

Annual Meeting of Stockholders

May 17, 2018



Presented by:
Ray Scott, President and CEO
Jeff Vanneste, SVP 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, 2017, and its other Securities and Exchange Commission filings. Future operating results will be based on various factors, including actual industry production volumes, commodity prices and the Company’s success in implementing its operating strategy.

Information in this presentation relies on assumptions in the Company’s sales backlog. The Company’s sales backlog reflects anticipated net sales from formally awarded new programs less lost and discontinued programs. The calculation of the sales backlog does not reflect customer price reductions on existing or newly awarded programs. The 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.

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A blurred, futuristic car is shown in motion against a dark, atmospheric background. The car is light-colored and has a sleek, aerodynamic design. A red light streak is visible along the side of the car, suggesting speed and advanced technology.

Business Overview



Ray Scott, President and CEO

Two High-Performing Business Segments

SEATING

\$15.9 billion sales

Fastest-growing and most profitable automotive seating supplier



✓

Quality leader

✓

✓

Product and process innovation

✓

✓

Global capabilities and low-cost provider

✓

✓

Segment leading margins and strong cash generation

✓

✓

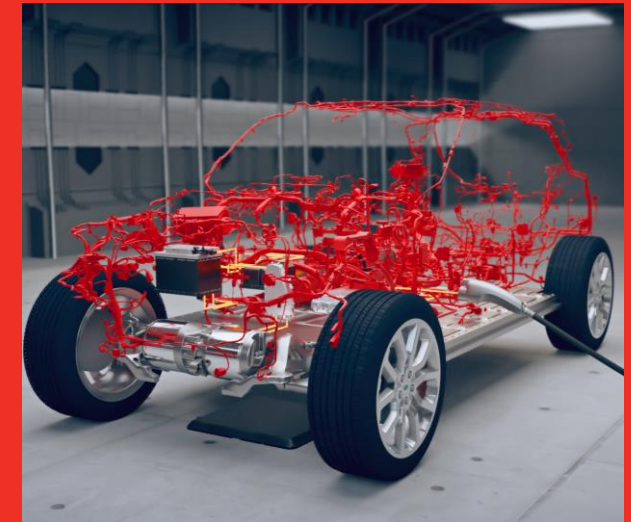
Return on invested capital well above cost of capital

✓

E-SYSTEMS

\$4.6 billion sales

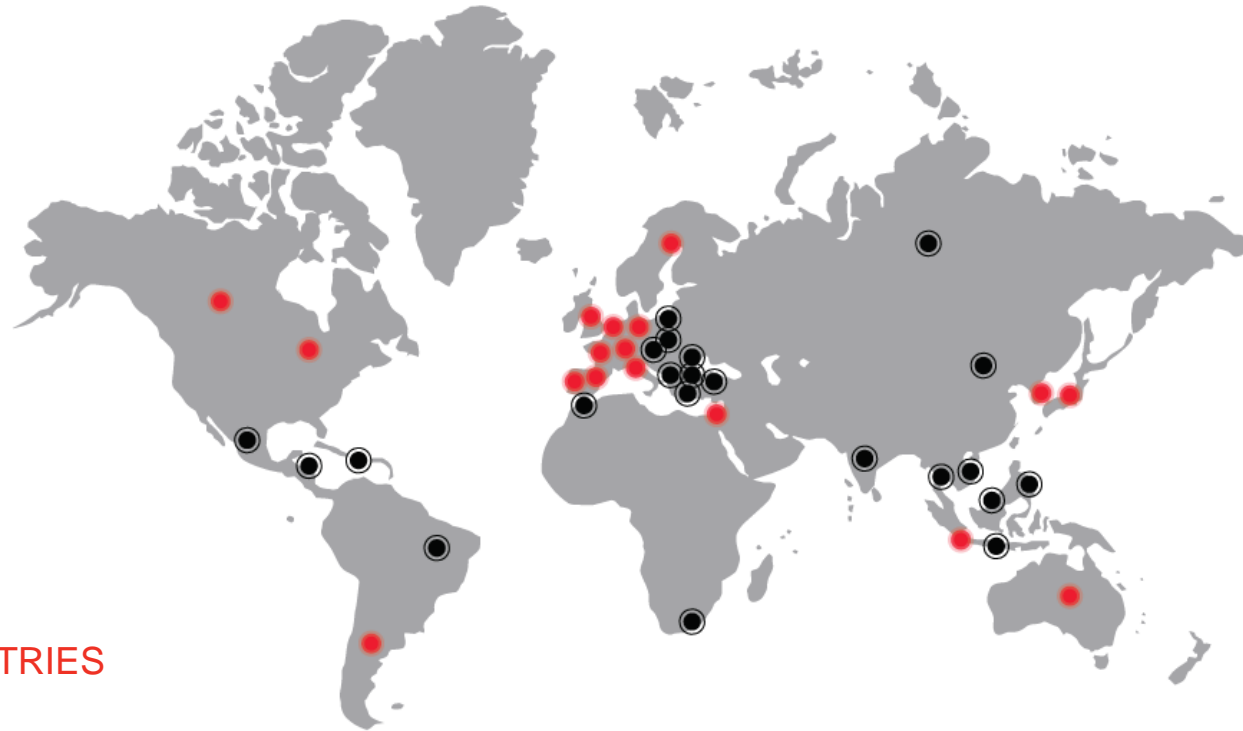
Global leader in electrical architecture including high-power with wireless connectivity expertise



