2008 ANNUAL REPORT

MANITOU WORLD LEADER IN ROUGH-TERRAIN MATERIAL HANDLING

MANITOU


MANITOU


MANITOU


GEHL

2008 Institutional Report

Contents

Corporate report

Financial report

61%

of net sales
are made internationally

MANITOU is present in 120 countries

MANITOU network: more than 600 dealers and/or distributors across the world
GEHL® / MUSTANG® network: 780 distributors across the world, of which 660 are in the United States

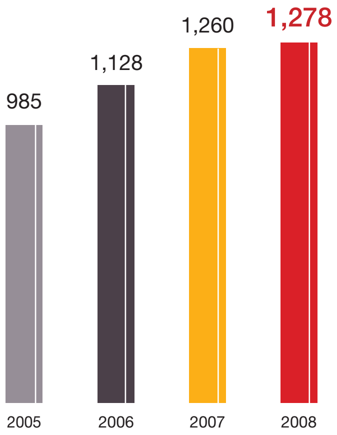
24
subsidiaries
throughout the world

10
production plants

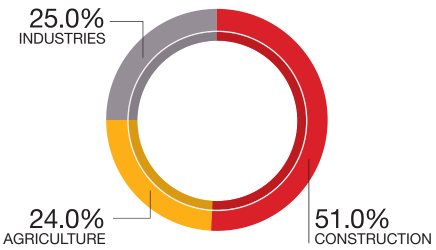
3,319
employees
throughout the world

1,278 M€
of net sales

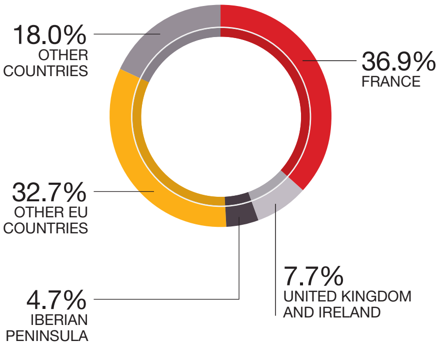
Consolidated net sales (in millions of €)



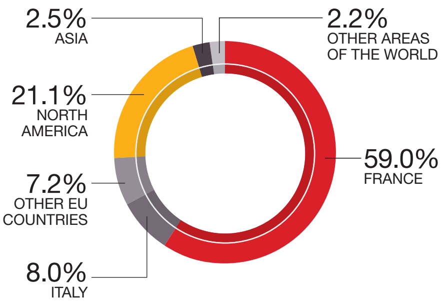
Sales breakdown by business



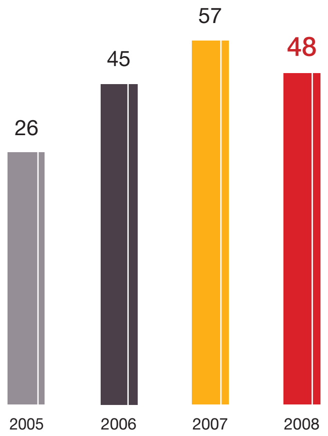
Net sales by geographic region



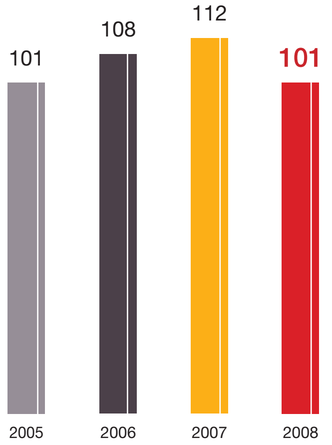
Breakdown of staff by geographic region



Intangible and tangible investments (in millions of €)



Cash-flow (in millions of €)



A new managerial organisation adapted to the Group's issues

To cope with the growing diversity of its activities and the rapid development of its net sales, which has grown threefold in 10 years, the Group profoundly altered its organisation at the end of the first quarter 2009. A new managerial organisation was put in place which is more strongly orientated towards the characteristics of its line of work and large-scale geographical areas.

This new operational organisation, which will come into effect during the second quarter of 2009, is based on three major divisions run by Vice-Presidents, who are grouped together with Members of the Executive Committee within an Executive Management Group.

In altering its organisation in this way, the Group intends to continue to put in place the strategic guidelines which make up its Vision, in full accordance with the objectives set by the Supervisory Board.

The Executive Committee

Marcel Claude BRAUD
President and CEO

Christian CALECA
Executive Vice-President, Operations

Bruno FILLE
Executive Vice-President, Group Development

The Supervisory Board

The Supervisory Board, which today is made up of 7 Members, will be comprised of 8 Members after the General Meeting in June 2009.
It will incorporate two new independent Members, including one who replaces Mr Georges-Henri BERNARD, who will be resigning from office at the next General Meeting.

At the end of March 2009 the Supervisory Board was made up of:

- Marcel BRAUD, Chairman
- Jacqueline HIMSWORTH, Vice-Chairwoman
- Gordon HIMSWORTH
- Sébastien BRAUD
- Georges-Henri BERNARD
- Serge GHYSDAEL
- Joël GOULET

The Board is responsible for:

- The assessment, management and regular examination of the Group's accounts and those of its subsidiary companies;
- The approval of major investments;
- The deliberation on all strategic decisions.

The Executive Committee

Composed of 3 Members, a President and two Vice-Presidents, the Executive Committee welcomed Christian CALECA, at the end of 2008, who replaces Frédéric MARTIN, who left the Company at the end of October 2008.

At the end of March 2009 the Executive Committee was made up of:

- Marcel Claude BRAUD, President and CEO
- Christian CALECA, Vice-President
- Bruno FILLE, Vice-President

The Executive Committee is responsible for:

- The drafting and implementation of the strategy and main guidelines taken by the Supervisory Board;
- The management and administration of the Group within the Executive Management Group, relying on the Managers of the subsidiary companies.

The Executive Management Group

In order to better manage the different activities of the Group, as much on a sectorial level as on a geographical level, the Executive Committee in accordance with the Supervisory Board, established a new operational organisation at the end of March 2009, with the setting up of three large-scale Divisions and a Senior Management Head Office. On this same date, an Executive Management Group of 5 Members was established, composed of the President and CEO, the Corporate Executive Vice-President and the three Division Vice-Presidents.

Therefore, from 1 April 2009, all the Group's activities which are placed under the authority of the President and CEO will be reorganised according to the following divisions:

- ALL TERRAIN MATERIALS HANDLING Division (outside the Americas): Christian CALECA
- MANITOU INDUSTRY Division: Jean Louis HERVIEU
- COMPACT EQUIPMENT AMERICAS Division: Malcolm F. MOORE

The Corporate Executive Vice-Presidency, which is under the responsibility of Bruno FILLE, oversees all the corporate functions of the Group (Finances, Information Systems, Legal issues, Communication, Human Resources and particular projects).

> “After several years of strong growth, in 2008 the MANITOU Group registered a change that contrasted markedly with its other results, as a result of a turnaround in the construction market in Europe and the apparition, from mid-September, of an unprecedented worldwide financial crisis.”

In an increasingly difficult environment, the Group has continued to improve the commercial position of its core activities by expanding in all geographical areas, as a result of the rejuvenation of its range of equipment and the efficiency and quality of its distribution networks. MANITOU has significantly reinforced its position as the uncontested global market leader in all terrain handling and telescopic forklift-trucks in particular.

In addition, at the end of October the Group finalised its takeover bid of the North American company GEHL that it launched at the beginning of September. Despite the emergence of the financial crisis in the meantime, this strategic operation still makes perfect sense. It enables the Group to reinforce its activity in the dollar zone, while all the while developing a potential for important links in the areas of distribution, purchasing, research and development and production tools. Admittedly, this acquisition temporarily weighed on the Group’s financial structure during a period when the latter had to face an economic downturn whose unexpected impact strongly affected its activity. The financial results of the 2008 exercise have unquestionable repercussions on this unfavourable context with a consolidated net margin before amortization of goodwill that was reduced to 4.4%.

Considering the intensity of the economic crisis and the negative impact which it is to have on our principal markets in the forthcoming months, the Group has put itself in “battle-mode” to confront this difficult period. Since the end of 2008, the Executive Committe has developed and set in motion an action plan entitled “2001 Performance Plan” designed to achieve two main objectives: the adaptation of the organisation and the cost structure of the different entities within the Group according to the new economic climate, together with an improvement in the generation of cash-flow with a view to rapidly reducing the Group’s debt.

In short, in order to complete this plan the Group put in place a new managerial organisation at the end of March 2009 with the construction of three divisions more strongly organised by trade and geographical zone, so as to forge closer relationships with its clientele and better satisfy their demands.

We are fully confident in the ability of the Group to meet the challenges that it faces in an increasingly complex and difficult economic environment. You can be certain that we will employ all of the company’s resources to successfully emerge from the crisis reinforced, in order to continue our development and increase our commercial positions in the areas of materials handling and compact equipment.

The Executive Committee

MANITOU, world-leader in all terrain material handling

Vision

MANITOU, rough terrain material handling world-leader, has the ambition to carry on its development working close to its customers on all grounds.

Strategic Goals

- Extend our product ranges and increase our market share
- Increase our customers' satisfaction and loyalty
- Pursue profitable and sustainable development
- Unite the workforce and develop human capital

Values

- A passion for the product
- Customer relationships
- Expertise in our trades
- Involvement and reactivity of teams
- Commitment to the Group's financial independence

2008: a strategic acquisition for the MANITOU Group

In line with its ambitions for development in the United States and the rest of the world, the MANITOU Group, in October 2008, acquired the American company GEHL, expanding into complementary strategies, as much in terms of product ranges as distribution networks or production capacity. Despite taking place at the dawn of a global economic crisis, this acquisition makes perfect sense and is in complete harmony with the strategic focus areas of the Group:

Expand our product ranges and increase our market shares

With a large range of compact equipment (telescopic forklift-trucks, skidsteer-loaders on wheels or tracks and articulated loaders), and significant penetration into the American market, the GEHL company has perfectly completed the MANITOU ranges, while reinforcing its commercial positions across the world, and on the North American continent in particular.

A development strategy in line with the Group's Vision

Increase the satisfaction and loyalty of our clients

MANITOU's offering, now completed by GEHL's internationally-known range of equipment, reinforces the Group's position in the construction sector as far as materials handling and compact equipment is concerned. In addition, GEHL offers material handling solutions in agriculture and industries to all its clients.

By enlarging its distribution network through the GEHL network, which consists of more than 650 independent dealerships across the world and more than 100 distributors outside of North America, the MANITOU Group also guarantees, for the three brands of MANITOU®, GEHL® and MUSTANG®, a local service and a high quality maintenance service throughout the world.

Pursue sustainable growth and profitability

Anxious to get through the crisis and minimise its financial impact, the MANITOU Group is preparing, in line with its strategies, the future development of the company and the establishment of a set of measures designed to adapt to the new economic environment.
These measures, which were developed as part of a plan called "PERFORMANCE 2011" will allow the Group, in lowering its profitability threshold and improving its cash-flow generation, to be insulated from market fluctuations and other hazards posed by the world economic crisis whose peak is expected to be in 2009.

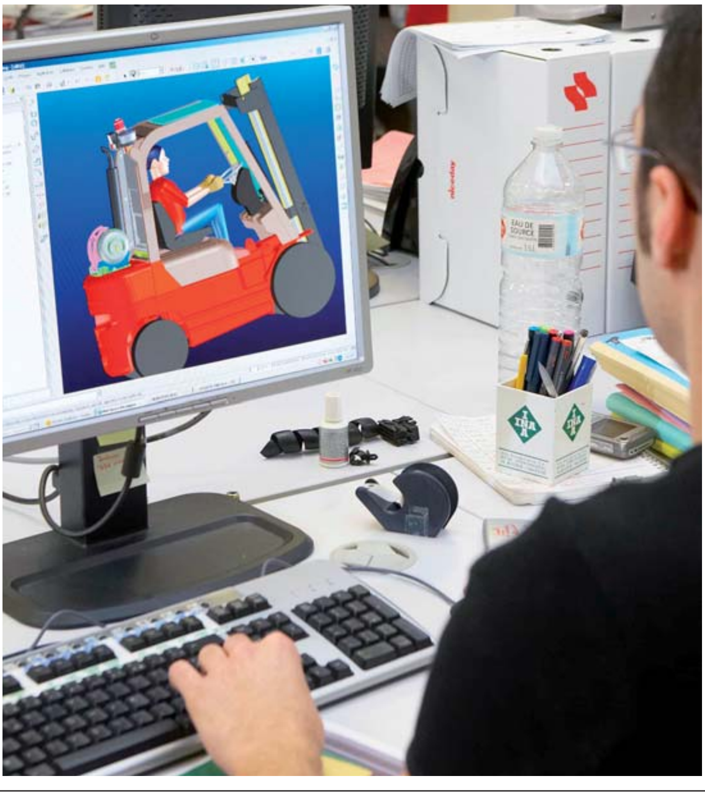
Unite personnel and develop human resources

While the Group prepares to reduce its workforce across all its structures, as a result of the rapid slowing down of business since September 2008, different measures have been put in place to limit the social impact and provide guidance for any professional transfers:

- deployment of Voluntary Leavers Plans, completed by training courses and personalised guides for employees who have decided to leave the company;
- maintenance of key skills in developing training plans and prioritising internal recruitment;
- acceleration of action plans designed to guide international human resources.

Three trades that add value

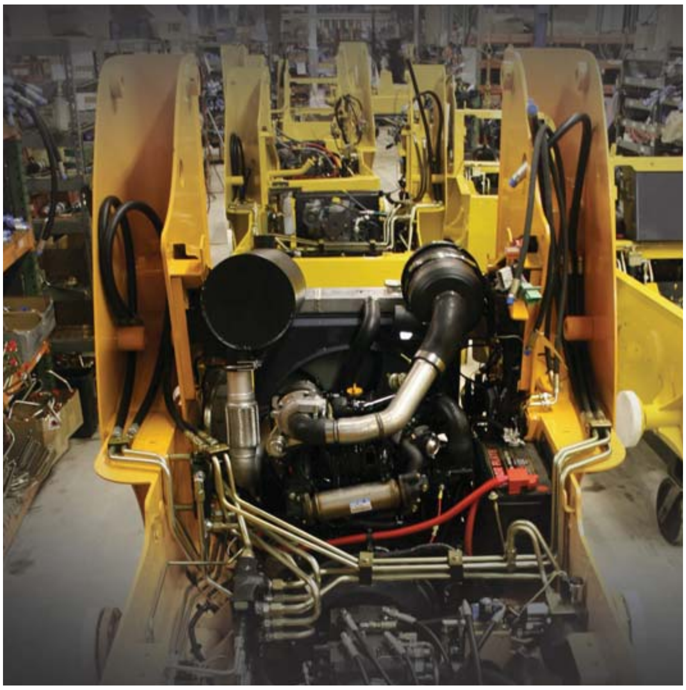
From the very beginning, MANITOU, just like the GEHL company which has recently been integrated into the Group, has based its economic model on three essential activities: design, assembly and distribution. This strategy for growth has allowed the two companies to concentrate their efforts on product innovation, the establishment of high-performance and flexible production resources, and the construction of a strong network of independent distributors.



Design

Product innovation, the key to the success of the strategy for growth.

This continual search for innovation allows MANITOU and GEHL to anticipate the markets needs by designing products which fully meet their clients' needs. Equipment from MANITOU®, GEHL® and MUSTANG® therefore always have a competitive advantage which is recognised by all their users.



Assembly

Highly flexible, high performance manufacturing resources.

In order to adapt to fluctuations in demand and to accommodate the specific features of their various markets, MANITOU and GEHL have established their manufacturing resources around three key concepts:

- development of know-how in the manufacture of mechanical-welded assemblies, such as chassis, booms and masts;
- flexibility, through a high level of manufacturing sub-contracting and the use of externally sourced componentry;
- the use of high performance assembly and fitting capacity.

Distribution

Sound networks of independent distributors.

From the very beginning MANITOU and GEHL have sought to establish a reliable and effective network. Today more than 600 dealers and distributors in over 120 countries, all specialists in handling equipment, carry the MANITOU brand and share the same level of commitment as their manufacturer. The abilities of this specialist network are today unanimously acknowledged in all MANITOU sectors of activity.

Similarly, a network of 780 distributors, of which 660 are in the United States, disseminate the brands GEHL® and MUSTANG® over the five continents.

A market which is evolving towards service.

By offering a complete service through their networks, from financing to equipment maintenance, MANITOU and GEHL are ideally placed to assist in this shift on an international scale.

Develop innovative and reliable products

A product strategy in accordance with the organisation

All terrain material handling

All terrain equipment remains the unquestionable area of expertise of the company. From the first forklift-truck designed by Marcel BRAUD to the completely new generation of all terrain telescopic forklift-trucks, the equipment ranges have expanded over the years to adapt, first and foremost, to trades within the Construction sector, followed by the Agricultural sector and numerous Industrial sectors. The MANITOU (all terrain masted forklift-trucks) and MANISCOPIC (telescopic forklift-trucks) ranges, the MANILOADER (compact loaders), MANIHOE (telescopic forklift-trucks with rear shovel), MANIACCESS (access-platforms) and MANITRAC (telescopic tractors) complete the all terrain handling product range.

Industrial material handling

Looking to the future and in accordance with its main industries, the MANITOU Group has, over the years, developed an additional, coherent range of industrial materials and equipment (MANITOU INDUSTRY) specifically designed for material handling on stable ground (IC and electric forklift-trucks), or for the demands of storage with the MANILEC range (electric pallet-trucks and stackers). In addition to this, there is the MANITRANSIT model range (truck-mounted forklifts), which are transportable on lorry and are therefore able to ensure unloading and material handling on site. Several of the Group's production sites are dedicated to the manufacturing of the materials for the MANITOU INDUSTRY range.

Compact equipment

With the acquisition of the GEHL company at the end of 2008, the MANITOU Group was keen to reinforce its presence in North America and enlarge its product offers by integrating compact materials such as mini "skid-steer" loaders on wheels or tracks, small compact loaders and mini-shovels. Distributed under the GEHL® and MUSTANG® brands across the North American continent as well as in Europe and other regions, these materials benefit from an excellent reputation and offer a whole host of supplementary products for the clients and distribution networks of the two brands. Two factories in the United States ensure the manufacturing of the distributed mini-loaders and telescopic forklift-trucks. The other pieces of equipment which are not manufactured by GEHL are subject to distribution agreements with internationally reputable manufacturers.

The product ranges

MANITOU®, all terrain, industrial and semi-industrial forklift-trucks

MANISCOPIC®, all terrain telescopic, rotating and heavy load forklift-trucks

MANILOADER®, compact loaders

MANITRANSIT®, truck-mounted forklifts

MANIACCESS®, vertical, articulated or scissors access-platforms

MANIHOE®, telescopic forklift-trucks with rear-shovel

MANILEC®, warehouse equipment including counter-balanced forklift-trucks, pallet-trucks and stackers

MANITRAC®, telescopic tractors

GEHL®, compact mini-loaders, telescopic forklift-trucks and compact equipment

MUSTANG®, compact mini-loaders, telescopic forklift-trucks and compact equipment

Construction
51%

Agriculture
24%

Industries
25%

A wide-ranging offer that meets the demands of professionals

Three complementary sectors of activity

Constantly aiming to expand the sales of its equipment into new areas of activity, the MANITOU Group has always sought to overcome fluctuations in sectors which are intimately linked to its growth, such as the construction sector, historically its original market. The growth of activity in the agricultural and industrial sectors has therefore gradually supplemented and extended the fields of application for MANITOU equipment.

In order to implement its strategy, the Group has always endeavoured to match its products to the needs and specific features of each market.

Today, with an extensive range of handling and personnel lifting equipment, the MANITOU Group is continuing to pursue its strategy of development of markets with a high potential for growth.

Construction

Construction, the MANITOU Group's historic activity sector.

Since the first all-terrain forklift-truck appeared in 1958, the company has always worked closely in consultation with professionals in the building sector in order to provide all terrain handling equipment which fully meets their needs (telescopic trucks, masted forklift-trucks). This product-offer has been expanded by the compact equipment range from the company GEHL. All these products are characterised by their reliability, their versatility and their efficiency, which are three essential assets for construction companies.

Agriculture

A benchmark in agricultural handling.

Since the early 1990s' MANITOU has designed, manufactured and marketed a range of telescopic forklift-trucks specifically adapted to the needs of farmers and breeders.

This range has been enriched by mini-loaders and small articulated loaders from the company GEHL, which provides supplementary solutions to material handling in the agricultural environment.

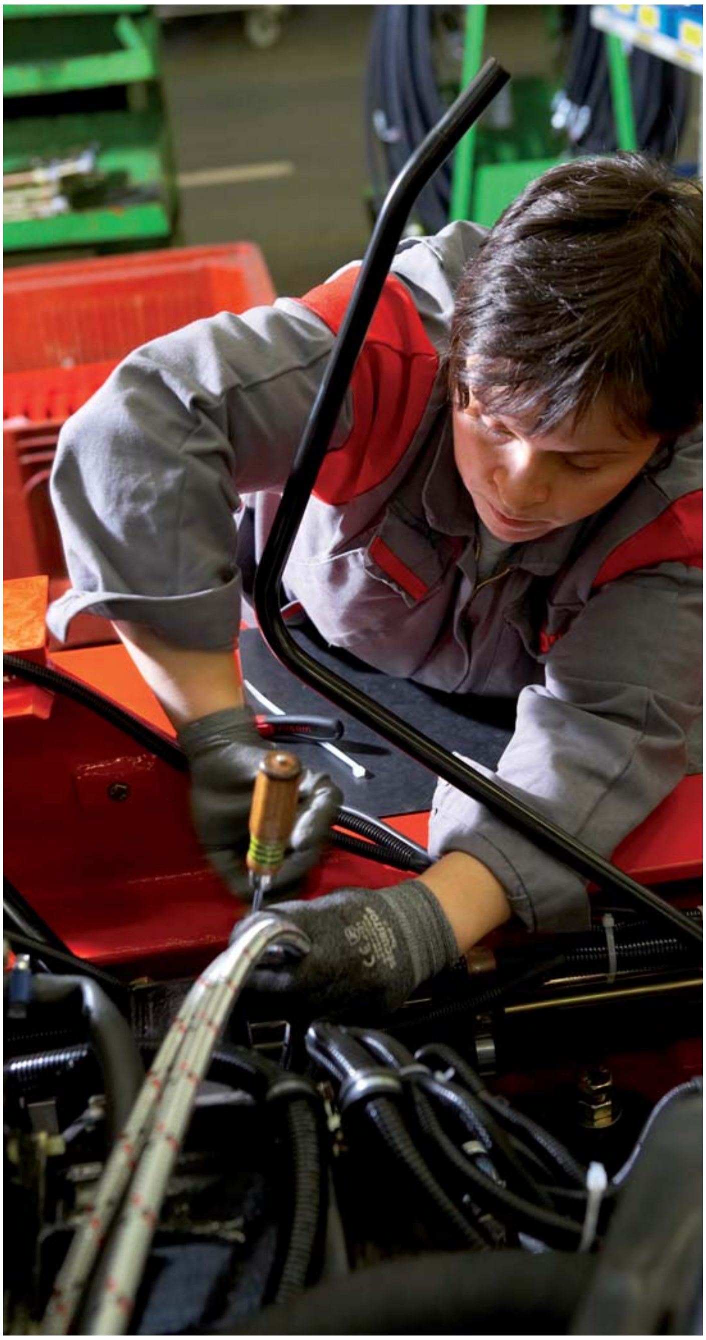
Industries

A specialist providing services to specialists.

Established in the early 1970s, in particular through the partnership with TOYOTA, the range of MANITOU Group products in the industrial applications sector has expanded as the years have gone by.

Today the complementary nature of the various ranges of equipment means that distributors can offer the fullest possible range of products to clients as varied as manufacturing industries, major distribution companies, waste processors and the timber industry.

MANITOU, a Group committed to pursuing responsible procedures



Unite the workforce and develop human capital

Since the beginning the MANITOU-Group has achieved growth and success by its reliance on respect for sound human values, values which are also shared by the GEHL Company, recently integrated. In order to implement its plans and continue expanding internationally, the Group has set up a human resources management system focusing on the development of skills, professional mobility and guidance in adapting to change.

Accelerate the support of human resources internationally

Present on all the continents, the MANITOU Group continues to support its teams. The external growth of the Group in the USA has driven the workforce outside of France, from 701 people or 26% of the workforce at the end of 2007 to 1,363 people or 41% of the workforce at the end of 2008. As a consequence, this very significant change in size, has lead the Group to adapt its organisation and to present a global policy designed to assist the management in developing its human resources.

Maintain the skills which are vital to the development of the Group

The dramatic world-wide slowdown in activity in 2008 lead the MANITOU Group to adapt its workforce, while striving to maintain the skills necessary for the Group's future development. In order to manage this adaptation, which is likely to continue over the coming year, the Group has entered a process in view of modifying its organisations. In addition, the marked decrease in recruitment provided the Group with the opportunity to intensify its internal recruitment policy; this approach, supported by a significant effort in terms of training, is enabling many employees to embark on new professions and thereby ensure them better employability in the future.

WE SUPPORT
THE GLOBAL COMPACT

MANITOU is a member of
the United Nations Global Compact

Reinforce risk prevention: a non-negotiable commitment

In a difficult climate, the MANITOU Group refused all trade-offs that could have had harmful consequences for its employees. On the contrary, it has renewed its commitment to all of its production sites to not only develop security conditions, but also ergonomics and the optimisation of work posts. New prevention procedures were set up to identify the biggest hazards for operators and to make them participants in ensuring their own safety. The year 2008 was also marked by the development of internal trainers on all the sites, which enabled a redeployment of training courses for the entire workforce, with better responsiveness and greater efficiency in terms of demand.

MANITOU is committed to a long term approach which seeks to combine economic performance with product quality and sustainable growth

ISO Certifications: continual improvement in service to clients

With ISO 9001 certification since 1996, MANITOU includes the quality procedure at all levels in the life of its products, from design to operation. In addition, ISO 14001 certification, obtained for the Ancenis production site in June 2007, is the first significant step in the improvement process set up for protection of the environment. For MANITOU this certification represents a natural extension to its policy of continuous improvement in quality, safety and client satisfaction and is evidence of the Group's commitment in the field of the environment.

MANITOU share

Shareholding

Main shareholders

SFERT SA: 41.79%

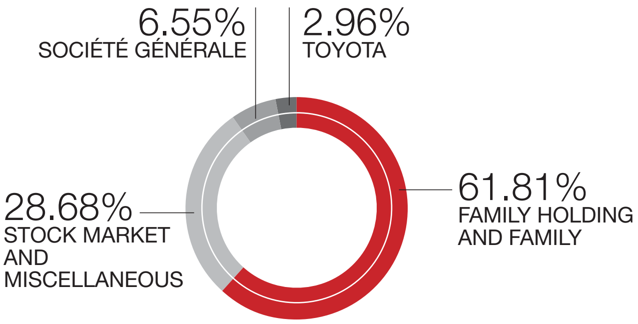
Mr Marcel BRAUD: 9.63%

Mrs Jacqueline HIMSWORTH: 5.04%

ANCEMAT: 5.00%

SOCIÉTÉ GÉNÉRALE: 6.55%

TOYOTA: 2.96%



Breakdown of capital ownership as at 31.12.2008

MANITOU shares are listed on EURONEXT Paris

- EUROLIST compartment B
- French deferred Regulation Service (since 26.02.2008)
- ISIN code: FR0000038606
- Nominal value: €1
- Transaction unit: 1

The capital and shareholding at 31.12.2008

- Total capital: €37,809,040
- Total number of shares: 37,809,040
- Total number of voting rights: 37,068,623 (apart from automatically held votes)

Share price indexes

- CAC Mid 100
- SBF 250
- Next 150

Shareholding management

- Establishment responsible for servicing the shares: SOCIETE GENERALE SECURITIES SERVICES
- Development agreement: PORTZAMPARC SOCIETE DE BOURSE SA

Person responsible for the financial information

Bruno FILLE, Executive Vice-President.

Share price data

SHARE PRICE IN €	2004*	2005	2006	2007	2008
Highest	25.50	39.90	39.30	48.70	31.90
Lowest	17.50	24.20	30.50	29.54	7.50
Year-end closing price	24.48	36.25	38.00	31.25	8.15
Change over the year	+34.1%	+48.1%	+4.8%	-17.8%	-73.9%
Change in Mid CAC 100 over the year	+22.1%	+39.0%	+29.8%	-1.9%	-42.2%
Change inSBF 250 over the year	+9.2%	+26.3%	+18.2%	+0.6%	-43.1%
Share price capitalisation on 31.12 in millions of euros	**926**	**1,371**	**1,437**	**1,182**	**308**
Average number of shares traded each day	13,672	26,262	27,128	27,077	44,584
Number of shares traded during the year	3,481,080	6,151,072	6,877,886	6,904,754	11,413,488
Share turnover rate	9.2%	16.3%	18.2%	18.3%	30.2%

* Taking into consideration the bonus issue of 3 new shares for every 1 existing share on 12.07.2004.

Year 2008

Financial report

Financial Report

Persons responsible for the annual information document

Marcel Claude BRAUD, President and Chief Executive Officer
Bruno FILLE, Executive Vice-President, Corporate
Christian CALECA, Executive Vice-President, Operations,

We testify that, to the best of our knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and results of MANITOU BF and all the companies included in the consolidation, and that the attached management report presents a true and fair view of changes in the business, the results and financial position of MANITOU BF and all the companies included in the consolidation together with a description of the main risks and uncertainties they face.

Ancenis, 28.04.2009,

The Executive Committee

Marcel Claude BRAUD
President and CEO

Bruno FILLE
Executive Vice-President, Corporate

Christian CALECA
Executive Vice-President, Operations

Executive Committee's Management Report

To the Shareholders,
We have convened this Annual General Meeting to report to you on the management of MANITOU BF SA and its subsidiaries in 2008 and to submit the proposed resolutions for your approval.

MANITOU GROUP CONSOLIDATED FINANCIAL STATEMENT

After more than ten consecutive years of virtually uninterrupted growth, during which the Group achieved a three-fold increase in consolidated sales and confirmed its world leadership in rough terrain handling equipment, 2008 will be remembered within the MANITOU Group for the strategic acquisition made in the United States and for the unprecedented global financial crisis. The almost simultaneous occurrence of these two events in the last four months of 2008 significantly complicated a year that had got off to a very positive start, with solid growth over the first eight months.

On 08.09.2008, the Group launched a friendly bid for the 85.6% of the capital it did not yet own of the US company, GEHL, with a view to strengthening its commercial presence in America and reinforcing its world leadership in its core business. The collapse of LEHMAN BROTHERS ten days later triggered a liquidity crisis that spread across the entire globe in a matter of weeks, tipping world economies into a sudden and pronounced recession.

The Group successfully completed its takeover at the end of October 2008 but was then obliged to prepare to meet a crisis that had already begun to affect all its businesses. After recording 8% growth in consolidated sales in the first half of 2008, sales declined by -20% in the second half and ended the year at €1,258 million (excluding the impact of GEHL), i.e. virtually unchanged over 2007. The appreciation of the euro against most of the main currencies, together with higher operating expenses and finance costs (linked mainly to the acquisition of GEHL), brought the net margin down by -1.9 point to 4.9% with net income of €62 million. Moreover, due to the difficult market conditions and to application of International Financial Reporting Standards, the consolidation of GEHL over two months had a negative impact of -€58 million, corresponding to an operating loss of -€6 million and goodwill impairment amounting to €52 million. After consolidation of GEHL and taking into account the aforementioned adjustment, Group share of net income came to €4 million, down by 95.2% compared with 2007.

The acquisition of GEHL also had an impact on the Group's financial structure, bringing net debt to €478 million and significantly increasing working capital requirements due largely to cost of carry in GEHL's accounts and sales financing receivables on end-customers in an amount of €203 million.

The scale of the contraction in activity in the last part of 2008, which is expected to continue throughout 2009, means that the Group no longer complies with the conditions specified in its credit and financing contracts in France and the United States. This situation has prompted it to start discussions with all its banking partners to redefine financing conditions for 2009. These discussions will be particularly delicate for GEHL, given its financial structure and the scale of the crisis affecting both GEHL and its banking partners. The MANITOU Group has clearly stated its intention of containing the financial risks of its new subsidiary until it has stabilised its medium-term financing.

Despite the difficult situation prevailing at the date of this report, the mediocre outlook does not call into question the MANITOU Group's operating continuity. Like all the other players in its market, MANITOU is facing difficult economic and financial conditions in 2009. In response to this challenge, it has implemented a plan called "PERFORMANCE 2011" that includes major adaptation measures that, in view of the Group's market position, financial structure and the motivation of its staff, should enable it to emerge from the crisis even stronger than before.

Executive Committee's Management Report

Consolidated net sales

Against a backdrop of economic crisis and a pronounced slowdown in rough terrain handling equipment business in the last months of 2008, MANITOU's consolidated sales (which for the first time included GEHL as from 01.11.2008) for the year came to €1,278 million, up by +1.4%.

At constant scope consolidated sales remained virtually flat, at €1,258 million in 2008 versus €1,260 million in 2007. The strong depreciation of some currencies against the euro, in particular the pound sterling and US dollar, had a negative impact of -€24.3 million on sales relative to 2007. At constant scope and exchange rates, sales growth would have been +1.8%.

In Europe, the strong trend in sales in France (+7%) and most other European countries offset the slump in sales of telescopic forklifts in Spain (-75%) and of handling equipment in the United Kingdom (-30%). In 2007 these two countries had been the Group's leading export markets, together accounting for 20% of consolidated sales.

Outside Europe, performances were mixed with a slowdown in the United States, both for GEHL (-22%) and for MANITOU (-5%) and continuing strong growth (+25%) in the rest of the world.

International sales came to €783 million in 2008, corresponding to 61% of total consolidated sales.

Sales by economic sector

Although the Group operates only in the handling business segment, sales are analysed by broad economic sector.

- In the building sector, all the markets swung from strong growth to contracting demand. The building sector crisis that began in the United States in mid-2006, when home owners financed by subprime mortgages began to default on their mortgage loans, gradually spread throughout the world. At the end of 2007, rising interest rates tipped the Spanish and Irish markets into a recession, the depth of which only became visible in 2008. The crisis then spread to the United Kingdom, where the near-collapse in February 2008 of the NORTHERN ROCK bank and slumping financial markets pushed the property market, very speculative up to then, into a pronounced recession. The building market downturn, which at the end of the first half of 2008 had affected those countries that had enjoyed years of speculation-driven growth in their property markets, spread rapidly to the rest of the world. LEHMAN BROTHERS' collapse in mid-September 2008 and the subsequent worldwide propagation of the financial crisis dealt a severe blow to all markets. The chronological order of these events set the timing for the impact on Group sales. Although very severe, the global market downturn did not reach the geographic regions that had been the most dynamic until late in the year, thereby limiting the effect on MANITOU's sales in 2008.

  The Group therefore recorded a 2% drop in sales in the building market at constant scope in 2008 (stable including GEHL). The building market represented 51% of consolidated sales in 2008 compared with 52% the previous year.

- In the agricultural sector, the market continued to boom in 2008. High prices of cereals, milk and meat kept farmers' revenues relatively high, although below the level of 2007. European Union subsidies for modernising farming continued to accelerate the pace of change in the farming sector, particularly in the latest countries to join the European Union. This very positive situation nonetheless took a turn for the worse at the end of the year with a fall in the prices of some food products and a sudden halt in sales of agricultural machinery in countries outside the euro zone. The devaluation of the Russian rouble, the uncertainties hanging over the Hungarian banking system and the appreciation of the euro against all the Eastern European currencies suddenly cut off the financing for investment in agricultural machinery in these markets.

  Growth in Group sales in the agricultural sector was also affected in 2008 by an unfavourable basis for comparison due to the expiry in June 2007 of the contract for the assembly of telescopic forklift-trucks on behalf of CASE NEW HOLLAND, which had generated sales of €14m in 2007.

  Taking these factors into account, the Group's sales in the agricultural sector increased by +6% (4% including the impact of GEHL), representing 24% of consolidated sales in 2008 compared with 23% in 2007.

- In industry, where the Group is present in a wide range of sectors such as manufacturing, wood, waste treatment and transformation of materials, investment in machinery recorded moderate growth. In France, distribution of industrial products and the subcontracted manufacture of masts on behalf of TOYOTA continued to record robust growth thanks to the launch of a new range of industrial forklift-trucks. At international level, the Group maintained its position in the industrial sector by stepping up the marketing of masted forklifts and heavy-duty telescopic forklifts for intensive use.

  Sales in the industrial sector remained stable in 2008, representing 25% of total sales, i.e. unchanged relative to 2007.

Executive Committee's Management Report

Sales by type of activity

2008 sales break down as follows by type of activity:

In millions of €	2007	**2008 at constant scope**	Change in % 08/07	**2008* Including GEHL**	Change in % 08/07*	**2008 Pro Forma**
Rough terrain handling equipment	857	856	0,0%	859	0.3%	919
Access-platforms	88	80	-9.3%	80	-9.3%	80
Mini-loaders				13	n.a.	111
Industrial Equipment	94	102	8.3%	102	8.3%	102
Spare parts	137	147	7.2%	149	9.3%	172
Industrial sub-contracting	47	37	-21.9%	37	-21.9%	37
Other activities and services	37	35	-4.1%	37	1.1%	59
TOTAL	**1,260**	**1,258**	**-0.2%**	**1,278**	**1.4%**	**1,481**

* Integration of GEHL as from 01.11.2008

* Pro forma with GEHL's sales over 12 months

- Sales of rough-terrain forklift-trucks increased slightly, by +0.3% to €859 million (excluding GEHL). Growth in sales of rotating and heavy-duty forklift-trucks remained strong, in line with previous years. In contrast, deliveries of masted and telescopic forklift-trucks dropped due to the reduced activity in the building sector. Lastly, sales of truck-mounted forklifts were affected by the economic slowdown in all their markets.

- Sales of aerial work-platforms, focused mainly on the rental market through sales to independent dealers or to the large rental networks, fell by -9.3% to €80 million. The slowdown was most pronounced in the building sector where some major rental companies suddenly halted their investments, cancelling scheduled shipments of some orders. In spite of these difficult conditions, the MANITOU Group continued to gain market share in many European countries, both for engine-powered platforms for the building industry and electric access-platforms for industrial uses.

- The mini-loaders business contributed by GEHL is a new product segment for the Group. Sales generated by this market came to €13 million for the months of November and December. This equipment is marketed in the building and agricultural sectors but also in numerous other sectors, both in the United States and the rest of the world. The mini-loaders business generated sales of €111 million for GEHL over the full year 2008.

- The industrial equipment business recorded strong growth of +8.3%, bringing sales to €102 million. Growth was stronger in France where sales of industrial handling equipment benefited from the new range of industrial forklifts distributed on behalf of TOYOTA. The Group continued with its strategy of reinforcing its industrial handling and warehousing equipment business and distribution network outside France by signing up new dealers.

- The spare parts business grew by +9.3% (7.2% excluding GEHL). The growth in the volumes of machinery sold in recent years favoured sales of spare parts in all geographic regions, except Spain. The drastic downturn in the Spanish building sector resulted in reduced use of machines and the relocation at the beginning of 2008 of part of the equipment to countries not yet affected by the crisis.

- The industrial subcontracting activities declined by -21.9% to €37 million, due mainly to the expiry in June 2007 of the contract for the assembly of telescopic forklift-trucks on behalf of CASE NEW HOLLAND, representing a negative impact of -€14 million compared with 2007. Mast subcontracting undertaken on behalf of TOYOTA increased by +10.8%. It benefited from strong demand in the European industrial handling equipment market and the progressive take-off of sales of the new range of TOYOTA industrial forklifts. Growth in this activity also benefited from the commissioning in the last quarter of 2007 of the new mast manufacturing line at the Ancenis plant.

- Lastly, other activities, which comprise sales of services, equipment renting and sales of accessories and other complementary products, declined by -4.1% (up by +1.1% including GEHL) with overall sales of €37 million.

Net sales by geographic region

Sales by geographic region were as follows:

In millions of €	2007	2008 at constant scope	Change in % 08/07	2008* including GEHL	Change in % 08/07*
France	415	458	10.4%	458	10.4%
United Kingdom and Ireland	148	95	-35.6%	95	-35.5%
Spain and Portugal	148	58	-60.5%	58	-60.4%
Benelux coutries	76	110	45.7%	111	46.5%
Italy	75	79	5.8%	79	6.2%
Germany	60	69	15.0%	70	16.0%
Other UE countries	121	144	18.9%	146	20.0%
Total European Union	**1,042**	**1,014**	**-2.7%**	**1,017**	**-2.4%**
Other European countries	39	52	34.4%	53	36.8%
Africa	38	50	31.6%	50	32.1%
North America	36	34	-5.0%	47	30.9%
Pacific region	24	26	9.8%	27	12.1%
Rest of the world	34	44	29.1%	46	35.8%
TOTAL OTHER COUNTRIES	**171**	**206**	**20.9%**	**223**	**30.9%**
TOTAL SUB-CONTRACTING	**47**	**37**	**-21.9%**	**37**	**-21.9%**
TOTAL NET SALES	**1,260**	**1,258**	**-0.2%**	**1,278**	**1.4%**

* Integration of GEHL as from 01.11.2008

Group sales, excluding the industrial subcontracting activity, grew by +2.3% to €1,241 million in 2008 (up by +0.6% to €1,221 million excluding GEHL). Inside the European Union, sales were down by -2.4%, due mainly to the contraction in the Spanish and British markets, which had been the Group's two largest export markets in 2007. Outside the European Union, good economic conditions enabled MANITOU to continue its development with +30.9% growth in sales (+20.9% excluding GEHL). The acquisition of GEHL has strengthened the Group's position in North America and resulted in a better geographic spread, which will only produce its full effect as from 2009.

In the European Union

Sales within the European Union came to €1,017 million in 2008 and break down as follows for the main countries:

In France, sales amounted to €458 million, up by +10.4% compared with 2007, and represented 35.8% of total Group sales. Sales of equipment to the building sector continue to grow strongly in a market boosted in the first half by tax relief in the form of tax exemption for interest on property loans and strong sales to machinery leasing networks. In the agricultural sector, the Group benefited from the significant improvement in farmers' revenues in 2007, pushed up by soaring cereals prices. Lastly, sales in the industrial sector remained stable relative to 2007. The increase in sales of TOYOTA industrial forklifts, boosted by renewal of the range, offset the decline in sales of other equipment.

In the United Kingdom and Ireland, sales fell by -35.5% to €95 million due to contracting markets and strong depreciation of sterling relative to 2007. After sixteen years of prosperity, the United Kingdom entered a recession in February 2008 due to the difficulties encountered by its two main engines of growth: the property and financial markets. Like Spain, the United Kingdom experienced a greater boom in the property and credit markets than other countries in Europe, resulting in high levels of household indebtedness and soaring property prices. The rise in interest rates in 2007 and the fall in the financial markets in 2008 plunged the building sector into a severe recession. This situation resulted in a significant fall in Group sales of telescopic forklift-trucks to the building sector, which was only partly offset by the continuing growth in sales to the agricultural sector. In addition, the upheavals in the British economy weighed on the currency, which depreciated by -15% against the euro resulting in an exchange loss of -€15 million for the Group.

In Ireland, the building sector crisis that began in 2007 intensified, spreading to all sectors of the economy and bringing investment in handling equipment to a virtual halt. Sales in Ireland fell by three quarters in 2008.

In Portugal, business remained satisfactory and the Group strengthened its position by increasing its shareholdings in two distribution subsidiaries, one in the Algarve and one in the centre of Portugal. Sales grew by +13.9%.

In the Benelux countries, sales grew by +46.5% (+45.7% at constant scope) to €111 million. The region benefited to the full from very favourable economic conditions during the first three months of the year, with strong demand in the building sector, particularly in the Netherlands, and renewed demand from equipment rental companies. The Group strengthened its presence and sales network by acquiring, in July 2008, a small access-platform distribution and rental company that will complement its activities in the Netherlands.

In Italy, sales grew by +6.2% to €79 million in difficult and highly competitive markets. The Group's strategy of expanding its distribution network in the farming sector, implemented in 2007, has successfully strengthened its penetration of this market.

In Germany, sales grew by +15.0% at constant scope and by +16.0% to €70 million including GEHL, which has a German subsidiary. The building sector continued to grow despite weaker demand from large rental companies.

In the other EU countries, sales grew by +20.0% to €146 million, driven by the economic momentum prevailing in Northern and Eastern European countries until the liquidity crisis broke out in mid-September 2008.

Outside the European Union

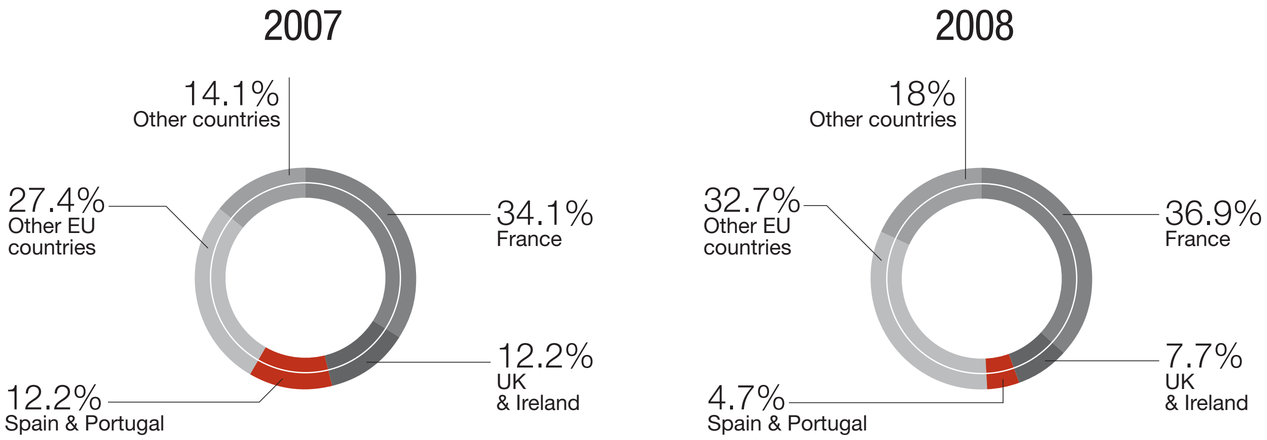
Sales in the rest of Europe grew by +36.8% to €53 million. This performance – perfectly on track with the Group's strategy of conquering new markets – was abruptly halted by the financial crisis. The depreciation of some currencies such as the rouble or the zloty and more difficult access to financing resulted in the cancellation or postponement of a large number of orders, both at the level of MANITOU at its former scope and at the level of GEHL.

