

The background of the slide is a close-up photograph of a car's interior, showing black leather seats with white stitching and a gear shift area. The image is partially covered by a dark teal overlay on the right side.

Adient Investor Meeting

January 16, 2019

Improving the experience of a world in motion

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 impact of tax reform legislation through the Tax Cuts and Jobs Act, uncertainties in U.S. administrative policy regarding trade agreements, tariffs and other international trade relations, the ability of Adient to execute its SS&M turnaround plan, the ability of Adient to identify, recruit and retain key leadership, 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, the ability of Adient to effectively integrate the Futuris business, 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, 2018 filed with the SEC on November 29, 2018 and quarterly reports on Form 10-Q filed with the SEC, 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 are included in the appendix.

Today's agenda



Douglas Del Grosso

President and Chief Executive Officer

- > Adient today
- > CEO 100-day plan
- > Transitioning from 100-day plan



Jeffrey Stafeil

Executive Vice President and
Chief Financial Officer

- > Looking forward



- > Adient has a solid foundation
- > Internal and external headwinds that impacted FY18 continued into FY19
- > Case study demonstrating our ability to resolve complex issues; turnaround actions taking root
- > Benchmarking our performance illustrates what can be achieved by fixing our problems
- > Transitioning beyond the 100-day plan, our short and long-term approach
- > Preliminary Q1FY19 results and full year commentary
- > Continuing to take steps to improve the strength and flexibility of Adient's capital structure

Adient is a critical supplier in automotive seating, supplying approximately one out of every three automotive seats worldwide

NYSE: ADNT

FY18 Revenue

~\$17.4B

Consolidated revenue

Strong and diversified revenue mix:

Passenger car ~39%
Truck ~23%
CUV / SUV ~38%

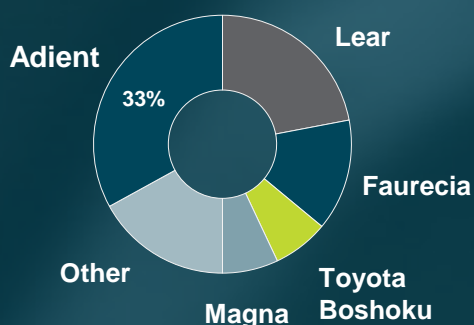
~\$9.4B

Unconsolidated seating revenue

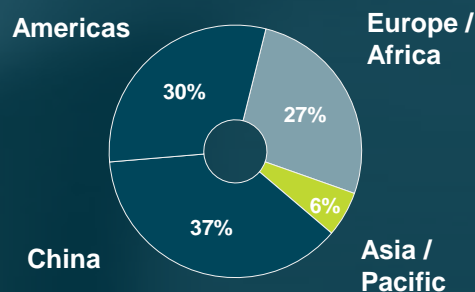
~\$8.8B

Unconsolidated interiors revenue

Global market share*



Revenue by geography*

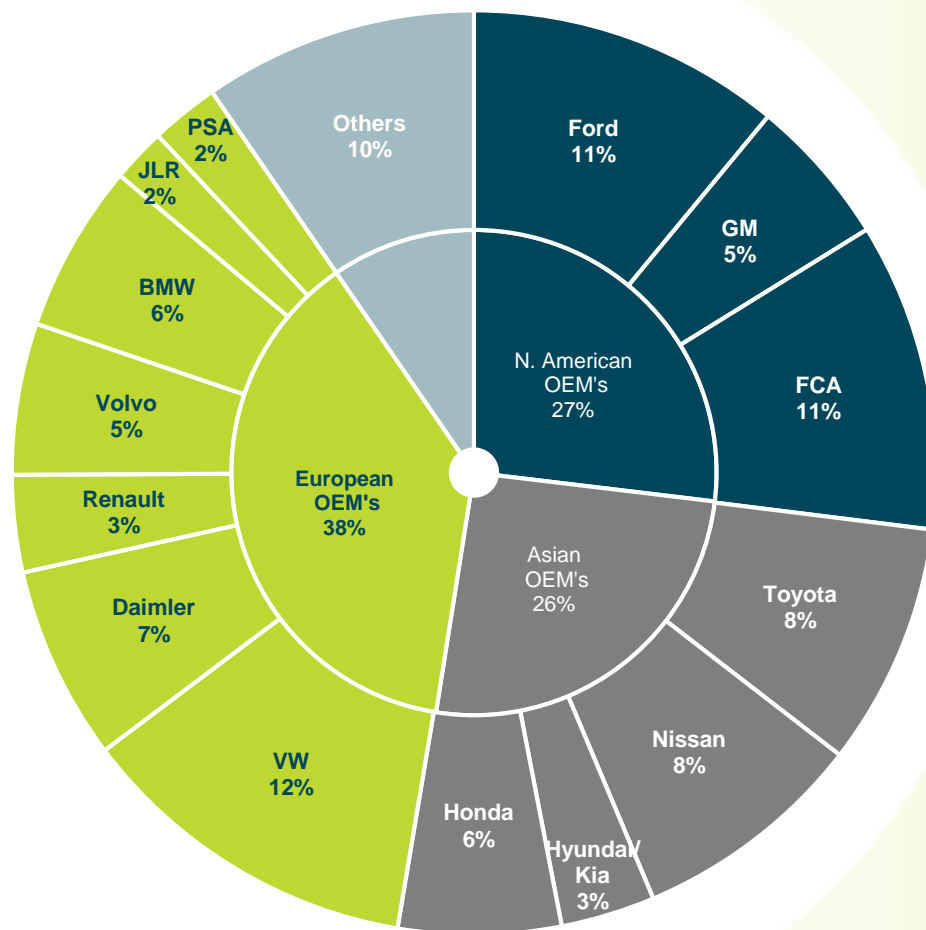


We supply **one out of every three** automotive seats worldwide

25M+ seat systems per year

*Adient share includes non-consolidated revenue. Revenue by geography based on FY2018 (consolidated and non-consolidated). Source: External and management estimates.

