FY 2017 First Quarter Earnings Call

February 3, 2017

Improving the experience of a world in motion

Forward looking statement

Adient has made statements in this document that are forward-looking and, therefore, are subject to risks and uncertainties. All statements in this document other than statements of historical fact are statements that are, or could be, deemed "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. In this document, statements regarding Adient's future financial position, sales, costs, earnings, cash flows, other measures of results of operations, capital expenditures or debt levels and plans, objectives, outlook, targets, guidance or goals are forward-looking statements. Words such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe," "should," "forecast," "project" or "plan" or terms of similar meaning are also generally intended to identify forward-looking statements. Adient cautions that these statements are subject to numerous important risks, uncertainties, assumptions and other factors, some of which are beyond Adient's control, that could cause Adient's actual results to differ materially from those expressed or implied by such forward-looking statements, including, among others, risks related to: the ability of Adient to meet debt service requirements, the ability and terms of financing, general economic and business conditions, the strength of the U.S. or other economies, automotive vehicle production levels, mix and schedules, energy and commodity prices, the availability of raw materials and component products, currency exchange rates, and cancellation of or changes to commercial arrangements. A detailed discussion of risks related to Adient's business is included in the section entitled "Risk Factors" in Adient's Annual Report on Form 10-K for the fiscal year ended September 30, 2016 filed with the SEC on November 29, 2016 and available at www.sec.gov. Potential investors and others should consider these factors in evaluating the forward-looking statements and should not place undue reliance on such statements. The forward-looking statements included in this document are made only as of the date of this document, unless otherwise specified, and, except as required by law, Adient assumes no obligation, and disclaims any obligation, to update such statements to reflect events or circumstances occurring after the date of this document.

In addition, this document includes certain projections provided by Adient with respect to the anticipated future performance of Adient's businesses. Such projections reflect various assumptions of Adient's management concerning the future performance of Adient's businesses, which may or may not prove to be correct. The actual results may vary from the anticipated results and such variations may be material. Adient does not undertake any obligation to update the projections to reflect events or circumstances or changes in expectations after the date of this document or to reflect the occurrence of subsequent events. No representations or warranties are made as to the accuracy or reasonableness of such assumptions or the projections based thereon.

This document also contains non-GAAP financial information because Adient's management believes it may assist investors in evaluating Adient's on-going operations. Adient believes these non-GAAP disclosures provide important supplemental information to management and investors regarding financial and business trends relating to Adient's financial condition and results of operations. Investors should not consider these non-GAAP measures as alternatives to the related GAAP measures. A reconciliation of non-GAAP measures to their closest GAAP equivalent is included in the appendix. Reconciliations of non-GAAP measures related to FY2017 guidance have not been provided due to the unreasonable efforts it would take to provide such reconciliations.

Agenda

Introduction
Mark Oswald
Executive Director, Global Investor Relations

First quarter highlights
Bruce McDonald
Chairman and Chief Executive Officer

Financial review
Jeffrey Stafeil
Executive Vice President and Chief Financial Officer

Q&A

Highlights

> Completed separation from Johnson Controls International; began trading on NYSE under the symbol "ADNT"

> Strong acceptance of ADNT's investment thesis:

- Leading and strengthening market position
- Earnings growth (~200 bps margin improvement expected in mid-term)
- Proven record of generating substantial cash flow

> Strong Q1 results delivered earnings growth and margin expansion

- Adjusted EBIT increased 14% to $290M (margin of 7.2%, up ~120 bps) [1]
- Adjusted EPS increased 13% to $2.12 [1]
- Cash and cash equivalents of $709M at 12/31/16; gross debt and net debt of $3,461M and $2,752M, respectively, at 12/31/16 [1]

1 – On an adjusted basis, which includes certain pro forma adjustments for FY16; see appendix for detail and reconciliation to U.S. GAAP

