

Positioned for Global Growth

Columbus McKinnon

Houlihan Lokey's 6th Annual Global Industrials Conference

May 19, 2011

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Safe Harbor Statement

These slides contain (and the accompanying oral discussion will contain) “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such 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 general economic and business conditions, conditions affecting the industries served by the Company and its subsidiaries, conditions affecting 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 integration of acquisitions 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 the Company’s current plans, estimates and beliefs. The Company does not undertake and specifically declines any obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect any future events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.

Columbus McKinnon Corporation

NASDAQ: CMCO

Founded	1875
Publicly traded	1996
Market Capitalization	\$381.6 million
Shares Outstanding	19.08 million
52 Week High-Low	\$22.25 - \$12.35
Recent Price	\$20.00
Average Daily Volume (TTM)	88,198
Book Value per Share	\$7.97
Institutional Ownership	92.5%
Insider Ownership	5.13%
Employee Count (approx.)	2,500
Fiscal Year End	March 31

Market data as of 5/11/11; book value and employee count as of 12/31/10; ownership as of most recent filing

CMCO: Strategy for Profitable Growth



Strong Brand Recognition



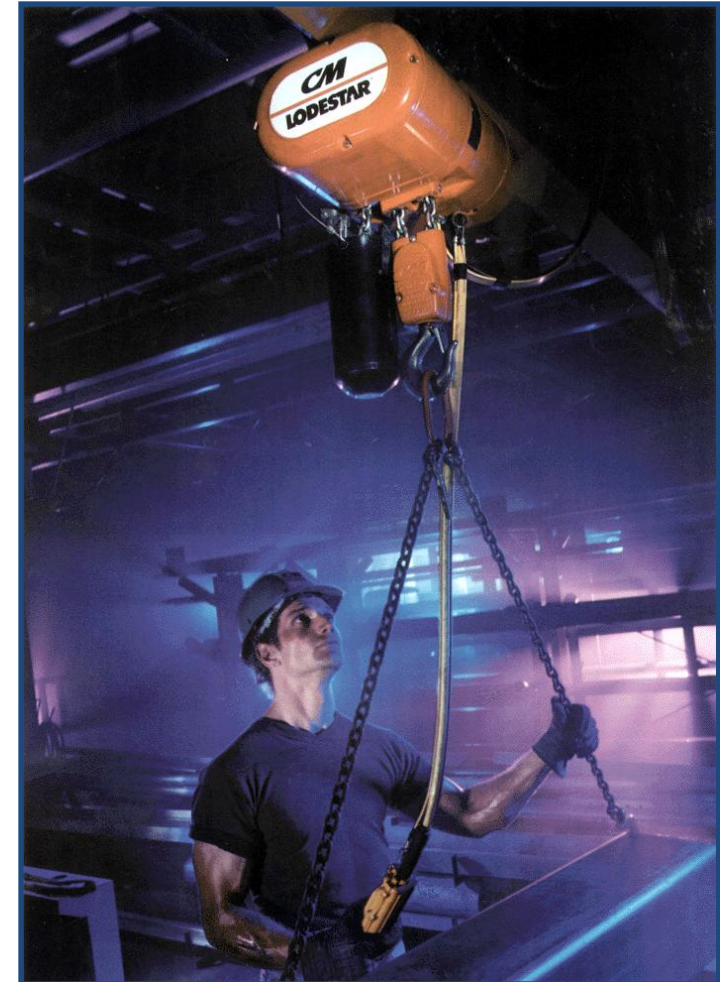
Long U.S.-Based History



64% of net U.S. sales into markets where CMCO has a #1 position

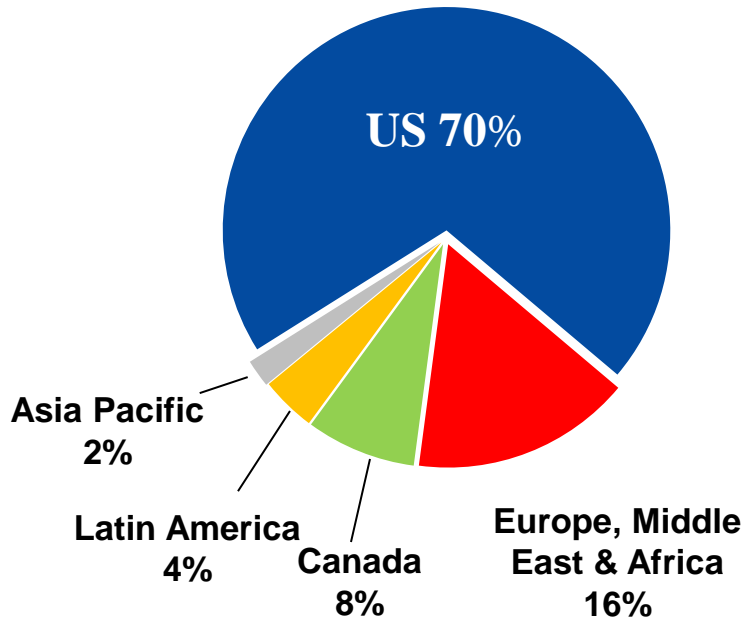
Largest installed base of hoists in North America

Approx. 75% of sales from products priced under \$5K: MROP



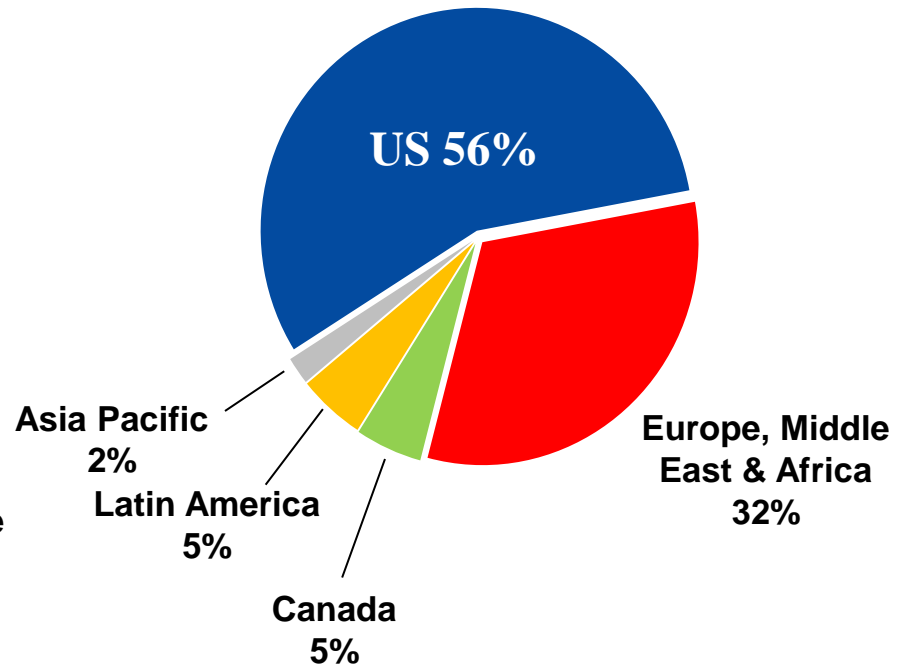
Continued International Expansion

FY 2006



International 30%

FY 2010



International 44%

Note: Restated for Univeyor Discontinued Operations, divested July 2008.

