

# Consolidated Financial Results (Comprehensive) For First Quarter of FY 2019

(April 1, 2019 through June 30, 2019)

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In 2019, Tadano Ltd. celebrates the 100<sup>th</sup> anniversary of its founding.

Notes:

- 1) Tadano Ltd. provides this comprehensive financial results report in order to supplement the previously released quantitative report with qualitative information concerning business results for the period under review. Unless otherwise stated, no amendments have been made to the quantitative information herein.
- 2) Forward-looking statements contained in this report are based on information available as of the date this report was prepared. A variety of factors may cause actual results to differ from projections.

**August 2, 2019**

**Tadano Ltd.**

# Income Statement (vs. Previous Year)



Lifting your dreams

(Unit: millions of yen)

	1Q FY2018		1Q FY2019		Increase/ Decrease
	Amount	Percentage	Amount	Percentage	
Net Sales	34,894	100.0%	40,376	100.0%	5,481
Cost of Sales	24,736	70.9%	30,003	74.3%	5,267
Gross profit on installment sales	77	0.2%	-11	-0.0%	-89
Gross profit	10,235	29.3%	10,360	25.7%	124
Selling, general, and administrative expenses	7,958	22.8%	8,919	22.1%	961
Operating income	2,277	6.5%	1,440	3.6%	-836
Non-operating income and loss	-69	-0.2%	-84	-0.2%	-14
Ordinary income	2,207	6.3%	1,356	3.4%	-851
Extraordinary income and loss	1	0.0%	-1	-0.0%	-2
Income before income taxes	2,208	6.3%	1,354	3.4%	-854
Corporate taxes	398	1.1%	723	1.8%	324
Net income attributable to noncontrolling interests	10	0.0%	-7	-0.0%	-18
Net income attribute to owners of parent	1,799	5.2%	639	1.6%	-1,160

[ Key Changes for this quarter (April-June) ]  
Sales increased while profits decreased

◆ **Net sales:**

- Consolidated net sales increased by 15.7% compared with the previous 1Q.
- Outside Japan sales ratio was 47.4%.

◆ **COGS ratio:**

- The COGS ratio deteriorated by 3.4% compared with the previous 1Q due to the increase in production costs and changes in the composition of sold cranes.
- The COGS ratio was 74.3%.

◆ **Selling, general and administrative expenses:**

- SGA increased by ¥0.9 billion compared with the previous 1Q.

◆ **Profits:**

- Operating income decreased by ¥0.8 billion compared with the previous 1Q.
- Ordinary income decreased by ¥0.8 billion compared with the previous 1Q.
- Net income attributable to owners of the parent decreased by ¥1.1 billion compared with the previous 1Q.

◆ **Factors for change in operating income:**

- ⇒ Sales Volume Effect +¥1.7 billion
- ⇒ Sales Price Effect -¥0.0 billion
- ⇒ Foreign Exchange Effect +¥0.1 billion
- ⇒ Cost Change Effect -¥1.2 billion
- ⇒ Other Effects -¥1.4 billion

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# Balance Sheet (vs. End of Previous Fiscal Year)



Lifting your dreams

(Unit: millions of yen)

	FY2018 Year-End		1Q FY2019		Increase/ Decrease
	Amount	Percentage	Amount	Percentage	
Cash deposits	65,952	25.8%	61,672	24.0%	-4,279
Accounts receivable	50,836	19.9%	41,448	16.1%	-9,388
Inventories	62,757	24.5%	74,432	29.0%	11,675
Other current assets	6,610	2.6%	5,252	2.1%	-1,358
Total current assets	186,156	72.8%	182,806	71.2%	-3,349
Tangible fixed assets	52,597	20.5%	57,197	22.3%	4,600
Intangible fixed assets	1,703	0.7%	1,685	0.7%	-18
Investment and other assets	15,336	6.0%	15,132	5.8%	-204
Total fixed assets	69,637	27.2%	74,014	28.8%	4,377
Total assets	255,793	100.0%	256,821	100.0%	1,027
Accounts payable	41,792	16.3%	45,630	17.8%	3,838
Interest-bearing debt	30,165	11.8%	32,312	12.6%	2,147
Other liabilities	28,810	11.3%	25,582	9.9%	-3,227
Total liabilities	100,768	39.4%	103,526	40.3%	2,757
Total equity	155,025	60.6%	153,294	59.7%	-1,730
Total liabilities and equity	255,793	100.0%	256,821	100.0%	1,027

[Key changes]

◆ **Accounts receivable decreased:**

¥50.8 billion → ¥41.4 billion

- ⇒ The receivable turnover period ameliorated. (FY2018 1Q: 91.4 days, FY2018: 98.5 days → FY2019 1Q: 93.4 days)

◆ **Inventories increased:**

¥62.7 billion → ¥74.4 billion

- (The ¥74.4 billion includes ¥21.0 billion at TFG.)
- ⇒ The inventory turnover period deteriorated. (FY2018 1Q: 165.3 days, FY2018: 121.5 days → FY2019 1Q: 167.8 days)

