



FOR IMMEDIATE RELEASE

Fallbrook Technologies Inc. Announces Further Financing to Accelerate Growth in Applications of NuVinci® Technology

CEDAR PARK, Texas, July 18, 2014 – Fallbrook Technologies Inc. (Fallbrook), inventor of the NuVinci® continuously variable planetary (CVP) transmission, announced today that it has initiated a \$20M round of senior subordinated convertible debt financing. To date, \$8.3M has closed and the additional \$11.7M round is in progress.

"The additional capital will be used to support our business and the commercial development of our innovative and proprietary *NuVinci* CVP transmission technology in several fields of use," said William G. Klehm III, Chairman and CEO of Fallbrook. "As a company and together with our licensees, we have made several advances recently and are looking forward to many more in the near future."

With Tier 1 automotive supplier licensees and a steadily increasing stream of business in the bicycle market, *NuVinci* is well-positioned to become a new standard for transmitting mechanical energy. *NuVinci* technology has the potential to improve system efficiency without sacrificing performance and vice-versa, while delivering a superior experience and increased functionality for Fallbrook's customers and end users.

Based in Cedar Park, Fallbrook also has offices in Northern Europe and Asia.

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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* CVP technology can be configured to replace multiple planetary gears, providing opportunity for 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* CVP transmissions for electric and gasoline light vehicle applications.

The first commercial products incorporating the technology are the currently available *NuVinci N360* bicycle transmission and the *NuVinci Harmony* auto shifting system for bicycles, which includes the *N360*. Fallbrook has built an extensive portfolio of over 600 patents and patent applications worldwide. For more information, visit <http://www.fallbrooktech.com>.

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