



Global trends in crane industry

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Introduction

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Manitowoc Cranes

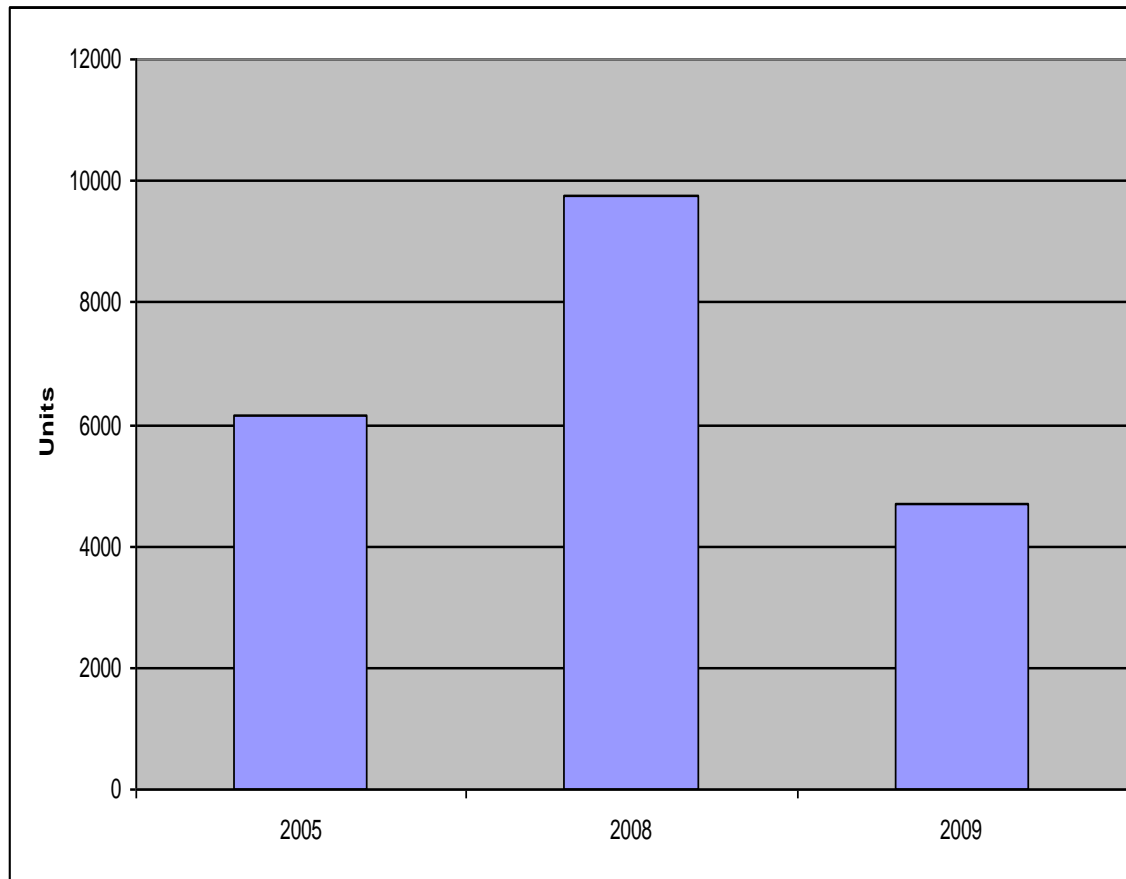
- Largest installed base of cranes in the world.
- One of 4/5 major crane companies.
- Innovation – more than 150 patents.
- More than 6,000 employees.
- 16 manufacturing facilities.



Market update

Market overview

Units sold comparison



Market overview

Current outlook

- Market stabilization and may finally yield growth.
- Strong upturns in Asia, declines in North America and Europe.
- Latin American projects underway through help from government stimulus packages.
- Middle East fares much better in comparison to other regions.

