

DELPHI CORP
Form 424B3
March 21, 2008

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**PROSPECTUS SUPPLEMENT
(TO PROSPECTUS DATED MARCH 11, 2008)**

**Rights Offerings for
21,680,996 Shares of Common Stock at an exercise price of \$59.61 per full share and
41,026,309 Shares of Common Stock at an exercise price of \$38.39 per full share**

This prospectus supplement relates to the offer and sale by us prior to our emergence from bankruptcy of up to a total of 62,707,305 shares of common stock of reorganized Delphi (Delphi, following its emergence from bankruptcy, is referred to herein as reorganized Delphi), issuable upon the exercise of subscription rights, as described in the accompanying prospectus.

New York Stock Exchange Listing

On March 20, 2008, the common stock of reorganized Delphi was approved for listing on the New York Stock Exchange, Inc., subject to official notice of issuance. As a result of such approval, the restrictions on transfer and exercise of discount rights by residents of Texas and the restrictions on transfer of discount rights to residents of Texas, as described in the accompanying prospectus, are no longer applicable. Residents of Texas may exercise or transfer discount rights, and holders of discount rights may transfer discount rights to residents of Texas, without providing to the rights agent the certifications described in the accompanying prospectus that the holder or the transferee, as applicable, is within one of specified categories of persons under Texas state securities laws. See, for example, page v of the accompanying prospectus under the headings For Texas Residents Only and For All Holders of Discount Rights Who Desire to Transfer Discount Rights to a Resident of Texas.

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

The date of this prospectus supplement is March 20, 2008.

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PROSPECTUS

**Rights Offerings for
21,680,996 Shares of Common Stock at an exercise price of \$59.61 per full share and
41,026,309 Shares of Common Stock at an exercise price of \$38.39 per full share**

This prospectus relates to the offer and sale by us of up to a total of 62,707,305 shares of common stock of Delphi prior to its emergence from bankruptcy (Delphi, following its emergence from bankruptcy, is referred to as reorganized Delphi), issuable upon the exercise of subscription rights, as described below.

Each holder of our common stock will receive, at no charge (except as described below), for each 26 shares of our common stock owned of record at 5:00 p.m., New York City time, on the record date (as defined below), one nontransferable right to purchase one share of common stock of reorganized Delphi for \$59.61 in cash per full share (the par rights). Fractional par rights will not be issued. You need to hold at least 26 shares of common stock as of the record date in order to receive one par right.

Each Eligible Holder (as defined below) will receive, at no charge, for each \$99.07 of such Eligible Holder's Eligible Claim (as defined below), one transferable right to purchase one share of common stock of reorganized Delphi for \$38.39 in cash per full share (the discount rights and, together with the par rights, the rights). This is referred to as the basic subscription privilege. An Eligible Holder means the holder of an Eligible Claim as of the record date or a transferee receiving such holder's discount rights. An Eligible Claim means (i) a General Unsecured Claim, a Section 510(b) Note Claim, a Section 510(b) Equity Claim or a Section 510(b) ERISA Claim, as such terms are defined in the Plan (as defined below), in each case that has been allowed or reconciled by Delphi by the date of commencement of the confirmation hearing with respect to the Plan, and with respect to General Unsecured Claims, as may also be adjusted for cure amounts resulting from certain Bankruptcy Court orders entered on February 27, 2008, or (ii) a General Unsecured Claim that has not been allowed, disallowed or reconciled by the date of commencement of the confirmation hearing with respect to the Plan but that has been provisionally allowed or estimated solely for purposes of participation in the discount rights offering in the respective amounts ordered by the Bankruptcy Court (as defined below) on January 25, 2008 and in certain cases, as may be adjusted for cure amounts resulting from Bankruptcy Court orders entered on February 27, 2008. To the extent that the provisional allowance or estimation results in a particular Eligible Holder receiving more discount rights than such Eligible Holder should have received based on the ultimate allowed amount of such claim and such discount rights are transferred or exercised (the excess discount rights), then, in Delphi's sole discretion, (a) Delphi will be authorized but not required to withhold an amount of common stock of reorganized Delphi (at a value of \$59.61 per share) equal to the value of such excess discount rights (at a value of \$21.22 per right, which equals the difference between the exercise price of the discount rights and the Plan value of \$59.61 per share of common stock) from the ultimate distribution to such Eligible Holder or (b) to the extent the value of such direct grant of common stock of reorganized Delphi is less than the value of the excess discount rights and Delphi elects to pursue such payment in its sole discretion, such Eligible Holder will be required to remit payment to Delphi in an amount equal to the value of such excess discount rights in excess of the value of the common stock of reorganized Delphi withheld under (a). To the extent that the provisional allowance or estimation results in a particular Eligible Holder receiving fewer discount rights than such Eligible Holder should have received based on the ultimate allowed amount of such claim, no subsequent adjustment will be made in respect of such Eligible Holder's Eligible Claim.

The record date is January 17, 2008, the date on which the confirmation hearing with respect to our plan of reorganization (as it may be amended, modified or supplemented from time to time, the Plan) commenced before the United States Bankruptcy Court for the Southern District of New York (the Bankruptcy Court).

In addition to the basic subscription privilege described above, each discount right entitles an Eligible Holder who fully exercises its basic subscription privilege to subscribe, prior to the expiration date of the discount rights offering, for additional shares of common stock of reorganized Delphi at an exercise price of \$38.64 per full share to the extent that any shares are not purchased by other Eligible Holders under their basic subscription privileges as of the expiration date of the discount rights offering. This is referred to as the oversubscription privilege. If an insufficient number of shares are available to fully satisfy oversubscription privilege requests, the available shares, if any, will be allocated pro rata among Eligible Holders who exercised their oversubscription privilege based upon the number of shares each oversubscribing Eligible Holder subscribed for under its basic subscription privilege. If there is a pro rata allocation of the remaining shares and an Eligible Holder receives an allocation of a greater number of shares than it subscribed for under its oversubscription privilege, then we will allocate to such Eligible Holder only the number of shares for which it subscribed under its oversubscription privilege, and we will allocate all remaining shares pro rata among all other Eligible Holders who exercised their oversubscription privileges on the same basis as described above. There is no oversubscription privilege in the par rights offering.

