

Visteon Baird Global Industrial Conference

November 2017



Sachin Lawande
President and CEO

Forward-looking Information



- This presentation contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. 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:
 - 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, 2016).
- 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. 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 productions levels, customer price reductions and currency exchange rates.

Visteon Today and Shareholder Value Creation



\$3.1B Annual sales (Electronics)

10,000 Employees

18 Countries

22 Manufacturing locations

18 Technical centers

Van Buren Township,
Michigan, United States

Company headquarters

Long-Term Total Shareholder Return (12/31/13 – 10/30/17)



(1) Peer group includes average returns of Autoliv, Continental, Delphi and Gentex.

A global leader in automotive cockpit electronics and software

A Broad and Diversified Customer Base

Visteon®



Global automotive technology company with more than 25 customers worldwide

Industry-Leading Cockpit Electronics Product Portfolio



Visteon Market Position

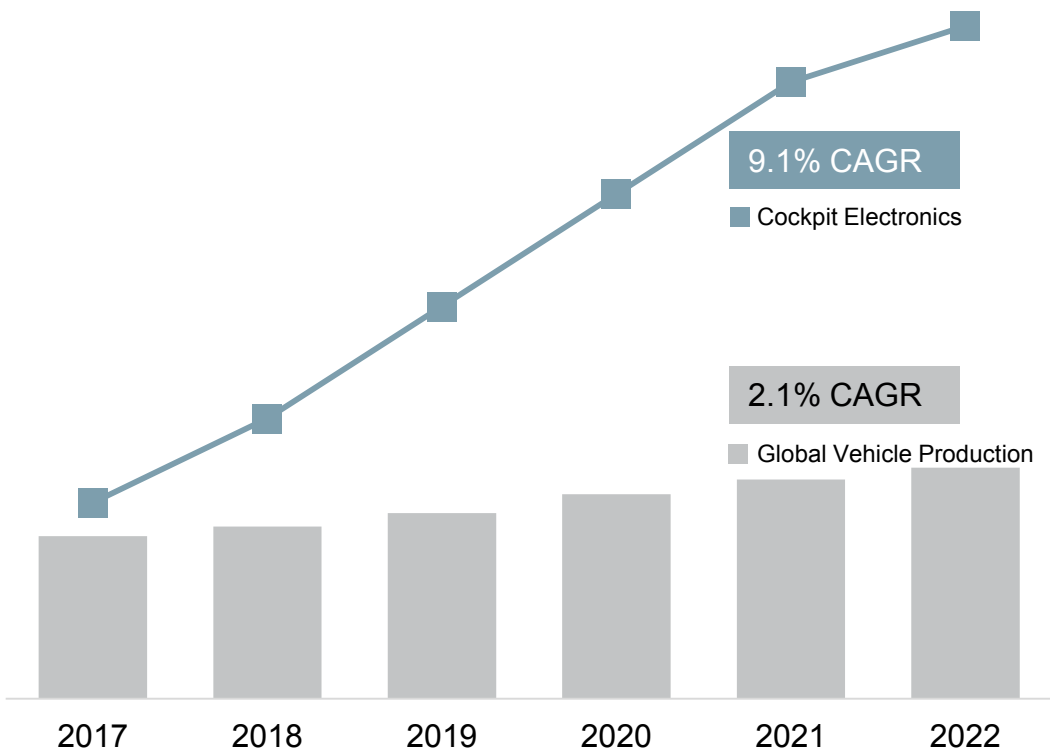
Top 5		Connected car Tier 1 supplier
#2 Rank	Instrument cluster displays	
#2 Rank	Automotive display systems Center stack displays	
#3 Rank	Head-up displays	

Source: Rankings from 2016 ABI Research and IHS Markit.

