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***Fourth-Quarter and
Full-Year 2008 Results and
Sales Backlog Update***

January 29, 2009



Agenda

- ▶▶ Business Environment
 - *Bob Rossiter, Chairman, CEO and President*

- ▶▶ Fourth-Quarter and Full-Year 2008 Results and Sales Backlog Update
 - *Matt Simoncini, SVP and CFO*

- ▶▶ Summary and Outlook
 - *Bob Rossiter, Chairman, CEO and President*

- ▶▶ Q and A Session

Business Environment

Business in Perspective*

- ▶▶ In 2007, Lear reported improved financial results in its core business for the second consecutive year, following the divestiture of the Interior business, successful global restructuring efforts and cost improvements
- ▶▶ In 2008, the U.S. economy experienced the worst economic downturn since the Great Depression and tight credit conditions slowed economic activity worldwide
- ▶▶ As a result, U.S. industry sales declined from a rate of 16 million units to the 10 million unit range, and global automotive sales turned down following six years of steady growth
- ▶▶ In response to the sharply lower sales and production levels, Lear has accelerated and expanded its restructuring and cost reduction efforts
- ▶▶ The Company is also continuing to make progress on strategic priorities, including further diversification of global sales and investment in new technologies such as hybrid electrical systems

Strategy to Manage Through the Downturn*

- ▶▶ Focusing on a lean operating structure to minimize cash burn
- ▶▶ Negotiating an amendment to our credit facility to maintain financial flexibility
- ▶▶ Aggressively implementing cost reductions and operating improvements to align business with lower volumes
- ▶▶ Putting a high priority on those things we can control -- quality, costs, service and innovation -- to ensure we provide customers with superior value
- ▶▶ Proactively managing the supply chain, selectively in-sourcing where it makes economic sense and following a disciplined pricing model

* Please see slide titled "Forward-Looking Statements" at the end of this presentation for further information.

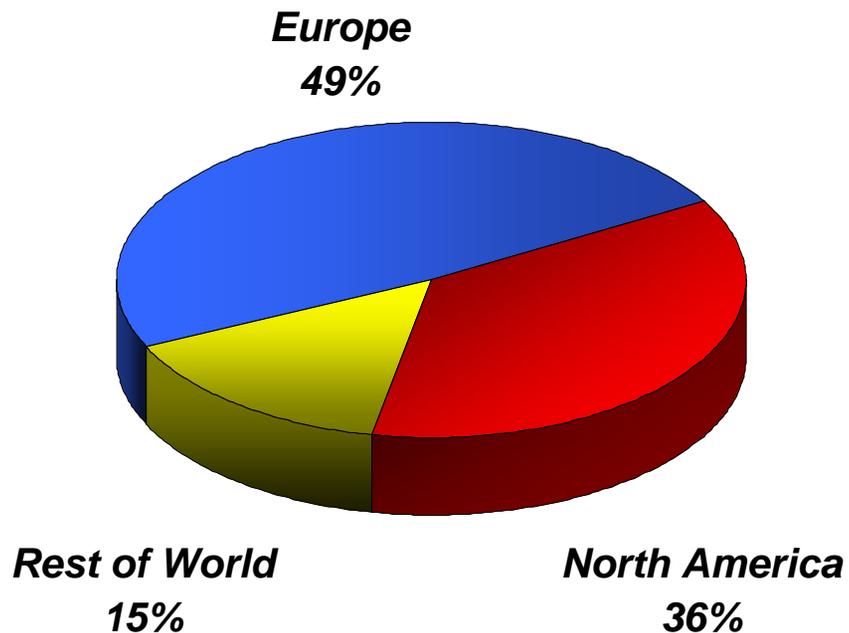
Summary of Operating Improvements

- ▶▶ Closed or consolidated more than 25 facilities worldwide and reduced salaried census by 33% in North America since 2005
- ▶▶ Reduced compensation and fringe benefits
- ▶▶ Thrifted non-program related spending
- ▶▶ Reduced new market infrastructure spending
- ▶▶ Slowed capacity expansion in emerging markets
- ▶▶ Consolidated administrative offices worldwide
- ▶▶ Lowered costs for outside services
- ▶▶ Reduced discretionary expenditures

