



MANITOU
GROUP

2019 Earnings

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 **MANITOU**
HANDLING YOUR WORLD

GEHL

MUSTANG
BY MANITOU

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2019 review...



■ Q1

- Launch of the ultra-compact **MLT 420-60 H** agricultural telescopic forklift truck at **SIMA France**
- Support for the **Neoline** cargo ship project

■ Q2

- Presentation of  the Manitou label for low-emission solutions at **BAUMA Germany**
- Launch of Solutions dedicated to building emerging markets
- Implementation of a new **€105 million bond issue**
- Opening of the Manitou Group's new premises in Spain

**STRONGER
TOGETHER**



2019 review...



■ Q3

- First stone for a new aerial work platform factory in Candé
- **Gehl RT105** skid-steer loader awarded in the USA



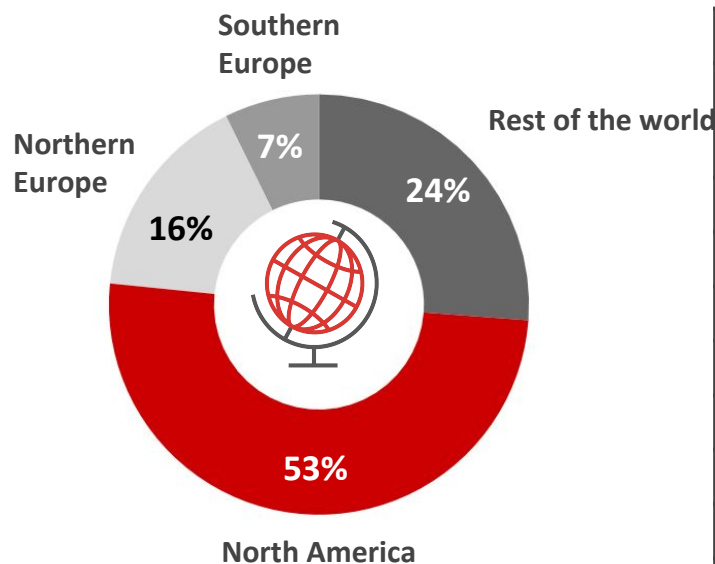
■ Q4

- "Sommet d'or" award for the **Ecostop** function at the Sommet de l'Elevage
- Inauguration of a new training centre in Ancenis
- Acquisition of a majority shareholding in Mawsley Machinery Ltd - UK
- Agritechnica Hannover show
- Appointment of **Elisabeth Ausimour** as President of the MHA Division



2019 ADDRESSABLE MARKETS: €42 BN

Addressable market by region



Off-road addressable market by product range in billion of euros

PRODUCTS	BN €	%
Telehandler	4.5	24%
Track loaders	3.6	20%
Mini excavators	2.2	12%
Backhoe loaders	1.8	10%
Skid-steers	1.5	8%
Aerial work platforms	3.1	17%
Articulated loader	1.3	7%
Rough-terrain forklift truck	0.2	1%
Truck-mounted forklift	0.2	1%
Total	18.4	100%

Industrial handling addressable market by product range in billion of euros

PRODUCTS	BN €	%
Internal combustion forklift truck	11.3	47%
Electric warehousing truck	7	29%
Electric forklift truck	5.6	23%
Total	23.9	100%

The information below on the addressable markets and the position of the Manitou group departments on the basis of statistics derived from internal and external data (Association of Equipment Manufacturers (AEM) and World Industrial Truck Statistics (WITS)).



