



August 1, 2019

Tadano Ltd.

TSE: 6395

Contact: Soroku Hashikura, Executive Officer

## Stock and Asset Acquisition of Demag Mobile Crane Business from Terex Corporation Completed

On February 23, 2019 Tadano Ltd. announced the approval by its board of directors to enter into an agreement with Terex Corporation (Hereafter “Terex”), headquartered in the state of Connecticut in the United States, for a stock and asset acquisition of the Demag Mobile Crane Business (Hereafter “Demag”), headquartered in Germany. Thereafter, regulatory approvals were obtained in each related country, and closing of the acquisition was completed on July 31<sup>st</sup>.

The total agreement price is approximately 215 million dollars (approximately 23.6 billion yen). The total agreement price is equivalent to the enterprise value and is subject to adjustment at closing. All yen-denominated values calculated at the rate of 110 yen to the dollar. Tadano plans to use a mixture of its own cash reserves and borrowed funds to secure the total cash to be used in the transaction payment.

### 1. Reasons for the Stock and Asset Purchase

The Tadano Group’s business domain is lifting equipment—mobile machinery used for lifting loads and carrying out aerial work. We aim to become No. 1 worldwide in the lifting equipment industry as we engage in further global growth. The Demag Mobile Cranes business, which is currently owned by Terex, has over 100 years of history and experience in the design and manufacture of world-class, large-capacity all terrain cranes and crawler cranes. Through the acquisition of Demag, Tadano further seeks to meet customer needs with the addition of lattice-boom crawler cranes to our product lineup, as well as the enhancement of our line of all terrain cranes. We aim for a greatly expanded global presence as we strive toward our goal of becoming No. 1 worldwide in the lifting equipment industry.

In August 2019, Tadano will celebrate the 100<sup>th</sup> anniversary of its founding. Along with our vision of “Pursuing further excellence for the world and the future,” we hold true to the tenets of our founders by delivering products that contribute to the greater world.



Demag Crawler Crane  
(CC 8800-1 TWIN)



Demag All Terrain Crane  
(AC 1000-9)



New Tadano Demag Logo

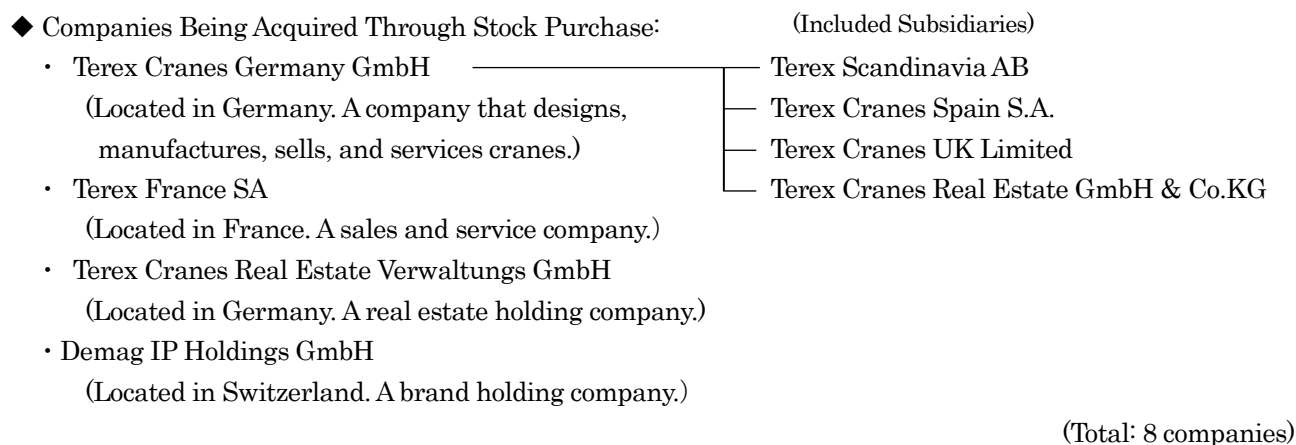
### 2. Overview of the Terex Group (See Table 1 for Details)

