

WAM CHINA - ALWAYS ONE STEP AHEAD

Giovanni Tacchi was appointed General Manager of WAM Shanghai and WAM Wuxi in May 2012. A true Tuscan, born 53 years ago in Pisa, Mr Tacchi graduated from Pisa University with a degree in mechanical engineering. Before joining WAM®, he was sales director of a leading Italian transmission manufacturer, followed by the same post with Caterpillar Italy which later won him a promotion to general manager of Caterpillar in former Yugoslavia.

Newsletter Mr Tacchi, Shanghai is far away from home. What attracted you to your new role?

Tacchi I believe there is no other place in the world that can offer a similar challenge to a manager as does China. And, frankly speaking, I don't think there has ever been anything similar in history anywhere in the world.

Newsletter Could you define the challenge?

Tacchi By now it seems clear that, after years of breathtaking growth, the Chinese market is moving towards more moderate growth rates. The scenario for companies is changing. Before they simply had to sell their production output. Now they have to move towards marketing-driven strategies.

Newsletter Presumably this is not an easy task.

Tacchi It's a new challenge. The Chinese have to learn their lessons quickly. In America and in Europe we had a lot more time for that.

Newsletter Where are the changes for WAMGROUP® in China?

Tacchi Right now we are still very dependent on building and construction. It is time to concentrate on other industries and to enter new sectors, without neglecting our core business.



Giovanni Tacchi

Newsletter Where can you see new opportunities?

Tacchi It is a necessity for the country and the government's clear intention to extensively invest in environmental technology, that is air pollution control and waste water treatment. Then there are opportunities in food processing, agriculture and biogas with the SEPCOM® Solids-Liquid Separator. In approaching these new sectors we will be able to rely on the experience, expertise and support of WAMGROUP®.

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WAMGROUP

strong ethics

.... winning spirit

EDITORIAL

Dear Reader,



2012 was a fateful year for WAMGROUP® and the people who live in the Cavezzo area, home to the Group's headquarters and its oldest manufacturing plant. So far compensation payments from the Italian State have not yet arrived due to bureaucratic issues, while a settlement with the insurance companies was achieved shortly after the earthquake.

Despite the one-and-a-half-month slump in production caused by the natural disaster, WAMGROUP® managed to equal its overall results achieved in 2011. This became possible thanks to the determination of WAMGROUP® Chairman & C.E.O., Vainer Marchesini, to resume production as soon as possible and to the tireless efforts of the corporate management to restore production in record time.

At the beginning of April 2013, the workforce at the plant in Ponte Motta was back to 340, while 120 still work at the temporary premises in Formigine. Completion of the reconstruction of the Ponte Motta plant is scheduled for late 2014.

Best wishes,



Michael Grass
WAMGROUP® Public Relations Manager

WAMGROUP® STAFF RECEIVING TRAINING ON WASTE WATER TREATMENT APPLICATIONS

MODENA, ITALY, SUMMER 2012



WAMGROUP® staff visiting a WWT plant in Italy

Training people who are involved in sales and marketing, as well as in after-sales, is of paramount importance to the WAMGROUP® Management. For this purpose training courses and seminars are held on a regular basis at the WAMGROUP® headquarters in Italy. Apart from lessons in the classroom, training course participants are able to enjoy the experience of on-site training.

WAMGROUP® values a good relationship with end users who allow plant visits. Question time with plant operators and service personnel, who are involved with WAMGROUP® equipment on a daily basis, are usually training highlights.

