News Release

BorgWarner

Cutting-edge Driving Experience Supported by BorgWarner's GenV AWD Coupling

- BorgWarner expands into increasingly popular small premium SUV segment
- Ideal balance between sporty dynamics and improved efficiency
- Enhances fun-to-drive experience and traction

Auburn Hills, Michigan, May 28, 2019 – Small sport utility vehicles (SUVs) enjoy growing popularity. In the compact SUV segment, BorgWarner is strengthening its presence by supplying one long-term partner with its GenV all-wheel drive (AWD) coupling. Since late 2018, the company's innovative, modular solution provides an ideal balance between sporty dynamics and improved efficiency for BMW XDrive, which is used in several vehicle models, such as the current BMW X1, X2 and 2 Series Active Tourer as well as the Gran Tourer. The same system is also featured in some MINI models – the Countryman and the Clubman. Featuring advanced electronic controls, BorgWarner's GenV AWD coupling meets driver's demands for a fun-to-drive experience, optimal traction and stability.

"At BorgWarner, we are very pleased to provide our advanced GenV technology for the BMW Group," said Dr. Stefan Demmerle, President and General Manager, BorgWarner PowerDrive Systems. "With our advanced AWD technology, we support our customer in reaching new levels of efficiency and dynamic performance. The GenV system for the BMW Group features a highly innovative efficiency valve which minimizes internal losses by actively controlling the oil level in the system."

BorgWarner's AWD coupling employs a hydraulic actuator to apply variable force to the clutch package using hydraulic pressure and a working piston. By monitoring the working pressure within the system, the torque transfer can be controlled so precisely that the power of the AWD system can be adapted to the current driving situation. The fifth generation technology introduces a centrifugal pump, which replaces the accumulator, filter and pressure control valve in the previous generation. This innovation reduces the overall weight of the technology while improving the system's performance. With its compact and lightweight design, BorgWarner's

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GenV technology reduces vehicle complexity and simplifies integration into the powertrain. This leads to enhanced traction as well as extremely precise and stable handling. The company's AWD solution also allows immediate response and high torque capacity, providing exceptionally dynamic performance and enhanced driving pleasure.

BorgWarner's innovative technology is also suitable for mild hybrid vehicles. This is yet another solution the company offers to actively promote new mobility concepts for a cleaner and more energy-efficient future.

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 <u>borgwarner.com</u>



BorgWarner is expanding into the fast-growing small premium SUV segment with its GenV allwheel drive coupling.

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"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 forwardlooking statements.

PR contact:

Kathy Graham Phone: +1 248-754-0550 Email: mediacontact@borgwarner.com