Although the discount rights offering and the par rights offering are being conducted concurrently, they are independent of one another. Therefore, to the extent you are eligible to receive and exercise discount rights and/or par rights, you may choose to exercise, as applicable, only discount rights, only par rights, both discount rights and par rights or no rights at all.

The rights expire at 5:00 p.m., New York City time, on March 31, 2008, unless the exercise period is extended. If you do not exercise your par rights or exercise or sell your discount rights, in each case, prior to their expiration, you will lose any value represented by those rights. You should carefully consider whether to exercise your par rights or exercise or sell your discount rights prior to the expiration of the applicable rights offering. If you decide to exercise any of your rights, you should carefully comply with the exercise procedures set forth in this prospectus. Additional information about the rights offerings may be found in this prospectus beginning on page 1 in the section entitled Questions and Answers About the Rights Offerings.

The rights offerings are being made to raise a portion of the funds necessary to consummate the Plan. If the Plan becomes effective, on the effective date of the Plan, all existing shares of our common stock, and any options, warrants, rights to purchase shares of our common stock or other equity securities (excluding the right to receive shares of common stock of reorganized Delphi as a result of the exercise of rights in the rights offerings) outstanding prior to the effective date of the Plan will be canceled, and on or shortly after the effective date of the Plan, reorganized Delphi will make the distributions provided for in the Plan, including issuing the shares of common stock of reorganized Delphi for which rights are exercised in the rights offerings.

During the discount rights offering and for the five trading days after the expiration date of the discount rights, this prospectus may also be used by each Investor (as defined below) (other than certain Investors, including Merrill (as defined below)), to offer and sell discount rights, common stock of reorganized Delphi issuable upon exercise of discount rights or common stock of reorganized Delphi issuable in connection with such Investor's backstop of the discount rights offering from time to time, as determined by such selling Investor. Such investors may effect sales of discount rights, common stock of reorganized Delphi issuable upon exercise of discount rights and common stock of reorganized Delphi issuable in connection with such Investor's backstop of the discount rights offering in the over-the-counter market or otherwise, at market prices, prices related to market prices or negotiated prices. In

effecting these transactions, each of such selling Investors may realize profits or losses independent of the compensation referred to under Plan of Distribution. Each of such selling Investors may also make sales of discount rights, common stock of reorganized Delphi issuable upon exercise of discount rights or common stock of reorganized Delphi issuable in connection with such Investor's backstop of the discount rights offering to dealers at prices which represent concessions from the prices at which discount rights or shares of common stock of reorganized Delphi are then trading in the market. The amount of these concessions, if any, will be determined from time to time by the particular selling Investor. Any discount rights or common stock so offered are offered subject to completion of the discount rights offering, to consummation of the Plan and issuance of the common stock by reorganized Delphi, and to such selling Investor's right to reject orders in whole or in part.

Exercising the rights and investing in the common stock of reorganized Delphi involve risks. We urge you to carefully read the Risk Factors section beginning on page 35 of this prospectus and in our Annual Report on Form 10-K for the year ended December 31, 2007, and all other information included or incorporated by reference in this prospectus in its entirety, before you decide whether or not to exercise your rights.

Total proceeds	\$ 2,867,404,174
Fees to Investors	\$ 39,375,000
Estimated offering expenses	\$ 6,067,592
Proceeds, after offering expenses, to us	\$ 2,821,961,582

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

The date of this prospectus is March 11, 2008.

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On October 8, 2005, we and certain of our U.S. subsidiaries filed voluntary petitions for reorganization relief under chapter 11 of the United States Bankruptcy Code (the Bankruptcy Code), and on October 14, 2005, three additional U.S. subsidiaries filed voluntary petitions for reorganization relief under chapter 11 of the Bankruptcy Code in the Bankruptcy Court. The Bankruptcy Court is jointly administering these cases as *In re Delphi Corporation, et al.*, Case No. 05-44481 (RDD). Our non-U.S. subsidiaries, which were not included in the filings, continue their business operations without supervision from the Bankruptcy Court, and are not subject to the requirements of the Bankruptcy Code.

On August 3, 2007, we executed an Equity Purchase and Commitment Agreement (as amended as of December 10, 2007, and as it may be further amended, modified or supplemented from time to time, the EPCA) with A-D Acquisition Holdings LLC (ADAH), which is an affiliate of Appaloosa Management, L.P. (Appaloosa), Harbinger Del-Auto Investment Company, Ltd., which is an affiliate of Harbinger Capital Partners Master Fund I, L.P. (Del-Auto), Merrill Lynch, Pierce, Fenner & Smith Incorporated (Merrill), UBS Securities LLC (UBS), Goldman, Sachs & Co. (Goldman), and Pardus DPH Holding LLC, which is an affiliate of Pardus Special Opportunities Master Fund L.P. (Pardus), pursuant to which, and on the terms and subject to the conditions set forth in the EPCA, which are more fully described under Certain Relationships and Related Transactions Equity Purchase and Commitment Agreement, ADAH, Del-Auto, Merrill, UBS, Goldman and Pardus (collectively, the Investors) would invest, assuming the full backstop commitment of the discount rights offering described below, \$2.55 billion in reorganized Delphi.

On September 6, 2007, we filed with the Bankruptcy Court our disclosure statement (as it may be amended, modified or supplemented from time to time, the Disclosure Statement) and the Plan. After a hearing on December 6 and 7, 2007, the Bankruptcy Court entered an order approving our first amended Disclosure Statement, which was filed with the Plan on December 10, 2007. The Plan provides for certain recoveries to our creditors and shareholders, including the rights offerings discussed herein.

