

Consolidated Financial Results(Comprehensive) For FY 2021

(April 1, 2021 through March 31, 2022)

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.

May 11, 2022
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 the 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.

Key Points of FY 2021 Financial Results

- ✓ First operating profit recorded during a full fiscal year since FY 2019.
- ✓ Profits related to restructuring of the European Operations and provision of allowance for losses related to violations of emission regulations were recorded respectively as extraordinary income and extraordinary loss.

(Unit: millions of yen)

	FY2020		FY2021		Percent Change
	Amount	Percentage	Amount	Percentage	
Net Sales	186,040	100%	205,661	100%	10.5%
Operating income	-4,196	-2.3%	5,251	2.6%	-
Ordinary income	-4,683	-2.5%	5,454	2.7%	-
Net income attributable to owners of the parent	-12,987	-7.0%	13,096	6.4%	-
Capital investment		5,666		5,364	
Depreciation		5,695		5,541	
* Figures for capital investments include leased assets.					
USD		¥106.82		¥109.80	
EUR		¥121.81		¥129.89	

Income Statement

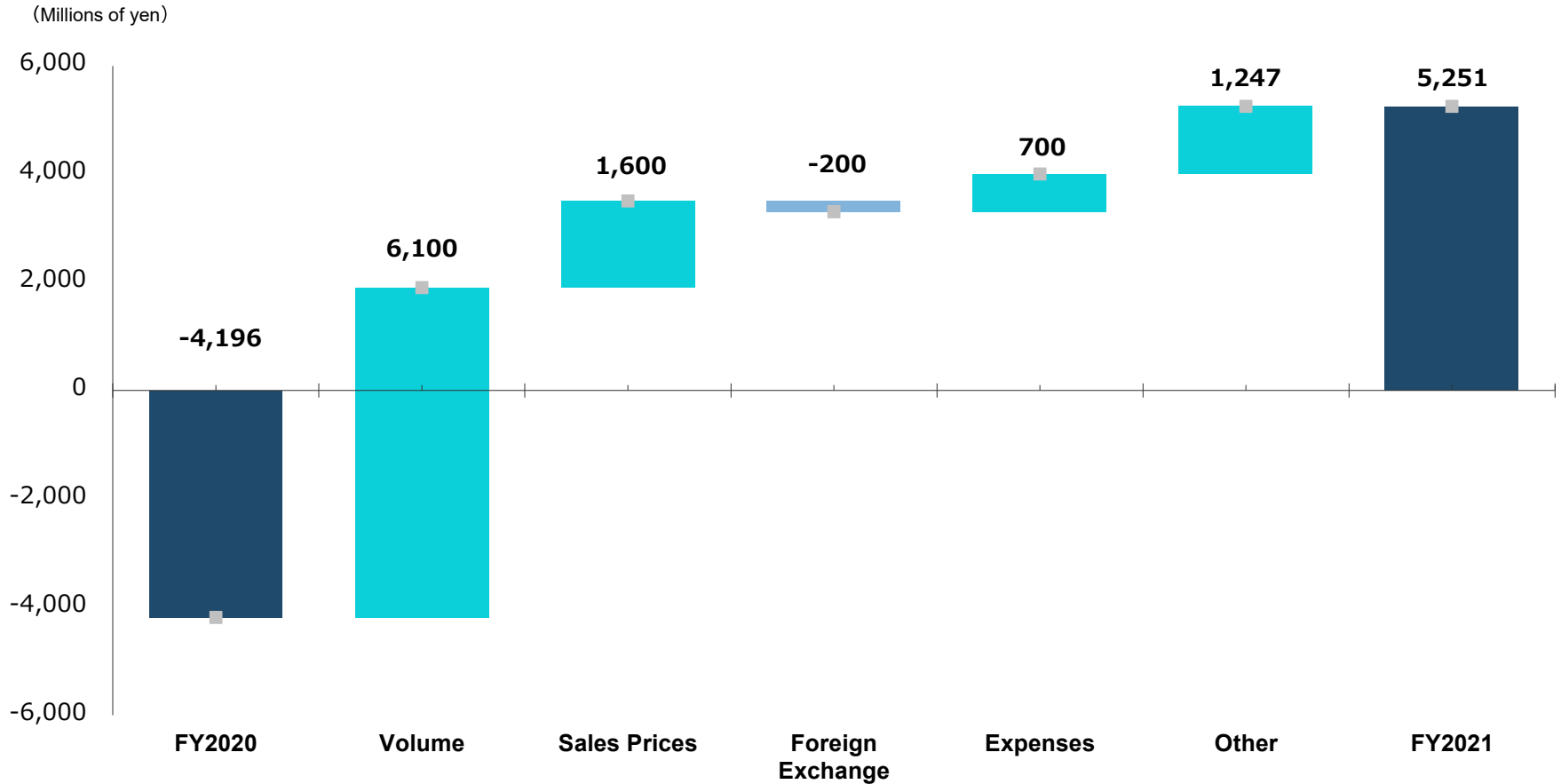
- ✓ Net sales increased and operating income increased due to positive effects from the restructuring efforts in the European Operations.

(Unit: millions of yen)

	FY2020		FY2021		Increase/ Decrease
	Amount	Percentage	Amount	Percentage	
Net sales	186,040	100%	205,661	100%	19,621
Cost of sales	150,944	81.1%	159,336	77.5%	8,391
Gross profit on installment sales	55	0.0%	-	-	-55
Gross profit	35,150	18.9%	46,325	22.5%	11,174
Selling, general, and administrative expenses	39,347	21.1%	41,073	20.0%	1,726
Operating income	-4,196	-2.3%	5,251	2.6%	9,448
Non-operating income and loss	-486	-0.3%	202	0.1%	689
Ordinary income	-4,683	-2.5%	5,454	2.7%	10,137
Extraordinary income and loss	-7,674	-4.1%	10,746	5.2%	18,421
Income before income taxes	-12,358	-6.6%	16,200	7.9%	28,558
Corporate taxes	599	0.3%	3,097	1.5%	2,497
Net income attributable to noncontrolling interests	29	0.0%	7	0.0%	-22
Net income attributable to owners of the parent	-12,987	-7.0%	13,096	6.4%	26,083

Major Factors Leading to Change in Operating Income

✓ Operating income increased by ¥9.4 billion due to increase in sales volume, improvements in sales prices and expense reductions, among other factors.



Cash Flow

- ✓ In addition to an increase in income before income tax, decreases in accounts receivable and inventories (continuing from last year) resulted in operating cash flow of ¥17 billion.

(Unit: millions of yen)

		FY2020	FY2021	Increase/ Decrease
Cash flow from operating activities	Income before income tax	-12,358	16,200	28,558
	Depreciation	5,695	5,541	-153
	Accounts receivable	14,317	1,750	-12,567
	Inventories	15,539	2,147	-13,391
	Accounts payable	-7,980	4,577	12,558
	Other	5,235	-12,884	-18,120
	Total	20,448	17,332	-3,116
Cash flow from investing activities	Total	-3,731	-7,084	-3,352
Cash flow from financing activities	Total	29,039	-471	-29,510
Increase(decrease) in Cash and Cash Equivalents		45,997	12,200	-33,797

