ADIENT

Adient Investor Meeting

November 2017

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 meet debt service requirements, the ability and terms of financing, general economic and business conditions, the strength of the U.S. or other economies, automotive vehicle production levels, mix and schedules, energy and commodity prices, the availability of raw materials and component products, currency exchange rates, the ability of Adient to effectively integrate the Futuris business, and cancellation of or changes to commercial arrangements. A detailed discussion of risks related to Adient’s business is included in the section entitled “Risk Factors” in Adient’s Annual Report on Form 10-K for the fiscal year ended September 30, 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 FY2018 guidance have not been provided due to the unreasonable efforts it would take to provide such reconciliations.

Adient has revised previously reported results to adjust equity income from a non-consolidated joint venture related to engineering costs that were inappropriately capitalized. Adient has also revised previously reported net sales and cost of sales to present certain components of a contract on a net basis. Please see Note 4 (Revisions to Previously Reported Amounts) to the Appendix to the Adient earnings release dated November 2, 2017 for a discussion of revisions to previously reported amounts.

Meeting agenda

- > **Company & business overview**
- > **China review**
- > **Financial overview**
- > **Appendix**

Adient's vision and mission bring focus to our success

ADIENT

VISION

Improving the experience of a world in motion

MISSION

We will be the world-class automotive seating supplier through leadership in cost, quality, launch execution, and customer satisfaction.

We will leverage our capabilities to drive growth, both within and beyond the automotive industry.

Adient today

ADIENT

#1 Adient is the largest global automotive seating supplier, supporting all major automakers in the differentiation of their vehicles through superior quality, technology and performance

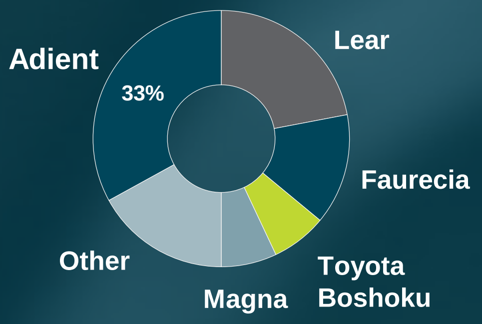
FY 2017

~$16.2B
Consolidated revenue

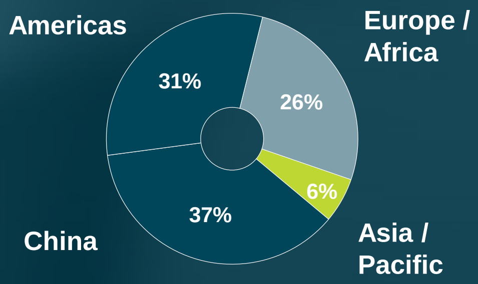
~$8.7B
Unconsolidated seating revenue

~$8.6B
Unconsolidated interiors revenue

Global market share*



Revenue by geography*



We supply one out of every three automotive seats worldwide

25M+
seat systems per year

NYSE: ADNT

*Adient share includes non-consolidated revenue (mkt share based on FY16). Revenue by geography based on FY2017 (consolidated and non-consolidated). Source: IHS Automotive and management estimates.

Adient delivers the broadest and most complete range of seating and interior products

- Complete seat / Just-In-Time manufacturing
- Front and rear seat structures
- Track, recliner, manual height adjuster and lock mechanisms
- Foam cushions and backs
- Head restraints and armrests
- Trim covers and fabrics
- RECARO high performance seating
- Commercial vehicle seating

- Instrument panels
- Floor consoles
- Door panels
- Overhead consoles
- Decorative trim

We are located right where our customers need us most

Global locations

250+ facilities

37 countries

Global employees

86,000

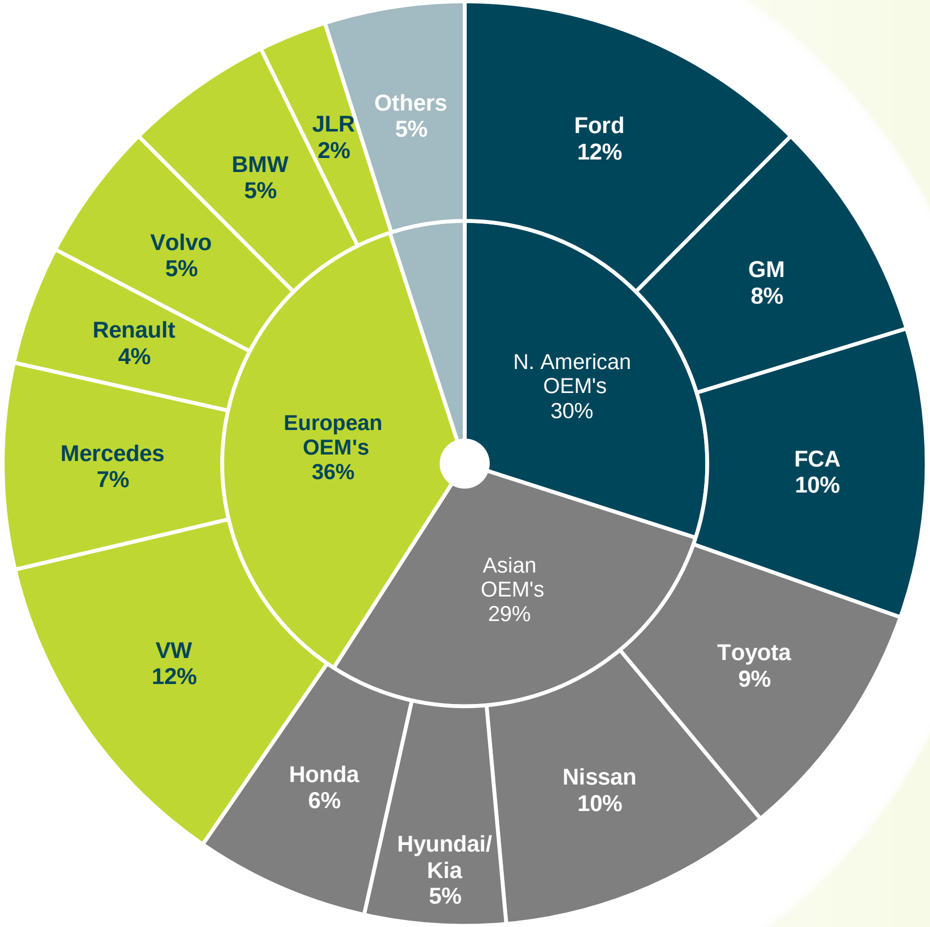
*Does not include China JVs

Our customer portfolio closely mirrors our customer's global market share

We work with the

world's largest automotive manufacturers

across the globe



- > **Industry leading diversification**
  - > **By customer**
    Largest customer accounts for 12% 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**

