



Meritor® Announces Additional Investment in TransPower® to Advance Growth in Electric Commercial Vehicle Technologies

April 2, 2019

TROY, Mich., April 2, 2019 /PRNewswire/ -- Meritor, Inc. (NYSE: MTOR) today announced an additional strategic investment in TransPower, a leader in electrification technologies for large commercial vehicles, to support future growth. Terms of the transaction were not disclosed.



"This investment will allow us to advance the development of transformative electrification technologies for the commercial vehicle industry," said Jay Craig, chief executive officer and president, Meritor. "Our collaboration with TransPower has proved successful in the early phase of our electrification strategy and we believe it will continue to create a winning formula as we look ahead to low-volume production in the future."

Meritor's investment will fund continued improvements in the development of controls for its eAxle and commercialization of electric vehicle system solutions from both companies. Through various programs with major OEMs, almost 100 vehicles are planned to be equipped with Meritor and TransPower electrification systems between 2019 and 2020.

Meritor's eCarrier platform integrates an electric motor into the axle, freeing up space for batteries and other components. This flexible design is the foundation for various drivetrain configurations, including full electric, hybrid, and single or tandem axles with various options based on product application for vehicle Classes 5 through 8.

California-based TransPower supplies integrated drive systems, full electric truck solutions and energy-storage subsystems to major manufacturers of trucks, school buses, refuse vehicles and terminal tractors. The company has been focused exclusively on developing electrical drive solutions for more than seven years.

About Meritor

Meritor, Inc. is a leading global supplier of drivetrain, mobility, braking and aftermarket solutions for commercial vehicle and industrial markets. With more than a 100-year legacy of providing innovative products that offer superior performance, efficiency and reliability, the company serves commercial truck, trailer, off-highway, defense, specialty and aftermarket customers around the world. Meritor is based in Troy, Mich., United States, and is made up of approximately 8,600 diverse employees who apply their knowledge and skills in manufacturing facilities, engineering centers, joint ventures, distribution centers and global offices in 19 countries. Meritor common stock is traded on the New York Stock Exchange under the ticker symbol MTOR. For important information, visit the company's website at www.meritor.com.

About TransPower

Transportation Power, Inc., doing business as TransPower, is a privately-held California company that develops and provides clean vehicle and stationary energy storage technologies and products. TransPower manufactures a proprietary integrated electric drive system for large trucks, tractors, and school buses, which it sells to vehicle manufacturers and installs into vehicles on a turn-key basis. In addition, TransPower is developing drive products using state of the art hybrid-electric and fuel cell hybrid propulsion systems, as well as a special line of controllers and related products designed to work with Meritor's E-Axle. For more information, contact info@transpowerusa.com or visit www.transpowerusa.com.

Forward-Looking Statement

This release contains statements relating to future results of the Company that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements are typically identified by words or phrases such as "believe," "expect," "anticipate," "estimate," "should," "are likely to be," "will" and similar expressions. Actual results may differ materially from those projected as a result of certain risks and uncertainties, including but not limited to reliance on major OEM customers and possible negative outcomes from contract negotiations with our major customers, including failure to negotiate acceptable terms in contract renewal negotiations and our ability to obtain new customers; the outcome

of actual and potential product liability, warranty and recall claims; our ability to successfully manage rapidly changing volumes in the commercial truck markets and work with our customers to manage demand expectations in view of rapid changes in production levels; global economic and market cycles and conditions; availability and sharply rising costs of raw materials, including steel, and our ability to manage or recover such costs; our ability to manage possible adverse effects on our European operations, or financing arrangements related thereto following the United Kingdom's decision to exit the European Union or, in the event one or more other countries exit the European monetary union; risks inherent in operating abroad (including foreign currency exchange rates, restrictive government actions regarding trade, implications of foreign regulations relating to pensions and potential disruption of production and supply due to terrorist attacks or acts of aggression); risks related to our joint ventures; rising costs of pension benefits; the ability to achieve the expected benefits of strategic initiatives and restructuring actions; our ability to successfully integrate the products and technologies of FABC Holdings, Inc. and future results of such acquisition, including its generation of revenue and it being accretive; the demand for commercial and specialty vehicles for which we supply products; whether our liquidity will be affected by declining vehicle productions in the future; OEM program delays; demand for and market acceptance of new and existing products; successful development and launch of new products; labor relations of our Company, our suppliers and customers, including potential disruptions in supply of parts to our facilities or demand for our products due to work stoppages; the financial condition of our suppliers and customers, including potential bankruptcies; possible adverse effects of any future suspension of normal trade credit terms by our suppliers; potential impairment of long-lived assets, including goodwill; potential adjustment of the value of deferred tax assets; competitive product and pricing pressures; the amount of our debt; our ability to continue to comply with covenants in our financing agreements; our ability to access capital markets; credit ratings of our debt the outcome of existing and any future legal proceedings, including any litigation with respect to environmental, asbestos-related, or other matters; the actual impacts of our modifications to benefits provided to certain former union employee retirees on the company's balance sheet, earnings and amount of cash payments; possible changes in accounting rules; ineffective internal controls; and other substantial costs, risks and uncertainties, including but not limited to those detailed in our Annual Report on Form 10-K for the year ended September 30, 2017, as amended and from time to time in other filings of the Company with the SEC. These forward-looking statements are made only as of the date hereof, and the Company undertakes no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise, except as otherwise required by law. All earnings per share amounts are on a diluted basis. The company's fiscal year ends on the Sunday nearest Sept. 30, and its fiscal quarters generally end on the Sundays nearest Dec. 31, March 31 and June 30. All year and quarter references relate to the company's fiscal year and fiscal quarters, unless otherwise stated.



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SOURCE Meritor, Inc.

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