



# Investor Overview

June 2026

Making every drive better™

# Safe Harbor Statement

## **Forward-Looking Statements**

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding anticipated financial results and liquidity. The words “may,” “designed to,” “outlook,” “believes,” “should,” “anticipates,” “plans,” “expects,” “intends,” “estimates,” “forecasts”, “targets” and similar expressions identify certain of these forward-looking statements. The Company also may provide forward-looking statements in oral statements or other written materials released to the public. All statements contained or incorporated in this 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, 2025, and its other Securities and Exchange Commission filings. Future operating results will be based on various factors, including actual industry production volumes, the impact of, and our ability to mitigate the effects of, U.S. or foreign policies regarding trade, including tariffs and export restrictions and any changes to tariffs or export restrictions, any resulting volume reductions or changes in vehicle production schedules by our customers, the duration and scope of any government shutdown and any other industry disruptions, supply chain disruptions, labor disruptions, unforeseen operational disruptions impacting our customers, commodity prices, changes in foreign exchange rates, the impact of restructuring actions and the Company's success in implementing its operating strategy.

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

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

## **Non-GAAP Financial Information**

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

# Lear At A Glance

A Global Automotive Supplier

**Sales of \$23.3 Billion in 2025**

## SEATING

\$17.3 billion 2025 sales

## E-SYSTEMS

\$6.0 billion 2025 sales



**100+**  
**YEAR**  
**HERITAGE**

As an  
automotive  
supplier

**~164,300 EMPLOYEES GLOBALLY**

Industry leading talent and technical expertise

**258 FACILITIES IN 36 COUNTRIES**

Global engineering, manufacturing and administrative footprint

**500+ VEHICLE NAMEPLATES**

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



Leads in Top 4 Finishes  
in **J.D. Power** 2025  
U.S. Seat Quality and  
Satisfaction Study<sup>SM</sup>

Automotive News

**PACE AWARD**

2025 WINNER

Lear Zone Control Module

**MAKING EVERY DRIVE BETTER™**

# Global Footprint

## North America

**69,800**  
employees

**76**  
facilities

**4**  
countries

## South America

**9,600**  
employees

**14**  
facilities

**2**  
countries

**Global Headquarters**  
Southfield, Michigan

**South America Regional Headquarters**  
São Paulo, Brazil

**Europe E-Systems Regional Headquarters**  
Valls, Spain

**Europe Seating Regional Headquarters**  
Munich, Germany

**Asia Regional Headquarters**  
Shanghai, China

## Europe & Africa

**62,900**  
employees

**104**  
facilities

**20**  
countries

## Asia Pacific

**22,000**  
employees

**64**  
facilities

**10**  
countries



# Our Commitment to a Low-Carbon Future

**2030**

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

*(SBTi validated)*

100% renewable energy for electric power consumed at our facilities

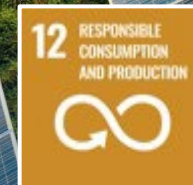
**2033**

35% reduction in Scope 3 emissions\*

*(SBTi validated)*



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



United Nations Global Compact Participant

\*2019 Baseline

# Key Financials

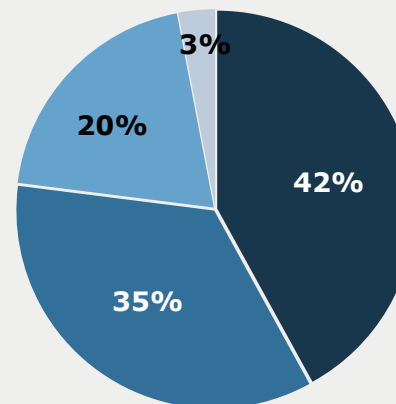
(\$ in millions, except per share amounts)

	2024	2025	2026 Outlook* (Mid-Point)
<b>Net Sales</b>	\$23,306	\$23,259	\$23,610
<b>Core Operating Earnings**</b> Operating Margin %	\$1,096 4.7%	\$1,062 4.6%	\$1,115 4.7%
<b>Adjusted Earnings Per Share**</b>	\$12.62	\$12.80	Not Provided
<b>Operating Cash Flow</b>	\$1,120	\$1,089	\$1,260

