News Release



BorgWarner Opens New Plant in Wuhan, Significantly Expanding Propulsion System Capability and Capacity for Hybrid and Electric Vehicles

- Expands local manufacturing capacity for Hybrid (HEV) and Electic Vehicle (EV) propulsion systems
- Consolidates local functions under one roof.
- Lean manufacturing plant meets BorgWarner's worldwide standards with community and environmentally friendly principles

Wuhan, China, August 29, 2018 – BorgWarner celebrated the inauguration of its new production plant in the Caidian Economic Development Zone in Wuhan, China, with a grand opening ceremony. Occupying a land area of 48,595 square meters and floor area of 26,000 square meters, the new facility integrates comprehensive functions including production, engineering, quality, sales, logistics, administration and finance. As part of its efforts to support growing demand from the Chinese combustion, hybrid and electric vehicle market, BorgWarner's new facility will produce drive motors, P2 motors, Belt Alternator Starter Systems, starters, alternators and related components.

"This is a new milestone in BorgWarner's history in China. The new plant will significantly improve our manufacturing capability in combustion, hybrid and electric vehicle products, underpinning our sustained growth in coming years," said Dr. Stefan Demmerle, President and General Manager, BorgWarner PowerDrive Systems. "Leveraging our leading technologies and system integration ability, we will continue to meet growing demand from Chinese electric vehicle (EV) and hybrid electric vehicle (HEV) customers with our localized production and engineering capability."

Local government officials, customers, suppliers and media representatives were invited to join BorgWarner's management and employees to celebrate the official opening of the BorgWarner PowerDrive Systems Wuhan Plant, which included a ribbon cutting and tree planting ceremony. The construction of the Wuhan plant started in 2016, one year after BorgWarner's acquisition of Remy. The new facility integrates the former Remy plant with nearby production sites and adds new production lines. In addition to its original capacity, the new plant will produce drive motors, P2 motors, and other EV and HEV products locally for the first time. Designed as a lean manufacturing facility under BorgWarner's worldwide standards which are guided by community and environmentally friendly principles, the Wuhan plant is dedicated to providing a healthy and comfortable work environment for employees and creating a harmonious relationship with the community. More than 300 employees currently work in the plant, and the company expects the workforce to double in five years.

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 66 locations in 18 countries, the company employs approximately 29,000 worldwide. For more information, please visit <u>borgwarner.com</u>.



Local government officials, customers, suppliers and media representatives joined BorgWarner's management and employees in celebrating the opening of the BorgWarner PowerDrive Systems Wuhan Plant. Download Image | Learn More | Product Animation

Statements contained 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

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implied in or by the forward-looking statements. Such risks and uncertainties include: fluctuations in domestic or foreign vehicle production, the continued use by original equipment manufacturers of outside suppliers, fluctuations in demand for vehicles containing our products, changes in general economic conditions, 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. 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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