

# Visteon Q3 2022 Earnings

October 27, 2022



Visteon®

# Q3 2022 In Review



## HIGHEST SALES QUARTER SINCE 2015



(1) Visteon Y/Y sales growth (ex. FX) compared to production for Visteon customers weighted on Visteon sales contribution.

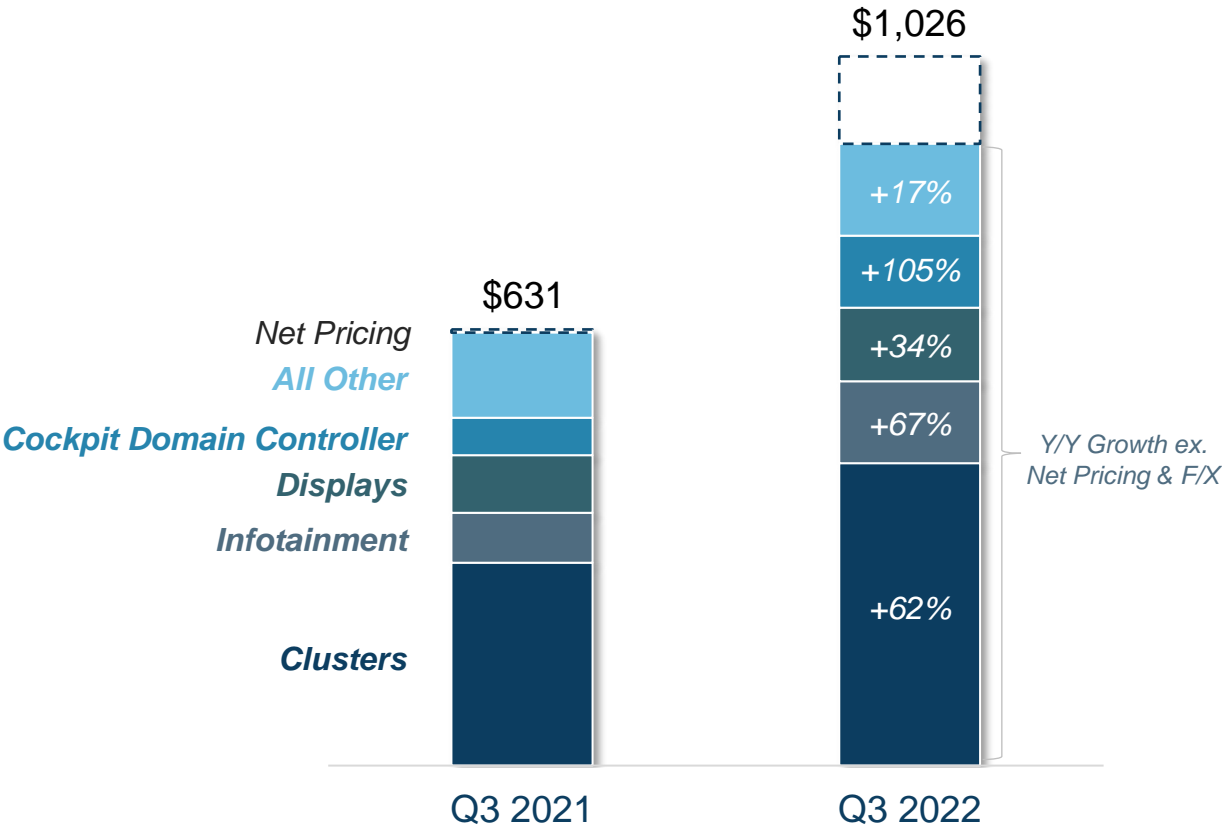
# Strong Sales Across All Core Products



Product sales primarily driven by ramp-up of digital cluster and SmartCore™ programs

## Q3 Y/Y Product Sales Growth of +49%<sup>(1)</sup>

(Dollars in millions)



### Q3 Performance Drivers

Digital Product Portfolio	Continued ramp-up of recent program launches
Semiconductor Supply	Improved through open market purchases and product redesigns
Net Pricing	Significant open market purchases to support customer production
Foreign Exchange Headwinds	Depreciating foreign currencies impacted European and Asian sales

**Strong demand for digital products and crisp execution drove record sales**

(1) Y/Y growth rates excludes Y/Y impact of currency fluctuations and net pricing