- (1) Official Name: Terex Corporation
- (2) Address: 200 Nyala Farm Road, Westport, CT 06880, USA

- (3) Company Representative: John L. Garrison / CEO, President and Chairman of the Board
- (4) Business Activities: Design, manufacture, sales, and service of mobile cranes, aerial work platforms and various other machinery
- (5) Paid-in Capital(common stock): \$0.8 million
- (6) Established 1986

### 3. Overview of the Demag Crane Business

- (1) Official Name: Terex Cranes Germany GmbH  
(Note: This Demag acquisition additionally includes 8 s companies and 11 asset companies)
- (2) Address: Europaallee 2, Zweibrücken, 66482, Germany
- (3) Business Activities: Design, manufacture , sales, and service of mobile cranes
- (4) Paid-in Capital: €20 million
- (5) Brief History:
  - Founded in its initial form as a machinery fabrication factory by Christian Dinger in 1827. The company would go on to manufacture and sell truck cranes, crawler cranes, and all terrain cranes, among other products.
  - Acquired by Terex in 2002, when its name officially changed to Terex Cranes Germany GmbH.
  - As of 2019, the company produces 15 models of all terrain cranes and 7 models of crawler cranes, which they sell globally.



- ◆ Companies from which Certain Assets are Being Acquired  
(Mainly sales/service employee and fixed asset acquisitions, as well as local product inventories)
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| <ul style="list-style-type: none"> <li>• Terex Singapore PTE. LTD.</li> <li>• Terex USA LLC</li> <li>• Terex Latin America S. de R.L. de C.V.</li> <li>• Terex India Private Limited</li> <li>• Terex (Shanghai) Management Co., Ltd.</li> <li>• Terex (China) Investment</li> </ul> | <ul style="list-style-type: none"> <li>• Terex Australia Pty Ltd</li> <li>• Terex Latin America Equipamentos LTDA</li> <li>• Terex Canada Ltd.</li> <li>• Terex Equipment Middle East L.L.C.</li> <li>• Terex (Changzhou) Machinery</li> </ul> |
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Note: Through various acquisition processes, 4 companies have been removed from the original list of companies posted in our February 23, 2019 press release, and two companies have been added, bringing the total number of asset companies to 11. Furthermore, the following company will be established in order to absorb certain assests obtained through the acquisition in the Middle East:

- Tadano ME Lifting Equipment Trading L.L.C. (Dubai, UAE /New Company)

#### 4. Overview of Tadano Ltd.

- (1) Official Name: Tadano Ltd.
- (2) Address: Ko-34, Shinden-cho, Takamatsu, Kagawa, Japan
- (3) Company Representative: Koichi Tadano/President and CEO
- (4) Business Activities: Design, manufacture, sales and service of mobile cranes, truck loader cranes, and aerial work platforms
- (5) Paid-in Capital: ¥13,021 million
- (6) Founded in 1919. Officially established as a company in 1948.  
(In 2019, Tadano will celebrate the 100th anniversary of its founding)

#### 5. Accounting Procedure Overview:

This acquisition is expected to generate goodwill, the exact amount of which has yet to be determined at this time.

#### 6. Forecasts

Effects on Tadano's business are currently being calculated, and we plan to include those effects in our forecast for the fiscal year ending March 2020.

(Table 1) Detailed Overview of Signatory Partner in Stock and Asset Purchase Agreement