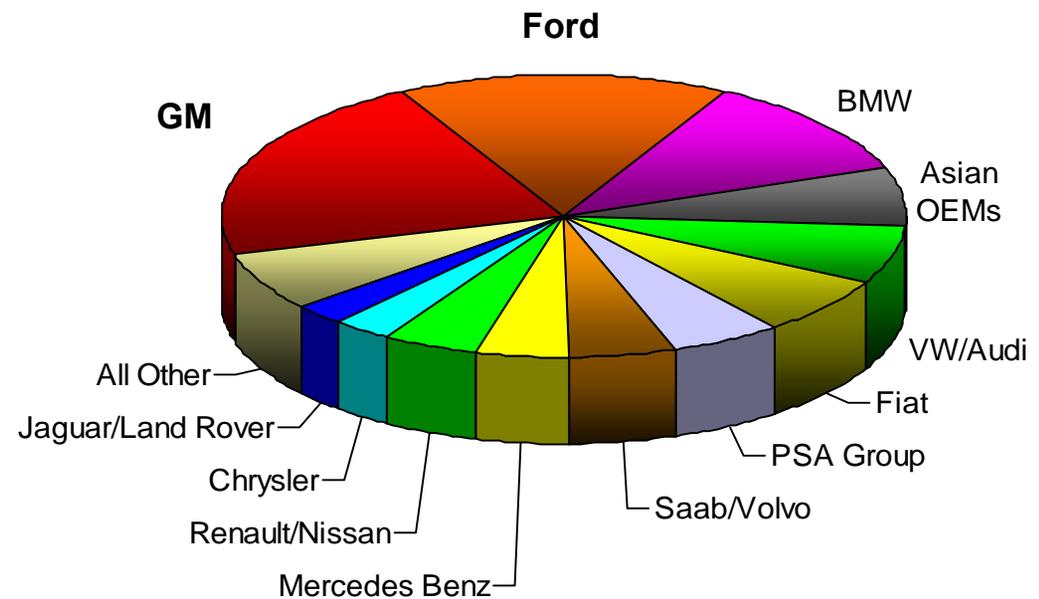
Making Progress on Sales Diversification

2008 Full Year Net Sales

By Region



By Customer



64% Of 2008 Sales Outside Of North America

Positioned for Industry Recovery*

- ▶▶ Strong global capabilities in critical automotive systems -- Seating and Power Distribution
- ▶▶ Improved annual cost structure by more than \$250 million through aggressive restructuring actions since mid-2005
- ▶▶ Significant low-cost footprint in place, with operations in 21 countries throughout Central and South America, Eastern Europe, Africa and Asia
- ▶▶ Steady progress on diversifying global sales, with approximately two-thirds of total sales now generated outside North America
- ▶▶ Industry leader in product quality and customer service
- ▶▶ Investing in key technologies: new, lighter-weight and environmentally-friendly materials, more flexible structures, high-power and hybrid electrical systems, wireless products and select safety features

Fourth-Quarter and Full-Year 2008 Results and Sales Backlog Update

Global Production Environment

	<u>Fourth-Quarter 2008</u>		<u>Full-Year 2008</u>	
	<u>Units</u>	<u>% Change vs. Yr. Ago</u>	<u>Units</u>	<u>% Change vs. Yr. Ago</u>
North America	2.7 mil	down 26%	12.6 mil	down 16%
Europe	3.7 mil	down 29%	18.9 mil	down 6%
China	1.7 mil	down 13%	7.3 mil	up 5%
India	0.4 mil	down 11%	2.1 mil	up 8%
South America	0.7 mil	down 27%	3.6 mil	up 7%
Worldwide	<u>14.2 mil</u>	<u>down 21%</u>	<u>65.6 mil</u>	<u>down 4%</u>
<u>Memo:</u>				
In North America:				
Domestic Three	1.6 mil	down 30%	7.4 mil	down 21%
Lear's Top 15 Platforms	0.7 mil	down 26%	3.0 mil	down 25%