Highlights

- Leading market position has continued to strengthen:
  - Three-year Seating backlog (2017-2019) increased to $2.4B
  - Three-year YFAI backlog (2017-2019) increased to $2.3B
  - Announced RECARO commercial vehicle seating contract with MAN Truck & Bus AG

- Showcased how innovation will be a significant driver of our global growth at the NAIAS:
  - AI17 automated driving seat system (designed for level-3 and level-4 automated driving systems)
  - YFAI XiM autonomous vehicle interior
- Continue to make growth investments; opened West-Coast office

FY17 Q1 key product launches

Strengthening our leading position across customers, segments, and regions…

BMW 5 Series
Czech Republic

Ford P375
Thailand

Skoda Kodiaq
Czech Republic

Honda 2SK
Malaysia

Tata Kite05
India

VW Audi Q2
Romania

VW Cross Blue
United States

Current operating environment

- > Global production outlook improving
  - – Q2 headwinds in U.S. and uncertainties in China
- > Rising commodity prices and strong USD are headwinds
- > Longer-term uncertainties with new U.S. administration
- > Margin expansion initiatives ahead of schedule
- > Strong growth in unconsolidated joint ventures
- > Growth initiatives gaining momentum
  - – Backlog growth
  - – Adjacent market opportunities
- > Pleased with cash performance

We are confident in our ability to deliver our 2017 commitments

FINANCIAL REVIEW

FY2017 First Quarter

FY2017 Q1 Key Financials

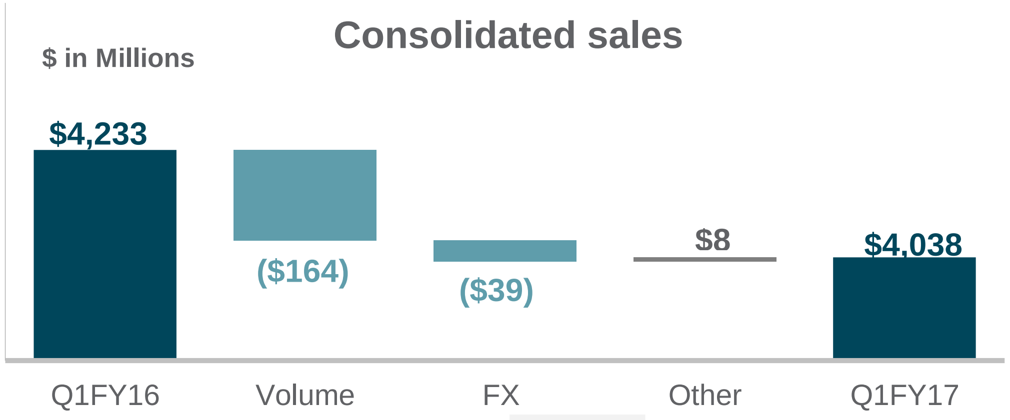
ADIENT

$ millions, except per share data	As Reported		As Adjusted [1]		
	FY17 Q1	**FY16 Q1**	**FY17 Q1**	**FY16 Q1**	**B/(W)**
Reported revenue	$ 4,038	$ 4,233	$ 4,038	$ 4,233	*-5%*
EBIT	$ 234	$ 209	$ $290	$ 255	*+14%*
Margin	*5.8%*	*4.9%*	*7.2%*	*6.0%*	
EBITDA	N/A	N/A	$ 377	$ 338	*+12%*
Margin			*9.3%*	*8.0%*	
Memo: Equity Income [2]	$ 101	$ 94	$ *106*	$ 99	*+7%*
Tax Expense	$ 28	$ 53	$ 34	$ 30	
ETR	*14.1%*	*25.6%*	*13.3%*	*13.3%*	
Net Income	$ 149	$ 137	$ 199	$ 175	*+14%*
EPS Diluted	$ 1.59	$ 1.46	$ $2.12	$ 1.87	*+13%*

