

HAULOTTE GROUP

A French corporation (*Société Anonyme*) with a capital of 4 476 420 euros

Registered office: La Péronnière - 42152 l'Horme

332 822 485 RCS Saint Etienne

ANNUAL ORDINARY GENERAL MEETING

OF 22 APRIL 2008

MANAGEMENT REPORT

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1 - MANAGEMENT DISCUSSION AND ANALYSIS:

1-1 - Business sectors –Product offering – Market:

The company estimates that it is one of the three leaders in the market for self-propelled aerial work platforms both as a manufacturer in the four main product segments (telescopic booms, articulating booms, scissor lifts, vertical masts) and as a worldwide distributor. In addition, in the spring of 2007, the Company launched its own line of telehandlers. Finally, in the earthworks equipment segment, efforts have been pursued to promote and modernize a multifunction machine (earthmoving, lifting, tool-holder), the MJX900.

According to its estimates (global statistics from an independent organization are still unavailable), the company outperformed a worldwide market in 2007 that expanded overall approximately 10%. This was achieved through its global commercial network of 23 sales subsidiaries (with 31% of the Group's workforce outside France) and the development of an attractive service offering including rapid delivery of OEM replacement parts with manufacturer warranties, training (practical training programs and assistance for obtaining lift driver permits by Haulotte instructors), specific technical support (call centres) and comprehensive solutions adapted to the full range of customer needs (maintenance/servicing agreements and/or periodic inspections and/or extended warranties).

The company also pursued efforts to modernize its manufacturing lines, contained production costs despite the rise in raw material prices, increased production capacity with the opening in March 2007 of two new plants in Arges (Romania) and Cantabria (Spain) and expanded the focus of its total quality policy.

These achievements were made possible by the professionalism and commitment of Haulotte Group teams in meeting the needs of its customers.

Note: Figures in this document (excluding tables) expressed as “K€” (thousands of euros) in the original French document have been rounded off accordingly to the nearest thousand.

1-2- Review of operations and results for the year under review

The fiscal year ended 31 December 2007 submitted for approval to the ordinary general meeting is the company's twenty-third year of operations since its creation.

In this period the company had sales of €528.2 million, a significant increase over the prior year (€414.2 million) with export sales accounting for 85% of this total.

1-3- Presentation of parent company financial statements:

Highlights of the financial statements of Haulotte Group SA for 2007 are presented below:

Financial Highlights (€ thousands)	Fiscal year 2007	Fiscal year 2006
Revenues	528,156	414,176
Operating profit	81,479	69 626
Net financial income (expense)	-6,535	4,008
Extraordinary profit (loss)	1,102	902
Net profit (loss)	51,139	48,361

1-4- Analysis of parent company results:

Sales in 2007 of Haulotte Group SA increased 27% to €528.2 million. This exceptional performance was fueled by an expanding international distribution network, growth in production volumes and robust trends in markets for aerial work platforms.

Operating profit grew 17% on growth in revenue combined with effective management of production costs.

Net financial expense of €6.5 million reflected notably highly volatile foreign exchange trends that resulted in a currency loss of €7 million in the period.

Extraordinary profit of €1.1 million reflects notably the favourable outcome of certain litigation.

1-5- Progress made or difficulties encountered:

2007 was a period of exceptional organic growth fuelled by sustained commercial international expansion and the success of a number of manufacturing projects.

Haulotte Group SA continued to build its international network with the creation of three sales subsidiaries in Mexico, Argentina and Dubai. In addition, subsidiaries in Eastern Europe benefited from robust local growth trends.

The Group has successfully met the challenge of growth in volume, the change in its product mix and the diversification of the activities of its manufacturing sites:

- Ramp up of production for high aerial work platforms
- Launch of operations of the Cantabria manufacturing plant in Spain specialized in telehandlers
- Launch of operations of the Argès manufacturing plant in Romania destined to support anticipated growth in demand in Eastern Europe

Research and development has focused on expanding the offering that resulted in the noteworthy launch of a 28 meters-straight-boom with a telescopic jib.

The services activity has also continued to expand contributing to improved performances in terms of quality and local service.

Impact of foreign exchange fluctuations: The persistent weakness of the dollar gives a competitive advantage in our historic markets to key competitors while making it difficult for us to develop in dollar markets. The decline of the pound sterling also had a significant adverse effect on the company's financial income.

1-6- Foreseeable changes in the company's situation and outlook:

Markets with strong potential in Eastern Europe, South America and Asia should offer Haulotte Group SA with opportunities for further expansion. New production capacity will also increase our inventories of available products and the quality of customer service. The ramp up of production for the telehandler line in 2008 should also significantly contribute to future growth.

1-7- Important post-closing events:

On 8 January 2008 Haulotte Group sold Lev, Lev Luxembourg and Royans Levage that in 2007 contributed €33.3 million to consolidated sales of the Group. The capital gain from these disposals will be recognized in 2008.

In addition, Haulotte Group acquired an aerial platform rental company in Argentina.

1-8- Objective analysis of changes in the business, earnings, financial position of the company and notably the debt situation relating to business volume and complexity:

See paragraphs 1-1 and 1-11.

1-9- Key risks and uncertainties:

Because the company outsources a significant share of its production, the primary risk concerns the sourcing capacities of its suppliers. To prevent risks of supply chain disruptions, the strategy of diversifying suppliers of key components must be pursued. Strong growth in the company's sales in recent years has moreover increased pressure on suppliers.

The persistent weakness of the US dollar undermines the company's competitiveness in dollar markets while giving its two main competitors that are American a competitive advantage in euro markets.

Another significant risk is the sensitivity of our sales to credit restrictions that may be imposed on our customers by financing companies.

Finally, a risk specific to our business is the absence of long-term commitments by our customers. However, our healthy backlog of orders that can exceed six months for certain models offers good visibility for 2008 sales.

1-10- Information on market risks in respect to COB recommendation 89-01

See paragraphs 1-9 (US dollar exposure) and 1-11 (interest rate and foreign exchange hedging).

1-11- Use of financial instruments:

The company has recourse to interest rate and currency derivatives such as interest rate swaps, collars, forward currency sales (mainly in USD).

- Company financial risk management objectives and policy:

The company does not systematically hedge interest rate and foreign exchange risk.

However, transactions are undertaken according to market opportunities. In such cases, they are destined to cover existing assets or liabilities rather than for speculative purposes.

- The company's exposure to risks concerning price, credit, liquidity and capital resources:

Most of the company's sales are through its distribution subsidiaries. Despite significant competition, these subsidiaries have successfully maintained sales prices.

Risks concerning capital resources are low in light of a €360 million credit line that should cover the Company's financing needs for future working capital and capital spending requirements and potential acquisitions. A first instalment of €8.7 million of this credit line will be reimbursed in the second half of 2008.

Finally, because of the excellent level of the company's shareholders' equity and cash position, its liquidity risk is low.

1-12- Changes in the presentation of financial statements and valuation methods used in previous financial years:

According to the notice issued by the emergency committee of the CNC number 2007-C of June 15th, 2007, Haulotte Group chose to modify the accounting process of the acquisition of securities' costs. Commissions, fees and succession duty relative to the acquisitions of securities were previously recorded in expenses. As January 1st, 2007, these expenses are incorporated into the cost of securities and are the object of an exceptional amortization over a period of 5 years.

