



Manitou: 2016 Half-year results

- Sales revenues in H1 2016 of €689 million, a +1% increase versus H1 2015, 3% at constant exchange rates
- Order intake on equipment in Q2 of €276 million versus €252 million in Q2 2015
- Order backlog at the end of Q2 of €304 million versus €281 million in Q2 2015
- Recurring operating income of €39 million (5.6 % of sales) versus €31 million (4.5% of sales) in H1 2015
- EBITDA¹ of €53 million (7.7% of sales) versus €47 million (6.8% of sales) in H1 2015
- Net income of €23 million versus €17 million in H1 2015
- Confirmation of the outlook for an increase in sales of +2%
- Outlook for an improved recurring operating income of approximately 50 basis points

July 27, 2016, Ancenis – The Manitou BF Board of Directors met today to approve the 2016 half-year financial statements. Michel Denis, President & Chief Executive Officer stated: “Sales revenues increasing by 5% in Q2 compared to 2015 permitted us to close the first half of the year with a 3% increase of sales at constant exchange rates. Southern Europe, which includes France, drove our good performance while the North American region was still strongly decreasing. From a market point of view, we achieved strong growth in the construction sector, especially business with rental companies and dealers boosted by the impact of the Macron law in France. Conversely the agricultural business suffered from the worldwide drop in milk prices and other commodities. This first half of the year should be one more milestone for the improvement of our profitability with a 110 basis points increase of our recurring operating income. This good beginning of the year combined with a stronger order book puts us ahead of our planned roadmap. This is most welcome in an environment where the agricultural business shows no sign of improvement in the short-term, where markets are exposed to the impact of Brexit and in which the seasonality of production rates might not be as favourable as in H1. This situation permits us to confirm sales growth prospects of around 2% in 2016 with an improved recurring operating income of approximately 50 basis points compared to December 2015.”

	MHA	CEP	S&S	Total	MHA	CEP	S&S	Total	Change
<i>In million euros</i>	H1'15 ²	H1'15 ²	H1'15 ²	H1'15 ²	H1'16	H1'16	H1'16	H1'16	
Sales Revenues	426,6	144,7	109,9	681,2	475,1	103,2	111,0	689,3	+1%
Margin/Sales	57,8	22,3	25,0	105,1	75,4	11,1	26,4	112,8	+7%
Margin/Sales %	13,5%	15,4%	22,7%	15,4%	15,9%	10,7%	23,8%	16,4%	
Recurring OI	18,9	6,9	4,8	30,6	35,8	-2,6	5,4	38,6	+26%
Recurring OI %	4,4%	4,8%	4,4%	4,5%	7,5%	-2,5%	4,8%	5,6%	
OI	18,5	6,8	4,5	29,8	35,1	-2,6	5,2	37,7	+27%
Group portion of NI	n/a	n/a	n/a	17,1	n/a	n/a	n/a	22,8	+34%
Net debt				125,1				92,4	-26%
Shareholder's equity				474,9				494,4	+4%
% Gearing				26%				19%	
Working capital				458				446	-3%

Audit procedures performed

¹ EBITDA: Earnings before interest, taxes, depreciation and amortization

² Financial indicators for H1 2015 restated from the change in the reporting of exchange gains & losses adopted in the financial statements as at 31.12.2015

Sales trend

Sales by division

In million of euros	Quarter			Half-year		
	Q2 2015	Q2 2016	%	H1 2015	H1 2016	%
MHA	227	258	13%	427	475	11%
CEP	74	62	-15%	145	103	-29%
S&S	57	57	0%	110	111	1%
Total	358	377	5%	681	689	1%

Sales by region

In million of euros	Quarter			Half-year		
	Q2 2015	Q2 2016	%	H1 2015	H1 2016	%
Southern Europe	97	121	25%	186	253	36%
Northern Europe	142	148	4%	257	247	-4%
Americas	88	80	-10%	175	134	-24%
APAM	31	29	-7%	63	55	-12%
Total	358	377	5%	681	689	1%

Business review by division

The **Material Handling and Access Division (MHA)** achieved half-year sales of €475 million, a +13% increase at constant exchange rates compared to H1 2015. The business activity benefited from the acceleration of the construction business in Southern Europe, more pronounced in France due to the Macron law. The industrial sector showed good performance while the agricultural sector decreased due to still very low price levels of milk and agricultural commodities.

