

News Release

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GKN DRIVELINE ACHIEVES WORLD AWD LEADERSHIP WITH ACQUISITION OF GETRAG DRIVELINE PRODUCTS

Redditch, England, 3rd October 2011: With the approval process now complete, GKN's £280 /\$440 million acquisition of the driveline products business of Getrag positions GKN Driveline as the global leader in the engineering and manufacture of AWD Systems and eDrive Systems.

"This is a very exciting move in the strategic development of our driveline offering for vehicle manufacturers around the world," said **Jim Voeffray**, sales and marketing director of GKN Driveline. "We now offer sector-leading engineering and manufacturing capability for vehicle manufacturers at a time when sales of crossover and AWD vehicles are booming: estimates suggest a sales growth of 30% in the next three years. It also adds to our already market leading portfolio of systems for hybrid and electric vehicles"

GKN Driveline's existing AWD capability has seen the company secure Tier 1 supply contracts for vehicles as diverse as Nissan's GT-R supercar and Dacia's budget vehicle, the Duster, where in both instances GKN Driveline provided invaluable leading-edge engineering capability as well as the supply of advanced technology components.

A fast growing technology in GKN Driveline's eDrive Systems is for hybrid four-wheel-drive vehicles as exemplified by the recently launched Peugeot 3008 and Citroën DS5 HYbrid4 models. GKN Driveline provides the rear eDrive axles for these new Peugeot Citroën hybrids.

"With the addition of Getrag's driveline products engineering and manufacturing capability, the enlarged GKN Driveline has become a global leader in the technology, manufacture and vehicle integration of AWD and eDrive systems, said **Rob Rickell**, global engineering director. "GKN Driveline now offers vehicle manufacturers an unrivalled premium service spanning all aspects of the technology from final drive, power transfer and torque-vectoring units, limited slip differentials, AWD couplings, AWD disconnects, eTransmissions, eAxle, sids shafts and propeller shafts."



From a marketing perspective, the combination provides GKN Driveline with a more balanced global footprint – where GKN Driveline’s AWD business is primarily in Asia and Getrag is strong in North America and Europe. “The acquisition will accelerate the growth of our capability for AWD and hybrid/electric drivetrains around the globe,” continues **Jim Voeffray**. “We estimate that by 2016, our AWD business will account for nearly 30% of our driveline business.”

GKN Driveline now offers its customers throughout the world a unique capability to both develop and manufacture entire AWD systems while optimising all components through a full systems understanding. The emphasis is always on efficiency - helping to reduce fuel consumption while ensuring consistent vehicle dynamics and safety.

Getrag driveline products locations involved in the acquisition are located in - Sweden (Köping), Germany (Cologne) and the USA (Sterling Heights, MI and Newton, NC). The number of employees joining GKN Driveline is 1500. For 2010, Getrag driveline products had sales of £380 /\$600 million.

GKN Driveline’s product segments include:

CVJ Systems

- GKN Driveline’s constant velocity joint systems provide space, weight and fuel savings with greater all round efficiency.
- GKN Driveline supplies the most extensive range of CVJ systems – used in the smallest ultra-low cost car through to the most sophisticated premium vehicle.

AWD Systems

- GKN Driveline has full all-wheel drive systems capability
- GKN Driveline’s all-wheel drive couplings improve vehicle handling, stability and traction by intelligently distributing power and disconnecting technology can reduce drag and inertia for ultimate efficiency.

Trans Axle Solutions

- GKN Driveline produces highly durable open differentials and has the most extensive range of limited slip differentials, from the smallest super LSD to the largest electronically controlled axle locker
- For the ultimate capability, GKN Driveline’s torque vectoring solutions provide the answer

eDrive Systems

- GKN Driveline’s pioneering electric drive technology is used in 250,000 vehicles today
- GKN Driveline’s eDrives are designed for the new generation of fuel efficient, low emission electric and hybrid vehicles



About GKN Driveline

GKN Driveline is the world's leading supplier of automotive driveline systems and solutions. As a global business serving the leading vehicle manufacturers, GKN Driveline develops, builds and supplies an extensive range of automotive driveline systems – for use in the smallest ultra low-cost car to the most sophisticated premium vehicle demanding the most complex driving dynamics.

GKN Driveline is a leading global producer of CVJ Systems, AWD Systems, Trans Axle Solutions and eDrive Systems.

www.gkndriveline.com

About GKN Group

GKN plc is a global engineering business serving mainly the automotive, aerospace and land systems markets. It has operations in more than 30 countries, around 40,000 employees in subsidiaries and joint ventures and had sales of £5.4/\$8.5 billion in the year to 31 December 2010. GKN plc is listed on the London Stock Exchange (LSE: GKN).

www.gkn.com

About Getrag

The Getrag Corporate Group is one of the largest system suppliers for transmissions and powertrain systems worldwide with approximately 13,500 employees at 23 locations. The company is headquartered in Untergruppenbach, Germany. In 2010, the Group reached a turnover of 2.6 billion Euros.

www.getrag.de

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