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Check against delivery.

Good morning Ladies and Gentlemen,

I would also like to welcome you to our General Meeting.

In the next 30 minutes, I wish to review the past financial year. In addition, I wish to present to you some financial figures and to touch on the performance of the Demag Cranes share and the dividend proposed by the Supervisory and Management Boards. Toward the end of my presentation, I would like to take up the developments during the current financial year and present the figures from the first quarter as well as the outlook for this financial year.

I wish to begin with a short overview of our Group structure and strategy.

Ladies and Gentlemen, the Demag Cranes Group consists of a Holding and three business segments.

Our Industrial Cranes segment, the largest in the Group portfolio, contributes around 45 percent of the overall revenue. In this segment, we manufacture "Demag" Standard Cranes for universal applications in trade and industry, as well as Process Cranes for specific sectors that are tailored to and integrated into the production process of our customers. In our Industrial Cranes segment, we are the world market leader with our highly flexible KBK crane construction kits, which are, for example, widely used throughout the automobile industry. In addition to complete cranes, we also manufacture high-grade crane components such as rope and chain hoists, travel units and motors for various applications.

Now let us turn to the Port Technology segment, which contributes about 28 percent of the overall revenue. This business segment profits, in particular, from the benefits of globalisation and stable growth in worldwide container handling. According to studies, this increase will be about nine percent per annum in the medium term. In our Port Technology segment, we are, with our market share of approximately 47 percent based on units sold in 2007, the unchallenged global market leader in the field of Mobile Harbour Cranes. This figure was confirmed by the independent journal "WorldCargo News". In addition, we are the sole supplier of entire fleets of fully Automated Guided Vehicles and fully Automated Stacking Cranes worldwide for container quay-to-stack transport and stack management, which includes proprietary software. We can thus provide solutions consisting of entire terminal automation systems.

Cranes are capital investments with long service lives that are in operation day and night. Our third segment, Services, ensures that our customers may count on their cranes operating reliably, smoothly and continuously in the long term. To achieve our goal, we have 220 service centres and thus one of the most closely knit networks in this market sector. As a result, we offer a comprehensive range of services for the maintenance and

refurbishment of cranes and hoists and supply our customers with spare parts at short notice. There is a notable trend among our customers to outsource all their internal maintenance activities to established local partners on a permanent basis. New business and strong outsourcing trends by our customers form the basis for growth in the Services segment. The Services segment covers about 44 percent of our own installed base, currently the world's largest with more than 650,000 electric cranes and hoists. Our goal is to achieve 50 percent coverage by the close of financial year 2007/2008.

Ladies and Gentlemen,

At this point I would like to remind you of our strategy: we focus on sustained and profitable growth, i.e. we concentrate on the quality aspect of growth. However, not growth at any cost. We must be able to demonstrate our commitment to our customers around the world time and again. We achieve this goal not only by supplying products, but also solutions.

In our Industrial Cranes segment, for example: we provide consulting for our customers right from the beginning and work with them to find an optimum solution for the particular material handling needs of their production processes.

In the field of port automation, for example: we are the sole supplier worldwide of complete system solutions consisting of hardware and software. Accordingly, we can provide true-to-life simulation of the designated material flow in terminals. In this way, we offer operators of ports and terminals the best possible basis for investment decisions.

In our Services segment, for example: in addition to round-the-clock availability, planning and consulting play major roles when it comes to weighing refurbishment concepts against new procurements. Our uncompromising focus on finding solutions creates added value.

Our strategic approach is based on five pillars that we presented to you before the IPO. I would like to underscore two driving forces: one is the potential of emerging markets - not least based on the anticipated major investments in infrastructure, from transport routes to new factories, and as one would expect, ports and airport terminals. The other major driving force is the enormous potential in the Services segment. The trend towards outsourcing will continue to grow and will generate stable growth thanks to our installed base of cranes and hoists, which is the largest in the world.

Ladies and Gentlemen,

Let me now turn to our business performance in financial year 2006/2007.