SOLIDARITY WITH MUNICIPALITIES STRUCK BY EARTHQUAKE

FORMIGINE, ITALY, 30TH SEPTEMBER, 2012



Formigine Council Hall

The magnificent castle of Formigine was the venue for a three-day event organized by the Town Council of Formigine to show their solidarity with the municipalities struck by the earthquakes of May 2012. The mayor of Formigine, Franco Richeldi, had invited WAMGROUP® Chairman & C.E.O., Vainer Marchesini, to give tes-

timony on how the company managed to resume production after less than two months after the quake. In his speech, Mr Marchesini underlined that without the quick and bureaucratically light support provided by the Formigine Council, a restart after such a short time would have been virtually impossible.

www.wamgroup.com

ERNST & YOUNG ENTREPRENEUR-OF-THE-YEAR AWARD TO VAINER MARCHESINI

MILAN, ITALY, 22ND NOVEMBER 2012



WAMGROUP® Chairman & C.E.O., Vainer Marchesini (far right), with fellow award winners

Ernst & Young, one of the largest professional service firms in the world and one of the “Big Four” accounting firms, is a global organization of member firms with 167,000 employees in more than 140 countries. Ernst & Young, who have their headquarters in London, UK, were ranked by Forbes magazine as the eighth-largest private company in the United

States in 2011.

The annual Entrepreneur of the Year Awards, sponsored by Ernst & Young, are held in more than 140 cities and in more than 50 countries worldwide. Ernst & Young Entrepreneur of the Year Nominees are reviewed by an independent judging panel composed of several distinguished business leaders and previous award recipients.

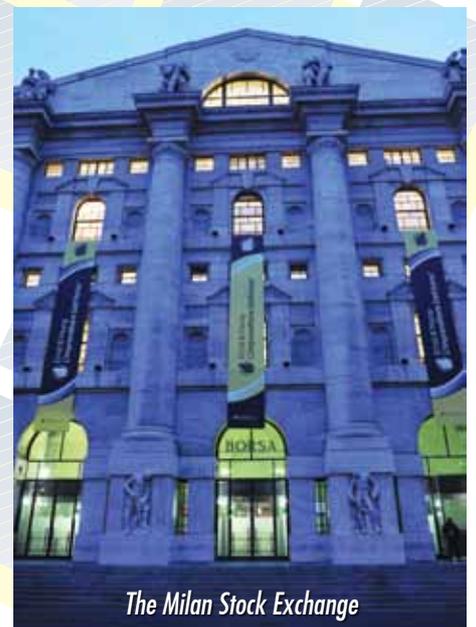
Since the 1990s Ernst & Young has organized the “Entrepreneur of the Year” competition in the categories of industry, trade, services, information technology, and start-up. The independent jury selects high calibre individuals and determines the winner of the competition from industry and science.

The award honours the achievements of entrepreneurs who are at the top of medium-sized companies and are characterized by outstanding economic success and exceptional growth.

In 2012 the prize was awarded for the 16th time in Italy to people who excelled by their entrepreneurial performance. It filled WAMGROUP®

employees worldwide with great pride when during the ceremony held at the Milan Stock Exchange, Vainer Marchesini was announced the winner in the Innovation category.

www.wamgroup.com



The Milan Stock Exchange



Screw conveyors waiting for shipment in the yard of the Wuxi factory

THE WAMGROUP® OFFSHORING AND



Carlo Villari, born 41 years ago in Messina, Sicily, graduated from ... He joined WAMGROUP® twelve years ago. After an initial experience in recent years he has been supervising and coordinating production and, last but not least, China. After the recent completion of the management of the plant in order to ensure the company's ability,

Recently WAMGROUP® moved its Chinese core production from Shanghai to the single-unit 11-acre-roof manufacturing plant in Wuxi. In the following interview Carlo Villari tells his story of how the job was done.

Newsletter When did you arrive in China?

Villari Two years ago the Corporate Management asked me to follow the production start-up in Wuxi. Given the complexity of the task my permanent presence there was required. I had to form and coordinate a team to ensure implementation of the new factory project. At the time we were in constant contact with our Italian headquarters, mostly via videoconference.

Newsletter What were your main tasks?

Villari Implementation of a production start-up requires the involvement of all the departments of a company at 360 degrees. More or less at the same time

we had to identify suppliers according to the corporate guidelines, carry out a technical and economic analysis of plants and machinery, install and commission plants and machinery, start up production, coordinate the supply chain, and continuously improve everything.

Newsletter Could you briefly describe the steps of the Wuxi project?