# Well-Diversified By Region and Customer

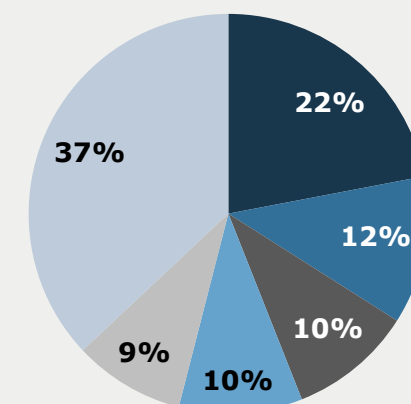
## 2025 Percentage of Sales

### By Region



- North America
- Europe & Africa
- Asia
- South America

### By Customer



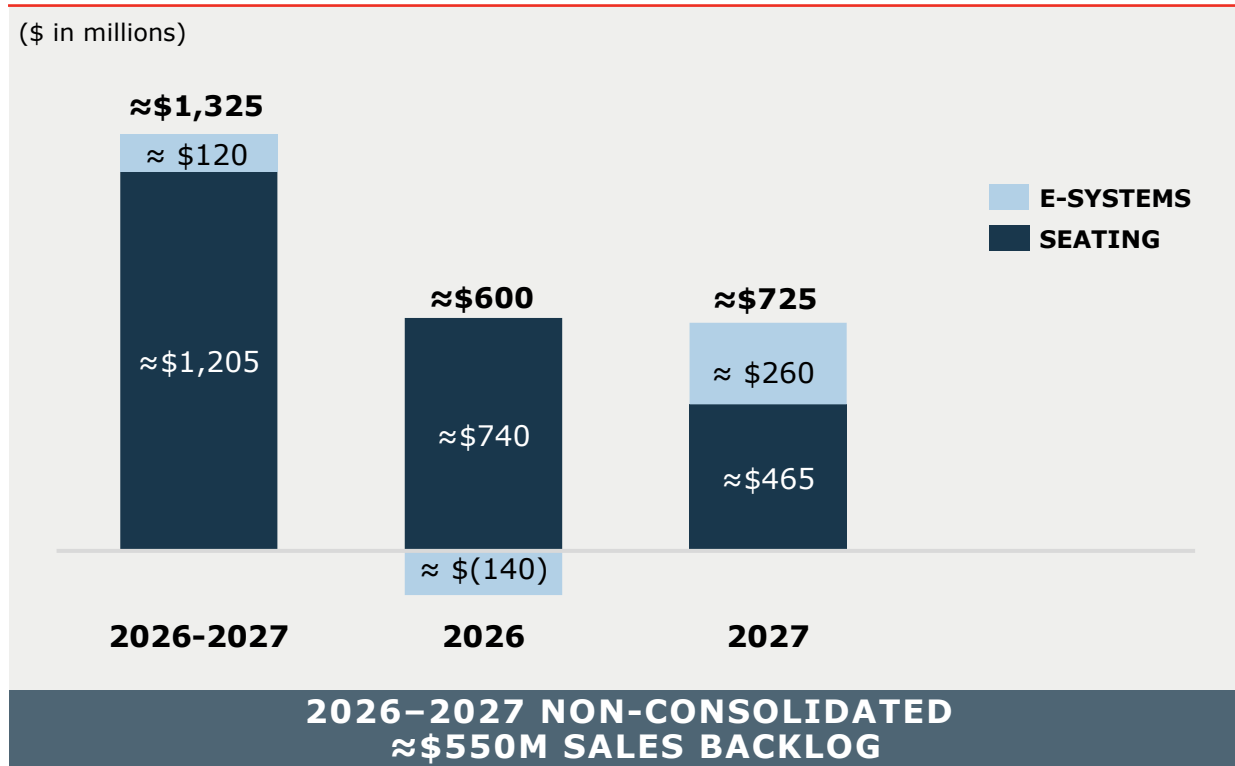
- General Motors
- Ford
- Mercedes-Benz
- Volkswagen
- Stellantis
- Other

\*Assumptions and Source: 2026 Outlook assumes an average Euro of \$1.17 and an average Chinese RMB of 6.91/\$ and reflects S&P Global Mobility production forecast as of April 16, 2026, and Company estimates.

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

# Core Sales Backlog (Net New Awarded Business)

## 2026–2027 CONSOLIDATED ≈\$1.325B SALES BACKLOG\*



## KEY BACKLOG PROGRAMS

### SEATING

- Audi Q7 / Q9 (Europe)
- Jeep Cherokee (North America)
- Seres M6 / M7 / M8 (Asia)
- BMW iX3 (Europe)
- Mercedes GLC EQ (Europe and Asia)
- Mercedes GLE (Asia)

### E-SYSTEMS

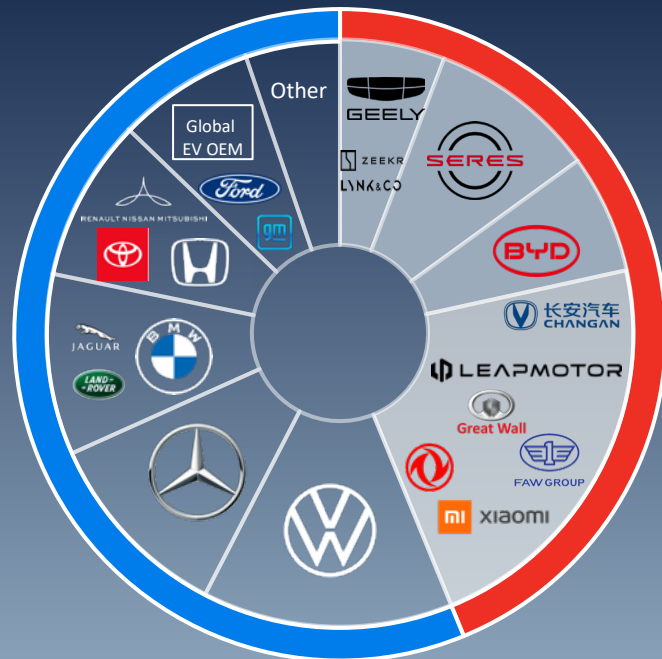
- BMW Neue Klasse (Europe)
- Volvo EX30 (Europe)
- Renault Oroch (South America)
- Wire programs for a global EV automaker (North America)

\* The impact from the wind-down of non-core products in E-Systems is not included in sales backlog. The impact is expected to be \$120-\$130 million in 2026 and \$215-\$230 million in 2027.

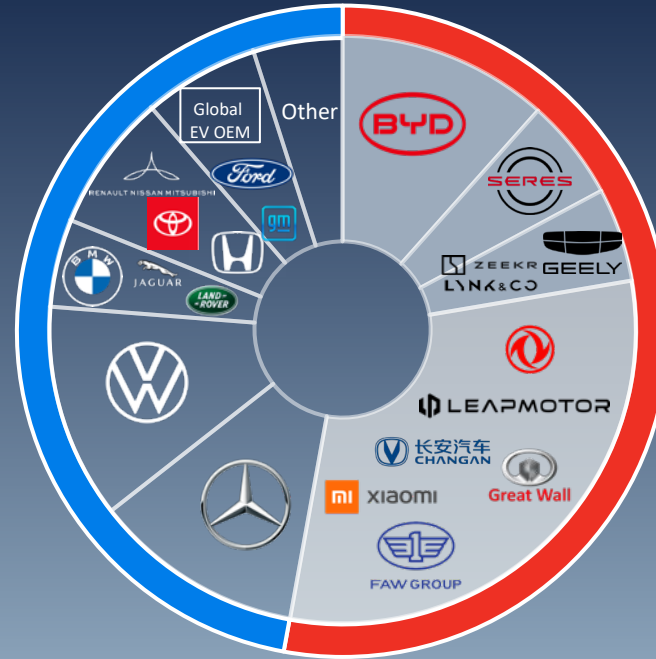
# Growing with Key Chinese Automakers

## CHINA REVENUE BY CUSTOMER

**2025 Actual**  
 ≈44% with Chinese Automakers



**2027 Target**  
 >50% with Chinese Automakers



Chinese Automakers

U.S. / European / Other Asian Automakers

## KEY WINS WITH CHINESE AUTOMAKERS

### SEATING

- Complete seat and ComfortMax Seat™ awards with Geely
- New complete seat award with BAIC
- New non-consolidated award with Dongfeng

