For: Alamo Group Inc.

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ALAMO GROUP INC. DECLARES AND INCREASES REGULAR QUARTERLY DIVIDEND

SEGUIN, Texas, January 4, 2016 -- Alamo Group Inc. (NYSE: ALG) announced today that its Board of Directors has declared its quarterly cash dividend of $0.09 per share, payable January 29, 2016, to shareholders of record at the close of business on January 15, 2016. This represents a 12.5% increase in the dividend over the $0.08 per share paid in the comparable period in 2015.

Alamo Group is a leader in the design, manufacture, distribution and service of high quality equipment for infrastructure maintenance, agriculture and other applications. Our products include truck and tractor mounted mowing and other vegetation maintenance equipment, street sweepers, snow removal equipment, excavators, vacuum trucks, other industrial equipment, agricultural implements and related after-market parts and services. The Company, founded in 1969, has approximately 3,100 employees and operates 25 plants in North America, Europe, Australia and Brazil as of December 31, 2015. 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. Forward-looking statements involve known and unknown risks and uncertainties, which may cause the

Company's actual results in future periods to differ materially from forecasted results. 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.

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