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**CEO**  
**Annual General Meeting on Financial Year 2007/2008**  
**Düsseldorf, 3 March 2009**  
**Check against delivery.**

Ladies and Gentlemen, Demag Cranes Shareholders,

I would also like to take this opportunity to welcome you warmly to our Annual General Meeting to discuss our excellent performance in financial year 2007/2008.

In the next 30 minutes, I wish to look back once again on our past financial year. In addition, I would like to present some selected financial figures to you in detail and then go into the Demag Cranes share performance and the dividend proposed by the Supervisory and Management Boards. Toward the end of my presentation, I would like to touch on developments in the current financial year and present the first-quarter figures along with an outlook.

Ladies and Gentlemen, I would now like to turn to **financial year 2007/2008**.

Allow me to begin with the central messages before I provide you with an overview on the business performance in the Group and in the three Industrial Cranes Segment, Port Technology and Services.

The most important point first: financial year 2007/2008 was a record year for us.

In spite of the difficult economic environment, our order intake increased by ten percent. As a result of the Company's consistent focus on market requirements and its measures to develop products and optimise processes, Group revenue and earnings continued to increase. The Demag Cranes Group by far exceeded the targets set at the beginning of financial year 2007/2008: with growth of 13.5 percent, revenue at 1,225.8 million euros was slightly above the guidance figure raised once again in May 2008 to 1.2 billion euros. You may remember that our guidance figures stood at 1.13 to 1.16 billion euros at beginning of the financial year 2007/2008. Adjusted EBIT at 137.5 million euros was also much higher than the forecast 110 million euros at the beginning of financial year 2007/2008. Even the guidance figure raised once again to more than 125 million euros or some eleven percent EBIT margin was exceeded slightly by the end of the year. In combination with this, the Group sharply increased net profit and earnings per share, while further reducing net debt, not least due to a top figure for free cash flow. Gearing is now at 6.8 percent. At the same time last year, this figure was at 55.8 percent.

Our shareholders are to benefit accordingly once again this year from their company's success. For financial year 2007/2008, the Management Board and Supervisory Boards will propose a dividend of 1.40 euros. More on this subject later.

I would now like to go into more detail on some key figures from the financial year 2007/2008.

The Group's order volume in financial year 2007/2008 was excellent. Order intake was up by 9.8 percent at 1,323.4 million euros. This purely organic growth in the volume of new

orders came from both inside and outside Germany and was supported by the Industrial Cranes and Services segments, which posted strong rates of increase.

**At segment level**, Industrial Cranes profited from the ongoing high demand for the Standard Cranes and Process Cranes product lines, boosting order intake by 16.8 percent to 671.9 million euros.

Order intake in the Port Technology segment dropped slightly in a year-on-year comparison from 323.3 million euros to 316.8 million euros, mainly because order intake in financial year 2006/2007 included the first request for delivery of 10 Automated Stacking Cranes (ASC) under the framework agreement with Antwerp Gateway. However, demand for Mobile Harbour Cranes continued to rise year-on-year.

The Services segment continued to see a positive trend as in the previous year, with order intake rising by 9.2 percent to 334.6 million euros.

The excellent order situation is also reflected by our order book. At Group level, orders grew by 22.4 percent to 523.5 million euros. The strong increase in the Industrial Cranes segment is particularly notable. At 350.4 million euros, this was 39.3 percent above the previous year's order book, which corresponds to a revenue volume of more than seven average months. The Port Technology segment order book dropped by 5.5 percent compared with the end of the prior-year period to 121.7 million euros. In the Services segment, the order book stood at 51.4 million euros at the end of the financial year, 8.6 percent higher than the comparative figure for the previous year.

Sustained strong demand for products and services boosted Group revenue in the period under review from 13.5 percent to 1,225.8 million euros. This enabled the Demag Cranes Group to further consolidate its market position.

In the Industrial Cranes segment, the Group continued to expand its market position. Supported by the positive trend in order intake, the segment increased revenue by 17.7 percent compared with the previous financial year, thereby more than doubling the rate of growth. This positive development is a result of strong demand for our Standard Cranes, Process Cranes and crane components. The stable price level also acted as a supporting factor. In addition, the international customer structure in the Industrial Cranes segment is broadly spread across all industries and very well balanced, with the result that the segment is not dependent on individual industries to provide its customer base.

