COLUMBUS McKINNON CORPORATION

Q4 FY'25 Non-Deal Roadshow

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CMCO INTELLIGENT MOTION

March 2024

Safe Harbor Statement

These slides, and the accompanying oral discussion (together, this "presentation"), contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are generally identified by the use of forward-looking terminology, including the terms "anticipate," "believe," "continue," "could," "estimate," "expect," "illustrative," "intend," "likely," "may," "opportunity," "plan," "possible," "potential," "predict," "project," "shall," "should," "target," "will," "would" and, in each case, their negative or other various or comparable terminology. All statements other than statements of historical facts contained in this document, including, but are not limited to, statements relating to: (i) our strategy, outlook and growth prospects and our fourth quarter fiscal 2024 guidance; (ii) our operational and financial targets and capital distribution policy; (iii) general economic trend and trends in the industry and markets; (iv) the risk and costs associated with the integration of, and our ability to integrate acquisitions successfully to achieve synergies; (v) the proper application of generally accepted accounting principles, which are highly complex and involve many subjective assumptions, estimates and judgements, (vi) the effectiveness of our new facility in Monterrey, Mexico to provide cost savings and margin improvement and (vii) the Company's Net Leverage Ratio as of the end of fiscal 2024; (viii) the amount of debt to be paid down by the Company during the fourth quarter of 2024; (ix) the competitive environment in which we operate; are forward looking statements. Forward-looking statements are not based on historical facts, but instead represent our current expectations and assumptions regarding our business, the economy and other future conditions, and involve known and unknown risks, uncertainties and other factors that could cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking statements. It is not possible to predict or identify all such risks. These risks include, but are not limited to, the risk factors that are described under the section titled "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended March 31, 2023 as well as in our other filings with the Securities and Exchange Commission, which are available on its website at www.sec.gov. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Forward-looking statements speak only as of the date they are made. Columbus McKinnon undertakes no duty to update publicly any such forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by applicable law, regulation or other competent legal authority.

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 prepared in accordance with GAAP. The non-GAAP 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.

Use of Forward-looking Non-GAAP Financial Metrics

This presentation presents forward-looking statements regarding non-GAAP Adjusted EBITDA margin. The Company is unable to present a quantitative reconciliation of these forward-looking non-GAAP financial measures to their most directly comparable forward-looking GAAP financial measures because such information is not available, and management cannot reliably predict the necessary components of such GAAP measures without unreasonable effort or expense. In addition, the Company believes that such reconciliations would imply a degree of precision that would be confusing or misleading to investors. The unavailable information could have a significant impact on the Company's financial results. These non-GAAP financial measures are preliminary estimates and are subject to risks and uncertainties, including, among others, changes in connection with post-closing adjustments and the factors described above. Any variation between the Company's actual results and preliminary financial data described in this presentation may be material.

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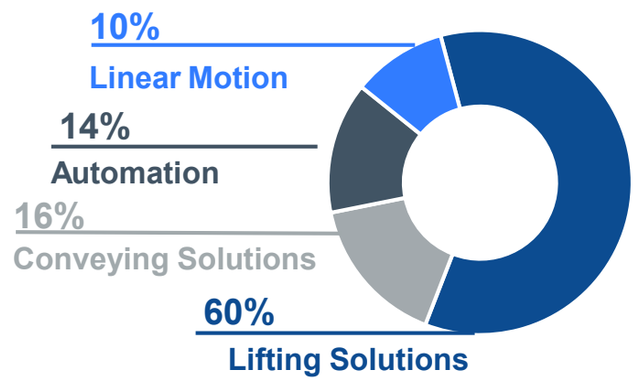
Global Leader in Intelligent Motion Solutions for Material Handling

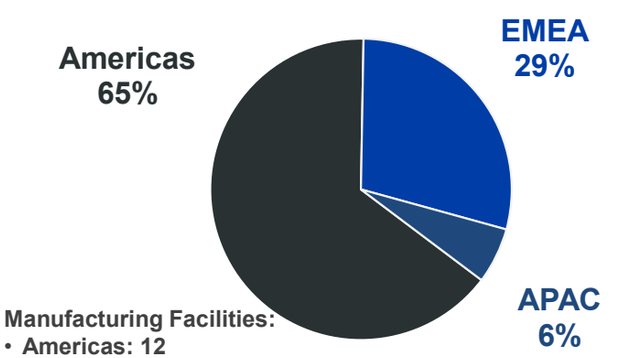
- **Leading global lifting and automation company providing professional-grade solutions for solving customers' critical material handling requirements**
  - **World's 2nd Largest Hoist Company; #1 in the United States**
  - **Leader in Precision Conveyance**
- **Enhancing our strategic positioning through outsized growth in precision conveyance, automation and linear motion that are less cyclical.**
- **Delivering significant growth and margin expansion executing our transformation through our growth framework, "CMBS" business system and 80/20 Process.**

Product Mix



Market Capitalization[1]	Total Addressable Market[2]	World-Wide Employees	Year History
$1.1B	$20B	~3,500	150
Net Sales[3]	**3 Year Sales Growth CAGR[3]**	**Adj EBITDA Margin Expansion[1]**	**Free Cash Flow[3,4]**
$1.0B	16%	+440 bps	$76M

Geographic Mix



Manufacturing Facilities:
- **Americas: 12**
- **EMEA: 6**
- **APAC: 2**

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

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[1] Market capitalization as of 1/31/2024; [2] Per Management Estimate, [3] Financial data represents TTM ended December 31, 2023; [4] Non-GAAP financial measure; see definition and reconciliation at the end of this Presentation; [5] On a financial covenant basis per the Company's Amended and Restated Credit Agreement

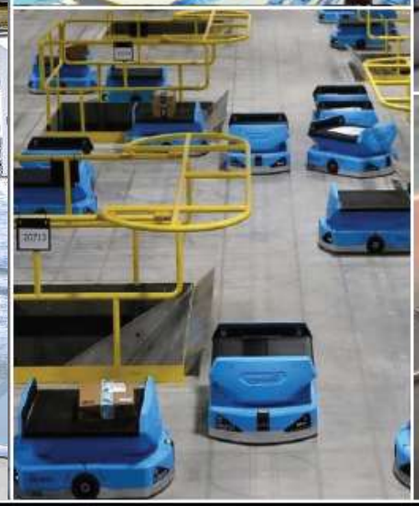
COLUMBUS McKINNON
CORPORATION

OUR PURPOSE













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

Intelligent Motion Solutions

Four Categories of Solutions to Address Customers' Unique Motion Control Needs

Lifting



~$8.0B TAM[1]

- Leading global position in lifting
- 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





Precision Conveyance



~$5.2B TAM[1]

- Develops and manufactures complex intralogistics solutions connecting robots and workspaces with asynchronous conveying technology
- Specialty conveying provides growth platform in fragmented market
- Tailwinds from megatrends like automation, onshoring, ecommerce, electrification and life sciences

Automation



~$4.5B TAM[1]

- 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

Linear Motion



~$2.3B TAM[1]

- 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

$20B[1] Total Addressable Market with Tailwinds from Megatrends in Attractive End Markets

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[1] Per Management Estimate

Secular Growth Markets Provide Tailwinds

Precision Conveying Platform Added Attractive Vertical Markets with Enduring Tailwinds

Food, Beverage & Consumer Goods		**Custom designed sanitary and easy to clean conveyors engineered to the strictest USDA guidelines**	**~8%[1]**
Life Sciences / Pharma		**Customizable designs built for precision, speed, and to FDA / industry standards for clean-room certifications**	**~3%[1]**
E-Commerce		**Single piece picking, robotics integration to automate picking and sorting functions**	**~2%[1]**

