14A Date Filed: March 20, 2007



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## INTRODUCTION

This Amendment No. 1 to Rule 13e-3 Transaction Statement (the “Transaction Statement”) is being filed with the Securities and Exchange Commission (the “SEC”) pursuant to Section 13(e) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), by Lear Corporation, a Delaware corporation (the “Company”), AREP Car Holdings Corp., a Delaware corporation (“Parent”), AREP Car Acquisition Corp., a Delaware corporation (“Merger Sub”), American Real Estate Holdings Limited Partnership, a Delaware limited partnership (“AREH”), American Real Estate Partners, L.P., a Delaware limited partnership (“AREP”), American Property Investors, Inc., a Delaware corporation, Carl C. Icahn and Vincent J. Intriери (collectively, the “Filing Persons”).

This Transaction Statement relates to the Agreement and Plan of Merger, dated as of February 9, 2007 (the “Merger Agreement”), by and among the Company, Parent and Merger Sub. If the Merger Agreement is approved by the Company’s stockholders and the other conditions to the closing of the merger are either satisfied or waived, Merger Sub will be merged with and into the Company (the “Merger”). The separate corporate existence of Merger Sub will cease, and the Company will continue its corporate existence under Delaware law as the surviving corporation in the Merger. The separate corporate existence of the Company with all of its rights, privileges, immunities, powers and franchises, shall continue unaffected by the Merger. Upon consummation of the Merger, each share of Company common stock issued and outstanding immediately prior to the effective time of the merger, other than shares owned by Parent, Merger Sub or any subsidiary of Parent or shares held by holders who have properly demanded and perfected their appraisal rights, will be converted into the right to receive \$36.00 in cash, without interest and less any applicable withholding taxes.

Concurrently with the filing of this Transaction Statement, the Company is filing with the SEC an amended preliminary proxy statement (the “Proxy Statement”) under Regulation 14A of the Exchange Act in connection with the Merger and the annual meeting of the stockholders of the Company. The Proxy Statement is attached hereto as Exhibit (a)(1). A copy of the Merger Agreement is attached to the Proxy Statement as Appendix A and is incorporated herein by reference. As of the date hereof, the Proxy Statement is in preliminary form and is subject to completion or amendment.

Pursuant to General Instruction F to Schedule 13E-3, the information in the Proxy Statement, including all annexes, exhibits and appendices thereto, is expressly incorporated by reference herein in its entirety, and responses to each item herein are qualified in their entirety by the information contained in the Proxy Statement. The cross references below are being supplied pursuant to General Instruction G to Schedule 13E-3 and show the location in the Proxy Statement of the information required to be included in response to the items of Schedule 13E-3.

All information contained in, or incorporated by reference into, this Transaction Statement concerning each Filing Person was supplied by such Filing Person, and no other Filing Person, including the Company, takes responsibility for the accuracy of such information as it relates to any other Filing Person.

The filing of this Transaction Statement shall not be construed as an admission by any of the Filing Persons or by any affiliate of a Filing Person that any Filing Person is an “affiliate” of the Company within the meaning of Rule 13e-3.

### Item 1. Summary Term Sheet

The information set forth in the Proxy Statement under the following caption is incorporated herein by reference:

“Summary Term Sheet”

### Item 2. Subject Company Information

(a) **Name and Address.** The Company’s name and the address and telephone number of its principal executive offices are as follows:

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Lear Corporation  
21557 Telegraph Road  
Southfield, Michigan 48033  
(248) 447-1500

(b) **Securities.** The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Summary of Annual Meeting – Outstanding Shares”

(c) **Trading Market and Price.** The information set forth in the Proxy Statement under the following caption is incorporated herein by reference:

“Important Information Regarding Lear—Market Price of Common Stock”

(d) **Dividends.** The information set forth in the Proxy Statement under the following caption is incorporated herein by reference:

“The Merger Agreement—Conduct of Business Prior to Closing”

“Important Information Regarding Lear—Market Price of Common Stock”

(e) **Prior Public Offerings.** Not applicable.

(f) **Prior Stock Purchases.** The information set forth in the Proxy Statement under the following caption is incorporated herein by reference:

“Important Information Regarding Lear—Prior Purchases and Sales of Lear Common Stock”

**Item 3. Identity and Background of Filing Person**

(a) **Name and Address.** The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Summary Term Sheet”

“The Parties to the Merger”

“Important Information Regarding Lear”

“Important Information Regarding Mr. Ichan, Mr. Intrieri, API, AREH, AREP, Parent and Merger Sub”

(b) **Business and Background of Entities.** The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Summary Term Sheet”

“The Parties to the Merger”

“Important Information Regarding Lear”

“Important Information Regarding Mr. Ichan, Mr. Intrieri, API, AREH, AREP, Parent and Merger Sub”

(c) **Business and Background of Natural Persons.** The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

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“Summary Term Sheet”

“The Parties to the Merger”

“Directors and Beneficial Ownership”

“Important Information Regarding Lear—Executive Officers of Lear”

“Important Information Regarding Mr. Ichan, Mr. Intrieri, API, AREH, AREP, Parent and Merger Sub”

**Item 4. Terms of the Transaction**

(a) **Material terms.** The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Summary Term Sheet”

“Answers to Questions You May Have”

“Summary of the Annual Meeting”

“Special Factors—Background of the Merger”

“Special Factors—Reasons for the Merger; Recommendation of the Special Committee and our Board of Directors”

“Special Factors—Opinion of Financial Advisor to the Special Committee”

“Special Factors—Mr. Icahn’s, Mr. Intrieri’s, API’s, AREH’s, AREP’s, Parent’s and Merger Sub’s Purpose and Reasons for the Merger”

“Special Factors—Material U.S. Federal Income Tax Consequences of the Merger to Our Stockholders”

“The Merger Agreement”

Appendix A—The Merger Agreement

(c) **Different Terms.** The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Summary Term Sheet”

“Answers to Questions You May Have”

“Special Factors—Certain Effects of the Merger”

“Special Factors—Interests of Lear’s Directors and Executive Officers in the Merger”

“The Merger Agreement—Treatment of Options and Other Awards”

(d) **Appraisal Rights.** The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Summary Term Sheet”

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“Answers to Questions You May Have”

“Appraisal Rights”

Appendix F—Section 262 of the General Corporation Law of the State of Delaware

(e) *Provisions for Unaffiliated Security Holders*. None.

(f) *Eligibility for Listing or Trading*. Not applicable.

### **Item 5. Past Contacts, Transactions, Negotiations and Agreements**

(a) *Transactions*. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Summary Term Sheet”

“Special Factors—Background of the Merger”

“Special Factors—Limited Guaranty”

“Special Factors—Interests of the Lear’s Directors and Executive Officers in the Merger”

“Special Factors—Voting Agreement”

“The Merger Agreement”

(b)-(c) *Significant Corporate Events; Negotiations or Contacts*. The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Summary Term Sheet”

“Special Factors—Background of the Merger”

“Special Factors—Reasons for the Merger; Recommendation of the Special Committee and Our Board of Directors”

“Special Factors—Opinion of Financial Advisor to the Special Committee”

“Special Factors—Mr. Icahn’s, Mr. Intrieri’s, API’s, AREH’s, AREP’s, Parent’s and Merger Sub’s Purpose and Reasons for the Merger”

“Special Factors—The Position of Mr. Icahn, Mr. Intrieri, API, AREH, AREP, Parent and Merger Sub as to the Fairness of the Merger”

“Special Factors—Plans for Lear after the Merger”

“Special Factors—Limited Guaranty”

“Special Factors—Interests of Lear’s Directors and Executive Officers in the Merger”

“Special Factors—Voting Agreement”

“The Merger Agreement”



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Appendix A—The Merger Agreement

(e) **Agreements Involving the Subject Company’s Securities.** The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Summary Term Sheet”

“Special Factors—Financing of the Merger”

“Special Factors—Interests of Lear’s Directors and Executive Officers in the Merger”

“Special Factors—Limited Guaranty”

“Special Factors—Voting Agreement”

“The Merger Agreement”

Appendix A—The Merger Agreement

Appendix C—The Voting Agreement

**Item 6. Purposes of the Transaction and Plans or Proposals**

(b) **Use of Securities Acquired.** The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Summary Term Sheet”

“Answers to Questions You May Have”

“Special Factors—Mr. Icahn’s, Mr. Intrieri’s, API’s, AREH’s, AREP’s, Parent’s and Merger Sub’s Purposes and Reasons for the Merger”

“Special Factors—Plans for Lear after the Merger”

“Special Factors—Certain Effects of the Merger”

“The Merger Agreement—Merger Consideration”

“The Merger Agreement—Treatment of Options and Other Awards”

Appendix A—The Merger Agreement

(c)(1)-(8) **Plans.** The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Summary Term Sheet”

“Answers to Questions You May Have”

“Special Factors—Background of the Merger”

“Special Factors—Reasons for the Merger; Recommendation of the Special Committee and Our Board of Directors”

“Special Factors—Opinion of Financial Advisor to the Special Committee”

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“Special Factors—Mr. Icahn’s, Mr. Intrieri’s, API’s, AREH’s, AREP’s, Parent’s and Merger Sub’s Purpose and Reasons for the Merger”  
“Special Factors—The Position of Mr. Icahn, Mr. Intrieri, API, AREH, AREP, Parent and Merger Sub as to the Fairness of the Merger”  
“Special Factors—Plans for Lear after the Merger”  
“Special Factors—Certain Effects of the Merger”  
“Special Factors— Financing of the Merger”  
“Special Factors—Interests of Lear’s Directors and Executive Officers in the Merger”  
“The Merger Agreement”  
Appendix A—The Merger Agreement

**Item 7. Purposes, Alternatives, Reasons and Effects**

(a) **Purposes.** The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Summary Term Sheet”  
“Special Factors—Background of the Merger”  
“Special Factors—Reasons for the Merger; Recommendation of the Special Committee and Our Board of Directors”  
“Special Factors—Opinion of Financial Advisor to the Special Committee”  
“Special Factors—Mr. Icahn’s, Mr. Intrieri’s, API’s, AREH’s, AREP’s, Parent’s and Merger Sub’s Purpose and Reasons for the Merger”  
“Special Factors—The Position of Mr. Icahn, Mr. Intrieri, API, AREH, AREP, Parent and Merger Sub as to the Fairness of the Merger”  
“Special Factors—Plans for Lear after the Merger”  
“Special Factors—Certain Effects of the Merger”

(b) **Alternatives.** The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Special Factors—Background of the Merger”  
“Special Factors—Reasons for the Merger; Recommendation of the Special Committee and Our Board of Directors”  
“Special Factors—Opinion of Financial Advisor to the Special Committee”  
“Special Factors— Mr. Icahn’s, Mr. Intrieri’s, API’s, AREH’s, AREP’s, Parent’s and Merger Sub’s Purpose and Reasons for the Merger”

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“Special Factors—The Position of Mr. Icahn, Mr. Intrieri, API, AREH, AREP, Parent and Merger Sub as to the Fairness of the Merger”

(c) **Reasons.** The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Summary Term Sheet”

“Answers to Questions You May Have”

“Special Factors—Background of the Merger”

“Special Factors—Reasons for the Merger; Recommendation of the Special Committee and Our Board of Directors”

“Special Factors—Opinion of Financial Advisor to the Special Committee”

“Special Factors— Mr. Icahn’s, Mr. Intrieri’s, API’s, AREH’s, AREP’s, Parent’s and Merger Sub’s Purpose and Reasons for the Merger”

“Special Factors—The Position of Mr. Icahn, Mr. Intrieri, API, AREH, AREP, Parent and Merger Sub as to the Fairness of the Merger”

“Special Factors—Opinion and Report of Advisors to Mr. Ichan, Mr. Intrieri, API, AREH, AREP, Parent and Merger Sub”

“Special Factors—Plans for Lear after the Merger”

The Strategic Assessment Report, dated February 2, 2007, by A. T. Kearney Inc. for American Real Estate Partners, L.P. is attached hereto as Exhibit (c)(6) and is incorporated herein by reference.

(d) **Effects.** The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Summary Term Sheet”

“Answers to Questions You May Have”

“Special Factors—Background of the Merger”

“Special Factors—Reasons for the Merger; Recommendation of the Special Committee and Our Board of Directors”

“Special Factors— Mr. Icahn’s, Mr. Intrieri’s, API’s, AREH’s, AREP’s, Parent’s and Merger Sub’s Purpose and Reasons for the Merger”

“Special Factors—The Position of Mr. Icahn, Mr. Intrieri, API, AREH, AREP, Parent and Merger Sub as to the Fairness of the Merger”

“Special Factors—Plans for Lear after the Merger”

“Special Factors—Certain Effects of the Merger”

“Special Factors—Financing of the Merger”

“Special Factors—Interests of Lear’s Directors and Executive Officers in the Merger”

“Special Factors—Material U.S. Federal Income Tax Consequences of the Merger to Our Stockholders”

“The Merger Agreement”

Appendix A—The Merger Agreement

**Item 8. Fairness of the Transaction**

(a)–(b) **Fairness; Factors Considered in Determining Fairness.** The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Special Factors—Background of the Merger”

“Special Factors—Reasons for the Merger; Recommendation of the Special Committee and Our Board of Directors”

“Special Factors—Opinion of Financial Advisor to the Special Committee”

“Special Factors— Mr. Icahn’s, Mr. Intrieri’s, API’s, AREH’s, AREP’s, Parent’s and Merger Sub’s Purpose and Reasons for the Merger”

“Special Factors—The Position of Mr. Icahn, Mr. Intrieri, API, AREH, AREP, Parent and Merger Sub as to the Fairness of the Merger”

“Special Factors—Plans for Lear after the Merger”

“Important Information Regarding Lear”

Appendix B—Fairness Opinion of J.P. Morgan Securities Inc.

The presentations dated February 1, 2007, February 3, 2007 and February 6, 2007, prepared by J.P. Morgan Securities Inc. for the Special Committee of the Board of Directors of the Company, are attached hereto as Exhibits (c)(2), (c)(3) and (c)(4), respectively, and are incorporated by reference herein.

(c) **Approval of Security Holders.** The transaction is not structured so that approval of at least a majority of unaffiliated security holders is required.

The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Summary Term Sheet”

“Answers to Questions You May Have”

“Summary of the Annual Meeting—Record Date”

“Summary of the Annual Meeting—Quorum”

“Summary of the Annual Meeting—Required Vote”

“The Merger Agreement—Conditions to the Merger”

(d) **Unaffiliated Representative.** An unaffiliated representative was not retained to act solely on behalf of unaffiliated security holders for purposes of negotiating the terms of the transaction or preparing a report concerning the fairness of the transaction.

The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

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“Special Factors—Reasons for the Merger; Recommendation of the Special Committee and Our Board of Directors”

“Special Factors—Opinion of Financial Advisor to the Special Committee”

“Special Factors— Mr. Icahn’s, Mr. Intrieri’s, API’s, AREH’s, AREP’s, Parent’s and Merger Sub’s Purpose and Reasons for the Merger”

“Special Factors—The Position of Mr. Icahn, Mr. Intrieri, API, AREH, AREP, Parent and Merger Sub as to the Fairness of the Merger”

Appendix B—Fairness Opinion of J.P. Morgan Securities Inc.

(e) **Approval of Directors.** The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Summary Term Sheet”

“Answers to Questions You May Have”

“Special Factors—Background of the Merger”

“Special Factors—Reasons for the Merger; Recommendation of the Special Committee and Our Board of Directors”

“Special Factors—The Position of Mr. Icahn, Mr. Intrieri, API, AREH, AREP, Parent and Merger Sub as to the Fairness of the Merger”

“Special Factors—Interests of Lear’s Directors and Executive Officers in the Merger”

(f) **Other Offers.** Not applicable.

### **Item 9. Reports, Opinions, Appraisals and Negotiations**

(a) – (c) **Report, Opinion or Appraisal; Preparer and Summary of the Report, Opinion or Appraisal; Availability of Documents.** The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Summary Term Sheet—Opinion of J.P. Morgan Securities Inc.”

“Special Factors—Background of the Merger”

“Special Factors—Reasons for the Merger; Recommendation of the Special Committee and Our Board of Directors”

“Special Factors—Opinion of Financial Advisor to the Special Committee”

“Special Factors—Opinion and Report of Advisors to Mr. Icahn, Mr. Intrieri, API, AREH, AREP, Parent and Merger Sub”

“Important Information Regarding Lear”

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Appendix B—Fairness Opinion of J.P. Morgan Securities Inc.

The presentations dated February 1, 2007, February 3, 2007 and February 6, 2007, prepared by J.P. Morgan Securities Inc. for the Special Committee of the Board of Directors of the Company, are attached hereto as Exhibits (c)(2), (c)(3) and (c)(4), respectively, and are incorporated by reference herein.

Information provided by the Company to J.P. Morgan Securities Inc. in connection with the financial analysis reflected in J.P. Morgan Securities Inc.'s presentations for the Special Committee of the Board of Directors of the Company is attached hereto as Exhibit (c)(5) and incorporated herein by reference.

The Strategic Assessment Report, dated February 2, 2007, by A. T. Kearney Inc. for American Real Estate Partners, L.P. is attached hereto as Exhibit (c)(6) and incorporated herein by reference.

The opinion of Morgan Joseph & Co. Inc., dated February 9, 2007, is attached hereto as Exhibit (c)(7) and is incorporated herein by reference.

### **Item 10. Source and Amounts of Funds or Other Consideration**

(a) - (d) **Source of Funds; Conditions; Expenses; Borrowed Funds.** The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Summary Term Sheet”

“Special Factors—Financing of the Merger”

“The Merger Agreement—Financing”

“The Merger Agreement—Fees and Expenses”

“The Merger Agreement—Termination Fees and Expenses”

“The Merger Agreement—Conditions to the Merger”

Appendix A—The Merger Agreement

### **Item 11. Interest in Securities of the Subject Company**

(a) **Securities Ownership.** The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Summary Term Sheet”

“Special Factors—Interests of Lear’s Directors and Executive Officers in the Merger”

“Important Information Regarding Lear—Security Ownership of Certain Beneficial Owners and Management”

(b) **Securities Transactions.** The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Special Factors—Voting Agreement”

“Important Information Regarding Lear—Securities Ownership of Certain Beneficial Owners and Management”

“Important Information Regarding Lear—Prior Purchases and Sales of Lear Common Stock”

### **Item 12. The Solicitation or Recommendation**

(d) **Intent to Tender or Vote in a Going-Private Transaction.** The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Summary Term Sheet”

“Answers to Questions You May Have”

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“Special Factors—Background of the Merger”

“Special Factors—Reasons for the Merger; Recommendation of the Special Committee and Our Board of Directors”

“Special Factors— Mr. Icahn’s, Mr. Intrieri’s, API’s, AREH’s, AREP’s, Parent’s and Merger Sub’s Purpose and Reasons for the Merger”

“Special Factors—The Position of Mr. Icahn, Mr. Intrieri, API, AREH, AREP, Parent and Merger Sub as to the Fairness of the Merger”

“Special Factors—Interests of Lear’s Directors and Executive Officers in the Merger”

“Special Factors—Voting Agreement”

(e) **Recommendation of Others.** The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Summary Term Sheet”

“Answers to Questions You May Have”

“Special Factors—Background of the Merger”

“Special Factors—Reasons for the Merger; Recommendation of the Special Committee and Our Board of Directors”

“Special Factors—Mr. Icahn’s, Mr. Intrieri’s, API’s, AREH’s, AREP’s, Parent’s and Merger Sub’s Purpose and Reasons for the Merger”

“Special Factors—The Position of Mr. Icahn, Mr. Intrieri, API, AREH, AREP, Parent and Merger Sub as to the Fairness of the Merger”

“Special Factors—Interests of Lear’s Directors and Executive Officers in the Merger”

### **Item 13. Financial Information**

(a) **Financial Information.** The audited financial statements set forth in the Company’s Annual Report on Form 10-K for the year ended December 31, 2006 are incorporated herein by reference.

The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Important Information Regarding Lear—Selected Financial Data”

“Where You Can Find More Information”

(b) **Pro forma Information.** Not applicable.

### **Item 14. Persons/Assets, Retained, Employed, Compensated or Used**

(a) **Solicitations or Recommendations.** The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Answers to Questions You May Have—Questions and Answers About the Annual Meeting”

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“Summary of the Annual Meeting—Proxy Solicitation”

(b) **Employees and corporate assets.** The information set forth in the Proxy Statement under the following captions is incorporated herein by reference:

“Special Factors—Plans for Lear After the Merger”

“Special Factors—Interests of Lear’s Directors and Executive Officers in the Merger”

### **Item 15. Additional Information**

(b) **Other material information.** The information set forth in the Proxy Statement, including all appendices thereto, is incorporated herein by reference.

### **Item 16. Exhibits**

(a)(1) Preliminary Proxy Statement of Lear Corporation (incorporated by reference to the Schedule 14A filed with the Securities and Exchange Commission on May 1, 2007).

(a)(2) Form of Proxy Card (incorporated herein by reference to the Proxy Statement).

(a)(3) Letter to Stockholders (incorporated herein by reference to the Proxy Statement).

(a)(4) Notice of Special Meeting of Stockholders (incorporated herein by reference to the Proxy Statement).

(b)(1) Commitment Letter, dated February 8, 2007, by Bank of America, N.A. and Banc of America Securities LLC (previously filed as Exhibit (b)(1) to the Schedule 13E-3 filed with the Securities and Exchange Commission on March 20, 2007).

(c)(1) Opinion of J.P. Morgan Securities Inc., dated February 8, 2007 (incorporated herein by reference to Appendix B of the Proxy Statement).

(c)(2) Presentation, dated February 1, 2007, by J.P. Morgan Securities Inc. for the Special Committee of the Board of Directors of Lear Corporation.

(c)(3) Presentation, dated February 3, 2007, by J.P. Morgan Securities Inc. for the Special Committee of the Board of Directors of Lear Corporation.

(c)(4) Presentation, dated February 6, 2007, by J.P. Morgan Securities Inc. for the Special Committee of the Board of Directors of Lear Corporation (previously filed as Exhibit (c)(2) to Schedule 13E-3 filed with the Securities and Exchange Commission on March 20, 2007).

(c)(5) Information provided by Lear Corporation to J.P. Morgan Securities Inc. in connection with J.P. Morgan Securities Inc.’s presentations to the Special Committee of the Board of Directors of Lear Corporation.

(c)(6) Strategic Assessment Report, dated February 2, 2007, by A. T. Kearney Inc. for American Real Estate Partners, L.P. (previously filed as Exhibit (c)(3) to Schedule 13E-3 filed with the Securities and Exchange Commission on March 20, 2007).<sup>†</sup>

(c)(7) Opinion of Morgan Joseph & Co. Inc., dated February 9, 2007 (previously filed as Exhibit (c)(4) to Schedule 13E-3 filed with the Securities and Exchange Commission on March 20, 2007).

(d)(1) Agreement and Plan of Merger, dated February 9, 2007, among Lear Corporation, AREP Car Holdings Corp. and AREP Car Acquisition Corp. (incorporated herein by reference to Appendix A of the Proxy Statement).

(d)(2) Voting Agreement, dated February 9, 2007, by and among Lear Corporation, Icahn Partners LP, Icahn Partners Master Fund LP, Koala Holding Limited Partnership and High River Limited Partnership (incorporated by reference to Appendix C of the Proxy Statement).

(d)(3) Guaranty of Payment, dated February 9, 2007, by American Real Estate Partners, L.P. in favor of Lear Corporation (incorporated by reference to Appendix D of the Proxy Statement).

(d)(4) Stock Purchase Agreement, dated as of October 17, 2006, among the Lear Corporation, Icahn Partners LP, Icahn Partners Master Fund LP and Koala Holding LLC (incorporated by reference to Exhibit 10.1 to Lear’s Current Report on Form 8-K (SEC File No. 1-11311), filed on October 17, 2006).

(f) Appendix F to the Proxy Statement (incorporated herein by reference to the Proxy Statement).

<sup>†</sup> Certain information in this exhibit has been omitted and filed separately with the SEC pursuant to a confidential treatment request under Rule 24b-2 of the Exchange Act. Omitted portions are indicated in this exhibit with [\*].



