

Explanatory Materials on Consolidated Financial Results

May 2012
TADANO Ltd.

*** Note on forecasts:**

- This document (including business plans) is based on information available at the time of its preparation. Nevertheless, actual results may differ substantially from projections due to various risks and uncertainties.



Corporate profile

[Corporate name]	TADANO Ltd. (established August 24, 1948); founder: Masuo Tadano Developed Japan's first hydraulic truck crane in 1955		
[Representative]	Koichi Tadano, President and C.E.O., Representative Director		
[Head office]	Ko-34 Shinden-cho, Takamatsu, Kagawa, Japan		
[Major lines of business]	Production and distribution of mobile cranes, truck loader cranes, and aerial work platforms		
[Sites]	Tokyo Office (Sumida-ku), Takamatsu Plant (Takamatsu), Shido Plant (Sanuki), Tadotsu Plant (Tadotsu), Chiba Plant (Chiba)		
[Other facilities]	Japan: 10 branch offices, 23 sales offices; international: Beijing Office, Middle East Office (Dubai, UAE)		
[Affiliates]	11 subsidiaries and one affiliate in Japan; 13 subsidiaries and two affiliates overseas		
[Paid-in capital]	¥13,021 million	[Stock shares]	Shares issued: 129 million Number of shareholders: 9,078 (as of March 31, 2012)
[Net sales]	¥114,209 million (FY 2011)		
[Number of employees]	Consolidated: 3,113; non-consolidated: 1,382 (as of March 31, 2012)		
[Major subsidiaries]	<div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> <p>11 domestic subsidiaries and one domestic affiliate: TADANO IMES Ltd. Shikoku Metal Working Co., Ltd. TADANO S-TEC Ltd. TADANO ENGINEERING K.K. TADANO TECHNO EAST Co., Ltd. TADANO TECHNO WEST Co., Ltd. CONCORDE LEASE AND FINANCE CO. TADANO KYOSHU CENTER K.K. TADANO BUTSURYU K.K. TADANO SYSTEMS Inc. TADANO SANGYO K.K.</p> <p>NITTSU JUKI SERVICE K.K.</p> </div> <div style="width: 48%;"> <p>13 overseas subsidiaries [plus two others currently being established] and two overseas affiliates: FAUN GmbH, TADANO FAUN GmbH, TADANO FAUN Stahlbau GmbH [Germany] TADANO America Corp., TADANO MANTIS Corp., Tadano America Holdings, Inc. [U.S.A.] TADANO Brasil Equipamentos de Elevacao Ltda. [Brazil] JC-TADANO (Beijing) Hydraulic Co., Ltd., JTL-TADANO (Hebei) Ironparts Co., Ltd., TADANO South China Co., Ltd. [China] TADANO Korea Co., Ltd. [South Korea] TADANO Asia Pte Ltd. [Singapore] TADANO Oceania Pty Ltd. [Australia] TADANO INDIA PVT. LTD. [India] TADANO (Thailand) Co., Ltd. [Thailand]</p> <p>BQ-TADANO (Beijing) Crane Co., Ltd. [China] Taiwan TADANO Ltd. [Taiwan]</p> </div> </div>		



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Key points of FY 2011 financial result

[FY 2011 management policies]

- (i) Pursuing the core values of safety, quality, and efficiency
- (ii) Restoring profitability
- (iii) Efforts specified for the first fiscal year of the Mid-Term Management Plan (2011-2013)

◆ Increased revenues and increased profits led to the first year-end profit in three years.

- Efforts led to progress with appropriate sales prices in Japan, expanded sales overseas, and cost reductions.

◆ Domestic sales rose; overseas sales grew significantly.

- ⇒ Domestic net sales:
¥51.5 billion → ¥61.3 billion (+19.0%)
Sales of mobile cranes, truck loader cranes, and aerial work platforms all increased.
- ⇒ Overseas net sales:
¥38.2 billion → ¥52.8 billion (+38.1%)
Sales increased despite the historic strength of the yen.

◆ Overseas sales ratio: 42.6% → 46.3%

◆ Income improved dramatically compared to the losses sustained for the previous year.

- Ordinary income (loss): ¥-3.8 billion → ¥5.7 billion
- Net income (loss): ¥-6.7 billion → ¥3.1 billion

(Unit: millions of yen)

	FY 2010		FY 2011		Percent change
	Amount	Percentage	Amount	Percentage	
Net sales	89,807	100.0%	114,209	100.0%	+27.2%
Operating income (loss)	-3,733	-4.2%	5,895	5.2%	-
Ordinary income (loss)	-3,886	-4.3%	5,778	5.1%	-
Net income (loss)	-6,722	-7.5%	3,145	2.8%	-

	FY 2010	FY 2011
Capital investment	¥964 million	¥1,584 million
Depreciation	¥2,696 million	¥2,353 million
Exchange rate (USD)	¥87.81	¥79.84
Exchange rate (EUR)	¥116.39	¥111.12

Note:

* Figures for capital investments include leased assets.

* The exchange rates given above are average rates for the period from January to December.
(Overseas subsidiaries perform settlement of accounts in December.)



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Income statement (vs. previous year)

[Key changes]

(Unit: millions of yen)

	FY 2010		FY 2011		Increase/ decrease
	Amount	Percentage	Amount	Percentage	
Net sales	89,807	100.0%	114,209	100.0%	24,401
Cost of sales	74,474	82.9%	88,462	77.5%	13,988
Gross profit on installment sales	411	0.5%	278	0.3%	-133
Gross profit	15,745	17.6%	26,025	22.8%	10,280
Selling, general, and administrative expenses	19,478	21.7%	20,129	17.6%	650
Operating income (loss)	-3,733	-4.2%	5,895	5.2%	9,629
Non-operating income and loss	-152	-0.1%	-117	-0.1%	35
Ordinary income (loss)	-3,886	-4.3%	5,778	5.1%	9,664
Extraordinary income and loss	-4,955	-5.5%	155	0.1%	5,111
Income (loss) before income taxes and minority interests	-8,841	-9.8%	5,933	5.2%	14,775
Corporate taxes	-2,112	-2.4%	2,745	2.4%	4,858
Minority interests	-6	0.0%	43	0.0%	49
Net income	-6,722	-7.5%	3,145	2.8%	9,867

◆ COGS ratio: 82.9% → 77.5%

- Efforts led to progress with appropriate sales prices and cost reductions.
- The COGS ratio improved by 5.4% from the previous fiscal year.

◆ Selling, general, and administrative expenses increased by ¥650 million

- Variable costs: + ¥1,036 million
- Personnel costs: + ¥88 million
- Other expenses: - ¥474 million

◆ Non-operating income and loss

- Non-operating income: ¥954 million → ¥719 million
- Non-operating loss: ¥1,107 million → ¥836 million

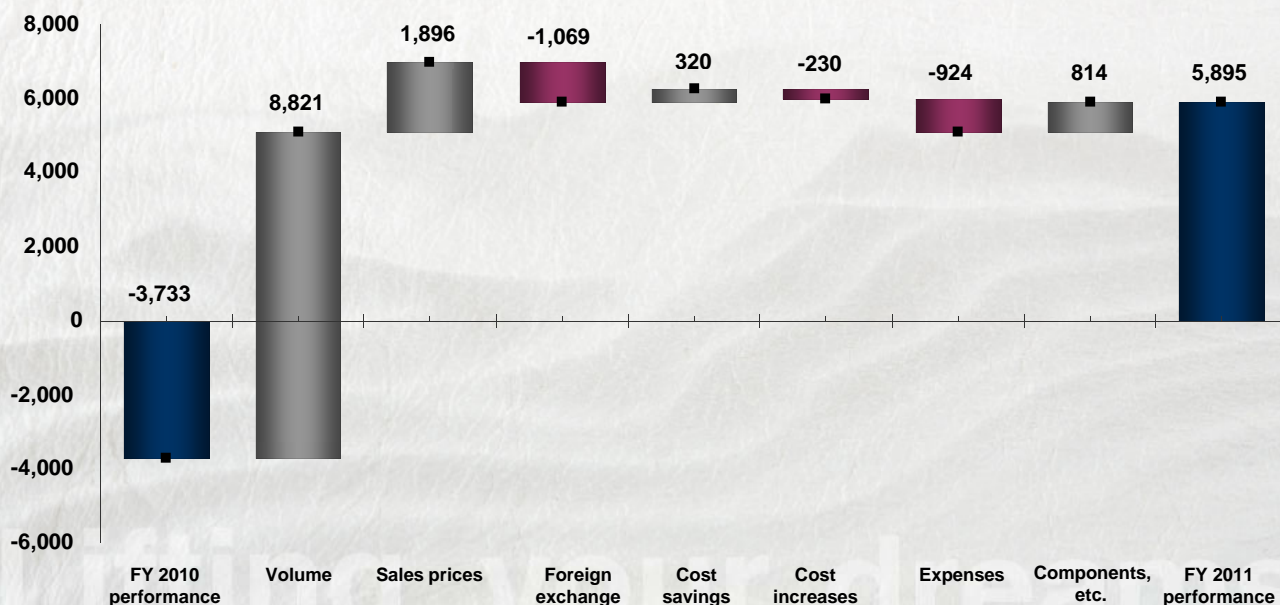
◆ Extraordinary income and loss

- Extraordinary income: ¥297 million → ¥174 million
- Extraordinary loss: ¥5,252 million → ¥18 million

Income statement (major factors leading to change in operating income)

Despite the foreign exchange effects of a strong yen, sales increased, leading to a significant increase in income. Operating income grew by ¥9.6 billion, also due to efforts at achieving appropriate sales prices and changes in income structure.