Only pure-play in automotive cockpit electronics

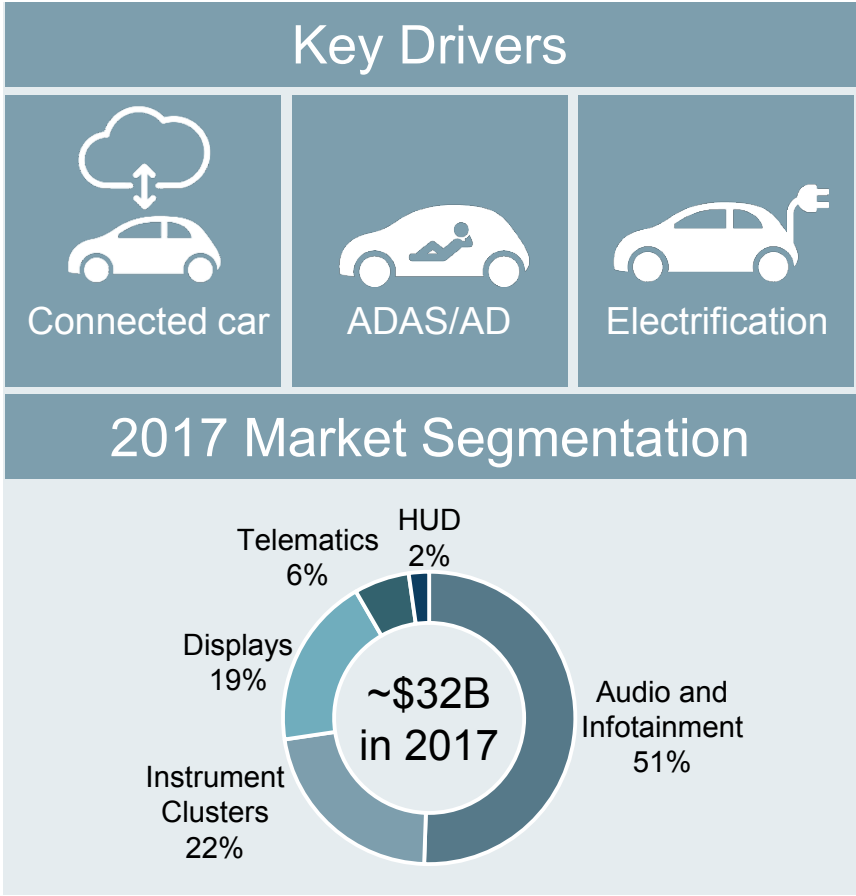
Industry in Transformation

Cockpit Electronics vs. Global Vehicle Production



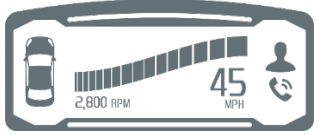
Projections based on latest IHS Markit data.

Cockpit Electronics



Cockpit electronics growing faster than underlying vehicle production

Key Trends in Instrument Clusters



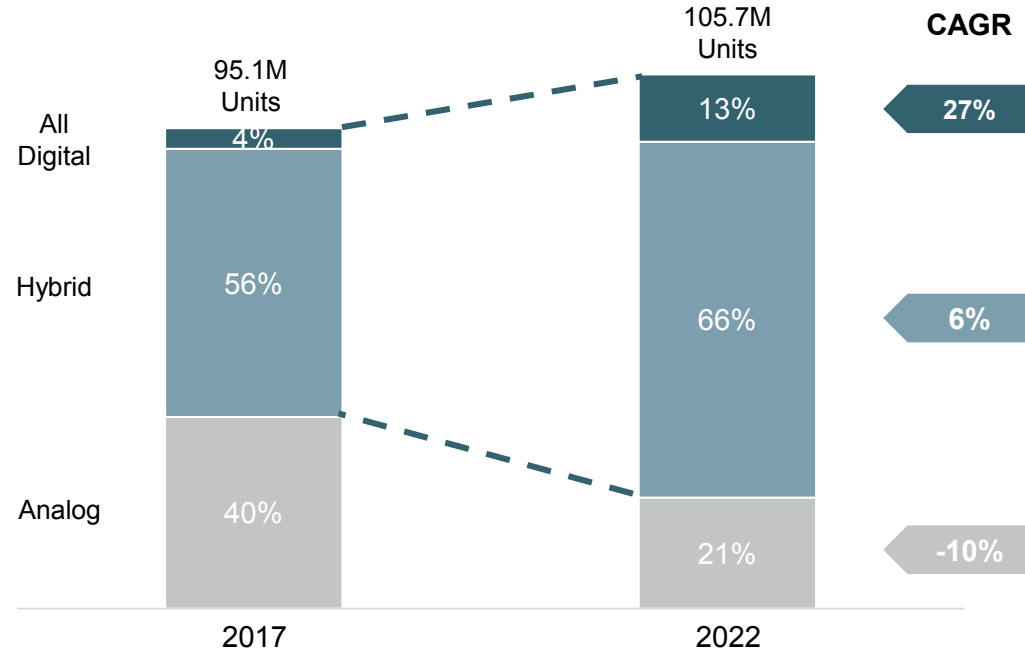
All-Digital Cluster



Hybrid Cluster



Analog Cluster



- All-digital is fastest-growing segment of clusters
- All-digital clusters expanding from luxury to mass market vehicles
- Visteon awarded \$2.6 billion in YTD new business wins
- Improved global market share to #2 position from #3 in 2015