In the Port Technology segment, revenue grew by 8.9 percent to 325.5 million euros. The Services segment lifted revenue by 11.2 percent to 329.1 million euros, thereby outstripping the previous year's growth rate of 10.4 percent. Above all, the Services segment benefited from the expansion of the worldwide service network as well as the ongoing trend towards outsourcing maintenance and refurbishment work, which allowed it to win additional maintenance contracts.

Adjusted Group EBIT in the past financial year went up by 45.3 percent to 137.5 million euros and clearly exceeded the second revised forecast of August 2008 by more than 125 million euros and eleven percent EBIT margin. This is mainly attributable to the strong increase in earnings in the Industrial Cranes segment. Adjusted EBIT climbed 91.0 percent to 47.8 million euros, which was almost doubled. As a result, the adjusted EBIT margin improved from 5.2 percent in the previous

year to 8.4 percent. This increase reflects higher revenue in all product groups, cost-cutting programmes, and efficiency gains due to operating closer to full capacity worldwide.

The Port Technology segment generated adjusted EBIT of 22.1 million euros in financial year 2007/2008. The EBIT margin consequently improved from 3.5 percent in the previous year to 6.8 percent in the period under review. This outcome highlights the fact that the Company has successfully resolved the problems with manufacturing costs relating to its Generation 5 Mobile Harbour Cranes as planned. The targets set a year ago of 18 to 20 million euros for adjusted EBIT and 5 to 6 percent were even slightly exceeded.

In the Services segment, adjusted EBIT increased significantly compared with the previous year by 21.2 percent to 75.4 million euros. The strong spare parts business due to industry operating at high capacity and greater demand for servicing and refurbishment work comprised a major earnings driver.

Ladies and Gentlemen,

I would now like to talk briefly about some selected **financial figures** of the past financial year.

As you can see from the slide, we have reduced our net debt significantly once again compared with the end of financial year 2006/2007.

Gearing improved significantly in financial year 2007/2008 due to the reduction in debt and increase in equity, from 55.8 percent in the previous year to 6.8 percent in the year under review. In this way, we have built upon a sound financial position in the past few years, which is all important in the current business environment.

Now a few words about the investments within the Group.

Capital expenditure in the Port Technology segment was down over the previous year as planned.

The largest segment capital-expenditure projects related to improving production workflows, for example with the purchase of two new portal cranes and a new two-component mixing system for the paint facility.

A **Lift Automated Guided Vehicle** was built for testing purposes on the basis of an existing AGV automated container transporter.

Major capital expenditure projects in the Industrial Cranes segment in financial year 2007/2008 included spending to upgrade the Company's existing enterprise resource planning software (SAP) plus expenditure to expand and streamline production.

The Services segment was apportioned a share of cross-segmental capital expenditure, for example, relating to the upgrade to the ERP software.

As at 30 September 2008, the Group employed 6,093 employees, 280 more than as at 30 September 2007.

This 4.8 percent increase compares with revenue growth of 13.5 percent

Employee productivity, measured on the basis revenue per average number of employees, in the Group increased by 9.9 percent to 207,000 euros in the 2007/2008 financial year.

The number of temporary employees increased year on year by 2 percent as at 30 September 2008.

Temporary employees are used in particular in the Industrial Cranes and Port Technology segments to allow us to respond flexibly to fluctuations in workload.

We have since made use of these flexibility options. I'll speak about that in a moment.

I would like to now turn to share performance and the proposed dividend.

Ladies and Gentlemen,

I'm sure we would all like to forget the stock exchange year 2008. The world's share indices have slumped across the board during the course of the financial and economic crisis. Neither Demag Cranes shares nor the MDAX nor the shares of our listed competitors were immuned to this trend as you can see on this slide. Yet, Demag Cranes shares, accompanied by good news from the Company and supported by the rise in the MDAX especially in the first half year-to-date since the last Annual General Meeting, have performed considerably better than the MDAX or the shares of our competitors. The collapse of the Lehman Bank in October was followed by a new wave of selling that caused the share price to bottom out at its all-time low of 11.64 euros. This meant that the share price lost two-thirds of its value within two months although no negative news was published about Demag Cranes. By way of the example, I think you can see quite clearly the uncertainty reigning currently on the capital market. On 27 February, the share price stood at 15.50 euros. Analysts' ratings for the Demag Cranes share range currently from 13 to 39 euros.