Global Capabilities With Low-Cost Footprint

165,000
EMPLOYEES

257 IN **39**
FACILITIES COUNTRIES



LOW-COST
FOOTPRINT
22
COUNTRIES

ARGENTINA
AUSTRALIA
BELGIUM
CANADA
FRANCE
GERMANY
ISRAEL
ITALY
JAPAN
NETHERLANDS
PORTUGAL
SINGAPORE
SOUTH KOREA
SPAIN
SWEDEN
UNITED KINGDOM
UNITED STATES

BRAZIL
CHINA
CZECH REPUBLIC
DOMINICAN REPUBLIC
HONDURAS
HUNGARY
INDIA
INDONESIA
MACEDONIA
MALAYSIA
MEXICO
MOLDOVA
MOROCCO
PHILIPPINES
POLAND
ROMANIA
RUSSIA
SERBIA
SLOVAK REPUBLIC
SOUTH AFRICA
THAILAND
VIETNAM

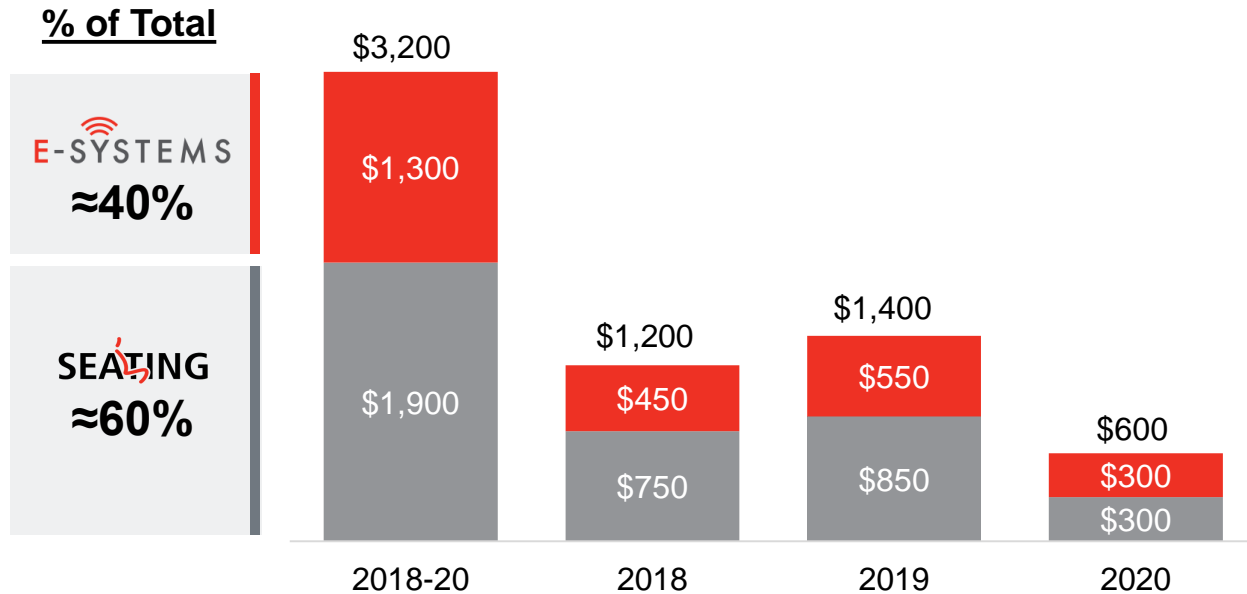
More Than 80% Of Component Facilities And More Than 95% Of Related Employment Located In Low-Cost Countries

Record 2018–2020 Sales Backlog

(in millions, Euro at \$1.18)

