

VISTEON CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(In millions except per share amounts)

(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2022	2021	2022	2021
Net sales	\$ 1,026	\$ 631	\$ 2,692	\$ 1,987
Cost of sales	(922)	(584)	(2,438)	(1,832)
Gross margin	104	47	254	155
Selling, general and administrative expenses	(47)	(42)	(134)	(131)
Restructuring and impairment	(1)	2	(12)	2
Interest expense, net	(2)	(2)	(7)	(6)
Equity in net (loss) income of non-consolidated affiliates	(1)	2	3	2
Other income, net	5	4	15	13
Income (loss) before income taxes	58	11	119	35
Provision for income taxes	(9)	(4)	(24)	(20)
Net income (loss)	49	7	95	15
Less: Net (income) loss attributable to non-controlling interests	(5)	(2)	(5)	(5)
Net income (loss) attributable to Visteon Corporation	<u>\$ 44</u>	<u>\$ 5</u>	<u>\$ 90</u>	<u>\$ 10</u>
Comprehensive income (loss)	\$ 15	\$ 1	\$ 21	\$ 10
Less: Comprehensive (income) loss attributable to non-controlling interests	—	(1)	4	(6)
Comprehensive income (loss) attributable to Visteon Corporation	<u>\$ 15</u>	<u>\$ —</u>	<u>\$ 25</u>	<u>\$ 4</u>
Basic earnings (loss) per share attributable to Visteon Corporation	<u>\$ 1.57</u>	<u>\$ 0.18</u>	<u>\$ 3.20</u>	<u>\$ 0.36</u>
Diluted earnings (loss) per share attributable to Visteon Corporation	<u>\$ 1.54</u>	<u>\$ 0.18</u>	<u>\$ 3.16</u>	<u>\$ 0.35</u>
Average shares outstanding (in millions)				
Basic	28.1	28.0	28.1	27.9
Diluted	28.5	28.4	28.5	28.3

VISTEON CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(In millions)

	<i>(Unaudited)</i>	
	September 30,	December 31,
	2022	2021
ASSETS		
Cash and equivalents	\$ 362	\$ 452
Restricted cash	3	3
Accounts receivable, net	733	549
Inventories, net	341	262
Other current assets	155	158
Total current assets	<u>1,594</u>	<u>1,424</u>
Property and equipment, net	336	388
Intangible assets, net	101	118
Right-of-use assets	120	139
Investments in non-consolidated affiliates	51	54
Other non-current assets	124	111
Total assets	<u>\$ 2,326</u>	<u>\$ 2,234</u>
LIABILITIES AND EQUITY		
Short-term debt	\$ 9	\$ 4
Accounts payable	645	522
Accrued employee liabilities	79	80
Current lease liability	27	28
Other current liabilities	220	218
Total current liabilities	<u>980</u>	<u>852</u>
Long-term debt, net	340	349
Employee benefits	171	198
Non-current lease liability	97	117
Deferred tax liabilities	26	27
Other non-current liabilities	63	75
Stockholders' equity:		
Common stock	1	1
Additional paid-in capital	1,351	1,349
Retained earnings	1,754	1,664
Accumulated other comprehensive loss	(294)	(229)
Treasury stock	(2,257)	(2,269)
Total Visteon Corporation stockholders' equity	<u>555</u>	<u>516</u>
Non-controlling interests	94	100
Total equity	<u>649</u>	<u>616</u>
Total liabilities and equity	<u>\$ 2,326</u>	<u>\$ 2,234</u>

