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COMPANY DATA:

COMPANY CONFORMED NAME:

BORGWARNER INC

CENTRAL INDEX KEY:

0000908255

STANDARD INDUSTRIAL CLASSIFICATION:

MOTOR VEHICLE PARTS & ACCES

IRS NUMBER:

133404508

STATE OF INCORPORATION:

DE

FISCAL YEAR END:

1231

FILING VALUES:

FORM TYPE: 10-K/A

SEC ACT:

SEC FILE NUMBER: 001-12162

FILM NUMBER: 1669787

BUSINESS ADDRESS:

STREET 1: 200 S MICHIGAN AVE

CITY: CHICAGO

STATE: IL

ZIP: 60604

BUSINESS PHONE: 3123228500

MAIL ADDRESS:

STREET 1: 200 SOUTH MICHIGAN AVE

STREET 2: 200 SOUTH MICHIGAN AVE

CITY: CHICAGO

STATE: IL

ZIP: 60604

FORMER COMPANY:

FORMER CONFORMED NAME: BORG WARNER AUTOMOTIVE INC

DATE OF NAME CHANGE: 19930628

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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K/A

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D)

OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2000 Commission file number: 1-12162

BorgWarner Inc.

(Exact name of registrant as specified in its charter)

Delaware

13-3404508

(State of Incorporation)

(IRS Employer Identification No.)

200 South Michigan Avenue

Chicago, Illinois 60604

(312) 322-8500

(Address and telephone number of principal executive offices)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, par value \$.01 per share	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities and Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes /X/ NO---

The aggregate market value of the voting stock of the registrant held by stockholders (not including voting stock held by directors and executive officers of the registrant) on June 1, 2001 was approximately \$1.21 billion. As of June 1, 2001, the registrant had 26,308,619 shares of Common Stock outstanding.

Indicate by check-mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. /x/

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the following documents are incorporated herein by reference into the Part of the Form 10-K indicated.

DOCUMENT	PART OF FORM 10-K INTO WHICH INCORPORATED
BorgWarner Inc. 2000 Annual Report to Stockholders	Parts II and IV
BorgWarner Inc. Proxy Statement for the 2001 Annual Meeting of Stockholders	Part III

PART II

Item 8. Financial Statements and Supplementary Data

The consolidated financial statements (including the notes thereto) of the Company and the Independent Auditors' Report as set forth on pages 29 through 47 in the Company's Annual Report are incorporated herein by reference and made a part of this report. Supplementary financial information regarding quarterly results of operations (unaudited) for the years ended December 31, 2000 and 1999 is set forth on page 46 of the Company's Annual Report. For a list of financial statements filed as part of this report, see Item 14, "Exhibits, Financial Statement Schedules, and Reports on Form 8-K" on page 13.

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NSK-WARNER KABUSHIKI KAISHA
AND A SUBSIDIARY

Consolidated Financial Statements

March 31, 2001, 2000 and 1999

(With Independent Auditors' Report Thereon)

Independent Auditors' Report

The Board of Directors and Stockholders
NSK-Warner Kabushiki Kaisha:

We have audited the accompanying consolidated balance sheets (expressed in yen) of NSK-Warner Kabushiki Kaisha and a subsidiary as of March 31, 2001 and 2000, and the related consolidated statements of earnings, stockholders' equity, and cash flows for each of the years in the three-year period ended March 31, 2001. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of NSK-Warner Kabushiki Kaisha and a subsidiary as of March 31, 2001 and 2000, and the results of their operations and their cash flows for each of the years in the three-year period ended March 31, 2001 in conformity with accounting standards generally accepted in the United States of America.

The accompanying consolidated financial statements have been translated into United States dollars solely for the convenience of the reader. We have recomputed the translation and, in our opinion, the consolidated financial statements expressed in yen have been translated into United States dollars on the basis set forth in note 2 of the notes to consolidated financial statements.

Tokyo, Japan
April 27, 2001
NSK-WARNER KABUSHIKI KAISHA
AND A SUBSIDIARY
Consolidated Balance Sheets

March 31, 2001 and 2000

Japanese yen U.S. dollars

132: (thousands) (thousands) (note 2) (thousands) (thousands) (note 2)

<TABLE>

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	Japanese yen		U.S. dollars	
	(thousands)		(thousands) (note 2)	
	2001	2000	2001	
<S>	<C>	<C>	<C>	
Assets				
Current assets:				
Cash and cash equivalents (note 12)Y	Y1,418,216		308,964	\$11,446
Short-term investments (notes 3 and 12)	2,905,386		9,104,448	23,449
Receivables (notes 10 and 12):				
Trade accounts	10,021,804		8,290,782	80,886
Other		720,852		943,121
				5,818
Total receivables	10,742,656		9,223,903	86,704
Inventories (note 4)	2,197,911		1,901,917	17,740
Prepaid expenses and other current assets (note 6)	856,307		403,615	6,912
Total current assets	18,120,476		20,952,847	146,251
Marketable investment securities (notes 5 and 12)	585,870		674,949	4,729
Investment in an affiliated company	759,417		833,077	6,129
Property, plant and equipment, at cost:				
Land	4,552,879		1,538,771	36,746
Buildings	11,717,494		11,581,814	94,572
Machinery and equipment	21,029,784		20,397,820	169,732
Vehicles	99,526		102,660	803
Tools, furniture and fixtures	5,477,757		5,072,950	44,211
Construction in progress	56,843		884,833	459
		42,934,283		39,578,848
Less accumulated depreciation	26,189,406		24,716,843	211,375
Net property, plant and equipment	16,744,877		14,862,005	135,148
Other assets:	540,525		493,696	4,363
Total other assets	540,525		493,696	4,363
1				
Y	36,751,165		37,816,574	\$296,620
Current Liabilities:				
Trade payables (notes 10 and 12):				
Notes	Y 2,969,565		1,952,572	\$23,967
Accounts	4,187,145		4,134,675	33,795

Total trade payables	7,156,710	6,087,247	57,762	
Other payables (notes 10 and 12):				
Notes	638,459	632,085	5,153	
Accounts	518,812	638,972	4,187	
Total other payables	1,157,217	1,271,057	9,340	
Income taxes payable	1,474,781	1,253,344	11,903	
Accrued expenses (note 12)	1,746,490	1,640,462	14,096	
Other current liabilities	40,625	33,406	328	
Total current liabilities	11,575,877	10,285,516	93,429	
Noncurrent liabilities:				
Accrued pension and severance cost (note 7)		492,711	628,403	3,977
Deferred income taxes (note 6)	186,252	281,174	1,503	
Total noncurrent liabilities	678,963	909,577	5,480	
Total liabilities		12,254,840	11,195,093	98,909
Stockholders' equity:				
Common stock of Y10,000 par value (note 10)				
Authorized 220,000 shares; issued 55,000 shares -	550,000	550,000	4,439	
Legal reserve (note 8)	137,500	137,500	1,110	
Retained earnings	23,999,208	26,070,613	193,698	
Accumulated other comprehensive income (loss) (notes 6 and 9)	(190,383)	(136,632)	(1,536)	
Total stockholders' equity	24,496,325	26,621,481	197,711	
Commitments and contingent liability (note 11)				
Y	36,751,165	37,816,574	\$296,620	

</TABLE>

See accompanying notes to consolidated financial statements.

