

Tadano's products and technologies play a vital role in the construction of everything from high-rise office buildings and highways to environmentally friendly wind turbines and the houses we call home. Our lifting equipment, designed to work reliably even under the harshest operating conditions, continues to win the hard-earned confidence of our customers.

# Lifting your dreams

We work according to our corporate philosophy of *Sozo* (Creation), *Hoshi* (Contribution) and *Kyoryoku* (Cooperation), and we are committed to helping you turn your dreams into reality.



Today, Tadano's products play a key role at construction sites around the world. Outlined on the next page is "*Sozo* (Creation), *Hoshi* (Contribution), and *Kyoryoku* (Cooperation)", Tadano's Corporate Philosophy.

## Contents

1-4	Introduction Contents / Corporate Philosophy (Business Objective)
5-6	Value Chain Designing, Manufacturing, Delivering, Servicing
7-11	Top Message
12-14	What is Lifting Equipment?/ Value Creation Process
15-22	Business Overview Mobile Cranes Truck Loader Cranes Aerial Work Platforms Others
23-28	Stakeholder Engagement Our Promises to Customers Our Promises among Employees Our Promises among Partners Our Promises to Shareholders and Investors Our Promises to Society
29-30	Corporate Governance and Compliance
31-32	Performance and Financial Highlights (Consolidated Basis)
33-34	Consolidated Financial Statements
35	Topics
36	Company Profile and Stock Information
37	Executives
38	History
39-42	Offices and Plants, Group Companies, Distributors

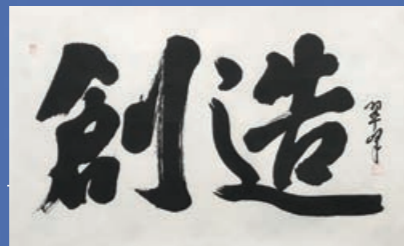


Please see our website for further information related to Tadano's financial results and ESG.

<http://www.tadano.com> (English)  
<http://www.tadano.co.jp> (Japanese)

\*About the data published in this report  
This report provides financial and shareholder information published in the financial results for fiscal year 2017 (ended March 31, 2018) and the list of Group companies and distributors outside of Japan, current as of July 31, 2018.

# Delivering products that will contribute to the world, our corporate philosophy of *Sozo* (Creation), *Hoshi* (Contribution) and *Kyoryoku* (Cooperation) is our business.

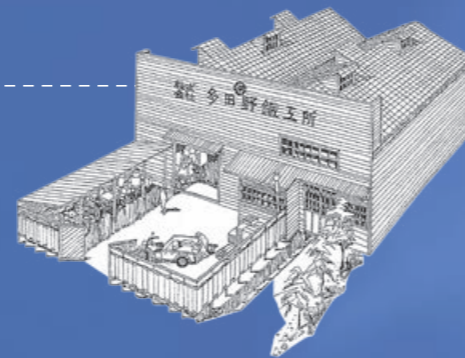


“Let’s start a steel fabrication business where we can fully utilize our skills.”

“If we do meaningful work that benefits people, we will succeed. First, we come together and gather our strengths.”

“That is the beginning. Then, we must do something new that other people are not doing yet.”

“There is no challenge in doing things the same way they have always been done.”



These are the words of Masuo Tadano, the founder of Tadano.

At the heart of these words is the idea that a company can exist only when it is in harmony with the people around it.

He believed that it is because we function best when we have this harmony that we should aim to be of service to people (Contribution), to combine our efforts as a team (Cooperation), and provide new value to the world (Creation).

This is the origin of our Corporate Philosophy as it has come to be today: *Sozo* (Creation), *Hoshi* (Contribution), *Kyoryoku* (Cooperation). Implementation of this Corporate Philosophy is the ultimate business objective of the Tadano Group.

This steel fabrication business that started with just 4 workers and a small factory went on to develop the OC-2, Japan’s first hydraulic truck crane.

The company then boldly took up new challenges, with everyone working together to produce a range of products.

Our products are now making contributions to people living and working throughout the world every day.

**We want to make something that will contribute to the world.  
We want to be a company that can contribute to the advancement of society.**

These are the ideals that have molded the history of Tadano. *Sozo* (Creation), *Hoshi* (Contribution), *Kyoryoku* (Cooperation) are in our DNA.