# Year-to-Date Launch Activity

*High number of program launches supporting future sales growth*

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## YTD 2022 Summary

**32**

New Program  
Launches

**15**

Digital Cluster  
Program Launches

**~25%**

Of New Program Launches  
to be on Electric Vehicles

## Key Q3 2022 Model Launches

New  
Program



**Hyundai/Kia SP2 Platform**  
*Multi-Display with Digital Cluster*

New  
Program



**Nissan Serena**  
*Digital Cluster*



**Mercedes EQS SUV**  
*Digital Cluster*

New  
Program



**Honda CB-F Superbike**  
*Two-Wheeler Digital Cluster*



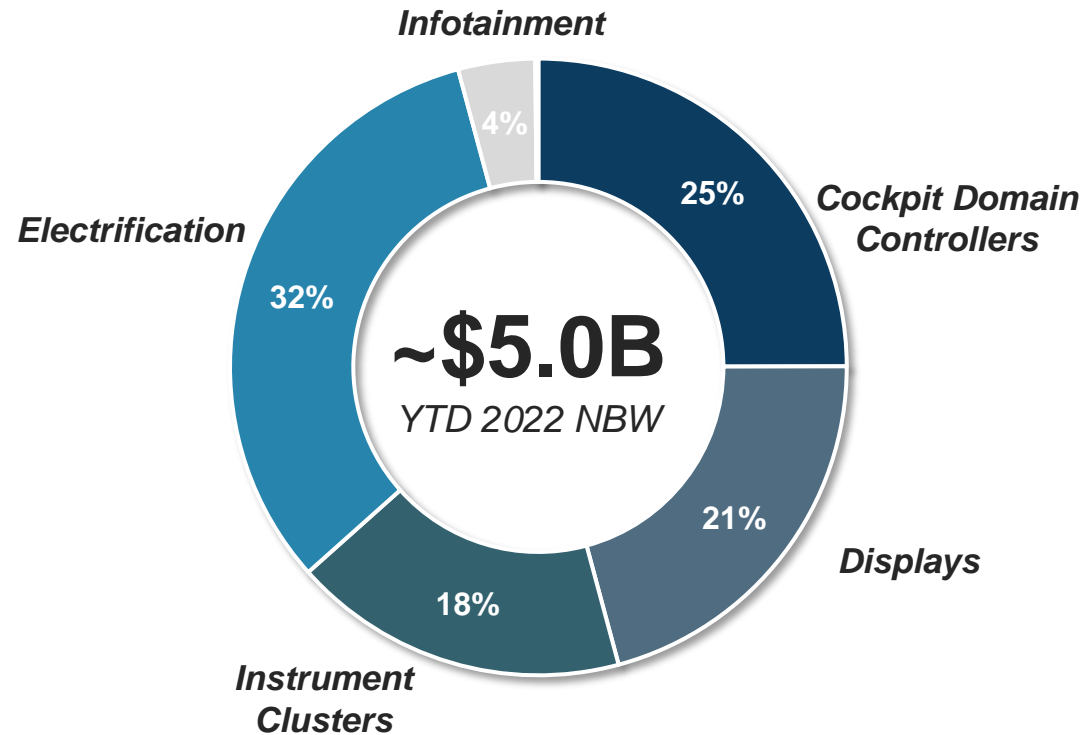
**Cadillac Lyriq - China**  
*Wireless Battery Management System*

# New Business Wins On Track to Achieve Full-Year Target



*Winning business in emerging areas of automotive electronics*

## YTD 2022 New Business Wins



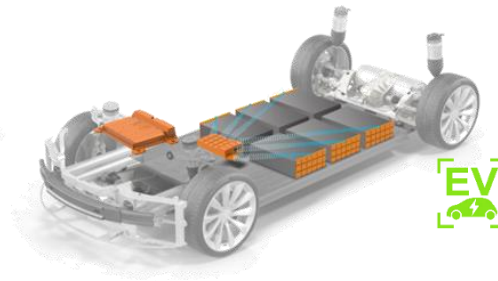
**\$1B+**

Multi-Display Wins  
Year-to-Date

**~45%**

Of Cockpit Electronics  
Wins on Electric Vehicles

## Key Q3 New Business Win Highlights



### Wireless BMS Extension

*Incremental sales on prior win with additional vehicles and higher content per vehicle*



### Digital Cluster and Center Display

*Cluster and center infotainment display on electric vehicle line for North American OEM*



### Multi-Screen Display Module

*Center and passenger display win with second luxury German OEM*



# Expansion of Visteon Display Business

*Growing momentum in luxury passenger car display market*

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## Display Wins Summary

# \$2.7B

Total Display Wins in Last Two Years

# 7

Customers with Multi-Display Wins

### Q4 2020 NBW

*Multi-Display Module for Japanese OEM*



**SOP: 2024**

- ❑ 28" display for premium and mass market vehicles
- ❑ Ultra-thin bezel provides single-display appearance

### Q4 2021 NBW

*Curved Multi-Display Module for German Luxury OEM*



**SOP: 2024**

- ❑ Seamless 25" display gives appearance of one display
- ❑ Complex curvature with multiple points