Visteon leading industry transition toward digital clusters

Key Trends in Audio/Infotainment



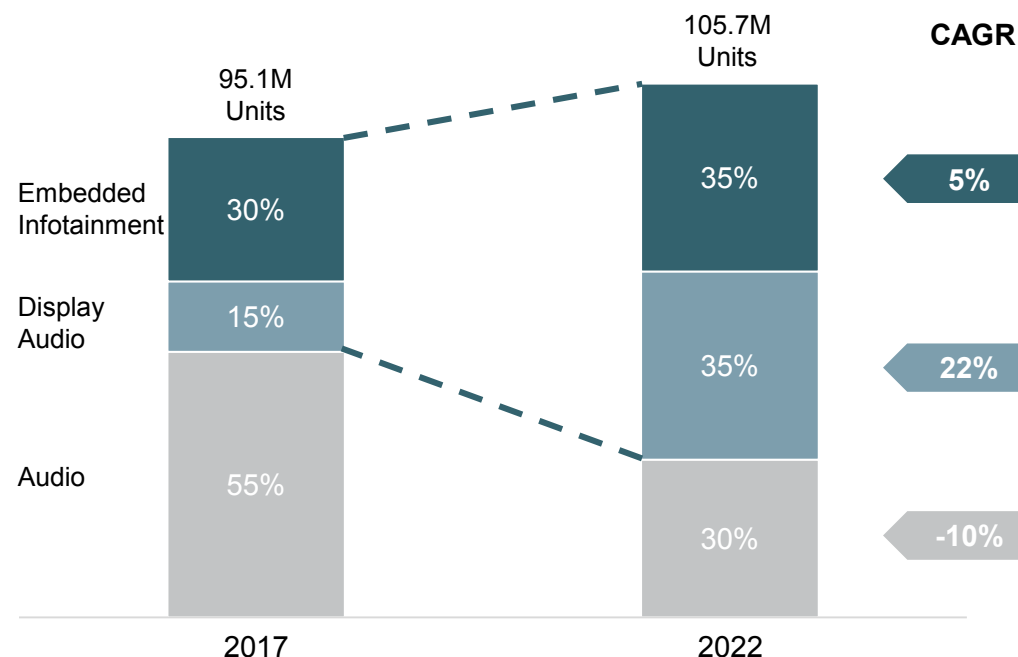
Embedded
Infotainment



Display Audio



AM/FM/BT
Audio



- Market trending toward Display Audio systems from traditional audio
- Visteon's capabilities in Display Audio strengthened by AllGo acquisition
- Embedded infotainment transforming into "mobile app platform"
- Visteon awarded \$1.5 billion in YTD new business wins; including first Phoenix™ win

Display Audio and Embedded Infotainment offer significant growth opportunity for Visteon



InfoCore™



Common API and JavaScript

Cyber
Security

Web
Runtime

Navi
Engine

Projection
Mode

Automotive Base Components



App developer
friendly



Highly
secure



Fully
upgradeable

Studio™



First purpose-built infotainment
OS and tools

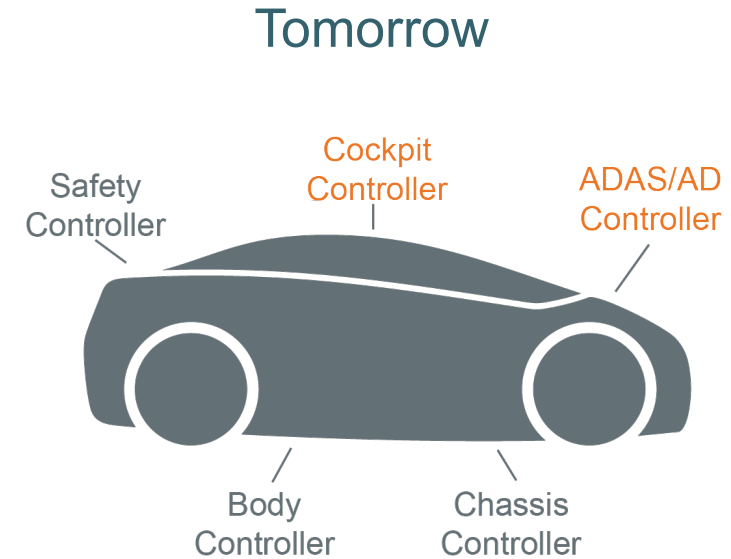
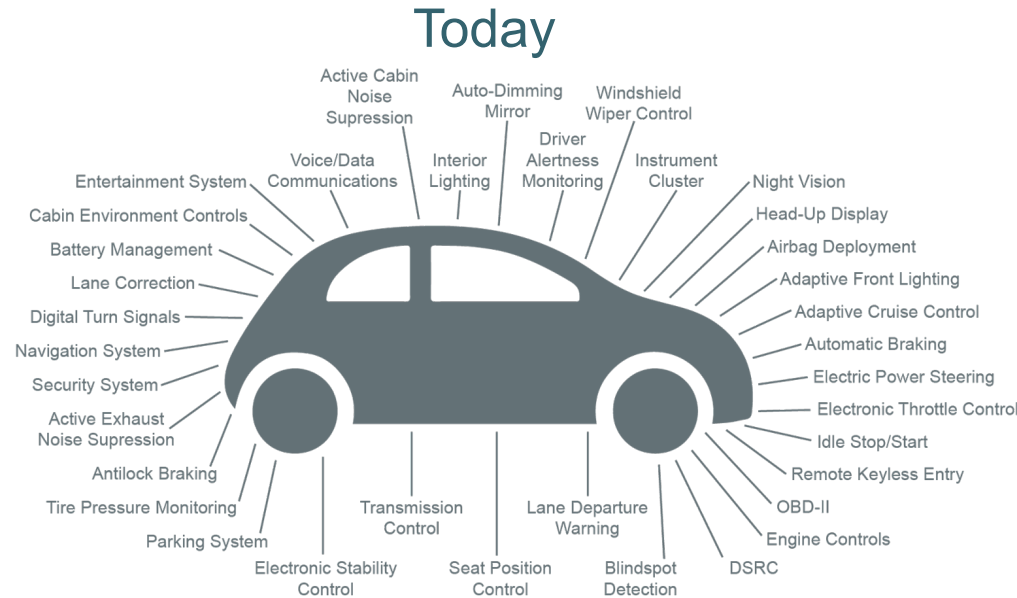
Complete “out-of-the-box”
solution to OEMs for Display Audio