2008 Financial Summary*

Fourth-Quarter 2008 Results

- ▶▶ Net sales of \$2.6 billion
- ▶▶ Core operating earnings of \$22 million**
- ▶▶ Free cash flow was negative \$38 million**

Full-Year 2008 Results

- ▶▶ Net sales of \$13.6 billion
- ▶▶ Core operating earnings of \$418 million**
- ▶▶ Free cash flow was negative \$71 million**

Sales Backlog Update***

- ▶▶ Three-year [2009-2011] backlog of \$1.1 billion
- ▶▶ New backlog represents continued diversification of sales

* Please see slides titled “Non-GAAP Financial Information” and “Forward-Looking Statements” at the end of this presentation for further information.

** Core operating earnings represents income before interest, other expense, income taxes, restructuring costs and other special items. Free cash flow represents net cash provided by (used in) operating activities before the net change in sold accounts receivable, less capital expenditures.

*** For a definition of sales backlog and the underlying backlog development assumptions, please see slide titled “Forward-Looking Statements” at the end of this presentation.

Fourth-Quarter 2008 Reported Financials*

(in millions, except net income (loss) per share)	<i>Fourth Quarter 2008</i>	<i>Fourth Quarter 2007</i>	<i>4Q '08 B/(W) 4Q '07</i>
Net Sales	\$2,600.4	\$3,859.0	(\$1,258.6)
Income (Loss) Before Interest, Other Expense and Income Taxes	(\$568.5)	\$83.7	(\$652.2)
Pretax Income (Loss)	(\$692.1)	\$45.1	(\$737.2)
Net Income (Loss)	(\$688.2)	\$27.0	(\$715.2)
Net Income (Loss) Per Share	(\$8.91)	\$0.34	(\$9.25)
SG&A % of Net Sales	3.7 %	3.8 %	0.1 pts.
Interest Expense	\$50.8	\$48.9	(\$1.9)
Depreciation / Amortization	\$71.8	\$76.0	\$4.2
Other (Income) Expense, Net	\$72.8	(\$10.3)	(\$83.1)

* Please see slides titled "Non-GAAP Financial Information" at the end of this presentation for further information.

Fourth-Quarter 2008 Restructuring / Special Items Impact*



(in millions)

Fourth-Quarter

Reported Results

Loss Before Interest, Other Expense and Income Taxes	\$ (568.5)
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Goodwill impairment charges	\$ 530.0
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Costs related to restructuring actions⁽¹⁾	60.5
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2008 Core Operating Earnings	\$ 22.0
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2007 Core Operating Earnings	\$ 178.6
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Income Statement Category

	<u>COGS</u>	<u>SG&A</u>
	\$ -	\$ -
	53.8	6.7

⁽¹⁾ Excludes \$5.7 million of restructuring charges recorded in other expense.

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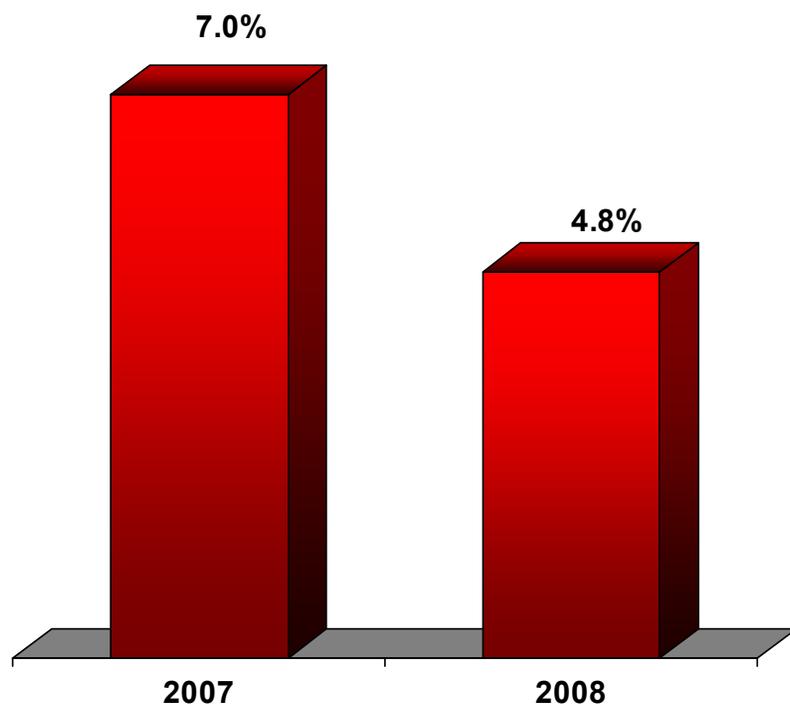
Fourth-Quarter 2008

