Operator: Greetings, and welcome to Columbus McKinnon Corporation, Dorner Acquisition Conference Call. [Operator Instructions] As a reminder, this conference is being recorded.

I would now like to turn the conference over to your host, Deborah Pawlowski, Investor Relations for CMCO.

Deborah Pawlowski: Thank you, Omar, and good afternoon, everyone. We certainly appreciate you joining us here today to discuss our announcement of the execution of our definitive agreement to acquire Dorner Manufacturing. Here with me are David Wilson, our President and CEO and Greg Rustowicz, our Chief Financial Officer.

You should have available to you a copy of the news release announcing the planned acquisition. If not, you can access the release as well as the slides that will accompany our conversation today on our website at investors.columbusmckinnon.com.

So before we begin, I would like to point out the disclaimers on **Slide 2** and **Slide 3** regarding forward-looking statements, additional information, certain non-GAAP financial measures and forward-looking non-GAAP information.

With that, if you will turn to **Slide 4**, it is my pleasure to turn it over to David to begin. David?

David Wilson: Thank you, Deb, and good afternoon everyone. These are exciting times at Columbus McKinnon and we appreciate you joining us today on such short notice.

As you now know, earlier this afternoon we announced that we have executed a definitive agreement to acquire Dorner Manufacturing, a leading automation solutions company in specialty, high-precision conveying systems. We believe that the acquisition of Dorner is a defining moment for Columbus McKinnon and is an excellent example of how we are executing on our strategy.

Over the past several months, we have been evolving our strategy to Blueprint for Growth 2.0 with an emphasis on broadening our expertise in intelligent motion solutions for material handling. At the center of our strategy is the Columbus McKinnon Business System, or CMBS. It provides the infrastructure that enables the Core Growth Framework of our Blueprint for Growth 2.0 strategy. In fact, CMBS provided the framework for the processes, core competencies and discipline necessary to execute this transaction.

Our Core Growth Framework outlines four parallel paths for Columbus McKinnon's growth and defines clear organic and strategic initiatives focused on Strengthening, Growing, Expanding, and Reimagining our core. We believe the acquisition of Dorner is an excellent example of how we can both expand and reimagine our core.

It expands our core business reach into some very attractive high-growth markets and reimagines our product offering with a comprehensive range of highly engineered precision conveying solutions. The acquisition extends Columbus McKinnon's intelligent motion solutions from the ceiling to the floor where there are more compelling tailwinds associated with trends in the evolving automation industry. Because of several complementary adjacencies in this space, we also expect that we can continue to evolve this platform and our future in intelligent motion solutions as we advance our strategy.

Please turn to **Slide 5** and let me review why we believe that Dorner is a compelling investment for Columbus McKinnon.

First and foremost, Dorner is a significant growth catalyst in several high-growth vertical markets. Its capabilities in the design, application, manufacturing, and integration of high-precision conveying solutions directly address the accelerating adoption of automated solutions in very resilient, growing end markets with strong secular tail winds. These include markets such as food processing, life sciences, e-commerce and the rapidly evolving automation of supply chains in manufacturing, warehousing and logistics.

Additionally, Dorner reimagines our business, providing a new platform in the specialty conveying space and expands our total addressable market by $5 billion dollars in a large, highly fragmented industry. Going forward, we expect that we will be able to leverage our combined leadership position to create greater scale in the intelligent motion solutions and automation space for material handling.

Importantly as well, Dorner has a very attractive financial profile with performance that is accretive to our top line, margins and importantly, EPS… even after the permanent financing that Greg will discuss in a few minutes.

Next, we are getting a very talented leadership team with a proven track record of performance and strong relationships, deep technical expertise and a breadth of knowledge regarding their industry and the players that operate within it.

Finally, we expect that the Columbus McKinnon Business System will help to accelerate Dorner's growth in the midst of an automation revolution in the material handling industry.

