



---

**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 11, 2007

**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))

## **TABLE OF CONTENTS**

### [SECTION 2 — FINANCIAL INFORMATION](#)

[Item 2.02. Results of Operations and Financial Condition.](#)

### [SECTION 7 — REGULATION FD](#)

[Item 7.01. Regulation FD Disclosure.](#)

### [SECTION 9 — FINANCIAL STATEMENTS AND EXHIBITS](#)

[Item 9.01. Financial Statements and Exhibits.](#)

### [EXHIBIT INDEX](#)

[Presentation Slides of Webcast Presentation Held on January 11, 2007](#)

---

## SECTION 2 — FINANCIAL INFORMATION

### Item 2.02. Results of Operations and Financial Condition.

Several senior executives of Visteon Corporation (the “Company”) are expected to make a presentation on January 11, 2007 to investors and security analysts at the Automotive Analysts of New York 2007 Detroit Automotive Conference in Dearborn, Mich., which will include a discussion of the Company’s strategy and financial outlook, including an estimate of its financial results for fiscal year 2006. 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 Automotive Analysts of New York 2007 Detroit Automotive Conference to be held on January 11, 2007.

---

**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

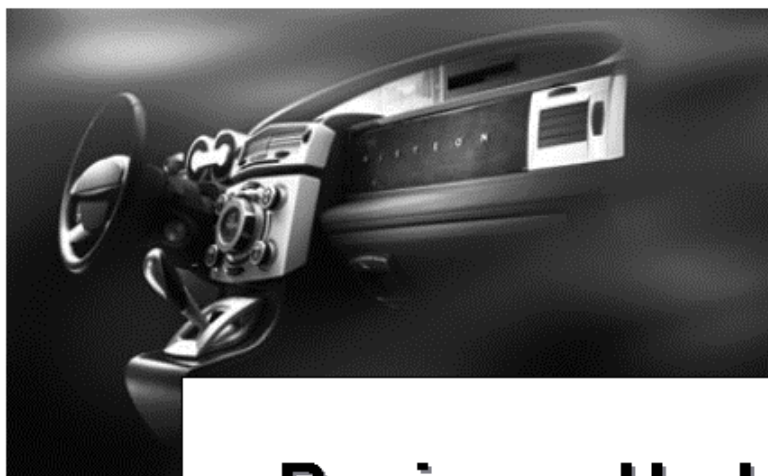
Date: January 11, 2007

By: /s/ William G. Quigley III  
William G. Quigley III  
Vice President, Corporate Controller and Chief Accounting Officer

---

**EXHIBIT INDEX**

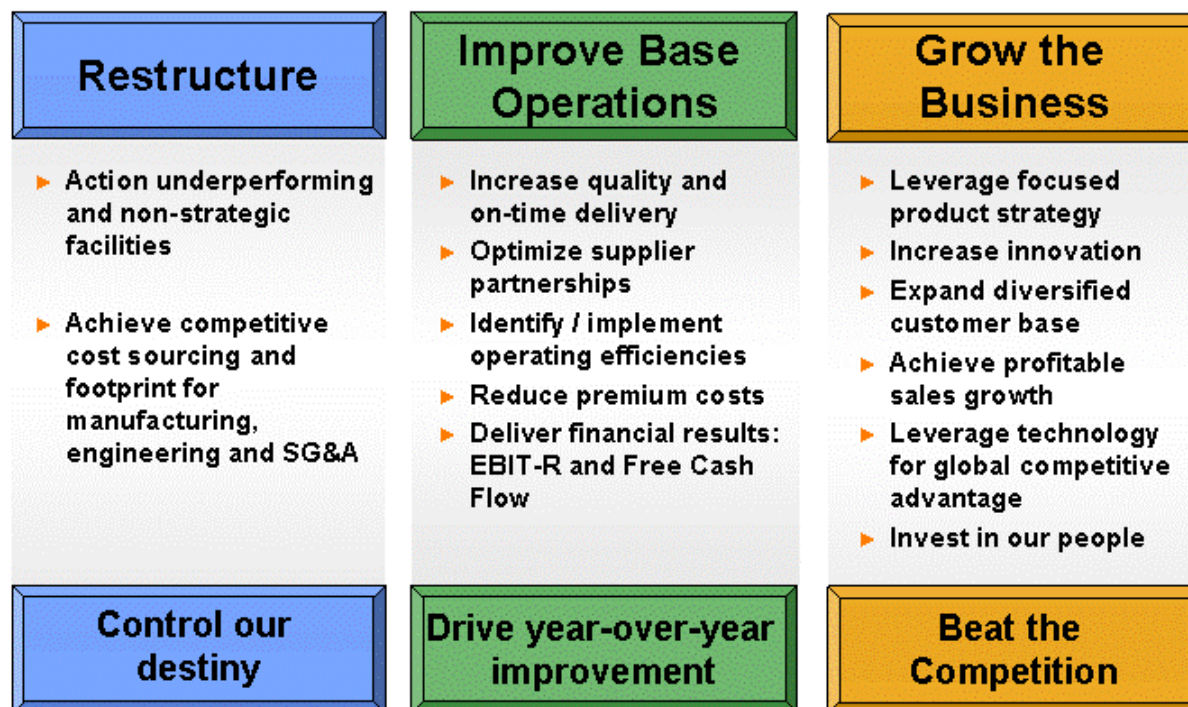
<u>Exhibit No.</u>	<u>Description</u>	<u>Page</u>
99.1	Presentation slides from Visteon Corporations' webcast presentation at the Automotive Analysts of New York 2007 Detroit Automotive Conference to be held on January 11, 2007.	



