HANDLING YOUR WORLD

HALF-YEAR REPORT 2017

MANITOU GEHL MUSTANG

MANITOU GROUP

AS AT 30 JUNE 2017
HALF-YEAR FINANCIAL REPORT

01

1 BUSINESS REVIEW

1.1 SALES PERFORMANCE

Group sales were €805m as at 30 June 2017, an increase of 17% compared with the first half of 2016.

Sales by region for the first half of 2017 were as follows:

In Southern Europe (sales: +15%), the region benefited from strong performance in Spain and Portugal, driven by a very dynamic construction sector. In France, growth remains very strong, with a dynamic building sector and purchases of capital equipment supported by the extension to 2019 of the special amortization allowance introduced into French legislation. Finally, the Italian market experienced an upturn, notably in agricultural equipment sales.

In Northern Europe (sales: +16%), performance increased strongly in Germany and the Benelux countries, particularly in the construction sector, and in the agricultural sector in Russia. Sales in the United Kingdom returned to growth after a difficult year in 2016, marked by uncertainty around Brexit, although the group continues to suffer from the weakness of the pound.

In America (sales: +9%), there was an increase in sales in the United States and Canada, thanks to the dynamism of the US economy. Sales of telescopic equipment to the major leasing companies saw an upturn following a difficult second half in 2016. Sales in Central and South America continued to grow, although the Brazilian market remains particularly difficult. There are, however, positive signs of emerging from the crisis.

In APAM (sales: +46%), growth was driven by Oceania, North Africa and the Middle East, where the group is developing its commercial presence. Bringing Manitou Equipment India, formerly Terex, into the scope of consolidation contributed 7% to total growth. Sales in South Africa continue to grow, despite the sluggishness in the national economy because of the continued lacklustre performance of the mining industry.

The level of new orders from the period increased by 39% compared with the first half of 2016 and 42% compared with the latter half of the year. The strongest growth was in Southern Europe, but included advance orders for delivery up to 2019, to take advantage of the additional depreciation mechanism introduced into French law.

The growth in orders across the Group, recalculated with regard to orders related to the additional depreciation law in France for delivery later than six months from now, is around 30% compared with the first half of 2016. Growth is relatively consistent across the regions.

SALES PERFORMANCE BY DIVISION AND GEOGRAPHICAL REGION

Sales H1 2016						**Sales H1 2017**				
Southern Europe	Northern Europe	Americas	APAM	**Total**	€m % tot	Southern Europe	Northern Europe	Americas	APAM	**Total**
209 30%	198 29%	31 4%	37 5%	475 69%	MHA	242 30%	233 29%	37 5%	52 6%	563 70%
4 1%	13 2%	79 12%	7 1%	103 15%	CEP	6 1%	14 2%	84 10%	13 2%	117 15%
41 6%	36 5%	23 3%	12 2%	111 16%	S&S	44 5%	39 5%	26 3%	16 2%	125 16%
253 37%	247 36%	134 19%	55 8%	689 100%	Total	292 36%	286 36%	146 18%	81 10%	805 100%

SALES PERFORMANCE BY DIVISION

- **Sales trends - Material Handling and Access division (MHA)**

The Materials Handling and Access Division achieved sales of €563m over the half-year period, an increase of 19% at constant exchange rates, compared with the first half of 2016.

Sales of telehandlers used in the construction industry grew strongly, and represented 57% of additional revenue generated in the first half of the year. Sales in France accounted for half of the total growth, boosted by the end of the special amortization allowance law. The construction sector also grew very strongly in Germany and Benelux.

Sales of platforms grew slightly, following a particularly strong year in 2016. Growth came primarily from the Northern Europe region.

Sales of agricultural equipment rebounded after a difficult second half in 2016. Sales growth was very strong in Russia and Central Europe, as well as in Italy and Spain. The launch of the new “New Ag” telehandler boosted sales in this segment.

The strongest sales were seen in high-tonnage equipment in APAM and North America.

Sales of industrial equipment grew across all sectors, thanks to the new rough terrain masted forklift truck and the extension of the industrial forklifts range.

- **Sales Trends - Compact Equipment Products division (CEP)**

The Compact Equipment Products division reported an increase in sales of 11% at constant exchange rates, to €117m.

Telescopic equipment, sold mainly to the major North American leasing companies, grew strongly and accounted for 50% of the division’s additional sales. Following a difficult 2016, dynamism in the American market boosted investment in equipment in the construction sector and the oil industry.

Sales of articulated loaders also grew in both Europe and the United States, largely thanks to the enlargement of the range to include higher-capacity models.

The division also benefited from the introduction of the new Backhoe product range, following the acquisition of Terex, which has a production facility in India.

Sales of mini-loaders generally remained stable, although the American market is still very competitive.

- **Sales Trends - Services and Solutions division (S&S)**

The Services & Solutions division saw sales growth of 11% at constant exchange rates, to €125m.

Sales of parts and accessories grew as a result of the increase in the equipment fleet in recent years, but also the effect of a number of initiatives, such as the launch of e-commerce distribution in France, sales of reconditioned spare parts and the extension of the accessories catalogue to increase the versatility of Manitou products.

The division saw its highest growth rate in leasing activities and sales of second-hand equipment.

Service activities also grew, including maintenance services delivered through Manitou Centers, warranty extension offers and training.

1.2 CONSOLIDATED INCOME STATEMENT

GROUP INCOME STATEMENT

in €m		H1 2016	H1 2017
Sales		689.3	805.0
Gross margin		112.8	127.8
	As a % of sales	*16.4%*	*15.9%*
Recurring operating income		**38.6**	**48.0**
	As a % of sales	*5.6%*	*6.0%*
Non-recurring op. expenses		-0.9	-2.1
Operating income		**37.7**	**45.9**
	As a % of sales	*5.5%*	*5.7%*
Share of profits of associates		1.4	1.0
Operating income including net income from associates		**39.1**	**46.8**
Net income attributable to the equity holder of the parent		*22.8*	*30.0*

The group recorded a strong increase in sales of €116m (+17%), marked by an upturn in the construction sector.

The volume effect produced an increase in gross margin of +€15m, although this deteriorated by 0.5 points to 15.9%. The pressure on margin is explained first, by the significant impact of exchange rates compared with 2016 and the weakening of sterling and the US dollar, penalising exports of MHA products to the United Kingdom and CEP products to Europe.

The increase in structural costs remains moderate at +€5.6m (+4% excluding the effect of exchange rates and variable commercial costs), to produce operating income of €48m or 6.0%, an increase of 0.4 points.

Non-recurring expenses for the half year amounted to €2.1m. These included acquisition and integration costs for the Group's projects in India and Australia, along with restructuring costs.

Financial income improved by €1.9 m, largely as a result of better credit terms, which were renegotiated in late 2016.

The tax burden rose by €2.4m, given the increase in operating income. However, the effective rate was 33% compared with 35% for the previous year.

Net income attributable to the equity holder of the parent for the period amounted to €30.0m, an increase of €7.2m (+0.4 points) compared with the first half of 2016.

INCOME STATEMENT BY DIVISION

in €m	**MHA**	**CEP**	**S&S**	**H1'16**	**MHA**	**CEP**	**S&S**	**H1'17**
Sales	475.1	103.2	111.0	689.3	563.0	117.1	124.9	805.0
Gross margin	75.4	11.1	26.4	112.8	82.7	12.3	32.9	127.8
As % of sales	*15.9%*	*10.7%*	*23.8%*	*16.4%*	*14.7%*	*10.5%*	*26.3%*	*15.9%*
Research, selling & admin.	-39.6	-13.6	-21.0	-74.2	-43.2	-14.5	-22.2	-79.8
Recurring operating income	**35.8**	**-2.6**	**5.4**	**38.6**	**39.5**	**-2.2**	**10.7**	**48.0**
As % of sales	*7.5%*	*-2.5%*	*4.8%*	*5.6%*	*7.0%*	*-1.9%*	*8.6%*	*6.0%*
Non-recurring op. expenses	-0.7	0.0	-0.2	-0.9	-1.2	-0.6	-0.4	-2.1
Operating income	**35.1**	**-2.6**	**5.2**	**37.7**	**38.3**	**-2.8**	**10.3**	**45.9**
As % of sales	*7.4%*	*-2.5%*	*4.7%*	*5.5%*	*6.8%*	*-2.4%*	*8.3%*	*5.7%*

The Material Handling & Access division (MHA) saw its sales increase by €88m (+19%).

The increase in orders over the period led the division to increase its production volume significantly in order to limit delivery lead times to clients, which put pressure on the whole of the supply chain.

Its gross margin was €82.7m, an increase of €7.3m given the increase in volumes, but deteriorated by 1.2 points because of exchange rates (-1.1 points), additional costs generated by the increase in volumes and the rise in the price of raw materials (steel), which began in the second half of 2016.

Research, sales and administrative costs increased by €3.6m, particularly in relation to sales and marketing activities to support the division's geographical development and commercial reputation.

The sharp increase in the division's activities resulted in an increase of €3.7m in operating income compared with the previous year, to €39.5m or 7% of the division's sales.

Like the other divisions, MHA supports a share of the Group's non-recurring expenses for external growth and restructuring projects.

The Compact Equipment Products (CEP) division saw an increase in business of +€10m (+9%), restated to take account of the acquisition of Manitou Equipment India, which was purchased on 8 May 2017 and brought into the scope of consolidation.

Gross margin remains relatively stable, with the increase in volumes helping to offset the impact of the euro/US dollar exchange rate, which heavily penalised the division's exports.
The division's fixed costs remained stable apart from the effect of exchange rates of €0.3m and marketing costs related to Manitou's participation in the Conexpo trade show (which takes place in Las Vegas every three years) in early 2017.

Nonetheless, operating income was negative at €2.2m, a slight improvement compared with 2016.

