

# J.P. Morgan 2020 Auto Conference

August 2020



Visteon®

# 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;
  - 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 satisfy pension and other post-employment benefit obligations;
  - 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; 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, 2019 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 June 30, 2020. 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.



Leading supplier of innovative cockpit electronics and advanced safety systems to carmakers globally



\$2.9B annual sales<sup>1</sup>



10,000 employees



18 countries



20 manufacturing locations



18 technical centers



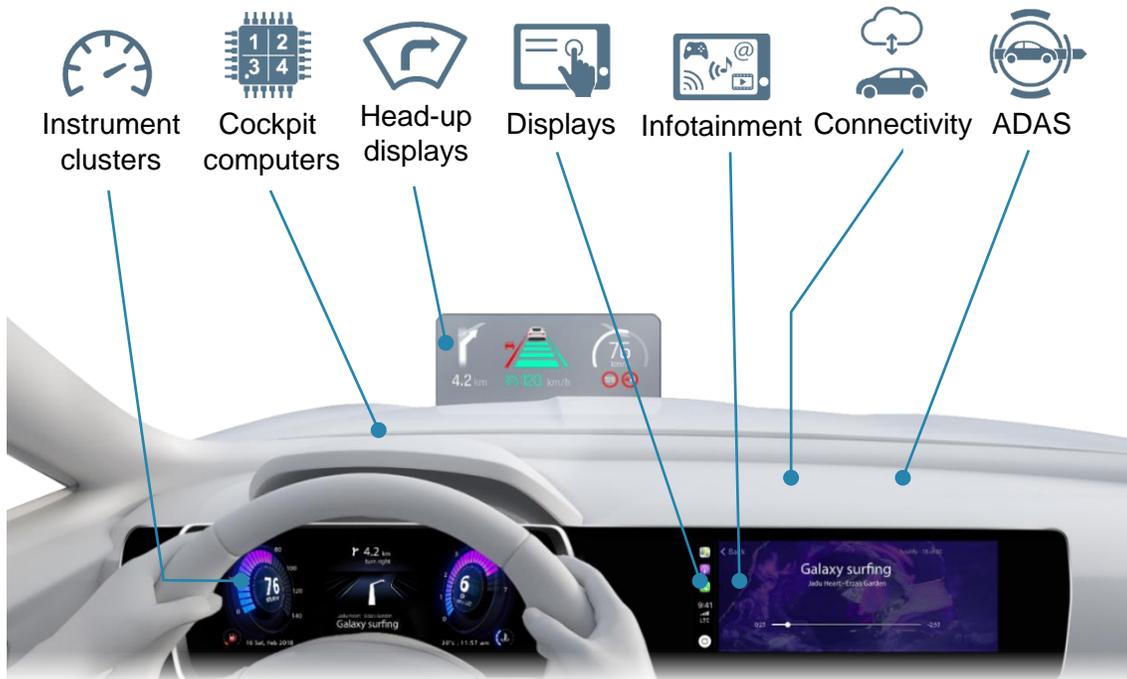
Leading the evolution of automotive digital cockpits and safety solutions

# Industry-Leading Products for a Broad Customer Base

Pure play cockpit electronics supplier with comprehensive product portfolio

Visteon®

## Product Portfolio



## Customer Diversity





## SUCCESSFULLY MANAGING THROUGH THE CRISIS



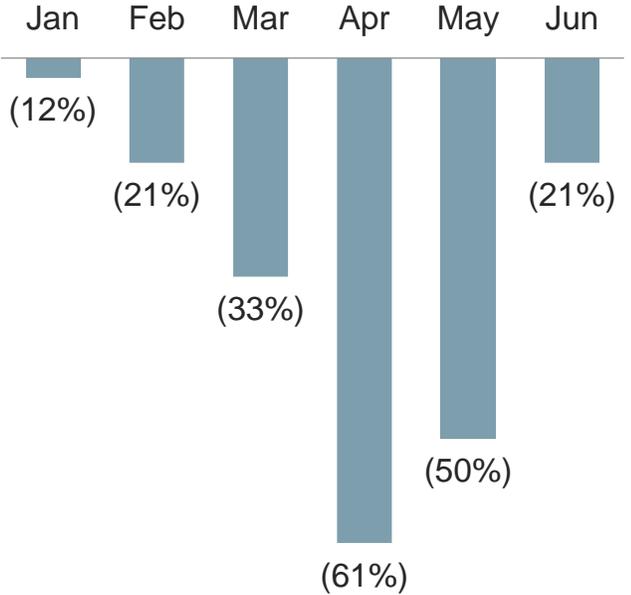
(1) Reflects Y/Y growth in industry production volumes for Visteon customers weighted on Visteon sales contribution.  
(2) Visteon Y/Y sales growth (ex. FX) compared to Y/Y growth in production volumes for Visteon customers.  
(3) Adjusted to exclude \$5 million of operational challenges that impacted Q2 2019 adjusted EBITDA