### Q3 2022 NBW

*Multi-Display Module with Passenger Display*



**SOP: 2025**

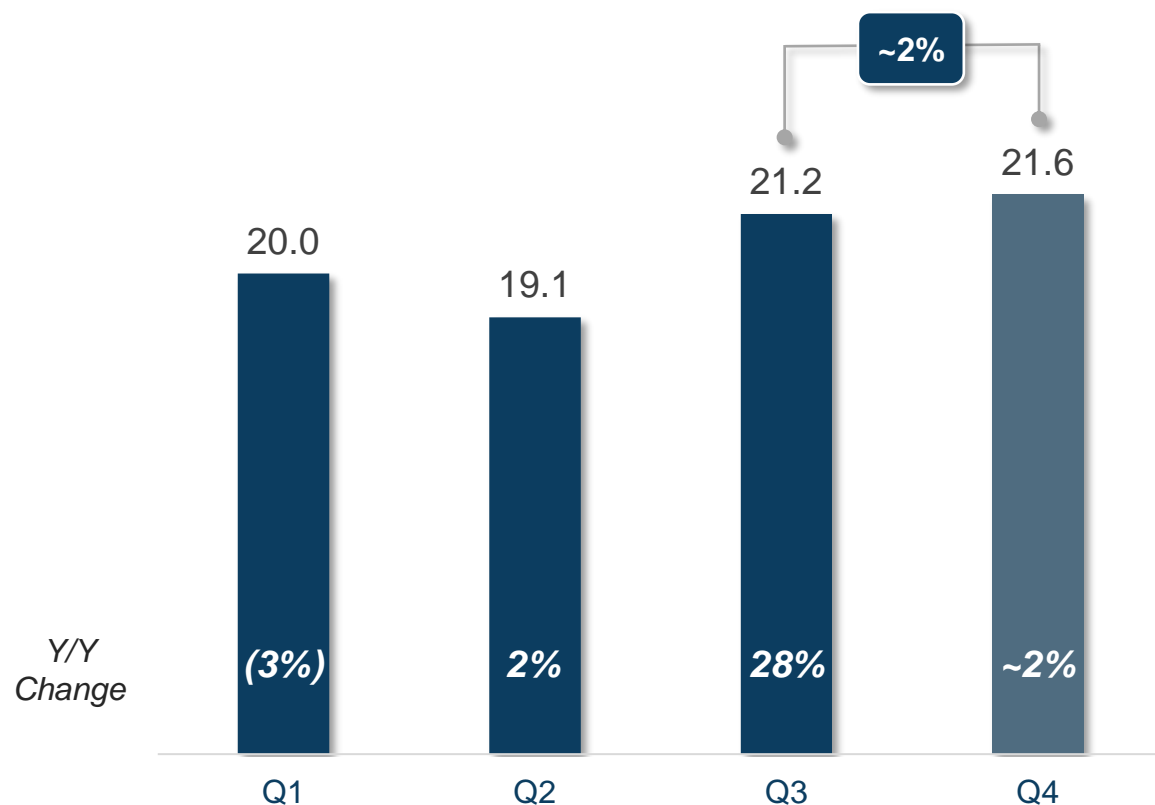
- ❑ 32" display area for center and passenger display
- ❑ Industry leading display with active privacy feature

# Q4 Outlook

*Raising 2022 sales and adjusted EBITDA guidance*

*(Units in millions)*

## S&P Global Industry Production



**S&P Global forecasting nominal sequential growth in Q4 due to ongoing supply constraints and production risks in Europe**

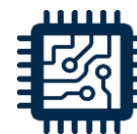
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## Key Assumptions and Outlook



### Customer Production

Pent-up consumer demand supporting OEM production



### Semiconductor Supply

Agile sourcing and product redesigns providing gradual improvements in supply



### Open Market Purchases

Difficulty in predicting need for open market purchases widening range for sales outlook



### European Vehicle Production

Emerging energy shortages potentially driving production schedule uncertainty for European OEMs

# Summary



## **Record Sales Performance in a Challenging Environment**

Delivered 14<sup>th</sup> straight quarter of growth-over-market relative to our customers' production



## **Operational Excellence Delivers Robust Financial Performance**

Commercial and cost discipline drove 9.3% EBITDA margin



## **High Number of Program Launches Despite Supply Constraints**

32 new program launches year-to-date across product portfolio and customer base



## **Display Business Gains Momentum**

\$2.7 billion in display new business wins in last two years



## **Building the Foundation for Future Growth**

\$5.0 billion in new business wins including advanced displays and additional electrification





# Q3 2022 Financial Results

October 27, 2022



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# Q3 2022 in Review



*Continued commercial and operational discipline lead to strong results*



## Net Sales

**\$1,026** Million  
63% Y/Y Growth

- ▶ Strong top-line growth driven by robust demand across all digital cockpit products
- ▶ Performance supported by open market purchases and product redesigns
- ▶ Customer negotiations for supply chain cost recoveries on track



