



Press Release

Rise in orders makes Wacker Neuson SE optimistic for 2010

Harsh winter in Europe dampens business in Q1 – very strong financial and asset position – company confirms forecast for 2010

(Munich, May 12, 2010) Wacker Neuson SE has seen its Q1 revenue and earnings rise significantly on the same period last year. However, the harsh winter in its core region Europe had a negative impact on business. Order intake has nevertheless improved significantly, reflecting the current economic upswing. The Group has maintained its exceptional financial and asset position and confirmed its forecast for fiscal 2010.

Significant rise in orders for compact equipment

Development during the first quarter of 2010 was varied across the Wacker Neuson Group. "Equipment sales and our rental business in Central and Eastern Europe were negatively impacted by the harsh winter in Europe, which is a key region for us. However, the start of the construction season in March brought strong momentum to our business," states Dr.-Ing. Georg Sick, CEO and President of Wacker Neuson SE. An upturn in light equipment sales, strong performance in Asia and continued recovery in the US fuelled a 9.5 percent rise in revenue, which totalled EUR 150.3 million compared to EUR 137.3 million for the same period last year. "Orders for compact equipment for the construction and agricultural sectors were up around 60 percent on the fourth quarter of 2009. However, our prediction that individual suppliers would run into difficulties in the event of an upturn in business also proved accurate. This led to an increase in production costs, which depressed earnings," explains Sick. Despite this, profit before interest, tax, depreciation and amortization (EBITDA) rose to EUR 3.7 million (previous year: EUR -12.3 million) and quarterly losses amounted to EUR 5.7 million (previous year: EUR 16.6 million). Overall, the construction industry developed positively during the first quarter of 2010. This trend was reflected at bauma, the world's largest construction trade fair. "The exhibition was a resounding success for the Wacker Neuson Group. Customer feedback on our products was outstanding and the number of contracts we concluded during the fair was up 25 percent on our boom year 2007," continues Sick.



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Excellent financial and asset position and reduction of short-time work

With an equity ratio of 78.9 percent, the Wacker Neuson Group's financial and asset position remains very healthy. Fuelled by the improved order situation, working capital amounted to EUR 233.1 million, a rise of 7.0 percent relative to December 31, 2009. As expected, the company's net cash position, which totaled EUR 24.9 million at December 31, 2009, was turned into a slight net financial debt of EUR 2.0 million. Manpower capacity was increased without incurring additional costs. This was primarily achieved by reducing short-time work at the production facilities in Germany and Austria from around 15 percent (December 31, 2009) to around seven percent. "We will be ending short-time work measures in May based on the current order situation," explains Sick.

Global launch of compact equipment extended to South America and the Middle East

The Wacker Neuson Group continues to predict that the construction and agricultural markets will remain on growth paths and that this trend will gather pace during the second half of the year. "We are seeing clear signs of recovery, especially in the US. Which is why we remain committed to launching compact equipment in the US market and establishing a network of exclusive Wacker Neuson dealers. We will also be expanding this concept to South America and the Middle East," emphasizes Sick. The company's Farm Mobility concept involves distributing compact equipment for the agricultural industry under the Weidemann brand. This project should open up new opportunities for the Group from 2010 onward. The Group has reaffirmed its forecast of revenue growth of at least 5 percent for 2010. It also expects profit before interest, tax, depreciation and amortization (EBITDA) to rise, and is looking to return to the profit zone at operative level.

Key figures: Wacker Neuson Group ¹

In EUR million	Q1/2010	Q4/2009	Q1/2009
Revenue	150.3	154.2	137.3
EBITDA	3.7	10.4	-12.3
EBIT	-5.9	-99.7 ²	-22.6
Consolidated earnings	-5.7	-99.7 ²	-16.6

¹ All figures include effects from purchase price allocation; differences from rounding may occur.

² Incl. impairment (mainly attributable to Neuson Kramer subgroup) in the amount of EUR 100.3 million.



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Your contact partner at Wacker Neuson:

Wacker Neuson SE

Imre Szerdahelyi
Head of Corporate Communication
Preussenstr. 41
80809 Munich, Germany
Tel. +49 - (0)89 - 354 02 - 251
imre.szerdahelyi@wackerneuson.com
www.wackerneuson.com

About Wacker Neuson:

Wacker Neuson SE is a global manufacturer of light and compact equipment. With over 30 affiliates and more than 180 sales and service stations across the globe, the new company offers a unique product portfolio. Almost all products manufactured by the company are branded Wacker Neuson. The only exceptions to this in Europe are Kramer-branded all-wheel loaders and Weidemann-branded agricultural machinery, which the company plans to strengthen and expand. With over 300 product categories and complementary rental, spare parts and repair services, Wacker Neuson is the partner of choice among professional users in construction, gardening, landscaping and agriculture, as well as among municipal bodies and companies in the industrial and recycling sectors.