\$3.2 Billion Consolidated Sales Backlog

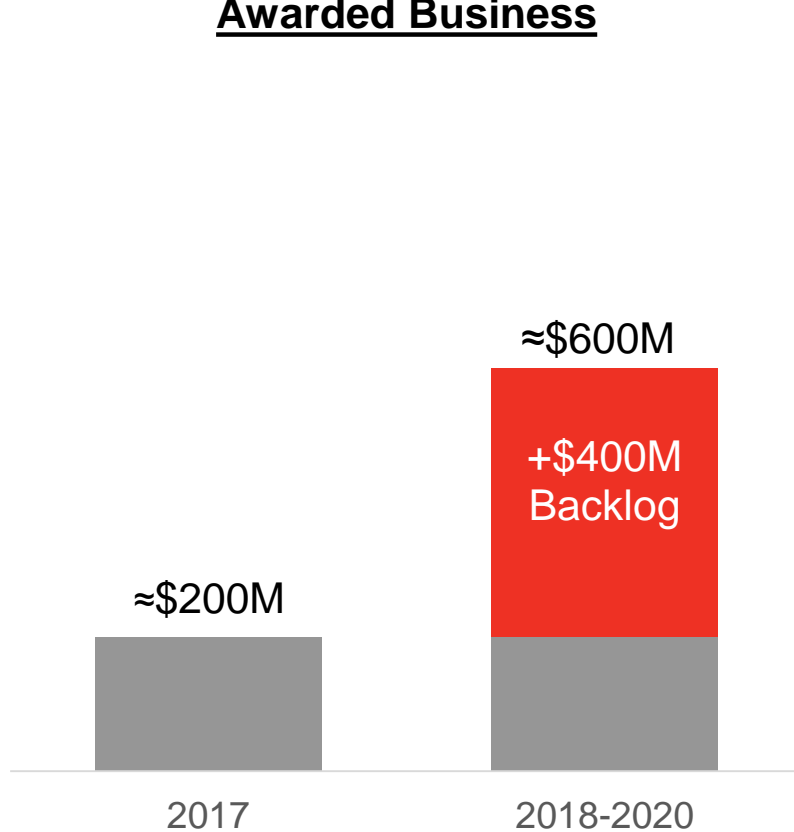
Nearly \$4 Billion Total Backlog Including Non-Consolidated



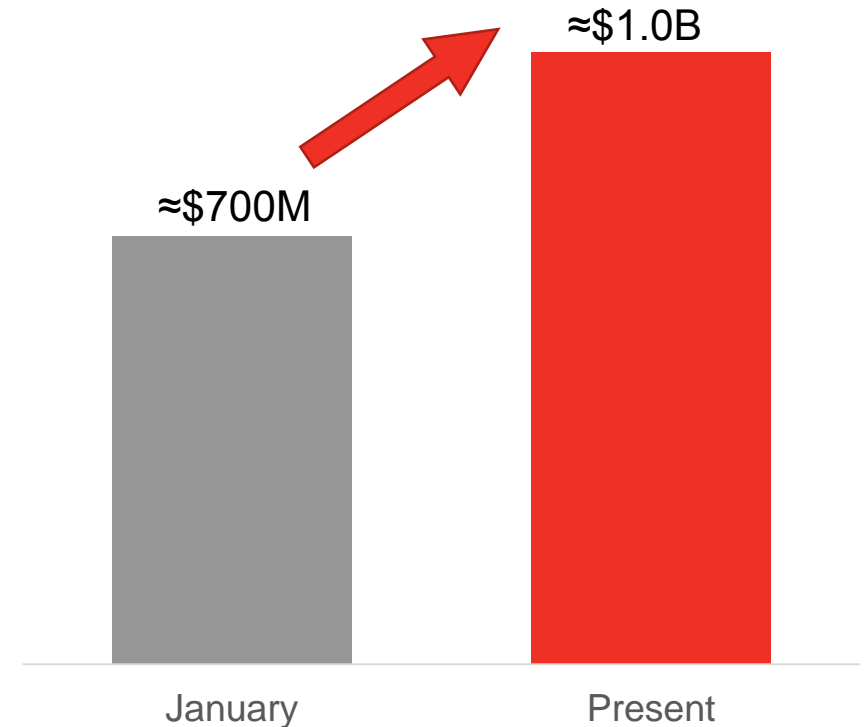
**\$400 Million Of E-Systems Backlog In Electrification And Connectivity Programs
And 90% Of Seating Backlog On Crossover And SUV Programs**