Competitive Advantages

Most Comprehensive Product Offering

- √ *One-stop shopping*
- √ *No SKU > 1% of sales*

Broad & Growing Global Presence in Sales & Operations

- √ *Developed markets*
- √ *Emerging markets – China, Latin America, Eastern Europe*

Efficient Operations with Low Cost Structure

- √ *Driving lean manufacturing culture*

Strong Brands Built on Quality and Reliability

- √ *Large and growing installed base*

Long-Term Growth Drivers

Competitive Pressures to Maximize Productivity & Efficiency

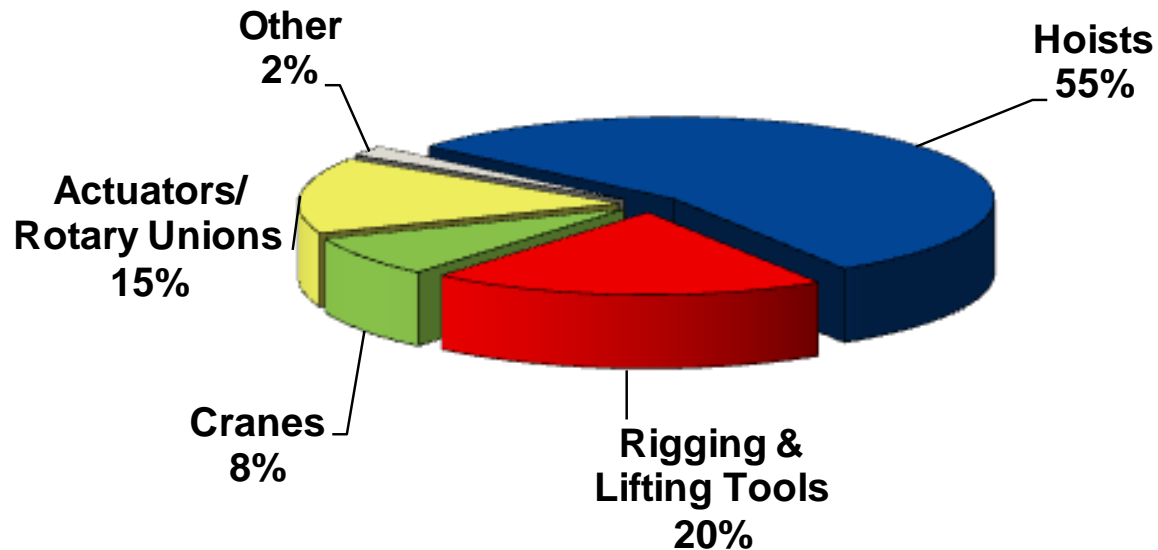
- **Loads lifted and placed efficiently**
 - √ *Quick and easy*
 - √ *Reduced manpower requirements*

Growing Global Focus on Worker Safety

- **Promote safety and reduce risk of personal injury**
- **Reduction of workers' compensation expenses**

Broad Product Offering

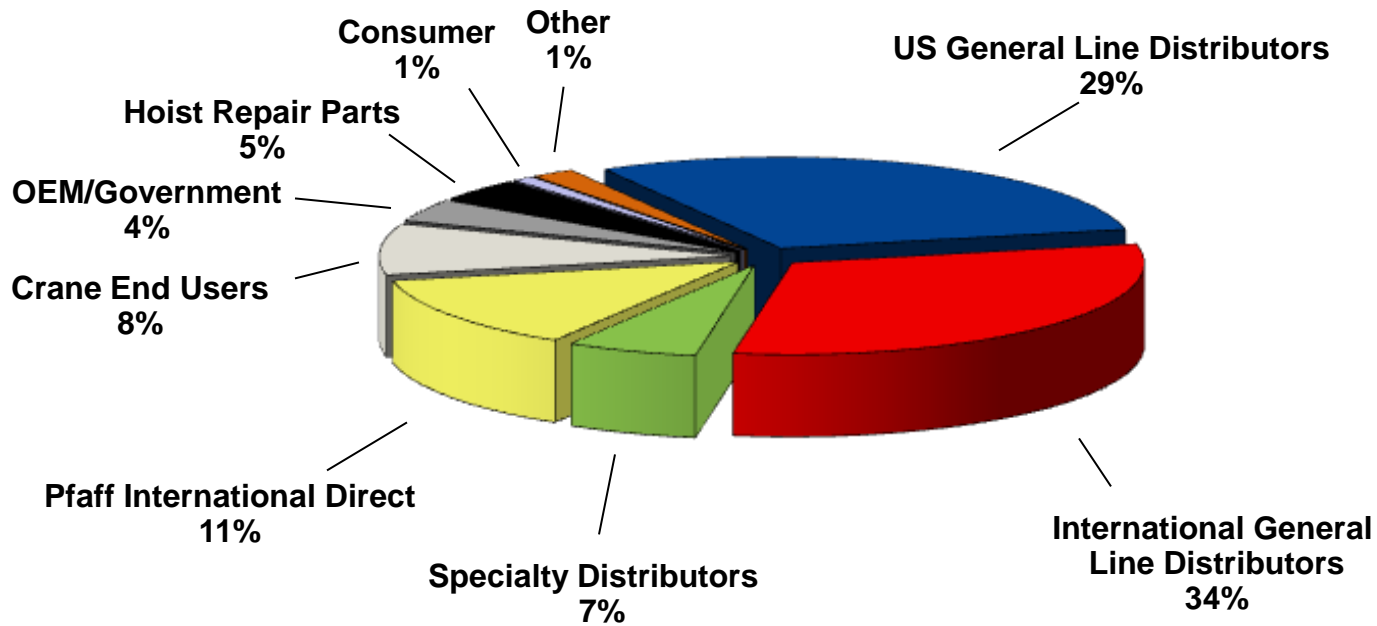
Q3 FY11 TTM Net Sales:
\$503.1 million



- ✓ ***“One-Stop” shop for distributors and customers***
- ✓ ***No single product SKU comprises more than 1% of sales***