Villari Setting-up of the various production lines, implementation of the utilities, that is, light, gas, water, etc., installation of plants and machinery, and obtaining a business licence.

Newsletter Were there any particular challenges you had to face working in a foreign country with people from a different culture?

Villari Of course, a different culture and mentality were the first challenge. At the beginning it wasn't easy. It was an uphill race, so to speak. I tried to find out what could give the project a boost. I

worked out a communication concept by which a team was formed in small steps. My colleague, Ms Dorothy Zhou, and I managed to involve more and more team members and gradually increased their responsibility. Definition of the roles and activities were the winning elements in this course.



Carlo Villari and his team



MARKET INTEGRATION STRATEGY

Messina University in materials engineering, followed by an MA in metallurgy in Modena. Experience in production and subsequent tasks in the industrialisation and offshoring departments, and start-up at the WAMGROUP® manufacturing plants in Turkey, India, Croatia, Romania. The first section of the factory in Wuxi, Carlo Villari has temporarily taken charge of production to adapt to the fast changing requirements of the Chinese market.

What made the difference was our “family” concept, considering all our projects in a family context, where difficulties and obstacles were shared on a daily basis. The Chinese feel strongly about this. I remember the impressive reaction of our team when we heard of the earthquake back home in Emilia, and in particular, at our headquarters. After looking at the first pictures of the earthquake in reverent silence, my team said “don’t worry, we will manage start-up anyway”. Everybody was prepared to give their best for days and days regardless whether it was a Saturday, Sunday or late into the night.

Newsletter Any particular memory?

Villari Maybe the funniest moment was when I went to see a supplier to test a system before being delivered to our plant. After nearly five hours of meeting they asked me to stop for lunch. I didn’t really want to because we were supposed to see another supplier in the afternoon. Finally, we

decided to stay for a quick break only to find ourselves involved in a wedding party with more than 200 guests who were all keen to have a toast and their photo taken with the guest from abroad. How could I refuse this invitation? In the end we decided to spend the rest of the day with those wonderful people and care about business the next day.

Newsletter Recently you had an important visitor at the factory.

Villari On March 25th we were honored with the visit of the Party Secretary of Wuxi, Ms Li-Xin Huang. WAM Wuxi was the only foreign company to receive the privilege of being visited by such a high ranking official. During her visit Ms

Huang paid the WAM® management compliments for the high standards in terms of health and safety, as well as environmental protection. Ms Huang emphasized the great importance that the Chinese government attaches to these issues in view of the fast growing industrialisation of the country.

