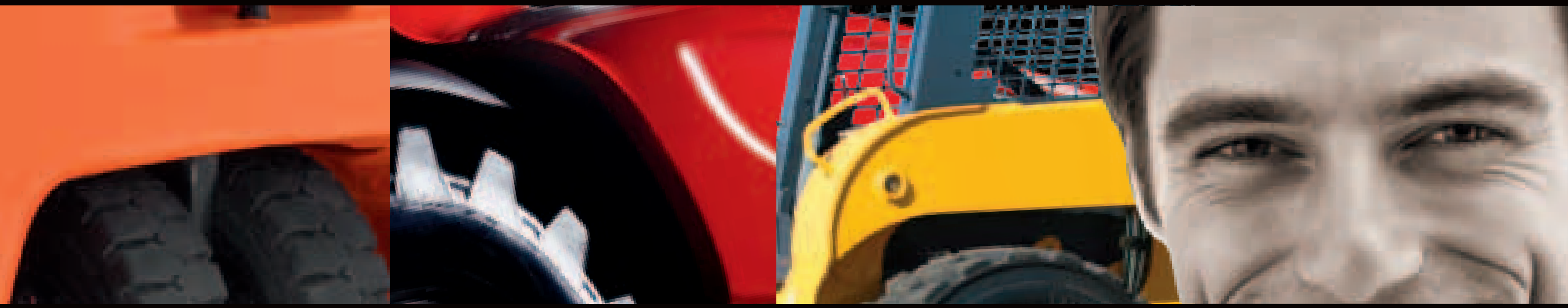
2009 ANNUAL REPORT



THE MATERIAL-HANDLING REFERENCE

MANITOU

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Manitou,

the material-handling reference

Founded by the Braud family 60 years ago, Manitou, whose heart lies in Ancenis (Loire-Atlantique – France), is today based in countries throughout the world. Its leadership in material handling (all-terrain or industrial forklift-trucks, aerial work-platforms, compact loaders, warehousing equipment, etc.) revolves around the following 'business model':

2009 sales
684 €M

65 %
of sales are made internationally

3 product divisions:
Rough Terrain Handling (RTH), Industrial Material Handling (IMH) and Compact Equipment (CE)

4 sales regions:
France, Europe, the Americas and the rest of the world

3 markets:
Construction, Agriculture and Industries

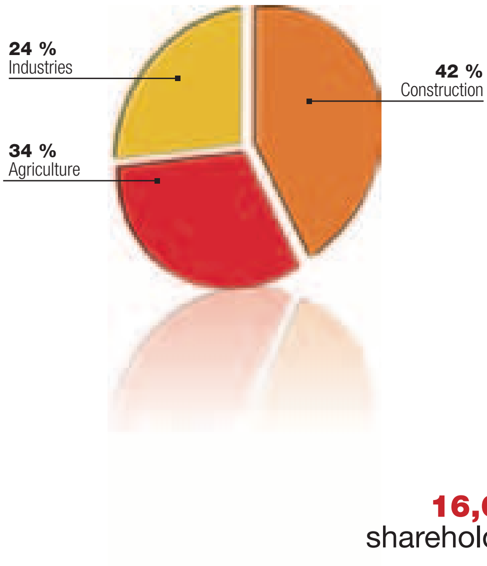
3 trades:
Designer, Assembler, Distributor

5 brands:
Manitou®, Gehl®, Mustang®, Loc®, Edge®

2 international **logistical centres** of spare parts

and also...

Sales per market segment

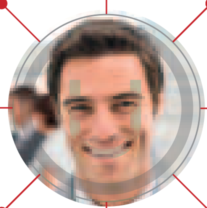


500,000
users

16,000
shareholders

80
key-accounts

3
partners



1,300
dealers

1 000
suppliers

150
rental companies

2,643
employees

"Every adversity has the seed of an equivalent or greater benefit."

W. Clement Stone

THE CHAIRMAN'S MESSAGE

The year just passed is not the most beautiful page in the history of Manitou. But I'm convinced that it will begin a new chapter, albeit less spectacular but equally exciting and full of hope.

Embedded for many years in a growth dynamic, the brutal change in the pace of business was a revealing force of the shortcomings in company governance which we are committed to reducing, clearly re-defining the roles and responsibilities of the executive bodies.

By shifting from a corporate structure with a Supervisory Board and Executive Board to one with a Board of Directors, we wanted to simplify decision processes, make our organisation and practices more understandable, and provide a stronger management role to the Executive Branch through increased autonomy.

The signals for recovery have not yet turned green but our organisation is in marching mode to restore the company's acclaim and achieve the objective we defined for ourselves: to be and remain the material-handling reference.

Marcel Braud
Chairman of the Board

THE BOARD OF DIRECTORS

During the Shareholders' meeting of 17 December 2009, the Manitou company adopted the form of an SA (public company) with a Board of Directors.
It is composed of 9 members:

1 Marcel Braud, Chairman

2 Jacqueline Himsworth, Vice-Chairwoman

3 Gordon Himsworth

4 Sébastien Braud

5 Christopher Himsworth

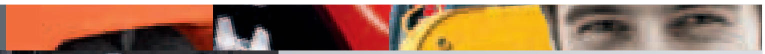
6 Serge Ghysdael

7 Joël Goulet*

8 Dominique Bamas*

9 Pierre-Henri Ricaud*

* Independent members in accordance with AFEP / MEDEF recommendations.



"The tree that falls makes more noise than the forest that grows."

African proverb

THE EXECUTIVE COMMITTEE

Managed by Jean-Christophe Giroux President and CEO, Chief Executive Officer, the Executive Committee is composed of 7 members:

1 Jean-Christophe Giroux,
President and Chief Executive Officer

2 Christian Caleca,
Deputy Managing Director and President of the RTH (Rough Terrain Handling) Division

3 Jean Louis Hervieu,
President of the IMH (Industrial Material Handling) Division

4 Malcolm F. Moore,
President of the CE (Compact Equipment) Division, replaced on 1st April 2010 by Daniel L. Miller

5 Hervé Rochet,
Financial Director

6 Hervé Saulais,
General Secretary

7 Jérôme Tertrais,
Human Resources Director

THE CHIEF EXECUTIVE OFFICER'S MESSAGE

After 60 years of continuous growth which has taken the Manitou Group to unprecedented heights and confirmed its position as the undisputed leader in the material handling field, the year 2009 will remain one of profound shock with multiple repercussions for the upcoming years. The shock, which stands out as extraordinary in the history of the Manitou Group both because of its size and nature, originated from a threefold crisis:

- First of all, the economic crisis, with the collapse of all markets in which Manitou realises its sales: construction, agriculture and industries;
- Secondly, the financial crisis, exacerbated by the financing of the Gehl acquisition in late 2008, only days preceding the collapse of financial markets;
- Lastly, a governance crisis, the Group having reached a size and complexity which demand more responsive management.

By analysing the causes and consequences of this reversal and by implementing a strategic plan tailored to this framework, the group foresees a return to break-even and to restore growth. In light of this, several initiatives have been launched both at the organisational level and regarding the orientation of our products or markets:

- the "right sizing" of Gehl
- the rationalisation of product lines,
- industrial reorganisation,
- the optimisation of the quality process,
- the support of company employees making transfers,

all of which take place within the dynamics of clarity, simplification and amplification.

More than ever, we rely on our networks, our partners and our teams to ensure a return to breakeven in 2010 and continue together to construct our leadership.

Our ambitions remain intact. The energy and motivation as well.

Jean-Christophe Giroux
President and Chief Executive Officer

65 % of sales are made internationally

24 subsidiaries worldwide

10 production sites

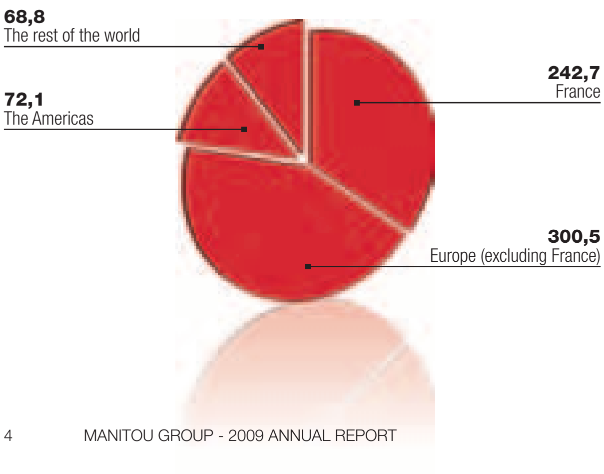
2,643 employees worldwide

Manitou is present in 120 countries

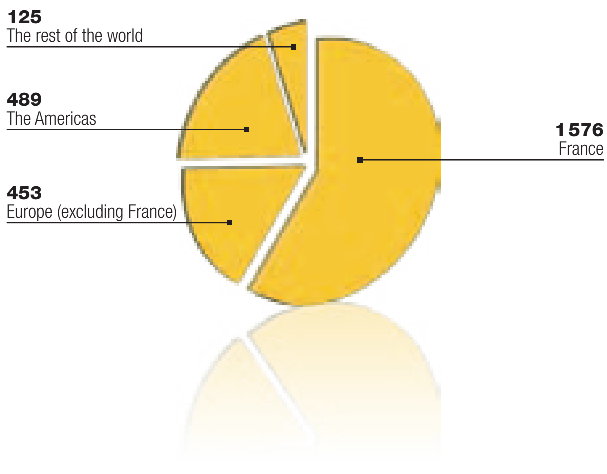
Manitou® Network: over 600 dealers and/or distributors worldwide

Gehl® / Mustang® Networks: 780 distributors worldwide, 660 of which are in the United States

Sales per geographical zone
(in €m)



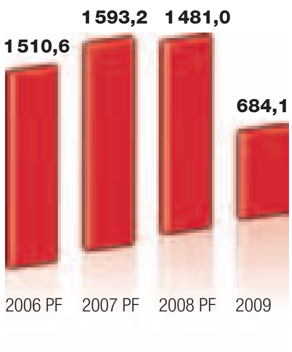
Workforce per geographical zone
(in number of people)



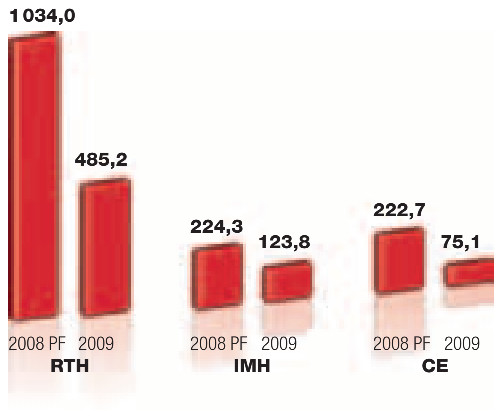
2009

An unprecedented economic downturn

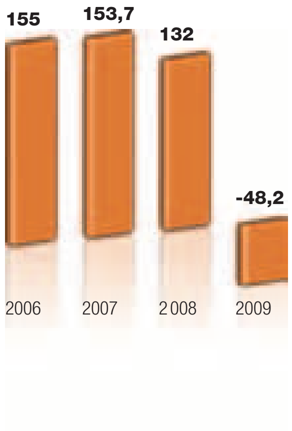
Sales over 4 years
(proforma with Gehl) (in €m)



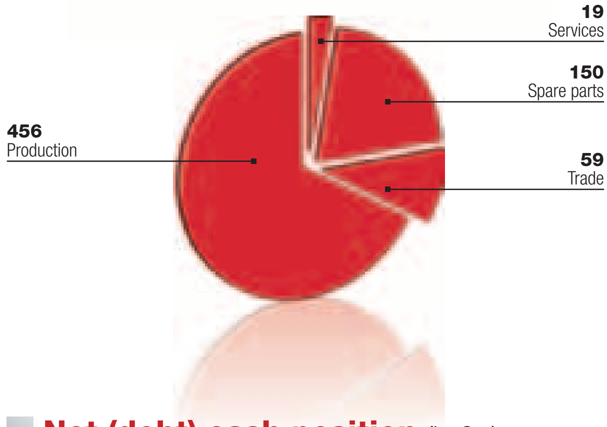
Sales per division
(proforma with Gehl) (in €m)



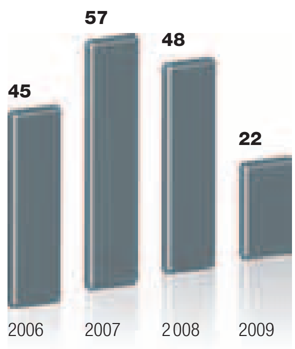
EBITDA over 4 years (in €m)



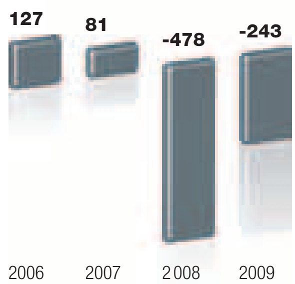
Sales by nature (in €m)



Investments (in €m)



Net (debt) cash position (in €m)



Adapting our strategy
to the context

Whether in terms of the organisation or activity, 2009 has been devoted to adapting. It is by demonstrating its ability to reconceive its strategy, its structures and its manufacturing resources that the Group has been able to withstand a very strained environment across all of its markets.

25 JANUARY
4th Quarter 2008 release stating a fall in sales of 39 %.

1st APRIL
Gehl ringfencing.

2 JUNE
Appointment of a new Chief Executive: Jean-Christophe Giroux.

26 JUNE
Renewal of the distribution agreement with Toyota.

24 JULY
Implementation of voluntary redundancy plans concerning 360 people.

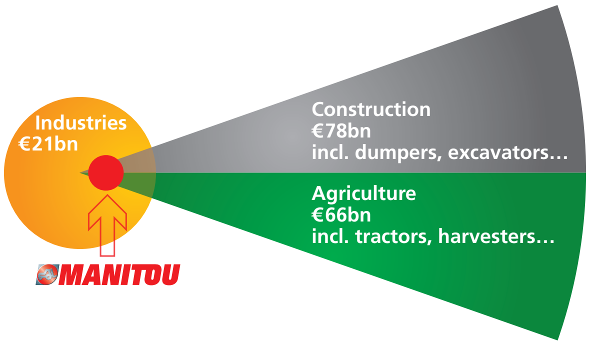
25 AUGUST
Implementation of new organisation chart.

DR - Echo d'Ancenis

17 DECEMBER
Change to the legal structure of the Group and new governance.

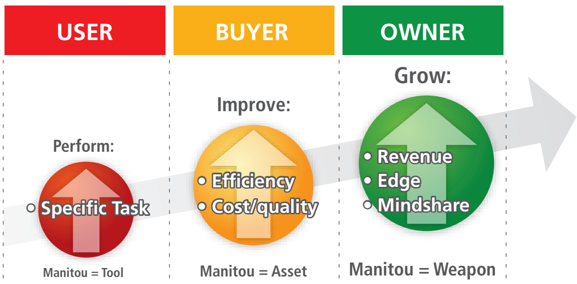
11 JANUARY 2010
'Manitou Next!' international conference. Launch of the 1-2-3 Plan.

As 2010 appears to be a year of stability, the Group is putting itself on the right track to being able to optimise its industrial organisation, streamline its product ranges and regain financial balance.



1 MISSION

Enriched by its know-how, which consists of intersecting product ranges and uses according to distribution methods worldwide, the Manitou Group is setting itself the mission to be 'THE reference when it comes to material handling'. Positioned on markets with high development potential, Manitou has a specialised knowledge of each of these markets, as well as of its clients and users, throughout the world.
By being both more global than simple specialists and more focused than full-liners, Manitou is a unique player in the field of material-handling.



2 VISIONS

1. CREATE VALUE

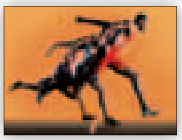
Resolutely orientated towards satisfying its customers, the vision of the Manitou Group may be defined in terms of the creation of value:

- usage value, by making the best products available to them, to respond to their demands
- financial value, by ensuring a medium-term resale value of the materials, a veritable financial asset
- strategic value, by providing customers with an indispensable competitive advantage for their development.

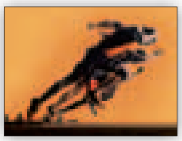
2. MANITOU, IT'S YOU!

Above and beyond its 2,643 employees, Manitou unites a group of players and partners that share the same ambitions and one and the same vision of the company. From the supplier to the user, via the shareholder, the distributor and the employee, it is with the same passion and the same attachment to the Group's historical values that the ambitions of Manitou are founded.

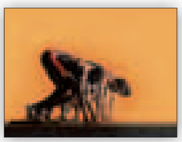
Amplify



Simplify



Clarify



3 STRATEGIES

Built around three key words, CLARIFY, SIMPLIFY and AMPLIFY, the strategies of Manitou are in line with a range of short, medium and long-term action-plans which need to be perfectly adapted to the new Group's sizing, the issues and environment.
By replacing its strategic avenues and action plans in this logic of clarification, simplification and amplification, the Group gives itself the means to stabilise its financial situation and revive its growth.

2009 sales

€ 485 m

i.e: 71 % of the total sales

Workforce:
1,442 employees

Rough Terrain Handling

An undisputed leadership

"Rough Terrain Handling is both, what has made Manitou a world leader and what has provided it with fantastic development opportunities for tomorrow. The RTH teams are particularly motivated to take up this challenge!"

Christian Caleca,
President of RTH Division

As the historical business of the Group, rough terrain handling remains its main activity. Its activities are grouped together under the RTH division.

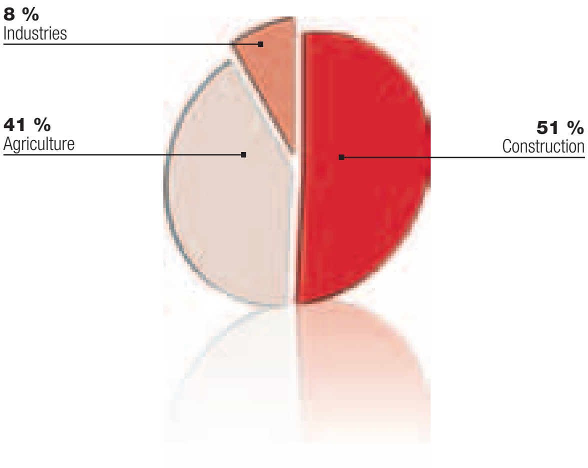
RTH (rough terrain handling) develops handling materials and personnel lifting materials for the construction markets (roofers, carpenters, builders, etc.), agricultural markets (breeders, cereal farmers, etc.), or for industries such as mining extraction or waste treatment, and even for institutional clients (armies, UN, etc.). Eager to listen to its end customers, the Manitou Group always attaches great importance to understanding their needs and guaranteeing more reliability and better performance.

THE MAIN RTH RANGES ARE:

- MANISCOPIC MT (construction) and MLT (agriculture) fixed frame telescopic forklift-trucks of between 5 and 18 metres lifting height and 2.3 to 4 tonnes of capacity
- MRT rotating telescopic forklift-trucks (of between 14 and 30 metres lifting height and 4 to 5 tonnes of capacity)
- Heavy load telescopic trucks particularly well-adapted to working in the mines and quarries, for example
- The MANIACCESS all-terrain IC and electric personnel lift platforms comprised of articulated, vertical or scissors platforms of a height ranging from 5.70 to 20 metres.

RTH develops and manufactures its products on the sites of Ancenis, Candé, Laillé (France) and Castelfranco (Italy). Distributed among the engineering and design departments of these different entities, 130 engineers are at the service of the RTH ranges.

Distribution of sales by market



2009 sales

€ 124 m

i.e: 18 % of the total sales

Workforce:
285 employees

Industrial Material Handling

A promise for the Group

"The industrial market represents a new challenge for Manitou: a growth driver, a business accelerator, and a veritable weapon of seduction for the Group!"

Jean Louis Hervieu,
President of the IMH Division

The IMH (Industrial Material Handling) division positions the Group on the leading global market for material handling.

The division develops material handling equipment designed for industrial applications and the management services of the material handling park; it manufactures masts for the Toyota Europe account and distributes Toyota material in France.

THE MAIN PRODUCT RANGES OF THE IMH DIVISION ARE:

- The MANITOU industrial and semi-industrial forklift-trucks comprised of electric trucks of between 1.5 T and 3 T and IC-trucks with a capacity of between 1.5 T and 7 T
- The thermal and electric forklift-trucks by Toyota, distributed in France by the CFM (Compagnie Française de Manutention), with a capacity of 1 T to 8 T
- The MANITRANSIT truck-mounted forklifts with a capacity of between 2.5 T and 2.7 T
- MANILEC warehousing equipment also distributed under the brand name LOC®, comprised of electric pallet-trucks, stackers, order pickers, industrial tractors, forklift-trucks with retractable forks, etc.

IMH develops these products (except for Toyota materials) on 4 different sites, in Ancenis, Beaupréau, Saint-Ouen-l'Aumône and Hangzhou. A real solution to the problems of handling on stable ground and inside warehouses, these materials are also the object of an offer of services which ranges from financing to maintenance and renting.

2009 sales

€ 75 m

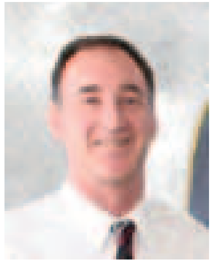
i.e: 11 % of the total sales

Workforce:
482 employees

Compact Equipment

A reinforcement and a diversification

"While 2009 was a challenging year due to the economy, we in turn initiated many positive changes to adapt. These changes have strengthened our business overall, and will make us much stronger as the economy rebounds."



Daniel L. Miller,
President of the CE Division

Initiated in July 2004 by an acquisition of an interest of 14.4%, the partnership between Gehl and Manitou relied on an expansion of ranges and networks and concluded with the acquisition of Gehl by Manitou, in October 2008. In 2009, the Gehl businesses were grouped together in a 'Compact Equipment' division, in the same way as RTH and IMH, during the implementation of the Group's new organisation.

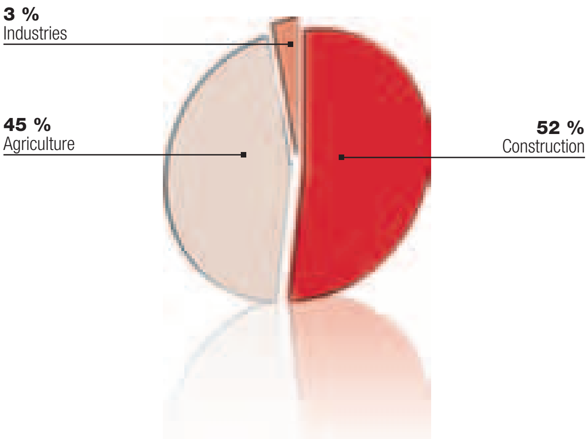
Beyond product line extensions, numerous synergies are in the course of being introduced, as much internally (purchases, R&D, production, etc.) as externally with our distribution networks, and this, on a country by country basis.

THE MAIN PRODUCT RANGES OF THE CE DIVISION ARE:

- Compact loaders (skid-steers)
- Articulated loaders
- Telescopic forklift-trucks
- Mini-shovels.

These products are manufactured in the United States, in the factories of Yankton and Madison, and marketed under the brand names Gehl® and Mustang®. Their robustness, simplicity of use and lifting capacity make them particularly well-adapted to the construction and agricultural markets.

Distribution of sales by market



France

A mature market
strongly impacted by the crisis

2009 sales
€ 243 m
i.e: 35 % of the total sales

A historical market for Manitou, due to the Group's origins, culture, but also its development, France represents a third of total sales. A unique fact is that thanks to the Toyota agreement put in place more than 30 years ago, the network has grouped together the Manitou and Toyota brands and consequently developed proficiency across the three markets: construction, agriculture and industry. This has enabled them to resist the crisis as, overall, their activity has only declined by 20% compared to the manufacturer, whose activity has fallen by 50%. This crisis has, moreover, enabled a more rapid progression towards the services, rental and second-hand businesses compared to only the sales of new materials. Furthermore, the ties with these companies are long-term, having ensured a lasting relationship over several generations.

Ludovic Piquand - ACTEMIS Manutention - France

"It is in adversity that the strengths of a partner are best revealed. The crisis that we are going through is also the opportunity, for us dealers, to capitalise on the trust that we have built over time."

Europe

Contrasting markets
but always a very strong presence

2009 sales
€ 300 m
i.e: 44 % of the total sales (excluding France)

Present in Europe for many years and represented by 8 distribution subsidiaries and a very dense network of dealers, Manitou has acquired a veritable reputation on the mature European markets on which its introduction has already been made. More recently, the creation of bridgeheads in Eastern Europe has enabled the Group to find growth drivers and develop its distribution network. In 2009, the crisis made an impact on all the countries in the zone, with certain contrasts, country by country, due to the differing local policies in some sectors: fiscal incentives for Construction, in Italy, a steady flow of business for Agriculture, in the United-Kingdom, good resistance shown by the industrial activity and warehousing in Spain…
In contrast, Germany, Benelux and Eastern European countries suffered from the disappearance of the rental market which was very affected by the crisis.

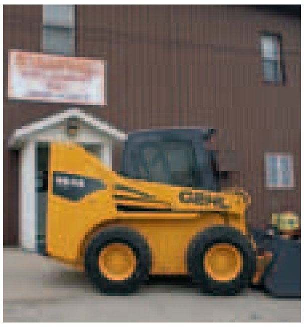
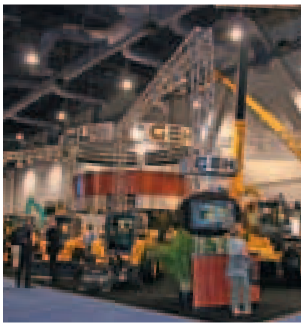
With the take-over of Gehl, at the end of 2008, the sales in Europe increased in terms of product ranges (Gehl® and Mustang® mini-loaders, mini-shovels, etc.) with Europe constituting the second territory of activity of the CE (Compact Equipment) Division.

"The three words that for me define Manitou are innovation, reliability and quality. The user-friendliness of the products as well as the service are also the company's strong points."

Niel Edwards – Crichel Farms Ltd. - UK

The Americas

A continent affected in a profound and lasting way


2009 sales
€ 72 m
i.e: 11% of the total sales

With the take-over of Gehl, at the end of 2008, the Manitou Group reinforced its presence on the North American continent where it was previously mainly represented by distribution, in the United States and Canada, of short ranges assembled locally or imported. The business complementarity expected with the take-over of Gehl, in terms of products, networks and geographical territory, was unfortunately minimised by the brutal crisis which the country had to contend with, as much in the property sector as in the agricultural sector, both principal markets in this zone. This triple complementarity remains, however, strategically relevant and it should find its full justification as soon as the upturn begins on the North American market. In Latin America, the telescopic market has also remained in decline, but the Group continues to strengthen its distribution network.

The year 2009 also saw the progressive streamlining of the Gehl® and Mustang® distribution networks in the United States, with inventory reduction initiative for the oldest machines, ahead of other competitors. Moreover, Gehl was profoundly affected by the uncertainty of its financial situation on the one hand, and by the collapse of sales of telescopic forklift-trucks on the other, 90% of which are normally ordered by rental companies.

"The main thing is maintenance. Take care of your product, it will take care of you. The relationship with the dealer is very important. They have products and parts on hand and are always there when needed."

Richard Moldenhauer - Moldenhauer Brothers LLC - Wisconsin - USA

Middle East, Africa, Asia-Pacific

A dramatic economic slowdown,
but growth drivers for the future

2009 sales

€ 69 m

i.e: 10 % of the total sales

This sales region groups together very heterogeneous countries, as much in terms of economy as in their appetite for Manitou ranges.

South Africa and Australia are markets close to ‘developed’ Western markets, whilst all the while having developed a real specificity over the years around mining activities.

Beyond this, the two huge countries that are India and China are progressively opening up to the use of sophisticated mechanical vehicles, the price and maintenance of which remain an obstacle to their mass distribution, considering the abundant and cheap labour.

Finally, the Middle East and south-east Asia offer interesting prospects on the market of mini-loaders; robust polyvalent products adapted to working conditions.

“We have been using Manitou products for many years and the depth of the range has meant Manitou has been able to provide a solution for our variety of applications above and below ground.”

Martin Bell - Thiess - Australia

3 markets

for an infinite number of applications

By defining its offer according to the search for solutions directly linked to users' needs, the Manitou Group has developed a range of products that perfectly responds to the demands of markets as diverse as agriculture, construction and a multitude of other industries. Manitou's offer in these different areas goes beyond vehicles as it is also based on a very wide range of accessories, which not only improve the versatility of the machine but increase its value for the user.

Construction of a building with the help of a rotating telescopic truck with a 30-metre boom.

Intensive work in a recycling firm.

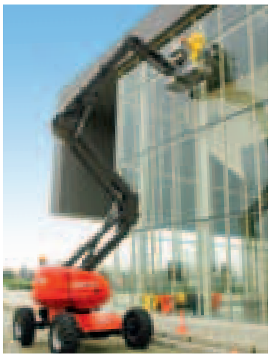
Pallet-trucks and stackers for storing in warehouses.

Loading of cages of chickens in Australia.

Changing the tyre of a dumper truck, with the help of the tyre clamp mounted on a Maniscopic.

Loading of materials by lorry (Indonesia).


Material-handling on stable ground.


Intervention on a public building.


Harvesting of olives with the accessory developed for shaking olive trees.


Construction of the viaduct of Millau with the help of a pendulum arm mounted on a rotating Maniscopic.

Material handling of balls of straw.


Animal care.

Material handling of concrete blocks.


Material handling of bricks in Australia.


Armoured telescopic forklift-truck designed for material handling for the French Army's outdoor operations around the world (installation of bungalows, hospitals, etc.).

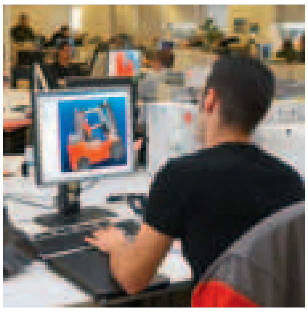

Working in a quarry.


2

Three professions

Creators of value

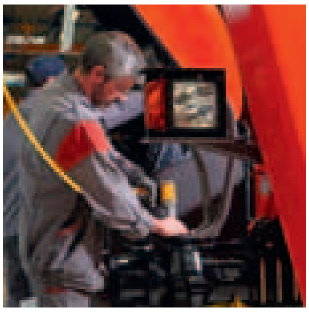
Since the very beginning, the Manitou Group has founded its economic model on three essential trades: design, assembly and distribution. This development strategy has enabled us to concentrate our efforts on product innovation, the implementation of high-performance and flexible industrial tools, and the construction of solid networks of independent distributors.



DESIGNER

PRODUCT INNOVATION, THE KEY TO SUCCESS OF THE DEVELOPMENT STRATEGY

The ongoing research for innovation enables Manitou to anticipate the demands of the market by designing products that perfectly respond to its customers' demands. Moreover, by optimising its sourcing of components for the whole Group and by choosing the best partners, in advance, the Group is recognised for the quality and reliability of its products. The Manitou®, Gehl®, Mustang®, Loc® and Edge® equipment therefore permanently has competitive advantages that are appreciated by all users.

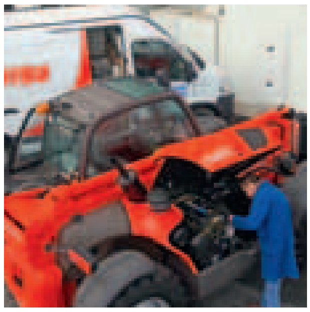


ASSEMBLER

A HIGH-PERFORMANCE INDUSTRIAL TOOL, WITH GREAT FLEXIBILITY

To enable it to adapt to the variations in demand and the specificities of their different markets, the Manitou Group has constructed its manufacturing resources around three key ideas:

- The development of *savoir-faire* in the manufacturing of structural ensembles, such as frames, booms and masts;
- The flexibility and reliability of its supply chain to optimise production, as well as the recourse to the subcontracting and supplying of external components;
- The implementation of efficient assembly and mounting capacities.



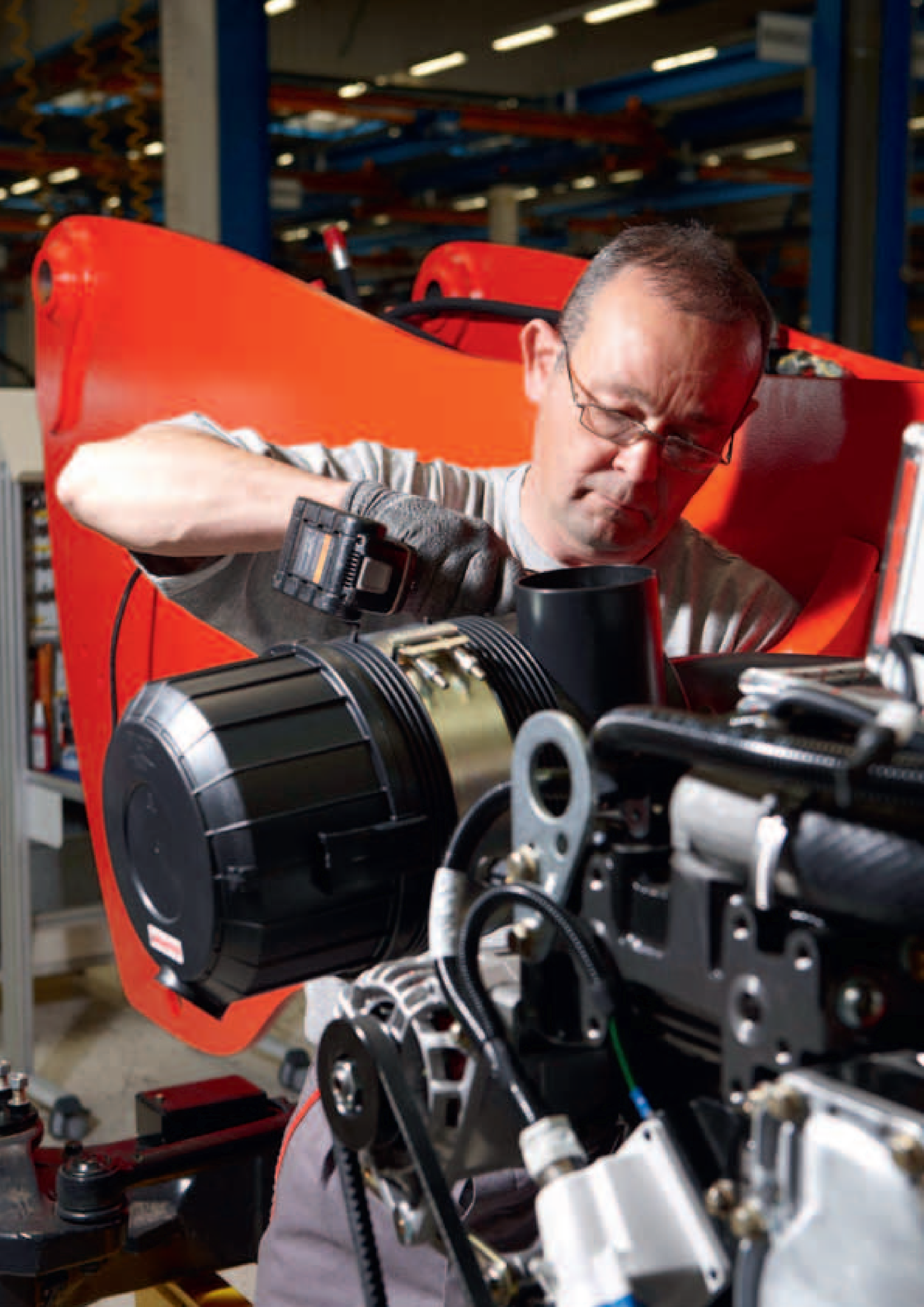
DISTRIBUTOR

THE SOLIDITY OF INDEPENDENT DISTRIBUTOR NETWORKS

From the very beginning, the Manitou Group has been committed to deploying reliable and powerful local networks. Almost 1,300 dealers and distributors from across 120 countries, all specialised in material handling equipment, today bear the Group's brands and share, with their manufacturer, the same commitment. The qualification of this network of specialists is unanimously recognised today across all Manitou's sectors of activity. The essential relay of franchises and the sales administration put in place in each of the entities enables the rapid transportation and delivery of equipment to the four corners of the world.

A MARKET THAT IS EVOLVING TOWARDS SERVICES

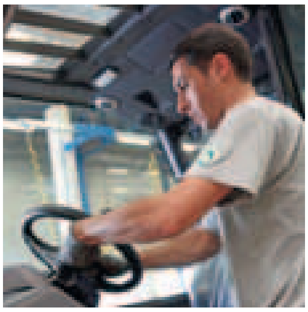
By proposing a complete offer of services via its networks, from financing to equipment maintenance, and by supporting employees in the transfer of their trades, the Group is responding to the increasingly pressing demand to provide its customers with a personalised and adapted service enabling them to optimise the use of their equipment.



Support

the men and women at Manitou in the changing situation

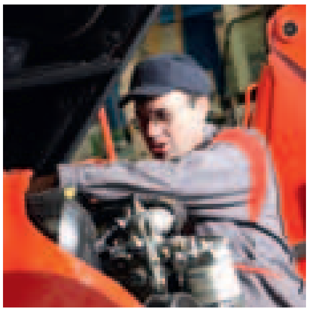
Faced by an unprecedented crisis, the Manitou Group has had to adapt its structures to this new environment and rethink its organisation. By making sure to maintain social dialogue and support all employees in the transfers put in place, the Group has orientated its Human Resources management towards social responsibility and maintaining employment and skills. By remaining committed to the respect of strong human values, the company prepares to take up the challenges of tomorrow.



ADAPT

THE WORKFORCE TO THE DECLINE IN ACTIVITY

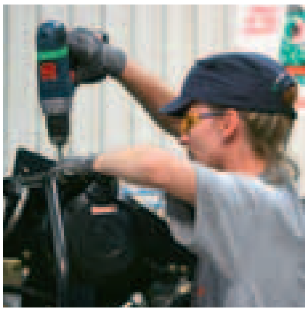
The dramatic decline in activity, in each and every sector, has driven the company to adapt its workforce; by opting, first and foremost for Voluntary Redundancy Plans, and, by putting in place a major training plan for its operators in order to limit the repercussions of partial unemployment and prepare the upturn of activity. The company has thus shown its ability to minimise the social impact of the resizing of its teams.



MAINTAIN

SKILLS AND ENSURE MOBILITY

The decision, by a certain number of employees, to continue their career outside of the company has been taken advantage of to accelerate professional and geographical mobility for a large number of employees, while avoiding the loss of the Group's savoir-faire. Reorganising services and entities according to new perimeters, promoting talents and giving each and everyone opportunities for development, while assisting mobilities; such have been the adaptation issues for the workforce, in the hope of creating coherence.



ASSIST

THE REORGANISATION OF THE GROUP

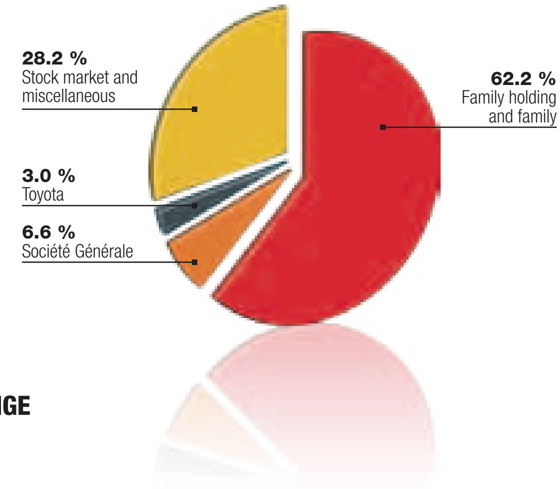
With the implementation of its new organisation, by adapting the business and its workforce, the Group has made every effort to preserve its skills, while assisting change. By rethinking its methods of working and simplifying its organisation, as well as clarifying the roles of each and everyone within the three newly defined divisions and increasing internal communication between these different entities, the Group gives itself the means to ensure its durability and prepare itself for the upturn.

"The human dimension of the company is not only judged by the values that it demonstrates, but by its ability to support the men and women confronted with a brutal, severe and enduring economic crisis."

Jérôme Tertrais, Human Resources Director

Shareholder structure

and market share performance



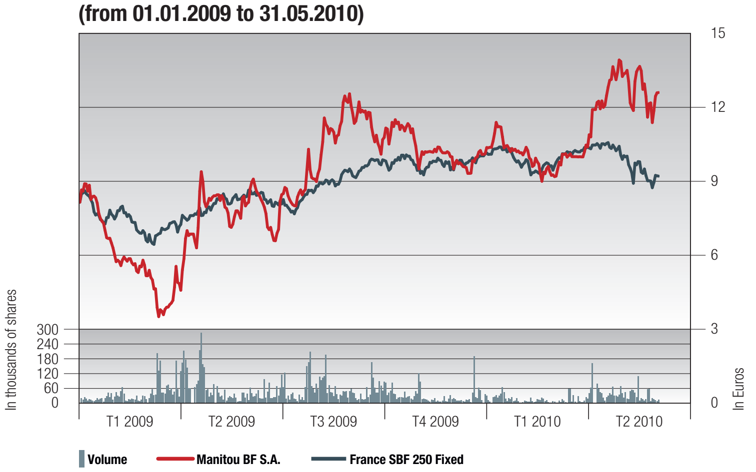
MAIN SHAREHOLDERS

- SFERT SA : 42.06 %
- Marcel Braud : 9.69 %
- Jacqueline Himsworth : 5.07 %
- Ancemat : 5.03 %
- Société Générale : 6.59 %
- Toyota : 2.98 %

MANITOU IS LISTED ON THE NYSEEURONEXT PARIS STOCK EXCHANGE

- EUROLIST compartiment B
- Code ISIN : FR0000038606
- Nominal value: €1
- Transaction unit: 1

Manitou share price evolution in value and in volume (from 01.01.2009 to 31.05.2010)



SHARE CAPITAL AND SHAREHOLDING ON 31.12.2009

- Amount of capital: €37,567,540
- Total number of shares: 37,567,540
- Total number of voting rights: 37,064,880 (excluding self-held securities)

STOCK MARKET INDICES

- Mid CAC 100
- SBF 250
- NEXT 150

SHARE MANAGEMENT

- Establishment in charge of the securities service: Société Générale Securities Services
- Market-making contract: Portzamparc Société de Bourse SA

PERSON RESPONSIBLE FOR THE FINANCIAL INFORMATION

- Hervé Rochet – Financial Director

STOCK EXCHANGE DATA

SHARE PRICE IN €	2005	2006	2007	2008	2009
Higher	39.90	39.30	48.70	31.90	12.74
Lower	24.20	30.50	29.54	7.50	3.48
Closing prices of the year	36.25	38.00	31.25	8.15	10.38
Evolution over the year	+48.1%	+4.8%	(17.8%)	(73.9%)	+27.4%
Evolution of the CAC MID 100 over the year	+39.0%	+29.8%	(1.9%)	(42.2%)	+37.8%
Evolution of the SBF 250 over the year	+26.3%	+18.2%	+0.6%	(43.1%)	+23.9%
Evolution of the Next 150 over the year	+38.6%	+25.0%	+1.8%	(49.2%)	+53.2%
Stock exchange capitalization on 31.12 in millions of euros	1,371	1,437	1,182	308	390
Average Daily Exchanges	26,262	27,128	27,077	44,584	45,544
Number of shares exchanged over the year	6,151,072	6,877,886	6,904,754	11,413,488	11,659,292
Turnover rate of shares	16.3%	18.2%	18.3%	30.2%	30.8%

2009 Annual Report

1. MANITOU AND THE GROUP

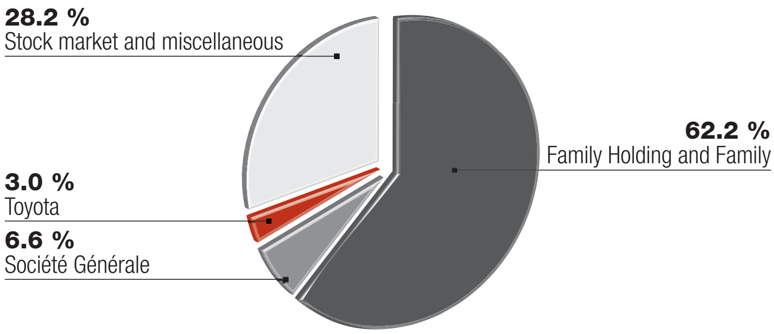
1.1. KEY FIGURES

MAIN CONSOLIDATED FIGURES FOR THE LAST TWO YEARS – DISCLOSED FIGURES (1)

In millions of euros	2009	2008
Sales	684	1,278
Net operating income from ordinary activities	(81)	97
Net operating income	(146)	45
Net income attributable to Parent Company	(131)	4
Shareholders' equity	334	469
Total balance sheet assets	857	1,316
Dividend (in euros)	0	0
Cash flow from operating activities	(35)	101
Net financial debt	243	479
Total headcount as at 31 December	2,643	3,319

(1) Figures are reported as published and do not take into account changes in scope in the course of a financial year, including the acquisition of Gehl with effect from November 2008.

BREAKDOWN OF OWNERSHIP AS AT 31.12.2009



Market capitalisation as at 31.12.2009: €390m

1.2. BACKGROUND AND HIGHLIGHTS

1945 "Braud Mécanique Générale" company formed in Ancenis in the Loire Atlantique region.

