JP Morgan Investor Presentation

August 13, 2019

Improving the experience of a world in motion

Important information

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 effectively launch new business at forecasted and profitable levels, the ability of Adient to execute its turnaround plan, uncertainties in U.S. administrative policy regarding trade agreements, tariffs and other international trade relations, the impact of tax reform legislation through the Tax Cuts and Jobs Act, the ability of Adient to meet debt service requirements, 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 cancellation of or changes to commercial arrangements, the ability of Adient Aerospace to successfully implement its strategic initiatives or realize the expected benefits of the joint venture, and the ability of Adient to identify, recruit and retain key leadership. 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. 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.

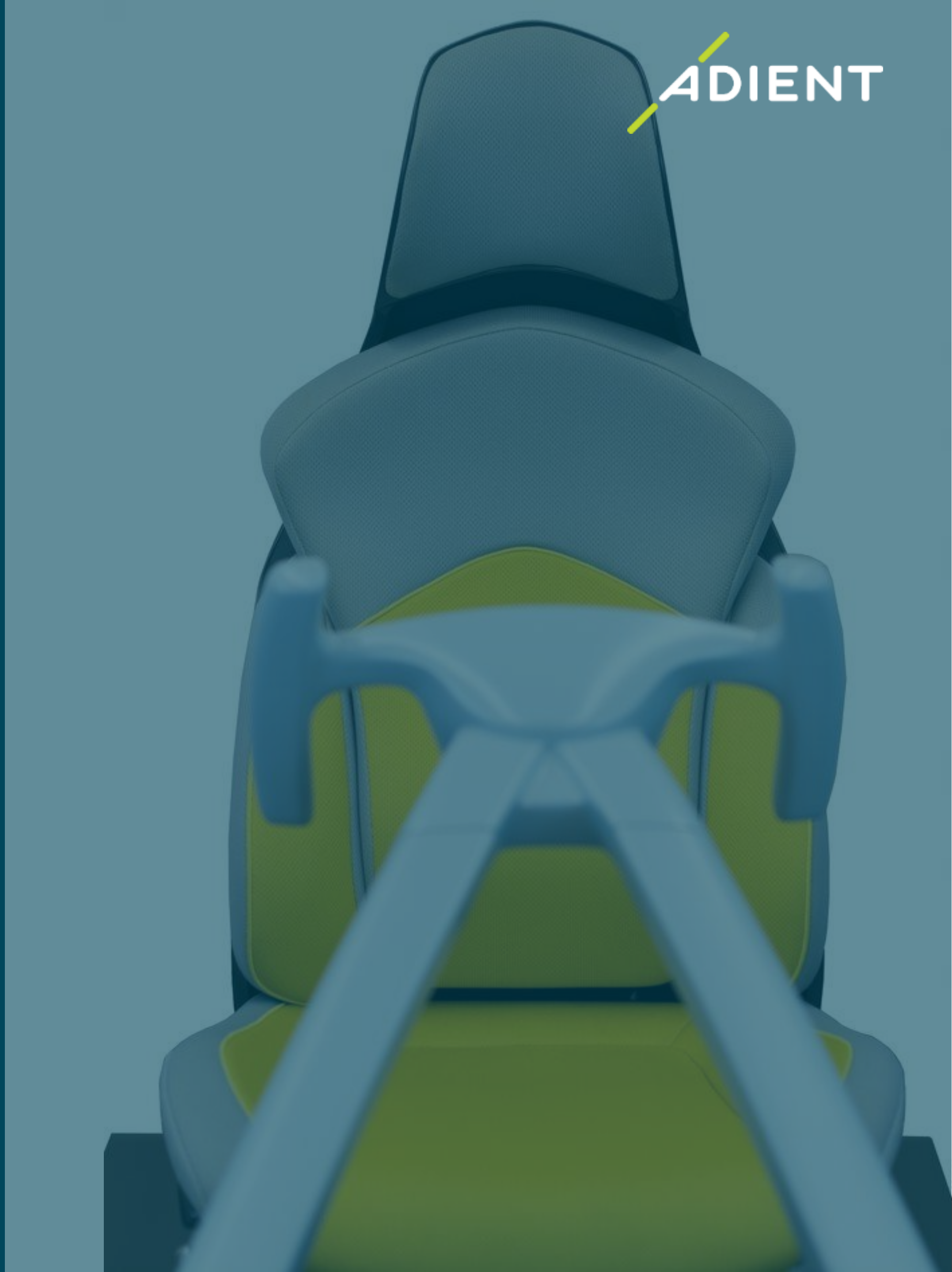
Today's agenda and presenters

Douglas Del Grosso
President and Chief Executive Officer

> Company & business overview

Jeffrey Stafeil
Executive Vice President and Chief Financial Officer

> Financial overview



Executive summary

Leading competitive position in a strong and vital market

> Adient maintains one of the largest market shares (~33%) in a concentrated segment with few global competitors
> Well diversified customer mix - no customer is greater than 12% of total consolidated sales
> High barriers to entry; replacement business typically won at a high rate (>90%) as switching costs for customers are high

Opportunity to materially increase earnings and free cash flow

> Bridging the margin gap versus key competitors represents enormous opportunity
> Right-sizing structures and mechanisms expected to have positive impact over the next several years
> Earnings and cash flow improvement expected from “self-help” initiatives (not dependant on improving industry conditions)

New team and plan being deployed

> CEO and operating team aligned on turnaround plan
> Back-to-basics approach implemented to simplify structure, enhance accountability and speed up decision making
> Initiatives to improve profitabilty gaining momentum, as evidenced by Adient‘s Q3FY19 financial results

Joint venture structure a significant and underappreciated asset

> Highly profitable network of JVs generating significant cash flow
> Approximately 45% share of China’s passenger Seating market driven by strategic customer partnerships
> Approximately 70% of annual equity income converts into cash dividends
> Underlying balance sheets of Chinese JVs very strong (approximately $1.3B of net cash as December 31, 2018)

Adient today

Adient is the global market share leader in automotive seating, estimated to be supplying approximately one out of every three automotive seats worldwide**

