

Deutsche Bank Global Auto Industry Conference

January 10, 2017



Visteon®

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, 2015).
- 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

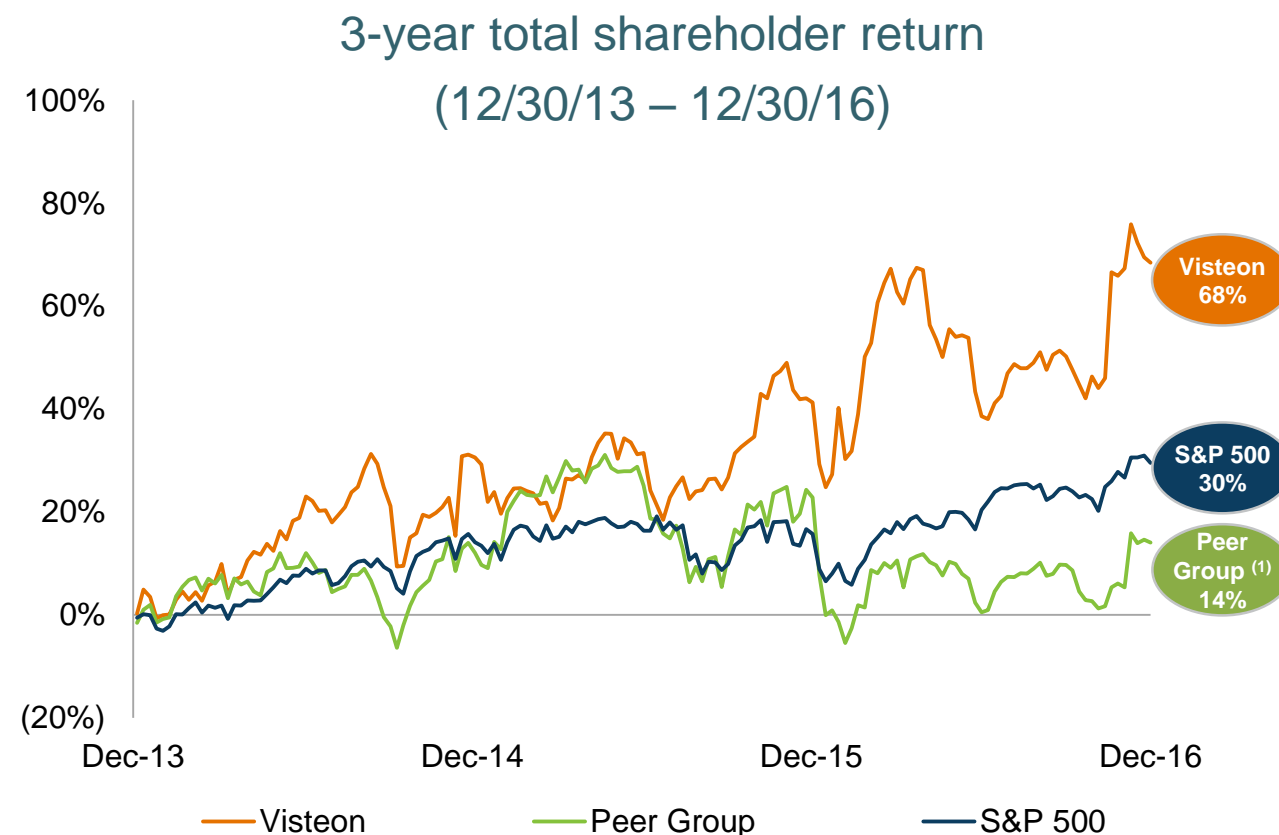
18 Countries

22 Manufacturing locations

18 Technical centers

Van Buren Township,
Michigan, United States

Company headquarters



(1) Peers include Autoliv, BorgWarner, Continental, Delphi and Gentex.

A global leader in automotive cockpit electronics delivering a rich, connected cockpit experience for all cars from luxury to entry segment

Broadest cockpit electronics portfolio in the industry

Visteon®



Visteon®

- ✓ Global market share leader across multiple products
- ✓ Debuted the first internet app infotainment platform at CES 2017
- ✓ First to market with cockpit domain controller

The only pure-play cockpit electronics supplier in the industry

Strategic imperatives communicated at 2016 DB Conference

Status update



Strengthen the Core



- ✓ Build organization with exceptional talent across variety of disciplines
- ✓ \$5.4 billion in new business wins in 2016
- ✓ Launched record number of new products in 2016 with 41 in China

Move Selectively to Adjacent Products



- ✓ Launched first internet app infotainment platform at CES 2017
- ✓ 2nd major award for SmartCore™ cockpit domain controller
- ✓ Expanded into windshield head-up displays business

Deliver Cost Efficiencies



- ✓ Increased adjusted EBITDA margin from 9.5% in 2015 to ~11% in 2016
- ✓ Generated ~\$155 million of adjusted free cash flow in 2016
- ✓ \$2.2 billion in 2016 capital returns

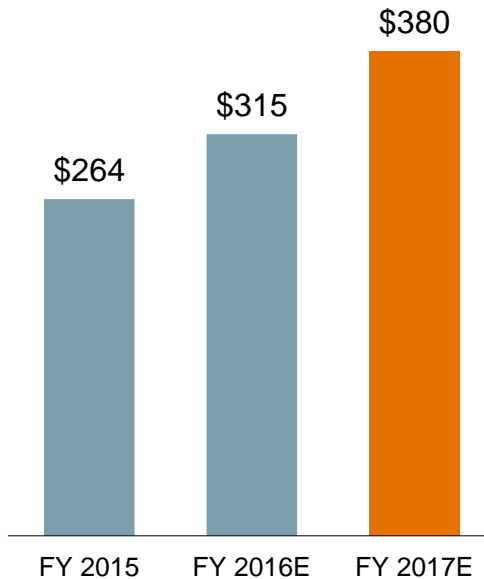
Focused and disciplined execution of strategy is accelerating positive results

Strong growth in China – the world's largest automotive market



(Dollars in millions)

Visteon Domestic China Sales



20% sales CAGR in domestic sales from 2015-2017

Joint Venture Partnerships



Strong partnerships with "Big 4" automakers (together represent over 50% of China auto market)

2017 Drivers and Assumptions

- Domestic vehicle production volumes forecasted to grow at ~5%
- Continued sales tax incentive for small cars
- New product launches drive Visteon sales faster than market
- Infotainment and SmartCore™ are largest opportunities for Visteon
- Early engagement with China OEMs on autonomous technology

Delivering on technology roadmap

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2015

Launched domain controller for cockpit



SmartCore™

2017

Launched next-generation infotainment



Phoenix™

2018

Launch autonomous driving domain controller platform



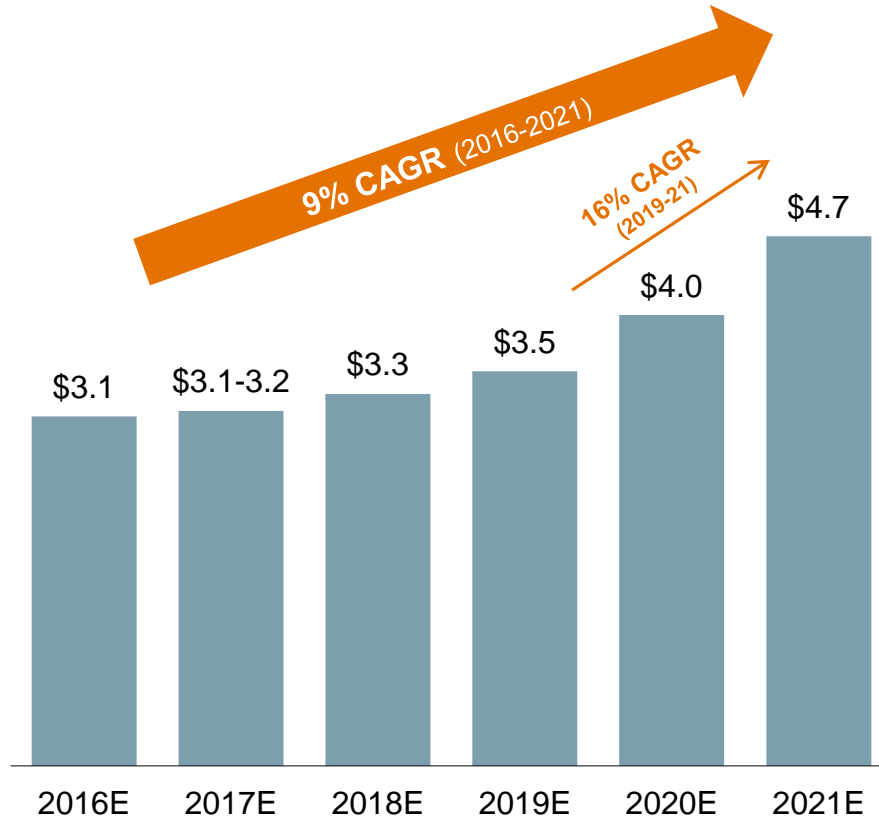
- ✓ More than 1,100 total visitors (by appointment only)
 - Over 500 visitors, representing 45 vehicle manufacturers
 - More than 100 investors
- ✓ 41 media and industry analyst briefings with publications such as Automotive News, Forbes, New York Times, TheStreet.com

