Adient Investor Meeting

August 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 availability 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 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 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.

Today’s presenters and meeting agenda

Bruce McDonald
Chairman & CEO, Adient

> Company / business overview

Jeffrey Stafeil
EVP & CFO, Adient

> Financial overview

Adient today

ADIENT

The largest global automotive seating supplier, supporting all major automakers in the differentiation of their vehicles through superior quality, technology and performance.

FY 2016

~$17 billion
Consolidated revenue

~$8 billion
Unconsolidated seating revenue

~$8 billion
Unconsolidated interiors revenue

230+
locations globally

25+
million seat systems a year

75,000
highly engaged employees

Broadest and most complete range of Seating & Interior Products

Adient Automotive Seating

- Complete Seat / Just-In-Time Manufacturing
- Front & Rear Seat Structures
- Track, Recliner, Manual Height Adjuster and Lock Mechanisms
- Foam Cushions & Backs
- Head Restraints & Armrests
- Trim Covers & Fabrics
- RECARO High Performance Seating
- Commercial Vehicle Seating

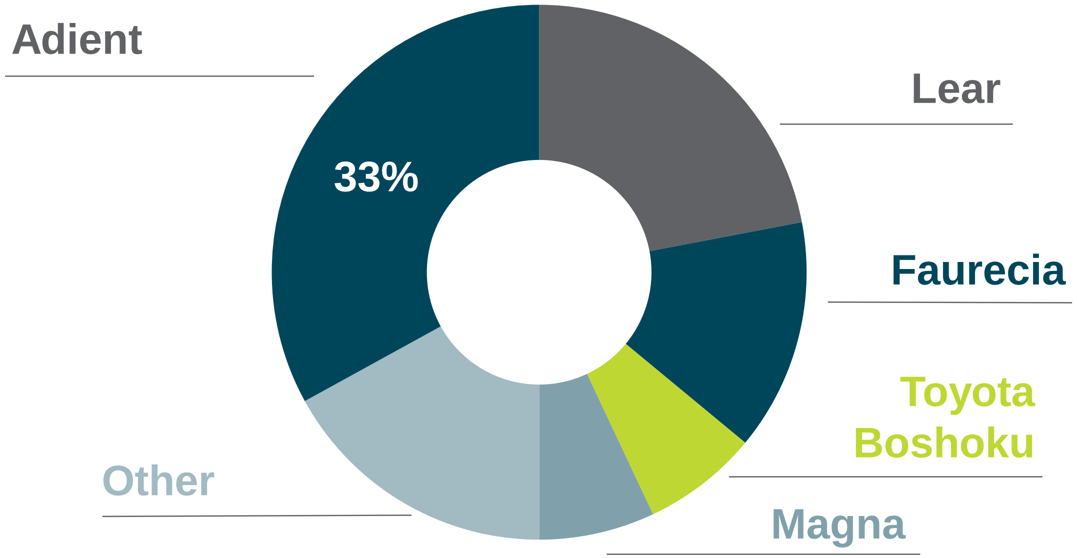
Yanfeng Global Automotive Interiors

- Instrument Panels
- Floor Consoles
- Door Panels
- Overhead Consoles
- Decorative Trim

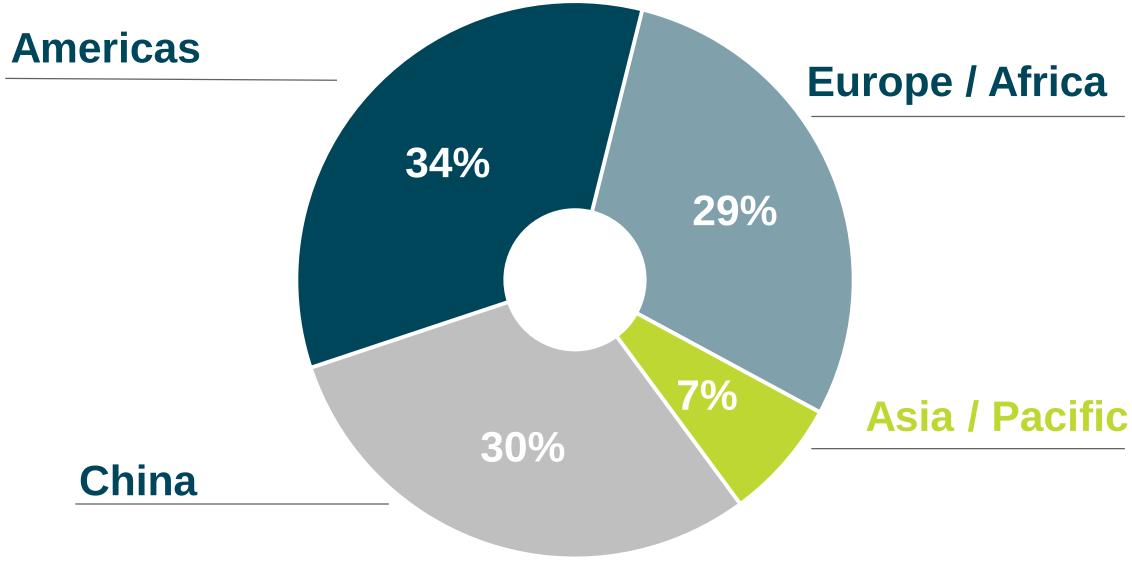
Yanfeng Global Automotive Interiors

Global market leader with diversified geographic exposure

Global market share



Revenue by geography



Early investment in emerging markets allowed Adient to take advantage of the globalization of the automotive industry

Adient share includes non-consolidated revenue (mkt share based on FY16)
Revenue by geography based on FY2016 (consolidated and non-consolidated)
Source: IHS Automotive and management estimates

Our customer portfolio is the envy of the industry and closely mirrors our customer's global market share

Based on FY16 Consolidated Sales

Key Takeaways

> Industry leading diversification

> By customer -- largest customer accounts for 13% of total consolidated sales

> By platform -- largest platform accounts for ~5% of total consolidated sales

> Ability to leverage products across customers and regions

> Scale provides leverage to optimize cost structure

Global industry trends ask for new design solutions in seating

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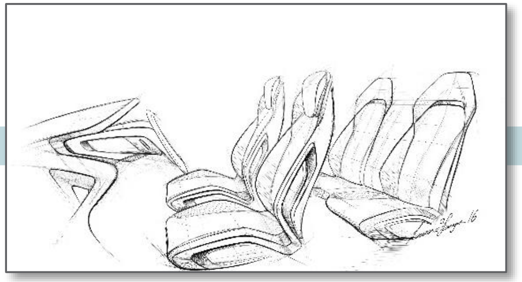
Global Industry trends

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



Implications on 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)

Focused on advancing Adient's investment thesis…

Earnings growth:

> On track towards goal of 200 bps improvement in the mid-term

> SG&A leading the charge, contribution from metals expected in FY19 and FY20

Cash generation:

> De-risking the balance sheet (prepayment of debt)