### E-SYSTEMS

- Conquest wire award with SAIC
- Two wire awards with Dongfeng, including one conquest
- New wire awards with Geely
- New non-consolidated wire award with BAIC

# Capital Allocation Strategy

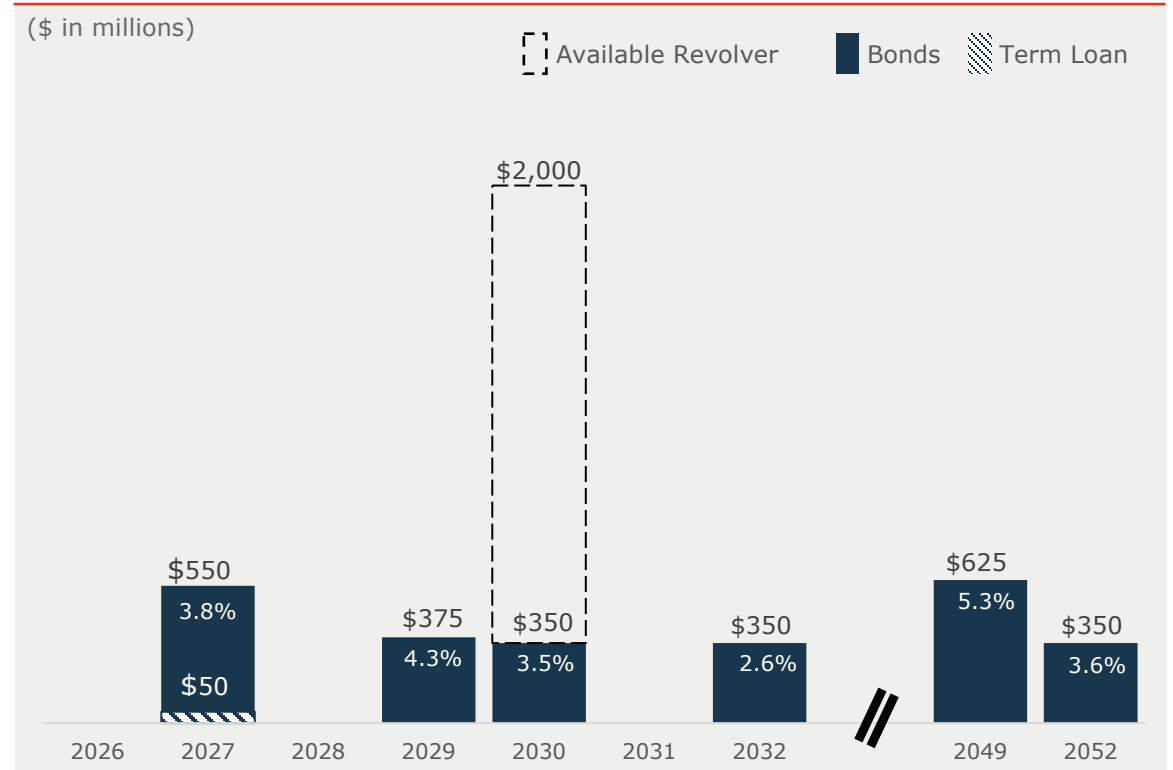
## Strong Balance Sheet and Ample Liquidity

- Low cost of bonds averaging <4% with a weighted average life of ≈11 years
- Total available liquidity of ≈\$3.0 billion, including \$2.0 billion available under revolver
- Solid BBB credit rating with a stable outlook across all three rating agencies

## Generating Cash and Returning Excess Cash to Shareholders

- Targeting >80% free cash flow conversion in 2026
- Targeting share repurchases of >\$300 million in 2026
- Remaining share repurchase authorization of ≈\$775 million through December 31, 2026
- Annual dividend of \$3.08 per share

## DEBT MATURITIES



Amounts and weighted average interest rates as of December 31, 2025. Excludes short-term borrowings and other miscellaneous debt.

# Long-Term Strategic Priorities

Extending our global leadership in Seating

Expanding margins through our focused portfolio in E-Systems

Growing our capabilities in operational excellence through IDEA by Lear™

Supporting our sustainable value creation with disciplined capital allocation



Innovative. Digital. Engineered. Automated.

by



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

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

# Industry Leader in Automation and Digital Transformation



ComfortFlex by Lear™



ComfortMax by Lear™



FlexAir®

Industry first facility for fully-automated assembly of ComfortFlex by Lear™, ComfortMax by Lear™ and FlexAir®

## AUTOMATION CAPABILITIES



- ✓ High performance vision systems
- ✓ Automated material movement
- ✓ Automated end of line testing
- ✓ Customized robotics and AI solutions
- ✓ Automated taping applications
- ✓ Precision cutting

## DIGITAL TRANSFORMATION

- Launched the Lear Fellowship program with Palantir to accelerate our digital and AI capabilities
- ≈17,000 users and over 300 applications for digital tools built on the Foundry platform
- Completed 1st cohort of Lear Fellowship program, launching 2nd cohort in Europe in Q1 2026
  - 1<sup>st</sup> cohort: 68 projects in process

# 2025 Key Growth and Margin Improvement Metrics Scorecard

Growth Metric	2025 Target	2025 Results
Conquest Wins - JIT	Progress expected	North American automaker truck program, BMW X7 and Leapmotor C11
Conquest Wins - Wire	Progress expected	North American automaker truck program, global EV automaker programs, and Jeep Cherokee and Wrangler
Thermal Comfort / Modularity Awards	Supports revenue growth	16 awards with 11 automakers
Awards with Chinese Domestic Automakers	In China and globally	BAIC, BYD, Dongfeng, FAW, Leapmotor, SAIC, Seres and XPeng