Extensive Distribution Channels

Q3 FY11 TTM Net Sales:
\$503.1 million



Extensive Distribution Channels

15,000+ distributors & end-user customers

Worldwide Operations



12 major manufacturing facilities

39 sales/service offices in 17 countries

10 warehouse facilities in 5 countries

10-15% manufacturing from low cost operations

Diversified End User Markets



Leading U.S. Market Positions

64% of U.S. Sales are Products Where CMCO has #1 Market Position

	U.S. MARKET SHARE	MARKET POSITION	% OF U.S. SALES ⁽⁶⁾	KEY COMPETITORS
Powered Hoists	45% ⁽¹⁾	#1	22%	Kito – Harrington, Konecranes, Demag Cranes
Manual Hoists & Trolleys	55% ⁽¹⁾	#1	13%	
Forged Attachments	35% ⁽¹⁾	#1	7%	Crosby, Cooper Industries (BT)
Lifting & Sling Chains	49% ⁽¹⁾	#1	4%	Peerless Chain, Cooper Industries (Campbell Chain)
Hoist Parts	50% ⁽²⁾	#1	10%	Kito – Harrington, Konecranes, Demag Cranes
Mechanical Actuators	43% ⁽³⁾	#1	5%	Joyce Dayton, Nook
Tire Shredders	80% ⁽⁴⁾	#1	2%	Mac-Saturn
Jib Cranes	25% ⁽⁵⁾	#1	1%	Gorbel, Spanco, Demag Cranes
Total			64%	

(1) Estimates derived from industry association data.

(2) Estimates based on hoist estimates derived from industry association data.

(3) Estimates based on comparison of our sales to that of competitors' sales and estimates of total market from trade associations.

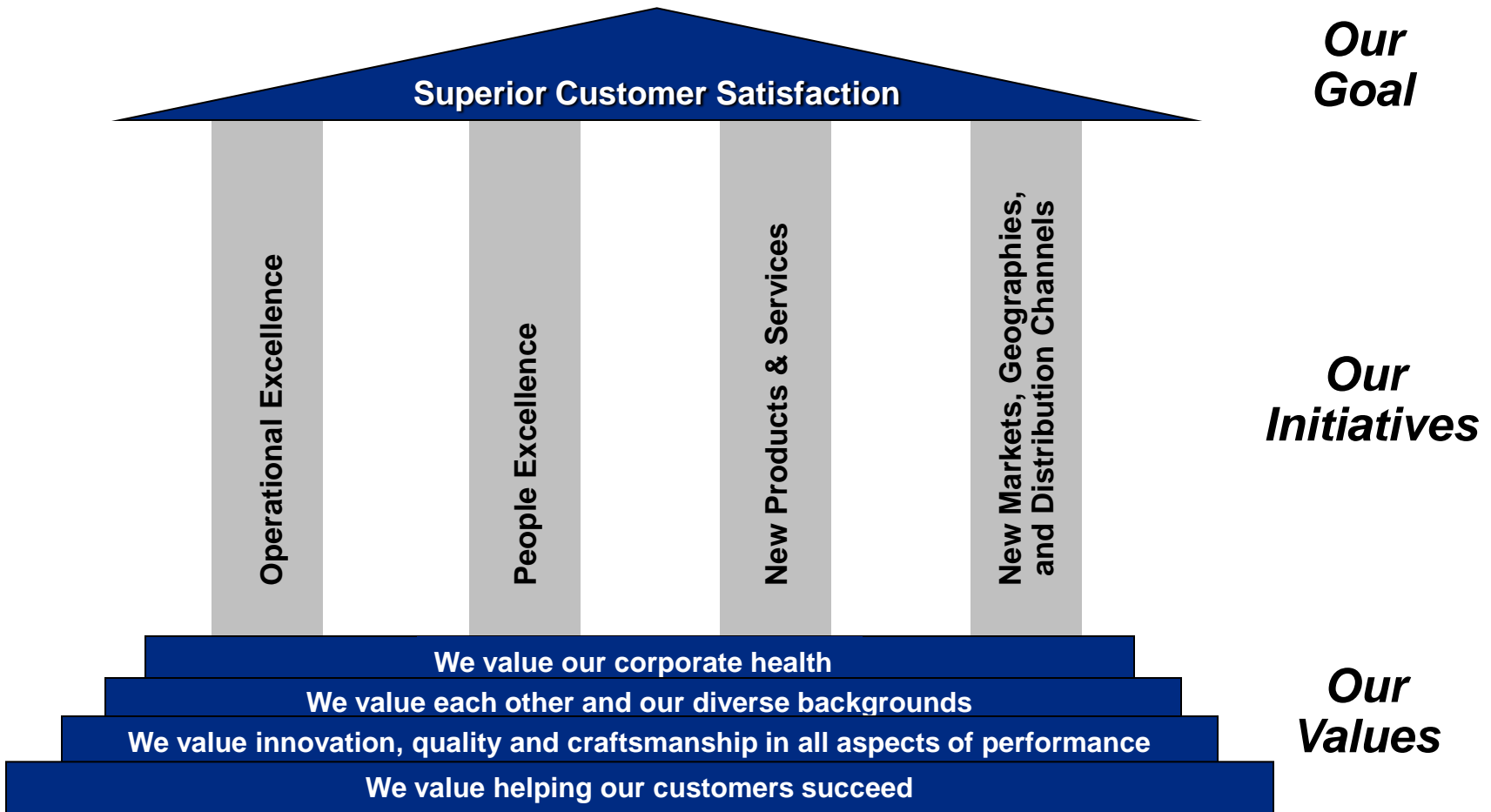
(4) Estimates based on the number of our tire shredders in use and their capacity and the total number of tires shredded as published by a trade association.

(5) Estimates based on the number of bids won as a percent of the total projects for bids submitted and from estimates of our competitors' positions.

(6) As of December 31, 2009.