1 – On an adjusted basis, which includes certain pro forma adjustments for FY16; see appendix for detail and reconciliation to U.S. GAAP
2 – Equity income included in EBIT & EBITDA

Revenue – consolidated & unconsolidated

- Consolidated sales challenged in the near-term resulting from capital constraints in prior years (pre-2016)
  - Volume and FX headwinds primary drivers of y-o-y decrease
- Strong growth expected in ADNT's unconsolidated JVs



Unconsolidated Seating

Year-over-year growth

+ 7%

+ 13% Excl. FX

Unconsolidated Interiors

Year-over-year growth

- 9%

- 3% Excl. FX

Regional Performance

(consolidates sales y-o-y growth by region)

	Reported FY17 Q1	Adjusted[1] FY17 Q1
N. America	-7%	-7%
Europe	-9%	-5%
S. America	19%	14%
Asia & China	17%	15%

1 – Growth rates at constant foreign exchange

Adjusted-EBIT

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> Adj-EBIT expanded to $290M, up $35M y-o-y

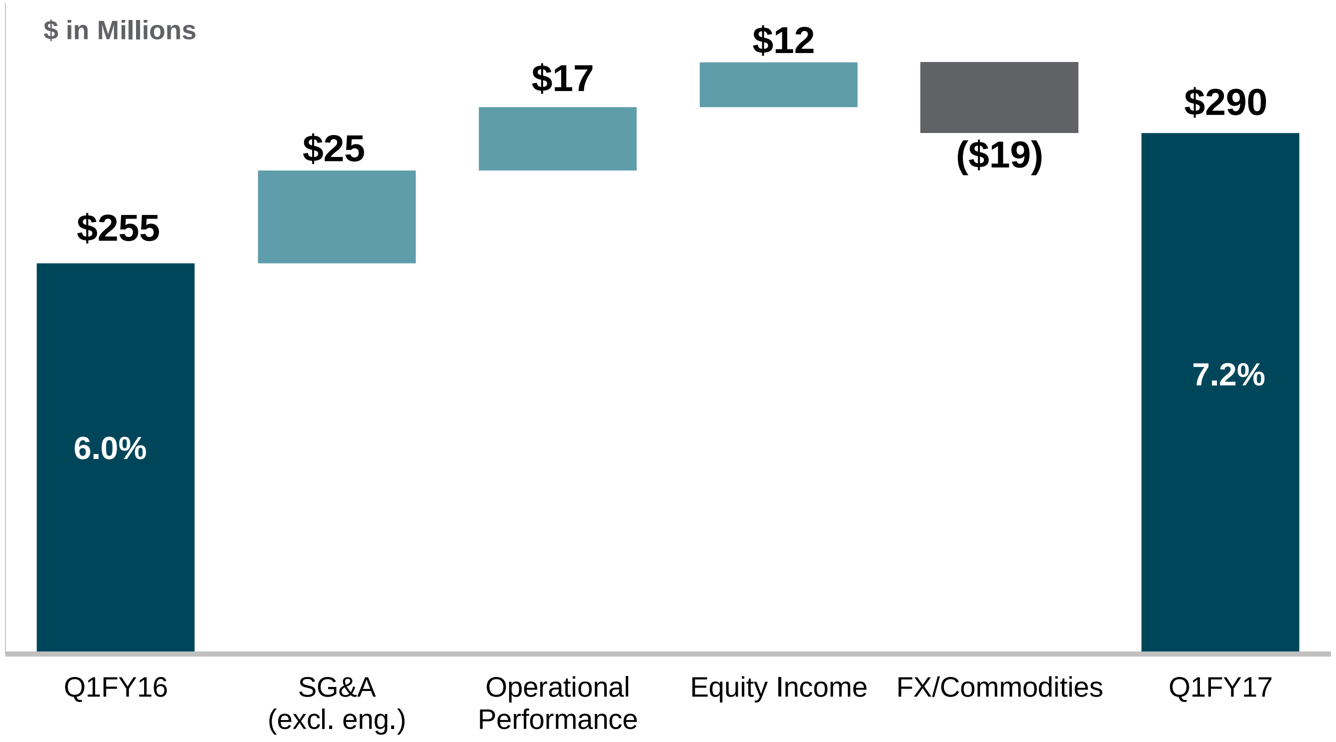
> Primary drivers:

– SG&A improvement reflecting the benefits of restructuring actions and lower corporate expenses

– Improved operational results

– Increase in equity income

> Material economics (steel) and FX partially offset the overall improvements



On an adjusted basis, which include certain pro forma adjustments for FY16; see appendix for detail and reconciliation to U.S. GAAP

Cash and capital structure summary

- Cash and cash equivalents of $709M at December 31, 2016
  - Capital expenditures totaled $207M in FY17 Q1 compared to $108M a year ago.
  - At December 31, 2016, total gross debt and net debt of $3,461M and $2,752M, respectively
  - Net leverage at December 31, 2016 of 1.76x, down from 1.95x at September 30, 2016
- Near-term capital deployment plan on-track
  - Reinvest in the business for growth (profitable growth)
  - Rapid de-leveraging
  - Establish quarterly dividend in-line with peers (H2FY17)

Capitalization detail

($ in millions)	**$ Amount**	**Coupon**
Cash & cash equivalents	$709	
Revolving credit facility ($1.5B) due 2021	–	
Term loan A due 2021	1,500	LIBOR +175
Senior unsecured notes (EUR) due 2024	1,052	3.500%
Senior unsecured notes (USD) due 2026	900	4.875%
Other debt	51	
Debt issuance cost	(42)	
Total debt	**$3,461**	
Net debt[1]	$2,752	

1 – See appendix for detail and reconciliation to U.S. GAAP

Looking forward: FY2017 guidance

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Status

Status			
	Revenue	$16.8 to $17.0 billion	
	ADJ. EBIT (Incl. ~$400 million of E.I.)	$1.15 to $1.2 billion	$400 million of equity income excludes $20 million purchase accounting amortization related to YFAI
	Depreciation & Amortization	$400 million	
	Interest Expense	$145 million	
	Effective Tax Rate	10 to 12%	Mid-to-high teens on consolidated ops; equity income (~ 40% of net income) is shown net of tax on financials
	ADJ. Net Income	$850 to $900 million	
	Capital Expenditures	$545 to $575 million	
	Free Cash Flow	$250 million	

Reconciliations of non-GAAP measures related to FY2017 guidance have not been provided due to the unreasonable efforts it would take to provide such reconciliations

Adient's Key Investment Thesis

ADIENT

MARKET POSITION

- Broadest and most complete range of seating products
- Unparalleled customer diversity– market leadership in North America, Europe and China (unique and longstanding position in China through JV structure); support all major automakers (190+ active platforms)

EARNINGS GROWTH

- Lean and improving cost structure (targeting restructuring actions in process)
- Upward trend in profitability expected to continue; ~200 bps margin improvement expected over the mid-term

CASH GENERATION

- Proven record of generating substantial cash flow
- Cash generation will enable Adient to transition from a levered company to an investment grade company while enhancing shareholder value through a competitive dividend
- Cash generation will support Adient's profitable growth strategy (organic & inorganic)