Net Sales Changes and Margin Impact

<u>Performance Factor</u>	<u>Net Sales Change</u> (in millions)	<u>Margin Impact</u>	<u>Comments</u>
Industry Production / Platform Mix / Net Pricing	\$ (1,142)	Negative	Sharply lower production in North America and Europe
Global New Business	59	Neutral	Audi A4, Mercedes GLK, Fiat Delta and Nissan Qashqai in Europe; Lincoln MKS, Mazda 6 and Chevrolet Aveo in N.A.; Mercedes C-Class in S.A; Buick Regal in Asia
F/X Translation	(176)	Neutral	Euro down 8%, Canadian dollar down 18%
Performance		Positive	Favorable operating performance, including efficiency actions and benefits from restructuring

Full-Year 2008 Seating Performance*

Adjusted Seating Segment Margins



(in mils)	2007	2008
Sales	\$12,206.1	\$10,726.9
Earnings**	\$ 758.7	\$ 386.7
Adj. Earnings**	\$ 850.3	\$ 519.4

Explanation of Year-to-Year Change

Sales Factors

- Lower industry production in North America and Europe
- + Favorable foreign exchange
- + Net new business

Margin Performance

- Lower industry production in North America and Europe
- Net selling price reductions
- Increased commodity costs
- + Favorable cost performance
- + Restructuring savings

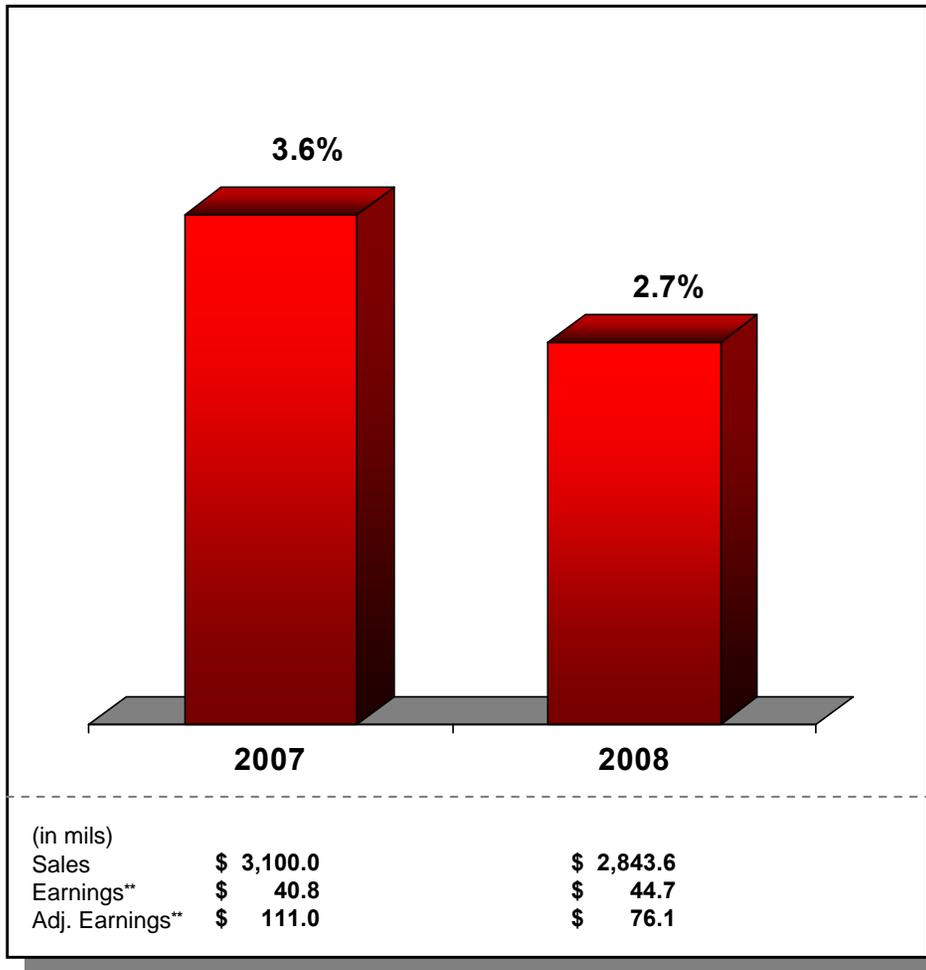
* Please see slide titled "Non-GAAP Financial Information" at the end of this presentation for further information.