Increasing Quoting Activity in Electrification and Connectivity

Awarded Business

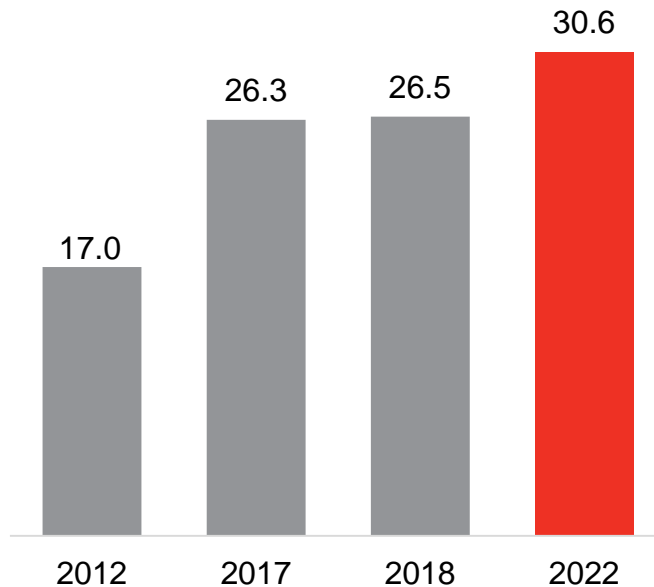


Incremental 2018 Quoting Activity

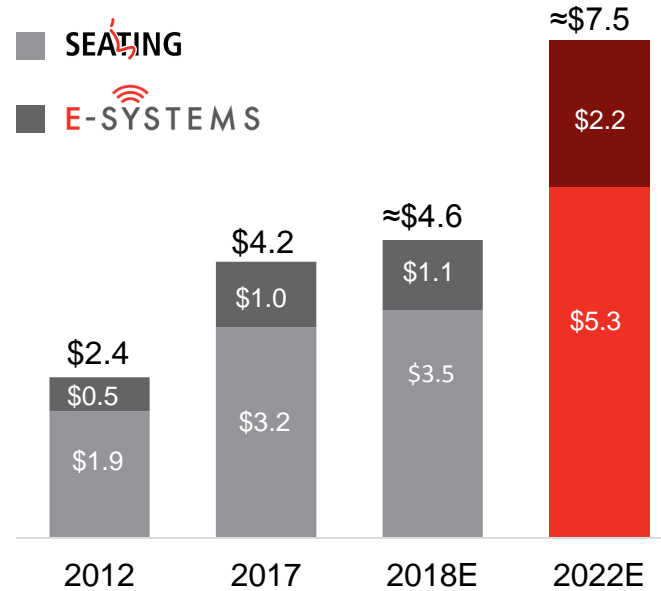


China Will Continue to Be a Significant Growth Opportunity for Both Segments

China Vehicle Production Forecast
(units in millions)



Lear Revenue Forecast
(in billions – includes non consolidated sales)



Growth Drivers

- World's largest automotive market
- Increasing population and vehicle density
- China OEMs seeking supplier expertise
- Increasing demand for luxury vehicles, crossovers and SUVs
- Consumer demand for added features
- Potential to become largest EV / Plug-in Hybrid market
- Continued Lear market share gains

Significant Profitable Growth Opportunities in Both Business Segments

SEATING

Fastest-growing and most profitable automotive seating supplier with the highest level of vertical integration, including unique leather, electronics and software capabilities

Growth Opportunities

- Increasing mix of high-content crossover, SUV and luxury vehicles
- Crafted by Lear™
- INTU™ Intelligent Seat
- Drop & Go™ adaptive seating
- Growth in China
- Lear market share gains

Continued Growth
Mid Single Digit % Above Market

E-SYSTEMS

Global leader in electrical architecture technology, including high-power capabilities with wireless connectivity and cyber security expertise

Growth Opportunities

- Increasing consumer demand for vehicle content requiring signal, data and power management
- Electrification
- Connectivity
- Growth in China
- Lear market share gains

Accelerating Growth
High Single Digit % Above Market

A blurred, high-speed photograph of a multi-lane highway with cars, viewed from a low angle looking down the road. A bright sunburst effect emanates from the horizon at the top of the frame, creating a sense of motion and direction.