Visteon 5-year business plan

(Dollars in billions)



Visteon Electronics Sales



Business Plan Assumptions

- IHS global production volumes forecasted to grow at 2.4% CAGR from 2016-2021 (reduced from prior plan projection of 3.0%)
- Key drivers:
 - Improved backlog of \$16.5 billion provides strong level of sourced business
 - Growth in three key segments – Clusters 11% CAGR, Infotainment 20%, Head-up Displays 75%
 - New offerings including SmartCore™ and Phoenix™ drive higher software content
 - China sales outpacing overall company growth rate

Sales CAGR of 9% outpacing industry production volume growth of 2.4%

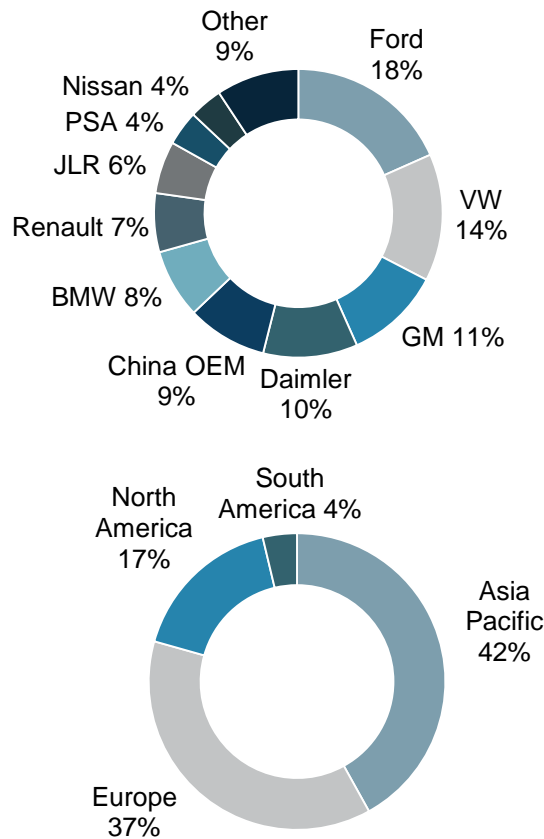
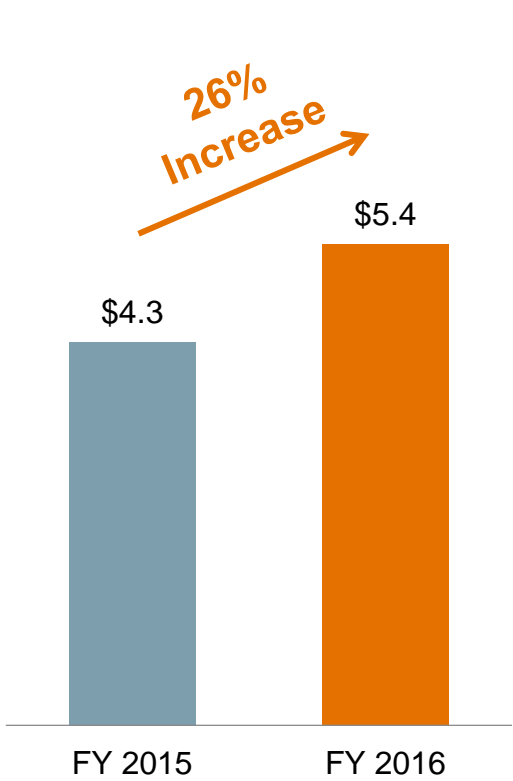
Record new business wins driven by technology leadership

Electronics only

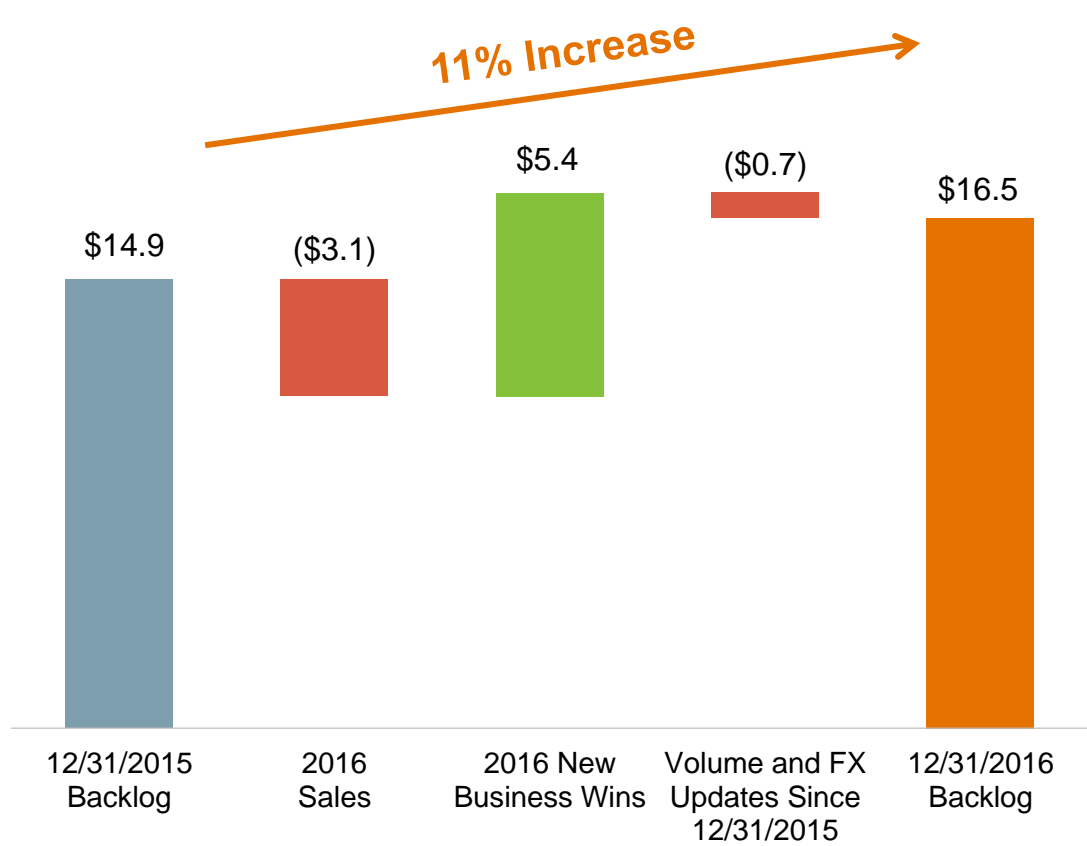


(Dollars in billions)

\$5.4 billion consolidated new business wins



\$16.5 billion current backlog (lifetime)



Note: Backlog represents cumulative remaining life-of-program booked sales.