This change of method does not impact the accounts closed on December 31st, 2007.

1-13- Research and development:

The company's engineering departments have focused on expanding the offering of aerial work platforms and completing development of the line of 14 to 17 meter telehandlers.

1-14- Disallowed deductions under 39-4 of the French general tax code concerning sumptuary and amortization expenses:

In compliance with the provisions of article 223 *quater* of the French general tax code, accounts of the period ended include non-deductible expenses of €32,316 with a corresponding tax of €11,094.

1-15- Five-year financial summary:

A five-year financial summary is presented in appendix 1 hereto according to the model of the revised French chart of accounts.

2 - PROPOSED APPROPRIATION OF INCOME FOR THE YEAR

Based on the profit for the year shown in the annual accounts of €51,138,788.70 increased by retained earnings of €67,586,974.5, resulting in a distributable profit of €118,725,763.2 we propose the following appropriation of net income for the year:

To the legal reserve.....	€2,000.00
- increased accordingly to.....	€447,670.42
to be fully allocated	

- To the distribution of a dividend of €0.22 per share, appropriated from net income of the period representing a total amount of €7,393,255.76 in favour of 34,435,000 shares comprising the share capital at 31 December 2007, after excluding the 828,292 treasury shares held by the company.(1)

(1) Subject to the stock options under the plans of 2002 and 2003 that are currently in force that may be exercised until the date of the meeting.

- the balance
to "retained earnings" of €111,330,507.44

Concerning this dividend distribution, the Board of Directors specifies that this dividend of €0.22 per share is based on a total provisional amount for distribution of €7,393,255.76 that takes into account only shares created at the closing date of 31 December 2007, and including those resulting from the exercise of stock options granted by the Board of Directors' meetings of 2/07/2002 (78,060 stock options of the 2002 plan exercised between 31 December 2006 and 31 December 2007) and 8 July 2003 (73,600 stock options of the 2003 plan exercised at 31 December 2007), or 151,660 new shares, and excluding the 828,292 treasury shares that in accordance with article L.225-210 paragraph 4 of the French Commercial Code, do not carry rights to dividends.

The total number of new shares that may be created up until the date of the meeting called to approve the financial statements for the fiscal year ended 31 December 2007 from the exercise of stock options under the plans of 2002 and 2003 may evolve up until the date of said meeting. Based on the maximum number of 8,010 stock options under the 2002 plan and 41,150 stock options under the 2003 plan that remain exercisable after 31 December 2007, the general meeting will be asked to take into account the number of shares existing on this date to determine the amount of dividends to be appropriated from the profit of the year and the

balance to be allocated to retained earnings for the payment of dividends to shareholders of €0.22 per share.

The dividend will be payable on 15 May 2008, it being specified that at the time of payment, the number of own shares held by the company will be taken into account, with amounts corresponding to dividends attached to these shares not paid allocated to retained earnings.

Shareholders who are natural persons who have not opted for the 18% flat-rate withholding tax excluding applicable social charges qualify for a 40% tax allowance for dividends based on the total amount.

3 - DIVIDENDS PAID FOR THE LAST THREE FISCAL YEARS

In accordance with article 243 *bis* of the French General Tax Code, information on dividends paid for the last three fiscal years is disclosed below:

Fiscal year	Income eligible for tax credit (<i>avoir fiscal</i>)		Income not eligible for tax credit	Tax credit 50%
	Dividends	Other distributions		
2004	€0.10			€0.05

Fiscal year	Income eligible for tax allowance (<i>abattement</i>)		Income not eligible for tax allowance	Allowance for natural persons
	Dividends	Other distributions		
				40% rate
2005	€0.13			0.052
				40% rate
2006	€0.17			0.068

4 - SUBSIDIARIES AND ASSOCIATES

4-1- Acquisitions of shareholdings or controlling interests:

In 2007, Haulotte Group S.A. created three sales subsidiaries:

- Haulotte Mexico (Mexico), a 95%-owned sale subsidiary on 18 January 2007;
- Haulotte Middle East (Dubai), a wholly-owned sale subsidiary on 19 November 2007;
- Haulotte Argentine (Argentina), a wholly owned sale subsidiary on 15 December 2007.

Disposals of shareholdings related to adjustments of cross-shareholdings:

In the period ended, no cross-shareholdings have been noted.

Other disposals:

In the period ended, there were no other disposals.

4-2- Results of subsidiaries:

At year-end, the company exercised controlling interests in 29 subsidiaries. The results of these subsidiaries are summarized below (millions of euros):

Subsidiary	Ownership interest (%)	2007 sales	Sales: 2007 vs. 2006 (%)	2007 profit or loss	Net income: 2007 vs. 2006 (%)
Haulotte France. S.A.R.L.	99.99%	71.66	13.56	1.41	0,5
ABM Industries S.A.S	100%	0.58	0.10	0.10	0.02
Telescopelle S.A.S	100%	0.2	0.	0.14	-0.18
Lev S.A.S	100%	26.12	0.12	1.11	-0.10
Levanor	100%	5.77	0.74	0.46	-1.41
Nove**	100%	11.94	10.24	0.11	0.01
Haulotte Arges	100%	24.40	24.40	5.04	5.16
Haulotte Industrial (Cantabria)	99.94%	7.57	7.57	-3.63	-3.33
Haulotte Hubarbeitsbuehnen GmbH	100%	47.04	8.94	2.44	0.04
Haulotte UK Ltd	100%	61.89	2.19	1.48	-1.06
Haulotte Italia S.r.l.	99.00%	48.54	18.94	2.99	0.77
Haulotte Australia Pty Ltd	100%	17.73	0,83	0.10	-0.5
Haulotte Iberica S.L	98.71%	184.03	16.03	10.75	3.26
Haulotte Netherlands B.V	100%	14.43	7.73	-0.24	-0,14
Haulotte US Inc	100%	12.19	-0.91	-4.85	2.35
Haulotte Scandinavia AB	100%	35.19	-6.01	5.84	2.76
Haulotte do Brazil Ltda	99.98%	7.47	1.97	0.69	0.50
Haulotte Vostok OOO	100%	7.98	4.98	0.34	0,2
Haulotte Polska ZOO	100%	19.08	11.08	1.57	0,87
Haulotte Singapore	100%	7.88	2.48	0.37	0.85
Haulotte Shanghai	100%	0.43	0.43	-0.06	0.01
Haulotte Argentine*	100%	NA	NA	NA	NA
Haulotte Mexique*	95%	0.85	NA	-0.17	NA
Haulotte Middle East*	100%	0	NA	-0.12	NA
Lev Luxembourg	100%	0	-1	0.02	0.01
Mundi Elevacao	90%	3.9	0.4	-0.06	0.2
Royans Levage	100%	6.2	-0.55	0	-0.56
UK Platforms	100%	15.05	1.41	-0.31	-2.19
UK Training	100%	0.16	-0.03	-0.01	NA

*Subsidiary created in 2007

** Merger with companies Locav Srl and Locav Compania in 2007

4-3- Environmental impact of subsidiaries:

Overall, consolidated subsidiaries do not engage in any industrial activities with a potentially harmful impact on the environment.

