

What to Expect as the Aerial Market Recovers

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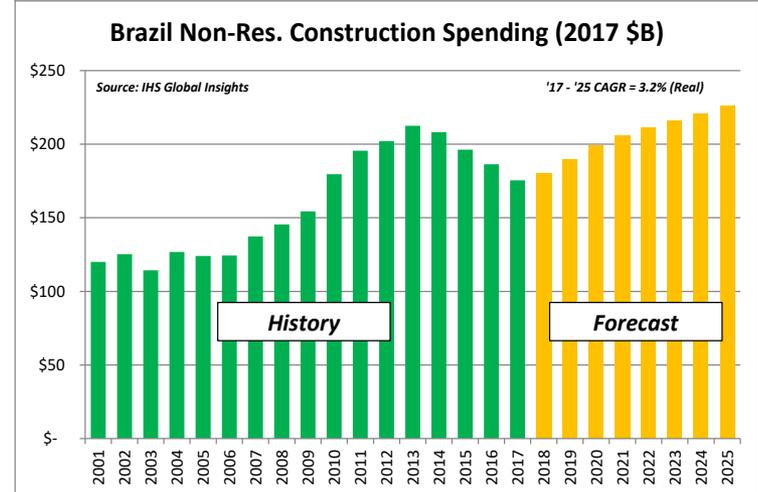
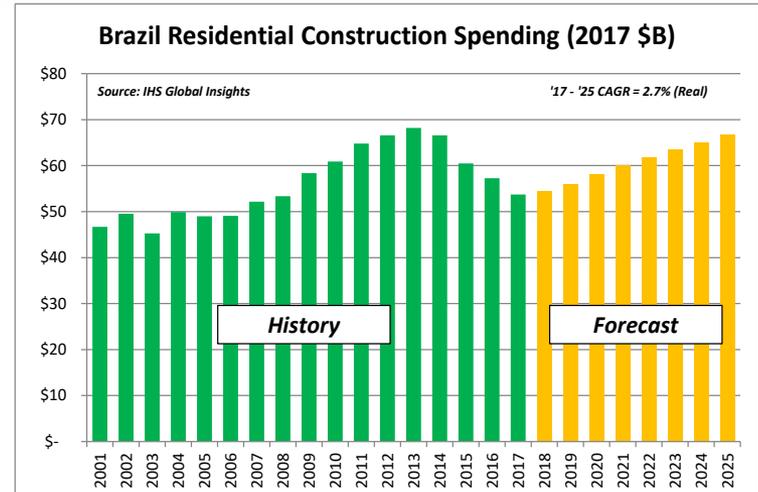
