



YANMAR

News Release

October 4, 2016

Yanmar Holdings Co., Ltd.

**Completion of acquisition of European business aimed at
expansion of medium sized construction machinery business**

On October 1 (Central European Time), Yanmar Holdings Co., Ltd. (Head Office: Osaka City; President: Takehito Yamaoka) has completed the acquisition of Terex Compact Germany GmbH (Crailsheim Germany), a small to medium sized construction machinery business in Europe formerly owned by Terex Corporation (NYSE:TEX; Here in after referred to as simply "Terex") as well as related business assets.

This acquisition includes the Terex Corporation businesses carrying out the production and sale of wheel loaders, excavators and wheeled excavators, as well as the production, sales and development facilities in Crailsheim Germany and parts distribution center in Rothenburg Germany. The acquisition cost was US \$60 million.

This acquisition will greatly expand the sales and service networks possessed by both companies in the major overseas markets of Europe and North America. In addition, the application of the product development and production knowhow of both companies has also enabled us to expand our product lineup to better fulfill customer needs. This in turn will allow us to greatly increase our current approximately 30 billion yen in overseas construction business sales to approximately 80 billion yen in 2020. We also plan to expand our business to approximately 130 billion yen in the mid-term for the construction business of the entire Yanmar Group, and to continue to actively develop business in the small and medium sized construction machinery marketplace.

Takehito Yamaoka, President, Yanmar Holdings Co., Ltd.

"We have concluded an agreement for the acquisition of Terex Compact Germany, which possesses a strong Europe-based sales network and an excellent quality family of products, including the distinguished German Schaeff series, in a move aimed at expanding the Yanmar Group's small to medium sized construction machinery business. This will significantly expand the Yanmar Group's small and medium sized construction machinery portfolio. I am certain that the conclusion of this agreement will lead to significant growth for the Yanmar Group's construction machinery business."

Terex Compact Germany GmbH General Manager Peter Hirschel

"It is a great honor to be the most recent member of the Yanmar family. To have a strong

parent company with Yanmar with long-term growth expectations is an outstanding situation for the Compact Germany business in our competitive market. We expect together with Yanmar to have a very interesting, complete and competitive product portfolio and an excellent dealer network. From our strong market position all customers, dealers, team members and the company will benefit.”

<About Yanmar>

Yanmar was founded in Osaka in 1912, and succeeded in launching the world's first commercially viable small diesel engine in 1933. Thereafter, with its core business of industrial diesel engines, the company became a comprehensive industrial machinery manufacturer providing total solutions that integrate products, services and knowhow to multiple markets. The company maintains 7 main businesses; compact engines, large engines, agricultural machinery and equipment, construction machinery, energy systems, marine, machine tools, and components, which it develops on a global scale.

Our mission statement is "We strive to provide sustainable solutions for needs which are essential to human life. We focus on the challenges our customers face in food production and harnessing power, thereby enriching people's lives for all our tomorrows." Furthermore, we aim to contribute to the realization of a resource recycling society with "A SUSTAINABLE FUTURE" globally in the business fields of "land", "sea" and "city". Please refer to Yanmar's website for more details:

<https://www.yanmar.com/global/about/>

<About Terex Compact Germany GmbH>

Terex Compact Germany GmbH is a company, manufacturing, developing and selling compact construction machines with a history more than 75 years. Terex Compact Germany GmbH has been on site at Crailsheim for more than 30 years and top-mounted cylinder design has brought innovation to the construction machinery industry. Terex Compact Germany GmbH has and very comprehensive first class sales and service network which ensures that we are always close to our customers. Even today, its expertise is market-defining. Terex Compact Germany GmbH commits to customers' uptime, helping customers to get the job done, and working with customers to build a better future together.

<Note>

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[Inquiries related to this content]

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