(¥ million)



Balance sheet (vs. end of previous period)

(Unit: millions of yen)

	FY 2010 year-end		FY 2011 year-end		Increase/ decrease
	Amount	Percentage	Amount	Percentage	
Cash deposit	30,378	20.8%	40,225	25.0%	9,847
Accounts receivable	30,498	20.9%	35,041	21.8%	4,542
Inventories	30,771	21.1%	34,205	21.2%	3,434
Other current assets	5,000	3.3%	4,572	2.8%	-428
Total current assets	96,648	66.1%	114,045	70.8%	17,396
Tangible fixed assets	34,565	23.6%	33,449	20.8%	-1,115
Intangible fixed assets	827	0.6%	867	0.5%	40
Investment and other assets	14,124	9.7%	12,813	7.9%	-1,310
Total fixed assets	49,516	33.9%	47,130	29.2%	-2,386
Total assets	146,165	100.0%	161,176	100.0%	15,010

Accounts payable	14,425	9.9%	28,331	17.6%	13,906
Interest-bearing debt	40,189	27.5%	38,101	23.6%	-2,087
Other current liabilities	15,956	10.9%	16,224	10.1%	268
Total liabilities	70,571	48.3%	82,657	51.3%	12,086
Total equity	75,594	51.7%	78,518	48.7%	2,924
Total liabilities and equity	146,165	100.0%	161,176	100.0%	15,010

[Key changes]

◆ Accounts receivable increased.

¥30.4 billion → ¥35.0 billion

⇒ The receivable turnover period improved.
(FY 2010: 124.0 days; FY 2011: 112.0 days)

◆ Inventories increased.

¥30.7 billion → ¥34.2 billion

(The ¥34.2 billion yen figure includes ¥7.2 billion yen in FAUN Group inventories.)

⇒ The inventory turnover period improved.
(FY 2010: 125.1 days; FY 2011: 109.3 days)

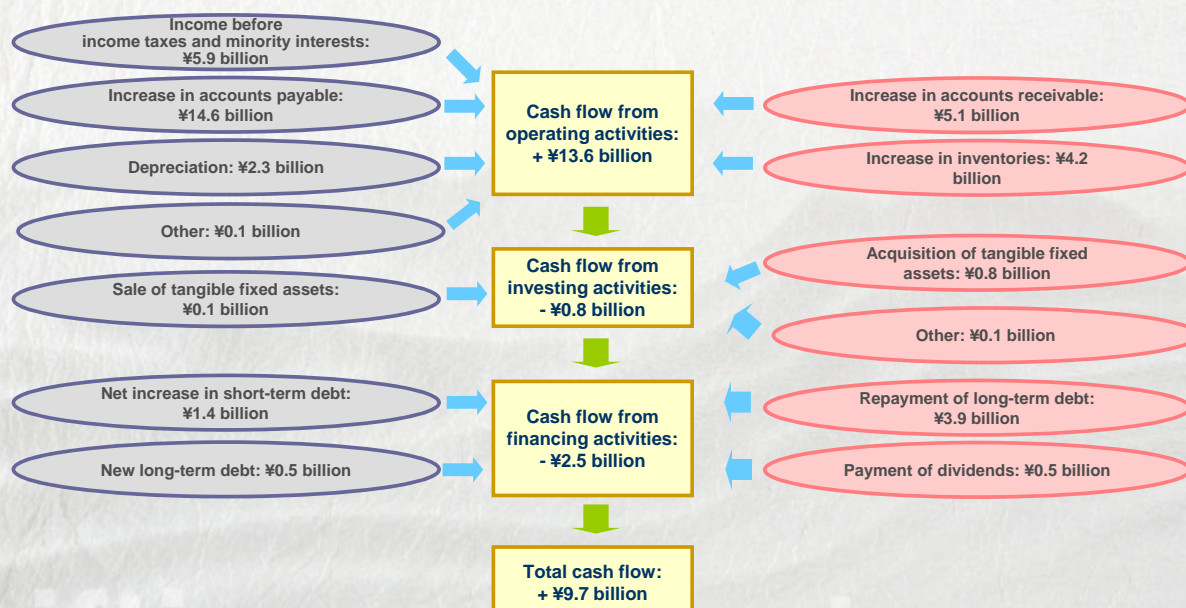
◆ Interest-bearing debt decreased.

¥40.1 billion → ¥38.1 billion

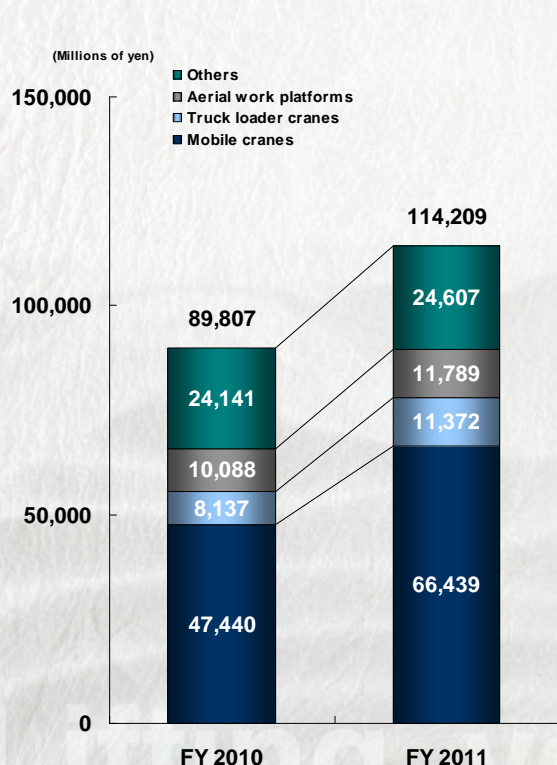
⇒ Short-term: decreased by ¥360 million;
long-term: decreased by ¥1.9 billion
Lease obligations: increased by ¥180 million

Overview of cash flow

Total cash flow increased by ¥9.7 billion before income taxes and minority interests. Higher accounts payable also permitted the purchase of tangible fixed assets and debt repayment.



Net sales by product



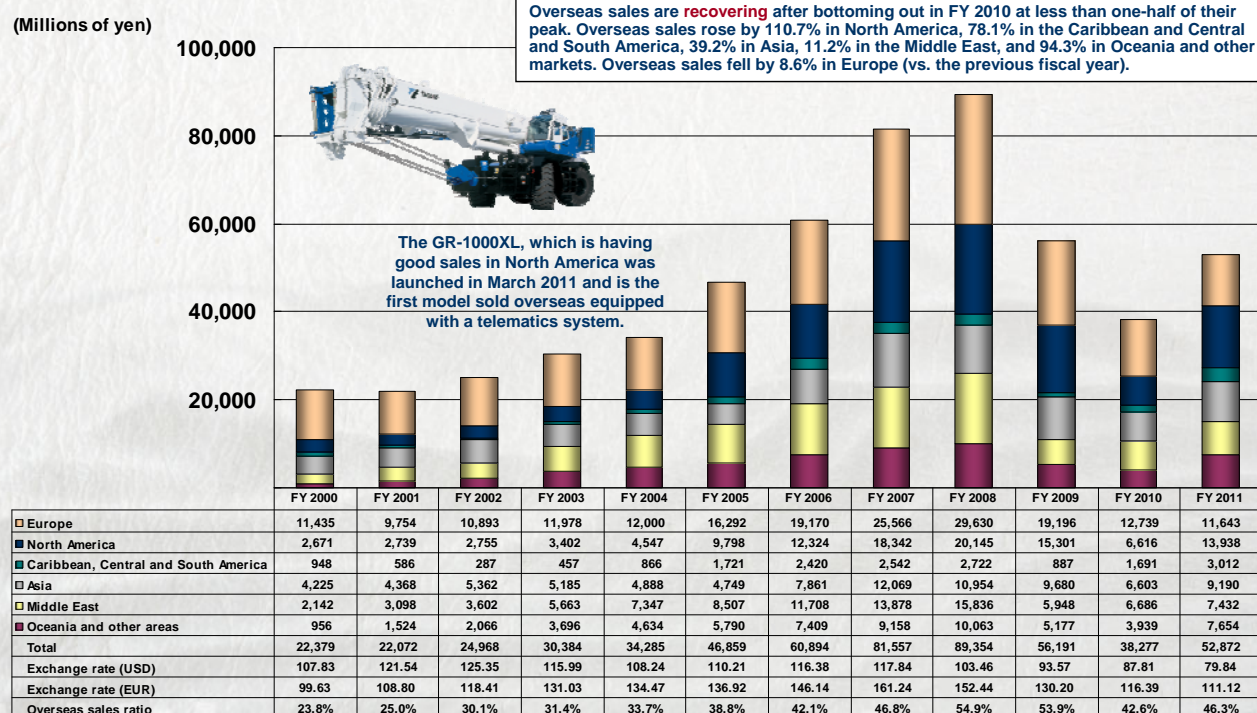
	FY 2010		FY 2011		Increase/decrease	
	Amount	Percentage	Amount	Percentage	Amount	Percent change
Mobile cranes	47,440	52.8%	66,439	58.2%	18,999	40.0%
Truck loader cranes	8,137	9.1%	11,372	10.0%	3,235	39.8%
Aerial work platforms	10,088	11.2%	11,789	10.3%	1,701	16.9%
Others	24,141	26.9%	24,607	21.5%	466	1.9%
Total	89,807	100%	114,209	100%	24,401	27.2%