In North America, where the Group had little presence, the acquisition of GEHL resulted in a +30.9% increase in sales to €47 million. The whole of North America has been in the throes of a severe property market crisis since the second half of 2006, which was significantly exacerbated by the liquidity crisis and difficulties encountered by financial institutions which have gradually spilled over to the rest of the world. The uncertain economic outlook and the difficulties encountered by users in financing their investments has reduced the market for handling equipment to a very low level.

In the rest of the world, Group sales grew strongly, up by +32.1% in Africa, by +12.1% in Asia/Pacific and by +35.8% in the other regions.

Executive Committee’s Management Report

Net sales by geographic region (excluding subcontracting activities)



Consolidated results

In millions of €	2007	2008 At constant scope	Change in % 08/07	2008* Including GEHL	Change in 08/07*
Net sales	1,260	1,258	-0.1%	1,278	1.4%
Gross profit	410	400	-2.5%	404	-1.6%
% of sales	32.5	31.8		31.6	
Impairment of assets				52	
% of sales				4.0	
Operating profit	131	103	-21.4%	45	-65.7%
% of sales	10.4	8.2		3.5	
Net profit – Group share	86.1	62.1	-27.9%	4.1	-95.2%
% of sales	6.8	4.9		0.3	
Earnings per share (in €)	**2.32**	**1.67**		**0.11**	

* Integration of GEHL as from 01.11.2008

NB : EPS are calculated in according with the principles of IAS 33.

Consolidated earnings declined significantly in 2008, due in part to the sharp slowdown in business in the fourth quarter, and in part to the consolidation of GEHL from 01.11.2008. At constant scope, operating income fell by -€28 million, in addition to which the Group recorded an operating loss of -€6 million for GEHL for November and December and booked €52 million for goodwill impairment in respect of GEHL. Moreover, the debt contracted to finance the acquisition of GEHL, as well as inclusion in the consolidation scope of GEHL’s existing debt, resulted in a net financial charge of €8 million whereas the Group had traditionally always recorded net financial income. After taking into account these exceptional items and consolidation of GEHL, Group share of net income came to €4 million compared with €86 million the previous year.

Operating income at constant scope

The inflationary trend in raw materials and components prices that began in 2006 continued throughout the first half of 2008, forcing the Group to raise its equipment selling prices three times during the year. The differential between increases in selling prices and purchase prices remained largely under control and knocked only 0.3 point off the gross margin. This was globally satisfactory to the extent that the market remains under significant competitive pressures and the Group's two main rivals in its core business are located in countries whose currencies (British pound and US dollar) depreciated significantly against the euro in 2008.

Exchange rates were the factor with the most significant impact on the gross margin in 2008. The strengthening of the euro against all foreign currencies, particularly against the British pound (+30%), squeezed the margin by -0.7 of a percentage point in spite of the foreign exchange hedges put in place and increased purchases of components in sterling.

Lastly, the product mix benefited from the increased weight in sales of rotating telescopic forklifts and high tonnage forklifts, and from the increase in sales of spare parts. This had a positive impact of +0.3 point on the gross margin, with gross profit of €400 million, down by -0.7 point relative to 2007.

Apart from €3.1 million of non-recurrent income in 2007 from the sale of 20% of the Group's shareholding in TOYOTA INDUSTRIAL EQUIPMENT (TIE SA), the other elements with an impact on operating income related mainly to:

- an increase of +€2.1 million in personnel costs,
- an increase of +€5.8 million in provisions for depreciation linked to the determined policy of industrial modernisation implemented by the Group over the past two years,
- an increase of +€2.3 million in provisions for risks and charges, linked to adjustments in provisions for warranties, and an increase of +€3.5 million in provisions for depreciation of current assets relating mainly to depreciation of stocks, and
- a decline of -€1.2 million in other operating income.

Operating income excluding GEHL came to €103 million, down by -21.4% compared with 2007 and representing 8.2% of sales compared with 10.4% in 2007.

Operating income including GEHL

The first-time consolidation of GEHL took place in the midst of the economic crisis. GEHL's sales for the fourth quarter of 2008 were down by -52% compared with the same period in 2007. Its gross profit over the last two months of the year suffered a negative impact of -€1.2 million resulting from the restatement of the opening balance at 01.11.2008 which resulted, in accordance with IFRS 3, in the revaluation of inventories at their fair value of €6 million. The Group's gross profit, including GEHL, therefore came to €404 million corresponding to a gross margin of 31.6%. The low volumes invoiced by GEHL in the last two months of the year did not cover its fixed overheads. At the same time provisions for depreciation and impairment were increased by +€0.5 million following the revaluation of non-current assets at their fair value and restructuring costs of €1 million were incurred in order to reduce the staff by 191 people during the period in question.

The severity of the financial crisis that followed LEHMAN BROTHERS' collapse in mid-September and the accelerated economic slowdown placed the Group in a situation that could not have been foreseen. The world handling equipment markets in the building, agricultural and industrial sectors suddenly contracted by more than 50%. The scale of the crisis and its consequences on all economic agents made the business projections for GEHL, established before the acquisition process was launched, impossible to achieve and obsolete. Without calling into question the strategic interest of this acquisition for the Group, the business projections for GEHL for the coming few years have had to be revised downwards.

Given the difficulty of making business projections in such an uncertain economic climate, two hypothetical budgets were drawn up for 2009. They were then assigned a probability of occurrence in order to test, in accordance with IFRS requirements, that the company's discounted future cash-flows cover the fair value of its assets (impairment test). This test revealed a loss of value in the assets of -€52 million, resulting in an impairment provision for the full amount being charged against GEHL's goodwill.

Group operating income was therefore reduced by a non-recurring charge, without future impact on cash-flows, of €52 million. Operating income for the year therefore came to €45 million, corresponding to 3.5% of sales compared with a margin of 10.4% in 2007.

Other elements of the income statement

The financial results were down by -€10.7 million relative to the previous year. This was due for €3 million to a reduction in net cash resulting from higher working capital requirements, investments and the distribution of dividends. The remaining €7.7 million related to the acquisition of GEHL and is composed of three elements:

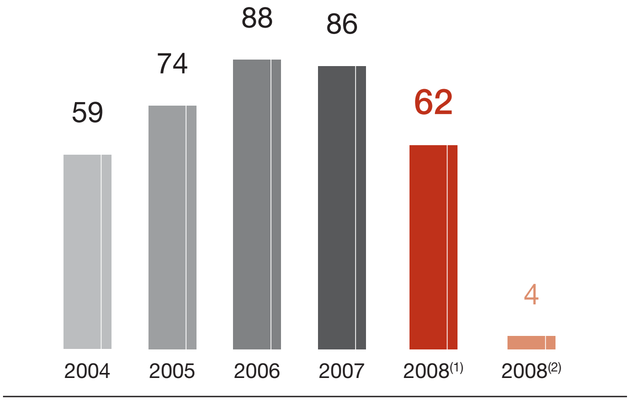
- €2.5 million relating to premiums on foreign exchange options designed to secure GEHL's acquisition price in US dollars. This non-recurrent transaction saved €11 million on the purchase price given the change in the dollar exchange rate between the moment the deal was announced at the beginning of September and the actual purchase of the securities at the end of October;

- €2.1 million in interest expense on GEHL's acquisition debt, corresponding to an average interest rate of 5.38% over the period; and
- €3.3 million in interest expense resulting from consolidation of GEHL, of which €2.5 million related to a floating/fixed interest rate swap which was adversely affected by the repeated rate cuts implemented by the Federal Reserve in the fourth quarter of 2008.

The fall in Group earnings reduced the tax charge by €17 million, of which €13 million relating to the Group at its former scope. The tax rate was 32.4% of income before provision for impairment compared with 33.8% in 2007.

Group share of income of associates was down by -42.6% to €2.5 million due to the reduction of the Group's shareholding in TOYOTA INDUSTRIAL EQUIPMENT in 2007, and to a slight decline in the profitability of the two financing companies, MANITOU FINANCE FRANCE and MANITOU FINANCE Ltd.

After minority interests of €6 million, unchanged relative to 2007, Group share of net income came to €4.1 million, corresponding to a net margin of 0.3%. Excluding GEHL, Group share of net income would have come to €62 million with a net margin of 4.4% compared with 6.8% in 2007.



Net profit Group *(in millions of €)*

(1) At constant scope
(2) Including GEHL and impairment of goodwill

Financial structure

In millions of €	2007	2008 excluding GEHL	GEHL's contribution	2008 new scope
NON-CURRENT ASSETS				
Goodwill	1	2	2	4
Tangible and intangible assets	145	167	91	258
Investments in associates	25	28	0	28
Financial assets (incl. GEHL)	19	274	-269	5
Finance contracts receivables	0	4	88	92
Other non-current assets	10	6	0	6
CURRENT ASSETS				
Inventories and work in progress	307	319	84	403
Trade receivables	266	200	106	306
Finance contracts receivable		1	116	117
Other receivables	35	23	17	40
Current financial assets	52			
Cash and cash equivalents	73	49	8	57
TOTAL EQUITY	**933**	**1,073**	**243**	**1,316**
SHARE CAPITAL	527	550	-81	469
of which minority interests	*3*	*4*	*0*	*4*
NON-CURRENT LIABILITIES				
Deferred tax liabilities	4	8	10	18
Non-current provisions > 1 year	10	15	24	39
Loans and other financial liabilities > 1 year	9	12	73	85
Other liabilities	0	0	3	3
CURRENT LIABILITIES				
Current provisions < 1 year	17	20	9	29
Trade creditors	255	133	11	144
Other liabilities	71	61	17	78
Current financial liabilities	40	274	177	451
TOTAL LIABILITIES	**933**	**1,073**	**243**	**1,316**

The financial structure underwent major changes in 2008 with the acquisition of GEHL. The main impacts concerned an increase of €457 million in debt, the inclusion in assets of €203 million in sales financing contracts with end-users, and goodwill impairment of €52 million on GEHL reflecting the loss in value of the newly acquired company due to the severe downturn in the economic and financial situation in the weeks that followed the takeover bid.

The Group's shareholders' equity declined by -€58 million in 2008 to €469 million, representing 35.6% of total assets compared with 56.5% in 2007. Excluding GEHL, the net income of €62 million after deduction of €42 million for the payment of dividends and a positive adjustment of €3 million relating to various elements, added €23 million to equity. The consolidation of GEHL, however, had a negative impact on equity of €6 million relating to the loss recorded by the company in the last two months of the year, €5 million relating to changes in interest rates on interest rate swaps and to accounting for actuarial changes in pension plans using the SoRIE (Statement of Recognised Income and Expense) method, €3 million in respect of negative adjustments to GEHL's acquisition price and the provision of €52 million for goodwill impairment.

Borrowings and financial liabilities include €36 million in respect of put options with minority shareholders, €16 million arising from the restatement of finance lease transactions linked to the construction of an Italian factory in 2003 and to the financing of equipment for leasing to end-users, €23 million in ordinary bank overdrafts and €12 million in respect of hedging instruments. It should be noted that the financial liabilities relating to agreements with minority shareholders (minority puts) were reclassified as current financial liabilities in 2008 as the minority shareholders have the possibility of exercising their puts at any time.

All the other financial liabilities are linked to the acquisition of GEHL and break down as follows:

- **Debt of MANITOU BF**

  A credit of €260 million plus $125 million or its equivalent in euro, with a duration of five years, was contracted in September 2008 and syndicated with eight French banking partners in October 2008. The credit is composed of an acquisition loan of €210 million repayable over five years on a non-linear basis, and two revolving credit lines of respectively €50 million and $125 million or its equivalent in euro. At 31.12.2008, only the acquisition loan which had been fully drawn appeared in the balance sheet for an amount of €207 million corresponding to the value of the debt, after deduction of the non-amortised portion of arrangement commission relating to the deal. €3 million in respect of the valuation of hedging instruments at fair value at 31.12.2008.

- **Debt of GEHL**

  A credit of $125 million (€90 million) syndicated in October 2006 with a term of five years and drawn in an amount of €84 million at 31.12.2008, in respect of which the conditions of change of control relating to the acquisition had not yet been lifted at the date of this report.

  A securitisation programme of $165 million (€118 million) of which €93 million had been completed and used at 31.12.2008, in respect of which the conditions of change of control relating to the acquisition had not been lifted at 31.12.2008 and which was switched to repayment mode in February 2009, closing access to any further financing, with a view to extinguishing the debt by mid-2010.
  A programme of sales of financing contracts with limited recourse with ad hoc banking partners for an amount of €60 million at 31.12.2008.
  €9 million in respect of the valuation of hedging instruments at fair value at 31.12.2008.

Total current and non-current financial liabilities amounted to €536 million gross at the end of the year and to €478 million net of available cash. The net debt to equity ratio (gearing) was 1.02 and the net debt to sales ratio was 37.4%. Net debt represents 3.7 times EBITDA. The credit agreement signed with SOCIETE GENERALE contained a covenant requiring a net debt (restated for shareholders agreements) to EBITDA ratio of less than 3, whereas the ratio at 31 December came to 3.46. MANITOU BF therefore no longer complies with the criteria set for its credit agreements, which has led it to reclassify the totality of its acquisition debt under short-term debt.
To deal with this situation, the MANITOU Group entered into discussions with its lenders in the first quarter of 2009 with a view to renegotiating all of its debt, both in France and in the United States.
The business downturn at the end of the year also had a significant impact on the Group's working capital requirements. Many customers, whose development projects had been abruptly halted by the crisis, postponed or cancelled their orders, either on their request or because the financing or credit insurance for the transaction was no longer available.
Excluding the acquisition of GEHL, trade receivables decreased by -€66 million while inventories increased by +€12 million despite the implementation of a destocking action plan as from the summer of 2008 and reduced production levels at all the industrial facilities. The slowdown in production resulted in an automatic decrease in purchases from suppliers and a decrease of -€122 million in trade accounts payable over the year, pushing working capital requirements up to a high level.
Also, the consolidation of GEHL added to the Group's working capital requirements through the addition of GEHL's own working capital requirements, which comprise an asset of €203 million in sales finance contracts receivable marketed to end-users in the United States by GEHL. These financing transactions consist of equipment loan contracts with terms of three to six years made through GEHL FINANCE. Their inclusion, under IFRS, in the MANITOU Group's consolidated financial statements is the main accounting difference with the financial statements published by GEHL in the past under US GAAP, which authorised their deconsolidation. Given all the above factors, the Group's working capital requirements increased by +150% to €721 million.

Receivables linked to hire purchase transactions which at 31.12.2007 were classified for the short-term portion under trade accounts receivable and for the medium and long-term portion under other non-current assets were reclassified in 2008 under current and non-current sales financing receivables. Sales financing contracts, which include hire purchase and retail financing contracts, increased significantly in 2008 with the acquisition of GEHL and are accordingly presented on separate lines in the balance sheet.

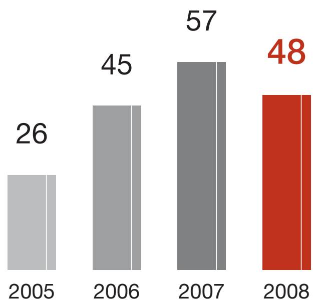
Capital expenditure and gross operating cash-flow

In millions of €		2007	2008 Excluding GEHL	2008 Including GEHL
Working capital from operations		112	103	101
Changes in working capital		-57	-77	-70
	of which inventories	-64	-19	-16
	trade receivables	-30	62	87
	trade accounts payable	47	-126	-141
Cash-flow from investing activities		-43	-282	-278
Cash-flow from financing activities		-52	159	159
	of which loans	-5	203	203
	dividends paid	-42	-42	-42
Net decrease in cash, cash equivalents bank overdrafts and current financial assets		-40	-99	-87

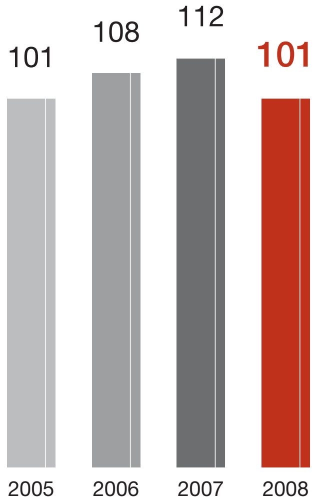
In keeping with the strategy defined in 2003, the Group in 2008 completed all the major investment projects to upgrade industrial facilities at all its plants and equip them with modern and efficient resources designed to lower manufacturing costs and respond to future business development. Capital expenditure under this investment programme, which was entirely financed with operating cash, came to €48 million in 2008, down by -15% compared with 2007. Investments mainly concerned intensification of development efforts, modernisation of information systems, implementation of capacity increases and the bringing in-house of telescopic tube production – an element considered strategic and which had been subcontracted up to then.
Investments in intangible assets increased by +€11.1 million, of which €4.0 million related to development projects to ensure compliance with IFRS criteria and €7.1 million primarily for the implementation of an ERP system, the first modules of which were put into operation at the end of 2007. The installation of the ERP system at the Parent Company and some of the French production subsidiaries is scheduled for completion by the end of 2009.

Investments in property, plant and equipment comprised €6 million for land and buildings, €22 million for installations and other property, plant and equipment and for assets in the course of construction.

Despite the significant fall in Group earnings, gross operating cash-flow stayed firm in 2008, reaching €101 million, i.e. down by only -9.5% compared with 2007. Generation of cash-flow was influenced by higher depreciation and amortisation charges linked to the acceleration in capital expenditure as from 2006 and by restatements without impact on cash such as the provision for impairment of goodwill on GEHL and other provisions.



Intangible and tangible investments *(in millions of €)*



Cash-flow *(in millions of €)*

Parent Company MANITOU BF (data according to French GAAP)

MANITOU BF recorded sales of €1,037 million in 2008, virtually the same as in 2007, but it did not manage to preserve its former level of profitability. Affected by soaring raw materials prices, the appreciation of the euro and higher provisions for depreciation and impairment, operating profit was down by €34 million, in addition to which there was a negative change of €26 million in non-recurrent items relative to 2007. In 2007 it had recorded non-recurrent income of €14 million from the sale of half its shareholding in TOYOTA INDUSTRIAL EQUIPMENT, whereas in 2008 it recorded a non-recurrent charge of €14 million for impairment of treasury stock following the fall in the MANITOU share price. Net income came to €41 million, down by -51% compared with 2007 and corresponding to a net margin of 3.9%.

MANITOU BF's 2008 financial statements also bear the weight of the acquisition of GEHL, whose consolidation had a significant impact on its financial structure with drawn acquisition debt of €210 million and the corresponding increase in non-current financial assets.

Sales - MANITOU BF

Despite the extremely difficult economic conditions prevailing in the second half of 2008, MANITOU BF managed to generate sales of €1,037 million, down by only 0.4% relative to 2007.
The business slowdown was particularly pronounced in Spain and the United Kingdom, which were both affected by the collapse of the building sectors. The downturn in these countries was nonetheless offset by lively growth in France, the Benelux countries, Central and Eastern Europe and Africa.
Demand from the agricultural sector remained robust in all geographic regions, which helped offset the negative impact of the economic slowdown on the building industry and to a lesser extent on the manufacturing sector.

In subcontracting, sales suffered from the expiry in June 2007 of the subcontracting agreement for assembling telescopic forklift-trucks for CASE NEW HOLLAND, which had generated sales of €14 million in 2007. This was only partly offset by the 10.8% increase in sales from manufacturing and assembling mast for TOYOTA.

Results - MANITOU BF

The gross margin stood at 25.7% in 2008, 1.7 percentage point lower than the previous year due to a slower rise in selling prices than in production costs, negative foreign exchange rate trends and a temporarily less positive product mix.

Other external costs remained stable at €114 million despite higher transport costs, a natural increase in warranty expenses arising on the growth in equipment in circulation, and the continuing high level of recourse to external services to accelerate business development.

Payroll and social security charges increased by +7.0% to €69 million, representing 6.6% of sales compared with 6.2% the previous year. The increase in payroll costs mainly reflects the impact over a full year of the recruitments of new staff in 2007 and at the beginning of 2008.
Note that as from the 2008 financial year, MANITOU BF has applied CNC recommendation 2008-17 dated 06.11.2008 and CRC regulation 2008-15 dated 30.12.2008 relating to accounting for stock-option plans and bonus share schemes.

After depreciation, impairment and provisions, which increased by €6 million in 2008 due to the growth in investments of the past two years, and an increase in provisions for stocks of finished products, operating income came to €55 million, down by -37.4% relative to 2007. The operating margin came to 5.3% compared with 8.5% in 2007.

Net financial income came to €16.5 million, very similar to the level in 2007 but with a very different composition. The unwinding of foreign exchange options entered into to hedge the entire acquisition price of GEHL generated a net gain of €10 million which offset the €5 million decline in dividends received from subsidiaries, a €3 million decrease in interest income on surplus cash which was lower than in 2007 and an interest expense of €2 million on the acquisition debt for GEHL.

The company recorded a net non-recurring charge of €18 million consisting for €13 million of impairment in the value of treasury shares held to cover stock-option plans. This impairment reflected the fall in MANITOU BF's share price, which dropped from €32.42 at 31.12.2007 to €8.44 at end-December 2008.
After taking into account incentive plans, profit-sharing (down by -54.3% to €3 million) and the corporate income tax charge (also down, by -57.8% to €10 million, MANITOU BF recorded net income of €41 million, down by -50.9% relative to 2007. The net margin came to 3.9% of sales compared with 8.0% in 2007.

Subsidiaries, shareholdings and branches (data according to IFRS)

Activity and results of main subsidiaries

GEHL COMPANY

- Presentation of GEHL

Founded in the United States in 1859, GEHL COMPANY is now one of the world's leading manufacturers and distributors of compact equipment for the building and farming sectors. Its registered office and research centre is located at West Bend, Wisconsin, and it has two production plants in South Dakota: the Yankton plant which assembles telescopic forklifts and the

Madison plant specialised in mini-loaders. It also has a fully owned subsidiary, CE ATTACHMENTS, which markets handling accessories and two subsidiaries created to carry the securitisation programme for GEHL's retail sales financing activities in the United States. It also has a distribution subsidiary in Germany, GEHL EUROPE. All GEHL's manufactured or trading products are marketed under the GEHL®, MUSTANG® and EDGE® brand names through a network of 660 independent distributors in the United States and 120 dealers in the rest of the world. At the date of the acquisition, GEHL COMPANY and its subsidiaries employed a total workforce of 848 in the United States and Europe.

Presentation of the acquisition

MANITOU BF had owned 14.4% of the capital of GEHL COMPANY since July 2004. Mr Marcel Claude BRAUD, President and CEO of MANITOU BF's Executive Committee, was also a Member of GEHL COMPANY's Board of Directors. The acquisition was approved by MANITOU's Supervisory Board on 27.08.2008. MANITOU's strategic acquisition is consistent with the Group's growth plans in the United States and globally, and will enable MANITOU to:

- strengthen its global leadership in the rough terrain material handling equipment sector by building a presence in the US;
- expand its operations in both the construction and agriculture segments of the US market, with equipment tailored for those market segments and sold through three separate distribution channels: GEHL, MUSTANG and MANITOU;
- complement its offering of compact equipment with the addition of the mini skid-loader product line, a segment in which GEHL is a global leader;
- increase production capacity in the United States to better position itself for US dollar based transactions in global markets;
- accelerate the Group's global growth by pooling resources and capacities.

On 08.09.2008 TENEDOR CORPORATION, a wholly-owned subsidiary of MANITOU created specifically for that purpose in September 2008, launched a tender offer for GEHL COMPANY, which was listed on the NASDAQ up to October 2008. GEHL's Board of Directors advised shareholders to tender their shares to the offer. The all-cash $30 per share price offered corresponded to a 120% premium relative to the closing price on the last trading day before the offer was announced and to a premium of 92% relative to the average closing price over the six months preceding the offer. The price paid to acquire the GEHL shares not already held by MANITOU together with the expenses linked to the deal came to €252 million. The acquisition was financed from Group cash for €42 million and by an acquisition loan of €210 million arranged on 04.09.2008 with SOCIETE GENERALE. The aggregate percentage of shares held by TENEDOR and MANITOU BF on expiry of the offer exceeded the 90% threshold, enabling the mandatory buyout of the shares not tendered. GEHL COMPANY, now 100% owned by the MANITOU Group, was delisted from the NASDAQ on 27.10.2008. On the same date, TENEDOR was merged with and into GEHL COMPANY, which is now a wholly-owned subsidiary of MANITOU BF.

Accounting treatment applied to the acquisition

GEHL COMPANY's financial statements have been included in the MANITOU Group's consolidation scope since 01.11. 2008. In accordance with IFRS 3, the company's assets and liabilities were estimated at fair value on the acquisition date. The assessment carried out with independent appraisers and advisors valued the tangible and intangible assets based on a five-year business plan drawn up in October. The main adjustments in the value of intangible assets related to the GEHL brand for $32 million, the dealer network for $18 million and technology for $13 million. Inventories were also revalued at fair value for $6 million. Although this was not a direct consequence of the accounting treatment applied to the opening balance on acquisition of GEHL, inventories also increased in value by $34 million on the merger of TENEDOR and GEHL through addition of the LIFO (Last In, First Out) reserve that existed under US GAAP on the date of the merger. Lastly, the surplus not allocated at the end of the acquisition price allocation procedure was allocated to goodwill for an amount of $76 million.

The presentation of GEHL's financial statements according to IFRS also resulted in some significant differences with their presentation under US GAAP. The main differences relate to the non-deconsolidation under IFRS of finance contract receivables concerning end-users of equipment and related refinancing. These contracts, which can have a duration of up to 72 months but in majority mature within 12 to 60 months, are subsequently refinanced by banking institutions through two channels:

- a finance contracts receivable securitisation programme with a maximum amount of $165 million carried out through two special purpose subsidiaries GEHL RECEIVABLES II, LLC and GEHL FUNDING II, LLC whose financing is provided by a banking partner;
- a programme of the sale of contracts with a recourse clause limited to 5% of their face value to credit institutions.

The value of these contracts at 01.11.2008 came to $290 million, comprising a financial liability of $144 million for the securitisation programme and a financial liability of $83 million for sales of contracts with limited recourse. These transactions, which did not appear in GEHL's financial statements under US GAAP, have been included in the Group's consolidation under IFRS in accordance with IAS 39.

Lastly, all the transactions in the opening balance sheet were converted at an exchange rate of 1.3184 dollar per euro.

■ GEHL's activity and results

MANITOU launched the tender offer for GEHL on 08.09.2008 when all the signs pointed to a possible rebound in the US building market, which had been in crisis since mid-2006, and when the dollar/euro exchange rate was favourable. This was just ten days before LEHMAN BROTHERS collapsed, triggering an unprecedented banking and financial crisis that toppled the global economy into a recession such as not seen since 1929.

Like all the other operators in the market, GEHL experienced a slump in business volumes and a sudden halt in shipments. Major orders scheduled for Central European markets and Russia had to be blocked, even though already manufactured, so as to limit credit risk exposure to regions whose banking systems had been suddenly blocked and whose currencies were faced with rapid depreciation.

Significant adjustment measures were implemented as soon as GEHL entered the consolidation scope. GEHL's headcount, which has stood at 848 employees on the acquisition date, had been reduced to 657 by 31.12.2008. Production rates at the two assembly plants were also significantly reduced through part-time layoffs.

GEHL's sales are included in the MANITOU Group's consolidated financial statements as from 01.11.2008 and amounted to €20 million. On a pro forma basis, GEHL posted sales of $333 million in 2008 compared with $457 million in 2007, corresponding to a decrease of -27% over the full year.

The net result for the last two months of the year was a net loss of -€6.3 million, representing 31.3% of sales.

■ Financial situation

At 31.12.2008, GEHL had financial debt amounting to $348 million (€250 million) consisting of $117 million drawn on a credit line, $129 million in respect of the securitisation programme, $84 million in respect of sales of finance contracts with limited recourse and $18 million in respect of leasing restatements, derivatives and other liabilities.

The $117 million credit line relates to the drawn portion of a syndicated $125 million credit line set in place in October 2006 for a duration of five years. It is accompanied by a change of control clause that could not be lifted on acquisition of GEHL, which took place in the midst of the financial crisis. The slump in business in the fourth quarter of 2008 has dragged down GEHL's profitability, resulting in failure to comply with certain financial ratios (covenants) specified in the credit contract. To avoid a call for early repayment, GEHL on two occasions negotiated waivers of several weeks with its bank pool and obtained an extension that expired at the end of March. On 31.03.2009, GEHL received a letter calling for immediate repayment of its debt. It therefore entered into new discussions which resulted in a forbearance agreement suspending the call for early repayment for a period of thirty days in exchange for:

- part repayment of drawn credit lines based on allocation of part of receipts and free cash, and
- conclusion of a medium-term financing arrangement secured by the company's assets.

If the principles and terms and conditions of the new facility are agreed within the thirty-day-period, the forbearance agreement will automatically be extended for another 45 days to allow for effective implementation.

In view of the rapid deterioration in economic conditions in the United States, the Group has decided to adopt a risk containment policy with regard to GEHL and not refinance it until it has ensured the stable renewal of its financing with its banking pool.

To this end, the Group obtained the necessary legal authorisations from its French banking pool to provide GEHL's banking partners with security based on GEHL's assets in exchange for a medium-term credit facility and thus facilitate a return to normal of the financing of GEHL's operations.

With regard to the securitisation programme, the bank partner responsible for financing notified GEHL on 23.02.2009 of its intention to terminate the programme. Consequently no new contract can be fed into the programme which will be repaid with the cash received on the stock of contracts in the programme, with all payments received being allocated in priority to repayment of the debt towards the banking partner. The programme should thus reach natural extinction in mid-2010.

Lastly, GEHL continues the sale of limited recourse finance contracts to banks, at normal market conditions.

MANITOU UK

This subsidiary, specialised in the distribution of handling equipment and aerial work-platforms in the United Kingdom and Ireland, was hurt by a drastic downturn in its markets and by the weakening of the British currency, which fell by almost -30% against the euro over the period since October 2007. Sales were down by -24.3% in GBP terms and by -34.9% in euro, ending the year at €95 million compared with €146 million in 2007.

In the United Kingdom, the speculative growth in the building market fuelled by the momentum of the British economy in recent years, and in particular by the fall out from a booming financial sector, suddenly slumped in the second quarter of 2008, in the wake of a major confidence crisis in the national banking system and in the financial markets. The industrial sector was gradually affected by the economic slowdown whereas sales to the agricultural sector continued to grow at a moderate pace. Sales generated in the United Kingdom fell by -29.2% in 2008.

In Ireland, whose GDP contracted for the first time in more than ten years, and which is facing the most severe building sector crisis in the European Union, sales fell by three quarters relative to 2007.

At the end of 2008, MANITOU UK's management implemented measures designed to adapt the company's organisation to the underlying trends in its markets.

Net income fell by -81.5% to €0.6 million, corresponding to a net margin of 0.7% of sales compared with 2.3% in 2007.

MANITOU COSTRUZIONI INDUSTRIALI

This subsidiary, which manufactures rotating telescopic forklift-trucks and heavy-duty forklifts and distributes handling equipment and aerial work-platforms in Italy, achieved another year of strong growth with a +20.8% increase in sales to €252 million.

Sales to other MANITOU Group companies increased by +28.5%, reflecting the growth in sales of very high-lifting rotating telescopic forklifts. In the Italian market, which generated sales of €78.3 million, growth concerned mainly the agricultural market.

Production was affected in the last quarter by a sudden fall in demand for building materials and equipment in all the world markets. The rapidity of the downturn resulted in an unexpected glut in stocks of raw materials, components and finished products, requiring drastic production cuts at the end of 2008 and part-time layoffs which are likely to be stepped up in 2009.

Net income came to €21.9 million for a net margin of 8.7%, down by 0.6 point relative to 2007.

COMPAGNIE FRANÇAISE DE MANUTENTION

This subsidiary, specialising in the distribution in France of industrial forklift-trucks and TOYOTA warehouse handling equipment, recorded very strong growth in the first three quarters of the year before feeling the impact of the generalised slowdown in the French industrial handling sector from October 2008 on. Over the full year, sales grew by +8.9% to €85 million. Net income came to €1.3 million, corresponding to a net margin of 1.5% of sales, in line with the 2007 level.

MANITOU BENELUX

This subsidiary, which distributes handling equipment and aerial work-platforms in the Benelux countries, posted very strong growth, with a +45.8% increase in sales which broke through the €100 million threshold to end the year at €108 million. Investment in handling equipment was particularly lively in the building sector, both in Belgium and the Netherlands.

The significant level of deliveries to the major regional rental networks weighed on the leverage the company could have benefited from given the growth in sales. Net income came to €3.4 million, corresponding to a margin of 3.1% compared with 3.3% in 2007.

In July 2008, MANITOU BENELUX acquired DE LADDERSPECIALIST BV in order to strengthen its operations and sales network in the Netherlands. The new company, which specialises in the distribution and rental of personnel lifting equipment, employs nine people.

MANITOU DEUTSCHLAND

This subsidiary, which specialises in the distribution of handling equipment and access-platforms in Germany and Austria, continued to benefit from growth in the most robust economy in Western Europe. Sales grew in all sectors, in particular the building and industrial sectors, with overall growth of 20.2% to €76 million. Its profitability benefited from tighter control of overheads, resulting in net income of €3.5 million which corresponds to a margin of 4.6%, i.e. +136% higher than in 2007.

Activity and results of the main equity associates

TOYOTA INDUSTRIAL EQUIPMENT SA (TIE SA)

This joint-venture, owned by MANITOU BF and TOYOTA INDUSTRIAL COMPANY, is specialised in the assembly of TOYOTA industrial forklift-trucks intended for the European market.

Sales in 2008 benefited from the successful launch of a new range of industrial forklifts in the fourth quarter of 2007, posting an 11.8% increase to €283 million. Net income for the year came to €7.3 million, down by -3.0% compared with 2007 and corresponding to a net margin of 2.6%.

The portion of TIE SA's net income consolidated in the Group's financial statements using the equity method was 20% in 2008, i.e. €1.5 million. It had amounted to €2.8 million in 2007 corresponding to 40% of income for the first half of 2007 and 20% of income in the second half following the adjustments to the partnership between MANITOU and TOYOTA in July 2007.

MANITOU FINANCE FRANCE

This joint-venture, 49%-owned by MANITOU BF and 51%-owned by BNP PARIBAS LEASE GROUP, provides lease and long-term rental financing solutions to end-users of MANITOU and TOYOTA products in France. In 2008, loan production came to €101 million, up by +16.1% compared with 2007. The increase in financing volumes made it necessary to increase the capital of MANITOU FINANCE FRANCE by €6 million, of which €3 million subscribed by MANITOU BF, in order to comply with debt ratios required by the banking authorities.

In 2008, the company generated net income of €0.7 million, of which €0.3 million was consolidated by the Group using the equity method.

MANITOU FINANCE Ltd.

This joint-venture, 49%-owned by MANITOU BF and 51%-owned by BNP PARIBAS LEASE GROUP, provides lease and long-term rental financing solutions to end-users of MANITOU products in the United Kingdom. In 2008, the company's financing production came to €21 million, generating net income of €0.9 million, of which €0.5 million was consolidated using the equity method in the Group financial statements for the year ended 31.12.2008.

Changes during the year relating to subsidiaries, associates and branches

Acquisition of GEHL COMPANY

See "Activity and results of main subsidiaries" on page 30.

Acquisition of DE LADDERSPECIALIST BV in the Netherlands

In July 2008 MANITOU Group acquired DE LADDERSPECIALIST BV, specialised in the distribution and rental of personnel lifting equipment – with a view to strengthening its presence in the Netherlands. The new company, which contributed €1.2 million to Group consolidated sales in 2008, generated pro forma sales of €2.2 million for the full year. At 31.12.2008, DE LADDERSPECIALIST BV employed nine people.

Change in the stakes held in EPL ALGARVE and EPL CENTRO

In the first quarter of 2008, the MANITOU Group bought out a minority shareholder in EPL ALGARVE and EPL CENTRO. These companies, which had up to then been consolidated using the equity method, are now fully consolidated.

Change of name of EMPILHADORES DE PORTUGAL

EMPILHADORES DE PORTUGAL has been renamed MANITOU PORTUGAL with effect from 01.01.2009.

Other information relating to the activity in 2008

Progress on the project to implement a new information system

Keen to optimise the management of its technical, industrial and commercial processes, MANITOU BF continued to pursue the strategic project to overhaul its IT applications via the implementation of an Enterprise Resource Planning (ERP) package.

The first modules of the package selected at the end of July 2006 were implemented during the fourth quarter of 2007 in MANITOU BF and certain French production subsidiaries. Implementation continued in April and September of 2008 with implementation of further modules at the Parent Company and the switch over to 100% ERP at one of the production subsidiaries. All the remaining modules selected for use will be rolled out in two successive phases in mid-2009 and at the end of 2009, followed by gradual implementation in all Group subsidiaries over the next few years.

Outlook for 2009

In view of the deterioration in economic conditions since the end of September 2008 and continuing weak demand in all sectors and geographic regions, MANITOU expects the decline in sales to continue beyond the first half of 2009. The fall in business at the new scope (including GEHL COMPANY over the full year in 2009 and over the last two months of 2008) could be as much as 40% relative to 2008, which would result in a loss for the full year in 2009.

In these conditions, the Group has stepped up the implementation of measures designed to reduce overheads and adapt capacity to the fall in business. For the sake of prudence, MANITOU has already activated a significant portion of its credit lines in order to substantially increase available cash and avoid exposure to the risk of insufficient liquidity over the medium term.

The financial projections have been prepared applying the principle of business continuity based on the following assumptions:

- a decline in business of around 40% in 2009 relative to 2008,
- implementation of significant adaptation measures (see presentation of "PERFORMANCE 2011" plan in note 27 to the consolidated financial statements) and introduction of a new Group organisation (see "New Group organisation" in note 27 to the consolidated financial statements),

- renegotiation of financing agreements in France and the United States during the period covered by the forbearance agreements renewed on 27.04.2009 (see "Renegotiation of financing agreements in France and the United States" in note 27 to the consolidated financial statements),
- renewal of short-term credit lines.

It should nonetheless be pointed out that there are uncertainties inherent in the assumptions described above. In particular, even though MANITOU's management is confident as to the outcome of the negotiations with financial institutions referred to above, the said negotiations are subject to the uncertainties inherent in any financial negotiation.

Like all the other market operators, MANITOU is facing difficult financial and economic conditions in 2009. However, if the assumptions provided above are achieved, and in view of its market position, financial structure and the motivation of its staff, MANITOU can expect to come through the crisis in an even stronger position.

Research and development, patents and licenses

Organisation of product development

In keeping with its strategy, the Group continued to invest in product innovation and improvement. Its development teams are organised into six design offices and represent more than 7% of all Group staff. Development projects are focused on technical innovation and the development of new concepts as well as changes to existing ranges in readiness for changes in regulations.

The main anticipated changes in regulations are listed below:

- **July 2009:** road approval for agricultural equipment;
- **July 2010:** standard EN15000 aimed at ensuring that all telescopic equipment is fitted with anti-snaking safety systems;
- **from 2012:** phased introduction of EURO III B or Tier 3B standards on polluting emissions according to engine power levels;
- **from 2014:** phased introduction of EURO IV or Tier 4 standards on polluting emissions according to engine power levels.

During the financial year 2008, GEHL started centralising all its R&D teams at a new research centre based in West Bend, Wisconsin. This new centre, which is expected to open in mid-2009, will be an integral part of the new GEHL head office currently under construction. It will include a prototype assembly unit and will be fitted with all the latest facilities to test equipment's resistance to extreme temperatures, noise emissions, etc.

In 2008, non-capitalised development costs totalled €12.2 million, equivalent to nearly 1% of net sales.

Capitalised development costs represented a further €4 million in 2008, equivalent to 0.3% of consolidated net sales for the year.

Patents and licenses

The Group holds a series of patents protecting the innovations achieved by its various design offices.
Six patents were filed in 2008 by companies in the Group, including GEHL COMPANY, and the total number of active patents at the end of 2008 stood at 84.

Innovations in 2008

Launch of "MANIACCESS bi-energy" access-platforms

The Group launched a range of 15 to 17 metre access-platforms equipped with a twin powerplant, comprising both a diesel engine and an electric motor, for use in construction and industry. The twin powerplant makes this equipment extremely versatile. Its electric motor allows it to be used inside unventilated buildings, and its engine makes it ideal for outdoor work and for travelling long distances while also recharging its batteries.

New "MSI series K" semi-industrial forklift-truck powerplants

In April 2008, the Group unveiled a complete range of industrial and semi-industrial forklift-trucks equipped with a new diesel engine that will enhance the performance of this type of equipment. These forklift-trucks were launched on the market in the second half of 2008.

Launch of an articulated loader range

During the second half of 2008, GEHL COMPANY started manufacturing and marketing a range of five articulated loaders to provide an offering perfectly complementing the mini-loaders it already supplies. The launch of these products has widened the range of products developed and assembled by GEHL.

Other innovations

During 2008, the Group also began marketing innovative equipment such as the 20-metre-MANIACCESS articulated access-platform, and is in the final stages of bringing all its products with a rated power of more than 36 kW into compliance with the EURO III standard.

Human resources policy

In accordance with Article R 225-104 of the French Commercial Code, MANITOU Group discloses "the manner in which the company deals with the social and environmental consequences of its business". Unless otherwise indicated, the reporting scope is the entire Group.

Staff levels, breakdown and changes

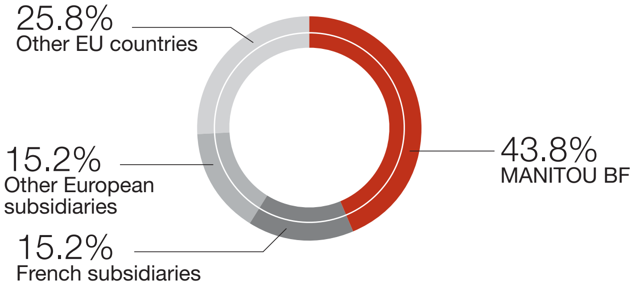
At 31.12.2008, the Group, i.e. the Parent Company and its subsidiaries, employed a total of 3,319 people, 652 more than at the end of December 2007. Companies acquired in 2008 added 879 people to the headcount, of whom 63 in Europe. Out of the 879 new employees integrated in 2008, 688 were still with the Group at the end of 2008, of whom 62 in Europe. Stripping out the transfer of staff from newly acquired companies, the Group's headcount decreased by -36 people or -1.3%.

Breakdown of staff by company and geographic region:

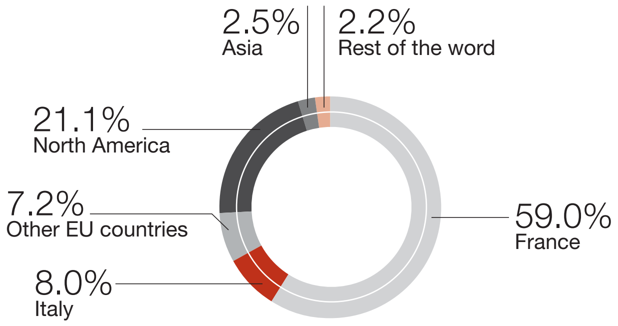
	2007	%	**2008**	%	Change	Change in %
MANITOU BF	1,440	54.0%	1,455	43.8%	15	1.0%
French subsidiaries	525	19.7%	506	15.2%	- 19	-3.6%
Other European subsidiaries	443	16.6%	503	15.2%	60	13.5%
Non-European subsidiaries	259	9.7%	855	25.8%	596	230.1%
TOTAL	**2,667**	**100.0%**	**3,319**	**100.0%**	**652**	**24.4%**
France	1,961	73.5%	1,956	58.9%	- 5	-0.3%
Italy	274	10.3%	267	8.0%	- 7	-2.6%
Other EU countries	170	6.4%	238	7.2%	68	40.0%
North America	87	3.3%	701	21.1%	614	705.7%
Asia	113	4.2%	83	2.5%	- 30	-26.5%
Rest of the world	62	2.3%	74	2.2%	12	19.4%
TOTAL	**2,667**	**100.0%**	**3,319**	**100.0%**	**652**	**24.4%**

Note: headcount at the end of the year

Breakdown of staff by company



Breakdown of staff by geographic region



The Group has continued to implement a prudent human resources policy in order to ensure the flexibility of its production facilities. To cope with very strong fluctuations in demand, the Group used temporary workers and subcontracted workers in 2008.

Breakdown of staff by type of work contract and professional category:

	2007	%	**2008**	%	**2008**	%
In number of people			At constant scope		Including GEHL	
Permanent contracts						
Unskilled workers	1,328	49.8%	1,254	47.2%	1,617	48.7%
Supervisory staff	86	3.2%	91	3.4%	91	2.7%
Office and technical staff	699	26.3%	807	30.4%	1,100	33.1%
Management and equivalent	428	15.9%	428	16.1%	436	13.1%
Total	**2,541**	**95.3%**	**2,580**	**97.2%**	**3,244**	**97.7%**
Fixed-term contracts						
Unskilled workers	88	3.3%	26	1.0%	26	0.8%
Supervisory staff		0.0%	2	0.1%	2	0.1%
Office and technical staff	35	1.3%	39	1.5%	39	1.2%
Management and equivalent	3	0.1%	8	0.3%	8	0.2%
Total	**126**	**4.7%**	**75**	**2.8%**	**75**	**2.3%**
TOTAL PERMANENT STAFF	**2,667**	**100.0%**	**2,655**	**100.0%**	**3,319**	**100.0%**
Temporary staff						
Unskilled workers	314	87.2%	38	62.3%	38	
Supervisory staff			2	3.3%	2	62.3%
Office and technical staff	45	12.5%	17	27.9%	17	3.3%
Management and equivalent	1	0.3%	4	6.6%	4	27.9%
TOTAL	**360**	**100.0%**	**61**	**100.0%**	**61**	**100.0%**
TOTAL WORKFORCE	**3,027**		**2,716**		**3,380**	

The drastic downturn in business in the second half of 2008 forced the Group to adjust staff levels by terminating temporary work-contracts, not renewing fixed-term contracts and implementing temporary layoffs at almost all its production facilities, and even laying off some permanent full-time workers. The severity of the crisis is likely to oblige the Group to continue these measures in 2009.

