
**UNITED STATES
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 (Date of earliest event reported) January 12, 2016

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.)

One Village Center Drive, Van Buren Township, Michigan
(Address of principal executive offices)

48111
(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-
-

SECTION 2 – FINANCIAL INFORMATION

Item 2.02. Results of Operations and Financial Condition.

Senior executives of Visteon Corporation (the “Company”) are expected to make a presentation on January 12, 2016 to investors and security analysts at Deutsche Bank’s 2016 Global Auto Industry Conference in Detroit, Mich., which will include a discussion of the Company’s strategy, financial profile and related matters, including certain financial information. In connection with such presentation, the Company is making available the presentation slides attached hereto as Exhibit 99.1, which are incorporated herein by reference.

The information contained in Exhibit 99.1 shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

SECTION 7 – REGULATION FD

Item 7.01. Regulation FD Disclosure.

See “Item 2.02. Results of Operations and Financial Condition” above.

SECTION 9 – FINANCIAL STATEMENTS AND EXHIBITS

Item 9.01. Financial Statements and Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Presentation slides from the Company’s webcast presentation at the 2016 Global Auto Industry Conference to be held on January 12, 2016.

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 12, 2016

By: /s/ Jeffrey M. Stafeil

Jeffrey M. Stafeil
Executive Vice President
and Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>	<u>Page</u>
99.1	Presentation slides from the Company's webcast presentation at the 2016 Global Auto Industry Conference to be held on January 12, 2016.	



Visteon Corporation

Deutsche Bank Global Auto Industry Conference

January 2016

- Updates Since the Baird / Barclays Conferences
- Long-Term Plan and Strategic Imperatives
- Capital Return Program
- 2015 and 2016 Full-Year Guidance

- ✔ **Received the vast majority of the Korean withholding tax refund relating to the HVCC transaction in early 2016**
 - ~\$250 million in total net proceeds
- ✔ **Completed \$500 Million Accelerated Share Repurchase (ASR) Program During Q4 2015**
- ✔ **Increasing 2015 and 2016 Guidance**
- ✔ **Increasing lifetime backlog**

Visteon Has Continued to Deliver on Our Commitments

Increasing 2015 and 2016 Targets



FY 2015 Guidance

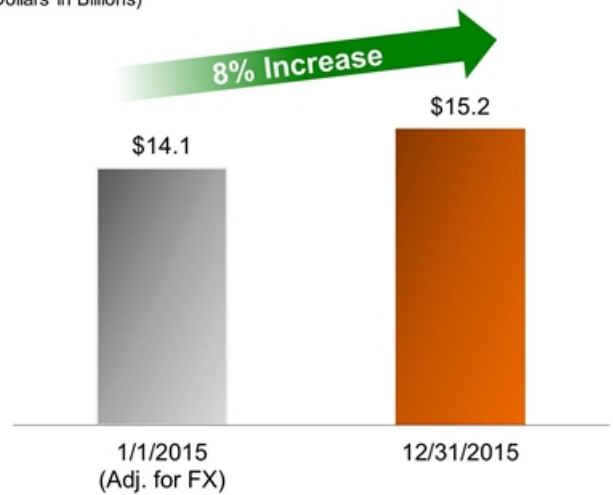
	Prior	Updated	
Sales	\$3.05-\$3.10B	\$3.10B	↑
Adj. EBITDA	\$265-285M	\$285-295M	↑
Adj. FCF	\$135-165M	\$180-200M	↑

FY 2016 Guidance

	Prior	Updated	
Sales	\$3.2B	\$3.2B	
Adj. EBITDA	~9.5% margin	\$305-335M	↑
Adj. FCF	N/A	\$110-150M	

Lifetime Backlog Over Time

(Dollars in Billions)



**Increasing 2015 and 2016 Guidance –
12/31/2015 Backlog of \$15.2 Billion, up 8% vs. the Beginning of the Year**

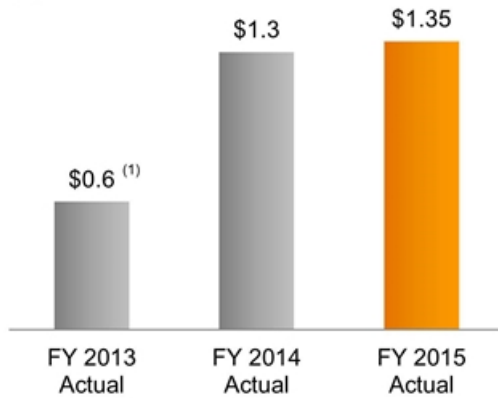
FY 2015 New Business Wins and Rewins

(Dollars in Billions)