The Services & Solutions (S&S) division continued to grow, with an increase in sales of €14m (+13%).
The improved absorption of operating costs at spare parts logistics platforms drove an improvement in gross margin of 2.5 points to 26.3%. Structural costs increased in value by €1.2m but at a slower pace than sales, thus contributing to an improvement in operating income to €10.7m, or 8.6%.

1.3 CONSOLIDATED BALANCE SHEET

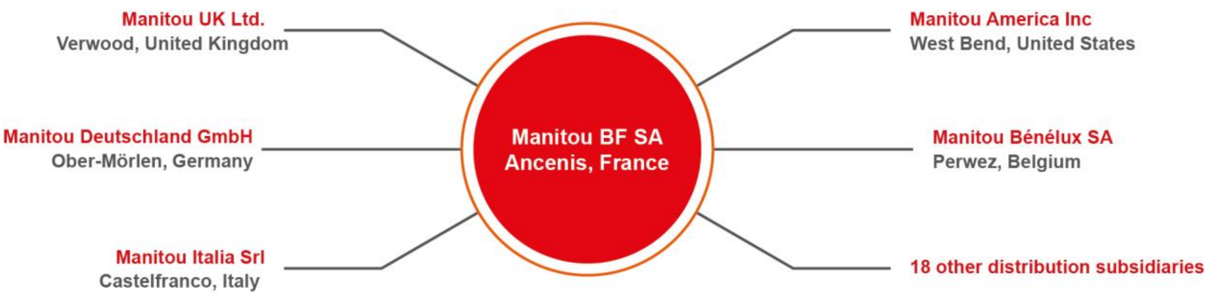
BALANCE SHEET TRENDS

The main trends over the half year were as follows:

- At 30 June 2017, the working capital requirement amounted to €441m, an increase of 9% compared with 31 December 2016, for an increase in sales of 17%.
- Investments over the period amounted to €24m, compared with €17m the previous year. Most of these investments were allocated to product development (€5m), property investments (€4m), IT tools (€3m), production tools (€7m) and renewal of the rental fleet (€5m).
- As at 30 June 2017, the group's net debt amounted to €96m, a gearing of 19% compared with 11% at 31 December 2016.
- After a dividend distribution of €16.4m, shareholders' equity was €512m at the end of the first half year, 48% of the balance sheet total.

1.4 GROUP ORGANISATION CHART AND INFORMATION ON THE MAIN SUBSIDIARIES

Group organisation chart at 30 June 2017



MANITOU BF

430, rue de l'Aubinière – Ancenis – France

Business:
Group headquarters.
Distribution of all group products in France, and Material Handling and Access (MHA) products in those countries where Manitou does not have a distribution subsidiary.
Design and assembly of telescopic forklift trucks, aerial work platforms, masted forklift trucks and warehousing equipment.
Distribution platform for spare parts.
The company has four production sites in France located in Ancenis, Laillé, Candé and Beaupréau and a spare parts platform in Ancenis.

IFRS	**H1 2016**	**H1 2017**
Sales	€543.1m	€592.9m
Net income	€28.7m	€21.7m
Headcount at end of period	1789	1877

MANITOU AMERICAS

One Gehl Way
West Bend Wisconsin 53095 – United States
A 100% owned subsidiary of Manitou BF

Business:
Distribution of all group products in the United States and the Compact Equipment Products (CEP) range in countries not covered by the group's sales subsidiaries.
Design and assembly of compact equipment. The company, headquartered in West Bend, Wisconsin, has three production facilities located in Yankton and Madison, South Dakota and Waco, Texas, as well as a distribution platform for spare parts in Belvidere, Illinois.

IFRS	H1 2016	H1 2016	H1 2017	H1 2017
Sales	$172.0m	€154.1m	$177.5m	€163.9m
Net income	$1.0m	€0.9m	-$0.1m	-€0.1m
Headcount at end of period		703		773

MANITOU ITALIA

Via Emilia – Cavazzona
41013 Castelfranco - Italy
A 100% owned subsidiary of Manitou BF

Business:
Design, assembly and distribution of rough terrain fixed and rotating telehandlers and heavy duty forklift trucks. The company also distributes all the group's products in Italy.

IFRS	H1 2016	H1 2017
Sales	€97.5m	€132.7m
Net income	€4.1m	€8.2m
Headcount at end of period	264	258

MANITOU UK LTD

Ebblake Industrial Estate
Verwood - Dorset BH 31 6BB – United Kingdom
A 99.4% owned subsidiary of Manitou BF

Business: Distribution of all group products in the United Kingdom and Ireland.

IFRS	H1 2016	H1 2016	H1 2017	H1 2017
Sales	£45.0m	€57.8m	£54.5m	€63.3m
Net income	£1.4m	€1.8m	£2.3m	€2.6m
Headcount at end of period		39		41

MANITOU DEUTSCHLAND GMBH

Diesel Strasse 34
61239 Ober Mörlen - Germany
A 100% owned subsidiary of Manitou BF

Business: Distribution of all the group's products through dealers and to large customers in Germany, Austria and Switzerland. Direct management of a dealership in Germany.

IFRS	H1 2016	H1 2017
Sales	€38.2m	€45.9m
Net income	-€0.4m	€1.4m
Headcount at end of period	32	36

MANITOU BENELUX SA

Rue des Andains 2
1360 Perwez – Belgium
A 100% owned subsidiary of Manitou BF

Business: Distribution of all group products in Belgium, the Netherlands and Luxembourg.

IFRS	H1 2016	H1 2017
Sales	€54.3m	€65.7m
Net income	€0.5m	€1.8m
Headcount at end of period	21	24

1.5 2017 OUTLOOK

Based on the very good half-year results, of a huge demand of the markets and the size of its orderbook, the Group improved its outlook for 2017 and anticipate a growth of its sales revenue above 15%.
As a result, the outlook for the evolution of the recurring operating income is improved, with a growth of approximately 70 to 100 basis points compared to 2016, to reach 6.0% to 6.3% of net sales.

1.6 DETAILS OF POST-CLOSING EVENTS

On 24 July 2017, Manitou took a majority stake in the Australian company LiftRite Hire & Sales, based in Perth. LiftRite is a dealer specialising in the construction and mining sector, and the historic and exclusive distributor of Manitou and Gehl brand products in Western Australia. The transaction allowed the Manitou group to acquire 55% of the shares in LiftRite Hire & Sales, with an additional purchase option giving it the possibility of holding a 96% stake in three years' time. The company generated sales of €12m in 2016.

1.7 DESCRIPTION OF THE MAIN RISKS AND UNCERTAINTIES IN THE REMAINING SIX MONTHS OF THE YEAR

This business review includes certain assumptions and expectations which, by their nature, may not prove to be accurate. The main risks and uncertainties that have been identified for the remaining six months of the year are shown below. They could have a negative impact on the group's financial position, results, prospects or share price.

OPERATIONAL RISKS

- **Risks related to suppliers**

Operating or financial difficulties confronting a supplier could expose the group to being cut off from supplies, which could provoke delays in production and potentially result in a total work stoppage in production lines.

Manitou is not totally dependent on any supplier. However, the replacement of a supplier may require a long process of selection and qualification. Replacement will be all the more complicated if a complex component is involved (engines, axles, cabs, etc.)
In order to manage this risk, the group regularly analyses the critical importance of each supplier: operational capacity, financial capacity, quality performance, etc. Physical audits are performed in order to measure continued improvement and put action plans in place when necessary.

- **Industrial and environmental risks**

Industrial risks are mainly limited to those that could result from a fire or explosion at a production site.
Significant resources have been put in place at all of the manufacturing sites and spare parts logistics centres to manage these risks and contain their immediate impacts.

- **Quality risks**

Equipment manufactured by the group uses complex technologies such as embedded hydraulics or electronics.
A product validation plan for all new products has been put in place to control the quality of components and compliance with product specifications regarding reliability and safety. Despite the significant resources put in place, the parent company and its subsidiaries cannot guarantee that delays or errors in design, industrial development or assembly will not occur on existing or future product ranges.

- **Dependence on information systems**

Most organisational functions and processes rely on tools, software and technical infrastructure connecting our various sites. The main risks of malfunction are an interruption to IT services, a breach of confidentiality and data integrity, and the group's capacity to manage the implementation of new IT tools.
A major malfunction could have an impact on the group's operations and profitability.

BUSINESS RISKS

- **Risks related to markets and the Group's businesses**

The group distributes its products in more than 140 countries through a network of independent dealers. The emergence of a banking, economic, financial or political crisis in one or more of its market regions could influence the group’s activities and have an impact on its financial position and operating income.
Thus, periods of reduced economic activity and, to a greater extent, periods of crisis, may contribute to a significant drop in demand: a decrease in investments, difficulty in obtaining loans, import barriers or limits on credit insurance.
In addition, a proportion of sales are made through multi-year industrial or marketing partnerships. The non-renewal of those partnerships would impact the group's business.

- **Customer risk**

Customer risk is the risk that the customer might default on its contractual commitments or the payment of receivables. In most organisations, credit risk is partly or fully covered by credit insurance. The group’s highly fragmented customer base also limits the risk associated with default by some of its customers.

CUSTOMER RISK FOR THE PORTION OF RECEIVABLES NOT COVERED BY INSURANCE

In the context of its commercial activities, the group faces the risk of its customers being unable to pay the portion of receivables not covered by insurance as a result of insolvency.

A central credit management function is responsible for supporting the needs of the commercial subsidiaries on an ad hoc basis, to deal with highly technical or sensitive cases.

LEGAL RISKS

- **Environmental regulatory risks**

Changes in regulatory standards, particularly relating to polluting emissions, require equipment design to be modified in line with the timetable and regulations imposed by the legislature. The group uses a significant portion of its resources for research and development, to comply with regulatory requirements while optimising the performance of its machines. However, there is still a risk that certain countries or regions may decide to apply a stricter interpretation of the standards, thereby having a negative impact on product sales.

- **Litigation risk**

Several group companies are currently involved in disputes or legal proceedings. Disputes may be commercial in nature, or relate to employees, intellectual property or product risks.