(1)	Official Name:	Terex Corporation	
(2)	Address:	200 Nyala Farm Road, Westport, CT 06880, USA	
(3)	Company Representative Name and Title:	John L. Garrison CEO, President and Chairman of the Board	
(4)	Business Activities:	Delivery of lifting and material handling solutions in the areas of aerial work platforms, construction, cranes, material handling, and material processing. Manufacturing of a wide variety of equipment for applications in construction, infrastructure, production, distribution, transportation, refining, energy, heating/electricity, quarrying, mining, etc.	
(5)	Paid-in Capital (common stock):	\$0.8 million	
(6)	Established:	October 13, 1986	
(7)	Stockholders' Equity:	\$861 million (Dec. 31, 2018)	
(8)	Total Assets:	\$3,463 million (Dec. 31, 2018)	
(9)	Major Shareholders by Equity (%):	The Vanguard Group, Inc.	9.5%
		BlackRock, Inc.:	8.0%
		Morgan Stanley:	5.5%
		Dimensional Fund Advisors L.P.:	4.6%
(10)	Relation to Other Companies Listed on the Tokyo Stock Exchange:	Capital:	Not applicable.
		Personnel:	Not applicable.
		Transactions:	Not applicable.
		Other Involvements with Relevant Parties	Not applicable.

(Table 2) Overview of Subsidiaries and Equity method affiliates

Former Name (Pre-Acquisition)		Planned New Name (Post-Acquisition)
Terex Cranes Germany GmbH	→	Tadano Demag GmbH
Terex France SA	→	Tadano Demag France SA
Terex Cranes Real Estate Verwaltungs GmbH	→	Tadano Real Estate Verwaltungs GmbH
Demag IP Holdings GmbH	→	Demag IP Holdings GmbH <i>(No Change)</i>
Terex Scandinavia AB	→	Tadano Demag Scandinavia AB
Terex Cranes Spain S.A.	→	Tadano Demag España S.A.
Terex Cranes UK Limited	→	Tadano Demag UK Limited
Terex Cranes Real Estate GmbH & Co.KG	→	Tadano Real Estate GmbH & Co. KG

<p>(1) Name, Address, Company Representative, Paid-in Capital/Establishment Date, and Major Shareholder(s) by Equity (%):</p>	<p>① Companies that will become Tadano Group subsidiaries through capital stock acquisition and equity method affiliates (8):</p> <ul style="list-style-type: none"> <li>• Tadano Demag GmbH Address: Europaallee 2, Zweibrücken, 66482, Germany Company Representative: Jens Ennen Major Shareholder(s) by equity (%): Tadano Ltd. 100%</li> <li>• Tadano Demag France SA Address: 1, rue Joseph Fourier, Immeuble Oceane, Parc Tertiaire d'Archevilliers, Jardins des Entreprises, Chartres, 28000, France Company Representative: Jens Ennen Major Shareholder(s) by equity (%): Tadano Ltd. approximately 99.9%</li> <li>• Tadano Real Estate Verwaltungs GmbH Address: Speditionstraße 21, Dusseldorf, 40221, Germany Company Representative: Jens Ennen Major Shareholder(s) by equity (%): Tadano Ltd. 100%</li> <li>• Demag IP Holdings GmbH Address: Bleicheplatz 2, Schaffhausen, 8200, Switzerland Company Representative: Sirpa Talvikki Poitsalo, Jan Mikael Wegmüller, Anita Roos, Jens Ennen, Boris Weidt Major Shareholder(s) by equity (%): Tadano Ltd. 50%, Konecranes Global Oyj 50%</li> <li>• Tadano Demag Scandinavia AB Address: Mogatan 12, 254 64 Helsingborg, Sweden Company Representative: Jens Ennen Major Shareholder(s) by equity (%):</li> </ul>
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	<p>Tadano Demag GmbH 100%</p> <ul style="list-style-type: none"> <li>• Tadano Demag España S.A. Address: C/ DE LOS CARPINTEROS 2ARGANDA DEL REY28500-MADRID, Spain Company Representative: Jens Ennen Major Shareholder(s) by equity (%): Tadano Demag GmbH 100%</li> <li>• Tadano Demag UK Limited Address: 14 Hikers Way, Crendon Industrial Park, Long Crendon, Buckinghamshire, HP18 9RW, United Kingdom Company Representative: Jens Ennen Major Shareholder(s) by equity (%): Tadano Demag GmbH 100%</li> <li>• Tadano Real Estate GmbH &amp; Co. KG Address: Speditionstraße 21, Dusseldorf, 40221, Germany Company Representative: Tadano Real Estate Verwaltungs GmbH(Company Representative: Jens Ennen) Major Shareholder(s) by equity (%): Tadano Demag GmbH 94%,</li> </ul>			
(2)	Business Activities:	Crane manufacture, sales and service		
(3)	Relation to Other	Capital	Not applicable.	
	Companies Listed on the Tokyo Stock Exchange:	Personnel	Not applicable.	
		Transactions	Not applicable.	
(4)	Consolidated Business Results and Finances (Last 3 Years)*			
	Accounting Year	2015	2016	2017
	Revenue	\$631 million	\$494 million	\$470 million

