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Safe Harbor Statement

This presentation contains “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995.

Forward-looking statements represent our management’s judgment regarding future events. In many cases, you can identify forward-looking statements by terminology such as “may,” “will,” “plan,” “expect,” “anticipate,” “estimate,” “believe,” or “continue” or the negative of these terms or other similar words. Actual results and events could differ materially and adversely from those contained in the forward-looking statements due to a number of factors, including: economic changes in global markets where we do business, such as reduced demand for products we sell, weakness in the housing and commercial real estate markets, currency exchange rates, inflation rates, interest rates, recession, foreign government policies and other external factors that we cannot control; unanticipated fluctuations in commodity prices and raw material costs; cyclical downturns affecting the global market for capital goods; unexpected issues and costs arising from the integration of acquired companies and businesses; marketplace acceptance of new and existing products including the loss of, or a decline in business from, any significant customers; the impact of capital market transactions that we may effect; the availability and effectiveness of our information technology systems; unanticipated costs associated with litigation matters; actions taken by our competitors, including new product introductions or technological advances, and other events affecting our industry and competitors; difficulties in staffing and managing foreign operations; other domestic and international economic and political factors unrelated to our performance, such as the current substantial weakness in economic and business conditions; and other risks and uncertainties including but not limited to those described in Item 1A-Risk Factors of the Company’s Annual Report on Form 10-K filed on March 2, 2010 and from time to time in our reports filed with U.S. Securities and Exchange Commission. All subsequent written and oral forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by the applicable cautionary statements. The forward-looking statements included in this presentation are made only as of their respective dates, and we undertake no obligation to update these statements to reflect subsequent events or circumstances. See also Item 1A - Risk Factors in the Company’s Annual Report on Form 10-K filed on March 2, 2010.

The financial data prior to fiscal 2009 included in this presentation have not been adjusted for our adoption of Financial Accounting Standards Board Staff Position APB 14-1, “Accounting for Convertible Debt Instruments that May Be Settled in Cash Upon Conversion (Including Partial Cash Settlement),” the effects of which are described in Note 2 to our Condensed Consolidated Financial Statements in our Quarterly Report on Form 10-Q for the Quarterly Period Ended April 3, 2010.



Investment Thesis

Well-Positioned Business Model

- Necessary and Innovative Products
- Leading Positions in Diverse and Growing Markets
- Global Footprint and Technical Resources
- RBC Operating System
- Successful Acquirer and Integrator

Accelerating Growth Drivers

- Increasing Global Presence
- Energy Efficiency Technology Leadership
- Industry Innovator
- Transformed Operations Positioned for Growth

Solid Financial Performance

- Growth
- Profitability
- Cash Flow
- Balance Sheet Strength

Positioned for Value Creation and Growth

Well-Positioned Business Model

Necessary and Innovative Products

Leading Positions in Diverse and Growing Markets

Global Footprint and Technical Resources

RBC Operating System Drives Results

Successful Acquirer and Integrator

Necessary and Innovative Products

Products



Motors



Controls



Gear Drives



Generators

Solutions



Air Flow



Speed and Torque



Power and Control

Game Changing Technology



Evergreen™ ECM



Arktik 59™ ECM



Solar Tracker



Rail Drivetrain



Leading Positions in Diverse and Growing Markets

Leading Product Positions

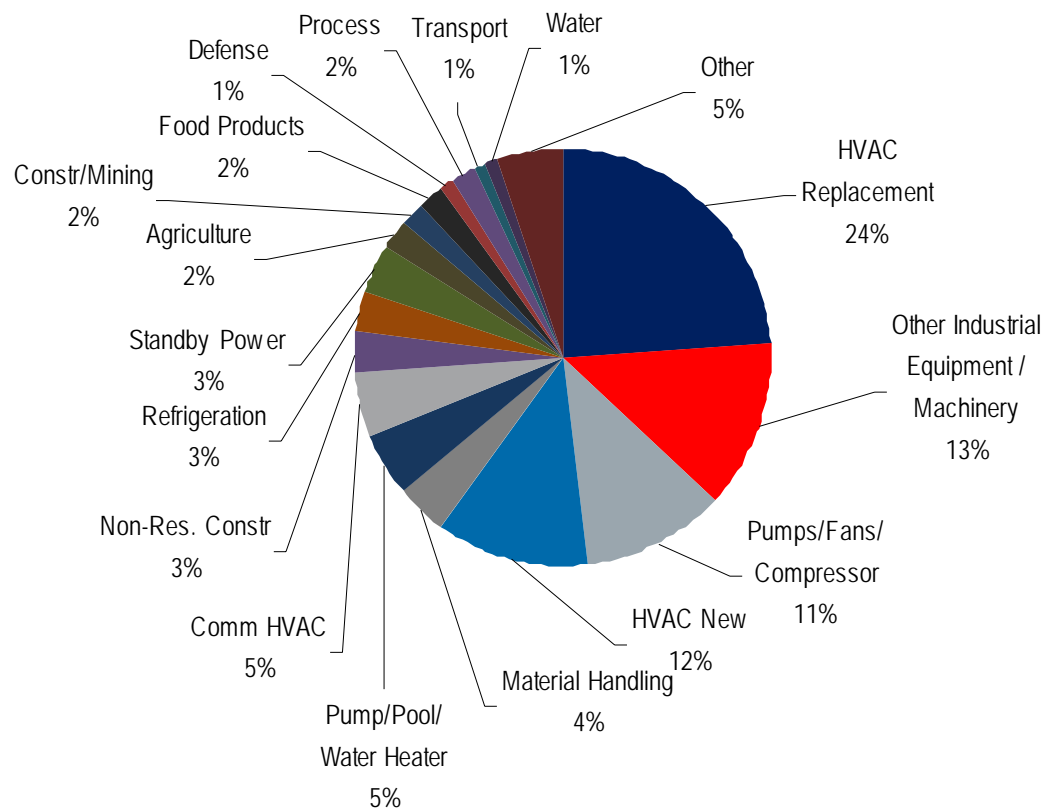
■ North America

- Commercial & Industrial Motors
- Worm & Bevel Gears
- Hydraulic Pump Drives and Valve Actuators
- HVAC Motors
- Commercial Refrigeration Motors
- Electric Generators

