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

FORM 10-Q

(Mark One)

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended **June 28, 2008.**

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from ___________ to ___________.

Commission file number: 1-11311

LEAR CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	**13-3386776**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
21557 Telegraph Road, Southfield, MI	**48033**
(Address of principal executive offices)	(Zip code)

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

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

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

Large accelerated filer x Accelerated filer o Non-accelerated filer o Smaller reporting company o
(Do not check if a smaller reporting company)

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

As of July 31, 2008, the number of shares outstanding of the registrant's common stock was 77,320,260 shares.

LEAR CORPORATION

FORM 10-Q

FOR THE QUARTER ENDED JUNE 28, 2008

INDEX

LEAR CORPORATION

PART I — FINANCIAL INFORMATION

ITEM 1 — CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

INTRODUCTION TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

We have prepared the condensed consolidated financial statements of Lear Corporation and subsidiaries, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted pursuant to such rules and regulations. We believe that the disclosures are adequate to make the information presented not misleading when read in conjunction with the financial statements and the notes thereto included in our Annual Report on Form 10-K/A, as filed with the Securities and Exchange Commission, for the year ended December 31, 2007.

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

LEAR CORPORATION AND SUBSIDIARIES

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

	June 28, 2008	December 31, 2007
	(Unaudited)	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 623.5	$ 601.3
Accounts receivable	2,454.7	2,147.6
Inventories	691.0	605.5
Other	438.4	363.6
Total current assets	4,207.6	3,718.0
LONG-TERM ASSETS:		
Property, plant and equipment, net	1,393.9	1,392.7
Goodwill, net	2,084.3	2,054.0
Other	661.8	635.7
Total long-term assets	4,140.0	4,082.4
	$ 8,347.6	$ 7,800.4
LIABILITIES AND STOCKHOLDERS’ EQUITY		
CURRENT LIABILITIES:		
Short-term borrowings	$ 30.1	$ 13.9
Accounts payable and drafts	2,579.9	2,263.8
Accrued liabilities	1,316.4	1,230.1
Current portion of long-term debt	53.9	96.1
Total current liabilities	3,980.3	3,603.9
LONG-TERM LIABILITIES:		
Long-term debt	2,302.2	2,344.6
Other	764.8	761.2
Total long-term liabilities	3,067.0	3,105.8
STOCKHOLDERS’ EQUITY:		
Common stock, $0.01 par value, 150,000,000 shares authorized; 82,549,501 shares and 82,547,651 shares issued as of June 28, 2008 and December 31, 2007, respectively	0.8	0.8
Additional paid-in capital	1,378.8	1,373.3
Common stock held in treasury, 5,236,809 shares as of June 28, 2008, and 5,357,686 shares as of December 31, 2007, at cost	(188.5)	(194.5)
Retained deficit	(32.3)	(116.5)
Accumulated other comprehensive income	141.5	27.6
Total stockholders’ equity	1,300.3	1,090.7
	$ 8,347.6	$ 7,800.4

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

LEAR CORPORATION AND SUBSIDIARIES

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

	Three Months Ended		Six Months Ended	
	June 28, 2008	June 30, 2007	June 28, 2008	June 30, 2007
Net sales	$ 3,979.0	$ 4,155.3	$ 7,836.6	$ 8,561.4
Cost of sales	3,717.9	3,817.7	7,279.4	7,912.9
Selling, general and administrative expenses	155.6	142.8	288.8	269.3
Divestiture of Interior business	—	(0.7)	—	24.9
Interest expense	45.6	51.3	93.0	102.8
Other expense, net	4.1	0.3	10.1	25.3
Income before provision for income taxes	55.8	143.9	165.3	226.2
Provision for income taxes	37.5	20.3	68.8	52.7
Net income	$ 18.3	$ 123.6	$ 96.5	$ 173.5
Basic net income per share	$ 0.24	$ 1.61	$ 1.25	$ 2.27
Diluted net income per share	$ 0.23	$ 1.58	$ 1.23	$ 2.22

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

LEAR CORPORATION AND SUBSIDIARIES

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

	Six Months Ended	
	June 28, 2008	June 30, 2007
Cash Flows from Operating Activities:		
Net income	$ 96.5	$ 173.5
Adjustments to reconcile net income to net cash provided by operating activities:		
Divestiture of Interior business	—	24.9
Depreciation and amortization	151.9	150.2
Net change in recoverable customer engineering and tooling	(4.0)	22.3
Net change in working capital items	(161.4)	(113.2)
Net change in sold accounts receivable	114.4	7.3
Other, net	(3.2)	(17.5)
Net cash provided by operating activities	194.2	247.5
Cash Flows from Investing Activities:		
Additions to property, plant and equipment	(95.5)	(68.3)
Divestiture of Interior business	—	(55.9)
Other, net	10.1	(30.1)
Net cash used in investing activities	(85.4)	(154.3)
Cash Flows from Financing Activities:		
Primary credit facility repayments, net	—	(3.0)
Repayment of senior notes	(87.0)	—
Other long-term debt repayments, net	(4.4)	(7.6)
Short-term debt repayments, net	(1.0)	(13.0)
Proceeds from exercise of stock options	—	6.7
Repurchase of common stock	(1.6)	—
Decrease in drafts	(3.8)	(10.5)
Net cash used in financing activities	(97.8)	(27.4)
Effect of foreign currency translation	11.2	(3.3)
Net Change in Cash and Cash Equivalents	22.2	62.5
Cash and Cash Equivalents as of Beginning of Period	601.3	502.7
Cash and Cash Equivalents as of End of Period	$ 623.5	$ 565.2
Changes in Working Capital Items:		
Accounts receivable	$ (272.8)	$ (577.2)
Inventories	(63.8)	10.7
Accounts payable	161.8	339.4
Accrued liabilities and other	13.4	113.9
Net change in working capital items	$ (161.4)	$ (113.2)
Supplementary Disclosure:		
Cash paid for interest	$ 86.3	$ 105.2
Cash paid for income taxes	$ 42.5	$ 62.4

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

(1) Basis of Presentation

The condensed consolidated financial statements include the accounts of Lear Corporation ("Lear" or the "Parent"), a Delaware corporation and the wholly owned and less than wholly owned subsidiaries controlled by Lear (collectively, the "Company"). In addition, Lear consolidates variable interest entities in which it bears a majority of the risk of the entities' potential losses or stands to gain from a majority of the entities' expected returns. Investments in affiliates in which Lear does not have control, but does have the ability to exercise significant influence over operating and financial policies, are accounted for under the equity method.

The Company and its affiliates design and manufacture complete automotive seat systems, electrical distribution systems and select electronic products. Through the first quarter of 2007, the Company also supplied automotive interior systems and components, including instrument panels and cockpit systems, headliners and overhead systems, door panels and flooring and acoustic systems (Note 2, "Divestiture of Interior Business"). The Company's main customers are automotive original equipment manufacturers. The Company operates facilities worldwide.

Certain amounts in the prior period's financial statements have been reclassified to conform to the presentation used in the quarter ended June 28, 2008.

(2) Divestiture of Interior Business

On March 31, 2007, the Company completed the transfer of substantially all of the assets of the Company's North American interior business (as well as its interests in two China joint ventures and $27.4 million of cash) to International Automotive Components Group North America, Inc. and International Automotive Components Group North America, LLC (together, "IAC North America"). In connection with this transaction, the Company recorded a loss on divestiture of interior business of $611.5 million, of which $4.6 million was recognized in 2007 ($20.7 million in the first six months of 2007) and $606.9 million was recognized in 2006. The Company also recognized additional costs related to the divestiture, including $7.5 million recorded as cost of sales and $2.5 million recorded as selling, general and administrative expenses in the accompanying condensed consolidated statement of income for the six months ended June 30, 2007.

The divestiture of the Company's North American interior business substantially completed the disposition of the Company's interior business. In 2006, the Company completed the contribution of substantially all of its European interior business to International Automotive Components Group, LLC ("IAC Europe"), in exchange for a one-third equity interest in IAC Europe. In connection with this transaction, the Company recorded a loss on divestiture of interior business of $35.2 million, of which $6.1 million was recognized in 2007 ($4.2 million in the first six months of 2007) and $29.1 million was recognized in 2006.

(3) Restructuring Activities

In 2005, the Company implemented a comprehensive restructuring strategy intended to (i) better align the Company's manufacturing capacity with the changing needs of its customers, (ii) eliminate excess capacity and lower the operating costs of the Company and (iii) streamline the Company's organizational structure and reposition its business for improved long-term profitability. In connection with these restructuring actions, the Company incurred pretax restructuring costs of $350.9 million through 2007.

In 2008, the Company expects to incur restructuring and related manufacturing inefficiency costs of approximately $140 million. In light of current industry conditions and recent customer announcements in North America, the Company expects restructuring and related investments in 2009 to be consistent with those in 2008. Restructuring and related manufacturing inefficiency costs include employee termination benefits, asset impairment charges and contract termination costs, as well as other incremental costs resulting from the restructuring actions. These incremental costs principally include equipment and personnel relocation costs. The Company also expects to incur incremental manufacturing inefficiency costs at the operating locations impacted by the restructuring actions during the related restructuring implementation period. Restructuring costs are recognized in the Company's consolidated financial statements in accordance with accounting principles generally accepted in the United States. Generally, charges are recorded as elements of the restructuring strategy are finalized.

In connection with the Company's prior restructuring actions and current activities, the Company recorded restructuring charges of $71.9 million in the first six months of 2008, including $60.7 million recorded as cost of sales and $11.2 million recorded as selling, general and administrative expenses. The 2008 charges consist of employee termination benefits of $57.5 million, fixed asset impairment charges of $3.3 million, contract termination costs of $1.2 million and other related costs of $9.9 million. Employee termination benefits were recorded based on existing union and employee contracts, statutory requirements and completed negotiations. Asset impairment charges relate to the disposal of machinery and equipment with carrying values of $3.3 million in excess of related estimated fair values. Contract termination costs include lease cancellation costs of $1.0 million, pension benefit curtailment charges of $0.9 million, a reduction in previously recorded repayments of various government-sponsored grants of ($1.6) million and various other costs of $0.9 million.

A summary of 2008 charges, excluding pension benefit curtailment charges of $0.1 million, related to prior restructuring actions is shown below (in millions):

	Accrual as of December 31, 2007	2008 Charges	Utilization Cash	Utilization Non-cash	Accrual as of June 28, 2008
Employee termination benefits	$ 68.7	$ 14.3	$ (48.0)	$ —	$ 35.0
Asset impairments	—	2.2	—	(2.2)	—
Contract termination costs (credits)	5.9	(0.6)	—	—	5.3
Other related costs	—	7.3	(7.3)	—	—
Total	$ 74.6	$ 23.2	$ (55.3)	$ (2.2)	$ 40.3

A summary of 2008 charges, excluding pension benefit curtailment charges of $0.8 million, related to 2008 activities is shown below (in millions):

	2008 Charges	Utilization Cash	Utilization Non-cash	Accrual as of June 28, 2008
Employee termination benefits	$ 43.2	$ (15.2)	$ —	$ 28.0
Asset impairments	1.1	—	(1.1)	—
Contract termination costs	0.9	—	—	0.9
Other related costs	2.6	(2.6)	—	—
Total	$ 47.8	$ (17.8)	$ (1.1)	$ 28.9

(4) Inventories

Inventories are stated at the lower of cost or market. Cost is determined using the first-in, first-out method. Finished goods and work-in-process inventories include material, labor and manufacturing overhead costs. A summary of inventories is shown below (in millions):

	June 28, 2008	December 31, 2007
Raw materials	$ 523.6	$ 463.9
Work-in-process	39.8	37.5
Finished goods	127.6	104.1
Inventories	$ 691.0	$ 605.5

(5) Property, Plant and Equipment

Property, plant and equipment is stated at cost. Depreciable property is depreciated over the estimated useful lives of the assets, principally using the straight-line method. A summary of property, plant and equipment is shown below (in millions):

	June 28, 2008	December 31, 2007
Land	$ 150.3	$ 138.8
Buildings and improvements	658.9	619.9
Machinery and equipment	2,207.6	2,055.2
Construction in progress	6.8	6.9
Total property, plant and equipment	3,023.6	2,820.8
Less – accumulated depreciation	(1,629.7)	(1,428.1)

Net property, plant and equipment	$ 1,393.9	$ 1,392.7

Depreciation expense was $76.0 million and $74.5 million in the three months ended June 28, 2008 and June 30, 2007, respectively, and $149.1 million and $147.7 million in the six months ended June 28, 2008 and June 30, 2007, respectively.

Costs associated with the repair and maintenance of the Company's property, plant and equipment are expensed as incurred. Costs associated with improvements which extend the life, increase the capacity or improve the efficiency or safety of the Company's property, plant and equipment are capitalized and depreciated over the remaining life of the related asset.

(6) Goodwill

A summary of the changes in the carrying amount of goodwill, by reportable operating segment, for the six months ended June 28, 2008, is shown below (in millions):

	Seating	Electrical and Electronic	Total
Balance as of January 1, 2008	$ 1,097.5	$ 956.5	$ 2,054.0
Foreign currency translation and other	25.2	5.1	30.3
Balance as of June 28, 2008	$ 1,122.7	$ 961.6	$ 2,084.3

(7) Long-Term Debt

A summary of long-term debt and the related weighted average interest rates, including the effect of hedging activities described in Note 17, "Financial Instruments," is shown below (in millions):

	June 28, 2008		December 31, 2007	
	Long-Term Debt	Weighted Average Interest Rate	Long-Term Debt	Weighted Average Interest Rate
Primary Credit Facility	$ 991.0	6.79%	$ 991.0	7.61%
8.50% Senior Notes, due 2013	300.0	8.50%	300.0	8.50%
8.75% Senior Notes, due 2016	600.0	8.75%	600.0	8.75%
5.75% Senior Notes, due 2014	399.5	5.64%	399.4	5.64%
8.125% Euro-denominated Senior Notes, due 2008	—	N/A	81.0	8.125%
8.11% Senior Notes, due 2009	41.4	8.11%	41.4	8.11%
Zero-coupon Convertible Senior Notes, due 2022	0.8	4.75%	0.8	4.75%
Other	23.4	6.65%	27.1	7.04%
	2,356.1		2,440.7	
Current portion	(53.9)		(96.1)	
Long-term debt	$ 2,302.2		$ 2,344.6	

Primary Credit Facility

As of June 28, 2008, the Company's primary credit facility consisted of an amended and restated credit and guarantee agreement, which provided for maximum revolving borrowing commitments of $1.7 billion and a term loan facility of $1.0 billion. As of June 28, 2008 and December 31, 2007, the Company had $991.0 million in borrowings outstanding under the term loan facility, with no additional availability. There were no amounts outstanding under the revolving credit facility.

On July 3, 2008, the Company amended its primary credit facility ("amended primary credit facility") to, among other things, extend certain of the revolving credit commitments thereunder from March 23, 2010 to January 31, 2012. The extension was offered to each revolving lender, and lenders consenting to the amendment had their revolving credit commitments reduced by 33.33% on July 11, 2008. After giving effect to the amendment, the Company had outstanding approximately $1.3 billion of revolving credit commitments, $467.5 million of which mature on March 23, 2010 and $821.7 million of which mature on January 31, 2012. The amendment had no effect on the Company's term loan facility issued under the prior primary credit facility, which continues to have a maturity date of April 25, 2012. The amended primary credit facility provides for multicurrency borrowings in a maximum aggregate amount of $400 million, Canadian borrowings in a maximum aggregate amount of $100 million and swing-line borrowings in a maximum aggregate amount of $200 million, the commitments for which are part of the aggregate amended revolving credit facility commitment.

The Company's obligations under the amended primary credit facility are secured by a pledge of all or a portion of the capital stock of certain of its subsidiaries, including substantially all of its first-tier subsidiaries, and are partially secured by a security interest in the

Company's assets and the assets of certain of its domestic subsidiaries. In addition, the Company's obligations under the amended primary credit facility are guaranteed, on a joint and several basis, by certain of its subsidiaries, all of which are directly or indirectly 100% owned by the Company.

The amended primary credit facility contains certain affirmative and negative covenants, including (i) limitations on fundamental changes involving the Company or its subsidiaries, asset sales and restricted payments, (ii) a limitation on indebtedness with a maturity shorter than the term loan facility, (iii) a limitation on aggregate subsidiary indebtedness to an amount which is no more than 5% of consolidated total assets, (iv) a limitation on aggregate secured indebtedness to an amount which is no more than $100 million and (v) requirements that the Company maintains a leverage ratio of not more than 3.50 to 1, as of June 28, 2008, with decreases over time and an interest coverage ratio of not less than 2.75 to 1, as of June 28, 2008, with increases over time. The amended primary credit facility also contains customary events of default, including an event of default triggered by a change of control of the Company.

The leverage and interest coverage ratios, as well as the related components of their computation, are defined in the amended primary credit facility. The leverage ratio is calculated as the ratio of consolidated indebtedness to consolidated operating profit. For the purpose of the covenant calculation, (i) consolidated indebtedness is generally defined as reported debt, net of cash and cash equivalents and excludes transactions related to the Company's asset-backed securitization and factoring facilities and (ii) consolidated operating profit is generally defined as net income excluding income taxes, interest expense, depreciation and amortization expense, other income and expense, minority interests in income of subsidiaries in excess of net equity earnings in affiliates, certain historical restructuring and other non-recurring charges, extraordinary gains and losses and other specified non-cash items. Consolidated operating profit is a non-GAAP financial measure that is presented not as a measure of operating results, but rather as a measure used to determine covenant compliance under the Company's amended primary credit facility. The interest coverage ratio is calculated as the ratio of consolidated operating profit to consolidated interest expense. For the purpose of the covenant calculation, consolidated interest expense is generally defined as interest expense plus any discounts or expenses related to the Company's asset-backed securitization facility less amortization of deferred financing fees and interest income. As of June 28, 2008, the Company was in compliance with all covenants set forth in the amended primary credit facility and in its prior primary credit facility. The Company's leverage and interest coverage ratios were 2.1 to 1 and 4.8 to 1, respectively.

Reconciliations of (i) consolidated indebtedness to reported debt, (ii) consolidated operating profit to income before provision for income taxes and (iii) consolidated interest expense to reported interest expense are shown below (in millions):

	June 28, 2008
Consolidated indebtedness	$ 1,762.7
Cash and cash equivalents (subject to $700 million limitation)	623.5
Reported debt	$ 2,386.2

	Three Months Ended June 28, 2008	Six Months Ended June 28, 2008
Consolidated operating profit	$ 189.1	$ 434.4
Depreciation and amortization	(77.4)	(151.9)
Consolidated interest expense	(42.2)	(86.4)
Other expense, net (excluding certain amounts related to asset-backed securitization facility)	(4.0)	(9.8)
Other non-cash items	(9.7)	(21.0)
Income before provision for income taxes	$ 55.8	$ 165.3
Consolidated interest expense	$ 42.2	$ 86.4
Certain amounts related to asset-backed securitization facility	(0.1)	(0.3)
Amortization of deferred financing fees	2.1	4.3
Bank facility and other fees	1.4	2.6
Reported interest expense	$ 45.6	$ 93.0

Senior Notes

All of the Company's senior notes are guaranteed by the same subsidiaries that guarantee the amended primary credit facility. In the event that any such subsidiary ceases to be a guarantor under the amended primary credit facility, such subsidiary will be released as a guarantor of the senior notes. The Company's obligations under the senior notes are not secured by the pledge of the assets or capital stock of any of its subsidiaries.

With the exception of the Company's zero-coupon convertible senior notes, the Company's senior notes contain covenants restricting the ability of the Company and its subsidiaries to incur liens and to enter into sale and leaseback transactions. As of June 28, 2008, the Company was in compliance with all covenants and other requirements set forth in its senior notes.

The senior notes due 2013 and 2016 (having an aggregate principal amount outstanding of $900 million as of June 28, 2008) provide holders of the notes the right to require the Company to repurchase all or any part of their notes at a purchase price equal to 101% of the principal amount, plus accrued and unpaid interest, upon a "change of control" (as defined in the indenture governing the notes). The indentures governing the Company's other senior notes do not contain a change of control repurchase obligation.

The Company repaid €55.6 million aggregate principal amount of senior notes on April 1, 2008, the maturity date.

In connection with the amendment of the Company's primary credit facility discussed above, the Company issued an irrevocable call notice to redeem its outstanding senior notes due 2009 (the "2009 notes") (having an aggregate principal amount outstanding of $41.4 million as of June 28, 2008) on August 4, 2008. The 2009 notes must be redeemed at the greater of (a) 100% of the principal amount to be redeemed or (b) the sum of the present value of the remaining scheduled payments of principal and interest thereon from the redemption date to the maturity date, discounted to the redemption date on a semiannual basis at the applicable treasury rate plus 50 basis points, together with any interest accrued but not yet paid to the redemption date. The Company estimates a loss on the extinguishment of the 2009 notes of approximately $2 million, which will be recognized in other expense, net in the third quarter of 2008.

(8) Pension and Other Postretirement Benefit Plans

Net Periodic Benefit Cost

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

	Pension		Other Postretirement	
	Three Months Ended		Three Months Ended	
	June 28, 2008	June 30, 2007	June 28, 2008	June 30, 2007
Service cost	$ 4.3	$ 5.7	$ 2.1	$ 2.6
Interest cost	12.3	7.4	3.9	3.7
Expected return on plan assets	(13.9)	(7.5)	—	—
Amortization of actuarial loss	0.1	0.7	0.9	1.2
Amortization of transition (asset) obligation	(0.1)	(0.1)	0.2	0.3
Amortization of prior service (credit) cost	1.8	1.1	(0.9)	(0.9)
Special termination benefits	2.5	0.9	—	0.1
Settlement loss	0.4	—	—	—
Curtailment loss, net	1.0	0.8	—	0.2
Net periodic benefit cost	$ 8.4	$ 9.0	$ 6.2	$ 7.2

	Pension		Other Postretirement	
	Six Months Ended		Six Months Ended	
	June 28, 2008	June 30, 2007	June 28, 2008	June 30, 2007
Service cost	$ 8.7	$ 13.8	$ 4.0	$ 5.5
Interest cost	24.5	17.8	7.7	7.4
Expected return on plan assets	(27.8)	(17.7)	—	—
Amortization of actuarial loss	0.2	1.5	1.8	2.3
Amortization of transition (asset) obligation	(0.1)	(0.1)	0.4	0.5
Amortization of prior service (credit) cost	3.5	2.2	(1.8)	(1.8)
Special termination benefits	2.8	4.8	0.2	0.9
Settlement loss	1.0	—	—	—
Curtailment (gain) loss, net	1.0	(32.7)	—	(13.2)
Net periodic benefit (gain) cost	$ 13.8	$ (10.4)	$ 12.3	$ 1.6

In the first quarter of 2007, the Company recorded a pension plan curtailment gain of $36.4 million and an other postretirement benefit plan curtailment gain of $14.7 million. The pension plan curtailment gain resulted from the suspension of the accrual of defined benefits related to the Company's U.S. salaried defined benefit pension plan as the Company elected to freeze its U.S. salaried defined benefit plan effective December 31, 2006. The other postretirement benefit plan curtailment gain resulted from employee terminations associated with a facility closure in 2006. As both curtailment gains were incurred subsequent to the Company's defined benefit plan measurement date of September 30, 2006, they were recorded in 2007.

Contributions

Employer contributions to the Company's domestic and foreign pension plans for the six months ended June 28, 2008, were approximately $14.1 million, in aggregate. The Company expects to contribute an additional $20 million, in aggregate, to its domestic and foreign pension plans in 2008.

Effective January 1, 2007, the Company established a new defined contribution retirement program for its salaried employees in conjunction with the freeze of its U.S. salaried defined benefit pension plan. Contributions to this program are determined as a percentage of each covered employee's eligible compensation and are expected to be approximately $20 million in 2008.

Adoption of Accounting Pronouncements

Statement of Financial Accounting Standards ("SFAS") No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans – an amendment of FASB Statements No. 87, 88, 106 and 132(R)," requires the measurement of defined benefit plan assets and liabilities as of the annual balance sheet date beginning in the fiscal period ending after December 15, 2008. In previous years, the Company measured its plan assets and liabilities using an early measurement date of September 30, as allowed by the original provisions of SFAS No. 87, "Employers' Accounting for Pensions," and SFAS No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions." In the first quarter of 2008, the required adjustment to recognize the net periodic benefit cost for the transition period from October 1, 2007 to December 31, 2007, was determined using the 15-month measurement approach. Under this approach, the net periodic benefit cost was determined for the period from October 1, 2007 to December 31, 2008, and the adjustment for the transition period was calculated on a pro-rata basis. The Company recorded an after-tax transition adjustment of $7.0 million as an increase to beginning retained deficit, $1.0 million as an increase to accumulated other comprehensive income and $6.0 million as an increase to the net pension and other postretirement liability related accounts in the accompanying condensed consolidated balance sheet as of June 28, 2008.

The Emerging Issues Task Force ("EITF") issued EITF Issue No. 06-4, "Accounting for Deferred Compensation and Postretirement Benefit Aspects of Endorsement Split-Dollar Life Insurance Arrangements." EITF 06-4 requires the recognition of a liability, in accordance with SFAS No. 106, for endorsement split-dollar life insurance arrangements that provide postretirement benefits. This EITF is effective for the fiscal period beginning after December 15, 2007. In accordance with the EITF's transition provisions, the Company recorded $5.3 million as a cumulative effect of a change in accounting principle as of January 1, 2008. The cumulative effect adjustment was recorded as an increase to beginning retained deficit and an increase to other long-term liabilities in the accompanying condensed consolidated balance sheet as of June 28, 2008. In addition, the Company expects to record additional postretirement benefit expenses of $0.3 million in 2008 associated with the adoption of this EITF.

(9) Cost of Sales and Selling, General and Administrative Expenses

Cost of sales includes material, labor and overhead costs associated with the manufacture and distribution of the Company's products. Distribution costs include inbound freight costs, purchasing and receiving costs, inspection costs, warehousing costs and other costs of the Company's distribution network. Selling, general and administrative expenses include selling, research and development and administrative costs not directly associated with the manufacture and distribution of the Company's products.

(10) Other Expense, Net

Other expense, net includes non-income related taxes, foreign exchange gains and losses, discounts and expenses associated with the Company's asset-backed securitization and factoring facilities, gains and losses related to derivative instruments and hedging activities, minority interests in consolidated subsidiaries, equity in net income of affiliates, gains and losses on the sales of assets and other miscellaneous income and expense. A summary of other expense, net is shown below (in millions):

	Three Months Ended		Six Months Ended	
	June 28, 2008	June 30, 2007	June 28, 2008	June 30, 2007
Other expense	$ 17.4	$ 19.9	$ 33.2	$ 43.6
Other income	(13.3)	(19.6)	(23.1)	(18.3)
Other expense, net	$ 4.1	$ 0.3	$ 10.1	$ 25.3

For the three and six months ended June 28, 2008, other income includes equity in net income of affiliates of $8.0 million and $11.9 million, respectively. For the three and six months ended June 30, 2007, other income includes equity in net income of affiliates of $13.4 million and $14.7 million, respectively. For the six months ended June 30, 2007, other expense includes a loss of $3.9 million related to the acquisition of the minority interest in an affiliate.

(11) Income Taxes

The provision for income taxes was $37.5 million and $20.3 million in the three months ended June 28, 2008 and June 30, 2007, respectively, and $68.8 million and $52.7 million in the six months ended June 28, 2008 and June 30, 2007, respectively. The effective tax rate was 67.2% and 14.1% for the three months ended June 28, 2008 and June 30, 2007, respectively, and 41.6% and 23.3% for the six months ended June 28, 2008 and June 30, 2007. The provision for income taxes in the first half of 2008 was impacted by a portion of the Company's restructuring charges, for which no tax benefit was provided as the charges were incurred in certain countries for which no tax benefit is likely to be realized due to a history of operating losses in those countries. Excluding these items, the effective tax rate in the first half of 2008 approximated the U.S. federal statutory income tax rate of 35% adjusted for income taxes on foreign earnings, losses and remittances, foreign and U.S. valuation allowances, tax credits, income tax incentives and other permanent items. The provision for income taxes in the first half of 2007 was impacted by costs of $34.9 million related to the divestiture of the Company's interior business, a significant portion of which provided no tax benefit as they were incurred in the United States. The provision was also impacted by a portion of the Company's restructuring charges and costs related to an Agreement and Plan of Merger, as amended (the "AREP merger agreement"), with AREP Car Holdings Corp. and AREP Car Acquisition Corp. (subsequently terminated in the third quarter of 2007), for which no tax benefit was provided as the charges were incurred in certain countries for which no tax benefit is likely to be realized due to a history of operating losses in those countries. This was offset by the impact of the U.S. salaried pension plan curtailment gain of $36.4 million, for which no tax expense was provided as it was incurred in the United States, and the impact of a one-time tax benefit of $12.5 million related to a reversal of a valuation allowance in a European subsidiary. Further, the Company's current and future provision for income taxes is significantly impacted by the initial recognition of and changes in valuation allowances in certain countries, particularly the United States. The Company intends to maintain these allowances until it is more likely than not that the deferred tax assets will be realized. The Company's future income tax expense will include no tax benefit with respect to losses incurred and no tax expense with respect to income generated in these countries until the respective valuation allowance is eliminated. Accordingly, income taxes are impacted by the U.S. and foreign valuation allowances and the mix of earnings among jurisdictions.

The Company operates in multiple jurisdictions throughout the world, and its tax returns are periodically audited or subject to review by both domestic and foreign tax authorities. During the next twelve months, it is reasonably possible that, as a result of audit settlements, the conclusion of current examinations and the expiration of the statute of limitations in several jurisdictions, the Company could decrease the amount of its gross unrecognized tax benefits by $60.9 million, of which $29.2 million, if recognized,

would affect the Company's effective tax rate. The gross unrecognized tax benefits subject to potential decrease involve issues related to transfer pricing, tax credits and various other tax items in several jurisdictions.

(12) Net Income Per Share

Basic net income per share is computed using the weighted average common shares outstanding during the period. Diluted net income per share includes the dilutive effect of common stock equivalents using the average share price during the period, as well as the dilutive effect of shares issuable upon conversion of the Company's outstanding zero-coupon convertible senior notes. A summary of shares outstanding is shown below:

	Three Months Ended		Six Months Ended	
	June 28, 2008	June 30, 2007	June 28, 2008	June 30, 2007
Weighted average common shares outstanding	77,308,548	76,681,355	77,266,350	76,546,667
Dilutive effect of common stock equivalents	1,043,666	1,489,202	1,114,394	1,544,737
Diluted shares outstanding	78,352,214	78,170,557	78,380,744	78,091,404

The shares issuable upon conversion of the Company's outstanding zero-coupon convertible debt and the effect of certain common stock equivalents, including options, restricted stock units, performance units and stock appreciation rights, were excluded from the computation of diluted shares outstanding for the three and six months ended June 28, 2008 and June 30, 2007, as inclusion would have resulted in antidilution. A summary of these options and their exercise prices, as well as these restricted stock units, performance units and stock appreciation rights, is shown below:

	Three Months Ended		Six Months Ended	
	June 28, 2008	June 30, 2007	June 28, 2008	June 30, 2007
Options				
Antidilutive options	1,457,080	1,691,705	1,457,080	1,691,705
Exercise price	$27.25 – $55.33	$37.00 – $55.33	$27.25 – $55.33	$37.00 – $55.33
Restricted stock units	262,994	—	—	—
Stock appreciation rights	2,041,007	642,285	2,041,007	642,285

(13) Comprehensive Income

Comprehensive income is defined as all changes in the Company's net assets except changes resulting from transactions with stockholders. It differs from net income in that certain items currently recorded in equity are included in comprehensive income. A summary of comprehensive income is shown below (in millions):

	Three Months Ended		Six Months Ended	
	June 28, 2008	June 30, 2007	June 28, 2008	June 30, 2007
Net income	$ 18.3	$ 123.6	$ 96.5	$ 173.5
Other comprehensive income:				
Derivative instruments and hedging activities	23.3	7.2	15.2	2.2
Defined benefit plan adjustments	1.5	5.4	6.0	5.4
Foreign currency translation adjustment	2.3	(2.2)	91.7	11.4
Other comprehensive income	27.1	10.4	112.9	19.0
Comprehensive income	$ 45.4	$ 134.0	$ 209.4	$ 192.5

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

The Company incurs pre-production engineering, research and development ("ER&D") and tooling costs related to the products produced for its customers under long-term supply agreements. The Company expenses all pre-production ER&D costs for which reimbursement is not contractually guaranteed by the customer. In addition, the Company expenses all pre-production tooling costs related to customer-owned tools for which reimbursement is not contractually guaranteed by the customer or for which the customer has not provided a non-cancelable right to use the tooling. During the first six months of 2008 and 2007, the Company capitalized $79.1 million and $43.4 million, respectively, of pre-production ER&D costs for which reimbursement is contractually guaranteed by the customer. In addition, during the first six months of 2008 and 2007, the Company capitalized $73.6 million and $80.8 million, respectively, of pre-production tooling costs related to customer-owned tools for which reimbursement is contractually guaranteed by the customer or for which the customer has provided a non-cancelable right to use the tooling. These amounts are included in other current and long-term assets in the accompanying condensed consolidated balance sheets. During the six months ended June 28, 2008 and June 30, 2007, the Company collected $157.3 million and $147.2 million, respectively, of cash related to ER&D and tooling costs.

