

SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report January 23, 2003

(Date of earliest event reported)

VISTEON CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

1-15827

(Commission File Number)

38-3519512

(IRS Employer
Identification No.)

17000 Rotunda Drive, Dearborn, Michigan

(Address of principal executive offices)

48120

(Zip Code)

Registrant's telephone number, including area code (800)-VISTEON

ITEM 5. OTHER EVENTS.

On January 23 2003, we issued a press release relating to our fourth quarter and fiscal year 2002 results. The press release, filed as Exhibit 99.1 to this Current Report on Form 8-K, is incorporated herein by this reference.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

Exhibit No.	Description
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99.1	Press release dated January 23, 2003

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VISTEON CORPORATION

Date: January 23, 2003

By: /s/Stacy L. Fox

Stacy L. Fox
Senior Vice President,
General Counsel and Secretary

EXHIBIT INDEX

Exhibit No. -----	Description -----	Page -----
Exhibit 99.1	Press Release dated January 23, 2003	

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[VISTEON LOGO]

NEWS RELEASE

VISTEON'S OPERATING RESULTS IMPROVE YEAR OVER YEAR BEFORE SPECIAL ITEMS

DEARBORN, Mich., Jan. 23, 2003 - Visteon Corporation (NYSE: VC) today announced a net loss of \$34 million for the Fourth Quarter 2002 or \$0.27 per share. The results include special charges of \$51 million after taxes, associated primarily with the Voluntary Salaried Separation Program in the U.S. and the previously announced European Plan for Growth.

Excluding these special charges, the company earned \$17 million, or \$0.13 per share, meeting consensus expectations for the quarter and improving \$31 million, or \$0.24 per share, compared with the same quarter a year ago. In the Fourth Quarter of 2001, Visteon incurred a loss of \$14 million, or \$0.11 per share, with no special charges recorded in the period.

For the full year 2002, the company recorded a net loss of \$352 million, or \$2.75 per share, compared with a net loss of \$118 million, or \$0.91 per share, for the full year 2001. Results for full year 2002 include special charges of \$142 million after taxes related to previously announced restructuring actions. In addition, the company recorded a non-cash write-off for all of the value of goodwill reflected in its financial statements of \$265 million after taxes, associated with adoption of Statement of Financial Accounting Standards No. 142 in the First Quarter. Results for the full year 2001 include special charges of \$121 million after taxes or \$0.93 per share.

Excluding special items, the company's full year earnings for 2002 were \$55 million or \$0.43 per share. This reflects an improvement of \$52 million, or \$0.41 per share, compared with full year 2001 earnings of \$3 million, or \$0.02 per share, excluding special items.

"We had a solid year in 2002 as we continue to position ourselves for the future," said Pete Pestillo, Chairman and Chief Executive Officer. "Our restructuring actions, greater customer diversification, and a strong team effort led to improved operating results during the year. An intense focus on cash allowed us to improve our cash flow, reduce our debt levels, and expand

NEWS RELEASE

our cash balances while funding our restructuring actions and our continued customer diversification. Additionally, through working with Ford and our labor partners we have taken great strides in improving our long-term competitive position in Europe."

SALES AND NON-FORD BUSINESS WINS

Sales for the Fourth Quarter 2002 totaled \$4.5 billion, up \$50 million, or 1%, from the same period a year ago. Non-Ford sales were \$984 million, up \$162 million, or 20%, from the Fourth Quarter 2001. Non-Ford sales represented 22% of total sales for the quarter, reflecting the company's continued diversification of its sales base.

Sales for the full year 2002 totaled \$18.4 billion, up \$552 million, or 3%, from the same period a year ago. Non-Ford sales were \$3.6 billion for the full year 2002, up \$429 million, or 13%, from 2001 levels.

In 2002, Visteon won more than \$1 billion in net non-Ford new business from more than a dozen global automakers in every region of the world and almost one half was outside of North America. In addition, Visteon won more than \$500 million in new business with Ford, which was offset by returned and lost business.

CASH AND DEBT-TO-CAPITAL

For the full year 2002, Visteon generated \$501 million in operating cash flow as the company increased trade payables, decreased receivables, and reduced inventory. The company ended the year with \$1.3 billion in cash and marketable securities, up nearly \$100 million from a year ago. Additionally, the company reduced its outstanding debt by nearly \$300 million, lowering debt to \$1.6 billion. The company's debt-to-capital ratio also improved during 2002, to 36% at year-end.

OUTLOOK

"Our objective is to continue to improve our profitability in 2003. Although we recognize it will be a challenging year, we are working hard to do better in 2003 than we did in 2002," said Pestillo.

Visteon Corporation is a leading full-service supplier that delivers consumer-driven technology solutions to automotive manufacturers worldwide and through multiple channels within the global automotive aftermarket. Visteon has about 77,000 employees and a global delivery system of more than 180 technical, manufacturing, sales, and service facilities located in 25 countries.