◆ Overseas sales ratio: 42.6% → 46.3%

* Breakdown of domestic and overseas sales of mobile cranes

Domestic	19,866	24,146	4,279	21.5%
Overseas	27,574	42,293	14,719	53.4%

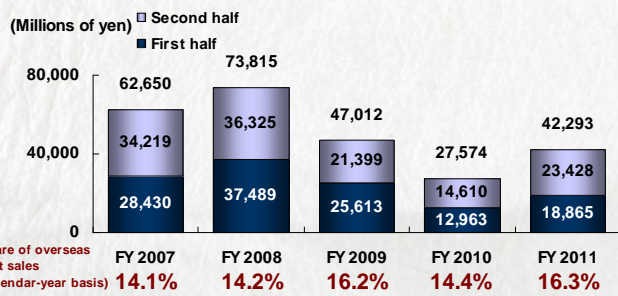
Sales trends by overseas market



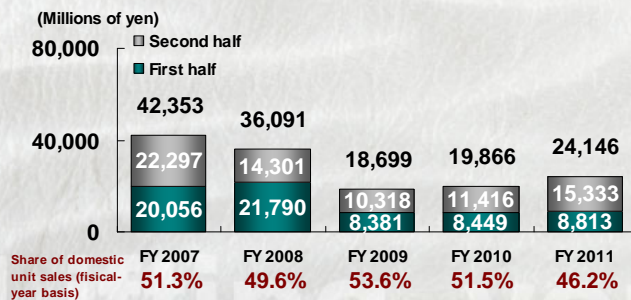
Note: The exchange rates indicated above are average rates over each period (since the fiscal year of overseas subsidiaries ends in December, full-year rates are averages for January-December). Euro figures for FY 2001 and earlier have been converted from Deutsche Mark.

Mobile cranes

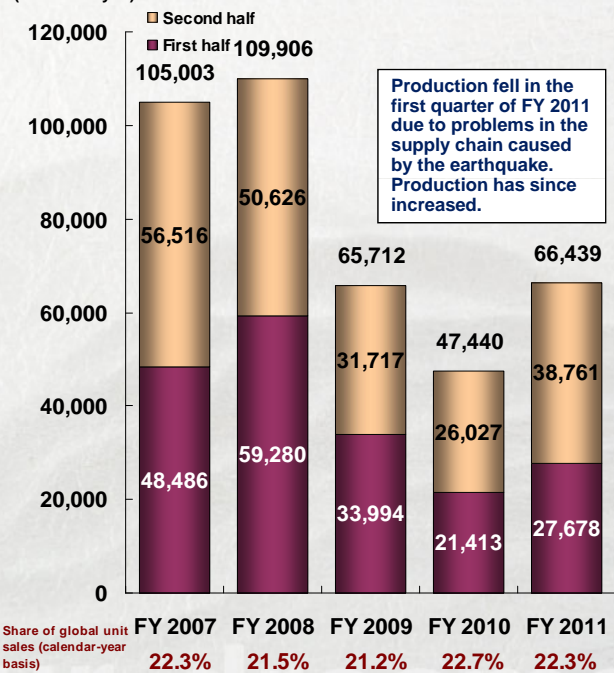
Net sales of mobile cranes (overseas)



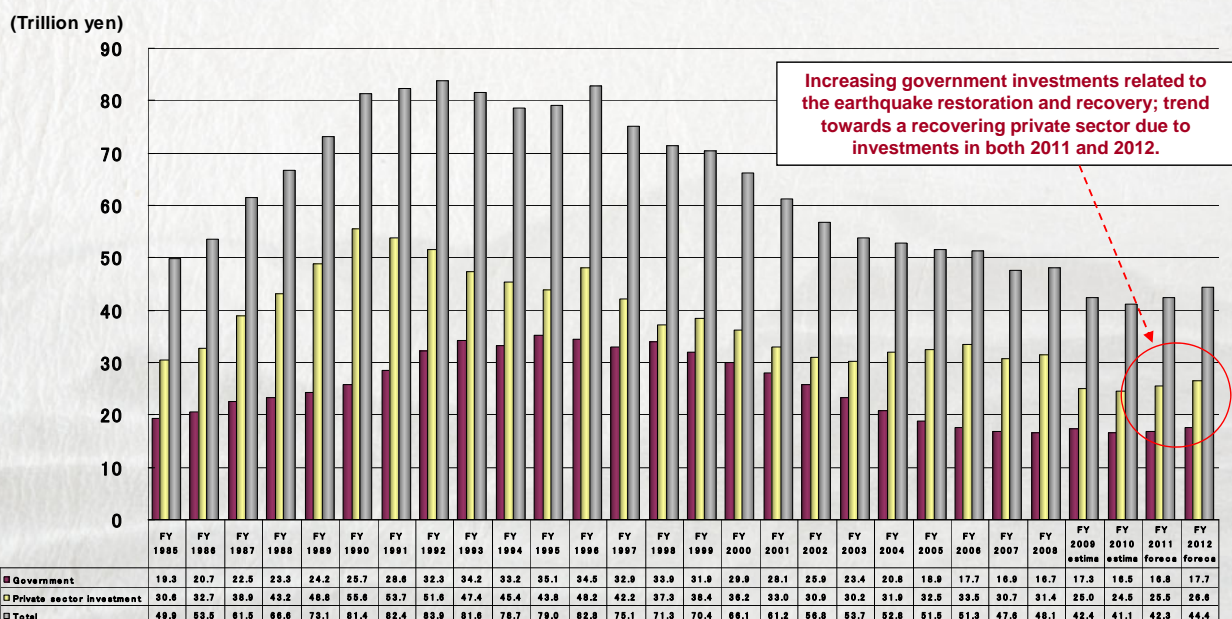
Net sales of mobile cranes (domestic)



Net sales of mobile cranes

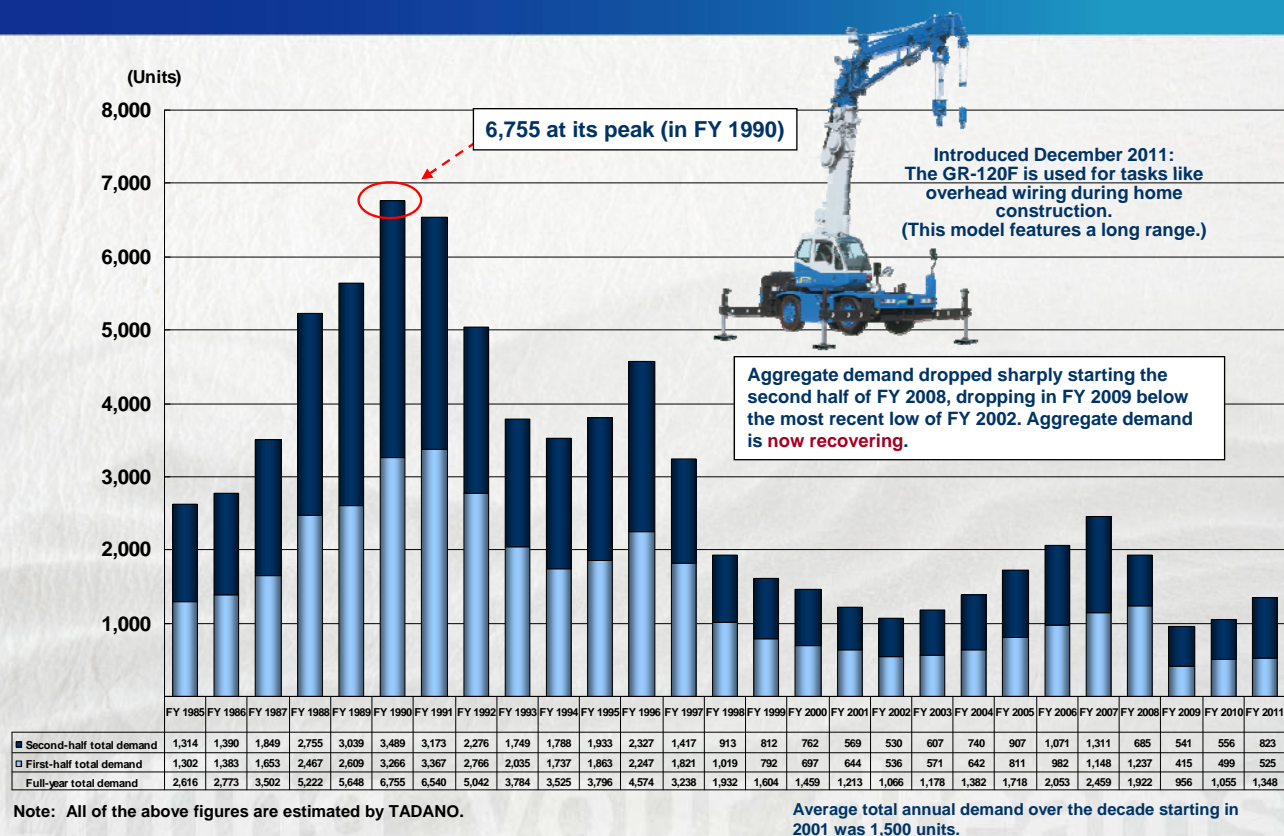


Trends and forecast in Domestic construction investment



Note: All figures shown are nominal construction investment figures. Forecasts are from the Research Institute of Construction and Economy's "Forecast of Construction Investment" (released April 23, 2012).

