



## **Strattec Security Corporation Announces Strategic Alliance With German Automotive Supplier**

October 19, 1999

Milwaukee, Wisconsin -- October 19, 1999 -- STRATTEC SECURITY CORPORATION (NASDAQ: STRT) announced today it has signed a Memorandum of Understanding with E. Witte Verwaltungsgesellschaft MBH, and its operating unit, Witte-Velbert GmbH & Co. KG, which details their intent to form a strategic alliance and joint venture.

Witte, of Velbert, Germany, is a privately held, QS 9000 and VDA 6.1 certified automotive supplier with sales of over DM300 million in their last fiscal year. The company designs, manufactures and markets components including locks and keys, hood latches, rear compartment latches, seat back latches, door handles and specialty fasteners. Their primary market for these products has been Europe. Their product line complements the mechanical and electro-mechanical locks, keys and related products produced by STRATTEC. STRATTEC's primary market is North America.

The proposed Witte-STRATTEC Alliance provides for the manufacture, distribution and sale of Witte products by STRATTEC in North America, and the manufacture, distribution and sale of STRATTEC products by Witte in Europe. Additionally, a joint venture company in which each company holds a 50% interest will immediately be established to seek opportunities to manufacture and sell both companies' products in other areas of the world.

The Alliance and JV activities will be supported by joint marketing which will allow the two companies to serve their existing and potential customers on a global basis. Currently, STRATTEC is a supplier to General Motors, Ford, DaimlerChrysler, Mitsubishi and the North American heavy truck manufacturers as well as Delphi and other Tier I automotive suppliers. Witte is a supplier to Volkswagen, Audi, BMW, DaimlerChrysler, Opel, Volvo and Ford, as well as European Tier I suppliers. The two companies will also pursue joint product development, which will provide future products to be manufactured and sold by both companies and the JV.

Mike Elliott, STRATTEC's Vice President of Global Market Development commented, "STRATTEC and Witte have formed an excellent working relationship over the past 18 months. Significant similarities and synergies exist between our two companies, which makes this relationship an excellent match." Harry Stratton, STRATTEC's Chairman & CEO said, "Strategically, this alliance provides a means for both Witte and STRATTEC to address head on the key issues of globalization and technology in automotive security. Combining our resources to take advantage of the opportunities inherent in these issues and leveraging our respective product development activities will have a positive impact on our future."

Three customer programs have already been initiated under the terms of the Memorandum of Understanding, one of which STRATTEC expects will result in product shipments before the end of its current fiscal year in June, 2000. The companies anticipate completing the necessary legal agreements to formalize their relationship by the end of this calendar year.

STRATTEC SECURITY CORPORATION designs, develops, manufactures and markets mechanical locks, electro-mechanical locks and related security products for North American and select European automotive manufacturers.

Forward looking statements in this release are subject to many uncertainties in the Company's operations and business environment. These uncertainties include general economic conditions, in particular, relating to the automotive industry, consumer demand for the Company's and its customers products, competitive and technological developments, foreign currency fluctuations, Year 2000 compliance issues and costs of operations. Shareholders, potential investors and other readers are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements made herein are only made as of the date of this press release and the company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances. In addition, such uncertainties and other operational matters are discussed further in the Company's quarterly and annual filings with the Securities and Exchange Commission.

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