

# Q3 2016 Earnings Call



November 2, 2016

# Safe Harbor Statement

Any statements contained in this presentation that are not historical facts are “forward-looking statements.” These statements are based on the current expectations of the management of the company, only speak as of the date on which they are made, and are subject to uncertainty and changes in circumstances.

We undertake no obligation to update or revise forward-looking statements, whether as a result of new information, future events, or otherwise. Forward-looking statements include, without limitation, statements typically containing words such as “intends,” “expects,” “anticipates,” “targets,” “estimates,” and words of similar import. By their nature, forward-looking statements are not guarantees of future performance or results and involve risks and uncertainties because they relate to events and depend on circumstances that will occur in the future.

There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to, those relating to revenue growth of the company, future market strength of the company’s business segments and products, market acceptance of existing products and new product introductions and technology, economic conditions, successful acquisitions, manufacturing and facility utilization efficiencies, risks relating to actions of activist shareholders, and other factors listed in the company’s preliminary offering circular with respect to the notes, dated May 5, 2016. Any “forward-looking statements” in this presentation are intended to qualify for the safe harbor from liability under the Private Securities Litigation Reform Act of 1995.

# Q3 2016 Summary

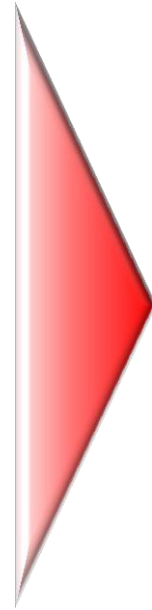
- **Mobile order rates consistent with second half of prior quarter**
- **Continuing headwinds in Americas and Middle East end markets**
- **Lower used crane values**
- **Softening utilization rates**
- **Slight recovery in residential/commercial in Western Europe**



*Challenging Macro Economic Near-Term*

# Cost Reduction Actions

- Accelerate relocation of crawler plant
- Consolidate plants in Portugal
- Align build schedule to order intake levels
- Reduce headcount



- Reduce global manufacturing footprint
- Optimize cost structure
- Maintain liquidity



# Financial & Other Key Metrics

	<u>Q3 2016</u>	<u>Q3 2015</u>	<u>YoY Δ</u>	<u>Q2 2016</u>	<u>QoQ Δ</u>
Orders	\$ 309.9	\$ 338.2	(8.4)%	\$ 348.9	(11.2)%
Net sales	\$ 349.8	\$ 438.2	(20.2)%	\$ 457.7	(23.6)%
Operating (loss) income	\$ (133.5)	\$ (8.2)	n/m	\$ 4.8	n/m
Non-GAAP adjusted operating (loss) income	\$ (31.5)	\$ (7.7)	n/m	\$ 14.8	n/m
Net (loss) income	\$ (140.0)	\$ 4.8	n/m	\$ (4.9)	n/m
Non-GAAP adjusted net (loss) income from continuing operations	\$ (38.1)	\$ (29.8)	(27.9)%	\$ 5.0	n/m
Net cash used for operating activities of continuing operations	\$ (1.4)	\$ (37.2)	n/m	\$ (14.6)	n/m
Capital expenditures	\$ 10.1	\$ 9.4	7.4 %	\$ 13.8	(26.8)%
Backlog	\$ 353.6	\$ 631.0	(44.0)%	\$ 393.5	(10.1)%
Book-to-bill	0.89	0.77	14.8 %	0.76	16.2 %

n/m- Not meaningful



<sup>1</sup> Excludes amortization and restructuring expense.

# Q4 2016 Guidance

	Q4 2016 Guidance
<b>Net sales</b>	<b>Down approximately 25% to 30% year-over-year</b>
<b>Margins on non-GAAP adj. operating loss<sup>1</sup></b>	<b>Approximately (4)% to (6)%</b>
<b>Depreciation</b>	<b>Approximately \$11 million</b>
<b>Amortization of intangibles</b>	<b>Approximately \$1 million</b>
<b>Capital expenditures</b>	<b>Approximately \$10 to \$15 million</b>

<sup>1</sup> Excludes amortization and restructuring expense.

# Strategic Priorities

## Margin Expansion

- Optimize global footprint and capacity



## Growth

- Maintain and grow through quality and market share gains



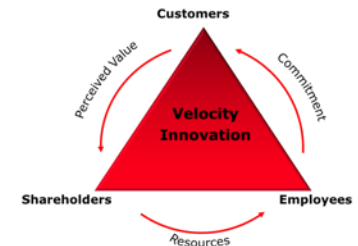
## Innovation

- Accelerate new product development
- Military opportunity



## Velocity

- Implement The Manitowoc Way



*Actions to Target Double Digit Margins by 2020*