Consolidated Wins and Rewins

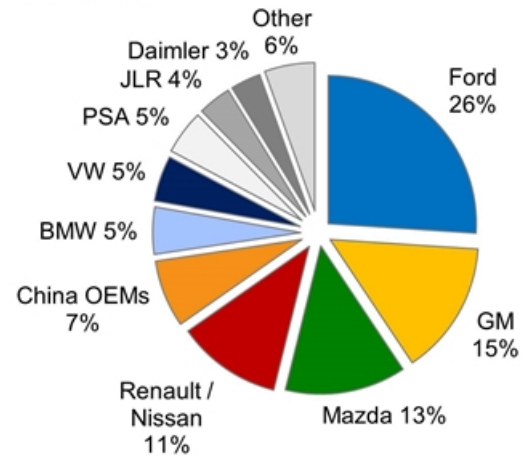
Average Annual



Memo:
Lifetime Revenue N/A N/A \$4.3

Customer Breakdown (FY 2015)

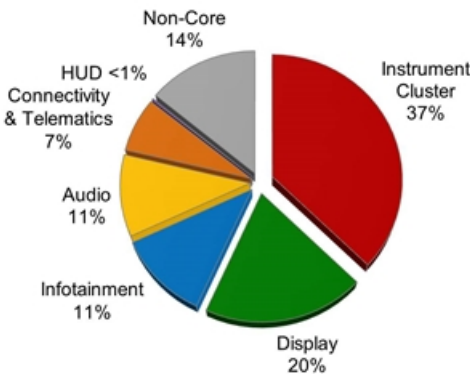
Lifetime Revenue



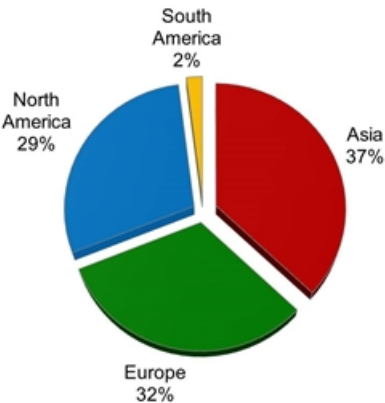
Visteon Won \$1.35 Billion in New and Rewin Business During 2015 – Equating to \$4.3 Billion in Lifetime Revenue

Visteon Electronics 2015E Sales Breakdown

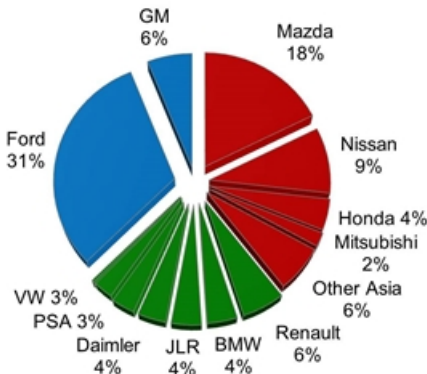
By Product



By Mfg. Region



By Customer



Diverse Product, Regional and Customer Sales Profile

Our Vision:

A top-three cockpit electronics player delivering a rich, connected cockpit experience for every car from luxury to entry.

Our Mission:

To be the foremost leader in driver information and connected infotainment solutions that enables a rich driving experience in a safe and convenient manner. We will achieve this through relentless pursuit of excellence in electronics and software technology as well as global execution.



Singularly Focused on Cockpit Electronics



Strengthen the Core



- ✓ Audio
- ✓ Head-Up Displays
- ✓ Information Displays
- ✓ Infotainment
- ✓ Instrument Clusters
- ✓ Telematics

Move Selectively to Adjacent Products



- ✓ Cockpit Domain Controllers (SmartCore™)
- ✓ Next Generation Safety Applications (e.g. V2X / V2V)
- ✓ Vehicle Cyber Security

Deliver Cost Efficiencies



- ✓ Drive to 12% EBITDA Margin
- ✓ Achieve SG&A and Engineering Efficiencies
- ✓ Improve Free Cash Flow
- ✓ Optimize Capital Structure

**Focused on Three Strategic Imperatives –
Strengthen the Core, Move Selectively to Adjacent Products, Deliver Cost Efficiencies**

Offerings Across All Products in Cockpit Electronics



**Visteon: One of Two Cockpit Electronics Suppliers
with Offerings Across All Products and the Only Pure Play**

2016 Consumer Electronics Show (CES)



- More than 1,000 total visitors (mostly pre-scheduled)
 - 37 vehicle manufacturers represented
 - Nearly 500 individual customers
 - 84 investors
- 25,000 social media impressions
- 20 media briefings with publications such as Wall Street Journal, Forbes, Washington Post, Reuters, Associated Press, New York Times, Automotive News and Motor Trend



