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Press Release

**Sumitomo to Manufacture Molding Machines
in New \$10 Million Facility in Georgia**

(Norcross, GA) Sumitomo Plastics-Machinery announced plans today for a U.S.-based manufacturing facility to begin production of molding machines in 1998.

The new 40,000 square foot facility will be used to manufacture 55 to 165 (US) ton SH Series general purpose machines for the North American market and export. Initial employment figures for the facility will be 25.

The site selected is located in Jefferson, GA, 60 miles north of Atlanta. Ground breaking is planned for January, 1998.

Koji Shintani, President, Sumitomo Plastics-Machinery, emphasized that the facility will be much more than an assembly plant. "With the Jefferson Facility, Sumitomo is establishing a North American manufacturing base for our smaller general purpose machines," he stated.

Complete fabrication of machine bases, machining of platens and various other parts, and sheet metal work for guards and doors will be performed at the facility using state-of-the-art manufacturing processes. Combined with the specialized assembly stations, paint booth and test area, the initial capacity for the plant will be 20 units per month.

Operating as a separate company, the Jefferson facility will source the US, Japanese

and world markets for the purchase of components. The only subassemblies planned to be brought in from Sumitomo Heavy Industries in Japan will be the plasticizing and control units.

"This \$10 million investment is representative of Sumitomo's long-term commitment to the North American Market. The Jefferson facility will help minimize the effect of yen/dollar fluctuations and solidify our foundation for continuing growth here. We view the initial facility as Phase 1 and have ensured that both the facility and site are well-suited for expansions," Shintani added.

Sumitomo Plastics-Machinery's 1997 bookings for North America will reach 350 machines, more than 3 times the level of just 5 years ago. "Clearly, this market is beginning to recognize the advantages of Sumitomo's machinery and support services," stated Jerry Boggs, Vice President, Sumitomo Plastics-Machinery. "Now is obviously the right time to start building machines here."

Boggs added that Sumitomo Plastics-Machinery's Sales, Service, Training, Spare Parts and customer Tech Center will continue to operate out of the headquarters in Norcross, GA and offices in Cincinnati, OH and Los Angeles, CA.

Sumitomo Plastics-Machinery provides a complete line of general purpose and ultra-high speed and precision molding machines ranging from 20 to 716 (US) tons clamping force.

(END)