

# Consolidated Financial Results (Quantitative) For Second Quarter of FY 2017

(Cumulative Term April 1, 2017 through September 30, 2017)

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Notes:

- 1) For the purpose of timely English-language financial information disclosure, Tadano Ltd. provides quantitative financial results reports in concurrence with the disclosure of its original Japanese-language financial results. Detailed qualitative information will be disclosed at a later date in a comprehensive financial results report.
- 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.

October 30, 2017

**Tadano Ltd.**

# Income Statement (vs. Previous Year)



Lifting your dreams

(Unit: millions of yen)

	FY2016 First Half		FY2017 First Half		Increase/ Decrease
	Amount	Percentage	Amount	Percentage	
Net sales	90,914	100.0%	82,880	100.0%	-8,034
Cost of sales	65,282	71.8%	59,120	71.3%	-6,161
Gross profit on installment sales	94	0.1%	27	0.0%	-66
Gross profit	25,726	28.3%	23,786	28.7%	-1,939
Selling, general, and administrative expenses	15,631	17.2%	15,238	18.4%	-393
Operating income	10,094	11.1%	8,548	10.3%	-1,546
Non-operating income and loss	-70	-0.1%	-161	-0.2%	-91
Ordinary income	10,024	11.0%	8,386	10.1%	-1,637
Extraordinary income and loss	-57	-0.1%	4	0.0%	62
Income before income taxes	9,966	11.0%	8,391	10.1%	-1,575
Corporate taxes	2,957	3.3%	2,400	2.9%	-557
Net income attributable to noncontrolling interests	35	0.0%	21	0.0%	-13
Net income attributable to Tadano Ltd.	6,973	7.7%	5,969	7.2%	-1,004

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



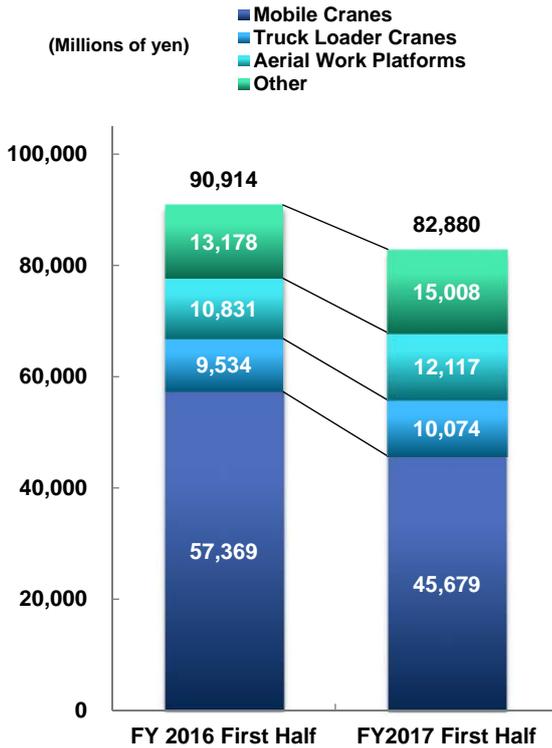
Lifting your dreams

(Unit: millions of yen)

	FY2016 Year-End		FY2017 First Half		Increase/ Decrease
	Amount	Percentage	Amount	Percentage	
Cash deposit	68,745	29.9%	81,660	34.0%	12,915
Accounts receivable	48,717	21.2%	43,458	18.0%	-5,259
Inventories	54,877	23.9%	58,172	24.2%	3,295
Other current assets	5,624	2.4%	5,042	2.1%	-581
<b>Total current assets</b>	<b>177,965</b>	<b>77.4%</b>	<b>188,334</b>	<b>78.3%</b>	<b>10,369</b>
Tangible fixed assets	41,183	18.0%	41,224	17.2%	40
Intangible fixed assets	1,181	0.5%	1,135	0.5%	-45
Investment and other assets	9,469	4.1%	9,705	4.0%	236
<b>Total fixed assets</b>	<b>51,834</b>	<b>22.6%</b>	<b>52,065</b>	<b>21.7%</b>	<b>230</b>
<b>Total assets</b>	<b>229,799</b>	<b>100.0%</b>	<b>240,400</b>	<b>100.0%</b>	<b>10,600</b>
Accounts payable	26,080	11.3%	33,183	13.8%	7,102
Interest-bearing debt	37,235	16.3%	36,646	15.3%	-588
Other liabilities	23,934	10.4%	23,143	9.6%	-790
<b>Total liabilities</b>	<b>87,250</b>	<b>38.0%</b>	<b>92,973</b>	<b>38.7%</b>	<b>5,723</b>
<b>Total equity</b>	<b>142,549</b>	<b>62.0%</b>	<b>147,426</b>	<b>61.3%</b>	<b>4,876</b>
<b>Total liabilities and equity</b>	<b>229,799</b>	<b>100.0%</b>	<b>240,400</b>	<b>100.0%</b>	<b>10,600</b>