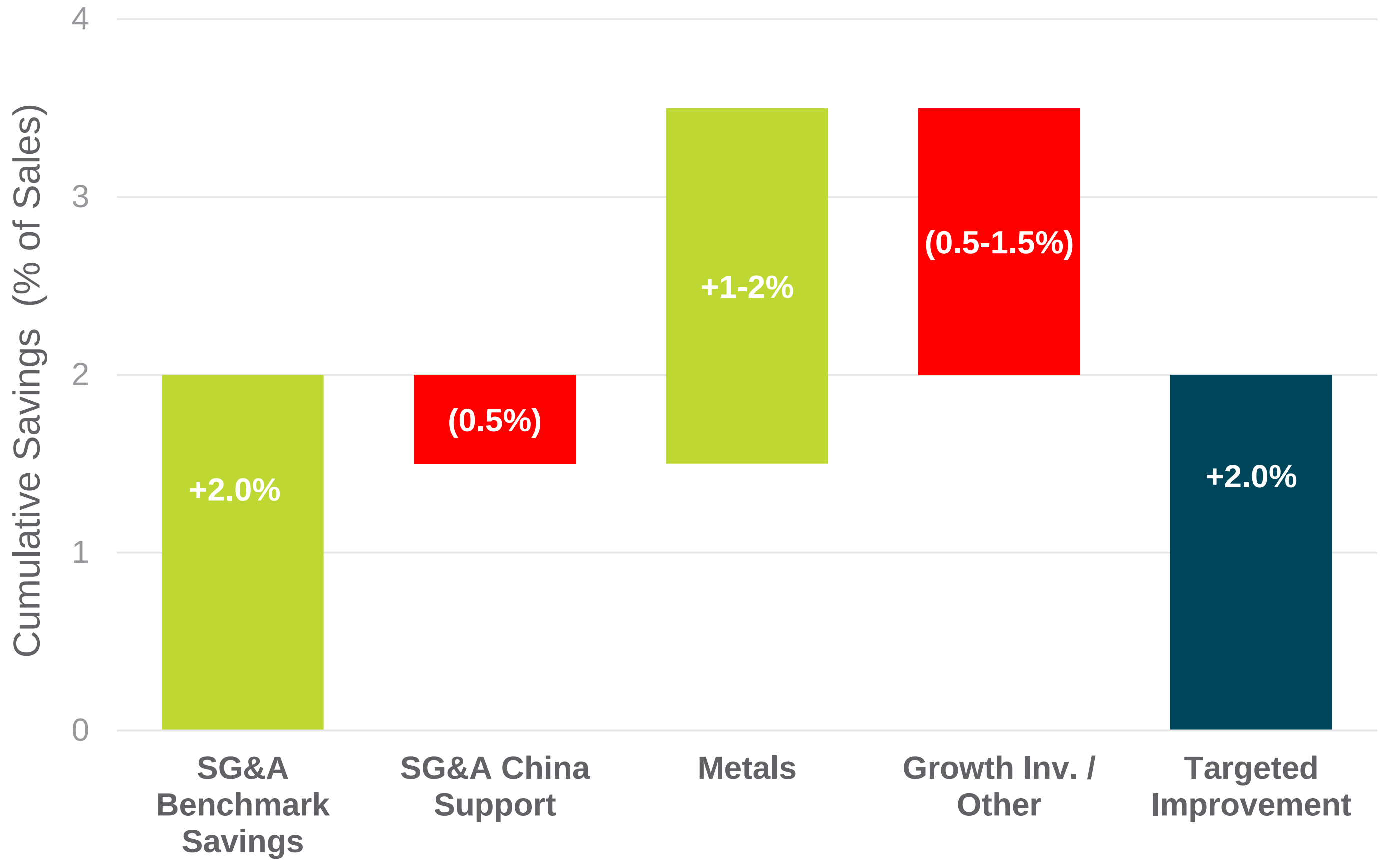
> Supporting Adient's profitable growth strategy (organic & inorganic)

Market position:

> Backlog growth continues to accelerate -- further strengthening our market position

> Growth and diversification beyond the automotive industry progressing to plan

Earnings growth bridge



Incremental Impact of Key Margin Enhancement Initiatives (% of Sales)

- 200 bps margin improvement identified
- Key drivers:
  - Leaner cost structure
  - Metals integration & recovery opportunity
- Improvement expected over the mid-term
  - Immediate near-term impact from corporate SG&A opportunities
  - Longer dated impact for integration & restructuring associated with the metals business

Cash generation

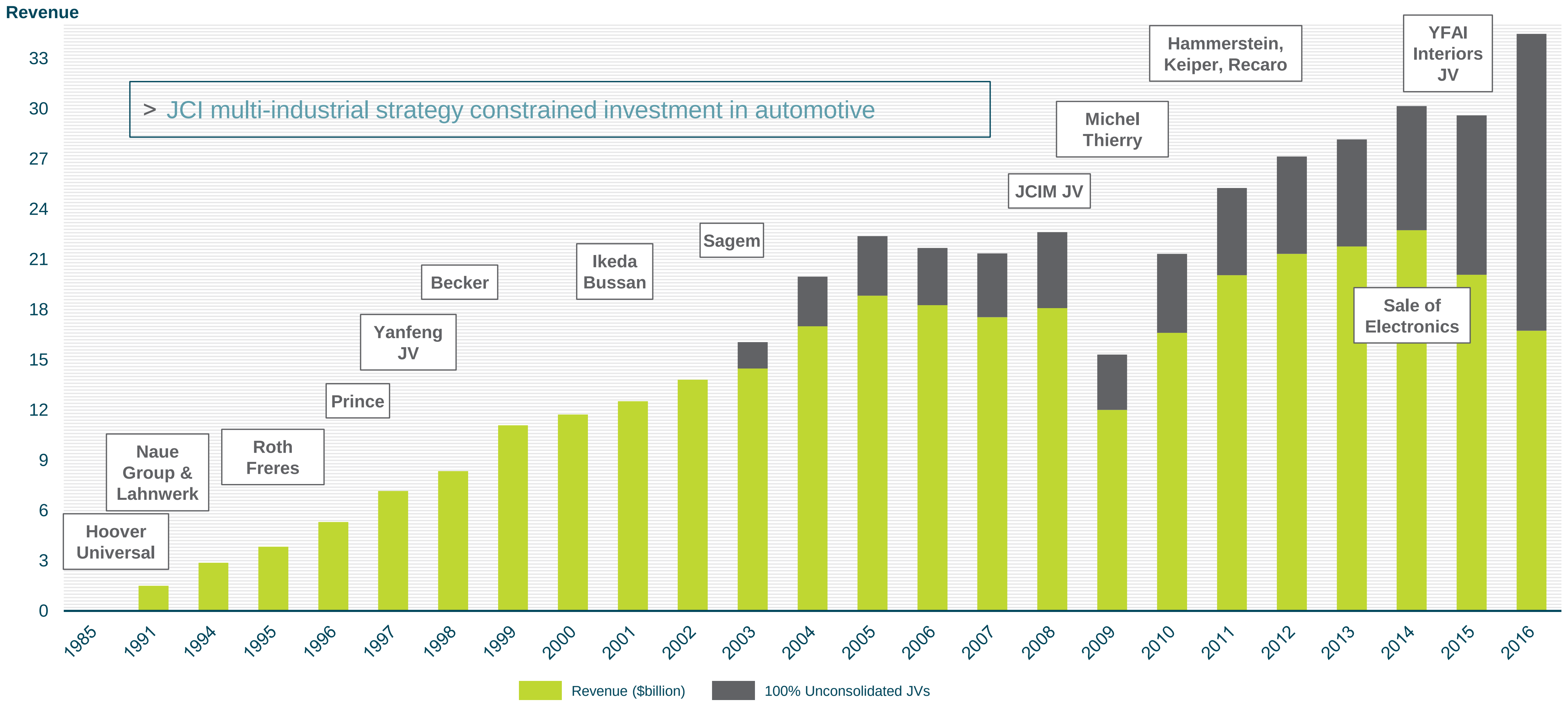
> **Earnings growth and margin expansion driving strong cash generation**

> **Balanced approach to cash usage / capital allocation:**
- De-risking the balance sheet with prepayment of debt; Adient's net leverage ratio at June 30, 2017 at 1.69X, down about 13% compared to 1.95X at September 30, 2016 [1]
- Initiated actions to enhance shareholder value (quarterly dividend and share repurchase program)
- Supporting Adient's profitable growth initiatives (organic & inorganic)

> **Significant improvement in free cash flow expected, driven by:**
- Lower cash restructuring
- Margin growth (SG&A improvement and metals performance)
- Increasing dividend growth from China JVs

1 – For Non-GAAP and adjusted results, which include certain pro forma adjustments for FY16; see appendix for detail and reconciliation to U.S. GAAP

As a reminder…for many years Automotive was the growth engine for Johnson Controls



Market position

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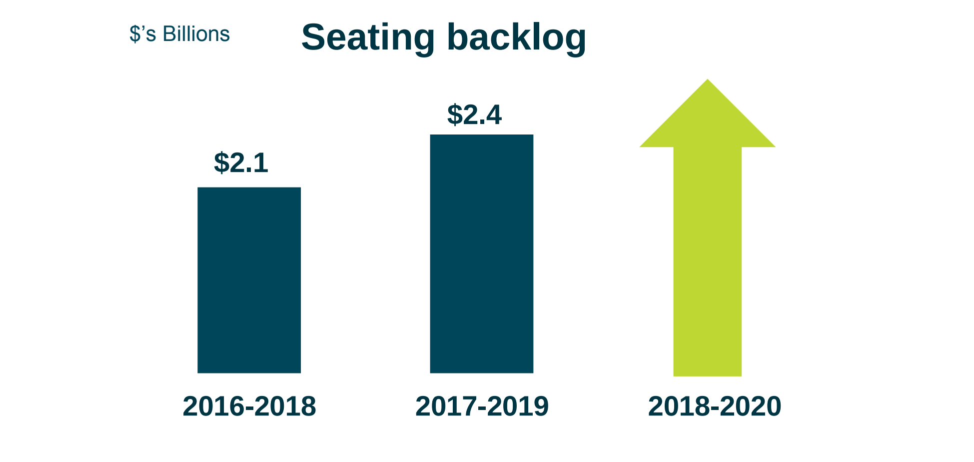
Backlog growth continues to accelerate -- further strengthening our market position