We work with the
**world's largest
automotive
manufacturers**
across the globe



> Industry leading diversification

> By customer

No customer is greater than 12% of total consolidated sales

> By platform

No platform is greater than ~5% of total consolidated sales

> Ability to leverage products across customers and regions

> Scale provides leverage to optimize cost structure

Based on ADNT's FY18 consolidated sales

Our Seating joint venture partnerships in China enable us to enjoy a clear leadership position in China

We generated

\$9.2B

sales revenue in FY2018



We have

21

seating joint ventures*



with

45%

combined share of the passenger vehicle market



We have



79

manufacturing locations



4

global tech centers



in **41** cities

We employ

33,000

highly engaged employees including >1,400 engineers













Note: Sales revenue and all other data on slide exclude YFAI
* Includes five consolidated JVs

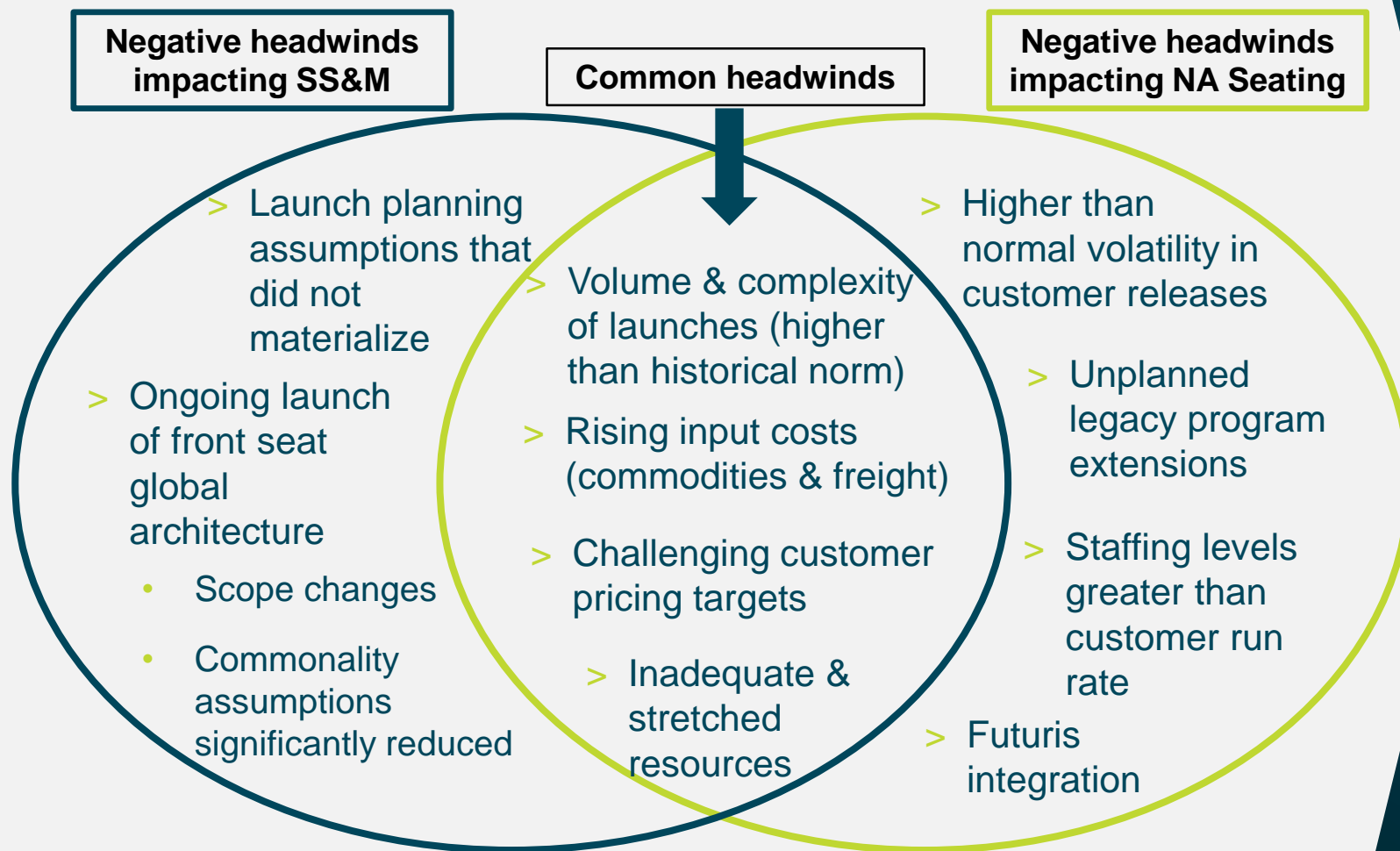
Adient continues to dominate the seat quality category in J.D. Power's China Initial Quality Study with 21 awards in 2018