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NSK-WARNER KABUSHIKI KAISHA
AND A SUBSIDIARY

Consolidated Statements of Earnings

Years ended March 31, 2001, 2000 and 1999

<TABLE>

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Japanese yen(thousands) U.S. dollars(thousands)(note 2)

	2001	2000	1999	2001
	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>
Sales (note 10)Yen	37,367,662	34,597,079	30,028,699	\$301,595
Cost of sales (note 10)	28,704,155	26,766,381	23,334,312	231,672
Gross profit	8,663,507	7,830,698	6,694,387	69,923
Selling, general and administrative				

expenses (note 10)	3,193,397	2,953,437	2,861,270	25,774
Operating profit	5,470,110	4,887,261	3,833,117	44,149
Other income:				
Interest income	50,508	57,272	82,924	408
Exchange gains, net	29,378	4,077	25,765	237
Equity in income of an affiliated company	238,348	97,210	18,814	1,924
Other	210,508	193,195	87,510	1,699
	528,742	351,754	214,383	4,268
Other deductions:				
Interest expenses	-	-	37	-
Losses on retirement of property, plant and equipment, net	128,946	14,210	191,150	1,041
Other	128,946	14,210	191,150	1,041
Earnings before income taxes	5,869,906	5,214,805	3,856,313	47,376
Current	2,600,000	2,250,000	1,994,700	20,984
Deferred	(158,689)	(183,644)	(287,287)	(1,280)
	2,441,311	2,066,356	1,707,413	19,704
Net earnings Yen	3,428,595	3,148,449	2,148,900	\$27,672
	YEN	U.S. dollars		
		(note 2)		
Net income per share (note 1 (m))	Y62,338	57,245	39,071	\$503
Dividends per share	Y60,000	60,000	20,000	\$484

</TABLE>

See accompanying notes to consolidated financial statements.

NSK-WARNER KABUSHIKI KAISHA
AND A SUBSIDIARY

Consolidated Statements of Stockholders' Equity

Years ended March 31, 2001, 2000 and 1999

Japanese yen (thousands) U.S. dollars(thousands) (note 2)

<TABLE>

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	2001	2000	1999	2001
<S> <C> <C> <C> <C>				
Common stock:				
Balance at beginning of year Yen	550,000	550,000	550,000	\$4,439
Balance at end of year	550,000	550,000	550,000	4,439
Legal reserve:				
Balance at beginning of year		137,500	137,500	137,500 1,110
Balance at end of year	137,500	137,500	137,500	1,110

Retained earnings:				
Balance at beginning of year	26,070,163	24,022,164	22,973,264	210,417
Net earnings	3,428,595	3,148,449	2,148,900	27,672
Cash dividends	(5,500,000)	(1,100,000)	(1,100,000)	(44,391)
Balance at end of year	23,999,208	26,070,613	24,022,164	193,698
Accumulated other comprehensive income (loss) (notes 6 and 9):				
Balance at beginning of year	(136,632)	(133,073)	(110,172)	(1,102)
Adjustments for the year	(53,751)	(3,559)	(22,901)	(434)
Balance at end of year	(190,383)	(136,632)	(133,073)	(1,536)
Total stockholders' equity Yen	24,496,325	26,621,481	24,576,591	\$197,711
Disclosure of comprehensive income:				
Net earnings Yen	3,428,595	3,148,449	2,148,900	\$27,672
Other comprehensive income (loss), net of tax (note 9)	(53,751)	(3,559)	(22,901)	(434)
Comprehensive income Yen	3,374,844	3,144,890	2,125,999	\$27,238

</TABLE>

See accompanying notes to consolidated financial statements.

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NSK-WARNER KABUSHIKI KAISHA
AND A SUBSIDIARY

Consolidated Statements of Cash Flows
Years ended March 31, 2001, 2000 and 1999

<TABLE>

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	Japanese yen (thousands)			U.S. dollars (thousands) (note 2001
	2001	2000	1999	2001
<S>	<C>	<C>	<C>	<C>
Cash flows from:				
operating activities:				
Net earnings Yen	3,428,595	3,148,449	2,148,900	\$27,672
Adjustments to reconcile net earnings to net cash provided by operating activities:				
Depreciation and amortization	2,422,927	2,373,900	2,340,937	19,556
Accrual for pension and severance costs, less payments	(135,692)	142,968	71,436	(1,095)
Losses on retirement of property, plant and equipment, net	136,842	69,010	47,605	1,104
Equity in income of an affiliated company	(238,348)	(97,210)	(18,184)	(1,924)
Dividend received	238,348	28,729	-	1,924
Deferred income taxes	(158,689)	(183,644)	(287,287)	(1,280)
Increase				

in receivables	(1,493,860)	(1,821,253)	(147,581)	(12,057)
Increase in inventories	(295,671)	(143,450)	(199,404)	(2,386)
Decrease (increase) in prepaid expenses and other current assets	(347,597)	(8,595)	35,415	(2,805)
Increase (decrease) in trade payables	1,084,848	1,185,340	(181,063)	8,465
Increase (decrease) in other payables	(113,786)	577,371	(221,485)	(918)
Increase in accrued expenses	105,795	6,289	162,383	854
Increase (decrease) in income taxes payable	221,437	113,456	(82,301)	1,787
Increase in other current liabilities	7,219	12,598	4,245	58
Other, net	(29,337)	0	(10,446)	(238)
Total adjustments	1,368,436	2,255,509	1,514,270	11,045
Net cash provided by operating activities	4,797,031	5,403,958	3,663,170	38,717
Cash flows from investing activities:				
Decrease (increase) in short-term investments	6,199,061	(1,594,431)	965,296	50,033
Proceeds from sale of property, plant and equipment	10,064	1,962	43,745	81
Dividend received	67,253	-	-	543
Payments for purchase of property, plant and equipment	(4,313,555)	(2,474,451)	(2,923,493)	(34,815)
Payment for purchase of investment in an affiliated company	-	-	(463,899)	-
Increase in all other assets	(142,896)	(191,745)	(126,308)	(1,153)
Other, net	(22,496)	2,302	(20,872)	(182)
Net cash used in investing activities	1,797,431	(4,256,363)	(2,525,531)	14,507
Cash flows from financing activities:				
Dividends paid	(5,500,000)	(1,100,000)	(1,100,000)	(44,391)
Net cash used in financing activities	(5,500,000)	(1,100,000)	(1,010,000)	(44,391)
Effect of exchange rate changes on cash and cash equivalents	14,790	(15,962)	(4,415)	119
Net change in cash and cash equivalents	1,109,252	31,633	33,224	8,952
Cash and cash equi-				

valents at beginning of year	308,964	277,331	244,107	2,494	-----	-----
Cash and cash equivalents at end of year Yen	1,418,216	308,964	277,331	\$11,446	=====	=====
Supplemental information of cash flows:						
Cash paid during the year for:						
Interest Yen	-	-	-	-		37
Income taxes	2,378,591	2,136,543	2,077,001	19,198	=====	=====

</TABLE>

See accompanying notes to consolidated financial statements.

