



LEAR[®]
CORPORATION

*Third-Quarter 2006 Results,
Fourth-Quarter 2006 Guidance and
a Preliminary Outlook for 2007*

October 26, 2006

▶▶ *advance relentlessly*

fast forward



Agenda

- ▶▶ Recent Events
 - *Bob Rossiter, Chairman and CEO*

- ▶▶ Financial Review
 - *Jim Vandenberghe, Vice Chairman and CFO*

- ▶▶ Strategy Update and Key Operating Targets
 - *Doug DelGrosso, President and COO*

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

- ▶▶ Q and A Session

Recent Events*

Strategic Developments

- ▶▶ Closed transaction whereby Lear contributed substantially all of its European Interior business to joint venture in return for a one-third equity stake
- ▶▶ Continued to make progress on new strategy for North American Interior business
- ▶▶ Agreed to \$200 million equity offering to increase flexibility

Operating Developments

- ▶▶ Industry production environment in N.A. very challenging
- ▶▶ Continued to win new business with Asian manufacturers
- ▶▶ Introduced new products, including the industry's first solid-state Smart Junction Box technology

Financial Review

Recent Events

Update on Interior Business

- ▶▶ Contributed substantially all of Lear's European Interior business to International Automotive Components Group, LLC in return for a one-third equity stake:
 - Creates a large [20 manufacturing facilities in 9 countries, with \$1.2 billion in annual sales] and well capitalized enterprise
 - Solid platform for improving ongoing operating efficiency and financial performance

- ▶▶ Continuing to work toward a new strategy for Lear's North American Interior business

***Working Toward Definitive New Strategic Direction
For North American Interior Business By Year End***

Recent Events

Equity Offering*

- ▶▶ Lear agreed to issue \$200 million of common stock to affiliates of Carl Icahn in a private placement
- ▶▶ Proceeds to be used for strategic investments in the Company's core businesses and to increase financial and operating flexibility
- ▶▶ Lear looks forward to working with Icahn to increase value for all Lear shareholders
- ▶▶ Icahn representative will join Lear's Board of Directors when transaction closes (expected timing about 45 days)
- ▶▶ Lear's shares outstanding will increase by 8.7 million

Third Quarter 2006 Industry Environment



| | <u>Third Quarter 2006</u> | <u>Third Quarter 2006 vs. 2005</u> |
|---|---------------------------------|--|
| <u>North American Production</u> | | |
| Industry | 3.4 mil | Down 9% |
| Big Three | 2.2 mil | Down 13% |
| Lear's Top 15 Platforms | 1.1 mil | Down 14% |
| <u>European Production</u> | | |
| Industry | 4.2 mil | Down 2% |
| Lear's Top 5 Customers | 2.0 mil | Down 3% |
| <u>Key Commodities (Quarterly Average)</u> | | |
| | <u>vs. Prior Quarter</u> | |
| Steel (Hot Rolled) | Up 4% | Up 23% |
| Resins (Polypropylene) | Up 4% | Up 24% |
| Copper | Up 12% | Up 106% |
| Crude Oil | flat | Up 11% |

Third Quarter 2006 Financial Summary**

(in millions, except net loss per share)

| | <i>Third Quarter 2006</i> | <i>Third Quarter 2005</i> | <i>3Q '06 B/(W) 3Q '05</i> |
|---|-------------------------------|-------------------------------|--------------------------------|
| Net Sales | \$4,069.7 | \$3,986.6 | \$83.1 |
| Income (Loss) Before Interest, Other Expense and Income Taxes* | \$28.8 | (\$726.3) | \$755.1 |
| Margin | 0.7 % | NM | NM |
| Pretax Loss | (\$65.9) | (\$787.8) | \$721.9 |
| Net Loss* | (\$74.0) | (\$750.1) | \$676.1 |
| Net Loss Per Share | (\$1.10) | (\$11.17) | \$10.07 |
| SG&A % of Net Sales | 3.9 % | 3.6 % | (0.3) pts. |
| Interest Expense | \$56.6 | \$45.1 | (\$11.5) |
| Depreciation / Amortization | \$98.1 | \$99.6 | \$1.5 |
| Other Expense, Net | \$38.1 | \$16.4 | (\$21.7) |

* Third quarter 2006 tax provision was \$8.1 million. This included a non-recurring tax benefit of \$19.9 million related to restructuring actions, the loss on the divestiture of the European Interior business and a one-time tax benefit.

