

# J.P. Morgan Automotive Conference

Sachin Lawande, President and CEO  
August 2018



**Visteon®**



Leading supplier of cockpit electronics and autonomous driving systems to carmakers across the world



\$3.15B annual sales



10,000 employees



18 countries



19 manufacturing locations



18 technical centers



Total shareholder returns of ~105% from 2015 – Q2 2018;  
Significantly outperforming peer group and S&P 500

# A Broad and Diversified Customer Base

Visteon®



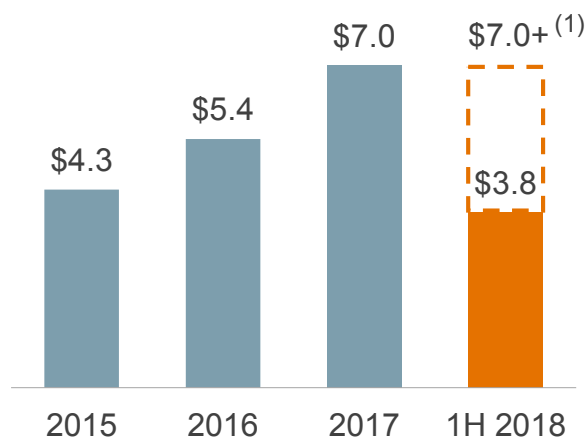
Global automotive technology company with more than 25 customers worldwide

# Continuous Improvement in Key Financial Metrics

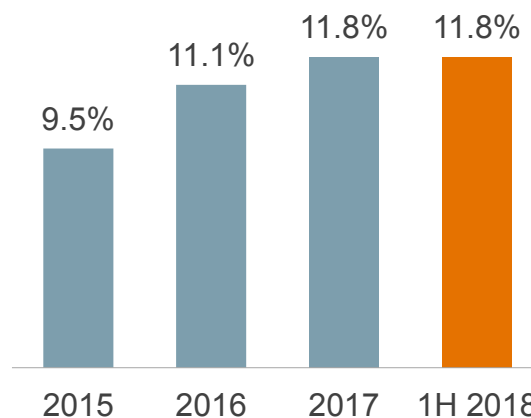


(Dollars in billions)

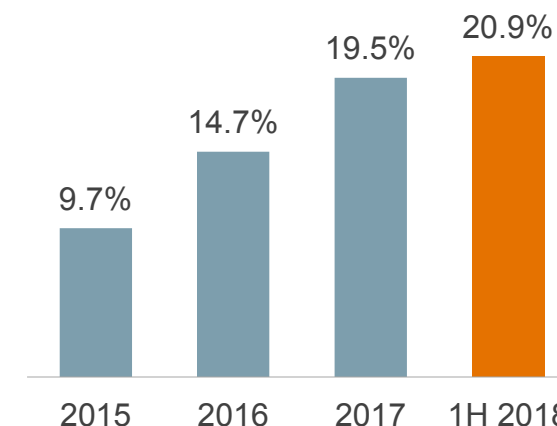
## New Business Wins



## Adjusted EBITDA Margin



## Return on Invested Capital<sup>(2)</sup>



- Improved product portfolio has driven new business wins to record levels
- Transition to technology platforms and improved software engineering processes have improved profitability to best-in-class level
- ROIC has improved significantly over historical level for automotive suppliers

(1) First half 2018 new business wins were \$3.8 billion. Full-year 2018 new business wins expected to be \$7.0+ billion based on current pipeline

(2) ROIC equal to after-tax adjusted EBIT (based on 25% tax rate) divided by average of beginning and end of year Invested Capital (i.e. Debt, plus Shareholders' Equity, plus Non-Controlling Interests, less Investments in Non-Consolidated Affiliates)

