

Cervélo Cycles Inc. Announces Recall of R2.5 Bicycles Due to Fall Hazard

TORONTO – September 29, 2006 – Cervélo Cycles Inc., in cooperation with the U.S. Consumer Product Safety Commission, today announced a voluntary recall of a limited number of **2005 R2.5 Model Carbon Fiber Bicycles and Bicycle Frames**. Cervélo has identified a potential safety issue involving the down tube loosening or separating from the head tube on certain R2.5 frames. Although the 2005 R2.5 carbon road frame passed all the standard industry frame tests, this particular problem was not uncovered during those standard frame tests.

Cervélo has since discontinued the R2.5 model and has developed new improved quality and process controls that go beyond the industry standard so that the same problem will not occur again. All current Cervélo models pass both the industry tests as well as our new internal quality and process controls. No similar problems have been reported on any other Cervelo model.

We have undertaken this voluntary recall because we stand solidly behind the quality of the products we build and we care about our customers as it relates to the safety and enjoyment of our products. Consumers should stop using recalled products immediately unless otherwise instructed. To access color photos of the following recalled products, visit www.cervelo.com/R25recall.

Units: About 650

Distributor: Cervélo Cycles Inc., of Toronto, Canada

Hazard: The bicycle frames can loosen or separate, causing the rider to lose control, fall and be injured.

Incidents/Injuries: None reported.

Description: This recall only involves the 2005 model year R2.5 model bicycles and bicycle frames with serial numbers higher than R251700. The model numbers and serial numbers are printed on the bicycle frame tubes. The frames have clear coating over a carbon fiber with either red and white "Cervélo" decals on the down tube, seat tube and head tube, or blue and white decals in the same locations.

Sold at: Authorized Cervélo retailers nationwide sold the bicycles with these frames and the frame sets from December 2004 through May 2005.

Manufactured in: Taiwan

Remedy: Consumers should stop using these bicycles with the recalled frames and contact Cervélo to receive a free replacement frame.

Customer Contact: For additional information, contact Cervélo toll-free at 1-866-296-3137 between 10 a.m. and 5 p.m. ET Monday through Friday or visit www.cervelo.com/R25recall.

Media Contact: Peter Donato at Special Assignment Inc. at (416) 964-6118 E-mail: donato@specialassignment.com



About Cervélo Cycles

Phil White and *Gérard Vroomen* founded *Cervélo Cycles* in 1995 when their design for a new time trial bicycle, built at the request of a professional cyclist, failed to garner interest from traditional cycle manufacturers. Today, Cervélo Cycles is the largest time trial bike manufacturer in the world. This Canadian company is internationally recognized as one of the most innovative and fastest growing bike manufacturers the sport has seen in years.

In June 2005 Cervélo was ranked 34th in the seventeenth annual PROFIT 100 ranking of Canada's fastest-growing companies by the magazine PROFIT: Your Guide to Business Success.

In 2002, Cervélo entered into a major partnership agreement with the successful *Team CSC*. According to *Bjarne Riis*, *Team CSC* Manager and the 1996 winner of the Tour de France, "Every little edge I can find for my team can prove to be the deciding factor. That's why we'll be on Cervélo's this year." Based in Toronto, Cervélo currently produces nine different models and a line of cycling apparel. Their products are available internationally. Please visit www.cervelo.com/ for further information.