On **Slide 6** I will provide some background on Dorner. Their headquarters is located in Hartland, WI just 20 minutes from our Magnetek operations. The business dates back to 1966, when they were established by the Dorner brothers to make tools and dies. In the 70's they were looking for a conveying solution to handle the waste scraps from their dies. They were told by conveyor manufacturers that a conveying system was not possible for their application. Apparently, bearings were neither durable nor small enough and belts could not wrap around such a small diameter. Well, they solved that problem and Dorner has been innovating within the conveying space ever since.

In addition to their largest facility in WI, they have operations in Mexico, Germany, and Malaysia. Known for their market knowledge, ingenuity, and responsiveness, we believe that Dorners 400 employees will fit right in as part of the Columbus McKinnon team.

Dorner has diverse channel access across distributors, OEMs, integrators and direct-to-end-user segments with roughly 50% of their product sold through distribution and the balance split fairly evenly between OEMs and integrators and direct-to-end-user sales.

During our diligence process, we investigated customers' perspectives on Dorner's products and services. In addition to appreciating their timely delivery of products - which for build to order solutions can be just days versus weeks from competitors - they rely on Dorner for quality. This is why they are trusted for mission critical applications.

They are known for their low-profile conveyors which are well suited for integrating with production processes and for the durability of their sanitary solutions serving the food processing and life science verticals.

Please turn to **Slide 7**. Dorner accelerates Columbus McKinnon's growth and drives higher profitability. Dorner's value is driven by its differentiated technology, enabling unique growth and margin profiles that will shift our margin and growth trajectory over time as it generates a larger portion of our business mix.

They have been able to outpace the industry and deliver strong margins because of their market leading capabilities in precision conveyance engineering.

Their conveyor systems are faster, more precise and easy to configure with their proprietary D-Tools software. This online configure, price and quote, or CPQ, tool provides access to Dorner's comprehensive solution library and allows customers to design and specify their own customized conveyors.

Dorner's equipment is central to the automation ecosystem of any production process. Their systems readily integrate into other material handling and information systems.

On **Slide 8** you can see that conveyance systems are the central interface of nearly every facet of industrial automation. This expands the potential for integrated industry 4.0 and 5.0 – machine to machine, machine to human and human to machine – solutions and internet of things connectivity. This includes the integration of our current products and solutions such as overhead lifting, controls and drives, as well as actuator systems. It also provides additional growth vectors for consideration as we evolve our strategic focus on intelligent motion solutions for material handling.

On **Slide 9** I would like to emphasize a few of the attractive vertical markets Dorner is serving.

First, Dorner is emerging as a leader in the food processing industry. Here, they receive very high grades for their ability to meet stringent requirements in a highly regulated environment. They have a wide range of sanitary solutions which provide for easy cleaning, ease of use and durability related to the need for frequent sanitation. They also receive very high marks in this industry for their quality, lead-times and reliability.

Likewise, in life sciences, another highly regulated industry, Dorner is becoming a leader driven by their technical expertise, their ability to meet hygienic requirements and to address space constraints cost effectively. Here, speed and precision are also critical to ensure standards are met and quality is controlled.

In e-commerce, Dorner has a unique solution for conveying systems mounted on automated mobile robots. This new application is driving growth for Dorner in this sector. We believe that there is significant potential to grow in this vertical.

With that, let me turn it to Greg to review the financial profile, transaction terms and financing plan.

Greg Rustowicz: Thank you, David, and good afternoon, everyone.

First, let me take the opportunity to express my positive views on this acquisition. The combination of Columbus McKinnon and Dorner Manufacturing reimagines Our Core and

provides an accelerated path to achieving our Blueprint for Growth 2.0 EBITDA margin objective. We see tremendous value creation opportunities for our Shareholders as David has already covered. We are buying a high-quality business with a strong margin profile, a double-digit growth trajectory, and an excellent management team.

We see the opportunity to achieve our 19% EBITDA margin with a double-digit return on invested capital as early as FY 23. We feel that these positives far outweigh the additional leverage that the Company is taking on. We have consistently proven we can generate free cash flow, and Dorner adds to that. With this free cash flow, we will de-lever the balance sheet quickly and efficiently.