The division very strongly improved its profitability leveraged by the business growth and the operational and financial control. The division's operating income amounted to 7.4% of sales compared to 4.3% in 2015.

The **Compact Equipment Products Division (CEP)** achieved sales of €103 million, a decrease of -29% compared to H1 2015. For the record, this same decrease was -42% at the end of Q1 2016 compared to Q1 2015. The business activity in North America remained hit by the weak business activity of rental companies, a decreasing agricultural sector and the dollar pressure on products exported outside the US.

The competitive pressure and the extent of the volume decrease in Q1 did not permit the division to achieve its break-even point over the half-year period. The recurring operating income amounted to -2.5% of sales compared to 4.7% in H1 2015.

With sales of €111 million, the **Services and Solutions Division (S&S)** reported an increase of 1% in its business activity (3% at constant exchange rates). The division continued developing and restructuring new service offers and new tools.

The work performed on the division's fundamentals will permit the continued improvement of its financial profile with a 4.7% recurring operating income of sales compared to 4.1% in H1 2015.



2016 Outlook

Manitou confirms its outlook for an increase in sales of 2% and an improved recurring operating income of approximately 50 basis points.

ISIN code: FR0000038606

Indices: CAC All-Tradable, CAC Ind. Engin. CAC Industrials, CAC Mid & Small, CAC Small, Euronext PEA PME 150



FORTHCOMING EVENT

**October 20, 2016:
Q3 2016 Sales Revenues**

Manitou Group, world-leader in all-terrain material-handling, designs, manufactures, distributes and services equipment for construction, agriculture and the industries.

The group product ranges encompass: telehandlers, all-terrain, semi-industrial and industrial masted forklifts, skidsteers, track loaders, articulated loaders, access platforms, truck-mounted forklifts, warehousing equipment and attachments.

Through its core brands, Manitou, Gehl, and Mustang, together with its international network of 1,400 independent dealers, the group provides the best solutions delivering highest value for its customers.

Headquartered in France, the group registered in 2015 a revenue of €1.29 billion in 140 countries, and employs 3,200 people all committed to satisfying customers.

AS AT 30.06.2016

HALF-YEAR REPORT - EXTRACT

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CONSOLIDATED FINANCIAL STATEMENTS AT 30.06.2016

1. STATEMENTS OF COMPREHENSIVE INCOME

CONSOLIDATED INCOME STATEMENT

<i>In € thousands</i>	31.12.2015	30.06.2015*	30.06.2016
Net Sales	1 287 157	681 207	689 307
Cost of goods & services sold	-1 084 030	-576 147	-576 498
Research & development costs	-20 595	-11 754	-10 326
Selling, marketing and service expenses	-77 591	-40 507	-40 563
Administrative expenses	-44 060	-22 167	-23 074
Other operating income and expenses	-358	10	-235
RECURRING OPERATING INCOME	60 523	30 642	38 610
Impairment of assets	-257	-116	0
Other non-recurring income and expenses	-3 117	-739	-874
OPERATING INCOME	57 149	29 787	37 737
Share of profits of associates	2 723	1 364	1 383
OPERATING INCOME INCLUDING NET INCOME FROM ASSOCIATES	59 872	31 151	39 119
Financial income	11 166	6 835	11 791
Financial expenses	-21 578	-10 800	-15 702
Net financial expenses	-10 412	-3 965	-3 911
CONSOLIDATED INCOME (LOSS) BEFORE TAX	49 459	27 186	35 208
Income taxes	-16 919	-10 117	-12 377
NET INCOME (LOSS)	32 541	17 069	22 831
Attributable to equity holders of the Parent	32 298	16 992	22 792
Attributable to minority interests	242	77	39
Earnings per share (in euros)	31.12.2015	30.06.2015*	30.06.2016
Net income (loss) attributable to the equity holders of the Parent	0,82	0,43	0,58
Diluted earnings per share	0,82	0,43	0,58