During the first six months of 2008 and 2007, the Company did not capitalize any Company-owned tooling. Amounts capitalized as Company-owned tooling are included in property, plant and equipment, net in the accompanying condensed consolidated balance sheets.

The classification of recoverable customer engineering and tooling is shown below (in millions):

	June 28, 2008	December 31, 2007
Current	$ 82.3	$ 73.0
Long-term	97.1	94.5
Recoverable customer engineering and tooling	$ 179.4	$ 167.5

Gains and losses related to ER&D and tooling projects are reviewed on an aggregated program basis. Net gains on projects are deferred and recognized over the life of the long-term supply agreement. Net losses on projects are recognized as costs are incurred.

(15) Legal and Other Contingencies

As of June 28, 2008 and December 31, 2007, the Company had recorded reserves for pending legal disputes, including commercial disputes and other matters, of $34.2 million and $37.5 million, respectively. Such reserves reflect amounts recognized in accordance with accounting principles generally accepted in the United States and typically exclude the cost of legal representation. Product warranty liabilities are recorded separately from legal liabilities, as described below.

Commercial Disputes

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

On January 26, 2004, the Company filed a patent infringement lawsuit against Johnson Controls Inc. and Johnson Controls Interiors LLC (together, "JCI") in the U.S. District Court for the Eastern District of Michigan alleging that JCI's garage door opener products infringed certain of the Company's radio frequency transmitter patents. JCI counterclaimed seeking a declaratory judgment that the subject patents are invalid and unenforceable, and that JCI is not infringing these patents. JCI also has filed motions for summary judgment asserting that its garage door opener products do not infringe the Company's patents and that one of the Company's patents is invalid and unenforceable. The Company is pursuing its claims against JCI. On November 2, 2007, the court issued an opinion and order granting, in part, and denying, in part, JCI's motion for summary judgment on one of the Company's patents. The court found that JCI's product does not literally infringe the patent, however, there are issues of fact that precluded a finding as to whether JCI's product infringes under the doctrine of equivalents. The court also ruled that one of the claims the Company has asserted is invalid. Finally, the court denied JCI's motion to hold the patent unenforceable. The opinion and order does not address the other two patents involved in the lawsuit and JCI's motion for summary judgment has not yet been subject to a court hearing. On May 22, 2008, JCI filed a motion seeking reconsideration of the court's ruling of November 2, 2007. On June 9, 2008, the Company filed its opposition to this motion and, on June 23, 2008, JCI filed its reply brief. A trial date has not been scheduled.

After the Company filed its patent infringement action against JCI, affiliates of JCI sued one of the Company's vendors and certain of the vendor's employees in Ottawa County, Michigan Circuit Court on July 8, 2004, alleging misappropriation of trade secrets and disclosure of confidential information. The suit alleges that the defendants misappropriated and shared with the Company trade secrets involving JCI's universal garage door opener product. JCI sought to enjoin the defendants from selling or attempting to sell a competing product, as well as compensatory damages and attorney fees. The Company was not a defendant in this lawsuit; however, the agreements between the Company and the defendants contain customary indemnification provisions. The Company does not believe that its garage door opener product benefited from any allegedly misappropriated trade secrets or technology. However, JCI sought discovery of certain information which the Company believes is confidential and proprietary, and the Company intervened in the case as a non-party for the limited purpose of protecting its rights with respect to JCI's discovery efforts. The parties to the lawsuit recently settled the litigation on a confidential basis. The settlement amount was immaterial.

On June 13, 2005, The Chamberlain Group ("Chamberlain") filed a lawsuit against the Company and Ford Motor Company ("Ford") in the Northern District of Illinois alleging patent infringement. Two counts were asserted against the Company and Ford based upon two Chamberlain rolling-code garage door opener system patents. Two additional counts were asserted against Ford only (not the Company) based upon different Chamberlain patents. The Chamberlain lawsuit was filed in connection with the marketing of the Company's universal garage door opener system, which competes with a product offered by JCI. JCI obtained technology from Chamberlain to operate its product. In October 2005, JCI joined the lawsuit as a plaintiff along with Chamberlain. In October 2006, Ford was dismissed from the suit. JCI and Chamberlain filed a motion for a preliminary injunction, and on March 30, 2007, the court issued a decision granting plaintiffs' motion for a preliminary injunction but did not enter an injunction at that time. In response, the Company filed a motion seeking to stay the effectiveness of any injunction that may be entered and General Motors Corporation ("GM") moved to intervene. On April 25, 2007, the court granted GM's motion to intervene, entered a preliminary injunction order that exempts the Company's existing GM programs and denied the Company's motion to stay the effectiveness of the preliminary injunction order pending appeal. On April 27, 2007, the Company filed its notice of appeal from the granting of the preliminary injunction and the denial of its motion to stay its effectiveness. On May 7, 2007, the Company filed a motion for stay with the Federal Circuit Court of Appeals, which the court denied on June 6, 2007. On February 19, 2008, the Federal Circuit Court of Appeals issued a decision in the Company's favor that vacated the preliminary injunction and reversed the district court's interpretation of a key claim term. A petition by JCI for a rehearing on the matter was denied on April 10, 2008. The case is now remanded to the district court. The Company intends to vigorously defend this matter through, among other things, a motion for summary judgment that was filed in June 2008.

Product Liability Matters

In the event that use of the Company's products results in, or is alleged to result in, bodily injury and/or property damage or other losses, the Company may be subject to product liability lawsuits and other claims. In addition, the Company is a party to warranty-sharing and other agreements with its customers relating to its products. These customers may pursue claims against the Company for contribution of all or a portion of the amounts sought in connection with product liability and warranty claims. The Company can provide no assurances that it will not experience material claims in the future or that it will not incur significant costs to defend such claims. In addition, if any of the Company's products are, or are alleged to be, defective, the Company may be required or requested by its customers to participate in a recall or other corrective action involving such products. Certain of the Company's customers have asserted claims against the Company for costs related to recalls or other corrective actions involving its products. In certain instances, the allegedly defective products were supplied by tier II suppliers against whom the Company has sought or will seek contribution. The Company carries insurance for certain legal matters, including product liability claims, but such coverage may be limited. The Company does not maintain insurance for product warranty or recall matters.

The Company records product warranty liabilities based on its individual customer agreements. Product warranty liabilities are recorded for known warranty issues when amounts related to such issues are probable and reasonably estimable. In certain product liability and warranty matters, the Company may seek recovery from its suppliers that supply materials or services included within the Company's products that are associated with the related claims.

A summary of the changes in product warranty liabilities for the six months ended June 28, 2008, is shown below (in millions):

Balance as of January 1, 2008	$ 40.7
Expense, net	1.4
Settlements	(8.2)
Foreign currency translation and other	3.5
Balance as of June 28, 2008	$ 37.4

Environmental Matters

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

The Company has been named as a potentially responsible party at several third-party landfill sites and is engaged in the cleanup of hazardous waste at certain sites owned, leased or operated by the Company, including several properties acquired in its 1999 acquisition of UT Automotive, Inc. ("UT Automotive"). Certain present and former properties of UT Automotive are subject to environmental liabilities which may be significant. The Company obtained agreements and indemnities with respect to certain environmental liabilities from United Technologies Corporation ("UTC") in connection with its acquisition of UT Automotive. UTC manages and directly funds these environmental liabilities pursuant to its agreements and indemnities with the Company.

As of June 28, 2008 and December 31, 2007, the Company had recorded reserves for environmental matters of $3.1 million and $2.7 million, respectively. While the Company does not believe that the environmental liabilities associated with its current and former properties will have a material adverse effect on its business, consolidated financial position, results of operations or cash flows, no assurances can be given in this regard.

Other Matters

In April 2006, a former employee of the Company filed a purported class action lawsuit in the U.S. District Court for the Eastern District of Michigan against the Company, members of its Board of Directors, members of its Employee Benefits Committee (the "EBC") and certain members of its human resources personnel alleging violations of the Employment Retirement Income Security Act ("ERISA") with respect to the Company's retirement savings plans for salaried and hourly employees. In the second quarter of 2006, the Company was served with three additional purported class action ERISA lawsuits, each of which contained similar allegations against the Company, members of its Board of Directors, members of its EBC and certain members of its senior management and its human resources personnel. At the end of the second quarter of 2006, the court entered an order consolidating these four lawsuits as *In re: Lear Corp. ERISA Litigation*. During the third quarter of 2006, plaintiffs filed their consolidated complaint, which alleges breaches of fiduciary duties substantially similar to those alleged in the four individually filed lawsuits. The consolidated complaint continues to name certain current and former members of the Board of Directors and the EBC and certain members of senior management and adds certain other current and former members of the EBC. The consolidated complaint generally alleges that the defendants breached their fiduciary duties to plan participants in connection with the administration of the Company's retirement savings plans for salaried and hourly employees. The fiduciary duty claims are largely based on allegations of breaches of the fiduciary duties of prudence and loyalty and of over-concentration of plan assets in the Company's common stock. The plaintiffs purport to bring these claims on behalf of the plans and all persons who were participants in or beneficiaries of the plans from October 21, 2004, to the present and seek to recover losses allegedly suffered by the plans. The consolidated complaint does not specify the amount of damages sought. During the fourth quarter of 2006, the defendants filed a motion to dismiss all defendants and all counts in the consolidated complaint. During the second quarter of 2007, the court denied defendants' motion to dismiss and defendants' answer to the consolidated complaint was filed in August 2007. On August 8, 2007, the court ordered that discovery be completed by April 30, 2008. During the first quarter of 2008, the parties exchanged written discovery requests, the defendants filed with the court a motion to compel plaintiffs to provide more complete discovery responses, which was granted in part and denied in part, and the plaintiffs filed their motion for class certification. In mid-April 2008, the parties entered into an agreement to stay all matters pending mediation. The mediation took place on May 12, 2008, but has not resulted in a settlement to date. Defendants took the named plaintiffs' depositions in June 2008. Discovery closed on June 23, 2008, and defendants filed their opposition to plaintiffs' motion for class certification on July 7, 2008. The plaintiffs have requested additional time for discovery, and the court has not yet ruled on that request. The Company will continue to vigorously defend the consolidated lawsuit.

Between February 9, 2007 and February 21, 2007, certain stockholders filed three purported class action lawsuits against the Company, certain members of the Company's Board of Directors and American Real Estate Partners, L.P. (currently known as Icahn Enterprises, L.P.) and certain of its affiliates (collectively, "AREP") in the Delaware Court of Chancery. On February 21, 2007, these lawsuits were consolidated into a single action. The amended complaint in the consolidated action generally alleges that the AREP merger agreement with AREP Car Holdings Corp. and AREP Car Acquisition Corp. (collectively the "AREP Entities") unfairly limited the process of selling the Company and that certain members of the Company's Board of Directors breached their fiduciary duties in connection with the AREP merger agreement and acted with conflicts of interest in approving the AREP merger agreement. The amended complaint in the consolidated action further alleges that Lear's preliminary and definitive proxy statements for the AREP merger agreement were misleading and incomplete, and that Lear's payments to AREP as a result of the termination of the AREP merger agreement constituted unjust enrichment and waste. On February 23, 2007, the plaintiffs filed a motion for expedited proceedings and a motion to preliminarily enjoin the transactions contemplated by the AREP merger agreement. On March 27, 2007, the plaintiffs filed an amended complaint. On June 15, 2007, the Delaware court issued an order entering a limited injunction of Lear's planned shareholder vote on the AREP merger agreement until the Company made supplemental proxy disclosure. That supplemental proxy disclosure was approved by the Delaware court and made on June 18, 2007. On June 26, 2007, the Delaware court granted the plaintiffs' motion for leave to file a second amended complaint. On September 11, 2007, the plaintiffs filed a third amended complaint. On January 30, 2008, the Delaware court granted the plaintiffs' motion for leave to file a fourth amended complaint leaving only derivative claims against the Lear directors and AREP based on the payment by Lear to AREP of a termination fee pursuant to the AREP merger agreement. On March 14, 2008, the plaintiffs filed an interim petition for an award of fees and expenses related to the supplemental proxy disclosure. On April 14, 2008, the defendants filed a motion to dismiss the remaining claims in the fourth amended complaint. A hearing on both the defendants' motion to dismiss and the plaintiffs' interim fee petition was held on June 3, 2008. The Delaware court granted the plaintiffs' interim fee petition, awarding the plaintiffs $800,000 in attorneys' fees and expenses. The Delaware court intends to issue a written ruling on the defendants' motion to dismiss. The Company believes that this lawsuit is without merit and intends to defend against it vigorously.

Although the Company records reserves for legal disputes, product liability claims and environmental and other matters in accordance with SFAS No. 5, "Accounting for Contingencies," the ultimate outcomes of these matters are inherently uncertain. Actual results may differ significantly from current estimates.

The Company is involved from time to time in various other legal proceedings and claims, including, without limitation, commercial and contractual disputes, intellectual property matters, personal injury claims, tax claims and employment matters. Although the outcome of any legal matter cannot be predicted with certainty, the Company does not believe that any of these other legal proceedings or claims in which the Company is currently involved, either individually or in the aggregate, will have a material adverse effect on its business, consolidated financial position, results of operations or cash flows.

(16) Segment Reporting

Historically, the Company has had three reportable operating segments: seating, electrical and electronic and interior. The seating segment includes seat systems and components thereof. The electrical and electronic segment includes electrical distribution systems and electronic products, primarily wire harnesses, junction boxes, terminals and connectors and various electronic control modules, as well as audio sound systems and in-vehicle television and video entertainment systems. The interior segment, which has been divested, included instrument panels and cockpit systems, headliners and overhead systems, door panels, flooring and acoustic systems and other interior products (Note 2, "Divestiture of Interior Business"). The Other category includes unallocated costs related to corporate headquarters, geographic headquarters and the elimination of intercompany activities, none of which meets the requirements of being classified as an operating segment.

The Company evaluates the performance of its operating segments based primarily on (i) revenues from external customers, (ii) income before divestiture of Interior business, interest expense, other expense and provision for income taxes ("segment earnings") and (iii) cash flows, being defined as segment earnings less capital expenditures plus depreciation and amortization. A summary of revenues from external customers and other financial information by reportable operating segment is shown below (in millions):

	Three Months Ended June 28, 2008			
	Seating	Electrical and Electronic	Other	Consolidated
Revenues from external customers	$3,141.2	$ 837.8	$ —	$ 3,979.0
Segment earnings	130.0	31.2	(55.7)	105.5
Depreciation and amortization	45.4	28.3	3.7	77.4
Capital expenditures	32.6	17.4	—	50.0
Total assets	4,708.9	2,380.6	1,258.1	8,347.6

	Three Months Ended June 30, 2007				
	Seating	Electrical and Electronic	Interior	Other	Consolidated
Revenues from external customers	$ 3,264.5	$ 825.1	$ 65.7	$ —	$ 4,155.3
Segment earnings	238.8	23.5	(0.6)	(66.9)	194.8
Depreciation and amortization	42.5	28.1	1.0	4.1	75.7
Capital expenditures	26.3	11.6	1.1	0.1	39.1
Total assets	4,460.5	2,234.8	77.0	1,149.5	7,921.8

	Six Months Ended June 28, 2008			
	Seating	Electrical and Electronic	Other	Consolidated
Revenues from external customers	$ 6,177.3	$ 1,659.3	$ —	$ 7,836.6
Segment earnings	313.3	66.5	(111.4)	268.4
Depreciation and amortization	88.7	55.9	7.3	151.9
Capital expenditures	61.2	34.1	0.2	95.5
Total assets	4,708.9	2,380.6	1,258.1	8,347.6

	Six Months Ended June 30, 2007				
	Seating	Electrical and Electronic	Interior	Other	Consolidated
Revenues from external customers	$ 6,258.7	$ 1,613.8	$ 688.9	$ —	$ 8,561.4
Segment earnings	435.9	41.0	8.2	(105.9)	379.2
Depreciation and amortization	83.3	56.4	2.3	8.2	150.2
Capital expenditures	46.5	20.2	1.2	0.4	68.3
Total assets	4,460.5	2,234.8	77.0	1,149.5	7,921.8

For the three months ended June 28, 2008, segment earnings include restructuring charges of $39.8 million, $6.2 million and $5.7 million in the seating and electrical and electronic segments and in the other category, respectively. For the six months ended June 28, 2008, segment earnings include restructuring charges of $52.7 million, $13.0 million and $6.2 million in the seating and electrical and electronic segments and in the other category, respectively. For the three months ended June 30, 2007, segment earnings include restructuring charges of $10.8 million, $13.4 million, $5.0 million and $3.1 million in the seating, electrical and electronic and interior segments and in the other category, respectively. For the six months ended June 30, 2007, segment earnings include restructuring charges of $6.1 million, $31.3 million, $5.0 million and $3.5 million in the seating, electrical and electronic and interior segments and in the other category, respectively (Note 3, "Restructuring Activities").

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

	Three Months Ended		Six Months Ended	
	June 28, 2008	June 30, 2007	June 28, 2008	June 30, 2007
Segment earnings	$ 105.5	$ 194.8	$ 268.4	$ 379.2
Divestiture of Interior business	—	(0.7)	—	24.9
Interest expense	45.6	51.3	93.0	102.8
Other expense, net	4.1	0.3	10.1	25.3
Income before provision for income taxes	$ 55.8	$ 143.9	$ 165.3	$ 226.2

(17) Financial Instruments

Certain of the Company's European and Asian subsidiaries periodically factor their accounts receivable with financial institutions. Such receivables are factored without recourse to the Company and are excluded from accounts receivable in the accompanying condensed consolidated balance sheets. In the second quarter of 2008, certain of the Company's European subsidiaries entered into extended factoring agreements which provide for aggregate purchases of specified customer accounts receivable of up to €315 million through April 30, 2011. The level of funding utilized under this European factoring facility is based on the credit ratings of each specified customer. In addition, the facility provider can elect to discontinue the facility in the event that the Company's corporate credit rating declines below B- by Standard & Poor's Ratings Services. As of June 28, 2008 and December 31, 2007, the amount of factored receivables was $227.3 million and $103.5 million, respectively. The Company cannot provide any assurances that these factoring facilities will be available or utilized in the future.

Asset-Backed Securitization Facility

Prior to April 30, 2008, the Company and several of its U.S. subsidiaries sold certain accounts receivable to a wholly-owned, consolidated, bankruptcy-remote special purpose corporation (Lear ASC Corporation) under an asset-backed securitization facility (the “ABS facility”). In turn, Lear ASC Corporation transferred undivided interests in up to $150 million of the receivables to bank-sponsored commercial-paper conduits. The ABS facility expired on April 30, 2008, and the Company did not elect to renew the existing facility. As of December 31, 2007, accounts receivable totaling $543.7 million had been transferred to Lear ASC Corporation, but no undivided interests in the receivables were transferred to the conduits. Prior to the expiration of the ABS facility, the Company continued to service the transferred accounts receivable for an annual servicing fee. The conduit investors and Lear ASC Corporation had no recourse to the Company or its subsidiaries for the failure of the accounts receivable obligors to pay timely on the accounts receivable.

The following table summarizes certain cash flows received from and paid to Lear ASC Corporation (in millions):

	Three Months Ended		Six Months Ended	
	June 28, 2008	June 30, 2007	June 28, 2008	June 30, 2007
Proceeds from collections reinvested in securitizations	$ 336.2	$ 820.1	$ 1,214.4	$ 1,752.8
Servicing fees received	0.5	1.3	1.7	2.5

Derivative Instruments and Hedging Activities

Forward foreign exchange, futures and option contracts — The Company uses forward foreign exchange, futures and option contracts to reduce the effect of fluctuations in foreign exchange rates on known foreign currency exposures. Gains and losses on the derivative instruments are intended to offset gains and losses on the hedged transaction in an effort to reduce the earnings volatility resulting from fluctuations in foreign exchange rates. The principal currencies hedged by the Company include the Mexican peso and various European currencies. Forward foreign exchange, futures and option contracts are accounted for as cash flow hedges when the hedged item is a forecasted transaction or relates to the variability of cash flows to be received or paid. As of June 28, 2008 and December 31, 2007, contracts designated as cash flow hedges with $324.5 million and $554.4 million, respectively, of notional amount were outstanding with maturities of less than six months and 12 months, respectively. As of June 28, 2008 and December 31, 2007, the fair market value of these contracts was approximately $22.0 million and $10.5 million, respectively. As of June 28, 2008 and December 31, 2007, other foreign currency derivative contracts that did not qualify for hedge accounting with $70.4 million and $107.0 million, respectively, of notional amount were outstanding. These foreign currency derivative contracts consist principally of cash transactions with maturities of less than thirty days, hedges of intercompany loans and hedges of certain other balance sheet exposures. As of June 28, 2008 and December 31, 2007, the fair market value of these contracts was approximately negative $0.1 million and $0.7 million, respectively.

Interest rate swap and other derivative contracts — The Company uses interest rate swap and other derivative contracts to manage its exposure to fluctuations in interest rates. Interest rate swap and other derivative contracts which fix the interest payments of certain variable rate debt instruments or fix the market rate component of anticipated fixed rate debt instruments are accounted for as cash flow hedges. Interest rate swap contracts which hedge the change in fair market value of certain fixed rate debt instruments are accounted for as fair value hedges. As of June 28, 2008 and December 31, 2007, contracts with $600.0 million of notional amount were outstanding with maturities through September 2011. All of these contracts modify the variable rate characteristics of the Company’s variable rate debt instruments, which are generally set at three-month LIBOR rates, such that the interest rates do not exceed a weighted average of 5.32%. As of June 28, 2008 and December 31, 2007, the fair market value of these contracts was approximately negative $20.7 million and negative $17.8 million, respectively. The fair market value of all outstanding interest rate swap and other derivative contracts is subject to changes in value due to changes in interest rates.

Commodity swap contracts — The Company uses derivative instruments to reduce its exposure to fluctuations in certain commodity prices. These derivatives are utilized to hedge forecasted inventory purchases and to the extent they qualify and meet special hedge accounting criteria, they are accounted for as cash flow hedges. All other commodity derivative contracts that are not designated as hedges are marked to market with changes in fair value recognized immediately in the condensed consolidated statements of income (Note 10, “Other Expense, Net”). As of June 28, 2008 and December 31, 2007, commodity swap contracts with $57.1 million and $48.7 million, respectively, of notional amount were outstanding with maturities of less than 18 months and 12 months, respectively. As of June 28, 2008 and December 31, 2007, the fair market value of these contracts was $3.3 million and negative $4.3 million, respectively.

As of June 28, 2008 and December 31, 2007, net gains (losses) of approximately ($9.5) million and $5.5 million, respectively, related to derivative instruments and hedging activities were recorded in accumulated other comprehensive income. Net gains of $6.2 million and $7.2 million in the three months ended June 28, 2008 and June 30, 2007, respectively, and $9.8 million and $10.8 million in the six months ended June 28, 2008 and June 30, 2007, respectively, were reclassified from accumulated other comprehensive income into earnings. During the twelve month period ending June 27, 2009, the Company expects to reclassify into earnings net gains of approximately $13.8 million recorded in accumulated other comprehensive income. Such gains will be reclassified at the time the underlying hedged transactions are realized. During the three and six months ended June 28, 2008 and June 30, 2007, amounts recognized in the accompanying condensed consolidated statements of income related to changes in the fair value of cash flow and fair value hedges excluded from the effectiveness assessments and the ineffective portion of changes in the fair value of cash flow and fair value hedges were not material.

Non-U.S. dollar financing transactions — The Company designated its Euro-denominated senior notes (Note 7, “Long-Term Debt”) as a net investment hedge of long-term investments in its Euro-functional subsidiaries. As of June 28, 2008, the amount recorded in accumulated other comprehensive income related to the effective portion of the net investment hedge of foreign operations was approximately negative $160.6 million. Although the Euro-denominated senior notes were repaid on April 1, 2008, this amount will be included in accumulated other comprehensive income until the Company liquidates its related investment in its designated foreign operations.

Fair Value Measurements

The Financial Accounting Standards Board (“FASB”) issued SFAS No. 157, “Fair Value Measurements.” This statement defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. The Company adopted the provisions of SFAS No. 157 for its financial assets and liabilities and certain nonfinancial assets and liabilities that are measured and/or disclosed at fair value on a recurring basis as of January 1, 2008. The provisions of SFAS No. 157 are effective for nonfinancial assets and liabilities that are measured and/or disclosed at fair value on a nonrecurring basis in the fiscal year beginning after November 15, 2008.

SFAS No. 157 clarifies that fair value is an exit price, defined as a market-based measurement that represents the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Fair value measurements are based on one or more of the following three valuation techniques noted in SFAS No. 157:

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

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

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

SFAS No. 157 prioritizes the inputs and assumptions used in the valuation techniques described above into a three-tier fair value hierarchy as follows:

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

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

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

Fair value measurements and the related valuation techniques and fair value hierarchy level for the Company’s assets and liabilities measured or disclosed at fair value on a recurring basis as of June 28, 2008, are shown below (in millions):

	Frequency	Asset (Liability)	Valuation Technique	Level 1	Level 2	Level 3
Derivative instruments	Recurring	$ 4.5	Market/Income	$ —	$ 4.5	$ —

(18) Accounting Pronouncements

Fair Value Option

The FASB issued SFAS No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities – including an amendment of FASB Statement No. 115." This statement provides entities with the option to measure eligible financial instruments and certain other items at fair value that are not currently required to be measured at fair value. The provisions of this statement are effective as of the beginning of the first fiscal year beginning after November 15, 2007. The Company did not apply the provisions of SFAS No. 159 to any of its existing financial assets or liabilities.

Business Combinations and Noncontrolling Interests

The FASB issued SFAS No. 141 (revised 2007), "Business Combinations." This statement significantly changes the financial accounting for and reporting of business combination transactions. The provisions of this statement are to be applied prospectively to business combination transactions in the first annual reporting period beginning on or after December 15, 2008. The Company will evaluate the impact of this statement on future business combinations.

The FASB issued SFAS No. 160, "Noncontrolling Interests in Consolidated Financial Statements – an amendment of ARB No. 51." SFAS No. 160 establishes accounting and reporting standards for noncontrolling interests in subsidiaries. This statement requires the reporting of all noncontrolling interests as a separate component of stockholders' equity, the reporting of consolidated net income as the amount attributable to both the parent and the noncontrolling interests and the separate disclosure of net income attributable to the parent and to the noncontrolling interests. In addition, this statement provides accounting and reporting guidance related to changes in noncontrolling ownership interests. With the exception of the reporting requirements described above which require retrospective application, the provisions of SFAS No. 160 are to be applied prospectively in the first annual reporting period beginning on or after December 15, 2008. As of June 28, 2008 and December 31, 2007, noncontrolling interests of $35.2 million and $26.8 million, respectively, are recorded in other long-term liabilities in the accompanying condensed consolidated balance sheets. Net income attributable to noncontrolling interests of $6.5 million and $10.5 million in the three and six months ended June 28, 2008, respectively, and $7.2 million and $17.3 million in the three and six months ended June 30, 2007, respectively, are recorded in other expense, net in the accompanying condensed consolidated statements of income.

Derivative Instruments and Hedging Activities

The FASB issued SFAS No. 161, "Disclosures about Derivative Instruments and Hedging Activities – an amendment of FASB Statement No. 133." SFAS No. 161 requires enhanced disclosures regarding (a) how and why an entity uses derivative instruments, (b) how derivative instruments and related hedged items are accounted for under SFAS No. 133 and its related interpretations and (c) how derivative instruments and related hedged items affect an entity's financial position, performance and cash flows. The provisions of this statement are effective for the fiscal year and interim periods beginning after November 15, 2008. The Company is currently evaluating the provisions of this statement.

Hierarchy of Generally Accepted Accounting Principles

The FASB issued SFAS No. 162, "The Hierarchy of Generally Accepted Accounting Principles." SFAS No. 162 identifies the sources of accounting principles and the framework for selecting the accounting principles to be used in the preparation of financial statements presented in conformity with generally accepted accounting principles in the United States. This statement is effective sixty days after approval by the Securities and Exchange Commission. The Company does not expect the effects of adoption to be significant.

