

# News Release



## **BorgWarner Forms Cascadia Motion LLC, Makes Acquisitions**

- *Rinehart Motion Systems and AM Racing have been acquired by BorgWarner and merged into a new, wholly-owned company, Cascadia Motion LLC*
- *New company to focus on electric and hybrid propulsion solutions for niche and emerging applications*

*Auburn Hills, Michigan, February 19, 2019* – Recognizing that the demand for electric and hybrid propulsion systems is growing rapidly and goes beyond mainstream passenger and commercial vehicles, BorgWarner has acquired two Oregon-based businesses. BorgWarner formed Cascadia Motion LLC to acquire assets and merge the operations of the companies – Rinehart Motion Systems LLC and AM Racing Inc. Cascadia Motion will retain an entrepreneurial culture and explore the wide variety of electric and hybrid propulsion solutions for niche and emerging applications.

“Rinehart Motion Systems and AM Racing are two established companies in the specialty electric and hybrid propulsion sector,” said Hakan Yilmaz, Chief Technology Officer at BorgWarner. “Bringing them together as Cascadia Motion will allow us to offer design, development and production of full electric and hybrid propulsion systems for niche and low-volume manufacturing applications.”

Cascadia Motion will leverage the proficiencies of both companies into a start-up atmosphere designed to incubate new technologies. Rinehart Motion Systems brings expertise in propulsion inverters and controls for electric and hybrid electric vehicles in professional motorsports, motorcycles, specialty road cars, bus, and heavy duty sectors. AM Racing designs and manufactures single- and dual-core electric motors and gearsets used in all these same market segments.

Cascadia Motion LLC will expand the company’s ability to support a wide variety of customers with small scale projects, specialty products, and low volume manufacturing needs. In

addition, BorgWarner's global production facilities can be utilized as Cascadia Motion customers grow to require high-volume production.

### **About BorgWarner**

BorgWarner Inc. (NYSE: BWA) is a global product leader in clean and efficient technology solutions for combustion, hybrid and electric vehicles. With manufacturing and technical facilities in 68 locations in 19 countries, the company employs approximately 30,000 worldwide. For more information, please visit [borgwarner.com](http://borgwarner.com).

### **About Cascadia Motion LLC**

Cascadia Motion LLC was created to combine assets and operations of the former Rinehart Motion Systems and AM Racing into one company that is wholly owned by BorgWarner. Based in Oregon, Cascadia Motion specializes in design, development and production of hybrid and electric propulsion solutions for prototype and low-volume production applications.



Statements in this press release may contain forward-looking statements as contemplated by the 1995 Private Securities Litigation Reform Act that are based on management's current outlook, expectations, estimates and projections. Words such as "anticipates," "believes," "continues," "could," "designed," "effect," "estimates," "evaluates," "expects," "forecasts," "goal," "initiative," "intends," "outlook," "plans," "potential," "project," "pursue," "seek," "should," "target," "when," "would," variations of such words and similar expressions are intended to identify such forward-looking statements. Forward-looking statements are subject to risks and uncertainties, many of which are difficult to predict and generally beyond our control, that could cause actual results to differ materially from those expressed, projected or implied in or by the forward-looking statements. These risks and uncertainties, among others, include: our dependence on automotive and truck production, both of which are highly cyclical; our reliance on major OEM customers; commodities availability and pricing; supply disruptions; fluctuations in interest rates and foreign currency exchange rates; availability of credit; our dependence on key management; our dependence on information systems; the uncertainty of the global economic environment; the outcome of existing or any future legal proceedings, including litigation with respect to various claims; and future changes in laws and regulations, including by way of example, tariffs, in the countries in which we operate, as well as other risks noted in reports that we file with the Securities and Exchange Commission, including the Risk Factors identified in our most recently filed Annual Report on Form 10-K/A. We do not undertake any obligation to update or announce publicly any updates to or revision to any of the forward-looking statements.

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