As we look at **Slide 10**, Dorner's revenue by product breaks down as shown in the top pie chart. They have an excellent website that shows the different types of products they manufacture, and I encourage you to take a look. The markets they serve are higher growth than legacy Columbus McKinnon's, and less cyclical. We are excited about participating in these markets with Dorner and believe there are opportunities to achieve revenue synergies over time. On a pro forma basis, the combined company has December LTM sales of approximately $750 million with $109 million of adjusted EBITDA. This represents a margin of 14.6%. As you can see, the Dorner acquisition is accretive to EBITDA margins by 260 basis points at today's sales level.

So, let's move on to the transaction details on **Slide 11**. The purchase price is $485 million. The purchase price will be adjusted for cash and debt with a working capital true-up. We expect Dorner to be delivered debt free as of closing except for a capital lease obligation that is outstanding. We expect transaction costs of approximately $11 million dollars excluding financing costs, with the majority occurring in fiscal 2022. We have identified approximately $5 million of annualized cost synergies over two years that will come from sourcing, operations, and other cost savings opportunities including professional services. Restructuring costs are estimated to be approximately $4 million dollars with these costs being incurred over two years. We expect the transaction to be accretive in the first year by $0.05 cents to $0.10 cents per share, even after the equity offering. This includes an estimate for amortization from purchase accounting which will be finalized after closing. The financing for this transaction has been provided by JP Morgan and consists of a $650 million first lien loan which will be utilized to fund the acquisition and refinance our current term loan B. Finally, the transaction is expected to close early in our new fiscal year.

On **Slide 12**, let me walk through an overview of the financing plan for the transaction. We will initially finance the purchase price for the transaction and pay off our existing debt, along with transaction costs and financing expenses with $120 million of existing cash and the previously mentioned first lien loan provided by JP Morgan. We are planning to issue equity in a follow-on offering and plan to raise approximately $150 million which will be used to de-lever the initial capital structure. We then expect to refinance the bridge loan with a new term loan B. Once this is accomplished, we expect our net leverage to be in a range of 3.75x to 4.0x. We will prioritize de-levering like we did after the STAHL acquisition and expect that we will be back into our range of 2.0x net leverage in FY24. There is one additional item I would like to point out. As our business continues to recover from COVID and returns to FY20's EBITDA level which

we anticipate occurring in FY23, we would expect an incremental $50 million of EBITDA from this recovery, which give us confidence in achieving our 2.0x net leverage target in FY24.

With that, I will turn it back over to David to wrap up.

David Wilson: Thank you, Greg. We believe that Dorner is an excellent entry point into the attractive specialty conveying micro segment. This new platform provides a large, $5 billion dollar TAM that is growing at an annual rate of 6% to 8%.

It provides enduring tailwinds because of the secular growth drivers in the quickly evolving automation landscape and the velocity of e-commerce adoption. It is also a fragmented market and there are many complementary adjacencies that we could pursue for growth.

In the near term, our capital allocation priority will be to reduce debt and we expect that we can move quickly in that regard. In the meantime, we will advance our product portfolio and drive organic growth while developing our pipeline of future acquisition opportunities.

Please turn to **Slide 14**. I would like to re-emphasize the strategic value of this compelling acquisition. We are investing in a growth catalyst that serves resilient markets with higher growth profiles than our traditional markets. We are improving our margin profile and earnings power. We expect Dorner to continue to deliver above market growth and, in fact, we believe that Dorner can grow faster with Columbus McKinnon. Importantly, we are gaining a very talented new team that compliments the Columbus McKinnon organization. We will leverage CMBS across the combined organization to drive operational efficiencies, market leadership, customer centricity and growth.

In summary, let me reiterate that this acquisition is an ideal fit with our Blueprint for Growth 2.0 strategy. We are very excited about what is happening at Columbus McKinnon and the path we have embarked on with our strategy. I hope you share in our excitement.

With that operator, we can open the call for questions.

Operator: [Operator Instructions] Our first question is from Greg Palm with Craig-Hallum.

