

Press release 13 December 2011

<u>Success in Slovenia, expansion of the distribution and service network to the whole of the former Yugoslavia</u>

Renowned customers and a market share of 25 per cent

After its most recent success in having boosted sales of its own-brand injection moulding machines in Slovenia, Sumitomo (SHI) Demag Plastics Machinery now aims at extending its distribution activities throughout the entire territory of the former Yugoslavia.

The chances of expanding successfully could hardly be better. Since Top Teh - the Slovenian distribution specialist for injection moulding machines - officially took over the agency of Sumitomo (SHI) Demag Plastics Machinery in the state, with its two million inhabitants, in January 2009, an impressive increase in order intakes could be noticed there. This means that Sumitomo (SHI) Demag has now come to have a market share of around twenty five per cent and has accordingly taken a large step towards becoming the market leader in Slovenia.

There are also very positive prospects on the future horizon. The annual requirement for injection moulding machines from Slovenian industry is steadily increasing. There is also the fact that Top Teh was able to win over renowned companies - including Plastika Skaza, Geberit, Gorenje, Hella, Iskra ISD and Biplast - as customers, with this being due in no small part to the



fact that extensive servicing and maintenance provisions were on offer, together with the distribution activities.

With Slovenia as its mainstay, Sumitomo (SHI) Demag and Top Teh now wish to expand their distribution activities throughout the entire territory of the former Yugoslavia - to Serbia, Croatia, Bosnia-Herzegovina, Montenegro and Macedonia (FYROM). A first important step in this direction is participating in the SAJAM TEHNIKE - International Fair of Technique and Technical Achievements (UFI), which runs from 14 - 18 May 2012 in Belgrade, Serbia and which is one of the largest fairs in its product sector in the whole of Southeastern Europe.

In the view of Christian Renners, General Manager, Business Unit Sales & After-Sales of Sumitomo (SHI) Demag, this all adds up an extremely positive outlook for the future. "Given the technical know-how and regional expertise of our local business partners, we have set ourselves the medium- to long-term goals of becoming the market leader for the entire region."

Sumitomo (SHI) Demag Plastics Machinery GmbH

Sumitomo (SHI) Demag Plastics Machinery GmbH, Schwaig/Germany, is one of the world's largest manufacturers of injection moulding machines for the processing of plastics. The Japanese-German company was formed in the spring of 2008 by merging the injection moulding activities of Sumitomo Heavy Industries (SHI) and those of Demag Plastics Group.

The global development and production network of Sumitomo Heavy Industries and Sumitomo (SHI)



Demag consists of four plants in Japan, Germany and China with more than 3,000 employees. The product portfolio encompasses all-electric, hydraulic and hybrid injection moulding machines with clamping forces of between 180 and 20,000 kN. With almost 100,000 machines installed, Sumitomo (SHI) Demag is present in all important markets throughout the world.

With more than 4,200 machines sold each year, Sumitomo Heavy Industries counts as Japan's largest manufacturer of injection moulding machines. The main Sumitomo plant in Chiba produces machines with low and medium clamping forces. Around 95 % of all machines supplied by Sumitomo Heavy Industries have an all-electric drive.

The main Demag facility in Schwaig/Germany focuses on the hydraulic Systec and the hybrid high performance, high-speed El-Exis machines. Recognising the increasing importance of electric drive technology for injection moulding machines, Sumitomo (SHI) Demag has expanded the former Demag factory in Wiehe/Germany into an international centre of competence for electric machines. Thanks to the new production capacities, Wiehe now supplies all electric injection moulding machines for the European and American market with its IntElect and SE series and also the hydraulic Systec series with clamping forces of up to 1,200 kN.

Sumitomo (SHI) Demag continues to operate the former Demag plant in Ningbo/China which has been active since 1999. Since 2007 the subsidiary located there, Demag Plastics Machinery (Ningbo) Co., Ltd, had its own, newly built plant and after reaching full



capacity, moved to a larger factory with a production area of 11,000 sqm. Injection moulding machines from the Dragon and Systec C product lines with clamping forces of between 500 and 8,000 kN are produced here for Asian markets.

In addition to injection moulding machines, Sumitomo (SHI) Demag offers customised and standardised systems for the automated handling of moulded parts, technical solutions for special applications in process engineering, tailor-made service concepts and various forms of financing for investments in injection moulding machines.

With its seamless sales and service network of subsidiaries and representations, Sumitomo (SHI) Demag is present in all major industrial markets.

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