

PRESS RELEASE
FOR IMMEDIATE RELEASE

Putzmeister and Sany merge

- **Merger will create new global leader for concrete pumps.**
- **Largest Chinese-German transaction to date.**
- **Putzmeister founder Karl Schlecht: “This is a global showcase transaction”.**

Aichtal/Germany, 27 January 2012 – Today Putzmeister Holding GmbH (“Putzmeister”) and SANY Heavy Industry Co., Ltd (“Sany”) announced the signing of an agreement on the merger of both companies. Sany, together with the Chinese Private Equity company CITIC PE Advisors (Hong Kong) Limited as a minority shareholder, thereby acquires 100 per cent of Putzmeister. The final closing of the deal is subject to approval by the relevant authorities and the customary closing conditions. Both parties agreed not to disclose the financial terms of the transaction.

Putzmeister develops, produces and sells construction machinery world-wide, especially concrete pumps, for the building- and mining-industry, as well as for tunnel construction and large-scale industrial projects. Sany, based in Changsha, China, is a large Chinese producer of construction machinery and market leader for concrete pumps in China, which is the largest and fastest-growing market for concrete pumps and other industrial equipment world-wide. The business activities of Putzmeister and Sany are highly complementary geographically. The merger of the Chinese market leader in concrete pumps with the leading provider in most markets outside of China thus follows a clear strategic and industrial rationale: the creation of the global market leader for concrete pumps.

Both partners benefit substantially from the combination. Sany’s financial strength secures Putzmeister’s growth prospects and provides a significant competitive advantage. Sany adds to its portfolio technologically cutting-edge products and innovations “Made in Germany” and acquires a strong distribution and service network outside of China.

This transaction marks the first time that a large and well-known German Mittelstand company decides to merge with a Chinese partner. Karl Schlecht, founder of Putzmeister, said: “This merger is a global showcase transaction. Sany is one of the few large Chinese conglomerates which is personally operated by the founder, who is also the majority shareholder. In fact, Liang Wengen is one of China’s most successful entrepreneurs. He not only shares our entrepreneurial spirit, but also Putzmeister’s visions and corporate values.”

Aichtal/Germany will become Sany’s new headquarter for concrete machinery in the world outside China. Putzmeister will continue to operate with a high degree of independence in day-to-day management. Sany will focus on operations in China where Putzmeister will continue to be the premium brand. Norbert Scheuch will remain in his position as CEO of Putzmeister within Sany and will join the Sany executive board. The entire proceeds of the transaction will be transferred to the benefit of the Karl Schlecht Gemeinnützige Stiftung (KSG) and the Karl Schlecht Familienstiftung (KSF).

Liang Wengen, Chairman and founder of Sany, said: “With this merger Putzmeister and Sany will create a new and global market leader for concrete pumps. Putzmeister will remain as an independent brand with its own management within the Sany group. We are looking forward to work with the Putzmeister management, which made this business so successful”.

Morgan Stanley acted as sole financial advisor to Putzmeister.

END

About Putzmeister

Putzmeister Holding GmbH and its subsidiaries develop, produce, sell and serve their customers world-wide with technically high-quality machines in the following areas: Placing of concrete, truck-mounted concrete pumps, stationary concrete pumps, stationary placing booms and accessories, industrial technology, pipe delivery of industrial solids, concrete placement and removal of excavated material in tunnels and underground, robot and materials handling technology, mortar machines, plastering machines, screed conveying, professional high-pressure cleaning, injection and special applications. Putzmeister's end markets are construction, mining and tunneling and pre-cast plants as well as large-scale industrial projects, power station, sewage- and garbage-incinerating plants.

The company is headquartered in Aichtal, Germany. Last year the company employed 3,000 people and generated about EUR 570 million in revenue. Ownership of Putzmeister Holding GmbH is divided between Karl Schlecht Gemeinnützige Stiftung (99 per cent) and Karl Schlecht Familienstiftung (1 per cent).

About Sany

SANY Heavy Industry Co., Ltd was founded in 1994 as a privately held company. Its parent company, SANY Group, today it has grown into a global corporation with about 70,000 employees in more than 150 countries. SANY Heavy Industry Co., Ltd offers almost the complete scope range of construction machines, such as concrete pumps, road construction machines, container handler, crane and crane vehicles, earth drilling-, harbor-, mining- and earth-moving machinery.

On 1 January 2009, Sany Heavy Industry has signed a contract to build a Research and Development facility, linked to a production facility near Cologne, Germany – with a total investment of EUR 100 million. This was the largest investment of a Chinese company in Europe. Chinese Prime Minister Wen Jiabao and German Chancellor Angela Merkel attended the signing.

About CITIC PE Advisors (Hong Kong) Limited

CITIC PE Advisors (Hong Kong) is an affiliate of CITIC Group Corporation, a Chinese corporation that offers banking, financial, manufacturing, and communication services through its subsidiaries.

Press Contact

Sarah Rötzer
CNC – Communications & Network Consulting AG
T: +49 (0)89 599 458 - 113
E: Sarah.Roetzer@cnc-communications.com

Alexander Styles
CNC – Communications & Network Consulting AG
T: +49 (0)69 5060 375 - 79
E: Alexander.Styles@cnc-communications.com