1958 Development and marketing of first all terrain forklift truck and creation of Manitou brand.

1970's
Creation of a distribution subsidiary in the United Kingdom; start of the Group's international expansion in Italy, etc.
Began distributing Toyota industrial forklift trucks in France.

1980's
The Group refocuses its activities on the design and production of handling equipment.
The Group establishes itself in the USA.

1981 Launch of first telescopic forklift for construction.

1984 Manitou BF listed on the Second Marché.

1987 Agreement reached with the Toyota group to manufacture industrial forklift trucks. Manitou BF assembles Toyota branded forklift trucks for sale in Europe at its Ancenis site.

1989 Launch of first telescopic forklift for agriculture.

1990's
The Group continues its international expansion (Benelux, Germany, Spain, Portugal, Singapore and South Africa).

1995 Creation in Ancenis of a JV with the Toyota group, intended to assemble the Japanese manufacturer's industrial forklift trucks for the European market. Launch of the first range of aerial work platforms and all terrain truck-mounted forklifts.

1998 The Company is converted into a société anonyme (public limited company) with an Executive Committee and Supervisory Board.

2000's
The Group continues its international expansion (Canada, Australia, China, Poland, Russia, Chile, Romania and India).

Manitou signs a product cross-distribution agreement with Gehl Company in the US and acquires a 14.9% stake in Gehl.

Manitou celebrates its 200,000th forklift truck.

2008 Manitou launches a takeover bid for the 85% of shares in Gehl not already held by it. The bid is announced one week before the collapse of Lehman Brothers bank. Gehl becomes a wholly-owned subsidiary of Manitou BF at the end of the offer period and is included in the consolidated financial statements with effect from 1.11.2008. The transaction is intended to strengthen the Group's presence in North America and leverage complementary product portfolios.

Manitou celebrates the 50 years of the Manitou forklift truck.

2009 Operating in a very challenging economic environment, the Group must simultaneously confront three major crises:

- An economic crisis of unparalleled proportions with a 54% fall in like-for-like sales, making it necessary to adapt the Group's businesses to this brutal downturn.
- A financial crisis that forces the Group to renegotiate financing for its new US subsidiary, and subsequently for the Parent Company, in challenging conditions. The persistence of the US recession plunges Gehl into a further debt restructuring process in the final quarter of the year.
- A governance crisis that leads the founding families to withdraw from the Group's operational management in order to focus on governance and strategy and recruit an independent senior director, Jean-Christophe Giroux. The Group is also restructured into three divisions so as to better meet the needs of its various markets.

Immediately following these changes, on 17.12.2009 the Company changes its legal form to establish a Board of Directors within which Marcel Braud assumes the role of Non-Executive Chairman, and Jean-Christophe Giroux becomes Chief Executive Officer.

2009 was also the year in which Gehl celebrated its 150th birthday – an outstanding age for an American company.

1.3. MAIN GROUP BUSINESSES

Since the first half of 2009, the Group's activities have been split into three business sectors grouped together in divisions:

- the "RTH – Rough Terrain Handling" division, specialising in all terrain handling equipment
- the "IMH – Industrial Material Handling" division, focussing on industrial handling equipment
- the "CE – Compact Equipment" division, specialising in compact equipment

Each of these divisions is structured around the Company's three areas of expertise as a designer, assembler and distributor of handling products.

Complementary activities such as the sale of spares or attachments and the provision of services like third party fleet management, training, etc., are represented within each division.

1.3.1. RTH Division – Rough Terrain Handling

EQUIPMENT FOR THE CONSTRUCTION SECTOR

This division's products mainly consist of Manitou masted forklift trucks and Maniscopic fixed and rotating telescopic forklift trucks. These trucks work within a height range of between 4 and 30 metres and can lift loads weighing up to five tonnes.

They are mainly used by tradesmen (builders, roofers, etc.) and regional, national and international hire companies working in the residential and non-residential construction and renovation sectors. These users are looking for straightforward, multi-purpose products whose handling capabilities make them ideal for efficiently distributing materials across sites. A wide range of attachments is available for our telescopic forklift trucks, enabling them to be used for a broad range of applications.
Manitou offers the most complete product range meeting all of these sectors' needs.

The equipment utilisation ratio is of the order of 500 hours a year.

ACCESS PLATFORMS

The Maniaccess range for personal and material lifting forms part of the RTH division. The Group designs and markets vertical, articulated and scissor access platforms. Platforms are powered by internal combustion for outdoor use and electrically powered for indoor use. A "bi-energy" range of articulated platforms was launched in 2008. These electrically-powered platforms are equipped with an internal combustion engine so that their batteries can be recharged without the need to use on-site transformers.

The vast majority of platforms are marketed through regional, national and international hire companies, making this a very cyclical business.

EQUIPMENT FOR THE AGRICULTURAL SECTOR

Equipment made for the agriculture sector is designed to withstand intensive daily use. It consists of five to ten metre telescopic forklift trucks, which can be fitted with a multitude of attachments for carrying out day-to-day tasks (scraping animal houses, cleaning, feeding cattle, handling straw / hay bales, loading and unloading materials : wheat, mais, sugar beet … etc). For example, stockbreeders use telescopic forklift trucks for around 1,500 hours a year-more than they use tractors.

Manitou is constantly improving the performance and build quality of its forklift trucks in order to meet the ever-increasing demands of its customers. Most customers own their own equipment, and are looking for machinery with a high level of comfort on a par with that offered by their tractors and combine harvesters. Equipment intended for agricultural use is therefore equipped with cab suspension, air conditioning and the JSM, a Manitou-designed joystick that can be used to control the full range of handling functions with the fingertips.

"PERFORMANCE" ALL TERRAIN TRUCKS

Based on its high performance all terrain equipment, the Company offers specialist handling solutions to the environmental, mining and industrial sectors, as well as to institutional customers like armed forces and organisations like the UN, civil protection bodies, etc. The highest performing equipment can lift loads of up to 21 tonnes to a height of ten metres.

1.3.2. IMH Division – Industrial Material Handling

INDUSTRIAL AND SEMI-INDUSTRIAL FORKLIFT TRUCKS

The IMH division designs and distributes a wide range of products for use in industrial handling:

- semi-industrial masted forklift trucks for use both in outdoor environments on unstable ground (pavements, gravelled surfaces, etc.) and inside buildings and warehouses
- industrial forklift trucks powered by internal combustion or electrically powered, and intended for indoor or outdoor use on stable ground
- truck-mounted forklifts enabling drivers to load, unload and handle cargo

The division also distributes Toyota industrial forklifts in France.
Depending on their use, forklifts may be powered by internal combustion (diesel or gas) or electrically powered.

WAREHOUSING EQUIPMENT

Warehousing equipment is intended for warehouse handling activities. A wide range of different variables mean that equipment can be adapted to a range of uses. The IMH division has a high level of expertise in the specific materials sector. It distributes warehousing equipment under the Toyota (France only), Loc and Manilec brands.

MAST MANUFACTURE

The mast is the core component of a forklift truck. The wide range of potential uses means the frontal masts of a forklift must be adapted to meet users' needs. The main variables relate to height and lifting capacity.

Masts are manufactured for the Group's internal purposes as well as for Toyota Industrial Equipment, based in Ancenis, in which Manitou has a 20% stake.

FLEET MANAGEMENT

In its desire to meet the operational needs of certain key account customers, the IMH division directly manages the maintenance of some of its own fleets of industrial forklift trucks. The most significant maintenance contract relates to the fleet of handling equipment at the PCA Peugeot Citroën plant at Rennes, France. With the benefit of its commercial performance, the IMH division will also be supplying and managing the fleet of industrial forklifts for the Citroën plant at Aulnay sous Bois.

1.3.3. CE Division – Compact Equipment

The CE division designs, assembles and distributes compact handling equipment. The breadth of its product catalogue means that distributors have access to an attractive and complementary range designed to meet the full scope of end users' needs. All CE division products are marketed under the Gehl and Mustang brands. A full range of attachments is also available under the Edge brand.

SKID STEER LOADERS

Skid steer loaders are highly agile and versatile compact handling products. They are steered by locking the wheels on one side of the loader, giving them a 360° on the spot turning circle. Their small size means they can be used in cluttered environments. These straightforward, robust machines accept multiple attachments, enabling them to be used for a wide range of purposes.

Skid steer loaders are mainly used in the construction and agriculture sectors. Some machines are mounted on caterpillar tracks rather than wheels, making them particularly agile on soft ground.

TELESCOPIC FORKLIFT TRUCKS

The Compact Equipment division's range of telescopic forklift trucks consists exclusively of straightforward, robust equipment aimed almost exclusively at rental companies in the North American market. Customers for this type of equipment are not interested in any level of sophistication or aesthetics.

ARTICULATED LOADERS

The articulated loaders designed, assembled and marketed by Gehl are multi-purpose devices which can be used for handling and load recovery activities. The range of products developed by the division is focussed on low-capacity, compact equipment.

MINI EXCAVATORS

The division distributes a range of mini excavators sourced from a third party supplier. This type of equipment, which is particularly aimed at the public works sector, is maintained as a complement to the division's own product range.

1.4. INFORMATION ABOUT THE MAIN SUBSIDIARIES AND DETAILED GROUP ORGANISATION CHART

1.4.1. Main Group subsidiaries

Manitou Costruzioni Industriali Srl
Via Emilia, Cavazzona
41013 Castelfranco, Italy

Wholly-owned subsidiary of Manitou BF

Business: design, assembly and distribution of rough terrain fixed and rotating telescopic forklift trucks, as well as heavy duty forklifts. The company also distributes all the Group's products in Italy.
2009 sales (IFRS): €85.9M
2009 net income: €0.5M
Headcount as at 31.12.2009: 241

Gehl Company Inc.
One Gehl Way
West Bend, Wisconsin 53095, United States

Wholly-owned subsidiary of Manitou BF

Business: design, assembly and distribution of compact equipment through a global network of independent distributors: mini-loaders, telescopic forklifts, articulated loaders and mini excavators.
The company, whose head office is in West Bend, Wisconsin, has two production subsidiaries in Yanktown and Madison, South Dakota.

Within the United States, Gehl also offers end user sales financing solutions under the Gehl Finance label.

2009 sales (IFRS): €61.3M
2009 net income: €(92.0)M
Headcount as at 31.12.2009: 416

Manitou UK Ltd
Ebblake Industrial Estate
Verwood, Dorset, BH 31 6BB, United Kingdom

98.7% owned subsidiary of Manitou BF

Business: Distribution of RTH and IMH division products in the UK and Ireland.
2009 sales (IFRS): €57.3M
2009 net income: €1.3M
Headcount as at 31.12.2009: 39

Compagnie Française de Manutention SAS
510, Boulevard Pierre et Marie Curie
44152 Ancenis Cedex

Wholly-owned subsidiary of Manitou BF

Business: Exclusive distribution of Toyota brand industrial forklifts and Toyota and Manitou warehousing equipment in France, and maintenance of a fleet of industrial forklifts for PCA Peugeot Citroën at Rennes and Aulnay (from 2010).
2009 sales (IFRS): €46.1M
2009 net income: €(1.1)M
Headcount as at 31.12.2009: 118

Manitou Benelux SA
Chaussée de Wavre - Zoning Industriel
1360 Perwez, Belgium

98.0% owned subsidiary of Manitou BF

Business: distribution of RTH and IMH division products in Belgium, the Netherlands and Luxembourg.
2009 sales (IFRS): €39.3 M
2009 net income: €0.4 M
Headcount as at 31.12.2009: 21

1.4.2. Group Organisation chart as at 31.12.2009

PARENT COMPANY | **SUBSIDIARIES**

MANITOU BF SA
Share capital: 37,567,540 EUR
430, rue de l'Aubinière
44150 ANCENIS, France

FULLY CONSOLIDATED COMPANIES

- 100% → **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
- 100% → **CIE Industrielle de Matériels de Manutention** – Share capital: 1,800,000 EUR – Route de Challain-la-Potherie - 49440 CANDE, France
- 100% → **MLM** – Share capital: 1,800,000 EUR – Av. du Vert-Galant - 95130 SAINT-OUEN L'AUMONE, France
- 100% → **Aumont BSBH** – Share capital: 1,747,200 EUR – ZA Bout de Lande - 35890 LAILLE, France
- 100% → **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, United-Kingdom
  - 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
- 100% → **Manitou Costruzioni Industriali Srl.** – Share capital: 5,000,000 EUR – CASTELFRANCO EMILIA, Italy
  - 100% → **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% → **Manitou Portugal SA** – Share capital: 600,000 EUR – VILLA FRANCA, Portugal
  - 51.3% → **EPL Centro** – Share capital: 50,000 EUR – POMBAL, Portugal
- 100% → **Manitou Deutschland GmbH** – Share capital: 800,000 EUR – OBER - MÖRLEN, Germany
- 100% → **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
- 80% → **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% → **Manitou Manutención España SL** – Share capital: 200,000 EUR – MADRID, Spain
- 100% → **Chariots Élévateurs Manitou Canada Inc.** – Share capital: 20,000 CAD – MONTREAL, 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
- 30.4 % → **Algomat** – Share capital: 20,000,000 DZD – ALGER, Algeria
- 40 % → **Hangzhou Manitou Machinery Equipment Co Ltd.** – Share capital: 3,000,000 USD – HANGZHOU, China

2009 Annual Report

2. MANAGEMENT REPORT

The Group had an extremely challenging year in 2009, during which it had to simultaneously confront an economic, financial and governance crisis. These factors led to a far-reaching restructure of Manitou, including the creation of a division-based structure, a change of executive management and a change in legal form to that of a company with a Board of Directors, at the same time as extending the Board from seven to nine members and adding three new directors, two of whom are independent.

The Group recorded a 54% fall in like-for-like sales, to €684m. The financial performance of the RTH (Rough Terrain Handling) and IMH (Industrial Material Handling) divisions showed real resilience, with operating losses from ordinary activities limited to €22m and positive EBITDA from ordinary activities. Conversely, the Compact Equipment division, which suffered a much more pronounced fall in sales (down 66%), ended the year with an operating loss from ordinary activities of €59m, in spite of a restructuring that was both rapid and wide-ranging.

This fall in business forced the Group to reorganise its entire structure and reduce employee headcount by almost 700. Dialogue between management and staff was maintained throughout this process, and the Group protected both its expertise and its ability to manage the recovery.

In spite of a net loss of €131m, the Group's financial structure at the year-end reflected a halving of debt and a gearing ratio of 73% – well below the authorised maximum of 100%. Renegotiation of the Group's financing arrangements was completed in June 2009 in the US and July 2009 in France. Bank negotiations were reopened when Gehl once again breached its covenants in November 2009. These covenants relate to Gehl's syndicated debt, which accounts for 15% of the Group's total debt. Based on information available at the time of signing this report, these negotiations are expected to result in the subsidiary's financing arrangements being stabilised in the next few weeks.

In spite of the difficulties of which we are aware at the time of signing this report, the business outlook does not jeopardise the Group's continuing operations; like the rest of the market, the Group will continue to face challenging economic and financial conditions in 2010. The actions implemented in 2009, the continuing optimisation of processes in 2010, the new governance structure, the Group's commercial positioning, its capital structure and the commitment of its staff are the essential assets Manitou needs in order to emerge from the crisis stronger.

2.1. BUSINESS REVIEW

2.1.1. Sales performance

2.1.1.1. CONSOLIDATED SALES

The capital goods industry sector in which Manitou operates was one of those hardest hit by the economic crisis as a result of many investment projects being stopped. The effects of a fall in end demand were magnified by destocking at dealer networks, as well as the resale by hire companies of a significant proportion of their equipment fleets.
In addition, the economic recovery seen from the second half of the year in the emerging regions of China, India and Brazil had little impact on the handling market which, unlike the public works sector, remains highly unstructured in these regions.
Like-for-like consolidated Group sales, which were heavily impacted by these various factors, fell 54% relative to 2008 (46% without adjusting for changes in consolidation scope).

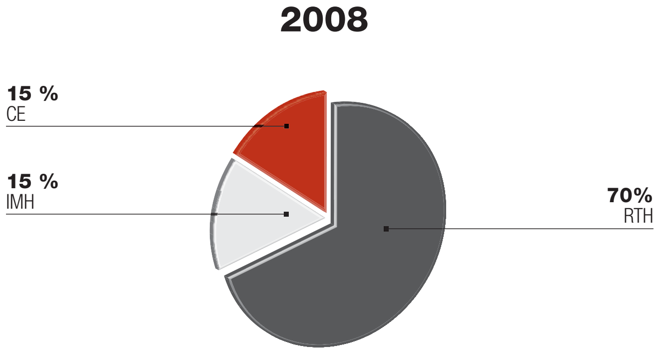
Since 2009, the Group has been structured into three sales divisions, with shared sales forces organised into four geographical regions.

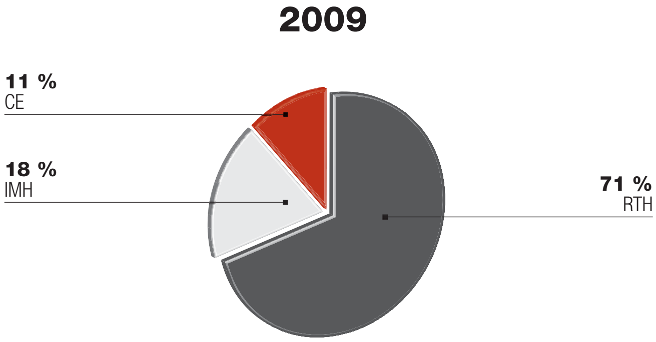
SALES PERFORMANCE BY DIVISION AND GEOGRAPHICAL REGION

In millions of euros and as a percentage of total

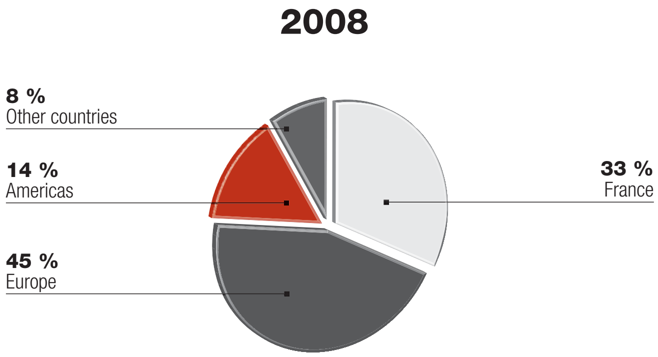
2008 sales **Pro forma including Gehl**						**2009 sales**				
France	Europe	Amer.	Other regions	Total	€m % of total	France	Europe	Amer.	Other regions	Total
338 *23%*	561 *38%*	41 *3%*	94 *6%*	1,034 *70%*	RTH	163 *24%*	250 *37%*	23 *3%*	49 *7%*	485 *71%*
156 *11%*	48 *3%*	9 *1%*	11 *1%*	224 *15%*	IMH	79 *11%*	27 *4%*	5 *1%*	13 *2%*	124 *18%*
2 *0%*	44 *3%*	158 *11%*	18 *1%*	223 *15%*	CE	1 *0%*	23 *3%*	45 *7%*	6 *1%*	75 *11%*
496 *33%*	653 *44%*	208 *14%*	124 *8%*	1,481 *100%*	Total	243 *35%*	300 *44%*	72 *11%*	69 *10%*	684 *100%*

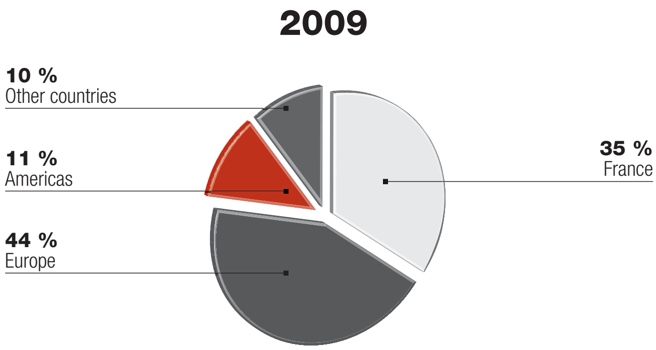
CONSOLIDATED SALES BY DIVISION (2008 pro forma sales)





CONSOLIDATED SALES BY GEOGRAPHICAL REGION





2.1.1.2. SALES PERFORMANCE BY DIVISION

2.1.1.2.1. Sales performance – Rough Terrain Handling (RTH) division

The RTH (Rough Terrain Handling) division markets handling and personnel lifting equipment to the construction, agriculture, industrial (e.g. mining) and environmental sectors, as well as to institutional customers, armed forces, etc. In 2009, it accounted for 71% of Group sales, and recorded a 53% decrease relative to 2008.

Affected by the economic crisis from the end of 2008 onwards, sales in the year fell significantly across all geographical regions and markets. The relative resilience of the agricultural sector in the first half of the year was offset by falling milk and cereal prices, and a resulting fall in farmers' income, in the second half. Moreover, the various government stimulus plans, which were aimed more at the public works than the construction sector, were of little benefit to the Group.

After exceeding a billion euros in 2008, the division's sales in 2009 totalled €485m. The fall in end user demand was magnified by the effects of inventory reductions by dealers. In addition, a proportion of demand was diverted to the used equipment market, which became attractive as a result of abundant supply. Many players seeking to adjust their production capabilities and release cash resold little-used equipment at competitive prices. This was particularly the case for rental companies which, after building up large stocks of equipment in 2006-2007 in anticipation of growth in the construction market, proceeded to massively reduce their fleets in 2009.

Surprised by the violence of the market downturn, Manitou also had to undertake massive reductions in inventory of equipment. This was achieved by reducing production volumes and launching specific sales campaigns, including a large-scale campaign in the fourth quarter of 2009. Excluding promotional campaigns, there was no particular drop-off in selling prices.

The division succeeded in maintaining its market share in spite of a very challenging environment.

RTH DIVISION: FRENCH PERFORMANCE

In France, the drop in business was particularly pronounced in the construction and industry sectors. Sales of access platforms, which are exposed to these two markets and to a customer base consisting almost entirely of hire companies, were the hardest hit by the fall in business.

RTH DIVISION: EUROPEAN PERFORMANCE

In sector terms, the Europe region was faced with the same trends as France. Two countries proved more resilient to the crisis: Italy, which benefited from a relatively buoyant construction sector facilitated by tax incentives, and the United Kingdom, which was supported by a flow of business in the agricultural sector. After benefiting from strong growth among rental companies in 2008, Germany, Benelux and Eastern Europe recorded the most pronounced falls, with already unfavourable economic activity suffering further as a result of the drying-up of the hire company market and fleet reductions carried out in 2009.

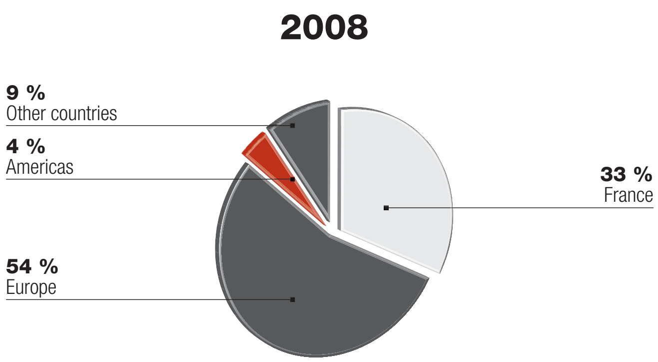
RTH DIVISION: PERFORMANCE IN NORTH AND SOUTH AMERICA

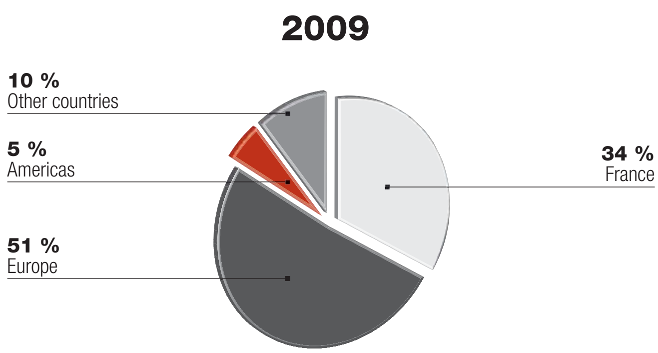
The division's business in North and South America mainly consists of the distribution in the US and Canada of masted forklift trucks assembled at the Waco plant in Texas and telescopic forklifts imported from Europe. The South American business is focussed on the distribution of European telescopic forklifts. 2009 saw a widespread fall in business across both continents.

RTH DIVISION: PERFORMANCE IN OTHER WORLD REGIONS

There was a very marked drop-off in business in the Middle East and Central and Southern Africa. All business sectors were affected by the economic slowdown, including the mining sector in Australia and South Africa, which had previously been a promising sector for the division.

RTH DIVISION SALES BY GEOGRAPHICAL REGION





2.1.1.2.2. SALES PERFORMANCE – INDUSTRIAL MATERIAL HANDLING (IMH) DIVISION

The IMH division markets handling equipment for industrial use and associated fleet management services, as well as manufacturing masts for Toyota on a subcontracted basis. It accounted for 18% of Group sales in 2009, and recorded a 45% decrease relative to 2008.

IMH DIVISION: FRENCH PERFORMANCE

France represents almost two thirds of the division's sales, spread across three different businesses:

- The distribution business for Toyota industrial forklifts, Manitou semi-industrial and truck-mounted forklifts and Toyota and Manitou warehousing equipment recorded a 57% drop in sales over the period. Marketing of industrial forklifts powered by internal combustion represents the segment the most heavily impacted by the economic slowdown, confirming the steady shift in the French market towards electrically-powered equipment. Moreover, warehousing activities were much more resilient to the crisis, for both wholesale products and products assembled by the division.
- The subcontracted mast manufacturing business on behalf of Toyota saw a 67% decline due to falling demand and inventory decreases by dealers and Toyota throughout the year.
- Finally, service activities, which mainly consist of handling equipment fleet management on behalf of Peugeot Citroën Automobile and short-term hire services, as well as the sale of spares, were more resilient than new equipment distribution activities.

IMH DIVISION: EUROPEAN PERFORMANCE

In Europe, the division generates 70% of its sales in Germany, Benelux and the Iberian peninsula via the distribution of Manitou-branded industrial and semi-industrial forklifts and warehousing equipment. Some products are also sourced from third parties in order to ensure the availability of the full range of products required by local markets. The drop-off in business in 2009 was fairly consistent across the region as a whole, with the exception of more resilient performance by the Manitou industrial forklift and warehousing equipment distribution business in the Iberian peninsula, where the Group has been firmly established in this sector for many years.

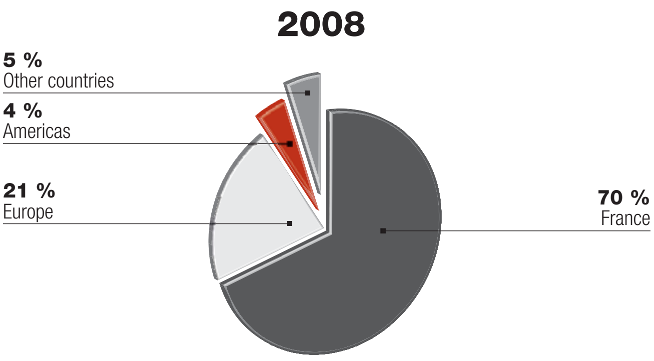
IMH DIVISION: PERFORMANCE IN NORTH AND SOUTH AMERICA

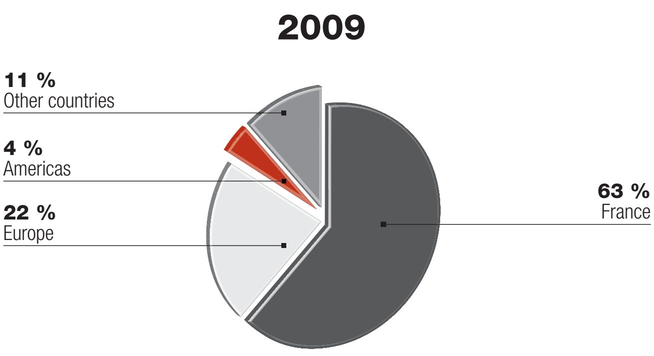
The division's business mainly consists of the distribution in the US and Canada of masted semi-industrial and truck-mounted forklifts assembled at the Waco plant in Texas and the distribution of Manitou industrial forklifts in South America.
Business volumes fell across the region as a whole in 2009.

IMH DIVISION: PERFORMANCE IN OTHER WORLD REGIONS

Sales in other regions arise from the distribution of Manitou industrial forklifts, together with complementary products sourced from third party suppliers. The division's main presence is in Southern Africa and Australia.

IMH DIVISION SALES BY GEOGRAPHICAL REGION





2.1.1.2.3. SALES PERFORMANCE – COMPACT EQUIPMENT (CE) DIVISION

The Compact Equipment division markets compact handling equipment to the construction and agriculture sectors under the Gehl and Mustang brands. It encompasses all the activities of Gehl, acquired by Manitou at the end of 2008. In 2009, the division accounted for 11% of Group sales, and recorded a 66% fall in business relative to 2008 (pro forma).

CE DIVISION: PERFORMANCE IN NORTH AND SOUTH AMERICA

With almost three quarters of its business historically generated in North America, the CE division, like its competitors, was impacted by a record fall in the residential property market. The number of construction licences granted in the US reached its lowest level for 50 years in 2009. At the same time, the agricultural sector was also affected by a severe milk and cereal crisis.

As a result of this lamentable economic climate, the US market for telescopic forklifts recorded a fall of 72% relative to 2008, while the market for mini-loaders fell by 48%.

In this challenging environment, Gehl and its distributors found it necessary to drastically reduce their inventory in order to adapt to the reduced market size. The scale of this task made it necessary to carry out promotional activities partly supported by the manufacturer. In some cases, sales incentives had to be applied to equipment invoiced in prior years and still on dealers' premises, with a very unfavourable impact on margins. Network inventory reductions took place throughout the year, coming to a close at the end of 2009. Total sales of equipment by Gehl dealers to end users (excluding distribution margins) were twice as high as Gehl's sales to dealers. In other words, inventory reductions by distributors deprived the division of almost half of its sales.

The financial difficulties encountered by Gehl also had a negative impact on business. The renegotiation of bank borrowings in the first half of the year ran into difficulties in March 2009, particularly when the company's banking syndicate demanded early repayment of its loans. Even though the banks did not follow through on their threats and the parties reached a refinancing agreement two months later, financial disclosures in connection with this event plunged dealers into a period of severe doubt.

The CE division increased its US market share as a result of being less exposed to the rental company market than its competitors.

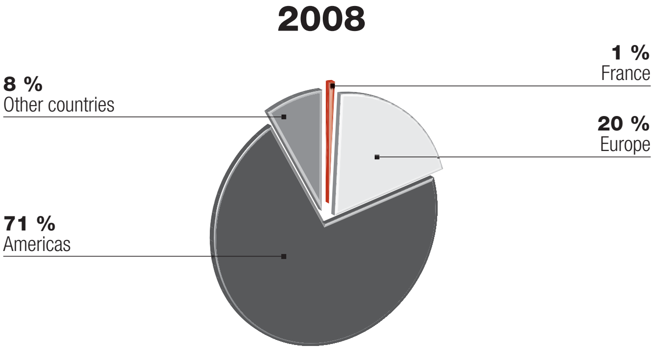
CE DIVISION: EUROPEAN PERFORMANCE

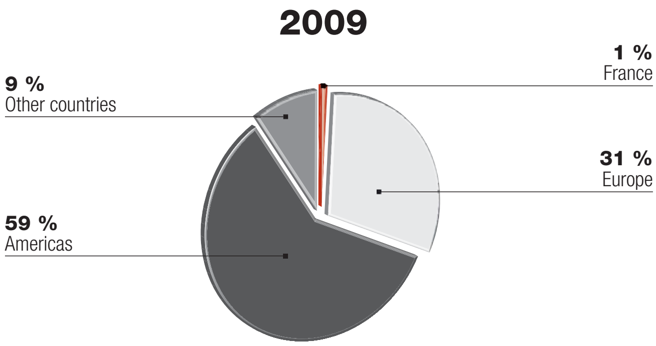
Europe is the second largest source of business for the division, which has an import subsidiary in northern Germany. The products distributed are mainly skid steers and articulated loaders used in construction and agriculture.
European business was affected by the economic slowdown across all countries, though Eastern Europe and Russia were particularly badly hit.
The division put the year to good use by defining its new sales strategy and initiating contact between the Gehl and Manitou organisations and their dealer networks. In overall terms, the chosen strategy is aimed at giving Manitou's existing network the option of distributing the division's products under the Mustang brand while maintaining Gehl's existing network under the Gehl brand. These reorganisations, which were gradually implemented over the course of the year, will fully bear fruit with effect from 2010.

CE DIVISION: PERFORMANCE IN OTHER REGIONS

The division's sales in other regions were mainly concentrated in the Middle East and Oceania, where a Manitou subsidiary began distributing the division's equipment on that continent.

COMPACT EQUIPMENT DIVISION SALES BY GEOGRAPHICAL REGION





2.1.2. Sales by business sector

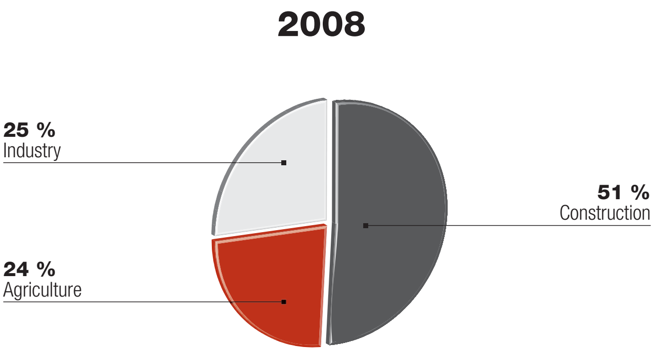
The Group designs, assembles and distributes products aimed at the construction, agriculture and industrial markets. This diversification strategy, intended to protect the Group against the cyclical nature of each of these markets, enabled the impact of the shock wave arising from the global crisis into which the global economy was plunged at the end of 2008 to be spread across the year.

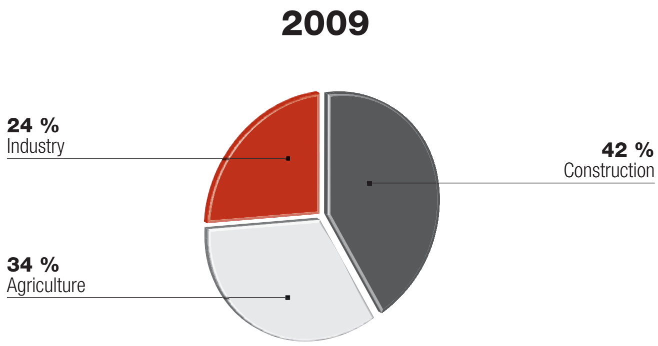
- In the construction sector, all markets experienced a severe slowdown. The fall in the residential property sector, which, until mid-2008, had been concentrated in the speculative markets of the USA, Spain and the United Kingdom, spread across all other geographical regions in the months following the collapse of US bank Lehman Brothers.
2009 sales in the construction market represented 42% of total consolidated sales.

- In the agricultural sector, demand continued at a sustained level throughout the first half of the year on those European markets least closed to credit. In the second part of the year however, this relative resilience gave way to an environment of profound crisis as the sector began to be affected by a milk crisis, falling cereal prices and a fall in farmers' incomes.
2009 sales in the agricultural sector represented 34% of total consolidated sales.

- In the industrial sector, where the Group's presence extends across businesses as diverse as manufacturing, the wood industry, waste reprocessing and materials transformation, there was a widespread fall in investment in capital goods.
The industrial sector represented 24% of consolidated sales.

SALES BY BUSINESS SECTOR





2.2. FINANCIAL RESULTS

2.2.1. Consolidated income statement

In millions of euros		2009	2008
Sales		684	1,278
Gross profit		192	404
	% of sales	28.1%	31.6%
Net operating income from ordinary activities		**(81)**	**97**
	% of sales	(11.8%)	7.6%
Restructuring costs		(13)	
Impairment of assets		(51)	(52)
Net operating income		**(146)**	**45**
Net income attributable to Parent Company		(131)	4

Impacted by an unprecedented economic and financial crisis, 2009 saw a net loss of €131.3m.

The gross profit margin was 28.1%, down 3.5 points relative to 2008. This can be broken down into a gross margin of 31.2% across the combined scope of the RTH and IMH divisions (31.1% and 31.7% respectively) and 2.5% for the CE division.
Across the combined scope of the IMH and RTH divisions, which is similar to the consolidated scope prior to the acquisition of Gehl, gross profit margins remained very close to 2008 levels. The positive product mix effect arising from an increase in the proportion of sales of spare parts and a more favourable distribution of sales of finished products (+€11 million) almost entirely made up for the unfavourable impact of exchange rates (-€3 million), falling selling prices as a result of destocking (-€6 million) and the effect of deferring increases in commodity and component prices from 2008 to 2009 (-€3 million).
However, the CE division saw its gross profit margin collapse to 2.5%. This abnormal margin was affected by a 6 point reduction arising from the accounting treatment of the opening Gehl balance in November 2008, which, in accordance with IFRS 3, led to inventory being revalued at its fair value of €6 million. The subsequent sale of this revalued inventory impacted the division's gross profit by €1.2 million in 2008 and €4.8 million in 2009, though without any impact on cash flow. The CE division also had to sustain massive destocking by its dealers, who were affected by a very challenging economic environment. Promotional activities were put in place to accelerate sales to end users of machines invoiced by Gehl in prior years but still in dealers' possession. These exceptional activities had an 11.2 point adverse impact on the division's gross margin. Corrected for these factors, as well for a 2.4 point impact arising from the proportion of added value attributable to changes in the division's inventory, the CE division's standardised gross margin comes out at around 22%.

Major restructuring measures were implemented within all entities in order to bring their sizes back into line with market activity levels. Across the year, the Group cut 676 positions from its books; including temporary lay-off arrangements, staffing was reduced by 987 full time equivalent positions.

Personnel expenses fell €13.1 million to €114.9 million. Within the IMH and RTH divisions, they fell from €122.9 million in 2008 to €96.5 million in 2009, mainly as a result of falling variable compensation and compulsory and voluntary profit-sharing (-€4.6 million), savings generated by staff leaving the Group (-€12.7 million) and compensation for periods of unemployment (-€9.6 million).
Personnel expenses for the CE division fell from €39.6 million (pro forma) in 2008 to €18.5 million in 2009 (a 53% fall), illustrating the scale of the restructuring effort undertaken. Without adjusting for changes in consolidation scope, Gehl saw its employee expenses rise from €5 million in 2008 to €18.5 million in 2009.

Efforts to control costs also extended to external expenses, which fell by €37.1 million. This change can be broken down into a €46.7 million reduction across the combined scope of RTH and IMH (€28.4 million in variable external expenses and €18.3 million in fixed external expenses) and a €9.6 million increase arising from changes in scope.

Amortisation and depreciation charges rose from €26.0 million to €36.0 million as a consequence of the acquisition of Gehl (+€6.5 million) and the full-year impact of major investment programmes implemented in 2008.

Provisions for liabilities and charges amounted to a net reversal of €12.3 million, mainly from provisions for warranties, while provisions relating to current assets (-€21.3 million) were significantly impacted by an increase in expected customer losses and impairment of inventory. Impairment of trade and sales financing receivables had an exceptional €11.5 million impact on the CE division as a result of the particularly challenging economic environment in North America.

Net operating income from ordinary activities was €(81.1) million, as compared with €96.6 million in 2008.

Non-recurring items included restructuring costs of €13.4 million and asset impairment costs relating to the valuation of certain groups of assets at fair value. Impairment expenses were €50.0 million for the CE division and €1.4 million for the IMH division.

Net operating income after non-recurring items was €(145.9) million, as compared with €45.0 million in 2008.

Net financial income fell by €9.0 million, resulting in a net financial expense of €17.6 million. Financial income of €18.2 million mainly consisted of €14.2 million in interest on sales financing receivables.

In light of the Group's losses, the taxes item amounted to a €33.3 million credit.

The share of income from associates reflected an €8.3 million loss arising from the 20% stake in Toyota Industrial Equipment (recognised in the Group's financial statements using the equity accounting method), partially offset by a profit of €0.6 million from financial investments in Manitou Finance France and Manitou Finance Ltd.

Net income attributable to the Parent Company was €(131.3) million, as compared with €4.1 million in 2008.

2.2.1.1. INCOME STATEMENT BY DIVISION

Following the acquisition of Gehl in late 2008, the Manitou Group defined new organisational boundaries which were put in place in the course of 2009. Since the new organisational structure was defined in the course of 2009, and the Compact Equipment division had only two months of business in 2008, operating reports submitted to management by Group companies did not include any 2008 comparison.

In millions of euros		RTH	IMH	CE	**TOTAL**
Sales		485.2	123.8	75.1	684.1
Gross profit		151.1	39.2	1.8	192.2
	% of sales	31.1%	31.7%	2.5%	28.1%
Personnel expenses		(76.2)	(21.2)	(17.5)	(114.9)
Variable external expenses		(40.3)	(5.2)	(4.2)	(49.6)
Fixed external expenses		(32.2)	(9.1)	(10.9)	(52.3)
Amortisation and depreciation charges		(20.6)	(6.8)	(8.5)	(36.0)
Provisions for liabilities and charges		7.6	1.4	3.3	12.3
Provisions for current assets		(7.8)	(2.0)	(11.5)	(21.3)
Other operating expenses		(0.2)	0.1	(11.2)	(11.4)
Net operating income from ordinary activities		**(18.7)**	**(3.7)**	**(58.7)**	**(81.1)**
	% of sales	(3.9%)	(3.0%)	(78.1%)	(11.8%)
EBITDA from ordinary activities		2.1	3.8	(42.0)	(36.0)
	% of sales	0.4%	3.1%	(55.9%)	(5.3%)
Restructuring costs		(9.8)	(2.6)	(0.9)	(13.4)
Impairment		0.0	(1.4)	(50.0)	(51.4)
Net operating income		**(28.5)**	**(7.8)**	**(109.6)**	**(145.9)**
	% of sales	(5.9%)	(6.3%)	(146.0%)	(21.3%)
EBITDA		(7.4)	1.1	(42.0)	(48.3)
	% of sales	(1.6%)	0.9%	(57.1%)	(7.2%)

2.2.2. Financial Structure

Falling business in 2009 triggered major changes in the Group's financial structure.

The working capital requirement (WCR), excluding sales financing receivables, fell by €235 million across the year (a 46% fall), standing at €272 million in December 2009. Expressed as a number of days' turnover, it represented 143 days' sales at end 2009, as compared with 123 days at end 2008 (calculated on the basis of pro forma sales) and 80 days at end 2007 (excluding Gehl). There continues to be significant scope to improve this measure. This will be achieved by continuing to reduce inventories of certain finished products and, above all, selling component inventories, which will be made possible in 2010 by increased production. Optimising future working capital requirements will release significant cash reserves; this will help to cushion the effects of the next business cycle, whether it be positive or negative.

Sales financing receivables due from end users, mainly carried by Gehl via its "Gehl Finance" programme, fell by 40% across the year, amounting to €125 million at end 2009, as compared with €208 million the previous year. The Gehl Finance programme, which supports sales in the US, financed sales of €27m, down 68% relative to 2008 and well below repayment volumes in relation to pre-existing agreements. 2009 agreements were refinanced by way of a limited recourse transfer of receivables to financial institutions.

Shareholders' equity, at €334 million, was down €135 million relative to 2008. It represented 39.0% of total balance sheet assets, as compared with 35.6% the previous year.

The Group's net debt, which totalled €478 million in December 2008, fell 49% (i.e. €235 million in repayments) to stand at €243 million at the year-end. This major debt reduction was financed by the fall in the working capital requirement and the reduction in sales financing receivables. The main changes in financial liabilities arose from the following:

- **For Manitou BF:** repayment of the first instalment of the debt incurred to acquire Gehl (€34 million) and the buyback of put options from minority shareholders in the Manitou Costruzioni Industriali and Manitou Asia subsidiaries (€33 million)
- **For Gehl:** reductions in the liability associated with the former securitisation agreement (€65 million), liabilities related to limited recourse transfers of receivables (€12m) and the syndicated working capital loan (€47 million)

2.2.3. Status of Group financing arrangements

The Group's financing arrangements are mainly split between the Parent Company and Gehl.

MANITOU BF FINANCING ARRANGEMENTS

As at the beginning of 2009, these consisted of a syndicated loan of €260 million plus $125 million or euro equivalent, repayable on a non-straight-line basis and expiring in September 2013. The total facility could be broken down into €210 million in acquisition finance repayable on a non-straight-line basis over five years, and two revolving facilities of €50 million and $125 million or euro equivalent. As at 31.12.2009, only the fully drawn down acquisition finance was shown on the balance sheet for an amount of €207 million, corresponding to the value of the debt less the unamortised portion of loan arrangement fees.
The breach of covenants at the end of 2008 led the Group to renegotiate its debt. An amendment to the loan agreement was signed on 23.07.2009. The new agreement confirms the expiry date and repayment schedule of the initial agreement. The new covenants require a gearing ratio of less than one over the residual term of the agreement, liquidity greater than €25 million at the end of 2009 and 2010, a cash cover ratio (debt service/cash flow) of greater than one through to December 2010 and the reintroduction of a leverage covenant (net debt/EBITDA) with effect from 30.06.2011. The $125 million multi-currency facility has been reduced to $62.5 million, secured on the Parent Company's receivables, and the agreement stipulates that Gehl must be financially ringfenced until June 2011.

