



FOR IMMEDIATE RELEASE
December 19, 2006

FOR INFORMATION CONTACT:
Evan N. Zeppos
(414) 276-6237 or (414) 491-6610

**NEARLY 500 FALK WORKERS BACK ON THE JOB
AS COMPANY RESUMES PRODUCTION ON LIMITED BASIS**

* * *

Falk anticipates full-scale operations to be restored by late January

MILWAUKEE, Wis. – Rexnord Industries LLC, the parent company of Rexnord/Falk Geared Products Group, today announced that nearly 500 workers have returned to work and that manufacturing has resumed on a limited basis at Falk’s Menomonee Valley facility, the site of a tragic explosion nearly two weeks ago.

At an evening meeting for employees and spouses at the Wisconsin State Fair Park Expo Center, company leaders said they anticipated bringing back all 750 workers and resuming full-scale operations at the Canal Street site by late January.

“With the help of local contractors, the City and, of course, our valued employees, we are taking significant strides toward restoring Falk’s facilities,” said Dave Doerr, Falk president. “Some equipment is already up and running, and we began assembling and manufacturing component parts on Monday. Replacement equipment and supplies have been ordered and, this past weekend, the company shipped its first orders since the accident.”

Doerr indicated employees are undergoing additional training and are assisting with cleanup, demolition and business operations.

At the meeting, Doerr praised employees for their response to the crisis and commitment to Falk, and announced that pay and benefits for all Falk workers would be continued through January. The company had earlier promised that all employees would be paid through December. Each employee was also given a holiday ham, a longstanding Falk tradition.

“Throughout this ordeal, our employees have shown their true commitment to the Falk family and to our company’s more than 100-year-old reputation for high quality, unsurpassed service and corporate pride,” Doerr said. “The dedication of our employees has helped us look toward Falk’s future in Milwaukee, and it stands as a tribute to the three brave men who lost their lives in the tragedy.”

As of Tuesday, contributions to the Falk Families Survivors’ Fund topped \$325,000, Doerr said. Donations can be made at any M&I branch or by mail to: Rexnord Corporation, Attention: Treasurer, 4701 W. Greenfield Avenue, Milwaukee, Wisconsin 53214. Checks should be made out to: Falk Families Survivors’ Fund. Donations to this fund are not deductible.