Extend with pre-integrated third-party
software to mid/high infotainment

Offers “write once, run on many” for
infotainment apps

Seamless upgrade path from Display Audio to Embedded Infotainment

ECU Consolidation in Automotive Electronics



30 - 100+
ECUs in car

Consolidation of ECUs into domain controllers

Reduces cost, weight, and power consumption

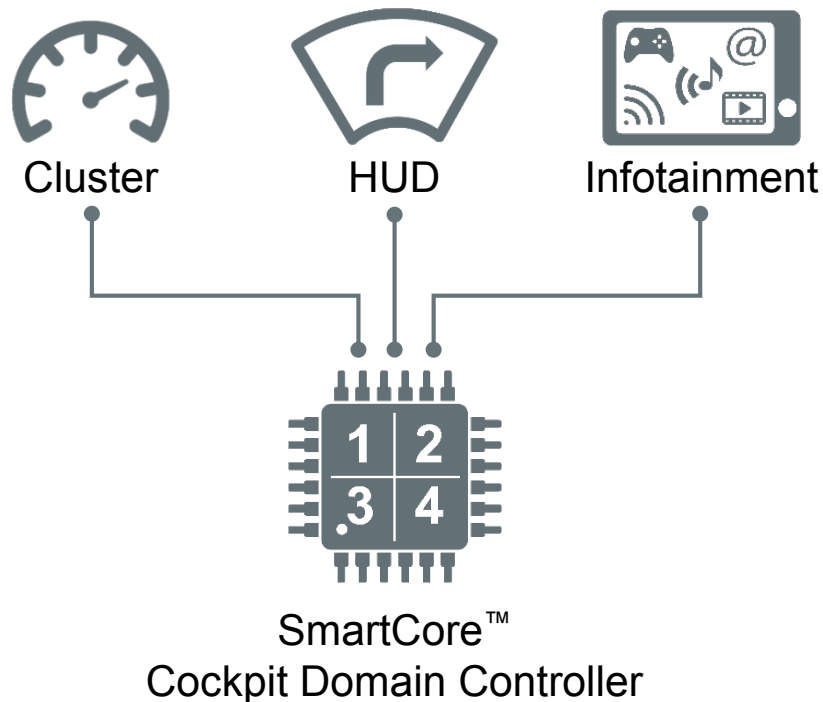
Leverages silicon and software innovations

Visteon offers industry-first cockpit domain controller; will launch AD controller

Visteon's Cockpit Domain Controller

Visteon®

smartcore™



First cockpit domain controller in the industry

Integration of instrument cluster, infotainment, HUD and driver monitoring

Recognized with Innovation Award by German Center of Automotive Management

4

SmartCore™ business wins to date

\$175

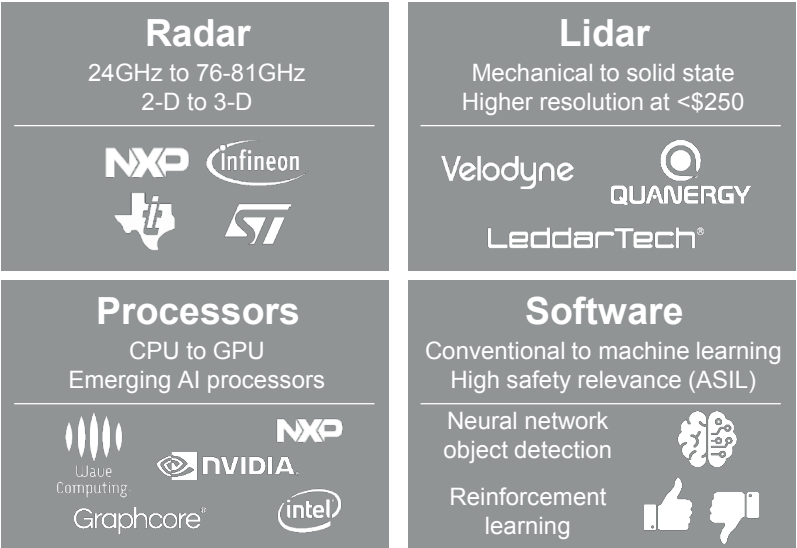
Expected per vehicle savings*

*Source: Roland Berger study, July 2015.

