

Conference Call

Second Quarter 2008/2009 Results

Düsseldorf, 5 May 2009

Disclaimer

- This presentation 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 Group. All of 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.
- The Executive Board therefore cannot assume any liability for the statements made.
- Unless specified, all figures have been rounded to the nearest thousand (EUR thousand).
Both the single figures and sums used are the figures with the least discrepancy due to rounding.
When single figures are added, slight discrepancies may occur due to the total sums reported.

General Market Environment

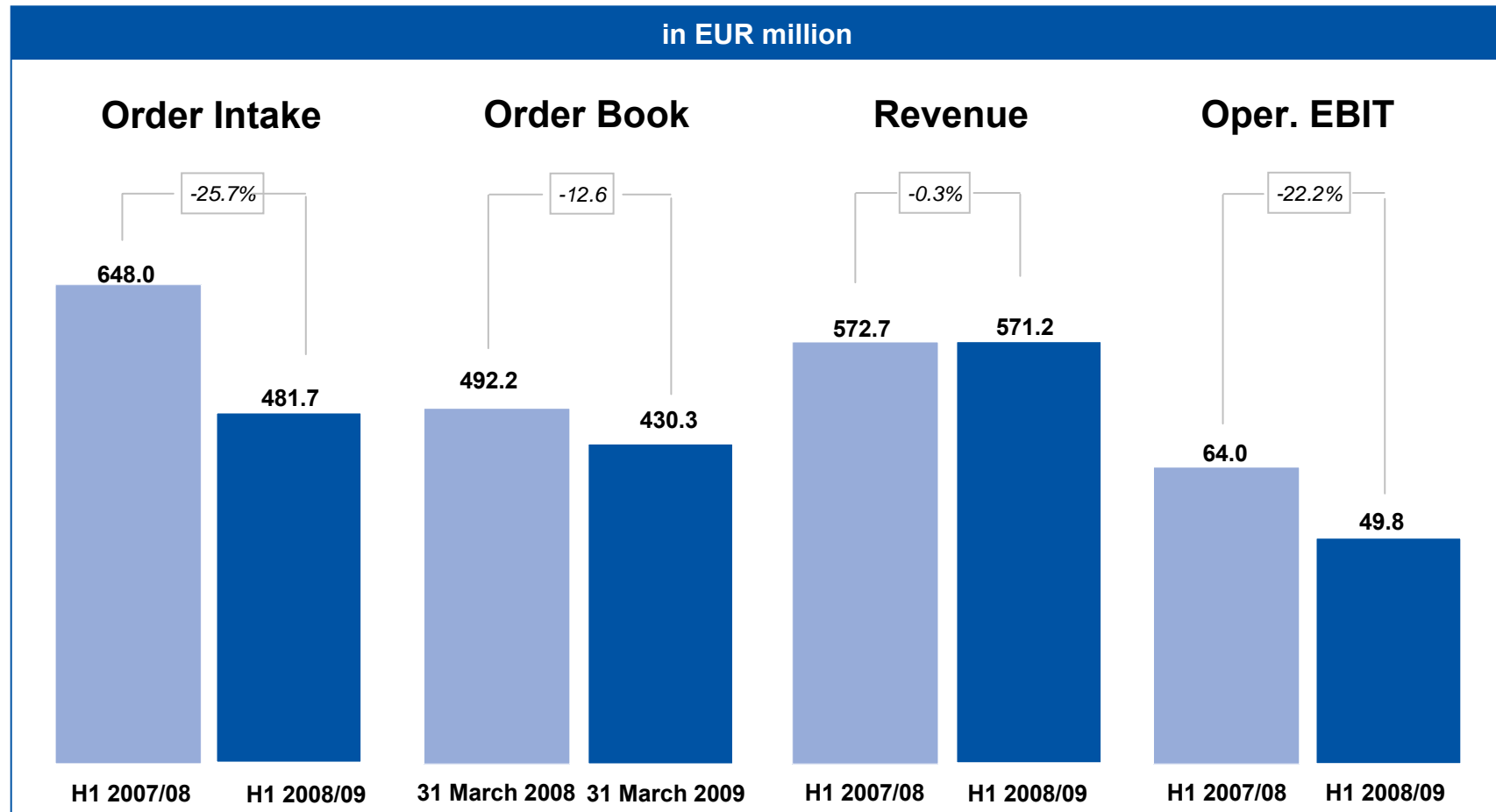
World Economic Trends

- Economic trend remained negative in first calendar quarter of 2009
- N. America and W. Europe economies in worst crisis since World War II
- ifo Index declined further to new record low
- WES projections for imports and exports indicate a sharp fall in world trade