Greg Palm: Congrats on the acquisition, looks like a pretty interesting fit. I'm curious, when I first saw the release and looked at some of the product lines, that didn't necessarily strike me as a market that's growing high single digits. So I'm curious, as you think about some of the secular drivers, whether that's automation or e-commerce that's contributing to that and more specific to Dorner, are they tied to certain customers or end markets that gives them outperformance versus that industry growth or is it really a byproduct of the capabilities and technology that is leading to that outperformance for them?

David Wilson: Thanks for the question. I think it's an appropriate one as we think about this opportunity, and it's clearly something that's driven value here. They've been focused on product differentiation, and they've introduced 15 new products since 2017. They have 28 active patents and a number of near-term initiatives in their pipeline. They have some proprietary v-guided technology in their belting, which allows for greater precision and speed as it relates to the precision of their products. As they've focused on serving the markets that they serve, which are also in fast-growing verticals, food processing, life sciences, CPG, e-commerce, clearly, there's a lot of really good demand drivers around those markets and their

performance within those markets has really outpaced the growth of those markets. Those markets are growing 6% to 8%, and they've been able to grow at about double that rate.

Greg Palm: That's interesting color. If I think back to 2019, we had a challenging manufacturing environment. 2020 was impacted by COVID. You're talking about a 12% growth rate that takes into account at least two of those years in that period. I don't know if you can talk specifically about growth rates in each of those years, but I'm just curious, as we look ahead, do you think the 12% could be understated in a more normalized environment, a) if we don't have a manufacturing recession; and b) if we don't have another pandemic?

David Wilson: I don't know that I would project a rate that is in excess of what they've been able to achieve just at the moment. We do believe that together we're stronger than we are individually. But they're coming off of a really strong year over the last twelve months. This has been a pretty stellar year for them. I think we're going to have nice opportunities to outpace market growth and to achieve mid-teen kind of growth would be pretty solid.

Greg Rustowicz: Greg, to add on to David's comments, they had a bit of flattening in their fiscal '19 – and for the folks on the phone, their fiscal year ends September 30 – but they've been growing nicely since then. Clearly, in fiscal '21, they've really benefited from the e-commerce initiatives that they've had and the market tailwinds.

Greg Palm: Got it. So just to be clear, some of the tailwinds around e-commerce and automation, that's been a boost to the business here recently?

David Wilson: Yes.

Operator: Our next question is from Chris Howe with Barrington Research.

Chris Howe: Congrats on this acquisition. It's a nice one. Perhaps you can follow-up on some of Greg's questioning surrounding the end markets. Available market is $5 billion, growing at 6% to 8%. The company is growing about double that. Can you talk about their market position within these high-growing end markets and what's left? So even though e-commerce is having a phenomenal fiscal year '21, what's their market position, and what's left in the market for them?

David Wilson: It's obviously quite a large market, and they're a relatively small percentage of that total market when you look at their top line position. The market is quite large and global. They have a pretty good position in the North American markets where the majority of their revenue is, about 85% in North America today. Within that space, they perform best as it relates to the market demands in the food and beverage and in the life sciences space where they have a pretty defensible position supporting those markets. They're a relatively new entrant to the e-commerce space, and they're doing very well there over the past 12 to 24 months.

Greg Rustowicz: If you look at their e-commerce end market, they've more than quintupled their sales in the last five years, from fiscal '17 to where they expect to end this year. That's been on a very, very strong growth path, especially in the last two to three years.

Chris Howe: That's great. One more follow-up. Since we're coming right off the pandemic, I can see their revenue growth, the CAGR that they've been able to achieve. Can you talk about

the company's performance through the pandemic as it relates to cash and how their cash conversion compares to Columbus McKinnon for perspective?

Greg Rustowicz: To put that into perspective, they obviously have higher EBITDA margins than Columbus McKinnon does. Today, it's not quite double, but not far off of being double because we've been certainly impacted by the pandemic. They are a CapEx-light company where there's not a big CapEx spend. It's a couple of million dollars per year. Their free cash flow conversion is about 100%, maybe just slightly under it. When you have this rapid growth, your working capital does grow quite a bit, and that's certainly a factor in the free cash flow.