Organisation of working hours and absenteeism

Organisation and duration of working time

Working time at the 12 industrial plants and at all the Group's commercial companies is organised based on the legal working hours established in each country's legislation. For full-time employees not working shifts, working time in France is 1,607 hours a year.

Shift work increases a factory's overall production time (up to six days out of seven) and optimises utilisation of the industrial facility. Employees on shift work benefit from a significant reduction in time actually worked and have advantages in terms of compensation.

Absenteeism (Parent Company)

The average absentee rate, all causes included, is of 6.07% (hours absent relative to scheduled working hours).

Remuneration policy and gender equality

Remuneration policy

In 2008, personnel costs represented 10.1% of the Group’s sales, with a total of €128 million, of which €32 million corresponding to employers’ social welfare contributions.

Breakdown of personnel costs at Group level:

In € thousands and as a %	Group	
Wages and salaries	91,204	70.7%
Employers’ social security contributions	32,104	25.7%
Employee profit-sharing and incentive schemes	3,776	2.9%
Stock-option plans	935	0.7%
TOTAL	**128,019**	**100.0%**

MANITOU aims to implement a competitive remuneration policy with the right balance between satisfying its employees and economic performance. This is an essential issue and is managed carefully as remuneration levels have a direct impact on the cost price of the products. The Group’s remuneration policy is based on a long-term approach that takes into account responsibilities assumed and individual performances to achieve common objectives.

Gender equality (Parent Company)

At 31.12.2008, women made up 16.07% of the company’s workforce. The differences in average wages for women relative to men were as follows:

as a %	Group
Unskilled workers	-7.9%
Supervisory staff	n.a.
Office and technical staff	-5.9%
Management and equivalent	-15.5%

The negative difference is attributable to the length of service, and accordingly the levels of experience and responsibility, which is lower for women than for men. The remuneration policy is strictly identical for men and for women in all staff categories.

Labour relations

The Group’s Strategic Vision includes a commitment to uniting its staff and developing their human capital.

In 2008, the dialogue established between the Group and the various employee representative bodies enabled the agreements relating to wages, training and career development to be continued at the various subsidiaries and at the Parent Company. There are also a number of collective agreements in accordance with local legislation. Staff representation is generally provided, either via union representation or through elected members of staff, a works’ council, etc. according to the specific features of each country in which the Group operates.

In France, 2008 featured implementation of the new supplementary pension plan for management staff negotiated with the unions at the end of 2007.

In addition, numerous channels for dialogue and information, such as company newsletters, daily, weekly and monthly staff meetings, meetings with staff representatives or company managers, have been developed to enhance communications within the Group.

Training policy

MANITOU employs more than 3,000 people of 20 different nationalities. Encouraging personal growth and enjoyment in one's work, fostering diversity and enhancing the Group's human resources are focal points of its Strategic Vision in terms of developing its human capital.

In 2008, the Group launched a project designed to prepare employees for the future and thus provide MANITOU with the skills it will need for its future development. To this end, it defined two overall objectives: to identify and highlight strategic jobs and key skills so as to enable employees to initiate career development plans, and identify and highlight the jobs that could be threatened by economic or technological change so as to implement appropriate adaptation measures.

To achieve these objectives, a partnership was set up with Angers University with a view to structuring training programmes for management in order to facilitate the integration and professional development of staff at MANITOU BF. The training courses are designed to help employees at key moments in their careers: recruitment, transfer, promotion, while ensuring homogeneous training and methodologies. This project launched at the Parent Company will contribute to staff development while promoting a shared corporate culture within the MANITOU Group. This training policy, initiated at the beginning of 2008, will continue to be rolled out at all the French subsidiaries and subsequently extended to Group level.

The Parent Company and its French subsidiaries have also strengthened human resources management tools by investing in a human resources management system. This new system, which came into service at the end of 2008, completes the upgrading and renewal of human resources management tools at the French entities.

The implementation in 2008 of projects and resources designed to enhance training, strengthen the corporate culture and accelerate human development is an undeniable advantage for coping with the in-depth reorganisation that the Group must undergo in 2009 in order to adapt to the new economic constraints in its markets.

Health and safety

The Group continued the action already undertaken to improve staff safety and the comfort and efficiency of workstations.
The main measures taken by the Parent Company related to training and informing permanent and temporary staff and heightening their awareness of safety issues. Further preventive measures were adopted to identify as accurately as possible the risks incurred by operators and to give these employees an active role in ensuring their own safety. On-the-job training continued during the year, bringing together newcomers and experienced operators with the aim of heightening risk awareness.

Numerous investments were made to improve the comfort and facility of workstations, handling equipment and machinery dedicated to the maintenance of specific parts.

Subcontracting (Parent Company)

Subcontracted services linked to industrial production accounted for 15%, on average, of the production workforce in 2008.

The average number of employees of outside firms working at the site (firms providing cleaning, surveillance and catering services) represented 3.7% of the year-end headcount.

Environmental policy

As required under Article R 225-105 of the French Commercial Code supplemented by the decrees and application orders of 20.02.2002 and 30.04.2002, the MANITOU Group discloses "information on the manner in which the company deals with the environmental consequences of its business".

MANITOU, fully aware of the importance of environmental issues, has included in its Strategic Vision a commitment to seeking "sustainable and profitable development". Moreover, in 2008, it joined the United Nations' "Global Compact" project through which the Group undertakes to implement new initiatives to safeguard the environment.

MANITOU BF obtained ISO 14001 certification for the Ancenis manufacturing site in June 2007 and will start certification procedures at the other industrial plants over the coming years.

The Ancenis site is a classified installation that is subject to authorisations applicable to Classified Installations for Environmental Protection (French Environment Code). The environmental policy for the site was drafted based on the MANITOU Group's Strategic Vision and the Health, Safety and Environment Charter.

Analysis of environmental sensitivity and of the site's main impacts on the environment identified water as a very sensitive area given the site's proximity to rivers, waterways and marshes and the extent of impermeable surfaces, and identified nature as another very sensitive area given the proximity to natural areas of ecological, flora and fauna interest as well as a major bird sanctuary.

The site's activities also show average to high sensitivity to noise due to their proximity to urban areas. A detailed action plan was drawn up in order to limit the effects of the activity on each sensitive area.

The largest investments in environmental improvement concerned the installation of two powder painting booths (reduction of volatile organic compounds) and a shot blasting installation (reduction of volatile organic compounds).

The Group's environmental policy focuses on improving waste management, reducing waste, reducing water and energy consumption, training staff in environmental issues, adding to the panel of key suppliers that are certified or in the process of obtaining certification, and improving the site's average environmental performance.

Investments continue at the other sites to take environmental factors into account and comply with regulatory standards.

RISK MANAGEMENT

This report contains assumptions and forward-looking statements that may prove not to be accurate. The main risks and uncertainties that have been identified are presented below. These could have a negative impact on the Group's financial situation, results and outlook and on its share price.

Risks linked to the integration of GEHL

In October 2008, the MANITOU Group made a friendly offer for and acquired GEHL. The extremely severe downturn in the economic and financial conditions since the offer was launched has complicated, and even jeopardised, the successful integration of GEHL into the MANITOU Group. The renegotiation of GEHL's financing facilities, the delay in implementing synergies, cultural difference, the retention of key men and the risk of GEHL being placed under Chapter 11 bankruptcy protection are risk factors that could have a negative impact on the Company, its operating results and its financial situation.

Risks relating to MANITOU's markets and activities

The MANITOU Group is exposed to risks linked to economic cycles in its various markets, risks linked to increases in the prices of raw materials, components and energy and client risk in respect of the portion of trade receivables not covered by credit insurance.

Supplier risk

The MANITOU Group specialises in the design and assembly of handling equipment. Purchases of raw materials and components represent around 70% of sales and play a major role in its industrial expertise and profitability.

Limits on the production capacity of certain suppliers or an insufficiency of available resources to finance their development or to enable them to withstand the sharp slowdown in economic activity represent risks for the Group.

The economic crisis that has prevailed since the end of 2008 could result in the collapse of suppliers and have a negative impact on MANITOU's activity.

Raw materials and components price risk

As the cost of raw materials and components represents a significant proportion of the cost prices of manufactured parts, the Group has significant exposure to fluctuations in its input costs.

Risk of a time lag in passing on price increases to clients during growth periods

Although the Company and its subsidiaries make every effort to contain their purchase costs and to pass on in their selling prices any changes in these costs, there may be a time lag which could affect the MANITOU Group's operating profit and financial position.

Risk of delay in obtaining lower purchase prices from suppliers in a period of drastic slowdown

The drastic economic slowdown in the last quarter of 2008 has contributed to significant surplus stocks for many suppliers of raw materials and components. These stocks, acquired by suppliers at high prices before the crisis, may prevent the MANITOU Group from immediately obtaining the cut in prices of raw materials and components that should have resulted from the generalised slowdown.

Industrial risk

The main industrial risks are essentially confined to those that may arise from fire or explosion at a specific site. The Group has twelve plants worldwide that are specialised by product range. The Ancenis site in France, the Castelfranco site in Italy and the Yankton and Madison sites in the United States are the main production units. Both the Ancenis and Castelfranco sites are spread over several buildings, some of which are several kilometres apart. Significant resources have been deployed at the main manufacturing sites and also at the Spare Parts Logistics Center to guard against these risks and to limit their immediate effects.

Product quality risk

The equipment manufactured by the Group uses complex technologies such as on-board hydraulics and electronics. To control the quality and reliability of their manufactured goods, the Group's main plants are endowed with an ISO 9001-certified quality assurance system that ensures the quality and reliability of the manufactured equipment.

For new products, a product approval plan was implemented to control the quality of components and ensure compliance with reliability and safety specifications.

Despite the substantial resources implemented, the Group cannot guarantee that there will be no delays or errors of design or industrial development or assembly faults in existing or future ranges. Should these occur, they would affect the Group's net profit and financial position.

Dependency on the proper operation of the information systems

Most functions and organisational processes rely on tools, software packages and technical infrastructures that are interconnected between the various sites. The main risks concern the interruption of IT services, data confidentiality and integrity, and the Group's capacity to manage the implementation of its new IT tools. Aware of the failings of its existing systems, in 2006 the Group decided to overhaul all its information systems and implement an integrated information system. With work having begun in the last four months of 2007, the system is expected to be operational by mid-2009 for the Parent Company and the French production subsidiaries. It will subsequently be rolled out to other Group subsidiaries as from 2010.

■ Commercial risk

Regulations and regulatory environment

The MANITOU Group designs, assembles and distributes technologically advanced products that comply with the standards laid down by the administrative authorities and supranational and national bodies.

Changes in the standards and regulations continually create challenges in terms of equipment design and require substantial investments in product development.

Risk of non-renewal of large contracts

At 31.12.2008, the MANITOU Group had two major contracts that, if not renewed upon expiry, could affect its financial situation and operating income. These contracts are:

- a contract for the subcontracted assembly of masts on behalf of TIE SA that generated net sales of €37 million in 2008. In place since 1995, the assembly contract was renewed in July 2007 to cover the entire production life cycle of TOYOTA's TONERO forklift-trucks. Without prejudging the life of the TONERO range, the life of previous series was in the region of 6 to 7 years;

- a contract for the distribution in France of TOYOTA's industrial handling equipment awarded to the subsidiary COMPAGNIE FRANÇAISE DE MANUTENTION (CFM). This contract has been in force since 1972 and was renewed in July 2007 for a period of four years. In 2008, CFM generated net sales of €85 million and net income of €1.3 million.

Customer risk

Given its customer risk management policy, the quality of its customers and its payment default rate history, the MANITOU Group considers that its customer risk is low.

With a view to sound management of its assets, the Group employs stringent customer risk management procedures. The Parent Company uses credit insurance to manage its credit risk. Depending on their size and the markets they cover, some Group subsidiaries use factoring contracts to secure relations with their trading partners. Furthermore, no single Group customer accounts for more than 3% of net sales.

Country risk

The MANITOU Group markets its products in more than 120 countries through a network of independent dealers. An economic, financial, banking or political crisis could have a negative impact on the Group's financial situation and operating income.

■ Financial risks

Financial risks are controlled, measured and supervised by the respective Finance Departments at the Parent Company and each subsidiary. Any strategic decision relating to the Group's hedging policy for financial risks is proposed by the Finance Department and approved by General Management.

Liquidity risk

The Finance Department is responsible for the Group's financing and liquidity at the lowest possible cost. Long-term financing facilities are essentially concentrated at the Parent Company and GEHL.

All the financing agreements contain covenants relating to financial ratios, material adverse change and cross default which could limit possibilities or affect the terms and conditions of these credit lines. The Parent Company's credit agreement contains negative pledge clauses accompanied by thresholds and derogations.

The MANITOU Group has been in a borrower situation since the acquisition of GEHL in October 2008. Its debt comprises the acquisition debt in respect of GEHL, GEHL's existing debts (credit line, retail financing contracts and securitisation programme), revolving credit lines and liabilities linked to leasing transactions.

At the date of this report, the Group no longer complied with some of the covenants contained in its financing agreements, obliging it to start discussions with its banking partners with a view to renegotiating these agreements. These negotiations had not been concluded at the date of this report. An advisory bank has been mandated to assist the Group in this matter, given its technical complexity and the legal expertise of different nationalities required.

Other significant elements:

the Extraordinary General Meeting of 07.06.2007 delegated to the Executive Committee for a period of 26 months authorisation to make a capital increase, in shares or any other marketable securities giving entitlement, immediately or over time, to ordinary shares or to the allocation of debt securities for a maximum amount of €120 million.

Lastly, MANITOU BF had ordinary bank overdraft facilities totalling €73 million at the date of this report.

Liquidity risk at GEHL COMPANY and its subsidiaries

Failure to renegotiate GEHL's $125 million credit facility with its historical banking pool could result in GEHL being placed under Chapter 11 bankruptcy protection, which would have a negative impact on the MANITOU Group's net income and financial situation.

The $165 million securitisation programme for sales financing contracts granted to end-users of equipment assembled or distributed by GEHL has been closed to new financing contracts since February 2009. The debt outstanding at that date will be repaid in priority to the creditor out of the monthly repayments received from the end-users.

The absence of an offer of alternative financing solutions to end-users could act as a brake on sales of GEHL's products and have a negative impact on the MANITOU Group's net income and financial situation.

GEHL also finances some of its sales through limited recourse financing contracts with credit institutions. A restriction on the financing of new contracts by the credit institutions could also affect the ability of GEHL and its subsidiaries to meet their financial obligations, forcing them to seek Chapter 11 protection which would have a negative impact on the MANITOU Group's net income and financial situation.

Interest rate risk

The Group's interest rate management policy is overseen and controlled by the Parent Company's Finance Department with the aim of protecting future cash-flows and reducing the volatility of financial charges. The Group uses the different instruments available in the market, in particular interest rate swaps. Exposure to interest rate risk is analysed and monitored by the Finance Department's Cash Management unit. The main sources of interest rate risk exposure for MANITOU BF and its subsidiaries and associates are:

- **borrowings and credit facilities:** the Group has financial debt contracted for the acquisition of GEHL and to finance its operations. These commitments are based on floating interest rates. The risk of changes in interest rates has been partly hedged using various instruments (floating/fixed interest rate swaps and floating/floating interest rate swaps). A financial markets monitoring committee meets regularly to review market trends and examine possible interest rate hedging transactions. The hedging strategy proposed by the committee is approved by General Management before being implemented.

  It cannot be ruled out that interest rates on the unhedged portion of borrowings could increase in the future. This could have a negative impact on the MANITOU Group's net income and financial situation.

- **Sales financing:** this activity is carried out through GEHL COMPANY and the joint-ventures MANITOU FINANCE Ltd. and MANITOU FINANCE FRANCE SAS and remains particularly sensitive to changes in financing and refinancing rates. The main risk linked to this activity lies in the capacity to match the financing and refinancing rates.
- **Financial investments:** cash surpluses are generally invested in instruments that are directly or indirectly linked to interest rates (SICAV, BMTN, remunerated accounts, dedicated funds, etc.). For investments with a maturity of more than one year, a capital guarantee clause is applied.

Currency risk

The Group's Finance Departments hedge the most significant flows for the net amount of their exposure to foreign currencies after taking into account purchases made in foreign currencies.

In 2008, the MANITOU Group invoiced around 14% of its sales in foreign currencies, mainly the British pound (7%), the US dollar (2.8%), the South African rand (1.9%) and the Australian dollar (1.7%), other currencies being the Singapore dollar and the Chinese yuan. In 2008, currency hedges consisted mainly of forward sales of British pounds and Australian dollars.

A significant movement in exchange rates could affect the MANITOU Group's results through the resulting currency translation impact as well as via the pressure that it may bring to bear on selling prices in some geographic regions.

Following the acquisition of GEHL, the US dollar now constitutes the Group's main exposure to currency risk. A change in dollar exchange rates could have a negative impact on the Group's net income, level of debt and financial situation.

Risk relating to the liquidity and price volatility of the Company's shares

MANITOU BF's shares have been listed on the Paris stock exchange since April 1984.
At 31.12.2008, the Company held 740,417 shares, whose average acquisition cost came to €20.4 million and whose fair value was €5.5 million. If the share price were to fall below this value, provisions may need to be raised that could have an impact on MANITOU BF's financial statements (the consolidated financial statements would not be affected).

The number of shares making up the free float held by the general public, changes in the Company's results or those of its competitors and market developments could all cause significant movements in the share price.

Furthermore, the financial markets experience significant fluctuations from time to time in terms of prices or volumes that may have an impact on the MANITOU BF share price without taking into consideration its results or financial situation.

Equity risk

Equity risk is the price risk associated with an adverse movement in the price of equity securities held either directly or indirectly.

Equity risk arises on some cash placements that could be affected by movements in the equity markets.

Risk of additional financing for equity investments

Due to their status as financial companies, MANITOU FINANCE Ltd. and MANITOU FINANCE FRANCE are required to comply with the financial ratios stipulated by the banking regulations, which notably involve a requirement to guarantee a solvency ratio of over 8% for all operations (shareholders' equity/financing balances).

MANITOU BF has undertaken to guarantee the solvency ratio either through equity or quasi equity (subordinated loans, hybrid borrowings, etc.).

■ Other risks

Litigation risk

Several Group companies are currently involved in legal disputes or procedures. Based on the available facts, the Group considers that the level of provisions is sufficient to cover current risks.

Tax risk

MANITOU BF and its subsidiaries believe that their tax returns, which were prepared with the assistance of chartered accountants and tax experts, are accurate and complete, and that they have raised adequate provisions. Consequently, in the event of a tax reassessment, the Group does not expect there to be any significant difference in its tax charge. Nonetheless, Group entities could be required to pay additional tax if the tax authorities were to have a different interpretation of the facts. This could have a negative impact on cash in the short-term, as well as on the Group's financial situation and net income.

Dependency on persons occupying key positions and qualified staff

The MANITOU Group's success depends largely on the ongoing contribution from its Supervisory Board, Executive Committee, Executive Management Group and the company's specialised staff.

The departure of one or several Members of the Supervisory Board or of the Executive Committee or that of a Manager or of highly-qualified staff could have a negative impact on the Group's activities. The Group limits this risk by implementing a human resources policy designed to retain, develop and promote qualified staff.

MANITOU BF

General information concerning the issuer

Name:
MANITOU BF

Registered office
430, rue de l'Aubinière
BP 10 249
44158 ANCENIS CEDEX – France

Legal form
A French limited company (Société Anonyme) with an Executive Committee and a Supervisory Board and governed by the provisions of the French Commercial Code and the decree of 24.07.1966 relating to trading companies.

Duration of the Company
The Company was formed on 23.09.1957 and registered with the Nantes business registry on the same date. The company's duration was set at 99 years starting from 03.06.1980.

Corporate purpose
The Company's purpose in France and all other countries covers:

All industrial and commercial operations relating to:

- the operation of any industrial and commercial establishments with the aim of representation, concession, manufacture, purchase, sale, rent, import or export of any civil engineering and lifting equipment, as well as any agricultural or industrial equipment and spare parts that are directly or indirectly related;
- the creation, acquisition, renting, leasing, installation or operation of any establishments or plants;
- the purchase, acquisition, operation or sale of any processes or patents concerning these activities;
- the company's direct or indirect participation in all commercial, industrial or financing operations that may relate to the corporate purpose, notably involving the formation of new companies, limited partnership contributions, mergers, alliances or joint-ventures, or otherwise;
- and more generally, all financial, commercial, industrial or civil operations or operations involving moveable or immovable property that may be directly or indirectly related to one of the specified purposes, or to any other similar or related purpose.

Legal documents
The legal documentation may be consulted at the Company's head office.

Trade and companies registry number and APE code
Nantes trade and companies registry: 857 802 508
APE code: 292 D – NAF: 2822Z

Financial year
The financial year covers a period of 12 months starting on 1 January and ending on 31 December of each year.

Statutory allocation of profit
Net income for the year as recorded in the annual financial statements, after deducting overheads and other social security charges, all asset depreciation and amortisation and all provisions for commercial or industrial risks, constitutes the net profit.

The distributable profit corresponds to the net profit for the year less any prior-year losses and amounts to be taken to reserves pursuant to the law or to the company's Articles of Association plus any profits brought forward.

The General Meeting may resolve to distribute amounts taken from available reserves; in this case, the decision expressly indicates the specific reserve accounts from which these amounts are to be deducted.

Apart from the case of a capital reduction, no distribution can be made to shareholders when the net assets are, or would become as a result of such distribution, less than the amount of the capital plus reserves that the law or articles of association prevent from being distributed.

General information on the share capital of MANITOU BF

Share capital

At 31.12.2008, the share capital amounted to €37,809,040 and consisted of 37,809,040 shares with a par value of €1 each. All shares were fully paid-up and all shares ranked pari-passu.

Changes in share capital

There were no changes in the Company's share capital in 2008.

Summary of delegations of authority to increase capital granted by the General Meeting

Date	Nature	Purpose	Duration	Utilisation of this autorisation during the year
07.06.2007	Delegation of authority	To increase the Company's capital by issuing, with preservation of preferential subscription rights, ordinary shares or other transferable securities giving access immediately or at term to ordinary shares in the Company or entitling the holder to debt securities on the Company in a maximum nominal amount of 1,200,000 euro to which may be added, if appropriate, the nominal amount of the additional shares to be issued to preserve the rights of holders of transferable securities giving access to the Company's capital; and/or a maximum amount of €120 million or its equivalent in any other currency.	26 months	Not used

Breakdown of share capital and voting rights

	2008 % of capital	2008 % of voting rights
SFERT (holding company owned by the BRAUD and HIMSWORTH families)	41.79%	42.63%
Mr Marcel BRAUD	9.63%	9.83%
ANCEMAT	5.00%	5.10%
Mrs Jacqueline HIMSWORTH	5.04%	5.14%
HB – HOLDING BRAUD	0.35%	0.36%
GENEVAL (Groupe SOCIÉTÉ GÉNÉRALE)	6.55%	6.68%
TOYOTA	2.96%	3.02%
Treasury shares	1.96%	-
Employee shareholdings	0.31%	0.32%
Other	26.41%	26.93%
TOTAL	**100.0%**	**100.0%**

Treasury shares

Treasury shares are held by the Company to cover the allocation of stock-options and to boost the market for, and liquidity of, the share through a liquidity contract managed by an independent investment services provider.

At 31.12.2008, MANITOU BF held 740,417 of its own shares with a total value of €21.0 million, corresponding to an average value of €28.37 per share with a par value of €1. Of these shares, 704,000 were allocated to cover stock-options awarded to Members of the Executive Management Group or Managers of Subsidiaries (of which 517,500 already allocated) and 36,417 to a market making account, pursuant to the authorisations given by the Ordinary and Extraordinary General Meetings held between 2002 and 2008.
Given the fall in the share price, a provision for impairment of €14.9 million was booked at 31.12.2008.

Expenses relating to the acquisition of securities in 2008 amounted to €4,710.

Allocation and exercise of stock-options during the year

In 2008, the Company acquired 101,500 own shares at an average price of €23.20 each, to cover the allocation of stock-options. In addition, 63,500 options were exercised at an average strike price of €15.17 each and 85,000 options expired in accordance with the exercise rules.

Share listing

Since 21.01.2009, MANITOU's shares have been listed in section B of EURONEXT PARIS (Section A in 2008).

Share codes and tickers

ISIN Code:	FR0000038606
MNO :	MTU
REUTERS Code:	MANP.PA
BLOOMBERG Code:	MTU.FP

Indices

SBF 250
NEXT 150
MIDCAC 100

Eligibility of MANITOU's shares for deferred settlement (Ordres de Bourse avec Service de Règlement Différé)

Share price performance and trading volumes

Share prices and trading volumes over the past 24 months:

Month	Volume	Highest €	Lowest €	Month end	Market capitalisation (M€)
January 2007	794,986	43.14	37.05	39.96	1,511
February	383,175	42.70	38.00	38.90	1,471
March	386,401	40.99	36.10	39.80	1,505
April	484,039	44.79	39.85	43.47	1,644
May	517,840	44.90	41.02	43.15	1,631
June	513,078	48.00	43.10	47.20	1,785
July	629,514	48.70	42.00	44.60	1,686
August	619,090	48.49	39.00	40.99	1,550
September	528,765	42.73	37.83	38.00	1,437
October	717,088	41.00	36.31	39.09	1,478
November	706,235	39.13	32.80	36.40	1,376
December 2007	624,543	36.05	29.54	31.25	1,182
TOTAL/ Highest/ Lowest	**6,904,754**	**48.70**	**29.54**		

Month	Volume	Highest €	Lowest €	Month end	Market capitalisation (M€)
January 2008	1,087,087	31.90	23.71	28.70	1,085
February	1,544,032	29.26	20.99	22.10	836
March	836,616	23.90	21.35	23.90	904
April	1,304,770	25.78	19.35	19.70	745
May	1,073,093	21.50	19.00	20.00	756
June	897,039	20.49	17.94	19.03	720
July	1,178,773	19.15	15.01	18.80	711
August	528,512	20.49	18.18	18.40	696
September	893,124	19.95	16.99	17.45	660
October	639,613	18.02	10.26	10.91	412
November	827,906	11.39	8.53	8.56	324
December 2008	602,923	9.51	7.50	8.15	308
TOTAL/ Highest/ Lowest	**11,413,488**	**31.90**	**7.50**		

CORPORATE OFFICERS

Offices held by corporate officers

Pursuant to the provisions of Article L 225-102.1 of the French Commercial Code, we provide below a list of offices within and outside the MANITOU Group held by the Corporate Officers:

Supervisory Board Members

- **Marcel BRAUD**
  Chairman of the Supervisory Board of MANITOU BF

Other offices held in Group companies
Chairman-CEO of SFERT SA
Co-Manager of HB-Holding BRAUD
Chairman of MANITOU BENELUX SA (Belgium)
Chairman of EMPILHADORES DE PORTUGAL (Portugal)
Chairman of MANITOU TR (Turkey)
Director of PLEDGEMEAD Ltd. (United Kingdom)
Chairman of MANITOU NORTH AMERICA Inc. (United States)
Chairman of MANITOU ASIA PTE (Singapore)
Director of MANITOU COSTRUZIONI INDUSTRIALI S.r.l. (Italy)
Director of MANITOU UK (United Kingdom)
Director of OMCI ATTACHMENT (Italy)

- **Jacqueline HIMSWORTH**
  Vice-Chairwoman of the Supervisory Board of MANITOU BF
  Member of the Audit Committee MANITOU BF

Other offices held in Group companies:
Managing Director of SFERT SA

Other offices held in companies outside the Group:
Manager of ANCEMAT (non-trading company)
Manager of SEKOLEG (non-trading company)
Manager of COLIPHIN
Manager of H20 CAPITAL
Manager of TRINITY CAPITAL
Manager of SONAFIN

- **Marie-Claude BRAUD**
  Member of the Supervisory Board of MANITOU BF up to 05.06.2008

- **Gordon HIMSWORTH**
  Member of the Supervisory Board of MANITOU BF
  Deputy Member of the Audit Committee of MANITOU BF

Other offices held in Group companies:
Director of SFERT SA (France)
Director of MANITOU UK (United Kingdom)
Director of PLEDGEMEAD Ltd. (United Kingdom)
Director of MANITOU FINANCE Ltd. (United Kingdom)

Other offices held in companies outside the Group:
Chairman-CEO of SAEMIA SA (France)
Manager of non-trading property company "6 rue Poupard Davyl" Ancenis (France)

- **Sébastien BRAUD**
  Member of the Supervisory Board of MANITOU BF since 05.06.2008

Other offices held in companies outside the Group:
Chairman of ACTIMAN SAS

- **Georges-Henri BERNARD**
  Member of the Supervisory Board of MANITOU BF
  Member of the Audit Committee of MANITOU BF

- **Joël GOULET**
  Member of the Supervisory Board of MANITOU BF
  Member of the Remuneration Committee of MANITOU BF

Other offices held in companies outside the Group:

2008
Vice-Chairman of the Board of Directors of TEKNOGON SA
Director of SHANGHAI YONGGUAN COMMERCIAL EQUIPMENT Co. Ltd. (China)
Director of SICHUAN YONGGUAN COMMERCIAL EQUIPMENT Co. Ltd. (China)

Up to 01.10.2008
Chairman of HMY International SAS with Executive Committee and Supervisory Board
Chairman of HMY Gestion SAS
Chairman of HMY Management SAS
Representative of HMY Gestion SAS with Executive Committee and Supervisory Board
Representative of HMY Gestion SAS: Chairman of A.R.M. SAS
Representative of HMY Gestion SAS: Chairman of VANNIER SAS
Manager of CEP EURL
Manager of SCI Le Gué de L'Epine
Chairman of the Board of Directors of AGEMETAL SA
Director of RADFORD SHELVING (United Kingdom)

Up to 18.12.2008
Chairman of YUDIGAR S.L. (Spain)

As from 01.10.2008
Chairman of the Supervisory Board of HMY INTERNATIONAL SAS

Executive Committee's Management Report

As from 01.12.2008
Manager of A.R.S. CONSULTING

- **Serge GHYSDAEL**
  Member of the Supervisory Board of MANITOU BF
  Member of the Remuneration Committee of MANITOU BF

Other offices held in Group companies
Director of MANITOU BENELUX SA (Belgium)
Director of DE LADDERSPECIALIST BV (Netherlands)

Other offices held in companies outside the Group
Director of EQUICOM SA (Luxembourg)

Executive Committee Members

- **Marcel Claude BRAUD**
  President of the Executive Committee of MANITOU BF

Other offices held in Group companies:
Representative of MANITOU BF:
Chairman of CFM SAS (France)
Representative of MANITOU BF:
Chairman of MLM SAS (France)
Representative of MANITOU BF:
Chairman of CIMM SAS (France)
Representative of MANITOU BF:
Chairman of AUMONT BSBH SAS (France)
Representative of MANITOU BF:
Chairman of BTMI SAS (France)
Representative of MANITOU BF on the Board of Directors of TIE SA (France)
Representative of HB-Holding BRAUD on the Board of Directors of SFERT SA (France)
Co-Manager of HB-HOLDING BRAUD (France)
Chairman of MANITOU UK (United Kingdom)
Director of MANITOU NORTH AMERICA (United States)
Director of MANITOU COSTRUZIONI INDUSTRIALI S.r.l. (Italy)
Director of EMPILHADORES DE PORTUGAL (Portugal)
Director of MANITOU BENELUX SA (Belgium)
Vice-Chairman of MANITOU TR (Turkey)
Chairman of MANITOU HANGZHOU MATERIAL HANDLING Co. Ltd. (China)
Vice-Chairman of HANGZHOU MANITOU MACHINERY EQUIPMENT Co. Ltd. (China)
Chairman of OMCI ATTACHMENT (Italy)
Director of GEHL COMPANY (United States)

Other offices held in companies outside the Group:
Director of CISMA

- **Bruno FILLE**
  Executive Vice-President of MANITOU BF

Other offices held in Group companies:
Chairman of MANITOU AUSTRALIA (Australia)
Chairman of CHARIOTS ELEVATEURS MANITOU CANADA Inc. (Canada)
Chairman of MANITOU VOSTOK LLC (Russia)
Chairman of MANITOU POLSKA Sp z.o.o. (Poland)
Director of MANITOU COSTRUZIONI INDUSTRIALI S.r.l. (Italy)
Director of MANITOU UK (United Kingdom)
Director of MANITOU NORTH AMERICA (United States)
Director of EMPILHADORES DE PORTUGAL (Portugal)
Director of MANITOU ASIA PTE (Singapore)
Director of MANITOU FINANCE Ltd. (United Kingdom)
Director of MANITOU HANGZHOU MATERIAL HANDLING Co. Ltd. (China)
Director of HANGZHOU MANITOU MACHINARY EQUIPMENT Co. Ltd (China)
Member of the collegiate management body of MANITOU FINANCE FRANCE SAS
Director of GEHL COMPANY (United States)

Other offices held in companies outside the Group:
Director of AUDENCIA (France)
Manager of PROGEDIS SARL (France)

- **Frédéric MARTIN**
  Executive Vice-President of MANITOU BF (up to 01.10.2008)

Other offices held in Group companies (up to 31.10.2008)
Managing Director of CIMM SAS (France)
Managing Director of AUMONT BSBH SAS (France)
Director of MANITOU HANGZHOU MATERIAL HANDLING Co. Ltd. (China)
Director of MANITOU COSTRUZIONI INDUSTRIALI S.r.l. (Italy)
Director of MANITOU UK Ltd. (United Kingdom)
Member of the collegiate management body of MANITOU FINANCE FRANCE SAS

- **Christian CALECA**
  Executive Vice-President of MANITOU BF (since 20.03.2009)

Remuneration of Corporate Officers

Pursuant to the provisions of Article L225-102-1 paragraph 2 of the French Commercial Code, details of the total remuneration and benefits-in-kind paid to each Corporate Officers during the year are provided below:

Table 1: Summary of remuneration and stock-options allocated to each Corporate Officer

Marcel Claude BRAUD – President and CEO	2007 in €	**2008 in €**
Remuneration due for the year (analysed in table 2)	446,684	422,552
Value of options allocated during the year (analysed in table 4)	248,324	0
Value of the performance bonus shares allocated during the year (analysed in table 6)	0	0
TOTAL	**695,008**	**422,552**
Bruno FILLE – Executive Vice-President		
Remuneration due for the year (analysed in table 2)	329,138	359,047
Value of options allocated during the year (analysed in table 4)	185,526	0
Value of the performance bonus shares allocated during the year (analysed in table 6)	0	0
TOTAL	**514,664**	**359,047**
Frédéric MARTIN - Executive Vice-President		
Remuneration due for the year (analysed in table 2)	319,427	404,268
Value of options allocated during the year (analysed in table 4)	185,526	0
Value of the performance bonus shares allocated during the year (analysed in table 6)	0	0
TOTAL	**504,953**	**404,268**

Table 2: Remuneration of each Executive Corporate Officer

	2007 in €		**2008 in €**	
Marcel Claude BRAUD – President and CEO	Amounts due	Amounts paid	Amounts due	Amounts paid
Director's fee	174,396	174,396	179,976	179,976
Fixed salary	163,388	163,388	173,232	173,232
Variable salary	65,219	64,112	52,500	65,219
Employee savings plan	22,316	30,213	9,422	22,316
Attendance fees	457	457	457	457
Benefits in kind	20,908	20,908	6,965	6,965
TOTAL	**446,684**	**453,474**	**422,552**	**448,165**

	2007 in €		**2008 in €**	
Bruno FILLE – Executive Vice-President	Amounts due	Amounts paid	Amounts due	Amounts paid
Director's fee	23 352	23,352	23,580	23,580
Fixed salary	242 312	242,312	259,857	259,857
Variable salary	32 610	33,635	56,250	32,610
Employee savings plan	26 047	30,226	13,024	26,047
Attendance fees	0	0	0	0
Benefits in kind	4 817	24 640	6,336	7,421
TOTAL	**329 138**	**354 165**	**359,047**	**349,515**

	2007 in €		**2008 in €**	
Frédéric MARTIN - Executive Vice-President	Amounts due	Amounts paid	Amounts due	Amounts paid
Director's fee	21,900	21,900	17,042	17,042
Fixed salary	194,313	194,313	180,006	180,006
Variable salary	73,915	50,000	0	73,915
Employee savings plan	25,099	30,226	8,720	25,099
Exceptional compensation	0	0	195,000	195,000
Attendance fees	0	0	0	0
Benefits in kind	4,200	24,023	3,500	4,585
TOTAL	**319,427**	**320,462**	**404,268**	**495,647**

Table 3: Attendance fees and other remuneration received by non-Executive Corporate Officers

Board Member		Attendance fees 2007 in €	**Attendance fees 2008 In €**
Marcel BRAUD	MBF attendance fees	20,000	20,000
	Other remuneration	297,502	309,723
Jacqueline HIMSWORTH	MBF attendance fees	16,550	17,375
	Other remuneration	200,936	210,068
Marie-Claude BRAUD	MBF attendance fees	14,500	14,500
	Other remuneration	6,473	6,688
Gordon HIMSWORTH	MBF attendance fees	16,550	17,375
	Other remuneration	12,071	11,612
Sébastien BRAUD	MBF attendance fees	0	0
	Other remuneration	0	0
Georges-Henri BERNARD	MBF attendance fees	16,550	21,375
	Other remuneration	0	0
Serge GHYSDAEL	MBF attendance fees	0	0
	Other remuneration	0	0
Joël GOULET	Jetons de présence MBF	16,550	21,375
	Autres rémunérations	0	0
TOTAL		**617,682**	**650,091**

MBF: MANITOU BF SA

Table 4: share subscription or purchase options allocated during the year to each Corporate Officer by the issuer or by any other Group company

Options allocated to each Executive Corporate Officer during the year by the issuer or any other Group company	N° and date of plan	Type of option (purchase or subscription)	Value of options using the valuation method used for the consolidated financial statements	Number of options allocated during the year	Strike price	Exercise period
NONE						

Table 5: share subscription or purchase options exercised during the year by each Corporate Officer

Pursuant to Article 223-26 of the AMF regulations, the following transactions involving MANITOU BF shares were carried out by Members of the Management or Supervisory Bodies during the year (number of shares):

Options exercised by Executive Corporate Officers	N° and date of plan	Number of options exercised during the year	Strike price In €
Marcel Claude BRAUD	12.09.2001	40,000	14.26

Table 6: performance shares allocated to each Corporate Officer

Performance shares allocated to each Executive Corporate Officer during the year by the issuer or any other Group company	N° and date of plan	Number of shares allocated during the year	Value of shares using the valuation method used for the consolidated financial statements	Acquisition date	Availability date
NONE					

Table 7: performance shares unblocked for each Corporate Officer

Performance shares unblocked for each Executive Corporate Officer	N° and date of plan	Number of shares unblocked during the year	Acquisition terms and conditions
NONE			

Other regulatory information

Executive Corporate Officer	Work contract		Supplementary pension scheme		Compensation or benefits due on termination of office or change of function		Indemnity relating to a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Marcel Claude BRAUD President and CEO Start of term of office: 16.03.2006 End of term of office: A.G.M 2010	X			X		X		X

Additional information on the remuneration of Corporate Officers

- The variable component of the remuneration paid in 2008 was based on the income from ordinary activities achieved in 2007.

- Frédéric MARTIN's mandate was terminated on 01.10.2008 and his work contract ended on 31.10.2008. Exceptional compensation was paid to Frédéric MARTIN in the context of the agreement negotiated to terminate his work-contract and not in application of the regulated agreement approved by the Ordinary General Meeting of 05.06.2008, in accordance with Article L 225-90-1. The negotiated compensation amount was lower than the limit authorised by the regulated agreement;

- Lastly, pursuant to Article L225-185 paragraph 4, the Supervisory Board has ruled that the Directors of MANITOU BF must retain in registered form a minimum of 20% of the shares arising from the exercise of stock-options until such time as they relinquish their functions.

Adoption of AFEP MEDEF recommendations

The Supervisory Board considers that the recommendations issued by AFEP MEDEF on 06.10.2008 are in keeping with the Company's corporate governance approach and are already largely applied. It therefore confirms that MANITOU adheres to all the recommendations issued by AFEP MEDEF on 06.10.2008, except the one relating to the cumulation of corporate office and a work contract for Members of the Executive Committee or Management Group.

OTHER INFORMATION

Post-balance sheet events

"PERFORMANCE 2011" plan

The MANITOU Group has drawn up a corporate action plan in response to the present crisis. This plan is underpinned by two priorities: adapting operating structures and costs and improving cash-flows. The goal is to return to profit as from 2010 with a level of sales comparable to that in 2009 and to lock in the Group's financing.

The implementation of "PERFORMANCE 2011", which will have an estimated cost of €20 million in 2009, focuses on three areas of action designed to improve profitability:

- purchasing, with an action plan designed to accelerate implementation of a Group purchasing policy and generate synergies within the Group and the bringing in-house of manufacture of some welded mechanical parts, with the aim of raising the gross margin by 2 points within two years;
- overheads, with an action plan designed to reduced fixed overheads by 15% in 2009 and by 20% in 2010 relative to 2008;
- staff reductions, with a plan designed to adapt staff levels to the level of activity expected in 2009, which corresponds to the level of 2000 to 2004. The targeted reduction of 650 people across the entire Group, announced in April 2009, should reduce personnel costs by 20% in 2009 and by 30% in 2010, relative to 2008, with the aim of bringing them down to 12.6% of sales (2000 to 2004 level) by the end of 2010. The Group began to implement adjustment measures in mid-2008 by terminating temporary work contracts, introducing part-time layoffs for direct and indirect production staff and at the head office as well as implementing voluntary departure plans at MANITOU BF, CIMM, AUMONT, BTMI and CFM. The Group does not rule out further adjustment measures in order to achieve its reduction target.

In parallel with the plan to improve earnings, the Group aims to improve cash-flow by reducing inventory levels by €120 million, reducing trade receivables by €100 million and setting a €20 million limit on investment for the period from 2009 to 2012.

Renegotiation of financing facilities in France and the United States

At 31.12.2008, MANITOU BF did not comply with the financial ratios required for its syndicated credit facilities of €260 million and $125 million or its equivalent in euro. Given this situation, the Company entered into discussions with its banking pool in order to renegotiate its debt. An agreement was reached on 25.02.2009 lifting the prohibition on pledging the assets of GEHL to its US banking pool in exchange for a financing facility of at least 24 months for an amount corresponding to GEHL's new operating requirement, within a maximum of $125 million. This agreement is accompanied by a 60-day waiver of the cross-default clause concerning GEHL's financing contracts and the French financing agreement. This agreement, which is subject to various conditions that MANITOU BF has undertaken to comply with, was renewed on 27.04.2009 for a period of 90 days in order to allow the time to find a financing solution for GEHL before renegotiating the terms and conditions of the syndicated credit facility.

With regard to the $165 million financing contracts securitisation programme, the bank partner responsible for financing notified GEHL on 23.02.2009 of its intention to terminate the programme. Consequently no new contract can be fed into the programme which will be repaid with the cash received on the stock of contracts in the programme, with all payments received being allocated in priority to repayment of the debt towards the banking partner. The programme should thus reach natural extinction in mid-2010.

Moreover, the slump in business in the fourth quarter of 2008 dragged down GEHL's profitability, resulting in failure to comply with certain financial ratios (covenants) specified in the $125 million credit contract. To avoid a call for early repayment, GEHL on two occasions negotiated waivers of several weeks with its bank pool and obtained an extension that expired at the end of March. On 31.03.2009, GEHL received a letter calling for immediate repayment of its debt. It therefore entered into new discussions which resulted in a forbearance agreement on 16.04.2009 suspending the call for early repayment for a period of thirty days in exchange for:

- part repayment of drawn credit lines based on allocation of part of receipts and free cash, and,
- the conclusion of a medium-term financing arrangement secured by the company's assets.

If the principles and terms and conditions of the new facility are agreed within the thirty day period, the forbearance agreement will automatically be extended for another 45 days to allow for effective implementation.

The discussions with the French and US banking pools will be particularly delicate for GEHL, given its financial structure and the scale of the crisis affecting both GEHL and its banking partners. The MANITOU Group has clearly stated its intention of containing the financial risks of its new subsidiary until it has stabilised its medium-term financing. Despite the difficult situation prevailing at the date of this report, the mediocre outlook does not call into question the MANITOU Group's operating continuity. Like all the other players in its market, MANITOU is facing difficult and complex economic and financial conditions in 2009. Since the end of 2008, it has been implementing major adaptation measures that, in view of the Group's market position, financial structure and the motivation of its staff, should enable it to emerge from the present situation in an even stronger position.

Appointment of Christian CALECA as Executive Vice-President and Member of the Executive Committee of MANITOU BF

At its meeting of 20.03.2009, the Supervisory Board decided to appoint Christian CALECA as a Member of the Executive Committee of MANITOU BF.

New Group organisation

In response to the growing diversity of its businesses and the rapid growth in sales, which have grown three-fold over the past ten years, the Group thoroughly overhauled its organisation in the first quarter of 2009. It has set in place a new management organisation with a stronger focus on specific business lines and geographic regions. This new operating organisation will come into effect in the second quarter of 2009 and is based on three operating divisions supported by a Corporate General Management Department and reporting to President and CEO. The change in organisation is in keeping with the strategic axes set forth in the Group's Vision and in keeping with the strategic orientations set by the Supervisory Board.