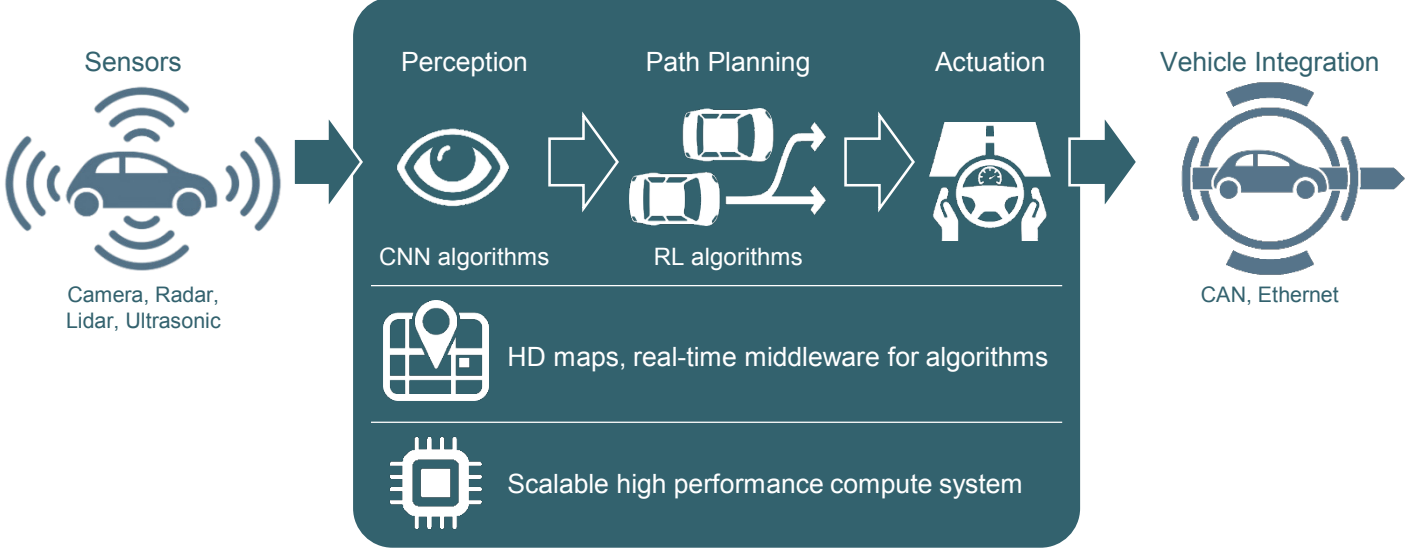
Market introduction of first SmartCore™ system in early 2018 with European OEM

Key Trends in Autonomous Driving

Technology Landscape



Autonomous Driving Controller

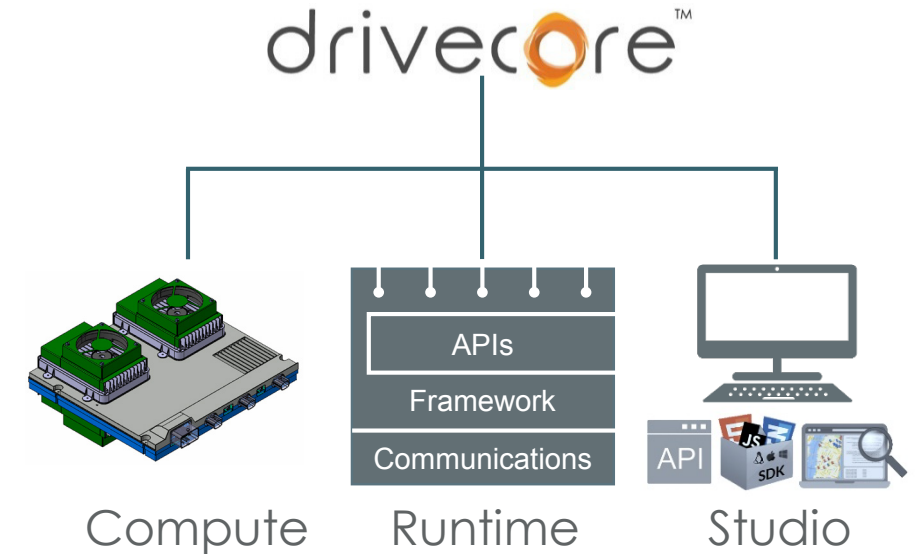
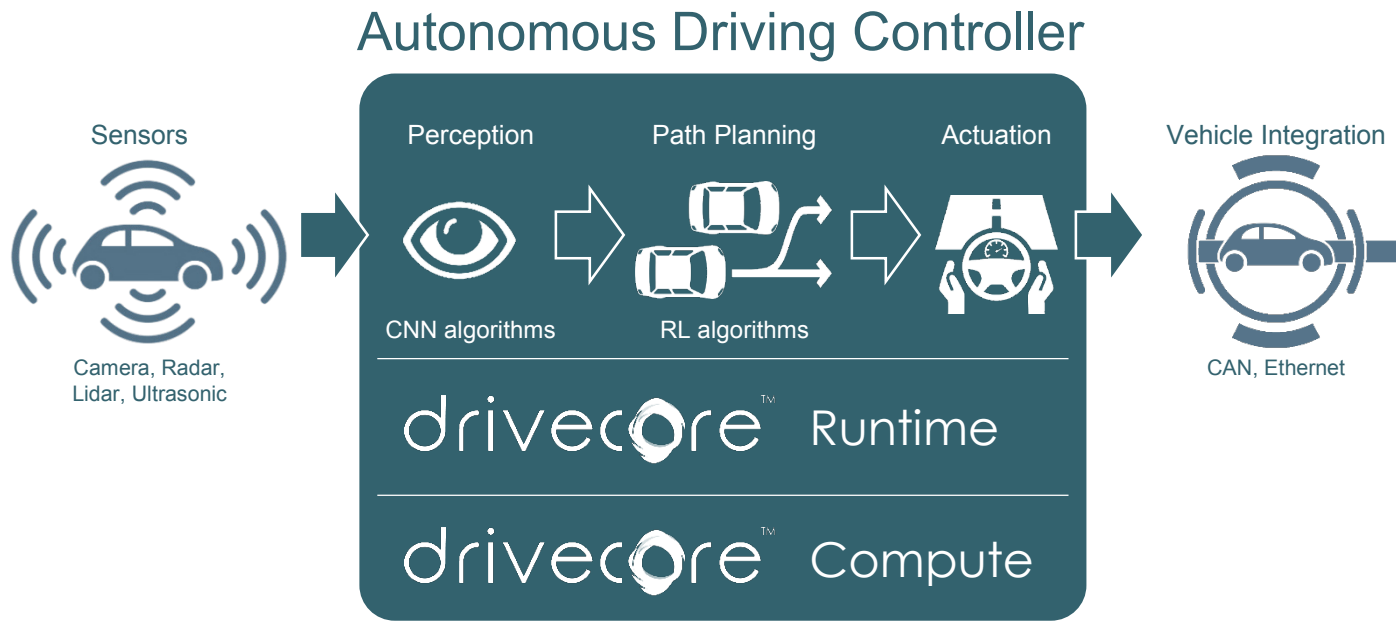