Trends in total domestic demand for mobile cranes



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Mobile cranes

TADANO's share of the domestic market fell from 51.5% to 46.2%, putting it in second place. (In this marked it placed second for the first time over the past 32 years, with only 14 units less than its competition.)

Total domestic demand for hydraulic mobile cranes was 1,348 units (for FY 2011, based on TADANO research), up 27.8% from the previous period.

⇒ TADANO retained the top market share by tonnage, although its market share fell from 47.2% to 46.2% due to efforts to ensure appropriate sales prices.

Domestic net sales were ¥24,146 million (121.5% of the figure from the previous fiscal year).

[Rough terrain cranes]

- Main models in the domestic mobile crane business account for 93% of domestic aggregate demand (67% of North American aggregate demand).
- Cranes suited to urban use; essential to construction in urban areas
- With compact bodies, these cranes perform well even in narrow areas (both front and rear axles can be steered).
- Able to operate the carrier and the crane from the same driver's seat.
- Domestic market: five models with 12- to 60-ton lifting capacity (emissions compliant, with Machine-Telemonitoring System)
- Overseas markets: five models with 12- to 80-ton lifting capacity (TADANO produces both domestic and overseas models.)
- In Japan, these cranes travel on public roads. In North America, they are transported on trailers.

(Product photo: Introduced July 2008)

GR-250N



[All-terrain cranes]

- Large cranes for urban development, elevated driveways, and bridge construction in Japan, account for 7% of total domestic demand (86% of total European demand)
- Outstanding long-distance mobility in addition to maneuverability (Product photo: The third model produced by FAUN for the Japanese market, introduced February 2010; all six axles can be steered.)
- Domestic market: seven models with 60- to 550-ton lifting capacity (produced by TADANO; carriers produced by FAUN of Germany)
- Overseas markets: nine models with 40- to 400-ton lifting capacity (produced by FAUN of Germany)
- Disassembly required for transport on public roads in Japan. No disassembly required for transport in Europe.

ATF360G



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Mobile cranes

[Truck cranes]

- Cranes are mounted on trucks to make them easier to transport; primarily for overseas markets, with total domestic demand accounting for only a few units.
- Outstanding long-distance mobility.
- Domestic market: two models with 20-ton lifting capacity (produced by TADANO)
- Overseas markets: eight models with 30- to 80-ton lifting capacity (produced by TADANO and FAUN of Germany)

- 55 ton truck cranes produced by BQ-TADANO (China) have been exported to overseas markets. Plans call for an expansion of its sales line-up.
- Mounting of 70 ton truck cranes on locally produced trucks began at the new plant in Brazil.



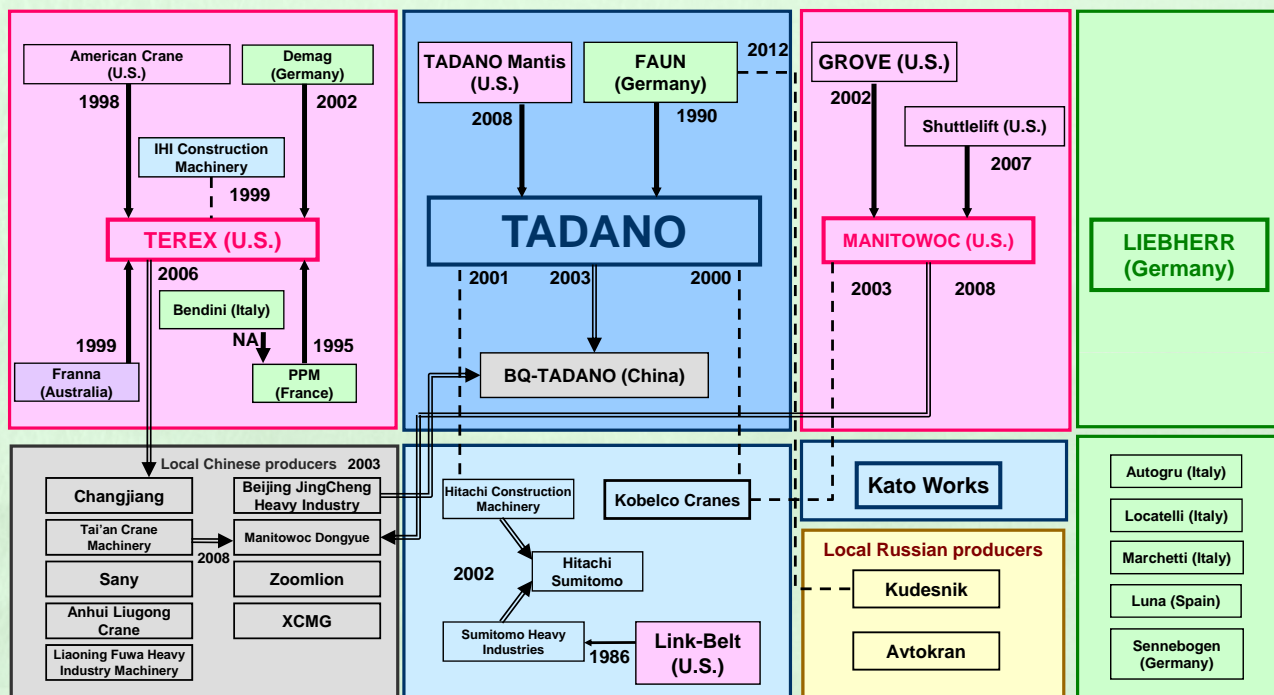
[Points shared with mobile cranes]

- Regulators: Ministry of Land, Infrastructure, Transport and Tourism (vehicle regulations) and Ministry of Health, Labour and Welfare (crane regulations)
The strengthening of engine emissions and noise regulations and enhanced enforcement of traffic regulations (disassembly for transport of large models such as all-terrain cranes)
- Domestic buyers: Crane rental industry (primary and secondary subcontractors to general contractors, who dispatch cranes to construction sites along with licensed crane operators)
- Distinctive features of sales: Until the 1990s, installment sales using commercial bills was common industry practice. This is shifting toward sales via finance lease companies.
- Engine emissions regulations on construction under the direct jurisdiction of the Ministry of Land, Infrastructure, Transport and Tourism: The use of cranes compliant with level 2 standard values is required beginning April 2012.
⇒ The enforcement on regulations has been postponed in light of earthquake recovery construction.
- Level 3.5 emissions regulations for RCs for the Japanese market
Motor output 130 kW or higher: beginning April 2013 Less than 130 kW: beginning November 2013
- Emissions regulations for RCs for North American markets: (i) Tier 4 Interim: beginning January 2011; (ii) Tier 4: beginning January 2014
- Emissions regulations for ACs for European markets: (i) Euromoto IIIB: beginning January 2011; (ii) Euromoto IV: beginning January 2014



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Structure of the world crane industry (manufacturers of hydraulic cranes and crawler cranes)

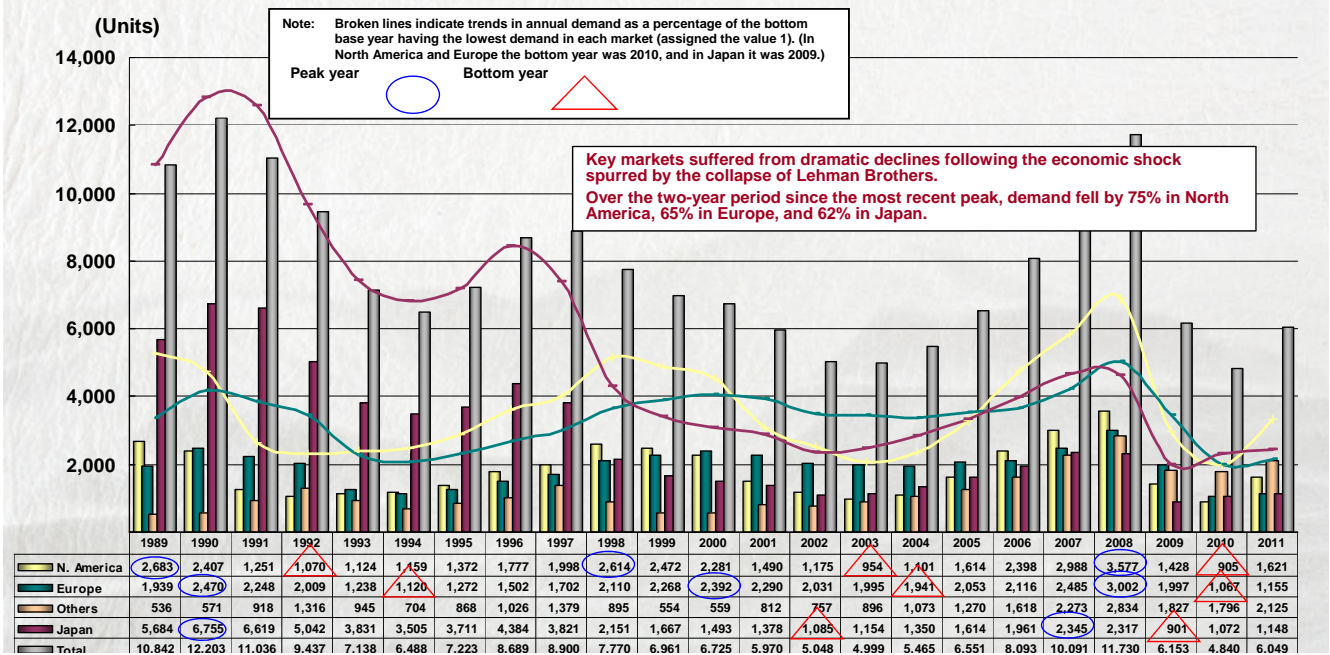


* Prepared by TADANO based on materials from the Japan Construction Equipment Manufacturers Association.