Group Executive Committee

In view of the profound changes undergone by the Group, the Supervisory Board, in accordance with the Executive Committee, decided on 20.03.2009 to modify and adapt the Group's organisation by creating three main divisions under the control of a Corporate General Management Department. The entire organisation reports to the President and CEO. On the same date, it created an Executive Management Group composed of five Members comprising the President of the Executive Committee, the Corporate Chief Executive Officer and the three Heads of Divisions.

An operating organisation by division

All the Group operating activities are now carried out through three separate divisions:

- the ROUGH TERRAIN HANDLING EQUIPMENT DIVISION grouping all its core businesses in masted forklift-trucks, fixed and rotating telescopic forklift-trucks and personnel lifting equipment in all geographic regions outside the Americas;

- the MANITOU INDUSTRIAL DIVISION, grouping the activities in industrial handling and warehousing equipment;

- the COMPACT EQUIPMENT AMERICA DIVISION, grouping all MANITOU's activities in the Americas.

In application of IFRS 8, applicable as from 01.01.2009, the Group will publish financial data by division as from the first half of 2009, with comparative data for 2008.

Exercise of minority put by the minority shareholder of MANITOU COSTRUZIONI INDUSTRIALI

The minority shareholder holding a 25% stake in MANITOU COSTRUZIONI INDUSTRIALI notified MANITOU BF on 27.02.2009 that in accordance with the shareholders' agreement signed with MANITOU BF on 28.04.2005, it wished to exercise its minority put option.

This will result, in accordance with the shareholders' agreement and after financial due diligence, in the purchase by MANITOU BF of the minority shareholders' stake for a price of around €33 million. The transaction could be completed before the end of the first half of 2009.

The MANITOU share

The MANITOU share was transferred from section A to section B of NYSE EURONEXT Paris with effect from 21.01.2009.

Non-deductible charges covered by articles 39-4 and 39-5 of the French General Tax Code

Pursuant to the provisions of Article 223 quarter of the French General Tax Code, we inform you that the financial statements for the year ended 31.12.2008 include €85,284 corresponding to amortisation and attendance fees that cannot be deducted for tax purposes.

Accounting standards and consolidation methods

MANITOU's consolidated financial statements for the year ended 31.12.2008 were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.
For the presentation and publication of the financial statements for the year ended 31.12.2008, the Group used the same accounting principles as for the 2007 financial statements under IFRS.

With the exception of TIE SA, FIMAN, MANITOU FINANCE Ltd., MANITOU FINANCE FRANCE SAS, ALGOMAT, ACTIS LOCATION SAS and HANGZHOU MANITOU MACHINERY EQUIPMENT which were equity-accounted, all companies were fully consolidated. The financial year-end of all these companies is 31 December, except for TIE SA, whose financial year ends on 31 March but whose results were consolidated based on the 2008 calendar year.

Group internal control

Information on the Group’s internal control is included in the Report of the Chairman of the Supervisory Board on the operation of the Board and on Internal Control.

Works’ council

The information contained in this report and in the Parent Company and consolidated financial statements for MANITOU BF has been made available to the Works’ Council as required by law.

AUDITORS

Statutory Auditors

DELOITTE & ASSOCIÉS, member of the Rennes Regional Company of statutory auditors, represented by Mrs Anne BLANCHE, Partner,
Impasse Augustin Fresnel, 44801 SAINT-HERBLAIN
Appointed on 07.06.2007.
Expiry of term of office: the General Meeting called to rule on the financial statements for the year ended 31.12.2012.

RSM SECOVEC, member of the Rennes Regional Company of statutory auditors, represented by Mr Jean-Michel PICAUD, Partner,

213, route de Rennes, BP 60277, 44702 ORVAULT Cedex

Appointed on 07.06.2007.

Expiry of term of office: the General Meeting called to rule on the financial statements for the year ended 31.12.2012.

Alternate auditors

Mr Alain PONS, member of the Versailles Regional Company of statutory auditors
Appointed on 07.06.2007.
Expiry of term of office: the General Meeting called to rule on the financial statements for the year ended 31.12.2012.

Mr Patrick MESSUS, member of the Rennes Regional Company of Statutory Auditors
Appointed on 07.06.2007.
Expiry of term of office: the General Meeting called to rule on the financial statements for the year ended 31.12.2012.

RESOLUTIONS SUBMITTED TO GENERAL MEETINGS

In addition to approval of the consolidated financial statements and the Parent Company financial statements for the year ended 31.12.2008 and approval of agreements covered by Article L 225-6 of the French Commercial Code, we propose to submit the following resolutions to the vote at the next Ordinary General Meeting:

Resolutions submitted to the Ordinary General Meeting

- Allocation of profit

The Annual General Meeting will be asked to approve the earnings for the year ended 31.12.2008 in the amount of €40,801,349.31 and to allocate these earnings as follows:

Net income for the year	€40,801,349.31
Retained earnings brought forward	€49,570,848.79
Distributable profit	€90,372,198.10
Allocation to revenue reserves	- €50,000,000.00
The balance of to be carried forward.	€40,372,198.10€

Given the acquisition of GEHL and the economic downturn, no dividend will be distributed in 2009.

Pursuant to the provisions of Article 243 bis of the French General Tax Code, we hereby inform you that the dividends distributed for the past three financial years and the corresponding tax credits were as follows:

Year	Number of shares	Net dividend
2005	37,809,040	0.90
2006	37,809,040	1.05
2007	37,809,040	1.05

2009 attendance fees

The Executive Committee proposes to increase the amount of attendance fees payable to Members of the Supervisory Board for 2009 to €137,300.

The increase in attendance fees relative to 2008 is solely to take into account the enlargement of the Supervisory Board from seven to eight Members. The individual remuneration paid to each Member remains unchanged relative to 2008.

Share buyback programme

In connection with the authorisations to be submitted to the Annual General Meeting, the Executive Committee wishes to be granted full powers, and the option to delegate these powers, to renew for a period of 18 months a share buyback programme for up to 10% of the share capital. Such purchases may be made for the purpose of:

- granting stock-options or allocating bonus shares to employees and Corporate Officers of the Company and its subsidiaries, under the conditions provided for by law;
- assigning securities as payment or in exchange, in connection with acquisitions;
- making a market in the shares, when appropriate, through a liquidity contract in accordance with the AFEI charter.

The shares thus acquired may be held, sold or transferred by any means and at any time, even, if applicable, during a public offer. The maximum purchase price is set at €30. In the event of a capital increase by capitalisation of reserves and the allocation of bonus shares, as well as in the event of a reverse share split, the prices indicated above will be adjusted by a multiplying factor that reflects the number of shares comprising the capital prior to the operation and the number after the operation.

We have included in this report all the significant items relating to the Group's activities in the financial year ended 31.12.2008 that we believe should be brought to your attention.

The Executive Committee

Marcel Claude BRAUD
President and CEO

Bruno FILLE
Executive Vice-President, Corporate

Christian CALECA
Executive Vice-President, Operations

DRAFT RESOLUTIONS TO BE SUBMITTED TO THE GENERAL MEETING OF 04.06.2009

Resolutions submitted to the Ordinary General Meeting:

First resolution: approval of the Company financial statements for the year ended 31.12.2008

After hearing the Executive Committee's Management report, the Supervisory Board's report, the Chairman of the Supervisory Board's report on the operation of the Board and on Internal Control (Article L. 225-68 of the French Commercial Code) and the Auditors' reports, the Annual General Meeting, deliberating under the conditions of quorum and majority required for Ordinary Annual General Meetings, approves the Parent Company financial statements for the financial year ended 31.12.2008 which show a profit of €40,801,349.31 and the operations reflected in these financial statements and summarised in these reports.

Second resolution: approval of the consolidated financial statements for the year ended 31.12.2008

After hearing the Group Management report, the Supervisory Board's report and the Auditors' reports, the Annual General Meeting, deliberating under the conditions of quorum and majority required for Ordinary Annual General Meetings, approves the consolidated financial statements for the year ended 31.12.2008, as presented, and the operations recorded in these financial statements and reports.

Third resolution: approval of the Auditors' Special report on regulated agreements

After hearing the Auditors' special report on agreements covered by Article L. 225-86 of the French Commercial Code, the Annual General Meeting, deliberating under the conditions of quorum and majority required for Ordinary Annual General Meetings, approves the agreements recorded in the said report.

Fourth resolution: allocation of profit

On the recommendation of the Executive Committee, the Annual General Meeting, deliberating under the conditions of quorum and majority required for Ordinary Annual General Meetings, resolves to allocate the earnings for the year ended 31.12.2008, in the amount of €40,801,349.31, as follows:

Net income for the year	€40,801,349.31
Retained earnings brought forward	€49,570,848.79
Distributable profit	€90,372,198.10
Allocation to revenue reserves	- €50,000,000.00
The balance of To be carried forward.	€40,372,198.10

As required by Article 243bis of the French General Tax Code, we hereby inform you that the amounts of the dividends distributed in respect of the past three financial years were as follows:

Year	Number of shares	Net dividend
2005	37,809,040	0.90
2006	37,809,040	1.05
2007	37,809,040	1.05

Fifth resolution: attendance fees

The Annual General Meeting, deliberating under the conditions of quorum and majority required for Ordinary Annual General Meetings, resolves to increase the amount of the attendance fees to be paid to the Members of the Supervisory Board to €137,300 for 2009.

Sixth resolution: authorisation of a share buyback programme

After hearing the reports of the Executive Committee and the Supervisory Board, the Annual General Meeting, deliberating under the conditions of quorum and majority required for Ordinary Annual General Meetings, authorises the Executive Board, in accordance with Articles L.225-209 et seq. of the French Commercial Code and the conditions defined in Articles 241-1 to 241-6 of the General Regulations of the French Financial Markets Authority (Autorité des Marchés Financiers) and European Regulation no. 2273/2003 of 22.12.2003 in application of Directive 2003/6/EC of 28.01.2003, to purchase the company's shares with a view to awarding or selling them in connection with:

- the allocation of share purchase options as provided for in Article L.225-177 et seq. of the French Commercial Code or the granting of bonus shares to employees and Corporate Officers of the Company and its subsidiaries, under the conditions stipulated in Articles L225-197-1 et seq. of the French Commercial Code,
- subsequent use of the shares in exchange, as payment or any other means in the context of acquisitions, mergers, demergers or transfers,
- market making or ensuring the share's liquidity by an investment services provider under a liquidity agreement that complies with the code of ethics recognised by the French Financial Markets Authority (Autorité des Marchés Financiers),
- delivery of the shares in connection with the exercise of rights attached to marketable securities entitling the holder, through redemption, conversion, exchange, presentation of a warrant or any other means, to the company's shares,
- subsequent cancellation of the shares via a capital reduction,
- the implementation of any market practice accepted by the French Financial Markets Authority (Autorité des Marchés Financiers), and, more generally, entering into any other transaction that complies with the prevailing legislation.

Purchases of the Company's shares may concern any number of shares provided the number of shares held by the Company following these purchases does not exceed 10% of the shares comprising the Company's share capital (i.e. 3,780,904 shares at 31.12.2008), this percentage being applied to the share capital after adjustment to reflect any operations that may affect it after the date of this Meeting.

Purchase, sale, exchange or transfer transactions may be made by the Executive Committee, on one or more occasions, at the times that it considers appropriate, by any means on regulated markets, multilateral trading facilities, through systematic internalisers or over the counter, notably by means of on or off market interventions, a public purchase or exchange offer or purchases of blocks of shares including using financial derivatives. The maximum portion of the share capital acquired, sold, exchanged or transferred by means of a block of shares may concern the full amount of the buyback programme. The purchase, sale, exchange and transfer transactions may take place during a public offer period within the limits authorised by the prevailing legal and regulatory provisions and subject to Article 631-6 of the General Regulations of the French Financial Markets Authority (Autorité des Marchés Financiers) relating to "negative windows".

The maximum purchase price is set at €30 per share.

The Annual General Meeting delegates to the Executive Committee the power to adjust the above-mentioned purchase and sale prices in order to take into account the impact of any financial transactions on the share's value. In particular, in the case of transactions involving the capital, notably share splits or reverse splits, capital increases through incorporation of reserves and allocation of bonus shares, the prices indicated above shall be adjusted using a multiplying factor equal to the ratio of the number of shares composing the capital before the operation relative to the number of shares composing the capital after the operation.

The Meeting also resolves that in the event of a public offer for the Company's shares, wholly paid in cash, the Company may continue to execute its share buyback programme.

The maximum amount devoted to the share buyback programme is €94,522,600.

The Annual General Meeting confers full powers on the Executive Committee to carry out these operations and decide on and implement them, and notably to place all stock-market orders, enter into any agreements, with a view notably to maintaining registers of share purchases and sales, make any declarations to the French Financial Markets Authority (Autorité des Marchés Financiers) and any other body, and make the adjustment provided for by the prevailing regulations in the event that shares are purchased at a higher price than the market price.

The Executive Committee is expressly authorised to delegate to its Chairman or, with the Chairman's consent, to one or more of its members, the power to execute the decisions taken by the Executive Committee under this authorisation.

This authorisation is valid for 18 months from the date of this Meeting.

It cancels and replaces the authorisation given in the seventh resolution of the Annual General Meeting of 05.06.2008.

Seventh resolution: appointment of a new Supervisory Board Member

The General Meeting, deliberating under the conditions of quorum and majority required for Ordinary Annual General Meetings, acknowledges the resignation from office as a Member of the Supervisory Board of Georges-Henri BERNARD with effect from the end of the General Meeting of 04.06.2009, and appoints, on the proposal of the Supervisory Board, Dominique BAMAS as a Member of the Supervisory Board. Dominique BAMAS's term of office will expire on the date that Georges-Henri BERNARD's term of office would have expired, i.e. at the end of the General Meeting that will be called in 2010 to approve the financial statements for the previous financial year.

Resolutions submitted to the Extraordinary General Meeting

Eighth resolution: reduction of capital through cancellation of own shares held by the Company

After hearing the Executive Board's report and the Auditors' special report, the Annual General Meeting, deliberating under the conditions of quorum and majority required for Extraordinary General Meetings:

1/decides to cancel 241,500 of the Company's own shares held by the Company, acquired under the share buyback programme authorised by the General Meeting of 05.06.2008 and previous Meeting to reduce the share capital by €241,500 and to allocate the difference between the par value and the book value of the cancelled shares to "other reserves" on the Company's balance sheet;

2/notes that the capital reduction of €241,500 results in a reduction in the Company's capital from €37,809,040 to €37,567,540;

3/delegates to the Executive Committee full powers to implement this capital reduction and notably to record compliance with the suspensive condition described below, to concomitantly amend Article 6 'Share Capital" of the Company's Articles of Association, and to carry out all the formalities that may be necessary.

This capital reduction is decided subject to the suspensive condition of non-exercise by the Company's creditors of their right of opposition in accordance with the legal and regulatory conditions, or rejection without conditions by the competent court of any opposition that may have been made.

Ninth resolution: delegation of powers to the Executive Committee to increase the share capital through the issue, with maintenance of preferential subscription rights, of ordinary shares and other transferable securities giving access immediately or at term, to ordinary shares in the Company or to the allocation of debt securities on the Company

After hearing the Executive Board's report and the Auditors' special report, the Annual General Meeting, deliberating in the conditions of quorum and majority required for Extraordinary General Meetings and in accordance with company law and notably with Articles L.225-129 et seq. and L.228-91 et seq. of the French Commercial Code, and having noted that the capital is fully paid up:

1/delegates to the Executive Committee, with the possibility of sub-delegating in the conditions provided for by law and the regulations, the power to increase the Company's capital, immediately or at term, by issuing, with preservation of preferential subscription rights, in France or abroad, on one or more occasions, and in the proportions and at the times it shall consider appropriate:

a) ordinary shares or,

b) other transferable securities of any kind whatsoever giving access immediately or at term, by any means whatsoever, to ordinary shares or entitling the holder to debt securities on the company;

2/notes and decides that, to the extent necessary, and in accordance with Article L.225-132 of the French Commercial Code, this delegation automatically supposes the waiver, in favour of the holders of the transferable securities giving access, immediately or at term, to the Company's capital that may be issued under this delegation, by the shareholders of their preferential subscription rights;

3/set the maximum amount of the issues that may be decided by the Executive Committee under this delegation:

a) the maximum amount of the capital increase that may be made, directly or indirectly, immediately and/or at term, under this delegation is set at €8,000,000 (eight million euro), to which may be added, if appropriate, the nominal amount of the additional shares to be issued, under applicable law and regulations, to preserve the rights of holders of transferable securities giving access to the Company's capital; it being understood that the maximum limits for capital increases, with or without preferential subscription rights, set out in the tenth, eleventh, twelfth and thirteenth resolutions submitted to this meeting, shall be attributed to this global limit;

b) the maximum nominal amount of the debt securities on the Company that may be issued, directly or indirectly, immediately and/or at term, under this delegation is set at €50,000,000 (fifty million euro) or its equivalent in any other currency or in any unit of account established by reference to a group of currencies;

4/notes that, under the present delegation of powers, the Executive Committee shall have the possibility of instituting reducible subscription rights;

5/notes that, under the present delegation of powers, if irreducible subscriptions and, if applicable, reducible subscriptions have not absorbed the entire issue, the Executive Committee may, in the conditions provided for by law and in the order it shall decide, limit the capital increase to the amount subscribed on condition that this amount is at least three quarters of the increase initially decided upon, or it may freely distribute all or part of the securities not subscribed, and decides that the Executive Committee may also offer all or part of the securities not subscribed to the public;

6/decides that the Executive Committee shall have full powers, with the possibility of sub-delegating these powers in the conditions provided for by law and by the regulations, to implement this delegation, in the conditions provided for by law and within the limits set in this resolution, with regard notably to:

- deciding the capital increase and determining the securities to be issued;

- deciding the terms and conditions of the issues, and in particular:
  - deciding the amount of the capital increase,
  - setting the issue price for the shares or other securities issued or to be issued, and deciding the amount of the premium that may, if appropriate, be asked for on issuance,
  - deciding the terms and conditions of payment of subscriptions, it being understood that payment can be in cash, or by offsetting against debts that are certain, liquid and callable on the Company, or by incorporation of reserves, earnings and premiums;
- determining the dates and terms and conditions of capital increases and issues, the type and form of the securities to be issued, which may, notably in the case of bonds and other debt securities, be subordinated or not, maturity dated or not, as well as determining all the other terms and conditions relating to the said debt securities (term, interest rate, amortisation, repayment cases, warrants attached, terms and conditions of payment of interest);
- providing for the possibility to suspend if necessary the exercise of the rights attached to securities giving access, immediately or at term, to the Company's capital in accordance with the applicable laws and regulations;
- taking any measures necessary, in accordance with the applicable laws and regulations and contractual constraints, for the purpose of safeguarding the rights of the holders of securities giving access, immediately or at term, to the Company's capital;
- at its sole initiative, charging the costs of the capital increase to the related share premium and deducting from this amount the amounts needed to bring the reserve to one tenth of the new share capital after each capital increase;
- and in general, entering into any agreement, taking any measures and carrying out all the formalities necessary for the issue and servicing of the securities issued under this delegation and for the exercise of the rights attached to the said securities;
- recording each issue and the resulting capital increase;
- making the corresponding amendments to the Company's Articles of Association;
- and, more generally, doing anything that may be necessary in accordance with the applicable laws and regulations;

7/takes note that if the Executive Committee should use this delegation, it shall draft an additional report and report to the next Ordinary General Meeting on the utilisation of the authorisations granted in this resolution in accordance with the applicable laws and regulations and notably the provisions of Article L.225-129-5 of the French Commercial Code;

8/sets the validity of this authorisation, which cancels for the unused portion the authorisation of the same kind granted by the General Meeting of 07.06.2007, at 26 (twenty-six) months from the date of this General Meeting.

Tenth resolution: delegation of powers to the Executive Committee to increase the share capital through the issue, without preferential subscription rights, of ordinary shares and other transferable securities giving access immediately or at term, to ordinary shares in the Company or to the allocation of debt securities on the Company

After hearing the Executive Committee's report and the Auditors' special report, the Annual General Meeting, deliberating in the conditions of quorum and majority required for Extraordinary General Meetings, and in accordance with Articles L.225-129 et seq. of the French Commercial Code, notably Articles L.225-129-2, L.225-135, L.225-136 and L.225-148 of the said Code, and with Articles L.228-91 et seq. of the same Code:

1/delegates to the Executive Committee, with the possibility of sub-delegating in the conditions provided for by the laws and regulations, the power to increase the Company's capital, on one or more occasions, in the proportions and at the times it shall consider appropriate, in France or abroad, through an offer to the public or an offer governed by Article L.411-2, II of the French Monetary and Financial Code (Code monétaire et financier) as amended by Order 2009-80 dated 22.01.2009, in euro or in any other currency or monetary unit established by reference to several currencies, through the issue of ordinary shares or other transferable securities giving access to the Company's capital (whether new or existing shares), issued free or against payment, governed by Articles L.228-91 et seq. of the French Commercial Code, it being stipulated that the shares and other securities may be subscribed in cash, or by offsetting against debt, or by the incorporation of reserves, earnings and premiums or, in the same conditions, to decide the issue of securities giving rights to the allocation of debt securities governed by Articles L.228-91 et seq. of the French Commercial Code. These securities may notably be issued in payment for securities transferred to the Company in the context of a public exchange offer in France or abroad in accordance with local regulations (such as for example an Anglo-Saxon style reverse merger) for securities meeting the conditions laid down in Article L.225-148 of the French Commercial Code;

2/decides to set the following maximum limits on the amounts of capital increases in the event of utilisation of this authorisation by the Executive Committee:

- the maximum amount of the capital increase that may be made, immediately or at term, under this delegation is set at €8,000,000 (eight million euro), it being stipulated that this amount shall be attributed to the global limit set in the ninth resolution submitted to this General Meeting or, if applicable, to the global limit set by another resolution of the same kind that could replace the said resolution during the period of validity of this delegation, it being further stipulated that in any case, issues of securities through offers governed by Article L.411-2, II of the French Monetary and Financial Code (Code monétaire et financier) as amended by Order 2009-80 dated 22.01.2009, are limited in accordance with the law;

- to these limits may be added, if appropriate, the nominal amount of the additional shares to be issued, in the case of new financial transactions, to preserve the rights of holders of transferable securities giving access to the Company's capital;
- if debt securities were to be issued under this delegation, the maximum nominal amount of the debt securities thus issued is set at €50,000,000 (fifty million euro), supplemented, if appropriate, by any above par redemption premium;

3/decides to cancel shareholders' preferential subscription rights to the securities referred to in this resolution, while leaving the Executive Committee in application of Article L.225-135, paragraph 2, the possibility to grant shareholders, for the period and on the terms and conditions it shall decide in accordance with the applicable laws and regulations, a preferential subscription period that does not give rise to the creation of transferable rights and which must be exercised proportionally to the number of shares held by each shareholder and which may, if appropriate, be supplemented by a reducible subscription, it being stipulated that shares not subscribed will be offered to the public in France and abroad;

4/notes that if subscriptions, including those of existing shareholders, if applicable, have not absorbed the totality of the issue, the Executive Committee may limit the amount of the capital increase to the amount of subscriptions received providing these come to at least three quarters of the amount of the capital increase initially decided;

5/notes that this delegation automatically supposes the express waiver by the shareholders, in favour of the holders of the transferable securities giving access to the capital that may be issued under this delegation, of their preferential subscription rights;

6/takes note that, in accordance with Article L.225-136 1° paragraph 1 of the French Commercial Code:

- the issue price of directly issued shares shall be at least equal to the minimum provided for in the regulations applicable on the day of issue (at present, the weighted average price over the three EURONEXT Paris trading sessions immediately preceding the setting of the subscription price, minus 5%), after adjusting, if necessary, the average in the event of different vesting dates;
- the issue price of the securities and the number of shares to which conversion, repayment or any other transformation of each security may entitle the holder, shall be such that the sum received immediately by the Company, supplemented if appropriate by the amount that it is likely to receive at a later date for each share issued as the result of issuance of these securities, must be at least equal to the minimum subscription price defined in the preceding paragraph. If the Executive Committee uses this authorisation, it shall prepare a special report, certified by the Statutory Auditors, describing the definitive terms and conditions of the operation and providing the elements necessary for assessing the effective impact on the shareholder's situation;

7/decides that the Executive Committee shall have full powers, with the possibility of sub-delegating these powers in the conditions provided for by law, to implement this delegation, with regard notably to:

- deciding the capital increase and determining the securities to be issued;
- deciding the amount of the capital increase, the issue price and the amount of the premium that could, if appropriate, be asked for on issuance;
- determining the dates and terms and conditions of capital increases and issues, the type and form of the securities to be issued, which may, notably in the case of bonds and other debt securities, be subordinated or not, maturity dated or not, as well as determining all the other terms and conditions relating to the said debt securities (term, interest rate, amortisation, repayment cases, warrants attached, terms and conditions of payment of interest);
- deciding the terms and conditions of payment of subscriptions to securities giving access to the capital immediately or at term;
- establishing, if appropriate, the terms and conditions for the exercise of rights (conversion, exchange, redemption rights, including through the delivery of Company assets such as treasury shares or securities already issued by the Company) attached to the shares or securities to be issued and notably to set the vesting date, which may be retroactive, as well as determining all the other terms and conditions for the capital increase;
- setting the terms and conditions in which the Company may, if necessary, purchase or exchange in the market, at any time or during given periods, the securities issued or to be issued immediately or at term with a view to cancellation or otherwise, as provided for by law;
- providing for the possibility of suspending, if necessary, the exercise of the rights attached to securities issued in accordance with the applicable laws and regulations;
- at its sole initiative, charging the costs of the capital increase to the related share premium and deducting from this amount the necessary amount for allocation to the legal reserve;
- making all the necessary adjustments to take into account the impact of the transactions on the Company's capital, notably in the event of a change in the share's nominal value, of a capital increase by incorporation of reserves or other assets, amortisation of capital, or any other transaction affecting the share capital or shareholders' equity (including through public offers and/or in the case of

a change of control), and determining the measures to be taken to safeguard the rights of the holders of securities giving access to the capital;

- recording each capital increase and amending the Articles of Association accordingly;
- and, more generally, entering into any agreement, notably for the purpose of accomplishing the planned issues, taking all measures and carrying out all the formalities necessary for the issue and servicing of the securities issued under this delegation and for the exercise of the rights attached to the said securities;

8/takes note that if the Executive Committee should use this delegation, it shall draft an additional report and report to the next Ordinary General Meeting on the utilisation of the authorisations granted in this resolution in accordance with the applicable laws and regulations. This delegation is granted for a period of 26 (twenty-six) months from the date of this General Meeting.

Eleventh resolution: delegation of powers to the Executive Committee to increase the capital through the incorporation of premiums, reserves, earnings or other

After hearing the Executive Committee report, the Annual General Meeting, deliberating in the conditions of quorum and majority required for Extraordinary General Meetings, and in accordance with Article L.225-130 of French Commercial Code:

1/delegates to the Executive Committee, with the possibility of sub-delegating in the conditions provided for by the laws and regulations, the power to decide to increase the Company's capital, on one or more occasions, in the proportions and at the times it shall consider appropriate, through the incorporation of premiums, reserves, earnings or other assets whose capitalisation is legally possible, by means of the issue of new shares or an increase in the nominal value of existing shares or by a combination of these methods. The maximum nominal amount of the increase in capital resulting from such a process may not exceed €1,200,000 (one million, two hundred thousand euro), it being stipulated that this amount shall be charged to the global limit set in the ninth resolution submitted to this General Meeting or, if applicable, to the global limit set by another resolution of the same kind that could replace the said resolution during the period of validity of this delegation;

2/decides that the Executive Committee shall have full powers, with the possibility of sub-delegating these powers in the conditions provided for by law, to implement this delegation, with regard notably to:

- deciding the amount and type of the sums to be incorporated into the capital, setting the number of new shares to be issued and/or the amount by which the nominal value of existing shares shall be increased, setting the vesting date, which can be retroactive, for the new securities and the date on which the increase in the nominal value of the securities shall take effect;
- deciding in the event of allocation of bonus shares:
  - that fractions of shares shall not be transferable and that the corresponding securities will be sold; amounts proceeding from the sale will be allocated to the holder of the rights in the conditions provided for by the laws and regulations;
  - the shares allocated under this delegation in respect of existing shares with double voting rights shall benefit from double voting rights as from issuance;
- making all the necessary adjustments to take into account the impact of the transactions on the Company's capital, notably in the event of a change in the share's nominal value, of a capital increase by incorporation of reserves or other assets, amortisation of capital, or any other transaction affecting the share capital or shareholders' equity (including through public offers and/or in the case of a change of control), and determining the measures to be taken to safeguard the rights of the holders of securities giving access to the capital;
- recording each capital increase and amending the Articles of Association accordingly;
- and, more generally, entering into any agreement, taking all measures and carrying out all the formalities necessary for the issue and servicing of the securities issued under this delegation and for the exercise of the rights attached to the said securities;

3/this delegation is granted for a period of 26 (twenty-six) months from the date of this General Meeting.

Twelfth resolution: possibility of issuing shares or securities giving access to the capital without preferential subscription rights in payment of contributions in kind in the form of shares or securities giving access to the capital

After hearing the Executive Committee's report and the Auditors' special report, the Annual General Meeting, deliberating in the conditions of quorum and majority required for Extraordinary General Meetings, and in accordance with Articles L.225-129 et seq. of the French Commercial Code, notably Article L.225-147, paragraph 6:

1/authorises the Executive Committee with the possibility of sub delegation, in the conditions provided for by law, to increase the capital in one or more operations, at any time whatsoever, within the limit of 10% of the share capital, this percentage being calculated based on the capital adjusted to take into account any operations affecting it after the date of this meeting (for indicative purposes, at 31.12.2008 the 10% limit corresponded to 3,780,904 shares) with a view to paying for contributions in kind made to the Company in the form of shares or securities giving access to the capital, when the provisions of Article L.225-148 of the French Commercial Code are not applicable, through the issue, in one or more operations, of ordinary shares or transferable securities giving access to the Company's capital, it being stipulated that this amount shall be charged to the limit for capital increases without preferential subscription rights set in the tenth resolution submitted to this General Meeting and to the global limit set in the ninth resolution or, if applicable, to the limit set by another resolution of the same kind that could replace the said resolutions during the period of validity of this delegation;

2/decides that the Executive Committee shall have full powers, with the possibility of sub-delegating these powers in the conditions provided for by law, to implement this delegation, with regard notably to:

- deciding the amount of the capital increase to pay for the contributions in kind and deciding on the securities to be issued;
- establishing the list of securities contributed, approving the valuation of the contribution, setting the terms and conditions for issuing the securities paying for the contribution and, if appropriate, the amount of any cash balance to be paid, approving the granting of specific advantages, and reducing, if the contributors agree, the valuation of the contributions or the remuneration of specific advantages;
- determine the characteristics of the securities used in payment of the contribution and determining the measures to be taken to safeguard the rights of the holders of securities giving access to the capital;
- at its sole initiative, charging the costs of the capital increase to the related share premium and deducting from this amount the necessary amount for allocation to the legal reserve;
- recording each capital increase and amending the Articles of Association accordingly;
- and, more generally, entering into any agreement, taking all measures and carrying out all the formalities necessary for the issue and servicing of the securities issued under this delegation and for the exercise of the rights attached to the said securities;

3/this delegation is granted for a period of 26 (twenty-six) months from the date of this General Meeting.

Thirteenth resolution: delegation of powers to the Executive Committee to increase the capital by the issue of ordinary shares reserved to employees that are members of an employee savings plan, with waiver of preferential subscription rights in favour of the said employees

After hearing the Executive Committee's report and the Auditors' special report, the Annual General Meeting, deliberating in the conditions of quorum and majority required for Extraordinary General Meetings, and in accordance with company law and notably with the provisions of Articles L.225-129-6 and L.225-138-1 of the French Commercial Code and articles L.3332-18 to L.3332-24 of the French Employment Code:

- delegates the power to the Executive Committee's to decide if it is appropriate to proceed to an increase in capital in cash through the issue of ordinary shares reserved to members of an employee savings plan (or any other plan to whose members a capital increase may be reserved in equivalent conditions under Articles L.3332-1 et seq. of the French Employment Code);
- decides that any capital increase(s) decided under this delegation shall be charged to the global limit set in the ninth resolution submitted to the Meeting and shall not give the right to subscribe to more than 3,000 new shares;
- decides that the price of the shares to be issued shall be set by the Executive Committee on the date of the capital increase(s) and that it may not be less than the minimum price provided for by the applicable laws and regulations on the issue date;
- takes note that this delegation supposes the waiver by shareholders of the preferential subscription rights in favour of the employees to whom the capital increase is reserved;
- grants powers to the Executive Committee, with the possibility of sub-delegation in the conditions provided for by law, notably to:
    - decide whether the shares should be subscribed directly by the employees belonging to the Group employee savings plans or whether they should be subscribed through a Company Investment Fund (Fonds Commun de Placement d'Entreprise - FCPE) or an Employee Shareowners Fund (SICAV d'Actionnariat Salarié - SICAVAS),
    - set the opening and closing dates for subscriptions, the issue price of the shares and the deadlines for payment of the shares,
    - determine the number of new shares to be issued and the reduction rules to be applied in the case of oversubscription,
    - charge the costs of the capital increase to the related premiums,
    - and, more generally, do everything necessary.

This delegation is granted for a period of 26 (twenty-six) months from the date of this General Meeting.

Fourteenth resolution: powers

The General Meeting, deliberating under the conditions of quorum and majority required for Extraordinary General Meetings, gives the bearer of the original or an extract of these minutes full powers to carry out all the formalities that may be necessary.

2008 financial report

Consolidated financial statements

Consolidated financial statements

Consolidated income statement

in € thousands	Notes	**31.12.2008**	31.12.2007
Sales	Note 16	1,277,717	1,260,246
Changes in inventories of finished goods and work in progress		-23,821	19,796
Goods and raw materials consumed		-850,377	-870,087
Personnel costs	Note 19	-128,019	-120,872
External costs		-138,968	-135,480
Taxation		-11,468	-10,131
Depreciation and amortisation		-26,029	-18,835
Provisions		-9,372	-3,769
Impairment of intangible assets	Note 3	-51,634	
Other operating income and expense	Note 18	6 951	7,194
Income from sale of activity			3,050
CURRENT OPERATING INCOME		**44,980**	**131,112**
Financial income		4,119	5,105
Financial expenses		-12,645	-2,977
Net financial income	Note 20	**-8,526**	**2,129**
CONSOLIDATED INCOME BEFORE TAX		**36,454**	**133,240**
Income tax expense	Note 15	**-28,546**	**-45,091**
Share of profits of associates	Note 5	**2,455**	4,278
NET INCOME			
Group share		**4,126**	**86,076**
Minority interests		**6,237**	**6,351**

Earnings per share

In euros	Notes	**31.12.2008**	31.12.2007
Earnings per share	Note 1	**0.11**	2.32
Fully diluted earnings per share	Note 1	**0.11**	2.32

Consolidated financial statements

Cash-flow statement

in € thousands	Notes	**31.12.2008**	31.12.2007
INCOME FOR THE YEAR		**10,363**	92,427
Less share of profits of associates		-2,455	-4,278
Elimination of income and expense with no effect on operating cash-flow and not linked to operating activities			
+ Amortisation and depreciation		26,030	18,834
- Provisions		61,467	5,280
- Change in deferred tax		5,349	3,087
- Income from asset disposals		-2,535	-18,292
+ Net book value of asset disposals		1,643	14,144
+/- Other		1,296	584
WORKING CAPITAL FROM OPERATIONS		**101,158**	111,786
Changes in cash-flows from operating activities			
+/- Change in inventories		-16,059	-64,366
+/- Change in trade receivables		84,431	-29,737
+/- Change in finance contracts receivables		495	
+/- Change in other operating receivables		13,940	-1,947
+/- Change in trade accounts payable		-140,766	46,768
+/- Change in other operating liabilities		-13,981	-7,794
+/- Change in liabilities linked to finance contracts receivables		2,339	
CASH-FLOW FROM OPERATING ACTIVITIES		**31,557**	54,710
Changes in cash-flows from investing activities			
+ Proceeds from sale of property, plant and equipment		2,138	2,773
+ Proceeds from sale of long-term investments		554	15,520
- Purchases of intangible assets		-11,160	-13,191
- Purchases of property, plant and equipment		-36,874	-43,515
- Acquisition of subsidiaries	Note 2	-234,738	-1,645
- Acquisition of available-for-sale securities		-2,940	0
+ Dividends received from associates		1,131	1,136
+/- Changes in liabilities towards suppliers of fixed assets		3,906	-4,171
CASH-FLOW FROM INVESTING ACTIVITIES		**-277,983**	-43,093
Changes in cash-flows from financing activities			
+/- Decrease in share capital			
- Dividends paid during the period		-42,379	-42,479
+/- Purchase/sale of treasury shares		-1,724	-4,338
+/- Change in financial liabilities		202,962	-4,651
+/- Change in current financial assets		51,431	9,716
+/- Other			
CASH-FLOW FROM FINANCING ACTIVITIES		**210,290**	-41,752
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS AND BANK OVERDRAFTS		**-36,136**	-30,135
Cash, cash equivalents and bank overdrafts at beginning of the year		73,530	105,827
Exchange gains/(losses) on cash and bank overdrafts		-3,014	-2,162
CASH, CASH EQUIVALENTS AND BANK OVERDRAFTS AT END OF THE YEAR		**34,380**	73,530
CURRENT FINANCIAL ASSETS (REMINDER)		**254**	51,662

During the year, the Group disbursed €27,253 thousand in respect of current taxes (see Note 15.1).

Consolidated financial statements

Consolidated balance sheet

ASSETS

in € thousands	Notes	Net book value 31.12.2008	31.12.2007
NON-CURRENT ASSETS			
GOODWILL	Note 3	4,100	612
INTANGIBLE ASSETS	Note 3	76,761	23,256
PROPERTY, PLANT AND EQUIPMENT	Note 4	181,423	121,675
INVESTMENTS IN ASSOCIATESS	Note 5	27,954	24,848
NON-CURRENT FINANCIAL ASSETS	Note 6	4,749	19,337
FINANCE CONTRACTS RECEIVABLES	Note 9	91,816	
OTHER NON-CURRENT ASSETS		811	5,155
DEFERRED TAX ASSETS	Note 15	4,845	4,640
		392,459	**199,523**
CURRENT ASSETS			
INVENTORIES & WORK IN PROGRESS	Note 7	403,215	306,996
TRADE RECEIVABLES	Note 8	306,137	265,681
FINANCE CONTRACTS RECEIVABLES	Note 9	116,511	
OTHER RECEIVABLES			
Current income tax	Note 15	22,977	8,798
Other receivables	Note 10	16,944	26,956
CURRENT FINANCIAL ASSETS	Note 6	254	51,662
CASH AND CASH EQUIVALENTS	Note 6	57,387	73,530
		923,425	**733,623**
TOTAL		**1,315,884**	**933,146**

Consolidated financial statements

Consolidated balance sheet

LIABILITIES AND SHAREHOLDERS' EQUITY

in € thousands	Notes	Net book value **31.12.2008**	31.12.2007
Share capital	Note 11	37,809	37,809
Share premiums		439	439
Treasury shares		-21,009	-19,364
Consolidated reserves		467,630	423,810
Translation differences		-23,535	-5,374
Net profit (Group share)		4,126	86,076
SHAREHOLDERS' EQUITY (Group share)		**465,460**	**523,396**
MINORITY INTERESTS		**3,599**	**3,467**
TOTAL EQUITY		**469,059**	**526,863**
NON-CURRENT LIABILITIES			
DEFERRED TAX LIABILITIES	Note 15	18,676	4,417
NON-CURRENT PROVISIONS	Note 12	39,078	10,220
NON-CURRENT FINANCIAL LIABILITIES	Note 6		
Loans and other financial liabilities		85,447	9,073
OTHER NON-CURRENT LIABILITIES		2,947	0
		146,148	**23,711**
CURRENT LIABILITIES			
CURRENT PROVISIONS	Note 12	29,061	17,198
TRADE ACCOUNTS PAYABLE	Note 14	143,344	254,565
OTHER CURRENT LIABILITIES			
Current income tax	Note 15	1,086	1,944
Other liabilities	Note 14	76,512	69,407
CURRENT FINANCIAL LIABILITIES	Note 6	450,674	39,461
		700,677	**382,573**
TOTAL		**1,315,884**	**933,146**

Consolidated financial statements

SHAREHOLDERS' EQUITY

1. Changes in Shareholders' equity

in € thousands	Share capital	Share premiums	Treasury shares	Reserves (1)	Group net profit	Translation differences	Revaluation surplus	**TOTAL SHAREHOLDERS' EQUITY (Group share)**	Minority interests	**TOTAL EQUITY**
Balance at 31.12.2006	**37,809**	**439**	**-15,080**	**387,348**	**87,839**	**-647**	**908**	**498,616**	**7,107**	**505,723**
Income for the year 2006				87,839	-87,839			0		0
Income for the year 2007					86,076			86,076	6,351	92,427
Dividend (third parties)				-38,949				-38,949	-3,530	-42,479
Change in translation differences						-4,727		-4,727	-35	-4,762
Valuation differences under IFRS				-17,486				-17,486		-17,486
Treasury shares			-4,284					-4,284		-4,284
Actuarial (gain) loss on defined benefit plans				1,975				1,975	23	1,998
Change in consolidation scope and other				1,158				1,158	3	1,161
Shareholders agreements				1,016				1,016	-6,451	-5,435
Balance at 31.12.2007	**37,809**	**439**	**-19,364**	**422,902**	**86,076**	**-5,374**	**908**	**523,396**	**3,467**	**526,863**
Income for the year 2007				86,076	-86,076			0		0
Income for the year 2008					4,126			4,126	6,237	10,363
Dividend (third parties)				-39,104		209		-38,895	-3,484	-42,379
Currency translation difference						-18,367		-18,367	-104	-18,471
Valuation differences under IFRS				2,105				2,105		2,105
Treasury shares			-1,645	-52				-1,697		-1,697
Actuarial (gain) loss on defined benefit plans				-7,622				-7,622	-31	-7,653
Change in consolidation scope and other				4,514		-3		4,511	483	4,993
Shareholders agreements (2)				-2,096				-2,096	-2,968	-5,064
Balance at 31.12.2008	**37,809**	**439**	**-21,009**	**466,722**	**4,126**	**-23,535**	**908**	**465,460** (1)	**3 599**	**469,059**

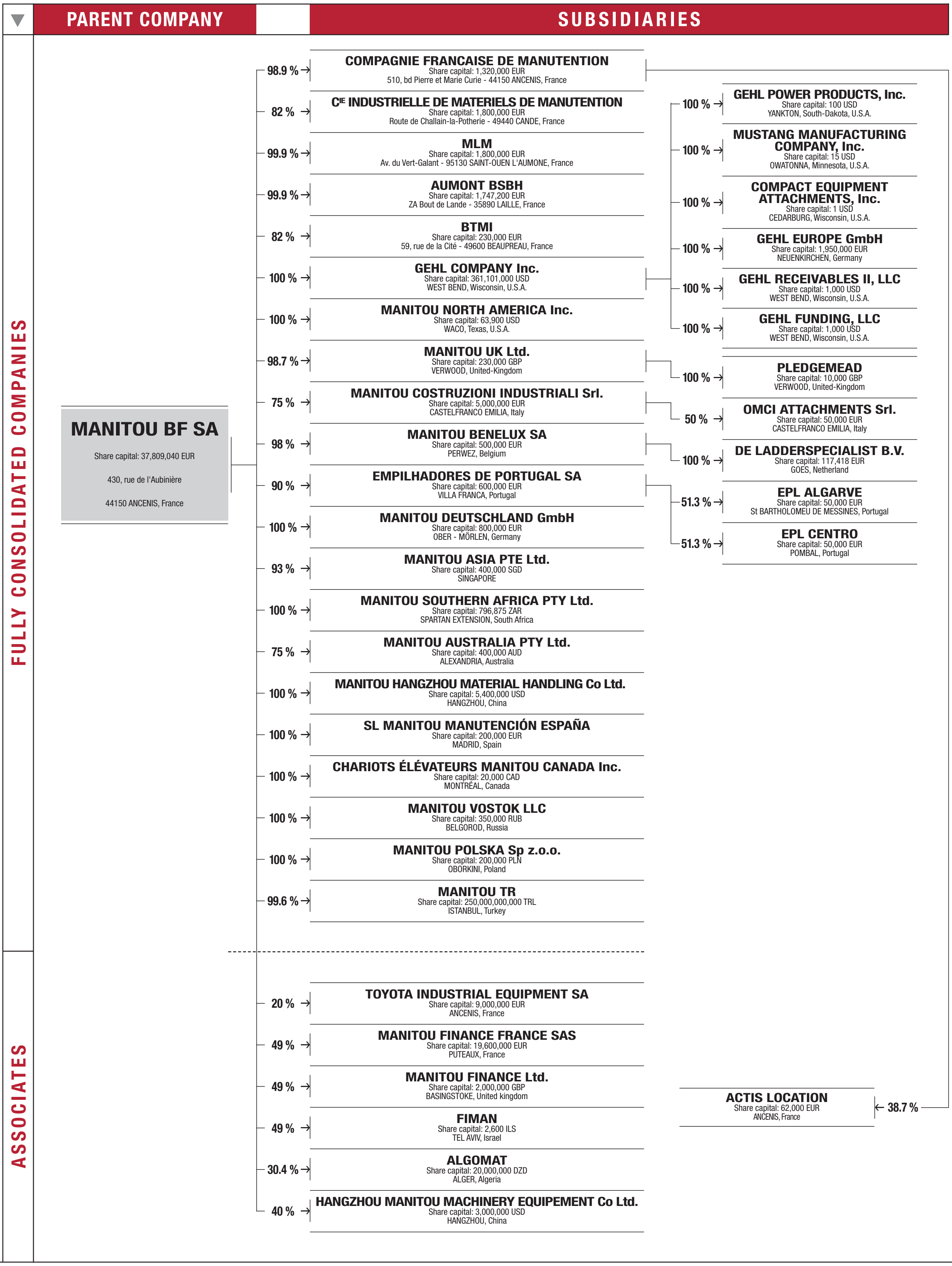
(1) Of which Parent Company's reserves:	Legal reserves	3,781
	Other reserves	290,000
	Retained earnings	49,571