On January 25, 2008, the Plan, as amended as of that date, was confirmed by the Bankruptcy Court. We will not emerge from bankruptcy unless and until the Plan becomes effective. **The rights offerings currently are scheduled to expire prior to the effective date of the Plan. We cannot assure you that the terms of the Plan will not change due to market conditions, the Bankruptcy Court's requirements, or otherwise after the expiration of either or both of the rights offerings. You will have the right to withdraw your exercise of par rights or discount rights until the withdrawal deadline for the applicable rights offering. You will have no right to withdraw your exercise of par rights or discount rights after the withdrawal deadline for the applicable rights offering, except as set forth in the following sentence.** We intend to provide you with the right to withdraw your previous exercise of rights after the applicable withdrawal deadline only if there are changes to the Plan after the withdrawal deadline that the Bankruptcy Court determines are materially adverse to the holders of the par rights or the discount rights, as the case may be, and the Bankruptcy Court requires resolicitation of votes under section 1126 of the Bankruptcy Code or an opportunity to change previously cast acceptances or rejections of the Plan. If you withdraw your exercise of rights under such circumstances and in accordance with the withdrawal procedures described in this prospectus, we will return to you your exercise payments with respect to any rights so withdrawn, without interest. If (1) we provide rights holders with the aforementioned withdrawal rights and (2) either (a) we and the Investors have not entered into an amendment to the EPCA providing that the Investors' backstop commitment applies to any discount rights that are so withdrawn, or (b) we have not otherwise established funding for the Plan, then we may terminate the rights offerings, and, under such circumstances, the Plan that includes the rights offerings described in this prospectus may not become effective. If you so withdraw your rights, we will return to you your exercise payments, without interest. We can give no assurance, however, that if we grant withdrawal rights to holders that we and the Investors will enter into an amendment to the EPCA or that we will otherwise establish funding for the Plan as described above. In addition, if the EPCA otherwise terminates after the expiration date, then we may terminate the rights offerings, the Plan that includes

the rights offerings described in this prospectus may not become effective, and, if we terminate the rights offerings, we will return to you your exercise payments, without interest. If we terminate the rights offerings before the rights expire, we expect that the rights agent will return to you your exercise payments, without interest, within ten business days from the termination of the rights offerings. In the event the rights offerings expire but we and Investors extend the deadline for effectiveness of the Plan, we may retain your exercise payments for an indefinite period of time.

Even if rights are exercised in the rights offerings, we will not issue shares of common stock of reorganized Delphi for which those rights are exercised unless and until the Plan becomes effective.

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Effectiveness of the Plan is subject to a number of conditions, including the completion of the transactions contemplated by the EPCA (which includes the Investors' backstop of the discount rights offering), the entry of certain orders by the Bankruptcy Court and the obtaining of necessary exit financing. We are currently seeking \$6.1 billion of exit financing, an amount that is consistent with the confirmation order of the Plan. See Description of Proposed Exit Financing. The transactions contemplated by the EPCA also are subject to a number of conditions which are more fully described under Certain Relationships and Related Transactions Equity Purchase and Commitment Agreement. There can be no assurances that such exit financing will be obtained (or, if obtained, the terms thereof) or such other conditions will be satisfied, and we cannot assure you that the Plan will become effective on the terms described in this prospectus or at all.

Pursuant to the Plan, on or as soon as practicable after the effective date of the Plan, there will be outstanding up to 160,124,155 shares of common stock of reorganized Delphi. The 160,124,155 share figure assumes (1) conversion of up to 35,381,155 shares of Convertible Preferred Stock (as defined under Description of Capital Stock Preferred Stock) (which are convertible at any time into shares of common stock of reorganized Delphi, initially on a one-for-one basis) that may be issued under the Plan (assuming the issuance of 16,508,176 shares of Series C Convertible Preferred Stock to General Motors (GM) under the Plan), (2) no exercise of par rights and exercise in full of discount rights (or the Investors' backstop commitment of the discount rights offering), and (3) exercise in full of the six-month warrants, seven-year warrants and ten-year warrants (collectively, the Warrants) to be issued pursuant to the Plan, which initially will be exercisable to purchase up to a total of 25,113,275 shares of common stock of reorganized Delphi. The 160,124,155 share figure also assumes that 17,237,418 shares of common stock of reorganized Delphi are issued to creditors in respect of their Trade and Other Unsecured Claims (as defined in the Plan) in an aggregate amount of approximately \$1.31 billion, which number of shares is subject to upward or downward adjustment depending on the value of those claims and is further estimated based on our assumptions regarding, among other things, allowed accrued post-petition interest. Assumptions made with respect to the exercise of rights and warrants and the conversion of convertible securities for the purposes of this paragraph differ from the assumptions set forth under Unaudited Pro Forma Condensed Consolidated Financial Information. See Use of Proceeds and Capitalization.

We will receive gross proceeds of up to approximately \$2.9 billion from the rights offerings (assuming that all par rights are exercised) before deducting fees, including the Investors' backstop commitment fee, and expenses related to the rights offerings. We will receive gross proceeds of up to approximately \$1.6 billion from the sale of shares of common stock of reorganized Delphi in connection with the discount rights offering (before deducting fees, including the Investors' backstop commitment fee, and expenses related to the discount rights offering), regardless of the number of discount rights exercised, as a result of the backstop commitment of the Investors described below. The net proceeds from the discount rights offering will be used to make payments and distributions contemplated by the Plan and for general corporate purposes. If any shares of common stock of reorganized Delphi are purchased pursuant to the exercise of the oversubscription privilege in the discount rights offering, we will receive additional gross proceeds of \$0.25 per share of common stock purchased pursuant to the oversubscription privilege, which additional proceeds will be distributed pro rata to Eligible Holders that did not exercise or transfer any of their discount rights in the discount rights offering based on the ultimate allowed amount of each such holder's Eligible Claim.

We will receive gross proceeds of up to approximately \$1.3 billion from the sale of shares of common stock of reorganized Delphi in connection with the par rights offering (assuming that all par rights are exercised) before deducting fees and expenses related to the par rights offering. The net proceeds from the par rights offering will be used to satisfy certain liquidity requirements, to satisfy certain claims of our unions, to reduce the amount of preferred stock distributed to GM and to partially satisfy certain claims of certain unsecured creditors as described under Use of Proceeds. If fewer than all of the par rights are exercised in the par rights offering, the shares of common stock of reorganized Delphi offered in the par rights offering that are not purchased pursuant to the exercise of par rights will be distributed to certain of our creditors in partial satisfaction of certain of their claims (or, in the case of GM, as

shares of Series C Convertible Preferred Stock issued to GM under the Plan).