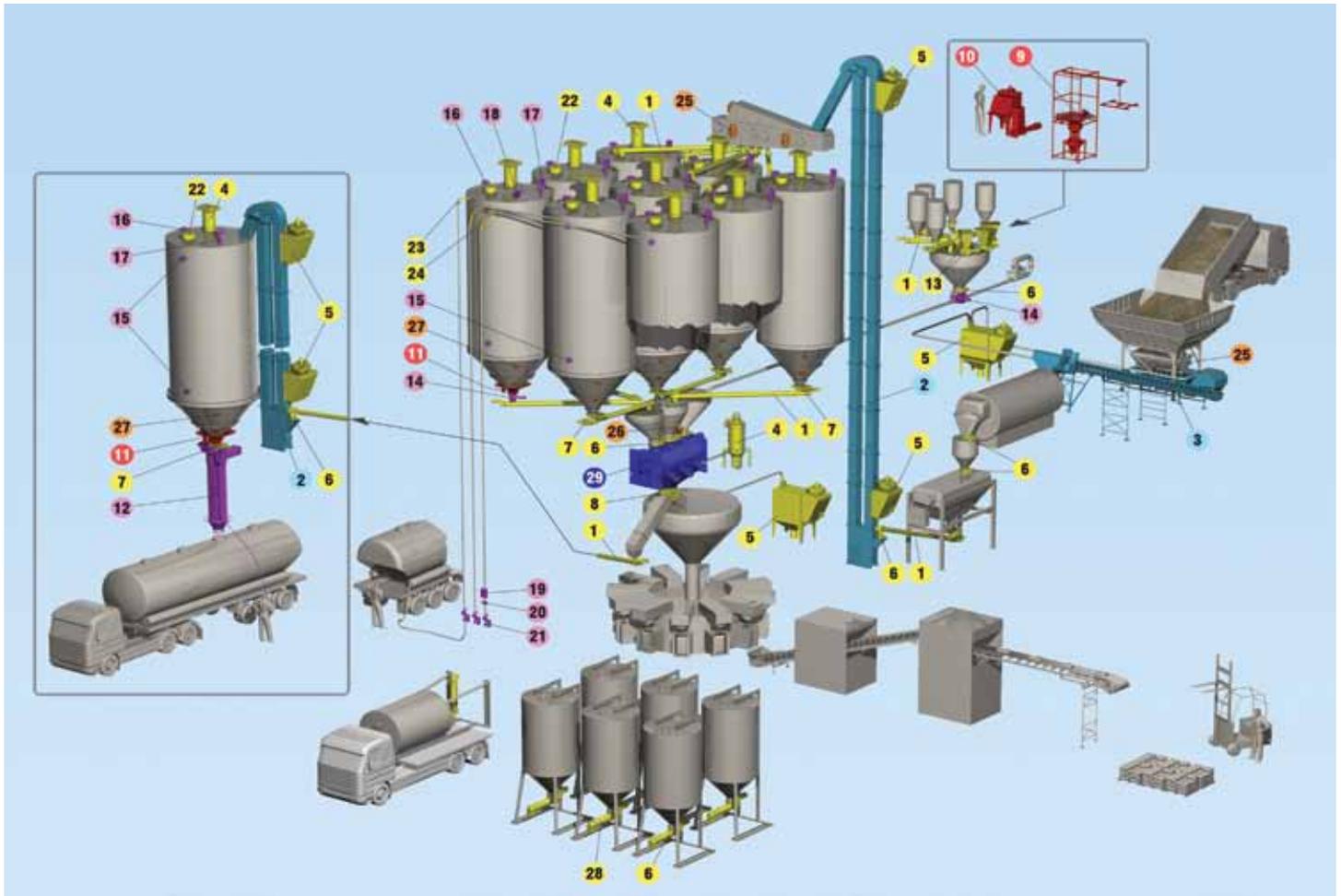
www.wamshanghai.com



Villari, Dorothy Zhou and Wuxi Party Secretary, Ms Li-Xin Huang

DRY MIX SECTOR SPECIALISATION

THE CONTINUATION OF A MARKET-ORIENTED STRATEGY



3 D animation of a large-size plant for the production of dry premixed building materials

In 2013 too, WAMGROUP® continues to publish so-called “Sector Kits” for different industrial applications of the Group’s product range.

The concept of specialising machines and equipment for specific industries can be considered an added value for Original Equipment Manufacturers, system integrators, installation and maintenance companies, and, last but not least, for end users.

In almost forty-five years of designing, developing and manufacturing bulk solids handling and processing equipment, WAMGROUP® has collected solid know-how in a vast number of industries. Sector specialisation is the sum of all the knowledge acquired in a single sector. It all starts with extensive fact-finding activities which include on-

site visits and detailed interviews with both end users and plant engineers. The final objective is to identify the appropriate equipment to match the market needs. In the initial fact-finding phase



the WAMGROUP® Corporate Sector Managers take particular care in involving key accounts in the specialisation process. Pooling their experience with WAMGROUP® expertise is the key to success.

For the Drymix sector the Group’s Divisions offer state-of-the-art machines and components starting from silo safety and monitoring accessories, to silo venting and de-dusting filter units, vibrators and flow aids, flow intercepting valves, screw feeders and conveyors, and mixers for both dry mixtures and the preparation of wet mortar at the building sites.

