

# Quarterly Results

## Demag Cranes AG

*First Quarter*  
*2006/2007*



# Agenda

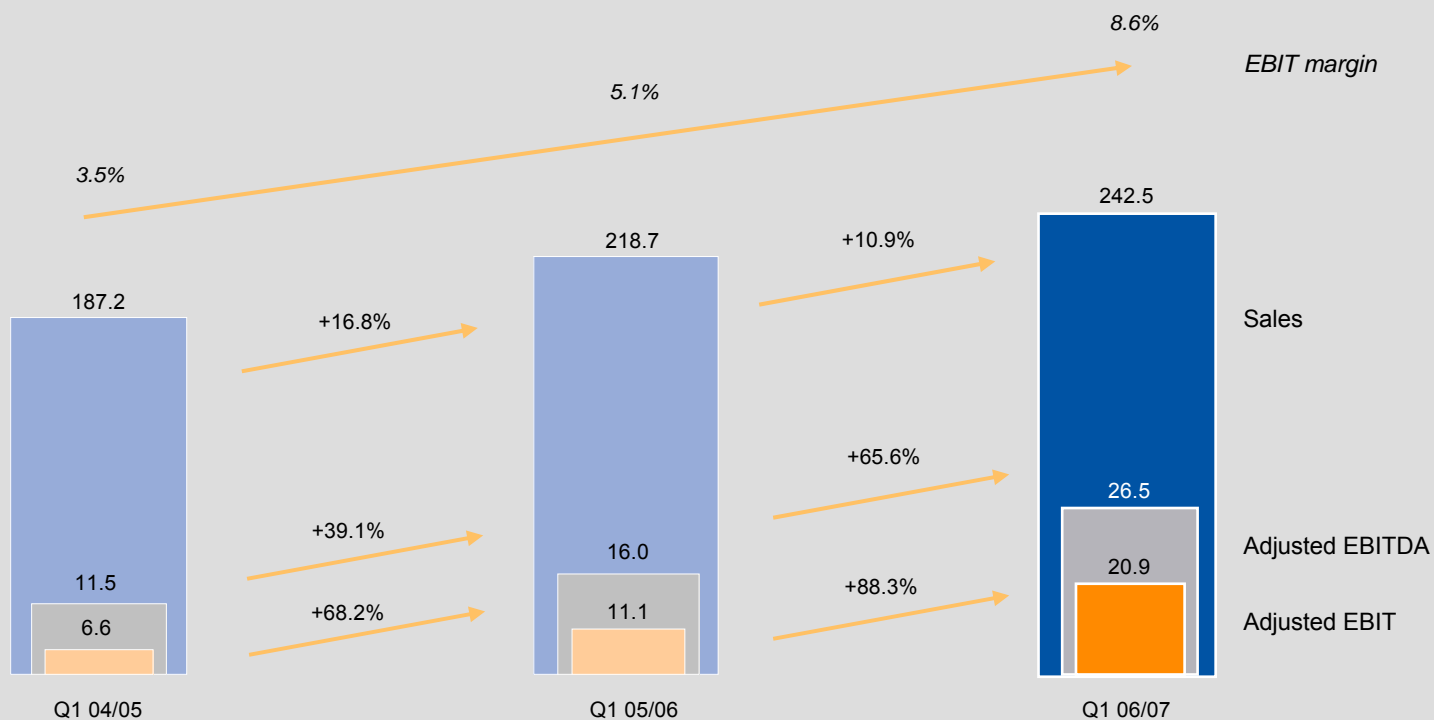
- At a glance: Harald J. Joos, CEO
- Financials: Dirk Kiessling, CFO
- Outlook: Harald J. Joos, CEO
- Q&A Session

## At a Glance

- Sales growth of 10.9 percent
- Remarkable increase in adjusted EBIT margin of 3.5 percentage points to 8.6 percent
- Industrial Cranes EBIT margin target of 5 percent with 4.5 percent nearly achieved
- Outlook 2006/2007: Management Board confirms expectations of growing sales and further increase in earnings

# Continuous Growth in Sales, EBITDA and EBIT

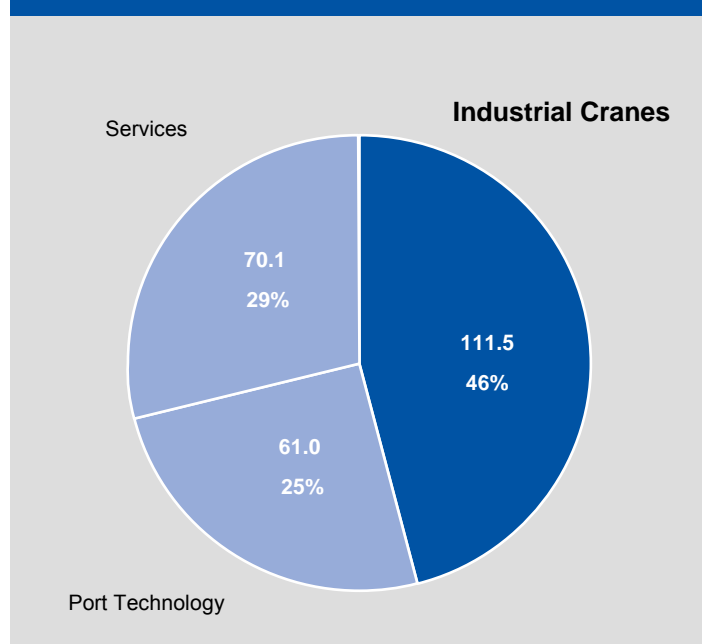
Sales, adjusted EBITDA, adjusted EBIT in EUR million, EBIT margin in percent