(1) Summary of Significant Accounting Policies

(a) Description of Business

NSK-Warner Kabushiki Kaisha (the "Company") operates a plant in Fukuroi City in Shizuoka Prefecture in Japan engaged in the production of one-way clutches and related parts, and friction plates and related parts. These products mainly relate to the automatic mission system of passenger cars.

The Company sells most of its products to NSK Ltd., a 50% stockholder of the Company. The products are eventually sold to the automotive industry.

The Companys sales for the year ended March 31, 2001 were distributed as follows: one-way clutches and related parts - 56%, friction plates and related parts - 44%.

(b) Principles of Consolidation

NSK-Warner USA Inc., a wholly-owned subsidiary of the Company, was established in the United States of America in January 1997.

The consolidated financial statements include financial statements of the Company and the subsidiary. All significant intercompany balances and transactions have been eliminated in consolidation.

(c) Basis of Presentation of Financial Statements

The Company maintains its books of account in conformity with financial accounting standards of Japan. However, the accompanying consolidated financial statements have been prepared in a manner and reflect the adjustments which management believes are necessary to conform with auditing standards generally accepted in the United States of America.

Such adjustments are summarized in note 13 of the notes to consolidated financial statements.

(d) Cash Equivalents

For purposes of the consolidated statements of cash flows, the Company considers all deposits with an original maturity of three months or less to be cash equivalents.

(e) Inventories

Inventories are stated at the lower of cost or market. Cost is determined using the first-in, first-out method for raw materials and the average method for work in process and supplies.

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NSK-WARNER KABUSHIKI KAISHA
AND A SUBSIDIARY

Notes to Consolidated Financial Statements

(f) Marketable Investment Securities

Marketable investment securities at March 31, 2001 and 2000 consist of debt and equity securities that have readily determinable fair values and are classified as "available-for-sale".

The Company's available-for-sale securities are reported at fair value with unrealized gains or losses net of deferred income taxes, and are reported as a separate component of accumulated other comprehensive income (loss) included in stockholders' equity.

A decline in the market value of any available-for-sale securities below cost that is deemed other than temporary results is charged to earnings resulting in the establishment of a new cost basis for the security.

Realized gains and losses for securities classified as available-for-sale securities are included in earnings and are derived using the average method for determining the cost of securities sold.

(g) Investment in an Affiliated Company

Investment in the common stock of an affiliated company is accounted for by the equity method.

(h) Depreciation

Depreciation of property, plant and equipment is computed principally by the declining-balance method over the estimated useful lives of assets.

(i) Research and Development

Research and development costs are expensed as incurred. Research and development costs charged to earnings for the years ended March 31, 2001, 2000 and 1999 amounted to Y1,150,866 thousand (\$9,289 thousand), Y1,094,118 thousand and Y1,218,158 thousand, respectively.

(j) Income Taxes

The Company accounts for income taxes in accordance with Statement of Financial Accounting Standards (SFAS) No. 109, "Accounting for Income Taxes". Under the asset and liability method of SFAS No. 109, deferred income tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred income tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under SFAS No. 109, the effect on deferred income tax assets and liabilities of a change in tax rates is recognized in earnings in the period that includes the enactment date.

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NSK-WARNER KABUSHIKI KAISHA
AND A SUBSIDIARY

Notes to Consolidated Financial Statements

(k) Retirement and Severance Benefits

The Company accounts for its defined benefit pension plans and retirement plans in accordance with Statement of Financial Accounting Standards No. 87, "Employers' Accounting for Pensions".

(l) Net Earnings per Share

Net earnings per share has been computed by dividing net earnings available to common stockholders by the weighted-average number of common shares outstanding during each year.

(m) Use of Estimates

Management of the Company has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these consolidated financial statements in conformity with accounting standards generally accepted in the United States of America. Actual results could differ from those estimates.

(n) Long-Lived Assets and Long-Lived Assets to Be Disposed Of

The Company's long-lived assets and certain identifiable intangibles are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceed the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell.

(o) Revenue Recognition

The Company recognizes revenue when persuasive evidence of an arrangement including, delivery has occurred, the sales price is fixed or determinable, and collectibility is probable. These criteria are met due to the mass-merchandising products in nature at the time when the product is received by the customer. In December 1999, the Securities and Exchange Commission issued Staff Accounting Bulletin No. 101 ("SAB 101"), "Revenue Recognition in Financial Statements". SAB 101, as amended, summarizes certain of the SEC's views in applying generally accepted accounting principles to revenue recognition in financial statements and provides guidance on revenue recognition issues in the absence of authoritative literature addressing a specific arrangement or a specific industry. The Company adopted SAB 101 in the year ended March 31, 2001. Adoption of this guidance did not have a material effect on the Company's consolidated financial position or results of operations.

(p) Reclassifications

Certain reclassifications of previously reported amounts have been made to conform with current classifications.

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NSK-WARNER KABUSHIKI KAISHA
AND A SUBSIDIARY

Notes to Consolidated Financial Statements

(2) Financial Statement Translation

The accompanying consolidated financial statements are expressed in Japanese yen as of and for the year ended March 31, 2001, the currency of the country in which the Company operates. The translation of Japanese yen amounts into United States dollar amounts is included solely for the convenience of the reader and has been made at the rate of ¥123.9 to US \$1, the approximate rate of exchange reported by the Tokyo Foreign Exchange Market on March 31, 2001. Such translation should not be construed as a representation that the amounts shown could be converted into United States dollars at the above rate.

