

ANNUAL REPORT 2016



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REPORT
2016

Haulotte 





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HAULOTTE

GLOBAL SOLUTIONS FOR BUSINESS

Haulotte Group is a global leader of people and material lifting equipment. **As European leader**, the group designs, manufactures and markets a wide range of products focused on aerial work platforms and telehandlers.

Haulotte Group's diversified offering covers

- > **7 people lifting** equipment product ranges,
- > **3 telehandler** ranges,
- > **customized financing solutions** to facilitate investments in these products,
- > **integrated services** to optimize equipment lifecycles and residual values for resale.

Haulotte Group is more than simply a supplier. It is a provider of global solutions whose primary focus is effectively meeting the day-to-day needs and specific operating requirements of its customers and users.

1650
EMPLOYEES

7 PRODUCT RANGES
OF PEOPLE LIFTING
EQUIPMENT

20
SUBSIDIARIES

3 TELEHANDLER
PRODUCT
RANGES

6 PRODUCTION
UNITS



1985 > 2016

OUR HISTORY

The history of our Group is that of the encounter of **Pierre Saubot** and two companies, **Pinguely** and **Haulotte**, he acquired from the Creusot-Loire Group in 1985. Two companies with genuine know-how and extraordinary inventively as pioneers in mechanics. This legacy from Pinguely steam locomotives to crane lifts, provided ideal foundations for the creation of a new business: manufacturer of aerial work platforms.

Pinguely-Haulotte's listing on the stock market in 1998 to support its international expansion and develop its research and development capacities set the stage for the development of a growth market: people lifting equipment.

In 2005, to strengthen its image in international markets, Pinguely-Haulotte Group became **HAULOTTE GROUP**.

In 2007, Haulotte Group diversified its product offering **by developing a range of materials lifting equipment**.

XIX^{ème} Siècle



Arthur HAULOTTE



Alexandre PINGUELY

1930



A GR20 vehicle-mounted crane, designed by Haulotte.

1954



The SK2 compact shovel - the world's first tyre-mounted compact shovel with tailswing.

1975



Creusot-Loire factory in L'Horme.

1928



A souvenir from the inaugural journey of the first Mountain locomotive - La Peronnière, l'Horme (France).

1932



The first Pinguely shovels.

1972



GB18 Haulotte, first «City crane» in the world - high travel speed, quick setting up and lifting cabin.

1985



Pierre Saubot takes control of Pinguely-Haulotte owned by the Group Creusot-Loire.

1999



HA16

1992



H76 & H68

1986



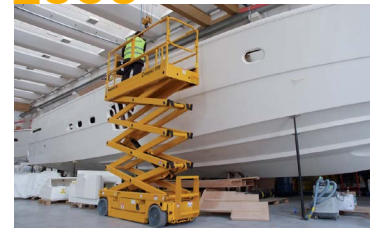
H46N H46N - First aerial work platforms designed and marketed under the brand name "Haulotte".

1991



H400 D

2000



Compact 8 & Compact 10

2002



H14 TX

2004



HA32 PX



Pinguely-Haulotte in the conquest of space - capsule Shenzhou x - 1st Chinese flight space manned.

2006



HA41 & H43

2007



HTL Range

2005



The group name and logo change. "Pinguely-Haulotte" becomes «Haulotte Group».

2010



HA12CJ & HA12CJ+

2012



Compact 10 & 12 DX

2001



Pierre Saubot is elected «Entrepreneurs of the year».

2008



Haulotte Group acquired Bil-Jax, the American leader in scaffolding.

2013



HT21RT & HT23 RTJ

2014



HA16 RTJ & HA16 RTJ Pro

2016

CORPORATE GOVERNANCE OF HAULOTTE GROUP

EXECUTIVE COMMITTEE

**Philippe
Noblet**

Corporate
Secretary



**Patrice
Métairie**

Industrial
Director



**Alexandre
Saubot**

Chief
Operating
Officer



**Sébastien
Martineau**

Financial
Officer



**José
Monfront**

Executive
Vice-président





Administrators :

Pierre Saubot

Chairman and ceo

.....

Alexandre Saubot

Chief Op rating Officer

Jos  Monfront

General manager deputy

Michel Bouton

Elisa Saubot

Hadrien Saubot

.....

Statutory auditors :

PricewaterhouseCoppers Audit

Represented by **Natacha P lissou**

20 Rue de Garibaldi
69451 Lyon cedex 06

BM & A

Represented by **Alexis THURA**

11 Rue de Laborde - 75008 Paris



INTERVIEW OF THE CHIEF OPERATING OFFICER

WHAT IS YOUR ASSESSMENT OF 2016?