## Adjusted EBITDA

**\$95** Million  
9.3% Margin

- ▶ Benefited from higher sales while leveraging cost structure
- ▶ Continued focus on cost discipline throughout the organization
- ▶ Margin dilution of ~90 bps due to open market purchases and recoveries



## Adjusted FCF

**\$59** Million  
\$365 Million Total Cash

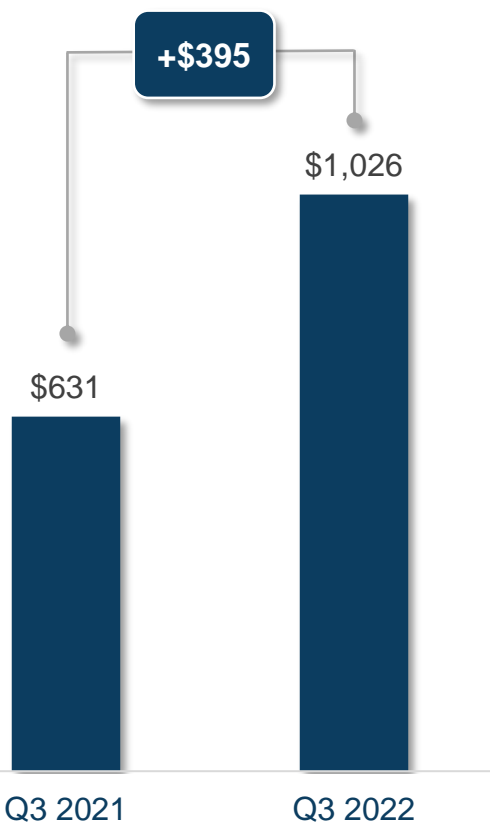
- ▶ Benefited from strong EBITDA and optimized capital expenditures
- ▶ Inventory increased as a result of continued supply chain disruptions
- ▶ Debt of \$349 million; net cash position of \$16 million

# Q3 2022 Y/Y Key Drivers

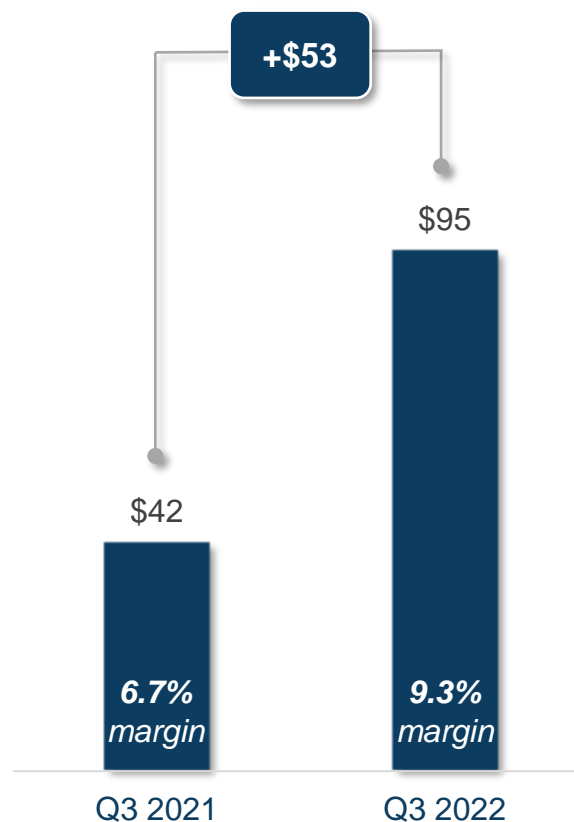
*Record sales and strong EBITDA expansion*

*(Dollars in millions)*

## Sales



## Adjusted EBITDA






## Q3 2022 Key Drivers

- Robust growth-over-market driven by recent program launches and strong customer demand
- Adjusted EBITDA performance driven by:
  - Higher sales from digital clusters and SmartCore™
  - Material cost inflation mitigated versus prior year
  - Higher net engineering and SG&A, as well as unfavorable foreign exchange
- Adjusted EBITDA margins diluted by ~90 basis points due to recoveries of open market purchases

# YTD 2022 Cash Flow and Balance Sheet

*Positive adjusted free cash flow in the third quarter*

## Strong Balance Sheet

 <p>Cash</p>	<p><b>\$365 million</b></p> <p>Provides flexibility and supports future growth</p>
 <p>Debt</p>	<p><b>\$349 million</b></p> <p>No material debt maturities until 2027</p>
 <p>Net Cash</p>	<p><b>\$16 million</b></p> <p>Strong balance sheet provides significant flexibility</p>

