

# Consolidated Financial Results(Comprehensive) For Second Quarter of FY 2020

(April 1, 2020 through September 30, 2020)

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## 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.

November 6, 2020

Tadano Ltd.

## < Notes >

- 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.
- Presentation of demand and share:
  - Figures showing demand based on Tadano research are rounded to the nearest ten units.
  - Figures showing share are rounded to the nearest whole share.
  - Mobile Cranes produced in Russia and produced in China for Chinese market are excluded from demand.
- Abbreviation in this report: "TC" refers to Truck Cranes, "RT" to Rough Terrain Cranes, "AT" to All Terrain Cranes
- The acquisition of the Demag Mobile Cranes business (Hereafter "Demag") was completed on July 31, 2019. In this report, information for Demag is treated as follows:
  - FY2019 Consolidated Financial Statements: B/S as of December 31 and P/L from August to December are included.
    - \*Adjustments are made retroactively due to PPA. PPA("Purchase Price Allocation") is a process to appraise assets and liabilities at fair value and allocate purchase price.
  - Demand: Crawler crane demand figures are not included.
  - Share: Sales unit figures for Demag products for January - December are included.

- ✓ **Consolidation of Demag business limited decrease in net sales to around 9%, but profits declined substantially due to changes in product sales composition. First operating loss recorded during a fiscal year first half since FY 2010.**

(Unit: millions of yen)

|  | FY2019 First Half |            | FY2020 First Half |            | Percent Change |
|--|-------------------|------------|-------------------|------------|----------------|
|  | Amount            | Percentage | Amount            | Percentage |                |
| Net Sales  | 100,304           | 100%       | 91,106            | 100%       | -9.2%          |
| Operating income   | 7,573             | 7.6%       | -1,038            | -1.1%      | -              |
| Ordinary income  | 7,262             | 7.2%       | -1,590            | -1.7%      | -              |
| Net income attributable to owners of the parent          | 5,267             | 5.3%       | -2,566            | -2.8%      | -              |
| Capital investment                                       |                   | 9,852      |                   | 3,242      |                |
| Depreciation   |                   | 1,588      |                   | 2,457      |                |
| * Figures for capital investments include leased assets. |                   |            |                   |            |                |
| USD  |                   | ¥110.05    |                   | ¥108.27    |                |
| EUR  |                   | ¥124.32    |                   | ¥119.30    |                |

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## Income Statement

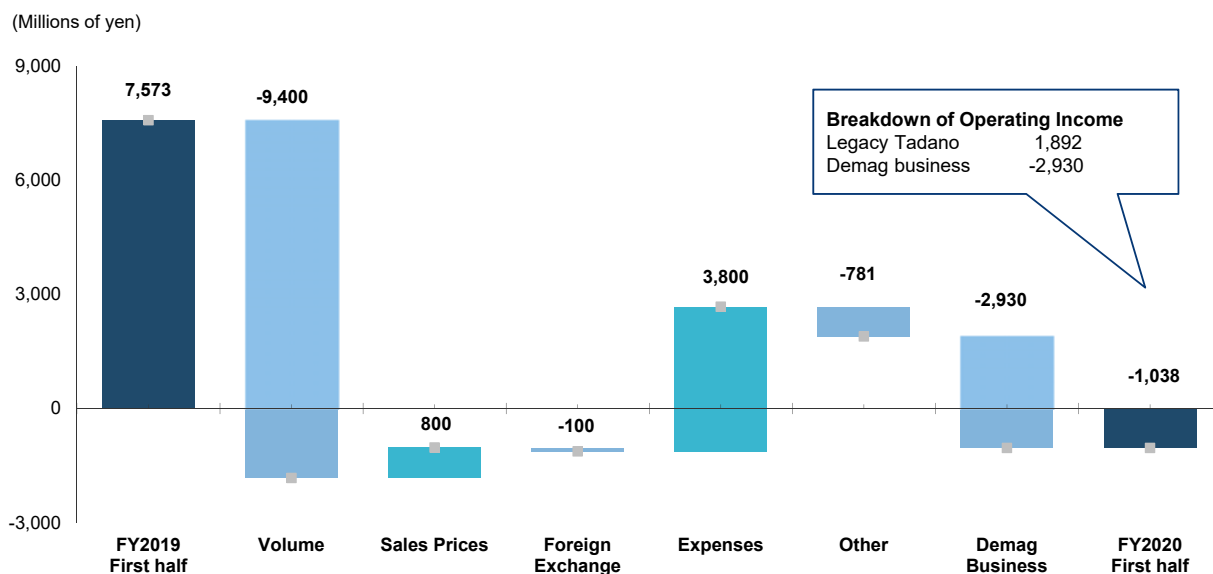
- ✓ **Cost of sales ratio deteriorated due to changes in product sales composition, mainly including effects from Demag product line.**
- ✓ **Despite cost-cutting efforts, SG&A expenses increased due to consolidation of Demag business.**

(Unit: millions of yen)

|   | FY2019 First Half |            | FY2020 First Half |            | Increase/Decrease |
|---|-------------------|------------|-------------------|------------|-------------------|
|   | Amount            | Percentage | Amount            | Percentage |                   |
| Net sales   | 100,304           | 100%       | 91,106            | 100%       | -9,198            |
| Cost of sales                                       | 74,195            | 74.0%      | 72,805            | 79.9%      | -1,390            |
| Gross profit on installment sales                   | -56               | -0.1%      | 32                | 0.0%       | 89                |
| Gross profit  | 26,051            | 26.0%      | 18,332            | 20.1%      | -7,718            |
| Selling, general, and administrative expenses       | 18,478            | 18.4%      | 19,370            | 21.3%      | 892               |
| Operating income                                    | 7,573             | 7.6%       | -1,038            | -1.1%      | -8,611            |
| Non-operating income and loss                       | -310              | -0.3%      | -552              | -0.6%      | -241              |
| Ordinary income                                     | 7,262             | 7.2%       | -1,590            | -1.7%      | -8,853            |
| Extraordinary income and loss                       | 679               | 0.7%       | 85                | 0.1%       | -594              |
| Income before income taxes                          | 7,942             | 7.9%       | -1,504            | -1.7%      | -9,447            |
| Corporate taxes                                     | 2,684             | 2.7%       | 1,051             | 1.2%       | -1,633            |
| Net income attributable to noncontrolling interests | -9                | -0.0%      | 10                | 0.0%       | 19                |
| Net income attributable to owners of the parent     | 5,267             | 5.3%       | -2,566            | -2.8%      | -7,834            |

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- ✓ **Despite expense reduction, operating income decreased by ¥8.6 billion due to decrease in sales volume and consolidation of Demag business.**



## Balance Sheet

- ✓ **Accounts receivable decreased.**
- ✓ **Inventories increased.**
- (¥102.6 billion total includes ¥17.0 billion at TFG and ¥26.6 billion at TDG)**

