



## NEWS RELEASE

### **JTEKT to Acquire Timken's Needle Roller Bearings Business, Creating World's Premier Automotive Bearings Company**

**Nagoya / Osaka / Tokyo, Japan, 29 July 2009** – JTEKT Corporation (“JTEKT”) (TSE: 6473) today announced it has signed an agreement to acquire the assets of the Needle Roller Bearings business of The Timken Company (“Timken”) (NYSE: TKR). The transaction, which is valued at approximately US\$300 million after an adjustment in the value of net retained assets, is expected to be completed by the end of December 2009, subject to customary regulatory approvals and certain closing conditions.

The transaction will secure JTEKT's position as the leading manufacturer of automotive bearings globally and significantly strengthen its standing as a leading supplier of bearings to other industrial sectors.

The Needle Roller Bearings business manufactures highly engineered needle roller bearings, including an extensive range of radial and thrust needle roller bearings, as well as bearing assemblies and loose needles, for automotive and industrial applications. The Needle Roller Bearings business will continue to be managed by the current management team through the post-closing process of integration with JTEKT, as the Company works to determine the optimum structure for this business within the expanded JTEKT group.

The Needle Roller Bearings business' market-leading position will complement and strengthen JTEKT's existing product lineup. The combined operation will possess an extensive global production network, spanning Asia, North America and Europe, and will serve a global tier one roster of major automotive and industrial equipment sector customers. Facilities included in the agreement are:

- North America: Cairo, GA; Dahlonaga, GA; Sylvania, GA; Greenville, SC; Walhalla, SC; and Bedford, Quebec, Canada.
- Europe: Brno and Olomouc, Czech Republic; Maromme, Moulit, and Vierzon, France; Kuensebeck, Germany; and Bilbao, Spain.
- Asia: Wuxi (LiYuan), China.

Motohiko Yokoyama, president of JTEKT said, “This transaction sends a clear signal of JTEKT's commitment to the automotive industry and enables us to achieve our goal of being the world's leading automotive bearings manufacturer. We have known and admired the excellent team at Timken's Needle Roller Bearings business for a number of years and look forward to the contribution the team will bring to JTEKT in developing cutting-edge products, including technologies that improve engine fuel economy and vehicle emissions. The operational fit and future growth prospects make this an excellent transaction for our customers, employees and shareholders.”

The transaction will ensure that JTEKT is in a position to benefit from key trends expected to drive demand growth for needle roller bearings. In the automotive sector these trends include the move to improve fuel efficiency and emissions standards, which is set to focus attention on high-quality needle

roller bearing solutions. In addition, the combined geographical presence and customer base will allow the Company to take advantage of demand growth in major emerging markets. Beyond the automotive sector, products for applications including industrial equipment and machine tools are also expected to experience steady demand growth.

The transaction will enable customers to benefit from a strengthened technical and product offering, optimized development and business processes, and expanded in-region manufacturing capabilities.

-Ends-

## **MEDIA CONTACTS**

**JTEKT:** Kreab Gavin Anderson +81 3 5404 0640

## **NOTES TO EDITORS**

### **About JTEKT Corporation**

JTEKT Corporation ("JTEKT", [www.jtekt.co.jp/e](http://www.jtekt.co.jp/e)) is a leading Japanese manufacturer of steering systems, driveline components, bearings and machine tools. The Company's bearings solutions are used in a wide variety of applications, including automobiles, jet engines, windmill power generators, and *shinkansen* (bullet trains). JTEKT was formed in January 2006 following the merger of Toyoda Machine Works Ltd. and Koyo Seiko Co. Ltd. Koyo Seiko was founded in 1921, and Toyoda Machine Works in 1941. Headquartered in Nagoya and Osaka, JTEKT's President is Motohiko Yokoyama, and Chairman is Kohshi Yoshida. JTEKT has 34,000 employees, and has operations in 70 locations worldwide, encompassing Asia/Oceania, North America and Europe. JTEKT had sales of JPY 1.07 trillion (\$10.7 billion) in fiscal 2008 (ended March 2009).

### **About The Timken Company**

The Timken Company (NYSE: TKR, <http://www.timken.com>) keeps the world turning, with innovative friction management and power transmission products and services, enabling our customers' machinery to perform more efficiently and reliably. With sales of \$5.7 billion in 2008 and operations in 26 countries, Timken is Where You Turn™ for better performance.

### **About Timken's Needle Roller Bearings Business**

The Timken Company's Needle Roller Bearings business manufactures highly engineered needle roller bearings, including an extensive range of radial and thrust needle roller bearings, as well as bearing assemblies and loose needles, for automotive and industrial applications. Originally formed in 1912, the Needle Roller Bearings business was acquired by Timken as part of the larger acquisition of The Torrington Company in 2003, and has twelve manufacturing facilities and three engineering centers strategically located throughout the world. The Needle Roller Bearings business had \$621 million in revenues in 2008 and employs approximately 3,400 associates including approximately 150 engineers focused on designing, testing and manufacturing the next generation of needle roller bearing solutions.