Net Sales by Product

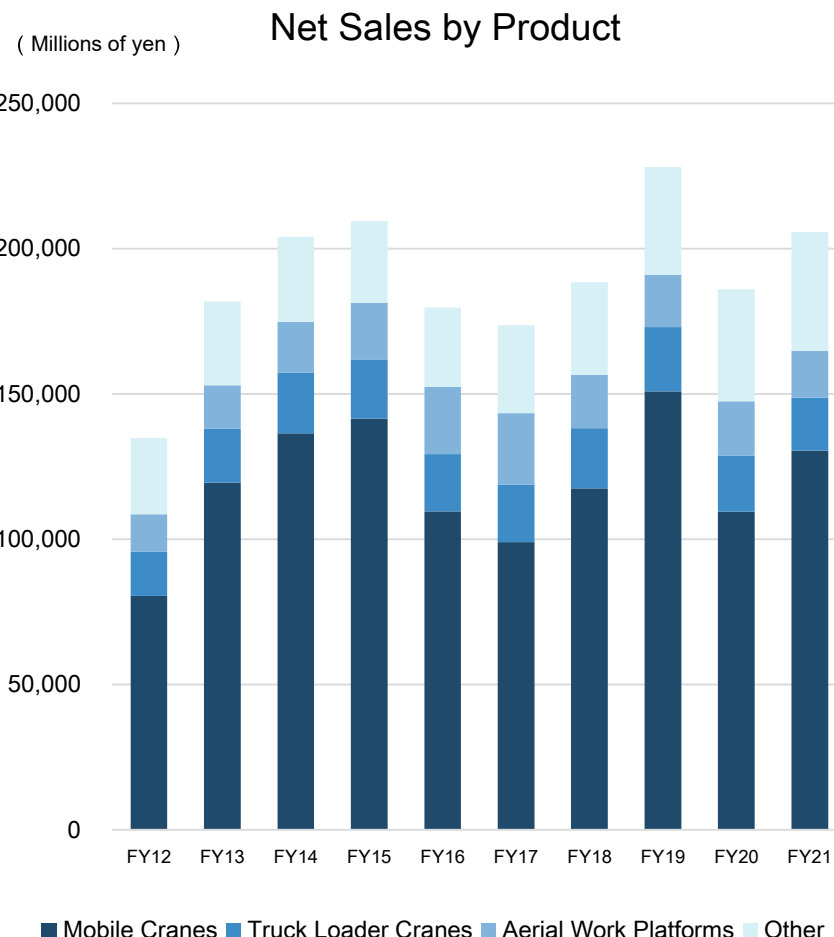
- ✓ Mobile crane and “other” sales increased.
- ✓ Truck loader crane and aerial work platform sales decreased.

(Unit: millions of yen)

	FY2020	FY2021	Increase/Decrease	
			Amount	Percentage
Mobile Cranes	109,430	130,461	21,030	19.2%
Truck Loader Cranes	19,314	18,251	-1,062	-5.5%
Aerial Work Platforms	18,701	16,171	-2,530	-13.5%
Other	38,593	40,777	2,183	5.7%
Total	186,040	205,661	19,621	10.5%

Breakdown of Mobile Crane Sales Inside and Outside Japan

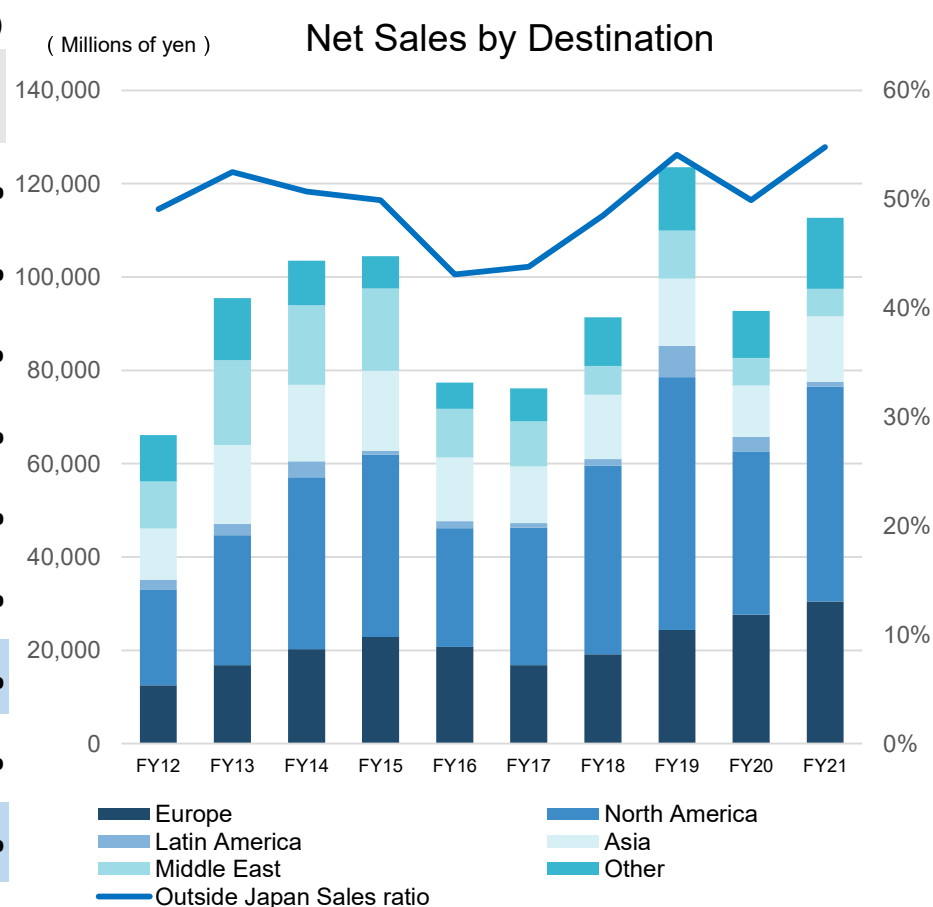
Japan	39,615	42,725	3,109	7.8%
Outside Japan	69,815	87,736	17,921	25.7%
Total	109,430	130,461	21,030	19.2%



Net Sales by Destination

✓ Net sales increased in all regions except Latin America and Japan.

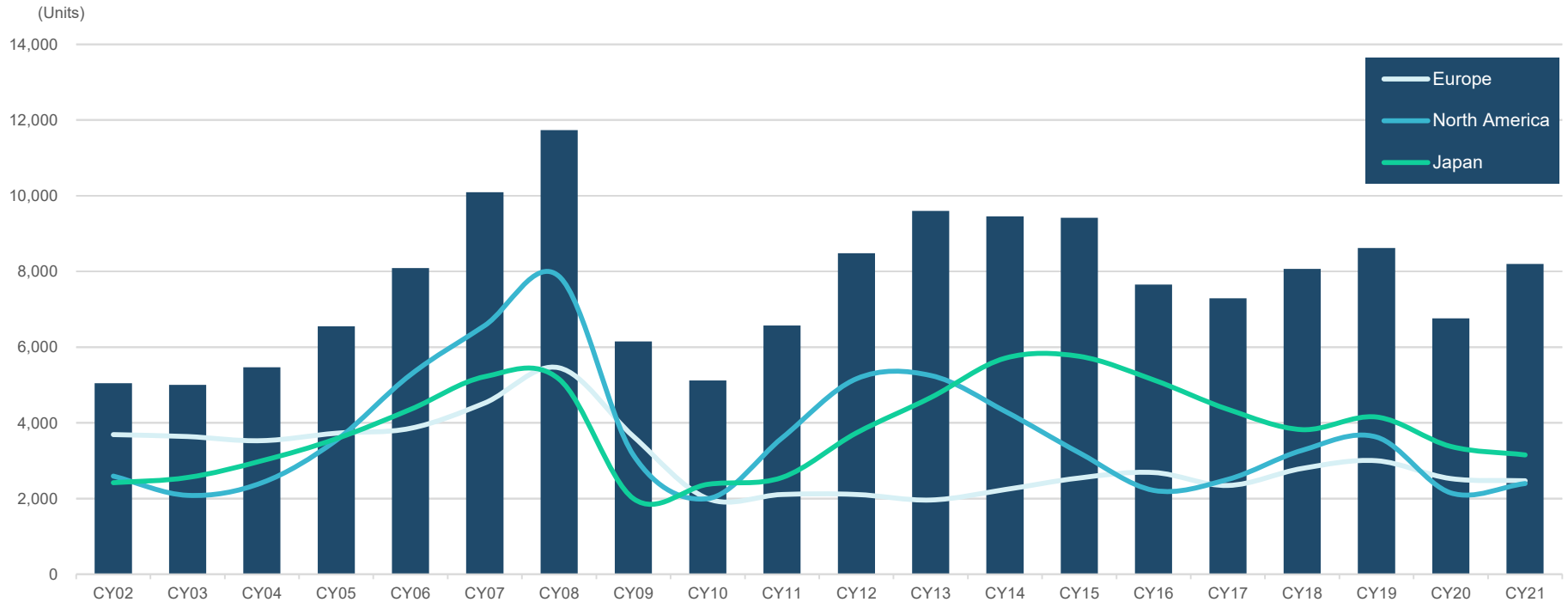
	FY2020	FY2021	(Unit: millions of yen)	
			Increase/Decrease Amount	Percentage
Europe	27,631	30,487	2,856	10.3%
North America	35,001	45,999	10,998	31.4%
Latin America	3,092	1,028	-2,063	-66.7%
Asia	11,013	14,039	3,025	27.5%
Middle East	5,898	5,902	4	0.1%
Other	10,126	15,219	5,093	50.3%
Subtotal (total outside Japan sales)	92,763	112,678	19,914	21.5%
Japan	93,277	92,983	-293	-0.3%
Total	186,040	205,661	19,621	10.5%
Outside Japan Sales Ratio	49.9%	54.8%		