Key Requirements of Autonomous Driving Controller

Centralized processing of sensor data	Scalable and CPU agnostic hardware
High-performance middleware	Advanced software tools for algorithm development

Visteon's DriveCore™ Technology Platform

Visteon®



Complete technology platform

From 500 GFLOPS to 20 TFLOPS

Advanced thermal management

Middleware and tools for rapid algorithm development

Faster time to market with third-party algorithms

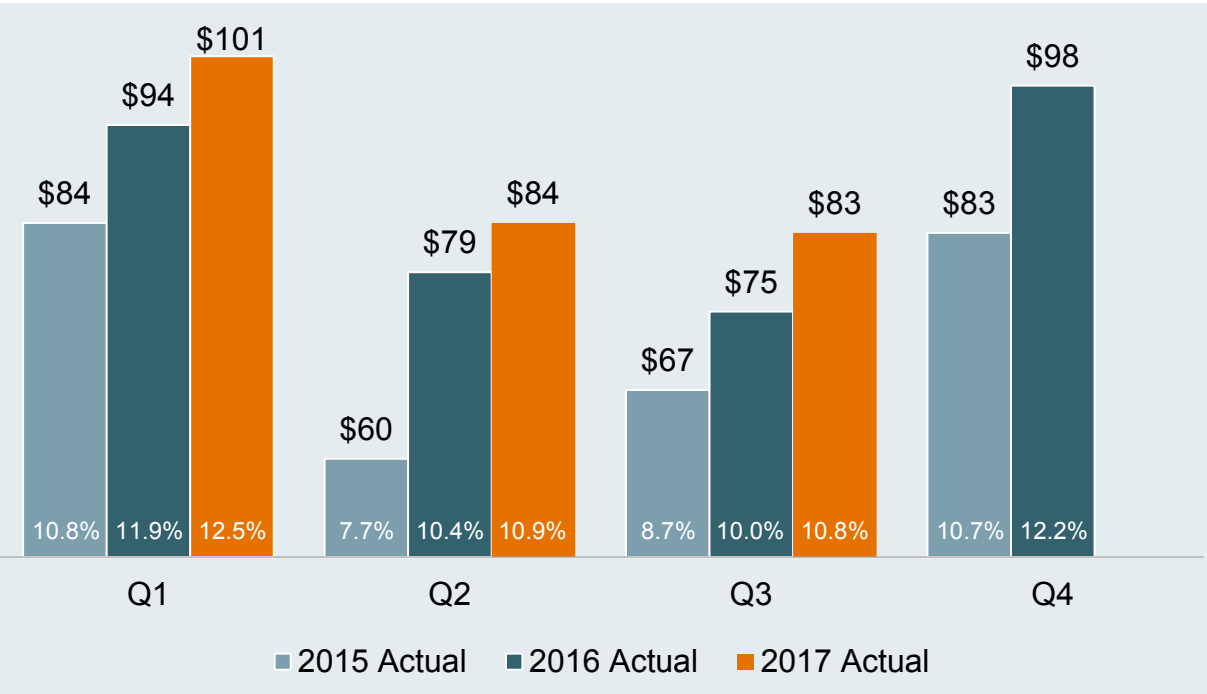
Continuing Momentum Toward Best-In-Class Profitability



(Dollars in Millions)

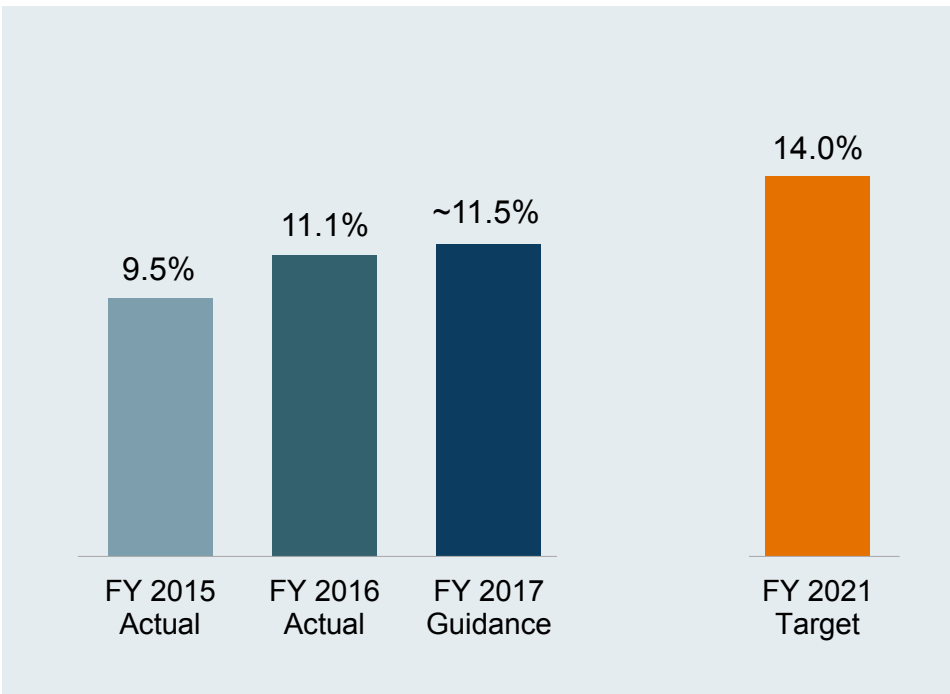
Adjusted EBITDA increased Y/Y every quarter for 11 straight quarters...