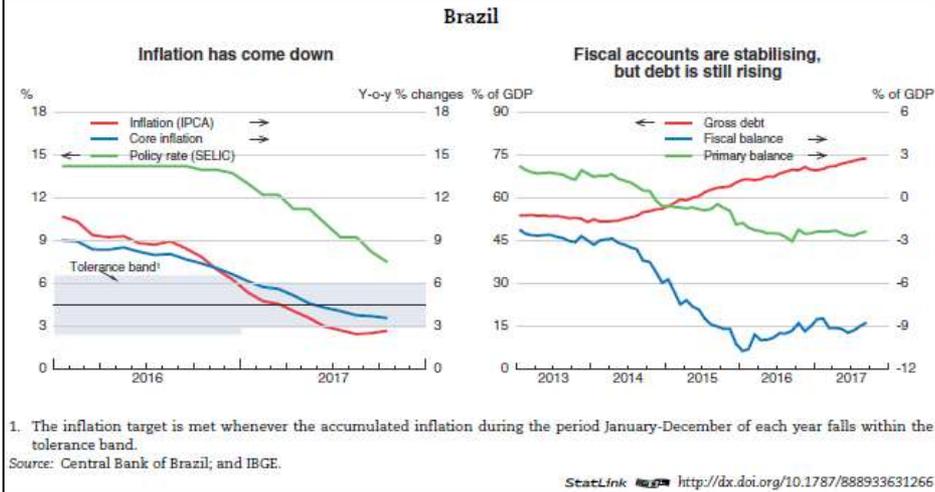
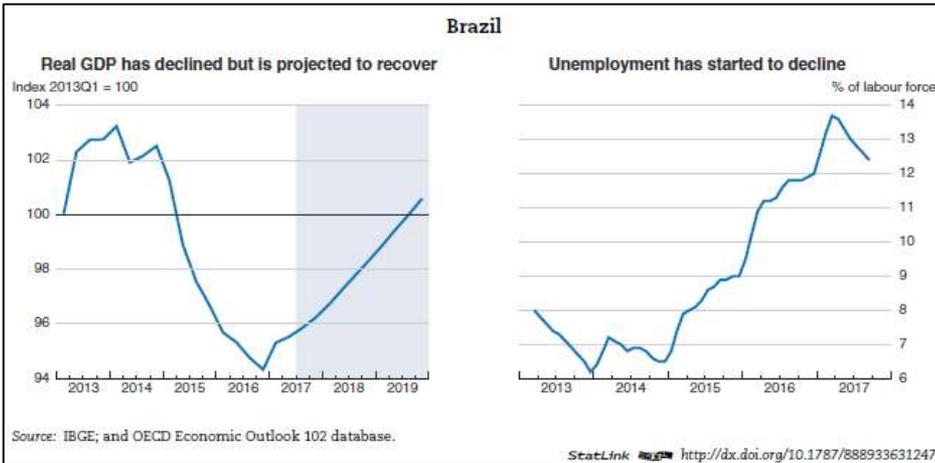
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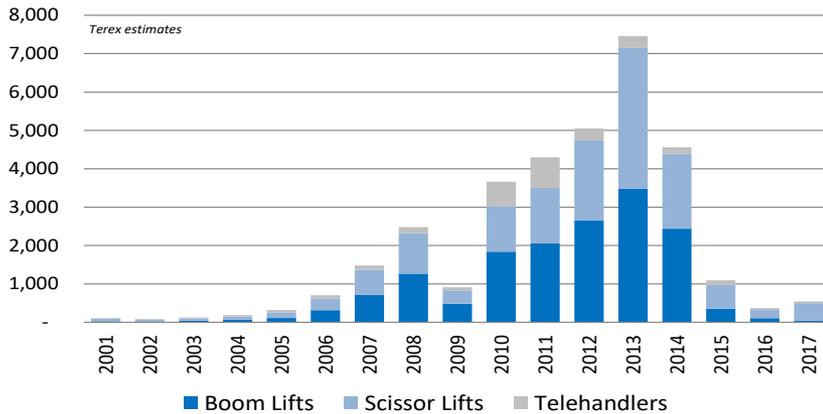
Economic conditions in Brazil are improving