(19) Supplemental Guarantor Condensed Consolidating Financial Statements

	June 28, 2008				
	Parent	Guarantors	Non-guarantors	Eliminations	Consolidated
	(Unaudited; in millions)				
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents	$ 205.6	$ 4.5	$ 413.4	$ —	$ 623.5
Accounts receivable	16.2	261.5	2,177.0	—	2,454.7
Inventories	10.4	104.4	576.2	—	691.0
Other	58.4	53.0	327.0	—	438.4
Total current assets	290.6	423.4	3,493.6	—	4,207.6
LONG-TERM ASSETS:					
Property, plant and equipment, net	155.4	200.6	1,037.9	—	1,393.9
Goodwill, net	454.5	551.1	1,078.7	—	2,084.3
Investments in subsidiaries	4,436.8	3,919.7	—	(8,356.5)	—
Other	238.3	41.0	382.5	—	661.8
Total long-term assets	5,285.0	4,712.4	2,499.1	(8,356.5)	4,140.0
	$ 5,575.6	$ 5,135.8	$ 5,992.7	$ (8,356.5)	$ 8,347.6
LIABILITIES AND STOCKHOLDERS' EQUITY					
CURRENT LIABILITIES:					
Short-term borrowings	$ —	$ 2.0	$ 28.1	$ —	$ 30.1
Accounts payable and drafts	97.3	267.5	2,215.1	—	2,579.9
Accrued liabilities	211.8	199.7	904.9	—	1,316.4
Current portion of long-term debt	47.4	—	6.5	—	53.9
Total current liabilities	356.5	469.2	3,154.6	—	3,980.3
LONG-TERM LIABILITIES:					
Long-term debt	2,289.5	—	12.7	—	2,302.2
Intercompany accounts, net	1,520.4	823.0	(2,343.4)	—	—
Other	108.9	79.3	576.6	—	764.8
Total long-term liabilities	3,918.8	902.3	(1,754.1)	—	3,067.0
STOCKHOLDERS' EQUITY	1,300.3	3,764.3	4,592.2	(8,356.5)	1,300.3
	$ 5,575.6	$ 5,135.8	$ 5,992.7	$ (8,356.5)	$ 8,347.6

(19) Supplemental Guarantor Condensed Consolidating Financial Statements – (continued)

	December 31, 2007				
	Parent	Guarantors	Non-guarantors	Eliminations	Consolidated
			(In millions)		
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents	$ 189.9	$ 6.1	$ 405.3	$ —	$ 601.3
Accounts receivable	10.0	229.8	1,907.8	—	2,147.6
Inventories	11.7	104.8	489.0	—	605.5
Other	67.4	36.3	259.9	—	363.6
Total current assets	279.0	377.0	3,062.0	—	3,718.0
LONG-TERM ASSETS:					
Property, plant and equipment, net	170.5	220.5	1,001.7	—	1,392.7
Goodwill, net	454.5	551.2	1,048.3	—	2,054.0
Investments in subsidiaries	4,558.7	3,702.2	—	(8,260.9)	—
Other	240.1	17.3	378.3	—	635.7
Total long-term assets	5,423.8	4,491.2	2,428.3	(8,260.9)	4,082.4
	$ 5,702.8	$ 4,868.2	$ 5,490.3	$ (8,260.9)	$ 7,800.4
LIABILITIES AND STOCKHOLDERS' EQUITY					
CURRENT LIABILITIES:					
Short-term borrowings	$ —	$ 2.1	$ 11.8	$ —	$ 13.9
Accounts payable and drafts	117.3	291.7	1,854.8	—	2,263.8
Accrued liabilities	202.3	219.1	808.7	—	1,230.1
Current portion of long-term debt	87.0	—	9.1	—	96.1
Total current liabilities	406.6	512.9	2,684.4	—	3,603.9
LONG-TERM LIABILITIES:					
Long-term debt	2,331.0	—	13.6	—	2,344.6
Intercompany accounts, net	1,751.8	(7.1)	(1,744.7)	—	—
Other	122.7	124.7	513.8	—	761.2
Total long-term liabilities	4,205.5	117.6	(1,217.3)	—	3,105.8
STOCKHOLDERS' EQUITY	1,090.7	4,237.7	4,023.2	(8,260.9)	1,090.7
	$ 5,702.8	$ 4,868.2	$ 5,490.3	$ (8,260.9)	$ 7,800.4

(19) Supplemental Guarantor Condensed Consolidating Financial Statements – (continued)

	For the Three Months Ended June 28, 2008				
	Parent	Guarantors	Non-guarantors	Eliminations	Consolidated
	(Unaudited; in millions)				
Net sales	$ 125.4	$ 933.3	$ 3,957.2	$ (1,036.9)	$ 3,979.0
Cost of sales	152.9	918.4	3,683.5	(1,036.9)	3,717.9
Selling, general and administrative expenses	43.3	7.2	105.1	—	155.6
Interest (income) expense	42.3	10.5	(7.2)	—	45.6
Intercompany (income) expense, net	(45.9)	1.3	44.6	—	—
Other (income) expense, net	1.5	(4.2)	6.8	—	4.1
Income (loss) before income taxes and equity in net income of subsidiaries	(68.7)	0.1	124.4	—	55.8
Provision for income taxes	—	1.8	35.7	—	37.5
Equity in net income of subsidiaries	(87.0)	(71.5)	—	158.5	—
Net income	$ 18.3	$ 69.8	$ 88.7	$ (158.5)	$ 18.3

	For the Three Months Ended June 30, 2007				
	Parent	Guarantors	Non-guarantors	Eliminations	Consolidated
	(Unaudited; in millions)				
Net sales	$ 276.5	$ 1,317.6	$ 3,655.0	$ (1,093.8)	$ 4,155.3
Cost of sales	265.3	1,261.0	3,385.2	(1,093.8)	3,817.7
Selling, general and administrative expenses	49.3	15.8	77.7	—	142.8
Divestiture of Interior business	0.1	—	(0.8)	—	(0.7)
Interest (income) expense	25.2	30.0	(3.9)	—	51.3
Intercompany (income) expense, net	(19.0)	(1.8)	20.8	—	—
Other (income) expense, net	(5.0)	10.3	(5.0)	—	0.3
Income (loss) before income taxes and equity in net income of subsidiaries	(39.4)	2.3	181.0	—	143.9
Provision for income taxes	1.2	—	19.1	—	20.3
Equity in net income of subsidiaries	(164.2)	(56.2)	—	220.4	—
Net income	$ 123.6	$ 58.5	$ 161.9	$ (220.4)	$ 123.6

(19) Supplemental Guarantor Condensed Consolidating Financial Statements – (continued)

	For the Six Months Ended June 28, 2008				
	Parent	Guarantors	Non-guarantors	Eliminations	Consolidated
	(Unaudited; in millions)				
Net sales	$ 275.9	$ 1,963.1	$ 7,640.9	$ (2,043.3)	$ 7,836.6
Cost of sales	316.8	1,897.3	7,108.6	(2,043.3)	7,279.4
Selling, general and administrative expenses	77.0	14.1	197.7	—	288.8
Interest (income) expense	70.1	39.3	(16.4)	—	93.0
Intercompany (income) expense, net	(125.7)	6.7	119.0	—	—
Other expense, net	0.6	7.3	2.2	—	10.1
Income (loss) before income taxes and equity in net income of subsidiaries	(62.9)	(1.6)	229.8	—	165.3
Provision for income taxes	—	1.9	66.9	—	68.8
Equity in net income of subsidiaries	(159.4)	(135.3)	—	294.7	—
Net income	$ 96.5	$ 131.8	$ 162.9	$ (294.7)	$ 96.5

	For the Six Months Ended June 30, 2007				
	Parent	Guarantors	Non-guarantors	Eliminations	Consolidated
	(Unaudited; in millions)				
Net sales	$ 564.8	$ 2,843.1	$ 7,269.7	$ (2,116.2)	$ 8,561.4
Cost of sales	557.8	2,766.1	6,705.2	(2,116.2)	7,912.9
Selling, general and administrative expenses	84.0	29.2	156.1	—	269.3
Divestiture of Interior business	(17.1)	28.2	13.8	—	24.9
Interest (income) expense	47.0	58.3	(2.5)	—	102.8
Intercompany (income) expense, net	(98.6)	15.0	83.6	—	—
Other (income) expense, net	(3.0)	20.3	8.0	—	25.3
Income (loss) before income taxes and equity in net income of subsidiaries	(5.3)	(74.0)	305.5	—	226.2
Provision (benefit) for income taxes	1.2	(9.8)	61.3	—	52.7
Equity in net income of subsidiaries	(180.0)	(92.5)	—	272.5	—
Net income	$ 173.5	$ 28.3	$ 244.2	$ (272.5)	$ 173.5

(19) Supplemental Guarantor Condensed Consolidating Financial Statements – (continued)

	For the Six Months Ended June 28, 2008				
	Parent	Guarantors	Non-guarantors	Eliminations	Consolidated
	(Unaudited; in millions)				
Net cash provided by (used in) operating activities	$ (39.1)	$ (111.6)	$ 344.9	$ —	$ 194.2
Cash Flows from Investing Activities:					
Additions to property, plant and equipment	(2.5)	(10.8)	(82.2)	—	(95.5)
Other, net	1.1	(14.7)	23.7	—	10.1
Net cash used in investing activities	(1.4)	(25.5)	(58.5)	—	(85.4)
Cash Flows from Financing Activities:					
Repayment of senior notes	(87.0)	—	—	—	(87.0)
Other long-term debt repayments, net	(0.1)	—	(4.3)	—	(4.4)
Short-term debt repayments, net	—	(0.1)	(0.9)	—	(1.0)
Repurchase of common stock	(1.6)	—	—	—	(1.6)
Increase (decrease) in drafts	(3.6)	0.5	(0.7)	—	(3.8)
Change in intercompany accounts	148.5	143.5	(292.0)	—	—
Net cash provided by (used in) financing activities	56.2	143.9	(297.9)	—	(97.8)
Effect of foreign currency translation	—	(8.4)	19.6	—	11.2
Net Change in Cash and Cash Equivalents	15.7	(1.6)	8.1	—	22.2
Cash and Cash Equivalents as of Beginning of Period	189.9	6.1	405.3	—	601.3
Cash and Cash Equivalents as of End of Period	$ 205.6	$ 4.5	$ 413.4	$ —	$ 623.5

	For the Six Months Ended June 30, 2007				
	Parent	Guarantors	Non-guarantors	Eliminations	Consolidated
	(Unaudited; in millions)				
Net cash provided by (used in) operating activities	$ (43.0)	$ (48.7)	$ 339.2	$ —	$ 247.5
Cash Flows from Investing Activities:					
Additions to property, plant and equipment	(3.4)	(25.3)	(39.6)	—	(68.3)
Divestiture of Interior business	(14.8)	(12.9)	(28.2)	—	(55.9)
Other, net	1.1	0.3	(31.5)	—	(30.1)
Net cash used in investing activities	(17.1)	(37.9)	(99.3)	—	(154.3)
Cash Flows from Financing Activities:					
Primary credit facility repayments, net	(3.0)	—	—	—	(3.0)
Other long-term debt repayments, net	(2.8)	—	(4.8)	—	(7.6)
Short-term debt borrowings (repayments), net	—	0.7	(13.7)	—	(13.0)
Proceeds from exercise of stock options	6.7	—	—	—	6.7
Decrease in drafts	(0.5)	(1.4)	(8.6)	—	(10.5)
Change in intercompany accounts	97.3	88.0	(185.3)	—	—
Net cash provided by (used in) financing activities	97.7	87.3	(212.4)	—	(27.4)
Effect of foreign currency translation	—	(0.4)	(2.9)	—	(3.3)
Net Change in Cash and Cash Equivalents	37.6	0.3	24.6		62.5
Cash and Cash Equivalents as of Beginning of Period	195.8	4.0	302.9	—	502.7
Cash and Cash Equivalents as of End of Period	$ 233.4	$ 4.3	$ 327.5	$ —	$ 565.2

(19) Supplemental Guarantor Condensed Consolidating Financial Statements – (continued)

Basis of Presentation — Certain of the Company's wholly-owned subsidiaries (the "Guarantors") have unconditionally fully guaranteed, on a joint and several basis, the punctual payment when due, whether at stated maturity, by acceleration or otherwise, of all of the Company's obligations under the amended primary credit facility and the indentures governing the Company's senior notes, including the Company's obligations to pay principal, premium, if any, and interest with respect to the senior notes. The senior notes consist of $300 million aggregate principal amount of 8.50% senior notes due 2013, $600 million aggregate principal amount of 8.75% senior notes due 2016, $399.5 million aggregate principal amount of 5.75% senior notes due 2014, $41.4 million aggregate principal amount of 8.11% senior notes due 2009 and $0.8 million aggregate principal amount of zero-coupon convertible senior notes due 2022. The Company repaid its previously outstanding €55.6 million aggregate principal amount of senior notes on April 1, 2008, the maturity date. Additionally, the Company issued an irrevocable call notice to redeem, on August 4, 2008, $41.4 million aggregate principal amount of 8.11% senior notes due 2009. The Guarantors under the indentures are currently Lear Automotive Dearborn, Inc., Lear Automotive (EEDS) Spain S.L., Lear Corporation EEDS and Interiors, Lear Corporation (Germany) Ltd., Lear Corporation Mexico, S. de R.L. de C.V., Lear Operations Corporation and Lear Seating Holdings Corp. #50. In lieu of providing separate financial statements for the Guarantors, the Company has included the supplemental guarantor condensed consolidating financial statements above. These financial statements reflect the guarantors listed above for all periods presented. Management does not believe that separate financial statements of the Guarantors are material to investors. Therefore, separate financial statements and other disclosures concerning the Guarantors are not presented.

As of December 31, 2007 and for the three and six months ended June 30, 2007, the supplemental guarantor condensed consolidating financial statements have been restated to reflect certain changes to the equity investments of guarantor subsidiaries.

Distributions — There are no significant restrictions on the ability of the Guarantors to make distributions to the Company.

Selling, General and Administrative Expenses — The Parent allocated $5.1 million and $0.8 million in the three months ended June 28, 2008 and June 30, 2007, respectively, and $13.0 million and $9.1 million in the six months ended June 28, 2008 and June 30, 2007, respectively, of corporate selling, general and administrative expenses to its operating subsidiaries. The allocations were based on various factors, which estimate usage of particular corporate functions, and in certain instances, other relevant factors, such as the revenues or the number of employees of the Company's subsidiaries.

Long-term debt of the Parent and the Guarantors — A summary of long-term debt of the Parent and the Guarantors on a combined basis is shown below (in millions):

	June 28, 2008	December 31, 2007
Primary credit facility	$ 991.0	$ 991.0
Senior notes	1,341.7	1,422.6
Other long-term debt	4.2	4.4
	2,336.9	2,418.0
Less — current portion	(47.4)	(87.0)
	$ 2,289.5	$ 2,331.0

The obligations of foreign subsidiary borrowers under the amended primary credit facility are guaranteed by the Parent.

For more information on the above indebtedness, see Note 7, "Long-Term Debt."

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

EXECUTIVE OVERVIEW

We were incorporated in Delaware in 1987 and are one of the world's largest automotive suppliers based on sales. We supply every major automotive manufacturer in the world, including General Motors, Ford, BMW, Fiat, Chrysler, PSA, Volkswagen, Hyundai, Renault-Nissan, Daimler, Mazda, Toyota, Porsche and Honda.

We supply automotive manufacturers with complete automotive seat and electrical distribution systems and select electronic products. Our strategy is to continue to strengthen our market position in seating globally, to leverage our competency in electrical distribution systems and electronic components and to achieve increased scale and global capabilities in our core products. Historically, we also supplied automotive interior components and systems, including instrument panels and cockpit systems, headliners and overhead systems, door panels and flooring and acoustic systems. We have divested substantially all of the assets of this segment to joint ventures in which we hold a minority interest.

Interior Segment

In 2007, we completed the transfer of substantially all of the assets of our North American interior business (as well as our interests in two China joint ventures) to International Automotive Components Group North America, Inc. ("IAC") (the "IAC North America Transaction"). In connection with the IAC North America Transaction, we recorded a loss on divestiture of approximately $612 million, of which approximately $5 million was recognized in 2007 ($21 million recognized in the first six months of 2007) and $607 million was recognized in the fourth quarter of 2006. We also recognized additional costs related to the IAC North America Transaction of approximately $10 million, which are recorded in cost of sales and selling, general and administrative expenses in the accompanying condensed consolidated statement of income for the six months ended June 30, 2007.

In 2006, we completed the contribution of substantially all of our European interior business to International Automotive Components Group, LLC ("IAC Europe"), a separate joint venture with affiliates of WL Ross and Franklin, in exchange for an approximately one-third equity interest in IAC Europe (the "IAC Europe Transaction"). In connection with the IAC Europe Transaction, we recorded a loss on divestiture of approximately $35 million, of which approximately $6 million was recognized in 2007 ($4 million recognized in the first six months of 2007) and $29 million was recognized in 2006.

For further information related to the divestiture of our interior business, see Note 2, "Divestiture of Interior Business," to the accompanying condensed consolidated financial statements.

Industry Overview

Demand for our products is directly related to automotive vehicle production. Automotive sales and production can be affected by general economic or industry conditions, labor relations issues, fuel prices, regulatory requirements, trade agreements and other factors. Our operating results are also significantly impacted by what is referred to in this section as "vehicle platform mix"; that is, the overall commercial success of the vehicle platforms for which we supply particular products, as well as our relative profitability on these platforms. In addition, it is possible that customers could elect to manufacture components internally that are currently produced by external suppliers, such as Lear. A significant loss of business with respect to any vehicle model for which we are a significant supplier, or a decrease in the production levels of any such models, could have a material adverse impact on our future operating results. In this regard, a continuation of the shift in consumer purchasing patterns from certain of our key light truck and SUV platforms toward passenger cars, crossover vehicles or other vehicle platforms where we generally have substantially less content will adversely affect our future operating results. In addition, our two largest customers, General Motors and Ford, accounted for approximately 42% of our net sales in 2007, excluding net sales to Saab, Volvo, Jaguar and Land Rover, which were affiliates of General Motors or Ford. The automotive operations of both General Motors and Ford experienced significant operating losses throughout 2007 and the first half of 2008, and both automakers are continuing to restructure their North American operations, which could have a material impact on our future operating results.

Automotive industry conditions in North America and Europe continue to be challenging. In North America, the industry is characterized by significant overcapacity, fierce competition and declining sales. In Europe, the market structure is more fragmented with significant overcapacity. We expect these challenging industry conditions to continue in the foreseeable future. During the first six months of 2008, North American production levels declined by approximately 12% from the comparable period in 2007, and production levels on several of our key platforms declined more significantly. This was due in part to a strike at a major automotive supplier. The strike affected numerous assembly plants at General Motors, including those that produce full-size pickup trucks and large SUVs, key programs for Lear. The strike and weak demand for full-size pickup trucks and large SUVs lowered production volumes in North America and adversely impacted our operating results during the first six months of 2008. The strike also adversely impacted our suppliers on affected programs, many of which were already experiencing financial distress as a result of unfavorable industry conditions in North America. The strike settled in the second quarter of 2008.

Historically, the majority of our sales and operating profit has been derived from the U.S.-based automotive manufacturers in North America and, to a lesser extent, automotive manufacturers in Western Europe. These customers have experienced declines in market share in their traditional markets. In addition, a disproportionate share of our net sales and profitability in North America has been on light truck and large SUV platforms of the domestic automakers, which are experiencing significant competitive pressures. As discussed below, our ability to maintain and improve our financial performance in the future will depend, in part, on our ability to significantly increase our penetration of Asian automotive manufacturers worldwide and leverage our existing North American and European customer base geographically and across both product lines.

Our customers require us to reduce costs and, at the same time, assume significant responsibility for the design, development and engineering of our products. Our profitability is largely dependent on our ability to achieve product cost reductions through restructuring actions, manufacturing efficiencies, product design enhancement and supply chain management. We also seek to enhance our profitability by investing in technology, design capabilities and new product initiatives that respond to the needs of our customers and consumers. We continually evaluate operational and strategic alternatives to align our business with the changing needs of our customers, improve our business structure and lower the operating costs of our company.

Our material cost as a percentage of net sales was 69.1% in the first six months of 2008 as compared to 68.0% in 2007 and 68.8% in 2006. Raw material, energy and commodity costs have increased significantly over the past several years. Unfavorable industry conditions have also resulted in financial distress within our supply base and an increase in commercial disputes and the risk of supply disruption. We have developed and implemented strategies to mitigate or partially offset the impact of higher raw material, energy and commodity costs, which include cost reduction actions, the utilization of our cost technology optimization process, the selective in-sourcing of components, the continued consolidation of our supply base, longer-term purchase commitments and the acceleration of low-cost country sourcing and engineering. However, due to the magnitude and duration of the increased raw material, energy and commodity costs, these strategies, together with commercial negotiations with our customers and suppliers, offset only a portion of the adverse impact. In addition, higher crude oil prices indirectly impact our operating results by adversely affecting demand for certain of our key light truck and large SUV platforms. Energy costs and the prices of several of our key raw materials have increased substantially. In particular, in the second quarter of 2008, hot rolled steel average prices increased 64%, copper average prices increased 10% and crude oil average prices increased 91% from the comparable period in 2007 in North America. These recent increases are likely to have an adverse impact on our operating results in the foreseeable future. See "– Forward-Looking Statements" and Item 1A, "Risk Factors – High raw material costs may continue to have a significant adverse impact on our profitability," in our Annual Report on Form 10-K/A for the year ended December 31, 2007.

Outlook

In evaluating our financial condition and operating performance, we focus primarily on earnings growth and cash flows, as well as return on investment on a consolidated basis. In addition to maintaining and expanding our business with our existing customers in our more established markets, we have increased our emphasis on expanding our business in the Asian market (including sourcing activity in Asia) and with Asian automotive manufacturers worldwide. The Asian market presents growth opportunities, as automotive manufacturers expand production in this market to meet increasing demand. We currently have twelve joint ventures in China and several other joint ventures dedicated to serving Asian automotive manufacturers. We will continue to seek ways to expand our business in the Asian market and with Asian automotive manufacturers worldwide. In addition, we have improved our low-cost country manufacturing capabilities through expansion in Asia, Eastern Europe, Africa, Central America and Mexico.

Our success in generating cash flow will depend, in part, on our ability to efficiently manage working capital. Working capital can be significantly impacted by the timing of cash flows from sales and purchases. Historically, we have generally been successful in aligning our vendor payment terms with our customer payment terms. However, our ability to continue to do so may be adversely impacted by the unfavorable financial results of our suppliers and adverse industry conditions, as well as our financial results. In addition, our cash flow is impacted by our ability to efficiently manage our capital spending. We utilize return on investment as a measure of the efficiency with which assets are deployed to increase earnings. Improvements in our return on investment will depend on our ability to maintain an appropriate asset base for our business and to increase productivity and operating efficiency.

Restructuring

In 2005, we implemented a comprehensive restructuring strategy intended to (i) better align our manufacturing capacity with the changing needs of our customers, (ii) eliminate excess capacity and lower our operating costs and (iii) streamline our organizational structure and reposition our business for improved long-term profitability. In connection with these restructuring actions, we incurred pretax restructuring costs of approximately $351 million and related manufacturing inefficiency charges of approximately $35 million through 2007.

In 2008, we expect to incur restructuring and related manufacturing inefficiency costs of approximately $140 million. In light of current industry conditions and recent customer announcements in North America, we expect restructuring and related investments in 2009 to be consistent with those in 2008. In connection with our prior restructuring actions and current activities, we recorded restructuring charges of approximately $72 million and related manufacturing inefficiency charges of approximately $10 million in the first six months of 2008.

Other Matters

In the first quarter of 2007, we recognized a curtailment gain of $36 million related to our decision to freeze our U.S. salaried pension plan, as well as a loss of $4 million related to the acquisition of the minority interest in an affiliate. In addition, we recognized $12 million in costs related to an Agreement and Plan of Merger, as amended (the “AREP merger agreement”), with AREP Car Holdings Corp. and AREP Car Acquisition Corp., which was subsequently terminated in the third quarter of 2007. In the second quarter of 2007, we recognized a one-time tax benefit of $13 million related to a reversal of a valuation allowance in a European subsidiary. For further information regarding the AREP merger agreement, please see Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Merger Agreement,” in our Annual Report on Form 10-K/A for the year ended December 31, 2007.

As discussed above, our results for the first six months of 2008 and 2007 reflect the following items (in millions):

	Three months ended		**Six months ended**	
	June 28, 2008	**June 30, 2007**	**June 28, 2008**	**June 30, 2007**
Costs related to divestiture of Interior business	$ —	$ 1	$ —	$ 35
Costs related to restructuring actions, including manufacturing inefficiencies of $7 million and $10 million in the three and six months ended June 28, 2008, respectively, and $3 million and $5 million in the three and six months ended June 30, 2007, respectively	58	35	82	51
U.S. salaried pension plan curtailment gain	—	—	—	(36)
Costs related to merger transaction	—	2	—	12
Loss on joint venture transaction	—	—	—	4
Tax benefit	—	(13)	—	(13)

For further information regarding these items, see “— Restructuring” and Note 2, “Divestiture of Interior Business,” Note 3, “Restructuring Activities,” Note 8, “Pension and Other Postretirement Benefit Plans,” and Note 10, “Other Expense, Net,” to the accompanying condensed consolidated financial statements.

This section includes forward-looking statements that are subject to risks and uncertainties. For further information regarding other factors that have had, or may have in the future, a significant impact on our business, financial condition or results of operations, see “— Forward-Looking Statements” and Item 1A, “Risk Factors,” in our Annual Report on Form 10-K/A for the year ended December 31, 2007.

RESULTS OF OPERATIONS

A summary of our operating results as a percentage of net sales is shown below (dollar amounts in millions):

	Three Months Ended				Six Months Ended			
	June 28, 2008		June 30, 2007		June 28, 2008		June 30, 2007	
Net sales								
Seating	$ 3,141.2	78.9%	$ 3,264.5	78.6%	$ 6,177.3	78.8%	$ 6,258.7	73.1%
Electrical and electronic	837.8	21.1	825.1	19.8	1,659.3	21.2	1,613.8	18.9
Interior	—	—	65.7	1.6	—	—	688.9	8.0
Net sales	3,979.0	100.0	4,155.3	100.0	7,836.6	100.0	8,561.4	100.0
Gross profit	261.1	6.6	337.6	8.1	557.2	7.1	648.5	7.6
Selling, general and administrative expenses	155.6	3.9	142.8	3.4	288.8	3.7	269.3	3.1
Divestiture of Interior business	—	—	(0.7)	—	—	—	24.9	0.3
Interest expense	45.6	1.2	51.3	1.2	93.0	1.2	102.8	1.2
Other expense, net	4.1	0.1	0.3	—	10.1	0.1	25.3	0.3
Provision for income taxes	37.5	0.9	20.3	0.5	68.8	0.9	52.7	0.7
Net income	$ 18.3	0.5%	$ 123.6	3.0%	$ 96.5	1.2%	$ 173.5	2.0%

Three Months Ended June 28, 2008 vs. Three Months Ended June 30, 2007

Net sales in the second quarter of 2008 were $4.0 billion as compared to $4.2 billion in the second quarter of 2007, a decrease of $176 million or 4.2%. Lower industry production volumes, due in part to the American Axle strike, and unfavorable vehicle platform mix in North America, slightly offset by favorable production in other regions, negatively impacted net sales by $489 million. This decrease was partially offset by the impact of net foreign exchange rate fluctuations, which increased net sales by $314 million.

Gross profit and gross margin were $261 million and 6.6% in the quarter ended June 28, 2008, as compared to $338 million and 8.1% in the quarter ended June 30, 2007. The net impact of lower industry production volumes, including volume declines and associated costs and inefficiencies related to the American Axle strike, as well as unfavorable vehicle platform mix, reduced gross profit by $149 million. This decrease was partially offset by the benefit of our productivity and restructuring actions and the recovery of previously-incurred program-related engineering costs.

Selling, general and administrative expenses, including research and development, were $156 million in the three months ended June 28, 2008, as compared to $143 million in the three months ended June 30, 2007. As a percentage of net sales, selling, general and administrative expenses were 3.9% in the second quarter of 2008 and 3.4% in the second quarter of 2007. The increase in selling, general and administrative expenses was primarily due to the impact of net foreign exchange rate fluctuations. An increase in product development costs related to our sales backlog and infrastructure costs in emerging markets was largely offset by favorable cost performance in other markets.

Interest expense was $46 million in the second quarter of 2008 as compared to $51 million in the second quarter of 2007. This decrease was primarily due to lower borrowing costs and lower borrowing levels in the second quarter of 2008.

Other expense, which includes non-income related taxes, foreign exchange gains and losses, discounts and expenses associated with our asset-backed securitization and factoring facilities, gains and losses related to derivative instruments and hedging activities, minority interests in consolidated subsidiaries, equity in net income of affiliates, gains and losses on the sales of assets and other miscellaneous income and expense, was $4 million in the second quarter of 2008 as compared to less than $1 million in the second quarter of 2007. The increase in other expense was primarily due to an increase in foreign exchange losses and a decrease in equity in net income of affiliates, which were partially offset by a decrease in miscellaneous expense.

The provision for income taxes was $38 million for the second quarter of 2008, representing an effective tax rate of 67.2% on pretax income of $56 million, as compared to $20 million for the second quarter of 2007, representing an effective tax rate of 14.1% on pretax income of $144 million. The provision for income taxes in the second quarter of 2008 was impacted by a portion of our restructuring charges, for which no tax benefit was provided as the charges were incurred in certain countries for which no tax benefit is likely to be realized due to a history of operating losses in those countries. Excluding these items, the effective tax rate in the second quarter of 2008 approximated the U.S. federal statutory income tax rate of 35% adjusted for income taxes on foreign earnings, losses and remittances, foreign and U.S. valuation allowances, tax credits, income tax incentives and other permanent items. The provision for income taxes in the second quarter of 2007 was impacted by a portion of our restructuring charges, for which no tax benefit was provided as the charges were incurred in certain countries for which no tax benefit is likely to be realized due to a history of operating losses in those countries. This was offset by the impact of a one-time tax benefit of $13 million related to a reversal of a valuation allowance in a European subsidiary. Further, our current and future provision for income taxes is significantly impacted by the initial recognition of and changes in valuation allowances in certain countries, particularly the United States. We intend to maintain these allowances until it is more likely than not that the deferred tax assets will be realized. Our future income tax expense will include no tax benefit with respect to losses incurred and no tax expense with respect to income generated in these countries until the respective valuation allowance is eliminated. Accordingly, income taxes are impacted by the U.S. and foreign valuation allowances and the mix of earnings among jurisdictions.

Net income in the second quarter of 2008 was $18 million, or $0.23 per diluted share, as compared to $124 million, or $1.58 per diluted share, in the second quarter of 2007, for the reasons described above.

Reportable Operating Segments

Historically, we have had three reportable operating segments: seating, which includes seat systems and the components thereof; electrical and electronic, which includes electrical distribution systems and electronic products, primarily wire harnesses, junction boxes, terminals and connectors and various electronic control modules, as well as audio sound systems and in-vehicle television and video entertainment systems; and interior, which has been divested and included instrument panels and cockpit systems, headliners and overhead systems, door panels, flooring and acoustic systems and other interior products. For further information related to our interior business, see Note 2, “Divestiture of Interior Business,” to the accompanying condensed consolidated financial statements. The financial information presented below is for our three reportable operating segments and our other category for the periods presented. The other category includes unallocated costs related to corporate headquarters, geographic headquarters and the elimination of intercompany activities, none of which meets the requirements of being classified as an operating segment. Corporate and geographic headquarters costs include various support functions, such as information technology, purchasing, corporate finance, legal, executive administration and human resources. Financial measures regarding each segment’s income before divestiture of Interior business, interest expense, other expense and provision for income taxes (“segment earnings”) and segment earnings divided by net sales (“margin”) are not measures of performance under accounting principles generally accepted in the United States (“GAAP”). Segment earnings and the related margin are used by management to evaluate the performance of our reportable operating segments. Segment earnings should not be considered in isolation or as a substitute for net income, net cash provided by operating activities or other income statement or cash flow statement data prepared in accordance with GAAP or as measures of profitability or liquidity. In addition, segment earnings, as we determine it, may not be comparable to related or similarly titled measures reported by other companies. For a reconciliation of consolidated segment earnings to consolidated income before provision for income taxes, see Note 16, “Segment Reporting,” to the accompanying condensed consolidated financial statements.

Seating

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

	Three months ended	
	June 28, 2008	**June 30, 2007**
Net sales	$ 3,141.2	$ 3,264.5
Segment earnings (1)	130.0	238.8
Margin	4.1%	7.3%

(1) See definition above.

Seating net sales were $3.1 billion in the second quarter of 2008 as compared to $3.3 billion in the second quarter of 2007. Lower industry production volumes, due in part to the American Axle strike, and unfavorable vehicle platform mix in North America, slightly offset by favorable production in other regions, negatively impacted net sales by $419 million. This decrease was partially offset by the impact of net foreign exchange rate fluctuations, which increased net sales by $232 million. Segment earnings and the related margin on net sales were $130 million and 4.1% in the second quarter of 2008 as compared to $239 million and 7.3% in the second quarter of 2007. The decline in segment earnings was largely due to the net impact of lower industry production volumes, including volume declines and associated costs and inefficiencies related to the American Axle strike, and unfavorable vehicle platform mix, which negatively impacted segment earnings by $130 million. This decrease was partially offset by the benefit of our productivity and restructuring actions. In addition, in the second quarter of 2008, we incurred costs related to our restructuring actions of $43 million as compared $12 million in the second quarter of 2007.

Electrical and electronic

A summary of financial measures for our electrical and electronic segment is shown below (dollar amounts in millions):

	Three months ended	
	June 28, 2008	June 30, 2007
Net sales	$ 837.8	$ 825.1
Segment earnings (1)	31.2	23.5
Margin	3.7%	2.8%

(1) See definition above.

Electrical and electronic net sales were $838 million in the second quarter of 2008 as compared to $825 million in the second quarter of 2007. The impact of net foreign exchange rate fluctuations and the benefit of new business outside of North America favorably impacted net sales by $82 million and $20 million, respectively. These increases were largely offset by lower industry production volumes and net selling price reductions. Segment earnings and the related margin on net sales were $31 million and 3.7% in the second quarter of 2008 as compared to $24 million and 2.8% in the second quarter of 2007. The improvement in segment earnings was largely due to a decrease in costs related to our restructuring actions, from $15 million in the second quarter of 2007 to $9 million in the current quarter. The benefit of our productivity and restructuring actions, as well as the recovery of previously-incurred program-related engineering costs, were largely offset by net selling price reductions and lower industry production volumes.

Interior

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

	Three months ended	
	June 28, 2008	June 30, 2007
Net sales	$ —	$ 65.7
Segment earnings (1)	—	(0.6)
Margin	—%	(0.9)%

(1) See definition above.

We substantially completed the divestiture of our interior business in the first quarter of 2007. See “– Executive Overview” for further information.

Other

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

	Three months ended	
	June 28, 2008	June 30, 2007
Net sales	$ —	$ —
Segment earnings (1)	(55.7)	(66.9)
Margin	N/A	N/A

(1) See definition above.

Our other category includes unallocated corporate and geographic headquarters costs, as well as the elimination of intercompany activity. Corporate and geographic headquarters costs include various support functions, such as information technology, purchasing, corporate finance, legal, executive administration and human resources. Segment earnings related to our other category were ($56) million in the second quarter of 2008 as compared to ($67) million in the second quarter of 2007. In the second quarter of 2007, we incurred transaction costs of $2 million related to the AREP merger agreement and costs of $2 million related to the divestiture of our interior business.

Six Months Ended June 28, 2008 vs. Six Months Ended June 30, 2007

Net sales in the first six months of 2008 were $7.8 billion as compared to $8.6 billion in the first six months of 2007, a decrease of $725 million or 8.5%. Lower industry production volumes, due in part to the American Axle strike, and unfavorable vehicle platform mix, particularly in North America, as well as the divestiture of our interior business, negatively impacted net sales by $787 million and $656 million, respectively. These decreases were partially offset by the impact of net foreign exchange rate fluctuations, which increased net sales by $599 million.

Gross profit and gross margin were $557 million and 7.1% in the six months ended June 28, 2008, as compared to $649 million and 7.6% in the six months ended June 30, 2007. Lower industry production volumes, including volume declines and associated costs and inefficiencies related to the American Axle strike, as well as unfavorable vehicle platform mix in North America reduced gross profit by $236 million. This decrease was partially offset by the benefit of our productivity and restructuring actions, as well as the timing of commercial settlements and the recovery of previously-incurred program-related engineering costs.

Selling, general and administrative expenses, including research and development, were $289 million in the first six months of 2008, as compared to $269 million in the first six months of 2007. As a percentage of net sales, selling, general and administrative expenses were 3.7% in the first half of 2008 and 3.1% in the first half of 2007. The increase in selling, general and administrative expenses was primarily due to a curtailment gain of $36 million recognized in the first quarter of 2007 related to our decision to freeze our U.S. salaried pension plan, as well as the impact of net foreign exchange rate fluctuations. These increases were partially offset by the divestiture of our interior business and transaction costs related to the AREP merger agreement in the first half of 2007, as well as favorable cost performance in the first half of 2008.

Interest expense was $93 million in the six months ended June 28, 2008, as compared to $103 million in the six months ended June 30, 2007. This decrease was primarily due to lower borrowing costs and lower borrowing levels in the first half of 2008.

