

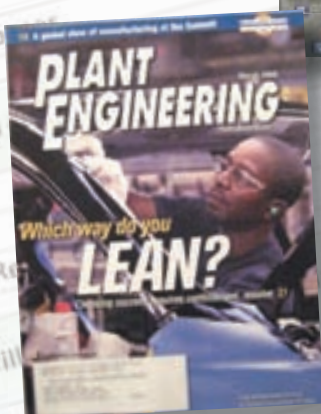
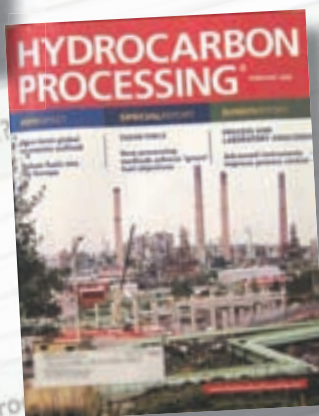
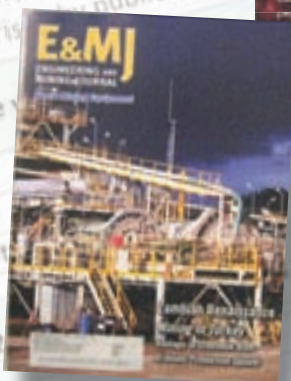
Bringing Out the Best in Baldor

2007 Acquisition Survey Summary

Acquisition Survey Results
In October 2007, Control, Control Consulting Specifying Engineer, Design News, Hydrocarbon Processing, Machine Design/Motion Systems, Plant Engineering conducted an e-mail survey on Baldor's behalf to determine the attitudes and opinions of Baldor's recent acquisition of Reliance Electric and Dodge. The compilation of the survey results, provides a comparison by publication and the verbatim comments.

1. Are you aware of Baldor's recent acquisition of Reliance Electric and Dodge?		Transmission Products?	
Yes	1,000	1,000	27%
No	85	85	7%
Total Responses	1,085	1,085	100%
2. In your opinion, is this a positive development?		Transmission Products?	
Yes	1,000	1,000	17%
No	85	85	1%
Neutral	85	85	1%
Total Responses	1,170	1,170	100%
3. Do you currently buy or specify Baldor products?		Transmission Products?	
Yes	1,000	1,000	25%
No	85	85	6%
Total Responses	1,085	1,085	100%
4. Do you currently buy and/or specify Dodge products?		Transmission Products?	
Yes	1,000	1,000	25%
No	85	85	6%
Total Responses	1,085	1,085	100%
5. Do you currently buy and/or specify Baldor, Dodge and Reliance products?		Transmission Products?	
Yes	1,000	1,000	25%
No	85	85	6%
Total Responses	1,085	1,085	100%





It Never Hurts to Ask!



Acquisition Survey Results

In October 2007, Control, Control Engineering, Consulting Specialist, Design News, Hydraulic Engineering, Machine Design, Motion System Design, Plant and Equipment, and Power Transmission conducted an e-mail survey on Baldor's behalf to gauge the attitudes and opinions among readers of Baldor's acquisition of Reliance Electric and DODGE® Power Transmission products.

3,987 responses were received. The enclosed document compares the attitudes and opinions among readers of Baldor's acquisition of Reliance Electric and Dodge Power Transmission.

1. Are you aware of Baldor's recent acquisition of Reliance Electric and DODGE Power Transmission products?

Yes
No
Total Responses

2. In your opinion, is this a positive development?

Yes
No
Neutral
Total Responses

3. Do you currently buy or specify Baldor products?

Yes
No
Total Responses

4. Do you currently buy and/or specify Reliance Electric products?

Yes
No
Total Responses

5. Do you currently buy and/or specify DODGE Power Transmission products?

Yes
No
Total Responses

6. Will you be more or less inclined in the future to buy or specify Baldor, DODGE or Reliance products now?

More
Less
Same
Total Responses

At the end of 2007, we asked 12 trade magazines to conduct an e-mail survey on Baldor's behalf to gauge the attitudes and opinions among their readers of Baldor's acquisition of Reliance Electric and DODGE® Power Transmission products. We wanted to know how effective our acquisition message had been to a variety of industries in which Baldor, DODGE and Reliance products are commonly used. It was important for us to know this so we could identify the industries and markets that presented new challenges as well as exposing new growth opportunities.