> Gross sales bookings in FY17 expected to exceed FY16 total of $5.3B

> New business wins coming from a diverse group of customers (Traditional, West Coast, Luxury)



Growth and diversification beyond automotive industry progressing to plan

> Aircraft, West Coast, and Commercial Seating

Adient's "growth engine" is beginning to accelerate

Opportunities in new markets
Growing outside traditional auto markets

West Coast New Players

Commercial Vehicle Seating

Railway Seating

Aircraft Seating

Meeting agenda

> Company & business overview

> Financial overview

> Q&A

FY 2017 Q3 key financials

$ millions, except per share data	As Reported		As Adjusted [1]		
	FY17 Q3	FY16 Q3	FY17 Q3	FY16 Q3	B/(W)
Reported revenue	$ 4,017	$ 4,362	$ 4,017	$ 4,362	*-8%*
EBIT	$ 296	$ 145	$ 336	$ 326	*+3%*
Margin	*7.4%*	*3.3%*	*8.4%*	*7.5%*	
EBITDA	N/A	N/A	$ 427	$ 417	*+2%*
Margin			*10.6%*	*9.6%*	
Memo: Equity Income [2]	$ 94	$ 89	$ 101	$ 94	*+7%*
Tax Expense	$ 39	$ 136	$ 46	$ 44	
ETR	*14.7%*	*	*15.1%*	*15.1%*	
Net Income	$ 204	$ (14)	$ 237	$ 228	*+4%*
EPS Diluted	$ 2.17	$ (.15)	$ 2.52	$ 2.43	*+4%*

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
* Measure not meaningful

Margin progression solidly on-track

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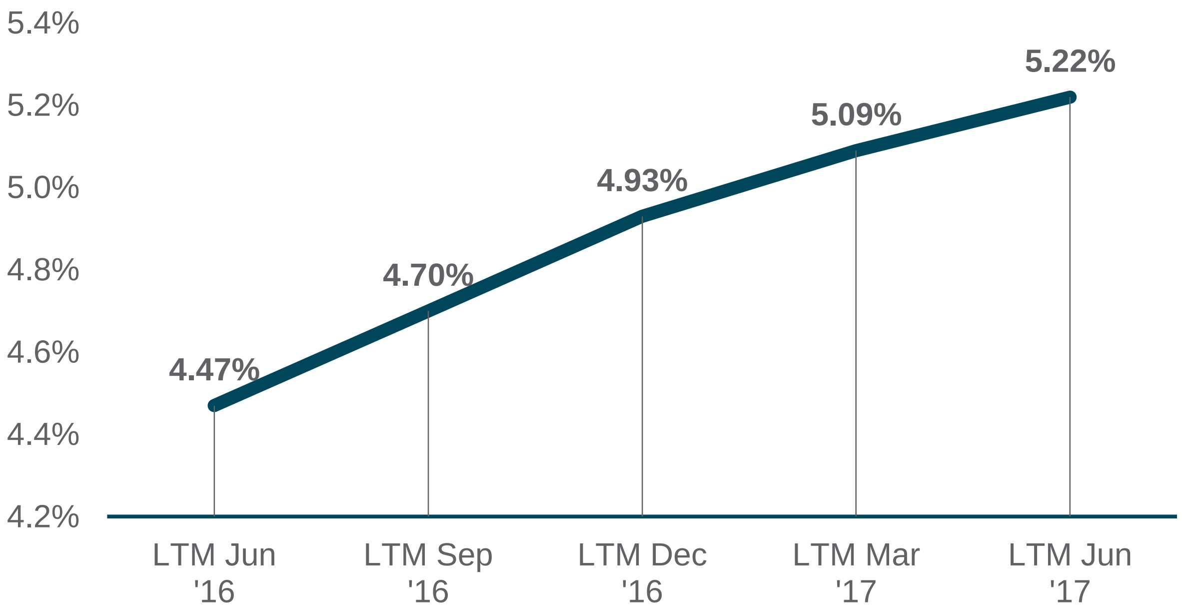
Adjusted EBIT Margin (excluding equity income)[1]

- Target 200 bps in mid-term
- ~ 75 bps achieved to date

ADJ EBIT % of sales (excl. equity income)



Margin progression solidly on track

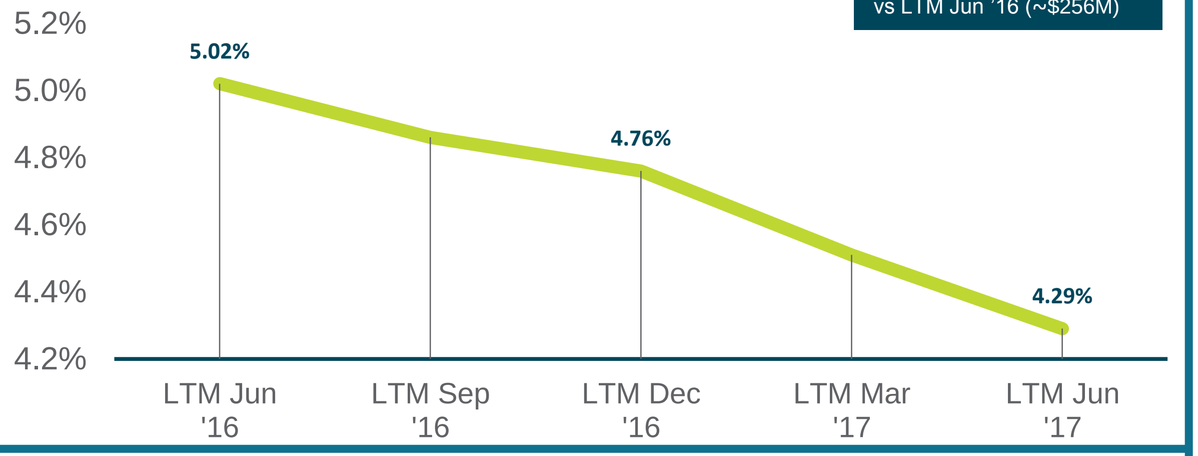
> SG&A primary driver of improvement YTD

> Metals on-track; positive impact expected in FY 19 & 20

SG&A – Adjusted[1]

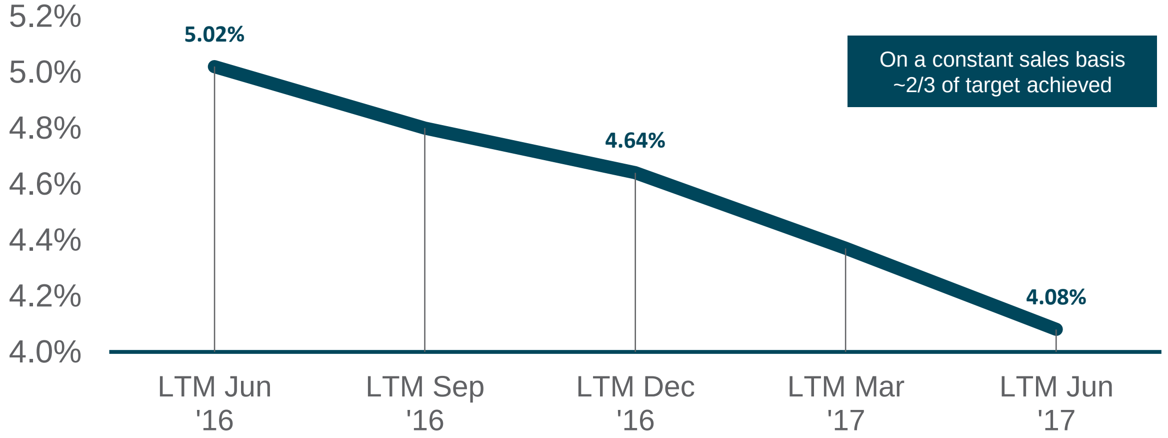
ADJ SG&A % of sales

Targeting 150 bps reduction vs LTM Jun '16 (~$256M)



ADJ SG&A % of constant sales (June 30, 2016 LTM sales)

On a constant sales basis ~2/3 of target achieved



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

Drivers of future earnings growth

> **Accelerating backlog growth**
> **Well positioned to capture growth in China through equity income from market leading JV**
> **Improved operational efficiencies driven by:**
  - Implementation of world-class operating system
  - G&A reduction
  - Metals and Mechanisms improvement
  - Increased use of low-cost footprint (Mexico, Eastern Europe and China)
  - Improved product mix (complete seat / JIT sourcing)
> **Upward trend in profitability expected to drive increased value to our shareholders**

Increased Profitability

Increased Cash Flow

Increased Value to Shareholders

Managing through near-term production adjustments

> Adient's strong diversification reduces downside exposure against near-term production adjustments
> Numerous levers available to drive efficiencies and remove costs:
  – Advanced and standardized operating systems in place
  – Operational flexibility across manufacturing plants

Managing through near-term production adjustments

Current state FY17

“Potential” impact to a U.S. downturn

North American Production Adj.

