

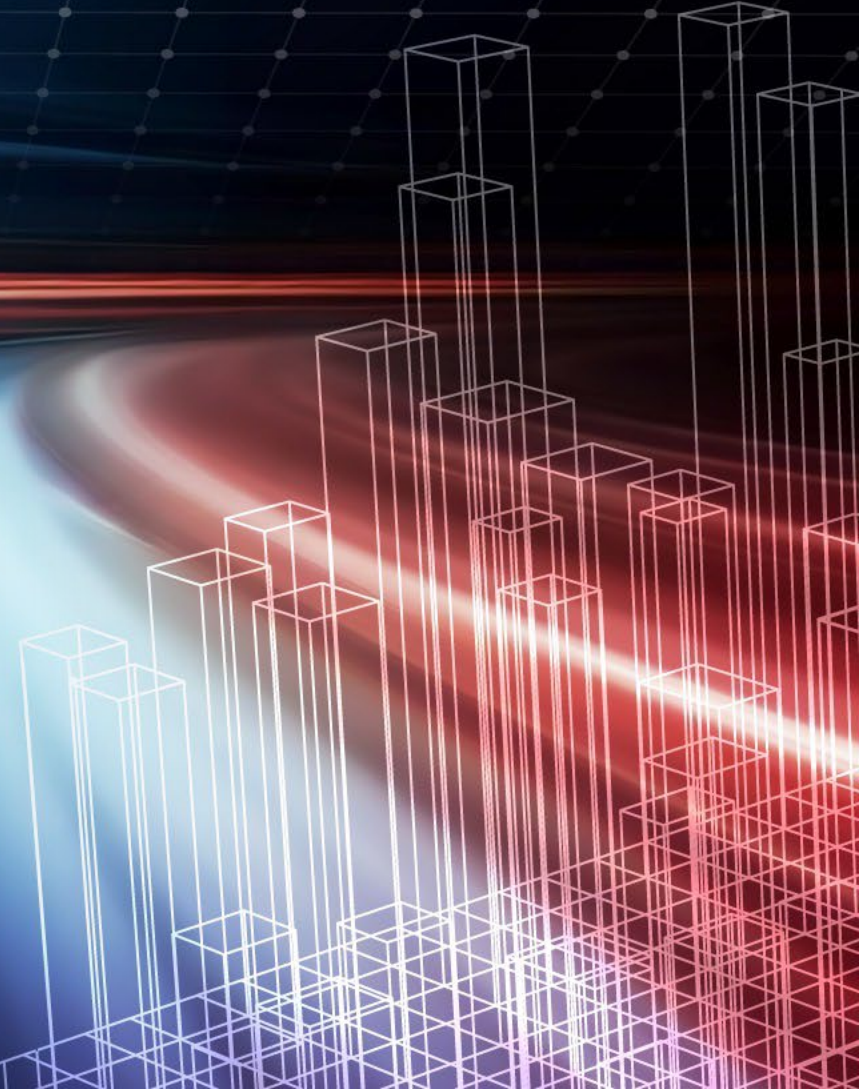


Making every drive better™

October 24, 2024

Third Quarter 2024 Financial Results

Ray Scott, President and CEO
Jason Cardew, Senior Vice President and CFO



Safe Harbor Statement

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding anticipated financial results and liquidity. The words “will,” “may,” “designed to,” “outlook,” “believes,” “should,” “anticipates,” “plans,” “expects,” “intends,” “estimates,” “forecasts” and similar expressions identify certain of these forward-looking statements. The Company also may provide forward-looking statements in oral statements or other written materials released to the public. All statements contained or incorporated in this presentation or in any other public statements that address operating performance, events or developments that the Company expects or anticipates may occur in the future are forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements are discussed in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023, and its other Securities and Exchange Commission filings. Future operating results will be based on various factors, including actual industry production volumes, supply chain disruptions, labor disruptions, commodity prices, changes in foreign exchange rates, the impact of restructuring actions and the Company’s success in implementing its operating strategy.

Information in this presentation relies on assumptions in the Company’s core sales backlog. The Company’s core sales backlog reflects anticipated net sales from formally awarded new programs less lost and discontinued programs and excludes the impact of non-core products winding down in our E-Systems business. The Company enters into contracts with its customers to provide production parts generally at the beginning of a vehicle’s life cycle. Typically, these contracts do not provide for a specified quantity of production, and many of these contracts may be terminated by the Company’s customers at any time. Therefore, these contracts do not represent firm orders. Further, the calculation of the core sales backlog does not reflect customer price reductions on existing or newly awarded programs. The core sales backlog may be impacted by various assumptions embedded in the calculation, including vehicle production levels on new programs, foreign exchange rates and the timing of major program launches.

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

Non-GAAP Financial Information

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

Agenda

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Jason Cardew, Senior Vice President and CFO

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CONCLUDING REMARKS
Ray Scott, President and CEO

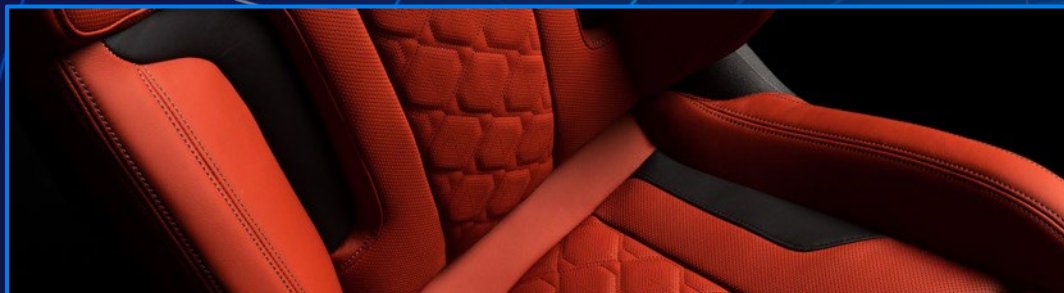


Business Update

Ray Scott
President and CEO

Financial Overview

Third Quarter 2024



SALES

**CORE OPERATING
EARNINGS**

**ADJUSTED
EARNINGS PER SHARE**

**OPERATING
CASH FLOW**

Q3 2024

\$5.6B

\$257M

\$2.89

\$183M

Q3 2023

\$5.8B

\$267M

\$2.87

\$404M

Q3 2024 Highlights

Total company revenue outperformed industry volume by 3 percentage points, with 5 percentage points in E-Systems and 3 percentage points in Seating

Repurchased \$209 million of Lear shares and paid \$43 million in dividends

Adjusted earnings per share growth of 1% year-over-year, reflecting the benefit of our share repurchase program



Continued growth in China with several awards with BYD, Xiaomi and Seres in Seating and the Dongfeng Group in E-Systems