The following report is based on the 3,987 responses we received to our six question e-mail survey. The readers were asked the following questions:

Are you aware of Baldor's acquisition of Reliance Electric and DODGE Power Transmission products?

In your opinion, is this a positive development?

Do you currently buy and/or specify Baldor products?

Do you currently buy and/or specify Reliance industrial motors and/or industrial drives?

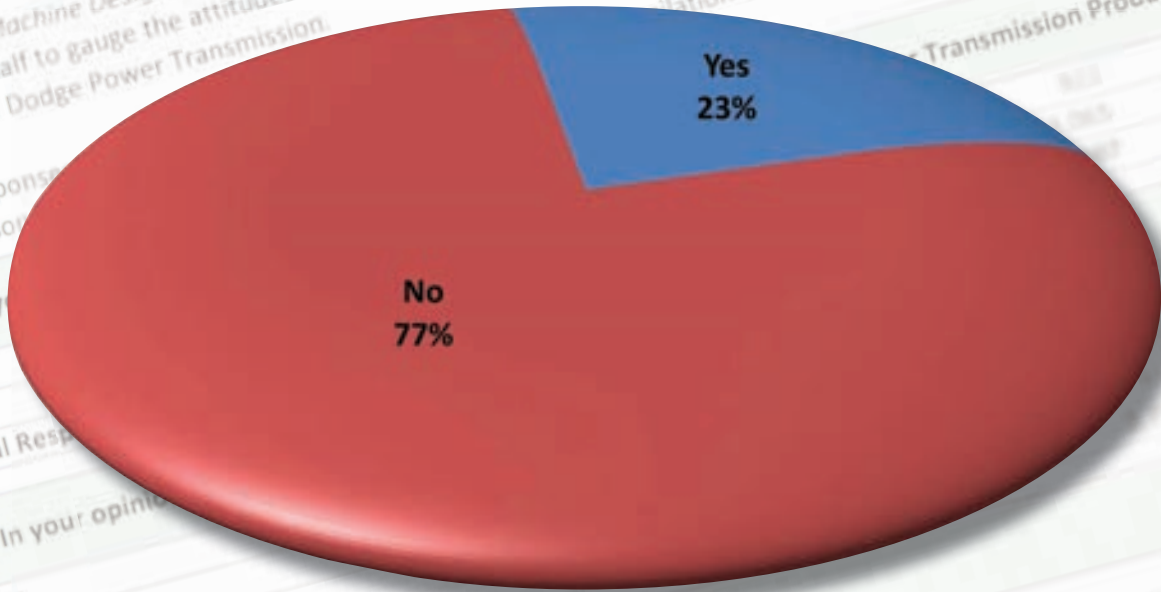
Do you currently buy and/or specify DODGE Power Transmission products?

Will you be more or less inclined in the future to buy or specify Baldor, DODGE or Reliance products now?

We believe you will find the answers, opinions and perceptions from this survey to be interesting and revealing. We plan to conduct this survey again at the end of 2008 to see how far we have come from the initial acquisition reaction published in this report.

