LEAR CORP
Form 424B2
March 25, 2010

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CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Offering Price Per Note	Aggregate Offering Price	Amount of Registration Fee[1]
7.875% Senior Notes due 2018	$ 350,000,000	99.276%	$ 347,466,000	$ 24,774.33
8.125% Senior Notes due 2020	$ 350,000,000	99.164%	$ 347,074,000	$ 24,746.38
Guarantees of 7.875% Senior Notes due 2018 [2]				
Guarantees of 8.125% Senior Notes due 2020[2]				$ 49,520.71

(1) Calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended (the Securities Act), and relates to the registration statement on Form S-3 (File No. 333-165593) filed by Lear Corporation and certain subsidiary guarantors.

(2) Pursuant to Rule 457(n) of the Securities Act, no separate fee is payable with respect to guarantees of the debt securities being registered.

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Filed Pursuant to Rule 424(b)(2)
File No. 333-165593

PROSPECTUS SUPPLEMENT
(To Prospectus Dated March 22, 2010)

$700,000,000

$350,000,000 7.875% Senior Notes due 2018

$350,000,000 8.125% Senior Notes due 2020

We are offering $350,000,000 aggregate principal amount of our 7.875% senior notes (the 2018 notes) and $350,000,000 aggregate principal amount of our 8.125% senior notes (the 2020 notes , and together with the 2018 notes, the notes). Interest on the notes is payable on March 15 and September 15 of each year, beginning on September 15, 2010. The 2018 notes will mature on March 15, 2018 and the 2020 notes will mature on March 15, 2020.

At any time on or after March 15, 2014, we may redeem some or all of the 2018 notes at specified redemption prices. At any time on or after March 15, 2015, we may redeem some or all of the 2020 notes at specified redemption prices. In addition, prior to March 15, 2013, we may redeem up to 35% of the notes from the proceeds of certain equity offerings at specified redemption prices. The redemption prices are discussed under the caption Description of Notes Optional Redemption. Prior to March 15, 2014, during any 12-month period, we may, at our option, redeem up to 10% of the aggregate principal amount of the 2018 notes at a redemption price equal to 103% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In addition, prior to March 15, 2015, during any 12-month period, we may, at our option, redeem up to 10% of the aggregate principal amount of the 2020 notes at a redemption price equal to 103% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date.

The notes will be our unsecured senior obligations and will rank equally with all of our other unsecured senior indebtedness. The notes will be guaranteed on an unsecured senior basis by certain of our subsidiaries. Upon the occurrence of certain specified changes of control, the holders of the notes will have the right to require us to purchase all or a part of their notes at a repurchase price equal to 101% of the principal amount of the notes, plus accrued and unpaid interest, if any, to the repurchase date.

Investing in the notes involves risks. See Risk Factors beginning on page S-15.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per 2018 Note	Per 2020 Note	Total
Public Offering Price(1)	99.276%	99.164%	$ 694,540,000
Underwriting Discount	1.893%	1.893%	$ 13,147,642
Proceeds to Lear (before expenses)	97.397%	97.287%	$ 681,392,358

(1) Plus accrued interest, if any from March 26, 2010.

Interest on the notes will accrue from March 26, 2010 to the date of delivery.

The underwriters expect to deliver the notes to purchasers on or about March 26, 2010, only in book-entry form through the facilities of The Depository Trust Company.

Joint Book-Running Managers

Citi **J.P. Morgan** **Barclays Capital** **UBS Investment Bank**

Sole Manager

HSBC

March 23, 2010

You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the date on the front of this prospectus supplement or the accompanying prospectus.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which contains the terms of this offering of notes. The second part, the accompanying prospectus dated March 22, 2010, which is part of our Registration Statement on Form S-3, gives more general information, some of which may not apply to this offering.

This prospectus supplement and the information incorporated by reference in this prospectus supplement may add, update or change information contained in the accompanying prospectus. If there is any inconsistency between the information in this prospectus supplement and the information contained in the accompanying prospectus, the information in this prospectus supplement will apply and will supersede the information in the accompanying prospectus.

It is important for you to read and consider all information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus in making your investment decision. You should also read and consider the information in the documents to which we have referred you in Where You Can Find More Information in the accompanying prospectus.

You should rely only on the information contained in or incorporated by reference into this prospectus supplement or the accompanying prospectus, and in other offering material, if any, or information contained in documents which you are referred to by this prospectus supplement or the accompanying prospectus. We have not authorized anyone to provide you with different information. This prospectus supplement and the accompanying prospectus do not constitute an offer to sell or the solicitation of an offer to buy any securities other than the securities described in this prospectus supplement or an offer to sell or the solicitation of an offer to buy such securities in any circumstances in which such offer or solicitation is unlawful. See Underwriting. The information contained in or incorporated by reference into this prospectus supplement or the accompanying prospectus or other offering material is accurate only as of the date of those documents or information, regardless of the time of delivery of the documents or information or the time of any sale of the securities.

The distribution of this prospectus supplement and the accompanying prospectus and the offering of the notes in certain jurisdictions may be restricted by law. This prospectus supplement and the accompanying prospectus do not constitute an offer, or an invitation on our behalf or the underwriters, to subscribe to or purchase any of the notes, and may not be used for or in connection with an offer or solicitation by anyone, in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. See Underwriting.

Unless otherwise stated or the context otherwise requires, as used in this prospectus supplement, references to Lear, the Company, us, we or our mean Lear Corporation and its consolidated subsidiaries. When we refer to you in th prospectus supplement, we mean all purchasers of notes being offered by this prospectus supplement and the accompanying prospectus, whether they are the holders or only indirect owners of those securities.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements and information in this prospectus supplement, the accompanying prospectus and the documents we incorporate by reference may constitute forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). The words will, may, designed to, outlook, believes, should, anticipates, plans, expects, intends, estimates identify these forward-looking statements. All statements contained or incorporated in this prospectus supplement

which address operating performance, events or developments that we expect or anticipate may occur in the future, including statements related to business opportunities, awarded sales contracts, sales backlog and on-going commercial arrangements, or statements expressing views about future operating results, are forward-looking statements. Important factors,

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risks and uncertainties that may cause actual results to differ from those expressed in our forward-looking statements include, but are not limited to:

- general economic conditions in the markets in which we operate, including changes in interest rates or currency exchange rates;
- the financial condition and restructuring actions of our customers and suppliers;
- changes in actual industry vehicle production levels from our current estimates;
- fluctuations in the production of vehicles for which we are a supplier;
- the loss of business with respect to, or the lack of commercial success of, a vehicle model for which we are a significant supplier;
- disruptions in the relationships with our suppliers;
- labor disputes involving us or our significant customers or suppliers or that otherwise affect us;
- the outcome of customer negotiations;
- the impact and timing of program launch costs;
- the costs, timing and success of restructuring actions;
- increases in our warranty or product liability costs;
- risks associated with conducting business in foreign countries;
- competitive conditions impacting our key customers and suppliers;
- the cost and availability of raw materials and energy;
- our ability to mitigate increases in raw material, energy and commodity costs;
- the outcome of legal or regulatory proceedings to which we are or may become a party;
- unanticipated changes in cash flow, including our ability to align our vendor payment terms with those of our customers;
- our ability to access capital markets on commercially reasonable terms;
- further impairment charges initiated by adverse industry or market developments;
- our anticipated future performance, including, without limitation, our ability to maintain or increase revenue and gross margins, control future operating expenses and make necessary capital expenditures; and
- other risks, described below in Risk Factors, the other information provided in Management s Discussion and Analysis of Financial Condition and Results of Operations and the risks and information provided from time to

time in our filings with the Securities and Exchange Commission (SEC).

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MARKET AND INDUSTRY DATA

The market share, ranking and other data contained in this prospectus supplement are based either on management s own estimates, independent industry publications, reports by market research firms or other published independent sources and, in each case, are believed by management to be reasonable estimates. However, such data is subject to change and cannot always be verified with complete certainty due to limits on the availability and reliability of raw data and the voluntary nature of reporting such data. In addition, in some cases we have not verified the assumptions underlying such data. As a result, you should be aware that market share, ranking and other similar data set forth herein, and estimates and beliefs based on such data, may not be reliable.

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SUMMARY

This summary highlights selected information about us and this offering. This summary is not complete and does not contain all of the information that may be important to you in deciding whether to invest in the notes. You should read carefully this entire prospectus supplement and the accompanying prospectus, including the Risk Factors section, and the other documents that we refer to and incorporate by reference herein for a more complete understanding of us and this offering. In particular, we incorporate by reference important business and financial information into this prospectus supplement and the accompanying prospectus.

Our Company

We are a leading global tier I supplier of complete automotive seat systems and electrical power management systems with a global footprint that includes locations in 35 countries around the world. In 2009, we had net sales of $9.7 billion. In seat systems, based on independent market studies and management estimates, we believe that we hold a #2 position globally on the basis of revenue. We estimate this market at approximately $40 billion in 2009. We believe that we are also among the leading suppliers of various components produced for complete seat systems. In electrical power management systems, we estimate our global target market to be between $35 and $40 billion and that we are one of only four companies with both significant global capabilities and competency in all key electrical power management components.

Our business spans all regions and major automotive markets, thus enabling us to supply our products to every major automotive manufacturer in the world. In 2009, approximately 70% of our net sales were generated outside of North America, and our average content per vehicle produced in North America and Europe was $345 and $293, respectively. In Asia, where we are pursuing a strategy of aggressively expanding our sales and operations, our net sales have grown from approximately $700 million in 2005 to $1.3 billion in 2009.

We serve the worldwide automotive and light truck market, which produced approximately 57 million vehicles in 2009. We have automotive content on approximately 300 vehicle nameplates worldwide, and our major automotive manufacturing customers (including customers of our non-consolidated joint ventures) currently include:

BMW	ChangAn	Chery	Chrysler
Daimler	Dongfeng	Fiat	First Autoworks
Ford	GAZ	Geely	General Motors
Honda	Hyundai	Isuzu	Jaguar
Land Rover	Mahindra & Mahindra	Mazda	Mitsubishi
Nissan	Porsche	PSA	Renault
Saab	Subaru	Suzuki	Tata
Toyota	Volkswagen	Volvo	

General Motors, Ford and BMW are our three largest customers globally. In addition, Daimler, Fiat, Hyundai, PSA, Renault-Nissan and VW each represented 3% or more of our 2009 net sales. We supply and have expertise in all vehicle segments of the automotive market. We expect to continue to win new business on vehicle platforms and segments in line with market trends. We believe that there are particular opportunities in the trends toward hybrid and electric vehicles and increasing consumer demand for additional features and functionality in their vehicles.

Products

We are an automotive industry leader in two product operating segments: seating and electrical power management systems. We continue to offer innovations that provide customers with more comfort, value-added features and best-in-class overall value. In addition, we are pioneering many new lighter-weight and environmentally-friendly solutions.

In our seating segment, we offer complete seat integration capabilities, managing the supply of the entire seat system from design and development to just-in-time assembly and delivery, as well as key seat component capabilities, leveraging our proprietary technologies and low-cost engineering and manufacturing footprint. In this segment, we are focused on increasing our capabilities in key components, such as seat mechanisms and structures, seat trim covers, seat foam and other products, including fabric, leather and headrests. By incorporating these key components into our fully assembled seat systems, we are able to provide the highest quality product at the lowest total cost. We are also focused on providing the latest innovations and technologies, which meet or exceed the requirements of the automotive manufacturers and their customers, at an affordable cost.

Our electrical power management segment consists of the manufacture, assembly and supply of traditional electrical power management systems and components, as well as a new generation of high-power and hybrid electrical systems and components. This segment includes traditional wire harnesses and power management systems, as well as emerging high-power and hybrid electrical systems. Key components that allow us to route electrical signals and manage electrical power within a vehicle include wiring harnesses, terminals and connectors, junction boxes, electronic control modules and wireless remote control devices, such as key fobs. In addition, we have niche capability in certain complementary electronic components, such as radio amplifiers, audio sound systems and selected in-vehicle audio/visual entertainment systems.

Seating

The seating segment represented approximately 80% of our 2009 net sales. The seating segment includes seat systems and related components and consists of the design, manufacture, assembly and supply of vehicle seating requirements. We produce seat systems for automobiles and light trucks that are fully assembled and ready for installation. In all cases, seat systems are designed and engineered for specific vehicle models or platforms. We have developed modular seat architectures for both front and rear seats, whereby we utilize pre-developed, modular design concepts to build a program-specific seat, incorporating the latest performance requirements and safety technology, in a shorter period of time, thereby assisting our customers in achieving a faster time-to-market. Seat systems are designed to achieve maximum passenger comfort by adding a wide range of manual and power features, such as lumbar supports, cushion and back bolsters and leg supports. We also produce components that comprise the seat assemblies, such as seat structures and mechanisms, seat trim covers, headrests and seat foam.

As a result of our strong product design and technology capabilities, we are a leader in the design of seats with enhanced safety and convenience features. For example, our ProTec® PLuS Self-Aligning Head Restraint is an advancement in seat safety features. By integrating the head restraint with the lumbar support, the occupant s head is supported earlier and for a longer period of time in a rear-impact collision, potentially reducing the risk of injury. We also supply ECO and EVO lightweight seat structures which have been designed to accommodate our customers needs for all market segments, from emerging to mature, and incorporate our ultra lightweight seat adjustment mechanisms. To address the increasing focus on craftsmanship, we have developed concave seat contours that eliminate wrinkles and provide improved styling. We are also satisfying our customers growing demand for reconfigurable and lightweight seats with our thin profile rear seat and our stadium slide seat system. For example, General Motors full-size sport utility vehicles and full-size pickups use our reconfigurable seat technology, and General Motors full-size sport utility vehicles, as well as the Ford Explorer, use our thin profile rear seat technology for their third row seats. Additionally, our LeanProfile™ seats incorporate the next generation of low-mass, high-function and environmentally friendly features, and our Dynamic Environmental Comfort System™ can offer weight reductions of 30% - 40%, as compared to current foam seat designs, and utilizes environmentally friendly materials, which reduce carbon dioxide emissions. Our seating products also reflect our environmental focus. For example, in addition to our Dynamic Environmental Comfort System™, our SoyFoam™ seats, which are used in the Ford Mustang, are up to 24% renewable, as compared to nonrenewable, petroleum-based foam seats.

We also offer numerous flexible seating configurations that meet a wide range of customer requirements. We have leveraged our global scale and product expertise to develop common seat architectures. Such

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architectures allow us to leverage our global design, development and engineering capabilities and cost structure to deliver an end product with leading technology, quality and craftsmanship.

Electrical Power Management

The electrical power management segment represented approximately 20% of our 2009 net sales. In our electrical power management segment, there is opportunity to increase our market share by leveraging our expertise in electrical power management architectures and our capabilities in core products, such as wire harnesses, terminals and connectors, junction boxes and body control modules. Our expertise and capabilities allow us to provide integrated electrical power management systems and key components on a global basis, at a lower cost and with superior functionality. We believe that the market for these products will continue to grow in step with the growth of electrical content in vehicles. In our electrical power management segment, we have developed new products for the rapidly growing hybrid and electric vehicle market by leveraging our core competency in electrical power management architectures. In addition to the high-power connection systems and on-board battery chargers for which we have established technical leadership, we are well-positioned to increase our offerings of key electrical power management products for the future hybrid and electric vehicle markets.