## Striving to Become No. 1 Worldwide in the Lifting Equipment Industry

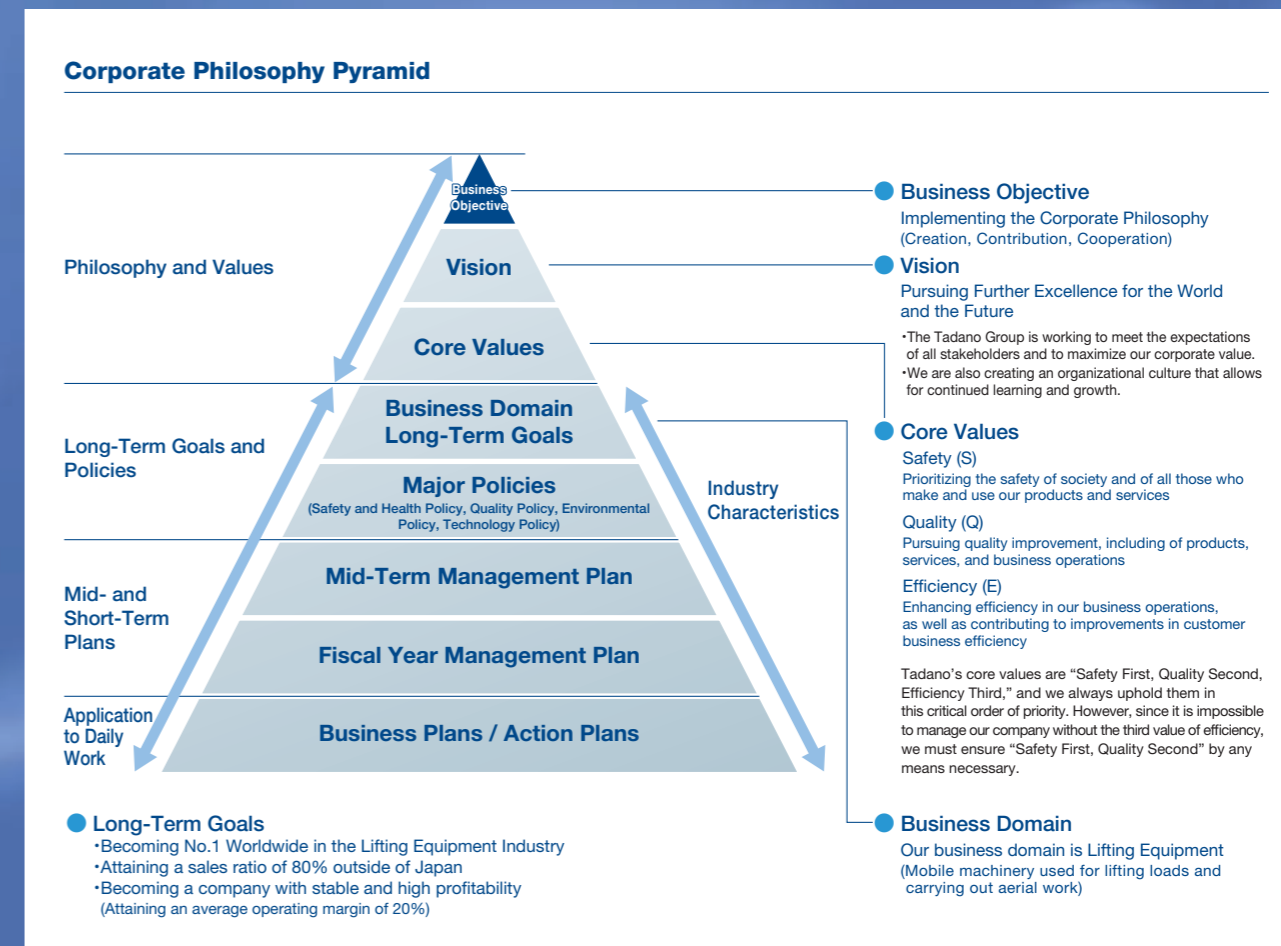
Lifting equipment plays an essential role in the development of everything in our society from urban infrastructure to the energy and natural resource sectors. Lifting equipment contributes to society in a way that no machinery can. Tadano’s goal is to become recognized by our customers around the world as an indispensable company in this business domain.