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])



* 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 the 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, CY20: 54,000 units, CY21: 46,000 units

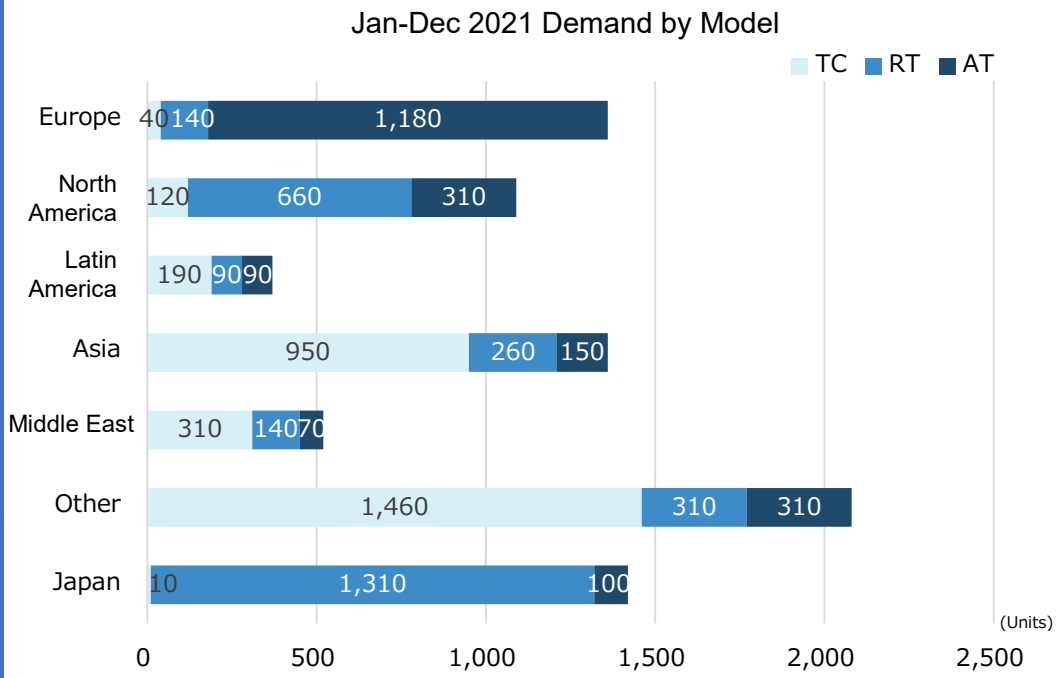
Mobile Cranes

- ✓ Demand increased in all regions except Europe and Japan, and total demand increased by about 21%.
- ✓ Total share 24%→20%.



AC 7.450-1

	Demand (Units)			Share	
	Jan-Dec 2020	Jan-Dec 2021	Percent change	Jan-Dec 2020	Jan-Dec 2021
Europe	1,390	1,360	-2.2%	13%	12%
North America	980	1,090	11.2%	31%	36%
Latin America	200	370	85.0%	11%	6%
Asia	1,020	1,360	33.3%	9%	7%
Middle East	480	520	8.3%	20%	7%
Other	1,170	2,080	77.8%	10%	6%
Subtotal (total sales outside Japan)	5,240	6,780	29.4%		
Japan	1,520	1,420	-6.6%	54%	54%
Total	6,760	8,200	21.3%	24%	20%



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

Japanese Market (April – March)

✓ **Market share 53% → 55%.**

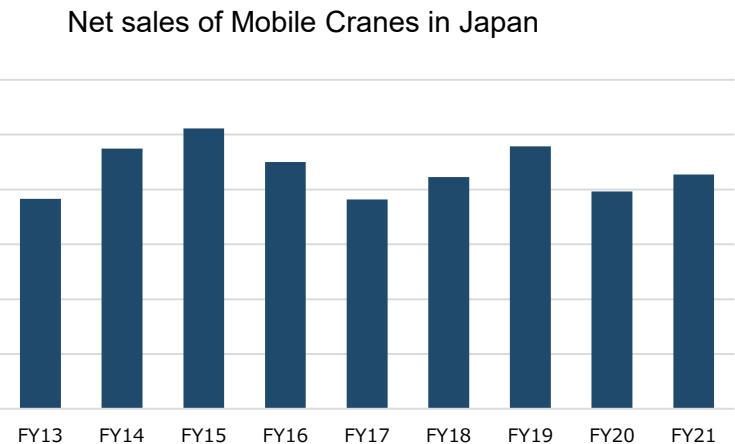
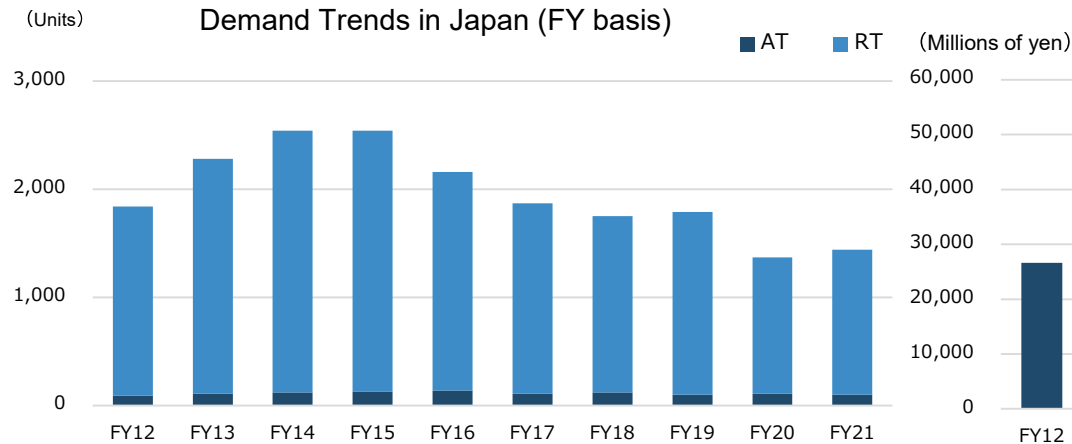
*Japan Market share shown on fiscal year basis.

(Unit: millions of yen)

	FY2020	FY2021	Increase / Decrease Amount	Percent change
Japan	39,615	42,725	3,109	7.8%



GR-250N



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

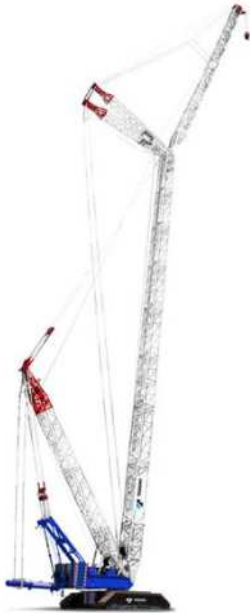
European Market (January – December)

- ✓ Net sales increased due to changes in product sales composition, despite decrease in demand.
- ✓ Market share 13%→12%.