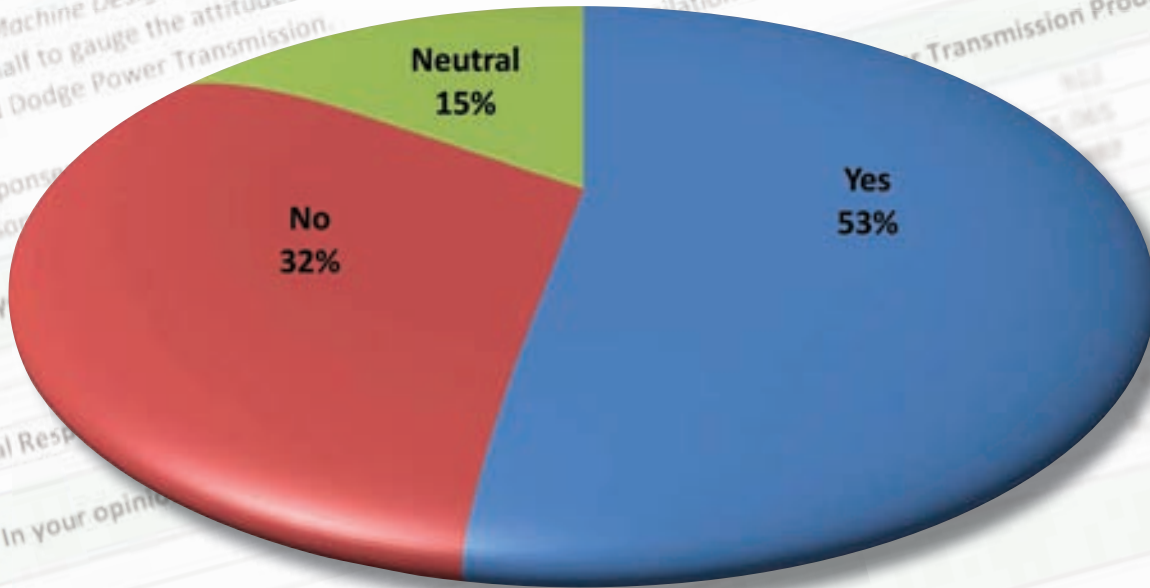


Are you aware of Baldor's acquisition of Reliance Electric and DODGE Power Transmission products?



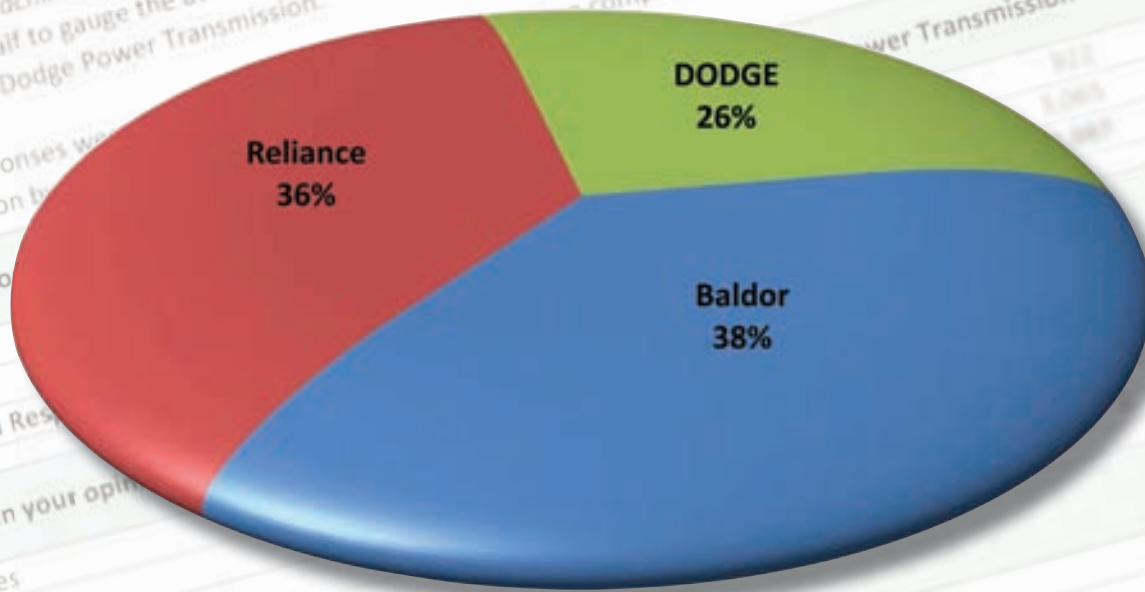
While this chart may appear at first glance to show we have not effectively communicated the acquisition, the reality is, in only a very few months, our communications program has informed and educated 23% of these readers about the actual acquisition.

In your opinion, is this a positive development?