Chris Howe: Okay. If I may be able to squeeze one last one in really quickly, I wanted to ask about the aftermarket piece; 18%, perhaps some future opportunity down the line to grow this as a mix of revenue? Can you talk about the difference in margin for this piece? Also, as far as replacement and upgrades, perhaps some intel on the replacement and upgrade cycle?

David Wilson: The aftermarket portion of their businesses is an area where we think that they can continue to develop and grow. They have a nice position. It's certainly a larger percentage of their business than our aftermarket is as a percentage of our core, so that is a nice opportunity for us. They have a growing installed base. As they've been growing rapidly, that obviously opens up the opportunity from an aftermarket perspective and as we've discussed opportunities with their leadership team, not only organic opportunities but also future potential strategic or M&A opportunities, the aftermarket is a nice area where we think we could do something to continue to develop and grow the business. Clearly, the margins there are going to be healthy. The portfolio that they manage has a nice healthy mix of margins as it stands, but the aftermarket parts margins would be higher than the average of their entire portfolio.

Operator: Our next question is from Matt Summerville with D.A. Davidson.

Matt Summerville: A couple of questions. I know you mentioned the competitive environment is pretty fragmented, but maybe you could talk about who some of the other significant players are in the market? In particular, in the higher-growth areas that you highlighted, food, e-commerce, life sciences, etc. How does Dorner run in those end markets?

David Wilson: Two of the largest competitors that would come up in just about all the segments would be companies like FlexLink and Rexroth. Those are the two that I would probably bring to your attention. Beyond that, there are a lot of regional and local players that are fairly fragmented, Matt.

Matt Summerville: What would be your relative rank in some of those higher-growth end markets that you're talking about tonight?

David Wilson: We did some customer surveys and really looked at a lot of independent primary research we did with customers trying to understand where Dorner is positioned. We found that there was really good feedback. In fact, amongst all of the competition in the U.S. base, we received feedback that Dorner was ranked 1 and 2 in the food processing and the life sciences space. As you look at relative size of businesses globally, they are smaller relative to those two competitors that I mentioned because those are much larger global companies. So, they tend to participate in niche applications and are certainly more geographically concentrated in North America.

Matt Summerville: Got it. I apologize if I missed this, but what percent of business would you say is driven by incremental customer capacitation versus the installed base in an existing four-wall structure being upgraded, retrofitted, et cetera?

David Wilson: About 65% of the business is associated with retrofit.

Greg Rustowicz: Correct, replacements or upgrades.

Matt Summerville: Got it. You mentioned 85% of the business being North America. What does the relative presence look like in Europe? Is there material revenue in Asia? What is the geographic growth playbook look like over the next couple of years?

Greg Rustowicz: In Europe, it's roughly just under 10% of their business. Asia is about 5%, and Latin America is 3% to 4%. We think that represents a big opportunity, especially given Columbus McKinnon's overall footprint. We think to go into a new market and get set up to do business takes time and it takes resources and money. This will be an easy thing to open up new markets by just dropping people into our existing infrastructure.

David Wilson: We have all the infrastructure that they can tap into to enable them to scale in a lot of geographies that they don't currently have the ability to do so.

Matt Summerville: Got it. You mentioned, Greg, in your portion of the deck that you expect accretion to be $0.05 to $0.10 post equity raise for fiscal '22. What is the thinking on the level of accretion we should expect in fiscal '23 based on how you view the business today?

Greg Rustowicz: We haven't looked at that number specifically. The accretion is going to be subject to the purchase accounting. We have a pretty good estimate, we think, in for the amount of the amortization that's going to result from the purchase accounting. But if it's similar to the STAHL deal, it really will ramp up in the second year as we pay down debt.

Operator: Our next question is from Mike Shlisky with Colliers Securities.

