SAFE HARBOR STATEMENT

These slides, and the accompanying oral discussion, 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 future sales and earnings, 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 effectiveness of the Company’s 80/20 Process to simplify operations, the ability of the Company’s operational excellence initiatives to drive profitability, the success of the Company’s efforts to ramp its growth engine, global 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 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. The Company assumes no obligation to update the forward-looking information contained in this presentation.

Non-GAAP Financial 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 notated and we have provided reconciliations of comparable GAAP to non-GAAP measures in tables found in the Supplemental Information portion of this presentation.

Adoption of ASU No. 2017-07 and impact to historical information
In accordance with the ASU, historical cost of good sold and RSG&A have been adjusted for the adoption and implementation on a retrospective basis of ASU No. 2017-07 “Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost. All relevant financial data impacted by the changes has been adjusted.
Leading global designer, manufacturer and marketer of motion control products, technologies and services for material handling

Founded: 1875

Leader in highly-engineered, professional grade, intelligent motion lifting solutions and explosion-protected products

Premium, well-respected global brands

World’s 2nd largest hoist company with leading share in U.S.

Blueprint for Growth Strategy:

✓ Transform into a high-performing, industrial technology company
✓ Increase earnings power with selective deployment of self-funded key initiatives

Market Capitalization $933.0 million
52-Week Price Range $28.16 - $43.09
Recent Price $39.41

Average Volume (3 mo.) 134,600
Common Shares Outstanding 23.7 million
Ownership: Institutions 97%
Insiders 3%

Market data as of 1/2/2020 (Source: S&P Capital IQ); Shares outstanding as of 11/4/2019; Institutional and insider ownership as of most recent filing

© 2020 Columbus McKinnon Corporation
Highly relevant, professional-grade solutions for solving customers’ critical problems in safety & productivity
THREE DISTINCT PRODUCT CATEGORIES

Customer Driven Solutions

- Linear & Mechanical Actuators
- Lifting Tables
- Rail & Road
- Actuation Systems

Engineered Products
- ~45%

Industrial Products
- ~45%

Cranes, Wire Rope Hoists
- Drives and Controls
- Crane Kits & Components
- Jibs, Workstations

Manual Chain Hoist
- Electric Chain Hoist
- Rigging / Clamps
- Industrial Winches

$840.6 Million
Q2 FY20 TTM Revenue
(excluding divestitures)
Market channels provide access to end users

$840.6 Million
Q2 FY20 TTM Revenue
(excluding divestitures)
END MARKET AND GEOGRAPHIC DIVERSIFICATION

$840.6 Million
Q2 FY20 TTM Revenue
(excluding divestitures)
Targeting market segments with better than GDP growth

**Target Markets**

- **Alternative Energy**
- **Aerospace & Defense**
- **Entertainment**
- **Oil & Gas/Petrochemical**
- **Wastewater Treatment**
- **Infrastructure**
- **Automation**
- **Metals Processing**
Phase I
Get control
Achieve results
• New organization
• Operating system

Phase II
Simplify the business
Drive profitable growth
• 80/20 Process
• Operational Excellence
• Ramp the Growth Engine

Phase III
Evolve business model
• Portfolio optimization
• Mergers & acquisitions

Further pivot to growth oriented Industrial Technology company
**E-PAS™: EARNINGS POWER ACCELERATION SYSTEM**

*Business Operating System*

- **Key Performance Indicators (KPIs)**
- **Strategy Deployment**
- **Inspired to Lead™**
- **Monthly Operating Reviews (MORs)**
- **80 / 20 Process**
- **M&A Process**
- **Risk & Opportunity (R&Os)**
- **Raising Expectations**
- **Lean Tools**

Business operating system sustainable across the organization and driving results
Almost three years of execution delivers stronger earnings power

(1) ROIC is defined as adjusted income from operations, net of taxes, for the trailing 12 months divided by the average of debt plus equity less cash (average capital) for the trailing 13 months. A 30% tax rate was used for fiscal year 2017, and 22% for fiscal years 2018, 2019 & 2020.
**Phase II Simplify the Business: 80/20 Process**

**Improve profitability**
- Reduce overhead
- Strategic pricing

**Profitable revenue growth**

**ROIC improvement**
- Inventory reduction
- Footprint reduction

**80 / 20 Process**

- Purchased parts ~400,000
- Product SKUs ~50,000

**Simplify the Business:**
Eliminate bleeders… focus on areas of growth

**80/20 Process: Centerpiece of the operating system… eliminates bleeders and sharpens focus on growth**
80/20: PRODUCT LINE & CUSTOMER LIST SIMPLIFICATION

**Hoist and Rigging SKU Rationalization**
- Started: ~6,200 SKUs
  - Eliminated: ~2,500 SKUs (40%)
  - Remaining: ~3,700 SKUs (60%)