$'s millions	Down 5%	Down 10%
Sales*	($350)	($700)
EBITDA	(40) - (60)	(80) - (120)

Range of outcomes driven by mix, ability to flex operations, operating patterns of customers, etc.

* Assumes North American revenue of ~$7 billion

Drivers mitigating production adjustments

Sales:
> Global platforms coming on-stream
> Increasing exposure to “West Coast” manufacturers

EBITDA:
> Self-help story continues; additional cost reductions
> Operational flexibility

EPS
> Geographic composition of earnings improves; reduces overall tax rate & tax expense
> $250 million authorized repurchase program in place

Future state vs. FY17

Plateauing environment

Self-help expected to drive continued earnings growth & margin expansion

“bear” environment (production down 10%)

Results down 5% to potentially flat driven by mitigating actions

In a plateauing U.S. industry, self-help initiatives drive favorable y-o-y results; numerous drivers in place mitigate the negative impact of a potential decline in North America volumes

Value drivers for Adient stock

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~55%

net earnings

Consolidated Results

VALUE DRIVERS

- Margin improvement of 200 bps vs. LTM June 2016 results
- Strong order book in 2016, expected to drive top line growth in 2019 and beyond
- Proven ability to generate substantial cash flow
- Largest market share with most capable global production / delivery capability

~45%

net earnings

Unconsolidated Results

VALUE DRIVERS

- ~44% market share with high growth opportunity
  - Incremental content per vehicle driven by mix (CUV / SUV / luxury)
  - Shift away from local / in-house players as vehicles migrate to global platforms
- Record of success (i.e., from 2012-2016)
  - ~14% CAGR in sales and EBITDA (stable and attractive margins)
  - ~34% CAGR in net cash despite ~16% CAGR in dividends

Unconsolidated results = higher quality earnings

ADNT's equity income	UNCONSOLIDATED RESULTS = HIGHER QUALITY EARNINGS
~25% EBITDA	> ~25% of Adient's EBITDA generated through equity income – Shown as EBITDA for accounting purposes, should be treated as net income for valuation purposes (already reflects growth investments and taxes)
~65% cash conversion	> ~65% of Adient's equity income converts into cash dividends – Cash conversion rate significantly higher vs. peer EBITDA conversion rate of ~37%[1] – Adient conversion rate expected to increase if growth in China slows

Adient's joint venture income model makes us structurally unique

1. Represents peer median 5-year average; Peers include Autoliv, Faurecia, Lear, Magna, Tenneco.

Framework for valuing Adient

	Primary - P/E Multiple Methodology	Secondary - Blended Multiple Methodology
Overview	Adient EPS ▶ P/E Multiple	Base Business EBITDA ▶ EBITDA Multiple + JV Equity Income ▶ P/E Multiple
Considerations	✓ Provides full value for JV equity income (key contributor to value and cash flow) ✓ Captures benefit from lower corporate tax rate ✓ Captures earnings impact from increased leverage at spin (as well as benefit from de-levering over time)	✓ Common method currently used by Wall Street research analysts ✓ Provides easier comparison to core auto peers who are primarily valued on an EV / EBITDA basis ✗ Does not provide proper credit for tax rate decline, leverage at spin or JV equity income

Meeting agenda

> Introduction to Adient & business overview

> Financial overview

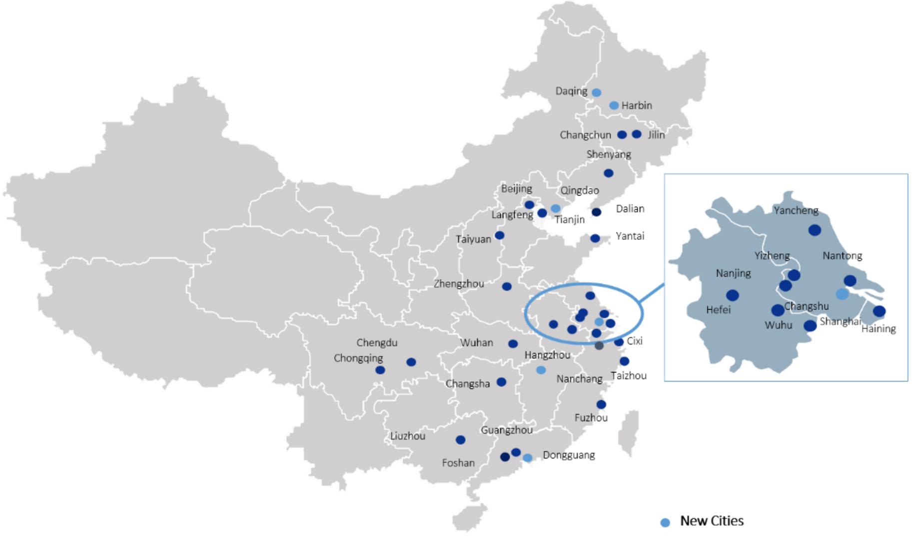
> Q&A

APPENDIX

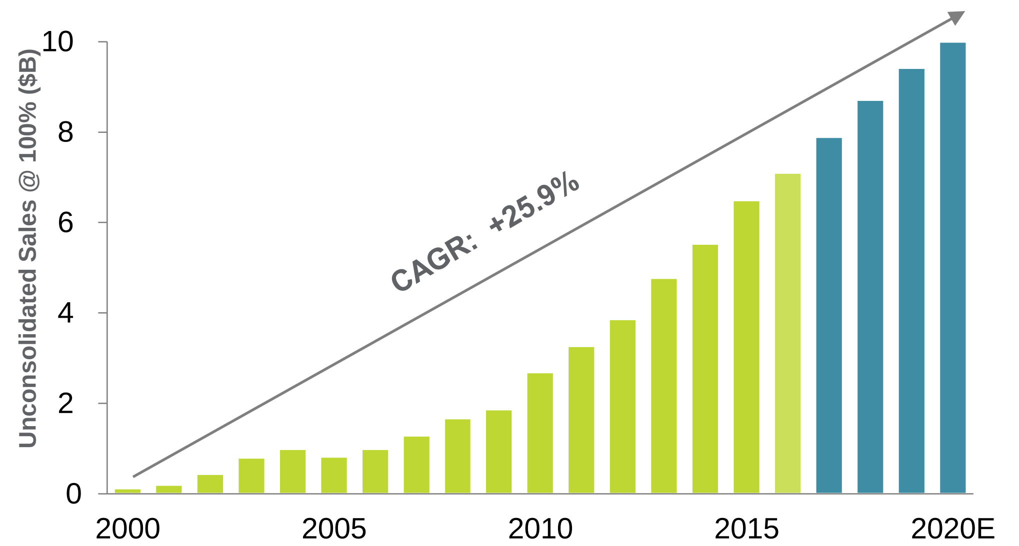
China / JV Overview

Adient – Winning in China

- We have nearly 45 percent market share of the seating business in China, making us the industry leader
- By leveraging our market position, we expect to outpace the market, further expanding our share and strengthening our leadership
- Seating in China (incl. joint ventures) highlights:
  - $7.5 billion revenue in FY16
  - 17 joint ventures
  - 4 global technical centers
  - 1,300 engineers
  - 67 manufacturing plants in 37 locations
  - 31,000 employees



Adient Seating China



Joint venture structure

	Strategic Plan	Joint Venture	Chinese Group Partner	OEM partnered with Chinese Auto Group	Adient	Partner
	Tailored Strategy for Each JV				**Equity Share**	
Seating	> Components for China & Asia Pacific > Regional growth > Low cost engineering and innovation	YFAS	SAIC Sub-partners Chang'An / Dongfeng		49.99%	50.01%
Seating	> Operational Efficiency > Leverage current relationship	CFAA	FAW		49.0%	51.0%
Seating	> Growth focus on luxury segment	BJA	BAIC		51.0%	49.0%
Seating		GAAS CAA	GAC		52.0%	48.0%
Seating		SJA	Brilliance		50.0%	50.0%
Components	> Grow market share	AYM	SAIC	Supply all non-FAW customers	50.0%	50.0%
Components		FFAA	FAW	Supply all FAW customers	50.0%	50.0%
Components	> Fabrics capabilities	WFAD	Wanfang	Focus on global OEMs	25.0%	75.0%
Components		ADNNG	NNG	Focus on local OEMs	61.9%	38.1%
Interiors	Yanfeng Automotive Interiors (YFAI)				30.0%	70.0%