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Trends in global aggregate demand for mobile cranes (Jan. - Dec. 2011 calendar-year basis)



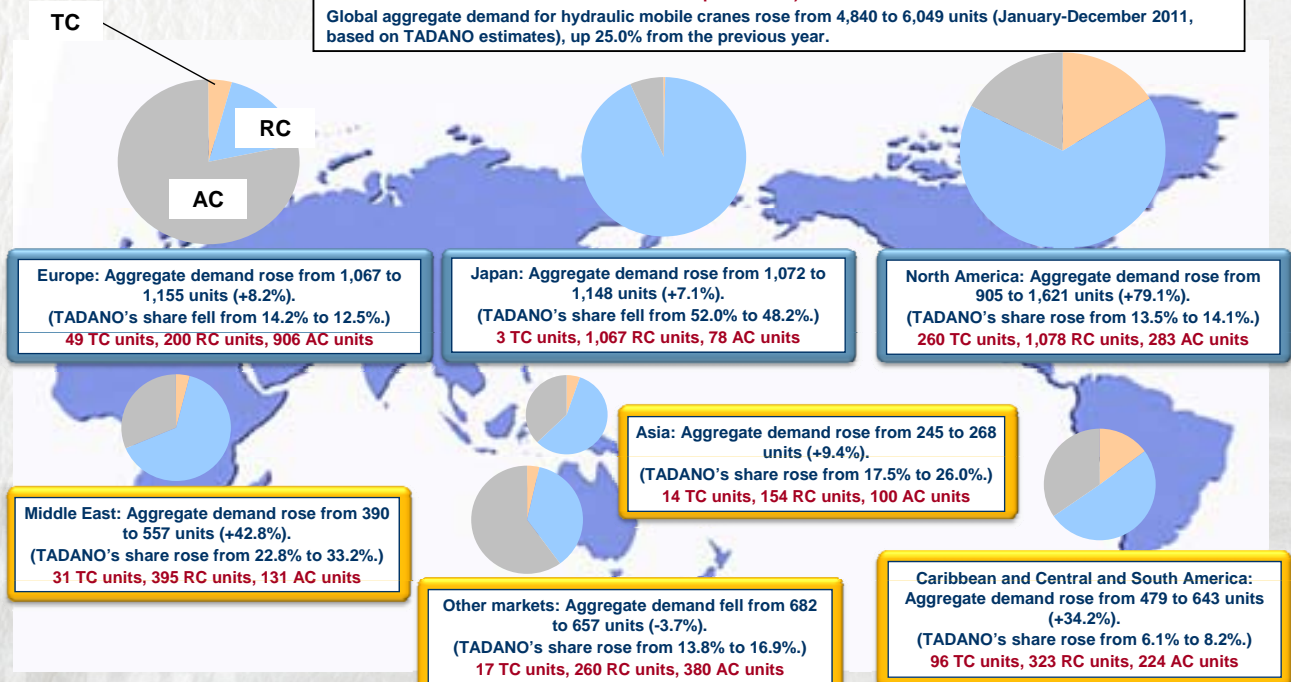
1. Figures are estimated by TADANO.

2. Mobile cranes produced in China and the CIS excluded from the above. Boom trucks in the North American market also excluded. (See the bottom line of slide 21.)

Mobile cranes Crane-type composition of demand by region (January-December 2011, calendar-year basis)

TADANO's share of the global market fell from 22.7% to 22.3%, retaining the leading position. (Global aggregate demand does not include Chinese and Russian production.)

Global aggregate demand for hydraulic mobile cranes rose from 4,840 to 6,049 units (January-December 2011, based on TADANO estimates), up 25.0% from the previous year.



Notes: "TC" refers to truck cranes, "RC" to rough-terrain cranes, and "AC" to all-terrain cranes. The above figures are TADANO estimates. The term "Other markets" refers to Oceania, the CIS, and Africa. Units and shares indicate changes of the same period in the previous year.

European business -Offering a full range of all-terrain cranes-

- **Overview of the FAUN Group**

[FAUN GmbH]

Acquired in 1990; paid-in capital: EUR 45 million; wholly-owned subsidiary of TADANO
Location: Bavaria, Germany; lines of business: development and production of mobile cranes
Representative: Alexander Knecht, President & CEO; number of employees: 465

[TADANO FAUN GmbH]

Paid-in capital: EUR 5 million; wholly-owned subsidiary of FAUN; location: same as FAUN
Line of business: distribution and service of mobile cranes
Representative: Satoru Oyashiki, President; number of employees: 103

- **Trends in group sales:**

2004: EUR 114 million/206 units; 2005: EUR 175 million/271 units; 2006: EUR 218 million/331 units; 2007: EUR 266 million/373 units; 2008: EUR 309 million/502 units; 2009: EUR 270 million/381 units; 2010: EUR 178 million/213 units; 2011: EUR 204 million/248 units

- **Reorganization of the FAUN Group:**

FAUN GmbH and TADANO FAUN GmbH merged in 2012 to improve group efficiency. (The merger was registered in May.)

- **Joint venture parts manufacturer:**

Established: September 2008; location: inside FAUN plant, Bavaria, Germany
Company name: TADANO FAUN Stahlbau GmbH
Paid-in capital: EUR 650,000 (ownership: FAUN 80%; Amron 10%; Kozai Iron 10%)
Lines of business: production of mobile-crane parts (such as jibs) for FAUN
Representative: Minoru Sakuta, President (from TADANO); number of employees: 7



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American businesses -Increasing market share in North America and efforts targeting South American markets-

- **Overview of group companies in Americas**
[TADANO America Holdings, Inc. (TAHI)]

Paid-in capital: \$51 million; wholly-owned subsidiary of TADANO
Location: Texas, U.S.A.; line of business: holding company for the Americas
Representative: Yo Kakinuma, President

[TADANO America Corp.]

Paid-in capital: \$2.5 million; wholly-owned subsidiary of TAHI; location: same as TAHI
Line of business: distribution of mobile cranes
Representative: Yo Kakinuma, President; number of employees: 45
Sales trends: 2004: \$30 million; 2005: \$80 million; 2006: \$95 million; 2007: \$142 million; 2008: \$145 million; 2009: \$105 million; 2010: \$78 million; 2011: \$183 million

● **Panama office newly opened in March 2011 (responsible for Caribbean, Central and South American markets not including Brazil)**



[TADANO Mantis Corp.]

Acquired in 2008; paid-in capital: \$287,000; wholly-owned subsidiary of TAHI
Location: Tennessee, U.S.A.; lines of business: manufacture and distribution and service of hydraulic telescopic boom crawler cranes
Representative: Shiro Morita, President; number of employees: 134
Major products: telescopic boom crawler cranes (products combining carriers with track belt suspensions and cranes with hydraulic telescoping booms); mainly used in civil engineering and construction work, these cranes are ideally suited to work performed on unlevelled ground, muddy ground, and inside tunnels.
Trends in net sales: 2008: \$41 million; 2009: \$33 million; 2010: \$16 million; 2011: \$34 million

[TADANO BRASIL EQUIPAMENTOS DE ELEVACAO LTDA.]

Paid-in capital: BRL 10 million; TADANO owns a 51% stake. Mr. Marcio Guimaraes de Campos owns 49%.
Location: Sao Paulo, Brazil; lines of business: production, distribution, and service for mobile cranes.
Representative: Marcio Guimaraes Campos, President; number of employees: 12
Established April 2011; plant to be completed in May 2012; operations slated to begin at the end of April 2012.



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Chinese businesses

- Achieving a 1.2- to 1.3-times price difference and exporting products to outside China -

● Hydraulic crane market in China

Aggregate demand for hydraulic cranes in the 2011 calendar year was 35,000 units (same level as in the previous year), with Chinese-produced truck cranes accounting for most of this demand (TADANO research).
2007: 19,500 units (+38%); 2008: 21,500 units (+10%); 2009: 27,000 units (+26%); 2010: 35,000 units (+30%)
Small cranes with lifting capacities of up to 25 tons constitute the bulk of aggregate demand, accounting for an 88% share in 2011. This is assumed to reflect an increase in individual proprietorship (private users).