Margin Improvement Metric	2025 Target	2025 Results
IDEA / Automation Savings	≈\$75 million	≈\$70 million
Restructuring Savings	≈\$55 million	≈\$85 million
Global Hourly Headcount Reduction	≈10,000 reduction	≈7,000 reduction
Net Performance	Seating ≈40 bps E-Systems ≈80 bps	Seating ≈60 bps E-Systems ≈110 bps

# 2026 Key Growth and Margin Improvement Metrics Scorecard

Growth Metric	2026 Target
Conquest Wins - JIT	Continued progress expected
Conquest Wins - Wire	Continued progress expected
Thermal Comfort / Modularity Awards	Supports revenue growth
Awards with Chinese Domestic Automakers	Supports mid-term China revenue target of >50% from Chinese domestic automakers

Margin Improvement Metric	2026 Target
IDEA / Automation Savings	≈\$75 million
Restructuring Savings	≈\$80 million
Net Performance	Seating ≈40 bps E-Systems ≈80 bps

# Global Vehicle Production and Currency

## 2026 Outlook

### INDUSTRY PRODUCTION

(units in millions)

	GLOBAL	NORTH AMERICA	EUROPE AND AFRICA	CHINA
FY 2025	91.8	15.3	17.4	31.9
FY 2026	90.0	15.0	17.1	31.0
Standard Calendar	<b>DOWN 2% YOY</b> <i>Prior Outlook: Down &lt;1%</i>	<b>DOWN 2% YOY</b> <i>Prior Outlook: Down 2%</i>	<b>DOWN 2% YOY</b> <i>Prior Outlook: Down &lt;1%</i>	<b>DOWN 3% YOY</b> <i>Prior Outlook: Down 2%</i>

Lear Sales-Weighted Basis **DOWN <2% YOY** *Prior Outlook: Down 1%*

### KEY CURRENCIES

	FY 2025	FY 2026	
EURO	\$1.13 / €	\$1.17 / €	<b>UP 4%</b> <i>Prior Outlook: Up 3%</i>
CHINESE RMB	7.20 / \$	6.91 / \$	<b>UP 4%</b> <i>Prior Outlook: Up 1%</i>

# 2026 Full Year Outlook

Net Sales

**\$23,210 - \$24,010 million**

Core Operating Earnings

**\$1,030 - \$1,200 million**

Adjusted EBITDA

**\$1,650 - \$1,820 million**

Interest Expense

**≈\$110 million**

Effective Tax Rate

**19% - 21%**

Adjusted Net Income

**\$645 - \$765 million**

Restructuring Costs

**≈\$175 million**

Operating Cash Flow

**\$1,210 - \$1,310 million**

Capital Expenditures

**≈\$660 million**

Free Cash Flow

**\$550 - \$650 million**

**2026 Full Year Outlook excludes any future impact of potential changes to tariffs or Company or industry-wide production disruptions**

Note: As reported on May 1, 2026 (first quarter 2026 earnings release). Its usage here is not a reaffirmation of such prior guidance.

Assumptions and Source: 2026 Full Year Outlook assumes an average Euro of \$1.17 and an average Chinese RMB of 6.91/\$ and reflects S&P Global Mobility production forecast as of April 16, 2026, and Company estimates.

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# Seating

# Seating at a Glance

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



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

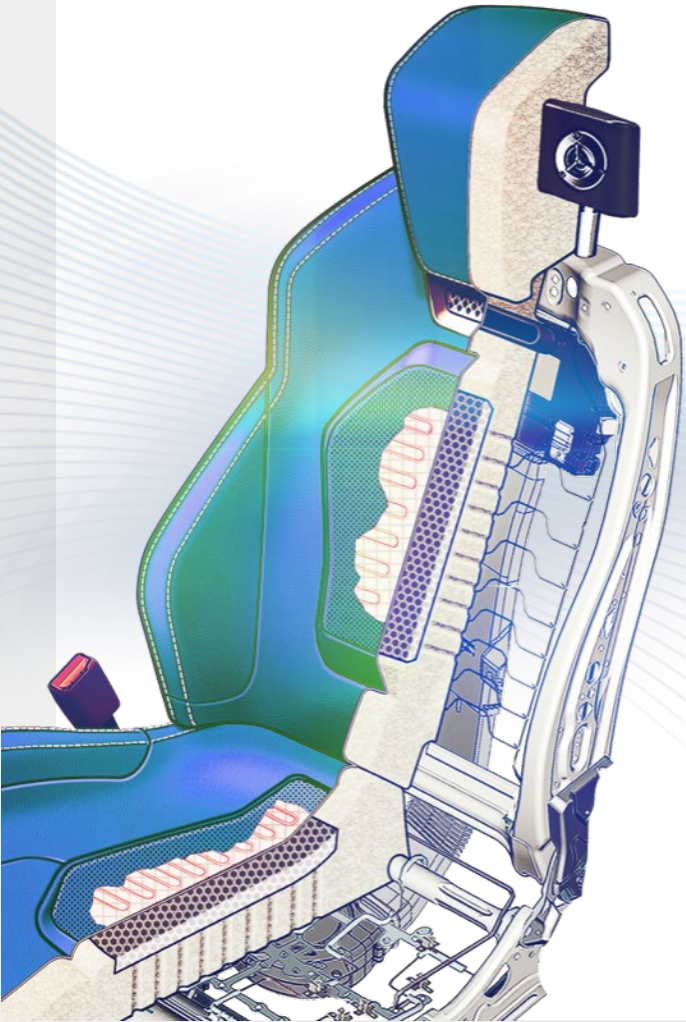
Innovative solutions, such as ComfortFlex by Lear™, ComfortMax Seat by Lear™ and FlexAir™, reduce complexity and mass while enhancing the comfort for the occupant