Other expense, which includes non-income related taxes, foreign exchange gains and losses, discounts and expenses associated with our asset-backed securitization and factoring facilities, gains and losses related to derivative instruments and hedging activities, minority interests in consolidated subsidiaries, equity in net income of affiliates, gains and losses on the sales of assets and other miscellaneous income and expense, was $10 million in the first six months of 2008 as compared to $25 million in the first six months of 2007. The decrease in other expense was primarily due to a decrease in miscellaneous expense, as well as an increase in gains related to derivative instruments and hedging activities, which were partially offset by an increase in foreign exchange losses. In addition, we recognized a loss of $4 million related to the acquisition of the minority interest in an affiliate in the first quarter of 2007.

The provision for income taxes was $69 million for the first half of 2008, representing an effective tax rate of 41.6% on pretax income of $165 million, as compared to $53 million for the first half of 2007, representing an effective tax rate of 23.3% on pretax income of $226 million. The provision for income taxes in the first half of 2008 was impacted by a portion of our restructuring charges, for which no tax benefit was provided as the charges were incurred in certain countries for which no tax benefit is likely to be realized due to a history of operating losses in those countries. Excluding these items, the effective tax rate in the first half of 2008 approximated the U.S. federal statutory income tax rate of 35% adjusted for income taxes on foreign earnings, losses and remittances, foreign and U.S. valuation allowances, tax credits, income tax incentives and other permanent items. The provision for income taxes in the first half of 2007 was impacted by costs of $35 million related to the divestiture of our interior business, a significant portion of which provided no tax benefit as they were incurred in the United States. The provision was also impacted by a portion of our restructuring charges and costs related to the AREP merger agreement, for which no tax benefit was provided as the charges were incurred in certain countries for which no tax benefit is likely to be realized due to a history of operating losses in those countries. This was offset by the impact of the U.S. salaried pension plan curtailment gain of $36 million, for which no tax expense was provided as it was incurred in the United States, and the impact of a one-time tax benefit of $13 million related to a reversal of a valuation allowance in a European subsidiary. Further, our current and future provision for income taxes is significantly impacted by the initial recognition of and changes in valuation allowances in certain countries, particularly the United States. We intend to maintain these allowances until it is more likely than not that the deferred tax assets will be realized. Our future income tax expense will include no tax benefit with respect to losses incurred and no tax expense with respect to income generated in these countries until the respective valuation allowance is eliminated. Accordingly, income taxes are impacted by the U.S. and foreign valuation allowances and the mix of earnings among jurisdictions.

Net income in the first six months of 2008 was $97 million, or $1.23 per diluted share, as compared to $174 million, or $2.22 per diluted share, in the first six months of 2007, for the reasons described above.

Reportable Operating Segments

Historically, we have had three reportable operating segments: seating, which includes seat systems and the components thereof; electrical and electronic, which includes electrical distribution systems and electronic products, primarily wire harnesses, junction boxes, terminals and connectors and various electronic control modules, as well as audio sound systems and in-vehicle television and video entertainment systems; and interior, which has been divested and included instrument panels and cockpit systems, headliners and overhead systems, door panels, flooring and acoustic systems and other interior products. For further information related to our interior business, see Note 2, "Divestiture of Interior Business," to the accompanying condensed consolidated financial statements. The financial information presented below is for our three reportable operating segments and our other category for the periods presented. The other category includes unallocated costs related to corporate headquarters, geographic headquarters and the elimination of intercompany activities, none of which meets the requirements of being classified as an operating segment. Corporate and geographic headquarters costs include various support functions, such as information technology, purchasing, corporate finance, legal, executive administration and human resources. Financial measures regarding each segment's income before divestiture of Interior business, interest expense, other expense and provision for income taxes ("segment earnings") and segment earnings divided by net sales ("margin") are not measures of performance under accounting principles generally accepted in the United States ("GAAP"). Segment earnings and the related margin are used by management to evaluate the performance of our reportable operating segments. Segment earnings should not be considered in isolation or as a substitute for net income, net cash provided by operating activities or other income statement or cash flow statement data prepared in accordance with GAAP or as measures of profitability or liquidity. In addition, segment earnings, as we determine it, may not be comparable to related or similarly titled measures reported by other companies. For a reconciliation of consolidated segment earnings to consolidated income before provision for income taxes, see Note 16, "Segment Reporting," to the accompanying condensed consolidated financial statements.

<u>Seating</u>

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

	Six months ended	
	June 28, 2008	**June 30, 2007**
Net sales	$ 6,177.3	$ 6,258.7
Segment earnings	313.3	435.9
Margin	5.1%	7.0%

Seating net sales were $6.2 billion in the first half of 2008 as compared to $6.3 billion in the first half of 2007. Lower industry production volumes, due in part to the American Axle strike, and unfavorable vehicle platform mix, particularly in North America, negatively impacted net sales by $683 million. The impact of net foreign exchange rate fluctuations and the benefit of new business, primarily outside of North America, favorably impacted net sales by $449 million and $126 million, respectively. Segment earnings and the related margin on net sales were $313 million and 5.1% in the first half of 2008 as compared to $436 million and 7.0% in the first half of 2007. The decline in segment earnings was largely due to lower industry production volumes, including volume declines and associated costs and inefficiencies related to the American Axle strike, and unfavorable vehicle platform mix in North America, which negatively impacted segment earnings by $210 million. This decrease was largely offset by the benefit of our productivity and restructuring actions and the timing of commercial settlements. In addition, in the first half of 2008, we incurred costs related to our restructuring actions of $57 million as compared to $7 million in the first half of 2007.

<u>Electrical and Electronic</u>

A summary of financial measures for our electrical and electronic segment is shown below (dollar amounts in millions):

	Six months ended	
	June 28, 2008	**June 30, 2007**
Net sales	$ 1,659.3	$ 1,613.8
Segment earnings	66.5	41.0
Margin	4.0%	2.5%

Electrical and electronic net sales were $1.7 billion in the first half of 2008 as compared to $1.6 billion in the first half of 2007. The impact of net foreign exchange rate fluctuations and the benefit of new business outside of North America favorably impacted net sales by $150 million and $34 million, respectively. These increases were largely offset by lower industry production volumes and net selling price reductions. Segment earnings and the related margin on net sales were $66 million and 4.0% in the first half of 2008 as

compared to $41 million and 2.5% in the first half of 2007. The improvement in segment earnings was largely due to the benefit of our productivity and restructuring actions, as well as the recovery of previously-incurred program-related engineering costs and the net impact of legal and commercial claims, partially offset by net selling price reductions and lower industry production volumes. In addition, in the first half of 2008, we incurred costs related to our restructuring actions of $19 million as compared to $35 million in the first half of 2007.

Interior

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

	Six months ended	
	June 28, 2008	June 30, 2007
Net sales	$ —	$ 688.9
Segment earnings	—	8.2
Margin	—%	1.2%

We substantially completed the divestiture of our interior business in the first quarter of 2007. See "– Executive Overview" for further information

Other

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

	Six months ended	
	June 28, 2008	June 30, 2007
Net sales	$ —	$ —
Segment earnings	(111.4)	(105.9)
Margin	N/A	N/A

Our other category includes unallocated corporate and geographic headquarters costs, as well as the elimination of intercompany activity. Corporate and geographic headquarters costs include various support functions, such as information technology, purchasing, corporate finance, legal, executive administration and human resources. Segment earnings related to our other category were ($111) million in the first six months of 2008 as compared to ($106) million in the first six months of 2007. In the six months of 2007, we recognized a curtailment gain of $36 million related to our decision to freeze our U.S. salaried pension plan, which was partially offset by transaction costs of $12 million related to the AREP merger agreement and costs of $8 million related to the divestiture of our interior business.

RESTRUCTURING

In 2005, we implemented a comprehensive restructuring strategy intended to (i) better align our manufacturing capacity with the changing needs of our customers, (ii) eliminate excess capacity and lower our operating costs and (iii) streamline our organizational structure and reposition our business for improved long-term profitability. In connection with these restructuring actions, we incurred pretax restructuring costs of approximately $351 million and related manufacturing inefficiency charges of approximately $35 million through 2007.

In 2008, we expect to incur restructuring and related manufacturing inefficiency costs of approximately $140 million. In light of current industry conditions and recent customer announcements in North America, we expect restructuring and related investments in 2009 to be consistent with those in 2008. Restructuring and related manufacturing inefficiency costs include employee termination benefits, asset impairment charges and contract termination costs, as well as other incremental costs resulting from the restructuring actions. These incremental costs principally include equipment and personnel relocation costs. We also expect to incur incremental manufacturing inefficiency costs at the operating locations impacted by the restructuring actions during the related restructuring implementation period. Restructuring costs are recognized in our consolidated financial statements in accordance with accounting principles generally accepted in the United States. Generally, charges are recorded as elements of the restructuring strategy are finalized. Actual costs recorded in our condensed consolidated financial statements may vary from current estimates.

In connection with our prior restructuring actions and current activities, we recorded restructuring charges of approximately $72 million and related manufacturing inefficiency charges of approximately $10 million in the first six months of 2008, including $71 million recorded as cost of sales and $11 million recorded as selling, general and administrative expenses. Restructuring activities resulted in cash expenditures of $83 million in the first six months of 2008. The 2008 charges consist of employee termination benefits of $58 million, fixed asset impairment charges of $3 million, contract termination costs of $1 million and other related costs of $10 million. We also estimate that we incurred approximately $10 million in manufacturing inefficiency costs during this period as a result of the restructuring. Employee termination benefits were recorded based on existing union and employee contracts, statutory requirements and completed negotiations. Asset impairment charges relate to the disposal of machinery and equipment with carrying values of $3 million in excess of related estimated fair values. Contract termination costs include lease cancellation costs of $1 million, pension benefit curtailment charges of $1 million, a reduction in previously recorded repayments of various government-sponsored grants of ($2) million and various other costs of $1 million.

LIQUIDITY AND CAPITAL RESOURCES

Our primary liquidity needs are to fund capital expenditures, service indebtedness and support working capital requirements. In addition, approximately 90% of the costs associated with our current restructuring strategy are expected to require cash expenditures. Our principal sources of liquidity are cash flows from operating activities and borrowings under available credit facilities. A substantial portion of our operating income is generated by our subsidiaries. As a result, we are dependent on the earnings and cash flows of and the combination of dividends, royalties and other distributions and advances from our subsidiaries to provide the funds necessary to meet our obligations. There are no significant restrictions on the ability of our subsidiaries to pay dividends or make other distributions to Lear. For further information regarding potential dividends from our non-U.S. subsidiaries, see Note 10, “Income Taxes,” to the consolidated financial statements included in our Annual Report on Form 10-K/A for the year ended December 31, 2007.

Cash Flow

Cash provided by operating activities was $194 million in the first six months of 2008 as compared to $248 million in the first six months of 2007. This decrease primarily reflects lower earnings. In addition, the net change in working capital and the net change in recoverable customer engineering and tooling resulted in a decrease in operating cash flow between periods of $48 million and $26 million, respectively. These decreases were partially offset by the net change in sold accounts receivable, which increased operating cash flow between periods by $107 million. In the first six months of 2008, increases in accounts receivable and accounts payable used cash of $273 million and generated cash of $162 million, respectively, reflecting the timing of payments received from our customers and made to our suppliers.

Cash used in investing activities was $85 million in the first six months of 2008 as compared to $154 million in the first six months of 2007. In the first quarter of 2008, we received cash of $9 million as settlement of a purchase price contingency related to our acquisition of GHW Grote and Hartmann GmbH in 2004. In the first quarter of 2007, we had cash outflows in connection with the divestiture of our interior business and joint venture transactions of $56 million and $18 million, respectively. These reductions in cash outflows were partially offset by an increase in capital expenditures of $27 million. Capital expenditures in 2008 are estimated at $230 million to $250 million.

Cash used in financing activities was $98 million in the first six months of 2008 as compared to $27 million in the first six months of 2007. This increase primarily reflects the repayment of our €56 million aggregate principal amount of senior notes on April 1, 2008, the maturity date.

Capitalization

In addition to cash provided by operating activities, we utilize a combination of available credit facilities to fund our capital expenditures and working capital requirements. For the six months ended June 28, 2008 and June 30, 2007, our average outstanding long-term debt balance, as of the end of each fiscal quarter, was $2.4 billion and $2.5 billion, respectively. The weighted average long-term interest rate, including rates under our committed credit facility and the effect of hedging activities, was 7.5% and 7.6% for the respective periods.

In addition, we utilize uncommitted lines of credit as needed for our short-term working capital fluctuations. For the six months ended June 28, 2008 and June 30, 2007, our average outstanding short-term debt balance, as of the end of each fiscal quarter, was $19 million and $20 million, respectively. The weighted average short-term interest rate on our unsecured short-term debt balances, including the effect of hedging activities, was 7.0% and 4.6%, respectively. The availability of uncommitted lines of credit may be affected by our financial performance, credit ratings and other factors. See “— Off-Balance Sheet Arrangements” and “— Accounts Receivable Factoring.”

Primary Credit Facility

As of June 28, 2008, our primary credit facility consisted of an amended and restated credit and guarantee agreement, which provided for maximum revolving borrowing commitments of $1.7 billion and a term loan facility of $1.0 billion. The $1.7 billion revolving credit facility matured on March 23, 2010, and the $1.0 billion term loan facility matured on April 25, 2012. As of June 28, 2008, we had $991 million in borrowings outstanding under our term loan facility, with no additional availability. As of June 28, 2008, there were no amounts outstanding under the revolving credit facility and $61 million committed under outstanding letters of credit.

On July 3, 2008, we amended our primary credit facility ("amended primary credit facility") to, among other things, extend certain of the revolving credit commitments thereunder from March 23, 2010 to January 31, 2012. The extension was offered to each revolving lender, and lenders consenting to the amendment had their revolving credit commitments reduced by 33.33% on July 11, 2008. After giving effect to the amendment, we had outstanding approximately $1.3 billion of revolving credit commitments, $468 million of which mature on March 23, 2010 and $822 million of which mature on January 31, 2012. The amendment had no effect on our term loan facility issued under the prior primary credit facility, which continues to have a maturity date of April 25, 2012. The amended primary credit facility provides for multicurrency borrowings in a maximum aggregate amount of $400 million, Canadian borrowings in a maximum aggregate amount of $100 million and swing-line borrowings in a maximum aggregate amount of $200 million, the commitments for which are part of the aggregate amended revolving credit facility commitment.

Our obligations under the amended primary credit facility are secured by a pledge of all or a portion of the capital stock of certain of our subsidiaries, including substantially all of our first-tier subsidiaries, and are partially secured by a security interest in our assets and the assets of certain of our domestic subsidiaries. In addition, our obligations under the amended primary credit facility are guaranteed, on a joint and several basis, by certain of our subsidiaries, all of which are directly or indirectly 100% owned by Lear.

The amended primary credit facility contains certain affirmative and negative covenants, including (i) limitations on fundamental changes involving us or our subsidiaries, asset sales and restricted payments, (ii) a limitation on indebtedness with a maturity shorter than the term loan facility, (iii) a limitation on aggregate subsidiary indebtedness to an amount which is no more than 5% of consolidated total assets, (iv) a limitation on aggregate secured indebtedness to an amount which is no more than $100 million and (v) requirements that we maintain a leverage ratio of not more than 3.50 to 1, as of June 28, 2008, with decreases over time and an interest coverage ratio of not less than 2.75 to 1, as of June 28, 2008, with increases over time. The amended primary credit facility also contains customary events of default, including an event of default triggered by a change of control of Lear. For further information related to our amended primary credit facility described above, including the operating and financial covenants to which we are subject and related definitions, see the agreement governing our amended primary credit facility, which has been included as an exhibit to this Report.

The leverage and interest coverage ratios, as well as the related components of their computation, are defined in the amended primary credit facility, which is included as an exhibit to this Report. The leverage ratio is calculated as the ratio of consolidated indebtedness to consolidated operating profit. For the purpose of the covenant calculation, (i) consolidated indebtedness is generally defined as reported debt, net of cash and cash equivalents and excludes transactions related to our asset-backed securitization and factoring facilities and (ii) consolidated operating profit is generally defined as net income excluding income taxes, interest expense, depreciation and amortization expense, other income and expense, minority interests in income of subsidiaries in excess of net equity earnings in affiliates, certain historical restructuring and other non-recurring charges, extraordinary gains and losses and other specified non-cash items. Consolidated operating profit is a non-GAAP financial measure that is presented not as a measure of operating results, but rather as a measure used to determine covenant compliance under our amended primary credit facility. The interest coverage ratio is calculated as the ratio of consolidated operating profit to consolidated interest expense. For the purpose of the covenant calculation, consolidated interest expense is generally defined as interest expense plus any discounts or expenses related to our asset-backed securitization facility less amortization of deferred financing fees and interest income. As of June 28, 2008, we were in compliance with all covenants set forth in the amended primary credit facility and in our prior primary credit facility. Our leverage and interest coverage ratios were 2.1 to 1 and 4.8 to 1, respectively. These ratios are calculated on a trailing four quarter basis. As a result, any decline in our future operating results will negatively impact our leverage and interest coverage ratios. Our failure to comply with these financial covenants could have a material adverse effect on our liquidity and operations.

Reconciliations of (i) consolidated indebtedness to reported debt, (ii) consolidated operating profit to income before provision for income taxes and (iii) consolidated interest expense to reported interest expense are shown below (in millions):

	June 28, 2008
Consolidated indebtedness	$1,762.7
Cash and cash equivalents (subject to $700 million limitation)	623.5
Reported debt	$2,386.2

	Three Months Ended June 28, 2008	Six Months Ended June 28, 2008
Consolidated operating profit	$ 189.1	$ 434.4
Depreciation and amortization	(77.4)	(151.9)
Consolidated interest expense	(42.2)	(86.4)
Other expense, net (excluding certain amounts related to asset-backed securitization facility)	(4.0)	(9.8)
Other non-cash items	(9.7)	(21.0)
Income before provision for income taxes	$ 55.8	$ 165.3
Consolidated interest expense	$ 42.2	$ 86.4
Certain amounts related to asset-backed securitization facility	(0.1)	(0.3)
Amortization of deferred financing fees	2.1	4.3
Bank facility and other fees	1.4	2.6
Reported interest expense	$ 45.6	$ 93.0

Senior Notes

In addition to borrowings outstanding under our amended primary credit facility, as of June 28, 2008, we had $1.3 billion of senior notes outstanding, consisting primarily of $300 million aggregate principal amount of senior notes due 2013, $600 million aggregate principal amount of senior notes due 2016, $399 million aggregate principal amount of senior notes due 2014, $1 million accreted value of zero-coupon convertible senior notes due 2022 and $41 million aggregate principal amount of senior notes due 2009 (the “2009 notes”). We repaid €56 million aggregate principal amount of senior notes on April 1, 2008, the maturity date.

In connection with the amendment of our primary credit facility discussed above, we issued an irrevocable call notice to redeem our outstanding 2009 notes (having an aggregate principal amount outstanding of $41 million as of June 28, 2008) on August 4, 2008. The 2009 notes must be redeemed at the greater of (a) 100% of the principal amount to be redeemed or (b) the sum of the present value of the remaining scheduled payments of principal and interest thereon from the redemption date to the maturity date, discounted to the redemption date on a semiannual basis at the applicable treasury rate plus 50 basis points, together with any interest accrued but not yet paid to the redemption date. We estimate a loss on the extinguishment of the 2009 notes of approximately $2 million, which will be recognized in other expense, net in the third quarter of 2008.

All of our senior notes are guaranteed by the same subsidiaries that guarantee our amended primary credit facility. In the event that any such subsidiary ceases to be a guarantor under the amended primary credit facility, such subsidiary will be released as a guarantor of the senior notes. Our obligations under the senior notes are not secured by the pledge of the assets or capital stock of any of our subsidiaries.

With the exception of our zero-coupon convertible senior notes, our senior notes contain covenants restricting our ability to incur liens and to enter into sale and leaseback transactions. As of June 28, 2008, we were in compliance with all covenants and other requirements set forth in our senior notes.

The senior notes due 2013 and 2016 (having an aggregate principal amount outstanding of $900 million as of June 28, 2008) provide holders of the notes the right to require us to repurchase all or any part of their notes at a purchase price equal to 101% of the principal amount, plus accrued and unpaid interest, upon a “change of control” (as defined in the indenture governing the notes). The indentures governing our other senior notes do not contain a change of control repurchase obligation.

Scheduled cash interest payments on our outstanding debt are approximately $90 million in the last six months of 2008.

For further information related to our senior notes described above, see Note 9, "Long-Term Debt," to the consolidated financial statements included in our Annual Report on Form 10-K/A for the year ended December 31, 2007.

Off-Balance Sheet Arrangements

Asset-Backed Securitization Facility

Prior to April 30, 2008, we had in place an asset-backed securitization facility (the "ABS facility"), which provided for maximum purchases of adjusted accounts receivable of $150 million. The ABS facility expired on April 30, 2008, and we did not elect to renew the existing facility. There were no accounts receivable sold under this facility in 2008.

Guarantees and Commitments

We guarantee certain of the debt of some of our unconsolidated affiliates. The percentages of debt guaranteed of these entities are based on our ownership percentages. As of June 28, 2008, the aggregate amount of debt guaranteed was approximately $9 million.

Accounts Receivable Factoring

Certain of our European and Asian subsidiaries periodically factor their accounts receivable with financial institutions. Such receivables are factored without recourse to us and are excluded from accounts receivable in the accompanying condensed consolidated balance sheets. In the second quarter of 2008, certain of our European subsidiaries entered into extended factoring agreements which provide for aggregate purchases of specified customer accounts receivable of up to €315 million through Aril 30, 2011. The level of funding utilized under this European factoring facility is based on the credit ratings of each specified customer. In addition, the facility provider can elect to discontinue the facility in the event that our corporate credit rating declines below B- by Standard & Poor's Ratings Services. As of June 28, 2008 and December 31, 2007, the amount of factored receivables was $227 million and $104 million, respectively. We cannot provide any assurances that these factoring facilities will be available or utilized in the future.

Credit Ratings

The credit ratings below are not recommendations to buy, sell or hold our securities and are subject to revision or withdrawal at any time by the assigning rating organization. Each rating should be evaluated independently of any other rating.

The credit ratings of our senior secured and unsecured debt as of the date of this Report are shown below. For our senior secured debt, the ratings of Standard & Poor's Ratings Services and Moody's Investors Service are three and five levels below investment grade, respectively. For our senior unsecured debt, the ratings of Standard & Poor's Ratings Services and Moody's Investors Service are four and six levels below investment grade, respectively.

	Standard & Poor's Ratings Services	Moody's Investors Service
Credit rating of senior secured debt	BB–	B2
Corporate rating	B+	B2
Credit rating of senior unsecured debt	B+	B3
Ratings outlook	Stable	Stable

Common Stock Repurchase Program

In February 2008, our Board of Directors authorized a common stock repurchase program, which modified our previous common stock repurchase program, approved in November 2007, to permit the repurchase of up to 3,000,000 shares of our common stock through February 14, 2010. We expect to fund the share repurchases through a combination of cash on hand, future cash flows from operations and borrowings under available credit facilities. Share repurchases under this program may be made through open market purchases, privately negotiated transactions, block trades or other available methods. The timing and actual number of shares repurchased will depend on a variety of factors, including price, alternative uses of capital, corporate and regulatory requirements and market conditions. The common stock repurchase program may be suspended or discontinued at any time. See "— Forward-Looking Statements." In the first half of 2008, we repurchased 61,700 shares of our outstanding common stock at an average purchase price of $25.43 per share, excluding commissions of $0.03 per share, under this program. As of June 28, 2008, 2,784,042 shares of common stock were available for repurchase under the common stock repurchase program. Subsequent to June 28, 2008, we repurchased an additional 197,500 shares of our outstanding common stock at an average purchase price of $13.29 per share, excluding commissions of $0.03 per share, under this program. As of the date of this Report, 2,586,542 shares of common stock were available for repurchase under the common stock repurchase program.

Adequacy of Liquidity Sources

We believe that cash flows from operations and availability under our available credit facilities will be sufficient to meet our liquidity needs, including capital expenditures and anticipated working capital requirements, for the foreseeable future. Our cash flows from operations, borrowing availability and overall liquidity are subject to risks and uncertainties. See "— Executive Overview" above, "— Forward-Looking Statements" below and Item 1A, "Risk Factors," in our Annual Report on Form 10-K/A for the year ended December 31, 2007.

Market Rate Sensitivity

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

Foreign Exchange

Operating results may be impacted by our buying, selling and financing in currencies other than the functional currency of our operating companies ("transactional exposure"). We mitigate this risk by entering into forward foreign exchange, futures and option contracts. The foreign exchange contracts are executed with banks that we believe are creditworthy. Gains and losses related to foreign exchange contracts are deferred where appropriate and included in the measurement of the foreign currency transaction subject to the hedge. Gains and losses incurred related to foreign exchange contracts are generally offset by the direct effects of currency movements on the underlying transactions.

Our most significant foreign currency transactional exposures relate to the Mexican peso and various European currencies. We have performed a quantitative analysis of our overall currency rate exposure as of June 28, 2008. The potential adverse earnings impact related to net transactional exposures from a hypothetical 10% strengthening of the U.S. dollar relative to all other currencies for a twelve-month period is approximately $8 million. The potential adverse earnings impact related to net transactional exposures from a similar strengthening of the Euro relative to all other currencies for a twelve-month period is approximately $14 million.

As of June 28, 2008, foreign exchange contracts representing $395 million of notional amount were outstanding with maturities of less than six months. As of June 28, 2008, the fair market value of these contracts was approximately $22 million. A 10% change in the value of the U.S. dollar relative to all other currencies would result in a $16 million change in the aggregate fair market value of these contracts. A 10% change in the value of the Euro relative to all other currencies would result in a $14 million change in the aggregate fair market value of these contracts.

There are certain shortcomings inherent in the sensitivity analysis presented. The analysis assumes that all currencies would uniformly strengthen or weaken relative to the U.S. dollar or Euro. In reality, some currencies may strengthen while others may weaken, causing the earnings impact to increase or decrease depending on the currency and the direction of the rate movement.

In addition to the transactional exposure described above, our operating results are impacted by the translation of our foreign operating income into U.S. dollars ("translation exposure"). In 2007, net sales outside of the United States accounted for 72% of our consolidated net sales, although certain non-U.S. sales are U.S. dollar denominated. We do not enter into foreign exchange contracts to mitigate this exposure.

Interest Rates

Our exposure to variable interest rates on outstanding variable rate debt instruments indexed to United States or European Monetary Union short-term money market rates is partially managed by the use of interest rate swap and other derivative contracts. These contracts convert certain variable rate debt obligations to fixed rate, matching effective and maturity dates to specific debt instruments. From time to time, we also utilize interest rate swap and other derivative contracts to convert certain fixed rate debt obligations to variable rate, matching effective and maturity dates to specific debt instruments. All of our interest rate swap and other derivative contracts are executed with banks that we believe are creditworthy and are denominated in currencies that match the underlying debt instrument. Net interest payments or receipts from interest rate swap and other derivative contracts are included as adjustments to interest expense in our consolidated statements of income on an accrual basis.

We have performed a quantitative analysis of our overall interest rate exposure as of June 28, 2008. This analysis assumes an instantaneous 100 basis point parallel shift in interest rates at all points of the yield curve. The potential adverse earnings impact from this hypothetical increase for a twelve-month period is approximately $3 million.

As of June 28, 2008, interest rate swap and other derivative contracts representing $600 million of notional amount were outstanding with maturities through September 2011. All of these contracts are designated as cash flow hedges and modify the variable rate characteristics of our variable rate debt instruments. As of June 28, 2008, the fair market value of these contracts was approximately negative $21 million. The fair market value of all outstanding interest rate swap and other derivative contracts is subject to changes in value due to changes in interest rates. A 100 basis point parallel shift in interest rates would result in a $10 million change in the aggregate fair market value of these contracts.

Commodity Prices

We have commodity price risk with respect to purchases of certain raw materials, including steel, leather, resins, chemicals, copper and diesel fuel. Since the first quarter of 2007, energy costs and the prices of several of our key raw materials have increased substantially. In limited circumstances, we have used financial instruments to mitigate this risk.

We have developed and implemented strategies to mitigate or partially offset the impact of higher raw material, energy and commodity costs, which include cost reduction actions, the utilization of our cost technology optimization process, the selective in-sourcing of components, the continued consolidation of our supply base, longer-term purchase commitments and the acceleration of low-cost country sourcing and engineering. However, due to the magnitude and duration of the increased raw material, energy and commodity costs, these strategies, together with commercial negotiations with our customers and suppliers, offset only a portion of the adverse impact. In addition, higher crude oil prices indirectly impact our operating results by adversely affecting demand for certain of our key light truck and large SUV platforms. Higher energy and raw material prices are likely to have an adverse impact on our operating results in the foreseeable future. See "— Forward-Looking Statements" and Item 1A, "Risk Factors — High raw material costs may continue to have a significant adverse impact on our profitability" in our Annual Report on Form 10-K/A for the year ended December 31, 2007.

We use derivative instruments to reduce our exposure to fluctuations in certain commodity prices, including copper and natural gas. Commodity contracts are executed with banks that we believe are creditworthy. A portion of our derivative instruments are currently designated as cash flow hedges. As of June 28, 2008, commodity swap contracts representing $57 million of notional amount were outstanding with maturities of less than 18 months. As of June 28, 2008, the fair market value of these contracts was approximately $3 million. The potential adverse earnings impact from a 10% parallel worsening of the respective commodity curves for a twelve month period is approximately $6 million.

OTHER MATTERS

Legal and Environmental Matters

We are involved from time to time in various legal proceedings and claims, including, without limitation, commercial and contractual disputes, product liability claims and environmental and other matters. As of June 28, 2008, we had recorded reserves for pending legal disputes, including commercial disputes and other matters, of $34 million. Although these reserves were determined in accordance with Statement of Financial Accounting Standards ("SFAS") No. 5, "Accounting for Contingencies," the ultimate outcomes of these matters are inherently uncertain, and actual results may differ significantly from current estimates. As of June 28, 2008, we also had recorded reserves for product liability claims and environmental matters of $37 million and $3 million, respectively. For a more complete description of our outstanding legal proceedings, see Note 15, "Legal and Other Contingencies," to the accompanying condensed consolidated financial statements and Item 1A, "Risk Factors," in our Annual Report on Form 10-K/A for the year ended December 31, 2007.

Significant Accounting Policies and Critical Accounting Estimates

Certain of our accounting policies require management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are based on our historical experience, the terms of existing contracts, our evaluation of trends in the industry, information provided by our customers and suppliers and information available from other outside sources, as appropriate. However, they are subject to an inherent degree of uncertainty. As a result, actual results in these areas may differ significantly from our estimates. For a discussion of our significant accounting policies and critical accounting estimates, see Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Accounting Policies and Critical Accounting Estimates," and Note 2, "Summary of Significant Accounting Policies," to the consolidated financial statements included in our Annual Report on Form 10-K/A for the year ended December 31, 2007. There have been no significant changes in our significant accounting policies or critical accounting estimates during the first six months of 2008.

Recently Issued Accounting Pronouncements

Fair Value Measurements

The Financial Accounting Standards Board ("FASB") issued SFAS No. 157, "Fair Value Measurements." This statement defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. The provisions of this statement are generally to be applied prospectively in the fiscal year beginning January 1, 2008. With the exception of newly required disclosures, the effects of adoption were not significant. For further information, see Note 17, "Financial Instruments," to the accompanying condensed consolidated financial statements included in this Report.

The FASB issued SFAS No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities – including an amendment of FASB Statement No. 115." This statement provides entities with the option to measure eligible financial instruments and certain other items at fair value that are not currently required to be measured at fair value. The provisions of this statement are effective as of the beginning of the first fiscal year beginning after November 15, 2007. We did not apply the provisions of SFAS No. 159 to any of our existing financial assets or liabilities.

Pension and Other Postretirement Benefit Plans

SFAS No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans – an amendment of FASB Statements No. 87, 88, 106 and 132(R)," requires the measurement of defined benefit plan assets and liabilities as of the annual balance sheet date beginning in the fiscal period ending after December 15, 2008. In previous years, we measured our plan assets and liabilities using an early measurement date of September 30, as allowed by the original provisions of SFAS No. 87, "Employers' Accounting for Pensions," and SFAS No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions." In the first quarter of 2008, the required adjustment to recognize the net periodic benefit cost for the transition period from October 1, 2007 to December 31, 2007, was determined using the 15-month measurement approach. Under this approach, the net periodic benefit cost was determined for the period from October 1, 2007 to December 31, 2008, and the adjustment for the transition period was calculated on a pro-rata basis. We recorded an after-tax transition adjustment of $7 million as an increase to beginning retained deficit, $1 million as an increase to accumulated other comprehensive income and $6 million as an increase to the net pension and other postretirement liability related accounts in the accompanying condensed consolidated balance sheet as of January 1, 2008.

The Emerging Issues Task Force ("EITF") issued EITF Issue No. 06-4, "Accounting for Deferred Compensation and Postretirement Benefit Aspects of Endorsement Split-Dollar Life Insurance Arrangements." EITF 06-4 requires the recognition of a liability, in accordance with SFAS No. 106, for endorsement split-dollar life insurance arrangements that provide postretirement benefits. This EITF is effective for the fiscal period beginning after December 15, 2007. In accordance with the EITF's transition provisions, we recorded approximately $5 million as a cumulative effect of a change in accounting principle as of January 1, 2008. The cumulative effect adjustment was recorded as an increase to beginning retained deficit and an increase to other long-term liabilities in the accompanying condensed consolidated balance sheet as of January 1, 2008. In addition, we expect to record additional postretirement benefit expenses of less than $1 million in 2008 associated with the adoption of this EITF.

