

US Tower Crane Market Outlook

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My Focus Today

- Current Operating Environment in the US
- US Construction by Market Sector
- Tower Crane Utilization and Rental Rate Recovery
- Near Term Risks on the Horizon

Current Challenges

- Slow Recovery from a Long Deep Recession
- Project Funding Difficult
- New Federal Regulations
- Increased Customer Demands

Current US Tower Crane Operating Environment

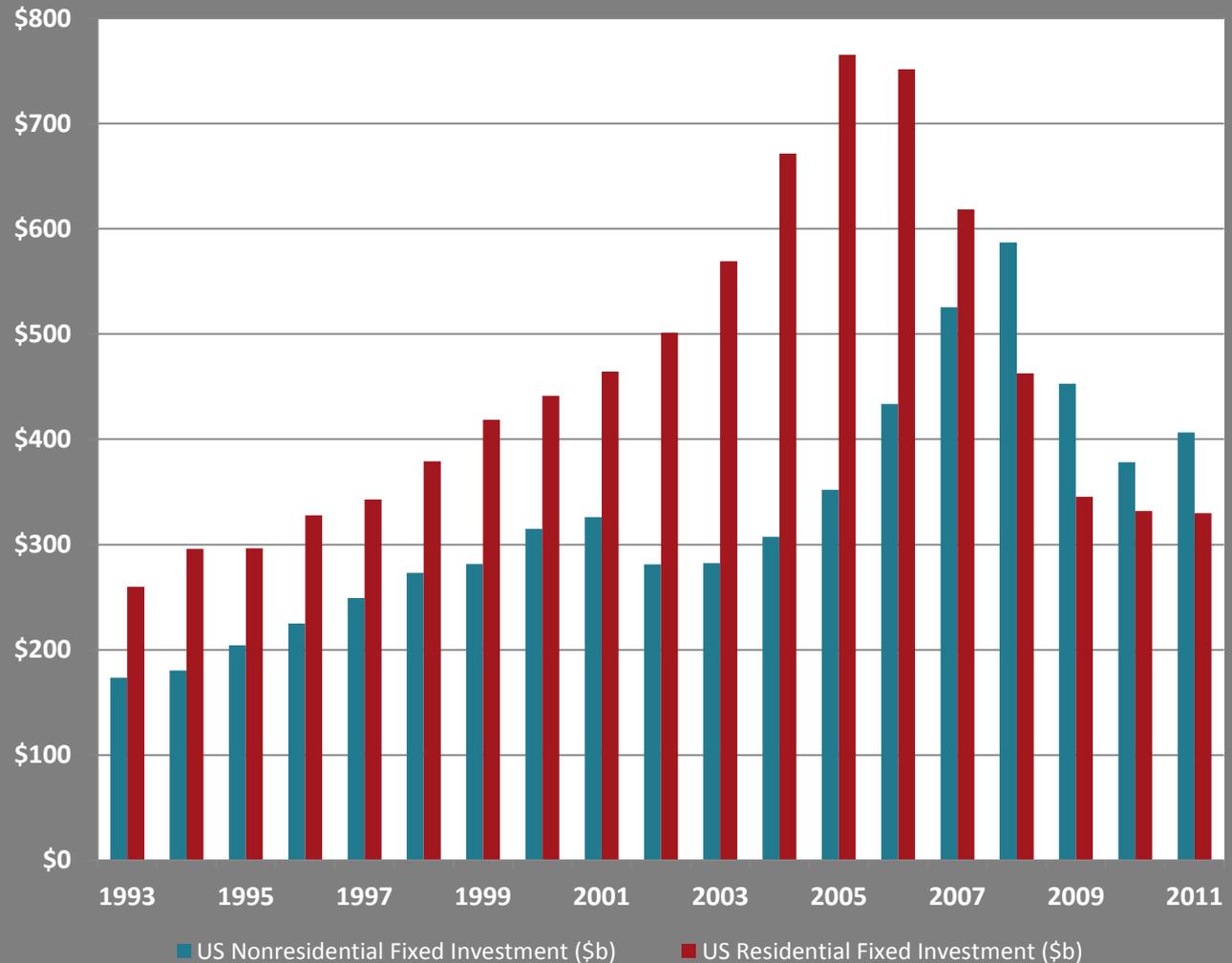
1. Cost to comply with new OSHA regulations
 - Assembly and Disassembly Directors Required
 - Additional Documentation Requirements
2. Local Government / City Requirements
 - 3rd Party inspections
 - Permits / Crane registration
 - Engineered drawings
3. Customer Requirements
 - Multiple 3rd party inspections
 - Engineered drawings
 - Licensed engineer inspections
 - NDT (Non-Destructive Testing) 30%-40% of all welds



US Private Fixed Investment in Structures

(\$b)

Historically residential investment dollars have out paced nonresidential.