As primarily trading companies, their activity is limited to the temporary storage of machines and spare parts. The rare cases involving the handling of fuels, hydraulic oils and storage

batteries during loading and unloading operations is always carried out under safe conditions. The recycling of these items is systematically entrusted to authorized organizations.

4-4- Policies of subsidiaries concerning the impact of their activities on regional development and local population

Almost all employees of consolidated foreign subsidiaries have been recruited locally. The terms of employment are generally better than those under local collective bargaining agreements. The company seeks to provide opportunities to enable deserving employees to benefit from its growth.

5- INFORMATION ON COMMON STOCK

For information, the 2001 stock option plan expired on 25 April 2006.

In fiscal 2007 the share capital has been increased through the successive exercise of stock options under the 2002 and 2003 plans (see details in paragraph 9), from €4,456,704.20 (divided into 34,282,340 shares of €0.13 per share) to €4,476,420 at 31 December 2007 divided into 34,434,000 shares of €0.13 per share.

Accordingly in 2007, 151 660 new shares were created from the exercise of stock options, as follows:

- 78 060 shares created between 1 January 2007 and 31 December 2007, from the exercise of options under the 2002 plan;
- 73 600 shares created between 8 July 2007 (beginning of the exercise period for the 2003 stock option plan stocks) and 31 December 2007 from the exercise of stock options under this plan.

The modification of the share capital of 7 of the bylaws was recorded by the Board of Directors' meeting 3 March 2008.

In accordance with the provisions of article L. 233-13 of the French Commercial Code and based on the information and notifications received pursuant to articles L. 233-7 and L. 233-12 of the French Commercial Code, the identity of shareholders directly or indirectly owning over one twentieth (5%), tenth (10%), three twentieths (15%), one fifth (20%), one quarter (25%), a third (33%), one half (50%), two thirds (66%), nine tenths (90%) or nineteen twentieths (95%) of the share capital or voting rights is disclosed below:

On 7 March 2007, Solem acquired 5,000 shares in the company at a unit price of €20.90 per share, increasing its shareholding to 17,222,002 shares of Haulotte Group.

In addition, pursuant to the merger of Solem with Garance on 21 December 2007, 236,455 shares of Haulotte Group were transferred to Solem through the transfer of all assets and liabilities of Garance.

At the same time, pursuant to the increase in the share capital from the exercise of stock options by employees throughout the year and the number of treasury shares held, Solem's stake increased from 50.22% of the share capital and more than 50% of the voting rights on 31 December 2006 to 50.78% of the share capital and more than 50% the voting rights on 31 December 2007.

Many employees of the Group hold shares of the company. However, because not all are registered shares, it is not possible to determine the exact percentage of capital held by employees. However, this percentage remains below the threshold indicated above.

6- OWN SHARES PURCHASED AND/OR SOLD BY THE COMPANY

6-1- Shares purchased or sold by the company during the fiscal year

In fiscal 2007, the company:

= > purchased 969,403 shares at an average price of €24.65;

= > sold 240,557 shares at an average price of €25.61.

Value of shares at purchase price: €27,407,000.

6-2- Own shares held at 31 December 2007:

- Own shares held at 31 December 2007: 828 292, or 2.4% of the share capital.

- Execution costs in 2007: €89,084.

- Nominal value per share: €0.13.

- Allocation of treasury stock held on 31 December 2007:

130,872 own shares held have been allocated in connection with a liquidity agreement in drafted in accordance with the French Association of Investment Firms' (AFEI) code of conduct of 14 March 2005 and approved by the AMF (*Autorité des Marchés Financiers*) on 22 March 2005 for the purpose of assuring an orderly market in the company's share.

697,420 own shares were allocated to be retained for the purpose of subsequent payment or exchange in connection with financial transactions or acquisitions, in compliance with applicable regulations

7 - SHARE PRICE TRENDS AND TRADING ACTIVITY

The share price on 2 January 2007 was €20.26 and ended the year at €20.48 on 31 December.

Average daily trading on the basis of 255 trading sessions was 170,588 shares.

While for the 2007 full year, the share price remained stable (€20.20 at 31/12/06 January versus €20.48 at 31 December 2007 representing a 1.4% increase) trends over the period were mixed. Boosted by strong financial performances the share rose to close to 30% in the first half, followed by a reversal in the second half precipitated by the subprime crisis and a loss of investor confidence in cyclical stocks.

8 - DIRECTORS AND OFFICERS

8-1- Shareholdings of directors and officers:

At 31 December 2007, the shareholdings of corporate officers were as follows:

Pierre Saubot, Chairman of the Board of Directors and Chief Executive Officer: 13,189 shares or 0.04% (0.038%) of the capital,

Alexandre Saubot, Deputy Chief Executive Officer: 990 shares or 0.003% (0.0028%) of the capital.

8-2- List of corporate appointments:

OFFICERS	APPOINTMENTS HELD IN THE COMPANY	APPOINTMENTS HELD IN OTHER COMPANIES
Pierre Saubot	Chairman of the Board of Directors and Chief Executive Officer, Director	<ul style="list-style-type: none"> - Chairman of the Board of Directors, Chief Executive Officer and Director of Solem SA until 21/12/2007 and Chairman of the Board of Directors and Director of Solem SAS as of 21/12/2007 - Representative of Haulotte Group SA, Chairman of ABM Industrie SAS, - Co-Manager of SCI La Coquille, - Manager of Garance SARL jusqu'au 21 December 2007, - Manager of Société Commerciale du Cinquau, - Manager of SCI Lancelot, - Director of Intermat, - Director of Valeurs du Sud, - Chairman of the "Fédération départementale du 64 des vignerons indépendants".
Alexandre Saubot	Chief Executive Officer, Director	<ul style="list-style-type: none"> - Director of Solem SA until 21/12/2007 and Chief executive officer and Director of Solem SAS as of 21/12/2007 - Representative of Haulotte Group SA, Chairman of LEV SAS, - Representative of LEV SAS, Chairman of Royans Levage SAS, - Representative of Haulotte Group SA, Chairman of ABM Industrie SAS, - Representative of Haulotte Group SA, Chairman of Télescopelle SAS, - Manager of Haulotte France SARL, - Manager of Haulotte Services France, - Director of Haulotte Netherlands BV, - Director of Haulotte Iberica, - Director of Haulotte Portugal, - Director of Haulotte Scandinavia, - Director of Haulotte Italia, - Manager of Haulotte GmbH, - Director of Haulotte Polska, - Director of Haulotte UK, - Director of UK Platforms, - Director of UK Training,

		<ul style="list-style-type: none"> - Director of Haulotte Australia, - Chairman of Haulotte US, - Director of Haulotte Singapore, - Representative of Haulotte Group SA, Sole director of Haulotte Cantabria, - Director of Haulotte Arges, - Chairman of Haulotte Trading (Shanghai) co. Ltd, - Director of Haulotte Mexico, - Chairman of Locav Srl, Nove Srl - Director of Haulotte Middle East
Elisa Saubot	Director	- Director of Solem SA. transformed into a simplified joint stock company as of 21/12/2007
Hadrien Saubot	Director	- Director of Solem SA. transformed into a simplified joint stock company as of 21/12/2007
José Monfront	Director	- Director of Haulotte Trading Shanghai Co. Ltd.
Michel Bouton	Director	<ul style="list-style-type: none"> - Chairman of PVI, - Chairman of PVI HOLDING - Chairman and Chief Executive Officer of Escal (subsidiary of PVI), - Chairman of Sovibus (majority shareholder of PVI).
Bertrand Badre	Director	- None.