■ Asia

- Industrial Motors
- HVAC Motors
- Electric Generators

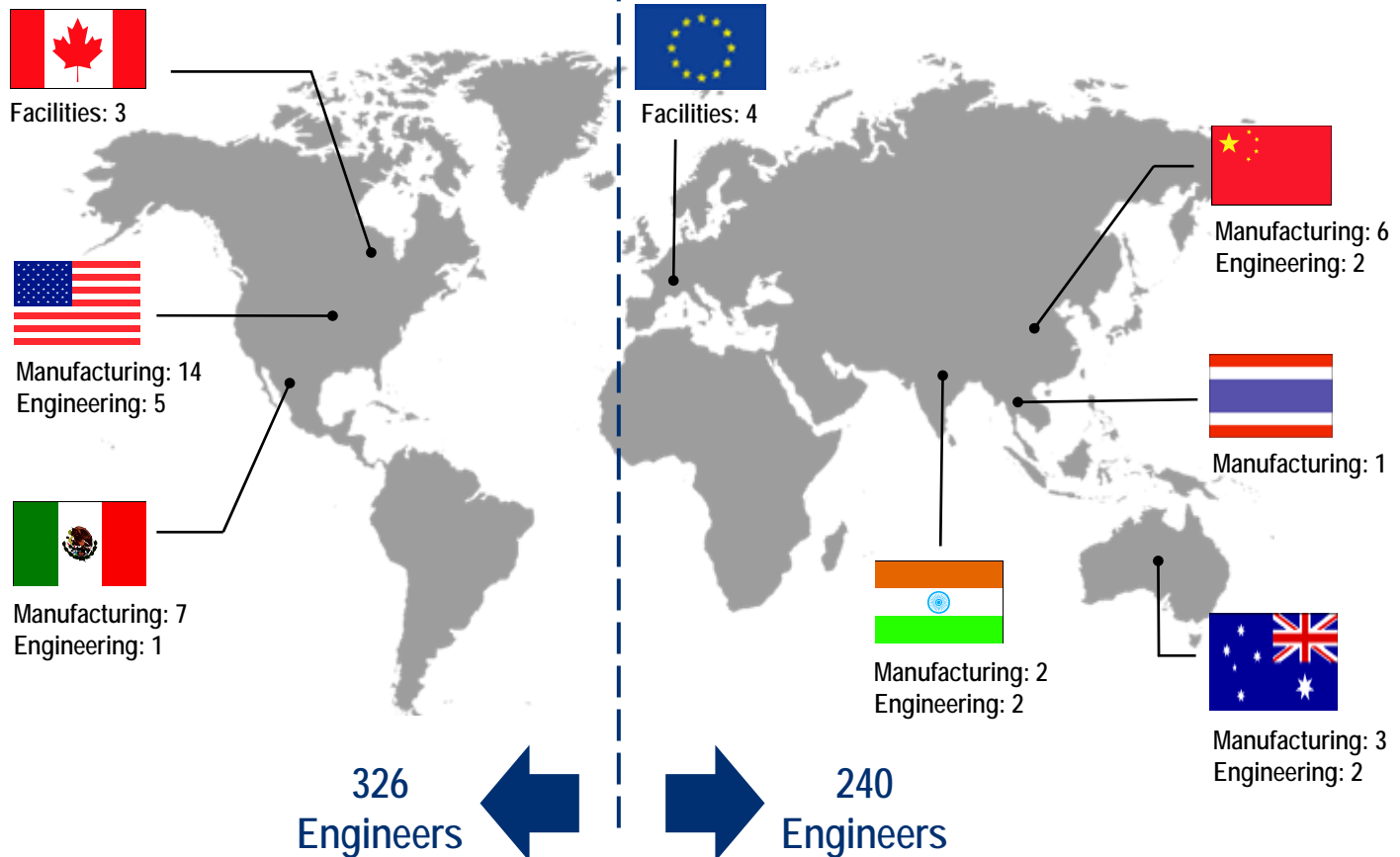
2009 Sales by End Market



Source: Management estimates based on individual business segment sales.

Global Footprint and Technical Resources

- Enhance Sales in High Growth Markets
- Expand to Meet Global Customer Needs
- Utilize 24 Hour Technical Resources
- Optimize Cost Structure



Regal Beloit Operating System Drives Results



RBC Operating System is Our Culture

- Operating Rigor
- Driving the Roll Up
- Integrating the Acquisitions
- Responsible for Operating Improvements

Successful Acquirer and Integrator

- Consistent acquirer (8 in past 36months)
- Rigorous evaluation and integration process drives return on investment
- Leveraging our size behind the brands
- Accretive to earnings
- New / expanded geographies and technologies
- Pipeline continues to be strong
 - Timing improving- TTM Alignment
 - Balance Sheet Strength
 - Technology, Geography, Synergy

2009



2010



2005 – 2008



1997 – 2004



GE CAC

By Regal-Beloit



GE HVAC

By Regal-Beloit

Accelerating Growth Drivers

Continuing to Align with
High Growth Markets

Energy Efficiency
Technology Leader

Industry Innovator

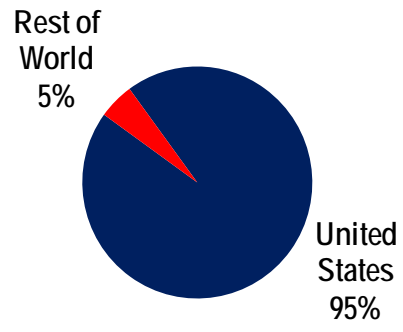
Energy Efficiency
Supported by Legislation

