

Press Release

2004: Third Consecutive Successful Year for Gottwald Port Technology with Record Number of Orders

Düsseldorf (Germany), 14 January 2005 – Gottwald Port Technology, the world's leading supplier of Mobile Harbour Cranes with more than 900 cranes installed globally, has completed its third consecutive year of excellent performance with a record number of 66 cranes sold. For Gottwald Port Technology, the year 2004 was marked by good results in both existing and new markets, a new sales record for the company's current bestseller, further progress in the bulk handling sub segment and the successful launch of a new product series, the HPK Harbour Pontoon Cranes.

"2004 was again a good year for Gottwald. With 66 cranes sold, order intake last year topped the 60 units level for the third time and we repeated our record of 2002," said Giuseppe Di Lisa, Gottwald's Sales Director. "Our positive overall performance is largely based on our strategy of consistent on-going development of new products and markets. I'm especially pleased by the successful efforts to strengthen the company's worldwide position as supplier of dedicated solutions, as reflected in the positive results in the four-rope grab segment or the launch of the HPK Harbour Pontoon Crane series."

Order Overview by Regions

The 2004 order overview shows a total number of 66 units. 37 orders of last year's harbour crane orders came from Europe, where Belgium was very strong with 9 units. Spain and the UK also played an important role with 5 and 4 cranes respectively. In the Nordic Countries Gottwald strengthened its position with 4 cranes, i.e. 2 units for Norway and 1 unit each for Finland and Iceland. Additional European orders came from France (2 units), Greece (1 unit), Italy (2 units), Netherlands (3 units), Turkey (2 units) and Russia (1 unit). Romania welcomed its first 2 Gottwald cranes.

With 37 units, the majority of orders again came from Europe, i.e. 56%, but compared to 2003, when European orders represented 63% of total order intake, 2004 was

characterized by a shift in favour of orders from outside Europe, reflecting Gottwald's strong worldwide presence.

Performance in the Middle East region was strong with 1 order for 6 cranes from Syria and 2 orders for 5 cranes from the United Arab Emirates (U.A.E.). With 5 cranes for Mexico, Puerto Rico, Jamaica and Colombia, Gottwald further consolidated its position in Latin America. 4 cranes went to Asian countries (Indonesia, Korea, Japan), including the second crane for Japan that had ordered its first Gottwald crane only in 2003. The remaining orders came from the United States (2 units), Canada (1 unit), Africa (4 units – Algeria, Tanzania, Egypt) and last but not least French Polynesia and New Caledonia (1 unit each).

Order Overview by Segments

53% of orders, i.e. 35 units, came from the conventional two-rope cranes segment. The four-rope crane sub segment for bulk handling – accounting for 47% of the total output last year – was characterized by a notable growth trend with 31 units sold compared to 24 units in 2003 and 17 units in 2002. Orders in Gottwald's special product line, including rail-mounted HSK Portal Harbour Cranes and the newly launched HPK Harbour Pontoon Cranes, totalled 7 units, representing 11% of orders and including 6 HSK Portal Harbour Cranes and 1 HPK Harbour Pontoon Crane. All HSK cranes as well as the HPK were at the same time four-rope grab cranes.

HMK 300 E Breaking Records – HMK 170 E Orders Roll in

In 2004, Gottwald's bestseller broke new records. 22 orders for the HMK 300 E Mobile Harbour Crane, which have been placed by both new and existing customers around the world, even outstripped 2003's excellent result of 20 units, having secured 33% of orders in 2004. "With some 80 units of the HMK 300 E sold to date worldwide since the launch as successor of the HMK 280 E in 2000, sales have been far greater than anticipated," said Andreas Möller, Deputy Sales Director Harbour Cranes. "With the HMK 300 E Gottwald obviously offers exactly what users need. This positive development is all the more pleasing since this universal 100-tonne crane, which is ideally suited to serve larger-sized, e.g. Panamax and post-Panamax vessels, attracts more and more new customers around the world."

9 HMK 170 E cranes ordered in 2004, compared to 4 units in 2003, reflected also growing interest in Gottwald's universal 63-tonne crane intended for all applications including

container handling and bulk operation with motor grab – hence the ideal solution for the entry into professional cargo handling.

Important Market Entries – Romania and Japan

Port and terminal operators in not less than 70 countries around the globe rely on Gottwald cranes and still the company manages to conquer new markets, as was the case with Romania last year. 2 units of the HMK 300 E bestseller – the very first Gottwald cranes for Romania – were ordered by customer Dubai Ports International for its terminal in the port of Constanta at the Black Sea. In addition, 1 HMK 170 E order from a new customer in Japan last year marked an important step for Gottwald in its efforts to gain foothold on this market. It was only in 2003 that Gottwald had delivered its first crane to Japan – an HMK 170 E.