NYSE: Adient

FY18 Revenue

~$17.4B
Consolidated revenue

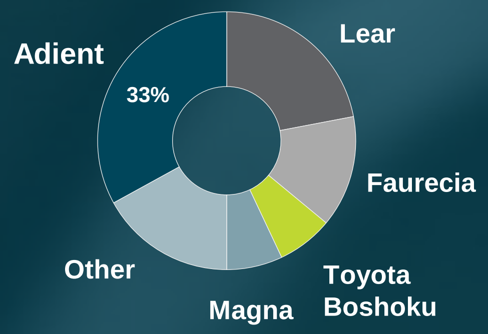
Strong and diversified revenue mix:

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

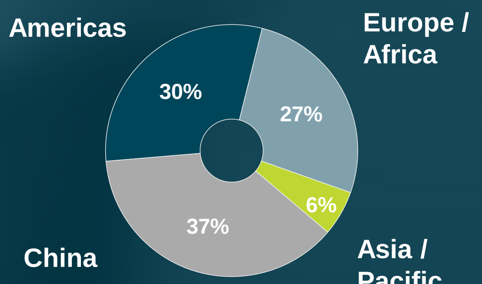
~$9.4B
Unconsolidated seating revenue

~$8.8B
Unconsolidated interiors revenue

Global market share (2018 market $60B)



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. **Source: external and management estimates.

We are located right where our customers need us most

Global locations

214 manufacturing facilities

32 countries

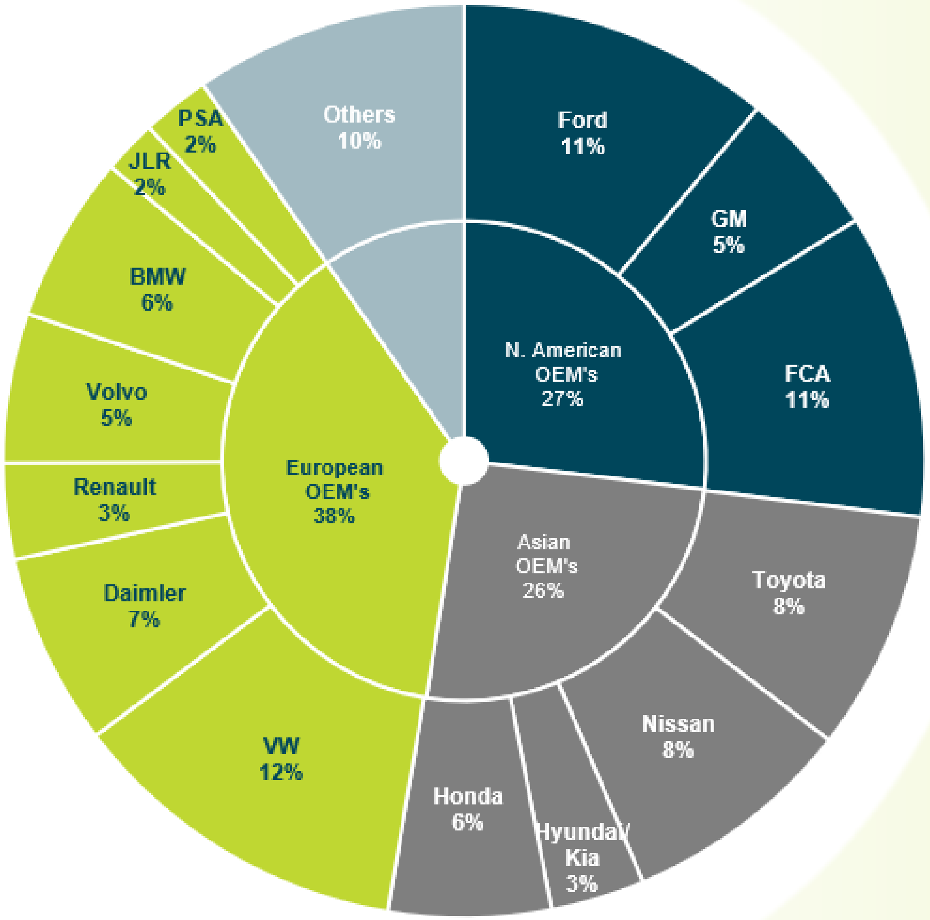
Global employees

84,000

* Does not include China joint ventures

Strong customer diversification

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**

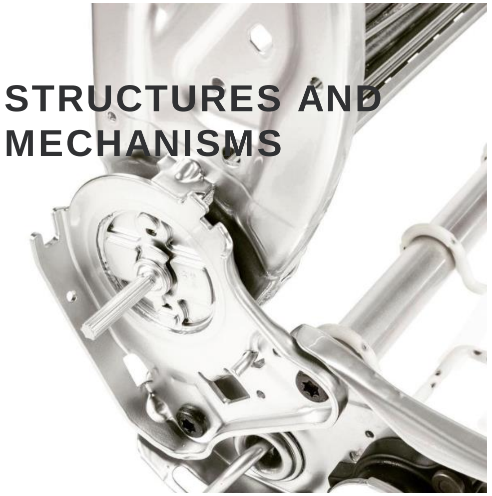
> **Scale provides leverage to optimize cost structure**

Based on ADNT's FY18 consolidated sales

Adient delivers a diverse range of seating products and solutions

We partner with OEMs to develop customized seating systems that excel in quality and craftsmanship
We utilize lightweight, innovative materials to enhance fuel efficiency and vehicle differentiation

STRUCTURES AND MECHANISMS



From front and rear structures to tracks, recliners, height adjusters and locks, our products are based on standardized, modular designs, making them compatible with a majority of vehicle makes and models.

FOAM

Every year, we produce 300 million chemical pounds of foam for automotive cushions, backrests, head restraints and more. Our expertise delivers high-quality, high-performance foam formulations that deliver passenger comfort without sacrificing safety.

FABRICS

Whether it's the leather on a seat and head restraint or the woven material over a door panel and armrest, our fabrics create an emotional appeal to consumers. From embossing and embroidery to high-frequency welding and inkjet printing, the design possibilities are endless.

TRIM

We deliver complete cut-and-sew solutions for seats, armrests and head restraint covers on a just-in-time basis. Our state-of-the-art trim technology and employees' craftsmanship deliver customized, perfectly shaped seat covers.

