



Alamo Reports 1st Qtr Results & Announces New Alliance With Alo

Alamo Group Inc. reported results for the first quarter ended March 31, 2012. Net sales for the first quarter were \$155.9 million compared to net sales of \$140.7 million for the first quarter of 2011, an increase of 11%. Net income for the quarter was \$6.8 million, compared to net income of \$5.7 million, for the first quarter of 2011, a 19% increase.

Alamo's 2012 results include the effect of the acquisition of Tenco, which was completed in October 2011. Tenco contributed \$9.4 million to net sales in the first quarter of 2012 and \$0.5 million to net income.

Net sales in the industrial division for the first quarter of 2012 were \$64.7 million, a 32% increase compared to net sales of \$49.0 million in the first quarter of 2011.

Alamo's North American ag division recorded net sales of \$48.3 million in the first quarter of 2012, a 3% decrease compared to net sales of \$49.7 million in the prior year's first quarter. The decrease reflected slower growth in the overall U.S. ag market and slightly lower preseason sales, which generally make up the majority of this division's first quarter revenue.

The company's European Division net sales in the first quarter of 2012 were \$42.9 million, an increase of 2% versus \$41.9 million in the first quarter of 2011.

Alamo and Alo also recently announced a major new manufacturing and distribution alliance for their tractor loader businesses in North America. Alo has been producing and marketing loaders and attachments under the Quicke brand in North America since 1989.

Loaders for the joint initiative will be manufactured in Alo facilities, including Telford, TN, a former Bush Hog plant acquired by Alo in 2009 prior to Bush Hog becoming a part of Alamo Group. Under the new alliance the sales organizations of Bush Hog and Rhino will be the representatives for Quicke brand loaders in the U.S. Consolidation of both production and sales activities is already underway and scheduled to be fully in place by July 1, 2012.