Mike Shlisky: I had a question about how the deal came to be. Was there an auction process or was it put in front of you by one of the banks out there? Just give a sense as to how this process played out and the time it took to get to this point.

David Wilson: We actually, as a team, in the fall, as we were finalizing the work that we did on the Blueprint for Growth 2.0 strategy, had identified specialty conveying as an attractive vertical that we wanted to participate in as a micro segment. We had actually outreached to EQT, who is the owner today of the business, and got ourselves well situated once they initiated the sales process, and then, obviously, got the call to be included in a formal auction process, and that led us to where we are today.

Mike Shlisky: Got it. Great. Is this a backlog-run business and can you give a sense as to what the backlog might be today and how that's grown over the last couple of quarters?

David Wilson: It is a backlog-run business. Greg, I think the backlog right now is about $37 million.

Greg Rustowicz: Record backlog of $37 million, yes, and heavily dependent on the engineered to order. A lot of the backlog is in that category.

David Wilson: Right. About 65% of the backlog today is at ETO. It's the business that's been growing over the last 24 months or so.

Mike Shlisky: Got it. I also wanted to ask about the synergies you have put here in your slides and your comments. It looks like it's about $5 million of cost synergies. I wasn't sure what kind of cost synergies those are. Is there a lot more to go after that when you put the company on to the Blueprint for Growth strategy or into the CMBS? I'm curious, is that the end all or is that just taking out some of the costs for having a second CFO and a second CEO, et cetera?

David Wilson: What we want to think about as it relates to this business is the opportunity to get growth really. There are definitely opportunities for us to be more efficient together, and we've identified some of those opportunities. But we're really focused on growth and what we can do to bring the businesses together and scale, and we're particularly excited about that.

Mike Shlisky: Is this company a candidate for an 80-20 type of implementation? Or in such a growth company, it's just not how it works?

Greg Rustowicz: Absolutely. Certainly, 80-20 is a key tool in the Columbus McKinnon Business System. We do think that there is that opportunity to run the analytics and see what that tells us. We would expect that to be one of the first things we do to try and get a better understanding of what that potential might be.

David Wilson: If you think about things like pricing as a tool there, obviously, customer segmentation and the work that we do around product lines, there's opportunity. But it's really in a high-growth mode, and there's opportunity that relates to 80-20 but probably not as much as it relates to the cost infrastructure, if you will.

Operator: Our next question is from Walter Liptak with Seaport Global.

Walt Liptak: Congratulations on the deal. It looks like a good one to me, too. Mike Shlisky took my 80-20 question, so I don't know what else to ask about. I wonder if you could talk about where the gross margins are in this company.

Greg Rustowicz: They've been running historically at close to a 50% gross margin.

Walt Liptak: Wow, that's pretty high. Are they vertically integrated or are they making a lot of the component parts?

David Wilson: They are doing their own machining in the facility and, yes, there's a fair amount of vertical integration.

Greg Rustowicz: Belts are purchased.

Walt Liptak: Okay. Someone asked a question earlier that was interesting but I didn't think I heard an answer to. Is there any customer concentration with Dorner?

David Wilson: There is. Motion Industries is their largest distributor, and they're also one of our largest customers. There are also end user customers where we have overlap. Certainly, as we think about the opportunities looking across their channel partners, their integrators and OEMs as well as ours and we think about the reach and the verticals that they're serving versus those that we tend to concentrate on, there's opportunities to look at cross-selling synergies across our customer bases collectively.

Operator: Our next question is from John Tanwanteng with CJS Securities.

Jon Tanwanteng: A nice announcement. It's really interesting. David, the first one is for you. Not that we should model beyond 12% growth, so maybe just tell us a little bit more about the long-term plan to accelerate beyond that. I get distribution and cross-selling and geography, but talk about the technology and maybe how to integrate it with your product stack. And if there's anything new that together you can do that neither of your companies could do apart as a combined company?