Addressable market: potential market to which the Manitou Group machines could aspire

Manitou Group's positioning in 2019



1. Leader



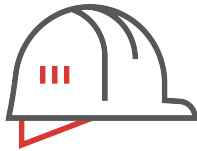
2. Challenger



3. Outsider

	World	Europe	North America	Rest of the world
Rough-terrain material handling 				
Aerial work platforms 			Launch end 2017	
Compact equipment 				
Industrial and warehousing forklifts 			Launch end 2018	

A PRESENCE IN 3 MARKETS



CONSTRUCTION

58%



AGRICULTURE

26%



INDUSTRIES

16%

Distribution of net sales in percentage in 2019

Highlights

- FY'19 Net sales of **€2 094 m**, **+11%** vs. FY'18 (+10% like for like*)
- **Recurring operating income** at **€149 m** (7,1%) vs. €129 m (6,9%) in 2018
- EBITDA** at €186 m (9%) vs. €162 m in 2018
- **Net income group** part at **€96 m** vs. €84 m in 2018
- **Net debt***** at **€190 m**, gearing*** at 29%
- Dividend payment proposition at €0,78 per share

Data as a percentage in parentheses express a percentage of net sales

** at constant scope and exchange rates : definition in appendix*

*** EBITDA : Earnings before interest, taxes, depreciation, and amortization, restated from IFRS 16 impacts*

**** Net debt and gearing restated from IFRS 16 impacts*

A record year

12 months revenue matrix

12 months 2018 Revenue						12 months 2019 Revenue				
South Eur.	North Eur.	Americas	APAM	Tot.	€m % tot.	South Eur.	North Eur.	Americas	APAM	Tot.
464 25%	622 33%	99 5%	110 6%	1294 69%	MHA	543 26%	665 32%	129 6%	119 6%	1456 70%
18 1%	43 2%	203 11%	50 3%	314 17%	CEP	23 1%	45 2%	219 10%	41 2%	328 16%
97 5%	91 5%	48 3%	40 2%	276 15%	S&S	111 5%	103 5%	54 3%	41 2%	309 15%
579 31%	756 40%	350 19%	199 11%	1884 100%	Tot.	677 32%	814 39%	403 19%	201 10%	2094 100%

MHA : Material Handling & Access

CEP : Compact Equipment Products

S&S : Services & Solutions

Faster-growing boxes (vs.avg) shown in green

Evolution vs. 2018



in €m <i>in %</i>	South Europe	North Europe	Americas	APAM	Total
MHA	+79 <i>+17%</i>	+43 <i>+7%</i>	+31 <i>+31%</i>	+9 <i>+8%</i>	+162 <i>+13%</i>
CEP	+5 <i>+25%</i>	+3 <i>+6%</i>	+16 <i>+8%</i>	-9 <i>-18%</i>	+15 <i>+5%</i>
S&S	+14 <i>+15%</i>	+12 <i>+13%</i>	+6 <i>+12%</i>	+1 <i>+3%</i>	+33 <i>+12%</i>
Total	+98 <i>+17%</i>	+58 <i>+8%</i>	+53 <i>+15%</i>	+2 <i>+1%</i>	+210 <i>+11%</i>

Evolution vs. 2018



Rev. in €m <i>% vs. Rev. N-1</i>	2018.12	Exchange rate	Scope change	Evolution at constant scope *	2019.12
MHA	1294	6 <i>0%</i>	0,3 <i>0%</i>	156 <i>12%</i>	1 456 <i>13%</i>
CEP	314	12 <i>4%</i>	0,0 <i>0%</i>	2 <i>1%</i>	328 <i>5%</i>
S&S	276	3 <i>1%</i>	0,1 <i>0%</i>	31 <i>11%</i>	309 <i>12%</i>
Total	1884	21 <i>1%</i>	0,5 <i>0%</i>	189 <i>10%</i>	2 094 <i>11%</i>

* at constant scope and exchange rates : definition in appendix

MHA DIVISION

Material Handling and Access



TELEHANDLER



ROTATING TELEHANDLER



HEAVY-LOAD TELEHANDLER



ROUGH-TERRAIN FORKLIFT TRUCK



ARTICULATED LOADER



AERIAL WORK PLATFORM



TRUCK-MOUNTED FORKLIFT






INDUSTRIAL FORKLIFT TRUCK



WAREHOUSING EQUIPMENT



-  Construction market
-  Agriculture market
-  Industrial markets

MHA review

ADVANTAGES

- Record year
- Strengthening commercial positions
- Presentation of the electrical strategy (Oxygen label)
- Generalization of connected machines (>stage 3b)



