COLUMBUS McKINNON CORPORATION

Baird Global Industrial Conference

David J. Wilson
President and Chief Executive Officer

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Executive Vice President Finance & Chief Financial Officer

CMCO INTELLIGENT MOTION

November 7, 2023

Safe Harbor Statement

These slides, and the accompanying oral discussion (together, this “presentation”), contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements concerning expected growth, future sales and EBITDA margins, and future potential to deliver results; the execution of its strategy and further transformation of the Company with stronger growth, less cyclicality and higher margins, and achievement of certain goals. These statements involve known and unknown risks, uncertainties and other factors that could cause the actual results of the Company to differ materially from the results expressed or implied by such statements, including the impact of supply chain challenges and inflation, the ability of the Company to scale the organization, achieve its financial targets including revenue and adjusted EBITDA margin, and to execute CMBS and the Core Growth Framework; global economic and business conditions affecting the industries served by the Company and its subsidiaries including COVID-19; the Company's customers and suppliers, competitor responses to the Company's products and services, the overall market acceptance of such products and services, the ability to expand into new markets and geographic regions, and other factors disclosed in the Company's periodic reports filed with the Securities and Exchange Commission. Consequently, such forward-looking statements should be regarded as current plans, estimates and beliefs. The Company assumes no obligation to update the forward-looking information contained in this presentation.

Non-GAAP Financial Measures and Forward-looking Non-GAAP Measures

This presentation will discuss some non-GAAP (“adjusted”) financial measures which we believe are useful in evaluating our performance. You should not consider the presentation of this additional information in isolation or as a substitute for results compared in accordance with GAAP. The non-GAAP (“adjusted”) measures are noted and reconciliations of comparable GAAP with non-GAAP measures can be found in tables included in the Supplemental Information portion of this presentation.

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Leader in Intelligent Motion Solutions for Material Handling

Transforming from a legacy cyclical industrial company to a top-tier, secular growth, intelligent motion solutions company

Strategic priorities

- Strengthen and build upon CMCO's core
- Invest in high-growth, high margin platforms
- Increase exposure to high growth, secular end markets
- Achieve top-tier performance utilizing CMBS, 80/20 and growth framework

Highly relevant, professional-grade solutions for solving customers' critical material handling requirements

Leading global lifting and automation company

Global player and North America market leader in precision conveyance



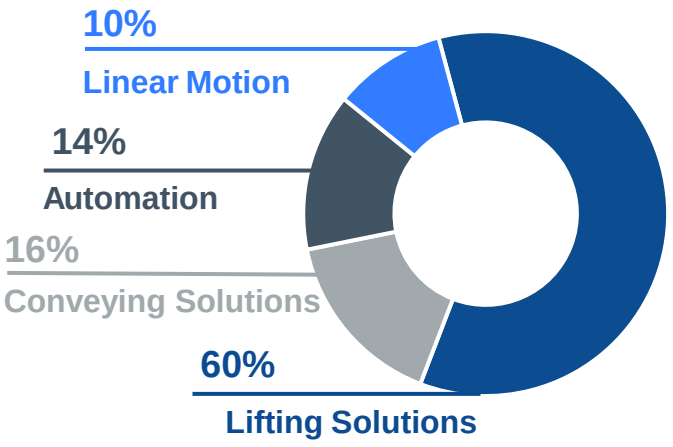
Financial Data[1]

$978M
Revenue

Market Data[3]

$975M
Market Cap.

Product Mix[2]



Seasoned Leader With Extensive History Of Safely, Efficiently And Ergonomically Positioning Materials

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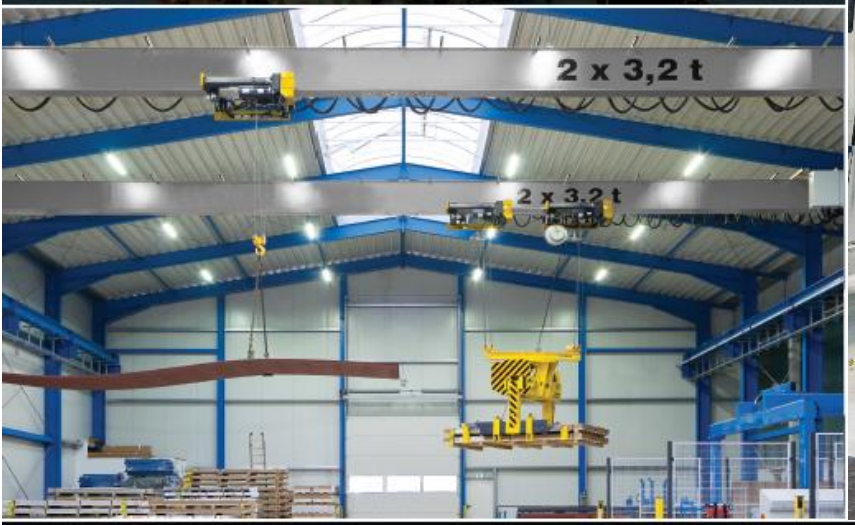
(1) Financial data represents TTM ended September 30, 2023 (2) Product mix data represents YTD sales as ofQ2FY24
(3) Market data as of 11/2/2023 (Source: S&P Capital IQ);

COLUMBUS McKINNON
CORPORATION

OUR PURPOSE













Together we create **intelligent motion solutions**
that move the world forward and improve lives.

Lifting Solutions

Lifting Solutions:

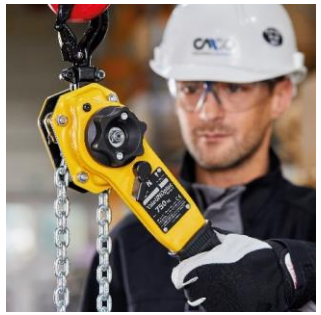
- Leading global position in lifting solutions
- Lifting capacity from 1/8 ton to ~140 tons
- Manual chain, electric chain and wire rope hoists
- Reliable, high-quality products
- End-to-end digital solutions











Global Leader In Intelligent Motion Solutions For Material Handling

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Precision Conveyance Solutions

Specialty conveying provides growth platform:

- ~$4B TAM growing at 6% to 8% CAGR
- Higher margin profile

Strong secular growth drivers and markets:

- Automation, e-commerce, EV, life sciences

Fragmented market provides target rich acquisition environment

- Established platform with Dorner acquisition in April 2021
- Acquired Garvey in December 2021
- Acquired montratec™ in May 2023

Complementary adjacencies:

- Sortation, spiral, vibration, etc.



Industrial Automation Conveyors



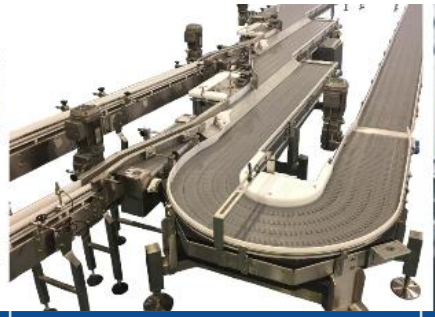
Sanitary, Stainless Steel Conveyors



Pallet System Conveyors



Flexible Conveyors



Accumulation Systems



Monorail Transport Systems

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Automation Solutions

Automation Solutions:

- Design and develop drives and controls for lifting, linear motion and conveying systems
- Used in intelligent material handling solutions from ceiling to floor across entire product portfolio
- Solutions designed to increase uptime, enhance productivity and improve customer safety






Lifting


Conveyance


Linear Motion


Mining


Elevator

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Linear Motion Solutions

Linear Motion Solutions:

- Linear actuators with lifting capacity up to 50 tons, screw jacks, rotary unions and super cylinders
- Demonstrated leadership and differentiated offering
- Serving a breadth of end markets from rail to warehousing to defense



















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Unlocking CMCO's Potential

Business System and Core Growth Framework to Transform CMCO

CMBS



Growth Framework

- **RE-IMAGINE CORE**
- **EXPAND CORE**
- **GROW CORE**
- **STRENGTHEN CORE**

Transformation

INTELLIGENT MOTION

Framework To Deliver Differentiated Growth, Financial Performance And Shareholder Value

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CMCO Transformation Strategy

- Evolves the enterprise from cyclical Industrial to a top-tier, secular growth, **intelligent motion solutions** business
- Advances CMCO to **~$1.5 billion** in revenue and **21%** adjusted EBITDA
- Targets **mid-single digit** organic growth and **$225 million** of M&A growth
- Increases digital capabilities with investments in **technology enablers that support growth and cost optimization**
- Elevates **competitive advantage** with Columbus McKinnon Business System (**CMBS**)
- Strengthens talent processes, improves the organization & **builds bench strength**

