

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

(In millions except per share amounts)

	<i>(Unaudited)</i>			
	Three Months Ended		Twelve Months Ended	
	December 31,		December 31,	
	2023	2022	2023	2022
Net sales	\$ 990	\$ 1,064	\$ 3,954	\$ 3,756
Cost of sales	(860)	(950)	(3,467)	(3,388)
Gross margin	130	114	487	368
Selling, general and administrative expenses	(51)	(54)	(207)	(188)
Restructuring and impairment	(3)	(2)	(5)	(14)
Interest expense	(4)	(4)	(17)	(14)
Interest income	4	1	10	4
Equity in net (loss) income of non-consolidated affiliates	(2)	(4)	(10)	(1)
Other income (expense), net	3	5	(1)	20
Income (loss) before income taxes	77	56	257	175
Benefit from (provision for) income taxes	296	(21)	248	(45)
Net income (loss)	373	35	505	130
Less: Net (income) loss attributable to non-controlling interests	(7)	(1)	(19)	(6)
Net income (loss) attributable to Visteon Corporation	<u>\$ 366</u>	<u>\$ 34</u>	<u>\$ 486</u>	<u>\$ 124</u>
Comprehensive income (loss)	\$ 347	\$ 120	\$ 461	\$ 141
Less: Comprehensive income (loss) attributable to non-controlling interests	10	5	16	1
Comprehensive income (loss) attributable to Visteon Corporation	337	115	445	140
<u>Earnings per share data:</u>				
Basic earnings (loss) per share attributable to Visteon Corporation	<u>\$ 13.17</u>	<u>\$ 1.21</u>	<u>\$ 17.30</u>	<u>\$ 4.41</u>
Diluted earnings (loss) per share attributable to Visteon Corporation	<u>\$ 12.98</u>	<u>\$ 1.18</u>	<u>\$ 17.05</u>	<u>\$ 4.35</u>
Average shares outstanding (in millions)				
Basic	27.8	28.2	28.1	28.1
Diluted	28.2	28.7	28.5	28.5

2023 includes a non-cash tax benefit of \$313 million, or \$11.10 per diluted share in the fourth quarter, and \$10.98 per diluted share for the full year, related to a reduction in the valuation allowance against the U.S. deferred tax assets.

VISTEON CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(In millions)

	December 31, 2023	December 31, 2022
ASSETS		
Cash and equivalents	\$ 515	\$ 520
Restricted cash	3	3
Accounts receivable, net	666	672
Inventories, net	298	348
Other current assets	134	167
Total current assets	<u>1,616</u>	<u>1,710</u>
Property and equipment, net	418	364
Intangible assets, net	90	99
Right-of-use assets	109	124
Investments in non-consolidated affiliates	35	49
Deferred tax assets	384	42
Other non-current assets	75	62
Total assets	<u>\$ 2,727</u>	<u>\$ 2,450</u>
LIABILITIES AND EQUITY		
Short-term debt	\$ 18	\$ 13
Accounts payable	551	657
Accrued employee liabilities	99	90
Current lease liability	30	29
Other current liabilities	233	246
Total current liabilities	<u>931</u>	<u>1,035</u>
Long-term debt, net	318	336
Employee benefits	160	115
Non-current lease liability	79	99
Deferred tax liabilities	31	27
Other non-current liabilities	85	64
Stockholders' equity:		
Common stock	1	1
Additional paid-in capital	1,356	1,352
Retained earnings	2,274	1,788
Accumulated other comprehensive loss	(254)	(213)
Treasury stock	(2,339)	(2,253)
Total Visteon Corporation stockholders' equity	<u>1,038</u>	<u>675</u>
Non-controlling interests	85	99
Total equity	<u>1,123</u>	<u>774</u>
Total liabilities and equity	<u>\$ 2,727</u>	<u>\$ 2,450</u>

VISTEON CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions)