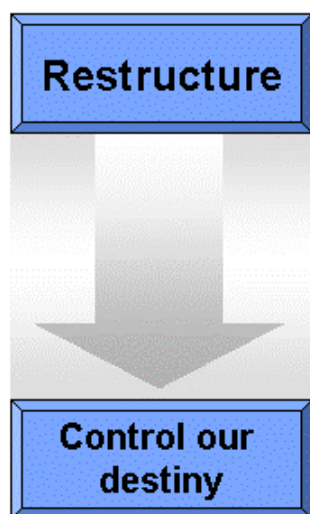
## **Business Update and Outlook**

Automotive Analysts of New York  
January 11, 2007

---

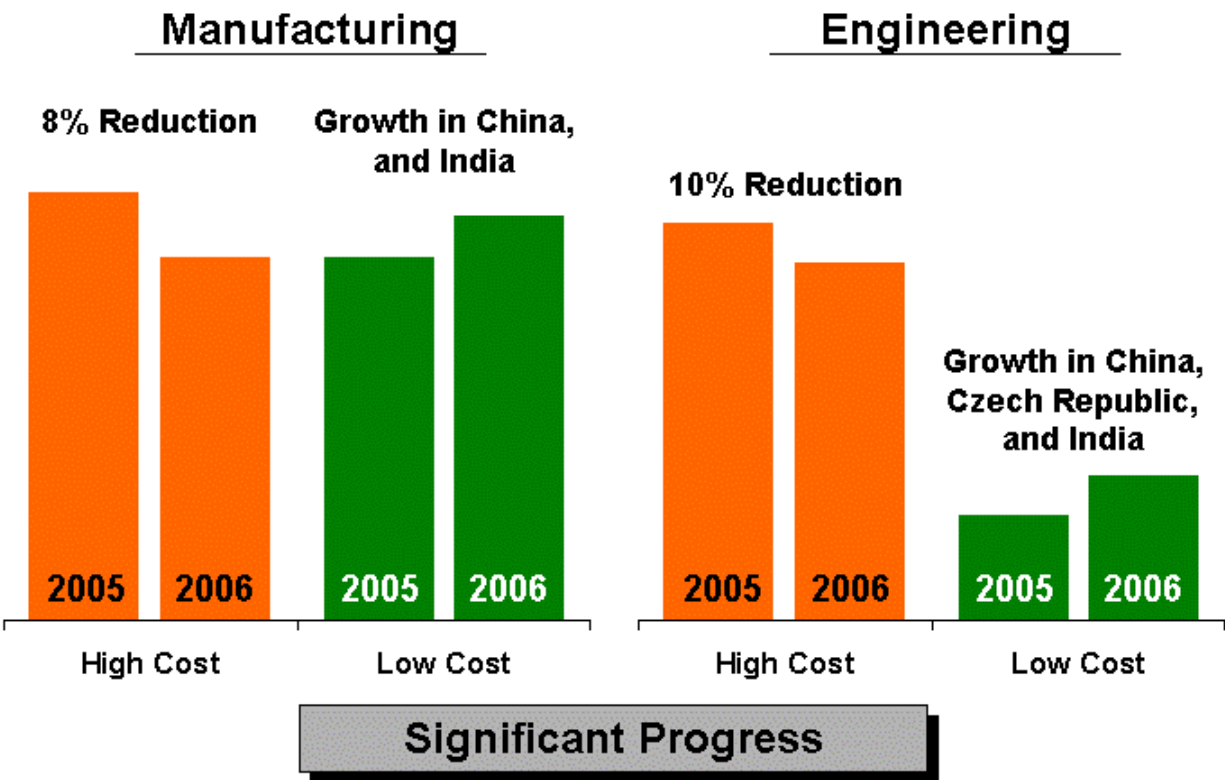






- ▶ Completed 11 actions in 2006
  - Fixed 3 facilities
  - Closed 6 facilities
  - Sold 2 operations
- ▶ Other actions announced
  - Salaried census reduction
  - Closure of Chicago
- ▶ \$318 million cash available in escrow account end of 2006

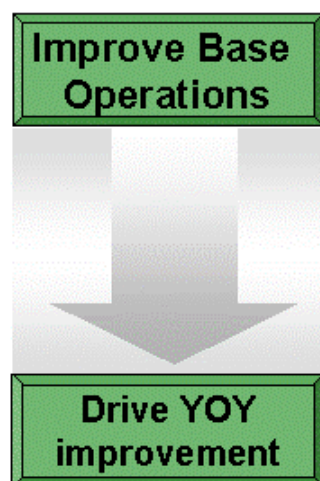
# Shift to More Competitive Cost Countries



Please see appendix for important disclosures regarding "Forward Looking Information".

# Improve Base Operations

---


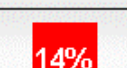


- ▶ Improving key operating metrics
  - Quality, safety, investment and efficiencies
- ▶ Near-term performance impacted by:
  - Lower volumes, unfavorable customer / product mix
  - Commodity costs and supplier financial condition
  - Headwinds from European labor disruptions

## 2006 Production – Key Visteon Platforms



Y/Y Units

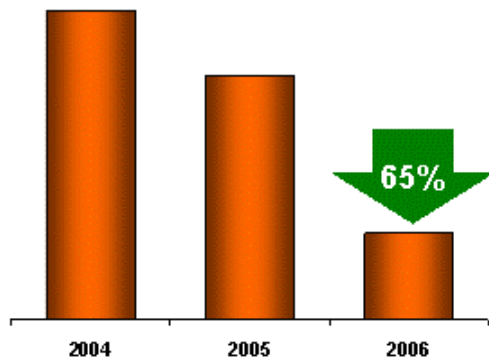
▶ Ford North America	
▶ Ford Europe/PAG	
▶ Nissan North America	
▶ PSA	
▶ Renault	
▶ Hyundai / Kia	