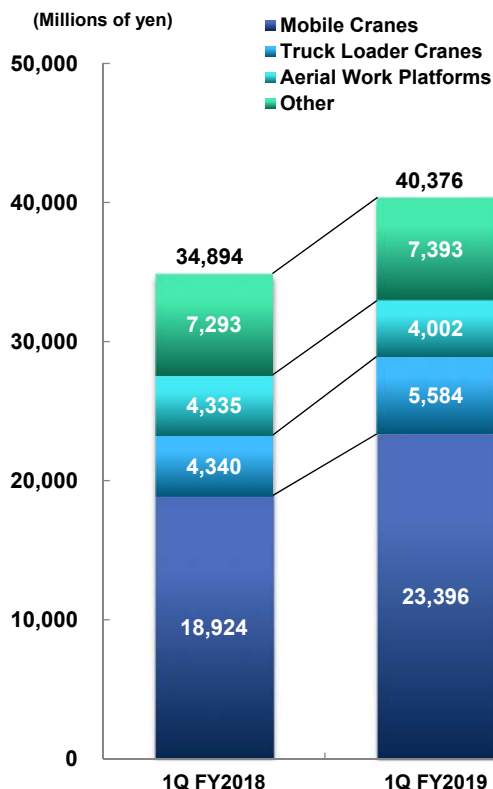
◆ **Interest-bearing debt increased:**

¥30.1 billion → ¥32.3 billion

- ⇒ Short-term: increased by ¥1.3 billion;
- Long-term: increased by ¥0.7 billion

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# Net Sales by Product



(Unit: millions of yen)

	1Q FY2018		1Q FY2019		Increase / Decrease	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Mobile Cranes	18,924	54.2%	23,396	58.0%	4,471	23.6%
Truck Loader Cranes	4,340	12.4%	5,584	13.8%	1,243	28.7%
Aerial Work Platforms	4,335	12.4%	4,002	9.9%	-333	-7.7%
Other	7,293	21.0%	7,393	18.3%	99	1.4%
<b>Total</b>	<b>34,894</b>	<b>100%</b>	<b>40,376</b>	<b>100%</b>	<b>5,481</b>	<b>15.7%</b>

### Breakdown of Mobile Crane Sales Inside and Outside Japan

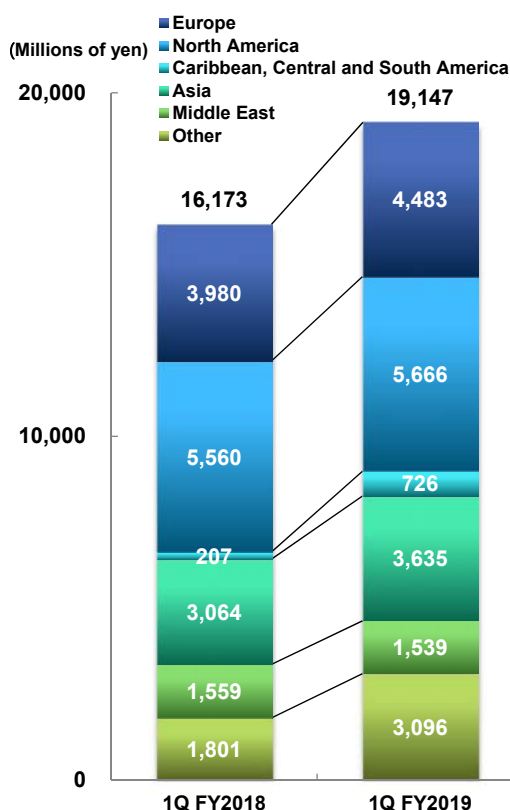
Japan	6,296	7,728	1,432	22.8%
Outside Japan	12,628	15,667	3,038	24.1%

### Exchange Rate (January-March Average Rate)

USD	108.30	110.20
EUR	133.22	125.15

Since the fiscal year for subsidiaries outside Japan ends in December, the rates given here are January-March average.

# Net Sales by Destination



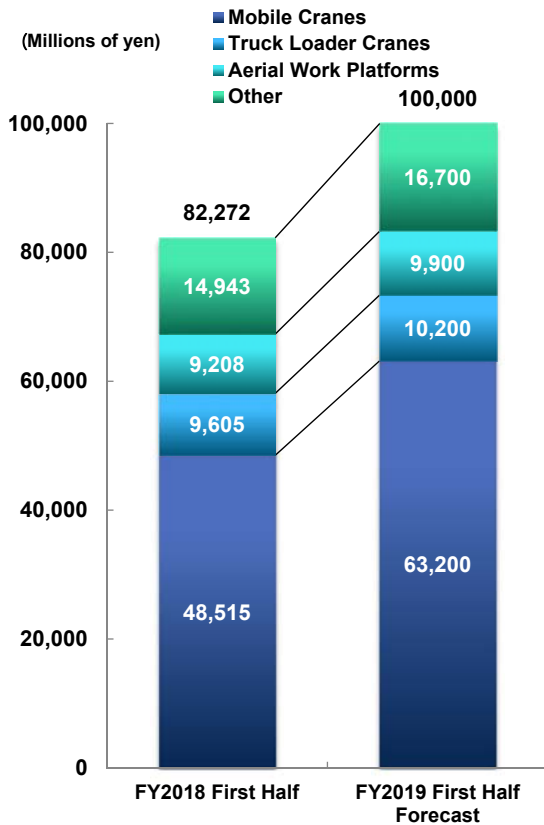
(Unit: millions of yen)