Visteon is Transforming the Vehicle Cockpit Experience

Examples of Visteon Content at 2016 Detroit Auto Show



Hyundai 2016 Ioniq (AE)
Cluster



Ford Fusion
4" multi-functional display



Infiniti Q60
Audio auxiliary box



Chevrolet Cruze
Wireless charging



Kia 2016 Niro(DE)
Cluster



Lincoln Continental
Reconfigurable cluster

- ✓ Strengthen the Core
- ✓ Move Selectively to Adjacent Products
- ✓ Drive to 12% Adjusted EBITDA Margins

Sales Progression (Dollars in Billions)





Capital Return Update

January 2016

Announced \$1.75 Billion Special Cash Distribution to Shareholders

- Visteon's board of directors declared a special cash distribution in the amount of \$43.40 per share on Dec. 10, 2015
 - Record date of Jan. 15, 2016
 - Expected ex-dividend date of Jan. 25, 2016 (as set by the NYSE) ⁽¹⁾
- Expected to be treated primarily as a return of capital for U.S. federal income tax purposes. Anticipate that less than \$250 million of the distribution will be characterized as a dividend

Authorized \$500 Million Additional Share Repurchase Program

- The board authorized a share repurchase program of up to \$500 million through Dec. 31, 2016

Since HVCC Closing Last June, We Have Returned / Committed to Return \$2.25 Billion and Authorized Another \$500 Million for Share Repurchases

Share Repurchase History



- Since the fourth quarter of 2012, we have repurchased 14.8 million shares at an average price of \$87.65

Share Repurchase History

Launch Date	Shares Repurchased	Settlement Price	Amount
Q4 2012	1.0M	\$49.72	\$50M
March 2013	2.2M	\$56.58	\$125M
August 2013	1.7M	\$74.54	\$125M
May 2014	5.2M	\$96.72	\$500M
June 2015	4.8M	\$104.79	\$500M
Total	14.8M	\$87.65	\$1,300M

**We Have Repurchased 14.8 Million Shares for Approximately \$1.3 Billion –
We Have Authorized an Additional \$500 Million Program Through the End of 2016**

- Even after a \$2.75 billion capital return and spending another ~\$275 million in 2015 and 2016 on legacy disposals and reorganization, Visteon retains a substantial net cash position versus our peer group

(Dollars in Millions)

Visteon Net Cash

9/30/15 Cash and ST Investments	\$2,920	
Berlin Transaction ⁽¹⁾	(180)	→ \$141 paid in Q4 2015
HVCC IT Separation	(45)	
HVCC India	(50)	
Korea W/H Tax Refund	250	→ Received in early 2016
Visteon Capital Return	(2,250)	
Adjusted Cash	\$645	
9/30/15 Debt	382	
Adjusted Net Cash	\$263	

Visteon Leverage

LTM Adjusted EBITDA ⁽²⁾	\$269
Debt / EBITDA	1.4x
(Net Cash) / EBITDA	(1.0x)

1) Transaction fully hedged.

2) Excludes \$9 million of Adjusted EBITDA related to the Other product group.

Visteon is in a Net Cash Position vs. a Net Debt Position for Key Competitors – Opportunity for Additional Share Buybacks and Selective Acquisitions Going Forward



2015 Financial Update

January 2016

- Expect strong full-year 2015 financial results
 - We are increasing 2015 Guidance for Adjusted EBITDA and Adjusted Free Cash Flow to reflect strong operational performance during the fourth quarter
- We are also increasing lifetime backlog
 - 12/31/15 backlog of \$15.2 billion, up 8% vs. start of 2015 (ex. exchange)

