



IMPORTANT TAX INFORMATION

STOCKHOLDER TAX BASIS INFORMATION STATEMENT

PLEASE RETAIN FOR YOUR RECORDS

Dear NACCO Industries, Inc. Stockholder:

The purpose of this letter is to assist you in determining the tax consequences to you of the distribution by NACCO Industries, Inc. ("NACCO") of all outstanding shares of the Class A Common Stock and Class B Common Stock of Hyster-Yale Materials Handling, Inc. ("Hyster-Yale") to NACCO stockholders (the "Distribution"). The Distribution was completed on September 28, 2012.

The Hyster-Yale Class A Common Stock is listed on the NYSE under the symbol "HY." The NACCO Class A Common Stock continues to trade under the ticker symbol "NC". The Hyster-Yale Class B Common Stock is not, and will not be, listed on the NYSE or any other stock exchange and is subject to substantial restrictions on transfer; however, the value of a Class B Share is equivalent to the value of a Class A share of Hyster-Yale on the basis that each share of Hyster-Yale Class B stock is freely convertible into one share of Hyster-Yale Class A stock, and the Hyster-Yale Class A stock can be freely traded in the marketplace.

The tax consequences discussed in this letter include the allocation of your tax basis among your original NACCO shares and the Hyster-Yale Class A Common Stock and Hyster-Yale Class B Common Stock you received in the Distribution including any fractional shares for which cash was received.

Pursuant to the terms of the Distribution, each NACCO stockholder received one share of Hyster-Yale Class A Common Stock and one share of Hyster-Yale Class B Common Stock for each share of NACCO Class A Common Stock or NACCO Class B Common Stock held by such NACCO stockholder at the close of business on September 25, 2012 (the record date). Fractional shares of Hyster-Yale Class A Common Stock or Hyster-Yale Class B Common Stock were not distributed, and any NACCO stockholder entitled to receive fractional shares as part of the Distribution has received or will receive cash in lieu of a fractional share.

NACCO has received an opinion from outside legal counsel to the effect that, for U.S. federal income tax purposes, the contribution of assets to Hyster-Yale by NACCO and the assumption of liabilities of NACCO by Hyster-Yale (the "Contribution") together with the Distribution will qualify as tax-free, except for cash received by Stockholders as part of the Distribution in lieu of fractional shares. The opinion relies on certain facts and assumptions, and certain representations and undertakings, from Hyster-Yale and NACCO that certain conditions necessary to obtain tax-free treatment have been or will be satisfied.

NACCO Industries Inc.
Stockholder Tax Basis Information Statement

The opinion concludes that, for U.S. federal income tax purposes:

- No gain or loss will be recognized by NACCO or Hyster-Yale by reason of the Contribution;
- No gain or loss will be recognized by NACCO with respect to the stock of Hyster-Yale by reason of the Distribution;
- No gain or loss will be recognized by (and no amount will be includible in the income of) any NACCO stockholder by reason of such stockholder's receipt of Hyster-Yale common stock in the Distribution;
- Any NACCO stockholder who receives cash in lieu of a fractional share of Hyster-Yale common stock in connection with the Distribution will recognize gain or loss measured by the difference between the amount of the cash received and the basis allocated to such fractional share, and any gain or loss will be treated as capital gain or loss, provided such fractional share is held as a capital asset on the date of the Distribution;
- The aggregate tax basis of the NACCO common stock and the Hyster-Yale common stock in the hands of each NACCO stockholder immediately after the Distribution (including any fractional Hyster-Yale share deemed received) will be the same as the aggregate adjusted tax basis of the NACCO common stock held by such stockholder immediately before the Distribution, allocated between such stockholder's NACCO common stock and Hyster-Yale common stock; and
- The holding period of shares of Hyster-Yale Class A Common Stock and Hyster-Yale Class B Common Stock received by NACCO stockholders, including any fractional share interest for which cash is received, will include the holding period of their NACCO common stock, provided that such NACCO common stock was held as a capital asset on the date of the Distribution.

Tax Basis Allocation

You will need to know your "tax basis" in the shares of NACCO and Hyster-Yale to compute your gain or loss if you sell or otherwise dispose of your shares. Generally, gain or loss for income tax purposes is the difference between the "amount realized" (for example, in a simple sale of stock, the amount of money you receive for the stock) and your "tax basis" (for example, if you bought your stock for cash, the purchase price you paid for the stock, including any commissions or other fees you paid).

In the Distribution, each NACCO stockholder received one share of Hyster-Yale Class A Common Stock and one share of Hyster-Yale Class B Common Stock for every one share of NACCO Class A Common Stock or NACCO Class B Common Stock held by such NACCO stockholder as of the close of business on September 25, 2012.