The year that ended was marked by several key trends: Firstly, the aerial work platform market continued to grow in volume in 2016, with a product mix driven by small machines.

Secondly, trends were mixed across the different regions:

- > The European market experienced strong growth, bolstered by the capital spending of equipment rental companies,
- > The North American market showed signs slowing down at the end of the year,
- > The Asia-Pacific region displayed mixed performances in terms of growth with positive momentum from emerging countries offset by slowdowns in the Middle East.
- > In Latin America, the current economic turmoil contributed to declines in all countries of this region.

In this mixed global environment, we successfully launched our new products and our service and financing offers that met with a very favourable response from our customers.

And finally, the foreign exchange environment remained favourable for the Group with the exception of the GBP.

Impacted by competitive pressure, our current operating income (excluding currency effects) declined 15% and net income 5.1%. The Group net debt of the Group was reduced by €3.9 million (excluding guarantees).

If I were to summarise 2016, I would say that it was a year that offered encouraging signs and positive trends for 2017.





WHAT ARE THE CHALLENGES AND OUTLOOK FOR THE YEAR 2017?

Bolstered by business momentum at the start of the year, mainly in Europe, our Group expects growth in revenue of more than 5% in 2017. This should permit a return to a current operating margin approaching 7%, despite the expected increase in raw material prices.

Our main challenges for 2017 remain largely focused on

- **The success of our business objectives:**
 - > Strengthening our market share in Asia-Pacific, Europe and Latin America
 - > Pursuing our business development efforts in the US market
 - > Successfully launching our 2017 Products & Services Solutions
 - > Containing competitive pressure by strengthening our value proposition
- **The continuation of our actions to position the Group as a provider of 360° solutions**
- **Optimizing our cost price**
- **Optimizing our working capital**

Innovating and becoming a Business Partner for our customers, this is what drives us!

THE KEY EVENTS OF THE YEAR

GRAND OPENING OF THE NEW
SALES & SERVICES SUBSIDIARY
IN UNITED STATES



GRAND OPENING OF
THE NEW SALES
& SERVICES SUBSIDIARY
IN RUSSIA



THE RENDEZ-VOUS
IN LATIN AMERICA:
EXPO-HAULOTTE



BAUMA EXHIBITION
SHANGHAI

Launch of the new telescopic boom HT28



BAUMA EXHIBITION
MUNICH

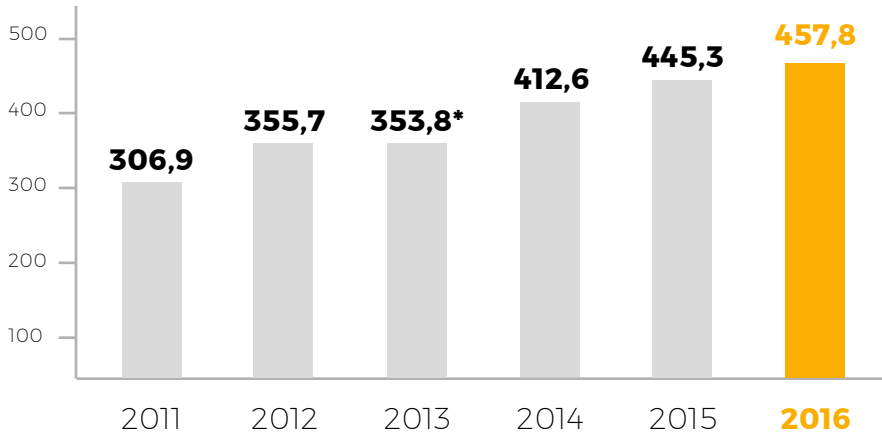
Expanding of the offering of telehandlers.
Launch of new products (new vertical masts Star 6
and Star 6 Picking), and deployment of our global
offer