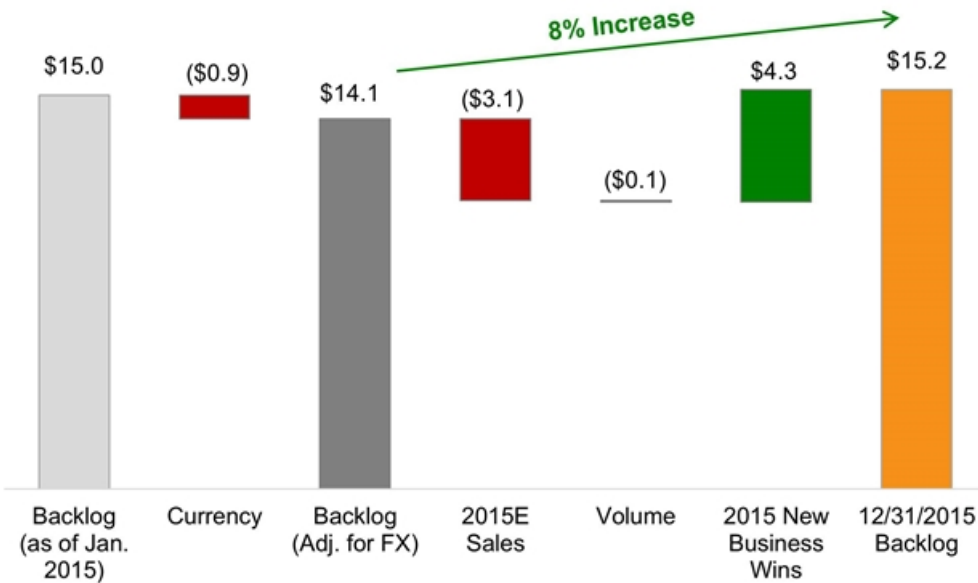
FY 2015 Guidance *(Electronics and Corporate Only)*

	FY 2015 Guidance	
	Prior	Updated
Sales	\$3.05 - \$3.10 B	\$3.10 B
Adjusted EBITDA	\$265 - 285 M	\$285 - 295 M
Adjusted FCF	\$135 - 165 M	\$180 - 200 M

Increasing FY 2015 Guidance to Reflect Strong Q4 Results

Backlog (12/31/2015)

(Dollars in Billions)



- Visteon disclosed new definition of backlog at Q3 earnings conference call
 - Backlog now represents cumulative remaining life-of-program booked sales
- Visteon Backlog:
 - 9/30/2015: \$14.6 billion
 - 12/31/2015: \$15.2 billion
- Lifetime booked sales / 2015E sales = ~4.9x
 (\$15.2 billion / \$3.1 billion)

Visteon Has Updated its Definition of Backlog to Reflect Total Life-of-Program Sales – Backlog at 12/31/2015 of \$15.2 Billion



2016 Guidance

January 2016

	2016 Guidance
Sales	\$3.2 B
Adjusted EBITDA	\$305-335 M
Adjusted Free Cash Flow	\$110-150 M

Other Selected Items:	2016 Guidance
Depreciation and Amortization	\$90 M
Tax Expense	\$65 M
Restructuring Expense	\$20-30 M
Capital Spending	\$80-90 M

2016 Sales and Adjusted EBITDA Guidance of \$3.2 Billion and ~\$320 Million, Respectively

Adjusted EBITDA: 2016 vs. 2015 Guidance

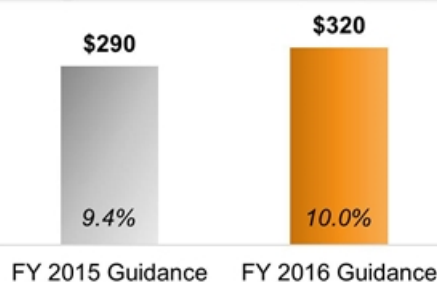
(Dollars in Millions)



Sales



Adjusted EBITDA (Mid-point)

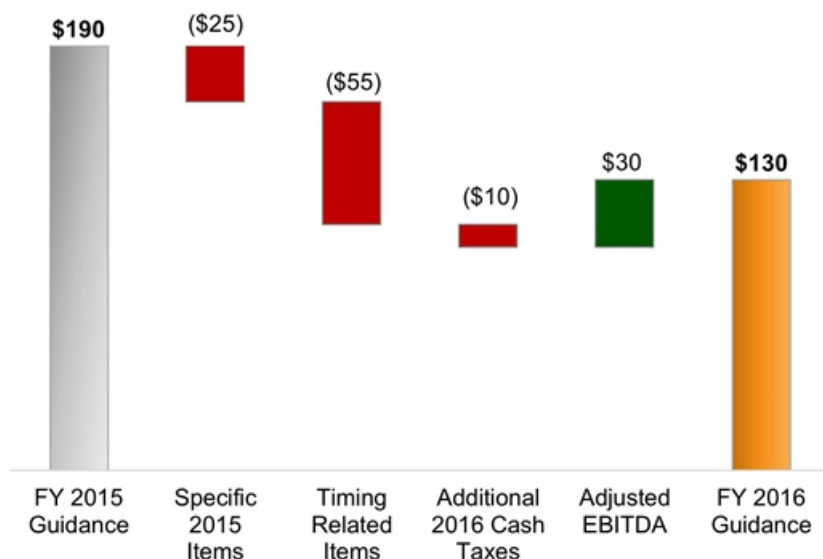


Commentary

- 2016 sales are projected to increase by \$100 million year-over-year
 - Increased volumes and new business partially offset by unfavorable currency and customer pricing
- 2016 Adjusted EBITDA projected to increase to \$320 million, or 10% of sales vs. 9.4% in 2015
 - Increase largely reflects improved performance, driven by SG&A and engineering cost efficiencies
 - Currency is a partial offset
 - Volume / Mix expected to have a minimal impact as the benefit of higher volumes is offset by the phase out of certain non-core business (which requires low levels of engineering – e.g. clocks)

