



For: Alamo Group Inc.

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ALAMO GROUP INC. TO ACQUIRE SANTA IZABEL AGRO INDUSTRIA LTDA. IN BRAZIL

SEGUIN, Texas, May 2, 2017 -- Alamo Group Inc. (NYSE: ALG) announced that it has entered into an agreement to acquire 100% of the outstanding capital shares of Santa Izabel Agro Industria, LTDA ("Santa Izabel"), a privately held company owned by Soufer Industria Ltda. Santa Izabel, located in Sao Joao da Boa Vista, SP, Brazil, designs, manufactures and markets a variety of agricultural implements and trailers sold throughout Brazil. Santa Izabel has been serving this market for over 60 years.

Santa Izabel's sales in 2016 were approximately US \$12.6 million and the purchase is expected to close in the second quarter of 2017.

Ron Robinson, Alamo Group's President and Chief Executive Officer commented, "We are pleased to have Santa Izabel as part of the Alamo Group. They are firmly established in the Brazilian market and have a modern, well equipped manufacturing facility. They are also near our existing Herder operation in Brazil, which we acquired in 2015. This acquisition enhances our platform for growth by increasing both our product portfolio and capabilities in one of the world's largest agricultural markets. And, we feel the timing is good as the agricultural market in Brazil starts to rebound from the declines of the last several years."

About Alamo Group

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 2,970 employees and operates 24 plants in North America, Europe, Australia and Brazil as of March 31, 2017. 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.

Forward Looking Statements

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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