Business Combinations and Noncontrolling Interests

The FASB issued SFAS No. 141 (revised 2007), "Business Combinations." This statement significantly changes the financial accounting for and reporting of business combination transactions. The provisions of this statement are to be applied prospectively to business combination transactions in the first annual reporting period beginning on or after December 15, 2008. We will evaluate the impact of this statement on future business combinations.

The FASB issued SFAS No. 160, "Noncontrolling Interests in Consolidated Financial Statements – an amendment of ARB No. 51." SFAS No. 160 establishes accounting and reporting standards for noncontrolling interests in subsidiaries. This statement requires the reporting of all noncontrolling interests as a separate component of stockholders' equity, the reporting of consolidated net income as the amount attributable to both the parent and the noncontrolling interests and the separate disclosure of net income attributable to the parent and to the noncontrolling interests. In addition, this statement provides accounting and reporting guidance related to changes in noncontrolling ownership interests. With the exception of the reporting requirements described above which require retrospective application, the provisions of SFAS No. 160 are to be applied prospectively in the first annual reporting period beginning on or after December 15, 2008. As of June 28, 2008 and December 31, 2007, noncontrolling interests of $35 million and $27 million, respectively, are recorded in other long-term liabilities in the accompanying condensed consolidated balance sheets. Net income attributable to noncontrolling interests of $7 million and $11 million in the three and six months ended June 28, 2008, respectively, and $7 million and $17 million in the three and six months ended June 30, 2007, respectively, are recorded in other expense, net in the accompanying condensed consolidated statements of income.

Derivative Instruments and Hedging Activities

The FASB issued SFAS No. 161, "Disclosures about Derivative Instruments and Hedging Activities – an amendment of FASB Statement No. 133." SFAS No. 161 requires enhanced disclosures regarding (a) how and why an entity uses derivative instruments, (b) how derivative instruments and related hedged items are accounted for under SFAS No. 133 and its related interpretations and (c) how derivative instruments and related hedged items affect an entity's financial position, performance and cash flows. The provisions of this statement are effective for the fiscal year and interim periods beginning after November 15, 2008. We are currently evaluating the provisions of this statement.

Hierarchy of Generally Accepted Accounting Principles

The FASB issued SFAS No. 162, "The Hierarchy of Generally Accepted Accounting Principles." SFAS No. 162 identifies the sources of accounting principles and the framework for selecting the accounting principles to be used in the preparation of financial statements presented in conformity with generally accepted accounting principles in the United States. This statement is effective sixty days after approval by the Securities and Exchange Commission. We do not expect the effects of adoption to be significant.

Forward-Looking Statements

The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements made by us or on our behalf. The words "will," "may," "designed to," "outlook," "believes," "should," "anticipates," "plans," "expects," "intends," "estimates" and similar expressions identify these forward-looking statements. All statements contained or incorporated in this Report which address operating performance, events or developments that we expect or anticipate may occur in the future, including statements related to business opportunities, awarded sales contracts, sales backlog and on-going commercial arrangements or statements expressing views about future operating results, are forward-looking statements. Important factors, risks and uncertainties that may cause actual results to differ from those expressed in our forward-looking statements include, but are not limited to:

- general economic conditions in the markets in which we operate, including changes in interest rates or currency exchange rates;
- the financial condition of our customers or suppliers;
- changes in actual industry vehicle production levels from our current estimates;
- fluctuations in the production of vehicles for which we are a supplier;
- the loss of business with respect to, or the lack of commercial success of, a vehicle model for which we are a significant supplier, including declines in sales of full-size pickup trucks and large sport utility vehicles;
- disruptions in the relationships with our suppliers;
- labor disputes involving us or our significant customers or suppliers or that otherwise affect us;
- our ability to achieve cost reductions that offset or exceed customer-mandated selling price reductions;
- the outcome of customer productivity negotiations;
- the impact and timing of program launch costs;
- the costs, timing and success of restructuring actions;
- increases in our warranty or product liability costs;
- risks associated with conducting business in foreign countries;
- competitive conditions impacting our key customers and suppliers;
- the cost and availability of raw materials and energy;
- our ability to mitigate increases in raw material, energy and commodity costs;
- the outcome of legal or regulatory proceedings to which we are or may become a party;
- unanticipated changes in cash flow, including our ability to align our vendor payment terms with those of our customers;
- our ability to access capital markets on commercially reasonable terms; and
- other risks, described in Part II – Item 1A, "Risk Factors," in our Annual Report on Form 10-K/A for the year ended December 31, 2007, and from time to time in our other SEC filings.

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

ITEM 4 — CONTROLS AND PROCEDURES

(a) Disclosure Controls and Procedures

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

(b) Changes in Internal Controls over Financial Reporting

There was no change in the Company's internal control over financial reporting that occurred during the fiscal quarter ended June 28, 2008, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II — OTHER INFORMATION

ITEM 1 — LEGAL PROCEEDINGS

We are involved from time to time in various legal proceedings and claims, including, without limitation, commercial and contractual disputes, product liability claims and environmental and other matters. For a more complete description of our outstanding legal proceedings, see Note 15, "Legal and Other Contingencies," to the accompanying condensed consolidated financial statements and Item 1A, "Risk Factors," in our Annual Report on Form 10-K/A for the year ended December 31, 2007.

ITEM 1A — RISK FACTORS

There have been no material changes from the risk factors as previously disclosed in our Annual Report on Form 10-K/A for the year ended December 31, 2007.

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

As discussed in Part I – Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources – Capitalization – Common Stock Repurchase Program," in February 2008, our Board of Directors authorized a common stock repurchase program which modified our previous common stock repurchase program, approved in November 2007, to permit the repurchase of up to 3,000,000 shares of our common stock through February 14, 2010. The common stock repurchase program may be suspended or discontinued at any time. A summary of the shares of our common stock repurchased during the quarter ended June 28, 2008, is shown below:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet be Purchased Under the Program
March 30, 2008 through April 26, 2008	—	—	—	2,784,042
April 27, 2008 through May 24, 2008	—	—	—	2,784,042
May 25, 2008 through June 28, 2008	—	—	—	2,784,042
Total	—	—	—	2,784,042

ITEM 4 — SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

(a) The 2008 Annual Meeting of Stockholders of Lear Corporation was held on May 8, 2008. At the meeting, the following matters were submitted to a vote of the stockholders of Lear Corporation. There were no broker non-votes in matters (1) and (2) described below. An independent inspector of elections was engaged to tabulate stockholder votes.

(1) The election of three directors to hold office until the 2009 Annual Meeting of Stockholders. The vote with respect to each nominee was as follows:

Nominee	For	Withheld
Vincent J. Intrieri	57,738,512	10,452,140
Conrad L. Mallett, Jr.	39,383,994	28,806,657
Robert E. Rossiter	42,205,747	25,984,891

(2) The appointment of the firm Ernst & Young LLP as the Company’s independent registered public accounting firm for the year ending December 31, 2008.

For	Against	Abstain
67,814,783	321,302	54,565

(3) The approval of a stockholder proposal to adopt simple majority votes requirements in the Company’s Charter and By- laws.

For	Against	Abstain	Broker Non-Votes
56,271,891	7,503,823	54,416	4,360,521

ITEM 6 — EXHIBITS

The exhibits listed on the “Index to Exhibits” on page 49 are filed with this Form 10-Q or incorporated by reference as set forth below.

LEAR CORPORATION

SIGNATURES

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

LEAR CORPORATION

Dated: August 4, 2008	By: /s/ Robert E. Rossiter
	Robert E. Rossiter Chairman, Chief Executive Officer and President
	By: /s/ Matthew J. Simoncini
	Matthew J. Simoncini Senior Vice President and Chief Financial Officer

LEAR CORPORATION

Index to Exhibits

Exhibit Number	Exhibit
* 10.1	Cash-Settled Stock Appreciation Rights Terms and Conditions for James H. Vandenberghe (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated May 5, 2008).
10.2	Master Contract for the Regular Factoring of Claims á forfeit between Lear Corporation GmbH and Dresdner Bank Aktiengesellschaft in Frankfurt am Main, dated June 20, 2008 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated June 26, 2008).
10.3	Master Contract for the Regular Factoring of Claims á forfeit between Lear Corporation Austria GmbH and Dresdner Bank Aktiengesellschaft in Frankfurt am Main, dated June 20, 2008 (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K dated June 26, 2008).
10.4	Master Contract for the Regular Factoring of Claims á forfeit between Lear Automotive Services (Netherlands) B.V. and Dresdner Bank Aktiengesellschaft in Frankfurt am Main, dated June 20, 2008 (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K dated June 26, 2008).
**10.5	First Amendment, dated as of June 27, 2008, to the Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006, among Lear, certain subsidiaries of Lear, the several lenders from time to time parties thereto, the several agents parties thereto and JP Morgan Chase Bank, N.A., as general administrative agent.
** 31.1	Rule 13a-14(a)/15d-14(a) Certification of Principal Executive Officer.
** 31.2	Rule 13a-14(a)/15d-14(a) Certification of Principal Financial Officer.
** 32.1	Certification by Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
** 32.2	Certification by Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* Compensatory plan or arrangement.
** Filed herewith.

Exhibit 10.5

FIRST AMENDMENT

FIRST AMENDMENT, dated as of June 27, 2008 (this "Amendment"), to the Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006 (the "Existing Credit Agreement"), among LEAR CORPORATION, a Delaware corporation (the "U.S. Borrower"), certain Subsidiaries of LEAR CORPORATION, the several lenders from time to time parties hereto (the "Lenders"), the several agents parties thereto and JPMORGAN CHASE BANK, N.A., as general administrative agent (the "General Administrative Agent").

W I T N E S S E T H:

WHEREAS, certain lenders (the "Revolving Lenders") have made revolving credit commitments in an aggregate principal amount of $1,700,000,000 to the U.S. Borrower pursuant to the Existing Credit Agreement (the "U.S. Revolving Credit Facility") under which there is (i) a $750,000,000 multi-currency revolving credit subfacility (the "Multi-Currency Subfacility") and (ii) a $200,000,000 Canadian revolving credit subfacility (the "Canadian Subfacility"; together with the U.S. Revolving Credit Facility and the Multi-Currency Subfacility, the "Revolving Credit Facilities"); and

WHEREAS, the Borrower has requested, and the Required Refinancing Lenders (as defined below) and the General Administrative Agent have agreed, upon the terms and subject to the conditions set forth herein, that (a) certain Revolving Lenders (each, an "Extending Lender") will extend the final scheduled termination date of each of their respective Revolving Credit Commitments to January 31, 2012 and (b) the Existing Credit Agreement will be amended as set forth herein;

NOW, THEREFORE, the parties hereto hereby agree as follows:

SECTION 1. Defined Terms. Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Credit Agreement. As used in this Amendment (a) "Required Refinancing Lenders" means (i) the Majority Lenders (as defined in the Existing Credit Agreement) and (ii) each Extending Lender and (b) "Credit Agreement" means the Existing Credit Agreement as amended by this Amendment.

SECTION 2. Extended Revolving Credit Commitments. (a) Subject to the terms and conditions set forth herein, each Extending Lender agrees to extend the final scheduled termination date of each of its Revolving Credit Commitments to January 31, 2012.

(b) On the First Amendment Conversion Date (as defined below) (i) the U.S. Revolving Credit Commitments of each Extending Lender (or its lending affiliate) shall be reduced (the "Revolving Credit Commitment Reduction") by 33.33% (the "Relevant Percentage") of such Extending Lender's U.S. Revolving Credit Commitments immediately prior to the First Amendment Conversion Date, it being understood that the U.S. Borrower may separately agree with any Extending Lender to waive or reduce the Relevant Percentage for such Extending Lender only, (ii) the aggregate amount of the Multicurrency Commitments shall be reduced to $400,000,000, with the Multicurrency Commitment of each Multicurrency Lender being reduced ratably, it being understood that the U.S. Borrower may separately agree with any Multicurrency Lender to waive or reduce such reduction for such Multicurrency Lender only, and (iii) the aggregate amount of the Canadian Revolving Credit Commitments shall be reduced to $100,000,000, with the Canadian Revolving Credit Commitment of each Canadian Lender being reduced ratably, it being understood that the Canadian Borrower may separately agree with any Canadian Lender to waive or reduce such reduction for such Canadian Lender only. The Multi-Currency Subfacility and the Canadian Subfacility shall as of the First Amendment Conversion Date each be allocated to the Tranche A U.S. Revolving Credit Facility. In order to give effect to the allocation of the Multi-Currency Subfacility and the Canadian Subfacility to the Tranche A U.S. Revolving Credit Facility, references in applicable provisions of the Credit Agreement (including, without limitation, subsection 2.5(a), (b) and (d) of the Credit Agreement) to U.S. Revolving Lenders, Non-Canadian Lenders and Non-Multicurrency Lenders shall be deemed to be references to such Lenders only to the extent they are Tranche A U.S. Revolving Lenders and references to U.S. Revolving Credit Loans shall be deemed to be references to Tranche A U.S. Revolving Credit Loans, in each case if appropriate (as determined by the General Administrative Agent in its sole discretion in a manner consistent with this Amendment).

(c) As of the First Amendment Conversion Date, (i) the portion of the U.S. Revolving Credit Commitments under the U.S. Revolving Credit Facility held by the Extending Lenders will constitute the Tranche A portion of the U.S. Revolving Credit Facility (the "Tranche A U.S. Revolving Credit Facility", and each U.S. Revolving Credit Loan thereunder a "Tranche A U.S. Revolving Credit Loan"); provided that the Tranche A U.S. Revolving Credit Facility may include the Tranche A U.S. Revolving Credit Commitments of an Assuming Lender pursuant to Section 2.6 of the Credit Agreement (and the term "Extending Lender" will include any Assuming Lender where applicable) and (ii) the portion of the U.S. Revolving Credit Commitments under the U.S. Revolving Credit Facility held by the Revolving Lenders which are not Extending Lenders (each, a "Declining Lender") shall constitute the Tranche B portion of the U.S. Revolving Credit Facility (the "Tranche B U.S. Revolving Credit Facility", and each U.S. Revolving Credit Loan thereunder a "Tranche B U.S. Revolving Credit Loan"). The Tranche A U.S. Revolving Credit Facility and the Tranche B. U.S. Revolving Credit Facility together shall constitute the U.S. Revolving Credit Facility, the Tranche A U.S. Revolving Credit Loans and the Tranche B U.S. Revolving Credit Loans together shall constitute the U.S. Revolving Credit Loans and each Lender's commitment under the Tranche A U.S. Revolving Credit Facility and the Tranche B U.S. Revolving Credit Facility shall constitute such Lender's U.S. Revolving Credit Commitment. Notwithstanding anything to the contrary contained in the Credit Agreement, on the First Amendment Conversion Date outstanding U.S. Revolving Credit Loans and U.S. Revolving Credit Loans made by Assuming Lenders, if any, shall be deemed to be reallocated (i) as Tranche A U.S. Revolving Credit Loans in an amount equal to the aggregate amount of U.S. Revolving Credit Loans of Tranche A U.S. Revolving Lenders immediately prior to the First Amendment Conversion Date; provided that any Assuming Lenders shall make available to the General Administrative Agent such amounts in immediately available funds as the General Administrative Agent shall determine, for the benefit of the other relevant Tranche A U.S. Revolving Lenders as being required in order to cause, after giving effect to the application of such amounts to make payments to such other relevant Tranche A U.S. Revolving Lenders, the Tranche A U.S. Revolving Credit Loans to be held ratably by all Tranche A U.S. Revolving Lenders in accordance with their respective Tranche A U.S. Revolving Credit Commitments and (ii) as Tranche B U.S. Revolving Credit Loans in an amount equal to the aggregate amount of U.S. Revolving Credit Loans of Tranche B U.S. Revolving Lenders immediately prior to the First Amendment Conversion Date. All such Loans deemed to be reallocated on the First Amendment Conversion Date ("U.S. Reallocated Loans") will have initial Interest Periods commencing on the First Amendment Conversion Date and ending on the same dates as the Interest Periods applicable to the U.S. Reallocated Loans immediately prior to the First Amendment Conversion Date and will bear interest during such Interest Periods based on Eurodollar Rates that were applicable to the U.S. Reallocated Loans immediately prior to the First Amendment Conversion Date, which will be deemed to be the Eurodollar Rates applicable to the U.S. Reallocated Loans hereunder on the First Amendment Conversion Date (but the Applicable Margins with respect to the U.S. Reallocated Loans will be as provided for in this Amendment). On the First Amendment Conversion Date, the General Administrative Agent shall effect such entries in the Register (and the U.S. Revolving Lenders will make such payments among themselves and to the U.S. Borrower and the General Administrative Agent as directed by the General Administrative Agent) so that, after giving effect thereto, each Tranche A U.S. Revolving Lender holds a principal amount of the U.S. Reallocated Loans (i.e., Tranche A U.S. Revolving Credit Loans) equal to the principal amount of Loans under the U.S. Revolving Credit Facility held by such Tranche A U.S. Revolving Lender and each Tranche B U.S. Revolving Credit Lender holds a principal amount of the U.S. Reallocated Loans (i.e., Tranche B U.S. Revolving Credit Loans) equal to the principal amount of Loans under the U.S. Revolving Credit Facility held by such Tranche B U.S. Revolving Lender. The U.S. Borrower also agrees to pay to the General Administrative Agent on the First Amendment Conversion Date in immediately available funds all accrued interest, fees and any other amounts owing in respect of the Refinanced Loans as of such date (excluding any amounts payable pursuant to Section 9.11 of the Existing Credit Agreement except as a result of prepayments funded from the proceeds of U.S. Revolving Credit Loans made by Assuming Lenders).

In order to give effect to the allocation of the U.S. Revolving Credit Facility to the Tranche A U.S. Revolving Credit Facility and the Tranche B U.S. Revolving Credit Facility, defined terms and other provisions in the Credit Agreement relating to calculating availability, funding and outstandings under the Revolving Credit Commitments (including, without limitation, the definitions of “Aggregate Percentage”, “Aggregate U.S. Revolving Credit Outstandings” and “U.S. Revolving Credit Commitment”) shall be deemed to be amended as appropriate (as determined by the General Administrative Agent in its sole discretion in a manner consistent with this Amendment) to give effect to the intent of this Amendment.

(d) As of the First Amendment Conversion Date, the Letter of Credit subfacility under the U.S. Revolving Credit Facility (reduced as provided in Section 3(j) below) shall be allocated to the Tranche A U.S. Revolving Credit Facility and the Tranche B U.S. Revolving Credit Facility as set forth in subsection 8.1(c) of the Credit Agreement. The Tranche A Letters of Credit and the Tranche B Letters of Credit together shall constitute the Letters of Credit. Any Letters of Credit outstanding on the First Amendment Conversion Date (“2008 Existing Letters of Credit”) shall on the First Amendment Conversion Date be deemed to be Tranche A Letters of Credit. The risk participations in 2008 Existing Letters of Credit shall be automatically adjusted such that (i) each Tranche A U.S. Revolving Lender shall have a risk participation in each such 2008 Existing Letter of Credit equal to its U.S. Revolving Credit Commitment Percentage and (ii) no Tranche B U.S. Revolving Lender shall have any risk participation in 2008 Existing Letters of Credit. The U.S. Borrower agrees to pay to the General Administrative Agent on the First Amendment Conversion Date in immediately available funds all accrued Letter of Credit fees and any other amounts owing in respect of the Existing Letters of Credit as of such date.

(e) As of the First Amendment Conversion Date, the Swing Line subfacility under the U.S. Revolving Credit Facility (reduced as provided in Section 3(a)(viii) below) shall be allocated to the Tranche A U.S. Revolving Credit Facility. Any Swing Line Loans outstanding on the First Amendment Conversion Date (“Existing Swing Line Loans”) shall on the First Amendment Conversion Date be deemed to be outstanding under the Tranche A U.S. Revolving Credit Facility. The U.S. Borrower agrees to pay to the General Administrative Agent on the First Amendment Conversion Date in immediately available funds all accrued interest, fees and any other amounts owing in respect of Existing Swing Line Loans as of such date. In order to give effect to the allocation of the Swing Line subfacility to the Tranche A U.S. Revolving Credit Facility, references in applicable provisions of the Credit Agreement to U.S. Revolving Lenders shall be deemed to be references to Tranche A U.S. Revolving Lenders and references to U.S. Revolving Credit Loans shall be deemed to be references to Tranche A U.S. Revolving Loans, in each case if appropriate (as determined by the General Administrative Agent in its sole discretion in a manner consistent with this Amendment).

(f) (i) As of the First Amendment Conversion Date, each applicable Borrower shall repay the Multicurrency Loans (other than Swing Line Multicurrency Loans) of each Declining Lender (or its Counterpart Lender). Notwithstanding anything to the contrary contained in the Credit Agreement, on the First Amendment Conversion Date outstanding Multicurrency Loans, if any, shall be deemed to be reallocated (in the applicable currencies) to the extent required so that the Multicurrency Loans are held ratably by the Multicurrency Lenders based on their respective Multicurrency Commitment Percentage on the First Amendment Conversion Date. All such Loans ("Multicurrency Reallocated Loans") will have initial Interest Periods commencing on the First Amendment Conversion Date and ending on the same dates as the Interest Periods applicable to the Multicurrency Reallocated Loans immediately prior to the First Amendment Conversion Date and will bear interest during such Interest Periods based on Eurocurrency Rates that were applicable to the Multicurrency Reallocated Loans immediately prior to the First Amendment Conversion Date, which will be deemed to be the Eurocurrency Rates applicable to the Multicurrency Reallocated Loans hereunder on the First Amendment Conversion Date (but the Applicable Margins with respect to the Multicurrency Reallocated Loans will be as provided for in this Amendment). On the First Amendment Conversion Date, the General Administrative Agent shall effect such entries in the Register (and the Multicurrency Lenders will make such payments among themselves and to the applicable Borrowers and the General Administrative Agent as directed by the General Administrative Agent) so that, after giving effect thereto, each Multicurrency Lender holds a principal amount of the Multicurrency Reallocated Loans equal to its ratable share of the Multicurrency Commitments on the First Amendment Conversion Date. Each applicable Borrower also agrees to pay to the General Administrative Agent on the First Amendment Conversion Date in immediately available funds all accrued interest, fees and any other amounts owing in respect of the Multicurrency Loans as of such date (including any amounts payable pursuant to Section 9.11 of the Existing Credit Agreement).

(ii) As of the First Amendment Conversion Date, each applicable Borrower shall repay Loans under the Canadian Subfacility ("Canadian Loans") of each Declining Lender (or its Counterpart Lender). Notwithstanding anything to the contrary contained in the Credit Agreement, on the First Amendment Conversion Date outstanding Canadian Loans, if any, shall be deemed to be reallocated to the extent required so that the Canadian Loans are held ratably by the Canadian Lenders based on their respective Canadian Revolving Credit Commitment Percentage on the First Amendment Conversion Date. All such Loans ("Canadian Reallocated Loans") will bear interest based on the applicable Canadian Base Rate (but the Applicable Margins with respect to the Canadian Reallocated Loans will be as provided for in this Amendment). On the First Amendment Conversion Date, the General Administrative Agent shall effect such entries in the Register (and the Canadian Lenders will make such payments among themselves and to the Canadian Borrower and the General Administrative Agent as directed by the General Administrative Agent) so that, after giving effect thereto, each Canadian Lender holds a principal amount of the Canadian Reallocated Loans equal to its ratable share of the Canadian Revolving Credit Commitments on the First Amendment Conversion Date. The Canadian Borrower also agrees to pay to the General Administrative Agent on the First Amendment Conversion Date in immediately available funds all accrued interest, fees and any other amounts owing in respect of the Canadian Loans as of such date (including any amounts payable pursuant to Section 9.11 of the Existing Credit Agreement).

(g) On March 23, 2010, the Borrowers shall repay all Tranche B U.S. Revolving Credit Loans and all other amounts owed under the Tranche B U.S. Revolving Credit Facility (including facility fees and Letter of Credit fees).

(h) The aggregate principal amount of all Term Loans outstanding under the Existing Credit Agreement on the First Amendment Effective Date and the First Amendment Conversion Date, the aggregate amount of all Revolving Credit Commitments (as reduced as provided in this Amendment) and the aggregate principal amount of all Revolving Credit Loans (except to the extent repaid pursuant to this Amendment) shall continue to be outstanding under the Credit Agreement and the terms of the Credit Agreement will govern the rights of the Borrowers and the Lenders with respect thereto.

SECTION 3. Amendment of the Existing Credit Agreement. (a) Subsection 1.1 of the Existing Credit Agreement is hereby amended as follows:

(i) by adding the following new definitions, to appear in proper alphabetical order:

"Aggregate Available Tranche A U.S. Revolving Credit Commitments": as at any date of determination with respect to all Tranche A U.S. Revolving Lenders, an amount in U.S. Dollars equal to the Available U.S. Revolving Credit Commitments of all Tranche A U.S. Revolving Lenders on such date.

"Aggregate Available Tranche B U.S. Revolving Credit Commitments": as at any date of determination with respect to all Tranche B U.S. Revolving Lenders, an amount in U.S. Dollars equal to the Available U.S. Revolving Credit Commitments of all Tranche B U.S. Revolving Lenders on such date.

"Aggregate Tranche A U.S. Revolving Credit Commitments": the aggregate amount of the Tranche A U.S. Revolving Credit Commitments of all Tranche A U.S. Revolving Lenders, as such amount may be increased pursuant to subsection 2.6.

"Aggregate Tranche B U.S. Revolving Credit Commitments": the aggregate amount of the Tranche B U.S. Revolving Credit Commitments of all Tranche B U.S. Revolving Lenders.

"First Amendment": the First Amendment dated as of June 27, 2008 to this Agreement.

"First Amendment Conversion Date": July 11, 2008 or such later date as agreed by the U.S. Borrower and the General Administrative Agent.

"First Amendment Effective Date": the date on which the conditions precedent set forth in Section 4 of the First Amendment shall have been satisfied, which date is July 3, 2008.

"Requested U.S. Revolving Credit Loans": as defined in subsection 2.5(b).

"Tranche A Letter of Credit": as defined in subsection 8.1(c).

"Tranche A U.S. Dollar Funding Commitment Percentage": as at any date of determination (after giving effect to the making and payment of any Loans made on such date pursuant to subsection 2.5), with respect to any Tranche A U.S. Revolving Lender, that percentage which the Available U.S. Revolving Credit Commitment of such Tranche A U.S. Revolving Lender then constitutes of the Aggregate Available Tranche A U.S. Revolving Credit Commitments.

"Tranche A U.S. Revolving Credit Commitment": as to any U.S. Revolving Lender at any time, its obligation to make U.S. Revolving Credit Loans that are Tranche A Revolving Credit Loans to, and/or participate in Swing Line Dollar Loans made to and Tranche A Letters of Credit issued for the account of, the U.S. Borrower and its Subsidiaries in an aggregate amount not to exceed at any time outstanding the U.S. Dollar amount set forth opposite such U.S. Revolving Lender's name in Schedule I under the heading "Tranche A U.S. Revolving Credit Commitment", as such amount may be reduced from time to time pursuant to subsection 2.4 and the other applicable provisions hereof.

"Tranche A U.S. Revolving Credit Facility": as defined in the First Amendment.

"Tranche A U.S. Revolving Credit Loan": as defined in the First Amendment.

"Tranche A U.S. Revolving Lender": the Lenders listed in Part A of Schedule I hereto which shall, in each case, have Tranche A U.S. Revolving Credit Commitments.

"Tranche B Letter of Credit": as defined in subsection 8.1(c).

"Tranche B U.S. Dollar Funding Commitment Percentage": as at any date of determination (after giving effect to the making and payment of any Loans made on such date pursuant to subsection 2.5), with respect to any Tranche B U.S. Revolving Lender, that percentage which the Available U.S. Revolving Credit Commitment of such Tranche B U.S. Revolving Lender then constitutes of the Aggregate Available Tranche B U.S. Revolving Credit Commitments.

"Tranche B U.S. Revolving Credit Commitment": as to any U.S. Revolving Lender at any time, its obligation to make U.S. Revolving Credit Loans that are Tranche B U.S. Revolving Credit Loans to, and/or participate in Tranche B Letters of Credit issued for the account of, the U.S. Borrower and its Subsidiaries in an aggregate amount not to exceed at any time outstanding the U.S. Dollar amount set forth opposite such U.S. Revolving Lender's name in Schedule I under the heading "Tranche B U.S. Revolving Credit Commitment", as such amount may be reduced from time to time pursuant to subsection 2.4 and the other applicable provisions hereof.

"Tranche B U.S. Revolving Credit Facility": as defined in the First Amendment.

"Tranche B U.S. Revolving Credit Loan": as defined in the First Amendment.

"Tranche B U.S. Revolving Lender": the Lenders listed in Part A of Schedule I hereto which shall, in each case, have Tranche B U.S. Revolving Credit Commitments.

(ii) by deleting the definition of "Applicable Margin" and substituting therefor the following:

"Applicable Margin": (a) for each Extension of Credit under the Tranche B U.S. Revolving Credit Facility, the applicable rate per annum determined pursuant to clause (a) of the Pricing Grid, (b) for each Term Loan, the applicable rate per annum set forth in clause (b) of the Pricing Grid and (c) for each Extension of Credit other than an Extension of Credit under the Tranche B U.S. Revolving Credit Facility and Term Loans, the applicable rate per annum determined pursuant to clause (c) of the Pricing Grid.

(iii) by deleting the definition of "Conversion Sharing Percentage" and substituting therefor the following:

"Conversion Sharing Percentage": on any date with respect to any U.S. Revolving Credit Lender and any Loans or Acceptances, as the case may be, outstanding in any currency other than U.S. Dollars, the percentage of such Loans or Acceptances, as the case may be, such that, after giving effect to the conversion of such Loans or Acceptances, as the case may be, to U.S. Dollars and the purchase and sale by the U.S. Revolving Credit Lenders of participating interests as contemplated by subsection 17.8, the Committed Revolving Outstandings Percentage of such U.S. Revolving Credit Lender will equal such U.S. Revolving Credit Lender's U.S. Revolving Credit Commitment Percentage on such date (calculated immediately prior to giving effect to any termination or expiration of the U.S. Revolving Credit Commitments on the Conversion Date).

(iv) by amending the definition of "Indebtedness" by adding at the end thereof the following:

Notwithstanding the foregoing, except for purposes of determining the Applicable Margin, Indebtedness shall not include at any time the foreign currency equivalent of up to $50,000,000 of obligations of the U.S. Borrower and its Subsidiaries in respect of Chinese Acceptance Notes. As used herein, "Chinese Acceptance Notes" means acceptance notes issued by Chinese banks in the ordinary course of business for the account of any direct or indirect Chinese Subsidiary of the U.S. Borrower to effect the current payment of goods and services in accordance with customary trade terms in China.

(v) by amending clause (a) to the definition of "Pricing Grid" by (x) deleting the parenthetical and inserting in lieu thereof "(other than Extensions of Credit under the Tranche A U.S. Revolving Credit Facility and Term Loans)" and (y) deleting all references to "Multicurrency Loans", "Canadian Base Rate Loans" and "Prime Rate Loans" in both clause (a), and the grid set forth in such clause (a).

(vi) by adding the following clause (c) to the definition of "Pricing Grid":

(c) with respect to Extensions of Credit under the Tranche A U.S. Revolving Credit Facility, the Multicurrency Commitments and the Canadian Revolving Credit Commitments, as of the First Amendment Conversion Date, initially (i) 2.000% per annum in the case of Eurodollar Loans and Multicurrency Loans and (ii) 1.000% per annum in the case of ABR Loans, Canadian Base Rate Loans and Prime Rate Loans, in each case until the next Adjustment Date and then calculated as set forth below:

		Applicable Margin		
Category	**Index Debt Rating Level**	**Eurodollar/ Multicurrency Loans**	**ABR Loans, Canadian Base Rate Loans and Prime Rate Loans**	**Facility Fee Rate**
I	• BB+ and • Ba1	1.000%	0%	0.350%
II	• BB or • Ba2	1.250%	.250%	.500%
III	• BB- or • Ba3	1.750%	.750%	.500%
IV	• B+ or • B1	2.000%	1.000%	.500%
V	<B+ and <B1	2.250%	1.250%	.500%

(vii) by amending the last paragraph in the definition of "Pricing Grid" by (i) adding "or Category V (in the case of clause (c) above)" at the end of each of the first and third sentences and (ii) replacing the last sentence at the end of such paragraph with the following:

In the case of Categories II through IV of clause (c) above, (a) if the Index Debt ratings by S&P and Moody's differ by one Category, the applicable Category shall be determined based on the higher of the two ratings, (b) if the Index Debt ratings by S&P and Moody's differ by two Categories, the applicable Category shall be one Category below the higher of the two ratings and (c) if the Index Debt ratings by S&P and Moody's differ by more than two Categories, the applicable Category shall be two Categories below the higher of the two ratings.