8-3- - Compensation of corporate officers

Corporate officers	Fixed compensation in euros*		Variable compensation in euros*		Benefits in-kind
	2007	2006	2007	2006	
Pierre Saubot	175 500	162 500	80 000	50 000	None
Alexandre Saubot	169 000	156 000	110 000	90 000	None

(*) Compensation includes total amounts received including benefits of any nature, in this case paid by the controlling company, Solem.

No compensation has been paid by the company for serving as corporate officers. Only travel expenses for attending Board meetings are reimbursed on the basis of vouchers. Corporate officers do not benefit from a special pension scheme.

The company has made no commitment of any nature in favour of corporate officers constituting components of compensation, indemnities or other benefits payable or that could be payable in connection with the assumption, termination or change of these appointments or subsequent thereof.

8-4- Transactions involving shares of the company by officers or related parties in accordance with article L.621-18-2 of the French Financial and Monetary Code

The corporate officers have not engaged in any transactions in shares they hold in the company, either directly or through persons with whom they have close personal relations.

Only José Monfront, Director, in connection with stock options granted in 2002 undertook the following transactions:

- On 1 February 2007, the exercise of 4500 stock options at an exercise price of 9.46 for a total of €42,570;
- On 1 February 2007, the exercise of 4500 stock options at an exercise price of €24.30 for a total of €109,350.

These transactions were reported to the AMF (*Autorité des Marchés Financiers*) within the period required by law.

Information on the increased in the shareholding in the capital of Solem SA, the majority shareholder, is provided below in paragraph 5.

8-5- Transactions involving shares of the company by members of the Executive Committee "considered as officers" in accordance with article L.621-18-2 b) of the French Financial and Monetary Code:

Segundo Fernandez, Executive Vice President of Group Sales and Executive Committee member, undertook the following transactions in fiscal 2007 involving stock options in 2002 and 2003:

- On 9 May 2007, the exercise 3,500 stock options at an exercise price of €9.46 for a total of €33,110;
- On 9 May 2007, the exercise 3,500 stock options at an exercise price of €25.85 for a total of €90,475;
- On 20 September 2007, the exercise of 3,000 and exercise price of €4.19 for a total of €12,570;
- On 20 September 2007, the sale of 3,000 shares thus created at a price of €27.91 per share for a total of €83,730;

Philippe Noblet, Secretary General and Executive Committee member undertook following transactions in fiscal 2007 involving stock options granted in 2002 and 2003:

- On 24 January 2007, exercise 3500 stock options at an exercise price of €9.46 for a total of €33,110;
- On 24 January 2007, sold 3,500 shares thus created for €24 per share for a total of €84,000;
- On 10 July 2007, exercise 3,000 stock options at an exercise price of €4.19 for a total of €12,570.

9 - EMPLOYEE STOCK OWNERSHIP

Employee shareholdings on the last day of the fiscal year:

In compliance with article L. 225-102 of the French Commercial Code, we inform you that on the last day of the fiscal year ended 31 December 2007 the shareholding of employees was less than 3%.

Stock options granted to salaried employees:

	Plan 1	Plan 2	Plan 3
Board of Directors' meeting date	26 July 2001	2 July 2002	8 July 2003
Total number of options allotted at inception	171 250	175 250	159 200
Number of shares able to be subscribed at 31/12/2007	0	8 010	42 150
Number of shares able to be subscribed: - by officers - by the 10 employees having been granted the greatest number	0 33 500	0 33 500	0 29 400
Commencement of the option exercise period	26 July 2005	2 July 2006 (excluding authorized exemptions)	8 July 2007 (excluding authorized exemptions)
End of the option exercise period	Initially 25 October 2005 extended to 25 April 2006 by the Board of Directors on 26/10/2005	2 July 2009	8 July 2010
Exercise price	€16.78	€9.46	€4.19
Number of shares subscribed at 31/12/2007	101,050	109,990	73,600

Bonus shares granted to company employees:

In fiscal 2007 no bonus shares were granted to employees of the company.

Restrictions imposed on officers concerning the exercise of stock options or retention of shares resulting from the exercise of options before the termination of their functions:

Under the regulations of the stock option plans of 2001, 2002 and 2003, corporate officers are not subject to special restrictions concerning the exercise or retention of shares resulting from

the exercise of options. Similarly, the Board of Directors of the company has not introduced any new restrictions since the adoption of these regulations.

Restrictions imposed on corporate officers concerning bonus shares:

No bonus shares were granted to corporate officers in fiscal 2007.

10 - GROUP EMPLOYEE-RELATED AND ENVIRONMENTAL INFORMATION

10-1- Employee-related information

1°) Number of employees at 31 December 2007

	Women	Men	Total 2007	Total 2006
Management	41	145	186	176
Clerical staff	53	83	136	111
Manual workers	37	292	329	277
Work/study program participants	3	9	12	3
Total	134	530	664	568

Trainee

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Temporary employees-men: 458,91 (2006: 363.76)

Temporary employees-women: 65,98 (2006: 36.16)

Recruitment:

NUMBER	2007	2006
Permanent employees	139	123
Permanent employees departing in the year	4	45
Permanent employees transferred in the year	0	1
Fixed-term employees	18	16
Total	174	185

Trainee

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Departures:

Resignations	2007	2006
Dismissals	32	16
End of trial period	10	15
End of fixed-term contract	4	7
Early termination of fixed-term contract	8	7
End of qualification contracts	0	0
Retirement	4	1
Death	4	4
End of training period	0	2
Resignations	3	5
Total		62

Transfer 5
 End of alternating vocational training programs
 Other reason

2°) Overtime

	NUMBER	AMOUNT
2005	8 492	112 944
2006	16 831	217 230
2007	16 530	222 327
Change	-301	5 097

Variance between 2006 and 2007: the increase in overtime reflects hours worked in the last quarter but were paid in January 2008