Strategy Aligned With Significant Megatrends That Are Driving High-Single-Digit Growth Trends

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[1] Fiscal year 2023 sales annualized for acquisitions

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 **$220 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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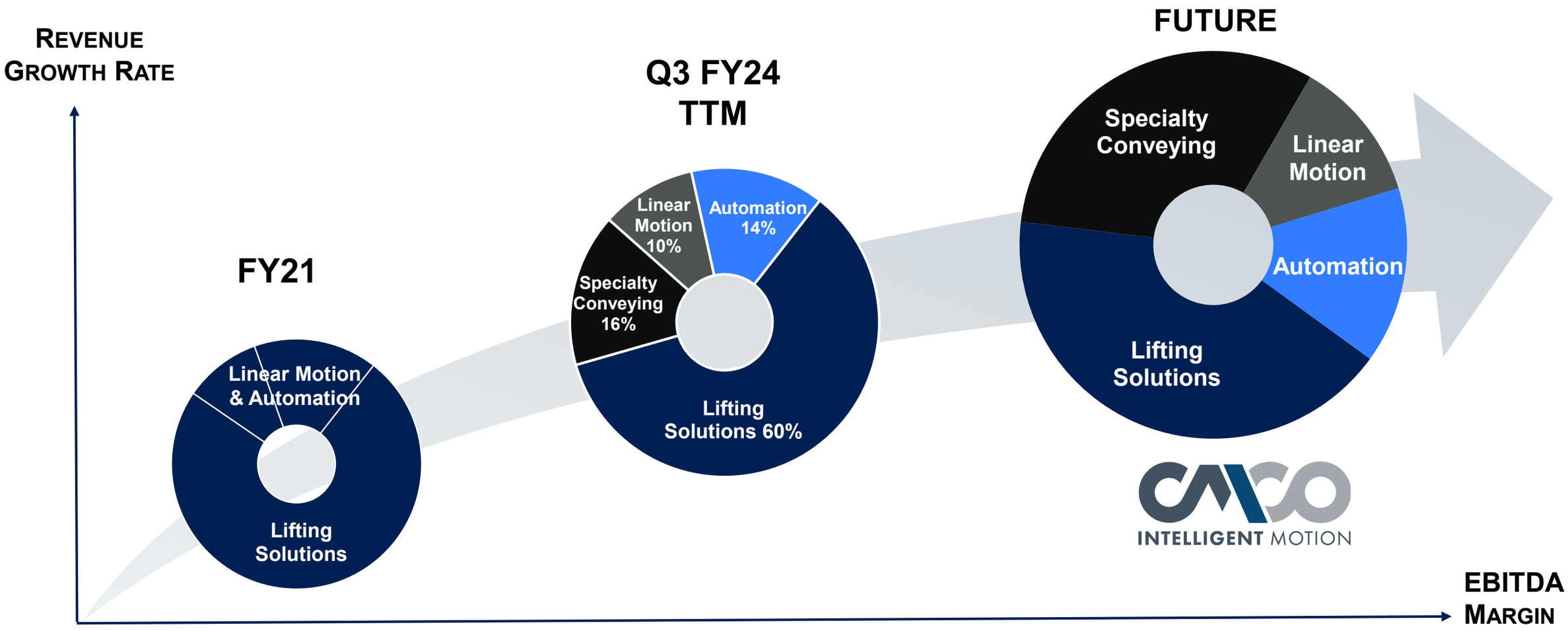
Advancing Along our Transformation Path

Targeting $1.5 Billion In Revenue and ~21% EBITDA Margin in FY2027, with a Diversified Revenue & Business Mix



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

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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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Strong Track Record Creating Value Through M&A



M&A Pipeline

Target Screen

Acquisition Committee Feedback

Outreach

Due Diligence

Decision

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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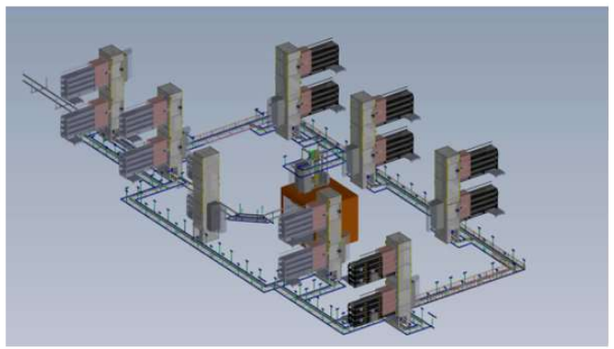
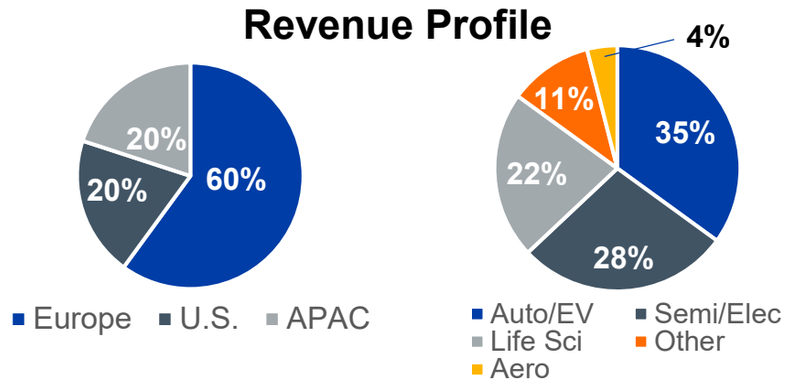
Building Precision Conveyance Platform with montratec®

Acquired montratec® on May 31, 2023









- Develops and manufactures complex intralogistics solutions connecting robots and workspaces with asynchronous conveying technology
- Delivered $27.7 million in revenue in 7 months of ownership with 47% 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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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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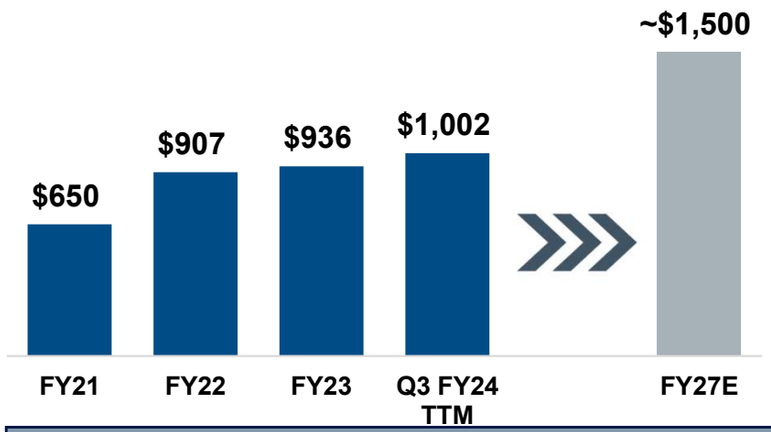
** Excludes proforma items*