DRAWBACKS

- Volatility of the UK market
- Impact of the Euro Stage V on engine inventories
- Sharp drop in production rates in H2

€m	2018	2019
Sales	1 294	1 456
<i>n/n-1</i>	18,2%	12,5%
ROP	100	116
<i>% Net Sales</i>	7,7%	8,0%

Reinforcement of positioning

CEP DIVISION

Compact Equipment Products



SKID-STEER



TRACK LOADER



ARTICULATED
LOADER



TELEHANDLER (USA market)






BACKHOE LOADER



MINI
EXCAVATOR



-  Construction market
-  Agriculture market
-  Industrial markets

CEP review

ADVANTAGES

- Pursuing development
- Expansion with US rental companies
- Enhancing innovation
- In-depth work on all processes



DRAWBACKS

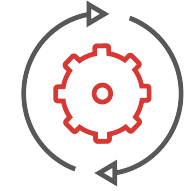
- Scarcity of manpower in the US
- Competitive pressure
- Impact of the dollar on US exports
- Flooding of the Madison site (6 week shutdown)

€m	2018	2019
Sales	314	328
<i>n/n-1</i>	28,5%	4,7%
ROP	9	2
<i>% Net Sales</i>	3,0%	0,7%

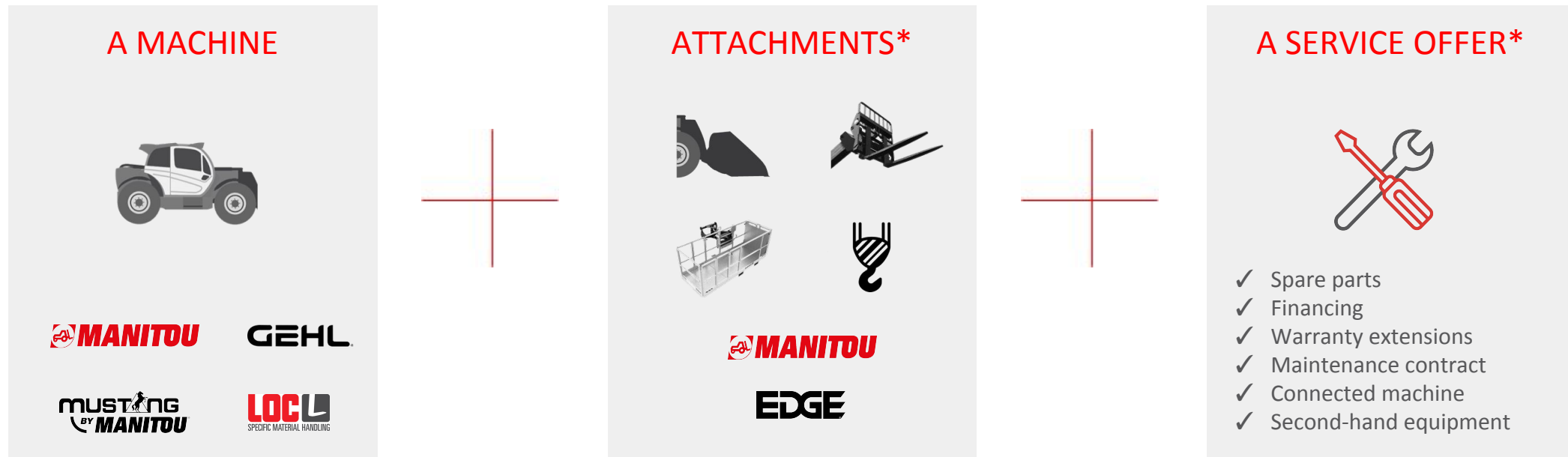
Substantive work still in progress

THE SOLUTION OFFER

Creating value for its customers



What is a handling, lifting and earthmoving solution?