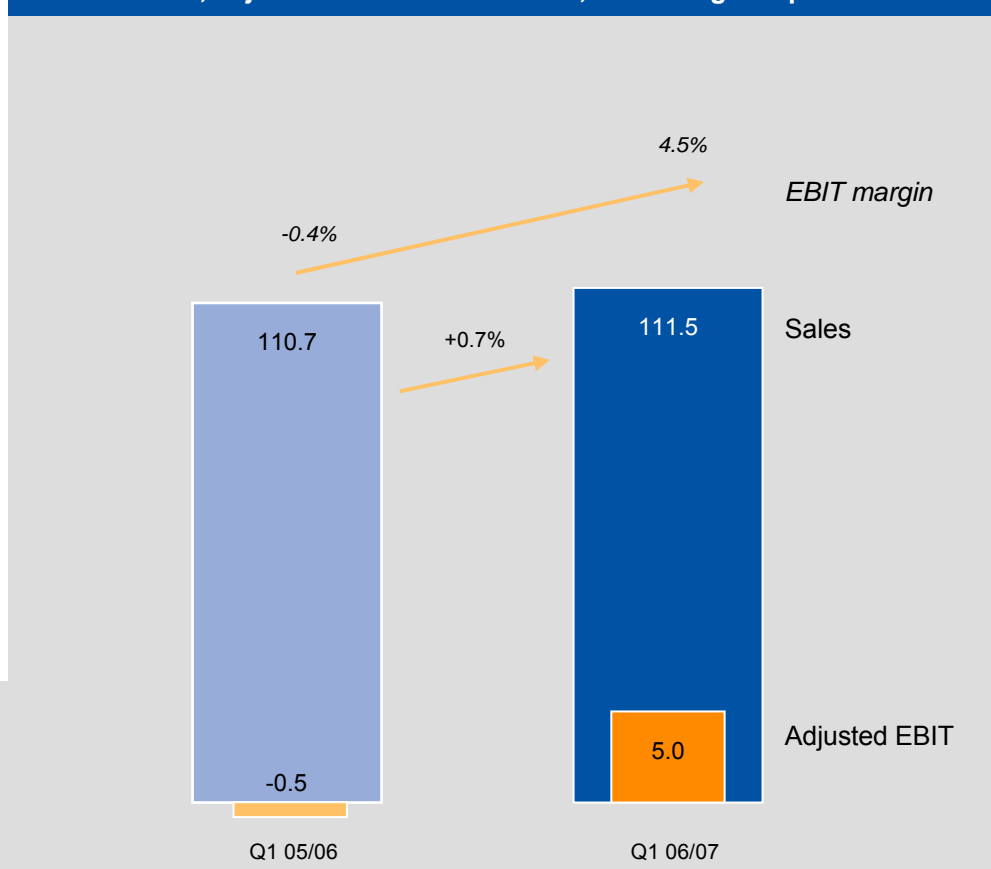
# Industrial Cranes

## EBIT Margin Nearing Year-End Target

Sales Q1 2006/2007



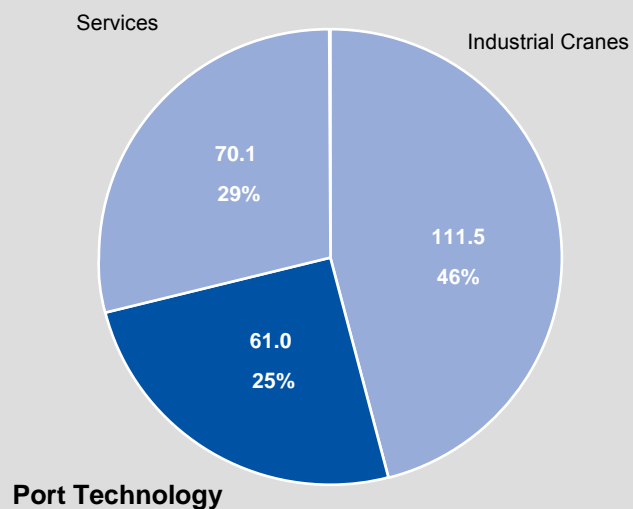
Sales, adjusted EBIT in EUR million, EBIT margin in percent



