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MONTANA AND KUKJE/BRANSON SIGN LETTER OF INTENT

Parties exploring partnership in North American tractor market

Saewook Chang, Vice President of Dongkuk Steel Mill Co., Ltd, parent of Kukje Machinery Co., Ltd and Branson Tractors, Inc., and Ted Wade, Vice Chairman & Co-Owner of Montana Tractors, LLC, announced the signing of a letter of intent for potential joint venture including the merger of Branson Tractors and Montana Tractors to form a North American entity to distribute farm tractors in North America.

Mr. Chang and Mr. Wade met this past week in Seoul, and after a tour of Kukje Machinery's tractor production facility and a meeting with its executive team, executed the letter of intent.

The potential joint venture is expected to be a more powerful player in North American tractor market in coming years by consolidating distribution-based Montana and manufacturing-based Branson. By forming joint forces through extensive dealership networks of both companies, the new entity will be a strong competitor to other players in North America.

“The potential merger is very timely at the turn of US economy and will create positive synergy effects for both of us by combining core competencies from each other in marketing, manufacturing, R&D, and financing. This transaction surely will strengthen Kukje Machinery's exposure in North American market and serve dealers of both Branson and Montana with another source of competitive products from the other side,” said Saewook Chang, Vice President of Dongkuk Steel Group.

Ted Wade, Vice-Chairman & Co-Owner of Montana Tractors stated, “We as an industry are facing the most difficult environment that some have seen in their lifetimes. The US economy and consumer confidence is at all time low. We know that we must be prepared to make the necessary changes in order to adapt to the ever changing business environment or we will not survive. This was evident in our recent announcement to consolidate operations in our North Carolina facility. We have seen continued pricing pressures at the consumer level and prices increases from our suppliers. This coupled with the announcement by our primary tractor provider that they are entering the US market direct, has presented significant challenges for us all. The

operating synergies between our two companies make for an excellent business model going forward. Each entity will bring its individual expertise to the table. Montana will manage the operations, sales/marketing and distribution in the US and DK Steel/Kukje Machinery Company the engineering, manufacturing and design of high spec, high quality tractors. Our joint goal will be to gain market share, create greater support for our combined dealers groups, the distribution of high quality tractors to the US consumer through affordable pricing and further improvement of margins for both our dealers and ownership of the new entity. We are extremely excited about where this will take us in the future.”

The details of the merger/joint venture have not been finalized; we are at the beginning, not the end, of a long process which will outline how the new entity will operate in North America and the make-up of the final ownership entity."

Kukje Machinery is an affiliate company of Donkuk Steel Mill, a leading steel products manufacturing group in South Korea. It manufactures tractors, combines, rice transplanters as well as diesel engines. Kukje Machinery is currently distributing its 21 to 65 horsepower tractors in North America through its wholly owned US subsidiary, Branson Tractors, with over 210 dealer networks. For more information please visit www.kukje21.co.kr and www.bransontractor.com .

Montana Tractors is a privately- held corporation, located in Springdale, AR and distributes compact and utility tractors throughout its dealer base in North America. It is the fastest growing brand of compact and utility tractors with models ranging from 23-to-90 horsepower. Montana Tractors currently employs approximately 70 personnel with locations in Arkansas & North Carolina, as well as holds a distribution network of over 250 dealers in North America. For more information please visit www.montanatractors.com .