The specialisation of WAMGROUP® equipment for the Drymix sector is the sixth of many more to come.

www.wamgroup.com

WAM INDIA FACTORY INAUGURATION

SHAHAPUR, INDIA, 2ND FEBRUARY, 2013



Office building



Factory

In the No. 3 issue of December 2010 of the WAMGROUP® Newsletter, Anil Manduskar, Managing Director of WAM India, hinted about the project of a brand-new manufacturing plant some 90 kilometres north-east of Mumbai. In February 2013 the moment had come at last for WAMGROUP® Chairman & C.E.O., Vainer Marchesini, to cut the ribbon in Shahapur.

Factory buildings and offices cover three of a total area of ten acres. The production lines for screw conveyors, dust collectors and valves follow the same layout as in all the other WAMGROUP® manufacturing facilities. A milestone in WAMGROUP® history on the Indian subcontinent, the Shahapur plant enables WAM India to respond fully to the diverse requirements of the market. The early years of local production were mainly marked by the building and construction sector. Meanwhile, WAM India's marketing department has explored the potential of other industries, such as

foods, plastics and chemicals. With a population of over 1.2 billion, future opportunities can definitely be identi-

now ready for the new challenges. The next objective for the company is certification of its quality management fol-



Ribbon cutting ceremony

fied in environmental technology and renewable energy. Well aware of the promising outlook for the Indian economy, the WAM India management is

lowing the example of WAMGROUP® factories in other countries.

www.wamgroup.in



The colourful side of WAM India



Vainer Marchesini lighting the divine lamp of prosperity

RONCUZZI® SHIP UNLOADERS FOR IRAQ

RAVENNA, ITALY, OCTOBER 2012

Umm Qasr, near the city of Basra, originally was a small fishing town. It is reported that Umm Qasr was the site of Alexander the Great's landing in Mesopotamia. Today it is the most important deep-water port on Iraq's coast of the Persian Gulf.



In October 2012, WAMGROUP® associates, RONCUZZI®, welcomed a delegation of technicians and government officials from the "General Company for Ports of Iraq, Ministry of Transport" who recently bought two Pneumatic Ship Unloaders, type MACH-1, destination Umm Qasr.

The two units will unload grain from ship holds, each at a rate of 300 tonnes per hour.

The purpose of the visit was training on the use and maintenance of the new machines. Moreover, an assessment was made of the state of six unloaders of the same type supplied in 2001.

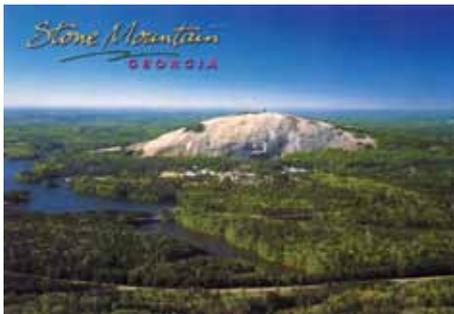


MACH-1 Pneumatic Ship Unloaders

Despite some damage suffered during the war those unloaders still operate to the customer's total satisfaction. The RONCUZZI® management looks forward to a continuing, mutually rewarding business relationship.

www.roncuzzi.com

Next Issue Preview



The American market was among the first objectives when WAMGROUP® Chairman and C.E.O., Vainer Marchesini, decided to start a process of integration with foreign markets by establishing a

trading subsidiary first, followed by the investment in local assembly plants.

A year after the opening of the Group's first trading subsidiary in France, Marchesini took the step across the Atlantic setting up a branch in Gainesville, Florida. In 1997 the company relocated to Georgia, in the Atlanta metropolitan area. There production lines for screw conveyors, dust collectors and valves were set up.

Five years later WAMGROUP® decided to open a second manufacturing plant in Fort Worth, Texas. This factory enabled the

company to meet the requirements of American customers regarding equipment manufactured according to CEMA standards, as well as an improved coverage of the territory including the U.S. and Canada.



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Communications Centre

Via Cavour, 338
I - 41030 Ponte Motta
Cavezzo (MO) - ITALY

Tel.: +39 0535 61 81 11
Fax: +39 0535 61 83 43

info@wamgroup.com
www.wamgroup.com



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