Ladies and Gentlemen,

You, the owners of this Company, are entitled to your share of the business success of Demag Cranes AG. For the past financial year, the Management and Supervisory Boards propose a dividend 1.40 euros for each bearer share to the general meeting. This is equivalent to a dividend payout rate of 35 percent of the adjusted annual net income and an increase of more than 27 percent compared with the preceding year. Based on the XETRA closing price on 27 February 2008 at 15.50 euros, the dividend yield is about 9 percent.

I'd now like to turn to the **current financial year 2008/2009**.

Allow me to say a few words about the market environment:

as you know, the financial and economic crisis also had a massive impact on the global economic environment in the fourth quarter of 2008, and the World Economic Climate Index produced by the ifo World Economic Survey fell to its lowest level for more than twenty years. Expectations for the next six months are also lower. In the current crisis, the

downturn in the global economic climate has affected not only the large economic regions of North America, Western Europe and Asia, but also Central and Eastern Europe, Russia and Latin America at the same time. The euro zone economy slipped into recession for the first time since monetary union began. Nearly all businesses, including the majority of our customers, have felt and are feeling the increasing effects of the global economic downturn. German exports particularly feel the impact of the decline in demand all over the world.

What does this mean for our business environment? -

The global economic downturn had different effects on our segments in the first quarter:

The fall in demand in the mature markets contrasted with growth potential in the emerging markets in the Industrial Cranes segment in the first quarter of the financial year. It remains difficult to make forecasts due to the segment's greater dependence on economic cycles, but we believe the segment is well positioned.

The Port Technology segment is dependent on global cargo volumes and growth in container handling. The impact of the financial and economic crisis was most obvious in this segment in the fourth calendar quarter of 2008. Cargo volumes on the main container routes are declining as a result of falling demand and major projects and investment decisions are being postponed. In particular, this is now affecting terminal automation projects as the original schedule for their implementation is thrown into question. This will have a negative impact on our business in the Port Technology segment in this financial year. Over the medium and long term, however, experts still expect further growth in global cargo traffic and, therefore, continuing demand for the relevant handling equipment.

The Services segment saw little of the effects of cyclical fluctuations in the course of the past quarter. Here, we believe we continue to be well prepared to face an economic downturn. This segment will not be badly affected by a slight decline in capacity utilisation because equipment will have to be maintained as usual in the interests of safety, reliability and availability

Let us now turn to the important Group figures for the **first quarter of financial year 2008/2009**:

The Group's order volume in the first quarter of financial year 2008/2009 was steady, order intake dipping moderately by 4.6 percent to 281.3 million euros. In contrast to this, the Group order book grew by 13.5 percent year on year to 488.1 million euros in the first quarter of the 2008/2009 financial year.

Sustained strong demand for products and services boosted Group revenue in the period under review from 4.1 percent to 303.0 million euros. This growth was driven by the Industrial Cranes and Services segments.

The Demag Cranes Group sustained its positive trend in earnings in the first quarter of financial year 2008/2009, generating an operating EBIT (formally "adjusted EBIT") of 30.5 million euros, which represents an increase of 1.9 percent.

Entirely through organic growth, first-quarter order intake rose by a further 2.9 percent year on year to 150.4 million euros.

The order book was up 32 percent on the figure as at the 31st of December 2007 at 336.2 million euros.

The Industrial Cranes segment increased revenue by 11.7 million euros or 8.2 percent in the first quarter of 2008/2009 to 153.5 million euros. This growth was driven mainly by the Process Cranes and Standard Cranes product lines.

**Operating EBIT** in the Industrial Cranes segment increased by 38.7 percent compared with the first quarter of financial year 2007/2008 to 13.2 million euros, a strong performance due to the year-on-year increase in revenue. At the same time, however, the growth in earnings reflects the successful outcome of measures to optimise processes, such as operating closer to full capacity worldwide.