**Significant Volume Declines at Top Customers**

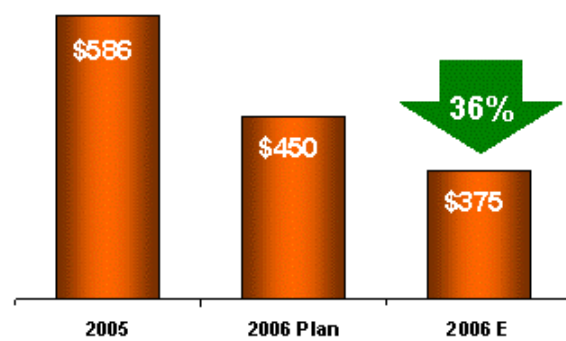
# Key Operating Metrics



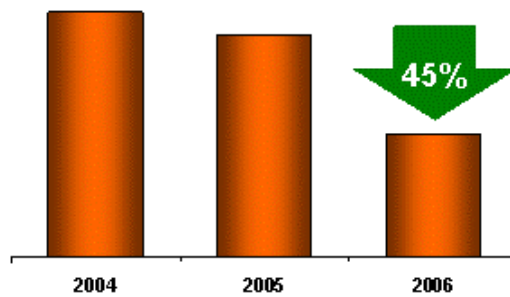
### Quality – PPM's



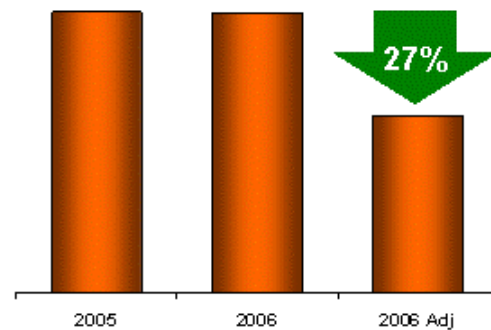
### Cap-Ex Spending



### Safety



### Premium Costs



Please see appendix for important disclosures regarding "Forward Looking Information".



- ▶ Significant new business wins in 2006 – diverse products and customers
- ▶ Majority of new wins will be manufactured in lower cost facilities; business losses weighted towards high cost, legacy facilities
- ▶ Significant investment required in near term – engineering and capital investment – with full sales realization post 2009

# Business Wins in 2006



## North America

### **General Motors**

*Electronics, Interiors,  
Climate*

### **Ford**

*Electronics, Climate*

### **DaimlerChrysler**

*Electronics, Interiors,  
Climate, Lighting*

### **Asia OEM**

*Interiors*

## Europe

### **Volkswagen**

*Electronics*

### **PSA**

*Interiors, Electronics*

### **General Motors**

*Interiors*

### **Ford**

*Climate, Electronics,  
Interiors*

## Asia Pacific

### **Mazda**

*Climate*

### **Hyundai/Kia**

*Climate, Interiors*

### **General Motors**

*Climate, Interiors*

### **Ford**

*Climate*



# \$1 Billion In New Wins

Please see appendix for important disclosures regarding "Forward Looking Information".

# New Business Backlog



- ▶ Backlog is:
  - Net awarded business
  - Launched over next 3 years
  - Excludes high confidence wins
- ▶ 80% of new wins will be manufactured in lower cost facilities

**\$1.0 Billion Backlog**

Please see appendix for important disclosures regarding "Forward Looking Information".

Page 10



# NA International Auto Show



**Jeep Wrangler, 2007**

*Visteon content: Instrument panel, door trim and console*



**Ford F-250/350 pickup**

*Visteon content: Interiors*



**BMW 3-Series Convertible**

*Visteon content: Factory installed HD Radio™ technology*



**Ford Edge and Mazda CX-7, 2007**

*Visteon content: Climate control components and Air Induction System*



**Jeep Compass and Dodge Caliber, 2007**

*Visteon content: Boston Acoustics premium audio system*

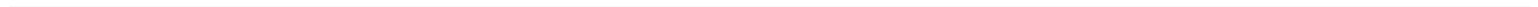


**Hyundai Veracruz**

*Visteon content: HVAC system and cockpit module*



# Outlook



- ▶ 2007 will be challenging for the industry and Visteon
  - North America production and vehicle mix
  - UAW negotiations
  - Continued supply base stress
- ▶ Forecast improvement in 2008
- ▶ Focus on restructuring execution and cash flow management
- ▶ May take opportunistic actions to further enhance liquidity

## 2007 Production – Key Visteon Platforms



	Y/Y Units	
	2006E	2007P
▶ Ford North America	10% ↓	↓
▶ Ford Europe / PAG	10% ↑	↓
▶ Nissan North America	15% ↓	↓
▶ PSA	14% ↓	↓
▶ Renault	16% ↓	↓
▶ Hyundai / Kia	10% ↑	↑

Please see appendix for important disclosures regarding "Forward Looking Information".

Page 14

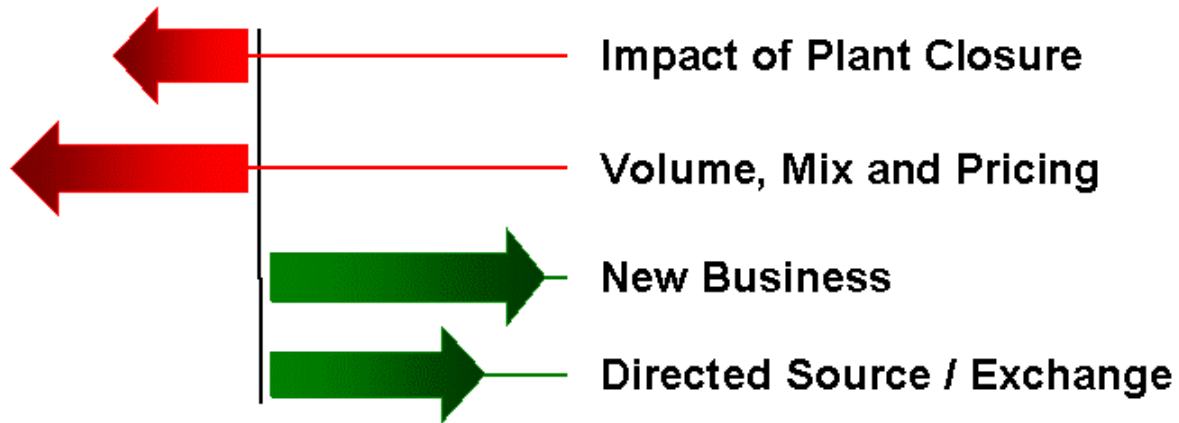
# Product Sales - 2007 vs. 2006



**2006E Product Sales**

**\$10.9 Billion**

**Drivers**



**2007E Product Sales**

**\$11.1 Billion**

\*Please see slide titled "Forward Looking Information" in the appendix to this presentation for further information.