(Unit: millions of yen)

|                             | FY2019<br>Year-end | FY2020<br>First Half | Increase/<br>Decrease |                                     | FY2019<br>Year-end | FY2020<br>First Half | Increase/<br>Decrease |
|-----------------------------|--------------------|----------------------|-----------------------|-------------------------------------|--------------------|----------------------|-----------------------|
| Cash deposits               | 57,075             | 73,051               | 15,975                | Accounts payable                    | 40,745             | 24,822               | -15,923               |
| Accounts receivable         | 63,267             | 44,257               | -19,009               | Interest-bearing debt               | 63,035             | 85,627               | 22,591                |
| Inventories                 | 97,434             | 102,619              | 5,185                 | Other liabilities                   | 49,320             | 44,393               | -4,926                |
| Other current assets        | 9,415              | 4,239                | -5,175                | <b>Total liabilities</b>            | <b>153,102</b>     | <b>154,843</b>       | <b>1,741</b>          |
| <b>Total current assets</b> | <b>227,192</b>     | <b>224,168</b>       | <b>-3,024</b>         | <b>Total equity</b>                 | <b>158,158</b>     | <b>152,897</b>       | <b>-5,260</b>         |
| Tangible fixed assets       | 68,433             | 68,534               | 100                   | <b>Total liabilities and equity</b> | <b>311,260</b>     | <b>307,741</b>       | <b>-3,519</b>         |
| Intangible fixed assets     | 1,675              | 1,647                | -27                   |                                     |                    |                      |                       |
| Investment and other assets | 13,958             | 13,390               | -568                  |                                     |                    |                      |                       |
| <b>Total fixed assets</b>   | <b>84,067</b>      | <b>83,573</b>        | <b>-494</b>           |                                     |                    |                      |                       |
| <b>Total assets</b>         | <b>311,260</b>     | <b>307,741</b>       | <b>-3,519</b>         |                                     |                    |                      |                       |

|                     | FY2019<br>First Half | FY2019     | FY2020<br>First Half |
|---------------------|----------------------|------------|----------------------|
| Receivable turnover | 83.2 days            | 88.1 days  | 88.9 days            |
| Inventory turnover  | 125.1 days           | 135.6 days | 206.1 days           |
| Equity ratio        | 48.8%                | 50.5%      | 49.3%                |

✓ **Cash and cash equivalents increased due to increase in cash flow from financing activities along with increase in interest-bearing debt.**

(Unit: millions of yen)

|  |                          | FY2019<br>First Half | FY2020<br>First Half | Increase/<br>Decrease |
|--|--------------------------|----------------------|----------------------|-----------------------|
| <b>Cash flow from operating activities</b>             | Income before income tax | 7,942                | -1,504               | -9,447                |
|  | Depreciation             | 1,588                | 2,457                | 868                   |
|  | Accounts receivable      | 5,521                | 18,382               | 12,860                |
|  | Inventories              | -6,972               | -6,287               | 685                   |
|  | Accounts payable         | -2,939               | -15,244              | -12,305               |
|  | Other                    | -3,365               | 428                  | 3,794                 |
|  | <b>Total</b>             | <b>1,775</b>         | <b>-1,769</b>        | <b>-3,544</b>         |
| <b>Cash flow from investing activities</b>             | <b>Total</b>             | <b>-24,451</b>       | <b>-2,010</b>        | <b>22,441</b>         |
| <b>Cash flow from financing activities</b>             | <b>Total</b>             | <b>34,911</b>        | <b>20,294</b>        | <b>-14,617</b>        |
| <b>Increase(decrease) in Cash and Cash Equivalents</b> |                          | <b>11,602</b>        | <b>15,973</b>        | <b>4,371</b>          |

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# Net Sales by Product

✓ **Net sales decreased in all segments except "Other".**

(Unit: millions of yen)

|                              | FY2019<br>First Half | FY2020<br>First Half | Increase/Decrease<br>Amount | Percentage    |
|------------------------------|----------------------|----------------------|-----------------------------|---------------|
| <b>Mobile Cranes</b>         | <b>64,199</b>        | <b>55,106</b>        | <b>-9,092</b>               | <b>-14.2%</b> |
| <b>Truck Loader Cranes</b>   | <b>11,265</b>        | <b>9,099</b>         | <b>-2,165</b>               | <b>-19.2%</b> |
| <b>Aerial Work Platforms</b> | <b>9,507</b>         | <b>8,493</b>         | <b>-1,014</b>               | <b>-10.7%</b> |
| <b>Other</b>                 | <b>15,332</b>        | <b>18,406</b>        | <b>3,074</b>                | <b>20.1%</b>  |
| <b>Total</b>                 | <b>100,304</b>       | <b>91,106</b>        | <b>-9,198</b>               | <b>-9.2%</b>  |

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

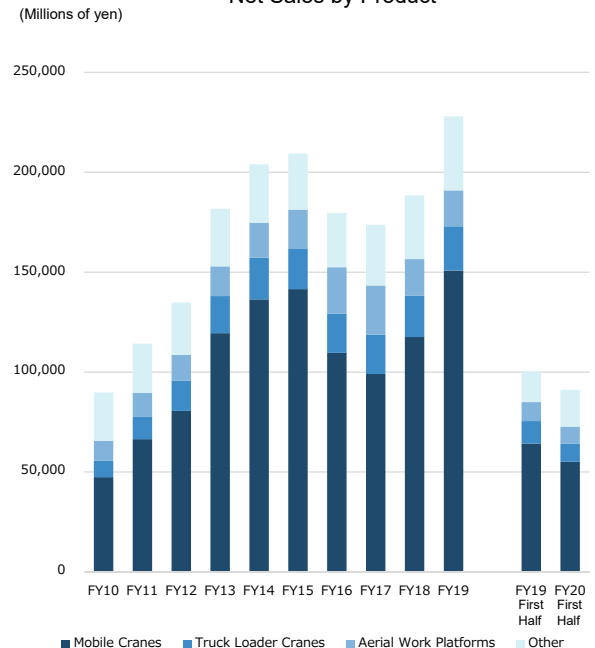
|                      |               |               |               |               |
|----------------------|---------------|---------------|---------------|---------------|
| <b>Japan</b>         | <b>24,984</b> | <b>18,122</b> | <b>-6,862</b> | <b>-27.5%</b> |
| <b>Outside Japan</b> | <b>39,214</b> | <b>36,984</b> | <b>-2,230</b> | <b>-5.7%</b>  |
| <b>Total</b>         | <b>64,199</b> | <b>55,106</b> | <b>-9,092</b> | <b>-14.2%</b> |

### Exchange Rate

|            |                |                |
|------------|----------------|----------------|
| <b>USD</b> | <b>¥110.05</b> | <b>¥108.27</b> |
| <b>EUR</b> | <b>¥124.32</b> | <b>¥119.30</b> |

