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For Immediate Release

LiuGong Announces Historic Production Milestones

Guangxi, PR China - May 15, 2010 - On the heels of setting a company record in wheel loader sales in 2009, LiuGong Machinery Corp. announced another major milestone, saying it has built and sold its 200,000th wheel loader.

The historic production milestone was reached this May, company officials said. LiuGong developed, built and sold China's first modernized wheel loader in 1966. Just last year, LiuGong set a company sales record for wheel loaders, shipping a total of 29,163 units domestically and worldwide.

The 200,000th unit, the CLG 888, was sold to a long-time LiuGong client near the seaport in Liaoning Province in northeast China. The CLG 888 is one of the larger models of wheel loaders sold by LiuGong.

In addition to the wheel loader record, LiuGong also announced a milestone for export machines saying it has sold its 15,000th export machine since it began shipping to global markets in the early 1990's.

To celebrate the milestones, LiuGong hosted a conference and celebration ceremony on May 15 in Beijing for customers, industry partners and the industry trade. As part of the event, the company unveiled and discussed a bold five-year strategy. This new plan directs the company toward breaking into the top 10 construction equipment brands globally.

"We are proud of both these milestones," said Mr. Zeng Guang'an, LiuGong's Vice Chairman and President. "LiuGong has been a leader in the development of the wheel loader and the wheel loader market in China and this record affirms that the hard work of our entire LiuGong team is paying off. "

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Zeng said continued leadership in the China domestic market is vital for LiuGong if it is to be successful in reaching a top 10 position worldwide. "We are making great strides in becoming a top worldwide brand." Zeng said. "But to do that, we must continue to be the top brand in China as well."

LiuGong, currently the 21st largest construction equipment manufacturer in the world, is a leader in many ways. It has one of the broadest and most diverse product lines of any Chinese construction equipment company. In China, LiuGong offers wheel loaders, excavators, rollers, pavers, motor graders, forklifts, cranes, skid steer loaders, bulldozers, milling machines, pipe layers, and concrete transports. Currently, LiuGong holds about 18% of the market share in wheel loaders worldwide, and about 23% of the market share domestically - the leading brand in the China market. It is among the top three producers of cranes in China, having entered the crane market only recently. In 2009, LiuGong achieved 10 billion RMB in sales and was listed in China's "TOP50" and called "the vanguard of China construction machinery industry," by industry analysts. It was the first construction equipment producer in China to go public, having been listed on the Shenzhen Stock Exchange since 1993. In 2009, LiuGong was named one of China's top 60 brands. In 2008, LiuGong was awarded the highest honor in quality and management in China -- the National Quality Award, and is so far the only company in China construction machinery industry to have won this prize.

Three major components of company success, Zeng said, are LiuGong's devotion to quality, its focus on making machines easy to own and easy to maintain, and deep investment into a worldwide network of 119 dealers in 80 countries who fully support sales and after-market maintenance. LiuGong employs more than 10,000 - with a major investment into research & development. As part of this investment, the company employs more than 650 R&D engineers who have been hired from around the globe.

"We look forward to the next five years," Zeng said. "We're in uncharted territory for a Chinese company. We're excited to pursue bold new goals because when we do, we benefit our employees and our stockholders. "

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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 its 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.