(3) Short-term Investments

Short-term investments, at cost, which approximate market, at March 31, 2001 and 2000 consisted of the following:

	Japanese yen (thousands)	U.S. dollars (thousands)		
		2001	2000	2001
Time deposits with a maturity of more than three months		Y255,429	106,768	\$2,061
Certificates of deposit purchased under resale agreements	2,649,957	8,997,680	21,388	
	-----	-----	-----	-----
		Y2,905,386	9,104,448	\$23,449
		=====	=====	=====

(4) Inventories

Inventories at March 31, 2001 and 2000 are summarized as follows:

	Japanese yen(thousands)	U.S. dollars(thousands)		
		2001	2000	2001
Work in process	Y 1,490,212	1,296,839	\$ 12,028	
Raw materials	378,203	270,914		3,052
Supplies	262,120	237,387		2,116
Goods in transit	67,376	96,777		544
	-----	-----	-----	-----
	Y2,197,911	1,901,917	\$17,740	
	=====	=====	=====	=====

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NSK-WARNER KABUSHIKI KAISHA
AND A SUBSIDIARY

Notes to Consolidated Financial Statements

(5) Marketable Investment Securities

The cost, gross unrealized holding gains, gross unrealized holding losses and fair value for available-for-sale securities by major security type at March 31, 2001:

2001 and 2000 were as follows:

	Cost	Japanese yen (thousands) Gross unrealized holding gains	Gross unrealized holding losses	Fair value
	-----	-----	-----	-----
At March 31, 2001:				
Available-for-sale:				
Debt security	Y 100,000	-	-	100,000
Equity securities	544,325	11,535	69,990	485,870
	-----	-----	-----	-----
	Y 644,325	11,535	69,990	585,870
	=====	=====	=====	=====
At March 31, 2000:				
Available-for-sale:				
Debt security	Y 100,000	-	-	100,000
Equity securities	521,352	96,832	43,235	574,949
	-----	-----	-----	-----
Y 621,352		96,832	43,235	674,949

=====					
U.S. dollars (thousands)					
		Gross		Gross	
		unrealized		unrealized	
		holding		holding	
value	Cost gains		losses		Fair
Fair value					
At March 31, 2001:					
Available-for-sale:					
Debt security	\$ 807	-	-	807	
Equity securities	4,393	93	564	3,922	
	-----	-----	-----	-----	
		\$5,200	93	564	4,729
		=====	=====	=====	=====

The debt security at March 31, 2001 is due in 2001.

Net realized gains or losses during the years ended March 31, 2001, 2000 and 1999 were nil or insignificant.

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NSK-WARNER KABUSHIKI KAISHA
AND A SUBSIDIARY

Notes to Consolidated Financial Statements

(6) Income Taxes

The Company is subject to a number of taxes based on income, which in the aggregate result in a normal income tax rate of approximately 41%, 41% and 47% for the years ended March 31, 2001, 2000 and 1999. The Company's subsidiary in the United States of America was not liable to pay income taxes in the years ended December 31, 2000, 1999 and 1998.

Amendments to Japanese tax regulations were enacted into law on March 24, 1999. As a result of these amendments, the normal income tax rate was reduced from approximately 47% to 41% effective from April 1, 1999. Current income taxes were calculated at the tax rate of 47% in effect for the year ended March 31, 1999. Deferred income taxes at March 31, 1999 were measured at the rate of 41%. The effect of the income tax rate reduction on deferred income tax balances at March 31, 1999 were insignificant.

The effective income tax rates of the Company for the years ended March 31, 2001, 2000 and 1999 differ from the normal income tax rate for the following reasons:

	2001	2000	1999
Computed normal			
income tax rate	41.0%	41.0%	47.0%
Other	0.6	(1.4)	(2.7)
	-----	-----	-----
Effective income tax rate	41.6%	39.6%	44.3%
	=====	=====	=====

Net deferred income tax assets and liabilities are reflected on the accompanying consolidated balance sheets under the following captions:

Japanese yen (thousands)	U.S. dollars (thousands)		
	2001	2000	2001
Prepaid expenses and			
other current assets	¥ 499,689	394,688	\$4,033

Noncurrent liabilities	(186,252)	(281,174)	(1,503)	
	-----	-----	-----	
	Y	313,437	113,514	\$2,530
	=====	=====	=====	

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NSK-WARNER KABUSHIKI KAISHA
AND A SUBSIDIARY

Notes to Consolidated Financial Statements

Change in net deferred income tax assets and liabilities is allocated as follows:

Japanese yen(thousands)	U.S. dollars (thousands)			
	2001	2000	1999	2001
Earnings	(158,689)	(183,644)	(287,287)	\$(1,280)
Stockholders' equity -				
accumulated other				
comprehensive loss:				
Foreign currency				
translation ad-				
justments	4,707		3,293	56,596
Net unrealized gains (losses) on				37
marketable investment				
securities	(45,941)	45,177	11,968	(371)
	-----	-----	-----	-----
	Y(199,923)	(135,174)	(218,723)	\$(1,614)
	=====	=====	=====	=====

The tax effects of temporary differences that give rise to significant portions of the deferred income tax assets and liabilities at March 31, 2001 and 2000 are presented below:

Japanese yen(thousands)	U.S. dollars(thousands)			
	2001	2000	2001	
Deferred income tax assets:				
Business tax Y	138,986	116,670	\$	1,121
Employee bonus	117,933	76,661		952
Accrued expenses	203,773	203,781		1,645
Accrued pension				
and severance cost	124,978	142,285		1,009
Marketable invest-				
ment securities		14,546	-	117
Other	75,761	32,337	612	
	-----	-----	-----	-----
	675,977	571,734	5,456	
Deferred income tax liabilities:				
Allowance for doubtful				
receivables		-	28,113	-
Capital gain deferred in connection with the				
acquisition of new property (see note 10)		289,168	307,266	2,334
Special depreciation	15,390	19,709	124	-
Losses for investment	41,827	57,458	338	
Investment in an				
affiliated company	16,155	23,699	130	
Marketable investment				
securities		-	21,975	-
	-----	-----	-----	-----

Total deferred income tax liabilities	362,540	458,220	2,926
Net deferred income tax assets	Y313,437	113,514	\$ 2,530
	=====	=====	=====

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NSK-WARNER KABUSHIKI KAISHA
AND A SUBSIDIARY

Notes to Consolidated Financial Statements

There was no valuation allowance on deferred income tax assets at March 31, 2001 and 2000. In assessing the realizability of deferred income tax assets, management considers whether it is more likely than not that some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred income tax liabilities and projected future taxable income in making this assessment. Based upon the level of historical taxable income and projections for future taxable income over the periods which the deferred income tax assets are deductible, management believes it is more likely than not the Company will realize the benefits of these deductible differences at March 31, 2001.

The Company's income tax returns through March 31, 1999 have been examined by the Japanese tax authorities.

(7) Retirement and Severance Benefits

Employees of the Company are covered by the following defined pension and severance benefit plans.