**North American Industrial Products**
- Started: ~1,900 Active Customers
  - Eliminated: ~500 accounts (27%)
  - Remaining: ~1,400 accounts (73%)

**Targeted benefits:**
- Overhead reduction
- Strategic pricing

Significant reduction in business complexity…more to come
**Phase II: Operational Excellence**

Path to Top Tier Operational Performance

- **Actions**
  - Consolidate Three Facilities
  - Improvement of On-Time-Delivery
  - Building Team Performance Culture

- **Enable Customer Experience**
- **Improve Cost Structure**
- **Optimize Working Capital**

- **Material Productivity**
- **Overhead Cost Reduction**
- **Footprint Optimization**

Meet customer expectations and optimize productivity
**Phase II: Delivering Results**

($, in millions contribution to operating income)

**80/20 Process: Expecting $18 million contribution to operating income in FY20**

- **Customer simplification** (strategic pricing)
- **Priority customer account program** (incremental volume from sharpened customer focus)
- **Product simplification** (indirect overhead reduction and material productivity)
- **Closures**: Salem, OH and China

Additional operating income more than offset investments in growth and macroeconomic headwinds:

- Added nearly 30 growth positions in product development, marketing and digital initiatives
- Short-cycle business macro headwinds
- Increased medical costs and tariffs
- Divested less profitable businesses

**Strong performance with 80/20 Process and self-help strategy**
**Phase II: Ramping the Growth Engine**

Investing in Organic Growth and Improved Returns

($ in millions)

Have increased R&D investment on steady spend...

While improving returns*

- Top Performers: 127%
- Medium Performers: 87%
- Low Performers: 49%

*RReturns on R&D spend calculation:

\[
\text{GM from New Product Development} \times \frac{\text{R&D Cost}}{\text{R&D Cost}}
\]

Self-funding new product development

*Deloitte, Global Benchmarking of Product Development

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INTELLIGENT MOTION

Starts with Identifying Customers “High-Value” Problems

Total Addressable Lifting Automation Market
~$500 Million

Current Market
Expanded Market Opportunity
~$300 Million

Significant growth opportunity at +40% gross margins
RAMPING THE GROWTH ENGINE

Intelligent Motion Solutions

ProPath™ Automated Workstation Crane

Integrated load sensing in smart electric chain hoist offering

Scalable automation and control modules: “No-Fly Zone”

Investing in innovation
**Phase III: Portfolio Optimization**

**Portfolio Assessment Criteria:**
- Business model
- Profitability
- Market position
- Industry growth
- Risk assessment

- **Business Position**
  - High
  - Medium
  - Low

- **Industry Attractiveness**
  - Low
  - Medium
  - High

- **Size of bubble = $ EBITDA**

- **New**

**Legend:**
- Selective Investment
- Invest / Grow
- Scale-Up
- Fix / Exit
- Exit
**MEGATRENDS RELEVANT TO CMCO**

### Automation
- Dropping cost of sensors
- Rising wages of qualified labor

### Population
- ~80M people/year
- Increase demand for food and clean water

### Energy Demand
- Wind Energy ~13% CAGR
- Aging Infrastructure (~$94T)

### Vertical Markets
<table>
<thead>
<tr>
<th>Industry</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aerospace</td>
<td>~5%</td>
</tr>
<tr>
<td>Steel &amp; Metals</td>
<td>~3%</td>
</tr>
<tr>
<td>Food &amp; Beverage</td>
<td>~6%</td>
</tr>
<tr>
<td>Chemicals Processing</td>
<td>~4%</td>
</tr>
<tr>
<td>Utilities</td>
<td>~5%</td>
</tr>
<tr>
<td>Oil &amp; Gas / LNG</td>
<td>~4%</td>
</tr>
</tbody>
</table>

**Opportunity to leverage core competencies in growing markets**
Intelligent Motion

*Builds on core competencies, optimizes customer experience*

- **Lifting Specialist**
  - Leverages engineering & production knowhow
  - Leverage channels, valuable brand
  - Fragmented industry with niche market opportunities
  - Solutions for specialty applications

- **Technology Enabled**
  - Leverages installed base & “reason to be”
  - Responds to customer requests
  - Competition making progress
  - Greater potential for reoccurring revenue
  - Megatrends drive higher growth

*Shift to Intelligent Motion enables CMCO to leverage capabilities and optimize growth*
FY2020 YTD, ~20% of CMCO business is comprised of industrial technology
FINANCIAL PERFORMANCE
($ in millions)

Sales

<table>
<thead>
<tr>
<th></th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>Q2 FY20 TTM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted Sales</td>
<td>$637.1</td>
<td>$801.1</td>
<td>$842.1</td>
<td>$840.6</td>
</tr>
<tr>
<td>Sales from divested businesses</td>
<td>$601.1</td>
<td>$839.4</td>
<td>$876.3</td>
<td>$854.5</td>
</tr>
</tbody>
</table>