Transforming Operations-
Positioned for Recovery

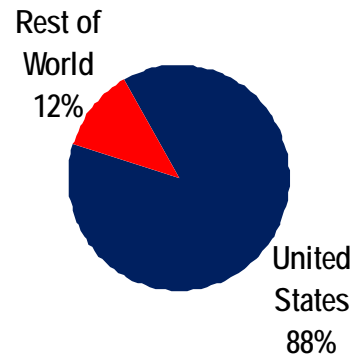


Increasing Global Presence

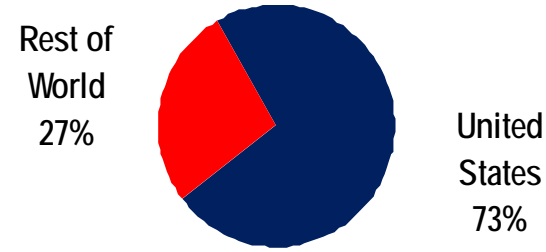
2000



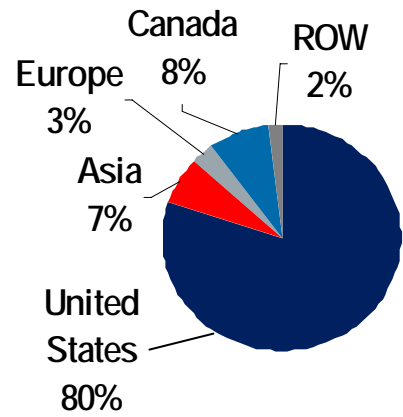
2005



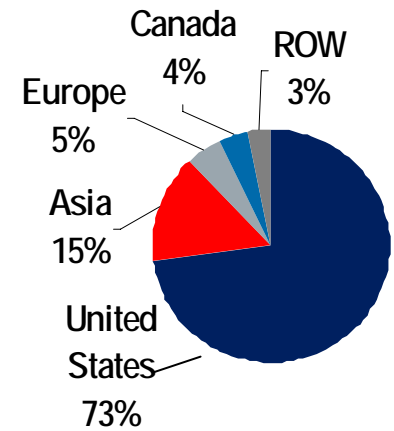
2009



Expanding in Higher Growth Regions



2004 Sales



2009 Sales



Technology Leader

Evolving End User Needs

High Efficiency

More Effective
Use of Power

Variable Speed

Broad Variation of
Speed During Use

Embedded Intelligence

Electronic "Smarts"
Built Into Products

Lower Operating Costs

Reduced Lifetime
Costs to Operate

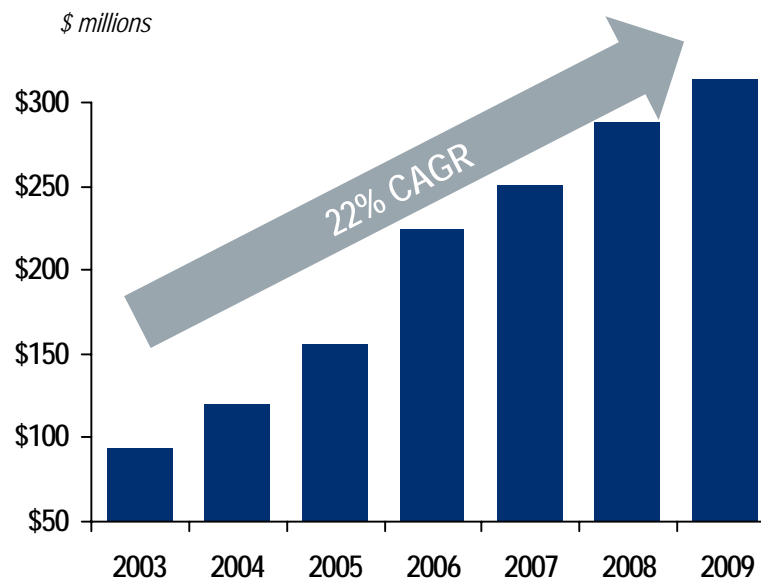
New Product Responses

- X13 460V/277V
- Power Cube Gear Drive
- High Efficiency IEC Motors
- Hybrid Transfer Case
- Deep Sea Actuator
- Medium Voltage Industrial Motors
- 1040 FR Generator
- Arktik 142
- Arktik 59
- ECM 3.0
- Evergreen
- Railway Generators
- Helical Inline
- Impower
- Impulse
- NEMA Premium Motors
- High Efficiency Gear Drives
- PGC 4000 / Series 2400 Switchgear
- Magnasmart Generators