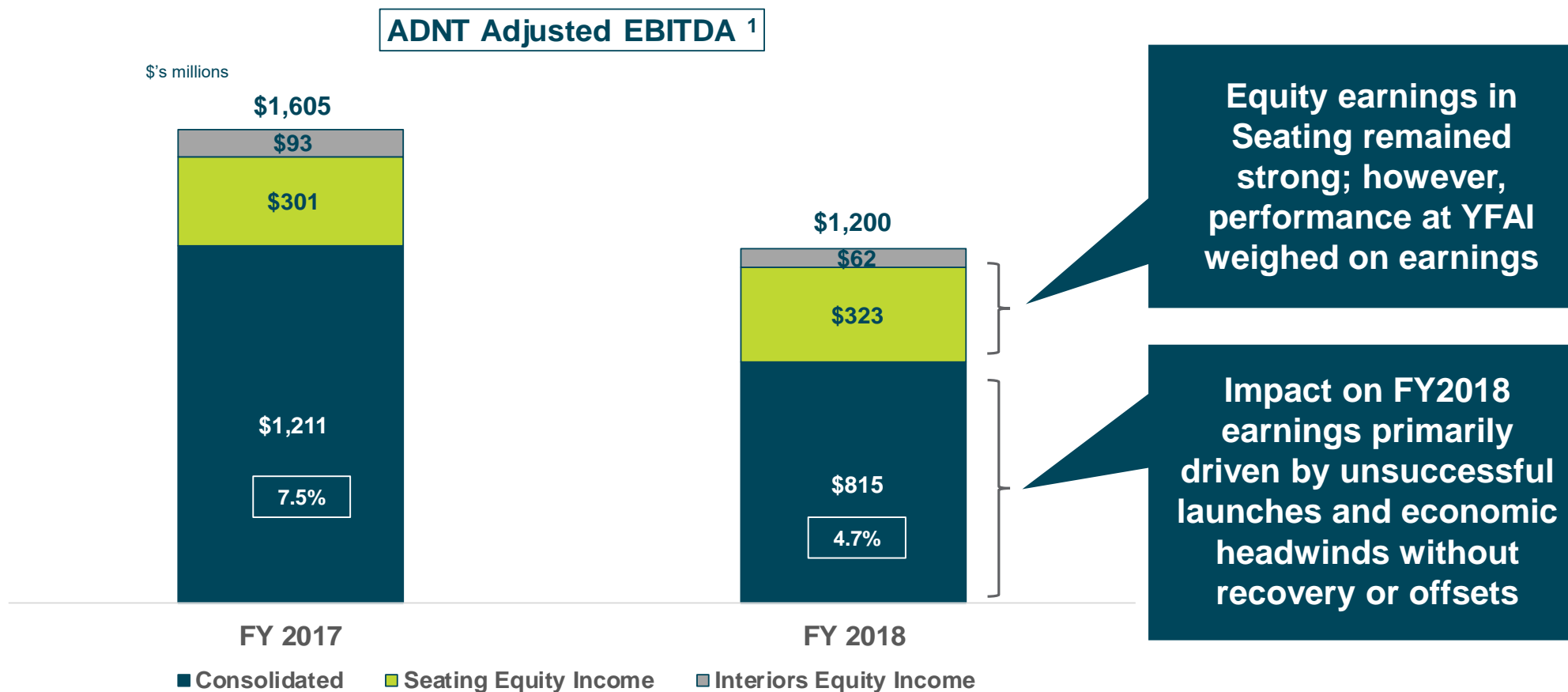
6 x  x 7
 x 8
 = **21** awards
 for **8** joint ventures
 across **13** segments

 COMPACT LUXURY SUV	SJA  BMW X1 seats	 MIDSIZE BASIC	YFAS  Skoda Rapid seats
	CFAA  Audi Q3 seats		
	CQYFAS  Changan CS55 seats		YFAS  Volkswagen Touran L seats
			 Buick GL6 seats
 COMPACT SUV	YFAS  Kia K2 seats	 MIDSIZE MPV	
 COMPACT UPPER	GAAS  Honda Fit seats		YFAS  Peugeot 4008 seats
	YFAS  Volkswagen Polo seats		
 LARGE MPV	YFAS  Buick New GL8 seats		YFAS  Buick LaCROSSE seats
 LARGE SUV			 Volkswagen Passat seats
	YFAS  Buick All New GL8 seats	 MIDSIZE UPPER	
	GAAS  GAC Trumpchi GS8 seats	 MIDSIZE UPPER ECONOMY	Tachi-S-Adient  Honda Jade seats
 COMPACT	YFAS  Chevrolet Sail seats	 SMALL SUV	
 MIDSIZE	YFAS  Buick Excelle GX seats		YHAS  JAC Refine S3 seats
	GZDFAS  Nissan Sylphy seats		
	GZDFAS  Nissan Lannia seats		

Challenging 2018 in both SS&M and NA Seating



2018 challenges significantly impacted ADNT's financial results



¹ For Non-GAAP and adjusted results, see appendix for detail and reconciliation to U.S. GAAP

Good underlying company but suffering from significant external and internal headwinds