	<i>(Unaudited)</i>			
	Three Months Ended		Twelve Months Ended	
	December 31,		December 31,	
	2023	2022	2023	2022
OPERATING				
Net income (loss)	\$ 373	\$ 35	\$ 505	\$ 130
Adjustments to reconcile net income (loss) to net cash provided from operating activities:				
Depreciation and amortization	25	29	104	108
Non-cash stock-based compensation	8	7	34	26
Equity in net income of non-consolidated affiliates, net of dividends remitted	7	4	15	4
Impairments	—	1	—	5
U.S. tax valuation allowance benefit	(313)	—	(313)	—
Other non-cash items	(3)	1	(6)	(1)
Changes in assets and liabilities:				
Accounts receivable	32	88	13	(156)
Inventories	29	7	52	(105)
Accounts payable	(76)	(27)	(130)	146
Other assets and other liabilities	16	20	(7)	10
Net cash provided from operating activities	98	165	267	167
INVESTING				
Capital expenditures, including intangibles	(43)	(27)	(125)	(81)
Contributions to equity method investments	—	(2)	(1)	(3)
Net investment hedge transactions	—	3	—	12
Other, net	—	2	3	4
Net cash used by investing activities	(43)	(24)	(123)	(68)
FINANCING				
Borrowings on term debt facility	—	—	—	350
Payments on term debt facility	—	—	—	(350)
Short-term debt, net	—	—	—	(4)
Principal repayment of term debt facility	(5)	—	(13)	—
Dividends paid to non-controlling interests	(2)	(2)	(29)	(2)
Repurchase of common stock	(30)	—	(106)	—
Stock based compensation tax withholding payments	—	—	(16)	—
Proceeds from the exercise of options	—	—	8	—
Other	—	—	—	(3)
Net cash used by financing activities	(37)	(2)	(156)	(9)
Effect of exchange rate changes on cash	15	19	7	(22)
Net increase (decrease) in cash, equivalents, and restricted cash	33	158	(5)	68
Cash, equivalents, and restricted cash at beginning of the period	485	365	523	455
Cash, equivalents, and restricted cash at end of the period	\$ 518	\$ 523	\$ 518	\$ 523

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 (benefit from) 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		Twelve Months Ended		Estimated
	December 31,		December 31,		Full Year
	2023	2022	2023	2022	2024
Visteon:					
Net income (loss) attributable to Visteon Corporation	\$ 366	\$ 34	\$ 486	\$ 124	\$ 220
Depreciation and amortization	25	29	104	108	105
Restructuring and impairment expense	3	2	5	14	5
(Benefit from) provision for income tax	(296)	21	(248)	45	80
Non-cash, stock-based compensation expense	8	7	34	26	35
Net income attributable to non-controlling interests	7	1	19	6	20
Interest expense, net	—	3	7	10	5
Equity in net loss (income) of non-consolidated affiliates	2	4	10	1	10
Other non-operating costs, net	2	2	17	14	5
Adjusted EBITDA	<u>\$ 117</u>	<u>\$ 103</u>	<u>\$ 434</u>	<u>\$ 348</u>	<u>\$ 485</u> ¹

2023 includes a non-cash tax benefit of \$313 million related to a reduction in the valuation allowance against the U.S. deferred tax assets.

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.

¹ Based on mid-point of the range of the Company's financial guidance.

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		Twelve Months Ended		Estimated
	December 31,		December 31,		Full Year
Total Visteon:	2023	2022	2023	2022	2024
Cash provided from operating activities	\$ 98	\$ 165	\$ 267	\$ 167	\$ 305
Capital expenditures, including intangibles	(43)	(27)	(125)	(81)	(145)
Free cash flow	\$ 55	\$ 138	\$ 142	\$ 86	\$ 160
Restructuring related payments	2	3	8	15	10
Adjusted free cash flow	\$ 57	\$ 141	\$ 150	\$ 101	\$ 170 ²

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.

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

Adjusted Net Income (Loss) 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		Twelve Months Ended	
	December 31,		December 31,	
	2023	2022	2023	2022
Net income (loss) attributable to Visteon	\$ 366	\$ 34	\$ 486	\$ 124
<u>Diluted earnings (loss) per share:</u>				
Net income (loss) attributable to Visteon	\$ 366	\$ 34	\$ 486	\$ 124
Average shares outstanding, diluted	28.2	28.7	28.5	28.5
Diluted earnings (loss) per share	\$ 12.98	\$ 1.18	\$ 17.05	\$ 4.35
<u>Adjusted net income (loss) and adjusted earnings (loss) per share:</u>				
Net income (loss) attributable to Visteon	\$ 366	\$ 34	\$ 486	\$ 124
Restructuring and impairment expense	3	2	5	14
Other	2	2	17	14
Tax impacts of adjustments	(4)	—	(4)	—
Adjusted net income (loss)	\$ 367	\$ 38	\$ 504	\$ 152
Average shares outstanding, diluted	28.2	28.7	28.5	28.5
Adjusted earnings (loss) per share	\$ 13.01	\$ 1.32	\$ 17.68	\$ 5.33

2023 includes a non-cash tax benefit of \$313 million, or \$11.10 per diluted share in the fourth quarter, and \$10.98 per diluted share for the full year, related to a reduction in the valuation allowance against the U.S. deferred tax assets.