US Nonresidential Fixed Investment

(\$b)

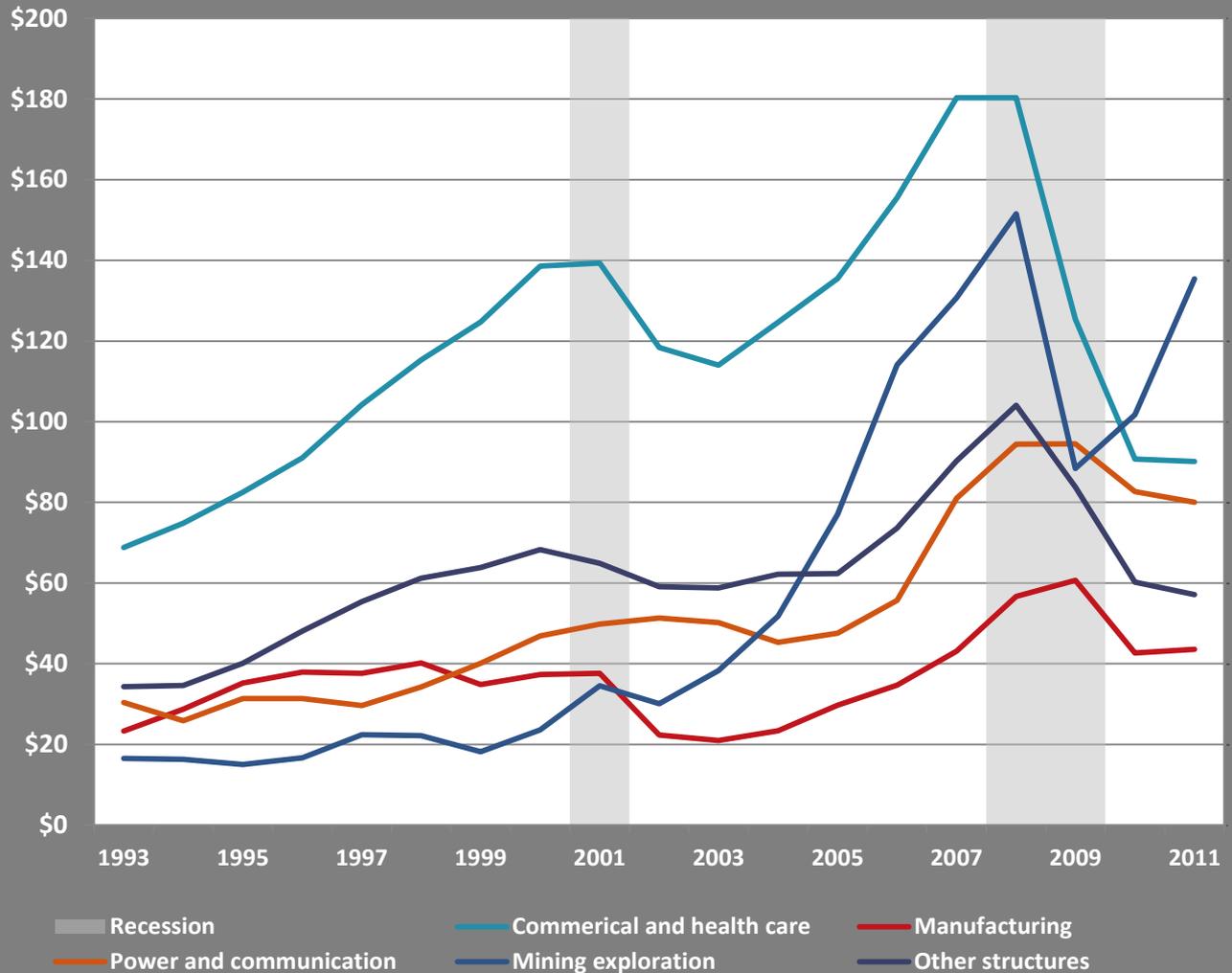
Recession 2001
and 2008-2009.