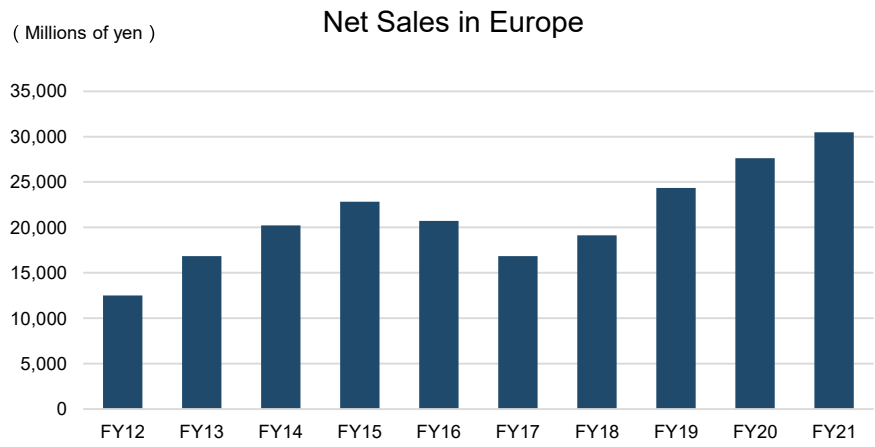
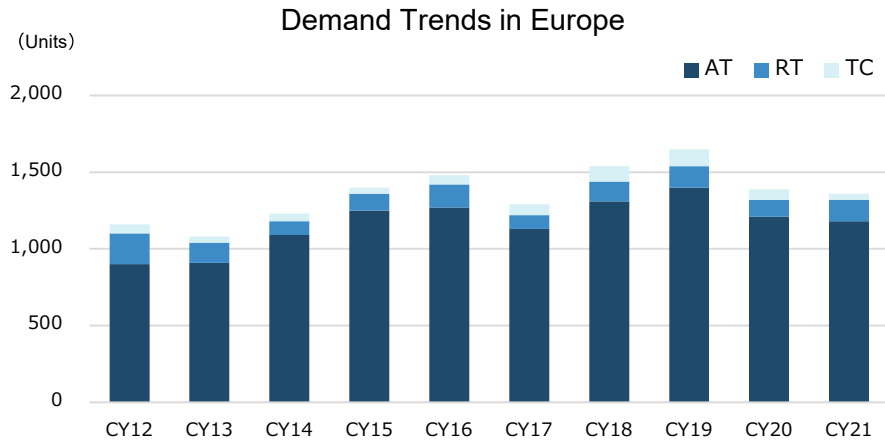
(Unit: millions of yen)

	F2020	FY2021	Increase / Decrease Amount	Percent change
Europe	27,631	30,487	2,856	10.3%

*Products other than mobile cranes are also included.



CC 88.1600-1



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

North American Market (January-December)

- ✓ Both demand and net sales increased.
- ✓ Market share reached record high, 31%→36%.

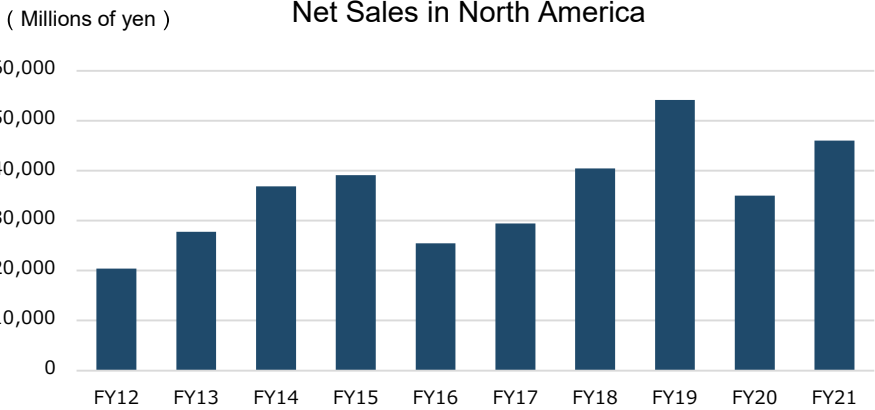
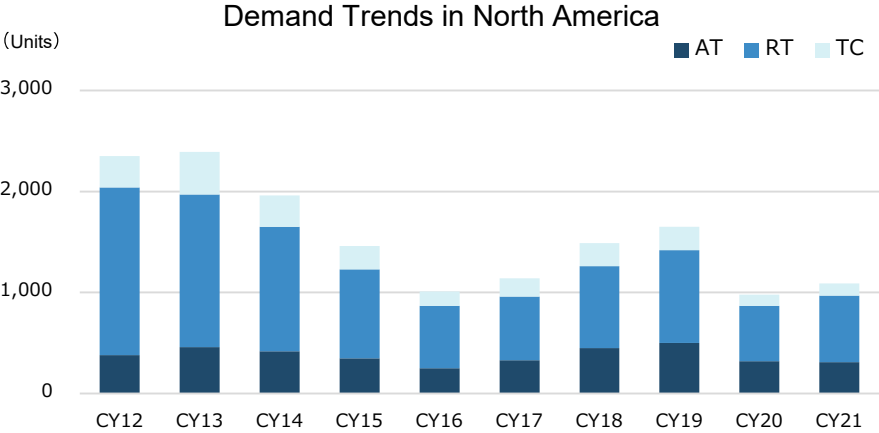
(Unit: millions of yen)

	F2020	FY2021	Increase / Decrease Amount	Percent change
North America	35,001	45,999	10,998	31.4%

*Products other than mobile cranes are also included.



GR-1300XL



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

Strategic Market

✓ Demand increased in all regions and net sales increased in all regions except Latin America.

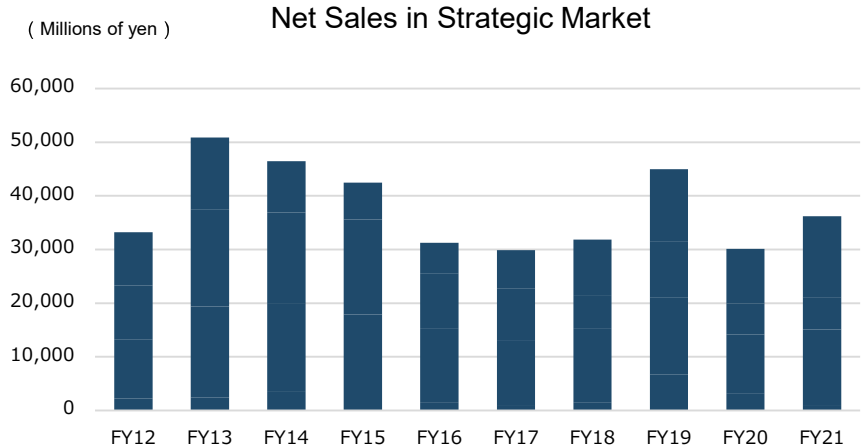
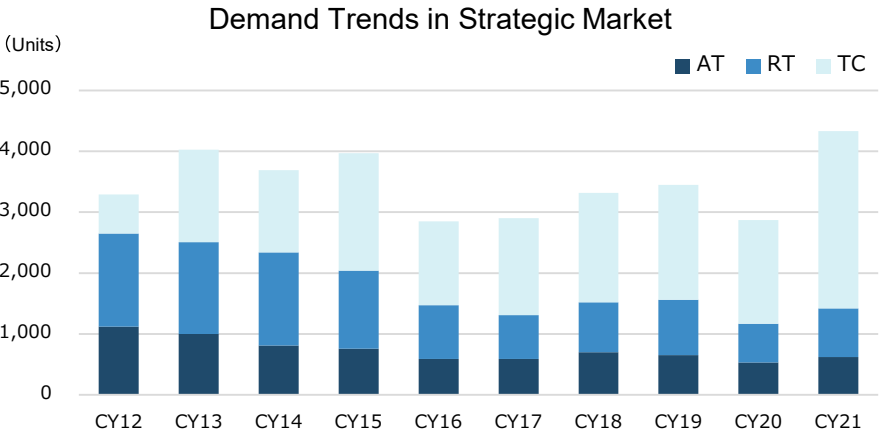
(Unit: millions of yen)