## Our Core Values: Safety, Quality, and Efficiency

With our unwavering core values of safety, quality, and efficiency, we place top priority on the safety of our customers and the greater community. Through strengthening the quality of our products, services, and business operations, we in turn hope to contribute to the improved operational efficiency of our customers. These values not only strengthen our company culture but also stand behind every product we deliver.

## Pursuing Further Excellence for the World and the Future

Our brand message is “Lifting your dreams.” Here the word “dreams” refers not only to the goals and aspirations held dear by individuals, society, and our company, but also to the ambition in each of us that turns these dreams into reality. At Tadano, we believe that high-quality lifting equipment can contribute to a better society and the prosperity of our customers, and we aim to maximize our corporate value while meeting the expectations of each and every stakeholder. Simply stated, we are pursuing further excellence for the world and the future.



# Value Chain

At Tadano, we implement Total Quality Management (TQM) throughout the value chain, which we describe as “Designing, Manufacturing, Delivering, and Servicing.” To ensure that our customers will continue to choose our products, we are constantly polishing our product quality and service capability (including parts), our long-standing advantages. By further enhancing our product competitiveness and used crane value, we strive to be a manufacturer with four synergistic strengths.



## Manufacturing

(Production, Procurement, Quality and Safety)

At Tadano, we take pride in our technology, which has been passed down and honed since the company began as a welding business. We rely on our human resources to preserve and cultivate our technology. Cranes are especially complex pieces of precision machinery. The key to fitting their many intricate pieces together to create a high-quality product lies in continuous improvements in skill and technique derived from our wealth of accumulated engineering experience. Tadano develops the skills of its workforce through both specialized skill training, which leads to quality improvements, and multi-skill development, which leads to efficient manufacturing. At the same time, we are injecting our resources into the development of new facilities, equipment, and production technology. While our core production plants are located in Japan, Tadano also manufactures products that meet a diverse range of global needs at key facilities located in Germany, the United States, and Thailand. This integrated network results in a highly-efficient and cost-competitive global production model. We are reinforcing our efforts to achieve global quality, by implementing our core values of safety, quality, and efficiency at our companies.



## Servicing

(Customer Support)

Tadano's services consist of after services, which include repair services for the products we have delivered, and before services, such as inspections and maintenance to ensure safe use. Product downtime leads directly to business losses for customers. That is why Tadano strives to deliver outstanding service exceeding the highest customer expectations.

In addition to 10 branches and 23 sales offices in Japan, our service network includes 352 authorized service contractors and 939 authorized service personnel across Japan. With the establishment of 7 parts centers including the Tadano Global Parts Center in Kobe, Japan, we aim to dramatically reduce the delivery time for parts.

Our global service network (including direct and distributor-provided service) spans the entire world. We constantly work to enhance this network and improve our quality of service. We provide specialized training at our facilities in Japan, in addition to local technical training courses outside of Japan. In order to further develop our human resources in service and other areas, we provide systematic training at the Tadano Training Center.



## Delivering

(Sales)

Japan is our home market, and the feedback we receive from discerning customers here helps Tadano's products and quality grow stronger. Here we must succeed against stiff competition, while maintaining and building on our solid position in every product category. We convey the needs identified from the true voices of our customers to development and services to create ever better products and services.

Tadano's global network responds to crane demand in international markets through establishing distributors highly familiar with local business practices, legal systems, and other conditions, as well as through direct sales by Tadano Group companies. The close ties we have built with our customers in every country allow us to quickly and efficiently meet their needs.

## Designing (Research and Development)

At the heart of Tadano's design process is our complete customer-oriented perspective. Our engineers go to the actual jobsites to see in person how a product is used and to hear directly from our customers what kind of functions would satisfy their needs.

We want to create products that are strong enough to withstand the harshest of jobsite conditions and products that are quiet enough to operate without obstructing the peaceful calm of residential areas. We want to be able to deliver products that bring true

benefits to our customers. At Tadano, we have tight-knit cooperation between development engineers and the production line workers to support building Tadano products with the highest quality and performance. Furthermore, our global designing process bolstered by collaborative manufacturing with Group companies—in Germany, the United States, and Thailand—will continue to evolve. We want to produce products that exceed the expectations of our customers. There is no end to the array of challenges Tadano will take on.