Major Tower Crane
Market Sectors:

Commercial and
Health Care

Manufacturing

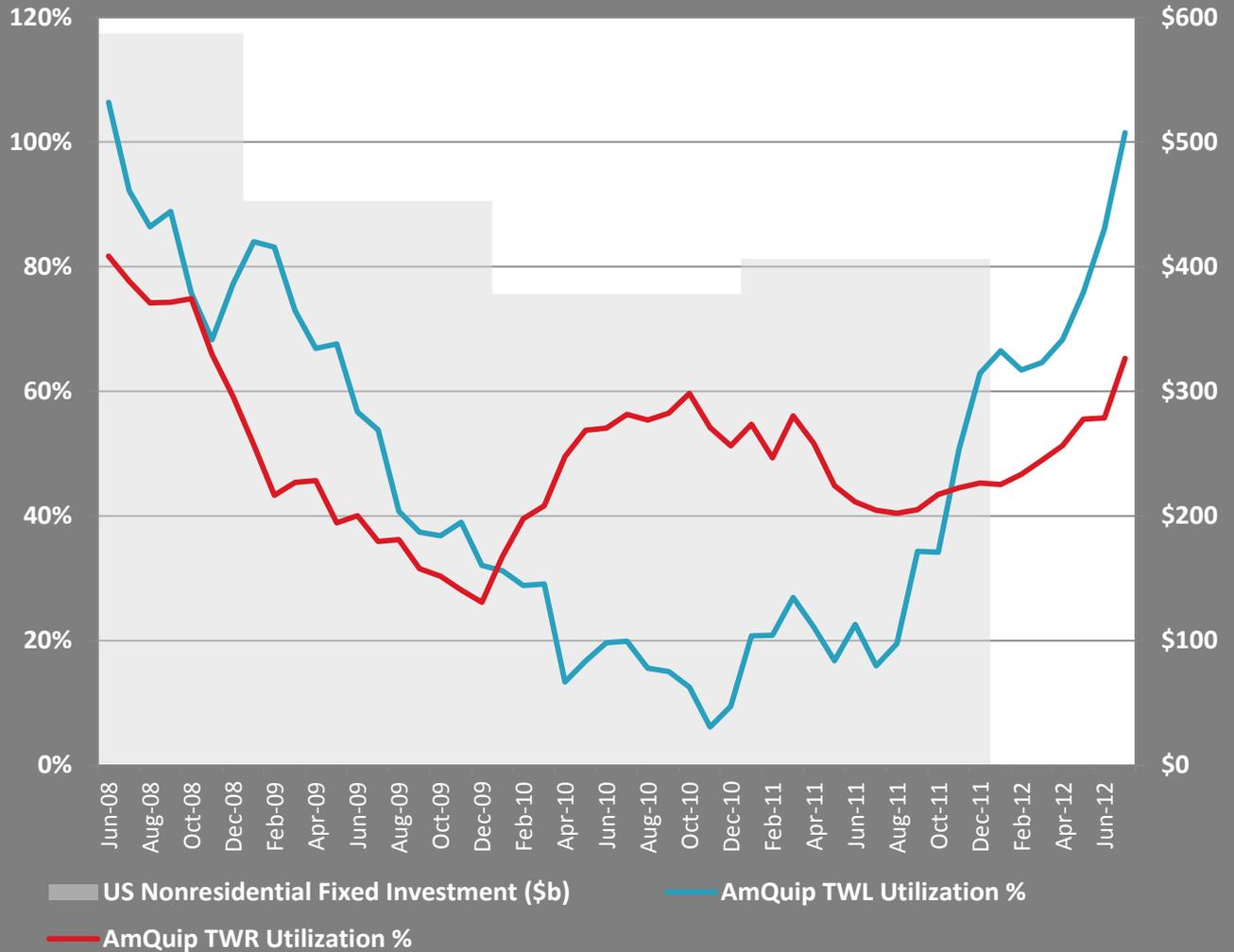
Power and
Communication



AmQuip Tower Utilization

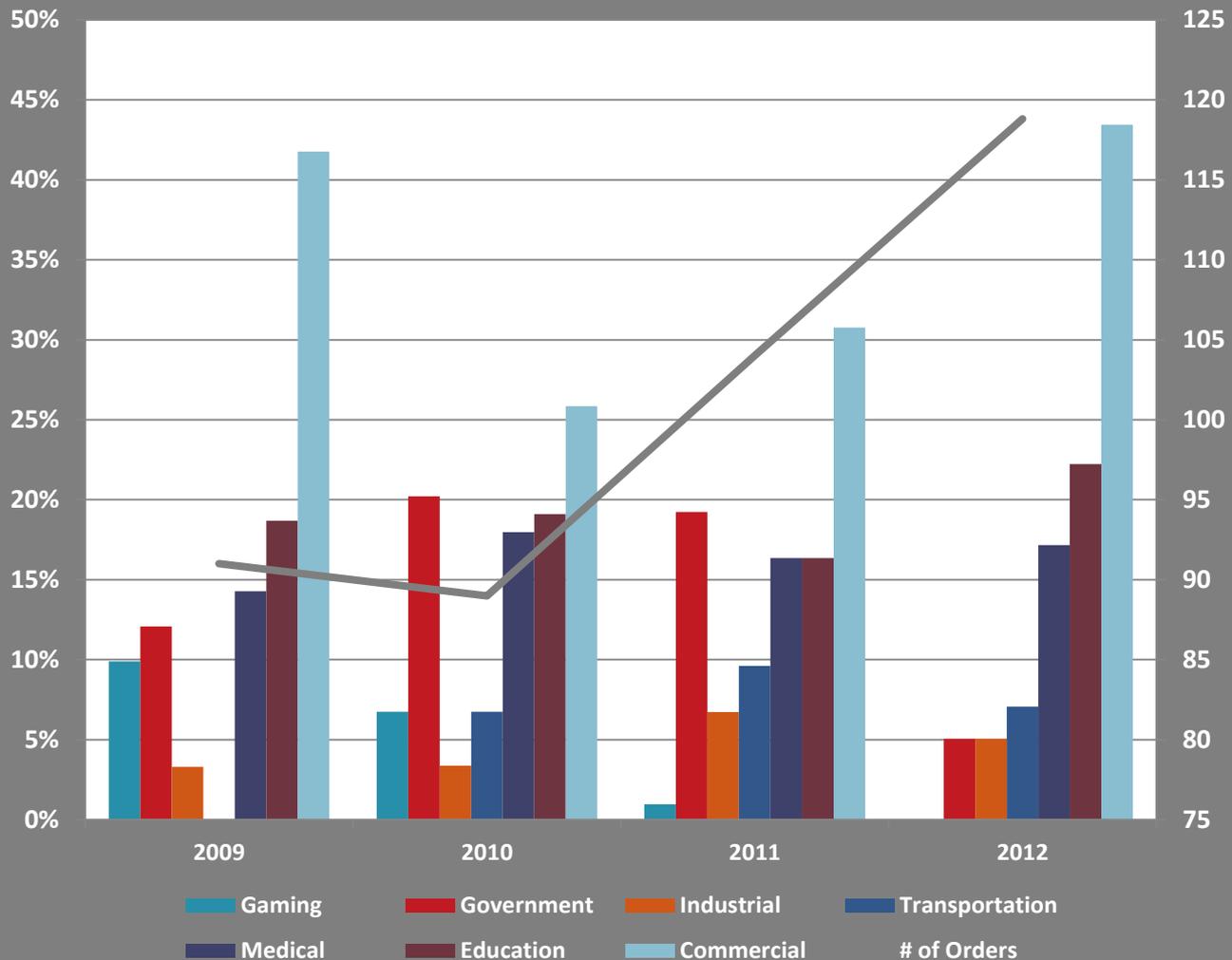
A LOOK AT OUR UTILIZATION SINCE COMING OFF THE HIGH WATER MARK OF 2007.

2012 SHAPING UP TO BE A COMEBACK YEAR



Orders by Market Sector

Government funded projects drop in 2012 as Commercial projects see notable increase.



UTILIZATION TRENDING UP, BUT WHAT ABOUT RENTAL RATES?