Columbus McKinnon VISION

Become THE Material Handling Champion of the World



Growth Strategy

Develop New Products & Create End-user Pull Through



Growth Strategy

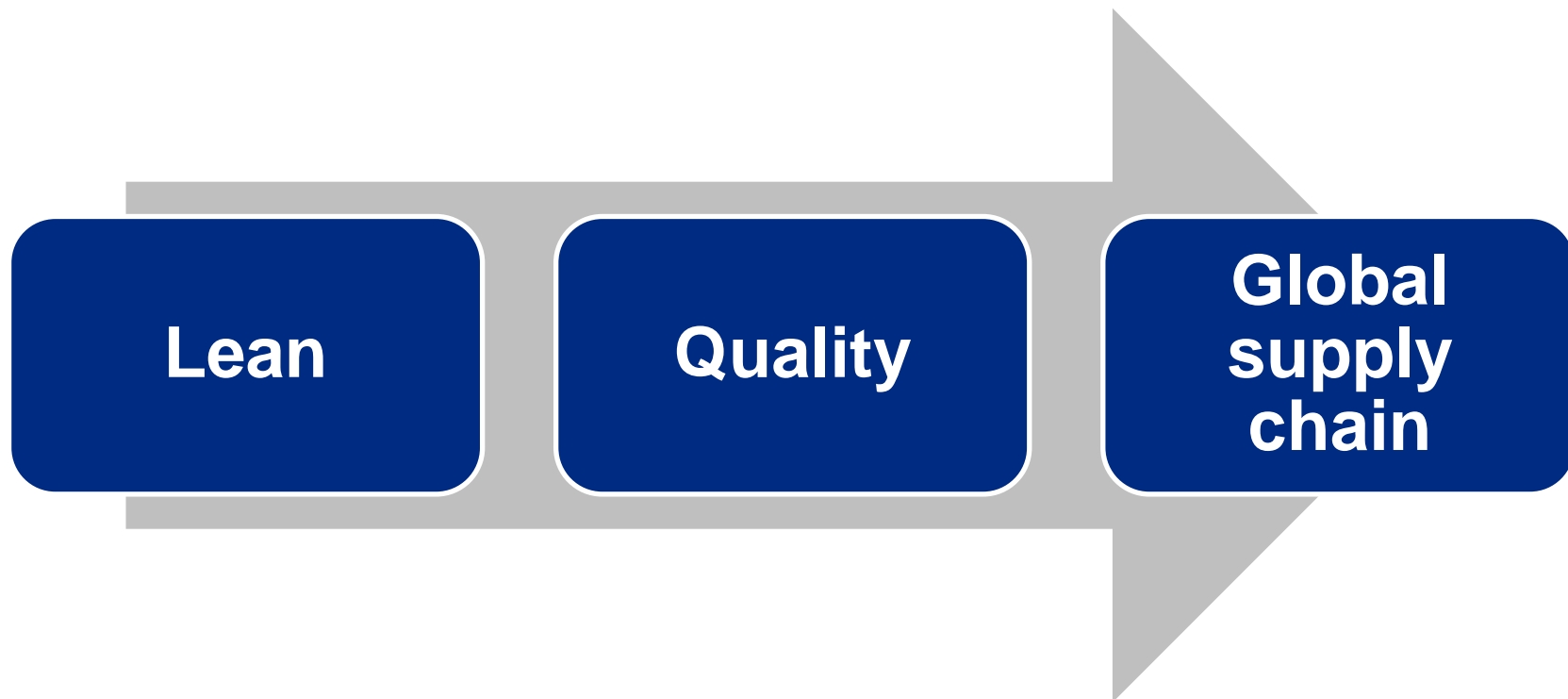
Expand International Market Opportunities