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

(Millions of yen) Net Sales by Product



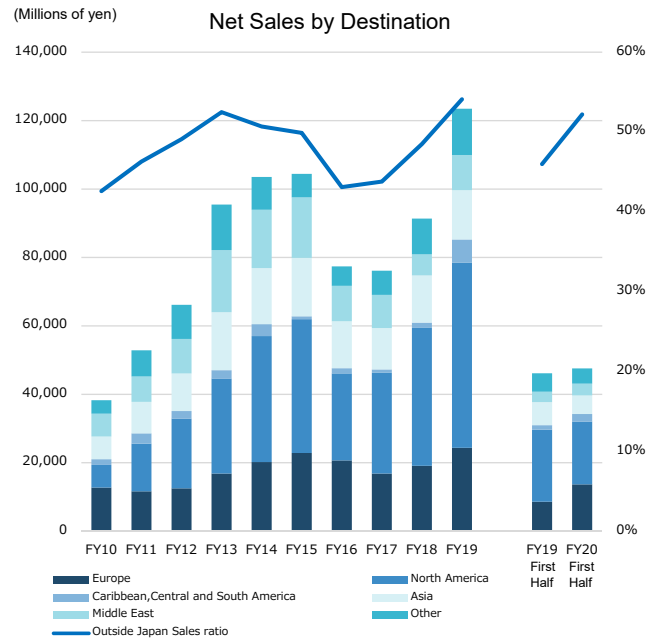
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# Net Sales by Destination

✓ Sales outside of Japan increased mainly in Europe due to consolidation of Demag business.

(Unit: millions of yen)

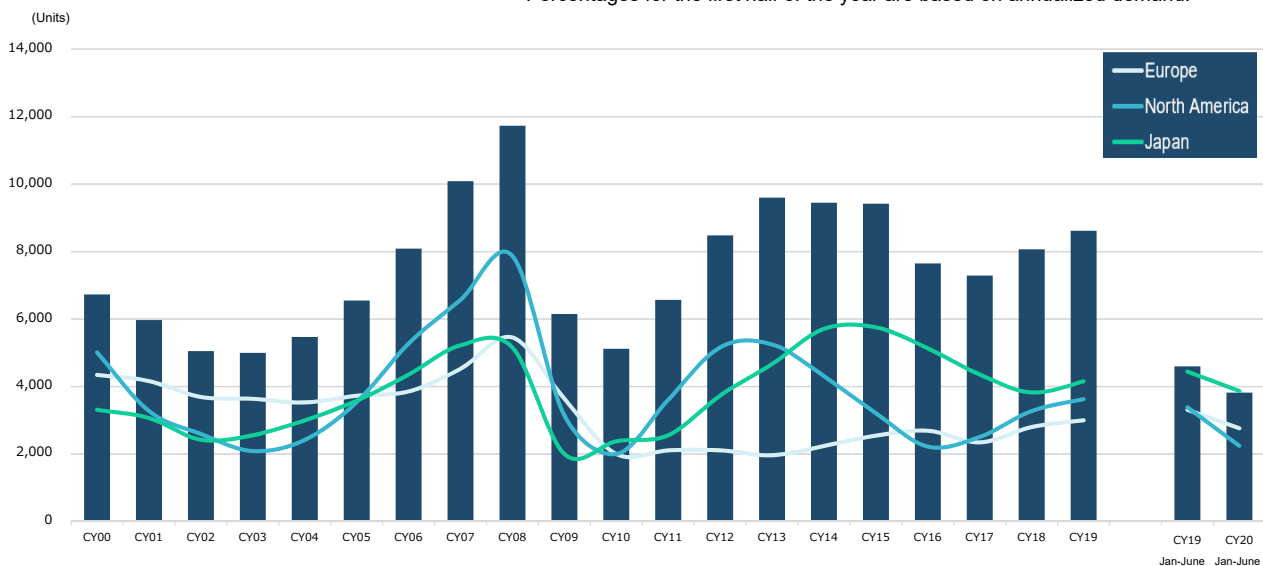
|   | FY2019<br>First Half | FY2020<br>First Half | Increase/Decrease |              |
|---|----------------------|----------------------|-------------------|--------------|
|   |                      |                      | Amount            | Percentage   |
| Europe                                      | 8,627                | 13,675               | 5,047             | 58.5%        |
| North America                               | 21,043               | 18,385               | -2,657            | -12.6%       |
| Caribbean, Central and South America        | 1,317                | 2,185                | 868               | 65.9%        |
| Asia  | 6,729                | 5,421                | -1,307            | -19.4%       |
| Middle East                                 | 3,064                | 3,445                | 380               | 12.4%        |
| Other                                       | 5,377                | 4,475                | -902              | -16.8%       |
| <b>Subtotal (total outside Japan sales)</b> | <b>46,159</b>        | <b>47,588</b>        | <b>1,428</b>      | <b>3.1%</b>  |
| Japan                                       | 54,144               | 43,517               | -10,626           | -19.6%       |
| <b>Total</b>                                | <b>100,304</b>       | <b>91,106</b>        | <b>-9,198</b>     | <b>-9.2%</b> |
| <b>Outside Japan Sales Ratio</b>            | <b>46.0%</b>         | <b>52.2%</b>         |                   |              |



The graph above excludes Japan.  
"Other" is comprised of Oceania, Africa and the CIS.

# Trends in Global Demand for Mobile Cranes (Calendar-year Basis)

Colored lines: yearly demand trends with lowest levels in each market normalized to the value of 1 (Base Years: 2010[North America, Europe], 2009[Japan])  
Percentages for the first half of the year are based on annualized demand.



\* Figures are based on Tadano research ( Figures showing demand are rounded to the nearest ten units ).  
 \* Mobile Cranes produced in Russia are excluded.  
 \* Starting from 2010 the graph includes Chinese construction cranes produced for export.  
 \* Mobile cranes produced in China for Chinese market are excluded.  
 \* Demand trends in Chinese Market for Mobile Cranes produced in China are as follows:  
 CY12: 22,000 units, CY13: 17,000 units, CY14: 14,000 units, CY15: 9,000 units, CY16: 9,000 units, CY17: 20,000 units,  
 CY18: 32,000 units, CY19: 42,000 units

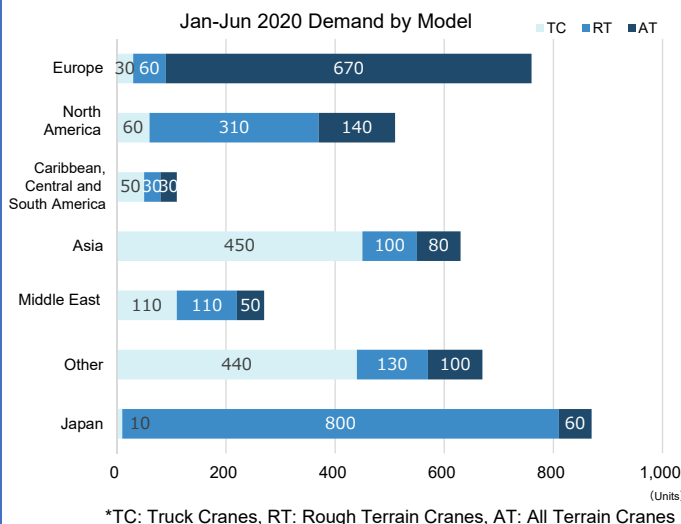
# Mobile Cranes (Calendar-year Basis)

- ✓ Demand decreased in all regions, decreased by 17% as a whole.
- ✓ Total share decreased by 2% (27%→25%).