As at 31.12.2009, only the fully drawn down acquisition finance was shown on the balance sheet for an amount of €171 million, corresponding to the value of the debt after deducting the first repayment of €34 million and the unamortised portion of loan arrangement fees.

The Company also has €141 million in unused bilateral facilities.

GEHL FINANCING ARRANGEMENTS

- Syndicated loans

At end 2008, Gehl had a $125 million (€90 million) syndicated loan facility agreed in October 2006 for five years, of which €84 million had been drawn down. The change of control conditions relating to acquisition had still not been lifted as at the end of 2008.
Having gone into default, the syndicated loan was renegotiated in June 2009 for a period of 24 months. It was restructured into a $25 million reducing loan and an $80 million revolving loan, both of which were secured on Gehl's assets. As a result of persisting weak markets, Gehl reported that it had once again breached its loan covenants at the end of November 2009. Negotiations entered into with the banking syndicate continue to progress as of the signature of this report, with Gehl and its bankers jointly and constructively seeking to structure new financing terms.

As at 31.12.2009, the syndicated loan represented an amount of €36.6 million, including a €10.4 million reducing loan which was repaid early in full at the beginning of March 2010.
As at and December 2009, the Gehl syndicated loan represented 15% of the Group's total debt.

- Securitisation programme
At the beginning of 2009, Gehl had a $165 million (€118 million) securitisation programme, under which €93 million had been realised and used as at 31.12.2008. The change of control conditions relating to acquisition had not been lifted as at the end of 2008, and the facility was switched over into repayment mode in February 2009, closing access to any new financing applications, with a view to the facility being naturally wound up by the end of 2010.

As at 31.12.2009, the securitisation programme represented an amount of €28.5 million, down €64.5 million or 69% in the year.

- Limited recourse financing agreement sale programme
Gehl has a programme of selling limited recourse financing agreements to ad hoc banking partners. As at end 2009, this programme represented €47.7 million, down €12.3 million relative to 31.12.2008.

2.2.4. Investment and operating cash flow

Total investment in the year amounted to €21.6 million. Intangible investments totalling €6.4 million were split between €3.8 million in capitalised development expenditure, €2.2 million in expenditure related to continuing IT projects and €0.4 million on miscellaneous projects. Tangible investment of €15.2 million mainly consisted of €5.5 million for the finalisation of Gehl's head office and research centre, €1.3 million for the finalisation of the extension of the Ancenis software platform, €4.4 million for industrial projects and €1.9 million in respect of capitalised rental fleets.

Operating cash flow was €35 million negative. This was a direct consequence of falling business levels, and illustrates the Group's inability to cover its costs in 2009. The €224 million fall in the working capital requirement (including sales financing receivables and liabilities connected with the refinancing of receivables) made it possible to offset this deficit while financing €22 million in investment, buying back €37 million worth of minority interests, repaying almost 50% of the Company's debt as at end 2008 and boosting cash assets by €36 million.

2.2.5. Manitou BF Parent Company (information in accordance with local standards)

In 2009, Manitou BF generated sales of €433 million, down 58% on the previous year. As a result of the drop in business and in spite of the adjustment and cost control measures put in place, the Company recorded a net operating loss of €26.4 million. Performance was also penalised by non-recurring events: an exceptional restructuring expense of €9.8 million and a €68.8 million securities impairment charge in recognition of an adjustment pertaining to securities consolidated at their IFRS equity accounting value. The Company recorded a net loss of €99.3 million, as compared with a net profit of €40.8 million in 2009.
Positive cash flows generated by the fall in the working capital requirement made it possible to generate significant positive cash flow and significantly reduce the Company's net debt.

2.2.6. Manitou BF sales

In an environment of widespread crisis, Manitou BF recorded a fall in sales on an unprecedented scale across all markets and geographical regions.

This slowdown in business primarily affected the RTH division, more specifically in Europe. These difficulties were magnified by high levels of inventories at all Group subsidiaries. Decreases in sales of over 70% were recorded in some countries, such as Benelux, Germany and Portugal, where Manitou BF distributes its products through other Group entities.

Product sales for the IMH division also slowed more sharply in the European region, for the same reasons. The mast assembly business on behalf of Toyota also recorded a 67% fall to €12.2 million.

Across all businesses, spare parts distribution recorded a smaller fall than new product sales, and the relative proportion of sales represented by spare parts rose by 9 points, representing 24% of Manitou BF sales.

2.2.7. Manitou BF results

In 2009, the Company's gross profit margin came out at 28.4%, up 2.8 points on the previous year. This was mainly a result of a more favourable product mix and an increase in the proportion of business accounted for by the more profitable spare parts businesses.

Other external expenses fell by 36% to €73.0 million. This was due to a fall in shipping and warranty expenses, as well as a drastic reduction in external services with a view to lowering the Company's costs as much as possible.

Salaries and charges were impacted by the effects of temporary lay-offs, as well as by a fall in headcount following the implementation during the year of two voluntary redundancy plans. In light of these factors, employee expenses fell 15.8% to €57.7 million.

Amortisation and depreciation charges rose by €2.9 million and impairment charges and provisions by €5.0 million, due to growth in investment in the past two years and an increase in impairment charges related to inventories of finished products. After deducting these items, the Company made a net operating loss of €26.4 million, as compared with a net operating profit of €55.5 million the previous year.

The net financial expense amounted to €69.2 million, as compared with net financial income of €16.5 million the previous year. Three main factors contributed to this change: the first of these was the effect of debt incurred to finance the acquisition of Gehl in October 2008, which led to a €7.6 million increase in net interest expenses. Secondly, a €68.8 million adjustment was recorded in relation to the recognition of investments in subsidiaries at their equity accounting value. This was a consequence of the scale of the losses recorded at some subsidiaries, and especially at Gehl. Finally, non-recurring income of €10 million was generated in 2008 on unwinding currency options entered into in order to hedge the full acquisition price of Gehl.

Exceptional items showed a loss of €24.2 million, mainly due to three events:

- the recognition of exceptional expenses in connection with voluntary redundancy plans announced in January and March 2009, at a cost of €10.8 million
- the application of additional amortisation for tax purposes totalling €10.7 million
- the recognition of a €1.2 million capital loss on cancelling 241,500 shares held under cross-shareholding arrangements, approved by shareholders at the Annual Shareholders' Meeting in June 2009.

The taxation item showed income of €20.5 million, resulting from the Company's decision to opt for the carry-back regime.

Taking all these items into account, the Company recorded a net loss of €99.3 million, as compared with a net profit of €40.8 million in 2008.

2.2.8. Business and results of the main associates

TOYOTA INDUSTRIAL EQUIPMENT SA (TIE SA)

This company, owned by Manitou BF and Toyota Industrial Company, specialises in the assembly of Toyota-branded industrial forklifts powered by internal combustion for the European market.
In 2009, sales fell 63% to €63 million, forcing the company to implement a voluntary redundancy plan affecting 120 people, representing 32% of the company's employees.
The company recorded a net loss of €8.3 million in 2009, 20% of which was reflected in the Group's financial statements using the equity accounting method.

MANITOU FINANCE FRANCE

This company, which is 49% owned by Manitou BF and 51% by BNP Paribas Lease Group, serves to offer financing, leasing and long-term leasing solutions to end users of Manitou and Toyota products in France.
The company financed sales of €60.4 million in 2009, down 40% on 2008. It recorded net income of €0.6 million, €0.3 million of which was reflected in the Group's financial statements using the equity accounting method.

MANITOU FINANCE LTD

This company, which is 49% owned by Manitou BF and 51% by BNP Paribas Lease Group, serves to offer financing, leasing and long-term leasing solutions to end users of Manitou products in the United Kingdom. The company financed sales of €11.2 million in 2009, generating net income after tax of €0.7 million, €0.3 million of which was reflected in the Group's accounts using the equity accounting method.

2.2.9. Changes during the year in subsidiaries, associates and branches

BUYBACK OF MINORITY INTEREST IN MANITOU COSTRUZIONNI INDUSTRIALI

On 27.02.2009, the 25% minority shareholder in Manitou Costruzione Industriali notified Manitou BF that, in accordance with the shareholders' agreement entered into with Manitou BF on 28.04.2005, it wished to exercise its minority put option.
Manitou BF bought back the entire shareholding for €33.1 million in May 2009. The buyback was valued in accordance with the terms of the put option.
The company is now wholly owned by Manitou BF. The minority shareholder, which previously held the position of Chief Executive of MCI, gave notice of its wish to resign from this position, and did so in the course of 2009.

BUYBACK OF MINORITY INTEREST IN OMCI ATTACHMENTS SRL (Italy)

In May 2009, Manitou Costruzioni Industriali bought back the 50% of shares in OMCI Attachments that were previously owned by a third party. This buyback, which took place at the same time as the minority shareholder in MCI exercised its minority put option, means that the Group now wholly owns its Italian operations.

BUYBACK OF MINORITY INTEREST IN MANITOU ASIA

The minority shareholder in Manitou Asia exercised its minority put option in March 2009 for a value of €0.4 million. The Manitou Asia subsidiary is now wholly owned by Manitou BF.

BUYOUT OF MINORITY INTERESTS IN FRENCH COMPANIES

With the aim of simplifying its organisational structure and rationalising governance arrangements, Manitou BF bought back all minority interests in its French subsidiaries: CFM: €0.3 million, CIMM: €1.1 million and BTMI: €0.5 million.

CHANGES IN PORTUGUESE OPERATIONS

- Empilhadores de Portugal was renamed Manitou Portugal on 01.01.2009.
- The Group sold its entire shareholding in EPL Algarve to an independent third party in September 2009 in order to enable the Company to focus solely on its role as a dealer.

2.2.10. Other information on the 2009 financial year

PROGRESS OF PROJECT TO IMPLEMENT A NEW INFORMATION SYSTEM

In its desire to optimise its technical, industrial and commercial processes, Manitou BF continued with its strategic project to overhaul its information systems by implementing integrated enterprise resource planning (ERP) software.
After implementing the accounting/finance module in 2007 and the distribution module in 2008, the production management and purchasing modules went live within the Parent Company and some French subsidiaries in May 2009. As a result of its complexity, this represented the most delicate migration of the whole project. The management of spare parts and services is expected to be implemented in the ERP system in early 2011. The tool will then be rolled out to all Group subsidiaries on a phased basis.

NON-DEDUCTIBLE EXPENSES COVERED BY ARTICLES 39-4 AND 39-5 OF THE FRENCH GENERAL TAX CODE

In accordance with the provisions of Article 223 *quater* of the French General Tax Code, the financial statements for the year just ended include an amount of €100,582 corresponding to amortisation and depreciation charges and that portion of directors' attendance fees that cannot be deducted for tax purposes.

INFORMATION ON MANITOU BF'S SUPPLIER PAYMENT TERMS

In accordance with Articles L. 441-6-1 and D. 441-4 of the French Commercial Code, you are informed that the balance of supplier payables as at the end of the year just ended may be broken down by due date as follows:

In thousands of euros	**Balance at 31.12.2009**
Payable within 30 days	20,073
Payable within 45 days	
Payable within 60 days	11,021
Payable within over 60 days	2,734

INFORMATION ON ACCOUNTING STANDARDS AND CONSOLIDATION METHODS

The Group's financial statements for the year ended 31.12.2009 were prepared in accordance with International Financial Reporting Standards (IFRS), as adopted within the European Union.

In presenting and publishing its financial statements for the year ended 31.12.2009, the Group used the same accounting principles as for the 2008 financial statements under IFRS.

With the exception of TIE SA, Manitou Finance Ltd, Manitou Finance France SAS, Algomat, Actis Location SAS and Hangzhou Manitou Machinery Equipment, which were recognised using the equity accounting method, all companies were fully consolidated. All these companies have their financial year-ends at 31 December, with the exception of TIE SA, whose non-consolidated financial statements are published as at 31 March, but whose results were consolidated based on the 2009 calendar year.

2.2.11. 2010 outlook

More orders were received than expected in the first quarter of 2010, increasing pressure on the operations chain, with suppliers under stress and Manitou once again having to recruit temporary staff in order to be able to deliver orders. However, this level of orders does not appear set to last for the long term, and is due more to 2009 adjustments than to any genuine upturn in end demand. The markets in which our products are used remain very weak overall, with the agricultural market continuing to decline and the construction and rental markets still depressed.

The financial statements were prepared by applying the going concern principle based on the following fundamental assumptions for 2010:

- predicted growth of between 5 and 10% as compared to 2009,
- balanced EBITDA, with RTH and IMH back in positive territory and CE showing a significant improvement after its low in 2009,
- renegotiation of financing agreements in the United States.

It should, however, be emphasised that there are uncertainties inherent in the above assumptions being realised. In particular, although Manitou's management is confident that negotiations with financial institutions with a view to restructuring Gehl's financing arrangements will reach a successful conclusion, these negotiations remain subject to the uncertainties inherent in any financial negotiation.

Like all players in the market, the Manitou Group will continue to face challenging economic and financial conditions in 2010. However, if these assumptions prove correct, and taking into account its positioning, its financial structure and the commitment of its staff, the Group should emerge stronger from the crisis it has to confront.

2.3. RESEARCH AND DEVELOPMENT

2.3.1. Information on research and development

In accordance with its strategy, the Group continues to invest in innovation and product improvements. Its development teams are spread across six design departments, and represent more than 7% of Group headcount. Development projects relate, on the one hand, to technical innovation and the development of new concepts, and on the other hand, to the development of existing ranges in order to prepare for regulatory changes.

Key future regulatory changes are as follows:

- September 2010: EN15000 standard requiring all telescopic equipment to be fitted with safety systems blocking aggravating movements,
- as of 2012: phased switch to either Euro III B or Tier 3B standards on polluting emissions, depending on engine power,
- as of 2014: phased switch to either Euro IV or Tier 4 standards on polluting emissions, depending on engine power.

In 2009, uncapitalised development expenditure amounted to €11.8 million, representing almost 1.7% of sales.

Capitalised development expenditure accounted for an additional €3.8 million in 2009, representing 0.6% of sales in the year.

2.3.2. Information on patents and licences

The Group holds a range of patents protecting the innovations used within its various design departments.
Group companies filed three patents in 2009, and the total number of active patents at the end of the year was 77.

2.4. POST CLOSING EVENTS

2.4.1. Financial and management changes at Gehl

On 31.03.2010, Gehl adopted a resized management structure, with Director of Dan Miller appointed as President of Gehl Company and President of the CE Division and Serge Bosché as Vice President Sales and Marketing of Gehl and Director of the "Americas" sales region.
Gehl is also making progress in its negotiations with the US banking syndicate over a new financing agreement. These negotiations are expected to conclude within the next few weeks.

2.4.2. Planned new industrial organisation in France

On 06.04.2010, Manitou presented plans to its Group Works Council for a new industrial and company organisation in France. The project is aligned with the Group's three watchwords of "clarify, simplify, amplify", in so far as it:

- clarifies the role of each industrial site by defining centres of expertise with a critical mass built around local skills, business areas and new operational challenges;
- simplifies the organisation by merging the Aumont BSBH, CIMM, BTMI and MLM legal entities into Manitou BF so as to reduce the administrative burden, make remuneration practices more consistent and encourage job moves;
- amplifies sites' responsiveness, responsibility and productivity at a time when the Company is putting the 2009 sub-capacity industrial production crisis behind it.

This project aims to consolidate and strengthen each of the businesses in question, and poses no threat to their ambitions, their size or their location. It does, however, include a proposal to relocate the Warehousing product line from its current location at Saint-Ouen-l'Aumône (Val d'Oise) to the Beaupréau site (Maine-et-Loire). This relocation is intended to secure the long-term future of this business at a critically-sized site dedicated to the IMH (Industrial Material Handling) division, at the same time as functionally integrating it into the Group's organisational structure.

2.4.3. Terex AWP and Manitou sign reciprocal supply & marketing agreement

Terex Aerial Work Platforms (AWP) and Manitou have announced a reciprocal supply and marketing agreement under which, specified aerial work platform equipment will be supplied to each party, which also will assume responsibility for after-market support.

Initially, the agreement will be implemented in Europe (CE units) with the intention to widen its geographical scope in 2011.

3. RISK FACTORS AND RISK MANAGEMENT

The Company has carried out a review of risks that could have a material adverse impact on its business, financial position or performance (or its ability to achieve its objectives). It does not believe there to be any material risks other than those presented here.

3.1. FINANCIAL RISKS

Financial risks are controlled, measured and supervised by the respective Finance Departments at the Parent Company and each subsidiary. All decisions of a strategic nature on the policy for hedging the Group's financial risks are managed by the Finance Department through a Financial Hedging Management Committee.

3.1.1. 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.

The Manitou Group has borrowing facilities in place for the companies Manitou BF and Gehl. These facilities amounted to €141 million as at 31.12.2009, none of which had been used as at the time of signing this report.
All borrowing facilities are accompanied by covenants, material adverse changes and events of default. These covenants may limit the Company's ability to use these facilities or affect their expiry dates. Facility agreements include "negative pledge" clauses relating to assets not offered as security. In the case of the Parent Company, these are accompanied by an exemption threshold.

The use of certain facilities is contingent upon cross guarantees being put in place with creditors.

ASSETS AND LIABILITIES ASSOCIATED WITH FINANCING ACTIVITIES: MATURITY SCHEDULE AS AT 31 DECEMBER

Facility *In millions*	Signatory	In default as at 31.12.09	Amount in local currency	Amount in euros	Unused as at 31.12.09	Used as at 31.12.09	Less than 1 year	1 to 5 years	Over 5 years
Term Loan A	Manitou BF	No	€176	176		176	67	109	
Revolving facility B	Manitou BF	No	€50	50	50				
Revolving facility C*	Manitou BF	No	$62.5	43	43				
Overdrafts	Manitou BF	N/A	€48	48	48				
Total Manitou BF facilities		**No**	**-**	**317**	**140**	**176**	**67**	**109**	
Term Loan	Gehl	Yes	$15	10		10	10		
Revolving facility	Gehl	Yes	$80	56	30	26	26		
Securitisation	Gehl	In process of repayment				28	28		
Limited recourse	Gehl	N/A				48	28	19	
Total Gehl facilities			**$95**	**66**	**30**	**112**	**92**	**19**	
TOTAL				**383**	**170**	**288**	**159**	**128**	

*Multi-currency $ facility or equivalent in €

SUMMARY OF CONDITIONS ATTACHED TO BORROWING FACILITIES

		Changes in main contractual clauses by period			
Facility	Signatory	H2 2010	H1 2011	H2 2011	> 2011
Manitou BF facilities					
Facilities A & B	Manitou BF	- Gearing < 1 - Excess cash flow - Cap on investments - Cap on acquisitions - ≥ €25m in cash as at Dec 2010 - Ringfencing of Gehl - No cross default with Gehl - Cash cover > 1	- Gearing < 1 - Excess cash flow - Cap on investments - Cap on acquisitions - ≥ €25m in cash as at Dec 2010 - Ringfencing of Gehl - No cross default with Gehl - Cash cover > 1	- Gearing < 1 - Excess cash flow - Cap on investments - Cap on acquisitions - Leverage < 6	- Gearing < 1 - Excess cash flow - Cap on investments - Cap on acquisitions - Leverage < 3.5 to 2.5
Facility C	Manitou BF	As A & B + Dailly cross guarantee covering Manitou BF receivables	As A & B + Dailly cross guarantee covering Manitou BF receivables	As A & B + Dailly cross guarantee covering Manitou BF receivables	As A & B + Dailly cross guarantee covering Manitou BF receivables
Gehl facilities					
Term Loan	Gehl	Closed	Initial repayment due 26.06.2011. Repaid early in full on 01.03.2010 and not redrawable		
Revolving facility	Gehl	In process of renegotiation ABL (asset-based lending). Secured on company's assets	Due on 26.06.2011		
Securitisation	Gehl	In repayment mode since February 2009 (i.e. closed to new agreements) Amounts received from end user financing agreements refinanced through the securitisation programme are paid over in full to the financing vehicle until its exposure is cleared. The financing vehicle should be repaid in full during the first quarter of 2010. Beyond this date, any remaining amounts received from end user financing agreements refinanced through the securitisation programme will be collected by Gehl.	Closed	Closed	Closed
Limited recourse	Gehl	Case-by-case; not contractually agreed.			

As of the publication of this report, Gehl was in breach of certain covenants contained in financing agreements in relation to its revolving facility. This has led to negotiations being reopened with partner banks, a process which had not been completed at the time of disclosure. The Group has appointed an advisory bank to support Gehl in this exercise, in light of the technical nature of the proceedings and the fact that legal expertise covering a range of different countries is required.

Gehl's breach of covenants in relation to its borrowing facility means that the lending banks have the option of requesting that their loans be immediately repaid. Such an eventuality could have damaging consequences for Gehl. This type of event could also be interpreted by the lenders involved in Manitou BF's syndicated loan facility as a material adverse effect; this would require the financing conditions attached to that facility to be renegotiated.

3.1.2. 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. The main sources of interest rate risk exposure for Manitou BF and its subsidiaries and associates are:

Manitou BF and its subsidiaries and associates are mainly exposed to interest rate risk through the following:

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).

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.

3.1.3. Currency risk

The Group endeavours to minimise each entity's foreign exchange risk relative to its functional currency. 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 2009, the Manitou Group invoiced around 24% of its sales in foreign currencies, mainly the US dollar (9.7%), the British pound (8.3%), the South African rand (2.9%) and the Australian dollar (2.3%), other currencies being the Singapore dollar, the Chinese yuan and the Russian rouble. In 2009, 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.

3.1.4. Credit risk

Credit risk is the risk that a counterparty might default on its contractual commitments or the collection of its receivables.

The Group is exposed to credit risk by virtue of its operating and financing activities. Its maximum exposure to credit risk is represented by the value of financial assets set out in the balance sheet and detailed below.

In millions of euros	2009	2008
Sales financing receivables	125	208
Trade and related receivables	157	306
Other receivables	13	17
Cash and cash equivalents	72	57
TOTAL	**367**	**588**

Management of credit risk arising from sales financing receivables from end users (Gehl)

This risk is managed by Gehl's Cash Management department, which is independent of the company's Sales department. Procedures are in place defining the department's operating methods, valuation rules and levels of delegated authority. These procedures stipulate that external databases must systematically be consulted to obtain credit rating and solvency details in relation to applicants.

Agreement criteria are periodically reviewed in line with the economic situation and market practices. Since the 2008 economic crisis, the company has tightened its financing conditions and increased the minimum initial percentage stake that must be provided by customers.
Facilities in dispute are managed in accordance with a strict procedure and subject to personalised monitoring. The aim of this procedure is to obtain repayment of the unpaid amounts or quickly recover the associated equipment through amicable or legal means..

Credit risk management

Customer risk is managed by each entity's Finance department. The largest of these departments have dedicated credit management teams. Each entity puts in place management procedures, measurement instruments and impairment rules in relation to its customer receivables. The most sensitive cases are monitored and handled in conjunction with the Parent Company's Credit Management department.

In most entities, credit risk is partly or fully covered by credit insurance. Credit risk may also be offset or limited using specific guarantees or security.

You are also reminded that the Group has a highly fragmented customer base, with no single customer representing more than 3% of total sales.

3.2. OPERATIONAL RISKS

The Group is exposed to risks linked to the existence of economic cycles in its various markets, risks associated with an increase in the price of commodities, components and energy, and risks associated with customers in respect of that portion of its receivables not covered by credit insurance.

3.2.1. Supplier risks

The Group specialises in the design and assembly of handling equipment. Purchases of commodities and components, which represent around 70% of Group sales, have a preponderant impact on the Group's industrial expertise and profitability.
Limitations in the capacity of certain suppliers' production facilities, or a lack of sufficient resources to finance those suppliers' development or resist a severe downturn in economic activity, represent risks for the Parent Company and its subsidiaries.

The management of supplier risk is organised around the following key activities:

- financial grading of key suppliers based on analysis of financial information
- mapping suppliers to measure their criticality
- completion of monitoring audits by the Purchasing and Quality departments to check available capacity and suppliers' ability to meet the Group's needs in terms of quality, costs and timescales
- a plan to substitute or double up on the most sensitive supplies

Those suppliers considered the most critical are regularly reviewed by a Supplier Risk Committee, which includes the President of the RTH Division, the Purchasing Director, the Corporate Secretary, the Head of Legal and the Supplier Risk Manager.

Other risks are handled by operational purchasing departments or other departments. In the event of a failure, those departments implement replacement solutions to ensure continuity of supply.

3.2.2. Risks associated with commodity and component prices

Since the price of commodities and components represents a preponderant proportion of the cost price of the equipment it manufactures, the Group is significantly exposed to fluctuations in its purchasing costs. Any significant and lasting increase in the cost of obtaining supplies of commodities and components could endanger the Company's profitability.

The Group does not make use of commodity hedging.

3.2.3. Industrial risks

The main industrial risks are mainly limited to those that could result from fire or explosion at a specific site. The Group has 12 plants around the world, specialised by product range. Its main production units are the Ancenis site in France, the Castelfranco site in Italy and the Yankton and Madison sites in the United States. The Ancenis and Castelfranco centres each occupy multiple buildings, some of which are several kilometres apart. Significant resources have been put in place at the main manufacturing sites and the Spares Logistics Centre to guard against these risks and contain 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 insurance 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 designs 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. The project, which was launched in batches from the final quarter of 2007 onwards, reached a major milestone in 2009 when new planning, production and purchasing management systems went live for the Parent Company and the main French production subsidiaries. It will be rolled out to the central spares management facility in early 2011, and subsequently to other Group subsidiaries.

3.2.4. 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 31.12.2009, 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 €12.2 million in 2009. 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 2009, CFM generated net sales of €46.1 million and generated a net loss of €(0.1) million.

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.

3.3. OTHER RISKS

LITIGATION RISK

Several Group companies are currently involved in disputes or legal proceedings. To the best of its current knowledge, the Group believes that its provisions are sufficient to cover the current risks.

TAX RISK

Manitou BF and its subsidiaries prepare their tax returns with the help of chartered accountants or tax consultants. However, these methods do not provide an absolute guarantee that there will be no risk of tax adjustments, particularly in relation to the technical interpretation of certain tax exemption criteria and rules.

DEPENDENCE ON PERSONS IN KEY POSITIONS AND QUALIFIED PERSONNEL

The Group's success is in large part dependent upon the ongoing contribution of its Board of Directors, its Executive Committee and the Company's teams of experts.
If one or more members of the Board of Directors or the Executive Committee or highly qualified personnel were to leave, this could have a negative impact on the Group's business. In order to limit this risk, the Group operates an employee policy aimed at retaining, developing and promoting qualified staff.

3.4. RISKS COVERED BY INSURANCE

The Group takes out public liability and property damage insurance with top tier insurers. The Group has increased the coordination of insurance policies by the Parent Company in order to optimise premiums and improve the level of coverage obtained. In particular, the Group has had a "master" public liability policy covering virtually all subsidiaries, including Gehl, since October 2009. This master policy operates as a backup for cover provided under locally-obtained policies.

At the time of signing this report, the amount of public liability coverage was €30 million per claim per policy year. Property damage policies are usually of the "all risks with exceptions" type and for amounts corresponding to the risks identified.

The Group takes out other insurance policies, in particular to cover credit risk, the vehicle fleet and personnel.

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4. SUSTAINABLE DEVELOPMENT

4.1. EMPLOYEE INFORMATION

INFORMATION ON EMPLOYEE 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

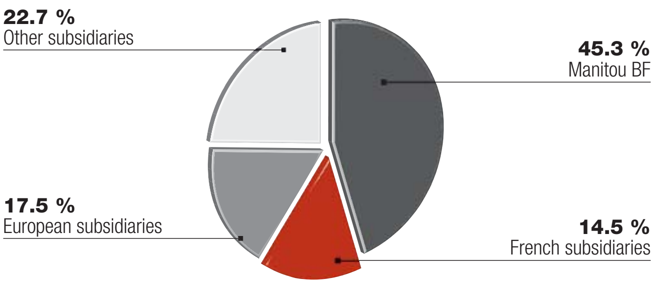
At 31.12.2009, the Group, i.e. the Parent Company and its subsidiaries, employed a total of 2,643 people, 676 less than at the end of December 2008.This reduction in headcount arises from the various action plans put in place within the Group to adjust resources to current business levels.

BREAKDOWN OF STAFF BY COMPANY AND GEOGRAPHIC REGION:

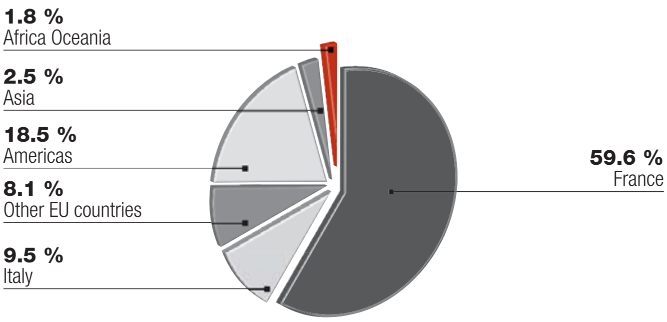
	2008	%	2009	%	Change	%Change
Manitou BF	1,455	43.9%	1,198	45.3%	(257)	(17.7%)
French subsidiaries	506	15.2%	383	14.5%	(123)	(24.3%)
Other European subsidiaries	503	15.2%	463	17.5%	(40)	(8.0%)
Non-European subsidiaries	855	25.8%	599	22.7%	(256)	(29.9%)
TOTAL	**3,319**	**100%**	**2,643**	**100.0%**	**(676)**	**(20.4%)**
France	1,956	58.9%	1,576	59.6%	(380)	(19.4%)
Italy	267	8%	251	9.5%	(16)	(6.0%)
Other EU countries	250	7.5%	214	8.1%	(36)	(14.4%)
Americas	703	21.2%	489	18.5%	(214)	(30.4%)
Asia	83	2.5%	65	2.5%	(18)	(21.7%)
Africa Oceania	60	1.8%	48	1.8%	(12)	(20.0%)
TOTAL	**3,319**	**100%**	**2,643**	**100.0%**	**(676)**	**(20.4%)**

Note: headcount at the end of the year

BREAKDOWN OF STAFF BY COMPANY



BREAKDOWN OF STAFF BY GEOGRAPHIC REGION



BREAKDOWN OF STAFF BY TYPE OF WORK CONTRACT AND PROFESSIONAL CATEGORY:

		2008	%	2009	%
Permanent contracts	Production staff and equivalent	1,617	48.7%	1,329	50.3%
	Supervisory staff	91	2.7%	61	2.3%
	Office and technical staff	1,100	33.1%	658	24.9%
	Management and equivalent	436	13.1%	569	21.5%
	Total	**3,244**	**97.7%**	**2,617**	**99%**
Fixed-term contracts	Production staff and equivalent	26	0.8%	16	0.7%
	Supervisory staff	2	0.1%	0	0.0%
	Office and technical staff	39	1.2%	9	0.3%
	Management and equivalent	8	0.2%	1	0.0%
	Total	**75**	**2.3%**	**26**	**1%**
Total permanent staff		**3,319**	**100.0%**	**2,643**	**100.0%**
Temporary staff	Production staff and equivalent	38	62.3%	2	9.5%
	Supervisory staff	2		1	4.8%
	Office and technical staff	17	27.9%	16	76.2%
	Management and equivalent	4	6.6%	2	9.5%
Total workforce		**61**	**100.0%**	**21**	**100.0%**
Total workforce		**3,380**		**2,664**	

The brutal slowdown in business in the second half of 2008 forced the Group to make adjustments which successively led to its terminating temporary employment contracts, not renewing fixed term contracts, organising temporary lay-offs across all production sites and implementing headcount reduction programmes for staff on permanent contracts. Throughout these restructuring measures, the Group constantly sought to maintain employee dialogue and identify solutions for making the required adjustments while maintaining expertise, staff motivation and the ability to respond as soon as the business cycle recovered.

WORKING ARRANGEMENTS, WORKING TIME AND ABSENTEEISM

Working arrangements and working time

Employees' working arrangements at the 12 manufacturing sites and all commercial companies comply with the legal framework on working time, which vary from country to country.
In a standardised economic environment, full-time staff in France not working shifts work 1,607 hours a year.

In 2009, changes in the economic environment led the Group to significantly reduce operating hours at its manufacturing sites in order to adjust production levels to market demand. Shutdown periods were organised on a country-by-country basis in line with local legislation.

In some companies, structural and administrative staff were affected by temporary lay-offs.

COMPENSATION POLICY AND GENDER EQUALITY

COMPENSATION POLICY

In 2009, personnel costs represented 16.8% of the Group's sales, with a total of €115 million, of which €29 million corresponding to employer's social welfare contributions.

Breakdown of personnel costs at Group level:

In € thousands and as a %		Group
Wages and salaries	86,263	75.1%
Employer's social security contributions	28,668	24.9%
Employee profit-sharing and incentive schemes	176	0.2%
Stock-option plans	(197)	(0.2%)
TOTAL	**114,910**	**100.0%**

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

In order to improve consistency, motivation and the management of career plans, during the second half of the year the Group carried out a full review of the compensation structure applicable to management staff. This exercise, which was conducted in close cooperation with the Board's Compensation Committee, resulted in a job grading matrix being defined, covering almost 400 managers across all Group entities. The split of compensation between fixed and variable components was defined for each grade, and compensation levels were systematically compared with statistics for each country. The differences in compensation identified between Group and market practices will guide changes in salary policy and career plans in the coming years. The criteria for determining variable targets were also overhauled, with the new criteria due to be applied for the first time in 2010.

GENDER EQUALITY (PARENT COMPANY)

At 31.12.2009, women made up 15.42% of the company's workforce. The differences in average wages for women relative to men were as follows:

as a %	
Production staff and equivalent	(7.7%)
Supervisory staff	n.a.
Office and technical staff	(6.2%)
Management and equivalent	(15.7%)

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 compensation policy is strictly identical for men and for women in all staff categories.

PROFESSIONAL RELATIONS AND COLLECTIVE AGREEMENTS

Changes in the economic environment have led the Group to apply measures to adjust working time and headcount.

Main agreements entered into within French companies
Significant work was undertaken in the year to maintain employee dialogue and create optimum conditions for plans to succeed.

Within the Group's French companies, two "methodology agreements" were entered into with employee representative organisations in February and April 2009 in order to define the terms of voluntary redundancy on economic grounds. These agreements laid down support, training and retraining measures as well as assistance in starting new businesses. Within the Parent Company, 234 people opted for voluntary redundancy.
A long-term partial working agreement was entered into with the Government to improve compensation paid to employees temporarily laid off from the Group's French companies. This agreement also stipulated that paid leave entitlement would be maintained and that time off in lieu arrangements would be managed more flexibly.

An agreement was signed in November 2009 covering 2009-2011 salary policy and 2010 employee policy, organisation of working time and employment.

Negotiations on working time arrangements and compensation were also entered into on a country-by-country basis, in compliance with local legislation.

In addition, there are numerous information and consultation channels which can be used to develop communication within the Group. These include company magazines, daily, weekly and monthly team meetings, and meetings with employee representatives and company managers.

HUMAN RESOURCES DEVELOPMENT AND TRAINING (PARENT COMPANY)

The Company has continued to develop the skills of its staff. In the course of the year, significant effort was expended to prepare for and support the implementation of the Company's new ERP system.

Ninety-three internal job moves took place as a result of voluntary redundancy plans. These gave rise to a requirement for additional training, which was begun in 2009 and will continue in 2010.

A programme was launched in late 2009 to put in place training leading to a qualification such as the "CQPM" *(Certificat de Qualification Paritaire de la Métallurgie* – "joint metallurgical industry qualification certificate"). The project was signed by representative organisations, regional authorities and the Government, and aims to deliver 11 days' training for production staff between late 2009 and 2010.

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.

SUBCONTRACTING (PARENT COMPANY)

Subcontracted services linked to industrial production accounted for 8%, on average, of the production workforce in 2009.

4.2. ENVIRONMENTAL POLICY

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 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.

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5. CORPORATE GOVERNANCE

5.1. GOVERNANCE IN 2009

The Group adheres to the recommendations of the so-called “AFEP-MEDEF” corporate governance code. The changes to the Group’s governance in 2009 were made in accordance with the AFEP-MEDEF code, which the Group used to prepare the report provided for by Article L.225-37 of the French Commercial Code *(Code de commerce)*.

5.1.1. Thorough reform of governance

The 2009 financial year was highlighted by:

A REPOSITIONING OF THE FAMILY SHAREHOLDERS OF REFERENCE

The 02.06.2009 Supervisory Board meeting chaired by Marcel Braud approved the appointment of Jean-Christophe Giroux as Chairman of the Executive Board, replacing Marcel-Claude Braud. This change was the result of long deliberations, the necessity of which was accelerated by the events of late 2008. The decline in sales worldwide, the acquisition of Gehl in the United states, the need for a clear and effective organisation all require a management that is both comprehensive and responsive, enabling the Group to better adapt to its new environment and to strengthen its leadership.

RETURN TO SIMPLIFIED LEGAL FORM

The shareholders of reference also expressed their desire to focus on the Company’s corporate governance and its strategy. This refocusing resulted on 12.17.2009 in the Company switching over to a legal structure with a Board of Directors, which is both simpler and more effective from an operational stand-point.

PRECISE ORGANISATION OF THE BOARD OF DIRECTORS

All of the operating procedures of the Board of Directors have been laid down in rules of procedure that call for the Board to be organised around four specific committees:

Development Committee
Strategic Committee
Compensation Committee
Audit Committee

It is specified that only the Compensation Committee and the Audit Committee already existed under the previous Supervisory Board structure.

ENHANCEMENT OF THE BOARD BY THE APPOINTMENT OF NEW DIRECTORS

During the year, the number of Board members was increased from seven to nine.

In addition, one person who had been a member of the Supervisory Board for over 12 years resigned at the Shareholders’ Meeting of 04.06.2009 and was replaced by an independent member. Two new directors were also appointed by the Shareholders’ Meeting of 17.12.2009, including one independent member.

OPERATIONAL ORGANISATION OF THE GROUP IN THREE DIVISIONS

The year 2009 was also the first time the Group’s operations had ever been structured into three divisions, giving Manitou a clearer understanding of the specific markets in which it operates.

Rough Terrain Handling (RTH) division
Industrial Material Handling (IMH) division
Compact Equipment (EC) division

5.1.2. Governance of the Group through 17.12.2009

SUPERVISORY BOARD THROUGH 17.12.2009

Marcel Braud

Chairman of the Supervisory Board through 17.12.2009

Other offices held in Group companies:

Co-manager of HB-Holding Braud (France)

Chairman of Manitou TR (Turkey)

Director of Pledgemead Ltd. (UK)

Chairman and CEO of SFERT SA (France) for the first half of 2009
Chairman of Manitou Benelux SA (Belgium) through 07.12.2009
Chairman of Manitou Portugal (Portugal)
Chairman of Manitou North America (USA) through 20.10.2009
Chairman of Manitou Asia Pte (Singapore) through 10.10.2009
Director of Manitou Costruzioni Industriali Srl (Italy) through 23.09.2009
Director of Manitou UK (UK)
Director of OMCI Attachments (Italy) through 23.09.2010

Jacqueline Himsworth

Vice-Chairman of the Supervisory Board through 17.12.2009
Member of the Audit Committee

Other offices held in Group companies:

Managing Director of SFERT SA (France) for the first half of 2009
Chairman and CEO of SFERT SA (France) for the second half of 2009
Manager of Ancemat, an association
Manager of Coliphin
Manager of H20 Capital
Manager of Trinity Capital
Manager of Sonafin

Other offices held in non-Group companies:

Manager of Sekoleg, an association

Gordon Himsworth

Member of the Supervisory Board through 17.12.2009
Substitute member of the Audit Committee

Other offices held in Group companies:

Director of SFERT SA (France)
Director of Manitou UK (UK)
Director of Pledgemead Ltd. (UK)
Director of Manitou Finance Ltd. (UK)

Other offices held in non-Group companies:

Chairman and CEO of SAEMIA SA (France)
Manager of "6 rue Poupard Davyl" Ancenis SCI (France)

Sebastian Braud

Member of the Supervisory Board through 17.12.2009

Other offices held in non-Group companies:

Chairman of Actiman SAS

Georges-Henri Bernard

Member of the Supervisory Board through 04.06.2009
Member of the Audit Committee through 04.06.2009

Joël Goulet

Member of the Supervisory Board through 17.12.2009

Member of the Compensation Committee

Other offices held in non-Group companies:

Chairman of the Supervisory Board HMY International (France)

Chairman of Yudigar SL (Spain)

Manager of A.R.S. Consulting

Director of Shanghai Yongguang Commercial Equipment Co Ltd (China)

Director of Sichuan Yongguang Commercial Equipment Co Ltd (China)

Serge Ghysdael

Member of the Supervisory Board through 17.12.2009

Member of the Compensation Committee

Other offices held in Group companies:

Director of Manitou Benelux SA (Belgium) through 17.12.2009

Director of de Ladderspecialist BV (Netherlands)

Other offices held in non-Group companies:

Director of Equicom SA (Luxembourg)

Dominique Bamas

Member of the Supervisory Board from 04.06.2009 through 17.12.2009

Member of the Audit Committee from 04.06.2009 through 17.12.2009

Other offices held in non-Group companies:

Managing Director of Axereal (cooperatives union)

Managing Director of Axereal Participations (SASU)

Managing Director of Epis-Centre (cooperatives union)

Managing Director of Berry Silos (cooperatives union)

Managing Director of Union 36 - Cape Nievre - Epis Centre-Nord Valleys Du Cher - Epis Bocage - Valnord - Epis-SEM (agricultural cooperative)

Chief Operating Officer of Agralys (cooperatives union)

Representative director of Epis-Centre de BENP Lillebonne (SAS)

Chairman of Centre Grains (SASU)

Chairman and CEO of Granit Négoce(SA)

Representative director of Granit Services de Silos du Sud (SAS)

Chairman of TPR (SASU)

Chairman of SMTP (SASU)

Representative of Aria-Grains de Fertiberry (SAS)

Deputy Managing Director of Ariane SA

Chairman of TNA (SAS)

Director of Force Centre (SA)

Chairman of Cantin (SAS)

Chairman of Semblancay (SA)

Chairman if Ariane Meunerie (SASU)

Chairman of GMC (SASU)

GMC Chairman of Agrofarines (SASU)

GMC Chairman of Moulin Calix (SAS)

GMC Chairman of Moulin de la Gare (SASU)

GMC Chairman of Moulin Ile de France (SASU)

GMC Chairman of Moulin Sud Ouest (SASU)

GMC Chairman of Lemadu (SASU)

GMC Chairman of Lemaire (SASU)
GMC Chairman of Moulin Nemours (SASU)
GMC Chairman of Minoterie Gautier David (SASU)
GMC Chairman of Moulin Finistere (SASU)
GMC Chairman of Moulins Marsan (SASU)
GMC Manager of Grillon SCI
GMC Manager of Anast SCI
GMC Manager of Maneros SCI
GMC Chairman of Le Coutelet (SASU)
GMC Chairman of Moulin Saint Gabriel (SASU)
Chairman of Ets A. Hebert (SASU)
Chairman of AMO Moulin du Temple (SASU)
Chairman and CEO of MFS (SA)
Chairman of Boortmalt Finance (Belgium)
Chairman of Boortmalt International (Belgium)
Chairman of Boortmalt n.v. (Belgium)
Chairman of Boortmalt Overseas (Belgium)
Chairman of Copagest (Luxembourg)
Chairman of MBM (Belgium)
Chairman of Boortmalt India (India)
Chairman of Slade Slavonia (Croatia)

EXECUTIVE BOARD THROUGH 17.12.2009

- **Jean-Christophe Giroux**

President of the Executive Committee of Manitou BF from 02.06.2009 through 17.12.2009

- **Christian Caleca**

Executive Vice President of Manitou BF from 20.03.2009 through 17.12.2009

Other offices held in Group companies:
Managing Director of CIMM SAS (France) through 15.09.2009
Managing Director of Aumont BSBH SAS (France) through 15.09.2009
Director of Manitou UK since 15.09.2009
Director of Manitou Southern Africa since 15.09.2009
Director of Manitou Manutencion Espana SL since 15.09.2009
Chairman of Manitou Costruzioni Industriali Srl (Italy) since 15.09.2009

Other offices held in non-Group companies:
Director of CISMA

- **Marcel-Claude Braud**

President of the Executive Committee of Manitou BF through 02.06.2009

Other offices held in Group companies:
Representative of Manitou BF: Chairman of CFM SAS (France) through 02.06.2009
Representative of Manitou BF: Chairman of MLM SAS (France) through 02.06.2009
Representative of Manitou BF: Chairman of CIMM SAS (France) through 02.06.2009
Representative of Manitou BF: Chairman of Aumont BSBH SAS (France) through 02.06.2009
Representative of Manitou BF: Chairman of BTMI SAS (France) through 02.06.2009
Representative of Manitou BF to the Board of Directors of TIE SA (France) through 15.07.2009
Representative of HB-Holding Braud to the Board of Directors de SFERT SA (France)

Co-manager de HB-Holding Braud (France)
Chairman of Manitou UK (UK)
Director of Manitou North America (USA) through 20.10.2009
Director of Manitou Costruzioni Industriali Srl. (Italy) through 23.09.2009
Director of Manitou Portugal (Portugal) through 19.05.2009
Director of Manitou Benelux SA (Belgium) through 07.12.2009
Vice-Chairman of Manitou TR (Turkey) through 31.08.2009
Chairman of Manitou Hangzhou Material Handling Co. Ltd. (China)
Vice-Chairman of Hangzhou Manitou Machinery Equipment Co. Ltd. (China)
Chairman of OMCI Attachments (Italy) through 23.09.2009
Director of Gehl Company (USA) through 20.10.2009

Other offices held in non-Group companies:
Director of CISMA

Bruno Fille
Executive Vice President of Manitou BF through 31.08.2009

Other offices held in Group companies:
Chairman of Manitou Australia (Australia) through 14.12.2009
Chairman of Chariots Elévateurs Manitou Canada Inc. (Canada) through 23.10.2009
Chairman of Manitou Vostok LLC (Russia) through 23.10.2009
Chairman of Manitou Polska Sp z.o.o. (Poland) through 23.10.2009
Director of Manitou Costruzioni Industriali S.r.l. (Italy) through 23.09.2009
Director of Manitou UK (UK) through 14.12.2009
Director of Manitou North America (USA) through 20.10.2009
Director of Manitou Portugal (Portugal) through 23.10.2009
Director of Manitou Asia Pte (Singapore) through 10.10.2009
Director of Manitou Finance Ltd. (UK) through 28.08.2009
Director of Manitou Hangzhou Material Handling Co. Ltd. (China) through 14.12.2009
Director of Hangzhou Manitou Machinery Equipment Co. Ltd (China) through 23.10.2009
Member of the joint management body of Manitou Finance France SAS through 28.08.2009
Director of Gehl Company (USA) through 20.10.2009

Other offices held in non-Group companies:
Director of Audencia (France)
Manager of Progedis SARL (France)

5.1.2.3. ACTIVITIES OF THE BOARD OF DIRECTORS AND ITS SPECIALISED COMMITTEES

The activities of the Board and its Committees are detailed in the Chairman’s report on internal control.