Targeting Top-tier Performance Over The Strategic Planning Period

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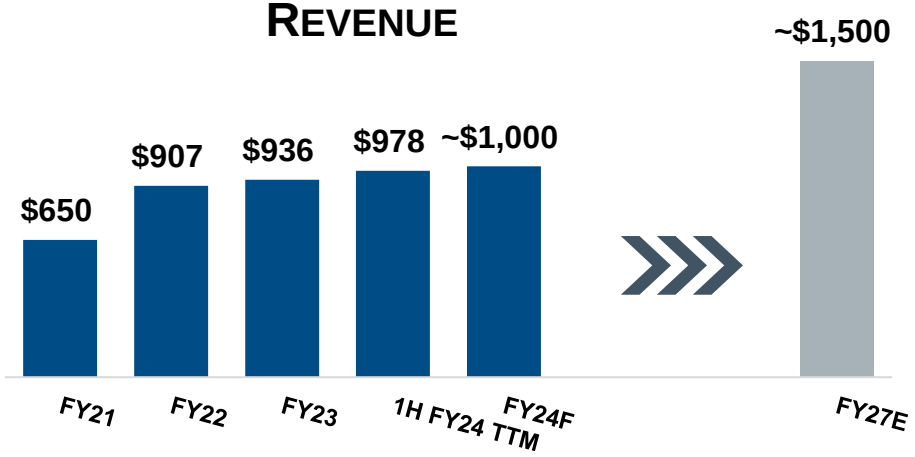
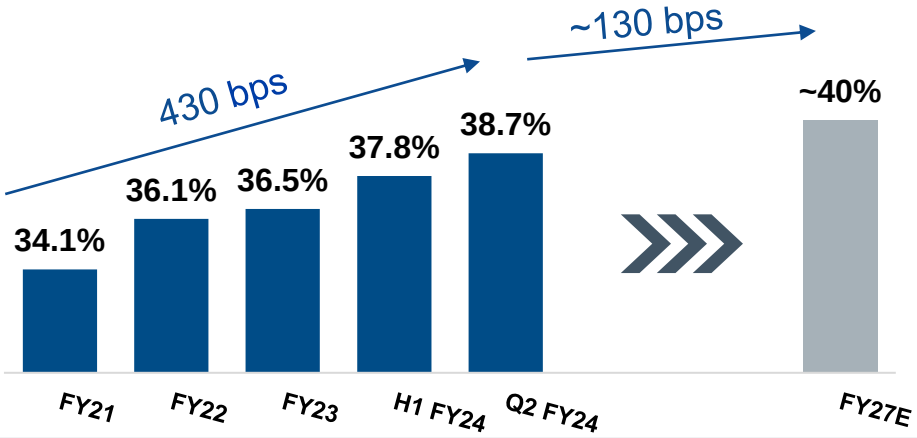
Executing Plan and Delivering Results

On track for FY227 Goals

Revenue



Adjusted Gross Margin



Revenue Growth Drivers

Organic Growth

- Commercial initiatives
- New product development
- Customer experience improvement

M&A Growth

- Expand precision conveyance platform
- Opportunistic with core portfolio
- Reimagining potential

Adjusted Gross Margin Drivers

Operating Initiatives

- Operational excellence
- Volume/scale/pricing
- Product line simplification

M&A Growth

- Accretive acquisitions
- Factory simplification

Updating Guidance: Now Expect Gross Margin Expansion of ~150 bps Y/Y for FY24

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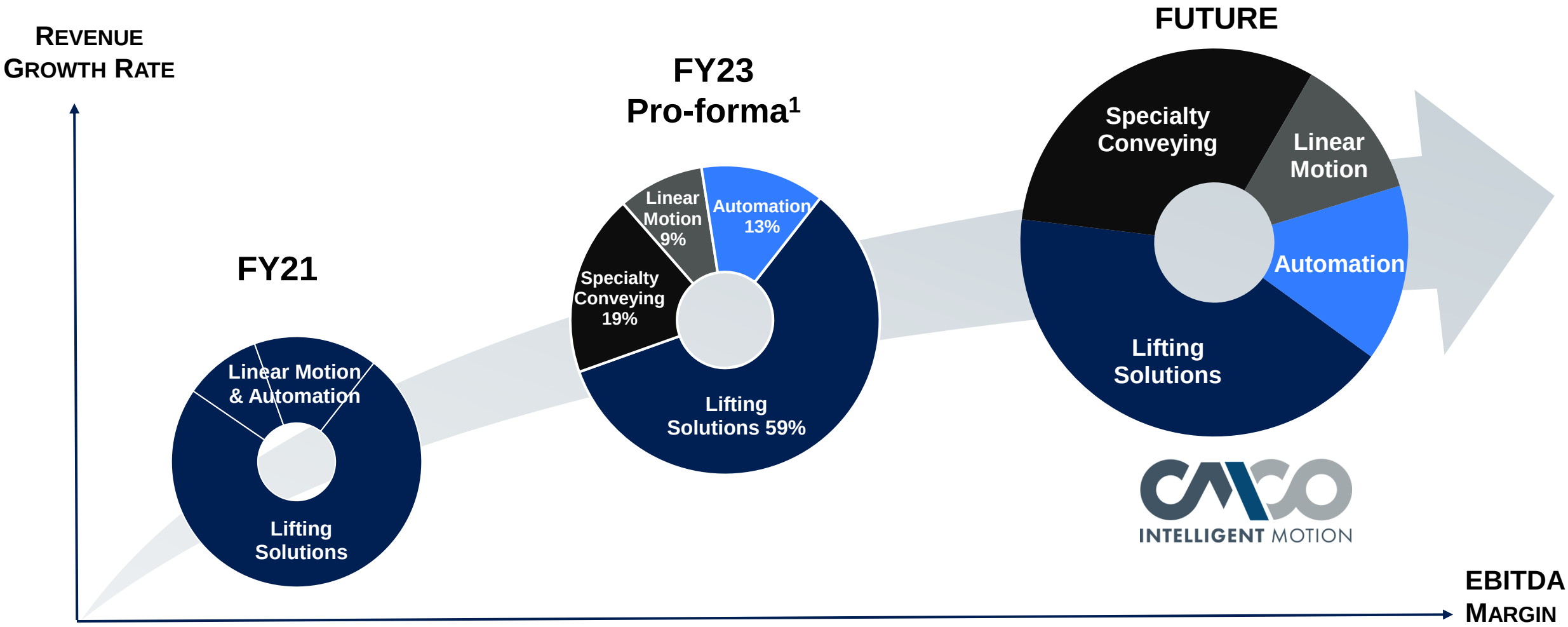
Advancing Along our Transformation Path

Targeting $1.5 Billion In Revenue and ~21% EBITDA Margin in FY2027



Executing Strategic Plan to Transform the Portfolio to Higher Growth, Technology-Driven Platforms

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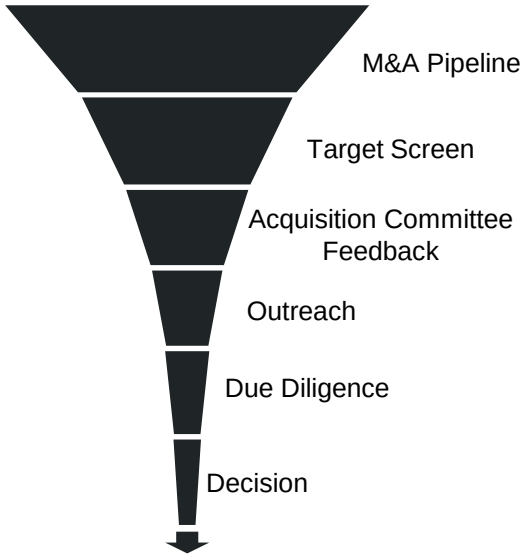
(1) *Pro forma including 10 months of montratec acquired at end of month May 2023*

Strong Track Record Creating Value Through M&A





Programmatic M&A

September 2015

MAGNETEK

Acquisition of Magnetek, Inc. for ~$182M added automation capabilities

January 2017

STAHL CraneSystems

Acquisition of STAHL CraneSystems from Konecranes for ~$218M strengthens leading global position in lifting solutions

April 2021

DORNER

Acquisition of Dorner for $485M advances Intelligent Motion strategy and creates platform for scalable growth

December 2021

GARVEY

Acquisition of Garvey for $74M expands conveying solutions platform

May 2023

montratec

Acquisition of montratec® for $110M expands precision conveyance and automation

2015 2016 2017 2018 2019 2020 2021 2022 2023 2024

December 2018

Tire Shredder

Divestiture of Tire Shredder Business

February 2019

STB Stahlhammer Bommern

Divestiture of Stahlhammer Bommern GmbH to Turbo Investment BV

February 2019

CES MATERIAL HANDLING

Divestiture of Crane Equipment and Service, Inc.