ComfortFlex™

Launched the first ComfortFlex™ module, combining heat, ventilation and massage, with Volvo

ComfortFlex™

New business awards for ComfortFlex™ modules with a premium European automaker and Hyundai



Named a 2025 Automotive News PACE Award Finalist for our Zone Control Module featuring a highly configurable software solution

Awarded eight top-three finishes – more than twice as many as the next closest competitor – in the J.D. Power 2024 U.S. Seat Quality and Satisfaction StudySM, including a sweep in the Premium Car category

Product and Process Innovations Help Drive Sustainable Growth

- Powertrain agnostic products, including complete seats, thermal comfort and wiring, limit impacts from EV adoption uncertainty
- Diversifying customer base by growing with Chinese automakers domestically while supporting their global expansion plans
- Leveraging artificial intelligence to assist in designing products for advanced manufacturing to improve efficiency and development time
- Increasing use of in-house designed capital to reduce cost and time to market
- On track to achieve headcount targets for the year in both business segments

Seating

- Gaining momentum with multiple applications of ComfortFlex™ and FlexAir™ launching in the next two years
 - Launched the first ComfortFlex™ module combining heat, ventilation and massage with Volvo
 - 62 projects underway with 22 automakers
- Several new business awards with BYD, Xiaomi and Seres
- Developed LearVUE, an AI-based vision system solution
- Expanding Thagora's advanced leather cutting technology to 100% of our leather facilities
- Expanding use of Palantir's Foundry operating system for real-time data reporting and analysis, improving manufacturing efficiencies and reducing working capital

E-Systems

- Focused product portfolio driving revenue growth, margin enhancement and competitive differentiation
- Accelerating vertical integration through investment in connection systems
- PACE finalist for Zone Control Modules featuring a highly configurable software solution
- Designing wire harnesses for increased use of automation
- Optimizing wire harness footprint to leverage Honduras and North Africa to offset labor inflation pressures
- Enhancing business processes through digital solutions and global standardization

Growing with Key Chinese Domestic Automakers

CHINA REVENUE BY CUSTOMER

2021
≈\$4 billion



2024 Outlook
≈\$5 billion



2027 Target
≈\$6 billion

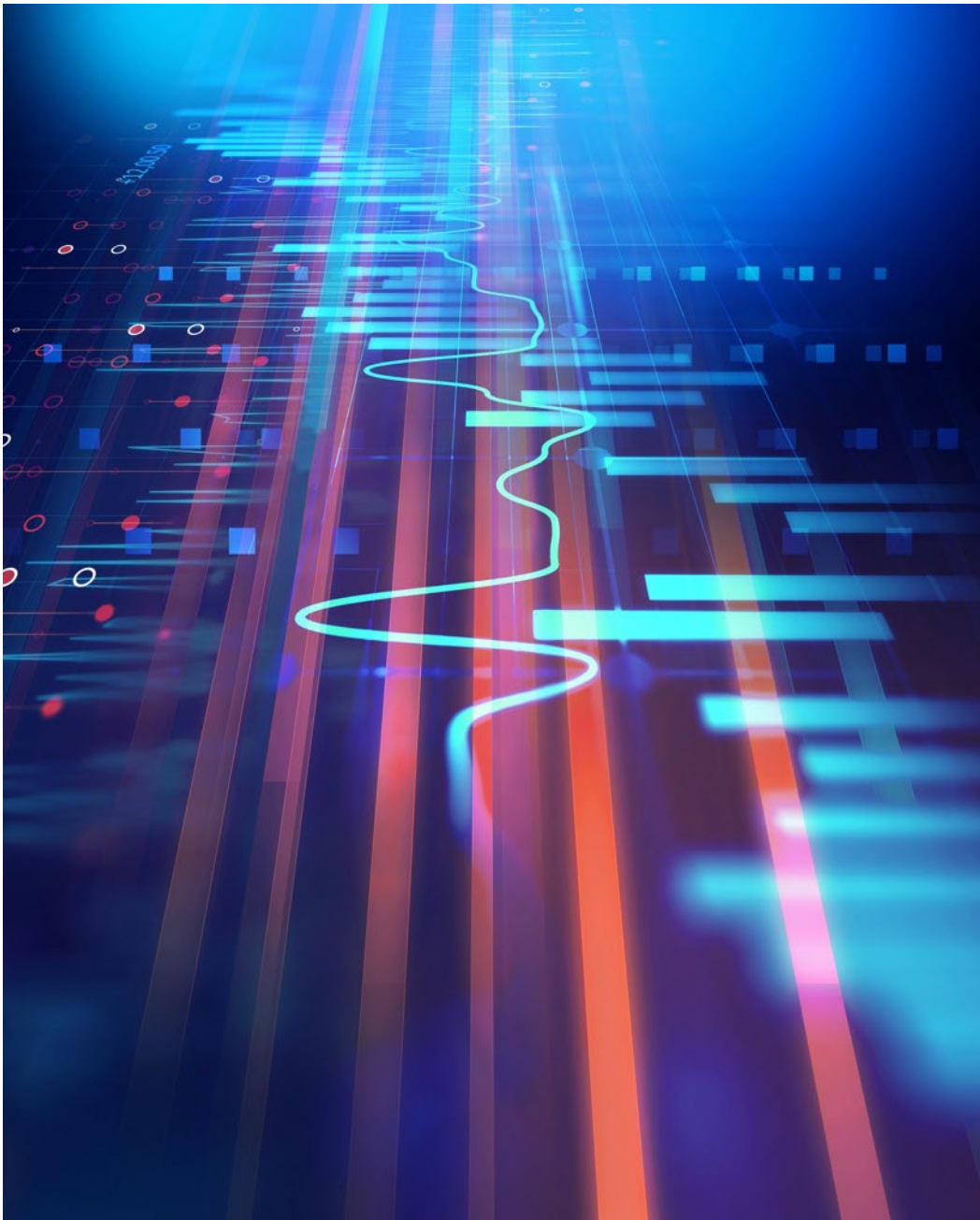


Chinese Domestic Automakers

Multinational Automakers

Revenue includes sales at our nonconsolidated joint ventures

Revenue targets reflect an average Chinese RMB of 7.20 / \$, S&P Global Mobility production forecast as of October 15, 2024, and Company estimates



Financial Review

Jason Cardew

Senior Vice President and CFO

Third Quarter 2024

Global Vehicle Production and Currency

INDUSTRY PRODUCTION

(units in millions)

GLOBAL		NORTH AMERICA		EUROPE AND AFRICA		CHINA	
Q3 2023	22.3	Q3 2023	3.9	Q3 2023	4.1	Q3 2023	7.3
Q3 2024	21.3	Q3 2024	3.8	Q3 2024	3.8	Q3 2024	7.1
DOWN 5% YOY		DOWN 5% YOY		DOWN 6% YOY		DOWN 3% YOY	
Lear Sales-Weighted Basis							
DOWN 6% YOY							