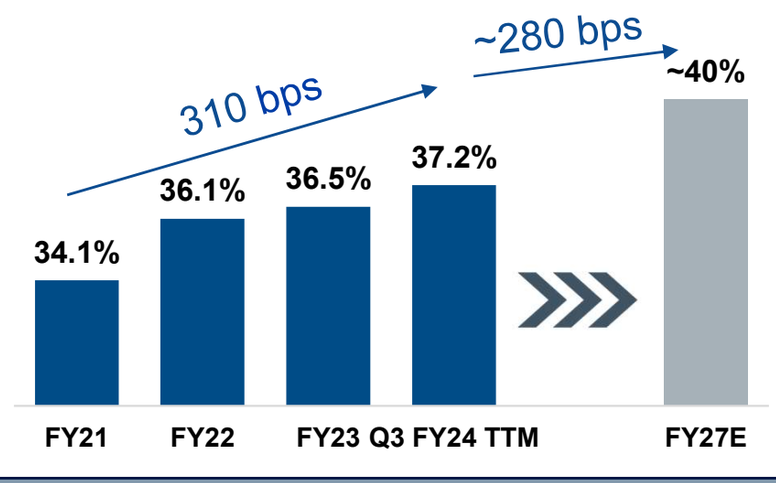
Executing Plan and Delivering Results

On track for FY27 Goals

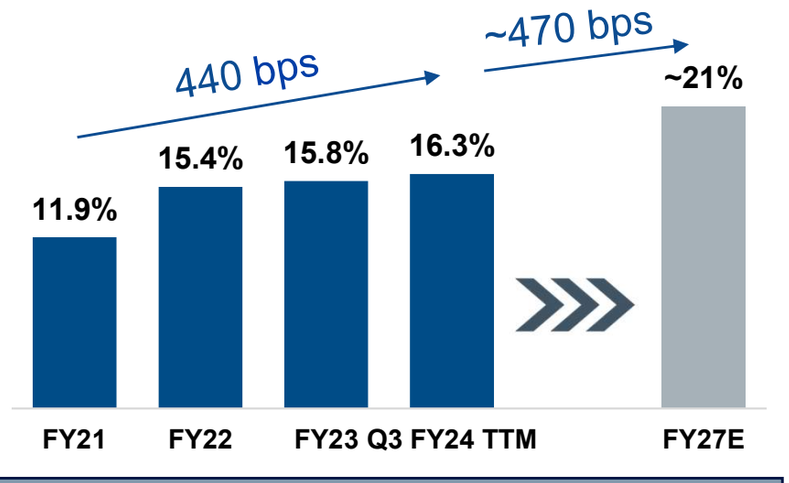
Net Sales



Adjusted Gross Margin[1]



Adjusted EBITDA Margin[1]



GROWTH DRIVERS

Organic growth
- Commercial initiatives
- New product development
- Customer experience improvement

M&A growth
- Expand precision conveyance platform
- Opportunistic with core portfolio
- Reimagine portfolio

Operating initiatives
- Operational excellence/VAVE
- Operating leverage on growth
- Pricing in excess of material inflation
- Product line simplification
- Factory simplification

Margin accretive M&A

RSG&A leverage on organic and M&A related growth

Gross margin expansion

Execution of Strategy Delivers Attractive Financial Results

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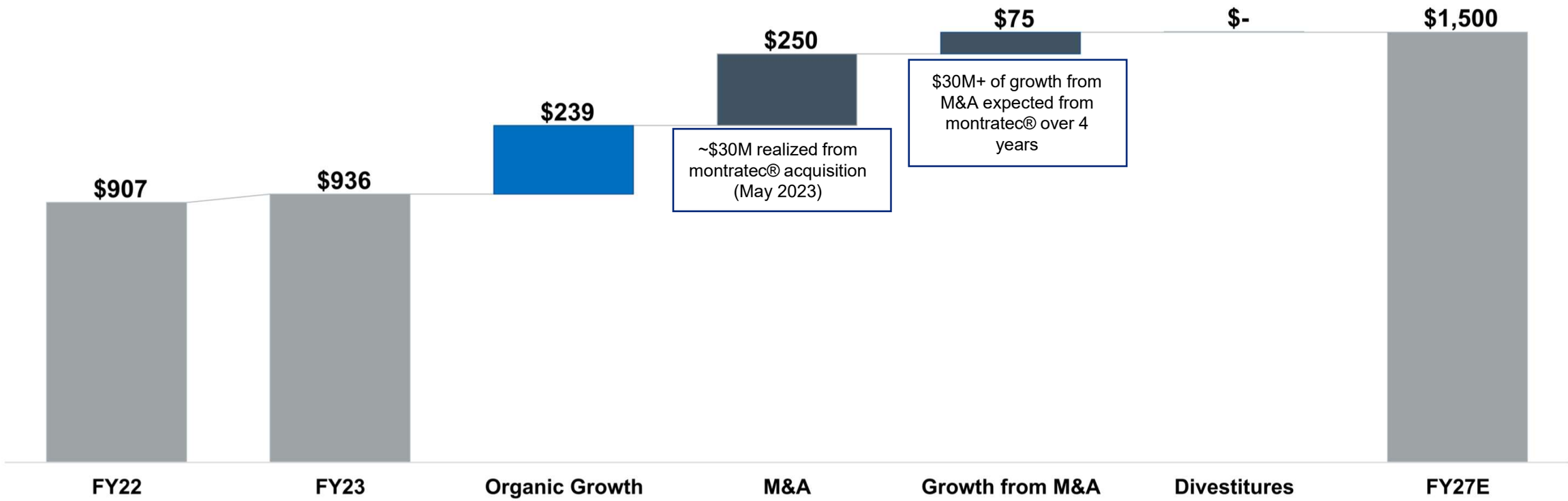
[1] Non-GAAP financial measure; see definition and reconciliation at the end of this Presentation

Revenue Bridge

($ in millions)

REVENUE
FY23 TO FY27E



Strategy Expected to Deliver >10% Revenue Growth

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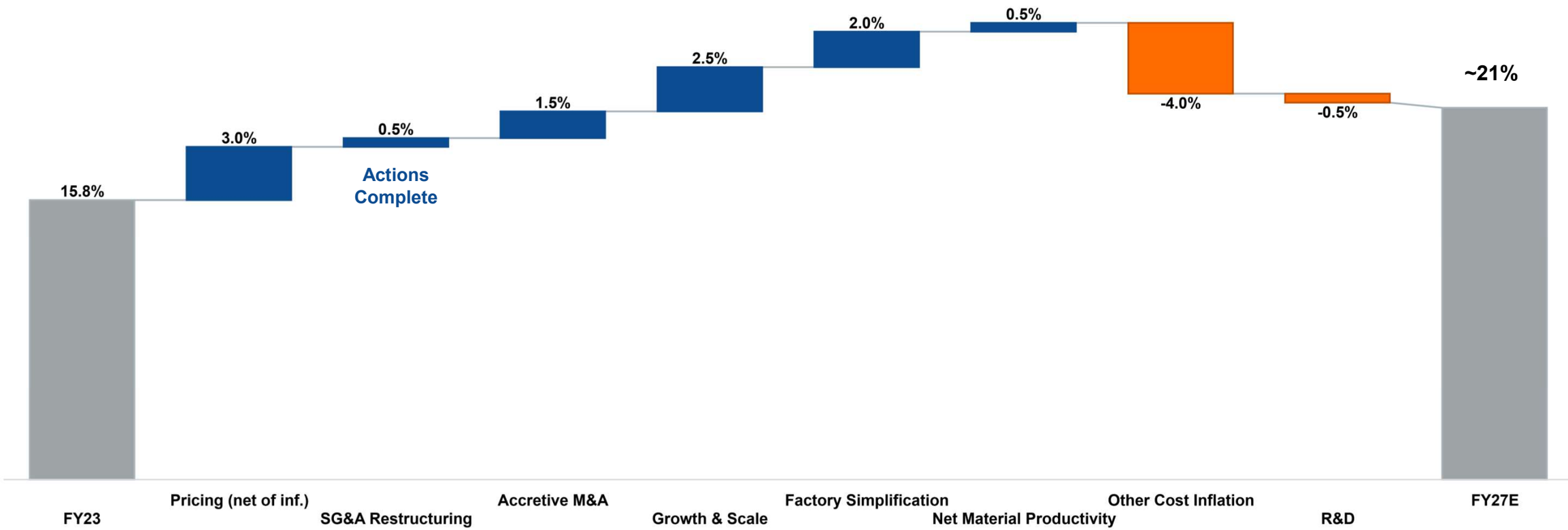
Adjusted EBITDA Margin Bridge