AC 300-6

|                                      | Demand (Units) |              |                | Share        |              |
|--------------------------------------|----------------|--------------|----------------|--------------|--------------|
|                                      | Jan-Jun 2019   | Jan-Jun 2020 | Percent change | Jan-Jun 2019 | Jan-Jun 2020 |
| Europe                               | 910            | 760          | -16.5%         | 19%          | 13%          |
| North America                        | 770            | 510          | -33.8%         | 32%          | 34%          |
| Caribbean, Central and South America | 150            | 110          | -26.7%         | 18%          | 17%          |
| Asia                                 | 720            | 630          | -12.5%         | 14%          | 11%          |
| Middle East                          | 340            | 270          | -20.6%         | 21%          | 24%          |
| Other                                | 710            | 670          | -5.6%          | 14%          | 8%           |
| Subtotal (total outside Japan sales) | 3,600          | 2,950        | -18.1%         |              |              |
| Japan                                | 1,000          | 870          | -13.0%         | 54%          | 55%          |
| <b>Total</b>                         | <b>4,600</b>   | <b>3,820</b> | <b>-17.0%</b>  | <b>27%</b>   | <b>25%</b>   |



# Japanese Market

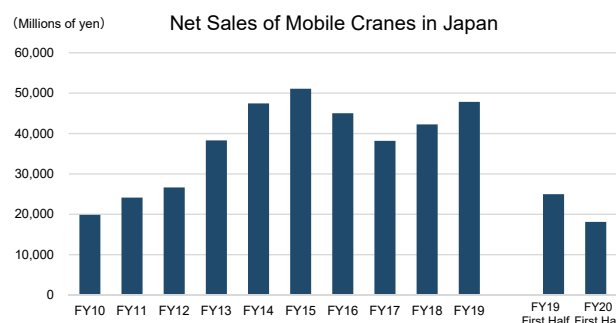
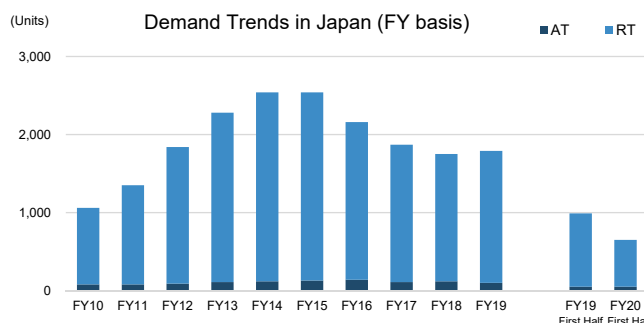
- ✓ Share of unit sales 53%→53%.
- ✓ Tonnage share decreased by 1% (56%→55%).

\*The share above is based on fiscal year.

|       | FY19 First Half | FY20 First Half | (Unit: millions of yen)    |                |
|-------|-----------------|-----------------|----------------------------|----------------|
|       |                 |                 | Increase / Decrease Amount | Percent change |
| Japan | 24,984          | 18,122          | -6,862                     | -27.5%         |



GR-100N



\*AT: All Terrain Cranes, RT: Rough Terrain Cranes

- ✓ Net sales increased due to consolidation of Demag business.
- ✓ Market share decreased by 6% (19%→13%).

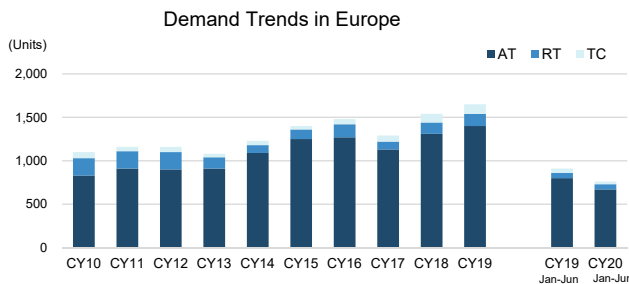
(Unit: millions of yen)

|               | FY2019<br>First Half | FY2020<br>First Half | Increase / Decrease |                |
|---------------|----------------------|----------------------|---------------------|----------------|
|               |                      |                      | Amount              | Percent change |
| <b>Europe</b> | <b>8,627</b>         | <b>13,675</b>        | <b>5,047</b>        | <b>58.5%</b>   |

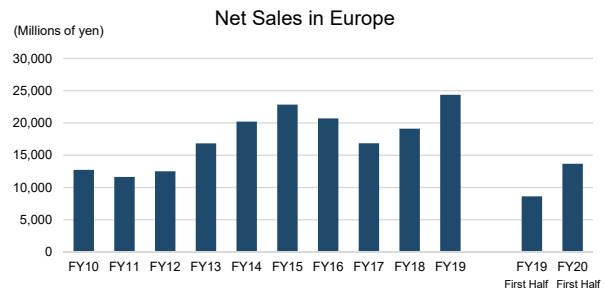
\*Products other than mobile cranes are also included.



CC 3800-1



\*AT: All Terrain Cranes, RT: Rough Terrain Cranes, TC: Truck Cranes



# North American Market

- ✓ Demand substantially declined.
- ✓ Market share increased by 2% (32%→34%).

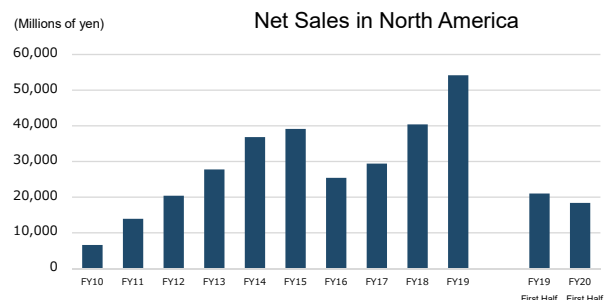
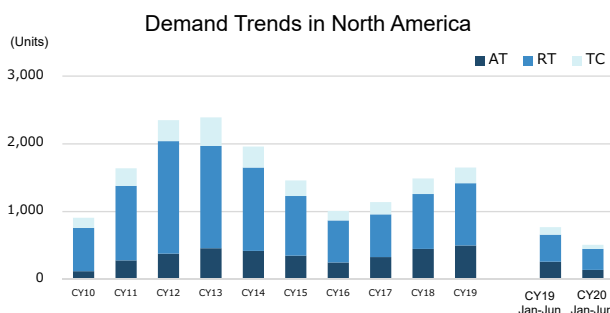
(Unit: millions of yen)

|                      | FY2019<br>First Half | FY2020<br>First Half | Increase / Decrease |                |
|----------------------|----------------------|----------------------|---------------------|----------------|
|                      |                      |                      | Amount              | Percent change |
| <b>North America</b> | <b>21,043</b>        | <b>18,385</b>        | <b>-2,657</b>       | <b>-12.6%</b>  |

\* Products other than mobile cranes are also included.