APPENDIX AND FINANCIAL RECONCILIATIONS

FY2017 First Quarter

Non-GAAP financial measurements

- Adjusted EBIT, Adjusted EBIT margin, Pro-forma adjusted EBIT, Pro-forma adjusted EBIT margin, Pro-forma adjusted EBITDA, Adjusted effective tax rate, Adjusted net income attributable to Adient, Pro-forma adjusted net income attributable to Adient, Adjusted earnings per share, Free cash flow, Net debt, Net leverage as well as other measures presented on an adjusted basis are not recognized terms under GAAP and do not purport to be alternatives to the most comparable GAAP amounts. Since all companies do not use identical calculations, our definition and presentation of these measures may not be comparable to similarly titled measures reported by other companies.
- Adjusted EBIT, Adjusted EBIT margin, Pro-forma adjusted EBIT, Pro-forma adjusted EBIT margin, Pro-forma adjusted EBITDA, Adjusted effective tax rate, Adjusted net income attributable to Adient, Pro-forma adjusted net income attributable to Adient, Adjusted earnings per share and Free cash flow are measures used by management to evaluate the operating performance of the company and its business segments to forecast future periods.
  - Adjusted EBIT is defined as income before income taxes and noncontrolling interests excluding net financing charges, restructuring, impairment and related costs, purchase accounting amortization, transaction gains/losses, expenses associated with becoming an independent company, other significant non-recurring items, and net mark-to-market adjustments on pension and postretirement plans. General corporate and other overhead expenses are allocated to business segments in determining Adjusted EBIT. Adjusted EBIT margin is Adjusted EBIT as a percentage of net sales.
  - Pro-forma adjusted EBIT is defined as Adjusted EBIT excluding pro-forma IT dis-synergies as a result of higher stand-alone IT costs as compared to allocated IT costs under our former parent. Pro-forma adjusted EBIT margin is Pro-forma adjusted EBIT as a percentage of net sales.
  - Pro-forma adjusted EBITDA is defined as Pro-forma adjusted EBIT excluding depreciation and stock based compensation.
  - Adjusted effective tax rate is defined as adjusted income tax provision as a percentage of adjusted income before income taxes.
  - Adjusted net income attributable to Adient is defined as net income attributable to Adient excluding restructuring, impairment and related costs, purchase accounting amortization, transaction gains/losses, Becoming Adient/separation costs, other significant non-recurring items, net mark-to-market adjustments on pension and postretirement plans, and the tax impact of these items.
  - Pro-forma adjusted net income attributable to Adient is defined as Adjusted net income attributable to Adient excluding pro-forma IT dis-synergies as a result of higher stand-alone IT costs as compared to allocated IT costs under our former parent, pro-forma interest expense that Adient would have incurred had it been a stand-alone company, the tax impact of these items and the pro-forma impact of the tax rate had Adient been operating as a stand-alone company domiciled in its current jurisdiction.
  - Free cash flow is defined as cash from operating activities plus payments from our former parent (related to reimbursements for cash management actions and capital expenditures), less capital expenditures.
  - Management uses these measures to evaluate the performance of ongoing operations separate from items that may have a disproportionate impact on any particular period. These measures are also used by securities analysts, institutional investors and other interested parties in the evaluation of companies in our industry
- Net debt is calculated as gross debt less cash and cash equivalents.
- Net leverage is calculated as net debt divided by last twelve months (LTM) pro-forma adjusted-EBITDA.

Non-GAAP reconciliations
EBIT, Pro-forma Adjusted EBIT, Pro-forma Adjusted EBITDA