** Reported segment earnings represents income before goodwill impairment charges, interest, other expense and income taxes; adjusted segment earnings represents reported segment earnings adjusted for restructuring costs.

Full-Year 2008 Electrical and Electronic Performance*



Adjusted Electrical and Electronic Segment Margins



Explanation of Year-to-Year Change

Sales Factors

- Lower industry production in North America and Europe
- + Favorable foreign exchange
- + Net new business

Margin Performance

- Lower industry production in North America and Europe
- Net selling price reductions
- + Favorable operating performance
- + Restructuring savings

* Please see slide titled "Non-GAAP Financial Information" at the end of this presentation for further information.

** Reported segment earnings represents income before goodwill impairment charges, interest, other expense and income taxes; adjusted segment earnings represents reported segment earnings adjusted for restructuring costs.

Fourth-Quarter and Full-Year 2008

Free Cash Flow*



(in millions)	Fourth Quarter 2008	Full Year 2008
	<u> </u>	<u> </u>
Net Loss	\$ (688.2)	\$ (689.9)
Depreciation / Amortization	71.8	299.3
Goodwill Impairment Charges	530.0	530.0
Working Capital / Other	<u>82.0</u>	<u>(42.4)</u>
Cash from Operations	\$ (4.4)	\$ 97.0
Capital Expenditures	<u>(33.9)</u>	<u>(167.7)</u>
Free Cash Flow	<u><u>\$ (38.3)</u></u>	<u><u>\$ (70.7)</u></u>