($ in millions)

ADJUSTED EBITDA MARGIN
FY23 to FY27E



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

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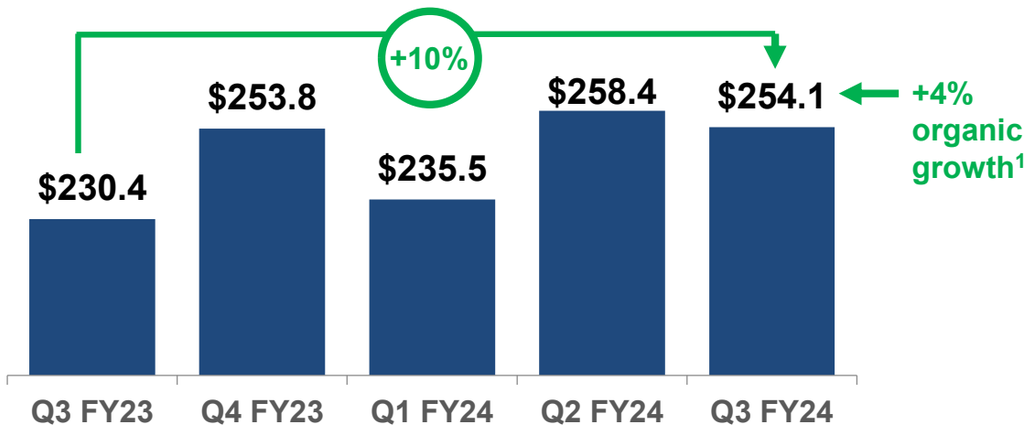
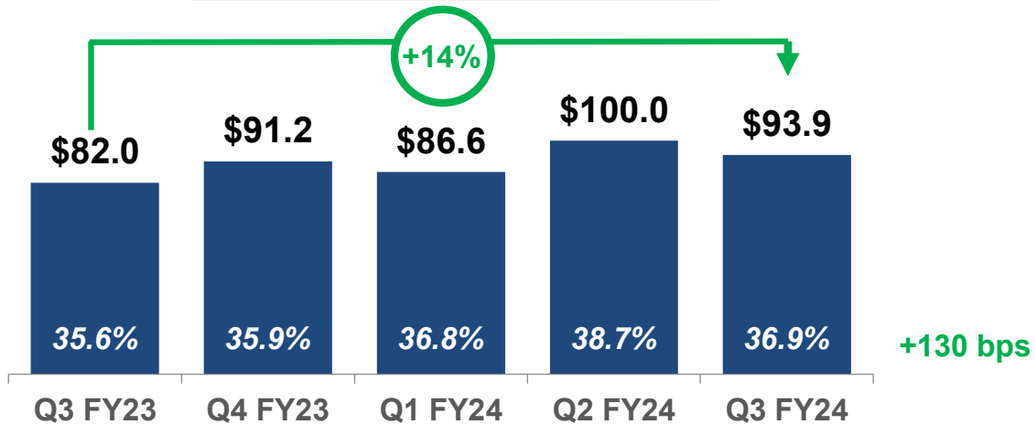
Q3 FY24 Financial Results

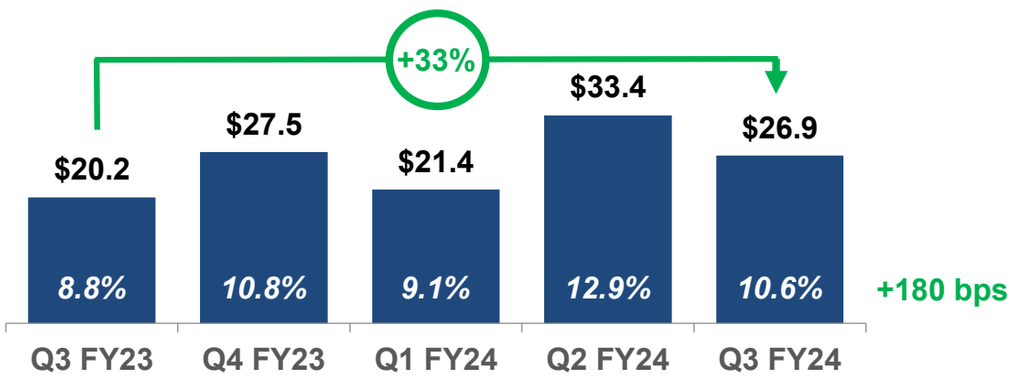
Net Sales



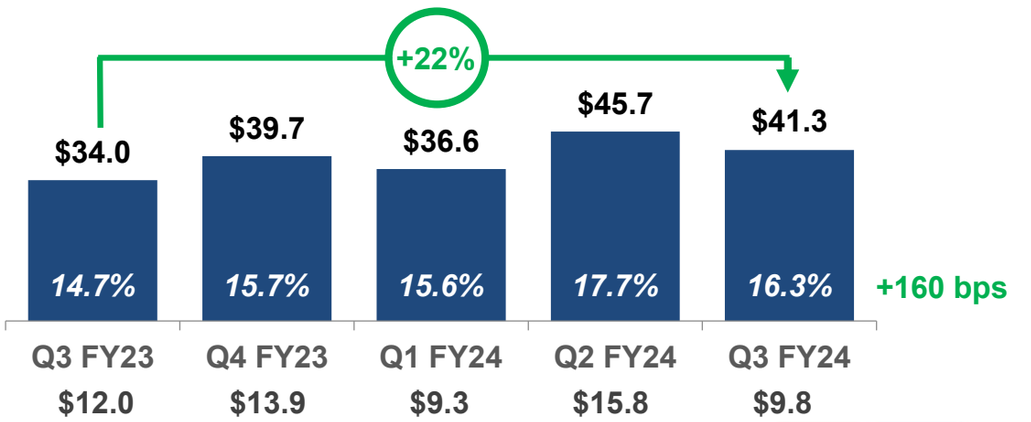
Gross Profit and Margin



Operating Income & Margin



Adjusted EBITDA[2] and Margin[2]



Net Income	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24
	$12.0	$13.9	$9.3	$15.8	$9.8

10% Sales Growth Translated to 33% Growth in Operating Income Demonstrating Operating Leverage

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[1] Organic growth excludes impact from montratec acquisition

[2] Non-GAAP financial measure; see definition and reconciliation at the end of this Presentation

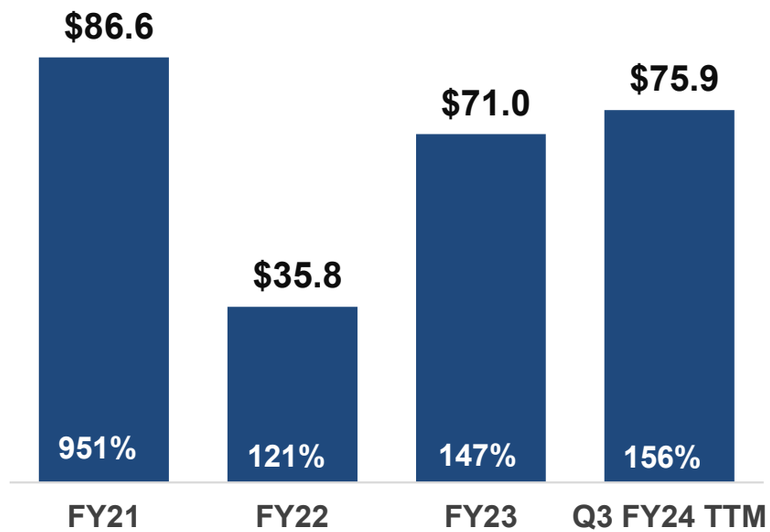
Cash Flow & Capital Allocation Priorities