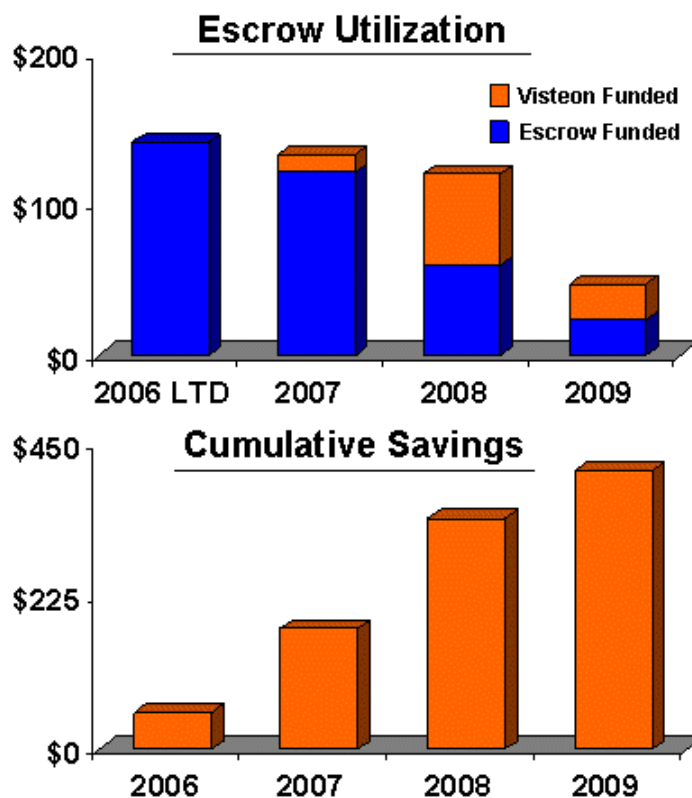
Page 15

## Facilities Requiring Action

	Current	Prior
2006	11	11
2007	7	7
2008	8	4
2009	4	1
Total	30	23

- ▶ 30 facilities identified for restructuring:
- ▶ 11 completed in 2006
- ▶ 19 facilities to be addressed over the next three years
- ▶ Incremental actions driven by:
  - Volume reductions
  - Capacity rationalization
  - Make / Buy opportunities

# Restructuring Spending & Savings



- ▶ Accomplished 2006 actions with lower escrow utilization
- ▶ Cumulative savings greater than prior estimates – incremental actions
- ▶ End of 2009 – Remaining escrow funds, excluding interest earned, of approx. \$50 million

\*Please see slide titled "Forward Looking Information" in the appendix to this presentation for further information.

# 2006 and 2007 Outlook - Summary



	2006E	2007E
Product Sales	\$10.9 B	\$11.1 B
EBIT-R	\$20 M	\$(50) M +/- \$50
FCF	\$(100) M	\$(175) M +/- \$50

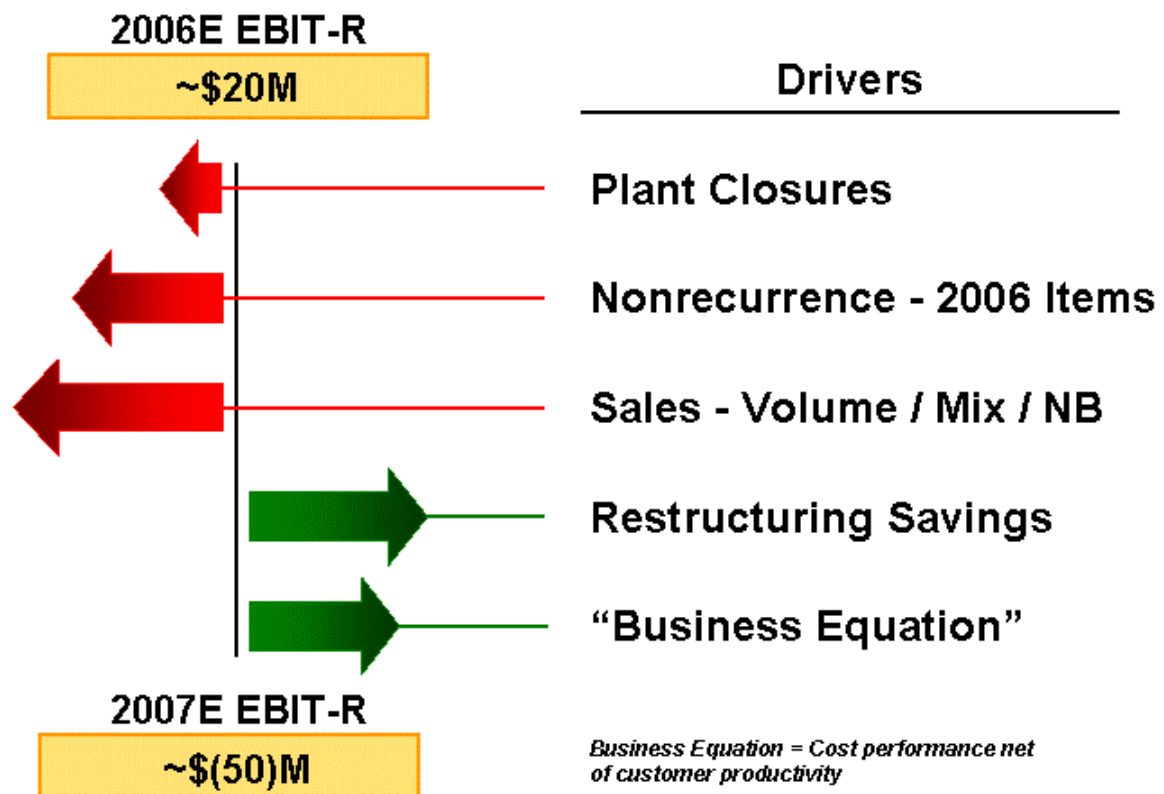
- ▶ Elimination of one-time items from 2006
- ▶ Achievement of restructuring savings, headcount reduction and movement to LCC
- ▶ Margin reduction for lost business/reduced volume – fixed cost absorption
- ▶ Start up expense related to LCC transition

