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BORGWARNER DEVELOPS FIRST FLEX FUEL TURBOCHARGER MADE IN BRAZIL

BorgWarner's Localized Engineering and Manufacturing Capabilities
Boost Performance, Improve Fuel Economy and Reduce Emissions
for Passenger Cars in Brazil

Auburn Hills, Michigan, January 8, 2015 – BorgWarner has developed the first flex fuel turbocharger made in Brazil for the country's growing passenger car market. The B01-series turbocharger helps boost performance, improve fuel economy and reduce emissions, enabling automakers to comply with Brazil's INOVAR-AUTO requirements. Designed for 0.8- to 1.6-liter engines, BorgWarner's new flex fuel turbocharger will debut with a major global automaker in mid-2015.

"Downsized, boosted gasoline engines are already a major trend. As drivers in Brazil also desire fuel economy and lower emissions, we expect demand for our latest turbocharging technology to grow significantly," said Frédéric Lissalde, President and General Manager, BorgWarner Turbo Systems. "BorgWarner has been producing turbochargers for commercial and light-duty diesel vehicles in Brazil for 40 years. Our latest innovations in flex fuel turbocharging technology will allow us to expand into Brazil's gasoline-powered passenger car market."

In Brazil, flex fuel vehicles run on gasoline (which contains up to 25 percent ethanol) or 100 percent ethanol fuel. High amounts of ethanol can cause higher corrosion rates and more oil dilution than other fuels. Using its global expertise and local engineering resources, BorgWarner engineers employed advanced materials and design solutions to improve turbocharger durability even with 100 percent ethanol fuel. Featuring a compact design for small passenger car applications, BorgWarner's flex fuel turbocharger includes a milled compressor wheel, optimized bearing system and wastegate controlled by an electric actuator with advanced noise suppression features. The turbocharger has been

developed to be directly mounted to the cylinder head's integrated exhaust manifold, thus allowing a compact engine installation.

BorgWarner builds the turbochargers at its facility in Itatiba City, Brazil, using high-volume, lean manufacturing processes and precision robotics.

About BorgWarner

BorgWarner Inc. (NYSE: BWA) is a product leader in highly engineered components and systems for powertrains around the world. Operating manufacturing and technical facilities in 60 locations in 19 countries, the company delivers innovative powertrain solutions to improve fuel economy, reduce emissions and enhance performance. For more information, please visit borgwarner.com.



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