

PRESS RELEASE

November 10th, 2016

VMI expands manufacturing capacity with new facility in Poland

On November 3rd, the ground breaking ceremony for the new manufacturing facility of VMI Group took place in Leszno, Poland in the presence of the mayor of Leszno and other government officials. In the first phase, a 13,500 m² facility will be built on an 8 hectare plot of land to extend the current manufacturing capabilities of the company.

During the ground breaking ceremony, Mr Harm Voortman, CEO and Mr Guido Roncken, COO and other officials signed a foundation act as a remembrance to this historic fact. The act itself was placed and buried in a cornerstone, laying the foundation of a successful VMI Poland Sp. z o.o.

Various sites in Eastern Europe were investigated. Leszno in Poland was selected because of the ability to attract well-motivated and highly qualified technically skilled employees as universities and technical schools are situated nearby. This combined with a truly supportive investment climate, made Leszno the right choice for VMI.

VMI Poland in Leszno will be a key element in the growth strategy of VMI and will be instrumental to the realization of the ambitious plans of VMI Group. The new facility will operate next to the existing sites of the VMI Group, which now has entities in 8 countries on 5 continents. Currently, VMI Poland is operating in a rental location with over 40 employees.

The new facility will help shorten the delivery time of VMI's high end equipment, while maintaining a low-cost level. Expected to be operational in Q2 2017, the state-of-the-art manufacturing facility will produce according to the latest Lean principles and will employ 125 people in the 1st phase.

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About VMI

VMI is a wholly owned subsidiary of TKH Group N.V. (NYSE Euronext Amsterdam, www.tkhgroup.com). VMI is the world's leading producer of tire manufacturing machinery, and offers global technical support from service centers in The Netherlands, Germany, Poland, USA, Brazil, China, Malaysia and Russia. VMI employs more than 1200 people around the world. To learn more about VMI Group, please visit www.vmi-group.com.