

PRESS RELEASE

Demag Cranes Concludes Negotiations on Compensation Agreement and Redundancy Scheme as Part of the Group's Restructuring Process

Düsseldorf, 23 October 2009. The Management Board of Demag Cranes AG and the Executive Management of its subsidiaries Demag Cranes & Components GmbH and Gottwald Port Technology GmbH have concluded their negotiations as part of the restructuring process and come to a mutual agreement with the respective Works Councils. In addition, the compensation agreements for the planned restructuring measures at Demag Cranes AG and Demag Cranes & Components GmbH and the associated redundancy schemes have been signed.

Aloysius Rauen, CEO of Demag Cranes AG emphasises: "I am pleased that we have now concluded the negotiations that have been part of the restructuring process in a constructive manner with the Employee Representatives. Consequently, we are now in the position to fully adapt the Group to the new business environment resulting from the financial and economic crisis. This is an important step for the new approach that the Demag Cranes Group will have to adopt."

As the economic and financial crisis worsened at the end of the last calendar year, the initial decline in business, in particular the drop in order intake in the Port Technology segment was clearly felt. Demag Cranes responded quickly to the situation by cutting back the number of temporary employees and running down annual leave and overtime hours. In March 2009, a short work-week was imposed. Due to a further downturn in the order situation and the absence of signals indicating a mid-term recovery, the Management Board proposed a restructuring programme to safeguard the future of the Group. This restructuring programme, which involves up to 750 job cuts worldwide, was unanimously approved by the Supervisory Board of Demag Cranes AG in May of this year. With the implementation of the restructuring measures, the Demag Cranes Group aims to save up to EUR 60 million. The negotiations on the compensation agreement and redundancy scheme for the Port Technology segment were concluded at Demag Cranes' subsidiary Gottwald Port Technology GmbH in July 2009.

Having concluded the negotiations as part of the restructuring programme, Demag Cranes will now implement the steps required to improve efficiency in the Industrial Cranes and Services segments. In addition, the Management Board has already begun to meet its declared objective of more closely dovetailing the entire organisation, with measures such as uniting management of shared services like IT, human resources and purchasing, across the Group. Demag Cranes' CEO, Rauen stresses: "Not only have we laid the groundwork to steer the Group through the crisis, but also to especially make it more competitive in the future."

About Demag Cranes AG

The Demag Cranes Group is one of the world's leading suppliers of industrial cranes and crane components, harbour cranes and terminal automation technology. Services, in particular maintenance and refurbishment services, are another key element of the Group's business activities. The Group is divided into the business segments Industrial Cranes, Port Technology and Services and has strong and well-established Demag and Gottwald brands. Demag Cranes sees its core competence in the development and construction of technically sophisticated cranes and hoists as well as automated transport and logistics systems in ports and terminals, the provision of services for these products and the manufacture of high-quality components.

As a global supplier, Demag Cranes manufactures in 16 countries on five continents and operates a worldwide sales and service network that is present in over 60 countries through its subsidiaries, representative offices and a joint venture. In financial year 2007/2008, the Group, with its 6,093 employees, generated revenue of EUR 1,225.8 million. Since the end of June 2006, the Demag Cranes share (WKN: DCAG01) has been listed in the Prime Standard of the German Stock Exchange and is traded on various indices including the MDAX®.

Demag Cranes AG. We Can Handle It.

Conditions for Forward-Looking Predictions

This press release contains forward-looking statements relating to the business, financial performance and earnings of Demag Cranes AG and its subsidiaries and associates. Forward-looking statements are based on current plans, estimates, projections and expectations and are therefore subject to risks and uncertainties, most of which are difficult to estimate and which in general are beyond the control of Demag Cranes AG. Consequently, actual developments as well as actual earnings and performance may differ materially from those which are explicitly or implicitly assumed in the forward-looking statements. Demag Cranes AG does not intend or accept any obligation to publish updates of these forward-looking statements.

Contact person for media representatives:

Nikolai Juchem
Head of Corporate Communications and Marketing
Phone: +49 (0) 211 7102-1019
E-mail: nikolai.juchem@demagcranes-ag.com

Contact person for investors and analysts:

Horst Thelen
Head of Investor Relations
Phone: +49 (0) 211 7102-1210
E-mail: horst.thelen@demagcranes-ag.com