**SIGNATURE**

After due inquiry and to the best of each of the undersigned's knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated as of May 1, 2007

**LEAR CORPORATION**

By: /s/ Daniel A. Ninivaggi

Name: Daniel A. Ninivaggi

Title: Executive Vice President, Secretary and General Counsel

**AREP CAR HOLDINGS CORP.**

By: /s/ Andrew Skobe

Name: Andrew Skobe

Title: Chief Financial Officer

**AREP CAR ACQUISITION CORP.**

By: /s/ Andrew Skobe

Name: Andrew Skobe

Title: Chief Financial Officer

**AMERICAN REAL ESTATE HOLDINGS LIMITED  
PARTNERSHIP**

By: American Property Investors, Inc., its General Partner

By: /s/ Andrew Skobe

Name: Andrew Skobe

Title: Interim Chief Accounting Officer, Interim Chief  
Financial Officer and Treasurer

**AMERICAN REAL ESTATE PARTNERS, L.P.**

By: American Property Investors, Inc., its General Partner

By: /s/ Andrew Skobe

Name: Andrew Skobe

Title: Interim Chief Accounting Officer, Interim Chief  
Financial Officer and Treasurer

**AMERICAN PROPERTY INVESTORS, INC.**

By: /s/ Andrew Skobe  
Name: Andrew Skobe  
Title: Interim Chief Accounting Officer, Interim Chief Financial Officer and Treasurer

**CARL C. ICAHN**

By: /s/ Carl C. Icahn

**VINCENT J. INTRIERI**

By: /s/ Vincent J. Intrieri

**INDEX TO EXHIBITS**

- (a)(1) Preliminary Proxy Statement of Lear Corporation (incorporated by reference to the Schedule 14A filed with the Securities and Exchange Commission on May 1, 2007).
- (a)(2) Form of Proxy Card (incorporated herein by reference to the Proxy Statement).
- (a)(3) Letter to Stockholders (incorporated herein by reference to the Proxy Statement).
- (a)(4) Notice of Special Meeting of Stockholders (incorporated herein by reference to the Proxy Statement).
- (b)(1) Commitment Letter, dated February 8, 2007, by Bank of America, N.A. and Banc of America Securities LLC (previously filed as Exhibit (b)(1) to the Schedule 13E-3 filed with the Securities and Exchange Commission on March 20, 2007).
- (c)(1) Opinion of J.P. Morgan Securities Inc., dated February 8, 2007 (incorporated herein by reference to Appendix B of the Proxy Statement).
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- (c)(3) Presentation, dated February 3, 2007, by J.P. Morgan Securities Inc. for the Special Committee of the Board of Directors of Lear Corporation.
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FEBRUARY 1, 2007

## PROJECT LONGBOW

VALUATION MATERIALS

STRICTLY PRIVATE AND CONFIDENTIAL



JPMorgan



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# Agenda

|   | Page     |
|---|----------|
| <b>Longbow valuation update</b>           | <b>1</b> |
| Appendix (pages from July valuation book) | 12       |

## Comparison of improvement plan cases

| \$ millions                                |                 |          |          |          |   |         |
|--|-----------------|----------|----------|----------|---|---------|
| <b>Current Improvement Plan</b>            |                 | 2006A    | 2007E    | 2008E    | <b>Firm value</b>                         |         |
|  | Sales           | \$17,839 | \$15,104 | \$14,442 | Share price @ 1/29/07                     | \$34.60 |
|  | % <i>growth</i> | 4.4%     | (15.3%)  | (4.4%)   | Diluted Shares O/S <sup>1</sup> (mm)      | 76.4    |
|  | EBITDA          | 673      | 810      | 910      | Equity value                              | \$2,644 |
|  | % <i>margin</i> | 3.8%     | 5.4%     | 6.3%     | Net Debt + Minority interest <sup>2</sup> | \$2,035 |
|  | EBIT            | 281      | 488      | 585      | Firm value                                | \$4,679 |
|  | % <i>margin</i> | 1.6%     | 3.2%     | 4.1%     |   |         |
|  | EBITDA - capex  | 326      | 564      | 681      |   |         |
|  | % <i>sales</i>  | 1.8%     | 3.7%     | 4.7%     |   |         |
| <b>Previous Improvement Plan (Jul '06)</b> |                 | 2006E    | 2007E    | 2008E    | <b>Firm value</b>                         |         |
|  | Sales           | \$17,652 | \$14,894 | \$14,806 | Share price @ 7/6/06                      | \$21.45 |
|  | % <i>growth</i> | 3.3%     | (15.6%)  | (0.6%)   | Diluted Shares O/S (mm)                   | 67.3    |
|  | EBITDA          | 706      | 879      | 925      | Equity value                              | \$1,444 |
|  | % <i>margin</i> | 4.0%     | 5.9%     | 6.2%     | Net Debt + Minority interest <sup>3</sup> | 2,181   |
|  | EBIT            | 291      | 542      | 585      | Firm value                                | \$3,625 |
|  | % <i>margin</i> | 1.6%     | 3.6%     | 4.0%     |   |         |
|  | EBITDA - capex  | 322      | 620      | 690      |   |         |
|  | % <i>sales</i>  | 1.8%     | 4.2%     | 4.7%     |   |         |

Note: Debt balances do not include off-balance sheet debt to conform with equity analyst treatment  
 2006A financials as reported and includes interiors business; 2007E and 2008E reflects divestiture of interiors business  
<sup>1</sup> Diluted shares outstanding increase due to \$200mm equity investment by Icahn  
<sup>2</sup> Net debt as of 12/31/06  
<sup>3</sup> Net debt as of 3/31/06

## Longbow summary financial projections – by division

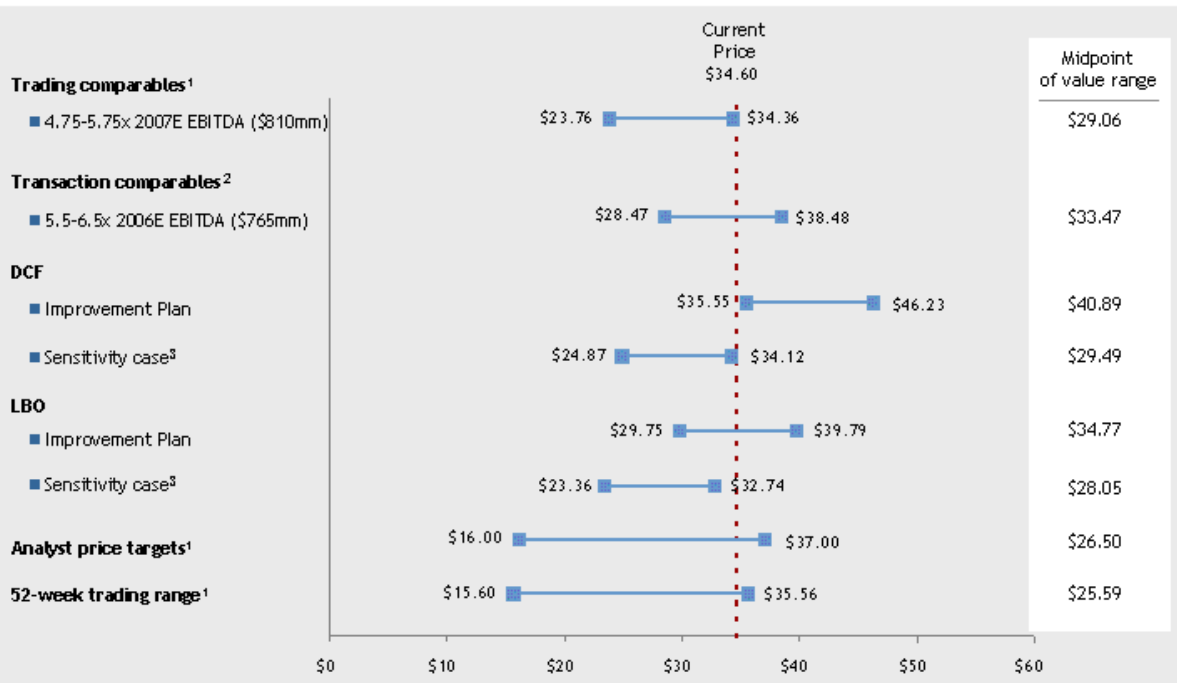
| \$ millions, Improvement plan |                 |          |          |                        |          |          |          |          |          |
|-------------------------------|-----------------|----------|----------|------------------------|----------|----------|----------|----------|----------|
|                               | Historical      |          |          | Management Projections |          |          |          |          |          |
|                               | 2004A           | 2005A    | 2006A    | 2007E                  | 2008E    | 2009E    | 2010E    | 2011E    |          |
| Seating                       | Sales           | \$11,395 | \$11,111 | \$11,625               | \$12,027 | \$11,808 | \$11,722 | \$12,042 | \$12,174 |
|                               | % growth        | 5.7%     | (2.5%)   | +6%                    | 3.5%     | (1.8%)   | (0.7%)   | 2.7%     | 1.1%     |
|                               | EBITDA          | 815      | 474      | 771                    | 791      | 846      | 927      | 959      | 949      |
|                               | % margin        | 7.2%     | +3%      | 6.6%                   | 6.6%     | 7.2%     | 7.9%     | 7.8%     | 7.8%     |
|                               | EBIT            | 682      | 323      | 604                    | 607      | 654      | 732      | 730      | 761      |
|                               | % margin        | 6.0%     | 2.9%     | 5.2%                   | 5.1%     | 5.5%     | 6.2%     | 6.3%     | 6.3%     |
| Electronics and Electrical    | EBITDA - as pct | 607      | 245      | 610                    | 635      | 705      | 767      | 795      | 757      |
|                               | % sales         | 5.3%     | 2.2%     | 5.2%                   | 5.3%     | 6.0%     | 6.5%     | 6.6%     | 6.2%     |
|                               | Sales           | \$2,940  | \$3,225  | \$2,997                | \$2,964  | \$2,635  | \$2,686  | \$2,796  | \$2,823  |
|                               | % growth        | 22.6%    | 9.7%     | (7.1%)                 | (2.1%)   | (10.2%)  | 2.0%     | +0%      | 1.1%     |
|                               | EBITDA          | 301      | 236      | 213                    | 233      | 252      | 267      | 337      | 341      |
|                               | % margin        | 10.2%    | 8.9%     | 7.1%                   | 7.9%     | 9.6%     | 10.0%    | 12.1%    | 12.1%    |
| Interiors                     | EBIT            | 211      | 180      | 103                    | 117      | 141      | 159      | 235      | 237      |
|                               | % margin        | 7.2%     | 5.6%     | 3.4%                   | +0%      | 5.4%     | 5.9%     | 8.4%     | 8.4%     |
|                               | EBITDA - as pct | 184      | 183      | 136                    | 149      | 174      | 188      | 267      | 235      |
|                               | % sales         | 6.3%     | 5.7%     | +5%                    | 5.1%     | 6.6%     | 7.0%     | 9.6%     | 8.3%     |
|                               | Sales           | \$3,263  | \$3,417  | \$3,217                | \$144    | \$0      | \$0      | \$0      | \$0      |
|                               | % growth        | +1%      | +7%      | (5.8%)                 | (95.5%)  | N/A      | N/A      | N/A      | N/A      |
| EBITDA                        | 194             | (74)     | (92)     | (6)                    | 0        | 0        | 0        | 0        |          |
| % margin                      | 6.0%            | (2.2%)   | (2.9%)   | (4.2%)                 | N/A      | N/A      | N/A      | N/A      |          |
| EBIT                          | 85              | (191)    | (184)    | (7)                    | 0        | 0        | 0        | 0        |          |
| % margin                      | 2.6%            | (5.6%)   | (5.7%)   | (4.8%)                 | N/A      | N/A      | N/A      | N/A      |          |
| EBITDA - as pct               | 107             | (265)    | (190)    | (2)                    | 0        | 0        | 0        | 0        |          |
| % sales                       | 3.3%            | (7.8%)   | (5.9%)   | (1.5%)                 | N/A      | N/A      | N/A      | N/A      |          |
| Consolidated <sup>1</sup>     | Sales           | \$16,960 | \$17,089 | \$17,839               | \$15,104 | \$14,442 | \$14,408 | \$14,835 | \$14,997 |
|                               | % growth        | 7.7%     | 0.8%     | +4%                    | (15.3%)  | (4.6%)   | (0.2%)   | 3.0%     | 1.1%     |
|                               | EBITDA          | 1,124    | 499      | 673                    | 810      | 910      | 1,004    | 1,064    | 1,096    |
|                               | % margin        | 6.6%     | 2.9%     | 3.8%                   | 5.4%     | 6.3%     | 7.0%     | 7.3%     | 7.3%     |
|                               | EBIT            | 769      | 105      | 281                    | 483      | 585      | 682      | 775      | 789      |
|                               | % margin        | +5%      | 0.6%     | 1.6%                   | 3.2%     | +1%      | +7%      | 5.2%     | 5.3%     |
| EBITDA - as pct               | 281             | (69)     | 326      | 564                    | 681      | 756      | 860      | 784      |          |
| % sales                       | 5.2%            | (0.4%)   | 1.8%     | 3.7%                   | +7%      | 5.2%     | 5.8%     | 5.2%     |          |

Note: Projections based on Longbow's current improvement plan; historical figures are not pro forma for the Interiors divestiture

<sup>1</sup> Net of intercompany sales and corporate overhead

# Longbow valuation

## Indicative equity value per share



<sup>1</sup> Trading multiple range and net debt figures not burdened by off balance sheet debt to match equity analyst multiples

<sup>2</sup> 2006E EBITDA is pro forma for the divestiture of interiors

<sup>3</sup> Reflects sales reductions of \$510mm, \$785mm, \$975mm in 2008, 2009 and 2010, respectively at a 15% contribution margin; also reflects \$50mm supplier support payments in 2007 and \$25mm cash outflow for each year for 2007 - 2010 for investments in capacity reductions and other



# Longbow DCF - Improvement Plan

## Unlevered free cash flow calculation (\$ millions)

|   | Management forecast |          |          |          |          |          |          |          |          |          | Terminal period |
|---|---------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------------|
|   | 2007E               | 2008E    | 2009E    | 2010E    | 2011E    | 2012E    | 2013E    | 2014E    | 2015E    | 2016E    |                 |
| Sales   | \$15,104            | \$14,442 | \$14,408 | \$14,835 | \$14,997 | \$15,158 | \$15,322 | \$15,487 | \$15,654 | \$15,815 | \$15,973        |
| %growth                                       | --                  | (4.4%)   | (0.2%)   | 3.0%     | 1.1%     | 1.1%     | 1.1%     | 1.1%     | 1.1%     | 1.0%     | 1.0%            |
| EBITDA  | 810                 | 910      | 1,004    | 1,084    | 1,098    | 1,111    | 1,125    | 1,122    | 1,136    | 1,147    | 1,159           |
| %margin                                       | 5.4%                | 6.3%     | 7.0%     | 7.3%     | 7.3%     | 7.3%     | 7.3%     | 7.3%     | 7.3%     | 7.3%     | 7.3%            |
| EBIT  | 488                 | 585      | 682      | 778      | 789      | 799      | 810      | 804      | 815      | 823      | 831             |
| Less: taxes                                   | 109                 | 108      | 111      | 177      | 276      | 280      | 283      | 281      | 285      | 288      | 291             |
| tax rate                                      | 22.4%               | 18.4%    | 16.3%    | 22.7%    | 35.0%    | 35.0%    | 35.0%    | 35.0%    | 35.0%    | 35.0%    | 35.0%           |
| EBIAT   | \$378               | \$478    | \$570    | \$602    | \$513    | \$519    | \$526    | \$523    | \$529    | \$535    | \$540           |
| Plus D&A                                      | 323                 | 325      | 322      | 306      | 309      | 312      | 315      | 318      | 321      | 324      | 328             |
| Less: Capex                                   | (246)               | (228)    | (249)    | (224)    | (315)    | (318)    | (321)    | (324)    | (328)    | (331)    | (334)           |
| Less: (Inc)/dec in NMI                        | (64)                | 17       | (17)     | (15)     | (5)      | (7)      | (7)      | (5)      | (7)      | 0        | 0               |
| Less: Other <sup>1</sup>                      | (11)                | (60)     | (29)     | 13       | 0        | 0        | 0        | 0        | 0        | 0        | 0               |
| Less: Cash outflow for interiors <sup>2</sup> | (120)               | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0               |
| Less: Additional cash outflow                 | 0                   | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0               |
| Unlevered free cash flow                      | \$260               | \$532    | \$597    | \$682    | \$501    | \$507    | \$513    | \$511    | \$516    | \$529    | \$534           |

### Firm Value

| Discount rate | Perpetuity growth rate |         |         |
|---------------|------------------------|---------|---------|
|               | 0.5%                   | 1.0%    | 1.5%    |
| 10.0%         | \$5,517                | \$5,662 | \$5,823 |
| 10.5%         | \$5,249                | \$5,375 | \$5,514 |
| 11.0%         | \$5,007                | \$5,117 | \$5,238 |

### Implied terminal EBITDA multiple

| Discount rate | Perpetuity growth rate |      |      |
|---------------|------------------------|------|------|
|               | 0.5%                   | 1.0% | 1.5% |
| 10.0%         | 5.1x                   | 5.4x | 5.8x |
| 10.5%         | 4.9x                   | 5.1x | 5.5x |
| 11.0%         | 4.6x                   | 4.9x | 5.2x |

### Equity value

| Discount rate | Perpetuity growth rate |         |         |
|---------------|------------------------|---------|---------|
|               | 0.5%                   | 1.0%    | 1.5%    |
| 10.0%         | \$3,226                | \$3,371 | \$3,532 |
| 10.5%         | \$2,959                | \$3,084 | \$3,224 |
| 11.0%         | \$2,716                | \$2,826 | \$2,947 |

### Equity value per share

| Discount rate | Perpetuity growth rate |         |         |
|---------------|------------------------|---------|---------|
|               | 0.5%                   | 1.0%    | 1.5%    |
| 10.0%         | \$42.22                | \$44.12 | \$46.23 |
| 10.5%         | \$38.72                | \$40.36 | \$42.19 |
| 11.0%         | \$35.55                | \$36.98 | \$38.57 |

Note: Cash taxes provided by management for 2007-2010 and are projected at a 35% tax rate thereafter; net debt includes \$256mm of off-balance sheet debt

<sup>1</sup> Other includes other expenses, tooling & engineering, non-cash pension expense, minority interest and equity earnings

<sup>2</sup> Includes a \$120mm cash impact from interiors

# Longbow LBO - Improvement Plan

LONGBOW VALUATION UPDATE

| Sources/Uses (\$mm)      |            |  |  | Projections (\$mm)                      |                |                |                |                |                |                |
|--------------------------|------------|--|--|---|----------------|----------------|----------------|----------------|----------------|----------------|
|                          |            |  |  |   | FF2006         | 2007E          | 2008E          | 2009E          | 2010E          | 2011E          |
| Transaction date:        | 1/1/2007   |  |  | EBITDA                                  | \$76.5         | \$810          | \$910          | \$1,004        | \$1,084        | \$1,098        |
| 2006 FF EBITDA           | \$765.0    |  |  | EBIT                                    | 281            | 488            | 585            | 682            | 778            | 789            |
| Exit date:               | 12/31/2011 |  |  | less: net interest                      |                | (254)          | (237)          | (206)          | (167)          | (128)          |
| Purchase price per share | \$9.79     |  |  | less: cash taxes                        |                | (82)           | (64)           | (78)           | (139)          | (211)          |
| % premium to current     | 15.0%      |  |  | Net Income                              | \$181          | \$284          | \$397          | \$472          | \$472          | \$429          |
| 2006 FF EBITDA           | 7.0x       |  |  | Depreciation                            | 323            | 325            | 322            | 306            | 309            |                |
|                          |            |  |  | (Increase) / decrease in HWI            | (64)           | 17             | (17)           | (15)           | (5)            |                |
|                          |            |  |  | Other <sup>1</sup>                      | (11)           | (60)           | (29)           | 13             | 0              |                |
|                          |            |  |  | Capital expenditures                    | (246)          | (228)          | (249)          | (224)          | (315)          |                |
|                          |            |  |  | Amortization of fees                    | 10             | 10             | 10             | 10             | 10             |                |
|                          |            |  |  | Cash outflow for interiors <sup>2</sup> | (120)          | 0              | 0              | 0              | 0              |                |
|                          |            |  |  | Additional loss outflow                 | 0              | 0              | 0              | 0              | 0              |                |
|                          |            |  |  | Cash available for debt service         | 573            | \$348          | \$484          | \$563          | \$628          |                |
|                          |            |  |  | Cumulative cashflow                     | 78             | 420            | 855            | 1,417          | 1,845          |                |
|                          |            |  |  | <b>Total debt</b>                       | <b>\$3,251</b> | <b>\$3,179</b> | <b>\$2,831</b> | <b>\$2,397</b> | <b>\$1,834</b> | <b>\$1,407</b> |
|                          |            |  |  |   |                |                |                |                |                |                |
|                          |            |  |  |   | FF2006         | 2007E          | 2008E          | 2009E          | 2010E          | 2011E          |
|                          |            |  |  | Total Debt/EBITDA                       | 4.3x           | 3.9x           | 3.1x           | 2.4x           | 1.7x           | 1.3x           |
|                          |            |  |  | EBITDA/net interest                     |                | 3.2            | 3.8            | 4.9            | 6.5            | 8.6            |
|                          |            |  |  | (EBITDA-net int)/net interest           |                | 2.2            | 2.9            | 3.7            | 5.1            | 6.1            |

| Equity value per share at 2.0% IRR |                   |         |         |         |         |
|------------------------------------|-------------------|---------|---------|---------|---------|
| Exit Multiple                      | Leverage multiple |         |         |         |         |
|                                    | 3.75x             | 4.00x   | 4.25x   | 4.50x   | 4.75x   |
| 5.0x                               | \$29.75           | \$30.89 | \$32.08 | \$33.17 | \$34.30 |
| 5.5x                               | \$32.49           | \$33.63 | \$34.77 | \$35.91 | \$37.04 |
| 6.0x                               | \$35.23           | \$36.37 | \$37.51 | \$38.65 | \$39.79 |

| Investor IRR - 5-year exit @ 4.25x leverage |                                    |       |       |       |       |
|---|------------------------------------|-------|-------|-------|-------|
| Exit Multiple                               | Implied entry Multiple / % premium |       |       |       |       |
|   | 6.6x                               | 6.8x  | 7.0x  | 7.1x  | 7.3x  |
| 5.0x  | 5.0%                               | 10.0% | 15.0% | 20.0% | 25.0% |
| 5.5x  | 15.7%                              | 14.2% | 12.8% | 11.6% | 10.4% |
| 6.0x  | 21.0%                              | 19.8% | 18.1% | 16.7% | 15.8% |

Note: 2006 EBITDA is pro forma (\$92mm) for the divestiture of interiors, cost of debt is L+250 basis points, 5% management promote; net debt includes \$2.56mm of off-balance sheet debt

<sup>1</sup> Other includes other expense, tooling & engineering, non-cash pension expense, minority interest and equity earnings

<sup>2</sup> Includes a \$120mm cash impact from interiors

## Longbow DCF - Sensitivity case

### Unlevered free cash flow calculation (\$ millions)

|   | Management forecast |          |          |          |          |          |          |          |          |          |                 |
|---|---------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------------|
|   | 2007E               | 2008E    | 2009E    | 2010E    | 2011E    | 2012E    | 2013E    | 2014E    | 2015E    | 2016E    | Terminal period |
| Sales   | \$15,104            | \$13,933 | \$13,622 | \$13,860 | \$14,011 | \$14,162 | \$14,316 | \$14,470 | \$14,625 | \$14,776 | \$14,924        |
| % growth                                      | --                  | (7.6%)   | (2.2%)   | 1.7%     | 1.1%     | 1.1%     | 1.1%     | 1.1%     | 1.1%     | 1.0%     | 1.0%            |
| EBITDA  | 810                 | 835      | 866      | 939      | 959      | 960      | 972      | 984      | 996      | 1,006    | 1,016           |
| % margin                                      | 5.4%                | 6.0%     | 6.5%     | 6.8%     | 6.8%     | 6.8%     | 6.8%     | 6.8%     | 6.8%     | 6.8%     | 6.8%            |
| EBIT  | 488                 | 521      | 582      | 655      | 673      | 682      | 691      | 700      | 709      | 717      | 724             |
| Less: taxes                                   | 109                 | 108      | 111      | 177      | 235      | 239      | 242      | 245      | 248      | 251      | 253             |
| tax rate                                      | 22.4%               | 20.6%    | 19.1%    | 27.0%    | 35.0%    | 35.0%    | 35.0%    | 35.0%    | 35.0%    | 35.0%    | 35.0%           |
| EBIAT   | \$378               | \$413    | \$471    | \$478    | \$437    | \$443    | \$449    | \$455    | \$461    | \$466    | \$470           |
| Plus: D&A                                     | 323                 | 314      | 304      | 284      | 287      | 279      | 281      | 284      | 287      | 290      | 293             |
| Less: Capex                                   | (246)               | (221)    | (235)    | (209)    | (234)    | (285)    | (288)    | (291)    | (294)    | (297)    | (298)           |
| Less: (Inc)/dec in NWI                        | (64)                | 17       | (17)     | (15)     | (5)      | (7)      | (7)      | (5)      | (7)      | 0        | 0               |
| Less: Other <sup>1</sup>                      | (11)                | (60)     | (29)     | 13       | 0        | 0        | 0        | 0        | 0        | 0        | 0               |
| Less: Cash outflow for interiors <sup>2</sup> | (120)               | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0               |
| Less: Additional cash outflow <sup>3</sup>    | (75)                | (25)     | (25)     | (25)     | 0        | 0        | 0        | 0        | 0        | 0        | 0               |
| Unlevered free cash flow                      | \$185               | \$438    | \$468    | \$527    | \$425    | \$430    | \$435    | \$443    | \$447    | \$459    | \$465           |

### Firm Value

| Discount rate | Perpetuity growth rate |         |         |
|---------------|------------------------|---------|---------|
|               | 0.5%                   | 1.0%    | 1.5%    |
| 10.0%         | \$4,631                | \$4,757 | \$4,898 |
| 10.5%         | \$4,400                | \$4,509 | \$4,631 |
| 11.0%         | \$4,191                | \$4,286 | \$4,392 |

### Implied terminal EBITDA multiple

| Discount rate | Perpetuity growth rate |      |      |
|---------------|------------------------|------|------|
|               | 0.5%                   | 1.0% | 1.5% |
| 10.0%         | 5.1x                   | 5.4x | 5.7x |
| 10.5%         | 4.8x                   | 5.1x | 5.4x |
| 11.0%         | 4.6x                   | 4.9x | 5.2x |

### Equity value

| Discount rate | Perpetuity growth rate |         |         |
|---------------|------------------------|---------|---------|
|               | 0.5%                   | 1.0%    | 1.5%    |
| 10.0%         | \$2,340                | \$2,466 | \$2,607 |
| 10.5%         | \$2,109                | \$2,219 | \$2,340 |
| 11.0%         | \$1,900                | \$1,996 | \$2,101 |

### Equity value per share

| Discount rate | Perpetuity growth rate |         |         |
|---------------|------------------------|---------|---------|
|               | 0.5%                   | 1.0%    | 1.5%    |
| 10.0%         | \$30.63                | \$32.28 | \$34.12 |
| 10.5%         | \$27.60                | \$29.03 | \$30.62 |
| 11.0%         | \$24.87                | \$26.12 | \$27.50 |

Note: Net debt includes \$256mm of off balance sheet debt; Cash taxes provided by management for 2007-2010 and are projected at a 35% tax rate thereafter

<sup>1</sup> Other includes other expense, tooling & engineering, non-cash pension expense, minority interest and equity earnings

<sup>2</sup> Includes a \$120mm cash impact from interiors business

<sup>3</sup> Includes \$30mm in supplier support payments in 2007 and \$25mm cash outflow each year from 2007 - 2010 for investments in capacity reductions & other

