

Consolidated Financial Results (Comprehensive) For Third Quarter of FY 2017

(Cumulative Term April 1, 2017 through December 31, 2017)

Notes:

- 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.
- 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.

February 6, 2018

Tadano Ltd.



Income Statement (vs. Previous Year)



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(Unit: millions of yen)

	3Q FY2016		3Q FY2017		Increase/	
	Amount	Percentage	Amount	Percentage	20010400	
Net Sales	128,020	100.0%	119,960	100.0%	-8,059	
Cost of Sales	90,751	70.9%	85,844	71.6%	-4,907	
Gross proft on installment sales	151	0.1%	39	0.0%	-111	
Gross profit	37,420	29.2%	34,155	28.5%	-3,264	
Selling, general, and administrative expenses	23,244	18.2%	23,318	19.4%	74	
Operating income	14,175	11.1%	10,836	9.0%	-3,339	
Non-operating income and loss	46	0.0%	-113	-0.1%	-159	
Ordinary income	14,221	11.1%	10,722	8.9%	-3,498	
Extraordinary income and loss	-11	-0.0%	-1	-0.0%	10	
Income before income taxes	14,209	11.1%	10,721	8.9%	-3,488	
Corporate taxes	4,137	3.2%	3,644	3.0%	-492	
Net income attributable to noncontrolling interests	60	0.0%	27	0.0%	-33	
Net income attributable to Tadano Ltd.	10,012	7.8%	7,049	5.9%	-2,962	

[Key changes of this quarter (April-December)] Sales and profits decreased for the second consecutive year

- Net sales:
 - Consolidated net sales decreased by 6.3% compared with the previous 3Q.
 - Outside Japan sales ratio was 44.9%.

COGS ratio:

- The COGS ratio went down by 0.7% from the same period of the previous fiscal year due to changes in the composition of sold cranes.
- The COGS ratio was 71.6%.
- ◆ Selling, general and administrative expenses:
 - SGA increased by ¥74 million compared with the previous 3Q.

Profits:

- Operating income decreased by ¥3.3 billion compared with the previous 3Q.
- Ordinary income decreased by ¥3.4 billion compared with the previous 3Q.
- Net income attributable to Tadano Ltd. decreased by ¥2.9 billion compared with the previous 3Q.

◆ Factors for change in operating income:

⇒ Sales Volume Effect	-¥3.8 billion
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⇒ Sales Price Effect +¥0.4 billion

⇒ Foreign Exchange Effect +¥0.3 billion

⇒ Cost Change Effect +¥0.5 billion

→ Other Effects - ¥0.7 billion

Balance Sheet (vs. End of Previous Fiscal Year)



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(Unit: millions of yen)

	FY2016 Y	ear-End	3Q FY2017		Increase/	
	Amount	Percentage	Amount	Percentage	20010000	
Cash deposit	68,745	29.9%	80,573	33.8%	11,828	
Accounts receivable	48,717	21.2%	37,249	15.6%	-11,468	
Inventories	54,877	23.9%	62,778	26.3%	7,900	
Other current assets	5,624	2.4%	5,407	2.3%	-217	
Total current assets	177,965	77.4%	186,008	78.0%	8,043	
Tangible fixed assets	41,183	18.0%	41,195	17.3%	11	
Intangible fixed assets	1,181	0.5%	1,201	0.5%	19	
Investment and other assets	9,469	4.1%	10,019	4.2%	549	
Total fixed assets	51,834	22.6%	52,416	22.0%	581	
Total assets	229,799	100.0%	238,424	100.0%	8,624	
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Accounts payable	26,080	11.3%	32,984	13.8%	6,903
Interest-bearing debt	37,235	16.3%	35,870	15.1%	-1,364
Other liabilities	23,934	10.4%	21,760	9.1%	-2,173
Total liabilities	87,250	38.0%	90,616	38.0%	3,366
Total equity	142,549	62.0%	147,808	62.0%	5,258
Total liabilities and equity	229,799	100.0%	238,424	100.0%	8,624

[Key changes]

◆ Accounts receivable decreased:

¥48.7 billion → ¥37.2 billion

⇒ The receivable turnover period ameliorated. (3Q FY2016: 85.6 days, FY2016: 99.0 days →3Q FY2017: 85.4 days)

♦ Inventories increased:

¥54.8 billion → ¥62.7 billion

(The ¥62.7 billion includes ¥17.8 billion in TFG.)