Invest in developing industrial markets

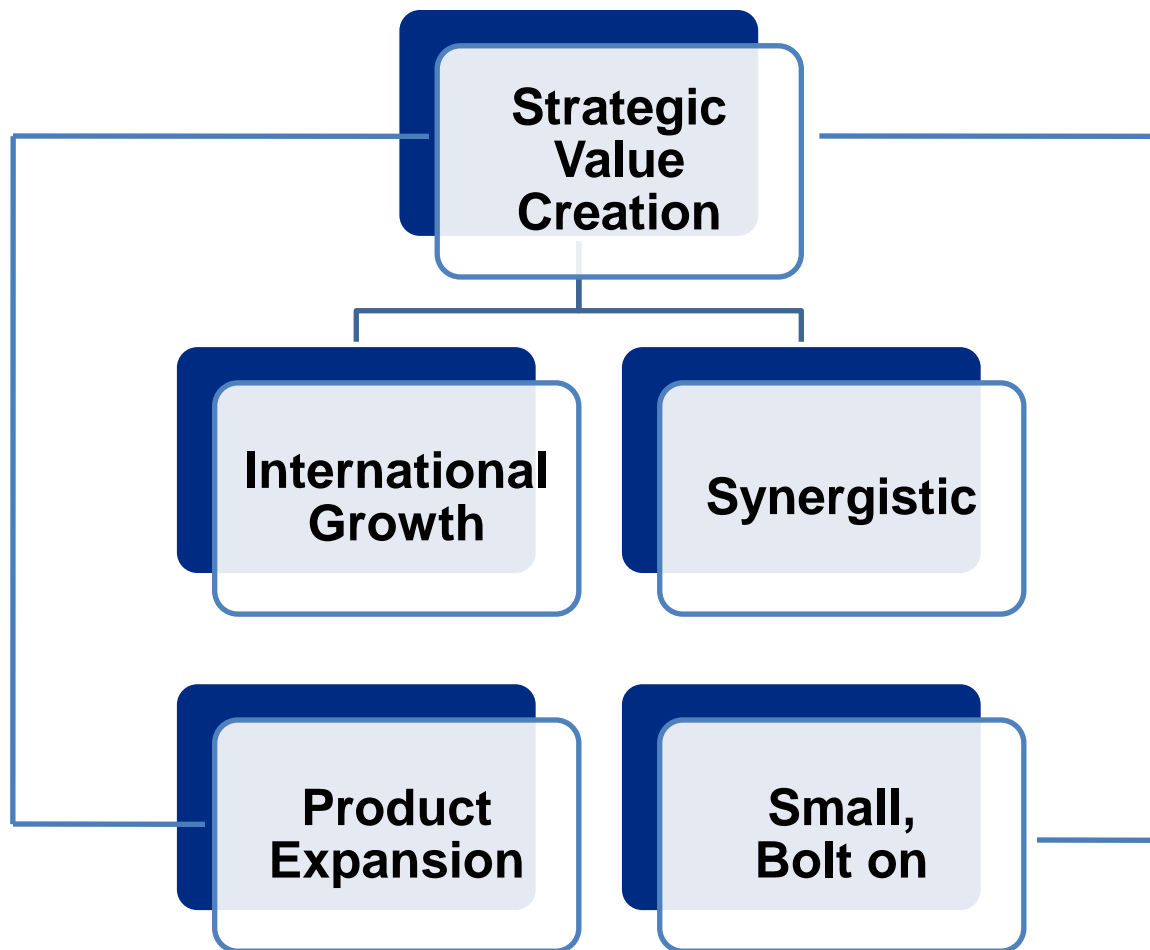
Growth Strategy

Operational Excellence



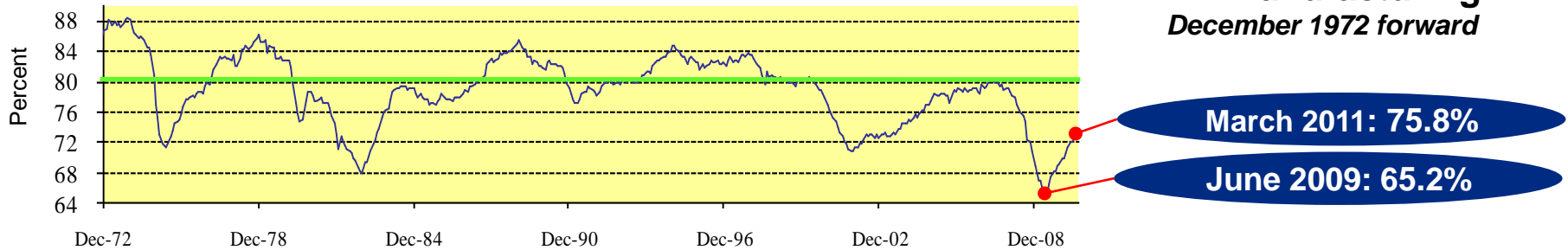
Growth Strategy

Acquisitions & Strategic Alliances



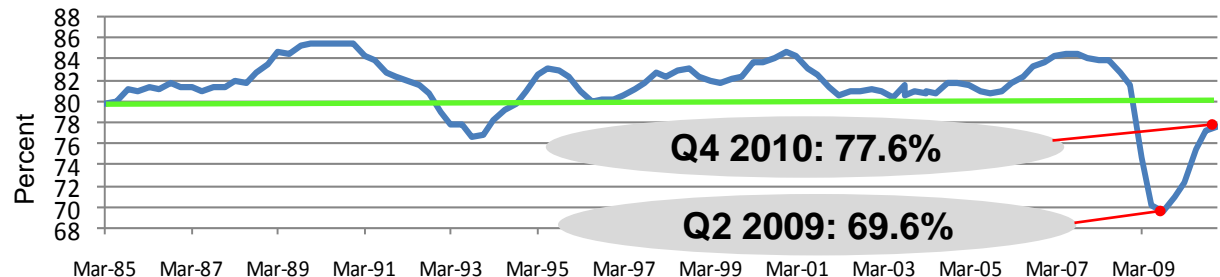
Sales Correlated to Industrial Capacity Utilization

U.S. Capacity Utilization All Manufacturing December 1972 forward



Source: The Federal Reserve Board

Eurozone Capacity Utilization All Manufacturing Q1 1985 forward



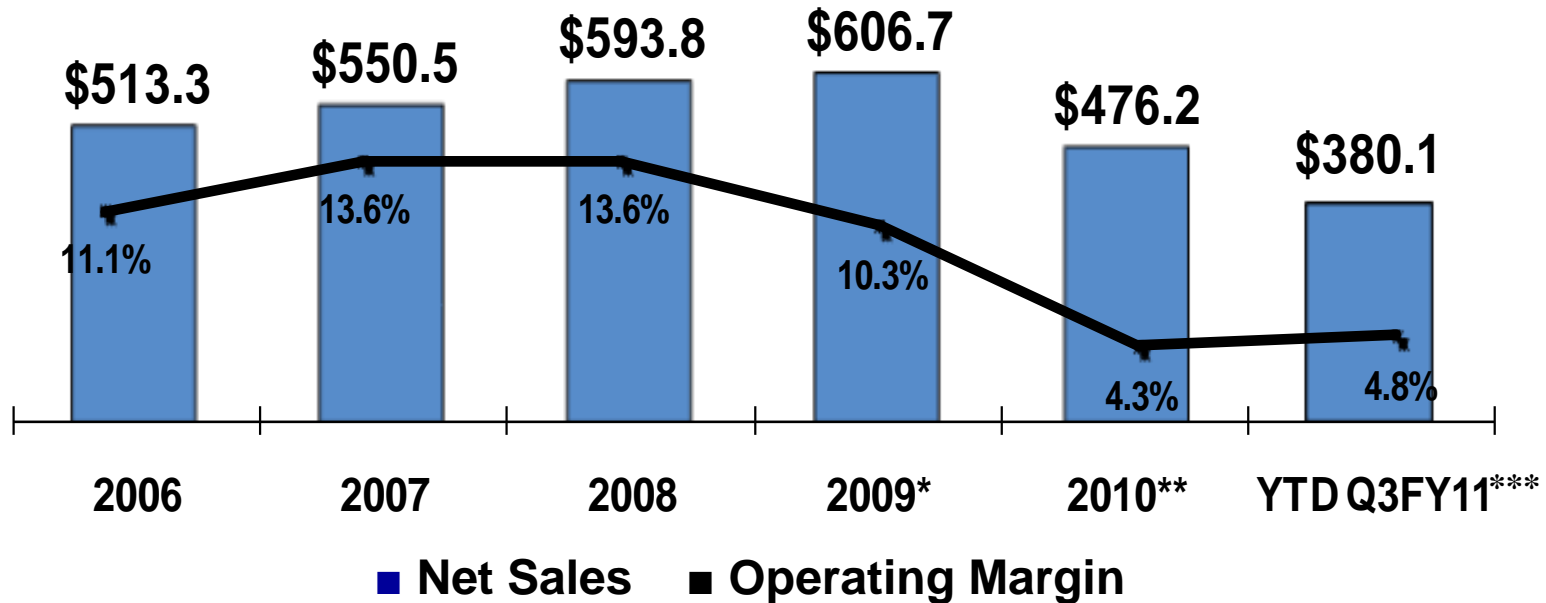
Source: European Commission, Dec. 2010 release

Note: 80% is generally considered to be the point where total industrial capacity approaches a level of constraint.

FY 2010: Economic Cycle Trough Realized

Outlook Improving; CMCO Well-Positioned for Recovery

(\$ in millions)



Note: Restated for Univeyor Discontinued Operations, divested July 2008

* 2009 margin excludes \$107.0 million goodwill impairment charge and \$1.9 million in restructuring and other special charges