Market overview

Middle East

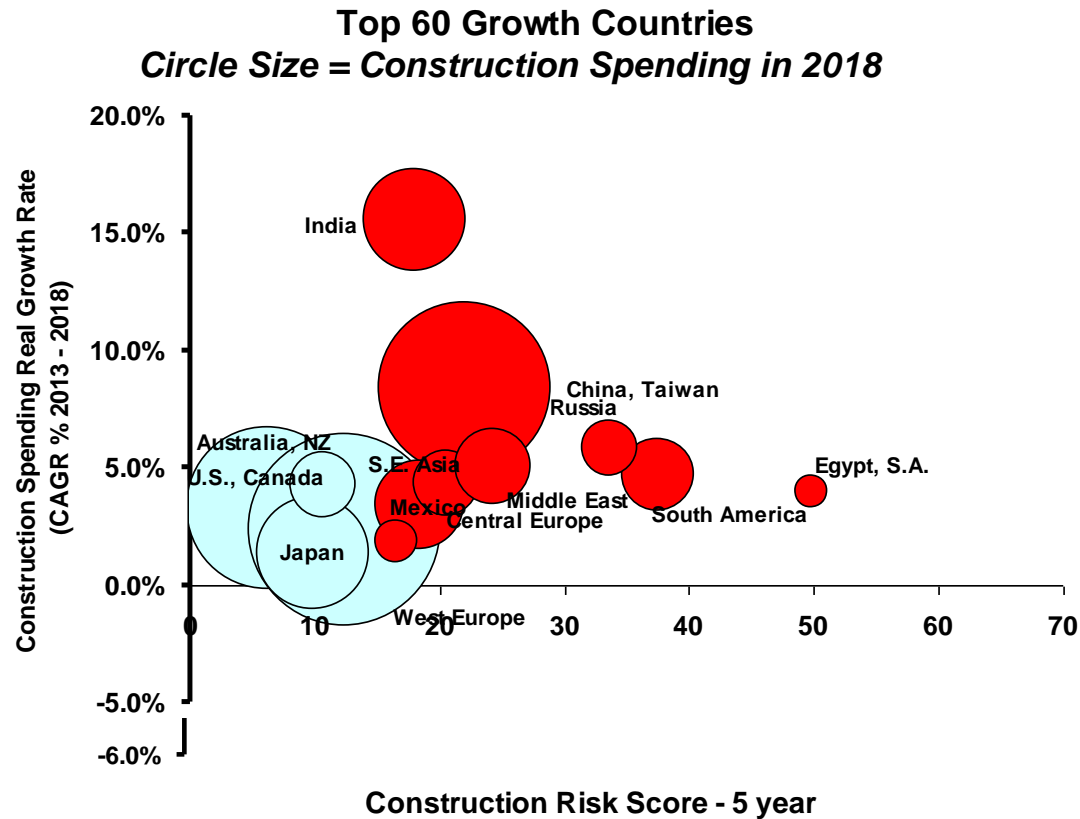
- Business shift from UAE to Saudi Arabia.
- Large infrastructure projects.
- Manitowoc regional offices in Dubai.

Princess Noura University



Market overview

Construction spending



Industry segments

Infrastructure and energy growth

- Driven by population growth.
- Energy needs for Middle East, Central and South America will increase 60% by 2030.

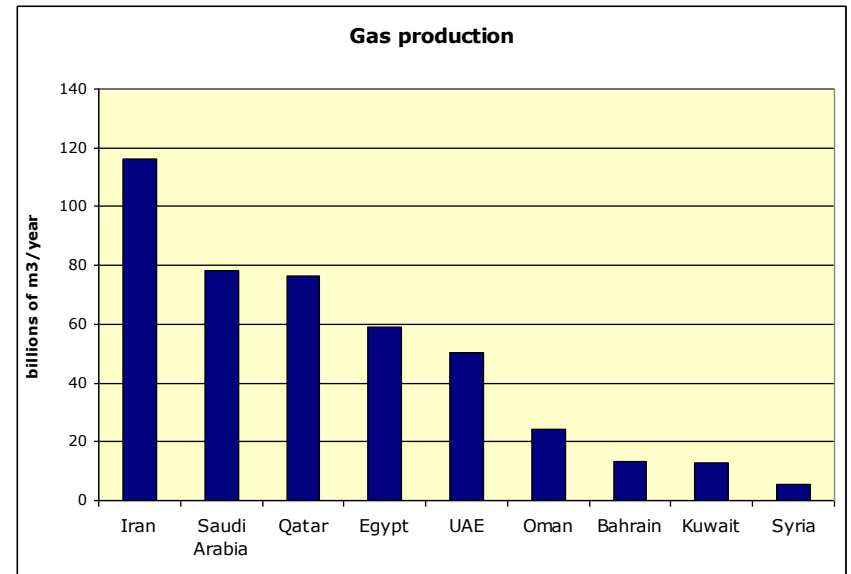
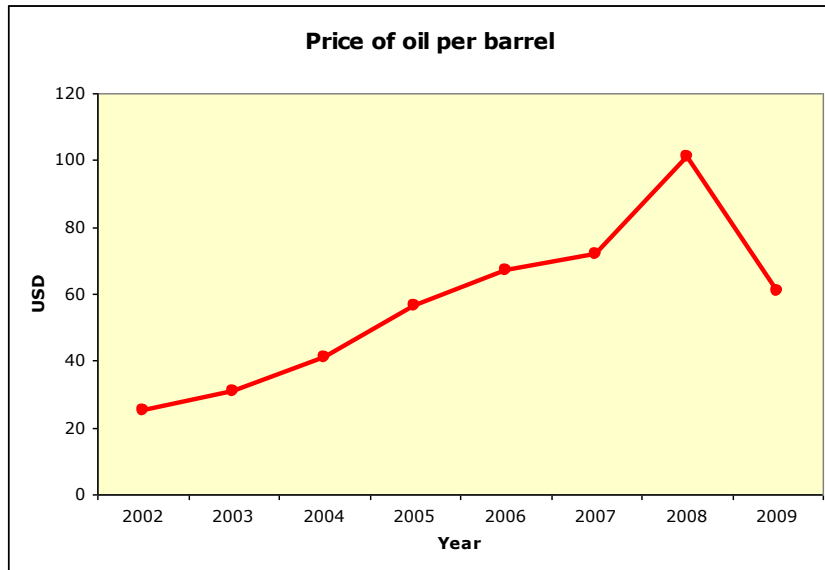


