

NuVinci® CVP Drivetrains Now In Production on New Assembly Line

– Fallbrook Technologies Inc. completes manufacturing changeover under agreement with MTD Products Inc.; orders now being filled –

((San Diego, Calif., June 2, 2008) – Fallbrook Technologies Inc. (Fallbrook), a pioneering technology company dedicated to improving the performance and flexibility of transmissions for bicycles, light electric vehicles (LEVs) and other devices, announced today that the new assembly line for its *NuVinci* continuously variable planetary (CVP) transmission has begun production.

This manufacturing capability will enable Fallbrook to meet the growing demand for *NuVinci* hubs, which are now built into over 40 models produced under more than 20 OEM brand names worldwide.

The assembly line is located at the Leitchfield, Ky. facility of MTD Products Inc. (MTD). MTD manufactures the transmissions under agreement with Fallbrook and is producing the current *NuVinci* CVP model (N171B) designed for bicycle, LEV and other applications. Previously, Fallbrook had licensed the manufacturing, marketing and support for the *NuVinci* CVP to a third party.

"MTD is very pleased to announce that our assembly equipment and processes are now in place and operational," said Dieter Kaesgen, vice chairman of MTD Holdings. "MTD is focused on the goal of insuring that Fallbrook's customers receive timely shipments of the highest-quality *NuVinci* hubs when and as they are needed."

"The decision to change our approach to manufacturing was driven by our commitment to serving the bike and LEV industries," said William Klehm III, president and CEO of Fallbrook. "The start of production at MTD marks the completion of that transition." Klehm also noted that "working together with MTD, Fallbrook will help companies throughout the world bring the smooth-cruise benefits of *NuVinci* technology to bicycle riders and the performance enhancement benefits of *NuVinci* technology to LEV riders."

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 for human-powered and motor-powered vehicles and machines.

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.

About MTD Products Inc.

MTD Products Inc. is a privately held global leader in the design, manufacture, and sales of outdoor power equipment, off-highway transmissions, and consumer goods. The company was founded in Cleveland, Ohio in 1932 and is today one of the world's most accomplished manufacturing organizations in its field. MTD is ISO 9000 certified, and its brand names include Cub Cadet®, White Outdoor Products®, Yard-Man®, Yard Machines®, Bolens®, and Troy-Bilt®. The company also manufactures specialty products for a wide range of companies, including General Electric. To learn more, please visit www.mtdproducts.com.

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.