● Overview of BQ-TADANO Crane Co., Ltd. mobile crane joint venture

Paid-in capital: \$30 million; shares divided 50/50 between TADANO and Beijing JingCheng Heavy Industry Co., Ltd. (established March 2003)
Location: Linhe Industrial Development Zone, Syunyi District, Beijing (about 25 km northwest of central Beijing); plant size 36,000 square meters; plant site 120,000 square meters
Lines of business: production and distribution of truck cranes, with 8 models of TCs having lifting capacities of 8-100 tons
President: Hidemi Uchida (from TADANO); number of employees: 327
2008: sales 337 units, market share 1.4%, net sales RMB 360 million; 2009: sales 212 units, market share 0.8%, net sales RMB 220 million; 2010: sales 254 units, market share 0.7%, net sales RMB 250 million, 2011: sales 230 units, market share 0.6%, net sales RMB 310 million
◆ In January 2006, TADANO invested an additional \$10 million in this joint venture.
• This investment increased the TADANO ownership stake to 50%, the maximum stake possible, due to Chinese limiting of foreign ownership of truck crane production facilities; these are regarded to belong to the motor vehicle industry.

Note: At present, this joint venture is not subject to consolidation and has almost no impact on Group business performance.

● Overview of JC-TADANO (Beijing) Hydraulic Co., Ltd. hydraulic parts joint venture

Paid-in capital: \$4 million; TADANO owns 65%, Mimura Ironworks 5%, Murakami Manufacturing 5%, and Beijing JingCheng Heavy Industry 25% (established September 2007)
Location: Tongzhou District, Beijing (about 20 km east of central Beijing); plant size 8,000 square meters; plant site 13,000 square meters
President: Kiyoyuki Nakagawa (from TADANO); number of employees: 93
Lines of business: production and distribution of hydraulic parts for use in mobile cranes (e.g., valves, rotary joints, small cylinders, pipes)
(This is the first joint venture involving investment by and joint efforts with partner companies in Kagawa Prefecture.)

● Overview of JTL-TADANO (Hebei) Ironparts Co., Ltd. metal parts joint venture

Paid-in capital: \$5.5 million; TADANO owns 56%, Amron 5%, Kawanishi 5%, and Hebei JTL 34% (established January 2010)
Location: Development District, Zhuozhou City, Hebei Province (about 60 km southwest of central Beijing); plant size 10,000 square meters; plant site 33,000 square meters
President: Teruyuki Murakami (from TADANO); number of employees: 104
Lines of business: production and distribution of metal parts for use in mobile cranes (e.g., booms, jibs, outriggers)



BQ-TADANO



JC-TADANO



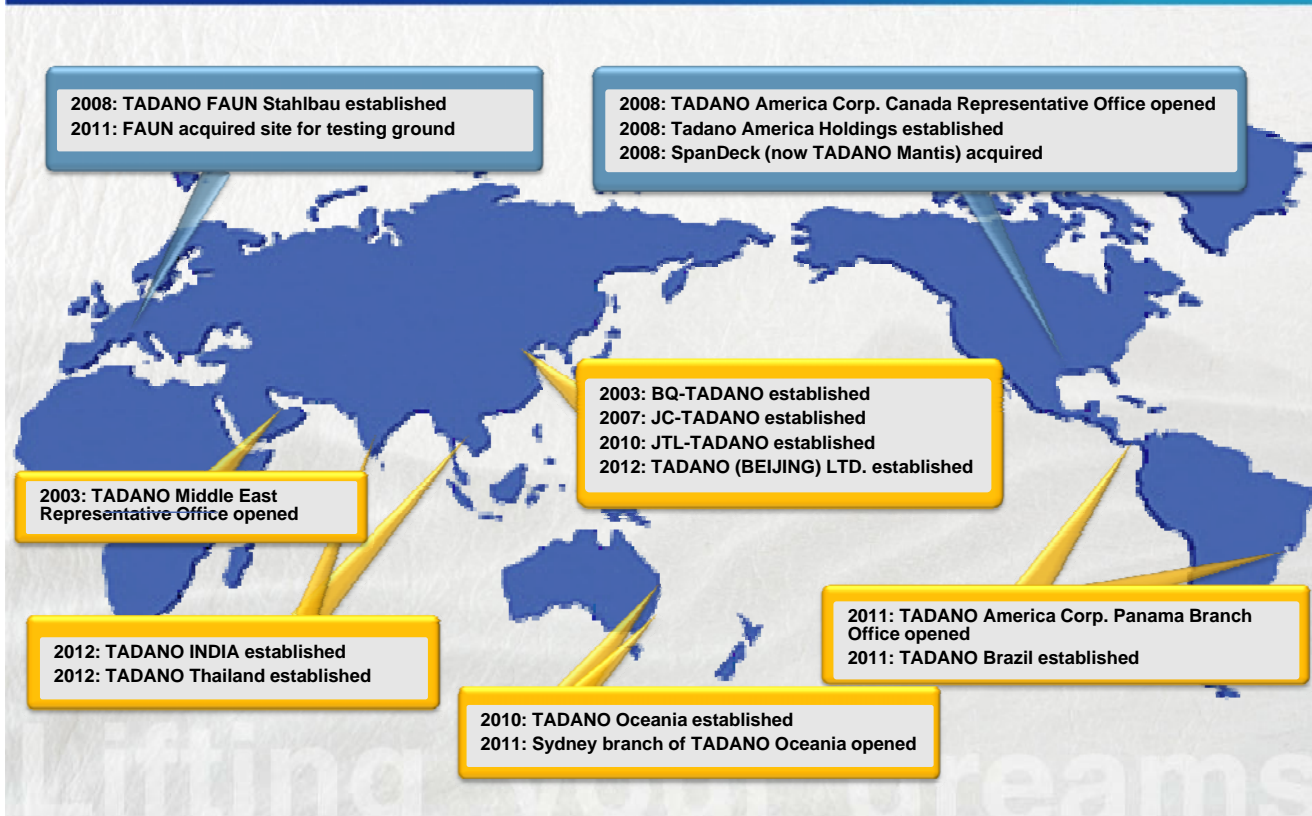
JTL-TADANO



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Business expansion overseas since 2003

- Eleven companies established or acquired; five new facilities opened -



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Truck loader cranes

[Cargo cranes] TADANO's share of the domestic market fell from 47.2% to 46.3%, (on second place for the first time in two years).

Domestic aggregate demand was 10,330 units (for FY 2011, based on TADANO research), up 42.8% from the same previous period.

⇒ Net sales rose to ¥11,372 million (139.8% of the figure of the previous year) due to demand growth generated by earthquake recovery efforts and to truck demand attributable to eco-vehicle subsidies and other factors.

- Mounted trucks, these small cranes allow operators to load, transport, and install cargo with a single unit.
- They are sold indirectly by truck dealers for use in logistics, gardening, and construction industries.
- Numerous models are available for mounting on compact, mid-sized, and large trucks, with lifting capacities ranging from 0.49 to 4.9 tons.

-Regulator-

- Primarily the Ministry of Health, Labour and Welfare (crane regulations)

-Major buyers and distinctive features-

- Domestic truck dealers
- Sales tend to parallel truck demand.

ZE600



(Product photo: First truck loader crane with an optional idling stop system)

- TADANO has focused its efforts on exports of cargo cranes to strategic markets, exporting crane components for mounting on local trucks.
- Sales in FY 2010: ¥980 million; in FY 2011: ¥1,200 million
- Overseas expansion is expected to accelerate following the opening of a manufacturing subsidiary in Thailand in April 2012.

TM20110



(Product photo: boom truck with 20-ton lifting capacity for the North American market)

ZR560



(Product photo: ZR560 cargo crane for export)

SS-38

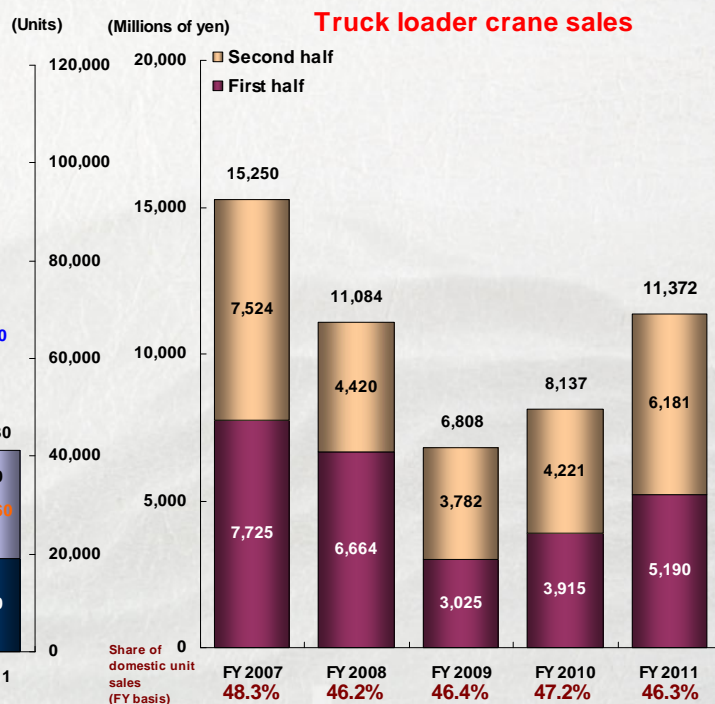
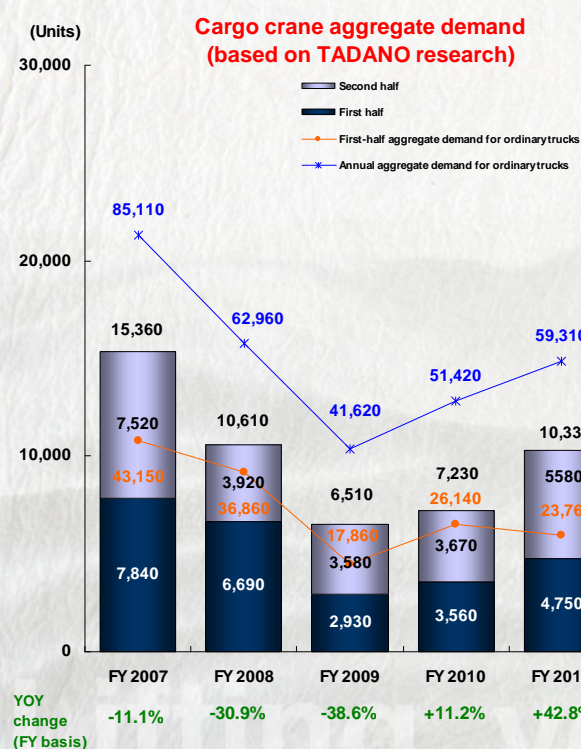