(viii) by amending the definitions of "Swing Line Dollar Commitment" and "Swing Line Multicurrency Commitment" by replacing in each definition the amount "$150,000,000" with the amount "$100,000,000".

(ix) by deleting the definition of "Revolving Credit Termination Date" and substituting therefor the following:

"Revolving Credit Termination Date": (a) with respect to Revolving Credit Commitments other than Tranche B U.S. Revolving Credit Commitments, January 31, 2012 and (b) with respect to Tranche B U.S. Revolving Credit Commitments, March 23, 2010.

(ix) by adding the following at the end of the definition of "U.S. Revolving Credit Commitment Percentage":

The U.S. Revolving Credit Commitment Percentage for each Tranche A U.S. Revolving Lender will be calculated as if the Tranche B U.S. Revolving Credit Commitments were terminated, and the U.S. Revolving Credit Commitment Percentage for each Tranche B U.S. Revolving Lender will be calculated as if the Tranche A U.S. Revolving Credit Commitments were terminated. Notwithstanding the foregoing sentence, for purposes of Section 17.8 and the definition of "Conversion Sharing Percentage", the U.S. Revolving Credit Commitment Percentage of each U.S. Revolving Lender shall be calculated on the basis of its share of the aggregate of the Tranche A U.S. Revolving Credit Commitments and the Tranche B U.S. Revolving Credit Commitments taken as a single class (as described in the first sentence of this definition) rather than on the basis of its share of the Tranche A U.S. Revolving Credit Commitments or the Tranche B U.S. Revolving Credit Commitments, as the case may be.

(b) Subsection 2.1 of the Existing Credit Agreement is amended by inserting the following clause (c):

(c) Notwithstanding the foregoing, on and after the First Amendment Conversion Date, U.S. Revolving Credit Loans shall either be Tranche A U.S. Revolving Credit Loans or Tranche B U.S. Revolving Credit Loans, as determined by the U.S. Borrower or as provided in Section 2(c) of the First Amendment, provided that (i) a Tranche A U.S. Revolving Lender shall only be required to make a Tranche A U.S. Revolving Credit Loan if, after giving effect thereto, (A) the Available U.S. Revolving Credit Commitment of each Tranche A U.S. Revolving Lender is greater than or equal to zero and (B) the Aggregate Total Revolving Outstandings of all Tranche A U.S. Lenders do not exceed the Aggregate Tranche A U.S. Revolving Credit Commitments and (ii) a Tranche B U.S. Revolving Lender shall only be required to make a Tranche B U.S. Revolving Credit Loan if, after giving effect thereto, (A) the Available U.S. Revolving Credit Commitment of each Tranche B U.S. Revolving Lender is greater than or equal to zero and (B) the Aggregate Total Revolving Outstandings of all Tranche B Lenders do not exceed the Aggregate Tranche B U.S. Revolving Credit Commitments. The U.S. Borrower shall specify in each borrowing notice pursuant to subsection 2.3 whether the requested U.S. Revolving Credit Loan shall be a Tranche A U.S. Revolving Credit Loan or a Tranche B U.S. Revolving Credit Loan, and such U.S. Revolving Credit Loan shall be funded on the basis of the Tranche A U.S. Dollar Funding Commitment Percentages or the Tranche B U.S. Dollar Funding Commitment Percentages, as applicable. All references in this Section 2 to U.S. Revolving Lenders shall on and after the First Amendment Conversion Date be deemed to be references to Tranche A U.S. Revolving Lenders in the case of a Tranche A U.S. Revolving Credit Loan or Tranche A U.S. Revolving Credit Commitment and to Tranche B U.S. Revolving Lenders in the case of a Tranche B U.S. Revolving Credit Loan or Tranche B U.S. Revolving Credit Commitment. The General Administrative Agent shall record in the Register maintained pursuant to subsection 17.6(d) and subsection 2.2(c) whether a U.S. Revolving Credit Loan made hereunder is a Tranche A U.S. Revolving Credit Loan or a Tranche B U.S. Revolving Credit Loan. The U.S. Borrower shall have the right to terminate or reduce the Tranche A U.S. Revolving Credit Commitments and the Tranche B U.S. Revolving Credit Commitments in accordance with subsection 2.4 without being required to make such termination or reduction pro rata between Tranche A U.S. Revolving Credit Commitments and Tranche B U.S. Revolving Credit Commitments (it being understood that the U.S. Borrower shall specify whether such termination or reduction shall apply to the Tranche A U.S. Revolving Credit Commitments or the Tranche B U.S. Revolving Credit Commitments). The facility fee under subsection 9.5 shall be payable to each Tranche B U.S. Revolving Lender with respect to its Tranche B U.S. Revolving Credit Commitments to but excluding the date the Tranche B U.S. Revolving Credit Commitments have terminated and the Obligations owed to Tranche B U.S. Revolving Lenders have been paid in full.

(c) Subsection 2.3 of the Existing Credit Agreement is amended by (i) adding after the phrase “Aggregate Available U.S. Revolving Credit Commitments” in clause (A) of the second sentence of such subsection the phrase “under the Tranche A U.S. Revolving Credit Facility or Tranche B U.S. Revolving Credit Facility, as applicable,” and (ii) replacing the phrase

"U.S. Dollar Funding Commitment Percentage" with the phrase "Tranche A U.S. Dollar Funding Commitment Percentage or Tranche B U.S. Dollar Funding Commitment Percentage, as applicable,".

(d) Subsection 2.4 of the Existing Credit Agreement is amended by adding before the proviso the following phrase ", with such reductions being applied to the Tranche A U.S. Revolving Credit Commitments and/or Tranche B U.S. Revolving Credit Commitments as the U.S. Borrower determines in its sole discretion".

(e) Subsection 2.5(b) of the Existing Credit Agreement is replaced in its entirety with the following:

> If on any Borrowing Date on which a Borrower has requested the Multicurrency Lenders to make Multicurrency Loans (the "Requested Multicurrency Loans") or the U.S. Revolving Lenders to make U.S. Revolving Credit Loans (the "Requested U.S. Revolving Credit Loans"), (i) the principal amount of the Requested Multicurrency Loans to be made by any Multicurrency Lender exceeds the Available Multicurrency Commitment of such Multicurrency Lender on such Borrowing Date (before giving effect to the making and payment of any Loans required to be made pursuant to this subsection 2.5 on such Borrowing Date) or the principal amount of the Requested U.S. Revolving Credit Loans to be made by any Multicurrency Lender exceeds the Available U.S. Revolving Credit Commitment of such Multicurrency Lender on such Borrowing Date (before giving effect to the making and payment of any Loans required to be made pursuant to this subsection 2.5 on such Borrowing Date) and (ii) the U.S. Dollar Equivalent of the amount of such excess is less than or equal to the aggregate Available U.S. Revolving Credit Commitments of all Non-Multicurrency Lenders (before giving effect to the making and payment of any Loans pursuant to this subsection 2.5 on such Borrowing Date), each Non-Multicurrency Lender shall make a U.S. Revolving Credit Loan to the U.S. Borrower on such Borrowing Date, and the proceeds of such U.S. Revolving Credit Loans shall be simultaneously applied to repay outstanding U.S. Revolving Credit Loans, Canadian Revolving Credit Loans and/or Multicurrency Loans of the Multicurrency Lenders or their Counterpart Lenders (as directed by the U.S. Borrower) in each case in amounts such that, after giving effect to (1) such borrowings and repayments and (2) the borrowing from the Multicurrency Lenders of the Requested Multicurrency Loans or the Requested U.S. Revolving Credit Loans, the Committed Revolving Outstandings Percentage of each U.S. Revolving Lender will equal (as nearly as possible) its U.S. Revolving Credit Commitment Percentage. To effect such borrowings and repayments, (x) not later than 12:00 Noon, New York City time, on such Borrowing Date, the proceeds of such U.S. Revolving Credit Loans shall be made available by each Non-Multicurrency Lender to the General Administrative Agent at its office specified in subsection 17.2 in U.S. Dollars and in immediately available funds and the General Administrative Agent shall apply the proceeds of such U.S. Revolving Credit Loans toward repayment of outstanding U.S. Revolving Credit Loans, Canadian Revolving Credit Loans and/or Multicurrency Loans of the Multicurrency Lenders or their Counterpart Lenders (as directed by the U.S. Borrower) and (y) concurrently with the repayment of such Loans on such Borrowing Date, (I) the Multicurrency Lenders shall, in accordance with the applicable provisions hereof, make the Requested Multicurrency Loans or the Requested U.S. Revolving Credit Loans, as the case may be, in an aggregate amount equal to the amount so requested by such Borrower (but not in any event greater than the Aggregate Available Multicurrency Commitments or the Aggregate Available U.S. Revolving Credit Commitments, as the case may be, after

giving effect to the making of such repayment of any Loans on such Borrowing Date) and (II) the relevant Borrower shall pay to the General Administrative Agent for the account of the Lenders whose Loans to such Borrower are repaid on such Borrowing Date pursuant to this subsection 2.5 all interest accrued on the amounts repaid to the date of repayment, together with any amounts payable pursuant to subsection 9.11 in connection with such repayment.

(f) Subsection 2.6 of the Existing Credit Agreement is amended by (i) replacing all references to “U.S. Revolving Credit Commitment” with the phrase “Tranche A U.S. Revolving Credit Commitment”, (ii) in the last sentence thereof, replacing (x) the phrase “U.S. Revolving Credit Loans” with the phrase “Tranche A U.S. Revolving Credit Loans” and (y) the phrase “U.S. Revolving Lenders” with “Tranche A U.S. Revolving Lenders” and (iii) replacing the amount “$2,500,000,000” in clause (b) with the amount “$1,200,000,000”.

(g) Subsection 3.1 of the Existing Credit Agreement is amended by (i) inserting the phrase “(a)” at the beginning of such subsection before “Subject to the terms”, (ii) deleting clause (ii) in clause (b) of the new subsection 3.1(a) and substituting therefor “the Aggregate Total Revolving Outstandings of all Tranche A U.S. Revolving Lenders do not exceed the Aggregate Tranche A U.S. Revolving Credit Commitments” and (iii) inserting the following clause (b):

(b) Notwithstanding the foregoing, on and after the First Amendment Conversion Date, all Swing Line Dollar Loans shall be made under the Tranche A U.S. Revolving Credit Facility, provided that the Swing Line Dollar Lender shall only be required to make a Swing Line Dollar Loan if, after giving effect thereto, (i) the Available U.S. Revolving Credit Commitment of each Tranche A U.S. Revolving Lender is greater than or equal to zero and (ii) the Aggregate Total Revolving Outstandings of all Tranche A U.S. Lenders do not exceed the Aggregate Tranche A U.S. Revolving Credit Commitments. All references in this Section 3 to U.S. Revolving Lenders or the U.S. Dollar Funding Commitment Percentage shall on and after the First Amendment Conversion Date be deemed to be references to Tranche A U.S. Revolving Lenders and the Tranche A U.S. Dollar Funding Commitment Percentage, respectively.

(h) Subsections 3.4(a) and 3.5(a) of the Existing Credit Agreement is amended by (i) replacing all references to (x) “U.S. Revolving Credit Commitments” with the phrase “Tranche A U.S. Revolving Credit Commitments”, (y) “U.S. Revolving Credit Loans” with the phrase “Tranche A U.S. Revolving Credit Loans” and (z) “U.S. Revolving Lenders” with the phrase “Tranche A U.S. Revolving Lenders” and (ii) adding the following sentence at the end of subsection 3.5(a):

Each Tranche A U.S. Revolving Lender agrees and acknowledges that the obligation of the U.S. Revolving Lenders under this subsection 3.5 are obligations solely of the Tranche A U.S. Revolving Lenders.

(i) Subsections 5.1, 6.1(a) and 7.1 of the Existing Credit Agreement are amended by deleting clause (iii) in each of subsections 5.1 and 7.1 and clause (ii) in subsection 6.1(a) and substituting in each case therefor “the Aggregate Total Revolving Outstandings of all Tranche A U.S. Revolving Lenders do not exceed the Aggregate Tranche A U.S. Revolving Credit Commitments”.

(j) Subsection 8.1 of the Existing Credit Agreement is amended by (i) replacing the amount "$400,000,000" with the amount "$300,000,000" in clause (a) and (ii) inserting the following clause (c):

> (c) Notwithstanding the foregoing, on and after the First Amendment Conversion Date, Letters of Credit issued and outstanding hereunder shall either be issued and outstanding under the Tranche A U.S. Revolving Credit Facility (a "Tranche A Letter of Credit") or issued and outstanding under the Tranche B U.S. Revolving Credit Facility (a "Tranche B Letter of Credit"), as requested by the U.S. Borrower, provided that (i) the aggregate face amount of all Letters of Credit outstanding at any time shall not exceed $300,000,000 and the aggregate face amount of all Tranche B Letters of Credit outstanding at any time shall not exceed $110,000,000 and (ii) all Letters of Credit outstanding on the First Amendment Conversion Date shall be deemed to be Tranche A Letters of Credit. The U.S. Borrower shall specify in each Letter of Credit Application submitted to the Issuing Bank after the First Amendment Conversion Date whether the requested Letter of Credit shall be a Tranche A Letter of Credit or a Tranche B Letter of Credit. All references in this Section 8 (including, without limitation, subsection 8.3), in subsection 2.5(c), in the definition of "Participating Lender" in subsection 1.1 and in subsection 9.5(e) to U.S. Revolving Lenders shall from the First Amendment Conversion Date forward be deemed to be references to Tranche A U.S. Revolving Lenders in the case of a Tranche A Letter of Credit and to Tranche B U.S. Revolving Lenders in the case of a Tranche B Letter of Credit. No Tranche A U.S. Revolving Lender shall be required to take any Participating Interest, or to make any payments in respect of a Participating Interest, in any Tranche B Letter of Credit and no Tranche B U.S. Revolving Lender shall be required to take any Participating Interest, or to make any payments in respect of a Participating Interest, in any Tranche A Letter of Credit. Any Tranche B Letters of Credit outstanding on the Revolving Credit Termination Date for Tranche B U.S. Revolving Credit Commitments shall from such Revolving Credit Termination Date forward for all purposes be deemed to be Tranche A Letters of Credit.

(k) Subsection 9.8 of the Existing Credit Agreement is amended by replacing clause (a)(i) with the following:

> (a) (i) Borrowings of U.S. Revolving Credit Loans, reductions of U.S. Revolving Credit Commitments and payments on account of principal of or interest on the U.S. Revolving Credit Loans hereunder shall not be required to be made pro rata between the Tranche A U.S. Revolving Credit Facility and the Tranche B U.S. Revolving Credit Facility. Except as provided in subsection 2.5 (A) each borrowing of Tranche A U.S. Revolving Credit Loans by the U.S. Borrower hereunder shall be made pro rata according to the Tranche A U.S. Dollar Funding Commitment Percentages of the Tranche A U.S. Revolving Lenders in effect on the date of such borrowing and (B) each borrowing of Tranche B U.S. Revolving Credit Loans by the U.S. Borrower hereunder shall be made pro rata according to the Tranche B U.S. Dollar Funding Commitment Percentages of the Tranche B U.S. Revolving Lenders in effect on the date of such borrowing. Each borrowing of Term Loans by the U.S. Borrower from the Term Lenders hereunder shall be made pro rata according to the Term Percentages of the Term Lenders in effect on the date of such borrowing. Each payment by the U.S. Borrower on account of any facility fee hereunder shall be allocated by the General Administrative Agent among the U.S. Revolving Lenders in accordance with the respective amounts which such U.S. Revolving Lenders are entitled to receive pursuant to subsection 9.5(a). Any

reduction of the Tranche A U.S. Revolving Credit Commitments of the Tranche A U.S. Revolving Lenders shall be allocated by the General Administrative Agent among the Tranche A U.S. Revolving Lenders pro rata according to the U.S. Revolving Credit Commitment Percentages of the respective Tranche A U.S. Revolving Lenders. Any reduction of the Tranche B U.S. Revolving Credit Commitments of the Tranche B U.S. Revolving Lenders shall be allocated by the General Administrative Agent among the Tranche B U.S. Revolving Lenders pro rata according to the U.S. Revolving Credit Commitment Percentages of the respective Tranche B U.S. Revolving Lenders. Except as provided in subsection 2.5 or subsection 9.4(d), each payment (other than any optional prepayment) by the U.S. Borrower on account of principal of or interest on the Tranche A U.S. Revolving Credit Loans or Tranche B U.S. Revolving Credit Loans shall be allocated by the General Administrative Agent pro rata within the Tranche A U.S. Revolving Credit Loans or Tranche B U.S. Revolving Credit Loans, as applicable, according to the respective principal amounts thereof then due and owing to each Tranche A U.S. Revolving Lender or Tranche B U.S. Revolving Lender, as the case may be. Except as provided in subsection 2.5 or subsection 9.4(d), each payment (other than any optional prepayment) by the U.S. Borrower on account of principal of or interest on the CAF Advances shall be allocated by the General Administrative Agent pro rata according to the respective principal amounts thereof then due and owing to each U.S. Revolving Lender. Each optional prepayment by the U.S. Borrower on account of principal of or interest on the Tranche A U.S. Revolving Credit Loans or Tranche B U.S. Revolving Credit Loans shall be allocated by the General Administrative Agent pro rata within the Tranche A U.S. Revolving Credit Loans or Tranche B U.S. Revolving Credit Loans, as applicable, according to the respective outstanding principal amounts thereof. Each payment (including any optional prepayment) by the U.S. Borrower on account of principal of or interest on the Term Loans shall be allocated by the General Administrative Agent pro rata according to the respective principal amounts thereof then owing to each Term Lender. All payments (including prepayments) to be made by the U.S. Borrower hereunder (other than with respect to Multicurrency Loans), whether on account of principal, interest, fees or otherwise, shall be made without set-off or counterclaim and shall be made prior to 12:00 Noon, New York City time, on the due date thereof to the General Administrative Agent, for the account of the applicable U.S. Revolving Lenders or the Term Lenders, as applicable, at the General Administrative Agent's office specified in subsection 17.2, in Dollars and in immediately available funds. The General Administrative Agent shall distribute such payments to the Lenders entitled to receive the same promptly upon receipt in like funds as received.

(l) Subsection 10.1 of the Existing Credit Agreement is amended by deleting it in its entirety and substituting in lieu thereof the following:

The (i) audited consolidated balance sheet of the U.S. Borrower as of December 31, 2007 and the related statements of income and cash flow for the fiscal year ending on such date and (ii) unaudited consolidated balance sheet of the U.S. Borrower as of March 31, 2008 and the related statements of income and cash flow for the fiscal quarter ending on such date, each as heretofore furnished to the General Administrative Agent and the Lenders and certified by a Responsible Officer of the U.S. Borrower, are complete and correct in all material respects and fairly present the financial condition of the U.S. Borrower on such date. All such financial statements, including the related schedules and notes thereto, have been prepared in conformity with GAAP applied on a consistent basis, and all liabilities, direct and contingent, of the U.S. Borrower on such date required to be disclosed pursuant to GAAP are disclosed in such financial statements, subject to year-end audit adjustments and the absence of footnotes in the case of the statements referred to in clause (ii) above.

(m) Subsection 10.2 of the Existing Credit Agreement is amended by (i) deleting the phrase “As of the Restatement Date only” and replacing it with the phrase “As of the First Amendment Effective Date” and (ii) deleting the date “December 31, 2005” and substituting in lieu thereof the date “December 31, 2007”.

(n) Subsection 13.3(a) of the Existing Credit Agreement is amended by replacing the phrase “4% of Consolidated Assets” with the phrase “5% of Consolidated Assets”.

(o) Subsection 13.3(c)(ii) of the Existing Credit Agreement is amended by replacing the amount “$50,000,000” with the amount “$100,000,000”.

(p) Subsection 13.5 of the Existing Credit Agreement is amended by deleting the portion from the phrase “(a) $25,000,000” until the end of that sentence and substituting in lieu thereof the following:

the sum of (i) $250,000,000 plus (ii) 50% of Consolidated Net Income of the U.S. Borrower and its Subsidiaries accrued during the period (treated as one accounting period) from the first day of the first fiscal quarter commencing after the First Amendment Effective Date to the end of the most recent fiscal quarter for which financial statements have been delivered pursuant to subsection 12.1 plus (iii) 100% of the Net Cash Proceeds from the issuance and sale after the First Amendment Effective Date of common stock of the U.S. Borrower or other Capital Stock of the U.S. Borrower approved by the General Administrative Agent plus (iv) amounts required to be expended by the U.S. Borrower to make mandatory purchases of its Capital Stock pursuant to employee benefit plans.

(q) Subsection 17.6(c) of the Existing Credit Agreement is amended by deleting clauses (i) – (viii) of the first proviso and substituting in lieu thereof the following:

(i) if any Tranche A U.S. Revolving Lender assigns a part of its rights and obligations under this Agreement in respect of its U.S. Revolving Credit Loans and/or U.S. Revolving Credit Commitment to an Assignee, such Tranche A U.S. Revolving Lender shall assign proportionate interests in its participations in the Swing Line Dollar Loans and Letters of Credit and other rights and obligations hereunder in respect of the Swing Line Dollar Loans and Letters of Credit to such Assignee, (ii) if any Tranche B U.S. Revolving Lender assigns a part of its rights and obligations under this Agreement in respect of its U.S. Revolving Credit Loans and/or U.S. Revolving Credit Commitment to an Assignee, such Tranche B U.S. Revolving Lender shall assign proportionate interests in its participations in the Letters of Credit and other rights and obligations hereunder in respect of the Letters of Credit to such Assignee, (iii) if any Multicurrency Lender assigns a part of its rights and obligations under this Agreement in respect of its Multicurrency Loans and/or Multicurrency Commitment to an Assignee, such Multicurrency Lender shall assign proportionate interests in its participations in the Swing Line Multicurrency Loans to such Assignee, (iv) in the case of any such assignment to any Assignee other than a Lender, an affiliate of a Lender or an Approved Fund, the aggregate amount of (x) any Term Loans being assigned shall not be less than $1,000,000 (or, if less, the then outstanding amount of Term Loans held by the assigning Term Lender) and (y) the U.S. Revolving Credit Commitment (or, if the U.S. Revolving

Credit Commitments under the Tranche A U.S. Revolving Credit Facility or the Tranche B U.S. Revolving Credit Facility have terminated or expired, the aggregate principal amount of any U.S. Revolving Credit Loans and Participating Interests in Letters of Credit under such tranche) being assigned, the Multicurrency Commitment (or, if the Multicurrency Commitments have terminated or expired, the aggregate principal amount of any Multicurrency Loans) or the U.S. Dollar Equivalent of the aggregate amount of the Canadian Revolving Credit Commitment (or, if the Canadian Revolving Credit Commitments have terminated or expired, the aggregate amount of Canadian Revolving Credit Loans and Acceptance Reimbursement Obligations) being assigned shall not be less than $10,000,000 (or (1) if less, the then outstanding amount of such Commitments, Loans, Participating Interests and/or Acceptance Reimbursement Obligations or (2) such lesser amount as may be agreed by the U.S. Borrower and the Administrative Agents), and after giving effect to such assignment such assignor Lender, if it retains any U.S. Revolving Credit Commitment, shall retain a U.S. Revolving Credit Commitment, Canadian Revolving Credit Commitment or Multicurrency Commitment, as the case may be, of at least $10,000,000 (provided that such minimum assignment amounts shall be aggregated in respect of each Lender and its Affiliates or Approved Funds, if any), (v) in the case of any such assignment made by a Canadian Lender, such Assignee must be a resident of Canada for purposes of the Tax Act unless such assignment is made pursuant to subsection 17.8, (vi) except in connection with an assignment of Term Loans, such Assignee must be a Professional Market Party, (vii) with respect to an assignment of Term Loans, no consent of any Issuing Lender, the Canadian Administrative Agent, the Swing Line Dollar Lender or the Swing Line Multicurrency Lender shall be required, and (viii) with respect to an assignment of Term Loans to any Lender, any Affiliate thereof or an Approved Fund, no consent of the Borrower or the General Administrative Agent shall be required. Notwithstanding the foregoing, no U.S. Revolving Lender shall assign any rights or obligations under this Agreement in respect of U.S. Revolving Credit Loans and/or U.S. Revolving Credit Commitments to an Assignee if, after giving effect to such assignment, the sum of the Multicurrency Commitment and Canadian Revolving Credit Commitment of such assigning U.S. Revolving Lender (or its lending affiliate) would exceed the U.S. Revolving Credit Commitment of such assigning U.S. Revolving Lender. If the assigning Lender is a U.S. Revolving Lender with a Multicurrency Commitment or a Canadian Revolving Credit Commitment, the assigning Lender shall represent at the time of the assignment that after giving effect thereto the sum of its (or its lending affiliates') Multicurrency Commitment and Canadian Revolving Credit Commitment will not exceed its U.S. Revolving Credit Commitment.

(r) Subsection 17.8 of the Existing Credit Agreement is amended by inserting after the phrase "ABR Loans", each time such phrase appears, the phrase "that are Tranche A U.S. Revolving Credit Loans".

(s) Exhibit J to the Existing Credit Agreement (Form of Assignment and Acceptance) is replaced in its entirety by the Form of Assignment and Acceptance included in Schedule II to this Amendment.

SECTION 4. Conditions to Effectiveness of Amendment. This Amendment shall become effective on the date (the "First Amendment Effective Date") on which all of the following conditions precedent have been satisfied or waived:

(i) the General Administrative Agent shall have received a counterpart of this Amendment, executed and delivered by a duly authorized officer of the U.S. Borrower, the other

Borrowers, the Majority Lenders and Extending Lenders to the extent required by clause (vi) below; provided that any Lender may signify its consent to this Amendment by instead executing a “lender addendum” in a form as provided by the Administrative Agent;

(ii) the General Administrative Agent shall have received an executed Acknowledgment and Consent, in the form set forth at the end of this Amendment, from each Loan Party signatory thereto;

(iii) the General Administrative Agent shall have received (a) for distribution to each Term Lender which has delivered an executed counterpart of this Amendment to the General Administrative Agent on or prior to the First Amendment Effective Date, an amendment fee equal to 1.00% of such Term Lender’s outstanding Term Loans on the First Amendment Effective Date (it being agreed that the amendment fee is payable to a Term Lender only if such Term Lender has delivered an executed counterpart of this Amendment to the General Administrative Agent on or prior to the time that the General Administrative Agent has received executed counterparts of this Amendment from the Majority Lenders, as determined by the General Administrative Agent in its sole discretion) and (b) all other fees and amounts due and payable on or prior to the First Amendment Effective Date for which invoices have been presented, including all reasonable out-of-pocket expenses (including reasonable fees, charges and disbursements of counsel) required to be reimbursed or paid by any Loan Party hereunder or under any other Loan Document;

(iv) the General Administrative Agent shall have received such certificates of resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers of each Loan Party as the General Administrative Agent may reasonably require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Amendment and the other Loan Documents to which such Loan Party is a party or is to be a party;

(v) the General Administrative Agent shall have received evidence reasonably satisfactory to it that the U.S. Borrower has given an irrevocable call notice to redeem all 2009 Notes outstanding on the First Amendment Effective Date and has taken such other steps in connection with the redemption of the 2009 Notes as the General Administrative Agent may reasonably require; and

(vi) the General Administrative Agent shall have received evidence reasonably satisfactory to it that the aggregate principal amount of the Tranche A U.S. Revolving Credit Commitments on the First Amendment Effective Date (after giving effect to the minimum Revolving Credit Commitment Reduction of 33.33% and any simultaneous addition of any new U.S. Revolving Lenders pursuant to Section 2.6 of the Existing Credit Agreement) will be not less than $700,000,000.

SECTION 5. Fees Payable on the First Amendment Conversion Date. On the First Amendment Conversion Date, the U.S. Borrower shall pay to the General Administrative Agent, for distribution to each Extending Lender which has delivered an executed copy of this Amendment to the General Administrative Agent on or prior to the First Amendment Conversion Date, an amendment fee equal to 1.25% of such Extending Lender’s U.S. Revolving Credit Commitments on the First Amendment Conversion Date (after giving effect to the Revolving Credit Commitment Reduction, if applicable).

SECTION 6. Effect on the Loan Documents. (a) This Amendment shall not extinguish the Loans outstanding under the Existing Credit Agreement. Nothing herein contained shall be construed as a substitution or novation of the Loans outstanding under the Existing Credit Agreement, which shall remain outstanding after the First Amendment Effective Date and the First Amendment Conversion Date as modified hereby. Notwithstanding any provision of this Amendment, the provisions of subsections 9.10, 9.11, 9.12 and 17.5 of the Existing Credit Agreement as in effect immediately prior to the First Amendment Effective Date and the First Amendment Conversion Date will continue to be effective as to all matters arising out of or in any way related to facts or events existing or occurring prior to the First Amendment Effective Date and the First Amendment Conversion Date as to which such provisions apply. Except as specifically amended herein, all Loan Documents shall continue to be in full force and effect and are hereby in all respects ratified and confirmed. Each Borrower hereby agrees, with respect to each Loan Document to which it is a party, that: (i) all of its obligations, liabilities and indebtedness under such Loan Document shall remain in full force and effect on a continuous basis after giving effect to this Amendment and (ii) all of the Liens and security interests created and arising under such Loan Document shall remain in full force and effect on a continuous basis, and the perfected status and priority of each such Lien and security interest continues in full force and effect on a continuous basis, unimpaired, uninterrupted and undischarged, after giving effect to this Amendment, as collateral security for its obligations, liabilities and indebtedness under the Credit Agreement.

(b) The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of any Lender or the Administrative Agent under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents.

(c) Each Borrower and the other parties hereto acknowledge and agree that this Amendment shall constitute a Loan Document.

(d) On the First Amendment Conversion Date, Schedule I (Commitments) to the Existing Credit Agreement shall be amended as set forth in Schedule I hereto to reflect the Tranche A U.S. Revolving Credit Commitments and the Tranche B U.S. Revolving Credit Commitments and the reallocation of the Multicurrency Commitments and Canadian Revolving Credit Commitments.

(e) Each Lender authorizes the General Administrative Agent to fill in and complete (i) the final Revolving Credit Commitment Reduction percentage in Section 2(b) above, (ii) the effective date in the definition of “First Amendment Effective Date”, (iii) the aggregate amount of the Tranche B Letter of Credit sublimit under Section 8.1(c) of the Credit Agreement and (iv) an updated Schedule I, in each case following the First Amendment Conversion Date.

SECTION 7. Expenses. The U.S. Borrower agrees to pay or reimburse the General Administrative Agent for all of its reasonable out-of-pocket costs and expenses incurred in connection with this Amendment, any other documents prepared in connection herewith and the transaction contemplated hereby, including, without limitation, the reasonable fees and disbursements of counsel to the General Administrative Agent.

SECTION 8. Representations and Warranties. The U.S. Borrower hereby represents and warrants that (a) each of the representations and warranties made by each of the Loan Parties in or pursuant to the Loan Documents shall be, after giving effect to this Amendment, true and correct in all material respects as if made on and as of the First Amendment Effective Date (except that any representation or warranty which by its terms is made as of a specified date shall be true and correct in all material respects as of such specified date) and (b) after giving effect to this Amendment, no Default or Event of Default shall have occurred and be continuing.

SECTION 9. GOVERNING LAW; WAIVER OF JURY TRIAL. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HERETO SHALL BE

GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK. EACH PARTY HERETO HEREBY AGREES AS SET FORTH IN SUBSECTION 17.13 OF THE CREDIT AGREEMENT AS IF SUCH SUBSECTION WERE SET FORTH IN FULL HEREIN.

SECTION 10. Amendments; Execution in Counterparts. (a) This Amendment shall not constitute an amendment of any other provision of the Existing Credit Agreement not referred to herein and shall not be construed as a waiver or consent to any further or future action on the part of the U.S. Borrower that would require a waiver or consent of the Lenders or the Administrative Agent. Except as expressly amended hereby, the provisions of the Existing Credit Agreement are and shall remain in full force and effect.

(b) This Amendment may be executed by one or more of the parties to this Amendment on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective proper and duly authorized officers as of the day and year first above written.

LEAR CORPORATION

By: /s/ Shari L. Burgess

Name: Shari L. Burgess
Title: Vice President and Treasurer

LEAR CANADA

By: /s/ Bruce G. Francis

Name: Bruce G. Francis
Title: Management Committee Member, Authorized Representative

LEAR CORPORATION SWEDEN AB

By: /s/ Daniel A Ninivaggi

Name: Daniel A Ninivaggi
Title: Executive Vice President, Strategic and Corporate Planning

LEAR FINANCIAL SERVICES (NETHERLANDS) B.V.

By:

Name:
Title:

LEAR CORPORATION (UK) LIMITED

By:

Name:
Title:

LEAR CORPORATION MEXICO, S.A. DE C.V.

By:

Name:
Title:

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective proper and duly authorized officers as of the day and year first above written.

LEAR CORPORATION

By: ____________________________

Name:
Title:

LEAR CANADA

By: ____________________________

Name:
Title:

LEAR CORPORATION SWEDEN AB

By: ____________________________

Name:
Title:

LEAR FINANCIAL SERVICES (NETHERLANDS) B.V.