Adjusted Free Cash Flow: 2016 vs. 2015 Guidance

(Dollars in Millions)



Specific Items Benefiting 2015 Cash Flow

Capitalized Engineering	(\$10)
Tax Refunds Related to Previous Years	(15)
Subtotal	(\$25)

Timing Related Items Benefiting 2015 Cash Flow

Tax Payments Delayed to 2016	(\$20)
Warranty Claims	(15)
Trade Working Capital / Other	(20)
Subtotal	(\$55)

2016 Budget Adjusted Free Cash Flow of \$130 Million is \$60 Million Lower than 2015 – Largely Reflecting Timing-Related Items



Closing Thoughts

January 2016

2015 Accomplishments for Continuing Operations

- Significant year-over-year profit improvement despite unfavorable currency
- Achieved upper range of targeted synergies related to JCI acquisition
- Returned \$500 million of capital to shareholders
- Announced \$1.75 billion special cash distribution to shareholders and authorized \$500 million additional share repurchase program

Opportunity to further improve margin and enhance capital structure should drive value in short term

Long-term opportunity to drive growth through product focus and customer and geographic expansion



Appendix

January 2016

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, and in particular Ford's vehicle production volumes, (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 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 execute on our cost-reduction initiatives in the amounts and on the timing contemplated;
- 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, 2014).

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.

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 2015 and 2016, 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.

Long-Term Growth Opportunity

Product Focus & Growth



Customer & Geographic Extension

Strengthen the Core

- Continue to lead market in next generation cluster, head-up display ("HUD"), connected audio, and display development
- Enhance infotainment IP around key areas such as media, connectivity, over-the-air software upgrades, advanced cyber security, and artificial intelligence capability
- Enhance and develop leading telematics control unit ("TCU") and connectivity solutions
- Expand product offerings across geographies and customers
 - Increase scale beyond clusters and audio in China
 - Enhance operating leverage by growing size at several large and currently underserved customers

Move Selectively to Adjacent Products

- Deliver on SmartCore program and expand concept to other parts of cockpit and to other customers
- Drive innovation on next generation safety applications, including V2X/V2V

Drive Higher Margins

- Drive margins to competitor group of 12%+ EBITDA

Short-Term Value Accretion

Margin & Cash Flow Improvement

Deliver Cost Efficiencies

- Achieve 10%+ EBITDA margin (vs. 6.6% in pro forma 2014)
 - SG&A is major focus and ~200bps opp. vs. 2014 PF
 - Engineering spend should be more efficient – 150-200bps opp. vs. 2014 PF

Drive Free Cash Flow

- Drive Adjusted Free Cash Flow improvements
 - Capex of ~2.5% of sales
 - Continue to drive down cash taxes through operational and structural improvements
 - Benefit from EBITDA margin enhancements
 - Focus on minimizing trade working capital and cash taxes as sales grow

Capital Structure Transition

Optimize Capital Structure

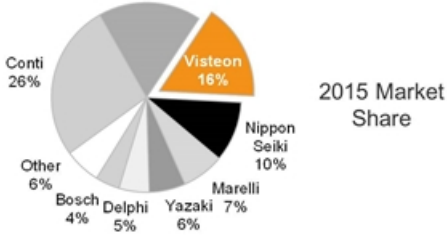
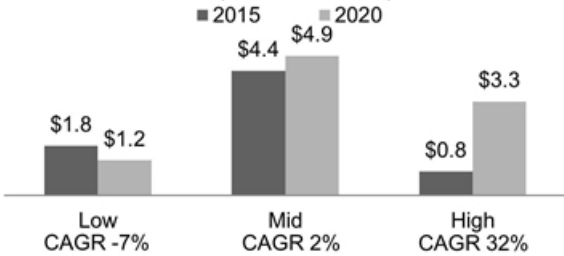
- Complete remaining \$2.25 billion capital return
- As cash flow improves, stabilize leverage by continuing return of capital to shareholders
- Complete disposal of legacy businesses
- Initially, focus M&A on smaller transactions aimed at key technologies

