

## **Fallbrook Technologies Inc. to Develop Continuously Variable Transmission for Outdoor Power Equipment Industry**

**– Development agreement with ATC will adapt breakthrough NuVinci™ drivetrain to make outdoor power equipment quieter and more efficient –**

(San Diego, Calif., May 1, 2007) – Fallbrook Technologies Inc. (Fallbrook), a pioneering technology development company, announced today that it has entered into an agreement with Aftermarket Technology Corp. (ATC) to develop a production design for a continuously variable planetary (CVP) drivetrain (based on Fallbrook's breakthrough *NuVinci* technology) specifically for the outdoor power equipment (OPE) market..

OPE vehicles include all-terrain vehicles (ATVs), lawn & garden tractors, and utility vehicles, among others.

ATC is the world's largest independent drivetrain remanufacturer. It currently manufactures *NuVinci* drivetrains used in bicycles, electric scooters and other applications.

The *NuVinci* CVP uses a set of rotating and tilting balls positioned between the input and output components of a transmission that tilt to vary the speed of the transmission. Tilting the balls changes their contact diameters and varies the speed ratio. *NuVinci* technology is the most practical, economical and universally adaptable continuously variable transmission (CVT) for human-powered and motor-powered vehicles and machines.

Under terms of the agreement, Fallbrook will provide the engineering services necessary to develop a production *NuVinci* CVP for a wide range of segments and applications in the OPE market. ATC will then be responsible for manufacturing and marketing.

Currently, many OPE vehicles use a hydrostatic transmission, which transmits power using hydraulics rather than gears. While hydrostatic transmissions offer good speed control and maneuverability, they are relatively inefficient, require very careful maintenance, generate a lot of noise and heat, and are difficult for vehicle manufacturers to package. The *NuVinci* design now under development resolves all these issues. It provides all the speed control and maneuverability of a hydrostatic at a competitive cost, plus it is more efficient, produces less heat and noise, performs better on hills, and is much easier to package.

"The outdoor power equipment market has for years been looking for affordable, advanced transmission technology," said William Klehm III, president and CEO of Fallbrook. "Together with ATC, we're building a market-ready *NuVinci* drivetrain that will enable the design of a whole new generation of vehicles."

The OPE market is the next major target market for the commercial application of the *NuVinci* drivetrain, following the successful launch and consumer acceptance of *NuVinci* technology in bicycles and an upcoming launch for light electric vehicles. In January, a bicycle equipped with the *NuVinci* CVP was named the 2007 Bike of the Year at the prestigious FietsVak show in The Netherlands. In addition, the *NuVinci* drivetrain itself won the FietsVak 2007 Technology Innovation of the Year award.

The *NuVinci* drivetrain also makes LEVs and scooters a more practical alternative to gas-powered vehicles, providing smooth, powerful acceleration with no jerky starts, extended vehicle range, enhanced battery life, and a new and more exciting rider experience.

"This represents a major milestone in the commercialization of our technology," said William Klehm III, president and CEO of Fallbrook. "We're proud to be partnering with ATC, Ellsworth, Batavus, Currie and SBS to bring the *NuVinci* CVP to consumers worldwide. And this is only the beginning."

The OPE application now under development is larger but otherwise almost identical to the bicycle CVP, demonstrating the unparalleled scalability of the *NuVinci* CVP's design. Currently, there are significant CVP implementation discussions underway with several major manufacturers in the OPE industry.

"We are building off our early success with our *NuVinci* products in the bicycle market," said Don Johnson, chairman, president and CEO of ATC. "Now we are moving to deliver this revolutionary technology to the OPE market."

### **About Fallbrook Technologies Inc.**

Fallbrook Technologies Inc. (Fallbrook) is a technology development company dedicated to improving the performance and flexibility of transmissions for vehicles and equipment. Fallbrook's revolutionary NuVinci™ continuously variable planetary (CVP) technology is applicable to virtually any machines that use a transmission such

as bicycles, light electric vehicles, automobiles, agricultural equipment, and utility class wind turbines among others. 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. To learn more about Fallbrook and its *NuVinci* technology, please visit [www.fallbrooktech.com](http://www.fallbrooktech.com).

**About ATC**

Aftermarket Technology Corp. (NASDAQ:ATAC) is headquartered in Downers Grove, Illinois. The company provides outsourced engineered solutions and supply chain logistics services to the light and medium/heavy duty vehicle aftermarket and consumer electronics industries. To learn more about ATC, please visit [www.goatc.com](http://www.goatc.com).