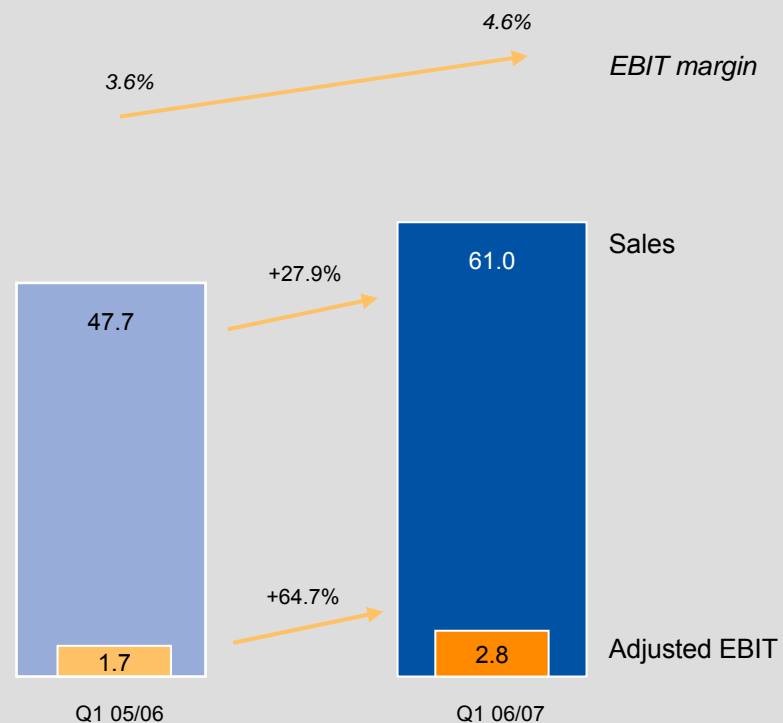
# Port Technology

## Strong Quarter for Non-Automated Products

Sales Q1 2006/2007



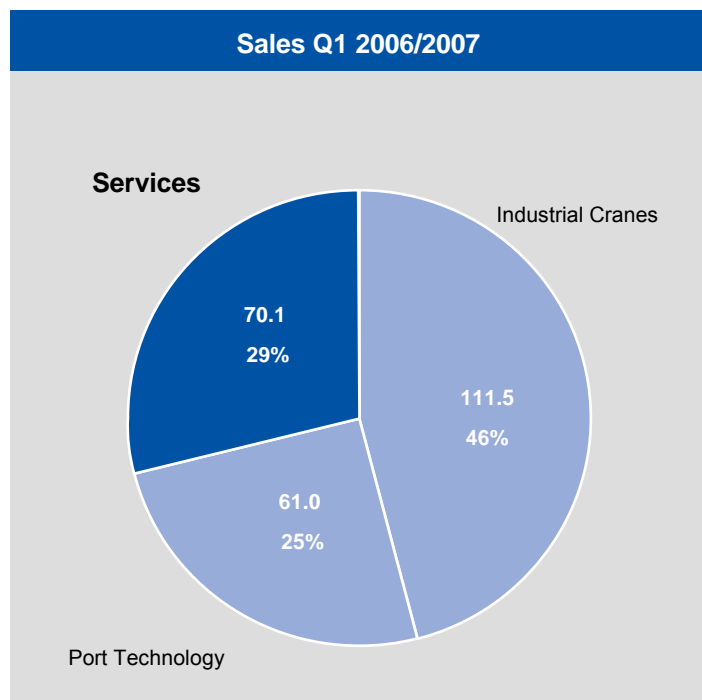
Sales, adjusted EBIT in EUR million, EBIT margin in percent