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

Third Quarter 2006 Restructuring and Special Items*



| (in millions) | Third Quarter | | Memo: | | |
|--|---|--------------------|----------------------------------|-----------------|--------------------------|
| | <u>Income Before Interest, Other Expense and Income Taxes</u> | <u>Pretax Loss</u> | <u>Income Statement Category</u> | | |
| | | | <u>COGS</u> | <u>SG&A</u> | <u>Other Expense</u> |
| 2006 Reported Results | \$ 28.8 | \$ (65.9) | | | |
| <i>Reported results include the following items:</i> | | | | | |
| Costs related to Global Restructuring Actions | \$ 17.4 | \$ 17.4 | \$ 16.1 | \$ 1.3 | - |
| Loss on Divestiture of European Interior Business | - | 28.7 | - | - | \$ 28.7 |
| 2006 Core Operating Results | \$ 46.2 | \$ (19.8) | | | |
| 2005 Core Operating Results | \$ 47.9 | \$ (10.1) | | | |

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

Third Quarter 2006

Net Sales Changes and Margin Impact Versus Prior Year

| Performance Factor | Net Sales Change (in millions) | Margin Impact | Comments |
|---|--------------------------------------|------------------|---|
| Industry Production / Platform Mix / Net Pricing / Other | \$ (366) | Negative | Primarily lower industry production in North America (down 9%) and unfavorable platform mix (lower pickups in N.A.) |
| Global New Business | 362 | Positive | GM large SUVs, Lucerne, Fusion / Milan / Zephyr, Santa Fe, Peugeot 207, Punto |
| F/X Translation | 87 | Neutral | Euro up 4%, Canadian dollar up 7% |
| Commodity / Raw Material | | Negative | Unfavorable year over year increases-- hot rolled steel up 23%, polypropylene up 24%, copper up 106% |
| Performance | | Positive | Favorable operating performance in core businesses, including benefits from restructuring actions |

Third Quarter and Nine Months 2006 Business Segment Results***



| (\$ in millions) | Third Quarter | | Nine Months | |
|----------------------------------|----------------|----------------|----------------|----------------|
| | 2006 | 2005 | 2006 | 2005 |
| Seating | | | | |
| Net Sales | \$ 2,633.0 | \$ 2,564.3 | \$ 8,721.6 | \$ 8,192.9 |
| Segment Earnings* | \$ 125.6 | \$ 71.2 | \$ 423.0 | \$ 169.9 |
| % of Sales | 4.8 % | 2.8 % | 4.9 % | 2.1 % |
| Adjusted % of Sales** | 5.1 % | 3.0 % | 5.2 % ✓ | 2.7 % |
| Electronic and Electrical | | | | |
| Net Sales | \$ 682.6 | \$ 690.9 | \$ 2,257.6 | \$ 2,237.8 |
| Segment Earnings* | \$ 16.4 | \$ 35.3 | \$ 107.6 | \$ 145.9 |
| % of Sales | 2.4 % | 5.1 % | 4.8 % | 6.5 % |
| Adjusted % of Sales** | 3.4 % | 6.5 % | 5.7 % | 7.4 % |
| Interior | | | | |
| Net Sales | \$ 754.1 | \$ 731.4 | \$ 2,579.2 | \$ 2,261.2 |
| Segment Earnings* | \$ (55.8) | \$ (112.6) | \$ (149.6) | \$ (138.8) |
| % of Sales | (7.4) % | (15.4) % | (5.8) % | (6.1) % |
| Adjusted % of Sales** | (7.1) % | (3.3) % | (5.0) % | (2.1) % |

* Segment earnings represent income (loss) before goodwill impairment charge, interest, other expense and income taxes. Income (loss) before goodwill impairment charge, interest, other expense and income taxes for the Company was \$28.8 million and \$(56.3) million for the three months ended 9/30/06 and 10/01/05, respectively, and \$196.2 million and \$22.5 million for the nine months ended 9/30/06 and 10/01/05, respectively.

** Adjusted % of sales excludes impairments, restructuring costs and other special items of \$16.8 million (Seating - \$7.8, Electronic and Electrical - \$7.1, Interior - \$1.9) and \$103.9 million (Seating - \$5.5, Electronic and Electrical - \$9.7, Interior - \$88.7) for the three months ended 9/30/06 and 10/01/05, respectively, and \$69.7 million (Seating - \$27.8, Electronic and Electrical - \$22.0, Interior - \$19.9) and \$162.4 million (Seating - \$50.6, Electronic and Electrical - \$19.9, Interior - \$91.9) for the nine months ended 09/30/06 and 10/01/05, respectively.