# Second-Half 2020 Outlook

*Visteon positioned to outperform the market*



## Global Production Volumes Y/Y



## Key Industry Factors

- 
**Coronavirus**  
 Ongoing impact of COVID-19 on global automotive industry
- 
**Economic Activity**  
 Pace of economic recovery and potential incentives
- 
**Second-Half Outlook**  
 Expect Y/Y Visteon customer production decline of ~15%

## Key Visteon Factors

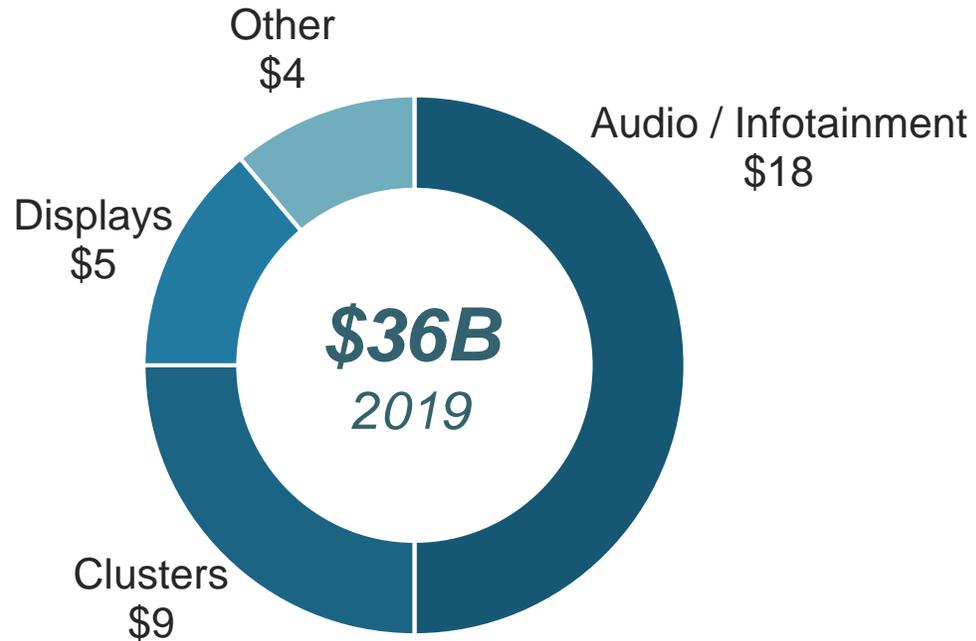
- 
**Favorable Industry Trends**  
 Trends continue to drive digitization of the cockpit
- 
**New Product Launches**  
 High number of new launches with global OEMs
- 
**Market Outperformance**  
 Continued growth-over-market vs. industry volumes

# Cockpit Electronics Market

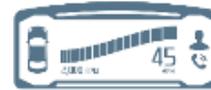
Visteon is well positioned in clusters and displays, with opportunity in infotainment

## Cockpit Electronics Market Size

(Dollars in Billions)



## Visteon's Cockpit Position



### Clusters

- 2019 market share of ~15%
- #1 market share in all-digital clusters



### Audio / Infotainment

- 2019 market share of ~4%
- Android infotainment system to drive future market share gains



### Displays

- 2019 market share of ~10%
- In-house design and manufacturing expertise driving future growth