With the increase in the number of electrical and electronically controlled functions and features on the vehicle, there is an increasing focus on the improvement of the functionality of the vehicle s electrical architecture. We are able to provide our customers with design and engineering solutions and manufactured systems, modules and components that optimally integrate the entire electrical distribution system. This integration can reduce the overall system cost and weight and improve the reliability and packaging by reducing the number of wires and terminals and connectors normally required to manage a vehicle s electrical power and signal distribution. For example, our integrated seat adjuster module has twenty-four fewer cut circuits and five fewer connectors, weighs one-half pound less and costs 20% less than a traditional separated electronic control unit and seat wiring system. In addition, our smart junction box expands the traditional junction box functionality by utilizing printed circuit board technologies, which allows additional function integration.

To support growth opportunities in the hybrid and electric vehicle market, we opened our High Power Global Center of Excellence in 2008, which is dedicated to the development of high-power wiring, terminals and connectors and high-power and hybrid electrical systems and components. Our progress in this rapidly growing area is evidenced by recent program awards for hybrid and electric vehicle components for new models from Daimler, Renault, General Motors (including the Chevrolet Volt extended range electric vehicle), BMW, Nissan and Land Rover, as well as emerging automotive manufacturers such as Coda Automotive. We have over 100 vehicles being validated with our high-power systems.

Business Strategy

We believe that there is significant opportunity for continued growth in our seating and electrical power management businesses. We are pursuing a strategy which focuses on leveraging our global presence, customer relationships and low-cost footprint, with an emphasis on growth in emerging markets. This strategy includes investing in new products and technologies, as well as the selective vertical integration of key component capabilities. We believe that our commitment to superior customer service and quality, together with a cost competitive design, engineering and manufacturing footprint, will result in a global leadership position in each of our product segments, the further diversification of our sales and improved operating margins.

Our principal operating objective is to strengthen and expand our position as a leading automotive supplier to the global automotive industry by focusing on the needs of our customers. We believe that the criteria for selecting automotive suppliers include not only cost, quality, delivery, service and innovation, but also worldwide presence and

the ability to work collaboratively to reduce cost throughout the entire supply chain and vehicle life cycle on a global basis.

Leverage Global Presence and Expand Low-Cost Footprint. We believe that it is important to have capabilities that are aligned with our major customers global presence and to be well-positioned to leverage our expanding design, engineering and manufacturing footprint in low-cost regions. We are organized into two global business units, seat systems and electrical power management systems, to maximize efficiencies across our worldwide network and to leverage the benefits of our global scale. We are one of the few suppliers in each of our product segments that is able to serve customers with design, development, engineering, integration and production capabilities in all automotive-producing regions of the world and every major market, including North America, South America, Europe and Asia. Our expansion plans are focused on emerging markets. Asia, in particular, continues to present significant growth opportunities, as major global automotive manufacturers implement production expansion plans and local automotive manufacturers aggressively expand their operations to meet long-term demand in this region. We believe that we are well-positioned to take advantage of China s emerging growth as a result of our extensive network of high-quality manufacturing facilities throughout China, which provide seating and electrical power management products to a variety of global customers for local production. We also have operations in India, Thailand, the Philippines, Malaysia, Vietnam and Korea. We see opportunities for growth in serving local, regional and global markets with our operations in these countries. Our expansion in Asia has been accomplished, in part, through a series of joint ventures with our customers and/or local suppliers. We currently have 16 joint ventures throughout Asia. Our growing presence in Asia, in addition to our continued expansion of operations in other emerging markets, allows us to serve our customers globally and to increase our global competitiveness from a manufacturing, engineering and sourcing standpoint. We currently support our global operations with more than 100 manufacturing and engineering facilities located in 20 low-cost countries. We have aggressively pursued this strategy by selectively increasing our vertical integration capabilities and expanding our component manufacturing capacity in Mexico, Eastern Europe, Africa and Asia. Furthermore, we have expanded our low-cost engineering capabilities in China, India and the Philippines.

Focus on Core Capabilities, Selective Vertical Integration and Investments in Technology. We are focused on seat and electrical power management systems and components where we can provide value to our customers. We are able to provide integrated solutions in these core segments with global capabilities in the design, development, engineering, integration and production of complete system architectures that can be utilized across vehicle platforms at significant cost savings to our customers. The opportunity to strengthen our global leadership position in these segments exists as we develop new capabilities and innovations, as well as offer increased value to our customers through the selective vertical integration of key components. We have complete design, development, engineering, integration and production capabilities in the full complement of critical components in both our seating and electrical power management segments.

Enhance and Diversify Strong Customer Relationships. We maintain relationships with every major global automotive manufacturer and are rapidly growing relationships with local automotive manufacturers in growth markets, such as China and India. In 2009, approximately 70% of our net sales were generated outside of North America. Our strategy is to continue to enhance these relationships and diversify our net sales on a regional, customer and vehicle segment basis. We believe that the long-standing and strong relationships that we have built with our customers are a significant competitive advantage that allows us to act as integral partners in identifying business opportunities and to anticipate the needs of our customers.

Competitive Strengths

Leading Market Position. We are one of the world s largest automotive suppliers based on net sales. In seat systems, we have a leading market position in North America, Europe, South America, China and India and believe that we hold a #2 position globally on the basis of revenue, in a market we estimate at approximately $40 billion in 2009. In electrical power management systems, we estimate our global target market to be between $35 and $40 billion and that we are one of only four companies with both significant global capabilities and competency in all key electrical

power management components. We believe that our commitment to superior customer service and quality, together with a cost competitive manufacturing footprint, will result in a global leadership position in each of our product segments, the further diversification of our sales and improved operating margins.

Outstanding Quality and Customer Service. Quality continues to be a differentiating factor in the eyes of the consumer and a competitive cost factor for our customers. We are dedicated to providing superior customer service and to maintaining a reputation for providing world-class quality at competitive prices. We maintain and improve the quality of our products and services through our ongoing initiatives. For our efforts, we continue to receive recognition from our customers and other industry sources. In 2009, these include Supplier of the Year from General Motors for the sixth consecutive year, as well as recognition from every major automotive manufacturer that we serve globally. We have ranked as the Highest Quality Major Seat Manufacturer in the J.D. Power and Associates Seat Quality and Satisfaction Study[sm] for eight of the last nine years. We also provide superior customer service through our world-class product development processes and program management capabilities. We leverage our program management skills and experience to help create value for our customers throughout the entire vehicle life cycle and support outstanding execution during the launch of new programs.

First-to-Market Innovation. Innovation further differentiates us from our competition. We manage our cost structure, in part, through continuous improvement and productivity initiatives, as well as initiatives that promote and enhance the sharing of technology, engineering, purchasing and capital investments across customer platforms and geographic regions. We are focused on providing the latest innovations and technologies, which meet or exceed the requirements of the automotive manufacturers and their customers, at an affordable cost.

For example, our newest advancement, the Evolution[tm] Seat, features seven first-to-market environmentally and mechanically superior technologies to create a lightweight seat with an approximate 30% weight reduction, a 43% reduction in whiplash injuries, and significantly expanded use of renewable and recyclable resources, replacing oil based products with wood fiber and soy-foam based products. The Evolution[tm] Seat is now being launched in Asia, and we plan to roll it out globally this year.

In addition, one area of significant emerging technology that we are active in is electrical power management systems and components for the hybrid and electric vehicle market. We offer a product portfolio of stand-alone and fully integrated solutions for our customers future hybrid and electric vehicles. Our systems and components have achieved industry leading efficiency, packaging and reliability. We have over 100 patents and patents pending in our high-power product segment.

Low-Cost Global Manufacturing and Engineering Expertise. We have in place a competitive global manufacturing and engineering footprint, capable of serving all of the world s automakers while taking advantage of low-cost sources. We currently support our global operations with established manufacturing and engineering facilities located in 20 low-cost countries. We have selectively pursued a vertical integration strategy to enhance value and better control the cost and quality of our key components while maintaining a flexible cost structure. We have increased our vertical integration capabilities and expanded our component manufacturing capacity in Mexico, Eastern Europe, Africa and Asia. In addition, we have global engineering hubs in China, India and the Philippines that enable us to take advantage of synergies, provide world-class expertise and significantly reduce cost.

Customer Diversification. We maintain relationships with every major global automotive manufacturer. Over the last decade, we have grown our sales in Asia and with Asian automakers worldwide through our traditional North American and European customers and through established relationships with local Asian automotive manufacturers. In 2009, approximately 70% of our net sales were generated outside of North America. Over the last several years, we have expanded our global relationships with Hyundai, Nissan, Chery, Tata and others, and grown rapidly in emerging markets such as China and India.

Industry Environment and Restructuring

The automotive industry in 2009 was severely affected by the turmoil in the global credit markets and the economic recession in the U.S. and global economies. These conditions had a dramatic impact on consumer vehicle demand in 2009, resulting in the lowest per capita sales rates in the United States in half a century and lower global automotive production for the second consecutive year following six consecutive years of steady

growth. During 2009, North American light vehicle industry production declined by approximately 32% from 2008 levels to 8.5 million units and was down more than 50% from peak levels in 2000. European light vehicle industry production declined by approximately 17% from 2008 levels to 15.7 million units and was down 22% from peak levels in 2007. The impact on the global automotive industry of this difficult environment was partially offset by significant production increases in China, continued production growth in India and relatively stable production in Brazil. China produced an estimated 10.8 million light vehicles in 2009, exceeding production in both North America and Japan for the first time in history.

We initiated a global operational restructuring program in 2005 to eliminate excess capacity and lower our operating costs, streamline our organizational structure and reposition our business for improved long-term profitability, and better align our manufacturing footprint with the changing needs of our customers. Since mid-2005, we have invested $740 million in restructuring actions, resulting in a significant reduction in structure costs and a major repositioning of our manufacturing footprint. In connection with our global operational restructuring program, we have divested our Interior segment, closed 35 manufacturing and 10 administrative facilities, significantly reduced headcount and improved our cost footprint globally. Through restructuring, we have located more than 50% of our total facilities and 75% of our employees in 20 low-cost countries and achieved cumulative improvement of approximately $400 million in our on-going annual operating costs. We expect operational restructuring actions and related investments to continue for the next few years.

For our two largest customers, General Motors and Ford, 2009 was a pivotal year. After sustained market share and operating losses in recent years, General Motors and Ford initiated strategic actions throughout their global businesses, accelerated and broadened both operational and financial restructuring plans and sought direct and indirect governmental support. In addition, General Motors and certain of its U.S. subsidiaries filed for, and emerged from, Chapter 11 bankruptcy protection. Automotive manufacturers and suppliers globally were severely impacted by the global economic recession, sharply lower production levels and the collapse of the capital markets.

In addition to our operational restructuring, in 2009 we completed a major financial restructuring to re-align our capital structure to address lower industry production and capital market conditions and position our business for long-term success. On July 7, 2009, we and certain of our United States and Canadian subsidiaries filed voluntarily petitions for Chapter 11 bankruptcy protection. We completed this financial restructuring in approximately four months and emerged from Chapter 11 bankruptcy proceedings on November 9, 2009, with substantially lower total debt obligations and an improved credit profile. Furthermore, we reduced our financial obligations by $2.8 billion and ended 2009 with a cash and cash equivalents balance of approximately $1.6 billion and a total debt balance of less than $1 billion.

Our focus throughout the Chapter 11 bankruptcy proceedings was to restructure the balance sheet to provide flexibility and long-term strength in line with the new industry and capital market environment. Throughout these proceedings, we maintained our focus on customer service and quality, paid our suppliers in full and preserved competitive employee pay and benefits. This focus allowed us to maintain the confidence of our customers. Furthermore, we were able to continue to win new business in every region of the world, and to grow our existing three-year sales backlog from $1.1 billion to $1.4 billion.

Recent Developments

Revolving Credit Facility

Effective as of March 19, 2010, we added a $110 million revolving credit facility (the Revolving Credit Facility) to our Credit Agreement, dated October 23, 2009 (the First Lien Agreement), among us, JPMorgan Chase Bank, N.A., as Administrative Agent and Collateral Agent, and the several lenders and agents from time to time parties thereto, in

accordance with the terms of the First Lien Agreement, and in connection therewith, we amended and restated the First Lien Agreement (the Amended and Restated First Lien Agreement). The Revolving Credit Facility permits us to borrow for general corporate and working capital purposes and to issue letters of credit. The commitments under the Revolving Credit Facility expire on

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March 19, 2013. The Revolving Credit Facility is subject to terms and conditions substantially consistent with the terms and conditions of the First Lien Agreement.

Amendment to the Amended and Restated First Lien Agreement

On March 19, 2010, we entered into an amendment (the Amendment) of our Amended and Restated First Lien Agreement, to facilitate, among other things, the issuance of the notes by us and in connection therewith, to permit the application of the proceeds of this offering to prepay amounts outstanding under our second lien credit agreement (Second Lien Facility) and to permit the application of our existing cash in connection with the repayment of remaining amounts outstanding under the Second Lien Facility. The Amendment also provides that we may repurchase certain amounts of the notes when certain terms and conditions are met and that, in the event the term loans outstanding under the Amended and Restated First Lien Agreement are paid in full, we will be permitted upon certain conditions to pay a limited amount of cash dividends or repurchase a limited amount of our stock.

The Refinancing

We intend to use the net proceeds from this offering, together with our current cash and cash equivalents, to repay in full all amounts outstanding under the term loans provided under the First Lien Agreement (the First Lien Term Facility, and together with the Revolving Credit Facility, the First Lien Facility) and the Second Lien Facility. As of March 19, 2010, the aggregate principal amounts outstanding under the First Lien Term Facility and the Second Lien Facility were $375 million and $550 million, respectively.

In connection with this refinancing, we also entered into the Revolving Credit Facility and the Amendment, as further described above under Revolving Credit Facility and Amendment to the Amended and Restated First Lien Agreement. Through this refinancing, we expect to extend the debt maturity on a core portion of our indebtedness, reduce our on-going interest cost and increase our financial flexibility by freeing up secured debt capacity for growth and diversifying our lender base.

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The Offering

The summary below describes the principal terms of the notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. For a more detailed description of the terms and conditions of the notes, see the section entitled Description of Notes.

