



For: Alamo Group Inc.

Contact: Robert H. George
Vice President
830-372-9621

Financial Relations Board

Marilynn Meek
212-827-3773

ALAMO GROUP INC. TO ACQUIRE UNITS OF SPECIALIZED INDUSTRIES, LP

SEGUIN, Texas, February 24, 2014 -- Alamo Group Inc. (NYSE: ALG) announced that it has entered into an agreement to acquire the operating units of Specialized Industries, LP. This includes the businesses of Super Products LLC, Wausau-Everest LP and Howard P. Fairfield LLC. Super Products is a manufacturer of vacuum trucks and related equipment, parts and service, which is complementary to Alamo's VacAll operation. Wausau-Everest is a manufacturer of snow removal equipment which is complementary to Alamo's Tenco and Henke operations. And, Howard P. Fairfield is a dealer/distribution operation primarily in the New England area. Together the three operations had net sales of approximately \$139 million in the fiscal year ending December 31, 2013. Total consideration for the purchase is approximately \$186 million, subject to certain adjustments. The purchase is anticipated to close within 45 days and is subject to receiving regulatory approval and completion of other pre-closing requirements.

Super Products and Wausau Everest are based in New Berlin, Wisconsin and Howard P. Fairfield is based in Skowhegan, Maine. The President and CEO of Specialized is Rod Winter and he will continue as head of the operations, which, upon completion of the transaction, will become part of Alamo's North American Industrial Division led by Jeff Leonard.

Ron Robinson, Alamo Group's President and Chief Executive Officer commented, "These are excellent, well run operations that complement Alamo's existing equipment lines. This acquisition will broaden our product offering and enhance our market position in both vacuum trucks and snow removal which are areas we have targeted for expansion. This is a very positive move for our Company."

Eric L. Blum, Chairman and Founder of ELB Capital, which is the managing partner for Specialized Industries added, "We feel Alamo is a good strategic fit for our companies and they are dedicated to continuing the development that has been so successful under our ownership."

In anticipation of this event, Alamo is expanding its revolving credit facility and increasing its line of credit from \$100 million to \$250 million to accommodate this acquisition and meet the ongoing needs of the combined entities.

Alamo Group is a leader in the design, manufacture, distribution and service of high quality equipment for right-of-way maintenance and agriculture. Our products include truck and tractor mounted mowing and other vegetation maintenance equipment, street sweepers, snow removal equipment, pothole patchers, excavators, vacuum trucks, agricultural implements and related after-market parts and services. The Company, founded in 1969, has approximately 2,540 employees and operates eighteen manufacturing plants in North America and Europe. The corporate offices of Alamo Group Inc. are located in Seguin, Texas and the headquarters for the Company's European operations are located in Salford Priors, England.

This release contains forward-looking statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The words "anticipate," "preliminary," "expect," "believe," "intend" and similar expressions identify forward-looking statements. These statements reflect Alamo's current beliefs and are based on information currently available to it. Forward-looking statements involve known and unknown risks and uncertainties, which may cause the Company's actual results, performance or achievements to differ materially from those expressed or implied by such statements. Among those factors which could cause actual results to differ materially are the following: market demand, competition, weather, seasonality, currency-related issues, and other risk factors listed from time to time in the Company's SEC reports. The Company does not undertake any obligation to update the information contained herein, which speaks only as of this date.

###