### Total Cockpit Electronics

Top-5 supplier with ~8% market share with opportunities for future growth

# Key Market Trends

Visteon product portfolio aligned with key cockpit electronic trends

## DIGITIZATION

All-digital clusters moving to mass-market vehicles



- ✓ Market share leader in all-digital clusters with over 25% market share
- ✓ 12" all-digital cluster launch in second half for top-selling U.S. pickup truck

## CONNECTED

Android infotainment systems with app store and natives apps



- ✓ First Android infotainment system launch with VW
- ✓ Awards with 6 OEM customers for Android infotainment

## MULTI-DISPLAY

Larger, curved, complex multi-display modules



- ✓ Awards with 6 OEM customers for multi-display modules
- ✓ Upcoming launch of S-shaped display on electric SUV

## ELECTRICS

Shift to electric vehicles with all-digital cockpits



- ✓ All-digital cluster on top selling electric vehicle in Europe
- ✓ Agnostic to powertrain but benefit from all-digital content

# Investment Thesis

*Visteon is a compelling long-term investment opportunity*



## Pure Play Cockpit Electronics Company

- ▶ Secular trends transforming cockpit electronics
- ▶ Nimble and adaptable to changing environment
- ▶ Leading supplier of cockpit electronics to global OEMs



## Innovative Product Portfolio

- ▶ Leading analog-to-digital transition in clusters
- ▶ Introduced industry-first cockpit domain controller
- ▶ Innovative display technologies



## Competitive Cost Structure

- ▶ Leveraging industry-leading engineering footprint
- ▶ Commercial and operational discipline
- ▶ Focused on emerging stronger post COVID-19