KEY CURRENCIES

	2023	2024	
EURO	\$1.09 / €	\$1.10 / €	UP 1%
CHINESE RMB	7.24 / \$	7.18 / \$	UP 1%

Growth Over Market

Third Quarter 2024

7% | **NORTH AMERICA**

Seating: Favorable platform mix and backlog

E-Systems: Backlog and favorable platform mix

2% | **EUROPE**

Seating: Unfavorable platform mix, partially offset by backlog

E-Systems: Backlog and favorable platform mix

1% | **CHINA**

Seating: Backlog, partially offset by unfavorable platform mix

E-Systems: Unfavorable platform mix, partially offset by backlog



**3% Q3
Global GoM**



**3%
Seating GoM**



**5%
E-Systems GoM**

Key Financials

Third Quarter 2024

(\$ in millions, except per share amounts)

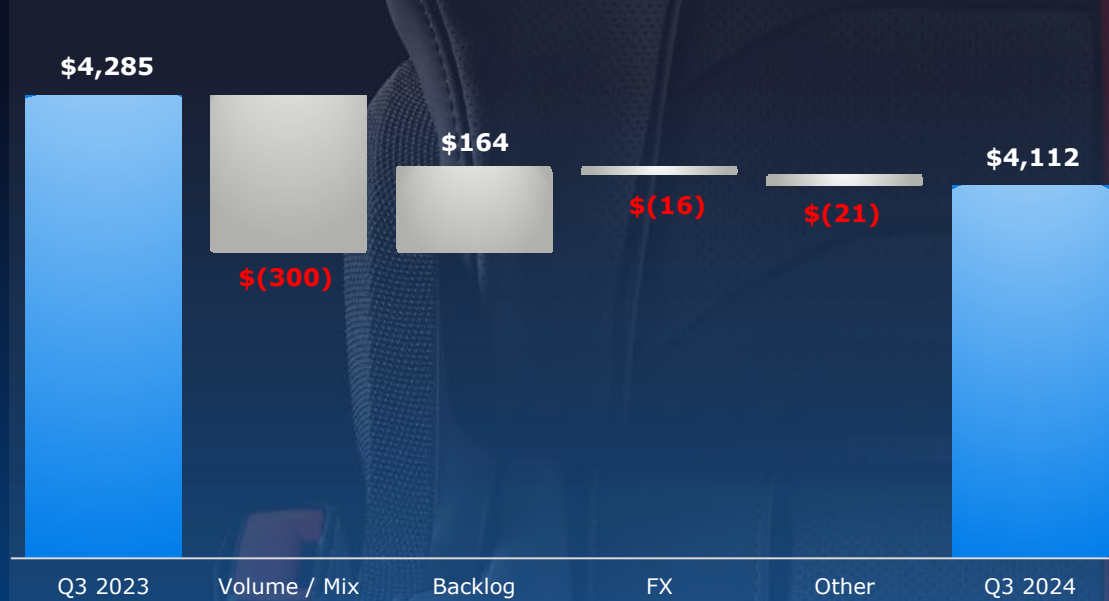
	2023	2024	YEAR-OVER-YEAR DRIVERS
Net Sales	\$5,781	\$5,584	Lower volume on Lear platforms, partially offset by strong backlog
Core Operating Earnings Operating Margin %	\$267 4.6%	\$257 4.6%	Lower volume on Lear platforms, partially offset by positive net performance and accretive sales backlog
Adjusted Earnings Per Share	\$2.87	\$2.89	Lower share count, partially offset by lower adjusted net income
Operating Cash Flow	\$404	\$183	Working capital timing

Seating Sales and Margin Drivers

Third Quarter 2024

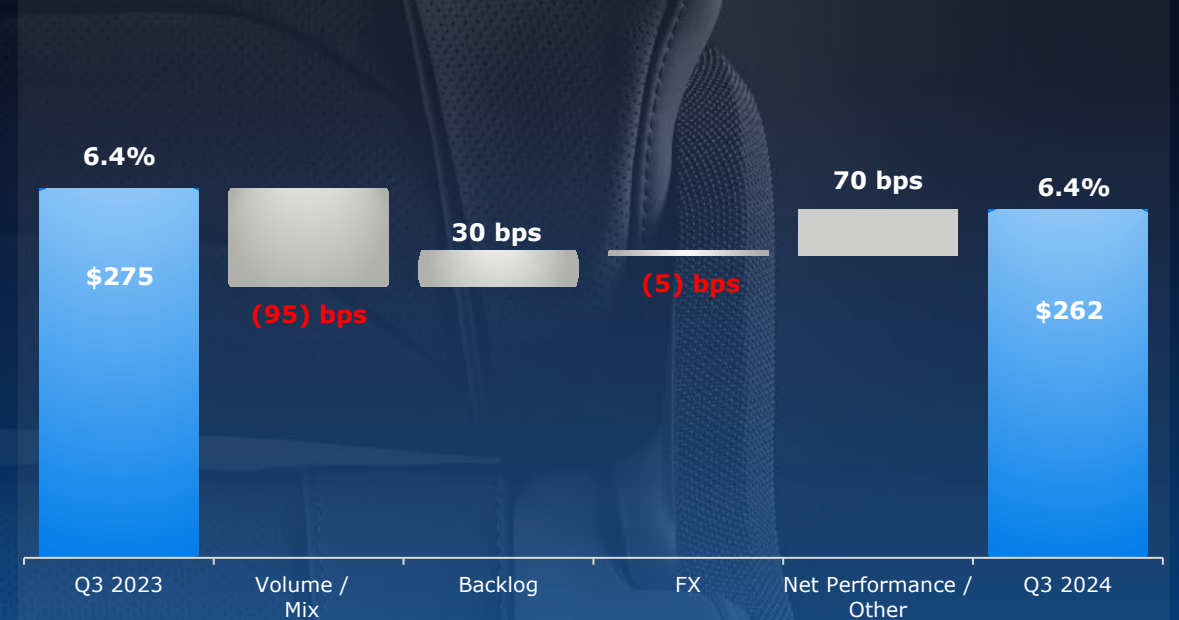
SALES

(\$ in millions)



ADJUSTED EARNINGS AND MARGIN

(\$ in millions)