# Longbow LBO valuation analysis - Sensitivity case

LONGBOW VALUATION UPDATE

| Sources/Uses (\$mm)                      |                   |         |         | Projections (\$mm)                                 |         |         |                                    |         |         |         |       |
|--|-------------------|---------|---------|--|---------|---------|------------------------------------|---------|---------|---------|-------|
| Transaction date: 1/1/2007               |                   |         |         | FF2006   | 2007E   | 2008E   | 2009E                              | 2010E   | 2011E   |         |       |
| 2006 FF EBITDA \$765.0                   |                   |         |         | EBITDA   | \$765   | \$810   | \$835                              | \$886   | \$939   | \$959   |       |
| Exit date: 12/31/2011                    |                   |         |         | EBIT   | 281     | 488     | 521                                | 582     | 655     | 673     |       |
| Purchase price per share \$9.79          |                   |         |         | less: net interest                                 | (257)   | (247)   | (226)                              | (199)   | (170)   | (170)   |       |
| % premium to current 15.0%               |                   |         |         | less: cash taxes                                   | (52)    | (56)    | (68)                               | (123)   | (176)   | (176)   |       |
| 2006 FF EBITDA 7.0x                      |                   |         |         | Net Income   | \$179   | \$217   | \$288                              | \$333   | \$327   |         |       |
| Sources                                  |                   |         |         | Depreciation                                       | 328     | 314     | 304                                | 284     | 287     |         |       |
| Total debt \$2,251 59% 4.3x              |                   |         |         | (Increase) / decrease in HWI                       | (64)    | 17      | (17)                               | (15)    | (5)     |         |       |
| Common equity 2,233 41% 2.9x             |                   |         |         | Other <sup>1</sup>                                 | (11)    | (60)    | (29)                               | 13      | 0       |         |       |
| Total sources \$5,485 100% 7.2x          |                   |         |         | Capital expenditures                               | (246)   | (221)   | (235)                              | (209)   | (294)   |         |       |
| Uses                                     |                   |         |         | Amortization of fees                               | 10      | 10      | 10                                 | 10      | 10      |         |       |
| Refinance net debt \$2,291 41.8% 3.0x    |                   |         |         | Cash outflow for interiors <sup>2</sup>            | (120)   | 0       | 0                                  | 0       | 0       |         |       |
| Financing fees 49 0.9% 0.1x              |                   |         |         | Additional cash outflow <sup>3</sup>               | (75)    | (25)    | (25)                               | (25)    | 0       |         |       |
| Advisory & legal fees 5 0.1% 0.0x        |                   |         |         | Cash available for debt service                    | (54)    | \$252   | \$295                              | \$391   | \$324   |         |       |
| Minimum cash 100 1.8% 0.1x               |                   |         |         | Cumulative cash flow                               | (4)     | 247     | 543                                | 934     | 1,258   |         |       |
| Equity purchase price 3,040 55.4% 4.0x   |                   |         |         | Total debt   | \$2,251 | \$3,256 | \$3,004                            | \$2,709 | \$2,317 | \$1,993 |       |
| Total uses \$5,485 100% 7.2x             |                   |         |         |  | FF2006  | 2007E   | 2008E                              | 2009E   | 2010E   | 2011E   |       |
|  |                   |         |         | Total Debt/EBITDA                                  | 4.3x    | 4.0x    | 3.6x                               | 3.1x    | 2.5x    | 2.1x    |       |
|  |                   |         |         | EBITDA/net interest                                | 3.2     | 3.4     | 3.9                                | 4.7     | 5.6     |         |       |
|  |                   |         |         | (EBITDA-aspx)/net interest                         | 2.2     | 2.5     | 2.9                                | 3.7     | 3.9     |         |       |
| <b>Equity value per share at 20% IRR</b> |                   |         |         | <b>Investor IRR - 5-year exit @ 4.25x leverage</b> |         |         |                                    |         |         |         |       |
| Exit Multiple                            | Leverage multiple |         |         |  |         |         | Implied entry Multiple / % premium |         |         |         |       |
|  |                   | 3.75x   | 4.00x   | 4.25x  | 4.50x   | 4.75x   | 6.6x                               | 6.8x    | 7.0x    | 7.1x    | 7.3x  |
|  | 5.0x              | \$23.36 | \$24.90 | \$25.65  | \$26.80 | \$27.95 | 5.0%                               | 10.0%   | 15.0%   | 20.0%   | 25.0% |
|  | 5.5x              | \$25.75 | \$26.90 | \$28.05  | \$29.19 | \$30.34 | 7.8%                               | 6.4%    | 5.1%    | 4.0%    | 2.9%  |
|  | 6.0x              | \$28.15 | \$29.30 | \$30.44  | \$31.59 | \$32.74 | 5.5%                               | 11.0%   | 9.6%    | 8.3%    | 7.1%  |
|  |                   |         |         |  |         | 6.0%    | 13.9%                              | 12.4%   | 11.1%   | 9.9%    | 8.7%  |

Note: Net debt includes \$256mm of off balance sheet debt; 2006 EBITDA is pro forma (\$92)mm for divestiture of interiors. Assumes cost of debt of L+250 basis points, 5% management promote

<sup>1</sup> Other includes other expense, tooling & engineering, non-cash pension expense, minority interest and equity earnings

<sup>2</sup> Includes a \$120mm cash impact from interiors business

<sup>3</sup> Includes \$90mm in supplier support payments in 2007 and \$25mm cash outflow each year from 2007 - 2010 for investments in capacity reductions & other

## Longbow analysis at various prices

Longbow analysis at various prices (\$mm, except per share data)

|                                  | Base metric | Current        | Price per share |                |                |                |                |                |                |                |                |
|----------------------------------|-------------|----------------|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                                  |             |                | \$32.00         | \$33.00        | \$34.00        | \$35.00        | \$36.00        | \$37.00        | \$38.00        | \$39.00        | \$40.00        |
| Premium/(discount) to current    | \$34.60     | -              | (7.98)          | (4.68)         | (1.78)         | 1.28           | 4.08           | 6.98           | 9.88           | 12.78          | 15.68          |
| Premium/(discount) to 52-wk high | \$35.56     | (2.78)         | (10.08)         | (7.28)         | (4.48)         | (1.68)         | 1.28           | 4.08           | 6.98           | 9.78           | 12.58          |
| Premium/(discount) to 52-wk low  | \$15.60     | 121.88         | 105.18          | 111.58         | 117.98         | 124.48         | 130.88         | 137.28         | 143.68         | 150.08         | 156.48         |
| Equity value                     |             | \$2,644        | \$2,445         | \$2,522        | \$2,598        | \$2,674        | \$2,751        | \$2,827        | \$2,904        | \$2,980        | \$3,056        |
| Net Debt + Minority Interest     |             | 2,035          | 2,035           | 2,035          | 2,035          | 2,035          | 2,035          | 2,035          | 2,035          | 2,035          | 2,035          |
| <b>Firm value</b>                |             | <b>\$4,679</b> | <b>\$4,480</b>  | <b>\$4,556</b> | <b>\$4,633</b> | <b>\$4,709</b> | <b>\$4,785</b> | <b>\$4,862</b> | <b>\$4,938</b> | <b>\$5,015</b> | <b>\$5,091</b> |
| <b>FV/EBITDA</b>                 |             | <b>EBITDA</b>  |                 |                |                |                |                |                |                |                |                |
| 2006A EBITDA                     | \$765       | 6.1x           | 5.9x            | 6.0x           | 6.1x           | 6.2x           | 6.3x           | 6.4x           | 6.5x           | 6.6x           | 6.7x           |
| 2007E EBITDA                     | \$810       | 5.8x           | 5.5x            | 5.6x           | 5.7x           | 5.8x           | 5.9x           | 6.0x           | 6.1x           | 6.2x           | 6.3x           |
| 2008E EBITDA                     | \$910       | 5.1x           | 4.9x            | 5.0x           | 5.1x           | 5.2x           | 5.3x           | 5.3x           | 5.4x           | 5.5x           | 5.6x           |
| <b>FV/EBIT</b>                   |             | <b>EBIT</b>    |                 |                |                |                |                |                |                |                |                |
| 2006A EBIT                       | \$465       | 10.1x          | 9.6x            | 9.8x           | 10.0x          | 10.1x          | 10.3x          | 10.4x          | 10.6x          | 10.8x          | 10.9x          |
| 2007E EBIT                       | \$488       | 9.6x           | 9.2x            | 9.3x           | 9.5x           | 9.7x           | 9.8x           | 10.0x          | 10.1x          | 10.3x          | 10.4x          |
| 2008E EBIT                       | \$585       | 8.0x           | 7.7x            | 7.8x           | 7.9x           | 8.0x           | 8.2x           | 8.3x           | 8.4x           | 8.6x           | 8.7x           |
| <b>FV/Sales</b>                  |             | <b>Sales</b>   |                 |                |                |                |                |                |                |                |                |
| 2006A Sales                      | \$14,622    | 0.32x          | 0.31x           | 0.31x          | 0.32x          | 0.32x          | 0.33x          | 0.33x          | 0.34x          | 0.34x          | 0.35x          |
| 2007E Sales                      | \$15,104    | 0.31x          | 0.30x           | 0.30x          | 0.31x          | 0.31x          | 0.32x          | 0.32x          | 0.33x          | 0.33x          | 0.34x          |
| 2008E Sales                      | \$14,442    | 0.32x          | 0.31x           | 0.32x          | 0.32x          | 0.33x          | 0.33x          | 0.34x          | 0.34x          | 0.35x          | 0.35x          |

Note: Current share price of \$34.60 as of 1/23/07; Net debt of \$2,035mm based on 12/31/06 debt (excludes off balance sheet debt to match equity analyst multiples); includes minority interest of \$38mm; 2006A financials are pro forma for the divestiture of the interiors business

# Automotive supplier trading comparables

\$ millions, except as noted

|                                    | Share Price<br>1/29/07 | \$ of 52-week<br>high | Market Cap | P/E Value | P/E Value <sup>1</sup> |                |                   |                   |                |                | Price per share <sup>1</sup> |              |
|------------------------------------|------------------------|-----------------------|------------|-----------|------------------------|----------------|-------------------|-------------------|----------------|----------------|------------------------------|--------------|
|                                    |                        |                       |            |           | 2007E<br>Sales         | 2008E<br>Sales | 2007E<br>ES II 0a | 2008E<br>ES II 0a | 2007E<br>ES II | 2008E<br>ES II | 2007E<br>EPS                 | 2008E<br>EPS |
| <b>North American suppliers</b>    |                        |                       |            |           |                        |                |                   |                   |                |                |                              |              |
| American Axle                      | \$20.95                | 92.15                 | \$1,105    | \$1,720   | 0.24x                  | 0.24x          | 4.7x              | 4.1x              | 22.2x          | 11.2x          | 14.2x                        | 9.2x         |
| ArvinMeritor                       | 20.00                  | 99.45                 | 1,402      | 2,578     | 0.27                   | 0.27           | 5.7               | 5.0               | 10.9           | 9.0            | 15.5                         | 10.5         |
| BorgWarner                         | 65.07                  | 97.55                 | 3,994      | 4,763     | 1.00                   | 0.25           | 7.0               | 6.4               | 15.5           | 11.5           | 14.5                         | 12.7         |
| Commercial Vehicle Group           | 20.09                  | 25.25                 | 454        | 576       | 0.77                   | 0.60           | 7.9               | 5.1               | 5.2            | 10.0           | 14.9                         | 8.0          |
| Dana                               | 24.61                  | 32.25                 | 2,267      | 3,003     | 1.61                   | 2.67           | 11.5              | 11.0              | 15.0           | 15.2           | 12.9                         | 11.0         |
| Easton                             | 76.25                  | 95.25                 | 11,747     | 13,500    | 1.25                   | 1.00           | 7.2               | 7.2               | 11.0           | 10.6           | 12.2                         | 10.9         |
| GenCorp                            | 17.51                  | 99.45                 | 2,325      | 2,192     | 2.30                   | 2.15           | 12.6              | 10.9              | 11.0           | 15.4           | 22.2                         | 19.2         |
| Johnson Controls                   | 91.22                  | 97.05                 | 12,264     | 22,242    | 0.65                   | 0.60           | 5.7               | 7.9               | 14.7           | 12.5           | 14.6                         | 12.7         |
| Magnum International               | 79.57                  | 95.25                 | 2,622      | 3,000     | 0.52                   | 0.50           | 4.5               | 5.2               | 2.6            | 7.6            | 11.6                         | 9.7          |
| Madira                             | 27.69                  | 92.15                 | 914        | 1,020     | 0.60                   | 0.56           | 7.1               | 6.6               | 15.5           | 15.2           | 16.2                         | 15.6         |
| Manitex                            | 9.65                   | 91.25                 | 229        | 225       | 0.61                   | 0.24           | 6.5               | 5.9               | 10.0           | 11.6           | 29.2                         | 15.9         |
| Ironma                             | 26.22                  | 96.25                 | 1,264      | 2,579     | 0.46                   | 0.45           | 5.6               | 5.5               | 11.1           | 9.4            | 13.7                         | 11.7         |
| IRV Automotive                     | 26.16                  | 29.75                 | 2,741      | 3,517     | 0.41                   | 0.41           | 4.7               | 4.6               | 2.9            | 2.2            | 11.9                         | 10.5         |
| Visteon                            | 5.45                   | 22.75                 | 1,102      | 2,700     | 0.24                   | 0.22           | 4.5               | 6.0               | 11.0           | 14.9           | 11.0                         | 11.0         |
| Wabtec                             |                        |                       |            |           | 0.21x                  | 0.22x          | 6.2x              | 5.9x              | 11.1x          | 11.6x          | 14.2x                        | 11.2x        |
| <b>Global Suppliers</b>            |                        |                       |            |           |                        |                |                   |                   |                |                |                              |              |
| AudiV                              | \$61.20                | 92.95                 | \$3,012    | \$6,059   | 0.95x                  | 0.22x          | 6.2x              | 5.9x              | 10.2x          | 9.6x           | 14.9x                        | 12.1x        |
| Bomb                               | 9.72                   | 97.25                 | 240        | 1,162     | 1.22                   | 1.22           | 6.7               | 6.1               | 10.5           | 9.4            | 15.2                         | 11.4         |
| Continental                        | 91.97                  | 94.25                 | 17,404     | 19,225    | 0.91                   | 0.27           | 5.5               | 5.1               | 2.5            | 7.6            | 11.2                         | 10.7         |
| Daim                               | 29.71                  | 97.25                 | 23,107     | 23,120    | 1.12                   | 1.26           | 7.7               | 7.4               | 12.2           | 12.0           | 19.1                         | 17.5         |
| DaimChrysler                       | 29.25                  | NA                    | 1,142      | 1,222     | 1.79                   | 11.0           | 7.2               | 11.0              | 10.5           | 11.0           | 16.7                         | 11.0         |
| Denso                              | 24.22                  | 95.05                 | 1,142      | 1,222     | 0.22                   | 11.0           | 4.5               | 11.0              | 14.5           | 11.0           | 19.6                         | 11.0         |
| GFH                                | 21.2                   | 95.15                 | 1,692      | 3,920     | 0.67                   | 11.0           | 5.9               | 11.0              | 9.5            | 11.0           | 12.0                         | 11.0         |
| Granger                            | 24.62                  | 94.25                 | 4,217      | 5,077     | 0.27                   | 11.0           | 5.5               | 11.0              | 5.6            | 11.0           | 2.2                          | 11.0         |
| SOGEFI                             | 2.00                   | 97.75                 | 259        | 266       | 0.92                   | 0.96           | 6.5               | 6.1               | 9.0            | 2.9            | 12.2                         | 12.1         |
| Johnson                            | 4.92                   | 75.05                 | 926        | 1,241     | 0.27                   | 0.25           | 6.2               | 6.4               | 10.0           | 9.2            | 12.7                         | 11.2         |
| Knorr                              | 24.29                  | 91.25                 | 4,222      | 5,402     | 0.24                   | 0.22           | 7.7               | 7.2               | 11.2           | 10.4           | 11.9                         | 10.7         |
| Volvo                              | 42.22                  | 96.75                 | 2,192      | 2,422     | 0.22                   | 0.22           | 4.1               | 5.2               | 15.0           | 11.9           | 16.9                         | 14.2         |
| Wabtec                             |                        |                       |            |           | 0.29x                  | 0.27x          | 6.4x              | 6.1x              | 10.2x          | 9.2x           | 13.0x                        | 12.0x        |
| <b>Longbow Stake Cases</b>         |                        |                       |            |           |                        |                |                   |                   |                |                |                              |              |
| Longbow (Stake Case)               | 24.20                  | 97.25                 | \$2,844    | \$4,879   | 0.22x                  | 0.27x          | 5.2x              | 5.2x              | 9.9x           | 9.2x           | 14.2x                        | 12.4x        |
| Longbow (Revised improvement plan) | 24.20                  | 97.25                 | 2,844      | 4,879     | 0.21x                  | 0.22x          | 5.2x              | 5.1x              | 9.4x           | 9.2x           | NA                           | NA           |

Source: Bloomberg, Company filings, equity research

Note: Market data as of 1/29/07; trading multiples not burdened by off balance sheet debt to match equity analyst multiples

# Automotive supplier transaction comparables

LONGBOW VALUATION UPDATE

| Date   | Acquirer              | Target                        | Total cost (M) | EV/EBIT | EV/EBIT | EV/EBIT Multiple |
|--------|-----------------------|-------------------------------|----------------|---------|---------|------------------|
| Dec-16 | BayerCorp Corp        | Bayer, Inc                    | 513            | 4.60    | N/A     |                  |
| Oct-16 | Robert Bosch GmbH     | Flexia Group                  | 454            | 4.61    | 13.4    |                  |
| Oct-16 | Hesol                 | Clivio                        | 437            | 4.47    | 16.1    |                  |
| Sep-16 | Ashli-Tec             | Wendage                       | 1,716          | 4.61    | 37.4    |                  |
| Jan-16 | Harman Int'l          | Toscon Powerz Systems         | 426            | 4.35    | N/A     |                  |
| May-15 | Rea-Danone Capital    | Axon Automotive               | 137            | 4.38    | -1.3    |                  |
| Apr-16 | Continental AG        | Horodas AGTS                  | 1,466          | 4.63    | N/A     |                  |
| Jan-16 | Borg Inphar           | TI (Automotive control)       | 1,466          | 3.67    | 11.4    |                  |
| Dec-15 | Cooper Standard       | ITT (Auto)                    | 745            | 4.44    | 1.1     |                  |
| Sep-15 | Carlisle Group        | AutoTech                      | 356            | 1.44    | N/A     |                  |
| Mar-16 | JCI                   | Dolphin Energy Systems        | 713            | 4.16    | N/A     |                  |
| Jan-16 | Valeo SA              | JCI (Tyre Electronic Drivers) | 414            | 4.44    | 13.7    |                  |
| Nov-15 | Borg Warner           | Borg                          | 613            | 1.47    | 1.4     |                  |
| Oct-15 | Hager International   | Tecma International           | 576            | 4.61    | 7.1     |                  |
| Oct-15 | Hager International   | Daewoo International          | 735            | 4.14    | 5.5     |                  |
| Sep-15 | Oponee Group          | Cooper Standard               | 1,165          | 4.63    | -1.7    |                  |
| Jul-15 | Oponee Group          | Dura AG                       | 1,466          | 4.47    | 4.1     |                  |
| Jul-15 | THL Inc               | Progressive Mobile Products   | 526            | 1.44    | N/A     |                  |
| Jul-15 | Harman Int'l          | StMatic                       | 585            | 1.44    | N/A     |                  |
| Jan-15 | Kohlberg Co LLC       | Straspar                      | 226            | 1.44    | 13.1    |                  |
| May-15 | GS Capital Partners   | Karacan                       | 216            | 1.71    | N/A     |                  |
| May-15 | Continental           | Pharos AG                     | 477            | 4.44    | 13.5    |                  |
| Sep-15 | Veeva                 | PT Salaries (Digital Health)  | 755            | 1.44    | 14.1    |                  |
| May-15 | MG Capital            | W T Automotive Systems        | 741            | 1.44    | 4.1     |                  |
| Apr-15 | Tomlin PLC            | Stratrol                      | 771            | 1.74    | 14.1    |                  |
| Apr-15 | The Carlisle Group    | US                            | 466            | 4.61    | N/A     |                  |
| Apr-15 | Shawmutt AG           | Kolbenschlager Parking        | 217            | 4.16    | 8.5     |                  |
| Mar-15 | Chateaux, Inc         | Automotive Recovery Systems   | 746            | 4.71    | N/A     |                  |
| Nov-15 | Stantec Group         | TRW Automotive                | 1,755          | 4.44    | 14.6    |                  |
| Nov-15 | Carlisle Group        | Teach                         | 511            | 4.54    | 7.4     |                  |
| Aug-15 | DVC                   | Novate                        | 226            | 4.44    | 5.1     |                  |
| Aug-15 | Johnson Controls      | Varta Automotive Batteries    | 267            | 4.53    | 14.4    |                  |
| Aug-15 | QuakerHaven           | Takata Automotive SpA         | 441            | 4.56    | N/A     |                  |
| Jan-15 | Hager International   | Dorville Corp                 | 151            | 4.41    | 35.5    |                  |
| Jan-15 | Doughy Harco          | A.T.U.                        | 1,426          | 1.51    | 13.1    |                  |
| Apr-15 | Hesol                 | Ultras Jacc                   | 117            | 4.35    | 24.5    |                  |
| Jan-16 | CSB                   | Go-ford Automotive            | 711            | 4.38    | 35.1    |                  |
| Sep-16 | IMV                   | PG Nippon                     | 1,135          | 4.51    | 7.7     |                  |
| Aug-15 | Coltrec & Alstom      | Toscon Automotive Tech        | 1,717          | 4.74    | 7.4     |                  |
| Aug-15 | ZF                    | Sachs                         | 1,746          | 4.57    | N/A     |                  |
| Jul-15 | Johnson Controls      | Sagep Electronics             | 115            | 4.63    | 4.4     |                  |
| Apr-15 | Schroeder Ventures    | Clomaster                     | 756            | 4.34    | 4.3     |                  |
| Mar-15 | TI Globalent          | TI Automotive (open)          | 1,261          | 4.51    | 5.5     |                  |
| Mar-15 | Delphi Automotive     | Patco's Auto Drive            | 266            | 4.44    | N/A     |                  |
| Jan-15 | Harman                | Coltrec & Alstom              | 1,165          | 4.65    | 1.4     |                  |
| Dec-15 | DVC                   | Doko-Remy                     | 411            | 4.65    | 4.3     |                  |
| Oct-15 | Trane SA              | SII                           | 1,261          | 4.71    | 4.4     |                  |
| Oct-15 | GenCorp               | 1300-Dynaco                   | 744            | N/A     | N/A     |                  |
| Sep-15 | Harman                | Sensor Electronics, Inc       | 265            | 4.64    | 14.4    |                  |
| Aug-15 | Harman                | AutoTech, Inc                 | 7,466          | 1.51    | 1.7     |                  |
| Jul-15 | DaimlerChrysler AG    | Daimler Diesel Corp           | 617            | 4.31    | 1.1     |                  |
| Jul-15 | HSC                   | BBK Automotive Finance        | 586            | 1.56    | 1.4     |                  |
| Jan-15 | PostNet Holdings Corp | Wayss-Freemantel              | 116            | 4.51    | 1.4     |                  |
| Jan-15 | Schroeder Ventures    | Wakert AG                     | 111            | 4.44    | 14.1    |                  |
| May-15 | BC Partners           | Wakert IV                     | 1,165          | 1.41    | 14.4    |                  |
| May-16 | Trane Corp            | GIB Battery Recovery          | 266            | 4.38    | 13.1    |                  |
| May-16 | Harman Automotive     | Cambridge Bioanalytic         | 262            | 4.63    | 35.5    |                  |
| May-15 | Par SpA               | Magnum Health (Bio-ent)       | 1,462          | 4.53    | 34.6    |                  |
| May-15 | Valeo SA              | 1300 Auto (Sales SA)          | 755            | 4.31    | 7.5     |                  |
| Apr-15 | Harman Automotive     | Auto Incentive                | 1,355          | 4.11    | 7.1     |                  |
| Apr-15 | SiemensRobert Bosch   | Hager AG - Avac               | 1,714          | 4.74    | N/A     |                  |
| Median |                       |                               | 6.64x          |         | 6.1x    |                  |

| Transaction type   | # deals   | Median EV/EBIT DA |
|--------------------|-----------|-------------------|
| European strategic | 15        | 5.7x              |
| American strategic | 16        | 5.9               |
| Asian strategic    | 4         | 6.0               |
| LBO                | 26        | 6.7               |
| <b>Total</b>       | <b>61</b> | <b>6.1x</b>       |

# Agenda

|  | Page      |
|--|-----------|
| Longbow valuation update                         | 1         |
| <b>Appendix (pages from July valuation book)</b> | <b>12</b> |
| ■ Longbow valuation July 2006                    |           |