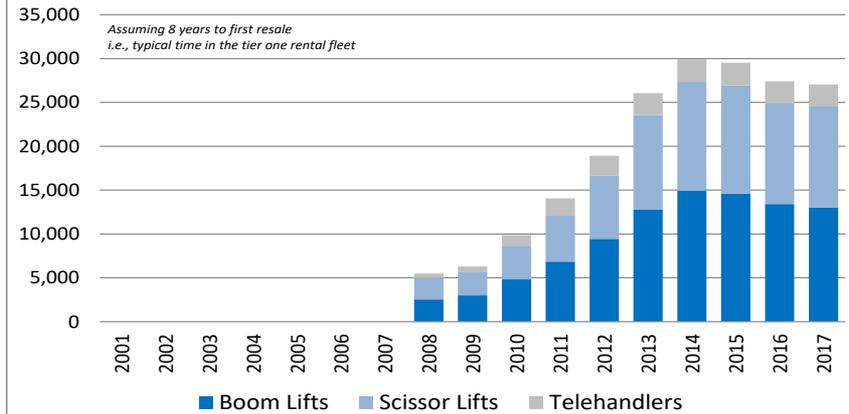
Brazil's Market is (finally) Turning!

Demand stalled in 2014 to 2017, but construction growth will require new fleet

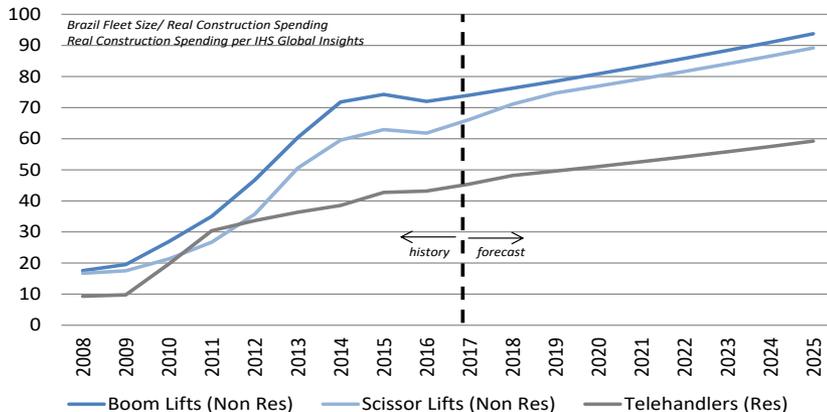
Historical Demand for Aerial Products in Brazil (Total Industry : Units)



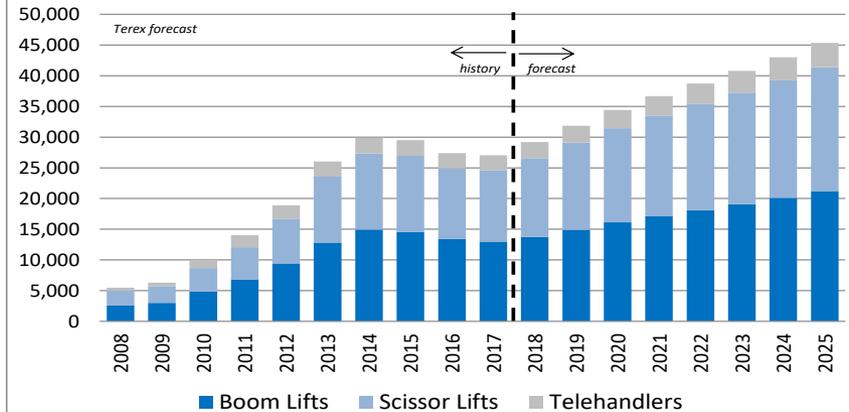
Brazil's Aerials Fleet, estimated (Total Industry : Units)



Brazil's Aerials Fleet per \$B of Construction (Total Industry : Units)



Brazil's Aerials Fleet, estimated (Total Industry : Units)



The basis of competition is likely to shift as Brazil's aerials market returns to growth



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100ft+ Class of Booms



Hybrids & All Electrics



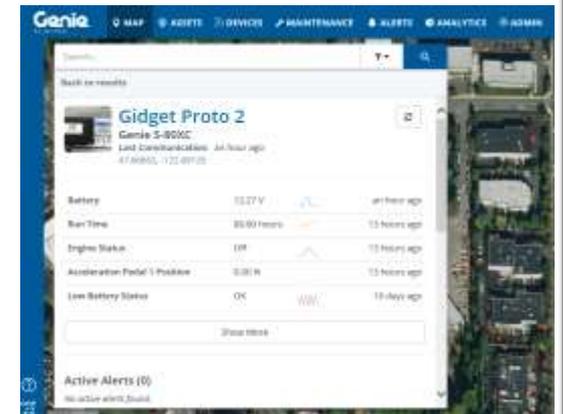
Improved Load Charts



New Scissors



New Telehandlers



Telematics

New capabilities should become increasingly important as Brazil aerials recover and grow

Implications for rental companies in Brazil



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- Brazil's economy and construction markets are both beginning to turn
- Market recovery + normal replacements should drive annual aerials demand
- Rental rates need to increase to have a healthy & sustainable market
- Operators who recognize this early and get in front of the trend will take share and strengthen position as markets improve
- Technology advantage is possible, as significant new developments have occurred over the last few years.

Phases of rental maturity

New Emerging Market

Lack of Awareness

Lack of Fleet

Lack of Safety Standards



Established Emerging Markets

Growing Awareness

Small Fleet Size

Safety Pull from Large Contractors



Mature and Strong Markets

Awareness

Right Sized Fleets

Safety Standards



Key drivers of aerial acceptance



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Safety

- Standard of unsafe living improving
- Reduction of scaffold
- Government driven safety
- Global standard in place
- Social pressure

Efficiency & Productivity

- Time lines on projects
- Foreign owned investment requirements
- Aerial acceptance as a tool
- Acceptance of rental vs. ownership
- Aerials are affordable
- Rising labor costs is good

Availability of Product

- Large fleets in place to meet demand
- Affordable rates
- Finance entering the market place
- Used equipment market developing
- Professional rental companies established
- Investment in local production