*as example, not exhaustive

S&S review

ADVANTAGES

- Level of growth and operating performance
- Strengthening services
- Continued development of financing solutions
- Expansion of connected machines



DRAWBACKS

- Financing solutions in emerging countries
- Exponential growth in needs to support services

€m	2018	2019
Sales	276	309
<i>n/n-1</i>	9,6%	12,1%
ROP	20	30
<i>sales</i>	7,2%	9,7%

Growth and financial performance

GROUP CSR OBJECTIVES



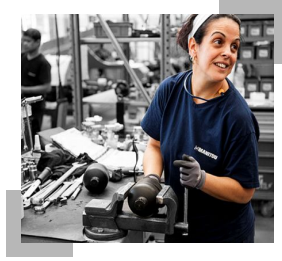
On the way to....

Objectives 2022



- More optimization
- More functionality
- More innovation
- More circularity

- The number of **machines labelled "Reduce"** will be tripled, to better combine safety, productivity and reduction of environmental impact
- Increase in the rate of reduction of the **total cost of ownership** of the 50% of the most popular machines (in sales)
- Number of (new) **eco-designed projects**
- of Spare Parts related to **parts Reman** and **used parts**



- More security
- More parity
- More well-being
- More commitment

- % Reduction in **accident frequency**
- % Reduction in **serious accidents**
- **Number of women** in the group
- % of entities that have initiated at least one initiative to improve the **employee experience**
- % of **employees "engaged"** according to the internal opinion survey



- More values
- More confidence
- More ethics
- More solidarity
- More education

- % of **qualified suppliers (> 60) in CSR** after audit
- % of sales to **"Partner Dealership"** (dealers with best CSR practices)
- % of managers **trained and made aware of anti-bribery** and ISO 19 600 Evaluation of the group
- Number of **volunteer hours** offered by the group
- % of the group's net income dedicated to **financing educational philanthropy actions**

x3
x5
100
8

10
14
850
100
78

60
25
100
2,200
1

Target

% progress



consultation planned for 2020



Financial results

Income statement

€m	2018	2019
Net sales	1 884	2 094
Gross Profit	314	346
<i>% Net Sales</i>	<i>16,7%</i>	<i>16,5%</i>
R&D, Sales, Mark., Service & Admin.	-184	-197
Current operating profit	129	149
<i>% Net Sales</i>	<i>6,9%</i>	<i>7,1%</i>
Non recurring	-3	-3
Operating profit	126	146
<i>% Net Sales</i>	<i>6,7%</i>	<i>7,0%</i>
Share of profits of associates	2	2
Operating profit including net income from associates	128	148
Financial result	-6	-8
Income Tax	-38	-45
Net Result attributable to the Parent company	84	96
<i>% Net Sales</i>	<i>4,5%</i>	<i>4,6%</i>

