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February 7, 2005

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REGAL-BELOIT CORPORATION Acquires 95% Ownership of Changzhou Modern Technologies

Beloit, WI: REGAL-BELOIT CORPORATION (NYSE:RBC) today announced the Company has acquired 95% ownership of Changzhou Modern Technologies Co., LTD. ("CMT"). CMT is located in Changzhou, P.R. of China and will produce NEMA 48 frame electric motors. The purchase price was \$3.23 million which will be paid over a three year period.

James L. Packard, CEO and Chairman of REGAL-BELOIT CORPORATION commented, *"This acquisition is a continuation of our strategy to evolve our manufacturing footprint to take advantage of low cost manufacturing locations. Additionally, this allows us to better serve our customers' Asian production facilities and to expand our ability to serve local markets."*

This acquisition results in the third manufacturing joint venture for the Company in China. The facility will be used to expand the Company's capacity to service an increase in demand for the Company's products. CMT's business prior to the acquisition will have a negligible impact on the Company's sales and earnings.

About REGAL-BELOIT CORPORATION:

REGAL-BELOIT CORPORATION (AMEX:RBC) is a leading manufacturer of mechanical and electrical motion control and power generation products serving markets throughout the world. REGAL-BELOIT is headquartered in Beloit, Wisconsin, and has manufacturing, sales, and service facilities throughout the United States and Canada, and in Mexico, Europe and Asia. For more information, visit the company's website at www.regal-beloit.com.

Cautionary Concerning Forward-Looking Statements

The following is a cautionary statement made under the Private Securities Litigation Reform Act of 1995: With the exception of historical facts, the statements contained in this news release may be forward looking statements. Actual results may differ from those contemplated. Forward looking statements involve risks and uncertainties, including but not limited to, the following risks: 1) cyclical downturns affecting the markets for capital goods, 2) substantial increases in interest rates that impact the cost of the Company's outstanding debt, 3) our success in increasing sales and maintaining or improving the operating margins of our existing businesses and in integrating acquisitions, 4) the availability of or material increases in the costs of select raw materials or parts, 5) actions taken by our competitors, and 6) our ability to satisfy various covenant requirements under our credit facility. Investors are directed to the Company's documents, such as its Annual Report on Form 10-K and Form 10-Q's filed with the Securities and Exchange Commission.

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