Provisions recorded correspond to the group’s and its advisers’ best estimates at the closing date of the risks incurred with respect to the litigation in process.

Infringement of intellectual property

In May 2017, action was taken against the Manitou group by J.C. Bamford Excavators Limited (JCB), in France, the United Kingdom and later Italy, for infringing two European patents. See also note 2 of the notes to the consolidated financial statements as at 30 June 2017.

FINANCIAL RISKS

- **Funding and liquidity risk**

Long-term financing facilities are concentrated in Manitou BF. The parent company's credit agreement was renegotiated and extended in December 2016 for a period of five years, with the possibility of two one-year extensions. The agreement includes clauses for ratios (covenants), for “material adverse change” and for “cross default”, which may limit the potential use of or affect the terms of credit lines. It includes “negative pledge” clauses accompanied thresholds and exemptions. The covenants related to all funding were complied with at 30 June 2017 and the existing lines of funding cover requirements over the next six months.

In addition, in order to ensure its development, the group has diversified its funding sources and has €44m of disintermediated funding (bonds). Finally, Manitou BF has ordinary bank overdraft lines totalling €62m as of the date of publication of this report.

Maturities schedule of assets and liabilities associated with financing activities as at 30 June 2017

Facility *in millions of euros*	Beneficiaries	Maturity	Amount in local currency	Amount in euros	Use at 30.06.2017	Less than 1 year	From 1 to 5 years	Over 5 years
Credit agreement (Dec.16)								
Revolving Facility *multicurrency ($/€)*	Manitou BF or Manitou Americas	Dec. 21	180	180	24	24	0	0
Other financial liabilities								
Bond 1	Manitou BF	Oct.18	7	7	7	0	7	0
Bond 2	Manitou BF	Dec.19	12	12	12	0	12	0
Bond 3	Manitou BF	June 22	25	25	25	0	25	0
Other*	Miscellaneous		62	62	34	29	4	1
Sales financing debt	Manitou Americas		0	0	0	0	0	
Group Total				**286**	**102**	**53**	**48**	**1**
Financing leases					4			
Derivatives instruments					1			
Shareholders' agreements and others					7			
Total financial debt					**114**			
Cash and financial assets					18			
Total net debt					**96**			

* Ordinary lines of credit or bank overdrafts

Summary of conditions attached to lines of credit

Facility	Signatory	Main contractual clauses H2 2016 to H1 2021
Revolving Facility	Manitou BF	Gearing < 1 Leverage < 3.5 except in certain cases Cap on investments Cap on acquisitions and removals of assets Limits on additional debt Clause on changes in control Dividends are limited to 100% of net income

- **Exchange rate risk**

A significant change in exchange rates could have an effect on the Manitou Group's results through the impact on the conversion of the currencies that it generates and through the pressure it might place on sales prices in certain geographic regions.

During the first half of 2017, the Manitou group invoiced approximately 32% of its sales in foreign currencies, mainly in US dollars (17%), pounds sterling (7%), South African rands (2%), Australian dollars (3%) and Russian rubles (2%). At the end of June, currency hedges partially covered the target net exposure for the second half of 2017 and the first half of 2018.

1.8 CAPITAL AND GOVERNANCE INFORMATION

SHARE CAPITAL

At 30 June 2017, the share capital amounted to €39,619,248 and consisted of 39,619,248 shares with a par value of one euro.

SHARE PRICE PERFORMANCE

Based on a closing value of €18.70 at 31 December 2016, the price hit its lowest level on 13 January at €18.40 before reaching its highest level on 10 May at €31.50 and closing at the end of the half-year at €27.30.
During the first half year, the average number of shares traded on Euronext per session was 20,170 versus 14,894 during the first half of 2016.

Share price performance and trading volumes

Period	Volume	Highest €	Lowest €	Month-end	Market capitalisation (€m)
January 2016	888 558	16.5	13.2	16.5	652
February	280 209	16.6	13.0	15.4	607
March	174 031	16.1	14.5	15.1	598
April	179 522	15.2	14.1	15.2	600
May	100 298	15.8	14.9	15.8	623
June	268 866	16.0	13.3	13.8	546
July	1 504 973	15.2	13.6	14.6	575
August	156 774	16.2	14.2	16.0	632
September	190 950	16.0	14.8	15.5	613
October	315 025	16.5	14.9	16.5	651
November	352 257	17.0	15.2	16.5	653
December 2016	672 939	19.2	16.3	18.7	740
Total/Highest/Lowest	**5 084 402**	**19.2**	**13.0**		
January 2017	525 639	21.5	18.4	21.2	837
February	333 820	22.4	20.1	20.9	827
March	475 970	24.5	21.0	24.5	969
April	425 457	29.7	23.9	29.0	1 149
May	434 260	31.5	25.7	28.6	1 132
June	366 418	29.2	27.1	27.3	1 082
Total/Highest/Lowest	**2 561 564**	**31.5**	**13.6**		

Source: Euronext

INFORMATION RELATING TO SHAREHOLDERS' AGREEMENTS

The family shareholders signed a shareholders' agreement on 3 May 2017. This replaces the agreement entered into by the two groups, with an effective date of 10 June 2017, for a period of four years. It includes the following stipulations:

- an objective by each of the family branches to retain a number of Manitou shares representing at least 20% of the company's share capital (i.e. a total of 40% of the share capital for the combined family investment);
- a right of first refusal in favour of members of the agreement for sales of shares that would reduce the investment of either family branch to less than 20% of Manitou BF's share capital, or reduce the entire investment of the two family branches to less than 40% of the company's share capital, and any subsequent sale provided these thresholds are not exceeded, on the understanding that members of the seller's family branch have priority in the purchase of the shares sold;
- Manitou will continue to be governed by three directors representing the Braud family branch, three directors representing the Himsworth family branch and a number of independent directors (four for the first two years, and then three), appointed jointly by the directors representing the family shareholders;
- Jacqueline Himsworth will be Manitou BF's Non-Executive Chairman throughout the duration of the agreement;
- any transactions with a dilutive effect on the share capital and/or voting rights will be subject to the prior approval of Manitou BF's Board of Directors by a three-quarters' majority.

These principles apply from the reappointment of the Board of Directors approved at Manitou BF's annual shareholders' meeting held on 8 June 2017. It should be note that Dominique Himsworth, who was included in the previous shareholder agreement but was not a signatory to this agreement, may join both on a personal basis and as a representative of the company Wecanrent, at any time, as a member of the Himsworth family branch.

Any spouse or direct descendant of one of the signatories of the shareholders' agreement may join at any time, as a member of the family branch to which they belong, on condition that they own at least 10,000 full or stripped Manitou BF shares.

CHANGES IN THE SHARE CAPITAL

The French company Lazard Frères Gestion (25 rue de Courcelles, 75008 Paris), acting on behalf of the fund it manages, declared that on 13 January 2017, it exceeded the 5% threshold for capital and voting rights in Manitou BF, and that it held 1,979,054 Manitou BF shares representing the same number of voting rights, i.e. 5.004% of the capital and voting rights in the company, on behalf of said fund. It had exceeded the threshold as a result of buying Manitou BF shares on the market.

The French company Lazard Frères Gestion (25 rue de Courcelles, 75008 Paris), acting on behalf of the fund it manages, declared that on 19 April 2017 it had fallen below the 5% threshold for capital and voting rights in Manitou BF, and that it held 1,961,054 Manitou BF shares representing the same number of voting rights, i.e. 4.96% of the capital and voting rights in the company, on behalf of said fund. It had exceeded the threshold as a result of selling Manitou BF shares on the market.

Following an initial exercise of an option, the share capital increased by 66,025 shares on 20 April 2017, to 39,617,974 shares.

On 10 June 2017 and based on the total number of shares in the company of 39,617,974, representing the same number of voting rights, Dominique Himsworth declared that he had simultaneously fallen below the 50%, 1/3, 25%, 20%, 15% and 10% thresholds for capital and voting rights in the company. He now holds, both directly and indirectly through the company Wecanrent, which he controls, 2,060,000 shares in the company representing the same number of shares, i.e. 5.20% of the capital and voting rights in the company.

This resulted from the entry into effect of the new shareholders' agreement between the family shareholders in May 2017, which Dominique Himsworth, who had been a party to the previous agreement, did not wish to join; this resulted in his departure from the family alliance and secondary alliance of the Himsworth family branch on the effective date of the agreement.

The Himsworth family branch declared that it had fallen below the threshold of 30% of the capital and voting rights in the company at the same time.

Following a further exercise of options, the share capital increased by 1,274 shares on 30 June 2017, to 39,619,248 shares.

GOVERNANCE CHANGES 2017

Since the terms of office of members of the Board of Directors were due to expire at the end of the Shareholders' Meeting called to approve the financial statements for the financial year ended 31 December 2016, the 08 June 2017 Shareholders' Meeting appointed the following directors (including four women), eight of them to serve for a period of four years (expiring at the end of the ordinary Shareholders' Meeting to be held in 2021, to approve the financial statements for the financial year ended 31 December 2020) and two to serve for a period of two years (expiring at the end of the ordinary Shareholders Meeting to be held in 2019, to approve the financial statements for the financial year ended 31 December 2018):

Appointments for a four-year term:

Ms Jacqueline Himsworth
Mr Gordon Himsworth
Mr Marcel-Claude Braud
Mr Sébastien Braud
Mr Christopher Himsworth
Ms Emilie Braud-Fischel
Ms Carole Lajous *
Ms Cécile Helme-Guizon *

Appointments for a two-year term:

Mr Dominique Bamas *
Mr Pierre-Henri Ricaud*

The Board meeting held on 8 June 2017 appointed Jacqueline Himsworth as Chairman of the Board of the Company for a period of four years, ending at the end of the Ordinary General Meeting of Shareholders held in 2021 to approve the financial statements for the financial year to 31 December 2020.