New business wins focused on faster growing markets

Backlog provides solid foundation for five-year plan

(Dollars in billions)

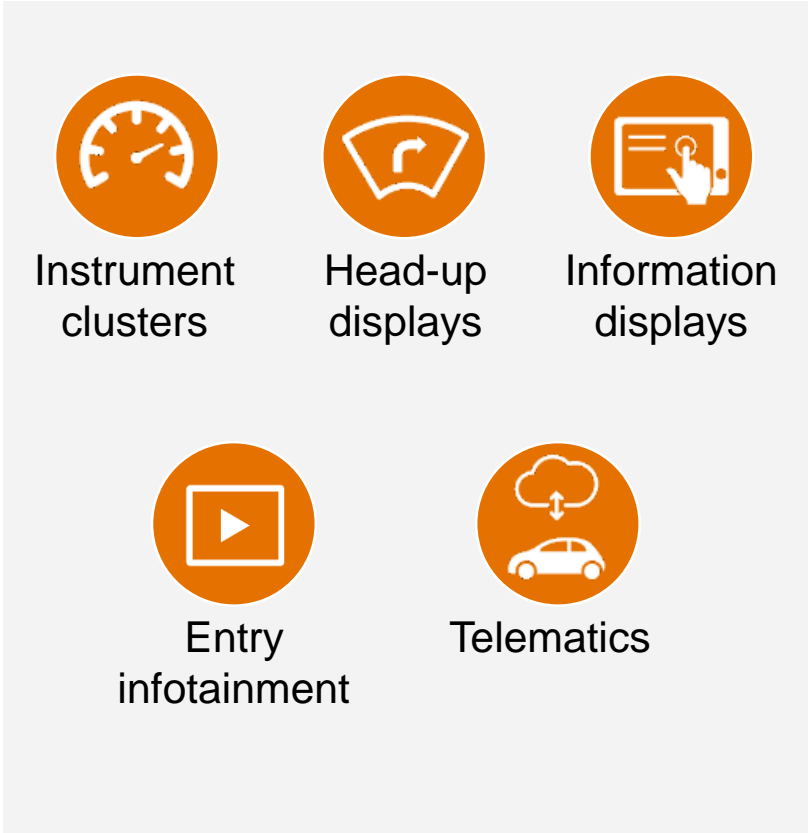


Note: Backlog represents cumulative remaining life-of-program booked sales.

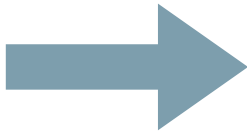
(1) Reflects estimated new business wins needed in 2017 and 2018 to achieve 5-year sales outlook. A portion of these wins would launch by 2021, with the remainder launching in future years.

New technology offerings drive higher growth

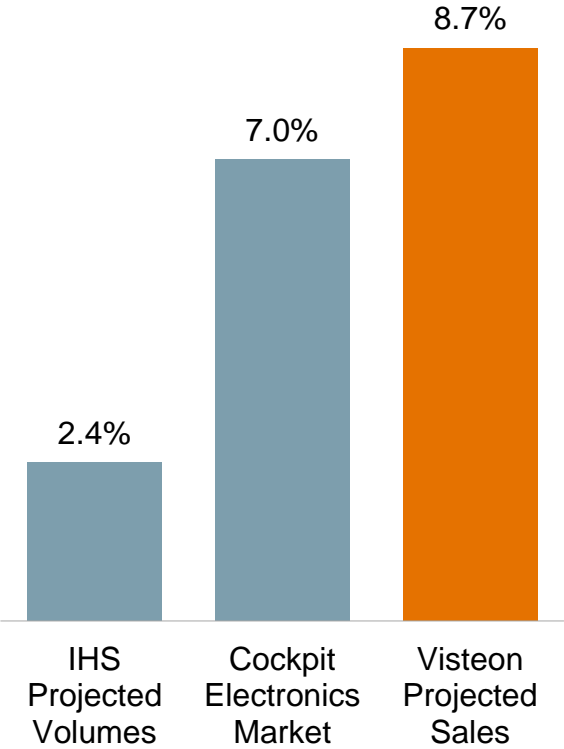
Visteon Core Products



New Offerings



Visteon 2016-2021 CAGR vs. Market



2017 strategic imperatives

Strengthen Core Business



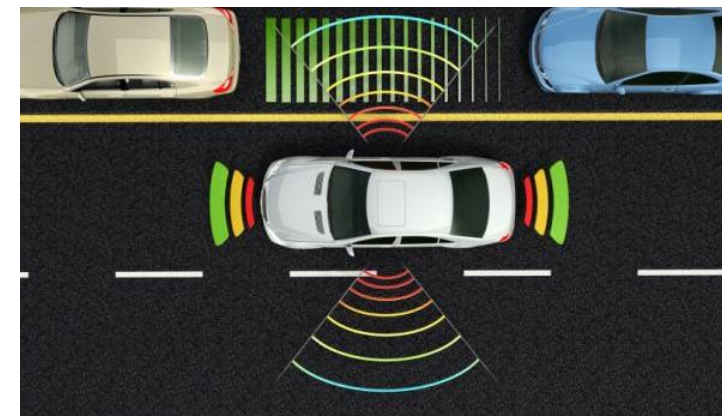
- Deliver higher sales and improve margins to ~11.5%
- Drive new business wins to achieve combined ~\$12 billion target for 2017/2018
- Continued focus on operational excellence

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

Capital Deployment Strategy and Financial Guidance

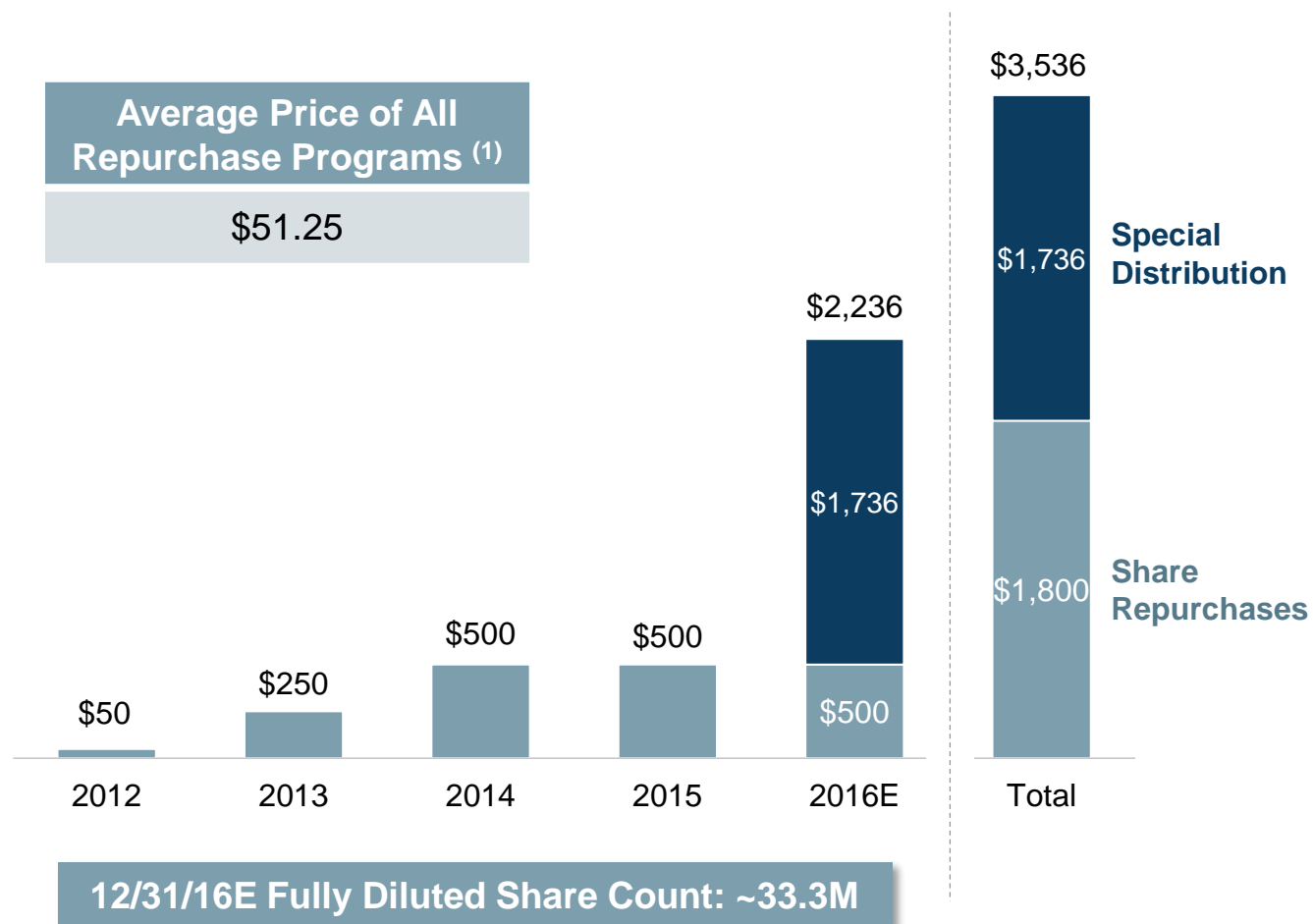
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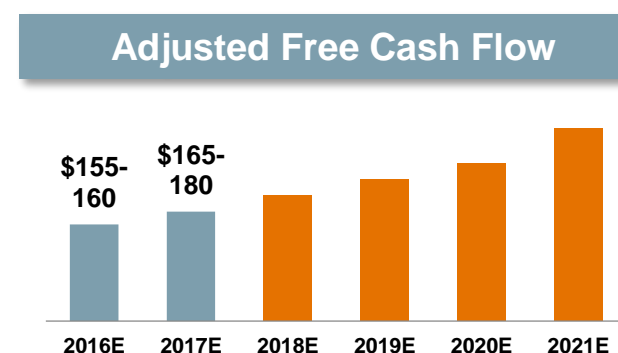
\$3.5 billion of capital returns to shareholders since 2012...

