



FOR IMMEDIATE RELEASE

**Fallbrook Technologies Inc. Accelerates Growth with New Financing Facility
from Kayne Anderson Capital Advisors**

*-- Continues Transforming Gears into Spheres with Its Unique
NuVinci® Continuously Variable Transmission CVP Technology --*

CEDAR PARK, Texas, February 2, 2015 – Fallbrook Technologies Inc. (Fallbrook), inventor of the NuVinci® continuously variable planetary (CVP) transmission technology, announced today that it has successfully closed a refinancing of its previous \$25 million debt facility with a new facility arranged through Kayne Anderson Capital Advisors, L.P.'s Middle Market Credit group (Kayne Anderson). Not only does the Kayne Anderson facility offer Fallbrook more attractive capital than the Company's previous facility, but it also contains a commitment for Fallbrook to draw up to \$10 million of additional capital at Fallbrook's option.

"We're very pleased to be working with Kayne Anderson," stated William G. Klehm III, Fallbrook's Chairman and CEO. "Kayne Anderson is a leading and highly selective investment firm, and this transaction supports the growth we are seeing in our business from strong market demand for our proprietary NuVinci technology."

Ed Cerny, a managing partner of Kayne Anderson's middle market credit activities, commented: "We are excited to provide Fallbrook with capital and backing as the company increases commercialization of NuVinci technology in existing fields of use and makes headway within new fields of use. We spoke with many existing and aspiring licensees of NuVinci technology during our due diligence process and universally heard that not only is this technology already making a big difference where it is being used today, but also that it literally has the ability to forever change the future of energy transmission. Perhaps most excitingly, to date Fallbrook has only scratched the surface in terms of the broad applicability of this technology."

Cerny further observed, "Fallbrook's existing base of IP is extensive, providing highly attractive royalty opportunities, and the company's uniquely cooperative technology sharing ecosystem enables solid, ongoing research and development via its licensee community and grant-back arrangements."

"For more than 2500 years, 'gear' technology has remained largely unchanged," Klehm noted. "Our unique NuVinci technology is now changing all that. Not surprisingly, Fallbrook's licensees are making very good progress toward commercialization. Dana Holding Corporation recently publicly reported the very impressive results of ongoing field tests of Dana's VariGlide™ technology, which is being developed through an exclusive license with Fallbrook." (Note: Dana's January 23, 2015 press release is available on the Dana Holding Company website at <http://dana.mediaroom.com>.)

Also, according to Klehm, Fallbrook's Bicycle Division had revenue growth of 35% year over year in 2014, and the NuVinci Optimized™ N360™ continuously variable bicycle transmission and Harmony intelligent auto-shifting system for bicycles have together achieved more than an estimated 30% market share in the luxury eBike segment in Europe, with an increasing presence in other areas within the rapidly growing European eBike market. This strong consumer interest has resulted from the smooth, enjoyable and more efficient experience that the NuVinci technology provides vs. traditional gears, and is strongly predicted to carry over to other fields of use, especially given the energy savings that NuVinci technology adds to many engine-powered applications.

"We continue to see increasing demand that will drive ongoing growth in our business," said Fallbrook CFO Robin Grey. "This refinancing gives us confidence that we have the appropriate financial strength and liquidity to continue to invest in Fallbrook to take advantage our opportunities in the market."

Raymond James acted as sole agent on this private placement.

About Fallbrook Technologies

Fallbrook Technologies is the developer of the patented *NuVinci* continuously variable planetary (CVP) technology, which can improve the performance and efficiency of machines that use a transmission, including vehicles, stationary equipment, bicycles, and others.

The *NuVinci* technology is Transforming Gears into Spheres™ by using a set of rotating balls between the input and output components of a transmission. Tilting the balls changes their contact diameters and varies the speed ratio. *NuVinci* optimized CVP can be configured to replace multiple planetary gears, providing significant efficiency and performance improvement in a compact package. The *NuVinci* technology offers companies the flexibility to design and produce next-generation products that are better tailored to their unique business, market, and competitive requirements. Major automotive transmission suppliers have licensed *NuVinci* technology for the development of automotive class drivetrains, and a market-leading supplier has licensed the technology and is developing *NuVinci* optimized CVP transmissions for electric and gasoline light vehicle applications.

The first commercial products incorporating the technology are the currently available *N360* bicycle transmission and the *Harmony* auto shifting system for bicycles, which includes the *N360*. Fallbrook has built an extensive portfolio of over 700 patents and patent applications worldwide. For more information, visit <http://www.fallbrooktech.com>.

About Kayne Anderson Capital Advisors, L.P.

Kayne Anderson Capital Advisors, L.P., is a leading independent alternative investment management firm founded in 1984 which manages \$29 billion in assets and employs 250 professionals in eight offices across the U.S. For information regarding Kayne Anderson Capital Advisors, please visit www.kaynecapital.com.

Kayne Anderson's Middle Market Credit Platform provides value-added capital solutions, in the form of private credit, to clients across a range of investment structures and yield parameters. Launched in 2008, the Credit Platform supports a diversified group of private equity sponsor and family-owned businesses in acquisition financings, refinancings, recapitalizations and for growth capital needs. With offices in New York, Chicago, Houston and Atlanta, its 19-person team has extensive experience underwriting and syndicating transactions with an exclusive focus on the middle market.

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Media Contact

Cori McCormick

Director of Corporate Marketing - Fallbrook Technologies

cmccormick@fallbrooktech.com

(512) 519-5300