



Manitou expects 2009 to be a difficult year

2009 outlook

Given the deterioration in the economic environment since end-September 2008 and since demand remains weak for all product lines across all sectors and geographical areas, the Group expects the decline in its sales to extend beyond the first half of 2009. When reasoning at current consolidation scope (i.e. with GEHL Company consolidated for a full year in 2009 against two months in 2008), sales could decline by as much as 40% compared with 2008, which would result in a loss being incurred for 2009 as a whole.

Against this backdrop, the Group has stepped up measures aimed at lowering operating costs and downsizing production capacity to the lower level of activity. For caution's sake, MANITOU has already drawn down a significant proportion of its credit lines so as to boost available cash and to avoid being exposed to a liquidity risk over the medium term.

Negotiations with the Group's bankers

The particularly sharp deterioration in activity in the United States has meant that the US subsidiary GEHL Company was unable to comply with certain bank covenants. GEHL has opened negotiations with its local bankers regarding the syndicated credit lines to avoid the banks pressing for their early repayment, which they would be entitled to do.

In addition, GEHL is examining with its banks options to address the company's financing requirements on a long-term basis, as it will not be possible in the future to raise cash through the securitisation of

trade receivables. The Group is monitoring with the utmost attention the evolution in the situation of its subsidiary.

Concurrently, MANITOU has opened negotiations with its own banking pool to adapt the terms and conditions of the syndicated loan arranged on 4 September 2008 (for the purpose of acquiring GEHL), notably conditions pertaining to the financial ratios. (The Group has drawn down €317 million against this loan that has a ceiling of around €357 million).

Containment of risks in the United States

Negotiations concerning the financing of GEHL's activity are being conducted in an independent manner and are contained in United States. This is possible because this is a recent acquisition, which explains why its integration into the Group is not yet effective at both operating and financial levels. In this respect, Manitou will be particularly vigilant in preserving its corporate interest so as not to increase its exposure to the downturn in the North American market.

No option has been ruled out at this point. However, the Group will envisage providing support to GEHL to overcome the current crisis only if conditions in terms of risk mitigation and visibility are satisfactory, so too commitments by North American banks.

The Group's consolidated results for the year ended 31 December 2008 will be released on 1 April 2009 before trading hours.

Information on the Company is available at: www.manitou.com

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