KEY FIGURES

REVENUE:
€ 457,8
 MILLION

SALES EVOLUTION IN € MILLION

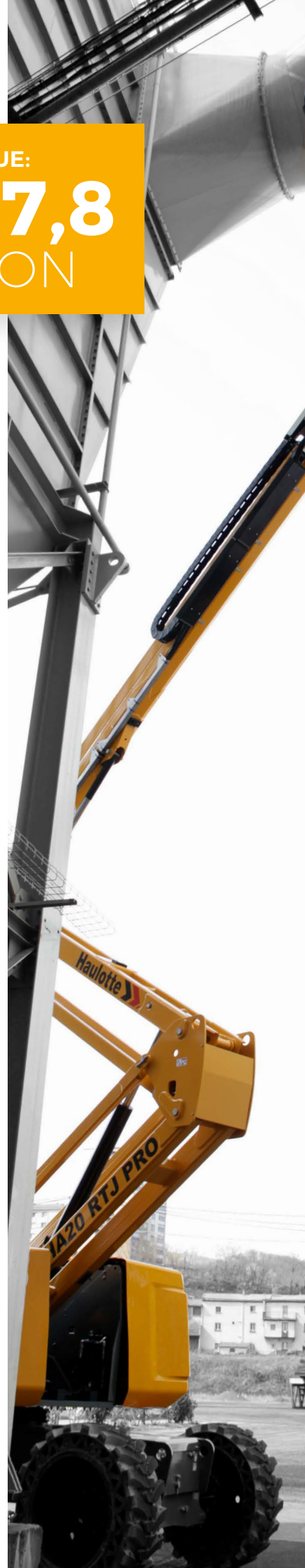
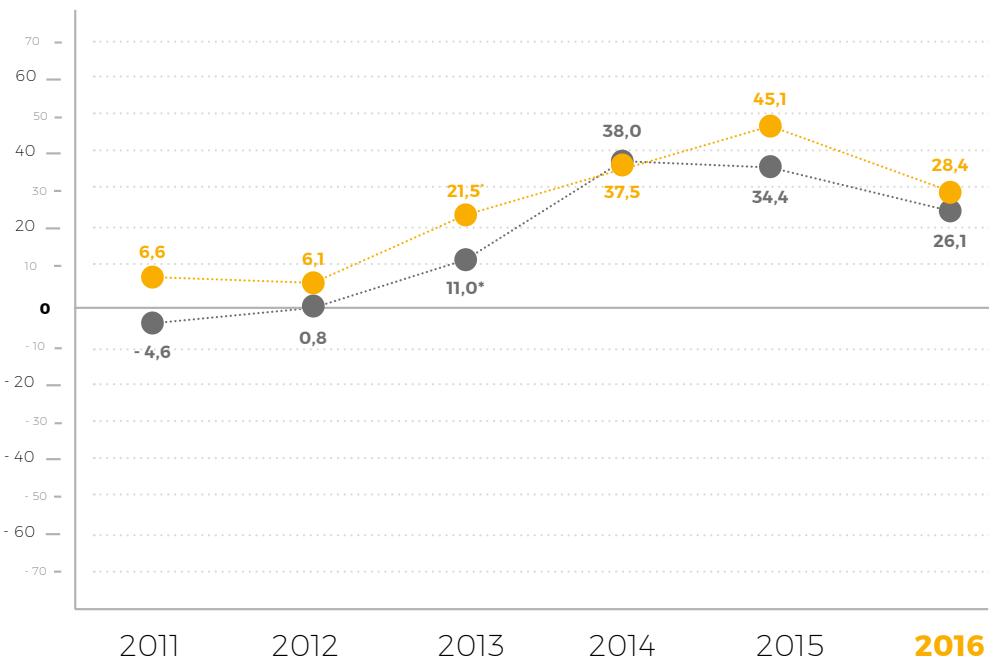


*Continuing activities (Sale of the UK rental business completed on 28 June 2013)