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 employ

33,000

highly engaged employees including **>1,400** engineers

We have

21

seating joint ventures*

with

~ 45%

combined share of the passenger vehicle market **

We have

~80

manufacturing locations

4

global tech centers

in **30** cities

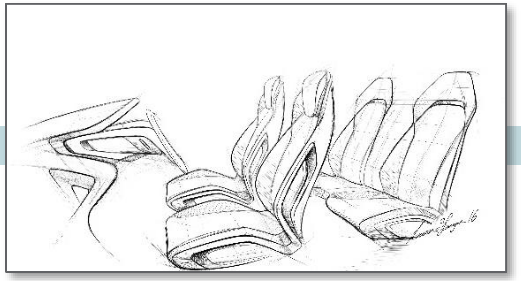
Note: Sales revenue and all other data on slide exclude YFAI
** Includes five consolidated JVs*
*** Based on FY18 mgmt. estimates*

Well positioned innovation and product portfolio

ADIENT

Global Industry trends

- **Safety**
- **Electrification**
  - Slim & lightweight
  - Connectivity
- **Urbanization**
- **Shared ownership/ride**
  - Internet of Things
  - Smart materials
- **Autonomous driving**
  - Individualization
  - New shapes



Implications for seating

- **Changes in vehicle architecture & power managment**
  - Light-weight
  - Low block height
  - Smart, individualized heating & cooling
- **Changes in vehicle features**
  - Passenger health & safety status sensor
  - Pre-adjustment of seat for shared mobility
- **Changes in seating functionality & safety**
  - Multi-purpose swivel structure
  - “Business-class” type comfort seats
  - New safety standards (crash requirements)

Business update

Operating turnaround gaining momentum and helping to offset macro headwinds

Stabilizing and improving performance at underperforming plants

- Reduced headcount at critical JIT plant to align with customer broadcasts / production requirements
- Driving utilization rates higher (longer run times, faster tooling changeovers, etc.)

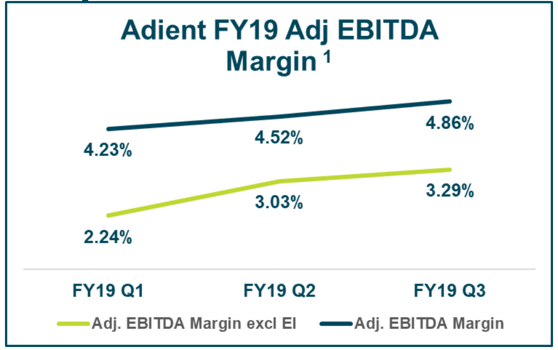
Achieving significant reductions in premium freight and containment

- Improved launch performance driving down freight and containment costs
- On-track for significant reduction in premium freight in FY19 vs. FY18 (June YTD down ~65% for total Adient, Americas down ~70%, EMEA down ~50%)

Increasing program profitability

- Resolved and renegotiated the backlog of open commercial issues with five critical customers
- Re-established VAVE activities to drive down material costs (detailed competitive analysis and workshops); highlighting opportunities with customers through product roadshows

Benefits from turnaround actions driving increased profitability despite macro headwinds



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

New management team and management structure building momentum

Focused priorities driving improved operational and financial performance

Improving plant performance - - Bridgewater Warren

Main root causes impacting performance

Unstable customer broadcasts

Inadequate staffing

Increased build complexity

Integrator role not understood

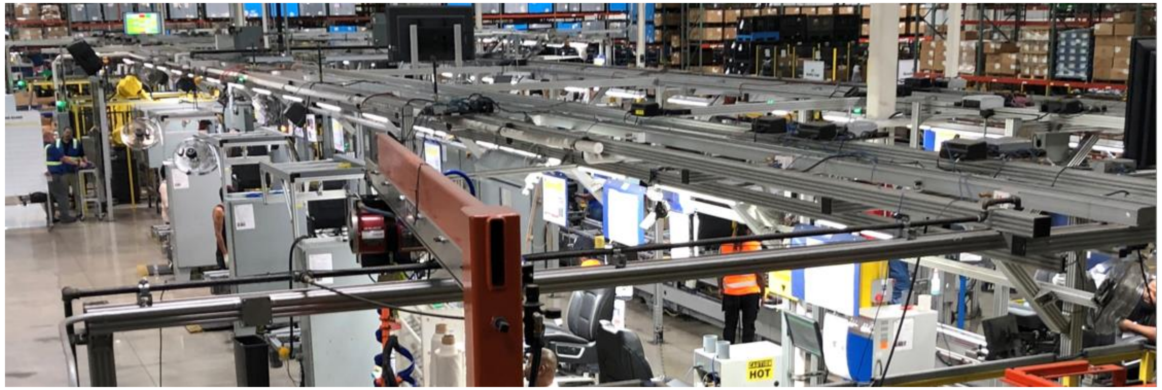
Offsite warehouse / storage

Operational and commercial actions implemented and in-process

- Automated storage and retrieval system (ASRS) expanded to manage increased complexity and mitigate risk associated with unstable customer broadcast
- Software algorithm developed to predict customer seat set orders
- Warehouse Management System launched to optimize space, inventory and execution
- Reduced headcount to align with customer broadcasts / production requirements

Significant improvement in plant run rate since Q1 FY19

	Q1 FY19	Current
Customer disruptions	10+ / month	0-1 / month
Required production labor	606 team members	528 team members
Containment Headcount	36	6
Jobs Per Hour (average)	58	72
Plant Operational Waste (net of recovery)	$400k / month	$125k / month



Program profitability - - VAVE / sustainability initiatives

Detailed Competitive Analysis

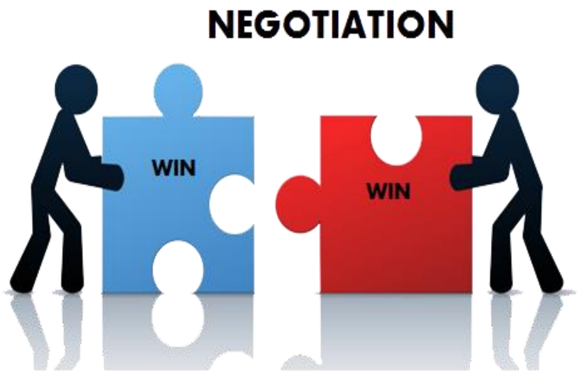
- Understanding industry trends
- Evaluate performance against competition
- Define Best in Class design for cost and feature content
- Establish performance expectations for next generation seating designs

Organizational Workshops & Brainstorming Sessions

- Leverages the collective intelligence of the team
- Identify new designs to improve the performance of the product
- Break through the standard methodology of status quo
- Improves teamwork and opens collaboration with suppliers and customers

Win-Win Cost Reduction Implementation

- Offer lower cost alternative to our customers
- Provides opportunity to improve profitability on existing business
- Increase Adient's competitiveness on future programs
- Generates long term good will thru continuous improvement mindset



Adient's turnaround plan

FY2019

Stabilization

Renewed emphasis on discipline in fundamentals

"Back-to-basics" approach
- Focused priorities are building blocks to achieve peer margins while significantly improving cash generation (with a focus on deleveraging)

Gaining traction
- Actions to improve operational and financial performance are taking hold
- Margins expected to improve in H2FY19 as recent actions gain traction: benefits of regionalized org structure; resolving backlog of open pricing issues, etc.