Strong new business wins and performance driving increasing margins over time

# Automotive Technology Trends Favor Visteon

Visteon®



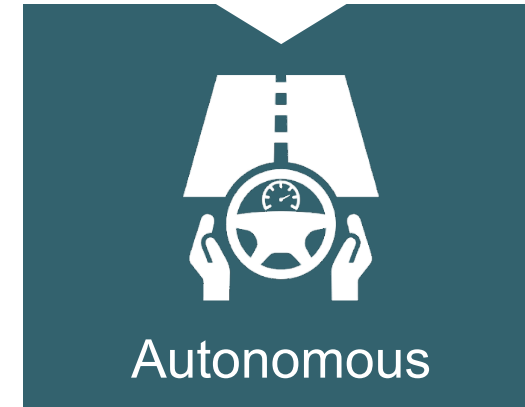
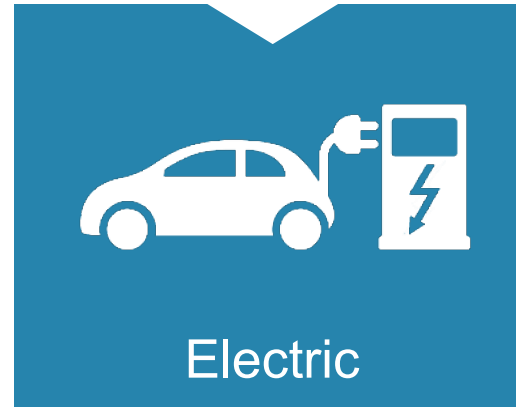
Connected  
Everywhere



Environment  
& Sustainability



Health &  
Safety



Visteon®

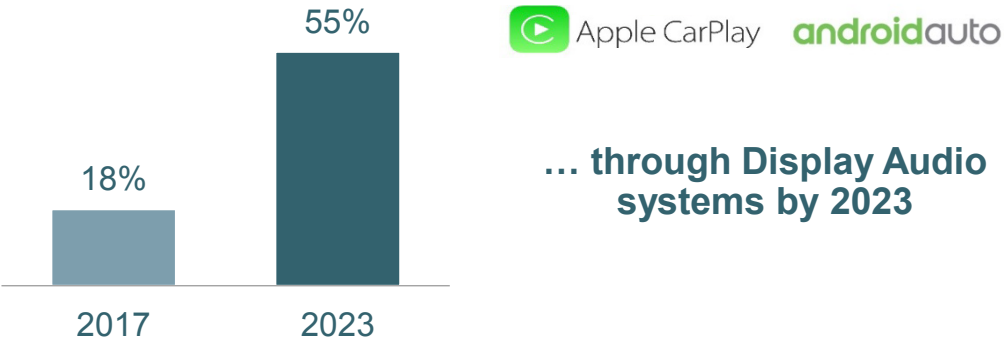


Visteon well-positioned to capitalize in evolving automotive industry environment

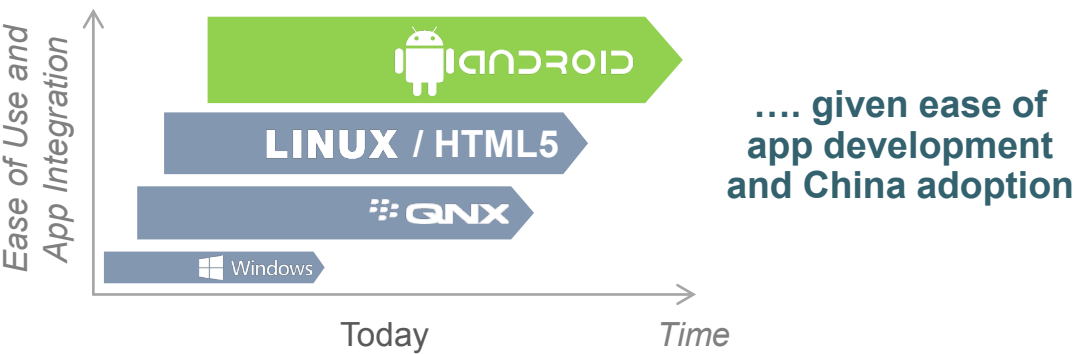
# Infotainment Market Growth Driven by Display Audio

(Dollars in millions)