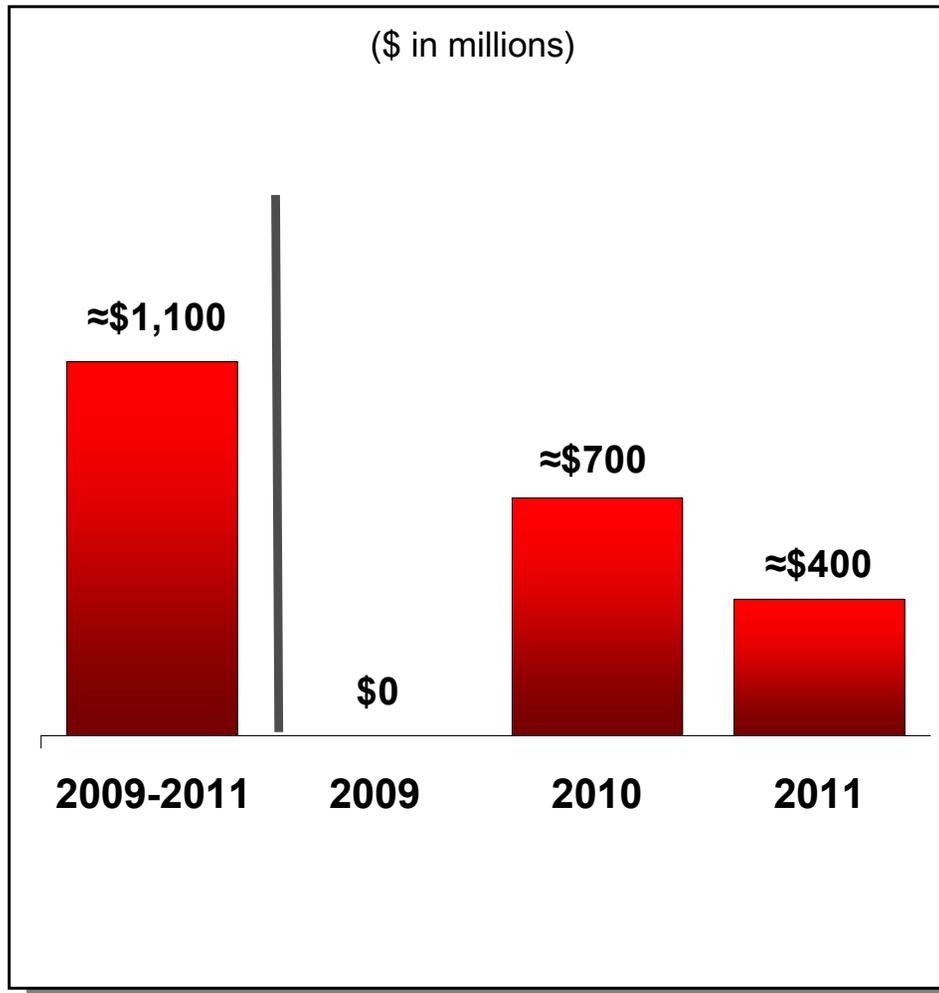
* Free cash flow represents net cash provided by (used in) operating activities ((\$90.9) million for the three months and \$144.2 million for the twelve months ended 12/31/08) before net change in sold accounts receivable (\$86.5 million for the three months and (\$47.2) million for the twelve months ended 12/31/08) (Cash from Operations), less capital expenditures. Please see slides titled "Non-GAAP Financial Information" at the end of this presentation for further information.

Sufficient Cash Position*

- ▶▶ To protect against disruptions in the capital markets and uncertainty in the industry, Lear fully borrowed amounts available under its primary credit facility (~\$1.2 billion) during the fourth quarter
- ▶▶ Combined with cash on hand, Lear had \$1.6 billion of cash and cash equivalents available as of 12/31/08, providing more than adequate resources to satisfy ordinary course business obligations
- ▶▶ As a result of the decision not to repay the amounts borrowed at year end, the Company is no longer in compliance with the leverage ratio contained in its primary credit facility
- ▶▶ The Company has initiated discussions with the co-agents under its primary credit facility to seek a long-term amendment
- ▶▶ These discussions have been constructive and are continuing
- ▶▶ Because the amendment will require support from lenders holding the majority of outstanding commitments and borrowings under the credit facility, the Company intends to pursue discussions with a broader lender group before finalizing the amendment proposal and launching the formal amendment process

Sales Backlog Update*

2009 – 2011 Sales Backlog**



Composition of Sales Backlog**

▶▶ By Product:

- Seating -- 60%
- Electrical and Electronic -- 40%

▶▶ By Region:

- North America -- \$0
- Europe -- \$300M
- Asia -- \$800M

* For a definition of sales backlog and the underlying backlog development assumptions, please see slide titled "Forward-Looking Statements" at the end of this presentation.

