

Press release

July 8th, 2008

Sumitomo and Demag will integrate both companies in Europe by the end of 2008

The integration of Demag Plastics Group, Schwaig, into the Sumitomo Heavy Industries Group is proceeding efficiently.

In the course of the organisational integration the future European headquarters of Sumitomo-Demag will be located in Schwaig near Nürnberg. From here all European activities will be controlled, including Sales and Service of the current Sumitomo products. To merge all company activities has been targeted to be completed by the end of this year.

With the integration's completion Uwe Rohfleisch, CFO, who together with former CEO Dr. Klaus Erkes initiated Demag Plastics Group's sale to Sumitomo Heavy Industries, will transfer his role to Markus Schiefer per August 1st, 2008 as originally intended.

Markus Schiefer will become the new CFO beginning August 2008

Markus Schiefer (44) has been working with Demag as Head of Controlling and Organisation since 2003. "After several ownership changes, we are now seeing for the first time together with Sumitomo what it means to experience future oriented and serious company development." he emphasises. "Markus Schiefer, whom we have assigned to become my successor since the sale of Demag, an experienced manager who knows the market,



*Dr. Tetsuya Okamura
CEO Demag Plastics Group*



*Markus Schiefer
from 1.8.2008 CFO Demag Plastics Group*

as well as Demag, will take over my position and work closely together with Dr. Tetsuya Okamura. The last months have shown how cooperative and effective the merging of two companies can be. Sumitomo and Demag do have the best prospects to further develop their leading role in this industry worldwide. I do wish a lot of success", Uwe Rohfleisch adds.

Systemec, EI-Exis and IntElect will stay important pillars of the product range

The decisions regarding the future product policy of Sumitomo-Demag bear special significance for the customers and the market. Important decisions have been made during the last weeks.

The newly developed fully hydraulic Systemec range perfectly completes the portfolio of Sumitomo-Demag's electric injection moulding machinery and will therefore be an important part of Sumitomo-Demag's product portfolio worldwide. Ranging up to a clamp force of 20,000 kN, the Systemec is especially regarded as a potential in the automotive sector in addition to various applications of the mass market.

The hybrid fast cycling machine EI-Exis sets the benchmark regarding performance and energy consumption for the production of closures and thin-wall packaging. After thoroughly evaluating the IntElect range Sumitomo has now selected the IntElect as platform for the sale of electric injection moulding machines in Europe.

The IntElect has its basis as the same modular concept as Systemec and EI-Exis so that the complete and extensive special options catalogue is available for all three machine series.

Full electric IntElect range will be equipped with reliable electric drives from Sumitomo

Sumitomo's electric drive technology will be integrated in the IntElect range. Therefore Sumitomo-Demag becomes one of the two world's manufacturers of injection moulding machines who has the in-house expertise for electric drive technology and who is further developing this know how for various applications.

"Especially the electric machines prove how Sumitomo's expertise and Demag's know-how can be used efficiently together." says Dr. Tetsuya Okamura, CEO of Demag Plastics Group. "We will offer a complete program of electric machines to the market – designed as a modular system and available either with air-cooled or with water-cooled motors." he further explains. "With this strategy we are sure to have an exceptionally good position in the tough market for electric injection moulding machines. We thoroughly tested the IntElect before we made our final decision. Compared to the European competitors, we found the IntElect to have superior performance with less energy consumption. After integrating our drive technology, which has been developed exclusively for injection moulding technology, we will have an unbeatable attractive product in Europe", the CEO is convinced. The new IntElect series will cover the clamp force ranging from 500 to 4,200 kN. Sumitomo's injection moulding machines SE-DU, SE-HD and SE-HS will continue to be offered in Europe.

Sumitomo-Demag will present itself as an integrated company at FAKUMA

At this year's FAKUMA, Sumitomo and Demag will present themselves for the first time as one company and exhibit their common product portfolio at booth B1-1105.

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