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

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

# Seating Core Product Portfolio

*Unmatched product portfolio driving better in-vehicle experiences*



## + COMPLETE SEAT SYSTEMS

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

## + SURFACE MATERIALS

Premium craftsmanship and elegant designs through vertical integration

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

## + THERMAL COMFORT SYSTEMS

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

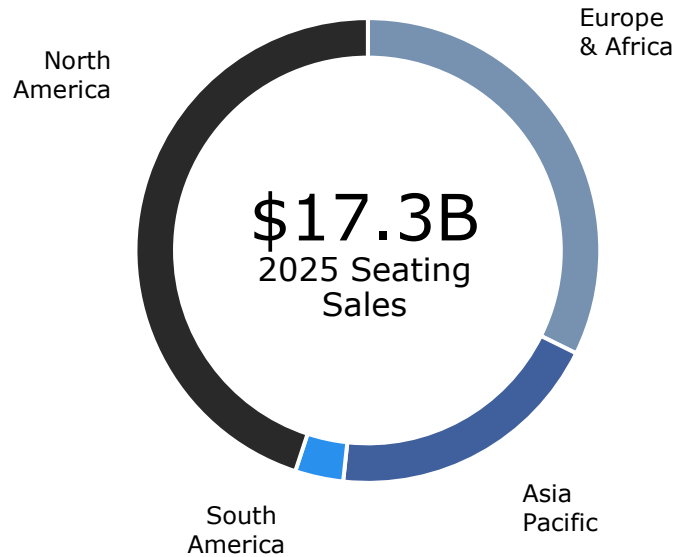
- **ComfortFlex™**: proprietary technology that combines two or more thermal comfort functions for improved performance, reduced complexity, and lower cost
- **ComfortMax Seat by Lear™**: leverages our seat component and complete seat expertise to integrate ComfortFlex™ modular designs into the seat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

## + STRUCTURES

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

# Industry Leading Global Seating Supplier

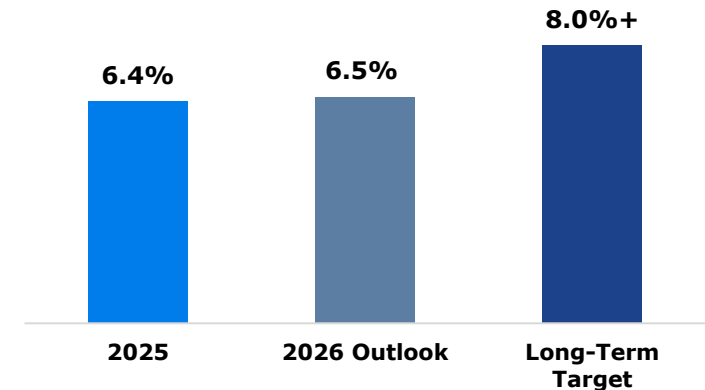
## SALES BY REGION



## TOP 5 CUSTOMERS



## ADJUSTED OPERATING MARGIN\*















## VALUE DRIVERS

- Poised for industry volume recovery
- Strong quote pipeline of >\$5 billion
- Long-term target of 4 points of Growth over Market
- Goal to increase JIT market share from 26% to 29%
- Growing thermal comfort products to deliver ≈\$1.0 billion in revenue and ≈10% margins
- Innovative products such as ComfortFlex by Lear™, ComfortMax Seat by Lear™, FlexAir™, ReNewKnit™ and ConfigurE+™
- Continued focus and investment in operational excellence and automation

# Key 2026 Product Launches

## Seating

Jeep Recon	Audi Q7 / Audi Q9	Volkswagen ID.2	Mercedes GLC EQ	Mercedes GLE	Seres M6
BACKLOG	BACKLOG / CONQUEST	BACKLOG	BACKLOG	BACKLOG	BACKLOG
					
JIT NORTH AMERICA	JIT, Trim EUROPE	JIT EUROPE	JIT, Foam, Trim EUROPE / ASIA	JIT, Foam, Trim, Components ASIA	JIT, ComfortFlex by Lear™ ASIA

Mercedes C-Class EQ	DS 7	BMW iX3	Leapmotor C10	BYD Tang	Domestic Chinese Automaker
BACKLOG	BACKLOG			NON-CONSOL BACKLOG	NON-CONSOL BACKLOG
					
JIT EUROPE	JIT EUROPE	JIT, Foam, Trim ASIA	JIT, ComfortFlex by Lear™ ASIA	JIT ASIA	JIT ASIA

# Accelerating Innovation in Thermal Comfort Systems

## MODULARITY

**38 total awards**  
with **17 customers**

**13 programs in production**  
across **all regions**

**12 programs**  
launching in **2026**

**32 AWARDS:** ComfortFlex™ | Intu™  
by LEAR

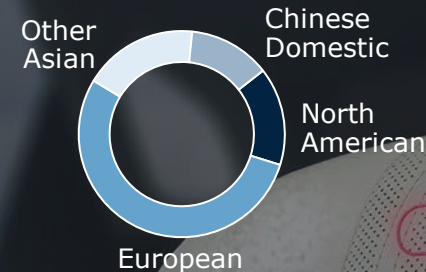
**5 AWARDS:** ComfortMax™  
by LEAR

**1 AWARD:** FLEXAIR®  
by LEAR

### AWARDS BY REGION



### AWARDS BY AUTOMAKER TYPE



## 2026 KEY MODULARITY LAUNCHES

### ComfortFlex by Lear™

- BYD Z7
- Mercedes C-Class EQ / GLC EQ
- Seres M6
- Hyundai Tucson / Kona
- Leapmotor C10
- Jeep Grand Wagoneer
- BMW X3
- Volvo EX60

### ComfortMax Seat by Lear™

- Chevrolet Colorado / GMC Canyon
- Ceer P500 / P600 / P650

## CORE COMPONENTS

### 2025 KEY CONQUEST AWARDS

#### Seat Heat

- BMW 5 / 7 / 8 Series
- Global EV Automaker

### 2026 KEY LAUNCHES

#### Seat Heat

- Ferrari future EV

#### Lumbar

- Chevrolet Silverado / GMC Sierra

#### Massage

- AVATR 07 (Changan)

# E-Systems

# E-Systems at a Glance

*Leader in signal distribution and power management across all vehicle architectures*