Issuer	Lear Corporation, a Delaware corporation.
Notes Offered	$350,000,000 aggregate principal amount of 7.875% senior notes due 2018. $350,000,000 aggregate principal amount of 8.125% senior notes due 2020.
Maturity	March 15, 2018, in the case of the 2018 notes. March 15, 2020, in the case of the 2020 notes.
Interest Payment Dates	March 15 and September 15 of each year, beginning on September 15, 2010.
Guarantees	The notes will be fully and unconditionally guaranteed, jointly and severally, on a senior unsecured basis, by certain of our subsidiaries, which we refer to in this prospectus supplement as the subsidiary guarantors.
Ranking	The notes will be: our senior unsecured obligations; guaranteed on a senior unsecured basis by the subsidiary guarantors; effectively subordinated in right of payment to our existing and future secured debt and the secured debt of the subsidiary guarantors, including our obligations and the obligations of the subsidiary guarantors under the First Lien Facility, to the extent of the value of such security; effectively subordinated in right of payment to all existing and future debt and other liabilities, including trade payables, of our non-guarantor subsidiaries; equal in right of payment to all of our existing and future senior unsecured debt; and senior in right of payment to all of our existing and future subordinated debt and the subordinated debt of the subsidiary guarantors. As of December 31, 2009, on a pro forma consolidated basis after giving effect to the completion of this offering and the application of the net

proceeds therefrom, we and the subsidiary guarantors would have had $694.5 million of senior debt (net of original issue discount on the notes of $5.5 million), none of which was secured. The indenture governing the notes will permit us, subject
to specified limitations, to incur additional debt, some or all of which may be senior debt and some or all of which may be secured.

For the fiscal year ended December 31, 2009, the subsidiaries that are not guaranteeing the notes had net sales of $9.0 billion and generated net income attributable to Lear of $14.9 million. In

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addition, as of December 31, 2009, the subsidiaries that are not guaranteeing the notes held $4.3 billion of our total assets and had outstanding indebtedness of $47.3 million. For a presentation of the financial information required by Rule 3-10 of Regulation S-X for our subsidiary guarantors and our non-guarantor subsidiaries, see Note 20, Supplemental Guarantor Condensed Consolidating Financial Statements, to the consolidated financial statements incorporated by reference herein.

Optional Redemption of 2018 Notes

At any time on or after March 15, 2014, we may redeem some or all of the 2018 notes at the redemption prices specified in this prospectus supplement under Description of Notes Optional Redemption. Prior to March 15, 2014, during any 12-month period, we may at our option redeem up to 10% of the aggregate principal amount of the 2018 notes at a redemption price equal to 103% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. Prior to March 15, 2014, we may also redeem some or all of the 2018 notes at a redemption price equal to 100% of the aggregate principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date plus a make-whole premium.

At any time prior to March 15, 2013, we may redeem up to 35% of the aggregate principal amount of the 2018 notes in an amount not to exceed the amount of proceeds of one or more equity offerings, at a price equal to 107.875% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date, *provided* that at least 65% of the original aggregate principal amount of the 2018 notes issued remains outstanding after the redemption.

Optional Redemption of 2020 Notes

At any time on or after March 15, 2015, we may redeem some or all of the 2020 notes at the redemption prices specified in this prospectus supplement under Description of Notes Optional Redemption. Prior to March 15, 2015, during any 12-month period, we may at our option redeem up to 10% of the aggregate principal amount of the 2020 notes at a redemption price equal to 103% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. Prior to March 15, 2015, we may also redeem some or all of the 2020 notes at a redemption price equal to 100% of the aggregate principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date plus a make-whole premium.

At any time prior to March 15, 2013, we may redeem up to 35% of the aggregate principal amount of the 2020 notes in an amount not to exceed the amount of proceeds of one or more equity offerings, at a price equal to 108.125% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date, *provided* that at least 65% of the original aggregate principal amount of the 2020 notes issued remains outstanding after the redemption.

Covenants

We will issue the notes under an indenture among us, the subsidiary guarantors and The Bank of New York Mellon

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Trust Company, N.A., as trustee. The indenture will include covenants that limit our ability and the ability of each of our restricted subsidiaries to:

- incur additional debt;
- pay dividends and make other restricted payments;
- create or permit certain liens;
- issue or sell capital stock of restricted subsidiaries;
- use the proceeds from sales of assets and subsidiary stock;
- create or permit restrictions on the ability of our restricted subsidiaries to pay dividends or make other distributions to us;
- enter into transactions with affiliates;
- enter into sale and leaseback transactions; and
- consolidate or merge or sell all or substantially all of our assets.

When the notes are issued, all of our subsidiaries, other than certain joint ventures, will be restricted subsidiaries, as defined in the indenture. These covenants will be subject to a number of important exceptions and qualifications as described under Description of Notes Certain Covenants. During any future period in which Moody s Investors Service, Inc. (Moody s) and Standard & Poor s, a division of the McGraw-Hill Companies, Inc. (S&P), have each assigned an investment grade rating to the notes, certain of the covenants will cease to be in effect. If one of these rating agencies then downgrades their rating below an investment grade rating, the suspended covenants will thereafter again be in effect. See Description of Notes Certain Covenants Suspended Covenants.

Change of Control

Following a change of control, we will be required to offer to purchase all of the notes at a purchase price of 101% of their principal amount, plus accrued and unpaid interest, if any, to the date of purchase.

Absence of Established Market for the Notes

The notes are a new issue of securities, and currently there is no market for them. We do not intend to apply for the notes to be listed on any securities exchange or to arrange for any quotation system to quote them. The underwriters have advised us that they intend to make a market for the notes but they are not obligated to do so. The underwriters may discontinue any market-making in the notes at any time in their sole discretion. Accordingly, we cannot assure you that a liquid market will develop for the notes.

Use of Proceeds

We expect the net proceeds from this offering to be approximately $679.9 million, after payment of the underwriting discount and offering expenses. We intend to use the net proceeds from the offering, together with our current cash and cash equivalents, to repay in full all amounts outstanding under the First Lien Term Facility and the Second Lien Facility. As of March 19, 2010, the aggregate principal amounts outstanding under the First Lien Term

Facility and the Second Lien Facility were $375 million and $550 million, respectively. See Use of Proceeds.

Risk Factors

You should carefully consider the information set forth in the section entitled Risk Factors and the other information included and incorporated by reference in this prospectus supplement in deciding whether to purchase the notes.

Conflict of Interest

Because J.P. Morgan Securities Inc., an underwriter in this offering, and/or its affiliates act as administrative agent in the First Lien Facility, the Second Lien Facility and the Revolving Credit Facility, and will receive more than 5% of the net proceeds of this offering, it may be deemed to have a conflict of interest with us under the provisions of Rule 2720 of the Conduct Rules of the Financial Industry Regulatory Authority, or FINRA. In accordance with this rule, Citigroup Global Markets Inc., or Citi, has assumed the responsibilities of acting as a qualified independent underwriter. In its role as a qualified independent underwriter, Citi has performed a due diligence investigation and participated in the preparation of this prospectus supplement. We will pay Citi $10,000 as compensation for this role. We have agreed to indemnify Citi against liabilities incurred in connection with acting as a qualified independent underwriter, including liabilities under the Securities Act.

Corporate Information

Our principal executive offices are located at 21557 Telegraph Road, Southfield, Michigan 48033, and our telephone number is (248) 447-1500. Our website address is www.lear.com. The information on or accessible through our website is not part of this prospectus supplement and should not be relied upon in connection with making any investment decision with respect to the securities offered by this prospectus supplement.

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Summary Historical Financial Data

The following summary historical consolidated financial information is derived from our consolidated financial statements. Our consolidated financial statements for the two month period ended December 31, 2009, the ten month period ended November 7, 2009 and the years ended December 31, 2008 and 2007, have been audited by Ernst & Young LLP. The summary historical consolidated financial data below should be read in conjunction with, and is qualified in its entirety by reference to, Management s Discussion and Analysis of Financial Condition and Results of Operations included elsewhere in this prospectus supplement and our consolidated financial statements and the notes thereto incorporated herein by reference.

We adopted fresh-start accounting upon our emergence from Chapter 11 bankruptcy proceedings and became a new entity for financial reporting purposes as of November 7, 2009. Accordingly, the consolidated financial statements for the reporting entity subsequent to emergence from Chapter 11 bankruptcy proceedings (the Successor) are not comparable to the consolidated financial statements for the reporting entity prior to emergence from Chapter 11 bankruptcy proceedings (the Predecessor). For a discussion of fresh-start accounting, see Note 1 Basis of Presentation and Note 3 Fresh-Start Accounting, to the consolidated financial statements included in our Current Report on Form 8-K filed with the SEC on March 22, 2010 and incorporated herein by reference.

	Successor	Predecessor		
	Two Month Period Ended December 31, 2009(1)	Ten Month Period Ended November 7, 2009(2)	Year Ended December 31, 2008(3)	Year Ended December 31, 2007(4)
Statement of Operations Data:				
(in millions)				
Net sales	$ 1,580.9	$ 8,158.7	$ 13,570.5	$ 15,995.0
Gross profit	72.8	287.4	747.6	1,151.8
Selling, general and administrative expenses	71.2	376.7	511.5	572.8
Amortization of intangible assets	4.5	4.1	5.3	5.2
Goodwill impairment charges		319.0	530.0	
Divestiture of Interior business				10.7
Interest expense	11.1	151.4	190.3	199.2
Other (income) expense, net(5)	19.8	(16.6)	51.9	40.7
Reorganization items and fresh-start accounting adjustments, net		(1,474.8)		
Consolidated income (loss) before provision (benefit) for income taxes and equity in net (income) loss of affiliates	(33.8)	927.6	(541.4)	323.2
Provision (benefit) for income taxes	(24.2)	29.2	85.8	89.9
Equity in net (income) loss of affiliates	(1.9)	64.0	37.2	(33.8)
Consolidated net income (loss)	(7.7)	834.4	(664.4)	267.1
Net income (loss) attributable to noncontrolling interests	(3.9)	16.2	25.5	25.6
Net income (loss) attributable to Lear	$ (3.8)	$ 818.2	$ (689.9)	$ 241.5

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	Successor	Predecessor		
	Two Month Period Ended December 31, 2009(1)	Ten Month Period Ended November 7, 2009(2)	Year Ended December 31, 2008(3)	2007(4)
Basic net income (loss) per share attributable to Lear	$ (0.11)	$ 10.56	$ (8.93)	$ 3.14
Diluted net income (loss) per share attributable to Lear	$ (0.11)	$ 10.55	$ (8.93)	$ 3.09
Weighted average shares outstanding basic	34,525,187	77,499,860	77,242,360	76,826,765
Weighted average shares outstanding diluted	34,525,187	77,559,792	77,242,360	78,214,248
Statement of Cash Flow Data: (in millions)				
Cash flows from operating activities	324.0	(499.2)	163.6	487.5
Cash flows from investing activities	(39.5)	(52.7)	(144.4)	(340.0)
Cash flows from financing activities	30.2	165.0	987.3	(70.4)
Capital expenditures	41.3	77.5	167.7	202.2
Other Data (unaudited)**:**				
Ratio of earnings to fixed charges(6)		6.3x		2.4x

	Successor	Predecessor	
As of or Year Ended	December 31, 2009	December 31, 2008	December 31, 2007
Balance Sheet Data: (in millions)			
Current assets	$ 3,787.0	$ 3,674.2	$ 3,718.0
Total assets	6,073.3	6,872.9	7,800.4
Current liabilities	2,400.8	4,609.8	3,603.9
Long-term debt	927.1	1,303.0	2,344.6
Equity	2,181.8	247.7	1,117.5
Other Data (unaudited)**:**			
Employees at year end	74,870	80,112	91,455
North American content per vehicle(7)	$ 345	$ 391	$ 483
North American vehicle production (in millions)(8)	8.5	12.6	15.0
European content per vehicle(9)	$ 293	$ 350	$ 342
European vehicle production (in millions)(10)	15.7	18.8	20.2

(1) Results include $44.5 million of restructuring and related manufacturing inefficiency charges, a $1.9 million loss related to a transaction with an affiliate, $15.1 million of charges as a result of the bankruptcy proceedings and the application of fresh-start accounting and a $27.6 million tax benefit primarily related to the settlement of a tax matter in a foreign jurisdiction.

(2) Results include $319.0 million of goodwill impairment charges, a gain of $1,474.8 million related to reorganization items and fresh-start accounting adjustments, $23.9 million of fees and expenses related to our capital restructuring, $115.5 million of restructuring and related manufacturing inefficiency charges (including $5.6 million of fixed asset impairment charges), $42.0 million of impairment charges related to our investments in two equity affiliates, a $9.9 million loss related to a transaction with an affiliate and a $23.1 million tax benefit related to reorganization items and fresh-start accounting adjustments.

(3) Results include $530.0 million of goodwill impairment charges, $193.9 million of restructuring and related manufacturing inefficiency charges (including $17.5 million of fixed asset impairment charges), $7.5 million of gains related to the extinguishment of debt, a $34.2 million impairment charge related to

an investment in an affiliate, $22.2 million of gains related to the sales of our interests in two affiliates and $8.5 million of net tax benefits related to a reduction in recorded tax reserves, the reversal of a valuation allowance in a European subsidiary and the establishment of a valuation allowance in another European subsidiary.

(4) Results include $20.7 million of charges related to the divestiture of our interior business, $181.8 million of restructuring and related manufacturing inefficiency charges (including $16.8 million of fixed asset impairment charges), $36.4 million of a curtailment gain related to the freeze of the U.S. salaried pension plan, $34.9 million of merger transaction costs, $3.9 million of losses related to the acquisition of the noncontrolling interest in an affiliate and $24.8 million of net tax benefits related to changes in valuation allowances in several foreign jurisdictions, tax rates and various other tax items.

(5) Includes non-income related taxes, foreign exchange gains and losses, discounts and expenses associated with our asset-backed securitization and factoring facilities, gains and losses related to certain derivative instruments and hedging activities, gains and losses on the extinguishment of debt, gains and losses on the sales of fixed assets and other miscellaneous income and expense.

(6) Fixed charges consist of interest on debt, amortization of deferred financing fees and that portion of rental expenses representative of interest. Earnings consist of consolidated income (loss) before provision (benefit) for income taxes, equity in the undistributed net (income) loss of affiliates and fixed charges. Earnings in the two month period ended December 31, 2009 and in the year ended December 31, 2008 were insufficient to cover fixed charges by $33.2 million and $537.3 million, respectively. Accordingly, such ratio is not presented for these periods.

(7) North American content per vehicle is our net sales in North America divided by estimated total North American vehicle production. Content per vehicle data excludes business conducted through non-consolidated joint ventures. Content per vehicle data for 2008 has been updated to reflect actual production levels.

(8) North American vehicle production includes car and light truck production in the United States, Canada and Mexico as provided by Ward s Automotive. Production data for 2008 has been updated to reflect actual production levels.

(9) European content per vehicle is our net sales in Europe divided by estimated total European vehicle production. Content per vehicle data excludes business conducted through non-consolidated joint ventures. Content per vehicle data for 2008 has been updated to reflect actual production levels.

(10) European vehicle production includes car and light truck production in Austria, Belgium, Bosnia, Czech Republic, Finland, France, Germany, Hungary, Italy, Netherlands, Norway, Poland, Portugal, Romania, Serbia, Slovakia, Slovenia, Spain, Sweden, Turkey, Ukraine and the United Kingdom as provided by CSM Worldwide. Production data for 2008 has been updated to reflect actual production levels.

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RISK FACTORS

Investing in the notes involves risks. You should carefully consider the risk factors described below and in our reports filed from time to time with the SEC, which are incorporated by reference into this prospectus supplement and the accompanying prospectus. Before making any investment decision, you should carefully consider these risks. These risks could materially affect our business, results of operation or financial condition and affect the value of our securities. In such case, you may lose all or part of your original investment. The risks described below or incorporated by reference herein are not the only risks facing us. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also affect our business, results of operation or financial condition.