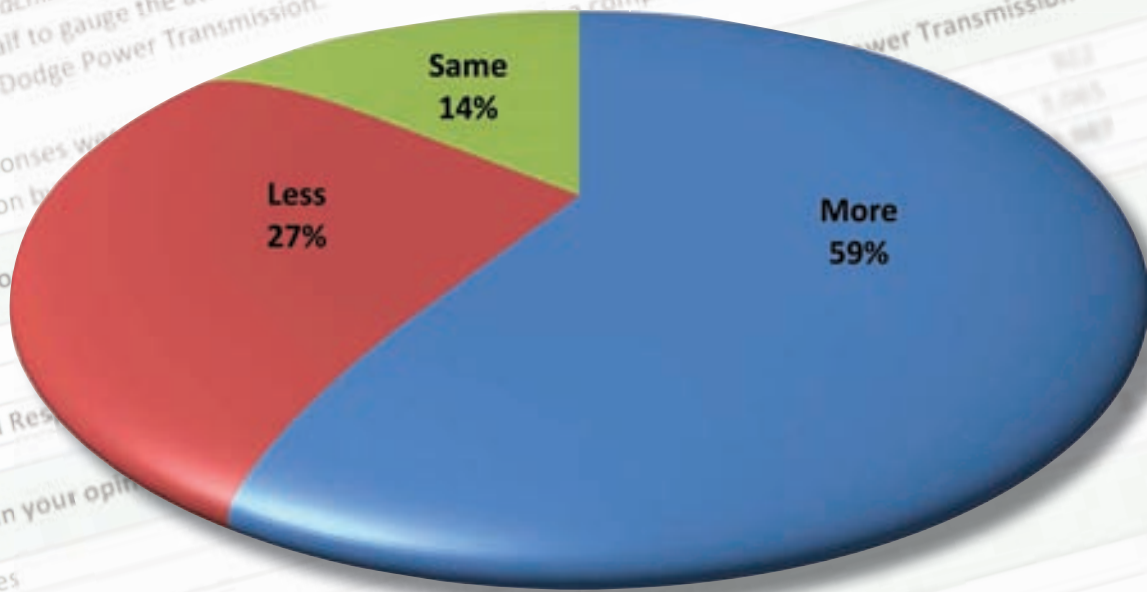
The answer to this question starts to reveal the important aspects of the acquisition to these current and potential customers. And, starts to show how Baldor has GAINED strength from the acquisition in the minds of these current and potential customers. 53% say it is a positive development. You can effectively split the "Neutral" responses in half and add to the "Positive" responses to give us roughly a 60% positive approval rating as a result of the acquisition!

Do you currently buy and/or specify Baldor, Reliance Electric or DODGE Power Transmission products?



This response is important because it shows that almost every person we surveyed (92%) currently bought or specified Baldor, DODGE or Reliance products, singularly or combined. This helps validate the results of the survey since the majority of the participants were actual customers of at least one of the three formerly separate companies.

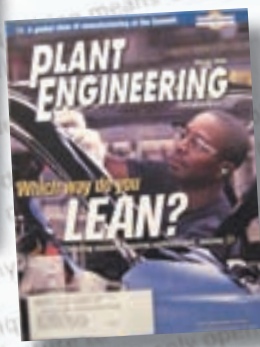
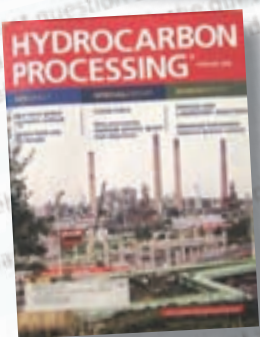
Will you be more or less inclined in the future to buy or specify Baldor, DODGE and Reliance products now?



This is where the rubber meets the road. From their response, we can expect these current and potential customers to be more inclined than ever before to buy or specify our products. 73% say they will remain Baldor customers or become new Baldor customers! Even though 27% said they would be less inclined, we can always expect some customers will have a certain degree of resentment that the merger occurred "without their permission." But, we can also project that after these customers have experienced the new Baldor, this percentage will go down substantially. This is the type of comparison we want to make with the survey we take at the end of 2008.

Respondents Verbatim Comments

Some of the most revealing information gathered in this survey is the verbatim comments made by many of the participants. These unprompted comments give us an insight into what is really going on in their minds and offers each of us a chance to anticipate customer concerns, identify opportunities and overcome objections by each industry represented within the magazine's readership. We have broken the verbatim comments out by magazine so that you can identify specific industry feedback.