(Dollars in Millions)	YTD 2021	1H 2022	Q3 2022	YTD 2022
Adjusted EBITDA	\$136	\$150	\$95	\$245
Trade Working Capital	(100)	(138)	(45)	(183)
Cash Taxes	(20)	(15)	(6)	(21)
Interest Payments	(11)	(5)	(3)	(8)
Other Changes	12	(55)	36	(19)
Capital Expenditures	(54)	(36)	(18)	(54)
<b>Adjusted FCF</b>	<b>(\$37)</b>	<b>(\$99)</b>	<b>\$59</b>	<b>(\$40)</b>

# 2022 Full-Year Guidance

*Strong year-to-date performance driving revised full-year guidance*

*(Dollars in millions unless otherwise noted, percentages at midpoint)*



Sales

**\$3.6B – \$3.7B**

+32% Y/Y



Adj. EBITDA

**\$325 – \$345**

~9.2% Margin



Adj. FCF

**\$30 – \$70**

## Commentary

- Visteon customer production volumes in Q4 expected to be flat compared to Q3
  - Semiconductor open market purchases expected to decrease in Q4 compared to Q3
- 
- Q4 will continue to benefit from robust sales and ongoing cost discipline
  - Modest sequential increase in net engineering expected in Q4
- 
- FY capex of ~\$90 million (~2.5% of sales at mid-point)
  - Expecting a modest working capital inflow in Q4



# Investment Thesis



*Visteon continues to be a compelling long-term investment opportunity*



## Digital Cockpit Electronics Leader

- ▶ Digital cockpit leader for cars, trucks, and two-wheelers
- ▶ Supporting industry shift to electric vehicles
- ▶ Nimble and adaptable to changing environment



## Innovative Product Portfolio

- ▶ Leading analog-to-digital transition in automotive cockpits
- ▶ Industry leader in cockpit domain controllers
- ▶ Industry-first wireless battery management system



## Competitive Cost Structure

- ▶ Leveraging industry-leading engineering footprint
- ▶ Optimizing spend through platform-based approach
- ▶ Commercial and operational discipline



## Strong Balance Sheet

- ▶ \$365 million in cash to provide flexibility and support future growth
- ▶ No material debt maturities until 2027
- ▶ \$16 million net cash position at quarter-end

# Appendix

October 27, 2022



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# Forward-Looking Information



- This presentation contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. 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. Forward-looking statements are not guarantees of future results and conditions but rather are subject to various factors, risks and uncertainties that could cause our actual results to differ materially from those expressed in these forward-looking statements, including, but not limited to:
  - continued and future impacts of the coronavirus (COVID-19) pandemic on our financial condition and business operations including global supply chain disruptions, market downturns, reduced consumer demand, and new government actions or restrictions;
  - significant or prolonged shortage of critical components from our suppliers, including but not limited to semiconductors, and particularly those who are our sole or primary sources;
  - conditions within the automotive industry, including (i) the automotive vehicle production volumes and schedules of our customers, (ii) the financial condition of our customers and the effects of any restructuring or reorganization plans that may be undertaken by our customers, including work stoppages at our customers, and (iii) possible disruptions in the supply of commodities to us or our customers due to financial distress, work stoppages, natural disasters or civil unrest;
  - our ability to execute on our transformational plans and cost-reduction initiatives in the amounts and on the timing contemplated;
  - our ability to satisfy future capital and liquidity requirements; including our ability to access the credit and capital markets at the times and in the amounts needed and on terms acceptable to us; our ability to comply with financial and other covenants in our credit agreements; and the continuation of acceptable supplier payment terms;
  - our ability to access funds generated by foreign subsidiaries and joint ventures on a timely and cost effective basis;
  - general economic conditions, including changes in interest rates and fuel prices; the timing and expenses related to internal restructurings, employee reductions, acquisitions or dispositions and the effect of pension and other post-employment benefit obligations;
  - increases in raw material and energy costs and our ability to offset or recover these costs, increases in our warranty, product liability and recall costs or the outcome of legal or regulatory proceedings to which we are or may become a party;
  - changes in laws, regulations, policies or other activities of governments, agencies and similar organizations, domestic and foreign, that may tax or otherwise increase the cost of, or otherwise affect, the manufacture, licensing, distribution, sale, ownership or use of our products or assets; and
  - those factors identified in our filings with the SEC (including our Annual Report on Form 10-K for the fiscal year ended December 31, 2021 as updated by our subsequent filings with the Securities and Exchange Commission).
- Caution should be taken not to place undue reliance on our forward-looking statements, which represent our view only as of the date of this presentation, and which we assume no obligation to update. The financial results presented herein are preliminary and unaudited; final financial results will be included in the company's Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2022. New business wins, re-wins and backlog do not represent firm orders or firm commitments from customers, but are based on various assumptions, including the timing and duration of product launches, vehicle production levels, customer cancellations, installation rates, customer price reductions and currency exchange rates

- Because not all companies use identical calculations, adjusted gross margin, adjusted SG&A, adjusted EBITDA, adjusted net income, adjusted EPS, free cash flow and adjusted free cash flow used throughout this presentation may not be comparable to other similarly titled measures of other companies.
- In order to provide the forward-looking non-GAAP financial measures for full-year 2022, the Company is providing reconciliations to the most directly comparable GAAP financial measures on the subsequent slides. The provision of these comparable GAAP financial measures is not intended to indicate that the Company is explicitly or implicitly providing projections on those GAAP financial measures, and actual results for such measures are likely to vary from those presented. The reconciliations include all information reasonably available to the Company at the date of this presentation and the adjustments that management can reasonably predict.