OPERATING INCOME BEFORE GOODWILL & OPERATING CASH FLOW EVOLUTION

● Operating cash flow evolution

● Operating income before goodwill





SALES PER ACTIVITY

2016

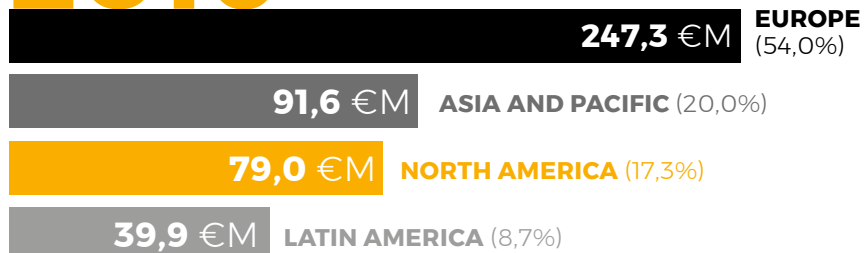


2015

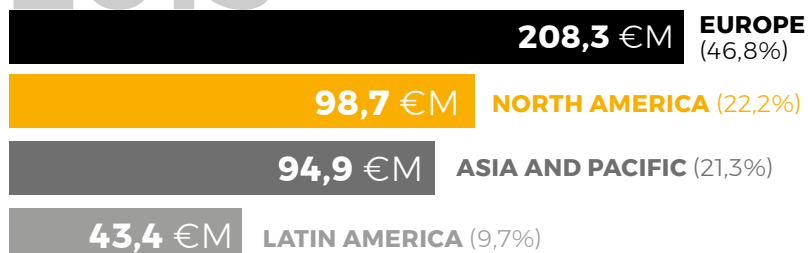


SALES BREAKDOWN PER GEOGRAPHICAL AREA

2016



2015





KEY FIGURES

INCOME STATEMENT HIGHLIGHTS 2016

IN € MILLION	GLOBAL		
	2016	2015	Var.
NET SALES	457,8	445,3	+3%
CURRENT OPERATING EXCL.FX GAINS & LOSSES	27,7	32,4	-15%
OPERATING INCOME	26,1	34,4	-24%
INCOME BEFORE TAX	26,0	33,1	-21%
CONSOLATE INCOME BEFORE TAX	23,3	27,8	-16%

2016 BALANCE SHEET ASSETS

ASSETS IN € MILLION	31.12.16	31.12.15
NON COURRENT ASSETS	148,2	135,5
Goodwill	17,7	17,4
Intangible assets	19,2	17,1
Property, plant and equipment	58,8	56,2
Investment in affiliates	8,3	8,1
Financial assests	5,3	4,3
Defferd tax assets	14,6	17,3
Trade receivable from financing activities (> one year)	24,3	15,1
Other non current assets	-	-
CURRENTS ASSETS	283,9	287,6
Inventory	111,7	103,6
Trade receivables	111,9	125,4
Trade receivables from financing activities due (< one year)	12,6	9,6
Other assets	23,0	22,3
Cash and Cash equivalentents	24,6	26,7
Financial derivate instrument	0,1	-
TOTAL ASSETS	432,1	423,1

2016 BALANCE SHEET LIABILITIES

LIABILITIES AND SHAREHOLDERS' EQUITY IN € MILLION	31.12.16	31.12.15
SHARHOLDER'S EQUITY BEFORE MINORITY INTERESTS	237,1	221,6
MINORITY INTERESTS	(0,5)	(0,5)
NIN CURRENT LIABILITIES	87,9	78,1
Long-term birrowigs	74,6	61,2
Deferred tax liabilities	8,1	12,4
Provisions	5,2	4,5
CURRENT LIABILITES	107,6	123,9
Trade	52,6	60,3
Other current liabilities	23,0	21,9
Current borrowings	24,8	33,8
Provisions	6,8	7,7
Fiancial derivate instruments	0,4	0,2
LIABILITIES AND SHAREHOLDER'S EQUITY	432,1	423,1

BUSINESSES

DESIGN AND ASSEMBLY

Our key success factors

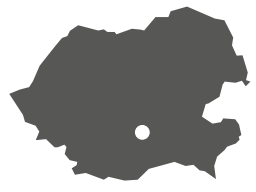
- > Innovation
- > R&D
- > Marketing

Dedicated teams on the design phase to anticipate the needs and requirements to design products, accessories and services to meet demand.

Haulotte Group gives its customers successful and flexible manufacturing operations able to adapt to the fluctuations in demand and specific markets conditions. Today **6 production units can provide the best product solutions to our partners.**



L'Horme plant (Loire)
Le Creusot plan (Saône et Loire)
Site de Reims (Marne)



Arges plant (Roumanie)



Archbold plant (USA)



Changzhou plant (Chine)



**OUR KEY SUCCESS
FACTORS :**
INNOVATION

R & D

MARKETING



DISTRIBUTION

A distribution network (Products, Financing Solutions & Services) based in 20 subsidiaries and offices in strategic markets, supported by a dealer network giving coverage in more than 100 countries.

RENTAL BUSINESS

An additional business activity to establish our brand in selected geographical markets and to better understand the needs of end-users.

BUSINESSES

SERVICES

Haulotte

FINANCIAL SERVICES

Haulotte Financial Services

There are many reasons that speak for financing machines; one important reason is **the reduced burden on our customers' liquidity**. Financing machines has thus become key in our industry. That's why, we therefore moved from a platform seller position to a **one stop shopping solution provider** to better serve our market

TAILORED FINANCIAL SOLUTIONS
to **suit** the needs of your business





Haulotte

SERVICES

Haulotte supports its clients with a strong organisation to ensure a fast and efficient local service.

Through their customer-centric offerings, Haulotte Services teams provide proximity support and innovative tools to ensure the best performance of the machines.