Key Criteria	
High	• Full reconfigurable TFT
	• Rich 3D graphics
	• Hybrid gauges + 7"/8" TFT
	• 2.5D or 3D graphics
Mid	• Hybrid gauges + 4" TFT
	• 2D or 2.5D graphics
Low	• Hybrid cluster 2-6 gauges
	• Dot matrix or mono TFT
	• 1-4 gauges
	• Small, segmented LCD



Global Market Revenue

Total market: 2015 \$7.0B / 2020 \$9.5B / CAGR 6%



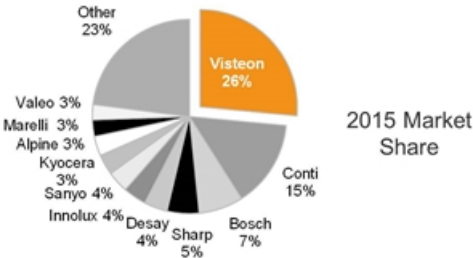
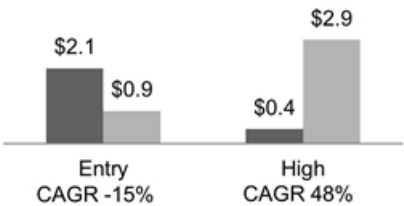
Main Growth Potential in Mid and High Segments

Key Criteria	
High	<ul style="list-style-type: none">• Display behind flat/curved lens• Touch screen• Optical bonding• New display technologies (e.g. OLED)• Haptics
Entry	<ul style="list-style-type: none">• Poke-through display with or without touch• No cover lens• Graphics processing optional



Global Market Revenue

Total market: 2015 \$2.5B / 2020 \$3.8B / CAGR 9%



Premium Segment Driving Innovation in Information Displays

Automotive Head-Up Display Market

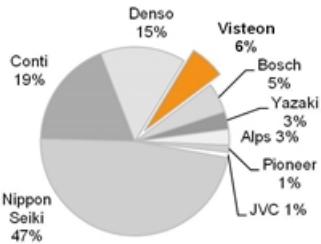
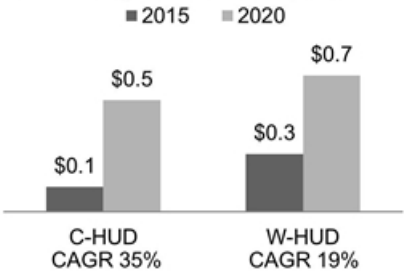


Key Criteria	
Augmented Reality W-HUD	<ul style="list-style-type: none">TFT, laser, or DLP10°-12°x 3°-5° FOVLuminance 15kcd/m²Electrical tilt
W-HUD	<ul style="list-style-type: none">4°-10°x 1.5°-3° FOVLuminance 10-15kcd/m²Electrical tilt
C-HUD	<ul style="list-style-type: none">Full color 1.2", 1.8", 3.1" TFT3°-8° x 1.5°-2° FOVLuminance 6-12kcd/m²Kinematics driven combiner



Global Market Revenue

Total market: 2015 \$0.4B / 2020 \$1.2B / CAGR 25%



2015 Market Share

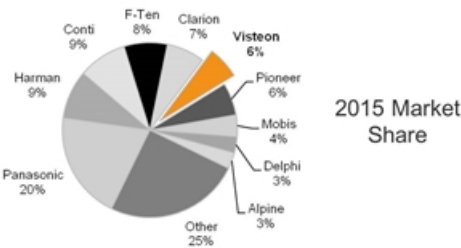
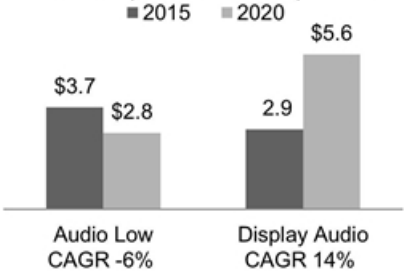
Volume Growth in C-HUD while Premium Segment Requires W-HUD

Key Criteria	
Display Audio	<ul style="list-style-type: none">8" color TFTCapacitive touch2D graphicsCarPlay, Android Auto, CarLifeBluetooth, WiFi, USB
Audio Low	<ul style="list-style-type: none">LCD or silver boxAM/FM/digital radioUSB, BluetoothClass AB amp