5.1.3. Governance of the Group since 17.12.2009

5.1.3.1. BOARD OF DIRECTORS OF MANITOU BF

The Company is administered by a nine-member Board of Directors. Each director is appointed for a four-year term. The Board of Directors appoints from among its members a Chairman of the Board of Directors, who must be a natural person.

Marcel Braud
Chairman of the Board of Directors (non executive)

Chairman of the Strategic Committee

Chairman of the Development Committee

Other offices held in Group companies:

Chairman of Manitou TR (Turkey)

Co-manager of HB-Braud Holding (France)

Chairman of Manitou Portugal (Portugal)

Director of Manitou UK (UK)

Director of Pledgemead Ltd. (UK)

- **Jacqueline Himsworth**

Vice Chairman of the Board of Directors

Member of the Development Committee

Chairman of the Audit Committee

Other offices held in Group companies:

Chairman and CEO of SFERT SA (France)

Manager of Ancemat, an association

Manager of Coliphin

Manager of H2O Capital

Manager of Trinity Capital

Manager of Sonafin

Other offices held in non-Group companies:

Manager of Sekoleg, an association

- **Gordon Himsworth**

Member of the Board of Directors

Member of the Strategic Committee

Substitute member of the Development Committee

Other offices held in Group companies:

Director of SFERT SA (France)

Director of Manitou UK (UK)

Director of Pledgemead Ltd. (UK)

Director of Manitou Finance Ltd. (UK)

Other offices held in non-Group companies:

Chairman and CEO of SAEMIA SA (France)

Manager of "6 rue Poupard Davyl" Ancenis SCI (France)

- **Sebastian Braud**

Member of the Board of Directors

Member of the Strategic Committee

Substitute member of the Development Committee

Other offices held in non-Group companies:

Chairman of Actiman SAS

- **Christopher Himsworth**

Member of the Board of Directors

Member of the Compensation Committee

Substitute member of the Strategic Committee

Other offices held in non-Group companies:

Manager of Menskin SARL (France)

Joël Goulet

Member of the Board of Directors

Chairman of the Compensation Committee

Member of the Strategic Committee

Other offices held in non-Group companies:

Chairman of the Supervisory Board HMY International (France)

Chairman of Yudigar SL (Spain)

Manager A.R.S. Consulting

Director of Shanghai Yongguang Commercial Equipment Co Ltd (China)

Director of Sichuan Yongguang Commercial Equipment Co Ltd (China)

Serge Ghysdael

Member of the Board of Directors

Member of the Compensation Committee

Other offices held in Group companies:

Director of de Ladderspecialist BV (Netherlands)

Other offices held in non-Group companies:

Director of Equicom SA (Luxembourg)

Dominique Bamas

Member of the Board of Directors

Substitute member of the Audit Committee

Other offices held in non-Group companies:

Managing Director of Axereal (cooperatives union)

Chief Operating Officer of Axereal Participations (SASU)

Managing Director of Epis-Centre (cooperatives union)

Managing Director of Berry Silos (cooperatives union)

Managing Director of Union 36 - Cap Nievre - Epis Centre-Nord

Vallées du Cher - Epis Bocage - Valnord - Epis-Sem

(agricultural cooperative)

Managing Director of Agralys (cooperatives union)

Representative director Epis-Centre de BENP Lillebonne (SAS)

Chairman of Centre Grains (SASU)

Chairman and CEO of Granit Negoce (SA)

Representative director of Granit Services de Silos du Sud (SAS)

Chairman of TPR (SASU)

Chairman of SMTP (SASU)

Representative of Aria-Grains de Fertiberry (SAS)

Deputy Managing Director of Ariane (SA)

Chairman of TNA (SAS)

Director of Force Centre (SA)

Chairman of Cantin (SAS)

Chairman of Semblancay (SA)
Chairman of Ariane Meunerie (SASU)
Chairman of GMC (SASU)
GMC Chairman of Agrofarines (SASU)
GMC Chairman of Moulin Calix (SAS)
GMC Chairman of Moulin de la Gare (SASU)
GMC Chairman of Moulin Ile de France (SASU)
GMC Chairman of Moulin Sud Ouest (SASU)
GMC Chairman of Lemadu (SASU)
GMC Chairman of Lemaire (SASU)
GMC Chairman of Moulin Nemours (SASU)
GMC Chairman of Minoterie Gautier David (SASU)
GMC Chairman of Moulin Finistere (SASU)
GMC Chairman of Moulins Marsan (SASU)
GMC Manager of SCI du Grillon (SCI)
GMC Manager of SCI d' Anast (SCI)
GMC Manager of SCI de Maneros (SCI)
GMC Chairman of Le Coutelet (SASU)
GMC Chairman of Moulin Saint Gabriel (SASU)
Chairman of Ets A. Hebert (SASU)
Chairman of AMO Moulin du Temple (SASU)
Chairman and CEO of MFS (SA)
Chairman of Boortmalt Finance (Belgium)
Chairman of Boortmalt International (Belgium)
Chairman of Boortmalt n.v. (Belgium)
Chairman of Boortmalt Overseas (Belgium)
Chairman of Copagest (Luxembourg)
Chairman of MBM (Belgium)
Chairman of Boortmalt India (India)
Chairman of Slavonija Slad (Croatia)

Pierre-Henri Ricaud
Member of the Board of Directors
Member of the Audit Committee
Substitute member of the Compensation Committee

Other offices held in non-Group companies:
Manager of Pragma SARL (France)
Director of Dassault Aviation (France)

5.1.3.2. EXECUTIVE MANAGEMENT

Jean-Christophe Giroux
President & Chief Executive Officer 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)
Chairman of Chariots Elévateurs Manitou CANADA Inc. (Canada)

Chairman of Gehl Company (USA)

Chairman of Manitou North America (USA)

Director of Manitou Costruzioni Industriali Srl (Italy)

Director of Manitou Australia (Australia)

5.1.3.3. OTHER INFORMATION REGARDING THE EXECUTIVE MANAGERS

The following information is also specified:

George-Henri Bernard resigned as a member of the Supervisory Board of Manitou BF at the meeting of 4 June 2009. He was also a member of the Audit Committee until that date.

Jacqueline Himsworth, Marcel Braud, Gordon Himsworth, Sebastien Braud and Christopher Himsworth are all related by family ties.

It is specified that Sebastien Braud is the Chairman of Actiman SAS, a Manitou Group dealer.

5.2. MANAGEMENT BODIES AT 30.03.2010

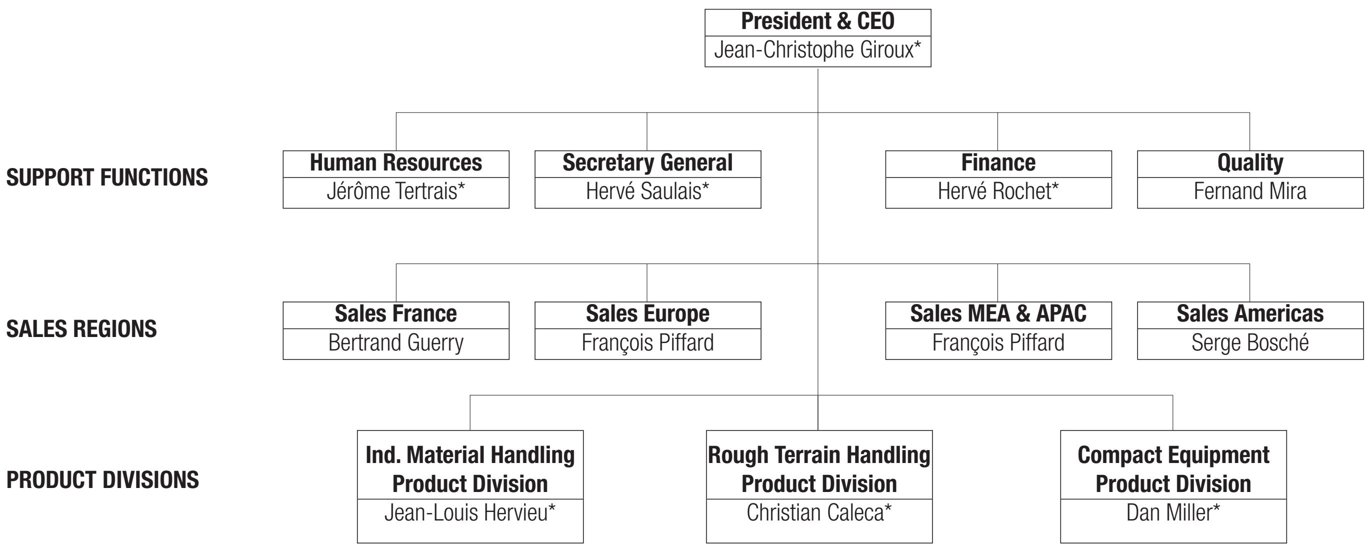
5.2.1. Group Executive Committee

The Executive Committee is composed of 7 members:

President & Chief Executive Officer
President, Rough Terrain Handling division
President, Industrial Material Handling division
President, Compact Equipment division
Chief Financial Officer
Secretary General
Director of Human Resources

The Executive Committee meets once a week and several times a year during seminars.

5.2.2. Group organisational chart



*Member of Manitou Executive Committee (ComEx)

Each product division has its own specialised management bodies that are each organised and function in their own way.

5.3. COMPENSATION OF THE SUPERVISORY, ADMINISTRATIVE AND MANAGEMENT BODIES

5.3.1. Executive compensation

COMPENSATION OF CORPORATE OFFICERS

Pursuant to the provisions of Article L.225-102-1 paragraph 2 of the French Commercial Code, details of the total compensation and benefits-in-kind Paid To Each Corporate Officer during the year are provided below:

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

Jean-Christophe Giroux	2008 in €	2009 in €
President of the Executive Commitee of Manitou BF (from 02.06.2009 through 17.12.2009, then President & Chief Executive Officer)		
Performance-based compensation (detailed in Table 2)		210,229
Value of options granted during the financial year (detailed in Table 4)		
Value of performance shares granted during the financial year (detailed in Table 6)		
TOTAL		**210,229**

Christian Caleca	2008 in €	2009 in €
Executive Vice President of Manitou BF from 20.03.2009 through 17.12.2009, then President, RTH division)		
Performance-based compensation (detailed in Table 2)		242,204
Value of options granted during the financial year (detailed in Table 4)		
Value of performance shares granted during the financial year (detailed in Table 6)		
TOTAL		**242,204**

Marcel Claude Braud	2008 in €	2009 in €
President of the Executive Committee of Manitou BF (through 02.06.2009)		
Performance-based compensation (detailed in Table 2)	422,552	671,732
Value of options granted during the financial year (detailed in Table 4)		
Value of performance shares granted during the financial year (detailed in Table 6)		
TOTAL	**422,552**	**671,732**

Bruno Fille	2008 in €	2009 in €
Executive Vice President of Manitou BF (through 30.09.2009)		
Performance-based compensation (detailed in Table 2)	359,047	866,085
Value of options granted during the financial year (detailed in Table 4)		
Value of performance shares granted during the financial year (detailed in Table 6)		
TOTAL	**359,047**	**866,085**

Table 2: Compensation of Each Executive Corporate Officer

	2008 in €		2009 in €	
Jean-Christophe Giroux	Amounts due	Amounts Paid	Amounts due	Amounts Paid
Executive President of Manitou BF from 02.06.2009 through 17.12.2009, then President & Chief Executive Officer				
- Director's fee			208,636	208,636
- Fixed salary				
- Variable salary			90,000	
- Variable salary				
- Attendance fees				
- Benefits in kind			1,593	1,593
TOTAL			**300,229**	**210,229**

	2008 in €		2009 in €	
Christian Caleca	Amounts due	Amounts paid	Amounts due	Amounts paid
Executive Vice President of Manitou BF from 20.03.2009 through 17.12.2009, then President, RTH division				
- Director's feet			13,500	13,500
- Fixed salary			223,634	223,634
- Variable salary			45,000	
- Employee savings plan				
- Attendance fees				
- Benefits in kind			5,070	5,070
TOTAL			**287,204**	**242,204**

	2008 in €		2009 in €	
Marcel Claude Braud	Amounts due	Amounts paid	Amounts due	Amounts paid
President of the Executive Committee of Manitou BF and CEO				
- Director's fee	179,976	179,976	76,353	76,353
- Fixed salary	173,232	173,232	190,152	190,152
- Variable salary	52,500	65,219		52,500
- Employee savings plan	9,422	22,316		9,422
- Additional compensation			783,532	336,968
- Attendance fees	457	457		457
- Benefits in kind	6,965	6,965	5,880	5,880
TOTAL	**422,552**	**448,165**	**718,949**	**671,732**

	2008 in €		2009 in €	
Bruno Fille	Amounts due	Amounts paid	Amounts due	Amounts paid
Executive Vice President of Manitou BF				
- Director's fee	23,580	23,580	15,720	15,720
- Fixed salary	259,857	259,857	244,927	244,927
- Variable salary	56,250	32,610		26,250
- Employee savings plan	13,024	26,047		13,024
- Additional compensation			561,413	
- Attendance fees				
- Benefits in kind	6,336	7,421	4,752	4,752
TOTAL	**359,047**	**349,515**	**826,812**	**304,673**

5.3.2. Compensation of directors, officers and executives

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

Board Member		Attendance fees 2008 in €	Attendance fees 2009 In €
Marcel Braud	MBF attendance fees	20,000	17,375
	Other compensation	309,723	312,417
Jacqueline Himsworth	MBF attendance fees	17,375	17,375
	Other compensation	210,068	212,762
Marie-Claude Braud	MBF attendance fees	14,500	
	Other compensation	6,688	
Gordon Himsworth	MBF attendance fees	17,375	17,375
	Other compensation	11,612	11,706
Sebastian Braud	MBF attendance fees		10,135
	Other compensation		
Joël Goulet	MBF attendance fees	21,375	25,375
	Other compensation		
Georges-Henri Bernard	MBF attendance fees	21,375	31,765
	Other compensation		
Serge Ghysdael	MBF attendance fees		
	Other compensation		
Dominique Bamas	MBF attendance fees		
	Other compensation		
Christopher Himsworth	MBF attendance fees		
	Other compensation		
Pierre-Henri Ricaud	MBF attendance fees		
	Other compensation		
TOTAL		**650,091**	**656,285**

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 €
NONE			

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
Jean-Christophe Giroux President of the Executive Committee of Manitou BF Date term started: 02.06.2009 Date term expired: 17.12.2009		**X**		**X**	**X**		**X**	
Jean-Christophe Giroux President & Chief Executive Officer Date term started: 17.12.2009 Date term expires: 17.12.2013		**X**		**X**	**X**			**X**
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	
Marcel Claude Braud President of the Executive Committee of Manitou BF Date term started: 16.03.2006 Date term expired: 02.06.2009	**X**			**X**		**X**		**X**

Non-compete clause of Jean-Christophe Giroux

- Jean-Christophe Giroux is obliged to refrain from competing with the Group in France, the UK and Germany during the 12 months following the end of his term of office. In return, he will be paid a monthly stipend for a period of one year following the termination of his term of office, equal to 50% of the fixed monthly compensation he received during the last month prior to the termination of his term of office. The Company reserves the right to waive the non-compete clause in writing before the end of his term of office or at the latest within fifteen days after its termination, which action shall relieve the Company of its stipend-payment obligation as provided for above. The stipend mentioned above is compliant with the agreements referred to in Articles L.225-90-1 et seq of the French Commercial Code.

Compensation of Jean-Christophe Giroux

- On 02.06.2009, and subject to the authorization of the Ordinary shareholders' meeting of the Company, the Supervisory Board granted Jean-Christophe Giroux, for a period of three consecutive years and, for each of them, on condition of attainment of performance criteria set by the Board of Directors, financial instruments giving access to Manitou's capital (such as stock grants, stock options or a combination of the two in a ratio of four stock options for each stock grant), with the understanding that this annual grant will be worth €225,000.

- On 02.06.2010, the Supervisory Board granted Jean-Christophe Giroux gross annual variable pay equal to a maximum of 66.67% of the gross fixed compensation paid during the year. A minimum variable compensation in the form of a bonus of €90,000, gross, in respect of 2009 is guaranteed under the condition of continued employment at the end of the financial year. For 2010 and subsequent years, the variable compensation is based on several quantitative and qualitative criteria including type, weighting, and quantified objectives.

- On 02.06.2009, the Supervisory Board, referring to the AFEP-MEDEF recommendations of October 2008 and the provisions of Article L.225-90-1 of the French Commercial Code, set the severance package of Jean-Christophe Giroux at two years of annual fixed and variable compensation if termination occurs during the first 18 months of his term of office, and at one year of annual fixed and variable compensation when termination occurs after these 18 months have passed. This severance indemnity would be payable only in the event of non-renewal, of revocation of his appointment for any reason other than gross or willful misconduct, or forced departure following a change of control of the Company.
The payment of this indemnity is subordinated to the recognition by the Board of the payment at least once during the previous two years or the latest full financial year of at least 50% of variable compensation.

Additional information on the Compensation of Corporate Officers

- The variable component of the compensation paid in 2009 was based on the income from ordinary activities achieved in 2008.

- The term of office of Marcel-Claude Braud ended on 02.06.2009 and his employment contract ended on 14.12.2009. An additional indemnity of €783,532, approved by the Supervisory Board on 24.11.2009, was been paid to Marcel-Claude Braud in connection with the negotiation of the termination of his employment contract.

Moreover, the Company acquired all of the patents filed by Marcel-Claude Braud for €700,000, as authorized by the Supervisory Board on 24.11.2009.

- Bruno Fille terminated his term of office on 31.08.2009 and his employment contract on 30.09.2009 by electing to participate in the voluntary redundancy plan implemented within the Company, and as such received an indemnity of €561,413.

- Regulated related party agreement with A.R.S. Consulting
Joel Goulet, a member of the Supervisory Board, is also manager of the firm A.R.S. Consulting.
At its meeting of 06.11.2008, the Supervisory Board decided to authorize the creation of a steering group responsible for preparing, in liaison with the Executive Board, a proposed organisational structure, associated governance recommendations and the recruitment of a Chief Executive Officer. This assignment was entrusted to A.R.S. Consulting. The amounts incurred in relation to this assignment by Manitou BF in 2009 amounted to €24,000, excluding VAT.

- In accordance with the terms of paragraph 4 of Article L.225-185, the Supervisory Board ruled on the fact that members of the Executive Board of Manitou BF must hold at least 20% of the number of shares resulting from the exercise of stock options in registered form until such time as their functions are terminated.

ADHERENCE TO THE AFEP-MEDEF RECOMMENDATIONS

Manitou BF has adhered to all of the recommendations published by the AFEP-MEDEF, with the exception of those regarding the holding of multiple offices and employment contracts for members of the Executive Board due to the pre-existence of certain contracts Since 17.12.2009, the date on which the Company changed its legal form, Manitou BF also respects this last AFEP-MEDEF recommendation.

5.4. AUDITORS

5.4.1. 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 Shareholders' 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 Shareholders' Meeting called to rule on the financial statements for the year ended 31.12.2012

5.4.2. Alternate auditors

Alain Pons, alternate auditor for Deloitte & Associés, member of the Versailles Regional Company of statutory auditors
Appointed on 07.06.2007.
Expiry of term of office: the Shareholders' Meeting called to rule on the financial statements for the year ended 31.12.2012.

Patrick Messus, alternate auditor for RSM SECOVEC, member of the Rennes Regional Company of Statutory Auditors
Appointed on 07.06.2007.
Expiry of term of office: the Shareholders' Meeting called to rule on the financial statements for the year ended 31.12.2012.

5.4.3. Fees paid to the Statutory Auditors and their network

The fees incurred in 2009 by Manitou BF and its fully consolidated subsidiaries for the assignments entrusted to the college of Statutory Auditors, their respective networks and their colleagues, are detailed in note 19 of the notes to consolidated financial statements.

5.5. OTHER INFORMATION

5.5.1. Information regarding the Group's internal control system

Information regarding the Group's internal control system is included in the report of the Chairman of the Supervisory Board on the functioning of the Board and internal control.

5.5.2. Information regarding the works council

The information contained in this report and the individual Parent Company and consolidated financial statements of Manitou BF have been submitted to the works council for review, as required by law.

6. MANITOU AND ITS SHAREHOLDERS

6.1. GENERAL INFORMATION CONCERNING THE ISSUER

Name

Manitou BF

Registered office

430, rue de l'Aubinière

BP 10 249

44158 Ancenis Cedex – France

Phone + 33 (0)2 40 09 10 11

Legal form

French limited liability corporation with a Board of Directors 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 Shareholders' 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.

6.2. GENERAL INFORMATION ON THE SHARE CAPITAL OF MANITOU BF

Share capital

At 31.12.2009, the share capital amounted to €37,567,540 and consisted of 37,567,540 shares with a par value of €1 each.

All shares were fully paid-up and all shares ranked pari-passu.

Changes in share capital

The Extraordinary shareholders' meeting of 04.06.2009 approved the cancellation of 241,500 shares with a par value of €1 per share, and reduced the share capital from €37,809,040 to €37,567,540. The cancelled shares came from treasury shares acquired in early 2008 to cover plans for stock options that were never awarded, as well as treasury shares held to cover grants of stock options that were later cancelled.

Summary of delegations of authority to increase capital granted by the Shareholders' Meeting.

Date	Type	Purpose	Duration	Utilisation of this authorization during the year
17.12.2009	Delegation of authority	reduce the share capital by cancelling treasury shares in an amount up to 10% of the Company's total capital.	30 months	Not used
17.12.2009	Delegation of authority	grant options to subscribe or purchase shares in an amount up to 450,000 shares, and charged to an overall ceiling of €8 million.	30 months	Not used
17.12.2009	Delegation of authority	allocate free grants of existing shares or shares to be issued to Group employees and directors and officers, or certain among them, in an amount not to exceed 2% of the Company's capital and charged on an overall ceiling of €8 million.	30 months	Not used

Breakdown of share capital and voting rights at 31.12.2009

	2009	2009
	% of capital	% of voting rights
SFERT (holding company owned by the Braud and Himsworth families)	42.06%	42.63%
Marcel Braud	9.69%	9.83%
Jacqueline Himsworth	5.07%	5.14%
Ancemat	5.03%	5.10%
HB – Holding Braud	0.35%	0.36%
Geneval (Groupe Société Générale)	6.59%	6.68%
Toyota	2.98%	3.02%
Treasury shares	1.34%	-
Employee shareholdings	0.82%	0.83%
Other	26.06%	26.41%
TOTAL	**100.00%**	**100.00%**

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 31.12.2009, Manitou BF held 502,660 of its own shares with a total value of €14.4 million, corresponding to an average value of €28.72 per share with a par value of €1. Of these shares, 462,500 were allocated to cover stock-options awarded to Members of the Executive Management Group or Managers of Subsidiaries (of which 151,500 already allocated) and 40,160 to a market making account, pursuant to the authorisations given by the Ordinary and Extraordinary Shareholders' Meetings held between 2002 and 2009.

Given the fall in the share price, a provision for impairment of €9.5 million was booked at 31.12.2009.

Attribution and exercise of stock-options during the year

No options were exercised during the financial year.

6.3. MANITOU SHARE DATA

Share listing

Manitou's shares have been listed since April 1984.

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

Indexes

SBF250

NEXT 150

CAC All Shares

CAC Mid & Small 190

CAC Mid 100

CAC Industrials

CAC Industrial Engineering

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 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**		
January 2009	396,156	9.02	6.15	6.30	238
February	504,792	6.50	5.16	5.60	212
March	1,426,484	5.64	3.48	4.85	183
April	2,268,883	10.27	4.31	8.41	318
May	576,194	8.61	7.00	8.10	306
June	930,930	9.19	6.27	8.46	320
July	1,345,254	10.42	7.78	9.31	352
August	1,295,882	12.74	9.23	12.07	456
September	1,139,336	12.31	9.90	11.16	422
October	872,135	11.53	9.10	9.90	374
November	294,899	10.45	9.50	9.50	359
December 2009	608,347	10.47	9.30	10.38	390
Total/ Highest/ Lowest	**11,659,292**	**12.74**	**3.48**		

Source NYSE Euronext

7. ANNUAL SHAREHOLDERS' MEETING ON 24.06.2010

OVERVIEW OF RESOLUTIONS

FREE TRANSLATION OF DRAFT RESOLUTIONS TO BE SUBMITTED TO THE GENERAL MEETING OF 24 JUNE 2010

Please note that French wording of resolutions prevails

7.1. AGENDA FOR THE ORDINARY ANNUAL SHAREHOLDERS' MEETING

First resolution (Discussion and approval of the annual accounts for the 2009 fiscal year)

The General Meeting, ruling under the conditions for quorum and majority for regular meetings, having been made aware of the report from the Chair of the Board of Directors on the actions of the Board of Directors and on internal monitoring, the report issued by the Board of Directors and the reports by the auditors, approves the company accounts for the fiscal year ending on December 31, 2009, as submitted, as well as all operations reported in them.

Second resolution (Discussion and approval of the consolidated accounts for the 2009 fiscal year)

The General Meeting, ruling under the conditions for quorum and majority for regular meetings, having been made aware of the report from the Chair of the Board of Directors on the actions of the Board of Directors and on internal monitoring, of the report issued by the Board of Directors and of the reports by the auditors, approves the consolidated accounts for the fiscal year ending on December 31, 2009, as submitted, as well as all operations reported in them.

Third resolution (Approval of agreements including commitments made in favor of Mr. Jean-Christophe Giroux in compliance with the provisions of article L. 225-42-1 of the Commercial Code)

The General Meeting, ruling under the conditions for quorum and majority required for regular annual meetings, having been made aware of the report from the Board of Directors and of the special supplemental report by the auditors on agreements and commitments subject to the provisions of articles L. 225-38 and L. 225-40 to L. 225-42 of the Commercial Code, approves, in compliance with the provisions of article L. 225-42-1 of the Commercial Code, the agreements presented in these reports made between the Company and Mr. Jean-Christophe Giroux and containing details of remuneration, compensation or benefits due or which may become due to him under certain circumstances at the end of his employment and thereafter.

Fourth resolution (Approval of the agreements and commitments subject to the provisions of articles L. 225-38 and following of the Commercial Code

The General Meeting, ruling under the conditions for quorum and majority for regular meetings, having been made aware of the special report by the auditors on agreements and commitments subject to the provisions of articles L. 225-38 and L. 225-40 to L. 225-42 of the Commercial Code, approves this report in its entirety as well as the agreements stated therein.

Fifth resolution (Allocation of the results from the fiscal year)

1°) The General Meeting, ruling under the conditions for quorum and majority for regular meetings, recognizes that the accounts closed on December 31, 2009, and approved by this Meeting show a loss for the fiscal year of 99,348,903.78 Euros, the allocation of which is today submitted for approval by the Meeting.

2°) The General Meeting decides to allocate the loss for the fiscal year as follows:

Fiscal year	Number of shares paid	Dividend per share (in euros)	Total (In millions of)
2006	37,809,040	1.05	39.7
2007	37,809,040	1.05	39.7
2008	37,809,040	0	0

All amounts given in the above table are eligible for the 40% abatement provided for in article 158-3-2°of the General Tax Code.

Sixth resolution (Authorization to be given to the Board of Directors to act on Company shares)

The General Meeting, ruling under the conditions for quorum and majority for regular meetings, having been made aware of the report from the Board of Directors, authorizes the Board of Directors, with option of sub-delegation under the terms set by law and in compliance with the provisions of articles L. 225-209 and following of the Commercial Code, to initiate a stock purchase or repurchase program, the purpose of which is to buy or cause to be bought Company shares:

- for the implementation of any plan for options to buy Company stock under the provisions of articles L. 225-177 and following of the Commercial Code or of any similar plan; or

- for the assignment or transfer of shares to employees as part of their participation in the benefits of the expansion of the company or of the implementation of any company or group savings plan (or like plan) under the terms provided for by law, in particular articles L. 3332-1 and following of the Labor Code; or

- for the bonus issues of shares under the provisions of articles L. 225-197-1 and following of the Commercial Code; or

- for the awarding of shares through the exercise of rights related to instruments giving access to capital through reimbursement, conversion, exchange, presentation of a warrant or in any other way; or

- for the cancellation of all or part of the shares thus repurchased; or

- for the awarding of shares (for exchange, payment or other) as part of operations for external growth, merger, split or capital inflow; or

- for the stimulation of the secondary market or the liquidity of Manitou stock by a provider of investment services under a liquidity contract in compliance with the code of ethics recognized by the Financial Markets Authority.

This program is also meant to allow for initiating any market practice which may be allowed by the Financial Markets Authority, and more generally, the use of any other operation consistent with current regulations. In such cases, the Company will inform its stockholders through an announcement.

Purchases of Company shares may concern a number of shares in such a way that:

- the number of shares that the Company buys during the repurchase program does not exceed 10% of the shares making up the Company capitalization, at any time, with this percentage applying to a capitalization adjusted on the basis of operations affecting it after this General Meeting, that is, for informational purposes, 37,567,540 shares on December 31, 2009, with the understanding that (i) the number of shares acquired in view of being kept and later awarded as part of a merger, split, or capitalization operation may not exceed 5% of its capitalization; and (ii) when the shares are repurchased to improve liquidity under the conditions defined by the general regulations of the Financial Markets Authority, the number of shares used in calculating the 10% limit provided for in this paragraph corresponds to the number of shares purchased, minus the number of shares resold during the authorization period.

- the number of shares held by the Company at any time will not exceed 10% of the shares comprising the Company capitalization on the date in question.

The acquisition, assignment or transfer of shares may be done at any time within the limits allowed by the legal and regulatory provisions in effect (except during public offer periods) and by any means, on regulated markets, multilateral trading systems, with systematic internalizers or over-the-counter, including by acquisition or transfer of blocks (without limitation to the portion of the repurchase program which may be done by this means), by public offer of purchase or exchange, or by use of options or other financial instruments with negotiated terms on regulated markets, multilateral trading systems, with systematic internalizers or done over-the-counter, or by the awarding of shares following the issue of securities giving access to Company capital through conversion, exchange, reimbursement, presentation of a warrant or in any other way, either directly or indirectly through a provider of investment services.

The maximum purchase price of shares under this resolution will be 40 Euros per share (or the exchange value of this amount on the same date in any other currency), this maximum price being applicable only to purchases finalized on or after the date of this Meeting and not to forward operations made by virtue of an authorization given by a prior General Meeting and providing for share purchases after the date of this Meeting.

The total amount appropriated for the above authorized share repurchase program may not exceed 150 million Euros.

This authorization nullifies, effective this day in the amount, if any, of the unused portion thereof, any prior delegation given to the Board of Directors for the purpose of acting on Company shares. It is given for a period of eighteen months effective today.

The General Meeting delegates to the Board of Directors, in cases of modification of the face value of the share, increase of capital by incorporation of reserves, free distribution of shares, division or realignment of shares, distribution of reserves or of any other assets, redemption of capital, or any other operation affecting the stockholders' equity, the power to adjust the above-mentioned maximum purchase price in order to take into account the impact of such operations on the value of the stock.

The General Meeting confers all powers on the Board of Directors, with option of sub-delegation under the terms set by law, for defining and implementing this authorization, for specifying, if necessary, its terms and establishing its procedures, for carrying out the purchase program, and in particular for issuing any stock market order, reaching any agreement, for the purpose of keeping records of the purchases and sales of shares, allocating or reallocating the shares purchased towards the objectives pursued within the applicable legal and regulatory conditions, setting the terms and procedures through which, if applicable, the protection of the rights of bearers of securities or options will be insured, in compliance with the legal, regulatory, or contractual provisions, making any declarations to the Financial Markets Authority or any other authority representing it or any other competent authority and any other administrative steps and, generally, doing all things necessary.

7.2. AGENDA FOR THE EXTRAORDINARY SHAREHOLDERS' MEETING

Seventh resolution (Delegation of authority to be given to the Board of Directors to decide to increase the company capital, by issuing - with retention of the preferential right of subscription - shares and/or securities giving access to Company capital and/or the issue of securities giving right to the attribution of debt securities)

The General Meeting, ruling under the conditions for quorum and majority required for special meetings, having been made aware of the report of the Board of Directors and of the special auditors' report, and in compliance with the provisions of articles L. 225-129 and following of the Commercial Code, in particular of article L. 225-129-2 of said Code, and with the provisions of articles L. 228-91 and following of said Code :

1. Delegates to the Board of Directors, with option of sub-delegation under the terms set by law, its authority to determine whether to increase the Company capital, in one or several phases, in France or abroad, in the amounts and at the times it deems appropriate, either in Euros, or in any other currency or monetary unit established in reference to various currencies, by the issue of shares (excluding preferred stock) or securities giving access to Company capital (whether new or existing shares), issued against payment or free of charge, governed by articles L. 228-91 and following of the Commercial Code, with the specification that the subscription of shares and of other securities may be made whether in cash, as debt compensation, by capitalizing retained earnings, profits or bonuses or, under the same terms, to decide to issue securities conferring the right to the attribution of debt securities governed by articles L. 228-91 and following of the Commercial Code;

2. Delegates to the Board of Directors, with option of sub-delegation under the terms set by law, its authority to determine whether to issue securities giving access to the capital of the companies in which it holds directly or indirectly more than half of the capital;

3. Decides to set as follows the limits to the authorized amounts of increases in capital in cases of exercise by the Board of Directors of this delegation of authority:

- the aggregate value of capital increases which may be made immediately or later by virtue of this delegation is set at 12 million Euros, with the specification that the global aggregate value of the capital increases which may be reached by virtue of this delegation and of those conferred by virtue of the eighth, ninth, tenth, eleventh and twelfth resolutions of this Meeting is set at 12 million Euros;
- to these ceilings will be added, as needed, the nominal amount of the shares potentially to be issued as a supplement, in the event of new financial operations, to protect the rights of bearers of securities giving access to the capital;
- should debt securities be issued by virtue of this delegation, the total aggregate value of debt securities thus issued by virtue of this delegation may not exceed 100 million Euros or the exchange value in Euros of this amount on the date of issue, said amount to be increased, if appropriate, by any redemption premium above parity;

4.Sets at twenty-six months, effective on the day of this Meeting, the period of validity of the delegation of authority which is the subject of this resolution;

5. In cases of exercise by the Board of Directors of this delegation:

- decides that the issue or issues will be reserved preferentially for shareholders who may subscribe by irrevocable right in proportion to the number of shares already held by them;
- acknowledges that the Board of Directors has the ability to establish a right of subscription to excess shares;
- acknowledges that this delegation of authority automatically carries with it relinquishment by shareholders of their preferential right of subscription in favor of the bearers of securities giving access to the Company capital concerning any shares to which these securities will give access immediately or later;
- acknowledges that, in compliance with article L. 225-134 of the Commercial Code, if the subscriptions by irrevocable right and, if applicable, by those with the right to excess shares, have not absorbed all of the capital increase, the Board of Directors may, under the terms set by law and in the order which it will determine, use one or more of the following methods:

  - limit the capital increase to the amount of the subscriptions on condition that said amount comes to at least three-quarters of the planned increase;
  - freely distribute all or part of the shares or, in the case of securities giving access to the capital, those securities for which the issue was planned but which have not been subscribed;
  - offer for public sale in France or abroad all or part of the shares or, in the case of securities giving access to the capital, those which have not been subscribed;

- decides that the issues of Company equity warrants may be done by offer of subscription, but also by bonus issue to holders of existing shares, with the specification that the Board of Directors will have the option to decide that the attribution rights to fractional shares will not be negotiable and that the corresponding securities will be sold;

6. Decides that the Board of Directors will have full authority, with option of sub-delegation under the terms set by law, to act under this delegation of authority, for the particular purposes of:

- deciding whether to increase capital and what securities to issue;
- setting the amount of capital increase and the issue price, as well as the amount of the premium which may, if appropriate, be required at the issue;
- determining the dates and methods of capital increase, the type, number and characteristics of the securities to be created; determining, moreover, in the

case of bonds or other debt securities (including securities giving right to the allocation of debt securities addressed in article L. 228-91 of the Commercial Code), whether or not they are subordinate (and, if so, their rank of subordination, in compliance with the provisions of article L. 228-97 of the Commercial Code), setting their interest rate (in particular whether fixed or variable or with zero-coupon or indexed) and describing, as appropriate, the required or optional cases of suspension or of non-payment of interest, describing their duration (limited or unlimited), the possibility of reducing or increasing the face value of securities and the other terms of issue (including whether to confer guarantees or protections on them) and of redemption (including payment with Company assets); if appropriate, these securities might be accompanied by warrants conferring rights to the awarding, purchase or subscription of bonds or other securities representing debt, or could provide for the option whereby the Company would issue debt securities (fungible or not) as payment of interest which had been suspended by the Company, or might also take the shape of complex bonds as understood by trading authorities (for example, by reason of their methods of redemption or payment, or of other rights such as indexation, or the possibility of options); modifying, during the life of the securities in question, the methods listed above, in compliance with applicable administrative procedure;

determining the settlement method for shares or securities giving access to the capital to be issued immediately or later;

- setting, if necessary, the methods for exercising the rights (as applicable, rights of conversion, exchange, redemption, including by awarding Company assets such as securities already issued by the Company) attached to shares or securities giving access to the capital to be issued and, in particular, setting the date, even retroactive, as of which the new shares will become active, as well as any other terms and methods for effecting the capital increase;

- setting the methods whereby the Company will, if necessary, have the option to buy or trade, at any time or during specified periods, securities issued or to be issued immediately or later in view of cancelling them or not, in observance of legal provisions;

- providing for the option of suspending the rights attached to these securities in compliance with the legal and regulatory provisions;

- on its own initiative, allocating the expenses of the capital increase against the amount of the premiums pertaining to it and withholding from this amount the sums necessary to fund the legal reserve;

- determining and carrying out any adjustments necessary for compensating the effect of operations on the Company capital, particularly in cases of modification of the face value of the share, capital increase through capitalizing retained earnings, bonus issue of shares, division or realignment of securities, distribution of dividends, reserves or premiums or of any other assets, redemption of capital, or any other operation bearing on shareholders' equity or on the capital (including cases of takeover bid and/or buyout), and setting all other methods to insure, as necessary, the protection of the rights of holders of securities giving access to the capital (including by means of cash adjustments);

- acknowledging the completion of each capital increase and making the necessary related modifications to the bylaws;

- in a general way, making any agreement, in particular to bring the planned issues to a successful outcome, taking all measures and fulfilling all administrative procedures needed for the issue, listing and financial servicing of the securities issued by virtue of this delegation of authority as well as for the exercise of the rights attached thereto;

7. Acknowledges that this delegation nullifies from this day, the unused part, if any, of any previous delegation having the same purpose, that is, any delegation of authority relating to increasing capital while maintaining the preferential right of subscription, covering the securities and operations listed in this resolution;

8. Acknowledges that, should the Board of Directors use the delegation of authority conferred upon it in this resolution, the Board of Directors will report to the next regular annual meeting, in accordance with the law and regulations, about the use made of the authorizations conferred in this resolution.

Decide to increase company capital by issuing – without preferential right of subscription - shares and/or securities giving access to Company capital and/or by issuing securities giving right to the allocation of debt securities)

The General Meeting, ruling under the conditions for quorum and majority required for special meetings, having been made aware of the report of the Board of Directors and of the special auditors' report, and in compliance with the provisions of articles L. 225-129 and following of the Commercial Code, in particular of articles L. 225-129-2, L. 225-135, L. 225-136 and L. 225-148 of said Code, and with the provisions of articles L. 228-91 and following of said Code:

1. Delegates to the Board of Directors, with option of sub-delegation under the terms set by law, its authority to determine whether to increase the Company capital, in one or several phases, in France or abroad, in the amounts and at the times it deems appropriate, either in Euros, or in any other currency or monetary unit established in reference to various currencies, by the issue of shares (excluding preferred stock) or securities giving access to Company capital (whether new or existing shares), issued against payment or free of charge, governed by articles L. 228-91 and following of the Commercial Code, with the specification that the subscription of shares and of other securities may be made either in cash, as debt compensation, or by capitalizing retained earnings, profits or bonuses; or, under the same terms, to decide to issue securities conferring the right to the attribution of debt securities governed by articles L. 228-91 and following of the Commercial Code. These securities may in particular be issued to redeem the securities brought to the Company as part of a public offer of exchange done in France or abroad according to local rules (for example as part of a "reverse merger" of the Anglo-Saxon type) on securities corresponding to the conditions set in article L. 225-148 of the Commercial Code;

2. Delegates to the Board of Directors, with option of sub-delegation under the terms set by law, its authority to determine whether to issue shares or securities giving access to the Company capital, to be issued following the issue of securities giving access to Company capital, by companies in which the Company holds directly or indirectly more than half of the company capital or by companies which hold directly or indirectly more than half of its capital;

3. Delegates to the Board of Directors, with option of sub-delegation under the terms set by law, its authority to determine whether to issue securities giving access to the capital of the companies in which it holds directly or indirectly more than half of the capital;

4. Decides to set as follows the limits to the authorized amounts of increases in capital in cases of exercise by the Board of Directors of this delegation of authority:
- the aggregate value of capital increases which may be made immediately or later by virtue of this delegation is set at 12 million Euros, with the specification that this amount will be allocated against the aggregate ceiling stated in paragraph 3 of the seventh resolution of this General Meeting or, if

5. Sets at twenty-six months, effective on the day of this Meeting, the period of validity of the delegation of authority which is the subject of this resolution;

6. Decides to eliminate the preferential right of subscription by shareholders to the securities which are the subject of this resolution, yet leaving the option for the Board of Directors, in application of article L. 225-135, 2nd paragraph, to confer on shareholders, for a period and under conditions which it will define in compliance with the applicable legal and regulatory provisions and for all or part of an issue made, a period of priority subscription not giving rise to negotiable rights and which must be exercised proportionately to the number of shares held by each shareholder and may possibly be supplemented by a subscription of excess shares, with the specification that the unsubscribed securities will thus be available for public sale in France or abroad;

7. Acknowledges that if the subscriptions, including, if appropriate, those of the shareholders, have not exhausted the entire issue, the Board may limit the amount of the operation to the amount of the subscriptions received provided that this figure has reached at least three-quarters of the issue amount;

8. Acknowledges that this delegation automatically carries with it in favor of the bearers of the securities giving access to Company capital, the express relinquishment by the shareholders of their preferential right of subscription concerning the shares to which said securities will provide access;

9. Acknowledges that, in compliance with article L. 225-136 1° 1st paragraph of the Commercial Code:

- the issue price of the shares issued directly will be at least equal to the minimum provided for by the regulatory provisions applicable on the issue date (currently, the weighted average of the rates of the last three trading sessions on the Euronext Paris regulated market preceding the setting of the subscription price of the capital increase, less 5%), after correcting, if necessary, this average in case of difference between the effective dates;
- the issue price of the securities giving access to the capital and the number of shares to which the conversion, redemption, or generally speaking, the transformation, of each security giving access to the capital may confer the right, will be such that the amount received immediately by the Company, possibly increased by that which may be received by it later, will be, for each share issued as a result of the issue of these securities, at least equal to the minimum subscription price defined in the preceding paragraph.

