



For: Alamo Group Inc.

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**ALAMO GROUP INC. INCREASES REGULAR QUARTERLY DIVIDEND AND
ANNOUNCES SHARE REPURCHASE PROGRAM**

SEGUIN, Texas, December 19, 2018 -- Alamo Group Inc. (NYSE: ALG) announced today that its Board of Directors has approved an increase in the Company's quarterly dividend, raising it to \$0.12 per share from \$0.11 per share. Payment will be made on January 29, 2019 to shareholders of record at the close of business on January 17, 2019. The Company also announced that its Board has approved a share repurchase program under which the Company is authorized to repurchase in the aggregate up to \$30 million of its outstanding common stock.

"Today's announcement reflects our continued confidence in Alamo Group's future and our commitment to improving overall shareholder value," said Ron Robinson, Alamo Group's President and Chief Executive Officer. "The share repurchase program is intended to enhance shareholder returns by mitigating the dilution effects associated with the issuance of Alamo Group stock under our equity incentive plans."

Under the share repurchase program, which has a five (5) year term, the Company may repurchase shares from time to time on the open market or through privately negotiated transactions. The extent to which the Company repurchases shares and the timing of any such purchases will depend upon market conditions and other corporate considerations, as determined by the Company's management.

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 3,440 employees and operates 26 plants in North America, Europe, Australia and Brazil as of September 30, 2018. 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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