By: /s/ R. C. Hooper

Name: R. C. HOOPER
Title: DIRECTOR

LEAR CORPORATION (UK) LIMITED

By: ____________________________

Name:
Title:

LEAR CORPORATION MEXICO, S.A. DE C.V.

By: ____________________________

Name:
Title:

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective proper and duly authorized officers as of the day and year first above written.

LEAR CORPORATION

By: ______________________________

Name:
Title:

LEAR CANADA

By: ______________________________

Name:
Title:

LEAR CORPORATION SWEDEN AB

By: ______________________________

Name:
Title:

LEAR FINANCIAL SERVICES (NETHERLANDS) B.V.

By: ______________________________

Name:
Title:

LEAR CORPORATION (UK) LIMITED

By: /s/ Gideon Jewel

Name: GIDEON JEWEL
Title: PRESIDENT

LEAR CORPORATION MEXICO, S.A. DE C.V.

By: ______________________________

Name:
Title:

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective proper and duly authorized officers as of the day and year first above written.

LEAR CORPORATION

By: ______________________________

Name:
Title:

LEAR CANADA

By: ______________________________

Name:
Title:

LEAR CORPORATION SWEDEN AB

By: ______________________________

Name:
Title:

LEAR FINANCIAL SERVICES (NETHERLANDS) B.V.

By: ______________________________

Name:
Title:

LEAR CORPORATION (UK) LIMITED

By: ______________________________

Name:
Title:

LEAR CORPORATION MEXICO, S. DE R.L. DE C.V.

(as sucessor to Lear Corporation Mexico, S.A. de C.V.)

By: /s/ Daniel A Ninivaggi

Name: Daniel A Ninivaggi
Title: Executive Vice President, Strategic and Corporate Planning

JPMORGAN CHASE BANK, N.A., as General Administrative Agent and as a Lender

By: /s/ Richard W. Duker

Name: RICHARD W. DUKER
Title: MANAGING DIRECTOR

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Skandinaviska Enskilda Banken AB (publ)

By: Michael I Dicks /s/ P. Neville Park

Name: PENNY NEVILLE-PARK

Title:

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

FIFTH THIRD BANK, a Michigan Banking Corporation

By: /s/ Brian Jelinski

Name: Brian Jelinski
Title: Assistant Vice President

Signature page to First Amendment dated as of ,
2008 to the Lear Corporation Amended and Restated
Credit and Guarantee Agreement, dated as of April 25,
2006

(Name of Lender) Comerica Bank

By: /s/ Catherine Meister Young

Name: Catherine Meister Young
Title: VICE PRESIDENT

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

MERRILL LYNCH BANK USA

By: /s/ Louis Alder

Name: Louis Alder
Title: First Vice President

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Bank of America, N.A.

By: /s/ Chas McDonell

Name: Chas McDonell
Title: Senior Vice President

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

CREDIT SUISSE, Cayman Islands Branch

By: /s/ Mikhail Faybusovich

Name: MIKHAIL FAYBUSOVICH
Title: VICE PRESIDENT

By: /s/ Shaheen Malik

Name: SHAHEEN MALIK
Title: ASSOCIATE

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

The Northern Trust Company

By: /s/ Ashish S. Bhagwat

Name: Ashish S. Bhagwat
Title: Vice President

Signature page to First Amendment dated as of ,
2008 to the Lear Corporation Amended and Restated
Credit and Guarantee Agreement, dated as of April 25,
2006

Royal Bank of Scotland plc

By: /s/ James P. Welch

Name: James P. Welch
Title: Senior Vice President

Signature page to First Amendment dated as of ,
2008 to the Lear Corporation Amended and Restated
Credit and Guarantee Agreement, dated as of April 25,
2006

Bank of Tokyo-Mitsubishi UFJ Trust Company

By: /s/ Ravneet Mumick

Name: Ravneet Mumick
Title: Vice President

Signature page to First Amendment dated as of   ,
2008 to the Lear Corporation Amended and Restated
Credit and Guarantee Agreement, dated as of April 25,
2006

Citibank, N.A.

By: /s/ Paul L. Burroughs Jr.

Name: Paul L. Burroughs Jr.
Title: Director

$ 76,705,000

Signature page to First Amendment dated as of   ,
2008 to the Lear Corporation Amended and Restated
Credit and Guarantee Agreement, dated as of April 25,
2006

UBS Loan Finance LLC

By: /s/ Irja R. Otsa

Name: Irja R. Otsa
Title: Associate Director

By: /s/ David B. Julie

Name: David B. Julie
Title: Associate Director

Signature page to First Amendment dated as of June 27, 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

THE BANK OF NOVA SCOTIA, as Canadian Administrative Agent, and, as a Canadian Lender

By: /s/ James J. Rhee

Name: James J. Rhee
Title: Director

/s/ Vik Sidhu
Vik Sidhu
Associate

Signature page to First Amendment dated as of June 27, 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

THE BANK OF NOVA SCOTIA

(Name of Lender)

By: /s/ James Forward

Name: JAMES FORWARD
Title: MANAGING DIRECTOR

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

BNP Paribas

By: /s/ Andrew Strait

Name: Andrew Strait
Title: Managing Director

By: /s/ Nader Tannous

Name: Nader Tannous
Title: Vice President

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

BAYERISCHE HYPO- UND VEREINSBANK AG, New York Branch

By: /s/ Ken Hamilton

Name: Ken Hamilton
Title: Director

By: /s/ Richard Cordover

Name: Richard Cordover
Title: Director

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Platinum Grove Contingent Capital Master Fund, Ltd.

(Name of Lender)

By: /s/ Ayman Hindy

Name: Ayman Hindy
Title: Authorized Signatory

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

National City Bank
(Name of Lender)

By: /s/ Karani Chopra

Name: KARANI CHOPRA
Title: VICE PRESIDENT

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

MIZUHO CORPORATE BANK LTD.

(Name of Lender)

By: /s/ Hidekatsu Take

Name: Hidekatsu Take
Title: Depty General Manager

Signature page to First Amendment dated as of June 27, 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Bank of China, New York Branch

By: /s/ William Warren Smith

Name: William Warren Smith
Title: Chief Lending Officer

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Styx Partners, LP

By: /s/ (ILLEGIBLE)

Name: (ILLEGIBLE)
Title: Senior Managing Director

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

CONTINENTAL CASUALTY COMPANY

Approved by Law Dept.
By: MPL

Date: 7-7-08

By: /s/ Lynne Gugenheim

Name: Lynne Gugenheim
Title: Senior Vice President and Deputy General Counsel

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

OAK HILL CREDIT PARTNERS II, LIMITED, as a Lender

By: Oak Hill CLO Management II, LLC
As Investment Manager

By: /s/ Scott D. Krase

Name: Scott D. Krase
Title: Authorized Person

OAK HILL CREDIT PARTNERS III, LIMITED, as a Lender

By: Oak Hill CLO Management III, LLC
As Investment Manager

By: /s/ Scott D. Krase

Name: Scott D. Krase
Title: Authorized Person

OAK HILL CREDIT PARTNERS IV, LIMITED, as a Lender

By: Oak Hill CLO Management IV, LLC
As Investment Manager

By: /s/ Scott D. Krase

Name: Scott D. Krase
Title: Authorized Person

OAK HILL CREDIT PARTNERS V, LIMITED, as a Lender

By: Oak Hill Advisors, L.P.
As Portfolio Manager

By: /s/ Scott D. Krase

Name: Scott D. Krase
Title: Authorized Person

CRP V, as a Lender

By: Oak Hill Advisors, L.P.
As Portfolio Manager

By: /s/ Scott D. Krase

Name: Scott D. Krase
Title: Authorized Person

OHA PARK AVENUE CLO I, LTD., as a Lender

By: Oak Hill Advisors, L.P.
As Investment Manager

By: /s/ Scott D. Krase

Name: Scott D. Krase
Title: Authorized Person

OAK HILL CREDIT OPPORTUNITIES FINANCING, LTD., as a Lender

By: /s/ Scott D. Krase

Name: Scott D. Krase
Title: Authorized Person

OHSF FINANCING, LTD., as a Lender

By: /s/ Scott D. Krase

Name: Scott D. Krase
Title: Authorized Person

GMAM GROUP PENSION TRUST I, as a Lender

By: STATE STREET BANK AND TRUST COMPANY,
solely as Trustee

By:

Name:
Title:

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Morgan Stanley Senior Funding, Inc.

By: /s/ Ian J. Sandler

Name: Ian J. Sandler
Title: Authorized Signatory

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

(Name of Lender)

By: /s/ James Incognito

Name: James Incognito
Title: Associate
BARCLAYS CAPITAL

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

(Name of Lender) KCCLO II PUBLIC LIMITED CO.

By: /s/ David H. Lerner

Name: David H. Lerner
Title: Authorized Signatory

Signature page to First Amendment dated as of,
2008 to the Lear Corporation Amended and Restated
Credit and Guarantee Agreement, dated as of April 25,
2006

SSS Funding II
By: Sankaty Advisors, LLC
as Collateral Manager

By: /s/ Alan K. Halfenger

Name: Alan k. Halfenger
Title: Chief Compliance Officer
Assistant Secretary

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Sankaty High Yield Partners II, L.P.

By: /s/ Alan K. Halfenger

Name: Alan K. Halfenger
Title: Chief Compliance Officer
Assistant Secretary

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Congressional Funding, LLC

By: /s/ Jason Muelver

Name: Jason Muelver
Title: Attorney-in-Fact

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Sankaty Advisors, LLC as Collateral Manager for Race Point III CLO, Limited, as Term Lender

By: /s/ Alan K. Halfenger

Name: Alan K. Halfenger
Title: Chief Compliance Officer
Assistant Secretary

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

VITESSE CLO LTD.
By: TCW Advisors as its
Portfolio Manager

By: /s/ Stephen Suo

STEPHEN SUO
SENIOR VICE PRESIDENT

By: /s/ Julia K. Haramis

JULIA K. HARAMIS
VICE PRESIDENT

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Katonah III, Ltd. by Sankaty Advisors LLC as Sub-Advisors

By: /s/ Alan K. Halfenger

Name: Alan K. Halfenger
Title: Chief Compliance Officer
Assistant Secretary

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Sankaty Advisors, LLC as Collateral Manager for Castle Hill I - INGOTS, Ltd., as Term Lender

By: /s/ Alan K. Halfenger

Name: Alan K. Halfenger
Title: Chief Compliance Officer
Assistant Secretary

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

WB Loan Funding 2, LLC

By: /s/ Heather M. Jousma

Name: Heather M. Jousma
Title: Authorized Signatory

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Grand Central Asset Trust, ELL Series

By: /s/ Jason Muelver

Name: Jason Muelver
Title: Attorney-in-Fact

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

MFL ARES ENHANCED LOAN INVESTMENT STRATEGY IR LTD., as Trustee of the Ares Enhanced Loan Investment Strategy IR Trust

By: ARES ENHANCED LOAN MANAGEMENT IR, L.P., as Portfolio Manager

By: Ares Enhanced Loan IR GP, LLC, as its General Partner

By: Ares Management LLC, as its Manager

By: /s/ Seth J. Brufsky

Name: Seth J. Brufsky
Title: Vice President

Signature page to First Amendment dated as of ______, 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Sankaty Advisors, LLC as Collateral Manager for AVERY POINT CLO, LTD., as Term Lender

By: /s/ Alan K. Halfenger

Name: Alan K. Halfenger
Title: Chief Compliance Officer
Assistant Secretary

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Sankaty Advisors, LLC as Collateral Manager for Race Point II CLO, Limited, as Term Lender

By: /s/ Alan K. Halfenger

Name: Alan K. Halfenger

Title: Chief Compliance Officer
Assistant Secretary

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

AllianceBernstein L.P, as investment advisor

By: /s/ Michael E. Sohr

Name: Michael E. Sohr
Title: Senior Vice President

Accounts:
Oregon State Treasury
SEI Global Master Fund plc – the SEI Global Opportunistic Fixed Income Fund
SEI Institutional International Trust – International Fixed Income Fund
Sanford C. Bernstein Funds, Inc. – Intermediate Duration Portfolio
Sanford C. Bernstein Funds, Inc. II – Intermediate Duration Institutional Portfolio
AllianceBernstein Institutional Investments – Senior Loan Portfolio
The Noranda Pension Funds Trust – Bond Fund
AllianceBernstein Global Bond Fund

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Chatham Light III CLO, Ltd
By: Sankaty Advisors, LLC
as Collateral Manager

By: /s/ Alan K. Halfenger

Name: Alan K. Halfenger
Title: Chief Compliance Officer
Assistant Secretary

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Race Point IV CLO, Ltd
By: Sankaty Advisors, LLC
as Collateral Manager

By: /s/ Alan K. Halfenger

Name: Alan K. Halfenger
Title: Chief Compliance Officer
Assistant Secretary

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Sankaty Advisors, LLC as Collateral Manager for Race Point CLO, Limited, as Term Lender

By: /s/ Alan K. Halfenger

Name: Alan K. Halfenger
Title: Chief Compliance Officer
Assistant Secretary

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Golden Knight II CLO, Ltd.

LORD ABBETT & CO. LLC
AS COLLATERAL MANAGER

By: /s/ Elizabeth O. MacLean

Name: Elizabeth O. MacLean
Title: Portfolio Manager

Signature page to First Amendment dated as of , 2008
to the Lear Corporation Amended and Restated Credit and
Guarantee Agreement, dated as of April 25, 2006

Kingsland I, Ltd.
By: Kingsland Capital Management, LLC,
as Manager

By: /s/ Vincent Siino

Name: VINCENT SIINO
Title: AUTHORIZED OFFICER
KINGSLAND CAPITAL MANAGEMENT, LLC
AS MANAGER

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Ares IX CLO Ltd.

By: Ares CLO Management IX, L.P.,
Investment Manager

By: Ares CLO GP IX, LLC,
Its General Partner

By: /s/ Seth J. Brufsky

Name: Seth J. Brufsky
Title: Vice President

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Ares VII CLO Ltd.

By: Ares CLO Management VII, L.P.,
Investment Manager

By: Ares CLO GP VII, LLC,
Its General Partner

By: /s/ Seth J. Brufsky

Name: Seth J. Brufsky
Title: Vice President

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Ares VIII CLO Ltd.

By: Ares CLO Management VIII, L.P.,
Investment Manager

By: Ares CLO GP VIII, LLC,
Its General Partner

By: /s/ Seth J. Brufsky

Name: Seth J. Brufsky
Title: Vice President

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Ares VIR CLO Ltd.

By: Ares CLO Management VIR, L.P.,
Investment Manager

By: Ares CLO GP VIR, LLC,
Its General Partner

By: /s/ Seth J. Brufsky

Name: Seth J. Brufsky
Title: Vice President

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Ares VR CLO Ltd.

By: Ares CLO Management VR, L.P.,
Investment Manager

By: Ares CLO GP VR, LLC,
Its General Partner

By: /s/ Seth J. Brufsky

Name: Seth J. Brufsky
Title: Vice President

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Ares X CLO Ltd.

By: Ares CLO Management X, L.P.,
Investment Manager

By: Ares CLO GP X, LLC,
Its General Partner

By: /s/ Seth J. Brufsky

Name: Seth J. Brufsky
Title: Vice President

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

(Name of Lender) Credit Genesis CLO 2005-I LTD

By: /s/ Christophor M Mackey

Name: Christophor M Mackey
Title: Managing Principal

Signature page to First Amendment dated as of ,
2008 to the Lear Corporation Amended and Restated
Credit and Guarantee Agreement, dated as of April 25,
2006

GULF STREAM-COMPASS CLO 2005-II LTD
By: Gulf Stream Asset Management LLC
As Collateral Manager

GULF STREAM-SEXTANT CLO 2006-I LTD
By: Gulf Stream Asset Management LLC
As Collateral Manager

GULF STREAM-RASHINBAN CLO 2006-I LTD
By: Gulf Stream Asset Management LLC
As Collateral Manager

By: /s/ Barry Love

Name: Barry Love
Title: Chief Credit Officer

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

MARLBOROUGH STREET CLO, LTD.,

By its Collateral Manager, Massachusetts Financial Services Company (MLX)

By: (ILLEGIBLE)

As authorized representative and not individually

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

(Name of Lender) Atrium V

By: /s/ David H. Lerner

Name: David H. Lerner
Title: Authorized Signatory

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Sankaty Advisors, LLC as Collateral Manager for Loan Funding XI LLC, As Term Lender

By: /s/ Alan K. Halfenger

Name: Alan K. Halfenger
Title: Chief Compliance Officer
Assistant Secretary

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Chatham Light II CLO, Limited, by Sankaty Advisors LLC, as Collateral Manager

By: /s/ Alan K. Halfenger

Name: Alan K. Halfenger
Title: Chief Compliance Officer
Assistant Secretary

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Kingsland V, Ltd.
By: Kingsland Capital Management, LLC,
as Manager

By: /s/ Vincent Siino

Name: VINCENT SIINO
Title: AUTHORIZED OFFICER
KINGSLAND CAPITAL MANAGEMENT, LLC
AS MANAGER

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Sankaty High Yield Partners III, L.P.

By: /s/ Alan K. Halfenger

Name: Alan K. Halfenger
Title: Chief Compliance Officer
Assistant Secretary

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Cred and Guarantee Agreement, dated as of April 25, 2006

TCW SELECT LOAN FUND, LIMITED

By: TCW Advisors, Inc. as its Collateral Manager

By: /s/ Stephen Suo

STEPHEN SUO
SENIOR VICE PRESIDENT

By: /s/ Julia K. Haramis

JULIA K. HARAMIS
VICE PRESIDENT

Signature page to First Amendment dated as of ______, 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

WB Loan Funding 4, LLC

By: /s/ Heather M. Jousma

Name: Heather M. Jousma
Title: Authorized Signatory

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

SAN GABRIEL CLO I LTD

By: /s/ John Casparian

Name: John Casparian
Title: Co-President, Churchill Pacific

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Apidos CDO II

By its investment adviser Apidos Capital Management, LLC

By: /s/ John Stelwagon

Name: John Stelwagon
Title: Managing Director

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

ARES XI CLO Ltd.

By: ARES CLO MANAGEMENT XI, L.P.

By: ARES CLO GP XI LLC, ITS GENERAL PARTNER

By: ARES MANAGEMENT LLC, ITS MANAGER

By: /s/ Seth J. Brufsky

Name: Seth J. Brufsky
Title: Vice President

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Kingsland III, Ltd.
By: Kingsland Capital Management, LLC, as Manager

By: /s/ Vincent Siino

Name: VINCENT SIINO
Title: AUTHORIZED OFFICER
KINGSLAND CAPITAL MANAGEMENT, LLC
AS MANAGER

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

(Name of Lender)	Silverado CLO 2006-I Limited By Wells Capital Management as Portfolio Manager

By: /s/ Zachary Tyler

Name: Zachary Tyler
Title: Authorized Signatory

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

CONFLUENT 2 LIMITED
By: Ares Private Account Management I, L.P., as Sub-Manager

By: Ares Private Account Management I GP, LLC, as General Partner

By: Ares Management LLC, as Manager

By: /s/ Seth J. Brufsky

Name: Seth J. Brufsky
Title: Vice President

Signature page to First Amendment dated as of ,
2008 to the Lear Corporation Amended and Restated
Credit and Guarantee Agreement, dated as of April 25,
2006

LOAN FUNDING I LLC, for itself or as agent
for Corporate Funding I LLC,
By: TCW Advisors, Inc. as Portfolio Manager of
LOAN FUNDING I LLC.

By: /s/ Stephen Suo

STEPHEN SUO
SENIOR VICE PRESIDENT

By: /s/ Julia K. Haramis

JULIA K. HARAMIS
VICE PRESIDENT

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

FIRST 2004-I CLO, LTD.
By: TCW Advisors, Inc.,
its Collateral Manager

By: /s/ Stephen Suo

STEPHEN SUO
SENIOR VICE PRESIDENT

By: /s/ Julia K. Haramis

JULIA K. HARAMIS
VICE PRESIDENT

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Kingsland II, Ltd.
By: Kingsland Capital Management, LLC,
as Manager

By: /s/ Vincent Siino

Name: VINCENT SIINO
Title: AUTHORIZED OFFICER
KINGSLAND CAPITAL MANAGEMENT, LLC
AS MANAGER

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

SHASTA CLO I LTD

By: /s/ John Casparian

Name: John Casparian
Title: Co-President, Churchill Pacific

Signature page to First Amendment dated as of ____, 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

FIRST 2004-II CLO, LTD.
By: TCW Advisors, Inc.,
its Collateral Manager

By: /s/ Stephen Suo

STEPHEN SUO
SENIOR VICE PRESIDENT

By: /s/ Julia K. Haramis

JULIA K. HARAMIS
VICE PRESIDENT

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Apidos CDO I

By its investment adviser Apidos Capital Management, LLC

By: /s/ John Stelwagon

Name: John Stelwagon
Title: Managing Director

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Apidos CDO III

By its investment adviser Apidos Capital Management, LLC

By: /s/ John Stelwagon

Name: John Stelwagon
Title: Managing Director

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Apidos CDO IV

By its investment adviser Apidos Capital Management, LLC

By: /s/ John Stelwagon

Name: John Stelwagon
Title: Managing Director

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Apidos CDO V

By its investment adviser Apidos Capital Management, LLC

By: /s/ John Stelwagon

Name: John Stelwagon
Title: Managing Director

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Apidos Quattro CDO

By its investment adviser Apidos Capital Management, LLC

By: /s/ John Stelwagon

Name: John Stelwagon
Title: Managing Director

Signature page to First Amendment dated as of ,
2008 to the Lear Corporation Amended and Restated
Cred and Guarantee Agreement, dated as of April 25,
2006

VELOCITY CLO, LTD.
By: TCW Advisors, Inc.,
its Collateral Manager

By: /s/ Stephen Suo

STEPHEN SUO
SENIOR VICE PRESIDENT

By: /s/ Julia K. Haramis

JULIA K. HARAMIS
VICE PRESIDENT

Signature page to First Amendment dated as of , 2008
to the Lear Corporation Amended and Restated Credit and
Guarantee Agreement, dated as of April 25, 2006

Kingsland IV, Ltd.
By: Kingsland Capital Management, LLC,
as Manager

By: /s/ Vincent Siino

Name: VINCENT SIINO
Title: AUTHORIZED OFFICER
KINGSLAND CAPITAL MANAGEMENT, LLC
AS MANAGER

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

SIERRA CLO II LTD

By: /s/ John Casparian

Name: John Casparian
Title: Co-President, Churchill Pacific

Signature page to First Amendment dated as of ,
2008 to the Lear Corporation Amended and Restated Cred
and Guarantee Agreement, dated as of April 25, 2006

TCW Senior Secured Loan Fund
By: TCW Advisors, Inc., as its
Investment Advisor

By: /s/ Stephen Suo

STEPHEN SUO
SENIOR VICE PRESIDENT

By: /s/ Julia K. Haramis

JULIA K. HARAMIS
VICE PRESIDENT

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

PARK AVENUE LOAN TRUST
By: TCW Advisors, Inc.,
as Agent

By: /s/ Stephen Suo

STEPHEN SUO
SENIOR VICE PRESIDENT

By: /s/ Julia K. Haramis

JULIA K. HARAMIS
VICE PRESIDENT

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

(Name of Lender) Madison Park Funding III, Ltd.

By: /s/ David H. Lerner

Name: David H. Lerner
Title: Authorized Signatory

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

OLYMPIC CLO I LTD

By: /s/ John Casparian

Name: John Casparian
Title: Co-President, Churchill Pacific

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Lord Abbett Investment Trust – Lord Abbett Floating Rate Fund

By: /s/ Elizabeth O. MacLean

Name: Elizabeth O. MacLean
Title: Portfolio Manager

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

SSSI CBNA Loan Funding LLC

By: /s/ Jason Muelver

Name: Jason Muelver
Title: Attorney-in-Fact

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Cred and Guarantee Agreement, dated as of April 25, 2006

MAC CAPITAL, LTD.
By: TCW Advisors, Inc. as its
Portfolio Manager

By: /s/ Stephen Suo

STEPHEN SUO
SENIOR VICE PRESIDENT

By: /s/ Julia K. Haramis

JULIA K. HARAMIS
VICE PRESIDENT

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Katonah IV, Ltd. by Sankaty Advisors, LLC as Sub-Advisors

By: /s/ Alan K. Halfenger

Name: Alan K. Halfenger
Title: Chief Compliance Officer
Assistant Secretary

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

MOMENTUM CAPITAL FUND, LTD.
By: TCW Advisors, Inc. as its
Portfolio Manager

By: /s/ Stephen Suo

STEPHEN SUO
SENIOR VICE PRESIDENT

By: /s/ Julia K. Haramis

JULIA K. HARAMIS
VICE PRESIDENT

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

TCW Senior Secured Floating Rate Loan Fund, L.P.
By: TCW Advisors, Inc., as its Investment Advisor

By: /s/ Stephen Suo

STEPHEN SUO
SENIOR VICE PRESIDENT

By: /s/ Julia K. Haramis

JULIA K. HARAMIS
VICE PRESIDENT

Signature page to First Amendment dated as of July 2, 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

KKR Financial CLO 2005-2, Ltd.

By: /s/ Sarah Brucks

Name: Sarah Brucks
Title: Authorized Signatory

Signature page to First Amendment dated as of July 2, 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

KKR Financial CLO 2007-A, Ltd.

By: /s/ Sarah Brucks

Name: Sarah Brucks
Title: Authorized Signatory

Signature page to First Amendment dated as of July 2, 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

KKR Financial CLO 2005-1, Ltd.

By: /s/ Sarah Brucks

Name: Sarah Brucks
Title: Authorized Signatory

Signature page to First Amendment dated as of July 2, 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

KKR Financial CLO 2006-1, Ltd.

By: /s/ Sarah Brucks

Name: Sarah Brucks
Title: Authorized Signatory

Signature page to First Amendment dated as of July 2, 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Wayzata Funding LLC

By: /s/ Sarah Brucks

Name: Sarah Brucks
Title: Authorized Signatory

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

HillMark Funding Ltd.
By: HillMark Capital Management, L.P.,
as Collateral Manager

By: /s/ Hillel Weinberger

Name: Hillel Weinberger
Title: Managing Partner

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Grand Central Asset Trust, AGAM Series

By: /s/ Jason Muelver

Name: Jason Muelver
Title: Attorney-in-Fact

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Bismarck CBNA Loan Funding LLC,

By: /s/ Jason Muelver

Name: Jason Muelver
Title: Attorney-in-Fact

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Olympia Funding, LLC

By: /s/ Jason Muelver

Name: Jason Muelver
Title: Attorney-in-Fact

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

	Rockwall CDO II Ltd.
	By: Highland Capital Management, L.P.,
	As Collateral Manager
(Name of Lender)	By: Strand Advisors, Inc.,
	Its General Partner

By: /s/ Michael Pusateri

Name: Michael Pusateri
Title: Chief Operating Officer

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

	Rockwall CDO II LTD.
	By: Highland Capital Management, L.P.
	As Collateral Manager
(Name of Lender)	By: Strand Advisors, Inc., It's General Partner

By: /s/ Michael Pusateri

Name: Michael Pusateri
Title: Chief Operating Officer

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

	Aberdeen Loan Funding Ltd
	By: Highland Capital Management, L.P.,
	As Collateral Manager
(Name of Lender)	By: Strand Advisors, Inc., Its General Partner

By: /s/ Michael Pusateri

Name: Michael Pusateri
Title: Chief Operating Officer

Signature page to First Amendment dated as of , 2008 to the Lear Corporation
Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

	Greenbriar CLO, Ltd.
	By: Highland Capital Management, L.P., As Collateral Manager
(Name of Lender)	By: Strand Advisors, Inc.
	Its General Partner

By: /s/ Michael Pusateri

Name: Michael Pusateri
Title: Chief Operating Officer

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

	Grayson CLO, Ltd.
	By: Highland Capital Management, L.P.
	As Collateral Manager
(Name of Lender)	By: Strand Advisors, Inc.,
	Its General Partner

By: /s/ Michael Pusateri

Name: Michael Pusateri
Title: Chief Operating Officer

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Red River CLO Ltd.
By: Highland Capital Management, L.P.
As Collateral Manager
(Name of Lender) By: Strand Advisors, Inc., Its General Partner

By: /s/ Michael Pusateri

Name: Michael Pusateri
Title: Chief Operating Officer

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

	Eastland CLO, Ltd.
	By: Highland Capital Management, L.P.
	As Collateral Manager
(Name of Lender)	By: Strand Advisors, Inc.,
	Its General Partner

By: /s/ Michael Pusateri

Name: Michael Pusateri
Title: Chief Operating Officer

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

	Brentwood CLO Ltd.
	By: Highland Capital Management, L.P.,
	As Collateral Manager
(Name of Lender)	By: Strand Advisors, Inc.,
	Its General Partner

By: /s/ Michael Pusateri

Name: Michael Pusateri
Title: Chief Operating Officer

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Westchester CLO, Ltd.
By: Highland Capital Management, L.P., As Servicer
By: Strand Advisors, Inc., Its General Partner

(Name of Lender)

By: /s/ Michael Pusateri

Name: Michael Pusateri
Title: Chief Operating Officer

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

	Highland Credit Opportunities CDO, L.P.
	By: Highland Credit Opportunities CDO GP, L.P., its General Partner
(Name of Lender)	By: Highland Credit Opportunities CDO GP, LLC, its General Partner
	By: Highland Capital Management, L.P., its Sole Member
	By: Strand Advisors, Inc., its General Partner

By: /s/ Michael Pusateri

Name: Michael Pusateri
Title: Chief Operating Officer

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

BlueMountain CLO II LTD.

By: /s/ Michael Abatemarco

Name: Michael Abatemarco
Title: Associate

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

	Armstrong Loan Funding, LTD.
	By: Highland Capital Management, L.P.,
	As Collateral Manager
(Name of Lender)	By: Strand Advisors, Inc., Its General Partner

By: /s/ Michael Pusateri

Name: Michael Pusateri

Title: Chief Operating Officer

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Alaska CBNA Loan Funding LLC,

By: /s/ Brian Schott

Name: Brian Schott
Title: Attorney-in-fact

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Clear Lake CLO, Ltd.

By: /s/ Bradley K. Bryan

Name: Bradley K. Bryan
Title: SVP

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

GANNETT PEAK CLO I, LTD.
By: McDonnell Investment Management, LLC, as Investment Manager

(Name of Lender)

By: /s/ Kathleen A. Zarn

Name: Kathleen A. Zarn
Title: Vice President

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

WIND RIVER CLO I LTD.
By: McDonnell Investment Management, LLC,
as Manager

(Name of Lender)

By: /s/ Kathleen A. Zarn

Name: Kathleen A. Zarn
Title: Vice President

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

WIND RIVER CLO II - TATE INVESTORS, LTD.
By: McDonnell Investment Management, LLC,
as Manager

(Name of Lender)

By: /s/ Kathleen A. Zarn

Name: Kathleen A. Zarn
Title: Vice President

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

DUNES FUNDING LLC

By: /s/ Tara E. Kenny

Name: Tara E. Kenny
Title: Assistant Vice President

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

HARBOUR TOWN FUNDING LLC

By: /s/ Tara E. Kenny

Name: Tara E. Kenny
Title: Assistant Vice President

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

KATONAH X CLO LTD.

By: /s/ Daniel Gilligan

Name: DANIEL GILLIGAN
Title: Authorized Officer
Katonah Debt Advisors, L.L.C.
As Manager

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

KATONAH IX CLO LTD.

By: /s/ Daniel Gilligan

Name: DANIEL GILLIGAN
Title: Authorized Officer
Katonah Debt Advisors, L.L.C.
As Manager

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

KATONAH VII CLO LTD.

By: /s/ Daniel Gilligan

Name: DANIEL GILLIGAN
Title: Authorized Officer
Katonah Debt Advisors, L.L.C.
As Manager

Signature page to First Amendment dated as of ,
2008 to the Lear Corporation Amended and Restated
Credit and Guarantee Agreement, dated as of April 25,
2006

By: Callidus Debt Partners CLO Fund IV Ltd.
By: Its Collateral Manager,
Callidus Capital Management, LLC.