David Wilson: Jon, as you think about Magnetek drives and controls and the work that we do around our Intelligent Motion products today, we can leverage the automation capabilities that we have in that portion of our business and the interconnectedness of our assets, if you will, through our recently launched Intelli-Connect product and really bring technologies together over time. Clearly, the activity in the automation landscape is happening more on the floor than in the ceiling today. When you think about the connectedness of machines, both the connecting between machines, running through machines, allowing for the interfacing with robotic equipment and other related automation equipment in manufacturing environments at high precision and at high speeds, the ability to create an automation ecosystem around that becomes pretty interesting. So the ability to offer Intelligent Motion Solutions to our customers by bringing our technologies together and enabling their productivity, safety and uptime is what we're focused on.

Jon Tanwanteng: Got it. Greg, could you tell me what Dorner's incremental margins are like? Given that it's so accretive compared to what Columbus McKinnon does, how quickly can you reach now that 19% target EBITDA margin with Dorner's growth rate and their accretion?

Greg Rustowicz: We think that we can actually get there probably a year earlier, sometime in fiscal '23. COVID obviously impacted us two years, all of this fiscal year and then we still have a recovery going into next fiscal year, but this will get us there in fiscal '23.

Jon Tanwanteng: Okay. Great. What are the interest rates you're looking at as part of the debt refinancing?

Greg Rustowicz: The financing structure is set up with a bridge financing to start prior to the equity follow-on, and that's at about LIBOR plus 4.25% and that's committed. After the success of the equity follow-on, we will basically institutionalize the term loan B and yet to be determined, but it's certainly going to be about 100 basis points better than the LIBOR plus 4.25%. So it's probably LIBOR plus 3.25% to 3.50%. It'll be the same sort of agreement that we have today, pre-payable without penalty and covenant lite. In essence, it'll be a very close mirror to the term loan B that we have in place today.

Operator: [Operator Instructions] Our next question is from Steve Ferazani with Sidoti.

Steve Ferazani: I think you've run through all of the positives about the acquisition, but I would think to some people, the multiple you're paying might stand out. I'm just trying to get a sense of when you're making an acquisition of this size, and I know prices are where they are right now, how do you get comfortable with that type of a multiple? Is it the margin profile or is it just you can get it to be accretive? How do you get to the point where that multiple is okay with you?

David Wilson: I was just going to say, Steve, that it's clearly all about growth in this case. They've been able to achieve a really impressive growth rate that we think can continue, so that's clearly a driver. We calculate about 15.5x EBITDA and then synergized at about 13.5x. If you look at it relative to the rate that we're trading at today, that's a discount to the rate that we're trading at today and with a growth trajectory that is far outpacing what we're enjoying as a core business today. All things considered, this is a really attractive opportunity and one that we feel is at the right value.

Greg Rustowicz: For me and David, it's really all about the growth. It's got a great margin profile, but it's all driven by the growth and their demonstrated ability to grow above market. We certainly, from a modeling perspective, didn't have them growing at that double-digit rate forever, but they generate a lot of free cash flow, and it just made sense, and that's how we got comfortable.

Steve Ferazani: Great. Any seasonality in the business?

David Wilson: I'm not sure that there is seasonality like Columbus McKinnon has, but there is lumpiness with the engineered-to-order projects.

Greg Rustowicz: There can be multimillion dollar swings quarter-to-quarter depending on the timing of delivery of projects, so it is going to add a little bit more variability to our revenue profile.

Operator: Ladies and gentlemen, we have reached the end of the question-and-answer session, and I would now like to turn the call back over to President and CEO, David Wilson, for closing remarks.

David Wilson: Thank you, Omar, Thank you for your time this evening. We believe we are creating measurable value with this acquisition as we pivot to growth, diversify into attractive markets with enduring tailwinds, expand our margins and drive even stronger earnings power for Columbus McKinnon.

Additionally, we see the potential for creating greater scale in intelligent motion solutions for material handling as we execute on Blueprint for Growth 2.0.

We look forward to speaking with you all again soon. Thank you!

Operator: Thank you. This concludes tonight's conference. You may disconnect your lines at this time. Thank you for your participation, and have a great evening.