Risks Related to Our Business

Continued decline in the production levels of our major customers could adversely affect our financial condition, reduce our sales and harm our profitability.

Demand for our products is directly related to the automotive vehicle production of our major customers. Automotive sales and production can be affected by general economic or industry conditions, labor relations issues, fuel prices, regulatory requirements, government initiatives, trade agreements, availability and cost of credit and other factors. The global automotive industry is characterized by significant overcapacity and fierce competition among our automotive manufacturer customers. We expect these challenging industry conditions to continue in the foreseeable future. The automotive industry in 2009 was severely affected by the turmoil in the global credit markets and the economic recession in the U.S. and global economies. These conditions had a dramatic impact on consumer vehicle demand in 2009, resulting in the lowest per capita sales rates in the United States in half a century and lower global automotive production for the second consecutive year following six consecutive years of steady growth. During 2009, North American light vehicle industry production declined by approximately 32% from 2008 levels to 8.5 million units and was down more than 50% from peak levels in 2000. European light vehicle industry production declined by approximately 17% from 2008 levels to 15.7 million units and was down 22% from peak levels in 2007.

While we are pursuing a strategy of aggressively expanding our sales and operations in Asia to offset these declines, no assurance can be given as to how successful we will be in doing so. As a result, lower production levels by our major customers, particularly with respect to models for which we are a significant supplier, could adversely affect our financial condition, reduce our sales and harm our profitability, thereby making it more difficult for us to make payments under our indebtedness, including the notes offered hereby.

The financial distress of our major customers and/or within our supply base could adversely affect our financial condition, operating results and cash flows.

After sustained market share and operating losses in recent years, 2009 was a pivotal year for our two largest customers, General Motors and Ford. Vehicle production for General Motors and Ford declined in North America by 44% and 16%, respectively. In Europe, vehicle production followed similar trends for both customers. As a result, General Motors and Ford initiated strategic actions within their businesses, accelerated and broadened both operational and financial restructuring plans and sought direct or indirect governmental support. On June 1, 2009, General Motors and certain of its U.S. subsidiaries filed for bankruptcy protection under Chapter 11 as part of a U.S. government supported plan of reorganization. On July 10, 2009, General Motors sold substantially all of its assets to a new entity, General Motors Company, funded by the U.S. Department of the Treasury and emerged from bankruptcy proceedings. General Motors also pursued strategic transactions and government support for its Opel and

Saab units in Europe. On December 23, 2009, Ford announced the settlement of all substantial commercial terms with respect to the sale of its Volvo unit in Europe to Geely, a Chinese automotive manufacturer. In addition, on April 30, 2009, Chrysler filed for bankruptcy protection under Chapter 11 as part of a U.S. government supported plan of reorganization. On June 10, 2009, Chrysler announced its emergence from bankruptcy proceedings and the consummation of a new global strategic alliance with Fiat. In 2009, less than 2% of our net sales were to Chrysler. Although General Motors Company and Chrysler emerged from bankruptcy proceedings, the prospects of our U.S. customers remain uncertain.

Our supply base has also been adversely affected by the current industry environment. Lower global automotive production, turmoil in the credit markets and extreme volatility over the past several years in raw material, energy and commodity costs have resulted in financial distress within our supply base and an increase in the risk of supply disruption. In addition, several automotive suppliers have filed for bankruptcy protection or have ceased operations. In response, we have provided financial support to distressed suppliers and have taken other measures to ensure uninterrupted production. While we have developed and implemented strategies to mitigate these factors, these strategies have offset only a portion of the adverse impact. The continuation or worsening of these industry conditions could adversely affect our financial condition, operating results and cash flows, thereby making it more difficult for us to make payments under our indebtedness, including the notes offered hereby.

The discontinuation of, the loss of business with respect to or a lack of commercial success of a particular vehicle model for which we are a significant supplier could reduce our sales and harm our profitability.

Although we have purchase orders from many of our customers, these purchase orders generally provide for the supply of a customer s annual requirements for a particular vehicle model and assembly plant, or in some cases, for the supply of a customer s requirements for the life of a particular vehicle model, rather than for the purchase of a specific quantity of products. In addition, it is possible that customers could elect to manufacture components internally that are currently produced by external suppliers, such as us. The discontinuation of, the loss of business with respect to or a lack of commercial success of a particular vehicle model for which we are a significant supplier could reduce our sales and harm our profitability, thereby making it more difficult for us to make payments under our indebtedness, including the notes offered hereby.

Our inability to achieve product cost reductions which offset customer-imposed price reductions could harm our profitability.

Our customers require us to reduce our prices and, at the same time, assume significant responsibility for the design, development and engineering of our products. Our profitability is largely dependent on our ability to achieve product cost reductions through restructuring actions, manufacturing efficiencies, product design enhancement and supply chain management. We also seek to enhance our profitability by investing in technology, design capabilities and new product initiatives that respond to the needs of our customers and consumers. We continually evaluate operational and strategic alternatives to align our business with the changing needs of our customers, improve our business structure and lower our operating costs. Our inability to achieve product cost reductions which offset customer-imposed price reductions could harm our profitability, thereby making it more difficult for us to make payments under our indebtedness, including the notes offered hereby.

Our substantial international operations make us vulnerable to risks associated with doing business in foreign countries.

As a result of our global presence, a significant portion of our revenues and expenses are denominated in currencies other than the U.S. dollar. In addition, we have manufacturing and distribution facilities in many foreign countries, including countries in Europe, Central and South America, Africa and Asia. International operations are subject to certain risks inherent in doing business abroad, including:

- exposure to local economic conditions;
- expropriation and nationalization;
- currency exchange rate fluctuations and currency controls;

withholding and other taxes on remittances and other payments by subsidiaries;

investment restrictions or requirements;

export and import restrictions; and

increases in working capital requirements related to long supply chains.

Expanding our sales and operations in Asia is an important element of our strategy. In addition, our strategy includes increasing our European market share and expanding our manufacturing operations in lower-cost regions. As a result, our exposure to the risks described above is substantial. The likelihood of such occurrences and their potential effect on us vary from country to country and are unpredictable. However, any such occurrences could be harmful to our business and our profitability, thereby making it more difficult for us to make payments under our indebtedness, including the notes offered hereby.

High raw material costs could continue to have an adverse impact on our profitability.

Raw material, energy and commodity costs have been extremely volatile over the past several years. While we have developed and implemented strategies to mitigate the impact of higher raw material, energy and commodity costs, these strategies, together with commercial negotiations with our customers and suppliers, typically offset only a portion of the adverse impact. Although raw material, energy and commodity costs have recently moderated, these costs remain volatile and could have an adverse impact on our profitability in the foreseeable future. In addition, no assurance can be given that cost increases will not have a larger adverse impact on our financial condition and profitability than currently anticipated.

A significant labor dispute involving us or one or more of our customers or suppliers or that could otherwise affect our operations could reduce our sales and harm our profitability.

A substantial number of our employees and the employees of our largest customers and suppliers are members of industrial trade unions and are employed under the terms of collective bargaining agreements. All of our unionized facilities in the United States and Canada have a separate agreement with the union that represents the workers at such facilities, with each such agreement having an expiration date that is independent of other collective bargaining agreements. We have collective bargaining agreements covering approximately 52,000 employees globally. Within the United States and Canada, contracts covering approximately 23% of our unionized workforce are scheduled to expire during 2010. A labor dispute involving us or one or more of our customers or suppliers or that could otherwise affect our operations could reduce our sales and harm our profitability, thereby making it more difficult for us to make payments under our indebtedness or resulting in a decline in the value of our capital stock. A labor dispute involving another supplier to our customers that results in a slowdown or a closure of our customers assembly plants where our products are included in the assembled vehicles could also adversely affect our business and harm our profitability. In addition, the inability by us or any of our customers, our suppliers or our customers other suppliers to negotiate an extension of a collective bargaining agreement upon its expiration could reduce our sales and harm our profitability. Significant increases in labor costs as a result of the renegotiation of collective bargaining agreements could also adversely affect our business and harm our profitability.

Adverse developments affecting one or more of our major suppliers could harm our profitability.

We obtain components and other products and services from numerous tier II automotive suppliers and other vendors throughout the world. In certain instances, it would be difficult and expensive for us to change suppliers of products and services that are critical to our business. In addition, our customers designate many of our suppliers, and as a result, we do not always have the ability to change suppliers. With the continued decline in the automotive production of our key customers and substantial and continuing pressures to reduce costs, certain of our suppliers are experiencing, or may experience, financial difficulties. Any significant disruption in our supplier relationships, including relationships with certain sole-source suppliers, could harm our profitability, thereby making it more difficult for us to make payments under our indebtedness, including the notes offered hereby.

Significant changes in discount rates, the actual return on pension assets and other factors could adversely affect our liquidity, financial condition and results of operations.

Our earnings may be positively or negatively impacted by the amount of income or expense recorded related to our qualified pension plans. Accounting principles generally accepted in the United States (GAAP) require that income or expense related to the pension plans be calculated at the annual measurement date using actuarial calculations, which reflect certain assumptions. The most significant of these assumptions relate to interest rates, the capital markets and other economic conditions. Changes in key economic indicators can

change these assumptions. These assumptions, as well as the actual value of pension assets at the measurement date, will impact the calculation of pension expense for the year. Although GAAP expense and pension contributions are not directly related, the key economic indicators that affect GAAP expense also affect the amount of cash that we will contribute to our pension plans. Because the values of these pension assets have fluctuated and will continue to fluctuate in response to changing market conditions, the amount of gains or losses that will be recognized in subsequent periods, the impact on the funded status of the pension plans and the future minimum required contributions, if any, could adversely affect our liquidity, financial condition and results of operations, but such impact cannot be determined at this time.

Impairment charges relating to our goodwill and long-lived assets could adversely affect our results of operations.

We regularly monitor our goodwill and long-lived assets for impairment indicators. In conducting our goodwill impairment testing, we compare the fair value of each of our reporting units to the related net book value. In conducting our impairment analysis of long-lived assets, we compare the undiscounted cash flows expected to be generated from the long-lived assets to the related net book values. Changes in economic or operating conditions impacting our estimates and assumptions could result in the impairment of our goodwill or long-lived assets. In the event that we determine that our goodwill or long-lived assets are impaired, we may be required to record a significant charge to earnings that could adversely affect our results of operations.

Our failure to execute our strategic objectives could adversely affect our business.

Our financial performance and profitability depend in part on our ability to successfully execute our strategic objectives. Our corporate strategy involves, among other things, leveraging our global presence and expanding our low-cost footprint, focusing on our core capabilities, selective vertical integration and investments in technology and enhancing and diversifying our strong customer relationships through operational excellence. Various factors, including the unfavorable industry environment and the other matters described in Management s Discussion and Analysis of Financial Condition and Results of Operations and Cautionary Statement Regarding Forward-Looking Statements, could adversely affect our ability to execute our corporate strategy. There also can be no assurance that, even if implemented, our strategic objectives will be successful.

A significant product liability lawsuit, warranty claim or product recall involving us or one of our major customers could harm our profitability.

In the event that our products fail to perform as expected and such failure results in, or is alleged to result in, bodily injury and/or property damage or other losses, we may be subject to product liability lawsuits and other claims. In addition, we are a party to warranty-sharing and other agreements with certain of our customers related to our products. These customers may pursue claims against us for contribution of all or a portion of the amounts sought in connection with product liability and warranty claims, recalls or other corrective actions involving our products. We carry insurance for certain product liability claims, but such coverage may be limited. We do not maintain insurance for product warranty or recall matters. These types of claims could harm our profitability, thereby making it more difficult for us to make payments under our indebtedness, including the notes offered hereby.

We are involved from time to time in various legal proceedings and claims, which could adversely affect our financial condition and harm our profitability.

We are involved in various legal proceedings and claims that, from time to time, are significant. These are typically claims that arise in the normal course of business including, without limitation, commercial or contractual disputes, including disputes with our customers, suppliers or competitors, intellectual property matters, personal injury claims, environmental matters, tax matters and employment matters. No assurance can be given that such proceedings and

claims will not adversely affect our financial condition and harm our profitability. On February 25, 2010, we were notified by the European Commission that we are part of an investigation into anticompetitive practices among automotive electrical and electronic components suppliers. We are cooperating with the European Commission in its investigation. The European Commission has

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publicly stated that the investigation does not mean that the companies involved are guilty of anticompetitive behavior.

Risks Related to the Notes

Our existing indebtedness and volatility in the global capital and financial markets could restrict our business activities and have an adverse effect on our business, financial condition and results of operations.

After giving effect to this offering and the application of the proceeds therefrom to repay all amounts outstanding under the First Lien Term Facility and the Second Lien Facility, we will have approximately $741.8 million of outstanding indebtedness. We are permitted by the terms of the notes and our other debt instruments to incur substantial additional indebtedness, subject to the restrictions therein. Our inability to generate sufficient cash flow to satisfy our existing debt obligations, to refinance our existing debt obligations or to access capital and financial markets on commercially reasonable terms could have an adverse effect on our business, financial condition and results of operations.

Our existing indebtedness and volatility in the global capital and financial markets could:

- make it more difficult for us to satisfy our obligations under our indebtedness, including the notes offered hereby;
- limit our ability to borrow money to fund working capital, capital expenditure, debt service, product development or other corporate requirements;
- require us to dedicate a substantial portion of our cash flow to payments on our indebtedness, which would reduce the amount of cash flow available to fund working capital, capital expenditure, product development and other corporate requirements;
- increase our vulnerability to general adverse industry and economic conditions;
- limit our ability to respond to business opportunities; and
- subject us to financial and other restrictive covenants, the failure of which to satisfy could result in a default under our indebtedness.

Despite our existing indebtedness, certain of our agreements, including the indenture governing the notes, permit us and our subsidiaries to incur significantly more debt. This could intensify the risks described above.

Certain agreements governing our existing indebtedness, including the First Lien Facility, contain restrictions on our and our subsidiaries ability to incur additional indebtedness, including senior secured indebtedness that will be effectively senior to the notes to the extent of the assets securing such indebtedness. However, these restrictions will be subject to a number of important qualifications and exceptions, and the indebtedness incurred in compliance with these restrictions could be substantial. Accordingly, we or our subsidiaries could incur significant additional indebtedness in the future, much of which could constitute secured or effectively senior indebtedness. The more leveraged we become, the more we, and in turn our security holders, become exposed to the risks described above under Our existing indebtedness and volatility in the global capital and financial markets could restrict our business activities and have an adverse effect on our business, financial condition and results of operations.

We may not be able to generate sufficient cash to service all of our indebtedness, including the notes, and may be forced to take other actions to satisfy our obligations under our indebtedness that may not be successful.

Our ability to pay principal and interest on the notes and to satisfy our other debt obligations will depend upon, among other things:

- our future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, many of which are beyond our control; and

- our ability to access the capital and financial markets on commercially reasonable terms.