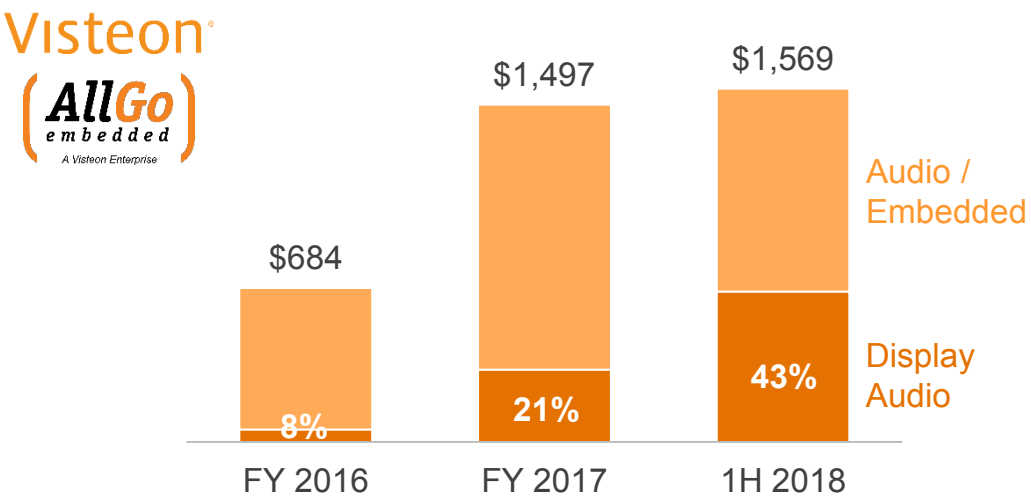
## 55% of Cars to Have Smartphone Projection ...



## Android Winning the Infotainment O/S Race ...



## Visteon Infotainment NBWs

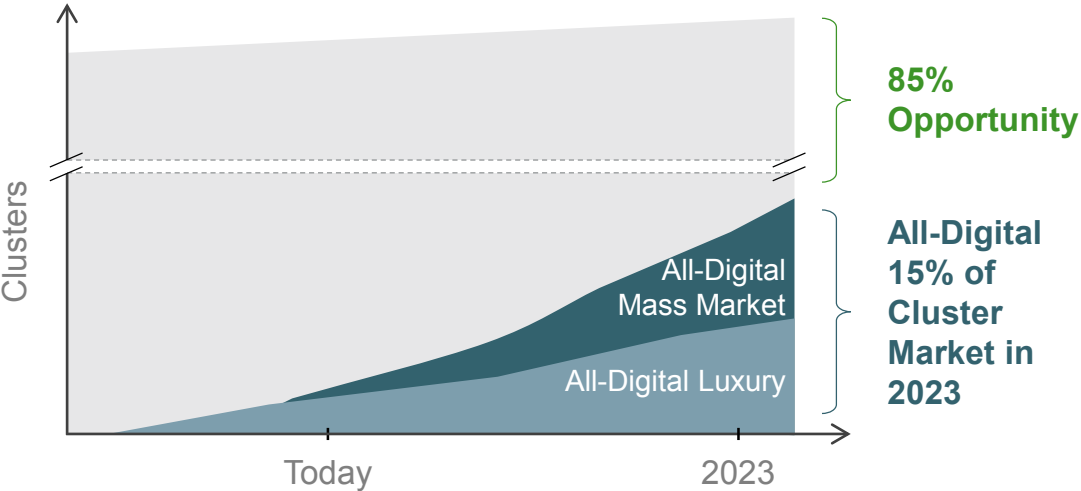


- Visteon's AllGo is the leading supplier of CarPlay and Android Auto for Display Audio systems based on Linux / HTML5 / Android operating systems
- Visteon won record level of infotainment wins in 1<sup>st</sup> half 2018, with significant growth in Display Audio wins

Visteon's AllGo is uniquely positioned in the Display Audio market

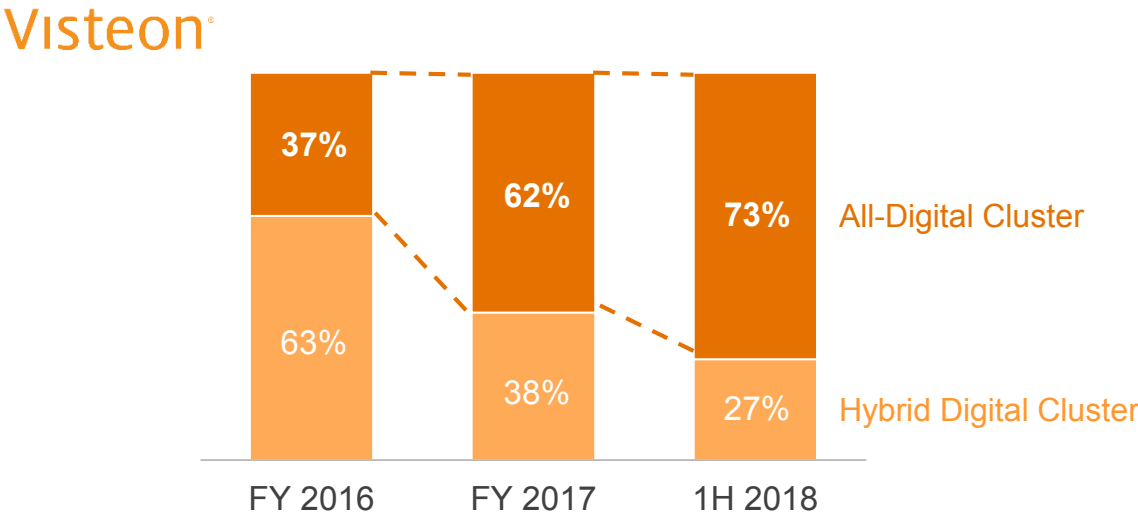
# Instrument Cluster Market Transitioning to All Digital

