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For Immediate Release

LiuGong Completes First Plant Outside of China

Guangxi, PR China – September 10, 2009 – In yet another innovative first for LiuGong Machinery Corp., the world’s largest manufacturer of wheel loaders, the company has opened its first overseas factory in India.

The plant is located on 177,000 square meters of land in Pritampur near Indore, which is situated in central India. The Pritampur area has become known as an industrial powerhouse – sometimes called the “Detroit of India” – and is now home to many international companies.

The new LiuGong plant currently employs approximately 200 people, 90% of whom were recruited from India. The remainder of the team is Chinese.

Planned to be launched in three phases, the factory ultimately represents a total investment of 30 million at the first phase. By its final phase, the 20,000 square-meter facility will be capable of producing up to 10,000 units per year.

Meanwhile, in the near term, the factory is flexibly producing three to five ton wheel loaders to meet the needs of India’s booming construction market, where this type of machine is among the most popular models of heavy equipment sold. In this early phase of production, eight units per day can be assembled.

While India is one of the fastest growing economies in the world, the country’s regulations sometimes pose challenges for foreign investors. With more than a year in planning, the actual plant was built and became operational in under a year. Company and Indian officials considered this a benchmark accomplishment.

LiuGong Vice Chairman and President Mr. Zeng Guang’an noted the construction project team has been so successful in creating local relationships and expediting construction progress that Indian officials are now pointing to LiuGong as a regional best practice. Plant managers are frequently sought out to talk about their experience.

“We have good employees,” Mr. Zeng said.

Plant manager Mr. Weisen Liang echoed Mr. Zeng’s assessment.

“It was a dream – every employee wanted to complete the plant early. In the last two months, all workers canceled their holiday to improve the construction speed,” Mr. Liang said.

LiuGong held a grand opening for the plant in July where the first wheel loader officially rolled off the line.

LiuGong is a 1.4 billion USD global heavy equipment manufacturer headquartered in Guangxi, PR China, offering a full line of machines including wheel loaders, excavators, motor graders, rollers, skid steers, and forklifts. Other machines sold inside China include pavers, bulldozers and oversized wheel loaders. The company is rapidly developing additional machine lines, including cranes.

In business for more than 50 years, LiuGong has 16 manufacturing plants – all but the new India plant are in China. The company produces more than 36,000 machines annually for the domestic China and worldwide markets. Its strong research and development group in China employs more than 500 top engineers from around the world.

LiuGong prides itself in producing equipment that is easy to own and easy to operate, providing features that customers demand, but also focusing on using well-proven technologies that are easy to service. The result is highly durable machines that stand up to the rigors of tough operating environments customers face. LiuGong also fully supports its customers with a worldwide dealer network with locations in almost every country and four subsidiary companies strategically located to provide expert support close to important markets, now including India.

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For more than 50 years, LiuGong Machinery Corporation has led China’s construction equipment industry, offering a wide range of heavy machinery through their dealer network spanning six continents. With a full line of construction and materials handling equipment, LiuGong Machinery Corporation is deeply committed to serving its customers worldwide.