** 2010 margin excludes \$21.0 million restructuring-related costs and \$3.5 million of other special charges

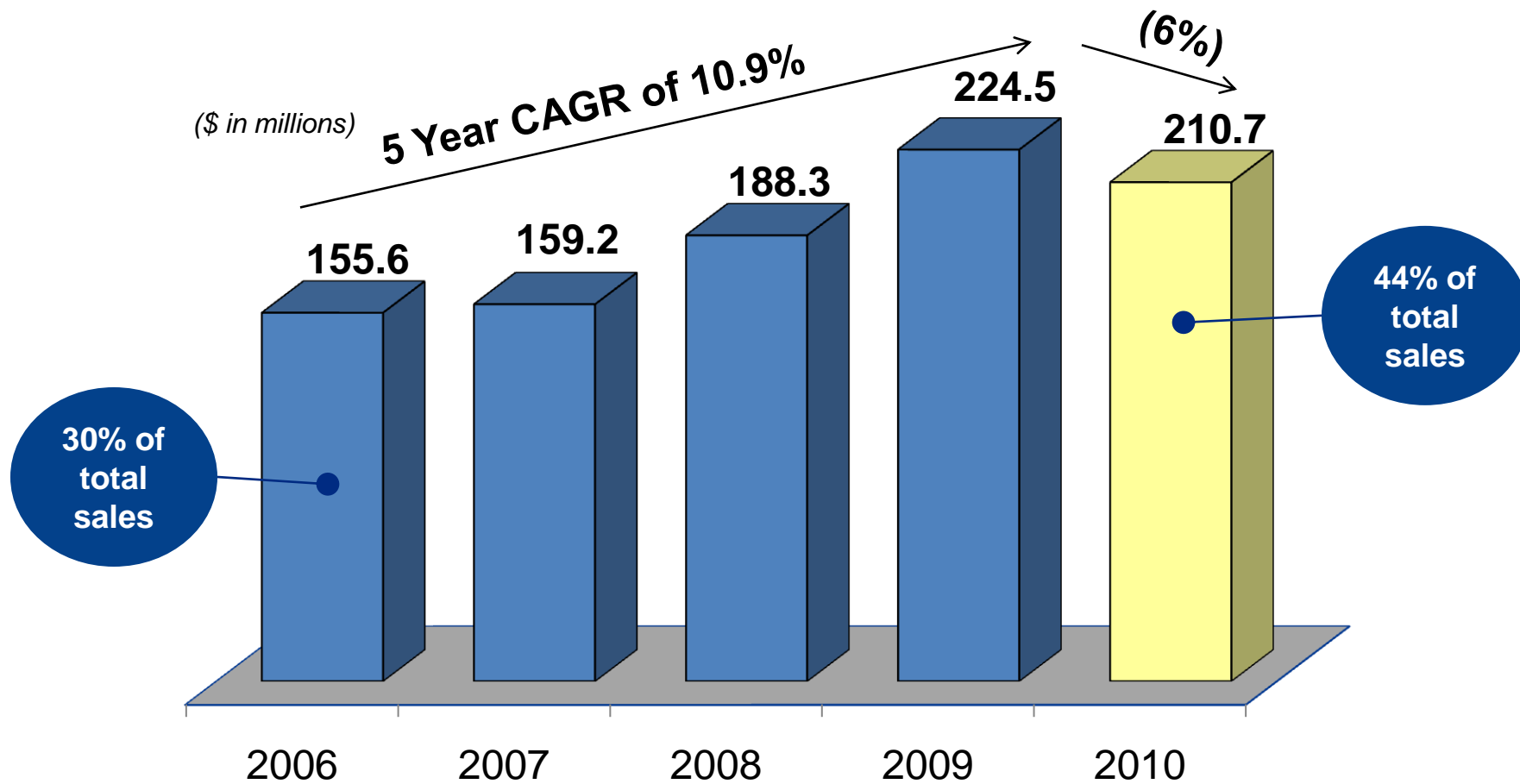
*** 2011 margin excludes \$6.0 million restructuring-related costs and \$2.9 million of unusual product liability claims

FY 2010-2011 Restructuring

Facility Consolidation & Headcount Reduction

Total Invested		\$21 - \$23 MM
Current Annualized Run-Rate Savings		\$8 MM
Est. Annualized Savings		\$13 - \$15 MM
Facility Closure Timing:	Chain Forge Hoist	October 2009 December 2009 June 2010
Total Square Footage Reduced		500,000 (25%)
Total Headcount Reduction		FTE down 150
Challenges	Forge	Upgraded Management Focus on customer service Facility productivity

Strategic Focus: International Market Penetration

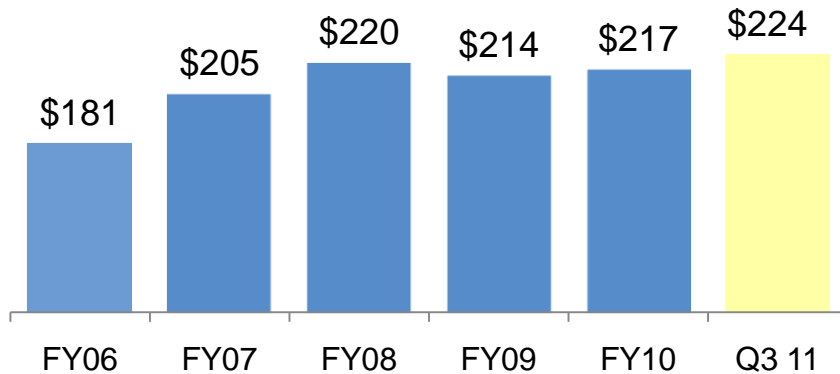


Note: Restated for Univeyor Discontinued Operations, divested July 2008.

Emphasis on Productivity and Cash

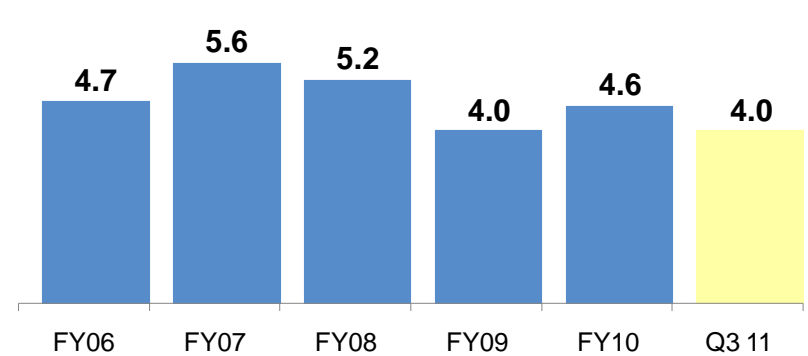
Sales per Employee

(in thousands)

