

1 February 2012

David Brown acquires leading industrial gear manufacturer Unigear as part of its North American growth strategy

David Brown, one of the world's leading providers of industrial gearing solutions and support services, is delighted to announce it has acquired Montreal based industrial gear manufacturer Unigear Industries Inc.

Unigear is a privately held business that is renowned for its high quality gearing solutions. With its outstanding flexibility, innovation, quality and performance it has an excellent reputation for customer responsiveness and a high standard of customer service in the North American gearing market.

David Brown already has a presence in key markets in North America, such as mining and oil & gas, as well as through its premier double-enveloping worm gearing business Cone Drive, based in Traverse City, Michigan. The acquisition of Unigear and its industrial gear manufacturing and service capability is a key part of David Brown's global and North American growth strategy. The business will be brought under the David Brown umbrella and will trade under the name; Unigear – a David Brown Company. The Unigear team including Ron Mehra, President and Peter Zurcher, Vice President will remain with the company and play key leadership roles in the company going forward.

David Brown has a clear vision for the future and a defined growth strategy developed around expanding in key global markets including mining, oil & gas, conventional power, rail and renewable energy such as solar, wind and hydro. The acquisition of Unigear provides David Brown with wider access to many of these strategic industry segments coupled with local capability to manufacture and service industrial gear products for the North American market.

Expanding its aftermarket service offering is integral to David Brown's strategy to provide customers with locally employed specialist teams delivering a world-class service. As well as becoming David Brown's North American manufacturing center of excellence, David Brown will also establish a service center at its Montreal facility to support customers in Canada. Additionally, the business is planning further expansion through the opening of a service center in the mining region of Kentucky, with near term plans for the establishment of additional service centers in strategic locations across North America.

David Brown's Chief Executive Officer, John Paterson said: "We are delighted to have acquired Unigear, it is a very successful business that we want to further grow and develop. It is a perfect strategic fit for David Brown with its combination of customer relationships, experience, skills and precision gear manufacturing equipment. David Brown

is a global leader in gearing solutions and the acquisition of such a strong and well developed business as Unigear further strengthens our capabilities through the addition of complementary industrial gear manufacture and service capability in North America. We are already active in North America however, this enables us to make a much more compelling offer to our customers in the region. We are looking forward to working closely with Ron, Peter and the team and building a strong and prosperous future together.”

Ron Mehra, President of Unigear said: “This is a fantastic opportunity for the business. I am delighted we are becoming part of a global business and a North American team which has many of the same values as Unigear. We are excited about growing our businesses together. Between us we have more than 260 years of gearing expertise. We all understand that while the industries we serve continue to grow and change, so too must we through the specialized services we offer them and a flexible approach. Together we will continue to promote that commitment to excellence.”

Ends

Notes to editors

David Brown

David Brown is part of the Clyde Blowers portfolio (GBP 1.35 billion).

David Brown has been providing engineering expertise to a range of global industries for more than 150 years. It has six key manufacturing facilities in the UK, South Africa, China, Australia, France and the USA, which are supported by a global service center network. To complement its rapidly growing global network David Brown also has new service center facilities planned in South East Asia, North America, South America and a further service center in Southern Africa. It has also recently entered in to a Joint Venture agreement with Bharat Forge to set up a manufacturing facility and service centers in India.

Cone Drive

Cone Drive is also part of the Clyde Blowers portfolio.

Cone Drive is the world leader in double enveloping worm gear technology, which delivers drive solutions with the highest torque and shock load capacity in the smallest amount of space. Cone Drive has been providing Gearing Solutions for over 85 years and has two manufacturing facilities in the USA.