All of us are driving: Safety, Productivity, Efficiency

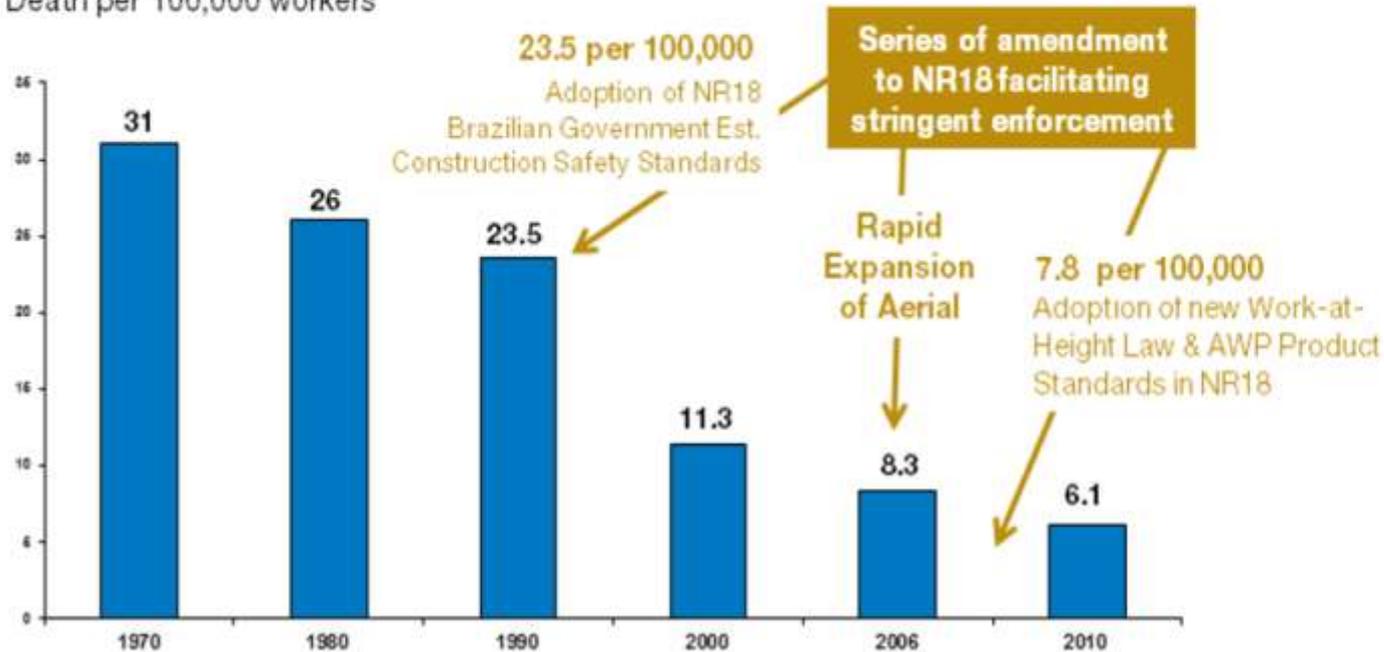
Construction Safety: Helping to Drive Market Change



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Record of Labor Accidents in Brazil

Death per 100,000 workers



Lessons learned from mature markets



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Manufacturer

- Avoid financing equipment to companies that cannot pay
- Responsible inventory management
- Lifecycle support
- Training leadership
- Provide latest technology

Rental Company

- Diversify fleet age and models over time
- Diversify customer base
- Prioritize maintenance and repair capabilities
- Promote training
- Drive fleet productivity through use of technology