We cannot assure you that our business will generate sufficient cash flow from operations, or that we will be able to access the capital and financial markets, in an amount sufficient to fund our liquidity needs, including the payment of principal and interest on the notes. See Cautionary Statement Regarding Forward-Looking Statements.

If our cash flows and capital resources are insufficient to service our indebtedness, we may be forced to reduce or delay capital expenditures, sell assets, seek additional capital or restructure or refinance our indebtedness, including the notes. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. Our ability to restructure or refinance our debt will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. In addition, the terms of existing or future debt agreements, including the First Lien Facility and the indenture governing the notes, may restrict us from adopting some of these alternatives. Without such resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. We may not be able to consummate those dispositions for fair market value or at all. Furthermore, any proceeds that we could realize from any such dispositions may not be adequate to meet our debt service obligations then due.

Repayment of our debt, including the notes, is dependent on cash flow generated by our subsidiaries.

Our subsidiaries own a significant portion of our assets and conduct a significant portion of our operations. Accordingly, repayment of our indebtedness, including the notes, is dependent, to a significant extent, on the generation of cash flow by our subsidiaries and (if they are not guarantors of the notes) their ability to make such cash available to us, by dividend, debt repayment or otherwise. Unless they are guarantors of the notes, our subsidiaries do not have any obligation to pay amounts due on the notes or to make funds available for that purpose. Our subsidiaries may not be able to, or may not be permitted to, make distributions to enable us to make payments in respect of our indebtedness, including the notes. Each subsidiary is a distinct legal entity and, under certain circumstances, legal and contractual restrictions may limit our ability to obtain cash from our subsidiaries. In the event that we do not receive distributions from our non-guarantor subsidiaries, we may be unable to make required principal and interest payments on our indebtedness, including the notes.

If we default on our obligations to pay our other indebtedness, we may not be able to make payments on the notes.

Any default under the agreements governing our indebtedness, including a default under the First Lien Facility that is not waived by the required lenders, and the remedies sought by the holders of such indebtedness could prohibit us from making payments of principal, premium, if any, or interest on the notes and could substantially decrease the market value of the notes. If we are unable to generate sufficient cash flow and are otherwise unable to obtain funds necessary to make required payments of principal, premium, if any, or interest on our indebtedness, or if we otherwise fail to comply with the various covenants, including financial and operating covenants, in the instruments governing our indebtedness, we could be in default under the terms of the agreements governing such indebtedness. In the event

of such default, the holders of such

indebtedness could elect to declare all of the funds borrowed thereunder to be due and payable, together with accrued and unpaid interest. If our operating performance declines, we may in the future need to seek waivers from the required lenders under the First Lien Facility to avoid being in default. If we breach our covenants under the First Lien Facility and seek a waiver, we may not be able to obtain a waiver from the required lenders. If this occurs, we would be in default under the First Lien Facility, the lenders could exercise their rights as described above, and we could be forced into bankruptcy or liquidation.

The notes and the guarantees will not be secured by any of our assets and therefore will be effectively subordinated to our existing and future secured indebtedness.

The notes and any guarantees thereof will be general unsecured obligations ranking effectively junior in right of payment to existing and future secured debt of Lear or the guarantors to the extent of the collateral securing such debt. The indenture governing the notes will permit the incurrence of additional debt, some of which may be secured debt. See Description of Notes. In the event that we or a guarantor are declared bankrupt, become insolvent or are liquidated or reorganized, creditors whose debt is secured by assets of Lear or the applicable guarantor will be entitled to the remedies available to secured holders under applicable laws, including the foreclosure of the collateral securing such debt, before any payment may be made with respect to the notes or the affected guarantees. As a result, there may be insufficient assets to pay amounts due on the notes and holders of the notes may receive less, ratably, than holders of secured indebtedness.

The notes will be structurally subordinated to all liabilities of our non-guarantor subsidiaries.

The notes are structurally subordinated to the indebtedness and other liabilities of our subsidiaries that are not guaranteeing the notes. These non-guarantor subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay any amounts due pursuant to the notes, or to make any funds available therefor, whether by dividends, loans, distributions or other payments. For the fiscal year ended December 31, 2009, the subsidiaries that are not guaranteeing the notes had net sales of $9.0 billion and generated net income attributable to Lear of $14.9 million. In addition, as of December 31, 2009, the subsidiaries that are not guaranteeing the notes held $4.3 billion of our total assets and had $47.3 million of outstanding indebtedness. Any right that we or the subsidiary guarantors have to receive any assets of any of the non-guarantor subsidiaries upon the liquidation or reorganization of those subsidiaries, and the consequent rights of holders of notes to realize proceeds from the sale of any of those subsidiaries assets, will be effectively subordinated to the claims of those subsidiaries creditors, including trade creditors and holders of preferred equity interests of those subsidiaries. Accordingly, in the event of a bankruptcy, liquidation or reorganization of any of our non-guarantor subsidiaries, these non-guarantor subsidiaries will pay the holders of their debts, holders of preferred equity interests and their trade creditors before they will be able to distribute any of their assets to us.

Federal and state fraudulent transfer laws permit a court, under certain circumstances, to void the notes and the guarantees, and, if that occurs, you may not receive any payments on the notes.

The issuance of the notes and the guarantees may be subject to review under federal and state fraudulent transfer and conveyance statutes if a bankruptcy, liquidation or reorganization case or a lawsuit, including under circumstances in which bankruptcy is not involved, were commenced at some future date by us, by the guarantors or on behalf of our unpaid creditors or the unpaid creditors of a guarantor. While the relevant laws may vary from state to state, under such laws the payment of the proceeds from the issuance of the notes will generally be a fraudulent conveyance if (i) the consideration was paid with the intent of hindering, delaying or defrauding creditors or (ii) we or any of our subsidiary guarantors, as applicable, received less than reasonably equivalent value or fair consideration in return for issuing either the notes or a guarantee, and, in the case of (ii) only, one of the following is also true:

we or any of our subsidiary guarantors were or was insolvent or rendered insolvent by reason of issuing the notes or the guarantees;

payment of the consideration left us or any of our subsidiary guarantors with an unreasonably small amount of capital to carry on the business; or

we or any of our subsidiary guarantors intended to, or believed that we or it would, incur debts beyond our or its ability to pay as they mature.

If a court were to find that the issuance of the notes or a guarantee was a fraudulent conveyance, the court could void the payment obligations under the notes or such guarantee or further subordinate the notes or such guarantee to presently existing and future indebtedness of ours or such subsidiary guarantor, or require the holders of the notes to repay any amounts received with respect to the notes or such guarantee. In the event of a finding that a fraudulent conveyance occurred, you may not receive any repayment on the notes. Further, the voidance of the notes could result in an event of default with respect to our other debt and that of our subsidiary guarantors that could result in acceleration of such debt.

The measures of insolvency for purposes of fraudulent conveyance laws vary depending upon the law of the jurisdiction that is being applied. Generally, an entity would be considered insolvent if, at the time it incurred indebtedness:

the sum of its debts, including contingent liabilities, was greater than the fair saleable value of all of its assets;

the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts and liabilities, including contingent liabilities, as they become absolute and mature; or

it could not pay its debts as they become due.

We cannot be certain as to the standards a court would use to determine whether or not we or the subsidiary guarantors were solvent at the relevant time, or regardless of the standard used, that the issuance of the notes and the guarantees would not be subordinated to our or any subsidiary guarantor s other debt.

If the guarantees were legally challenged, any guarantee could also be subject to the claim that, since the guarantee was incurred for our benefit, and only indirectly for the benefit of the subsidiary guarantor, the obligations of the applicable subsidiary guarantor were incurred for less than fair consideration. A court could thus void the obligations under the guarantees, subordinate them to the applicable subsidiary guarantor s other debt or take other action detrimental to the holders of the notes.

If the lenders under the First Lien Facility release the guarantors under the First Lien Facility, those guarantors will be released from their guarantees of the notes.

The lenders under the First Lien Facility have the discretion to release the guarantees under the first lien credit agreement. If a subsidiary is no longer a guarantor of obligations under the First Lien Facility or any other successor credit facilities that may be then outstanding, then the guarantee of the notes by such subsidiary will be released automatically without action by, or consent of, any holder of the notes or the trustee under the indenture governing the notes. See Description of Notes Subsidiary Guarantees. You will not have a claim as a creditor against any subsidiary that is no longer a guarantor of the notes, and the indebtedness and other liabilities, including trade payables, whether secured or unsecured, of those subsidiaries will effectively be senior to claims of noteholders.

The terms of the First Lien Facility, the indenture governing the notes and the agreements governing our other indebtedness may restrict our current and future operations, particularly our ability to respond to changes in our business or to take certain actions.

The First Lien Facility, the indenture governing the notes and the agreements governing our other indebtedness contain, and any future indebtedness of ours may contain, a number of restrictive covenants that

will impose significant operating and financial restrictions on us, which restrict our ability to, among other things:

- incur or guarantee additional debt;
- pay dividends and make other restricted payments;
- create or incur certain liens;
- engage in sales of assets and subsidiary stock;
- enter into transactions with affiliates;
- sell or dispose of our assets or enter into merger or consolidation transactions;
- make investments, including acquisitions;
- enter into lines of businesses which are not reasonably related to those businesses in which we are engaged;
- enter into contracts containing restrictions on granting liens or making distributions, loans or transferring assets to us or any guarantor under the First Lien Facility; and/or
- repay indebtedness (including the notes) prior to stated maturities.

In addition, the First Lien Facility requires us to maintain certain financial covenants. As a result of these covenants, we will be limited in the manner in which we conduct our business, and we may be unable to engage in favorable business activities or finance future operations or capital needs.

A failure to comply with the covenants contained in the First Lien Facility and the agreements governing our other indebtedness, including the notes, could result in an event of default under our existing credit agreement or the agreements governing our other indebtedness, which, if not cured or waived, could have a material adverse affect on our business, financial condition and results of operations. In the event of any default under the First Lien Facility or the agreements governing our other indebtedness, the lenders thereunder:

- could elect to declare all borrowings outstanding, together with accrued and unpaid interest and fees, to be due and payable;
- may have the ability to require us to apply all of our available cash to repay these borrowings; or
- may prevent us from making debt service payments under our other agreements, including the indenture governing the notes, any of which could result in an event of default under the notes.

If the indebtedness under the First Lien Facility or our other indebtedness, including the notes, were to be accelerated, there can be no assurance that our assets would be sufficient to repay such indebtedness in full.

Notwithstanding the restrictions described above, the indenture governing the notes does not impose any restrictions on our ability to invest in other entities (including unaffiliated entities) and permits us to redesignate our restricted subsidiaries as unrestricted in certain circumstances, including in connection with the creation of foreign joint ventures or if we could (at the time of such redesignation) make a restricted payment in an amount equal to the lesser of our investment in the restricted subsidiary and the fair market value of the restricted subsidiary. We will be able to

make restricted payments so long as our total leverage ratio (as defined in the indenture governing the notes) is less than 3.75 to 1.00 at the time of, and after giving effect to, any such restricted payment.

We may not be able to repurchase the notes upon a change of control.

Upon a change of control as defined in the indenture governing the notes, we will be required to make an offer to repurchase all outstanding notes at 101% of their principal amount, plus accrued and unpaid interest, unless we have previously given notice of our intention to exercise our right to redeem the notes. We may not have sufficient financial resources to purchase all of the notes that are tendered upon a change of control offer

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or, if then permitted under the indenture governing the notes, to redeem the notes. We also may be contractually restricted pursuant to the terms governing our existing indebtedness from purchasing all or some of the notes tendered upon a change of control. A failure to make the applicable change of control offer or to pay the applicable change of control purchase price when due would result in a default under the indenture. The occurrence of a change of control would also constitute an event of default under the First Lien Agreement and may constitute an event of default under the terms of the agreements governing our other indebtedness. See Description of Notes Change of Control.

There can be no assurances that an active trading market will develop for the notes, which could make it more difficult for holders of the notes to sell their notes and/or result in a lower price at which holders would be able to sell their notes.

There is currently no established trading market for the notes, and there can be no assurance as to the liquidity of any markets that may develop for the notes, the ability of the holders of the notes to sell their notes or the price at which such holders would be able to sell their notes. If such a market were to exist, the notes could trade at prices that may be lower than the initial market values thereof depending on many factors, including prevailing interest rates and our business performance. We do not intend to apply for the listing of the notes on any securities exchange in the United States or elsewhere. Certain of the underwriters have advised us that they currently intend to make a market in the notes, as permitted by applicable laws and regulations. However, none of the underwriters are obligated to do so, and any market-making with respect to the notes may be discontinued at any time without notice. See Underwriting.

If the notes are rated investment grade by both Moody s and S&P in the future, certain covenants contained in the indenture will no longer be applicable to the notes, and the holders of the notes will lose the protection of these covenants.

The indenture contains certain covenants that will no longer be applicable to the notes if, during any future period, the notes are rated investment grade by both Moody s and S&P, provided that at such time no default or event of default has occurred and is continuing. See Description of Notes Certain Covenants Suspended Covenants. These covenants restrict, among other things, our ability to pay dividends, incur additional debt and enter into certain types of transactions. Because we would not be subject to these restrictions during the time that the notes are rated investment grade by both Moody s and S&P, we would be able to make dividends and distributions, incur substantial additional debt and enter into certain types of transactions during such period.

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USE OF PROCEEDS

We estimate that the net proceeds from this offering will be approximately $679.9 million after deducting underwriting discounts and our estimated expenses related to the offering. We intend to use the net proceeds from this offering, together with our current cash and cash equivalents, to repay in full all amounts outstanding under the First Lien Term Facility and the Second Lien Facility.

As of March 19, 2010, the aggregate principal amounts outstanding under the First Lien Term Facility and the Second Lien Facility were $375 million and $550 million, respectively. For a description of the interest rate and the maturity of the indebtedness under the First Lien Term Facility and the Second Lien Facility, as well as a description of the use of proceeds of the indebtedness outstanding thereunder, see the information set forth under the headings First Lien Facility and Second Lien Facility in the section Management s Discussion and Analysis of Financial Condition and Results of Operations Liquidity and Financial Condition included elsewhere in this prospectus supplement.

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CAPITALIZATION

The below table sets forth our consolidated cash and cash equivalents and capitalization as of December 31, 2009 (i) on an actual basis and (ii) on an as adjusted basis after giving effect to this offering and the use of proceeds therefrom. We have estimated that the net proceeds of this offering after deducting the estimated offering fees and expenses and the original issue discount will be approximately $679.9 million.

You should read this table together with Selected Historical Financial Data, Management s Discussion and Analysis of Financial Condition and Results of Operations included elsewhere in this prospectus supplement and our consolidated financial statements and the notes thereto incorporated herein by reference.