In the Port Technology segment, the weak economic environment caused port and terminal operators to extend investments over longer time periods and postpone some major projects. This pushed order intake down by around 26 million euros and the order book down by some 30 million euros.

Revenue in the Port Technology segment fell by 4.1 percent compared with the prior-year quarter to 64.3 million euros. This decline is equivalent to one to two fewer cranes compared with a year earlier.

Operating EBIT in the Port Technology segment fell by 1.3 million euros year on year mainly because of lower revenue and initial cuts in production that reduced capacity utilisation rates at the factory. Both are initial repercussions of a difficult market environment that have so far only affected this segment.

As explained when the full-year figures for 2007/2008 were published on the 15th of December 2008, the Port Technology segment consequently shed around 150 temporary employees in a first effort to cut costs.

The Services segment continued to see strong demand for its products in the first quarter of financial year 2008/2009.

This resulted in an increase in the order intake of 9.4 percent over the same period last year.

The order book was 14 percent up on the figure at the end of the prior-year period at 54.3 million euros.

Revenue increased by 3.6 percent year on year to 85.3 million euros. The segment benefited from a stronger field service team.

At around 18.4 million euros, operating EBIT in the Services segment was almost unchanged year on year. At 21.6 percent, the EBIT margin was above the 20 percent reported in the last quarter of 2007/2008 and in absolute terms and around 1 million euros higher than the 17.4 million euros recorded in that quarter.

Looking at our funding, you can see that our Company is very healthy.

The revolving credit facility for 325 million euros, which includes an ancillary facility of 105 million euros was opened in June 2006 and expires in June 2011. Drawings on the facility as at the 31st of December 2008 were as follows:

- 105 million euros drawn on the revolving credit facility itself; this amount is due in March 2009, the same amount as was drawn on the facility as at the 30th of September 2008.
- 63.4 million euros drawn on the ancillary credit line for guarantees compared to 67.9 million euros as at the 30th of September 2008.

Pension obligations increased slightly by around 100 thousand euros from 112.7 million euros at the end of last year to 112.8 million euros at the end of the first quarter of financial year 2008/2009.

As at the 31st of December 2008, the number of temporary employees was reduced by around 150 during the first quarter, more specifically in the Port Technology segment.

This represents a reduction of 32.7 percent over the figure indicated in our 2007/2008 full-year results.

We have since had to reduce the number of temporary employees even further and the annual leave and overtime accounts of permanent staff in order to be able to apply for the state-subsidised "reduced work-week programme".

These measures were absolutely necessary in order to adapt the production capacities of some product ranges to the significant drop in demand.

Ladies and Gentlemen, I'd now like to turn to the current business environment and to the outlook.

Considering the unpredictable economic conditions I have already mentioned and the considerable amount of uncertainty involved in doing so, we will not issue a full-year forecast for the time being. We would like to wait and see how the second quarter of the financial year develops before deciding whether conditions are appropriate for us to issue a firm year-end forecast. In our view, it is not possible to make a reliable forecast at this time.

Experts continue to assume that in the medium and long-term trends such as such as investments in infrastructure, growth in container traffic and the outsourcing of services are still sound.

As we already emphasised at the analysts' conference on the full-year results in December, we are confident that the Demag Cranes Group will also enjoy profitable growth in the next two years, especially in view of the our broad corporate diversity and our very healthy financial structure.

As I near the end of my presentation, I would like to point out an important date in our financial calendar: the figures for the second quarter of financial year 2008/2009 will be published on the 5th of May. For more information on other important dates, please see the slide.

Ladies and Gentlemen,

As you have most likely already learned from the media, this will be my last Annual General Meeting in the role as CEO of Demag Cranes AG. I would like to use this opportunity to thank you all, but especially the employees, the other member of the Management Board and the Supervisory Board of Demag Cranes, for your trust. I'm certain that the Demag Cranes Group is well positioned and well diversified in order to meet the challenges of the future and to continue creating added value for you, the shareholders and owners of the Company. I wish my successor and the other members of the Management all the best and good luck.

Thank you for your attention.