Based on ADNT's FY17 Consolidated Sales

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

Margin progression on track

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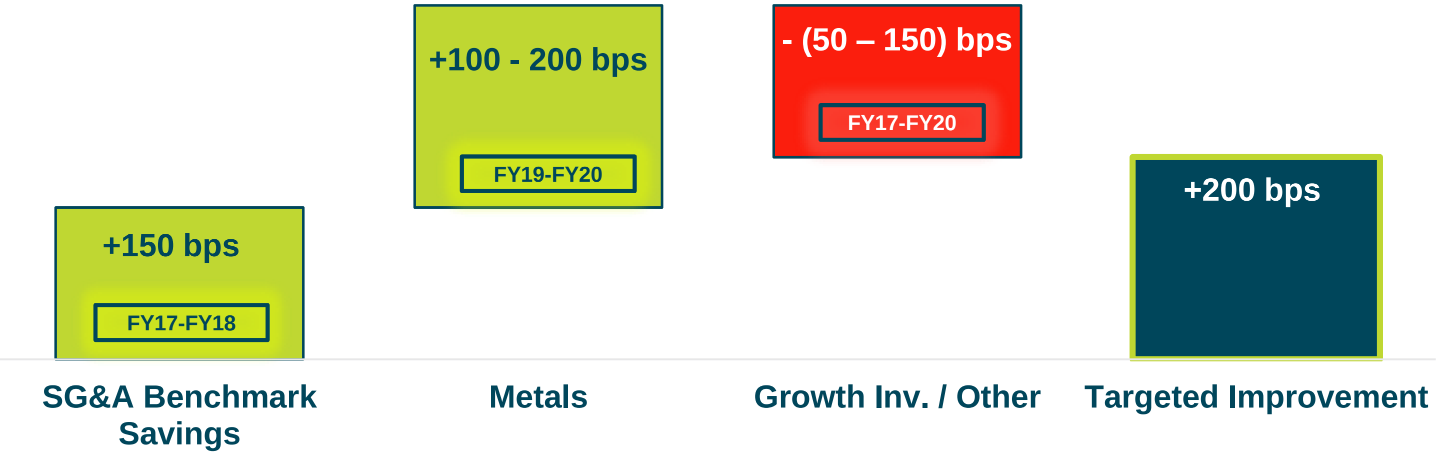
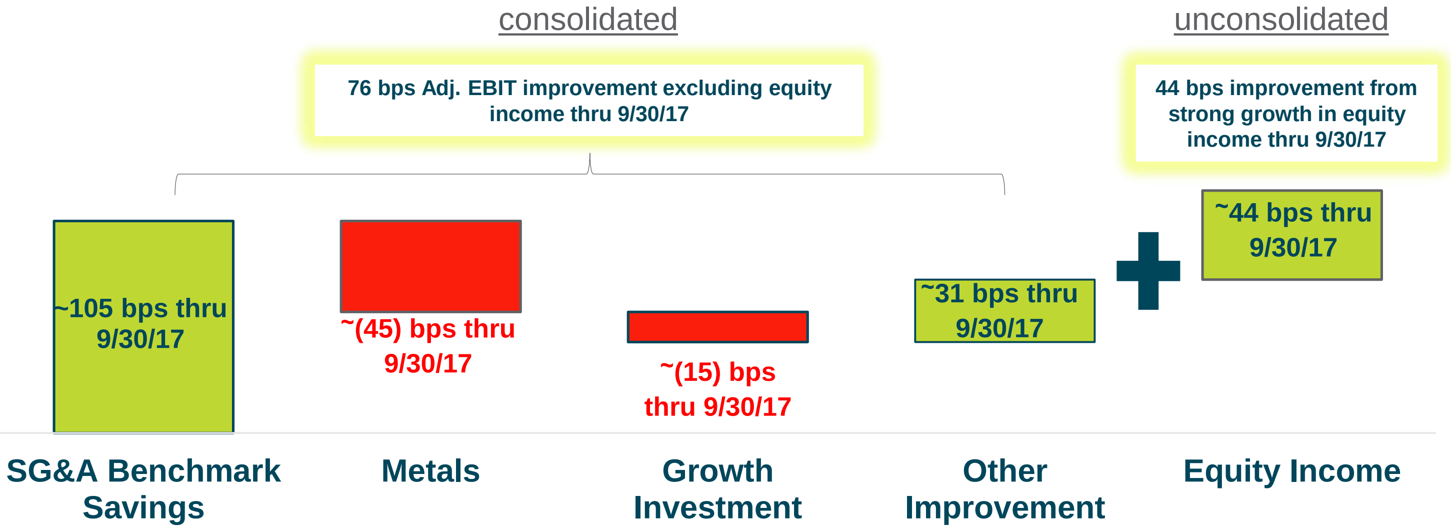
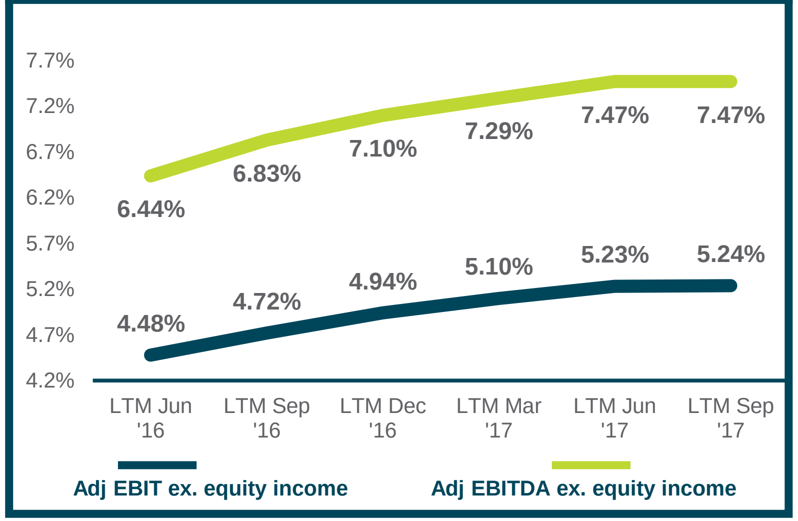
Mid-term Plan



Progress to Date



Adj. EBIT and Adj. EBITDA Margin (excluding equity income)[1]



Adient has delivered 120 basis points of Adj. EBIT margin improvement since June 2016 LTM [1]

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

Adient JV equity income and cash dividend summary

- > Robust growth continues in equity income and cash dividends
- > In FY17, equity income (fx adjusted) increased 12% y-o-y outpacing unconsolidated sales growth of 11% (fx adjusted)
- > Equity income expected to increase over 10% in FY18 vs. FY17
- > Cash conversion expected to be about 70% in FY18

Sources	Equity income (as adjusted) [1]	Cash dividends paid	% Conversion
2015	$286M	$193M	67.5%
2016	$364M	$199M	54.7%
2017	$394M	$280M	71.1%
FY15A-FY17 CAGR	**17.4%**	**20.4%**	
2018 (Estimate)	$435M		~70%

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

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 September 30, 2017 at 1.73X, down about 12% compared to 1.97X at September 30, 2016
    - Net leverage ratio at September 30, 2017 at ~1.5x adjusting for Futuris acquisition
  - Supports ongoing actions to enhance shareholder value (quarterly dividend and share repurchase program)
  - Supports Adient's profitable growth initiatives (organic & inorganic)
- **Significant improvement in free cash flow expected in mid-term, driven by:**
  - Lower cash restructuring
  - Margin growth
  - Increasing dividend growth from China JVs

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

Market position – strengthening through growth

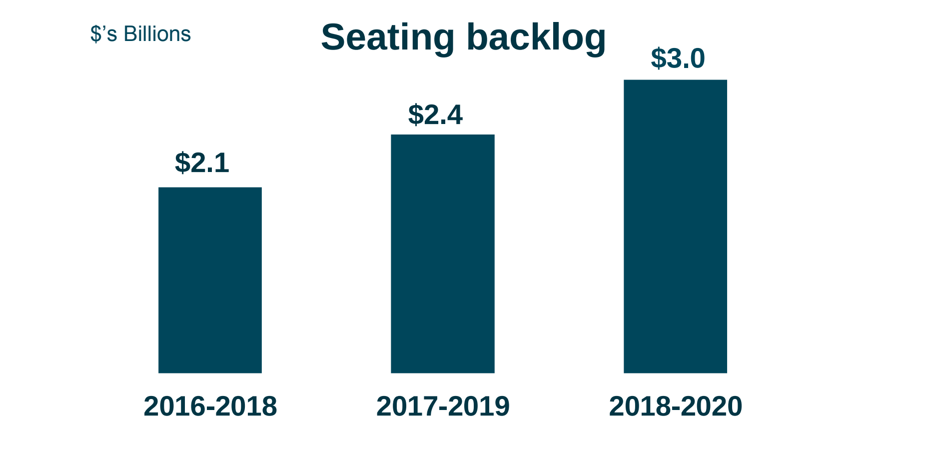
Backlog growth continues to accelerate -- further strengthening our market position

> Three-year seating backlog increased ~22% y-o-y to about $3.0B

> Adient's consolidated backlog accounts for 51% of the total seating backlog

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

Note: Backlog defined as won new business, plus high probability targeted business, less lost replacement business (backlog not adjusted for pricing, market volumes, or FX)



Opportunistically pursuing inorganic & adjacent market growth

> Acquisition of **Futuris** Group

> Collaboration with **Boeing**

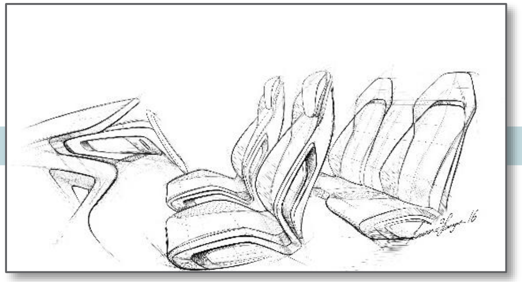
> Collaboration with **Autoliv**

Adient's "growth engine" is beginning to accelerate

Global industry trends ask for new design solutions in seating

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)