($ in millions)

	Three Months Ended		Year-to-Date	
	12/31/23	12/31/22	12/31/23	12/31/22
Net cash provided by (used for) operating activities	**$ 29.1**	**$ 10.8**	**$ 28.6**	**$ 16.9**
CapEx	6.0	4.2	16.3	9.5
Free Cash Flow[1] (FCF)	**$ 23.1**	**$ 6.5**	**$ 12.3**	**$ 7.4**

Note: Components may not sum due to rounding

Free Cash Flow & Conversion[1]



69% increase in Net Cash Provided by Operating Activities YTD

- Working capital improvement partially offset by higher cash interest paid

66% increase in YTD FCF[1] driven by increase in Net Cash Provided by Operating Activities despite higher CapEx from Monterrey, MX facility

Capital Priorities

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

Continue to Demonstrate Strong Free Cash Flow Conversion[1]

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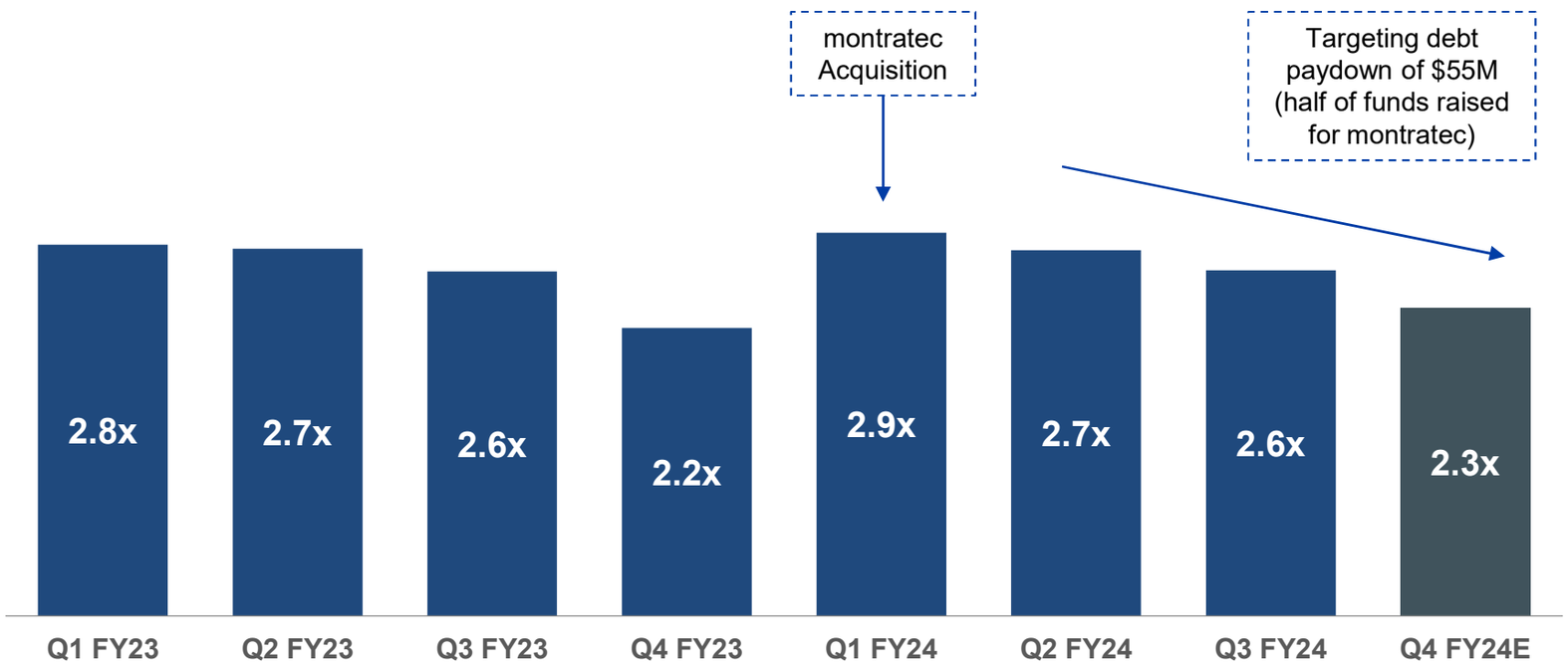
[1] Non-GAAP financial measure; see definition and reconciliation at the end of this Presentation.

Historical Net Leverage – per Credit Agreement

Net Leverage Ratio[1,2]



	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24E
Credit Agreement TTM Adj. EBITDA[1,2] ($ in M)	$162	$156	$152	$162	$164	$171	$176	$179

CMCO has De-levered Since the montratec Acquisition, with Expected Net Leverage of ~2.3x by Year End

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[1] Non-GAAP financial measure; see definition and reconciliation at the end of this Presentation.
[2] On a financial covenant basis per the Company's Amended and Restated Credit Agreement

Executing to Deliver Strategic Plan Objectives

Advancing our strategic transformation and delivering compelling results

- Expect to achieve strategic plan objectives with measurable progress in FY24

Improving our operational performance and customer experience:

- Increasing on time delivery with improving customer communication
- Reducing lead times enhancing our ability to compete for sales
- Innovating with new product development
- Expanding addressable markets and enabling market share opportunities

Outlook is encouraging

- Expect Q4 FY24 net sales of approximately $260 million to $270 million[1] representing mid-single digit growth
- Q3 FY24 high single-digit growth in orders with an encouraging order funnel positions CMCO for growth
- Steady demand across end markets; focused on markets with tailwinds from mega trends
- Executing commercial initiatives and investing in innovation

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INTELLIGENT MOTION

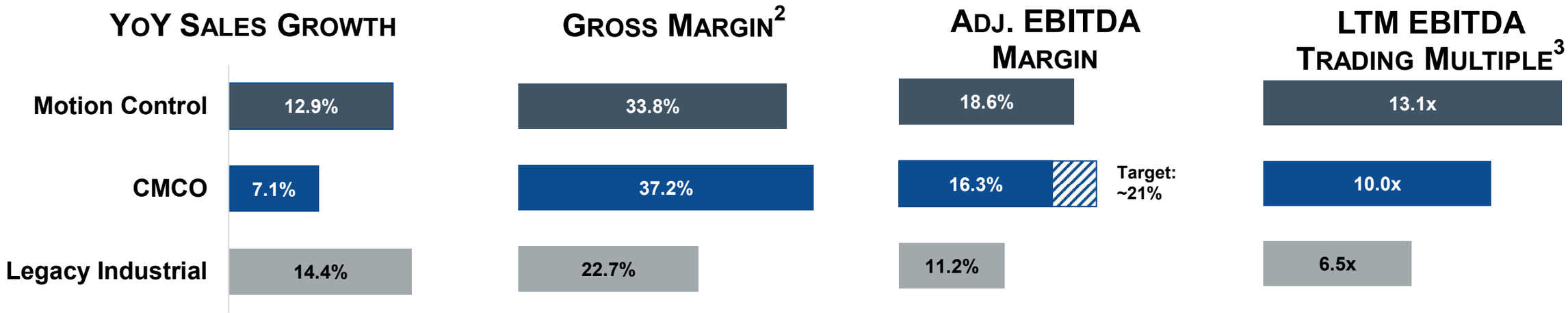
PURPOSE IN MOTION

Supplemental Information

CMCO Peer Group Comparison

Industrial Peers vs. Motion Control Peers

(Based on Peer Group Averages. Financials Represent TTM Ending 12/31/23)[1]



