

## **Fallbrook Technologies to Manufacture Its NuVinci® Continuously Variable Transmissions**

**– Success of award-winning technology drives company to expand its scope –**

(San Diego, Calif., February 12, 2008) – Fallbrook Technologies Inc. (Fallbrook), a pioneering technology company, announced today that, in addition to licensing its award-winning *NuVinci* continuously variable transmission (CVT) technology, the company now will also manufacture its *NuVinci* hubs for the bicycle and light electric vehicle markets. In addition, Fallbrook will manage the associated distribution and customer support.

This new capability will replace the manufacturing now being done by Aftermarket Technology Corp. (ATC) (NASDAQ: ATAC), Fallbrook's current licensed manufacturer. ATC has agreed to sell the business assets associated with its *NuVinci*-related manufacturing to Fallbrook, subject to financing.

The critical success and market adoption of *NuVinci* technology has increased demand for the technology across a broad range of applications and industries. This demand created the need for expanded manufacturing capacity. After evaluating a number of options, Fallbrook decided to develop its own manufacturing capability. ATC has, in turn, elected to focus its resources and activities on other parts of its business. Fallbrook is securing additional financing both for the asset purchase and the expansion of its manufacturing and distribution efforts, and currently is establishing subcontracts to address various aspects of the manufacturing.

"ATC has been instrumental in taking *NuVinci* technology to market, and they've done an excellent job – both of building drivetrains and building customer relationships," said William G. Klehm III, president and CEO of Fallbrook. "With ATC's decision to focus on their other business lines moving forward, it's the right time to make this change."

Transition of the manufacturing has already begun. ATC will fulfill current customer orders and is working with Fallbrook to execute a smooth transition for customer support and future orders.

"Taking *NuVinci* technology from the drawing board to the showroom was an exciting challenge," said Don Johnson, president and CEO of ATC. "We're proud to have been the first to bring this innovative technology to customers worldwide."

In 2007 – its first full year on the market – *NuVinci* technology won several major awards, including the prestigious R&D 100 Award as one of the year's most technologically significant products. It also won the Netherlands' Technology of the Year Award. Bicycles equipped with *NuVinci* drivetrains won the *Popular Science* Best of What's New award and Bike of the Year in The Netherlands.

To create and manage the expansion into manufacturing, Fallbrook has hired Donald W. Sparkman as vice president of operations. Sparkman is a 30-year veteran of Ford Motor Company whose most recent position was executive director of North American Sales Planning and Distribution. Alan M. Nordin, Fallbrook's vice president of sales and business development, will be responsible for OEM, distributor, and customer relationships.

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. Current commercial applications of the *NuVinci* CVP include bicycles and light electric vehicles. Outdoor power equipment is planned to be the next commercial implementation.

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

Fallbrook Technologies Inc. (Fallbrook) is a technology 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 wind turbines, among others. *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.

Fallbrook has built an extensive portfolio of over 200 patents and patent applications worldwide. Fallbrook's vigorous research and development activities will continue to enhance the performance and capabilities of *NuVinci* technology. To learn more about Fallbrook and its *NuVinci* technology, please visit [www.fallbrooktech.com](http://www.fallbrooktech.com).