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

Third Quarter and Nine Months 2006

Free Cash Flow*

(in millions)

| | Third Quarter 2006 | Nine Months 2006 |
|-----------------------------|-----------------------------------|---------------------------------|
| Net Loss | \$ (74.0) | \$ (62.5) |
| Depreciation / Amortization | 98.1 | 299.4 |
| Working Capital / Other | 11.5 | (107.1) |
| Cash from Operations | \$ 35.6 | \$ 129.8 |
| Capital Expenditures | (83.8) | (268.5) |
| Free Cash Flow | \$ (48.2) | \$ (138.7) |

* Free Cash Flow represents net cash provided by (used in) operating activities ((\$8.1) million for the three months and \$106.1 million for the nine months ended 9/30/06) before net change in sold accounts receivable (\$43.7 million for the three months and \$23.7 million for the nine months ended 9/30/06), less capital expenditures. Please see slides titled "Non-GAAP Financial Information" at the end of this presentation for further information.

Fourth Quarter 2006 Guidance

Key Assumptions*



| | <u>Fourth Quarter 2006 Guidance</u> | <u>Change from Prior Year</u> |
|---|---|-----------------------------------|
| <u>North American Production</u> | | |
| Total Industry | ≈ 3.7 mil | down 5% |
| Big Three | ≈ 2.4 mil | down 12% |
| Lear's Top 15 Platforms | ≈ 1.0 mil | down 24% |
| <u>European Production</u> | | |
| Total Industry | ≈ 4.7 mil | down 1% |
| Lear's Top 5 Customers | ≈ 2.4 mil | down 2% |
| Euro | \$1.28 / Euro | up 7% |

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

2006 Guidance

Key Financial Projections***



(Reflects Lear's investment in European Interiors joint venture on an equity basis)

| | <u>Fourth Quarter 2006</u> | <u>Full Year 2006</u> |
|--|----------------------------|------------------------|
| <u>Net Sales</u> | ≈ \$ 4.1 billion | ≈ \$ 17.7 billion |
| <u>Core Operating Earnings</u> Income before interest, other expense, income taxes, impairments, restructuring costs and other special items | \$80 to \$110 million | \$345 to 375 million |
| <u>Interest Expense</u> | \$50 to \$55 million | \$210 to \$215 million |
| <u>Pretax Income</u> before impairments, restructuring costs and other special items | \$15 to \$45 million | \$65 to \$95 million |
| <u>Estimated Tax Expense*</u> | ≈ \$40 million | ≈ \$90 million |
| <u>Pretax Restructuring Costs</u> | \$50 to \$60 million | \$105 to \$115 million |
| <u>Capital Spending</u> | \$110 to \$120 million | \$380 to \$390 million |
| <u>Free Cash Flow**</u> | ≈ \$140 million positive | about breakeven |

* Subject to actual mix of financial results by country.

** Excludes potential payment of approximately \$35 million related to settlement of prior litigation.

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

Preliminary Assessment of Key Financials*

- ▶▶ Assuming an industry production environment that is roughly in line with 2006. . . we see the following preliminary outlook for 2007:
- ▶▶ Within our core Seating, Electronic and Electrical businesses:
 - Global new business of about \$800 million,
 - Seating margins continue to improve to the mid-5% level, excluding restructuring costs and other special items,
 - Electronic and Electrical margins improve during the course of the year to the 5.5% to 6% range, also excluding restructuring costs and other special items
 - Capital spending is expected to be in the range of \$250 to \$280 million, and
 - Free cash flow turns solidly positive.

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

Strategy Update and Key Operating Targets

Where Lear Needs To Be . . . And Our Strategy To Get There*



- ✓ Market Leadership
- ✓ Expand Market Boundaries
- ✓ Maintain Efficient / Competitive Operations

Key Operating Targets**

- ▶▶ Achieve global sales growth (about 5% annually) and further diversify sales (target is to grow total Asian sales* about 25% annually)
- ▶▶ Continuous improvement in quality and customer satisfaction
- ▶▶ Core Dimension Strategy – product focus; emphasis on technology
- ▶▶ Put in place a new, sustainable business model for Interior business
- ▶▶ Restore Seating margins to historical level (6.0% range)
- ▶▶ Improve Electronic and Electrical margins (7.5% range)
- ▶▶ Restore strong free cash flow levels, pay down debt and restore investment grade credit status

* Total Asian sales target includes consolidated and non-consolidated sales.