The Company has an unfunded lump-sum payment retirement plan covering substantially all employees. Under the plan, employees are entitled to lump-sum payments based on current rate of pay, length of service and certain other factors upon retirement or termination of employment for reasons other than dismissal for cause. The Company also has a funded pension plan covering substantially all employees who meet age and service plan requirements. Net periodic benefit costs of the plans were calculated using the unit credit actuarial cost method.

Directors and statutory auditors are covered by a separate plan. It was not the policy of the Company to fund the retirement and severance benefits described above.

Net periodic benefit costs for the Company's retirement and severance defined benefits plans for the years ended March 31, 2001, 2000 and 1999 consisted of the following components:

	Japanese yen (thousands)	U.S. dollars(thousands)		
	2001	2000	1999	2001
Service cost				
benefits earned during the year	Y197,864	151,032	125,878	\$1,597
Interest cost on projected benefit obligation		89,515	74,617	65,874
				722
Expected return on plan assets		(37,206)	(32,988)	(32,104)
				(300)
Net amortization	45,384	27,607	17,579	366
	-----	-----	-----	-----
	Y295,557	220,268	177,227	\$ 2,385

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NSK-WARNER KABUSHIKI KAISHA
AND A SUBSIDIARY

Notes to Consolidated Financial Statements

Benefit obligations, fair value of plan assets, funded status of the plans
as of March 31, 2001 and 2000 and related information are as follows:

Japanese yen (thousands) U.S. dollars(thousands)
2001 2000 2001

Change in benefit obligations:

Benefit obligations

at beginning of year	Y	2,584,659	1,893,040	\$20,861
Service cost		197,864	151,032	1,597
Interest cost		89,515	74,617	722
Actuarial loss (gain)		(459,662)	509,403	(3,710)
Benefits paid		(51,714)	(43,433)	(417)

Benefit obligations

at end of year		2,360,662	2,584,659	19,053
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Change in plan assets:

Fair value of plan

assets at beginning of year		904,555	758,224	7,301
Actual return on plan assets		(76,550)	56,439	(618)
Employer contribution		325,013	116,684	2,623
Benefits paid			(33,403)	(26,792) (270)

Fair value of plan

assets at end of year		1,119,615	904,555	9,036
-----------------------	--	-----------	---------	-------

Funded status

Unrecognized actuarial loss		(634,112)	(1,012,900)	(5,118)
-----------------------------	--	-----------	-------------	---------

Unrecognized prior

service cost		(109,070)	(120,298)	(881)
--------------	--	-----------	-----------	-------

Unrecognized net

transition obligation		(5,094)	(6,368)	(41)
-----------------------	--	---------	---------	------

Net amount recognized		492,771	540,538	3,977
-----------------------	--	---------	---------	-------

Adjustments to recognize minimum liability:

Intangible assets		-	87,865	-
-------------------	--	---	--------	---

Accrued pension and severance cost recognized

in the consolidated balance sheets		Y492,771	628,403	\$3,977
------------------------------------	--	----------	---------	---------

Actuarial present value

of accumulated benefit obligations at end of year		Y1,612,386	1,532,958	\$13,013
---	--	------------	-----------	----------

Actuarial assumptions:

Discount rate		3.00%	3.50%	
Assumed rate of salary increase		4.69%	4.69%	
Expected long-term rate of return on plan assets		3.50%	4.00%	

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NSK-WARNER KABUSHIKI KAISHA
AND A SUBSIDIARY

Notes to Consolidated Financial Statements

(8) Legal Reserve and Cash Dividends

The Japanese Commercial Code provides that at least 10% of any cash payments out of retained earnings be appropriated as a legal reserve until such reserve equals 25% of stated capital. This reserve is not available for dividends, but may be used to reduce a deficit or be transferred to stated capital. Presently, the legal reserve is equal to the maximum requirement of 25% of stated capital.

Cash dividends charged to retained earnings during the three years ended March 31, 2001, 2000 and 1999 represent dividends paid out during those years. The accompanying consolidated financial statements do not include any provision for a dividend to be proposed by the Board of Directors of Y20,000 (\$161) per share aggregating Y1,100,000 thousand (\$8,878 thousand) in respect of the year ended March 31, 2001.

(9) Other Comprehensive Loss

Change in accumulated other comprehensive loss is as follows:

	Japanese yen (thousands)	U.S. dollars (thousands)	
			2001 2000 2001
Foreign currency translation adjustments:			
Balance at beginning of year	Y (168,255)	(99,823)	\$(1,358)
Adjustments for the year	12,360	(68,432)	100
Balance at end of year	(155,895)	(168,255)	(1,258)
Net unrealized gains (losses) on marketable investment securities:			
Balance at beginning of year	31,623	(33,250)	255
Net change during the year	(66,111)	64,873	(533)
Balance at end of year	(34,488)	31,623	(278)
Total accumulated other comprehensive loss:			
Balance at beginning of year	(136,632)	(133,073)	(1,103)
Other comprehensive loss for the year, net of tax		(53,751)	(3,559) (433)
Balance at end of year	Y (190,383)	(136,632)	\$(1,536)

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NSK-WARNER KABUSHIKI KAISHA
AND A SUBSIDIARY

Notes to Consolidated Financial Statements

Tax effects allocated to each component of other comprehensive income (loss) are as follows:

Japanese yen (thousands)

	Before-tax amount	Tax (expense) or benefit	Net-of-tax amount
2001:			
Foreign currency translation adjustments		¥17,067 (4,707)	12,360
Net unrealized gains (losses) on marketable investment securities		(112,052) 45,941	(66,111)
Other comprehensive income (loss) ¥		(94,985) 41,234	(53,751)
		=====	=====
2000:			
Foreign currency translation adjustments ¥	(65,139)	(3,293)	(68,432)
Net unrealized gains (losses) on marketable investment securities	110,050	(45,177)	64,873
Other comprehensive income (loss)	¥44,911	(48,470)	(3,559)
		=====	=====
1999:			
Foreign currency translation adjustments ¥	26,642	(56,596)	(29,954)
Net unrealized gains (losses) on marketable investment securities	19,021	(11,968)	7,053
Other comprehensive income (loss)	¥45,663	(68,564)	(22,901)
		=====	=====

U.S. dollars (thousands)

	Before-tax amount	Tax (expense) or benefit	Net-of-tax amount
2001:			
Foreign currency translation adjustments \$	137	(37)	100
Net unrealized gains (losses) on marketable investment securities	(904)	371	(533)
Other comprehensive income (loss)	\$(767)	534	(433)

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NSK-WARNER KABUSHIKI KAISHA
AND A SUBSIDIARY

Notes to Consolidated Financial Statements

(10) Balances and Transactions with Affiliated Companies

The Company is a joint-venture corporation and its capital stock is held in equal amounts by NSK Ltd. and BorgWarner NW Inc., a wholly-owned subsidiary of BorgWarner Inc.