VISTEON CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2022	2021	2022	2021
OPERATING				
Net income (loss)	\$ 49	\$ 7	\$ 95	\$ 15
Adjustments to reconcile net income (loss) to net cash provided from (used by) operating activities:				
Depreciation and amortization	27	27	79	82
Non-cash stock-based compensation	6	4	19	13
Equity in net loss (income) of non-consolidated affiliates, net of dividends remitted	4	14	—	14
Impairments	—	—	4	—
Other non-cash items	(2)	1	(2)	4
Changes in assets and liabilities:				
Accounts receivable	(170)	(1)	(244)	50
Inventories	(50)	(47)	(112)	(82)
Accounts payable	175	(2)	173	(68)
Other assets and other liabilities	35	(16)	(10)	(40)
Net cash (used by) provided from operating activities	<u>74</u>	<u>(13)</u>	<u>2</u>	<u>(12)</u>
INVESTING				
Capital expenditures, including intangibles	(18)	(21)	(54)	(54)
Contributions to equity method investments	—	(1)	(1)	(3)
Settlement of derivatives contracts	4	—	9	—
Loan repayments from non-consolidated affiliates	—	—	—	2
Other	1	3	2	5
Net cash used by investing activities	<u>(13)</u>	<u>(19)</u>	<u>(44)</u>	<u>(50)</u>
FINANCING				
Borrowings on term debt facility	350	—	350	—
Payments on term debt facility	(350)	—	(350)	—
Dividends to non-controlling interests	—	(32)	—	(33)
Short-term debt, net	—	—	(4)	6
Other	(3)	—	(3)	1
Net cash used by financing activities	<u>(3)</u>	<u>(32)</u>	<u>(7)</u>	<u>(26)</u>
Effect of exchange rate changes on cash	(18)	(5)	(41)	(11)
Net decrease in cash, equivalents, and restricted cash	<u>40</u>	<u>(69)</u>	<u>(90)</u>	<u>(99)</u>
Cash, equivalents, and restricted cash at beginning of the period	325	470	455	500
Cash, equivalents, and restricted cash at end of the period	<u>\$ 365</u>	<u>\$ 401</u>	<u>\$ 365</u>	<u>\$ 401</u>

VISTEON CORPORATION AND SUBSIDIARIES
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

(In millions except per share amounts)
(Unaudited)

Adjusted EBITDA: Adjusted EBITDA is presented as a supplemental measure of the Company's performance that management believes is useful to investors because the excluded items may vary significantly in timing or amounts and/or may obscure trends useful in evaluating and comparing the Company's operating activities across reporting periods. The Company defines adjusted EBITDA as net income attributable to the Company adjusted to eliminate the impact of depreciation and amortization, provision for income taxes, non-cash stock-based compensation expense, restructuring and impairment expense, net interest expense, net income attributable to non-controlling interests, equity in net income of non-consolidated affiliates, gain on non-consolidated affiliate transactions, and other gains and losses not reflective of the Company's ongoing operations. Because not all companies use identical calculations, this presentation of adjusted EBITDA may not be comparable to similarly titled measures of other companies.

	Three Months Ended		Nine Months Ended		Estimated
	September 30,		September 30,		Full Year
	2022	2021	2022	2021	2022
Visteon:					
Net income attributable to Visteon Corporation	\$ 44	\$ 5	\$ 90	\$ 10	\$ 125
Depreciation and amortization	27	27	79	82	105
Provision for income taxes	9	4	24	20	40
Non-cash, stock-based compensation expense	6	4	19	13	27
Restructuring and impairment expense	1	(2)	12	(2)	15
Interest expense, net	2	2	7	6	10
Net income attributable to non-controlling interests	5	2	5	5	7
Equity in net (loss) income of non-consolidated affiliates	1	(2)	(3)	(2)	(6)
Other	—	2	12	4	12
Adjusted EBITDA	<u>\$ 95</u>	<u>\$ 42</u>	<u>\$ 245</u>	<u>\$ 136</u>	<u>\$ 335²</u>

Adjusted EBITDA is not a recognized term under U.S. GAAP and does not purport to be a substitute for net income as an indicator of operating performance or cash flows from operating activities as a measure of liquidity. Adjusted EBITDA has limitations as an analytical tool and is not intended to be a measure of cash flow available for management's discretionary use, as it does not consider certain cash requirements such as interest payments, tax payments and debt service requirements. In addition, the Company uses adjusted EBITDA (i) as a factor in incentive compensation decisions, (ii) to evaluate the effectiveness of the Company's business strategies, and (iii) because the Company's credit agreements use similar measures for compliance with certain covenants.