\*Please see slides titled 'Use of Non-GAAP Financial Information' and 'Forward Looking Information' in the appendix to this presentation for further information.

Page 18



# EBIT-R - 2007 vs. 2006



\*Please see slides titled 'Use of Non-GAAP Financial Information' and 'Forward Looking Information' in the appendix to this presentation for further information.

# Cash Flow, Debt and Liquidity

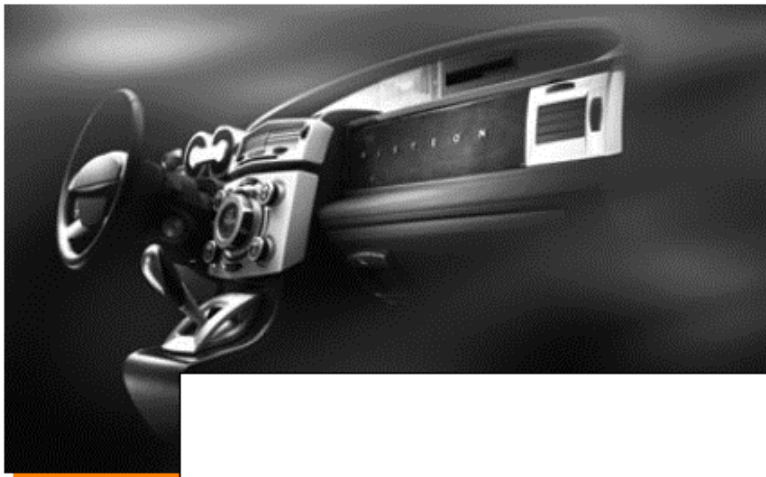
---



- ▶ Expect free cash flow use in 2007 and 2008 with 2009 positive
- ▶ No significant debt maturities until 2010
- ▶ Cash balance of \$1.0 billion end of 2006 (70% in US and Europe)
- ▶ About \$270 million availability on ABL facilities
- ▶ May pursue opportunistic capital market transactions

- ▶ Execute divestiture opportunities
- ▶ Climate business synergies
- ▶ Outsourcing alternatives – lower cost and investment
- ▶ Tax structuring
- ▶ Optimize each product group

**Driving for Shareholder Value Creation**



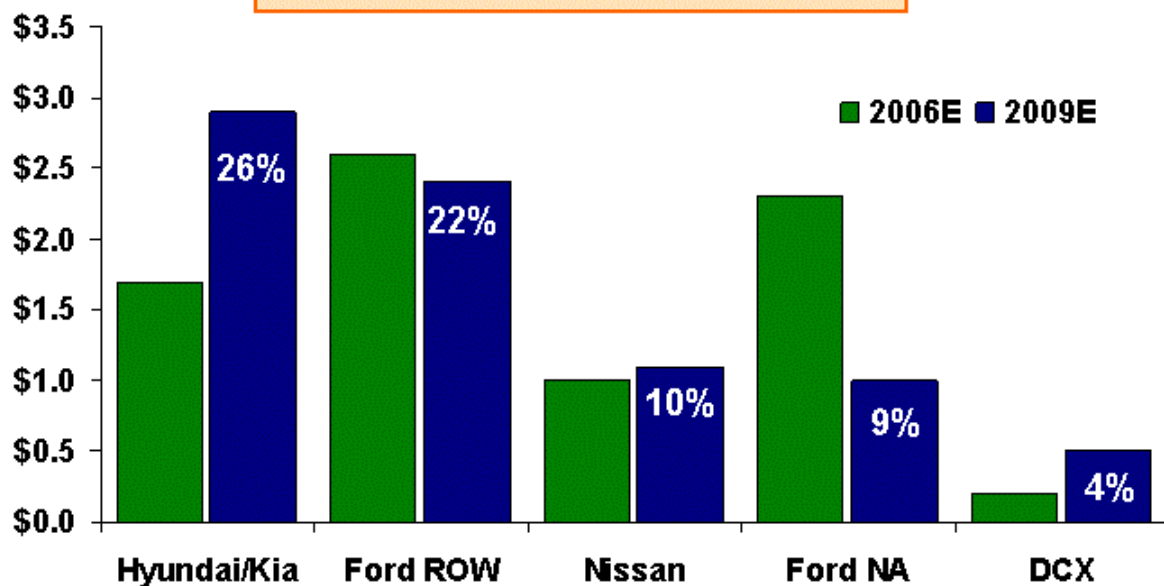
# **Transformation**



# Diversifying Customer Base



## 2006 vs 2009 Product Sales



**Hyundai/Kia growth offsets Ford decrease**

\*Please see slide titled "Forward Looking Information" in the appendix to this presentation for further information.