This value added is offered in different forms over the machine lifecycle.

Customers benefit from global solutions tailored to each of their problems. This day-to-day commitment fosters a relationship of trust and peace-of-mind which over the long-term contributes to a lower total cost of ownership.

TECHNICAL SUPPORT

SPARE PARTS

TRAINING

SERVICES SOLUTIONS

And the e-Services



 ASY-SPARE-PARTS

 TECHNICAL-INFORMATION

 MACHINES-CODES



PRODUCTS PORTFOLIO

MATERIAL LIFTING EQUIPMENT



Telehandlers:

COMPACT : lift 3.2 to 4 tones, heights up to 10 m

HIGH LIFT : lift 3.6 to 4 tones up to 17 m, heights up to 17 m

HEAVY LOAD CAPACITY : lift 5.2 to 7.2 tones, heights up to 10m

SCAFFOLDING EQUIPEMENTS/EVENT DRYWALL EQUIPMENTS



Scaffolding equipment



Event: staging and seating

PEOPLE LIFTING EQUIPMENTS



Vertical masts:
from 6 to 10 m



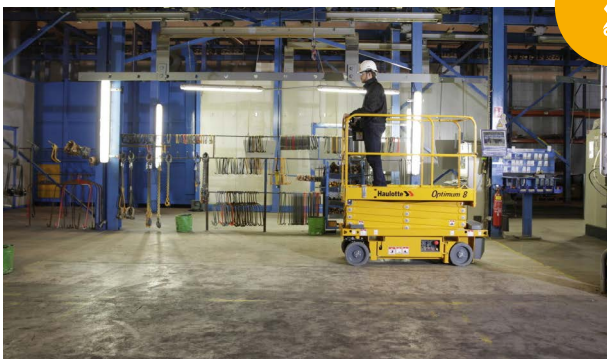
Push Around:
from 7 to 14 m



Articulating booms:
rough-terrainn or électriques from 12 to 41 m



Telescopic booms:
from 14 to 43 m
Lightweight self-propelled booms:
from 13 to 16 m











































Scissor lifts:
rough-terrainn or électriques from 6 to 18 m



Trailer-mounted booms:
from 10 to 19 m

APPLICATIONS

BY RANGE




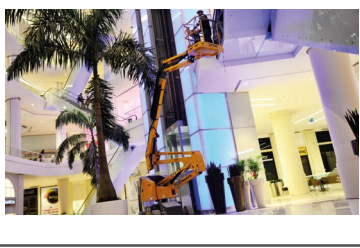
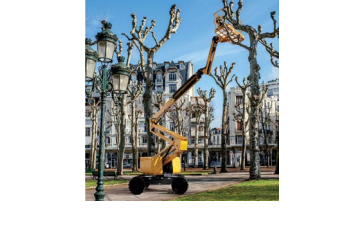
RANGE	SUITABLE FOR
 Push arounds	Maintenance work Events  
 Vertical masts	Logistic / Retail / Industry Finishing Maintenance work Events    
 Electric scissor lift	Logistic / Retail / Industry Finishing Maintenance work Events    
 Electric Articulating Booms	Logistic / Retail / Industry Finishing Maintenance work Events    
 Rough terrain scissor lifts	Building work Finishing Maintenance work Events    
 Rough Terrain Articulating Booms	Building work Finishing Maintenance work Landscaping Event     
 Telescopic booms	Building work Finishing Maintenance work Landscaping Events     
 Telehandlers	Building work Finishing Maintenance work Events    

