



**Credit Suisse 6<sup>th</sup> Annual  
Global Industrials  
Conference**

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***FOCUS • SIMPLIFY • EXECUTE TO WIN***

# Q3 Financial Highlights

Results are Continuing Operations



- Increased sales by 11% to \$1.2 billion
- Increased as reported Operating Profit by \$6 million, and as adjusted Operating Profit<sup>(1)</sup> by \$10.6 million or 14%
- EPS of \$0.51 as reported, \$0.68 as adjusted<sup>(1)</sup> up 37%
- Increased backlog 41%<sup>(2)</sup>

(1) See the appendix for reconciliation to US GAAP

(2) Year over year, excluding the impact of business divestitures



# Q3 Segment Highlights



- Increased sales 14%
- Increased operating margin 115 bps, incremental margin ~20%
- Increased backlog 48%



- Flat sales
- Supply base challenges in mobile cranes impacted deliveries and productivity
- Increased backlog 20%



- Increased sales 14%
- Increased operating margin 200 bps, incremental margin ~28%
- Increased backlog 72%

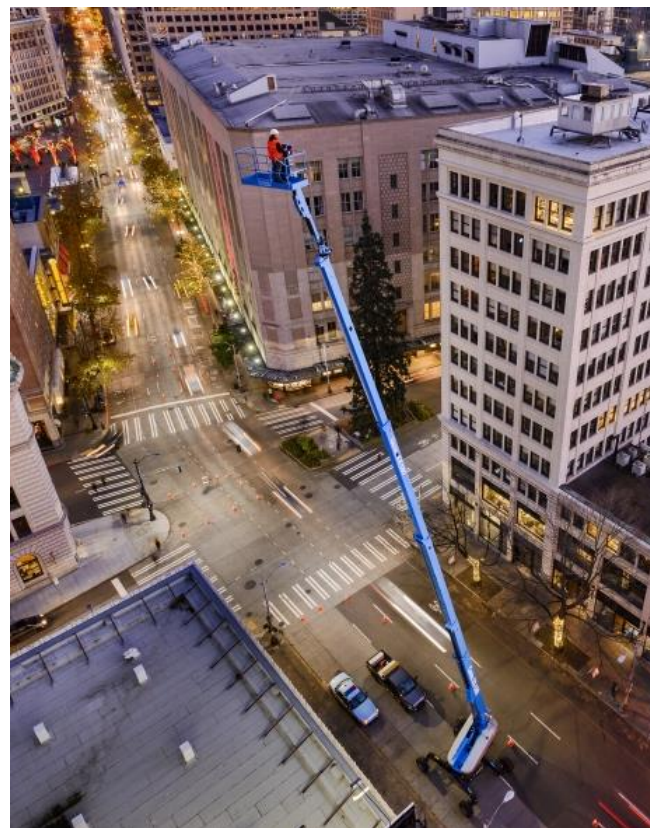


# Updating FY 2018 Guidance

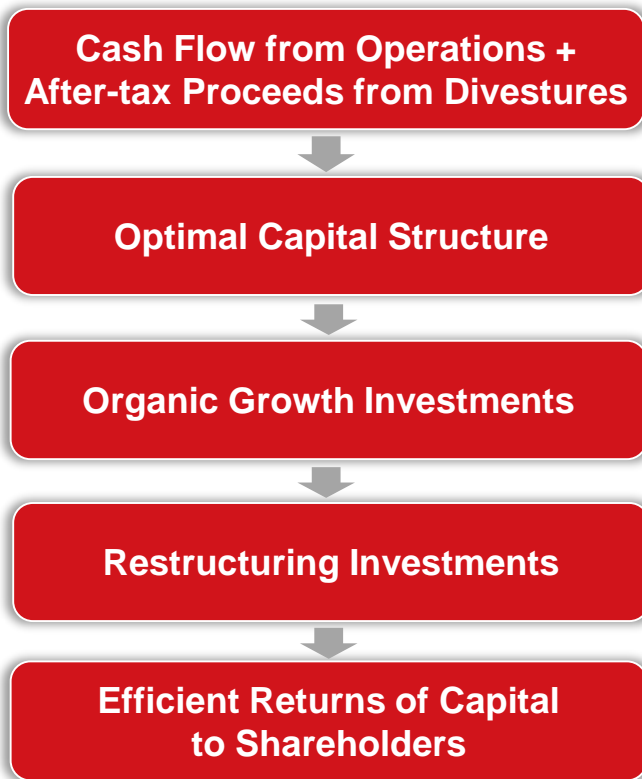
## Guidance Updates <sup>(1)</sup>

- Net Sales:  
**UP ~17%**
- Operating Margin:  
**~6.6%**
- EPS:  
**\$2.60 - \$2.70**

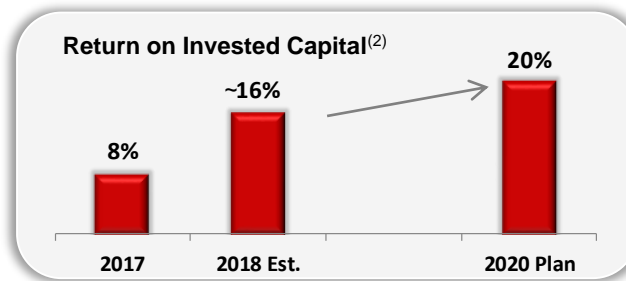
(1) Excludes the impact of future divestitures, restructuring, transformation and other unusual items; Updated EPS guidance based on an average diluted share count of ~77.5 million, previous EPS guidance based on ~77.5 million



# Disciplined Capital Allocation



- YTD free cash flow similar to prior year, with more capex investment and higher inventory build
- Making strategic investments in high-performing businesses – YTD capex investment up 55%<sup>(1)</sup>
- Continuing to invest in Restructuring and Transformation ~\$12 million cash in Q3, ~\$38 million YTD
- Increased quarterly dividend per share 25% versus last year
- \$300 million remaining on share repurchase program



(1) Excludes acquisition of Northern Ireland properties

(2) See the appendix for reconciliation to US GAAP

# Summary

- Strong bookings and backlog growth in AWP and MP
- Improving AWP and MP margins
- Expecting improved Q4 Mobile Cranes performance
- Continuing to implement plans in Simplify and Execute to Win priority areas
- On-going execution of our disciplined capital allocation strategy



# Questions?