We intend to use the net proceeds from the rights offerings and the \$975 million from the additional equity investments in reorganized Delphi by the Investors as described below, together with borrowings under our exit financing, to the extent obtained, if at all, to make payments and distributions contemplated by the Plan and for general corporate purposes. See Use of Proceeds.

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The Investors have agreed to backstop the discount rights offering, on the terms and subject to the conditions of the EPCA, by purchasing from us, on the effective date of the Plan for the \$38.39 in cash per full share basic subscription privilege exercise price, any shares of common stock of reorganized Delphi being offered in the discount rights offering that are not purchased pursuant to the exercise of discount rights. The backstop commitment of the Investors does not apply to the par rights offering. In addition, on the terms and subject to the conditions of the EPCA, the Investors have agreed to make additional equity investments in reorganized Delphi by purchasing \$800 million of Senior Convertible Preferred Stock (as defined under Description of Capital Stock Preferred Stock) and an additional \$175 million of common stock of reorganized Delphi for \$38.39 in cash per share on the effective date of the Plan, for total equity investments in reorganized Delphi, assuming the full backstop commitment, of \$2.55 billion. The Investors' backstop commitment and commitment to make the additional equity investments are subject to the satisfaction of the conditions set forth in the EPCA, as described under Certain Relationships and Related Transactions Equity Purchase and Commitment Agreement. We have paid the Investors aggregate fees of \$63 million for their equity commitments and arrangement services, of which approximately \$39 million relates to the backstop commitment of the discount rights offering and \$18 million relates to the commitment to purchase the additional \$175 million of common stock of reorganized Delphi. As of March 10, 2008, based on their most recently filed Schedules 13D or Form 4, as the case may be, the Investors and their affiliates beneficially owned a total of 125,739,448 shares, or 22.3%, of our outstanding common stock.

Pursuant to the Plan, Appaloosa has agreed not to participate in the par rights offering, and par rights that would otherwise have been distributed to Appaloosa will be instead distributed to the other holders of record of our common stock as of the record date for the rights offerings.

On the effective date of the Plan, following the cancellation of all existing shares of our common stock and all of our other existing equity securities outstanding prior to the effective date of the Plan and following the funding of the Investors' equity commitments, each of ADAH, Del-Auto, Merrill, UBS, Goldman and Pardus and their respective affiliates would beneficially own¹ either (1) assuming the original rights holders exercise all of their rights in the rights offerings and each Investor purchases no shares of common stock pursuant to its backstop commitment in the discount rights offering, a total of 14,438,623, 5,031,776, 1,607,481, 1,612,167, 3,452,693 and 8,041,408 shares, respectively, or 10.7%, 3.7%, 1.2%, 1.2%, 2.6% and 6.0%, respectively, of the outstanding common stock of reorganized Delphi, or (2) assuming rights holders (other than the Plan Investors and their affiliates) exercise no rights in the rights offerings and each Investor purchases the full amount of its backstop commitment in the discount rights offering, a total of 16,829,014, 10,150,735, 2,013,967, 2,018,653, 10,894,441 and 12,835,849 shares, respectively, or 12.5%, 7.5%, 1.5%, 1.5%, 8.1%, 9.5%, respectively, of the outstanding common stock of reorganized Delphi, in each case assuming (i) conversion of all of the Investors' shares of Senior Convertible Preferred Stock and taking into account shares of common stock of reorganized Delphi received by certain Investors and their affiliates in their capacity as stockholders and creditors of Delphi pursuant to the Plan (assuming the exercise in full by the Investors of their basic subscription privileges in the discount rights offering), (ii) no exercise of par rights, (iii) no exercise of Warrants, (iv) 17,237,418 shares of common stock of reorganized Delphi are issued to creditors in respect of their Trade and Other Unsecured Claims in an aggregate amount of approximately \$1.31 billion and (v) 16,508,176 shares of Series C Convertible Preferred Stock are issued to GM (and are converted into shares of common stock of reorganized Delphi, initially on a one-for-one basis). References to the number of shares and percentage ownership are further estimated based on our assumptions regarding, among other things, allowed accrued post-petition interest. The Investors are not obligated to backstop the discount rights offering unless certain conditions are satisfied under the EPCA. Assumptions made with respect to the exercise of rights and warrants and the conversion of convertible securities for the purposes of this paragraph differ from the assumptions used elsewhere in this prospectus in stating the maximum number of shares of reorganized Delphi common stock outstanding on, or as promptly as practicable after, the effective date of the Plan and from those set forth under Unaudited Pro Forma Condensed Consolidated

¹ The projected percentage ownership of each of the Investors and their affiliates does not reflect all of the shares to be received by certain affiliates of the Investors as a result of claims such affiliates may beneficially own or discount rights such affiliates may exercise. Because of the EPCA, the Investors have separately filed Schedule 13Ds which state that they may be deemed to beneficially own the shares of our common stock beneficially owned by the other Investors. However, we have been advised by the Investors that following our emergence from bankruptcy, they believe that each Investor will no longer be deemed to beneficially own any shares of common stock held by another Investor. Except where specifically stated otherwise, each Investor's projected ownership percentage is being reported separately in this prospectus.

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Financial Information. The Investors have the ability under the EPCA, prior to the date that the registration statement of which this prospectus forms a part is declared effective under the Securities Act, to arrange for a limited number of additional investors to whom the Investors may sell, in accordance with the EPCA and applicable securities laws, any shares of common stock of reorganized Delphi that they purchase pursuant to the Plan and the EPCA. Some of the Investors have informed us that they have arranged or intend to arrange for such sales to additional investors. The amount and percentage of shares to be owned by the Investors gives effect to the expected sale of shares of common stock of reorganized Delphi to such additional investors. For the number of shares that each Investor has informed us that it expects to sell to such additional investors, see Effects of the Rights Offering on the Investors and GM's Ownership. Such sales to additional investors may be made by the Investors directly to such additional investors, or may be made by Delphi directly to such additional investors, and may substantially decrease the Investors' ownership percentage in reorganized Delphi. The additional investors will have the rights of the Investors from whom they purchase common stock of reorganized Delphi under the registration rights agreement described below. See Use of Proceeds, Capitalization, Effects of the Rights Offerings on the Investors' Ownership and Certain Relationships and Related Transactions Registration Rights Agreement.