(2) The impact of shareholders' agreements on the equity at 31.12.2008 amounts to - €36,284 thousand

2. Income and expense

in € thousands	**31.12.2008**	31.12.2007
INCOME FOR THE YEAR	**10,363**	92,427
Adjustments in the fair value of available-for-sale financial assets	3,336	-17,401
Of which fair value adjustment booked to equity	3,336	-17,401
Of which fair value adjustment transferred to income for the year	0	0
Translation differences arising on foreign activities	-18,265	-4 762
Group share	-18,161	-4,727
Minority interests	-104	-35
Actuarial gains (losses) on defined benefit plans	-7,653	1,998
Group share	-7,622	1,975
Minority interests	-31	23
Interest rate hedging instruments	-2,167	0
Group share	-2,167	
Minority interests		
TOTAL INCOME AND EXPENSE FOR THE PERIOD	**-14,386**	72,262
GROUP SHARE	*-20,488*	*65,923*
MINORITY INTERESTS	*6,102*	*6,339*

Structure of MANITOU Group as at 31.12.2008



MANITOU BF SA
Share capital: 37,809,040 EUR
430, rue de l'Aubinière
44150 ANCENIS, France

FULLY CONSOLIDATED COMPANIES

- 98.9 % → **COMPAGNIE FRANCAISE DE MANUTENTION**
  Share capital: 1,320,000 EUR
  510, bd Pierre et Marie Curie - 44150 ANCENIS, France
  - 38.7 % → **ACTIS LOCATION**
    Share capital: 62,000 EUR
    ANCENIS, France
- 82 % → **C^{IE} INDUSTRIELLE DE MATERIELS DE MANUTENTION**
  Share capital: 1,800,000 EUR
  Route de Challain-la-Potherie - 49440 CANDE, France
- 99.9 % → **MLM**
  Share capital: 1,800,000 EUR
  Av. du Vert-Galant - 95130 SAINT-OUEN L'AUMONE, France
- 99.9 % → **AUMONT BSBH**
  Share capital: 1,747,200 EUR
  ZA Bout de Lande - 35890 LAILLE, France
- 82 % → **BTMI**
  Share capital: 230,000 EUR
  59, rue de la Cité - 49600 BEAUPREAU, France
- 100 % → **GEHL COMPANY Inc.**
  Share capital: 361,101,000 USD
  WEST BEND, Wisconsin, U.S.A.
  - 100 % → **GEHL POWER PRODUCTS, Inc.**
    Share capital: 100 USD
    YANKTON, South-Dakota, U.S.A.
  - 100 % → **MUSTANG MANUFACTURING COMPANY, Inc.**
    Share capital: 15 USD
    OWATONNA, Minnesota, U.S.A.
  - 100 % → **COMPACT EQUIPMENT ATTACHMENTS, Inc.**
    Share capital: 1 USD
    CEDARBURG, Wisconsin, U.S.A.
  - 100 % → **GEHL EUROPE GmbH**
    Share capital: 1,950,000 EUR
    NEUENKIRCHEN, Germany
  - 100 % → **GEHL RECEIVABLES II, LLC**
    Share capital: 1,000 USD
    WEST BEND, Wisconsin, U.S.A.
  - 100 % → **GEHL FUNDING, LLC**
    Share capital: 1,000 USD
    WEST BEND, Wisconsin, U.S.A.
- 100 % → **MANITOU NORTH AMERICA Inc.**
  Share capital: 63,900 USD
  WACO, Texas, U.S.A.
- 98.7 % → **MANITOU UK Ltd.**
  Share capital: 230,000 GBP
  VERWOOD, United-Kingdom
  - 100 % → **PLEDGEMEAD**
    Share capital: 10,000 GBP
    VERWOOD, United-Kingdom
- 75 % → **MANITOU COSTRUZIONI INDUSTRIALI Srl.**
  Share capital: 5,000,000 EUR
  CASTELFRANCO EMILIA, Italy
  - 50 % → **OMCI ATTACHMENTS Srl.**
    Share capital: 50,000 EUR
    CASTELFRANCO EMILIA, Italy
- 98 % → **MANITOU BENELUX SA**
  Share capital: 500,000 EUR
  PERWEZ, Belgium
  - 100 % → **DE LADDERSPECIALIST B.V.**
    Share capital: 117,418 EUR
    GOES, Netherland
- 90 % → **EMPILHADORES DE PORTUGAL SA**
  Share capital: 600,000 EUR
  VILLA FRANCA, Portugal
  - 51.3 % → **EPL ALGARVE**
    Share capital: 50,000 EUR
    St BARTHOLOMEU DE MESSINES, Portugal
  - 51.3 % → **EPL CENTRO**
    Share capital: 50,000 EUR
    POMBAL, Portugal
- 100 % → **MANITOU DEUTSCHLAND GmbH**
  Share capital: 800,000 EUR
  OBER - MÖRLEN, Germany
- 93 % → **MANITOU ASIA PTE Ltd.**
  Share capital: 400,000 SGD
  SINGAPORE
- 100 % → **MANITOU SOUTHERN AFRICA PTY Ltd.**
  Share capital: 796,875 ZAR
  SPARTAN EXTENSION, South Africa
- 75 % → **MANITOU AUSTRALIA PTY Ltd.**
  Share capital: 400,000 AUD
  ALEXANDRIA, Australia
- 100 % → **MANITOU HANGZHOU MATERIAL HANDLING Co Ltd.**
  Share capital: 5,400,000 USD
  HANGZHOU, China
- 100 % → **SL MANITOU MANUTENCIÓN ESPAÑA**
  Share capital: 200,000 EUR
  MADRID, Spain
- 100 % → **CHARIOTS ÉLÉVATEURS MANITOU CANADA Inc.**
  Share capital: 20,000 CAD
  MONTRÉAL, Canada
- 100 % → **MANITOU VOSTOK LLC**
  Share capital: 350,000 RUB
  BELGOROD, Russia
- 100 % → **MANITOU POLSKA Sp z.o.o.**
  Share capital: 200,000 PLN
  OBORKINI, Poland
- 99.6 % → **MANITOU TR**
  Share capital: 250,000,000,000 TRL
  ISTANBUL, Turkey

ASSOCIATES

- 20 % → **TOYOTA INDUSTRIAL EQUIPMENT SA**
  Share capital: 9,000,000 EUR
  ANCENIS, France
- 49 % → **MANITOU FINANCE FRANCE SAS**
  Share capital: 19,600,000 EUR
  PUTEAUX, France
- 49 % → **MANITOU FINANCE Ltd.**
  Share capital: 2,000,000 GBP
  BASINGSTOKE, United kingdom
- 49 % → **FIMAN**
  Share capital: 2,600 ILS
  TEL AVIV, Israel
- 30.4 % → **ALGOMAT**
  Share capital: 20,000,000 DZD
  ALGER, Algeria
- 40 % → **HANGZHOU MANITOU MACHINERY EQUIPEMENT Co Ltd.**
  Share capital: 3,000,000 USD
  HANGZHOU, China

Consolidated financial statements

General information

Company identity

MANITOU BF SA is a French limited company (Société Anonyme) governed by an Executive Committee and Supervisory Board. It has share capital of 37,809,040 made up of 37,809,040 fully paid-up shares with a nominal value of 1 each. The shares have been listed in Compartment B of NYSE Euronext Paris since 21.01.2009 (Compartment A in 2008).

The Parent Company's registered office, which is also the Group's main production site, is located at:
430 rue de l'Aubinière - BP 10249
44158, ANCENIS CEDEX France.

The company's is registered with the Nantes trade and companies registry under number:
857 802 508 RCS Nantes
SIRET : 857 802 508 00047
APE code: 292 D - NAF code: 2822Z

Shares and capital

The Company's shares are listed in Compartment B of Euronext Paris. At 31.12.2008, the free float consisted of 14,150,254 shares, corresponding to 37.43% of the share capital.

Information on the preparation of the financial statements

The MANITOU Group's consolidated financial statements were approved by the Executive Committee on 30.03.2009 and presented to the Supervisory Board the same day.

Changes in the consolidation scope

During 2008, the MANITOU Group's consolidation scope underwent significant changes, mainly as a result of the acquisition of GEHL COMPANY, in which MANITOU BF SA had previously held 14.4% of the share capital.

GEHL COMPANY, listed on NASDAQ until October 2008, was the subject of a friendly takeover bid launched on 08.09.2008 by TENEDOR CORPORATION, a wholly-owned subsidiary of MANITOU BF SA. Settled entirely in cash, the deal valued each GEHL share at $30. The cost of acquiring the GEHL COMPANY shares not already owned by MANITOU BF SA thus amounted to $331 million.

At the close of the offer period, the number of shares held in TENEDOR and MANITOU BF SA exceeded the 90% cap, paving the way for the compulsory purchase of the shares not already contributed. As a wholly-owned subsidiary of the MANITOU Group, GEHL COMPANY was delisted from NASDAQ on 27.10.2008, the date on which GEHL COMPANY and TENEDOR were merged. The resulting company, GEHL COMPANY, is a whollyowned subsidiary of MANITOU BF SA.

Other less significant operations also took place during the year:

- in April 2008, EMPILHADORES DE PORTUGAL SA acquired 8% of the share capital of EPL ALGARVE and EPL CENTRO, thereby increasing its percentage of control to 51.3%. Previously accounted for using the equity method, these two entities are now fully consolidated.
- in July 2008, MANITOU BENELUX SA acquired 100% of the Dutch company DE LADDERSPECIALIST B.V. (DLS), which specialises in the renting of personnel lifting equipment.

Note on the going concern principle

The financial statements have been drawn up in application of the going concern principle on the basis of the following key assumptions:

- decline in activity of around 40% between 2008 and 2009,
- implementation of major adaptation measures (cf. presentation of the 2011 PERFORMANCE plan in Note 27) and introduction of a new Group organisation structure (cf. New Group organisation structure in Note 27),
- renegotiation of financing contracts in France and the United States during the period of the waiver agreements renewed on 27.04.2009 (cf. Renegotiation of financing arrangements in France and the United States in Note 27),
- renewal of short-term credit lines.

It should be stressed, however, that there are inherent uncertainties in achieving the assumptions explained above. In particular, although MANITOU's management is confident about the outcome of the negotiations with financial institutions referred to above, these remain subject to uncertainties that are to be found in any negotiations of a financial nature.

Like other market players, in 2009 the MANITOU Group will have to contend with challenging economic and financial conditions. However, if these assumptions materialise and given its positioning, financial structure and the commitment of its staff, the Group should emerge from the crisis that it must face as a stronger entity.

Consolidated financial statements

Note 1 – Accounting principles

Note 1.1 – Standards and interpretations applied

MANITOU Group s financial statements for the year ended 31.12.2008 have been prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the European Union on the date of preparation.

New standards with mandatory application in 2008:

As at 31.12.2008, only the amendments to IAS 39 "Financial instruments: recognition ad measurement" and IFRS 7 "Financial instruments: disclosure" are applicable on a mandatory basis in the European Union. These have no impact on the MANITOU Group.

New standards approved by the European Union and available for early application:

The interpretations IFRIC 11 "Group and treasury share transactions", IFRIC 13 "Customer loyalty programmes" and IFRIC 14 "IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction", whose application is optional, have no impact on MANITOU Group s financial statements.

Neither did the Group opt for early application of the following standards and interpretations:

- IFRS 8 "Operating segments",
- IFRS 3 revised "Business combinations" and IAS 27 revised "Consolidated and separate financial statements",
- IAS 1 revised "Presentation of financial statements", which are applicable with effect from 01.01.2009.

However, having opted for early application of the amendments made to IAS 23, in 2008 MANITOU Group capitalised borrowing costs directly attributable to assets that require a substantial period of time to get ready for use.

New standards not yet approved by the European Union:

As the financial statements have been prepared in accordance with IFRS as approved by the European Union at 31.12.2008, the following standards and interpretations, available for early application or applicable for financial years starting on or after 01.01.2008 but not yet approved by the European Union on the date the financial statements were drawn up, have not been applied:

- the amendments contained in the first draft of annual IFRS improvements published in May 2008,
- IFRIC 15 "Agreements for the construction of real estate",
- IFRIC 16 "Hedges of a net investment in a foreign operation".

The Group does not currently expect application of these new standards and interpretations to have a material impact on its consolidated financial statements.

Note 1.2 – Changes in the presentation of the financial statements and correction of a prior-year error

Correction of prior-year error

Borrowings relating to agreements with minority shareholders (put option held by minority shareholders) were reclassified in current borrowings as the minority shareholders are able to exercise their put option at any time.The liability relating to shareholders agreements amounted to 31,032 thousand at 31.12.2007 and 36,284 thousand at 31.12.2008.

Changes in the presentation

Receivables relating to finance leases classified as at 31.12.2007 in trade receivables in respect of the short-term portion and in other non-current assets in respect of the medium- and long-term portions were reclassified in the lines representing current and non-current sales financing receivables respectively.

Sales financing receivables, which include finance lease receivables as well as receivables on financing granted to end-customers, became significant in 2008 following the acquisition of GEHL and are thus presented in separate lines in the balance sheet.

The cash-flow statement has also been modified to present on separate lines the movement in sales financing receivables and the movement in related liabilities.

Note 1.3 – Valuation rules

The consolidated financial statements have been prepared under the historical cost convention, except for some categories of assets and liabilities that are measured at fair value in accordance with IFRS. These categories of assets and liabilities are detailed in the notes below.

The preparation of the financial statements in conformity with IFRS requires the company to make estimates and assumptions that affect the book value of certain assets and liabilities, income and expense as well as some of the information disclosed in the notes to the financial statements. Estimates and assumptions are reviewed regularly to take into account past experience and other considerations that could influence the amounts reported in the financial statements. The Executive Committee also exercised its best judgement when applying the Group accounting methods.

The main items affected by estimates and assumptions are as follows:

- recoverable amount and useful life of intangible assets and property, plant and equipment (see Notes 1.7 to 1.9),

- provisions, notably in respect of warranty obligations and litigation (see Note 1.16),
- post-employment benefits (see Note 1.17),
- valuation of stock-options (see Note 1.15),
- shareholders' agreements with minority shareholders (see Note 1.12),
- fair value of sales financing receivables (see Note 1.11).

Note 1.4 – Consolidation methods

MANITOU BF and the companies over which MANITOU BF directly or indirectly exercises exclusive control (the subsidiaries) are fully consolidated.

The companies in which MANITOU BF directly or indirectly exercises significant influence (associates) are consolidated using the equity accounting method.

There are no jointly-controlled companies in the MANITOU Group consolidation scope. In the cases of MANITOU FINANCE FRANCE SAS and MANITOU FINANCE Ltd., both of which are 49% owned by MANITOU BF, the joint shareholders have a preponderant voice on their respective Boards of Directors, giving MANITOU BF significant influence on both these companies.

With the exception of TOYOTA INDUSTRIAL EQUIPMENT SA, MANITOU FINANCE FRANCE SAS, MANITOU FINANCE Ltd., FIMAN, ALGOMAT, ACTIS LOCATION and HANGZHOU MANITOU MACHINERY EQUIPMENT, which are equity accounted, all companies were fully consolidated. At 31.12.2008, MANITOU Group controlled EPL ALGARVE and EPL CENTRO, over which it had previously exercised significant influence.

The financial statements of all the companies were consolidated on the basis of financial statements for the year ended 31.12.2008.

MANITOU Group does not have any special purpose entities. No deconsolidation structure was put in place in 2008, or in the preceding years

Note 1.5 – Foreign currency translation

Translation of the financial statements of foreign entities

The financial statements of Group companies whose functional currency is different from the reporting currency are translated as follows:

- assets and liabilities: at the exchange rate prevailing on each balance sheet date,
- income and expenses in the income statement: at the average exchange rate for the period,
- Any associated translation differences are recognised as a separate component in shareholders' equity.

On consolidation, exchange gains or losses on net investments in foreign activities are recognised in shareholders' equity. When a foreign entity is sold, these translation differences are recognised in the income statement in gains and losses on disposal.

Any goodwill and fair value adjustments arising on the acquisition of a foreign activity are treated as assets and liabilities of the foreign activity and are translated at the closing exchange rate.
No MANITOU Group company conducts its activities in a hyperinflationary economy.

Translation of transactions in foreign currencies

Transactions denominated in a currency other than the reporting currency are translated using the exchange rate prevailing on the transaction date.

At each balance sheet date, assets and liabilities denominated in foreign currencies are translated at the exchange rate prevailing on the balance sheet date. Any translation differences are recognised through the income statement with the exception of translation differences arising on available-for-sale financial assets and net investments in foreign companies.

The amounts recognised in the income statement are recorded in:

- financial income or expense in the case of translation differences on financial transactions,
- other operating income and expense in the case of translation differences on other transactions.

Note 1.6 – Business combinations and goodwill

Identifiable assets acquired, identifiable liabilities and contingent liabilities assumed during a business combination are initially measured at their fair value on the acquisition date in accordance with the recommendations of IFRS 3.

The amount by which the acquisition cost (including incidental costs) exceeds the fair value of the share of assets acquired and liabilities assumed is recognised as goodwill.

In the event that control is acquired through a series of share purchases, goodwill is calculated in respect of each transaction that is material when considered individually.

Goodwill is not amortised. It is tested for impairment at least once a year and more frequently if there is any evidence of impairment (see Note 1.9).

Goodwill arising on the acquisition of shareholdings in associates is included in the value of these equity interests in the balance sheet.

Note 1.7 – Intangible assets

- **Development costs are recognised as an asset when all the following criteria are met:**
  - the product or process is clearly identified and the costs attributable to this product or process can be separately identified and accurately measured;
  - the product or process constitutes a new item or a substantial improvement to an existing product or process;
  - the technical feasibility of making the product or process available for use can be demonstrated;
  - the company has the intention of producing and marketing the product or process or using it itself;
  - there is a market for the product or process or, if it is to be used internally, its usefulness to the company can be demonstrated;
  - adequate resources exist and are available.

  These costs comprise notably the payroll costs of staff assigned directly to the projects, the share of overheads dedicated to the development activity and the costs of external research and prototypes.

  Development costs incurred as from the date that the decision is taken to develop and industrialise the product or process through to testing and manufacturing phases on a pilot basis are recognised as intangible assets. Amortisation of this asset begins once the development has been completed and the asset is ready to be brought into service.

- Costs incurred in the context of implementing **an integrated information system (ERP)** are recognised as an asset for the part relating to the detailed design of the project and to programming, testing and documentation when there is a probability that the future economic benefits attributable to the asset will benefit the entity and if the cost of the asset can be accurately measured and monitored.

  Costs relating to preliminary studies, functional analysis and user training are expensed in the period in which they are incurred.

- **Measurement subsequent to initial recognition:** IAS 38 offers the possibility of revaluing all or some of the intangible assets after the transition date. The Group decided not to use this option.

- **Amortisation** is calculated based on the estimated useful life of the assets using the straight-line method. The basis for amortisation corresponds to the difference between the cost of the asset and its residual value, considered to be zero for amortisable assets. The main amortisation periods are as follows:
  - business goodwill: 5 years,
  - patents: 5 years,
  - software: 3 years,
  - complex information systems - ERP: 7 years,
  - development costs: 5 years.

Note 1.8 – Property, plant and equipment

- **Initial recognition**

  The gross value of property, plant and equipment corresponds to the historical acquisition or production cost. As regards the component-based approach, the Group currently applies the following principles:

  - with regard to buildings, these have been split into “construction” (outer walls and roof) and “technical facilities” (partition walls, electrical and compressed air installations, etc.), which are depreciated over different periods (20 to 30 years for construction components and 10 years for technical facilities);
  - as regards industrial equipment and other property, plant and equipment with a significant unit value (more than €50 thousand), depending on the nature of the components and the useful life of each, those components whose unit value is more than 15% of the total value of the asset are recorded separately so that a different depreciation period can be applied.

- **Depreciation** is based on the estimated useful life of each category of assets and is calculated using the straight-line method. The basis for depreciation corresponds to the difference between the cost of the asset and its residual value, considered to be zero for depreciable assets. The main depreciation periods are as follows:

- constructions: 20 to 30 years depending on the quality of the buildings,
- site installations and facilities: 10 years,
- technical facilities: 10 years,
- industrial equipment: 3 to 7 years depending on the type of equipment,
- industrial tools and moulds: 3 years,
- vehicles: 4 years for light vehicles, 5 years for large commercial vehicles,
- office and computer equipment: between 3 and 5 years depending on the type of equipment,
- office furniture: 10 years.

Leased equipment

- Equipment on finance leasing contracts to Group companies is capitalised when the unit value exceeds €15 thousand.
- Equipment on finance leasing contracts to customers is not capitalised, whether it concerns equipment previously capitalised or subject to a finance or operating lease. These assets are presented as receivables for an amount equal to the net investment in the lease.
- Equipment on operating leasing contracts to customers is recognised in the appropriate asset category within property, plant and equipment.

Note 1.9 – Impairment of non-current assets

Assets with no set useful life, such as goodwill, are not amortised and are tested annually for impairment. Amortised assets are examined at the end of each financial year in order to identify any signs of impairment.

Whenever there is any sign of internal or external loss of value, the recoverable value of the asset is measured at the level of asset group (Cash Generating Unit) to which it belongs.

Cash Generating Units are coherent sub-groups generating independent cash-flows.

At the level of MANITOU Group, the main Cash Generating Units correspond to the following units: manufacture and sale of handling equipment, manufacture of masts, the Group Spare Parts Center and the financing of sales of handling equipment to end-customers.

The recoverable value of a group of assets corresponds to the higher of its fair value after deducting any disposal costs and its value in use. The value in use corresponds to the expected discounted future cash-flows generated by utilisation of the Cash Generating Unit in question.

Estimated cash-flows are taken from the five-year plans approved by the Executive Committee. The underlying assumptions used to prepare these plans notably include trends in the markets in which the Cash Generating Units operate, trends in the selling prices for the Group's products and in the purchase prices of materials and components. The discount rate corresponds to the weighted average cost of capital established by the Group, 10% in 2008, which may be supplemented by a risk premium for markets outside Europe and the United States.

When the recoverable value is less than the carrying amount, an impairment amount is recognised in operating income with a corresponding deduction from the value of the asset or group of assets concerned.

Note 1.10 – Inventories

The methods used for valuing inventories and calculating inventory write-downs comply with IAS 2. Inventories have been valued on the following bases:

- goods for resale: valued at the weighted average purchase price,
- raw materials: valued at the weighted average purchase price,
- semi-finished goods, work-in-progress and finished goods: valued at the actual production cost (actual cost of raw materials, machines and labour).

Provisions for depreciation of inventories have been recognised when the useful value of goods and merchandise has fallen below their cost price.

Note 1.11 – Measurement and recognition of financial assets

1.11.1- Sales financing receivables

Sales financing receivables are measured at amortised cost by applying the effective interest rate method. If there is objective evidence of a loss in value, an impairment is recognised in profit and loss.

1.11.2- Available-for-sale securities

Shares in companies that MANITOU Group does not control or does not have significant influence over are classified as "available-for-sale securities". These securities are valued at their fair value at the balance sheet date and any changes in fair value are recognised in consolidated reserves.

Impairment is recognised through profit and loss when there is an objective indication of loss of value. A significant or lasting fall in the fair value of these securities to below their historical cost constitutes an objective sign of impairment.

1.11.3- Cash and cash equivalents

“Cash and cash equivalents” comprises cash, bank deposits and very-short-term investments with capital guarantees. All these items are stated at fair value with any resultant gain or loss being recognised in the income statement.

1.11.4- Short-term financial assets

Short-term financial assets are stated at fair value with any resultant gain or loss being recognised in the income statement.

Note 1.12 – Measurement and recognition of financial liabilities

1.12.1 - Borrowings and other financial liabilities (excluding derivatives)

Borrowings are initially recorded at their fair value, net of any directly attributable transaction costs. At each balance sheet date, these borrowings are measured at amortised cost using the effective interest rate method. Financial expenses thus comprise interest as well as a portion of the costs incurred over the term of the borrowing.

1.12.2 – Valuation of shareholders’ agreements (minority put options)

MANITOU BF SA has entered into agreements setting out the terms and conditions for the purchase of shares held by the minority shareholders in fully-consolidated subsidiaries. In the absence of a specific standard or interpretation, the fair value of the commitment given to the minority shareholders is recognised as a financial liability with a corresponding deduction from minority interests and, for any amount in excess of the value of minority interests, from the Group share of shareholders’ equity.

The change in the financial liability relating to the movement from one financial year to another in the fair value of the commitment given to the minority shareholders is also recognised as a financial liability with a corresponding deduction from minority interests and, for any amount in excess of the amount of minority interests, from the Group share of shareholders’ equity.

Note 1.13 – Derivative financial instruments and hedges

1.13.1- Measurement

Derivatives are initially recognised at fair value on the date that the derivative agreement is entered into. They are subsequently remeasured at fair value at each balance sheet date.

The fair value of forward currency agreements and options is estimated based on market conditions. The fair value of interest rate derivatives is represented by the amount that the Group would receive or pay to unwind the existing contracts at the balance sheet date.

1.13.2- Documentation

On inception of the transaction, the Group documents the relationship between the hedging instrument and the item hedged, along with its hedging policy. The Group also documents its assessment of the effectiveness of the hedging relationship on inception of each transaction and at each balance sheet date

1.13.3- Recognition

The method used to recognise the profit or loss arising on the remeasurement at fair value depends on whether or not the derivative is designated as a hedging instrument and, where applicable, the nature of the item being hedged.
All derivatives used by the Group are designated as cash-flow hedging instruments. Consequently:

- **Recognition of hedges**
  - The effective portion of changes in the fair value of derivatives meeting the criteria for cash-flow hedges is recorded in equity. The cumulative amounts recognised in equity are recycled in the income statement when the hedged item affects profit or loss.
  - The ineffective portion of changes in fair value is recorded directly in the income statement.
- **Classification in the income statement**
  - The gain or loss relating to the ineffective portion or the effective portion recycled in gain or loss on forward currency transactions is recorded in “Other operating income and expense” (hedging of operating cash-flows).
  - The gain or loss relating to the ineffective portion or the effective portion recycled in gain or loss on interest rate swaps is recorded in financial income or financial expenses.

Note 1.14 – Treasury shares

Own shares held by the Group are deducted from equity as their acquisition cost, regardless of their future allocation (IAS 32).

When these shares are sold, the sale price is recognised directly as an increase in the Group share of equity and, when the proceeds are received, in cash and cash equivalents. As such, no profit or loss is recognised in the income statement for the year.

Note 1.15 – Stock-options

1.15.1- MANITOU BF stock-options

In accordance with IFRS 2, stock-options granted to Group employees and Corporate Officers after 07.11.2002 have been measured at their fair value on the allocation date, defined as the date on which the Executive Committee decides to allocate the options to the said employees and Corporate Officers.

Stock-options have been valued using a binomial model based on the following assumptions measured at the allocation date of each stock-option plan:

- exercise price,
- share price on the allocation date,
- estimated life,
- risk-free rate, which corresponds to the estimated life of the options (zero coupon, long-term government bond),
- estimated volatility,
- dividend payout rate per share.

These assumptions are described in Note 11.4 to the consolidated financial statements.

The stock-options' fair value, as calculated above, is recognised on a straight-line basis over the whole vesting period (4 years).

1.15.2- Allocation of options to subscribe to shares in an unlisted company with a MANITOU BF SA buyback clause

A stock option plan including a clause for the repurchase of the shares by MANITOU BF has been granted in a MANITOU Group subsidiary. In accordance with IFRS 2, the Group has recognised an expense representing the benefit allocated, with an offsetting balance sheet entry in financial liabilities, and the shares concerned have not been treated as minority interests.

Note 1.16 – Provisions

In accordance with IAS 37 "Provisions, contingent liabilities and contingent assets", a provision is recorded whenever the Group has a present obligation to a third party that is likely or certain to result in an outflow of resources in favour of this third party with no expected inflow for at least an equivalent amount.

- **Warranties**
  A provision is recorded to cover the estimated cost of the warranty on equipment and spare parts when it is sold to the networks or to end-customers. It covers the contractual guarantee as well as any possible extension after examination on a case-by-case basis. The provision is calculated based on projections using historical statistical data.
  A provision may also be recorded in the case of recall of specific equipment to correct a significant or dangerous dysfunction. In such cases, the provision is calculated by applying the unit cost of upgrading the installed base of equipment in question.

- **Restructuring measures / Termination benefits**
  The estimated cost of restructuring measures and termination benefits is recognised as a provision when such measures have been covered in a detailed plan and have been announced or work has started on their implementation.

Note 1.17 – Post-employment benefits

The Group has a number of defined contribution and defined benefit pension plans.

- **The defined contribution plans** relate to post-employment benefit schemes in respect of which the Group pays contributions to an independent entity. The Group has no legal or implied obligation to pay additional contributions if the plan assets are not enough to pay the benefits due in respect of past service. The contributions are charged to personnel costs in the year in which they are paid.

- The commitments relating to **defined benefit plans** and their costs are calculated according to IAS 19 using the projected unit credit method.

The benefit commitments are valued based on specific demographic and economic assumptions for each entity. They are discounted to their present value using a discount rate based on interest rates of first-grade bonds.
The categories of defined benefit plans in existence within MANITOU Group and the main assumptions used are described in Note 13 to the consolidated financial statements.
Actuarial gains and losses generated by revisions made to the

assumptions used are recognised in reserves (SoRIE method).

The net charge for the year corresponds to the cost of the services provided, the cost of undiscounting and the expected return on plan assets.

Note 1.18 – Income taxes

In accordance with IAS 12 "Income taxes", deferred tax is recognised on all temporary differences between the carrying amount of an asset or liability and its tax value, using the liability method. Deferred tax assets and liabilities are systematically recognised. Deferred tax assets are amortised according to the probability of them being realised in the future. Within a given tax entity, deferred tax assets and liabilities are offset when the entity is legally entitled to offset its current tax assets and liabilities.

Note 1.19 – Treatment of subsidies

State subsidies are recognised when there is reasonable assurance that such subsidies will be received and that the Group will be in a position to comply with the conditions for the granting of such subsidies.

Subsidies relating to depreciable assets are initially recognised as a liability in the balance sheet and transferred to the income statement in proportion to the depreciation of these assets.

As from the financial year ended 31.12. 2008, the research tax credit, previously recorded as a deduction from the tax charge, is recognised as a subsidy:

- the portion relating to research and development expenditure recorded in expenses for the period is considered to be income for the period,
- the portion relating to research and development expenditure recognised as an asset in the balance sheet is initially recorded as a liability in the balance sheet and transferred to the income statement in proportion to the amortisation of the development costs capitalised.

The impact on the opening position of this revised treatment was estimated to be immaterial. Consequently, this change was applied only for future periods.

Note 1.20 – Segment information

Although it markets its products in three main sectors – building, agriculture and industry – MANITOU Group is active in only one segment: handling (forklift-trucks, mini-loaders and access-platforms). Moreover, the Group's manufacturing and distribution facilities cannot be identified according to product or market.

MANITOU Group is currently working, partly as a result of the acquisition of GEHL in late 2008, on redefining its organisation structure and its internal reporting. IFRS 8, which the Group will apply with effect from the financial year ending 31.12.2009, will require the reporting of segment information based on the organisational structures to be implemented in 2009 (see Note 27).

Note 1.21 – Sales

Sales include all revenues from sales of products manufactured within the Group, as well as from trading activities and the provision of services. Sales are stated net of value added tax, returned goods, discounts and rebates and after elimination of intra-Group sales.

Sales of products are recognised when the risks and rewards associated with the products are transferred to the buyer, i.e. when these are made available to the distribution network in the case of independent dealers or on delivery to the customer in the case of direct sales. The margin is recognised immediately.

Note 1.22 – Calculation of earnings per share

Earnings per share are calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the period.Diluted earnings per share are calculated by adjusting the profit attributable to ordinary shareholders of MANITOU BF and the weighted average number of ordinary shares in issue to take into account all the potentially dilutive ordinary shares.

Note 2 - Acquisition of subsidiaries

2.1. List of acquisitions

2008	Activity	Acquisition date	% of shares acquired	% of interest at year end
GEHL COMPANY - USA	Production, distribution & financing	23.10.2008	86.1%	100.0%
DLS - Netherlands	Rental	15.07.2008	100.0%	100.0%
EPL ALGARVE, EPL CENTRO - Portugal	Distribution	01.04.2008	8.0%	51.3%

The acquisition cost of these three entities amounted to 253,084 thousand in 2008.
The accounts of GEHL COMPANY were included in the MANITOU Group consolidation scope with effect from 01.11.2008. No significant events occurred between the date on which GEHL was acquired and 31.10.2008 that could impact the balance sheet or income statement.

2.2. Analysis of assets and liabilities acquired

The fair value of the assets and liabilities on the acquisition date was as follows:

in € thousands (acquisition date)	Net book value	Fair value adjustment	**Fair value**
ASSETS			
Non-current assets			
Indefinite life intangible assets (1)		24,272	24,272
Other Intangible asssets (2)	1,506	23,513	25,020
Property, plant, equipment	42,028	6,742	48,770
Other non-current assets	100,480		100,480
Current assets			
Inventories	87,180	4,929	92,109
Other working capital assets	272,901		272,901
LIABILITIES			
Non-current liabilities			
Minority interests			398
Non-current provisions	4,059		4,059
Non-current financial liabilities	80,079		80,079
Other non-current liabilities	3,128		3,128
Deferred tax liabilities	-9,090	24,235	15,145
Current liabilities			
Current provisions	22,547		22,547
Other working capital liabilities	51,375		51,375
Current financial liabilities	183,752		183,752
NET ASSETS ACQUIRED 100%			**203,069**
Goodwill (3)			58,563
- Impact of Gehl shares owned before the acquisition			26,894
NET CASH-FLOWS RELATED TO THE ACQUISITION			**234,738**
Acquisition price			253,084
- Gain related to the exchange rate hedging operation linked to GEHL acquisition (Basis adjustment on goodwill) see (3)			7,722
- Treasury acquired			10,624

The fair values of the assets and liabilities were established on the acquisition date.

GEHL's property, plant and equipment and intangible assets were valued by independent experts.

(1) Non-amortisable intangible assets consist mainly of the GEHL and MUSTANG brands valued at their fair value on the acquisition date. The fair value of the brands was measured by discounting the fees that would have been paid to a third party for use of the brand if the Group had not owned the brand. The cash-flows were discounted using a discount rate corresponding to the weighted average cost of capital used by the Group (10%) plus a risk premium specific to each asset being valued.

(2) Amortisable intangible assets remeasured at fair value consist mainly of technological expertise and the distribution network.

- **Technology:** the fair value of technological expertise was also determined by discounting fee income and assuming that the technologies used are replaced after eight years on the American market.
- **Distribution network:** the fair value of the distribution network was determined based on discounted future cash flows net of the expected remuneration on other operating assets. This asset value is then amortised over an estimated useful life of 20 years.

(3) The goodwill of €58,563 thousand on the acquisition date comprises the following:

- **GEHL COMPANY:** €57,613 thousand
- **DLS:** €933 thousand
- **EPL ALGARVE and EPL CENTRO:** €17 thousand.

In accordance with IFRS 3, goodwill relating to the acquisition of GEHL COMPANY is the sum of the positive and negative goodwill amounts recognised on each block of shares purchased between July 2004 and October 2008. The goodwill determined in this manner is adjusted for the post-tax amount of forward currency hedge entered into at the time of acquisition (basis adjustment), i.e. €7.7 million.

This includes the fair value of expected synergies in procurement and research and development, as well as the fair value of future market expansion made possible by GEHL's position in the American market.

2.3. Impact of acquisitions on the Group's results

Only the acquisition of GEHL COMPANY had a material impact.

If the business combination had taken place on 01.01.2008, the main headings in MANITOU Group's income statement would have been impacted as follows:

in millions of euros	GEHL COMPANY result 01.11.2008 to 31.12.2008	Pro-forma GEHL COMPANY result 01.01.2008 to 31.10.2008	Pro-forma Consolidated income statement MANITOU Group including GEHL 01.01.2008 to 31.12.2008
Net sales	20	204	1,481
Current operating income	-6	-32	13
Net income - Group share	-6	-21	-17

These impacts do not factor in the financial charges that would have been borne by MANITOU BF if the deal had been completed on 01.01.2008, but they do include non-recurring charges associated with the transaction and borne by GEHL amounting to €9.1 million before tax.

Note 3 - Goodwill and intangible assets

3.1. Change in carrying amount

Gross value

in € thousands	31.12.2007	Addition	Disposal	Change in scope & other	Translation difference	31.12.2008
GOODWILL	**3,702**			**58,563**	**-3,441**	**58,824**
Development costs	16,140	4,022	218			**19,944**
Trademarks				24,272	-1,278	**22,993**
Other intangible assets	19,118	7,137	255	25,075	-1,216	**49,858**
TOTAL INTANGIBLE ASSETS	**35,258**	**11,159**	**473**	**49,346**	**-2,494**	**92,796**

Depreciation and impairment

in € thousands	31.12.2007	Increase	Decrease	Reclass./ change in scope	Translation difference	31.12.2008
GOODWILL	**3,090**	**51,634**				**54,724**
Development costs	1,615	2,148		239		**4,002**
Trademarks						
Other intangible assets	10,388	1,995	198	-185	34	**12,033**
TOTAL INTANGIBLE ASSETS	**12,002**	**4,143**	**198**	**54**	**34**	**16,035**

Net value

in € thousands	31.12.2007	31.12.2008
GOODWILL	**612**	**4,100**
Development costs	14,525	**15,942**
Trademarks		**22,993**
Other intangible assets	8,731	**37,825**
TOTAL INTANGIBLE ASSETS	**23,256**	**76,761**

Investments made in 2008 other than changes in the consolidation scope mainly concerned further work on the implementation of an integrated Group information system (ERP). Costs capitalised in respect of this project totalled €11,865 thousand at 31.12.2008, of which €6,325 thousand was invested in 2008. Roll-out of this ERP to all MANITOU BF SA functions is expected to be finalised in 2009.

Changes in consolidation scope mainly concern the acquisition of GEHL (see Note 2.2).

For the CGUs for which there was evidence of loss of value, impairment tests did not indicate a need to recognise any impairment losses.

3.2. Breakdown of goodwill as at 31.12.2008

Net value

in € thousands	31.12.2007	31.12.2008
EMPILHADORES DE PORTUGAL SA	70	70
EPL ALGARVE		11
EPL CENTRO		6
MANITOU HANGZHOU MACHINERY HANDLING	542	542
GEHL		2,538
DLS		933
TOTAL	**612**	**4,100**

3.3. Impairment of goodwill

Goodwill was tested for impairment in accordance with the principles set out in Note 1.9.

GEHL COMPANY was considered as a Cash Generating Unit (CGU) to which the goodwill recognised on acquisition was allocated.

The net value of this CGU as at 31.12.2008 was compared with the most likely future cash-flows determined by taking into account assumptions regarding growth in activity and the sales financing structure.

As specified in Note 1.9, the discount rate used corresponds to the weighted average cost of capital, which was 10% as at 31.12.2008. Growth to infinity was set at 3%, which corresponds to the rate used by the experts when valuing GEHL's intangible assets.

Based on this comparison, impairment of €51,634 thousand was recorded, this impairment loss being allocated in full to the goodwill recognised on acquisition

The sensitivity of the impairment of GEHL's goodwill to changes in the assumptions described above is shown in the table below.

in € thousands	**Increase in impairment of Goodwill**
Cash-flows discount rate +0,5%	17,382
Prepetual growth rate -0,5%	13,020
Operating income rate for terminal value -0,5%	8,721

The tests performed on other goodwill items did not result in the recognition of any impairment losses.

Note 4 - Property, plant and equipment

Gross value

in € thousands	31.12.2007	Addition	Disposal	Translation difference	Reclass./ change in scope	**31.12.2008**
Land	14,666	2,622	23	-225	5,178	22,218
Buildings	89,507	3,389	32	-1,038	19,274	111,101
Plant and equipment	77,981	15,738	341	-627	18,220	110,971
Other property, plant and equipment	40,969	6,594	4,004	-164	7,576	50,971
Property, plant and equipment in progress	6,272	8,497	7	-1,011	1,091	14,842
Amounts paid in advance	2,063	33			-1,766	330
TOTAL	**231,459**	**36,874**	**4,407**	**-3,065**	**49,573**	**310,434**

Depreciation

in € thousands	31.12.2007	Increase	Decrease	Translation difference	Reclass./ change in scope	**31.12.2008**
Land	3 623	443	15	5		4,056
Buildings	34,270	4,923	28	-273	41	38,933
Plant and equipment	50,193	9,479	325	61	223	59,631
Other property, plant and equipment	21,698	7,043	2,844	-46	539	26,390
Property, plant and equipment in progress						
Amounts paid in advance						
TOTAL	**109,784**	**21,887**	**3 ,211**	**-252**	**803**	**129,011**

Net value

in € thousands	31.12.2007	**31.12.2008**
Land	11,043	18,163
Buildings	55,237	72,167
Plant and equipment	27,788	51,340
Other property, plant and equipment	19,271	24,581
Property, plant and equipment in progress	6,272	14,842
Amounts paid in advance	2,063	330
TOTAL	**121,675**	**181,423**

The main investments concerned the boom production plant (€10 million), the mast production site (€3 million) and various additions to capacity (€6 million).

For the CGUs for which there was evidence of loss of value, impairment tests did not indicate a need to recognise any impairment losses.

Note 5 - Investments in associates

5.1. Change in equity interests

						Depreciation
in € thousands	31.12.2007	Share of earnings	Dividends	Change	Translation difference	**31.12.2008**
TIE SA	12,660	1,448	-403			13,705
MANITOU FINANCE FRANCE SAS	7,132	338		2,940		10,410
MANITOU FINANCE Ltd.	3,088	449	-1,002		-502	2,032
FIMAN	33	22			3	58
ALGOMAT	108	71			-4	174
ACTIS LOCATION	45	0				45
EPL ALGARVE	445	18		-463		0
EPL CENTRO	84	6		-91		0
HANGZHOU MANITOU MACHINERY EQUIPMENT	1,253	103			174	1,530
TOTAL	**24,848**	**2,455**	**-1,406**	**2,386**	**-329**	**27,954**

On 01.04.2008, MANITOU Group acquired a further 8% of the capital of EPL ALGARVE and EPL CENTRO, increasing its controlling interest to 51.3% and giving the Group exclusive control over these companies, which were thus fully consolidated as from this date.

5.2. Share of earnings and capital of associates

	Earnings		Equity	
in € thousands	As at 31.12.2007	**As at 31.12.2008**	As at 31.12.2007	**As at 31.12.2008**
TIE SA	2,794	1,448	8,792	9,837
MANITOU FINANCE FRANCE SAS	527	338	468	806
MANITOU FINANCE Ltd.	490	449	1,605	549
FIMAN	-16	22	-84	-59
ALGOMAT	18	71	34	101
ACTIS LOCATION	3	0	20	20
EPL ALGARVE (from 01.01.2008 to 31.03.2008)	38	18	378	
EPL CENTRO (from 01.01.2008 to 31.03.2008)	27	6	54	
HANGZHOU MANITOU MACHINERY EQUIPMENT	398	103	258	536
TOTAL	**4,278**	**2,455**	**11,525**	**11,790**

5.3. Significant financial information by company

31.12.2007

in € thousands	Activity	Sales	Net Income	Total assets	Net assets	Ownership interest
TIE SA	Production	253,237	7,471	113,958	62,087	20.0%
MANITOU FINANCE FRANCE SAS	Financement	8,556	1,074	184,814	14,555	49.0%
MANITOU FINANCE Ltd.	Financement	4,558	999	62,435	6,300	49.0%
FIMAN	Dormante		-32	640	67	49.0%
ALGOMAT	Distribution	3,405	58	2,728	356	30.4%
ACTIS LOCATION	Distribution	316	8	225	118	38.3%
HANGZHOU MANITOU MACHINERY EQUIPMENT	Production	7,570	994	4,203	3,132	40.0%

31.12.2008

in € thousands	Activity	Sales	Net Income	Total assets	Net assets	Ownership interest
TIE SA	Production	283,224	7,241	99,205	67,312	20.0%
MANITOU FINANCE FRANCE SAS	Financing	11,431	689	222,280	21,245	49.0%
MANITOU FINANCE Ltd.	Financing	4,075	914	38,632	4,146	49.0%
FIMAN	Dormant		44	1,401	117	49.0%
ALGOMAT	Distribution	4,315	244	2,071	574	30.4%
ACTIS LOCATION	Distribution	334	0	259	118	38.3%
HANGZHOU MANITOU MACHINERY EQUIPMENT	Production	5,148	228	5,565	3,825	40.0%

Note 6 - Financial instruments

6.1. Reconciliation of balance-sheet lines – Assets

31.12.2007

in € thousands	Available forsale financial assets	Loans and receivables	Financial assets at fair value-through profit or loss	Total 31.12.2007
Non-current financial assets (Note 6.2)	19,337			19,337
Current financial assets (Note 6.3)			51,662	51,662
Cash and cash equivalents (Note 6.4)			73,530	73,530
Finance contracts receivable - non current (Note 9)				
Other non-current assets (Note 6)		5,155		5,155
Trade receivables (Note 8)		265,681		265,681
Finance contracts receivable - current (Note 9)				
Other current receivables (Note 10)		26,956		26,956
TOTAL	**19,337**	**297,791**	**125,192**	**442,321**

31.12.2008

in € thousands	Available forsale financial assets	Loans and receivables	Financial assets at fair value-through profit or loss	Total 31.12.2008
Non-current financial assets (Note 6.2)	97		4,652	4,749
Current financial assets (Note 6.3)			254	254
Cash and cash equivalents (Note 6.4)			57,387	57,387
Finance contracts receivable - non current (Note 9)		91,816		91,816
Other non-current assets (Note 6)		811		811
Trade receivables (Note 8)		306,137		306,137
Finance contracts receivable - current (Note 9)		116,511		116,511
Other current receivables (Note 10)		16,944		16,944
TOTAL	**97**	**532,219**	**62,293**	**594,608**

6.2. Non-current financial assets

Gross value

in € thousands	31.12.2007	Change	Fair value	Translation difference	Reclass./ change in scope	**31.12.2008**
Available-for-sale shares						
- GEHL COMPANY	19,046				-19,046	
- Other shares	295	-194		0		101
Other non-current financial assets		-156		-277	5,086	4,653
TOTAL	**19,341**	**-350**		**-277**	**-13,960**	**4,753**

	Provision		**Net value**	
in € thousands	**31.12.2007**	**31.12.2008**	**31.12.2007**	**31.12.2008**
Available-for-sale shares				
- GEHL COMPANY			19,046	
- Other shares	4	4	291	97
Other non-current financial assets				4,653
TOTAL	**4**	**4**	**19,337**	**4,749**

At 31.12.2007, MANITOU BF SA owned 1,748,046 shares in GEHL, representing 14.41% of the capital. These shares were valued at the closing share on the last trading day of the year and translated into euros at the closing EUR/USD exchange rate. This valuation resulted in the recognition of an accumulated write-down at 31.12.07 of €3,337 thousand against available-for-sale securities, together with an equivalent reduction in shareholders' equity.