I would like to begin with our order intake. Group order intake developed very well during the period under review. In a year-on-year comparison, we boosted order intake by 14.3 percent based exclusively on organic growth to EUR 1.2 billion. All three segments contributed to this positive development. Order intake in the Industrial Cranes segment increased by 20.3 percent compared to the prior year to EUR 575.4 million thanks to the high demand for the Standard and Process crane product lines. Order intake in the Port Technology segment rose by 7.6 percent to EUR 323.3 million. In particular, the Generation 5 Mobile Harbour Cranes were very much in demand, which underscores the high level of customer acceptance. As already mentioned, we recorded the highest order intake in the history of our Port Technology segment in the fourth quarter of financial year 2006/2007. The order intake from the first series call of the major "Antwerp" order with ten fully-automated stacking cranes (ASC) contributed to this extraordinary volume. I would like to stress in this connection that port technology business is most definitely project-related, which

leads throughout the year to significant fluctuations in order intake. Considering that average orders for Mobile Harbour Cranes are valued at about EUR 2.2 million per crane, one should view this business on an annual basis. We also reported a positive trend in our Services segment – an increase of 11.3 percent to EUR 306.4 million. In particular, the demand for spare parts and refurbishments remained at a high level.

The excellent order situation is reflected in the order book. The order book increased at Group level by almost 40 percent to EUR 427.6 million. All three segments contributed to this boost. In particular, the significant increase in the Industrial Cranes segment should be mentioned. At EUR 251.5 million, order intake was 53.3 percent higher than the prior year - a figure that corresponds roughly to a six-month volume.

Group revenue for last financial year climbed 9.5 percent to EUR 1.08 billion in a year-on-year comparison. Thus, revenue surpassed the EUR 1 billion threshold for the first time. The Industrial Cranes segment grew about eight percent to EUR 485.4 million. The primary revenue drivers here were Standard Cranes and crane components. Revenue in the Port Technology segment went up almost 11 percent to EUR 298.9 million. The positive revenue trend in this segment is due in particular to the core product, the Mobile Harbour Cranes. In the Services segment, the prior-year's positive trend with regard to revenue also continued. Revenue grew by 10.4 percent to EUR 296.1 million. The key revenue drivers were the spare parts business and refurbishment services.

At Group level, adjusted EBIT in financial year 2006/2007 rose by 11.9 percent to EUR 94.6 million. In the Industrial Cranes segment, we doubled earnings in financial year 2006/2007 compared with the prior year. Adjusted EBIT grew by 118.5 percent to EUR 23.6 million. Almost all product lines contributed to this positive development. The Port Technology segment, with adjusted EBIT of EUR 9.6 million for financial year 2006/2007, performed below our expectations if one compares the figures forecast at the beginning of the financial year. This was due to high manufacturing costs for the new Generation 5 Mobile Harbour Cranes, which had also resulted in the forecast adjustment in July. I will go into more detail on the current situation when we look at the next slide. In the Services segment, adjusted EBIT soared by 24.6 percent compared to the previous year's figure to EUR 61.4 million. Thanks to the excellent economic situation in the industry, key drivers for the results in this segment were the booming spare parts business and increased demand for maintenance and refurbishment orders, combined with the implementation of price increases.

Ladies and Gentlemen,

We intend to improve our earnings significantly in the Port Technology segment in this financial year. Our problems were due to high manufacturing costs in connection with the new Generation 5 Mobile Harbour Cranes in the Port Technology segment. On 24 October last year, we reported that we had defined five packages of measures with a positive EBIT effect of EUR 15.0 million to ensure a sustained reduction in manufacturing costs. We intend to have implemented these packages of measures by the end of the third quarter of financial year 2007/2008. Their full net effects should be achieved in financial year 2008/2009. We are well on track.

Here, both the design and the equipment of the products were intensively reviewed in relation to the relevant performance classes to exploit the potential for optimisation with relation to manufacturing costs, without comprising quality. During review, in particular, of the level of standardisation and the purchase costs, flexibility was boosted in relation to the sales mix and, at the same time, a sustained reduction

in manufacturing costs was obtained without increasing delivery lead-times. For the current financial year, we expect to double our EBIT accordingly to between EUR 18 million and EUR 20 million, thus increasing our margin to about six percent.

In the next section, I would like to touch on some of the most important financial figures.

It is especially important to us to continue reducing debt. Looking at our Group net financial debt, you can see that the reduction phase has been going on for the last five years. We have been able to reduce net debt by over two thirds in the last five years, from EUR 360.5 million in 2002/2003 to EUR 116.6 million by the end of September 2007. At the same time, we reduced gearing, i.e. the ratio of net debt to total equity, to 55.8 percent. For the current financial year, we are striving to decrease net debt and gearing even further.