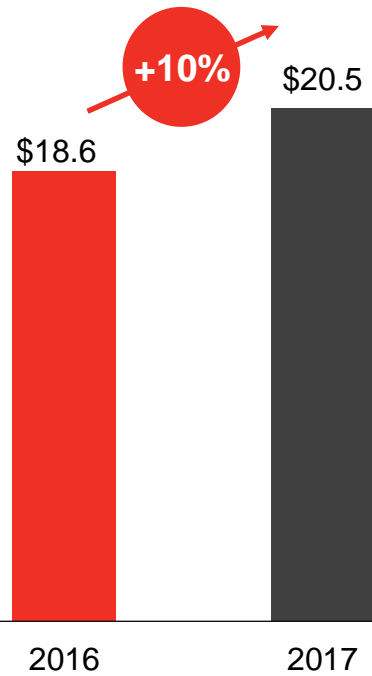
Financial Results



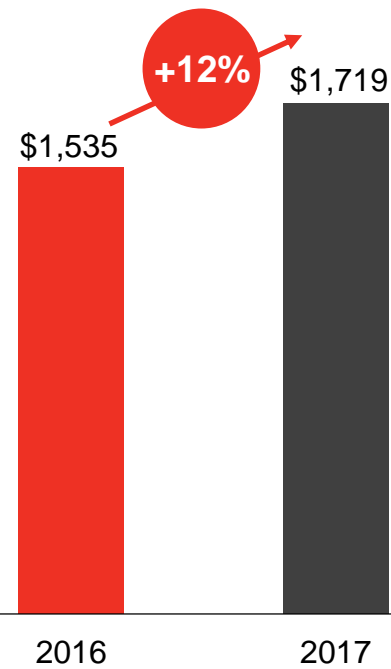
Jeff Vanneste, SVP and CFO

Full Year 2017 Highlights

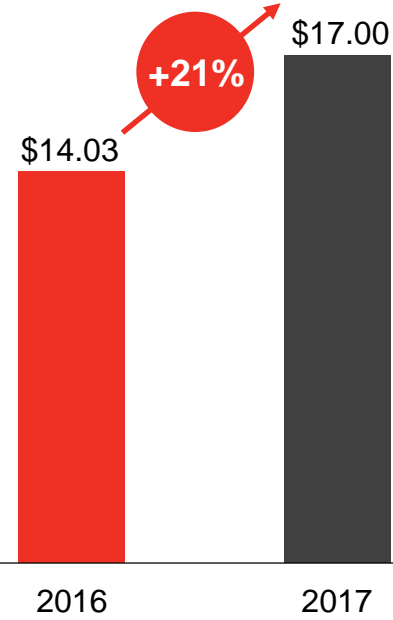
Sales
(in billions)



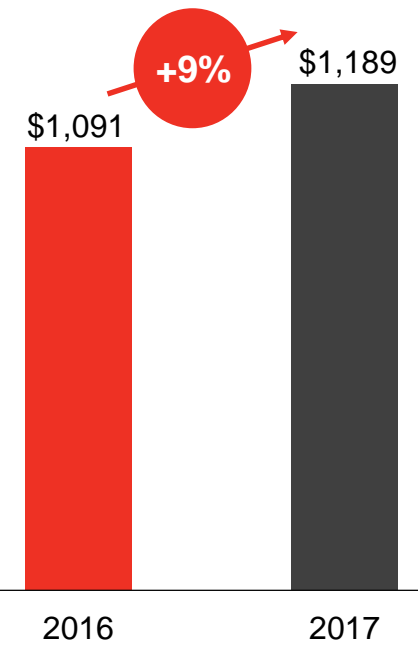
Core Operating Earnings
(in millions)



Adjusted EPS

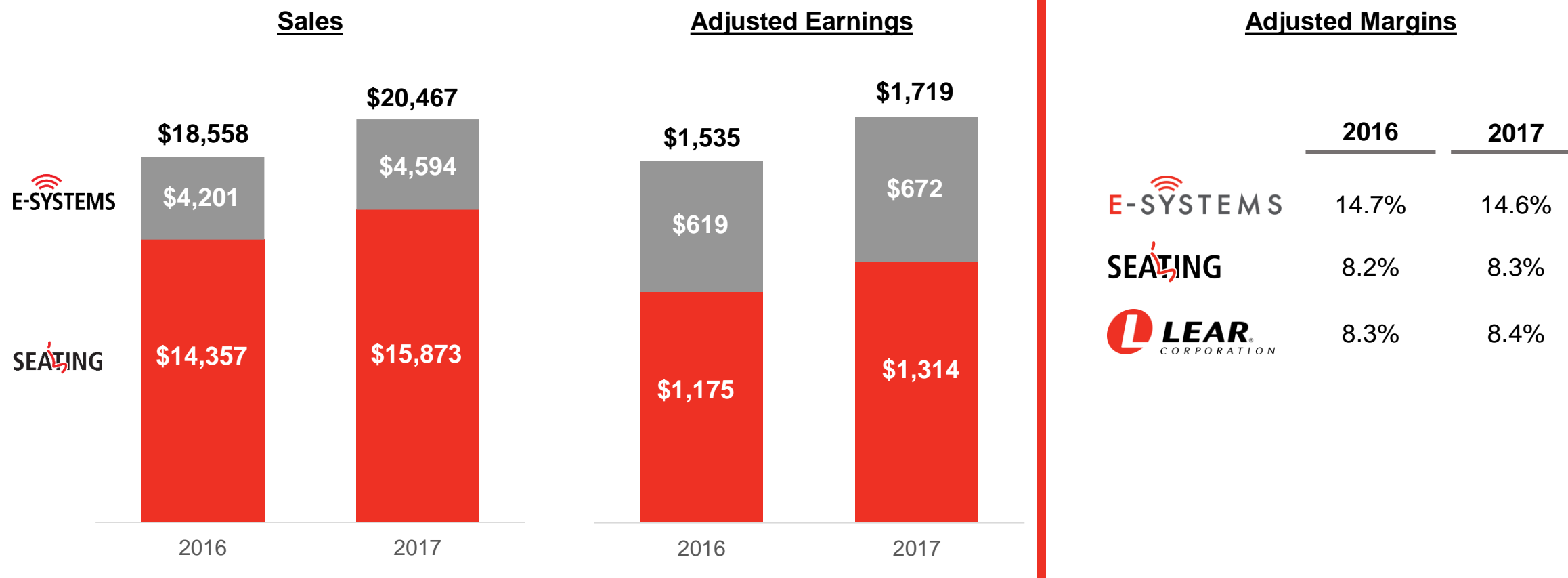


Free Cash Flow
(in millions)