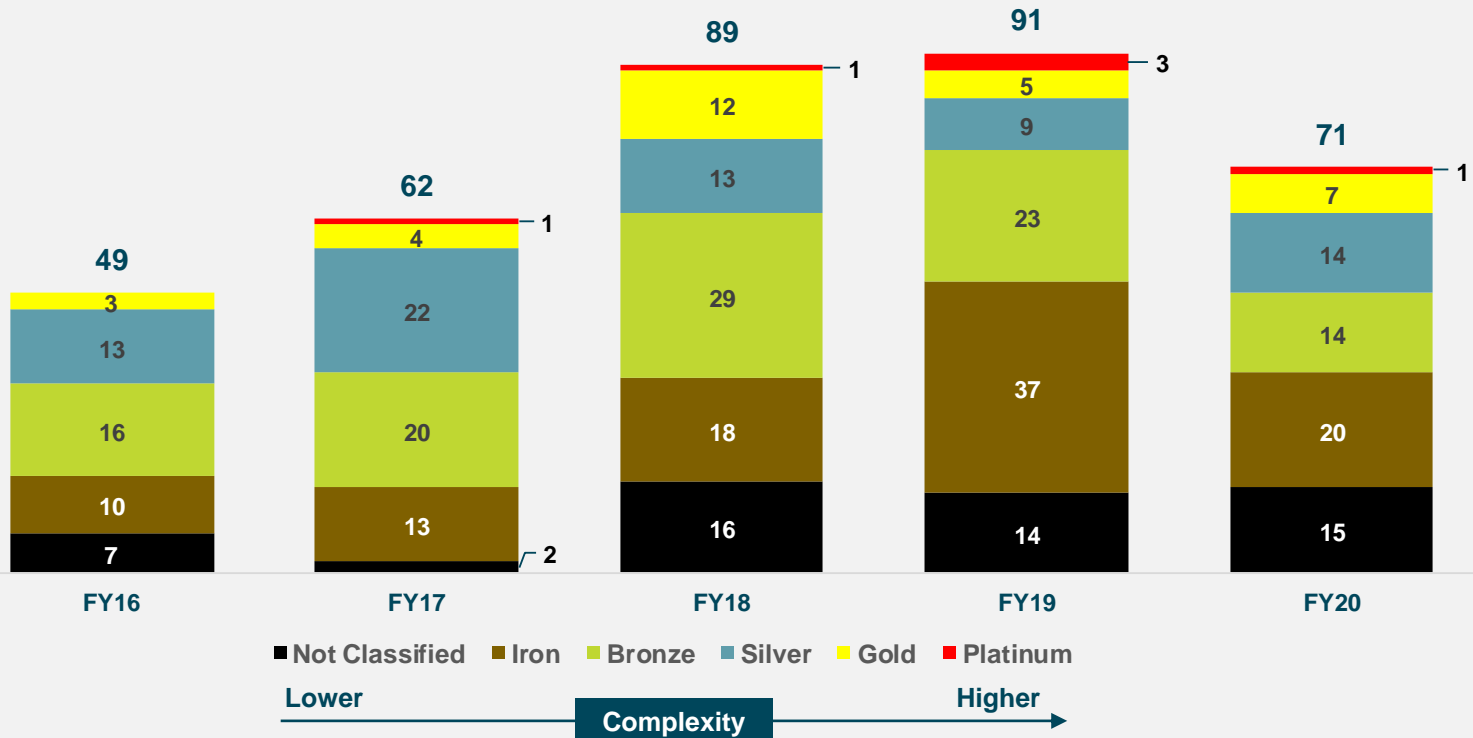
Examples of 2018 challenges – Clanton, AL



Q1 FY18	Q2 FY18	Q3 FY18	Q4 FY18	Fiscal 2019
<p>Issue</p> <ul style="list-style-type: none"> > Launch challenges associated with large domestic SUV (2nd / 3rd row rear seat structures only) <ul style="list-style-type: none"> - Low machine utilization, poor FTT, high premium freight, poor quality, additional warehouse, etc. - Added support personnel: quality professionals, weld technicians, internal and external containment, additional Clanton team members > Platform <u>Loss</u> per vehicle of (\$1900) 	<p>Actions taken</p> <ul style="list-style-type: none"> > Improved production stability > Focused labor efficiency improvements > New operations manager hired > Implemented material review board (scrap reduction initiative) <p>Results</p> <ul style="list-style-type: none"> > Labor costs improved by 16% from Q1 > Premium freight reduced by 61% from Q1 	<p>Actions taken</p> <ul style="list-style-type: none"> > New plant manager hired > Reduction of contract direct, indirect and salary labor, incl. premium overtime > Numerous Kaizen events conducted to improve weld health (FTT) > Improved daily production, material buffers optimized > Initiated commercial discussions <p>Results</p> <ul style="list-style-type: none"> > Labor costs improved by 21% from Q2 > Premium freight reduced by 93% from Q2 	<p>Actions taken</p> <ul style="list-style-type: none"> > Executed successful commercial actions (fixed pricing and addressed material economics / tariffs) > Implemented required changes for Q4 volume increases > Continued efficiency and welding FTT improvement <p>Results</p> <ul style="list-style-type: none"> > Decrease in premium freight (\$1.1M run rate reduction from Q1) > Reduced customer containment > Assembly line MU improved from 42% (Q1) to 75% 	<div> <ul style="list-style-type: none"> > Plant and program now operating “in the black” > Continued improvement resulting in improved profit per vehicle > Scrap reduced by 81% from Q1 FY18 > A combination of successful operational and commercial actions resulted in profitability </div>
<div> <div>~ \$(24) M</div> <div>Clanton Adjusted EBITDA</div> <div>→ Profitable</div> </div>				

Examples of 2018 challenges – volume and complexity of launches

Seating Americas and SS&M launches by fiscal year



- > Higher number of launches than historical norm
- > Next generation product launches have greater complexity
- > SS&M launches included global common architecture for multiple customers
- > Strained resources from launch planning assumptions that did not materialize
- > Distractions outside of core business (i.e. Futuris integration, West Coast strategy, RECARO, Adient Aerospace) further diluted resources

