

Fallbrook Technologies Inc. Appoints John K. Penver to CFO Position in Cedar Park, Texas

– Will Also Relocate Corporate Headquarters from San Diego to Cedar Park in early 2013 –

(San Diego, Calif., November 5, 2012) – Fallbrook Technologies Inc. (Fallbrook), a pioneering technology company dedicated to improving the performance and flexibility of transmissions for engine and human-powered devices, announced today that it appointed John K. Penver as the Company's Chief Financial Officer effective November 1, 2012. Mr. Penver will be located in Cedar Park, Texas where Fallbrook will relocate its company headquarters from San Diego, California early in 2013. He replaces Nicole T. Nicks, who has served as Fallbrook's CFO from 2004. Ms. Nicks, who for personal reasons is unable to relocate to Texas, will assist Penver as he transitions into his role as CFO.

John Penver is a CPA with over 25 years finance and accounting experience including 15 years as a CFO and/or VP Finance, and has worked for both private and public companies. Prior to joining Fallbrook, he was the CFO, VP Finance and Secretary for Active Power, Inc. in Austin, TX. Active Power is a publicly traded (NASDAQ) manufacturer of battery-free backup power systems with a manufacturing and test facility in Austin and regional operations centers in the U.K., Germany, and China. Mr. Penver began his career in 1985 with Deloitte & Touche, LLP first in Melbourne, Australia and subsequently in San Jose, CA. He then worked for Silicon Gaming, Inc. in Palo Alto, CA as Vice President, Finance followed by CFO positions at three Austin companies before joining Active Power in 2005.

"I'm highly impressed by the value proposition of Fallbrook's NuVinci® continuously variable planetary transmission technology, which can improve performance cost effectively in a wide variety of applications," said Penver. "And I'm delighted to be joining Fallbrook at an exciting time of accelerating growth and organizational evolution to meet the needs of that growth."

"At a time when our business is growing rapidly and becoming more complex as the result of our recently announced strategic relationships with Allison Transmission and Dana Holding Company, John Penver brings a valuable mix of private and public company experience to Fallbrook." said William G. Klehm III, Fallbrook's Chairman and CEO. "Moving our corporate headquarters from San Diego to Cedar Park, in the greater Austin area, reflects the fact that the vast majority of our staff is already located there, Klehm added. "The move will improve our communications and operational efficiency and John's prior experience will also help us assure we continue to maintain an effectively integrated financial support structure."

About Fallbrook Technologies Inc.

Fallbrook Technologies Inc. is a privately held technology development and manufacturing company headquartered in San Diego, California and has its primary operations and product development activities located in Cedar Park, Texas, with employees and other operations in Europe and China.

Fallbrook has developed and commercialized a continuously variable planetary (CVP) technology called NuVinci®, which is a new class of continuously variable transmission (CVT). The initial commercial application was a continuously variable transmission for bicycles, now in its second generation as the *NuVinci* N360™.

Instead of the traditional gear and clutch mechanisms found in conventional transmissions, a *NuVinci* transmission utilizes rotating spheres arranged around a central "sun" that transfer torque between two

“rings.” Tilting the spheres changes their contact diameters on the rings, permitting an infinite progression of speed ratios. The result is a smooth, seamless and continuous transition to any ratio within its range, maximizing overall powertrain efficiency and ride quality.

NuVinci Technology is applicable to a wide variety of applications including bicycles, light electric vehicles, primary transmissions for automobiles, trucks and commercial vehicles, lawn care equipment and wind turbines. *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.

In addition to the *NuVinci* CVP, Fallbrook develops, manufactures and sells the Dynasys™ Auxiliary Power Unit (APU) through its wholly owned subsidiary, Hodyon. The *Dynasys* APU provides dependable in-cab comfort for the driver of Class 8 trucks without the need to run the truck's main engine during down times, reduces emissions and dramatically lowers fuel costs during idle periods.

Fallbrook has built an extensive portfolio of over 500 patents and patent applications worldwide.

For more information, visit www.fallbrooktech.com.

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