



"At the Heart of What Drives Your World"

NEWS RELEASE

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FOR ADDITIONAL INFORMATION, PLEASE CONTACT:

David A. Barta
Vice President,
Chief Financial Officer
608-361-7405

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REGAL BELOIT ACQUIRES EUROPEAN INDUSTRIAL MOTOR DISTRIBUTOR

September 30, 2008 (BELOIT, WI): Regal Beloit Corporation (NYSE: RBC) today announced that the Company has acquired Dutchi Motors B.V. (Dutchi) located in Arnhem, The Netherlands.

Dutchi is a leading distributor of industrial motors in Western and Eastern Europe, South Africa, Russia and the Middle East. Dutchi is one of the largest distributors of the Company's Hwada motor products, which was purchased by the Company in April 2008. The Dutchi business will be reported as part of the Company's Electrical Segment.

The business is expected to add approximately \$11.0 to \$13.0 million to sales and add \$.01 to \$.02 to diluted earnings per share in 2008. The Company's guidance includes the estimated impact of purchase accounting and intangible amortization based on the preliminary purchase price allocation. Sales for Dutchi in 2009 are expected to be approximately \$70-\$75 million and the addition to diluted earnings per share are expected to be \$.05 to \$.08 for the business. Because of the sales relationship between Dutchi and the Company's Hwada business, approximately \$25.0 million of annual sales previously attributed to Hwada will now be classified as intercompany sales and will therefore reduce the reported sales for the Company as a result of this transaction. The purchase price was approximately \$34.0 million in cash and the assumption of approximately \$3.2 million in net liabilities.

According to Henry W. Knueppel, Chairman and CEO of Regal Beloit, "We are very excited to announce the acquisition of Dutchi. The Dutchi business is a strong and growing business across Eastern and Western Europe, South Africa, Russia and the Middle East. With Dutchi joining our expanding family, we will now have in place the infrastructure necessary to significantly expand our commercial efforts in these critical regions. The company has an outstanding management team that has continuously grown the business at a multiple of market growth rates. Given this track record and the opportunities that RBC can bring to Dutchi, we are very confident that we will see accelerated growth across these regions even in light of the short-term prospects for Western Europe. We have for some time searched for a commercial infrastructure in these important geographical regions that would allow us to leverage our global manufacturing platform. Dutchi is a perfect fit to complete this portion of our globalization strategy."

About REGAL BELOIT CORPORATION:

Regal Beloit Corporation is a leading manufacturer and marketer of branded 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, Canada, Mexico, Europe and Asia.

CAUTIONARY STATEMENT

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 press release may be forward looking statements. Forward-looking statements represent our management's judgment regarding future events. We cannot guarantee the accuracy of the forward-looking statements, and you should be aware that results and events could differ materially and adversely from those contained in the forward-looking statements due to a number of factors, including: unexpected issues and costs arising from the closing of the transaction and the integration of acquired companies and businesses and marketplace acceptance of these and other recent acquisitions, including the loss of, or a decline in business from, any significant customers of Regal Beloit or the acquired businesses. 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 press release are made only as of the date of this release, and we undertake no obligation to update these statements to reflect subsequent events or circumstances.

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Corporate Offices

200 State Street • Beloit, WI 53511-6254

608-364-8808 • Fax: 608-364-8818

Website: www.regal-beloit.com