Transforming Columbus McKinnon Into A Top-Tier, Higher Growth, Higher Margin Enterprise

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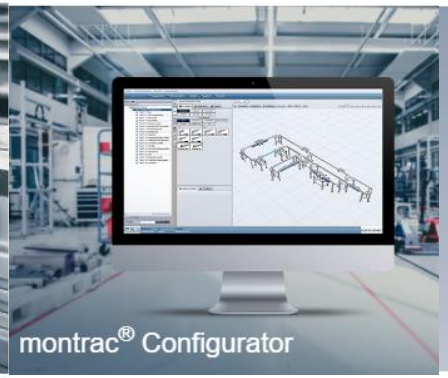
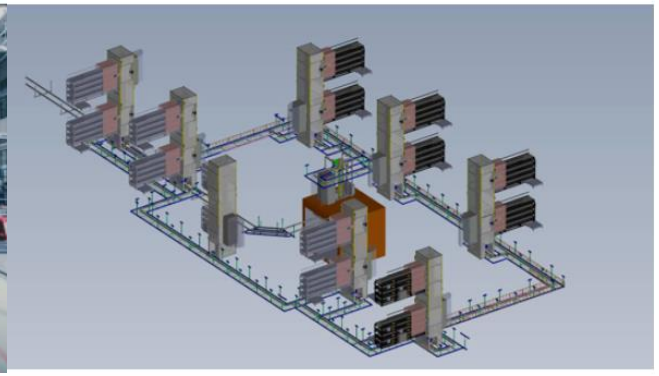
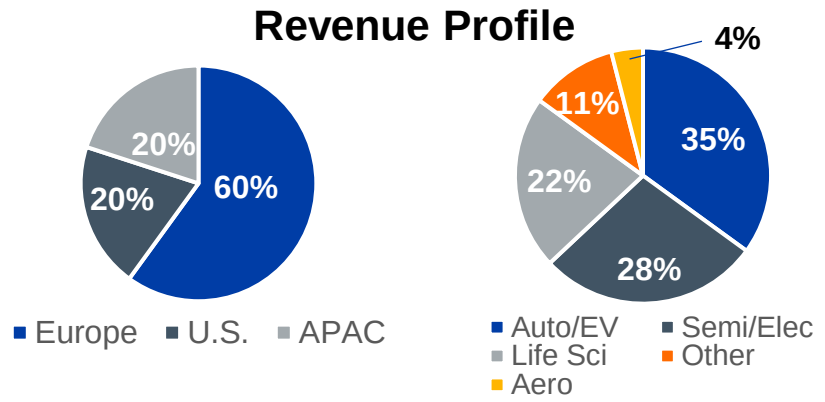
Building Precision Conveyance Platform

Acquired montratec® on May 31, 2023









- Develops and manufactures complex intralogistics solutions connecting robots and workspaces with asynchronous conveying technology
- Delivered $12.2 million in revenue in 4 months of ownership with 52% gross margin; expect to double business in three years from acquired level of $30 million
- Attractive markets with secular tailwinds – EVs, Electronics, Semiconductors and Life Sciences
- Differentiated solutions – asynchronous movement, cleanroom certification, speed, space saving, Industry 4.0 controls, low energy consumption, easier change outs and faster set-up – 2,500 installations worldwide
- Technology driven organization – advanced software capabilities, robust NPD pipeline, talented engineering team, patented technologies
- Sales synergies to capture by leveraging CMCO precision conveyance platform in US and APAC and montratec position in Europe

Differentiated Technology in Secular Growth Markets; Expanding Conveyance Platform in Europe

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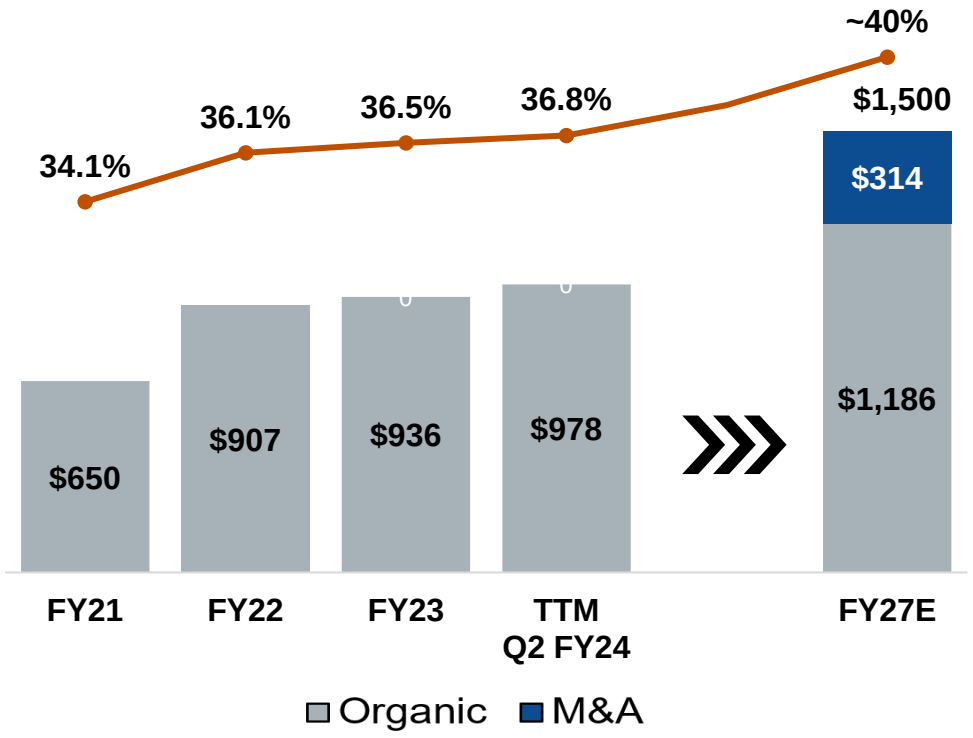
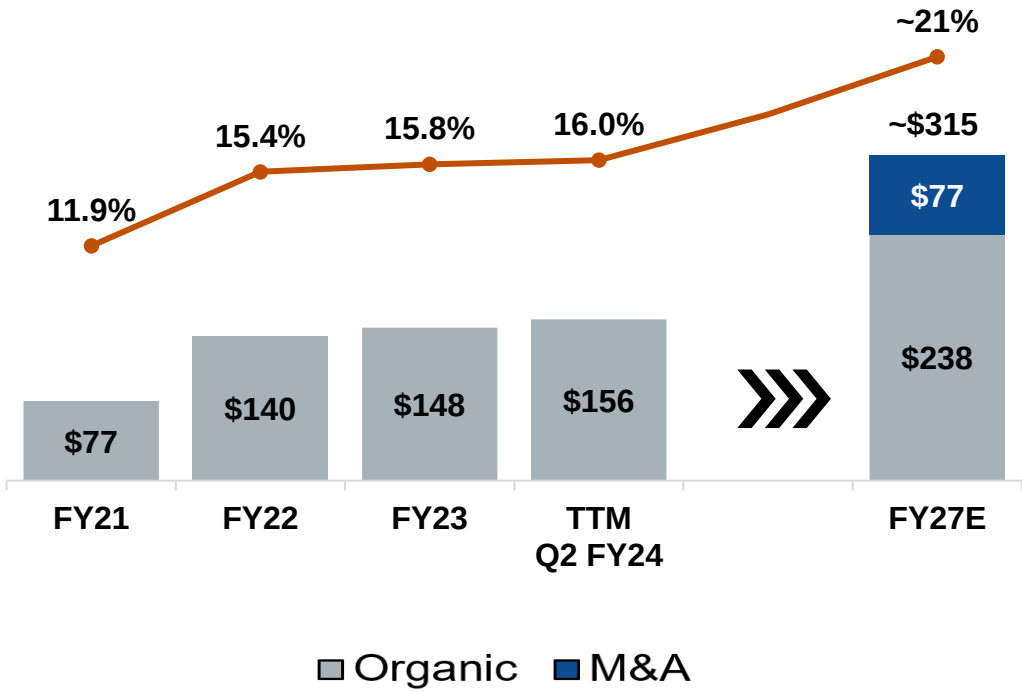
Financial Targets

($ in millions)

Sales & Adjusted Gross Margin



Adjusted EBITDA & Adjusted EBITDA Margin



Execution of Strategy Delivers Attractive Financial Results

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FY2027 Financial Targets

Key Assumptions

SALES



Growing Sales by >10% CAGR

- Organic growth of ~5% driven by go-to-market structure and strategic initiatives
- Inorganic growth of ~6% from programmatic M&A inclusive of market growth
- No material changes to current market conditions

COGS



Expanding Gross Margin to ~40%+

- Factory footprint simplification & productivity improvements reduce COGS by ~$30M
- Product Line Simplification (PLS), material productivity and value engineering savings of ~$9M
- Raw material inflation normalizes to ~2% on average from FY23 levels

RSG&A



Reducing RSG&A as a Percent of Sales to ~20%*

- Reorganization to optimize management and commercial structure
- ERP implementations enable shared service model
- Additional investments in digital enablement (i.e. HRIS, CRM, CPQ, SIOP)
- Improved leverage and scale with mid-single-digit organic revenue growth & accretive M&A