	F2020	FY2021	Increase / Decrease Amount	Percent change
Latin America	3,092	1,028	-2,063	-66.7%
Asia	11,013	14,039	3,025	27.5%
Middle East	5,898	5,902	4	0.1%
Other	10,126	15,219	5,093	50.3%
Total	30,131	36,191	6,060	20.1%



GT-600EL

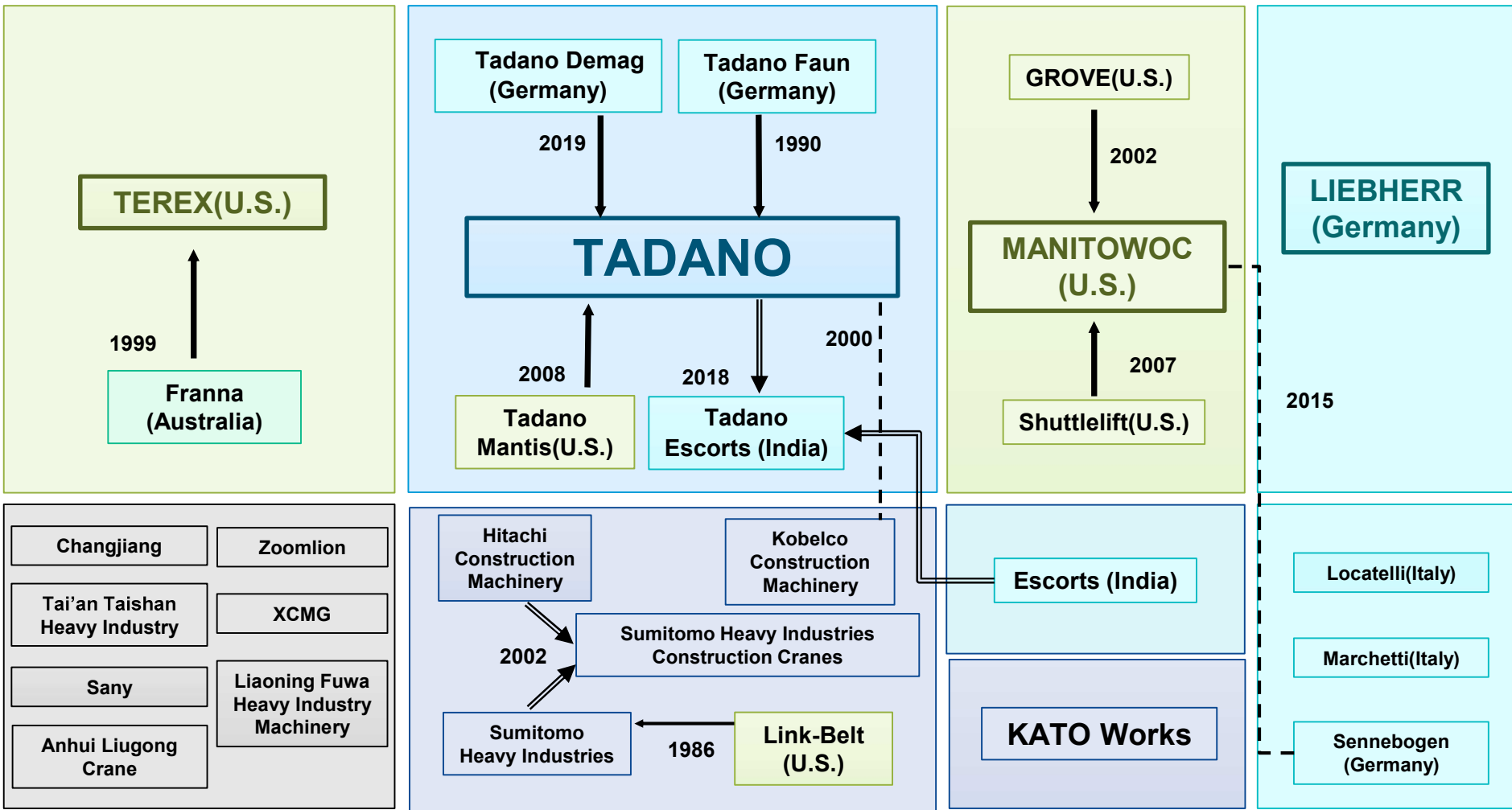
*Products other than mobile cranes are also included.



* 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

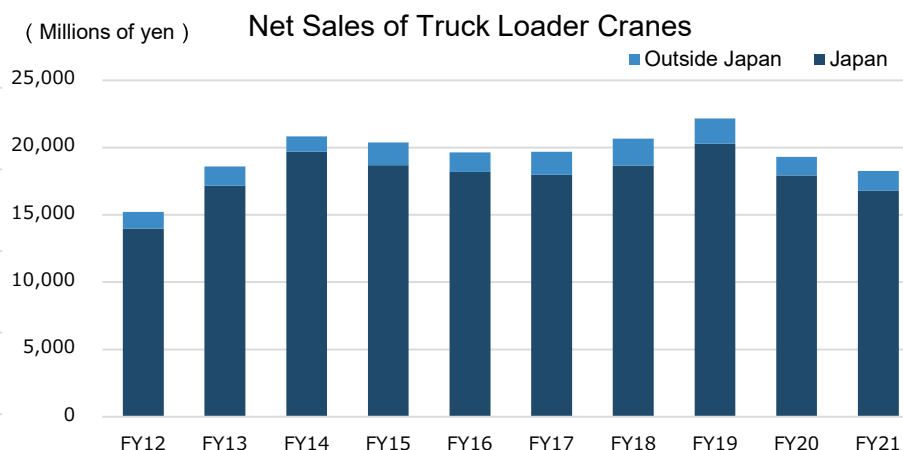
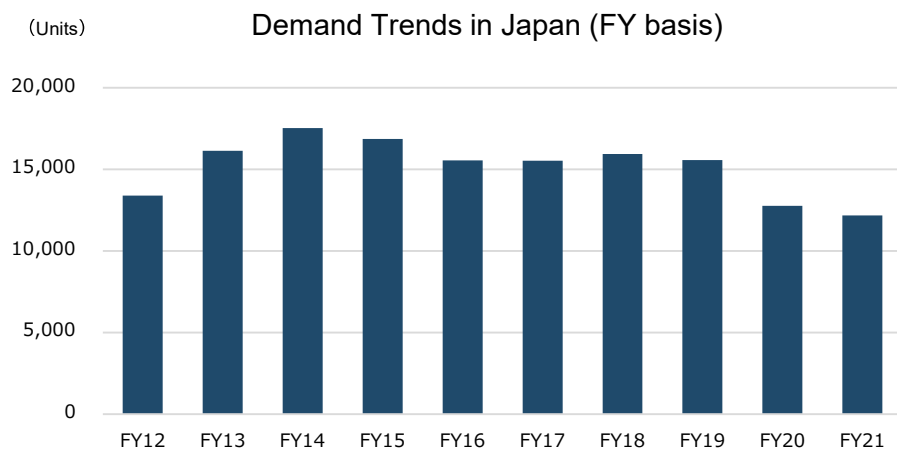
- ✓ Both demand and net sales decreased due to decline in truck registrations.
- ✓ Market share in Japan 48%→47%.