Leading Energy Efficient Products

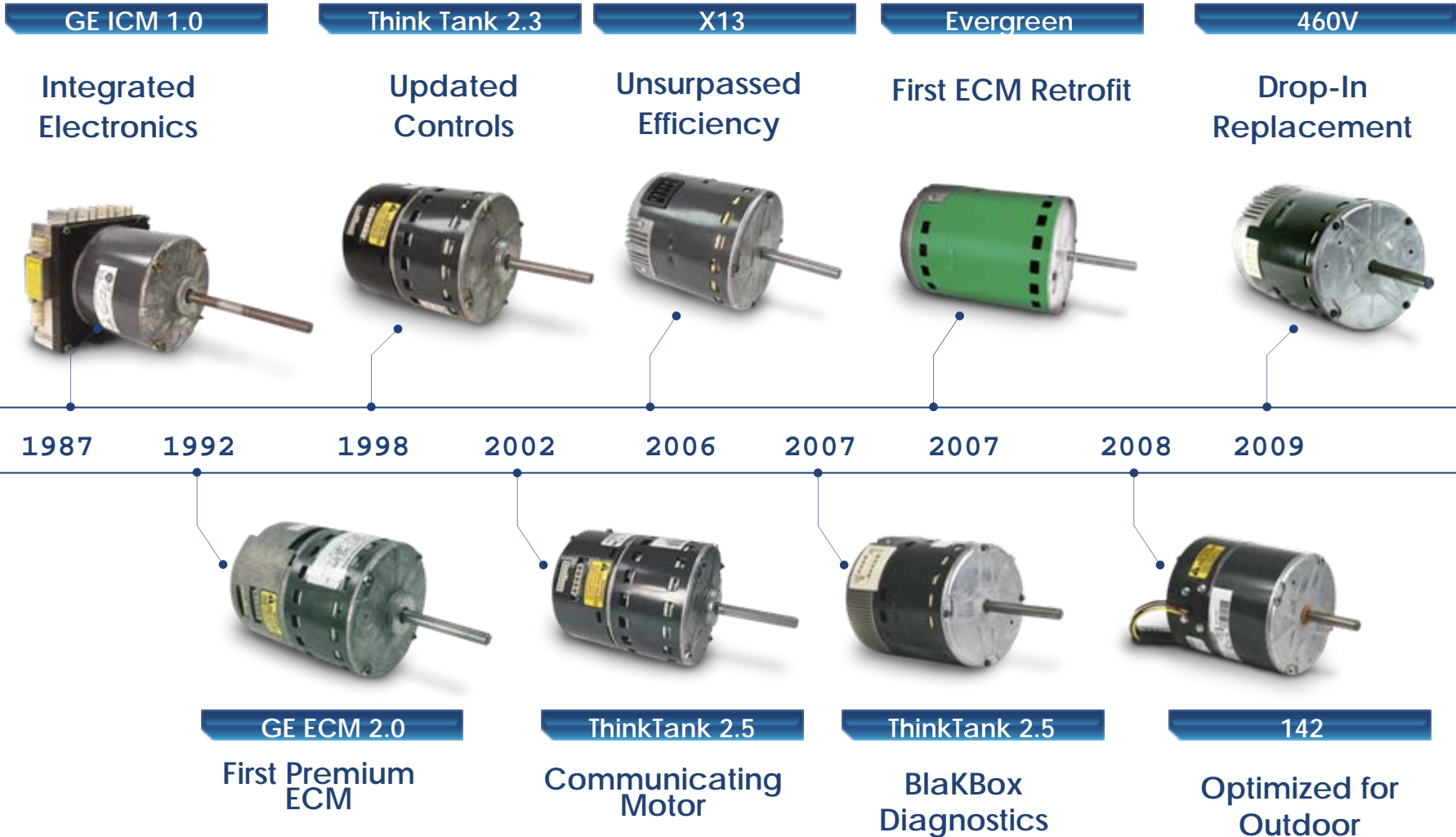
- 30% - 40% of all electricity generated is consumed by an electric motor
- 97% of the lifetime total cost of an electric motor is the electricity used
- Energy efficient products are sold under a number of brands:
 - Genteq ECM (formerly GE)
 - Genteq X13 (formerly GE)
 - Marathon
 - Leeson
 - Hub City/Grove Gear
 - Morrill

Sales of Energy Efficient Products



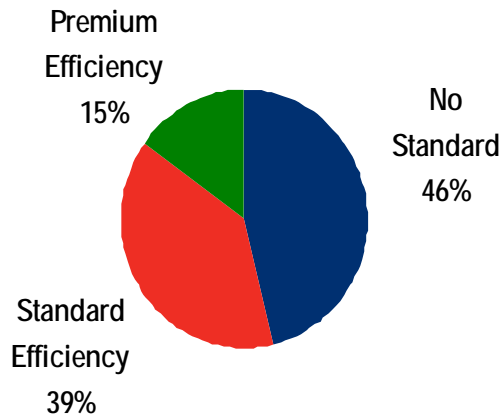
Source: Management estimates.

Industry Innovator- *The Evolution of ECM*

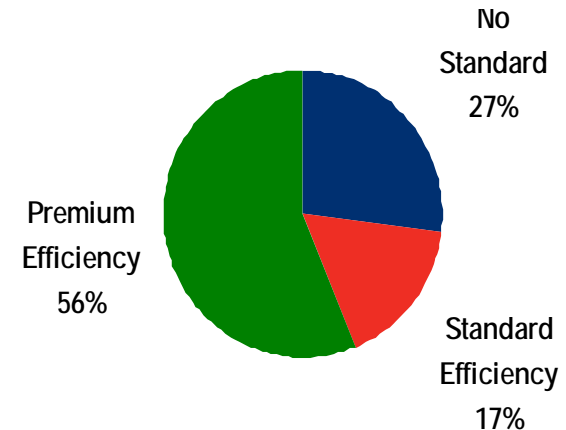


Effect of 2007 Energy Legislation on Industrial Motors

Est. 2008 Industrial Sales Mix



Est. Industrial Sales Mix With New Law



- Energy Independence and Security Act of 2007 - Effective December 2010
- Pending Stimulus Legislation Would Provide Incentives to Switch Earlier
- The Higher the Efficiency, the Higher the Average Selling Price

Energy Efficiency Supported by Legislation

	<u>Policy</u>	<u>Status</u>
<ul style="list-style-type: none"> ▪ More stringent energy efficiency requirements on integral horsepower motors effective December 2010 	EISA 2007	Passed
<ul style="list-style-type: none"> ▪ Up to a \$1,500 tax credit for consumers thru December 2010: <ul style="list-style-type: none"> ▪ energy efficient HVAC system ▪ energy efficient motor ▪ energy efficient water heater 	Stimulus	Passed
<ul style="list-style-type: none"> ▪ Regional SEER and gas efficiency standards 	Stimulus	Pending
<ul style="list-style-type: none"> ▪ More stringent Energy Star labeling requirements on residential water heaters effective September 2010 	Energy Star	Passed
<ul style="list-style-type: none"> ▪ Up to \$25 per horsepower for replacement of existing motor with NEMA Premium motors 	Bill	Pending
<ul style="list-style-type: none"> ▪ Renewable Energy – solar applications 	Stimulus	Passed
<ul style="list-style-type: none"> ▪ Infrastructure spending – highways and bridges 	Stimulus	Passed
<ul style="list-style-type: none"> ▪ CA building code requiring ECM motors on select walk in coolers/freezers and variable air volume terminals 	CA Title 20 & 24	Passed