FY2020 - FY2022

Improvement

Significant improvement in free cash flow

Continue operational execution
- Improve utilization
- Reduce scrap / waste / premium freight

Commercial discipline
- Customer negotiations
- Focus on returns throughout product lifecycle
- Re-establish focus on VA/VE

Reduced number of launches
- Expected to drive down launch costs by ~50%

Rightsizing structures and mechanisms
- Expected to improve FCF >$425M

FY2023 and beyond

Optimization

Expected margin gap closure to peers, additional FCF generation

Continuation of structures and mechanisms rightsizing

Expanded focus on VA/VE

Roll on of new business developed under disciplined commercial approach

Roll off of underperforming product lines

Balancing the "now" with our "future"

ADIENT

Moving the business forward …   and   ... positioning Adient for long-term success

Commercial discipline

> Resolved backlog of open commercial issues with five critical customers

> Prioritizing business targets to maximize return on CapEx and engineering development costs

> Focused on returns throughout product lifecycle (bidding, change management, launch)

New business wins

- Porsche Macan
- Buick Envision
- VW A-SUV
- Ford Ranger
- FAW
- VW Amarok
- Kia Cadenza

today

tomorrow

China market and other significant macro influences

Trade / tariffs

FX

China

Slowing end markets

Commodities

As evidenced by the company's Q3 results, Adient's self-help opportunities are expected to drive improved financial results despite continued macro headwinds

China market

- The China macro economy, especially consumer sentiment, remains weak
- Passenger vehicle sales and production significantly impacted by the economy and industry specific factors (e.g. pull ahead of GB6 emission standards)
- Adient car set deliveries down in Q3 due to aggressive inventory reductions at certain of Adient's main customers where production was down ~30-35%
- Based on current production shutdown schedules, limited upside expected in Q4FY19; however, lower inventories and a slightly positive trend in retail sales could signal a recovery in FY20

Financial overview

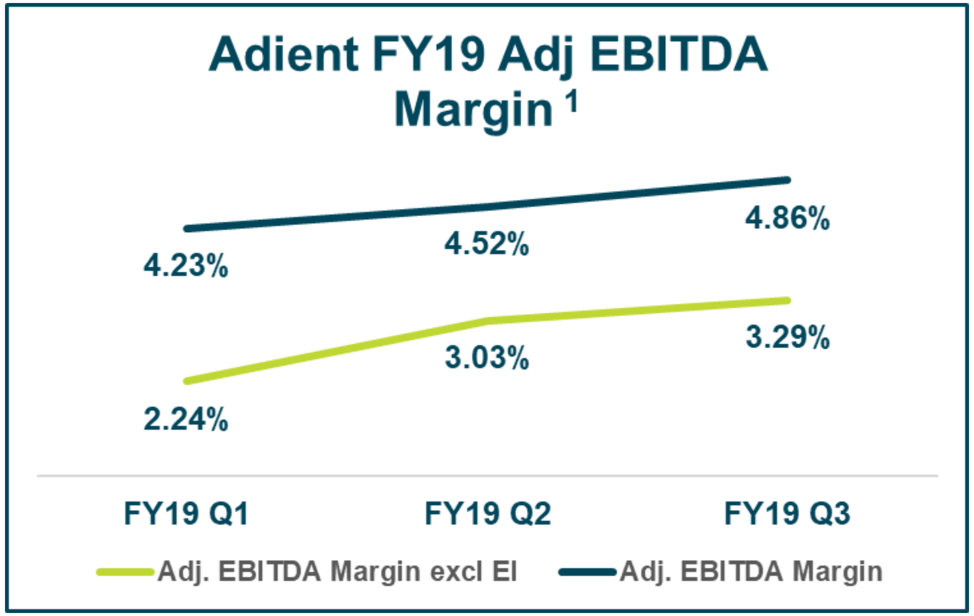
FY 2019 Q3 key financials

$ millions, except per share data	As Reported		As Adjusted [1]		
	FY19 Q3	FY18 Q3	FY19 Q3	FY18 Q3	B/(W)
Revenue	$ 4,219	$ 4,494	$ 4,219	$ 4,494	*-6%*
EBIT	$ 95	$ 89	$ 129	$ 205	*-37%*
Margin	*2.3%*	*2.0%*	*3.1%*	*4.6%*	
EBITDA	N/A	N/A	$ 205	$ 318	*-36%*
Margin			*4.9%*	*7.1%*	
Memo: Equity Income [2]	$ 64	$ 87	$ 66	$ 94	*-30%*
Tax Expense (Benefit)	$ 338	$ (13)	$ 32	$ 10	
ETR	*	*(21.7)%*	*38.6%*	*6.0%*	
Net Income (Loss)	$ (321)	$ 54	$ 36	$ 136	*-74%*
EPS Diluted	$ (3.43)	$ 0.58	$ 0.38	$ 1.45	*-74%*

1 – On an adjusted basis, see appendix for detail and reconciliation to U.S. GAAP
2 – Equity income included in EBIT & EBITDA
* Measure not meaningful

Positive earnings trend driven by "self-help" initiatives

- Benefits related to turnaround actions implemented earlier this year are gaining traction
  - Q3FY19 earnings (adj. EBITDA and margin) improved sequentially for the second consecutive quarter and more than offset significant industry weakness in China
- Driven by improved operating performance in the Americas and EMEA, the company continues to expect second half FY19 adj. EBITDA and margin to improved compared with first half FY19 results despite weaker than expected second half market conditions in China
  - Second half FY19 equity income expected to be down ~$25M compared with first half FY19
  - Q4FY19 earnings expected to be impacted by lower sales (due to normal seasonality) and lower equity income