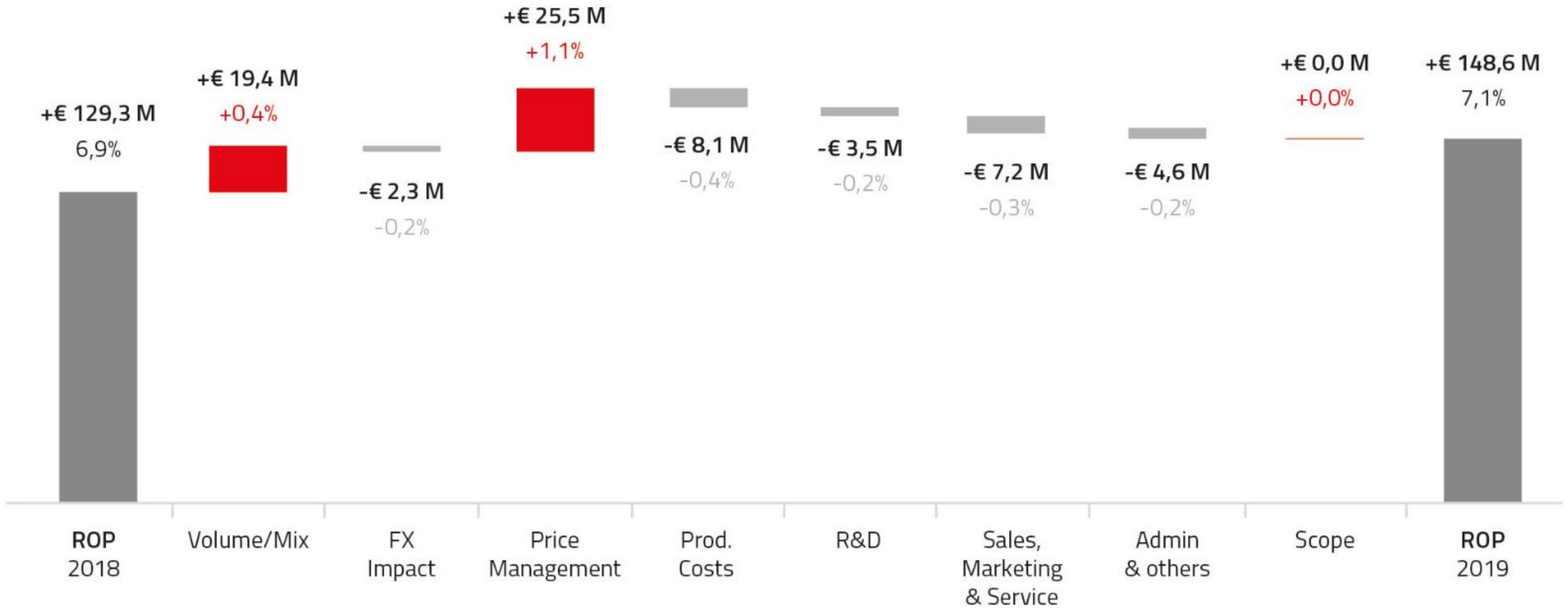
Income statement

€m	H1'18	H2'18	2018	H1'19	H2'19	2019
Net sales	941	942	1 884	1 163	930	2 094
Gross Profit	154	160	314	192	154	346
<i>% Net Sales</i>	<i>16,3%</i>	<i>17,0%</i>	<i>16,7%</i>	<i>16,5%</i>	<i>16,5%</i>	<i>16,5%</i>
R&D, Sales, Mark., Service & Admin.	-91	-94	-184	-102	-95	-197
Current operating profit	63	66	129	90	59	149
<i>% Net Sales</i>	<i>6,7%</i>	<i>7,0%</i>	<i>6,9%</i>	<i>7,7%</i>	<i>6,3%</i>	<i>7,1%</i>
Non recurring	-1	-2	-3	-1	-2	-3
Operating profit	62	64	126	89	57	146
<i>% Net Sales</i>	<i>6,6%</i>	<i>6,8%</i>	<i>6,7%</i>	<i>7,7%</i>	<i>6,1%</i>	<i>7,0%</i>
Share of profits of associates	1	1	2	1	1	2
Operating profit including net income from associates	63	65	128	90	58	148
Financial result	-4	-2	-6	-3	-5	-8
Income Tax	-18	-20	-38	-27	-18	-45
Net Result attributable to the Parent company	41	43	84	60	36	96
<i>% Net Sales</i>	<i>4,3%</i>	<i>4,6%</i>	<i>4,5%</i>	<i>5,1%</i>	<i>3,9%</i>	<i>4,6%</i>

Income statement by division

€m	MHA	CEP	S&S	2018	MHA	CEP	S&S	2019
Net sales	1 294	314	276	1 884	1 456	328	309	2 094
Gross Profit	198	43	73	314	220	38	87	346
<i>% Net Sales</i>	15,3%	13,7%	26,3%	16,7%	15,1%	11,7%	28,2%	16,5%
Current operating profit	100	9	20	129	116	2	30	149
<i>% Net Sales</i>	7,7%	3,0%	7,2%	6,9%	8,0%	0,7%	9,7%	7,1%
Non recurring	-3	0	0	-3	-2	0	0	-3
Operating profit	97	9	20	126	114	2	30	146
<i>% Net Sales</i>	7,5%	2,9%	7,1%	6,7%	7,8%	0,6%	9,6%	7,0%