The ownership percentages and number of outstanding shares of reorganized Delphi common stock set forth in this prospectus assume that 16,508,176 shares of Series C Convertible Preferred Stock are issued to GM under the Plan. However, to the extent that any par rights are exercised in the par rights offering, the gross proceeds generated from the exercise of par rights will be distributed in the order described under Use of Proceeds and, to the extent that GM receives a cash distribution from such proceeds, the number of shares of Series C Convertible Preferred Stock that would be issued to GM will be reduced by one share for each \$59.61 of such cash distribution. In addition, pursuant to the terms of the Series C Convertible Preferred Stock, we are required to redeem up to \$1 billion of outstanding shares of Series C Convertible Preferred Stock at an initial redemption price of \$65.00 per share to the extent of any proceeds we receive from exercise of the six-month warrants.

Additional information about the rights offerings may be found in this prospectus beginning on page 1 in the section entitled Questions and Answers About the Rights Offerings.

We intend to apply to list the common stock of reorganized Delphi on the New York Stock Exchange or, if approved by ADAH, the Nasdaq Global Select Market, if and when we meet the respective listing requirements. There can be no assurances, however, that we will meet the respective listing requirements on the effective date of the Plan or at any time thereafter. Therefore, the shares of common stock of reorganized Delphi may not be listed or quoted on the New York Stock Exchange, the Nasdaq Global Select Market or any other securities exchange or quotation system at the time they are issued on the effective date of the Plan. Although we have an obligation under the EPCA to use our commercially reasonable efforts to list the shares of common stock of reorganized Delphi on the New York Stock Exchange or, if approved by ADAH, the Nasdaq Global Select Market, we cannot assure you that the common stock of reorganized Delphi will ever be listed on the New York Stock Exchange, the Nasdaq Global Select Market or any other securities exchange or quotation system. The rights will not be listed on any securities exchange or quoted on any automated quotation system. Our common stock currently is quoted on the Pink Sheets LLC (the Pink Sheets) under the symbol DPHIQ. The last reported sale price of our common stock on the Pink Sheets on March 7, 2008, was \$0.16 per share.

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In this prospectus, Delphi, the company, we, us and our refer to Delphi Corporation, a Delaware corporation. We sometimes in this prospectus refer to Delphi, with respect to dates on and after the effective date of the Plan, as reorganized Delphi, and, accordingly, the foregoing terms, when used as of and after the effective date of the Plan, refer to reorganized Delphi.

The descriptions and disclosure in this prospectus with respect to reorganized Delphi assume that the Plan becomes effective on the terms confirmed by the Bankruptcy Court. The effectiveness of the Plan is not scheduled to occur until after the expiration of the rights offerings. We cannot assure you that the terms of the Plan will not change due to market conditions, the Bankruptcy Court's requirements, or otherwise after the expiration of either or both of the rights offerings. Moreover, the effectiveness of the Plan is subject to a number of conditions, including the completion of the transactions contemplated by the EPCA, the entry of certain orders by the Bankruptcy Court and the obtaining of necessary exit financing. We are currently seeking \$6.1 billion of exit financing, an amount that is consistent with the confirmation order of the Plan. There can be no assurances that such exit financing will be obtained (or, if obtained, the terms thereof) or such other conditions will be satisfied, and we cannot assure you that the Plan will become effective on the terms described in this prospectus or at all.

References in this prospectus to our capital stock, when used with respect to dates on and after the effective date of the Plan, refer to the capital stock of reorganized Delphi. On the effective date of the Plan, all existing shares of our common stock, and any options, warrants, rights to purchase shares of our common stock or other equity securities (excluding the right to receive shares of common stock of reorganized Delphi as a result of the exercise of rights in the rights offerings) outstanding prior to the effective date of the Plan will be canceled.

We are distributing the rights and offering the underlying shares of common stock of reorganized Delphi directly to you. We have not employed any brokers, dealers or underwriters in connection with the solicitation or exercise of rights in the rights offerings, and no commissions, fees or discounts will be paid in connection with the rights offerings. Computershare Trust Company, N.A. is acting as rights agent for the rights offerings, and Georgeson Inc. is acting as information agent for the rights offerings. Although some of our directors, officers and other employees may solicit responses from you, those directors, officers and other employees will not receive any commissions or compensation for their services other than their normal compensation.

As permitted under the rules of the Securities and Exchange Commission (the SEC), this prospectus incorporates important business information about us that is contained in documents that we file with the SEC but that are not included in or delivered with this prospectus. You may obtain copies of these documents, without charge, from the website maintained by the SEC at www.sec.gov, as well as from Delphi. See **Incorporation By Reference and **Where You Can Find More Information**.**

You should rely only on the information contained or incorporated by reference in this prospectus or any supplement to this prospectus. We have not authorized anyone to provide you with different information. These securities are not being offered in any state where the offer is not permitted. You should not assume that the information in this prospectus is accurate as of any date other than the date on the front of this prospectus, and you should assume that any information incorporated by reference is accurate only as of the date of the document incorporated by reference, regardless of the time of delivery of this prospectus or of any sale of the common stock of reorganized Delphi.

INCORPORATION BY REFERENCE

The SEC allows us to incorporate by reference the information that we file with it, which means that we can disclose important information to you by referring you to those documents already on file. The information incorporated by

reference is an important part of this prospectus. We incorporate by reference the documents listed below:

Annual Report on Form 10-K for the year ended December 31, 2007; and

Current Reports on Form 8-K filed January 9, 2008, January 15, 2008, January 30, 2008 (as modified by the Form 8-K/A filed February 20, 2008), February 26, 2008, February 29, 2008 and March 5, 2008.