Meeting agenda

- > Company & business overview
- > China review
- > Financial overview
- > Appendix

Adient is the largest automotive seating supplier in China

We enjoy a clear leadership position in China

We generated

$8.1B

sales revenue in FY2017

We employ

33,000

highly engaged employees including >1,300 engineers

We have

19

seating joint ventures

We have

45%

PV market share

Note: excluding YFAI

Adient China Footprint

19 Joint ventures, 73 manufacturing plants and 4 global tech centers

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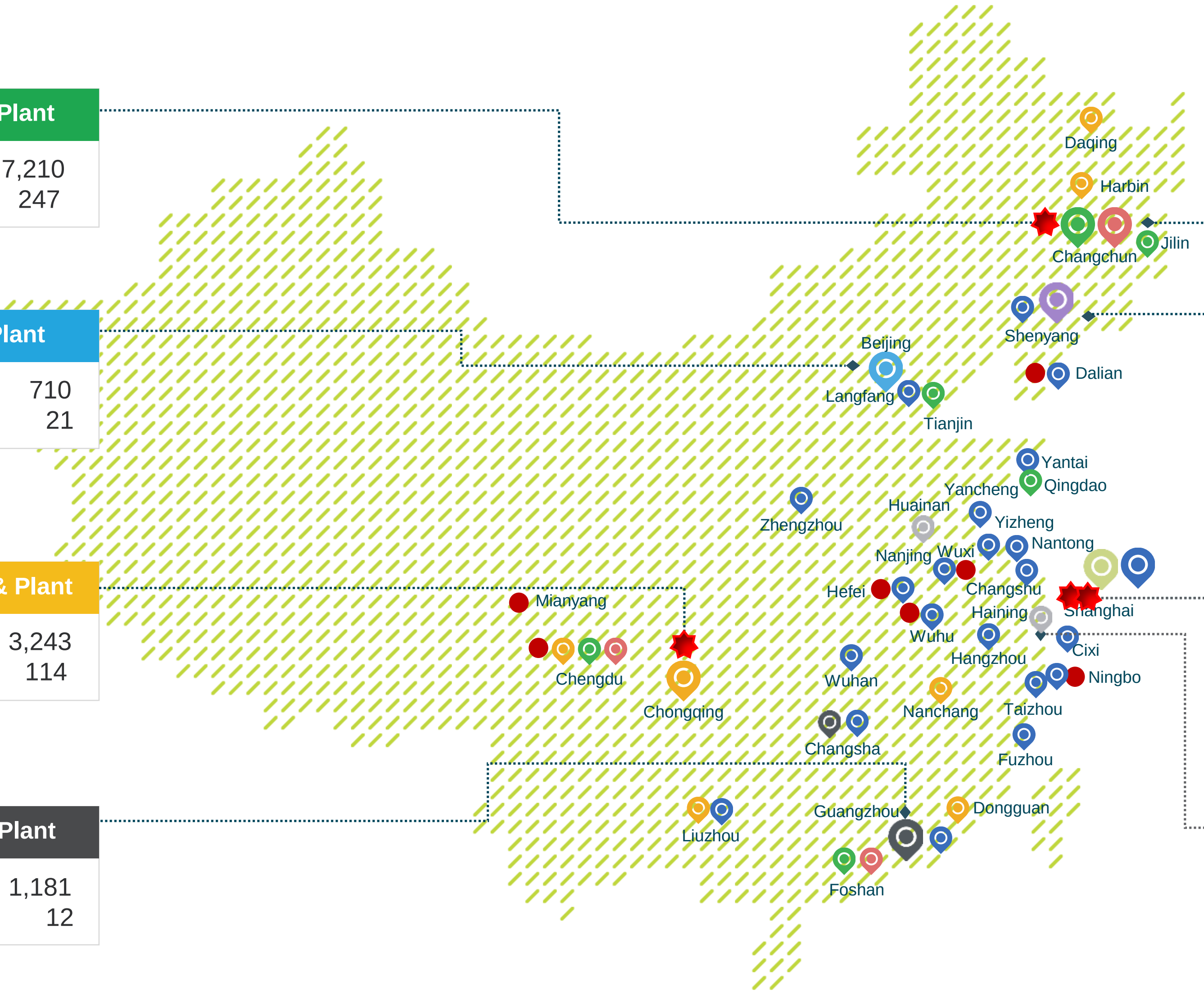
CFAA HQ & Plant	
Employees:	7,210
Engineers:	247

BJA HQ & Plant	
Employees:	710
Engineers:	21

CQADNT HQ & Plant	
Employees:	3,243
Engineers:	114

GAAS HQ & Plant	
Employees:	1,181
Engineers:	12



FAA HQ & Plant	
Employees:	1,075
Engineers:	10

SJA HQ & Plant	
Employees:	2,270
Engineers:	37

YFAS HQ & Plant	
Employees:	8,649
Engineers:	487

AYM HQ & Plant	
Employees:	2,130
Engineers:	95

Fabrics*	
Employees:	441

YFAS
SJA
CQADNT
BJA
CFAA
GAAS
FAA
AYM
Fabrics
FUTURIS

Tech Center (Global) Capabilities incl.:
- > Industrial Design
- > Engineering
- > Innovation
- > Benchmark
- > Craftsmanship
- > Prototyping
- > FEA & Testing

Notes: ADS (located in Shanghai) trim plant was not displayed here

Note: excluding YFAI

Joint venture structure

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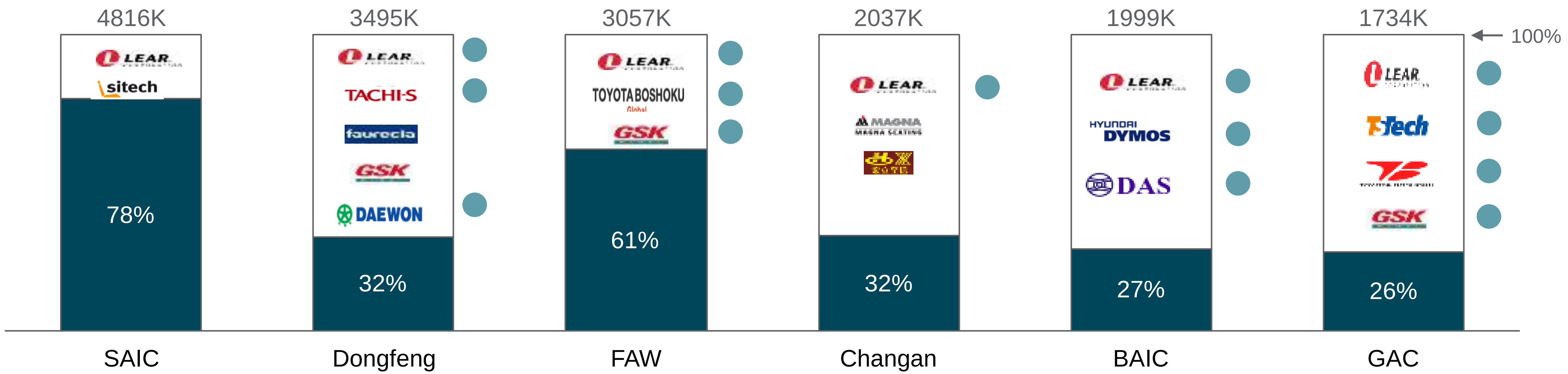
	Tailored Strategy for Each JV				Equity Share	
	Strategic Plan	**Joint Venture**	**Chinese Group Partner**	**OEM partnered with Chinese Auto Group**	**Adient**	**Partner**
Seating	> Components for China & Asia Pacific > Regional growth > Low cost engineering and innovation	**YFAS**	SAIC Sub-partners Chang'An / Dongfeng	GM, VW, Skoda, Ford, Volvo, Nissan, Land Rover, Mazda, Honda, KIA, Peugeot, Citroën, Suzuki	**49.99%**	**50.01%**
	> Operational Efficiency > Leverage current relationship	**CFAA**	FAW	VW, Toyota, Mazda, Audi	**49.0%**	**51.0%**
	> Growth focus on luxury segment	**BJA**	BAIC	Mercedes, Hyundai	**51.0%**	**49.0%**
		SJA	Brilliance	BMW	**50.0%**	**50.0%**
Components	> Grow market share	**AYM**	SAIC	Supply all non-FAW customers	**50.0%**	**50.0%**
		FFAA	FAW	Supply all FAW customers	**50.0%**	**50.0%**
	> Fabrics capabilities	**WFAD**	Wanfang	Focus on global OEMs	**25.0%**	**75.0%**
		ADNNG	NNG	Focus on local OEMs	**61.9%**	**38.1%**
Interiors	**Yanfeng Automotive Interiors (YFAI)**				**30.0%**	**70.0%**