Let me now talk about our investments by segments:

The major investment projects in the Industrial Cranes segment in financial year 2006/2007 related in particular to strategic investments in the modernisation of online warehouse management and the optimisation of gearbox manufacturing. In the Port Technology segment, investment activities were reduced as planned compared with the previous year, though certain amounts accrued for projects already begun in the prior year. Other important investment projects related to IT software for managing terminal handling equipment for the Automated Stacking Cranes and the extensive core refurbishment of an administrative building. As planned, a significantly lower volume of development costs, around EUR 2.7 million, was capitalised in financial year 2006/2007 compared to EUR 6.2 million in the previous year.

For research and development, we spent approximately two percent of our revenue. For our sector, this is excellent and should continue to support our technological and innovative leadership that our customers honour by paying higher prices. The research and development expenditure, used, in particular for activities in the Industrial Cranes and Port Technology segments, increased slightly year-on-year by EUR 1.3 million to EUR 17.9 million.

I would like to touch briefly on the headcount in the Group. As of 30 September 2007, the Demag Cranes Group had 5,813 employees, around 133 more people than on 30 September 2006. During the year under review, the number of employees increased in all segments. This increase of 2.3 percent is coupled with revenue growth of 9.5 percent. Employee productivity in the Group increased in financial year 2006/2007 by 6.9 percent from EUR 174 thousand to EUR 186 thousand. Faced with the sharp increase in production volume, we have mainly focused on hiring specialist staff in the areas of production, customer service and services as well as for inventory management. In relation to the increase in employees, personnel expenses increased disproportionately in financial year 2006/2007. However, since revenue increased considerably at the same time during the period under review, our personnel costs fell by 1.2 percentage points in relation to revenue. The significant efficiency improvement results, among other things, from measures for on-going process optimisation and from the use of new IT solutions and new business processes.

I am sure that you will join me in expressing our thanks to our employees for their hard work and commitment to our Company. I would also like to thank the Supervisory Board and the Work Councils for their constructive support and guidance with respect to various matters.

Allow me now to say a few words on the dividend and the Demag Cranes share.

Ladies and Gentlemen,

You, as the owners of this Company, should be appropriately rewarded for the business success of the Demag Cranes Group. Before the IPO, we clearly stated that we intend to pay out 35 to 45 percent of adjusted net income to our shareholders. For financial year 2006/2007, the Supervisory and Management Board have proposed to the General Meeting to pay a dividend of EUR 1.10 for each bearer share. This corresponds to a payout ratio of 45.6 percent and thus the top end of the range stated in our dividend policy. Based on the XETRA closing rate on 29 February 2008 at EUR 28.28, a dividend yield of approximately 3.9 percent has been achieved.

The price development of the Demag Cranes share was very volatile during the past financial year. In the first two quarters, the share price recorded significant increases and peaked at EUR 53 per share. In July 2007, the downward adjustment of the guidance figures for annual earnings resulted in a sharp decline in our share price. Only once the packages of measures to cut the manufacturing costs in the Port Technology segment were presented did the share price begin to recover, reaching the EUR 40 mark again. The price development after that reflected, in particular, uncertainty on international financial markets. In January, the share price even dropped briefly below the issue price of EUR 22. Consequently, we decided to publish our excellent figures for the first quarter two weeks earlier than scheduled to disperse any concerns of the market. As a matter of fact, the share price recovered considerably as soon as it was announced that the quarterly figures would be published earlier than scheduled. I will go into the report in detail in a moment.

As my presentation is drawing to a close, I would like to touch on the current financial year 2007/2008.

Ladies and Gentlemen,

In the past few weeks, much has been published on possible recessions and the impact of the credit crisis on the real economy. Allow me to say a few words on the level of dependency of the Group on the state of the world economy.

At the segment level, the **Industrial Cranes segment** is most likely to be affected by economic cycles. By contrast, there are exceptional developments in emerging markets, such as the trend of investing in infrastructure which is fed by public funds from countries with very high levels of foreign exchange reserves such as the so-called BRIC countries, which include Brazil, Russia, India and China. In our estimate, these trends will compensate significantly for any possible downturns in the established markets. This segment has a broad, diversified base.

For many years, our **Port Technology segment** has been reaping the benefits of globalisation and stable growth in worldwide container handling, where economic forecasts do not see any slowdown in the medium term. In addition, the majority of our customers, namely the terminal operators, are subject to state control, which enables political decisions to be implemented directly, for example in the infrastructure sector, where the impact of the economy is of secondary importance. The **Services segment** as such is hardly subject to the effects of economic cycles. In weaker phases of the economy, the trend toward outsourcing actually increases. Furthermore, the demand for refurbishments and repairs increases whenever investments in new products are deferred.