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Notwithstanding the foregoing, information furnished under Items 2.02 and 7.01 of any Current Report on Form 8-K, including the related exhibits under Item 9.01, is not incorporated by reference in this prospectus.

We will provide to each person, including any beneficial owner of our common stock or other securities, to whom a prospectus is delivered, a copy of any or all of the reports or documents that have been incorporated by reference in this prospectus but not delivered with this prospectus. You may request a copy of these reports or documents at no cost, by writing or telephoning us at:

Delphi Corporation
5725 Delphi Drive
Troy, Michigan 48098
Telephone: (248) 813-2000
Attention: Investor Relations

These reports and documents also may be accessed through our Internet website at www.delphi.com. Our website, and the information contained in, accessible from or connected to our website, shall not be deemed to be incorporated into, or otherwise constitute a part of, this prospectus.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document that we file with the SEC at the Public Reference Room of the SEC at 100 F Street N.E., Washington, DC 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet website at www.sec.gov that contains reports, proxy statements and other information that we file electronically with the SEC.

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the Warrants, the shares underlying the Warrants, the rights offerings and the shares underlying the rights. This prospectus does not contain all of the information set forth in the registration statement and its exhibits. Statements made by us in this prospectus as to the contents of any contract, agreement or other document referred to in this prospectus are not necessarily complete. For a more complete description of these contracts, agreements and other documents, you should carefully read the exhibits to the registration statement and the documents that we refer to above under the caption Incorporation by Reference.

None of the Plan, the Disclosure Statement, any other filings by Delphi with the Bankruptcy Court, nor any Schedule 13D or amendment thereto or any other filing by any Investor shall be deemed to be incorporated into, or otherwise constitute a part of, this prospectus.

FOR RESIDENTS OF INDIANA, OHIO, PENNSYLVANIA, UTAH AND TEXAS ONLY

WE HAVE ENGAGED GEORGESON SECURITIES CORPORATION TO ASSIST US IN THE DISCOUNT RIGHTS OFFERING AND THE PAR RIGHTS OFFERING AS AN ACCOMMODATING BROKER IN INDIANA, OHIO, PENNSYLVANIA AND UTAH, AND IN THE DISCOUNT RIGHTS OFFERING AS AN ACCOMMODATING BROKER IN TEXAS TO PERSONS WHO ARE ENTITLED TO EXERCISE DISCOUNT RIGHTS IN TEXAS. SEE FOR TEXAS RESIDENTS ONLY BELOW. IN SUCH STATES, APPLICABLE STATE SECURITIES LAWS REQUIRE SUCH OFFERINGS TO BE MADE BY A REGISTERED BROKER-DEALER.

GEORGESON SECURITIES CORPORATION IS A REGISTERED BROKER-DEALER IN ALL FIFTY STATES. GEORGESON SECURITIES CORPORATION IS NOT UNDERWRITING THE RIGHTS OFFERINGS, HAS NO OBLIGATION TO PURCHASE ANY RIGHTS OR SHARES OF COMMON STOCK OF REORGANIZED DELPHI AND IS NOT OBLIGATED TO FIND OR QUALIFY ANY PURCHASERS OF THE RIGHTS OR THE SHARES OF COMMON STOCK OF REORGANIZED DELPHI. GEORGESON SECURITIES CORPORATION HAS NOT PREPARED A REPORT OR OPINION CONSTITUTING RECOMMENDATIONS OR ADVICE TO US IN CONNECTION WITH EITHER OF THE RIGHTS OFFERINGS. IN ADDITION, GEORGESON SECURITIES CORPORATION HAS

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EXPRESSED NO OPINION AS TO THE FAIRNESS OF THE EXERCISE PRICE, THE TERMS OR STRUCTURE OF THE RIGHTS OFFERINGS OR THE PRICES AT WHICH THE COMMON STOCK OF REORGANIZED DELPHI MAY TRADE AFTER ISSUANCE. GEORGESON SECURITIES CORPORATION DOES NOT MAKE ANY RECOMMENDATIONS AS TO WHETHER ANY RIGHTS HOLDER SHOULD EXERCISE OR TRANSFER ITS RIGHTS.

FOR TEXAS RESIDENTS ONLY

WE HAVE RECEIVED QUALIFICATION OF THE RIGHTS OFFERINGS FROM ALL REQUIRED STATE SECURITIES COMMISSIONS, EXCEPT WITH RESPECT TO THE DISCOUNT RIGHTS OFFERING IN TEXAS. AS A RESULT, IF YOU ARE A RESIDENT OF, OR HAVE YOUR PRINCIPAL PLACE OF BUSINESS IN, TEXAS, YOU WILL BE ENTITLED TO EXERCISE OR TRANSFER DISCOUNT RIGHTS ONLY IF YOU CERTIFY TO THE RIGHTS AGENT THAT YOU ARE ONE OF THE FOLLOWING:

(I) AN EXISTING SECURITY HOLDER OF DELPHI,

(II) AN ACCREDITED INVESTOR (AS DEFINED IN RULE 501(a)(1)-(4), (7) AND (8) UNDER THE SECURITIES ACT), EXCLUDING ANY SELF-DIRECTED EMPLOYEE BENEFIT PLAN WITH INVESTMENT DECISIONS MADE SOLELY BY PERSONS THAT ARE ACCREDITED INVESTORS (AS DEFINED IN RULE 501(a)(5)-(6) UNDER THE SECURITIES ACT),

(III) A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT),

(IV) A CORPORATION, PARTNERSHIP, TRUST, ESTATE OR OTHER ENTITY (EXCLUDING INDIVIDUALS) HAVING A NET WORTH OF NOT LESS THAN \$5 MILLION OR A WHOLLY OWNED SUBSIDIARY OF SUCH ENTITY, AS LONG AS THE ENTITY WAS NOT FORMED FOR THE PURPOSE OF ACQUIRING THE RIGHTS AND THE UNDERLYING SHARES OF COMMON STOCK OF REORGANIZED DELPHI, OR

(V) ANOTHER EXEMPT PERSON UNDER THE TEXAS STATE SECURITIES LAWS.