OTHER COMPONENTS OF COMPREHENSIVE INCOME AND EXPENSE & COMPREHENSIVE INCOME

<i>In € thousands</i>	31.12.2015	30.06.2015*	30.06.2016
INCOME (LOSS) FOR THE YEAR	32 541	17 069	22 831
Adjustments in the fair value of available-for-sale financial assets	40	120	330
<i>Of which booked to equity</i>	40	120	330
<i>Of which transferred to income of the year</i>			
Translation differences arising on foreign activities	18 312	16 848	-5 384
<i>Attributable to equity holders of the Parent</i>	18 314	16 833	-5 377
<i>Attributable to minority interests</i>	-2	15	-7
Interest rates hedging instruments	537	-2 567	1 092
<i>Attributable to equity holders of the Parent</i>	537	-2 567	1 092
<i>Attributable to minority interests</i>	0	0	0
Items that will be reclassified to profit or loss in subsequent periods	18 889	14 401	-3 962
Actuarial gains (losses) on defined benefits plans	1 086	928	-5 485
<i>Attributable to equity holders of the Parent</i>	1 089	926	-5 481
<i>Attributable to minority interests</i>	-3	2	-4
Items that will not be reclassified to profit or loss in subsequent periods	1 086	928	-5 485
OTHER COMPONENTS OF COMPREHENSIVE INCOME	19 974	15 329	-9 447
COMPREHENSIVE INCOME	52 515	32 398	13 384
ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	52 278	32 304	13 356
ATTRIBUTABLE TO MINORITY INTERESTS	237	93	28

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

<i>In € thousands</i>	31.12.2015	30.06.2015*	30.06.2016
Items reclassified to comprehensive income	-331	1 252	-699
Items not reclassified to comprehensive income	-729	-423	2 708
Total tax impact	-1 060	829	2 010

* Consolidated financial statements presented in comparative include changes in the reporting of exchange gains and losses adopted in the consolidated financial statements as at 31 december 2015.

2. STATEMENT OF FINANCIAL POSITION

ASSETS

<i>In € thousands</i>	31.12.2015	Net Amount 30.06.2016
NON-CURRENT ASSETS		
PROPERTY, PLANT AND EQUIPMENT	140 432	139 797
INVESTMENT PROPERTY		
GOODWILL	288	288
INTANGIBLE ASSETS	27 439	28 638
INVESTMENTS IN ASSOCIATES	25 126	23 031
NON-CURRENT FINANCE CONTRACT RECEIVABLES	2 446	1 960
DEFERRED TAX ASSETS	21 938	20 417
NON-CURRENT FINANCIAL ASSETS	7 153	6 842
OTHER NON-CURRENT ASSETS	286	292
	225 109	221 264
CURRENT ASSETS		
INVENTORIES & WORK IN PROGRESS	377 122	431 231
TRADE RECEIVABLES	266 192	302 466
CURRENT FINANCE CONTRACT RECEIVABLES	1 150	987
OTHER RECEIVABLES		
Current income tax	12 434	10 190
Other receivables	21 365	24 374
CURRENT FINANCIAL ASSETS	1 265	2 872
CASH AND CASH EQUIVALENTS	57 299	14 175
	736 827	786 295
TOTAL ASSETS	961 936	1 007 559

LIABILITIES & EQUITY

<i>In € thousands</i>	31.12.2015	Net Amount 30.06.2016
Share capital	39 552	39 552
Share premiums	44 682	44 682
Treasury shares	-9 154	-8 868
Consolidated reserves	370 478	384 490
Translation differences	17 026	11 709
Net profit (loss) – Equity holder of the Parent	32 298	22 792
SHAREHOLDERS' EQUITY	494 883	494 357
MINORITY INTERESTS	87	88
TOTAL EQUITY	494 970	494 445
NON-CURRENT LIABILITIES		
NON-CURRENT PROVISIONS	50 894	59 660
OTHER NON-CURRENT LIABILITIES	1 197	1 084
DEFERRED TAX LIABILITIES	213	310
NON-CURRENT FINANCIAL LIABILITIES		
Loans and other financial liabilities	105 618	89 690
	157 922	150 745
CURRENT LIABILITIES		
CURRENT PROVISIONS	21 770	20 471
TRADE ACCOUNTS PAYABLE	180 054	226 533
OTHER CURRENT LIABILITIES		
Current income tax	1 154	2 858
Other liabilities	87 018	92 792
CURRENT FINANCIAL LIABILITIES	19 048	19 715
	309 044	362 368
TOTAL EQUITY & LIABILITIES	961 936	1 007 559

* Consolidated financial statements presented in comparative include changes in the reporting of exchange gains and losses adopted in the consolidated financial statements as at 31 december 2015.