	1Q FY2018		1Q FY2019		Increase / Decrease	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Europe	3,980	11.4%	4,483	11.1%	502	12.6%
North America	5,560	15.9%	5,666	14.0%	105	1.9%
Caribbean, Central and South America	207	0.6%	726	1.8%	519	251.0%
Asia	3,064	8.8%	3,635	9.0%	570	18.6%
Middle East	1,559	4.5%	1,539	3.8%	-19	-1.3%
Other	1,801	5.2%	3,096	7.7%	1,294	71.9%
Subtotal (total outside Japan sales)	16,173	46.4%	19,147	47.4%	2,973	18.4%
Japan	18,720	53.6%	21,229	52.6%	2,508	13.4%
<b>Total</b>	<b>34,894</b>	<b>100%</b>	<b>40,376</b>	<b>100%</b>	<b>5,481</b>	<b>15.7%</b>

The graph on the left excludes Japan.

"Other" is comprised of Oceania, Africa and the CIS.

# FY2019 First Half Forecast (Net Sales by Product)



(Unit: millions of yen)

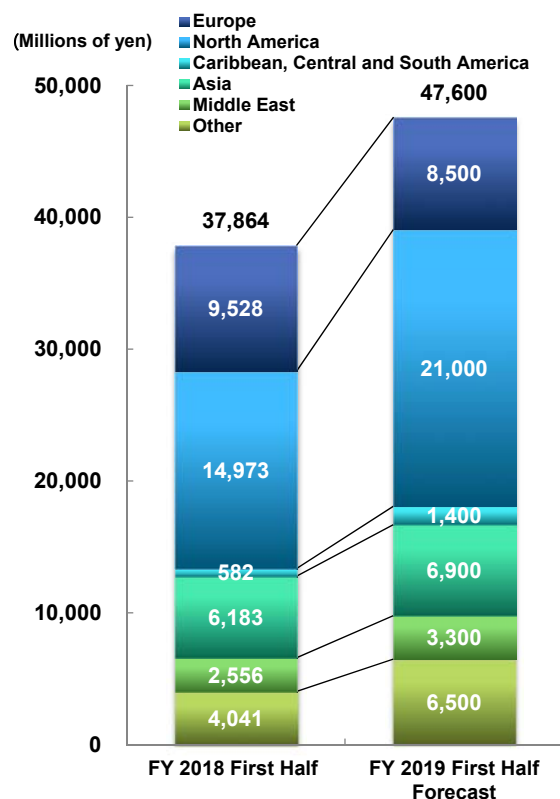
	FY2018 First Half		FY2019 First Half Forecast		Increase / Decrease	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Mobile Cranes	48,515	59.0%	63,200	63.2%	14,685	30.3%
Truck Loader Cranes	9,605	11.7%	10,200	10.2%	595	6.2%
Aerial Work Platforms	9,208	11.2%	9,900	9.9%	692	7.5%
Other	14,943	18.1%	16,700	16.7%	1,757	11.8%
<b>Total</b>	<b>82,272</b>	<b>100%</b>	<b>100,000</b>	<b>100%</b>	<b>17,728</b>	<b>21.5%</b>

### Breakdown of Mobile Crane Sales Inside and Outside Japan

Japan	17,915	24,500	6,585	36.8%
Outside Japan	30,600	38,700	8,100	26.5%

No changes from the forecast released on April 26, 2019.

# FY2019 First Half Forecast (Net Sales by Destination)



(Unit: millions of yen)

	FY2018 First Half		FY2019 First Half Forecast		Increase / Decrease	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Europe	9,528	11.6%	8,500	8.5%	-1,028	-10.8%
North America	14,973	18.2%	21,000	21.0%	6,027	40.3%
Caribbean, Central and South America	582	0.7%	1,400	1.4%	818	140.5%
Asia	6,183	7.5%	6,900	6.9%	717	11.6%
Middle East	2,556	3.1%	3,300	3.3%	744	29.1%
Other	4,041	4.9%	6,500	6.5%	2,459	60.9%
Subtotal (total outside Japan sales)	37,864	46.0%	47,600	47.6%	9,736	25.7%
Japan	44,407	54.0%	52,400	52.4%	7,993	18.0%
<b>Total</b>	<b>82,272</b>	<b>100%</b>	<b>100,000</b>	<b>100%</b>	<b>17,728</b>	<b>21.5%</b>

No changes from the forecast released on April 26, 2019.

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