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

Global Strategy For Sales Growth and Diversification*

North America

- ▶▶ Fully participate in fast-growing Crossover segment
- ▶▶ Expand emerging relationships with Hyundai, Nissan and Toyota
- ▶▶ Grow content per vehicle with new products and technology:
 - Safety-Related – IntelliTire™, Pro-Tec™ PLuS and Adaptive Front Lighting
 - Electronics – RKE Technology, Premium Audio/Visual, Home Automation
- ▶▶ Participate in Hybrid growth with high-voltage Electrical Systems

Europe and Rest of World

- ▶▶ Continue to invest and grow sales in China, India and Korea
- ▶▶ Accelerate growth with Asian automakers and Volkswagen
- ▶▶ Leverage existing relationships with Big Three and European automakers to grow in emerging markets

Examples of Emerging Asian Relationships*

Customer



Santa Fe -- Seating, IntelliTire™



Qashqai -- Seating, Electrical Distribution



Tundra – Flooring & Acoustics, Interior Trim

Lear Relationship

- Supply 100% of North American seating
 - Provide value-add technologies (e.g., TPMS)
 - Provide wiring harnesses through JV with a Korean partner
 - Leverage Lear’s quality reputation and global footprint to support Hyundai’s quality reputation
 - Rapid growth potential as a preferred global supplier
-
- Nissan evolving its sourcing strategy to global suppliers
 - Lear’s relationship with Tachi-S now encompasses three JVs:
 - North America (Mt. Juliet, TN)
 - Europe (Sunderland, U.K.)
 - Asia (Guangzhou, China)
 - Collectively, these operations will supply seven vehicle lines for Nissan
 - Additional JV opportunities with Tachi-S being developed
-
- Expanding relationship with headliners, NVH, plastics and seating by establishing new facilities alongside Toyota in North America and Europe
 - Continued success on seating JV in N.A. (Sienna) and interior programs (e.g., Tundra) provides opportunity on next new N.A. seat program

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

Lear China Business Profile*

Lear in China

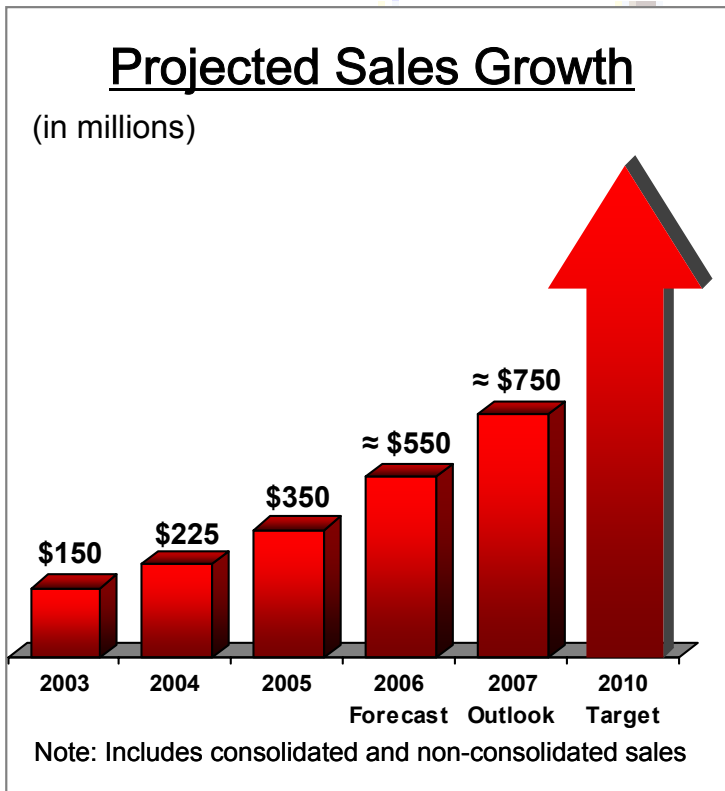
- Headquarters: Shanghai
- Existing Facilities:
 - Joint Ventures = 12 (13 JV Plants)
 - WOFE's = 3 (Changchun, Cadillac, RHQ)
- New / Planned Facilities: 7 new facilities to support Ford, SGM, Nissan, Mazda, Fiat and Chery
 - New in 2006 = STEC, Guangzhou
 - Planned for 2007 = Nanchang, Chongqing, Nanjing (2) and Wuhu
- Engineering Centers: Seating and Electronics in Shanghai
- Employees: 959 Salaried / 5,105 Hourly
- Main Competitors: Faurecia/Delphi/JCI/Visteon/3303 (owned by Chinese military)
- 2006 Sales forecast: ≈ \$550 million, including consolidated and non-consolidated sales



