

Material for FY2015 Second Quarter Financial Results Briefing



Nov 2015
TADANO Ltd.

Agenda



1. The Market and Tadano's Strategy
2. 2015 Interim Financial Results

1. Business Domain



- 1948 Established
- 1955 Released the first Hydraulic truck crane in Japan (60th anniversary on September 2015)

**Lifting Equipment (LE) =
Mobile, gravity-defying aerial work machines**

2. Long-Term Goals



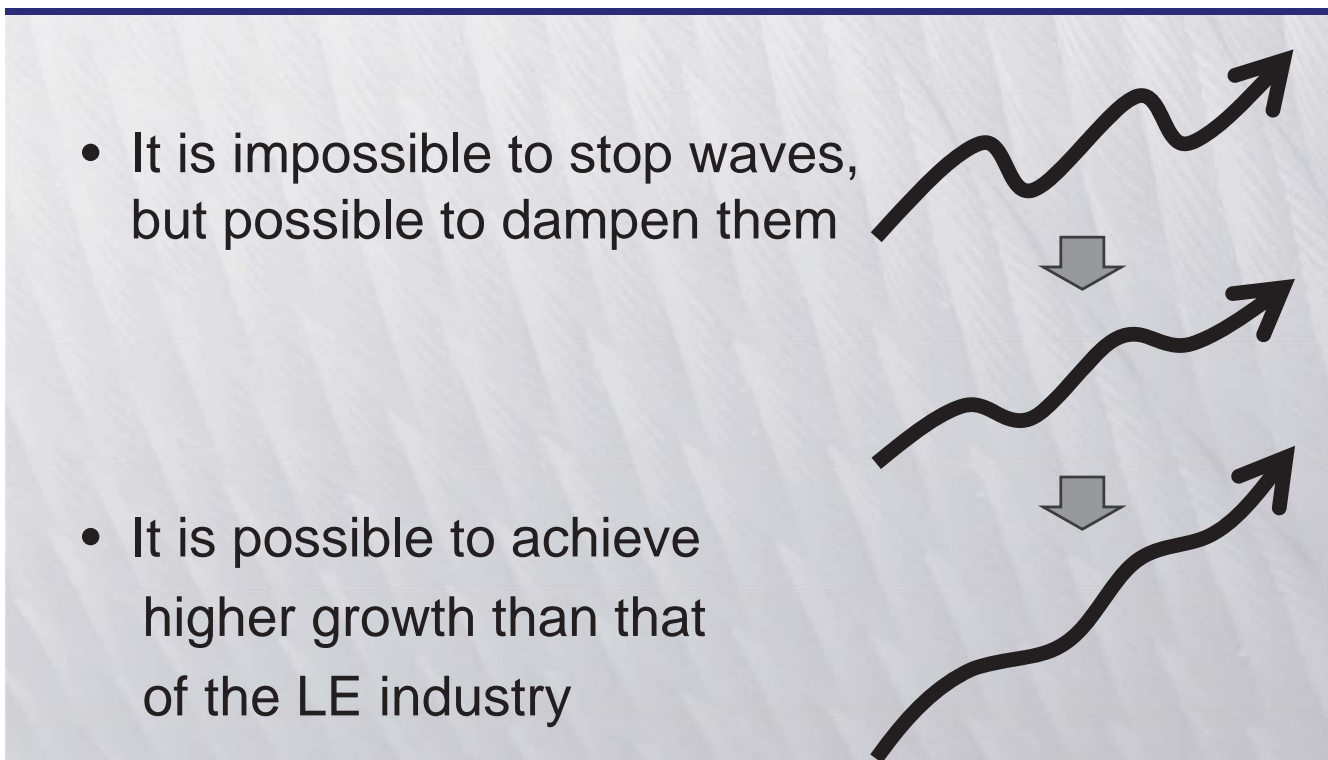
- **No.1 worldwide in the LE Industry**
 - **Outside Japan Sales Ratio: 80%**
 - **Company with stable and high profitability**
- (Constant 20% Operating Income ratio)**

- LE is a growth industry in the long run
- The Market (demand, foreign exchange) zigzags in reality



- Regardless of the market situation, our internal organization can always improve and grow
 - Enhance quality
 - Focus on what we can control
- To respond market fluctuation, the following elements are necessary:
Forecast, preparation, and response
(both ordinary time and emergencies)





4. Self-Support Effort (Red Arrow)



Manufacturer with Four Synergistic Strengths!