(Dollars and shares in millions)



New share repurchase authorization for
\$400 million
to be executed through
March 2018

Opportunity for additional capital returns



(1) Represents the dollar weighted average of the average price of shares purchased during the period 2012 through 2015 (adjusted for \$43.40 per share special distribution) and the actual average price for shares purchased in 2016.

...Committed to future shareholder distributions

Full-year 2016 and 2017 guidance

(Electronics product group)



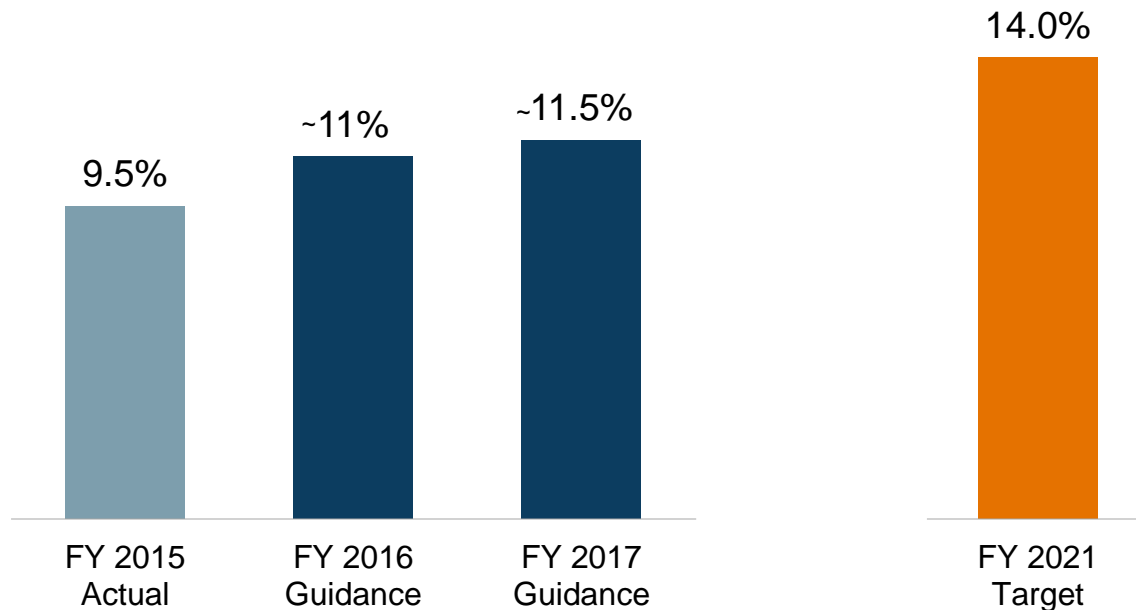
	FY 2016 Prior Guidance	FY 2016 NEW Guidance	FY 2017 Guidance
Sales	~\$3.1B	~\$3.1B	\$3.1 - 3.2B
Adjusted EBITDA	\$325 - 335M	\$340 - 345M	\$355 - 370M
Adjusted EBITDA Margin	10.5% - 10.8%	~11%	~11.5%
Adjusted free cash flow	\$125 - 150M	\$155 - 160M	\$165 - 180M

Raising guidance for 2016 with continued margin improvement in 2017

Reaching long-term margin objective faster than anticipated



Adjusted EBITDA margin (Electronics Product Group)



Raising the company's long-term
Adjusted EBITDA Margin
objective from 12% to
14%
while investing in future technologies

Increasing margins through cost leverage and increased software content in new offerings

Delivering shareholder value

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Long-Term Growth Through Technology Leadership

Revenues to **grow to \$4.7B** in 2021 with current backlog and future business wins

Leadership in next-gen **infotainment** and **SmartCore™** domain controller technologies

Margin Expansion / Cash Flow Generation

Improved adjusted EBITDA margin by **~150 bps** in 2016

Raising long-term **adjusted EBITDA margin objective** from 12% to **14%**

Return Enhancement Through Capital Deployment

Track record of capital returns: **over \$3.5 billion** since 2012

New share repurchase authorization for **\$400 million** to be executed through March 2018

Appendix

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Use of non-GAAP financial information



- 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.

2017 volume and exchange rate assumptions

2017 production volumes ⁽¹⁾

	Production Volumes		2017 vs. 2016
(Units in Millions)	2016E	2017E	
<u>Visteon Top 10 Customers</u>			
Ford	6.3	6.2	(2.0%)
Mazda	1.6	1.6	(0.1)
Renault/Nissan	9.0	9.2	2.8
GM	8.0	7.8	(2.6)
JLR	0.6	0.7	9.4
BMW	2.4	2.4	1.8
Honda	5.0	5.0	1.2
PSA	2.9	3.0	3.1
VW	10.3	10.4	1.6
Daimler	2.7	2.7	(0.5)
Visteon Top 10	48.6	49.0	0.6%
All Other	43.3	44.1	1.9
Total	91.9	93.1	1.3%

Key exchange rate assumptions

	2016	2017E	Current Spot ⁽²⁾
\$ / Euro	\$1.11	\$1.10	\$1.06
Mexican Peso / \$	18.5	20.0	21.3
India Rupee / \$	67.3	68.0	68.1
Thailand Baht / \$	35.3	35.5	35.6
Brazilian Real / \$	3.51	3.50	3.20
Japanese Yen / \$	109.6	105.0	116.2
Chinese Yuan / \$	6.62	7.00	6.93

2017 full-year impact of movements in FX rates ⁽³⁾

	Unit Change	FY Impact of Stronger USD (per unit change)	
		Sales	EBITDA
\$ / Euro	\$0.01 / €	(\$7)	(\$2.3)
Japanese Yen / \$	1 JPY / \$	(1)	0.6
Mexican Peso / \$	0.10 MXP / \$	0	0.3
Chinese Yuan / \$	0.10 RMB / \$	(7)	(1.1)

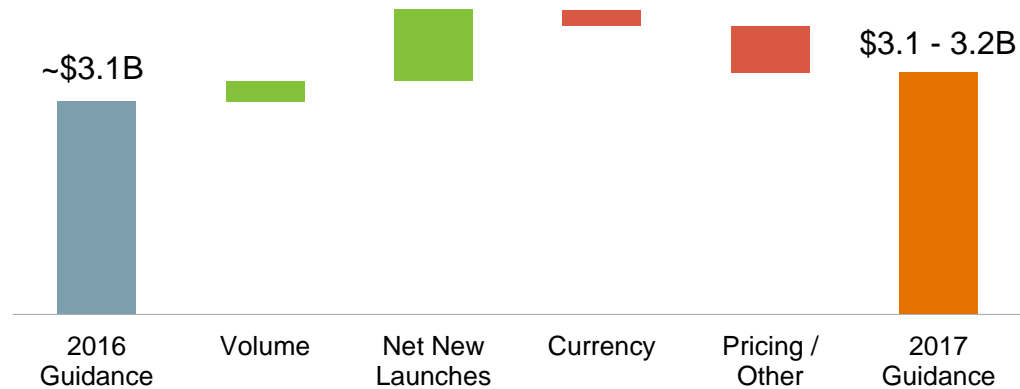
(1) Source: IHS November 2016 forecast.

(2) As of January 9, 2017.

(3) Excluding hedges.