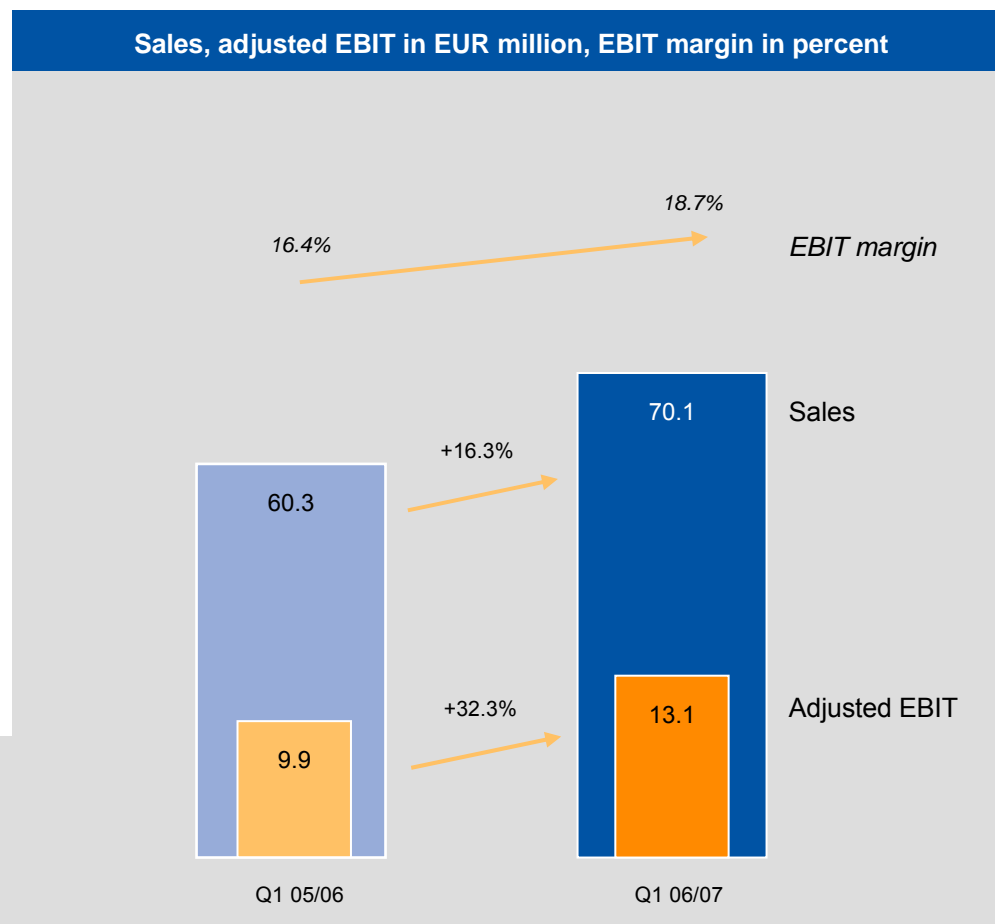
# Services

## High Customer Demand Drives Sales

Sales Q1 2006/2007

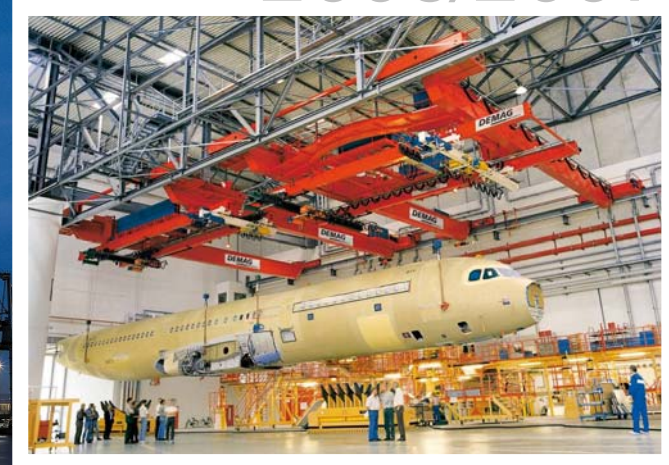


Sales, adjusted EBIT in EUR million, EBIT margin in percent



# Financials

*First Quarter  