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

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

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

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



# E-Systems Product Portfolio

*Delivering expertise across complete electrical architectures*

## + ELECTRICAL DISTRIBUTION SYSTEMS

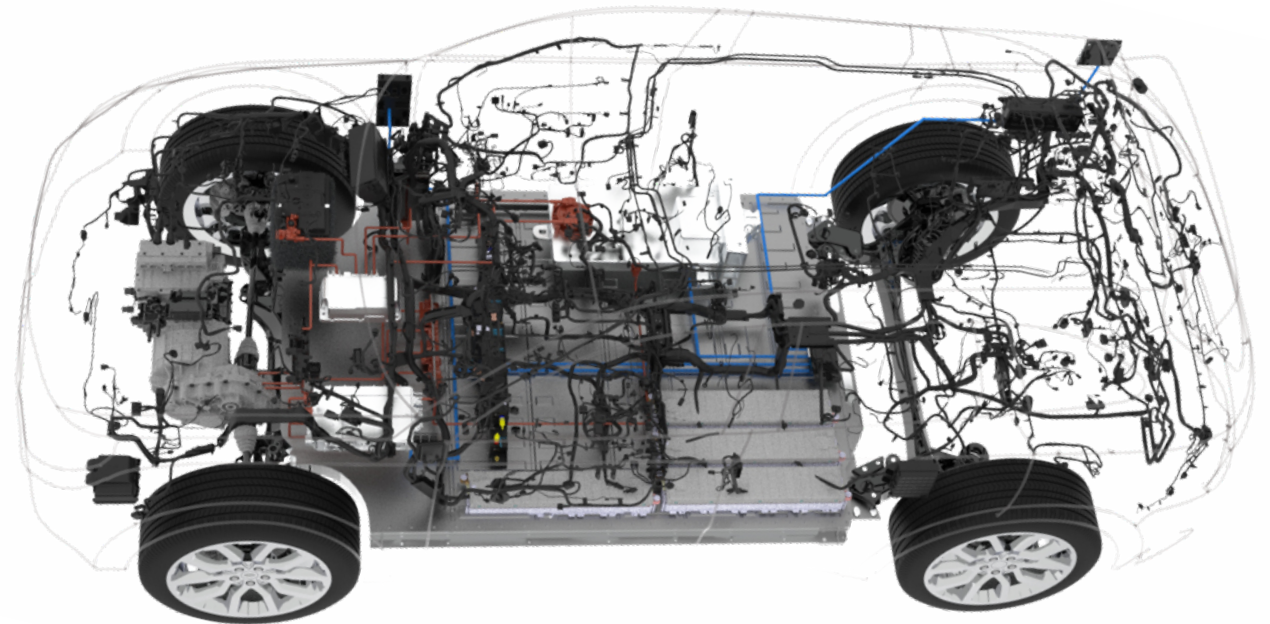
Proven partner with full-service capabilities across power, signal and data distribution within the vehicle for all types of powertrains. Wire harness assemblies, together with connection systems, link the various electrical and electronic devices within the vehicle to each other and/or to a power source

## + CONNECTION SYSTEMS

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

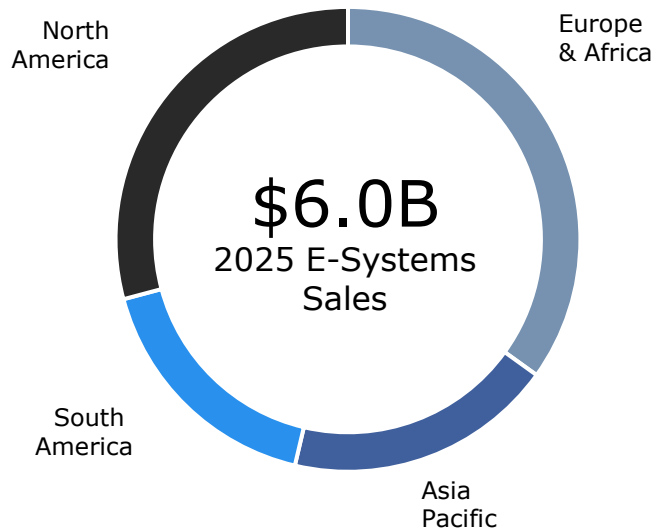
## + BATTERY DISCONNECT UNITS AND ELECTRONIC PRODUCTS

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



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

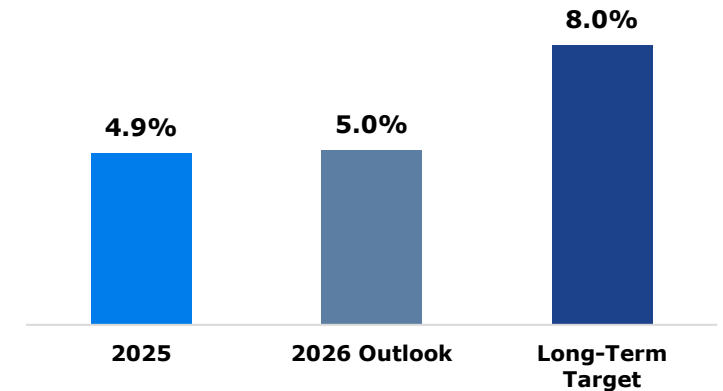
## SALES BY REGION



## TOP 5 CUSTOMERS



## ADJUSTED OPERATING MARGIN\*



## VALUE DRIVERS

- Poised for industry volume recovery
- Strong quote pipeline of >\$2 billion
- Continued focus on investments in automation driving efficiency and strong operating performance
- Long-term target of 6 points of Growth over Market
- Secular tailwinds in electrification and electrical architecture evolution
- Growing mix of connection systems, engineered components and high-speed data solutions