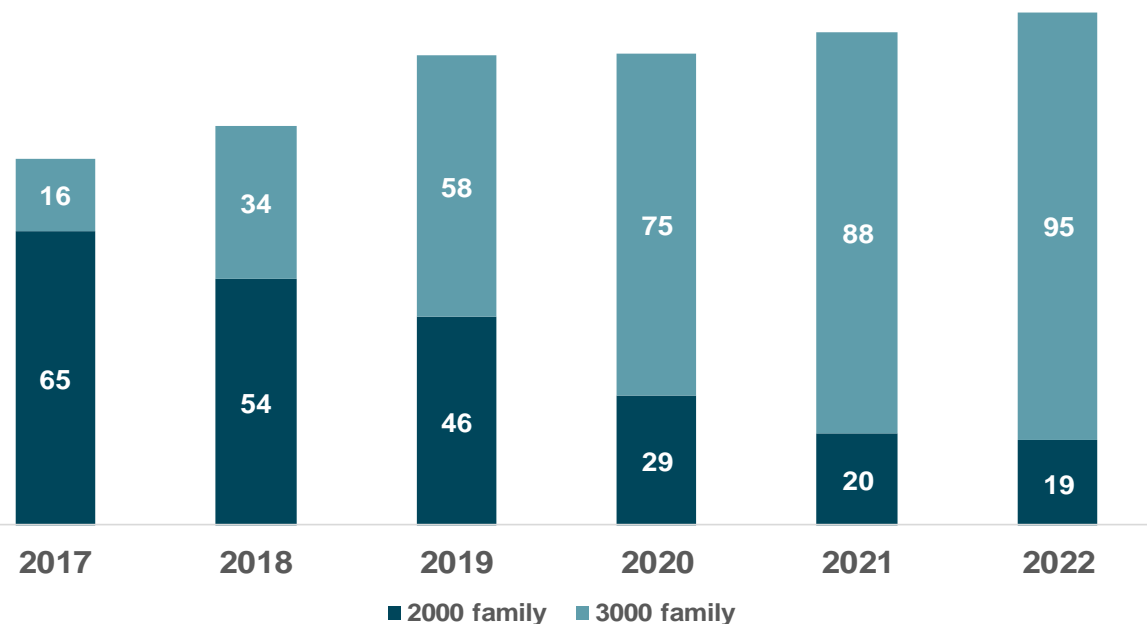
Significant launch activity will remain a challenge through FY19; focusing on the core business and rightsizing SS&M is expected to reduce launch complexity

Examples of 2018 challenges – recliners and common front seat architecture



Conversion to 3000 family recliner (fcst)

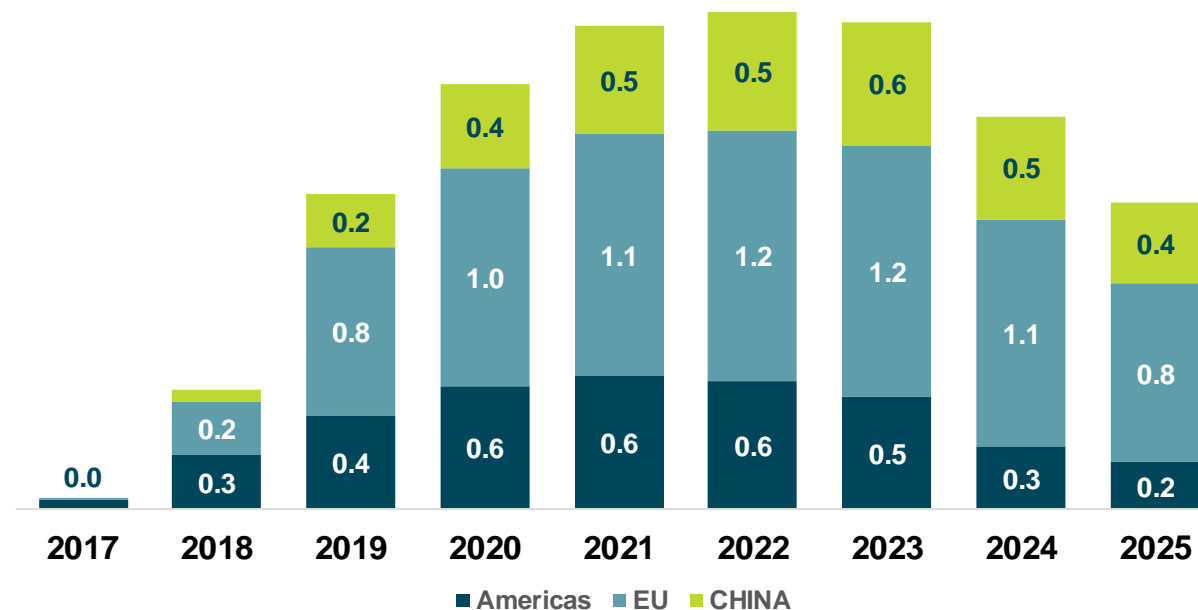
Units: parts in millions



- > FY18 represented first significant production year for 3000 recliner family
- > 2000 recliner family is gradually phasing out thru FY25
- > In FY18 needed to augment automated assembly lines with six additional manual lines due to launch challenges on the automated lines (production costs on manual lines nearly double compared with automated lines)
- > Production shortages in FY18 and resulting backlog resulted in significant premium freight charges
- > At end of Q1 FY19 managed to eliminate the manual lines as well as the premium freight