Product Competitiveness

Product Quality

CS Capability

Used Crane Value

+

Lineup Enhancement

Further Development in Each Region

Increasing work efficiency

SVE, TKN Activities

Flexible *Monozukuri*

Strengthening Global Management Structure



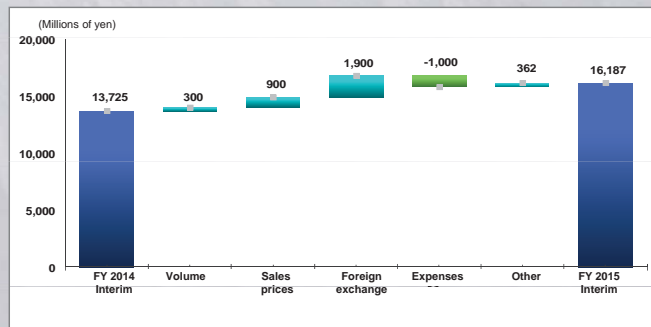
Increased Share (Volume)

Price Improvement (Sales Prices)

Cost Reduction (Expenses)

Cost Savings (Other)

Model Mix (Others)



5.-1 FY2015 2Q Results Review



- During the first half of this fiscal year
 - Highest revenues and profits
 - Net sales surpassed 100.0 billion yen for the first time
 - Net income surpassed 10.0 billion yen for the first time
- Expanding sales both in and outside Japan
- Highest sales outside Japan

- **First Half of Fiscal Year: Steady**
- **Second Half of Fiscal Year : Slightly Uncertain**
- **Next Fiscal Year: Uncertain**
 - **Markets outside Japan will become uncertain from the second half to next fiscal year**
 - **The Japan market will maintain its generally high plateau until 2018**
 - **We plan to increase market position outside Japan during this period as much as possible**

6. FY2014, FY2015 Sales and Profits

	FY2014	FY2015 (Forecast)	FY2014 Interim	FY2015 Interim
Net sales	¥204.0billion	¥206.0billion	¥98.1billion	¥104.1billion
Operating income	¥29.4billion	¥30.0billion	¥13.7billion	¥16.1billion
Ordinary income	¥30.3billion	¥29.8billion	¥14.0billion	¥15.9billion
Net income	¥19.4billion	¥20.0billion	¥9.1billion	¥10.7billion
Dividends per share	Mid-year ¥11 Year-end ¥12 Full-year ¥23	Mid-year ¥13 Year-end ¥13 Full-year ¥26		
Capital investment	¥3.9billion	¥5.0billion	¥1.8billion	¥1.3billion
Depreciation	¥2.5billion	¥2.8billion	¥1.2billion	¥1.3billion
Exchange rate (USD)	¥105.85	(*) ¥120.00	¥102.47	¥120.23
Exchange rate (EUR)	¥140.42	(*) ¥133.00	¥140.43	¥134.17