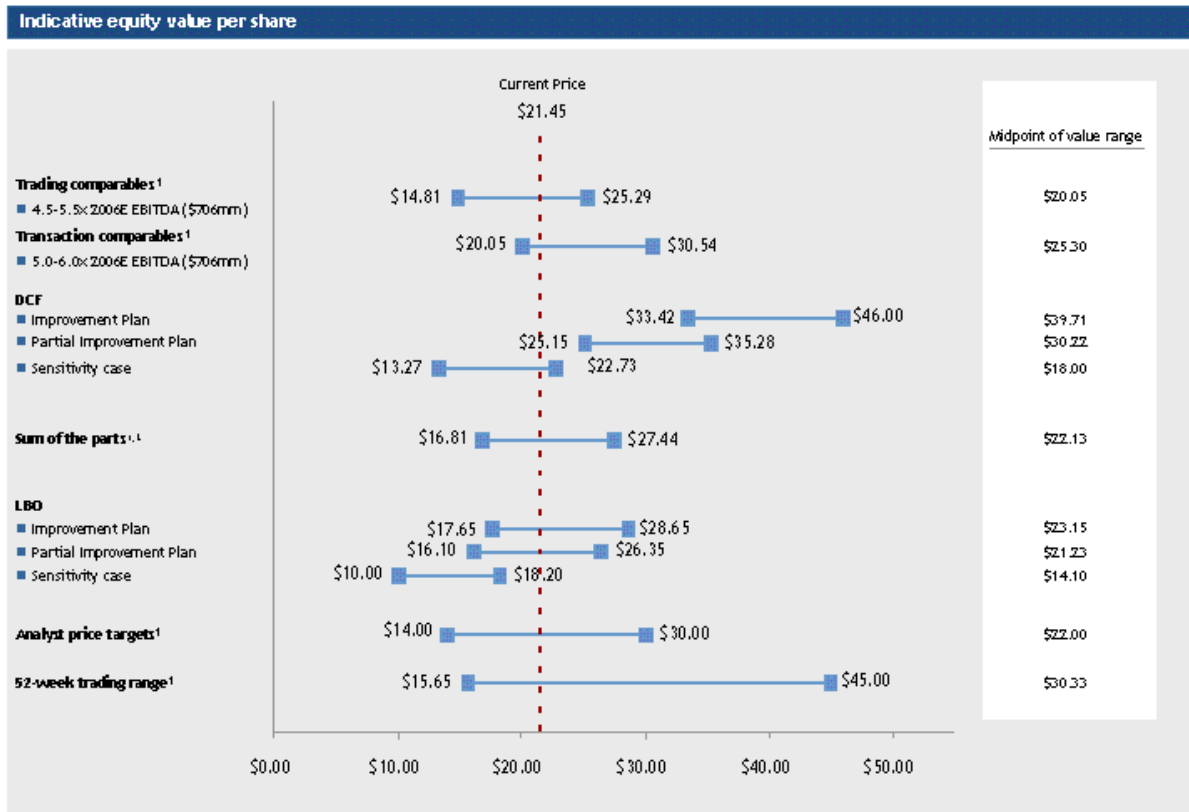
## Summary of financial projections - by division

|                            |          | \$ millions, improvement plan |          |          |                        |          |          |          |          |
|----------------------------|----------|-------------------------------|----------|----------|------------------------|----------|----------|----------|----------|
|                            |          | Historical                    |          |          | Management projections |          |          |          |          |
|                            |          | 2003A                         | 2004A    | 2005A    | 2006E                  | 2007E    | 2008E    | 2009E    | 2010E    |
| Seating                    | Sales    | \$10,785                      | \$11,395 | \$11,111 | \$11,315               | \$11,805 | \$11,858 | \$11,771 | \$12,092 |
|                            | % growth | N/A                           | 5.7%     | (2.5%)   | 1.8%                   | +3%      | 0.4%     | (0.7%)   | 2.7%     |
|                            | EBITDA   | 826                           | 815      | 474      | 645                    | 764      | 845      | 927      | 959      |
|                            | % margin | 7.7%                          | 7.2%     | +3%      | 5.7%                   | 6.6%     | 7.1%     | 7.9%     | 7.8%     |
|                            | EBIT     | 697                           | 682      | 323      | 472                    | 597      | 654      | 732      | 753      |
|                            | % margin | 6.5%                          | 6.0%     | 2.9%     | +2%                    | 5.1%     | 5.5%     | 6.2%     | 6.2%     |
| Electronics and Electrical | Sales    | \$2,398                       | \$2,940  | \$3,225  | \$3,115                | \$2,963  | \$2,827  | \$2,877  | \$2,996  |
|                            | % growth | N/A                           | 22.6%    | 9.7%     | (3.4%)                 | (5.9%)   | (3.6%)   | 1.8%     | +1%      |
|                            | EBITDA   | 271                           | 301      | 286      | 242                    | 296      | 252      | 267      | 33.7     |
|                            | % margin | 11.3%                         | 10.2%    | 8.9%     | 7.8%                   | 10.1%    | 8.9%     | 9.3%     | 11.3%    |
|                            | EBIT     | 200                           | 211      | 180      | 135                    | 184      | 141      | 159      | 23.4     |
|                            | % margin | 8.4%                          | 7.2%     | 5.6%     | +3%                    | 6.3%     | 5.0%     | 5.5%     | 7.8%     |
| Interiors                  | Sales    | \$3,134                       | \$3,263  | \$3,417  | \$3,813                | \$4,419  | \$363    | \$35     | \$75     |
|                            | % growth | N/A                           | +1%      | +4%      | 11.6%                  | (8.9%)   | (13.2%)  | (76.7%)  | (11.5%)  |
|                            | EBITDA   | 212                           | 194      | (74)     | 34                     | 6        | 19       | 7        | 6        |
|                            | % margin | 6.8%                          | 6.0%     | (2.2%)   | 0.9%                   | 1.5%     | 5.3%     | 4.3%     | 8.4%     |
|                            | EBIT     | 104                           | 85       | (191)    | (75)                   | (10)     | 5        | 4        | 4        |
|                            | % margin | 3.3%                          | 2.6%     | (5.6%)   | (2.0%)                 | (2.3%)   | 1.3%     | +5%      | +7%      |
| Consolidated <sup>1</sup>  | Sales    | \$15,747                      | \$16,960 | \$17,089 | \$17,682               | \$14,894 | \$14,806 | \$14,492 | \$14,910 |
|                            | % growth | N/A                           | 7.7%     | 0.8%     | 3.3%                   | (15.6%)  | (0.6%)   | (2.1%)   | 2.9%     |
|                            | EBITDA   | 1,095                         | 1,124    | 499      | 706                    | 879      | 925      | 1,010    | 1,089    |
|                            | % margin | 7.0%                          | 6.6%     | 2.9%     | +0%                    | 5.9%     | 6.2%     | 7.0%     | 7.3%     |
|                            | EBIT     | 778                           | 769      | 105      | 291                    | 342      | 385      | 484      | 511      |
|                            | % margin | +9%                           | +5%      | 0.6%     | 1.6%                   | 3.6%     | 3.9%     | +7%      | 5.2%     |
|                            |          | EBITDA - opex                 | 563      | 531      | (69)                   | 322      | 620      | 690      | 758      |
|                            |          | % sales                       | 5.9%     | 5.2%     | (0.4%)                 | 1.8%     | +2%      | +7%      | 5.8%     |

<sup>1</sup> Net of intercompany sales and corporate overhead

# Longbow valuation

APPENDIX (PAGES FROM JULY VALUATION BOOK)



Note: 2006E EBITDA without restructuring costs is \$820mm

<sup>1</sup> Trading multiple range and net debt figures not burdened by off-balance sheet debt to match equity analyst multiples

<sup>2</sup> Divested Interiors value assumed to be negative \$150mm. This is the estimated amount of cash that Longbow would need to exit the Interiors business

# Longbow DCF - Improvement Plan

APPENDIX (PAGES FROM JULY VALUATION BOOK)

| Unlevered free cash flow calculation (\$ millions) |                     |          |          |          |          |          |          |          |          |          |          |
|--|---------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
|  | Management forecast |          |          |          |          |          |          |          |          |          | Terminal |
|  | 2006E               | 2007E    | 2008E    | 2009E    | 2010E    | 2011E    | 2012E    | 2013E    | 2014E    | 2015E    | period   |
| Sales  | \$17,652            | \$14,894 | \$14,806 | \$14,492 | \$14,910 | \$15,063 | \$15,217 | \$15,374 | \$15,533 | \$15,694 | \$15,851 |
| %growth  | 3.3%                | (15.6%)  | (0.6%)   | (2.1%)   | 2.9%     | 1.0%     | 1.0%     | 1.0%     | 1.0%     | 1.0%     | 1.0%     |
| EBITDA   | 706                 | 879      | 925      | 1,010    | 1,089    | 1,151    | 1,161    | 1,174    | 1,187    | 1,201    | 1,213    |
| %margin  | 4.0%                | 5.9%     | 6.2%     | 7.0%     | 7.3%     | 7.6%     | 7.6%     | 7.6%     | 7.6%     | 7.6%     | 7.6%     |
| EBIT   | 291                 | 542      | 585      | 684      | 781      | 838      | 845      | 854      | 863      | 873      | 881      |
| Less: taxes  | (101)               | (109)    | (108)    | (111)    | (273)    | (293)    | (296)    | (299)    | (302)    | (305)    | (308)    |
| tax rate   | 34.7%               | 20.2%    | 18.4%    | 16.3%    | 35.0%    | 35.0%    | 35.0%    | 35.0%    | 35.0%    | 35.0%    | 35.0%    |
| EBIAT  | \$190               | \$433    | \$477    | \$573    | \$507    | \$545    | \$549    | \$555    | \$561    | \$567    | \$573    |
| Plus D&A   | 416                 | 337      | 340      | 326      | 309      | 313      | 316      | 320      | 324      | 328      | 331      |
| Less: Capex  | (385)               | (259)    | (235)    | (252)    | (227)    | (319)    | (323)    | (327)    | (331)    | (335)    | (338)    |
| Less: (Inc)/dec in NWI                             | 42                  | (7)      | 9        | (17)     | (15)     | (14)     | (8)      | (8)      | (8)      | (8)      | (8)      |
| Less: Other <sup>1</sup>                           | 60                  | (11)     | (60)     | (29)     | 13       | 0        | 0        | 0        | 0        | 0        | 0        |
| Less: cash for interiors                           | 0                   | (150)    | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| Unlevered free cash flow                           | \$322               | \$346    | \$531    | \$600    | \$588    | \$524    | \$534    | \$540    | \$546    | \$552    | \$558    |
| Less: Unlevered FCF before val. date               | (161)               |          |          |          |          |          |          |          |          |          |          |
| Unlevered FCFs for discounting                     | \$161               | \$346    | \$531    | \$600    | \$588    | \$524    | \$534    | \$540    | \$546    | \$552    | \$558    |

| Firm value    |  |                        |         |         |
|---------------|--|------------------------|---------|---------|
| Discount rate |  | Perpetuity growth rate |         |         |
|               |  | 0.5%                   | 1.0%    | 1.5%    |
| 10.0%         |  | \$5,365                | \$5,516 | \$5,685 |
| 10.5%         |  | \$5,088                | \$5,219 | \$5,365 |
| 11.0%         |  | \$4,837                | \$4,952 | \$5,078 |

| Equity value  |  |                        |         |         |
|---------------|--|------------------------|---------|---------|
| Discount rate |  | Perpetuity growth rate |         |         |
|               |  | 0.5%                   | 1.0%    | 1.5%    |
| 10.0%         |  | \$2,778                | \$2,929 | \$3,097 |
| 10.5%         |  | \$2,501                | \$2,632 | \$2,777 |
| 11.0%         |  | \$2,250                | \$2,364 | \$2,491 |

| Implied terminal EBITDA multiple |  |                        |      |      |
|----------------------------------|--|------------------------|------|------|
| Discount rate                    |  | Perpetuity growth rate |      |      |
|                                  |  | 0.5%                   | 1.0% | 1.5% |
| 10.0%                            |  | 4.9x                   | 5.2x | 5.5x |
| 10.5%                            |  | 4.6x                   | 4.9x | 5.2x |
| 11.0%                            |  | 4.4x                   | 4.6x | 4.9x |

| Equity value per share |  |                        |         |         |
|------------------------|--|------------------------|---------|---------|
| Discount rate          |  | Perpetuity growth rate |         |         |
|                        |  | 0.5%                   | 1.0%    | 1.5%    |
| 10.0%                  |  | \$41.25                | \$43.50 | \$46.00 |
| 10.5%                  |  | \$37.14                | \$39.08 | \$41.25 |
| 11.0%                  |  | \$33.42                | \$35.12 | \$36.99 |



Note: Assumes 6/30/06 valuation date; cash taxes provided by management

<sup>1</sup> Other includes other expense, tooling & engineering, non-cash pension expense, minority interest and equity earnings

# LBO valuation analysis - Improvement Plan

APPENDIX (PAGES FROM JULY VALUATION BOOK)

| Sources / uses (\$mm)   |           |  |  | Projections (\$mm)              |                |                |                |                |                |                |              |
|-------------------------|-----------|--|--|---------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|--------------|
| <b>Stats</b>            |           |  |  |                                 | FF LTM         | 2006E          | 2007E          | 2008E          | 2009E          | 2010E          | 2011E        |
| Transaction date:       | 6/30/2006 |  |  | EBTDA                           | \$603          | \$706          | \$879          | \$925          | \$1,010        | \$1,089        | \$1,151      |
| LTM EBITDA (06/30/2006) | \$603     |  |  | EBT                             | 190            | 275            | \$27           | 569            | 669            | 765            | 823          |
| Exit date:              | 6/30/2011 |  |  | less: net interest              |                | (242)          | (235)          | (216)          | (183)          | (141)          | (95)         |
|                         |           |  |  | less: cash taxes                |                | (101)          | (109)          | (108)          | (111)          | (197)          | (229)        |
|                         |           |  |  | Net Income                      |                | (\$68)         | \$182          | \$246          | \$374          | \$428          | \$499        |
|                         |           |  |  | Depreciation                    |                | 416            | 337            | 340            | 326            | 309            | 313          |
|                         |           |  |  | (Increase) / decrease in NW1    |                | 42             | (7)            | 9              | (17)           | (15)           | (14)         |
|                         |           |  |  | Other <sup>1</sup>              |                | 40             | (11)           | (40)           | (29)           | 13             | 0            |
|                         |           |  |  | Capital expenditures            |                | (385)          | (259)          | (235)          | (252)          | (227)          | (319)        |
|                         |           |  |  | Amortization of fees            |                | 15             | 15             | 15             | 15             | 15             | 15           |
|                         |           |  |  | Cash outflow for Interiors      |                | 0              | (150)          | 0              | 0              | 0              | 0            |
|                         |           |  |  | Free cash flow                  |                | \$80           | \$108          | \$315          | \$417          | \$523          | \$493        |
|                         |           |  |  | YTD FCF before transaction date |                | (40)           | 0              | 0              | 0              | 0              | (247)        |
|                         |           |  |  | Cash available for debt service |                | 40             | 108            | 315            | 417            | 523            | 247          |
|                         |           |  |  | <b>Total debt</b>               | <b>\$2,561</b> | <b>\$2,521</b> | <b>\$2,413</b> | <b>\$2,098</b> | <b>\$1,681</b> | <b>\$1,158</b> | <b>\$911</b> |
|                         |           |  |  |                                 |                |                |                |                |                |                |              |
|                         |           |  |  | <b>Credit stats</b>             | FF LTM         | 2006E          | 2007E          | 2008E          | 2009E          | 2010E          | 2011E        |
|                         |           |  |  | Total Debt / EBITDA             | 4.3x           | 3.6x           | 2.7x           | 2.3x           | 1.7x           | 1.1x           | 0.8x         |
|                         |           |  |  | EBTDA / net interest            |                | 2.9            | 3.7            | 4.3            | 5.5            | 7.7            | 12.1         |
|                         |           |  |  | (EBTDA-aspx) / net interest     |                | 1.3            | 2.6            | 3.2            | 4.1            | 6.1            | 8.7          |

| Equity value per share at 20% IRR |                   |         |         |         |         |
|-----------------------------------|-------------------|---------|---------|---------|---------|
| Exit Multiple                     | Leverage multiple |         |         |         |         |
|                                   | 3.75x             | 4.00x   | 4.25x   | 4.50x   | 4.75x   |
| 4.5x                              | \$20.76           | \$21.52 | \$22.28 | \$23.05 | \$23.81 |
| 5.0x                              | \$23.93           | \$24.69 | \$25.46 | \$26.22 | \$26.99 |
| 5.5x                              | \$27.11           | \$27.87 | \$28.63 | \$29.40 | \$30.16 |

| Investor IRR - 5-year exit @ 4.25x leverage |                               |         |         |         |         |  |
|---|-------------------------------|---------|---------|---------|---------|--|
| Exit Multiple                               | Purchase price/Entry multiple |         |         |         |         |  |
|   | \$20.00                       | \$22.50 | \$25.00 | \$27.50 | \$30.00 |  |
| 4.5x  | 6.4x                          | 6.7x    | 7.0x    | 7.3x    | 7.5x    |  |
| 5.0x  | 22.3%                         | 19.7%   | 17.5%   | 15.5%   | 13.7%   |  |
| 5.5x  | 25.3%                         | 22.7%   | 20.4%   | 18.4%   | 16.5%   |  |
| 5.5x  | 28.0%                         | 25.4%   | 23.0%   | 20.9%   | 19.0%   |  |

Note: Assumes half of free cash flows available for debt service in 2006 and 2011 due to 6/30 entry and exit date, 9.0% interest rate on 1<sup>st</sup> lien debt, 12.0% interest rate on 2<sup>nd</sup> lien debt, \$76mm transaction fees, \$120mm minimum cash and 5% management promote; cash taxes provided by management

<sup>1</sup> Other includes other expense, Tooling & Engineering, non-cash pension expense, minority interest and equity earnings

<sup>2</sup> Includes off balance sheet debt

## Longbow DCF - Sensitivity Case

| Unlevered free cash flow calculation (\$ millions) |                     |          |          |          |          |          |          |          |          |          |                 |
|--|---------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------------|
|  | Management forecast |          |          |          |          |          |          |          |          |          | Terminal period |
|  | 2006E               | 2007E    | 2008E    | 2009E    | 2010E    | 2011E    | 2012E    | 2013E    | 2014E    | 2015E    |                 |
| Sales  | \$17,652            | \$14,201 | \$14,127 | \$13,833 | \$14,202 | \$14,350 | \$14,499 | \$14,650 | \$14,804 | \$14,959 | \$15,108        |
| %growth  | 3.3%                | (19.5%)  | (0.5%)   | (2.1%)   | 2.7%     | 1.0%     | 1.0%     | 1.0%     | 1.0%     | 1.0%     | 1.0%            |
| EBITDA   | 706                 | 629      | 756      | 890      | 981      | 929      | 943      | 954      | 959      | 970      | 980             |
| %margin  | 4.0%                | 4.4%     | 5.3%     | 6.4%     | 6.9%     | 6.5%     | 6.5%     | 6.5%     | 6.5%     | 6.5%     | 6.5%            |
| EBIT   | 291                 | 294      | 433      | 583      | 690      | 628      | 638      | 645      | 647      | 654      | 661             |
| Less: taxes  | (101)               | (109)    | (108)    | (111)    | (233)    | (220)    | (223)    | (226)    | (226)    | (229)    | (231)           |
| tax rate   | 34.7%               | 37.8%    | 24.6%    | 19.1%    | 33.6%    | 35.0%    | 35.0%    | 35.0%    | 35.0%    | 35.0%    | 35.0%           |
| EBIAT  | \$190               | \$185    | \$326    | \$471    | \$457    | \$408    | \$415    | \$419    | \$420    | \$425    | \$429           |
| Plus D&A   | 416                 | 334      | 322      | 307      | 291      | 301      | 305      | 309      | 312      | 316      | 319             |
| Less: Capex  | (385)               | (225)    | (222)    | (239)    | (218)    | (308)    | (311)    | (315)    | (319)    | (323)    | (326)           |
| Less: (Inc)/dec in NWI                             | 42                  | 13       | (2)      | (24)     | (18)     | (5)      | (5)      | (5)      | (5)      | (5)      | (5)             |
| Less: Other <sup>1</sup>                           | 60                  | (122)    | (82)     | (51)     | (14)     | 0        | 0        | 0        | 0        | 0        | 0               |
| Less: cash for interiors                           | 0                   | (150)    | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0               |
| Unlevered free cash flow                           | \$322               | \$35     | \$342    | \$465    | \$498    | \$397    | \$403    | \$407    | \$409    | \$414    | \$418           |
| Less: Unlevered FCF before val. date               | (161)               |          |          |          |          |          |          |          |          |          |                 |
| Unlevered FCFs for discounting                     | \$161               | \$35     | \$342    | \$465    | \$498    | \$397    | \$403    | \$407    | \$409    | \$414    | \$418           |

| Firm value    |                        |         |         |
|---------------|------------------------|---------|---------|
| Discount rate | Perpetuity growth rate |         |         |
|               | 0.5%                   | 1.0%    | 1.5%    |
|               | 10.0%                  | \$3,875 | \$3,990 |
| 10.5%         | \$3,668                | \$3,768 | \$3,878 |
| 11.0%         | \$3,481                | \$3,568 | \$3,664 |

| Equity value  |                        |         |         |
|---------------|------------------------|---------|---------|
| Discount rate | Perpetuity growth rate |         |         |
|               | 0.5%                   | 1.0%    | 1.5%    |
|               | 10.0%                  | \$1,288 | \$1,402 |
| 10.5%         | \$1,081                | \$1,180 | \$1,291 |
| 11.0%         | \$894                  | \$981   | \$1,077 |

| Implied terminal EBITDA multiple |                        |      |      |
|----------------------------------|------------------------|------|------|
| Discount rate                    | Perpetuity growth rate |      |      |
|                                  | 0.5%                   | 1.0% | 1.5% |
|                                  | 10.0%                  | 4.5x | 4.8x |
| 10.5%                            | 4.3x                   | 4.5x | 4.8x |
| 11.0%                            | 4.1x                   | 4.3x | 4.6x |

| Equity value per share |                        |         |         |
|------------------------|------------------------|---------|---------|
| Discount rate          | Perpetuity growth rate |         |         |
|                        | 0.5%                   | 1.0%    | 1.5%    |
|                        | 10.0%                  | \$19.12 | \$20.83 |
| 10.5%                  | \$16.05                | \$17.53 | \$19.17 |
| 11.0%                  | \$13.27                | \$14.56 | \$15.99 |

Note: Assumes 6/30/06 valuation date; cash taxes provided by management

<sup>1</sup> Other includes other expense, tooling & engineering, non-cash pension expense, minority interest and equity earnings + cash impact of distressed supplier support payments, financing fees and incremental investment in JVs

## LBO Sensitivity case

Page not included in July 2006 board book

## Longbow analysis at various prices

| Longbow analysis at various prices (\$mm, except per share data) |         |                 |         |         |         |         |         |         |         |
|--|---------|-----------------|---------|---------|---------|---------|---------|---------|---------|
| Base metric  | Current | Price per share |         |         |         |         |         |         |         |
|  |         | \$15.00         | \$20.00 | \$25.00 | \$30.00 | \$35.00 | \$40.00 | \$45.00 |         |
| Premium/(discount) to current                                    | \$21.45 | -               | (30.1%) | (6.8%)  | 16.6%   | 39.9%   | 63.2%   | 86.5%   | 109.8%  |
| Premium/(discount) to 52-wk high                                 | \$45.00 | (\$2.3%)        | (66.7%) | (55.6%) | (44.4%) | (33.3%) | (22.2%) | (11.1%) | 0.0%    |
| Premium/(discount) to 52-wk low                                  | \$15.65 | 37.1%           | (4.2%)  | 27.8%   | 59.7%   | 91.7%   | 123.6%  | 155.6%  | 187.5%  |
| Equity value   |         | \$1,444         | \$1,010 | \$1,347 | \$1,684 | \$2,022 | \$2,360 | \$2,700 | \$3,047 |
| Gross debt on balance sheet                                      |         | 2,590           | 2,590   | 2,590   | 2,590   | 2,590   | 2,590   | 2,590   | 2,590   |
| Cash   |         | 473             | 473     | 473     | 473     | 473     | 473     | 473     | 473     |
| Minority interest  |         | 64              | 64      | 64      | 64      | 64      | 64      | 64      | 64      |
| Firm value   |         | \$3,625         | \$3,191 | \$3,528 | \$3,865 | \$4,203 | \$4,541 | \$4,881 | \$5,228 |
| FV/EBITDA  | EBITDA  |                 |         |         |         |         |         |         |         |
| LTM (3/31/06)  | \$906   | 7.2x            | 6.3x    | 7.0x    | 7.6x    | 8.3x    | 9.0x    | 9.6x    | 10.3x   |
| 2006E - Improvement plan   | \$706   | 5.1x            | 4.5x    | 5.0x    | 5.5x    | 6.0x    | 6.4x    | 6.9x    | 7.4x    |
| 2006E - Street case  | \$768   | 4.7x            | 4.2x    | 4.6x    | 5.0x    | 5.5x    | 5.9x    | 6.4x    | 6.8x    |
| 2007E - Improvement plan   | \$879   | 4.1x            | 3.6x    | 4.0x    | 4.4x    | 4.8x    | 5.2x    | 5.6x    | 5.9x    |
| 2007E - Partial improvement plan                                 | \$984   | 3.9x            | 3.4x    | 3.8x    | 4.1x    | 4.5x    | 4.9x    | 5.2x    | 5.6x    |
| 2007E - Sensitivity case   | \$629   | 5.8x            | 5.1x    | 5.6x    | 6.1x    | 6.7x    | 7.2x    | 7.8x    | 8.3x    |
| 2007E - Street case  | \$873   | 4.2x            | 3.7x    | 4.0x    | 4.4x    | 4.8x    | 5.2x    | 5.6x    | 6.0x    |
| P/E  | EPS     |                 |         |         |         |         |         |         |         |
| 2006E - Improvement plan   | N/A     | N/A             | N/A     | N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |
| 2006E - Street case  | \$0.85  | 25.2x           | 17.6x   | 23.5x   | 29.4x   | 35.3x   | 41.2x   | 47.1x   | 52.9x   |
| 2007E - Improvement plan   | \$2.35  | 9.1x            | 6.4x    | 8.5x    | 10.6x   | 12.8x   | 14.9x   | 17.0x   | 19.1x   |
| 2007E - Partial improvement plan                                 | \$3.21  | 6.7x            | 4.7x    | 6.2x    | 7.8x    | 9.3x    | 10.9x   | 12.5x   | 14.0x   |
| 2007E - Sensitivity case   | N/A     | N/A             | N/A     | N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |
| 2007E - Street case  | \$1.80  | 11.9x           | 8.3x    | 11.1x   | 13.9x   | 16.7x   | 19.4x   | 22.2x   | 25.0x   |

Note: Net debt of \$2,181mm based on LTM 3/31/06 total debt (excluding ABS and factoring to match equity analyst multiples) pro forma for \$1bn term loan issuance, repayment of \$400mm term loan and \$273mm convert tender