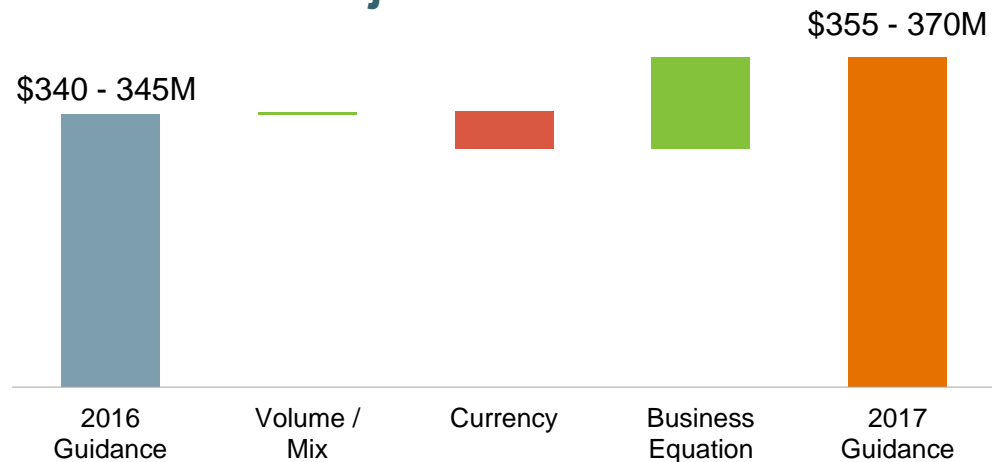
2017 vs. 2016 Y/Y drivers

Sales



- **Volume:**
 - IHS global volumes increase 1.3% in 2017 vs. 2016
 - Key Visteon customers forecasted to grow below overall market
- **Net New Launches:** solid net new product launches
- **Currency:** unfavorable impact of Chinese RMB and Euro
- **Pricing:** in-line with historical levels

Adjusted EBITDA



- **Volume / Mix:** volume growth offset by unfavorable mix
- **Currency:** unfavorable impact of Chinese RMB and Euro
- **Business Equation:** material and manufacturing cost savings and lower fixed costs more than offset customer pricing givebacks

2016 and 2017 guidance reconciliation

Adjusted EBITDA *(Electronics Product Group)*

(Dollars in Millions)	Electronics Only			
	FY 2016 Guidance		FY 2017 Guidance	
	Low-end	High-end	Low-end	High-end
Adjusted EBITDA - Electronics Only	\$340	\$345	\$355	\$370
Depreciation and amortization	80	80	85	85
Restructuring expense	55	55	10	10
Interest expense, net	15	15	15	15
Equity in net (income) / loss of non-consolidated affiliates	(2)	(2)	(5)	(5)
Other expense, net	8	8	5	5
Provision for income taxes	40	40	60	60
Net income attributable to non-controlling interests	15	15	20	20
Stock-based compensation expense / employee charges	9	9	10	10
Net Income (loss) - Electronics Only	\$120	\$125	\$155	\$170

2016 and 2017 guidance reconciliation (cont'd)

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

(Dollars in Millions)	Electronics Only			
	FY 2016 Guidance		FY 2017 Guidance	
	Low-end	High-end	Low-end	High-end
<u>Free cash flow (Electronics)</u>				
Cash from operating activities	\$195	\$200	\$175	\$190
Less: Capital expenditures	80	80	80	80
Free cash flow	\$115	\$120	\$95	\$110
Exclude: Restructuring / transformation-related payments	40	40	70	70
Adjusted free cash flow	\$155	\$160	\$165	\$180

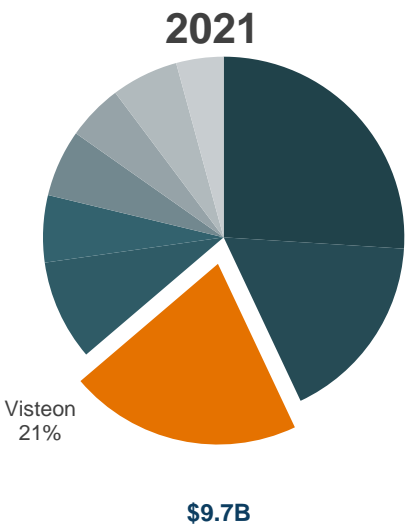
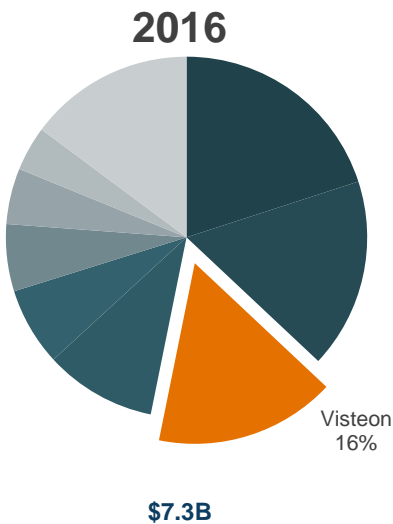
Instrument cluster market overview



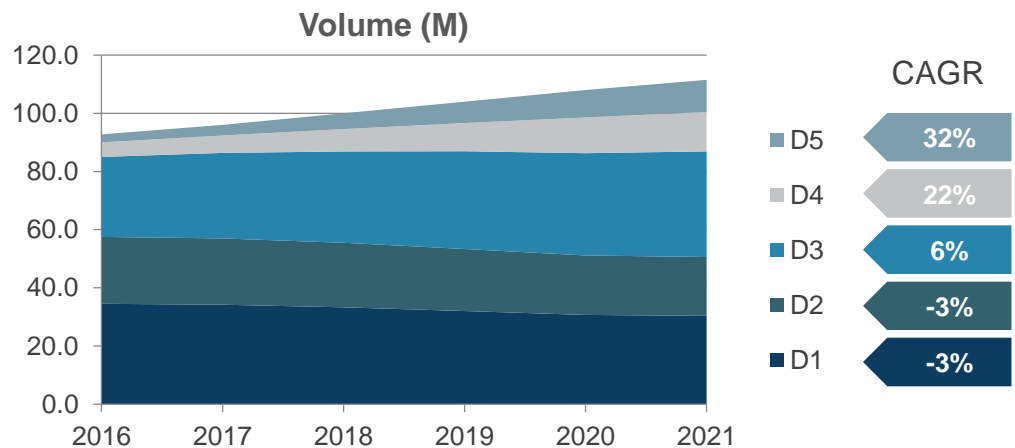
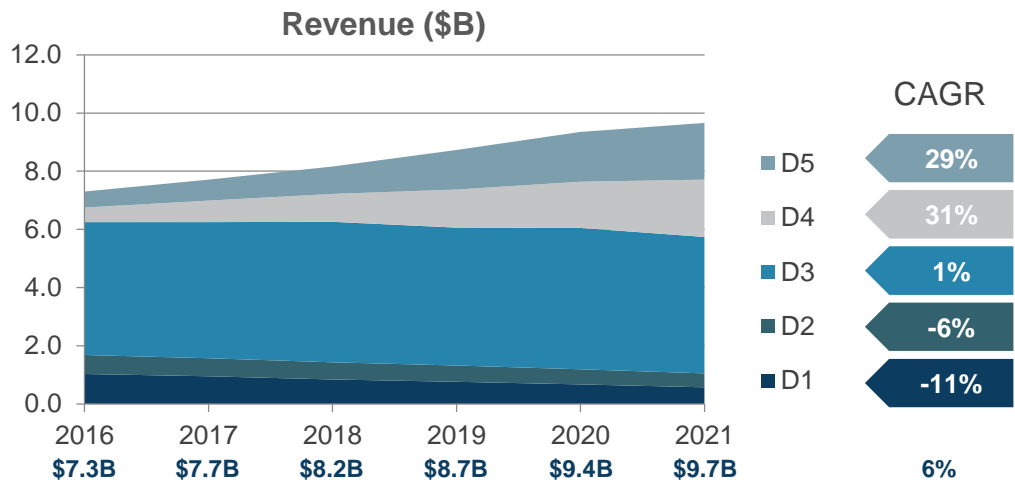
Market Analysis

- Significant increase on “ALL digital” design solutions
- Architectural changes to function oriented “Domain Controller”
- Sourcing models separating HW from SW providers
- Higher display performance (optical, resolution, size), linkage to Advanced Driver Assistance System and Autonomous Driving
- Electrification driving power efficiency

Market Share (By Revenue)