**Lear China = 13 JV Plants (For 12 JVs)
+ 3 WOFE's (Including Regional Headquarters)**

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

Lear China Projected Sales Growth*



Lear China's Sales Are Projected To Grow About 30% Annually

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

New Asian Business Awards During Third Quarter 2006*



| <u>Automaker</u> | <u>Market</u> | <u>Lear Content</u> | <u>Vehicle Program</u> |
|------------------|---------------|---|------------------------|
| Nissan | Europe | Seating, Wire Harnesses, Smart Junction Box | Future Crossover |
| Chery | China | Seating | Transit Van |
| Changan | China | Seating, Door Trim | New MPV |
| Honda | North America | ProTec Plus TM | Pilot |
| DFM | China | Wire Harnesses, Smart Junction Box | Sedan Passenger Car |
| Toyota | North America | Interior Trim | Camry Crossover |
| GM | China | Carpet, Trunk Trim | Epsilon SWB |
| DCX | China | Carpet, Trunk Trim | 300C |

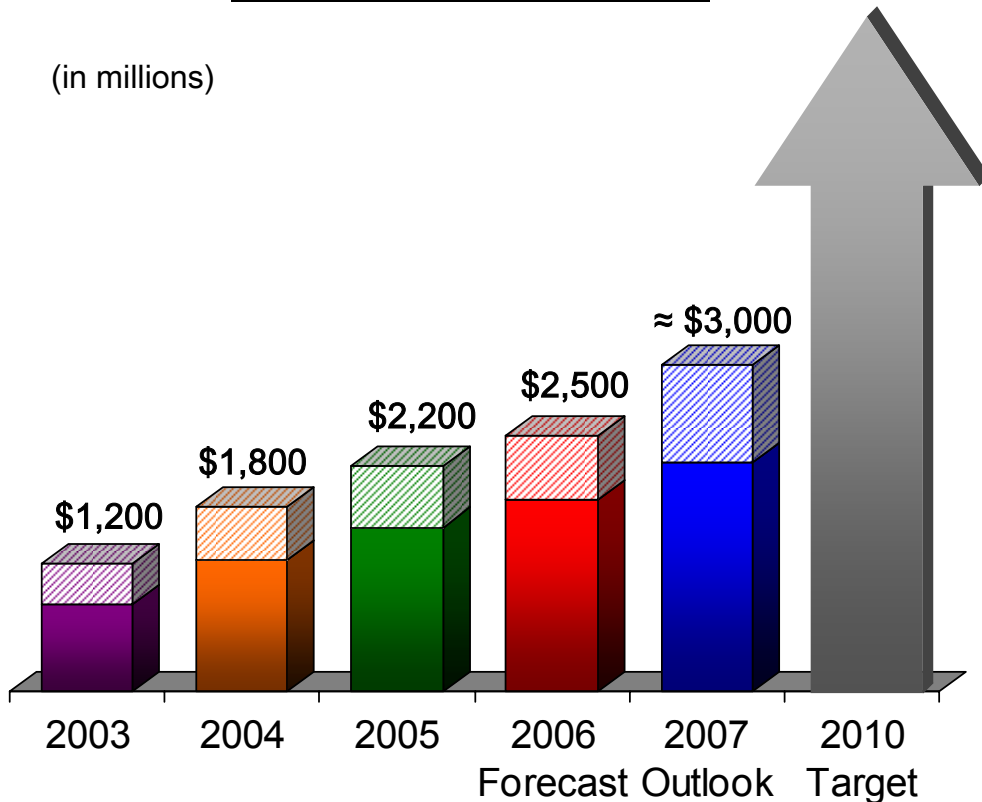
***Continuing To Win New Business In Asia
And With Asian Manufacturers Globally***