E-Systems Sales and Margin Drivers

Third Quarter 2024

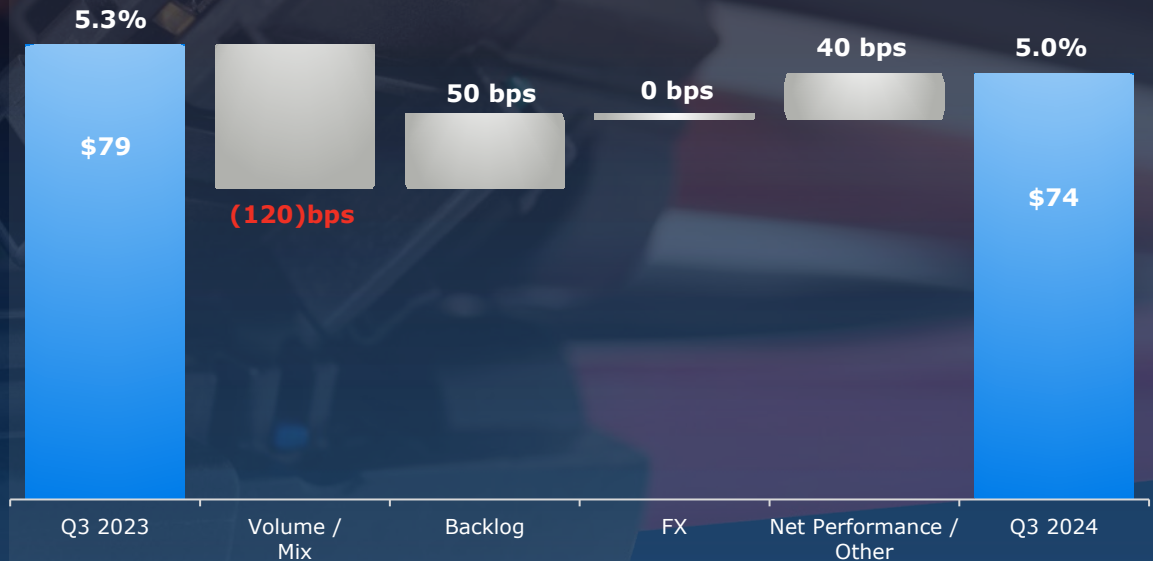
SALES

(\$ in millions)



ADJUSTED EARNINGS AND MARGIN

(\$ in millions)



2024 Outlook

Global Vehicle Production and Currency

INDUSTRY PRODUCTION

(units in millions)

GLOBAL		NORTH AMERICA		EUROPE AND AFRICA		CHINA	
FY 2023	89.1	FY 2023	15.7	FY 2023	18.4	FY 2023	27.8
FY 2024	85.8	FY 2024	15.3	FY 2024	17.0	FY 2024	27.6
DOWN 4% YOY <i>Prior Outlook: Down 3%</i> S&P Global Down 2%		DOWN 3% YOY <i>Prior Outlook: Flat</i> S&P Global Down 1%		DOWN 8% YOY <i>Prior Outlook: Down 6%</i> S&P Global Down 5%		DOWN 1% YOY S&P Global Up 1%	

KEY CURRENCIES

	2023	2024	
EURO	\$1.080 / €	\$1.085 / €	≈FLAT
CHINESE RMB	7.08 / \$	7.20 / \$	DOWN 2%

2024 Full Year Outlook

Net Sales

\$22,950 - \$23,150 million

Prior Outlook \$23,230 - \$23,670 million

Core Operating Earnings

\$1,040 - \$1,090 million

Prior Outlook \$1,030 - \$1,200 million

Adjusted EBITDA

\$1,670 - \$1,720 million

Prior Outlook \$1,670 - \$1,840 million

Interest Expense

≈\$110 million

Effective Tax Rate

21% - 22%

Adjusted Net Income

\$650 - \$680 million

Prior Outlook \$630 - \$760 million

Restructuring Costs

≈\$150 million

Operating Cash Flow

\$1,110 - \$1,160 million

Prior Outlook \$1,135 - \$1,285 million

Capital Expenditures

≈\$575 million

Prior Outlook \$650 million

Free Cash Flow

\$535 - \$585 million

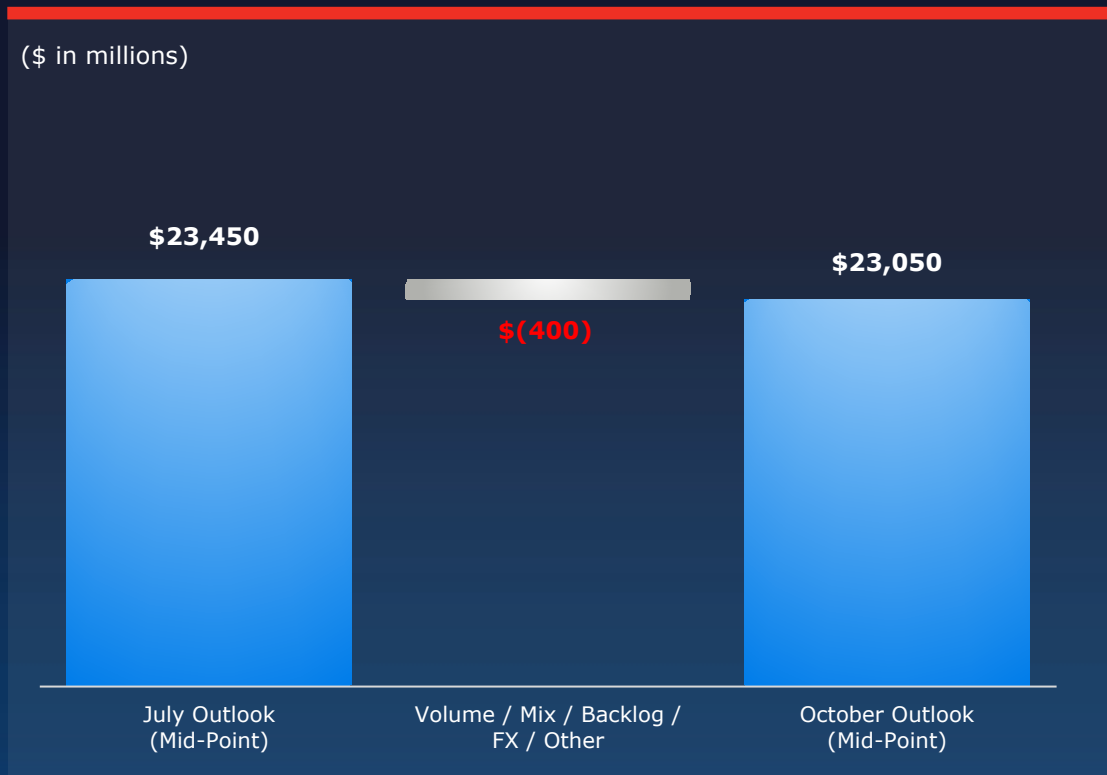
Prior Outlook \$485 - \$635 million

2024 Full Year Outlook assumes an average Euro of \$1.085 and an average Chinese RMB of 7.20 / \$ and reflects S&P Global Mobility production forecast as of October 15, 2024, and Company estimates