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

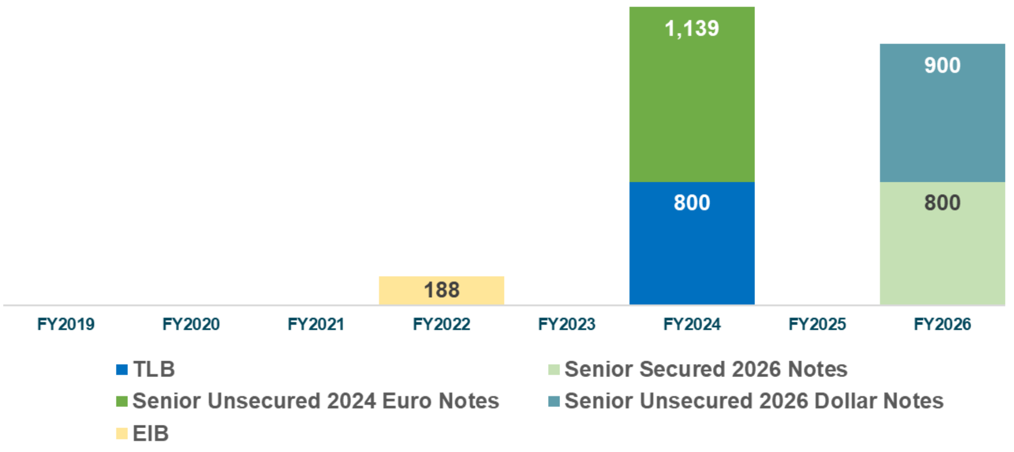
Q3FY19 cash flow & debt [1]

- Improving Adient's cash generation is a key focus area for the company
- Strong Q3 free cash flow and quarter end cash balance
  - Q3 free cash flow (operating cash flow, less capital expenditures) of $168M
  - Cash dividends received from China JV's totaled approximately $165M in Q3
  - Cash and cash equivalents of $1,025M at June 30, 2019
- The company will continue to monitor and assess its cash position (debt paydown being a priority)
- Gross debt and net debt totaled $3,777M and $2,752M, respectively, at June 30, 2019
  - Manageable level of debt with no near term maturities

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

May 2019 debt refinancing strengthened and increased the flexibility of Adient's capital structure – increased liquidity and extended maturities

ADNT Long-term Debt Maturity Schedule[1]



[1] As of 6/30/2019. Excluding debt issuance costs.

Fiscal 2019 outlook*

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Revenue	~ $16.5B – $16.7B no change	Interest expense	~ $175M no change
Adj. EBITDA	H2 > H1 no change	Cash tax	~$105M - $115M no change
Equity income	~ $265M (incl. YFAI of $40M) Revised from $290M to $300M	CapEx	~ $500M – $525M Revised from $550M to $575M

- Driven by positive contributions related to turnaround actions underway, the company continues to expect Adj. EBITDA and margins will improve in the second half of FY19 compared with first half FY19 despite weaker than expected H2 market conditions in China
- Driven by continued weakness in the China market and significantly lower vehicle production, equity income now expected to be ~$265M for FY19
- Based on year-to-date performance and actions to scale back expenditures, CapEx is now expected to be ~$500M - ~$525M in FY19

Actions taken to improve operational and financial performance are taking hold – Adient's turnaround plan is on track

* FY2019 outlook was previously issued on August 7, 2019 (the date of Adient's FY2019-Q3 earnings release) and is not being updated in this presentation

Reasons to invest in Adient

Focused on the core business

+

Leveraging our leading position in China

=

Increased shareholder value

- Critical supplier in the automotive seating business, with a leading market position
- New management team in place executing a comprehensive turnaround plan
- Significant opportunity to improve earnings and cash flow

- Unique and longstanding position in China through our joint venture structure
- Market leader
- Strong operating performance with significant and stable cash position

APPENDIX AND FINANCIAL RECONCILIATIONS

Non-GAAP financial measurements

- 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 the last twelve months of adjusted EBITDA.
- Twelve months ended March June 30, 2019 reconciliation between net income (loss) attributable to Adient to adjusted EBITDA is a non-GAAP financial presentation.

Non-GAAP reconciliations - EBIT, Adjusted EBIT, Adjusted EBITDA
(see footnotes on slide 23)

(in $ millions)	FY18 Actual					FY19 Actual			Last Twelve Months Ended Actual		
	Q1 FY18	Q2 FY18	Q3 FY18	Q4 FY18	Full FY18	Q1 FY19	Q2 FY19	Q3 FY19	Dec '18	Mar '19	June '19
Net income attributable to Adient	$ (216)	$ (168)	$ 54	$ (1,355)	$ (1,685)	$ (17)	$ (149)	$ (321)	$ (1,486)	$ (1,467)	$ (1,842)
Income attributable to noncontrolling interests	20	25	19	20	84	28	23	13	92	90	84
Income Tax Provision (1)	265	(28)	(13)	256	480	10	64	338	225	317	668
Financing Charges	33	37	39	35	144	35	40	60	146	149	170
Pension mark-to-market (7)	-	-	-	(24)	(24)	-	-	6	(24)	(24)	(18)
Other pension expense (income) (12)	(1)	(7)	(10)	(1)	(19)	(2)	-	(1)	(20)	(13)	(4)
Earnings before interest and income taxes	$ 101	$ (141)	$ 89	$ (1,069)	$ (1,020)	$ 54	$ (22)	$ 95	$ (1,067)	$ (948)	$ (942)
Separation costs (2)	-	-	-	-	-	-	-	-	-	-	-
Becoming Adient (2)	19	19	12	12	62	-	-	-	43	24	12
Purchase accounting amortization (3)	17	18	17	17	69	10	10	11	62	54	48
Restructuring related charges (4)	11	12	20	18	61	9	14	5	59	61	46
Other items (5)	14	28	10	3	55	1	2	3	42	16	9
Restructuring and impariment costs (6)	-	315	57	809	1,181	31	113	15	1,212	1,010	968
Gain on previously held interest (11)	-	-	-	-	-	-	-	-	-	-	-
Impairment on YFAI investment (8)	-	-	-	358	358	-	-	-	358	358	358
Adjusted EBIT	$ 162	$ 251	$ 205	$ 148	$ 766	$ 105	$ 117	$ 129	$ 709	$ 575	$ 499
Stock based compensation (9)	10	12	12	3	37	6	2	8	33	23	19
Depreciation (10)	94	99	101	99	393	65	72	68	364	337	304
Adjusted EBITDA	$ 266	$ 362	$ 318	$ 250	$ 1,196	$ 176	$ 191	$ 205	$ 1,106	$ 935	$ 822