2016 Equity Income: $357mm & Cash Dividends: $199mm

Adient China's current seating market share in each big auto group

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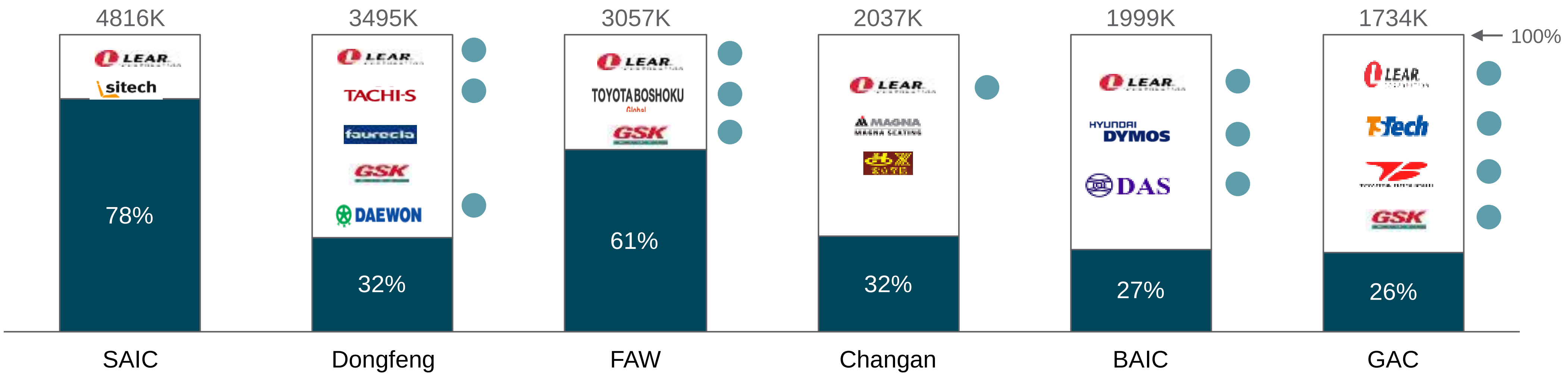
- % Adient's JIT market share in each big auto group, based on 2016 production volume (PV)
- Where competitors have alliance with the auto group

PV seating market share per each major auto group



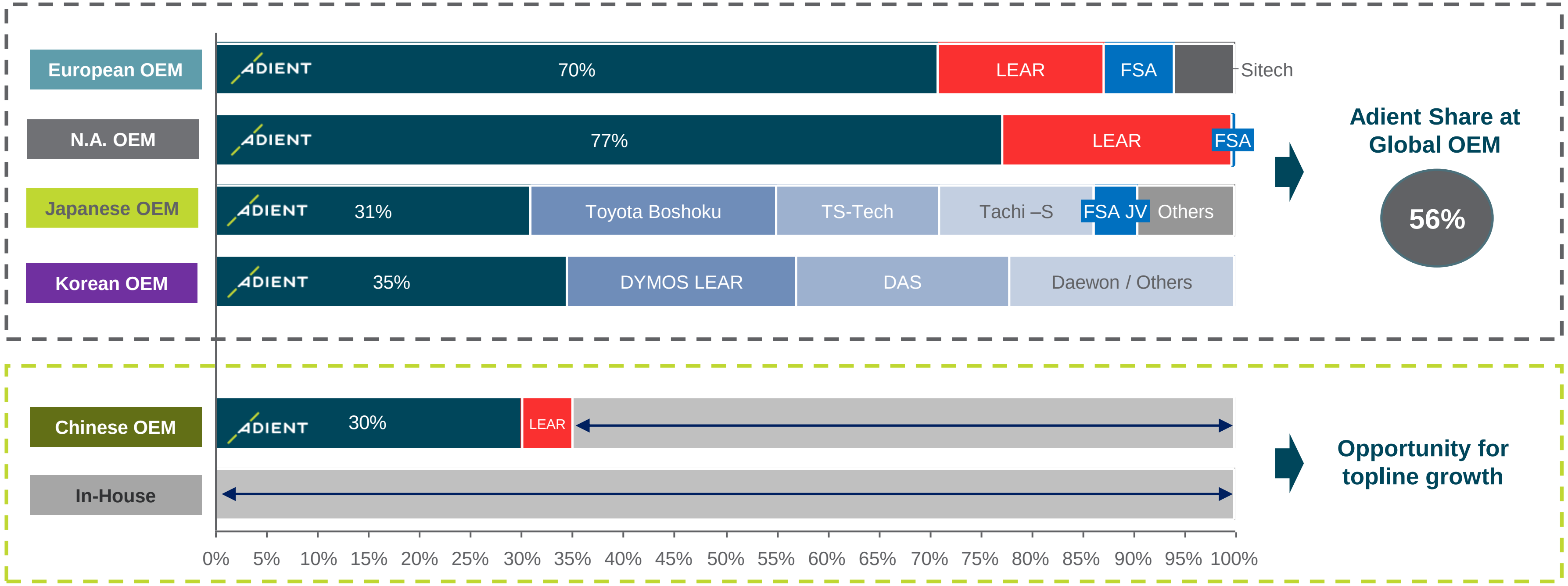
> Since 1997, JV model has advantaged us in each main auto group

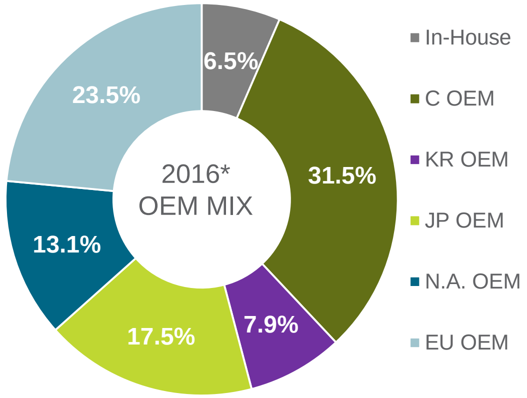
> Our partner relationship has worked well and we expect to maintain our position

Source : IHS Forecast, traditional passenger vehicle
Market share information: Adient internal information

Leading position with western OEMs with opportunities with Asian and Local OEMs

Seating* market share among each OEM Group



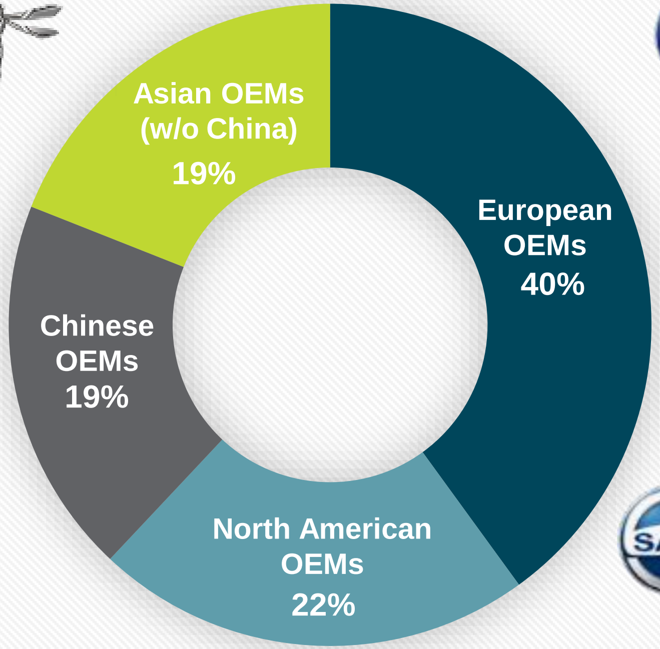


- > Leading position with European and U.S. based OEM groups
- > Opportunity to grow share w/ Asian OEMs through strategic initiatives aligned w/ Adient global CGs
- > White space with local Chinese OEMs

*All Market share data is calculated based on 2016 actual PV production volume – total market size = ~22million; “In-House OEM” refers to BYD and Great Wall Motor

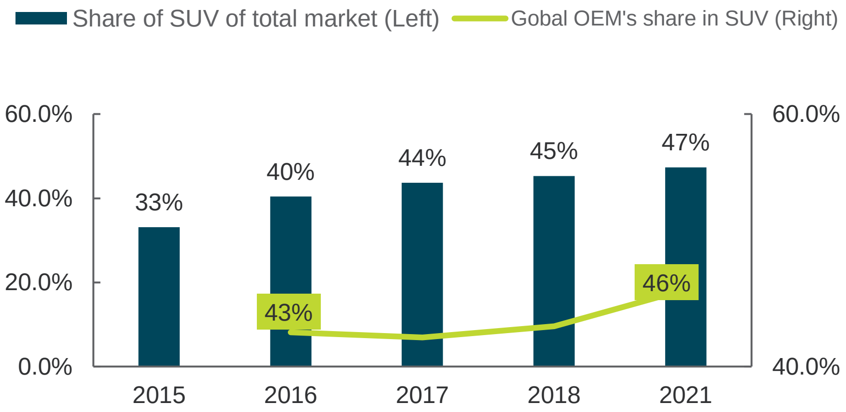
Unparalleled customer diversity and relationships in China