# Reconciliation of Non-GAAP Financial Information



## Adjusted Gross Margin

The Company defines Adjusted gross margin as gross margin, adjusted to eliminate the impacts of intangibles amortization, stock-based compensation expense, and other non-operating costs.

(Dollars in millions)	2021					2022			
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	YTD
<b>Gross margin</b>	<b>\$73</b>	<b>\$35</b>	<b>\$47</b>	<b>\$99</b>	<b>\$254</b>	<b>\$76</b>	<b>\$74</b>	<b>\$104</b>	<b>\$254</b>
<u>Less:</u>									
Stock-based compensation expense	1	2	-	1	4	1	3	3	7
Intangibles amortization	-	-	-	1	1	-	-	1	1
Other	1	-	1	1	3	2	10	(2)	10
<b>Subtotal</b>	<b>\$2</b>	<b>\$2</b>	<b>\$1</b>	<b>\$3</b>	<b>\$8</b>	<b>\$3</b>	<b>\$13</b>	<b>\$2</b>	<b>\$18</b>
<b>Adjusted gross margin</b>	<b>\$75</b>	<b>\$37</b>	<b>\$48</b>	<b>\$102</b>	<b>\$262</b>	<b>\$79</b>	<b>\$87</b>	<b>\$106</b>	<b>\$272</b>

## Adjusted SG&A

The Company defines Adjusted SG&A as SG&A, adjusted to eliminate the impacts of intangibles amortization, stock-based compensation expense, and other non-operating costs.

(Dollars in millions)	2021					2022			
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	YTD
<b>SG&amp;A</b>	<b>\$45</b>	<b>\$44</b>	<b>\$42</b>	<b>\$44</b>	<b>\$175</b>	<b>\$44</b>	<b>\$43</b>	<b>\$47</b>	<b>\$134</b>
<u>Less:</u>									
Stock-based compensation expense	(3)	(3)	(4)	(4)	(14)	(4)	(5)	(3)	(12)
Intangibles amortization	(3)	(2)	(2)	(3)	(10)	(3)	(3)	(2)	(8)
Other	-	(1)	(1)	-	(2)	-	-	(2)	(2)
<b>Subtotal</b>	<b>(\$6)</b>	<b>(\$6)</b>	<b>(\$7)</b>	<b>(\$7)</b>	<b>(\$26)</b>	<b>(\$7)</b>	<b>(\$8)</b>	<b>(\$7)</b>	<b>(\$22)</b>
<b>Adjusted SG&amp;A</b>	<b>\$39</b>	<b>\$38</b>	<b>\$35</b>	<b>\$37</b>	<b>\$149</b>	<b>\$37</b>	<b>\$35</b>	<b>\$40</b>	<b>\$112</b>



# Reconciliation of Non-GAAP Financial Information (cont'd)



## Adjusted Net Income and Adjusted EPS

- The Company defines Adjusted net income as net income / (loss) attributable to Visteon, adjusted to eliminate the impact of restructuring and impairment expense, related tax effects, and other gains and losses not reflective of the Company's ongoing operations.
- The Company defines Adjusted earnings per share as Adjusted net income divided by diluted shares.

