

## Financial Position

The financial position of the Demag Cranes Group developed as follows in the period under review:

in EUR million	<b>30 June 2010</b>	31 March 2010	31 December 2009	30 September 2009	30 June 2009
Inventories	198.8	176.5	198.7	207.1	246.9
Advance payments made	2.6	2.1	2.4	2.8	3.8
Trade receivables	153.5	143.9	131.1	152.6	144.5
Trade payables	-59.1	-54.1	-51.8	-62.9	-54.0
Advance payments received	-63.8	-54.9	-76.9	-89.0	-111.3
<b>Net working capital</b>	<b>232.0</b>	<b>213.6</b>	<b>203.5</b>	<b>210.5</b>	<b>229.8</b>

Net working capital – inventories, advance payments made and trade receivables less trade payables and advance payments received – increased from EUR 210.5 million at 30 September 2009 to EUR 232.0 million at 30 June 2010. This mainly involves two opposing factors: a EUR 25.2 million decrease in advance payments received, and a EUR 8.3 million decrease in inventories. The reporting period brought the first major increase in inventories compared with the preceding quarter. This is partly due to the better situation regarding order intake and therefore to an improvement of operating business. Advance payments received also rose compared with the preceding quarter, which is another positive indicator for the future.

in EUR million	<b>30 June 2010</b>	30 September 2009
Total assets	814.9	818.8
Shareholders' equity	259.3	227.7
Gearing in %	3.4 %	2.7 %

Total assets of the Demag Cranes Group came to EUR 814.9 million at 30 June 2010, down EUR 3.9 million compared with 30 September 2009. The main assets-side factors in this change consisted of the EUR 8.3 million decrease in inventories and a EUR 4.4 million decrease in property, plant and equipment; these were countered by a EUR 7.0 million increase in other current non-financial assets. On the shareholders' equity and liabilities side, shareholders' equity increased by EUR 31.6 million to EUR 259.3 million. Most of the change in shareholders' equity was accounted for by the EUR 13.0 million net income after tax and an amount of EUR 18.6 million recognised directly in equity for differences arising from currency translation. There was also a EUR 25.2 million decrease in advance payments received. Other current provisions also fell by EUR 20.2 million from EUR 51.4 million to EUR 31.2 million. Most of this was accounted for by utilisation of the restructuring provisions in the amount of EUR 13.8 million.

In addition to the liabilities shown on the balance sheet, there are significant guarantees for third-party liabilities in the form of contingent liabilities relating to buy-back arrangements entered into in the Port Technology segment in connection with sales of certain Company plant and machinery products. The maximum potential obligation amounted to EUR 55.3 million at 30 June 2010 (30 June 2009: EUR 52.7 million).

Gearing – the ratio of net debt to shareholders' equity – increased slightly in the period under review from 2.7 percent to 3.4 percent at 30 June 2010.

The equity ratio (total equity to total assets) improved substantially and stood at 31.8 percent at the end of the reporting period (30 September 2009: 27.8 percent).