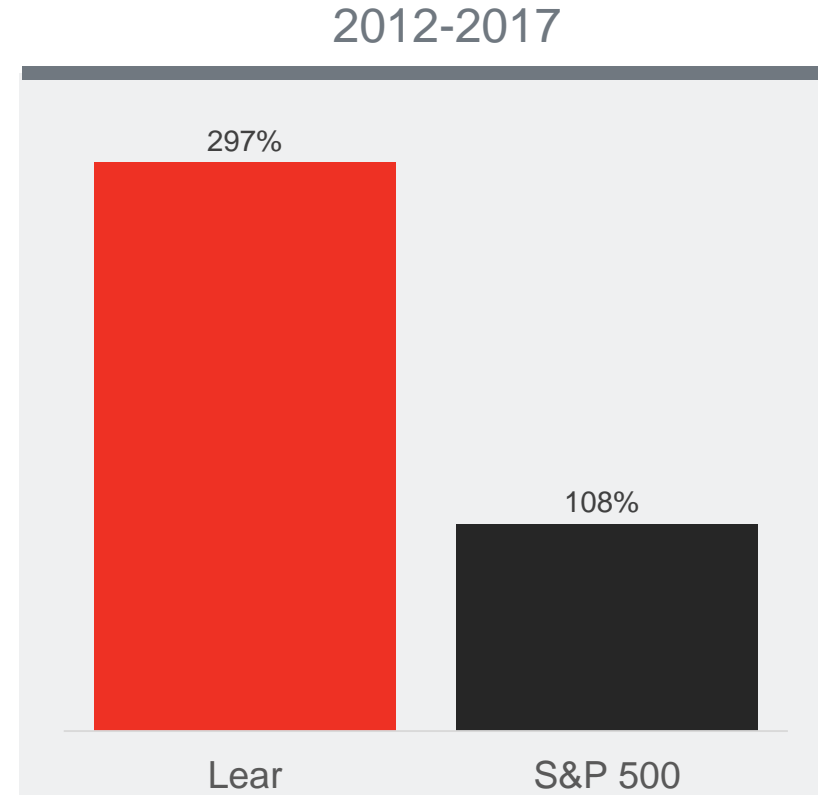
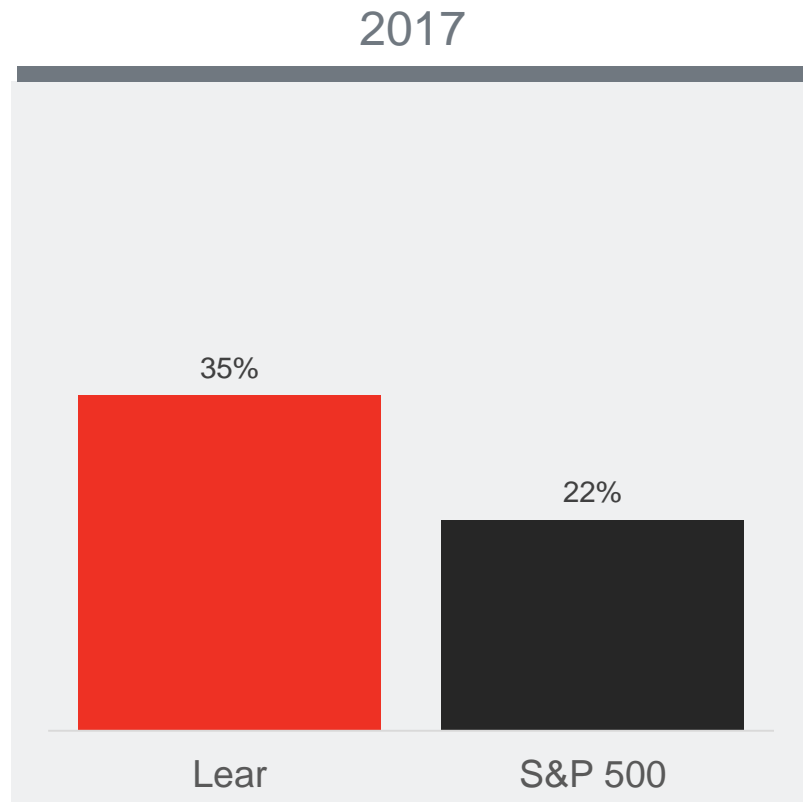
Full Year 2017 Segment Results

(in millions)



Superior Shareholder Returns

Total Shareholder Returns



A blurred, high-speed photograph of a multi-lane highway with cars, viewed from a low angle looking down the road. A bright sunburst effect emanates from the horizon at the top center, creating a sense of motion and direction.

