



PRESS RELEASE

PALFINGER takes another step towards growth

- ◆ Entry into a new exciting market segment with marine cranes
- ◆ Acquisition of majority interest in Ned-Deck Marine, a manufacturer of davits and deck equipment

Bergheim, Salzburg, 16 July 2010

The PALFINGER Group is taking another step towards growth by acquiring a 75-percent interest in the Dutch company Ned-Deck Marine B.V. (NDM). NDM is one of the leading manufacturers of rescue boat davits, a special application of marine cranes. The company is headquartered in the Netherlands and has another production facility in Vietnam. It is among the world market leaders in the standard segment of davit systems (A-frame davits and liferaft davits) and posts steep growth in special applications for the Navy and Coast Guard. The existing management team will stay in place to safeguard the continued success of the company.

With the entry in the market of ship-mounted cranes PALFINGER is expanding its previous truck-related product range. With its davit systems NDM primarily operates on the market of ships with equipment fulfilling the requirements of the UN Convention for the Safety of Life at Sea (SOLAS). The obligatory annual servicing of the safety equipment by the manufacturer or a party certified by the manufacturer makes after-sales services a substantial part of total business operations.

“Despite a 30-percent market decline, the revenue generated by NDM in 2009 remained stable. Further growth will also significantly add to the importance of the servicing business of existing equipment“, remarked Herbert Ortner, CEO of PALFINGER AG, on NDM’s future. “On the SOLAS market certified quality is of top priority.”

With a staff of approximately 100, NDM generated revenues of almost EUR 20 million in 2009. The Vietnamese production facility, benefiting from low wage costs as well as its proximity to the Chinese procurement market and to major target markets like Japan, Korea, China, and Vietnam, has also contributed to these revenues.

To further expand its ship crane business PALFINGER is already planning another acquisition. The favoured target is the marine crane division of Palfinger systems GmbH, which is owned by the Palfinger family and includes a business with a staff of approximately 150 generating approximately EUR 30 million in revenues. The due diligence of the business to be acquired will start in July. “We have been interested for quite some time in re-integrating the marine crane business into PALFINGER AG as a meaningful and profitable supplement to our strategy”, explained Ortner.

With these areas combined under PALFINGER AG, the Group will have another profitable business unit occupying a significant world market share in a niche of the crane business. Moreover, they will expand the international position and the resulting business potentials of the PALFINGER Group.

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About PALFINGER AG

For many years PALFINGER has been one of the world's leading manufacturers of hydraulic lifting, loading, and handling systems. As a multinational group headquartered in Salzburg, the Company's 4,500 staff generated total sales of approximately EUR 505.4 million in 2009.

The Group has production and assembly facilities in Europe, in North and South America as well as in Asia. The pillars of corporate strategy comprise innovation, and the further internationalisation and diversification of products and services. PALFINGER is regarded not only as the market leader, but also the technology leader, in the global market for hydraulic knuckle boom cranes. PALFINGER is always in proximity to its customers due to its over 4,000 sales and service centres located in over 130 countries across five continents.

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