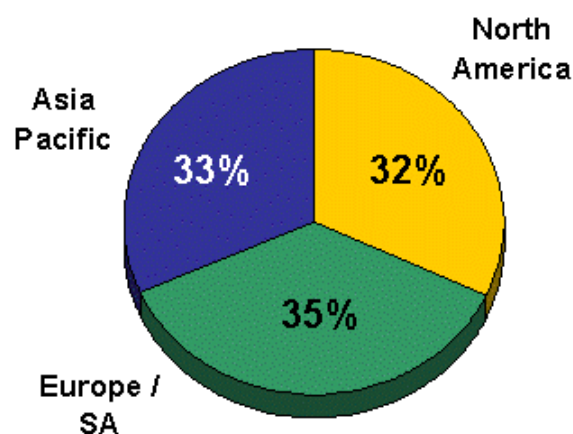
Page 23

# Balanced Global Sales

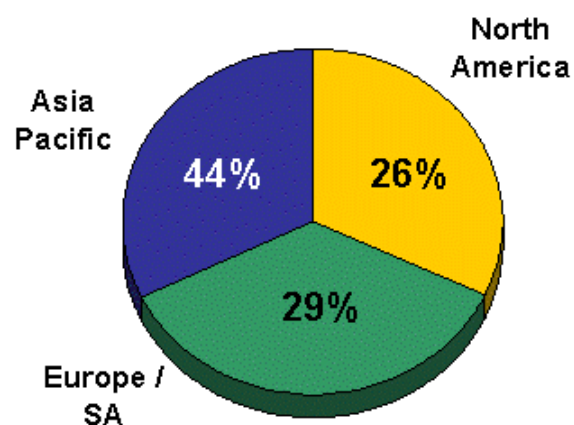


Including Non-consolidated Product Sales

**2006 E - \$12.8 Billion**



**2009 E - \$14.0 Billion**



Sales include consolidated net sales of \$10.9 billion and non-consolidated net sales of \$1.9 billion in 2006. Sales include consolidated net sales of \$11.0 billion and non-consolidated net sales of \$3.09 billion in 2009. Please see slide titled "Forward Looking Information" in the appendix to this presentation for further information.

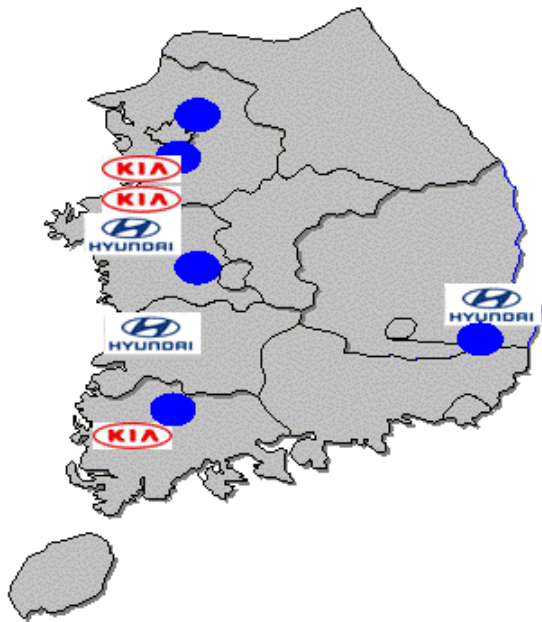
Page 24

- ▶ Established 1986
- ▶ Visteon became largest shareholder in 1999
- ▶ \$1.4 billion market capitalization end of 2006
- ▶ Visteon ownership 70%
- ▶ Public ownership 30%
- ▶ 12 facilities
- ▶ 3,700 employees
- ▶ Further integration opportunity with Visteon Climate operations

# Halla Footprint



## Korea Footprint



## Overseas Operations

	<u>Est.</u>
Canada	1989
Portugal	1996
Thailand	1996
India	1997
China - Beijing	2002
U.S. (Alabama)	2003
China – Dalian	2004
Slovakia	2004
Turkey	2005