Customer Mix by Volume



SUV trends are beneficial to Adient's growth

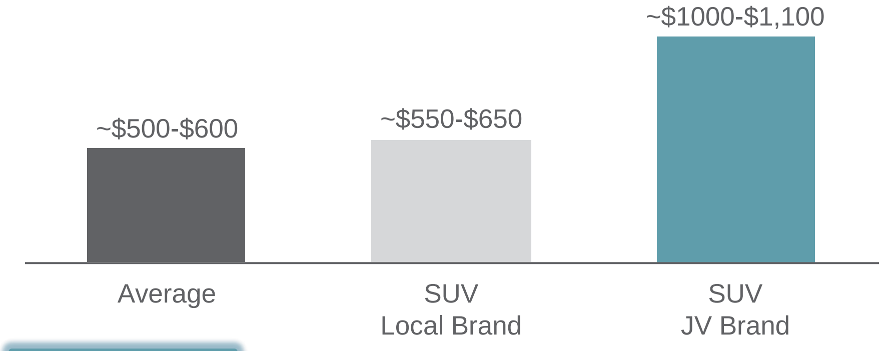
China SUV Development Trend
% share based on production volume



1. Penetration of SUV in total PV market will continue to increase from 40% today to 47% by 2021
2. Global OEM's share in SUV segment is expected to increase by ~3% in the next 5 years
3. Competition will intensify in this segment

Data source: IHS Forecast

Seating content per vehicle:



Audi Q5
$68,000

Great Wall
Havel H6
$18,000

VW Teramont
$60,000

Great Wall
WEY
$26,000

BMW X1 F49
$51,000

Wuling
BAOJUN
$12,000

Toyota RAV4
$32,100

Adient has the complete seating business of those vehicles

Data source: Car price - OEM Website

New business wins in China are capturing the additional content growth related to the mix shift into SUVs

Premium market will continue to outpace the volume market in China

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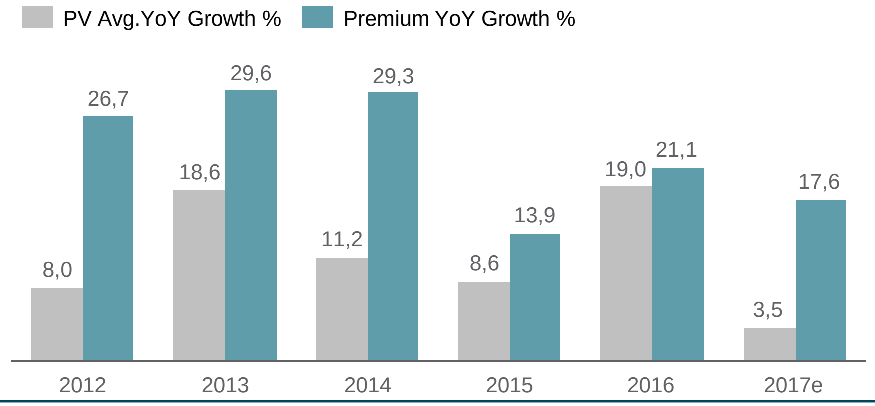
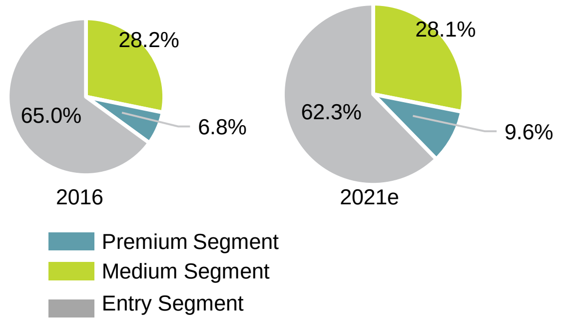
China PV Production YoY Growth (Average market vs. Premium)

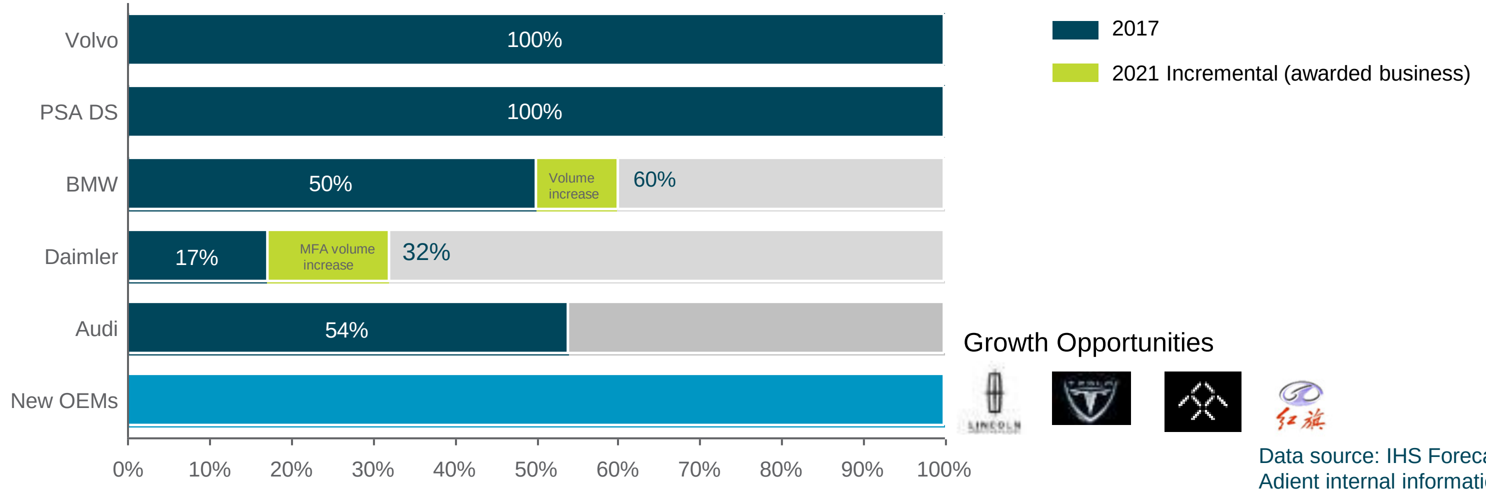


Segment share 2016 vs. 2021e



Data source: IHS Forecast
Passenger vehicle only

Adient market share in each main premium brands



Growth Opportunities

Data source: IHS Forecast
Adient internal information

- Premium segment will continue to outpace the mass market in the next 10 years, powered by the growing middle class as their disposable income increases
- Our backlog ensures our leading position in this segment
- Growth opportunities with those later comers and new OEMs

Market trends strengthening our leading position

Shift to SUV / MPV segment

> New business wins with both domestic and global manufacturers' JV programs will grow our share in segment

> Increased content on SUV / MPV vehicles vs. sedans / wagons

Premium segment remains robust

> Strong and growing position with Daimler, BMW, Audi, and Volvo

> Significant driver of content growth

China technology roadmap 2025

> Lightweight materials

> Development of New Energy Vehicles

Ability to offset "price downs"

> Scale advantage

> Mature business processes / proven capability

> High level of localization

> Leveraging Adient's customer / JV relationships

Importance of Chinese market will continue to increase

Global Platforms

Evolution of the Chinese OEM

New OEMs

Leading Market Of Electrification

Technology roadmap 2025:

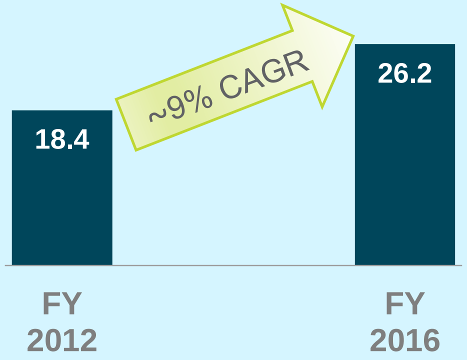
World’s biggest electric vehicle market with aggressive growth plans