## Auto suppliers trading comparables

| \$ millions (except per share data) |                         |                       |               |               |                |                |                 |                 |               |               |                   |  |
|-------------------------------------|-------------------------|-----------------------|---------------|---------------|----------------|----------------|-----------------|-----------------|---------------|---------------|-------------------|--|
|                                     | Share price<br>7/6/2006 | % of 52-<br>week high | Market<br>cap | Firm<br>value | Firm value/    |                |                 |                 |               |               |                   |  |
|                                     |                         |                       |               |               | 2006E<br>sales | 2007E<br>sales | 2006E<br>EBITDA | 2007E<br>EBITDA | 2006E<br>EBIT | 2007E<br>EBIT | 2006E<br>Earnings |  |
| <b>North American suppliers</b>     |                         |                       |               |               |                |                |                 |                 |               |               |                   |  |
| American Axle                       | \$15.48                 | 52.3%                 | \$815         | \$1,383       | 0.40x          | 0.38x          | 4.3x            | 3.7x            | 12.1x         | 8.5x          | 13.8x             |  |
| Arnitt Motor                        | 16.72                   | 82.7%                 | 1,178         | 2,355         | 0.28           | 0.29           | 5.8             | 6.1             | 9.7           | 10.8          | 11.2              |  |
| BorgWarner                          | 64.51                   | 95.6%                 | 3,764         | 4,547         | 1.01           | 0.94           | 6.8             | 6.5             | 11.4          | 10.7          | 14.3              |  |
| Commercial Vehicle Group            | 18.94                   | 75.9%                 | 409           | 520           | 0.60           | 0.70           | 4.2             | 5.5             | 4.8           | 6.6           | 7.0               |  |
| Denison                             | 33.35                   | 92.6%                 | 2,837         | 2,944         | 1.71           | 1.62           | 12.3            | 11.3            | 15.5          | 14.1          | 21.2              |  |
| Dura Automotive                     | 1.86                    | 26.6%                 | 35            | 1,110         | 0.48           | 0.50           | 6.0             | 5.5             | 10.6          | 9.5           | NM                |  |
| Eaton                               | 73.90                   | 92.4%                 | 11,546        | 13,739        | 1.12           | 1.09           | 8.0             | 7.7             | 10.5          | 10.1          | 11.7              |  |
| GenCorp                             | 13.46                   | 64.1%                 | 2,072         | 1,592         | 2.75           | 2.44           | 10.4            | 9.1             | 12.5          | 10.6          | 19.5              |  |
| Johnson Controls                    | 84.68                   | 94.1%                 | 16,820        | 22,117        | 0.67           | 0.62           | 9.3             | 8.2             | 13.6          | 11.7          | 15.5              |  |
| Magna International                 | 72.48                   | 87.0%                 | 7,968         | 7,454         | 0.32           | 0.31           | 3.8             | 3.6             | 6.6           | 6.2           | 9.9               |  |
| Wabtec                              | 22.33                   | 98.3%                 | 790           | 861           | 0.51           | 0.50           | 5.3             | 5.6             | 9.5           | 10.3          | 13.1              |  |
| Stone-Isager                        | 8.35                    | 80.3%                 | 194           | 352           | 0.54           | 0.55           | 6.0             | 5.7             | 11.2          | 10.2          | 27.8              |  |
| Tenneco                             | 25.00                   | 90.7%                 | 1,210         | 2,524         | 0.55           | 0.46           | 5.9             | 5.2             | 10.3          | 8.5           | 17.8              |  |
| TRW Automotive                      | 27.40                   | 91.3%                 | 2,341         | 5,604         | 0.42           | 0.40           | 4.5             | 4.4             | 8.3           | 7.9           | 15.7              |  |
| Visteon                             | 7.54                    | 69.1%                 | 990           | 2,429         | 0.21           | 0.20           | 4.3             | 4.0             | 16.0          | 13.3          | NM                |  |
| <b>Median</b>                       |                         |                       |               |               | <b>0.54x</b>   | <b>0.50x</b>   | <b>5.9x</b>     | <b>5.6x</b>     | <b>10.6x</b>  | <b>10.2x</b>  | <b>14.3x</b>      |  |
| <b>Global suppliers</b>             |                         |                       |               |               |                |                |                 |                 |               |               |                   |  |
| Aucor                               | \$56.00                 | 93.0%                 | \$4,646       | \$5,711       | 0.93x          | 0.92x          | 6.7x            | 6.4x            | 10.6x         | 9.9x          | 14.1x             |  |
| Brembo                              | 9.78                    | 92.0%                 | 633           | 900           | 0.92           | 0.95           | 5.7             | 5.3             | 8.6           | 7.7           | 4.1               |  |
| Continental                         | 101.01                  | 81.0%                 | 14,692        | 15,679        | 0.81           | 0.74           | 4.8             | 4.5             | 7.3           | 6.7           | 10.8              |  |
| Denso                               | 31.53                   | 74.2%                 | 27,873        | 28,125        | 0.99           | 0.92           | 6.7             | 6.1             | 11.3          | 10.1          | 18.5              |  |
| Eyckthager                          | 51.01                   | 87.5%                 | 979           | 1,105         | 1.74           | 1.64           | 7.0             | 6.9             | 10.4          | 10.0          | 17.1              |  |
| Faurecia                            | 62.63                   | 77.3%                 | 1,523         | 3,648         | 0.25           | 0.25           | 4.5             | 4.2             | 10.9          | 9.5           | 15.1              |  |
| GKN                                 | 5.06                    | 78.3%                 | 3,622         | 3,306         | 0.54           | 0.50           | 4.8             | 4.4             | 8.2           | 7.2           | 12.1              |  |
| Grammer                             | 25.65                   | 75.3%                 | 269           | 333           | 0.3            | 0.3            | 3.8             | 3.8             | 6.6           | 6.1           | 9.5               |  |
| SGGFPI                              | 7.27                    | 90.5%                 | 318           | 1,048         | 0.78           | 0.76           | 6.2             | 5.9             | 9.5           | 8.8           | 13.8              |  |
| Tomkins                             | 5.22                    | 81.5%                 | 4,047         | 5,336         | 0.92           | 0.86           | 6.4             | 5.9             | 8.8           | 8.0           | 11.8              |  |
| Trosborg                            | 17.58                   | 65.4%                 | 1,688         | 2,704         | 0.73           | 0.72           | 6.7             | 6.3             | 9.6           | 8.9           | 9.1               |  |
| Valeo                               | 35.31                   | 74.2%                 | 2,736         | 4,197         | 0.32           | 0.30           | 3.2             | 2.8             | 9.1           | 7.4           | 11.6              |  |
| <b>Median</b>                       |                         |                       |               |               | <b>0.80x</b>   | <b>0.75x</b>   | <b>6.0x</b>     | <b>5.6x</b>     | <b>9.3x</b>   | <b>8.4x</b>   | <b>11.9x</b>      |  |
| Longbow (pre-ec)                    | \$21.45                 | 47.7%                 | \$1,444       | \$3,626       | 0.20x          | 0.20x          | 4.7x            | 4.2x            | 9.4x          | 7.4x          | 25.2x             |  |
| Longbow (improvement plan)          | 21.45                   | 47.7%                 | 1,444         | 3,626         | 0.21           | 0.24           | 5.1             | 4.1             | 12.5          | 6.7           | NM                |  |
| Longbow (partial improvement plan)  | 21.45                   | 47.7%                 | 1,444         | 3,626         | 0.21           | 0.24           | 5.1             | 3.8             | 12.5          | 6.1           | NM                |  |
| Longbow (Genes/Vty case)            | 21.45                   | 47.7%                 | 1,444         | 3,626         | 0.21           | 0.24           | 5.1             | 5.8             | 12.5          | 12.3          | NM                |  |
| <b>Mean excluding Longbow</b>       |                         |                       |               |               | <b>0.77x</b>   | <b>0.73x</b>   | <b>6.1x</b>     | <b>5.7x</b>     | <b>10.1x</b>  | <b>9.2x</b>   | <b>13.5x</b>      |  |
| <b>Median excluding Longbow</b>     |                         |                       |               |               | <b>0.60x</b>   | <b>0.62x</b>   | <b>5.9x</b>     | <b>5.6x</b>     | <b>10.3x</b>  | <b>9.5x</b>   | <b>13.9x</b>      |  |

APPENDIX (PAGES FROM JULY VALUATION BOOK)



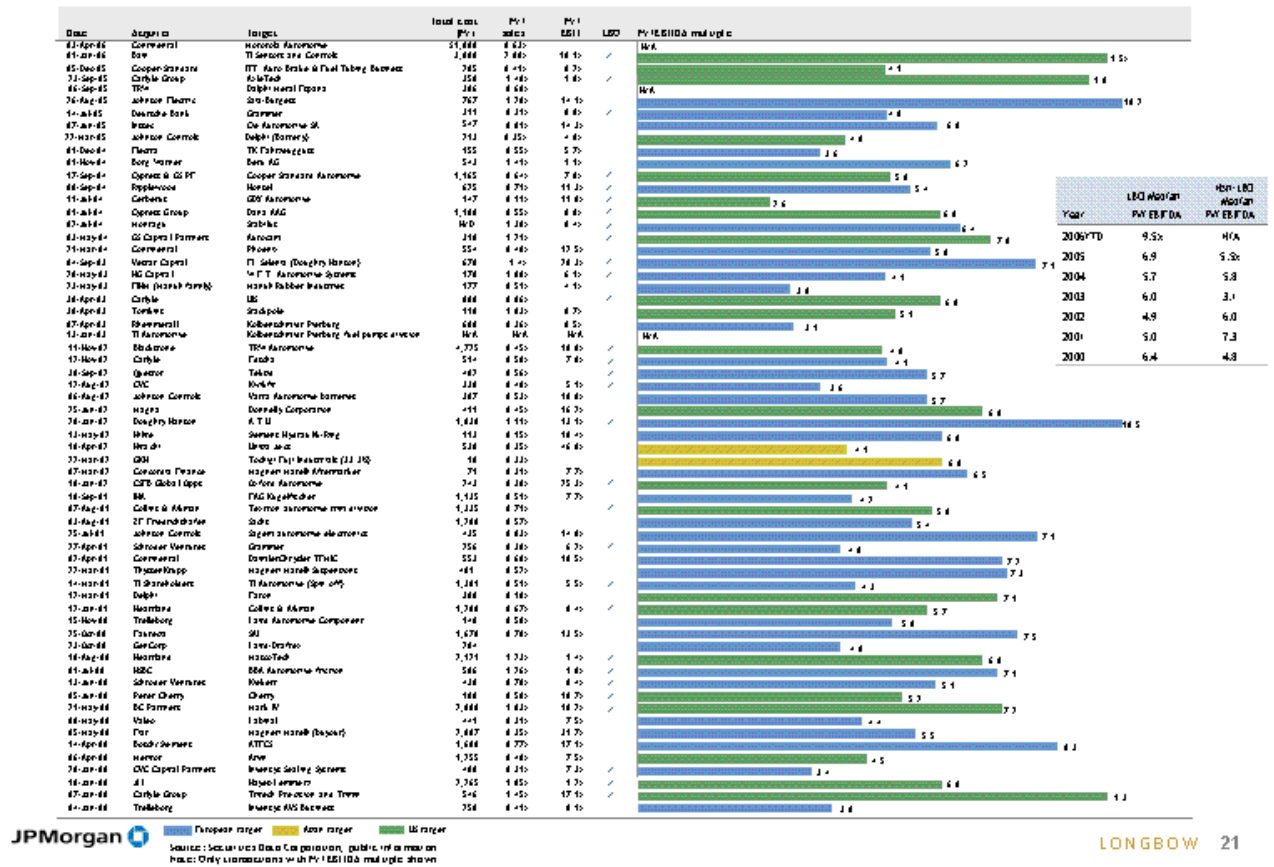
Source: Bloomberg, Company filings, equity research

Note: Market data as of 7/6/2006; trading multiples not burdened by off-balance sheet debt to match equity analyst multiples



# Auto-parts M&A transaction multiples since 2000

APPENDIX (PAGES FROM JULY VALUATION BOOK)



Thayer/Kapp Acquirer Wipac

Source: Securities Data Corporation, public relations materials. Only transactions with P11-LEO10A multiple shown.

FEBRUARY 3, 2007

VALUATION MATERIALS

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# Agenda

|   | Page     |
|---|----------|
| <b>Longbow valuation update</b>           | <b>1</b> |
| Appendix (pages from July valuation book) | 12       |

## Comparison of improvement plan cases

| \$ millions                                |                 |          |          |            |   |         |
|--|-----------------|----------|----------|------------|---|---------|
|  | 2006A           | 2007E    | 2008E    | Firm value |   |         |
| <b>Current Improvement Plan</b>            | Sales           | \$17,839 | \$15,104 | \$14,442   | Share price @ 2/1/07                      | \$34.09 |
|  | % <i>growth</i> | 4.4%     | (15.3%)  | (4.4%)     | Diluted Shares O/S <sup>1</sup> (mm)      | 76.4    |
|  | EBITDA          | 673      | 810      | 910        | Equity value                              | \$2,604 |
|  | % <i>margin</i> | 3.8%     | 5.4%     | 6.3%       | Net Debt + Minority interest <sup>2</sup> | \$2,035 |
|  | EBIT            | 281      | 488      | 585        | Firm value                                | \$4,639 |
|  | % <i>margin</i> | 1.6%     | 3.2%     | 4.1%       |   |         |
|  | EBITDA - capex  | 326      | 564      | 681        |   |         |
|  | % <i>sales</i>  | 1.8%     | 3.7%     | 4.7%       |   |         |
|  |                 |          |          |            |   |         |
| <b>Previous Improvement Plan (Jul '06)</b> | 2006E           | 2007E    | 2008E    | Firm value |   |         |
|  | Sales           | \$17,652 | \$14,894 | \$14,806   | Share price @ 7/6/06                      | \$21.45 |
|  | % <i>growth</i> | 3.3%     | (15.6%)  | (0.6%)     | Diluted Shares O/S (mm)                   | 67.3    |
|  | EBITDA          | 706      | 879      | 925        | Equity value                              | \$1,444 |
|  | % <i>margin</i> | 4.0%     | 5.9%     | 6.2%       | Net Debt + Minority interest <sup>3</sup> | 2,181   |
|  | EBIT            | 291      | 542      | 585        | Firm value                                | \$3,625 |
|  | % <i>margin</i> | 1.6%     | 3.6%     | 4.0%       |   |         |
|  | EBITDA - capex  | 322      | 620      | 690        |   |         |
|  | % <i>sales</i>  | 1.8%     | 4.2%     | 4.7%       |   |         |

Note: Debt balances do not include off-balance sheet debt to conform with equity analyst treatment  
 2006A financials as reported and includes interiors business; 2007E and 2008E reflects divestiture of interiors business  
<sup>1</sup> Diluted shares outstanding increase due to \$200mm equity investment by Icahn  
<sup>2</sup> Net debt as of 12/31/06  
<sup>3</sup> Net debt as of 3/31/06

## Longbow summary financial projections – by division

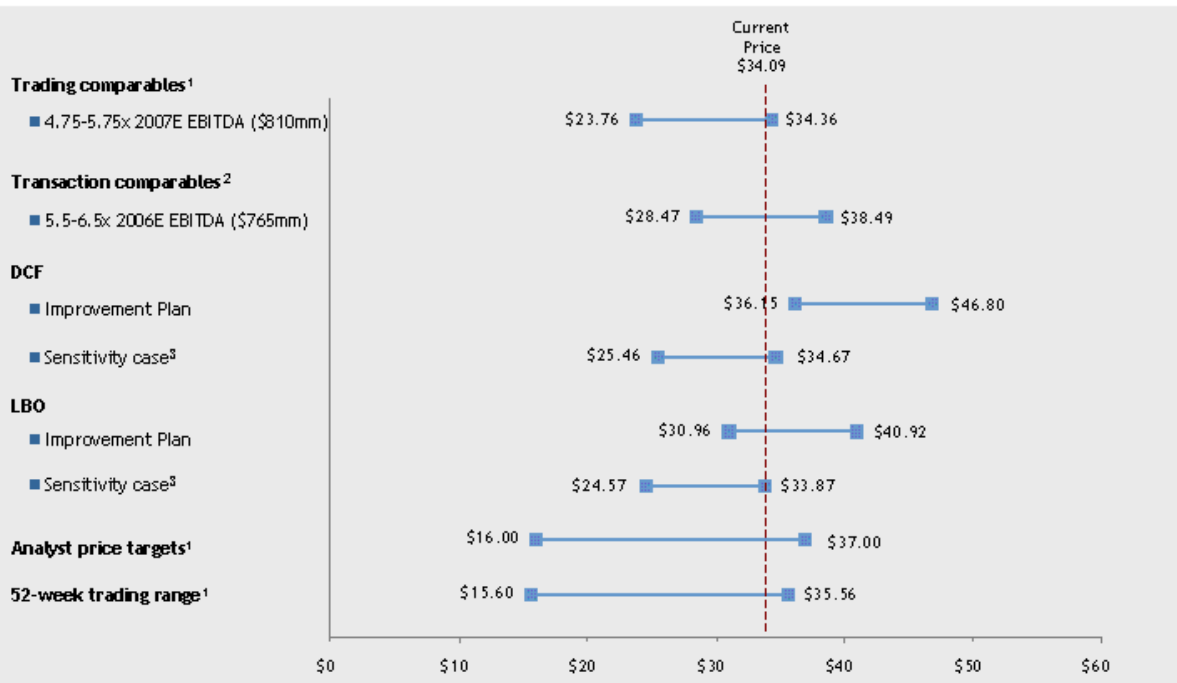
| \$ millions, Improvement plan |            |          |          |                        |          |          |          |          |          |
|-------------------------------|------------|----------|----------|------------------------|----------|----------|----------|----------|----------|
|                               | Historical |          |          | Management Projections |          |          |          |          |          |
|                               | 2004A      | 2005A    | 2006A    | 2007E                  | 2008E    | 2009E    | 2010E    | 2011E    |          |
| Seating                       | Sales      | \$11,395 | \$11,111 | \$11,625               | \$12,027 | \$11,808 | \$11,722 | \$12,042 | \$12,174 |
|                               | % growth   | 5.7%     | (2.5%)   | +6%                    | 3.5%     | (1.8%)   | (0.7%)   | 2.7%     | 1.1%     |
|                               | EBITDA     | 815      | 474      | 771                    | 791      | 846      | 927      | 959      | 949      |
|                               | % margin   | 7.2%     | +3%      | 6.6%                   | 6.6%     | 7.2%     | 7.9%     | 7.8%     | 7.8%     |
|                               | EBIT       | 682      | 323      | 604                    | 607      | 654      | 732      | 730      | 761      |
|                               | % margin   | 6.0%     | 2.9%     | 5.2%                   | 5.1%     | 5.5%     | 6.2%     | 6.3%     | 6.3%     |
| Electronics and Electrical    | Sales      | \$2,940  | \$3,225  | \$2,997                | \$2,964  | \$2,635  | \$2,686  | \$2,796  | \$2,823  |
|                               | % growth   | 22.6%    | 9.7%     | (7.1%)                 | (2.1%)   | (10.2%)  | 2.0%     | +0%      | 1.1%     |
|                               | EBITDA     | 301      | 236      | 213                    | 233      | 252      | 267      | 337      | 341      |
|                               | % margin   | 10.2%    | 8.9%     | 7.1%                   | 7.9%     | 9.6%     | 10.0%    | 12.1%    | 12.1%    |
|                               | EBIT       | 211      | 180      | 103                    | 117      | 141      | 159      | 235      | 237      |
|                               | % margin   | 7.2%     | 5.6%     | 3.4%                   | +0%      | 5.4%     | 5.9%     | 8.4%     | 8.4%     |
| Interiors                     | Sales      | \$3,263  | \$3,417  | \$3,217                | \$144    | \$0      | \$0      | \$0      | \$0      |
|                               | % growth   | +1%      | +7%      | (5.8%)                 | (95.5%)  | N/A      | N/A      | N/A      | N/A      |
|                               | EBITDA     | 194      | (74)     | (92)                   | (6)      | 0        | 0        | 0        | 0        |
|                               | % margin   | 6.0%     | (2.2%)   | (2.9%)                 | (4.2%)   | N/A      | N/A      | N/A      | N/A      |
|                               | EBIT       | 85       | (191)    | (184)                  | (7)      | 0        | 0        | 0        | 0        |
|                               | % margin   | 2.6%     | (5.6%)   | (5.7%)                 | (4.8%)   | N/A      | N/A      | N/A      | N/A      |
| Consolidated <sup>1</sup>     | Sales      | \$16,960 | \$17,089 | \$17,839               | \$15,104 | \$14,442 | \$14,408 | \$14,835 | \$14,997 |
|                               | % growth   | 7.7%     | 0.8%     | +4%                    | (15.3%)  | (4.6%)   | (0.2%)   | 3.0%     | 1.1%     |
|                               | EBITDA     | 1,124    | 499      | 673                    | 810      | 910      | 1,004    | 1,064    | 1,096    |
|                               | % margin   | 6.6%     | 2.9%     | 3.8%                   | 5.4%     | 6.3%     | 7.0%     | 7.3%     | 7.3%     |
|                               | EBIT       | 769      | 105      | 281                    | 483      | 555      | 682      | 775      | 789      |
|                               | % margin   | +5%      | 0.6%     | 1.6%                   | 3.2%     | +1%      | +7%      | 5.2%     | 5.3%     |
| EBITDA - as pct               |            | 281      | (69)     | 326                    | 564      | 681      | 756      | 860      | 784      |
|                               | % sales    | 5.2%     | (0.4%)   | 1.8%                   | 3.7%     | +7%      | 5.2%     | 5.8%     | 5.2%     |

Note: Projections based on Longbow's current improvement plan; historical figures are not pro forma for the Interiors divestiture

<sup>1</sup> Net of intercompany sales and corporate overhead

# Longbow valuation

## Equity value per share



<sup>1</sup> Trading multiple range and net debt figures not burdened by off balance sheet debt to match equity analyst multiples

<sup>2</sup> 2006E EBITDA is pro forma for the divestiture of interiors

<sup>3</sup> Reflects sales reductions of \$510mm, \$783mm, \$973mm in 2008 and 2009 and 2010, respectively at a 15% contribution margin; also reflects \$50mm supplier support payments in 2007 and \$25mm cash outflow for each year for 2007 - 2010 for investments in capacity reductions and other

## Longbow DCF - Improvement Plan

(\$ millions)

|                          | Management forecast |          |          |          | Extrapolation |          |          |          |          |          | Terminal period |
|--------------------------|---------------------|----------|----------|----------|---------------|----------|----------|----------|----------|----------|-----------------|
|                          | 2007E               | 2008E    | 2009E    | 2010E    | 2011E         | 2012E    | 2013E    | 2014E    | 2015E    | 2016E    |                 |
| Sales                    | \$15,104            | \$14,442 | \$14,408 | \$14,835 | \$14,983      | \$15,133 | \$15,284 | \$15,437 | \$15,592 | \$15,747 | \$15,905        |
| %growth                  | --                  | (4.4%)   | (0.2%)   | 3.0%     | 1.0%          | 1.0%     | 1.0%     | 1.0%     | 1.0%     | 1.0%     | 1.0%            |
| EBITDA                   | 810                 | 910      | 1,004    | 1,084    | 1,097         | 1,109    | 1,122    | 1,119    | 1,131    | 1,143    | 1,154           |
| %margin                  | 5.4%                | 6.3%     | 7.0%     | 7.3%     | 7.3%          | 7.3%     | 7.3%     | 7.3%     | 7.3%     | 7.3%     | 7.3%            |
| EBIT                     | 488                 | 585      | 682      | 778      | 788           | 798      | 808      | 802      | 811      | 820      | 828             |
| Less: taxes              | 90                  | 108      | 111      | 177      | 276           | 279      | 283      | 281      | 284      | 287      | 290             |
| tax rate                 | 18.3%               | 18.4%    | 16.3%    | 22.7%    | 35.0%         | 35.0%    | 35.0%    | 35.0%    | 35.0%    | 35.0%    | 35.0%           |
| EBIAT                    | \$398               | \$478    | \$570    | \$602    | \$512         | \$519    | \$525    | \$521    | \$527    | \$533    | \$538           |
| Plus D&A                 | 323                 | 325      | 322      | 306      | 309           | 311      | 314      | 317      | 320      | 323      | 326             |
| Less: Capex              | (246)               | (228)    | (249)    | (224)    | (315)         | (318)    | (321)    | (323)    | (326)    | (330)    | (333)           |
| Less: (Inc)/dec in NMI   | (25)                | 17       | (17)     | (15)     | (5)           | (7)      | (7)      | (5)      | (7)      | 0        | 0               |
| Less: Other <sup>1</sup> | (131)               | (60)     | (29)     | 13       | 0             | 0        | 0        | 0        | 0        | 0        | 0               |
| Unlevered free cash flow | \$318               | \$532    | \$597    | \$682    | \$501         | \$506    | \$511    | \$509    | \$514    | \$526    | \$532           |

**Firm Value**

| Discount rate | Perpetuity growth rate |         |         |
|---------------|------------------------|---------|---------|
|               | 0.5%                   | 1.0%    | 1.5%    |
| 10.0%         | \$5,561                | \$5,705 | \$5,866 |
| 10.5%         | \$5,294                | \$5,419 | \$5,558 |
| 11.0%         | \$5,052                | \$5,161 | \$5,282 |

**Implied terminal EBITDA multiple**

| Discount rate | Perpetuity growth rate |      |      |
|---------------|------------------------|------|------|
|               | 0.5%                   | 1.0% | 1.5% |
| 10.0%         | 5.1x                   | 5.4x | 5.8x |
| 10.5%         | 4.9x                   | 5.1x | 5.5x |
| 11.0%         | 4.6x                   | 4.9x | 5.2x |

**Equity value**

| Discount rate | Perpetuity growth rate |         |         |
|---------------|------------------------|---------|---------|
|               | 0.5%                   | 1.0%    | 1.5%    |
| 10.0%         | \$3,270                | \$3,414 | \$3,575 |
| 10.5%         | \$3,003                | \$3,128 | \$3,267 |
| 11.0%         | \$2,762                | \$2,871 | \$2,991 |

**Equity value per share**

| Discount rate | Perpetuity growth rate |         |         |
|---------------|------------------------|---------|---------|
|               | 0.5%                   | 1.0%    | 1.5%    |
| 10.0%         | \$42.81                | \$44.69 | \$46.80 |
| 10.5%         | \$39.31                | \$40.95 | \$42.77 |
| 11.0%         | \$36.15                | \$37.58 | \$39.15 |

Note: Cash taxes provided by management for 2007-2010 and are projected at a 35% tax rate thereafter; net debt includes \$256mm of off-balance sheet debt  
<sup>1</sup> Other includes tooling & engineering, pension contributions and \$120mm cash impact from interiors business in 2007