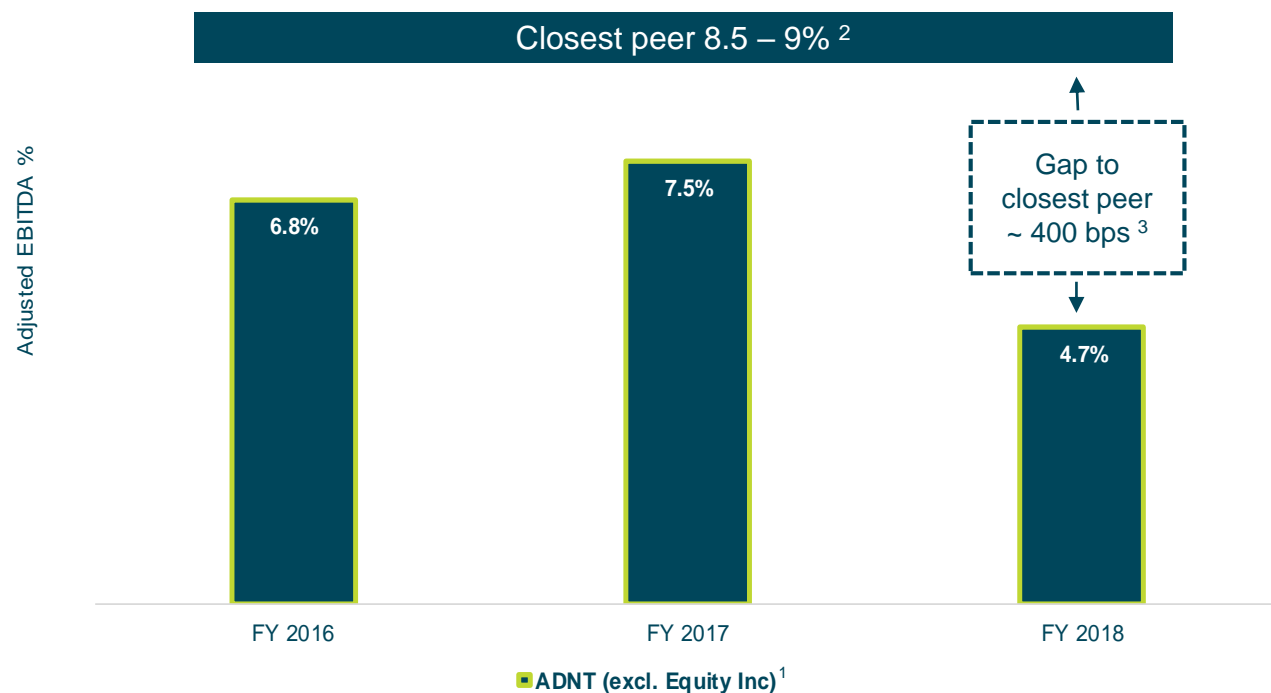
Common front seat architecture volume (fcst)

Units: vehicles in millions



- > Program won in 2013, launched in early FY18 in North America and late FY18 in Europe
- > In development over 40% decrease in part commonality without offsetting commercial compensation
- > North America launch caused significant issues with over \$20M in losses in Q1 of FY18, today program is profitable in North America
- > Increased volume in Europe in Q1 FY19 driving significant losses
- > Working with customers on commercial terms and expect program to achieve marginal profitability during FY20

Benchmarking our performance



¹ - For Non-GAAP and adjusted results, see appendix for detail and reconciliation to U.S. GAAP

² - Based on external reports revised to align with ADNT fiscal year and Adjusted EBITDA

³ - Components of margin gap include: ~ 200-250 bps SS&M recovery/downsize, ~ 100-150 bps core seating improvements, and ~ 50 bps China JV infrastructure,

CEO observations of 100 day assessment

- > Leading customer position
 - Diversified revenue with #1 market share largest markets (NA & China)
 - #1 or 2 position in most other markets
- > Capability to selectively vertically integrate in major markets
- > Extremely attractive JV mix in China with strong cash capitalization (monetize where possible)
- > Structural ROIC disadvantage through higher complexity in SS&M business
- > Significant operational challenges (i.e., launches & uncompetitive cost structure)
- > Focus on growth has reduced focus on commercial recoveries from things like program scope changes and economic recoveries

It does not appear there are structural reasons Adient's margins should not be comparable to its peers; however, it will take time to correct the past and close the gap

Key actions - transitioning from 100-day plan



Focus on core “back-to-basics”

- > Re-establish business mindset with clear accountability
- > Reduce / eliminate non-essential spending
- > Divest non-core businesses / assets (i.e. Korea interiors)
- > Cut / downsize side investment

Fix and prevent operational / launch problems

- > Problem plant focus
- > Redirect resources to eliminate operational waste
- > Tighter / true assessment of future launch risks
- > Selective outsourcing (make / buy)

Commercial discipline

- > Economics / surcharge / tariff / FX recoveries
- > Re-establish VA/VE activities to drive material costs down
- > Replace / exit bad customers / programs
- > Focus on profitable growth / ROIC with product / customer / region strategy

Strengthen balance sheet

- > Evaluating options to refinance credit facilities to provide flexibility and liquidity to manage through the turnaround
- > China JVs have over \$1B in net cash – implement monetization ideas
- > Focus on cash flow improvements across company (tooling, capex, working capital, etc.)

Downsize SS&M

- > Focus on tier 1 business
- > Downsize tier 2 business (today 55% - 60% tier 2)
- > Achieve cash flow neutrality by 2021 at a minimum

First 180+ days

Day 181+

New leadership organization to deliver a turnaround



Douglas Del Grosso
President and Chief
Executive Officer



Michel Berthelin
Vice President
Seating EMEA



James Huang
Vice President
Seating APAC



Jeff Stafeil
Executive Vice
President and
Chief Financial
Officer



Cathy Ebacher
Vice President
General Counsel
and Secretary



Jerome Dorlack
Vice President
Seating Americas



Kelli Carney
Vice President
and Chief
Purchasing
Officer



Paul Van Hoof
Vice President
Corporate
Development



Neil Marchuk
Executive Vice
President and
Chief Human
Resources Officer



Byron Foster
Executive Vice
President SS&M



Brian Grady
Vice President
Commercial



Driving more responsibility into the regions; pivoted to profitability & cash flow vs. backlog growth for incentive compensation structure



New to company or role last twelve months

Memo: 11 out of 19 leaders in place at spin-off from JCI are no longer with ADNT

Looking forward – fiscal 2019



Global Industry Demand

- > In general, softening demand compared with recent years; however, no hard landing expected
 - NA: Relatively stable; late in cycle and rising interest rates pressuring demand and affordability
 - Europe: WLTP, Brexit and political uncertainty (France and Italy) likely to weigh on the industry
 - China: Reduction in production planned to clear elevated inventory levels; recovery expected late 2019

Trade / Tariffs / Wage inflation

- > Trade War duty on Chinese products and global steel expected to have an annual impact of approximately \$20M
- > USMCA trade agreement signed. Agreement must be ratified by each nation's legislature. Final rules remain uncertain. Cautiously optimistic that most Adient goods will still qualify
- > Rising labor costs in Mexico

Commodities

- > Steel economics in NA expected to be less of a headwind in FY19 vs. FY18 as the market has pulled back from its peak 2018 levels. In Europe, the market has been mixed as mills are pushing for increases
- > Softening chemical markets, especially in TDI, resulting in favorable economics.
 - TDI down in all three major regions on ample supply and slowing demand. Monomeric MDI remains tight. Polyols flat to down as propylene falls.