GR-1000XLL-4



\* AT: All Terrain Cranes RT: Rough Terrain Cranes TC: Truck Cranes

- ✓ Net sales increased in Caribbean, Central and South America and Middle East, but decreased as a whole.
- ✓ Market share increased in Middle East by 3% (21%→24%).

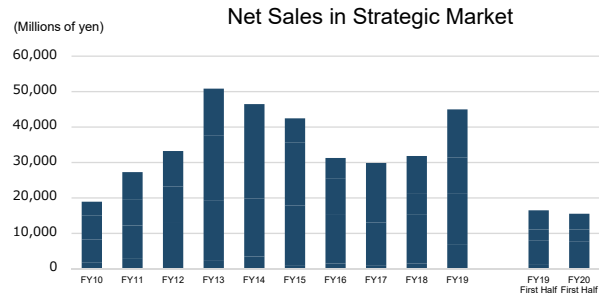
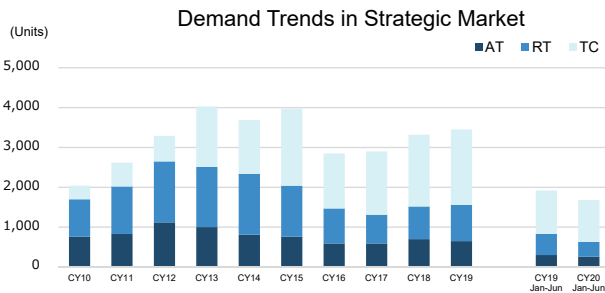
(Unit: millions of yen)

|                                      | FY2019        | FY2020        | Increase / Decrease |                |
|--------------------------------------|---------------|---------------|---------------------|----------------|
|                                      | First Half    | First Half    | Amount              | Percent change |
| Caribbean, Central and South America | 1,317         | 2,185         | 868                 | 65.9%          |
| Asia                                 | 6,729         | 5,421         | -1,307              | -19.4%         |
| Middle East                          | 3,064         | 3,445         | 380                 | 12.4%          |
| Other                                | 5,377         | 4,475         | -902                | -16.8%         |
| <b>Total</b>                         | <b>16,489</b> | <b>15,527</b> | <b>-961</b>         | <b>-5.8%</b>   |



GT-600EL

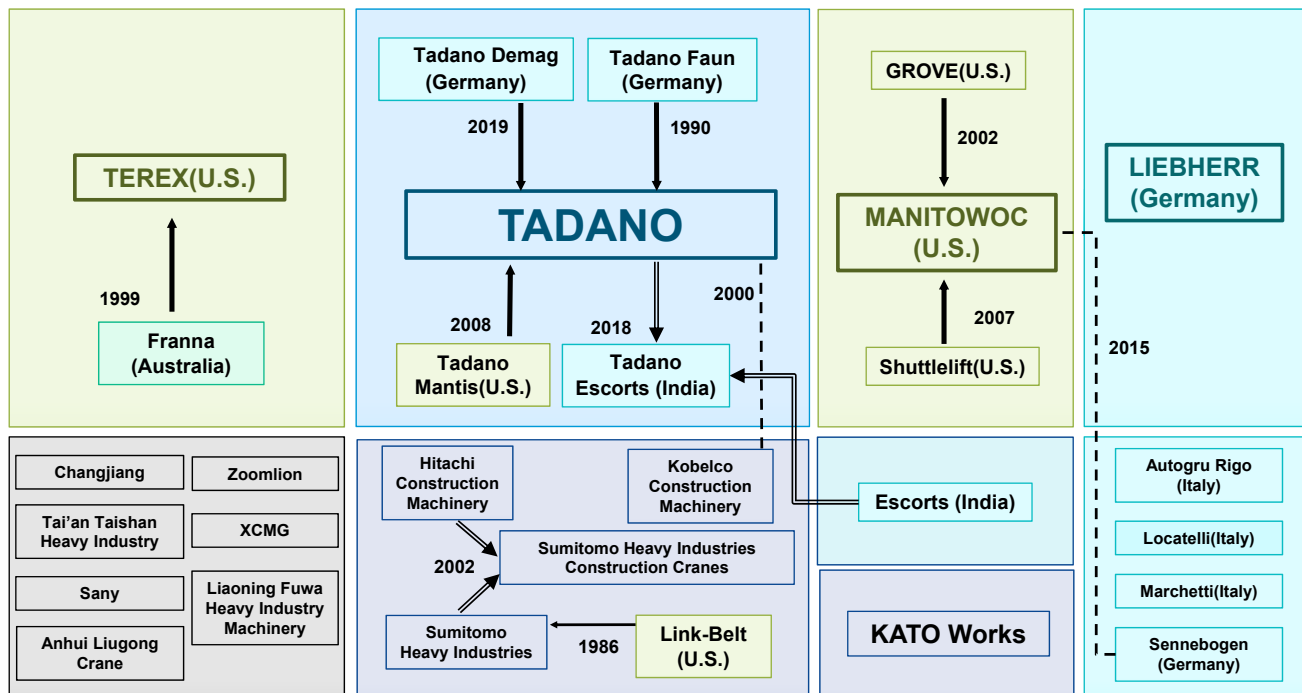
\* Products other than mobile cranes are also included.



\* AT: All Terrain Cranes RT: Rough Terrain Cranes TC: Truck Cranes

\* Strategic Market is Tadano's original market segment excluding Japan, Europe, and North America

## Structure of the World Crane Industry (Manufacturers of Hydraulic Cranes and Crawler Cranes)



Prepared by Tadano based on materials from the Japan Construction Equipment Manufacturers Association.