2006/2007*

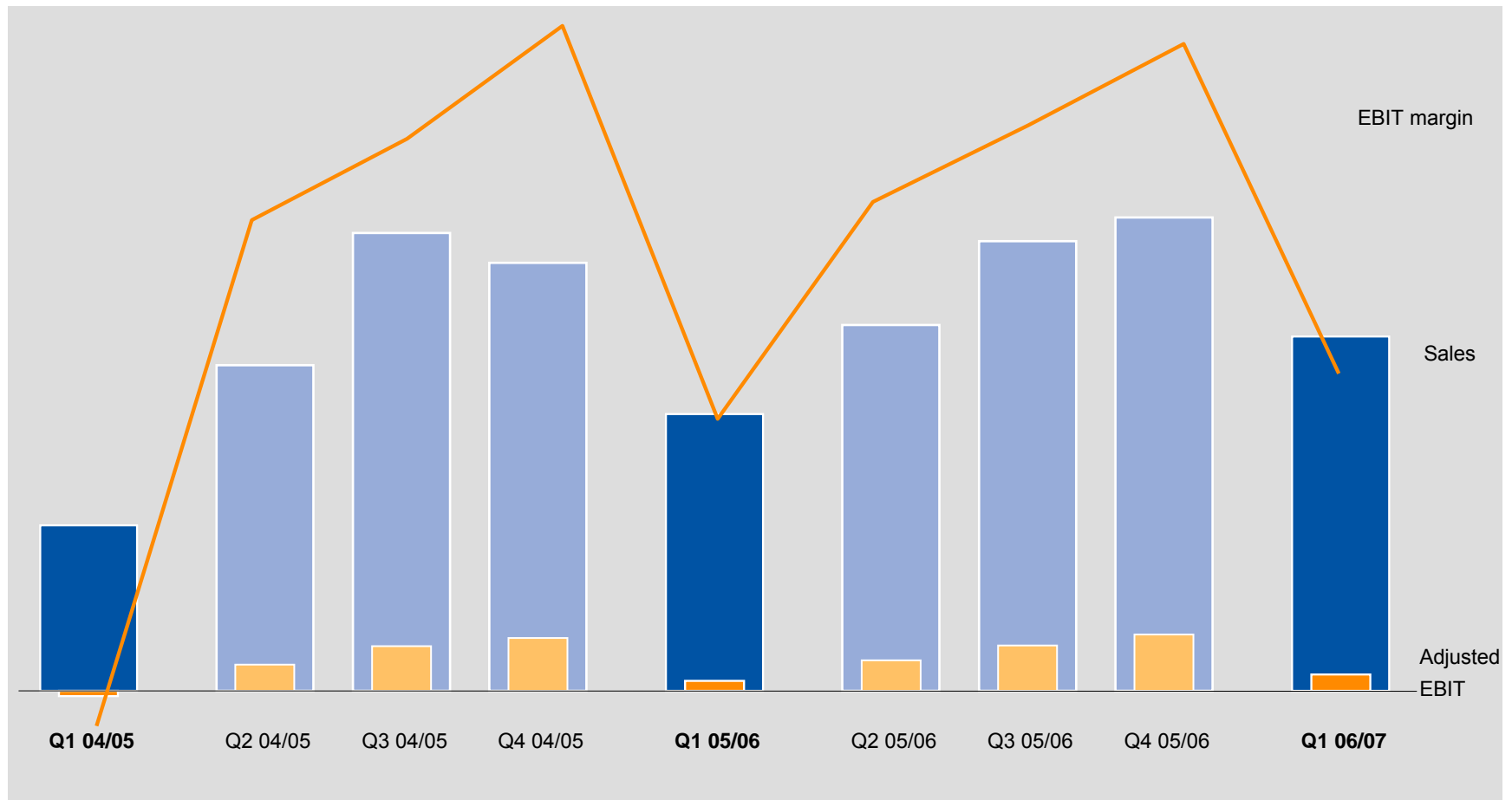


# Group Key Figures: Sustained Sales Growth and Profitability

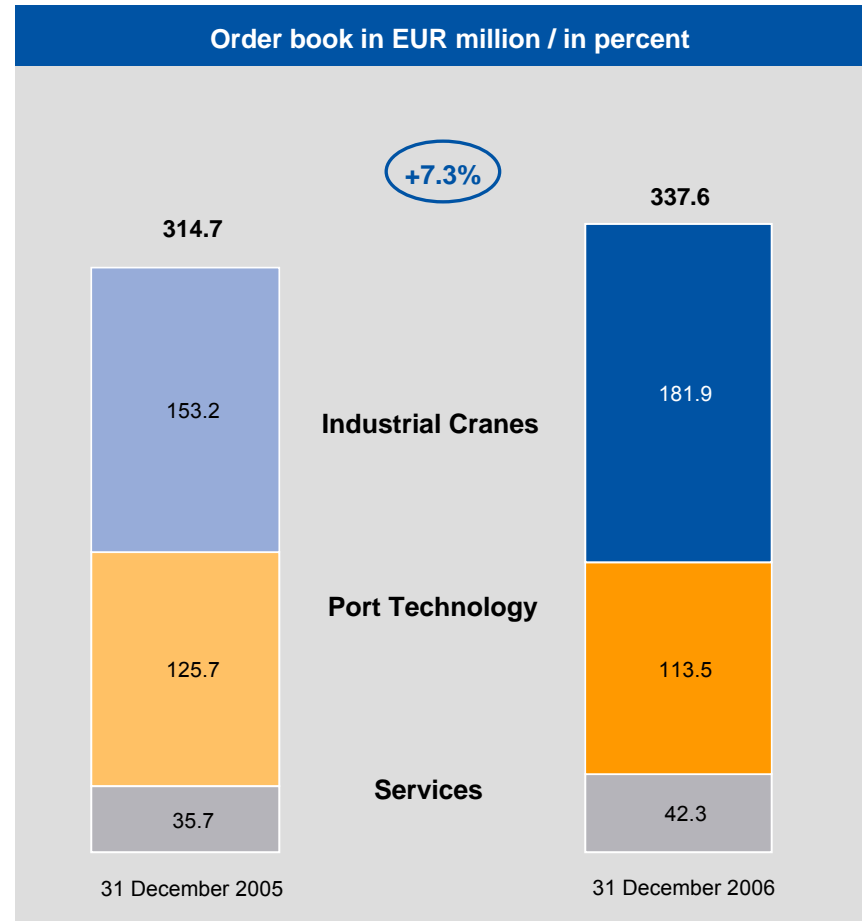
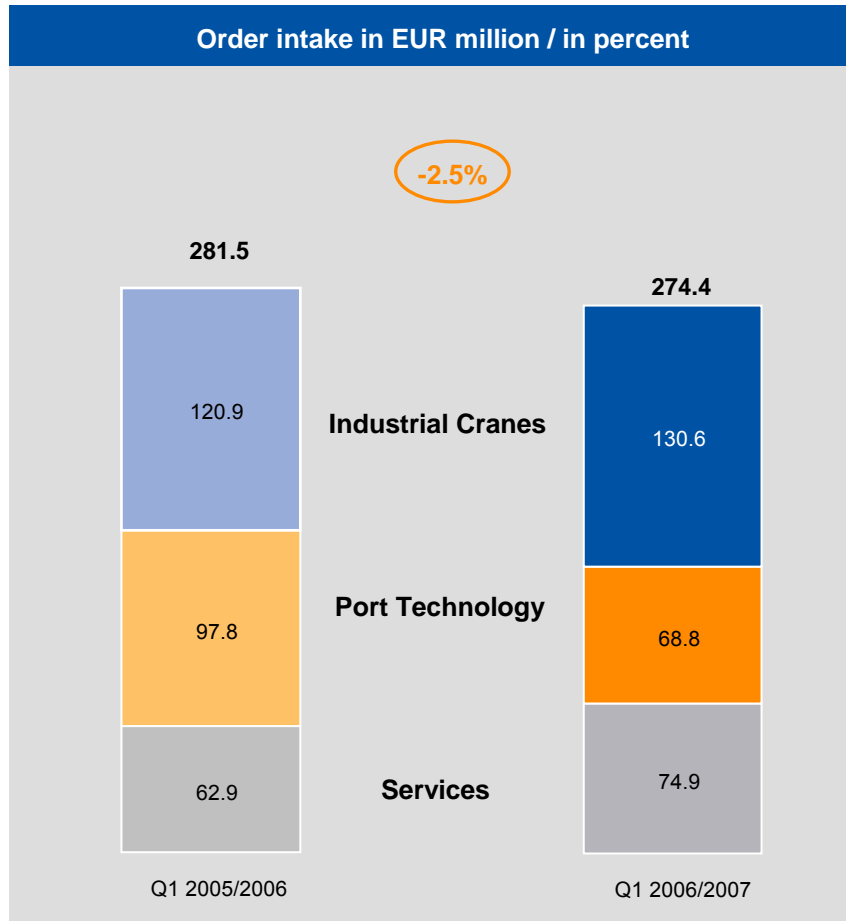
Key figures in EUR million / in percent