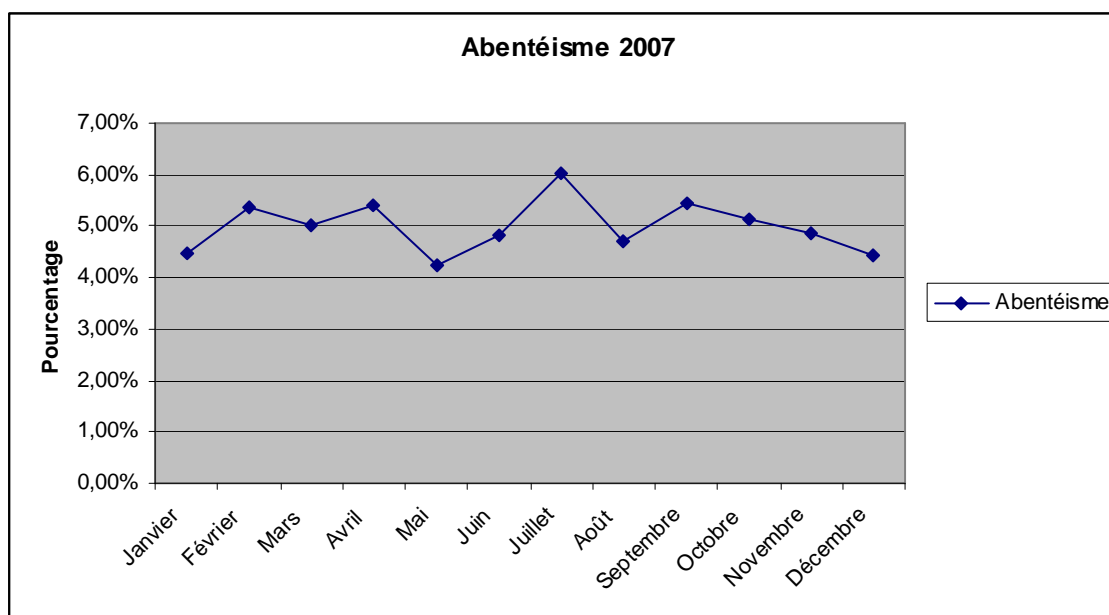
3°) Working hours and absenteeism:

Full time: 35 hours per week (i.e., 1,607 hours) on an annual basis with the possibility of adjusting working hours over the period

Part-time:

- 50% of 1.607 hours or 803,5 hours per year: 1 employee (2006: 3 employees)
- 53% of 1.607 hours or 851,71 hours per year: 1 employee (2006: 1 employee)
- 57% of 1.607 hours or 948 hours per year: 1 employee (2006: none)
- 67% of 1.607 hours or 1076 hours per year: 1 employee (2006: 1 employee)
- 73.3% of 1.607 hours or 1,177.931 hours per year: 1 employee (2006: 1 employee)
- 80% of 1.607 hours or 1,285 hours per year: 3 employees (2006: 8 employees)
- 90% of 1.607 hours or 1,446 hours per year: 1 employee (2006: 1 employee).

ABSENTEEISM IN 2007



[Absenteeism in 2007; Percentage; January, February, March, April, May, June, July, August, September, October, November, December; Absenteeism]

Reasons for absenteeism:

- Unjustified absences
- Occupational injuries -- completed or uncompleted
- Accidental injury on the way to and from work
- Sick leave -- completed or uncompleted
- Lateness.

4°) Compensation:

Total payroll for 2006: €15,235,243

Total payroll for 2007: €17,588,926

Average payroll tax rate: In 2006: 46.70%
In 2007: 46.77%

Profit-sharing (*participation*)::

Net profit sharing payments in 2007 for fiscal 2006, in compliance with the agreement covering Haulotte Group, its main French subsidiaries and Solem: €1,823,304.

Specific incentive plans (*intéressement*): €211,500.

5°) Equal opportunity information -- Men/Women:

Figures for 2007 indicate persistence disparities between men and women despite initiatives that have been pursued for several years. However, a comprehensive approach to promote equal opportunity employment for men and women in the areas of recruitment, career development, working hours, compensation and professional training applied in previous years will contribute to reducing the disparities.

Recruitment

A review of 2007 indicates once again the application of equal opportunity practices in the area of recruitment. Job offers consequently refer exclusively to the technical characteristics of the position, the expertise and experience required.

Recruitment of women has stabilized with women now accounting for one quarter of recruitments in 2007. We also note the addition of a woman to the Executive Committee highlighting a continued commitment to ensuring that women have equal access to positions of responsibility.

An analysis by socio-professional categories of recruitments in 2007 highlights:

- Access for women to technical positions previously reserved to men with recruitment of women in the category of manual workers up 80%;
- Equal recruitment figures for the category of clerical staff: in 2007 one person out of two in this category was a woman.

Analysis of compensation upon recruitment highlights even more than in previous years progress in achieving equal opportunity goals. As a result, disparities in compensation upon recruitment have declined in 2007. The wage gap has been divided by two for clerical staff and manual workers from 10% to 5% for clerical staff and 4% to 2% for manual workers. Women managers recruited in 2007 were paid compensation on average 20% higher than their men counterparts recruited in the same category.

Workforce trends:

women represent 20% of the total workforce.

The number of women employees increased 22%, from 110 in 2006 to 134 in 2007 compared with 16% for men over the same period.

While the proportion of women among managers is stabilizing, for clerical staff it declined from 45% to 39% in 2007. The number of women among manual workers increased 85% from 7% in 2006 to 11% in 2007.

Age pyramid shows trends between men and women are comparable with no specific gender related factors.

Women are present in all sectors of the company with a particularly high concentration (>70%) in administrative positions: accounting, legal affairs, sales administration, human resources, communication. Certain departments that until now included only men (production, methods) have seen the arrival of women employees.

Working hours

In 2007, there were 9 part-time employees (including three men) work as part-time employees.

Compensation policy:

In 2007, the wage gap was considerably narrowed in relation to 2006 to less than 10%. This trend reflects efforts by the company to ensure wage growth for men and women based exclusively on common criteria of performance, expertise and professional experience.

The most significant decline concerned clerical staff where the wage gap in favour of men narrowed from 11% in 2006 to 6% in 2007.

Training policy

A greater number of women were provided with training in 2007 than in the previous year, up from 14% in 2006 to 23% in 2007. Training efforts in favour of women were concentrated in the category of clerical staff where 46% of employees trained were women (versus 28% in 2006). These initiatives concerned occupational-related training. For the management category, women represented 25% of management interns which is consistent with the structure of the workforce. The percentage of women in the category of manual workers remained stable though is still insufficient (2%).

In respect to the number of training hours, the trends are similar.

6°) Professional relations and collective bargaining agreements:

- An amendment to the employee incentive scheme agreement for Haulotte Group previously named Pinguely Haulotte.
- An agreement concerning the organization of working hours for the Haulotte Group Wage agreement for fiscal 2008 – Haulotte Group

7°) Health and safety:

Health and safety statistics in 2007 were very unsatisfactory. The number of occupational accidents increased 20%, from 151 accidents in 2006 to 181 in 2007 including temporary personnel. The rates of severity and frequency also increased significantly. These figures, while very disappointing, must be analyzed in relation to the significant increase in the workforce and production output. To limit the number of accidents, the company has reinforced actions and investments devoted to safety. These include:

- redesigning the process of integrating workers with a focus primarily on security,
- providing safety management and risk management training to supervisory staff
- pursuing and strengthening the practice of safety meetings and audits with follow-up of action plans,
- systematic analysis of occupational accidents and meetings with employees after returning from leaves of absence due to occupational injuries.
- Strengthening teams devoted to methods to improve workstations and ergonomics.

These actions started to produce results at the end of the year and must be pursued in 2008.