As set out in section 1.8 of the new shareholders' agreement detailed above and signed by the Braud and Himsworth family branches, she succeeds Manitou's founder Marcel Braud, who after devoting more than 60 years to developing the business, retires from his administrative duties and becomes the group's Honorary Chairman.

The Board of Directors meeting held on 8 June 2017 also adopted the constitution of the specialised committees shown in the table below.

Manitou – Membership of Committees and the Board of Directors
As at 08 June 2017

Board members	Audit Committee	Compensation Committee	Strategic Committee	Development Committee
Jacqueline Himsworth			Chairman	Chairman
Sébastien Braud	Alternate	Main	Main	Main
Marcel-Claude Braud		Alternate	Main	Main
Gordon Himsworth	Main		Main	Main
Christopher Himsworth	Alternate	Main	Main	Main
Emilie Braud-Fischel	Main			Main
Carole Lajous		Main	Alternate	
Cécile Helme-Guizon	Main			
Dominique Bamas		Chairman	Main	
Pierre-Henri Ricaud	Chairman	Alternate		

* independent directors as defined in the MiddleNext Corporate Governance Code

It should be noted that Jacqueline Himsworth, Gordon Himsworth, Marcel-Claude Braud, Sébastien Braud, Emilie Braud-Fischel and Christopher Himsworth are related by family ties.
It should also be noted that Sébastien Braud is the President of Actiman SAS, a Manitou dealer.

Some non-independent Board members have performed executive or senior management functions within Manitou and other structures for many years.

Operation of the Board of Directors and specialised committees

In accordance with the recommendations of the MiddleNext Code, the internal regulations of the Board of Directors and their appendices, adopted by the Board of Manitou BF at its meeting on 30 January 2014 and which are being revised as at the publication date of this document, set out how the Board is organised and operates. In particular, it defines the responsibilities and operation of the Board of Directors and its specialised committees, in accordance with statutory requirements and the articles of association.

Board Secretary

Hervé Rochet, Corporate Secretary, acts as secretary to the Board.

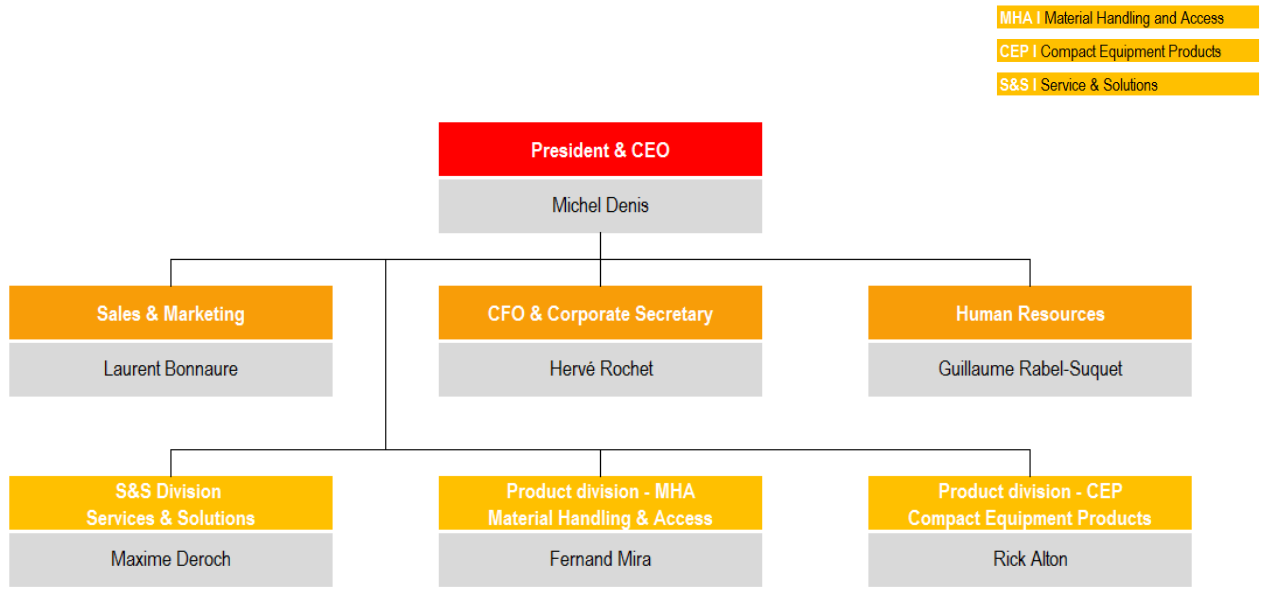
Independence of board members

The group adheres to the MiddleNext Corporate Governance Code.
The independence of Board members is assessed according to this governance code. Four members of the Board meet the independence criteria.
These were assessed based on article R8 of the MiddleNext code and are mainly characterised by the absence of a significant financial, contractual or family relationship likely to compromise the independence of their judgement.

EXECUTIVE BODIES

The Group's Executive Committee is made up of seven members: the CEO, Executive Vice President Human Resources, Corporate Secretary, Executive Vice President Sales & Marketing, President of the Services & Solutions Division, President of the Material Handling & Access Division and President of the Compact Equipment Products Division. The Executive Committee generally meets once a week and several times a year for seminars.

GROUP ORGANISATION CHART AT 27 JULY 2017



Rick Alton was appointed President of the Compact Equipment Products (CEP) Division and member of the Executive Committee, replacing Dan Miller, on 17 April 2017.

1.9 INFORMATION RELATED TO ACCOUNTING STANDARDS AND CONSOLIDATION METHODS

The condensed interim financial statements for the Manitou Group relating to the six-month period ended 30 June 2017 have been prepared in accordance with IAS 34 "Interim Financial Reporting".

2 CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2017

2.1 STATEMENTS OF COMPREHENSIVE INCOME

CONSOLIDATED INCOME STATEMENT

In € thousands	**31.12.2016**	**30.06.2016**	**30.06.2017**
Net Sales	1 331 553	689 307	804 967
Cost of goods & services sold	- 1 114 915	-576 498	-677 181
Research & development costs	- 18 339	-10 326	-10 131
Selling, marketing and service expenses	-82 980	-40 563	-45 935
Administrative expenses	-45 412	-23 074	-24 499
Other operating income and expenses	762	-235	776
RECURRING OPERATING INCOME	**70 649**	**38 610**	**47 997**
Impairment of assets	0	0	0
Other non-recurring income and expenses	-985	-874	-2 128
OPERATING INCOME	**69 664**	**37 737**	**45 869**
Share of profits of associates	2 482	1 383	965
OPERATING INCOME INCLUDING NET INCOME FROM ASSOCIATES	**72 146**	**39 119**	**46 834**
Financial income	21 878	11 791	10 898
Financial expenses	-30 039	-15 702	-12 854
Net financial expenses	**-8 161**	**-3 911**	**-1 956**
CONSOLIDATED INCOME (LOSS) BEFORE TAX	**63 985**	**35 208**	**44 879**
Income taxes	-20 883	-12 377	-14 839
NET INCOME (LOSS)	**43 102**	**22 831**	**30 040**
Attributable to equity holders of the Parent	**42 912**	**22 792**	**29 978**
Attributable to minority interests	**190**	**39**	**62**

EARNINGS PER SHARE (IN EUROS)	**31.12.2016**	**30.06.2016**	**30.06.2017**
Net income (loss) attributable to the equity holders of the Parent	1.11	0.58	0.79
Diluted earnings per share	1.11	0.58	0.78

OTHER COMPONENTS OF COMPREHENSIVE INCOME AND EXPENSE & COMPREHENSIVE INCOME

In € thousands	**31.12.2016**	**30.06.2016**	**30.06.2017**
INCOME (LOSS) FOR THE YEAR	43 102	22 831	30 040
Adjustments in the fair value of available-for-sale financial assets	300	330	60
Of which booked to equity	*300*	*330*	*60*
Of which transferred to income of the year			
Translation differences arising on foreign activities	6 635	-5 384	-17 110
Attributable to equity holders of the Parent	*6 624*	*-5 377*	*-17 101*
Attributable to minority interests	*11*	*-7*	*-9*
Interest rates hedging instruments	-455	1 092	1 536
Attributable to equity holders of the Parent	*-455*	*1 092*	*1 536*
Attributable to minority interests	*0*	*0*	*0*
Items that will be reclassified to profit or loss in subsequent periods	6 481	-3 962	-15 514
Actuarial gains (losses) on defined benefits plans	-3 410	-5 485	827
Attributable to equity holders of the Parent	*-3 389*	*-5 481*	*827*
Attributable to minority interests	*-21*	*-4*	*0*
Items that will not be reclassified to profit or loss in subsequent periods	-3 410	-5 485	827
OTHER COMPONENTS OF COMPREHENSIVE INCOME	3 070	-9 447	-14 687
COMPREHENSIVE INCOME	46 172	13 384	15 352
ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	45 992	13 356	15 299
ATTRIBUTABLE TO MINORITY INTERESTS	180	28	53

The other components of comprehensive income and loss are presented net of the associated taxes. The tax impact may be split as follows:

In € thousands	**31.12.2016**	**30.06.2016**	**30.06.2017**
Items reclassified to comprehensive income	129	-699	-838
Items not reclassified to comprehensive income	232	2 708	-435
Total tax impact	362	2 010	-1 273

2.2 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

In € thousands	31.12.2016	Net Amount 30.06.2017
NON-CURRENT ASSETS		
PROPERTY, PLANT AND EQUIPMENT	150 454	149 549
INVESTMENT PROPERTY		
GOODWILL	288	288
INTANGIBLE ASSETS	34 094	36 082
INVESTMENTS IN ASSOCIATES	23 893	19 914
NON-CURRENT FINANCE CONTRACT RECEIVABLES	2 784	2 446
DEFERRED TAX ASSETS	20 712	20 194
NON-CURRENT FINANCIAL ASSETS	7 599	5 751
OTHER NON-CURRENT ASSETS	359	421
	240 184	**234 645**
CURRENT ASSETS		
INVENTORIES & WORK IN PROGRESS	409 413	427 017
TRADE RECEIVABLES	279 263	333 939
CURRENT FINANCE CONTRACT RECEIVABLES	1 332	1 250
OTHER RECEIVABLES		
Current income tax	4 260	1 207
Other receivables	27 758	41 632
CURRENT FINANCIAL ASSETS	3 888	3 906
CASH AND CASH EQUIVALENTS	53 602	14 837
	779 517	**823 789**
TOTAL ASSETS	**1 019 700**	**1 058 433**