** Consolidated sales only.

Lear to Supply Key Electrical and Electronic Products for Chevy Volt and Other New Hybrids*



Lear Content on Chevy Volt



COURTESY: GENERAL MOTORS

- ▶▶ High and low-voltage wire harnesses
- ▶▶ Custom terminals and connectors, including the industry's first terminal with 250-amp capability
- ▶▶ External charging cable with Lear's Smart Connector™
- ▶▶ Other proprietary electronics

Other Recent Hybrid Awards

- ▶▶ BMW (new generation) hybrid vehicles -- high-voltage wiring system
- ▶▶ Fisker Karma -- electrical distribution system, solid-state smart junction box™, battery charger, wireless products and select electronics
- ▶▶ Land Rover -- voltage module
- ▶▶ Renault -- battery charger
- ▶▶ Saturn -- battery charger

* Please see slide titled "Forward-Looking Statements" at the end of this presentation for further information.

2009 Outlook*

- ▶▶ Global automotive production has declined rapidly
- ▶▶ Economic conditions remain very volatile and uncertain:
 - Negatives:
 - Low consumer confidence
 - Very tight credit conditions
 - Weak overall economic activity
 - Poor housing and employment conditions
 - Positives:
 - Low interest rates
 - Government stimulus actions globally, including U.S. government financial assistance for GM and Chrysler and their finance arms
 - Declining energy and raw material prices
- ▶▶ There are a wide range of industry assumptions for 2009
- ▶▶ As a result, we are not providing financial guidance at this time
- ▶▶ Internal focus on further reducing costs as well as maintaining operating and financial flexibility

Summary and Outlook

Summary and Outlook*

- ▶▶ Business conditions have become more challenging globally
- ▶▶ We are following a lean operating structure to minimize cash burn
- ▶▶ We are accelerating and expanding restructuring and cost reduction actions to improve near-term operating results
- ▶▶ At the same time, we are maintaining our focus on strategic priorities:
 - Continued sales diversification
 - Further low-cost footprint expansion
 - Investment in new technologies
 - Selective vertical integration in Seating
 - Improvement plan for Electrical and Electronic
- ▶▶ We will be proactive in responding to changing business conditions and maintaining flexibility
- ▶▶ We are positioning the Company to benefit from industry recovery

* Please see slide titled “Forward-Looking Statements” at the end of this presentation for further information.



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Non-GAAP Financial Information

In addition to the results reported in accordance with accounting principles generally accepted in the United States (“GAAP”) included throughout this presentation, the Company has provided information regarding “income (loss) before interest, other expense and income taxes,” “income before interest, other expense, income taxes, restructuring costs and other special items” (core operating earnings) 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, discounts and expenses associated with the Company’s asset-backed securitization and factoring facilities, minority interests in consolidated subsidiaries, equity in net income of affiliates and gains and losses on the sale of assets. Free cash flow represents net cash provided by (used in) operating activities before the net change in sold accounts receivable, less capital expenditures. The Company believes it is appropriate to exclude the net change in sold accounts receivable in the calculation of free cash flow since the sale of receivables may be viewed as a substitute for borrowing activity.

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 income (loss) before interest, other expense and income taxes and core operating earnings are useful measures in assessing the Company’s financial performance by excluding certain items (including those items that are included in other expense) that are not indicative of the Company’s core operating earnings 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 in future periods.

Income (loss) before interest, other expense and income taxes, core operating earnings and free cash flow should not be considered in isolation or as a substitute for pretax income (loss), net income (loss), cash provided by (used in) operating activities or other statement of operations 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 Financial Information

Core Operating Earnings



(in millions)	Three Months		Twelve Months
	Q4 2008	Q4 2007	2008
Pretax income (loss)	\$ (692.1)	\$ 45.1	(604.1)
Interest expense	50.8	48.9	190.3
Other (income) expense, net *	72.8	(10.3)	114.6
Income (loss) before interest, other expense and income taxes	\$ (568.5)	\$ 83.7	\$ (299.2)
Restructuring costs and other special items -			
Goodwill impairment charges	530.0	-	530.0
Divestiture of Interior business	-	2.9	-
Costs related to restructuring actions **	60.5	93.9	187.6
Costs related to merger transaction	-	(1.9)	-
Income before interest, other expense, income taxes, restructuring costs and other special items (core operating earnings)	\$ 22.0	\$ 178.6	\$ 418.4

* Includes minority interests in consolidated subsidiaries and equity in net income of affiliates.