Transforming Operations

- Lean Six Sigma Yields Productivity Annuity

- Improving Core Cash Cycle
- Reducing Floor Space.
- Improving Customer Experience
 - Quality Improvements
 - Cycle Time Improvements
- Continuous Cost Improvement

- Driving Variable Cost Productivity

- Plant Relocations/Consolidation
- Fast Payback Capex Projects

- Capturing Acquisition Combination Benefits

- Leveraging Low Cost Manufacturing

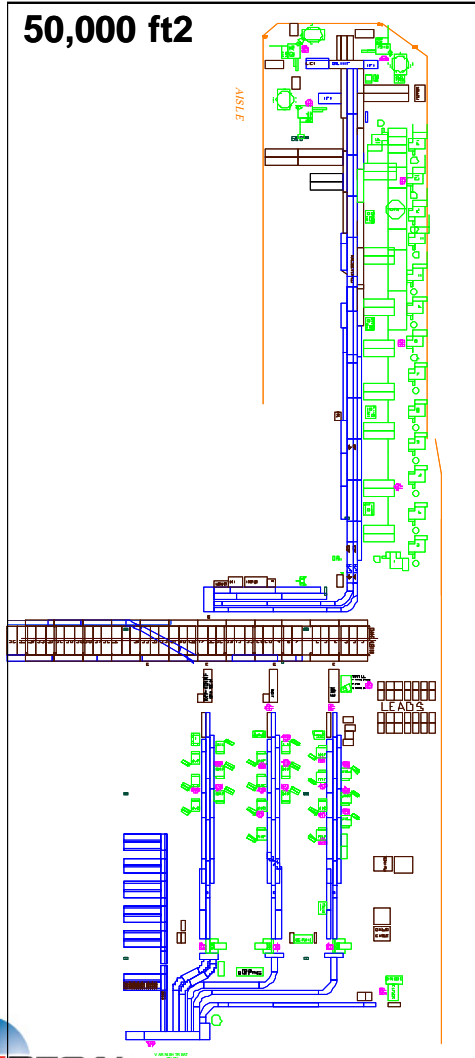
- Expanding Global Sourcing

Positioned for Recovery

Springfield Facility Lean Efforts

Before

50,000 ft²



Benefits:

60% less floor space

75% less WIP

79% faster cycle

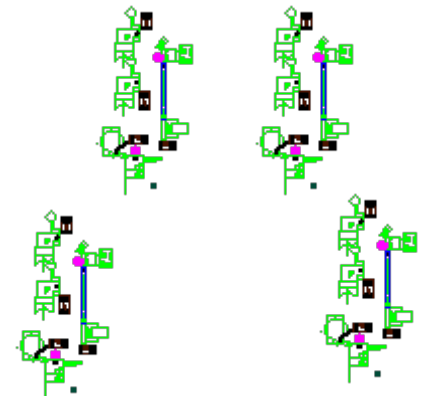
\$200K Labor VCP



After

30,000 ft²

Open



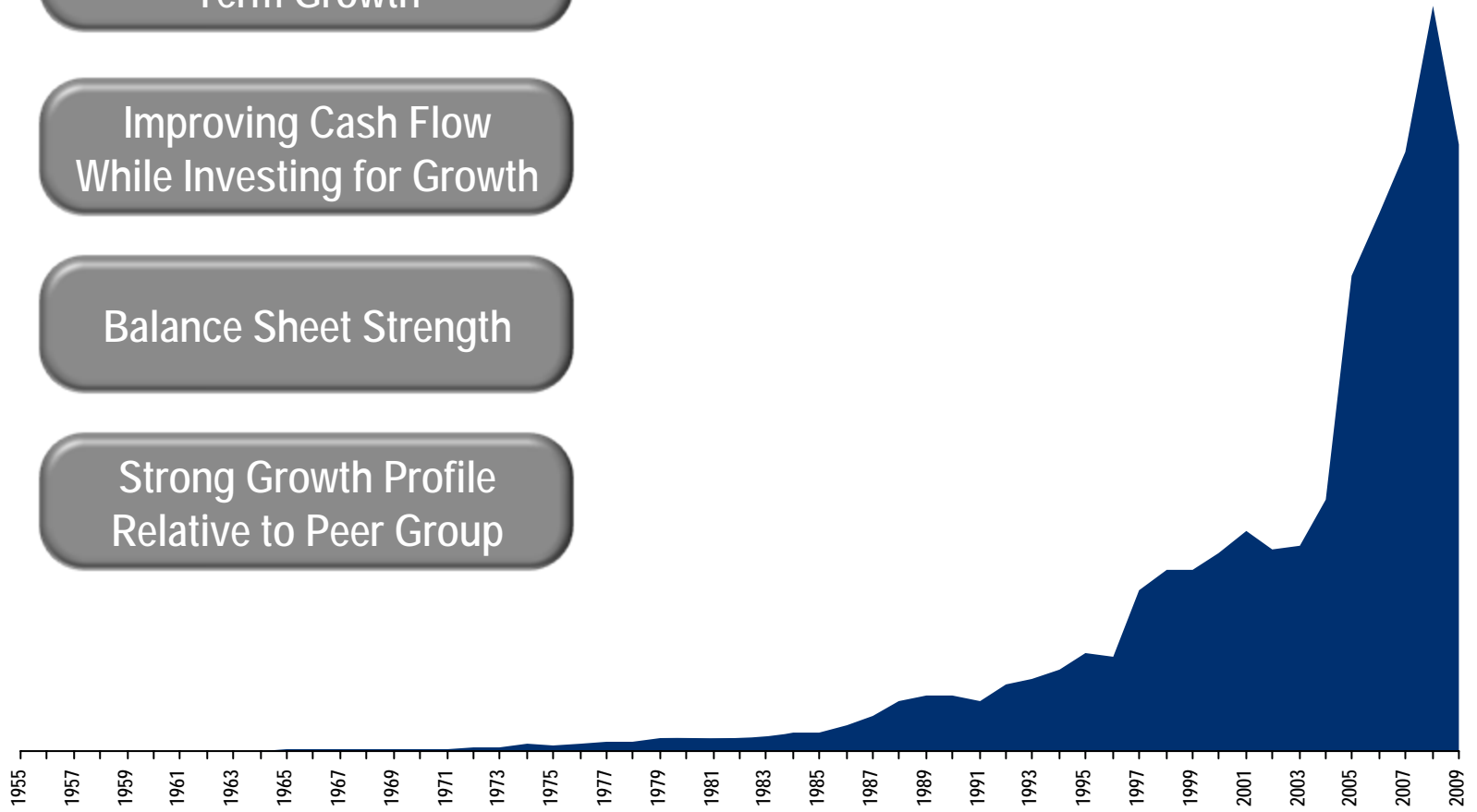
Solid Financial Performance

Track Record of Long-Term Growth

Improving Cash Flow While Investing for Growth

Balance Sheet Strength

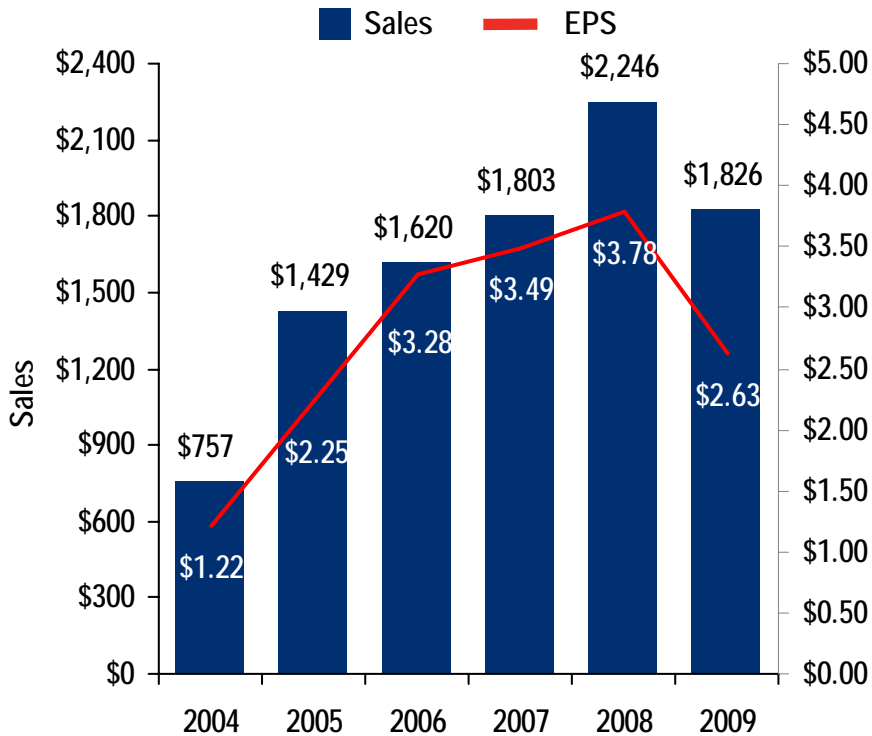
Strong Growth Profile Relative to Peer Group



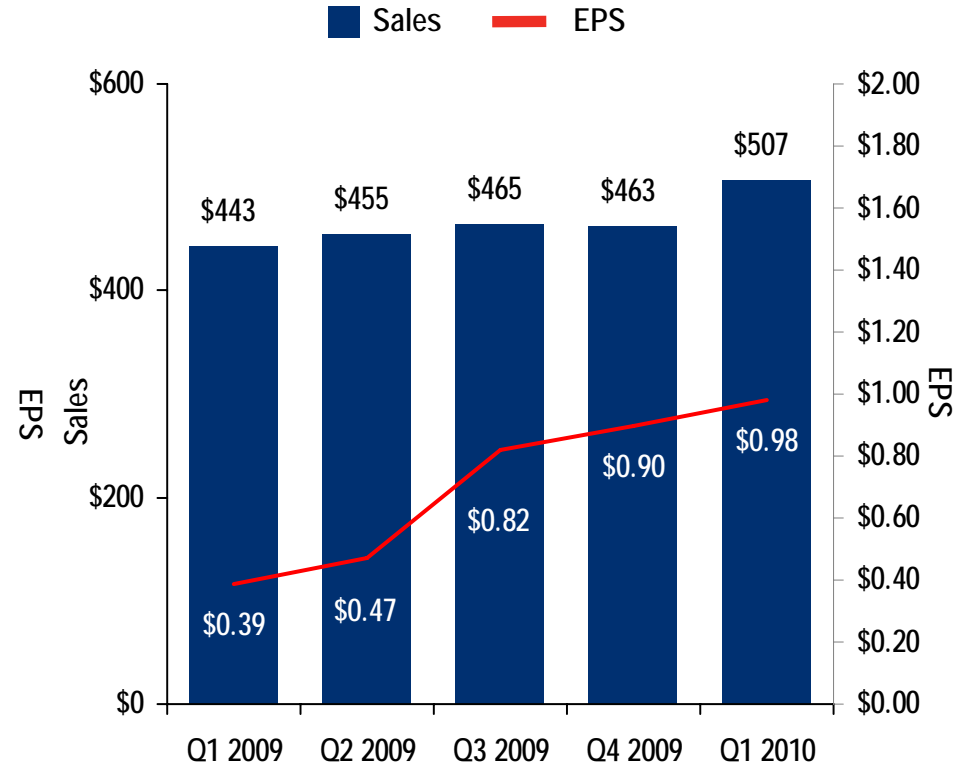
Track Record of Long-Term Growth

(\$ in millions, except per share data)