During 2008, MANITOU BF SA acquired the entire share capital of GEHL (see Note 2).

As control was acquired through a series of purchases, the fair value of the assets and liabilities acquired together with the goodwill was determined at each transaction date. The acquisition cost of the shares taken into account for the successive purchases prior to control being acquired corresponds to their historical value. The fair value adjustment of €3,337 thousand recognised at 31.12.2007 was cancelled, resulting in an equivalent movement in shareholders' equity.

6.3. Current financial assets

Marketable investment securities were valued at fair value as at 31.12.2008.

		Net value
in € thousands	31.12.2007	**31.12.2008**
Structured investments with a capital guarantee	10,100	
Mutual funds with a capital guarantee	41,160	
Other	402	254
TOTAL	**51,662**	**254**

6.4. Cash and cash equivalents

		Net value
in € thousands	31.12.2007	**31.12.2008**
Cash	62,824	52,205
Money market funds & other	10,706	5,182
TOTAL	**73,530**	**57,387**

6.5. Reconciliation of balance-sheet lines – Liabilities

At 31.12.2008, the various categories of financial liabilities were as shown in the table below. They are described in Note 6.6 below.

in € thousands	31.12.2007	**31.12.2008**
Non-current financial liabilities (Note 6.6)	9,073	85,447
Other non-current liabilities		2,947
Current financial liabilities (Note 6.6)	39,461	450,674
Trade payables (Note 13)	254,564	143,343
Other current liabilities (Note 13)	69,407	76,512
TOTAL	**372,505**	**758,924**

6.6. Current and non-current financial liabilities

The measurement and recognition principles are set out in Note 1.12.

	Current		Non-current			
in € thousands	31.12.2007	**31.12.2008**	31.12.2007	**31.12.2008**	1 to 5 years	over 5 years
Short-term financing and bank overdrafts	562	23,008				
Bank borrowings		293,383		238	219	19
Finance lease liabilities	2,581	4,258	7,957	11,808	11,804	4
Financial liability linked to securitisation programme (note 9)		55,702		37,134	37,134	
Financial liability linked to limited recourse sales (note 9)		36,140		24,093	24,093	
Derivatives liability - rate				11,969	11,969	
Other borrowings	5,287	1,900	1,116	204	102	102
TOTAL	8,429	414,391	9,073	85,447	85,322	125
Shareholders' agreements and stock-option plan liabilities (cash settled)	31,032	36,284				
TOTAL	**39,461**	**450,674**	**9,073**	**85,447**	**85,322**	**125**

Liabilities relating to shareholders' agreements were reclassified in short-term borrowings as the minority shareholders may exercise their put at any time.
The increase in borrowings relates to the acquisition of GEHL.

Bank borrowings include:

- a syndicated term borrowing, repayable in instalments, for €210 million established to finance the acquisition of GEHL and recorded at an amount of €207 million, being the value of the borrowing less the non-amortised portion of the arrangement fees, in short-term borrowings as at 31.12.2008, a restrictive clause in the financing agreement not being met at this date (see 6.6.1);
- a syndicated loan carried by GEHL, on which €81 million had been drawn down as at 31.12.2008, for which the change of control clause following the acquisition of the subsidiary was not relieved as at 31.12.2008.

Borrowings relating to the securitisation programme together with borrowings relating to limited recourse sales appear on GEHL's balance sheet and relate to its end-customer sales financing business. The securitisation programme also includes a change of control clause following the acquisition of GEHL by MANITOU Group, this clause not being relieved as at 31.12.2008.

6.6.1. Features of the main bank borrowings

	As at 31.12.2008				
in € thousands	Current	Non current	Currency	Expiry date	Effective rate
Syndicated loan - France (1)	207,168		EUR	T3 / 2013	4.44%
Syndicated loan - USA (2)	80,810		USD	T4 / 2011	5.49%
Securitisation - USA (3)	55,702	37,134	USD	T1 / 2009	4.07%
Limited recourse sales	36,140	24,093	USD	variable	5.74%

(1) A loan of €260 million plus $125 million or the euro equivalent for a period of five years was signed in September 2008 then syndicated in October 2008 with eight French banking partners. The loan consists of an acquisition borrowing of €210 million, repayable on a non-straight-line basis over five years, and two revolving credit lines of €50 million and $125 million or the euro equivalent. As at 31.12.2008, only the acquisition borrowing, which was fully drawn down, appeared on the balance sheet.

The main features of this borrowing are as follows:

- **term:** 5 years,
- **repayment:** annual, on the anniversary date of signing (16% of the initial amount for the first to third instalment, 17% for the fourth instalment and 35% for the last instalment),
- **interest rate:** Euribor plus a fixed margin of 1.2% until 30.06.2009 and to be determined subsequently based on the gearing ratio (net debt/EBITDA).

This loan agreement contains restrictive clauses, notably as regards the financial ratios:

Financial ratios	Limit per contract
Net debt on equity (gearing) (1)	< 1
Net debt on EBITDA (leverage) (2)	< 3

(1) based on the loan agreement, the net debt and the equity are restated from the impacts linked to shareloders' agreements.

(2) EBITDA : operating result before amortisation and depreciation of assets.

At 31.12.2008, the gearing ratio (net debt/equity) stood at 0.875 based on the criteria stipulated in the loan agreement and net debt represented 3.5x EBITDA. As the restrictive clause for this latter ratio was not met, the entire acquisition borrowing was reported in short-term borrowings as at 31.12.2008.

To deal with this situation, MANITOU Group initiated a process aimed at renegotiating its financing with the banks. An agreement was reached on 25.02.2009 removing the clause that prevented GEHL's assets from being used as a guarantee in favour of its American banking pool in exchange for obtaining a financing line for at least 24 months for an amount corresponding to GEHL's new operating needs and capped at $125 million. This agreement was accompanied by an exemption for a period of 60 days from the clause covering cross default between GEHL's financing agreements and the French loan agreement. This agreement was renewed on 27.04.2009 for a period of 90 days so as to enable a solution to be found to GEHL's financing needs before renegotiation of the terms and conditions of the syndicated loan.

(2) At 31.12.2008, GEHL COMPANY had an agreement for a revolving loan of $125 million with no attached collateral, entered into in October 2006 with a syndicate of American banks. This agreement expires in October 2011. The outstanding balance under this agreement at 31.12.2008 stood at $112 million, being €81 million.

The slowdown in economic activity in the fourth quarter of 2008 reduced GEHL's profitability and resulted in non-compliance with certain financial ratios (covenants) stipulated in this loan agreement. In order to avoid finding itself in an early repayment situation, GEHL has since twice negotiated waivers for a period of a few weeks each together with an agreement for an extension up to the end of March 2009. On 31.03.2009, GEHL received a letter from its banking pool informing it that its liability was payable immediately. Further negotiations then took place, concluding in a new extension agreement signed on 16.04.2009 giving a 30-day reprieve for repayment of the debt in exchange for:

- partial repayment of the line utilised based on partial allocation of the payments made and the cash available, and
- negotiation of a medium-term financing agreement with the company's assets being used as collateral.

If in this 30-day period an agreement is reached on the principles and terms and conditions for this loan, the agreement will be automatically extended by 45 days to ensure its effective implementation.

(3) In 2006, GEHL implemented a $165 million (€118 million) securitisation programme on which €93 million was outstanding as at 31.12.2008.

On 23.02.2009, GEHL received notification from the banking institution providing the securitisation programme that it wished to terminate the programme. As a result, no new financing agreement can be transferred to the programme, which is now being run down at the rate of the receipts collected on the stock of agreements making up the programme, bearing in mind that all amounts received under the programme will be allocated first to reducing the liability towards the banking partner. The programme will naturally be extinguished in mid-2010.

6.6.2. Amounts due to financial institutions

Amounts due to financial institutions as at 31.12.2008 can be analysed as follows:

in € thousands	31.12.2008 Amount authorised	31.12.2008 Amount used
Short-term financing and bank overdrafts	82,850	23,008
Financial liability linked to securitisation programme	118,560	92,836
Other bank borrowings		
- Term loan	211,018	211,018
- Revolving loan	236,108	85,282

6.7. Financial derivatives

MANITOU Group decided to manage the interest rate risk on the GEHL acquisition borrowing (€210 million repayable at variable Euribor from 04.09.2008 to 04.09.2013) so as to lock in as much as possible of its financial expenses. As part of this policy, the Group entered into interest rate swaps. These derivatives are designated as cash-flow hedges and were considered to be highly effective as at 31.12.2008.

	31.12.2008 Fixed rate paid (average)	31.12.2008 Notional	31.12.2008 Fair value at 31.12.2008
Less than 1 year	3.45%	35,000	
1 to 2 years	3.54%	65,000	
2 to 5 years	3.73%	60,000	
TOTAL NOTIONAL AMOUNT AT 31.12.2008		**160,000**	**-3,305**

In addition, in connection with the securitisation programme, GEHL entered into an interest rate swap in order to limit its exposure to changes in variable interest rates. The terms and conditions of this swap agreement, together with the notional amount, were based on the subscription date on forecast changes in the securitised loan portfolio. As at 31.12.2008, the notional amount was €142 million, which will gradually reduce to zero in 2013. Given the reduction in the balance on the securitisation programme, the swap was considered to be ineffective as at 31.12.2008 and the change in the fair value of €2,459 thousand allocated to this swap was recognised as a financial expense in the income statement.

As at 31.12.2008, GEHL was paying a fixed rate of 4.932% and receiving a variable rate of 30-day LIBOR.

As at 31.12.2008, the Group held contracts for the forward sale of foreign currencies intended to hedge future cash-flows denominated in US dollars in euros amounting to €2 million. As these contracts were not allocated to specific assets and liabilities, the hedge was not considered to be effective as defined in IFRS. The change in the fair value of these instruments, i.e. a loss of €0.1 million, was thus recorded in profit or loss.

6.8. Analysis of sensitivity to exchange rate movements

Sensitivity to exchange rate movements was determined based on receivables, liabilities, cash and available-for-sale financial assets as at 31.12.2008 for the main currencies in which the Group operates.

Sensitivity corresponds to an increase or decrease of more than 5% in the exchange rates concerned relative to the year-end exchange rate.

	31.12.2008		
in € thousands	USD/EUR + 5%	GBP/EUR + 5%	AUD/EUR + 5%
Receivables	258	332	190
Financial liabilities	-596	-69	67
Cash and cash equivalents	294	288	33
Effect on income	**-44**	**551**	**289**

Note 7 - Inventories

Gross

in € thousands	31.12.2007	Reclass / Scope in	Movement	Translation difference	**31.12.2008**
Raw materials	104,547	19,708	-2,439	-758	121,059
Work-in-progress	57,048	2,147	-41,969	-217	17,009
Finished goods	104,920	68,945	57,487	-5,527	225,826
Goods	50,503	5,250	2,979	-1,585	57,147
TOTAL	**317,019**	**96,051**	**16,059**	**-8,087**	**421,042**

Provision

in € thousands	31.12.2007	Reclass / Scope in	Movement	Translation difference	**31.12.2008**
Raw materials	1,154	3,320	165	-175	4,464
Work-in-progress					
Finished goods	3,848	-727	3,092	-369	5,843
Goods	5,021	1,350	1,266	-116	7,520
TOTAL	**10,023**	**3,942**	**4,522**	**-660**	**17,827**

Net value

in € thousands	31.12.2007	Reclass / Scope in	Movement	Translation difference	**31.12.2008**
Raw materials	103,393	16,389	-2,604	-584	116,594
Work-in-progress	57,048	2,147	-41,969	-217	17,009
Finished goods	101,073	69,672	54,396	-5,157	219,983
Goods	45,482	3,900	1,714	-1,469	49,627
TOTAL	**306,996**	**92,109**	**11,536**	**-7,427**	**403,215**

Note 8 – Trade receivables

in € thousands	31.12.2007	Reclass/ Scope in	Movement	Translation difference	**31.12.2008**	**Of which more than 90 days past due**
Current						
Trade receivables - gross	269,047	140,219	-81,439	-11,581	316,247	20,278
Trade receivables - impairment	3,367	7,042	476	-775	10,110	6,828
Trade receivables - net	**265,681**				**306,137**	**13,449**
Non-current						
Trade receivables - gross	5,103		-5,055		48	0
Trade receivables - impairment			3		3	0
Trade receivables - net	**5,103**				**45**	**0**
TOTAL	**270,784**				**306,182**	**13,449**

Outside the American market, the Group generally uses credit insurance or factoring to protect its trade receivables. In certain cases, based on the Group's knowledge of the customer, the amount due from a given customer may be higher than the amount covered.

In the American market and in accordance with sector practices, GEHL has stock financing agreements, known as floor plans, with its distributors for periods of up to nine months. Under these floor plans, the distributors must make payment for the machines as soon as they are sold to the end-customer and no later than on conclusion of the stock financing agreement. Distributors do not have any right to return the machines to inventories.
Past-due receivables are monitored on an individual basis.
Trade receivables relating to the financing of end-customer sales (finance leases and other forms of financing) included in 2007 in trade receivables for an amount of €5,055 thousand were reclassified in sales financing receivables (see Note 1.2).

Amounts recorded in respect of the raising and reversal of impairment provisions on trade receivables are included in "Provisions" in the income statement.

Note 9 – Sales financing receivables

This line comprises receivables for financing granted to end-customers, either in the form of sales under finance leases or, in the case of GEHL, end-customer sales financing.

in € thousands	31.12.2007	Change in scope & other	Movement	Translation difference	**31.12.2008**
Gross					
Finance lease assets		815	4,664	-166	5,313
Financing granted to end customers		237,739	-5,160	-12,815	219,764
Finance contracts receivable - Gross		**238,554**	**-496**	**-12,980**	**225,077**
Impairment					
Finance lease assets					
Financing granted to end customers		17,650	29	-928	16,751
Finance contracts receivable - Impairment		**17,650**	**29**	**-928**	**16,751**
Net					
Finance lease assets		815	4,664	-166	5,313
Financing granted to end customers		220,089	-5,188	-11,887	203,014
Finance contracts receivable - Net		**220,904**	**-524**	**-12,052**	**208,327**
Of which					
Non-current					91,816
Current					116,511

End-customer financing consists of €150 million of securitised receivables and €59 million of receivables sold with limited recourse that were not derecognised as at 31.12.2008.

In 2006, GEHL set up a securitisation vehicle with a financial institution to which the company can sell its end-customer sales financing receivables. This $165 million securitisation programme comes with change of control clauses. These clauses could not be exercised when GEHL was acquired by MANITOU and had not been lifted at the date of this report. The securitisation programme was suspended on 23.02.2009, effectively closing the programme to the financing of new cases. Given this development, this programme will naturally be extinguished in mid-2010.

The amount recorded in liabilities corresponding to these securitisation transactions is provided in Note 6.6.

Note 10 – Other current receivables

in € thousands	31.12.2007	Scope in & other	Movements	Translation difference	**31.12.2008**
Tax and social security receivables	19,271		-11,306	0	7,965
Other receivables	1,784	416	441	-15	2,626
Prepayments to suppliers	1,211	-6	240	-43	1,402
Prepaid expenses and accrued income	4,690	1,619	-1,507	148	4,951
TOTAL	**26,956**	**2,030**	**-12,132**	**90**	**16,944**

Note 11 – Share capital

11.1. Share capital

The share capital consists of a single class of 37,809,040 shares with a nominal value of €1 each, fully paid-up.

The Extraordinary General Meeting of 07.06.2007 granted powers to the Executive Committee to increase the share capital by issuing, while maintaining the preferential subscription rights, ordinary shares or any other securities giving access, immediately or over time, to ordinary shares in the Company or to the allocation of debt securities on the Company for a maximum nominal amount of €1,200,000 (to which may be added, if appropriate, the nominal amount of any additional shares to be issued to preserve the rights of holders of securities giving access to the Company's capital) and/or for a maximum amount of €120 million (or the equivalent in any other currency).

This authorisation, not used by the Executive Committee at the date of this report, and accordingly without the dilutive effect on earnings per share, expires on 06.08.2009.

In addition, the Ordinary General Meeting of 05.06.2008 granted the Executive Committee full powers, with the power to delegate, to renew for a period of 18 months a share buyback programme for up to 10% of the share capital. Such purchases may be made for the purpose of:

- granting stock-options or allocating bonus shares to employees and corporate officers of the Company or its subsidiaries under the terms and conditions provided for by law,
- assigning securities as payment or in exchange in connection with acquisitions,
- regulating the share price, when appropriate, through a liquidity contract in accordance with the AFEI charter.

The shares thus acquired may be held, sold or transferred by any means and at any time, even, if applicable, during a public offer. The maximum purchase price is set at €65 and the minimum sale price at €15. In the event of a capital increase by capitalisation of reserves and the allocation of bonus shares, as well as in the event of a reverse stock split, the prices indicated above will be adjusted by a multiplying factor equal to the ratio of the number of shares comprising the capital prior to the operation to the number after the operation.

11.2. Proposed dividend

Given the acquisition of GEHL and the difficult economic environment, the Executive Committee proposes not to distribute any dividends in 2009.

11.3. Treasury shares

Under the authorisations granted by the Ordinary General Meetings, MANITOU BF repurchased own shares resulting in the following movements in equity:

Number of shares	31.12.2007	% of share capital	31.12.2008	% of share capital
Held at opening (share repurchase programme)	**607,300**		**665,800**	
Shares purchased (Ordinary General Meeting of 01.06.2006)	126,000		101,500	
Shares sold				
Share purchase options exercised	-67,500		-63,300	
Held at closing (share repurchase programme)	**665,800**	1.76%	**704,000**	1.86%
Hedging of purchase options				
Liquidity contract	13,856		36,417	
Treasury shares - Total	**679,656**	1.80%	**740,417**	1.96%

The acquisition cost of shares purchased and the proceeds from shares sold have been recorded as a deduction from/addition to shareholders' equity respectively.

Treasury shares bear no entitlement to receive dividends.

11.4. Stock-option plans

The Extraordinary General Meeting of 05.06.2008 authorised the Executive Committee to grant options to certain Managers and employees of the Company and its subsidiaries to purchase up to 450,000 existing shares in the Parent Company MANITOU BF. This authorisation was granted for a period of 38 months from the date of the Extraordinary General Meeting. As at 31.12.2008, no options had been granted under this authorisation. No options were granted in 2008.

11.4.1. Characteristics

The main characteristics of the share purchase option plans are as follows:

characteristics	Maturity date	Expiry date	Number of beneficiaries (initial)	Average exercise price (in)	**Number of options granted**
Plan of 14.06.2003	14.06.2007	14.06.2011	15	13.40	34,000
Plan of 05.08.2003	05.08.2007	05.08.2011	3	13.61	28,500
Plan of 20.09.2004	20.09.2008	19.09.2012	16	22.06	26,500
Plan of 13.12.2004	13.12.2004	13.12.2012	16	22.66	79,500
Plan of 05.09.2005	06.09.2009	05.09.2013	15	32.56	62,500
Plan of 19.12.2005	20.09.2009	19.12.2013	15	31.88	62,500
Plan of 10.07.2006	11.07.2010	10.07.2014	16	32.76	98,000
Plan of 21.08.2006	22.08.2010	21.08.2014	5	30.95	15,000
Plan of 26.04.2007	27.04.2011	26.04.2015	16	39.80	82,100
Plan of 10.10.2007	11.10.2011	10.10.2015	16	36.55	28,900
Options granted					**517,500**
Options exired - available shares	30.10.2008		1		85,000
Non-granted shares					101,500
Total shares held					**704,000**

11.4.2. Number of options still valid

in units	Number of options at 31.12.2007	Options granted	Options exercised	Options expired	**Number of options at 31.12.2008**
Plan of 29.03.2001	23,300		-23,300		
Plan of 12.09.2001	40,000		-40,000		
Plan of 14.06.2003	54,000			-20,000	34,000
Plan of 05.08.2003	28,500				28,500
Plan of 20.09.2004	31,500			-5,000	26,500
Plan of 13.12.2004	94,500			-15,000	79,500
Plan of 05.09.2005	70,000			-7,500	62,500
Plan of 19.12.2005	70,000			-7,500	62,500
Plan of 10.07.2006	108,000			-10,000	98,000
Plan of 21.08.2006	20,000			-5,000	15,000
Plan of 26.04.2007	95,200			-13,100	82,100
Plan of 10.10.2007	30,800			-1,900	28,900
Total	**665,800**		**-63,300**	**-85,000**	**517,500**
Weighted average price of the period			15.17 €		

11.4.3. Valuation of option plans

In accordance with the accounting principles set out in Note 1.12, at 31.12.2008 stock-option plans were valued at their fair value measured on the grant date.

in € thousands	2007 plans	2006 plans	2005 plans	2004 plans	2003 plans	TOTAL
Initial value (after deduction of expired options)	1,352	1,024	1,112	793	767	5,048
2008 expense	338	256	278	63		935

The expense for the year is charged to personnel costs.

Assumptions

The main assumptions used for valuing and accounting for stock-option plans are as follows:

- exercise price: the price fixed by the plan's rules, i.e. the average price of MANITOU shares over the 20 trading days immediately prior to the allocation date, discounted by 5%;
- volatility: historical volatility of the MANITOU share over three years for all plans;
- dividend payout rate: average payout rate over the three years preceding the allocation date;
- estimated life of the option: 5 years;
- interest rate: risk-free rate over the life of the option measured on the grant date of each plan;
- vesting period: the vesting period is four years for all existing plans.

Note 12 – Provisions

12.1. Breakdown of provisions

in € thousands	31.12.2007	Of which less than one year	Of which more than one year	**31.12.2008**	**Of which less than one year**	**Of which more than one year**
Provisions - excluding post-employment benefits						
Warranty provisions	21,232	14,555	6,677	28,489	21,465	7,024
Provisions for other risks	3,454	2,643	811	6,261	2,941	3,320
	24,686	17,198	7,488	34,750	24,405	10,344
Post-employment benefits (see note 12)	2,733		2,733	33,390	4,656	28,734
TOTAL	**27,418**	**17,198**	**10,220**	**68,140**	**29,061**	**39,078**

12.2. Changes in provisions (excluding post-employment benefits)

in € thousands	31.12.2007	Increase	Release of provisions used	Release of provisions unused	Reclass./ change in scope	Translation difference	**31.12.2008**
Warranty provisions	21,232	16,896	9,828	2,448	3,451	-815	28,489
Provisions for other risks	3,454	1,457	258	138	1,951	-205	6,261
TOTAL	**24,686**	**18,352**	**10,086**	**2,585**	**5,403**	**-1,020**	**34,750**

Warranties

Provisions raised or written back in respect of warranties are recorded in "Provisions" in the income statement.

Other risks

Other risks mainly relate to trade and labour disputes.

Note 13 - Post-employment benefits

13.1. Definition

Defined benefit plans that result in the recognition of a provision relate to:

- retirement or severance indemnities,
- other long-term benefits such as long-service awards,
- plans providing pensions and other retirement benefits for certain employees,
- a supplementary pension plan for certain management staff in the United States,
- a plan providing post-employment medical assistance and life insurance.

These defined benefit plans are for the most part covered by funds paid to insurance companies, valued at their fair value on the balance-sheet date.
The value of these funds is deducted from post-employment obligations valued in accordance with IAS 19.

13.2. Measurement

13.2.1 Main actuarial assumptions used

The actuarial assumptions were determined country-by-country and company-by-company, in conjunction with independent actuaries.

31.12.2007

	France	United Kingdom	Italy	United States
Salary increases	4.00%	n/a	3.00%	3.00%
Pension increases	n/a	3.00%	n/a	n/a
Financial discounting rate	5.50%	5.80%	5.50%	6.30%
Expected rate of return on assets	4.25%	6.50%	n/a	7.00%

31.12.2008

	France	United Kingdom	Italy	United States
Salary increases	4.00%	n/a	3.00%	3.00%
Pension increases	n/a	3.00%	n/a	n/a
Financial discounting rate	5.70%	5.90%	5.70%	6.00%
Expected rate of return on assets	4.25%	5.90%	n/a	5.82%

Assumptions in respect of salary increases correspond for each country to the sum of expected inflation and forecast individual salary increases.

The staff turnover and life expectancy rates used take into account the specific features of each country and each company. The staff turnover rate used varies according to the status and age of the persons concerned.

The rate used to discount obligations is determined based on the market rate for premium corporate bonds on the balance-sheet date. A 0.25 percentage point change in the discount rate used would impact the present value of the obligation by €1.9 million.

For the calculation of retirement indemnities in France, the valuation is based on the employee's voluntary departure, which means that the obligation thus calculated includes social security charges. The rate of social security charges used for the valuation of the 2008 obligation ranged from 42% to 49% depending on the entity and the professional category concerned.

For these same retirement indemnities in France, the Group decided to restrictively apply to its consolidated financial statements the Interprofessional National Agreement (Accord National Interprofessionnel – ANI) dated 11.01.2008. Application of a broader interpretation that would have resulted in the amount of the retirement indemnities being aligned with the legal termination indemnity would have increased the Group's obligation by around €5 million.

The retirement age used for calculation of retirement indemnities and supplementary pensions was determined based on the applicable legislation in each country.

13.2.2 Composition of plan assets (as a %)

As at 31.12.2008, the composition of plan assets was as follows:

	31.12.2008				31.12.2007		
	France	United Kingdom	United States - without GEHL	United States - GEHL	France	United Kingdom	United States - without GEHL
Equities	15%	56%	59%	88%	15%	65%	53%
Bonds	80%	32%		12%	80%	9%	30%
Property	5%	10%	32%		5%	24%	
Other		1%	9%			2%	17%
TOTAL	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

For 2009, the Group will not contribute to the plan assets in France given the expected change in the number of employees as a result of the measures being taken in reaction to the economic crisis (see Note 27).

13.2.3. Reconciliation of balance-sheet lines

31.12.2007

in € thousands	France (End of service)	France Other	United Kingdom	Rest of Europe	United States	Total
Present value of the obligation	6,724	545	8,618	910	2,226	19,023
Fair value of the financial assets	6,625		8,314		1,632	16,571
(Provisions) Net assets recognised in balance sheet	-99	-545	-304	-910	-594	-2,452

*Of which : Provisions -2,733
Assets 281

31.12.2008

in € thousands	France (End of service)	France Other	United Kingdom	Rest of Europe	United States	Total
Present value of the obligation	7,654	552	7,024	965	48,796	64,991
Fair value of the financial assets	6,143		5,991		19,467	31,601
(Provisions) Net assets recognised in balance sheet	-1,511	-552	-1,033	-965	-29,329	-33,390

*Of which : Provisions -33 390
Assets —

13.2.4. Movements in obligations and plan assets during the year

in € thousands		France	United Kingdom	Rest of Europe	United States	Total
						31.12.2007
	Obligation					
	Opening	8,070	10,783	2,038	2,506	23,397
Adjustment in methods		298				298
Current service cost		638		28	159	825
Interest cost		368	539	60	132	1,099
Benefits paid		-399	-234	-431	-143	-1,207
Liquidation/reduction				-364		-364
Scope entry		6				6
Actuarial (gains) losses		-1,712	-1,651	-421	-170	-3,954
Adjustment for translation differences			-819		-258	-1,077
	Closing	7,269	8,314	910	2,226	19,023
	Plan assets					
	Opening	6,690	7,866		1,687	16,243
Employer contributions		13	1,365		175	1,553
Benefits paid		-365	-234		-143	-742
Actual return on assets		287	60		100	447
Adjustment for translation differences			-743		-187	-930
	Closing	6,625	8,314		1,632	16,571
	Reconciliation of provisions					
	Opening	-436	-2,917	-2,038	-154	-5,545
Reclassification of service awards		-944				-944
Charge for the year		-951	-1	678	-713	-987
Employer contribution		13	1,365		175	1,553
Benefits paid		35		431		465
SoRIE		1,639	1,173	19	53	2,884
Adjustment for translation differences			76		46	122
	Closing	-644	-304	-910	-593	-2,452

in € thousands	France	United Kingdom	Rest of Europe	United States	31.12.2008 Total
Obligation					
Opening	7,269	8,618	910	2,226	19,023
Adjustment in methods					
Current service cost	532		136	198	866
Interest cost	425	455	45	613	1,538
Benefits paid	-802	-201	-141	-981	-2,125
Liquidation/reduction					
Scope entry				42,171	42,171
Actuarial (gains) losses	781	211	15	6,312	7,319
Adjustment for translation differences		-2,059		-1,743	-3,802
Closing	8,205	7,024	965	48,796	64,990
Plan assets					
Opening	6,625	8,314		1,632	16,571
Employer contributions	13	1,173		459	1,645
Benefits paid	-762	-201		-981	-1,944
Benefits paid	267	-1,463		-1,489	-2,685
Scope entry				20,969	20,969
Adjustment for translation differences		-1,832		-1,124	-2,956
Closing	6,143	5,991		19,466	31,600
Reconciliation of provisions					
Opening	-644	-304	-910	-594	-2,452
Charge for the year	-641	68	-181	-461	-1,215
Employer contribution	13	1,173		340	1,526
Benefits paid	40		141	119	300
SoRIE	-830	-2,197	-15	-8,151	-11,193
Scope entry				-21,202	-21,202
Adjustment for translation differences		227		619	846
Closing	-2,062	-1,033	-965	-29,330	-33,390

13.2.5. Breakdown of charge for the year

31.12.2007

in € thousands	France	United Kingdom	Rest of Europe	United States	Total
Adjustment in methods	300			531	831
Current service cost	638		28	159	825
Interest cost	368	539	60	132	1,099
Expected return on assets	-291	-538		-109	-938
Amortisation of actuarial gains and losses	-69				-69
Transfer/acquisition	5				5
Reduction			-766		-766
Net charge	**951**	**1**	**-678**	**713**	**987**

31.12.2008

in € thousands	France	United Kingdom	Rest of Europe	United States	Total
Adjustment in methods					
Current service cost	532		136	202	870
Interest cost	425	455	45	610	1,535
Expected return on assets	-279	-522		-351	-1,152
Amortisation of actuarial gains and losses	-37				-37
Transfer/acquisition					
Reduction					
Net charge	**641**	**-68**	**181**	**461**	**1,215**

As at 31.12.2008, the cost of discounting and the expected return on plan assets were recognised in net financial income as a net expense of €382 thousand. The cost of services rendered and the amortisation of actuarial gains and losses, representing a charge of €833 thousand, were recognised in operating profit.

Note 14 – Other current liabilities

in € thousands	31.12.2007	Change in scope & other	Movement	Translation differences	**31.12.2008**
Trade payables and related liabilities	**254,564**	**33,040**	**-142,946**	**-1,314**	**143,344**
Tax and social security liabilties	40,701	5,590	-12 999	-1,027	32,265
Other operating liabilities	28,289	2,914	3,584	-779	34,008
Deferred income	417	8,543	1,618	-340	10,239
Other liabilities	**69,407**	**17,047**	**-7,796**	**-2,146**	**76,512**
TOTAL CURRENT LIABILITIES	**323,971**	**50,087**	**-150,742**	**-3,460**	**219,856**

Note 15 – Income taxes

15.1. Balance-sheet movements

in € thousands	31.12.2007	Result	Payment	Translation difference	Change in scope & other	**31.12.2008**
Current tax						
Assets	8 798					22,977
Liabilities	1 944					1,086
TOTAL	**6 854**	**-27,253**	**32,326**	**-316**	**10,279**	**21,891**
Deferred tax						
Assets	4 640					4 845
Liabilities	4 417					18 676
TOTAL	**223**	**-1,293**		**974**	**-13,735** (1)	**-13,831**

(1) In 2008, other changes in deferred taxes broke down as follows:

in € thousands	**31.12.2008**
Deferred tax recognised in consolidated reserves (SoRIE)	4,349
Deferred taxes booked in equity - Interest rate hedging instruments	1,077
Deferred taxes on GEHL acquisition exchange rate hedging (basis adjustment)	-4,057
Scope entry	-15,132
Other	27
TOTAL	**-13,735**

15.2. Tax recognised in the income statement

Tax expenses recognised in the income statement comprise:

in € thousands	31.12.2007	**31.12.2008**
Current tax	42,004	27,253
Deferred tax for the period	2,993	1,167
Change in deferred tax rates	-72	14
Capitalisation of unrecognised tax losses and impairment	167	112
Total deferred tax	3,087	1,293
TOTAL	**45,091**	**28,546**

- The **current tax** charge corresponds to income tax due to the various tax authorities in respect of the financial year. These amounts are determined based on the tax rates and laws applicable in each of the countries concerned.

- The **deferred tax** charge is calculated using the method described in Note 1.18.

15.3. Reconciliation of the theoretical tax charge and the actual tax charge

in € thousands	31.12.2007	**31.12.2008**
Income before tax of fully consolidated companies	133,240	36,454
Tax rate in France	34.44%	34.44%
Theoretical tax charge for the year	45,888	12,555
Tax credits	-1,288	-1,016
Other taxes - Italy	1,582	1,677
Tax-exempt capital gain on sale of TIE shares	-823	
Impairment of goodwill		17,783
Permanent differences	708	1,276
Reduction in tax rates (current and deferred)	-127	38
Differences in tax rates in foreign countries and other	-849	-3,765
TOTAL - INCOME TAX	**45,091**	**28,546**

15.4. Deferred tax basis

Deferred tax arises on the following temporary differences:

in € thousands Assets / (liabilities)	Temporary differences at 31.12.2007	Deferred tax at 31.12.2007	**Temporary differences at 31.12.2008**	**Deferred tax at 31.12.2008**
Intangible assets	-1,542	-531	-45,990	-16,090
Property, plant, equipment	-10,795	-3,507	-29,498	-9,956
Finance leases	-7,970	-2,552	-8,493	-2,692
Employee profit sharing	3,663	1,261	870	299
Employee benefits	588	181	33,379	11,576
Provisions	4,887	1,613	6,519	2,199
Inventories	10,828	3,661	-3,740	-1,550
Others assets & liabilities	-81	-22	10,696	2,363
Other	377	121	-4,664	-360
Sub- total	-45	223	-40,920	-14,211
Tax credits		0		
Tax losses carried forward		1,216		1,832
Unrecognised deferred tax assets		-1,216		-1,453
TOTAL	**-45**	**223**	**-40,920**	**-13,831**

Note 16 – Breakdown of sales by type and by geographic region

in € thousands	31.12.2007	**31.12.2008**
Sales by type		
Sales of goods	1,241,172	1,256,159
Sales of services	19,074	21,557
TOTAL	**1,260,246**	**1,277,717**
Sales by geographic region		
France	**461,783**	**494,408**
Euro zone	390,744	339,016
Rest of European Union	236,860	220,646
Other European countries	38,909	53,247
Rest of the world	131,950	170,400
Total Export	**798,463**	**783,309**
TOTAL	**1,260,246**	**1,277,717**

Note 17 – Auditors' fees

	DELOITTE & ASSOCIES				RSM SECOVEC				OTHER				TOTAL	
	Amount		%		Amount		%		Amount		%		Amount	
in € thousands	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008
Audit														
Audit and certification of company and consolidated financial statements														
- Parent Company	100	131	61%	54%	100	121	73%	76%					200	252
- fully consolidated subsidiaries	65	113	39%	46%	36	37	27%	24%	211	329	94%	95%	312	479
Other audits and services directly linked to the duties of the Statutory Auditors														
- Parent Company														
- fully consolidated subsidiaries									13	16	6%	5%	13	16
Sub-total	**165**	**244**	100%	100%	**136**	**158**	100%	100%	**224**	**345**	100%	100%	**525**	**747**
Other services provided by the audit firms to fully consolidated subsidiaries		654								102				756
Total	**165**	**898**			**136**	**158**			**224**	**345**			**525**	**1503**

The Company believes that the information provided for by Article 222-8 of the AMF's general regulations and instruction no. 2006-10 will comply with the provisions introduced by decree no. 2008-1487 dated 30.12.2008.

Note 18 – Other operating income and expense

	Income		Expense		Net	
in € thousands	2007	**2008**	2007	**2008**	2007	**2008**
Sale of assets (excluding TIE)	2,772	2,264	1,668	1,617	1,104	647
Foreign exchange gains and losses	2,345	10,094	3,902	10,836	-1,557	-742
Other	12,819	10,820	5,172	3,774	7,647	7,046
TOTAL	**17,936**	**23,178**	**10,742**	**16,226**	**7,194**	**6,951**

Note 19 – Personnel costs

in € thousands	2007	**2008**
Salaries, bonuses and commissions	82,726	92,139
Incentive schemes and employee profit sharing	8,749	3,776
Social security charges and other	29,397	32,104
TOTAL	**120,872**	**128,019**

Note 20 – Net financial income

in € thousands	2007	**2008**
Financial assets income	2,201	1,770
Other financial income	2,940	2,349
TOTAL INCOME	**5,142**	**4,119**
Interest expenses on bank borrowings and other financial liabilities	1,824	6,615
Forward currency hedge premium (GEHL acquisition)		2,500
Ineffective part of interest rate swap		2,459
Other financial expense	1,153	1,070
TOTAL CHARGES	**2,977**	**12,645**

Note 21 – Research and development costs

Pursuant to IAS 38, all research costs, together with study and development costs other than those described in Note 1.6, are expensed during the year in which they are incurred. These costs amounted to €12,269 thousand in 2008 compared with €8,795 thousand in 2007.

Note 22 – Off-balance sheet commitments

in € thousands	31.12.2007	**31.12.2008**
Guarantees, securities and pledges	6,696	7,881
Mortgages		
Other financial commitments (including forward sales)	1,647	5,459
Commitments to repurchase equipment (1)	43,908	43,089

(1) Commitments to repurchase equipment are valued based on the agreed contractual repurchase price.
Note that the market value of the said equipment is usually higher than the repurchase value.

Note 23 – Risk management

The MANITOU Group's risk management policy is described in the Management Report under "Risk Management".

Note 24 – Information relating to individual staff training rights (droit individuel à la formation)

In 2008, costs arising from individual rights to training were borne by the Group as part of the training programme when agreed between the employer and employee.

No provision was raised for training requests in respect of individual staff training rights that had not given rise to an agreement as at 31.12.2008 and which were attributable to the Company's legal obligation in terms of ongoing professional training.

The individual rights of French employees that had not requested training totalled 145,666 hours as at 31.12.2008.

Note 25 - Employees as at 31 December

In number of people	2007	2008
MANITOU BF SA	1,440	1,462
COMPAGNIE FRANCAISE DE MANUTENTION	130	137
CIE INDUSTRIELLE DE MATERIELS DE MANUTENTION	110	89
MLM	110	101
AUMONT-BSBH	107	105
BTMI	68	68
MANITOU UK Ltd.	46	50
GEHL Inc.		657
MANITOU NORTH AMERICA Inc.	83	71
MANITOU COSTRUZIONI INDUSTRIALI Srl.	264	257
OMCI ATTACHMENTS Srl.	10	10
MANITOU BENELUX SA	23	25
DLS		9
MANITOU ASIA PTE Ltd.	25	26
EMPILHADORES DE PORTUGAL	56	58
EPL ALGARVE		13
EPL CENTRO		9
MANITOU DEUTSCHLAND GmbH	24	25
MANITOU SOUTHERN AFRICA PTY Ltd.	44	51
CHARIOTS ÉLÉVATEURS MANITOU CANADA Inc.	4	4
MANITOU AUSTRALIA PTY Ltd.	9	9
MANITOU HANGZHOU MACHINERY HANDLING	87	56
MANITOU MANUTENCIÓN ESPAÑA	12	9
MANITOU VOSTOK	7	12
MANITOU POLSKA	8	6
TOTAL	**2,667**	**3,319**

Note 26 – Transactions with related parties

26.1. Transactions with associates

	2007		2008	
in € thousands	Expense	Income	Expense	Income
TOYOTA INDUSTRIAL EQUIPMENT SA	5,072	33,176	464	36,882
MANITOU FINANCE FRANCE SAS	272	3,777	624	1,720
MANITOU FINANCE Ltd	1,448	115,593	1,248	74,010
ALGOMAT	0	2,845	55	2,912
ACTIS LOCATION	19	176	24	57
HANGZHOU MANITOU MACHINERY EQUIPMENT Co Ltd	7,379	2,050	4,069	2
EPL ALGARVE	59	2,412	33	846
EPL CENTRO	75	3,152	25	860

26.2. Transactions with the Parent Company

	2007		**2008**	
in € thousands	Expense	Income	**Expense**	**Income**
SFERT	700		550	

26.3. Transactions with individual persons

	2007		**2008**	
in € thousands	Interest 2007	Balance at 31.12.2007	**Interest 2008**	**Balance at 31.12.2008**
Current accounts:				
- Marcel BRAUD	14	10	0	0
- Jacqueline HIMSWORTH	131	3,829	164	187

The company A.R.S. CONSULTING, which is managed by Mr Joël GOULET, a Member of the Supervisory Board of MANITOU BF, carried out an assignment under which it provided advice on the organisation and governance of MANITOU Group, for which it was paid €24,000 for the portion completed in 2008. The portion of this assignment ordered by the Supervisory Board and to be completed in 2009 will be put to the General Meeting of 04.06.2009 for approval as a regulated agreement.

26.4. Remuneration and other benefits paid to Corporate Officers

Total remuneration and benefits-in-kind paid to Corporate Officers in 2008:

2007

in € thousands	Salaries	Directors' fees	Stock-options granted	Stock-options valuation	Options exercised	Provisions and commitments at 31.12.2007
Supervisory Board	475	143				
Executive Committee	908	220	50,000 shares	619	5,500	130

2008

in € thousands	Salaries	Directors' fees	Stock-options granted	Stock-options valuation	Options exercised	Provisions and commitments at 31.12.2008
Supervisory Board	498	152				
Executive Committee	1,073	220	None	0	40,000	123

Note 27 – Post-balance sheet events

- **“PERFORMANCE 2011” plan**

  The MANITOU Group has drawn up a corporate action plan in response to the present crisis. This plan is underpinned by two priorities: adapting operating structures and costs and improving cash-flows. The goal is to return to profit as from 2010 with a level of sales comparable to that in 2009 and to lock in the Group’s financing.

  The implementation of “PERFORMANCE 2011”, which will have an estimated cost of €20 million in 2009, focuses on three areas of action designed to improve profitability:

  - purchasing, with an action plan designed to accelerate implementation of a Group purchasing policy and generate synergies within the Group and the bringing in-house of manufacture of some welded mechanical parts, with the aim of raising the gross margin by 2 points within two years;
  - overheads, with an action plan designed to reduced fixed overheads by 15% in 2009 and by 20% in 2010 relative to 2008;

- staff reductions, with a plan designed to adapt staff levels to the level of activity expected in 2009, which corresponds to the level of 2000 to 2004. The targeted reduction of 650 people across the entire Group, announced in April 2009, should reduce personnel costs by 20% in 2009 and by 30% in 2010, relative to 2008, with the aim of bringing them down to 12.6% of sales (2000 to 2004 level) by the end of 2010. The Group began to implement adjustment measures in mid-2008 by terminating temporary work-contracts, introducing part-time layoffs for direct and indirect production staff and at the head office as well as implementing voluntary departure plans at MANITOU BF, CIMM, AUMONT, BTMI and CFM. The Group does not rule out further adjustment measures in order to achieve its reduction target.

In parallel with the plan to improve earnings, the Group aims to improve cash-flow by reducing inventory levels by €120 million, reducing trade receivables by €100 million and setting a €20 million limit on investment for the period from 2009 to 2012.

Renegotiation of financing facilities in France and the United States

At 31.12.2008, MANITOU BF did not comply with the financial ratios required for its syndicated credit facilities of €260 million and $125 million or its equivalent in euro. Given this situation, the Company entered into discussions with its banking pool in order to renegotiate its debt. An agreement was reached on 25.02.2009 lifting the prohibition on pledging the assets of GEHL to its US banking pool in exchange for a financing facility of at least 24 months for an amount corresponding to GEHL's new operating requirement, within a maximum of $125 million. This agreement is accompanied by a 60-day waiver of the cross-default clause concerning GEHL's financing contracts and the French financing agreement. This agreement, which is subject to various conditions that MANITOU BF has undertaken to comply with, was renewed on 27.04.2009 for a period of 90 days in order to allow the time to find a financing solution for GEHL before renegotiating the terms and conditions of the syndicated credit facility.

With regard to the $165 million financing contracts securitisation programme, the bank partner responsible for financing notified GEHL on 23.02.2009 of its intention to terminate the programme. Consequently no new contract can be fed into the programme which will be repaid with the cash received on the stock of contracts in the programme, with all payments received being allocated in priority to repayment of the debt towards the banking partner. The programme should thus reach natural extinction in mid-2010. Moreover, the slump in business in the fourth quarter of 2008 dragged down GEHL's profitability, resulting in failure to comply with certain financial ratios (covenants) specified in the $125 million credit contract. To avoid a call for early repayment, GEHL on two occasions negotiated waivers of several weeks with its bank pool and obtained an extension that expired at the end of March. On 31.03.2009, GEHL received a letter calling for immediate repayment of its debt. It therefore entered into new discussions which resulted in a forbearance agreement on 16.04.2009 suspending the call for early repayment for a period of thirty days in exchange for:

- part repayment of drawn credit lines based on allocation of part of receipts and free cash, and,
- the conclusion of a medium-term financing arrangement secured by the company's assets.