10. Decides that the Board of Directors will have full authority, with option of sub-delegation under the terms set by law, to act under this delegation of authority, for the particular purposes of:

- deciding whether to increase capital and what securities to issue;
- setting the amount of capital increase and the issue price, as well as the amount of the premium which may, if appropriate, be required at the issue;
- determining the dates and methods of capital increase, the type, number and characteristics of the securities to be created; determining, moreover, in the case of bonds or other debt securities (including securities giving right to the allocation of debt securities addressed in article L. 228-91 of the Commercial Code), whether or not they are subordinate (and, if so, their rank of subordination, in compliance with the provisions of article L. 228-97 of the Commercial Code), setting their interest rate (in particular whether fixed or variable or with zero-coupon or indexed) and describing, as appropriate, the required or optional cases of suspension or of non-payment of interest, describing their duration (limited or unlimited), the possibility of reducing or increasing the face value of securities and the other terms of issue (including whether to confer guarantees or protections on them) and of redemption (including payment with Company assets); if appropriate, these securities might be accompanied by warrants conferring rights to the awarding, purchase or subscription of bonds or other securities representing debt, or could provide for the option whereby the Company would issue debt securities (fungible or not) as payment of interest which had been suspended by the Company, or might also take the form of complex bonds as understood by trading authorities (for example, by reason of their methods of redemption or payment, or of other rights such as indexation, or the possibility of options); modifying, during the life of the securities in question, the methods listed above, in compliance with applicable administrative procedure;
- determining the settlement method for shares or securities giving access to the capital to be issued immediately or later;
- setting, if necessary, the methods for exercising the rights (as applicable, rights of conversion, exchange, redemption, including by awarding Company assets such as treasury stock or securities already issued by the Company) attached to shares or securities giving access to the capital to be issued and, in particular, setting the date, even retroactive, as of which the new shares will become active, as well as any other terms and methods for effecting the capital increase;
- setting the methods whereby the Company will, if necessary, have the option to buy or trade, at any time or during specified periods, securities issued or to be issued immediately or later in view of cancelling them or not, in observance of legal provisions;
- providing for the option of suspending the rights attached to these securities in compliance with the legal and regulatory provisions;
- in case of issue of securities for the purpose of funding securities brought as part of a public offer with an element of exchange (OPE), preparing the list of the securities brought in exchange, setting the terms of the issue, the exchange parity as well as, if appropriate, the amount of the balancing adjustment in cash to be paid without causing the price determination methods of paragraph 9 of this resolution to be applied and determining the methods of the issue as part, either of an OPE, an alternative offer of purchase or exchange, an offer solely for purchase or exchange of the securities in question against payment in securities and cash, or of a public offer of purchase (OPA) or of exchange as the principal element, in combination with a subsidiary OPE or OPA, or of any other type of public offer in compliance with the law and the regulations applicable to said public offer;
- on its own initiative, allocating the expenses of the capital increases against the amount of the premiums pertaining to it and withholding from this amount the sums necessary to fund the legal reserve;
- carrying out any adjustments necessary for compensating the effect of operations on the Company capital, particularly in cases of modification of the face value of the share, capital increase through capitalizing retained earnings, bonus issue of shares, division or realignment of securities, distribution of reserves or any other assets, redemption of capital, or any other operation bearing on shareholders' equity or on the capital (including through takeover bid and/or buyout), and setting the methods according to which, as necessary, the protection of the rights of holders of securities giving access to the capital will be insured;
- acknowledging the completion of each capital increase and making the necessary related modifications to the bylaws;
- in a general way, making any agreement, in particular to bring the planned issues to a successful outcome, taking all measures and fulfilling all administrative procedures needed for the issue, listing and financial servicing of the securities issued by virtue of this delegation of authority as well as for the exercise of the rights attached thereto;

11. Acknowledges that this delegation nullifies from this day, the unused part, if any, of any previous delegation having the same purpose, that is, any global delegation of authority relating to increasing capital without the preferential right of subscription, covering the securities and operations listed in this resolution;

12. Acknowledges that, should the Board of Directors use the delegation of authority conferred upon it in this resolution, the Board of Directors will report to the next regular annual meeting, in accordance with the law and regulations, about the use made of the authorizations conferred in this resolution.

Ninth resolution (Delegation of authority to be given to the Board of Directors to decide to increase company capital through capitalization of premiums, retained earnings, or other sources)

The General Meeting, ruling under the conditions for quorum and majority required for regular meetings, having been made aware of the report of the Board of Directors and in compliance with the provisions of article L. 225-130 of the Commercial Code:

1. Delegates to the Board of Directors, with option of sub-delegation under the terms set by law, its authority to determine whether to increase the Company capital, in one or several phases, in the amounts and at the times it deems appropriate through capitalization of premiums, retained earnings, or other sources, when legally and statutorily possible, by issuing new equity securities or by increasing the nominal amount of existing equity securities or by using these two processes jointly. The aggregate value of capital increases which may be made in this manner may not exceed 12 million Euros, with the specification that this amount will be allocated against the aggregate ceiling stated in paragraph 3 of the seventh resolution of this General Meeting or, if applicable, against the total ceiling amount which may be set by a similar resolution supplanting said resolution during the validity of this delegation;

2. In case of exercise by the Board of Directors of this delegation of authority, delegates to the latter all powers, with option of sub-delegation under the terms set by law, to implement this delegation, especially for the purposes of:

- setting the amount and type of sums to be capitalized, setting the number of new equity securities to be issued and/or the amount by which the face value of existing equity securities will be increased, setting the date, even retroactive, as of which the new shares will become active or on which the increased face value of existing equity securities will become effective;

- deciding, in case of bonus issue of equity securities, that the attribution rights to fractional shares will not be negotiable and that the corresponding securities will be sold; the funds raised from the sale will be allocated to holders of the rights under the conditions provided for by law and regulations;

- carrying out any adjustments necessary for compensating the effect of operations on the Company capital, particularly in cases of modification of the face value of the share, capital increase through capitalizing retained earnings, bonus issue of shares, division or realignment of securities, distribution of reserves or of any other assets, redemption of capital, or any other operation bearing on shareholders' equity or on the capital (including through takeover bid and/or in case of buyout), and setting the methods to insure, as necessary, the protection of the rights of holders of securities giving access to the capital;

- acknowledging the completion of each capital increase and making the necessary related modifications to the bylaws;

- in a general way, making any agreement, taking all measures and fulfilling all administrative procedures needed for the issue, listing and financial servicing of the securities issued by virtue of this delegation of authority as well as for the exercise of the rights attached thereto;

3. Acknowledges that this delegation nullifies from this day, the unused part, if any, of any previous delegation having the same purpose, that is, any delegation of authority relating to increasing company capital by capitalization of earnings, retained earnings, premiums or other sources. It is granted for a period of twenty-six months effective this day.

Tenth resolution (Authority to issue shares or securities giving access to the capital without preferential right of subscription as return on cash investment relating to equity securities or to securities giving access to the capital)

The General Meeting, ruling under the conditions for quorum and majority required for special meetings, having been made aware of the report of the Board of Directors and of the special auditors' report, and in compliance with the provisions of articles L. 225-129 and following of the Commercial Code, in particular of article L. 225-147, 6th paragraph of said Code:

1. Authorizes the Board of Directors with option of sub-delegation under the terms set by law, to increase capital, in one or several phases, limited to 10% of the company capital at any time, said percentage applying to an amount of capital adjusted to reflect any operations affecting it subsequent to this General Meeting, that is, as a reference 37,567,540 shares on December 31, 2009, with the goal of remunerating cash investments made in the Company and represented by equity securities or securities giving access to the capital, when the provisions of article L. 225-148 of the Commercial Code do not apply, by issuing, in one or several phases, shares (excluding preferred stock) or securities giving access to company capital, with the specification that the aggregate value of capital increases which may be made immediately or later by virtue of this delegation will be allocated against the aggregate ceiling of capital increases without preferential right of subscription authorized by this Meeting in paragraph 4 of the eighth resolution and against the amount of the global ceiling stated in paragraph 3 of the seventh resolution or, as appropriate, against the amounts of the ceilings given in similar resolutions which may supplant these resolutions made during the validity of this delegation;

2. Decides that the Board of Directors will have full authority, with option of sub-delegation under the terms set by law, to implement this resolution, for the particular purposes of:

- deciding whether to increase the capital remunerating cash investments and what securities to issue;

- preparing the list of the securities transferred, approving the evaluation of the transfers, setting the terms of the issue of the securities remunerating cash investments as well as, if appropriate, the amount of the balancing adjustment to be paid, approving the conferral of special advantages, and reducing, with the permission of the transferors, the evaluation of the transfers or the remuneration of the special advantages;

- determining the characteristics of the securities remunerating cash investments and setting the methods to insure, as necessary, the protection of the rights of holders of securities giving access to the capital;

- on its own initiative, allocating the expenses of the capital increase against the amount of the premiums pertaining to it and withholding from this amount the sums necessary to fund the legal reserve;

- acknowledging the completion of each capital increase and making the necessary related modifications to the bylaws;

- in a general way, making any agreement, taking all measures and fulfilling all administrative procedures needed for the issue, listing and financial servicing of the securities issued by virtue of this delegation as well as for the exercise of the rights attached thereto;

3. Acknowledges that this delegation nullifies from this day, the unused part, if any, of any previous delegation having the same purpose, that is, any delegation of authority allowing the issue of shares or securities giving access to the capital, without preferential right of subscription through remuneration of cash investment relating to equity securities or securities giving access to the capital It is granted for a period of twenty-six months effective this day.

Eleventh resolution (Delegation of authority to be given to the Board of Directors for the purpose of awarding options for subscription or purchase of shares)

The General Meeting, ruling under the conditions for quorum and majority required for special meetings, having been made aware of the report of the Board of Directors and of the special auditors' report:

1. Authorizes the Board of Directors, under the provisions of articles L. 225-177 to L. 225-185 of the Commercial Code, to grant, in one or several phases, in favor of members of the personnel to be determined among the employees and possibly the officers of the Company and of the companies or groups related to it under the conditions given in article L. 225-180 of said Code, options giving the right to the subscription of new Company shares to be issued as a capital increase, as well as options giving the right to the purchase of Company shares deriving from repurchases made by the Company under the conditions provided for by law;

2. Decides that the subscription and purchase options granted by virtue of this authorization may not give rights to a total number of shares with an aggregate value in excess of 450,000 Euros and that the aggregate amount of the capital increases resulting from the exercise of subscription options for shares granted by virtue of this delegation of authority will be allotted against the amount of the global ceiling stated in paragraph 3 of the seventh resolution of this Meeting or, as appropriate, against the amount of the global ceiling given in any similar resolution which may supplant this resolution made during the validity of this delegation;

3. Decides that the price to be paid on exercising subscription or purchase options for shares will be set by the Board of Directors on the date when the options are approved and that (i) in the case of the granting of subscription options, this price may not be lower than 95% of the average of the quoted price of the Company share on the Euronext Paris regulated market during the twenty trading sessions prior to the date the subscription options are approved, and (ii) of the granting of purchase options for shares, this price may not be lower than either the value indicated in (i) above, or 95% of the average purchase price of shares held by the Company under articles L. 225-208 and L. 225-209 of the Commercial Code. Should the Company carry out one of the operations provided for by article L. 225-181 of the Commercial Code or by article R. 225-138 of the Commercial Code, the Company will take, under the terms provided for by regulations in effect at the time, all measures necessary to protect the interests of the beneficiaries, including, if appropriate, by adjusting the number of shares which may be received by exercising the options granted to beneficiaries in order to allow for the incidence of this operation;

4. Certifies that this authorization carries with it, in favor of beneficiaries of the subscription options, express relinquishment by the shareholders of their preferential subscription rights for shares which will be issued during the exercising of the subscription options. The increase of company capital resulting from the exercising of the subscription options will be finalized by the simple option exercise statement accompanied by the subscription forms and the settlement payments, which may be made in cash or by compensation with debt securities against the Company;

5. Consequently, the General Meeting confers full authority on the Board of Directors to implement this authorization and specifically for the purposes of:

- preparing the list of the option beneficiaries and the number of options allotted to each of them;
- setting the methods and conditions of the options, and especially:
    - the duration of validity of the options, with the understanding that the options must be exercised within a maximum period of 8 years;
    - the date(s) or period(s) for exercising the options, with the understanding that the Board of Directors may (a) shorten the dates or periods for exercising the options, (b) prolong the possibility of exercising options, or (c) modify the dates or periods during which the shares obtained by exercising options cannot be transferred or converted to bearer;
    - any clauses prohibiting the immediate resale of any or all of the shares, the obligatory period for keeping the securities not to exceed three years effective with the exercise of the option, with the specification that concerning the options granted to company officers, the Board of Directors must either (a) decide that the options must be exercised by the interested parties after the termination of their duties, or (b) set the number of shares that they are required to keep in their name until the termination of their duties;
- as appropriate, limiting, suspending, restricting or prohibiting the exercise of the options or the transfer or conversion to bearer of the shares obtained by the exercise of the options, during certain periods or effective from certain events, its decision having the capacity to affect all or some of the options or shares or to pertain to all or some of the beneficiaries;
- setting the effective date, even retroactive, of the new shares deriving from the exercise of subscription options;

6. Decides that the Board of Directors will also have, with option of sub-delegation under the terms set by law, full authority to certify the completion of the capital increases in the amount corresponding to the shares which have been properly subscribed by the exercise of subscription options, and so amend the bylaws, and at its sole discretion and, if it deems proper, to allocate expenses of the capital increases against the amount of the premiums related to these operations and to withhold against this amount the funds necessary to bring the legal reserves to one-tenth of the new capital after each increase, and to take all administrative steps necessary for the listing of the securities thus issued, make all declarations to all organizations and do all further necessary things;

7. Decides that this authorization nullifies, from this day, the unused part, if any, of any previous delegation given to the Board of Directors for the purpose of granting options for the subscription or purchase of shares. It is granted for a period of twenty-six months effective this day.

Twelfth resolution (Delegation of authority to be given to the Board of Directors to decide to increase the company capital, by issuing shares or securities giving access to capital reserved for members of savings plans, with elimination of the preferential right of subscription in favor of the latter)

The General Meeting, ruling under the conditions for quorum and majority required for special meetings, having been made aware of the report of the Board of Directors and of the auditors' special report, and in compliance, first, with the provisions of articles L. 225-129-2, L. 225-129-6 and L. 225-138-1 of the Commercial Code, and second, with those of articles L. 3332-18 to L. 3332-24 of the Labor Code:

1. Delegates to the Board of Directors, with option of sub-delegation under the terms set by law, its authority to determine whether to increase company capital, in one or several phases, limited to 0.4% of the capital on the day of the decision by the board of directors, by issuing shares or securities giving access to the capital reserved for members of one or several employee savings plans (or any other plan for the members of which articles L. 3332-1 and following of the Labor Code or any other analogous law or regulation, would provide for setting aside a capital increase under like conditions) established within a company or group of companies, French or foreign, and falling under the heading of consolidation or combination of the company accounts through application of article L. 3344-1 of the Labor Code; with the specification that this resolution may be used for the purpose of implementing leveraging formulas and that the aggregate value of capital increases which may be obtained immediately or later by virtue of this delegation will be allotted against the amount of the global ceiling provided for in paragraph 3 of the seventh resolution of this Meeting or, if applicable, against the amount of any global ceiling which may be provided for by a similar resolution which may supplant said resolution during the duration of validity of this delegation;

2. Sets at twenty-six months, effective on the day of this Meeting, the period of validity of the delegation of authority which is the subject of this resolution;

3. Decides that the issue price of the new shares or securities giving access to the capital will be determined under the conditions provided for in articles L. 3332-18 and following of the Labor Code and will be at least equal to 80% of the Reference Price (as this expression is defined below) or to 70% of the Reference Price when the duration of unavailability provided for by the plan in application of articles L. 3332-25 and L. 3332-26 of the Labor Code is equal to or longer than ten years; for the purposes of this paragraph, the Reference Price means the average of the opening price of the Company share quoted on the Euronext Paris regulated market during the twenty trading sessions prior to the date of the decision setting the opening date of the subscription for the members of a company or group savings plan (or a similar plan);

4. Authorizes the Board of Directors to award, free of charge, to the beneficiaries named above, in addition to the shares or securities giving access to the capital subscribed in cash, shares or securities giving access to the capital to be issued or already issued, by way of substitution for all or part of the discount as compared to the Reference Price and/or of top-up, with the understanding that the advantage resulting from this award may not exceed the applicable legal or regulatory limits [under the terms of articles L. 3332-10 and following of the Labor Code];

5. Decides to cancel, in favor of the beneficiaries indicated above, the shareholders' preferential right of subscription for shares and securities giving access to the capital the issue of which is the subject of this delegation, said shareholders further relinquishing, in cases of bonus issues to the beneficiaries indicated above of shares or securities giving access to the capital, all rights to said shares or securities giving access to the capital, including to that portion of the reserves, reserve benefits or premiums capitalized by reason of the bonus issue of said securities made on the basis of this resolution;

6. Authorizes the Board of Directors, under the terms of this delegation, to proceed with the transfers of shares to the members of a company or group savings plan (or a similar plan) as provided for by article L. 3332-24 of the Labor Code, with the stipulation that the transfers of shares made with discount in favor of the members of one or several employee savings plans covered in this resolution will be allotted up to the amount of the aggregate total of the shares thus transferred against the ceiling amount given in paragraph 1 above;

7. Decides that the Board of Directors will have full authority to implement this delegation, with option of sub-delegation under the terms set by law, within the limits and under the conditions detailed above particularly for the purpose of:

- preparing, under the legal conditions, the list of companies of which the beneficiaries indicated above can subscribe to shares or securities giving access to the capital thus issued and to benefit, as appropriate, from the shares or securities giving access to the capital awarded free of charge;
- deciding that the subscriptions may be made directly by the beneficiaries who are members of a company or group savings plan (or a similar plan), or through a joint company investment fund or other plans or entities allowed by the applicable legal provisions or regulations;
- defining the terms, in particular for seniority, which must be met by the beneficiaries of capital increases;
- setting the opening and closing dates for the subscriptions;
- setting the amounts of the issues which will be made by virtue of this authorization and in particular setting the issue price, dates, periods, methods and conditions for subscription, settlement, delivery and use of the securities (even retroactive), the reduction rules applicable in cases of over-subscription as well as the other conditions and terms of the issues, within the legal or regulatory limits in force;
- in cases of bonus issue of shares or securities giving access to the capital, establishing the type, characteristics and number of shares or securities giving access to the capital to be issued, the number to be awarded to each beneficiary, and setting the dates, deadlines, terms and conditions of award for these shares or securities giving access to the capital within the legal and regulatory limits in force and in particular choosing either totally or partially to substitute the awarding of these shares or securities giving access to the capital for the discounts as compared to the Reference Price as provided for above, to allocate the equivalent value of these shares or securities against the total amount of the top-up, or to combine these two possibilities;
- in cases of new share issues, allocating, if appropriate, the sums necessary to fund said shares against the earnings, retained earnings, and issue premiums;
- acknowledging that the capital increases have been completed in the amount of the shares which have actually been subscribed;
- if appropriate, allocating the costs of capital increases against the amount of the premiums related to them and withhold from this amount the sums necessary to bring the legal reserve to one-tenth of the new capital resulting from these increases of capital;

- reaching any agreements, completing directly or indirectly through a representative all operations and administrative procedures, which include fulfilling administrative procedures necessitated by capital increases, and so amending the bylaws;

- in a general way, making any agreement, in particular for bringing the planned issues to a successful outcome, taking all measures and fulfilling all administrative procedures needed for the issue, listing and financial servicing of the securities issued by virtue of this delegation of authority as well as for the exercise of the rights attached thereto or resulting from the capital increases realized;

8. Decides that this authorization nullifies, from this day, the unused part, if any, of any previous delegation given to the Board of Directors for the purpose of increasing the Company capital by issuing shares or securities giving access to the capital reserved for members of savings plans, with cancellation of the preferential right of subscription in their favor.

Thirteenth resolution (Authority for administrative procedures)

The General Meeting gives full authority to the bearer of an original, a copy or an abstract of the minutes for the purposes of carrying out all administrative procedures of submission, publication and others pertinent.

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8. FINANCIAL STATEMENTS

8.1 Consolidated financial statements

8.2 Statutory auditors' report on the consolidated financial statements

8.3 Parent Company financial statements

8.4 Statutory auditor's report on the Company financial statements

8.1. Consolidated financial statements

8.1.1. Statements of comprehensive income

CONSOLIDATED INCOME STATEMENT

In € thousands	Notes	31.12.2009	31.12.2008
Sales	Note 17	684,111	1,277,717
Changes in inventories of finished goods an and work in progress		(52,099)	(23,821)
Goods and raw materials consumed		(439,845)	(850,377)
Personnel cost	Note 21	(114,911)	(128,019)
External cost		(101,920)	(138,968)
Taxation		(8,160)	(11,468)
Amortisation		(35,978)	(26,029)
Provisions and depreciations		(9,049)	(9,372)
Other operating income and expenses	Note 20	(3,213)	6,951
RECURRING OPERATING RESULT		**(81,063)**	**96,614**
Impairment of assets	Note 5	(51,429)	(51,634)
Other non recurring income and expenses		(13,360)	
CURRENT OPERATING INCOME (LOSS)		**(145,853)**	**44,980**
Financial income		18,187	4,119
Financial expenses		(35,812)	(12,645)
Net financial expenses	**Note 22**	**(17,625)**	**(8,526)**
CONSOLIDATED INCOME (LOSS) BEFORE TAX		**(163,477)**	**36,454**
Income taxes	Note 16	**33,313**	**(28,546)**
Share of profits of associates	Note 6	**(1,080)**	**2,455**
NET INCOME (LOSS)			
Group share		**(131,320)**	**4,126**
Minority interests		**76**	**6,237**

Earnings per share

In € thousands	Notes	31.12.2009	31.12.2008
Earnings per share	Note 1	**(3.55)**	0.11
Fully diluted earnings per share	Note 1	**(3.55)**	0.11

OTHER COMPONENTS OF COMPREHENSIVE INCOME AND EXPENSE

In € thousands	31.12.2009	31.12.2008
INCOME (LOSS) FOR THE YEAR	**(131,244)**	**10,363**
Adjustments in the fair value of available-for-sale financial assets	0	3,336
Of which booked to equity	0	3,336
Of which transferred to income of the year	0	0
Translation differences arising on foreign activities	(1,151)	(18,265)
Group share	(1,241)	(18,161)
Minority interests	90	(104)
Actuarial gains (losses) on defined benefits plans	981	(7,653)
Group share	981	(7,622)
Minority interests	0	(31)
Interest rate hedging instruments	(383)	(2,167)
Group share	(383)	(2,167)
Minority interests		
TOTAL GAINS AND LOSSES BOOKED IN EQUITY	**(553)**	(24,749)
TOTAL INCOME AND EXPENSE FOR THE PERIOD	**(131,797)**	(14,386)
GROUP SHARE	(131,963)	(20,488)
MINORITY INTERESTS	166	6,102

The other components of comprehensive income and loss are presented net of associated taxes. Income taxes relating to actuarial gains and losses on pension liabilities and interest rate hedges are detailed in note 16.1.

8.1.2. Statement of financial position

ASSETS

In € thousands	Notes	31.12.2009 Net value	31.12.2008
NON-CURRENT ASSETS			
GOODWILL	Note 3	1,257	4,100
INTANGIBLE ASSETS	Note 3	32,394	76,761
PROPERTY, PLANT AND EQUIPMENT	Note 4	159,898	181,423
INVESTMENTS IN ASSOCIATES	Note 6	26,331	27,954
NON-CURRENT FINANCIAL ASSETS	Note 7	3,472	4,749
NON-CURRENT FINANCE CONTRACT RECEIVABLES	Note 10	61,023	91,816
OTHER NON-CURRENT ASSETS		621	811
DEFERRED TAX ASSETS	Note 16	5,826	4,845
		290,821	**392,459**
CURRENT ASSETS			
INVENTORIES & WORK IN PROGRESS	Note 8	226,645	403,215
TRADE RECEIVABLES	Note 9	157,319	306,137
NON-CURRENT FINANCE CONTRACT RECEIVABLES	Note 10	63,802	116,511
OTHER RECEIVABLES			
Current income tax	Note 16	32,463	22,977
Other receivables	Note 11	13,390	16,944
CURRENT FINANCIAL ASSETS	Note 7	300	254
CASH AND CASH EQUIVALENTS	Note 7	72,078	57,387
		565,997	**923,425**
TOTAL ASSETS		**856,818**	**1,315,884**

LIABILITIES AND EQUITY

			Montant net
In € thousands	Notes	31.12.2009	31.12.2008
Share capital	Note 12	37,568	37,809
Share premiums		439	439
Treasury shares		(14,439)	(21,009)
Consolidated reserves		466,502	467,630
Translation differences		(24,776)	(23,535)
Net profit (loss) – Group share		(131,320)	4,126
SHAREHOLDERS' EQUITY		**333,973**	**465,460**
MINORITY INTERESTS		**331**	**3,599**
TOTAL EQUITY		**334,304**	**469,059**
NON-CURRENT LIABILITIES			
DEFERRED TAX LIABILITIES	Note 16	14,926	18,676
NON-CURRENT PROVISIONS	Note 13	36,773	39,078
NON-CURRENT FINANCIAL LIABILITIES			
Loans and other financial liabilities	Note 7	141,901	85,447
OTHER NON-CURRENT LIABILITIES		3	2,947
		193,604	**146,148**
CURRENT LIABILITIES			
CURRENT PROVISIONS	Note 13	26,331	29,061
TRADE ACCOUNTS PAYABLE	Note 15	79,824	143,344
OTHER CURRENT LIABILITIES			
Current income tax	Note 16	3,681	1,086
Other liabilities	Note 15	45,697	76,512
CURRENT FINANCIAL LIABILITIES	Note 7	173,377	450,674
		328,910	**700,677**
TOTAL LIABILITIES		**856,818**	**1,315,884**

8.1.3. Shareholders' equity

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 31.12.2007	**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 31.12.2008					4,126			4,126	6,237	10,363
Dividends				(39,104)		209		(38,895)	(3,484)	(42,379)
Change in translation difference						(18,367)		(18,367)	(104)	(18,471)
Valuation difference under IFRS				2,105				2,105		2,105
Treasury shares			(1,645)	(52)				(1,697)		(1,697)
Actuarial (gain) loss on defined benefits plan				(7,622)				(7,622)	(31)	(7,653)
Change in consolidation scope & other				4,514		(3)		4,511	483	4,993
Shareholders' agreements				(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**	**3,599**	**469,059**
Income for the year 2008				4,126	(4,126)			0		0
Income for the year 31.12.2009					(131,320)			(131,320)	76	(131,244)
Dividends								0	(427)	(427)
Change in translation difference						(1,241)		(1,241)	90	(1,151)
Valuation difference under IFRS				(591)				(591)		(591)
Treasury shares	-241		6,570	(4,734)				1,595		1,595
Actuarial (gain) loss on defined benefits plan				981				981		981
Change in consolidation scope & other								0	(3,785)	(3,785)
Shareholders' agreements (2)				(911)				(911)	777	(134)
Balance at 31.12.2009	**37,568**	**439**	**(14,439)**	**465,592**	**(131,320)**	**(24,776)**	**908**	**333,973**	**331**	**334,304**

(1) Of which Parent company's reserves:

Legal reserve	3,781
Other reserves	338,334
Retained earnings	44,158

(2) The impact of shareholders' agreements on the equity at 31.12.2009 amounts to € (3,274) thousand.

8.1.4. Cash flow statement

In € thousands		31.12.2009	31.12.2008
INCOME (LOSS) FOR THE YEAR		**(131,244)**	**10,363**
Less share of profits of associates		1,080	(2,455)
Elimination of income and expense with no effect on operating cash flow and not linked to operating activities			
+	Amortisation and depreciation	35,977	26,030
+/-	Provisions	63,330	61,467
-	Change in deferred taxes	(4,418)	5,349
-	Income from asset disposal	(1,276)	(2,535)
+	Net book value of asset disposal	1,208	1,643
+/-	Other	89	1,296
EARNINGS BEFORE DEPRECIATION & AMORTISATION		**(35,254)**	**101,158**
Changes in cash flows from operating activities			
+/-	Change in inventories	170,419	(16,059)
+/-	Changes in trade receivables	143,066	84,431
+/-	Change in finance contracts receivables	69,472	495
+/-	Change in other operating receivables	(8,598)	13,940
+/-	Change in trade accounts payable	(62,145)	(140,766)
+/-	Change in other operating liabilities	(15,845)	(13,981)
+/-	Change in liabilities linked to finance contracts receivables	(72,743)	2,339
CASH FLOW FROM OPERATING ACTIVITIES		**188,372**	**31,557**
Changes in cash flows from investing activities			
+	Proceeds from sale of property, plant and equipment	839	2,138
+	Proceeds from sale of long-term investments	1,059	554
-	Purchases of intangible assets	(6,393)	(11,160)
-	Purchases of property, plant and equipment	(15,160)	(36,874)
-	Acquisition of subsidiaries or minority interests	(37,218)	(234,738)
-	Increase in capital of associates	0	(2,940)
+	Dividends received from associates	592	1,131
+/-	Change in fixed assets suppliers	(7,379)	3,906
CASH FLOW FROM INVESTING ACTIVITIES		**(63,660)**	**(277,983)**
Changes in cash flows from financing activities			
-	Dividends paid	(427)	(42,379)
+/-	Purchase/sale of treasury shares	154	(1,724)
+/-	Change in financial liabilities	(87,951)	202,962
+/-	Change in current financial assets	(46)	51,431
CASH FLOW FROM FINANCING ACTIVITIES		**(88,270)**	**210,290**
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS AND BANK OVERDRAFTS		**36,442**	**(36,136)**
Cash, cash equivalents and bank overdrafts at beginning of the year		34,380	73,530
Exchange gains/(losses) on cash and bank overdrafts		1,238	(3,014)
CASH, CASH EQUIVALENTS AND BANK OVERDRAFTS AT END OF THE YEAR		**72,060**	**34,380**
CURRENT FINANCIAL ASSETS (REMINDER)		**300**	**254**

During the financial year, the Group paid €22,260 thousand in current taxes (see note 16.1).

8.1.5. Information on operating segments

INCOME STATEMENT BY DIVISION

After acquiring Gehl at the end of 2008, the Manitou Group defined new operating segments that were set in place during financial year 2009.

The Group is now organised into three divisions:

- Rough Terrain Handling division (RTH): assembly and distribution of rough terrain handling equipment.
- Industrial Material Handling division (IMH): assembly and distribution of industrial handling and storage equipment.
- Compact Equipment division (CE): assembly and distribution of compact equipment (assembled by Gehl).

As these operating segments were defined operational during 2009 and the Compact Equipment division had only two months of activity on 2008, the reports provided to Group management for 2009 do not include comparative data for 2008.

31.12.2009 *In € thousands*	Rough Terrain Handling (RTH)	Industrial Material Handling (IMH)	Compact Equipment (CE)	TOTAL
Sales	485,248	123,762	75,101	684,111
Gross margin	151,072	39,247	1,848	192,167
Personnel cost	(76,188)	(21,213)	(17,510)	(114,911)
External expenses	(72,523)	(14,306)	(15,091)	(101,920)
Amortisation	(20,606)	(6,847)	(8,524)	(35,977)
Provisions	7,561	1,363	3,345	12,269
Provisions for depreciation	(7,761)	(2,025)	(11,531)	(21,317)
Other operating income and expense	(248)	75	(11,201)	(11,374)
RECURRING OPERATING RESULT	**(18,693)**	**(3,706)**	**(58,664)**	**(81,063)**
Impairment of assets		(1,422)	(50,007)	(51,429)
Other non recurring expenses	(9,776)	(2,643)	(942)	(13,361)
CURRENT OPERATING INCOME (LOSS)	**(28,469)**	**(7,771)**	**(109,613)**	**(145,853)**
EBITDA	**(7,661)**	**1,160**	**(42,896)**	**(49,397)**

SALES BY DIVISIONS AND SALES AREAS

In € thousands

2008 (proforma)						**2009**				
France	Europe	Americas	Rest of the world	TOTAL	Divisions	France	Europe	Americas	Rest of the world	TOTAL
338,055	560,666	40,819	94,421	1,033,961	RTH	163,450	250,026	22,685	49,059	485,220
156,290	48,161	8,936	10,972	224,360	IMH	78,483	27,424	4,669	13,213	123,789
1,566	44,301	158,283	18,529	222,679	CE	758	23,018	44,768	6,557	75,101
495,911	**653,128**	**208,039**	**123,923**	**1,481,000**	**TOTAL**	**242,691**	**300,468**	**72,122**	**68,830**	**684,111**

8.1.6. Structure of Manitou Group as at 31.12.2009

PARENT COMPANY	SUBSIDIARIES

FULLY CONSOLIDATED COMPANIES

MANITOU BF SA
Share capital: 37,567,540 EUR
430, rue de l'Aubinière
44150 ANCENIS, France

- 100% → **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
- 100% → **C[IE] Industrielle de Matériels de Manutention**
  Share capital: 1,800,000 EUR
  Route de Challain-la-Potherie - 49440 CANDE, France
- 100% → **MLM**
  Share capital: 1,800,000 EUR
  Av. du Vert-Galant - 95130 SAINT-OUEN L'AUMONE, France
- 100% → **Aumont BSBH**
  Share capital: 1,747,200 EUR
  ZA Bout de Lande - 35890 LAILLE, France
- 100% → **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, United-Kingdom
  - 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
- 100% → **Manitou Costruzioni Industriali Srl.**
  Share capital: 5,000,000 EUR
  CASTELFRANCO EMILIA, Italy
  - 100% → **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% → **Manitou Portugal SA**
  Share capital: 600,000 EUR
  VILLA FRANCA, Portugal
  - 51.3% → **EPL Centro**
    Share capital: 50,000 EUR
    POMBAL, Portugal
- 100% → **Manitou Deutschland GmbH**
  Share capital: 800,000 EUR
  OBER - MÖRLEN, Germany
- 100% → **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
- 80% → **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% → **Manitou Manutención España SL**
  Share capital: 200,000 EUR
  MADRID, Spain
- 100% → **Chariots Élévateurs Manitou Canada Inc.**
  Share capital: 20,000 CAD
  MONTREAL, 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
- 30.4 % → **Algomat**
  Share capital: 20,000,000 DZD
  ALGER, Algeria
- 40 % → **Hangzhou Manitou Machinery Equipment Co Ltd.**
  Share capital: 3,000,000 USD
  HANGZHOU, China

8.1.7. Notes to the consolidated financial statements

GENERAL INFORMATION

COMPANY IDENTITY

Manitou BF SA is a French public limited company (société anonyme) with a Board of Directors, with capital of €37,567,540 consisting of 37,567,540 fully paid shares with a par value of €1 per share. The shares, which had been listed in compartment A of NYSE Euronext Paris have been listed in compartment B since 21.01.2009.

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 - Code APE: 292 D - Code NAF: 2822Z.

SHARES AND CAPITAL

The Company's shares are listed in Compartment B of Euronext Paris. At 31.12.2009, the free float consisted of 14,196,000 shares, corresponding to 37.79% of the share capital.

APPROVAL OF THE FINANCIAL STATEMENTS

The Manitou Group's consolidated financial statements were approved by the Board of Directors on 30.03.2010.

HIGHLIGHTS OF 2009

Under very difficult economic conditions, in 2009 the Group simultaneously faced:

- an economic crisis of unprecedented magnitude, with a 54% drop in its same-scope sales, requiring the Group to adapt its organisation to keep pace with this dramatic downturn;
- a financial crisis that forced the Group to renegotiate, under difficult terms, first the financing of its new subsidiary in the United States and then those of the Parent Company;
- a crisis of governance that led the founding families to withdraw from the operational management of the Group to focus on governance and strategy. Marcel-Claude Braud was, as such, replaced by Jean-Christophe Giroux, an independent chief executive.

In the midst of these developments, the legal form of the Company was transformed on 17.12.2009 into a structure with a Board of Directors, in which Marcel Braud assumed the function of non-executive Chairman, and Jean-Christophe Giroux became Chief Executive Officer.

The Group was also reorganised into three divisions, to better meet the needs of the Group's different markets.

- Rough Terrain Handling (RTH) division;
- Industrial Material Handling (IMH) division;
- Compact Equipment (EC) division.

All three divisions are organised around three core functions: the design, assembly and distribution of materials handling products.

CHANGES IN THE CONSOLIDATION SCOPE

In late October 2008, the Manitou Group acquired 100% of shares of Gehl Company through a friendly takeover. The Group's results therefore include two months of Gehl's operations in 2008 and twelve months in 2009. A 2008 pro-forma 12-month income statement is provided in note 2.2 to the financial statements.

In 2009, the Manitou Group purchased significant interests previously held by minority shareholders.

On 27.02.2009, the minority shareholder of 25% of Manitou Costruzioni Industriali notified Manitou BF that under the terms of the existing shareholders' agreement, he wished to exercise his minority put option. Manitou BF acquired the 25% of Manitou Costruzioni Industriali held by the minority shareholder during the first half of 2009, for €33 million. The company is now wholly owned by Manitou BF.

At the same time, Manitou Costruzioni Industriali acquired 50% of the shares of OMCI Attachments, which is now wholly owned by the Group.

Under the terms of the put option held by the existing minority shareholders, during the first half of 2009 Manitou BF also acquired 5% of Manitou Australia and 7% of Manitou Asia.

In June 2009, Manitou BF acquired the minority interests in its subsidiaries CFM (1.2%), CIMM (18%), MLM (0.1%), Aumont (0.1%) and BTMI (18%), all of which are now wholly owned by the Group.

Finally, in 2009 the Group also sold off its stakes in its EPL Algarve (51.3%) and FIMAN (49%) subsidiaries.

All of these operations provided the Group with a clearer structure, and facilitated its governance.

GOING CONCERN PRINCIPLE

The financial statements were prepared in accordance with the going concern principle, based on the following structural assumptions for 2010:

- forecast growth of between 5% and 10% compared with 2009;
- EBITDA breakeven, with RTH and IMH again posting positive results and EC showing significant improvement following the trough of 2009;
- renegotiation of financing contracts in the U.S.

It should be emphasized that inherent uncertainties exist regarding the achievement of the assumptions mentioned above. In particular, although Manitou's management is confident about its negotiations with the financial institutions to restructure the financing of Gehl, the outcome remains subject to the uncertainties inherent to any financial negotiations.

Like other market participants, in 2010 the Manitou Group will continue to face difficult economic and financial conditions, but should, if these assumptions are achieved - and given its positioning, its financial structure and the commitment of its staff - come out of the crisis it faces even stronger.

NOTE 1 - ACCOUNTING PRINCIPLES

Note 1.1 - Standards and interpretations applied

Manitou Group financial statements for the year ended 31.12.2009 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 2009:
The following standards, interpretations and amendments applicable to periods beginning on or after 1 January 2009 and published in the Official Journal on 31.12.2009 have also been applied for the first time:

- IFRS 8 "Operating Segments" in place of IAS 14 "Segment Reporting";
- revised IAS 1 "Presentation of Financial Statements";
- amendment to IFRS 2 "Share-based Payment" regarding vesting conditions and cancellations;
- the amendments contained in the first draft annual improvement of IFRS issued in 2008;
- interpretations IFRIC 11 "Group and Treasury Share Transactions" and IFRIC 14 "IAS 19 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction";
- amendment to IFRS 7 "Improving Disclosures about Financial Instruments";
- amendments to IAS 32 and IAS 1 "Puttable Instruments and Obligations Arising on Liquidation".

The first-time application of these standards, amendments and interpretations has led the Manitou Group to publish information by operating division, as required by IFRS 8.

The amendments to IAS 23 "Borrowing Costs" had been applied from financial year 2008.

New texts adopted by the European Union applicable in advance:
The Manitou Group has not opted for early application of the following standards published in the Official Journal on 31.12.2009:

- revised IFRS 3 "Business Combinations" and revised IAS 27 "Consolidated and Separate Financial Statements" applicable for periods beginning on or after 01.07.2009;
- the amendment to IAS 39 "Financial Instruments: Presentation" regarding items eligible for hedging, applicable to financial years beginning on or after 01.07.2009;
- interpretations IFRIC 15 "Agreements for the Construction of Real Estate", IFRIC 16 "Hedges of a Net Investment in a Foreign Operation", IFRIC 17 "Distributions of Non-cash Assets to Owners" and IFRIC 18 "Transfers of Assets from Customers," which are all applicable for periods beginning on or after 01.01.2010 for the first and on or after 01.07.2009 for the following.

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

New texts not yet adopted by the European Union:
As the financial statements are prepared in accordance with IFRS as adopted by the European Union on 31.12.2009, no standard applicable in advance but not adopted by the European Union at the balance sheet date has been applied.

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

With the exception of a reclassification of €29 million made to inventories (see note 8), no material reclassifications have been made between financial years 2008 and 2009.

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 judgment 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 1.6 to 1.8),
- 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., Algomat, Actis Location and d'Hangzhou Manitou Machinery Equipment, which are equity accounted, all companies where fully consolidated.

The financial statements of all the companies were consolidated on the basis of financial statements for the year ended 31.12.2009.

Manitou Group does not have any special purpose entities. No deconsolidation structure was put in place in 2009, 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 CURRENCY

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 combination 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:
La norme IAS 38 donne la possibilité de réévaluer tout ou partie des immobilisations après la date de transition. Le Groupe a décidé de ne pas retenir cette option.

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

- 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, 10.6% in 2009, 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) Work in progress and finished goods are valued on the basis of a normal level of activity.

Provisions for impairment of the inventoried Have Been Recognised Useful When the value of merchandise marchandises Has Fallen and Their below cost price.

Note 1.11 - Measurement and recognition of financial assets

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, impairment is recognised in profit and loss.

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.

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.

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

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.

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

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.

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.

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

MANITOU BF STOCK-OPTIONS

In accordance with IFRS 2, stock options granted to employees and directors and officers of the Group after 07.11.2002 have been measured at their fair value at the grant date, defined as the date on which the Board of Directors (or the Executive Board for years prior to 2009) agrees to grant the options to the employees or directors and officers concerned.

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 12.4 to the consolidated financial statements.

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

OPTION TO PURCHASE SHARES GRANTED IN AN UNLISTED COMPANY AND INCLUDING A CLAUSE ALLOWING MANITOU BF SA TO REPURCHASE THE SHARE

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 - Employee 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 14 to the consolidated financial statements.

Actuarial gains and losses generated by revisions made to 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.

The 2010 Finance Act, passed 30.12.2009, eliminated the French local business tax *(taxe professionelle)* as from 2010 and replaced it with two new contributions:

- the Corporate Real Estate Levy (*Cotisation Foncière des Entreprises*, or CFE), based on the land rental values included in the current business tax;
- the Corporate Value-Added Levy (*Cotisation sur la Valeur Ajoutée des Entreprises*, or CVAE), based on the added value resulting from the parent company financial statements.

Following the tax change mentioned above, the Group reviewed the accounting treatment for tax in France under IFRS, taking account the latest available analyses of the accounting treatment for taxes and duties, including those provided by the IFRIC.

The Group considered that the tax change mentioned above led in reality to the local business tax being replaced by two new different types of contributions:

- the CFE, which is based on property rental values and which may, where appropriate, be capped at a percentage of added value, has significant similarities with the business tax and, like the latter, will be recognised in 2010 as an operating expense;
- the CVAE, which according to Group’s analysis meets the definition of an income tax as set out in IAS 12.2 (“Taxes Due on the Basis of Taxable Profits"). For the purposes of its analysis, the Company took account notably of IFRIC’s decisions to reject the addition of the topic to its agenda in March 2006 and May 2009 on the question of the scope of IAS 12 “Income Taxes”. The IFRIC noted that to fall within the scope of IAS 12, a tax must be calculated on the basis of a net amount equal to income less expenses, and that this net amount may be different from the reported net profit. The Group found that CVAE met the conditions mentioned in this conclusion, since added value is the intermediate result that is systematically used, under French tax rules, as the calculation basis for the amount of CVAE due.

The Group also considered that the CVAE shared similarities with certain other taxes and duties abroad, such as the Italian IRAP, already analyzed by the issuers concerned as falling within the scope of IAS 12.

In accordance with the provisions of IAS 12, the classification of the CVAE as an income tax resulted in the recognition as at 31.12.2009 of €577 thousand in deferred taxes on temporary differences existing at that date, as a contra-entry to a net charge to the income statement for the financial period, as the Finance Act was passed in 2009. This deferred tax expense is presented on the line “income tax”. In addition, as from financial year 2010, all current and deferred expenses in respect of the CVAE will be reported on the same line.

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 recognized as a liability in the balance sheet and transferred to the income statement in proportion to the depreciation of these assets.

The research tax credit, recorded previously as a reduction of tax expense, is since 2008 recorded as an operating grant, in operating income for the period.

Note 1.20 - Segment data

After acquiring Gehl at the end of 2008, the Manitou Group defined new organisational scopes that were set in place in 2009.
The Group is now organised into three divisions:

- Rough Terrain Handling (RTH): assembly and distribution of rough terrain handling equipment.
- Industrial Material Handling (IMH): assembly and distribution of industrial handling and storage equipment.
- Compact Equipment (CE): assembly and distribution of compact equipment.

In accordance with IFRS 8, the information by operating segments is prepared on the basis of the operational reports submitted to the Group's management.
This information is prepared in accordance with the IFRS applicable to consolidated financial statements. They include notably the following items:

- sales,
- operating income,

which are the performance metrics used for the divisions.

