

Press Release

15 May, 2014

Investment in Chinese production site increases production capacities up to 1,000 machines

## **Sumitomo (SHI) Demag lays foundation stone for new production facility in China**

**Demag Plastics Machinery (Ningbo), a 100% subsidiary of Sumitomo (SHI) Demag will set up a new production site in Ningbo, China, to boost its successful growth course. Official construction work on the new site started after the foundation stone was laid on 18 April, 2014.**

In the company of Akio Yoshikawa, Senior Vice President and Director of Sumitomo Heavy Industries Ltd., Dr. Tetsuya Okamura, CEO Sumitomo (SHI) Demag and Stephan Greif, CEO Demag Plastics Machinery (Ningbo) laid the foundation stone for the new facility in Ningbo, which is planned to come onstream in July 2015.

Sumitomo (SHI) Demag has invested about EUR 7m in the expansion of its production capacities. The highly efficient 12,330 sqm production and logistics facility with an annual production capacity of up to 1,000 injection moulding machines will be built on an area of 26,700 sqm and completed by 2015. Since its establishment in 1998, Demag Plastics Machinery (Ningbo) has been operating its production on rented production sites. The new facility will also be the company's first own site. "Operating our own, extended facility will boost our global growth," says Stephan Greif, who was one of the founders and became CEO of Demag Plastics Machinery (Ningbo) in 2005.

Demag Plastics Machinery (Ningbo) Co., Ltd. is currently producing the Systec C machine series, which is available with clamping forces of between 500 and 10,000 kN. In July 2015, additional machine series are planned to enhance the Sumitomo (SHI) Demag product portfolio in China. The company also envisages an increase of the export rate, currently at 25%. In addition to local processors, Demag Ningbo supplies injection moulding companies in Southeast Asia, the Middle East and Latin America.

Extending the production capacity is a response to the increased demand for injection moulding machines in China and other sales markets and establishes the groundwork for maximising the company's market share.

### **Sumitomo (SHI) Demag Plastics Machinery GmbH**

Sumitomo (SHI) Demag has shaped the development of the plastics industry from its very beginning. As a specialist for injection moulding machines for plastics processing, Sumitomo (SHI) Demag and its Japanese parent company are leading the industry.

The global development and production network of Sumitomo Heavy Industries and Sumitomo (SHI) Demag is comprised of four facilities in Japan, Germany and China with more than 3,000 employees. The product portfolio includes all-electric, hydraulic and hybrid injection moulding machines with clamping forces of between 180 and 20.000 kN. With more than 100,000 installed machines, Sumitomo (SHI) Demag is present in all important global markets.

More than 5,000 machines sold per year make Sumitomo Heavy Industries and its plastics machinery division one of the largest manufacturers of injection moulding machines in the world.

At Sumitomo's headquarters in Chiba, Japan, the company manufactures machines with clamping forces in the small to medium range. Nearly 95% of all delivered machines are equipped with an all-electric drive concept.

The Demag headquarters in Schwaig/Germany specialise in the production of hydraulic Systec machines and the hybrid high-performance and high-speed EI-Exis SP machines. In the wake of the rising importance of electric drive concepts for injection moulding machines, Sumitomo (SHI) Demag expanded its facility in Wiehe/Germany, setting up an international competence centre for electrical machines. Thanks to the new enhanced production capacities, Wiehe is now able to offer the IntElect series of electric injection moulding machines with clamping forces of up to 4,500 kN as well as hydraulic machines of the Systec series with clamping forces of up to 1,200 kN for the global market.

Demag Plastics Machinery (Ningbo) Co., Ltd., Ningbo/China has been manufacturing highly efficient injection moulding machines for the Chinese and other Asian markets since 1998.

The Chinese subsidiary of the German-Japanese manufacturer Sumitomo (SHI) Demag operates a facility with a production area of 11,000 sqm. The injection moulding portfolio is comprised of the hydraulic System C series with clamping forces of between 500 and 10,000 kN for the Asian market.

In addition to injection moulding machines, Sumitomo (SHI) Demag offers customized and standardized systems for the part handling automation, technical and process solutions for special applications, tailored services and service concepts as well as a range of financial options to support investment in injection moulding machines.

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

[www.sumitomo-shi-demag.eu](http://www.sumitomo-shi-demag.eu)

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*In the company of Akio Yoshikawa, Senior Vice President and Director of Sumitomo Heavy Industries Ltd. (5<sup>th</sup> from the left), Dr. Tetsuya Okamura, CEO Sumitomo (SHI) Demag (3<sup>rd</sup> from the left) and Stephan Greif, CEO Demag Plastics Machinery (Ningbo) (4<sup>th</sup> from the left) laid the foundation stone of the new facility*

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*Laying the foundation stone for the new facility of Demag Plastics Machinery in Ningbo, China: the new production site with capacities for up to 1,000 machines will be completed by July 2015*

*Photos by Demag Plastics Machinery (Ningbo) Co., Ltd.*