



BorgWarner Announces New Joint Venture Which Will Add Battery Packs to its Broad Propulsion Portfolio

- *Agrees to form joint venture with Romeo Power Technology*
- *Executes another significant step to solidify its propulsion systems leadership for combustion, hybrid and electric vehicles*

Auburn Hills, Michigan, May 7, 2019 – With global expertise supplying combustion, hybrid and electric vehicle propulsion solutions, BorgWarner is continuing to build its electrification portfolio and systems expertise by agreeing to form a joint venture with Romeo Power Technology, a technology-leading battery module and pack supplier. This new joint venture will be split 60/40 with BorgWarner obtaining the larger share.

“This joint venture will not only complement our strong existing propulsion portfolio, but we expect it to fill a gap in the marketplace between battery cell manufacturers and hybrid and electric vehicle customers,” said Joel Wiegert, President and General Manager BorgWarner Morse Systems. “We believe our global engineering and manufacturing footprint enables us to quickly commercialize cutting-edge technology, delivering even more value to our customers.”

BorgWarner believes bringing together BorgWarner’s customer, product launch and quality excellence with Romeo’s leading battery module and pack technology will meet a wide range of customers’ battery-electric vehicle needs. The battery modules and packs are expected to include intelligent battery management systems with proprietary algorithms for enhanced performance and cycle life, as well as proprietary thermal engineering for active and passive cooling. The addition of battery packs will energize BorgWarner’s existing product portfolio for hybrid and electric vehicles that includes electric motors, power electronics, high-voltage battery heaters, eAxle iDMs, onboard battery chargers and much more.

“This joint venture will help Romeo take a big step in the battery mobility sector by adding BorgWarner’s scale and resources,” said Michael Patterson, Romeo Power Technology Founder

and CEO. “Romeo has a fantastic team that has accomplished a lot in the last four years. And now we’ll continue our progress, with the ability and resources to grow and accomplish our mission of advancing energy technology.”

The joint venture will encompass the mobility portion of the battery pack business, initially focused on performance and light vehicles. BorgWarner will also take a 20 percent equity position in Romeo Power Technology and will fill two seats on its board. The equity investment and the joint venture are expected to close in the second quarter of 2019, subject to the satisfaction of customary closing conditions.

BorgWarner’s strategic acquisition of companies involved in vehicle electrification, to complement its organic efforts, started in 2015 with the acquisition of Remy International, Inc. (Remy), a leading manufacturer of rotating electrical components such as alternators, starter motors and electric traction motors for the automotive and commercial vehicle industry. In 2017, BorgWarner acquired Sevcon Inc., a global player in electrification technologies. Sevcon complemented BorgWarner’s power electronics capabilities and also added onboard charging to the portfolio. In February 2019, BorgWarner announced it formed Cascadia Motion and acquired two Oregon-based businesses, Rinehart Motion Systems LLC and AM Racing Inc. and merged their operations into a new, wholly owned company focused on electric and hybrid propulsion solutions for niche and emerging applications. These acquisitions, along with the joint venture announced today, are significant milestones as BorgWarner continues to execute its strategy as a propulsion systems leader for combustion, hybrid and electric vehicles.

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 borgwarner.com.

About Romeo Power Technology

Romeo was founded in 2015 by a group of engineers from SpaceX, Tesla, and Samsung on a mission to advance energy technology so they could help end energy poverty. They build “tighter and lighter” battery packs for electric vehicles and stationary energy storage that perform better and last longer thanks to industry-leading energy density and battery management. Learn more at romeopower.com.



Romeo Power Technology's Battery Pack

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