Balances with the affiliated companies at March 31, 2001 and 2000 were as follows:

Japanese yen (thousands) U.S. dollars (thousands)

NSK Ltd. BorgWarner Inc. NSK Ltd. BorgWarner Inc.

At March 31, 2001:

Trade accounts receivable	Y 9,471,089	289,528	\$76,441	2,337		
Other receivable		2,116		220,088	17	1,776
Trade accounts payable	1,068,205	-		8,621	-	
Other accounts payable	222,285	-		1,794	-	
Net receivable	Y8,182,715	509,616	\$66,043	4,113		

At March 31, 2000:

Trade accounts receivable	Y 7,813,337	181,752				
Other receivable		-		470,068		
Trade accounts payable	986,112	-				
Other accounts payable	359,112	-				
Net receivable	Y6,468,113	651,820				

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NSK-WARNER KABUSHIKI KAISHA
AND A SUBSIDIARY

Notes to Consolidated Financial Statements

During the years ended March 31, 2001, 2000 and 1999, significant transactions with the affiliated companies were as follows:
Japanese yen (thousands) U.S. dollars (thousands)

NSK Ltd. BorgWarner Inc. NSK Ltd. BorgWarner Inc.

2001:

Sales	Y 35,027,976	506,056	\$ 282,712	4,084
Cost of sales:				
Purchase	6,940,665	4,581	56,018	37
Pension cost	3,130	25		
Selling, general and administrative expenses:				
Rent	2,387	-	19	-
Pension cost	4,461	-	36	-
Purchase of property, plant and equipment	235,640	1,902		
Commission	-	62,347	-	503

2000:

Sales	Y32,565,998		366,161	
Cost of sales:				
Purchase	6,720,886		2,448	
Pension cost	4,141	-		
Selling, general and administrative expenses:				
Rent	2,573	-		
Pension cost	1,395	-		
Purchase of property,				

plant and equipment	83,668	-
1999:		
Sales	Y29,299,019	76,778
Cost of sales:		
Purchase	5,522,641	119,207
Pension cost	4,060	-
Selling, general and administrative expenses:		
Rent	1,612	-
Pension cost	1,375	-
Purchase of property, plant and equipment	44,778	113,584
Sale of property, plant and equipment	7,714	-

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NSK-WARNER KABUSHIKI KAISHA
AND A SUBSIDIARY

Notes to Consolidated Financial Statements

On June 30, 1988, the Company sold land and a part of factory buildings of the Fujisawa plant to NSK Ltd. in connection with the relocation of its manufacturing facilities to the new factory in Shizuoka Prefecture. The capital gain resulting therefrom was recognized as income for the year ended March 31, 1989. However, as permitted under the Special Taxation Measures Law, capital gain has been deferred for tax purposes as reserve for replacement of property as an appropriation of retained earnings. The related deferred income tax liability at March 31, 2001 and 2000 in the amount of Y289,168 thousand (\$2,334 thousand) and Y307,266 thousand, respectively, has been provided in the accompanying consolidated balance sheets (see note 6).

(11) Commitments and Contingent Liabilities

At March 31, 2001, the Company had commitments for the purchase of property, plant and equipment of approximately Y280,789 thousand (\$2,266 thousand).

The Company utilizes certain facilities, including warehouses and employee dormitories, under cancellable lease agreements with third parties. Rent expenses for the years ended March 31, 2001, 2000 and 1999 under the foregoing lease agreements amounted to Y319,041 thousand (\$2,575 thousand), Y301,324 thousand and Y281,764 thousand, respectively.

The Company had no noncancellable lease commitments at March 31, 2001.

In April 2001, the Company has recognized existence of inferior one-way clutches which had been manufactured in the Company's factory. Since the Company had sold approximately 300 sets of the subject product, the Company decided to voluntarily collect the one-way clutches from April 18, 2001. As the situation will not be resolved for some time under uncertainties status, it is not feasible for the Company to predict the final outcome with certainty. However, the Company is of the opinion that the issue will not have a significant adverse effect on the consolidated financial statements.

(12) Disclosure About the Fair Value of Financial Instruments

Cash and cash equivalents, Short-term investments, Receivables, Trade payables, Other payables and Accrued expenses:

The carrying amounts approximate fair values because of the short maturity of these instruments.

Marketable investment securities:

The fair values of the Company's investments in securities are based on market related prices (see note 5).

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NSK-WARNER KABUSHIKI KAISHA
AND A SUBSIDIARY

Notes to Consolidates Financial Statements

(13) Adjustments to Conform with United States Generally Accepted Accounting Principles

Japanese yen (thousands) 2001 2000 1999

		Japanese yen (thousands)					
		2001		2000		1999	
Net earnings for year	Retained earnings at end of year	Net earnings for year	Retained earnings at end of year	Net earnings for year	Retained earnings at end of year	Net earnings for year	Retained earnings at end of year
<TABLE>							
<CAPTION>							
<S>		<C>	<C>	<C>	<C>	<C>	<C>
Per legal books	Y3,280,913	23,399,520	3,095,898	25,637,552	2,046,306	23,101,202	
Adjustments:							
Bonus to officers		(19,640)	(19,640)	(18,944)	(18,944)	(18,008)	(18,008)
Allowance for doubtful receivables		(69,000)	-	5,000	69,000	(44,000)	64,000
Special depreciation		(10,535)	37,536	(9,985)	48,071	(15,402)	58,056
Accrued pension and severance cost		354,592	400,422	(90,429)	45,829	(72,703)	136,258
Deferred income taxes		(115,331)	(147,033)	165,320	(31,702)	222,587	361,438
Losses for investment		-	102,018	28	102,018		269
Investment in an affiliated company	(66,648)	447,146	44,994	513,794	18,184	468,800	
Marketable investment securities	22,975	22,975	-	-	-	-	-
Accrued expenses	51,269	(243,736)	(43,433)	(295,005)	11,667	(251,572)	
			147,683	599,688	52,551	433,061	102,594
							920,96
Per accompanying consolidated financial statements							
	Y3,428,595	23,999,208	3,148,449	26,070,613	2,148,900	24,022,164	
=====							

U.S. dollars (thousands)

2001

	Net earnings for year	Retained earnings at end of year
--	-----------------------	----------------------------------

Per legal books \$26,480 188,858

Adjustments:

Bonus to officers (159) (159)