3. CHANGES IN SHAREHOLDERS' EQUITY

	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
<i>In € thousands</i>										
Balance at 31.12.2014	39 549	44 645	-8 989	351 156	30 397	-1 302	908	456 365	-15	456 349
Income for the year 2014				30 397	-30 397			16 992	0	0
Income at 30.06.2015					16 992			16 992	77	17 069
Dividends				-13 735				-13 735		-13 735
Change in translation differences						16 833		16 833	15	16 848
Valuation differences under IFRS				-2 339				-2 339		-2 339
Treasury shares			-220					-220		-220
Actuarial (gain) losses on employee benefits				926				926	2	928
Change in consolidation scope & other Shareholders' agreements				1	0			1	2	1
										2
Balance at 30.06.2015	39 549	44 645	-9 209	366 406	16 992	15 532	908	474 822	80	474 902
Income H2' 2015					15 307			15 307	165	15 472
Dividends										
Change in translation differences						1 481		1 481	-16	1 464
Valuation differences under IFRS				3 013				3 013		3 013
Treasury shares			55					55		55
Actuarial (gain) losses on employee benefits				163				163	-5	158
Change in consolidation scope & other Shareholders' agreements	3	37		-12		14		42		42
									-137	-137
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			286					286		286
Actuarial (gain) losses on employee benefits				-5 481				-5 481	-4	-5 485
Change in consolidation scope & other Shareholders' agreements				58	0	59		118		118
									-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

* Consolidated financial statements presented in comparative include changes in the reporting of exchange gains and losses adopted in the consolidated financial statements as at 31 december 2015.

4. CASH FLOW STATEMENT

<i>In € thousands</i>	31.12.2015	30.06.2015	30.06.2016
INCOME (LOSS) FOR THE YEAR	32 541	17 069	22 831
Less share of profits of associates	-2 723	-1 364	-1 383
<i>Elimination of income and expense with no effect on operating cash flow and not linked to operating activities</i>			
+ Amortization and depreciation	33 278	16 598	15 582
- Provisions and impairment	-1 671	-501	382
- Change in deferred taxes	4 679	2 494	3 458
+/- Income (loss) from non-current asset disposal	19	-279	26
- Change in capitalized leased machines	-9 549	-1 801	-4 043
+/- Other	-135	-359	-173
EARNINGS BEFORE DEPRECIATION AND AMORTIZATION	56 439	31 857	36 681
<i>Changes in cash flows from operating activities</i>			
+/- Change in inventories	45 159	18 732	-58 300
+/- Change in trade receivables	-15 878	-45 910	-39 034
+/- Change in finance contracts receivables	341	939	1 529
+/- Change in other operating receivables	-121	1 368	-3 057
+/- Change in trade accounts payable	3 723	-8 013	47 705
+/- Change in other operating liabilities	-7 819	3 306	7 079
+/- Change in taxes payable and receivable	-5 601	4 411	4 092
+/- Change in liabilities linked to finance contracts receivables	-467	-385	-12
CASH FLOW FROM OPERATING ACTIVITIES	75 777	6 305	-3 316
<i>Changes in cash flows from investing activities</i>			
+ Proceeds from sale of property, plant and equipment	373	324	737
+ Proceeds from sale of long-term investments			74
- Purchase of intangible assets, property, plant and equipment (excl. rental fleet)	-32 970	-17 624	-14 327
- Decrease (increase) of other financial assets	-989	-671	-254
- Acquisition of subsidiaries or minority interests			0
- Increase in capital of associates	-2 887	-2 888	0
+ Dividends received from associates	4 410	4 410	1 993
CASH FLOW FROM INVESTING ACTIVITIES	-32 063	-16 450	-11 776
<i>Changes in cash flows from financing activities</i>			
+ Increase in capital	40		0
- Capital reduction			
- Dividends paid	-13 734	-13 735	-14 133
+/- Purchase / sale of treasury shares		-16	161
+/- Change in financial liabilities	9 985	18 124	-16 000
<i>Of which loans taken during the year</i>	48 985	23 985	0
<i>Of which loans repaid during the year</i>	-39 000	-5 860	-16 000
+/- Other	832	190	559
CASH FLOW FROM FINANCING ACTIVITIES	-2 876	4 563	-29 412
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND BANK OVERDRAFTS	40 838	-5 582	-44 505
Cash, cash equivalents and bank overdrafts at beginning of the year	11 880	11 880	53 800
Exchange gains (losses) on cash and bank overdrafts	1 081	394	752
CASH, CASH EQUIVALENTS, AND BANK OVERDRAFTS AT END OF THE YEAR	53 800	6 692	10 047
CURRENT FINANCIAL ASSETS (REMINDER)	1 265	815	2 872

5. EXTRACT FROM THE NOTES

Standards and interpretations applied

The condensed interim financial statements related to the 6 month period ended June 30, 2016 of the Manitou Group 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 be read in conjunction with the group consolidated financial statements related to the period ended December 31, 2015, prepared in accordance with IFRS as adopted by the European Union and issued by the International Accounting Standard Board (IASB).