	Q1 2005/2006	Q1 2006/2007	Δ
<b>Order intake</b>	<b>281.5</b>	<b>274.4</b>	<b>(2.5)%</b>
Order book	314.7	337.6	7.3%
<b>Sales</b>	<b>218.7</b>	<b>242.5</b>	<b>10.9%</b>
Adjusted gross profit	58.8	71.7	21.9%
<i>in % of sales</i>	26.9%	29.6%	2.7%-points
<b>Adjusted EBITDA</b>	<b>16.0</b>	<b>26.5</b>	<b>65.6%</b>
<i>in % of sales</i>	7.3%	10.9%	3.6%-points
<b>Adjusted EBIT</b>	<b>11.1</b>	<b>20.9</b>	<b>88.3%</b>
<i>in % of sales</i>	5.1%	8.6%	3.5%-points
EBIT	6.3	18.6	195.2%
<b>Net income after taxes</b>	<b>1.3</b>	<b>9.4</b>	<b>623.1%</b>

# Port Technology: Significant Improvement of EBIT Margin



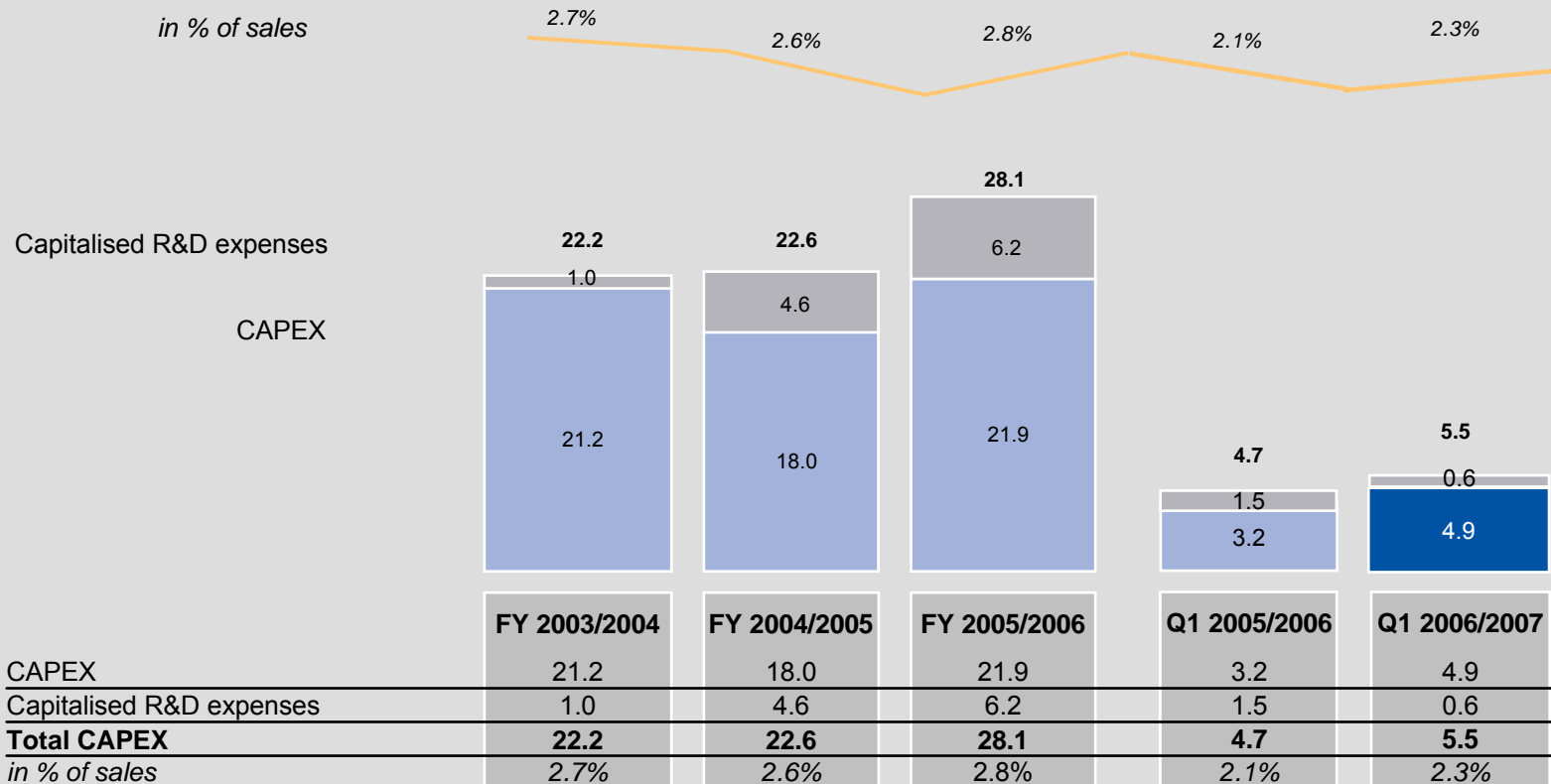
# Steady Development of Order Intake\* and Order Book



