



PRESS RELEASE

Kverneland Group acquires 100% ownership of the bale equipment manufacturer Gallignani S.p.A

This investment is a further reinforcement of the strategy of providing an attractive and competitive range of bale equipment to distribution partners and end customer and it underlines the Group's commitment to offer a complete line of grass products

9th October 2012, Kverneland, Norway

Kverneland Group has a long tradition as a broad line supplier of Agricultural implements and by acquiring 100% control of its partly owned factory Gallignani S.p.A, the group is committed to ensure further investment in an attractive and competitive offering of bale equipment.

Following a period of Joint Venture ownership of Gallignani S.p.A and the experience with KvG's exclusive distribution of balers produced by the factory, KvG and Ig srl holding of the Gallignani family are pleased to announce that KvG is taking full control of the future development of the important bale equipment center in Ravenna, Italy. This is an important step in the KvG's plan to further invest in the strategically important round baler and wrapper range.

The parties have signed a share purchase agreement and the closing of the transaction is expected to take place in the near future.

Mr. Ingvald Løyning (CEO) is pleased that the modern bale equipment factory is added to the portfolio of 100% controlled competence centers. It is a great opportunity for us to welcome Gallignani S.p.A with its long tradition and know-how in bale equipment (established 1922) as a full member of the group. Mr. Løyning also emphasizes that it is a clear strength for the future that the manufacturing site, already is at a high standard and there has over the last decade been significant investment in both capacity increase and modern manufacturing technology.

The full integration of this competence center into the GROUP will facilitate further synergies in the operation, quality management and R&D development. With our long history in bale equipment production, sales and support, we are confident and ready to further enhance the product performance and the value proposition to our customers.

The Gallignani brand will be jointly owned by Kverneland Group and IG Holding which is owned by the Gallignani family. The production and distribution of conventional square balers presently produced in Turkey will remain in the ownership of the Gallignani family, whereas the round balers and the wrappers will be in the ownership of Kverneland Group. Mr. Gallignani will also continue the front loader business in SIGMA 4 as usual.



Kverneland Group (Kverneland AS) is a leading international company developing, producing and distributing agricultural machinery and services. Strong focus on innovation allows us to provide a unique and broad product range with high quality. Kverneland Group offers an extensive package of systems and solutions to the professional farming community. The offering covers soil preparation, seeding, forage- and bale equipment, spreading and spraying. For more information on Kverneland Group visit www.kvernelandgroup.com

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