8°) Training:

Hours of training in 2007: 7,541.50 hours (2006: 6,656.75 hours)

Training costs in 2007: €358,017.49 (2006: €211,428.21 - Updated pursuant to the declaration 2483 of 25 May 2007)

Staff costs in 2007: €147,324.02 (2006: €99,943.56 Updated pursuant to the declaration 2483 of 25 May 2007)

9°) Employment and professional integration of handicapped workers:

The Group employs 18 persons with the status of handicapped workers (2006: 16 beneficiaries and a payment of €19,848 - the 2007 payment will be calculated at the end of March).

10°) Social contributions:

The company paid €215,534 for social contributions (2006: €186,888).

11°) Subcontracting

The Group's industrial strategy focuses on three areas

- Design and industrialization;
- Assembly and customization;
- Quality assurance and regulatory compliance.

Because the resources of the internal organization are not able to cover all technologies used in our machines, electrical and hydraulic components, and machine-welded sub-assemblies are in consequence outsourced to suppliers with specific expertise in the relevant technologies.

10-2- Environmental impact

In compliance with Decree 2002-221 of 20 February 2002, information on the environmental impact of the Company's activities is provided below.

Consumption for all company sites:

Water consumption: 18,796 m³ or €48,703 (2006: 12 000 m³ or €34,107).

Gas consumption: 33.746.965 kW/h or €1.131.486 (2006: 28,210,583 kW/h or €868,435).

Electricity consumption: 9.021.235 kW/h or €685.311 (2006: 7.065.776 kW/h or €437,855).

Paint consumption: €3.121.574 (2006: €1,838,305).

These consumption include Romanian and Spanish new manufacturing plants

Environmental protection measures implemented at Company sites:

Reims:

- Reroofing;
- Installation of new compressors;
- Installation of a low-voltage master distribution panel;
- Electrical renovation of the offices;
- Improvement of the storage sites.

2008 work program:

- Construction of storage facilities for raw materials;
- Installation infrared lights for powder paint spraying line;
- Continued work on the roofing;
- Undertake a study on energy efficiency of the site with the company ADEME.

Le Creusot:

- Implementation of mandatory periodic controls;
- Waste measurements of the surface treatment installation, shot blasting machine and spray paint cabin;
- Draining of the hydrocarbon separators;
- Processing of special industrial waste by authorized and specialized firms;
- Implement waste separation for dirty rags;
- Implement waste separation for wood - cardboard.

L'Horme:

- Extension of the sorting of waste to the entire plant (wood, cardboard, metal, ordinary industrial waste, special industrial waste);
- Replace diesel engine telehandlers with gas motors;

2008 work program:

- Implementation of hydrocarbon separators + oil separator for the rainwater collector
- Hall 3 (February 2008);
- Paint storage cabinets;
- Storage system for special industrial waste;

Argès:

- Replace septic tank by a waste water treatment facility;
- Install a gas exhaust extraction system in the workshop;
- Waste separation (ordinary and special industrial waste, wood, metal, cardboard, plastics);
- Distribution of hydraulic oil through a piping system to limit multiplication of storage areas and the number of tanks;
- Hydrocarbon separators to cover the entire manufacturing site;
- Powder paint spraying installation at the subcontractor site to prevent VOC emissions.

Cantabria:

- Creation of a paint storage facility with automatic measuring and mixing pumps;
- Waste separation (ordinary and special industrial waste, wood, metal, cardboard, plastics);
- All waste of the manufacturing site processed through hydrocarbon separators;
- Increase use of translucent roofing for entry of natural lighting;
- Distribution of hydraulic oil through a piping system to limit multiplication of storage areas and the number of tanks;
- Specific fire prevention systems for the storage area.

11 – AUTHORIZATION TO PURCHASE COMPANY SHARES WITHIN THE LIMIT OF 10% OF THE SHARE CAPITAL

We propose that you authorize the Board of Directors that may in turn delegate said authority to the Chairman, in accordance with articles L. 225-209 *et seq.* of the French Commercial Code articles 241-1 *et seq.* of the AMF General Regulation, to purchase shares of the company on or off-market by any appropriate means representing not more than 10% of the company's capital stock.

Haulotte Group wishes to implement a share buy-back program for the following purposes, in decreasing order of priority:

- Maintaining an orderly market in the company's shares through an investment services provider within the framework of a liquidity agreement based on the model contract drafted in accordance the French association of investment firms' (AFEI or *Association Française des Entreprises d'Investissement*) code of conduct of 14 March 2005 and approved by the AMF (*Autorité des Marchés Financiers*) on 22 March 2005;
- For employee stock option plans and other share grants in accordance with the provisions of article L.443-1 *et seq.* of the French Labour Code or grants to employees and/or officers of the Company or companies covered by article L.225-197-2 of the French Commercial Code of shares of the Company or the grant of shares in connection with employee profit-sharing plans;
- Retain such shares for subsequent use as a means of payment or exchange in connection with financial transactions or acquisitions, in compliance with applicable regulations;

- Cancelling shares thus acquired, subject to adoption by the extraordinary shareholders' meeting of the resolution authorizing the Board of Directors to reduce the share capital by cancellation of treasury shares held by the Company.

The number of shares that may be acquired for subsequent use as a means of payment or exchange in connection with a merger, demerger or contribution, may not exceed 5% of the share capital, in accordance with article L.225-209 paragraph 6 of the Commercial Code resulting from Act 2005-842 of 26 July 2005.

The shares may be sold or transferred by any means. Share purchased may also be held. They may be cancelled under the conditions provided for by law. The entire share buy-back program may be executed through block trades.

The purchase price may not exceed €60 per share subject to adjustments in connection with equity transactions

Shares acquired under this authorization may not exceed 10% of the company's share capital (or 3,443,400 shares). On this basis, the total amount of acquisitions may not exceed €206,604,000.

However, the total number of shares may be adjusted according to transactions that may affect the share following the decision of the general meeting, with treasury shares deducted.

Shares held directly or indirectly under this authorization may not exceed 10% of the share capital.

Should the company exercise the options provided for in the fourth paragraph of article L. 225-209 of the French Commercial Code, the sales price shall be determined in accordance with applicable legal provisions.

This authorization shall be granted for a maximum of eighteen (18) months. The Board of Directors may delegate as provided for under the law. This authorization may also be used during offers to purchase or exchange securities. This authorization cancels and replaces the authorization granted by the Ordinary General Meeting of 31 May 2007.

The shareholders grant the Board of Directors full powers with the possibility to further delegate this authority as provided for under the law, to place all stock market orders, use any derivative instruments in compliance with applicable securities market regulations, conclude all agreements for the purpose of completing formalities, procedures and filings, and in general take all measures considered necessary.

12 – Authorization and powers granted to the Board of Directors to reduce the share capital by cancellation of treasury shares

We propose that you authorize the Board of Directors to reduce the share capital by cancelling, on one or more occasions, all or part of the treasury shares that the Company may hold that were acquired through the share buy-back program mentioned above subject to a limit of 10% of the share capital of the company for periods of 24 months.