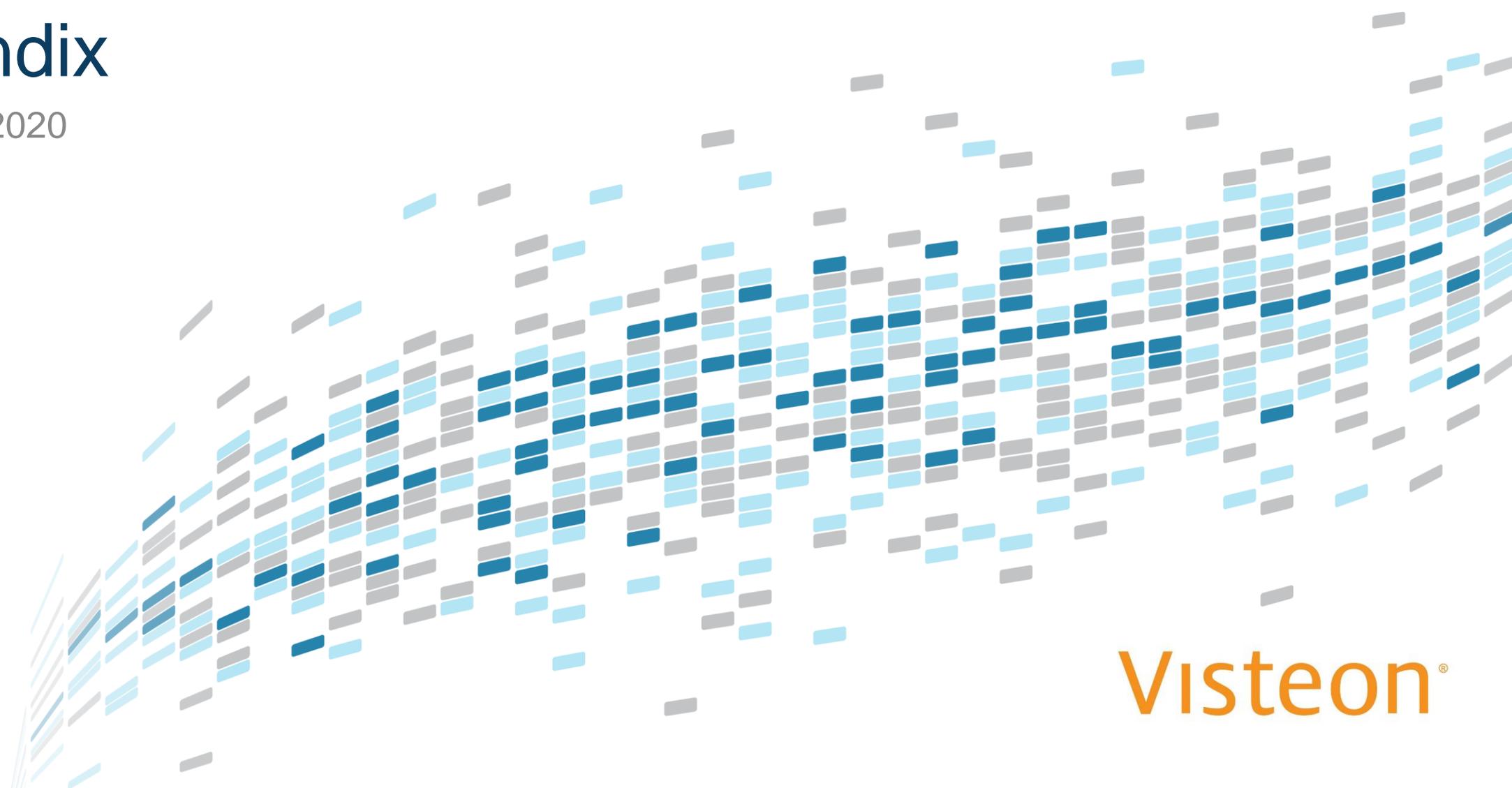


## Strong Balance Sheet

- ▶ \$759M in cash to withstand near-term challenges
- ▶ No significant near-term debt maturities
- ▶ 0.1x net debt / trailing 12-month adj. EBITDA

# Appendix

August 11, 2020



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# Reconciliation of Non-GAAP Financial Information



## 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 expense, net interest expense, equity in net (income) / loss of non-consolidated affiliates, provision for income taxes, discontinued operations, 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)	2019					2020		
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	YTD
<b>Net income / (loss) attributable to Visteon</b>	<b>\$14</b>	<b>\$7</b>	<b>\$14</b>	<b>\$35</b>	<b>\$70</b>	<b>(\$35)</b>	<b>(\$45)</b>	<b>(\$80)</b>
Depreciation and amortization	25	24	25	26	100	25	25	50
Restructuring expense	1	-	1	2	4	33	4	37
Interest expense, net	2	2	3	2	9	2	3	5
Equity in net (income) / loss of non-consolidated affiliates	(3)	(3)	(1)	1	(6)	(1)	(1)	(2)
Provision for income taxes	(5)	8	13	8	24	5	2	7
Income from discontinued operations, net of tax	-	-	-	1	1	-	-	-
Net income / (loss) attributable to non-controlling interests	2	1	4	4	11	(1)	3	2
Non-cash, stock-based compensation	5	6	3	3	17	5	4	9
Other	-	1	-	3	4	-	2	2
<b>Subtotal</b>	<b>\$27</b>	<b>\$39</b>	<b>\$48</b>	<b>\$50</b>	<b>\$164</b>	<b>\$68</b>	<b>\$42</b>	<b>\$110</b>
<b>Adjusted EBITDA</b>	<b>\$41</b>	<b>\$46</b>	<b>\$62</b>	<b>\$85</b>	<b>\$234</b>	<b>\$33</b>	<b>(\$3)</b>	<b>\$30</b>
<hr/>								
<u>Memo: Adjusted Net Income</u>								
<b>Net income / (loss) attributable to Visteon</b>	<b>\$14</b>	<b>\$7</b>	<b>\$14</b>	<b>\$35</b>	<b>\$70</b>	<b>(\$35)</b>	<b>(\$45)</b>	<b>(\$80)</b>
Restructuring expense	1	-	1	2	4	33	4	37
Discontinued operations	-	-	-	1	1	-	-	-
Other	-	1	-	3	4	-	2	2
Tax effect of adjustments	-	-	-	(1)	(1)	-	(1)	(1)
<b>Subtotal</b>	<b>\$1</b>	<b>\$1</b>	<b>\$1</b>	<b>\$5</b>	<b>\$8</b>	<b>\$33</b>	<b>\$5</b>	<b>\$38</b>
<b>Adjusted net income</b>	<b>\$15</b>	<b>\$8</b>	<b>\$15</b>	<b>\$40</b>	<b>\$78</b>	<b>(\$2)</b>	<b>(\$40)</b>	<b>(\$42)</b>

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