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

ADIENT

1. The income tax provision for the three months ended June 30, 2019 includes a tax charge of $254 million to record valuation allowances on the net deferred tax assets in Luxembourg and UK and a tax charge of $48 million to recognize the increase to the forecasted effective tax rate on first and second quarter earnings, driven by the valuation allowances. The income tax provision for the three months ended March 31, 2019 includes a net tax charge of $43 million ($45 million valuation allowance expense offset by a $2 million impairment benefit) to record a valuation allowance on net deferred tax assets in Poland. The income tax provision for the three and twelve months ended September 30, 2018 includes a non-cash tax charge of $439 million to establish valuation allowances against net deferred tax assets in certain jurisdictions because of the on-going performance issues and the associated decline in profits in those jurisdictions. Also included in the income tax provision for the three months ended September 30, 2018 is a non-cash tax benefit of $48 million related to the impact of US tax reform. The impact of US tax reform on the income tax provision for the twelve months ended September 30, 2018 is a non-cash tax charge of $210 million.
2. Reflects incremental expenses associated with becoming an independent company and expenses associated with the separation from JCI.
3. Reflects amortization of intangible assets including those related to partially owned affiliates recorded within equity income. Of the $11 million in the three months ended June 30, 2019, $2 million is included within cost of sales and $9 million is included within selling, general and administrative expenses. Of the $10 million in the three months ended March 31, 2019, $1 million is included within cost of sales and $9 million is included within selling, general and administrative expenses. The $10 million in the three months ended December 31, 2018 is included within selling, general and administrative expenses. Of the $69 million in the twelve months ended September 30, 2018, $1 million is included within cost of sales, $46 million is included within selling, general and administrative expenses, and $22 million is included within equity income. As a result of the fiscal year 2018 YFAI impairment, amortization of intangible assets related to YFAI has ceased starting in the first quarter of fiscal 2019.
4. 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.
5. The three months ended June 30, 2019 includes $1 million of Futuris integration costs which is included within cost of sales and $2 million of transaction costs which is included within selling, general and administrative expenses. The three months ended March 31, 2019 includes $2 million of Futuris integration costs which is included within cost of sales. The three months ended December 31, 2018 reflects $1 million of Futuris integration costs. The three months ended June 30, 2018 includes $6 million of Futuris integration costs ($5 million is included within cost of sales and $1 million is included within selling, general and administrative expenses) and $4 million of non-recurring consulting fees related to structures and mechanisms (included within selling, general and administrative expenses). In addition, the three months ended June 30, 2018 previously included $9 million of other non-recurring income that was reclassified to other pension income upon adoption of ASU 2017-07. The three months ended March 31, 2018 includes $7 million of Futuris integration costs ($5 million is included within cost of sales and $2 million is included within selling, general and administrative expenses), $8 million of prior period adjustments ($11 million is included within cost of sales partially offset by $3 million included within selling, general and administrative expenses), $7 million of non-recurring consulting fees related to structures and mechanisms (included within selling, general and administrative expenses). In addition, the three months ended March 31, 2018 includes $6 million of other non-recurring income that was reclassified to other pension income upon adoption of ASU 2017-07. The three months ended December 31, 2017 reflects $6 million of Futuris integration costs and $8 million related to the impact of the U.S. tax reform legislation at YFAI. Of these costs, $5 million is included within cost of sales and $1 million is included within selling, general and administrative expenses. The three months ended September 30, 2018 includes $3 million of integration costs associated with the acquisition of Futuris.
6. Reflects qualified restructuring charges for costs that are directly attributable to restructuring activities and meet the definition of restructuring under ASC 420. The three months ended March 31, 2019 also includes a non-cash pre-tax impairment charge of $66 million (post-tax charge of $64 million) related to the seats structures and mechanisms ("structures and mechanisms") long-lived assets that were in use as of March 31, 2019 in support of current programs. The three months ended June 30, 2018 also includes a $52 million pretax asset impairment charge ($37 million, net of tax) related to assets held for sale. The twelve months ended September 30, 2018 also includes a non-cash pre-tax impairment charge of $787 million (post-tax charge of $718 million) related to structures and mechanisms long-lived assets that were in use as of September 30, 2018 in support of current programs and a $299 million pretax goodwill impairment charge ($279 million, net of tax) related to the structures and mechanisms business recorded in the second quarter of fiscal 2018.
7. Reflects net mark-to-market adjustments on pension and postretirement plans.
8. 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.
9. Stock based compensation excludes $6 million, $2 million, $1 million and $1 million of expense in the first, second, third and fourth quarters of 2018, respectively. These costs are included in Becoming Adient costs discussed above.
10. Depreciation excludes $2 million, $2 million, $2 million and $1 million of expense in the first, second, third and fourth quarters of 2018, respectively, which is included in restructuring related charges discussed above.
11. An amendment to the rights agreement of an 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 previously held interest, which has been recorded in equity income.
12. On October 1, 2018, Adient adopted ASU No. 2017-07, Compensation-Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost. ASU 2017-07 requires the service cost component of the net periodic costs for pension and postretirement plans to be presented in the same line item in the statement of income as other employee-related compensation costs. The non-service related costs are now required to be presented separately from the service cost component and outside of operating income/EBIT. This presentation change to the income statement has been reflected on a retrospective basis and had no effect on income (loss) before income taxes.