Assets, cash flows and liabilities are not allocated to the individual divisions, as the information by operating segments used by the Group's management does not incorporate these items.

As these operating scopes were defined during 2009, and as the Compact Equipment division had only two months of operations in 2008, the reports provided to Group management for 2009 do not include comparative data for 2008 operating income.

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 recognized 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 - CHANGES IN SCOPE

Note 2.1 - List of changes in subsidiaries

2009	**Activity**	**Acquisition date**	**% control beginning of the year**	**% acquired**	**% sold**	**% control end of year**
CFM - France	Distribution	26.06.2009	98.9%	1.1%		100.0%
CIMM - France	Production	26.06.2009	82.0%	18.0%		100.0%
MLM - France	Production	26.06.2009	99.9%	0.1%		100.0%
Aumont - France	Production	26.06.2009	99.9%	0.1%		100.0%
BTMI - France	Production	26.06.2009	82.0%	18.0%		100.0%
MCI - Italy	Production	28.05.2009	75.0%	25.0%		100.0%
OMCI - Italy	Production	28.05.2009	50.0%	50.0%		100.0%
MAS - Singapore	Distribution	08.04.2009	93.0%	7.0%		100.0%
MAU - Australia	Distribution	26.02.2009	75.0%	5.0%		80.0%
FIMAN - Israël	Financing	02.07.2009	49.0%		49.0%	0.0%
EPL Algarve - Portugal	Distribution	31.03.2009	51.3%		51.3%	0.0%

The Group made several acquisitions of minority interests during the 2009 financial year, and mainly those of MCI under the terms of the minority shareholder put option exercised by the Italian minority shareholders and the minority shareholders of the French companies. A total of €37,218 thousand was paid in respect of these different operations in 2009.

Note 2.2 - Additions to the 2008 scope: 2008 pro-forma comparative

If Gehl had been included in the Manitou Group scope of consolidation for the full year 2008, the main aggregates of the income statement would have been as follows:

In € millions	Gehl company result from 01.11.2008 to 31.12.2008	Pro-forma Gehl company result from 01.01.2008 to 31.10.2008	Pro-forma 2008 Manitou Group including Gehl for 12 months
Net sales	20	204	1,481
Current operating income	(6)	(32)	13
Net income – Group share	(6)	(21)	(17)

These changes do not include interest expense which would have been reported by Manitou BF if the transaction had been realized as of 01.01.2008; however do include exceptional expenses of €9.1m related to the transaction which were incurred by Gehl.

NOTE 3 - GOODWILL AND INTANGIBLE ASSETS

Note 3.1 - Change in carrying amount

						Gross value
In € thousands	31.12.2008	Addition	Disposal	Change in scope & other	Translation difference	**31.12.2009**
Goodwill	**58,824**	**217**	**11**	**(21)**	**(2,101)**	**56,908**
Development costs	19,944	3,824			(30)	**23,738**
Trademarks	22,993					**22,993**
Other intangible assets	49,858	2,569			(1,620)	**50,808**
Total intangible assets	**92,796**	**6,393**			**(1,650)**	**97,539**

						Depreciation and impairment
In € thousands	31.12.2008	Increase	Decrease	Change in scope & other	Translation difference	**31.12.2009**
Goodwill	**54,724**	**3,073**		**(51)**	**(2,094)**	**55,651**
Development costs	4,002	2,573			(1)	**6,574**
Trademarks		22,942			51	**22,993**
Other intangible assets	12,033	25,056			(1,511)	**35,578**
Total intangible assets	**16,035**	**50,572**			**(1,461)**	**65,145**

		Net value
In € thousands	**31.12.2008**	**31.12.2009**
Goodwill	**4,100**	**1,257**
Development costs	15,942	**17,164**
Trademarks	22,993	
Other intangible assets	37,825	**15,230**
Total intangible assets	**76,761**	**32,394**

Additions to "other intangible assets" in 2009 related mainly to the deployment of the Group's integrated ERP system, which continued during the year. Total costs of €14,004 thousand had been capitalised in connection with this project as at 31.12.2009, including an additional €2,205 thousand during the year. The ERP system went live in May 2009 for all of Manitou BF SA's functions, with the exception of spare parts management.

Following the impairment tests carried out on some cash-generating units, the Group recognised impairment of certain intangible assets, and notably those of Gehl. The following have been written down:

– the Gehl and Mustang trademarks, for a total of €22,942 thousand;
– other intangible assets related to Gehl's technological expertise and distribution network for €19,411thousand.

The primary criteria used in preparing impairment tests are detailed in note 5.

Note 3.2 - Breakdown of goodwill as at 31.12.2009

In € thousands	Net value 31.12.2009	Net value 31.12.2008
Manitou Portugal SA	70	70
EPL Algarve		11
EPL Centro	6	6
Manitou Hangzhou Machinery Handling		542
Gehl		2,538
DLS	964	933
BTMI	9	
CIMM	34	
OMCI	174	
TOTAL	**1,257**	**4,100**

Note 3.3 - Impairment of goodwill

Goodwill was tested for impairment in accordance with the principles detailed in note 1.9.

As a result of these impairment tests, the goodwill of Gehl and Manitou Hangzhou Machinery Handling were written down in full (incurring impairment charges of €2,538 thousand and €542 thousand, respectively).

The primary criteria used in preparing impairment tests are detailed in note 5.

NOTE 4 - PROPERTY, PLANT AND EQUIPMENT

Gross value

In € thousands	31.12.2008	Acquisitions	Disposals	Monetary impact	Transfer / Change of scope	31.12.2009
Land	22,218	832	55	(38)	114	23,072
Buildings	111,101	245	242	(513)	9,241	119,832
Plant and equipment	110,971	4,012	861	(718)	10,453	123,857
Other property, plant and equipment	50,971	2,645	1,905	(18)	(1,363)	50,330
Property, plant and equipment in progress	14,843	7,392		(43)	(21,098)	1,094
Amounts paid in advance	330	34			(330)	34
TOTAL	**310,434**	**15,160**	**3,062**	**(1,330)**	**(2,982)**	**318,219**

Depreciation

In € thousands	31.12.2008	Increases	Reversals	Monetary impact	Transfer / Change of scope	31.12.2009
Land	4,056	421		(7)		4,470
Buildings	38,933	9,513	180	(96)	(50)	48,121
Plant and equipment	59,631	15,028	407	(179)	385	74,458
Other property, plant and equipment	26,390	8,800	1,435	51	(2,533)	31,273
Property, plant and equipment in progress						
Amounts paid in advance						
TOTAL	**129,011**	**33,762**	**2,023**	**(230)**	**(2,199)**	**158,321**

		Net value
In € thousands	**31.12.2008**	**31.12.2009**
Land	18,163	18,602
Buildings	72,167	71,711
Plant and equipment	51,340	49,399
Other property, plant and equipment	24,581	19,058
Property, plant and equipment in progress	14,842	1,094
Amounts paid in advance	330	34
TOTAL	**181,423**	**159,898**

The main investments during the year concerned the completion of the construction of Gehl's new headquarters, which had been initiated well before Manitou's acquisition (€6 million), the spare parts logistics centre (€1.3 million), assorted industrial equipment (€1.9 million) and the rental fleet (€1.5m).

A total of €4.9 million in impairment of property, plant and equipment was recognised following the impairment testing of certain Group CGUs. See note 5.

NOTE 5 - IMPAIRMENT OF INTANGIBLE AND TANGIBLE ASSETS

In the light of the presence of indications of impairment on certain CGUs as at 31.12.2009, the Group conducted a number of tests which led to the recognition of impairment on tangible assets, goodwill and other intangible assets for three CGUs: Compact Equipment, industrial forklift-trucks and warehousing equipment.

The net carrying amount of the cash-generating units for which indications of impairment exists as at 31.12.2009 was compared to the most likely future cash flows. In cases where the recoverable amount found was less than the net carrying amount of the CGU under review, an impairment loss was recorded against operating income and as an offset to the value of the asset or group of assets concerned. When the recoverable amount represented by the future cash flows was less than the fair value of the assets or the groups of asset concerned, they were maintained at their fair value.

As stated in note 1.9, the following criteria were used to determine the most likely future cash flows:

- the discount rate used was the weighted average cost of capital, which was equal to 10.6% as at 31.12.2009;
- the perpetual growth rates used were 3% for Compact Equipment (rate selected by specialised appraisers during the evaluation of Gehl's intangible assets) and 2% for the other two CGUs, whose operations are situated primarily in Europe.

The Group used internal estimates to assess the fair value of the tangible assets, and an expert appraiser's report as at 31.12.2009 for the property, plant and equipment of the Compact Equipment division.

On the basis of this report, the impairment recognized in the interim financial statements was restated among the various categories of tangible and intangible assets.

Analysis of impairment recognised:

In € millions	Net carrying amount before impairment	Discounted cash flows	Fair value of assets	Impairment
Goodwill	3.1		0.0	3.1
Other intangible assets	46.0		2.5	43.5
Property, plant and equipment	45.4		40.5	4.9
Working capital	128.7		128.7	0.0
Total	**223.2**	**96.7**	**171.8**	**51.4**
o.w. Compact Equipment				50.0
o.w. industrial forklift-trucks				0.9
o.w. warehousing equipment				0.5

As the amount of impairment is limited to the fair value of the assets comprising the CGUs considered, any changes in the underlying assumptions would have no impact on the amount of impairment recognised.

NOTE 6 - INVESTMENTS IN ASSOCIATES

Note 6.1 - Change in equity interests

In € thousands	31.12.2008	Share of earnings	Dividends	Change	Translation difference	31.12.2009
TIE SA	13,705	(1,667)	(216)			11,822
Manitou Finance France SAS	10,410	283				10,693
Manitou Finance Ltd.	2,032	335	(400)		190	2,156
Fiman	57			(57)		
Algomat	175	41			(9)	206
Actis Location	46	(1)		0		44
Hangzhou Manitou Machinery Equipment	1,530	(71)			(51)	1,408
TOTAL	**27,954**	**(1,080)**	**(616)**	**(57)**	**130**	**26,331**

Note 6.2 - Share of earnings and capital of associates

	Earnings		Equity	
In € thousands	31.12.2009	31.12.2008	31.12.2009	31.12.2008
TIE SA	(1,667)	1,448	7,954	9,837
Manitou Finance France SAS	283	338	1,089	806
Manitou Finance Ltd.	335	449	674	549
Fiman		22		(59)
Algomat	41	71	132	101
Actis Location	(1)	0	19	20
EPL Algarve (from 01.01.2008 to 31.03.2008)		18		
EPL Centro (from 01.01.2008 to 31.03.2008)		6		
Hangzhou Manitou Machinery Equipment	(71)	103	414	536
TOTAL	**(1,080)**	**2,455**	**10,282**	**11,790**

Note 6.3 - Significant financial information by company

	31.12.2009					
In € thousands	Activity	Sales	Net income	Total assets	Net assets	Ownership interest
TIE SA	Production	104,043	(8,335)	77,669	57,898	20.0%
Manitou Finance France SAS	Financing	12,848	579	196,568	21,823	49.0%
Manitou Finance Ltd.	Financing	2,642	684	27,998	4,400	49.0%
Fiman	Scope out					
Algomat	Distribution	179	134	1,974	679	30.4%
Actis Location	Distribution	452	(3)	220	114	38.3%
Hangzhou Manitou Machinery Equipment	Production	1,307	(187)	3,861	3,520	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	Dormante		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 7 - FINANCIAL INSTRUMENTS

Note 7.1 - Reconciliation of balance-sheet lines - Assets

				31.12.2009
In € thousands	Available for sale financial assets	Loans and receivables	Financial assets at fair value through profit or loss	Total 31.12.2009
Non-current financial assets (Note 7.2)	14		3,458	3,472
Current financial assets (Note 7.3)			300	300
Cash and cash equivalents (Note 7.4)			72,078	72,078
Finance contracts receivable - non current (Note 10)		61,023		61,023
Other non-current assets		621		621
Trade receivables (Note 9)		157,319		157,319
Finance contracts receivable - current (Note 10)		63,802		63,802
Other current receivables (Note 11)		13,390		13,390
TOTAL	**14**	**296,154**	**75,836**	**372,004**

				31.12.2008
In € thousands	Available for sale financial assets	Loans and receivables	Financial assets at fair value through profit or loss	Total 31.12.2008
Non-current financial assets (Note 7.2)	97		4,652	4,749
Current financial assets (Note 7.3)			254	254
Cash and cash equivalents (Note 7.4)			57,387	57,387
Finance contracts receivable - non current (Note 10)		91,816		91,816
Other non-current assets		811		811
Trade receivables (Note 9)		306,137		306,137
Finance contracts receivable - current (Note 10)		116,511		116,511
Other current receivables (Note 11)		16,944		16,944
TOTAL	**97**	**532,219**	**62,293**	**594,608**

Note 7.2 - Non-current financial assets

Marketable investment securities were valued at fair value as at 31.12.2009.

						Gross value
In € thousands	**31.12.2008**	change	Fair value	Translation difference	Reclass./ change in scope	**31.12.2009**
Available-for-sale shares:						
- Other shares	101	(81)		0		20
Other non-current financial assets	4,653	(1,143)		(124)	72	3,458
TOTAL	**4,753**	**(1,224)**		**(124)**	**72**	**3,478**

	Provision		Net value	
In € thousands	**31.12.2008**	**31.12.2009**	**31.12.2008**	**31.12.2009**
Available-for-sale shares:				
- Other shares	4	6	97	14
Other non-current financial assets			4,653	3,458
TOTAL	**4**	**6**	**4,749**	**3,472**

Note 7.3 - Current financial assets

Marketable investment securities were valued at fair value as at 31.12.2009.

		Net value
In € thousands	31.12.2009	31.12.2008
Structured investments with a capital guarantee		
Mutual funds with a capital guarantee		
Other	300	254
TOTAL	**300**	**254**

Note 7.4 - Cash and cash equivalents

		Net value
In € thousands	31.12.2009	31.12.2008
Cash	46,173	52,205
Money market funds & other	25,905	5,182
TOTAL	**72,078**	**57,387**

Note 7.5 - Reconciliation of balance-sheet lines – Liabilities

At 31.12.2009, the various categories of financial liabilities were as shown in the table below. They are described in Note 7.6 below.

In € thousands	31.12.2009	31.12.2008
Non-current financial liabilities (Note 7.6)	141,901	85,447
Other non-current liabilities	3	2,947
Current financial liabilities (Note 7.6)	173,377	450,674
Trade payables (Note 15)	79,824	143,343
Other current liabilities (Note 15)	45,697	76,512
TOTAL	**440,803**	**758,924**

Note 7.6 - Current and non-current financial liabilities

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

		Current
in € thousands	31.12.2009	31.12.2008
Short-term financing and bank overdrafts	18	23,008
Bank borrowings	107,860	293,383
Finance lease liabilities	4,694	4,258
Financial liability linked to securitisation programme note 10)	28,460	55,702
Financial liability linked to limited recourse sales (note 10)	28,619	36,140
Derivatives liability - rate		
Other borrowings	453	1,900
TOTAL	170,103	414,391
Shareholders' agreements and stock-option plan liabilities (cash settled)	3,274	36,284
TOTAL	**173,377**	**450,674**

in € thousands	31.12.2009	1 to 5 years	Over 5 years	Non-current 31.12.2008
Short-term financing and bank overdrafts				
Bank borrowings	105,444	105,444		238
Finance lease liabilities	9,005	8,972	33	11,808
Financial liability linked to securitisation programme note 10)				37,134
Financial liability linked to limited recourse sales (note 10)	19,079	19,079		24,093
Derivatives liability - rate	8,179	8,179		11,969
Other borrowings	193	193		204
TOTAL	141,901	141,868	33	85,447
Shareholders' agreements and stock-option plan liabilities (cash settled)				
TOTAL	**141,901**	**141,868**	**33**	**85,447**

Bank borrowings include:

- a syndicated amortisable term loan with an initial value of €210 million, set up to finance the acquisition of Gehl and recorded for an amortised cost of €170 million (€32 million in short-term financial debt and €138 million in medium- and long-term financial debt) as at 31.12.2009;
- a syndicated loan carried by Gehl, of which €36 million had been drawn as at 31.12.2009.
- the financial liabilities on the securitisation program and on recourse sales are carried on Gehl's balance sheet and relate to its financing of sales to end customers. Following the change of control of Gehl in 2008, the securitisation program was switched to amortising mode on 23.02.2009, closing off access to any new request for funding in view of a natural runoff by year-end 2010.

NOTE 7.6.1 - FEATURES OF THE MAIN BANK BORROWINGS

in € thousands	31.12.2009 Current	31.12.2009 Non current	Currency	Expiry date	Effective rate
Syndicated loan - France (1)	65,480	105,302	EUR	T3/2013	5.22%
Syndicated loan - USA (2)	37,059		USD	T2/2011	8.36%
Securitisation - USA (3)	28,460		USD	Amort.	4.93%
Limited recourse sales	28,619	19,079	USD	variable	5.95%

in € thousands	31.12.2008 Current	31.12.2008 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	Amort.	4.07%
Limited recourse sales	36,140	24,093	USD	variable	5.74%

The bank borrowings include primarily:

(1) a €210 million syndicated amortising term loan set up to finance the acquisition of Gehl. The loan was recorded entirely in short-term financial debt as at 31.12.2008, as the company had not been in compliance with a restrictive covenant of the financing contract at that time. The non-current portion was reclassified as medium/long-term debt as at 31.12.2009, as the restructuring of the credit agreement was signed on 23.07.2009. The short-term portion of the debt includes, in addition to the 2010 installment, an amount of €33 million payable in 2010 due to the application of the contract's "excess cash flow" clause.

This loan agreement includes a €210 million borrowing amortised on a straight-line basis over five years, a €50 million revolving line of credit, and a US$62.5 million (or EUR equivalent) multi-currency line of credit secured by the company's receivables.

The credit agreement is subject to the following covenants:

- gearing ratio (net debt(1)/equity) of less than one over the life of the credit;
- decreasing leverage ratio (EBITDA(2)/net debt), applicable as of 30.06.2011;
- a permanent €25 million liquidity commitment provided by the Group through 31.12.2010.

(1) under the terms of the credit agreement, net debt and shareholders' equity are restated for impacts related to the shareholder agreements.
(2) EBITDA: Operating income before depreciation and amortisation and asset impairments.

As at 31.12.2009, the ratio of net debt to equity (gearing) came to 0.73, as defined by the criteria in the credit agreement. The clause relating to EBITDA shall not take effect until 01.01.2011.

(2) A syndicated loan carried by Gehl for the USD equivalent of €36.6 million as at 31.12.09. The $125 million in default as at 31.12.2008 was renegotiated during the first half of 2009. A new $105 million credit agreement was signed on 26.06.09 for a period of 24 months. The agreement consists of (i) an $80 million revolving credit facility, secured by the assets of Gehl in the US, which matures on 26.06.2011, and (ii) a $25 million loan repayable in quarterly installments through 26.06.2011. As the company was not in compliance with certain covenants contained in the agreement as at 31.12.2009, the debt on both the revolving credit and the term loan has been classified as current financial debt.

(3) In 2006, Gehl set up a securitisation program that was switched to amortising mode on 23.02.2009, closing off access to any new request for funding in view of a natural runoff by end-2010. All receipts collected on the receivables included in the securitisation program have, since 23.02.2009, been assigned in priority to the repayment of the creditor's debt and the interest rate applied to the borrowing since that date is the default rate provided for in the contract.

NOTE 7.6.2 - AMOUNTS DUE TO FINANCIAL INSTITUTIONS

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

	31.12.2009		31.12.2008	
in € thousands	Amount Authorised	Amount used	Amount Authorised	Amount used
Short-term financing and bank overdrafts	57,054	5,316	82,850	23,008
Finance lease liabilities	4,694	4,694	4,258	4,258
Financial liability linked to securitisation programme	28,460	28,460	118,560	92,836
Other bank borrowings				
- Term loan	193,895	186,673	211,018	211,018
- Revolving loan	149,917	26,632	236,108	85,282

7.7 - 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 31.12.2009.

	31.12.2009			31.12.2008		
In € thousands	Fixed rate paid (average)	Notional	Fair value at 31.12.2009	Fixed rate paid (average)	Notional	Fair value at 31.12.2008
Less than 1 year	2.96%	72,000		3.45%	35,000	
1 to 2 years	3.69%	30,000		3.54%	65,000	
2 to 5 years	3.74%	30,000		3.73%	60,000	
Total notional amount at 31.12.09		**132,000**	**(4,170)**		**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 31.12.2009, the notional amount was €82 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 31.12.2009 and the change in the fair value of €3,975 thousand allocated to this swap was recognised as a financial expense in the income statement.

As at 31.12.2009, GEHL was paying a fixed rate of 4.932% and receiving a variable rate of 30-day LIBOR.

As at 31.12.2009, 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.

7.8 - 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 31.12.2009 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.

	USD/EUR	GBP/EUR	AUD/EUR
In € thousands	+5%	+5%	+5%
Receivables	102	49	(8)
Liabilities	38	(54)	
Cash and cash equivalents	302	(21)	(68)
Effect on income	**442**	**(26)**	**(76)**

NOTE 8 - INVENTORIES

					Gross amount
In € thousands	**31.12.2008**	Reclass/ scope in	Movement	Translation diff	**31.12.2009**
Raw materials	121,058		(33,454)	(585)	87,018
Work in progress	17,009		(1,262)	86	15,833
Finished goods	225,827	(29,931) (1)	(121,025)	1,926	76,796
Goods	57,147	30,285 (1)	(14,677)	(238)	72,517
TOTAL	**421,042**	**354**	**(170,419)**	**1,189**	**252,165**

(1) The reclassification of €29m recorded within inventory in 2009 is related to the reclassification of Gehl spare parts inventory from “Finished Goods” to “Merchandise inventories”.

					Provision
In € thousands	**31.12.2008**	Reclass/ scope in	Movement	Translation diff	**31.12.2009**
Raw materials	4,464	215	(3,940)	(122)	8,497
Work in progress					
Finished goods	5,843	(696)	(1,615)	115	3,647
Goods	7,520	578	5,213	65	13,376
TOTAL	**17,827**	**97**	**7,538**	**58**	**25,520**

					Net value
In € thousands	**31.12.2008**	Reclass/ scope in	Movement	Translation diff.	**31.12.2009**
Raw materials	116,594	(215)	(37,394)	(463)	78,522
Work in progress	17,009		(1,262)	86	15,833
Finished goods	219,984	(29,235) (1)	(119,410)	1,811	73,150
Goods	49,627	29,707 (1)	(19,890)	(303)	59,141
TOTAL	**403,215**	**256**	**(177,957)**	**1,132**	**226,645**

(1) The reclassification of €29m recorded within inventory in 2009 is related to the reclassification of Gehl spare parts inventory from “Finished Goods” to “Merchandise inventories”.

NOTE 9 - TRADE RECEIVABLES

In € thousands	**31.12.2008**	Reclass/ scope in	Movement	Translation diff.	**31.12.2009**	**Of which more than 90 days past due**
Current						
Trade receivables - Gross	316,246	(1,108)	(144,355)	(42)	170,740	27,402
Trade receivables - impairment	10,110	80	3,426	(195)	13,422	12,793
Trade receivables - Net	306,136	(1,188)	(140,929)	(237)	157,319	14,609
Non-current						
Trade receivables - Gross	48		(48)		0	0
Trade receivables - impairment	3		(3)		0	0
Trade receivables - Net	45		(45)		0	0
TOTAL	**306,180**				**157,318**	**14,609**

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.

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

NOTE 10 - 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	**31.12.2008**	Reclass/ scope in	Movement	Translation diff.	**31.12.2009**
Gross					
Finance lease assets	5,314		(1,358)	386	4,342
Financing granted to end customers	219,764		(68,114)	(5,294)	146,356
Sales financing receivables - Gross	**225,078**		**(69,472)**	**(4,908)**	**150,698**
Impairment					
Finance lease assets					
Financing granted to end customers	16,751		10,010	(887)	25,874
Sales financing receivables - Impairment	**16,751**		**10,010**	**(887)**	**25,874**
Net					
Finance lease assets	5,314		(1,358)	386	4,342
Financing granted to end customers	203,014		(78,124)	(4,407)	120,482
Sales financing receivables - Net	**208,328**		**(79,482)**	**(4,022)**	**124,824**
Of which					
Non- current					**61,023**
Current					**63,802**

End-customer financing consists of €71 million of securitised receivables and €47 million of receivables sold with limited recourse that were not derecognised as at 31.12.2009.

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. 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 end-2010.

The amount recorded in liabilities corresponding to these securitisation transactions is provided in Note 7.6.

NOTE 11 - OTHER CURRENT RECEIVABLES

In € thousands	**31.12.2008**	Reclass/ scope in	Movement	Translation diff.	**31.12.2009**
Tax and social security receivables	7,965	2,061	(4,242)	(8)	5,775
Other receivables	1,402		(398)	71	1,075
Prepayments to suppliers	4,951	(2,065)	512	19	3,417
Prepaid expenses and accrued income	2,626	(276)	756	18	3,123
TOTAL	**16,944**	**(281)**	**(3,379)**	**100**	**13,390**

NOTE 12 - SHARE CAPITAL

Note 12.1 - Share capital

The Combined Shareholders' Meeting of 04.06.2009 approved a capital reduction through the cancellation of 241,500 treasury shares. Following this transaction, the share capital now consists of 37,567,540 shares ranked pari passu with a par value of €1 per share. The share capital is fully paid in.

The Combined Shareholders' Meeting of 04.06.2009 also authorized the renewal for a period of 18 months of a share buyback programme in an amount not to exceed 10% of the capital. These purchases may be made to:

- grant stock options or stock grants to employees and officers of the Company or its subsidiaries under the conditions provided by law;
- used in payment or exchange in connection with acquisitions of other companies;
- when appropriate, providing liquidity in the market through a liquidity agreement compliant with the AFEI charter;
- eventually be cancelled, through a capital reduction;
- more generally carry out any other transaction permissible under existing regulations.

The shares so acquired may be kept, sold or transferred by any means and at any time, or, if necessary, during a public tender offer. The maximum purchase price is set at €30. In the event of a capital increase through the capitalisation of reserves and the allocation of bonus shares, and in the event of a reverse stock split, the prices listed above will be adjusted by a factor equal to the ratio between the number of shares making up the capital before the operation and the number after.

Note 12.2 - Proposed dividend

In the light of the reversal of the Company's financial position, the Board of Directors recommends that no dividends be paid in 2010.

Note 12.3 - Treasury shares

The Combined Shareholders' Meeting of 04.06.2009 decided to cancel 241,500 treasury shares acquired through its share buyback programme and to reduce the capital accordingly.

Number of shares	**31.12.2008**	% of share capital	**31.12.2009**	% of share capital
Held at opening (share repurchase programme)	**665,800**		**704,000**	
Shares purchased (Ordinary Shareholders' Meeting of 01.06.2006)	101,500			
Shares sold				
Share purchase options exercised	(63,300)			
Capital reduction through the cancellation of 241,500 treasury shares (Combined Shareholders' Meeting of 04.06.2009)			(241,500)	
Held at closing (share repurchase programme)	**704,000**	1.86%	**462,500**	1.22%
Hedging of purchase options				
Liquidity contract	36,417		40,160	
Treasury shares – Total	**740,417**	1.96%	**502,660**	1.33%

The cost of the shares purchased, the proceeds from the sale of the shares sold and the result of the cancellation of treasury shares were recognized as a reduction and an increase of net worth.

Dividends are not attributed to treasury shares.

Note 12.4 - Stock-option plans

The Extraordinary Shareholders' 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 Shareholders' Meeting. As at 31.12.2009, no options had been granted under this authorisation. No options were granted in 2009.

12.4.1 - 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	29,000
Plan of 05.08.2003	05.08.2007	05.08.2011	3	13.61	8,000
Plan of 20.09.2004	20.09.2008	19.09.2012	16	22.06	17,500
Plan of 13.12.2004	13.12.2008	13.12.2012	16	22.66	52,500
Plan of 05.09.2005	06.09.2009	05.09.2013	15	32.56	40,000
Plan of 19.12.2005	20.09.2009	19.12.2013	15	31.88	40,000
Plan of 10.07.2006	11.07.2010	10.07.2014	16	32.76	58,000
Plan of 21.08.2006	22.08.2010	21.08.2014	5	30.95	5,000
Plan of 26.04.2007	27.04.2011	26.04.2015	16	39.80	41,000
Plan of 10.10.2007	11.10.2011	10.10.2015	16	36.55	20,000
Options granted					**311,000**
Options expired - available shares			2		151,500
Non-granted shares					
Total shares held					**462,500**

12.4.2 - CHANGE IN THE NUMBER OF VALID OPTIONS

Units	Number of options at 31.12.2008	Options granted	Options exercised	Options expired	Number of options at 31.12.2009
Plan of 14.06.2003	34,000			(5,000)	29,000
Plan of 05.08.2003	28,500			(20,500)	8,000
Plan of 20.09.2004	26,500			(9,000)	17,500
Plan of 13.12.2004	79,500			(27,000)	52,500
Plan of 05.09.2005	62,500			(22,500)	40,000
Plan of 19.12.2005	62,500			(22,500)	40,000
Plan of 10.07.2006	98,000			(40,000)	58,000
Plan of 21.08.2006	15,000			(10,000)	5,000
Plan of 26.04.2007	82,100			(41,100)	41,000
Plan of 10.10.2007	28,900			(8,900)	20,000
TOTAL	**517,500**			**(206,500)**	**311,000**

12.4.3 - VALUATION OF OPTION PLANS

In accordance with the accounting principles set out in Note 1.15, at 31.12.2009 stock-option plans were valued at their fair value.

In € thousands	Plans 2007	Plans 2006	Plans 2005	Plans 2004	Plans 2003	**TOTAL**
Initial value (after deduction of expired options)	916	706	801	793	767	3,983
2009 expense	23	(65)	(155)			(197)

Income of €197 thousand was recorded in respect of financial year 2009, on cancellations of options observed in 2009 in several plans subsequent to the departure of certain beneficiaries during the vesting period.

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 13 – PROVISIONS

Note 13.1 - Breakdown of provisions

	31.12.2009	Less than 1 year	More than 1 year
Provisions - excluding post-employment benefits			
Warranty provisions	19,641	13,242	6,379
Provisions for other risks	15,380	7,484	7,896
	35,021	20,746	14,275
Post-employment benefits (Note 14)	28,083	5,585	22,498
TOTAL	**63,104**	**26,331**	**36,773**

	31.12.2008	Less than 1 year	More than 1 year
Provisions - excluding post-employment benefits			
Warranty provisions	28,489	21,465	7,024
Provisions for other risks	6,261	2,941	3,320
	34,750	24,405	10,344
Post-employment benefits (Note 14)	33,390	4,656	28,734
TOTAL	**68,140**	**29,061**	**39,078**

Note 13.2 - Changes in provisions (excluding post-employment benefits)

In € thousands	31.12.2008	Increase	Release of provision used	Release of provision unused	Reclass./ change in scope	Translation difference	31.12.2009
Warranty provisions	28,488	7,523	14,353	2,335	215	103	19,641
Provisions for other risks	6,261	5,842	2,455	540	6,478	(206)	15,380
	34,749	13,365	16,807	2,875	6,693	(103)	**35,021**

WARRANTY

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 14 - POST-EMPLOYMENT BENEFITS

Note 14.1 - 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.

Note 14.2 - Measurement

NOTE 14.2.1 - MAIN ASSUMPTIONS USED

31.12.2009

	France	United Kingdom	Italy	United States
Salaries increases	4.00%	n/a	n/a	4.00%
Pension increases	n/a	3.45%	n/a	n/a
Financial discounting rate	5.30%	5.90%	5.30%	5.60%
Expected rate of return on assets	4.25%	6.47%	n/a	6.59%

31.12.2008

	France	United Kingdom	Italy	United States
Salaries 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.

Assumptions about the rate of salary increases in each country are equal to the sum of the inflation assumptions and the forecasts of individual increases.

The rate used for medical inflation is 8% in 2009, with a 0.5% p.a. reduction over six years. A 1% change in medical inflation would have the following impact on the actuarial liability (DBO) and the cost of an additional year (SC):

	+1%	(1%)
DBO	107	(94)
SC	10	(8)

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 2009 obligation ranged from 39% to 50% depending on the entity and the professional category concerned.

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

NOTE 14.2.2 - COMPOSITION OF PLAN ASSETS (AS A %)

As at 31.12.2009, the composition of plan assets was as follows:

				31.12.2009
	France	United Kingdom	United States - excl. Gehl	United States - Gehl
Equity	15%	63%	49%	80%
Bonds	80%	37%	16%	16%
Property	5%			
Other		0%	35%	4%
TOTAL	**100%**	**100%**	**100%**	**100%**

				31.12.2008
	France	United Kingdom	United States - excl. Gehl	United States - Gehl
Equity	15%	56%	59%	88%
Bonds	80%	32%	32%	12%
Property	5%	10%		
Other		1%	9%	
TOTAL	**100%**	**100%**	**100%**	**100%**

NOTE 14.2.3 - RECONCILIATION OF BALANCE-SHEET LINES

						31.12.2009
In € thousands	France (End of service)	France Other	United Kingdom	Other Europe	United States	TOTAL
Present value of the obligation	6,622	513	7,687	896	46,577	62,295
Fair value of the financial assets	6,202		7,201		20,874	34,276
(Provisions) Net assets recognised in balance sheet	(421)	(513)	(486)	(896)	(25,703)	(28,019)
				Of which	Provision	(28,082)
					Assets	63

						31.12.2008
In € thousands	France (End of service)	France Other	United Kingdom	Other 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	Provision	(33,390)
					Assets	

NOTE 14.2.4 - CHANGE IN OBLIGATIONS AND PLAN ASSETS DURING THE YEAR

					31.12.2009
In € thousands	France	United Kingdom	Other Europe	United States	Total
Obligation					
Opening	8,206	7,024	965	48,796	64,991
Current service cost	468			566	1,034
Interest cost	434	407	38	2,714	3,593
Benefits paid	(201)	(1,207)	(89)	(2,871)	(4,367)
Liquidation/curtailment	(1,581)	211		(2,663)	(4,033)
Scope entry					
Actuarial (gains) losses	(190)	742	(18)	1,674	2,208
Adjustment for translation differences		509		(1,639)	(1,129)
Closing	7,135	7,687	896	46,577	62,295
Plan assets					
Opening	6,143	5,991		19,467	31,601
Employer contribution	26	845		1,896	2,767
Benefits paid	(175)	(1,207)		(4,195)	(5,576)
Actual return on assets	208	1,135		4,435	5,777
Adjustment for translation differences		436		(729)	(293)
Closing	6,202	7,201		20,874	34,276
Reconciliation of provisions					
Opening	(2,063)	(1,033)	(965)	(29,329)	(33,390)
Charge for the year	969	(251)	(38)	879	1,558
Employer contribution	26	845		467	1,338
Benefits paid	27		89	105	221
SoRIE	107	26	18	1,266	1,416
Adjustment for translation differences		(73)		910	837
Closing	(934)	(486)	(896)	(25,703)	(28,019)

In € thousands		France	United Kingdom	Other Europe	United States	Total 31.12.2008
	Obligation					
	Opening	7,269	8,618	910	2,226	19,023
Current service cost		532		136	198	866
Interest cost		425	455	45	613	1,538
Benefits paid		(802)	(201)	(141)	(981)	(2,125)
Liquidation/curtailment						
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 contribution		13	1,173		459	1,645
Benefits paid		(762)	(201)		(981)	(1,944)
Actual return on assets		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)

The total impact of plan settlements and curtailment in 2009 was income of €4,033 million, which concerned primarily:

- the French entities, for which the voluntary redundancy plan was treated as a plan curtailment;
- the company Gehl.

In the light of economic conditions, Gehl announced on 03.10.2009 that it was freezing the vesting of future rights on some plans and the establishment of a “compensatory” defined contribution scheme.

NOTE 14.2.5 - BREAKDOWN OF CHARGE FOR THE YEAR

In € thousands	France	United Kingdom	Other Europe	United States	Total 31.12.2009
Current service cost	468			566	1,034
Interest cost	434	407	38	2,714	3,593
Expected return on assets	(290)	(367)		(1,495)	(2,152)
Amortisation of actuarial gains and losses					
Transfer/acquisition					
Curtailments	(1,580)	211		(2,663)	(4,032)
Net charge	(968)	251	38	(879)	(1,557)

In € thousands	France	United Kingdom	Other Europe	United States	31.12.2008 Total
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					
Curtailments					
Net charge	641	(68)	181	461	1,215

NOTE 15 - OTHER CURRENT LIABILITIES

In € thousands	31.12.2008	Change in scope & other	Movement	Translation differences	31.12.2009
Trade payables & related liabilities	**143,343**	**(178)**	**(63,494)**	**153**	**79,824**
Tax and social security liabilities	32,265	(546)	(8,291)	92	23,520
Other operating liabilities	34,008	81	(17,677)	15	16,426
Deferred income	10,239	(4,179)	(132)	(176)	5,751
Other liabilities	**76,512**	**(4,644)**	**(26,101)**	**(70)**	**45,697**
TOTAL CURRENT LIABILITIES	**219,855**	**(4,822)**	**(89,595)**	**83**	**125,521**

NOTE 16 - INCOME TAXES

Note 16.1 - Balance-sheet movements

In € thousands		31.12.2008	Result	Payment	Translation difference	Change in scope & other (1)	31.12.2009
Current tax							
Assets		22,977					32,463
Liabilities		1,086					3,681
	TOTAL	21,891	27,629	(22,260)	(386)	1,908	28,782
Deferred tax							
Assets		4,845					5,826
Liabilities		18,676					14,926
	TOTAL	(13,831)	5,685		20	(974)	(9,101)

(1)other changes in deferred and current taxes broke down as follows:

In € thousands	31.12.2009
Taxes on cancellation of treasury shares	1,502
Deferred tax recognised in consolidated reserves (SoRIE)	(515)
Deferred taxes booked in equity - Interest rate hedging instruments	(12)
Other	(41)
TOTAL	**934**

Note 16.2 - Tax recognised in the income statement

Tax expenses recognised in the income statement comprise:

In € thousands	31.12.2009	31.12.2008
Current tax	(27,629)	27,253
Deferred tax for the period	(7,705)	1,167
Change in deferred tax rates	823	14
Capitalisation of unrecognised tax losses and impairment	1,198	112
Total deferred tax	(5,684)	1,293
TOTAL	**(33,313)**	**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.

Note 16.3 - Reconciliation of the theoretical tax charge and the actual tax charge

In € thousands	31.12.2009	31.12.2008
Income before tax of fully consolidated companies	(163,477)	36,454
Tax rate in France	34.44%	34.44%
Theoretical tax charge for the year	(56,301)	12,555
Research tax credit and other tax credits	1,595	(1,016)
Other taxes	505	1,677
Impairment of assets	817	17,783
Permanent differences	627	1,276
Reduction in tax rates (current and deferred)		38
Non capitalised loss carryforwards	17,246	
Differences in tax rates in foreign countries and other	2,198	(3,765)
TOTAL - INCOME TAX	**(33,313)**	**28,546**

Note 16.4 - Deferred tax basis

Deferred tax arises on the following temporary differences:

in € thousands Assets / (liabilities)	Temporary differences as at 31.12.2009	Deferred taxes as at 31.12.2009	Temporary differences as at 31.12.2008	Deferred taxes as at 31.12.2008
Intangible assets	(702)	(241)	(45,990)	(16,090)
Property, plant, equipment	(33,544)	(11,247)	(29,498)	(9,956)
Finance leases	(9,642)	(3,036)	(8,493)	(2,692)
Employee profit sharing			870	299
Employee benefits	27,866	9,748	33,379	11,576
Provisions	7,263	2,554	6,519	2,199
Inventories	4,224	1,327	(3,740)	(1,550)
Others assets & liabilities	(1,001)	(460)	10,696	2,363
Other	(1,593)	(532)	(4,664)	(360)
Sub-total	(7,129)	(1,887)	(40,920)	(14,211)
Tax losses carried forward		5,537		1,832
Unrecognised deferred tax assets		(12,750)		(1,453)
TOTAL	**(7,129)**	**(9,100)**	**(40,920)**	**(13,831)**

NOTE 17 - BREAKDOWN OF SALES BY TYPE, DIVISION AND GEOGRAPHIC AREA

SALES BY TYPE

in € thousands	31.12.2009	31.12.2008
Sales of goods	663,464	1,256,159
Sales of services	20,647	21,557
TOTAL	**684,111**	**1,277,717**

SALES BY DIVISION AND GEOGRAPHIC AREA (CURRENT SCOPE)

					31.12.2009
in € thousands	France	Europe	Americas	Rest of the world	TOTAL
RTH	163,450	250,027	22,685	49,059	485,221
IMH	78,483	27,424	4,669	13,213	123,789
CE	758	23,018	44,768	6,557	75,101
TOTAL	**242,691**	**300,469**	**72,122**	**68,829**	**684,111**

					31.12.2008
in € thousands	France	Europe	Americas	Rest of the world	TOTAL
RTH	338,091	560,616	40,154	94,390	1,033,250
IMH	156,252	48,145	8,934	10,970	224,300
CE	65	4,147	13,550	2,404	20,166
TOTAL	**494,408**	**612,908**	**62,637**	**107,764**	**1,277,717**

NOTE 18 - RESTRUCTURING COST

In € thousands	2009
Personnel costs related to restructuring	11,167
Other external costs related to restructuring	969
Addition to provision for restructuring costs	2,820
Recovery of provision for restructuring costs	(1,596)
TOTAL	**13,360**

Personnel costs were modified to fit to the new economic conditions by terminating all temporary staff contracts, establishing short time working measures, reducing staffing through a voluntary redundancy plan in France and eliminating positions in the Group's other subsidiaries.

NOTE 19 - AUDITORS' FEES

	DELOITTE & ASSOCIÉS				RSM SECOVEC				OTHER				TOTAL	
	Amount		%		Amount		%		Amount		%		Amount	
In € thousands	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Audit														
Audit and certification of company and consolidated financial statements														
- Parent Company	164	131	33%	54%	164	121	80%	76%					328	252
- fully consolidated subsidiaries	333	113	67%	46%	40	37	20%	24%	267	329	89%	95%	640	479
Other audits and services directly linked to the duties of the Statutory Auditors														
- Parent Company														
- fully consolidated subsidiaries	0		0%		0		0%		31	16	11%	5%	32	16
Sub-total	**497**	**244**	100%	100%	**204**	**158**	100%	100%	**298**	**345**	100%	100%	**999**	**747**
Other services provided by the audit firms to fully consolidated subsidiaries		654								102				756
TOTAL	**497**	**898**			**204**	**158**			**298**	**447**			**999**	**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 20 - OTHER OPERATING INCOME AND EXPENSE

	Income		Expense		Net	
in € thousands	2009	2008	2009	2008	2009	2008
Sale of assets	1,276	2,264	1,597	1,617	(321)	647
Foreign exchange gains & losses	8,642	10,094	7,426	10,836	1,216	(742)
Other	10,973	10,820	15,081	3,774	(4,108)	7,046
TOTAL	**20,890**	**23,178**	**24,104**	**16,227**	**(3,213)**	**6,951**

NOTE 21 - PERSONNEL COST

in € thousands	2009	2008
Salaries, bonuses and commissions	84,798	89,796
Incentive schemes and employee profit sharing	176	3,776
Social security charges and other	29,937	34,447
TOTAL	**114,911**	**128,019**

NOTE 22 - FINANCIAL INCOME AND CHARGES

in € thousands	2009	2008
Financial asset income	1,113	1,770
Other income	14,989	2,349
Interest rate swap	2,085	
Total income	**18,187**	**4,119**
Interest expenses on bank borrowings and other financial liabilities	23,502	6,615
Forward currency hedge premium (GEHL acquisition)	0	2,500
Interest rate swap	9,627	2,459
Other charges	2,683	1,070
Total Charges	**35,812**	**12,645**

NOTE 23 - RESEARCH AND DEVELOPMENT COSTS

Pursuant to IAS 38, all research costs, together with study and development costs other than those described in Note 1.7, are expensed during the year in which they are incurred. These costs amounted to €11,394 thousand in 2009 compared with €12,269 thousand in 2008.

NOTE 24 - OFF-BALANCE SHEET COMMITMENTS

in € thousands	31.12.2009	31.12.2008
Guarantees, securities and pledges (1)	43,872	7,881
Mortgages		
Other financial commitments (including forward sales)	7,486	5,459
Commitments to repurchase equipment (2)	44,503	43,089

(1) The new financing contract set up for Gehl in 2009 was secured by a claim on the company's trade receivables and inventories (€37 million as at 31.12.2009).
(2) 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 25 - RISK MANAGEMENT

The Manitou Group's risk management policy is described in the Management Report under "Risk Management".

NOTE 26 - INFORMATION RELATING TO INDIVIDUAL STAFF TRAINING RIGHTS *(DROIT INDIVIDUEL À LA FORMATION)*

In 2009, 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 31.12.2009 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 147,146 hours as at 31.12.2009.