Current operating profit evolution vs. N-1



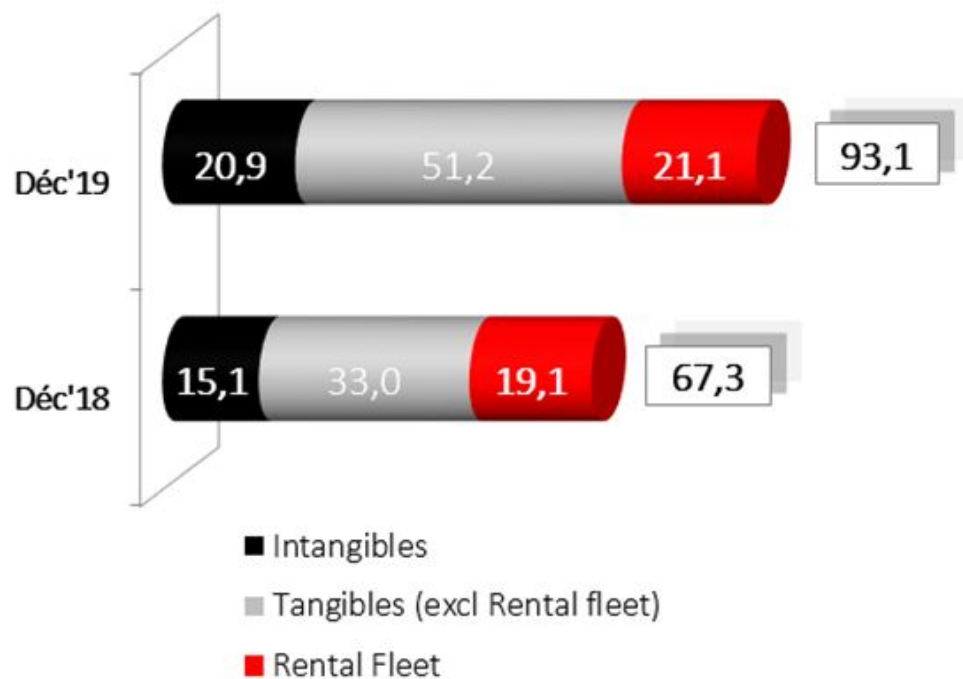
Balance sheet

€m	Dec' 18	Dec' 19	Var	Var %
Non current assets (exc.Sales Financing)	263	312	50	19%
Right of use	0	16	16	
Inventories	575	590	15	3%
Trade receivables	362	380	19	5%
Finance contracts receivables	11	11	0	1%
Other current receivables	47	51	3	7%
Cash, cash equivalents & current financial assets	32	24	-8	-24%
Non current assets and disposal groups held for sale	0,2	0	-0,2	-100%
Total assets	1290	1385	95	7%
Total equity	597	665	68	11%
Financial liabilities	180	214	34	19%
Financial liabilities IFRS 16	0	18	18	
Provisions	60	68	7	12%
Trade payables	293	253	-39	-13%
Other non current payables	4	5	1	14%
Other current payables	155	162	7	4%
Liabilities included in disposal groups class. as held for sale				
Total equity and liabilities	1290	1385	95	7%
Working capital (excl. sales financing)	536	606	70	13%
Ratio in days of turnover				
Inventories	110	101	-8	-8%
Receivables (excl. Sales Financing)	69	65	-4	-5%
Payables	-56	-44	12	-22%
Working Capital in days	102	104	2	2%

Cash-Flow

€m	Dec' 18	Dec' 19
Cash Flow from operating activities	-5	63
Earnings before depreciation & amortization	123	145
Change in working capital	-108	-60
o/w inventories	-114	-1
o/w trade receivables	-36	-11
o/w finance contracts receivables (net)	-6	0
o/w trade payables	35	-47
o/w other operating receivables & liabilities	9	2
o/w tax receivables & liabilities	4	-4
Capitalised rental fleet	-19	-21
Cash Flow from investing activities	-41	-67
o/w assets (excl rental fleet)	-46	-68
o/w investments in subsidiaries	0	-3
o/w sales of tangible assets	0	1
o/w dividends received	5	4
Cash Flow from financing activities	12	-2
o/w financial liabilities	31	27
o/w dividend payment	-24	-30
o/w other	5	1
Change in Cash & Cash equivalents	-34	-5