If the principles and terms and conditions of the new facility are agreed within the thirty day period, the forbearance agreement will automatically be extended for another 45 days to allow for effective implementation.

The discussions with the French and US banking pools will be particularly delicate for GEHL, given its financial structure and the scale of the crisis affecting both GEHL and its banking partners. The MANITOU Group has clearly stated its intention of containing the financial risks of its new subsidiary until it has stabilised its medium-term financing. Despite the difficult situation prevailing at the date of this report, the mediocre outlook does not call into question the MANITOU Group's operating continuity. Like all the other players in its market, MANITOU is facing difficult and complex economic and financial conditions in 2009. Since the end of 2008, it has been implementing major adaptation measures that, in view of the Group's market position, financial structure and the motivation of its staff, should enable it to emerge from the present situation in an even stronger position.

Appointment of Christian CALECA as Executive Vice-President and Member of the Executive Committee of MANITOU BF

At its meeting of 20.03.2009, the Supervisory Board decided to appoint Christian CALECA as a member of the Executive Committee of MANITOU BF.

New Group organisation

In response to the growing diversity of its businesses and the rapid growth in sales, which have grown three-fold over the past ten years, the Group thoroughly overhauled its organisation in the first quarter of 2009. It has set in place a new management organisation with a stronger focus on specific business lines and geographic regions. This new operating organisation will come into effect in the second quarter of 2009 and is based on three operating divisions supported by a Corporate General Management Department and reporting to thePresident and CEO. The change in organisation is in keeping with the strategic axes set forth in the Group's Vision and in keeping with the strategic orientations set by the Supervisory Board

Executive Management Group

In view of the profound changes undergone by the Group, the Supervisory Board, in accordance with the Executive Committee, decided on 20.03.2009 to modify and adapt the Group's organisation by creating three main divisions with the support of a Corporate General Management Department. The entire organisation reports to the President and CEO. On the same date, it created an Executive Management Group composed of five Members comprising the President and CEO, the Corporate Chief Executive Officer and the three Heads of Divisions.

An operating organisation by division

All the Group operating activities are now carried out through three separate divisions:

- The **ROUGH TERRAIN HANDLING EQUIPMENT DIVISION** grouping all its core businesses in masted forklift-trucks, fixed and rotating telescopic forklift-trucks and personnel lifting equipment in all geographic regions outside the Americas;
- The **MANITOU INDUSTRIAL DIVISION,** grouping the activities in industrial handling and warehousing equipment;
- The **COMPACT EQUIPMENT AMERICA** division, grouping all MANITOU's activities in the Americas.

In application of IFRS 8, applicable as from 01.01.2009, the Group will publish financial data by division as from the first half of 2009, with comparative data for 2008.

Exercise of minority put by the minority shareholder of MANITOU COSTRUZIONI INDUSTRIALI

The minority shareholder holding a 25% stake in MANITOU COSTRUZIONI INDUSTRIALI notified MANITOU BF on 27.02.2009 that in accordance with the shareholders' agreement signed with MANITOU BF on 28.04.2005, it wished to exercise its minority put option.

This will result, in accordance with the shareholders' agreement and after financial due diligence, in the purchase by MANITOU BF of the minority shareholders' stake for a price of around €33 million. The transaction could be completed before the end of the first half of 2009.

The MANITOU share

The MANITOU share was transferred from section A to section B of NYSE EURONEXT Paris with effect from 21.01.2009.

Consolidated financial statements

Statutory Auditors' report on the consolidated financial statements

For the year ended 31.12.2008

To the Shareholders,

In performance of the assignment entrusted to us by your Annual General Meeting, we hereby present our report for the year ended 31.12.2008 on:

- our opinion on the consolidated financial statements of MANITOU BF;
- basis for our opinion;
- specific verifications required by the law.

The consolidated financial statements have been approved by the Executive Committee. Our role is to express an opinion on these financial statements based on our audit.

I. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis or using other sampling methods, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31.12.2008 and of the results of its operations for the year then ended in accordance with IFRS as adopted by the European Union.

Without qualifying the opinion expressed above, we draw your attention to the following points in the Notes to the consolidated financial statements:

- the note on the going concern principle in the section headed "General information" that stipulates the conditions under which the MANITOU Group's accounts were prepared with regard to the going concern principle,
- note 6.6, which explains the reclassification of syndicated term borrowings amounting to €288 million in short-term borrowings due to the non-compliance with the financial ratios,
- note 1.2, which explains the correction and changes in the presentation made by MANITOU Group as a result of IAS 8 ("Accounting policies, changes in accounting estimates and errors").

II. Basis for our opinion

The financial crisis that was gradually accompanied by an economic crisis had a host of consequences for companies, particularly with regard to their business volumes and financing. These factors were taken into consideration by your Group when assessing the appropriateness of the going concern principle used in the preparation of the financial statements for the year ended 31.12.2008 (see Note to the consolidated financial statements on the going concern principle in the section on General information). The accounting estimates used when establishing the financial statements for the year ended 31.12.2008 were made in the context of difficulty in ascertaining the economic outlook. Given this environment, in accordance with the provisions of Article L.823-9 of the French Commercial Code, we made our own assessments that we wish to bring to your attention:

- **Accounting estimates**
  - When establishing the financial statements, MANITOU Group was required to make estimates and formulate assumptions, notably as regards the value of certain assets, liabilities, income and expense (Note 1.3 to the consolidated financial statements). Certain accounting estimates used in the preparation of the consolidated financial statements were made in the context described above, notably estimates relating to non-current assets, including the goodwill on the acquisition of GEHL (Notes 1.6, 1.9, 2.2 and 3.3 to the financial statements).

    We verified the appropriateness of the information provided in the Notes to the financial statements on the valuation and depreciation and impairment methods for non-current assets. We also reviewed the consistency of the assumptions used by Management, how these were reflected in the figures and the documentation available, all of which formed the basis for our assessment of the appropriateness of the estimates made.

  - Your Group provides for guarantees given to customers, as described in Note 1.16 to the consolidated financial statements. Our procedures consisted more particularly of assessing the information and assumptions determined by Management on which such accounting estimates are based, in reviewing, on a test basis, the Group's calculations and in comparing the accounting estimates of prior periods with the corresponding actual data. On these bases, we assessed the appropriateness of such estimates.

- **Absence of specific IFRS or interpretation**
  We have reviewed the accounting policies adopted by MANITOU Group in respect of commitments to purchase minority interests that are not covered by specific provisions in the IFRS as adopted by the European Union and we ensured that Note 1.12.2 to the consolidated financial statements provides appropriate disclosure in this respect.

- **Accounting principles**
  As part of our assessment of the accounting principles applied by your Group, we have reviewed the method used to capitalise development costs, and those used to amortise such expenses and test their recoverable amount, and we have satisfied ourselves that Note 1.7 to the consolidated financial statements provides appropriate disclosure in this respect.

These assessments were made in the context of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first section of this report.

III. Specific verifications required by law

In accordance with professional standards applicable in France, we have also verified the information given in the Executive Committee's management report. We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Orvault and Saint-Herblain, 30.04.2009
The Statutory Auditors

RSM SECOVEC	**DELOITTE & ASSOCIÉS**
Jean-Michel PICAUD	**Anne BLANCHE**

2008 financial report

Parent Company financial statements

Parent Company financial statements

Income statement

In € thousands	France	Export	Notes	**31.12.2008**	31.12.2007
Operating revenue (1):					
Sales of goods purchased	140,875	243,609		384,484	369,981
Sales of manufactured goods	261,646	382,801		644,447	664,291
Sales of services	1,508	6,398		7,906	6,993
Net sales	404,029	632,808	Note 18	1,036,837	1,041,265
Production taken to inventory				-9,959	15,019
Production capitalised				5,966	6,994
Operating subsidies				12	14
Writeback of provisions, charges transferred				17,785	14,989
Other income				2,460	2,452
TOTAL				**1,053,101**	**1,080,733**
Operating expenses (2):					
Purchase of goods				327,202	295,115
Inventory movement (goods for resale)				-27,922	-9,968
Purchase of raw materials and other supplies				456,946	509,100
Inventory movement				10,525	-16,188
Other purchase and external charges				114,747	114,250
Taxes other than on income				8,813	7,803
Wages and salaries				48,557	45,311
Social security charges				20,044	18,822
Depreciation and provisions:					
- on non-current assets: depreciation				14,111	10,745
- on non-current assets: impairment					
- on current assents: provisions				8,688	6,079
provisions for contingencies and charges				14,661	9,662
Other expenses				1,277	1,411
TOTAL				**997,649**	**992,142**
OPERATING INCOME				**55,452**	**88,591**
Interest and other investment income					
From subsidiaries and affiliates (3)				15,171	20,202
Interest income (3)				888	1,205
Reversals of provisions and charges transferred				1,228	130
Foreign exchange gains				15,559	2,345
Net gains on sales of marketable securities				420	2,831
TOTAL				**33,266**	**26,713**
Interest and other investment expense					
Depreciation and provisions				2,097	1,228
Interest expense (4)				6,696	4,293
Foreign exchange losses				7,955	3,902
TOTAL				**16,748**	**9,423**
FINANCIAL RESULT			Note 19	**16,518**	**17,290**
INCOME FROM ORDINARY ACTIVITIES before tax				**71,970**	**105,881**
Non-recurring income					
From revenue transactions				47	413
From capital transactions				328	17,266
Reversal of provisions and charges transferred				1,686	1,275
TOTAL				2,061	18,954
Non-recurring expenses					
On revenue transactions				34	434
On capital transactions				385	3,223
Depreciation and provisions				19,426	7,154
TOTAL				**19,845**	**10,811**
NET NON-RECURRING INCOME (LOSS)			Note 20	**-17,784**	**8,143**
Employee profit sharing				3,366	7,344
Income tax			Note 21	10,019	23,618
Total income				**1,088,428**	**1,126,400**
Total expenses				**1,047,627**	**1,043,338**
NET INCOME				**40,801**	**83,062**
(1) Of which revenues relating to prior years					
(2) Of which expenses relating to prior years					
(3) Of which revenues from transactions with related parties				15,336	20,469
(4) Of which expenses on transactions with related parties				1,144	969

Parent Company financial statements

Cash-flow statement

In € thousands	**31.12.2008**	31.12.2007
NET PROFIT	**40,801**	**83,062**
Elimination of charges and income not related to operations and not affecting cash-flow		
+ Depreciation, amortisation and provisions (1)	20,215	15,743
- Write-back of depreciation, amortisation and provisions (1)	-1,318	-1,275
- Income from asset disposals	-30	-17,262
+ Net book value of asset disposals	12	3,223
- Investment subsidies recognised in the income statement	- 4	-4
WORKING CAPITAL FROM OPERATIONS	**56,676**	**83,487**
Impact of changes in cash position on operating receivables		
+/- Change in inventories	-4,491	-39,434
+/- Change in trade receivables	59,840	-18,107
+/- Change in other operating receivables	- 1,108	-5,997
+/- Change in trade accounts payable	-86,891	30,971
+/- Change in other operating liabilities	-2,375	-159
CASH-FLOW FROM OPERATING ACTIVITIES	**24,651**	**50,761**
Impact of changes in cash position on investing activities		
+ Disposals of intangible assets		0
+ Disposals of intangible assets	30	1,743
+ Disposals of long-term investments		15,655
- Acquisition of intangible assets	-9,826	-11,269
- Acquisition of property, plant and equipment	-21,487	-28,010
- Acquisition of long-term investments	-254,265	-817
+/- Changes in liabilities towards suppliers of non-current assets	5,630	-5,857
CASH-FLOW FROM INVESTING ACTIVITIES	**-279,918**	**-28,555**
Impact of changes in cash position on financing activities		
+ Increase in share capital		0
- Decrease in share capital		
- Dividends paid during the period	-38,895	-38,949
+ Increase in borrowings	210,763	
- Repayment of borrowings		
+/- Changes in capital called but not paid in		
CASH-FLOW FROM FINANCING ACTIVITIES	**171,868**	**-38,949**
Opening cash balance	92,827	109,570
Closing cash balance	9,428	92,827
CHANGE IN CASH POSITION	**-83,399**	**-16,743**

(1) Excluding current assets

Parent Company financial statements

Balance sheet
ASSETS

In € thousands	Notes	As at 31.12.2008			31.12.2007
		Gross	Amortisation Deprec.	Net	Net
NON-CURRENT ASSETS					
INTANGIBLE ASSETS	Note 2				
Research and development costs		6 351	1 929	4 422	5 342
Concessions, patents, licences		11 712	7 172	4 540	3 115
Goodwill (1)		1 416	1 416	0	0
Other intangible assets in progress		15 127		15 127	8 378
Advance payments				0	0
PROPERTY, PLANT AND EQUIPMENT	Note 3				
Land		8 138	3 405	4 733	4 819
Buildings		50 266	23 092	27 174	27 691
Technical facilities, plant & equipment		74 837	44 097	30 740	23 440
Other property, plant and equipment		10 641	8 140	2 501	2 999
Property, plant and equipment in progress		7 306		7 306	1 827
Advance payments		322		322	2 063
FINANCIAL ASSETS (2)	Note 4				
Long-term share investments		16 162		16 162	35 605
Receivables related to LT share investments				0	0
Investments in associates	Note 5	355 985		355 985	148 151
Loans		14		14	43
Other long-term investments		731	256	475	748
		559 008	**89 507**	**469 501**	**264 221**
CURRENT ASSETS					
INVENTORIES AND WORK IN PROGRESS	Note 6				
Raw materials and other supplies		40 502	845	39 657	50 342
Work in progress		10 402		10 402	40 523
Finished and semi-finished goods		61 945	1 787	60 158	40 368
Goods purchased for resale		88 842	7 080	81 762	56 254
Advances and payments on account		35		35	59
OPERATING RECEIVABLES (3)	Note 7				
Trade and related receivables		155 774	57	155 717	215 557
Other receivables		4 600		4 600	10 785
Sundry debtors		30 632		30 632	21 224
Suscribed capital, called but not paid in					
Marketable securities	Note 9	25 628	14 854	10 774	79 380
Cash and cash equivalents		20 051		20 051	13 568
ADJUSTMENT ACCOUNTS					
Prepaid expenses (3)	Note 15	857		857	2 948
		439 268	**24 623**	**414 645**	**531 008**
Unrealised foreign exchange loss		**2 097**		**2 097**	**712**
TOTAL		**1 000 373**	**114 130**	**886 243**	**795 941**
(1) Of which, lease rights					
(2) Of which due in less than one year				489	791
(3) Of which due in more than one year				48	118

Parent Company financial statements

LIABILITIES

In € thousands	Notes	31.12.2008 Net	31.12.2007 Net
SHAREHOLDERS' EQUITY	Note 10		
Share capital	Note 10	37,809	37,809
Additional paid-in capital		439	439
Revaluation reserve (4)	Note 17	56,062	122,237
Reserves			
Legal reserve		3,781	3,781
Other reserve		290,000	255,000
Retained earnings		49,571	40,404
Net income for the year		40,801	83,062
Investment subsidies		7	11
Regulated provisions		13,101	8,314
		491,571	**551,057**
PROVISIONS FOR CONTINGENCIES AND CHARGES			
Provisions for contingencies	Note 11	24,591	19,186
Provisions for charges	Note 11	1,312	0
		25,903	**19,186**
LIABILITIES (1)			
FINANCIAL LIABILITIES	Note 12		
Bank loans and borrowings (2)		232,160	121
Other loans and borrowings (3)		5,017	8,295
Advances and payments on account			0
CURRENT LIABILITIES	Note 12		
Trade accounts payable		91,208	178,099
Tax and social security liabilities		16,811	20,580
Other operating liabilities		13,853	11,473
OTHER LIABILITIES	Note 12		
Due to suppliers of non-current assets		8,152	2,522
Income tax			0
Other liabilities		1,168	4,509
ADJUSTMENT ACCOUNTS (1)			
Deferred income	Note 15		
		368,369	**225,599**
Unrealised foreign exchange gains	Note 16	**400**	**99**
TOTAL		**886,243**	**795,941**
(1) Of which due in more than one year		0	0
Of which due in less than one year		368,369	225,599
(2) Of which short-term bank loans and overdrafts		21,397	121
(3) Of which participating loans			
(4) Of which valuation differences		55,154	121,329

Parent Company financial statements

Notes to the Parent Company Financial Statements

General information

Company identity

MANITOU BF is a French limited company (Société Anonyme) governed by an Executive Committee and Supervisory Board. It has share capital of €37,809,040 made up of 37,809,040 fully paid-up shares with a nominal value of €1 each.

The Parent Company's registered office, which is also the Group's main production site, is located at:
430 rue de l'Aubinière - BP 10 249
44158 ANCENIS CEDEX France

The Company is registered with the Nantes trade and companies registry under number:
857 802 508 RCS Nantes
SIRET: 857 802 508 00047
APE code: 292 D - NAF code: 2822Z

Identity of the consolidating Parent Company

SFERT SA with share capital of €8,020,000
318, rue Georges Clémenceau, 44150 ANCENIS, France

Preparation of the financial statements

The accounts of MANITOU BF were approved by the Executive Committee on 30.03.2009 and presented to the Supervisory Board on 30.03.2009.

Comments on the notes to the balance sheet

The notes to the balance sheet (before affectation) feature:

- total assets of €886,243, thousand.
- The income statement showing:
  - total income of €1,088,428 thousand,
  - total charges of €1,047,627 thousand,
  - net income of €40,801 thousand.
- The year under review:
  - began on 01.01.2008,
  - ended on 31.12.2008,
  - and consisted of 12 months.

The following notes (and tables) form an integral part of the financial statements.

Significant events during the year

In 2008, MANITOU BF acquired the remainder of the entire share capital of GEHL, a company listed on NASDAQ in the United States, by means of a public purchase offer. Since 2004, MANITOU BF had owned around 14.9% of GEHL. Mr Marcel Claude BRAUD, President of the Executive Committee of MANITOU BF, has sat on the Board of Directors of GEHL since 2004.

This strategic acquisition was approved by the Supervisory Board of MANITOU BF on 27.08.2008. It is consistent with the MANITOU Group's development goals in the United States and the rest of the world and enables it to:

- establish its position as world-leader in rough-terrain handling equipment by acquiring a presence in the United States;
- strengthen its activities in the construction and agricultural sectors in the United States with equipment suitably adapted and marketed by three distinct distribution networks: GEHL, MUSTANG and MANITOU;
- round off its product offer in compact equipment through the addition of mini-loaders, for which GEHL is one of the world's leading manufacturers;
- gain access to production capacity in the United States so as to enhance its global competitiveness in dollar-denominated markets; and
- speed up its development worldwide through the use of shared resources and facilities.

GEHL COMPANY, which was listed on NASDAQ until October 2008, was the subject of a friendly takeover bid launched on 08.09.2008 by TENEDOR CORPORATION, a company formed in September 2008 and wholly-owned by MANITOU BF. GEHL's Board of Directors recommended to its shareholders to accept the takeover bid and to contribute their ordinary shares to the offer. The all-cash deal valued GEHL at $30 per share, representing a premium of 120% compared with the closing share price on the day immediately preceding the announcement of the deal, and a premium of 92% compared with the average closing share price in the preceding six months. The acquisition cost for the GEHL shares not held by MANITOU came to $331 million. Of the total purchase cost, €42 million was financed using part of the Group's cash, while €210 million was provided by way of an acquisition loan made available on 04.09.2008 by SOCIETE GENERALE. The number of shares held at the end of the offer period by TENEDOR and MANITOU BF exceeded 90%, paving the way for a squeeze-out procedure for the shares not already contributed. As a wholly-owned subsidiary of MANITOU Group, GEHL COMPANY was delisted from NASDAQ on 27.10.2008. On this same date, GEHL COMPANY and TENEDOR also merged to become GEHL COMPANY, a wholly-owned subsidiary of MANITOU BF.

Note on the going concern principle

The financial statements have been drawn up in application of the going concern principle on the basis of the following key assumptions:

- decline in activity of around 40% between 2008 and 2009,
- implementation of major adaptation measures (cf. presentation of the 2011 PERFORMANCE plan in Note 29) and introduction of a new Group organisation structure,
- renegotiation of financing contracts in France and the United States during the period of the waiver agreements renewed on 27.04.2009 (cf. Renegotiation of financing arrangements – Note 29),
- renewal of short-term credit lines.

It should be stressed, however, that there are inherent uncertainties in achieving the assumptions explained above. In particular, although MANITOU's management is confident about the outcome of the negotiations with financial institutions referred to above, these remain subject to uncertainties that are to be found in any negotiations of a financial nature.

Like other market players, in 2009 MANITOU BF will have to contend with challenging economic and financial conditions. However, if these assumptions materialise and given its positioning, financial structure and the commitment of its staff, the Company should emerge from the crisis that it must face as a stronger entity.

Note 1 – Accounting principles

Note 1.1 – General principles

The balance sheet and income statement have been prepared in accordance with French law and generally accepted accounting principles in France.

The basic valuation method used is the historical cost method. However, an adjustment was made in 1976 relating to property, plant and equipment, intangible assets and long-term equity interests.

A number of points that could have a material impact are described below.

Note 1.2 – Change of accounting method

With effect from the year ended 31.12.2008, the Company has complied with Opinion 2008-17 of the French National Accounting Council dated 06.11.2008 and Regulation 2008-15 of the French Accounting Regulation Committee published on 30.12.2008, relating to the treatment of stock-option plans and scrip issues (see Note 1.5).

Note 1.3 – Non-current assets

Development costs

In accordance with Art. 311-3-1 of the French Chart of Accounts created by Article 2-6 of French accounting regulation CRC N° 2004-06, development costs incurred by the Company in 2008 in connection with clearly identifiable projects with a serious likelihood of completion and commercial viability and which meet the criteria for capitalisation as described in the French chart of accounts have been recorded as assets. Being the preferred method, the Company had opted for this accounting method in 2005.

All research expenses, including research and development costs other than those described above, are recognised as expenses in the period in which they are incurred.

Computer software

This concerns notably costs incurred in the context of implementing an ERP system for the part relating to the detailed design of the project, programming, testing and documentation.

Costs relating to preliminary studies, functional analysis and user training are expensed in the period in which they are incurred.

Depreciation and amortisation of non-current assets

In accordance with French accounting regulations CRC 2002-10 (as amended by CRC 2003-07) and CRC 2004-06, the accounting methods used for intangible assets and property, plant and equipment (excluding development costs) are as follows:

- the basis for depreciation corresponds to the difference between the cost of the assets and its residual value, considered to be zero for depreciable assets,
- depreciation periods have been adapted according to the estimated useful life of each category of goods and calculated using the straight-line method,
- the main depreciation periods are as follows:
  - business goodwill: 5 years,
  - patents: 5 years,
  - software: 3 and 7 years for the ERP system,
  - development costs: 5 years,
  - constructions: 20 to 30 years depending on the quality of the buildings,
  - site installations and facilities: 10 years,
  - technical facilities: 10 years,

- industrial equipment: between 3 and 7 years depending on the type of equipment,
- industrial tools and moulds: 3 years,
- vehicles: 4 years for light vehicles, 5 years for large commercial vehicles,
- office and computer equipment: between 3 and 5 years depending on the type of equipment,
- office furniture: 10 years.

The difference between tax amortisation as calculated using the reducing-balance method and using the straight-line method based on the estimated useful life is recorded in regulated provisions (excess tax depreciation). For development costs, as stipulated in the regulations, excess tax depreciation is recorded as from the date that the item is initially recognised as an asset.

Impairment of assets

Intangible assets and property, plant and equipment must be tested for impairment as soon as there is evidence of a loss in value.

When there is evidence of a loss in value, an impairment test is carried out. The carrying amount, which is assessed based on the market and the usefulness of the asset to the Company, is determined by comparing the market value with the value in use.

Note 1.4 Investments

In order to harmonise the presentation of shareholders' equity in the Parent Company and the consolidated financial statements, in conformity with Article 3 of the Law of 03.01.1985 and Article 11 of the Decree of 17.02.1986, the Company has opted since the 1990 financial statements to state investments in companies over which it exercises exclusive control on the basis of the share of equity that these securities represent, which is determined under the accounting rules applied in the consolidated financial statements.

In accordance with Article 332-4 of the French Chart of Accounts, if at the year-end date the overall value of equity-accounted securities is less than the acquisition cost, the overall portfolio is written down. A provision for total portfolio risk is also raised if the total value on an equity-accounted basis is negative.

Acquisition costs are capitalised. In accordance with the prevailing tax laws, these acquisition costs are amortised on a straight-line basis over five years.

Note 1.5 – Treasury shares

MANITOU BF shares are recognised, on the day they are delivered, at their acquisition cost excluding transaction costs.

Own shares are recorded in “Marketable securities” when these securities are intended to be used in stock-option plans and in “Other long-term investments” in all other cases.

For the plans deemed to be exercisable (market value of the Company’s shares is higher than the option exercise price) for which an outflow of resources is probable, the corresponding shares are classified in a specific account within “marketable securities”.

When the market value of MANITOU shares falls below their acquisition price, an impairment write-down is recorded for the amount of the difference. No impairment is recorded for shares classified in long-term investments, which are intended to be cancelled, or for shares classified in the specific sub-account of marketable securities (plans deemed to be exercisable). These latter shares are included when calculating the liability determined as explained above.

In accordance with the opinion of the French National Accounting Council dated 06.11.2008 and Regulation 2008-15 of the French Accounting Regulation Committee published on 30.12.2008, the charge relating to stock-option plans for MANITOU BF shares is amortised on a straight-line basis over the vesting period applicable to employees. It is recognised in the income statement within “Wages and social security” with a corresponding entry in “Provisions for charges” in the balance sheet.

For stock purchase plans, this charge corresponds to the difference between the portfolio value, net of impairment, of the shares allocated to these plans, and the corresponding exercise price if this is lower. For stock-option plans based on performance, it corresponds to the portfolio value of the shares allocated to these plans.

Note 1.6 – Inventories

Valuation

- Goods for resale: valued at the weighted average cost.
- Raw materials: valued at the weighted average cost.
- Semi-finished goods, work-in-progress and finished goods: valued at production cost (actual cost of raw materials, machines and labour).

Impairment

- Goods for resale: as in previous years, impairment is calculated statistically based on inventory turnover and probable loss of value.
- Raw materials: as in previous years, impairment is recognised for slow-moving items.
- Finished goods: impairment is calculated on an item-by-item basis and concerns mainly second-hand, demonstration, depot and low-turnover equipment.

Note 1.7 – Receivables and liabilities

Receivables and liabilities are recorded at their nominal value. An impairment provision is recognised when their recoverable value, measured on a case-by-case basis, falls below their carrying amount.

Note 1.8 – Provisions for contingencies and charges

Provisions for contingencies and charges are raised when the Company has an obligation to a third party and it is probable or certain that it will face an outflow of resources to this third party with no corresponding benefit to the Company.

These provisions are estimated by taking into consideration the most likely assumptions on the balance sheet date.

Note 1.9 – Post-employment commitments

The commitment is calculated in accordance with the French National Accounting Council recommendation 2003-R-01 of 01.04.2003 implementing the provisions of IAS 19. The calculation method used is the projected unit credit method, sometimes known as the method involving the distribution of benefits pro rata to length of service.

Post-employment commitments are measured by taking into account demographic and economic assumptions. They are discounted to their present value by applying a discount rate based on the interest rates paid on top-tier bonds. The categories of defined benefits plans used within MANITOU BF, together with the main assumptions used, are described in Note 11 to the financial statements.

Note 1.10 – Long-service awards

In 2008, as in the previous year, this commitment was calculated in accordance with the French National Accounting Council recommendation 2003-R-01 of 01.04.2003 implementing the provisions of IAS 19.

Note 1.11 – Translation of transactions in foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling on the transaction date. At the balance sheet date, receivables and liabilities are translated at the closing exchange rate. The difference resulting from the recalculation of receivables and liabilities at the closing exchange rate is recognised in the balance sheet in translation differences. A provision is booked for any unrealised foreign exchange losses.

Note 2 – intangible assets

in € thousands	Gross value as at 1 January	MOVEMENTS DURING THE YEAR Acquisitions	Reclassification	Disposals	Gross value **Gross value as at 31 December**
Research and development costs (1)	6,001		350		6,351
Concessions, patents, licences (2)	9,030	391	2,309	18	11,712
Goodwill	1,416				1,416
Other intangible assets	0				0
Intangible assets in progress (3)	8,378	9,435	-2,686		15,127
Advance payments	0				0
TOTAL	**24,825**	**9,826**	**-27**	**18**	**34,606**

in € thousands	Depreciation as at 1 January	MOVEMENTS DURING THE YEAR Provisions	Other decreases	Depreciation **Depreciation as at 31 December**
Research and development costs	659	1,270		1,929
Concessions, patents, licences	5,915	1,275	18	7,172
Goodwill	1,416			1,416
Other intangible assets	0			0
Intangible assets in progress	0			0
Advance payments	0			0
TOTAL	**7,990**	**2,545**	**18**	**10,517**

		Net amount
in € thousands	As at 31.12.2007	**As at 31.12.2008**
Research and development costs (1)	5,342	4,422
Concessions, patents, licences (2)	3,115	4,540
Goodwill	0	0
Other intangible assets	0	0
Intangible assets in progress (3)	8,378	15,127
Advance payments	0	0
TOTAL	**16,835**	**24,089**

(1) Research and development costs

As at 31.12.2007, development costs totalled €9,761 thousand, being €3,760 thousand for projects in progress and €6,001 thousand for completed projects.

Development costs incurred by the Company and capitalised in 2008 came to €3,055 thousand, bringing the total amount of capitalised development costs as at 31.12.2008 to €12,816 thousand. This amount consisted of €6,465 thousand for projects in progress and €6,351 thousand for completed projects.

All research costs, together with study and development costs other than those described above, are expensed in the year in which they are incurred. In 2008, these costs totalled €8,640 thousand compared with €6,326 thousand in 2007.

(2) Software

Additions in 2008 totalled €2,700 thousand and consisted of the following:

In € thousands	As at 31.12.2007	**As at 31.12.2008**
ERP system	1,294	1,977
Software for the Spare Parts Distribution Center	416	0
Human Resources software	805	252
Other	705	471
TOTAL	**3,220**	**2,700**

(3) Other intangible assets in progress

These represent assets in progress as at 31.12.2008 that were not yet brought into service on that date and totalled €15,127 thousand, corresponding to:

Development costs	6,465
ERP system	8,595
Other	67
TOTAL	**15,127**

Note 3 – Property, plant and equipment

		MOVEMENTS DURING THE YEAR			GROSS AMOUNT
in € thousands	Gross value as at 1 January	Acquisitions	Reclassification	Disposals	Gross value at 31 December
Land	7,935	116	101	15	8,137
Buildings	27,294		755		28,049
Site facilities and installations	20,790	779	652	5	22,216
Technical facilities, plant & equipment	60,429	9,604	5,008	204	74,837
Other installations and facilities	109	2			111
Vehicles	1,244	142		69	1,317
Other property, plant & equipment	8,922	590	27	326	9,213
Property, plan & equipment in progress	1,827	7,001	-1,521		7,307
Advance payments	2,063	3,254	-4,995		322
TOTAL	**130,613**	**21,488**	**27**	**619**	**151,509**

	MOVEMENTS DURING THE YEAR			DEPRECIATION
in € thousands	Depreciation as at	Provisions 1 January	Other decreases	Depreciation as at 31 December
Land	3,116	304	15	3,405
Buildings	9,584	1,264		10,848
Site facilities and installations	10,808	1,438	4	12,242
Technical facilities, plant & equipment	36,990	7,305	197	44,098
Other installations and facilities	78	7	0	85
Vehicles	787	202	69	920
Other property, plant & equipment	6,410	1,046	322	7,134
TOTAL	**67,773**	**11,566**	**607**	**78,732**

	NET AMOUNT	
in € thousands	At 31.12.2007	**At 31.12.2008**
Land	4,819	4,732
Buildings	17,710	17,201
Site facilities and installations	9,982	9,974
Technical facilities, plant & equipment	23,439	30,740
Other installations and facilities	31	26
Vehicles	457	397
Other property, plant and equipment	2,512	2,078
Property, plant and equipment in progress	1,827	7,307
Advance payments	2,063	322
TOTAL	**62,840**	**72,777**

The main investments in 2008 consisted of €9,604 thousand for facilities and industrial equipment, €4,650 thousand for technical facilities in progress, mainly comprising facilities to be used for the manufacture of boom tubes and the extension in progress of the spare parts warehouse, amounting to €2,350 thousand.

Note 4 – Long-term investments

in € thousands	Gross value as at 1 January	MOVEMENTS DURING THE YEAR Revaluation	Acquisitions	Reclassification	Disposals	GROSS AMOUNT Gross value as at 31 December
Equity interest (1)	35,605		2,940	-22,383		16,162
Receivables related to LT share investments	0					0
Investments (Equity method) (1)	148,151	-66,175	251,626	22,383		355,985
Loans	43		5		34	14
Other long-term investments	820				89	731
TOTAL	**184,619**	**-66,175**	**254,571**	**0**	**123**	**372,892**

(1) Information on equity investments (movements in 2008)

Evolution of the share in GEHL COMPANY Inc. (in thousands)	ACQUISITION COST USD	**EUR**
Value as at 01.01.2008	27,486	22,383
Subscription to the TENEDOR CORPORATION capital increase	325,000	246,511
Acquisition cost	6,951	5,112
TOTAL	**359,437**	**274,006**

In October 2008, the Company purchased the remaining shares it did not already own in GEHL COMPANY, a company listed on NASDAQ in the United States. This operation was achieved by means of a takeover bid launched by TENEDOR CORPORATION, a wholly-owned subsidiary of MANITOU that was formed specifically for this deal and had capital of $325 million, i.e. €246,511 thousand (exchange rate ruling on the transaction date: EUR 1 = USD 1.3814). On completion of this operation on 23.10.2008, TENEDOR CORPORATION and GEHL COMPANY were merged to become GEHL COMPANY, which was delisted from NASDAQ on 27.10.2008 and is now a wholly-owned subsidiary of MANITOU BF.

On 19.12.2008, MANITOU subscribed to a capital increase in its subsidiary MANITOU FINANCE FRANCE for €2,940 thousand. As at 31.12.2008, the Company had a 49% equity interest in the capital of this company, unchanged from the year before.

Note 5 – Equity-accounted investments

At 01.01.2008

COMPANY	% held	Book value (acq. Cost or value revised 1976	Value (IFRS)	Valuation difference (IFRS)
CFM	98.90%	1,453	23,614	22,161
CIMM	82.00%	725	5,188	4,463
MLM	99.87%	6,909	3,497	-3,412
AUMONT-BSBH	99.86%	1,390	4,976	3,586
BTMI	82.00%	197	2,554	2,357
MANITOU UK Ltd.	98.70%	503	16,477	15,974
MANITOU NORTH AMERICA Inc.	100.00%	4,967	16,501	11,534
MANITOU COSTRUZIONI INDUSTRIALI S.r.l.	74.97%	1,342	43,956	42,614
MANITOU BENELUX SA	98.00%	631	6,865	6,234
MANITOU ASIA PTE Ltd.	93.00%	917	2,693	1,776
MANITOU TR	99.64%	811	6	-805
EMPILHADORES DE PORTUGAL	90.00%	1,673	9,738	8,065
MANITOU DEUTSCHLAND GmbH	100.00%	800	2,670	1,870
MANITOU SOUTHERN AFRICA PTY Ltd.	94.12%	208	4,983	4,775
CHARIOTS ELEVATEURS MANITOU CANADA Inc.	100.00%	13	43	30
MANITOU AUSTRALIA PTY Ltd.	75.00%	180	814	634
MANITOU HANGZHOU MATERIAL HANDLING	100.00%	3,840	3,067	-773
MANITOU MANUTENCION ESPAÑA S.L.	100.00%	200	246	46
MANITOU VOSTOK	100.00%	10	210	200
MANITOU POLSKA	100.00%	53	53	0
GEHL COMPANY				
TOTAL		**26,822**	**148,151**	**121,329**

At 31.12. 2008

COMPANY	% held	Book value (acq. costor value revised 1976)	Value (IFRS)	Valuation difference (IFRS)
CFM	98.90%	1,453	24,392	22,939
CIMM	82.00%	725	4,932	4,207
MLM	99.87%	6,909	3,191	-3,718
AUMONT-BSBH	99.86%	1,389	4,724	3,335
BTMI	82.00%	197	2,462	2,265
MANITOU UK Ltd.	98.70%	507	11,987	11,480
MANITOU NORTH AMERICA Inc.	100.00%	4,967	17,808	12,841
MANITOU COSTRUZIONI INDUSTRIALI S.r.l.	74.97%	1,342	52,491	51,149
MANITOU BENELUX SA	98.00%	631	10,285	9,654
MANITOU ASIA PTE Ltd.	93.00%	917	3,500	2,583
MANITOU TR	99.64%	811	3	-808
EMPILHADORES DE PORTUGAL	90.00%	1,673	10,474	8,801
MANITOU DEUTSCHLAND GmbH	100.00%	800	4,935	4,135
MANITOU SOUTHERN AFRICA PTY Ltd.	94.12%	208	5,719	5,511
CHARIOTS ELEVATEURS MANITOU CANADA Inc.	100.00%	13	53	40
MANITOU AUSTRALIA PTY Ltd.	75.00%	180	911	731
MANITOU HANGZHOU MATERIAL HANDLING	100.00%	3,840	4,056	216
MANITOU MANUTENCION ESPAÑA S.L.	100.00%	200	193	-7
MANITOU VOSTOK	100.00%	10	242	232
MANITOU POLSKA	100.00%	53	78	25
GEHL COMPANY	100.00%	274,006	193,549	-80,457
TOTAL		**300,831**	**355,985**	**55,154**

Note 6 – Inventories

in € thousands	At 31.12.2007 Gross	At 31.12.2007 Impairment	At 31.12.2007 Net	At 31.12.2008 Gross	At 31.12.2008 Impairment	At 31.12.2008 Net
Raw materials	51,027	685	50,342	40,502	845	39,657
Work in progress	40,523		40,523	10,402		10,402
Finished goods	41,783	1,415	40,368	61,945	1,787	60,158
Goods purchased for resale	60,920	4,666	56,254	88,842	7,080	81,762
TOTAL	**194,253**	**6,766**	**187,487**	**201,691**	**9,712**	**191,979**

Note 7 – Operating receivables

in € thousands	GROSS At 31.12.2007	GROSS Movements 2008	GROSS **At 31.12.2008**	IMPAIRMENT At 31.12.2007	IMPAIRMENT Movements 2008	IMPAIRMENT **At 31.12.2008**
Trade and related receivables	215,728	-59,954	155,774	171	-114	57
Other receivables	10,785	-6,185	4,600	0		0
Sundry debtors	21,224	9,408	30,632	0		0
Capital called and not paid in	0	0	0	0		0
TOTAL	**247,737**	**-56,731**	**191,006**	**171**	**-114**	**57**

in € thousands	NET At 31.12.2007	NET **At 31.12.2008**
Trade and related receivables (1)	215,557	155,717
Other receivables	10,785	4,600
Sundry debtors	21,224	30,632
Capital called and not paid in	0	0
TOTAL	**247,566**	**190,949**
(1) of which commercial paper	28,143	4,743

Note 8 – Breakdown of receivables

in € thousands	Gross	Due in less than 1 year	Due in 1 to 5 years	Due in more than 5 years
Non-current				
Receivables linked to equity interests (1)	0			
Loans (1) (2)	14	14		
Other long-term investments	731	731		
Current				
Doubtful debtors	76	76		
Other trade receivables	155,698	155,650	48	
Personnel and related receivables	56	56		
Social security and related receivables	67	67		
Income tax	8,651	8,651		
Value added tax	3,626	3,626		
Sundry	898	898		
Group and associates (2)	20,544	20,544		
Other debtors	1,390	1,390		
Prepaid expenses	857	857		
TOTAL	**192,608**	**192,560**	**48**	**0**
(1) Loans granted during the year	3			
(1) Loans repaid during the year	34			
(2) Loans granted to associates	0			

Note 9 – Cash and cash equivalents and marketable securities

Marketable securities were valued at their market value on 31.12.2008.
Units in money market funds were marked to market by a buy/sell transaction at the year end and accrued interest on other investments was recognised at the balance sheet date.

in € thousands	2007	**2008**
Money market funds (valued at market price on 31 December, acquisition value at that date)	4,994	5,182
Structured investments with capital guarantee	10,100	0
Certificate of deposit	6,000	0
Mutual funds with capital guarantee (diversified funds) at the subsription price	41,676	0
Depreciation of mutual funds with capital guarantee (1)	-516	0
Treasury shares (2)	18,843	20,446
Depreciation of treasury shares (2)	-1,716	-14,854
TOTAL	**79,381**	**10,774**

(2) Own shares

As at 31.12.2008, own shares held by the Company to cover allocations in respect of stock-option plans (704,000 shares) were recorded in marketable securities at their acquisition cost of €20,446 thousand, i.e. an average price of €29.54 per share.
On this date, the stock-option plans granted by the Executive Committee represented 517,500 shares.

For stock-option plans not yet allocated, i.e. representing 186,500 shares, the Executive Committee proposed to the Annual General Meeting to cancel these shares.

As at 31.12.2008, given that the market value of these shares was €8.44 per share and the exercise prices ranged from €11 to €42, it was considered unlikely that these plans would be exercised.

Consequently, the own shares held to cover stock-option plans suffered an impairment loss as at 31.12.2008 of €14,854 thousand (the difference between the acquisition price and the market value of the shares as at 31.12.2008). For 2007, a provision of €1,716 thousand had been raised. For 2008, an additional provision of €13,138 thousand was raised. The charge was recognised in “Net non-recurring income (loss)”.

Note 10 – Shareholders' equity

10.1 Movements in shareholders' equity

in € thousands	Capital	Additional paid-in capital	Revaluation reserve	Legal reserve	Other reserves	Retained earnings	Income for the year	Regulated provisions and subsidies	Total shareholders equity
At 31.12.2007	**37,809**	**439**	**122,237**	**3,781**	**255,000**	**40,404**	**83,062**	**8,325**	**551,057**
Capital increase in cash									0
Income for 2007					35,000	48,062	-83,062		0
Dividends						- 38,895			- 38,895
Income for 2008							40,801		40,801
Valuation differences			-66,175						-66,175
Change in investment subsidies								- 3	- 3
Change in provisions for price increases								457	457
Change in exceptional amortisation for the year								4,329	4,329
At 31.12.2008	**37,809**	**439**	**56,062**	**3,781**	**290,000**	**49,571**	**40,801**	**13,108**	**491,571**

10.2 Share capital

	Nominal value	Number of shares	**TOTAL**
Share capital at opening date	1.00 €	37,809,040	37,809,040 €
Capital increase			
Capital decrease			
SHARE CAPITAL AT 31 DECEMBER	1.00 €	**37,809,040**	**37,809,040 €**

Note 11 – Provisions

		INCREASE	WRITTEN BACK		
in € thousands	At 31.12.2007	Provisions	Used	Not used	**At 31.12.2008**
Regulated provisions					
Provision for price increases	1,599	527	70		2,056
Exceptional amortisation	6,716	5,577	1,248		11,045
Other regulated provisions	0				0
TOTAL	**8,315**	**6,104**	**1,318**	**0**	**13,101**
Provisions for contingencies and charges					
Disputes	2,389	664	47	8	2,998
Warranties granted to customers (1)	14,462	13,130	8,907		18,685
Foreign exchange losses	712	2,097	712		2,097
Other employee benefits (2)	445	0	0		445
Other provisions for risks (3)	1,179		368		811
Post-employment and similar obligations (4)	0	867			867
TOTAL	**19,187**	**16,758**	**10,034**	**8**	**25,903**
Provisions for impairment and depreciation					
Property, plant & equipment	1				1
Equity interests	72	184			256
Inventories and work in progress	6,765	8,688	5,741		9,712
Trade accounts	171		112	2	57
Other (5)	2,232	13,138	516		14,854
TOTAL	**9,241**	**22,010**	**6,369**	**2**	**24,880**
OVERALL TOTAL	**36,743**	**44,872**	**17,721**	**10**	**63,884**

Of which provisions and provisions reversed:	Increase	Written back
- operating	23,349	14,817
- financial	2,097	1,228
- exceptional	19 ,426	1,686

(1) Warranties

A provision is raised to cover the estimated cost of the warranties given on equipment and spare parts when they are sold to the networks or end-customers. It covers the contractual warranty, as well as its possible extension after examination on a case-by-case basis or in the context of campaigns. This provision is calculated using a statistical approach.

(2) Post-employment and similar obligations

This heading comprises the provision for long-service awards.

(3) Other provisions for risks

This heading comprises a provision for impairment of MANITOU TR securities amounting to €811 thousand.

(4) Provisions for post-employment obligations

Provisions for post-employment obligations were measured using the principles set out in Note 1.8. The following actuarial assumptions were used to measure these obligations:

		2007	**2008**
Retirement age	- management staff	63/65	63/65
	- other	60/61	60/61
Salary increases		4.00%	4.00%
Financial discount rate		5.50%	5.70%
Expected rate of return on assets		4.25%	4.25%
Mortality rates		Table 1999/2001	TGH05/TGF05
Rotation rates	- management staff	2.50%	2.50%
	- other	1.00%	1.00%

All actuarial differences were recognised in the income statement.

With regard to the application of the Interprofessional National Agreement (Accord National Interprofessionnel – ANI) dated 11.01.2008 on retirement benefits, there are two contradictory interpretations. A restrictive interpretation entails not taking into account the minimum indemnity stipulated by the ANI, while a broader interpretation involves aligning the amount of the retirement benefits with the legal termination benefit.

The restrictive interpretation of this agreement has been used for the purpose of calculating the post-employment obligations as at 31.12.2008. If the broader interpretation had been used, the amount of the post-employment obligations as at 31.12.2008 would have been €9,900 thousand rather than €6,204 thousand.