## Evolution of All-Digital Cluster Market



- All-digital clusters are moving into mass-market vehicles
- Significant market opportunity remains with only 15% of clusters projected to be all-digital by 2023
- Integration with ADAS and Driver Monitoring systems

## Visteon Instrument Cluster NBWs



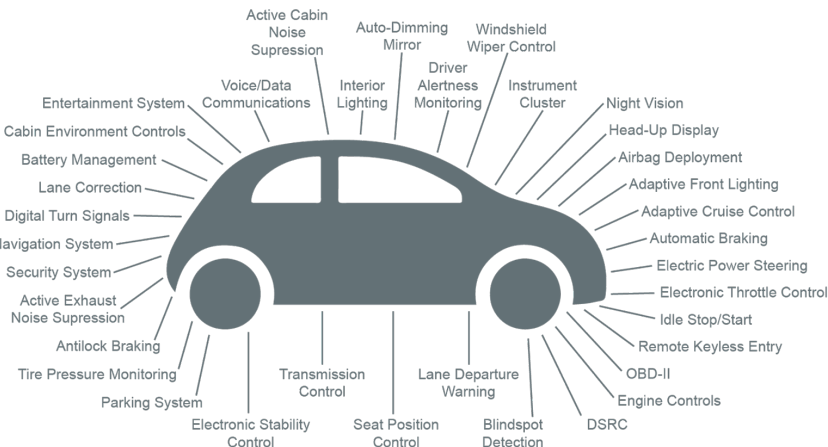
- Visteon ranked #1 in all-digital clusters by market share
- Leverage expertise in ASIL-B functional safety, OEM vehicle architectures, and automotive displays
- Primary supplier to three of top-five largest global OEMs

Visteon driving growth of all-digital clusters in mass market segment

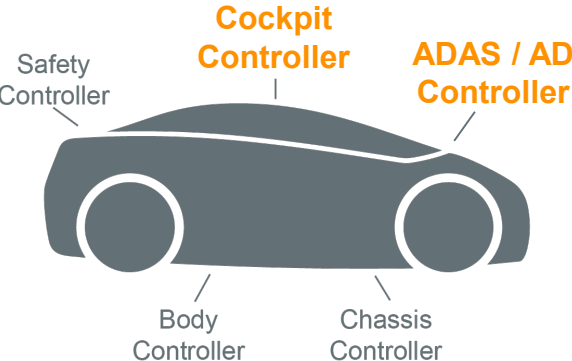


# ECU Consolidation in Automotive Electronics

## Today

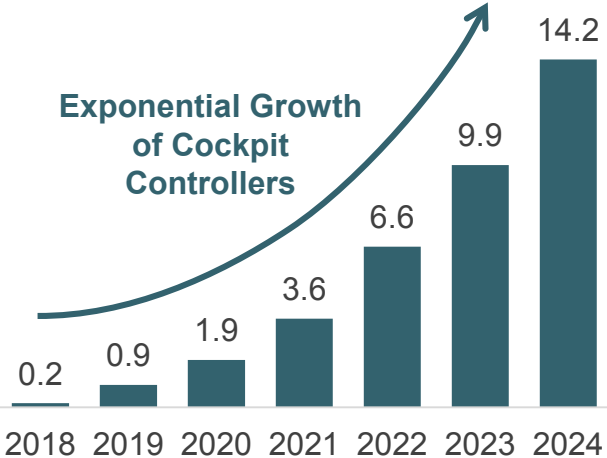


## Tomorrow



## Market Growth

(Units in millions)