	As of December 31, 2009	
	Actual	**As Adjusted**
	(In millions)	
Cash and cash equivalents	$ 1,554.0	$ 1,306.3(2)
Short-term debt:		
Short-term borrowings	$ 37.1	$ 37.1
Current portion of long-term debt	8.1	4.3(3)
Total short-term debt	$ 45.2	$ 41.4
Long-term debt:		
First lien facility(1)	$ 375.0	$ (3)
Second lien facility	550.0	(3)
2018 notes		347.4(4)
2020 notes		347.1(4)
Other long-term debt	10.2	10.2
Less current portion	(8.1)	(4.3)(3)
Total long-term debt, less current portion	$ 927.1	$ 700.4
Total debt	$ 972.3	$ 741.8
Equity	2,181.8	2,169.5(5)
Total capitalization	$ 3,154.1	$ 2,911.3

(1) Effective as of March 19, 2010, we added the $110 million Revolving Credit Facility to the First Lien Facility. See Summary Recent Developments Revolving Credit Facility.

(2) Reflects cash proceeds from the issuance of the 2018 notes and the 2020 notes, net of debt issuance costs of $14.6 million and $2.6 million related to the notes and the Revolving Credit Facility, respectively, and the

extinguishment of $925 million of term loans provided under the First Lien Facility and the Second Lien Facility.

(3) Reflects the extinguishment of $925 million of term loans provided under the First Lien Facility and the Second Lien Facility.

(4) Reflects the issuance of $350 million aggregate principal amount of 2018 notes and $350 million aggregate principal amount of 2020 notes, net of aggregate original issue discount of $5.5 million.

(5) Reflects a $12.3 million write-off of unamortized financing fees related to the term loans provided under the First Lien Facility and the Second Lien Facility.

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SELECTED HISTORICAL FINANCIAL DATA

The following statement of operations, statement of cash flow and balance sheet data were derived from our consolidated financial statements. Our consolidated financial statements for the two month period ended December 31, 2009, the ten month period ended November 7, 2009 and the years ended December 31, 2008, 2007, 2006 and 2005, have been audited by Ernst & Young LLP. The selected financial data below should be read in conjunction with, and are qualified in their entirety by reference to, Management s Discussion and Analysis of Financial Condition and Results of Operations included elsewhere in this prospectus supplement and our consolidated financial statements and the notes thereto incorporated herein by reference.

We adopted fresh-start accounting upon our emergence from Chapter 11 bankruptcy proceedings and became a new entity for financial reporting purposes as of November 7, 2009. Accordingly, the consolidated financial statements for the reporting entity subsequent to emergence from Chapter 11 bankruptcy proceedings (the Successor) are not comparable to the consolidated financial statements for the reporting entity prior to emergence from Chapter 11 bankruptcy proceedings (the Predecessor). For a discussion of fresh-start accounting, see Note 1 Basis of Presentation and Note 3 Fresh-Start Accounting, to the consolidated financial statements included in our Current Report on Form 8-K filed with the SEC on March 22, 2010 and incorporated herein by reference.

	Successor	Predecessor				
	Two Month Period Ended December 31, 2009(1)	Ten Month Period Ended November 7, 2009(2)	2008(3)	Year Ended December 31, 2007(4)	2006(5)	2005(6)
Statement of Operations Data: (in millions)						
Net sales	$ 1,580.9	$ 8,158.7	$ 13,570.5	$ 15,995.0	$ 17,838.9	$ 17,089.2
Gross profit	72.8	287.4	747.6	1,151.8	930.8	739.5
Selling, general and administrative expenses	71.2	376.7	511.5	572.8	644.6	629.2
Amortization of intangible assets	4.5	4.1	5.3	5.2	5.2	4.9
Goodwill impairment charges		319.0	530.0		2.9	1,012.8
Divestiture of Interior business			10.7	636.0		
Interest expense	11.1	151.4	190.3	199.2	209.8	183.2
Other (income) expense, net(7)	19.8	(16.6)	51.9	40.7	85.7	38.0
Reorganization items and fresh-start accounting adjustments, net		(1,474.8)				
Consolidated income (loss) before provision	(33.8)	927.6	(541.4)	323.2	(653.4)	(1,128.6)

(benefit) for income taxes, equity in net (income) loss of affiliates and cumulative effect of a change in accounting principle						
Provision (benefit) for income taxes	(24.2)	29.2	85.8	89.9	54.9	194.3
Equity in net (income) loss of affiliates	(1.9)	64.0	37.2	(33.8)	(16.2)	51.4

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	Successor	Predecessor				
	Two Month Period Ended December 31, 2009(1)	Ten Month Period Ended November 7, 2009(2)	2008(3)	Year Ended December 31, 2007(4)	2006(5)	2005(6)
Statement of Operations Data:						
(in millions)						
Consolidated income (loss) before cumulative effect of a change in accounting principle	(7.7)	834.4	(664.4)	267.1	(692.1)	(1,374.3)
Cumulative effect of a change in accounting principle(8)					(2.9)	
Consolidated net income (loss)	(7.7)	834.4	(664.4)	267.1	(689.2)	(1,374.3)
Net income (loss) attributable to noncontrolling interests	(3.9)	16.2	25.5	25.6	18.3	7.2
Net income (loss) attributable to Lear	$ (3.8)	$ 818.2	$ (689.9)	$ 241.5	$ (707.5)	$ (1,381.5)
Basic net income (loss) per share attributable to Lear	$ (0.11)	$ 10.56	$ (8.93)	$ 3.14	$ (10.31)	$ (20.57)
Diluted net income (loss) per share attributable to Lear	$ (0.11)	$ 10.55	$ (8.93)	$ 3.09	$ (10.31)	$ (20.57)
Weighted average shares outstanding basic	34,525,187	77,499,860	77,242,360	76,826,765	68,607,262	67,166,668
Weighted average shares outstanding diluted	34,525,187	77,559,792	77,242,360	78,214,248	68,607,262	67,166,668
Dividends per share	$	$	$	$	$ 0.25	$ 1.00
Statement of Cash Flow Data:						
(in millions)						
Cash flows from operating activities	324.0	(499.2)	163.6	487.5	299.1	571.5
Cash flows from investing activities	(39.5)	(52.7)	(144.4)	(340.0)	(312.2)	(541.6)
	30.2	165.0	987.3	(70.4)	263.6	(357.7)

Cash flows from financing activities						
Capital expenditures	41.3	77.5	167.7	202.2	347.6	568.4
Other Data (unaudited)**:**						
Ratio of earnings to fixed charges(9)		6.3x		2.4x		

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As of or Year Ended	Successor December 31, 2009	Predecessor December 31, 2008	December 31, 2007	December 31, 2006	December 31, 2005
Balance Sheet Data:					
(in millions)					
Current assets	$ 3,787.0	$ 3,674.2	$ 3,718.0	$ 3,890.3	$ 3,846.4
Total assets	6,073.3	6,872.9	7,800.4	7,850.5	8,288.4
Current liabilities	2,400.8	4,609.8	3,603.9	3,887.3	4,106.7
Long-term debt	927.1	1,303.0	2,344.6	2,434.5	2,243.1
Equity	2,181.8	247.7	1,117.5	640.0	1,171.2
Other Data (unaudited):					
Employees at year end	74,870	80,112	91,455	104,276	115,113
North American content per vehicle(10)	$ 345	$ 391	$ 483	$ 645	$ 586
North American vehicle production (in millions)(11)	8.5	12.6	15.0	15.2	15.8
European content per vehicle(12)	$ 293	$ 350	$ 342	$ 338	$ 350
European vehicle production (in millions)(13)	15.7	18.8	20.2	19.0	18.7

(1) Results include $44.5 million of restructuring and related manufacturing inefficiency charges, a $1.9 million loss related to a transaction with an affiliate, $15.1 million of charges as a result of the bankruptcy proceedings and the application of fresh-start accounting and a $27.6 million tax benefit primarily related to the settlement of a tax matter in a foreign jurisdiction.

(2) Results include $319.0 million of goodwill impairment charges, a gain of $1,474.8 million related to reorganization items and fresh-start accounting adjustments, $23.9 million of fees and expenses related to our capital restructuring, $115.5 million of restructuring and related manufacturing inefficiency charges (including $5.6 million of fixed asset impairment charges), $42.0 million of impairment charges related to our investments in two equity affiliates, a $9.9 million loss related to a transaction with an affiliate and a $23.1 million tax benefit related to reorganization items and fresh-start accounting adjustments.

(3) Results include $530.0 million of goodwill impairment charges, $193.9 million of restructuring and related manufacturing inefficiency charges (including $17.5 million of fixed asset impairment charges), $7.5 million of gains related to the extinguishment of debt, a $34.2 million impairment charge related to an investment in an affiliate, $22.2 million of gains related to the sales of our interests in two affiliates and $8.5 million of net tax benefits related to a reduction in recorded tax reserves, the reversal of a valuation allowance in a European subsidiary and the establishment of a valuation allowance in another European subsidiary.

(4) Results include $20.7 million of charges related to the divestiture of our interior business, $181.8 million of restructuring and related manufacturing inefficiency charges (including $16.8 million of fixed asset impairment charges), $36.4 million of a curtailment gain related to the freeze of the U.S. salaried pension plan, $34.9 million of merger transaction costs, $3.9 million of losses related to the acquisition of the noncontrolling interest in an affiliate and $24.8 million of net tax benefits related to changes in valuation allowances in several foreign jurisdictions, tax rates and various other tax items.

(5)

Results include $636.0 million of charges related to the divestiture of our interior business, $2.9 million of goodwill impairment charges, $10.0 million of fixed asset impairment charges, $99.7 million of restructuring and related manufacturing inefficiency charges (including $5.8 million of fixed asset impairment charges), $47.9 million of charges related to the extinguishment of debt, $26.9 million of gains related to the sales of our interests in two affiliates and $19.5 million of net tax benefits related to the expiration of the statute of limitations in a foreign taxing jurisdiction, a tax audit resolution, a favorable tax ruling and several other tax items.

(6) Results include $1,012.8 million of goodwill impairment charges, $82.3 million of fixed asset impairment charges, $104.4 million of restructuring and related manufacturing inefficiency charges (including

$15.1 million of fixed asset impairment charges), $39.2 million of litigation-related charges, $46.7 million of charges related to the divestiture and/or capital restructuring of joint ventures, $300.3 million of tax charges, consisting of a U.S. deferred tax asset valuation allowance of $255.0 million and an increase in related tax reserves of $45.3 million, and $17.8 million of tax benefits related to a tax law change in Poland.

(7) Includes non-income related taxes, foreign exchange gains and losses, discounts and expenses associated with our asset-backed securitization and factoring facilities, gains and losses related to certain derivative instruments and hedging activities, gains and losses on the extinguishment of debt, gains and losses on the sales of fixed assets and other miscellaneous income and expense.

(8) The cumulative effect of a change in accounting principle in 2006 resulted from the adoption of FASB Accounting Standards Codificationtm 718, Compensation Stock Compensation.

(9) Fixed charges consist of interest on debt, amortization of deferred financing fees and that portion of rental expenses representative of interest. Earnings consist of consolidated income (loss) before provision (benefit) for income taxes and equity in the undistributed net (income) loss of affiliates, fixed charges and cumulative effect of a change in accounting principle. Earnings in the two month period ended December 31, 2009 and in the years ended December 31, 2008, 2006 and 2005 were insufficient to cover fixed charges by $33.2 million, $537.3 million, $651.8 million and $1,123.3 million, respectively. Accordingly, such ratio is not presented for these years.

(10) North American content per vehicle is our net sales in North America divided by estimated total North American vehicle production. Content per vehicle data excludes business conducted through non-consolidated joint ventures. Content per vehicle data for 2008 has been updated to reflect actual production levels.

(11) North American vehicle production includes car and light truck production in the United States, Canada and Mexico as provided by Ward s Automotive. Production data for 2008 has been updated to reflect actual production levels.

(12) European content per vehicle is our net sales in Europe divided by estimated total European vehicle production. Content per vehicle data excludes business conducted through non-consolidated joint ventures. Content per vehicle data for 2008 has been updated to reflect actual production levels.

(13) European vehicle production includes car and light truck production in Austria, Belgium, Bosnia, Czech Republic, Finland, France, Germany, Hungary, Italy, Netherlands, Norway, Poland, Portugal, Romania, Serbia, Slovakia, Slovenia, Spain, Sweden, Turkey, Ukraine and the United Kingdom as provided by CSM Worldwide. Production data for 2008 has been updated to reflect actual production levels.

MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Executive Overview

We were incorporated in Delaware in 1987 and are one of the world s largest automotive suppliers based on net sales. We supply our products to every major automotive manufacturer in the world.

We supply automotive manufacturers with complete automotive seat systems and electrical power management systems. Our strategy is to leverage our global presence and expand our low-cost footprint, focus on our core capabilities, selective vertical integration and investments in technology and enhance and diversify our strong customer relationships through operational excellence. Historically, we also supplied automotive interior components and systems, including instrument panels and cockpit systems, headliners and overhead systems, door panels and flooring and acoustic systems. As discussed below, in 2006 and 2007, we divested substantially all of the assets of this segment to joint ventures in which we hold a noncontrolling interest.

Chapter 11 Bankruptcy Proceedings

In 2009, we completed a comprehensive evaluation of our strategic and financial options and concluded that voluntarily filing for bankruptcy protection under Chapter 11 was necessary in order to re-align our capital structure to address lower industry production and capital market conditions and position our business for long-term success. On July 7, 2009, Lear and certain of our U.S. and Canadian subsidiaries (the Canadian Debtors and collectively, the Debtors) filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code (Chapter 11) in the United States Bankruptcy Court for the Southern District of New York (the Bankruptcy Court) (Consolidated Case No. 09-14326). On July 9, 2009, the Canadian Debtors also filed petitions for protection under section 18.6 of the Companies Creditors Arrangement Act in the Ontario Superior Court, Commercial List (the Canadian Court). On September 12, 2009, the Debtors filed with the Bankruptcy Court their First Amended Joint Plan of Reorganization (as amended and supplemented, the Plan) and their Disclosure Statement (as amended and supplemented, the Disclosure Statement). On November 5, 2009, the Bankruptcy Court entered an order approving and confirming the Plan (the Confirmation Order), and on November 6, 2009, the Canadian Court entered an order recognizing the Confirmation Order and giving full force and effect to the Confirmation Order and Plan under applicable Canadian law.

On November 9, 2009 (the Effective Date), the Debtors consummated the reorganization contemplated by the Plan and emerged from Chapter 11 bankruptcy proceedings.

Post-Emergence Capital Structure and Recent Events

Following the Effective Date and after giving effect to the Excess Cash Paydown (as described below), our capital structure consisted of the following:

First Lien Facility The First Lien Term Facility of $375 million.

Second Lien Facility The Second Lien Facility of $550 million.

Series A Preferred Stock $450 million, or 10,896,250 shares, of Series A convertible participating preferred stock (the Series A Preferred Stock), which does not bear any mandatory dividends. The Series A Preferred

Stock is convertible into approximately 24.2% of our new common stock, par value $0.01 per share (Common Stock), on a fully diluted basis. As of December 31, 2009, we had 9,881,303 shares of Series A Preferred Stock outstanding.

Common Stock and Warrants A single class of Common Stock, including sufficient shares to provide for (i) management equity grants, (ii) the conversion of the Series A Preferred Stock into Common Stock and (iii) warrants to purchase 15%, or 8,157,249 shares, of our Common Stock, on a fully diluted basis (the Warrants). On December 21, 2009, the Warrants became exercisable at an exercise price of $0.01 per share of Common Stock. The Warrants expire on November 9, 2014. As of December 31, 2009, we had 36,954,733 shares of Common Stock outstanding and 6,377,068 Warrants outstanding.