U.S. federal income tax law requires that the tax basis in your NACCO common stock be allocated between your NACCO shares and the Hyster-Yale shares that you received in the

NACCO Industries Inc.
Stockholder Tax Basis Information Statement

Distribution. This allocation is based on the relative fair market values of your NACCO shares and your Hyster-Yale shares (including any cash received in lieu of fractional shares of Hyster-Yale) as determined immediately after the Distribution

Although U.S. federal income tax laws do not specify how to determine the relative fair market value of the NACCO shares and Hyster-Yale shares, we believe one approach is to use the average of the high and low trading prices of the NACCO shares and Hyster-Yale shares on the first regular trading day of the Hyster-Yale shares.

The following table shows the actual high, low, and high-low average trading prices of NACCO Class A shares and Hyster-Yale Class A shares on October 1, 2012, the first regular trading day of the Hyster-Yale shares. The table also includes the values of (1) the NACCO Class B shares based on the value of the NACCO Class A shares and (2) the Hyster-Yale Class B shares based on the value of the Hyster-Yale Class A shares:

Stock	High	Low	High-Low Average
NACCO Class A	\$44.84	\$41.04	\$42.940
NACCO Class B	\$44.84	\$41.04	\$42.940
Hyster-Yale Class A	\$47.62	\$40.35	\$43.985
Hyster-Yale Class B	\$47.62	\$40.35	\$43.985

Based on the high-low average trading prices at which the NACCO shares and the Hyster-Yale shares traded on October 1, 2012 (as shown above), the allocation ratios with respect to each share of stock are calculated below:

Stock	Allocation Ratio
NACCO Class A or Class B	32.8012%
Hyster-Yale Class A	33.5994%
Hyster-Yale Class B	33.5994%

Under the high-low average approach, 32.8012% of your tax basis should be allocated to your NACCO Class A or Class B shares, 33.5994% of your tax basis should be allocated to your newly-received Hyster-Yale Class A shares (including any fractional share interest), and 33.5994% of your tax basis should be allocated to your newly-received Hyster-Yale Class B shares (including any fractional share interest).

There may be additional methods to determine the fair market values of the shares of NACCO and Hyster-Yale for purposes of allocating your tax basis following the Distribution. **You are not bound by the high-low average approach and might choose, in consultation with your tax advisor, to use another approach to determine the relative fair market values of the shares of NACCO and Hyster-Yale.**

If you acquired your common shares of NACCO by purchase, your tax basis in those shares is generally your cost of acquiring the shares. If you did not acquire your common shares of NACCO by purchase, you should consult your tax advisor to determine your tax basis in those shares. **Please note that if you own both NACCO Class A Common Stock and NACCO**

NACCO Industries Inc.
 Stockholder Tax Basis Information Statement

Class B Common Stock or if you acquired different blocks of NACCO stock at different times and prices, you will need to make a separate calculation for each block of shares. Please consult your tax advisor to determine your tax basis in your shares of NACCO to be allocated.

Tax Basis Example

To help you determine your tax basis, we are providing an example of how to allocate your basis in your NACCO stock to your shares of NACCO and Hyster-Yale stock. This example is provided solely for illustrative purposes and as a convenience to you.

Assume that on September 25, 2012, you owned 100.5 shares of NACCO Class A Common Stock with a tax basis of \$100 for each share, for a total tax basis of \$10,050. You would have been entitled to receive 100.5 shares of both Hyster-Yale Class A Common Stock and Hyster-Yale Class B Common Stock, although you would actually have received 100 shares of both Hyster-Yale Class A Common Stock and Hyster-Yale Class B Common Stock plus a cash payment in lieu of a 0.5 fractional share of both Hyster-Yale Class A Common Stock and Hyster-Yale Class B Common Stock. Also assume that the value of the shares of Hyster-Yale Class B Common Stock is the same as the value of the Hyster-Yale Class A Common Stock.

Using the allocation method based on the high-low average trading prices, the allocation would be calculated as follows:

	NACCO Class A Common Stock	Hyster-Yale Class A Common Stock	Hyster-Yale Class B Common Stock
A. High-Low Average	\$42.940	\$43.985	\$43.985
B. (NACCO High-Low Average) plus (Sum of Hyster-Yale Class A and Class B High-Low Average)	\$130.91		
C. Divide High-Low Averages by (B)	32.8012%	33.5994%	33.5994%
D. Allocated Tax Basis Ratio	32.8012%	33.5994%	33.5994%
E. Tax Basis in NACCO and Hyster-Yale Shares including fractional shares (\$10,050 Multiplied by (D))	\$3,296.52	\$3,376.74	\$3,376.74
F. Tax Basis per Share ((E) Divided by 100.5 Shares)	\$32.80	\$33.60	\$33.60
Combined Tax Basis	\$10,050		

Your new tax basis in your 100.5 shares of NACCO Class A Common Stock would be \$3,296.52.

Your tax basis in the 100 shares of Hyster-Yale Class A Common Stock would be \$3,359.94 (calculated as 100 shares received/100.5 shares x \$3,376.74 = \$3,359.94).

NACCO Industries Inc.
Stockholder Tax Basis Information Statement

Your tax basis in the 100 shares of Hyster-Yale Class B Common Stock would be \$3,359.94.

