HYSTER COMPANY

Americas Division

SUBJECT: 2007 S.W.O.T.S. Analysis

ACCOUNT: Smurfit-Stone Container

BACKGROUND:
Hyster recently won Smurfit RFQ which means that we are their preferred supplier for forklifts. This five year agreement includes forklift purchases, fleet management and maintenance.
With this agreement in place, Hyster should deliver 300+ trucks in 2007 and maintain, if not exceed 80% of Smurfit's forklift business

STRENGTHS:
- Strong relationships at corporate and local facility levels.
- Although we have some regional difficulties, we still have the strongest dealer network in the industry, and these dealers are quite supportive of the Smurfit account.
- We are working with corporate Smurfit to develop a fleet management program, which is based upon telemetry and power by the hour, which has the potential to further strengthen our relationship by creating additional verifiable partnership value through measurable cost savings.
- Product loyalty is still very strong at many of the Smurfit facilities.

WEAKNESSES:
- Product availability and lease end termination issues frustrate our otherwise strong relationship.
  - Efforts on both side of the table are doing everything possible to establish greater visibility to future equipment need and lease expiration. Our goal is to have orders places six to nine month ahead of need

OPPORTUNITIES:
- We have a great opportunity to expand our fleet management program to all new truck orders. Power by the hour has captivated Smurfit's attention and they feel that this program will produce the cost reduction goals they have established.

THREATS:
- The paper industry is has tremendous pressure to reduce cost. Smurfit's strategic cost reduction initiative is very aggressive. There is a strong chance that before our agreement reaches the end, Smurfit could be owned by another entity.
- Additional plant closures may reduce Smurfit's five year equipment replacement plan

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STRATEGY:
We are currently pursuing the final phase of Smurfit's RFQ, which covers leasing and lease termination. At the moment, Smurfit uses DLL West of the Mississippi and Hyster Capital East of the river. The challenge will be funding the anticipated volume. Currently, Smurfit's portfolio is unattractive in the eyes of most financial institutions. We feel that we have an advantage over our competition, primarily because of our GE relationship and our fleet management strategy with telemetry.

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