



NEWS RELEASE

PHINIA Announces Return of Capital to Shareholders

8/31/2023

PHINIA Board of Directors Initiates Quarterly Dividend

Authorizes \$150 Million Share Repurchase Program

AUBURN HILLS, Mich.--(BUSINESS WIRE)-- PHINIA Inc. ("PHINIA" or the "Company") (NYSE: PHIN), a leader in premium fuel systems, electrical systems, and aftermarket products, today announced that its Board of Directors has declared a quarterly cash dividend in the amount of \$0.25 per common share, payable on September 22, 2023 to shareholders of record at the close of business on September 12, 2023. Going forward, the Company expects to pay dividends on a quarterly basis, however any subsequent declaration of dividends, including the amount, record date and payment date for any future dividend payment, is subject to approval by the Board of Directors. In addition, the Board of Directors has authorized a \$150 million share repurchase program, effective immediately.

President and Chief Executive Officer Brady Ericson commented: "We are pleased to initiate a competitive quarterly dividend and a share repurchase program as we are confident in our business's strong earnings and cash generation ability. We believe that our dividend, combined with opportunistic share repurchases, are the logical next steps in enhancing shareholder value. We remain committed to returning a substantial portion of free cash flow to shareholders, maintaining our strong balance sheet, making prudent organic investments, and selectively investing in rapidly accretive and high ROIC acquisitions. Our investments in the business will support our objective of sustainable profitable growth."

Under the share repurchase program, the Company's common shares may be repurchased in open market transactions, privately negotiated transactions, or pursuant to one or more accelerated stock repurchase programs or Rule 10b5-1 plans in compliance with the requirements of the Securities and Exchange Commission. The exact amount and timing of any purchases will depend on a number of factors, including trading price, trading volume,

and general market conditions. The repurchase program has no expiration date and may be suspended, discontinued, or resumed at any time. The Company expects to utilize cash on hand and cash generated by operations to fund repurchases under the share repurchase program.

About PHINIA

PHINIA is an independent, market-leading, premium solutions and components provider with over 100 years of manufacturing expertise and industry relationships, with a strong brand portfolio that includes Delphi, Delco Remy® and Hartridge. With 12,900 employees across 44 locations in 20 countries, PHINIA is headquartered in Auburn Hills, Michigan, USA.

Working across commercial vehicle and industrial applications (heavy-duty and medium duty trucks, off-highway construction, marine, agricultural and industrial applications), and light vehicles passenger cars, trucks, vans and sport-utility vehicles), we develop fuel systems and aftermarket parts that keep combustion engines operating at peak performance, as cleanly and efficiently as possible, while at the same time investing in future technologies that will unlock the potential of alternative fuels.

By providing what the market needs today, to become more efficient and sustainable, while also developing innovative products and solutions for a cleaner tomorrow, we are the partner of choice for a diverse array of industrial and aftermarket customers –powering our shared journey toward a carbon-neutral and carbon-free tomorrow.

(DELCO REMY is a registered trademark of General Motors LLC, licensed to PHINIA Technologies Inc.)

Forward-Looking Statements

This press release contains forward-looking statements as contemplated by the 1995 Private Securities Litigation Reform Act that are based on management's current outlook, expectations, estimates and projections. Words such as "anticipates," "believes," "continues," "could," "designed," "effect," "estimates," "evaluates," "expects," "forecasts," "goal," "guidance," "initiative," "intends," "may," "outlook," "plans," "potential," "predicts," "project," "pursue," "seek," "should," "target," "when," "will," "would," and variations of such words and similar expressions are intended to identify such forward-looking statements. Further, all statements, other than statements of historical fact contained or incorporated by reference in this press release, that we expect or anticipate will or may occur in the future regarding our financial position, business strategy and measures to implement that strategy, including the payment of dividends, repurchases of the Company's shares of common stock, changes to operations, competitive strengths, goals, expansion and growth of our business and operations, plans, references to future success and other such matters, are forward-looking statements. Accounting estimates, such as those described under the heading

“Management’s Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates” in our Information Statement furnished with the Company’s Registration Statement on Form 10-12B/A filed with the Securities and Exchange Commission (“SEC”) on June 9, 2023, are inherently forward-looking. All forward looking statements are based on assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions and expected future developments as well as other factors we believe are appropriate in the circumstances. Forward-looking statements are not guarantees of performance and our actual results may differ materially from those expressed, projected or implied in or by the forward-looking statements.

You should not place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Forward-looking statements are subject to risks and uncertainties, many of which are difficult to predict and generally beyond our control, that could cause actual results to differ materially from those expressed, projected or implied in or by the forward-looking statements. These risks and uncertainties, among others, include the ability of PHINIA to succeed as a standalone publicly traded company, which is a smaller company relative to BorgWarner; the possibility that the spin-off will not achieve its intended benefits; the possibility of disruption, including changes to existing business relationships, disputes, litigation, or unanticipated costs in connection with the spin-off; the uncertainty regarding the expected financial performance of PHINIA as a separate company;; supply disruptions impacting us or our customers, such as the current shortage of semiconductor chips that has impacted OEM customers and their suppliers, including us; commodities availability and pricing; competitive challenges from existing and new competitors including OEM customers; the challenges associated with rapidly-changing technologies, and our ability to innovate in response; uncertainties regarding the extent and duration of impacts of matters associated with COVID-19, including additional production disruptions; the ability to identify targets and consummate acquisitions on acceptable terms; the failure to promptly and effectively integrate acquired businesses; the potential for unknown or inestimable liabilities relating to acquired businesses; our dependence on commercial vehicle, industrial application and light vehicle production, which are highly cyclical and subject to disruptions; our reliance on major OEM customers; fluctuations in interest rates and foreign currency exchange rates; our dependence on information systems; the uncertainty of the global economic environment; the outcome of existing or any future legal proceedings, including litigation with respect to various claims and any governmental investigations; future changes in laws and regulations, including, by way of example, taxes and tariffs, in the countries in which we operate; impacts from any potential future acquisition or disposition transactions; our ability to fund quarterly dividend payments and repurchase shares under the share repurchase program; and the other risks noted under “Risk Factors,” and in other reports that we file with the SEC. We do not undertake any obligation to update or announce publicly any updates to or revisions to any of the forward-looking statements in this press release to reflect any change in our expectations or any change in events, conditions, circumstances, or assumptions underlying the statements.

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IR contact:

Michael Heifler

VP Investor Relations

investors@phinia.com

+1 947-262-1992

Media contact:

Kevin Price

Global Brand & Communications Director

media@phinia.com

+44 (0) 7795 463871

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