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# Net Sales by Product



(Unit: millions of yen)

	FY2016 First Half		FY2017 First Half		Increase / Decrease	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Mobile Cranes	57,369	63.1%	45,679	55.2%	-11,689	-20.4%
Truck Loader Cranes	9,534	10.5%	10,074	12.2%	540	5.7%
Aerial Work Platforms	10,831	11.9%	12,117	14.5%	1,285	11.9%
Other	13,178	14.5%	15,008	18.1%	1,829	13.9%
<b>Total</b>	<b>90,914</b>	<b>100%</b>	<b>82,880</b>	<b>100%</b>	<b>-8,034</b>	<b>-8.8%</b>

◆ Outside Japan sales ratio 45.3% → 42.2%

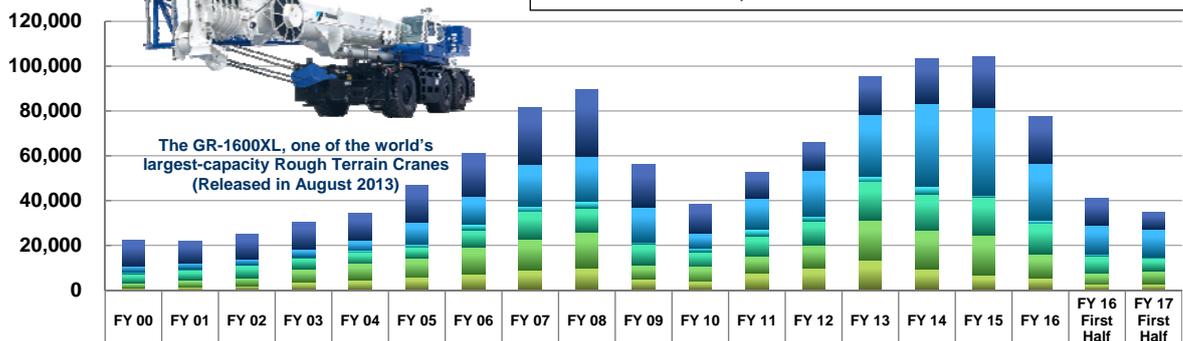
### Breakdown of Mobile Crane sales in and outside Japan

Japan	22,429	18,160	-4,269	-19.0%
Outside Japan	34,939	27,519	-7,419	-21.2%

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# Sales Trends by Market Outside Japan

(Millions of yen)



Sales fell 15.0% compared to the same quarter of the previous fiscal year. Sales grew by 24.4% in Middle East, but fell by 36.6% in Europe, 3.0% in North America, and 27.1% in Asia.