This press release contains forward-looking statements made pursuant to the Private Securities Litigation Reform Act of 1995. Words such as "anticipate," "estimate," "expect," and "projects" signify forward-looking statements. Forward-looking statements are not guarantees of future results and conditions but rather are subject to various risks and uncertainties. Some of these risks and uncertainties are identified in our periodic filings with the Securities and Exchange Commission. Should any risks or uncertainties develop into actual events, these developments could have material adverse effects on Visteon's business, financial condition, and results of operations. We assume no obligation to update these forward-looking statements.

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Visteon news releases, photographs and product specification details are available at www.visteon.com

VISTEON CORPORATION AND SUBSIDIARIES

SUPPLEMENTAL DATA

(IN MILLIONS, EXCEPT PER SHARE AMOUNTS, PERCENTAGES AND AS NOTED)

	2002		2002 OVER/(UNDER) 2001	
	FOURTH QUARTER	FULL YEAR	FOURTH QUARTER	FULL YEAR
SALES				
Ford and affiliates	\$ 3,559	\$ 14,779	\$ (112)	\$ 123
Other customers	984	3,616	162	429
Total sales	\$ 4,543	\$ 18,395	\$ 50	\$ 552
DEPRECIATION AND AMORTIZATION (1)				
Depreciation	\$ 131	\$ 551	\$ (7)	\$ (11)
Amortization	21	80	(5)	(24)
Total depreciation and amortization	\$ 152	\$ 631	\$ (12)	\$ (35)
SELLING, ADMINISTRATIVE AND OTHER EXPENSES (2)				
Amount	\$ 240	\$ 865	\$ 33	\$ 52
Percent of revenue	5.3%	4.7%	0.7 pts	0.1 pts
INCOME (LOSS) BEFORE INCOME TAXES, MINORITY INTERESTS AND CHANGE IN ACCOUNTING				
As reported	\$ (49)	\$ (117)	\$ (28)	\$ 52
Excluding special items (2)	32	106	53	83
NET INCOME (LOSS)				
As reported	\$ (34)	\$ (352)	\$ (20)	\$ (234)
Before cumulative effect of change in accounting	(34)	(87)	(20)	31
Excluding special items (2)	17	55	31	52
EARNINGS (LOSS) PER SHARE (BASIC AND DILUTED)				
As reported	\$ (0.27)	\$ (2.75)	\$ (0.16)	\$ (1.84)
Before cumulative effect of change in accounting	(0.27)	(0.68)	(0.16)	0.23
Excluding special items (2)	0.13	0.43	0.24	0.41
EFFECTIVE TAX RATE	36%	36%	(2)pts	(1)pts
EBITDA, AS ADJUSTED (2)				
Amount	\$ 189	\$ 773	\$ 37	\$ 32
Percent of revenue	4.2%	4.2%	0.8 pts	- pts
AFTER TAX RETURNS (2)				
On sales	0.6%	0.5%	0.8 pts	0.4 pts
On assets	0.9	0.7	1.3	0.5
On equity	2.3	1.8	4.0	1.7
CAPITAL EXPENDITURES				
Amount	\$ 262	\$ 723	\$ 26	\$ (29)
Percent of revenue	5.8%	3.9%	0.5 pts	(0.3)pts
OPERATING CASH FLOW (3)	\$ 493	\$ 501	\$ 331	\$ 723
CASH AND BORROWING (AT END OF PERIOD)				
Cash and marketable securities		\$ 1,278		\$ 97
Borrowing		1,646		(276)

1 - Fourth Quarter 2001 and Full Year 2001 comparable amounts include amortization of goodwill of \$6 million (\$4 million after-tax) and \$23 million (\$17 million after-tax), respectively.

2 - Fourth Quarter 2002 amounts exclude costs related to restructuring of \$81 million (\$51 million after-tax), of which \$23 million was recorded as selling, administrative and other expense. Full Year 2002 amounts exclude costs related to restructuring and other items of \$223 million (\$142 million after-tax), of which \$23 million was recorded as selling, administrative and other expense; and the write-down in the value of goodwill associated with the adoption of SFAS 142 of \$265 million after-tax. Full Year 2001 amounts exclude costs related to restructuring items of \$192 million (\$121 million after-tax), of which \$42 million was recorded as selling, administrative and other expense.

3 - Includes capital expenditures; excludes \$17 million, \$88 million, \$24 million and \$94 million of cash paid related to restructuring actions for Fourth Quarter 2002, Full Year 2002, Fourth Quarter 2001 and Full Year 2001, respectively; excludes \$5 million of net cash outflows and \$10 million of net cash inflows related to the sale of receivables in the Fourth Quarter 2002 and Full Year 2002, respectively.