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

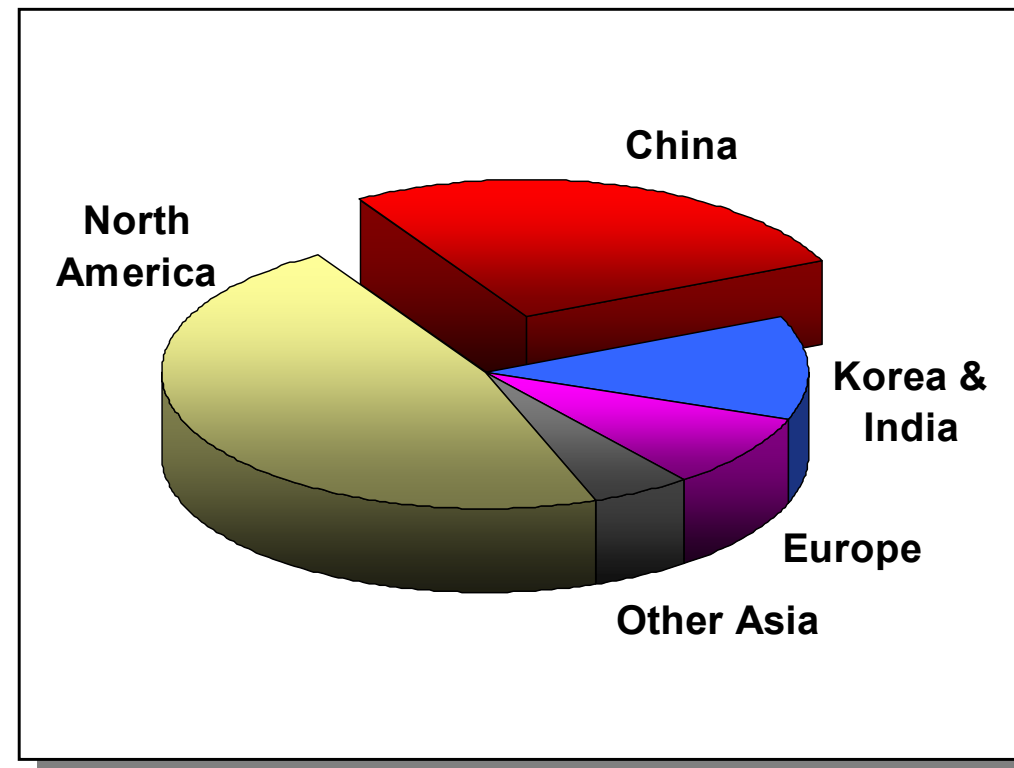
Targeting Total Asian Sales Growth of About 25% Annually**

Revenue in Asia and with Asian Manufacturers*

(in millions)



Lear's Targeted Asian Sales by Major Market



Rapid Growth In Asian Sales Led By Expanding Relationships With Hyundai, Nissan And Toyota, As Well As Growth In Emerging Markets Such As China

* Total Asian sales target includes consolidated and non-consolidated sales.

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

North America

Major Second Half 2006 And 2007 Launches



Chevrolet Silverado

Seating, Door Panels and
Car2U™ Home Automation System

Acura MDX ✓

Wire Harnesses

BMW X5 ✓

Seating, Electronics

Chrysler Aspen

Seating, Wire Harnesses, Overhead System,
Flooring & Acoustics, Console, Electronics

Chrysler / Dodge Minivan

IP, Door Panels, Overhead System, Flooring
& Acoustics

Ford Edge ✓ / **Lincoln MKX** ✓

Overhead System

Honda CR-V ✓ and **Accord**

Wire Harnesses



Jeep Patriot ✓

Instrument Panel, Overhead System,
Flooring & Acoustics, and Interior Trim

Nissan Altima

Seating, Headliner, Door Panels, Flooring &
Acoustics, Interior Trim

Nissan Armada / Titan

Overhead System, Console

Nissan Sentra

Overheads, Flooring & Acoustics, Interior Trim

Saturn VUE ✓

Seating

Toyota Tundra

Flooring & Acoustics, Interior Trim,
SonoTec™ Dash Insulator

✓ **Crossover Vehicle**

Europe and Rest of World Major Second Half 2006 And 2007 Launches

Europe



Mercedes C-Class
Seating

BMW 3-Series Convertible

Seating, Electronics

Fiat Bravo

Seating

Ford Mondeo

Seating (First LFSA-common seat architecture program in Europe)