Coal Age Engineering & Mining Journal

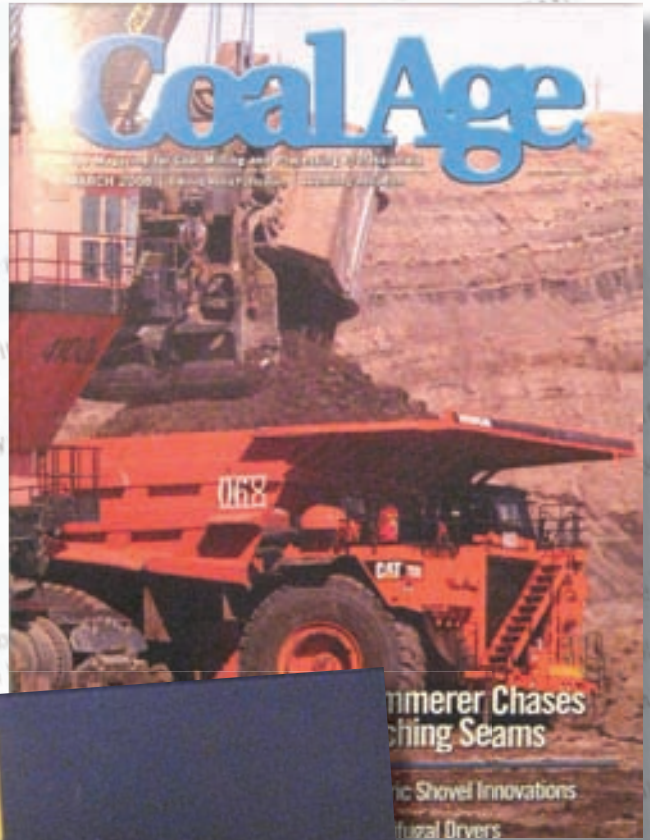
"My experience with Baldor products has been very good. They should now be able to offer a fully integrated line of power transmission equipment."

"It will improve efficiency of the company, improve technology and lower costs for the consumer."

"Merging the two will provide better products for the industry and ensure better quality control."

"As with most mergers, positive results are the outcome. Integrating ideas from different manufacturers result in better product for the end user, in most cases, and with Baldor being a leader in its field, they can effectively improve on the material currently being made by DPTP, as well as Reliance."

"Acquisition or merger between two companies will make the company stronger and bigger either in capital funds or company values."



Consulting - Specifying Engineer



"Yes, consolidation will help this company stay in business, hopefully keeping jobs here, along with allowing good delivery times from the factory."

"Consolidation of resources in a competitive market facing foreign competition is good."

"This new company has a combined wealth of knowledge that will greatly improve conveying transmissions future developments all due to a greater unified market share of relevant technology."

"I think this is very positive. Both Baldor and Reliance have similar views of the features required in a motor for the process industry. I was relieved that a US company purchased Reliance."

"A good merger of two top companies that will complement each other."

All three have good reputations
with a larger company

Allen Bradley lacked a focus on Motors

Although I let the mining and milling personnel select equipment and don't personally get involved, we have used Baldor motors for 25 years over which time I have watched their stock. Any decision they would make should be positive.

am unaware of the development

Any acquisition means basically lesser choice for consumers and it reduces techno. of players in the field.

Any development is for good

any development requires job and resources, so when a company invest these things it means the company is thinking in improvement its products.

any growth is good it shows the company is looking toward the future

aquisition of smaller ,feasible firms with profit motive is always welcome. it is now a common feature to find more vibrant mining investments even by some defensive enterpruners.the above would only open up avenues.

As metso company, is other alternative in from of siemens

As with most mergers, positive results are the outcome. Intergrating ideas from different manufacturers result in better product for the end user, in most cases, and with Baldor being a leader in its field, they can effectively improve on the material cur