Non-GAAP reconciliations
Adjusted Net Income

Adjusted Net Income

(in $ millions)	Three Months Ended June 30 2019	2018
Net income attributable to Adient	$ (321)	$ 54
Becoming Adient [1]	-	12
Restructuring and impairment costs [2]	15	57
Purchase accounting amortization [3]	11	17
Restructuring related charges [4]	5	20
Termination of benefit plan [5]	-	(9)
Pension mark - to - market [6]	6	-
Deferred financing fee charge [7]	13	-
Other items [8]	3	10
Impact of adjustments on noncontrolling interests [9]	(2)	(2)
Tax impact of above adjustments and one time tax items [10]	306	(23)
Adjusted net income attributable to Adient	$ 36	$ 136

Adjusted Diluted EPS

	Three Months Ended June 30 2019	2018
Diluted earnings per share as reported	$ (3.43)	$ 0.58
Becoming Adient [1]	-	0.13
Restructuring and impairment costs [2]	0.16	0.61
Purchase accounting amortization [3]	0.12	0.18
Restructuring related charges [4]	0.05	0.21
Termination of benefit plan [5]	-	(0.10)
Pension mark - to - market [6]	0.06	-
Deferred financing fee charge [7]	0.14	-
Other items [8]	0.04	0.11
Impact of adjustments on noncontrolling interests [9]	(0.02)	(0.02)
Tax impact of above adjustments and one time tax items [10]	3.26	(0.25)
Adjusted diluted earnings per share	$ 0.38	$ 1.45

1. Becoming Adient costs reflect incremental expenses associated with becoming an independent company. Of the $12 million of Becoming Adient costs in the three months ended June 30, 2018, $9 million is included within cost of sales and $3 million is included within selling, general and administrative expenses. Of the $87 million of Becoming Adient costs in the twelve months ended June 30, 2018, $56 million is included within cost of sales and $31 million is included within selling, general and administrative expenses. Of the $62 million of Becoming Adient costs in the twelve months ended September 30, 2018, $46 million is included within cost of sales and $16 million is included within selling, general and administrative expenses.
2. Reflects qualified restructuring charges for costs that are directly attributable to restructuring activities and meet the definition of restructuring under ASC 420. Also included in the twelve months ended June 30, 2019 is a non-cash pre-tax impairment charge of $66 million (post-tax charge of $64 million) related to the seats structures and mechanisms ("structures and mechanisms") long-lived assets that were in use as of March 31, 2019 in support of current programs. The three months ended June 30, 2018 also includes a $52 million pretax asset impairment charge ($37 million, net of tax) related to assets held for sale. The twelve months ended September 30, 2018 also includes a non-cash pre-tax impairment charge of $787 million (post-tax charge of $718 million) related to structures and mechanisms long-lived assets that were in use as of September 30, 2018 in support of current programs and a $299 million pretax goodwill impairment charge ($279 million, net of tax) related to the structures and mechanisms business recorded in the second quarter of fiscal 2018.
3. Reflects amortization of intangible assets including those related to partially owned affiliates recorded within equity income. Of the $11 million in the three months ended June 30, 2019, $2 million is included within cost of sales and $9 million is included within selling, general and administrative expenses. Of the $17 million in the three months ended June 30, 2018, $12 million is included within selling, general and administrative expenses and $5 million is included within equity income. Of the $48 million in the twelve months ended June 30, 2019, $3 million is included within cost of sales, $39 million is included within selling, general and administrative expenses, and $6 million is included within equity income. Of the $69 million in the twelve months ended September 30, 2018, $1 million is included within cost of sales, $46 million is included within selling, general and administrative expenses, and $22 million is included within equity income. As a result of the fiscal year 2018 YFAI impairment, amortization of intangible assets related to YFAI has ceased starting in the first quarter of fiscal 2019.
4. 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.
5. During the three months ended March 31, 2018, Adient terminated its postretirement benefit plan. As a result, a $9 million settlement gain was recorded during the three months ended June 30, 2018 reflecting the immediate recognition of prior service credits.
6. During the three months ended June 30, 2019, Adient was required to remeasure one of its United Kingdom pension plans and, as a result, recorded a $6 million mark-to-market loss.
7. During the three months ended June 30, 2019, Adient refinanced its debt arrangements and correspondingly recorded a one-time charge for deferred financing fees associated with the previous debt arrangements.
8. The three months ended June 30, 2019 includes $1 million of Futuris integration costs which is included within cost of sales and $2 million of transaction costs which is included within selling, general and administrative expenses. The three months ended June 30, 2018 includes $6 million of Futuris integration costs ($5 million is included within cost of sales and $1 million is included within selling, general and administrative expenses) and $4 million of non-recurring consulting fees related to structures and mechanisms (included within selling, general and administrative expenses). In addition, the three months ended June 30, 2018 previously included $9 million of other non-recurring income that was reclassified to other pension income upon adoption of ASU 2017-07.
9. Reflects the impact of adjustments, primarily purchase accounting amortization and changes in income tax rates, on noncontrolling interests.
10. The income tax provision for the three months ended June 30, 2019 includes a tax charge of $254 million to record valuation allowances on the net deferred tax assets in Luxembourg and UK and a tax charge of $48 million to recognize the increase to the forecasted effective tax rate on first and second quarter earnings, driven by the valuation allowances.

Non-GAAP reconciliations

Net Debt and Net Leverage

(in $ millions)	June 30 2019	September 30 2018
Cash	$ 1,025	$ 687
Total Debt	3,777	3,430
Net Debt	$ 2,752	$ 2,743
Adjusted-EBITDA (last twelve months)	$ 822	$ 1,196
Net Leverage	3.35x	2.29x

Adjusted Equity Income

(in $ millions)	Three Months Ended June 30 2019	Three Months Ended June 30 2018
Equity income as reported	$ 64	$ 87
Purchase accounting amortization (1)	-	5
Restructuring related charges (2)	2	2
Adjusted equity income	$ 66	$ 94

Free Cash Flow

(in $ millions)	Three Months Ended June 30 2019	Three Months Ended June 30 2018
Operating cash flow	$ 266	$ 390
Less: Capital expenditures	(98)	(138)
Free cash flow	$ 168	$ 252

1. Reflects amortization of intangible assets including those related to partially owned affiliates recorded within equity income. As a result of the fiscal year 2018 YFAI impairment, amortization of intangible assets related to YFAI has ceased starting in the first quarter of fiscal 2019.
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.