2017 Equity Income: $394mm & Cash Dividends: $280mm

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

- % 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



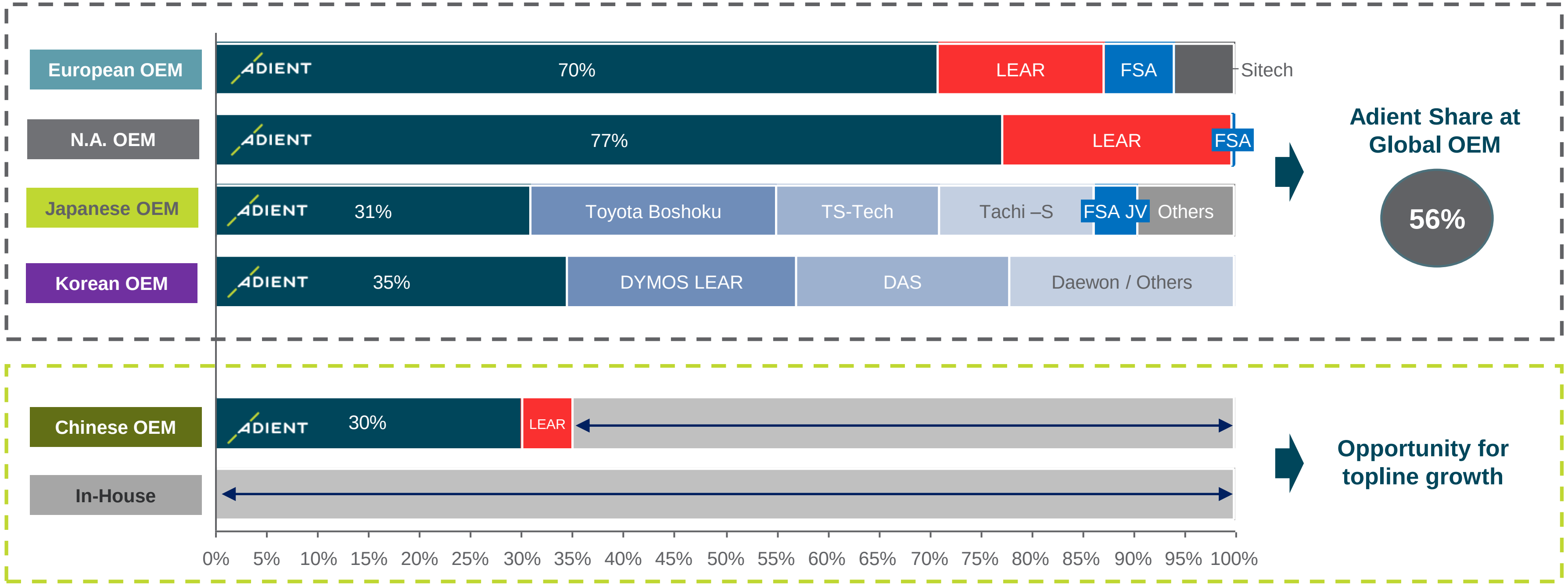
> Since 1997, JV model has advantaged us in each main auto group

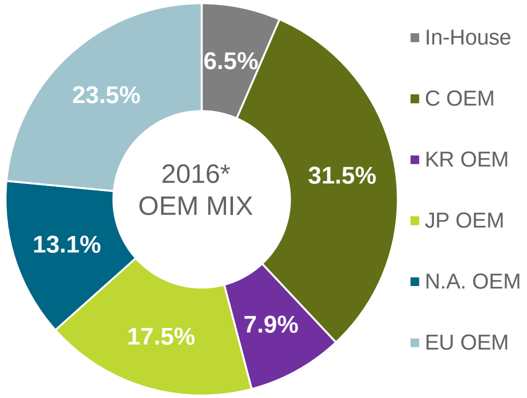
> Our partner relationship has worked well and we expect to maintain our position

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

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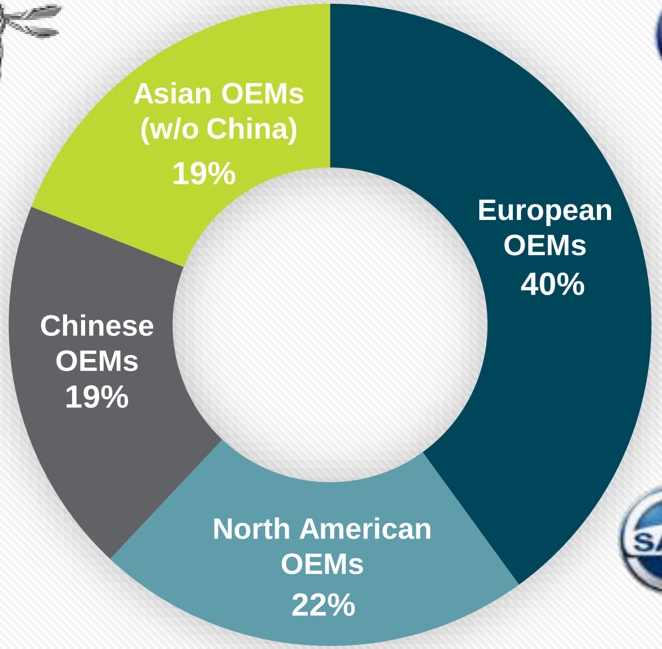
Customer Mix by Volume



SUV trends are beneficial to Adient's growth

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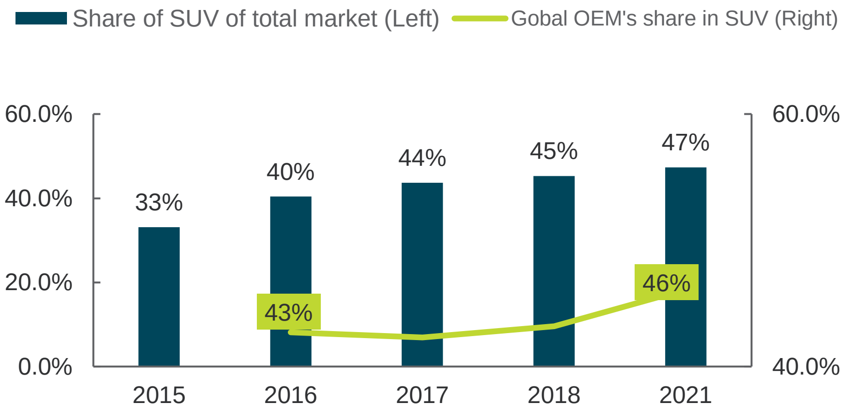
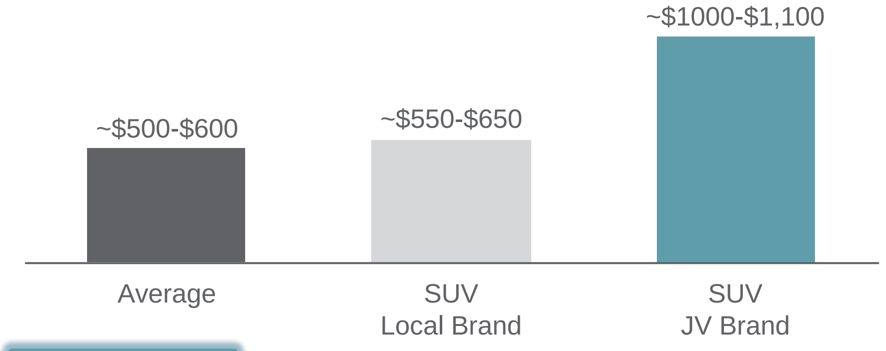
China SUV Development Trend
% share based on production volume