Driving Gross Margin Expansion while Reducing SG&A as a Percent of Revenue

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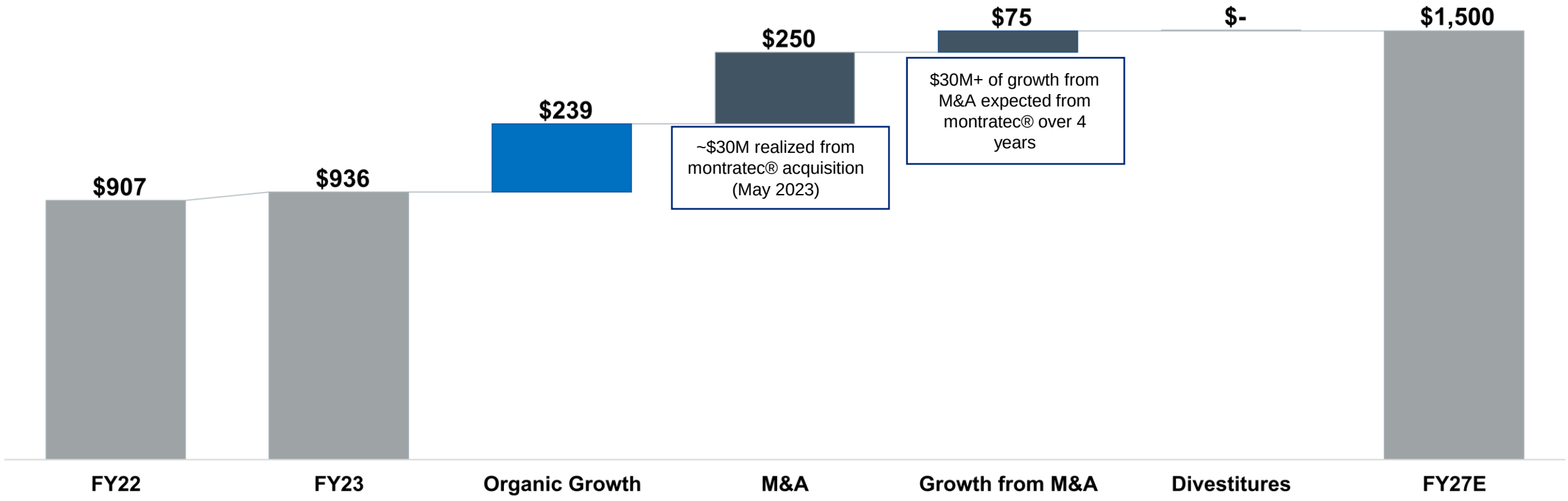
** Excludes proforma items*

Revenue Bridge

($ in millions)

REVENUE
FY23 TO FY27E



Strategy Expected to Deliver >10% Revenue Growth

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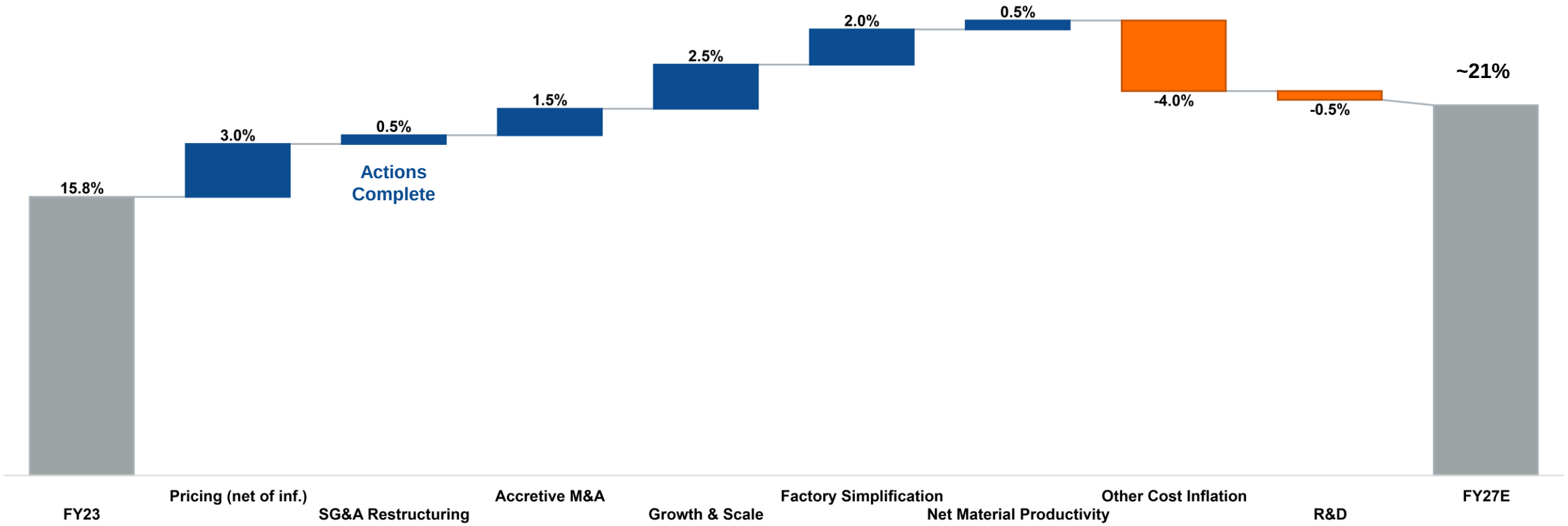
Adjusted EBITDA Margin Bridge

($ in millions)



Expanding Adjusted EBITDA Margins ~550 bps Driven by Cost Actions & Scale

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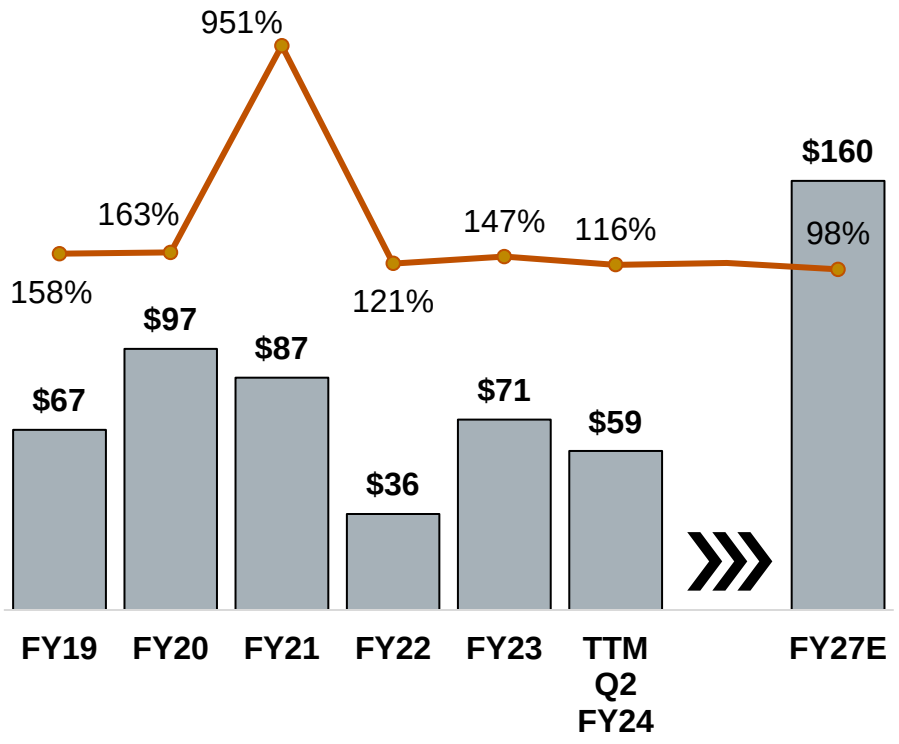
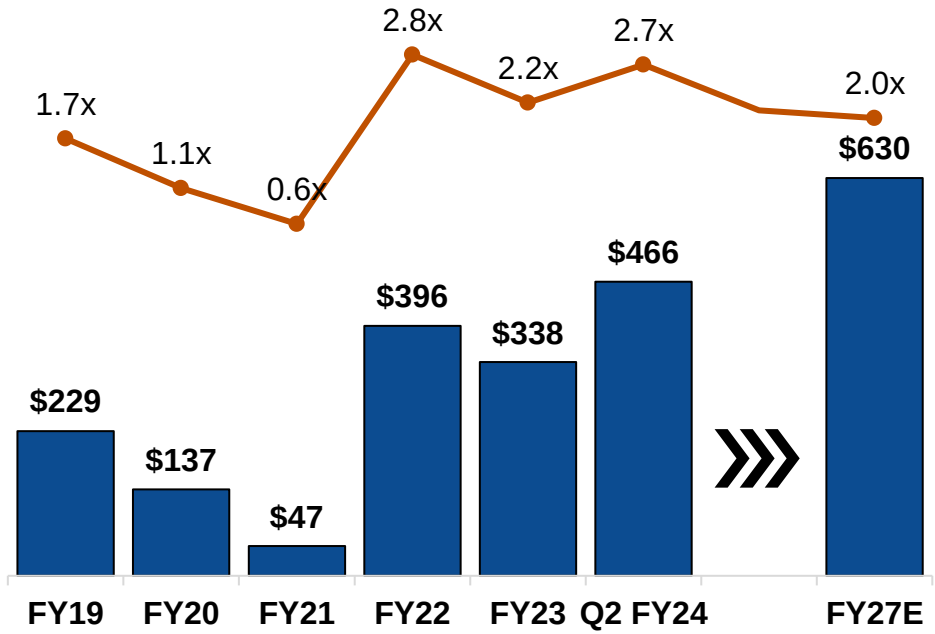
Free Cash Flow and Net Leverage