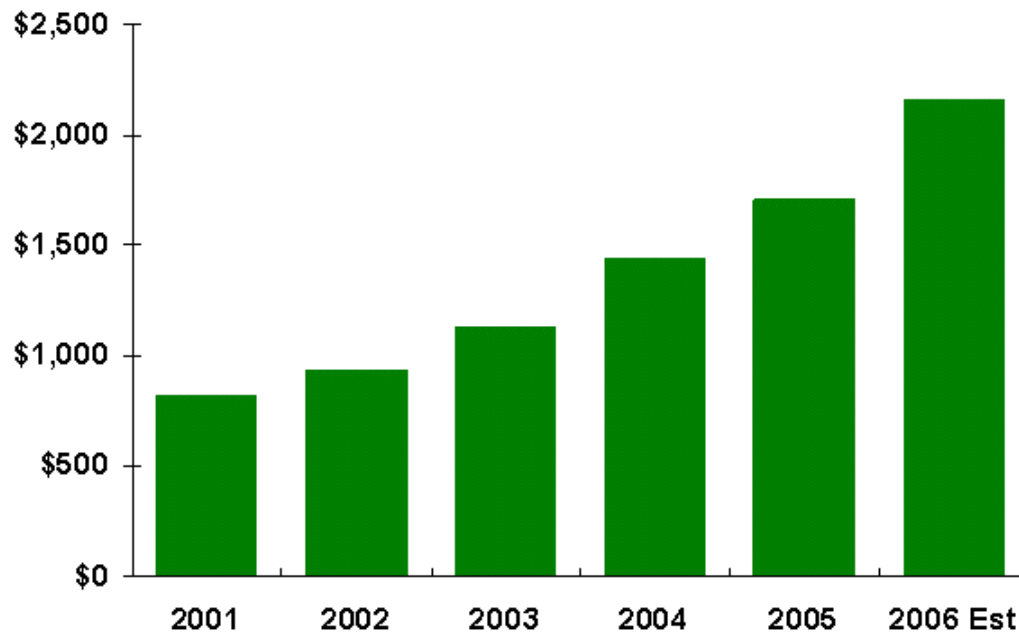


# Halla Sales Growth



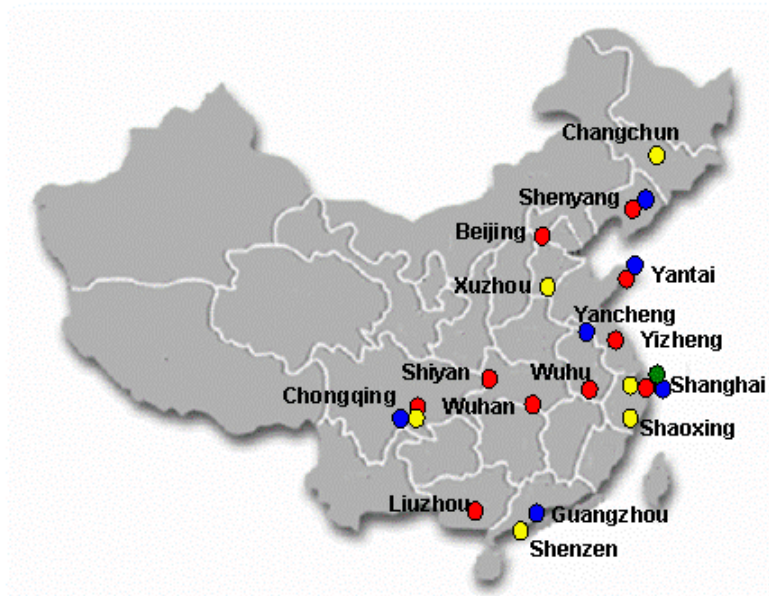
(\$ in millions)

**21 % 5-Year CAGR**



- ▶ Established in 1994
- ▶ Non-consolidated affiliate
- ▶ Visteon ownership – 50%
- ▶ SAIC ownership – 50%
- ▶ 26 facilities
- ▶ 11,000 employees
- ▶ Opportunity to further leverage

# Yanfeng Visteon Footprint



- Interiors/Exteriors
- Seating
- Electronics
- Safety

## Yanfeng Visteon: Interiors/Exteriors

- Shanghai, Pudong, Beijing, Yantai  
Shenyang, Wuhu, Yizheng, Liuzhou  
Chongqing

