



## ALTRA INDUSTRIAL MOTION ANNOUNCES RESULTS FOR THE FOURTH QUARTER 2005 AND YEAR END 2005

QUINCY, MA -- April 28, 2006. Altra Industrial Motion, Inc. announced that net income for the fourth quarter ended December 31, 2005 was \$2.0 million. Fourth quarter 2005 revenues were \$90.2 million, a 19.6% increase over the fourth quarter of 2004. The gross profit for the fourth quarter increased to 27.8% from 25.2% in the third quarter. For 2005, net income was \$4.4 million, while revenues were \$363.5 million, a 19.7% increase over the year for 2004. Gross profit for 2005 was 25.2% versus 23.2% in 2004. Revenue performance was primarily due to strength in several key markets including primary metals, energy, mining and aerospace.

Michael L. Hurt, CEO, said "We are pleased with our first full year and we are very optimistic about 2006. Our incoming orders for the fourth quarter continued to be strong and were 5.3% higher than the fourth quarter of 2004. These orders helped to increase our backlog to \$100.7 million, an 11.1% increase over December 2004."

### Altra Industrial Motion, Inc.

| Statement of Operations Data:<br>In Thousands of Dollars | 4th Quarter 2005<br>(13 weeks ended)<br>December 31, 2005<br><u>(Unaudited)</u> | Year Ended 2005<br>(52 weeks ended)<br>December 31, 2005<br><u>(Audited)</u> |
|--|---|--|
| Net sales  | \$90,205  | \$363,465  |
| Cost of sales  | <u>65,130</u>   | <u>271,952</u>   |
| Gross profit   | 25,075  | 91,513   |
| Selling, general and administrative expenses             | <u>16,579</u>   | <u>66,104</u>  |
| Operating income   | 8,496   | 25,409   |
| Interest expense   | 4,252   | 17,065   |
| Other (Income) expense                                   | <u>(20)</u>   | <u>(17)</u>  |
| Income before taxes                                      | 4,264   | 8,361  |
| Income taxes   | <u>2,252</u>  | <u>3,917</u>   |
| Net income   | <u>\$2,012</u>  | <u>\$4,444</u>   |

| Other Financial Data:       |         |          |
|-----------------------------|---------|----------|
| Depreciation & amortization | \$3,069 | \$13,232 |

### Altra Industrial Motion, Inc.

| Balance Sheet Data:<br>In Thousands of Dollars | <u>December 31, 2005</u> | <u>December 31, 2004</u><br>(Audited) |
|--|--------------------------|---------------------------------------|
| <b>Assets:</b>                                 |                          |                                       |
| Cash and cash equivalents                      | \$10,060                 | \$4,729                               |
| Trade receivables, net                         | 46,441                   | 45,969                                |
| Inventories, net                               | 54,654                   | 56,732                                |
| Property, plant and equipment, net             | 66,393                   | 68,006                                |
| <b>Liabilities:</b>                            |                          |                                       |
| Current liabilities                            | \$64,096                 | \$56,123                              |
| Long-term debt                                 | 159,574                  | 158,740                               |
| Capex  | \$6,199                  | \$3,778                               |

Altra Industrial Motion, Inc. is a leading multinational designer, producer and marketer of a wide range of mechanical power

transmission products. The company brings together strong brands covering over 35 product lines with production facilities in six countries and sales coverage in over 70 countries. Our leading brands are Ameridrives, Boston Gear, Warner Electric, Formsprag Clutch, Industrial Clutch, Kilian, Marland Clutch, Nuttall Gear, Stieber and Wichita Clutch.

This press release includes statements which are forward looking within the meaning of applicable securities laws. These statements may include or imply projections of future performance that are based upon the company's expectations or assumptions. These expectations and assumptions, as well as the company's future performance, are subject to a number of risks and uncertainties. Factors that could cause actual results to differ from projected results are discussed in the company's Registration Statement on Form S-4 filed with the Securities and Exchange Commission. Altra Industrial Motion, Inc. is under no obligation to, and expressly disclaims any obligation to, update or, alter its forward looking statements, whether as a result of new information, future events or otherwise.

*SOURCE: Altra Industrial Motion documents*

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