# Key 2026 Product Launches

## E-Systems

**Audi A6**



Low Voltage Wiring  
**ASIA**

**SAIC E-SUV**

**BACKLOG**



Low Voltage Wiring  
**ASIA**

**Global EV Automaker**

**BACKLOG**



Low Voltage Wiring  
**NORTH AMERICA**

**(Dongfeng) Nissan NX8**

**BACKLOG**



Low Voltage Wiring  
**ASIA**

**BMW X1**



Low Voltage Wiring  
**SOUTH AMERICA**

**(Dongfeng) Nissan Sylphy**

**BACKLOG**



Low Voltage Wiring  
**ASIA**

**Volvo XC40 / Polestar 2**



Battery Management System  
and Onboard Charger  
**EUROPE**

**BMW Neue Klasse**

**BACKLOG**



Zone Control Module  
**EUROPE**

**JLR EVA2 Platform**

**BACKLOG**



Zone Control Module,  
Power Distribution Box  
**EUROPE**

**BAIC Stelato SUV**

**NON-CONSOL  
BACKLOG**



Low Voltage Wiring  
**ASIA**

**Ford Super Duty**

**BACKLOG**



Power Distribution Box,  
Low Voltage Wiring  
**NORTH AMERICA**

**Ford Mustang Mach-E**



Power Distribution Box  
**NORTH AMERICA**

# Summary

# Lear Strategically Positioned to Drive Value for Shareholders

## Extending Seating global leadership

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

## Growing our capabilities in operational excellence through IDEA by Lear

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

## Expanding E-Systems margins through focused portfolio

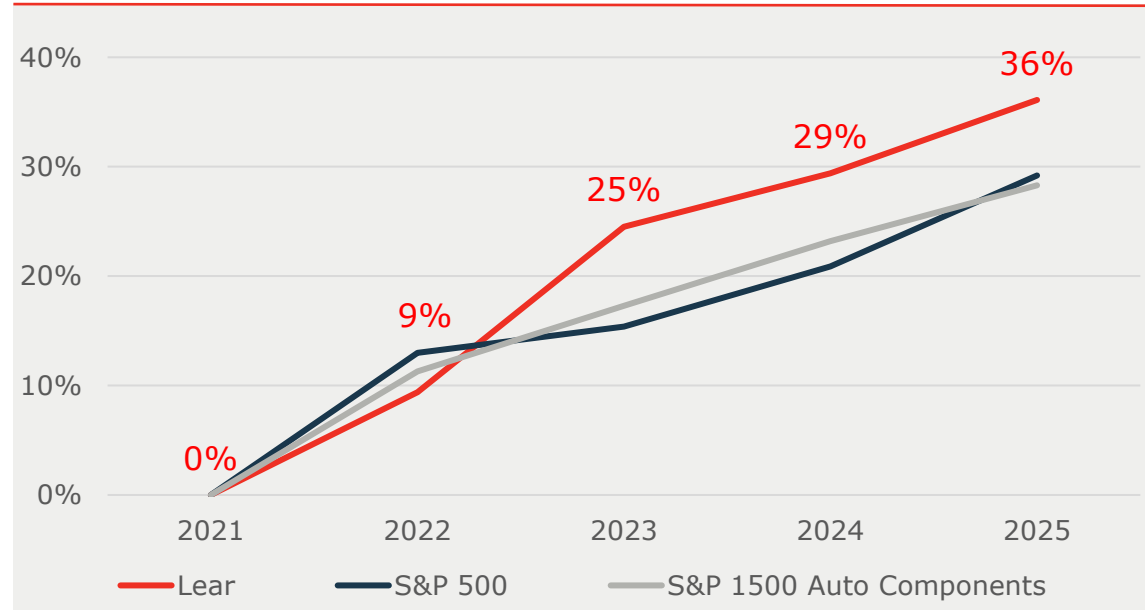
- **Focused product portfolio** well positioned for **long-term growth**
- **Innovative products** such as Battery Disconnect Unit and Zone Control Module
- **Improving margins** through improved efficiency and investments in automation
- **Conquest and new wins in wire** increasing scale and market share
- Long-term target of **6 percentage points of Growth over Market**

## Supporting sustainable value creation with disciplined capital allocation

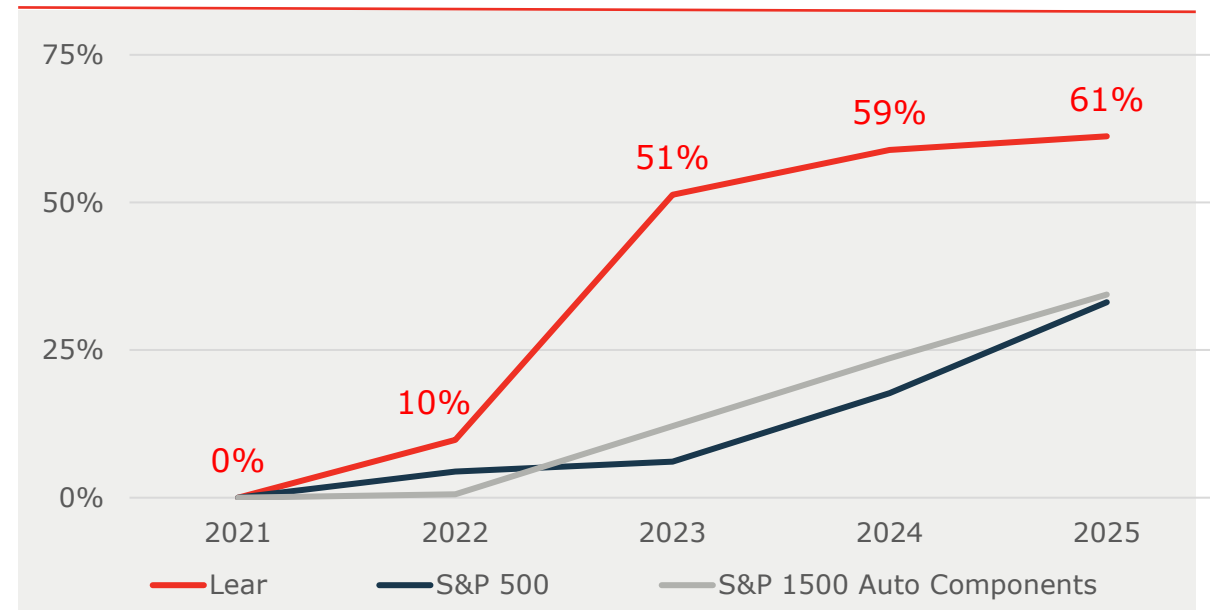
- **Strong balance sheet** with \$2.9 billion of available liquidity
- Targeting **80%+ cash conversion** on adjusted net income
- **Returning excess cash to shareholders** through quarterly dividends and share repurchases