- Fast Erect and Small City cranes reduced 45% in rates but have regained most of that back.
- Hammer Head Cranes 300mt and up reduced as much as 60% but have gained about 20% back this year.
- Luffer rates reduced by 40% but have gained most back.

DYNAMICS THAT CAN DIRECTLY EFFECT OUR INDUSTRY

- November 6, 2012; US Presidential Election
- January 1, 2013; Major Personal and Business Tax Increases
- January 2, 2013; Sequestration

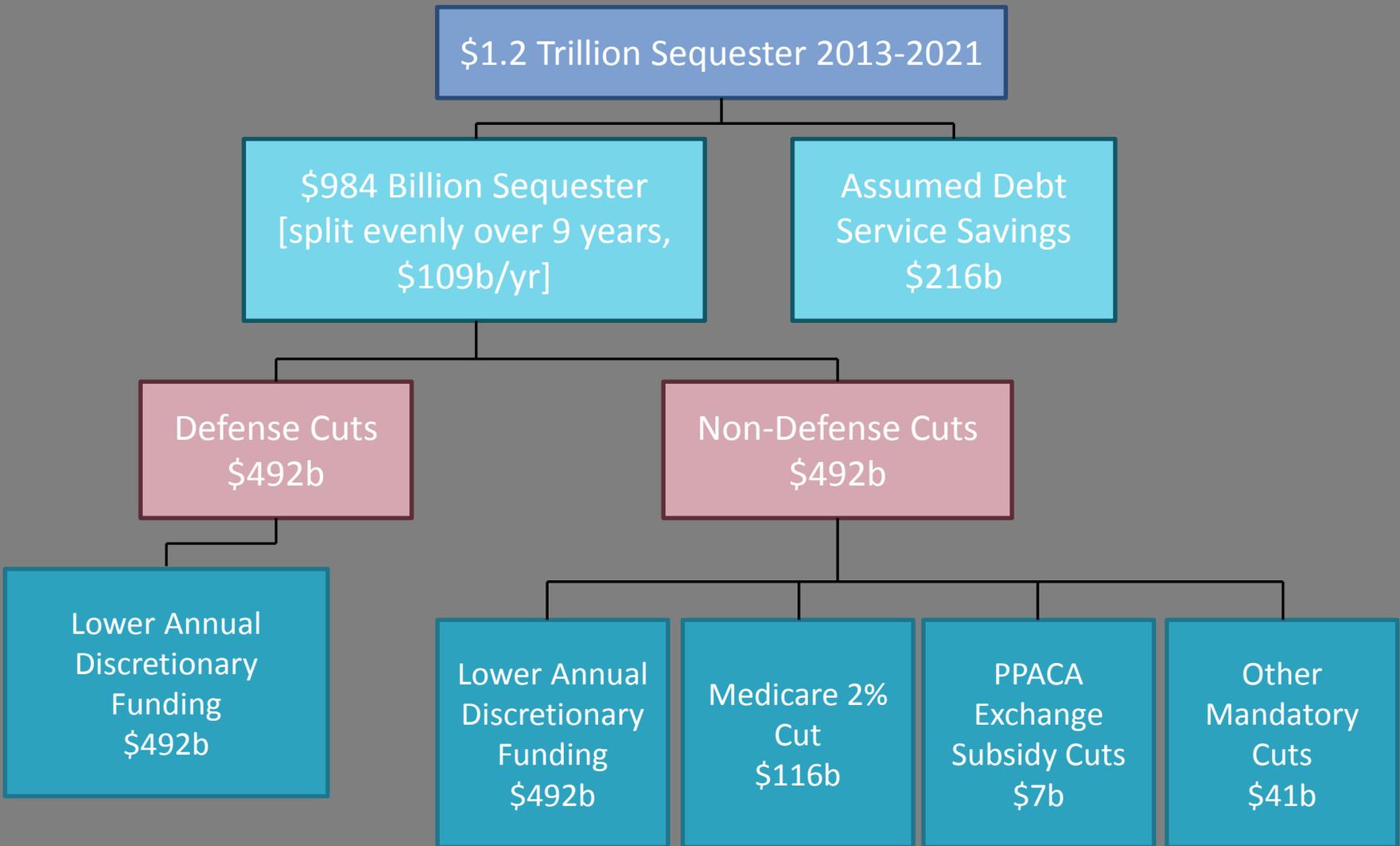
DIFFERENT PATHS TO ECONOMIC RECOVERY



THE FISCAL CLIFF

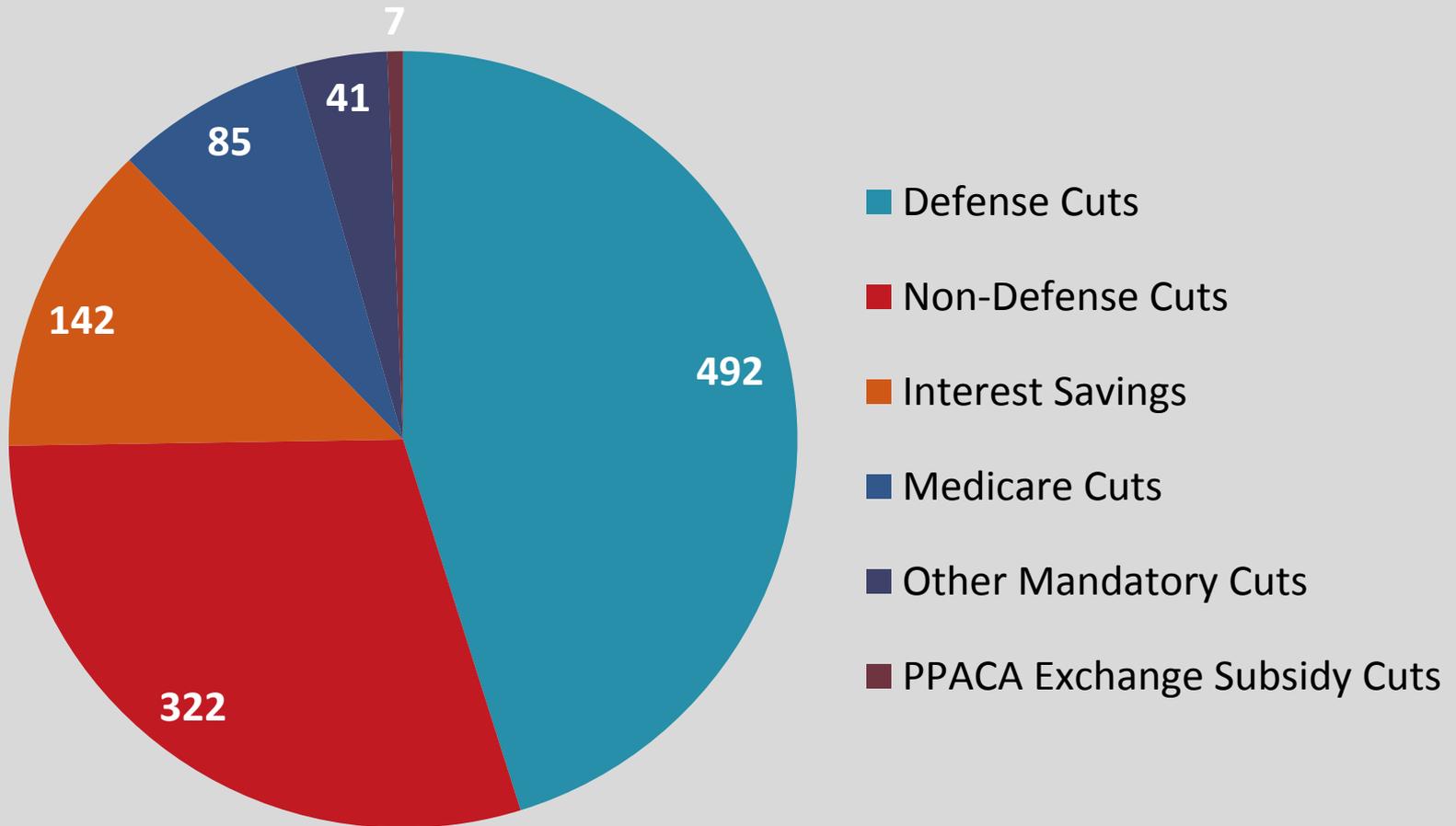


U.S. Budget Control Act 2012



U.S. Budget Control Act 2012

(2013-2021 \$b)



WHAT WILL HAPPEN JANUARY 2, 2013?



THANK YOU

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