Global Market Revenue

Total market: 2015 \$6.6B / 2020 \$8.4B / CAGR 5%



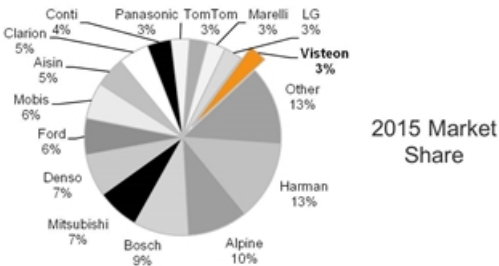
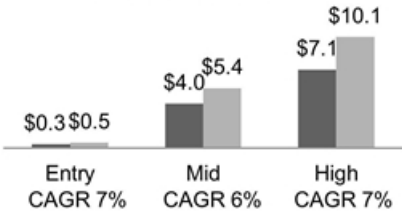
Basic Radio Transitioning to Display Audio with Smartphone Integration

Key Criteria	
High	<ul style="list-style-type: none">10"-12" color LCD with touch3D graphic OpenGLMultiple user / multiple HMIHigh-end embedded navigationUSB/Bluetooth/WiFi multimediaCloud apps
Mid	<ul style="list-style-type: none">8"-10" color LCD with touch3D graphics OpenGLEmbedded navigationUSB/Bluetooth multimediaCarPlay, Android Auto, CarlifeFOTA
Low	<ul style="list-style-type: none">7" color LCD with touchOptional embedded navigationUSB/Bluetooth multimediaCarPlay, Android Auto, CarlifeFOTA



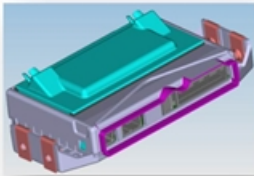
Global Market Revenue

Total market: 2015 \$11.5B / 2020 \$16B / CAGR 7%



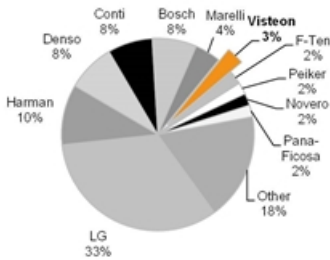
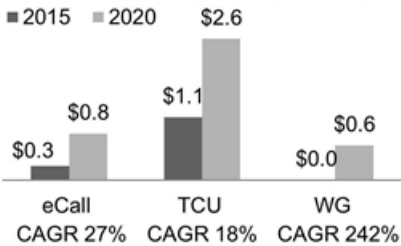
Mid and Premium Vehicle Segments Drive Infotainment Growth

Key Criteria	
Wireless Gateway	<ul style="list-style-type: none">Multiple access and wireless connectionsData caching/Adv FOTAAdv. Security and Smart IP Routing
TCU	<ul style="list-style-type: none">Cellular / Bluetooth / Wi-FiRemote vehicle functionsFOTA node / remote diagnosticsInternet connectivity / IP router
eCall	<ul style="list-style-type: none">Emergency call E-Call / ERA-GlonassGPS/GNSSStolen vehicle trackingBack up battery



Global Market Revenue

Total market: 2015 \$1.4B / 2020 \$4.3B / CAGR 29%



2015 Market Share

High Penetration Rate Driving Prices Down Dramatically

Integrated Vision ADAS

- Focus on integrating camera-based safety features in IC and infotainment
- Rear camera, surround view, forward collision warning and lane departure warning
- New “driver monitoring” feature for drowsiness detection
- Integration using SmartCore™ architecture offers significant cost-reduction opportunity
- New cost-effective night vision capability



Next-Gen Human Machine Interface

- HMI is critical for usability of cockpit electronics systems
- OEM customers asking for innovation in this domain
- Gesture support and new voice capabilities are critical technologies
- Improved display technologies and capabilities to reduce visual distraction



2016 Full-Year Vehicle Production Volume Outlook



(Units in Millions)	Visteon Electronics 2015E Sales	Global Vehicle Production		2016 B/(W) 2015
		2015E	2016E	
Asia	37%	44.8	46.6	3.9%
Europe	32	20.8	21.2	1.7
North America	29	17.5	18.2	4.2
South America	2	3.0	2.9	(5.3)
Other	-	2.1	2.2	9.3
Total	100%	88.3	91.1	3.2%

- IHS full-year 2016 forecast up 3.2% vs. 2015
 - Driven by higher volumes in all regions, except for South America
 - Note that Ford volumes globally are expected to be up 2.0%