\*Without large project peak in order intake in Port Technology in Q1 2005/2006

# Capex Remains Integral Part of Organic Growth Strategy

CAPEX in EUR million / in percent of sales



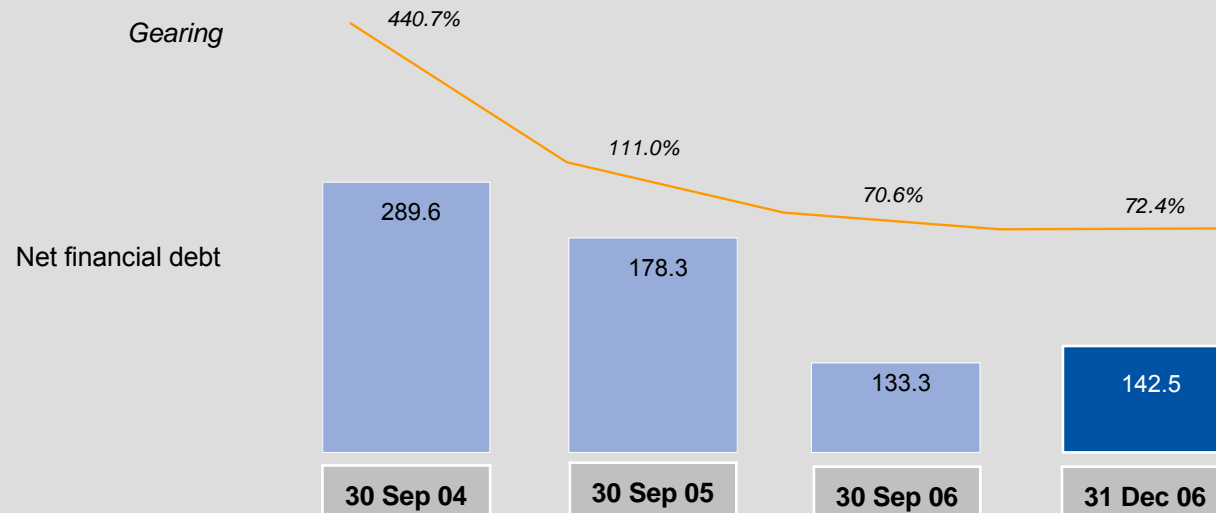
# Cash Flow Reflects Ramp-Up in Production and Product Generation Changeover

## Cash flow statement in EUR million

	Q1 2005/2006	Q1 2006/2007
<b>EBITDA</b>	<b>14.0</b>	<b>27.0</b>
Δ Inventories	(9,4)	(20,3)
Δ Accounts receivable	(14,3)	7,0
Δ Net advances	4,9	8,8
Δ Accounts payable	7,0	(23,0)
<b>Δ Net working capital</b>	<b>(11,8)</b>	<b>(27,5)</b>
Δ Other assets/liabilities	(4,7)	(5,9)
Other operating cash flow	0,5	(0,7)
<b>Cash flow before interest and tax</b>	<b>(2,0)</b>	<b>(7,1)</b>
Net interest payments	(1,0)	(0,5)
Income tax payments	(0,1)	(0,8)
<b>Cash flow from operations</b>	<b>(3,1)</b>	<b>(8,3)</b>
Acquisitions/disinvestments	0,2	0,0
CAPEX (incl. capitalised R&D)	(4,7)	(5,5)
Disposal proceeds	12,7	4,1
<b>Free cash flow before financing</b>	<b>5,0</b>	<b>(9,7)</b>

