



## Manitou: 2017 Results

- Sales revenue of €1,591 million growing at a rate of +19% against 2016 (+18% at constant exchange rate and scope)
- Recurring operating income at €95.4 million (6.0% of net sales and 6.5% at constant exchange rate) against €71 million (5.3%) in 2016
- EBITDA\* of €124 million (8%) against €99 million (7.4%) in 2016
- Net income attributable to the equity holders of the Parent of €60 million against €43 million in 2016
- Dividend to be proposed at the upcoming Shareholders' meeting of €0.62 per share
- Anticipation of an increase in sales for 2018 above +10%
- Anticipation of an improved recurring operating income rate for 2018 of approximately 50 basis points
- New 5-years roadmap : improved goal of recurring operating income rate higher than 8% of net sales for 2022

*Ancenis, 06 March 2018 – The board of directors of Manitou BF, meeting on this day, closed the accounts for 2017. Michel Denis, President and Chief Executive Officer stated: “The group closed the financial year 2017 with a +19% rise in revenues, having also strengthened our sales positions, expanded our operations outside France with the acquisition of two entities in India and Australia and lastly, having improved further our financial profitability. A year during which we have enjoyed the full and unwavering commitment of all our teams and partners. Recurring operating income increased by +35% to reach 6% of sales revenues, hitting the target we set ourselves in our 2014-2018 roadmap a year ahead of schedule. I also note that, excluding exchange rate impact, this profit rate is 6.5% of sales revenues.*

*We were also pleased to see a return to profitability last year for the Compact Equipment Products division after two difficult years and the remarkable financial performance of the Services and Solutions division, which is now the group's top contributive division.*

*The large size of our order book and the ongoing favourable market conditions mean that we are organising ourselves to continue to ramp up production operations at all of our sites, with the supply chain conditions occasionally strained and remaining inflationary. The full effects of this acceleration will be visible in the second half of the year.*

*All of these elements enable us to predict for 2018, at constant exchange rates, a growth in sales revenues above +10% and an improvement in recurring operating income of around 50 base points, equivalent to approximately 6.5% of sales revenues.”*

*Having reached its 2014-2018 target a year ahead of schedule, Michel Denis presented the Manitou group vision for 2022.*

*“Our vision is that by 2022, the Manitou group will strengthen its leadership position by providing innovative and cutting edge solutions across the globe and by expanding its range of products and services.*

*Constantly adding value for its customers, Manitou group will continue expanding its commercial presence to increase its market share and deliver sustainable growth.”*

*“By boosting our geographical coverage and innovation, combined with the expansion of our ranges of products and services, we should be able – all other things being equal – to generate higher growth than market trends.*

*This new development framework leads us to define our recurring operating income target at more than 8% of our sales revenues in 2022, an exciting challenge that all of the teams are already working towards."*

<i>In millions of €</i>	<b>MHA</b>	<b>CEP</b>	<b>S&amp;S</b>	<b>Total</b>	<b>MHA</b>	<b>CEP</b>	<b>S&amp;S</b>	<b>Total</b>	<b>Var.</b>
	<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2017</b>	<b>2017</b>	<b>2017</b>	<b>2017</b>	
Net sales	903.7	202.7	225.1	1331.5	1095.2	244.0	251.7	1591.0	+19%
Sales margin	139.7	21.1	55.8	216.6	163.4	29.6	65.7	258.7	+19%
Sales margin as a % of sales	15.5%	10.4%	24.8%	16.3%	14.9%	12.1%	26.1%	16.3%	
<b>Recurring OI</b>	<b>62.3</b>	<b>-6.0</b>	<b>14.3</b>	<b>70.6</b>	<b>76.1</b>	<b>0.1</b>	<b>19.3</b>	<b>95.4</b>	<b>+35%</b>
<b>Recurring OI as a % of sales</b>	<b>6.9%</b>	<b>-2.9%</b>	<b>6.3%</b>	<b>5.3%</b>	<b>6.9%</b>	<b>0.0%</b>	<b>7.7%</b>	<b>6.0%</b>	
OP.	61.8	-6.2	14.1	69.7	71.1	0.3	19.0	90.5	+30%
Net income attributable to the group	n/a	n/a	n/a	42.9	n/a	n/a	n/a	60.1	+40%
Net debt				58.6				76.0	+30%
Shareholder's equity				512.0				533.1	+4%
% Gearing				11%				14%	
Working capital				405				433	+7%

*Auditing procedures performed*

*\*EBITDA: Earnings before interest, taxes, depreciation, and amortization*

*\*\* Gearing : Financial ratio measuring the net debt divided by shareholders' equity.*

## Business review by division

The **Material Handling & Access Division (MHA)** reported sales of €1,095 million in 2017 against €904 million in 2016, a growth of +21% (+22% at constant exchange rate and scope). The costs involved in the organisation of increased production rates at our production sites and those of our suppliers, changes in exchange rates and an inability to pass on inflationary trends in the price of raw materials due to the size of the order book were offset by the positive effects created by the dramatic increase in activity. From an operational point of view, the division upped the pace at which it is developing new products. In the financial year, the division's operating income increased by +22% to €76.1 million, accounting for 6.9% of sales revenues, the same level as in 2016.