Allowance for

doubtful receivables (557)	-		
Special depreciation (85)	303		
Accrued pension and severance cost	2,862	3,232	
Deferred income taxes(931)		(1,187)	
Losses for investment	-	823	
Investment in an affiliated company (538)		3,609	
Marketable investment securities	186		186
Accrued expenses	414	(1,967)	
		1,192	4,840
Per accompanying consolidated financial statements	\$ 27,672	193,698	
	=====	=====	

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PART IV

Item 14. Exhibits, Financial Statement Schedules, and Reports on Form 8-K

(a) 1. The following consolidated financial statements of the Company on pages 29 through 47 of the Company's Annual Report are incorporated herein by reference: -

Independent Auditors' Report

Consolidated Statements of Operations - three years ended December 31, 2000, 1999 and 1998

Consolidated Balance Sheets - December 31, 2000 and 1999

Consolidated Statements of Cash Flows - years ended December 31, 2000, 1999 and 1998

Consolidated Statements of Stockholders' Equity - years ended December 31, 2000, 1999 and 1998

Notes to Consolidated Financial Statements

Financial Statements of NSK-Warner Kabushiki Kaisha (including the notes thereto)

2. Certain schedules for which provisions are made in the applicable accounting regulations of the Securities and Exchange Commission are not required under the related instructions or are inapplicable, and therefore have been omitted.

3. The exhibits filed in response to Item 601 of Regulation S-K are listed in the Exhibit Index on page A-1.

(b) Reports on Form 8-K.

(1) None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange

Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BORGWARNER INC.

By: /s/ William C. Cline

William C. Cline
Vice President and Controller
(Principal Accounting Officer)

Date: June 27, 2001

EXHIBIT INDEX

Exhibit Number	Document Description
*3.1	Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit No. 3.1 of the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 1993).
*3.2	By-laws of the Company (incorporated by reference to Exhibit No. 3.2 of the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 1993).
*3.3	Certificate of Designation, Preferences and Rights of Series A Junior Participating Preferred Stock.
*3.4	Certificate of Ownership and Merger Merging BorgWarner Inc. into Borg- War Automotive, Inc. (incorporated by reference to Exhibit 99.1 of the Company's Quart Form 10-Q for the ended March 31, 2000.)
*4.1	Indenture, dated as of November 1, 1996, between Borg-Warner Automotive, Inc. and The First National Bank of Chicago (incorporated by reference to Exhibit No. 4.1 to Registration Statement No. 333-14717).
*4.2	Indenture, dated as of February 15, 1999, between Borg-Warner Automotive, Inc. and The First National Bank of Chicago (incorporated by reference to Exhibit No. 4.1 to Amendment No. 1 to Registration Statement No. 333-66879).
*4.3	Rights Agreement, dated as of July 22, 1998, between Borg-Warner Automotive, Inc. and ChaseMellon Shareholder Services, L.L.C. (incorporated by reference to Exhibit 4.1 to the Registration Statement on Form 8-A filed on July 24, 1998).
*10.1	Credit Agreement dated as of July 21, 2000 among BorgWarner Inc., as Borrower, the Lenders Party Hereto, The Chase Manhattan Bank, as Administrative Agent, Bank America, N.A., as Syndication Agent and Bank One, N.A. as Documentation Agent (incorporated by reference to Exhibit No. 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2001).
*10.2	First Amendment, dated as of August 3, 2000 to the Credit Agreement, dated as of July 21, 2000 among BorgWarner Inc., as Borrower, the Several Lenders From Time to Time Party Thereto, The Chase Manhattan Bank, as Administrative Agent for the Lenders, Chase Securities Inc. and Bank of America Securities LLC, as Co-Arranger, Bank of America, N.A., as Syndication Agent and Bank One, N.A. as Documentation Agent

(incorporated by reference to Exhibit 10.2 of the Company's Annual Report on Form 10-K for the year ended December 31, 2000).

- *10.3 Distribution and Indemnity Agreement dated January 27, 1993 between Borg-Warner Automotive, Inc. and Borg-Warner Security Corporation (incorporated by reference to Exhibit No. 10.2 to Registration Statement No. 33-64934).
- *10.4 Tax Sharing Agreement dated January 27, 1993 between Borg-Warner Automotive, Inc. and Borg-Warner Security Corporation (incorporated by reference to Exhibit No. 10.3 to Registration Statement No. 33-64934).
- +*10.5 Borg-Warner Automotive, Inc. Management Stock Option Plan, as amended (incorporated by reference to Exhibit No. 10.6 to Registration Statement No. 33-64934).

Exhibit
Number

Document Description

- +*10.6 Borg-Warner Automotive, Inc. 1993 Stock Incentive Plan as amended effective November 8, 1995 (incorporated by reference to Appendix A of the Company's Proxy Statement dated March 21, 1997).
- *10.7 Receivables Transfer Agreement dated as of January 28, 1994 among BWA Receivables Corporation, ABN AMRO Bank N.V. as Agent and the Program LOC Provider and Windmill Funding Corporation (incorporated by reference to Exhibit No. 10.12 to the Company's Annual Report on Form 10-K for the year ended December 31, 1993).
- *10.8 Amended and Restated Receivables Loan Agreement dated as of December 23, 1998 among BWA Receivables Corporation, as Borrower, Borg-Warner Automotive, Inc., as Collection Agent, ABN AMRO Bank N.V., as Agent, the Banks from time to time party hereto, ABN AMRO Bank N.V., as the Program LOC Provider and the Program LOC Provider and Windmill Funding Corporation.
- 10.9 First Amendment dated as of March 25, 1999 to Amended and Restated Receivables Loan Agreement dated as of December 23, 1998 (incorporated by reference to Exhibit No. 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 1999).
- 10.10 Second Amendment dated as of December 22, 1999 to Amended and Restated Receivables Loan Agreement dated as of December 23, 1998 (incorporated by reference to Exhibit No. 10.13 to the Company's Annual Report on Form 10-K for the year ended December 31, 1999).
- 10.11 Third Amendment dated as of December 20, 2000 to Amended and Restated Receivables Loan Agreement dated as of December 23, 1998 (incorporated by reference to Exhibit No. 10.11 to the Company's Annual Report on Form 10-K for the year ended December 31, 2000).
- +*10.12 Borg-Warner Automotive, Inc. Transitional Income Guidelines for Executive Officers amended as of May 1, 1989 (incorporated by reference to Exhibit 10.16 to the Company's Annual Report on Form 10-K for the year ended December 31, 1993).
- +*10.13 Borg-Warner Automotive, Inc. Management Incentive Bonus Plan dated January 1, 1994 (incorporated by reference to Exhibit No. 10.18 to the Company's Annual Report on Form 10-K for the year ended December 31, 1993).