2016 Expected Volume Growth of 3.2% Versus 2015

2016 Exchange Rate Assumptions



	2016E Budget	Impact of Weaker Currency vs. USD		Memo: Current Spot ⁽¹⁾
		Visteon Sales	Visteon EBITDA	
\$ / Euro	\$1.10	↓	↓	\$1.09
Japanese Yen / \$	120.0	↓	↑	117.5
Mexican Peso / \$	15.75	↔	↑	17.96
Chinese RMB / \$	6.30	↓	↓	6.57

2016 FY Impact of Movements in FX Rates ⁽²⁾

Unit Change	Unit Change	FY EBITDA Impact per Unit Change
\$ / Euro	\$0.01 / Euro	\$2.3
Japanese Yen / \$	1 JPY / \$	0.6
Mexican Peso / \$	0.10 MXN / \$	0.3
Chinese RMB / \$	0.10 RMB / \$	1.1

**Current Spot Rates Have Moved Since 2016 Budgeted Rates Set in November 2015 –
The Net Impact of the Currency Changes Results in Minimal Impact on Visteon 2016E EBITDA**

Page 39 (1) As of January 11, 2016.
(2) Excludes potential impact of currency hedges.

2015 / 2016 Guidance Reconciliation



Adjusted EBITDA (Electronics & Corporate Only)

(Dollars in Millions)	Electronics & Corporate Only			
	2015 FY Guidance		2016 FY Guidance	
	Low-end	High-end	Low-end	High-end
Adjusted EBITDA - Electronics & Corp Only	\$285	\$295	\$305	\$335
Interest expense, net	15	15	15	15
Provision for income taxes	55	55	65	65
Depreciation and amortization	80	80	90	90
Restructuring expense	35	35	30	20
Loss on debt extinguishment	5	5	-	-
Non-cash, stock-based compensation expense	9	9	8	8
Equity in net loss of non-consolidated affiliates	5	5	-	-
Net income attributable to non-controlling interests	20	20	20	20
Other expense, net	40	40	15	15
Other	-	-	-	-
Net Income (loss) - Electronics & Corp Only	\$21	\$31	\$62	\$102

2015 / 2016 Guidance Reconciliation (cont'd)



Free Cash Flow and Adjusted Free Cash Flow (Electronics / Corporate Only)

(Dollars in Millions)	Electronics & Corporate Only			
	2015 FY Guidance		2016 FY Guidance	
	Low-end	High-end	Low-end	High-end
Cash from (used by) operating activities	\$205	\$225	\$125	\$155
Less: Capital expenditures	95	95	90	80
Free cash flow	\$110	\$130	\$35	\$75
<u>Reconciliations to Adjusted Free Cash Flow</u>				
Free cash flow	\$110	\$130	\$35	\$75
Exclude: Restructuring / transformation-related payments	70	70	75	75
Adjusted free cash flow	\$180	\$200	\$110	\$150

- We expect to incur restructuring / integration cash outflows for Electronics and Corporate of \$80 million in 2015 and \$65 million in 2016 (all payments relate to expenses that are excluded from Adjusted EBITDA)
- We also expect to incur \$364 million in cash outflows related to former Climate / Interiors product lines
 - Largest payment of \$180 million relates to legacy European Interiors facility
 - Other costs include IT costs to facilitate the HVCC transition, costs to purchase the Halla India Electronics facility, labor payments, taxes, professional fees, and other charges
- In early 2016, we also received the vast majority of a roughly \$250 million net cash inflow associated with the successful outcome of Korean withholding tax refund relating to the HVCC transaction

Restructuring and Transformation Cash Payments / Tax Recovery

(Dollars in Millions)	2015E	2016E	2015-16 Total
Electronics / Corporate Cash Payments			
Restructuring Cash Payments	\$30	\$55	\$85
IT Decentralization / Pro Fees / Integration	40	20	60
Total	\$70	\$75	\$145
Climate / Interiors Cash Payments			
Payments Related to Interiors Facility Sale	\$141	\$34	\$175
IT - Costs to Facilitate HVCC Transition	18	35	53
Halla India Electronics Facility ⁽¹⁾	-	50	50
HVCC Labor Payment	30	-	30
Jinqiao Disposition Tax ⁽²⁾	9	-	9
Other - including Pro Fees / Restructuring / Additional IT Costs	40	10	50
Total	\$238	\$129	\$367
Net Korea Withholding Tax Recovery			
Net Korea Withholding Tax Recovery	-	(\$250)	(\$250)
Total	-	(\$250)	(\$250)

- (1) Visteon agreed to terms to purchase this facility shortly before closing the HVCC transaction. As Visteon has effective control, it will continue to consolidate its financials but the purchase will take place in 2016.
- (2) Proceeds of \$91 million from the Jinqiao disposition are included in Cash from Investing Activities.



www.visteon.com