* Second fiscal half

7. FY2006 - FY2015 Trends in demands, share, sales and profits

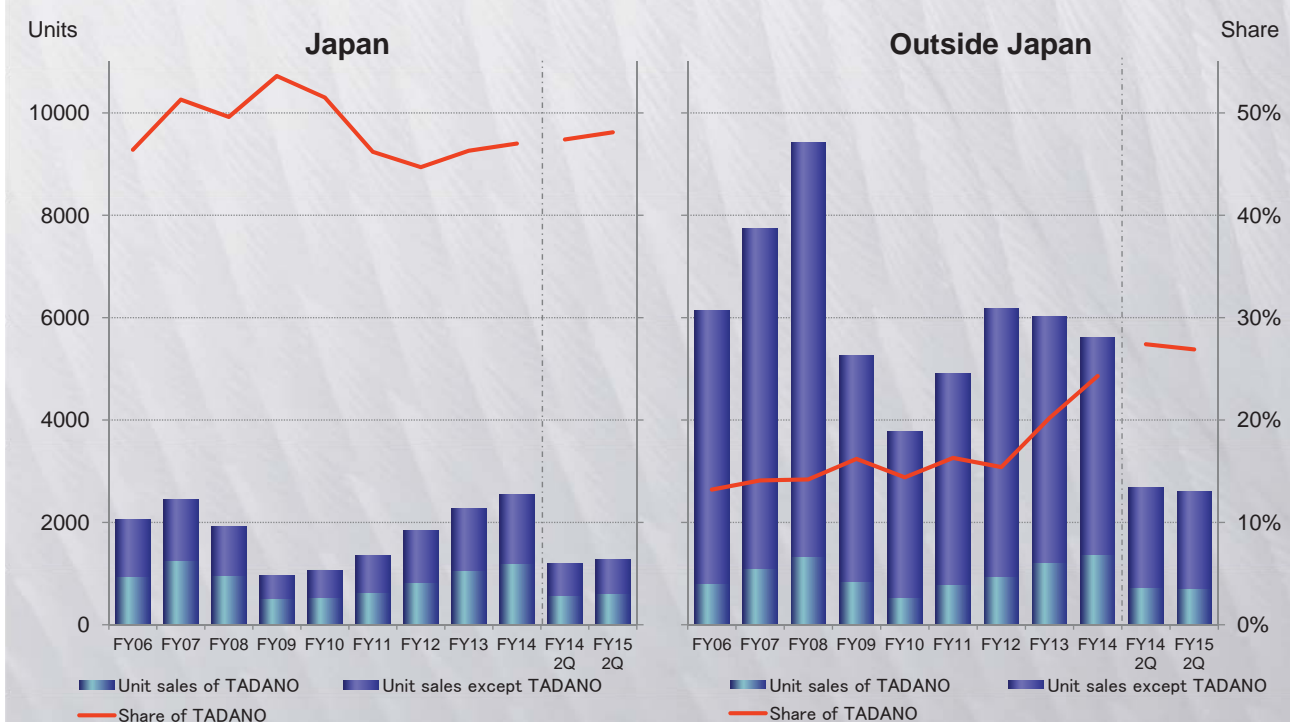


	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2014 (Interim)	FY2015 (Interim)
World Demand(*1)	8,185	10,204	11,335	6,208	4,823	6,249	8,016	8,309	8,156	3,892	3,867
Japan (fiscal year basis)	2,053	2,458	1,922	956	1,055	1,348	1,836	2,279	2,537	1,201	1,266
Outside Japan (calendar-year basis)	6,132	7,746	9,413	5,252	3,768	4,901	6,180	6,030	5,619	2,691	2,601
Share											
in Japan	46.4%	51.3%	49.6%	53.6%	51.5%	46.2%	44.7%	46.3%	47.0%	47.4%	48.1%
outside Japan	13.2%	14.1%	14.2%	16.2%	14.4%	16.3%	15.4%	20.2%	24.3%	27.4%	26.9%
Exchange rate (USD periodical average, JPY)	116.38	117.84	103.46	93.57	87.81	79.84	79.82	97.65	105.85	102.47	120.23
Net sales(*2)	144.6	174.3	162.7	104.2	89.8	114.2	134.8	181.7	204.0	98.1	104.1
Japan	83.7	92.8	73.4	48.0	51.5	61.3	68.6	86.2	100.5	46.4	50.8
Outside Japan	60.8	81.5	89.3	56.1	38.2	52.8	66.1	95.4	103.5	51.6	53.3
Operating income (*2)	12.7	17.9	10.3	0.6	-3.7	5.8	10.9	21.1	29.4	13.7	16.1

