

**VISTEON CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

*(Dollars in Millions, Except Per Share Data)*

	<i>(Unaudited)</i>			
	Three Months Ended		Twelve Months Ended	
	December 31		December 31	
	2019	2018	2019	2018
Sales	\$ 744	\$ 731	\$ 2,945	\$ 2,984
Cost of sales	(640)	(635)	(2,621)	(2,573)
Gross margin	104	96	324	411
Selling, general and administrative expenses	(54)	(54)	(221)	(193)
Restructuring expense, net	(2)	(1)	(4)	(29)
Interest expense, net	(2)	(1)	(9)	(7)
Equity in net (loss) income of non-consolidated affiliates	(1)	3	6	13
Other income, net	3	4	10	21
Income before income taxes	48	47	106	216
Provision for income taxes	(8)	(1)	(24)	(43)
Net income from continuing operations	40	46	82	173
Net (loss) income from discontinued operations, net of tax	(1)	(1)	(1)	1
Net income	39	45	81	174
Net income attributable to non-controlling interests	(4)	(2)	(11)	(10)
Net income attributable to Visteon Corporation	<u>\$ 35</u>	<u>\$ 43</u>	<u>\$ 70</u>	<u>\$ 164</u>
 <u>Earnings per share data:</u>				
Basic earnings (loss) per share				
Continuing operations	\$ 1.28	\$ 1.53	\$ 2.53	\$ 5.53
Discontinued operations	(0.04)	(0.03)	(0.04)	0.03
Basic earnings per share attributable to Visteon Corporation	<u>\$ 1.24</u>	<u>\$ 1.50</u>	<u>\$ 2.49</u>	<u>\$ 5.56</u>
 Diluted earnings (loss) per share				
Continuing operations	\$ 1.28	\$ 1.52	\$ 2.52	\$ 5.49
Discontinued operations	(0.04)	(0.03)	(0.04)	0.03
Diluted earnings per share attributable to Visteon Corporation	<u>\$ 1.24</u>	<u>\$ 1.49</u>	<u>\$ 2.48</u>	<u>\$ 5.52</u>
 Average shares outstanding (in millions)				
Basic	28.0	28.7	28.1	29.5
Diluted	28.2	28.9	28.2	29.7

**VISTEON CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**

*(Dollars in Millions)*

	<b>December 31</b>	<b>December 31</b>
	<b>2019</b>	<b>2018</b>
<b>ASSETS</b>		
Cash and equivalents	\$ 466	\$ 463
Restricted cash	3	4
Accounts receivable, net	514	486
Inventories, net	169	184
Other current assets	193	159
Total current assets	<u>1,345</u>	<u>1,296</u>
Property and equipment, net	436	397
Intangible assets, net	127	129
Right-of-use assets	165	—
Investments in non-consolidated affiliates	48	42
Other non-current assets	150	143
Total assets	<u>\$ 2,271</u>	<u>\$ 2,007</u>
<b>LIABILITIES AND EQUITY</b>		
Short-term debt	\$ 37	\$ 57
Accounts payable	511	436
Accrued employee liabilities	73	67
Current lease liability	30	—
Other current liabilities	147	161
Total current liabilities	<u>798</u>	<u>721</u>
Long-term debt	348	348
Employee benefits	292	257
Non-current lease liability	139	—
Deferred tax liabilities	27	23
Other non-current liabilities	72	76
Stockholders' equity		
Common stock	1	1
Additional paid-in capital	1,342	1,335
Retained earnings	1,679	1,609
Accumulated other comprehensive loss	(267)	(216)
Treasury stock	(2,275)	(2,264)
Total Visteon Corporation stockholders' equity	<u>480</u>	<u>465</u>
Non-controlling interests	115	117
Total equity	<u>595</u>	<u>582</u>
Total liabilities and equity	<u>\$ 2,271</u>	<u>\$ 2,007</u>