NOTE 27 - EMPLOYEES AS AT 31 DECEMBER

in number people	2009	2008
Manitou BF SA	1,198	1,462
Compagnie Française de Manutention	118	137
Cie Industrielle de Matériels de Manutention	63	89
MLM	81	101
Aumont-BSBH	73	105
BTMI	48	68
Manitou UK Ltd.	39	50
Gehl Inc.	416	620
Gehl Europe GmbH	34	37
Manitou North America Inc.	67	71
Manitou Costruzioni Industriali Srl.	241	257
OMCI Attachments Srl.	10	10
Manitou Benelux SA	21	25
DLS	10	9
Manitou Asia Pte Ltd.	26	26
Manitou Portugal SA	50	58
EPL Algarve		13
EPL Centro	9	9
Manitou Deutschland GmbH	21	25
Manitou Southern Africa Pty Ltd.	39	51
Chariots Élévateurs Manitou Canada Inc.	4	4
Manitou Australia Pty Ltd.	9	9
Manitou Hangzhou Machinery Handling	38	56
Manitou Manutencion Espana	8	9
Manitou Vostok	12	12
Manitou Polska	8	6
TOTAL Group	**2,643**	**3,319**

NOTE 28 - TRANSACTIONS WITH RELATED PARTIES

Note 28.1 - Transactions with associates

	2009		2008	
in € thousands	Expense	Income	Expense	Income
Toyota Industrial Equipment SA	128	12,227	464	36,882
Manitou Finance France SAS	524	128	624	1,720
Manitou Finance Ltd	475	48,732	1,248	74,010
Algomat	11	2,888	55	2,912
Actis location	114	190	24	57
Hangzhou Manitou Machinery Equipment Co Ltd	2,729	187	4,069	2
EPL Algarve			33	846
EPL Centro			25	860

Note 28.2 - Transactions with the Parent Company

	2009			2008	
in € thousands	Expense	Income	Acq. of shares	Expense	Income
SFERT	89		936	526	

Note 28.3 - Transactions with individual persons

	2009			2008	
in € thousands	2009 interest	Balance as at 31.12.2009	Acquisition of shares	2008 interest	Balance as at 31.12.2008
Current accounts with associates:					
Marcel Braud	0	0	0	0	0
Jacqueline Himsworth	11	294	294	164	187
Acquisition of participating interests:					
Marcel Braud			229		
Jacqueline Himsworth			227		
Gordon Himsworth			130		
Marcel-Claude Braud			74		
Bruno Fille			30		

Regulated related party agreement with the company A.R.S. Consulting:
Joël Goulet, a member of the Supervisory Board, is manager of the company A.R.S. Consulting.
At its 06.11.2008 meeting, the Supervisory Board decided to authorize the creation of a steering group to develop, in liaison with the Executive Committee of Manitou BF, a proposed organisational structure, along with the related governance recommendations and the recruitment of a Chief Executive Officer. This assignment was entrusted to the company A.R.S. Consulting. The total related costs incurred by Manitou BF in 2009 came to €24,000, excluding VAT.

The Company also repurchased all of the patents filed by Marcel-Claude Braud for €700,000, as authorised by the Supervisory Board on 24.11.2009.

Note 28.4 - Compensation and other benefits paid to Corporate Officers

Total remuneration and benefits-in-kind paid to Corporate Officers in 2009:

2009

In € thousands	Salaries	Mandates	Additional payments.	Options granted	Value of options granted	Options exercised	Provisions in the balance sheet and commitments
Non-executive directors	502	154					
Corporate officers	773	314	898	no grants	0	0	449
Members of the Executive Committee who are not corporate officers	1,116	14		no grants	0	0	2,260

2008

In € thousands	Salaries	Mandates	Additional payments.	Options granted	Value of options granted	Options exercised	Provisions in the balance sheet and commitments
Non-executive directors	498	152					
Corporate officers	878	220	195	no grants	0	40,000	123

NOTE 29 - POST-BALANCE SHEET EVENTS

FINANCIAL AND MANAGERIAL CHANGES AT GEHL

On 31.03.2010 Gehl adopted a resized management structure, with the appointment of Dan Miller as President of both Gehl and the Compact Equipment division and Serge Bosché Vice President Sales & Marketing of Gehl and Director of the entire “Americas” sales region.
Gehl is also making progress in its negotiations with the U.S. banking pool for a new financing agreement, which is expected to be finalised within a few weeks.

INDUSTRIAL AND WORKFORCE REORGANISATION IN FRANCE

On 06.04.2010 Manitou presented to the Group works council a proposal for a new workforce and industrial organisation in France. The project is in keeping with the Group’s three strategic mottos: “Clarify, Simplify, Amplify” in that it:

- Clarifies the tasks of each production site, defining critical mass skills centers around local skills, functions and new operational challenges;
- Simplifies the organisation by merging the legal entities Aumont BSBH, CIMM, BTMI and MLM into Manitou BF, in order to reduce administrative needs, streamline compensation practices and promote mobility;
- Amplifies the responsiveness, accountability and productivity of the sites at a time when the Company is moving away from the crisis of under-utilisation of its productive capacity it experienced in 2009.

The purpose of the project is to consolidate and strengthen each of the activities concerned, without calling into question their ambitions, size or location. It does, however, propose a redeployment of the warehousing equipment product line from Saint-Ouen l’Aumône (95) to the Beaupréau (49) site. This redeployment is intended to guarantee the long-term future of this activity by placing it in a site that has attained critical mass and is used entirely by the IMH division, while incorporating it functionally into the Group's structures.

TEREX AWP AND MANITOU SIGN RECIPROCAL SUPPLY & MARKETING AGREEMENT

Terex Aerial Work Platforms (AWP) and Manitou have announced a reciprocal supply and marketing agreement under which, specified aerial work platform equipment will be supplied to each party, which also will assume responsibility for after-market support.

Initially, the agreement will be implemented in Europe (CE units) with the intention to widen its geographical scope in 2011.

8.2 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders:

In performance of the assignment entrusted to us by your Annual Shareholders' Meeting, we hereby present our report for the year ended 31.12.2009 on:

- the audit of the consolidated financial statements of Manitou BF, as attached to this report;
- the basis for our opinion;
- the specific verifications required by law.

The consolidated financial statements were approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

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 consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made, as well as the overall presentation of the financial statements. We believe that the evidence we obtained is sufficient and provides an appropriate 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 31.12.2009 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 assumption in the section entitled "General information" that stipulates the conditions under which the Manitou Group's financial statements were prepared with regard to the going concern assumption;
- note 7.6.1 which discusses the reclassification of the non-current portion of the syndicated term loan (France) into medium- and long-term debt for the portion due in over one year following the restructuring of the credit agreement reached in July 2009 and the maintenance in current financial debt of the debt on the revolving credit and term loan (USA) in the light of the company's non-compliance with financial ratios;
- note 1.1 which discusses the changes in accounting policies and valuation methods, including the first-time application of IFRS 8 "Operating Segments";
- note 1.20 on segment data which discusses notably the methods used to present this information (as described in section 8.1.5) and the lack of comparative data for 2008.

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 assumption used in the preparation of the financial statements for the year ended 31.12.2009 (see the note to the consolidated financial statements on the going concern assumption in the section on General information). The accounting estimates used when establishing the financial statements for the year ended 31.12.2009 were made in the context of difficulty in ascertaining the economic outlook. In the light of 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 the financial statements were approved, Manitou Group was required to make estimates and formulate assumptions, notably as regards the value of certain assets and liabilities and income and expense items (note 1.3). 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, 3.3 and 5).

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 reasonableness of the estimates made.

Note 1.16 of the notes to the consolidated financial statements discusses the fact that your group sets aside provisions in respect of guarantees given to customers. 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.

- Accounting principles

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.

We have reviewed the method used to capitalise development costs and to amortise such expenses and test their recoverable amount, and are satisfied 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.

SPECIFIC VERIFICATION

In accordance with professional standards applicable in France, we have also verified the information contained in the management report.

We have no matters to report as to its fair presentation and consistency with the consolidated financial statements.

Orvault and Saint-Herblain, 30.04.2010

The Statutory Auditors

The Statutory Auditors French original signed by

RSM SECOVEC	**DELOITTE & ASSOCIÉS**
Jean-Michel Picaud	Anne Blanche

8.3. PARENT COMPANY FINANCIAL STATEMENTS

8.3.1 Income statement

In € thousands	Notes	31.12.2009	31.12.2008
Operating revenue (1):			
Sales of goods purchased		187,635	384,484
Sales of manufactured goods		240,511	644,447
Sales of services		4,930	7,906
Net sales	Note 18	433,076	1,036,837
Production taken to inventory and capitalised		(38,000)	(3,993)
Writeback of provisions, charges transferred		22,648	17,785
Other income		1,834	2,472
TOTAL		**419,558**	**1,053,101**
Operating expenses (2):			
Purchase of goods and inventory movement (goods for resale)		272,021	766,751
Other purchase and external charges		73,018	114,747
Taxes on other than income		5,549	8,813
Wages and social security charges		57,748	68,601
Depreciation and provisions:		30,632	22,799
Provisions for contingencies and charges		5,509	14,661
Other expenses		1,507	1,277
TOTAL		**445,984**	**997,649**
OPERATING INCOME		**(26,426)**	**55,452**
FINANCIAL RESULT	Note 19	**(69,166)**	**16,518**
INCOME FROM ORDINARY ACTIVITIES before tax		**(95,592)**	**71,970**
NET NON-RECURRING INCOME (LOSS)	Note 20	**(24,217)**	**(17,784)**
Employee profit sharing		0	3,366
Income tax	Note 21	(20,460)	10,019
NET INCOME		**(99,349)**	**40,801**
(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		10,518	15,336
(4) Of which expenses on transactions with related parties		177	1,144

8.3.2 Cash flow statement

In € thousands		31.12.2009	31.12.2008
NET PROFIT		**(99,349)**	**40,801**
Elimination of charges and income not related to operations and not affecting cash flow			
+	Depreciations, amortisation and provisions (1)	98,417	20,215
-	Write-back of depreciation, amortisation and provisions (1)	(2,405)	(1,318)
-	Income from asset disposals	(183)	(30)
+	Net book value of asset disposals	243	12
-	Investment subsidies recognised in the income statement	(4)	(4)
WORKING CAPITAL FROM OPERATIONS		**(3,281)**	**59,676**
Impact of changes in cash position on operating receivables			
+/-	Change in inventories	100,292	(4,491)
+/-	Change in trade receivables	78,961	59,840
+/-	Change in other operating receivables	(12,585)	(1,108)
+/-	Change in trade accounts payable	(37,224)	(86,891)
+/-	Changes in other operating liabilities	(6,359)	(2,375)
CASH FLOW FROM OPERATING ACTIVITIES		**119,804**	**24,651**
Impact of charges in cash position on investing activities			
+	Disposals of intangible assets		
+	Disposals of property, plant and equipment	96	30
+	Disposals of long-term investments	87	
-	Acquisition of intangible assets	(4,967)	(9,826)
-	Acquisition of property, plant and equipment	(5,716)	(21,487)
-	Acquisition of long-term investments	(35,364)	(254,265)
+/-	Changes in liabilities towards suppliers of non-current assets	(6,658)	5,630
CASH FLOW FROM INVESTING ACTIVITIES		**(52,522)**	**(279,918)**
Impact of changes in cash position on financing activities			
+	Increase in share capital		
-	Decrease in share capital	(1,908)	
-	Dividends paid during the period		(38,895)
+	Increase in borrowings		210,763
-	Repayment of borrowings	(34,362)	
+/-	Others	477	
+/-	Changes in capital called but not paid in		
CASH FLOW FROM FINANCING ACTIVITIES		**(35,793)**	**171,868**
	Opening cash balance	9,428	92,827
	Closing cash balance	40,917	9,428
CHANGE IN CASH POSITION		**31,489**	**(83,399)**

(1) Excluding current assets

8.3.3 Balance sheet

BALANCE SHEET – ASSETS		As at 31.12.2009			31.12.2008
in € thousands	Notes	Gross	Amortisation Deprec.	Net	Net
NON-CURRENT ASSETS					
INTANGIBLE ASSETS	Note 2	39,574	14,057	25,517	24,089
PROPERTY, PLANT AND EQUIPMENT	Note 3	156,576	91,653	64,923	72,776
FINANCIAL ASSETS (2)	Note 4	352,985	68,758	284,227	372,636
		549,135	**174,468**	**374,667**	**469,501**
CURRENT ASSETS					
INVENTORIES AND WORK IN PROGRESS	Note 6	106,653	14,966	91,687	191,979
Advances and payments on account		25		25	35
OPERATING RECEIVABLES (3)	Note 7	124,817	247	124,570	190,949
CASH, CASH EQUIVALENTS AND MARKETABLE SECURITIES	Note 9	50,391	9,474	40,917	30,825
ADJUSTMENT ACCOUNTS	Note 15	870		870	857
		282,756	**24,687**	**258,069**	**414,645**
Unrealised foreign exchange loss	Note 16	58		58	2,097
TOTAL		**831,949**	**199,155**	**632,794**	**886,243**

(1) Of which, lease rights		
(2) Of which due in less than one year	641	489
(3) Of which due in more than one year	0	48

BALANCE SHEET - LIABILITIES

In € thousands	Notes	31.12.2009 Net	31.12.2008 Net
SHAREHOLDERS' EQUITY	Note 10		
Share capital	Note 10	37,568	37,809
Additional paid-in capital		439	439
Revaluation reserve (4)	Note 17	908	56,062
Reserves and retained earnings		382,487	343,352
Net income for the year		(99,349)	40,801
Investment subsidies		3	7
Regulated provisions		23,631	13,101
		345,687	**491,571**
PROVISIONS FOR CONTINGENCIES AND CHARGES	Note 11	22,833	25,903
LIABILITIES (1)			
FINANCIAL LIABILITIES	Note 12	187,464	237,177
CURRENT LIABILITIES	Note 12		
Trade accounts payable		53,984	91,208
Tax and social security liabilities		13,802	16,811
Other operating liabilities		5,742	13,853
OTHER LIABILITIES	Note 12	2,661	9,320
ADJUSTMENT ACCOUNTS (1)	Note 15	407	
		264,060	**368,369**
Unrealised foreign exchange gains	Note 16	**214**	**400**
TOTAL		**632,794**	**886,243**
(1) Of which due in more than one year		109,900	0
Of which due in less than one year		154,160	368,369
(2) Of which short-term bank loans and overdrafts		0	21,397
(3) Of which participating loans			
(4) Of which valuation differences		0	55,154

8.3.4 Notes to the Parent Company financial statements

GENERAL INFORMATION

COMPANY IDENTITY

Manitou BF is a French limited company (société anonyme) governed by a Board of Directors. It has share capital of €37,567,540 made up of 37,567,540 fully paid-up shares with a par 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 10249 - 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 - Code APE: 292 D - Code NAF: 2822Z.

IDENTITY OF THE CONSOLIDATING PARENT COMPANY

S.F.E.R.T. SA with share capital of €8,020,000
318, rue Georges Clémenceau 44150 ANCENIS

PREPARATION OF THE FINANCIAL STATEMENTS

The accounts of Manitou BF were approved by the Board on 30.03.2010.

COMMENTS ON THE NOTES TO THE BALANCE SHEET

The notes to the balance sheet (before affectation) feature:
- Total assets of €632,794 thousand,
- The income statement showing:

    total income of €446,844 thousand,
    total charges of €546,193 thousand,
    net income of €(99,349) thousand.

- The year under review began on 01.01.2009 ended on 31.12.2009 and consisted of 12 months.

The following notes (and tables) form an integral part of the financial statements.

SIGNIFICANT EVENTS DURING THE YEAR

On 17.12.2009, the Extraordinary Shareholders' Meeting decided to change the Company's governance structure by establishing a Board of Directors.

In addition, the Shareholders' Meeting of 04.06.2009 decided to reduce the Company's capital by cancelling 241,500 shares held by the Company.

The capital was thereby reduced from 37,809,040 shares to 37,567,540 shares, with a par value of €1 per share.

To cope with the significant decrease of activity, the Company entered into two method agreements with the social partners providing for termination, by mutual consent, of the employees' employment contract for economic reasons. The total cost of these agreements, involving 249 people, was recognized as a €10,759 thousand non-recurring expense, including the accrual of those costs not yet incurred as at 31.12.2009.

During the year, Manitou BF also faced a financial crisis that forced it to renegotiate its financing under difficult conditions. This renegotiation resulted in a restructuring of the credit agreement signed on 23.07.2009 with the banking pool.

In 2009, Manitou BF acquired all of the shares held by minority shareholders in its MCI, Manitou Asia, CFM, CIMM, Aumont BSBH, BTMI and MLM subsidiaries. As at 31.12.2009, Manitou BF owned all of the shares of these companies.

NOTE ON THE GOING CONCERN PRINCIPLE

Manitou BF's financial statements were prepared in application of the going concern assumption, based on the following structural assumptions for 2010:

- forecast growth of between 5% and 10% for the Group compared to 2009;
- the RTH and IMH divisions again posting positive results and EC showing significant improvement following the trough of 2009;
- renegotiation of the financing agreements of the US subsidiary Gehl.

It should be emphasized that there are inherent uncertainties in making the assumptions mentioned above. In particular, although Manitou's management is confident about the outcome of the negotiations with financial institutions to restructure Gehl's financing, these negotiations remain subject to the uncertainties inherent to any financial negotiations.

Like other market participants, in 2010 the Manitou Group will continue to face difficult economic and financial conditions, but should, if these assumptions are achieved - and given its positioning, its financial structure and the commitment of its staff - emerge from the crisis it faces even stronger.

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.

It should nonetheless be noted that, in 1976, a revaluation was performed on land, buildings and equipment, intangible assets and investments in associates.

A number of points that could have a material impact are described below.

Note 1.2 - Change of accounting methods

No change in methods occurred during the year.

Note 1.3 - Non-current assets

DEVELOPMENT COSTS

Pursuant to Article 311-3-1 of the French General Chart of Accounts (PCG) created by Article 2-6 of CRC 2004-06, the development costs incurred by the Company in 2009, relating to clearly identifiable individual projects with a serious chance of technical and commercial success have been capitalised, since the conditions for capitalisation specified by the PCG have been met. As this is a tax-preferred method, the Company opted for this accounting treatment in 2005.

All research, analysis and development costs other than those described above are expensed 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 2003-06, 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:

- 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 (exess 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 10.04.2003 implementing the provisions of IAS19. 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 2009, 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

Gross value

In € thousands	**31.12.2008**	Acquisitions	Reclassification	Disposals	**31.12.2009**
Research and development costs	6,351				6,351
Concessions, patents, licences	11,712	170	9,720		21,602
Goodwill	1,416				1,416
Other intangible assets	0				0
Intangible assets in progress	15,127	4,798	(9,720)		10,205
Advance payments	0				0
TOTAL	**34,606**	**4,968**	**0**	**0**	**39,574**

Amortisation

In € thousands	**31.12.2008**	Provisions	Other decreases	**31.12.2009**
Research and development costs	1,929	1,271		3,200
Concessions, patents, licences	7,171	2,270		9,441
Goodwill	1,416			1,416
Other intangible assets	0			0
Intangible assets in progress	0			0
Advance payments	0			0
TOTAL	**10,516**	**3,541**	**0**	**14,057**

Net amount

In € thousands	**31.12.2008**	**31.12.2009**
Research and development costs	4,422	3,151
Concessions, patents, licences	4,541	12,161
Goodwill	0	0
Other intangible assets	0	0
Intangible assets in progress	15,127	10,205
Advance payments	0	0
TOTAL	**24,090**	**25,517**

RESEARCH AND DEVELOPMENT COSTS

- As at 31.12.2008 development costs totalled €12,816 thousand, being €6,465 thousand for projects in progress and €6,351 thousand for completed projects.
- Development costs incurred by the Company and capitalised in 2009 came to €2,575 thousand, bringing the total amount of capitalised development costs as at 31.12.2009 to €15,392 thousand. This amount consisted of €9,041 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 2009, these costs totalled €6,843 thousand compared with €8,640 thousand in 2008.

SOFTWARE

Additions in 2009 totalled €9,890 thousand and consisted of the following:

In € thousands	**2009**	**2008**
ERP system	9,577	1,977
Other	313	723
TOTAL	**9,890**	**2,700**

OTHER INTANGIBLE ASSETS IN PROGRESS

These represent assets in progress as at 31.12.2009 that were not yet brought into service on that date and totalled €10,205 thousand, corresponding to:

In € thousands	
Development costs	9,041
ERP system	1,157
Other	7
TOTAL	**10,205**

NOTE 3 – PROPERTY, PLANT AND EQUIPMENT

Gross amount

In € thousands	**31.12.2008**	Acquisitions	Reclassification	Disposals	**31.12.2009**
Land	8,137	260			8,397
Buildings	28,049	64	2,330		30,443
Site facilities and installations	22,216	95	348		22,659
Technical facilities, plant & Equipment	74,837	3,459	6,253	480	84,069
Other installations and facilities	111	1			112
Vehicles	1,317	24		135	1,206
Other property, plant & equipment	9,213	195		32	9,376
Property, plant and equipment in progress	7,307	1,584	(8,609)		282
Advance payments	322	34	(322)		34
TOTAL	**151,509**	**5,716**	**0**	**647**	**156,578**

Depreciation

In € thousands	**31.12.2008**	Provisions	Other decreases	**31.12.2009**
Land	3,405	224		3,629
Buildings	10,848	1,373		12,221
Site facilities and installations	12,242	1,513		13,755
Technical facilities, plant & equipment	44,098	9,229	379	52,948
Other installations and facilities	85	7		92
Vehicles	920	183	111	992
Other property, plant and equipment	7,134	913	32	8,015
TOTAL	**78,732**	**13,442**	**522**	**91,652**

Net amounts

In € thousands	**31.12.2008**	**31.12.2009**
Land	4,732	4,768
Buildings	17,201	18,222
Site facilities and installations	9,974	8,904
Technical facilities, plant and equipment	30,739	31,122
Other installations and facilities	26	20
Vehicles	397	214
Other property, plant and equipment	2,079	1,360
Property, plant and equipment in progress	7,307	282
Advance payments	322	34
TOTAL	**72,777**	**64,926**

The main investments in 2009 consisted of €3,459 thousand for facilities and industrial equipment mainly comprising leased aerial work platforms and equipment to be used for the manufacture of boom tubes and the extension of the spare parts warehouse, amounting to €1,276 thousand.

NOTE 4 - LONG-TERM INVESTMENTS

Gross amounts

In € thousands	**31.12.2008**	Revaluation	Acquisitions	Reclassification	Disposals	**31.12.2009**
Equity interest	16,162				117	16,045
Receivables related to LT share investments	0					0
Investments (Equity method) (1)	355,985	(55,154)	35,468			336,299
Loans	14				14	0
Other long-term investments	731				90	641
TOTAL	**372,892**	**(55,154)**	**35,468**	**0**	**221**	**352,985**

(1) Information on equity investments (movements in 2009)

COMPANY	**Gross value as at 31.12.2008**	Acquisitions 2009	Disposals	**Gross value as at 31.12.2009**
CFM	1,453	263		1,716
CIMM	725	1,064		1,789
MLM	6,908	3		6,911
Aumont-BSBH	1,389	7		1,396
BTMI	197	546		743
Manitou UK Ltd	507			507
Manitou North America	4,967			4,967
MCI	1,342	33,119		34,461
Manitou Benelux	631			631
Manitou Asia	917	392		1,309
Manitou TR	811			811
Manitou Portugal	1,673			1,673
Manitou Deutschland	801			801
Manitou Southern Africa	208			208
Chariots Élévateurs Manitou Canada	13			13
Manitou Australia	180	74		254
Manitou Hangzhou Material Handling	3,840			3,840
Manitou Manutencion Espana	200			200
Manitou Vostok	10			10
Manitou Polska	53			53
Gehl	274,006			274,006
TOTAL	**300,831**	**35,468**	**0**	**336,299**

In 2009, the Company acquired of all shares it did not already own in the following companies: MCI, CFM, CIMM, Aumont BSBH, BTMI, MLM and Manitou Asia. Following these acquisitions, these subsidiaries were all wholly-owned by the Manitou BF.

In € thousands	31.12.2008	Charges	Other reductions of value	Impairment 31.12.2009
Investments in associates (2)	0	68,758		68,758
Other financial assets	256	0	256	0
TOTAL	**256**	**68,758**	**256**	**68,758**

(2) At the balance sheet date, the total value of these investments in associates was lower than their purchase price. In accordance with Article 332-4 of the French General Chart of Accounts (PCG), as at 31.12.2009 the Company had recorded a total of €68,758 thousand for the impairment of its portfolio of equity-method companies.

NOTE 5 - EQUITY-ACCOUNTED INVESTMENTS

In € thousands	31.12.2008				31.12.2009			
COMPANY	**% Held**	**Book Value** (acqu. cost or value revised 1976)	**Value (IFRS)**	**Value diffe-rence (IFRS)**	**% Held**	**Book Value** (acqu. cost or value revised 1976)	**Value (IFRS)**	**Value difference (IFRS)**
CFM	98.90%	1,453	24,392	22,939	100.00%	1,716	23,085	21,369
CIMM	82.00%	725	4,932	4,207	100.00%	1,789	3,417	1,628
MLM	99.87%	6,909	3,191	(3,718)	100.00%	6,912	1,471	(5,441)
Aumont-BSBH	99.86%	1,389	4,724	3,335	100.00%	1,396	2,995	1,599
BTMI	82.00%	197	2,462	2,265	100.00%	743	1,997	1,254
Gehl Inc.	100.00%	274,006	193,549	(80,457)	100.00%	274,006	98,346	(175,660)
Manitou North America Inc.	100.00%	4,967	17,808	12,841	100.00%	4,967	16,953	11,986
Chariots Élévateurs Manitou Canada Inc.	100.00%	13	53	40	100.00%	13	72	59
Manitou UK Ltd.	98.70%	507	11,987	11,480	98.70%	507	11,909	11,402
Manitou Costruzioni Industriali	74.97%	1,342	52,491	51,149	100.00%	34,460	70,511	36,051
Manitou Benelux SA	98.00%	631	10,285	9,654	98.00%	631	8,681	8,050
Manitou Portugal SA	90.00%	1,673	10,474	8,801	90.00%	1,673	9,950	8,277
Manitou Deutschland GmbH	100.00%	800	4,935	4,135	100.00%	800	2,013	1,213
Manitou Manutencion Espana SL	100.00%	200	193	(7)	100.00%	200	284	84
Manitou Vostok	100.00%	10	242	232	100.00%	10	205	195
Manitou Polska	100.00%	53	78	25	100.00%	53	142	89
Manitou TR	99.64%	811	3	(808)	99.64%	811	19	(792)
Manitou Asia PTE Ltd.	93.00%	917	3,500	2,583	100.00%	1,310	3,775	2,465
Manitou Southern Africa PTY Ltd.	94.12%	208	5,719	5,511	94.12%	208	7,884	7,676
Manitou Australia PTY Ltd.	75.00%	180	911	731	80.00%	254	1,422	1,168
Manitou Hangzhou Machinery Handling Co Ltd.	100.00%	3,840	4,056	216	100.00%	3,840	2,409	(1,431)
TOTAL		**300,831**	**355,985**	**55,154**		**336,299**	**267,540**	**(68,759)**

NOTE 6 - OPERATING RECEIVABLES

	31.12.2008			31.12.2009		
In € thousands	Gross	Impairment	Net	Gross	Impairment	Net
Raw materials	40,502	845	39,657	30,279	2,554	27,725
Work in progress	10,402		10,402	10,122		10,122
Finished goods	61,945	1,787	60,158	19,192	2,421	16,771
Goods purchased for resale	88,842	7,080	81,762	47,060	9,991	37,069
TOTAL	**201,691**	**9,712**	**191,979**	**106,653**	**14,966**	**91,687**

NOTE 7 - OPERATING RECEIVABLES

	Gross			Impairment		
In € thousands	**31.12.2008**	Movements 2009	**31.12.2009**	**31.12.2008**	Movements 2008	**31.12.2009**
Trade and related receivables	155,774	(78,771)	77,003	57	190	247
Other receivables	4,600	278	4,878	0		0
Sundry debtors	30,632	12,304	42,936	0		0
Capital called and not paid in	0		0	0		0
TOTAL	**191,006**	**(66,189)**	**124,817**	**57**	**190**	**247**

	Net	
In € thousands	**31.12.2008**	**31.12.2009**
Trade and related receivables (1)	155,717	76,756
Other receivables	4,600	4,878
Sundry debtors	30,632	42,936
Capital called and not paid in	0	0
TOTAL	**190,949**	**124,570**
(1) Of which commercial paper	4,743	441

NOTE 8 - BREAKDOWN OF RECEIVABLES

				31.12.2009
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)	0	0		
Other long-term investments	641	641		
Current	0			
Doubtful debtors	638	638		
Other trade receivables	76,365	76,365		
Personnel and related receivables	16	16		
Social security and related receivables	61	61		
Income tax	20,522	318	20,204	
Value added tax	2,761	2,761		
Sundry	1,489	1,489		
Group and associates (2)	21,327	21,327		
Other debtors	1,638	1,638		
Prepaid expenses	870	870		
TOTAL	**126,328**	**106,124**	**20,204**	**0**
(1) Loans granted during the year	0			
Loans repaid during the year	0			
(2) Loans granted to associates	0			

NOTE 9 - CASH, CASH EQUIVALENTS AND MARKETABLE SECURITIES

Marketable securities were valued at their market value on 31.12.2009.

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	**2008**	**2009**
- Money market funds	5,182	25 905
(valued at market price on 31 December, acquisition value at that date)		
- Certificate of deposit	0	0
- Mutual funds with capital guarantee (diversified funds) at the subscription price	0	0
- Depreciation of mutual funds with capital guarantee	0	0
- Treasury shares	20,446	14,030
- Depreciationof treasury shares	(14 854)	(9 474)
Total marketable securities	**10,774**	**30,461**
- Cash and cash equivalent	20,051	10,456
Total cash, cash equivalent and marketable securities	**30,825**	**40,917**

OWN SHARES

On 04.06.2009, the Shareholders' Meeting approved a capital decrease through the cancellation of 241,500 shares.

As at 31.12.2009, own shares held by the Company to cover allocations in respect of stock-option plans (462,500) were recorded in marketable securities at their acquisition cost of €14,030 thousand, i.e an average price of €30,34 per share. On this date, the stock-option plans granted by the Supervisory Board represented 311,000 shares.

As at 31.12.2009, given that the market value of these shares was €9.85 per share and the exercise prices ranged from €13 to €36, it was considered unlikely that these plans would be exercised.

Consequently, the own shares held to cover stock-option plans suffered an impairment loss at 31.12.2009 of €9,474 thousand (the difference between the acquisition price and the market value of the shares as at 31.12.2009).

A full reversal of provision totaling €5,380 thousand was recognised in non-recurring income during the period. This reversal includes €4,470 thousand of impairment on the cancelled shares and €910 thousand on the readjustment of the portfolio value as at 31.12.2009.

NOTE 10 - SHAREHOLDERS' EQUITY

Note 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 31.12.2008	**37,809**	**439**	**56,062**	**3,781**	**290,000**	**49,571**	**40,801**	**13,108**	**491,571**
Capital decrease in cash	(242)				(1,666)				(1,908)
Income for 2008					50,000	(9 199)	(40,801)		0
Dividends									0
Income for 2009							(99,349)		(99,349)
Valuation differences			(55,154)						(55,154)
Change in investment subsidies								(4)	(4)
Change in provisions for price increase								(80)	(80)
Change in exceptional amortisation for the year								10,611	10,611
At 31.12.2009	**37,567**	**439**	**908**	**3,781**	**338,334**	**40,372**	**(99,349)**	**23,635**	**345,687**

10.2 - Share capital

	Nominal value	Number of shares	Amount
Share capital at opening date	1.00€	37,809,040	37,809,040€
Capital increase			
Capital decrease	1.00€	(241,500)	(241,500€)
SHARE CAPITAL AT 31 DECEMBER	**1.00€**	**37,567,540**	**37,567,540€**

NOTE 11 - PROVISIONS

		Increase	Written back		
In € thousands	**31.12.2008**	Provisions	Used	Not used	**31.12.2009**
Regulated provisions					
Provisions for price increases	2,056		80		1,976
Exceptional amortisation	11,045	12,680	2,069		21,656
Other regulated provisions	0				0
TOTAL	**13,101**	**12,680**	**2,149**	**0**	**23,632**
Provisions for contingencies and charges					
Disputes	2,998	4,449	191	242	7,014
Warranties granted to customers (1)	18,685	4,610	10,263		13,032
Foreign exchange losses	2,097	58	2,097		58
Other employee benefits (2)	445	0	25		420
Other provisions for risks (3)	811	1,497	0		2,308
Post-employment and similar obligations (4)	867	0	867		0
TOTAL	**25,903**	**10,614**	**13,443**	**242**	**22,832**
Provisions for impairment and depreciation					
Property, plant & equipment	1				1
Equity interests	256	68,758	256		68,758
Inventories and work in progress	9,712	13,462	8,207		14,967
Trade accounts	57	190			247
Other (5)	14,854	38	4,508	910	9,474
TOTAL	**24,880**	**82,448**	**12,971**	**910**	**93,447**
OVERALL TOTAL	**63,884**	**105,742**	**28,563**	**1,152**	**139,911**

Of which provisions and provisions reversed:	Additions	Recoveries
- operating	19,161	19,795
- financial	68,816	2,097
- exceptional	17,765	7,823

(1) Warrantees
A provision is set aside to cover the estimated cost of warranties on machinery and spare parts at the time they are sold to either the networks or end customers. It covers the contractual warranty and any extension, after the risk is assessed either on a case by case basis or within the framework of campaigns. A statistical technique is employed to calculate the provision.

(2) Pensions and related obligations
This item corresponds to the accrual for long service awards.

(3) Other provisions for contingencies
This item includes a €811 thousand contingency provision on the shares of Manitou TR and a €1,497 thousand provision for charges to cover costs related to voluntary departures of employees under the terms of the agreements signed with the social partners.

(4) Provision for pension obligations
Provisions for pension obligations were measured in accordance with the principles described in note 1.8. The following actuarial assumptions were used to calculate these commitments:

		2008	2009
Retirement age	- managers	63/65 years	63/65 years
	- other employees	60/61 years	60/61 years
Annual rate of salary increase		4.00%	4.00%
Discount rate		5.70%	5.30%
Return on plan assets		4.25%	4.25%
Mortality tables		TGH05/TGF05	TGH05/TGF05
Employee turnover	- managers	2.50%	2.50%
	- other employees	1.00%	1.00%

All actuarial gains and losses were recorded to the income statements.

As at 31.12.2009, Manitou had total pension obligations of €5,350 thousand, compared with €6,204 thousand as at 31.12.2008. This decrease primarily reflects the lower number of employees as at 31.12.2009. As plan assets amounted to nearly €5,413 thousand as at 31.12.2009, the €867 thousand provision as at 31.12.2008 was reversed entirely and a €63 thousand surplus was recognized, resulting in a total positive impact of €930 thousand on the 2009 income statement.

Analysis of the impact on results recorded in the financial statements in 2008 and 2009:

In € thousands	2008	2009
- Service cost	363	315
- Discount cost	320	323
- Expected return on plan assets	(243)	(223)
- Curtailment	0	(1,274)
Subtotal	440	(859)
Transfer of acquisition		33
Actuarial (profit) or loss calculated	709	(104)
TOTAL	**1,149**	**(930)**

(5) Other
Impairment of treasury shares (see note 9).

NOTE 12 - BREAKDOWN OF LIABILITIES

				31.12.2009
In € thousands	Total	Less than 1 year	1 to 5 years	More than 5 years
Bank loans and borrowings (1)	176,877	66,977	109,900	
Other loans and borrowings	294	294		
Trade accounts payable and related payables	53,984	53,984		
Personnel and related liabilities	5,606	5,606		
Social security and related liabilities	6,756	6,756		
Income tax	0	0		
Value added tax	606	606		
Other duties and taxes	835	835		
Due to suppliers of non-current assets	1,494	1,494		
Group and associates	10,293	10,293		
Other liabilities	6,908	6,908		
Deferred income	407	407		
TOTAL	**264,060**	**154,160**	**109,900**	

(1) Loans subscribed during the year	0
(1) Loans repaid during the year	33,600

The balance of bank loans and borrowings consists of a €210 million syndicated amortising term loan set up in 2008 to finance the acquisition of Gehl. The loan was recorded entirely in short-term financial debt as at 31.12.2008, as the company was not in compliance with a restrictive covenant of the financing contract at that time.
As at 31.12.2009, it was reclassified into current and non-current portions, following the restructuring of the credit agreement on 23.07.2009.
The current portion of the borrowing includes, in addition to the 2010 installment, an amount of €33 million payable in 2010 due to the application of the contract's "excess cash flow" clause.

This credit agreement includes a €210 million borrowing amortised on a straight-line basis over five years, a €50 million revolving line of credit, and a $62.5 million (or EUR equivalent) multi-currency line of credit secured by the company's receivables. As at 31.12.2009, only the acquisition debt appeared on the balance sheet, as the other lines were not used.

The main characteristics of the borrowing are as follows:
- Term: 5 years
- Interest rate: Euribor + 3%

The covenants associated with this contract are applicable to the consolidated financial statements of the Manitou Group. The main covenants are:

- gearing ratio (net debt(1)/equity) of less than one over the life of the loan;
- decreasing leverage ratio (EBITDA(2)/net debt), applicable as of 30.06.2011;
- a permanent €25 million liquidity commitment provided by the Group through 31.12.2010.

(1) under the terms of the loan agreement, net debt and shareholders' equity are restated for impacts related to the shareholder agreements.
(2) EBITDA: operating income before depreciation and amortisation and asset impairments.

As at 31.12.2009, the ratio of net debt to equity (gearing) came to 0.73, as defined by the criteria in the credit agreement. The clause relating to EBITDA shall not take effect until 30.06.2011.

The Manitou Group decided to hedge the interest rate risk on the debt incurred to acquire Gehl in order to secure to cap financial expenses. Accordingly, Manitou set in place a swap, paying fixed interest rates and receiving variable rates, to cover a portion of the acquisition debt.

NOTE 13 - RELATED PARTIES

In € thousands	**2008**	**2009**
Investments (1)	355,985	336,299
Receivables from investments		
Other shareholdings	16,139	16,022
Trade and related receivables	49,650	26,815
Other receivables	20,600	22,020
Trade and other accounts payable	16,652	12,644
Due to suppliers of non-current assets		
Other liabilities	4,829	10,293
Interest expense	1,144	177
Income from shareholdings	14,072	10,162
Other interest income	1,264	356
(1) Of which valuation difference:	55,154	0

NOTE 14 - ACCRUED INCOME AND ACCRUED EXPENSES

14.1 - Accrued income

In € thousands	**2008**	**2009**
Receivables from associates	0	0
Other long-term investments	0	0
Trade and related receivables	1,397	611
Other receivables	1,173	1,630
Cash and cash equivalents	26	4

14.2 - Accrued expenses

In € thousands	**2008**	**2009**
Bank loans and borrowings	84	0
Other loans and borrowings	0	0
Trade and other accounts payable	11,622	20,955
Tax and social security liabilities	14,536	9,847
Due to suppliers of non-current assets	102	33
Other liabilities	9,772	6,067

NOTE 15 - DEFERRED INCOME AND PREPAID EXPENSES

In € thousands	Expense	Income
Operating expense / Income	870	407
Financial expense / Income		
Non-recurring expense / Income		
TOTAL	**870**	**407**

NOTE 16 - TRANSLATION DIFFERENCES ON LIABILITIES AND RECEIVABLES DENOMINATED IN FOREIGN CURRENCY

In € thousands	Assets (1)	**Liabilities**
Trade debtors	49	209
Trade creditors	9	5
TOTAL	**58**	**214**

(1) covered by a provision amounting to €58 thousand

NOTE 17 - VALUATION DIFFERENCES

In € thousands	**31.12.2008**	**31.12.2009**
Assets		
Land	354	354
Shareholdings	554	554
TOTAL	**908**	**908**
Liabilities		
Revaluation reserve (1976)	908	908
Other differences (equity valuation differences)	55,154	0
TOTAL	**56,062**	**908**

NOTE 18 - BREAKDOWN OF SALES

In € thousands	**2008**	**2009**
A - By activity		
Production (Manitou BF)	652,353	245,441
Spare parts trading	129,508	103,172
Equipment trading	254,976	84,463
TOTAL	**1,036,837**	**433,076**
B - By geographic region		
France	404,029	190,522
Export	632,808	242,554
TOTAL	**1,036,837**	**433,076**

NOTE 19 - FINANCIAL RESULT

In € thousands	Expense	Income
Dividends		10,162
Foreign exchange gains		5,167
Other income		3,608
Interest expenses on loans	9,000	
Foreign exchange losses	3,671	
Provision for Impairment of securities (1)	68,758	
Other expenses	6,674	
TOTAL	**88,103**	**18,937**

(1) Total impairment of investments in associates (see notes 1.4 and 4).

NOTE 20 - NON-RECURRING INCOME (LOSS)

In € thousands	Expense	Income
Transactions related to the cancellation of treasury shares (1)		4,508
Recovery of provision on treasury shares		1,166
Release of regulated provisions		2,069
Other income		606
Operations related to restructuring	10,759	
Transactions related to the cancellation of treasury shares (1)	4,546	
Increase in regulated provisions	12,680	
Other expense	4,581	
TOTAL	**32,566**	**8,349**

(1) Net charge of €38 thousand following the capital reduction by cancellation of treasury shares.

NOTE 21 - INCOME TAX

21.1 - Breakdown of income tax

In € thousands	Income before tax	Tax	Income after tax
Ordinary income	(95,592)	(13,267)	(82,325)
Non-recurrent income	(24,217)	(7,193)	(17,024)
Net income	(119,809)	(20,460)	(99,349)

Because of the losses incurred, the Company opted to claim a carry-back allowing it to record a receivable from the French treasury department equal to the income tax calculated on the loss. As such, €20,204 thousand was recorded on the balance sheet as at 31.12.2009 and as income in the income statement.

21.2 - Research tax credit

The research tax credit recognised in 2009 amounted to €256 thousand.

21.3 - Increases and reductions in the future tax liability

In € thousand		Amount
NATURE OF TEMPORARY DIFFERENCES		
INCREASE		
Regulated provisions at 31.12.2009	23,631	
Other tax deductibles		
INCREASE IN FUTURE TAX LIABILITY		**8,136**
DECREASE		
Provisions that are non-deductible for the year when recognised	3,951	
Other		
REDUCTION IN FUTURE TAX LIABILITIES		**1,360**

NOTE 22 - FINANCE LEASES

There were no property finance leases as at 31.12.2009.

NOTE 23 - COMMITMENTS GIVEN

			31.12.2009
In € thousands	Amount	Subsidiaries	Other
Discounted bills not yet due			
Guarantees, surety and pledges	5,365	5,300	65
Mortgages			
Shareholders' agreements	3,274		3,274
Forward currency sales	5,340		5,340
Interest rate swaps	357,000		357,000
Commitments to repurchase equipment (1)	27,216		27,216

(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	31.12.2009
INCOME FOR THE YEAR	**(99,349)**
Income tax	20,460
INCOME BEFORE TAX	**(78,889)**
Change in regulated provisions	10,531
Other tax deductibles	
INCOME BEFORE TAX, EXCLUDING IMPACT OF EXCEPTIONAL TAX ITEMS	**(68,358)**

NOTE 25 - AVERAGE NUMBER OF EMPLOYEES

Employees	2008	2009
Management staff	273	239
Technical and supervisory staff	39	36
Office workers	312	278
Production workers	834	770
TOTAL	**1,458**	**1,323**

NOTE 26 - INFORMATION RELATING TO INDIVIDUAL STAFF TRAINING RIGHTS

In 2009, 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 110,864 hours at 31.12.2009.

NOTE 27 - INFORMATION RELATING TO COMPENSATION PAID TO CORPORATE OFFICERS

All compensations and benefits-in-kind paid to Corporate Officers in 2009 are shown in the following table:

In € thousands or number of shares	Wages	Directors' fees	Additional payments	Stock-options granted	Stock-options exercised	Other provisions and commitments
Non executive Directors	299	153				
Corporate Officers	773	314	898	None	0	449

NOTE 28 - INFORMATION RELATING TO THE STATUTORY AUDITOR'S FEES

The Company believes that the information provided for by Article 222-8 of the AMF's general regulations and instructions 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-CLOSING EVENTS

INDUSTRIAL AND WORKFORCE REORGANISATION IN FRANCE

On 06.04.2010 Manitou presented to the Group works council a proposal for a new workforce and industrial organisation in France. This project follows the three slogans of the strategic group "Clarify, Simplify, Amplify" in that it:
1- Clarifies the duties of each industrial site, defining skills centers with critical masses of local skills, professions, and new operational issues;
2 - Simplifies the organization by merging legal entities Aumont BSBH, CIMM, BTMI and MLM within Manitou BF in order to ease the administrative framework, creates more flexible compensation practices and encourages mobility;
3 - Amplifies the responsiveness, accountability and productivity of sites when the company moves away from the crisis of below capacity utilisation in 2009.

The purpose of the project is to consolidate and strengthen each of the activities concerned, without calling into question their ambitions, size or location. It does, however, propose a redeployment of the warehousing equipment product line from Saint-Ouen l'Aumône (95) to the Beaupréau (49) site. This redeployment is intended to guarantee the long-term future of this activity by placing it in a site that has attained critical mass and is used entirely by the IMH division, while incorporating it functionally into the Group's structures.