Acquisition (numerals indicate fiscal year of acquisition)
 Partnership (numerals indicate fiscal year of partnership)
 Investment/joint venture



# Truck Loader Cranes

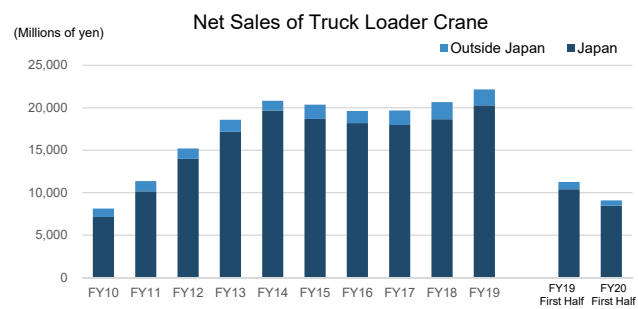
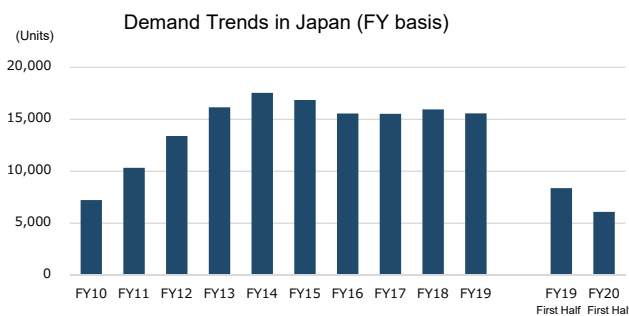
- ✓ Market share in Japan 48%→48%.
- ✓ Sales in Japan decreased by 18.6% year-on-year due to decrease in demand.

(Unit: millions of yen)

|               | FY19<br>First Half | FY20<br>First Half | Increase / Decrease<br>Amount | Percent<br>change |
|---------------|--------------------|--------------------|-------------------------------|-------------------|
| Japan         | 10,411             | 8,471              | -1,940                        | -18.6%            |
| Outside Japan | 853                | 628                | -225                          | -26.4%            |
| Total         | 11,265             | 9,099              | -2,165                        | -19.2%            |



ZX360/300series



# Aerial Work Platforms

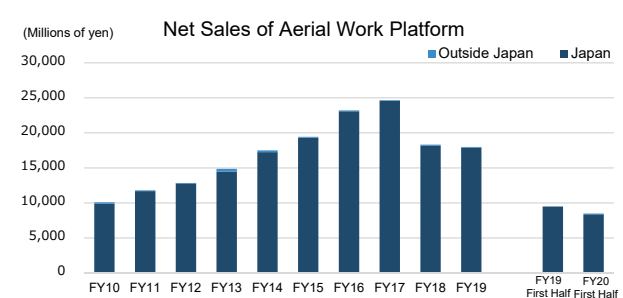
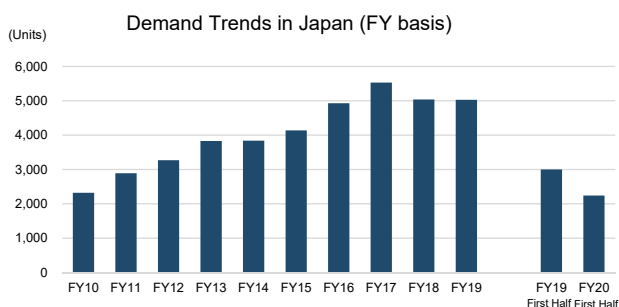
- ✓ Market share in Japan decreased by 1% (35%→34%).
- ✓ Sales in Japan decreased by 11.6% year-on-year due to decrease in demand from rental industry.

(Unit: millions of yen)

|               | FY19<br>First Half | FY20<br>First Half | Increase / Decrease<br>Amount | Percent<br>change |
|---------------|--------------------|--------------------|-------------------------------|-------------------|
| Japan         | 9,473              | 8,370              | -1,102                        | -11.6%            |
| Outside Japan | 34                 | 122                | 88                            | 256.5%            |
| Total         | 9,507              | 8,493              | -1,014                        | -10.7%            |



AT-320XTG



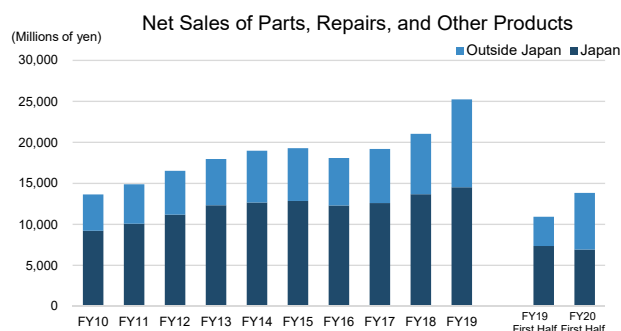
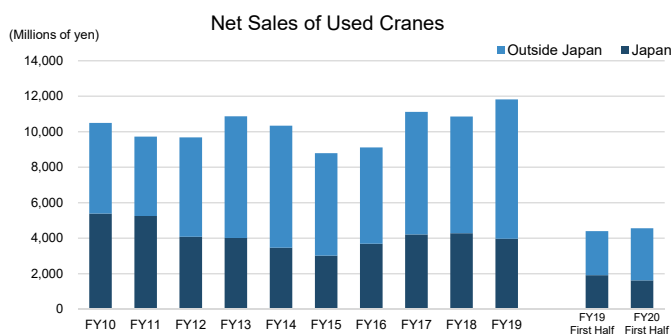
✓ Net sales from other businesses, such as parts, repairs, used cranes, and other products increased.

(Unit: millions of yen)

|  | FY19<br>First Half | FY20<br>First Half | Increase / Decrease<br>Amount | Percent<br>change |
|--|--------------------|--------------------|-------------------------------|-------------------|
| <b>Used cranes</b>                           | <b>4,399</b>       | <b>4,561</b>       | <b>161</b>                    | <b>3.7%</b>       |
| <b>Parts, repairs<br/>and other products</b> | <b>10,932</b>      | <b>13,844</b>      | <b>2,912</b>                  | <b>26.6%</b>      |
| <b>Total</b>                                 | <b>15,332</b>      | <b>18,406</b>      | <b>3,074</b>                  | <b>20.1%</b>      |