The accounting methods applied are consistent with those applied in the annual financial statements at December 31, 2015 with the exception of the new standards and interpretations.

The standards, interpretations and amendments of existing and applicable standards, which are mandatory to apply from the beginning of the fiscal-year 2016, have no significant impact on the group's financial statements.

The new standards, interpretations and amendment of existing and applicable standards, applicable by anticipation from the beginning of the fiscal-year 2016, have not been adopted by the Group.

The consolidated financial statements were approved by the Board of Directors on July, 27, 2016.

Change in the accounting presentation

As a reminder, the group decided to present for the year-ended 31 December 2015, foreign exchange gains and losses realized on operating activities, resulting from the difference between the valuation at the rate of the transaction date and the rate at the payment date in the line "Cost of goods and services sold" instead of "Other operating income and expenses". This change in the presentation allows the group to give a more relevant information on the group's performance. It has no impact on the recurring operating result and the net income of the group.

The 30 June 2015 consolidated financial statements have been restated and the impact is presented below :

<i>in € thousands</i>	30.06.2015 published	Foreign exchange gains and losses	30.06.2015 restated
Net sales	681 207		681 207
Cost of goods & services sold	-575 617	-530	-576 147
Research and development costs	-11 754		-11 754
Selling, marketing and service expenses	-40 507		-40 507
Administrative expenses	-22 167		-22 167
Other operating income and expense	-520	530	10
RECURRING OPERATING INCOME	30 642	0	30 642
OPERATING INCOME	29 787		29 787
OPERATING INCOME INCLUDING NET INCOME FROM ASSOCIATES	31 151		31 151
Financial result	-3 965		-3 965
Taxes	-10 117		-10 117
NET INCOME (LOSS)	17 069		17 069
Attributable to the equity holders of the parent	16 992		16 992
Attributable to minority interests	77		77

6. 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.

Assets, cash flows or even liabilities are not allocated to the individual divisions, as the operating segment information used by the group's management does not incorporate those various items.

INCOME STATEMENT BY DIVISION

30.06.2016

	MHA	CEP	S&S	TOTAL
	Material Handling and Access	Compact Equipment Products	Services & Solutions	
<i>in € thousands</i>				
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

30.06.2015

	MHA *	CEP *	S&S *	TOTAL *
	Material Handling and Access	Compact Equipment Products	Services & Solutions	
<i>in € thousands</i>				
Net sales	426 608	144 670	109 928	681 207
Cost of goods & services sold	-368 825	-122 399	-84 922	-576 146
Research and development costs	-9 338	-2 416		-11 754
Selling, marketing and service expenses	-17 427	-6 596	-16 484	-40 507
Administrative expenses	-11 935	-6 445	-3 787	-22 167
Other operating income and expense	-166	91	86	10
RECURRING OPERATING INCOME	18 917	6 904	4 821	30 642
Impairment of assets	-72	-22	-22	-116
Other non-recurring income and expense	-354	-98	-286	-739
OPERATING INCOME	18 491	6 784	4 512	29 787
Share of profits of associates	-57		1 421	1 364
OPERATING INCOME INCLUDING NET INCOME FROM ASSOCIATES	18 434	6 784	5 934	31 151

* Consolidated financial statements presented in comparative include changes in the reporting of exchange gains and losses adopted in the consolidated financial statements as at 31 december 2015.

SALES BY DIVISION AND GEOGRAPHIC REGION

					30.06.2016
<i>In € thousands</i>	Southern Europe	Northern Europe	Americas	APAM	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

					30.06.2015
<i>In € thousands</i>	Southern Europe	Northern Europe	Americas	APAM	TOTAL
MHA	141 415	213 074	29 785	42 334	426 608
CEP	3 774	10 883	121 901	8 112	144 670
S&S	40 812	32 929	23 547	12 642	109 928
TOTAL	186 001	256 886	175 233	63 088	681 207