² Based on mid-point of the range of the Company's financial guidance

VISTEON CORPORATION AND SUBSIDIARIES
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

(In millions except per share amounts)
(Unaudited)

Free Cash Flow and Adjusted Free Cash Flow: Free cash flow and adjusted free cash flow are presented as supplemental measures of the Company's liquidity that management believes are useful to investors in analyzing the Company's ability to service and repay its debt. The Company defines free cash flow as cash flow provided from operating activities less capital expenditures, including intangibles. The Company defines adjusted free cash flow as cash flow provided from operating activities less capital expenditures, including intangibles as further adjusted for restructuring related payments. Because not all companies use identical calculations, this presentation of free cash flow and adjusted free cash flow may not be comparable to other similarly titled measures of other companies.

	Three Months Ended		Nine Months Ended		Estimated
	September 30,		September 30,		Full Year
Visteon:	2022	2021	2022	2021	2022
Cash provided from (used by) operating activities	\$ 74	\$ (13)	\$ 2	\$ (12)	\$ 125
Capital expenditures, including intangibles	(18)	(21)	(54)	(54)	(90)
Free cash flow	\$ 56	\$ (34)	\$ (52)	\$ (66)	\$ 35
Restructuring related payments	3	4	12	29	15
Adjusted free cash flow	\$ 59	\$ (30)	\$ (40)	\$ (37)	\$ 50 ³

Free cash flow and adjusted free cash flow are not recognized terms under U.S. GAAP and do not purport to be a substitute for cash flows from operating activities as a measure of liquidity. Free cash flow and adjusted free cash flow have limitations as analytical tools as they do not reflect cash used to service debt and do not reflect funds available for investment or other discretionary uses. In addition, the Company uses free cash flow and adjusted free cash flow (i) as factors in incentive compensation decisions and (ii) for planning and forecasting future periods.

³ Based on mid-point of the range of the Company's financial guidance

VISTEON CORPORATION AND SUBSIDIARIES
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

(In millions except per share amounts)
(Unaudited)

Adjusted Net Income and Adjusted Earnings Per Share: Adjusted net income and adjusted earnings per share are presented as supplemental measures that management believes are useful to investors in analyzing the Company's profitability, providing comparability between periods by excluding certain items that may not be indicative of recurring business operating results. The Company believes management and investors benefit from referring to these supplemental measures in assessing company performance and when planning, forecasting and analyzing future periods. The Company defines adjusted net income as net income attributable to Visteon adjusted to eliminate the impact of restructuring and impairment expense, loss on divestiture, gain on non-consolidated affiliate transactions, other gains and losses not reflective of the Company's ongoing operations and related tax effects. The Company defines adjusted earnings per share as adjusted net income divided by diluted shares. Because not all companies use identical calculations, this presentation of adjusted net income and adjusted earnings per share may not be comparable to other similarly titled measures of other companies.

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2022	2021	2022	2021
Net income attributable to Visteon	\$ 44	\$ 5	\$ 90	\$ 10
<u>Diluted earnings per share:</u>				
Net income attributable to Visteon	\$ 44	\$ 5	\$ 90	\$ 10
Average shares outstanding, diluted	28.5	28.4	28.5	28.3
Diluted earnings per share	\$ 1.54	\$ 0.18	\$ 3.16	\$ 0.35
<u>Adjusted net income and adjusted earnings per share:</u>				
Net income attributable to Visteon	\$ 44	\$ 5	\$ 90	\$ 10
Restructuring and impairment expense	1	(2)	12	(2)
Other, including tax effects of adjustments	—	2	12	4
Adjusted net income	\$ 45	\$ 5	\$ 114	\$ 12
Average shares outstanding, diluted	28.5	28.4	28.5	28.3
Adjusted earnings per share	\$ 1.58	\$ 0.18	\$ 4.00	\$ 0.42

Adjusted net income and adjusted earnings per share are not recognized terms under U.S. GAAP and do not purport to be a substitute for profitability. Adjusted net income and adjusted earnings per share have limitations as analytical tools as they do not consider certain restructuring and transaction-related payments and/or expenses. In addition, the Company uses adjusted net income and adjusted earnings per share for internal planning and forecasting purposes.