## Longbow DCF - Sensitivity case

| (\$ millions)                              |                     |          |          |          |               |          |          |          |          |          |                 |
|--|---------------------|----------|----------|----------|---------------|----------|----------|----------|----------|----------|-----------------|
|  | Management forecast |          |          |          | Extrapolation |          |          |          |          |          | Terminal period |
|  | 2007E               | 2008E    | 2009E    | 2010E    | 2011E         | 2012E    | 2013E    | 2014E    | 2015E    | 2016E    |                 |
| Sales                                      | \$15,104            | \$13,933 | \$13,622 | \$13,860 | \$13,999      | \$14,139 | \$14,280 | \$14,423 | \$14,567 | \$14,713 | \$14,860        |
| % growth                                   | --                  | (7.6%)   | (2.2%)   | 1.7%     | 1.0%          | 1.0%     | 1.0%     | 1.0%     | 1.0%     | 1.0%     | 1.0%            |
| EBITDA                                     | 810                 | 835      | 886      | 939      | 959           | 959      | 970      | 981      | 992      | 1,002    | 1,012           |
| % margin                                   | 5.4%                | 6.0%     | 6.5%     | 6.8%     | 6.8%          | 6.8%     | 6.8%     | 6.8%     | 6.8%     | 6.8%     | 6.8%            |
| EBIT                                       | 488                 | 521      | 582      | 655      | 672           | 681      | 689      | 698      | 707      | 714      | 721             |
| Less: taxes                                | 90                  | 108      | 111      | 177      | 235           | 238      | 241      | 244      | 247      | 250      | 252             |
| tax rate                                   | 18.6%               | 20.6%    | 19.1%    | 27.0%    | 35.0%         | 35.0%    | 35.0%    | 35.0%    | 35.0%    | 35.0%    | 35.0%           |
| EBIAT                                      | \$398               | \$414    | \$471    | \$478    | \$437         | \$442    | \$448    | \$454    | \$459    | \$464    | \$468           |
| Plus D&A                                   | 323                 | 314      | 304      | 284      | 286           | 278      | 281      | 283      | 286      | 289      | 291             |
| Less: Capex                                | (246)               | (221)    | (235)    | (209)    | (293)         | (285)    | (287)    | (290)    | (293)    | (295)    | (297)           |
| Less: (Inc)/dec in NWI                     | (25)                | 17       | (17)     | (15)     | (5)           | (7)      | (7)      | (5)      | (7)      | 0        | 0               |
| Less: Other <sup>1</sup>                   | (131)               | (60)     | (29)     | 13       | 0             | 0        | 0        | 0        | 0        | 0        | 0               |
| Less: Additional cash outflow <sup>2</sup> | (75)                | (25)     | (25)     | (25)     | 0             | 0        | 0        | 0        | 0        | 0        | 0               |
| Unlevered free cash flow                   | \$243               | \$439    | \$468    | \$527    | \$425         | \$429    | \$434    | \$442    | \$446    | \$457    | \$463           |

| Firm Value    |  |                        |         |         |
|---------------|--|------------------------|---------|---------|
| Discount rate |  | Perpetuity growth rate |         |         |
|               |  | 0.5%                   | 1.0%    | 1.5%    |
| 10.0%         |  | \$4,674                | \$4,800 | \$4,940 |
| 10.5%         |  | \$4,444                | \$4,553 | \$4,674 |
| 11.0%         |  | \$4,236                | \$4,331 | \$4,436 |

| Implied terminal EBITDA multiple |  |                        |      |      |
|----------------------------------|--|------------------------|------|------|
| Discount rate                    |  | Perpetuity growth rate |      |      |
|                                  |  | 0.5%                   | 1.0% | 1.5% |
| 10.0%                            |  | 5.1x                   | 5.4x | 5.7x |
| 10.5%                            |  | 4.8x                   | 5.1x | 5.4x |
| 11.0%                            |  | 4.6x                   | 4.9x | 5.2x |

| Equity value  |  |                        |         |         |
|---------------|--|------------------------|---------|---------|
| Discount rate |  | Perpetuity growth rate |         |         |
|               |  | 0.5%                   | 1.0%    | 1.5%    |
| 10.0%         |  | \$2,383                | \$2,509 | \$2,649 |
| 10.5%         |  | \$2,153                | \$2,262 | \$2,383 |
| 11.0%         |  | \$1,945                | \$2,040 | \$2,145 |

| Equity value per share |  |                        |         |         |
|------------------------|--|------------------------|---------|---------|
| Discount rate          |  | Perpetuity growth rate |         |         |
|                        |  | 0.5%                   | 1.0%    | 1.5%    |
| 10.0%                  |  | \$31.20                | \$32.84 | \$34.67 |
| 10.5%                  |  | \$28.18                | \$29.61 | \$31.19 |
| 11.0%                  |  | \$25.46                | \$26.70 | \$28.08 |

Note: Net debt includes \$256mm of off balance sheet debt; Cash taxes provided by management for 2007-2010 and are projected at a 35% tax rate thereafter

<sup>1</sup> Other includes tooling & engineering, pension contributions and \$120mm cash impact from interiors business in 2007

<sup>2</sup> Includes \$50mm in supplier support payments in 2007 and \$25mm cash outflow each year from 2007 - 2010 for investments in capacity reductions and other

# Longbow LBO valuation analysis - Improvement Plan

| Sources/Uses (\$mm)      |            |
|--------------------------|------------|
| Transaction date:        | 1/1/2007   |
| 2006 F F EBITDA          | \$765.0    |
| Exit date:               | 12/31/2011 |
| Purchase price per share | \$39.20    |
| % premium to current     | 15.0%      |
| 2006 F F EBITDA multiple | 6.9x       |

| Sources              | Amount (\$)    | % of total  | x EBITDA    |
|----------------------|----------------|-------------|-------------|
| Total debt @ 8.125%  | \$3,443        | 63%         | 4.5x        |
| Common equity        | 1,996          | 37%         | 2.6x        |
| <b>Total sources</b> | <b>\$5,439</b> | <b>100%</b> | <b>7.1x</b> |

| Uses                  | Amount (\$)    | % of total  | x EBITDA    |
|-----------------------|----------------|-------------|-------------|
| Existing debt         | \$2,291        | 42.1%       | 3.0x        |
| Transaction fees      | 80             | 0.9%        | 0.1x        |
| Minimum cash          | 100            | 1.8%        | 0.1x        |
| Equity purchase price | 2,996          | 55.1%       | 3.9x        |
| <b>Total uses</b>     | <b>\$5,436</b> | <b>100%</b> | <b>7.1x</b> |

| Equity value per share at 2.0% IRR |                   |         |         |         |         |         |
|------------------------------------|-------------------|---------|---------|---------|---------|---------|
| Exit Multiple                      | Leverage multiple |         |         |         |         |         |
|                                    | 4.00x             | 4.25x   | 4.50x   | 4.75x   | 5.00x   |         |
|                                    | 5.0x              | \$30.96 | \$32.08 | \$33.20 | \$34.32 | \$35.44 |
| 5.5x                               | \$33.70           | \$34.82 | \$35.94 | \$37.06 | \$38.18 |         |
| 6.0x                               | \$36.44           | \$37.56 | \$38.68 | \$39.80 | \$40.92 |         |

| Projections (\$mm)              |                |                |                |                |                |                |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                                 | FF2006         | 2007 E         | 2008 E         | 2009 E         | 2010 E         | 2011 E         |
| EBITDA                          | \$765          | \$810          | \$910          | \$1,004        | \$1,084        | \$1,097        |
| EBIT                            | 281            | 488            | 585            | 682            | 778            | 788            |
| less: net interest              |                | (276)          | (259)          | (229)          | (190)          | (152)          |
| less: cash taxes                |                | (39)           | (60)           | (74)           | (133)          | (223)          |
| Net Income                      |                | \$173          | \$267          | \$379          | \$455          | \$413          |
| Depreciation                    |                | 323            | 325            | 322            | 306            | 309            |
| Capital expenditures            |                | (246)          | (228)          | (249)          | (224)          | (315)          |
| Amortization of fees            |                | 4              | 4              | 4              | 4              | 4              |
| (Increase) / decrease in NWI    |                | (25)           | 17             | (17)           | (15)           | (5)            |
| Other <sup>1,2</sup>            |                | (131)          | (60)           | (29)           | 13             | 0              |
| Cash available for debt service |                | \$97           | \$324          | \$410          | \$589          | \$406          |
| Cumulative cash flow            |                | 97             | 422            | 832            | 1,370          | 1,776          |
| <b>Total debt</b>               | <b>\$3,443</b> | <b>\$3,345</b> | <b>\$3,021</b> | <b>\$2,611</b> | <b>\$2,072</b> | <b>\$1,666</b> |

|                                    | FF2006 | 2007 E | 2008 E | 2009 E | 2010 E | 2011 E |
|------------------------------------|--------|--------|--------|--------|--------|--------|
| Total Debt / EBITDA                | 4.5x   | 4.1x   | 3.3x   | 2.6x   | 1.9x   | 1.5x   |
| EBITDA / net interest              | 2.9    | 3.5    | 4.4    | 5.7    | 7.2    | 7.2    |
| (EBITDA-cash taxes) / net interest | 2.0    | 2.6    | 3.3    | 4.5    | 5.1    | 5.1    |

| Investor IRR - 5-year exit @ 4.5x leverage |                                    |         |         |         |         |
|--|------------------------------------|---------|---------|---------|---------|
| Exit Multiple                              | Implied entry Multiple / % premium |         |         |         |         |
|  | \$35.79                            | \$37.50 | \$39.20 | \$40.91 | \$42.61 |
|  | 5.0%                               | 5.0%    | 10.0%   | 15.0%   | 20.0%   |
| 5.0x                                       | 6.6x                               | 6.7x    | 6.9x    | 7.1x    | 7.3x    |
|  | 20.1%                              | 18.4%   | 16.8%   | 15.4%   | 14.0%   |
|  | 22.9%                              | 21.1%   | 19.8%   | 18.0%   | 16.6%   |
| 6.0%                                       | 25.4%                              | 23.6%   | 22.0%   | 20.4%   | 19.0%   |

Note: 2006 EBITDA is pro forma (\$927mm) for the divestiture of interiors, weighted cost of debt is of 8.125%, 5% management promote; net debt includes \$256mm of off-balance sheet debt  
<sup>1</sup> Other includes tooling & engineering and pension contributions  
<sup>2</sup> Includes a \$120mm cash impact from interiors business in 2007

# Longbow LBO valuation analysis - Sensitivity case

LONGBOW VALUATION UPDATE

| Sources/Uses (\$mm)      |            |
|--------------------------|------------|
| Transaction date:        | 1/1/2007   |
| 2006 FF EBITDA           | \$765.0    |
| Exit date:               | 12/31/2011 |
| Purchase price per share | \$39.20    |
| % premium to current     | 15.0%      |
| 2006 FF EBITDA multiple  | 6.9x       |

| Sources                 | Amount (\$)    | % of total  | x EBITDA    |
|-------------------------|----------------|-------------|-------------|
| Pro forma debt @ 8.125% | \$3,443        | 68%         | 4.5x        |
| Common equity           | 1,995          | 37%         | 2.6x        |
| <b>Total sources</b>    | <b>\$5,438</b> | <b>100%</b> | <b>7.1x</b> |

| Uses                  | Amount (\$)    | % of total  | x EBITDA    |
|-----------------------|----------------|-------------|-------------|
| Rolled debt           | \$2,291        | 42.1%       | 3.0x        |
| Transaction fees      | 50             | 0.9%        | 0.1x        |
| Minimum cash          | 100            | 1.8%        | 0.1x        |
| Equity purchase price | 2,995          | 55.1%       | 3.9x        |
| <b>Total uses</b>     | <b>\$5,436</b> | <b>100%</b> | <b>7.1x</b> |

| Equity value per share at 2.0% IRR |                   |         |         |         |         |
|------------------------------------|-------------------|---------|---------|---------|---------|
| Exit Multiple                      | Leverage multiple |         |         |         |         |
|                                    | 4.00x             | 4.25x   | 4.50x   | 4.75x   | 5.00x   |
| 5.0x                               | \$24.57           | \$25.69 | \$26.82 | \$27.95 | \$29.08 |
| 5.5x                               | \$26.96           | \$28.09 | \$29.22 | \$30.35 | \$31.48 |
| 6.0x                               | \$29.35           | \$30.48 | \$31.61 | \$32.74 | \$33.87 |

| Investor IRR - 5-year exit @ 4.5x leverage |                                    |        |        |         |         |
|--|------------------------------------|--------|--------|---------|---------|
| Exit Multiple                              | Implied entry Multiple / % premium |        |        |         |         |
|  | \$5.79                             | \$7.50 | \$9.20 | \$40.91 | \$42.61 |
|  | 5.0%                               | 10.0%  | 15.0%  | 20.0%   | 25.0%   |
|  | 6.6x                               | 6.7x   | 6.9x   | 7.1x    | 7.3x    |
| 5.0x                                       | 12.0%                              | 10.4%  | 9.0%   | 7.6%    | 6.4%    |
| 5.5x                                       | 15.2%                              | 13.5%  | 12.0%  | 10.6%   | 9.4%    |
| 6.0x                                       | 18.0%                              | 16.3%  | 14.8%  | 13.4%   | 12.0%   |

Note: 2006 EBITDA is pro forma (\$92mm) for the divestiture of interiors, weighted cost of debt is of 8.125%, 5% management promote; net debt includes \$266mm of off-balance sheet debt

<sup>1</sup> Other includes tooling & engineering and pension contributions

<sup>2</sup> Includes a \$120mm cash impact from interiors business in 2007

<sup>3</sup> Includes \$50mm in supplier support payments in 2007 and \$25mm cash outflow each year from 2007 - 2010 for investments in capacity reductions and other

| Projections (\$mm)               |                |                |                |                |                |                |
|----------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                                  | FF2006         | 2007E          | 2008E          | 2009E          | 2010E          | 2011E          |
| EBITDA                           | \$765          | \$810          | \$835          | \$886          | \$939          | \$959          |
| EBIT                             | 281            | 488            | 521            | 582            | 655            | 672            |
| less: net interest               | (279)          | (269)          | (248)          | (222)          | (195)          | (195)          |
| less: cash taxes                 | (39)           | (52)           | (64)           | (117)          | (167)          | (167)          |
| Net Income                       | \$170          | \$200          | \$270          | \$316          | \$310          | \$310          |
| Depreciation                     | 323            | 314            | 304            | 284            | 284            | 286            |
| Capital expenditures             | (246)          | (221)          | (285)          | (209)          | (293)          | (293)          |
| Amortization of fees             | 4              | 4              | 4              | 4              | 4              | 4              |
| (Increase) / decrease in HWI     | (25)           | 17             | (17)           | (15)           | (5)            | (5)            |
| Other <sup>1,2</sup>             | (131)          | (60)           | (29)           | 13             | 0              | 0              |
| Additional cashflow <sup>3</sup> | (75)           | (25)           | (25)           | (25)           | 0              | 0              |
| Cash available for debt service  | \$20           | \$230          | \$271          | \$368          | \$302          | \$302          |
| Cumulative cashflow              | 20             | 249            | 520            | 888            | 1,190          |                |
| <b>Total debt</b>                | <b>\$3,443</b> | <b>\$3,423</b> | <b>\$3,194</b> | <b>\$2,923</b> | <b>\$2,554</b> | <b>\$2,253</b> |

|                            | FF2006 | 2007E | 2008E | 2009E | 2010E | 2011E |
|----------------------------|--------|-------|-------|-------|-------|-------|
| Total Debt / EBITDA        | 4.5x   | 4.2x  | 3.8x  | 3.3x  | 2.7x  | 2.4x  |
| EBITDA/net interest        | 2.9    | 3.1   | 3.6   | 4.2   | 4.9   |       |
| (EBITDA-cash)/net interest | 2.0    | 2.3   | 2.6   | 3.3   | 3.4   |       |

## Longbow analysis at various prices

| Longbow analysis at various prices (\$mm, except per share data) |               |                |                |                |                 |                |                |                |                |                |                |
|--|---------------|----------------|----------------|----------------|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Base metric  | Current       |                |                |                | Price per share |                |                |                |                |                |                |
|  | \$4.09        | \$2.00         | \$3.00         | \$4.00         | \$5.00          | \$6.00         | \$7.00         | \$8.00         | \$9.00         | \$40.00        |                |
| Premium/(discount) to current                                    | \$4.60        | -              | (7.98)         | (4.68)         | (1.78)          | 1.28           | 4.08           | 6.98           | 9.88           | 12.78          | 15.68          |
| Premium/(discount) to 52-wk high                                 | \$3.56        | (4.18)         | (10.08)        | (7.28)         | (4.48)          | (1.68)         | 1.28           | 4.08           | 6.98           | 9.78           | 12.58          |
| Premium/(discount) to 52-wk low                                  | \$15.60       | 118.98         | 105.18         | 111.98         | 117.98          | 124.48         | 130.88         | 137.28         | 143.68         | 150.08         | 156.48         |
| Equity value   |               | \$2,604        | \$2,445        | \$2,522        | \$2,598         | \$2,674        | \$2,751        | \$2,827        | \$2,904        | \$2,980        | \$3,056        |
| Net Debt + Minority Interest                                     |               | 2,035          | 2,035          | 2,035          | 2,035           | 2,035          | 2,035          | 2,035          | 2,035          | 2,035          | 2,035          |
| <b>Firm value</b>  |               | <b>\$4,639</b> | <b>\$4,480</b> | <b>\$4,556</b> | <b>\$4,633</b>  | <b>\$4,709</b> | <b>\$4,785</b> | <b>\$4,862</b> | <b>\$4,938</b> | <b>\$5,015</b> | <b>\$5,091</b> |
| <b>FV/EBITDA</b>   | <b>EBITDA</b> |                |                |                |                 |                |                |                |                |                |                |
| 2006A EBITDA   | \$765         | 6.1x           | 5.9x           | 6.0x           | 6.1x            | 6.2x           | 6.3x           | 6.4x           | 6.5x           | 6.6x           | 6.7x           |
| 2007E EBITDA   | \$810         | 5.7x           | 5.5x           | 5.6x           | 5.7x            | 5.8x           | 5.9x           | 6.0x           | 6.1x           | 6.2x           | 6.3x           |
| 2008E EBITDA   | \$910         | 5.1x           | 4.9x           | 5.0x           | 5.1x            | 5.2x           | 5.3x           | 5.3x           | 5.4x           | 5.5x           | 5.6x           |
| <b>FV/EBIT</b>   | <b>EBIT</b>   |                |                |                |                 |                |                |                |                |                |                |
| 2006A EBIT   | \$465         | 10.0x          | 9.6x           | 9.8x           | 10.0x           | 10.1x          | 10.3x          | 10.4x          | 10.6x          | 10.8x          | 10.9x          |
| 2007E EBIT   | \$488         | 9.5x           | 9.2x           | 9.3x           | 9.5x            | 9.7x           | 9.8x           | 10.0x          | 10.1x          | 10.3x          | 10.4x          |
| 2008E EBIT   | \$585         | 7.9x           | 7.7x           | 7.8x           | 7.9x            | 8.0x           | 8.2x           | 8.3x           | 8.4x           | 8.6x           | 8.7x           |
| <b>FV/Sales</b>  | <b>Sales</b>  |                |                |                |                 |                |                |                |                |                |                |
| 2006A Sales  | \$14,622      | 0.32x          | 0.31x          | 0.31x          | 0.32x           | 0.32x          | 0.33x          | 0.33x          | 0.34x          | 0.34x          | 0.35x          |
| 2007E Sales  | \$15,104      | 0.31x          | 0.30x          | 0.30x          | 0.31x           | 0.31x          | 0.32x          | 0.32x          | 0.33x          | 0.33x          | 0.34x          |
| 2008E Sales  | \$14,442      | 0.32x          | 0.31x          | 0.32x          | 0.32x           | 0.33x          | 0.33x          | 0.34x          | 0.34x          | 0.35x          | 0.35x          |

Note: Current share price of \$4.60 as of 1/23/07; Net debt of \$2,039mm based on 12/31/06 debt (excludes off balance sheet debt to match equity analyst multiples); includes minority interest of \$8mm; 2006A financials are pro forma for the divestiture of the interiors business

# Automotive supplier trading comparables

\$ millions, except as noted

|                                 | Share price 2/1/07 | % of 52-week high | Market cap | Firm value | Firm value/ |             |              |              |            |            | Price per share/ |           |
|---------------------------------|--------------------|-------------------|------------|------------|-------------|-------------|--------------|--------------|------------|------------|------------------|-----------|
|                                 |                    |                   |            |            | 2007E Sales | 2008E Sales | 2007E EBITDA | 2008E EBITDA | 2007E EBIT | 2008E EBIT | 2007E EPS        | 2008E EPS |
| <b>North American suppliers</b> |                    |                   |            |            |             |             |              |              |            |            |                  |           |
| American Axle                   | \$20.95            | 98.2%             | \$1,106    | \$1,721    | 0.54x       | 0.54x       | 4.7x         | 4.1x         | 36.0x      | 11.6x      | 15.0x            | 9.8x      |
| Archimotor                      | 19.51              | 96.8%             | 1,395      | 2,340      | 0.27        | 0.26        | 5.7          | 5.0          | 10.8       | 9.1        | 16.1             | 10.4      |
| BorgWarner                      | 69.75              | 99.5%             | 4,097      | 4,866      | 1.02        | 0.90        | 7.1          | 6.5          | 13.7       | 11.8       | 14.9             | 13.0      |
| Commarol Vehicle Group          | 20.00              | 94.9%             | 432        | 574        | 0.77        | 0.60        | 7.8          | 5.1          | 5.8        | 10.0       | 14.8             | 8.0       |
| Denso Inc.                      | 35.51              | 91.1%             | 2,945      | 3,080      | 1.65        | 2.74        | 11.6         | N/A          | 15.4       | 14.1       | 19.4             | N/A       |
| Eaton                           | 78.35              | 98.0%             | 12,089     | 13,862     | 1.06        | 1.02        | 8.0          | 7.4          | N/A        | 10.8       | 12.5             | 11.1      |
| GenCorp                         | 17.63              | 99.5%             | 2,543      | 2,210      | 3.53        | 3.17        | 12.5         | 11.0         | N/A        | 15.3       | 22.0             | 19.4      |
| Magna International             | 78.53              | 94.2%             | 8,568      | 7,905      | 0.31        | 0.29        | 4.3          | 3.8          | 8.5        | 7.5        | 11.5             | 9.5       |
| Moog Inc.                       | 26.23              | 87.3%             | 863        | 1,030      | 0.58        | 0.54        | 6.8          | 6.3          | 14.6       | 12.9       | 15.6             | 14.8      |
| Stantec                         | 10.15              | 96.2%             | 241        | 394        | 0.63        | 0.56        | 6.5          | 6.1          | N/A        | 11.9       | 30.8             | 19.9      |
| Tenneco                         | 23.84              | 86.5%             | 1,132      | 2,447      | 0.44        | 0.41        | 5.3          | 5.0          | 10.6       | 8.9        | 12.3             | 10.5      |
| TRW Automotive                  | 26.44              | 90.7%             | 2,772      | 5,548      | 0.41        | 0.41        | 4.7          | 4.6          | 9.0        | 8.2        | 12.0             | 10.6      |
| Visteon                         | 8.15               | 80.8%             | 1,067      | 2,659      | 0.23        | 0.22        | 4.2          | 5.9          | N/A        | 14.4       | N/A              | N/A       |
| Median                          |                    |                   |            |            | 0.61x       | 0.55x       | 6.7x         | 5.9x         | 10.7x      | 11.3x      | 14.9x            | 10.9x     |
| Median of selected group        |                    |                   |            |            | 0.36x       | 0.35x       | 5.0x         | 5.0x         | 10.6x      | 9.0x       | 12.3x            | 10.5x     |
| <b>Global Suppliers</b>         |                    |                   |            |            |             |             |              |              |            |            |                  |           |
| Aucor                           | \$61.30            | 98.9%             | \$5,012    | \$6,039    | 0.93x       | 0.88x       | 6.5x         | 5.9x         | 10.8x      | 9.6x       | 14.9x            | 13.1x     |
| Brembo                          | 9.72               | 97.8%             | 840        | 1,162      | 1.08        | 1.03        | 6.7          | 6.1          | 10.3       | 9.4        | 13.2             | 11.4      |
| Continental                     | 91.97              | 94.5%             | 17,444     | 19,335     | 0.91        | 0.87        | 5.5          | 5.1          | 8.3        | 7.6        | 11.8             | 10.7      |
| Dana                            | 39.71              | 97.3%             | 35,107     | 35,120     | 1.12        | 1.06        | 7.7          | 7.4          | 12.8       | 12.0       | 19.1             | 17.8      |
| Eirng Arranger                  | 59.53              | N/A               | 1,143      | 1,258      | 1.79        | N/A         | 7.2          | N/A          | 10.3       | N/A        | 16.7             | N/A       |
| Faurecia                        | 54.05              | 95.0%             | 1,143      | 1,258      | 0.25        | N/A         | 4.3          | N/A          | 14.3       | N/A        | 19.6             | N/A       |
| GKN                             | 31.8               | 83.1%             | 1,698      | 3,920      | 0.67        | N/A         | 5.9          | N/A          | 9.3        | N/A        | 12.0             | N/A       |
| Grammer                         | 24.65              | 94.3%             | 4,317      | 5,077      | 0.27        | N/A         | 3.5          | N/A          | 5.6        | N/A        | 8.2              | N/A       |
| SGEPI                           | 8.00               | 97.7%             | 259        | 266        | 0.98        | 0.96        | 6.3          | 6.1          | 9.0        | 8.9        | 12.8             | 12.1      |
| Tomkins                         | 4.98               | 75.0%             | 926        | 1,341      | 0.87        | 0.85        | 6.8          | 6.4          | 10.0       | 9.2        | 12.7             | 11.8      |
| Triveborg                       | 24.29              | 91.2%             | 4,282      | 5,402      | 0.84        | 0.82        | 7.7          | 7.2          | 11.2       | 10.4       | 11.9             | 10.7      |
| Valeo                           | 45.55              | 96.7%             | 2,195      | 3,425      | 0.38        | 0.38        | 4.1          | 3.8          | 13.0       | 11.9       | 16.9             | 14.8      |
| Median                          |                    |                   |            |            | 0.89x       | 0.87x       | 6.4x         | 6.1x         | 10.3x      | 9.5x       | 13.0x            | 12.0x     |
| Longbow Street, Case            | 534.09             | 95.9%             | \$2,604    | \$4,639    | 0.28x       | 0.27x       | 5.3x         | 5.2x         | N/A        | 8.2x       | 16.0x            | 13.2x     |
| Longbow (Improve. plant)        | 534.09             | 95.9%             | 2,604      | 4,639      | 0.31x       | 0.32x       | 5.7x         | 5.1x         | 9.5x       | 7.9x       | N/A              | N/A       |
| Longbow (Sensafixy plant)       | 534.09             | 95.9%             | 2,604      | 4,639      | 0.31x       | 0.33x       | 5.7x         | 5.6x         | 9.5x       | 8.9x       | N/A              | N/A       |

Source: Bloomberg, Company filings, equity research

Note: Market data as of 2/1/07; trading multiples not burdened by off-balance sheet debt to match equity analyst multiples