1. We expect penetration of SUV in total PV market to 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 likely 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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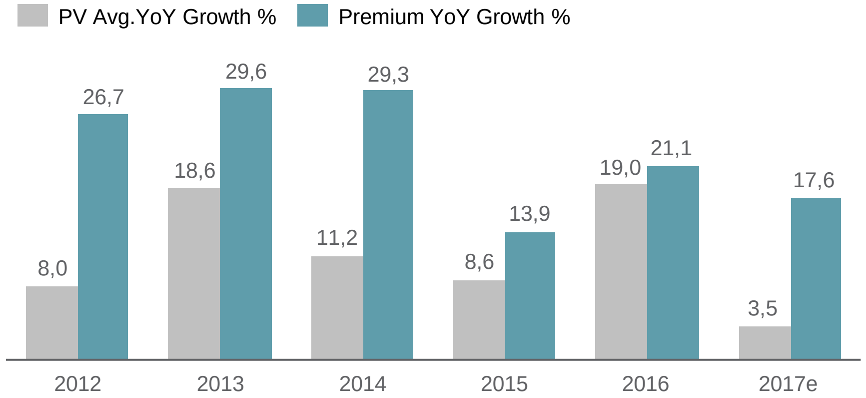
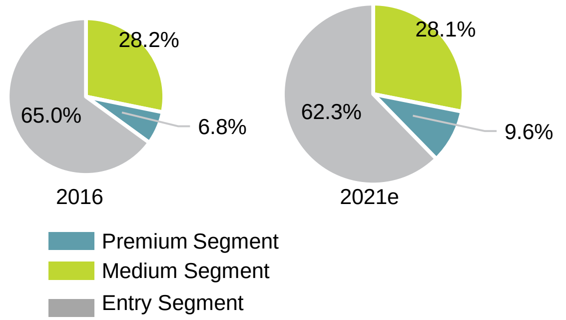
China PV Production YoY Growth (Average market vs. Premium)

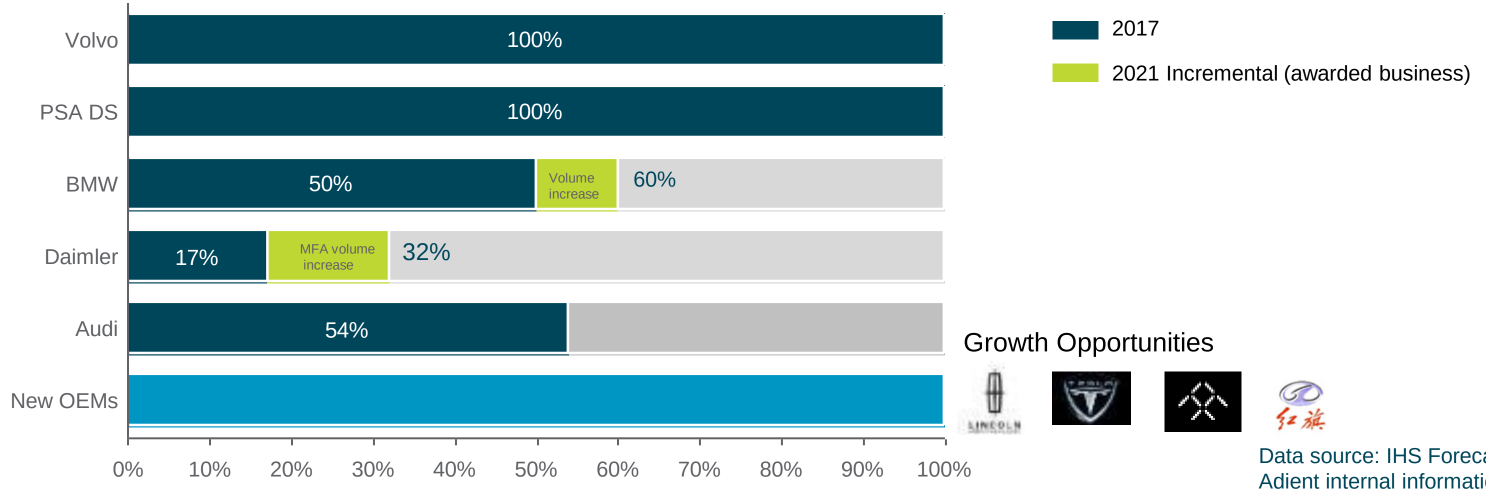


Segment share 2016 vs. 2021e



Data source: IHS Forecast
Passenger vehicle only

Adient market share in each main premium brands



Growth Opportunities

Data source: IHS Forecast
Adient internal information

- > **We expect the premium segment to continue to outpace the mass market in the next 10 years, powered by the growing middle class as their disposable income increases**
- > **Our backlog helps ensure our leading position in this segment**
- > **Growth opportunities with those later comers and new OEMs**

Market trends are 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

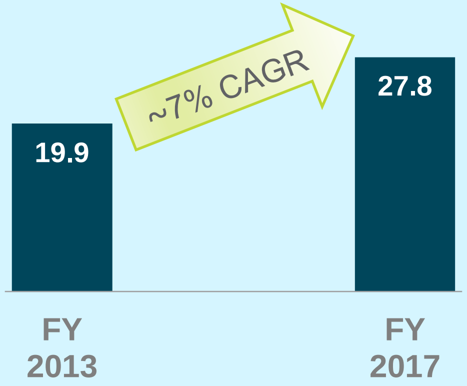
China's unconsolidated financial strength [1]

FY2013 – FY2017

Industry

Units, Millions

China Light Vehicle Production [2]

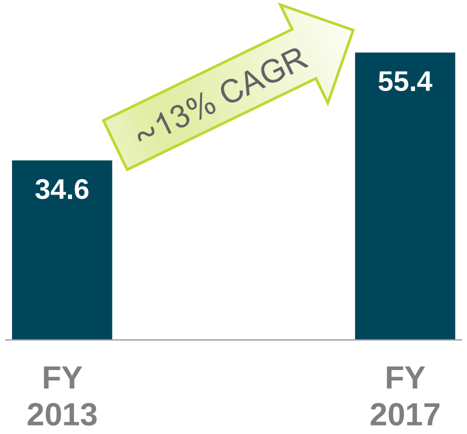


1 – Excludes YFAI; includes SJJ and BJJ Interiors prior to July 2015
2 – Based on IHS volumes
3 - Net cash at 12/31/16 was approximately $1.1B

Adient Results

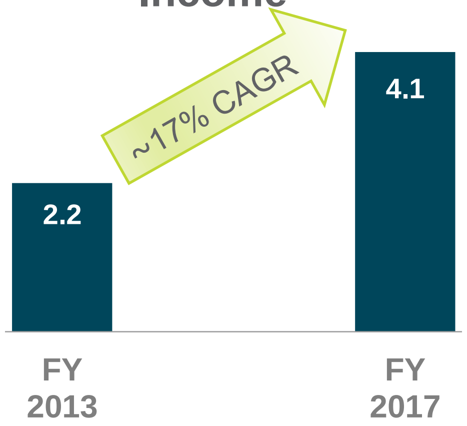
CNY in billions

Sales



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

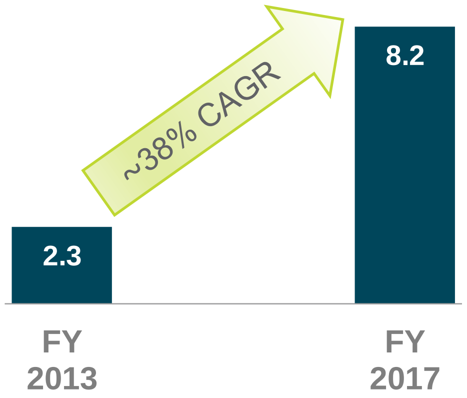
Net Income



> NI supported by strong operating performance (13% EBITDA growth, and margins between 11-12%)

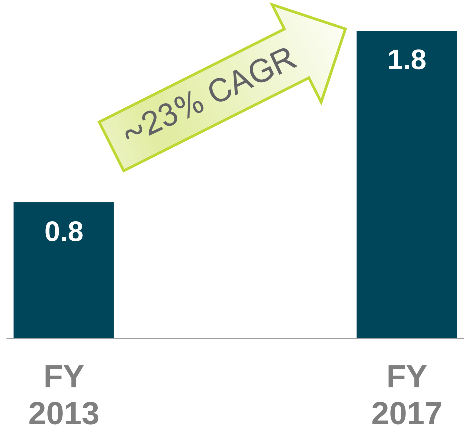
> Expect to sustain strong margin performance

Net Cash [3]



> Well capitalized balance sheets across the various joint ventures

Dividend



> Dividend growth expected to continue

Dissecting Adient's 2018E earnings

($ in millions)