	2021					2022			
(Dollars and shares in millions, except per share data)	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	YTD
<b>Net income / (loss) attributable to Visteon</b>	<b>\$16</b>	<b>(\$11)</b>	<b>\$5</b>	<b>\$31</b>	<b>\$41</b>	<b>\$22</b>	<b>\$24</b>	<b>\$44</b>	<b>\$90</b>
Average shares outstanding, diluted	28.4	28.0	28.4	28.4	28.4	28.4	28.4	28.5	28.5
<b>Earnings / (loss) per share</b>	<b>\$0.56</b>	<b>(\$0.39)</b>	<b>\$0.18</b>	<b>\$1.09</b>	<b>\$1.44</b>	<b>\$0.77</b>	<b>\$0.85</b>	<b>\$1.54</b>	<b>\$3.16</b>
<hr/>									
<u>Memo: Adjusted EPS</u>									
<b>Net income / (loss) attributable to Visteon</b>	<b>\$16</b>	<b>(\$11)</b>	<b>\$5</b>	<b>\$31</b>	<b>\$41</b>	<b>\$22</b>	<b>\$24</b>	<b>\$44</b>	<b>\$90</b>
Restructuring and impairment expense	(1)	1	(2)	16	14	7	4	1	12
Other	1	1	2	1	5	2	10	-	12
<b>Subtotal</b>	<b>\$0</b>	<b>\$2</b>	<b>\$0</b>	<b>\$17</b>	<b>\$19</b>	<b>\$9</b>	<b>\$14</b>	<b>\$1</b>	<b>\$24</b>
<b>Adjusted net income / (loss)</b>	<b>\$16</b>	<b>(\$9)</b>	<b>\$5</b>	<b>\$48</b>	<b>\$60</b>	<b>\$31</b>	<b>\$38</b>	<b>\$45</b>	<b>\$114</b>
Average shares outstanding, diluted	28.4	28.0	28.4	28.4	28.4	28.4	28.4	28.5	28.5
<b>Adjusted earnings / (loss) per share</b>	<b>\$0.56</b>	<b>(\$0.32)</b>	<b>\$0.18</b>	<b>\$1.69</b>	<b>\$2.11</b>	<b>\$1.09</b>	<b>\$1.34</b>	<b>\$1.58</b>	<b>\$4.00</b>

# Reconciliation of Non-GAAP Financial Information (cont'd)



## Adjusted EBITDA

The Company defines Adjusted EBITDA as net income / (loss) attributable to the Company, adjusted to eliminate the impact of depreciation and amortization, restructuring and impairment expense, net interest expense, equity in net (income) / loss of non-consolidated affiliates, provision for income taxes, net income / (loss) attributable to non-controlling interests, non-cash stock-based compensation expense, and other gains and losses not reflective of the Company's ongoing operations.

(Dollars in millions)	2021					2022				FY 2022 Guidance
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	YTD	Midpoint
<b>Net income / (loss) attributable to Visteon</b>	<b>\$16</b>	<b>(\$11)</b>	<b>\$5</b>	<b>\$31</b>	<b>\$41</b>	<b>\$22</b>	<b>\$24</b>	<b>\$44</b>	<b>\$90</b>	<b>\$125</b>
Depreciation and amortization	27	28	27	26	108	27	25	27	79	105
Restructuring and impairment expense	(1)	1	(2)	16	14	7	4	1	12	15
Interest expense, net	2	2	2	2	8	2	3	2	7	10
Equity in net (income) / loss of non-consolidated affiliates	-	-	(2)	(4)	(6)	(3)	(1)	1	(3)	(6)
Provision for income taxes	12	4	4	11	31	8	7	9	24	40
Net income / (loss) attributable to non-controlling interests	3	-	2	4	9	1	(1)	5	5	7
Non-cash, stock-based compensation	4	5	4	5	18	5	8	6	19	27
Other	1	1	2	1	5	2	10	-	12	12
<b>Subtotal</b>	<b>\$48</b>	<b>\$41</b>	<b>\$37</b>	<b>\$61</b>	<b>\$187</b>	<b>\$49</b>	<b>\$55</b>	<b>\$51</b>	<b>\$155</b>	<b>\$210</b>
<b>Adjusted EBITDA</b>	<b>\$64</b>	<b>\$30</b>	<b>\$42</b>	<b>\$92</b>	<b>\$228</b>	<b>\$71</b>	<b>\$79</b>	<b>\$95</b>	<b>\$245</b>	<b>\$335</b>

# Reconciliation of Non-GAAP Financial Information *(cont'd)*



## Free Cash Flow and Adjusted Free Cash Flow

- The Company defines Free cash flow as cash flow from (for) operating activities less capital expenditures.
- The Company defines Adjusted free cash flow as cash flow from (for) operating activities less capital expenditures, as further adjusted for restructuring-related payments.

(Dollars in millions)	2021					2022				FY 2022
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	YTD	Guidance Midpoint
<b>Cash flow from (for) operating activities</b>	<b>\$11</b>	<b>(\$10)</b>	<b>(\$13)</b>	<b>\$70</b>	<b>\$58</b>	<b>(\$21)</b>	<b>(\$51)</b>	<b>\$74</b>	<b>\$2</b>	<b>\$125</b>
Less: Capital expenditures, including intangibles	(18)	(15)	(21)	(16)	(70)	(21)	(15)	(18)	(54)	(90)
<b>Free cash flow</b>	<b>(\$7)</b>	<b>(\$25)</b>	<b>(\$34)</b>	<b>\$54</b>	<b>(\$12)</b>	<b>(\$42)</b>	<b>(\$66)</b>	<b>\$56</b>	<b>(\$52)</b>	<b>\$35</b>
Exclude: Restructuring-related payments	16	9	4	5	34	5	4	3	12	15
<b>Adjusted free cash flow</b>	<b>\$9</b>	<b>(\$16)</b>	<b>(\$30)</b>	<b>\$59</b>	<b>\$22</b>	<b>(\$37)</b>	<b>(\$62)</b>	<b>\$59</b>	<b>(\$40)</b>	<b>\$50</b>