Jaguar S-Type

Seating, Overhead System, Electronics

Land Rover Range Rover

Seating, Electronics

Nissan Qashqai

Seating, Electrical Distribution

Peugeot 207 Coupe

Seating

Volvo V70

Seating

Rest of World



Hyundai Veracruz
Seating and IntelliTire™ (Korea)

Cadillac STS (China)

Seating, Door Panels, Flooring & Acoustics

Chang'an (China)

Seating

Dodge Caliber (Venezuela)

Seating, Door Panels

Ford Galaxy (China)

Seating

Ford Mondeo (China)

Seating, Door Panels, Overheads

Hyundai Santro Minicar (India)

Seating, IntelliTire™

Nissan Geniss MPV and Sylphy Sedan (China)

Seating

Renault Logan (India)

Seating

Summary and Outlook

Summary and Outlook

Improving our Global Competitiveness*



- ▶▶ Continuously improving quality and customer satisfaction levels
- ▶▶ Successfully implementing global restructuring initiatives
- ▶▶ Increasing emphasis on new product technology and innovation
- ▶▶ Leveraging global scale, expertise and common architecture strategy to deliver the best overall value
- ▶▶ Strategically managing the business to improve individual product-line returns

***Comprehensive Initiatives Being Implemented
To Improve Future Competitiveness***

Summary and Outlook

Making Progress on Strategic Priorities*



- ▶▶ Global Seating margins improving
- ▶▶ Aggressive restructuring actions to improve Electronic and Electrical margins in future
- ▶▶ Completed agreement to contribute European Interior business to International Automotive Components Group, LLC
- ▶▶ Priority focus on improving our North American Interior business and putting in place a sustainable business model
- ▶▶ Continuing to aggressively grow sales in Asia and with Asian Automakers globally

Agreement To Issue \$200 Million Of Common Stock Provides Increased Flexibility, Allowing The Company To Further Strengthen Our Core Businesses

* 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 certain non-GAAP financial measures. These measures include “income (loss) before interest, other expense and income taxes,” “income before interest, other expense, income taxes, impairments, restructuring costs and other special items” (core operating earnings), “pretax income (loss) before impairments, restructuring costs and other special items” and “free cash flow.” Free cash flow represents net cash provided by 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 that 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, core operating earnings and pretax income (loss) before impairments, 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 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, pretax income (loss) before impairments, restructuring costs and other special items and free cash flow should not be considered in isolation or as substitutes for net income (loss), pretax income (loss), cash provided by operating activities or other income statement or cash flow statement data prepared in accordance with GAAP or as measures of profitability or liquidity. In addition, 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. Given the inherent uncertainty regarding special items and the net change in sold accounts receivable in any future period, a reconciliation of forward-looking financial measures is not feasible. The magnitude of these items, however, may be significant.

Non-GAAP Financial Information

| (in millions) | <u>Q3 2006</u> | <u>Q3 2005</u> |
|---|-----------------------|-----------------------|
| Loss before income taxes | \$ (65.9) | \$ (787.8) |
| Interest expense | 56.6 | 45.1 |
| Other expense, net | <u>38.1</u> | <u>16.4</u> |
| Income (loss) before interest, other expense and income taxes | \$ 28.8 | \$ (726.3) |
| Goodwill and fixed asset impairment charges | - | 743.8 |
| Costs related to restructuring actions | 17.4 | 32.1 |
| Litigation charges | <u>-</u> | <u>(1.7)</u> |
| Income before interest, other expense, income taxes, impairments, restructuring costs and other special items (core operating earnings) | <u>\$ 46.2</u> | <u>\$ 47.9</u> |

Non-GAAP Financial Information

| (in millions) | <u>Q3 2006</u> | <u>Q3 2005</u> |
|--|-------------------------|-------------------------|
| Loss before income taxes | \$ (65.9) | \$ (787.8) |
| Goodwill and fixed asset impairment charges | - | 743.8 |
| Costs related to restructuring actions | 17.4 | 33.1 |
| Litigation charges | - | 0.8 |
| Loss on divestiture | <u>28.7</u> | <u>-</u> |
| Pretax loss before impairments, restructuring costs and other special items | <u>\$ (19.8)</u> | <u>\$ (10.1)</u> |

