



Manitou Group: 2019 annual results

- Sales revenue of €2 094 million growing at a rate of +11% against 2018 (+10% like for like*)
- Recurring operating income at €149 million (7.1% of net sales) against €129 million (6.9%) in 2018
- EBITDA ⁽¹⁾ of €186 million** (8.9%) against €162 million in 2018
- Net income group share of €96 million vs. €84 million in 2018
- Net debt** at €190 million, gearing ⁽²⁾ of 29 %
- Dividend to be proposed at the upcoming Shareholders' meeting of € 0,78 per share
- Anticipation of a decrease in sales for 2020 of around -10% compared to 2019
- Anticipation for 2020 of current operating income rate of around 6% of net sales, excluding the effect of the coronavirus

Ancenis, 03 March 2020 – The board of directors of Manitou BF, meeting on this day, approved the accounts for 2019. Michel Denis, President and Chief Executive Officer stated: “With a revenue of more than €2 billion and a net profit of €96 million, Manitou Group ended the 2019 financial year on an all-time high. In line with our strategy, we continued to develop both geographically and in terms of expanding our product and service ranges. This performance was the result of the strengthening of our worldwide presence, particularly in the United States, the implementation of additional research and development resources and the increase in production capacity undertaken year after year.

In a general economic slowdown since mid-2019, the Group's business has been gradually reduced while maintaining a good increase in our profitability during the year. As a result, our recurring operating income increased by 15% compared to 2018 and stands at 7.1% of sales.

Since the beginning of 2020, we have been seeing good order intake and very limited effects of export restrictions from China. We anticipate, for 2020, a 10% decrease in sales compared to 2019 and, taking into account the above-mentioned factors, a current operating profit of around 6% of sales, with uncertainty about the impact of the coronavirus, not estimated at present time”.

| | MHA | CEP | S&S | Total | MHA | CEP | S&S | Total | Var. |
|--|--------------|-------------|-------------|--------------|--------------|-------------|-------------|--------------|-------------|
| <i>In millions of €</i> | 2018 | 2018 | 2018 | 2018 | 2019 | 2019 | 2019 | 2019 | |
| Net sales | 1 294,1 | 313,5 | 276,0 | 1 883,6 | 1 455,8 | 328,3 | 309,4 | 2 093,6 | +11% |
| Sales margin | 198,1 | 43,0 | 72,7 | 313,8 | 220,3 | 38,5 | 87,3 | 346,1 | +10% |
| Sales margin as a % of sales | 15,3% | 13,7% | 26,3% | 16,7% | 15,1% | 11,7% | 28,2% | 16,5% | |
| Recurring OI | 100,0 | 9,4 | 20,0 | 129,3 | 116,3 | 2,4 | 30,0 | 148,6 | +15% |
| Recurring OI as a % of sales | 7,7% | 3,0% | 7,2% | 6,9% | 8,0% | 0,7% | 9,7% | 7,1% | |
| OP. | 97,4 | 9,0 | 19,7 | 126,1 | 114,2 | 2,1 | 29,7 | 146,1 | +16% |
| Net income attributable to the group | n/a | n/a | n/a | 84,1 | n/a | n/a | n/a | 95,6 | +14% |
| Net debt excluding IFRS 16 | | | | 148,1 | | | | 190,2 | +28% |
| Net debt including IFRS 16 | | | | n/a | | | | 208,2 | |
| Shareholder's equity | | | | 597,0 | | | | 664,6 | +11% |
| % Gearing ⁽²⁾ excluding IFRS 16 | | | | n/a | | | | 31% | |
| % Gearing ⁽²⁾ including IFRS 16 | | | | 25% | | | | 29% | |
| Working capital | | | | 536 | | | | 606 | +13% |

Percentage figures in brackets express a percentage of turnover.

First-time application of IFRS 16 standard as from 1 January 2019 (the financial impacts are described in appendix; no restatement for 2018)

Auditing procedures performed

* like for like, at constant scope and exchange rate:

- for 2019 acquisitions (Mawsley Machinery Ltd at the end of October 2019), subtraction of their contribution, from the date of their acquisition, to December 31, 2019. There is no exit in 2019. There is no acquisition nor exit in 2018.
- application of the prior year's exchange rate

** at constant accounting standard (IAS17)

¹ EBITDA: Earnings before interest, taxes, depreciation, and amortization, restated from IFRS 16 impact

² Gearing: Financial ratio measuring the net debt divided by shareholders' equity, restated from IFRS 16 impact.

Business review by division

The **Material Handling & Access Division (MHA)** reported revenue of €1,456 million in 2019, up +13% compared to 2018 (+12% at constant exchange rate and scope). The division continued its capacity building and innovation efforts. The construction of a new production site for aerial work platforms has been initiated, with work scheduled to begin in early 2021. The MHA division's recurring operating income thus rose by €16.3 million (+16.3%) to €116.3 million (8.0% of sales) compared with €100.0 million in 2018 (7.7% of sales).

The **Compact Equipment Products Division (CEP)** achieved revenue of €328 million in 2019, a rise of +5% over the 12 months (+1% at constant exchange rate and scope).

The division's performance was impacted by recurring difficulties in recruiting staff for production sites and by the strengthening dollar, which had a negative impact on the profitability of products exported from the United States. In addition, the division was affected by the shutdown of its main US site (Madison), which was blocked for six weeks due to flooding, the financial impact of which was almost entirely covered by insurance.

Taking into account these elements, the CEP division's recurring operating income is down to € 2.4 million (0.7% of sales) compared to € 9.4 million in 2018 (3.0% of sales).

With sales revenues of €309 million, the **Services & Solutions Division (S&S)** recorded a +12% sales increase year-on-year (+11% at constant exchange rate and scope). The strongest growth in revenue was recorded in the service activities that have been strengthened over the last few years. The development of service activities provides the division with greater profitability and resilience.

As a result, the division's profitability has increased by 50% to €30.0 million, or 9.7% of sales (7.2% in 2018).

Dividend proposed at the next Shareholders' Meeting

The Board decided to propose a dividend payment of €0,78 per share at the next Shareholders' Meeting, which will be held on 18 June 2020.

Coronavirus crisis

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.

Warning regarding forward-looking items

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

ISIN code: FR0000038606

Indices: CAC ALL SHARES, CAC ALL-TRADABLE, CAC INDUSTRIALS, CAC MID&SMALL, CAC SMALL,
EN FAMILY BUSINESS

FORTHCOMING EVENTS

**April 28, 2020 (after market closing):
Q1'20 Sales Revenues**

Manitou Group is a worldwide reference in the handling, access platforms, and earthmoving. By improving workplace conditions, safety, and performance, our environment remains renewable and sustainable for man kind.

Through its 3 iconic brands—Manitou, Gehl, and Mustang by Manitou—the group develops, manufactures, and provides equipment and services for the construction, agriculture, and industrial markets.

By constantly innovating its products & services, Manitou Group constantly adds value to exceed its stakeholders' expectations.

Always attuned to its customers via its expert network of over 1,050 dealers, the group continues to be true to its roots by keeping its headquarters in France. That focus, which powered sales to €2.1 billion in 2019, informs its talented worldwide team of 4,600 whose passion ceaselessly motivates the group.

Appendix

Impact of the application of IFRS 16 :

IFRS 16 is the new standard for leases, with first application as of 1 January 2019.

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, the previous year's figures are not displayed with restated values.

| <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 |
| Financial result | -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 | 31,31 % | | 28,6 % |

Definitions :

- **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**

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