Foreign Exchange

- > Weaker global currencies versus the U.S. Dollar is expected to pressure results
 - Euro
 - Chinese RMB
 - Brazilian Real

Preliminary Q1

Revenue	~ \$4,158M
Adj. EBITDA	~ \$175M Incl. equity income of ~\$80M
Free Cash Flow	~ \$(300)M

Reconciliations of non-GAAP measures related to FY2019 guidance have not been provided due to the unreasonable efforts it would take to provide such reconciliations

Commentary on Q1 / full year

- > First half FY19 expected to be trough Adj. EBITDA / earnings; expect to see improvement in second half results vs. first half results (but lower than FY18)
- > Unconsolidated Seating and SS&M sales down ~10% (down 5% excluding FX) vs. China industry production down ~10%
- > Outside of operational headwinds, FY19 is expected to be impacted by:
 - > Temporary SG&A benefits not repeating in FY19
 - > Weaker global currencies vs. USD
 - > Elimination of “becoming Adient” adjustments
 - > Increased Adient Aerospace spend vs. FY18
 - > Adoption of ASU NO. 2017-07 (pension disclosure)
- > Additional updates to be provided through the year as we gain clarity on key variables (E.g. pace of operational launch improvements, commercial discussions, tariffs, China volumes, etc.)

Visible signs of improvement in earnings are expected as we progress through the second half of FY19

Significant flexibility in capital structure

- > Secured leverage very low today
 - > Strong and supportive bank group
 - > No near term maturities
 - > Most of debt is unsecured and not due until 2024/2026
- > Options exist to refinance secured debt to more flexible structure
 - > Reduce or eliminate covenant exposure (i.e. transition to less restrictive secured structure)
 - > Sizeable tangible asset base
 - > Initiated discussions with bank group to refinance existing credit facilities
- > Additional opportunities to leverage strength of JV balance sheets
 - > Seating JVs net cash position of ~\$1.2B at 9/30/18
 - > FY18 cash dividend of \$290M, 75% conversion ratio; high visibility into cash dividends from China (based on prior year's equity income)
 - > Continue to actively engage with JV partners to maximize and unlock additional cash / value

Secured debt	As of 9/30/2018
• Term loan A (2021)	\$1,200
• Revolving credit facility (2021)	-
• European Investment Bank	187
Total secured	\$1,387
Less cash	(687)
Net secured debt	\$700
2018 Adjusted EBITDA	\$1,200
Net secured leverage ratio	0.58 x

What you can expect for Adient going forward



- > Top priority is to improve EBITDA and free cash flow near-term
- > Increase the strength and flexibility of our balance sheet
- > Focus on profitable growth and return on invested capital with specific product, customer and regional strategies
- > Rightsize SS&M business

Questions?



APPENDIX AND FINANCIAL RECONCILIATIONS

January Investor Meeting



- > Adjusted EBIT, Adjusted EBIT margin, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted net income attributable to Adient, Adjusted effective tax rate, Adjusted earnings per share, Adjusted equity income, Adjusted free cash flow, Net debt and Net leverage as well as other measures presented on an adjusted basis are not recognized terms under U.S. GAAP and do not purport to be alternatives to the most comparable U.S. 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, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted net income attributable to Adient, Adjusted effective tax rate, Adjusted earnings per share, Adjusted equity income, Adjusted free cash flow, Net debt and Net leverage 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. Adjusted EBIT margin is adjusted EBIT as a percentage of net sales.
 - Adjusted EBITDA is defined as adjusted EBIT excluding depreciation and stock based compensation. Certain corporate-related costs are not allocated to the business segments in determining Adjusted EBITDA. Adjusted EBITDA margin is adjusted EBITDA as a percentage of net sales.
 - 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, expenses associated with becoming an independent company, other significant non-recurring items, net mark-to-market adjustments on pension and postretirement plans, the tax impact of these items and other discrete tax charges/benefits.
 - Adjusted effective tax rate is defined as adjusted income tax provision as a percentage of adjusted income before income taxes.
 - Adjusted earnings per share is defined as Adjusted net income attributable to Adient divided by diluted weighted average shares.
 - Adjusted equity income is defined as equity income excluding amortization of Adient's intangible assets related to its non-consolidated joint ventures and other unusual or one-time items impacting equity income.
 - Free cash flow is defined as cash from operating activities less capital expenditures.
 - Adjusted free cash flow is defined as free cash flow adjusted for cash transferred from the former Parent post separation.
 - 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, Adjusted EBIT, Adjusted EBITDA