Legacy Industrial Peers

Manitowoc · TEREX · KONECRANES · HYSTER-YALE · KENNAMETAL

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Motion Control Peers

Regal Rexnord · ATS · BARNES · TIMKEN · KĀDANT

CMCO Pivoting to Motion Control Peer Group… Valuation Lags

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Source: Peers- Refinitiv , CMCO- FY24 Q3 Earnings Release

[1]Hyster-Yale TTM Ending 9/30/23 [2]Excludes Konecranes who does not report GM% [3]Enterprise Value Priced as of 2/20/24

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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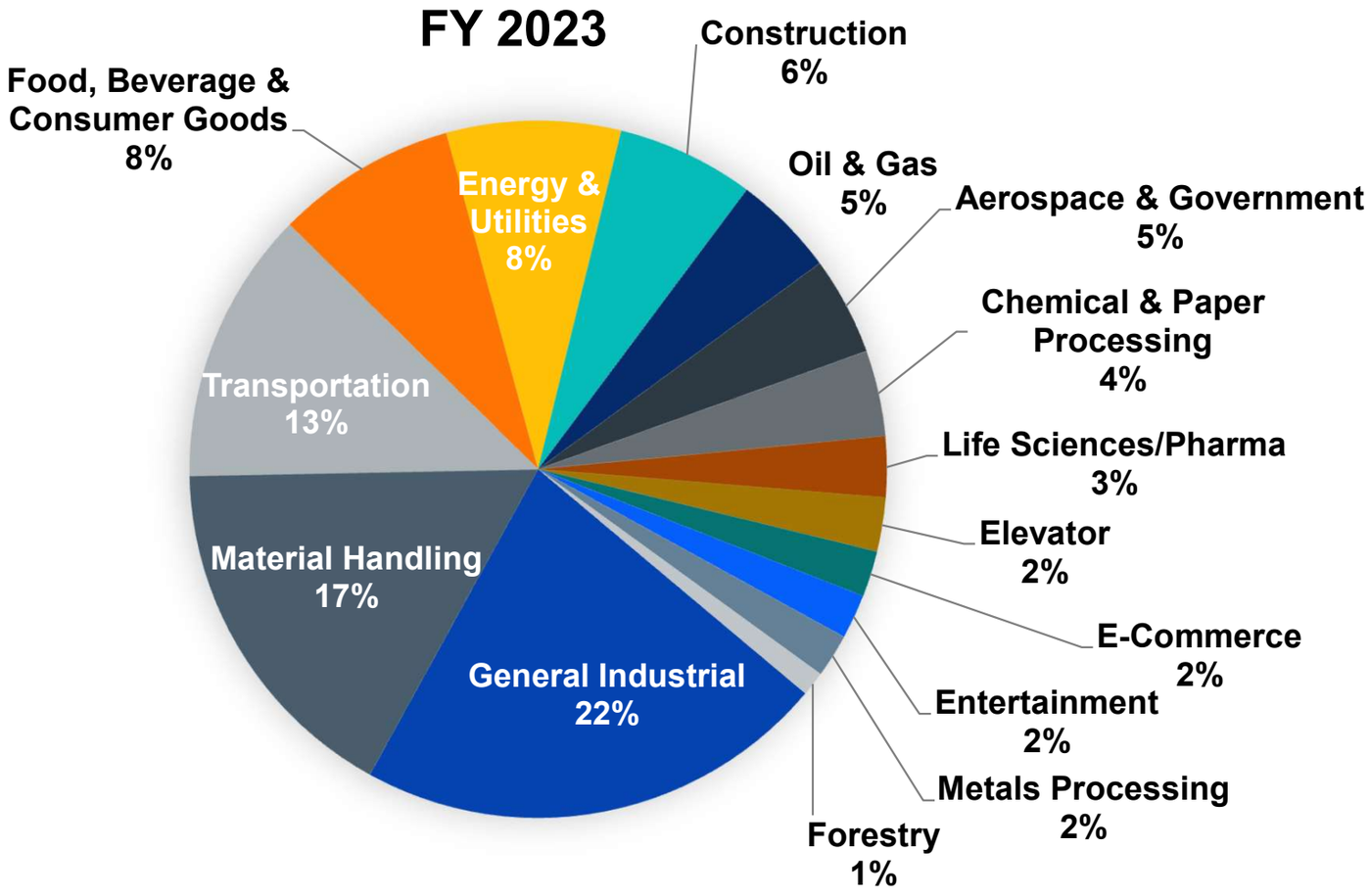
Growing Secular Market Presence

Conveying Solutions Serves Less Cyclical Industries



Highly diverse end markets with varying industry cycles

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Non-GAAP Measures

The following information provides definitions and reconciliations of the non-GAAP financial measures presented in this presentation to the most directly comparable financial measures calculated and presented in accordance with generally accepted accounting principles (GAAP). The Company has provided this non-GAAP financial information, which is not calculated or presented in accordance with GAAP, as information supplemental and in addition to the financial measures presented in this presentation that are calculated and presented in accordance with GAAP. Such non-GAAP financial measures should not be considered superior to, as a substitute for or alternative to, and should be considered in conjunction with, the GAAP financial measures presented in this presentation. The non-GAAP financial measures in this presentation may differ from similarly titled measures used by other companies.

- Free Cash Flow and Free Cash Flow Conversion
- Net Debt and Net Leverage Ratio
- Credit Agreement Adjusted EBITDA and Credit Agreement Adjusted EBITDA Margin
- Adjusted EBITDA and Adjusted EBITDA Margin
- Adjusted Gross Profit and Adjusted Gross Margin
- Adjusted Operating Income and Adjusted Operating Margin
- Adjusted Net Income and Adjusted Diluted EPS

We have not reconciled Free Cash Flow Conversion outlook to the most comparable GAAP outlook because it is not possible to do so without unreasonable efforts due to the uncertainty and potential variability of reconciling items, which are dependent on future events and often outside of management's control and which could be significant. Because such items cannot be reasonably predicted with the level of precision required, we are unable to provide outlook for the comparable GAAP measures. Forward-looking estimates of Free Cash Flow Conversion are made in a manner consistent with the relevant definitions and assumptions noted herein.

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Non-GAAP Measures: Free Cash Flow (FCF) and FCF Conversion

($ in thousands)	Fiscal Year			TTM
	2021	2022	2023	Q3 FY24
Net cash provided by operating activities	$ 98,890	$ 48,881	$ 83,636	$ 95,325
Capital expenditures	(12,300)	(13,104)	(12,632)	(19,455)
Free Cash Flow (FCF)	$ 86,590	$ 35,777	$ 71,004	$ 75,870
Net income	$ 9,106	$ 29,660	$ 48,429	$ 48,711
Free Cash Flow Conversion	951%	121%	147%	156%

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 and Free Cash Flow Conversion to Free Cash Flow and Free Cash Flow Conversion for historical periods.