LIABILITIES & EQUITY

In € thousands	31.12.2016	Net Amount 30.06.2017
Share capital	39 557	39 619
Share premiums	44 749	45 500
Treasury shares	- 24 088	-24 385
Consolidated reserves	385 058	414 116
Translation differences	23 698	6 611
Net profit (loss) – Equity holder of the Parent	42 912	29 978
SHAREHOLDERS' EQUITY	**511 886**	**511 438**
MINORITY INTERESTS	**72**	**81**
TOTAL EQUITY	**511 958**	**511 519**
NON-CURRENT LIABILITIES		
NON-CURRENT PROVISIONS	52 772	51 766
OTHER NON-CURRENT LIABILITIES	992	1 296
DEFERRED TAX LIABILITIES	447	600
NON-CURRENT FINANCIAL LIABILITIES		
Loans and other financial liabilities	52 948	51 632
	107 160	**105 293**
CURRENT LIABILITIES		
CURRENT PROVISIONS	22 065	16 235
TRADE ACCOUNTS PAYABLE	211 557	245 400
OTHER CURRENT LIABILITIES		
Current income tax	2 563	4 658
Other liabilities	101 235	112 496
CURRENT FINANCIAL LIABILITIES	63 162	62 833
	400 582	**441 622**
TOTAL EQUITY & LIABILITIES	**1 019 700**	**1 058 433**

2.3 CONSOLIDATED SHAREHOLDERS' EQUITY AS AT JUNE 30, 2017

In € thousands	Share Capital	Share pre-miums	Treasury shares	Reserves	Group net profit	Translation differences	Reva-luation surplus	TOTAL SHARE-HOLDERS' EQUITY (Group share)	Minority interests	TOTAL EQUITY
Balance at 31.12.2015	**39 552**	**44 682**	**-9 154**	**369 571**	**32 298**	**17 026**	**908**	**494 883**	**87**	**494 970**
Income for the year 2015				32 298	-32 298				0	0
Income at 30.06.2016					22 792			22 792	39	22 831
Dividends				-14 136				-14 136		-14 136
Change in translation differences						-5 377		-5 377	-7	-5 384
Valuation differences under IFRS				1 272				1 272		1 272
Treasury shares			266					286		286
Actuarial (gain) losses on employee benefits				-5 481				-5 481	-4	-5 485
Change in consolidation scope & other				58		59		118		118
Shareholders' agreements									-27	-27
Balance at 30.06.2016	**39 552**	**44 682**	**-8 868**	**383 581**	**22 792**	**11 709**	**908**	**494 357**	**88**	**494 445**
Income H2' 2016					20 120			20 120	150	20 270
Dividends										
Change in translation differences						12 000		12 000	18	12 019
Valuation differences under IFRS				- 1 535				- 1 535		- 1 535
Treasury shares			-15 220					- 15 220		-15 220
Actuarial (gain) losses on employee benefits				2 092				2 092	-17	2 075
Change in consolidation scope & other	5	67		11		-11		72		72
Shareholders' agreements									-168	-168
Balance at 31.12.2016	**39 557**	**44 749**	**-24 088**	**384 150**	**42 912**	**23 698**	**908**	**511 886**	**72**	**511 958**
Income for the year 2016				42 912	-42 912					0
Income at 30.06.2017					29 978			29 978	62	30 040
Dividends				-16 431				-16 431		-16 431
Change in translation differences						-17 101		-17 101	-9	-17 110
Valuation differences under IFRS				1 770				1 770		1 770
Treasury shares			-297					-297		-297
Actuarial (gain) losses on employee benefits				827				827		827
Change in consolidation scope & other	62	751		-20	0	13		806	-6	800
Shareholders' agreements									-38	-38
Balance at 30.06.2017	**39 619**	**45 500**	**-24 385**	**413 208**	**29 978**	**6 611**	**908**	**511 438**	**81**	**511 519**

2.4 CASH FLOW STATEMENT AS AT JUNE 30, 2017

In € thousands		31.12.2016	30.06.2016	30.06.2017
INCOME (LOSS) FOR THE YEAR		**43 102**	**22 831**	**30 040**
Less share of profits of associates		-2 482	-1 383	-965
Elimination of income and expense with no effect on operating cash flow and not linked to operating activities				
+	Amortization and depreciation	29 490	15 582	15 992
-	Provisions and impairment	-2 753	382	-4 137
-	Change in deferred taxes	2 099	3 458	-1 422
+/-	Income (loss) from non-current asset disposal	-104	26	-119
-	Change in capitalized leased machines	-6 780	-4 043	-4 969
+/-	Other	-142	-173	342
EARNINGS BEFORE DEPRECIATION AND AMORTIZATION		**62 430**	**36 681**	**34 761**
Changes in cash flows from operating activities				
+/-	Change in inventories	-26 384	-58 300	-19 661
+/-	Change in trade receivables	-9 496	-39 034	-58 944
+/-	Change in finance contracts receivables	1 168	1 529	492
+/-	Change in other operating receivables	-6 561	-3 057	-11 422
+/-	Change in trade accounts payable	29 195	47 705	33 175
+/-	Change in other operating liabilities	11 346	7 079	9 253
+/-	Change in taxes payable and receivable	9 745	4 092	5 266
+/-	Change in liabilities linked to finance contracts receivables	-14	-12	0
CASH FLOW FROM OPERATING ACTIVITIES		**71 429**	**-3 316**	**-7 080**
Changes in cash flows from investing activities				
+	Proceeds from sale of property, plant and equipment	206	737	334
+	Proceeds from sale of long-term investments	829	74	1 500
-	Purchase of intangible assets, property, plant and equipment (excl. rental fleet)	-36 424	-14 327	-21 718
-	Decrease (increase) of other financial assets	-324	-254	-30
-	Acquisition of subsidiaries or minority interests	0	0	-1 847
-	Increase in capital of associates	0	0	0
+	Dividends received from associates	1983	1 993	4 664
CASH FLOW FROM INVESTING ACTIVITIES		**-33 731**	**-11 776**	**-17 097**
Changes in cash flows from financing activities				
+	Increase in capital	72	0	813
-	Capital reduction			
-	Dividends paid	-14 136	-14 133	-16 429
+/-	Purchase / sale of treasury shares	-14 987	161	-23
+/-	Change in financial liabilities	-14 906	-16 000	-20 620
	Of which loans taken during the year	*44 109*	*0*	*0*
	Of which loans repaid during the year	*-59 015*	*-16 000*	*-20 620*
+/-	Other	1 102	559	-2 150
CASH FLOW FROM FINANCING ACTIVITIES		**-42 854**	**-29 412**	**-38 409**
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND BANK OVERDRAFTS		**-5 156**	**-44 505**	**-62 585**
Cash, cash equivalents and bank overdrafts at beginning of the year		53 800	53 800	49 169
Exchange gains (losses) on cash and bank overdrafts		525	752	422
CASH, CASH EQUIVALENTS, AND BANK OVERDRAFTS AT END OF THE YEAR		**49 169**	**10 047**	**-12 995**
CURRENT FINANCIAL ASSETS (REMINDER)		**3 888**	**2 872**	**3 906**

2.5 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2017

GENERAL INFORMATION

Company identity

Manitou BF SA is a French corporation (société anonyme) with a Board of Directors under French law with capital of €39,619,248 consisting of 39,619,248 shares with a par value of 1 euro per share, fully paid up. The shares are listed in compartment B of NYSE Euronext Paris.
The parent company's headquarters address, which is also the group's main production site, is:
430 rue de l'Aubinière - BP 10249 - 44158 - ANCENIS CEDEX France.

The Company is registered at the Corporate and Trade Registry in Nantes under number:
857 802 508 RCS Nantes - SIRET: 857 802 508 00047 - APE code: 292 D - NAF code: 2822Z.

NOTE 1 - ACCOUNTING PRINCIPLES

Note 1.1 Standards and interpretations applied

Application and interpretation of standards and regulations
The condensed interim financial statements for the Manitou Group relating to the six-month period ended 30 June 2017 have been prepared in accordance with IAS 34 "Interim Financial Reporting".

Regarding the condensed financial statements, they do not include all information required by IFRS for the preparation of annual financial statements and should therefore be read in conjunction with the group consolidated financial statements for the period ended 31 December 2016, prepared in accordance with IFRS as adopted by the European Union and issued by the International Accounting Standards Board (IASB).

The accounting methods applied are consistent with those applied in the annual financial statements at 31 December 2016 with the exception of the new standards and interpretations.

The standards, interpretations and amendments of existing and applicable standards, which must be applied from the beginning of financial year 2017, have no significant impact on the group's financial statements.

The new standards, interpretations and amendments of existing and applicable standards, applicable by anticipation to accounting periods starting from 1 January 2017 onwards, have not been adopted by the group:

- IFRS 9 "Financial instruments": an initial analysis on the treatment of financial instruments and customer receivables was carried out in the first half of 2017. Given the nature of its transactions, the group does not expect any significant impact on its financial statements.

- IFRS 15 "Revenue from Contracts with Customers": although the group does not anticipate any major impact related to IFRS 15, a project began in the second half of 2016. This continued in the first half of 2017 with a twofold objective: identify specific cases where the standard will result in a change to accounting practices and produce an overall impact analysis in the second half of 2017.