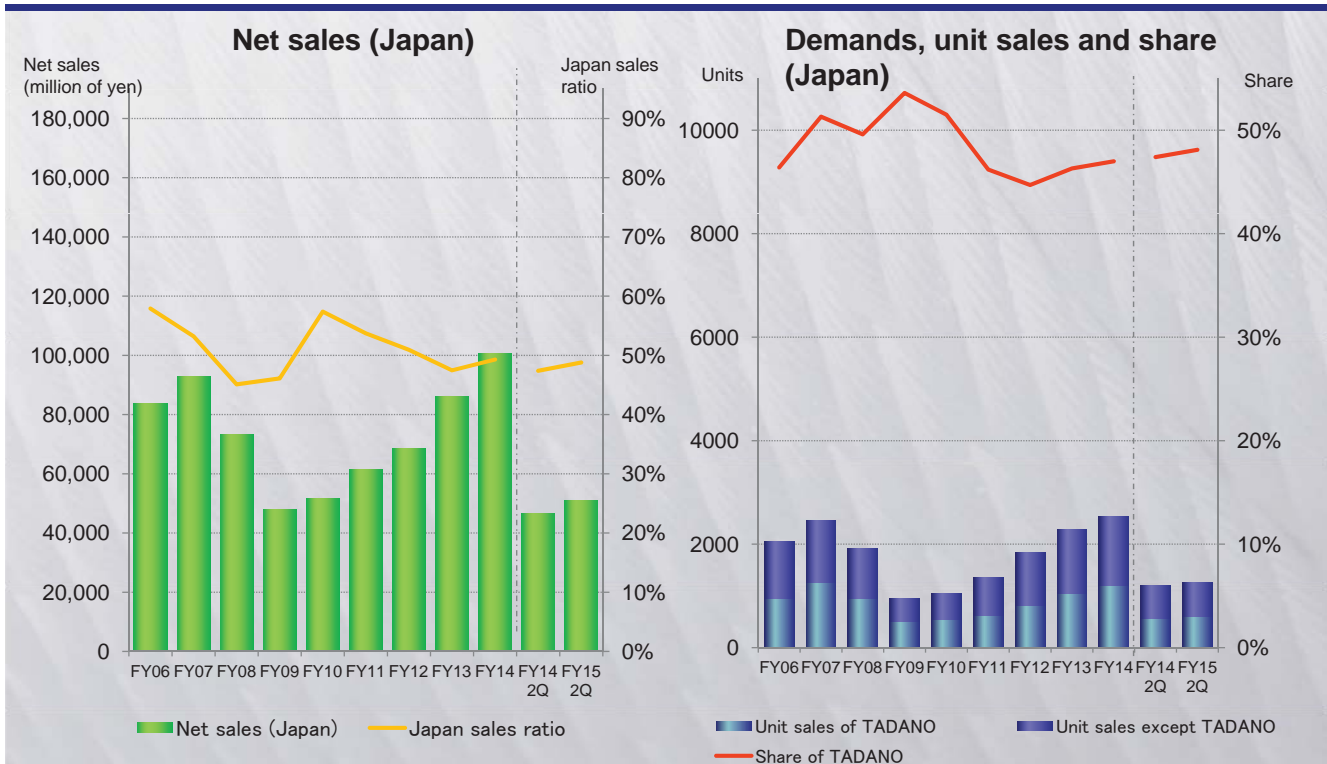
*1 - units
*2 - billion JPY

Peak year Bottom year

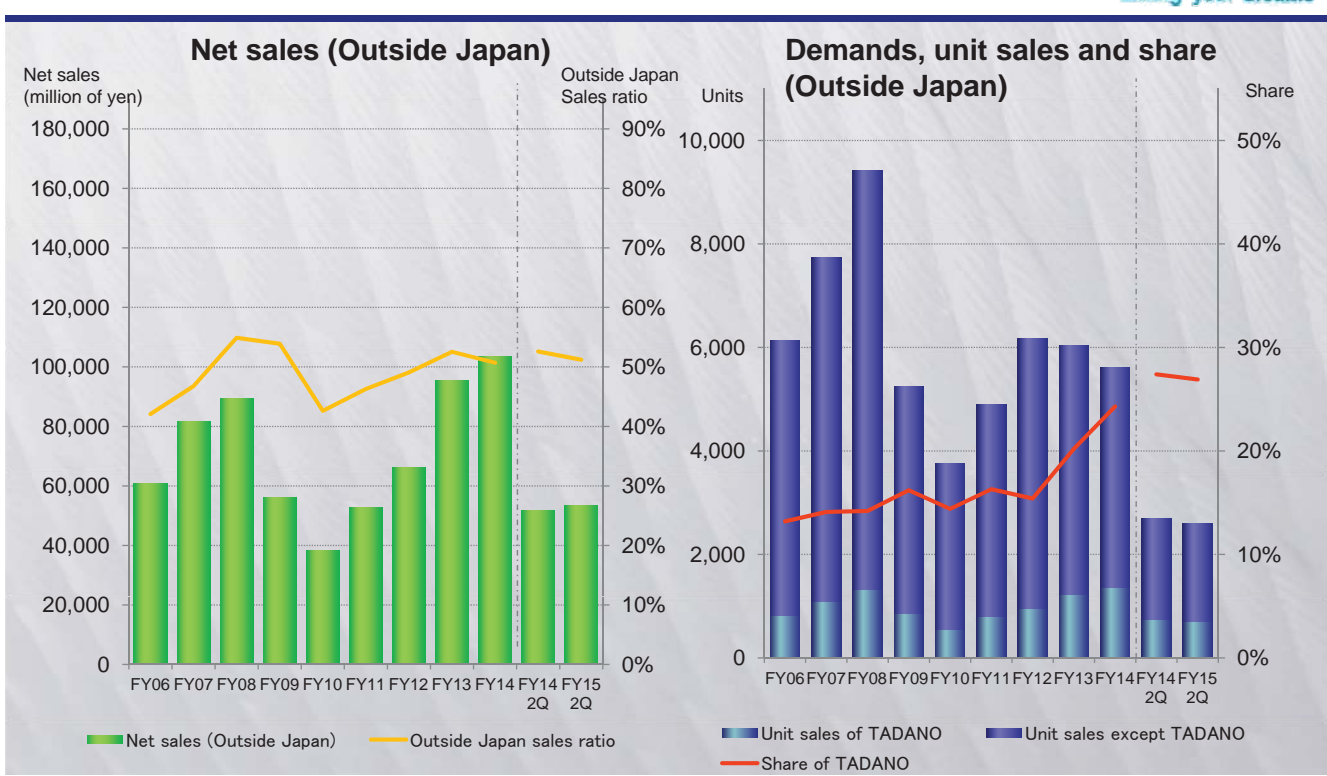
8. Trends in demand and unit sales



9.-1 Trends in net sales, demands, unit sales and share (Japan)



9.-2 Trends in net sales, demands, unit sales and share (Outside Japan)



世界に、そして未来に誇れる企業を目指して

Pursuing Further Excellence
for the World and the Future.

ご安全に！！
Safety First!!
Glück auf !!