# Automotive supplier transaction comparables

LONGBOW VALUATION UPDATE

| Date   | Acquirer              | Target                       | Total cost (M\$) | P/E ratio | PV/EBIT | PV/EBIT Multiple |
|--------|-----------------------|------------------------------|------------------|-----------|---------|------------------|
| Dec-16 | Braycote Corp         | Brayco, Inc                  | 513              | 4.60      | N/A     |                  |
| Oct-16 | Robert Bosch GmbH     | Pexco Group                  | 454              | 4.61      | 13.4    | 10.6x            |
| Oct-16 | Hesol                 | Clivio                       | 437              | 4.47      | 16.1    | 5.1x             |
| Sep-16 | Ashli-Tec             | Wendage                      | 1,716            | 4.61      | 37.4    | 6.1x             |
| Jan-16 | Harman Int'l          | Toscon Packaging Systems     | 424              | 4.35      | N/A     | N/A              |
| May-15 | Rea Driveline Capital | Axon Automotive              | 137              | 4.38      | -3      |                  |
| Apr-16 | Continental AG        | Horodex AGTS                 | 1,466            | 4.61      | N/A     | 6.9x             |
| Jan-16 | Borg Inphar           | TI (Automotive control)      | 1,466            | 3.67      | 11.4    | 10.1x            |
| Dec-15 | Cooper Spaxx          | ITT (brake)                  | 745              | 4.44      | 1.1     |                  |
| Sep-15 | Carlisle Group        | AutoTab                      | 356              | 1.44      | N/A     | 6.6x             |
| Mar-16 | JCI                   | Dolphin Energy Systems       | 711              | 4.16      | N/A     | 6.0x             |
| Jan-16 | Valeo SA              | JCI (Tyre Electronic Drives) | 424              | 4.44      | 13.7    | 6.0x             |
| Nov-15 | BorgWarner            | Bosch                        | 611              | 1.47      | 1.4     | 6.5x             |
| Oct-15 | Hager International   | Tecan International          | 576              | 4.61      | 7.1     | 5.5x             |
| Oct-15 | Hager International   | Dezema International         | 735              | 4.14      | 5.5     | 3.4x             |
| Sep-15 | Oponee Group          | Cooper Spaxx                 | 1,165            | 4.61      | -7      | 6.5x             |
| Jul-15 | Oponee Group          | Dura AG                      | 1,466            | 4.47      | 4.1     | 6.1x             |
| Jul-15 | THL Inc               | Progressive Molded Products  | 524              | 1.44      | N/A     | 6.1x             |
| Jul-15 | Harman Int'l          | StMtec                       | 585              | 1.44      | N/A     | 6.1x             |
| Jan-15 | Kollberg Co LLC       | Straspar                     | 224              | 1.44      | 17.1    | 6.1x             |
| May-15 | GS Capital Partners   | Karacas                      | 214              | 1.71      | N/A     | 6.1x             |
| May-15 | Continental           | Pharos AG                    | 477              | 4.44      | 15.5    | 6.1x             |
| Sep-15 | Veeva                 | PT Salaries (Digital Health) | 735              | 1.44      | 24.1    | 6.1x             |
| May-15 | MG Capital            | W T Automotive Systems       | 741              | 1.44      | 4.1     | 6.1x             |
| Apr-15 | Tomlin PLC            | Stricpolo                    | 731              | 1.74      | 14.1    | 6.1x             |
| Apr-15 | The Carlisle Group    | US                           | 444              | 4.61      | N/A     | 6.1x             |
| Apr-15 | Braycote Corp         | Kolbenschlager Parking       | 217              | 4.16      | 8.5     | 6.1x             |
| Mar-15 | Chatec Motor, Inc     | Automotive Accusony Systems  | 744              | 4.71      | N/A     | 6.1x             |
| Nov-15 | Stalder Group         | TRW Automotive               | 475              | 4.44      | 14.6    | 6.1x             |
| Nov-15 | Carlisle Group        | Teach                        | 511              | 4.54      | 7.4     | 6.1x             |
| Aug-15 | DVC                   | Novatec                      | 224              | 4.44      | 5.1     | 6.1x             |
| Aug-15 | Johnson Controls      | Varta Automotive Batteries   | 247              | 4.51      | 14.4    | 6.1x             |
| Aug-15 | QuakerHorse           | Takata Airbrake SpA          | 441              | 4.56      | N/A     | 6.1x             |
| Jan-15 | Hager International   | Dormell Corp                 | 411              | 4.41      | 35.5    | 6.1x             |
| Jan-15 | Doughy Harco          | A.T.U.                       | 1,414            | 1.51      | 11.1    | 10.5x            |
| Apr-15 | Hesol                 | Ultras Jacc                  | 417              | 4.35      | 24.5    | 6.1x             |
| Jan-16 | CSB                   | Go-fon Automotive            | 711              | 4.38      | 35.1    | 6.1x             |
| Sep-16 | IMV                   | PG Nippon                    | 1,115            | 4.51      | 7.7     | 6.1x             |
| Aug-15 | Coltrec & Alstom      | Toscon Automotive Trim       | 1,717            | 4.74      | 7.4     | 6.1x             |
| Aug-15 | ZF                    | Sachs                        | 1,744            | 4.57      | N/A     | 6.1x             |
| Jul-15 | Johnson Controls      | Sagep Electronics            | 415              | 4.61      | 14.4    | 6.1x             |
| Apr-15 | Schroter Venetec      | Clomax                       | 754              | 4.44      | 4.7     | 6.1x             |
| Mar-15 | TI Globalent          | TI Automotive (open)         | 1,461            | 4.51      | 5.5     | 6.1x             |
| Mar-15 | Dolphin Automotive    | Paton's Drive Drives         | 244              | 4.44      | N/A     | 6.1x             |
| Jan-15 | Hamble                | Coltrec & Alstom             | 1,145            | 4.65      | 1.4     | 6.1x             |
| Dec-15 | DVC                   | Dako-Remy                    | 411              | 4.65      | 4.3     | 6.1x             |
| Oct-15 | Transtar SA           | SII                          | 1,461            | 4.71      | 14.4    | 6.1x             |
| Oct-15 | GenCorp               | Line-Dipho                   | 744              | N/A       | N/A     | 6.1x             |
| Sep-15 | Hamble                | Sempco Driveline, Inc        | 245              | 4.64      | 14.4    | 6.1x             |
| Aug-15 | Hamble                | HiscoTech, Inc               | 7,466            | 1.51      | 1.7     | 6.1x             |
| Jul-15 | DaimlerChrysler AG    | Daimler Diesel Corp          | 617              | 4.11      | 1.1     | 6.1x             |
| Jul-15 | HSC                   | BBK Automotive Finance       | 544              | 1.54      | 1.4     | 6.1x             |
| Jan-15 | Postle-Harvey Corp    | Harwin International         | 414              | 4.51      | 1.4     | 6.1x             |
| Jan-15 | Schroter Venetec      | Wakert AG                    | 411              | 4.44      | 14.1    | 6.1x             |
| May-15 | BC Partners           | Wah IV                       | 1,145            | 1.41      | 14.4    | 6.1x             |
| May-16 | Truac Corp            | GIB Battery Recovery         | 244              | 4.38      | 11.1    | 6.1x             |
| May-16 | Harman Automotive     | Cambridge Busmatic           | 241              | 4.61      | 35.5    | 6.1x             |
| May-15 | Par Spa               | Magnum Haveli (Bus-on)       | 1,444            | 4.51      | 24.6    | 6.1x             |
| May-15 | Valeo SA              | Libellat Auto (Sales SA)     | 751              | 4.11      | 7.5     | 6.1x             |
| Apr-15 | Harman Automotive     | Auto Instructure             | 1,355            | 4.11      | 7.1     | 6.1x             |
| Apr-15 | Svenska Robert Bosch  | Harman AG - Axac             | 1,714            | 4.74      | N/A     | 6.1x             |
| Median |                       |                              | 6.4x             |           | 9.4x    | 6.1x             |

| Transaction type   | # deals   | Median PV/EBIT DA |
|--------------------|-----------|-------------------|
| European strategic | 15        | 5.7x              |
| American strategic | 16        | 5.9               |
| Asian strategic    | 4         | 6.0               |
| LBO                | 26        | 6.7               |
| <b>Total</b>       | <b>61</b> | <b>6.1x</b>       |

# Agenda

|  | Page      |
|--|-----------|
| Longbow valuation update                         | 1         |
| <b>Appendix (pages from July valuation book)</b> | <b>12</b> |
| ■ Longbow valuation July 2006                    |           |

## Summary of financial projections - by division

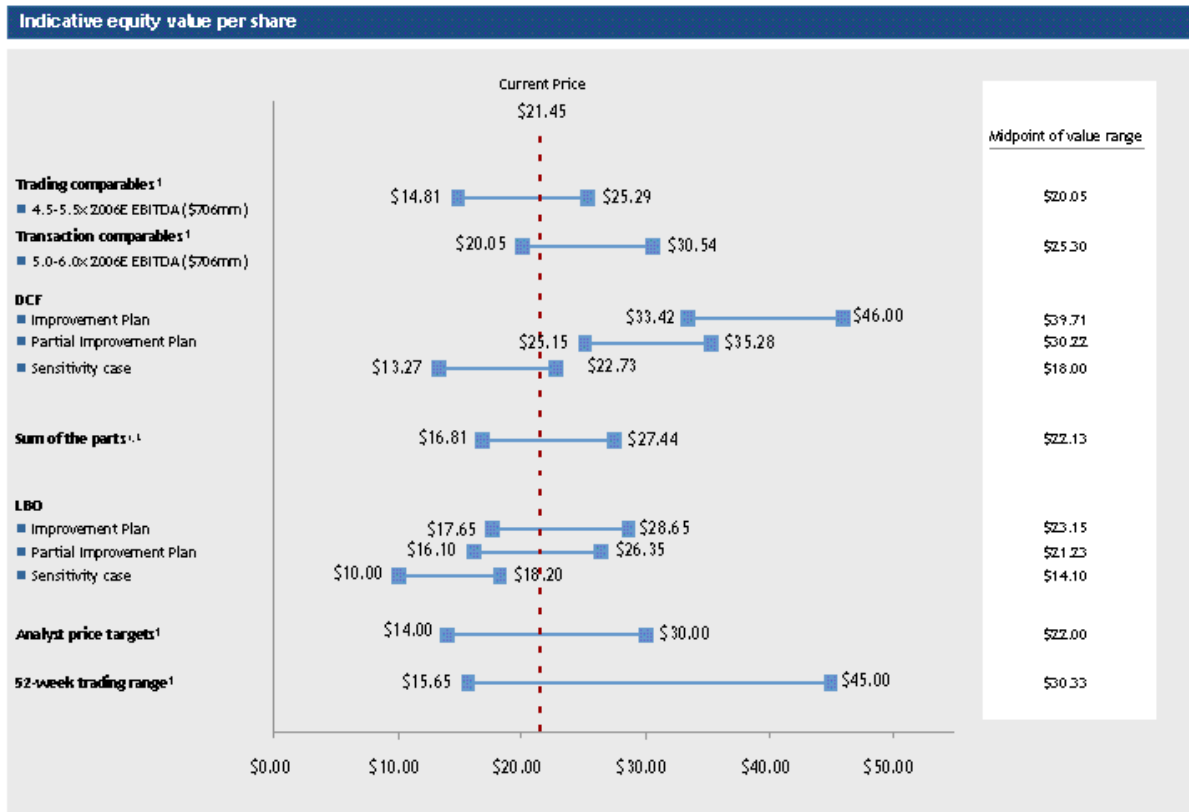
| \$ millions, improvement plan     |                        |          |          |                        |          |          |          |          |          |
|-----------------------------------|------------------------|----------|----------|------------------------|----------|----------|----------|----------|----------|
|                                   | Historical             |          |          | Management projections |          |          |          |          |          |
|                                   | 2003A                  | 2004A    | 2005A    | 2006E                  | 2007E    | 2008E    | 2009E    | 2010E    |          |
| <b>Seating</b>                    | Sales                  | \$10,785 | \$11,395 | \$11,111               | \$11,315 | \$11,805 | \$11,858 | \$11,771 | \$12,092 |
|                                   | % growth               | N/A      | 5.7%     | (2.5%)                 | 1.8%     | +3%      | 0.4%     | (0.7%)   | 2.7%     |
|                                   | EBITDA                 | 826      | 815      | 474                    | 645      | 764      | 845      | 927      | 959      |
|                                   | % margin               | 7.7%     | 7.2%     | +3%                    | 5.7%     | 6.6%     | 7.1%     | 7.9%     | 7.8%     |
|                                   | EBIT                   | 697      | 682      | 323                    | 472      | 597      | 654      | 732      | 753      |
|                                   | % margin               | 6.5%     | 6.0%     | 2.9%                   | +2%      | 5.1%     | 5.5%     | 6.2%     | 6.2%     |
|                                   | EBITDA - as % of sales | 7.6%     | 7.1%     | 4.3%                   | 5.7%     | 6.5%     | 6.0%     | 6.7%     | 6.6%     |
| <b>Electronics and Electrical</b> | Sales                  | \$2,398  | \$2,940  | \$3,225                | \$3,115  | \$2,963  | \$2,827  | \$2,877  | \$2,996  |
|                                   | % growth               | N/A      | 22.6%    | 9.7%                   | (3.6%)   | (5.9%)   | (3.6%)   | 1.8%     | +1%      |
|                                   | EBITDA                 | 271      | 301      | 286                    | 242      | 296      | 252      | 267      | 337      |
|                                   | % margin               | 11.3%    | 10.2%    | 8.9%                   | 7.8%     | 10.1%    | 8.9%     | 9.3%     | 11.3%    |
|                                   | EBIT                   | 200      | 211      | 180                    | 135      | 184      | 141      | 159      | 234      |
|                                   | % margin               | 8.4%     | 7.2%     | 5.6%                   | +3%      | 6.3%     | 5.0%     | 5.5%     | 7.8%     |
|                                   | EBITDA - as % of sales | 11.3%    | 10.2%    | 8.9%                   | 7.8%     | 10.1%    | 8.9%     | 9.3%     | 11.3%    |
| <b>Interiors</b>                  | Sales                  | \$3,134  | \$3,263  | \$3,417                | \$3,813  | \$4,419  | \$363    | \$35     | \$75     |
|                                   | % growth               | N/A      | +4%      | +4%                    | 11.6%    | (8.9%)   | (13.2%)  | (76.7%)  | (11.5%)  |
|                                   | EBITDA                 | 212      | 194      | (74)                   | 34       | 6        | 19       | 7        | 6        |
|                                   | % margin               | 6.8%     | 6.0%     | (2.2%)                 | 0.9%     | 1.5%     | 5.3%     | 4.3%     | 8.9%     |
|                                   | EBIT                   | 104      | 85       | (191)                  | (75)     | (10)     | 5        | 4        | 4        |
|                                   | % margin               | 3.3%     | 2.6%     | (5.6%)                 | (2.0%)   | (2.3%)   | 1.3%     | +5%      | +7%      |
|                                   | EBITDA - as % of sales | 6.8%     | 6.0%     | (2.2%)                 | 0.9%     | 1.5%     | 5.3%     | 4.3%     | 8.9%     |
| <b>Consolidated<sup>1</sup></b>   | Sales                  | \$15,747 | \$16,960 | \$17,089               | \$17,682 | \$14,894 | \$14,806 | \$14,492 | \$14,910 |
|                                   | % growth               | N/A      | 7.7%     | 0.8%                   | 3.3%     | (15.6%)  | (0.6%)   | (2.1%)   | 2.9%     |
|                                   | EBITDA                 | 1,095    | 1,124    | 499                    | 706      | 879      | 925      | 1,010    | 1,089    |
|                                   | % margin               | 7.0%     | 6.6%     | 2.9%                   | +3%      | 5.9%     | 6.2%     | 7.0%     | 7.3%     |
|                                   | EBIT                   | 778      | 769      | 105                    | 291      | 542      | 585      | 684      | 781      |
|                                   | % margin               | 4.9%     | 4.5%     | 0.6%                   | 1.6%     | 3.6%     | 3.9%     | 4.7%     | 5.2%     |
|                                   | EBITDA - as % of sales | 7.0%     | 6.6%     | 2.9%                   | +3%      | 5.9%     | 6.2%     | 7.0%     | 7.3%     |

<sup>1</sup> Net of intercompany sales and corporate overhead



# Longbow valuation

APPENDIX (PAGES FROM JULY VALUATION BOOK)



Note: 2006E EBITDA without restructuring costs is \$820mm

<sup>1</sup> Trading multiple range and net debt figures not burdened by off-balance sheet debt to match equity analyst multiples

<sup>2</sup> Divested Interiors value assumed to be negative \$150mm. This is the estimated amount of cash that Longbow would need to exit the Interiors business

# Longbow DCF - Improvement Plan

APPENDIX (PAGES FROM JULY VALUATION BOOK)

| Unlevered free cash flow calculation (\$ millions) |                     |          |          |          |          |          |          |          |          |          |                 |
|--|---------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------------|
|  | Management forecast |          |          |          |          |          |          |          |          |          | Terminal period |
|  | 2006E               | 2007E    | 2008E    | 2009E    | 2010E    | 2011E    | 2012E    | 2013E    | 2014E    | 2015E    |                 |
| Sales  | \$17,652            | \$14,894 | \$14,806 | \$14,492 | \$14,910 | \$15,063 | \$15,217 | \$15,374 | \$15,533 | \$15,694 | \$15,851        |
| %growth  | 3.3%                | (15.6%)  | (0.6%)   | (2.1%)   | 2.9%     | 1.0%     | 1.0%     | 1.0%     | 1.0%     | 1.0%     | 1.0%            |
| EBITDA   | 706                 | 879      | 925      | 1,010    | 1,089    | 1,151    | 1,161    | 1,174    | 1,187    | 1,201    | 1,213           |
| %margin  | 4.0%                | 5.9%     | 6.2%     | 7.0%     | 7.3%     | 7.6%     | 7.6%     | 7.6%     | 7.6%     | 7.6%     | 7.6%            |
| EBIT   | 291                 | 542      | 585      | 684      | 781      | 838      | 845      | 854      | 863      | 873      | 881             |
| Less: taxes  | (101)               | (109)    | (108)    | (111)    | (273)    | (293)    | (296)    | (299)    | (302)    | (305)    | (308)           |
| tax rate   | 34.7%               | 20.2%    | 18.4%    | 16.3%    | 35.0%    | 35.0%    | 35.0%    | 35.0%    | 35.0%    | 35.0%    | 35.0%           |
| EBIAT  | \$190               | \$433    | \$477    | \$573    | \$507    | \$545    | \$549    | \$555    | \$561    | \$567    | \$573           |
| Plus D&A   | 416                 | 337      | 340      | 326      | 309      | 313      | 316      | 320      | 324      | 328      | 331             |
| Less: Capex  | (385)               | (259)    | (235)    | (252)    | (227)    | (319)    | (323)    | (327)    | (331)    | (335)    | (338)           |
| Less: (Inc)/dec in NWI                             | 42                  | (7)      | 9        | (17)     | (15)     | (14)     | (8)      | (8)      | (8)      | (8)      | (8)             |
| Less: Other <sup>1</sup>                           | 60                  | (11)     | (60)     | (29)     | 13       | 0        | 0        | 0        | 0        | 0        | 0               |
| Less: cash for interiors                           | 0                   | (150)    | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0               |
| Unlevered free cash flow                           | \$322               | \$346    | \$531    | \$600    | \$588    | \$524    | \$534    | \$540    | \$546    | \$552    | \$558           |
| Less: Unlevered FCF before val. date               | (161)               |          |          |          |          |          |          |          |          |          |                 |
| Unlevered FCFs for discounting                     | \$161               | \$346    | \$531    | \$600    | \$588    | \$524    | \$534    | \$540    | \$546    | \$552    | \$558           |

| Firm value    |                        |         |         |
|---------------|------------------------|---------|---------|
| Discount rate | Perpetuity growth rate |         |         |
|               | 0.5%                   | 1.0%    | 1.5%    |
|               | 10.0%                  | \$5,365 | \$5,516 |
| 10.5%         | \$5,088                | \$5,219 | \$5,365 |
| 11.0%         | \$4,837                | \$4,952 | \$5,078 |

| Equity value  |                        |         |         |
|---------------|------------------------|---------|---------|
| Discount rate | Perpetuity growth rate |         |         |
|               | 0.5%                   | 1.0%    | 1.5%    |
|               | 10.0%                  | \$2,778 | \$2,929 |
| 10.5%         | \$2,501                | \$2,632 | \$2,777 |
| 11.0%         | \$2,250                | \$2,364 | \$2,491 |

| Implied terminal EBITDA multiple |                        |      |      |
|----------------------------------|------------------------|------|------|
| Discount rate                    | Perpetuity growth rate |      |      |
|                                  | 0.5%                   | 1.0% | 1.5% |
|                                  | 10.0%                  | 4.9x | 5.2x |
| 10.5%                            | 4.6x                   | 4.9x | 5.2x |
| 11.0%                            | 4.4x                   | 4.6x | 4.9x |

| Equity value per share |                        |         |         |
|------------------------|------------------------|---------|---------|
| Discount rate          | Perpetuity growth rate |         |         |
|                        | 0.5%                   | 1.0%    | 1.5%    |
|                        | 10.0%                  | \$41.25 | \$43.50 |
| 10.5%                  | \$37.14                | \$39.08 | \$41.25 |
| 11.0%                  | \$33.42                | \$35.12 | \$36.99 |



Note: Assumes 6/30/06 valuation date; cash taxes provided by management

<sup>1</sup> Other includes other expense, tooling & engineering, non-cash pension expense, minority interest and equity earnings

# LBO valuation analysis - Improvement Plan

APPENDIX (PAGES FROM JULY VALUATION BOOK)

| Sources / uses (\$mm)   |           |  |  | Projections (\$mm)              |                |                |                |                |                |                |              |
|-------------------------|-----------|--|--|---------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|--------------|
| <b>Stats</b>            |           |  |  |                                 | FF LTM         | 2006E          | 2007E          | 2008E          | 2009E          | 2010E          | 2011E        |
| Transaction date:       | 6/30/2006 |  |  | EBTDA                           | \$603          | \$706          | \$879          | \$925          | \$1,010        | \$1,089        | \$1,151      |
| LTM EBITDA (06/30/2006) | \$603     |  |  | EBT                             | 190            | 275            | \$27           | 569            | 669            | 765            | 823          |
| Exit date:              | 6/30/2011 |  |  | less: net interest              |                | (242)          | (235)          | (216)          | (183)          | (141)          | (95)         |
|                         |           |  |  | less: cash taxes                |                | (101)          | (109)          | (108)          | (111)          | (197)          | (229)        |
|                         |           |  |  | Net Income                      |                | (\$68)         | \$182          | \$246          | \$374          | \$428          | \$499        |
|                         |           |  |  | Depreciation                    |                | 416            | 337            | 340            | 326            | 309            | 313          |
|                         |           |  |  | (Increase) / decrease in NW1    |                | 42             | (7)            | 9              | (17)           | (15)           | (14)         |
|                         |           |  |  | Other <sup>1</sup>              |                | 40             | (11)           | (40)           | (29)           | 13             | 0            |
|                         |           |  |  | Capital expenditures            |                | (385)          | (259)          | (235)          | (252)          | (227)          | (319)        |
|                         |           |  |  | Amortization of fees            |                | 15             | 15             | 15             | 15             | 15             | 15           |
|                         |           |  |  | Cash outflow for Interiors      |                | 0              | (150)          | 0              | 0              | 0              | 0            |
|                         |           |  |  | Free cash flow                  |                | \$80           | \$108          | \$315          | \$417          | \$523          | \$493        |
|                         |           |  |  | YTD FCF before transaction date |                | (40)           | 0              | 0              | 0              | 0              | (247)        |
|                         |           |  |  | Cash available for debt service |                | 40             | 108            | 315            | 417            | 523            | 247          |
|                         |           |  |  | <b>Total debt</b>               | <b>\$2,561</b> | <b>\$2,521</b> | <b>\$2,413</b> | <b>\$2,098</b> | <b>\$1,631</b> | <b>\$1,158</b> | <b>\$911</b> |
|                         |           |  |  |                                 |                |                |                |                |                |                |              |
|                         |           |  |  | <b>Credit stats</b>             | FF LTM         | 2006E          | 2007E          | 2008E          | 2009E          | 2010E          | 2011E        |
|                         |           |  |  | Total Debt / EBITDA             | 4.3x           | 3.6x           | 2.7x           | 2.3x           | 1.7x           | 1.1x           | 0.8x         |
|                         |           |  |  | EBTDA / net interest            |                | 2.9            | 3.7            | 4.3            | 5.5            | 7.7            | 12.1         |
|                         |           |  |  | (EBTDA-aspx) / net interest     |                | 1.3            | 2.6            | 3.2            | 4.1            | 6.1            | 8.7          |

| Equity value per share at 20% IRR |                   |         |         |         |         |
|-----------------------------------|-------------------|---------|---------|---------|---------|
| Exit Multiple                     | Leverage multiple |         |         |         |         |
|                                   | 3.75x             | 4.00x   | 4.25x   | 4.50x   | 4.75x   |
| 4.5x                              | \$20.76           | \$21.52 | \$22.28 | \$23.05 | \$23.81 |
| 5.0x                              | \$23.93           | \$24.69 | \$25.46 | \$26.22 | \$26.99 |
| 5.5x                              | \$27.11           | \$27.87 | \$28.63 | \$29.40 | \$30.16 |

| Investor IRR - 5-year exit @ 4.25x leverage |                               |         |         |         |         |  |
|---|-------------------------------|---------|---------|---------|---------|--|
| Exit Multiple                               | Purchase price/Entry multiple |         |         |         |         |  |
|   | \$20.00                       | \$22.50 | \$25.00 | \$27.50 | \$30.00 |  |
| 4.5x  | 6.4x                          | 6.7x    | 7.0x    | 7.3x    | 7.5x    |  |
| 5.0x  | 22.3%                         | 19.7%   | 17.5%   | 15.5%   | 13.7%   |  |
| 5.5x  | 25.3%                         | 22.7%   | 20.4%   | 18.4%   | 16.5%   |  |
| 5.5x  | 28.0%                         | 25.4%   | 23.0%   | 20.9%   | 19.0%   |  |

Note: Assumes half of free cash flows available for debt service in 2006 and 2011 due to 6/30 entry and exit date, 9.0% interest rate on 1<sup>st</sup> lien debt, 12.0% interest rate on 2<sup>nd</sup> lien debt, \$76mm transaction fees, \$120mm minimum cash and 5% management promote; cash taxes provided by management

<sup>1</sup> Other includes other expense, Tooling & Engineering, non-cash pension expense, minority interest and equity earnings