\* For the express purpose of this stock and asset transfer, Terex calculated and disclosed to Tadano unaudited calculations of Demag's total assets, net assets, sales, profit, etc. Due to the fact that such items as Terex Corporate expenses, etc. were included in the profit calculations, only Demag revenues are provided in the performance figures disclosed here in Table 2.

(Table 3) Quantity/Acquisition Price of Purchased Stock and Payment Method

<p>(1) Quantity of Purchased Stock:</p>	<ul style="list-style-type: none"><li>• Terex Cranes Germany GmbH Pre-Transaction Stock Quantity Held by Tadano: 0 shares (Proportion of Voting Rights: 0%) Quantity of Acquired Stock: 1 share Post-Transaction Stock Quantity Held by Tadano: 1 share (Proportion of Voting Rights: 100%)</li> <li>• Terex Cranes UK Limited. Pre-Transaction Stock Quantity Held by Tadano: 0 shares (Proportion of Voting Rights: 0%) Quantity of Acquired Stock: 4,484,000 shares Post-Transaction Stock Quantity Held by Tadano: 4,484,000 shares (Proportion of Voting Rights: 100%)</li> <li>• Terex Cranes Spain. S.A. Pre-Transaction Stock Quantity Held by Tadano: 0 shares (Proportion of Voting Rights: 0%) Quantity of Acquired Stock: 8,864,928 shares Post-Transaction Stock Quantity Held by Tadano: 8,864,928 shares (Proportion of Voting Rights: 100%)</li> <li>• Terex Scandinavia AB Pre-Transaction Stock Quantity Held by Tadano: 0 shares (Proportion of Voting Rights: 0%) Quantity of Acquired Stock: 1,000 shares Post-Transaction Stock Quantity Held by Tadano: 1,000 shares (Proportion of Voting Rights: 100%)</li> <li>• Terex Cranes Real Estate GmbH &amp; Co. KG Pre-Transaction Stock Quantity Held by Tadano: 0 shares (Proportion of Voting Rights: 0%) Quantity of Acquired Stock: 740,000 shares Post-Transaction Stock Quantity Held by Tadano: 695,600 shares (Proportion of Voting Rights: 94%)</li> <li>• Terex France SA Pre-Transaction Stock Quantity Held by Tadano: 0 shares (Proportion of Voting Rights: 0%) Quantity of Acquired Stock: 158,810 shares Post-Transaction Stock Quantity Held by Tadano: 158,810 shares (Proportion of Voting Rights: approximately 99.9%)</li> <li>• Terex Cranes Real Estate Verwaltungs GmbH Pre-Transaction Stock Quantity Held by Tadano: 0 shares (Proportion of Voting Rights: 0%)</li></ul>
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	<p>Quantity of Acquired Stock: 25,000 shares  Post-Transaction Stock Quantity Held by Tadano: 25,000 shares  (Proportion of Voting Rights: 100%)</p> <p>• Demag IP Holdings GmbH  Pre-Transaction Stock Quantity Held by Tadano: 0 shares  (Proportion of Voting Rights: 0%)  Quantity of Acquired Stock: 320 shares  Post-Transaction Stock Quantity Held by Tadano: 320 shares  (Proportion of Voting Rights: 50%)</p>
(2) Acquisition Price*	Total Price of Stock and Assets: approximately 215 million dollars
(3) Payment Method	Cash

\* Acquisition Price is equivalent to the acquired company's enterprise value and will be subject to adjustment at closing.

Attachment: [International Press Release](#)