

NEWS RELEASE



FOR IMMEDIATE RELEASE

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LUFKIN INDUSTRIES ANNOUNCES 8.7% INCREASE IN QUARTERLY DIVIDEND TO \$0.25 PER SHARE

LUFKIN, Texas (February 15, 2008) -- Lufkin Industries, Inc. (NASDAQ: LUFK) today announced that the Board of Directors has declared a quarterly cash dividend of \$0.25 per share on its common stock, a 8.7% increase from its last quarterly dividend of \$0.23 per share. The dividend will be paid on March 10, 2008, to shareholders of record on March 3, 2008.

Lufkin Industries, Inc. sells and services oil field pumping units, power transmission products, foundry castings and highway trailers throughout the world. The Company has vertically integrated all vital technologies required to design, manufacture and market its products.

This release may contain certain forward-looking statements, including by way of illustration and not of limitation, statements relating to liquidity, revenues, expenses and margins. The Company strongly encourages readers to note that some or all of the assumptions, upon which such forward-looking statements are based, are beyond the Company's ability to control or estimate precisely and may in some cases be subject to rapid and material changes.

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