(Unit: millions of yen)

	FY2020	FY2021	Increase / Decrease Amount	Percent change
Japan	17,920	16,815	-1,105	-6.2%
Outside Japan	1,393	1,436	42	3.1%
Total	19,314	18,251	-1,062	-5.5%



ZX360/300series



Aerial Work Platforms

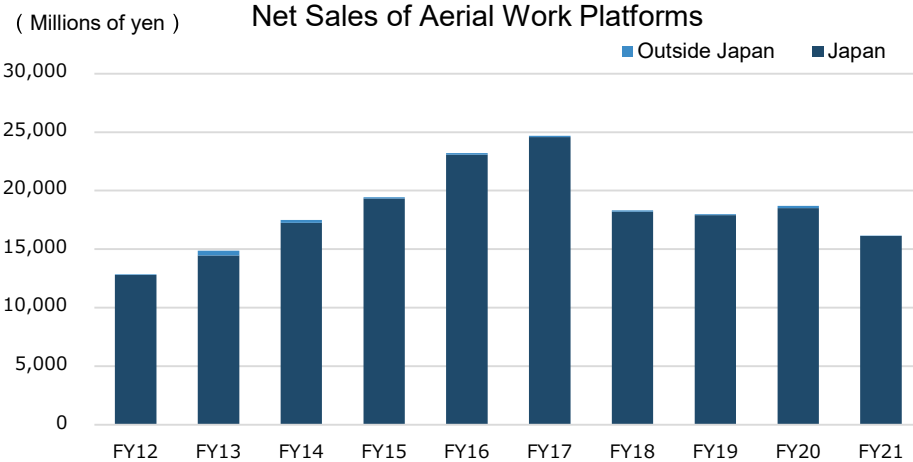
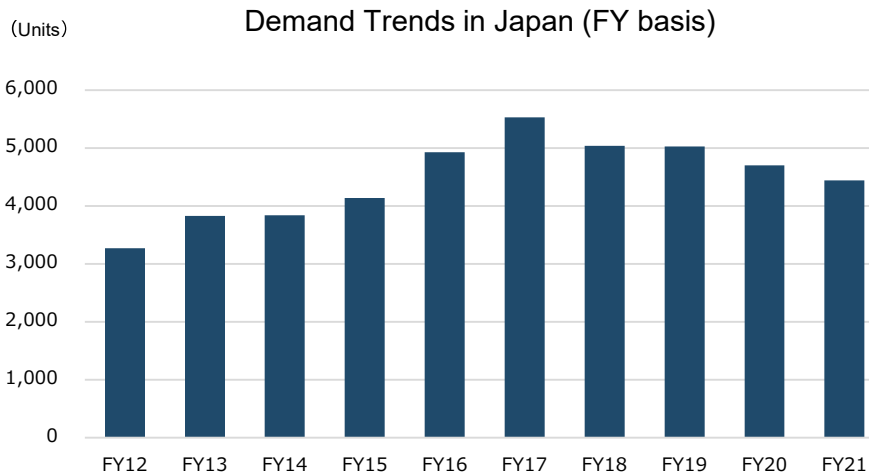
- ✓ Both demand and net sales decreased due to shipping delays caused by deteriorating procurement environment.
- ✓ Market share in Japan 31%→31%.

(Unit: millions of yen)

	FY2020	FY2021	Increase / Decrease Amount	Percent change
Japan	18,497	16,125	-2,371	-12.8%
Outside Japan	204	45	-158	-77.8%
Total	18,701	16,171	-2,530	-13.5%



AT-530CG

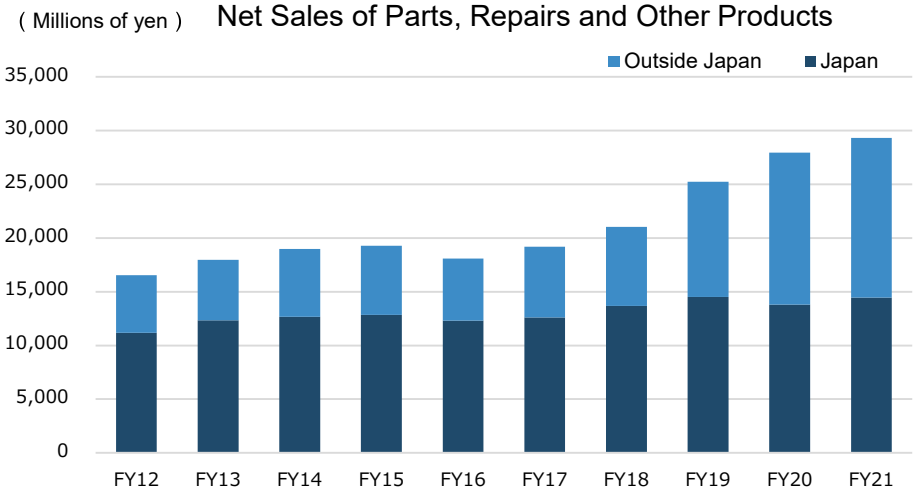
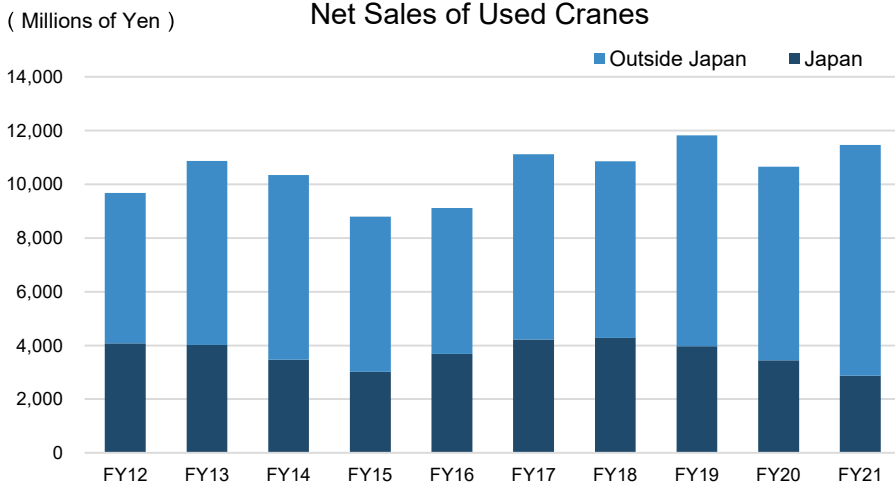


Other Business

✓ Parts repairs sales reached record high.

(Unit: millions of yen)

	F2020	FY2021	Increase / Decrease Amount	Percent change
Used Cranes Other Products	10,649	11,468	819	7.7%
Parts Repairs	27,944	29,308	1,364	4.9%
Total	38,593	40,777	2,183	5.7%



Change of Accounting Period

Tadano Ltd. will officially change from a March-end to a December-end accounting period (fiscal year-end date), pending approval at the Annual General Meeting of Shareholders scheduled to be held on June 24, 2022. For more detailed information, please refer to press release entitled “Change of Accounting Period (Fiscal Year-End Date)” dated April 28, 2022.

Consolidated Accounting Period Change:

Year	2021				2022				2023			
Month	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
Companies closing accounts in March (mainly in Japan)												
Companies closing accounts in December (mainly outside Japan)												
Accounting Period	FY 2021				FY 2022				FY 2023			

The Tadano Group’s fiscal year 2022, which will be a transitional period for the change of accounting period, shall be the irregular accounting period as shown in the red-outlined box above.

- Companies closing accounts in March: 9-month (April 1, 2022 – December 31, 2022)
- Companies closing accounts in December: 12-month (January 1, 2022 – December 31, 2022)

FY 2022 Business Performance Forecast

(Unit: millions of yen)