(Name of Lender)

By: /s/ Wayne Mueller

Name: WAYNE MUELLER
Title: SENIOR MANAGING DIRECTOR

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

By: Callidus Debt Partners CLO Fund V, Ltd.
By: Its Collateral Manager
Callidus Capital Management, LLC

(Name of Lender)

By: /s/ Wayne Mueller

Name: WAYNE MUELLER
Title: SENIOR MANAGING DIRECTOR

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

By: Callidus Debt Partners CLO Fund VI, Ltd.
By: Its Collateral Manager
Callidus Capital Management, LLC

(Name of Lender)

By: /s/ Wayne Mueller

Name: WAYNE MUELLER
Title: SENIOR MANAGING DIRECTOR

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

By: Callidus Debt Partners CLO Fund II, Ltd.
By: Its Collateral Manager,
Callidus Capital Management, LLC

(Name of Lender)

By: /s/ Wayne Mueller

Name: WAYNE MUELLER
Title: SENIOR MANAGING DIRECTOR

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

BANK OF MONTREAL
By: HIM Monegy, Inc., As Agent

By: /s/ Jason Anderson

Name: Jason Anderson
Title: Associate

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Del Mar CLO I, Ltd.
By: Caywood-Scholl Capital Management LLC
As Collateral Manager

By: /s/ James Pott

Name: James Pott
Title: Director of Research

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Feingold O'Keeffe Capital LLC
as Collateral Manager for: Avery St. CLO, Ltd

(Name of Lender)

By: /s/ Scott D'orsi

Name: Scott D'orsi
Title: Principal

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

The Investment and Administrative Committee of
The Walt Disney Company Sponsored Qualified Benefit Plans and Key Employees Deferred Compensation and Retirement Plan
By: Hartford Investment Management Company
Its Investment Manager

By: /s/ Francesco Ossino

Name: Francesco Ossino
Title: Senior Vice President

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

State Board of Administration of Florida

By: Hartford Investment Management Company, its Investment Manager

By: /s/ Francesco Ossino

Name: Francesco Ossino
Title: Senior Vice President

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Hartford Accident and Indemnity Company

By: Hartford Investment Management Company
Its Agent and Attorney-in-Fact

By: /s/ Francesco Ossino

Name: Francesco Ossino
Title: Senior Vice President

Signature page to First Amendment dated as of , 2008
to the Lear Corporation Amended and Restated Credit
and Guarantee Agreement, dated as of April 25, 2006

The Hartford Mutual Funds, Inc., on behalf of The
Hartford High Yield Fund

By: Hartford Investment Management
Company, its Sub-advisor

By: /s/ Francesco Ossino

Name: Francesco Ossino
Title: Senior Vice President

Signature page to First Amendment dated as of , 2008
to the Lear Corporation Amended and Restated Credit
and Guarantee Agreement, dated as of April 25, 2006

Hartford Institutional Trust, on behalf of its Floating Rate
Bank Loan Series

By: Hartford Investment Management Company,
its Investment Manager

By: /s/ Francesco Ossino

Name: Francesco Ossino
Title: Senior Vice President

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

The Hartford Mutual Funds, Inc., on behalf of The Hartford Floating Rate Fund

By Hartford Investment Management Company, its Sub-advisor

By: /s/ Francesco Ossino

Name: Francesco Ossino
Title: Senior Vice President

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Hartford Life and Accident Insurance Company

By: Hartford Investment Management Company
Its Agent and Attorney-in-Fact

By: /s/ Francesco Ossino

Name: Francesco Ossino
Title: Senior Vice President

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Hartford Series Fund, Inc., on behalf of Hartford High Yield HLS Fund
By: Hartford Investment Management Company, Its Sub-advisor

By: /s/ Francesco Ossino

Name: Francesco Ossino
Title: Senior Vice President

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

The Hartford Mutual Funds, Inc., on behalf of
The Hartford Income Fund
By Hartford Investment Management Company,
Its Subadvisor

By: /s/ Francesco Ossino

Name: Francesco Ossino
Title: Senior Vice President

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

The Hartford Mutual Funds, Inc., on behalf of
The Hartford Total Return Bond Fund
By Hartford Investment Management Company,
Its Sub-Advisor

By: /s/ Francesco Ossino

Name: Francesco Ossino
Title: Senior Vice President

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Hartford Series Fund, Inc., on behalf of
Hartford Total Return Bond HLS Fund
By Hartford Investment Management Company,
its Subadvisor

By: /s/ Francesco Ossino

Name: Francesco Ossino
Title: Senior Vice President

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

The Hartford Mutual Funds, Inc., on behalf of
The Hartford Strategic Income Fund
By: Hartford Investment Management Company
Its Investment Manager

By: /s/ Francesco Ossino

Name: Francesco Ossino
Title: Senior Vice President

Signature page to First Amendment dated as of July 02, 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Venture IV CDO Limited
By its investment advisor,
MIX Asset Management LLC

By: /s/ Frederick H. Taylor

Name: Frederick H. Taylor
Title: Managing Director

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

ZODIAC FUND – Morgan Stanley
US Senior Loan Fund.

(Name of Lender) By: Morgan Stanley Investment Management
Inc. as Investment Adviser

By: /s/ John Hayes

Name: JOHN HAYES
Title: EXECUTIVE DIRECTOR

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

By: Callidus Debt Partners CDO Fund I, Ltd.
By: Its Collateral Manager,
(Name of Lender) Callidus Capital Management, LLC

By: /s/ WAYNE MUELLER

Name: WAYNE MUELLER
Title: SENIOR MANAGING DIRECTOR

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Chatham Asset Management SPC 1 for the account of A Chatham Asset High Yield Master Fund Segregated Portfolio

By: /s/ Liezel Kleynhans

Name: Liezel Kleynhans
Title: Director

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Chatham Asset Management SPC 2 for the account of B Chatham Asset Leveraged Loan Offshore Fund Segregated Portfolio

By: /s/ Liezel Kleynhans

Name: Liezel Kleynhans
Title: Director

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Variable Insurance Products Fund V: Strategic Income Portfolio

By: /s/ Peter L. Lydecker

Name: Peter L. Lydecker
Title: Assistant Treasurer

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

BlueMountain CLO III LTD.

By: /s/ Michael Abatemarco

Name: Michael Abatemarco
Title: Associate

Signature page to First Amendment dated as of July 2nd, 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

EMERALD ORCHARD LIMITED

By: /s/ Arlene Arellano

Name: ARLENE ARELLANO
Title: AUTHORIZED SIGNATORY

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Sky CBNA Loan Funding LLC

By: /s/ Erin Holmes

Name: Erin Holmes
Title: Officer

Signature page to First Amendment dated as of ,
2008 to the Lear Corporation Amended and Restated Credit
and Guarantee Agreement, dated as of April 25, 2006

(Name of Lender) Highland Credit Strategies Fund

By: /s/ M. Jason Blackburn

Name: M. Jason Blackburn,
Title: Treasurer

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

	QUALCOMM Global Trading, Inc.
(Name of Lender)	By: Morgan Stanley Investment Management Inc. as Investment Manager

By: /s/ John Hayes

Name: JOHN HAYES
Title: EXECUTIVE DIRECTOR

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Morgan Stanley Prime Income Trust
By: Morgan Stanley Investment
(Name of Lender) Management Inc. as Investment Advisor

By: /s/ John Hayes

Name: JOHN HAYES
Title: EXECUTIVE DIRECTOR

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Confluent 3 Limited
By: Morgan Stanley Investment Management Inc.
(Name of Lender) as Investment Manager

By: /s/ John Hayes

Name: JOHN HAYES
Title: EXECUTIVE DIRECTOR

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

MSIM Peconic Bay, Ltd.
By: Morgan Stanley Investment Management Inc.
(Name of Lender) as Interim Collateral Manager

By: /s/ John Hayes

Name: JOHN HAYES
Title: EXECUTIVE DIRECTOR

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Genesis CLO 2007-2 LTD
By LLCP Advisors LLC as Collateral Manager

By: /s/ Gordon R Cook

Name: Gordon R Cook
Title: Sr. Portfolio Manager

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Gallatin CLO III 2007-1, Ltd.
As Assignee
By: Bear Stearns Asset Management, Inc.
as its Collateral Manager

By: /s/ Niall Rosenzweig

Name: Niall Rosenzweig
Title: Managing Director

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

GALLATIN CLO II 2005-1, LTD.
BY: BEAR STEARNS ASSET MANAGEMENT, INC.
AS ITS COLLATERAL MANAGER

By: /s/ Niall Rosenzweig

Name: Niall Rosenzweig
Title: Managing Director

Signature page to First Amendment dated as of   ,
2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Gallatin Funding I Ltd.
By: Bear Stearns Asset Management Inc.
as its Collateral Manager

By: /s/ Niall Rosenzweig

Name: Niall Rosenzweig
Title: Managing Director

Signature page to First Amendment dated as of ,
2008 to the Lear Corporation Amended and Restated Credit
and Guarantee Agreement, dated as of April 25, 2006

Bear Stearns Loan Trust
By: Bear Stearns Asset Management, Inc.,
as its attorney-in-fact

By: /s/ Niall Rosenzweig

Name: Niall Rosenzweig
Title: Managing Director

Signature page to First Amendment dated as of , 2008
to the Lear Corporation Amended and Restated Credit and
Guarantee Agreement, dated as of April 25, 2006

Grayston CLO II 2004-1 LTD.
By: Bear Stearns Asset Management, Inc.,
as its Collateral Manager

By: /s/ Niall Rosenzweig

Name: Niall Rosenzweig
Title: Managing Director

Signature page to First Amendment dated as of July 02, 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Venture III CDO Limited
By its investment advisor,
MJX Asset Management LLC

By: /s/ Frederick H. Taylor

Name: Frederick H. Taylor
Title: Managing Director

Signature page to First Amendment dated as of July 02, 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Venture V CDO Limited
By its investment advisor,
MJX Asset Management LLC

By: /s/ Frederick H. Taylor

Name: Frederick H. Taylor
Title: Managing Director

Signature page to First Amendment dated as of July 02, 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Venture VI CDO Limited
By its investment advisor,
MJX Asset Management LLC

By: /s/ Frederick H. Taylor

Name: Frederick H. Taylor
Title: Managing Director

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

LANDMARK II CDO LTD

By: Aladdin Capital Management LLC, as Manager

By: /s/ Paul Arzouian

Name: Paul Arzouian
Title: Director

Signature page to First Amendment dated as of , 2008
to the Lear Corporation Amended and Restated Credit and
Guarantee Agreement, dated as of April 25, 2006

GREYROCK CDO LTD.

By: /s/ Paul Arzouian

Name: Paul Arzouian
Title: Director

Signature page to First Amendment dated as of , 2008
to the Lear Corporation Amended and Restated Credit and
Guarantee Agreement, dated as of April 25, 2006

LANDMARK VII CDO LTD
By: Aladdin Capital Management LLC, as Manager

By: /s/ Paul Arzouian

Name: Paul Arzouian
Title: Director

Signature page to First Amendment dated as of , 2008
to the Lear Corporation Amended and Restated Credit and
Guarantee Agreement, dated as of April 25, 2006

LANDMARK VIII CLO LTD
By: Aladdin Capital Management LLC, as Manager

By: /s/ Paul Arzouian

Name: Paul Arzouian
Title: Director

Signature page to First Amendment dated as of , 2008
to the Lear Corporation Amended and Restated Credit and
Guarantee Agreement, dated as of April 25, 2006

UBS AG, Stamford Branch

By: /s/ Douglas (ILLEGIBLE)

Name: Douglas (ILLEGIBLE)
Title: Director
Banking Product
Services, US

By: /s/ Leslie Evans

Name: Leslie Evans
Title: Associate Director
Banking Product
Services, US

Signature page to First Amendment dated as of , 2008
to the Lear Corporation Amended and Restated Credit and
Guarantee Agreement, dated as of April 25, 2006

WhiteHorse IV, Ltd.
By WhiteHorse Capital Partners, L.P.
As collateral manager
By WhiteRock Asset Advisor, LLC, its G.P.

By: /s/ Ethan Underwood

Name: Ethan Underwood, CFA
Title: Portfolio Manager

Signature page to First Amendment dated as of   , 2008
to the Lear Corporation Amended and Restated Credit and
Guarantee Agreement, dated as of April 25, 2006

Citibank, N.A.

By: /s/ Vincent Farrell

Name: Vincent Farrell
Title: ATTORNEY-IN-FACT

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Name of Lender:

CREDIT SUISSE LOAN FUNDING LLC

By: /s/ Ronald Gotz

Name: Ronald Gotz
Title: Authorized Signatory

By: /s/ Gil Golan

Name: Gil Golan
Title: Authorized Signatory

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Fraser Sullivan CLO I, Ltd.
By: Fraser Sullivan Investment Management, LLC
As Collateral Manager

By: /s/ Tighe P. Sullivan

Name: Tighe P. Sullivan
Title: Managing Partner

Signature page to First Amendment dated as of ,
2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Fraser Sullivan CLO II Ltd.
By: Fraser Sullivan Investment Management, LLC
As Collateral Manager

By: /s/ Tighe P. Sullivan

Name: Tighe P. Sullivan
Title: Managing Partner

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Argentum LLC
By: The Royal Bank of Scotland plc as attorney-in-fact
By: Greenwich Capital Markets, Inc., its agent

By:/s/ Kevin Stuebe

Name: Kevin Stuebe
Title: V.P.

CRP V, as a Lender

By: Oak Hill Advisors, L.P.
As Portfolio Manager

By: /s/ Scott D. Krase

Name: Scott D. Krase
Title: Authorized Person

OHA PARK AVENUE CLO I, LTD., as a Lender

By: Oak Hill Advisors, L.P.
As Investment Manager

By: /s/ Scott D. Krase

Name: Scott D. Krase
Title: Authorized Person

OAK HILL CREDIT OPPORTUNITIES FINANCING, LTD., as a Lender

By: /s/ Scott D. Krase

Name: Scott D. Krase
Title: Authorized Person

OHSF FINANCING, LTD., as a Lender

By: /s/ Scott D. Krase

Name: Scott D. Krase
Title: Authorized Person

GMAM GROUP PENSION TRUST I, as a Lender

By: STATE STREET BANK AND TRUST COMPANY, solely as Trustee

By: (ILLEGIBLE)

Name: (ILLEGIBLE)
Title: Officer

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

BLACK DIAMOND CLO 2005-1 Ltd.
By: Black Diamond CLO 2005-1 Adviser, L.L.C.,
As its Collateral Manager

By: /s/ Stephen H. Deckoff

Name: Stephen H. Deckoff
Title: Managing Principal

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

WhiteHorse I, Ltd.
By WhiteHorse Capital Partners, L.P.
As collateral manager
By WhiteRock Asset Advisor, LLC, its G.P.

By: /s/ Ethan Underwood

Name: Ethan Underwood, CFA
Title: Portfolio Manager

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

LLCP LOAN FUNDING 2007

By: /s/ Joel Russell

Name: JOEL RUSSELL
Title: AUTHORIZED SIGNATORY

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

BLACK DIAMOND CLO 2005-2 Ltd.
By: Black Diamond CLO 2005-2 Adviser, L.L.C.,
As its Collateral Manager

By: /s/ Stephen H. Deckoff

Name: Stephen H. Deckoff
Title: Managing Principal

Signature page to First Amendment dated as of   ,
2008 to the Lear Corporation Amended and Restated
Credit and Guarantee Agreement, dated as of April 25,
2006

BLACK DIAMOND CLO 2006-1 (CAYMAN), Ltd.
By: Black Diamond CLO 2006-1 Adviser, L.L.C.
As Its Collateral Manager

By: /s/ Stephen H. Deckoff

Name: Stephen H. Deckoff
Title: Managing Principal

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Black Diamond International Funding, Ltd.
By: BDCM Fund Adviser, L.L.C.
As Its Collateral Manager

By: /s/ Alan Corkish

Name: Alan Corkish
Title: Director

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

FD CBNA Loan Funding

By: /s/ Brian Blessing

Name: BRIAN BLESSING
Title: AUTHORIZED SIGNATORY

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

CDL Loan Funding LLC

By: /s/ Brian Blessing

Name: BRIAN BLESSING
Title: AUTHORIZED SIGNATORY

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

DIAMOND SPRINGS TRADING LLC

By: /s/ Tara E. Kenny

Name: Tara E. Kenny
Title: Assistant Vice President

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

BALLANTYNE FUNDING LLC

By: /s/ Tara E. Kenny

Name: Tara E. Kenny
Title: Assistant Vice President

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Nuveen Floating Rate Income Opportunity Fund
By: Symphony Asset Management, LLC

By: /s/ Lenny Mason

Name: Lenny Mason
Title: Portfolio Manager

Signature page to First Amendment dated as of   , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Symphony CLO I
By: Symphony Asset Management, LLC

By: /s/ Lenny Mason

Name: Lenny Mason
Title: Portfolio Manager

Signature page to First Amendment dated as of   ,
2008 to the Lear Corporation Amended and Restated
Credit and Guarantee Agreement, dated as of April 25,
2006

Symphony CLO II
By: Symphony Asset Management, LLC

By: /s/ Lenny Mason

Name: Lenny Mason
Title: Portfolio Manager

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Fidelity School Street Trust: Fidelity Strategic Income Fund

By: /s/ Peter L. Lydecker

Name: Peter L. Lydecker
Title: Assistant Treasurer

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Fidelity Summer Street Trust: Fidelity Capital & Income Fund

By: /s/ Peter L. Lydecker

Name: Peter L. Lydecker
Title: Assistant Treasurer

Signature page to First Amendment dated as of , 2008
to the Lear Corporation Amended and Restated Credit and
Guarantee Agreement, dated as of April 25, 2006

Fidelity Advisor Series II: Fidelity Advisor Strategic
Income Fund

By: /s/ Peter L. Lydecker

Name: Peter L. Lydecker
Title: Assistant Treasurer

Signature page to First Amendment dated as of , 2008 to the Lear Corporation Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006

Illinois Municipal Retirement Fund, By: Pyramis Global Advisors Trust Company, as Investment Manager Under Power of Attorney

By: /s/ James Carroll

Name: James Carroll
Title: Senior Vice President

Signature page to First Amendment dated as of , 2008
to the Lear Corporation Amended and Restated Credit and
Guarantee Agreement, dated as of April 25, 2006

JASPER FUNDING

By: /s/ Arlene Arellano

Name: ARLENE ARELLANO
Title: AUTHORIZED SIGNATORY

Signature page to First Amendment dated as of , 2008
to the Lear Corporation Amended and Restated Credit and
Guarantee Agreement, dated as of April 25, 2006

KATONAH VII CLO LTD.

By: /s/ Daniel Gilligan

Name: DANIEL GILLIGAN
Title: Authorized Officer
Katonah Debt Advisors, L.L.C.
As Manager

Signature page to First Amendment dated as of , 2008
to the Lear Corporation Amended and Restated Credit and
Guarantee Agreement, dated as of April 25, 2006

Dresdner Bank AG London Branch

By: /s/ J. FM (ILLEGIBLE)

Name: J. FM (ILLEGIBLE)
Title: DIRECTOR DIRECTOR

SCHEDULE I

COMMITMENTS

(A) Tranche A U.S. Revolving Credit Commitment, Tranche B U.S. Revolving Credit Commitment and Multicurrency Commitment Amounts (U.S. Dollars)

	U.S. Revolving Credit Commitment			
U.S. Lender	**Tranche A**	**Tranche B**	**Counterpart Lender**	**Multicurrency Commitment**
Bank of America, N.A.	$118,339,250		Bank of America, N.A. Canada Branch	$ 80,000,000
Bank of China, New York Branch	$ 26,668,000			
Bank of New York		$ 25,000,000		
The Bank of Nova Scotia	$ 46,669,000		The Bank of Nova Scotia	$ 10,000,000
Bank of Tokyo – Mitsubishi UFJ Trust Company	$ 40,002,000			
Bayerische Hypo- Und Vereinsbank AG, New York Branch	$ 6,667,000			$ 5,000,000
Blackport Capital Fund Ltd.		$ 27,000,000		
BNP Paribas	$ 46,669,000			$ 40,000,000
Citibank, N.A.	$ 76,670,500		Citibank, N.A., Canadian Branch	$ 50,000,000
Citibank – Trading	$ 5,333,600			
Comerica Bank	$ 13,334,000		Comerica Bank, Canada Branch	$ 5,000,000
Commerzbank AG		$164,500,000		
Credit Suisse, Cayman Islands Branch	$ 40,002,000			$ 20,000,000
Deutsche Bank AG		$123,000,000		
Essex Park CDO 2007 Ltd.		$ 3,000,000		
Fifth Third Bank	$ 16,667,500			
Goldman Sachs Credit Partners L.P.		$ 5,000,000		
JPMorgan Chase Bank, N.A.	$118,339,250		JPMorgan Chase Bank, N.A., Toronto Branch	$ 80,000,000
Lehman Commercial Paper Incorporated		$ 3,000,000		
Loan Funding V LLC		$ 5,000,000		

SCHEDULE I

Merrill Lynch Bank USA	$ 16,667,500			$ 15,000,000
Mizuho Corporate Bank, Ltd.	$ 26,668,000			
National City Bank	$ 3,333,500			
The Northern Trust Company	$ 16,667,500			$ 5,000,000
Platinum Grove Contingent Capital Master Fund, Ltd.	$ 16,334,150			
The Royal Bank of Scotland plc	$ 96,671,500		The Royal Bank of Scotland plc, New York Branch	$ 70,000,000
Secondary Loan and Distressed Credit Trading	$ 3,333,500			
Skandinaviska Enskilda Banken AB	$ 23,334,500			$ 20,000,000
Societe Generale		$ 25,000,000		
Styx Partners LP	$ 20,001,000			
SunTrust Bank – Atlanta		$ 40,000,000		
Swiss Re Financial Products Corporation		$ 20,000,000		
The Toronto Dominion Bank		$ 27,000,000		
UBS Loan Finance LLC	$ 43,335,500			
TOTAL	**$821,707,750**	**$467,500,000**		**$400,000,000**

(B) Canadian Commitment Amounts (U.S. Dollars)

Canadian Lender	**Canadian Revolving Credit Commitment**	**Counterpart Lender**
Bank of America, N.A. Canada Branch	$ 20,000,000	Bank of America, N.A.
The Bank of Nova Scotia	$ 32,000,000	The Bank of Nova Scotia
Citibank, N.A., Canadian Branch	$ 16,500,000	Citibank, N.A.
Comerica Bank, Canada Branch	$ 5,000,000	Comerica Bank
JPMorgan Chase Bank, N.A., Toronto Branch	$ 20,000,000	JPMorgan Chase Bank, N.A.
The Royal Bank of Scotland plc, New York Branch	$ 6,500,000	The Royal Bank of Scotland plc
TOTAL	**$100,000,000**	

FORM OF ASSIGNMENT AND ACCEPTANCE

Reference is made to the Amended and Restated Credit and Guarantee Agreement, dated as of April 25, 2006 (as amended, supplemented or otherwise modified from time to time, the "Credit and Guarantee Agreement"), among LEAR CORPORATION, a Delaware corporation (the "U.S. Borrower"), LEAR CANADA, a general partnership formed under the laws of the province of Ontario, Canada (the "Canadian Borrower"), each FOREIGN SUBSIDIARY BORROWER (together with the U.S. Borrower and the Canadian Borrower, the "Borrowers"), the several banks and other financial institutions from time to time parties thereto (the "Lenders"), THE BANK OF NOVA SCOTIA, as Canadian administrative agent for the Lenders thereunder (in such capacity, the "Canadian Administrative Agent"), and JPMORGAN CHASE BANK, N.A., a national banking association, as general administrative agent for the Lenders thereunder (in such capacity, the "General Administrative Agent", and together with the Canadian Administrative Agent, the "Administrative Agents"), and others. Unless otherwise defined herein, terms defined in the Credit and Guarantee Agreement and used herein shall have the meanings given to them in the Credit and Guarantee Agreement.

The Assignor identified on Schedule 1 hereto (the "Assignor") and the Assignee identified on Schedule 1 hereto (the "Assignee") agree as follows:

1. The Assignor hereby irrevocably sells and assigns to the Assignee without recourse to the Assignor, and the Assignee hereby irrevocably purchases and assumes from the Assignor without recourse to the Assignor, as of the Effective Date (as defined below), the interest set forth on Schedule 1 hereto (the "Assigned Interest") in and to the Assignor's rights and obligations under the Credit and Guarantee Agreement with respect to those credit facilities contained in the Credit and Guarantee Agreement as are set forth on Schedule 1 hereto (individually, an "Assigned Facility"; collectively, the "Assigned Facilities"), in a principal amount and/or commitment amount for each Assigned Facility as set forth on Schedule 1 hereto.

2. The Assignor (a) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Credit and Guarantee Agreement or with respect to the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit and Guarantee Agreement, any other Loan Document or any other instrument or document furnished pursuant thereto, other than that the Assignor has not created any adverse claim upon the interest being assigned by it hereunder and that such interest is free and clear of any such adverse claim and that it is the legal and beneficial owner of the Assigned Interest; (b) makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrowers, any of their respective Subsidiaries, any other Loan Party or any other obligor or the performance or observance by the Borrowers, any of their respective Subsidiaries, any other Loan Party or any other obligor of any of their respective obligations under the Credit and Guarantee Agreement or any other Loan Document or any other instrument or document furnished pursuant hereto or thereto; and (c) attaches any Notes held by it evidencing the Assigned Facilities and (i) requests that the Administrative Agents, upon request by the Assignee, exchange any attached Notes for a new Note or Notes payable to the Assignee and (ii) if the Assignor has retained any interest in the Assigned Facility, requests that the Administrative Agents exchange any attached Notes for a new Note or Notes payable to the Assignor, in each case in amounts which reflect the assignment being made hereby (and after giving effect to any other assignments which have become effective on the Effective Date).

3. The Assignee (a) represents and warrants that it is legally authorized to enter into this Assignment and Acceptance; (b) confirms that it has received a copy of the Credit and Guarantee Agreement, together with copies of the financial statements delivered pursuant to subsection 12.1 thereof,

the other Loan Documents and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance; (c) agrees that it will, independently and without reliance upon the Assignor, the General Administrative Agent, the Canadian Administrative Agent or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit and Guarantee Agreement, the other Loan Documents or any other instrument or document furnished pursuant hereto or thereto; (d) appoints and authorizes the General Administrative Agent and the Canadian Administrative Agent to take such action as agent on its behalf and to exercise such powers and discretion under the Credit and Guarantee Agreement, the other Loan Documents or any other instrument or document furnished pursuant hereto or thereto as are delegated to the Administrative Agents by the terms thereof, together with such powers as are incidental thereto; (e) agrees that it will be bound by the provisions of the Credit and Guarantee Agreement and will perform in accordance with its terms all the obligations which by the terms of the Credit and Guarantee Agreement are required to be performed by it as a Lender including, if it is organized under the laws of a jurisdiction outside the United States, its obligation pursuant to subsections 9.12(b) and (f) of the Credit and Guarantee Agreement; and (f) represents and warrants that it is a Professional Market Party.

4. The effective date of this Assignment and Acceptance shall be the date set forth on Schedule 1 hereto (the "Effective Date"). Following the execution of this Assignment and Acceptance, it will be delivered to the Administrative Agents for acceptance by them and recording by the Administrative Agents pursuant to the Credit and Guarantee Agreement, effective as of the Effective Date (which shall not, unless otherwise agreed to by the Administrative Agents, be earlier than five Business Days after the date of such acceptance and recording by the Administrative Agents).

5. Upon such acceptance and recording, from and after the Effective Date, the Administrative Agents shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignee whether such amounts have accrued prior to the Effective Date or accrue subsequent to the Effective Date. The Assignor and the Assignee shall make all appropriate adjustments in payments by the Administrative Agents for periods prior to the Effective Date or with respect to the making of this assignment directly between themselves.

6. From and after the Effective Date, (a) the Assignee shall be a party to the Credit and Guarantee Agreement and, to the extent provided in this Assignment and Acceptance, have the rights and obligations of a Lender thereunder and under the other Loan Documents and shall be bound by the provisions thereof and (b) the Assignor shall, to the extent provided in this Assignment and Acceptance, relinquish its rights and be released from its obligations under the Credit and Guarantee Agreement.

7. This Assignment and Acceptance shall be governed by and construed in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment and Acceptance to be executed as of the date first above written by their respective duly authorized officers on Schedule 1 hereto.

SCHEDULE 1

Name of Assignor:

Name of Assignee:

And is an Affiliate/Approved Fund of ____________

Effective Date of Assignment:

Credit Facility Assigned	Aggregate Amount of all Lenders' Commitments and Loans	Amount of Commitments and Loans Assigned	Percentage of Commitments and Loans Assigned
[Tranche A U.S. Revolving Credit Commitment	$	$	%]
[Tranche B U.S. Revolving Credit Commitment	$	$	%]
[Multicurrency Commitment	$	$	%]
[Canadian Revolving Credit Commitment	$	$	%]
[Term Loans	$	$	%]

[The Assignor represents that, after giving effect to the assignment of the Assigned Interest, the sum of the Multicurrency Commitment and Canadian Revolving Credit Commitment of Assignor (or its lending affiliate) will not exceed the U.S. Revolving Credit Commitment of Assignor.][1]

The Assignee (in the case of an Assignee that is not a Lender) agrees to deliver to the Administrative Agent a completed Administrative Questionnaire in which the Assignee designates one or more credit contacts to whom all syndicate-level information (which may contain material non-public information about the Loan Parties and their Related Parties or their respective securities) will be made available and who may receive such information in accordance with the Assignee's compliance procedures and applicable laws, including Federal and state securities laws.

[NAME OF ASSIGNEE]

By: ______________________________

Title:

[NAME OF ASSIGNOR]

By: ______________________________

Title:

1 Representation to be included in the case that the Assigned Facility is the Tranche A U.S. Revolving Credit Facility.

Accepted:

JPMORGAN CHASE BANK, N.A.,
as General Administrative Agent

By:

Title:

THE BANK OF NOVA SCOTIA, as
Canadian Administrative Agent

By:

Title:

Consented to:

LEAR CORPORATION

By: ____________________________

Title:[2]

JPMORGAN CHASE BANK, N.A.,
as General Administrative Agent

By: ____________________________

Title:

[THE BANK OF NOVA SCOTIA,
as Canadian Administrative Agent

By: ____________________________

Title:][3]

[BANK OF AMERICA, N.A.,
as Swing Line Dollar Lender

By: ____________________________

Title:][4]

[JPMORGAN CHASE BANK, N.A.,
as Swing Line Multicurrency Lender

By: ____________________________

Title:][5]

[JPMORGAN CHASE BANK, N.A.,
as Issuing Lender

By: ____________________________

Title:][6]

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2 No consent required while an Event of Default is in existence.

3 Consent is required in the event of an assignment of Canadian Revolving Credit Commitments.

4 No consent required in the event of an assignment of a Term Loan.

5 Consent is required only in the event of an assignment of Multicurrency Commitments.

6 No consent required in the event of an assignment of a Term Loan.

ACKNOWLEDGEMENT AND CONSENT

Each of the parties hereto hereby acknowledges and consents to the First Amendment, dated as of June 27, 2008 (the "Amendment"; capitalized terms used herein, but not defined, shall have the meanings set forth in the Amendment), to the Credit Agreement, dated as of April 25, 2006 (the "Existing Credit Agreement"), among LEAR CORPORATION, a Delaware corporation, certain Subsidiaries of LEAR CORPORATION, the several lenders from time to time parties thereto, the several agents parties thereto and JPMORGAN CHASE BANK, N.A., as general administrative agent, and agrees with respect to each Loan Document to which it is a party:

(a) all of its obligations, liabilities and indebtedness under such Loan Document shall remain in full force and effect on a continuous basis after giving effect to the Amendment and its guarantee, if any, of the obligations, liabilities and indebtedness of the Loan Parties under the Existing Credit Agreement shall extend to and cover Extensions of Credit made under the Tranche A U.S. Revolving Credit Facility, MultiCurrency Loans and Canadian Revolving Credit Loans (each as extended pursuant to the Amendment) and interest thereon and fees and expenses and other obligations in respect thereof and in respect of commitments related thereto; and

(b) all of the Liens and security interests created and arising under such Loan Document remain in full force and effect on a continuous basis, and the perfected status and priority of each such Lien and security interest continue in full force and effect on a continuous basis, unimpaired, uninterrupted and undischarged, after giving effect to the Amendment, as collateral security for its obligations, liabilities and indebtedness under the Credit Agreement and under its guarantees, if any, in the Loan Documents.

[Remainder of page intentionally left blank.]

[LOAN PARTIES]

By ________________

Name:
Title:

Exhibit 31.1

CERTIFICATION

I, Robert E. Rossiter, certify that:

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

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

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

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

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

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

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

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

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

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

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

Date: August 4, 2008

By: /s/ Robert E. Rossiter

Robert E. Rossiter
Chairman, Chief Executive Officer and President

Exhibit 31.2

CERTIFICATION

I, Matthew J. Simoncini, certify that:

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

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

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

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

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

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

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

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

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

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

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

Date: August 4, 2008

By: /s/ Matthew J. Simoncini

Matthew J. Simoncini
Senior Vice President and Chief Financial Officer

Exhibit 32.1

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

In connection with the Quarterly Report of Lear Corporation (the "Company") on Form 10-Q for the period ended June 28, 2008, as filed with the Securities and Exchange Commission (the "Report"), the undersigned, as the Chief Executive Officer of the Company, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

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

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

Date: August 4, 2008

Signed: /s/ Robert E. Rossiter

Robert E. Rossiter
Chief Executive Officer

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

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

Exhibit 32.2

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

In connection with the Quarterly Report of Lear Corporation (the “Company”) on Form 10-Q for the period ended June 28, 2008, as filed with the Securities and Exchange Commission (the “Report”), the undersigned, as the Chief Financial Officer of the Company, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

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

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

Date: August 4, 2008

Signed: /s/ Matthew J. Simoncini

Matthew J. Simoncini
Chief Financial Officer

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

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