(Product photo: hybrid sliding carrier, the first of its kind on the market, introduced April 2011)



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Truck loader cranes



22

Aerial work platforms

TADANO's share of the domestic market rose from 38.0% to 38.2%, (TADANO's highest share ever).

Domestic aggregate demand for aerial work platforms mounted on trucks was 2,891 units (for FY 2011; TADANO research), up 24.7% from the previous period.

⇒ Demand due to efforts made for the recovery from the earthquake and a focus on sales in the rental industry, where demands recovered significantly, resulted in net sales of ¥11,789 million (116.9% of the figure from the previous period).

- Used in electrical and telecommunications construction
(Six models for telecommunications use; three models for electrical construction use)
- Used in general construction, including the construction of signs and interior/exterior finishing work
(12 models for general use, three models with wheels)
- Models with both wheel based and crawler based chassis are available, as well as models designed to be installed on trucks.
- Five models of TADANO's own Super Deck products equipped with advanced control technologies
- Three models designed for inspection of elevated driveways and bridges



-Regulator-

- Primarily the Ministry of Health, Labour and Welfare (aerial work platform regulations)

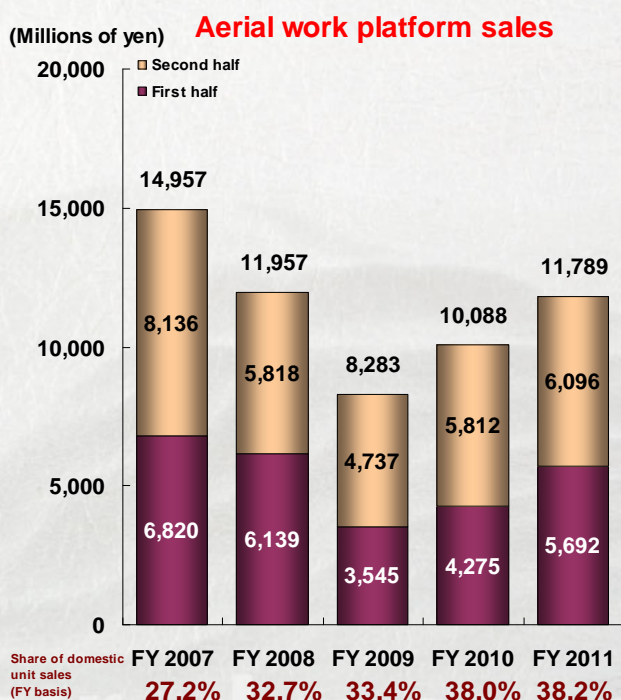
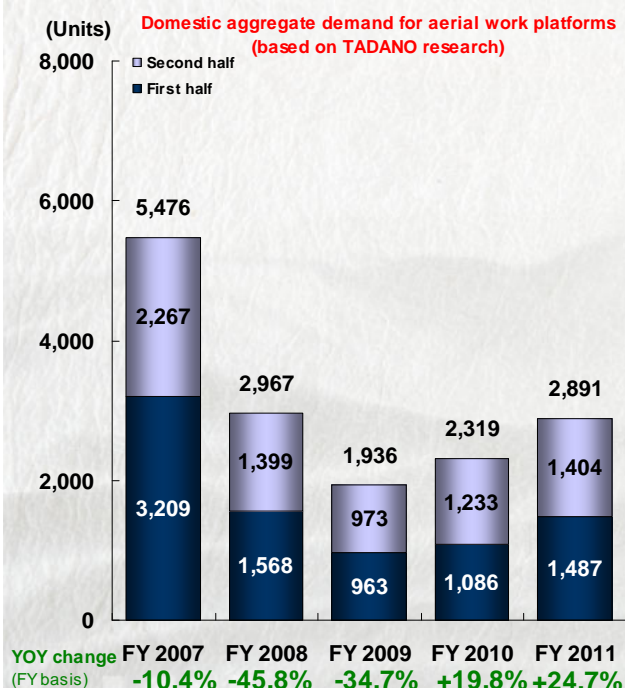
-Major buyers and distinctive features-

- Power-related electrical construction, telecommunications, rental, general use, shipbuilding, Ministry of Land, Infrastructure, Transport and Tourism.
- TADANO is focusing on sales of high-value-added Super Decks and aerial work platforms for inspections of elevated driveways and bridges.



23

Aerial work platforms



24

Other businesses

⇒ Net sales from other businesses, such as parts, repairs, used cranes and other products, were ¥24,607 million (101.9% of the figure from the previous period).

[Used cranes]

- While used crane prices fell dramatically in the second half of FY 2008 due to a strengthening yen and a sharp drop in demand, these prices leveled off in FY 2009.
- Domestic prices of used cranes have been increasing up since July 2011 due to product shortages besides a strong yen in the international currency markets.
- This fiscal year domestic sales remained largely unchanged. Overseas sales decreased.

[Parts and repairs]

- TADANO book sales for repairs.
(In general, repairs are done by designated service facilities in Japan and overseas distributors. These parties book the repair sales.)
- Both domestic and overseas sales increased during this fiscal year.



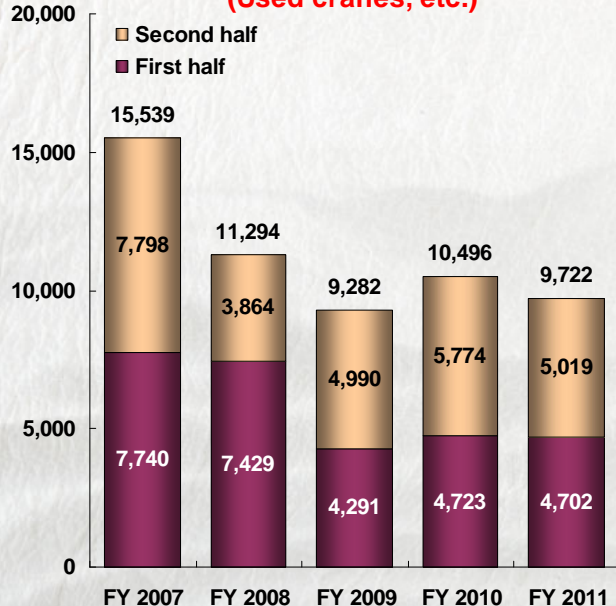
Example of the assembled CL-500 all-terrain crane mounting/removal lifter

[All-terrain crane mounting/removal lifters]

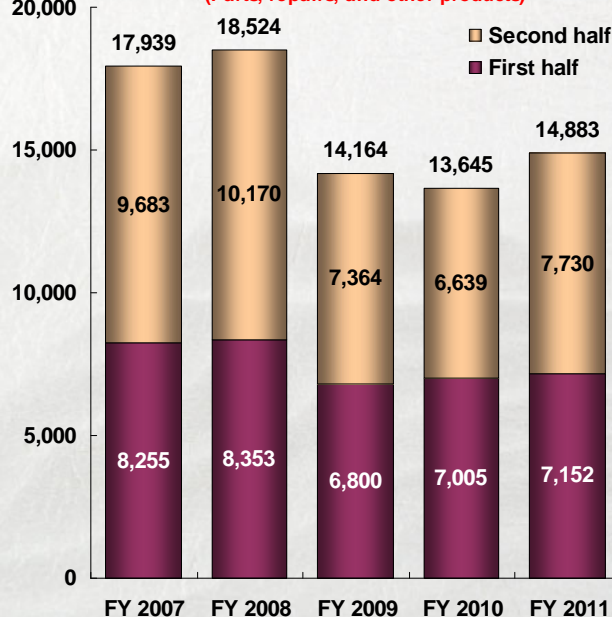
- These lifters are used to install and remove all-terrain crane booms in Japan, where the law requires disassembly for transportation on public roads.