Non-GAAP Measures: Net Debt and Net Leverage Ratio

($ in thousands)	Trailing Twelve Month						
	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24
Net income	$ 45,314	$ 44,225	$ 46,360	$ 48,429	$ 49,313	$ 51,012	$ 48,711
Add back (deduct):							
Annualize EBITDA for acquisitions[1]	3,822	665	—	—	7,994	5,410	2,131
Annualize synergies for acquisitions[1]	2,300	1,445	660	—	401	293	184
Income tax expense (benefit)	20,196	21,066	24,701	26,046	20,547	20,694	19,904
Interest and debt expense	20,517	22,698	25,626	27,942	30,364	33,807	36,456
Non-Cash loss related to asset retirement	173	175	175	175	2	—	—
Gain on Sale of Facility	(375)	(232)	(232)	(232)	(232)	—	—
Non-Cash Pension Settlement[2]	—	—	—	—	—	—	4,599
Amortization of deferred financing costs	1,662	1,696	1,720	1,721	1,774	1,967	2,158
Stock Compensation Expense	9,735	9,371	9,800	10,425	11,655	12,060	11,859
Garvey contingent consideration			1,230	1,230	1,230	1,230	—
Depreciation and amortization expense	41,924	41,848	42,059	41,947	42,368	43,536	44,619
Acquisition deal and integration costs	1,317	704	672	616	3,117	3,606	3,381
Excluded deal and integration costs[3]		(222)	(169)	—	(529)	(510)	(172)
Acquisition inventory set-up expense	2,061	2,061	1,546	—	—	—	—
Acquisition amortization of backlog	2,100	2,100	1,650	—	—	—	—
Business realignment costs	4,936	4,969	5,406	5,140	3,857	2,664	2,715
Excluded business realignment costs[3]	—	—	—	—	(3,482)	(2,249)	(848)
North American warehouse consolidation	—	—	—	—	117	199	199
Headquarter relocation costs	—	—	315	996	2,224	2,370	2,565
Monterrey, MX new factory start-up costs	—	—	—	—	—	—	755
Credit Agreement TTM Adjusted EBITDA	$ 155,682	$ 152,569	$ 161,519	$ 164,435	$ 170,720	$ 176,089	$ 179,216
Net Sales TTM	$ 913,378	$ 921,483	$ 935,765	$ 936,240	$ 951,445	$ 978,105	$ 1,001,878
Net Margin	5.0%	4.8%	5.0%	5.2%	5.2%	5.2%	4.7%
Credit Agreement Adjusted EBITDA Margin	17.0%	16.6%	17.3%	17.6%	17.9%	18.0%	17.9%
Total debt	501,327	491,420	481,512	471,592	579,769	564,841	550,040
Standby letters of credit	15,660	14,682	15,275	14,921	15,364	15,525	15,740
Cash and cash equivalents	(85,660)	(88,865)	(81,520)	(133,176)	(106,994)	(99,058)	(102,945)
Net Debt	$ 431,327	$ 417,237	$ 415,267	$ 353,337	$ 488,139	$ 481,308	$ 462,835
Net Leverage Ratio	2.77x	2.73x	2.57x	2.15x	2.86x	2.73x	2.58x

Net Debt is defined in the credit agreement as total debt plus standby letters of credit, net of cash and cash equivalents. Net Leverage Ratio is defined as Net Debt divided by the Credit Agreement Trailing Twelve Month Adjusted EBITDA (as defined as net income before interest expense, income taxes, depreciation, amortization, and other adjustments as defined in the credit agreement). Credit Agreement TTM Adjusted EBITDA is defined as net income before interest expense, income taxes, depreciation, amortization, and other adjustments. Credit Agreement Adjusted EBITDA Margin is defined as Credit Agreement TTM Adjusted EBITDA divided by net sales. Net Debt, Net Leverage Ratio, Credit Agreement TTM Adjusted EBITDA and Credit Agreement Adjusted EBITDA Margin are not measures determined in accordance with GAAP and may not be comparable with the measures as used by other companies. Nevertheless, the Company believes that providing non-GAAP financial measures, such as Net Debt, Net Leverage Ratio, Credit Agreement TTM Adjusted EBITDA and Credit Agreement Adjusted EBITDA Margin are important for investors and other readers of the Company's financial statements.

[1] EBITDA is normalized to include a full year of the acquired entity and assuming that deal related synergies are achieved for montratec in fiscal year 2024 and Dorner and Garvey in fiscal year 2023

[2] During the quarter ending December 31, 2023, certain employees in one of the Company's U.S. pension plans accepted an offer to settle their pension obligation with a lump sum payment. These lump sum settlements are one of the steps the Company is taking to terminate the plan by transferring the liabilities to a third-party. As a result, the Company recorded a non-cash settlement charge in the amount $4,599,000.

[3] The Company's credit agreement definition of Adjusted EBITDA excludes certain acquisition deal and integration costs and business realignment costs that are incurred more than two years after the close of an acquisition

Non-GAAP Measures: Adjusted EBITDA and Adjusted EBITDA Margin

($ in thousands)	Quarter					Fiscal Year			TTM
	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24	2021	2022	2023	Q3 FY24
Net income	$ 12,029	$ 13,895	$ 9,275	$ 15,813	$ 9,728	$ 9,106	$ 29,660	$ 48,429	$ 48,711
Add back (deduct):									
Income tax expense (benefit)	4,701	7,499	3,394	5,100	3,911	970	8,786	26,046	19,904
Interest and debt expense	7,303	7,668	8,625	10,211	9,952	12,081	20,126	27,942	36,456
Investment (income) loss	(574)	(483)	(543)	88	(758)	(1,693)	(46)	(315)	(1,696)
Foreign currency exchange (gain) loss	(3,359)	(1,037)	483	1,746	(1,155)	941	1,574	(2,189)	37
Other (income) expense, net[1]	79	(73)	214	393	5,234	20,850	(1,122)	(2,072)	5,768
Depreciation and amortization expense	10,487	10,567	10,890	11,592	11,570	28,153	41,924	41,947	44,619
Cost of debt refinancing	—	—	—	—	—	—	14,803	—	—
Acquisition deal and integration costs	338	173	2,587	508	113	3,951	10,473	616	3,381
Acquisition inventory step-up expense	—	—	—	—	—	—	5,042	—	—
Product liability settlement	—	—	—	—	—	—	2,850	—	—
Business realignment costs	1,401	848	375	40	1,452	3,778	3,902	5,140	2,715
North American warehouse consolidation	—	—	117	82	—	—	—	—	199
Headquarter relocation costs	315	681	1,228	146	510	—	—	996	2,565
Garvey contingent consideration	1,230	—	—	—	—	—	—	1,230	—
Acquisition amortization of backlog	—	—	—	—	—	—	2,100	—	—
Monterrey, MX new factory start-up costs	—	—	—	—	755	—	—	—	755
Insurance recovery legal costs	—	—	—	—	—	229	—	—	—
Gain on sale of building	—	—	—	—	—	(2,638)	—	—	—
Adjusted EBITDA	$ 33,950	$ 39,738	$ 36,645	$ 45,719	$ 41,312	$ 77,198	$ 140,072	$ 147,770	$ 163,414
Sales	$ 230,370	$ 253,843	$ 235,492	$ 258,400	$ 254,143	$ 649,642	$ 906,555	$ 936,240	$ 1,001,878
Add back:									
Acquisition amortization of backlog	—	—	—	—	—	—	2,100	—	—
Adjusted Net Sales	$ 230,370	$ 253,843	$ 235,492	$ 258,400	$ 254,143	$ 649,642	$ 908,655	$ 936,240	$ 1,001,878
Net income margin	5.2%	5.5%	3.9%	6.1%	3.8%	1.4%	3.3%	5.2%	4.9%
Adjusted EBITDA margin	14.7%	15.7%	15.6%	17.7%	16.3%	11.9%	15.4%	15.8%	16.3%

[1] During the quarter ending December 31, 2023, certain employees in one of the Company's U.S. pension plans accepted an offer to settle their pension obligation with a lump sum payment. These lump sum settlements are one of the steps the Company is taking to terminate the plan by transferring the liabilities to a third-party. As a result, the Company recorded a non-cash settlement charge in the amount $4,599,000.