Your tax basis with respect to the cash payment in lieu of a 0.5 fractional share of Hyster-Yale Class A Common Stock would be \$16.80 (calculated as 0.5 fractional shares received/100.5 shares x \$3,376.74 = \$16.80).

Your tax basis with respect to the cash payment in lieu of a 0.5 fractional share of Hyster-Yale Class B Common Stock would be \$16.80.

Any gain or loss you realize in connection with the sale of the fractional shares of Hyster-Yale Class A Common Stock and Hyster-Yale Class B Common Stock will be recognized by you in 2012 (assuming you are a calendar year taxpayer).

You can use the attached worksheet to calculate your own tax basis.

Holding Period

You will also need to know the “holding period” of your shares of Hyster-Yale if you hold your NACCO shares as a capital asset. To determine your holding period, you add (1) the period of time you owned the NACCO shares (through the Distribution date) and (2) the period you hold the Hyster-Yale shares from the day after the Distribution until you sell or otherwise dispose of them.

For example, assume you have held your NACCO shares for 10 months prior to the Distribution and you hold your Hyster-Yale shares for 3 months after the Distribution. You will be treated as having held your Hyster-Yale shares for a total of 13 months.

Stockholder Statement to be Filed with U.S. Tax Return

Pursuant to Treasury Regulation section 1.355-5(b), certain stockholders of NACCO (i.e., stockholders who, immediately before the Distribution, owned 5 percent or more of the outstanding common shares of NACCO by vote or value) who received shares of Hyster-Yale Class A Common Stock and Hyster-Yale Class B Common Stock in the Distribution are also required to attach an information statement related to the Distribution to their U.S. federal income tax returns for the year in which the Distribution occurs.

Consult Your Tax Advisor

The information in this letter represents our understanding of existing U.S. federal income tax law and regulations and does not constitute tax advice. It does not purport to be complete or to describe tax consequences that may apply to particular categories of stockholders, including, in particular, the possibility of applying different methods for allocating tax basis.

To comply with requirements imposed by the IRS, we inform you that any U.S. tax advice contained in this communication is not intended or written to be used, and cannot be used, for the

NACCO Industries Inc.
 Stockholder Tax Basis Information Statement

purposes of (i) avoiding penalties under the Internal Revenue Code of 1986, as amended, or (ii) promoting, marketing, or recommending any transaction or matter addressed herein.

Each stockholder should consult a tax advisor as to the particular consequences of the Distribution under U.S. federal, state and local, and foreign tax laws, including, in particular, tax basis allocation rules and the effect of possible changes in tax laws that may affect the description set forth above.

TAX BASIS COMPUTATION WORKSHEET

1. Number of NACCO shares (Class A or Class B) held on September 25, 2012 ¹	
2. Enter the number of shares from Line 1 – this is the number of Hyster-Yale Class A shares you were entitled to receive in the Spin-Off	
3. Enter the number of shares from Line 1 – this is the number of Hyster-Yale Class B shares you were entitled to receive in the Spin-Off	
4. Insert the tax basis of your pre-Spin-Off NACCO shares	
5. Percentage of the tax basis allocated to your post-Spin-Off NACCO shares (from table above)	32.8012 %
6. Percentage of the tax basis allocated to both your Class A and Class B post-Spin-Off Hyster-Yale shares (from table above 33.5994% + 33.5994% = 67.1988%)	67.1988 %
7. Multiply Line 4 by Line 5. This is the aggregate new tax basis of your post-Spin-Off NACCO shares	\$
8. Divide Line 7 by Line 1. This is the per share tax basis of your post-Spin-Off NACCO shares.	\$
9. Multiply Line 4 by Line 6. This is the aggregate new tax basis of your post-Spin-Off Class A and Class B Hyster-Yale shares combined.	\$
10. Divide Line 9 by the sum of Line 2 and Line 3. This is the per share tax basis of your post-Spin-Off Class A and Class B Hyster-Yale shares.	\$
11. Subtract the number of Class A and Class B Hyster-Yale shares you actually received in the Spin-Off from the sum of Line 2 and Line 3. This is the fractional share of Hyster-Yale you were entitled to receive.	
12. Multiply Line 10 by Line 11. This is the tax basis of the Hyster-Yale fractional share that was sold for you.	\$
13. Subtract Line 12 from Line 9. This is the aggregate tax basis of the Class A and Class B Hyster-Yale shares that were distributed to you.	\$
14. Divide Line 13 by the number of Class A and Class B Hyster-Yale shares you actually received in the Spin-Off. This is the per share tax basis of the Hyster-Yale shares that were distributed to you.	\$

¹ IMPORTANT NOTE: If you own both NACCO Class A Common Stock and NACCO Class B Common Stock or if you hold NACCO shares that were acquired at different dates or prices, you must complete a separate worksheet for each block of shares. If you hold more than one block of NACCO stock and you were entitled to receive Hyster-Yale fractional shares in the Distribution, the fractional shares will be prorated among your blocks of NACCO stock.