Other businesses

(Millions of yen) **Net sales of other businesses
(Used cranes, etc.)**



(Millions of yen) **Net sales of other businesses
(Parts, repairs, and other products)**



FY 2012 business performance forecasts

(Unit: millions of yen)

	FY 2011		FY 2012 estimate		Increase/ decrease
	Amount	Percentage	Amount	Percentage	
Net sales	114,209	100.0%	132,000	100.0%	17,791
Operating income (loss)	5,895	5.2%	7,500	5.7%	1,605
Ordinary income (loss)	5,778	5.1%	7,000	5.3%	1,222
Net income	3,145	2.8%	4,500	3.4%	1,355

Dividends per share	Interim: ¥0.00	Interim: ¥5.00
	Year-end: ¥7.00	Year-end: ¥5.00
	Full-year: ¥7.00	Full-year: ¥10.00

	FY 2011	FY 2012 (projected)
Capital investment	¥1,584 million	¥3,800 million
Depreciation	¥2,353 million	¥2,600 million
Exchange rate (USD)	¥79.84	¥80.00
Exchange rate (EUR)	¥111.12	¥105.00

Note: Figures for capital investment include leased assets.

[Concepts for the coming three to four years]

- Japanese market: Increasing business quality by ensuring appropriate sales prices
- Overseas markets: Increasing the overseas sales ratio by sales volume

[FY 2012 management policies]

- Pursuing the core values of safety, quality, and efficiency
- Restoring profitability
- Efforts to implement the seven strategies of the Mid-Term Management Plan (2011-2013)

[Seven strategies of the Mid-Term Management Plan (2011-2013)]

● Operating strategies

- Making inroads into strategic markets
- Developing eco-friendly products
- Developing large LE products

● Competitive strategies

- Enhancing cost competitiveness
- Improving quality and service

● Fundamental strategies

- Enhancing monozukuri (manufacturing) capabilities
- Globalizing our organization and human resources

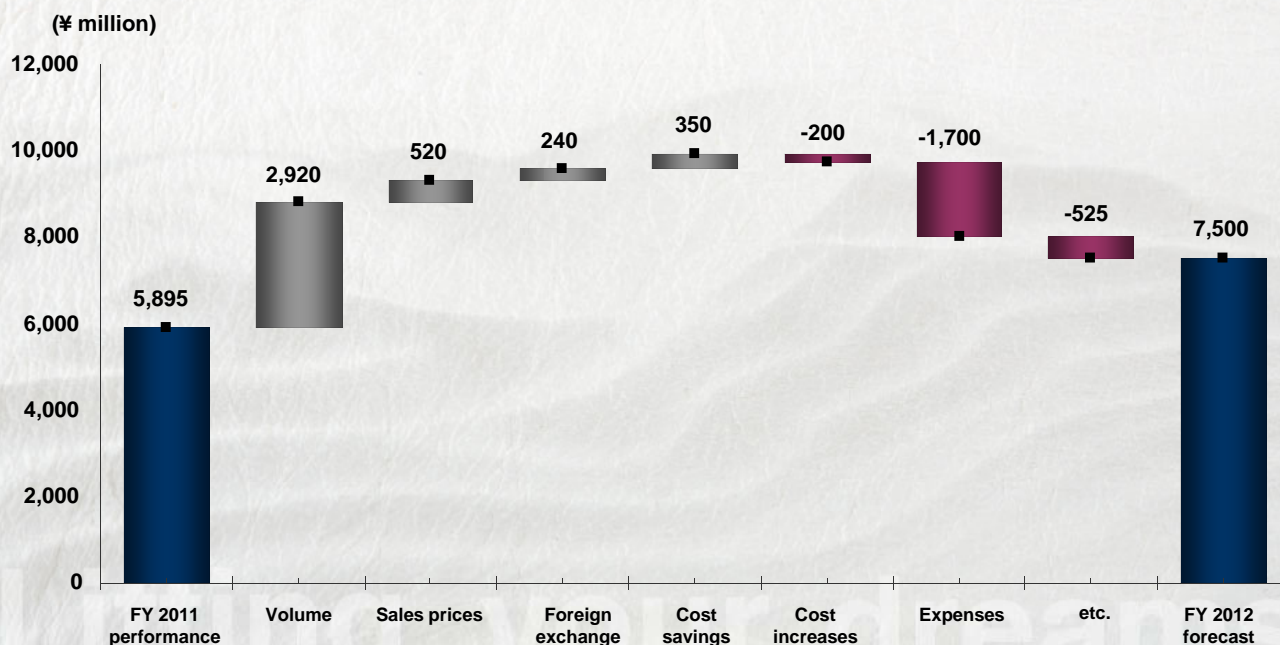
⇒ For 2012, the establishment of production bases and sales companies will accelerate activities in strategic markets.

- FY 2012 full-year proportion corresponding to overseas sales: 52.8%

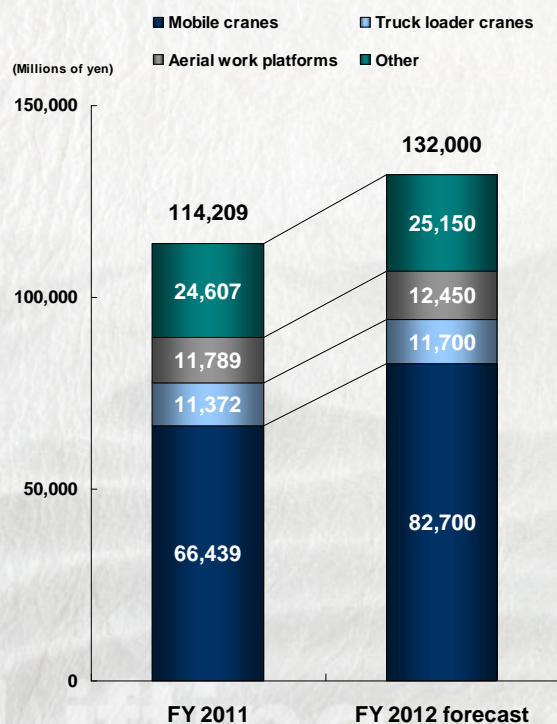
FY 2012 business performance forecasts

(main causes of changes in operating income)

While efforts to ensure appropriate sales prices will continue alongside efforts to increase net sales, operating income will increase by ¥1.6 billion due to various factors, including rising costs and changes in income components.



FY 2012 business performance forecasts (net sales by product)

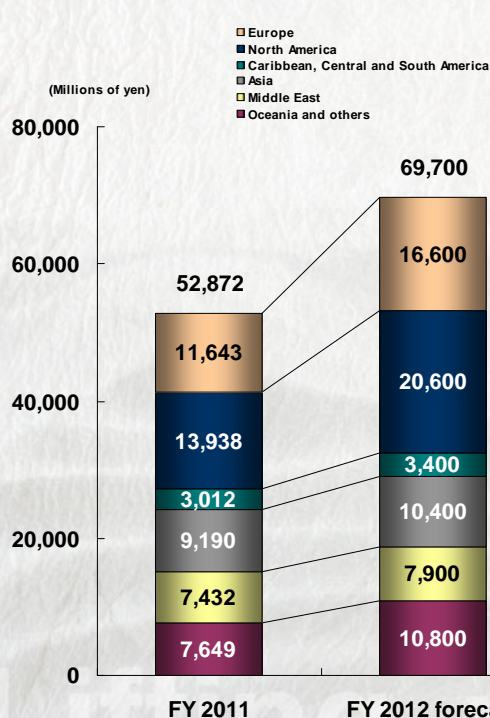


	FY 2011		FY 2012 forecast		Increase/decrease	
	Amount	Percentage	Amount	Percentage	Amount	Percent change
Mobile cranes	66,439	58.2%	82,700	62.7%	16,261	24.5%
Truck loader cranes	11,372	10.0%	11,700	8.9%	327	2.9%
Aerial work platforms	11,789	10.3%	12,450	9.4%	661	5.6%
Others	24,607	21.5%	25,150	19.0%	543	2.2%
Total	114,209	100%	132,000	100%	17,791	15.6%

[Key points for individual products]

- ◆ **Mobile cranes: + ¥16.2 billion**
Domestic: Sales growth of ¥0.9 billion due to replacement of older cranes
Overseas: Sales growth of ¥15.3 billion due to demand recovery, primarily in North America
- ◆ **Truck loader cranes: + ¥0.3 billion**
Domestic demand largely unchanged
- ◆ **Aerial work platforms: + ¥0.6 billion**
Recovery forecast in domestic demand
- ◆ **Others: + ¥0.5 billion**
Increasing sales of used cranes

FY 2012 business performance forecasts (net sales by destination)



	FY 2011		FY 2012 forecast		Increase/decrease	
	Amount	Percentage	Amount	Percentage	Amount	Percent change
Europe	11,643	10.2%	16,600	12.6%	4,957	42.6%
North America	13,938	12.2%	20,600	15.6%	6,662	47.8%
Caribbean, Central and South America	3,012	2.6%	3,400	2.6%	388	12.9%
Asia	9,190	8.1%	10,400	7.9%	1,210	13.2%
Middle East	7,432	6.5%	7,900	6.0%	468	6.3%
Oceania and other areas	7,654	6.7%	10,800	8.1%	3,146	41.1%
Subtotal (total overseas sales)	52,872	46.3%	69,700	52.8%	16,828	31.8%
Japan	61,337	53.7%	62,300	47.2%	963	1.6%

Note: The graph on the left excludes Japan.