Consolidation of ECUs into domain controllers

Reduces cost, weight and power consumption

Leverages silicon and software innovations

Integrated domain controllers replacing individual ECUs



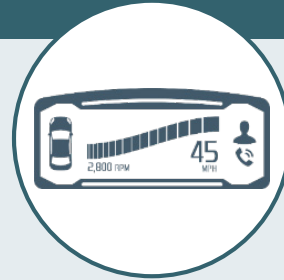
# Winning Significant Business in Key Product Areas

## Display Audio Win (Q2 2018)



- ✓ Largest single win in Visteon's history (\$640 million)
- ✓ Cross-platform, conquest win with large European OEM, launching 2020
- ✓ Large 10" display with Android OS, AM/FM, CarPlay, Android Auto

## Digital Cluster Win (Q2 2018)



- ✓ Largest cluster award in Visteon's history (\$585 million)
- ✓ Conquest win with leading European OEM
- ✓ Cross-platform with initial launch in 2020 in compact high-volume car

## SmartCore™ Win (Q1 2018)

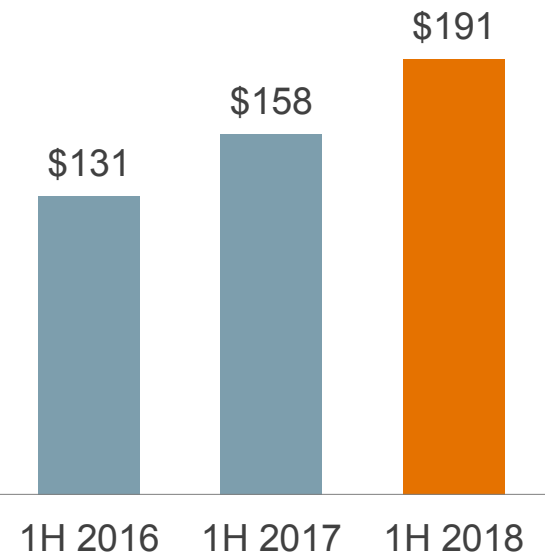


- ✓ SmartCore™ to power cockpit electronics for Geely's new EV platform
- ✓ Geely 2017 volume of 1.2 million vehicles; growth of 60% Y/Y
- ✓ 1<sup>st</sup> vehicle launch in 2020, supporting 20% new energy mandate in China

# Building Momentum in China, the World's Largest Auto Market Visteon®

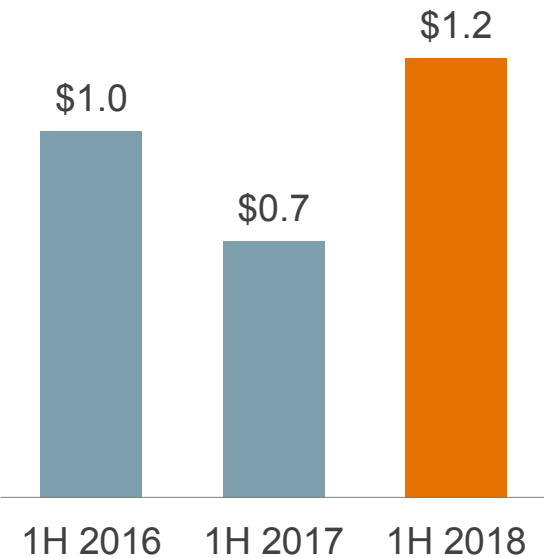
(Sales in millions of USD, NBWs in billions of USD)

## Visteon China Domestic Sales



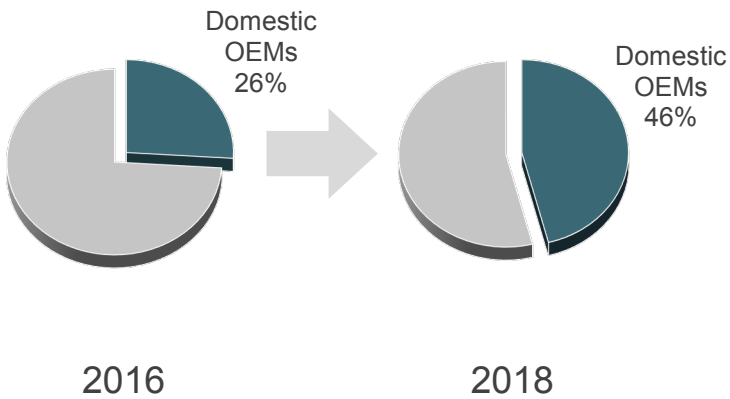
***New product launches drive double-digit sales growth***