		FY16 Actual				Actual	Last Twelve Months Ended		
(in $ millions)	Q4 FY15	Q1 FY16	Q2 FY16	Q3 FY16	Q4 FY16	Q1 FY17	Actual Jun '16	Actual Sep '16	Actual Dec '16
Net income attributable to Adient	$ (116)	$ 137	$ (779)	$ (14)	$ (877)	$ 149	$ (772)	$ (1,533)	$ (1,521)
Income attributable to noncontrolling interests	13	17	23	21	23	22	74	84	89
Income Tax Provision	284	53	838	136	812	28	1,311	1,839	1,814
Financing Charges	1	2	4	2	14	35	9	22	55
Earnings before interest and income taxes	$ 182	$ 209	$ 86	$ 145	$ (28)	$ 234	$ 622	$ 412	$ 437
Becoming Adient/separation costs (1)	-	60	72	122	115	41	254	369	350
Purchase accounting amortization (2)	9	9	10	9	9	10	37	37	38
Restructuring related charges (3)	4	4	3	3	4	5	14	14	15
Other items (4)	(7)	(21)	(35)	(22)	(1)	-	(85)	(79)	(58)
Restructuring and impairment costs (6)	182	-	169	75	88	-	426	332	332
Pension mark-to-market (7)	6	-	-	-	110	-	6	110	110
Gain on business divestiture	(137)	-	-	-	-	-	(137)	-	-
Adjusted EBIT	$ 239	$ 261	$ 305	$ 332	$ 297	$ 290	$ 1,137	$ 1,195	$ 1,224
Pro-forma IT dis-synergies (5)	(6)	(6)	(7)	(6)	(7)	-	(25)	(26)	(20)
Pro-forma adjusted EBIT	$ 233	$ 255	$ 298	$ 326	$ 290	$ 290	$ 1,112	$ 1,169	$ 1,204
Stock based compensation	(4)	1	5	14	8	4	16	28	31
Depreciation	77	82	81	77	87	83	317	327	328
Pro-forma adjusted EBITDA	$ 306	$ 338	$ 384	$ 417	$ 385	$ 377	$ 1,445	$ 1,524	$ 1,563

1. Reflects incremental/non-recurring expenses associated with becoming an independent company and expenses associated with the separation from JCI.
2. Reflects amortization of intangible assets including those related to the YFAI joint venture recorded within equity income.
3. Reflects restructuring related charges for costs that are directly attributable to restructuring activities, but do not meet the definition of restructuring under ASC 420.
4. Reflects a first quarter 2016 $13 million favorable commercial settlement, second quarter 2016 $22 million favorable settlements from prior year business divestitures and a $6 million favorable legal settlement, and a third quarter 2016 $14 million favorable legal settlement. Also reflected is a multi-employer pension credit associated with the removal of costs for pension plans that remained with JCI in the amount of $8 million, $7 million, $8 million and $1 million in the first, second, third and fourth quarters of 2016.
5. Pro-forma amounts include IT dis-synergies as a result of higher stand-alone IT costs as compared to allocated IT costs under JCI, interest expense that Adient would have incurred had it been a stand-alone company and the impact of the tax rate had Adient been operating as a stand-alone company domiciled in its current jurisdiction.
6. Reflects qualified restructuring charges for costs that are directly attributable to restructuring activities and meet the definition of restructuring under ASC 420.
7. Reflects net mark-to-market adjustments on pension and postretirement plans.

Non-GAAP reconciliations
Adjusted Net Income

Adjusted Net Income

(in $ millions)	Three Months Ended December 31 2016	Three Months Ended December 31 2015
Net income attributable to Adient	$ 149	$ 137
Becoming Adient/separation costs (1)	41	60
Purchase accounting amortization (2)	10	9
Restructuring related charges (3)	5	4
Other items (4)	-	(21)
Tax impact of above adjustments and one time tax items	(6)	(3)
Adjusted net income attributable to Adient	$ 199	$ 186
Pro-forma IT dis-synergies (5)	-	(6)
Pro-forma net financing charges (5)	-	(31)
Tax impact of above pro-forma adjustments	-	5
Pro-forma effective tax rate adjustment (5)	-	21
Pro-forma adjusted net income attributable to Adient	$ 199	$ 175

Adjusted Diluted EPS

(in $ millions)	Three Months Ended December 31 2016	Three Months Ended December 31 2015
Diluted earnings per share as reported	$ 1.59	$ 1.46
Becoming Adient/separation costs (1)	0.44	0.64
Purchase accounting amortization (2)	0.10	0.09
Restructuring related charges (3)	0.05	0.04
Other items (4)	-	(0.22)
Tax impact of above adjustments and one time tax items	(0.06)	(0.03)
Adjusted diluted earnings per share	2.12	1.98
Pro-forma IT dis-synergies (5)	-	(0.06)
Pro-forma net financing charges (5)	-	(0.33)
Tax impact of above pro-forma adjustments	-	0.05
Pro-forma effective tax rate adjustment (5)	-	0.23
Pro-forma adjusted diluted earnings per share	2.12	1.87