Non-GAAP reconciliations
Adjusted net financing charges and adjusted Income before Income Taxes

Financing Charges

(in $ millions)	Three Months Ended June 30 2019		2018	
Net financing charges as reported	$	60	$	39
Deferred financing fee charge [(1)]		(13)		-
Adjusted net financing charge	$	47	$	39

Adjusted Income before Income Taxes

(in $ millions)	Three Months Ended June 30								
	2019					2018			
	Income (loss) before Income Taxes		Tax impact		Effective tax rate	Income (loss) before Income Taxes		Tax impact	Effective tax rate
As reported	$	30	$	338	*	$	60	$ (13)	-21.7%
Adjustments		53		(306)	*		107	23	21.5%
As adjusted	$	83	$	32	38.6%	$	167	$ 10	6.0%

* Measure not meaningful

1. During the three months ended June 30, 2019, Adient refinanced its debt arrangements and correspondingly recorded a one-time charge for deferred financing fees associated with the previous debt arrangements.

Segment Performance

(in $ millions)

Segment Performance

Q1 2018	Americas	EMEA	Asia	Corporate / Recon Items	Consolidated
Net sales	$ 1,786	$ 1,853	$ 648	$ (83)	$ 4,204
Adjusted EBITDA	35	82	176	(27)	266
Adjusted EBITDA margin	2.0%	4.4%	27.2%	N/A	6.3%
Adjusted Equity Income	1	3	105	-	109
Depreciation	34	48	11	3	96
Capex	62	80	1	-	143

Q1 2019	Americas	EMEA	Asia	Corporate / Recon Items	Consolidated
Net sales	$ 1,935	$ 1,640	$ 650	$ (67)	$ 4,158
Adjusted EBITDA	43	2	154	(23)	176
Adjusted EBITDA margin	2.2%	0.1%	23.7%	N/A	4.2%
Adjusted Equity Income	1	2	80	-	83
Depreciation	24	29	12	-	65
Capex	48	84	12	-	144

Q2 2018	Americas	EMEA	Asia	Corporate / Recon Items	Consolidated
Net sales	$ 1,941	$ 2,056	$ 690	$ (91)	$ 4,596
Adjusted EBITDA	98	130	157	(23)	362
Adjusted EBITDA margin	5.0%	6.3%	22.8%	N/A	7.9%
Adjusted Equity Income	2	3	88	-	93
Depreciation	36	51	11	3	101
Capex	42	67	14	-	123

Q2 2019	Americas	EMEA	Asia	Corporate / Recon Items	Consolidated
Net sales	$ 1,915	$ 1,778	$ 599	$ (64)	$ 4,228
Adjusted EBITDA	34	59	123	(25)	191
Adjusted EBITDA margin	1.8%	3.3%	20.5%	N/A	4.5%
Adjusted Equity Income	-	3	60	-	63
Depreciation	27	34	11	-	72
Capex	52	46	10	-	108

Q3 2018	Americas	EMEA	Asia	Corporate / Recon Items	Consolidated
Net sales	$ 1,946	$ 1,945	$ 672	$ (69)	$ 4,494
Adjusted EBITDA	99	97	146	(24)	318
Adjusted EBITDA margin	5.1%	5.0%	21.7%	N/A	7.1%
Adjusted Equity Income	6	4	84	-	94
Depreciation	35	52	12	4	103
Capex	60	69	9	-	138

Q3 2019	Americas	EMEA	Asia	Corporate / Recon Items	Consolidated
Net sales	$ 2,010	$ 1,752	$ 530	$ (73)	$ 4,219
Adjusted EBITDA	69	53	110	(27)	205
Adjusted EBITDA margin	3.4%	3.0%	20.8%	N/A	4.9%
Adjusted Equity Income	1	4	61	-	66
Depreciation	27	31	10	-	68
Capex	39	51	8	-	98

Q4 2018	Americas	EMEA	Asia	Corporate / Recon Items	Consolidated
Net sales	$ 1,991	$ 1,582	$ 649	$ (77)	$ 4,145
Adjusted EBITDA	70	55	146	(21)	250
Adjusted EBITDA margin	3.5%	3.5%	22.5%	N/A	6.0%
Adjusted Equity Income	1	2	86	-	89
Depreciation	36	53	11	-	100
Capex	69	51	12	-	132

Supplementary - Seat Structures & Mechanisms (structures and mechanisms) progression

Memo: Seat Structures & Mechanisms

	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018
Net sales	$ 718	$ 797	$ 783	$ 705	$ 3,003
Adjusted EBITDA	(82)	(34)	(18)	(34)	(168)
Adjusted EBITDA margin	-11.4%	-4.3%	-2.3%	-4.8%	-5.6%
Adjusted Equity Income	12	9	8	15	44
Depreciation	41	45	46	47	179
Capex	71	65	63	56	255

	Q1 2019	Q2 2019*	Q3 2019*
Net sales	$ 727	$ 770	$ 768
Adjusted EBITDA	(72)	(51)	(38)
Adjusted EBITDA margin	-9.9%	-6.6%	-4.9%
Adjusted Equity Income	9	9	10
Depreciation	12	14	12
Capex	71	46	54

* Note: Beginning Q2 2019 reportable segments realigned to Americas, EMEA, Asia. Performance of structures and mechanisms business shown for illustrative purposes. Adj EBITDA beginning Q2 FY19 assumes a constant corporate allocation with prior year period.

Prior Period Results

	FY18 Actual					FY19 Actual		
	Q1 FY18	Q2 FY18	Q3 FY18	Q4 FY18	Full FY18	Q1 FY19	Q2 FY19	Q3 FY19
Sales ($Mils.)	$ 4,204	$ 4,596	$ 4,494	$ 4,145	$ 17,439	$ 4,158	$ 4,228	$ 4,219
Adjusted EBIT	162	251	205	148	766	105	117	129
% of Sales	3.85%	5.46%	4.56%	3.57%	4.39%	2.53%	2.77%	3.06%
Adjusted EBITDA	266	362	318	250	1,196	176	191	205
% of Sales	6.33%	7.88%	7.08%	6.03%	6.86%	4.23%	4.52%	4.86%
Adj Equity Income	109	93	94	89	385	83	63	66
Adj EBIT Excl Equity	53	158	111	59	381	22	54	63
% of Sales	1.26%	3.44%	2.47%	1.42%	2.18%	0.53%	1.28%	1.49%
Adj EBITDA Excl Equity	157	269	224	161	811	93	128	139
% of Sales	3.73%	5.85%	4.98%	3.88%	4.65%	2.24%	3.03%	3.29%