**VISTEON CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS <sup>1</sup>**

*(Dollars in Millions)*

	<i>(Unaudited)</i>			
	<b>Three Months Ended December 31</b>		<b>Twelve Months Ended December 31</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
<b>OPERATING</b>				
Net income	\$ 39	\$ 45	\$ 81	\$ 174
Adjustments to reconcile net income to net cash provided from operating activities:				
Depreciation and amortization	26	24	100	91
Non-cash stock-based compensation	3	4	17	8
Transaction (gains)	—	—	—	(8)
Equity in net income of non-consolidated affiliates, net of dividends remitted	1	(3)	(6)	(13)
Other non-cash items	3	1	8	3
Changes in assets and liabilities:				
Accounts receivable	(50)	(38)	(33)	44
Inventories	26	39	13	1
Accounts payable	24	(2)	73	(19)
Other assets and other liabilities	(7)	27	(70)	(77)
Net cash provided from operating activities	<u>65</u>	<u>97</u>	<u>183</u>	<u>204</u>
<b>INVESTING</b>				
Capital expenditures, including intangibles	(33)	(31)	(142)	(127)
Loans to non-consolidated affiliate, net of repayments	—	—	11	—
Acquisition of businesses, net of cash acquired	—	—	—	16
Other, net	1	—	3	13
Net cash used by investing activities	<u>(32)</u>	<u>(31)</u>	<u>(128)</u>	<u>(98)</u>
<b>FINANCING</b>				
Repurchase of common stock	—	(50)	(20)	(300)
Short-term debt, net	(11)	25	(19)	12
Dividends paid to non-controlling interests	(2)	(16)	(9)	(28)
Distribution payments	—	—	—	(14)
Stock based compensation tax withholding payments	—	—	—	(7)
Other	(1)	—	(1)	2
Net cash used by financing activities	<u>(14)</u>	<u>(41)</u>	<u>(49)</u>	<u>(335)</u>
Effect of exchange rate changes on cash and equivalents	4	—	(4)	(13)
Net increase (decrease) in cash and equivalents	23	25	2	(242)
Cash and equivalents at beginning of period	446	442	467	709
Cash and equivalents at end of period	<u>\$ 469</u>	<u>\$ 467</u>	<u>\$ 469</u>	<u>\$ 467</u>

<sup>1</sup>  
*The Company has combined cash flows from discontinued operations with cash flows from continuing operations within the operating, investing and financing categories.*

**VISTEON CORPORATION AND SUBSIDIARIES**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**

*(Unaudited, Dollars in Millions)*

**Adjusted EBITDA:** Adjusted EBITDA is presented as a supplemental measure of the Company's performance that management believes is useful to investors because the excluded items may vary significantly in timing or amounts and/or may obscure trends useful in evaluating and comparing the Company's operating activities across reporting periods. The Company defines Adjusted EBITDA as net income attributable to the Company adjusted to eliminate the impact of depreciation and amortization, restructuring expense, net interest expense, loss on divestiture, equity in net income of non-consolidated affiliates, gain on non-consolidated affiliate transactions, provision for income taxes, discontinued operations, net income attributable to non-controlling interests, non-cash stock-based compensation expense, and other gains and losses not reflective of the Company's ongoing operations. Because not all companies use identical calculations, this presentation of Adjusted EBITDA may not be comparable to similarly titled measures of other companies.

	<b>Three Months Ended</b>		<b>Twelve Months Ended</b>		<b>Estimated</b>
	<b>December 31</b>		<b>December 31</b>		<b>Full Year</b>
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2020</b>
<b>Visteon:</b>					
Net income attributable to Visteon	\$ 35	\$ 43	\$ 70	\$ 164	\$48 - \$63
Depreciation and amortization	26	24	100	91	110
Restructuring expense, net	2	1	4	29	30 - 25
Interest expense, net	2	1	9	7	10
Equity in net loss (income) of non-consolidated affiliates	1	(3)	(6)	(13)	(8)
Provision for income taxes	8	1	24	43	30 - 40
Net loss (income) from discontinued operations, net of tax	1	1	1	(1)	—
Net income attributable to non-controlling interests	4	2	11	10	10
Non-cash, stock-based compensation expense	3	4	17	8	20
Other	3	—	4	(8)	—
Adjusted EBITDA	<u>\$ 85</u>	<u>\$ 74</u>	<u>\$ 234</u>	<u>\$ 330</u>	<u>\$250 - \$270</u>

Adjusted EBITDA is not a recognized term under U.S. GAAP and does not purport to be a substitute for net income as an indicator of operating performance or cash flows from operating activities as a measure of liquidity. Adjusted EBITDA has limitations as an analytical tool and is not intended to be a measure of cash flow available for management's discretionary use, as it does not consider certain cash requirements such as interest payments, tax payments and debt service requirements. In addition, the Company uses Adjusted EBITDA (i) as a factor in incentive compensation decisions, (ii) to evaluate the effectiveness of the Company's business strategies, and (iii) because the Company's credit agreements use similar measures for compliance with certain covenants.