5 Year Sales and EPS Growth



Quarterly Sales and EPS Growth

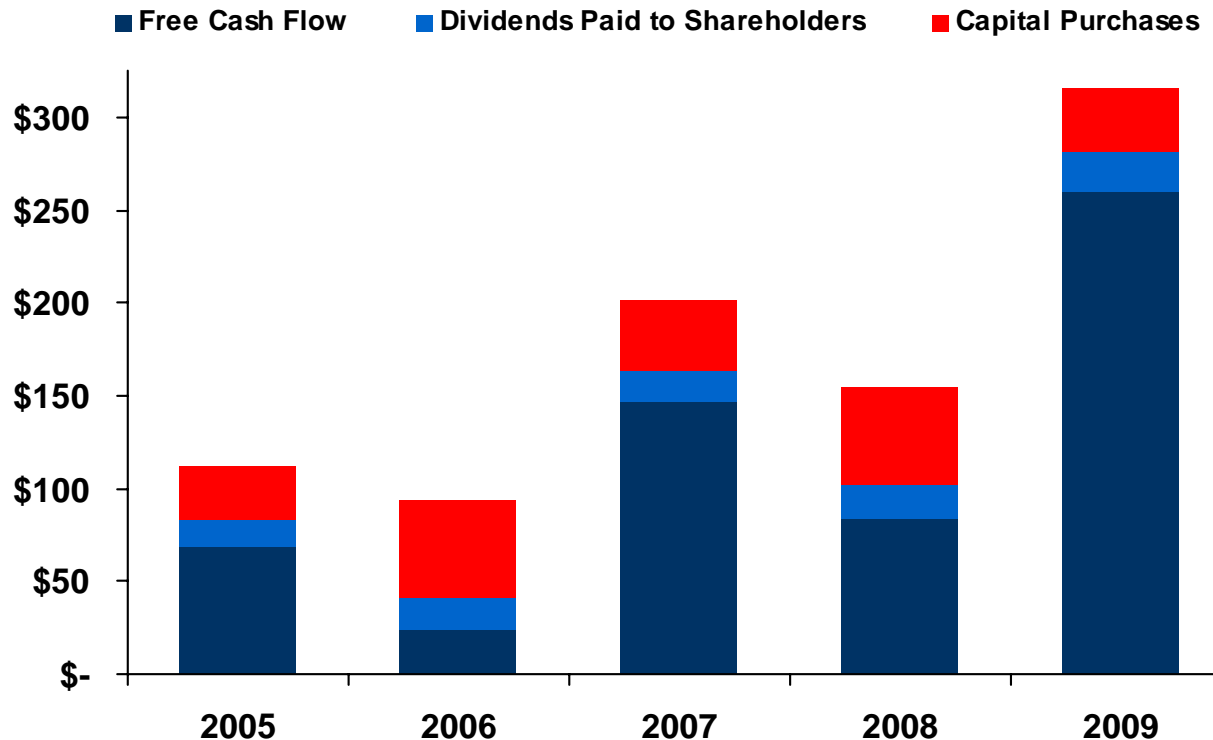


20 Year Sales Growth 14% CAGR

Improving Cash Flow While Investing for Growth

5 Year Cash Flow

(\$ in millions)



20 Year Average of Net Income 106%

Balance Sheet Strength

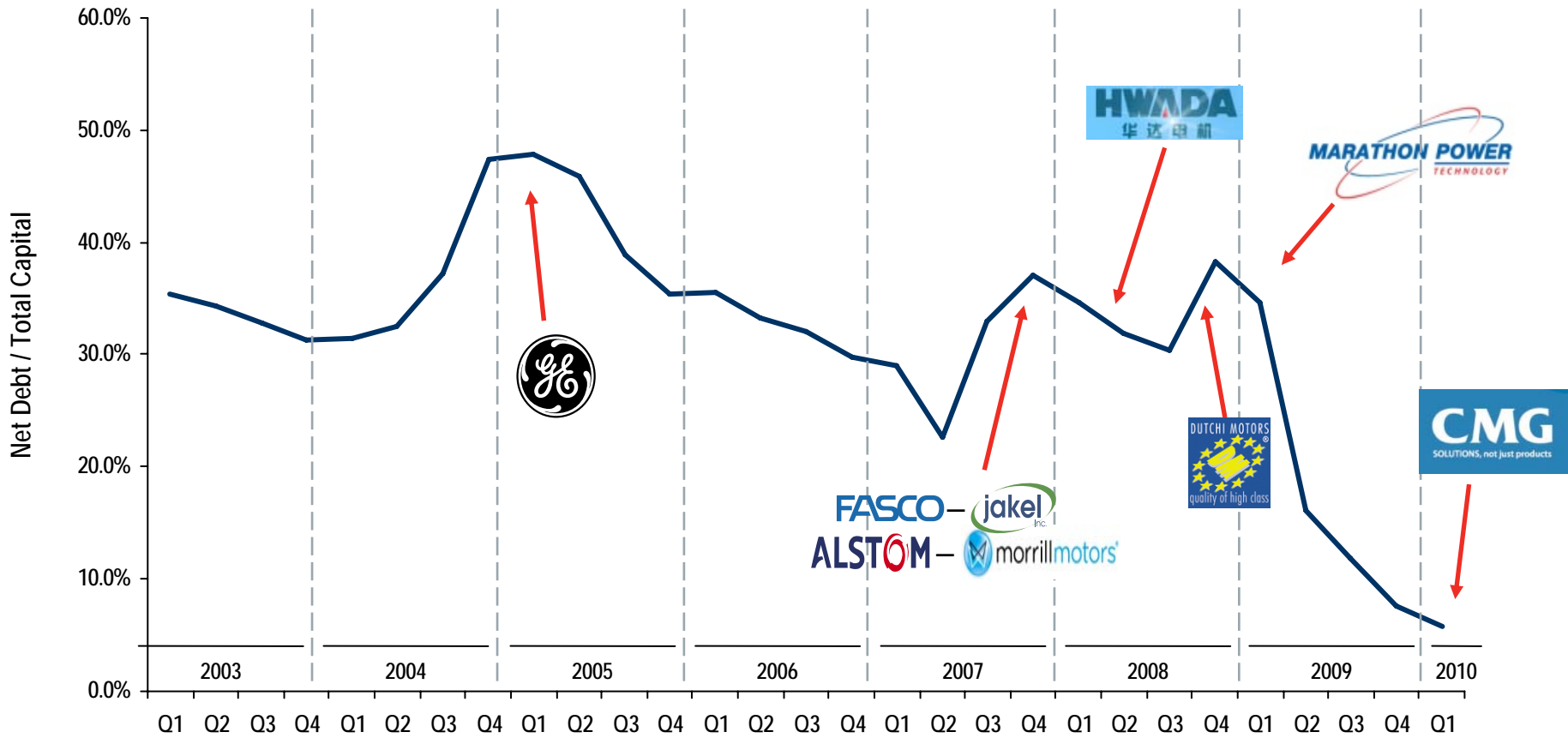
- **Modest Leverage – Q1 2010**
 - Total Debt to Cap of 28%
 - Net Debt to Cap of 4%
 - Total Debt to EBITDA of 1.8x
 - Net Debt to EBITDA of .3x