Europe	11,435	9,754	10,893	11,978	12,000	16,292	19,170	25,566	29,630	19,196	12,739	11,643	12,510	16,844	20,211	22,844	20,701	12,141	7,694
North America	2,671	2,739	2,755	3,402	4,547	9,798	12,324	18,342	20,145	15,301	6,616	13,938	20,406	27,782	36,836	39,127	25,438	12,788	12,404
Caribbean, Central and South America	948	586	287	457	866	1,721	2,420	2,542	2,722	887	1,691	3,012	2,201	2,449	3,475	826	1,513	878	445
Asia	4,225	4,368	5,362	5,185	4,888	4,749	7,861	12,069	10,954	9,680	6,603	9,190	10,982	16,923	16,383	17,083	13,694	7,811	5,694
Middle East	2,142	3,098	3,602	5,663	7,347	8,507	11,708	13,878	15,836	5,948	6,686	7,432	10,090	18,167	17,052	17,680	10,375	4,900	6,095
Other	956	1,524	2,066	3,696	4,634	5,790	7,409	9,158	10,063	5,177	3,939	7,654	9,970	13,320	9,576	6,881	5,683	2,636	2,650
<b>Total</b>	<b>22,379</b>	<b>22,072</b>	<b>24,968</b>	<b>30,384</b>	<b>34,285</b>	<b>46,859</b>	<b>60,894</b>	<b>81,557</b>	<b>89,354</b>	<b>56,191</b>	<b>38,277</b>	<b>52,872</b>	<b>66,160</b>	<b>95,487</b>	<b>103,535</b>	<b>104,444</b>	<b>77,406</b>	<b>41,158</b>	<b>34,984</b>
Outside Japan Sales Ratio	23.8%	25.0%	30.1%	31.4%	33.7%	38.8%	42.1%	46.8%	54.9%	53.9%	42.6%	46.3%	49.1%	52.5%	50.7%	49.9%	43.1%	45.3%	42.2%
Exchange rate (USD)	107.83	121.54	125.35	115.99	108.24	110.21	116.38	117.84	103.46	93.57	87.81	79.84	79.82	97.65	105.85	121.05	108.84	111.81	112.37
Exchange rate (EUR)	99.63	108.8	118.41	131.03	134.47	136.92	146.14	161.24	152.44	130.2	116.39	111.12	102.63	129.68	140.42	134.31	120.33	124.62	121.64

Notes • Other markets comprise Oceania, Africa, and the CIS.  
• The exchange rates indicated above are average rates over each period. (Since the fiscal year of subsidiaries outside Japan ends in December, full-year rates are averages for January–December; interim rates are averages for January–June.)  
• Euro figures for FY2001 and earlier have been converted from Deutsche Mark.

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(Unit: millions of yen)

	FY2016		FY2017 forecast		Percent change
	Amount	Percentage	Amount	Percentage	
Net sales	179,676	100.0%	175,000	100.0%	-2.6%
Operating income	18,484	10.3%	17,000	9.7%	-8.0%
Ordinary income	18,490	10.3%	16,500	9.4%	-10.8%
Net income attributable to Tadano Ltd.	11,881	6.6%	11,000	6.3%	-7.4%

\*No changes from the forecast released on April 28, 2017.

Dividends per share	Mid-year	¥13.00	Mid-year	¥13.00
	Year-end	¥13.00	Year-end	¥13.00
	Full-year	¥26.00	Full-year	¥26.00

\*No changes from the forecast released on April 28, 2017.

Capital investment	¥6,030 million	¥8,000 million
Depreciation	¥3,113 million	¥3,300 million
Exchange rate (USD)	¥108.84	¥110 (2nd Half)
Exchange rate (EUR)	¥120.33	¥120 (2nd Half)

Figures for capital investment include leased assets

## [FY2017 management policies]

- (i) Pursue the Tadano Group's Core Values (Safety, Quality, Efficiency)
- (ii) Engage in first-year activities of the Mid-Term Management Plan (17-19)
- (iii) Focus on the Tadano Red Arrow, and engaging in Tadano Yellow Arrow activities
- (iv) Prepare for and respond to Tadano Blue Arrow changes and escalating competition

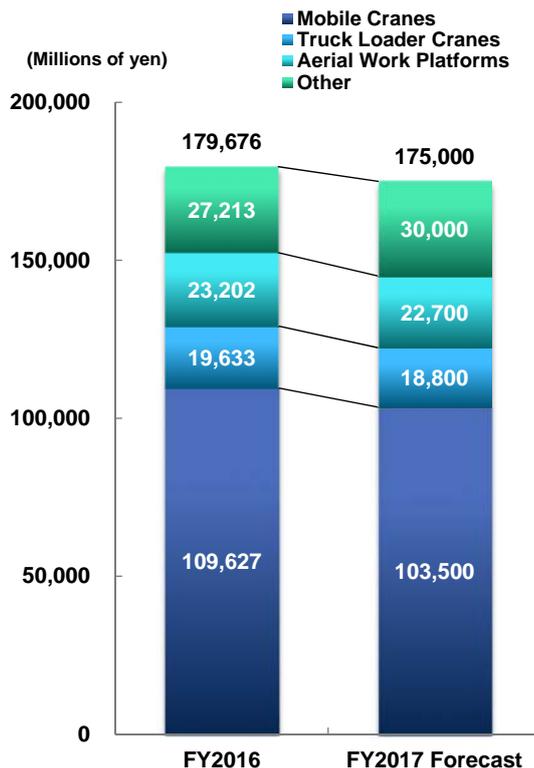
## 【 Nine Strategies of the Mid-Term Management Plan (17- 19) 】