if I do not know about it haw can I say if it is good or bad

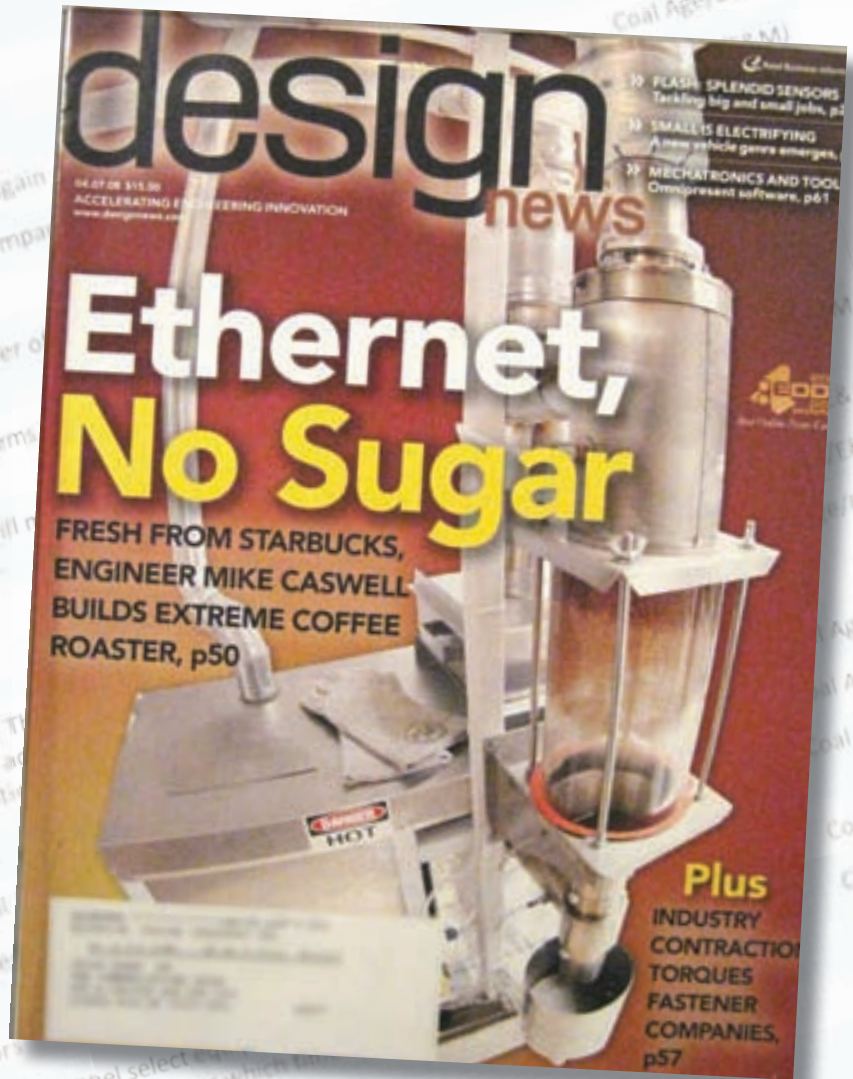
"This will create one source for motion control and gearing needs. Baldor is a good company and they seem to know what will be needed in the market place."

"This ensures that I can get all three product lines from one vendor. This saves on the costs associated with requisitions and purchase orders."

"Gives access to three quality product manufactures under one roof."

"Baldor is a forward-looking company and should make a significant contribution to mating existing products and introducing new ones."

"Combining three resources into one group should mean easier system integration."



Hydrocarbon Processing



"Two old companies, lots of synergy."

"This should combine and amplify the company's ability to furnish good products."

"Nice to go to one supplier with a broad range of coverage."

"Allows one source to apply more approaches to a specific problem."

"Two good offerings, hopefully lead to better PM services, rebuilding services, coverage of growing Asia market."

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Machine Design Motion System Design



"They are both good companies, and worldwide they become a better competitor in the USA against the world."

"Will build a stronger company in regards to market share, design, assets fluid and solid, etc. Would become a stronger force in the industry in general."

"This will be combining three well-established companies under one source."

"The combined talent of Baldor and Reliance should result in more motor innovations."

"The combination of the companies will be able to leverage their expertise, experience and product lines."

"Perfect match between great companies, with the knowledge to expand and make them and our experience better."



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Mechanical Engineering



"Both corporations have strong brand name recognition in their respective markets; combining will offer a positive synergy to further capitalize within those expanding markets."

"This will improve the competitive edge."

"Provides a wider array of services under one corporate umbrella."

"It creates a stronger, broader company."

"Economies of scale."

"Consolidation of product lines, engineers and services make for a better company and price structure."

New Equipment Digest

"Strong brand combination."

"Good synergy of companies."

"Combined resources should result in a better product."

"Broader range of products from a single supplier."

"Baldor is a leader in their field and will bring years of experience to an area where growth is possible. Reliance and Dodge have proven track records and together they can obtain new growth and market share."



Plant

"Wider range of products as well as a complete solution from one company."

"Gives Baldor a stronger base for supply of more complete solutions."

"One stop shopping, and the harmony of a complete power transmission line."

"All are reputable and complementary."

"This will create a stronger company and more synergies and efficiencies which are required to continue to compete in the global market."