Adjusted EBITDA is defined as net income before interest expense, income taxes, depreciation, amortization, and other adjustments. Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by net sales. Adjusted EBITDA and Adjusted EBITDA Margin are not measures determined in accordance with GAAP and may not be comparable with Adjusted EBITDA and Adjusted EBITDA Margin as used by other companies. Nevertheless, Columbus McKinnon believes that providing non-GAAP financial measures, such as Adjusted EBITDA and Adjusted EBITDA Margin, are important for investors and other readers of the Company's financial statements.

Non-GAAP Measures: Adjusted Gross Profit and Adjusted Gross Margin

($ in thousands)	Quarter					Fiscal Year			TTM
	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24	2021	2022	2023	Q3 FY24
Gross profit	$ 82,044	$ 91,218	$ 86,649	$ 99,976	$ 93,897	$ 220,225	$ 315,730	$ 342,099	$ 371,740
Add back (deduct):									
Product liability settlement	—	—	—	—	—	—	2,850	—	—
Acquisition amortization of backlog	—	—	—	—	—	—	2,100	—	—
Acquisition inventory step-up expense	—	—	—	—	—	—	5,042	—	—
Business realignment costs	—	—	196	—	150	830	1,606	—	346
Acquisition deal and integration costs	—	—	—	—	—	—	521	—	—
Factory closures	—	—	—	—	—	2,671	—	—	—
Monterrey, MX new factory start-up costs	—	—	—	—	435	—	—	—	435
Insurance settlement	—	—	—	—	—	—	—	—	—
Gain on sale of building	—	—	—	—	—	(2,189)	—	—	—
Adjusted Gross Profit	$ 82,044	$ 91,218	$ 86,845	$ 99,976	$ 94,482	$ 221,537	$ 327,849	$ 342,099	$ 372,521
Net sales	$ 230,370	$ 253,843	$ 235,492	$ 258,400	$ 254,143	$ 649,642	$ 906,555	$ 936,240	$1,001,878
Add back:									
Acquisition amortization of backlog	—	—	—	—	—	—	2,100	—	—
Adjusted Net Sales	$ 230,370	$ 253,843	$ 235,492	$ 258,400	$ 254,143	$ 649,642	$ 908,655	$ 936,240	$1,001,878
Gross margin	35.6%	35.9%	36.8%	38.7%	36.9%	33.9%	34.8%	36.5%	37.1%
Adjusted Gross Margin	35.6%	35.9%	36.9%	38.7%	37.2%	34.1%	36.1%	36.5%	37.2%

Adjusted Gross Profit is defined as gross profit as reported, adjusted for certain items. Adjusted Gross Profit Margin is defined as Adjusted Gross Profit divided by net sales. Adjusted Gross Profit and Adjusted Gross Margin are not measures determined in accordance with GAAP and may not be comparable with Adjusted Gross Profit and Adjusted Gross Profit Margin as used by other companies. Nevertheless, Columbus McKinnon believes that providing non-GAAP financial measures, such as Adjusted Gross Profit and Adjusted Gross Profit Margin, are 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 and gross profit margin to the historical periods' gross profit and gross margin, as well as facilitates a more meaningful comparison of the Company's gross profit and gross profit margin to that of other companies.

Non-GAAP Measures: Adjusted Operating Income and Adjusted Operating Margin

($ in thousands)	Quarter					Fiscal Year	
	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24	2022	2023
Income from operations	$ 20,179	$ 27,469	$ 21,448	$ 33,351	$ 26,912	$ 73,781	$ 97,841
Add back (deduct):							
Acquisition deal and integration costs	338	173	2,587	508	113	10,473	616
Acquisition inventory step-up expense	—	—	—	—	—	5,042	—
Business realignment costs	1,401	848	375	40	1,452	3,902	5,140
Garvey contingent consideration	1,230	—	—	—	—	—	1,230
Product liability settlement	—	—	—	—	—	2,850	—
Headquarter relocation costs	315	681	1,228	146	510	—	996
Acquisition amortization of backlog	—	—	—	—	—	2,100	—
North American warehouse consolidation	—	—	117	82	—	—	—
Monterrey, MX new factory start-up costs	—	—	—	—	755	—	—
Adjusted Operating Income	$ 23,463	$ 29,171	$ 25,755	$ 34,127	$ 29,742	$ 98,148	$ 105,823
Net sales	$ 230,370	$ 253,843	$ 235,492	$ 258,400	$ 254,143	$ 906,555	$ 936,240
Add back:							
Acquisition amortization of backlog	—	—	—	—	—	2,100	—
Adjusted Net Sales	$ 230,370	$ 253,843	$ 235,492	$ 258,400	$ 254,143	$ 908,655	$ 936,240
Operating margin	8.8%	10.8%	9.1%	12.9%	10.6%	8.1%	10.5%
Adjusted Operating margin	10.2%	11.5%	10.9%	13.2%	11.7%	10.8%	11.3%

Adjusted Operating Income is defined as income from operations as reported, adjusted for certain items. Adjusted Operating Margin is defined as Adjusted Operating Income divided by net sales. Adjusted Operating Income and Adjusted Operating Margin are not measures determined in accordance with GAAP and may not be comparable with Adjusted Operating Income and Adjusted Operating Margin as used by other companies. Nevertheless, Columbus McKinnon believes that providing non-GAAP financial measures, such as Operating Income and Adjusted Operating Margin, are 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 and operating margin to the historical periods' income from operations and operating margin, as well as facilitates a more meaningful comparison of the Company's income from operations and operating margin to that of other companies.

Non-GAAP Measures: Adjusted Net Income and Adjusted Diluted EPS

($ in thousands, except per share data)	Quarter					Fiscal Year	
	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24	2022	2023
Net income	$ 12,029	$ 13,895	$ 9,275	$ 15,813	$ 9,728	$ 29,660	$ 48,429
Add back (deduct):							
Amortization of intangibles	6,459	6,559	6,877	7,508	7,486	25,283	26,001
Cost of debt refinancing	—	—	—	—	—	14,803	—
Acquisition deal and integration costs	338	173	2,587	508	113	10,473	616
Acquisition inventory step-up expense	—	—	—	—	—	5,042	—
Business realignment costs	1,401	848	375	40	1,452	3,902	5,140
Product liability settlement	—	—	—	—	—	2,850	—
Garvey contingent consideration	1,230	—	—	—	—	—	1,230
Headquarter relocation costs	315	681	1,228	146	510	—	996
Acquisition amortization of backlog	—	—	—	—	—	2,100	—
North American warehouse consolidation	—	—	117	82	—	—	—
Monterrey, MX new factory start-up costs	—	—	—	—	755	—	—
Non-cash pension settlement expense	—	—	—	—	4,599	—	—
Normalize tax rate to 25%[1]	(1,123)	975	(2,569)	(2,199)	(3,227)	(13,852)	2,185
Adjusted Net Income	$ 20,649	$ 23,131	$ 17,890	$ 21,898	$ 21,416	$ 80,261	$ 84,597
Average diluted shares outstanding	28,778	28,869	28,906	29,001	28,991	28,401	28,818
Diluted income per share	$ 0.42	$ 0.48	$ 0.32	$ 0.55	$ 0.34	$ 1.04	$ 1.68
Adjusted Diluted EPS	$ 0.72	$ 0.80	$ 0.62	$ 0.76	$ 0.74	$ 2.83	$ 2.94

[1] Applies a normalized tax rate of 25% in fiscal 2024 and 22% in fiscal 2022 and fiscal 2023 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 net income 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 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, are 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 and diluted EPS to the historical periods' net income and diluted EPS, as well as facilitates a more meaningful comparison of the Company's net income 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.