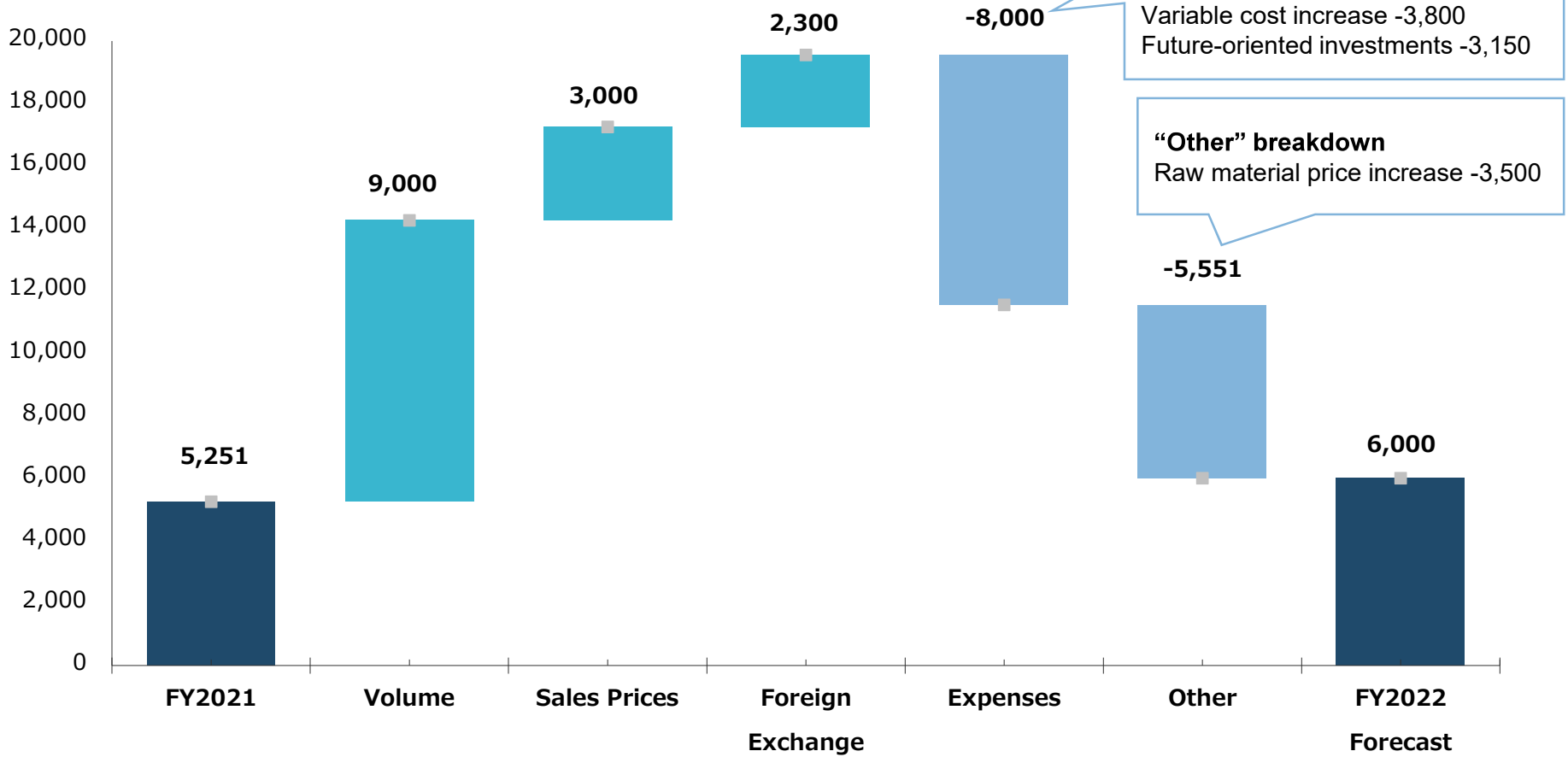
	FY2021		FY2022 (Irregular accounting period)		Reference: adjusted plan 2022/4 - 2023/3		Percent Change
	Amount	Percentage	Amount	Percentage	Amount	Percentage	
Net Sales	205,661	100%	205,000	100%	235,000	100%	14.3%
Operating income	5,251	2.6%	4,500	2.2%	6,000	2.6%	14.3%
Ordinary income	5,454	2.7%	3,800	1.9%	5,500	2.3%	0.8%
Net income attributable to owners of the parent	13,096	6.4%	1,900	0.9%	2,800	1.2%	-78.6%
Capital investment		5,364		5,500		6,500	
Depreciation		5,541		4,700		5,500	
* Figures for capital investments include leased assets.							
USD		¥109.80		¥120.00		¥120.00	
EUR		¥129.89		¥135.00		¥135.00	
Dividends per share	Mid-year	¥3.00	Mid-year	—			
	Year-end	¥4.00	Year-end	¥8.00			
	Full-year	¥7.00	Full-year	¥8.00			

For reference, the “adjusted plan” above is provided to show the company forecasts for the legacy 12-month accounting period from April 2022 to March 2023.

FY 2022 Forecast (Major Factors Leading to Change in Operating Income) *adjusted plan

✓ Against efforts to improve selling prices and increase sales, operating income is forecasted to increase by only ¥0.7 billion due to future-oriented investment costs and rising raw material prices.

(Millions of yen)



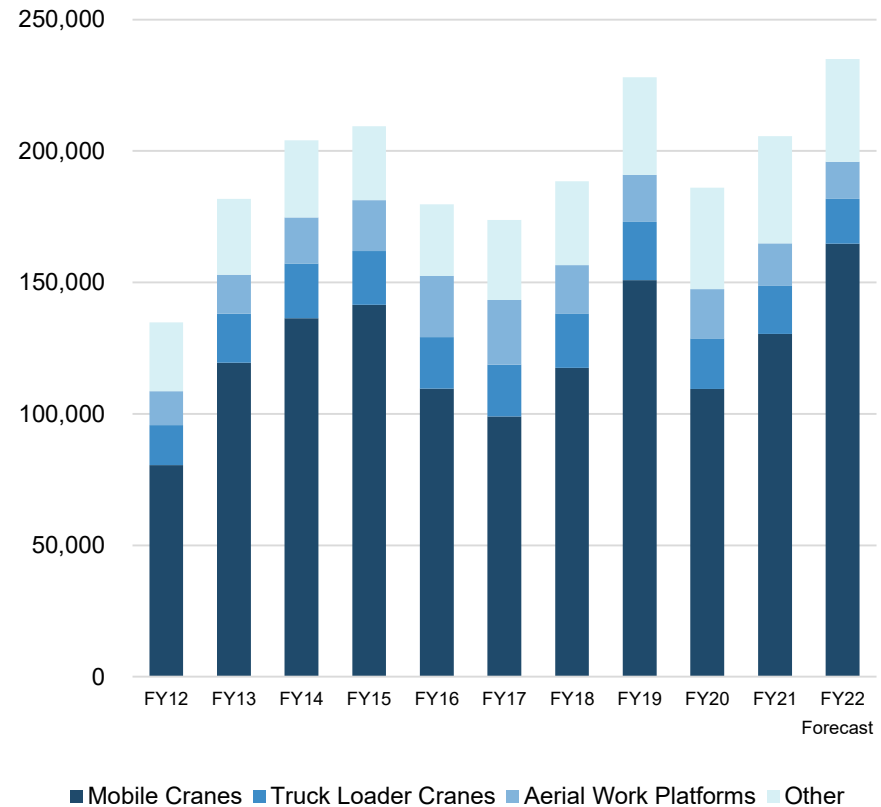
FY 2022 Forecast (Net Sales by Product) *adjusted plan

(Unit: millions of yen)

(Millions of yen)

Net Sales by Product

	FY2021	FY2022 Forecast	Increase/Decrease	
			Amount	Percentage
Mobile Cranes	130,461	164,800	34,339	26.3%
Truck Loader Cranes	18,251	17,000	-1,251	-6.9%
Aerial Work Platforms	16,171	14,100	-2,071	-12.8%
Other	40,777	39,100	-1,677	-4.1%
Total	205,661	235,000	29,339	14.3%