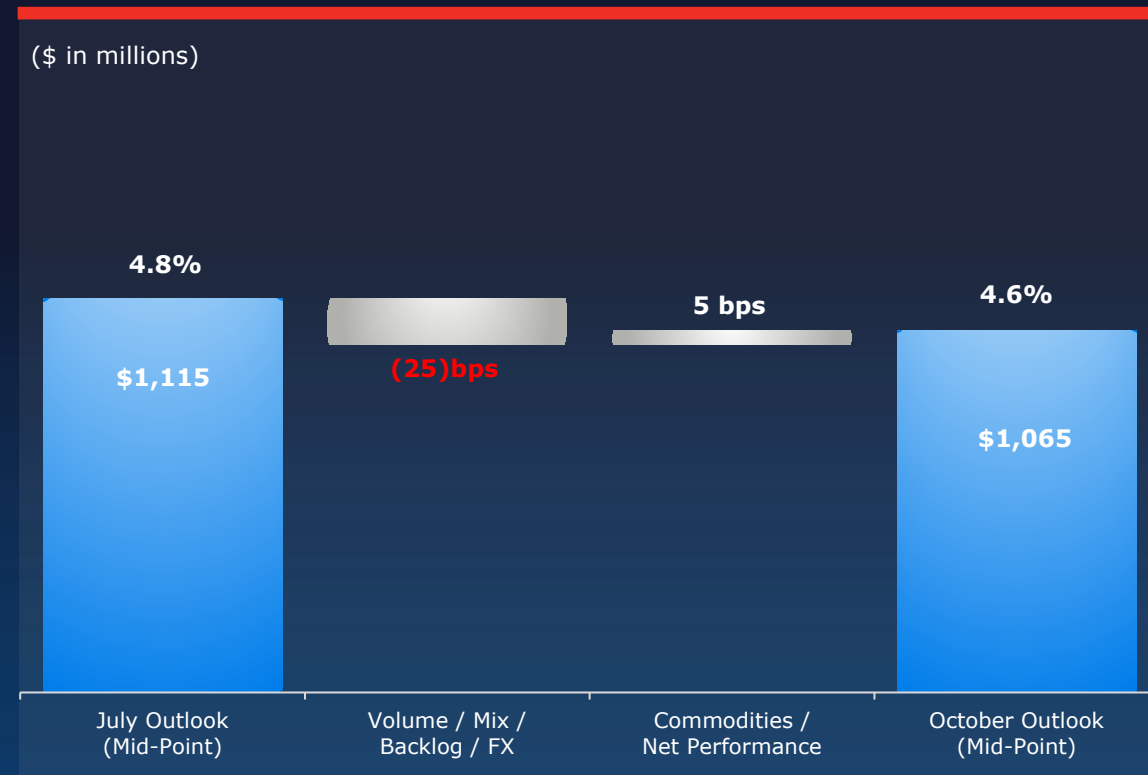
Certain of the forward-looking financial measures are provided on a non-GAAP basis. A reconciliation of forward-looking financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP is potentially misleading and not practical given the difficulty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

Total Company July Outlook to October Outlook – at Mid-Point

SALES



CORE OPERATING EARNINGS AND MARGIN



2024 Full Year Outlook assumes an average Euro of \$1.085 and an average Chinese RMB of 7.20 / \$ and reflects S&P Global Mobility production forecast as of October 15, 2024, and Company estimates

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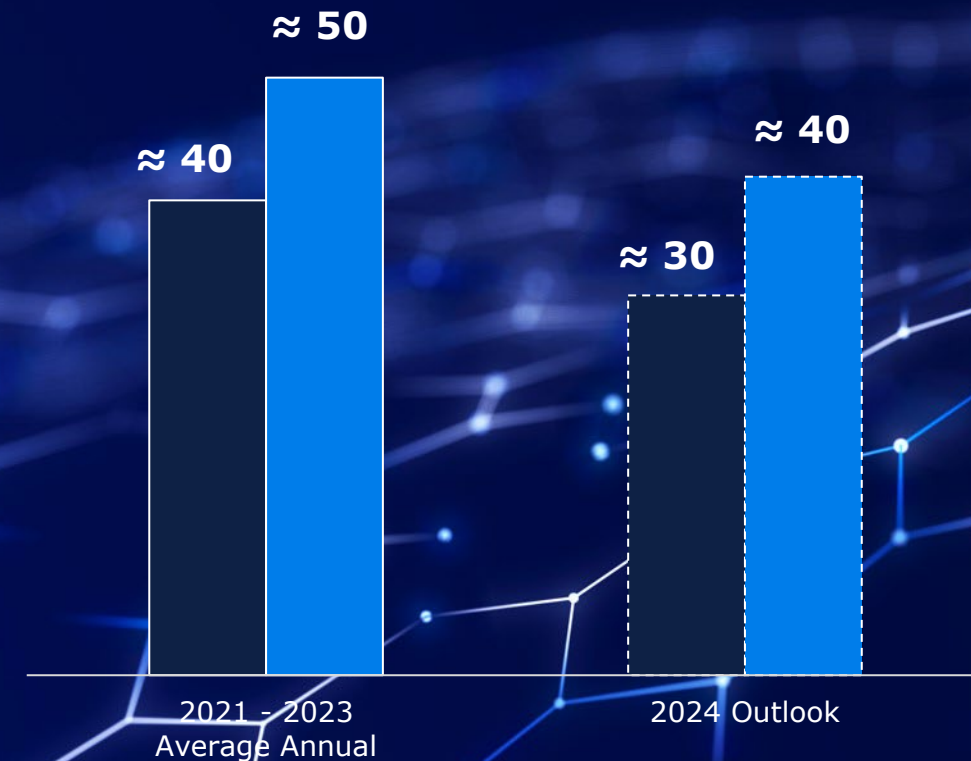
Execution Driving Margin Improvement and Mitigating Cost Pressures

- Continuing focus on operational efficiency, quality and profitability
 - Manufacturing process acquisitions focused on software, robotics, vision systems and artificial intelligence
 - Deploying advanced digital and manufacturing capabilities globally
 - Increasing utilization of internally developed plant equipment
- Improving manufacturing cost structure through restructuring
 - Realigning capacity to market demand
 - Accelerating footprint shift from Eastern Europe to North Africa and from Mexico to Central America
- Resolving commercial negotiations with key customers

NET PERFORMANCE YEAR OVER YEAR MARGIN IMPROVEMENT

(bps)