- IFRS 16 "Leases": the new standard will require lessees for almost all leases, to recognise leases as a liability in order to reflect their future minimum lease payments and a right to use the asset. The group is currently assessing the impact that IFRS 16 might have on its consolidated financial statements.

The Manitou Group's consolidated half year financial statements were approved by the Board of Directors on 27 July 2017.

Note 1.2 Estimates and assumptions

The main areas requiring judgements and estimates in the preparation of the half-year financial statements are identical to those described in note 1.3 of the notes to the consolidated financial statements at 31 December 2016.

Note 1.3 Interim statement of account

The half-yearly accounts, which cannot prejudge the full year, take into account all the end-of-period accounting records considered necessary by the Group's management to provide a true picture of the information presented.

The tests for goodwill impairment and other intangible assets are carried out systematically in the second half year, within the context of budget setting. Impairment tests are carried out for the interim statement of account only in the event of unfavourable developments of certain indicators. No test was carried out during the period.
Actuarial valuation assumptions have been updated to bring the provisions for pensions and employee benefits up to date (note 12).

NOTE 2 - SIGNIFICANT EVENTS AND CHANGES TO THE SCOPE OF CONSOLIDATION

SCOPE OF CONSOLIDATION

Terex

In May the 8th, Manitou group completes the acquisition of 100% of Terex Equipment Private Limited (TEPL) shares in India. Founded in 2003, TEPL is specialized in design, manufacture and distribution of construction equipment, mostly backhoe loaders and skid steer loaders and achieved a 30 million euros revenue in 2016, mostly in Southern Asia. Its new company name following its integration is Manitou Equipment India (MEI).

Manitou Group reinforces its ambitions for the handling market in India and, on a broader level, in Asia and emerging countries.

For the impact of the change to the scope of consolidation, see note 18.

The list of consolidated subsidiaries at 30 June 2017 is provided in note 19.

LITIGATIONS

In May 2017, the company J.C. Bamford Excavators Limited (JCB) filed a claim in France, in the United Kingdom, then in Italy, alleging infringement by the Manitou group of two European patents regarding certain features related to the control system of the overload cut-off of certain telehandlers commercialized in the European Union.

Financially, the plaintiff is seeking preliminary damages in the amount of €20million before the French court. It does not specify the amount claimed before the English court. However, for procedural purposes, the commercial value of the claim before the English court is estimated to be in excess of £10million. In Italy, the claim does not specify any financial amount.

The Manitou group strongly disagree with the allegations contained in the plaintiff's claims and intend to defend himself vigorously against these allegations.

At this stage of the proceeding, no provision regarding this litigation is accounting in the group financial statements.

NOTE 3 - INFORMATION ON OPERATING SEGMENTS

The Group is organized around three divisions, two product divisions and a service division:

- The **MHA - Material Handling and Access product division**: its mission is to optimize the development and production of telehandlers, rough-terrain and industrial forklifts, truck-mounted forklifts and aerial working platforms branded Manitou.
- The **CEP - Compact Equipment Products division** optimizes the development and production of skidsteer loaders, track loaders, articulated loaders and telehandlers branded Gehl and Mustang.
- The **S&S - Services & Solutions, Service division** includes service activities to support sales (financing approaches, warranty contracts, maintenance contracts, full service, fleet management, etc.), after-sales (parts, technical training, warranty management, fleet management, etc.) and services to end users (geo-location, user training, advice, etc.). The mission of the division is to develop service offers to meet the needs of each of our customers in our value chain and to increase resilient sales revenue for the Group.

These three divisions design and assemble products and services, which are distributed by the sales and marketing departments to the group's dealers and large customers in 140 countries.

In accordance with IFRS 8, information by operational sector is established on the basis of operational reports sent to group management. This information is presented in accordance with IFRS requirements applicable to consolidated financial statements.

CONSOLIDATED INCOME STATEMENT BY DIVISION

30.06.2017 *In € thousands*	MHA Material Handling and Access	CEP Compact Equipment Products	S&S Services & Solutions	TOTAL
Net sales	562 951	117 078	124 937	804 967
Cost of goods & services sold	-480 287	-104 825	-92 069	-677 181
Research and development costs	-8 256	-1 876		-10 131
Selling, marketing and service expenses	-21 339	-6 768	-17 828	-45 935
Administrative expenses	-13 971	-6 604	-4 464	-24 499
Other operating income and expense	387	257	132	776
RECURRING OPERATING INCOME	**39 486**	**-2 197**	**10 709**	**47 997**
Impairment of assets				
Other non-recurring income and expense	-1 157	-604	-367	-2 128
OPERATING INCOME	**38 328**	**-2 801**	**10 342**	**45 869**
Share of profits of associates	-107		1 072	965
OPERATING INCOME INCLUDING NET INCOME FROM ASSOCIATES	**38 058**	**-2 801**	**11 414**	**46 834**

30.06.2016 *In € thousands*	MHA Material Handling and Access	CEP Compact Equipment Products	S&S Services & Solutions	TOTAL
Net sales	475 098	103 241	110 968	689 307
Cost of goods & services sold	-399 746	-92 159	-84 593	-576 498
Research and development costs	-8 513	-1 813		-10 326
Selling, marketing and service expenses	-18 061	-5 509	-16 993	-40 563
Administrative expenses	-12 935	-6 161	-3 978	-23 074
Other operating income and expense	-51	-160	-25	-235
RECURRING OPERATING INCOME	**35 791**	**-2 560**	**5 379**	**38 610**
Impairment of assets				
Other non-recurring income and expense	-691	-30	-152	-874
OPERATING INCOME	**35 100**	**-2 590**	**5 227**	**37 737**
Share of profits of associates	-270		1 653	1 383
OPERATING INCOME INCLUDING NET INCOME FROM ASSOCIATES	**34 830**	**-2 590**	**6 880**	**39 119**

CONSOLIDATED SALES BY DIVISION AND GEOGRAPHIC REGION

In € thousands	Southern Europe	Northern Europe	Americas	APAM	30.06.2017 TOTAL
MHA	241 943	232 509	36 649	51 850	**562 951**
CEP	6 272	14 107	83 531	13 168	**117 078**
S&S	43 631	39 290	26 030	15 987	**124 937**
TOTAL	**291 846**	**285 906**	**146 210**	**81 005**	**804 967**

In € thousands	Southern Europe	Northern Europe	Americas	APAM	30.06.2016 TOTAL
MHA	208 578	198 489	31 452	36 579	**475 098**
CEP	4 227	12 575	79 466	6 974	**103 241**
S&S	40 526	35 874	22 805	11 764	**110 968**
TOTAL	**253 331**	**246 937**	**133 722**	**55 316**	**689 307**

NOTE 4 – GOODWILL AND INTANGIBLE ASSETS

4.1 Change in net book value

in € thousands	31.12.2016	Additions	Removals	Changes in scope	Other	Differences in currency translation	Gross amount 30.06.2017
Goodwill*	**77 845**					**-6 237**	**71 608**
Development costs	61 454	4 534		-	-212	-1 625	64 152
Trademarks	30 358					-2 317	28 041
Other intangible assets	77 334	3 202	-2		212	-2 699	78 045
Total intangible assets	**169 146**	**7 736**	**-2**		**0**	**-6 641**	**170 238**

in € thousands	31.12.2016	Increases	Decreases	Changes in scope	Other	Differences in currency translation	Depreciation and impairment 30.06.2017
Goodwill*	**-77 557**					**6 237**	**-71 320**
Development costs	-36 839	-3 021				659	-39 201
Trademarks	-30 358					2 317	-28 041
Other intangible assets	-67 855	-1 637	2			2 576	-66 914
Total intangible assets	**-135 051**	**-4 658**	**2**			**5 551**	**-134 156**

In € thousands	31.12.2016	Net amount 30.06.2017
Goodwill*	**288**	**288**
Development costs	24 615	24 951
Trademarks	0	0
Other intangible assets	9 479	11 131
Total intangible assets	**34 094**	**36 082**

* For the impact of the acquisition of MEI (Terex), see note 18.

The main investments in intangible assets during the period were related to development costs.

As a reminder, impairment losses on intangible assets excluding goodwill at 30 June 2017 were as follows:

In € thousands	30.06.2017
Development costs	-1 114
Trademarks	-28 041
Other intangible assets	-27 232
Total intangible assets	**-56 387**

NOTE 5 - PROPERTY, PLANT AND EQUIPMENT

in € thousands	31.12.2016	Additions	Disposals	Changes in scope	Other	Currency translation differences	Gross amount 30.06.2017
Land	30 612	1 427			485	-401	32 123
Buildings	155 467	532			44	-3 065	152 978
Plant and equipment	169 509	3 272	-1 649	2 692	3 880	-3 538	174 166
Other property, plant and equipment	75 167	8 446	-969	1 165	-7 386	-1 381	75 041
Property, plant and equipment in progress	2 994	2 648			-1 001	-193	4 449
TOTAL	**433 749**	**16 325**	**-2 618**	**3 857**	**-3 978**	**-8 578**	**438 756**

in € thousands	31.12.2016	Increases	Decreases	Changes in scope	Other	Currency translation differences	Depreciation and impairment 30.06.2017
Land	- 7 494	-343				88	-7 749
Buildings	-87 073	-3 158			3	1 222	-89 006
Plant and equipment	-141 576	-4 943	1 650	-2 139	-9	2 746	-144 270
Other property, plant and equipment	-47 151	-2 890	754	-872	1 192	785	-48 182
Property, plant and equipment in progress							
TOTAL	**-283 295**	**-11 333**	**2 404**	**-3 010**	**1 186**	**4 840**	**-289 208**

in € thousands	31.12.2016	Net amount 30.06.2017
Land	23 118	24 373
Buildings	68 393	63 972
Plant and equipment	27 932	29 895
Other property, plant and equipment	28 016	26 859
Property, plant and equipment in progress	2 994	4 449
TOTAL	**150 454**	**149 549**

Investments over the half year relate mainly to the investment in the rental fleet for €5m, property investment for €4m and the renewal of equipment and tools for €7m.