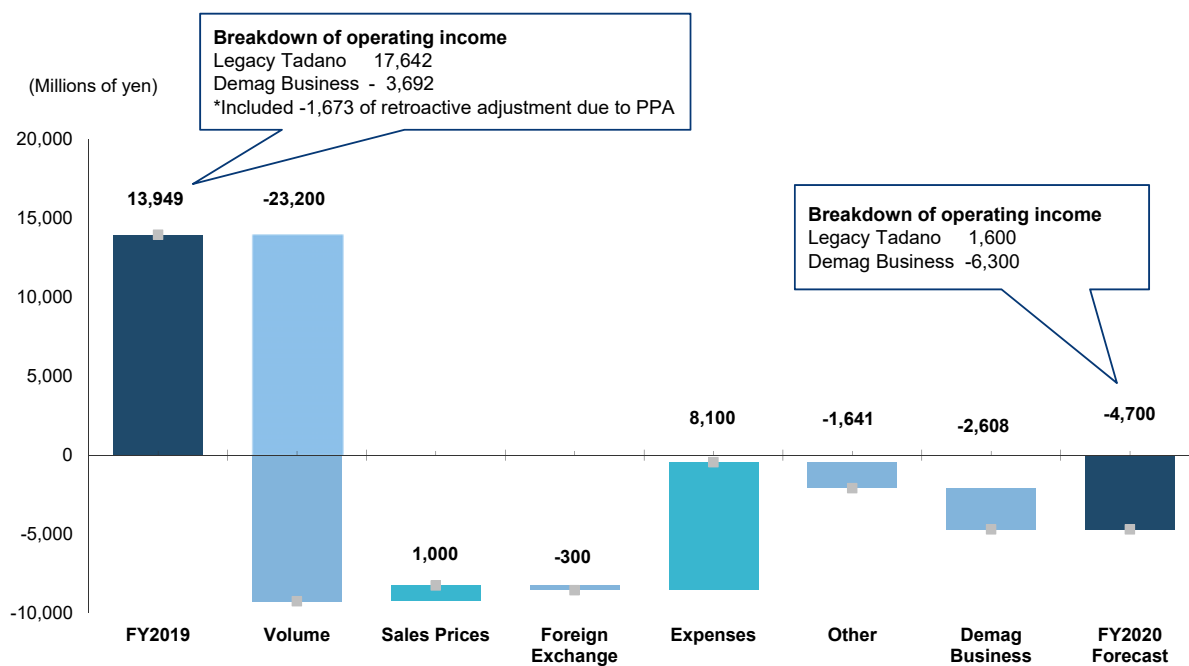
Hydraulic gate-shaped lifters : TB-1000



(Unit: millions of yen)

|  | FY2019         |             | FY2020         |              | Percent Change |
|--|----------------|-------------|----------------|--------------|----------------|
|  | Amount         | Percentage  | Amount         | Percentage   |                |
| <b>Net Sales</b>   | <b>227,949</b> | <b>100%</b> | <b>182,000</b> | <b>100%</b>  | <b>-20.2%</b>  |
| <b>Operating income</b>                                  | <b>13,949</b>  | <b>6.1%</b> | <b>-4,700</b>  | <b>-2.6%</b> | <b>—</b>       |
| <b>Ordinary income</b>                                   | <b>13,791</b>  | <b>6.1%</b> | <b>-6,200</b>  | <b>-3.4%</b> | <b>—</b>       |
| <b>Net income attributable to owners of the parent</b>   | <b>6,433</b>   | <b>2.8%</b> | <b>-7,900</b>  | <b>-4.3%</b> | <b>—</b>       |
| Capital investment                                       |                | 12,902      |                | 5,500        |                |
| Depreciation   |                | 4,527       |                | 4,800        |                |
| * Figures for capital investments include leased assets. |                |             |                |              |                |
| USD  |                | ¥109.05     | Second Half    | ¥105.00      |                |
| EUR  |                | ¥122.07     | Second Half    | ¥125.00      |                |
| Dividends per share                                      | Mid-year       | ¥14.00      | Mid-year       | ¥0.00        |                |
|  | Year-end       | ¥14.00      | Year-end       | ¥3.00        |                |
|  | Full-year      | ¥28.00      | Full-year      | ¥3.00        |                |

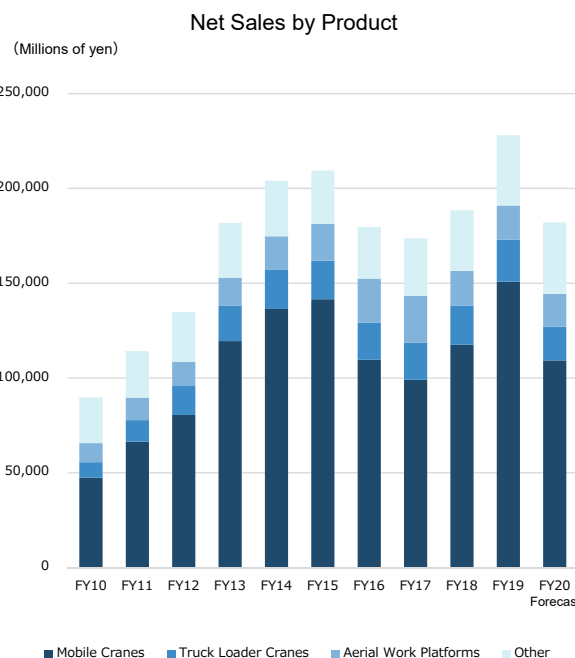
## FY 2020 Forecast (Major Factors Leading to Change in Operating Income)



# FY 2020 Forecast (Net Sales by Product)

(Unit: millions of yen)

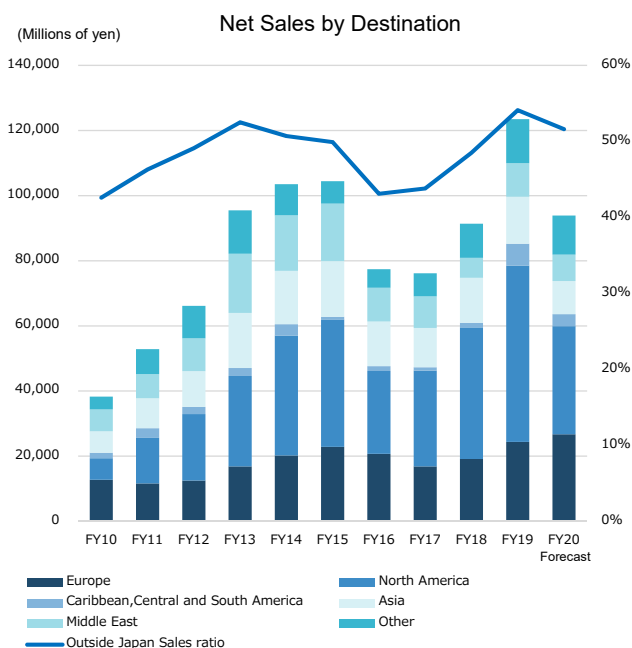
|   | FY2019  | FY2020 Forecast | Increase/Decrease |            |
|---|---------|-----------------|-------------------|------------|
|   |         |                 | Amount            | Percentage |
| <b>Mobile Cranes</b>  | 150,818 | 109,300         | -41,518           | -27.5%     |
| <b>Truck Loader Cranes</b>                                      | 22,162  | 17,800          | -4,362            | -19.7%     |
| <b>Aerial Work Platforms</b>                                    | 17,986  | 17,300          | -686              | -3.8%      |
| <b>Other</b>  | 36,982  | 37,600          | 618               | 1.7%       |
| <b>Total</b>  | 227,949 | 182,000         | -45,949           | -20.2%     |
| <b>Breakdown of Mobile Crane Sales Inside and Outside Japan</b> |         |                 |                   |            |
| <b>Japan</b>  | 47,833  | 37,800          | -10,033           | -21.0%     |
| <b>Outside Japan</b>  | 102,984 | 71,500          | -31,484           | -30.6%     |
| <b>Total</b>  | 150,818 | 109,300         | -41,518           | -27.5%     |