Quarterly Adjusted EBITDA and Margins

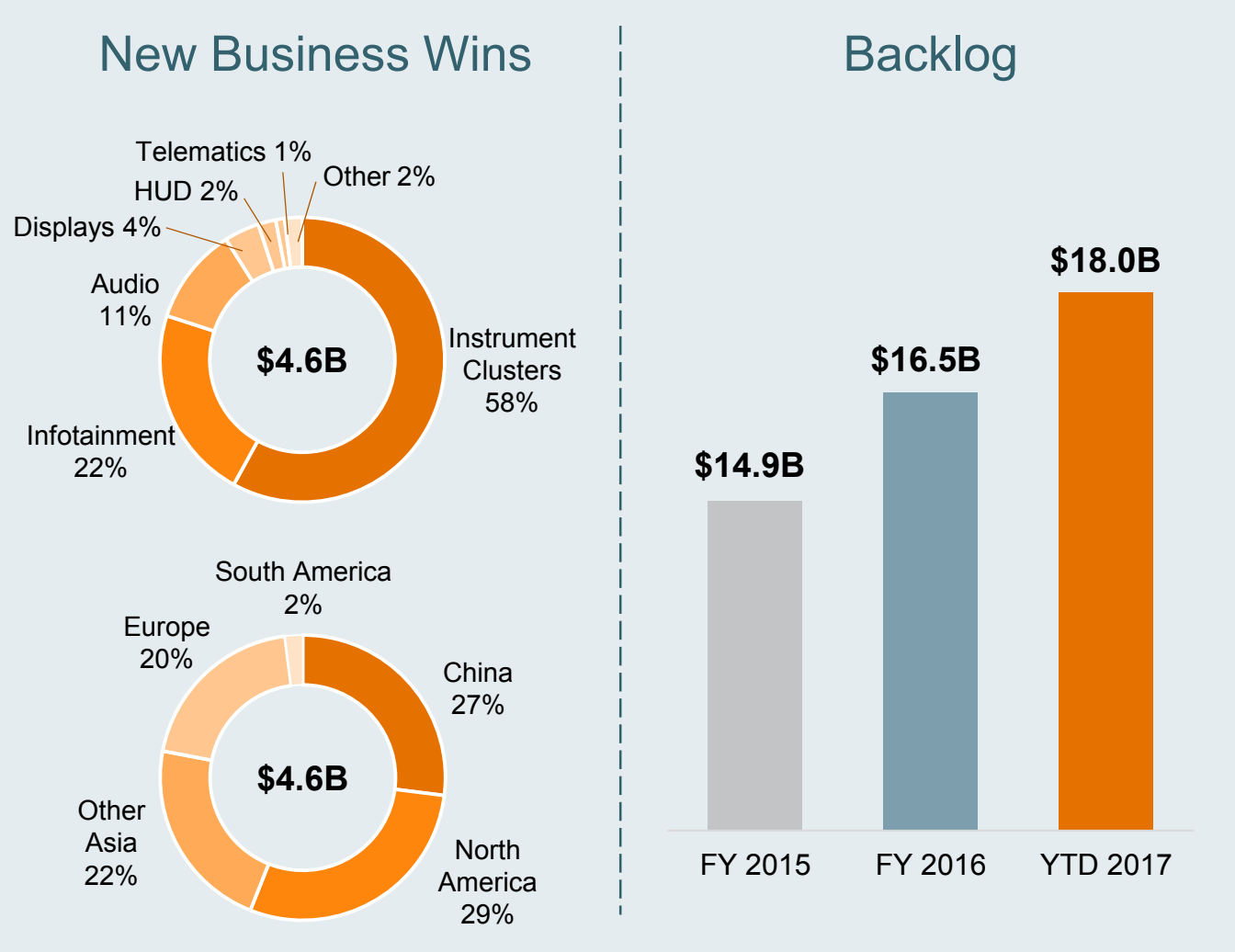


...guiding to long-term margins reaching 14% while investing in new technologies.

Annual Adjusted EBITDA Margins



Record YTD New Business Wins and Backlog



Highlights	
Phoenix™	First win for Display Audio system in North America
12% Y/Y growth in NBWs	Audio/Infotainment NBWs of \$1.5B, more than 2x prior year
11% Y/Y growth in backlog	Backlog growing faster than cockpit electronics market

Note: New business wins represent booked lifetime revenue.