## New Business Wins



***Technology portfolio enables continued growth story***

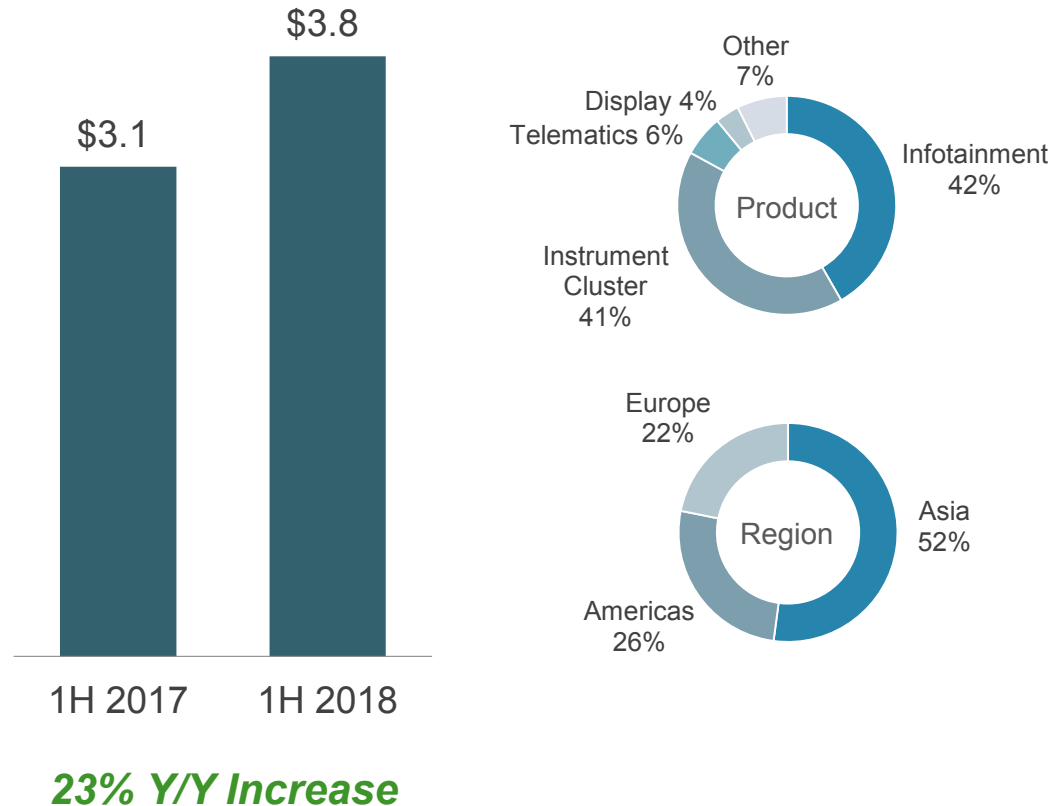
## NBW Breakdown



***Expanding coverage with faster growing domestic OEMs***

# Alignment with Industry Trends Driving New Business Wins

(Dollars in billions)



- Strong momentum in core areas of digital clusters, infotainment, and SmartCore™
- ~95% of 1<sup>st</sup> half wins launch before end of 2021
- Robust pipeline of opportunities for rest of 2018

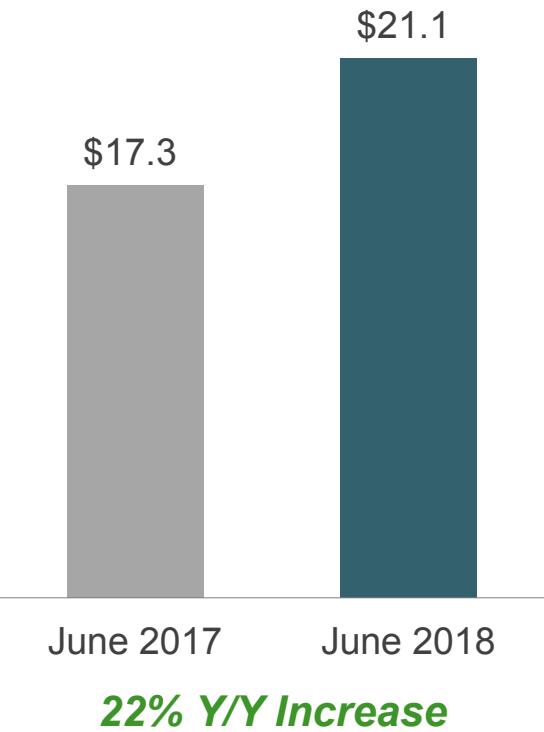
On track to achieve long-term targets with high level of new business wins

