



Garrett Motion Announces Amendments to Credit Agreement

June 12, 2020

Credit Agreement Modifications Significantly Increase Garrett's Financial Flexibility

ROLLE, Switzerland--(BUSINESS WIRE)-- **Garrett Motion Inc. (NYSE: GTX)**, a cutting-edge technology provider that enables vehicles to become safer, more connected, efficient and environmentally friendly, today announced it has reached an agreement with its senior lenders under the company's Credit Agreement providing for covenant relief for up to a two-year period through June 30, 2022.

"The modifications to our Credit Agreement significantly enhance Garrett's financial flexibility to weather the current pandemic-induced economic slowdown," said Olivier Rabiller, Garrett President and CEO. "We appreciate the support of our lending group as we continue to take decisive actions to operate in this challenging environment. Going forward, our focus remains on ensuring the long-term financial health of our company while meeting customer commitments, supporting our local communities, and safeguarding the health and well-being of our employees."

In connection with Garrett accomplishing this agreement with its lenders, Honeywell withdrew its previously issued Notice of Default. Garrett believes that Honeywell's action had no merit and was an improper attempt to interfere with Garrett's contractual arrangements with its lenders and to delay Garrett's ongoing litigation against Honeywell concerning a subordinated asbestos indemnity imposed on Garrett in connection with the 2018 spin-off. Garrett has and will continue to take appropriate actions to defend itself against any of Honeywell's attempts to interfere with Garrett's operations as an independent company.

Rabiller also stated, "While the successful completion of the bank amendment is an important step in Garrett Motion sustaining its liquidity, we will continue to explore further opportunities to optimize our capitalization to ensure that the business is positioned for success in an evolving environment. In particular, this crisis has exacerbated the challenges associated with operating under the onerous Honeywell Subordinated Indemnity and Mandatory Transition Tax (MTT) liabilities, and highlights the fact that the current situation with Honeywell continues to adversely impact our overall strategic and financial flexibility." As of March 31, 2020, the liability on Garrett's balance sheet associated with Honeywell totaled \$1,304 million, including the subordinated indemnity liability, MTT payments and other related tax matters.

"Despite the near-term disruption across the automotive industry and global economy, it is important to remember that the positive long-term fundamentals of our business remain intact. Garrett has excelled as an industry leader for over 65 years, delivering critical cutting-edge technologies to major automakers worldwide. Going forward, automakers will likely encounter even tougher regulations and technical challenges after the crisis, and Garrett will bring them a wide range of differentiated products and solutions," Rabiller concluded.

Garrett's Credit Agreement is comprised of a (i) senior secured first-lien term B loan facility, which consists of a tranche denominated in Euro of €375 million and a tranche denominated in U.S. Dollars of \$425 million, (ii) senior secured first-lien term A loan facility in an aggregate principal amount of €330 million, and (iii) senior secured first-lien revolving credit facility in an aggregate principal amount of €430 million (all facility amounts at inception). Garrett has no significant debt maturities before September 2023.

Additional information on the amended Credit Agreement will be available on the company's current report on Form 8-K that will be filed with the Securities and Exchange Commission before the open of market trading on June 12, 2020.

About Garrett Motion Inc.

Garrett Motion is a differentiated technology leader, serving customers worldwide for more than 65 years with passenger vehicle, commercial vehicle, aftermarket replacement and performance enhancement solutions. Garrett's cutting-edge technology enables vehicles to become safer, more connected, efficient and environmentally friendly. Our portfolio of turbocharging, electric boosting and automotive software solutions empowers the transportation industry to redefine and further advance motion. For more information, please visit www.garrettmotion.com.

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of fact, that address activities, events or developments that we or our management intend, expect, project, believe or anticipate will or may occur in the future are forward-looking statements including without limitation our statements regarding our anticipated financial performance, and the anticipated impact of the COVID-19 pandemic on our business, financial results and financial condition. Although we believe forward-looking statements are based upon reasonable assumptions, such statements involve known and unknown risks, uncertainties, and other factors, which may cause the actual results or performance of the company to be materially different from any future results or performance expressed or implied by such forward-looking statements. Such risks and uncertainties include, but are not limited to risks related to the COVID-19 pandemic and its impact on our business, financial results and financial condition, and those risks described in our annual report on Form 10-K for the year ended December 31, 2019, as updated by our quarterly report on Form 10-Q for the period ended March 31, 2020, as well as our other filings with the Securities and Exchange Commission, under the headings "Risk Factors" and "Cautionary Statement Concerning Forward-Looking Statements." You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document. Forward-looking statements are not guarantees of future performance, and actual results, developments and business decisions may differ from those envisaged by our forward-looking statements.

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