# Reconciliation of Non-GAAP Financial Information (cont'd)



## Adjusted EBITDA Build-up

(Dollars in millions)	2021					2022			
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	YTD
Sales	\$746	\$610	\$631	\$786	\$2,773	\$818	\$848	\$1,026	\$2,692
Gross margin	\$73	\$35	\$47	\$99	\$254	\$76	\$74	\$104	\$254
Intangibles amortization	-	-	-	1	1	-	-	1	1
Stock-based compensation expense	1	2	-	1	4	1	3	3	7
Other	1	-	1	1	3	2	10	(2)	10
<b>Adjusted gross margin</b>	<b>\$75</b>	<b>\$37</b>	<b>\$48</b>	<b>\$102</b>	<b>\$262</b>	<b>\$79</b>	<b>\$87</b>	<b>\$106</b>	<b>\$272</b>
<i>% of sales</i>	<i>10.1%</i>	<i>6.1%</i>	<i>7.6%</i>	<i>13.0%</i>	<i>9.4%</i>	<i>9.7%</i>	<i>10.3%</i>	<i>10.3%</i>	<i>10.1%</i>
SG&A	(\$45)	(\$44)	(\$42)	(\$44)	(\$175)	(\$44)	(\$43)	(\$47)	(\$134)
Intangibles amortization	3	2	2	3	10	3	3	2	8
Stock-based compensation expense	3	3	4	4	14	4	5	3	12
Other	-	1	1	-	2	-	-	2	2
<b>Adjusted SG&amp;A</b>	<b>(\$39)</b>	<b>(\$38)</b>	<b>(\$35)</b>	<b>(\$37)</b>	<b>(\$149)</b>	<b>(\$37)</b>	<b>(\$35)</b>	<b>(\$40)</b>	<b>(\$112)</b>
Adjusted EBITDA									
Adjusted gross margin	\$75	\$37	\$48	\$102	\$262	\$79	\$87	\$106	\$272
Adjusted SG&A	(39)	(38)	(35)	(37)	(149)	(37)	(35)	(40)	(112)
D&A	24	26	25	22	97	24	22	24	70
Pension financing benefits, net	4	5	4	5	18	5	5	5	15
<b>Adjusted EBITDA</b>	<b>\$64</b>	<b>\$30</b>	<b>\$42</b>	<b>\$92</b>	<b>\$228</b>	<b>\$71</b>	<b>\$79</b>	<b>\$95</b>	<b>\$245</b>
<i>% of sales</i>	<i>8.6%</i>	<i>4.9%</i>	<i>6.7%</i>	<i>11.7%</i>	<i>8.2%</i>	<i>8.7%</i>	<i>9.3%</i>	<i>9.3%</i>	<i>9.1%</i>
Equity in affiliates	-	-	\$2	\$4	\$6	\$3	\$1	(\$1)	\$3
Noncontrolling interests	(3)	-	(2)	(4)	(9)	(1)	1	(5)	(5)

# Net Engineering



(Dollars in millions)	2021					2022			
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	YTD
<u>Engineering costs, net</u>									
Engineering costs, gross	(\$80)	(\$86)	(\$80)	(\$79)	(\$325)	(\$81)	(\$81)	(\$83)	(\$245)
Recoveries	21	39	28	46	134	33	40	25	98
<b>Engineering costs, net</b>	<b>(\$59)</b>	<b>(\$47)</b>	<b>(\$52)</b>	<b>(\$33)</b>	<b>(\$191)</b>	<b>(\$48)</b>	<b>(\$41)</b>	<b>(\$58)</b>	<b>(\$147)</b>



# Financial Results – U.S. GAAP



	2021					2022			
(Dollars in millions, except per share data)	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	YTD
<u>Income Statement</u>									
Sales	\$746	\$610	\$631	\$786	\$2,773	\$818	\$848	\$1,026	\$2,692
Gross margin	73	35	47	99	254	76	74	104	254
SG&A	45	44	42	44	175	44	43	47	134
Net income / (loss) attributable to Visteon	16	(11)	5	31	41	22	24	44	90
Earnings / (loss) per share, diluted	\$0.56	(\$0.39)	\$0.18	\$1.09	\$1.44	\$0.77	\$0.85	\$1.54	\$3.16
<u>Cash Flow Statement</u>									
Cash flow from (for) operating activities	\$11	(\$10)	(\$13)	\$70	\$58	(\$21)	(\$51)	\$74	\$2
Capital expenditures, including intangibles	18	15	21	16	70	21	15	18	54

# Visteon®