# Backlog Positions Visteon for 2021 Sales Target

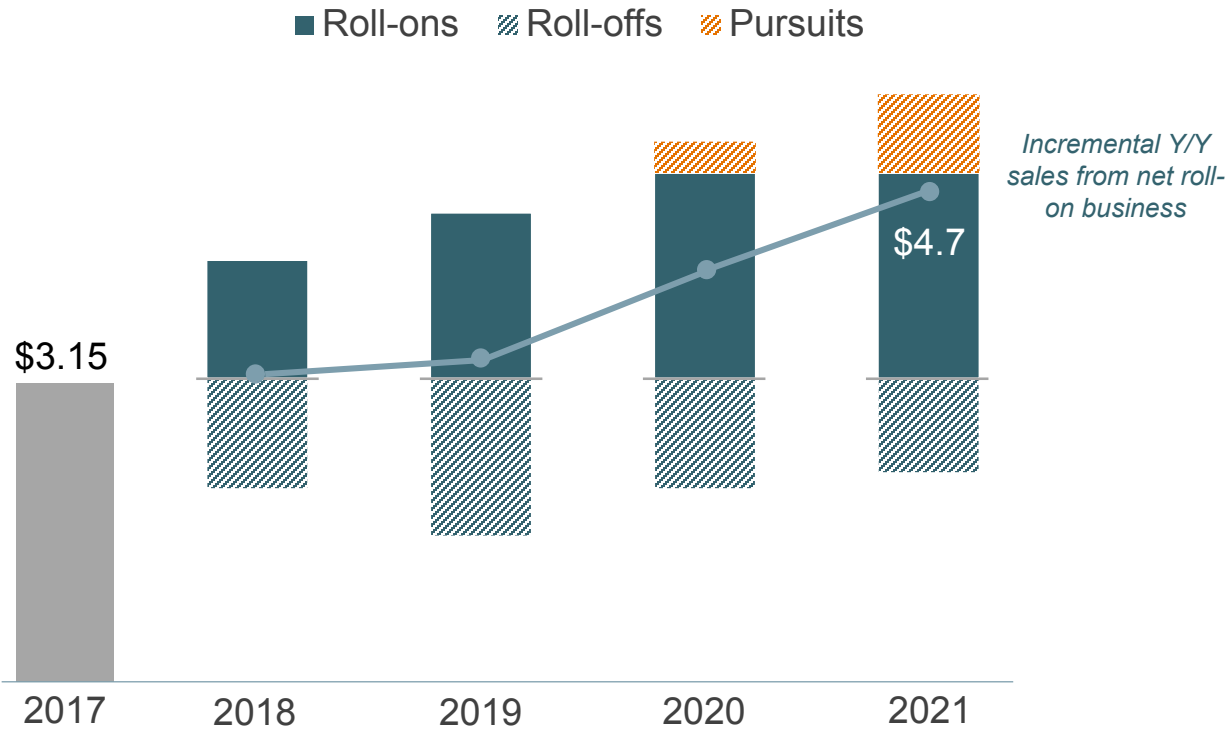


(Dollars in billions)

## Order Backlog



## Sales Impact from Net Roll-on Business



Note: Chart not drawn to scale

New roll-on business launches significantly increase in 2020-2021, while roll-offs decline

# Building the Foundation Through Operational Excellence

Visteon®

*1<sup>st</sup> Half 2018 Performance*

## Executing on Our Long-Term Strategies



- ✓ New business wins of \$3.8 billion, leading to backlog of \$21.1 billion
- ✓ Leading the shift to ECU Consolidation, Display Audio and Digital Clusters

## Margin Expansion / Cash Flow Generation



- ✓ Delivered \$185 million in adjusted EBITDA, at a margin of 11.8%
- ✓ Generated positive adjusted free cash flow of \$77 million

## Return Enhancement via Capital Deployment



- ✓ Executed \$200 million in open-market repurchases and ASR
- ✓ \$500 million remaining in authorized share buyback programs

# Visteon®