# Net Financial Debt Only Slightly Up Despite Strong Business Dynamics

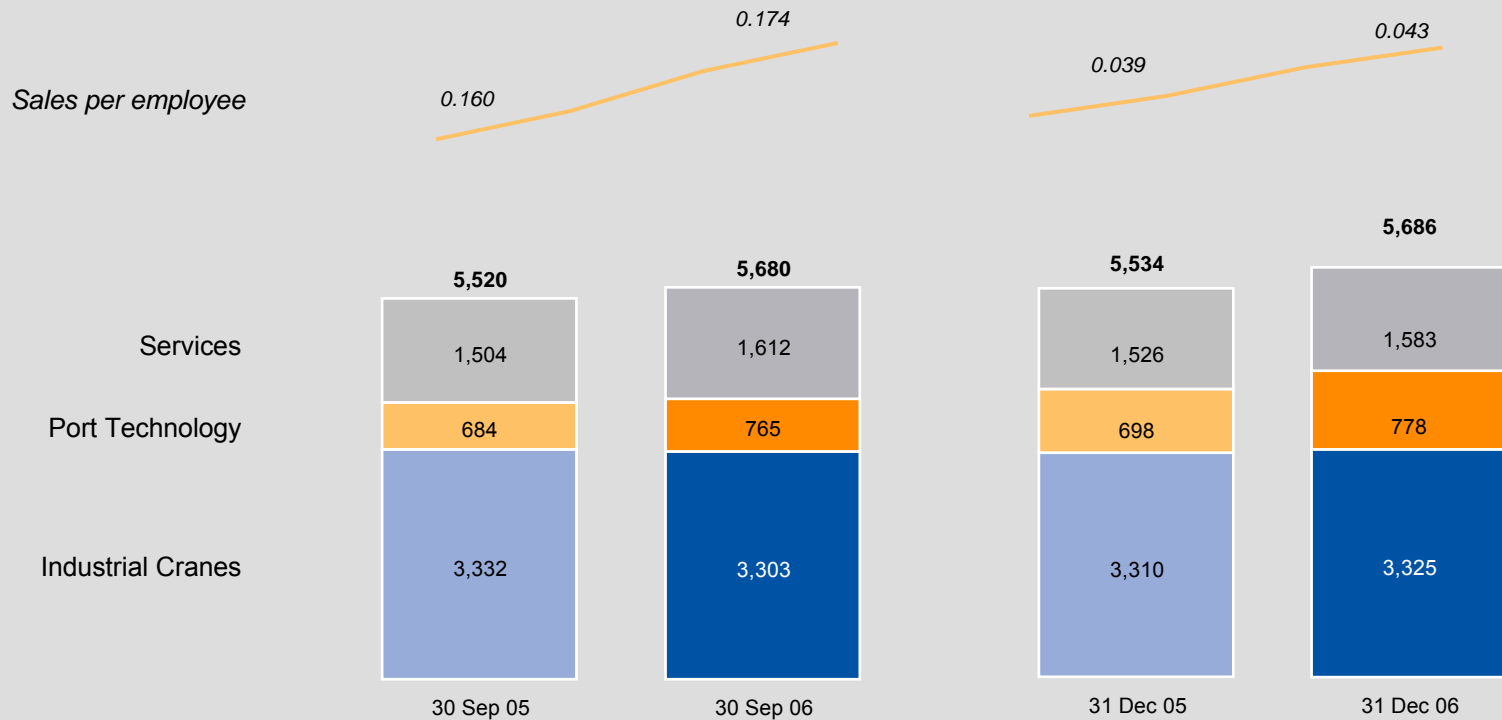
Net financial debt in EUR million / Gearing in percent



	30 Sep 04	30 Sep 05	30 Sep 06	31 Dec 06
Short-term interest-bearing loans and borrowings	17.1	15.2	4.1	3.1
Long-term interest-bearing loans and borrowings	323.7	264.2	182.6	222.5
(Cash and cash equivalents)	35.5	43.2	51.1	80.8
(Short-term financial receivables)	18.4	57.9	2.4	2.3
<b>Net financial debt</b>	<b>286.9</b>	<b>178.3</b>	<b>133.3</b>	<b>142.5</b>
<i>Gearing</i>	440.7%	111.0%	70.6%	72.4%

# Sales Growth Handled with Marginal Increase in Headcount

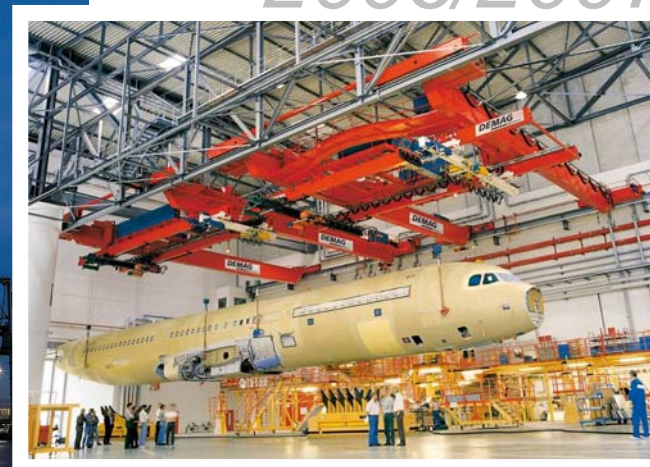
Headcount\* / sales per employee (in EUR million)



\* Permanent employees as at the end of period (excluding temporary employees, apprentices and trainees)

# Outlook

*First Quarter  
2006/2007*



# Confirmation of Guidance

## Financial outlook for FY 2006/2007

**Sales** in a range of **7.0 % to 10.0 %** above previous year



**Adjusted EBIT** **24.0 % to 29.0 %** higher compared to FY 2005/2006



Increase of **adjusted EBITDA** of **20.0 % to 25.0 %** over previous year



# Financial Calendar 2007

- 20 March 2007      General Shareholders' Meeting, financial year 2005/2006
- 15 May 2007      Interim report Q2, financial year 2006/2007
- 9 August 2007      Interim report Q3, financial year 2006/2007
- 12 December 2007      Financial statements, financial year 2006/2007

# Disclaimer

- This report includes forward looking statements on Demag Cranes AG, its subsidiaries and associates, and on the economic and political conditions that may influence the business performance of the Demag Cranes AG. All these statements are based on assumptions made by the Executive Board using information available to it at the time.
- Should these assumptions prove to be wholly or partly incorrect, or should further risks arise, actual business performance may differ from that expected.
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