Market Size



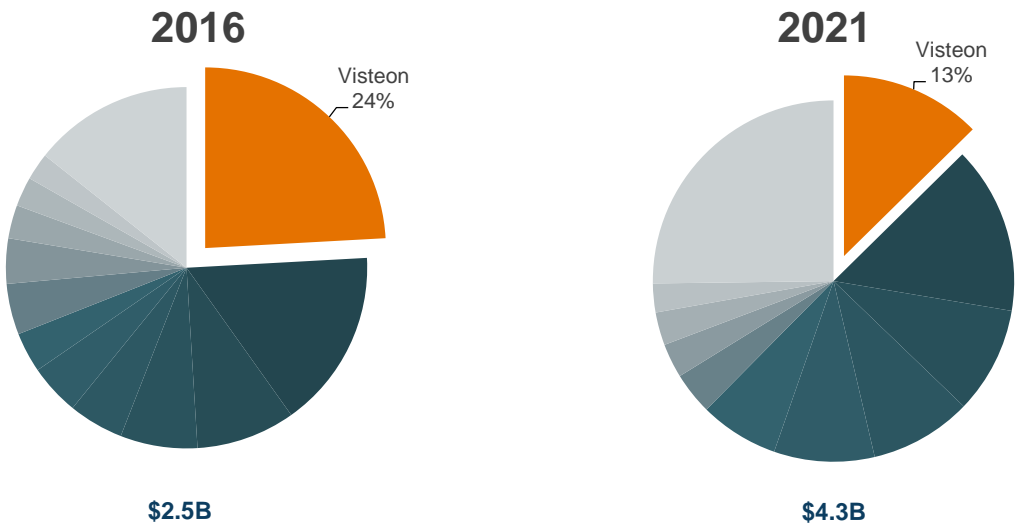
Center information display market overview



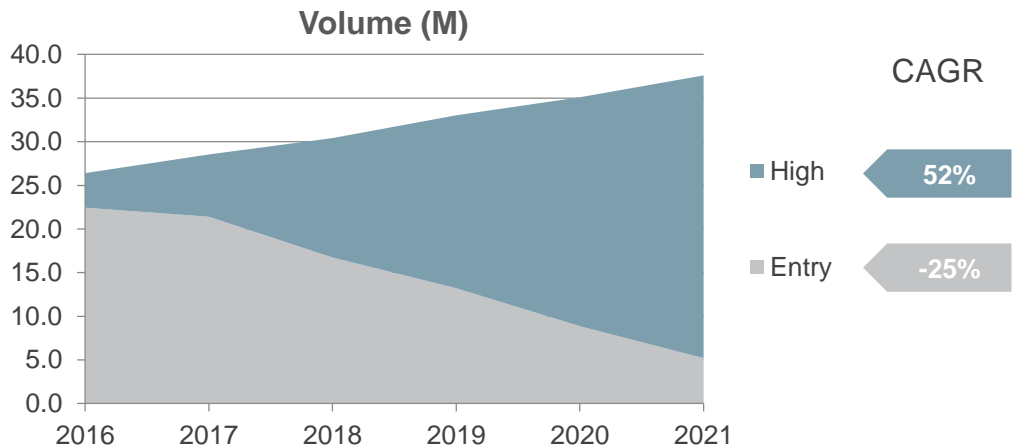
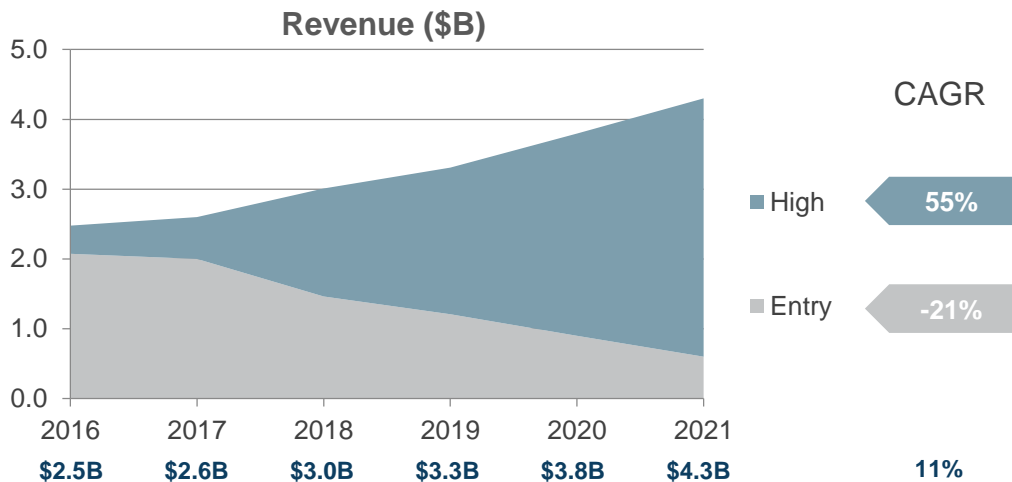
Market Analysis

- Consumer electronics experience drives demand in automotive (pleasure and aesthetics – OEM design studio/marketing key initiators for early engagement)
- Increase in Display functions (size, sensing, gesture, haptic feedback, functional safety, biometric)
- Advancement in SOC technology and price reduction are driving multi displays use, separation of silver box, and replacing traditional devices (buttons, mirrors)
- Improved optical quality (resolution, brightness, viewing angle, local diming, HDR)
- Seamless integration and functional surfaces extend outside the “traditional display” area (secret till lit, light effects, touch)

Market Share (By Revenue)