	FY16 Actual	FY17 Actual	FY18 Actual
(in \$ millions)	Full FY16	Full FY17	Full FY18
Net income attributable to Adient	\$ (1,546)	\$ 877	\$ (1,685)
Income attributable to noncontrolling interests	84	85	\$ 84
Income Tax Provision ⁽¹²⁾	1,839	99	\$ 480
Financing Charges	22	132	\$ 144
Earnings before interest and income taxes	\$ 399	\$ 1,193	\$ (977)
Separation costs ⁽¹⁾	369	10	-
Becoming Adient ⁽¹⁾	-	95	62
Purchase accounting amortization ⁽²⁾	37	43	69
Restructuring related charges ⁽³⁾	14	37	61
Other items ⁽⁴⁾	(79)	16	40
Restructuring and impairment costs ⁽⁵⁾	332	46	1,181
Pension mark-to-market ⁽⁶⁾	110	(45)	(24)
Gain on previously held interest ⁽⁷⁾	-	(151)	-
Impairment on YFAI investment ⁽⁸⁾	-	-	358
Adjusted EBIT	\$ 1,182	\$ 1,244	\$ 770
Pro-forma IT dis-synergies ⁽⁹⁾	(26)	-	-
Pro-forma Adjusted EBIT	\$ 1,156	\$ 1,244	\$ 770
Stock based compensation ⁽¹⁰⁾	28	29	37
Depreciation ⁽¹¹⁾	327	332	393
Adjusted EBITDA	\$ 1,511	\$ 1,605	\$ 1,200

1. Reflects incremental 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 partially owned affiliates 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. The twelve months ended September 30, 2018 primarily includes \$22 million integration costs associated with the acquisition of Futuris, \$11 million of non-recurring consulting fees related to SS&M, and a \$8 million charge related to the impact of the U.S. tax reform on YFAI. The twelve months ended September 30, 2017 primarily includes \$3 million of transaction costs associated with the acquisition of Futuris and \$12 million of initial funding of the Adient foundation. The twelve months ended September 30, 2016 includes a \$24 million multi-employer pension credit associated with the removal of costs for pension plans that remained with the former Parent, \$22 million of favorable settlements from prior year business divestitures, a \$20 million favorable legal settlement and a \$13 million favorable commercial settlement
5. Reflects qualified restructuring charges for costs that are directly attributable to restructuring activities and meet the definition of restructuring under ASC 420 and non-recurring impairment charges. Fiscal 2018 restructuring and impairment costs includes a non-cash pre-tax impairment charge of \$1,086 in the SS&M business (\$787 million related to long-lived assets \$299 million related to goodwill), a \$49 million non-cash impairment charge related to assets held for sale and a \$46 million qualified restructuring charge
6. Reflects net mark-to-market adjustments on pension and postretirement plans
7. An amendment to the rights agreement of a seating affiliate in China was finalized in the fourth quarter of fiscal 2017 giving Adient control of the previously non-consolidated affiliate. Adient began consolidating the entity in July 2017 and was required to apply purchase accounting, including recognizing a gain on our previously held interest, which has been recorded in equity income
8. Reflects a non-cash impairment charge related to Adient's YFAI investment balance, which has been recorded within the equity income line in the consolidated statements of income
9. 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
10. For the twelve months ended September 30, 2018 and 2017, stock based compensation excludes \$10 million and \$16 million, respectively. These amounts are included in Becoming Adient costs discussed above
11. For the twelve months ended September 30, 2018, depreciation excludes \$7 million, which is included in restructuring related charges discussed above. For the twelve months ended September 30, 2017, depreciation excludes \$5 million which is included in Becoming Adient costs discussed above
12. For the twelve months ended September 30, 2018, income tax provision includes a non-cash tax charge of \$555 million to establish valuation allowances against net deferred tax assets in certain jurisdictions and a tax charge of \$210 million, primarily non-cash, to recognize the impact of U.S. tax reform legislation. For the twelve months ended September 30, 2016, income tax provision includes tax charges associated with the separation from the former Parent.

Non-GAAP reconciliations

Adjusted Equity Income



(in \$ millions)	Adjusted Equity Income		
	Twelve Months Ended		
	September 30		
	2018	2017	2016
Equity income as reported	\$ (13)	\$ 522	\$ 344
Purchase accounting amortization ⁽¹⁾	22	22	20
Restructuring related charges ⁽²⁾	10	1	-
Impairment of YFAI Investment ⁽³⁾	358	-	-
US tax reform legislation at YFAI	8	-	-
Gain on previously held interest ⁽⁴⁾	-	(151)	-
Adjusted equity income	\$ 385	\$ 394	\$ 364

1. Reflects amortization of intangible assets including those related to partially owned affiliates recorded within equity income.

2. Reflects non-qualified restructuring charges for costs that are directly attributable to restructuring activities, but do not meet the definition of restructuring under ASC 420 along with restructuring costs at partially owned affiliates recorded within equity income.

3. During the three months ended September 30, 2018, the Company recorded a non-cash pre-tax impairment charge related to its YFAI investment balance of \$358 million (post-tax charge of \$322 million). On-going performance issues within the YFAI business led Adient to perform an impairment analysis of its YFAI investment and resulted in the recognition of such impairment charge, which has been recorded within equity income.

4. In 2017, an amendment to the rights agreement with a Seating affiliate in China was finalized, giving Adient control of the previously non-consolidated JV. Adient began consolidating the affiliate in July 2017 and was required to apply purchase accounting, including recognizing a gain on our previously held interest, which has been recorded in equity income.

Prior Period Results



	Last Twelve Months Ended		
	Actual FY16	Actual FY17	Actual FY18
Sales (\$Mils.)	\$ 16,790	\$ 16,213	\$ 17,439
Adjusted EBIT	1,156	1,244	770
<i>% of Sales</i>	6.89%	7.67%	4.42%
Adjusted EBITDA	1,511	1,605	1,200
<i>% of Sales</i>	9.00%	9.90%	6.88%
Adj Equity Income	364	394	385
Adj EBIT Excl Equity	792	850	385
<i>% of Sales</i>	4.72%	5.24%	2.21%
Adj EBITDA Excl Equity	1,147	1,211	815
<i>% of Sales</i>	6.83%	7.47%	4.67%