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For Immediate Release

Westfalia Technologies and Deam Company Announce Merger

Merger will create Deam Systems, a division of Westfalia, which will provide materials handling and packaging systems to the dairy and food industries

YORK, Pa., May 1, 2006 - Westfalia Technologies, Inc. (www.WestfaliaUSA.com), and Deam Company, Ltd., Toronto, have agreed to merge, creating Deam Systems, a new division of Westfalia Technologies. The division will provide integrated materials handling and packaging solutions -- including case packing, empty case handling, stacking/de-stacking, conveyors and palletizing systems. These product lines will complement the existing Westfalia deliverables of automated warehousing systems, conventional gravity flow and order selection systems, warehouse management systems and palletizers.

The merger strengthens Westfalia's presence in the dairy and food industries, already core businesses for the company. Westfalia Technologies is a leading provider of warehouse and plant automation solutions in the United States, Europe and South America. Deam is a leading manufacturer of stainless steel packaging and materials handling equipment for the dairy, food and confectionery industries.

According to Daniel Labell, president of Westfalia Technologies, the new division provides distinct benefits for dairy and food producers. "By integrating the technologies and product lines of our two companies, Westfalia will be a formidable materials handling and packaging systems provider, delivering end-to-end solutions from case packing and handling to warehousing and distribution," said Labell. "As dairy and food plants increasingly seek the benefits of plant automation, we are well positioned to provide excellent value in their pursuit of increased cost efficiency and profitability."

The addition of Deam's product line of case packing and handling systems strengthens the Westfalia line of corrugated case palletizing, both conventional and robotic. "We have known for many years that Deam's product offerings are of the highest quality," said Labell. "The addition of their line of equipment reinforces our commitment to creating value to our customers through quality, innovation and service."

Fred Beer, president of Deam Company, will lead the new division. "This merger with Westfalia provides a perfect fit for our Deam equipment line," Beer said. "We have partnered with Westfalia over the past 10 years and their commitment to equipment excellence and achieving the highest level of customer service makes this an exciting venture for both our companies."

Operations personnel from Westfalia and Deam will be integrated to form one larger support team with all equipment being manufactured at the company's plant and headquarters in York, Pa. A special stainless steel fabrication area using only metal forming machinery for stainless steel is estimated to be ready for operation May 10.

About Westfalia Technologies

Where Innovation Meets Reliability ^(SM)

Located in York, Pa., Westfalia Technologies (www.westfaliausa.com) has been a leader in providing material handling and packaging systems to support customer distribution and storage needs for 35 years. Westfalia's products include automated warehousing and conveyor systems, conventional pallet flow and order selection systems, warehouse management systems, conventional and robotic palletizing systems, stainless steel case packing systems with associated conveying, stacking and handling equipment, and automated car parking systems.

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