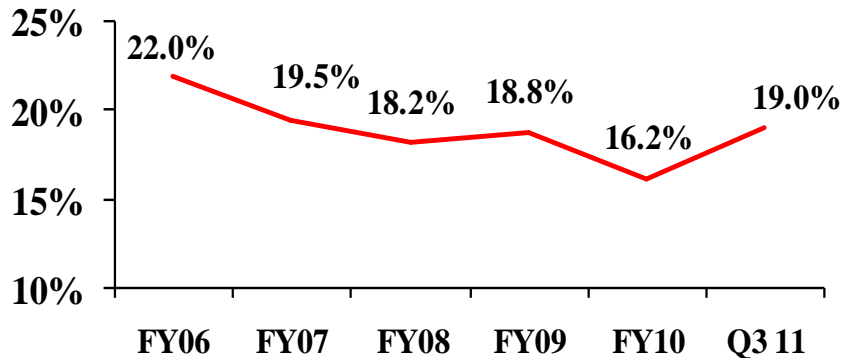


Inventory Turnover

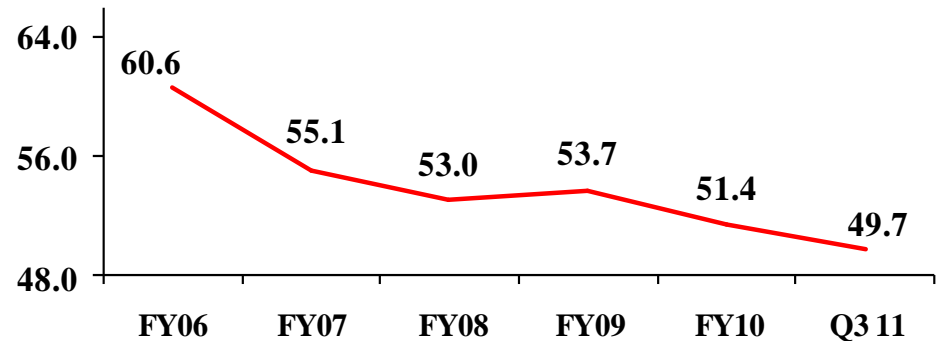
(in thousands)



Working Capital as a Percent of Sales

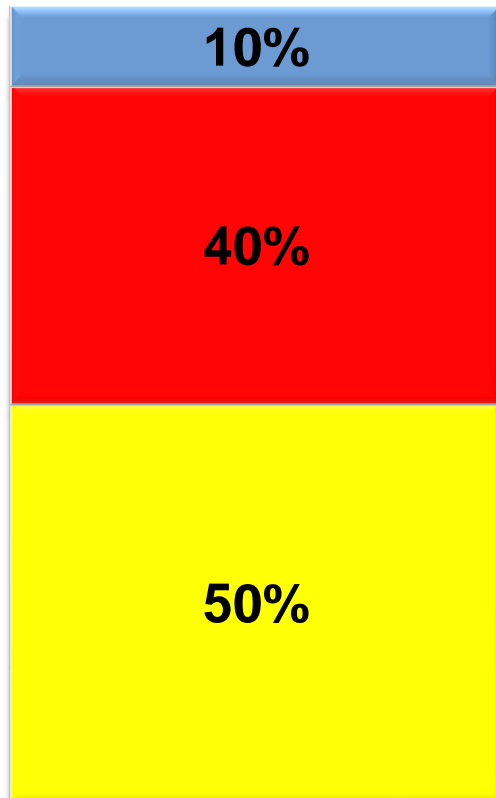


Receivable Days Outstanding



Managing Material Costs

**Cost of Sales:
Q3 FY11 TTM \$382.8 million**



- Steel
- Other Material
- Labor & Overhead

- ✓ Purchasing Council manages major negotiations on pricing
- ✓ Generally annual price increases to remain margin neutral

Strong Balance Sheet - Financial Flexibility

Ratios at December 31, 2010

• Total Debt / Total Capitalization	46.4%
• Net Debt / Total Capitalization	30.8%*
• Total Debt / TTM EBIT**	5.5x
• Net Debt / TTM EBIT**	3.6x

Goal is
30%

Credit Ratings

	<u>Agency</u>	<u>Rating</u>
Corporate	S&P	BB-
Corporate	Moody's	Ba3

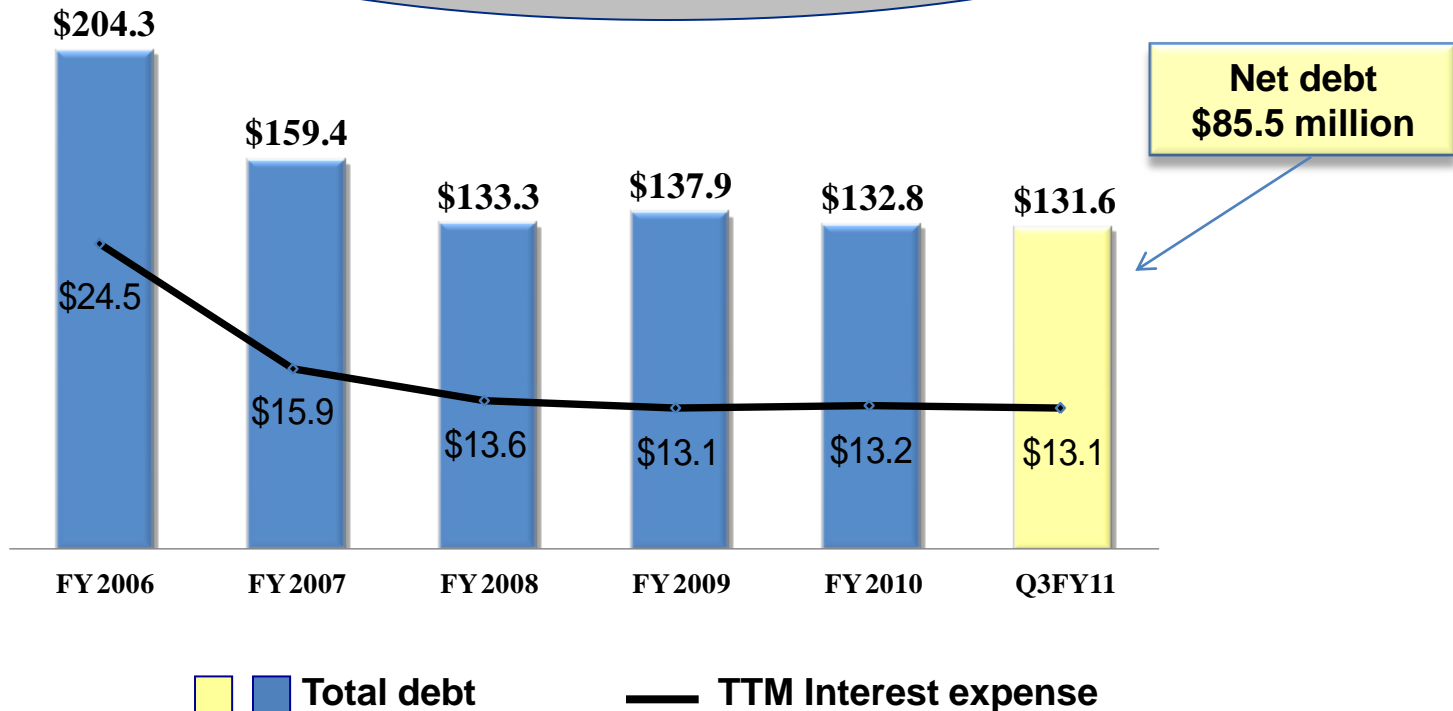
* Excludes \$39.7 million deferred tax asset valuation allowance charge against equity

** Excludes \$11.2 million restructuring-related costs and \$3.5 million of other special charges

Stable Debt Levels

Since FY06:
 ✓ Net debt reduced by approximately 58%
 ✓ Interest expense reduced by approximately 46%

(\$ in millions)



Note: Restated for Univeyor Discontinued Operations, divested July 2008.

