

EANS-Adhoc: PALFINGER AG signs two joint ventures with Sany Heavy Industry

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- JV Sany Palfinger produces and sells PALFINGER products in China
- JV Palfinger Sany distributes Sany mobile cranes outside China
- Sany Heavy Industry is the market and technology leader in the field of construction machinery in China
- PALFINGER is the market and technology leader in the field of truck-mounted cranes

Today PALFINGER AG, headquartered in Salzburg (Austria), and Sany Heavy Industry Co., Ltd headquartered in Changsha (People's Republic of China), entered into an agreement on the establishment of two joint venture companies in which both parties will each hold 50 per cent of the shares. Sany Palfinger will primarily produce and sell PALFINGER products in Changsha for the Chinese market; Palfinger Sany, with its registered office in Salzburg, will distribute the mobile cranes produced by Sany in the global market outside China. The establishment of the two joint ventures is subject to the approval of the authorities.

Sany Palfinger SPV Equipment Ltd. in Changsha will develop and produce truck-mounted knuckle boom cranes and telescopic cranes on the basis of the technologies of PALFINGER and Sany for the Chinese market. The medium-term target is a market share of 30 per cent. Sany Palfinger SPV Equipment Ltd. will establish a new plant near Sany's facilities, with production capacities for 10,000 cranes. At the same time, a dense sales and service network will be set up in China. First, ten standard crane models will be produced in series for the Chinese market. In a second step, other PALFINGER products, such as container handling systems, tail lifts and access platforms should be included in the production and sales portfolio. The company will start operations in 2012 and will have reached full operational effectiveness by 2013.

Palfinger Sany International Mobile Cranes Sales GmbH is being established as an international sales and service company, having its registered seat in Salzburg and exclusively distributing Sany's mobile cranes in Europe and CIS. Furthermore, for the Americas, the development of a truck mounted stiff boom crane is planned. The company will start operations without delay and will have reached full operational effectiveness by the end of the year.

Both companies will be subject to the Austrian Code of Corporate Governance and will prepare their financial statements in accordance with IFRS and Chinese GAAP, respectively.

A press conference will be held tomorrow, Wednesday 29 February 2012, at 9.00am CET at PALFINGER's headquarters in Salzburg.

Sany Heavy Industry Co., Ltd, ranks the first in the concrete machinery industry, and is the largest heavy equipment manufacturer in China and seventh-largest in the world. Founded in 1994, Sany Heavy Industry mainly engaged in R&D, manufacturing and sales of construction machinery. Its main products include concrete machinery, excavator, hoisting machinery, pile driving machinery, road construction machinery etc, among which concrete machinery is the world class brand and excavator, crawler cranes and pile-driving machine are all first brands in China. The company went public on July 3, 2003, with a market capitalization of more than USD20 billion, has become the first industrial enterprise in China to be counted among the FT Global 500. Sany Heavy Industry employs a total staff of 49,876 in China and its four research and production sites in the USA, Germany, Brazil and India. The company operates business in 120 countries and regions, and sells its products via 24 subsidiaries. In 2010, Sany generated sales revenue of more than RMB50 billion which corresponds to approx. EUR6.1 billion. Every year, around 5 per cent of Sany's sales revenue is re-invested in research and development. Sany is listed on the Shanghai stock

exchange.

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About PALFINGER AG

For many years PALFINGER has been one of the world's leading manufacturers of hydraulic lifting, loading and handling systems. As a multinational group headquartered in Salzburg, the Company's 6,000 employees generated total sales of EUR 846 million in 2011.

The Group has production and assembly facilities in Europe, in North and South America as well as in Asia. The pillars of corporate strategy comprise innovation, and the further internationalisation and diversification of products and services. PALFINGER is regarded not only as the market leader, but also the technology leader, in the global market for hydraulic knuckle boom cranes. PALFINGER is always in proximity to its customers due to its over 4,500 sales and service centres located in over 130 countries across five continents.

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