Portal Harbour Cranes on the Right Track

After the above-average order intake of 9 HSK units in 2003, 6 units sold in 2004 further reinforced Gottwald's HSK Portal Harbour Crane segment. With a variety of follow-up and new orders for Gottwald's HSK Portal Harbour Cranes, port and terminal operators continued to show interest in the HSK concept that in the meantime has been extended to a full range, including the models HSK 170, HSK 260, HSK 300, HSK 330 and HSK 360 with lifting capacities of up to 120 tonnes and radii of up to 56 metres. Port Autonome de Bordeaux, France, for example, ordered its third HSK 260 EG Portal Harbour Crane and Commercial Port of Vladivostok in Russia placed a follow-up order for an HSK 170 EG. "These follow-up orders are evidence that our existing customers are satisfied and know that they can rely on our proven technology", said Dirk Kiessling, Gottwald's new Chief Executive Officer. "And of course, these follow-up orders serve as an excellent reference to pull in new orders." ABP Immingham, UK – a long-standing Gottwald customer, so far only operating a range of HMK cranes – for example demonstrated its trust in Gottwald's HSK cranes, when ordering its first 2 HSK 360 EG cranes for professional coal handling. To date, Gottwald has sold a total of 22 HSK cranes that combine the proven technologies of the HMK Mobile Harbour Cranes with a rail-mounted portal instead of rubber-tyred chassis.

Pontoon Harbour Cranes – New Product Series Successfully Launched

In line with its strategy to develop untapped markets, Gottwald added the HPK Harbour Pontoon Crane series to its portfolio in summer 2004. Being mounted to a barge, the

HPK Harbour Pontoon Crane enables direct transloading of cargo from large vessels to river barges. First customer and at the same time concept initiator of Gottwald's new product line was St. James Stevedoring Company, Inc. – one of the leaders in bulk cargo handling on the Lower Mississippi River, Louisiana, USA – who was looking for new barge mounted cranes for its mid-stream operations. The first pontoon mounted crane (or barge crane as is called in USA), an HPK 330 EG, using the same proven technologies as the Gottwald HMK Mobile Harbour Cranes, handled its first shipment on the Mississippi River in December 2004 after successful practical testing. Commenting on Gottwald's first manufacturing project for this new product Paul E. Morton, Vice President and General Manager of St. James Stevedoring Company, Inc., said: "Assembly and commissioning as well as testing of our new HPK 330 EG have been extremely good. Gottwald's team did everything to keep things on schedule. Their professionalism, technical knowledge and attention to detail was amazing. I would like to thank Gottwald for all it has done for St. James on this project." The proven four-rope grab crane, suitable for continuous professional bulk handling, is equipped with a diesel-electric drive and transfers bulk cargo, such as fertilisers, ores, coal, sugars and agribulks, from the large vessels coming into the mouth of the Mississippi River to the river barges that then carry the valuable loads on the 14,000 miles navigable inland waterway system to the hinterland.

Boost in the Bulk Handling Market

With 31 units the order intake in the four-rope grab cranes segment was particularly high last year. The efficiency, performance and flexibility of Gottwald's four-rope grab cranes to fulfill a wide variety of tasks convinced port and terminal operators from all over the world to vote for mobile harbour crane solutions as an alternative to purpose-build equipment. Four-rope grabs of all available sizes contributed to the excellent result. Significant deliveries included 4 four-rope grab cranes ordered by Gottwald's long-standing customer ABT Antwerp Belgium for professional handling of coal and other bulk materials. Commenting on the surge in orders, Gottwald's Sales Director Giuseppe Di Lisa said: "More than 140 four-rope grab cranes are in use worldwide. The figures speak for themselves. The continuous improvement of orders since 2002 reflects the success the company has achieved with its strategy to conquer new markets with dedicated solutions for special applications."

Four-ropes Grab Market Share in the Middle East

With 9 four-rope grab cranes ordered by Syria and the United Arab Emirates – out of a total of 11 cranes for the Middle East in 2004 – Gottwald also continued its success story of 2003 in this region, when the company was awarded 4 contracts for 6 cranes from Iran, Jordan and Qatar. Apart from 6 HMK 60 HG cranes for Syria, the 2004 orders included 3 HMK 330 EG cranes for Saqr Port Authority in the United Arab Emirates (U.A.E.) for professional handling of clinker and other bulk materials with a peak capacity of up to 1,100 tonnes. With these recent successes, the overall number of Gottwald Mobile Harbour Cranes in the Middle East reaches nearly 70 units. “Gottwald is now present in almost every country of this region and in view of the positive economic development in the Middle East, we will continue to concentrate our efforts on this promising market,” said Dirk Stoll, Gottwald Port Technology's Regional Sales Manager Middle East.