Pursuant to the Plan, to the extent that we had liquidity on the Effective Date in excess of $1.0 billion, subject to certain working capital and other adjustments and accruals, the amount of such excess would be utilized (i) first, to prepay the Series A Preferred Stock in an aggregate stated value of up to $50 million; (ii) second, to prepay the Second Lien Facility in an aggregate principal amount of up to $50 million; and (iii) third, to reduce the First Lien Term Facility (such prepayments and reductions, the Excess Cash Paydown).

On November 27, 2009, we determined our liquidity on the Effective Date, for purposes of the Excess Cash Paydown, which consisted of approximately $1.5 billion in cash and cash equivalents. After giving effect to certain working capital and other adjustments and accruals, the resulting aggregate Excess Cash Paydown was approximately $225 million. The Excess Cash Paydown was applied, in accordance with the Plan, (i) first, to prepay the Series A Preferred Stock in an aggregate stated value of $50 million; (ii) second, to prepay the Second Lien Facility in an aggregate principal amount of $50 million; and (iii) third, to reduce the First Lien Term Facility by an aggregate principal amount of approximately $125 million.

On November 27, 2009, we elected to make the delayed draw provided for under the First Lien Term Facility in the amount of $175 million. Following such delayed draw funding, and when combined with our initial draw under the First Lien Term Facility of $200 million on the Effective Date and after giving effect to the Excess Cash Paydown, the aggregate principal amount outstanding under the First Lien Term Facility was $375 million. The application of the Excess Cash Paydown and the delayed draw under the First Lien Term Facility are reflected above in the information setting forth our capital structure following the Effective Date.

Cancellation of Certain Pre-Petition Obligations

Under the Plan, our pre-petition equity, debt and certain of our other obligations were cancelled and extinguished, as follows:

- Our pre-petition common stock was extinguished, and no distributions were made to our former shareholders;

- Our pre-petition debt securities were cancelled, and the indentures governing such debt securities were terminated (other than for the purposes of allowing holders of the notes to receive distributions under the Plan and allowing the trustees to exercise certain rights); and

- Our pre-petition primary credit facility was cancelled (other than for the purposes of allowing creditors under that facility to receive distributions under the Plan and allowing the administrative agent to exercise certain rights).

For further information regarding the First Lien Facility and the Second Lien Facility, see Note 10, Long-Term Debt, to the consolidated financial statements included in our Current Report on Form 8-K filed with the SEC on March 22, 2010 and incorporated herein by reference. For further information regarding the Series A Preferred Stock, the Common Stock and the Warrants, see Description of Capital Stock and Description of Warrants in the accompanying prospectus. For further information regarding the resolution of certain of our other pre-petition liabilities in accordance with the Plan, see Note 3, Fresh-Start Accounting Liabilities Subject to Compromise, and Note 15, Commitments and Contingencies, to the consolidated financial statements included in our Current Report on Form 8-K filed with the SEC on March 22, 2010 and incorporated herein by reference.

Tax Implications Arising from Bankruptcy Emergence

Under the Plan, our pre-petition debt securities, primary credit facility and other obligations were extinguished. Absent an exception, a debtor recognizes cancellation of indebtedness income (CODI) upon discharge of its outstanding indebtedness for an amount of consideration that is less than its adjusted issue price.

The Internal Revenue Code of 1986, as amended (IRC), provides that a debtor in a bankruptcy case may exclude CODI from income but must reduce certain of its tax attributes by the amount of any CODI

realized as a result of the consummation of a plan of reorganization. The amount of CODI realized by a taxpayer is the adjusted issue price of any indebtedness discharged less the sum of (i) the amount of cash paid, (ii) the issue price of any new indebtedness issued and (iii) the fair market value of any other consideration, including equity, issued. As a result of the market value of our equity upon emergence from Chapter 11 bankruptcy proceedings, we were able to retain a significant portion of our U.S. net operating loss, capital loss and tax credit carryforwards (collectively, the Tax Attributes) after reduction of the Tax Attributes for CODI realized on emergence from Chapter 11 bankruptcy proceedings.

IRC Sections 382 and 383 provide an annual limitation with respect to the ability of a corporation to utilize its Tax Attributes, as well as certain built-in-losses, against future U.S. taxable income in the event of a change in ownership. Our emergence from Chapter 11 bankruptcy proceedings is considered a change in ownership for purposes of IRC Section 382. The limitation under the IRC is based on the value of the corporation as of the emergence date. As a result, our future U.S. taxable income may not be fully offset by the Tax Attributes if such income exceeds our annual limitation, and we may incur a tax liability with respect to such income. In addition, subsequent changes in ownership for purposes of the IRC could further diminish our Tax Attributes.

Reorganization and Fresh-Start Accounting

In 2009, we recognized a gain of approximately $2.0 billion for reorganization items as a result of the bankruptcy proceedings. This gain reflects the cancellation of our pre-petition equity, debt and certain of our other obligations, partially offset by the recognition of certain of our new equity and debt obligations, as well as professional fees incurred as a direct result of the bankruptcy proceedings.

Upon our emergence from Chapter 11 bankruptcy proceedings, we adopted fresh-start accounting in accordance with the provisions of FASB Accounting Standards Codification™ (ASC) 852, Reorganizations. Fresh-start accounting results in a new entity for financial reporting purposes. Accordingly, results for the two month period ended December 31, 2009 (the 2009 Successor Period), and for the ten month period ended November 7, 2009 (the 2009 Predecessor Period), are presented separately. In addition, fresh-start accounting requires all assets and liabilities to be recorded at fair value. In 2009, we recognized a charge of approximately $526 million related to the valuation of our net assets upon emergence from Chapter 11 bankruptcy proceedings.

In addition, we recognized charges of approximately $15 million in the 2009 Successor Period as a result of the bankruptcy proceedings and the adoption of fresh-start accounting. The majority of these charges related to the inventory fair value adjustment of approximately $9 million, which was recognized in cost of sales in the 2009 Successor Period as the inventory was sold.

For additional information regarding the bankruptcy proceedings, reorganization items and fresh-start accounting adjustments, see Note 2, Reorganization under Chapter 11, and Note 3, Fresh-Start Accounting, to the consolidated financial statements included in our Current Report on Form 8-K filed with the SEC on March 22, 2010 and incorporated herein by reference.

Industry Overview

Demand for our products is directly related to the automotive vehicle production of our major customers. Automotive sales and production can be affected by general economic or industry conditions, labor relations issues, fuel prices, regulatory requirements, government initiatives, trade agreements, availability and cost of credit and other factors. Our operating results are also significantly impacted by the overall commercial success of the vehicle platforms for which we supply particular products, as well as our relative profitability on these platforms. In addition, it is possible that customers could elect to manufacture components internally that are currently produced by external suppliers,

such as us. The loss of business with respect to any vehicle model for which we are a significant supplier, or a decrease in the production levels of any such models, could have a material adverse impact on our operating results. In addition, larger cars and light trucks, as well as vehicle platforms that offer more features and functionality, such as luxury, sport utility and crossover

vehicles, typically have more content and, therefore, tend to have a more significant impact on our operating results.

After sustained market share and operating losses in recent years, 2009 was a pivotal year for our two largest customers, General Motors and Ford. Vehicle production for General Motors and Ford declined in North America by 44% and 16%, respectively. In Europe, vehicle production followed similar trends for both customers. As a result, General Motors and Ford initiated strategic actions within their businesses, accelerated and broadened both operational and financial restructuring plans and sought direct or indirect governmental support. On June 1, 2009, General Motors and certain of its U.S. subsidiaries filed for bankruptcy protection under Chapter 11 as part of a U.S. government supported plan of reorganization. On July 10, 2009, General Motors sold substantially all of its assets to a new entity, General Motors Company, funded by the U.S. Department of the Treasury and emerged from bankruptcy proceedings. General Motors also pursued strategic transactions and government support for its Opel and Saab units in Europe. On December 23, 2009, Ford announced the settlement of all substantial commercial terms with respect to the sale of its Volvo unit in Europe to Geely, a Chinese automotive manufacturer. In addition, on April 30, 2009, Chrysler filed for bankruptcy protection under Chapter 11 as part of a U.S. government supported plan of reorganization. On June 10, 2009, Chrysler announced its emergence from bankruptcy proceedings and the consummation of a new global strategic alliance with Fiat. In 2009, less than 2% of our net sales were to Chrysler. Although General Motors Company and Chrysler emerged from bankruptcy proceedings, the prospects of our U.S. customers remain uncertain.

The global automotive industry is characterized by significant overcapacity and fierce competition among our automotive manufacturer customers. We expect these challenging industry conditions to continue in the foreseeable future. The automotive industry in 2009 was severely affected by the turmoil in the global credit markets and the economic recession in the U.S. and global economies. These conditions had a dramatic impact on consumer vehicle demand in 2009, resulting in the lowest per capita sales rates in the United States in half a century and lower global automotive production for the second consecutive year following six consecutive years of steady growth. During 2009, North American light vehicle industry production declined by approximately 32% from 2008 levels to 8.5 million units and was down more than 50% from peak levels in 2000. European light vehicle industry production declined by approximately 17% from 2008 levels to 15.7 million units and was down 22% from peak levels in 2007. The impact of this difficult environment on the global automotive industry was partially offset by significant production increases in China, continued production growth in India and relatively stable production in Brazil.

Historically, the majority of our sales and operating profit has been derived from automotive manufacturers in North America and Western Europe. Many of these customers have experienced declines in market share in their traditional markets. In addition, a disproportionate amount of our net sales and profitability in North America has been on light truck and large SUV platforms of the domestic automakers, which have experienced significant competitive pressures and reduced demand. As discussed below, our ability to maintain and improve our financial performance in the future will depend, in part, on our ability to significantly increase our penetration of the Asian markets and leverage our existing North American and European customer base geographically and across both product lines.

Our customers require us to reduce our prices and, at the same time, assume significant responsibility for the design, development and engineering of our products. Our profitability is largely dependent on our ability to achieve product cost reductions through restructuring actions, manufacturing efficiencies, product design enhancement and supply chain management. We also seek to enhance our profitability by investing in technology, design capabilities and new product initiatives that respond to the needs of our customers and consumers. We continually evaluate operational and strategic alternatives to align our business with the changing needs of our customers, improve our business structure and lower our operating costs.

Our material cost as a percentage of net sales was 69.0% in 2009 as compared to 69.3% in 2008 and 68.0% in 2007. Raw material, energy and commodity costs have been extremely volatile over the past several years. Unfavorable

industry conditions have also resulted in financial distress within our supply base and an increase in the risk of supply disruption. We have developed and implemented strategies to mitigate the impact

of higher raw material, energy and commodity costs, which include cost reduction actions, such as the selective in-sourcing of components, the continued consolidation of our supply base, longer-term purchase commitments and the selective expansion of low-cost country sourcing and engineering, as well as value engineering and product benchmarking. However, these strategies, together with commercial negotiations with our customers and suppliers, typically offset only a portion of the adverse impact. Although raw material, energy and commodity costs have recently moderated, these costs remain volatile and could have an adverse impact on our operating results in the foreseeable future. For more information Risk Factors Risks Related to Our Business High raw material costs could continue to have an adverse impact on our profitability and Cautionary Statement Regarding Forward-Looking Statements included elsewhere in this prospectus supplement.

Outlook

As discussed herein, recent market events, including an unfavorable global economic environment, extremely challenging automotive industry conditions and the global credit crisis, are adversely impacting global automotive demand and have impacted and will continue to significantly impact our operating results in the foreseeable future. In response, we have continued to restructure our global operations and to aggressively reduce our costs. These actions have been designed to lower our operating costs, streamline our organizational structure and better align our manufacturing footprint. Our future financial results will also be affected by cash utilized in operations, including restructuring activities, and will continue to be subject to certain factors outside of our control, including the global economic environment, automotive industry conditions, global credit markets, the financial condition and restructuring actions of our customers and suppliers and other related factors. No assurance can be given regarding the length or severity of the unfavorable global economic environment and its ultimate impact on our financial results or the other factors described in this paragraph. See Risk Factors and Cautionary Statement Regarding Forward-Looking Statements included elsewhere in this prospectus supplement, for further discussion of the risks and uncertainties affecting our operations and cash flows, borrowing availability and overall liquidity.

In evaluating our financial condition and operating performance, we focus primarily on earnings growth and cash flows, as well as return on investment. In addition to maintaining and expanding our business with our existing customers in our more established markets, our expansion plans are focused on emerging markets. Asia, in particular, continues to present significant growth opportunities, as major global automotive manufacturers implement production expansion plans and local automotive manufacturers aggressively expand their operations to meet long-term demand in this region. We currently have twelve joint ventures in China and several other joint ventures dedicated to serving Asian automotive manufacturers. In addition, we have aggressively pursued this strategy by selectively increasing our vertical integration capabilities and expanding our component manufacturing capacity in Mexico, Eastern Europe, Africa and Asia. Furthermore, we have expanded our low-cost engineering capabilities in China, India and the Philippines.

Our success in generating cash flow will depend, in part, on our ability to manage working capital efficiently. Working capital can be significantly impacted by the timing of cash flows from sales and purchases. Historically, we have generally been successful in aligning our vendor payment terms with our customer payment terms. However, our ability to continue to do so may be adversely impacted by the unfavorable financial results of our suppliers and adverse automotive industry conditions, as well as our financial results. In addition, our cash flow is impacted by our ability to manage our inventory and capital spending efficiently. We utilize return on investment as a measure of the efficiency with which assets are deployed to increase earnings. Improvements in our return on investment will depend on our ability to maintain an appropriate asset base for our business and to increase productivity and operating efficiency.

Restructuring

In 2005, we initiated a three-year restructuring strategy to (i) eliminate excess capacity and lower our operating costs, (ii) streamline our organizational structure and reposition our business for improved long-term profitability and (iii) better align our manufacturing footprint with the changing needs of our customers. In light of industry conditions and customer announcements, we expanded this strategy in 2008. Through the end

of 2008, we incurred pretax restructuring costs of approximately $528 million and related manufacturing inefficiency charges of approximately $52 million.

In 2009, we incurred additional restructuring costs of approximately $144 million and related manufacturing inefficiency charges of approximately $16 million as we continued to restructure our global operations and aggressively reduce our costs. We expect accelerated restructuring actions and related investments to continue for the next few years.

Goodwill

In 2009 and 2008, we evaluated the carrying value of our goodwill and recorded impairment charges of $319 million and $530 million, respectively, related to our electrical power management segment. In 2009, our goodwill impairment analysis was based on our distributable value, which was approved by the Bankruptcy Court, and resulted in impairment charges of $319 million. In 2008, the impairment charges were primarily the result of significant declines in estimated production volumes.