- (i) Improve Market Position
- (ii) Enhance Product Competitiveness
- (iii) Pursue Global & Flexible MONOZUKURI
- (iv) Provide Outstanding Quality & Service
- (v) Improve Product Life-Cycle Value
- (vi) Develop Solution Business
- (vii) Raise Level of Profitability and Asset Efficiency
- (viii) Establish Growth Structure
- (ix) Strengthen the Tadano Group & Global Management Structure

◆ FY2017 proportion of sales outside Japan: 45.4%

# FY2017 Forecast (Net Sales by Product)

(Unit: millions of yen)



	FY2016		FY2017 Forecast		Increase / Decrease	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Mobile Cranes	109,627	61.0%	103,500	59.1%	-6,127	-5.6%
Truck Loader Cranes	19,633	10.9%	18,800	10.7%	-833	-4.2%
Aerial Work Platforms	23,202	12.9%	22,700	13.0%	-502	-2.2%
Other	27,213	15.2%	30,000	17.2%	2,786	10.2%
<b>Total</b>	<b>179,676</b>	<b>100%</b>	<b>175,000</b>	<b>100%</b>	<b>-4,676</b>	<b>-2.6%</b>

◆ Outside Japan sales ratio : 43.1% → 45.4%

Breakdown of Mobile Crane Sales Inside and Outside Japan

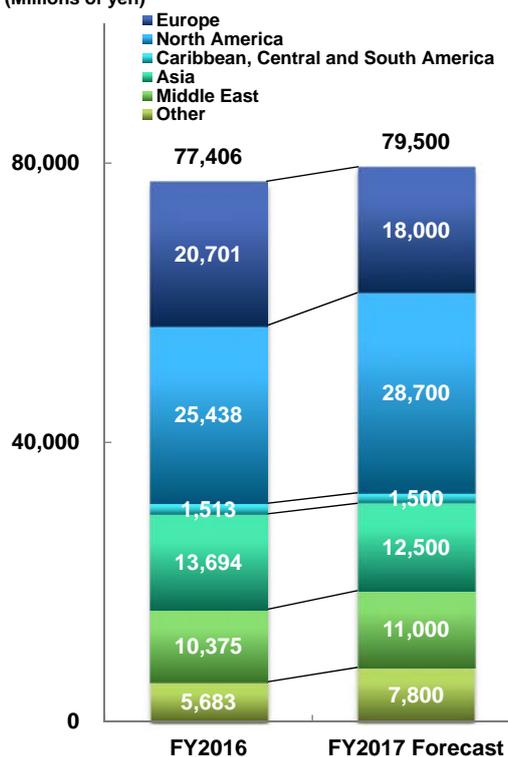
Japan	45,017	39,700	-5,317	88.2%
Outside Japan	64,609	63,800	-809	98.7%

No changes from the forecast released on April 28, 2017.

However, the structure of net sales by product changed according to the latest situation.

(Unit: millions of yen)

(Millions of yen)



	FY2016		FY2017 Forecast		Increase / Decrease	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Europe	20,701	11.5%	18,000	10.3%	-2,701	-13.0%
North America	25,438	14.2%	28,700	16.4%	3,261	12.8%
Caribbean, Central and South America	1,513	0.8%	1,500	0.9%	-13	-0.9%
Asia	13,694	7.6%	12,500	7.1%	-1,194	-8.7%
Middle East	10,375	5.8%	11,000	6.3%	624	6.0%
Other	5,683	3.2%	7,800	4.5%	2,116	37.2%
Subtotal (total outside Japan sales)	77,406	43.1%	79,500	45.4%	2,093	2.7%
Japan	102,270	56.9%	95,500	54.6%	-6,770	-6.6%
<b>Total</b>	<b>179,676</b>	<b>100%</b>	<b>175,000</b>	<b>100%</b>	<b>-4,676</b>	<b>-2.6%</b>

No changes from the forecast released on April 28, 2017.

However, the structure of net sales by destination changed according to the latest situation.

The graph on the left excludes Japan.

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