□ Seating ■ E-Systems

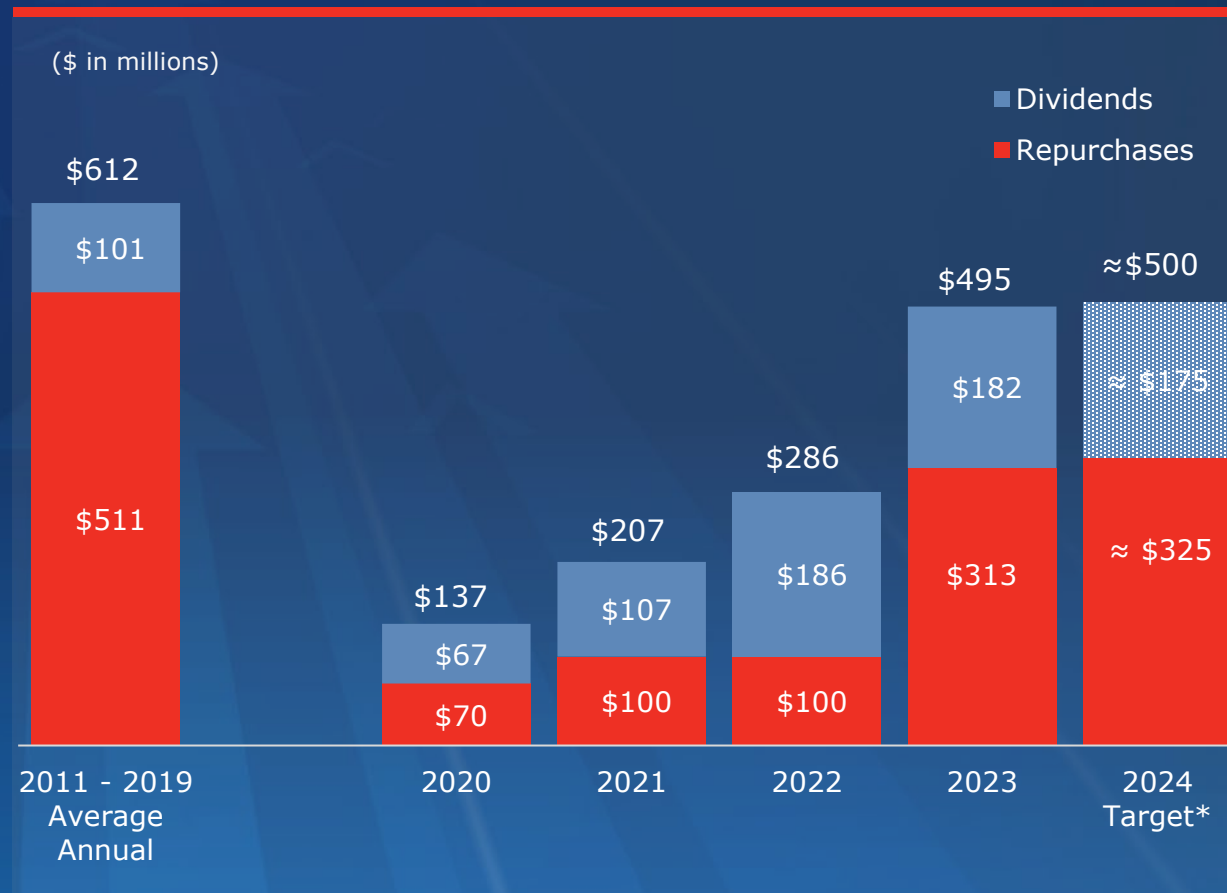


Note: Excludes impact from commodities

Commitment to Returning Capital to Shareholders

- Repurchased $\approx 1,875,000$ shares ($\approx \$209$ million) in the third quarter
- Achieved $\$325$ million target of share repurchases in 2024
- Grew adjusted earnings per share in the third quarter despite lower industry production
- Annual dividend of $\$3.08$ per share
- Exceeded 80% free cash flow conversion target in 2023 and targeting $>80\%$ free cash flow conversion in 2024
- Repurchased $\approx \$5.5$ billion of shares since 2011
- Returned $>85\%$ of free cash flow to shareholders since 2011
- $\$1.2$ billion remaining share repurchase authorization through December 31, 2026

SHARE REPURCHASES AND DIVIDENDS



*2024 Target assumes an annual dividend of $\$3.08$ per share and 2024 share repurchases of $\$325$ million

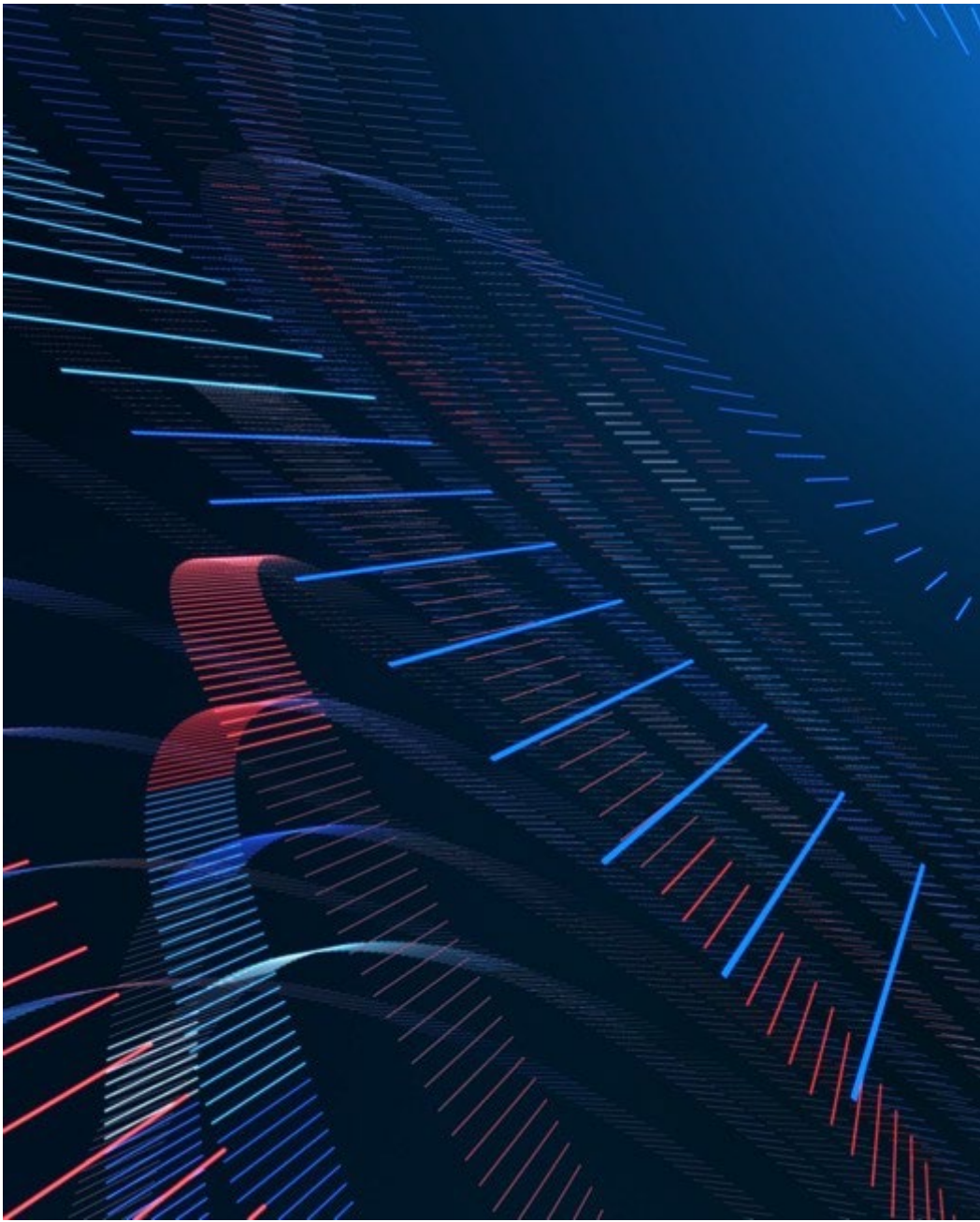
Positioned for Long-Term Success Despite Near-Term Headwinds