Economic Trends in the Euro Zone

- ifo Index fell for all Euro zone countries to record all-time low
- Survey-based indicators signal a further one percent-plus drop in real GDP
- WES experts believe downturn in Euro zone sustained in next six months
- ifo Index - German economy in deepest recession since foundation of Federal Republic of Germany.
- Exports have plunged in the wake of the global economic crisis

Key Group Figures



Revenue by Region

Shift from Mature to Emerging Markets

in EUR million					
				Share in percent	
	H1 2007/08	H1 2008/09	Δ	LTM** March 2009	FY 2007/08
Germany	122.4	125.1	2.2%	20.9%	20.7%
Rest of Europe*	218.3	183.1	-16.1%	34.7%	37.5%
North America	69.6	74.1	6.4%	10.6%	10.3%
Mature markets	410.3	382.3	-6.8%	66.2%	68.5%
BRIC countries	68.6	75.6	10.2%	11.7%	11.1%
Middle and South America	14.3	9.4	-34.4%	3.2%	3.6%
Asia/ Pacific	48.0	69.1	44.1%	12.2%	10.5%
Other	31.5	34.8	10.3%	6.7%	6.4%
Emerging markets	162.4	188.9	16.3%	33.8%	31.5%
Total Group revenue	572.7	571.2	-0.3%	100.0%	100.0%

*Excluding Russia
** Last twelve months

Market Environment

Industrial Cranes Segment

- Still difficult to make forecasts due to heavy dependency on economic cycles
- Segment affected by current general trend to postpone capital investment decisions
- VDMA Industry Bulletin published March: February new orders: domestic down 45%; internationally down 50%

Industrial Cranes Segment

Key Figures

in EUR million							
	Q2 2007/08	Q2 2008/09	Δ	H1 2007/08	H1 2008/09	Δ	FY 2007/08
Order intake	197.4	94.7	-52.0%	343.6	245.1	-28.7%	671.9
Order book	312.6	291.1	-6.9%	312.6	291.1	-6.9%	350.4
Revenue	132.5	147.5	11.4%	274.3	301.0	9.7%	571.2
Operating EBIT	13.2	9.4	-28.7%	22.7	22.7	-0.4%	47.8

Market Environment

Port Technology Segment

- Financial and economic crisis continued to have a marked impact in first calendar quarter of 2009
- Cargo volumes on main container routes are declining due to falling demand
- Timetables for terminal automation projects delayed, investment decisions for capital goods are not being made.
- Experts still anticipate further growth in global cargo traffic and therefore continuing demand for the relevant handling equipment

Port Technology Segment

Key Figures

in EUR million							
	Q2 2007/08	Q2 2008/09	Δ	H1 2007/08	H1 2008/09	Δ	FY 2007/08
Order intake	71.0	34.1	-51.9%	137.1	74.6	-45.6%	316.8
Order book	127.9	86.1	-32.7%	127.9	86.1	-32.7%	121.7
Revenue	70.5	46.6	-33.9%	137.5	110.8	-19.4%	325.5
Operating EBIT	4.4	-4.4	n/a	7.3	-2.9	n/a	22.1

Market Environment Services Segment

- As mentioned around Q1 2008/2009, lower crane utilisation can lead to temporary drop in spare parts sales - may result in quarterly variation in the operating EBIT margin.
- Less vulnerable to economic crisis assuming that it will not be badly affected by slight decline in capacity utilisation - equipment will have to be maintained in the interests of safety, reliability and availability

Services Segment

Key Figures

in EUR million

	Q2 2007/08	Q2 2008/09	Δ	H1 2007/08	H1 2008/09	Δ	FY 2007/08
Order intake	84.7	71.5	-15.6%	167.3	161.9	-3.2%	334.6
Order book	51.6	53.1	2.8%	51.6	53.1	2.8%	51.4
Revenue	78.6	74.1	-5.8%	160.9	159.3	-1.0%	329.1
Operating EBIT	18.9	14.9	-21.3%	37.9	33.3	-12.2%	75.4

Balance Sheet and Cash Flow

in EUR million				
	31 March 2009	31 Dec 2008	30 Sept. 2008	31 March 2008
Total Assets	875.0	925.9	925.5	864.8
Net working capital	254.1	273.2	254.0	273.9
of which: Inventories	266.8	274.2	261.6	235.9
	Q2 2008/09	Q1 2008/09	H1 2008/09	Q2 2007/08
Capex	3.5	3.4	6.9	3.4
Free cash flow before financing	26.3	-6.9	19.4	23.2