VISTEON CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF INCOME

	FOR THE YEARS ENDED DECEMBER 31,			FOURTH QUARTER	
	2002	2001	2000	2002	2001
	(IN MILLIONS, EXCEPT PER SHARE AMOUNTS)				
SALES					
Ford and affiliates	\$ 14,779	\$ 14,656	\$ 16,448	\$ 3,559	\$ 3,671
Other customers	3,616	3,187	3,019	984	822
Total sales	18,395	17,843	19,467	4,543	4,493
COSTS AND EXPENSES					
Costs of sales	17,588	17,105	18,129	4,324	4,298
Selling, administrative and other expenses	888	855	897	263	207
Total costs and expenses	18,476	17,960	19,026	4,587	4,505
OPERATING INCOME (LOSS)	(81)	(117)	441	(44)	(12)
Interest income	23	55	109	6	9
Interest expense	103	131	167	25	26
Net interest expense	(80)	(76)	(58)	(19)	(17)
Equity in net income of affiliated companies	44	24	56	14	8
INCOME (LOSS) BEFORE INCOME TAXES, MINORITY INTERESTS AND CHANGE IN ACCOUNTING	(117)	(169)	439	(49)	(21)
Provision (benefit) for income taxes	(58)	(72)	143	(23)	(11)
INCOME (LOSS) BEFORE MINORITY INTERESTS AND CHANGE IN ACCOUNTING	(59)	(97)	296	(26)	(10)
Minority interests in net income of subsidiaries	28	21	26	8	4
INCOME (LOSS) BEFORE CHANGE IN ACCOUNTING	(87)	(118)	270	(34)	(14)
Cumulative effect of change in accounting, net of tax	(265)	-	-	-	-
NET INCOME (LOSS)	\$ (352)	\$ (118)	\$ 270	\$ (34)	\$ (14)
BASIC AND DILUTED EARNINGS (LOSS) PER SHARE					
Before cumulative effect of change in accounting	\$ (0.68)	\$ (0.91)	\$ 2.08	\$ (0.27)	\$ (0.11)
Cumulative effect of change in accounting	(2.07)	-	-	-	-
Basic and diluted	\$ (2.75)	\$ (0.91)	\$ 2.08	\$ (0.27)	\$ (0.11)
CASH DIVIDENDS PER SHARE	\$ 0.24	\$ 0.24	\$ 0.12	\$ 0.06	\$ 0.06

VISTEON CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

	DECEMBER 31,	
	2002	2001
	----	----
	(IN MILLIONS)	
ASSETS		
Cash and cash equivalents	\$ 1,204	\$ 1,024
Marketable securities	74	157
	-----	-----
Total cash and marketable securities	1,278	1,181
Accounts receivable - Ford and affiliates	1,401	1,560
Accounts receivable - other customers	828	834
	-----	-----
Total receivables	2,229	2,394
Inventories	878	942
Deferred income taxes	199	167
Prepaid expenses and other current assets	153	153
	-----	-----
Total current assets	4,737	4,837
Equity in net assets of affiliated companies	191	158
Net property	5,443	5,329
Deferred income taxes	566	322
Goodwill	-	363
Other assets	233	153
	-----	-----
TOTAL ASSETS	\$ 11,170	\$ 11,162
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Trade payables	\$ 2,083	\$ 1,915
Accrued liabilities	1,021	945
Income taxes payable	14	30
Debt payable within one year	348	629
	-----	-----
Total current liabilities	3,466	3,519
Long-term debt	1,298	1,293
Postretirement benefits other than pensions	2,283	2,079
Other liabilities	1,142	967
Deferred income taxes	3	13
	-----	-----
Total liabilities	8,192	7,871
STOCKHOLDERS' EQUITY		
Capital stock		
Preferred stock, par value \$1.00, 50 million shares authorized, none outstanding	-	-
Common stock, par value \$1.00, 500 million shares authorized, 131 million shares issued, 129 million and 130 million shares outstanding, respectively	131	131
Capital in excess of par value of stock	3,298	3,311
Accumulated other comprehensive (loss)	(140)	(231)
Other	(33)	(25)
Earnings retained for use in business (accumulated deficit)	(278)	105
	-----	-----
Total stockholders' equity	2,978	3,291
	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 11,170	\$ 11,162
	=====	=====

VISTEON CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS

	FOR THE YEARS ENDED		
	DECEMBER 31,		
	2002	2001	2000
	----	----	----
	(IN MILLIONS)		
CASH AND CASH EQUIVALENTS AT JANUARY 1	\$ 1,024	\$ 1,412	\$ 1,849
Cash flows provided by (used in) operating activities	1,146	436	(526)
Cash flows from investing activities			
Capital expenditures	(723)	(752)	(793)
Acquisitions and investments in joint ventures, net	-	(7)	(28)
Purchases of securities	(508)	(346)	(126)
Sales and maturities of securities	588	260	61
Other	36	102	44
	-----	-----	-----
Net cash used in investing activities	(607)	(743)	(842)
Cash flows from financing activities			
Commercial paper (repayments) issuances, net	(194)	8	352
Payments on short-term debt	-	(1)	(1,775)
Proceeds from issuance of short-term debt	-	1	1,374
Proceeds from issuance of other debt	115	114	1,279
Principal payments on other debt	(245)	(144)	(290)
Purchase of treasury stock	(24)	(25)	-
Cash dividends	(31)	(31)	(16)
Other	(4)	3	-
	-----	-----	-----
Net cash (used in) provided by financing activities	(383)	(75)	924
Effect of exchange rate changes on cash	24	(6)	7
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Net increase (decrease) in cash and cash equivalents	180	(388)	(437)
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CASH AND CASH EQUIVALENTS AT DECEMBER 31	\$ 1,204	\$ 1,024	\$ 1,412
	=====	=====	=====