SIGNATURE OF A CROSS-DISTRIBUTION AGREEMENT BETWEEN TEREX AWP AND MANITOU

On 19.04.2010, Terex Aerial Work Platforms (AWP) and Manitou announced the signing of a reciprocal supply and distribution agreement, by which each party will provide certain models of its line of aerial personnel lifts and platforms to the other, which will also provide after-sales service.
Initially, the agreement will be implemented in Europe (CE standard units) with the intention to expand its geographical scope in 2011.

LIST OF EQUITY INTERESTS AND AT SUBSIDIARIES 31.12.2009

The consolidated financial statements for the year ended 31.12.2009 have been prepared in accordance with IFRS as is the case of companies reported using the equity method (Notes a.2.2 and b.4). The resulting valuations are presented in the table below.

COMPANY	Capital	Reserves et retained earnings before appropriation	% of capital held	BOOK VALUE OF SHARES HELD			Loans et Advances granted and not yet repaid	Guaran-tees given	Sales before tax	Profit or Loss (-)	Dividends received
In € thousands or other currency units				Gross	Net	Accounted for by the equity method					
I - Detailled information											
A - SUBSIDIARIES (AT LEAST 50% OWNED)											
	EUR	EUR		EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
CFM	1,320	21,765	100.00%	1,716	1,716	23,085			46,071	(1,055)	522
CIMM	1,800	1,581	100.00%	1,789	1,789	3,417	15,127		11,681	(2,798)	
MLM	1,800	(729)	100.00%	6,912	6,912	1,471	4,599		9,655	(1,704)	
Aumont-BSBH	1,747	1,245	100.00%	1,396	1,396	2,995	949		3,545	(1,743)	
BTMI	230	1,621	100.00%	743	743	1,997	588		2,269	(991)	
MCI	5,000	69,073	100.00%	34,460	34,460	70,511			85,878	488	
Manitou Benelux SA	500	8,304	98.00%	631	631	8,681			39,268	411	2,013
Manitou Portugal SA	600	10,314	90.00%	1,673	1,673	9,950			13,645	790	900
Manitou Deutschland GmbH	800	1,213	100.00%	800	800	2,013			27,549	578	3,500
Manitou Manutencion Espana SL	200	84	100.00%	200	200	284			1,117	91	
	GBP	GBP							GBP	GBP	
Manitou UK Ltd.	230	11,283	98.70%	507	507	11,909			51,016	1,132	2,232
	USD	USD							USD	USD	
Gehl Inc.	361,101	(240,675)	100.00%	274,006	274,006	98,346			85,570	(124,451)	
Manitou North America Inc.	64	24,359	100.00%	4,967	4,967	16,953			15,941	(497)	
	SGD	SGD						SGD	SGD	SGD	
Manitou Asia Pte Ltd.	400	7,223	100.00%	1,310	1,310	3,775		2 500	11,873	82	
	TRL	TRL							TRL	TRL	
Manitou TR	250,000	(208,789)	99.64%	811	0	19			43,324	34,043	
	ZAR	ZAR							ZAR	ZAR	
Manitou Southern Africa Pty Ltd.	797	83,159	94.12%	208	208	7,884			228,264	15,173	403
	CAD	CAD							CAD	CAD	
Chariots Élévateurs Manitou Canada Inc.	20	89	100.00%	13	13	72	64		710	19	
	AUD	AUD							AUD	AUD	
Manitou Australia Pty Ltd.	400	2,447	80.00%	254	254	1,423			27,367	385	
	CNY	CNY							CNY	CNY	
Manitou Hangzhou Machinery Handling Co Ltd.	43,861	(25,489)	100.00%	3,840	3,840	2,409			(18,851)	(15,043)	
	RUB	RUB							RUB	RUB	
Manitou Vostok	338	8,522	100.00%	10	10	205			68,179	(1,142)	
	PLN	PLN						EUR	PLN	PLN	
Manitou Polska	200,000	382	100.00%	53	53	142		1,020	3,264	256	
B - EQUITY INTERESTS (10 to 50%)											
	EUR	EUR							EUR	EUR	
TIE SA	9,000	48,898	20.00%	3,868	3,868				104,043	(8,335)	216
Manitou Finance France SAS	19,600	2,223	49.00%	9,604	9,604				11,847	579	
	GBP	GBP							GBP	GBP	
Manitou Finance Ltd.	2,000	1,908	49.00%	1,482	1,482				2,354	(41)	376
	DZD	DZD							DZD	DZD	
Algomat	20,000	50,422	30.40%	74	74				18,150	13,613	
	CNY	CNY						EUR	CNY	CNY	
Hangzhou Manitou Machinery Equipment Co Ltd	24,046	10,578	40.00%	994	994			3,000	12,450	(1,784)	

I I - General Information

A - SUBSIDIARIES not listed in paragraph 1 None

B - EQUITY INTERESTS not listed in paragraph 1 None

INVENTORY OF INVESTMENT SECURITIES

COMPANY	Type / par value	Currency	Number of units or shares	Initial book value in euros	Market value in euros
In number of units or shares or in € thousands					
CFM	Shares / 20	EUR	6,600	1,716	23,085
CIMM	Shares / 20	EUR	22,500	1,789	3,417
MLM	Shares / 16	EUR	112,500	6,912	1,471
Aumont-BSBH	Shares / 20	EUR	62,400	1,396	2,995
BTMI	Shares / 10	EUR	23,000	743	1,997
TIE SA	Shares / 15	EUR	120,000	3,869	3,869
Manitou Finance France SAS	Shares / 1000	EUR	9,604	9,604	9,604
Manitou UK Ltd.	Shares / 1	GBP	227,050	507	11,909
Manitou North America Inc.	Shares / 100	USD	639	4,967	16,953
MCI	Shares / 1	EUR	5,000,000	34,460	70,511
Manitou Benelux SA	Units / 500	EUR	980	631	8,681
Manitou Asia Pte Ltd.	Shares / 1	SGD	400,000	1,310	3,775
Manitou TR	Shares / 10 000 000	TRL	24,910	811	19
Manitou Portugal SA	Shares / 5	EUR	108,000	1,673	9,950
Manitou Deutschland GmbH	Shares / 800 000	EUR	1	800	2,013
Manitou Southern Africa Pty Ltd.	Units / 1	ZAR	750,000	208	7,884
Manitou Finance Ltd.	Units / 1	GBP	980,000	1,482	1,482
Algomat	Shares / 1 000	DZD	6,080	74	74
Chariots Élévateurs Manitou Canada Inc.	Shares / 1	CAD	20,000	13	72
Gehl Inc.	Shares / 361 101	USD	1	274,006	98,346
Manitou Australia Pty Ltd.	Shares / 1	AUD	320,000	254	1,423
Manitou Hangzhou Machinery Handling				3,840	2,409
Manitou Manutencion Espana SL	Shares / 1	EUR	200,000	200	284
Hangzhou Manitou Machinery Equipment Co Ltd				994	994
Manitou Vostok	Shares / 1			10	205
Manitou Polska	Units / 1	PLN	400	53	142
TOTAL				**352,322**	**283,564**

FIVE-YEAR FINANCIAL SUMMARY

Information *in euros*	2005	2006	2007	**2008**	**2009**
I - AT 31 DECEMBER					
a) Share capital	37,809,040	37,809,040	37,809,040	37,809,040	37,567,540
b) Number of ordinary shares in issue	37,809,040	37,809,040	37,809,040	37,809,040	37,567,540
c) Number of convertible bonds					
II - RESULTS OF OPERATIONS					
a) Sales	802,400,739	936,556,089	1,041,265,194	1,036,837,302	433,075,596
b) Income before tax, amortisation, depreciation, provisions and employee profit sharing	94,350,751	122,282,642	131,304,463	93,037,984	(26,803,644)
c) Income tax	25,250,848	30,940,065	23,617,005	10,019,107	(20,460,145)
d) Income after tax, depreciation, amortisation, provisions and employee profit sharing	54,776,957	75,427,712	83,062,211	40,801,349	(99,348,904)
e) Dividends paid	34,028,136	39,699,492	39,699,492	0	0
III - PER SHARE DATA					
a) Income after tax, but before amortisation, depreciation, provisions and profit sharing	1.83	2.42	2.85	2.20	(0.17)
b) Income after tax, amortisation, depreciation, provisions and profit sharing	1.45	1.99	2.20	1.08	(2.64)
c) Dividend paid per share	0.90	1.05	1.05		
IV - EMPLOYEE DATA					
a) Number of employees	1,236	1,297	1,367	1,458	1,323
b) Salaries and wages	38,295,486	41,595,594	45,311,254	48,557,081	41,126,453
c) Social security and benefits	15,828,761	17,197,376	18,822,484	20,043,791	16,621,998

8.4. STATUTORY AUDITOR'S REPORT ON THE COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.12.2009

8.4.1 Statutory Auditor's report annual financial statements

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders:

In performance of the assignment entrusted to us by your Annual Shareholders' Meeting, we hereby present our report for the year ended 31.12.2009 on:

- the audit of the Parent Company financial statements of Manitou BF, as attached to this report;
- the basis for our opinion;
- the specific verifications and information required by law.
- the financial statements were approved by the Board of Directors. Our role is to express an opinion of these financial statements based on our audit.

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 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, as well as the overall presentation of the financial statements. We believe that the evidence we obtained is sufficient and provides an appropriate basis for our opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at 31.12.2009 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 point discussed in the note on the going concern assumption that stipulates the conditions under which the Manitou Group's financial statements were prepared with regard to the going concern assumption.

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 assumption used in the preparation of the financial statements for the year ended 31.12.2009 (see the note on the going concern assumption). The accounting estimates used when establishing the financial statements for the year ended 31.12.2009 were made in the context of difficulty in ascertaining the economic outlook. In the light of 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 discusses the procedures used to measure the value of the company's equity interests. Because of the mandatory application of IFRS for the preparation of the Group's consolidated financial statement, the equity used to value investments in associates in the Parent Company financial statements is calculated in application of these same standards.

Note 11 discusses the fact that your Company sets aside provisions in respect of guarantees given to customers. 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 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 policies applied by your Company, we have also reviewed the method used to capitalise development costs and to amortise such expenses and test their recoverable amount, and are satisfied that note 1.3 provides appropriate disclosure in this respect.

These assessments were made in the context of our audit of the Parent 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.

SPECIFIC VERIFICATIONS AND INFORMATION

In accordance with professional standards applicable in France, 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 Parent Company financial statements of the information provided in the Board of Director's management report and in the documents supplied to the shareholders with respect to the Parent Company's financial position and financial statements.

Regarding the information provided pursuant to the provisions of Article L.225-102-1 of the French Commercial Code regarding compensation and benefits paid to corporate officers and any commitments made in their favour: we have verified their consistency with the financial statements or with the data used to prepare the financial statements and, where appropriate, with information collected by your Company from the companies that control your Company or are controlled by it. On the basis of the work we performed, we confirm the accuracy and fair presentation of this information.

Pursuant to the law, we have verified that the various disclosures regarding the acquisition of participating and controlling interests and the identity of shareholders and holders of voting rights have been provided to you in the management report.

Orvault and Saint-Herblain, 30.04.2010
The Statutory Auditors

The Statutory Auditors French original signed by

RSM SECOVEC	**DELOITTE & ASSOCIÉS**
Jean-Michel Picaud	Anne Blanche

8.4.2 Statutory Auditors' special report on regulated agreements and commitments with related parties

> This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as your Company's Statutory Auditors, we hereby present to you our report on regulated agreements and commitments with related parties.

AGREEMENTS AND COMMITMENTS AUTHORISED DURING THE YEAR

In accordance with Articles L.225-88 and L.225-40 of the French Commercial Code, we have been informed of agreements and commitments that were subject to prior authorisation by your Supervisory Board or your Board of Directors.

Our role is not to identify any undisclosed agreements and commitments but to inform you, on the basis of the information we were given, the principal terms and conditions of those agreements brought to our attention, without expressing an opinion on their usefulness or validity. Pursuant to Article R. 225-58 of the French Commercial Code, you are responsible for assessing 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 French 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.

AGREEMENTS WITH THE COMPANY CFM
PERSON CONCERNED: MARCEL-CLAUDE BRAUD

Acquisition by Manitou BF of land and buildings owned by CFM:

At its meeting of 13.01.2009, your Supervisory Board decided to authorize the purchase by Manitou BF of land and buildings, on a 3,010 m^2 parcel, for €301,000 excluding related acquisition costs.

Acquisition by Manitou BF of Actis Location shares held by CFM:

At its meeting of 13.01.2009, your Supervisory Board decided to authorize the purchase by Manitou BF of all of the shares of the company Actis Location held by CFM for the value of Actis Location's reported net assets (€46 thousand). Ultimately, this sale never took place during the year ended 31.12.2009.

AGREEMENTS WITH JACQUELINE HIMSWORTH, MARCEL BRAUD, MARCEL-CLAUDE BRAUD, GORDON HIMSWORTH AND MARIE-CLAUDE BRAUD (MEMBERS OF THE SUPERVISORY BOARD AT THE DATE THIS AGREEMENT WAS SIGNED), WITH BRUNO FILLE (MEMBER OF THE EXECUTIVE BOARD AT THE DATE THIS AGREEMENT WAS SIGNED) AND WITH THE COMPANY SFERT (HOLDER OF 42.06% OF THE CAPITAL OF MANITOU BF)

At its meeting of 13.05.2009, your Supervisory Board decided to authorize the purchase by Manitou BF of all of the shares held by minority shareholders in the companies CFM, CIMM Aumont BSBH, BTMI, MLM, and Manitou UK Ltd., for the value of those subsidiaries net assets at 31.12.2008.

The amounts were as follows:	CFM	CIMM	Aumont BSBH	BTMI	MLM	Manitou UK Ltd
Jacqueline Himsworth	€63,522	€159,753	€1,456	€1,289	€1,021	Nil
Marcel Braud	€63,522	€14,735	€1,456	€148,235	€1,022	74,340 GBP
Marcel-Claude Braud	€42,348	Nil	€510	€29,647	€1,022	13,415 GBP
Gordon Himsworth	€42,348	€58,163	€1,456	€28,358	Nil	74,340 GBP
Marie-Claude Braud	€42,348	€174,488	€1,456	Nil	Nil	Nil
Bruno Fille	Nil	€259	€73	€29,647	€204	2,795 GBP
Société SFERT	Nil	€639,788	Nil	€296,470	Nil	Nil

REGULATED COMMITMENTS SUBJECT TO THE PROVISIONS OF ARTICLE L.225-90-1

PERSON CONCERNED: JEAN-CHRISTOPHER GIROUX, CHIEF EXECUTIVE OFFICER

At its meeting of 02.06.2009, your Supervisory Board decided:

- to grant Jean-Christophe Giroux fixed gross annual compensation of EUR 360,000, paid in twelve monthly instalments. The fixed annual compensation in respect of 2009 will be paid pro rata.
- to grant Jean-Christophe Giroux gross annual variable compensation equal to a maximum of 66.67% of the gross fixed compensation paid during the year. Minimum variable compensation in the form of a €90,000 (gross) bonus in respect of 2009 is guaranteed, subject to Jean-Christophe Giroux still being President of the Executive Committee at the end of the financial year. For 2010 and subsequent years, the variable compensation shall be based on several quantitative and qualitative criteria, whose type, weighting, and quantified objectives shall be discussed during the fourth quarter of the previous year or, at the very latest, on the day the budget is approved by the Board of Directors.
- to grant Jean-Christophe Giroux, subject to the authorisation of the Shareholders' Meeting of the Company, during a period of three consecutive years and, for each of them, on condition of attainment of performance criteria set by the Supervisory Board, financial instruments giving access to Manitou's capital (such as stock grants, stock options or a combination of the two in a ratio of four stock options for each stock grant), with the understanding that this annual grant will be worth €225,000.

The Supervisory Board has also provided:

- for the authorisation of a lump sum severance payment to be paid to Jean-Christophe Giroux, corresponding to two years' annual fixed and variable compensation, in the event that he shall leave during the first 18 months of his term of office, and one year's annual fixed and variable compensation in the event that he leaves anytime after these initial 18 months. The conditions for granting this payment were fixed by the same Supervisory Board.
- a non-compete clause for Jean-Christophe Giroux during the twelve months following the end of his term of office, regardless of the reasons for which his employment was terminated. In return, he will receive a monthly stipend for a period of one year following the termination of his employment, equal to 50% of the fixed monthly compensation he received during the last month prior to the termination of his employment.

That until the expiry of his mandate, Jean-Christophe Giroux shall participate in the same pension scheme as the executive managers of the Company and in a supplemental health insurance programme equivalent to that provided to the executive managers of the Company.

Following the change in the Company's system of governance, on 17.12.2009 your Board of Directors renewed, under the same manner, the components of compensation granted to Jean-Christophe Giroux for his duties as Chief Executive Officer.

PERSON CONCERNED: MARCEL-CLAUDE BRAUD

At its meeting of 24.11.2009, your Supervisory Board decided to authorise the granting of an all inclusive indemnity for terminating Marcel-Claude Braud's appointment as President of the Executive Committee and his employment contract in an amount not to exceed two years' compensation.

In these conditions, your Company paid the following amountsto Marcel-Claude Braud during the 2009 financial year:

- €200,000 (net) as compensation for the revocation of his appointment;
- €598,644.04 (net) in severance pay, consisting of:

- A contractual severance payment in a net amount of €336,968.45;
- A compensatory payment in lieu of notice for the period through 17.12.2009 (date of termination) in a net amount of €64,643.59;
- A settlement payment, in one comprehensive and definitive lump sum, in a net amount of €197,032.

In addition, your Supervisory Board authorised in principle the payment of compensation to Marcel-Claude Braud in respect of his inventive activities in connection with patents filed by Manitou BF.

Accordingly, Manitou BF paid Marcel-Claude Braud an amount of €700,000.

Your Supervisory Board set the maximum amount of money paid to Marcel-Claude Braud in connection with his departure at €1,500,000.

PERSON CONCERNED: BRUNO FILLE

At its meeting of 23.07.2009, your Supervisory Board authorized the payment of compensation to Bruno Fille under the terms of the voluntary redundancy plan implemented within the Company.

In relation to this, Manitou BF recognized a gross expense of €561,413.

Agreements and commitments approved in previous 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.

AGREEMENT WITH A.R.S CONSULTING

Person concerned: Joël Goulet, a member of your Board of Directors and manager of the company A.R.S. Consulting.

At its 06.11.2008 meeting, your Supervisory Board decided to authorise the creation of a steering group to develop, in liaison with the Executive Board, a proposed organisational structure, along with the related governance recommendations and the recruitment of a Chief Executive Officer. This assignment was entrusted to the company A.R.S. Consulting. Your Company incurred expense of €24,000, excluding VAT, in connection with this project in 2009, the same amount as in 2008.

AGREEMENT WITH JACQUELINE HIMSWORTH (MEMBER OF THE BOARD OF DIRECTORS)

CURRENT ACCOUNT

The current account advance to Jacqueline Himsworth amounted to €294,457 (including interest and net of deductions) as at 31.12.2009. This current account advance was remunerated at an interest rate of 4.81%. The interest charges incurred by your Company in relation to this advance amounted to €11,201.

Orvault and Saint-Herblain, 30.04.2010
The Statutory Auditors

The Statutory Auditors French original signed by

RSM SECOVEC	**DELOITTE & ASSOCIÉS**
Jean-Michel Picaud	Anne Blanche

2009 Annual Report

9. ADDITIONAL INFORMATION

9.1. PERSON RESPONSIBLE FOR THE INFORMATION IN THE ANNUAL REPORT

Jean-Christophe Giroux, President and Chief Executive Officer

I hereby affirm that, to the best of my knowledge, the financial statements have been prepared in accordance with all applicable accounting standards and present a true and fair view of the assets, liabilities, financial position and results of the company Manitou BF and all the companies included in its scope of consolidation, and the accompanying management report presents an accurate picture of the business, performance and financial position of the Company and all the companies included in the consolidation scope and describes the principal risks and uncertainties they face.

Ancenis, 30 April 2010

Jean-Christophe Giroux,

President and Chief Executive Officer

9.2. CHAIRMAN OF THE BOARD OF DIRECTORS' REPORT IN APPLICATION OF ARTICLE L.225-37 OF THE FRENCH COMMERCIAL CODE

To the Shareholders:

The Extraordinary Shareholders' Meeting of 17 December 2009 approved the proposed changes to the Group's governance structure, in favour of a structure with a Board of Directors, of which I am now non-executive Chairman, and Jean-Christophe Giroux acts as President and Chief Executive Officer.

In application of the provisions of Articles L.225-37 and L.225-68 of the French Commercial Code resulting from Article 117 of the Financial Security Act, I hereby present you this report on:

- the conditions for the preparation and organisation of the duties of the Board of Directors;
- the organisation and functioning of the specialised committees;
- the internal control and risk management procedures employed within the Group (Parent Company and all fully-consolidated companies).

The report was prepared with the assistance of the Audit Committee and the Head of Internal Control, and was presented on 30 March 2010 to the Board of Directors, in accordance with Directive 2006/46/EC transposed into French law by Act 2008-649 of July 3, 2008.

9.2.1 Preparation and organisation of the duties of the Board of Directors

Previously composed of seven members appointed for a term of six years, since 17 December 2009 the Board of Directors has a total of nine members, appointed for a term of four years:

- Marcel Braud, Chairman,
- Jacqueline Himsworth, Vice Chairman,
- Sebastian Braud,
- Serge Ghysdael,
- Gordon Himsworth,
- Christopher Himsworth,
- Joël Goulet, an independent member,
- Dominique Bamas, an independent member,
- Pierre-Henri Ricaud, an independent member.

Among the changes in 2009, it is worth noting:

- the arrival of Dominique Bamas following the Shareholders' Meeting on 4 June, replacing Georges-Henri Bernard;
- the arrival of Pierre-Henri Ricaud and Christopher Himsworth, approved by the Shareholders' Meeting on 17 December;
- the loss of independent member status of Serge Ghysdael, whose status is now designated within the meaning of the AFEP-MEDEF code of October 2008.

The by-laws contain no specifications regarding directors and officers of the Company with the exception of the age limits mentioned in Articles 13 and 14. Their terms will expire in 2013, at the Shareholders' Meeting held to approve the financial statements for the financial year ending 31 December 2012.

The terms for shareholder participation in Shareholders' Meetings, defined in Article 20 of the by-laws, do not include any specific provisions.

During 2009 the Board of Directors, formerly the Supervisory Board, met 13 times. The Group's operations, strategic orientations and projects underway are reviewed at each meeting.

As such, the following were discussed repeatedly:

- initiatives begun at the end of 2008 to adapt to economic conditions;
- the situation at Gehl, and negotiations with the French and US banking pools;
- reorganisation of the Group, changes in the by-laws and the rules of procedure of the Board of Directors[1]; and
- composition of the boards of the subsidiaries, and topics from various other meetings.

In addition to these recurring topics, the following main subjects were also addressed:

1 - Prepared notably in reference to the recommendations contained in the October 2008 AFEP-MEDEF code of governance.

The primary responsibilities of the Audit Committee are to ensure:

	Date	Subjects addressed
Supervisory Board / Executive Board	13.01	Definition of the functions of the directors of Gehl
	27.01	Sales: 2008 actual and 2009 budget Implementation of recommendations of the AFEP-MEDEF code of governance
	24.02	- 2008 pro forma results (excluding Gehl) - Acquisition of minority interests in Manitou Asia and a portion of the shares of Manitou Australia
	20.03	Modification of the composition of the Executive Committee (appointment of C. Caleca)
	30.03	2008 results, Chairman's report, resolutions submitted to the Shareholders' Meeting Voluntary redundancy initiatives for Manitou BF and its French subsidiaries (Book IV of the French Labour Code)
	13.05	Q1 results and update on operations through end-April Acquisition of minority interests in MCI and French subsidiaries
	02.06	Revocation of the appointment of M.C. Braud as President of the Executive Committee Appointment of J.C. Giroux, principles of compensation, benefits, health insurance and obligations
	23.07	H1 sales and operations, revised budget Appointment of D. Bamas (replacing G.H. Bernard)
	25.08	Validation of the new Group organisational structure
	15.09	H1 results Validation of the new composition of the boards of the subsidiaries
	22.10	Sales at 30 September and review of operations Convening of the Shareholders' Meeting of 17 December
	24.11	Results at 30 September Acquisition of the minority interests in Manitou Portugal
Board of Directors	17.12	Implementation of initiatives approved by the Shareholders' Meeting Separation of the functions of President and Chief Executive Officer, Appointment of the Chairman, Vice Chairman, Chief Executive Officer, Secretary and members of special committees, Adoption of the rules of procedure of the Board of Directors.

These meetings, which were convened by the Chairman, were held at the head office and had an average attendance of close to 100%[2]. Preparatory documents were in most cases sent to members in advance, and minutes were kept of each meeting and systematically transmitted to the Board members for their approval.

The Statutory Auditors were invited to all Board meetings, including notably those regarding the audit of the interim and annual financial statements, in accordance with Article L.823.17 of the French Commercial Code

The limits on the powers of the Chief Executive Officer are defined in the rules of procedure, which were set in place at the same time as the by-laws were changed, and which refer to the latter (Article 16.4). Through 17 December, the limits on the powers of the Executive Committee were defined in the by-laws, and were supplemented by the Shareholders' Meeting of 4 June 2009.

9.2.2 Organisation and functioning of the specialised committees;

A) AUDIT COMMITTEE

Two changes were made to the composition of the Audit Committee in 2009, without departing from the founding principle of at least two members, one of whom is independent, now established in the rules of procedure of the Board of Directors.

At the end of the year, and on the date this report was prepared, the Audit Committee was comprised of:

Jacqueline Himsworth, Chairman, unchanged during the year,

Pierre-Henri Ricaud, since 17 December 2009, replacing Dominique Bamas, himself appointed 23 July following the departure of Georges-Henri Bernard.

Dominique Bamas now acts as an alternate member, replacing Gordon Himsworth.

2 - Including occasional cases where the director was represented by another Board member, as provided for in the by-laws.

- the accuracy and fair presentation of the financial statements and all financial disclosures:
by reviewing the draft Parent Company and consolidated financial statements and the management report before they are sent to the Board;

  - by verifying the consolidation method and scope, and the relevance and consistency of the accounting rules;
  - by reviewing the comments and adjustments proposed by the Statutory Auditors, and any disagreement between them and the Company's executive management;
  - by regularly examining the Group's financial position, its cash position and its significant commitments;
  - by inquiring about the financial strategy and conditions of the Group's main financial transactions.

- the high quality of internal control and risk management procedures:

  - by assessing the effectiveness and the quality of the Group's internal control procedures;
  - by establishing the annual audit plan and any audit assignment deemed necessary, and by studying the findings, recommendations and action plans established for each mission;
  - by reviewing the chapters of the management report on the Group's exposure to risks, and all associated controls;
  - by asking the Company's executive management about all criticism of accounting records and internal control procedures, and the actions set in place;
  - by being questioned by the Chairman of the Board or the Statutory Auditors about any event exposing the Group to a significant risk.

- the independence of the Statutory Auditors:

  - by overseeing the selection procedure on behalf of the Parent Company, and reviewing all matters related to their appointment, revocation, or renewal;
  - by annually reviewing with them their work plans and the findings and recommendations resulting from their work;
  - by annually reviewing the fees paid to the Group's Statutory Auditors, and checking that they do not impede the latter's obligation of independence;
  - by pre-approving any assignment that would be given to them outside the scope of their legal due diligence.

The Audit Committee meets at least five times a year, usually in the presence of the Head of Internal Control and obligatorily in the presence of the Statutory Auditors prior to the interim and annual closings. The Committee may at any time obtain from the latter any precisions that would be useful to it in its duties, and the latter are free to request meetings with the Committee.

In 2009, the meetings of the Audit Committee addressed the following main subjects:

Date	Subject addressed
20.01	Progress report on adaptive measures undertaken in connection with the *Performance 2011* project, with the direct involvement of the internal audit department
23.02	Statutory Auditors' summary of the 2008 closing (excluding Gehl), and review of their review of internal controls in 2008 Draft Chairman's report
26.03	Statutory Auditors' summary of the 2008 closing (including Gehl)
27.04	Progress report on the *Performance 2011* project Statutory Auditors' comments on the Chairman of the Board of Directors' report
05.06	Update on ongoing audits and the audit plan for the remainder of the year
11.09	Statutory Auditors' summary of the June 2009 closing

B) COMPENSATION COMMITTEE

As was the case with the Audit Committee, two changes were made to the composition of the Compensation Committee in 2009, without departing from the founding principle of at least two members, one of whom is independent, now established in the rules of procedure of the Board of Directors.

At the end of the year, and on the date this report was prepared, the Compensation Committee was comprised of Joël Goulet and Serge Ghysdael, unchanged during the year, and Christopher Himsworth since 17 December. Pierre-Henri Ricaud serves as an alternate member of the Committee.

The main functions of the Committee are to prepare the Board's compensation-related work:

- for the directors, by making proposals regarding the distribution of directors' fees, in accordance with the criteria contained in the rules of procedure, and the compensation awarded to any directors who may have been given ad hoc assignments;

- for the Chief Executive Officer and the members of the Executive Committee:
  - by making recommendations regarding all of their compensation, pension and health insurance schemes, benefits in kind and other rights;
  - by proposing rules concerning variable pay that are consistent with the Group's strategy and all associated assessment methods, and overseeing their implementation;
  - by ensuring compliance with the Company's requirements to fully disclose all such compensation, most notably in the annual report;
  - by proposing a general policy for the granting of long-term instruments, taking into account the methods authorised by law and their consequences.

More broadly, the Committee is kept up-to-date at least once a year on the compensation policy in force within the Group for the various different categories of employees.

The following principles and rules are used to determine the compensation of the Chief Executive Officer (see Article L.225-37 of the French Commercial Code) and more generally the compensation of corporate officers[3] :

- each year, the Board determines the compensation at the meeting held to approve the annual results, and no later than the following meeting;

- the various components of compensation are decided based on the recommendations of the Compensation Committee, taking into account:
  - the consistency of such proposals with the compensation trends for the members of the Executive Committee and the executive managers of subsidiaries;
  - the economic performance of the company and the value created, along with other quantitative or qualitative criteria;
  - market practices for such each type of function, taking into account the size and complexity of the organisation and the international nature of the Group.

The Compensation Committee meets at least twice a year, and the Chairman and Chief Executive Officer are welcome to participate in all matters save those that concern them directly.

In 2009, these meetings addressed the following subjects:

Date	Subject addressed
17.02	Review, together with the President of the Executive Committee, of fixed and variable compensation in place, and analysis of various areas for future discussion
25.11	Implementation, with the Secretary General and the Group HR Director, of a comparative analysis of the compensation of the company's key executives along with an international human capital and financial management consulting firm
21.12	Analysis of the results of the study mentioned above with the Chief Executive Officer, the Secretary General and the Group HR Director

In addition, three conference calls were held (25 August, 31 August and 13 November) to review the personal circumstances of certain members of the Executive Committee and compensation-related long-term financial instruments, potentially eligible categories of personnel, and possible courses of action.

This work resulted in various recommendations being made to the Board.

3 - Detailed for the year 2009 in the section of the management report on "Information about directors and corporate officers".

C) STRATEGIC COMMITTEE AND DEVELOPMENT COMMITTEE

These two Committees were established following the Shareholders' Meeting of 17 December 2009, and become fully operational in 2010.

The Strategic Committee consists of Marcel Braud, Sebastien Braud, Gordon Himsworth and Joel Goulet. Christopher Himsworth serves as an alternate member of the Committee.

The main functions of the Committee are to help the Board define the Group's strategy, and verify that the Company's executive management acts in a manner consistent with that strategy. It prepares the Board's work on the strategic plan; any proposed strategic alliances, technological cooperation or industrial partnerships intended to diversify or that affect the Group's range of activities; and any major investments or divestments.

It may request and obtain explanations from the Company's executive management regarding the assumptions made and, more generally, the business plan for any transaction referred to above.

In addition to the opinions and recommendations of the Committee, the files submitted to the Board include analyses of all risks posed by such transactions, especially as regards their impact upon the Company's financial statements. As such, the Audit Committee may collaborate with the Strategic Committee.

The Development Committee consists of Marcel Braud and Jacqueline Himsworth. Sebastian Braud and Gordon Himsworth serve as alternate members of the Committee.

The Committee meets monthly with the Chief Executive Officer, and may be attended by one or more senior executives, to monitor the Group's activity and current projects. It acts as a liaison for the Board, and provides all of the directors with regular feedback on these topics in the form of written reports.

9.2.3 Internal control procedures

Internal control procedures are generally enriched and updated regularly within the Group, in order to provide stringent oversight and effective management of all operating risks and to prepare exhaustive and accurate reporting regarding the Group's financial position and its accounts.

A thorough review will be performed in 2010 to update these procedures in accordance with the Group's new organisation and the various changes that took place in 2009, notably with regard to the Group's information systems.

Like any control system, these procedures cannot provide an absolute guarantee that all risks are effectively prevented. These procedures are intended above all to reduce their likelihood of occurrence and their potential impact through the implementation of appropriate actions.

A) GENERAL ORGANISATION OF THE INTERNAL CONTROL FUNCTION

The Head of Internal Control reports directly to the Secretary General of the Group, and reports on a dotted line to the Group Audit Committee as a reminder that independence plays a critical role in his assignment.

His main areas of work are based on the COSO model[4] and an audit manual, defining notably the manner in which an assignment is to be carried out:

- Conducting audits of internal controls, in accordance with the annual plan prepared by the Audit Committee.

- Helping the various departments to update the Manitou BF internal control manual , which includes the following chapters:
  - general organisation,
  - sales and marketing,
  - purchasing and external costs,
  - production management,
  - human resource management,
  - financial transactions,
  - legal affairs.

4 - Guidelines for defining and evaluating internal control established in 1992 by the Committee Of Sponsoring Organizations (COSO) of the Treadway Commission, more widely distributed in 2002-2003 in connection with the Sarbanes-Oxley Act or, in France, the Financial Security Act (LSF).

- Helping the subsidiaries draft their own internal control manuals, in accordance with the Group's key internal control principles.

- Updating all delegations of powers and decision-making authority to Executive Committee members and their teams, within both the Parent Company and its subsidiaries.

In addition to the internal control manuals mentioned above, in January 2010 the Group implemented a Code of Ethics, a set of guidelines for honest and responsible conduct, based on both the collective principles required of the Group, as a corporation, and on the individual behaviour to be observed by every employee.

B) PREPARATION AND CONTROL OF FINANCIAL AND ACCOUNTING REPORTING TO THE SHAREHOLDERS

The consolidation packages were prepared by the subsidiaries, in accordance with the Manitou Group finance manual, and submitted to the consolidation department of the Parent Company. All this work culminated in the presentation of the 2009 financial statements under IFRS.

The 2009 Parent Company and Group financial statements were prepared by the Chief Accountant, the Head of Consolidation and the Deputy Chief Financial Officer, assisted by a chartered accountant. They were validated by the Chief Financial Officer and approved by the Board of Directors.

The consolidated financial statements and those of the Parent Company and the French subsidiaries have all been audited by the Group's Statutory Auditors. Each foreign subsidiary was audited in its own country. All of the financial statements and audit observations of the local auditors were sent to the Group's Statutory Auditors and reviewed with the Finance Department.

The interim financial statements, prepared in accordance with IAS 34, are in turn subject to a limited review by the Statutory Auditors.

Off-balance sheet commitments are subject to approval and reporting procedures, within the limits of both the powers of the Chief Executive Officer provided under the rules of procedure of the Board of Directors, and the delegations of authority granted to the directors of the Group's subsidiaries.

On 30 March 2010, the Board of Directors met to approve the 2009 Parent Company and consolidated financial statements. The Statutory Auditors presented the summary of their findings to the Audit Committee on 26 March.

C) DUTIES OF THE INTERNAL CONTROL FUNCTION

The *Performance 2011* project was initiated in late 2008 in response to the sudden deterioration of the economic environment, to preserve the Group's financial position. The Head of Internal Control devoted all of his time to the project until June 2009.

Afterwards, three internal audits were conducted:

Entity / area audited	Subjects addressed
Manitou UK	Inventories, orders, pricing, delivery times Monitoring of the recommendations from the 2005 audit of the management of trade receivables and warranty costs Personnel costs
MHMH	Follow-up to the work performed by MHMH's local auditors at end-2008: - comprehensive audit of procurement cycles, inventories and cash, - simplified review of sales processes (predominantly interco.) and HR.
Inventories, work in progress and sourcing of original equipment	Estimated inventories as at 31/12/09: volume, value and provisions Management of industrial purchasing: contracts, use of competitive tenders, procurement and monitoring of supplier panel

Another major audit was also initiated in late 2009 at Gehl, on sales and marketing resources and sales finance, and will be continued and finalised in the first half of 2010.

The findings of each audit are provided to the Audit Committee and the members of the Executive Committee. The reports, which contain recommendations and associated action plans, are sent to the departments concerned, the members of the Executive Committee, the Audit Committee, the Statutory Auditors and the Chairman of the Board of Directors.

The work performed by the Internal Audit department is well coordinated with those of the Statutory Auditors by:

- dissemination of the annual audit plan and, subsequently, each audit report issued;
- participation of the Head of Internal Control in the meetings held to review the work of the Statutory Auditors (account closings and procedural reviews).

D) RISK MANAGEMENT

This report summarises the detailed analysis of risks[5] detrimental to the Group's operations, financial condition or results, and the methods used to hedge or otherwise manage those risks. All risks not listed were considered to be immaterial.

Financial risks

The Finance Departments of the Parent Company and of each subsidiary are responsible for risk management. Strategic decisions regarding hedging policies are managed by a specialised committee of the Finance Department.

The Group is exposed to liquidity risk on the various lines of credit[6] available to Gehl and Manitou BF, which contain covenants[7] that can limit the use or term of these facilities. Gehl's failure to comply with some of these covenants, giving the creditor banks the option of imposing the immediate repayment of their loans, obliged the Group to renegotiate the bank agreements, which process had not yet been completed at the time this report was prepared. A bank was mandated to advise the Group in these renegotiations, providing the technical and legal expertise required.

Manitou BF and its subsidiaries are also exposed to the risk of fluctuations in interest rates, mainly through:
its lines of credit: these are variable rate commitments, the unhedged portions[8] of which would be impacted by any future increase in interest rates (which possibility cannot be excluded);
its sales financing programme, where the main risk comes from the correlation of the Group's funding and financing rates.

Interest rate management policy is coordinated by the Group Finance Department, to protect future cash flows and reduce the volatility of financial costs.

The Group strives to minimise the exchange rate risk of each entity, whose own finance departments are responsible for hedging their largest flows. Approximately 24% of all sales in 2009 were invoiced in foreign currencies, primarily US dollars (9.7%) and Australian dollars (2.3%), pounds sterling (8.3%) and South African rand (2.9%), which were hedged mainly through the use of forward sales of pounds sterling and Australian dollars.

Credit risk, i.e. the risk of non-payment of third party receivables, is managed by the finance department of each entity (procedures, measuring instruments, impairment rules, etc.), the largest of which have specialised credit management units, and most are covered by credit insurance or through specific security deposits or guarantees. The Group is still, however, exposed to credit risk on the uncovered portion of its receivables.

Manitou BF and its subsidiaries prepare their tax returns with the help of chartered accountants or tax advisors. These methods do, however, not provide an absolute guarantee against the possible risk of a tax reassessment, especially on the technical interpretation of certain criteria or rules for tax exemption.

Operational risks

In addition to the financial risks outlined above, the Group is also exposed to various operational risks, both internal and external. Some of these risks are covered by Group insurance policies, including worldwide liability and property damage policies. This centralisation with the Parent Company has been strengthened even further since the acquisition of Gehl. Other insurance policies have also been taken out to cover people, automobiles, etc.

Supplier risk (capacity and financial limitations) is managed primarily through the quoting of major suppliers, identification of most critical suppliers, audits of compliance with the Group's quality/cost /lead time needs, and splitting of all high-risk flows. The most sensitive cases are reviewed by a specialised committee, with the participation of the Purchasing Department and the Executive Committee.

The Group is also exposed to the risk of fluctuations in the prices of raw materials and components, which account for a preponderant share of total production costs. To date, the Group has never used commodity hedges.

Industrial risks are limited essentially to those that would result from a major disaster on one of the Group's production sites, which are specialised by product line. The main ones are in Ancenis (France), Castelfranco (Italy), Yankton and Madison (USA). Significant resources have been employed to prevent the risk of fire or explosion and to contain the immediate impacts.

The Group's products implement complex technologies, implying a risk of quality and reliability, which is why the main Group factories are all ISO 9001 certified. A validation plan has been set in place for new products, to ensure the quality of the components used and compliance with all specifications. These resources, however, cannot provide an absolute guarantee against delays, design flaws or assembly defects in the existing or future product lines.

Most of the functions and organisational processes use information systems[9] that are interconnected between sites. The main IT risks are disruption of computer services and loss of confidentiality or data integrity. Recognising the limitations of its existing systems, in late 2007 the Group initiated the deployment of an ERP[10] system. A major milestone was reached in 2009 with the start-up of to planning, production and procurement management modules for the major French sites.

5 - See management report, section on "Risk Factors".
6 - For a total of €459 million as at 31/12/09, including securitisation and "limited recourse", with €170 million undrawn.
7 - "Material adverse change", "event of default", "negative pledge" and others.
8 - i.e. not covered under the variable-to-fixed or variable-to-variable interest rate swaps set in place
9 - Applications, software programmes and technical infrastructure
10 - Enterprise resource planning, an integrated management system

The Group is also exposed to various commercial risks:

- cyclical nature of the Group's activities, and political or economic changes in the various countries in which its products are sold, especially in the wake of the crisis, with additional worsening expected in some countries and varying degrees of recovery in others;

- potential non-renewal of strategic partnerships with other manufacturers, whose monitoring or renewal is the subject of regular meetings among the parties;

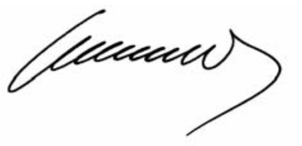
- strict standards to which the products are subject (safety, environment, etc.), for which the Group strives to employ all necessary means in terms of design and production, and downstream by ensuring that its customers are provided with all necessary information.

Some Group companies are involved in various disputes or legal proceedings. In the light of what the Company knows at present, the provisions that have been set aside to cover these risks are considered satisfactory.

The potential departure of key people (members of the Executive Committee, or personnel who are highly qualified or expert in their field) could be detrimental to the Group's success. To reduce this risk, the Group strives to implement a human resources policy capable of retaining, developing and promoting these profiles.

Marcel Braud

Chairman of the Board of Directors



9.3. STATUTORY AUDITORS' REPORT ON THE CHAIRMAN OF THE BOARD OF DIRECTORS' REPORT

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders:

In our capacity as Statutory Auditors of the company Manitou BF and in application of the provisions of Article L.225-235 of the French Commercial Code, we hereby present our report on the report prepared by the Chairman of your Company in accordance with the provisions of Article L.225-37 of the French Commercial Code for the year ended 31 December 2009.

It is the Chairman's responsibility to prepare and present to the Board of Directors for approval a report on the internal control and risk management procedures applied within the Company as well as the other information required by Article L.225-37 of the French Commercial Code, in particular with regard 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 by Article L.225-37 of the French Commercial Code, it being specified 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 OVER AND RISK MANAGEMENT OF PROCEDURES RELATING TO THE PREPARATION AND PROCESSING OF ACCOUNTING AND FINANCIAL INFORMATION.

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;
- verifying that all of the significant weaknesses 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 regarding 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 Board of Directors in application of Article L.225-37 of the French Commercial Code.

OTHER INFORMATION

We confirm that the Chairman of the Board of Directors' report contains the other disclosures required by Article L.225-37 of the French Commercial Code.

Orvault and Saint-Herblain, 30 April 2010

The Statutory Auditors

The Statutory Auditors French original signed by

RSM SECOVEC	DELOITTE & ASSOCIÉS
Jean-Michel Picaud	Anne Blanche

NOTES

History

1958
Marcel Braud has the idea of reversing the driving seat of a tractor and adding a mast to it: the Manitou forklift-truck is born.

1970
Beginning of the internationalisation of the Group.

1972
Business partnership agreement signed with Toyota for the exclusive distribution of Toyota industrial forklift-trucks in France.

1981
Launch of the first Manitou telescopic forklift-truck.

1984
Introduction on the Stock-Exchange.

1993
Marketing of the first MRT rotating telescopic forklift-trucks.

1995
Development of business in aerial work-platforms.

Creation of a joint-venture with Toyota for the manufacturing of industrial forklift-trucks for Europe.

1996
Obtaining of the ISO 9001 certificate.

1998
Marcel Braud becomes President of the Supervisory Board; his son, Marcel-Claude Braud succeeds him to the head of the company as President of the Executive Committee.

2004
Manitou celebrates the 200,000th forklift-truck to be manufactured and sold worldwide.

2006
Manitou's turnover passes the billion euros mark.

2007
Manitou opens an international logistical centre of 22,000 m² and obtains the ISO 14001 certificate for the site in Ancenis.

2008
Take-over of the American company Gehl.

2009
Appointment of Jean-Christophe Giroux as President and CEO.

Change of governance and return to a Board of Directors.

Produced and designed by NewSens • Photo credit: Gaël Arnaud - Gehl Company - Manitou.

MANITOU BF

French limited liability corporation with a Board of Directors and share capital of 37,567,540 euros
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