In addition, we propose that you delegate to the Board of Directors all powers to proceed with this transaction in accordance with the provisions of article L.225-209, paragraph 7 of the

French Commercial Code and allocate the difference between purchase price of the shares cancelled and their nominal value to premium accounts or revenue reserves.

This authorization is given for a period of eighteen months and cancels and replaces the previous authorization conferred by the extraordinary general assembly of May, 31st, 2007.

13 - Information having a potential impact in the event of takeover bids (article L.225-100-3 of the French Commercial Code)

13-1- Capital structure of the company:

Solem, the majority shareholder of the company, is itself held by the Saubot family.

At 2007 year-end, the capital structure of the company was as follows:

- Solem: 50.80% of the share capital (and 67.65% of the voting rights);
- Holders of bearer shares: 44,30 % of the share capital (and 29.8 of the voting rights);
- Holders of registered shares: 2,50% of the share capital (and 2.67% of the voting rights);
- Treasury shares: 2.40%

13-2- Restrictions under the bylaws on the exercise of voting rights and the transfer of shares or the provisions of agreements reported to the company in compliance with article L. 233-11 of the French Commercial Code:

Under Article 9 (Transfer and Transmission of Shares) of the bylaws, legal entities or natural persons that acquire or cease to hold a fraction equal to 1% of the share capital or the voting rights or any multiple thereof, must notify the company within fifteen days of crossing such thresholds.

Under the bylaws, if the company has not been so notified, shares that exceed the fraction to be reported under this disclosure requirement shall be deprived of voting rights at the request of one or more shareholders holding 5% of the share capital (with such request recorded in the minutes of the general meeting).

13-3- Direct and indirect interests in the capital known to the Company by virtue of articles L 233-7 and L 233-12

See paragraph 5 of this report.

13-4 Holders of shares conferring special control rights and a description thereof

All shares of the company confer upon shareholders a right to participate in meetings under the conditions and subject to the provision provided for by law and regulations.

Shares shall confer a right to a percentage of the company's assets, the distribution of earnings and proceeds after liquidation equal to the proportion of the share capital they represent.

A double voting right is granted to all fully paid-up shares in proportion to the capital they represent subject to proof that they have been registered for at least four (4) years in the name of the same shareholder.

This right is also granted pursuant to the capitalization of reserves, earnings or additional paid-in capital to free registered shares granted on the basis of existing shares entitled to the same right.

For any shareholder acting alone or in concert that fails to meet the disclosure obligation to report the crossing the one percent (1%) threshold for share capital or voting rights or any multiple thereof, shares that exceed the fraction to be reported under this disclosure requirement shall be deprived of voting rights at the request of one or more shareholders holding five percent (5%) of the share capital recorded in the minutes of the general meeting

13-5- Mechanisms of control provided for in connection with an employee stock ownership system when the control rights are not exercised by the latter

None.

13-6- Shareholder agreements known to the company potentially imposing restrictions on the transfer of shares and the exercise of voting rights

None.

13-7- Rules concerning the appointment and replacement of directors

By law a director may be a natural person or legal entity.

Appointment of directors:

Each director must possess legal capacity or be an emancipated minor and shall not be subject to incompatibilities or restrictions provided for under law.

The director may be a salaried employee of the company if his or her employment contract predates the appointment to the board and corresponds to an actual employment.

The number of directors bound by employment contracts with the company may not exceed one third the total members on the board.

In the absence of an age limits set by the bylaws for directors, not more than one third of the board members may exceed seventy years of age.

Appointments of directors during the life of the company fall under the authority of the ordinary general meeting and shall be recorded in the agenda of the meeting except for cases of appointments following revocation.

Directors are appointed for a maximum term of six years (article 12 of the bylaws).

The Board of Directors selects from among its members a natural person as Chairman that must be less than seventy years of age. The Chairman is appointed for a term which may not exceed his or her term as director and may be reappointed (article 12 of the bylaws).

Directors may be reappointed and no provisions of the bylaws provide for the contrary.

The bylaws shall not set a minimum number of directors that exceeds the legal minimum.

Replacement of directors:

When during his or her term the Chairman of the Board of Directors reaches seventy, he or she shall be considered to have automatically resigned and will proceed with the appointment of a new chairman in accordance with the provisions of the bylaws (article 12 of the bylaws).

In the event of vacancies of board directorships pursuant to death or resignation, Board members may appoint themselves, on an interim basis by cooptation, a new director whose appointment must be approved by the next shareholders' meeting. Cooptation is not possible when the number of directors is less than the legal minimum of three. In the latter case the ordinary general meeting must be immediately called to complete the number of board members.

In compliance with the provisions of the law, terms of directors expire pursuant rules governing age limits, the occurrence of events preventing the director from exercising his or her functions (death, illness, etc.), the winding up or transformation of the company, adoption of a new system of corporate governance (dual system with a executive board and supervisory board) and finally by revocation or resignation.

13-8- Rules governing the modification of the company's bylaws

Amendments to the bylaws of the company in accordance with legal provisions are subject to the exclusive authority of the extraordinary general meeting.

As an exception to this rule, the Board of Directors may modify the bylaws in respect to amounts of share capital and the number of shares comprising the capital, after recording, in its first meeting following the end of the fiscal year, the number and amount of shares issued pursuant to the exercise of stock options.

In this context, the Board of Directors may also delegate authority to its Chairman to amend the bylaws and comply with legal formalities if it decides that it is preferable to not wait for the end of the fiscal year to proceed with these modifications.

13-9- Powers of the Board of Directors concerning notably issuing or repurchasing shares

The powers of the Board of Directors concerning share buy-back programs are authorized and delegated by ordinary and extraordinary general meetings.

The ordinary general meeting authorizes the Board of Directors, with the possibility to delegate said authority to its chairman to purchase shares of the company on or off market by any means representing not more than 10% of the company's capital stock (and subject to a maximum of 5% of the share capital for the purpose of acquiring shares for subsequent use as a means of payment or exchange in connection with mergers, demergers or contributions). This authorization is granted for a maximum of eighteen (18) months and may also be used during takeover bids or tender offers.

The ordinary general meeting confers full powers to the Board of Directors with the possibility to further delegate this authority to the Chairman, to place all stock market orders, use any derivative instruments in compliance with applicable securities market regulations, conclude all agreements for the purpose of completing formalities, procedures and filings, and in general take all measures considered necessary.

The extraordinary general meeting authorizes the Board of Directors to cancel on one or more occasions all or part of the company shares that may be held under this share buy-back program not to exceed 10% of the share capital of the company per 24 month period.

In this context, it authorizes the Board of Directors to allocate the difference between the purchase price of the cancelled shares and their nominal value to share premium accounts or revenue reserves and vests the Board with all powers to define the conditions and procedures of such cancellations and amend, as applicable the company's bylaws.

In the case of share issues the powers that may be granted to the Board of Directors shall be authorized by the general shareholders' meeting.

13-10- Agreements concluded by the company that must be modified or terminated in the case of a change in the company's control (except disclosures that could have a material adverse effect on the interests of the company)

None.

13-11- Agreements providing for severance benefits to members of the Board of Directors or employees in the event of resignation or dismissal without real or serious cause or termination of employment pursuant to a public offer

None.