<sup>2</sup> Includes off balance sheet debt

## Longbow DCF - Sensitivity Case

| Unlevered free cash flow calculation (\$ millions) |                     |          |          |          |          |          |          |          |          |          |                 |
|--|---------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------------|
|  | Management forecast |          |          |          |          |          |          |          |          |          | Terminal period |
|  | 2006E               | 2007E    | 2008E    | 2009E    | 2010E    | 2011E    | 2012E    | 2013E    | 2014E    | 2015E    |                 |
| Sales  | \$17,652            | \$14,201 | \$14,127 | \$13,833 | \$14,202 | \$14,350 | \$14,499 | \$14,650 | \$14,804 | \$14,959 | \$15,108        |
| %growth  | 3.3%                | (19.5%)  | (0.5%)   | (2.1%)   | 2.7%     | 1.0%     | 1.0%     | 1.0%     | 1.0%     | 1.0%     | 1.0%            |
| EBITDA   | 706                 | 629      | 756      | 890      | 981      | 929      | 943      | 954      | 959      | 970      | 980             |
| %margin  | 4.0%                | 4.4%     | 5.3%     | 6.4%     | 6.9%     | 6.5%     | 6.5%     | 6.5%     | 6.5%     | 6.5%     | 6.5%            |
| EBIT   | 291                 | 294      | 433      | 583      | 690      | 628      | 638      | 645      | 647      | 654      | 661             |
| Less: taxes  | (101)               | (109)    | (108)    | (111)    | (233)    | (220)    | (223)    | (226)    | (226)    | (229)    | (231)           |
| tax rate   | 34.7%               | 37.8%    | 24.8%    | 19.1%    | 33.8%    | 35.0%    | 35.0%    | 35.0%    | 35.0%    | 35.0%    | 35.0%           |
| EBIAT  | \$190               | \$185    | \$326    | \$471    | \$457    | \$408    | \$415    | \$419    | \$420    | \$425    | \$429           |
| Plus D&A   | 416                 | 334      | 322      | 307      | 291      | 301      | 305      | 309      | 312      | 316      | 319             |
| Less: Capex  | (385)               | (225)    | (222)    | (239)    | (218)    | (308)    | (311)    | (315)    | (319)    | (323)    | (326)           |
| Less: (Inc)/dec in NWI                             | 42                  | 13       | (2)      | (24)     | (18)     | (5)      | (5)      | (5)      | (5)      | (5)      | (5)             |
| Less: Other <sup>1</sup>                           | 60                  | (122)    | (82)     | (51)     | (14)     | 0        | 0        | 0        | 0        | 0        | 0               |
| Less: cash for interiors                           | 0                   | (150)    | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0               |
| Unlevered free cash flow                           | \$322               | \$35     | \$342    | \$465    | \$498    | \$397    | \$403    | \$407    | \$409    | \$414    | \$418           |
| Less: Unlevered FCF before val. date               | (161)               |          |          |          |          |          |          |          |          |          |                 |
| Unlevered FCFs for discounting                     | \$161               | \$35     | \$342    | \$465    | \$498    | \$397    | \$403    | \$407    | \$409    | \$414    | \$418           |

| Firm value    |                        |         |         |
|---------------|------------------------|---------|---------|
| Discount rate | Perpetuity growth rate |         |         |
|               | 0.5%                   | 1.0%    | 1.5%    |
|               | 10.0%                  | \$3,875 | \$3,990 |
| 10.5%         | \$3,668                | \$3,768 | \$3,878 |
| 11.0%         | \$3,481                | \$3,568 | \$3,664 |

| Equity value  |                        |         |         |
|---------------|------------------------|---------|---------|
| Discount rate | Perpetuity growth rate |         |         |
|               | 0.5%                   | 1.0%    | 1.5%    |
|               | 10.0%                  | \$1,288 | \$1,402 |
| 10.5%         | \$1,081                | \$1,180 | \$1,291 |
| 11.0%         | \$894                  | \$981   | \$1,077 |

| Implied terminal EBITDA multiple |                        |      |      |
|----------------------------------|------------------------|------|------|
| Discount rate                    | Perpetuity growth rate |      |      |
|                                  | 0.5%                   | 1.0% | 1.5% |
|                                  | 10.0%                  | 4.5x | 4.8x |
| 10.5%                            | 4.3x                   | 4.5x | 4.8x |
| 11.0%                            | 4.1x                   | 4.3x | 4.6x |

| Equity value per share |                        |         |         |
|------------------------|------------------------|---------|---------|
| Discount rate          | Perpetuity growth rate |         |         |
|                        | 0.5%                   | 1.0%    | 1.5%    |
|                        | 10.0%                  | \$19.12 | \$20.83 |
| 10.5%                  | \$16.05                | \$17.53 | \$19.17 |
| 11.0%                  | \$13.27                | \$14.56 | \$15.99 |

Note: Assumes 6/30/06 valuation date; cash taxes provided by management

<sup>1</sup> Other includes other expense, tooling & engineering, non-cash pension expense, minority interest and equity earnings + cash impact of distressed supplier support payments, financing fees and incremental investment in JVs

## LBO Sensitivity case

Page not included in July 2006 board book

## Longbow analysis at various prices

| Longbow analysis at various prices (\$mm, except per share data) |         |                 |         |         |         |         |         |         |         |
|--|---------|-----------------|---------|---------|---------|---------|---------|---------|---------|
| Base metric  | Current | Price per share |         |         |         |         |         |         |         |
|  |         | \$15.00         | \$20.00 | \$25.00 | \$30.00 | \$35.00 | \$40.00 | \$45.00 |         |
| Premium/(discount) to current                                    | \$21.45 | -               | (30.1%) | (6.8%)  | 16.6%   | 39.9%   | 63.2%   | 86.5%   | 109.8%  |
| Premium/(discount) to 52-wk high                                 | \$45.00 | (\$2.3%)        | (66.7%) | (55.6%) | (44.4%) | (33.3%) | (22.2%) | (11.1%) | 0.0%    |
| Premium/(discount) to 52-wk low                                  | \$15.65 | 37.1%           | (4.2%)  | 27.8%   | 59.7%   | 91.7%   | 123.6%  | 155.6%  | 187.5%  |
| Equity value   |         | \$1,444         | \$1,010 | \$1,347 | \$1,684 | \$2,022 | \$2,360 | \$2,700 | \$3,047 |
| Gross debt on balance sheet                                      |         | 2,590           | 2,590   | 2,590   | 2,590   | 2,590   | 2,590   | 2,590   | 2,590   |
| Cash   |         | 473             | 473     | 473     | 473     | 473     | 473     | 473     | 473     |
| Minority interest  |         | 64              | 64      | 64      | 64      | 64      | 64      | 64      | 64      |
| Firm value   |         | \$3,625         | \$3,191 | \$3,528 | \$3,865 | \$4,203 | \$4,541 | \$4,881 | \$5,228 |
| FV/EBITDA  | EBITDA  |                 |         |         |         |         |         |         |         |
| LTM (3/31/06)  | \$906   | 7.2x            | 6.3x    | 7.0x    | 7.6x    | 8.3x    | 9.0x    | 9.6x    | 10.3x   |
| 2006E - Improvement plan   | \$706   | 5.1x            | 4.5x    | 5.0x    | 5.5x    | 6.0x    | 6.4x    | 6.9x    | 7.4x    |
| 2006E - Street case  | \$768   | 4.7x            | 4.2x    | 4.6x    | 5.0x    | 5.5x    | 5.9x    | 6.4x    | 6.8x    |
| 2007E - Improvement plan   | \$879   | 4.1x            | 3.6x    | 4.0x    | 4.4x    | 4.8x    | 5.2x    | 5.6x    | 5.9x    |
| 2007E - Partial improvement plan                                 | \$984   | 3.9x            | 3.4x    | 3.8x    | 4.1x    | 4.5x    | 4.9x    | 5.2x    | 5.6x    |
| 2007E - Sensitivity case   | \$629   | 5.8x            | 5.1x    | 5.6x    | 6.1x    | 6.7x    | 7.2x    | 7.8x    | 8.3x    |
| 2007E - Street case  | \$873   | 4.2x            | 3.7x    | 4.0x    | 4.4x    | 4.8x    | 5.2x    | 5.6x    | 6.0x    |
| P/E  | EPS     |                 |         |         |         |         |         |         |         |
| 2006E - Improvement plan   | N/A     | N/A             | N/A     | N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |
| 2006E - Street case  | \$0.85  | 25.2x           | 17.6x   | 23.5x   | 29.4x   | 35.3x   | 41.2x   | 47.1x   | 52.9x   |
| 2007E - Improvement plan   | \$2.35  | 9.1x            | 6.4x    | 8.5x    | 10.6x   | 12.8x   | 14.9x   | 17.0x   | 19.1x   |
| 2007E - Partial improvement plan                                 | \$3.21  | 6.7x            | 4.7x    | 6.2x    | 7.8x    | 9.3x    | 10.9x   | 12.5x   | 14.0x   |
| 2007E - Sensitivity case   | N/A     | N/A             | N/A     | N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |
| 2007E - Street case  | \$1.80  | 11.9x           | 8.3x    | 11.1x   | 13.9x   | 16.7x   | 19.4x   | 22.2x   | 25.0x   |

Note: Net debt of \$2,181mm based on LTM 3/31/06 total debt (excluding ABS and factoring to match equity analyst multiples) pro forma for \$1bn term loan issuance, repayment of \$400mm term loan and \$273mm convert tender

## Auto suppliers trading comparables

| \$ millions (except per share data) |                         |                       |               |               |                |                |                 |                 |               |               |                   |  |
|-------------------------------------|-------------------------|-----------------------|---------------|---------------|----------------|----------------|-----------------|-----------------|---------------|---------------|-------------------|--|
|                                     | Share price<br>7/6/2006 | % of 52-<br>week high | Market<br>cap | Firm<br>value | Firm value/    |                |                 |                 |               |               |                   |  |
|                                     |                         |                       |               |               | 2006E<br>sales | 2007E<br>sales | 2006E<br>EBITDA | 2007E<br>EBITDA | 2006E<br>EBIT | 2007E<br>EBIT | 2006E<br>Earnings |  |
| <b>North American suppliers</b>     |                         |                       |               |               |                |                |                 |                 |               |               |                   |  |
| American Axle                       | \$15.48                 | 52.3%                 | \$815         | \$1,383       | 0.40x          | 0.38x          | 4.3x            | 3.7x            | 12.1x         | 8.5x          | 13.8x             |  |
| Arnitt Motor                        | 16.72                   | 82.7%                 | 1,178         | 2,355         | 0.28           | 0.29           | 5.8             | 6.1             | 9.7           | 10.8          | 11.2              |  |
| BorgWarner                          | 64.51                   | 95.6%                 | 3,764         | 4,547         | 1.01           | 0.94           | 6.8             | 6.5             | 11.4          | 10.7          | 14.3              |  |
| Commercial Vehicle Group            | 18.94                   | 75.9%                 | 409           | 520           | 0.60           | 0.70           | 4.2             | 5.5             | 4.8           | 6.6           | 7.0               |  |
| Denison                             | 33.35                   | 92.6%                 | 2,837         | 2,944         | 1.71           | 1.62           | 12.3            | 11.3            | 15.5          | 14.1          | 21.2              |  |
| Dura Automotive                     | 1.86                    | 26.6%                 | 35            | 1,110         | 0.48           | 0.50           | 6.0             | 5.5             | 10.6          | 9.5           | NM                |  |
| Eaton                               | 73.90                   | 92.4%                 | 11,546        | 13,739        | 1.12           | 1.09           | 8.0             | 7.7             | 10.5          | 10.1          | 11.7              |  |
| Gentec                              | 13.46                   | 64.1%                 | 2,072         | 1,592         | 2.75           | 2.44           | 10.4            | 9.1             | 12.5          | 10.6          | 19.5              |  |
| Johnson Controls                    | 84.68                   | 94.1%                 | 16,820        | 22,117        | 0.67           | 0.62           | 9.3             | 8.2             | 13.6          | 11.7          | 15.5              |  |
| Magna International                 | 72.48                   | 87.0%                 | 7,968         | 7,454         | 0.32           | 0.31           | 3.8             | 3.6             | 6.6           | 6.2           | 9.9               |  |
| Wabtec                              | 22.33                   | 98.3%                 | 790           | 861           | 0.51           | 0.50           | 5.3             | 5.6             | 9.5           | 10.3          | 13.1              |  |
| Stone-Isager                        | 8.35                    | 80.3%                 | 194           | 352           | 0.54           | 0.55           | 6.0             | 5.7             | 11.2          | 10.2          | 27.8              |  |
| Tenneco                             | 25.00                   | 90.7%                 | 1,210         | 2,524         | 0.55           | 0.46           | 5.9             | 5.2             | 10.3          | 8.5           | 17.8              |  |
| TRW Automotive                      | 27.40                   | 91.3%                 | 2,341         | 5,604         | 0.42           | 0.40           | 4.5             | 4.4             | 8.3           | 7.9           | 15.7              |  |
| Visteon                             | 7.54                    | 69.1%                 | 990           | 2,429         | 0.21           | 0.20           | 4.3             | 4.0             | 16.0          | 13.3          | NM                |  |
| <b>Median</b>                       |                         |                       |               |               | <b>0.54x</b>   | <b>0.50x</b>   | <b>5.9x</b>     | <b>5.6x</b>     | <b>10.6x</b>  | <b>10.2x</b>  | <b>14.3x</b>      |  |
| <b>Global suppliers</b>             |                         |                       |               |               |                |                |                 |                 |               |               |                   |  |
| Aucor                               | \$56.00                 | 93.0%                 | \$4,646       | \$5,711       | 0.93x          | 0.92x          | 6.7x            | 6.4x            | 10.6x         | 9.9x          | 14.1x             |  |
| Brembo                              | 9.78                    | 92.0%                 | 633           | 900           | 0.92           | 0.95           | 5.7             | 5.3             | 8.6           | 7.7           | 4.1               |  |
| Continental                         | 101.01                  | 81.0%                 | 14,692        | 15,679        | 0.81           | 0.74           | 4.8             | 4.5             | 7.3           | 6.7           | 10.8              |  |
| Denso                               | 31.53                   | 74.2%                 | 27,873        | 28,125        | 0.99           | 0.92           | 6.7             | 6.1             | 11.3          | 10.1          | 18.5              |  |
| Eyckthager                          | 51.01                   | 87.5%                 | 979           | 1,105         | 1.74           | 1.64           | 7.0             | 6.9             | 10.4          | 10.0          | 17.1              |  |
| Faurecia                            | 62.63                   | 77.3%                 | 1,523         | 3,648         | 0.25           | 0.25           | 4.5             | 4.2             | 10.9          | 9.5           | 15.1              |  |
| GKN                                 | 5.06                    | 78.3%                 | 3,622         | 3,306         | 0.54           | 0.50           | 4.8             | 4.4             | 8.2           | 7.2           | 12.1              |  |
| Grammer                             | 25.65                   | 75.3%                 | 269           | 333           | 0.3            | 0.3            | 3.8             | 3.8             | 6.6           | 6.1           | 9.5               |  |
| SGGFPI                              | 7.27                    | 90.5%                 | 318           | 1,048         | 0.78           | 0.76           | 6.2             | 5.9             | 9.5           | 8.8           | 13.8              |  |
| Tomkins                             | 5.22                    | 81.5%                 | 4,047         | 5,336         | 0.92           | 0.86           | 6.4             | 5.9             | 8.8           | 8.0           | 11.8              |  |
| Traaaborg                           | 17.58                   | 65.4%                 | 1,688         | 2,704         | 0.73           | 0.72           | 6.7             | 6.3             | 9.6           | 8.9           | 9.1               |  |
| Valeo                               | 35.31                   | 74.2%                 | 2,736         | 4,197         | 0.32           | 0.30           | 3.2             | 2.8             | 9.1           | 7.4           | 11.6              |  |
| <b>Median</b>                       |                         |                       |               |               | <b>0.80x</b>   | <b>0.75x</b>   | <b>6.0x</b>     | <b>5.6x</b>     | <b>9.3x</b>   | <b>8.4x</b>   | <b>11.9x</b>      |  |
| Longbow (pre-ec)                    | \$21.45                 | 47.7%                 | \$1,444       | \$3,626       | 0.20x          | 0.20x          | 4.7x            | 4.2x            | 9.4x          | 7.4x          | 25.2x             |  |
| Longbow (improvement plan)          | 21.45                   | 47.7%                 | 1,444         | 3,626         | 0.21           | 0.24           | 5.1             | 4.1             | 12.5          | 6.7           | NM                |  |
| Longbow (partial improvement plan)  | 21.45                   | 47.7%                 | 1,444         | 3,626         | 0.21           | 0.24           | 5.1             | 3.8             | 12.5          | 6.1           | NM                |  |
| Longbow (seniority case)            | 21.45                   | 47.7%                 | 1,444         | 3,626         | 0.21           | 0.24           | 5.1             | 5.8             | 12.5          | 12.3          | NM                |  |
| <b>Mean excluding Longbow</b>       |                         |                       |               |               | <b>0.77x</b>   | <b>0.73x</b>   | <b>6.1x</b>     | <b>5.7x</b>     | <b>10.1x</b>  | <b>9.2x</b>   | <b>13.5x</b>      |  |
| <b>Median excluding Longbow</b>     |                         |                       |               |               | <b>0.60x</b>   | <b>0.62x</b>   | <b>5.9x</b>     | <b>5.6x</b>     | <b>10.3x</b>  | <b>9.5x</b>   | <b>13.9x</b>      |  |

APPENDIX (PAGES FROM JULY VALUATION BOOK)

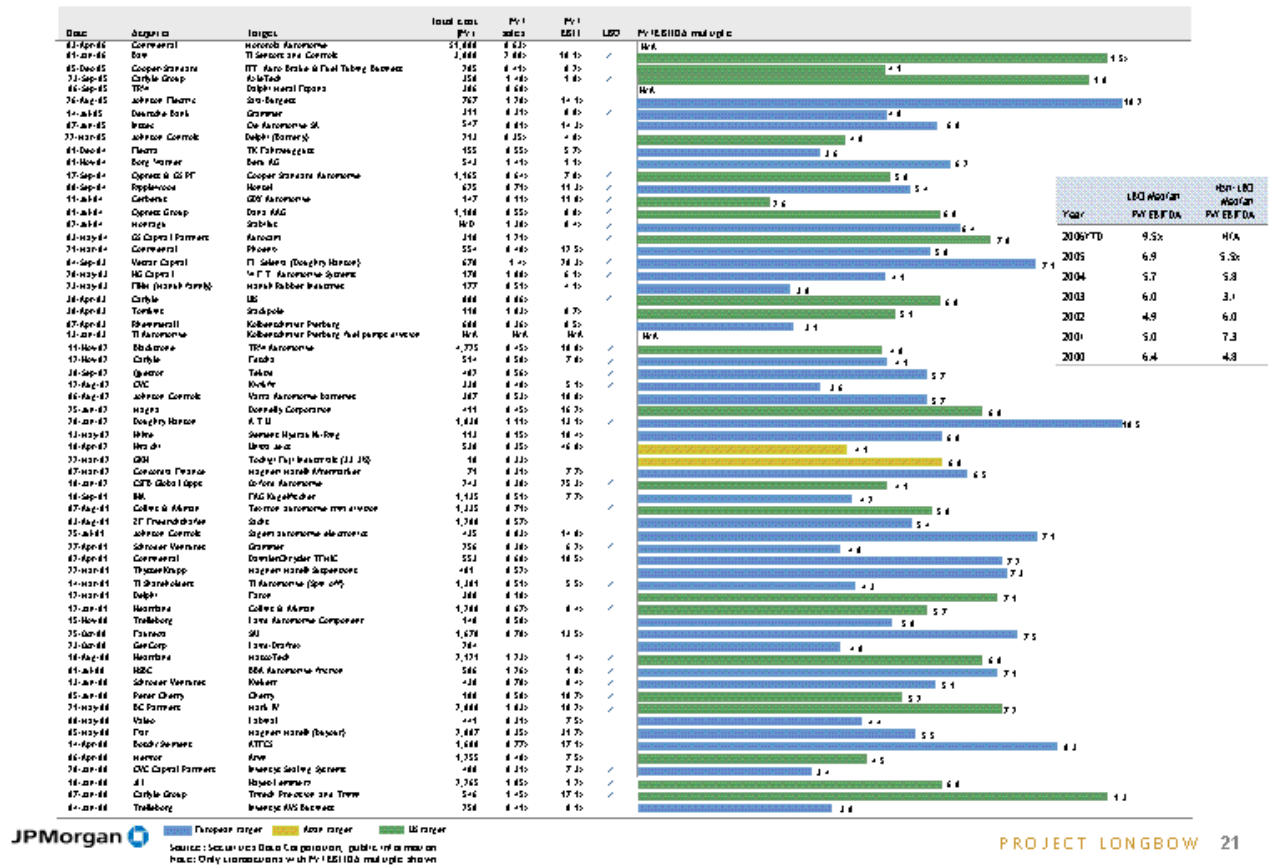


Source: Bloomberg, Company filings, equity research

Note: Market data as of 7/6/2006; trading multiples not burdened by off-balance sheet debt to match equity analyst multiples

# Auto-parts M&A transaction multiples since 2000

APPENDIX (PAGES FROM JULY VALUATION BOOK)



■ ThyssenKrupp
 ■ Asia merger
 ■ Wipac

Source: Dealog, Dealog Data Co. publication, public information on deal. Only transactions with P11-LEO10A multiple shown



## Consolidated Lear

CONFIDENTIAL

| Improvement Plan - Risks / Opportunities   |                    |                    |                         |                     |                     |                     |
|--|--------------------|--------------------|-------------------------|---------------------|---------------------|---------------------|
| (\$ millions)  | 2005<br>Actuals    | 2006<br>Actuals    | 2007 Plan<br>(Revised)* | 2008 Plan<br>(Base) | 2009 Plan<br>(Base) | 2010 Plan<br>(Base) |
| Sales - Commercial   | \$ 17,089.2        | \$ 17,838.9        | \$ 15,104.4             | \$ 14,805.6         | \$ 14,482.3         | \$ 14,909.5         |
| Sales - Intercompany   | -                  | -                  | -                       | -                   | -                   | -                   |
| <b>Sales - Total</b>   | <b>\$ 17,089.2</b> | <b>\$ 17,838.9</b> | <b>\$ 15,104.4</b>      | <b>\$ 14,805.6</b>  | <b>\$ 14,482.3</b>  | <b>\$ 14,909.5</b>  |
| Total Cost of Goods Sold   | 16,353.2           | 16,911.2           | 14,009.8                | 13,660.0            | 13,283.5            | 13,614.9            |
| Total COGS as % of Sales   | 95.7%              | 94.8%              | 92.8%                   | 92.3%               | 91.7%               | 91.3%               |
| <b>Gross Margin</b>  | <b>736.0</b>       | <b>927.7</b>       | <b>1,094.6</b>          | <b>1,145.6</b>      | <b>1,208.9</b>      | <b>1,294.7</b>      |
| % sales  | 4.3%               | 5.2%               | 7.2%                    | 7.7%                | 8.3%                | 8.7%                |
| SG&A   | 630.6              | 646.8              | 607.0                   | 560.9               | 524.8               | 514.1               |
| % sales  | 3.7%               | 3.6%               | 4.0%                    | 3.8%                | 3.6%                | 3.4%                |
| <b>Operating Income</b>  | <b>106.4</b>       | <b>281.0</b>       | <b>487.6</b>            | <b>584.6</b>        | <b>684.1</b>        | <b>780.5</b>        |
| % sales  | 0.6%               | 1.6%               | 3.2%                    | 3.9%                | 4.7%                | 5.2%                |
| EBITDA   | 498.8              | 673.2              | 810.2                   | 924.6               | 1,009.7             | 1,089.4             |
| Depreciation and Amortization  | 393.4              | 392.2              | 322.6                   | 339.9               | 325.7               | 308.8               |
| Capital Expenditures   | 568.4              | 347.6              | 246.1                   | 234.8               | 249.7               | 225.0               |
| Restructuring Costs (OI)   | (106.3)            | (105.6)            | (104.2)                 | (120.5)             | (67.6)              | (45.9)              |
| (Included in Above)  |                    |                    |                         |                     |                     |                     |
| * Excludes ESO operators included in the IAC NA transaction on a full year basis. Includes residual ESO operators with 2007 sales of \$144 million |                    |                    |                         |                     |                     |                     |
| Note: Includes \$112.6M and \$10.0M of other special charges in 2005 and 2006, respectively  |                    |                    |                         |                     |                     |                     |
| Directional Financial Impact to Above  |                    |                    |                         |                     |                     |                     |
| Risk / Opportunity to Long Range Plan  | 2008               |                    | 2009                    |                     | 2010                |                     |
|  | Sales              | EBITDA             | Sales                   | EBITDA              | Sales               | EBITDA              |
| Volume / Mix - North America (Current Industry Outlook)  | \$ (510)           | \$ (51)            | \$ (785)                | \$ (79)             | \$ (975)            | \$ (97)             |
| - Key Platforms = 75% of N.A. Seating Sales, 50% of N.A. E/E Sales   |                    |                    |                         |                     |                     |                     |
| - Production Outlook per JD Power to decline: demand and capacity reduction  |                    |                    |                         |                     |                     |                     |
| - Down 300K-400K units in 2009/2010  |                    |                    |                         |                     |                     |                     |
| - Big Three Production Outlook per JDP down ~900K units in 2009 / 2010 timeframe   |                    |                    |                         |                     |                     |                     |
| - Fixed cost / capacity reductions to drive conversion below historical variable margin  |                    |                    |                         |                     |                     |                     |
| Conquest Business - North America Electrical / Electronics   | \$ 150             | \$ 15              | \$ 190                  | \$ 19               | \$ 280              | \$ 28               |
| Purchasing: Commodity Prices, Supplier Compression, In-sourcing  | \$                 | \$ 15              | \$                      | \$ 30               | \$                  | \$ 40               |
| Asian Margin / China Production Volumes - Seating  | \$ 50              | \$ 10              | \$ 50                   | \$ 10               | \$ 50               | \$ 10               |
| Interiors Transaction Assumptions  | \$ (363)           | \$ (19)            | \$ (84)                 | \$ (7)              | \$ (75)             | \$ (6)              |
| - Certain Asian / Asian OEM operations no longer to be retained  |                    |                    |                         |                     |                     |                     |
| Corporate HQ Cost Reductions   | \$                 | \$ 10              | \$                      | \$ 10               | \$                  | \$ 10               |
| F/X Rates  | \$ 615             | \$ 30              | \$ 590                  | \$ 27               | \$ 565              | \$ 25               |
| - Euro assumption increased to 1.30\$/ from 1.20\$/  |                    |                    |                         |                     |                     |                     |