

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): April 3, 2020

GARRETT MOTION INC.

(Exact name of Registrant as specified in its Charter)

Delaware
(State or other jurisdiction
of incorporation)

1-38636
(Commission File
Number)

82-487189
(I.R.S. Employer
Identification Number)

La Pièce 16, Rolle, Switzerland
(Address of principal executive offices)

1180
(Zip Code)

Registrant's telephone number, including area code: +41 21 695 30 00

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value per share	GTX	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On April 7, 2020, Garrett Motion Inc. (the “Company”) issued a press release containing certain preliminary results for the quarter ended March 31, 2020, withdrawing the Company’s financial guidance for the year ending December 31, 2020 and announcing a business update related to the impact of the COVID-19 pandemic. The full text of the press release issued in connection with the announcement is furnished as Exhibit 99.1 hereto and is incorporated herein by reference.

The information in Item 2.02 of this report (including Exhibit 99.1) shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

On April 6, 2020, pursuant to the Credit Agreement by and among the Company, Garrett LX I S.à r.l., Garrett LX II S.à r.l., Garrett LX III S.à r.l., Garrett Borrowing LLC, and Honeywell Technologies Sàrl, the lenders and issuing banks party thereto and JPMorgan Chase Bank, N.A., as administrative agent, the Company drew down the remaining balance of approximately \$396 million under the Company’s \$467 million revolving credit facility.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

In light of the uncertainties related to the global COVID-19 pandemic, on April 3, 2020, the Company approved temporary reductions in the annual base salaries of all executive officers, including its named executive officers. Effective April 1, 2020, the annual base salaries for Olivier Rabiller, President and Chief Executive Officer; Peter Bracke, Vice President and Interim Chief Financial Officer; Craig Balis, Senior Vice President and Chief Technology Officer; Jérôme Maironi, Senior Vice President, General Counsel, and Corporate Secretary; Thierry Mabru, Senior Vice President, Integrated Supply Chain; Daniel Deiro, Senior Vice President, Global Customer Management and General Manager Japan/Korea; and Fabrice Spenninck, Senior Vice President and Chief Human Resources Officer will be reduced by 20%, with such reduction to remain in effect through the second quarter of 2020.

Additionally, for the same reasons, the Company announced a 20% reduction in the annual cash retainers for non-employee directors for service on the Company’s Board of Directors, effective April 1, 2020, such reduction to remain in effect through the rest of 2020.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1* [Press Release of Garrett Motion Inc., dated April 7, 2020.](#)

* Furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: April 7, 2020

Garrett Motion Inc.

By: /s/ Jerome Maironi
Jerome Maironi
Senior Vice President, General Counsel and
Corporate Secretary



Garrett Motion Provides Update on the Impact of COVID-19

Withdraws Full Year 2020 Guidance

ROLLE, Switzerland, April 7, 2020 – 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 taken additional actions to confront the coronavirus pandemic.

On April 6, 2020, the Company fully drew the remaining funds available under its revolving credit facility of approximately \$470 million to increase its financial flexibility in the current environment. With the additional funds, Garrett has supplemented its cash position, which totaled approximately \$250 million as of March 31, 2020, including a draw down on the revolver of \$66 million in the first quarter. As a result, total liquidity available at the start of the second quarter is approximately \$655 million. There are no significant debt maturities before September 2023.

“The COVID-19 pandemic has created substantial disruption across the global automotive industry and economies around the world,” said Olivier Rabiller, Garrett President and CEO. “While our focus has been on safeguarding the health and safety of our employees and supporting our customers and local communities, we are also taking decisive and prudent steps with various stakeholders to enhance our liquidity and preserve the long-term health of the business. Our senior leadership team has navigated downturns in the past and we expect to rely upon our extensive experience and resilient business model to emerge from this crisis as a stronger company.”

Garrett continues to adjust production schedules based on fluctuating market conditions, particularly in North America and Europe, and implement aggressive cost control measures and cash management actions, including:

- Postponing capital expenditures that do not impact near-term programs
- Optimizing working capital requirements
- Lowering discretionary spending
- Temporarily reducing pay for the leadership team and all executive officers by 20%
- Flexing the organizational cost by implementing short-term working schemes
- Reducing temporary workforce and contract service workers
- Restricting external hiring

As a result of the highly uncertain operating environment caused by COVID-19, Garrett is withdrawing its full year 2020 guidance issued on February 27, 2020. The Company will provide a business update when it reports first quarter 2020 results in May and intends to resume providing an outlook at a future date.

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.

Financial Disclosure Advisory

The Company reports its financial results in accordance with U.S. generally accepted accounting principles. All financial data in this press release is preliminary and represents the most current information available to the Company’s management, as financial closing procedures for the quarter ended March 31, 2020 are not yet complete. These estimates are not a comprehensive statement of the Company’s financial results for the quarter ended March 31, 2020 and actual results may differ materially from these estimates as a result of the completion of normal quarter-end accounting procedures and adjustments, including the execution of the Company’s internal control over financial reporting, the completion of the preparation and review of the Company’s financial statements for the quarter ended March 31, 2020 and the subsequent occurrence or identification of events prior to the formal issuance of the first quarter financial results.

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 statements regarding our expected financial results and cash position at March 31, 2020, expected cost-cutting measures, the impact of the COVID-19 pandemic on our business, and our ability to emerge from the current crisis as a stronger company. 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 the ongoing impact of the coronavirus (COVID-19) outbreak and those described in our annual report on Form 10-K for the year ended December 31, 2019, 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 are not guarantees of future performance. Actual results, developments and business decisions may differ from those envisaged by our forward-looking statements.

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