

**TADANO LTD.**

Planning and Administration Division

Tel: +81-87-839-5600

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URL: <http://www.tadano.com>**Consolidated Financial Statement for the Second Quarter Period Ended September 30, 2016**

1. Consolidated Business Results for the Six Months Ended September 30, 2016

(Unit: Millions of Yen)

	Sales	Operating Income	Net Income Attributable to Tadano Ltd.
Second Quarter Period Ended September 30, 2016	90,914 (12.7%)	10,094 (37.6%)	6,973 (35.0%)
Second Quarter Period Ended September 30, 2015	104,189 6.2%	16,187 17.9%	10,724 17.6%

Note: Listed values are rounded down to the nearest one million yen.

Percentage figures represent increase (decrease) in comparison to results from the same period of the previous fiscal year.

2. Outlook for Consolidated Business Performance for the Fiscal Year from April 1, 2016 to March 31, 2017

(Unit: Millions of Yen)

	Sales	Operating Income	Net Income Attributable to Tadano Ltd.
Full-Year Term	180,000 (14.1%)	18,000 (42.1%)	11,500 (41.4%)

Note: Percentage figures represent increase (decrease) in comparison to results from the same period of the previous fiscal year.

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.

3. Qualitative Information Regarding Consolidated Business Results

Despite signs of recovery in personal consumption, the Japanese economy continued to remain at a standstill during the cumulative second quarter under review. Contributing factors included sluggish export and manufacturing growth, due to the appreciating yen and slowing growth in emerging markets, in addition to a lack of growth in corporate earnings and capital investment. The European economy saw no growth, the U.S. economy improved slightly, and emerging market economies slowed overall. Various factors contributed to intensified concerns of an overall global economic downturn, including the economic

slowdown in China, trends in crude oil and other natural resource prices, and geopolitical risks, as well as the challenges stemming from the United Kingdom's decision to leave the European Union.

In our industry, the Japanese market shifted toward stronger demand overall, due to earthquake recovery and reconstruction, disaster preparedness and mitigation activities, efforts to address an aging infrastructure, and private sector construction investment. While demand increased in Europe, it fell in North America and the Middle East due to the influence of crude oil prices, and demand in Southeast Asia fell along with slowing economic growth, leading demand outside of Japan to declined overall.

With decreases in the sales of mobile crane and truck loader cranes and an increase in the sale of aerial work platforms, total sales in the Japanese market amounted to 49,755 million yen – down 2.2% from the same period of the previous fiscal year. Despite focusing on plant and infrastructure demand, introducing new product models, and expanding new customer sales, our sales outside of Japan decreased by 22.8% from the same period of the previous fiscal year to 41,158 million yen, as demand trended downward. As a result, total sales fell to 90,914 million yen, down 12.7% from the same period of the previous fiscal year. Sales outside of Japan accounted for 45.3% of all sales.

Decreased sales and exchange rate effects resulted in an operating income of 10,094 million yen, down 37.6% from the same period of the previous fiscal year. Net income attributable to Tadano Ltd. totaled 6,973 million yen, down 35.0% from the same period of the previous fiscal year.