2018 Outlook



Jeff Vanneste, SVP and CFO

Key 2018 Launches

SEATING

145 Total Launches

Including 70% on Crossovers, SUVs and Pickups



Mercedes GLE

JIT, Trim
North America



BMW X3

JIT, Structures, Trim, Foam
Asia



GMC Sierra / Chevy Silverado

JIT, Trim, Leather, Fabric, Foam,
Recliners, Front Tracks
North America



Audi Q3

JIT, Fabric
Europe

E-SYSTEMS

160 Total Launches

Including Industry's Most Sophisticated Connected Gateway Module



Ford Focus

Wire Harness, Power Distribution, T&C
Europe, Asia



Audi (various models)

Gateway / Connectivity Box
Europe



FCA Ram / Wrangler

High Voltage Wire Harness
North America

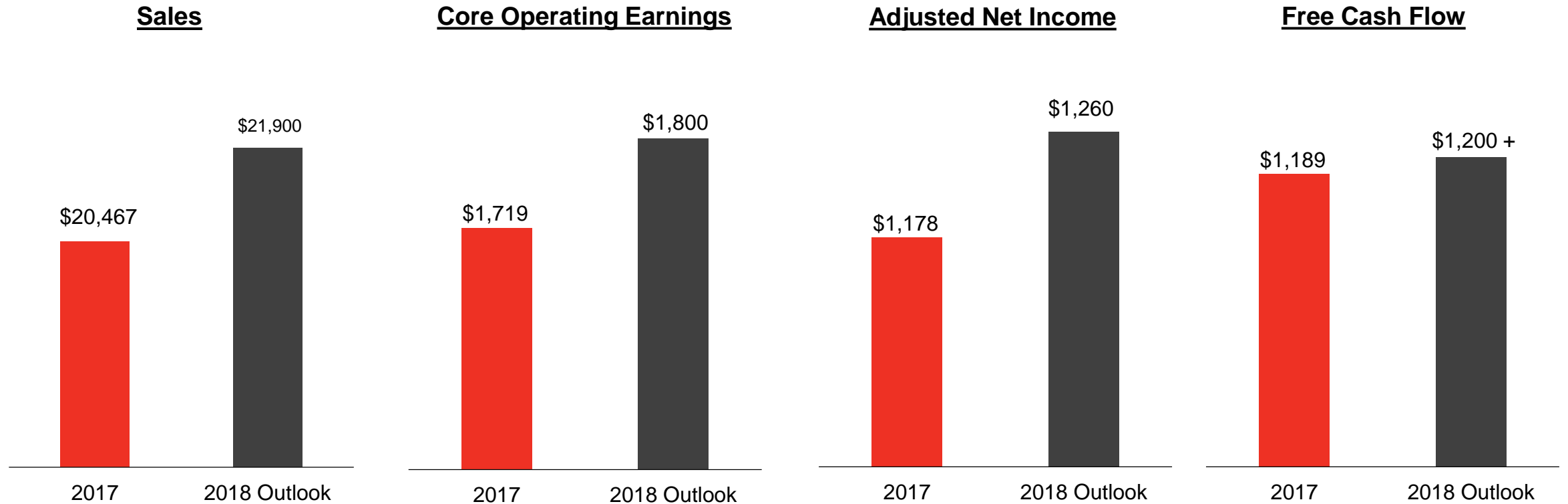


Land Rover Range Rover / Sport

Wire Harness
Europe

Another Record Year in 2018

(in millions)



A blurred, futuristic car is shown in motion against a dark, atmospheric background. The car is light-colored and has a sleek, aerodynamic design. A red light streak is visible along the side of the car, suggesting speed or a specific feature. The overall mood is high-tech and dynamic.

Summary




Ray Scott, President and CEO

Summary

- Record financial results in 2017
- 2018 represents another year of record performance
- Making the necessary investments to support successful launches and deliver continued profitable growth
- Continued focus on operational excellence, driving best-in-class performance
- Developing innovative new products aligned with key industry growth trends
- Accelerating quoting activity related to electrification and connectivity

**Well Positioned For Continued Profitable Sales Growth In
Both Business Segments**

A blurred image of a silver car driving on a road, with a red light streak visible through the window.

| Appendix



Non-GAAP Financial Information

In addition to the results reported in accordance with GAAP included throughout this presentation, the Company has provided information regarding “pretax income before equity income, interest, other (income) expense, restructuring costs and other special items” (core operating earnings or adjusted earnings), “adjusted net income attributable to Lear” (adjusted net income), adjusted diluted net income per share available to Lear common stockholders (adjusted earnings per share) and “free cash flow” (each, a non-GAAP financial measure). Other (income) 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 represents net income attributable to Lear adjusted for restructuring costs and other special items, including the tax effect thereon. Adjusted earnings per share represents diluted net income per share available to Lear common stockholders adjusted for the redeemable noncontrolling interest adjustment, restructuring costs and other special items, including the tax effect thereon. Free cash flow represents net cash provided by operating activities less capital expenditures.