($ in millions)

Free Cash Flow Generation & Conversion(1)



Net Debt & Net Leverage Ratio(2)



Strong Cash Generation Enables Net Debt Leverage Ratio of <2.5x by year end FY24

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(1) FCF Conversion = FCF / GAAP Net Income

(2) FY22 and FY23 net-debt leverage ratio is defined as net debt/ TTM Adjusted EBITDA including 12-months of acquisitions on a pro forma basis

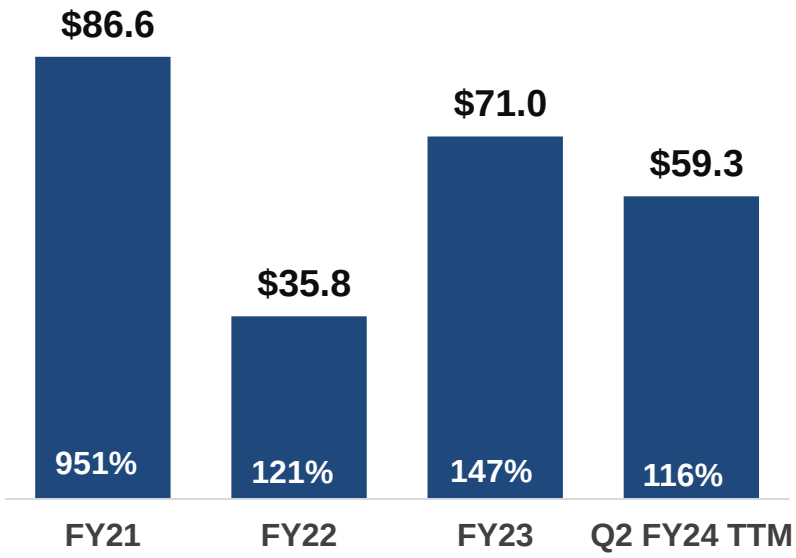
Cash Flow

($ in millions)

	Three Months Ended		Year-to-Date	
	9/30/23	**9/30/22**	**9/30/23**	**9/30/22**
Net cash provided by (used for) operating activities	$ 16.7	$ 17.3	$(0.6)	$6.1
CapEx	5.0	2.3	10.3	5.3
Free cash flow (FCF)	**$ 11.7**	**$ 15.0**	**$(10.9)**	**$0.8**

Note: Components may not sum due to rounding

Free Cash Flow & Conversion[2]



Second quarter cash from operations of $16.7 million

- Working capital usage to improve over remainder of fiscal year

FY24 CapEx expected to be $30 million to $40 million[1]

- Investments enable factory simplification, productivity and lower cost center of excellence

Capital Priorities

1. Organic Growth
2. Debt Reduction
3. Dividend
4. Acquisitions

Expect FCF Conversion of Approximately 90% to 100% in FY24

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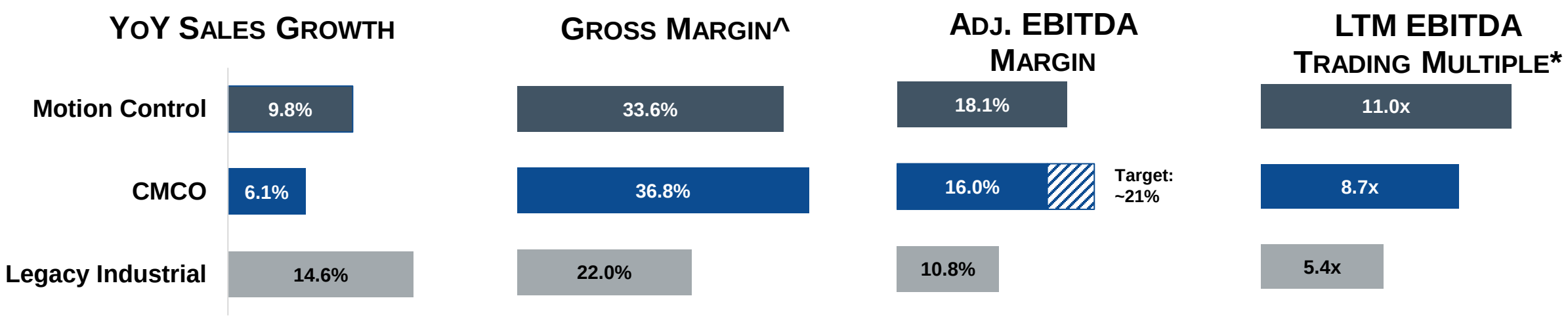
[1]*Capital expenditure guidance provided November 1, 2023.*

[2]*See Supplemental Slides for the definition of free cash flow, free cash flow conversion reconciliation and other disclaimers regarding non-GAAP information.*

CMCO Peer Group Comparison

Industrial Peers vs. Motion Control Peers

(Based on Peer Group Averages. Peer Financials Represent TTM Ending 6/30/23, CMCO Financials Represent TTM Ending 9/30/23)



Legacy Industrial Peers

Manitowoc · TEREX · KONECRANES · HYSTER-YALE · KENNAMETAL

CMCO INTELLIGENT MOTION

Motion Control Peers

Regal Rexnord · ATS · BARNES · TIMKEN · KADANT

CMCO Pivoting to Motion Control Peer Group… Valuation Lags

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Source: Peers- Refinitiv , CMCO- FY24 Q2 Earnings Release

*^Excludes Konecranes who does not report GM% *Enterprise Value Priced as of 11/1/23*

Key Takeaways

Transforming to a Top-tier, Secular Growth, Intelligent Motion Solutions Enterprise

- Evolved strategy "beyond blueprint" to **Execution** of Core Growth Framework
- Columbus McKinnon Business System **– CMBS –** enables **scalability**
- Conveying solutions adds **Growth Catalyst** in attractive markets
- Operational excellence drives **Stronger margin profile** as economy recovers
- Significant **Cash generation** throughout business cycles
- Demonstrated performance with **Strong Leadership Team**

Growth Strategy Is Underpinned By CMBS Enabling Scalability And Operational Excellence

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CMCO INTELLIGENT MOTION

November 7, 2023

INTELLIGENT MOTION

PURPOSE IN MOTION

Supplemental Information

Corporate Sustainability Report

Social Responsibility

- Product Quality & Innovation
- Customer Intimacy
- Employee Health and Safety
- Diversity, Equity, and inclusion
- Talent management
- Community involvement

Governance & Ethics

- Enterprise Risk Management
- Ethics & Compliance
- Board Governance

Environmental Stewardship

- Climate Change & Energy Management
- Waste Management & Recycling



Strategic Initiatives

- Long-term plan – based on baselines, gap analysis & target setting
- Tightly aligned with business strategy
- Prioritized by impact, risk assessment and opportunity for value
- Metrics and goals embedded in business functions

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Our Global Footprint

Columbus McKinnon's global footprint includes offices and manufacturing facilities across North America, Latin America, Europe, Africa, and Asia.