Government

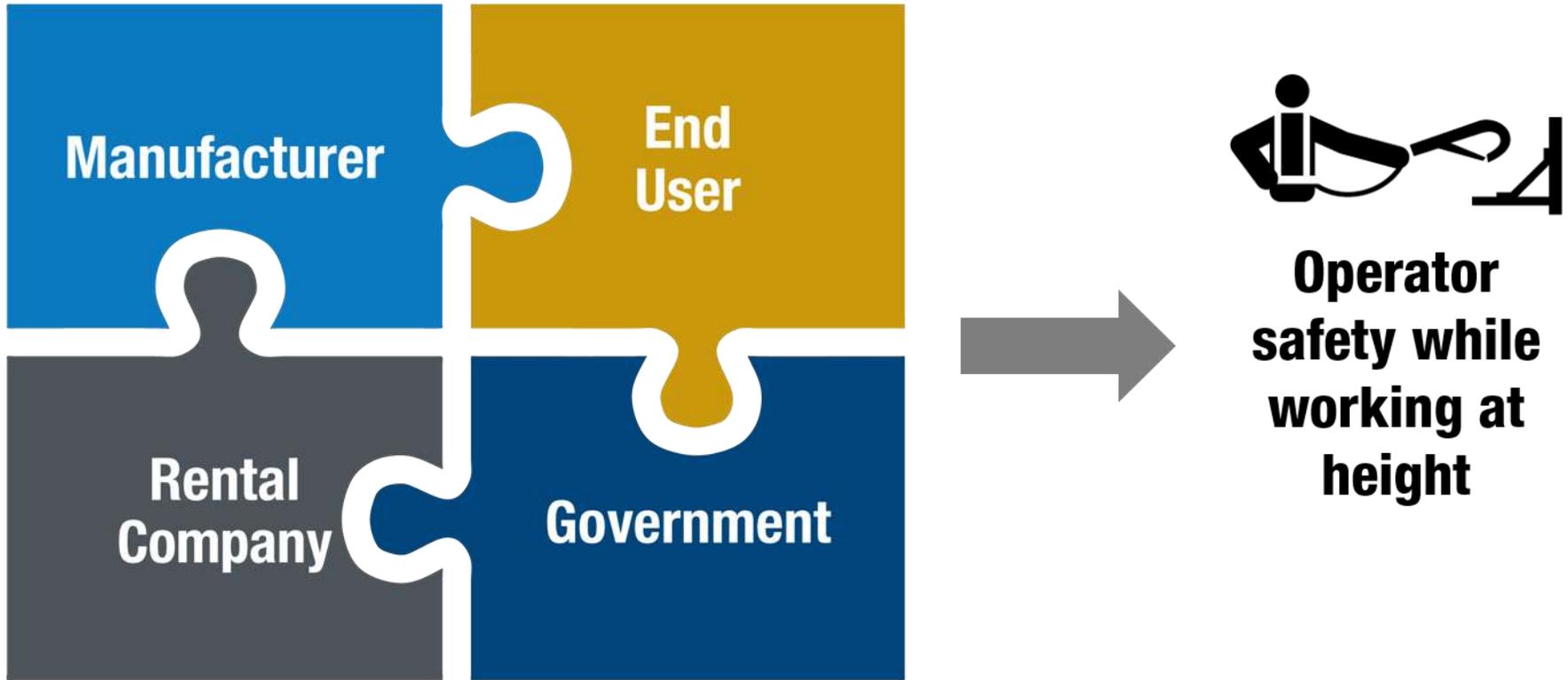
- Adopt modern safety standards
- Application based regulations
- Prioritize worker safety



Rental channel collaboration



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Common goal to improve safety and working efficiently at height

What to consider before adding new equipment to your aerial fleet



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- *Identify your goals*
 - What you're trying to accomplish with a new product? Are you trying to expand the business you do with existing customers, or are you trying to grow your reach into new markets?
- *Research your market*
 - Doing market research on your operations territory area and analyzing the data will help you to identify new customers and develop profiles potential opportunities to expand into new markets. What equipment are customers currently using, what industries they serve, do they prefer to rent or buy and so on?
- *Estimate the utilization*
 - What equipment is available to address the needs of your customers? How often will it be used? Are you able to forecast enough utilization to achieve a high rental return on invested capital (rROIC)?
 - Do you have the resources to support adding new equipment to your fleet?