China's unconsolidated financial strength [1]
FY2012 – FY2016

Industry

Units, Millions

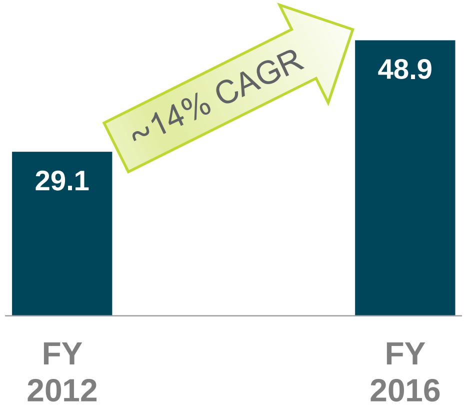
China Light Vehicle Production [2]



CNY in billions

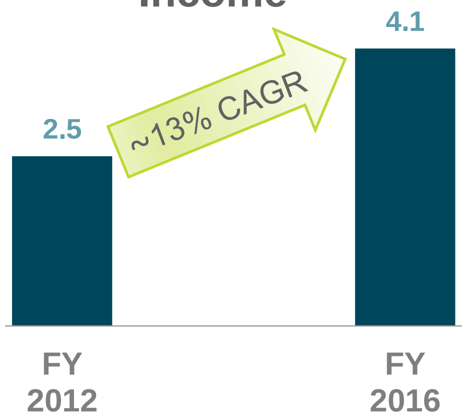
Adient Results

Sales



> Top-line growth in excess of industry growth expected to continue

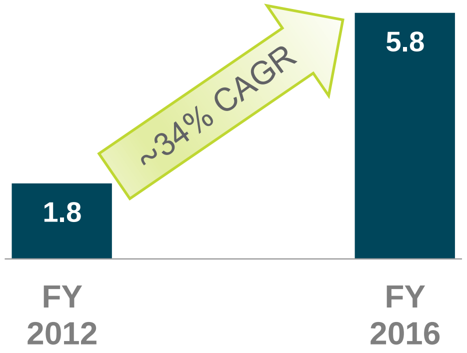
Net Income



> NI supported by strong operating performance (14% EBITDA growth, and margins between 11-12%)

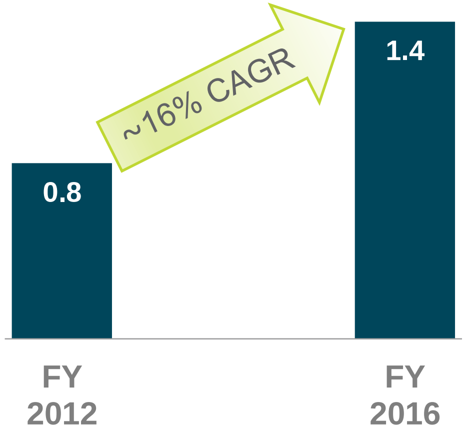
> Expect to sustain strong margin performance

Net Cash [3]



> Well capitalized balance sheets across the various joint ventures

Dividend



> Dividend growth expected to continue

1 – Excludes YFAI; includes SJJ and BJJ Interiors prior to July 2015
2 – Based on IHS volumes
3 - Net cash at 12/31/16 was approximately $1.1B

Dissecting Adient's 2017E earnings

($ in millions)

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Base Business

2017E Consolidated Business EBITDA (Including Equity Income)	$1,625
(-) 2017E Equity Income	(400)
2017E Base Business EBITDA	**$1,225**

Valued at Industry EV / EBITDA Multiple

China Joint Ventures

2017E Equity Income	$400
(+) Illustrative Taxes (@ 18%)[1]	83
(+) Illustrative Interest Expense[2]	-
(+) Illustrative Depreciation & Amortization[3]	96
2017E Illustrative China Proportionate EBITDA	**$579**

Valued at Industry China P / E Multiple

>$1B net cash at JV's

Used for Consolidated Leverage Purposes

Source: Management estimates

[1] Assumes 2017E unconsolidated sales of ~16bn and illustrative seating and interior operating income margins of ~10% and ~4%, respectively.

[2] Assumes no net interest expense as the JVs are in a consolidated net cash position.

[3] Assumes D&A represents 1.5% of total unconsolidated sales.

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

Framework for valuing Adient

	Primary - P/E Multiple Methodology	Secondary - Blended Multiple Methodology
Overview	Adient EPS ▶ P/E Multiple	Base Business EBITDA ▶ EBITDA Multiple + JV Equity Income ▶ P/E Multiple
Considerations	✓ Provides full value for JV equity income (key contributor to value and cash flow) ✓ Captures benefit from lower corporate tax rate ✓ Captures earnings impact from increased leverage at spin (as well as benefit from de-levering over time)	✓ Common method currently used by Wall Street research analysts ✓ Provides easier comparison to core auto peers who are primarily valued on an EV / EBITDA basis ✗ Does not provide proper credit for tax rate decline, leverage at spin or JV equity income

FINANCIAL RECONCILIATIONS

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, Adjusted SG&A, 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.
  - Adjusted 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

ADIENT

		FY16 Actual				FY17 Actual			Last Twelve Months Ended				
(in $ millions)	Q4 FY15	Q1 FY16	Q2 FY16	Q3 FY16	Q4 FY16	Q1 FY17	Q2 FY17	Q3 FY17	Actual Jun '16	Actual Sep '16	Actual Dec '16	Actual Mar '17	Actual Jun '17
Net income attributable to Adient	$ (116)	$ 137	$ (779)	$ (14)	$ (877)	$ 149	$ 192	$ 204	$ (772)	$ (1,533)	$ (1,521)	$ (550)	$ (332)
Income attributable to noncontrolling interests	13	17	23	21	23	22	24	22	74	84	89	90	91
Income Tax Provision	284	53	838	136	812	28	37	39	1,311	1,839	1,814	1,013	916
Financing Charges	1	2	4	2	14	35	33	31	9	22	55	84	113
Earnings before interest and income taxes	$ 182	$ 209	$ 86	$ 145	$ (28)	$ 234	$ 286	$ 296	$ 622	$ 412	$ 437	$ 637	$ 788
Separation costs (1)	-	60	72	122	115	10	-	-	254	369	319	247	125
Becoming Adient (1) (9)	-	-	-	-	-	15	23	20	-	-	15	38	58
Purchase accounting amortization (2)	9	9	10	9	9	10	9	10	37	37	38	37	38
Restructuring related charges (3) (9)	4	4	3	3	4	8	10	10	14	14	18	25	32
Other items (4) (9)	(7)	(21)	(35)	(22)	(1)	13	-	-	(85)	(79)	(45)	(10)	12
Restructuring and impariment costs (5)	182	-	169	75	88	-	6	-	426	332	332	169	94
Pension mark-to-market (6)	6	-	-	-	110	-	-	-	6	110	110	110	110
Gain on business divestiture	(137)	-	-	-	-	-	-	-	(137)	-	-	-	-
Adjusted EBIT	$ 239	$ 261	$ 305	$ 332	$ 297	$ 290	$ 334	$ 336	$ 1,137	$ 1,195	$ 1,224	$ 1,253	$ 1,257
Pro-forma IT dis-synergies (8)	(6)	(6)	(7)	(6)	(7)	-	-	-	(25)	(26)	(20)	(13)	(7)
Pro-forma Adjusted EBIT	$ 233	$ 255	$ 298	$ 326	$ 290	$ 290	$ 334	$ 336	$ 1,112	$ 1,169	$ 1,204	$ 1,240	$ 1,250
Stock based compensation (7)	(4)	1	5	14	8	4	11	8	16	28	31	37	31
Depreciation	77	82	81	77	87	83	78	83	317	327	328	325	331
Pro-forma Adjusted EBITDA	$ 306	$ 338	$ 384	$ 417	$ 385	$ 377	$ 423	$ 427	$ 1,445	$ 1,524	$ 1,563	$ 1,602	$ 1,612

1. Reflects incremental expenses associated with becoming an independent company and expenses associated with the separation from Johnson Controls International.
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. First quarter 2017 primarily consists of $12M of initial funding of the Adient foundation. Also 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 the former Parent in the amount of $7 million in the fourth quarter of 2015 and $8 million, $7 million, $8 million and $1 million in the first, second, third and fourth quarters of 2016, respectively.
5. Reflects qualified restructuring charges for costs that are directly attributable to restructuring activities and meet the definition of restructuring under ASC 420.
6. Reflects net mark-to-market adjustments on pension and postretirement plans.
7. Stock based compensation excludes $2 million, $5 million, and $ 3 million of expense in the first, second and third quarters of 2017, respectively, which is included with the costs associated with becoming an independent company (Becoming Adient costs) discussed above.
8. 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.
9. The December 31, 2016 amounts were revised in the second quarter FY 2017 for certain reclassifications in which Becoming Adient costs decreased by $16 million and restructuring related items and other items increased by $3 million and $13 million, respectively.