Son La, Vietnam

Nuclear

- Capability could increase 380% by 2050.
- June 2008: 41 reactors under construction in 14 countries.
- From 2030–2050, between 20 to 55 reactors built each year.
- Nuclear power plants require strong, long-term lifting solutions.

Oil and gas



Wind

- One of the fastest growing markets for industry.
- Approximately 20,000 wind turbines worldwide at present.
- Need to lift loads at heights of 70 m and above.
- Transport to inaccessible and small locations.



GTK 1100 at wind farm in China.

Changes facing the cranes industry

Standards

- Varies on national and regional levels.
- Challenge for manufacturer to build “one-size-fits-all.”
- Standards are not always strictly enforced.



MD 3600 at the Nanjing Bridge .

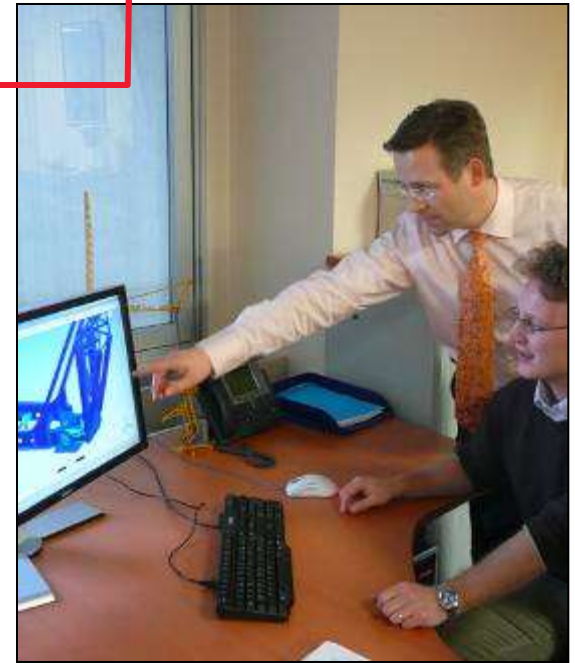
Large lifts



The new Manitowoc 31000 at the Manitowoc, Wis. facility in January

Technology

- New materials to reduce weight and increase capacity.
- Electronics, telematics and enhanced communication.
- Advanced computer simulation.
- More modularity and standardization.



Counterfeit parts

- Not a new problem, but bigger issue in recent years
- Most common in tower cranes
- Much greater risk of failure using counterfeit parts
- More vigilance needed by industry



Customer service culture

- Parts expected in 48-72 hours
- Trend to full-product support
- Manitowoc covers 20 countries from the Dubai headquarters.
- Open Jebel Ali facility in 2007.



Manitowoc Crane Care's new Jeffersonville, Ind. parts warehouse

Finance and capital

- Effects of global credit crunch were felt late the fourth quarter of 2008.
- Crane financing in Middle East historically not an issue.
- Today liquidity has dried up and banks are extremely cautious.

Emergence of Chinese manufacturers

- Increase in size of market.
- Number of manufacturers continues to grow.
- Impact in developing countries, not yet developed.
- Not driven by innovation.

Chinese manufacturers

- Crawler cranes 1600 units in 2008, 1100 in 2009.
- Truck cranes 27,000 in 2009, export 1750 units.
- Tower cranes market is over 20,000 units per year.

Manitowoc Dongyue truck cranes



Other trends

- Over-capacity of the industry.
- Tier 4 implications.
- Consolidation of rental houses.
- More global rental houses.
- Rental rate and utilization.