Non-GAAP Financial Information

| (in millions) | Three Months Q3 2006 | Nine Months Q3 2006 |
|--|------------------------------------|------------------------------------|
| | <u> </u> | <u> </u> |
| Net cash provided by (used in) operating activities | \$ (8.1) | \$ 106.1 |
| Net change in sold accounts receivable | 43.7 | 23.7 |
| | <u> </u> | <u> </u> |
| Net cash provided by operating activities before net change in sold accounts receivable (cash from operations) | \$ 35.6 | \$ 129.8 |
| Capital expenditures | (83.8) | (268.5) |
| | <u> </u> | <u> </u> |
| Free cash flow | \$ (48.2) | \$ (138.7) |
| | <u><u> </u></u> | <u><u> </u></u> |

Non-GAAP Financial Information

| (in millions) | Three Months | | Nine Months | |
|--|------------------|-------------------|------------------|-------------------|
| | Q3 2006 | Q3 2005 | Q3 2006 | Q3 2005 |
| Seating | \$ 125.6 | \$ 71.2 | \$ 423.0 | \$ 169.9 |
| Electronic and Electrical | 16.4 | 35.3 | 107.6 | 145.9 |
| Interior | (55.8) | (112.6) | (149.6) | (138.8) |
| Segment earnings | \$ 86.2 | \$ (6.1) | \$ 381.0 | \$ 177.0 |
| Corporate and geographic headquarters and elimination of intercompany activity | (57.4) | (50.2) | (184.8) | (154.5) |
| Income (loss) before goodwill impairment charge, interest, other expense and income taxes | \$ 28.8 | \$ (56.3) | \$ 196.2 | \$ 22.5 |
| Goodwill impairment charge | - | 670.0 | 2.9 | 670.0 |
| Interest expense | 56.6 | 45.1 | 157.5 | 138.1 |
| Other expense, net | 38.1 | 16.4 | 55.4 | 55.5 |
| Loss before income taxes and cumulative effect of a change in accounting principle | \$ (65.9) | \$ (787.8) | \$ (19.6) | \$ (841.1) |

Non-GAAP Financial Information

| (in millions) | Three Months Q3 2006 | | | Three Months Q3 2005 | | |
|--|----------------------|---------------------------|------------------|----------------------|---------------------------|------------------|
| | Seating | Electronic and Electrical | Interior | Seating | Electronic and Electrical | Interior |
| Segment earnings | \$ 125.6 | \$ 16.4 | \$ (55.8) | \$ 71.2 | \$ 35.3 | \$ (112.6) |
| Fixed asset impairment charges | - | - | - | - | - | 73.8 |
| Costs related to restructuring actions | 7.8 | 7.1 | 1.9 | 7.2 | 9.7 | 14.9 |
| Litigation charges | - | - | - | (1.7) | - | - |
| Adjusted segment earnings | \$ 133.4 | \$ 23.5 | \$ (53.9) | \$ 76.7 | \$ 45.0 | \$ (23.9) |

| (in millions) | Nine Months Q3 2006 | | | Nine Months Q3 2005 | | |
|--|---------------------|---------------------------|-------------------|---------------------|---------------------------|------------------|
| | Seating | Electronic and Electrical | Interior | Seating | Electronic and Electrical | Interior |
| Segment earnings | \$ 423.0 | \$ 107.6 | \$ (149.6) | \$ 169.9 | \$ 145.9 | \$ (138.8) |
| Fixed asset impairment charges | - | - | 9.2 | - | - | 73.8 |
| Costs related to restructuring actions | 27.8 | 22.0 | 10.7 | 20.1 | 19.9 | 18.1 |
| Litigation charges | - | - | - | 30.5 | - | - |
| Adjusted segment earnings | \$ 450.8 | \$ 129.6 | \$ (129.7) | \$ 220.5 | \$ 165.8 | \$ (46.9) |

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, fluctuations in the production of vehicles for which the Company is a supplier, 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 productivity negotiations, the impact and timing of program launch costs, the costs and timing of facility closures, business realignment or similar 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, raw material costs and availability, the Company's ability to mitigate the significant impact of 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 finalization of the Company's restructuring strategy, the outcome of various strategic alternatives being evaluated with respect to its North American Interior business and other risks described from time to time in the Company's Securities and Exchange Commission filings. In particular, the Company's financial outlook for 2006 and 2007 is based on several factors including, the Company's current vehicle production and raw material pricing assumptions. The Company's actual financial results could differ materially as a result of significant changes in these factors. The Company's previously announced private placement of common stock to affiliates of and funds managed by Carl C. Icahn is subject to certain conditions. No assurances can be given that the offering will be consummated on the terms contemplated or at all.

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.