 Outside use

 Inside use



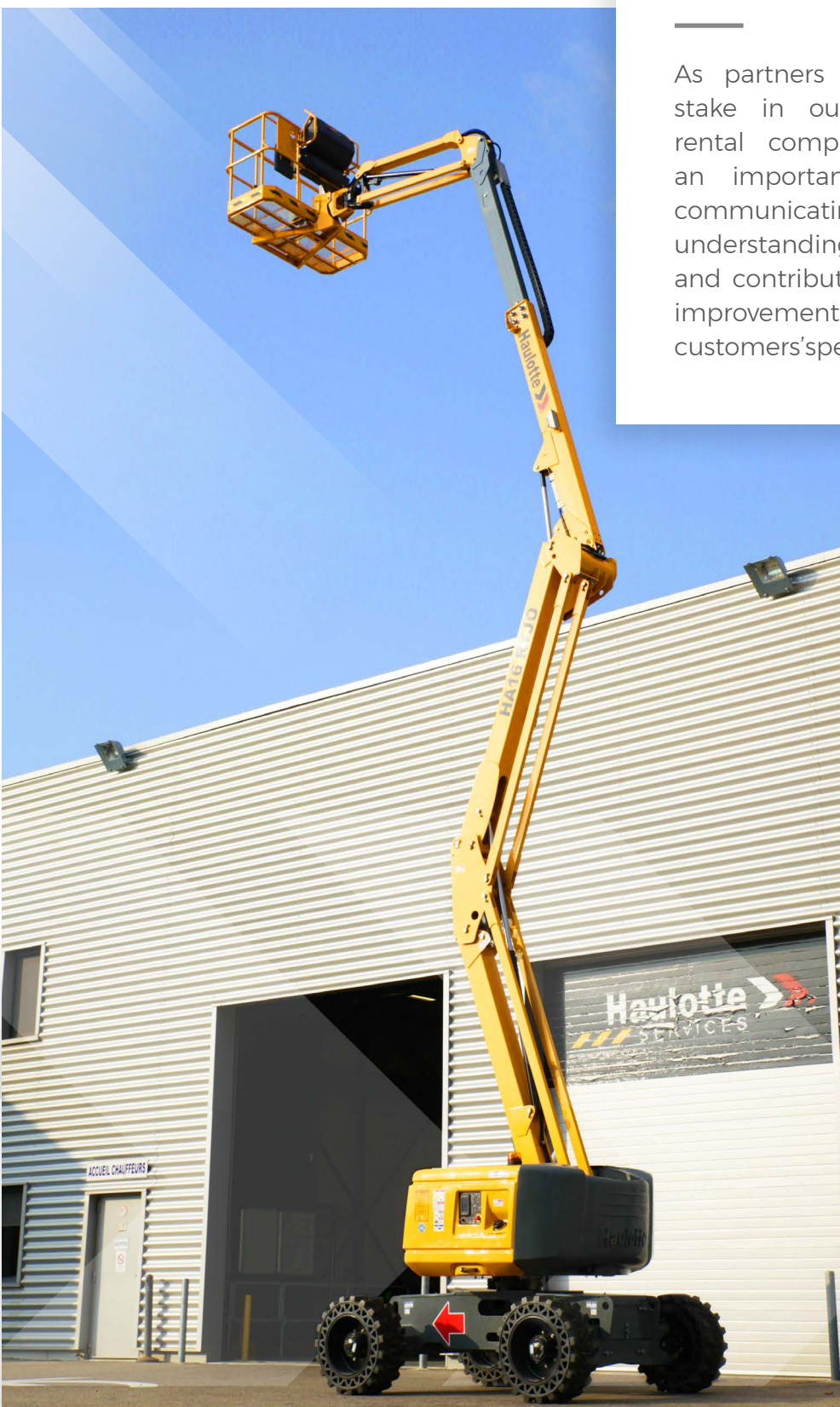
BY APPLICATIONS

TASK	APPLICATIONS	APPROPRIATED MACHINES
 Logistic / Retail / Industry		Vertical masts Electric scissor lifts Electric Articulating Booms
 Building work		Rough terrain scissor lifts Rough terrain scissor lifts Booms Telescopic booms Telehandlers
 Finishing		Electric & Rough Terrain Articulating Booms Rough Terrains Scissors Lift Vertical masts Telescopic booms Telehandlers
 Maintenance & restoration		Push Arounds Vertical masts Electric scissor lifts Electric Articulating Booms Telehandlers
 Sporting & other events		Push Arounds, Vertical Masts Elctric scissor lifts Electric Articulating Booms Telehandlers
 Landscaping		Rough Terrain Articulating Booms Telescopic booms