- +*10.14 Borg-Warner Automotive, Inc. Retirement Savings Excess Benefit Plan dated January 27, 1993 (incorporated by reference to Exhibit No. 10.20 of the Company's Annual Report on Form 10-K for the year ended December 31, 1993).
- +*10.15 Borg-Warner Automotive, Inc. Retirement Savings Plan dated January 27, 1993 as further amended and restated effective as of April 1, 1994 (incorporated by reference to Exhibit 10.18 to the Company's Annual Report on Form 10-K for the year ended December 31, 1995).
- +*10.16 Borg-Warner Automotive, Inc. Deferred Compensation Plan dated January 1, 1994 (incorporated by reference to Exhibit No. 10.24 of the Company's Annual Report on Form 10-K for the year ended December 31, 1993).
- +*10.17 Form of Employment Agreement for John F. Fiedler (incorporated by reference to Exhibit No. 10.0 of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1994).

Exhibit
Number

Document Description

- +*10.18 Amended Form of Employment Agreement for John F. Fiedler dated January 27, 1998 (incorporated by reference to Exhibit 10.21 of the Company's Annual Report on Form 10-K for the year ended December 31, 1997).
- +*10.19 Addendum to Employment Agreement between BorgWarner Inc. and John F. Fiedler dated November 8, 2000 (incorporated by reference to Exhibit 10.19 of the Company's Annual Report on Form 10-K for the year ended December 31, 2000).
- +*10.20 Form of Change of Control Employment Agreement for Executive Officers (incorporated by reference to Exhibit No. 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 1997).
- +*10.21 Amendment to the Change of Control Employment Agreement between the Company and John F. Fiedler dated effective January 30, 1998 (incorporated by reference to Exhibit 10.23 of the Company's Annual Report on Form 10-K for the year ended December 31, 1997).
- *10.22 Assignment of Trademarks and License Agreement (incorporated by reference to Exhibit No. 10.0 of the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 1994)
- *10.23 Amendment to Assignment of Trademarks and License Agreement (incorporated by reference to Exhibit No. 10.23 of the Company's Form 10-K for the year ended December 31, 1998).
- +*10.24 Borg-Warner Automotive, Inc. Executive Stock Performance Plan (incorporated by reference to Exhibit No. 10.23 of the Company's Annual Report on Form 10-K for the year ended December 31, 1995).
- *10.25 Agreement of Purchase and Sale dated as of May 31, 1996 by and among Coltec Industries Inc., Holley Automotive Group, Ltd., Holley Automotive Inc., Coltec Automotive Inc., and Holley Automotive Systems GmbH and Borg-Warner Automotive, Inc., Borg-Warner Automotive Air/Fluid Systems Corporation and Borg-Warner Automotive Air/Fluid Systems Corporation of Michigan (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K dated as of June 17, 1996).

- *10.26 Agreement and Plan of Merger dated as of December 17, 1998 by and between Borg-Warner Automotive, Inc., BWA Merger Corp. and Kuhlman Corporation (incorporated by reference to Exhibit 2 of the Company's Current Report on Form 8-K dated as of December 21, 1998).
- 10.27 Asset Purchase Agreement dated as of August 2, 1999 among Eaton Corporation, the Seller Subsidiaries, Borg-Warner Automotive, Inc. and the Buyer Subsidiaries.
- 13.1 Annual Report to Stockholders for the year ended December 31, 1999 with manually signed Independent Auditors' Report. (The Annual Report, except for those portions which are expressly incorporated by reference in the Form 10-K, is furnished for the information of the Commission and is not deemed filed as part of the Form 10-K).
- 23.1 Independent Auditors' Consent.
- 23.2 Independent Auditors' Consent.
- * Incorporated by reference.
- + Indicates a management contract or compensatory plan or arrangement required to be filed pursuant to Item 14(c).

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INDEPENDENT AUDITORS CONSENT

We consent to the incorporation by reference in Registration Statement Nos. 333-85299, 333-85297, 333-85295, 333-85293, 333-85291, 333-85289, 333-85301 and 333-85303 dated August 16, 1999; 333-67131, 333-67133 and 333-67135 dated November 12, 1998; 333-51647 dated May 1, 1998; 333-45491, 333-45493, 333-45495, 333-45507, and 333-45499, dated February 3, 1998; 333-45423 dated February 2, 1998; 33-75564, 33-75566, 33-75568, 33-75572, 33-75574, 33-67822, and 33-67824 dated February 1, 1995; 33-92430, 33-92428, 33-92432, and 33-92426 dated May 17, 1995; 33-92862 and 33-92860 dated May 30, 1995; 33-92858 dated June 1, 1995; 333-12941, 333-12875, and 333-12939 dated September 27, 1996; 333-17179 dated December 3, 1996; 333-95207 dated January 24, 2000; 333-35722, 333-35729, 333-35720, 333-35736, 333-35732, 333-35718 and 333-35716 dated April 27, 2000 of BorgWarner Inc. on Form S-8 of our report dated February 7, 2001, incorporated by reference in the Annual Report on Form 10-K/A of BorgWarner Inc. for the year ended December 31, 2000.

DELOITTE & TOUCHE LLP

Chicago, Illinois
 June 27, 2001
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INDEPENDENT AUDITORS CONSENT

We consent to the incorporation by reference in Registration Statement Nos. 333-85299, 333-85297, 333-85295, 333-85293, 333-85291, 333-85289, 333-85301 and 333-85303 dated August 16, 1999; 333-67131, 333-67133 and 333-67135 dated November 12, 1998; 333-51647 dated May 1, 1998; 333-45491, 333-45493, 333-45495, 333-45507, and 333-45499, dated February 3, 1998; 333-45423 dated February 2, 1998; 33-75564, 33-75566, 33-75568, 33-75572, 33-75574, 33-67822, and 33-67824 dated February 1, 1995; 33-92430, 33-92428, 33-92432, and 33-92426 dated May 17, 1995; 33-92862 and 33-92860 dated May 30, 1995; 33-92858 dated June 1, 1995; 333-12941, 333-12875, and 333-12939 dated September 27, 1996; 333-17179 dated December 3, 1996; 333-95207 dated January 24, 2000; 333-35722, 333-35729, 333-35720, 333-35736, 333-35732, 333-35718 and 333-35716 dated April 27, 2000 of BorgWarner Inc. on Form S-8 of our report dated April 27, 2001 with respect to the consolidated balance sheets of NSK-Warner Kabushiki Kaisha as of March 31, 2001 and 2000, and the related consolidated statements of earnings, stockholders equity, and cash flows for each of the years in the three-year period ended March 31, 2001 which report appears in the Annual Report on Form 10-K/A of BorgWarner Inc. for the year ended December 31, 2000.

KPMG

Tokyo, Japan
June 27, 2001

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-----END PRIVACY-ENHANCED MESSAGE-----