THREE BORGWARNER TECHNOLOGIES
NAMED 2012 AUTOMOTIVE NEWS PACE AWARD FINALISTS

Advanced Exhaust Gas Recirculation (EGR) Cooler, Electro-Hydraulic Clutch Actuator and Low-Pressure EGR Turbocharger Make the Final List for PACE Awards

Auburn Hills, Michigan, October 24, 2011 – Three BorgWarner technologies have been named finalists for the prestigious 2012 Automotive News PACE Awards:

- BorgWarner's **advanced exhaust gas recirculation (EGR) cooler** helps heavy-duty on-highway engines meet stringent 2010 emissions regulations which require an 83% reduction in NOx over previous requirements.

- BorgWarner's **centrifugal electro-hydraulic (CEH) actuator** helps improve fuel economy while delivering best-in-class torque management performance for all-wheel drive systems in a compact, integrated system.

- BorgWarner's **turbocharger with low-pressure EGR**, the first available for mass production, significantly improves fuel economy, reduces emissions and improves engine response for diesel engines.

"To benefit customers as well as the industry, technological innovations must provide automakers with fast-to-market solutions to real-world challenges. BorgWarner's focus on improving fuel economy, reducing emissions and enhancing performance is helping engines become more powerful, efficient and environmentally friendly and enabling all-wheel drive systems to deliver better handling without compromising fuel economy," said Timothy M. Manganello, Chairman and Chief Executive Officer, BorgWarner. "We are proud to add to our long history of innovation with our latest advancements and honored to be among this year's distinguished PACE finalists once again."

PACE Finalist: Advanced EGR Cooler

Because recirculating exhaust gas helps decrease engine temperature, it is one of the most effective methods of reducing NOx emissions in large diesel engines. BorgWarner's advanced EGR cooler is comprised of two separate heat exchanger cores running off of two engine coolant circuits. The modular design delivers superior heat rejection with less soot and hydrocarbon buildup in a compact, production-friendly package. Specially designed hybrid tubes optimize heat transfer, while a floating core features baffles to optimize coolant flow, protective bushings to tolerate extreme thermal stresses, and anti-vibration clips to withstand the severe vibration loads expected in heavy-duty inline engines. The new technology launched recently with a leading North American medium- and heavy-duty on-highway engine manufacturer.

PACE Finalist: CEH Actuator for All-Wheel Drive Systems

Today's all-wheel drive vehicles provide drivers with mobility, security and enhanced handling. Using a revolutionary hydraulic power pack, BorgWarner's CEH actuator eliminates several costly and complex parts while delivering superior control accuracy and quick response. Fewer parts result in lower costs, 20 – 30 percent less driveline mass than comparable technologies, and improved fuel economy. Driven by an electric motor, an axial pump with a patented centrifugal pressure regulator directly controls hydraulic pressure to the all-wheel drive clutch. The actuator also features an automatic recalibration function that re-adjusts the system without any input from the driver. BorgWarner's CEH actuator is expected to debut with major global automakers in 2012 and become a widely accepted technology in the active coupling market for front-wheel/all-wheel drive vehicles.

PACE Finalist: Turbocharger with Low-Pressure EGR

Diesel engines provide excellent fuel efficiency, but meeting low emissions requirements is a challenge. While EGR is proven to reduce emissions, only high-pressure systems have been available because turbochargers were unable to withstand extreme loads and damaging particles inherent in low-pressure systems. BorgWarner developed

innovative coatings to protect turbocharger compressor wheels and other components from the abrasive and corrosive particles. By comprehensively optimizing the combustion process and increasing EGR rates, the turbocharger not only reduces emissions, but achieves better engine response and fuel economy. With a variety of awarded and pending patents relating to the innovation, the technology has launched into mass production with a major global OEM.

About the PACE Awards

Presented by Automotive News with Ernst & Young and the Transportation Research Center Inc., the PACE Awards honor superior innovation, technological advancement and business performance among automotive suppliers. Known around the world as the industry symbol of innovation, PACE stands for Premier Automotive Suppliers' Contribution to Excellence. All three BorgWarner innovations were named finalists in the Product category, which recognizes innovations in new products, services or their development that have significant market impact and act as "game changers" in the automotive industry. Winners are selected by an independent panel of judges and will be announced in Detroit on April 23, 2012. Since 2005, BorgWarner has received five PACE Awards, three PACE Innovation Partnership Awards and a PACE Environmental Award.

About BorgWarner

Auburn Hills, Michigan-based BorgWarner Inc. (NYSE: BWA) is a technology leader in highly engineered components and systems for powertrain applications worldwide. Operating manufacturing and technical facilities in 59 locations in 19 countries, the company develops products to improve fuel economy, reduce emissions and enhance performance. Customers include VW/Audi, Ford, Toyota, Renault/Nissan, General Motors, Hyundai/Kia, Daimler, Chrysler, Fiat, BMW, Honda, John Deere, PSA, and MAN. For more information, please visit www.borgwarner.com.

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