

BorgWarner Provides Leading All-wheel Drive Coupling for the New Volkswagen Crafter

- *BorgWarner's AWD coupling improves stability, traction and handling*
- *New rear axle differential lock is controlled by BorgWarner's newly developed ECU*
- *The AWD coupling offers leading response time and high torque capacity and accuracy*

Auburn Hills, Michigan, January 25, 2018 – BorgWarner, a global leader in clean and efficient technology solutions for combustion, hybrid and electric vehicles, supplies two versions of its advanced electro-hydraulically actuated all-wheel drive (AWD) coupling for the new Volkswagen Crafter. One coupling features a differential lock control at the rear axle, and one coupling does not. By accurately distributing torque between the front and rear axle, BorgWarner's compact, lightweight AWD solution provides high torque accuracy for improved fuel economy as well as enhanced stability, traction and handling on a variety of terrains.

“At BorgWarner, we offer customers advanced solutions that are easily integrated into their specific applications,” said Dr. Stefan Demmerle, President and General Manager, BorgWarner PowerDrive Systems. “We are very pleased to expand our long-standing cooperation with Volkswagen by providing our leading AWD coupling for the Volkswagen Crafter for the first time.”

To meet the challenges posed by Volkswagen's stringent requirements and the Crafter's rigid rear axle, BorgWarner added an optional differential lock control with a new electronic control unit (ECU) to its AWD coupling. The ECU features an adaptable vehicle dynamics software to facilitate the desired driving characteristics and controls the optional differential lock to allow smooth starts by improving traction on split-friction road surfaces which in turn reduces tire wear. The coupling's electronically controlled wet multi-plate clutch allows the torque distribution to be varied between the two axles automatically, providing the rear axle with the required amount of torque for practically all driving conditions. Because the AWD coupling functions independently of the differential speed between the front and the rear axle, full locking torque is

available at any given time and speed, depending on road conditions and vehicle load distribution. Offering a lightweight, high-performance design as well as best-in-class response time, torque capacity and accuracy, BorgWarner's AWD solution contributes to significantly improved handling and traction as well as fuel economy.

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 64 locations in 17 countries, the company employs approximately 27,000 worldwide. For more information, please visit borgwarner.com.



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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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