14- AGREEMENTS SUBJECT TO ARTICLES L.225-38 ET SEQ. OF THE FRENCH COMMERCIAL CODE

The auditors' special report provides information on regulated agreements with related parties subject to the provisions of article L.225-38 of the French Commercial Code concluded in prior periods that remained in force in the last fiscal year.

In compliance with the provisions of article L. 225-40 of the French Commercial Code, we request that you approve this report.

We inform you that you may obtain from the date of the notice of the general meeting information providing a list of such agreements and their purposes concluded in the course of the normal operations of the company in the period under review and which, in light of their purpose or financial implications, are of a material nature for one of the parties.

15- GROUP MANAGEMENT REPORT

15-1- Review of consolidated operations:

The Group financial statements have been prepared in accordance with IFRS as adopted by the European Union

In 2007 Group sales increased 24.8% to €648,1 million from €519 million in the prior year.

This result reflects strong growth in equipment sales (+27%) and to a lesser extent leasing activity (+8.4%). Growth in production volume also fueled this positive commercial performance.

In terms of the geographical sales mix, Europe remains the largest market (88.6% of total revenue).

Current operating income increased significantly by more than 19.7% from €95 million in 2006 to €113.7 million.

The operating margin for the year was 17.5% versus 18.3% in 2006. Operating profit benefited from a positive volume effect (€38.7 million), even though reorganization measures of the Group and the expansion of the commercial network resulted in a significant increase in administrative and selling expenses (€18 million). Research and development expenditures increased €1 million. Operating income was also adversely impacted by a negative translation effect of €2.2 million.

Net attributable profit at 31 December 2007 totalled €71 million versus €60.4 million in 2006, representing a net margin of 11% compared with 11.6% in the prior year. This decline reflects primarily the negative translation effect combined with a limited net financial expense.

15-2- Situation of company subsidiaries:

See paragraph 4 of this report.

15-3- Foreseeable changes in the Group's situation and outlook:

Markets with strong potential in Eastern Europe, South America and Asia should provide Haulotte Group with additional opportunities for further expansion. New production capacity will also increase our inventories of available products and the quality of customer service. The ramp up of production for the telehandler line in 2008 should also significantly contribute to future growth

15-4- Progress made or difficulties encountered:

See paragraph 1-5 of this report.

15-5- Significant events between the closing date and date of the publication of the consolidated financial statements:

See paragraph 1-7 of this report.

15-6- Objective and exhaustive analysis of changes in the business, earnings, financial position of company subsidiaries and notably the debt situation relating to business volume and complexity:

See paragraph 1-8, 1-1 and 1-11 of this report.

15-7- Description of the main risks and uncertainties for the company subsidiaries:

See paragraph 1-9 of this report.

15-8- Information on the use of financial instruments:

Refer to information included in paragraph 1-11 of this report.

- *Objectives and policy of the company concerning the management of financial risks (including the policy for the main categories of transactions concerned by hedge accounting):*

See paragraph 1-11 of this report.

- *The company's exposure to risks concerning price, liquidity and capital resources:*

See paragraph 1-11 of this report.

15-9- Research and development:

See paragraph 1-13 of this report

16 - SUMMARY OF AUTHORIZATIONS IN FORCE GRANTED BY THE GENERAL MEETING OF THE SHAREHOLDERS TO THE BOARD OF DIRECTORS FOR CAPITAL INCREASES IN COMPLIANCE WITH ARTICLES L. 225-129-1 L. 225-129-2 AND L.225-129-3:

There is no authorization granted to the Board of Directors. (See Appendix 2)

17 – REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS IN ACCORDANCE WITH ARTICLE L.225-37 OF THE FRENCH COMMERCIAL CODE

In accordance with the provisions of article L.225-37 of the French Commercial Code, the Chairman's report on the Board's operating procedures and internal control is enclosed in Appendix 2 of this report

* * *

We ask you to approve this report and the management decisions of the Board of Directors for the last fiscal year.

After reviewing the reports of the Auditors, you will be called upon to approve the financial statements presented and vote on the proposed resolutions.

The Board of Directors

APPENDIX 1:

HAULOTTE GROUP SA
FIVE-YEAR FINANCIAL SUMMARY

<i>Closing date</i> <i>Duration of fiscal year (months)</i>	<i>31/12/2007</i> <i>12</i>	<i>31/12/2006</i> <i>12</i>	<i>31/12/2005</i> <i>12</i>	<i>31/12/2004</i> <i>12</i>	<i>31/12/2003</i> <i>12</i>
SHARE CAPITAL AT YEAR-END					
Common stock	4,476,420.00	4,456,704	4,439,417	4,439,417	4,439,417
Number of outstanding shares					
- ordinary shares	34,434,000	34,282,340	34,149,360	34,149,360	34,149,360
- preferred shares					
Maximum number of future shares to be issued (stocks options)	50,160	200,070	366,600		
OPERATIONS AND RESULTS					
Sales excluding taxes	528,156,057.00	414,176,101	305,944,067	211,159,589	191,207,864
Earnings before taxes, employee profit-sharing, depreciation and provisions	108,180,316.37	88,764,101	53,394,986	19,181,039	6,928,075
Corporate income tax	22,930,420.83	23,864,203	14,634,512	2,403,237	13,308
Employee profit-sharing	1,976,596.00	2,310,715	1,580,765		
Earnings after tax, employee profit-sharing, depreciation and provisions	51,138,788.70	48,361,431	28,608,821	6,553,444	(5,874,596)
Dividends	7,393,255.76	5,827,998	4,439,417	3,414,936	2,039,662
PER SHARE DATA					
Earnings per share after taxes, employee profit-sharing, but before depreciation and provisions	2.42	1.83	1.09	0.49	0.20
Earnings per share after tax, employee profit-sharing, depreciation and provisions	1.49	1.41	0.84	0.19	-0.17
Dividend per share	0.22	0.17	0.13	0.10	0.06
PERSONNEL					
Average number of employees for the fiscal year	584	536	477	451	515
Total payroll	19,097,380.59	17,038,325	13,770,950	14,764,103	13,640,175
Total benefits paid (social security, welfare benefits, etc.)	7,926,131.10	6,556,478	5,478,868	5,129,570	5,446,833
		<i>31/12/2006</i>	<i>31/12/2005</i>	<i>31/12/2004</i>	

HAULOTTE GROUP

A French corporation (*Société Anonyme*) with a capital of 4 476 420 euros

Registered office: La Péronnière - 42152 l'Horme

332 822 485 RCS Saint Etienne

APPENDIX 1:

TABLE OF AUTHORIZATIONS IN FORCE GRANTED BY THE GENERAL MEETING OF THE SHAREHOLDERS TO THE BOARD OF DIRECTORS FOR CAPITAL INCREASES IN COMPLIANCE WITH ARTICLES L. 225-129-1 L. 225-129-2 AND L.225-129-3

Assemblée générale	Pouvoirs délégués	Utilisations faites des délégations
VOID		

Note: Figures in this document (excluding tables) expressed as “K€” (thousands of euros) in the original French document have been rounded off accordingly to the nearest thousand.