Wide Span Gantries

Despite strong competition in the gantry crane segment, Gottwald was able to secure 2 orders for its Wide Span Gantries – launched at the beginning of 2003 – suitable for intermodal and trimodal cargo handling between ship, rail and road truck or for managing extensive stack yards. 1 WSG was ordered by Hafenbetriebe Rheinland-Pfalz GmbH and will be operated by Unikai Hafenbetrieb Wörth GmbH in their transshipment container terminal in Wörth by the Rhine, Germany. The crane, with a track gauge of 19 metres, quayside cantilever length of 30 metres and landward side cantilever length of 26.5 metres, will be ready for commercial operation in late 2005. It has a lifting capacity of 67 tonnes on the ropes, 50 tonnes with twinlift spreader and one-over-five container stacking capability. The second order came from Logistische Dienste und Hafen Emmerich GmbH. This WSG will be operated by Rhein Waal Terminal GmbH in their container terminal in Emmerich by the Lower Rhine and is expected to be in commercial service at the end of 2005. The crane has a track gauge of 44 metres, quayside cantilever length of 26 metres and landward side cantilever length of 13 metres. It offers a lifting capacity of 52 tonnes on the ropes, 40 tonnes with spreader and one-over-four container stacking capability. Both WSG cranes will be used as quayside cranes for loading and unloading Rhine barges, transshipment between ships, rail and road and stackyard management.

Apart from these new orders, Gottwald is able to report promising efforts with regard to various projects on hand. The 3 Wide Span Gantries, ordered by Hafenbetriebe

Ludwigshafen GmbH in 2003 for one of the largest container handling sites along the Rhine, went into operation successfully in summer 2004 at TriPort container terminal in the Ludwigshafen Rhine river port of Kaiserwörth.

Management Changes

After 23 successful years in the crane and logistics business, Gottwald's Chief Executive Officer (CEO), Dr. Dirk Kelp, retired effective 31 December 2004. He was succeeded as CEO by forty year-old Dirk Kiessling effective 1 January 2005, who continues to serve as Chief Financial Officer (CFO). In addition, Dr. Mathias Dobner, former Head of Sales and Consulting for Terminal Systems, was appointed Chief Technical Officer (CTO) and joined the Gottwald Management Team effective 1 July 2004. "The appointment of Dirk Kiessling and Dr. Mathias Dobner, two managers from inside the company, clearly is a decision in favour of the company's continuity and reflects Gottwald's philosophy of combining tradition and innovation," said Dr. Horst Heidsieck, CEO of Demag Holding, Gottwald Port Technology's parent company. "Both know the company very well and have many years of experience in the crane and logistics business."

Strategy and Outlook 2005

Focusing on customer needs, exploiting the growth potential in existing markets and conquer new markets, continue to be the company's most important objectives in 2005. "The actions we have taken during the past years to reshape our business have ensured we are well placed to meet the rapidly changing needs of port and terminal operators as they develop their handling activities," said the new Chief Executive Officer Dirk Kiessling. "We are continuously taking steps to strengthen and position the company for the future, and I believe we're in good shape to sustain steady growth and extend our record of reliable, consistent value creation for our customers."

About Gottwald Port Technology

Gottwald Port Technology GmbH, located in Düsseldorf (Germany), is the world's leading supplier of Mobile Harbour Cranes (HMK series). The company produces a comprehensive range of Mobile Harbour Cranes with lifting capacities of up to 120 tonnes and radii of up to 56 m, in addition to the rail-mounted Portal Harbour Cranes (HSK series), the Wide Span Gantries launched at the beginning of 2003 and the HPK Harbour Pontoon Cranes launched in summer 2004. Apart from this, Gottwald offers a multitude of services for terminal operators. These services range from conceptual design and operational layout,

14 January 2005/ **2004: Third Consecutive Successful Year
for Gottwald Port Technology with Record Number of Orders**

basic engineering of equipment and systems to Automated Guided Vehicles and Automated Container Stackers. The company presently has a workforce of around 690 employees in Düsseldorf and the turnover for the financial year 2003/2004 (as of 30 September) is €195 million.

For further information, contact:

Gottwald Port Technology GmbH

Postfach 18 03 43 • 40570 Düsseldorf • Germany

Peter Klein

Phone: +49 (0)211 7102-355 • Mobile: +49 (0) 173 722 10 74

Fax: +49 (0)211 7102-660

peter.klein@gottwald.com