

Letter from the President

Dear Customer,
At the start of this year, we all face an entirely new economic environment. This has certainly affected the businesses of most everyone surrounding us, including you, our customer. We have made difficult



decisions to reduce our costs and change our business to adapt accordingly. You may become aware of some of those changes, which have helped ensure that our company maintains a strong, sustainable financial position, so that we weather the storm that will hopefully end sometime during 2009.

We are also very aware of the impact the economic environment is having on your business and on *your* customers, and we feel that in these tough times, the Thomas machines represent an opportunity. We will be distributing marketing materials that will help support the case for this, with the goal of helping you succeed in your business during these tough times.

We are committed to customer satisfaction and providing a product which you and your customers want and can depend on. We are also committed to listening to and communicating with you regularly. This newsletter is a continuation of this effort to better communicate with you; in fact it was created thanks to several requests received from customers. Once a month, we will distribute a newsletter that will include updates from each of our departments. We welcome your feedback and input.

Finally, I wish you all the best in the upcoming year, and on behalf of our company, I thank you for your loyalty to Thomas.

Sincerely,



Petter Etholm
President & CEO

We appreciate you taking the time to read this newsletter, and welcome any comments and feedback you have. Please send your thoughts to newsletter@thomas-equipment.com.

News @ Thomas

Manufacturing relocation

Our relationship with our Chinese contract manufacturing partner GJK is progressing. We plan to roll the first prototype of the Thomas 255 off the Chinese line in March 09; and we are targeting June for full-scale production, followed by the 185 model. We are working closely with a variety of suppliers in China on component approvals, and most of the ones we have been involved with will make excellent partners. At this point we are confident that the machines assembled in China will be as good, if not better than our current machine. For more information on the transition to China, please visit the FAQ page on our website and read through the question on manufacturing relocation.

Sales Update

This month Thomas will be providing you with information on our newly launched marketing Co-op program, designed to assist you in the promotion of Thomas products in your area. Details of the program will be distributed in a separate bulletin, and the program is effective as of Jan 1, 2009.

We will also be launching a special promotion for the Thomas 105, with special pricing. The Thomas 105 is a quiet workhorse with a trim 54" (1.37M) frame and a 33" (0.84M) wheelbase, and lifting capacity of half a ton (453KG). Please look out for the sales bulletin distributed this month.

Customer Service

First off, for those who don't know me, my name is Danielle Waugh and I am Thomas's Customer Service Manager. Please feel free to contact me or anyone of us at our department at customerservice@thomas-equipment.com.



One of our goals is to help each and every customer of ours get set up on our online parts store, so that you can take advantage of the many improvements (as well as discounts) that we have introduced through our online store. We will be contacting you to ensure you have your username and password to access the website, and assist you in becoming familiar with our online store. Please don't hesitate to contact us for assistance if you do not currently use our online parts store, or with any other questions. We look forward to assisting you with anything you need.

We will also be introducing a new form online to handle product returns. The RMA form will be posted along with our other forms in the Dealer Center, and will enable quick filing and response to return authorization requests. We hope you find this form convenient for use. Please don't hesitate to contact us with any questions or problems you may have.

New Dealers

Samex (France)



We are delighted to introduce a partnership with SAMEX, a family business based in France. Samex has a well established network of dealers in France, Spain and Portugal, and will be expanding Thomas's dealer network in the French market. We welcome SAMEX to the Thomas team.

BFM (Ireland)

BFM, out of Carrigtwohill, Ireland also joins us as a new dealer, bringing strengths to the Ireland market offering the Thomas skid steer loaders, attachments and parts. We welcome BFM to the Thomas team.

Picture of the week



A T153 on a construction site in a suburb of Buenos Aires, Argentina. Picture courtesy of Bralar Ltd., Thomas's dealer in Argentina.

January 2009

Technical Service

Hello,
I'm Leon Butterfield,
Warranty and Technical
Service Manager. I've
been with Thomas for
15 years, and I'd like
to introduce myself and
tell you about some of the things we're doing. I
hope you've visited our website – we continue to
add information to the resource page weekly.
We'll also be providing monthly technical tips
starting soon. These tools express our
commitment to develop fast and better ways of
providing and gathering information for you.



Tech service will be releasing three bulletins
directly related to service of the oil reservoir.
They all involve practices for keeping the
hydraulic system contamination free. As always,
I am at your service and look forward to your
comments.

Sincerely,
Leon

Finance

Over the past couple of months, Thomas
equipment has recognized that there
have been changes in the business
conditions our dealers face and we have
responded by offering new flexible ways
of paying for your purchases.



In North America, Thomas has rolled out an in-house floor plan with
terms up to 12 months. We also now offer a finance program with
terms up to 42 months. Both programs offer attractive interest rates.
(Offer subject to credit approval) For more information on these
programs, please contact your Regional Sales Manager.

Also, starting this month Thomas will email copies of your invoices and
account statements. This initiative will not only streamline how you
receive information from Thomas but also help our environment with
the elimination of paper and envelopes.

Technology & website

You've probably noticed the many
changes to our website over the past
year. Beyond a new look for Thomas, our
website represents our efforts to respond
to customer requests and provide strong
online support to our customers. We have
recently added two new pages to our
website:



- Resources (under the Support button). This page provides a
substantial amount of sales, marketing and technical information
available for download at no charge. Many of the items on these
pages have been posted at your request.
- Testimonials (under the News button). We are proud of each happy
customer who shares their success story with us. Send us a picture
and a caption and we will gladly post it on our website.

We appreciate your input and would like to encourage any feedback on
our website by emailing us at web@thomas-equipment.com.

Thomas & the Environment

As part of our commitment
to minimize our company
and products' impact on the
environment, 2009 will be a
year where we will be
implementing changes
across the board.



Starting with the launch of
our most recent paper-
reduction campaign, we
have replaced our paper-
based correspondence with
our customers and vendors,
with electronic format via
email. We've also placed
our manuals online for free
download, rather than
charging customers for
paper copies.

Our technical support
department is conducting a
comprehensive review of
the consumables used by a
Thomas machine, and we
will be announcing new
ways to reduce our
machine's impact on the
environment. On the
manufacturing side, in our
partnership with GJK we will
be working to develop new
manufacturing methods that
reduce our environmental
impact.