Base Business

2018E Consolidated Business EBITDA (Including Equity Income)	$1,725
(-) 2018E Equity Income	(435)
2018E Base Business EBITDA	**$1,290**

Valued at Industry EV / EBITDA Multiple

China Joint Ventures

2018E Equity Income	435
(+) Illustrative Taxes (@ 18%)[1]	90
(+) Illustrative Interest Expense[2]	-
(+) Illustrative Depreciation & Amortization[3]	110
2018E Illustrative China Proportionate EBITDA	**635**

Valued at Industry China P / E Multiple

>$1B net cash at JV's

Used for Consolidated Leverage Purposes

Source: Management estimates

[1] Assumes 2018E unconsolidated sales of ~18bn 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 FY2018 guidance have not been provided due to the unreasonable efforts it would take to provide such reconciliations

Meeting agenda

> Company & business overview

> China review

> Financial overview

> Appendix

FY 2017 full year key financials

$ millions, except per share data	As Reported FY17	As Reported FY16	As Adjusted [1] FY17	As Adjusted [1] FY16	As Adjusted [1] B/(W)
Revenue	$ 16,213	$ 16,790	$ 16,213	$ 16,790	*-3%*
EBIT	$ 1,193	$ 399	$ 1,244	$ 1,156	*+8%*
Margin	*7.4%*	*2.4%*	*7.7%*	*6.9%*	
EBITDA	N/A	N/A	$ 1,605	$ 1,511	*+6%*
Margin			*9.9%*	*9.0%*	
Memo: Equity Income [2]	$ 522	$ 344	$ 394	$ 364	*+8%*
Tax Expense	$ 99	$ 1,839	$ 149	$ 137	
ETR	*9.3%*	*	*13.4%*	*13.4%*	
Net Income	$ 877	$ (1,546)	$ 878	$ 798	*+10%*
EPS Diluted	$ 9.34	$ (16.50)	$ 9.35	$ 8.51	*+10%*

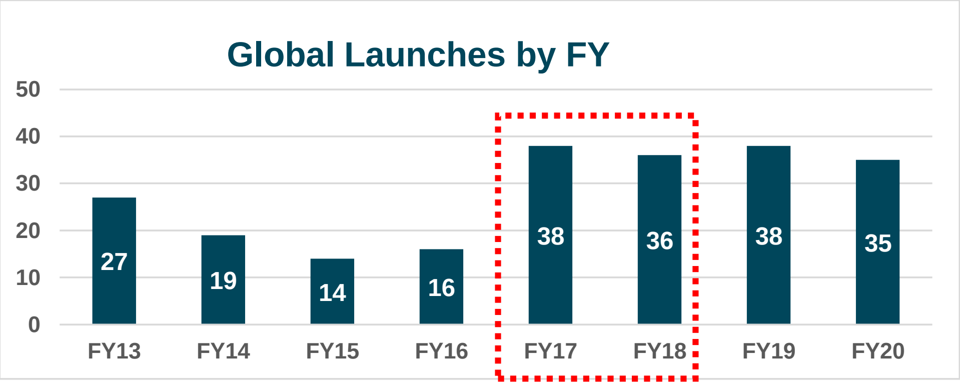
1 – On an adjusted basis, which includes certain pro forma adjustments for FY16; see appendix for detail and reconciliation to U.S. GAAP
2 – Equity income included in EBIT & EBITDA
* Measure not meaningful

Managing through seat structures & mechanisms near-term headwinds

> Significant launch challenges impacting seat structures and mechanisms:
  - Late design changes, engineering / manufacturing issues, supply chain interruptions and labor challenges creating launch inefficiencies
  - Launch headwinds expected to continue into early FY18

> Steel economics and "one-time" events (e.g. distressed supplier costs, flooding) have created additional headwinds
  - Metals performance down ~$35 million in Q4 vs. last year (including material economics and ~$13 million in expedited freight)

> Several actions taken to mitigate the near-term headwinds:
  - Supplemental resources added to key facilities
  - Audit of upcoming 2018 launches to identify potential issues earlier
  - Customer specific actions



Despite near-term headwinds, the mid-term plan remains intact

Drivers of future earnings growth

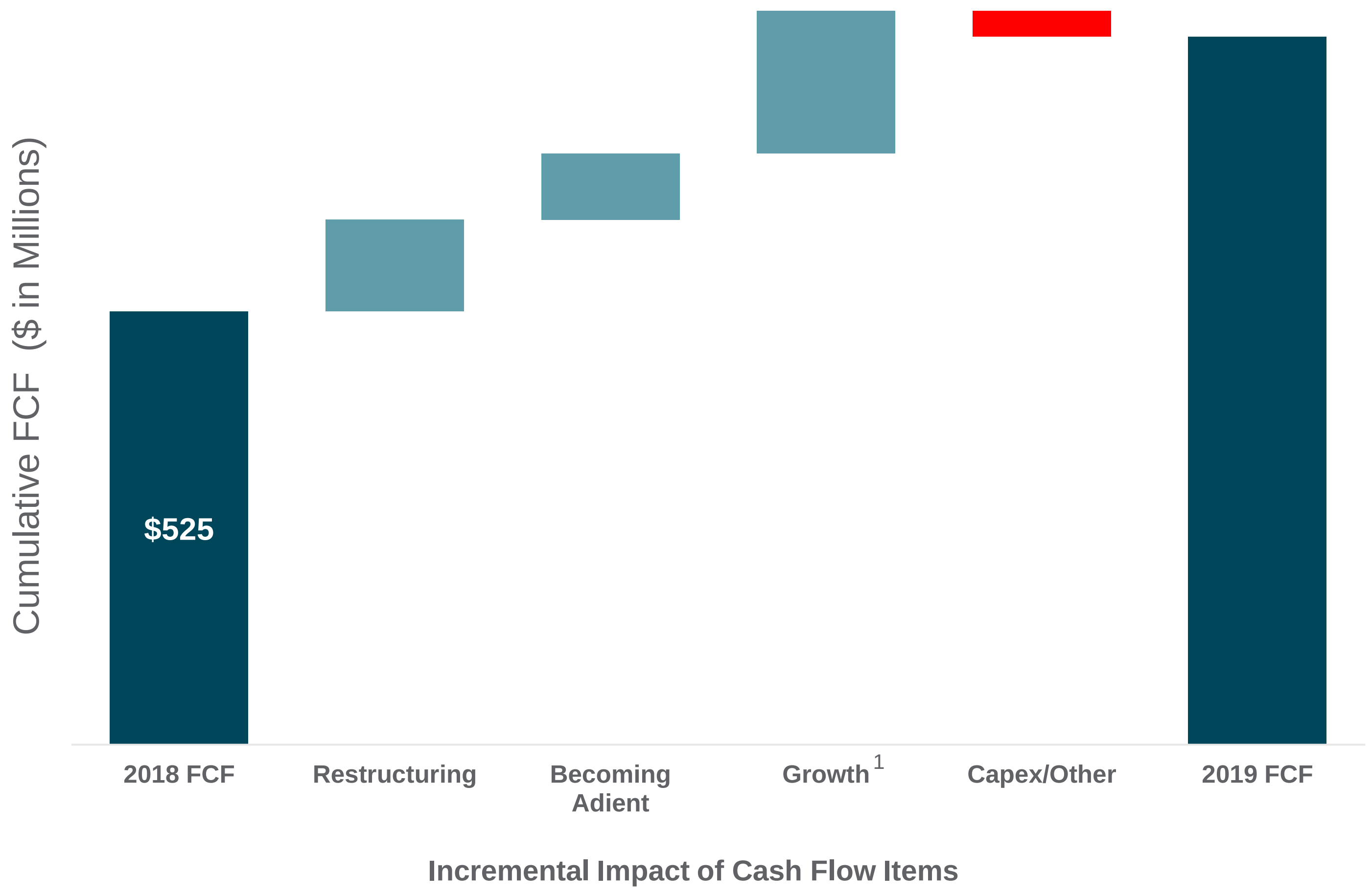
- > **Accelerating backlog growth**
- > **Well positioned to capture growth in China through equity income from market leading JV**
- > **Improved operational efficiencies driven by:**
  - – SG&A reduction
  - – Seat Structures and Mechanisms improvement (FY19 / FY20)
  - – Integration of Futuris
  - – Implementation of world-class operating system
  - – Increased use of low-cost footprint (Mexico, Eastern Europe and China)
- > **Upward trend in profitability expected to drive increased value to our shareholders**

