

**FOR RELEASE:** Noon ET, Monday, July 24, 2006    **CONTACT:** Brad Jackson  
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## **DELPHI RETAINS ROTHSCHILD TO EXPLORE STRATEGIC SALE OPTIONS FOR INTERIORS BUSINESSES**

**TROY, Mich.** – Delphi Corporation (OTC: DPHIQ) has announced it has retained Rothschild Inc. to explore potential sale opportunities for Delphi's Cockpits & Interior Systems and Integrated Closure Systems businesses.

Delphi's Cockpits & Interior Systems business line is the third-largest producer of instrument panels, consoles and cockpits in North America and the fourth-largest globally. The business has provided industry-leading design, development and manufacturing services since 1956. The business currently supports several high-volume North American OEM platforms.

Integrated Closure Systems consists of the Door Modules and Latch business lines. The Latch business line holds a top-three market share and is a technology leader in the industry with a global presence. The Latch business line has produced latches since 1946, including the Mini-Wedge, currently the best-selling latch globally. The Door Modules business line has built strong relationships with multiple OEMs by focusing on high-content, system-engineered and integrated door systems. Since 1980, the Door Module business line has supported more than 29 vehicle programs and produced more than 30 million door systems.

Each of the Instrument Panels, Cockpits, Latch and Door Modules business lines is distinguished by its ability to work with customers from materials research, engineering, design validation and safety testing, design integration, production, and control and logistics, all driven by world-class engineering teams.

Any sale or strategic alternative will be conducted in coordination with the company's customers, unions, and other stakeholders to carefully manage the transition of affected product lines. Also, the disposition of any U.S. operations would be accomplished in accordance with the requirements of the U.S. Bankruptcy Court. The company would also begin consultations with the European Works Council in accordance with applicable laws.

Any parties interested in Delphi's Cockpits & Interior Systems and Integrated Closure Systems businesses should contact Michael Barr, Managing Director, Rothschild Inc. at 212.403.3737.



For more information about Delphi (OTC: DPHIQ), visit [www.delphi.com](http://www.delphi.com).

#### **FORWARD LOOKING STATEMENT**

This press release, as well as other statements made by Delphi may contain forward-looking statements within the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, that reflect, when made, the company’s current views with respect to current events and financial performance. Such forward-looking statements are and will be, as the case may be, subject to many risks, uncertainties and factors relating to the company’s operations and business environment which may cause the actual results of the company to be materially different from any future results, express or implied, by such forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements include, but are not limited to, the following: the ability of the company to continue as a going concern; the ability of the company to operate pursuant to the terms of the debtor-in-possession (“DIP”) financing facility; the company’s ability to obtain court approval with respect to motions in the chapter 11 proceeding prosecuted by it from time to time; the ability of the company to develop, prosecute, confirm and consummate one or more plans of reorganization with respect to the Chapter 11 cases; risks associated with third parties seeking and obtaining court approval to terminate or shorten the exclusivity period for the company to propose and confirm one or more plans of reorganization, for the appointment of a chapter 11 trustee or to convert the cases to chapter 7 cases; the ability of the company to obtain and maintain normal terms with vendors and service providers; the company’s ability to maintain contracts that are critical to its operations; the potential adverse impact of the Chapter 11 cases on the company’s liquidity or results of operations; the ability of the company to execute its business plans, including the transformation plan described in the Company’s March 31, 2006 press release, and to do so in a timely fashion; the ability of the company to attract, motivate and/or retain key executives and associates; the ability of the company to avoid or continue to operate during a strike, or partial work stoppage or slow down by any of its unionized employees; and the ability of the company to attract and retain customers. Other risk factors are listed from time to time in the company’s United States Securities and Exchange Commission reports, including, but not limited to the Annual Report on Form 10-K for the year ended December 31, 2004, and its most recent quarterly report on Form 10-Q for the quarter ended September 30, 2005, and current reports on Form 8-K. Delphi disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events and/or otherwise.

Similarly, these and other factors, including the terms of any reorganization plan ultimately confirmed, can affect the value of the company’s various pre-petition liabilities, common stock and/or other equity securities. Additionally, no assurance can be given as to what values, if any, will be ascribed in the bankruptcy proceedings to each of these constituencies. A plan of reorganization could result in holders of Delphi’s common stock receiving no distribution on account of their interest and cancellation of their interests. Under certain conditions specified in the Bankruptcy Code, a plan of reorganization may be confirmed notwithstanding its rejection by an impaired class of creditors or equity holders and notwithstanding the fact that equity holders do not receive or retain property on account of their equity interests under the plan. In light of the foregoing and as stated in its October 8, 2005, press release announcing the filing of its Chapter 11 reorganization cases, the company considers the value of the common stock to be highly speculative and cautions equity holders that the stock may ultimately be determined to have no value. Accordingly, the company urges that appropriate caution be exercised with respect to existing and future investments in Delphi’s common stock or other equity interests or any claims relating to pre-petition liabilities.

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