NOTE 6 – FINANCIAL INSTRUMENTS

6.1 Reconciliation of balance sheet line items - assets

in € thousands	Financial assets available for sale	Loans and receivables	Financial assets at fair value through income	30.06.2017 Balance sheet total
Non-current financial assets	3 664		2 087	5 751
Current financial assets		23	3 883	3 906
Cash and cash equivalents			14 837	14 837
Receivables on financing granted to end customers – non-current portion (Note 9)		2 446		2 446
Other non-current assets		421		421
Accounts receivable (Note 8)		333 939		333 939
Receivables on financing granted to end customers - current portion (Note 9)		1 250		1 250
Other current receivables		41 632		41 632
Total	**3 664**	**379 711**	**20 808**	**404 183**

in € thousands	Financial assets available for sale	Loans and receivables	Financial assets at fair value through income	31.12.2016 Balance sheet total
Non-current financial assets	3 840		3 760	7 599
Current financial assets		24	3 865	3 888
Cash and cash equivalents			53 602	53 602
Receivables on financing granted to end customers – non-current portion (Note 9)		2 784		2 784
Other non-current assets		359		359
Accounts receivable (Note 8)		279 263		279 263
Receivables on financing granted to end customers - current portion (Note 9)		1 332		1 332
Other current receivables		27 758		27 758
Total	**3 840**	**311 520**	**61 226**	**376 586**

6.2 Reconciliation of balance sheet line items - liabilities

in € thousands	31.12.2016	30.06.2017
Non-current financial liabilities (Note 6.3)	52 948	51 632
Other non-current liabilities	992	1 296
Current financial liabilities (Note 6.3)	63 162	62 833
Accounts payable	211 557	245 400
Other current liabilities	101 235	112 496
Total	**429 895**	**473 657**

6.3 Current and non-current financial liabilities

in € thousands	31.12.2016	30.06.2017
Short-term financing and bank overdrafts	4 432	27 830
Bank loans	44 754	25 586
Financing lease liabilities	1 388	1 170
Liabilities related to receivables securitised with recourse	0	0
Derivative liabilities - currency and interest rates	5 143	1 321
Other borrowings	6 541	6 497
TOTAL	62 259	62 403
Shareholder agreements and stock option plan liabilities (cash-settled)	903	430
TOTAL Current financial liabilities	**63 162**	**62 833**

in € thousands	31.12.2016	30.06.2017	1 to 5 years	Over 5 years
Bank loans	5 986	4 872	3 814	1 058
Financing lease liabilities	2 893	2 688	2 688	0
Liabilities related to receivables securitised with recourse		0	0	0
Liabilities related to interest rate derivatives	0	0	0	0
Bonds	44 070	44 126	19 346	24 780
Other borrowings	-1	-54	-54	0
TOTAL	52 948	51 632	25 794	25 838
Shareholder agreements and stock option plan liabilities (cash-settled)				
TOTAL Non-current financial liabilities	**52 948**	**51 632**	**25 794**	**25 838**

The group covers the majority of its financing needs through bank financing (medium-term loans or bank overdrafts). Nevertheless, in 2012 it began to diversify by issuing three bonds in 2012, 2013 and then 2015, for a total of €44 million at 30 June 2017. In addition, the company's bank financing agreement was renegotiated and extended in December 2016 for a period of five years, plus two possible one-year extensions.

The agreement includes clauses for ratios (covenants) of "material adverse change" and for "cross default", which may limit the potential use of or affect the terms of credit lines. It includes "negative pledge" clauses accompanied by thresholds and exemptions.

Facility	Signatory	Main contractual clauses H2 2016 to H1 2021
Revolving Facility	Manitou BF	Gearing < 1 Leverage < 3.5 except in certain cases Cap on investments Cap on acquisitions and removals of assets Limits on additional debt Clause on changes in control Dividends are limited to 100% of net income

NOTE 7 – INVENTORIES

Gross amount

in € thousands	31.12.2016	Change in scope	Reclassification	Changes	Currency translation differences	30.06.2017
Raw materials	118 201	2 576		5 721	-2 784	123 714
Work in progress	31 899	338		6 981	-392	38 826
Finished products	171 044	1 972	1 750	-1 505	-3 990	169 271
Merchandises	109 089	1 219	1 017	8 465	-3 058	116 732
Total	**430 232**	**6 105**	**2 767**	**19 661**	**-10 224**	**448 542**

Depreciation

in € thousands	31.12.2016	Change in scope	Reclassification	Changes	Currency translation differences	30.06.2017
Raw materials	-7 168	-259	781	415	160	-6 071
Work in progress						
Finished products	-2 439	-197	-230	-517	84	-3 299
Merchandises	-11 211	-366	-551	-311	284	-12 155
Total	**-20 819**	**-821**	**0**	**-413**	**529**	**-21 525**

Net amount

in € thousands	31.12.2016	Change in scope	Reclassification	Changes	Currency translation differences	30.06.2017
Raw materials	111 032	2 318	781	6 135	-2 624	117 642
Work in progress	31 899	338		6 981	-392	38 826
Finished products	168 605	1 775	1 520	-2 022	-3 906	165 973
Merchandises	97 877	853	466	8 154	-2 774	104 577
Total	**409 413**	**5 284**	**2 767**	**19 248**	**-9 695**	**427 017**

NOTE 8 – TRADE RECEIVABLES

in € thousands	**31.12.2016**	Change in scope	Changes	Currency translation differences	**30.06.2017**
Trade receivables - gross	287 027	5 548	58 944	-9 649	341 870
Trade receivables - allowances	-7 764	-666	172	328	-7 930
Trade receivables - net	**279 263**	**4 882**	**59 116**	**-9 321**	**333 939**
TOTAL	**279 263**	**4 882**	**59 116**	**-9 321**	**333 939**

NOTE 9 - SALES FINANCING RECEIVABLES

Receivables related to financing granted to end customers are reported on this line item. These receivables concern either sales made via financing leases or financing of sales to end customers.

in € thousands	**31.12.2016**	Change in scope	Other	Changes	Currency translation differences	**30.06.2017**
Gross						
Receivables on financing leases	4 077			-269	-113	**3 695**
Receivables on financing granted to end-use customers	1 481			-223	-102	**1 156**
Receivables on sales financing - Gross	**5 558**			**-492**	**-215**	**4 850**
Impairment						
Receivables on financing leases						
Receivables on financing granted to end-use customers	-1 442			187	101	**-1 155**
Receivables on sales financing - Impairment	**-1 442**			**187**	**101**	**-1 155**
Net						
Receivables on financing leases	4 077			-269	-113	**3 695**
Receivables on financing granted to end-use customers	39			-37	-1	**1**
Receivables on sales financing - Net	**4 116**			**-306**	**-114**	**3 696**
Of which						
Non-current portion	**2 784**			**-264**	**-74**	**2 446**
Current portion	**1 332**			**-42**	**-40**	**1 250**

NOTE 10 - SHAREHOLDERS' EQUITY

10.1 Share capital

The share capital amounts to €39,619,248 and consists of 39,619,248 shares with a par value of one euro.

10.2 Treasury shares

Number of shares	**Transactions as at 31.12.2016**	% of capital	**Transactions as at 30.06.2017**	% of capital
Held at opening (share repurchase program)	**267 198**		**1 381 461**	
Shares purchased (buyback of Toyota holding)	1 120 000			
Shares sold	-5 737			
Stock options exercised				
Held at closing (share repurchase program)	**1 381 461**	3,49%	**1 381 461**	3,49%
Stock option coverage				
Liquidity contract	36 526		33 340	
Total treasury shares held	**1 417 987**	3,58%	**1 414 801**	3,57%

The cost of the shares purchased, the proceeds from the shares sold and the result of the cancellation of treasury shares were recorded as a reduction or increase in shareholders' equity.

Treasury shares do not have dividend rights.

NOTE 11 - PROVISIONS

11.1 Breakdown of provisions

	30.06.2017	Of which, less than one year	Of which, more than one year
Provisions - Excluding post-employment benefits			
Warranty provisions	19 090	13 359	5 731
Provisions for other risks	4 078	2 607	1 471
	23 168	15 966	7 202
Post-employment benefits (Note 12)	44 832	269	44 563
TOTAL	**68 001**	**16 235**	**51 766**

	31.12.2016	Of which, less than one year	Of which, more than one year
Provisions - Excluding post-employment benefits			
Warranty provisions	19 440	14 933	4 507
Provisions for other risks	8 911	6 912	1 999
	28 352	21 846	6 506
Post-employment benefits (Note 12)	46 485	219	46 266
TOTAL	**74 837**	**22 065**	**52 772**

11.2 Changes in provisions - excluding post-employment benefits

in € thousands	31.12.2016	Increases	Provisions applied	Provision reversed (unused)	Change in scope	Reclassi fication	Currency translation differences	30.06.2017
Warranty provisions	19 440	3 943	-3 352	-861	211		-293	19 090
Provisions for other risks	8 911	666	-4 910	-312	0		-277	4 078
TOTAL	**28 352**	**4 609**	**-8 261**	**-1 173**	**211**		**-570**	**23 168**

WARRANTIES

Amounts recorded when creating or reversing provisions for warranties are included in "Cost of goods and services sold" within the income statement, as are the actual warranty expenses. This line also includes provisions established to cover equipment recall campaigns following supplier quality incidents.

OTHER RISKS

Other risks mainly concern commercial, employee or tax litigation. Provisions recorded correspond to the group's and its advisers' best estimates at the closing date of the risks incurred with respect to the litigation in process. See also Note 2.

NOTE 12 – POST-EMPLOYMENT BENEFITS

Actuarial assumptions

Assumptions regarding mortality, employee turnover and salary increases take into account the economic conditions specific to each country or group company.