MARKETS

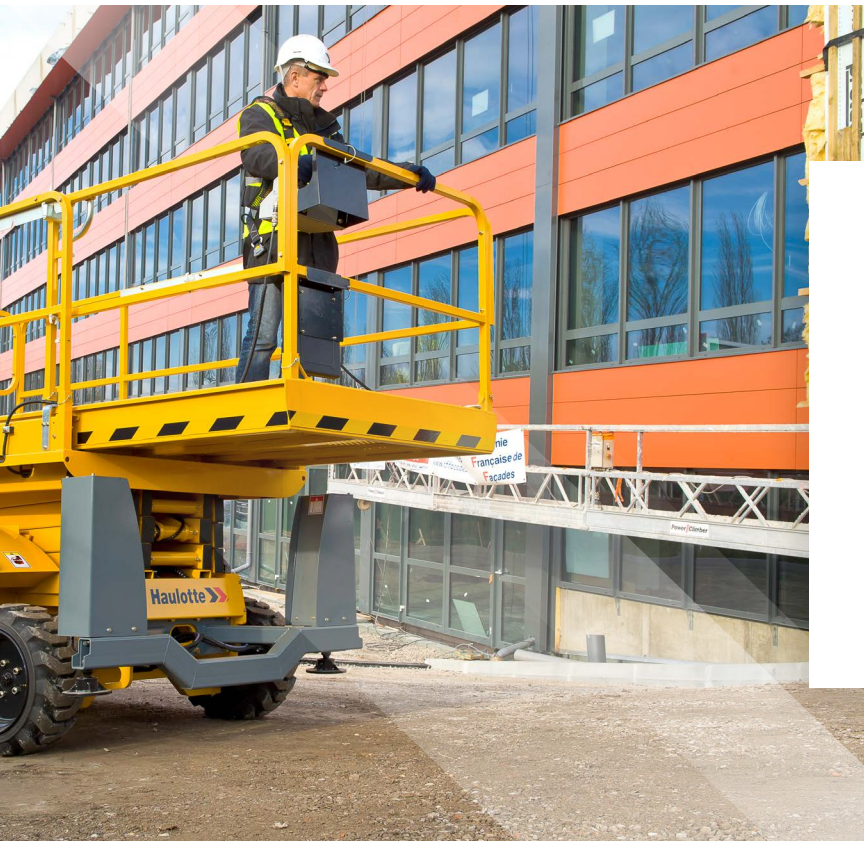
RENTAL COMPANIES

As partners with a natural stake in our development, rental companies represent an important channel for communicating with and understanding our end-users, and contribute to continuous improvements in meeting customers'specific needs.



SPECIAL EQUIPMENT MILITARY **SOLUTIONS**

Haulotte offers tailor-made solutions designed to meet the specific requirements of civil and military applications.



INDUSTRIAL **END-USERS**

Customers operating in a wide range of industry sectors (logistics, manufacturing, airport operations, maintenance, retail..). Haulotte provides customized solutions based on product lines that address the specific needs of each activity.

HAULOTTE AND ITS SHAREHOLDERS

SHARE TRADING INFORMATION

Euronext Paris Compartiment B
 ISIN FR0000066755
 Mnémo PIG
 Reuters PYHE.PA
 Bloomberg PIG FP
 CACS

