



Baldor Electric Company Contributes \$16.4 Million to Employee Profit Sharing and Savings Plan

FORT SMITH, Ark., March 3, 2009 /PRNewswire-FirstCall via COMTEX News Network/ -- Baldor Electric Company (NYSE: BEZ) markets, designs, and manufactures industrial electric motors, mechanical power transmission products, drives, and generators and is based in Fort Smith, Arkansas. Today Baldor announced the results of its 2008 employee profit sharing plan contribution.

This year marks the 52nd anniversary of the Baldor Employee Profit Sharing and Savings Plan. In 1957, Baldor Electric Company began sharing its profits as a way of sharing the company's financial success with its employees. This philosophy still applies today and is as equally important as it was back in 1957. The plan also reinforces the significant role Baldor employees play throughout the year in taking care of our customers and contributing to the company's success.

Today, Baldor contributes approximately 12% of the pre-tax earnings to the plan. As a result of record company sales and earnings, this year's profit sharing contribution is \$16.4 million. Baldor's sales in 2008 were \$1.95 billion and after tax profits were \$99.4 million.

For 2008, there were 5,739 eligible employees in Baldor's profit sharing plan and the average contribution was approximately 3.1 weeks of pay. Baldor employees who have worked for the company for two years or more are included in the plan. In the past 5 years, the company has contributed \$59.3 million to the profit sharing plan on behalf of its employees.

Participants in the Baldor Employee Profit Sharing and Savings Plan have approximately \$224 million invested in the plan. In addition, employees retiring from Baldor in 2008 withdrew over \$13 million from the plan. The plan is fully funded each year and Baldor employees have 10 investment choices for their money.

John McFarland, Chairman and CEO said, "Baldor feels sharing the profits with our employees is the right thing to do and we have been doing so for 52 years. Our profit sharing plan is an outstanding way for Baldor employees to accumulate money for retirement. It is also a reflection of their efforts to find ways to continually improve productivity, quality and customer service, which enables the company to increase profits and the profit sharing contribution."

Baldor Electric Company, headquartered in Fort Smith, Arkansas, was founded in 1920 and has approximately 7,800 employees across the United States, Canada, Asia Pacific, Latin America, and Europe. Baldor sells its products in more than 60 countries throughout the world.

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