As at 31.12.2008, the calculation of the post-employment obligation thus came to €6,204 thousand while the plan assets came to €5,338 thousand, representing a shortfall of €867 thousand, which was provisioned in the balance sheet as at 31.12.2008. The charge for 2008 thus includes this provision of €867 thousand and the reversal of the prepayment as at 31.12.2007 of €282 thousand, i.e. a total of €1,149 thousand.

The impact on the income statement in 2007 and 2008 can be analysed as follows:

in € thousands	2007	**2008**
- Adjustment in methods	434	
- Current service cost	444	363
- Interest cost	281	320
- Expected return on assets	-255	-243
Sub-total	904	440
Actuarial gain (loss)	-1,348	709
TOTAL	**-444**	**1,149**

(5) Other

Impairment of treasury shares (See Note 9)

Note 12 – Breakdown of liabilities

in € thousands	Total	Less than 1 year	1 to 5 years	More than 5 years
Bank loans and borrowings (1)	232,160	232,160		
Other loans and borrowings	713	713		
Trade accounts payable and related payables	91,208	91,208		
Personnel and related liabilities	10,216	10,216		
Social security and related liabilities	4,115	4,115		
Income tax	0	0		
Value added tax	1,321	1,321		
Other duties and taxes	2,073	2,073		
Due to suppliers of non-current assets	8,152	8,152		
Group and associates	4,304	4,304		
Other liabilities	14,107	14,107		
Deferred income	0	0		
TOTAL	**368,369**	**368,369**	**0**	**0**

(1) Loans subscribed during the year	210,000
(1) Loans repaid during the year	0

In order to finance the acquisition of the GEHL shares, MANITOU took out a loan of $260 million plus a further $125 million or the euro equivalent for a period of five years. This loan was signed in September 2008 then syndicated in October 2008 with eight French banking partners. The loan consists of an acquisition borrowing of €210 million, repayable on a non-straight-line basis over five years, and two revolving credit lines of €50 million and €125 million or the euro equivalent. As at 31.12.2008, only the acquisition borrowing, which was fully drawn down, appeared on the balance sheet.

The main features of this borrowing are as follows:
- term: 5 years,
- repayment: annual, on the anniversary date of signing (16% of the initial amount for the first to third instalment, 17% for the fourth instalment and 35% for the last instalment),
- interest rate: Euribor plus a fixed margin of 1.2% until 30.06.2009 and to be determined subsequently based on the gearing ratio (net debt/EBITDA).

This loan agreement contains restrictive clauses, notably as regards the financial ratios based on the consolidated financial statements:

Financial ratios	Contractual limits
Net debt on equity (gearing) (1)	< 1
Net debt on EBITDA (leverage) (2)	< 3

(1) According to the loan agreement, net debt and equity are adjusted for the impact of the shareholders' agreements
(2) EBITDA: operating profit before depreciation, amortisation and impairment of assets

As at 31.12.2008, the gearing ratio (consolidated net debt/equity) stood at 0.875 based on the criteria stipulated in the loan agreement and consolidated net debt represented 3.5x EBITDA. As the restrictive clause for this latter ratio was not met, the entire acquisition borrowing was reported in short-term borrowings as at 31.12.2008.

To deal with this situation, in the first quarter of 2009 MANITOU Group initiated a process aimed at renegotiating its financing with the banks (see Management report).

In accordance with Article 361-3 of the French Chart of Accounts, the Company opted to record the full amount of borrowing issuance costs in charges (within "Banking services"), i.e. €3,742 thousand.

MANITOU Group decided to manage the interest rate risk on the GEHL acquisition borrowing so as to lock in as much as possible of its financial expenses. To achieve this, MANITOU entered into interest rate swaps, i.e. to swap fixed rates for variable rates, to cover part of the acquisition borrowing.

Note 13 – Related parties

in € thousands	2007	**2008**
Investments (1)	148,151	355,985
Receivable from investments	0	
Other shareholdings	35,605	16,139
Trade and related receivables	62,577	49,650
Other receivables	11,614	20,600
Trade and other accounts payable	23,518	16,652
Due to suppliers of non-current assets	0	0
Other liabilities	4,236	4,829
Interest expense	969	1,144
Income from shareholdings	19,658	14,072
Other interest income	811	1,264
(1) Of which valuation difference:	121,329	55,154

Note 14 – accrued income and accrued expenses

14.1 - Accrued income

in € thousands	2007	**2008**
Receivables from associates	0	0
Other long-term investments	1	0
Trade and related receivables	1,019	1,397
Other receivables	906	1,173
Cash and cash equivalents	253	26

14.2 – Accrued expenses

in € thousands	2007	**2008**
Bank loans and borrowings	44	84
Other loans and borrowings	0	0
Trade and other accounts payable	19,476	11,622
Tax and social security liabilities	18,691	14,536
Due to suppliers of non-current assets	955	102
Other liabilities	11,270	9,772

Note 15 – Deferred income and prepaid expenses

in € thousands	Expense	Income
Operating expense / income	857	
Financial expense / income		
Non-recurring expense / income		
TOTAL	**857**	**0**

Note 16 – Translation differences on liabilities and receivables denominated in foreign currency

In € thousands	Assets (1)	**Liabilities**
Trade debtors	1,953	38
Trade creditors	144	362
TOTAL	**2,097**	**400**

(1) covered by a provision amounting to €2 097 thousand

Note 17 – Valuation differences

in € thousands	As at 1 January	**As at 31 December**
Assets		
Land	354	354
Shareholdings	554	554
TOTAL	**908**	**908**
Liabilities		
Revaluation reserve (1976)	908	908
Other differences (equity valuation differences)	121,329	55,154
TOTAL	**122,237**	**56,062**

Note 18 – Breakdown of sales

in € thousands	2007	**2008**
A – By activity		
Production (MANITOU BF)	671,284	652,353
Spare parts trading	119,698	129,508
Equipment trading	250,283	254,976
TOTAL	**1,041,265**	**1,036,837**
B – By geographic region		
France	378 247	404,029
Export	663,018	632,808
TOTAL	**1,041,265**	**1,036,837**

Note 19 – Financial result

in € thousands	Expense	Income
Dividends		14,072
Foreign exchange gains (1)		16,271
Other income		2,923
Interest expenses on loans	2,474	
Foreign exchange losses	10,052	
Other expenses	4,222	
TOTAL	**16,748**	**33,266**

(1) This line includes realised gains on sales of currency options, intended to hedge the currency risk in connection with the acquisition of GEHL, amounting to €9,456 thousand.

Note 20 – Net non-recurring income (loss)

in € thousands	Expense	Income
Regulated provisions release		1,248
Other		813
Increase in regulated provisions	5,577	
Increase in depreciation on treasury shares	13,322	
increase in provisions for price increase	527	
Other	419	
TOTAL	**19 ,845**	**2,061**

Note 21 – Income tax

21.1 – Breakdown of income tax

in € thousands	Income before tax	Tax	Income after tax
Ordinary income	71 970	18,247	53,723
Non-recurrent income	-21 150	-8,228	-12,922
Net income	50 820	10,019	40,801

21.2 – Research tax credit

The research tax credit recognised in 2008 amounted to €2,608 thousand.

21.3 – Increases and reductions in the future tax liability

in € thousands	Amount	
NATURE OF TEMPORARY DIFFERENCES		
INCREASES		
Regulated provisions at 31.12.2008	13,101	
Other tax deductibles		
TOTAL	**13,101**	
INCREASE IN FUTURE TAX LIABILITY		**4,511**
DECREASES		
Provision that are non-deductible for the year when recognised	6,312	
Other		
TOTAL	**6,312**	
REDUCTION IN FUTURE TAX LIABILITIES		**2,171**

Note 22 – Finance leases

There were no property finance leases as at 31.12.2008.

Note 23 – Commitments given

in € thousands	Amount
Discounted bills not yet due	
Guarantees, surety and pledges	6,125
Mortgages	
Shareholders' agreements	36,284
Forward currency sales	0
Interest rate Swaps	160,000
Commitments to repurchase equipment (1)	36,674

(1) Commitments to repurchase equipment are valued based on the agreed contractual repurchase prices. Note that the market value of said equipment is usually higher than the repurchase value.

Note 24 – Impact of excess tax depreciation

in € thousands	Amount
INCOME FOR THE YEAR	**40,801**
Income tax	10,019
INCOME BEFORE TAX	**50,820**
Change in regulated provisions	4,786
Other tax deductibles	
INCOME BEFORE TAX, EXCLUDING IMPACT OF EXCEPTIONAL TAX ITEMS	**55,606**

Note 25 – Average number of employees

Employees	2007	**2008**
Management staff	255	273
Technical and supervisory staff	37	39
Office workers	282	312
Production workers	793	834
TOTAL	**1,367**	**1,458**

Note 26 - information relating to individual staff training rights (droit individuel à la formation)

In 2008, costs arising from individual rights to training were borne by the Company as part of the training programme when agreed between the employer and employee.
For information, the individual rights of all employees that had not requested training totalled 108,620 hours at 31.12.2008.

Note 27 - information relating to remuneration paid to Corporate Officers

All remuneration and benefits-in-kind paid to Corporate Officers in 2008 are shown in the following table:

in € thousands or number of shares	Wages	Directors' fees	Stock-options granted	Stock-options exercised	Other provisions and commitments
Supervisory Board	299	0			
Executive Committee	1,073	220	None	40,000	123

Note 28 - information relating to the statutory auditors' fees

The Company believes that the information provided for by Article 222-8 of the AMF's general regulations and instruction no. 2006-10, and provided in the notes to the consolidated financial statements, will comply with the provisions introduced by Decree no. 2008-1487 dated 30.12.2008.

Note 29 - Post-balance sheet events

"PERFORMANCE 2011" plan

The MANITOU Group has drawn up a corporate action plan in response to the present severe crisis. This plan is underpinned by two priorities: adapting operating structures and costs and improving cash-flows. The goal is to return to profit as from 2010 with a level of sales comparable to that in 2009 and to lock in the Group's financing.

The implementation of "PERFORMANCE 2011 focuses on three areas of action designed to improve profitability:

- purchasing, with an action plan designed to accelerate implementation of a Group purchasing policy and generate synergies within the Group and the bringing in-house of manufacture of some welded mechanical parts, with the aim of raising the Group's gross margin by 2 points within two years;
- overheads, with an action plan designed to reduce fixed overheads by 15% in 2009 and by 20% in 2010 relative to 2008;
- staff reductions, with a plan designed to adapt staff levels to the level of activity expected in 2009, which corresponds to the level of 2000 to 2004. The targeted reduction of 650 people across the entire Group, announced in April 2009, should reduce personnel costs by 20% in 2009 and by 30% in 2010, relative to 2008, with the aim of bringing them down to 12.6% of sales (2000 to 2004 level) by the end of 2010. The Group began to implement adjustment measures in mid-2008 by terminating temporary work contracts, introducing part-time layoffs for direct and indirect production staff and at the head office as well as implementing voluntary departure plans at MANITOU BF, CIMM, AUMONT, BTMI and CFM. The Group does not rule out further adjustment measures in order to achieve its reduction target.

In parallel with the plan to improve earnings, the Group aims to improve cash-flow by reducing inventory levels, reducing trade receivables and setting a limit on investment for the period from 2009 to 2012.

Renegotiation of financing facilities

At 31.12.2008, MANITOU BF did not comply with the financial ratios required for its syndicated credit facilities of €260 million and $125 million or its equivalent in euro. Given this situation, the Company entered into discussions with its banking pool in order to renegotiate its debt. An agreement was reached on 25.02.2009 lifting the prohibition on pledging the assets of GEHL to its US banking pool in exchange for a financing facility of at least 24 months for an amount corresponding to GEHL's new operating requirement, within a maximum of $125 million. This agreement is accompanied by a 60-day waiver of the cross-default clause concerning GEHL's financing contracts and the French financing agreement. This agreement, which is subject to various conditions that MANITOU BF has undertaken to comply with, was renewed on 27.04.2009 for a period of 90 days in order to allow the time to find a financing solution for GEHL before renegotiating the terms and conditions of the syndicated credit facility.

The discussions with the French and US banking pools will be particularly delicate for GEHL, given its financial structure and the scale of the crisis affecting both GEHL and its banking partners. The MANITOU Group has clearly stated its intention of containing the financial risks of its new subsidiary until it has stabilised its medium-term financing.

Despite the difficult situation prevailing at the date of this report, the mediocre outlook does not, however, call into question MANITOU BF's operating continuity. Like all the other players in its market, MANITOU is facing difficult and complex economic and financial conditions in 2009. Since the end of 2008, it has been implementing major adaptation measures that, in view of the Group's market position, financial structure and the motivation of its staff, should enable it to emerge from the present situation in an even stronger position.

Appointment of Christian CALECA as Executive Vice-President and Member of the Executive Committee of MANITOU BF

At its meeting of 20.03.2009, the Supervisory Board decided to appoint Christian CALECA as a Member of the Executive Committee of MANITOU BF.

Exercise of minority put by the minority shareholder of MANITOU COSTRUZIONI INDUSTRIALI

The minority shareholder holding a 25% stake in MANITOU COSTRUZIONI INDUSTRIALI notified MANITOU BF on 27.02.2009 that in accordance with the shareholders' agreement signed with MANITOU BF on 28.04.2005, it wished to exercise its minority put option.

This will result, in accordance with the shareholders' agreement and after financial due diligence, in the purchase by MANITOU BF of the minority shareholders' stake for a price of around €33 million. The transaction could be completed before the end of the first half of 2009.

The MANITOU share

The MANITOU share was transferred from section A to section B of NYSE EURONEXT Paris with effect from 21.01.2009.

Parent Company financial statements

List of subsidiaries and equity interests at 31.12.2008

The consolidated financial statements for the year ended 31.12.2008 having been prepared in accordance with IFRS, and as in the case of companies accounted for by the equity method (Notes a.2.2 and b.4), the table below was also prepared in accordance with IFRS.

				BOOKVALUE OF SHARES HELD							
Company *in € thousands or other currency units*	CAPITAL	Reserves & retained earnings before appropriation	% of capital held	Gross	Net	Accounted for by the equity method	Loans & advances granted and not yet repaid	Guarantees given	Sales before tax	Profit or loss (-)	Dividends received
I - Detailed information											
A - Subsidiaries (at least 50 % owned)											
	EUR	EUR		EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
CFM	1,320	23,343	98.90%	1,453	1,453	24,392	733		85,320	1,300	522
CIMM	1,800	4,373	82.00%	725	725	4,932	13,643		71,019	-120	
MLM	1,800	964	99.87%	6,909	6,909	3,191	5,382		15,846	-292	
AUMONT-BSBH	1,747	2,981	99.86%	1,390	1,390	4,724			10,130	253	498
BTMI	230	2,616	82.00%	197	197	2,462	722		5,219	113	170
MCI	5,000	68,585	74.97%	1,342	1,342	52,491			252,479	21,822	8,997
MANITOU BENELUX SA	500	9,947	98.00%	631	631	10,285			108,779	3,388	
EPL	600	10,644	90.00%	1,673	1,673	10,474			26,446	1,559	1,080
MANITOU DEUTSCHLAND GmbH	800	4,135	100.00%	800	800	4,935			75,750	3,465	1,200
MANITOU MANUTENCION ESPAÑA	200	-7	100.00%	200	200	193			1,554	-53	
	GBP	GBP							GBP	GBP	
MANITOU UK Ltd.	230	12,135	98.70%	507	507	11,988			75,672	500	
	USD	USD							USD	USD	
GEHL COMPANY Inc.	361,101	-14,830	100.00%	274,006	274,006	193,549			29,683	-9,287	
	USD	USD							USD	USD	
MANITOU NORTH AMERICA Inc.	64	24,720	100.00%	4,967	4,967	17,808			28,210	977	
	SGD	SGD							SGD	SGD	
MANITOU ASIA PTE Ltd.	400	7,141	93.00%	917	917	3,500			21,385	1,912	214
	TRL	TRL							TRL	TRL	
MANITOU TR	250,000	-242,832	99.64%	811	0	3			4,806	-2,824	
	ZAR	ZAR							ZAR	ZAR	
MANITOU SOUTHERN AFRICA PTY Ltd.	937	73,784	94.12%	208	208	5,719			297,053	23,204	261
	CAD	CAD							CAD	CAD	
CHARIOTS ELEV. MANITOU CANADA Inc.	20	70	100.00%	13	13	53	64		880	28	
	AUD	AUD							AUD	AUD	
MANITOU AUSTRALIA PTY Ltd.	400	2,062	75.00%	180	180	911			37,456	643	
	CNY	CNY							CNY	CNY	
MANITOU HANGZHOU MATERIAL HANDLING Co Ltd.	43,861	-10,491	100.00%	3,840	3,840	4,056		5,205	88,803	389	
	RUB	RUB							RUB	RUB	
MANITOU VOSTOK	338	9,664	100.00%	10	10	242			37,426	2,427	
	PLN	PLN							PLN	PLN	
MANITOU POLSKA	200	126	100,00%	53	53	78			7,531	126	
B - Equity interests (10 to 50%)											
	EUR	EUR		EUR	EUR	EUR	EUR		EUR	EUR	EUR
TIE SA	9,000	58,312	20.00%	3,868	3,868				283,224	7,241	403
MANITOU FINANCE FRANCE SAS	19,600	1,645	49.00%	9,604	9,604				11,431	689	
	ILS	ILS							ILS	ILS	
FIMAN	2	614	49.04%	117	117					239	
	GBP	GBP							GBP	GBP	
MANITOU FINANCE Ltd.	2,000	1,949	49.00%	1,482	1,482				3,245	728	727
	DZD	DZD							DZD	DZD	
ALGOMAT	20,000	36,810	30.40%	74	74				406,297	22,996	
	CNY	CNY							CNY	CNY	
HANGZHOU MANITOU MACHINERY EQUIPMENT	24,046	12,272	40.00%	994	994				52,627	2,334	

II - General information

A - SUBSIDIARIES not listed in paragraph 1 None

B - EQUITY INTERESTS not listed in paragraph 1 None

Inventory of investment securities

Company *in number of units or shares or in € thousands*	Nature and par value	Currency	Number of units or shares	Initial book value in euros	Market value in euros
CFM	Shares. Par value: 20	EUR	65,276	1,453	24,392
CIMM	Shares. Par value: 20	EUR	18,449	725	4,932
MLM	Shares. Par value: 6	EUR	112,356	6,909	3,191
AUMONT-BSBH	Shares. Par value: 20	EUR	62,312	1,390	4,724
BTMI	Shares. Par value: 10	EUR	18,860	197	2,462
TIE SA	Shares. Par value: 15	EUR	120,000	3,869	3,869
MANITOU FINANCE FRANCE SAS	Shares. Par value: 1 000	EUR	9,604	9,604	9,604
MANITOU UK Ltd.	Shares. Par value: 1	GBP	227,050	507	11,987
MANITOU NORTH AMERICA Inc.	Shares. Par value: 100	USD	639	4,967	17,808
MCI	Shares. Par value: 1	EUR	3,748,663	1,342	52,491
FIMAN	Shares. Par value: 60	ILS	1,275	117	117
MANITOU BENELUX SA	Units: nominal 500	EUR	980	631	10,285
MANITOU ASIA PTE Ltd.	Shares. Par value: 1	SGD	372,000	917	3,500
MANITOU TR	Shares. Par value: 10 000 000	TRL	24,910	811	3
EPL	Shares. Par value: 5	EUR	108,000	1,673	10,474
MANITOU DEUTSCHLAND GmbH	Shares. Par value: 800 000	EUR	1	800	4,935
MANITOU SOUTHERN AFRICA PTY Ltd.	Units: nominal 1	ZAR	750,000	208	5,719
MANITOU FINANCE Ltd.	Units: nominal 1	GBP	980,000	1,482	1,482
ALGOMAT	Shares. Par value: 1 000	DZD	6,080	74	74
CHARIOTS ELEV. MANITOU CANADA Inc.	Shares. Par value: 1	CAD	20,000	13	53
GEHL COMPANY Inc.	Shares. Par value: 361 101	USD	1	274,006	193,549
MANITOU AUSTRALIA PTY Ltd.	Shares. Par value: 1	AUD	300,000	180	911
MANITOU HANGZHOU MATERIAL HANDLING				3,840	4,056
MANITOU MANUTENCION ESPAÑA S.L.	Shares. Par value: 1	EUR	200,000	200	193
HANGZHOU MANITOU MACHINERY EQUIPMENT				994	994
MANITOU VOSTOK	Shares. Par value: 1			10	242
MANITOU POLSKA	Units: nominal 1	PLN	400	53	78
TOTAL				**316,972**	**372,125**

Parent Company financial statements

Five-year financial summary

Information *in euros*	2004	2005	2006	2007	**2008**
I - AT 31 DECEMBER					
a) Share capital	37,809,040	37,809,040	37,809,040	37,809,040	37,809,040
b) Number of ordinary shares in issue	37,809,040	37,809,040	37,809,040	37,809,040	37,809,040
c) Number of convertible bonds					
II - RESULTS OF OPERATIONS					
a) Sales	652,125,792	802,400,739	936,556,089	1,041,265,194	1,036,837,302
b) Income before tax, amortisation, depreciation, provisions and employee profit sharing	77,957,705	94,350,751	122,282,642	131,304,463	93,037,984
c) Income tax	22,040,867	25,250,848	30,940,065	23,617,005	10,019,107
d) Income after tax, depreciation, amortisation provisions and employee profit sharing	45,430,206	54,776,957	75,427,712	83,062,211	40,801,349
e) Dividends paid	26,466,328	34,028,136	39,699,492	39,699,492	0
III - PER SHARE DATA					
a) Income after tax, but before amortisation, depreciation, provisions and profit sharing	1.48	1.83	2.42	2.85	2.20
b) Income after tax, amortisation, depreciation, provisions and profit sharing	1.20	1.45	1.99	2.20	1.08
c) Dividend paid per share	0.70	0.90	1.05	1.05	
IV – EMPLOYEE DATA					
a) Number of employees	1,213	1,236	1,297	1,367	1,458
b) Salaries and wages	35,878,166	38,295,486	41,595,594	45,311,254	48,557,081
c) Social security and benefits	14,783,794	15,828,761	17,197,376	18,822,484	20,043,791

Statutory Auditors' report on the Company financial statements for the year ended 31.12.2008

Year ended 31.12.2008

To the Shareholders,

In performance of the assignment entrusted to us by your Annual General Meeting, we hereby present our report for the year ended 31.12.2008 on:

- our opinion on the consolidated financial statements of MANITOU BF;
- basis for our opinion;
- specific verifications required by the law.

The company financial statements have been approved by the Executive Committee. Our role is to express an opinion on these financial statements based on our audit.

I. OPINION ON THE FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the company financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the company financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at 31.12.2008 and of the results of its operations for the year then ended in accordance with French generally accepted accounting principles.

Without qualifying the opinion expressed above, we draw your attention to the following points in the Note to the financial statements:

- the note on the going concern principle; in the section headed "General information" that stipulates the conditions under which the MANITOU Group's accounts were prepared with regard to the going concern principle;

- notes 1.2 and 1.5, which explain the change of accounting method relating to the first-time application of CRC regulation 2008-15 on the accounting treatment of stock option plans.

II. BASIS FOR OUR OPINION

The financial crisis that was gradually accompanied by an economic crisis had a host of consequences for companies, particularly with regard to their business volumes and financing. These factors were taken into consideration by your Group when assessing the appropriateness of the going concern principle used in the preparation of the financial statements for the year ended 31.12.2008 (see Note to the financial statements on the going concern principle in the section on General information). The accounting estimates used when establishing the financial statements for the year ended 31.12.2008 were made in the context of difficulty in ascertaining the economic outlook. Given this environment, in accordance with the provisions of Article L.823-9 of the French Commercial Code, we made our own assessments that we wish to bring to your attention:

Accounting estimates

- Note 1.4 to the financial statements describes the methods for valuing fully-consolidated investments. As a result of the mandatory application of IFRS to draw up the Group's consolidated financial statements, the shareholders' equity taken into account for the valuation of these investments in the statutory financial statements, is determined in accordance with IFRS.

- Your Company provides for guarantees given to customers, as described in Note 11 to the financial statements. Our procedures consisted more particularly in assessing the information and assumptions determined by management on which such accounting estimates are based, in reviewing, on a test basis, the Company's calculations and in comparing the accounting estimates of prior periods with the corresponding actual data.

On these bases, we assessed the appropriateness of such estimates.

Accounting principles

As part of our assessment of the accounting principles applied by your Company, we have reviewed the method used to capitalise development costs, and those used to amortise such expenses and test their recoverable amount, and we have satisfied ourselves that Note 1.3 to the financial statements provides appropriate disclosure in this respect.

Change of accounting method

As mentioned in the first section of this report, Notes 1.2 and 1.5 to the financial statements explain the change of accounting method relating to stock-option plans. As part of our assessment of the accounting principles applied by your Company, we have satisfied ourselves as to the soundness of this revised presentation and the related disclosure.

These assessments were made in the context of our audit of the company financial statements taken as a whole and therefore contributed to the opinion we formed which is expressed in the first section of this report.

III. SPECIFIC VERIFICATIONS REQUIRED BY LAW

We have also performed the specific verifications required by law.

We have no matters to report regarding:

- the fair presentation and the consistency with the financial statements of the information given in the Executive Committee's management report and in the documents addressed to the shareholders with respect to the financial position and the financial statements;
- the fair presentation of the information given in the Executive Committee's management report in respect of remuneration and benefits granted to the relevant Corporate Officers and any other commitments made in their favour in connection with, or subsequent to, their appointment, termination or change in current function.

Pursuant to the law, we have verified that the Executive Committee's management report contains the appropriate disclosures as to the acquisition of participating and controlling interests and as to the identity of shareholders and holders of voting rights.

Orvault and Saint-Herblain, 30.04.2009
The Statutory Auditors

RSM SECOVEC	DELOITTE & ASSOCIES
Jean-Michel PICAUD	Anne BLANCHE

Statutory Auditors' special report on regulated agreements and commitments with related parties

Year ended 31.12.2008

To the Shareholders,

In our capacity as your Company's Statutory Auditors, we hereby report to you on regulated agreements and commitments with related parties.

Agreements and commitments authorised during the year

Pursuant to Article L. 225-88 of the French Commercial Code, we have been informed of agreements and commitments that were subject to prior authorisation by your Supervisory Board.

The terms of our engagement do not require us to search out the existence of any other such agreements and commitments, but to communicate to you, based on information provided to us, the principal terms and conditions of those agreements brought to our attention, without expressing an opinion on their usefulness or appropriateness. It is your responsibility, pursuant to Article R. 225-58 of the French Commercial Code, to assess the interest of entering into these agreements and commitments for the purpose of approving them.

We carried out the procedures that we deemed necessary given the professional doctrine of the national company of statutory auditors as it relates to this assignment. These procedures entailed checking the consistency of the information provided to us with the source documents from which it was taken.

Agreement with A.R.S CONSULTING

Person concerned: Mr Joël GOULET, Member of the Supervisory Board, and Manager of A.R.S CONSULTING

At its meeting of 06.11.2008, your Supervisory Board decided to authorise the creation of a steering group tasked with drafting, in conjunction with the Executive Committee, an organisation chart and the associated governance recommendations and recruitment of an Executive Vice-President. This assignment was entrusted to A.R.S. CONSULTING. The costs borne by the Company in this regard in 2008 totalled €24,000 excluding taxes.

Agreements and commitments approved in years with continuing effect during the year

Furthermore, pursuant to the French Commercial Code, we have been informed that the following agreements and commitments, approved in previous years, continued to apply during the year.

Agreements with Mrs Jacqueline HIMSWORTH and Mr Marcel BRAUD (Members of the Supervisory Board)

Current accounts

The amounts made available to your Company during the year by the Members of the Supervisory Board bore interest at a rate of 6.21%.

The balances on the current accounts of the Supervisory Board Members as at 31.12.2008 and the amount of interest assumed by your Company were as follows (amount in euros):

Supervisory Board Members	Current account as at 31.12.2008 (including interest net of deductions)	interest borne
Mrs Jacqueline HIMSWORTH	186,972	164,389
Mr Marcel BRAUD	122	172

Orvault and Saint Herblain, 30.04.2009
The Statutory Auditors

RSM SECOVEC

Jean-Michel PICAUD

DELOITTE & ASSOCIES

Anne BLANCHE

2008 Financial Report

Reports

Supervisory board's report

To the Shareholders,

In accordance with Article L 225-68 of the French Commercial code, the Supervisory Board is required to present to the Annual General Meeting of shareholders its observations on the Parent Company's financial statements and the consolidated financial statements as approved by the Executive Committee, as well as on the Management report submitted to the Meeting.

We hereby inform you that the financial statements for the year ended 31.12.2008 and the Executive Committee's Management Report were presented to the Supervisory Board within the timeframe provided for by law and by the regulations, taking into account:

- the consistency of the proposals with changes in the remuneration paid to the Management Committee Members and Subsidiary Managers;
- the Company's financial performances and the resulting creation of value;
- market practices for this type of assignment, taking into account the Group's size, the complexity of its organisation and its international profile.

The main items in the financial statements for the year ended 31.12.2008 were as follows:

in € thousands	MANITOU BF	GROUP
Total balance sheet	886,243	1,315,884
Net sales	1,036,837	1,277,717
Net profit	40,801	10,363

We have no specific comments to make in respect of either the Executive Committee's Management Report or the financial statements for the year ended 31.12.2008.

Ancenis, 28.04.2009

The Supervisory Board

Chairman of the supervisory board's report on the board's operation and on internal control

To the Shareholders,

In accordance with the provisions of Article L. 225-68 of the French Commercial Code arising from Article 117 of the French Financial Security Act, in this report I provide information on

- the conditions for the preparation and organisation of the Supervisory Board's work
- the organisation and operation of the special committees
- and the internal control procedures implemented within the Group (Parent Company and all fully-consolidated companies).

This report was prepared in collaboration with the Audit Committee and the Head of Internal Control and was presented to the Supervisory Board on 30.03.2009 in compliance with European Directive 2006/46/EC as transposed into French law by Act 2008-649 dated 03.07.2008.

I. Preparation and organisation of the supervisory board's work

Since July 1998, the Company has been a limited liability company (Société Anonyme) with an Executive Committee and a Supervisory Board.

The Supervisory Board is composed of seven members, each appointed for a term of six years:

- Marcel BRAUD, Chairman of the Supervisory Board,
- Jacqueline HIMSWORTH, Vice-Chairwoman of the Supervisory Board,
- Gordon HIMSWORTH,
- Sébastien BRAUD,
- Georges-Henri BERNARD, independent Member of the Supervisory Board within the meaning of the VIÉNOT report,
- Serge GHYSDAEL, independent Member of the Supervisory Board within the meaning of the VIÉNOT report,
- Joël GOULET, independent Member of the Supervisory Board within the meaning of the VIÉNOT report.

There are no specific provisions in the Articles of Association concerning the Corporate Officers other than those relating to the age limit, as defined in Articles 12 and 14.

Their terms of office expire at the end of the 2010 Annual General Meeting called to approve the financial statements for the year ended 31.12.2009, with the exceptions of Sébastien BRAUD, appointed in 2008 to replace Marie-Claude BRAUD and whose term of office will be renewable in 2014, and Georges-Henri BERNARD, who will resign from office at the 2009 General Meeting.

A new independent member will join the Board as from the date of the said General Meeting and another member will join at a later date, bringing the number of members to eight, with an even balance as follows:

- 4 Members representing the family shareholders (two for each family),
- 4 independent Members, qualified as independent within the meaning of the AFEP/MEDEF Code of Governance of October 2008.

The terms and conditions of shareholders' participation in General Meetings, defined in Article 20 of the Articles of Association, contain no specific provisions.

The Supervisory Board met eight times in 2008. At each meeting the Board reviewed the Group's activity, the projects underway and the Group's strategic orientation. The main items dealt with were as follows:

Date	Main subjects dealt with
29 January	2007 sales and 2008 budget
19 February	2007 results and resolutions to be submitted to the Annual General Meeting
18 April	Authorisation to launch the procedure for the acquisition of GEHL
29 April	First quarter financial statements
22 July	First half sales and update on acquisition project
26 August	First half results, revised budget and update on acquisition project
1er October	Termination of Frédéric MARTIN's mandate as Member of the Executive Committee
6 November	Results to end-September, acquisition of GEHL, and diligence of an audit of the Group's organisation and governance

All meetings were held at the Head Office and were convened by the Chairman. The average attendance rate at Board meetings was 90%. The preparatory papers required for the Board meetings were in most cases sent to members in advance and minutes were kept of each meeting and transmitted to the Board members for their approval.

In accordance with Article L. 823-17 of the French Commercial Code, the Statutory Auditors are invited to attend all Supervisory Board meetings, in particular those at which the interim and annual financial statements are reviewed.

The Supervisory Board is informed regularly of the work performed by each of its special committees. The Chairman

organises periodic information meetings with the Executive Board, visits Group subsidiaries and certain meetings and events involving the distributors.
In 2009, the Board plans to:

- review the Group's governance structure, notably following the acquisition of GEHL, and set up a Group Executive Committee based on divisions by type of activity;
- draw up a Charter for the Board, defining in particular the internal rules relating to the operation of the Supervisory Board and its relations with the Executive Committee, thereby enabling a documented auto-assessment of the Board's work.

The limits set on the Executive Committee's powers are defined in Article 13 of the Articles of Association. These were amended in 2008, with regard to the sale of property assets (Articles 13.1.6) and will be further revised in 2009 in line with the review of the Group's overall management structure.

II. Organisation and operation of the special committees

a) Audit Committee

Formed in July 2003, this committee consists of two Members: Jacqueline HIMSWORTH and Georges-Henri BERNARD. Gordon HIMSWORTH acts as an alternate Member.

The Audit Committee's role is to assist the Supervisory Board in ensuring the reliability of the information provided to shareholders and the financial markets and the quality of Internal Control. In this capacity, its main functions are to:

- review and evaluate, with management and the Statutory Auditors, the appropriateness of the accounting principles and methods applied, the assumptions used in preparing the accounts, the audited interim and annual financial statements and related press releases;
- ensure that an appropriate risk evaluation and monitoring system is in place;
- promote the importance of Internal Control within the Company;
- examine the annual work plans of the Head of Internal Control and the Statutory Auditors, and ensure that recommendations are followed up;
- monitor the procedure for appointing the Statutory Auditors responsible for certifying the Group's consolidated financial statements, their fees and their degree of independence;
- assist the Chairman in drafting his report on the Board's operation and on Internal Control;
- inform the Board, if appropriate, of any specific observations it may have concerning audit findings.

The Audit Committee met eight times in 2008. The main subjects of each meeting were as follows:

- 15 January, to draw up the audit plan for 2008;
- 12 February, to review the draft of the Chairman's report and the summary of the 2007 financial statements with the Statutory Auditors;
- 8 April, to examine the Statutory Auditors' review of internal control procedures carried out in 2007;
- 3 and 23 June, update on the measures implemented in response to the increase in stocks of finished products and on the information systems migration in progress
- 25 August, review of the half-year accounts to 30.06.2008 with the Statutory Auditors;
- 5 November, to examine the cost savings measures under study and the various preliminary scenarios for rationalising production.

The Audit Committee also has regular contacts with the Head of Internal Control to report on audit work in progress and on implementation of the recommendations of past audits.

b) Remuneration Committee

The Remuneration Committee is composed of two Members: Joël GOULET and Serge GHYSDAEL. It meets at least once a year and can call on the assistance of the Chairman of the Executive Board or any other person whose involvement it considers useful, but who cannot attend deliberations concerning his or her own situation.

The Remuneration Committee met four times in 2008:

- on 18 January and 11 February, to analyse the remuneration of the Group's first line managers, in France and abroad, with the help of an independent comparative survey;
- on 21 July, to analyse the remuneration of the management staff of GEHL, which was in the process of being acquired, and examine a special study designed to ensure that the remuneration of the Company's managers was in line with North American practices; and
- on 5 November, to discuss with the Executive Committee the disappearance of long-term incentives for Senior Managers.

Role of the Remuneration Committee:
its role is to provide recommendations to the Supervisory Board on the remuneration of Executive Committee Members and express an opinion on the fixed and variable remuneration of the Members of the Management Committee and of the Directors of subsidiaries.

It also analyses the stock-option allocation plan proposed by the Executive Committee for the Management Committee and the Directors of subsidiaries, and submits an allocation plan for Members of the Executive Committee to the Supervisory Board for approval.

The Committee also issues an opinion on the consistency of salary increases within the Group relative to the market and to the Group's performance and the creation of value.

- **Principles and rules applied by the Supervisory Board in determining the remuneration of Corporate Officers (pursuant to Articles L.225-37, L.225-63 and L.225-68 of the French Commercial Code):**

the Supervisory Board determines the remuneration of the Corporate Officers each year at the meeting at which it approves the results for the year just ended or, at the latest, at the next meeting. It approves the various components making up the remuneration of the Corporate Officers based on the proposals made by the Remuneration Committee, taking into account:

- the consistency of such proposals with changes in the remuneration of Members of the Management Committee and the Directors of subsidiaries,
- the Group's financial performances and the associated value creation,
- market practices for this type of assignment, taking into consideration the size and complexity of the Group's organisation and its international dimension.

III. Internal control procedures

The Group's Internal Control procedures are regularly supplemented and updated so as to ensure rigorous management and optimum control of the risks associated with its business and to compile exhaustive and reliable information for the shareholders on the Group's financial position and financial statements.

However, like any other control system, the system does not provide an absolute guarantee that risk will always be perfectly controlled. It is designed above all to reduce the probability of occurrence and the potential impact of the risks, through the implementation of appropriate action plans.

a) General structure of Internal Control

The Head of Internal Control reports directly to the Executive Committee and functionally to the Audit Committee. This reporting structure reflects the fundamental attribute of independence required for the Internal Control function.

Internal control work, based on COSO models and on an audit manual documenting internal audit procedures, focuses mainly on the following:

- performing Internal Control audits based on the annual audit work plan established by the Audit Committee;
- helping the different departments to update MANITOU BF's Internal Control procedures manual, which includes the following sections:
  - general organisation,
  - sales and marketing operations,
  - external purchases and expenses,
  - production management,
  - human resources management,
  - financial transactions,
  - legal affairs;

- assisting Group subsidiaries to draft Internal Control manuals in accordance with the Group's key Internal Control principles;

- updating delegations and sub-delegations of powers granted to the Members of MANITOU BF's Management Committee and to the Directors of subsidiaries in accordance with the control authority concerned;

- updating the manual covering the delegation of decisions relating to MANITOU BF's management.

The major overhaul of the Group's information systems is another project that is very structuring for the Group's overall internal control approach. In 2007 this had concerned the Human Resources and Accounting/Finance activities at the Parent Company. In 2008 the project was rolled out at sales and marketing management (April) and at an entire production subsidiary (August), which will serve as a test for deployment at the remaining units:

- production and after-sales services activities at the Parent Company (2009),
- all the subsidiaries (subsequently).

b) Production and control of accounting and financial information for the shareholders

The consolidation reporting packages were compiled by the subsidiaries in accordance with the MANITOU Group consolidation manual and sent to the Parent Company's Consolidation Department. All this work resulted in the presentation of 2008 consolidated financial statements according to IFRS.

The draft 2008 financial statements of the Parent Company and the Group were drawn up by the Chief Accountant and the Group Controlling Manager, in conjunction with a chartered accountant. These accounts were validated by the Finance Director and approved by the Executive Committee.

The draft 2008 financial statements of the French subsidiaries were drawn up by the Finance Directors or Managers of each company, in conjunction with the Parent Company's chartered accountant, and subsequently validated by the Parent Company's Finance Director and approved by the Chairman in the case of simplified joint-stock companies (SAS) or by the Board of Directors in the case of limited liability companies (SA).

The Group's Statutory Auditors audited the consolidated accounts and the accounts of the Parent Company and of the French subsidiaries. As the foreign subsidiaries were audited locally in their respective countries, their accounts and the local auditors' observations were transmitted directly to the Group's Statutory Auditors and reviewed by the Parent Company's Finance Division. The Statutory Auditors conducted a limited review of the interim accounts, which were prepared in accordance with IAS 34.

The Executive Committee met on 23.02.2009 to examine the 2008 consolidated and company financial statements at the Group's former scope and met again on 30 March to approve the accounts at the new consolidation scope. The Statutory Auditors also presented their work to the Audit Committee in two phases, on 23 February and 26 March.

GEHL's integration process was implemented with the help of an independent consulting firm and using an independent appraisal firm to revalue the company's tangible and intangible assets and liabilities at their fair value. All these processes were reviewed by the Finance Director and approved by the Executive Committee.

c) Internal audits

Seven audits were performed in 2008:

- four scheduled in the Audit Committee's annual audit work plan,
    - an audit of MANITOU BF's travel expenditure, covering the control of expenses, use of business payment cards and analytical monitoring of costs, which resulted in overhauling the travel policy and all the associated procedures;
    - an audit of MANITOU BF's spare parts activity, notably following the difficulties encountered with the start up of the Group's Spare Parts Distribution Center in 2007, which enabled a review of stock monitoring methods and management of sub-standard parts with a view to future information system migrations;
    - an audit of the development cycle, relating to its articulation with the products plan, the organisation and phasing of projects and the supervision of delivery times and costs;
    - an audit of the subsidiary MHMH by the Statutory Auditors, consisting of an in-depth, specific review of local internal control procedures, at the request of the Group Internal Audit Department;
- two off-plan audits requested by the Audit Committee and approved by the Chairman of the Supervisory Board:
    - an audit of stocks of finished products, of the order book and of the measures taken to adapt to the fall in sales, resulting in adjusting production rates and purging part of the order book in a market that was in the process of turning;
    - an audit of deployment of the ERP system, relating to securing risk on start up of the future modules, enabling each department to focus on the organisational impact of the information system migration;
- a specific audit mission to help the Executive Committee to draw up a cost savings plan in response to the drastic downturn in the market in the fourth quarter of 2008.

The findings of each audit are presented to the Audit Committee and to the Executive Committee.
The audit reports containing the recommendations and action plans for the audited entity are sent to the Departments concerned, to the Executive Committee, the Audit Committee and the Statutory Auditors.

Internal audit work is coordinated with that of the Statutory Auditors by:

- publishing the annual audit work plan, and subsequently circulating each audit report issued,
- homogeneous treatment, since 2007, of internal and external audit recommendations, based on an action plan, a test department and implementation deadlines,
- the attendance of the Head of Internal Control at meetings to which the Statutory Auditors report on their work (accounts and procedure reviews).

In 2008, a procedure for computerised monitoring of recommendations was implemented, enabling each Director to oversee the progress of action concerning his area of responsibility. This will be supplemented in 2009 with the introduction of regular progress reports by each Director to the Head of Internal Control on the action plans that have reached term.

Marcel BRAUD
Chairman of the Supervisory Board

Statutory Auditors' report on the chairman of the Supervisory Board’s report

Statutory Auditors' report, prepared in accordance with Article L.225-235 of the French Commercial Code (Code de Commerce) on the report prepared by the Chairman of the Supervisory Board of MANITOU BF.

Year ended 31.12.2008

To the Shareholders,

In our capacity as Statutory Auditors of MANITOU BF and in accordance with Article L.225-235 of the French Commercial Code, we hereby report to you on the report prepared by the Chairman of your company in accordance with Article L.225-68 of the French Commercial Code for the year ended 31.12.2008.

It is the Chairman's responsibility to prepare and present to the Supervisory Board for approval a report on internal control and risk management procedures applied within the Company as well as the other information required pursuant to Article L. 225-68 of the French Commercial Code, in particular relating to corporate governance.

It is our responsibility:

- to report to you on the information contained in the Chairman's report in respect of the Internal Control procedures relating to the preparation and processing of the accounting and financial information, and
- to attest that the report contains the other information required pursuant to Article L. 225-68 of the French Commercial Code, it being understood that it is not our duty to verify the accuracy of the said information.

We conducted our work in accordance with the professional standards applicable in France.

Information concerning the Internal Control procedures relating to the preparation and processing of accounting and financial information

The professional standards require that we perform the necessary procedures to assess the fairness of the information provided in the Chairman's report in respect of the Internal Control procedures relating to the preparation and processing of the accounting and financial information. These procedures consisted mainly in:

- obtaining an understanding of the Internal Control procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the Chairman's report is based, and of the existing documentation;
- obtaining an understanding of the work involved in the preparation of this information and of the existing documentation; and
- verifying that any significant deficiencies in Internal Control procedures relating to the preparation and processing of accounting and financial information that we may have observed in the course of our work have been properly disclosed in the Chairman’s report.

On the basis of our work, we have no comment to make on the information in respect of the Company's Internal Control procedures relating to the preparation and processing of accounting and financial information contained in the report prepared by the Chairman of the Supervisory Board in accordance with Article L.225-68 of the French Commercial Code.

Other information

We attest that the Chairman of the Supervisory Board’s report contains the other information required pursuant to Article L. 225-68 of the French Commercial Code.

Orvault and Saint-Herblain, 30.04.2009
The Statutory Auditors

RSM SECOVEC	DELOITTE & ASSOCIES
Jean-Michel PICAUD	**Anne BLANCHE**

Notes

History

1958

Marcel BRAUD has the idea of inverting a tractor’s driving seat and adding a mast: in 1958, the MANITOU forklift-truck is born.

1970

Beginning of the internationalisation of the Group.

1981

Launch of the first models of telescopic forklift-trucks.

1995

Development of activities in aerial work-platforms and truck-mounted forklifts.

Creation of a joint-venture with TOYOTA to manufacture industrial forklift-trucks for Europe.

1998

Adoption of the status of company with an Executive Committee and Supervisory Board.

Appointment of Marcel Claude BRAUD as President and CEO.

2004

MANITOU celebrates the 200,000th forklift-truck to be manufactured and sold world-wide.

2007

MANITOU unveils a 22,000 m^2 International Spare Parts Center.

2008

Take-over of the American company GEHL.

Photo credit: Gaël ARNAUD - ARGENTIC & NUMERIC - GEHL COMPANY - MANITOU
■ **Produced and design by** NewSens

MANITOU BF

Société Anonyme with share capital of 37,809,040 euros
RCS Nantes B857 802 508 - Siret 857 802 508 00047 - APE 292 D / APE - NAF 2822Z

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MANITOU