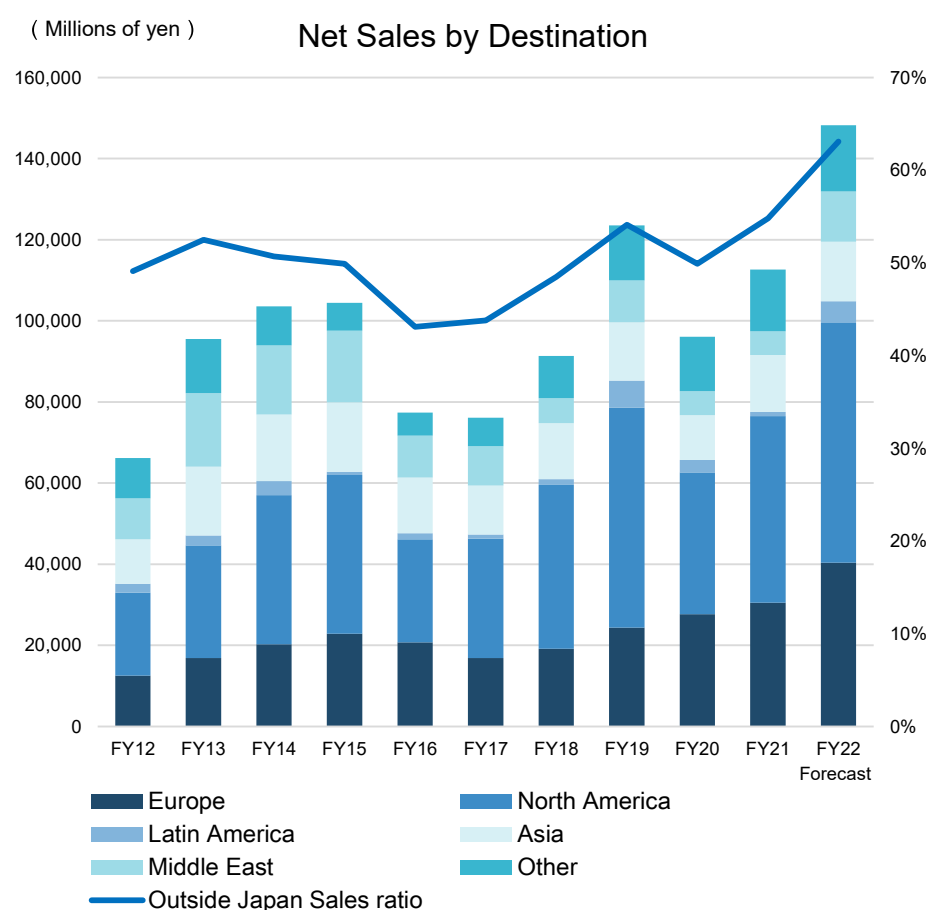


Breakdown of Mobile Crane Sales Inside and Outside Japan

	FY2021	FY2022 Forecast	Increase/Decrease Amount	Increase/Decrease Percentage
Japan	42,725	40,600	-2,125	-5.0%
Outside Japan	87,736	124,200	36,464	41.6%
Total	130,461	164,800	34,339	26.3%

FY 2022 Forecast (Net Sales by Destination) *adjusted plan

	FY2021	FY2022 Forecast	(Unit: millions of yen)	
			Increase/Decrease Amount	Percentage
Europe	30,487	40,400	9,913	32.5%
North America	45,999	59,100	13,101	28.5%
Latin America	1,028	5,300	4,272	415.6%
Asia	14,039	14,700	661	4.7%
Middle East	5,902	12,400	6,498	110.1%
Other	15,219	16,300	1,081	7.1%
Subtotal (total outside Japan sales)	112,678	148,200	35,522	31.5%
Japan	92,983	86,800	-6,183	-6.6%
Total	205,661	235,000	29,339	14.3%
Outside Japan Sales Ratio	54.8%	63.1%		



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

Highlights: Response to TCFD Recommendations

In April 2021, the Tadano Group expressed support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). In FY2021, we conducted a scenario analysis based on the TCFD Framework to determine the opportunities and risks that climate change poses to our business activities. We will continue to enhance our scenario analysis and execute countermeasures.

Results of Scenario Analysis (As of March 31, 2022)

Changes and effects produced by electrification and other product changes to address climate change (transition risks and opportunities)	<ul style="list-style-type: none"> ◆ Falling behind or taking the lead within the lifting equipment industry in terms of the development, production, and sales of electrified products. ◆ Tangible and intangible measures are necessary for both electrified product manufacturing and supply chains.
Changes in social and economic structures and its effects resulting from climate change (transition risks and opportunities)	<ul style="list-style-type: none"> ◆ There will be large changes in social and economic structures in the markets and customers which use our products. (Shrinkage of the fossil fuel market, reinforcement of CO2 emission regulations in all countries, and GX investment in wind power generation and other areas) ◆ Falling behind (reputation risk) or taking the lead within the lifting equipment industry in terms of action to address climate change
Effects on workplaces resulting from rising temperatures and increasing natural disasters (physical risks and opportunities)	<ul style="list-style-type: none"> ◆ Worsening working environments at construction and manufacturing sites, increased risk of disasters affecting our plants and supply chains (There is also the potential for increased product demand resulting from the use of AI and robots for automation and work support, and from increased frequency of disasters.)

Future Actions

- Calculation and disclosure of Scope 3 CO2 emissions, including CO2 emissions from products
- Supply chain initiatives to address climate change
- Quantified disclosure of scenario analysis and establishment/disclosure of materiality

* Details of the Tadano Group's response to the TCFD recommendations are available on our website:

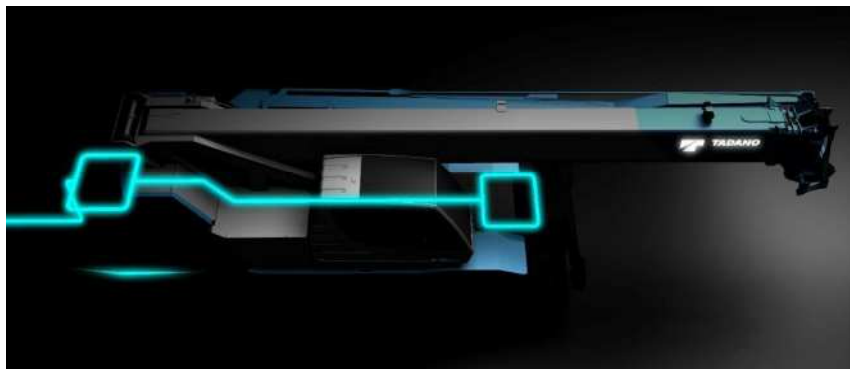
<https://www.tadano.com/ir/esg/environment.html>



Highlights: Toward Achieving Net Zero Carbon Emissions

Announced Plans to Commercialize World's First Electric Rough Terrain Crane

Moving toward the Tadano Group's Mid-Term Management Plan (21-23) aim of net zero carbon emissions by 2050, Tadano Ltd. announced on April 13th plans to commercialize the world's first electric rough terrain crane as part of Tadano Green Solutions*. We aim to launch this electric rough terrain crane, which will be able to drive to the jobsite and complete all lifting operations using battery/electric, rather than diesel power, to deliver zero-emissions operation, in late 2023.



*Tadano Green Solutions

As part of the greater society, the Tadano Group gathers all of its sustainable solutions under the name "Tadano Green Solutions," which are integral to our efforts to protect the global environment and achieve the goal of making a net zero carbon world a reality.

Debut of E-Pack Electrohydraulic System for Japan Market Rough Terrain Cranes

The E-Pack operates a hydraulic pump driven by an electric motor from an external power source, enabling crane operation without starting the engine and achieving zero CO2 emissions during operation. Tadano Demag GmbH in Germany pioneered the development and release of the E-Pack for all terrain cranes. In January 2022 Tadano Ltd. expanded the basic concept and launched the E-Pack for rough terrain cranes in the Japanese market.



Highlights: Products

Release of Tadano Group’s First Jointly Developed All Terrain Crane: the AC 2.040-1

The AC 2.040-1 is the first crane to combine the best of both worlds from Tadano Demag GmbH and Tadano Faun GmbH in Germany. Featuring engineering know-how from both manufacturers, this is an extremely versatile and compact crane. It is also compatible with the E-Pack solution, making for environmentally friendly operation. Following up on this model, Tadano will introduce more new, jointly developed all terrain cranes to the market moving forward.



Tadano’s International Truck Loader Crane Lineup Enhanced with Release of TM-ZX1200

The new TM-ZX1200 series, featuring a maximum lifting capacity of 12 tons, enhances Tadano’s lineup of truck loader cranes for the international market. Safety systems featured in Tadano’s Japanese market products are now incorporated into the international truck crane lineup to provide customers with even safer and more efficient lifting solutions. In addition, Basket Mode enables safe work at elevated heights and improves the universal utility of the crane.



Basket Mode enables safe work at elevated heights