20	manufacturing facilities in 7 countries
40+	sales and service offices in 24 countries
14	warehouses in 8 countries
50+	countries with CMCO product sales



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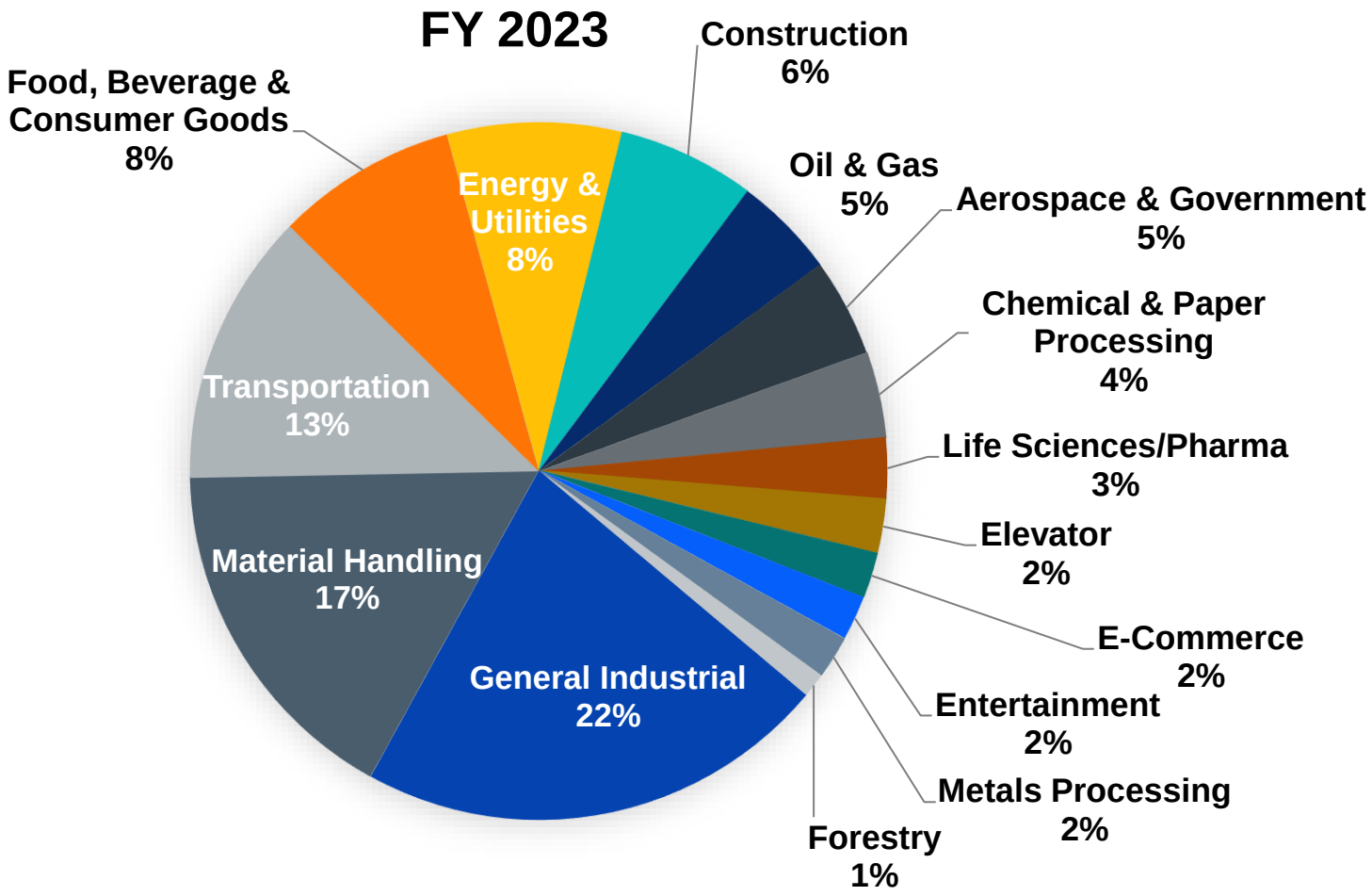
Growing Secular Market Presence

Conveying Solutions Serves Less Cyclical Industries



Highly diverse end markets with varying industry cycles

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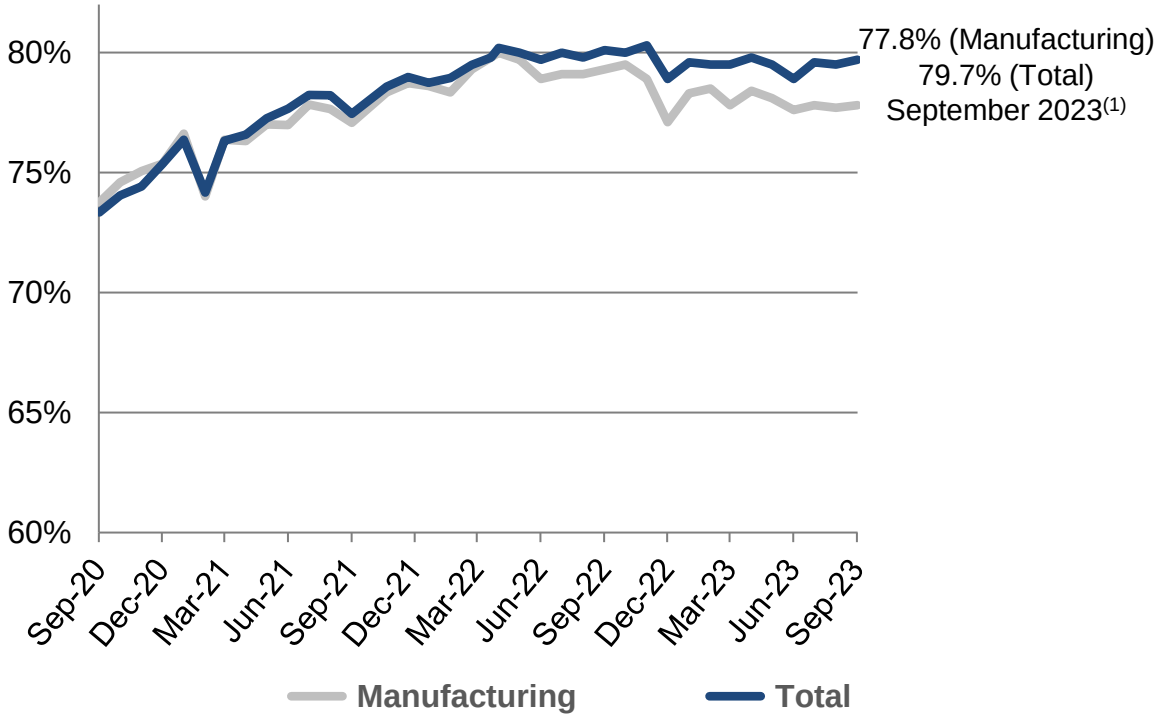
Industrial Capacity Utilization