WE AND THE RIGHTS AGENT, AS APPLICABLE, HAVE THE DISCRETION TO DELAY OR TO REFUSE TO DISTRIBUTE ANY SHARES YOU MAY ELECT TO PURCHASE THROUGH THE EXERCISE OF DISCOUNT RIGHTS IF WE DEEM IT NECESSARY TO COMPLY WITH TEXAS STATE SECURITIES OR BLUE SKY LAWS.

**FOR ALL HOLDERS OF DISCOUNT RIGHTS
WHO DESIRE TO TRANSFER DISCOUNT RIGHTS TO A RESIDENT OF TEXAS**

A HOLDER OF DISCOUNT RIGHTS MAY TRANSFER DISCOUNT RIGHTS TO A PERSON OR ENTITY THAT IS A RESIDENT OF, OR HAS ITS PRINCIPAL PLACE OF BUSINESS IN, TEXAS ONLY IF THE TRANSFEROR OR THE TRANSFEREE CERTIFIES TO THE RIGHTS AGENT THAT THE TRANSFEREE IS ONE OF THE SPECIFIED PERSONS LISTED IN CLAUSES (I) THROUGH (V) ABOVE UNDER **FOR TEXAS RESIDENTS ONLY.**

WE AND THE RIGHTS AGENT, AS APPLICABLE, HAVE THE DISCRETION TO DELAY OR TO REFUSE TO EFFECT ANY TRANSFER OF DISCOUNT RIGHTS IF WE DEEM IT NECESSARY TO

COMPLY WITH TEXAS STATE SECURITIES OR BLUE SKY LAWS.

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QUESTIONS AND ANSWERS ABOUT THE RIGHTS OFFERINGS

The following are examples of what we anticipate will be common questions about the rights offerings. The answers are based on selected information from this prospectus and the documents incorporated by reference herein. The following questions and answers do not contain all of the information that is important to you and may not address all of the questions that you may have about the rights offerings. This prospectus and the documents incorporated by reference herein contain more detailed descriptions of the terms and conditions of the rights offerings and provides additional information about us and our business, including potential risks related to the rights offering, the common stock of reorganized Delphi, our reorganization and our business.

Exercising the rights and investing in the common stock of reorganized Delphi involves risks. We urge you to carefully read the Risk Factors sections beginning on page 35 of this prospectus and in our Annual Report on Form 10-K for the year ended December 31, 2007, and all other information included or incorporated by reference in this prospectus in its entirety, before you decide whether or not to exercise rights.

Overview of Rights Offerings

Q: What are the rights offerings?

A: We are concurrently conducting two rights offerings: (1) a discount rights offering and (2) a par rights offering.

Q: What is the discount rights offering and who is eligible to participate?

A: The discount rights offering is the issuance to Eligible Holders (as defined below), at no charge (except as described below), of transferable rights (the discount rights) to purchase up to a total of 41,026,309 shares of common stock of reorganized Delphi. Each Eligible Holder will receive, for each \$99.07 of such Eligible Holder's Eligible Claim (as defined below), one discount right.

An Eligible Holder means the holder of an Eligible Claim as of 5:00 p.m., New York City time, on January 17, 2008, the date on which the confirmation hearing with respect to the Plan commenced before the Bankruptcy Court, or a transferee receiving such holder's discount rights. An Eligible Claim means (i) a General Unsecured Claim, a Section 510(b) Note Claim, a Section 510(b) Equity Claim or a Section 510(b) ERISA Claim, as such terms are defined in the Plan, in each case that has been allowed or reconciled by Delphi by the date of commencement of the confirmation hearing with respect to the Plan, and with respect to General Unsecured Claims, as may also be adjusted for cure amounts resulting from certain Bankruptcy Court orders entered on February 27, 2008, or (ii) a General Unsecured Claim that has not been allowed, disallowed or reconciled by the date of commencement of the confirmation hearing with respect to the Plan but that has been provisionally allowed or estimated solely for purposes of participation in the discount rights offering in the respective amounts ordered by the Bankruptcy Court on January 25, 2008 and in certain cases, as may be adjusted for cure amounts resulting from Bankruptcy Court orders entered on February 27, 2008. To the extent that the provisional allowance or estimation results in a particular Eligible Holder receiving more discount rights than such Eligible Holder should have received based on the ultimate allowed amount of such claim and such discount rights are transferred or exercised (the excess discount rights), then, in Delphi's sole discretion, (a) Delphi will be authorized but not required to withhold an amount of common stock of reorganized Delphi (at a value of \$59.61 per share) equal to the value of such excess discount rights (at a value of \$21.22 per right, which equals the difference between the exercise price of the discount rights and the Plan value of \$59.61 per share of common stock) from the ultimate distribution to such Eligible Holder or (b) to the extent the value of such direct grant of common stock of reorganized Delphi is less than

the value of the excess discount rights, and Delphi elects to pursue such payment in its sole discretion, such Eligible Holder will be required to remit payment to Delphi in an amount equal to the value of such excess discount rights in excess of the value of the common stock of reorganized Delphi withheld under (a). To the extent that the provisional allowance or estimation results in a particular Eligible Holder receiving fewer discount rights than such Eligible Holder should have received

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based on the ultimate allowed amount of such claim, no subsequent adjustment will be made in respect of such Eligible Holder's Eligible Claim.

If you are a resident of, or have your principal place of business in, Texas, you will be entitled to exercise or transfer discount rights only if you certify to the rights agent that you are within one of specified categories of persons under Texas state securities laws. See *For Texas Residents Only* on page v of this prospectus and *Other than complying with the exercise procedures described above and paying the exercise price, are there any other conditions to my exercise of rights?* below.

In addition, regardless of your residence or principal place of business, if you desire to transfer discount rights to a person or entity that is a resident of, or has its principal place of business in, Texas, as a condition to that transfer, you or the proposed transferee must certify to the rights agent that the proposed transferee is within one of specified categories of persons under Texas state securities law. See *For All Holders of Discount Rights Who Desire to Transfer Discount Rights to a Resident of Texas* on page v of this prospectus and *May I transfer my rights if I do not want to purchase any shares?* below.

Q: What is the par rights offering and who is eligible to participate?