Near-Term Macro and Industry Uncertainty

- Geopolitical risks
- Potential trade conflicts
- Affordability and interest rates
- Wage inflation and labor scarcity
- Commodity and FX volatility
- Regulatory uncertainty
- Vehicle production in key regions
- Customer powertrain strategies
- Market share shift in China and globally

Long-Term Strategic Position

- ✓ Product portfolio that supports all powertrains
- ✓ Winning new customer awards, including conquest business
- ✓ Driving market share growth and margin improvement through thermal comfort systems, especially ComfortFlex™ and the ComfortMax Seat™
- ✓ Improving E-Systems operational efficiency and accelerating vertical integration through investment in connection systems
- ✓ Strengthening relationships with key Chinese and Japanese automakers
- ✓ Strong focus on operational execution
- ✓ Leveraging manufacturing process acquisitions to increase deployment of automation and improve operational efficiency
- ✓ Extending leadership position in operational excellence from the ongoing benefits from restructuring and advanced manufacturing investments
- ✓ IDEA by Lear initiatives driving margin expansion
- ✓ Consistently returning excess cash to shareholders through share repurchases and dividends



Concluding Remarks

Ray Scott
President and CEO

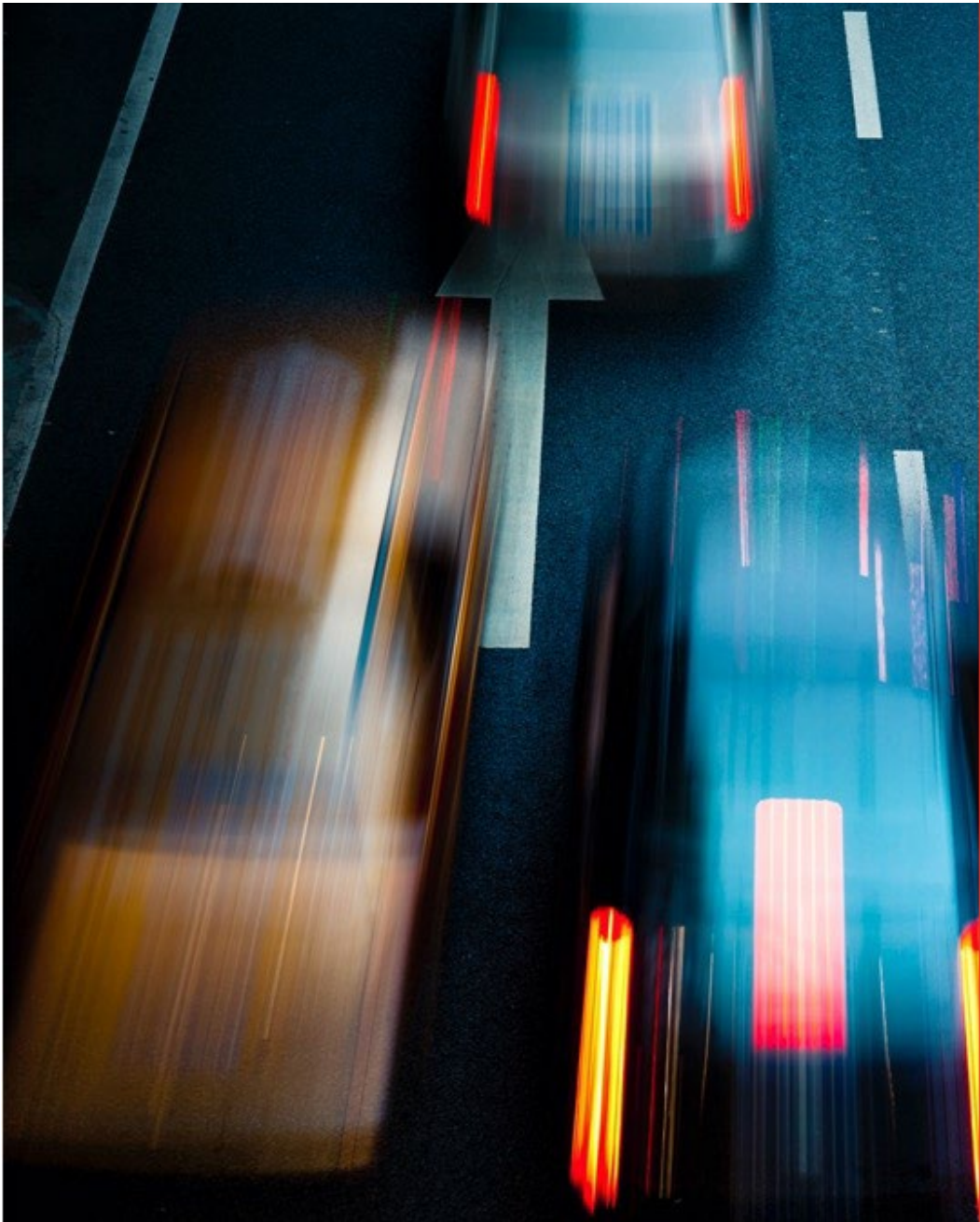
Positioning for Long-Term Success

Accelerating innovative solutions in powertrain agnostic products to drive growth and enhance margins

Diversifying customer base by strengthening relationships with Chinese and Japanese automakers

Investing in advanced manufacturing and restructuring to extend our competitive advantage in operational excellence and right size capacity

Consistently returning excess cash to shareholders through share repurchases and dividends



Appendix

Non-GAAP

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

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

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

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

Non-GAAP

Core Operating Earnings and Adjusted Margins

(\$ in millions)

Net sales

Net income attributable to Lear

Interest expense

Other expense, net

Income taxes

Equity in net income of affiliates

Net income attributable to noncontrolling interests

Restructuring costs and other special items -

Costs related to restructuring actions

Acquisition costs

Costs related to CrowdStrike Holdings, Inc.