# Capital Allocation Strategy Delivering Revenue and Earnings per Share Growth

**CUMULATIVE REVENUE PER DILUTED SHARE GROWTH**



**CUMULATIVE ADJUSTED EARNINGS PER DILUTED SHARE GROWTH**



**36%**

Cumulative revenue per diluted share growth from 2021 through 2025

**Consistent execution** with positive growth in all years for both revenue and earnings per diluted share

**61%**

Cumulative earnings per diluted share growth from 2021 through 2025

**Strong Free Cash Flow** supports capital allocation priorities, including consistent share repurchases

# Appendix

# Non-GAAP

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

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

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

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

# Non-GAAP

## Core Operating Earnings and Adjusted Margins (\$ in millions)

### Net sales

### Net income attributable to Lear

Interest expense	106.2	100.8
Other expense, net	48.6	51.4
Income taxes	191.1	150.0
Equity in net income of affiliates	(50.0)	(52.0)
Net income attributable to noncontrolling interests	85.2	90.3
Restructuring costs and other special items -		
Costs related to restructuring actions	158.5	260.1
Acquisition costs	0.6	(0.1)
Disposal costs	-	0.7
Costs related to CrowdStrike Holdings, Inc., net	3.2	-
Recoveries related to Fisker, Inc.	15.0	(1.1)
Impairments (recoveries) related to Russian operations, net	(1.7)	(1.2)
Other	32.8	26.2

### Core operating earnings

### Adjusted margins

	Full Year	
	2024	2025
	<u>\$ 23,306.0</u>	<u>\$ 23,259.1</u>
	<u>\$ 506.6</u>	<u>\$ 436.8</u>
	106.2	100.8
	48.6	51.4
	191.1	150.0
	(50.0)	(52.0)
	85.2	90.3
	158.5	260.1
	0.6	(0.1)
	-	0.7
	3.2	-
	15.0	(1.1)
	(1.7)	(1.2)
	32.8	26.2
	<u>\$ 1,096.1</u>	<u>\$ 1,061.9</u>
	<u>4.7%</u>	<u>4.6%</u>

# Non-GAAP

## Adjusted Net Income and Earnings Per Share

(In millions, except per share amounts)

	Full Year				
	2021	2022	2023	2024	2025
<b>Net income attributable to Lear</b>	<b>\$ 373.9</b>	<b>\$ 327.7</b>	<b>\$ 572.5</b>	<b>\$ 506.6</b>	<b>\$ 436.8</b>
Costs related to restructuring actions	112.6	158.9	134.2	145.0	257.3
Acquisition costs	-	10.0	0.8	0.6	(0.1)
Acquisition-related inventory fair value adjustment	-	1.1	1.8	-	-
Gain on acquisition-related foreign exchange contract	-	(1.7)	-	-	-
Loss related to disposal of non-core business	-	-	-	24.4	2.7
Disposal costs	-	-	-	-	0.7
Loss on extinguishment of debt	24.6	-	-	-	-
Debt refinancing	-	-	-	-	0.8
Costs related to CrowdStrike Holdings, Inc., net	-	-	-	3.2	-
Costs (recoveries) related to Fisker, Inc., net	-	-	-	15.0	(1.1)
Impairments (recoveries) related to Russian operations, net	-	19.4	2.4	(1.7)	(1.2)
Intangible asset impairment	8.5	8.9	1.9	-	-
Costs (insurance recoveries) related to typhoon in the Philippines, net	13.2	(1.4)	(7.3)	-	-
Non-cash settlement loss on pension lump-sum payout	-	-	-	6.6	-
Foreign exchange (gains) losses due to foreign exchange rate volatility related to Russia	-	9.6	(1.9)	(2.0)	2.8
Favorable tax ruling in a foreign jurisdiction	(45.1)	-	(0.7)	-	-
Loss related to affiliates, net	2.0	-	7.0	-	0.4
Other	4.2	23.6	34.3	39.7	20.8
Tax impact of special items and other net tax adjustments <sup>1</sup>	(14.1)	(33.6)	(34.7)	(24.6)	(33.8)
<b>Adjusted net income attributable to Lear</b>	<b>\$ 479.8</b>	<b>\$ 522.5</b>	<b>\$ 710.3</b>	<b>\$ 712.8</b>	<b>\$ 686.1</b>
Weighted average number of diluted shares outstanding	60.4	59.9	59.1	56.5	53.6
<b>Diluted net income per share available to Lear common stockholders</b>	<b>\$ 6.19</b>	<b>\$ 5.47</b>	<b>\$ 9.68</b>	<b>\$ 8.97</b>	<b>\$ 8.15</b>
<b>Adjusted earnings per share</b>	<b>\$ 7.94</b>	<b>\$ 8.72</b>	<b>\$ 12.02</b>	<b>\$ 12.62</b>	<b>\$ 12.80</b>

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

# Non-GAAP

<b>Adjusted Segment Earnings and Margins</b> (\$ in millions)	<b>Full Year 2025</b>	
	<b>Seating</b>	<b>E-Systems</b>
<b>Net sales</b>	<b>\$ 17,283.0</b>	<b>\$ 5,976.1</b>
<b>Segment earnings</b>	<b>\$ 948.8</b>	<b>\$ 186.2</b>
Restructuring costs and other special items -		
Costs related to restructuring actions	149.2	102.2
Recoveries related to Fisker, Inc.	-	(1.1)
Recoveries related to Russian operations, net	(1.2)	-
Other	6.0	5.7
<b>Adjusted segment earnings</b>	<b>\$ 1,102.8</b>	<b>\$ 293.0</b>
<b>Segment margins</b>	<b>5.5%</b>	<b>3.1%</b>
<b>Adjusted segment margins</b>	<b>6.4%</b>	<b>4.9%</b>