**Free Cash Flow and Adjusted Free Cash Flow:** Free cash flow and Adjusted free cash flow are presented as supplemental measures of the Company's liquidity that management believes are useful to investors in analyzing the Company's ability to service and repay its debt. The Company defines Free cash flow as cash flow provided from operating activities less capital expenditures, including intangibles. The Company defines Adjusted free cash flow as cash flow provided from operating activities less capital expenditures, including intangibles as further adjusted for restructuring related payments. Free cash flow and Adjusted free cash flow include amounts associated with discontinued operations. Because not all companies use identical calculations, this presentation of Free cash flow and Adjusted free cash flow may not be comparable to other similarly titled measures of other companies

	<b>Three Months Ended</b>		<b>Twelve Months Ended</b>		<b>Estimated</b>
	<b>December 31</b>		<b>December 31</b>		<b>Full Year</b>
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2020</b>
<b>Total Visteon:</b>					
Cash provided from operating activities	\$ 65	\$ 97	\$ 183	\$ 204	\$150 - \$175
Capital expenditures	(33)	(31)	(142)	(127)	(145 - 140)
Free cash flow	\$ 32	\$ 66	\$ 41	\$ 77	\$5 - \$35
Restructuring related payments	3	6	15	30	35 - 25
Adjusted free cash flow	<u>\$ 35</u>	<u>\$ 72</u>	<u>\$ 56</u>	<u>\$ 107</u>	<u>\$40 - \$60</u>

Free cash flow and Adjusted free cash flow are not recognized terms under U.S. GAAP and do not purport to be a substitute for cash flows from operating activities as a measure of liquidity. Free cash flow and Adjusted free cash flow have limitations as analytical tools as they do not reflect cash used to service debt and do not reflect funds available for investment or other discretionary uses. In addition, the Company uses Free cash flow and Adjusted free cash flow (i) as factors in incentive compensation decisions and (ii) for planning and forecasting future periods.

**Adjusted Net Income and Adjusted Earnings Per Share:** Adjusted net income and Adjusted earnings per share are presented as supplemental measures that management believes are useful to investors in analyzing the Company's profitability, providing comparability between periods by excluding certain items that may not be indicative of recurring business operating results. The Company believes management and investors benefit from referring to these supplemental measures in assessing company performance and when planning, forecasting and analyzing future periods. The Company defines Adjusted net income as net income attributable to Visteon adjusted to eliminate the impact of restructuring expense, loss on divestiture, gain on non-consolidated affiliate transactions, discontinued operations, other gains and losses not reflective of the Company's ongoing operations and related tax effects. The Company defines Adjusted earnings per share as Adjusted net income divided by diluted shares. Because not all companies use identical calculations, this presentation of Adjusted net income and Adjusted earnings per share may not be comparable to other similarly titled measures of other companies.

	<b>Three Months Ended</b>		<b>Twelve Months Ended</b>	
	<b>December 31</b>		<b>December 31</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
<b>Net income attributable to Visteon:</b>				
Net income	\$ 36	\$ 44	\$ 71	\$ 163
Discontinued operations	(1)	(1)	(1)	1
Net income attributable to Visteon	<u>\$ 35</u>	<u>\$ 43</u>	<u>\$ 70</u>	<u>\$ 164</u>

	<b>Three Months Ended</b>		<b>Twelve Months Ended</b>	
	<b>December 31</b>		<b>December 31</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
<b><u>Diluted earnings per share:</u></b>				
Net income attributable to Visteon	\$ 35	\$ 43	\$ 70	\$ 164
Average shares outstanding, diluted (in millions)	28.2	28.9	28.2	29.7
Diluted earnings per share	\$ 1.24	\$ 1.49	\$ 2.48	\$ 5.52
<b><u>Adjusted earnings per share:</u></b>				
Net income attributable to Visteon	\$ 35	\$ 43	\$ 70	\$ 164
Restructuring, net	2	1	4	29
Other	2	(1)	3	(10)
Income (loss) from discontinued operations, net of tax	1	1	1	(1)
Adjusted net income	\$ 40	\$ 44	\$ 78	\$ 182
Average shares outstanding, diluted (in millions)	28.2	28.9	28.2	29.7
Adjusted earnings per share	\$ 1.42	\$ 1.52	\$ 2.77	\$ 6.13

Adjusted net income and Adjusted earnings per share are not recognized terms under U.S. GAAP and do not purport to be a substitute for profitability. Adjusted net income and Adjusted earnings per share have limitations as analytical tools as they do not consider certain restructuring and transaction-related payments and/or expenses. In addition, the Company uses Adjusted net income and Adjusted earnings per share for internal planning and forecasting purposes.