In addition, the legal proceeding related to the summons received in May regarding patent infringement from a competitor, has continued over the second semester. However, no significant event occurred during this period.

The **Compact Equipment Products Division (CEP)** reported sales of €244 million in 2017, a rise of +20% against 2016 (+12% at constant exchange rate and scope). The division benefited from its good performance in the North American rental market along with a drop in the value of the dollar, which improved the competitiveness of its products exported from US sites. From an operational point of view, the lack of available labour slowed down improvements in profitability. The division also underwent a major transformation with the acquisition of the company TEPL in India, a platform intended to develop ranges for emerging countries. Recurring operating income increased sharply, returning the division to profit at €0.1 million compared with a loss of €-6.0 million in 2016.

With sales revenues of €252 million, the **Services & Solutions Division (S&S)** recorded a +12% sales increase in its activity (+10% at constant exchange rate and scope) against 2016. The improved economic situation across all markets promoted the use of machines and as a result, the need for parts and related services. The division also continued to develop a host of user-oriented services and bolstered its service provision activities with the acquisition of LiftRite in Australia. In 2017, the division recorded recurring operating income of €19.3 million, i.e. 7.7% of sales revenues, up by 1.4 point on 2016. It therefore becomes the group's most profitable division for the first time since it was set up.



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## **Dividend proposed at the next Shareholders' Meeting**

The Board decided to propose a dividend payment of €0.62 per share at the next Shareholders' Meeting, which will be held on 14 June 2018.

## **2018 Outlook**

Anticipation an increase of more than +10% in sales revenues, at constant exchange rates, and an improvement in recurring operating income of around 50 base points, equivalent to approximately 6.5% of sales revenues.

## **New 2018-2022 roadmap**

Manitou has set itself the goal – all other things being equal – of achieving higher sales growth than market trends by expanding its geographical coverage, extending its product range and boosting innovation.

In this framework, the strategic priorities will be :

- to improve our customer commitment across continents, especially in North America
- to expand our machine and service portfolios, especially in compact equipments
- to create value and performance through innovation, digitalization and transformation, in particular by incorporating CSR as a transformation driver
- to elevate our talents, by enhancing and leveraging our unique employee experience

Based on these elements, in 2022 the Manitou group aims to record recurring operating income that is higher than 8% of sales revenues.

### Warning regarding forward-looking items

This presentation may include forward-looking statements, which are based on current beliefs, expectations and assumptions, including without limitation assumptions regarding present and future business strategies and the business environment in which the Company operates, and involve known and unknown risk, uncertainties and other factors, which may cause actual results, performances or achievements, or industry results or other events, to be materially different from those expressed or implied by such forward-looking statements. Forward-looking statements speak only as of the date of this presentation and the Company expressly disclaims any obligation or undertaking to release any update or revisions to any forward-looking statements that this presentation may contain to reflect any change in expectations or any change in events, conditions or circumstances on which these forward-looking statements are based. Forward looking statements are for illustrative purposes only. Recipients of this presentation are cautioned that forward-looking information and statements are not guarantees nor undertakings of future performances and are subject to various risks and uncertainties, many of which are difficult to predict and beyond the control of the Company.

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## FORTHCOMING EVENT

**April 26, 2018 (after market closing):  
Q1'18 Sales Revenues**

The Manitou Group is a global market leader in rough-terrain handling. It designs, manufactures, distributes and services equipment for construction, agriculture and the industry.

The Group's product ranges include all-terrain fixed, rotating and heavy-duty telehandlers, all-terrain, semi-industrial and industrial masted forklifts, wheeled or tracked skid-steer loaders, backhoe loaders, access platforms, truck-mounted forklifts, warehousing equipment and attachments.

Through its iconic brands - Manitou, Gehl, and Mustang - and its network of 1,500 dealers worldwide, the Group offers the best solutions by creating optimum value for its customers.

With its registered office in France, in 2017 the Group recorded a revenue of €1.6 billion in 140 countries, and it employs 3,900 people all committed to delivering customer satisfaction.