Increased Profitability

Increased Cash Flow

Increased Value to Shareholders

FCF Growth



1 - Includes margin growth, JV dividends, and Futuris

Key Takeaways

> FY18 expected results include:
  - A heightened level of cash restructuring (~$170M core business + ~$20M Futuris)
  - "Becoming Adient" costs re-calendarized into FY18 (~$45M)

> Expected increase in FCF driven by:
  - Lower cash restructuring
  - Run-off of "Becoming Adient" costs
  - Growth drivers:
    - Margin improvement
    - Increasing JV dividends
    - Futuris benefit

> Strong backlog and growth opportunities expected to result in a modest increase in capital spending in FY19

Value drivers for Adient stock

~55%
net earnings

Consolidated Results

VALUE DRIVERS
> Margin improvement of 200 bps vs. LTM June 2016 results
> Strong backlog growth, 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
> ~45% 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 2013-2017)
  – ~13% CAGR in sales and EBITDA (stable and attractive margins)
  – ~38% CAGR in net cash despite ~23% 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)
~70% cash conversion	> ~70% of Adient's equity income in FY18 expected to convert 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

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

APPENDIX

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, Adjusted 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 Adjusted 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

		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	Q4 FY17	Actual Jun '16	Actual Sep '16	Actual Dec '16	Actual Mar '17	Actual Jun '17	Actual Sep '17
Net income attributable to Adient	$ (119)	$ 133	$ (781)	$ (17)	$ (881)	$ 142	$ 190	$ 201	$ 344	$ (784)	$ (1,546)	$ (1,537)	$ (566)	$ (348)	$ 877
Income attributable to noncontrolling interests	13	17	23	21	23	22	24	22	17	74	84	89	90	91	85
Income Tax Provision	284	53	838	136	812	28	37	39	(5)	1,311	1,839	1,814	1,013	916	99
Financing Charges	1	2	4	2	14	35	33	31	33	9	22	55	84	113	132
Earnings before interest and income taxes	$ 179	$ 205	$ 84	$ 142	$ (32)	$ 227	$ 284	$ 293	$ 389	$ 610	$ 399	$ 421	$ 621	$ 772	$ 1,193
Separation costs (1)	-	60	72	122	115	10	-	-	-	254	369	319	247	125	10
Becoming Adient (1)	-	-	-	-	-	15	23	20	37	-	-	15	38	58	95
Purchase accounting amortization (2)	9	9	10	9	9	10	9	10	14	37	37	38	37	38	43
Restructuring related charges (3)	4	4	3	3	4	8	10	10	9	14	14	18	25	32	37
Other items(4)	(7)	(21)	(35)	(22)	(1)	13	-	-	3	(85)	(79)	(45)	(10)	12	16
Restructuring and impariment costs (5)	182	-	169	75	88	-	6	-	40	426	332	332	169	94	46
Pension mark-to-market (6)	6	-	-	-	110	-	-	-	(45)	6	110	110	110	110	(45)
Gain on previously held interest (9)	-	-	-	-	-	-	-	-	(151)	-	-	-	-	-	(151)
Gain on business divestiture	(137)	-	-	-	-	-	-	-	-	(137)	-	-	-	-	-
Adjusted EBIT	$ 236	$ 257	$ 303	$ 329	$ 293	$ 283	$ 332	$ 333	$ 296	$ 1,125	$ 1,182	$ 1,208	$ 1,237	$ 1,241	$ 1,244
Pro-forma IT dis-synergies (8)	(6)	(6)	(7)	(6)	(7)	-	-	-	-	(25)	(26)	(20)	(13)	(7)	-
Pro-forma Adjusted EBIT	$ 230	$ 251	$ 296	$ 323	$ 286	$ 283	$ 332	$ 333	$ 296	$ 1,100	$ 1,156	$ 1,188	$ 1,224	$ 1,234	$ 1,244
Stock based compensation (7)	(4)	1	5	14	8	4	11	8	6	16	28	31	37	31	29
Depreciation	77	82	81	77	87	83	78	83	88	317	327	328	325	331	332
Pro-forma Adjusted EBITDA	$ 303	$ 334	$ 382	$ 414	$ 381	$ 370	$ 421	$ 424	$ 390	$ 1,433	$ 1,511	$ 1,547	$ 1,586	$ 1,596	$ 1,605

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. Fourth quarter of 2017 reflects $3 million of transaction costs associated with the acquisition of Futuris. Also reflects a first quarter 2016 $13 million favorable commercial settlement, second quarter 2016 $22 million favorable settlement 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 $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, $3 million, and $6 million of expense in the first, second, third and fourth quarters of 2017, respectively, which is included in 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. Adient amended the agreement with a seating joint venture in China, giving Adient control of the previously non-consolidated JV. Adient began consolidating in July 2017 and was required to apply purchase accounting, including recognizing a gain on our previously held interest, which has been recorded in equity income.

Non-GAAP reconciliations
Adjusted Net Income

ADIENT

Adjusted Net Income

(in $ millions)	Three Months Ended September 30 2017	Three Months Ended September 30 2016	Twelve Months Ended September 30 2017	Twelve Months Ended September 30 2016
Net income attributable to Adient	$ 344	$ (881)	$ 877	$ (1,546)
Separation costs (1)	-	115	10	369
Becoming Adient (1)	37	-	95	-
Purchase accounting amortization (2)	14	9	43	37
Restructuring related charges (3)	9	4	37	14
Pension mark-to-market (6)	(45)	110	(45)	110
Other items (4)	3	(1)	16	(79)
Restructuring and impairment costs (5)	40	88	46	332
Gain on previously held interest (7)	(151)	-	(151)	-
Tax impact of above adjustments and one time tax items	(32)	756	(50)	1,591
Adjusted net income attributable to Adient	$ 219	$ 200	$ 878	$ 828
Pro-forma IT dis-synergies (6)	-	(7)	-	(26)
Pro-forma net financing charges (6)	-	(21)	-	(115)
Tax impact of above pro-forma adjustments	-	9	-	30
Pro-forma effective tax rate adjustment (6)	-	21	-	81
Pro-forma Adjusted net income attributable to Adient	$ 219	$ 202	$ 878	$ 798

Adjusted Diluted EPS

	Three Months Ended September 30 2017	Three Months Ended September 30 2016	Twelve Months Ended September 30 2017	Twelve Months Ended September 30 2016
Diluted earnings per share as reported	$ 3.67	$ (9.40)	$ 9.34	$ (16.50)
Separation costs (1)	-	1.23	0.11	3.94
Becoming Adient (1)	0.39	-	1.01	-
Purchase accounting amortization (2)	0.15	0.10	0.46	0.39
Restructuring related charges (3)	0.10	0.04	0.39	0.15
Pension mark-to-market (6)	(0.48)	1.17	(0.48)	1.17
Other items (4)	0.03	(0.01)	0.17	(0.84)
Restructuring and impairment costs (5)	0.43	0.94	0.49	3.55
Gain on previously held interest (7)	(1.61)	-	(1.61)	-
Tax impact of above adjustments and one time tax items	(0.34)	8.06	(0.53)	16.97
Adjusted diluted earnings per share	$ 2.34	$ 2.13	$ 9.35	$ 8.83
Pro-forma IT dis-synergies (6)	-	(0.07)	-	(0.28)
Pro-forma net financing charges (6)	-	(0.23)	-	(1.22)
Tax impact of above pro-forma adjustments	-	0.10	-	0.32
Pro-forma effective tax rate adjustment (6)	-	0.22	-	0.86
Pro-forma Adjusted diluted earnings per share	$ 2.34	$ 2.15	$ 9.35	$ 8.51

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 $12M of initial funding of the Adient foundation. Fourth quarter of 2017 reflects $3 million of transaction costs associated with the acquisition of Futuris. Also reflects a first quarter 2016 $13 million favorable commercial settlement, second quarter 2016 $22 million favorable settlement 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 $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. 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.
7. Adient amended the agreement with a seating joint venture in China, giving Adient control of the previously non-consolidated JV. Adient began consolidating in July 2017 and was required to apply purchase accounting, including recognizing a gain on our previously held interest, which has been recorded in equity income.