Financing Transactions

In April 2008, we repaid, on the maturity date, 56 million (approximately $87 million based on the exchange rate in effect as of the transaction date) aggregate principal amount of senior notes. In August 2008, we repurchased our remaining senior notes due 2009, with an aggregate principal amount of $41 million, for a purchase price of $43 million, including the call premium and related fees. In December 2008, we repurchased a portion of our senior notes due 2013 and 2016, with an aggregate principal amount of $2 million and $11 million, respectively, in the open market for an aggregate purchase price of $3 million, including related fees. In connection with these transactions, we recognized a net gain on the extinguishment of debt of approximately $8 million in 2008.

Interior Segment

In 2006, we completed the contribution of substantially all of our European interior business to International Automotive Components Group, LLC (IAC Europe), a joint venture with affiliates of WL Ross & Co. LLC (WL Ross) and Franklin Mutual Advisers, LLC (Franklin), in exchange for an approximately one-third equity interest in IAC Europe. In connection with this transaction, we recorded a loss on divestiture of interior business of approximately $6 million in 2007. In 2009, as a result of an equity transaction between IAC Europe and one of our joint venture partners, our equity interest in IAC Europe decreased to 30.45%, and we recognized an impairment charge of $27 million related to our investment.

In March 2007, we completed the transfer of substantially all of the assets of our North American interior business (as well as our interests in two China joint ventures) to International Automotive Components Group North America, Inc. In addition, one of our wholly owned subsidiaries obtained an equity interest in International Automotive Components Group North America, LLC (IAC North America), a separate joint venture with affiliates of WL Ross and Franklin. In connection with this transaction, we recorded a loss on divestiture of interior business of approximately $612 million, of which approximately $5 million was recognized in 2007 and $607 million was recognized in 2006. We also recognized additional costs related to this transaction of approximately $10 million, which are recorded in cost of sales and selling, general and administrative expenses in the consolidated statement of operations for the year ended December 31, 2007, included in our Current Report on Form 8-K filed with the SEC on March 22, 2010 and incorporated herein by reference. In October 2007, IAC North America completed the acquisition of the soft trim division of Collins & Aikman Corporation. After giving effect to these transactions, we own 18.75% of the total outstanding shares of common stock of IAC North America. In 2008, as a result of rapidly deteriorating industry conditions, we recognized an impairment charge of $34 million related to our investment.

For further discussion of these impairment charges, see Other Matters Significant Accounting Policies and Critical Accounting Estimates. We have no further funding obligations with respect to IAC Europe or IAC North America. Therefore, in the event that either of these joint ventures requires additional capital to fund its operations, our equity ownership percentage will likely be diluted.

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For further information related to the divestiture of our interior business, see Note 6, Divestiture of Interior Business, to the consolidated financial statements included in our Current Report on Form 8-K filed with the SEC on March 22, 2010 and incorporated herein by reference.

Other Matters

In 2009, we incurred fees and expenses of $24 million related to our capital restructuring efforts prior to our bankruptcy filing. In addition, we recognized an impairment charge of $15 million related to our investment in an equity affiliate and a loss of $12 million related to a transaction with an affiliate. In 2009, we also recognized a tax benefit of $23 million related to reorganization items and fresh-start accounting adjustments, as well as a tax benefit of $28 million primarily related to the settlement of a tax matter in a foreign jurisdiction.

In 2008, we recognized gains of $22 million related to the sales of our interests in two affiliates. In addition, we recognized a tax benefit of $9 million related to a reduction in recorded tax reserves, a tax benefit of $19 million related to the reversal of a valuation allowance in a European subsidiary and tax expense of $19 million related to the establishment of a valuation allowance in another European subsidiary.

In 2007, we recognized $35 million in costs related to an Agreement and Plan of Merger, as amended (the AREP merger agreement), with AREP Car Holdings Corp. and AREP Car Acquisition Corp., which was terminated in the third quarter of 2007. For further information regarding the AREP merger agreement, see Note 5, Merger Agreement, to the consolidated financial statements included in our Current Report on Form 8-K filed with the SEC on March 22, 2010 and incorporated herein by reference. In addition, we recognized a curtailment gain of $36 million related to our decision to freeze our U.S. salaried pension plan, as well as a loss of $4 million related to the acquisition of the noncontrolling interest in an affiliate. In 2007, we also recognized a net tax benefit of $17 million as a result of changes in valuation allowances in several foreign jurisdictions, a tax benefit of $17 million related to a tax rate change in Germany and one-time tax expenses of $9 million related to various tax items.

As discussed above, our results for the 2009 Successor Period, the 2009 Predecessor Period and the years ended December 31, 2008 and 2007, reflect the following items (in millions):

	Successor	Predecessor		
	Two Month Period Ended 2009	Ten Month Period Ended November 7, 2009	Year Ended December 31, 2008	2007
Goodwill impairment charges	$	$ 319	$ 530	$
Costs related to divestiture of interior business				21
Reorganization items and fresh-start accounting adjustments, net		(1,475)		
Fees and expenses related to capital restructuring and other related matters	15	24		
Costs of restructuring actions, including manufacturing inefficiencies of $1 million in the two month period ended December 31, 2009, $15 million in the ten month period ended November 7, 2009,	44	116	194	182

$17 million in 2008 and $13 million in 2007				
Costs related to merger transaction				35
U.S. salaried pension plan curtailment gain				(36)
Gains on the extinguishment of debt			(8)	
Impairment of investment in affiliates		42	34	
(Gains) losses related to affiliate transactions	2	10	(22)	4
Tax benefits	(28)	(23)	(9)	(25)

For further information related to these items, see Restructuring and Note 2, Reorganization under Chapter 11, Note 3, Fresh-Start Accounting, Note 4, Summary of Significant Accounting Policies Impairment of Goodwill, and Impairment of Long-Lived Assets, Note 5, Merger Agreement, Note 6,

Divestiture of Interior Business, Note 7, Restructuring, Note 8, Investments in Affiliates and Other Related Party Transactions, Note 10, Long-Term Debt, and Note 11, Income Taxes, to the consolidated financial statements included in our Current Report on Form 8-K filed with the SEC on March 22, 2010 and incorporated herein by reference.

This section includes forward-looking statements that are subject to risks and uncertainties. For further information regarding other factors that have had, or may have in the future, a significant impact on our business, financial condition or results of operations, see Risk Factors and Cautionary Statement Regarding Forward-Looking Statements included elsewhere in this prospectus supplement.

Results of Operations

In connection with our emergence from Chapter 11 bankruptcy proceedings and the adoption of fresh-start accounting, the results of operations for 2009 separately present the 2009 Successor Period and the 2009 Predecessor Period. Although the 2009 Successor Period and the 2009 Predecessor Period are distinct reporting periods, the effects of emergence and fresh-start accounting did not have a material impact on the comparability of our results of operations between the periods, except as discussed below. Accordingly, references to 2009 results of operations combine the two periods in order to enhance the comparability of such information to the prior year. A summary of our operating results in millions of dollars and as a percentage of net sales is shown below:

	Successor		Predecessor					
	Two Month Period Ended December 31, 2009		Ten Month Period Ended November 7, 2009		Year Ended December 31,			
					2008		2007	
Net sales								
Seating	$ 1,251.1	79.1%	$ 6,561.8	80.4%	$ 10,726.9	79.0%	$ 12,206.1	76.3%
Electrical power management	329.8	20.9	1,596.9	19.6	2,843.6	21.0	3,100.0	19.4
Interior							688.9	4.3
Net sales	1,580.9	100.0	8,158.7	100.0	13,570.5	100.0	15,995.0	100.0
Gross profit	72.8	4.6	287.4	3.5	747.6	5.5	1,151.8	7.2
Selling, general and administrative expenses	71.2	4.5	376.7	4.6	511.5	3.8	572.8	3.6
Amortization of intangible assets	4.5	0.3	4.1		5.3		5.2	
Goodwill impairment charges			319.0	3.9	530.0	3.9		
Divestiture of Interior business							10.7	0.1
Interest expense	11.1	0.7	151.4	1.9	190.3	1.4	199.2	1.2
Other (income) expense, net	19.8	1.2	(16.6)	(0.2)	51.9	0.4	40.7	0.3
			(1,474.8)	(18.1)				

Reorganization items and fresh-start accounting adjustments, net								
Provision (benefit) for income taxes	(24.2)	(1.5)	29.2	0.4	85.8	0.6	89.9	0.6
Equity in net (income) loss of affiliates	(1.9)	(0.1)	64.0	0.8	37.2	0.3	(33.8)	(0.2)
Net income (loss) attributable to noncontrolling interests	(3.9)	(0.3)	16.2	0.2	25.5	0.2	25.6	0.1
Net income (loss) attributable to Lear	(3.8)	(0.2)	818.2	10.0	(689.9)	(5.1)	241.5	1.5

Year Ended December 31, 2009, Compared With Year Ended December 31, 2008

Net sales for the year ended December 31, 2009 were $9.7 billion, as compared to $13.6 billion for the year ended December 31, 2008, a decrease of $3.8 billion or 28.2%. Lower industry production volumes in North America and Europe, as well as the impact of net foreign exchange rate fluctuations, negatively impacted net sales by $3.1 billion and $405 million, respectively.

Gross profit and gross margin were $360 million and 3.7% in 2009, as compared to $748 million and 5.5% in 2008. Lower industry production volumes in North America and Europe reduced gross profit by $699 million. Gross profit was also negatively impacted by net selling price reductions. The benefit of our productivity and restructuring actions partially offset these decreases in gross profit. Further, gross profit in the 2009 Successor Period was negatively impacted by the adoption of fresh-start accounting, which requires inventory to be recorded at fair value upon emergence. This inventory adjustment of $9 million was recognized in cost of sales in the 2009 Successor Period as the inventory was sold.

Selling, general and administrative expenses, including engineering and development expenses, were $448 million for the year ended December 31, 2009, as compared to $512 million for the year ended December 31, 2008. As a percentage of net sales, selling, general and administrative expenses were 4.6% and 3.8% in 2009 and 2008, respectively. The decrease in selling, general and administrative expenses was primarily due to favorable cost performance in 2009, including lower compensation-related expenses, as well as reduced engineering and development expenses and the impact of net foreign exchange rate fluctuations. These decreases were partially offset by fees and expenses of $24 million related to our capital restructuring efforts prior to our bankruptcy filing.

Engineering and development costs incurred in connection with the development of new products and manufacturing methods more than one year prior to launch, to the extent not recoverable from the customer, are charged to selling, general and administrative expenses as incurred. Such costs totaled $83 million in 2009 and $113 million in 2008. In certain situations, the reimbursement of pre-production engineering and design costs is contractually guaranteed by, and fully recoverable from, our customers and is therefore capitalized. For the years ended December 31, 2009 and 2008, we capitalized $116 million and $137 million, respectively, of such costs.

In the 2009 Predecessor Period, we recorded goodwill impairment charges of $319 million, related to our electrical power management segment. Our goodwill impairment analysis was based on our distributable value, which was approved by the Bankruptcy Court. In 2008, we recorded goodwill impairment charges of $530 million, related to our electrical power management segment, primarily as a result of significant declines in estimated production volumes.

Interest expense was $163 million in 2009, as compared to $190 million in 2008. Subsequent to our bankruptcy filing, we did not record contractual interest of $70 million for certain of our pre-petition debt obligations in accordance with accounting principles generally accepted in the United States (GAAP). This decrease was partially offset by interest and fees associated with our debtor-in-possession financing, as well as fees associated with our pre-petition primary credit facility amendments and waivers, in the 2009 Predecessor Period, and interest and fees associated with the First Lien Facility and the Second Lien Facility in the 2009 Successor Period.

Other (income) expense, net which includes non-income related taxes, foreign exchange gains and losses, discounts and expenses associated with our asset-backed securitization and factoring facilities, gains and losses related to certain derivative instruments and hedging activities, gains and losses on the extinguishment of debt, gains and losses on the sales of fixed assets and other miscellaneous income and expense, was $3 million in 2009, as compared to $52 million in 2008. In the 2009 Successor Period and 2009 Predecessor Period, we recognized losses of $2 million and $10 million, respectively, related to a transaction with an affiliate. The impact of this transaction was more than offset by an increase in foreign exchange gains. In 2008, we recognized gains of $22 million related to the sales of our interests in two affiliates, as well as a gain of $8 million on the extinguishment of debt.

In the 2009 Predecessor Period, we recognized a gain of approximately $2.0 billion for reorganization items as a result of the bankruptcy proceedings. This gain reflects the cancellation of our pre-petition equity, debt and certain of our other obligations, partially offset by the recognition of certain of our new equity and debt obligations, as well as professional fees incurred as a direct result of the bankruptcy proceedings. In addition, we recognized a charge of approximately $526 million related to the valuation of our net assets upon emergence from Chapter 11 bankruptcy

proceedings pursuant to the provisions of fresh-start accounting.

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In the 2009 Successor Period, the benefit for income taxes was $24 million, representing an effective tax rate of 71.6% on a pretax loss of $34 million. In the 2009 Predecessor Period, the provision for income taxes was $29 million, representing an effective tax rate of 3.1% on pretax income of $928 million. In 2008, the provision for income taxes was $86 million, representing an effective tax rate of negative 15.8% on a pretax loss of $541 million. The provision for income taxes in 2009 primarily relates to profitable foreign operations, as well as withholding taxes on royalties and dividends paid by our foreign subsidiaries. In addition, we incurred losses in several countries that provided no tax benefits due to valuation allowances on our deferred tax assets in those countries. The provision was also impacted by a portion of our restructuring charges, for which no tax benefit was provided as the charges were incurred in certain countries for which no tax benefit is likely to be realized due to a history of operating losses in those countries. Additionally, the benefit in the 2009 Successor Period was impacted by a tax benefit of $28 million primarily related to the settlement of a tax matter in a foreign jurisdiction. The provision in the 2009 Predecessor Period was impacted by a tax benefit of $23 million related to reorganization items and fresh-start accounting adjustments, as well as $319 million of goodwill impairment charges, which were not deductible. The 2008 provision for income taxes was impacted by $530 million of goodwill impairment charges, a substantial portion of which were not deductible. The provision was also impacted by a portion of our restructuring charges, for which no tax benefit was provided as the charges were incurred in certain countries for which no tax benefit is likely to be realized due to a history of operating losses in those countries. The provision was also impacted by a tax benefit of $9 million, including interest, related to a reduction in recorded tax reserves, a tax benefit of $19 million related to the reversal of a valuation allowance in a European subsidiary and tax expense of $19 million related to the establishment of a valuation allowance in another European subsidiary. Excluding these items, the effective tax rate in 2009 and 2008 approximated the U.S. federal statutory income tax rate of 35% adjusted for income taxes on foreign earnings, losses and remittances, foreign and U.S. valuation allowances, tax credits, income tax incentives and other permanent items. Further, our current and future provision for income taxes is significantly impacted by the initial recognition of and changes in valuation allowances in certain countries, particularly the United States. We intend to maintain these allowances until it is more likely than not that the deferred tax assets will be realized. Our future income taxes will include no tax benefit with respect to losses incurred and no tax expense with respect to income generated in these countries until the respective valuation allowances are eliminated. Accordingly, income taxes are impacted by the U.S. and foreign valuation allowances and the mix of earnings among jurisdictions.