⇒ The inventory turnover period deteriorated. (3Q FY2016: 138.1 days, FY2016: 111.5 days →3Q FY2017: 143.9 days)

◆ Interest-bearing debt decreased:

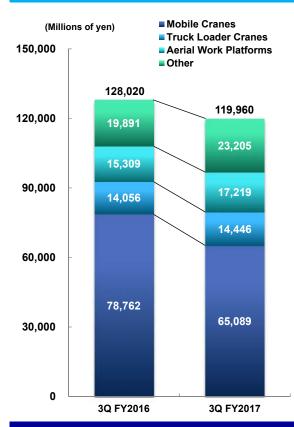
¥37.2 billion → ¥35.8 billion

⇒ Short-term: increased by ¥4.9 billion Long-term: decreased by ¥6.3 billion

Net Sales by Product



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(U						ns of yen)	
	3Q FY2016		3Q FY	3Q FY2017		Increase / Decrease	
	Amount	Percentage	Amount	Percentage	Amount	Percentage	
Mobile Cranes	78,762	61.5%	65,089	54.4%	-13,672	-17.4%	
Truck Loader Cranes	14,056	11.0%	14,446	12.0%	389	2.8%	
Aerial Work Platforms	15,309	12.0%	17,219	14.3%	1,909	12.5%	
Other	19,891	15.5%	23,205	19.3%	3,313	16.7%	
Total	128,020	100%	119,960	100%	-8,059	-6.3%	

Breakdown of Mobile Crane sales Inside and Outside Japan

Japan	28,163	23,085	-5,078	-18.0%
Outside Japan	50,599	42,004	-8,594	-17.0%

Exchange Rate (January-September Average Rate)

USD	108.69	111.92
EUR	121.17	124.55

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

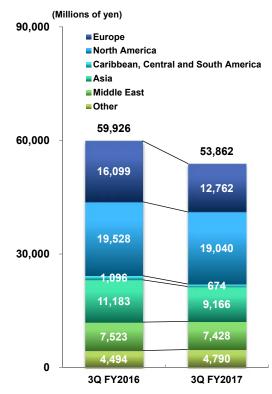
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Net Sales by Destination



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(Unit: millions of yen)



	3Q FY2016 Amount Percentage		3Q F)	3Q FY2017		Increase / Decrease	
			Amount	Percentage	Amount	Percentage	
Europe	16,099	12.5%	12,762	10.6%	-3,337	-20.7%	
North America	19,528	15.3%	19,040	15.9%	-487	-2.5%	
Caribbean, Central and South America	1,096	0.9%	674	0.6%	-422	-38.6%	
Asia	11,183	8.7%	9,166	7.6%	-2,016	-18.0%	
Middle East	7,523	5.9%	7,428	6.2%	-95	-1.3%	
Other	4,494	3.5%	4,790	4.0%	295	6.6%	
Subtotal (total outside Japan sales)	59,926	46.8%	53,862	44.9%	-6,063	-10.1%	
Japan	68,093	53.2%	66,097	55.1%	-1,995	-2.9%	
Total	128,020	100%	119,960	100%	-8,059	-6.3%	

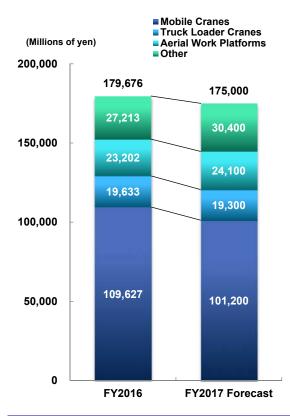
The graph on the left excludes Japan.

[&]quot;Other" is comprised of Oceania, Africa and the CIS.

FY2017 Forecast (Net Sales by Product)



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(Unit: millions of yen)							
	FY2016		FY2017 F	FY2017 Forecast		Increase / Decrease	
	Amount	Percentage	Amount	Percentage	Amount	Percentage	
Mobile Cranes	109,627	61.0%	101,200	57.8%	-8,427	-7.7%	
Truck Loader Cranes	19,633	10.9%	19,300	11.0%	-333	-1.7%	
Aerial Work Platforms	23,202	12.9%	24,100	13.8%	898	3.9%	
Other	27,213	15.2%	30,400	17.4%	3,187	11.7%	
Total	179,676	100%	175,000	100%	-4,676	-2.6%	

♦ Breakdown of Mobile Crane sales Inside and Outside Japan

Japan	45,017	39,100	-5,917	-13.1%
Outside Japan	64,609	62,100	-2,509	-3.9%

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

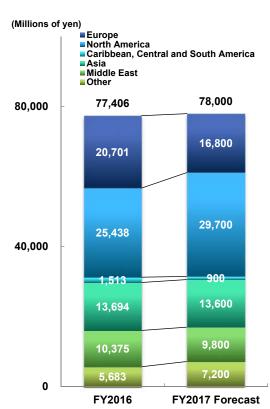
However, the structuture of net sales by product changed according to the latest situation.

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FY2017 Forecast (Net Sales by Destination)



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					(Unit: mi	illions of yen)
	FY2	016	FY2017 F	-orecast	Increase / Decrease	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Europe	20,701	11.5%	16,800	9.6%	-3,901	-18.8%
North America	25,438	14.2%	29,700	17.0%	4,262	16.8%
Caribbean, Central and South America	1,513	0.8%	900	0.5%	-613	-40.5%
Asia	13,694	7.6%	13,600	7.8%	-94	-0.7%
Middle East	10,375	5.8%	9,800	5.6%	-575	-5.5%
Other	5,683	3.2%	7,200	4.1%	1,517	26.7%
Subtotal (total outside Japan sales)	77,406	43.1%	78,000	44.6%	594	0.8%
Japan	102,270	56.9%	97,000	55.4%	-5,270	-5.2%
Total	179,676	100%	175,000	100%	-4,676	-2.6%

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.