The rates used for the assessment of the first half of 2017 are as follows:

	30.06.2017				
	France	United Kingdom	Italy	United States	India
Salary trends	3,90 %	n/a	n/a	5.00 %	9,00%
Pension increases	n/a	5.00 %	n/a	n/a	8,00%
Financial discount rate	1,80%	2,60%	1,80%	3,85%	7,20%
Inflation rate	1,70%	2,25%	1,70%	2,50%	n/a

Following the limited changes in interest rates, the discount rates used for commitments are similar to those used as at 31 December 2016. Inflation rates are also unchanged.

A change of -0.5% in the discount rate would increase the group's actuarial debt (DBO) by €7,233k excluding India:

in € thousands	DBO
Europe (inc. France)	2 137
United Kingdom	2 275
United States	2 822
Total	7 233

NOTE 13 - CALCULATION OF INCOME TAXES

In accordance with IAS 34, income tax expense was determined by applying the estimated average annual tax rate to accounting income for the current fiscal year.

NOTE 14 – EXPENSES FROM RECURRING OPERATIONS BY TYPE

in € thousands	**31.12.2016**	**30.06.2016**	**30.06.2017**
Material purchases	-875 501	-449 014	-539 795
Direct and indirect labour	-131 286	-69 864	-76 979
Amortisation	-24 243	-12 730	-13 315
Other	-83 884	-44 891	-47 091
Cost of goods and services sold	**-1 114 915**	**-576 498**	**-677 181**
External expenses	-55 000	-25 909	-29 451
Personnel expenses	-89 273	-46 447	-48 717
Net depreciation / amortization expenses (non-production)	-5 246	-2 854	-2 676
Other	3 550	1 011	1 055
Other expenses from recurring operations	**-145 969**	**-74 198**	**-79 789**
TOTAL EXPENSES FROM RECURRING OPERATIONS BY TYPE	**-1 260 884**	**-650 696**	**-756 970**

NOTE 15 - OTHER NON-RECURRING INCOME AND EXPENSES

Non-recurring income and expenses include certain significant elements that are deemed unusual because of their nature and frequency, such as depreciations of assets, acquisition and integration costs, restructuring and reorganisation costs, and disputes.
They are broken down as follows:

in € thousands	**30.06.2016**	**30.06.2017**
Staff costs associated with restructuring	-602	-698
Impairment of tangible and intangible assets	0	0
Sales of assets	-66	0
Net provisions for risks and contingencies	0	0
Other non-recurring income and expenses	-206	-1 430
TOTAL	**-874**	**-2 128**

In 2017, other non-recurring expenses consisted mainly of the acquisition and integration costs for Manitou Equipment India (Terex India). Staff costs were linked to the departure of a member of the group's management.

In 2016, this line item mainly included restructuring costs.

NOTE 16 - RISK MANAGEMENT

The Manitou Group's risk management policy is described in the business review in section 1.7 entitled, "Description of the main risks and uncertainties for the remaining 6 months of the year".

NOTE 17 - TRANSACTIONS WITH RELATED PARTIES

The main transactions during the first half of 2017 with group companies consolidated using the equity method were the following:

	30.06.2016		**30.06.2017**	
in € thousands	Expenses	Products	Expenses	Products
Manitou Finance France SAS	526	972	473	1 206
Manitou Finance Ltd	688	44 472	652	44 383
Algomat*		1202		
Hangzhou Manitou Machinery Equipment Co Ltd		25		9

*Sold in 2016

NOTE 18 - BUSINESS COMBINATIONS

18.1 Change in scope

In May 2017, the Group finalised the acquisition of the company Terex Equipment Private Limited, now known as Manitou Equipment India, based in Greater Noida, India. The company is 100% owned and fully consolidated.

The data shown below are provisional given possible changes to the acquisition price and fair value of net assets.

18.2 Impact of acquisitions and disposals on Group cash flow

in € thousands	30.06.2017
Cost of acquisitions	-3 242
Cash and cash equivalents of subsidiaries acquired	1 395
Change in debt on acquisition of shares	0
Acquisition of subsidiaries net of cash flow acquired	**-1 847**
Disposal of subsidiaries net of cash flow transferred	**0**
Impact of acquisitions and disposals on Group cash flow	**-1 847**

18.3 Detail of fair value of assets net of shareholdings acquired

Impact of acquisitions on other balance sheet items

in € thousands	30.06.2017
Net cash flow of companies acquired	1 395
Intangible assets	846
Other non-current assets	80
Working capital requirement	2215
Pension provisions	-847
Other current and non-current provisions	-369
Financial debt	-90
Total	**3 229**
Minority interests	**0**
Fair value of assets net of additional shareholdings	**3 229**

18.4 Goodwill and net assets related to acquisitions

The provisional figure for goodwill related to Manitou Equipment India (previously Terex) at 30 June 2017 was nil.

18.5 Impact of acquisitions on the income statement

in € thousands	30.06.2017	30.06.2017 Like-for-like	Difference
Sales	804 967	800 211	4 755
Recurring operating income	47 997	48 200	-203
% sales	6.0%	6.0%	

NOTE 19 - LIST OF SUBSIDIARIES AND AFFILIATES

Parent company				
Manitou BF SA	Ancenis, France			

Integrated companies		Consolidation method	% control	% interest
Manitou Americas Inc.	West Bend, Wisconsin, United States	GI	100%	100%
Gehl Power Products, Inc	Yankton, South-Dakota, United States	GI	100%	100%
Manitou Brasil Manipulacao de Cargas Ltda.	São Paulo, Brazil	GI	100%	100%
Manitou Chile	Las Condes, Chile	GI	100%	100%
Compagnie Francaise de Manutention Ile-de-France	Herblay, France	GI	100%	100%
Manitou Global Services	Ancenis, France	GI	100%	100%
LMH Solutions SAS	Beaupréau-en-Mauges, France	GI	100%	100%
Manitou Développement*	Ancenis, France	GI	100%	100%
Cobra MS**	Ancenis, France			
Manitou Italia Srl	Castelfranco Emilia, Italy	GI	100%	100%
Manitou UK Ltd	Verwood, United Kingdom	GI	99.4%	99.4%
Manitou Benelux SA	Perwez, Belgium	GI	100%	100%
Manitou Interface and Logistics Europe	Perwez, Belgium	GI	100%	100%
Manitou Deutschland GmbH	Ober Mörlen, Germany	GI	100%	100%
Manitou Portugal SA	Villa Franca, Portugal	GI	100%	100%
Manitou Manutencion Espana Sl	Madrid, Spain	GI	100%	100%
Manitou Vostok Llc	Moscow, Russian Federation	GI	100%	100%
Manitou Polska Sp Z.o.o.	Raszyn, Poland	GI	100%	100%
Manitou Nordics Sia	Riga, Latvia	GI	100%	100%
Manitou Southern Africa Pty Ltd.	Spartan Extension, South Africa	GI	100%	100%
Manitou Australia Pty Ltd.	Alexandria, Australia	GI	94%	94%
Manitou Asia Pte Ltd.	Singapore	GI	100%	100%
Manitou South Asia Pte Ltd.	Gurgaon, India	GI	100%	100%
Manitou China Co Ltd.	Shanghai, China	GI	100%	100%
Manitou Middle East Fze	Jebel Ali, United Arab Emirates	GI	100%	100%
Manitou Malaysia Mh	Kuala Lumpur, Malaysia	GI	100%	100%
Manitou Equipment India	Greater Noïda, India	GI	100%	100%
Manitou Finance France SAS	Puteaux, France	EM	49%	49%
Manitou Finance Ltd.	Basingstoke, United Kingdom	EM	49%	49%
Hangzhou Manitou Machinery Equipment Co Ltd.	Hangzhou, China	EM	50%	50%

IG: Global Integration EM: Equity method * non-trading companies
**non-consolidated non-trading company

NOTE 20 - POST-CLOSING EVENTS

On July 24, 2017, the Group took a majority stake of the australian dealership LiftRite Hire & Sales, based in Perth. Specialized in the construction, mining and material handling equipment, LiftRite is the historical and exclusive distributor in Western Australia for Manitou & Gehl products. This transaction grants Manitou Group the opportunity of acquiring 55% of LiftRite Hire & Sales shares with a purchasing option, to increase its stakes up to 96% in 3 years from now. The sales revenue generated by the company in 2016 was 12 million euros.

3 STATUTORY AUDITORS' REVIEW REPORT ON THE HALF-YEAR FINANCIAL INFORMATION

FOR THE PERIOD FROM JANUARY 1 TO JUNE 30, 2017

To the Shareholders,

In compliance with the assignment entrusted to us by your Shareholders' meeting and in accordance with the requirements of article L. 451-1-2-III of the French Monetary and Financial Code (*"Code monétaire et financier"*), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of MANITOU BF, for the period from January 1 to June 30, 2017.
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

3.1 CONCLUSION ON THE FINANCIAL STATEMENTS

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

Without qualifying our conclusion, we draw your attention to the matter set out in the note "Significant events and changes to the scope of consolidation" of the second paragraph to the notes of the condensed half-yearly consolidated financial statements regarding the litigation with J.C. Bamford Excavators Limited Company.

3.2 SPECIFIC VERIFICATION

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Orvault and Saint-Herblain, July 27, 2017

The Statutory Auditors
French original signed by

RSM Ouest	Deloitte & Associés
Jean-Michel Picaud	Emmanuel Gadret

4 STATEMENT OF THE PERSON RESPONSIBLE FOR THE DOCUMENT

Michel Denis, President and Chief Executive Officer

I hereby affirm that, to the best of my knowledge, the condensed half-year financial statements have been prepared in accordance with all applicable accounting standards and present a true and fair view of the assets, financial position and income of the company and all companies included in the scope of consolidation, and that the accompanying half-year management report presents an accurate and true picture of the major events during the first six months of the year, their impact on the financial statements, the main transactions between associated parties and a description of the main risks and uncertainties for the remaining six months of the year.

Ancenis, 27 July 2017

MANITOU GROUP

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