

## **China's Shanghai (Yangpu District) government selects Fallbrook Technologies, ASL to develop transmission drives for electric vehicles**

*– Agreement follows Yangpu District Government's grant for electric vehicle design center, which officially opens today; will leverage NuVinci® DeltaSeries™ technology –*

**San Diego – February 23, 2011** – Fallbrook Technologies (Fallbrook) along with global automotive consulting and technology development firm Advanced Strategic Leadership (ASL) Partners announced today that China's Shanghai (Yangpu District) government approved a proposal for an Electric Vehicle Design Center to develop prototype transmissions utilizing a new technology for electric vehicles.

The initiative will leverage Fallbrook's NuVinci® DeltaSeries™ technology, and follows the Yangpu District Government's grant to ASL to operate an electric vehicle design center in the city, which officially opens today.

"Getting governmental support is a big factor to ensuring the best possible chances for significant adoption within the Chinese automotive industry, and came about because of our initial success in leveraging Fallbrook's technology in the region," said Rudolph "Rudy" Schlais, Chairman of ASL Partners and founding Chairman of Shanghai GM. "Fallbrook recently announced the results of a simulated field testing project with Chinese-based Chengdu Bus, Ltd., whereby the NuVinci DeltaSeries continuously variable planetary (CVP) transmission, coupled with a 210cc AC compressor, replaced a 330cc compressor and generated projected annual fuel savings of up to \$1,500 for bus air conditioning systems. We firmly believe that this revolutionary technology will bring about similar benefits in terms of increased performance and range for electric vehicles, and are looking forward to developing that potential in the near future."

Fallbrook and ASL formed an official business development partnership in April of 2010. This initiative under that agreement will seek to develop a prototype electric vehicle using the NuVinci's DeltaSeries system to demonstrate the performance and range potential of the system for commercialization partners.

ASL was founded by a strong and successful management team with solid technical background and extensive executive managerial experience in the Asian automotive and industrial sectors. Each of its leading team members has more than 25 years of experience regarding all aspects of such operations, including market strategy formulation, global purchasing, technology development and commercialization, as well as manufacturing.

Fallbrook has a successful history of extending the capabilities of certain light electric vehicles, such as scooters. Unlike conventional gear and clutch transmissions, the *NuVinci*<sup>®</sup> continuously variable planetary transmission (CVP) uses a set of rotating and tilting balls positioned between the input and output components of the transmission that tilt to vary the speed of the transmission. As a result, the *NuVinci* CVP offers a seamless and continuous transition to any ratio within its range.

"Teaming with ASL on this initiative makes perfect sense, and is in line with our mission to improve the performance and flexibility of transmissions for engine and human-powered devices," said William G. Klehm III, Fallbrook's chairman and CEO. "Our *NuVinci* DeltaSeries line has shown to provide enhanced performance for light electric vehicles in areas such as improved hill climbing ability, acceleration capabilities, towing capacity and other rider benefits while simultaneously extending battery life. We're proud to be a part of this global initiative in a fast-growing region."

**About ASL Automobile Science and Technology (Shanghai) Co., Ltd.**

ASL Automobile Science & Technology (Shanghai) Co., Ltd. (ASL Partners) provides services and investments to customer companies in the environment, energy, electrical/electronics and technology sectors. These companies are Chinese or foreign companies entering or in China and developing in these sectors. ASL provides senior executives to assist these customers. To learn more about ASL and its customers and focus, please visit: [www.asl-partners.com](http://www.asl-partners.com)

**About Fallbrook Technologies Inc.**

Headquartered in San Diego, Fallbrook Technologies Inc. is dedicated to improving the performance and flexibility of transmissions for vehicles and equipment. The company's *NuVinci* continuously variable planetary (CVP) technology is applicable to machines that use a transmission, including bicycles, light electric vehicles, automobiles, agricultural equipment and wind turbines. *NuVinci* technology offers companies the flexibility to design and produce next-generation products better tailored to their unique business, market and competitive requirements.

Fallbrook Technologies has built an extensive portfolio of over 375 patents and patent applications worldwide. More information is available at [www.fallbrooktech.com](http://www.fallbrooktech.com).

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