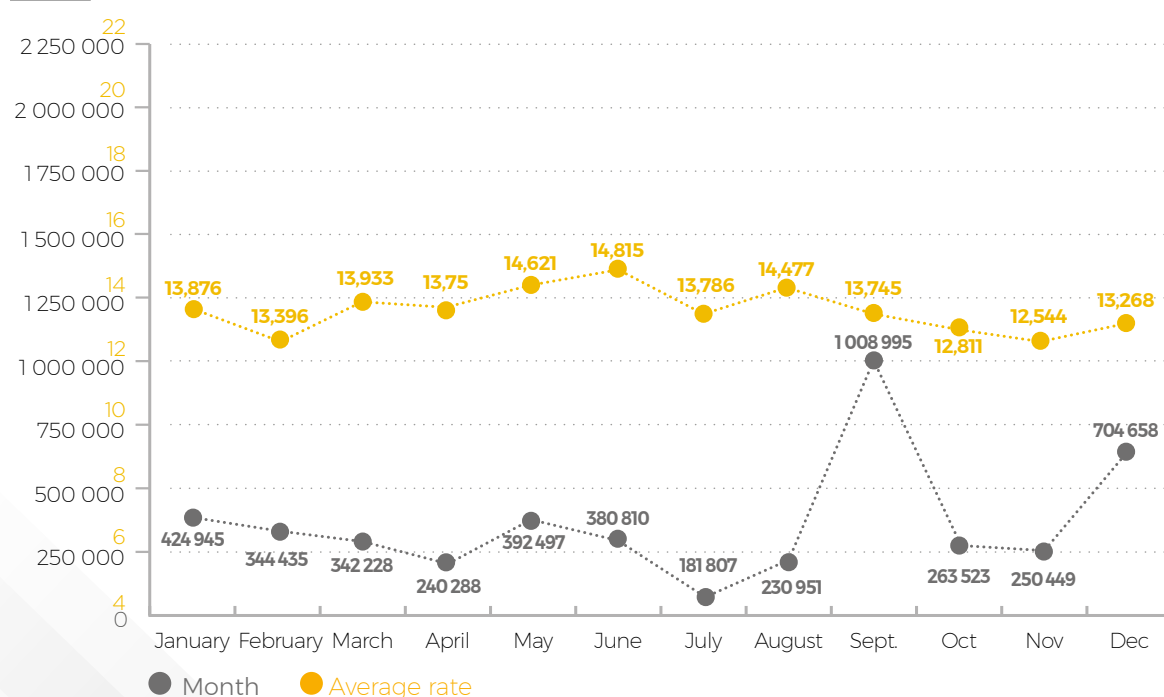


INVESTOR CALENDAR

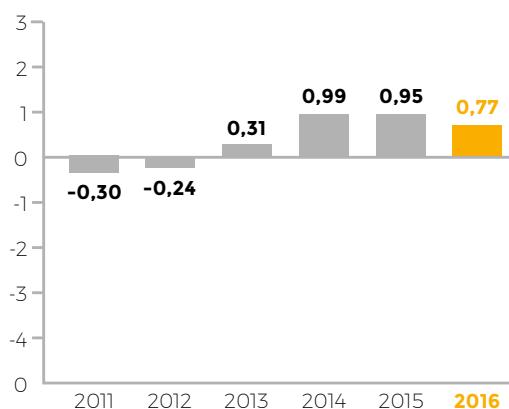
All publications are released after market closing

- 14/02/2017** : 2016 Annual Sales
- 14/03/2017** : 2016 Annual Results
- 18/04/2017** : 2017 First-Quarter Sales
- 30/05/2017** : Annual General Meeting
- 05/09/2017** : 2017 First-Half-Year Results
- 17/10/2017** : 2017 Third-Quarter Sales
- 31/12/2017** : End of Financial Year

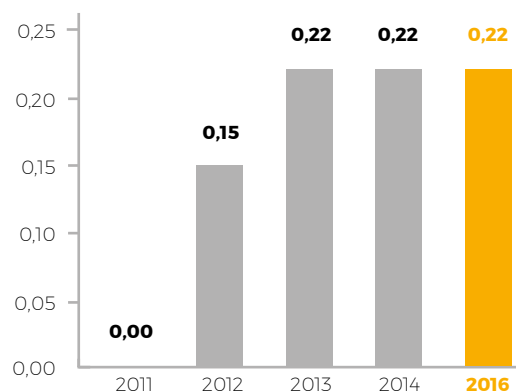
TRADING ACTIVITY AND SHARE PRICE TRENDS



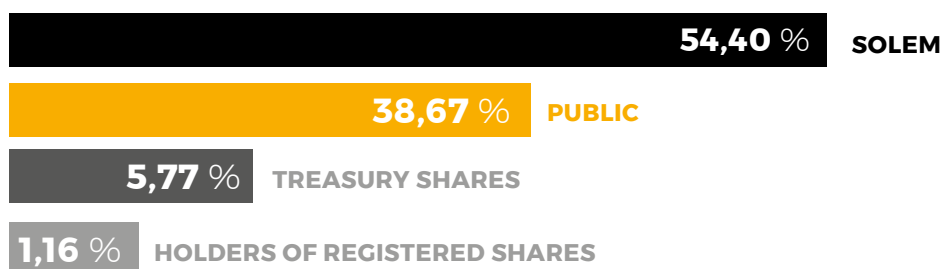
NET EARNINGS PER SHARE



EVOLUTION OF NET DIVIDENDS PER SHARE



BREAKDOWN OF CAPITAL ON 31 DECEMBER 2015



BREAKDOWN OF VOTING RIGHTS ON 31 DECEMBER 2015



CHAIRMAN MESSAGE

Today we are operating in a market where the economic crisis has had a profound and lasting impact on economic and geographical balances.

We must address the growing demands of customers seeking innovative and reliable machines offering optimised costs of ownership and of course operating safety. They are also looking for dedicated services that effectively address their needs from replacement parts to maintenance contracts, and also including financing solutions. This is why we must continue to innovate by adapting to increasingly complex technical, regulatory and environmental standards.

We must also meet the challenges of increasingly fierce competition to achieve market share gains through aggressive pricing strategies. Prior to the crisis, our market was driven by demand. Today it is driven by supply.

It serves no purpose to be nostalgic for a past that no longer exists. To the contrary, we take the necessary steps to fully profit from these changes in an environment opening up for us new opportunities.

We must demonstrate boldness in meeting this formidable challenge.

Let us thus boldly take up this challenge together to become the provider of safer and value added solutions for working at heights and, in this way, offer the most complete customer experience.

This vision must become the reality, as perceived and experienced by our customers by 2020. It will also inspire all our action plans over the next four years.





**Pierre
Saubot**

Chairman
and CEO