In other words: we consider the Group to be immune even if we encounter troubled waters. At segment level, we still see no sign of a slowdown in our business.

The positive situation is underscored by our excellent start into the current financial year.

Order intake in the Group saw a positive development in the period under review. Compared to the same quarter of the previous year, our order intake increased as a result of organic growth alone by 7.5 percent to EUR 295 million. A closer look at the segments reveals that order intake in the Industrial Cranes segment increased in the first quarter by 12.0 percent to EUR 146.2 million. All product lines, in particular Process Cranes, contributed to this increase. Order intake for the Port Technology segment dipped slightly in the period under report compared to the first quarter of 2006/2007 by 3.9 percent to EUR 66.1 million. Since business conducted by this segment relates almost exclusively to projects, order intake is subject to seasonal fluctuations depending on when the contracts are signed, which makes it difficult to compare the various quarters. Figures in the fourth quarter of financial year 2006/2007, during which the highest order intake in the history of the Port Technology segment was achieved, confirm this fact quite clearly. The order intake from the first series call of the major "Antwerp" order with ten fully-automated stacking cranes (ASC) contributed to this excellent figure. As I mentioned beforehand, business in the Port Technology segment is driven by projects and is subject to fluctuations throughout the year. The actual trend can thus be gauged better on an annual rather than on a quarterly basis. In the Services segment, the positive trend in order intake continued. Order intake was boosted by 10.3 percent from EUR 74.9 million to EUR 82.7 million. As already seen in the previous quarters, these most satisfactory results were mainly due to spare parts business and refurbishment services.

The excellent order situation is reflected in the order book. The order book increased at Group level by almost 27 percent to EUR 430.1 million. All three segments contributed to this boost. In particular, the significant increase in the Industrial Cranes segment should be mentioned. At EUR 245.7 million, order intake was 40.1 percent higher than the prior year - a figure that corresponds roughly to a revenue volume of six average months.

Group revenue in the first quarter climbed 20 percent to EUR 291.1 million in a year-on-year comparison. The Industrial Cranes segment contributed considerably to the boost in revenues of 27.2 percent to EUR 141.8 million. Indeed, all product lines saw a considerable increase. Revenue in the Port Technology segment grew in a quarterly year-on-year comparison by 9.9 percent to EUR 67.0 million. This positive development is mainly due to high demand for Mobile Harbour Cranes. Revenue in the Services segment grew in a quarterly year-on-year comparison by 17.4 percent to EUR 82.3 million. The main driving factors were spare parts business and refurbishment services.

Adjusted Group EBIT rose sharply by 43.1 percent to EUR 29.9 million. This was due in particular to the significant boost in earnings in the Industrial Cranes segment. Adjusted EBIT soared by 90.3 percent to EUR 9.5 million in comparison with the same quarter of the previous year. This increase was mainly attributable to the positive development in the crane components and Standard Cranes product lines. Profitability in this segment has also continued to grow. Adjusted EBIT of the Port Technology segment rose slightly from 3.7 percent to EUR 2.9 million in financial year 2006/2007. Due not least to the scheduled implementation of the packages of measures to reduce manufacturing costs, the adjusted EBIT margin increased from 3.5 percent in financial year 2006/2007 to 4.3 percent in the first quarter of financial year 2007/2008. In the Services segment, adjusted EBIT increased significantly by 42.2 percent to EUR 19.0 million, which is a record for the quarterly figures. This considerable growth was mainly attributable to spare parts business and refurbishment services.

Ladies and Gentlemen,

At this point, we intend to remain cautious with our forecast for the current financial year. Developments in recent weeks have taught us all that the capital markets and their participants are quite nervous at the moment and the worldwide indexes are correspondingly volatile. Accordingly, we will today *only* confirm once again our forecasts for this year of EUR 1.13 billion to EUR 1.16 billion for Group revenue and approximately EUR 110 million for Group EBIT. Following the very satisfactory first quarter and in view of the continuing good demand and our full order books, we believe they are very conservative, however.

Let me give you some figures to support our conservative stance. In the first quarter of the last financial year, we had generated some 20 percent of Group revenue and almost 12 percent of adjusted EBIT at that point of time. At the end of the first quarter of this financial year, we had already achieved some 25 percent in terms of revenue and even some 27 percent in terms of EBIT.

This brings me to the end of my presentation. Thank you for your attention.