## Yanfeng JCI: Seating

- Shanghai, Pudong, Chongqing  
Yancheng, Guangzhou, Yantai,  
Shenyang

## Yanfeng Visteon: Electronics

- Shanghai, Xuzhou, Chongqing,  
Changchun, Shaoxing, Shenzhen

## Yanfeng Key: Safety

- Shanghai

## Dongfeng Visteon: Interior/Exterior

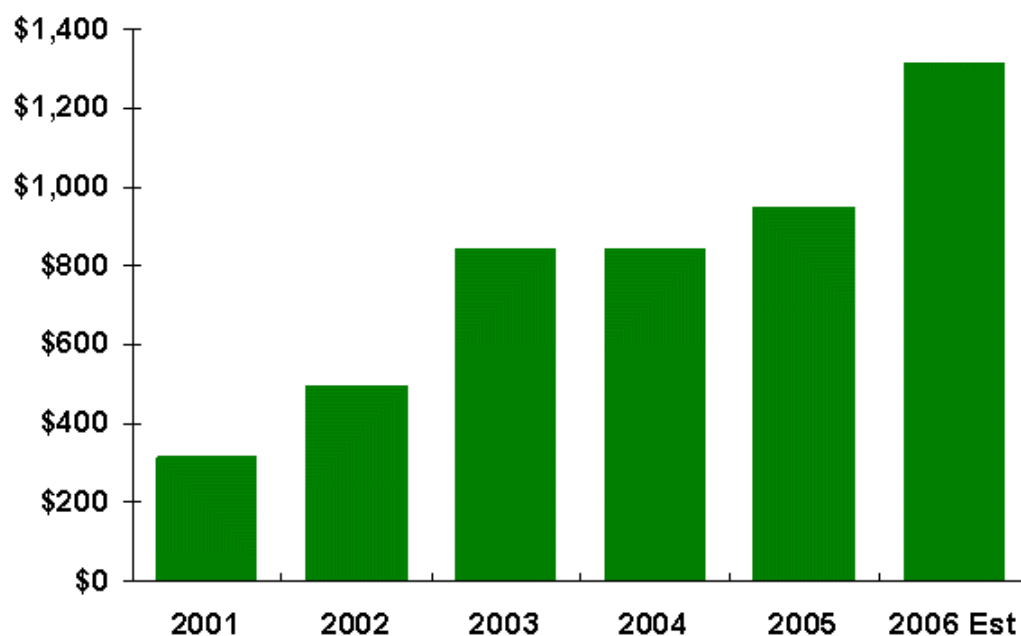
- Wuhan, Shiyuan

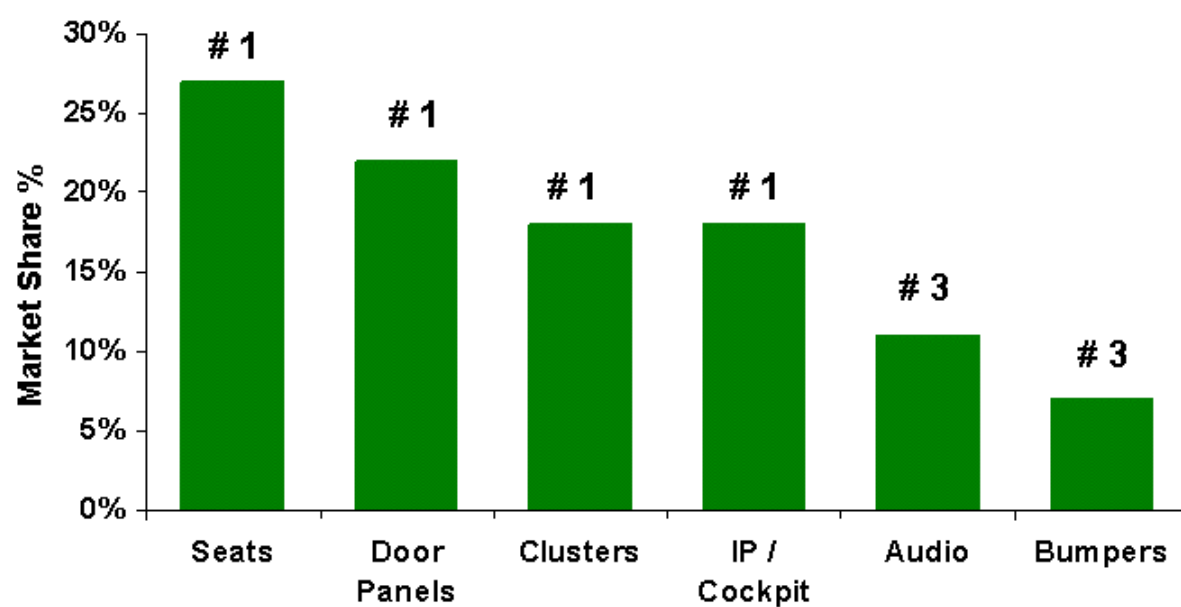
# Yanfeng Visteon Sales Growth



(\$ in millions)

**33% 5-Year CAGR**





Source: Industry Reports, Company Estimates – 2005 Data

# Visteon's Path to Profitability



\*Please see slides titled 'Use of Non-GAAP Financial Information' and 'Forward Looking Information' in the appendix to this presentation for further information.

Page 32

- ▶ Near-term industry dynamics challenging
- ▶ Restructuring actions and sales growth will aid results over the longer term
- ▶ Sufficient liquidity and escrow account to fund restructuring
- ▶ Working on the right operational items – will optimize each product group to create value for shareholders

## **Driving for Shareholder Value Creation**

# 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 general economic conditions, including changes in interest rates and fuel prices; the automotive vehicle production volumes and schedules of our customers, and in particular Ford's vehicle production volumes; our ability to satisfy our future capital and liquidity requirements and comply with the terms of our existing credit agreements and indentures; the financial distress of our suppliers, and other significant suppliers to our customers, and possible disruptions in the supply of commodities to us or our customers due to financial distress or work stoppages; our ability to timely implement, and realize the anticipated benefits of, restructuring and other cost-reduction initiatives, including our three-year improvement plan, and our successful execution of internal performance plans and other productivity efforts; the timing and expenses related to restructurings, employee reductions, acquisitions or dispositions; increases in raw material and energy costs and our ability to offset or recover these costs; the effects of reorganizations and/or restructuring plans by our customers; the effect of pension and other post-employment benefit obligations; increases in our warranty, product liability and recall costs; the outcome of legal or regulatory proceedings to which we are or may become a party, as well as those factors identified in our filings with the SEC (including our Annual Report on Form 10-K for the fiscal year ended Dec. 31, 2005). We assume no obligation to update these forward-looking statements.



# Use of Non-GAAP Financial Information



- ▶ Throughout this presentation, the Company has provided information regarding certain non-GAAP financial measures. These measures include "free cash flow," and "EBIT-R." Free cash flow represents cash flow from operating activities less capital expenditures. EBIT-R represents net income (loss) before net interest expense and debt extinguishment cost and the provision for income taxes, excluding impairment, extraordinary item and net unreimbursed restructuring charges as well as the one-time gain on the ACH Transactions.
- ▶ Management believes that free cash flow is useful in analyzing the Company's ability to service and repay its debt and it uses the measure for planning and forecasting in future periods, as well as in management compensation decisions. Free cash flow is not a recognized term under accounting principles generally accepted in the United States ("GAAP") and does not reflect cash used to service debt and does not reflect funds available for investment or other discretionary uses.
- ▶ Management believes EBIT-R is useful to investors because it provides meaningful supplemental information regarding the Company's operating results because the excluded items may vary significantly in timing or amounts and/or may obscure trends useful in evaluating and comparing the Company's continuing operating activities. Management uses this measure for planning and forecasting in future periods, as well as in management compensation decisions. EBIT-R is not a recognized term under GAAP and does not purport to be an alternative to net earnings (losses) as an indicator of operating performance or to cash flows from operating activities as a measure of liquidity. Because not all companies use identical calculations, this presentation of EBIT-R may not be comparable to other similarly titled measures of other companies. Additionally, EBIT-R is not intended to be a measure of free cash flow for management's discretionary use, as it does not consider certain cash requirements such as interest payments, tax payments and debt service requirements.
- ▶ In order to provide the forward-looking non-GAAP financial measures for full-year 2007, the Company is providing reconciliations to the most directly comparable GAAP financial measures on the following 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.

# EBIT-R Reconciliation to Net Loss



(in millions)

	<b>Preliminary Full Year 2006</b>	<b>Projection Full Year 2007</b>
<b>Net (loss)</b>	<b>\$ (244)</b>	<b>\$ (367) to \$ (267)</b>
<b>Interest expense, net</b>	<b>155</b>	<b>160</b>
<b>Provision for income taxes</b>	<b>95</b>	<b>95</b>
<b>Net unreimbursed restructuring expense</b>	<b>-</b>	<b>12</b>
<b>Asset impairments</b>	<b>22</b>	<b>-</b>
<b>Extraordinary item</b>	<b>(8)</b>	<b>-</b>
<b>EBIT-R</b>	<b>\$ 20</b>	<b>\$ (100) to \$ -</b>

Note to Reconciliation:

Full year 2006 results are preliminary, unaudited and subject to change

# Free Cash Flow



(in millions)

	<b>Preliminary Full Year 2006</b>	<b>Projection Full Year 2007</b>
<b>Cash (used by) provided from operating activities</b>	<b>\$ 275</b>	<b>\$ 145 to \$ 245</b>
<b>Capital expenditures</b>	<b>375</b>	<b>370</b>
<b>Free Cash Flow</b>	<b><u>\$(100)</u></b>	<b><u>\$(225) to \$(125)</u></b>

## Note to Reconciliation:

Full year 2006 results are preliminary, unaudited and subject to change