# FY 2020 Forecast (Net Sales by Destination)

(Unit: millions of yen)

|   | FY2019  | FY2020 Forecast | Increase/Decrease |            |
|---|---------|-----------------|-------------------|------------|
|   |         |                 | Amount            | Percentage |
| <b>Europe</b>                               | 24,363  | 26,700          | 2,337             | 9.6%       |
| <b>North America</b>                        | 54,163  | 33,200          | -20,963           | -38.7%     |
| <b>Caribbean, Central and South America</b> | 6,735   | 3,700           | -3,035            | -45.1%     |
| <b>Asia</b>                                 | 14,401  | 10,200          | -4,201            | -29.2%     |
| <b>Middle East</b>                          | 10,312  | 8,100           | -2,212            | -21.5%     |
| <b>Other</b>                                | 13,444  | 12,000          | -1,444            | -10.7%     |
| <b>Subtotal (total outside Japan sales)</b> | 123,421 | 93,900          | -29,521           | -23.9%     |
| <b>Japan</b>                                | 104,527 | 88,100          | -16,427           | -15.7%     |
| <b>Total</b>                                | 227,949 | 182,000         | -45,949           | -20.2%     |
| <b>Outside Japan Sales ratio</b>            | 54.1%   | 51.6%           |                   |            |



The graph above excludes Japan.  
"Other" is comprised of Oceania, Africa and the CIS.

## ✓ Environmental Conservation Activities

The Tadano Forest of Learning Project officially has been launched. On August 21<sup>st</sup>, a signature ceremony for promoting “Forest Matching” in collaboration with Kagawa Prefecture, Sanuki City and Tadano Ltd. was held at the Kagawa Prefectural Office.



(From left) Shigeki Oyama, Mayor of Sanuki City; Keizo Hamada, Governor of Kagawa Prefecture; and Koichi Tadano, President and CEO of Tadano Ltd. attending the signature ceremony.

### ◆ About The Tadano Forest of Learning Project:

Parts of forest land owned by Sanuki City, Japan have been designated as “The Tadano Forest of Learning,” a place where people can learn the importance of environmental conservation and interpersonal communication through forest maintenance. Through this project, Tadano Group employees and other related volunteers will work on maintaining and beautifying local forest areas.



Site of the Tadano Forest of Learning launched in the Tawa area of Sanuki City

### ◆ About Forest Matching:

Through forest matching, Prefectures and municipalities in Japan provide forest land to companies that are interested in contributing to the growth and maintenance of forests.

Notes: ESG = Environment, Social, Governance

SDGs = Sustainable Development Goals (a collection of 17 global goals, unanimously approved by the United Nations, for achieving a better and more sustainable future for the environment and society)

## ✓ Contribution to Environmentally Friendly Job Sites

Tadano Demag wins ESTA 2020 Award for its E-pack.

The E-Pack is an electro-hydraulic system that makes zero-emission crane operation possible while significantly reducing noise levels. Potential applications for the E-Pack include crane jobs inside buildings, in dense urban areas, and at night in residential areas and other sensitive surroundings.



The E-pack electro-hydraulic system

Moreover, the E-Pack control system ensures that only the amount of electric power needed to carry out required functions will be used. This results in lower operating costs in comparison to a diesel system. The E-Pack is planned to also offer for other cranes. Tadano plans to include the E-Pack as an option for other crane models in the near future.

### ◆ About the ESTA 2020 Awards:

ESTA is the European Association of Abnormal Road Transport and Mobile Cranes. ESTA issues awards to crane makers in various categories every year. This year, the E-Pack won ESTA 2020 Award in the category of “Innovation Manufacturer”.

# Highlights:

## Integration of Demag Mobile Cranes Business



Lifting your dreams

### ✓ AC 130-5 All Terrain Crane in 130-ton Lifting Capacity Class Released for Japanese Market in August 2020

- Largest-class all terrain crane that can be driven on public roads with boom mounted on carrier
- Features longest boom length in its class while conforming to Japanese road regulations
- Advanced IC-1 Plus control system supports safe crane operation
- Single Engine system: Both superstructure and carrier are powered by single engine, which helps to save on maintenance time and reduce risk of breakdown

| Lifting capacity class (t) | Model        | Crane with boom drivable on public roads in Japan |
|----------------------------|--------------|---|
| 140                        | ATF-140N-5.1 | No  |
| 130                        | AC 130-5     | Yes   |
| 120                        | ATF-120N-5.1 | Yes   |
| 100                        | ATF-100G-4   | Yes   |



# Highlights:

## Integration of Demag Mobile Cranes Business



Lifting your dreams

### ✓ Tadano delivers CC 8800-1 Crawler Crane (1,600-ton lifting capacity) to Japanese Market for first time since Demag acquisition

With the addition of crawler cranes to the product lineup, Tadano can now meet a wider range of customer needs, such as bridge construction, installation of large wind turbines, plant construction and much more.

First CC 8800-1 for Japanese market since Tadano acquired Demag



Max. lifting capacity : 1,600t  
Max. boom length : 156m  
Max. lifting height : 240m

Tadano Demag Crawler Crane Lineup

| Lifting capacity class (t) | Model          |
|----------------------------|----------------|
| 3,200                      | CC 8800-1 TWIN |
| 1,600                      | CC 8800-1      |
| 1,250                      | CC 6800-1      |
| 650                        | CC 3800-1      |
| 600                        | CC 2800-2      |
| 400                        | CC 2400-1      |

CC 8800-1 Crawler Cranes working on actual job sites





## Effects of Coronavirus Disruption and Future Outlook

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### Effects of Coronavirus Disruption (Demand)

Demand by region (Compared to same period of previous fiscal year)

| Region        | 2020    |         |         |         |
|---------------|---------|---------|---------|---------|
|               | Jan-Mar | Apr-Jun | Jul-Sep | Oct-Dec |
| Japan         | -7%     | -24%    | -39%    |         |
| Middle East   | -12%    | -28%    | -42%    |         |
| North America | -16%    | -47%    | -47%    |         |
| Europe        | -9%     | -23%    | -7%     |         |
| Latin America | -15%    | -34%    | -44%    |         |
| Asia          | -1%     | -26%    | -43%    |         |
| Other         | -16%    | +5%     | -22%    |         |

Fiscal Year 1Q

Fiscal Year 2Q

Fiscal Year 3Q

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## 【Immediate Future Outlook by Region】

| Region | Immediate Future Outlook   |
|--------|--|
| Japan  | While crane utilization rates are recovering, uncertain future outlook preventing capital investments.   |
| USA    | Forecasts for future outlook will take more time due to continued spread of infection and necessity of figuring out economic policy after presidential election.   |
| Europe | Second COVID-19 wave is serious and some countries have re-entered lockdown, which may affect crane demand.  |
| Asia   | Market recovery will take more time due to COVID-19 prevention measures continuing to be implemented in each country.  |
| Other  | Australia : Infrastructure investments as economic measures are helping to stabilize market conditions.<br>Middle east : Crane demand is not expected to recover soon due to downturn of crude oil prices. |