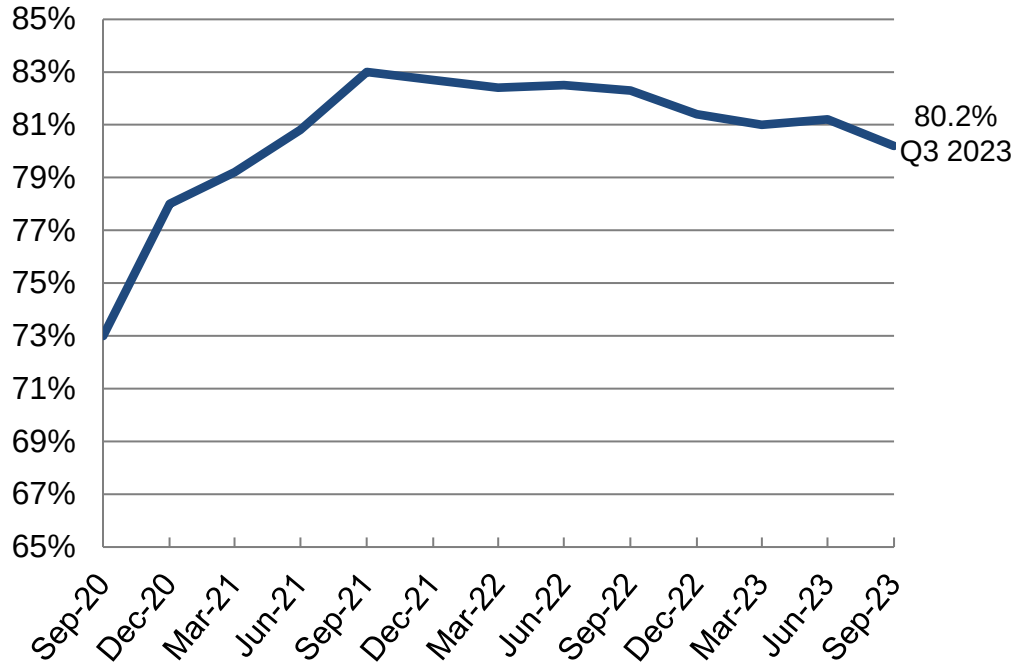
U.S. Capacity Utilization

Source: The Federal Reserve Board



Eurozone Capacity Utilization

Source: European Commission



(1) Numbers are preliminary

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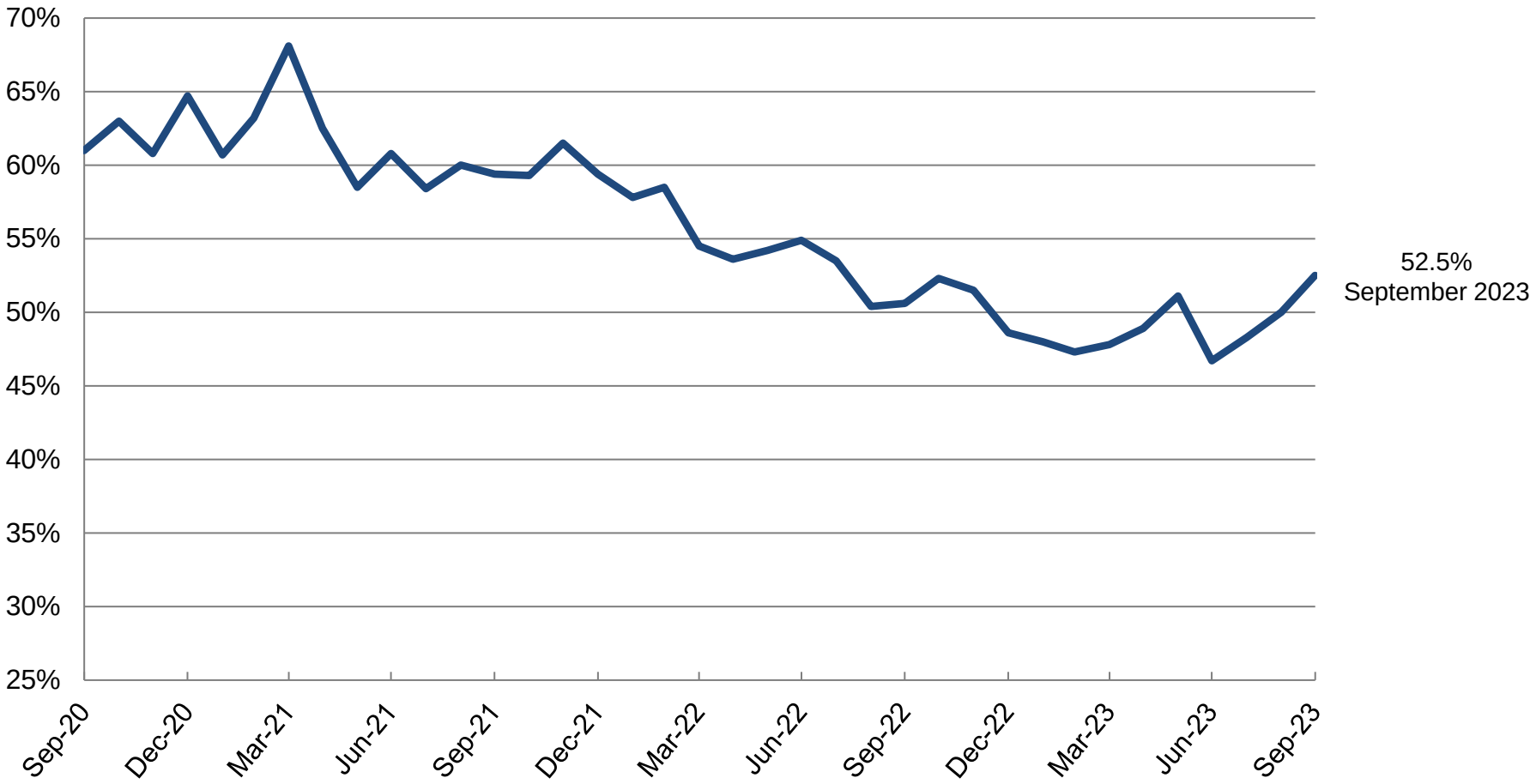
ISM Production Index

Source: Institute for Supply Chain Management



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Adjusted Gross Profit Reconciliation

($ in thousands)	Quarter					Six Months
	Q2 FY23	**Q3 FY23**	**Q4 FY23**	**Q1 FY24**	**Q2 FY24**	**H1 FY24**
GAAP gross profit	$ 86,310	$ 82,044	$ 91,218	$ 86,649	$ 99,976	$ 186,626
Add back (deduct):						
Business realignment costs	—	—	—	196	—	196
Non-GAAP adjusted gross profit	$ 86,310	$ 82,044	$ 91,218	$ 86,845	$ 99,976	$ 186,822
Net sales	$ 231,740	$ 230,370	$ 253,843	$ 235,492	$ 258,400	$ 493,892
Gross margin – GAAP	37.2%	35.6%	35.9%	36.8%	38.7%	37.8%
Adjusted gross margin – Non-GAAP	37.2%	35.6%	35.9%	36.9%	38.7%	37.8%

Adjusted gross profit is defined as gross profit as reported, adjusted for certain items. Adjusted gross profit is not a measure determined in accordance with generally accepted accounting principles in the United States, commonly known as GAAP, and may not be comparable with the measures as used by other companies. Nevertheless, Columbus McKinnon believes that providing non-GAAP financial measures, such as adjusted gross profit, is important for investors and other readers of the Company's financial statements and assists in understanding the comparison of the current quarter's and current year's gross profit to the historical periods' gross profit, as well as facilitates a more meaningful comparison of the Company's gross profit to that of other companies.

Adjusted Gross Profit Reconciliation

($ in thousands)	Fiscal Year					TTM
	2019	2020	2021	2022	2023	Q2 FY24
GAAP gross profit	$ 304,997	$ 283,186	$ 220,225	$ 315,730	$ 342,099	$ 359,887
Add back (deduct):						
Product liability settlement	—	—	—	2,850	—	—
Acquisition amortization of backlog	—	—	—	2,100	—	—
Acquisition inventory step-up expense	—	—	—	5,042	—	—
Business realignment costs	286	1,037	830	1,606	—	196
Acquisition deal and integration costs	—	—	—	521	—	—
Factory closures	1,473	2,800	2,671	—	—	—
Insurance settlement	—	(382)	—	—	—	—
Gain on sale of building	—	—	(2,189)	—	—	—
Non-GAAP adjusted gross profit	$ 306,756	$ 286,641	$ 221,537	$ 327,849	$ 342,099	$ 360,083
Net sales	$ 876,282	$ 809,162	$ 649,642	$ 906,555	$ 936,240	$ 978,105
Add back:						
Acquisition amortization of backlog	—	—	—	2,100	—	—
Non-GAAP net sales	$ 876,282	$ 809,162	$ 649,642	$ 908,655	$ 936,240	$ 978,105
Gross margin – GAAP	34.8%	35.0%	33.9%	34.8%	36.5%	36.8%
Adjusted gross margin – Non-GAAP	35.0%	35.4%	34.1%	36.1%	36.5%	36.8%

Adjusted gross profit is defined as gross profit as reported, adjusted for certain items. Adjusted gross profit is not a measure determined in accordance with generally accepted accounting principles in the United States, commonly known as GAAP, and may not be comparable with the measures as used by other companies. Nevertheless, Columbus McKinnon believes that providing non-GAAP financial measures, such as adjusted gross profit, is important for investors and other readers of the Company's financial statements and assists in understanding the comparison of the current quarter's and current year's gross profit to the historical periods' gross profit, as well as facilitates a more meaningful comparison of the Company's gross profit to that of other companies.

Adjusted Income from Operations Reconciliation

($ in thousands)	Quarter					Fiscal Year	
	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	2022	2023
GAAP income from operations	$ 27,372	$ 20,179	$ 27,469	$ 21,448	$ 33,351	$ 73,781	$ 97,841
Add back (deduct):							
Acquisition deal and integration costs	19	338	173	2,587	508	10,473	616
Acquisition inventory step-up expense	—	—	—	—	—	5,042	—
Business realignment costs	1,233	1,401	848	375	40	3,902	5,140
Garvey contingent consideration	—	1,230	—	—	—	—	1,230
Product liability settlement	—	—	—	—	—	2,850	—
Headquarter relocation costs	—	315	681	1,228	146	—	996
Acquisition amortization of backlog	—	—	—	—	—	2,100	—
North American warehouse consolidation	—	—	—	117	82	—	—
Non-GAAP adjusted income from operations	$ 28,624	$ 23,463	$ 29,171	$ 25,755	$ 34,127	$ 98,148	$ 105,823
Net sales	$ 231,740	$ 230,370	$ 253,843	$ 235,492	$ 258,400	$ 906,555	$ 936,240
Add back:							
Acquisition amortization of backlog	—	—	—	—	—	2,100	—
Non-GAAP net sales	$ 231,740	$ 230,370	$ 253,843	$ 235,492	$ 258,400	$ 908,655	$ 936,240
Operating margin – GAAP	11.8%	8.8%	10.8%	9.1%	12.9%	8.1%	10.5%
Adjusted operating margin – Non-GAAP	12.4%	10.2%	11.5%	10.9%	13.2%	10.8%	11.3%

Adjusted income from operations is defined as income from operations as reported, adjusted for certain items. Adjusted income from operations is not a measure determined in accordance with generally accepted accounting principles in the United States, commonly known as GAAP, and may not be comparable with the measures as used by other companies. Nevertheless, Columbus McKinnon believes that providing non-GAAP financial measures, such as adjusted income from operations, is important for investors and other readers of the Company's financial statements and assists in understanding the comparison of the current quarter's and current year's income from operations to the historical periods' income from operations, as well as facilitates a more meaningful comparison of the Company's income from operations to that of other companies.