Financial Flexibility

(in millions)

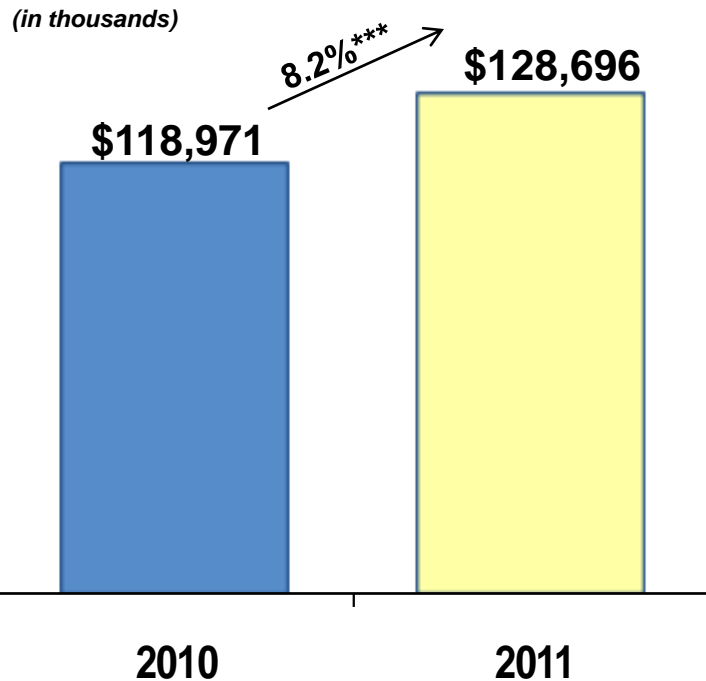
December 31, 2010

Cash	\$ 46.1
Senior Debt	
Revolving Credit Facility	\$ -
• \$85 million commitment; plus \$65 million accordion	
• LIBOR plus 200-325 bps, Due 2013	
Other Senior Debt	6.7
Senior Subordinated Notes (B1/B+)	124.9*
• 8.875% interest, due 2013	
• Tender offer commenced 1/10/11	
Total Debt	131.6
Shareholders' Equity	152.0
Total Book Capitalization	\$ 283.6
Net Debt	\$ 85.5

* New notes issued 1/25/11, \$150 million, 7.875% interest, due 2019

FY 2011 Third Quarter Results

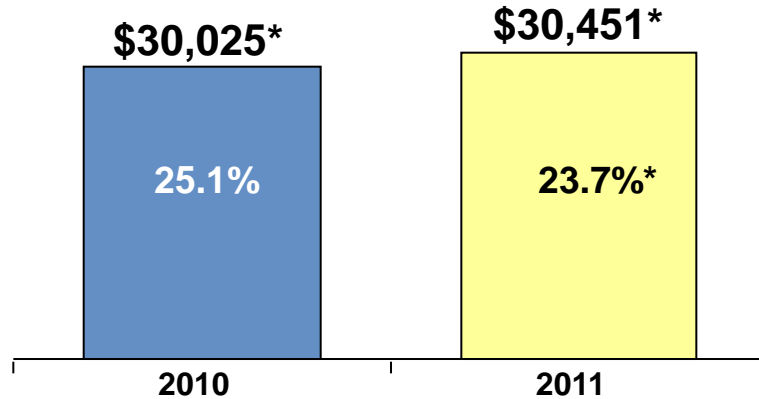
Revenue



*** 11% on volume

Gross Profit

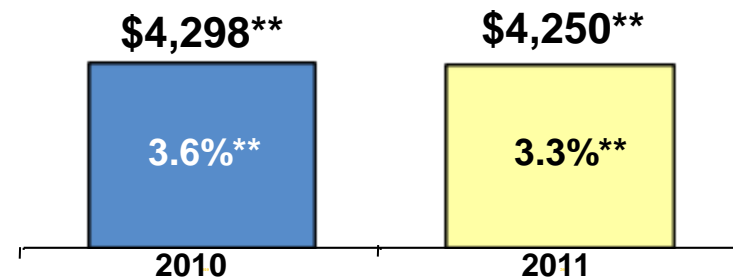
(in thousands)



* 2010 excludes \$3.2 million and 2011 excludes \$1.1 million in restructuring costs

Operating Income

(in thousands)



** 2010 excludes \$6.8 million and 2011 excludes \$1.3 million in restructuring costs

Long-Term Goals

Growth

- **Revenue: \$1 billion**
- √ 50/50 International / US
- √ Organic Growth:
 - US at GDP+ (on a trend line basis)
 - International at 10%-11% (on a trend line basis)
- √ Acquisitions: \$200 - \$300 million
- √ New Products: 20% of sales

Efficiency & Productivity

- **Operating Margin: 12% - 14%**
- Working Capital / Revenue: 15%
- Inventory turns: 6x – 7x
- DSO: < 60 days

Financial Flexibility

- **Debt to Total Book Capitalization: 30%**
- √ Flex to 50% for acquisitions

Global Resources in Place to Execute Plan

Fiscal 2012 Focus

Leveraging Facilities

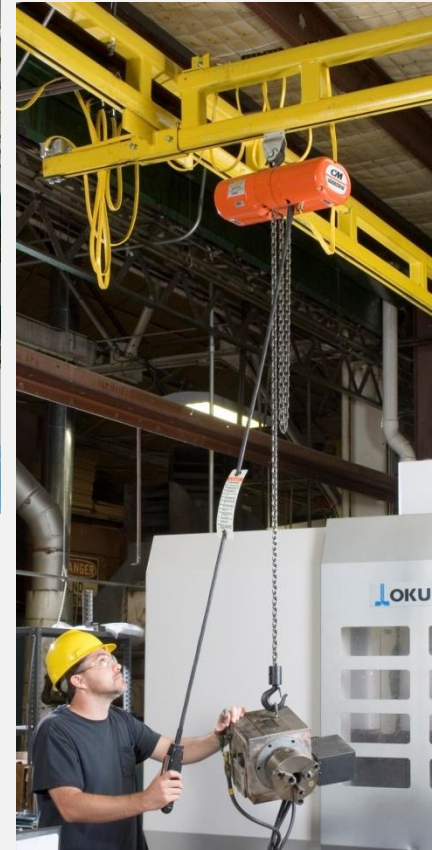
- Fine tune North American facility consolidation
- Realize benefits of FY10 investments

Prudent Investing

- New market expansion, especially APAC
- New product development
- Strategic acquisitions

Growing Sales

- Vertical market focus
- Build brand and expertise in emerging markets



LIFT, POSITION, SECURE