Non-GAAP reconciliations
Adjusted Net Income

Adjusted Net Income

(in $ millions)	Three Months Ended June 30 2017	Three Months Ended June 30 2016
Net income attributable to Adient	$ 204	$ (14)
Separation costs [(1)]	-	122
Becoming Adient [(1)]	20	-
Purchase accounting amortization [(2)]	10	9
Restructuring related charges [(3)]	10	3
Other items [(4)]	-	(22)
Restructuring and impairment costs [(5)]	-	75
Tax impact of above adjustments and one time tax items	(7)	65
Adjusted net income attributable to Adient	**$ 237**	**$ 238**
Pro-forma IT dis-synergies [(6)]	-	(6)
Pro-forma net financing charges [(6)]	-	(31)
Tax impact of above pro-forma adjustments	-	8
Pro-forma effective tax rate adjustment [(6)]	-	19
Pro-forma Adjusted net income attributable to Adient	**$ 237**	**$ 228**

Adjusted Diluted EPS

	Three Months Ended June 30 2017	Three Months Ended June 30 2016
Diluted earnings per share as reported	$ 2.17	$ (0.15)
Separation costs [(1)]	-	1.30
Becoming Adient [(1)]	0.20	-
Purchase accounting amortization [(2)]	0.11	0.10
Restructuring related charges [(3)]	0.11	0.03
Other items [(4)]	-	(0.23)
Restructuring and impairment costs [(5)]	-	0.80
Tax impact of above adjustments and one time tax items	(0.07)	0.69
Adjusted diluted earnings per share	**$ 2.52**	**$ 2.54**
Pro-forma IT dis-synergies [(6)]	-	(0.06)
Pro-forma net financing charges [(6)]	-	(0.33)
Tax impact of above pro-forma adjustments	-	0.09
Pro-forma effective tax rate adjustment [(6)]	-	0.19
Pro-forma Adjusted diluted earnings per share	**$ 2.52**	**$ 2.43**

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 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 third quarter 2016 $14 million favorable legal settlement and an $8 million multi-employer pension credit associated with the removal of costs for pension plans that remained with JCI.
5. Reflects qualified restructuring charges for costs that are directly attributable to restructuring activities and meet the definition of restructuring under ASC 420.
6. 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.

Non-GAAP reconciliations
Net Debt and Adjusted Equity Income

Net Debt and Net Leverage

(in $ millions)	June 30 2017	September 30 2016
Cash [1]	$ 669	$ 550
Total Debt [2]	3,399	3,521
Net Debt	$ 2,730	$ 2,971
Pro-forma Adjusted EBITDA (last twelve months)	1,612	1,524
Net Leverage	1.69x	1.95x

Adjusted Equity Income

(in $ millions)	Three Months Ended June 30 2017	2016
Equity income as reported	$ 94	$ 89
Purchase accounting amortization [3]	6	5
YFAI restructuring	1	-
Adjusted equity income	$ 101	$ 94

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, Financing Charges, and Segment Adjusted EBIT

Adjusted Income before Income Taxes

(in $ millions)	Three Months Ended June 30					
	2017			2016		
	Income before Income Taxes	Tax impact	Effective tax rate	Income before Income Taxes	Tax impact	Effective tax rate
As reported	$ 265	$ 39	14.7%	$ 143	$ 136	*
Adjustments, including prior year pro-forma impacts	40	7	17.5%	150	(92)	*
As adjusted	$ 305	$ 46	15.1%	$ 293	$ 44	15.1%

* Measure not meaningful

Financing Charges

(in $ millions)	Three Months Ended June 30 2017	Three Months Ended June 30 2016
Net financing charges as reported	$ 31	$ 2
Pro-forma net financing charges (8)		31
Pro-forma adjusted net financing charges		$ 33

Adjusted EBIT/Pro-forma adjusted EBIT by segment

(in $ millions)	Three Months Ended June 30 2017	Three Months Ended June 30 2016
Seating (includes 2016 pro-forma IT dis-synergies)	$ 317	$ 300
Interiors	19	26
Pro-forma adjusted EBIT	$ 336	$ 326

1. 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.

Non-GAAP reconciliations
Reported to Adjusted SG&A for prior periods (LTM Jun 16 – LTM Jun 17)

(in $ millions)	Actual	FY16 Actual				FY17 Actual			Last Twelve Months Ended				
	Q4 FY15	Q1 FY16	Q2 FY16	Q3 FY16	Q4 FY16	Q1 FY17	Q2 FY17	Q3 FY17	Actual Jun '16	Actual Sep '16	Actual Dec '16	Actual Mar '17	Actual Jun '17
Selling, general and administrative costs	$ 225	$ 253	$ 252	$ 315	$ 402	$ 217	$ 178	$ 169	$ 1,045	$ 1,222	$ 1,186	$ 1,112	$ 966
Separation costs (1) (6)	-	(60)	(72)	(122)	(115)	(10)	-	-	(254)	(369)	(319)	(247)	(125)
Becoming Adient (1) (6)	-	-	-	-	-	(6)	(10)	(6)	-	-	(6)	(16)	(22)
Purchase accounting amortization (2)	(3)	(4)	(5)	(4)	(4)	(5)	(4)	(3)	(16)	(17)	(18)	(17)	(16)
Restructuring related charges (3) (6)	-	-	-	-	(2)	-	-	-	-	(2)	(2)	(2)	(2)
Other non-recurring items (4) (6)	7	21	35	22	1	(13)	-	-	85	79	45	10	(12)
Pension mark-to-market (5)	(3)	-	-	-	(94)	-	-	-	(3)	(94)	(94)	(94)	(94)
Adjusted SG&A	$ 226	$ 210	$ 210	$ 211	$ 188	$ 183	$ 164	$ 160	$ 857	$ 819	$ 792	$ 746	$ 695

Sales ($Millions)	$ 4,162	$ 4,233	$ 4,298	$ 4,362	$ 3,944	$ 4,038	$ 4,212	$ 4,017	$17,055	$16,837	$16,642	$16,556	$16,211
Adjusted SG&A	226	210	210	211	188	183	164	160	857	819	792	746	695
% of Sales	5.43%	4.96%	4.89%	4.84%	4.77%	4.53%	3.89%	3.98%	5.02%	4.86%	4.76%	4.51%	4.29%

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 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. First quarter 2017 primarily consists of $12 million of initial funding of the Adient foundation. Also 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 $7 million in the fourth quarter of 2015 and $8 million, $7 million, $8 million and $1 million in the first, second, third and fourth quarters of 2016, respectively.
5. Reflects net mark-to-market adjustments on pension and postretirement plans.
6. The December 31, 2016 amounts were revised in the second quarter FY 2017 for certain reclassifications in which Becoming Adient costs decreased by $16 million and restructuring related items and other items increased by $3 million and $13 million, respectively.

Prior Period Results

	Actual Q4 FY15	FY16 Actual Q1 FY16	FY16 Actual Q2 FY16	FY16 Actual Q3 FY16	FY16 Actual Q4 FY16	FY17 Actual Q1 FY17	FY17 Actual Q2 FY17	FY17 Actual Q3 FY17	Last Twelve Months Ended Actual Jun '16	Last Twelve Months Ended Actual Sep '16	Last Twelve Months Ended Actual Dec '16	Last Twelve Months Ended Actual Mar '17	Last Twelve Months Ended Jun '17
Sales ($Mils.)	$ 4,162	$ 4,233	$ 4,298	$ 4,362	$ 3,944	$ 4,038	$ 4,212	$ 4,017	$ 17,055	$ 16,837	$ 16,642	$ 16,556	$ 16,211
Adjusted EBIT	233	255	298	326	290	290	334	336	1,112	1,169	1,204	1,240	1,250
% of Sales	5.60%	6.02%	6.93%	7.47%	7.35%	7.18%	7.93%	8.36%	6.52%	6.94%	7.23%	7.49%	7.71%
Adjusted EBITDA	306	338	384	417	385	377	423	427	1,445	1,524	1,563	1,602	1,612
% of Sales	7.35%	7.98%	8.93%	9.56%	9.76%	9.34%	10.04%	10.63%	8.47%	9.05%	9.39%	9.68%	9.94%
Adj Equity Income	75	99	82	94	102	106	96	101	350	377	384	398	405
Adj EBIT Excl Equity	158	156	216	232	188	184	238	235	762	792	820	842	846
% of Sales	3.80%	3.69%	5.03%	5.32%	4.77%	4.56%	5.65%	5.85%	4.47%	4.70%	4.93%	5.09%	5.22%
Adj EBITDA Excl Equity	231	239	302	323	283	271	327	326	1,095	1,147	1,179	1,204	1,207
% of Sales	5.55%	5.65%	7.03%	7.40%	7.18%	6.71%	7.76%	8.12%	6.42%	6.81%	7.08%	7.27%	7.45%