

São Paulo, July 25th, 2014

STATEMENT

In 2014, PTI has completed 60 YEARS of operations in Brazil and, since the beginning of its presence in our Country, it manufactures FALK brand products with the quality and efficiency required by Brazilian and international markets. However, as of May 1st, 2014, the partnership between PTI Overseas and Rexnord has been terminated, therefore PTI right of using the FALK's brand has ended.

With the termination of the partnership between both companies, the impacts for PTI are very positive because, in addition to carrying on rendering services to Brazilian market with innovations, customization and mechanical power transmission systems, PTI increases its market performance reaching even the external market, which will allow greater competitiveness and coverage in new projects.

Based on its market experience and technical structure, PTI will continue to providing solutions on complete power transmission mechanical drives under "TURN-KEY" management, consisting of: electrical motors, gearboxes, couplings and coupling guards which comply with NR12, OSHA, ASME and ANSI regulations; electronic systems for monitoring vibration, temperature, oil level, electrical control boards integrated with its production control system, calculated and designed badplates according to the application, in addition to the services for revitalization, and repairs for refurbishment drive systems with PTI Service Solutions warranty.

To ensure that the products purchased from now on are interchangeable with the many products installed in your industrial plants, **PTI REQUESTS** that the **CUSTOMERS** update their databases, changing the product registration of couplings, gearboxes and its parts and pieces from **PTI/FALK** to **PTI**. The reason for that procedure is because all development and customization requested by Brazilian market has always been performed by PTI engineering in Brazil, of which FALK in the United States was never involved and knowledge.

We invite you to check the list of our own offices, authorized distributors, application and sales engineers and representatives that are listed in our website (<http://www3.pticorp.com.br/pt/ptihome/brasil>) to better serve you with technical visits, prompt delivery of couplings and systems solutions.

PTI, which has been always by your side throughout all those years, will remain with this partnership and count on your support.

We are at your disposal for any clarification.

Alessandro Cipriani
Sales Manager - Couplings

Sérgio Manfrim
General Sales Manager

Claudio Bertolla
Chief Executive Officer