- **Sufficient Liquidity – Q1 2010**
 - Revolver Availability of \$500 Million
 - Cash and Cash Equivalents of \$405 Million
 - TTM Operating Cash Flow of \$344 Million

- **No Significant Debt Maturity until 2012**
 - Weighted Average Cost of Debt Currently 3.7%
 - 64% Fixed, 36% Floating

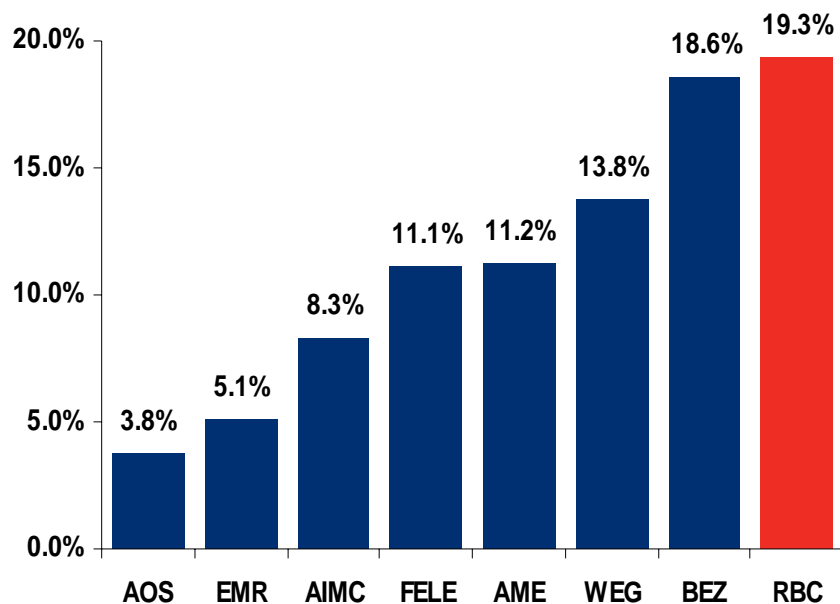
Note: EBITDA is computed as income from operations plus depreciation and amortization.

Balance Sheet Strength

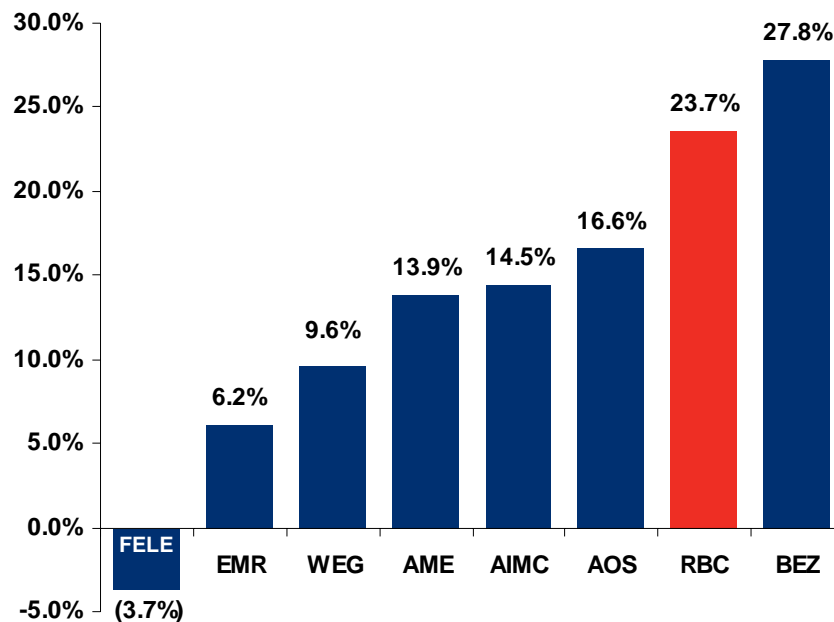


Relative Growth Profile

5-Year Sales CAGR



5-Year Operating Income CAGR



Company	Net Debt / LTM EBITDA ⁽¹⁾
AOS	0.96x
EMR	0.93x
WEG	N/M
AME	1.79x
AIMC	2.58x
AOS	0.89x
RBC	0.37x
BEZ	4.47x

We have one of the strongest growth profiles in our peer group and have done so with modest leverage



Source: Capital IQ.

Note: CAGR represents cumulative annual growth rate for the 2004 – 2009 calendar periods. Total Debt / EBITDA leverage ratios as of May 24, 2010.

(1) EBITDA is computed as income from operations plus depreciation and amortization.



Thank You!