Plant Engineering

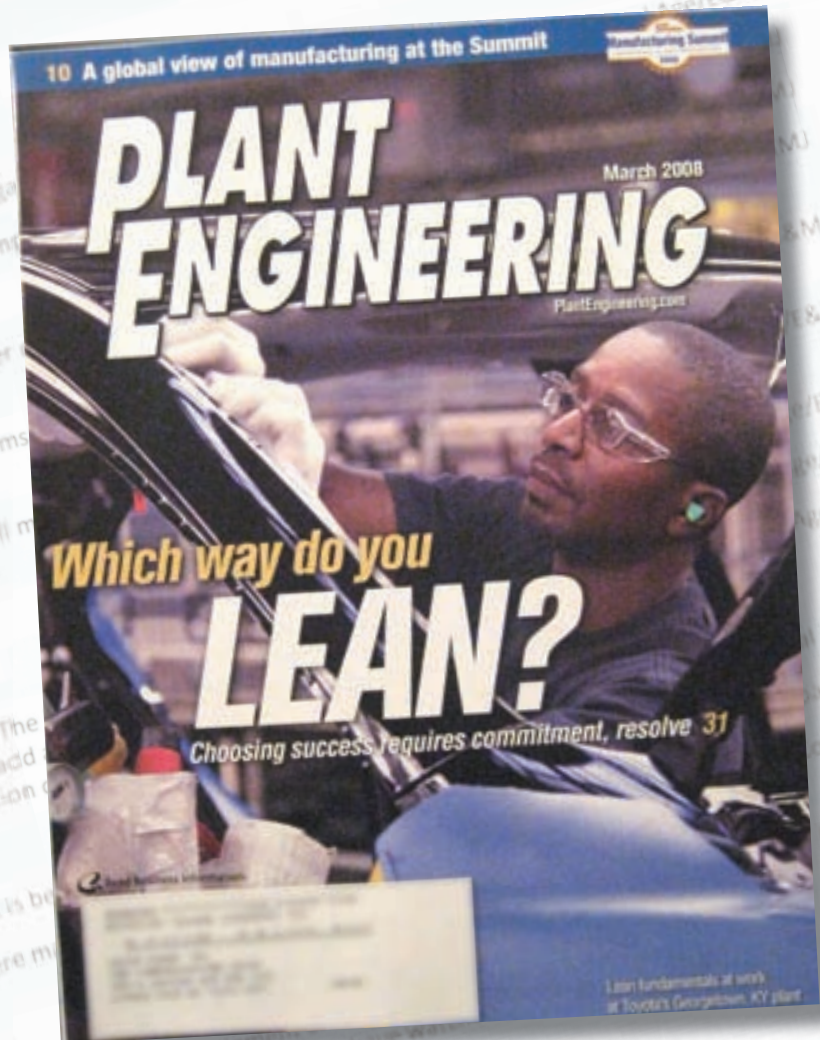
"Yes, increased resources for product development and improvement."

"The acquisition creates a force in the motor control industry."

"Combining the technical expertise can only improve the products."

"It gives us one source for all our needs."

"Baldor is a good name as well as the others. Acquisition should bring synergies that will be a benefit to customers."



Control Engineering

"Could result in more effectively integrated products. One stop shopping."

"Joining two world-class companies working on the same field must have a good result."

"It will broaden the range of available products offered via cross-referencing."

"It could provide great integration between the motor and power transmission components."

"Combined strength; weaknesses improved."



Mission Statement

To be the best (as determined by our customers)
marketers, designers and manufacturers of
industrial electric motors, power transmission products,
drives and generators.

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3,987 responses were received. The enclosed document is a compilation of the survey results, provides a comparison by publication and the verbatim comments.

Question	Yes	No	Neutral	Total Responses
1. Are you aware of Baldor's recent acquisition of Reliance Electric and Dodge Power Transmission Products?	802	27%		2,985
2. In your opinion, is this a positive development?	1,000	32%	85	3,170
3. Do you currently buy or specify Baldor products?	1,100	34%	1,541	2,641
4. Do you currently buy and/or specify Reliance industrial motors and/or industrial drives?	1,100	34%	1,541	2,641
5. Do you currently buy and/or specify Baldor, Dodge and Reliance products?	1,100	34%	1,541	2,641
6. Will you be more or less inclined to buy or specify Baldor, Dodge and Reliance products?	More	Less	Same	Total Responses



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