Impairments (recoveries) related to Russian operations, net

Insurance recoveries related to typhoon in the Philippines, net of costs

Other

Core operating earnings

Adjusted margins

	Third Quarter	
	2023	2024
Net sales	\$ 5,781.0	\$ 5,584.4
Net income attributable to Lear	\$ 132.9	\$ 135.8
Interest expense	25.7	26.5
Other expense, net	5.8	3.4
Income taxes	47.0	47.1
Equity in net income of affiliates	(10.4)	(12.5)
Net income attributable to noncontrolling interests	19.2	20.2
Restructuring costs and other special items -		
Costs related to restructuring actions	48.0	27.8
Acquisition costs	0.4	-
Costs related to CrowdStrike Holdings, Inc.	-	3.7
Impairments (recoveries) related to Russian operations, net	0.4	(2.6)
Insurance recoveries related to typhoon in the Philippines, net of costs	(3.5)	-
Other	1.6	7.2
Core operating earnings	\$ 267.1	\$ 256.6
Adjusted margins	4.6%	4.6%

Non-GAAP

Adjusted Net Income and Earnings Per Share (In millions, except per share amounts)	Third Quarter		Full Year
	2023	2024	2023
Net income attributable to Lear	\$ 132.9	\$ 135.8	\$ 572.5
Restructuring costs and other special items -			
Costs related to restructuring actions	48.0	25.6	134.2
Acquisition costs	0.4	-	0.8
Acquisition-related inventory fair value adjustment	-	-	1.8
Costs related to CrowdStrike Holdings, Inc.	-	3.7	-
Impairments (recoveries) related to Russian operations, net	0.4	(2.6)	2.4
Intangible asset impairment	-	-	1.9
Insurance recoveries related to typhoon in the Philippines, net of costs	(7.5)	-	(7.3)
Foreign exchange gains due to foreign exchange rate volatility related to Russia	(0.7)	(1.5)	(1.9)
Favorable tax ruling in a foreign jurisdiction	-	-	(0.7)
Loss related to affiliates	-	-	7.0
Other	3.5	6.4	34.3
Tax impact of special items and other net tax adjustments ¹	(7.4)	(4.6)	(34.7)
Adjusted net income attributable to Lear	\$ 169.6	\$ 162.8	\$ 710.3
Weighted average number of diluted shares outstanding	59.1	56.4	59.1
Diluted net income per share attributable to Lear	\$ 2.25	\$ 2.41	\$ 9.68
Adjusted earnings per share	\$ 2.87	\$ 2.89	\$ 12.02

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

Non-GAAP

Adjusted Segment Earnings and Margins

(\$ in millions)

	Third Quarter			
	Seating		E-Systems	
	2023	2024	2023	2024
Net sales	\$ 4,284.9	\$ 4,111.8	\$ 1,496.1	\$ 1,472.6
Segment earnings	\$ 244.7	\$ 242.4	\$ 60.4	\$ 65.3
Restructuring costs and other special items -				
Costs related to restructuring actions	28.5	17.0	19.5	7.1
Costs related to CrowdStrike Holdings, Inc.	-	3.1	-	0.6
Impairments (recoveries) related to				
Russian operations, net	0.4	(2.6)	-	-
Insurance recoveries related to typhoon				
in the Philippines, net of costs	-	-	(3.5)	-
Other	1.3	1.6	2.5	1.2
Adjusted segment earnings	\$ 274.9	\$ 261.5	\$ 78.9	\$ 74.2
Segment margins	5.7%	5.9%	4.0%	4.4%
Adjusted segment margins	6.4%	6.4%	5.3%	5.0%

Non-GAAP

Free Cash Flow (\$ in millions)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Net cash provided by operating activities	\$ 790.3	\$ 729.8	\$ 820.1	\$ 927.8	\$ 1,271.1	\$ 1,619.3	\$ 1,783.1
Settlement of accounts payable in conjunction with the acquisition of Eagle Ottawa	-	-	-	-	45.7	-	-
Adjusted capital expenditures ¹	(326.0)	(439.1)	(453.5)	(424.7)	(485.8)	(528.3)	(594.5)
Free cash flow	\$ 464.3	\$ 290.7	\$ 366.6	\$ 503.1	\$ 831.0	\$ 1,091.0	\$ 1,188.6
							Q3 YTD
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Net cash provided by operating activities	\$ 1,779.8	\$ 1,284.3	\$ 663.1	\$ 670.1	\$ 1,021.4	\$ 1,249.3	\$ 439.3
Settlement of accounts payable in conjunction with the acquisition of I.G. Bauerhin	-	-	-	-	-	15.4	-
Capital expenditures	(677.0)	(603.9)	(452.3)	(585.1)	(638.2)	(626.5)	(366.6)
Free cash flow	\$ 1,102.8	\$ 680.4	\$ 210.8	\$ 85.0	\$ 383.2	\$ 638.2	\$ 72.7

¹ Reflected net of related insurance proceeds of \$3.5 million, \$19.2 million and \$7.1 million in 2011, 2012 and 2013, respectively.

Non-GAAP

(in millions, except per share amounts)

	Third Quarter of 2024			
	<u>Reported</u>	<u>Restructuring Costs</u>	<u>Other Special Items</u>	<u>Adjusted</u>
Pretax Income Before Equity Income, Interest and Other Expense	\$ 220.5	\$ 27.8 ¹	\$ 8.3 ¹	\$ 256.6
Equity Income	<u>(12.5)</u>			<u>(12.5)</u>
Pretax Income Before Interest and Other Expense	\$ 233.0			\$ 269.1
Interest Expense	26.5			26.5
Other Expense, Net	<u>3.4</u>	(2.2)	(2.3)	<u>7.9</u>
Income Before Taxes	\$ 203.1			\$ 234.7
Income Taxes	<u>47.1</u>	(3.5)	(1.1)	<u>51.7</u>
Net Income	\$ 156.0			\$ 183.0
Noncontrolling Interests	<u>20.2</u>			<u>20.2</u>
Net Income Attributable to Lear	<u>\$ 135.8</u>			<u>\$ 162.8</u>
Diluted Earnings per Share	<u>\$ 2.41</u>			<u>\$ 2.89</u>

¹ Restructuring costs include \$23.0 million in cost of sales and \$4.8 million in SG&A. Other special items include \$6.8 million in cost of sales and \$1.5 million in SG&A.