Non-GAAP reconciliations
Free Cash Flow

Free Cash Flow

(in $ millions)	Three Months Ended September 30 2017	Three Months Ended September 30 2016	Twelve Months Ended September 30 2017	Twelve Months Ended September 30 2016
Operating cash flow	$ 446	$ (1,478)	$ 746	$ (1,034)
Less: Capital expenditures	(160)	(125)	(577)	(437)
Cash from former parent	-	-	315	-
Adjusted Free cash flow	$ 286	$ (1,603)	$ 484	$ (1,471)

Adjusted EBITDA to Free Cash Flow

(in $ millions)	Three Months Ended September 30 2017
Adjusted EBITDA	$ 390
(-) Interest Expense	(33)
(-) Taxes	(16)
(-) Restructuring (Cash)	(43)
(+/-) Change in Trade Working Capital	137
(+/-) Net Equity in Earnings	120
(+/-) Other	(109)
Operating cash flow	$ 446
(-) CapEx	(160)
Adjusted Free cash flow	$ 286

Non-GAAP reconciliations
Net Debt and Adjusted Equity Income

Net Debt and Net Leverage

(in $ millions)	September 30 2017	September 30 2016
Cash (1)	$ 709	$ 550
Total Debt (2)	3,478	3,521
Net Debt	$ 2,769	$ 2,971
Pro-forma Adjusted EBITDA (last twelve months)	1,605	1,511
Net Leverage	1.73x	1.97x

Adjusted Equity Income

(in $ millions)	Three Months Ended September 30 2017	Three Months Ended September 30 2016	Twelve Months Ended September 30 2017	Twelve Months Ended September 30 2016	Twelve Months Ended September 30 2015
Equity income as reported	$ 248	$ 93	$ 522	$ 344	$ 281
Purchase accounting amortization (3)	6	5	22	20	5
Gain on previously held interest (4)	(151)	-	(151)	-	-
YFAI restructuring	-	-	1	-	-
Adjusted equity income	$ 103	$ 98	$ 394	$ 364	$ 286

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.
4. Adient amended the agreement with a seating joint venture in China, giving Adient control of the previously non-consolidated JV. Adient began consolidating in July 2017 and was required to apply purchase accounting, including recognizing a gain on our previously held interest, which has been recorded in equity income.

Non-GAAP reconciliations

Adjusted Income before Income Taxes, Financing Charges, and Segment Adjusted EBIT

Adjusted Income before Income Taxes

(in $ millions)	Three Months Ended September 30						Twelve Months Ended September 30					
	2017			2016			2017			2016		
	Income before Income Taxes	Tax impact	Effective tax rate	Income before Income Taxes	Tax impact	Effective tax rate	Income before Income Taxes	Tax impact	Effective tax rate	Income before Income Taxes	Tax impact	Effective tax rate
As reported	$ 356	$ (5)	-1.4%	$ (46)	$ 812	*	$ 1,061	$ 99	9.3%	$ 377	$ 1,839	*
Adjustments, including prior year pro-forma impacts	(93)	32	-34.4%	297	(786)	*	51	50	98.0%	642	(1,702)	*
As adjusted	$ 263	$ 27	10.3%	$ 251	$ 26	10.3%	$ 1,112	$ 149	13.4%	$ 1,019	$ 137	13.4%

* Measure not meaningful

Financing Charges

(in $ millions)	Three Months Ended September 30 2017	Three Months Ended September 30 2016	Twelve Months Ended September 30 2017	Twelve Months Ended September 30 2016
Net financing charges as reported	$ 33	$ 14	$ 132	$ 22
Pro-forma net financing charges (1)		21		115
Pro-forma adjusted net financing charges		$ 35		$ 137

Adjusted EBIT/Pro-forma adjusted EBIT by segment

(in $ millions)	Three Months Ended September 30 2017	Three Months Ended September 30 2016	Twelve Months Ended September 30 2017	Twelve Months Ended September 30 2016
Seating (includes 2016 pro-forma IT dis-synergies)	$ 274	$ 262	$ 1,151	$ 1,065
Interiors	22	24	93	91
Pro-forma adjusted EBIT	$ 296	$ 286	$ 1,244	$ 1,156

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

(in $ millions)	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	FY17 Actual Q4 FY17	Last Twelve Months Ended Actual Jun '16	Last Twelve Months Ended Actual Sep '16	Last Twelve Months Ended Actual Dec '17	Last Twelve Months Ended Actual Mar '17	Last Twelve Months Ended Actual Jun '17	Last Twelve Months Ended Actual Sep '17
Selling, general and administrative costs	$ 225	$ 253	$ 252	$ 315	$ 402	$ 217	$ 178	$ 169	$ 127	$ 1,045	$ 1,222	$ 1,186	$ 1,112	$ 966	$ 691
Separation costs (1)	-	(60)	(72)	(122)	(115)	(10)	-	-	-	(254)	(369)	(319)	(247)	(125)	(10)
Becoming Adient (1)	-	-	-	-	-	(6)	(10)	(6)	(18)	-	-	(6)	(16)	(22)	(40)
Purchase accounting amortization (2)	(3)	(4)	(5)	(4)	(4)	(5)	(4)	(3)	(8)	(16)	(17)	(18)	(17)	(16)	(20)
Restructuring related charges (3)	-	-	-	-	(2)	-	-	-	(2)	-	(2)	(2)	(2)	(2)	(2)
Other non-recurring items (4)	7	21	35	22	1	(13)	-	-	(3)	85	79	45	10	(12)	(16)
Pension mark-to-market (5)	(3)	-	-	-	(94)	-	-	-	41	(3)	(94)	(94)	(94)	(94)	41
Adjusted SG&A	$ 226	$ 210	$ 210	$ 211	$ 188	$ 183	$ 164	$ 160	$ 137	$ 857	$ 819	$ 792	$ 746	$ 695	$ 644

Sales ($Millions)	$ 4,150	$ 4,220	$ 4,290	$ 4,348	$ 3,932	$ 4,026	$ 4,201	$ 4,007	$ 3,979	$17,008	$16,790	$16,596	$16,507	$16,166	$16,213
Adjusted SG&A	226	210	210	211	188	183	164	160	137	857	819	792	746	695	644
% of Sales	5.45%	4.98%	4.90%	4.85%	4.78%	4.55%	3.90%	3.99%	3.44%	5.04%	4.88%	4.77%	4.52%	4.30%	3.97%

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5. Reflects net mark-to-market adjustments on pension and postretirement plans.

Prior Period Results

	Actual Q4 FY15	FY16 Actual Q1 FY16	Q2 FY16	Q3 FY16	Q4 FY16	FY17 Actual Q1 FY17	Q2 FY17	Q3 FY17	Q4 FY17	Last Twelve Months Ended Actual Jun '16	Actual Sep '16	Actual Dec '16	Actual Mar '17	Actual Jun '17	Actual Sep '17
Sales ($Mils.)	$ 4,150	$ 4,220	$ 4,290	$ 4,348	$ 3,932	$ 4,026	$ 4,201	$ 4,007	$ 3,979	$ 17,008	$ 16,790	$ 16,596	$ 16,507	$ 16,166	$ 16,213
Adjusted EBIT	230	251	296	323	286	283	332	333	296	1,100	1,156	1,188	1,224	1,234	1,244
% of Sales	5.54%	5.95%	6.90%	7.43%	7.27%	7.03%	7.90%	8.31%	7.44%	6.47%	6.89%	7.16%	7.42%	7.63%	7.67%
Adjusted EBITDA	303	334	382	414	381	370	421	424	390	1,433	1,511	1,547	1,586	1,596	1,605
% of Sales	7.30%	7.91%	8.90%	9.52%	9.69%	9.19%	10.02%	10.58%	9.80%	8.43%	9.00%	9.32%	9.61%	9.87%	9.90%
Adj Equity Income	72	95	80	91	98	99	94	98	103	338	364	368	382	389	394
Adj EBIT Excl Equity	158	156	216	232	188	184	238	235	193	762	792	820	842	845	850
% of Sales	3.81%	3.70%	5.03%	5.34%	4.78%	4.57%	5.67%	5.86%	4.85%	4.48%	4.72%	4.94%	5.10%	5.23%	5.24%
Adj EBITDA Excl Equity	231	239	302	323	283	271	327	326	287	1,095	1,147	1,179	1,204	1,207	1,211
% of Sales	5.57%	5.66%	7.04%	7.43%	7.20%	6.73%	7.78%	8.14%	7.21%	6.44%	6.83%	7.10%	7.29%	7.47%	7.47%