Market Size

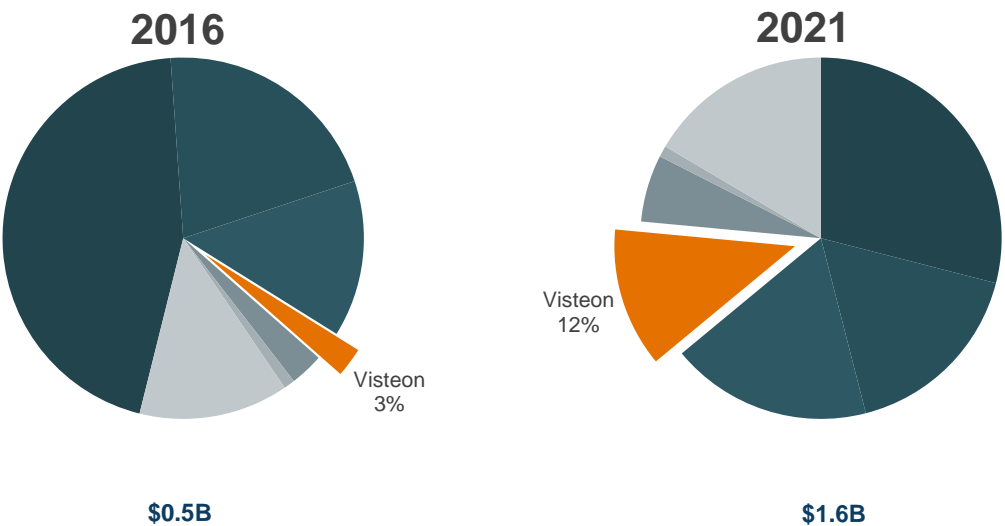


Head-up display market overview

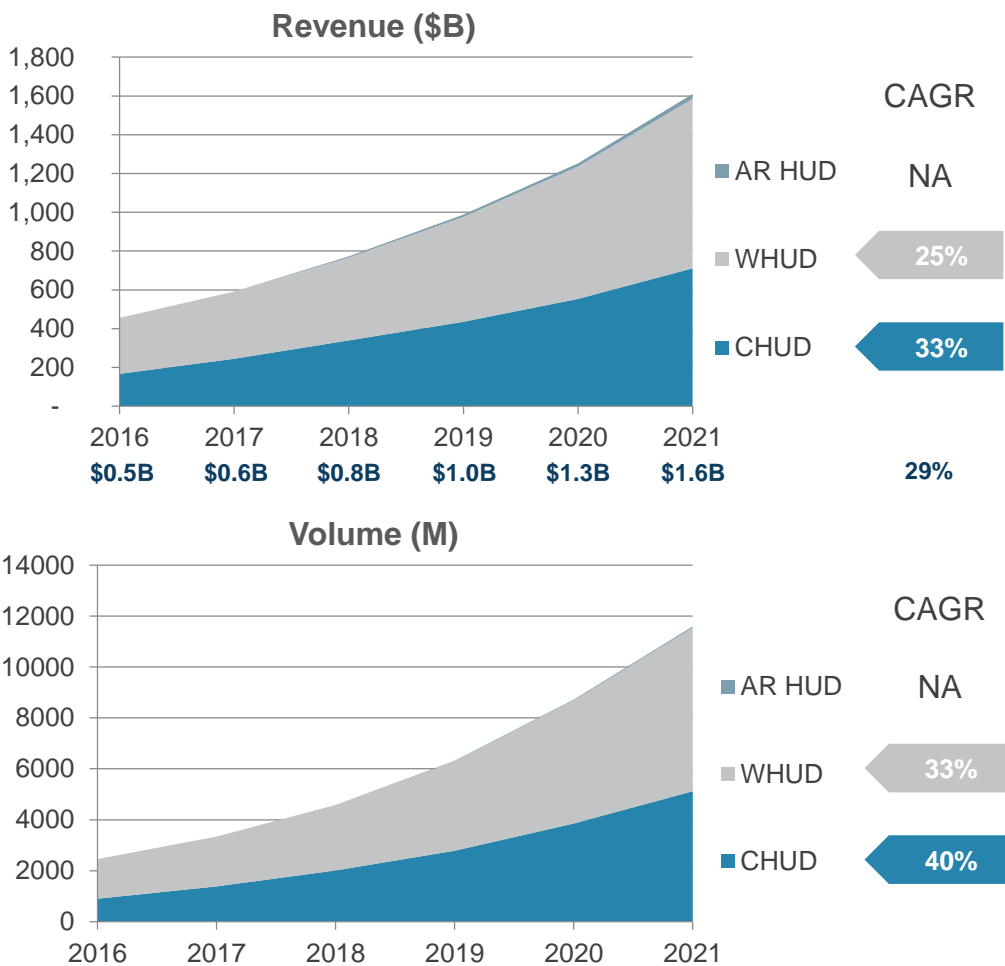
Market Analysis

- Strong market trend for wider HUD image
- Strong demand for Augmented Reality HUD from Premium pulled by Autonomous Driving
- WHUD maintains higher market shares but balanced by CHUD introductions for lower car segments
- Market will more than triple in volume and revenue within the plan period (2016 -2021) as Market changes from niche to mainstream

Market Share (By Revenue)



Market Size

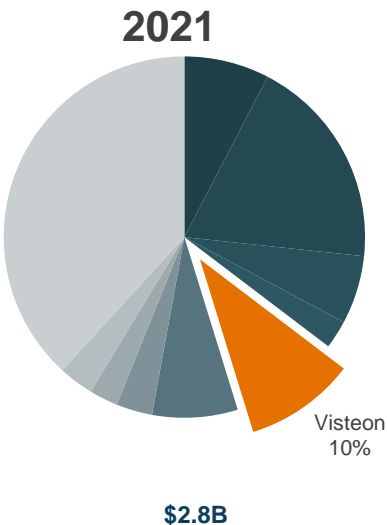
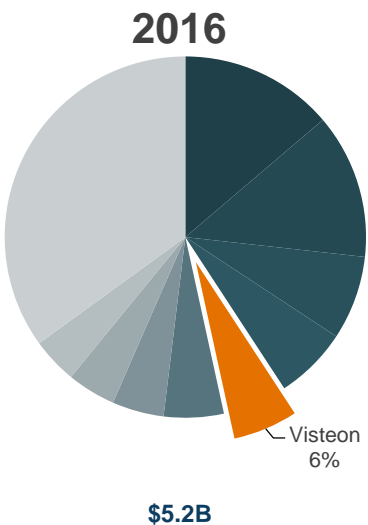


Audio market overview

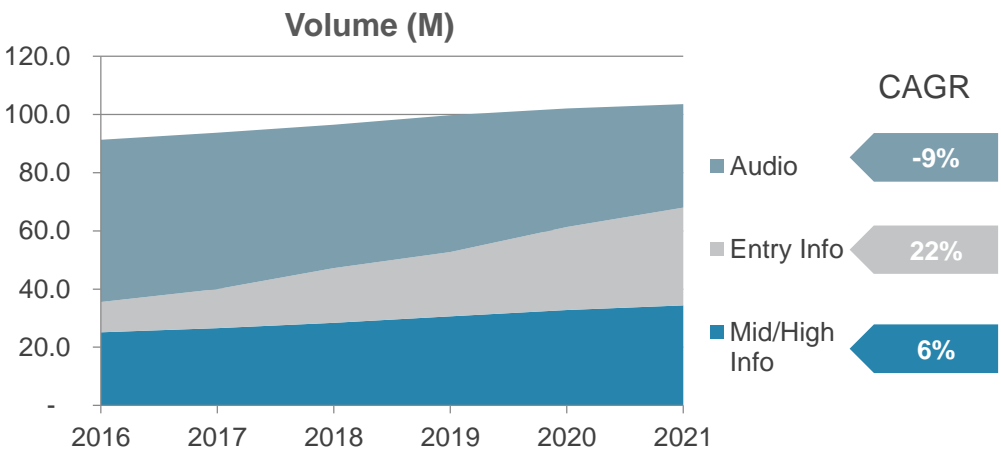
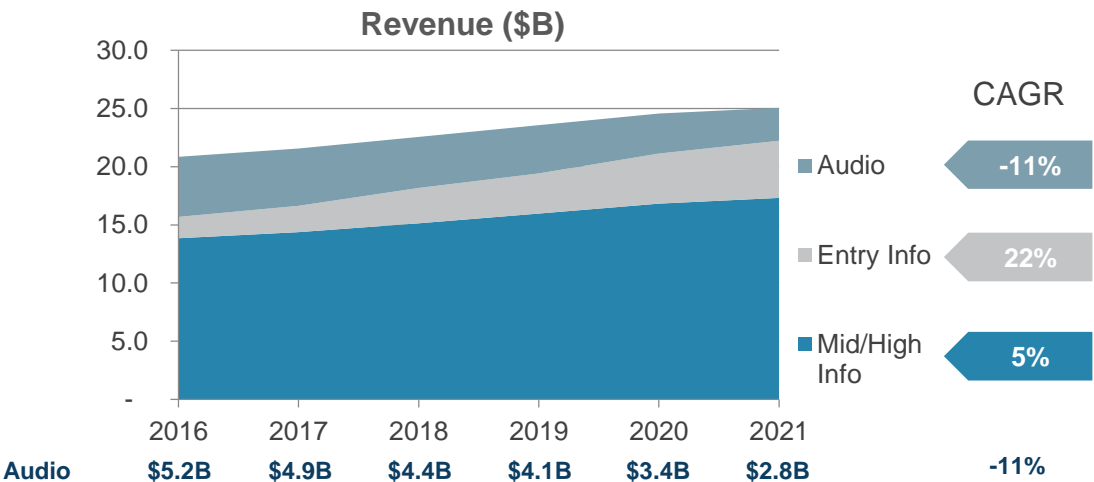
Market Analysis

- Audio market decline as revenue transitions to Entry Infotainment
- Commodity market with high cost-focus (product price & engineering bill)
- Does not include a color TFT display – therefore not a good solution for integrating functionality with a smartphone
- Semi-AM competitors (FlyAudio) in Emerging Markets

Market Share (By Revenue)