** Excludes \$5.7 million and \$6.3 million of restructuring charges recorded in other (income) expense, net for the three and twelve months ended December 31, 2008, respectively.

Non-GAAP Financial Information

Segment Earnings



(in millions)	Twelve Months	
	2008	2007
Seating	\$ 386.7	\$ 758.7
Electrical and electronic	44.7	40.8
Interior	-	8.2
Segment earnings	431.4	807.7
Corporate and geographic headquarters and elimination of intercompany activity	(200.6)	(233.9)
Income before goodwill impairment charges, divestiture of Interior business, interest, other expense and income taxes	\$ 230.8	\$ 573.8
Goodwill impairment charges	530.0	-
Divestiture of Interior business	-	10.7
Interest expense	190.3	199.2
Other expense, net	114.6	32.5
Pretax income (loss)	\$ (604.1)	\$ 331.4

Non-GAAP Financial Information

Adjusted Segment Earnings

(in millions)	Twelve Months 2008		Twelve Months 2007	
	Seating	Electrical and Electronic	Seating	Electrical and Electronic
Sales	\$ 10,726.9	\$ 2,843.6	\$ 12,206.1	\$ 3,100.0
Segment earnings	\$ 386.7	\$ 44.7	\$ 758.7	\$ 40.8
Costs related to restructuring actions	132.7	31.4	91.6	70.2
Adjusted segment earnings	\$ 519.4	\$ 76.1	\$ 850.3	\$ 111.0

Non-GAAP Financial Information

Cash from Operations and Free Cash Flow

(in millions)	Three Months	Twelve Months
	Q4 2008	2008
Net cash provided by (used in) operating activities	\$ (90.9)	\$ 144.2
Net change in sold accounts receivable	86.5	(47.2)
Net cash provided by (used in) operating activities before net change in sold accounts receivable (cash from operations)	(4.4)	97.0
Capital expenditures	(33.9)	(167.7)
Free cash flow	\$ (38.3)	\$ (70.7)

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. Actual results may differ materially from anticipated results as a result of certain risks and uncertainties, including but not limited to, general economic conditions in the markets in which the Company operates, including changes in interest rates or currency exchange rates, the financial condition of the Company's customers or suppliers, changes in actual industry vehicle production levels from the Company's current estimates, fluctuations in the production of vehicles for which the Company is a supplier, the loss of business with respect to, or the lack of commercial success of, a vehicle model for which the Company is a significant supplier, including further declines in sales of full-size pickup trucks and large sport utility vehicles, disruptions in the relationships with the Company's suppliers, labor disputes involving the Company or its significant customers or suppliers or that otherwise affect the Company, the Company's ability to achieve cost reductions that offset or exceed customer-mandated selling price reductions, the outcome of customer negotiations, the impact and timing of program launch costs, the costs, timing and success of restructuring actions, increases in the Company's warranty or product liability costs, risks associated with conducting business in foreign countries, competitive conditions impacting the Company's key customers and suppliers, the cost and availability of raw materials and energy, the Company's ability to mitigate increases in raw material, energy and commodity costs, the outcome of legal or regulatory proceedings to which the Company is or may become a party, unanticipated changes in cash flow, including the Company's ability to align its vendor payment terms with those of its customers, the Company's ability to access capital markets on commercially reasonable terms, further impairment charges initiated by adverse industry or market developments, the Company's ability to obtain a waiver or amendment under its primary credit facility and other risks described from time to time in the Company's 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.

This presentation also contains information on the Company's sales backlog. The Company's incremental sales backlog reflects anticipated net sales from formally awarded new programs and open replacement programs, less phased-out and cancelled programs. The calculation of backlog does not reflect customer price reductions on existing or newly awarded programs. The backlog may be impacted by various assumptions embedded in the calculation, including vehicle production levels on new and replacement programs, foreign exchange rates and the timing of major program launches. Lear's 2009 – 2011 sales backlog is based on an exchange rate of \$1.40/per Euro and the December 15, 2008 status of CSM Worldwide's industry production assumptions.

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.