Maintain your fleet to increase rROIC



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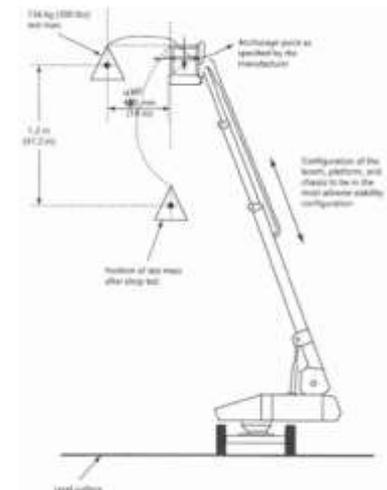
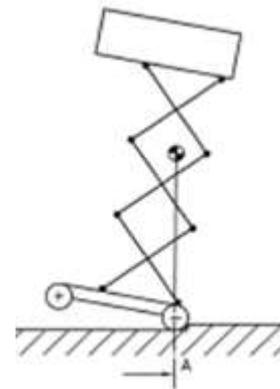
- *Preventive maintenance is a daily habit*
 - Tasks done before, during and after every rental.
 - Simple and easy to follow, yet provide attention to detail — it is easier to deal with things little by little rather than have something fail and face the consequences.
- *Make a long-term commitment*
 - Good operating condition and extended life expectancy of aerial work platforms are largely influenced by regular care and maintenance.
 - Perform recommended tasks by manufacturer — quarterly, bi-annually and annually
- *Manage the age of your fleet*
 - Find the balance between a machine's age, hours, maintenance and depreciation expenses to determine the optimum time to retire or replace a machine
 - Staying on top of an aging fleet requires an extremely proactive maintenance approach.
 - Routine maintenance, frequently replacing wear parts and performing major overhauls, like repowering when needed, will certainly extend the life of any older, high-hour machines.

Safety design standards are changing globally



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- Changes to the ANSI (United States) and CSA (Canada) standards are driving innovation and design changes
 - A commitment to protect workers by having safe products in the workplace
 - Minimize risks through updated Equipment Design Standards
- Aerial equipment should be designed and produced to meet the requirements of all applicable industry standards
 - Genie ensures compliance in all cases by retaining an independent engineering firm to evaluate and verify that each model is in compliance with the most current standards.



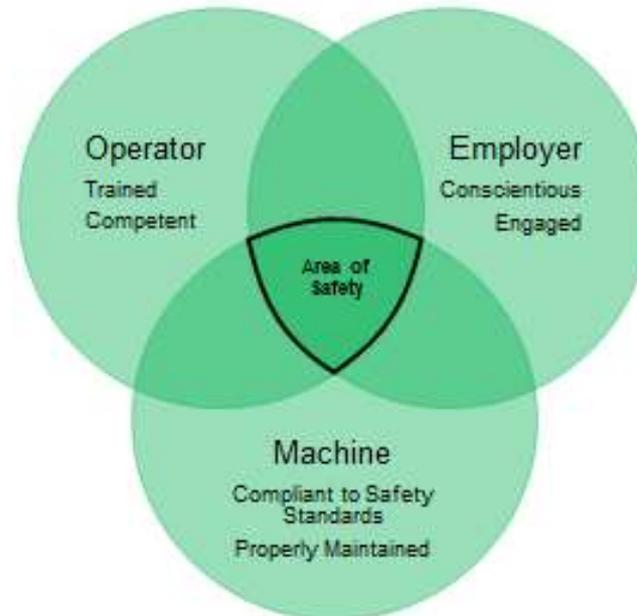
Updated standards driving changes for safe use



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- Align with the international standard (ISO 16368)
 - Safe Use Planning
 - Supervisor Training
 - Occupant Training
 - Maintenance and Repair Personnel Training

Safety Interaction



Utilize tools to better manage aerial fleets



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- *No matter what size of aerial equipment fleet you have — from 1 to 100 machines — equipment management is something you have to do every day.*
- Telematics help you gather, read and understand the information your machine is providing:
 - From basic location tracking to more sophisticated equipment monitoring
 - Location
 - Fuel consumption
 - Engine hours
 - Remote troubleshooting equipment issues in the field
 - Schedule preventive maintenance needs, based on tracking engine hours remotely
 - Monitor utilization
 - Determine rental rates
 - Adjust rental contracts

Financing ignites growth



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- Effective finance and leasing solutions, structured to complement customers' cash flow and budgets
- There are many reasons why it's a smart idea to use equipment leasing and finance
 - ✓ Conservation of cash
 - ✓ 100% Financing
 - ✓ Preservation of Capital
 - ✓ Hedge Against Inflation
 - ✓ Improved Expense Planning and Business-Cycle Flexibility
 - ✓ Tax Considerations
 - ✓ Relationships with Equipment Experts
 - ✓ Obsolescence Management
 - ✓ Dependable Asset Management
 - ✓ Product and Service Bundling
 - ✓ Equipment Disposal

Q&A



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