Adjusted Net Income Reconciliation

($ in thousands, except per share data)	Quarter					Fiscal Year	
	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	2022	2023
GAAP net income	$ 14,114	$ 12,029	$ 13,895	$ 9,275	$ 15,813	$ 29,660	$ 48,429
Add back (deduct):							
Amortization of intangibles	6,447	6,459	6,559	6,877	7,508	25,283	26,001
Cost of debt refinancing	—	—	—	—	—	14,803	—
Acquisition deal and integration costs	19	338	173	2,587	508	10,473	616
Acquisition inventory step-up expense	—	—	—	—	—	5,042	—
Business realignment costs	1,233	1,401	848	375	40	3,902	5,140
Product liability settlement	—	—	—	—	—	2,850	—
Garvey contingent consideration	—	1,230	—	—	—	—	1,230
Headquarter relocation costs	—	315	681	1,228	146	—	996
Acquisition amortization of backlog	—	—	—	—	—	2,100	—
North American warehouse consolidation	—	—	—	117	82	—	—
Normalize tax rate to 25%[(1)]	(938)	(1,123)	975	(2,569)	(2,199)	(13,852)	2,185
Non-GAAP adjusted net income	$ 20,875	$ 20,649	$ 23,131	$ 17,890	$ 21,898	$ 80,261	$ 84,597
Average diluted shares outstanding	28,748	28,778	28,869	28,906	29,001	28,401	28,818
Diluted income per share – GAAP	$ 0.49	$ 0.42	$ 0.48	$ 0.32	$ 0.55	$ 1.04	$ 1.68
Adjusted diluted income per share – Non-GAAP	$ 0.73	$ 0.72	$ 0.80	$ 0.62	$ 0.76	$ 2.83	$ 2.94

[(1)]Applies normalized tax rate of 25% (22% prior to Q1 FY24) to GAAP pre-tax income and non-GAAP adjustments above, which are each pre-tax.

Adjusted net income and adjusted diluted EPS are defined as GAAP net income/(loss) and diluted EPS as reported, adjusted for certain items, including amortization of intangibles, and also adjusted for a normalized tax rate. Adjusted net income and adjusted diluted EPS are not measures determined in accordance with generally accepted accounting principles in the United States, commonly known as GAAP, and may not be comparable with the measures used by other companies. Nevertheless, Columbus McKinnon believes that providing non-GAAP financial measures, such as adjusted net income and adjusted diluted EPS, is important for investors and other readers of the Company's financial statements and assists in understanding the comparison of the current quarter's and current year's net income/(loss) and diluted EPS to the historical periods' net income/(loss) and diluted EPS, as well as facilitates a more meaningful comparison of the Company's net income/(loss) and diluted EPS to that of other companies. The Company believes that presenting adjusted diluted EPS provides a better understanding of its earnings power inclusive of adjusting for the non-cash amortization of intangible assets, reflecting the Company's strategy to grow through acquisitions as well as organically.

Adjusted EBITDA Reconciliation

($ in thousands)	Quarter					Fiscal Year		TTM
	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	2022	2023	Q2 FY24
GAAP net income	$ 14,114	$ 12,029	$ 13,895	$ 9,275	$ 15,813	$ 29,660	$ 48,429	$ 51,012
Add back (deduct):								
Income tax expense (benefit)	4,953	4,701	7,499	3,394	5,100	8,786	26,046	20,694
Interest and debt expense	6,768	7,303	7,668	8,625	10,211	20,126	27,942	33,807
Investment (income) loss	312	(574)	(483)	(543)	88	(46)	(315)	(1,512)
Foreign currency exchange (gain) loss	1,003	(3,359)	(1,037)	483	1,746	1,574	(2,189)	(2,167)
Other (income) expense, net	222	79	(73)	214	393	(1,122)	(2,072)	613
Depreciation and amortization expense	10,424	10,487	10,567	10,890	11,592	41,924	41,947	43,536
Cost of debt refinancing	—	—	—	—	—	14,803	—	—
Acquisition deal and integration costs	19	338	173	2,587	508	10,473	616	3,606
Acquisition inventory step-up expense	—	—	—	—	—	5,042	—	—
Product liability settlement	—	—	—	—	—	2,850	—	—
Business realignment costs	1,233	1,401	848	375	40	3,902	5,140	2,664
Acquisition amortization of backlog	—	—	—	—	—	2,100	—	—
North American warehouse consolidation	—	—	—	117	82	—	—	199
Garvey contingent consideration	—	1,230	—	—	—	—	1,230	1,230
Headquarter relocation costs	—	315	681	1,228	146	—	996	2,370
Non-GAAP adjusted EBITDA	$ 39,048	$ 33,950	$ 39,738	$ 36,645	$ 45,719	$ 140,072	$ 147,770	$ 156,052
Net sales	$ 231,740	$ 230,370	$ 253,843	$ 235,492	$ 258,400	$ 906,555	$ 936,240	$ 978,105
Add back:								
Acquisition amortization of backlog	—	—	—	—	—	2,100	—	—
Non-GAAP sales	$ 231,740	$ 230,370	$ 253,843	$ 235,492	$ 258,400	$ 908,655	$ 936,240	$ 978,105
Net income margin – GAAP	6.1%	5.2%	5.5%	3.9%	6.1%	3.3%	5.2%	5.2%
Adjusted EBITDA margin – Non-GAAP	16.8%	14.7%	15.7%	15.6%	17.7%	15.4%	15.8%	16.0%

Adjusted EBITDA is defined as net income before interest expense, income taxes, depreciation, amortization, and other adjustments. Adjusted EBITDA is not a measure determined in accordance with generally accepted accounting principles in the United States, commonly known as GAAP, and may not be comparable with the measures as used by other companies. Nevertheless, Columbus McKinnon believes that providing non-GAAP financial measures, such as adjusted EBITDA, is important for investors and other readers of the Company's financial statements.

Return on Invested Capital (ROIC) Reconciliation

($ in thousands)	Fiscal Year		TTM
	2022	2023	Q2 FY24
GAAP income from operations	$ 73,781	$ 97,841	$ 102,447
Add back (deduct):			
Acquisition deal and integration costs	10,473	616	3,606
Acquisition inventory step-up expense	5,042	—	—
Product liability settlement	2,850	—	—
Acquisition amortization of backlog	2,100	—	—
Business realignment costs	3,902	5,140	2,664
Garvey contingent consideration	—	1,230	1,230
Headquarter relocation costs	—	996	2,370
North American warehouse consolidation	—	—	199
Non-GAAP adjusted income from operations	$ 98,148	$ 105,823	$ 112,516
Non-GAAP adjusted income from operations, net of normalized tax rate of 25% (22% prior to FY24)	$ 76,555	$ 82,542	$ 84,387
Trailing five quarter averages:			
Total debt	438,768	491,410	517,824
Total shareholders' equity	701,640	795,410	826,004
Cash and cash equivalents	123,636	100,922	101,923
Net total capitalization	$ 1,016,772	$ 1,185,898	$ 1,241,905
Return on invested capital (ROIC) – Non-GAAP	7.5%	7.0%	6.8%

ROIC is defined as adjusted income from operations, net of taxes at a *25% (22% prior to FY24)* normalized rate, for the trailing four quarters divided by the average of debt plus equity less cash (average capital) for the trailing five quarters. ROIC is not a measure determined in accordance with generally accepted accounting principles in the United States, commonly known as GAAP, and may not be comparable with the measures as used by other companies. Nevertheless, Columbus McKinnon believes that providing non-GAAP information, such as ROIC, is important for investors and other readers of the Company's financial statements.

Free Cash Flow (FCF) & FCF Conversion Reconciliation

($ in thousands)	Fiscal Year		TTM
	2022	2023	Q2 FY24
Cash from operations	$ 48,881	$ 83,636	$ 76,929
Capital expenditures	(13,104)	(12,632)	(17,663)
Free cash flow (FCF)	$ 35,777	$ 71,004	$ 59,266
GAAP net income	$ 29,660	$ 48,429	$ 51,012
Free cash flow conversion	121%	147%	116%

Free cash flow is defined as net cash provided by (used for) operating activities less capital expenditures. Free cash flow conversion is defined as free cash flow divided by net income. Free cash flow and free cash flow conversion are not measures determined in accordance with GAAP and may not be comparable with the measures as defined or used by other companies. Nevertheless, the Company believes that providing non-GAAP financial measures, such as free cash flow and free cash flow conversion, is important for investors and other readers of the Company's financial statements and assists in understanding the comparison of the current periods' free cash flow to free cash flow for historical periods.