Investments



€m	Dec'18	Dec' 19
R&D	9,5	14,8
ERP/IT	5,7	6,1
Other	0,0	0,0
Total intangibles	15,1	20,9
Buildings	17,5	31,4
Industrial equipment	12,5	14,3
Other	3,0	5,4
Tangibles excl. Rental fleet	33,0	51,2
Rental fleet	19,1	21,1
Total	67,3	93,1

Net debt

€m	Dec' 18	Dec' 19
Cash & current financial assets	32	24
Bank loans (Club deal)	87	19
Bonds & other	42	142
Facilities (Overdrafts)	28	27
Finance leases	1	0
Derivatives	5	7
Others	18	18
Total financial liabilities	180	214
NET DEBT (excl. IFRS 16)	148	190
Lease liabilities IFRS 16	0	18
NET DEBT	148	208
Gearing excl. IFRS 16	25%	29%
Leverage excl. IFRS 16	0,91	1,03
EBITDA excl. IFRS 16	162	186
Gearing incl. IFRS 16	n/a	31%
Leverage incl. IFRS 16	n/a	1,08
EBITDA incl. IFRS 16	n/a	192

/ Outlook



Coronavirus

- Due to its worldwide presence and global activities, the group is likely to face the effects of the coronavirus crisis in many ways (supply disruption, market downturn or blockage, temporary site closure, absenteeism, etc.).
- As of the date of publication of this information, the group has not been affected by any direct material impact likely to call into question its revenue forecast for 2020. The recent extension of the territories concerned by the coronavirus to Europe, particularly Italy, could have a greater impact, in the coming weeks, on certain supplies, including second-tier supplies, on the industrial activity of some sites or on the accessibility and performance of specific markets.

Outlook 2020

- Sales trend :

Outlook for a 2020 Revenue down by around 10% compared to 2019.

- Profitability :

Outlook of a 2020 recurring operating income rate of around 6% of sales revenue, excluding the effect of the coronavirus.

/ Appendix



Appendix - Definition

Like for like, at constant scope and exchange rates:

- Scope : for 2019 acquisitions (Mawsley Machinery Ltd on October 29, 2019), subtraction of their contribution, from the date of their acquisition, to December 31, 2019. There is no exit in 2019. There is no acquired entity nor exit in 2018.
- Application of the exchange rate of the previous year on the aggregates of the current year

Gearing:

- Ratio of net debt divided by the amount of shareholders' equity.

Leverage:

- Ratio determined by dividing the amount of net debt at the end of the period by rolling 12-month EBITDA. This measures the amount of the debt in number of years of EBITDA.

EBITDA restated from the IFRS 16 impact:

- EBITDA calculated on the basis of IFRS standards applicable in 2018, i.e. before the application of IFRS 16 (from January 1, 2019)

Net debt and Gearing excluding IFRS 16:

- Debt calculated on the basis of IFRS standards applicable in 2018, i.e. before the application of IFRS 16 (from January 1, 2019)

IFRS 16 application impacts

IFRS 16, applied from January 1, 2019, is the new standard for lease accounting.

The group recognizes a "right of use" and a rental liability at the start date of the lease, respectively booked in the asset and liability sides of its balance sheet.

The group has applied the simplified retrospective method with the calculation of the right of use from the outset for contracts ongoing on January 1, 2019. Therefore, previous year's figures are not displayed with restated values.

The main quantitative and qualitative impacts resulting from the application of this standard are detailed here:

<i>in millions of €</i>	2019 published figures including IFRS 16	IFRS 16 Impact	2019 figures excluding IFRS 16
Income Statement			
Operating Income	146,1	- 1,0	145,1
<i>Of which EBITDA</i>	192,2	- 6,7	185,5
<i>Of which amortization</i>	- 46,5	+ 5,7	- 40,8
Net Financial Expenses	- 7,5	+ 1,1	- 6,4
Consolidated Balance Sheet			
Right of Use	16,5	- 16,5	0
Net Debt	208,2	- 17,9	190,2
Gearing	31,3 %		28,6 %