A: The par rights offering is a distribution to holders of our common stock, at no charge, of nontransferable rights (the *par rights*) to purchase up to a total of 21,680,996 shares of common stock of reorganized Delphi. Each holder of our common stock will receive one par right for each 26 shares of our common stock owned of record at 5:00 p.m., New York City time, on January 17, 2008, the date on which the confirmation hearing with respect to the Plan commenced before the Bankruptcy Court.

Q: What is a right?

A: We are distributing two types of rights: *discount rights* and *par rights*.

Each discount right carries with it a *basic subscription privilege* and an *oversubscription privilege*. The *basic subscription privilege* entitles each Eligible Holder to purchase one share of common stock of reorganized Delphi for \$38.39 in cash per full share. The *oversubscription privilege* entitles each Eligible Holder who fully exercises its *basic subscription privilege* to subscribe for additional shares of common stock of reorganized Delphi at an exercise price of \$38.64 in cash per full share to that extent that any shares are not purchased by other Eligible Holders under their *basic subscription privileges* as of the expiration date of the discount rights offering. If an insufficient number of shares are available to fully satisfy *oversubscription privilege* requests, the available shares, if any, will be allocated pro rata among Eligible Holders who exercised their *oversubscription privilege* based upon the number of shares each oversubscribing Eligible Holder subscribed for under its *basic subscription privilege*. If there is a pro rata allocation of the remaining shares and an Eligible Holder receives an allocation of a greater number of shares than it subscribed for under its *oversubscription privilege*, then we will allocate to such Eligible Holder only the number of shares for which it subscribed under its *oversubscription privilege*, and we will allocate all remaining shares pro rata among all other Eligible Holders who exercised their *oversubscription privileges* on the same basis as described above.

Each *par right* entitles the holder to purchase one share of common stock of reorganized Delphi for \$59.61 in cash per full share. There is no *oversubscription privilege* in the *par rights* offering.

We will not issue fractional *par rights*, however, we will issue fractional discount rights. Because fractional *par rights* will not be issued in the *par rights* offering, and cash will not be paid in lieu of fractional *par rights* in the *par rights* offering, you will need to hold at least 26 shares of common stock in order to receive one

par right. If you hold fewer than 26 shares of common stock, you will not receive any par rights. Otherwise, the number of par rights that you receive will be rounded to the nearest whole number, with such adjustments as we may determine in our sole discretion are necessary so that we offer 21,680,996 shares of common stock of reorganized Delphi in the par rights offering.

A fractional discount right will not be exercisable unless it is aggregated with other fractional discount rights so that when exercised, in the aggregate, such fractional discount rights result in the purchase of a whole share of common stock of reorganized Delphi. In other words, fractional discount rights cannot be

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exercised for fractional shares of common stock of reorganized Delphi and must be combined so that reorganized Delphi issues only whole shares of common stock. Accordingly, if you hold fractional discount rights, you will lose any value represented by those fractional discount rights unless you sell them or you purchase from another Eligible Holder a sufficient amount of fractional discount rights to acquire upon exercise a whole share of common stock of reorganized Delphi.

Although the discount rights offering and the par rights offering are being conducted concurrently, they are independent of one another. Therefore, to the extent you are eligible to receive and exercise discount rights and/or par rights you may choose to exercise, as applicable, only discount rights, only par rights, both discount rights and par rights or no rights at all.

Q: What is the purpose of the rights offerings?

A: On October 8, 2005, we and certain of our U.S. subsidiaries filed voluntary petitions for reorganization relief under chapter 11 of the Bankruptcy Code, and on October 14, 2005, three additional U.S. subsidiaries filed voluntary petitions for reorganization relief under the Bankruptcy Code in the Bankruptcy Court. On January 25, 2008, the Bankruptcy Court confirmed the Plan. The rights offerings are being made to raise a portion of the funds necessary to consummate the Plan.

Q: How will you use the proceeds from the rights offerings?

A: We will receive total gross proceeds of up to approximately \$2.9 billion from the rights offerings (assuming that all par rights are exercised), before deducting fees, including the Investors' backstop commitment fee, and expenses related to the rights offerings. The gross proceeds from the discount rights offering (including proceeds of any shares of common stock purchased by the Investors pursuant to their backstop commitment) will be up to approximately \$1.6 billion, before deducting the \$39 million backstop commitment fee paid to the Investors, and the gross proceeds from the par rights offering (assuming that all par rights are exercised) will be up to approximately \$1.3 billion, in each case, before deducting approximately \$6.1 million of expenses relating to the rights offerings. If any shares of common stock of reorganized Delphi are purchased pursuant to the exercise of the oversubscription privilege in the discount rights offering, we will receive additional gross proceeds of \$0.25 per share of common stock purchased pursuant to the oversubscription privilege, which additional proceeds will be distributed pro rata to Eligible Holders that did not exercise or transfer any of their discount rights in the discount rights offering based on the ultimate allowed amount of each such holder's Eligible Claim.

We intend to use the net proceeds from the rights offerings and the \$975 million from the additional equity investments in reorganized Delphi by the Investors (after deducting the \$18 million preferred stock commitment fee paid to the Investors and the \$6 million arrangement fee paid to ADAH), together with borrowings under our exit financing, to the extent obtained, if at all, to make payments and distributions contemplated by the Plan and for general corporate purposes. The net proceeds from the discount rights offering will be used for general corporate purposes, and the net proceeds from the par rights offering will be used to satisfy certain liquidity requirements, to satisfy certain claims of our unions, to reduce the amount of preferred stock distributed to GM and to partially satisfy certain claims of certain unsecured creditors as described under Use of Proceeds. The backstop commitment of the Investors does not apply to the par rights offering. If fewer than all of the par rights are exercised in the par rights offering, the shares of common stock of reorganized Delphi offered in the par rights offering that are not purchased pursuant to the exercise of par rights will be issued to certain of our creditors in partial satisfaction of certain of their claims (or, in the case of GM, as shares of Series C Convertible Preferred Stock issued to GM under the Plan). See Use of Proceeds for a description of the application of the proceeds of the rights offerings.