Management believes the non-GAAP financial measures used in this presentation are useful to both management and investors in their analysis of the Company’s financial position and results of operations. In particular, management believes that core operating earnings, adjusted net income and adjusted earnings per share 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 are useful to both management and investors in their analysis of the Company’s results of operations and 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 net income, adjusted earnings per share 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 available to Lear common stockholders, 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 Information

Core Operating Earnings and Adjusted Margins (\$ in millions)	Full Year	
	2016	2017
Net sales	\$ 18,557.6	\$ 20,467.0
Net income attributable to Lear	\$ 975.1	\$ 1,313.4
Interest expense	82.5	85.7
Other (income) expense, net	6.4	(4.1)
Income taxes	370.2	197.5
Equity in net income of affiliates	(72.4)	(51.7)
Net income attributable to noncontrolling interests	65.4	67.5
Pretax income before equity income, interest and other (income) expense	\$ 1,427.2	\$ 1,608.3
Costs related to restructuring actions	69.9	75.4
Pension settlement charge	34.2	-
Acquisition and other related costs	1.3	3.8
Acquisition-related inventory fair value adjustment	-	5.0
Litigation	-	13.9
Insurance recoveries, net related to the destruction of assets	-	-
Other	2.2	12.6
Core operating earnings	\$ 1,534.8	\$ 1,719.0
Adjusted margins	8.3%	8.4%

Non-GAAP Information

Adjusted Earnings and Margins

(\$ in millions)

	Full Year			
	2016		2017	
	E-Systems	Seating	E-Systems	Seating
Net sales	\$ 4,200.9	\$14,356.7	\$ 4,594.0	\$15,873.0
Segment earnings	\$ 591.3	\$ 1,136.0	\$ 641.6	\$ 1,250.8
Costs related to restructuring actions	23.1	43.9	21.3	46.2
Acquisition and other related costs	-	-	-	0.3
Acquisition-related inventory fair value adjustment	-	-	0.7	4.3
Litigation	-	-	3.3	10.6
Other	4.9	(4.7)	4.8	1.9
Adjusted earnings	\$ 619.3	\$ 1,175.2	\$ 671.7	\$ 1,314.1
Adjusted margins	14.7%	8.2%	14.6%	8.3%

Non-GAAP Information

	Full Year	
	2016	2017
Adjusted Earnings Per Share (In millions, except per share amounts)		
Net income available to Lear common stockholders	\$ 975.1	\$ 1,287.9
Redeemable noncontrolling interest	-	25.5
Net income attributable to Lear	975.1	1,313.4
Costs related to restructuring actions	69.6	74.5
Pension settlement charge	34.2	-
Acquisition and other related costs	1.3	3.8
Acquisition-related inventory fair value adjustments	-	5.0
Litigation	-	15.4
Insurance recoveries, net related to the destruction of assets	-	-
Loss on extinguishment of debt	-	21.2
Gain related to affiliate	(30.3)	(54.2)
Other	-	13.5
U.S. transition tax on accumulated foreign earnings	-	131.0
Deferred tax impact of U.S. corporate tax reform	-	42.5
Foreign tax credits on repatriated earnings	-	(289.7)
Tax impact of special items and other net tax adjustments ¹	(23.6)	(98.6)
Adjusted net income attributable to Lear	\$ 1,026.3	\$ 1,177.8
Weighted average number of diluted shares outstanding	73.1	69.3
Diluted net income per share available to Lear common stockholders	\$ 13.33	\$ 18.59
Adjusted earnings per share	\$ 14.03	\$ 17.00

¹ Reflects the tax effect of restructuring costs and other special items and several discrete tax items, including tax benefits of \$29.9 million related to the reversal of valuation allowances on the deferred tax assets of certain foreign subsidiaries, \$17.3 million related to the change in the accounting for share-based compensation and \$14.3 million related to an incentive tax credit in a foreign subsidiary in 2017. The identification of these tax items is judgmental in nature, and their calculation is based on various assumptions and estimates.

Non-GAAP Information

Free Cash Flow

(\$ in millions)

Net cash provided by operating activities

Capital expenditures

Free cash flow

	Full Year	
	2016	2017
Net cash provided by operating activities	\$ 1,619.3	\$ 1,783.1
Capital expenditures	(528.3)	(594.5)
Free cash flow	\$ 1,091.0	\$ 1,188.6