

NEWS RELEASE



AMADA CO., LTD.

Department in charge: Publicity & IR Department

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Amada to enhance direct marketing system in Spain to retain share in global sheet metal market

Amada (President & CEO: Mitsuho Okamoto) will begin direct sales of solution products including dies, software and peripheral devices in Spain from April. Amada United Kingdom Limited (Amada UK), an arm of Amada in the UK, will open its branch office in Barcelona, Spain. Alan Parrott, the current president of Amada UK, will play a role as leader and operate this direct sales system by utilizing staff and other resources. Sales of five billion yen are expected to be realized within three years.

To retain the largest share of the global sheet metal market, it is essential for the company to expand sales in the European market, which makes up approximately 50% of the global market. An approximately 20 billion yen market is expected to develop in Spain, the Europe's fourth largest market after Germany, France and Italy. Currently, Amada Maquinaria S.L., a subsidiary of Amada Italia S.r.l, covers the Spanish market. However, since sales are made through an agent, the sales performance of key machines was poor. Last year, sheet metal business sales in Spain amounted to only 500 million yen, and there were issues related to expanding the business. To be competitive with a European-based machine manufacturer, it was determined that the direct marketing system should be enhanced urgently. Amada Maquinaria S.L. will be taken over by a branch office of Amada UK this year, and a new local corporation will be established.

As Amada's business development center in Europe, the Solution Center in Germany began full-scale operation in October 2009. It functions as a sales base for Europe, including East Europe and Russia. In addition, Amada Engineering Europe S.p.A was established in January this year to enhance the solution business in Italy. The new office building and

solution exhibition facilities in Italy will be set up in June. Furthermore, to reorganize the production bases in Europe, production will begin in France of the new series of bending machines and turret punch press machines that are in synchronization with Japanese manufacturing standards, as well as laser and combined machines.

In addition to a series of measures enacted to enhance sales, production and (#1) engineering business in Europe, these pump-priming measures focused on Spain will ensure Amada maintains its top share in the global sheet metal market by utilizing key management resources (manpower, materials and money) of Amada UK, which has more than 30 years experience in Europe of providing high-quality service (resizing of dies, etc.) and sales know-how.

(#1)Engineering = Combines a series of products such as the main machine, software, peripheral devices and servicing to propose business solutions.