Net Working Capital

in EUR million

	31 March 2009	31 Dec. 2008	30 Sept. 2008	31 March 2008
Non-current trade receivables	0.7	0.4	0.5	0.5
Inventories	266.8	274.2	261.6	235.9
Advance payments made	4.9	5.1	3.7	2.6
Trade Receivables	168.8	203.3	201.3	202.2
Trade payables	-70.5	-92.7	-97.0	-75.4
Advance Payments received	-116.6	-117.1	-116.0	-91.9
Net Working Capital	254.1	273.2	254.0	273.9

Net Debt

in EUR million				
	31 March 2009	31 Dec. 2008	30 Sept. 2008	31 March 2008
Non-current interest-bearing loans	105.8	105.6	105.6	170.8
Current interest-bearing loans and current maturities of long-term debt	4.9	4.7	3.7	2.8
Cash and cash equivalents	-79.7	-80.6	-90.0	-62.7
Current financial receivables	-0.5	-0.6	-0.9	-0.8
Net Debt	30.5	29.1	18.4	110.0

Funding and Pensions

Solid Financial Foundation

Revolving credit facility:*

Agreed in June 2006 – EUR 325.0 million - expires June 2011

- 31 March 2009 - EUR 105.0 million drawn, due June 2009, bears interest at 1.88 % (EURIBOR 1.53 % plus margin of 0.35 percentage points)

Ancillary facility:*

EUR 105.0 million for cash withdrawals and guarantees included

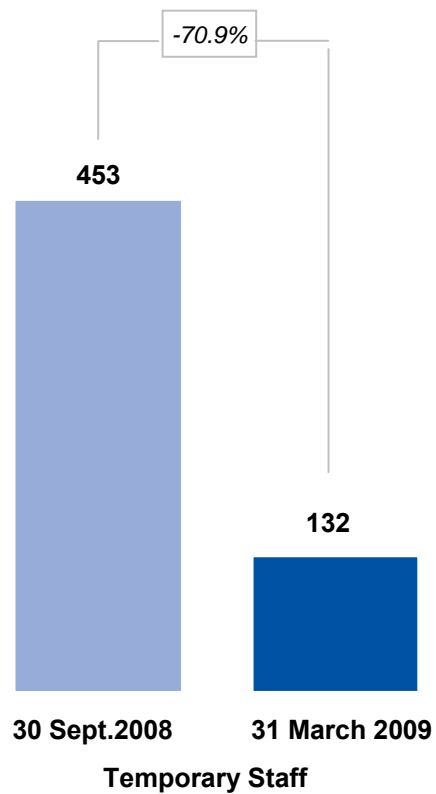
- 31 March 2009 EUR 63.8 million guarantees (30 Sept. 2008: EUR 67.9 million)

Pension obligations:

- Increased by EUR 0.1million from EUR 112.7 million at the end of Sept. 2008 to EUR112.8 million at the end of the period under review.

*The credit arrangement contains certain financial covenants including the requirement of a minimum interest cover (ratio of adjusted earnings before interest, tax, depreciation and amortisation (adjusted EBITDA) to net cash interest) and a maximum leverage ratio (ratio of net financial debt to adjusted EBITDA)

Group Headcount




	30 Sept. 2008	31 March 2008	Δ
No. of employees*	6,093	6,248	2.5%
Industrial Cranes	3,461	3,540	2.3%
Port Technology	829	886	6.9%
Services	1,771	1,782	0.6%
DCAG Holding	32	40	25.0%
Pers. costs / revenue	28.7%	**28.9%	0.2% pts.
Temporary staff	453	132	-70.9%
Trainees /apprentices'	325	274	-15.7%

* excl. temporary staff, trainees and student apprentices

** Last twelve months

Outlook

- The Management Board is refraining from issuing a full-year forecast due to still extremely uncertain general economic environment
 - Negative economic announcements continue to mount up
 - Research institutes and the German government are revising growth forecasts downwards nearly on a monthly basis. For this reason, the Management Board does not consider itself able to provide the capital market with reliable guidance to the financial year-end
 - As already announced the Management Board will respond appropriately and responsibly to any worsening of the economic and financial crisis associated with adverse consequences for the business development of the Demag Cranes Group
 - Marked drop in the order intake in the Industrial Cranes and Port Technology segments in the second quarter of 2008/2009 now necessitates capacity adjustments that cannot be effected through short-time working alone
-  **The Management Board is therefore currently appraising further action that may result in expenditure in the mid-range double-digit millions in the current financial year**

Financial Calendar 2009

- 04 August 2009 Q3 2008/2009 Results
- 08 December 2009 Financial statements, financial year 2008/2009
- All roadshow appointments are published on our website:
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