1. Reflects incremental/non-recurring expenses associated with becoming an independent company and expenses associated with the separation from JCI.
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Non-GAAP reconciliations
Free Cash Flow, Net Debt, and Adjusted Equity Income

Free Cash Flow

(in $ millions)	Three Months Ended December 31 2016	2015
Operating cash flow	$ (13)	$ 90
Less: Capital expenditures	(207)	(108)
Cash from former parent	228	-
Free cash flow	$ 8	$ (18)

Net Debt and Net Leverage

(in $ millions)	December 31, 2016	September 30, 2016
Cash (1)	$ 709	$ 550
Total Debt (2)	3,461	3,521
Net Debt	$ 2,752	$ 2,971
Pro-forma adjusted EBITDA (last twelve months)	1,563	1,524
Net Leverage	1.76 x	1.95 x

Adjusted Equity Income

(in $ millions)	Three Months Ended December 31 2016	2015
Equity income as reported	$ 101	$ 94
Purchase accounting amortization (3)	5	5
Adjusted equity income	$ 106	$ 99

1. Cash at September 30, 2016 is pro-forma cash based on the preliminary funding of Adient's opening cash balance on October 31, 2016.
2. Total debt at September 30, 2016 has been revised to include debt issuance costs as a reduction of the carrying amount of the debt in accordance with ASU 2015-03, which was adopted retrospectively by the company in Q1 2017.
3. Reflects amortization of intangible assets including those related to the YFAI joint venture recorded within equity income.

Non-GAAP reconciliations
Adjusted Income before Income Taxes

Adjusted Income before Income Taxes

(in $ millions)	Three Months Ended December 31					
	2016			2015		
	Income before Income Taxes	Tax impact	Effective tax rate	Income before Income Taxes	Tax impact	Effective tax rate
As reported	$ 199	$ 28	14.1%	$ 207	$ 53	25.6%
Adjustments, including prior year pro-forma impacts	56	6	10.7%	15	(23)	*
As adjusted	$ 255	$ 34	13.3%	$ 222	$ 30	13.3%

* Measure not meaningful

Prior Period Results

(in $ millions)	Actual Q4 FY15	FY16 Actual Q1 FY16	FY16 Actual Q2 FY16	FY16 Actual Q3 FY16	FY16 Actual Q4 FY16	Actual Q1 FY17	Last Twelve Months Ended Actual Jun '16	Last Twelve Months Ended Actual Sep '16	Last Twelve Months Ended Actual Dec '16
Sales	$ 4,162	$ 4,233	$ 4,298	$ 4,362	$ 3,944	$ 4,038	$ 17,055	$ 16,837	$ 16,642
Adjusted EBIT	233	255	298	326	290	290	1,112	1,169	1,204
% of Sales	5.60%	6.02%	6.93%	7.47%	7.35%	7.18%	6.52%	6.94%	7.23%
Adjusted EBITDA	306	338	384	417	385	377	1,445	1,524	1,563
% of Sales	7.35%	7.98%	8.93%	9.56%	9.76%	9.34%	8.47%	9.05%	9.39%
Adj Equity Income	75	99	82	94	102	106	350	377	384
Adj EBIT Excl Equity	158	156	216	232	188	184	762	792	820
% of Sales	3.80%	3.69%	5.03%	5.32%	4.77%	4.56%	4.47%	4.70%	4.93%
Adj EBITDA Excl Equity	231	239	302	323	283	271	1,095	1,147	1,179
% of Sales	5.55%	5.65%	7.03%	7.40%	7.18%	6.71%	6.42%	6.81%	7.08%