Business accelerating in faster-growing product segments across all regions

2017 Strategic Imperatives

Strengthen Core Business



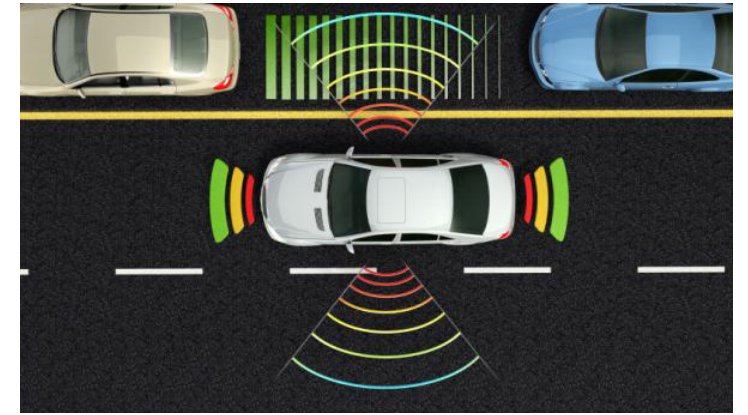
- Deliver higher sales and improve margins to ~11.5%
- Drive new business wins to achieve combined ~\$12 billion target for 2017/2018
- Continued focus on operational excellence

Accelerate China Business



- Achieve double-digit China sales growth in 2017
- Introduce SmartCore™ and Phoenix™ technologies in China
- Leverage joint venture relationships to drive adoption of new offerings

Develop Level 3/4 Autonomous Driving Platform



- Leverage SmartCore™ technology platform for sensor fusion
- Early engagement with selected customers
- Launch technology platform at CES 2018

Appendix

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- Because not all companies use identical calculations, adjusted EBITDA, 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 2016 and 2017, 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.

Full-Year 2017 Guidance

(Electronics Product Group)

	FY 2016 Actual	Updated FY 2017 Guidance
Sales	\$3.107B	\$3.12 - \$3.16B
Adjusted EBITDA	\$346M 11.1%	\$360 - \$370M ~11.5%
Adjusted Free Cash Flow	\$167M	\$170 - \$180M

2017 Guidance Reconciliation



Adjusted EBITDA *(Electronics Product Group)*

	Three Months Ended September 30		Nine Months Ended September 30		Estimated Full Year
(Dollars in Millions)	2016	2017	2016	2017	2017
Electronics	\$75	\$83	\$248	\$268	
Other	-	-	(7)	-	
Adjusted EBITDA	<u>\$75</u>	<u>\$83</u>	<u>\$241</u>	<u>\$268</u>	<u>\$360 - \$370</u>
Depreciation and amortization	21	21	62	62	83
Restructuring expense	5	6	22	10	10
Interest expense, net	5	3	10	12	15
Equity in net income of non-consolidated affiliates	-	(1)	(3)	(6)	(8)
Other (income) expense, net	12	(1)	16	(3)	(3)
Provision for income taxes	5	8	27	34	50
(Income) loss from discontinued operations, net of tax	(7)	-	15	(8)	(8)
Non-cash, stock-based compensation expense	2	3	7	9	14
Net income attributable to non-controlling interests	4	4	12	11	15
Other	-	(3)	-	(4)	(4)
Net Income attributable to Visteon	<u>\$28</u>	<u>\$43</u>	<u>\$73</u>	<u>\$151</u>	<u>\$196 - \$206</u>

2017 Guidance Reconciliation (cont'd)



Free Cash Flow and Adjusted Free Cash Flow (Electronics Product Group)

(Dollars in Millions)	2016					2017				2017 FY Guidance	
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	YTD	Low-end	High-end
<u>Cash from (used by) operating activities</u>											
Total Visteon	(\$58)	\$72	\$24	\$82	\$120	(\$10)	\$96	\$45	\$131		
Less: Discontinued operations and other operations	(45)	(20)	(9)	(4)	(78)	-	-	-	-		
Cash from (used by) operating activities (Electronics)	(\$13)	\$92	\$33	\$86	\$198	(\$10)	\$96	\$45	\$131	\$215	\$225
<u>Capital expenditures, incl intangibles (Electronics)</u>											
Total Visteon	\$25	\$12	\$19	\$19	\$75	\$32	\$15	\$22	\$69		
Less: Discontinued operations and other operations	1	-	1	(1)	1	-	-	-	-		
Capital expenditures, incl intangibles (Electronics)	\$24	\$12	\$18	\$20	\$74	\$32	\$15	\$22	\$69	\$85	\$85
<u>Free cash flow (Electronics)</u>											
Cash from (used by) operating activities (Electronics)	(\$13)	\$92	\$33	\$86	\$198	(\$10)	\$96	\$45	\$131	\$215	\$225
Less: Capital expenditures, incl intangibles (Electronics)	24	12	18	20	74	32	15	22	69	85	85
Free cash flow (Electronics)	(\$37)	\$80	\$15	\$66	\$124	(\$42)	\$81	\$23	\$62	\$130	\$140
Exclude: Restructuring / transformation-related payments (Electronics)	15	7	8	13	43	12	6	10	28	40 ⁽¹⁾	40 ⁽¹⁾
Adjusted free cash flow (Electronics)	(\$22)	\$87	\$23	\$79	\$167	(\$30)	\$87	\$33	\$90	\$170	\$180

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