Market Size

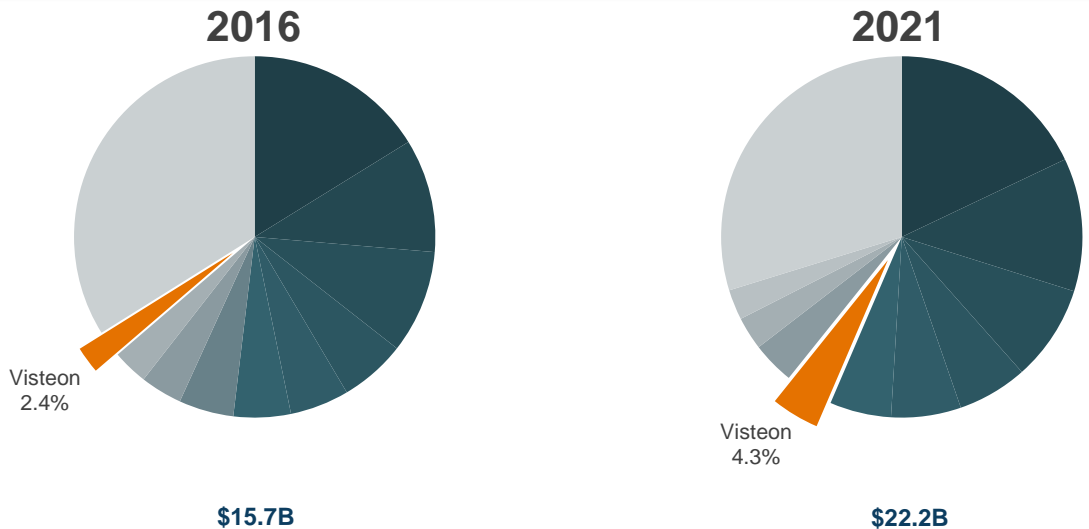


Infotainment market overview

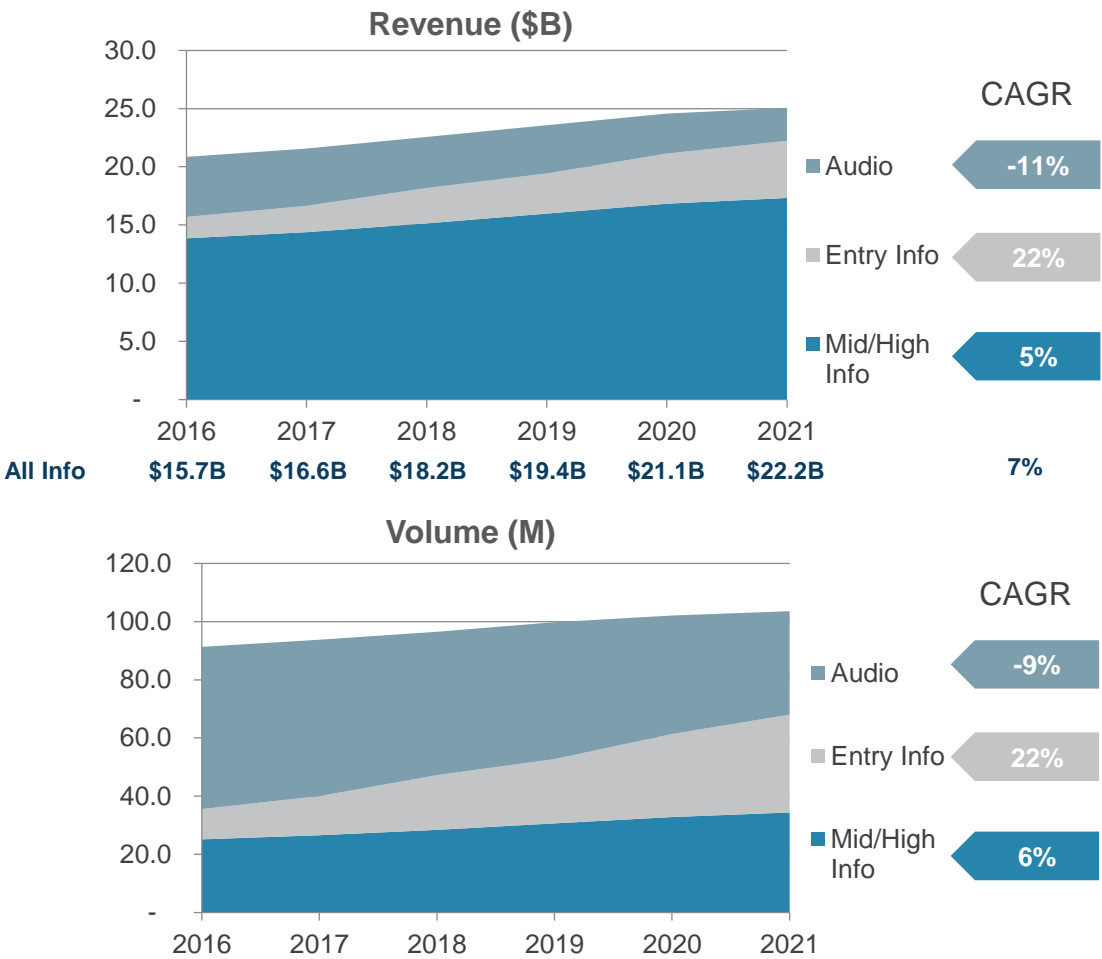
Market Analysis

- Largest revenue product line
- Moderate growth rate in Mid / High; large growth in Entry (volume and revenue)
- Mid/High grows by adding C/D segments; Entry as base Audio replacement
- Large number of infotainment suppliers with 5 controlling 50% of the market
- Key drivers are smartphone integration, apps, FOTA, open source standards, cyber security

Market Share (By Revenue)



Market Size



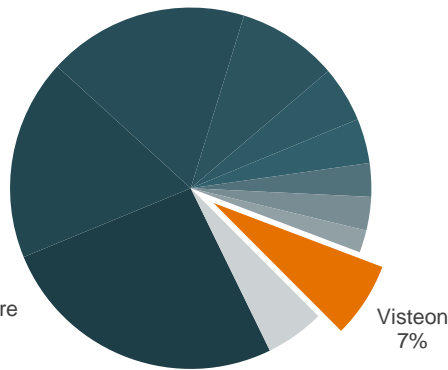
Telematics market overview

Market Analysis

- Increasing wireless complexity
- Multiple access & security needs
- Connected services (FOTA / Vehicle data services)
- High-speed vehicle networking (Ethernet)
- Increasing data volume and speeds
- European eCall regulation

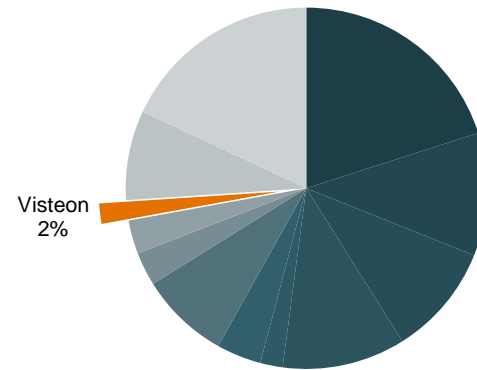
Market Share (By Revenue)

2016



\$2.7B

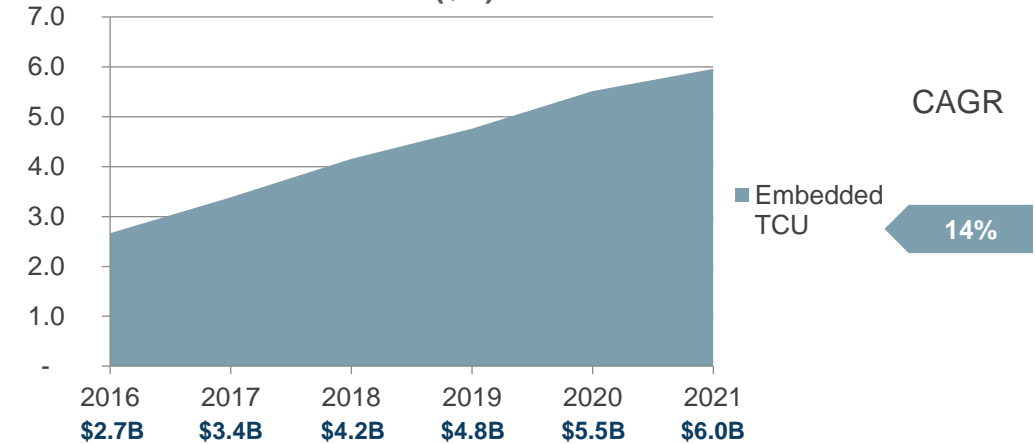
2021



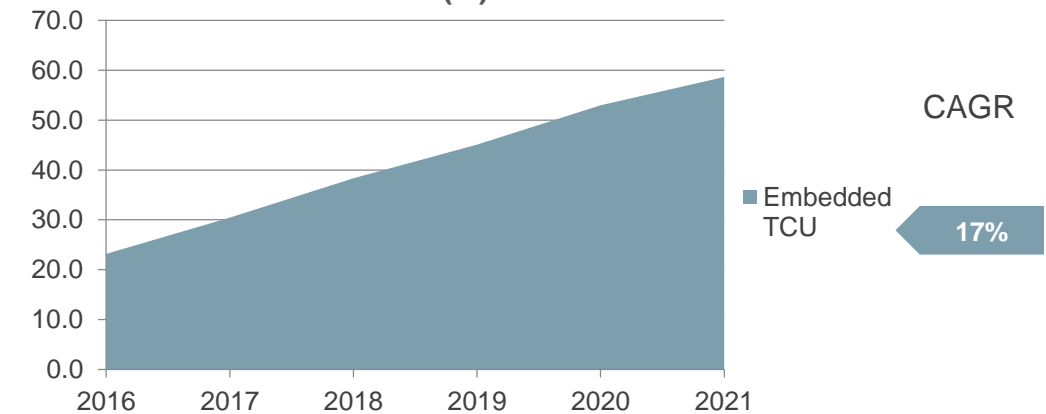
\$6.0B

Market Size

Revenue (\$B)



Volume (M)



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