Gross Profit & Gross Margin

<table>
<thead>
<tr>
<th></th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>Q2 FY20 TTM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Profit</td>
<td>$192.9</td>
<td>$285.1</td>
<td>$305.0</td>
<td>$298.6</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>30.3%</td>
<td>34.0%</td>
<td>34.8%</td>
<td>34.9%</td>
</tr>
</tbody>
</table>

Blueprint for Growth strategy helping to offset headwinds

- Organic growth of 1.8% 1H FY20 and expanding margins
  - Strong gross margin of 35.4% in Q2 FY20
  - 80/20 strategic pricing initiatives driving organic growth

Offsets investments in growth as well as:

- Increased medical costs & tariffs
- $4.0 million FX headwind
- $9.2 million reduction of sales from divestitures

Customer and operational focus enhancing strong market positions and margin
**Financial Performance**

($ in millions)

**Operating Income & Adjusted OI Margin**

<table>
<thead>
<tr>
<th></th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>Q2 FY20 TTM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from Operations</td>
<td>$47.2</td>
<td>$78.7</td>
<td>$99.8</td>
<td>$102.2</td>
</tr>
<tr>
<td>Non-GAAP Adjustments</td>
<td>$23.7</td>
<td>$68.3</td>
<td>$69.4</td>
<td>$83.4</td>
</tr>
<tr>
<td>Margin (%)</td>
<td>7.4%</td>
<td>9.4%</td>
<td>11.4%</td>
<td>12.0%</td>
</tr>
</tbody>
</table>

**Net Income & Adjusted Net Income**

<table>
<thead>
<tr>
<th></th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>Q2 FY20 TTM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income</td>
<td>$30.7</td>
<td>$46.8</td>
<td>$64.9</td>
<td>$68.0</td>
</tr>
<tr>
<td>Non-GAAP Adjustments</td>
<td>$9.0</td>
<td>$22.1</td>
<td>$42.6</td>
<td>$54.1</td>
</tr>
</tbody>
</table>

**Improving earnings power**

Q2 FY20 operating income increased $0.4 million, or 1.6%

- Adjusted operating income grew 3.4%, or 9.6% normalized for divestitures

Margins increasing with 80/20 Process and cost discipline

- Adjusted operating margin of 12.7% expanded 100 bps in Q2 FY20

Q2 FY20 net income up 4.3% to $16.6 million

- Adjusted net income up 8.1% to $17.8 million

**Blueprint for Growth strategy driving increased earnings power**
**CASH FLOW**

($ in millions)

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>9/30/19</td>
<td>9/30/18</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>$40.0</td>
<td>$19.5</td>
</tr>
<tr>
<td>CapEx</td>
<td>(3.0)</td>
<td>(2.5)</td>
</tr>
<tr>
<td>Operating free cash flow</td>
<td>$37.1</td>
<td>$17.0</td>
</tr>
</tbody>
</table>

Note: Components may not add to totals due to rounding

Generated $37.1 million in operating free cash flow (FCF) in Q2

FY20 expected CapEx: approximately $15 million

**Free Cash Flow**

5 Yr. CAGR: ~15%

FY21E to FY22E Assumptions:
- Annual CapEx of ~$20 million
- Annual pension contribution of ~$12 million

**Reliable, strong cash flow generation**

Capital expenditure guidance provided November 7, 2019

(1) Free cash flow is defined as cash provided by operating activities minus capital expenditures
### Strong Balance Sheet

($ in millions)

<table>
<thead>
<tr>
<th>Capitalization</th>
<th>Sept. 30, 2019</th>
<th>March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 72.0</td>
<td>$ 71.1</td>
</tr>
<tr>
<td>Total debt</td>
<td>271.4</td>
<td>300.3</td>
</tr>
<tr>
<td>Total net debt</td>
<td>199.4</td>
<td>229.2</td>
</tr>
<tr>
<td>Shareholders’ equity</td>
<td>463.8</td>
<td>431.2</td>
</tr>
<tr>
<td><strong>Total capitalization</strong></td>
<td><strong>$ 735.2</strong></td>
<td><strong>$ 731.5</strong></td>
</tr>
<tr>
<td>Debt/total capitalization</td>
<td>36.9%</td>
<td>41.1%</td>
</tr>
<tr>
<td>Net debt/net total capitalization</td>
<td>30.1%</td>
<td>34.7%</td>
</tr>
</tbody>
</table>

### De-Levering Balance Sheet

Paid down $125 million of debt in FY18 & FY19

- Debt leverage ratio\(^{(1)}\) of 1.5x
  - Paid down $20 million of debt in Q2 FY20
  - YTD debt reduced by $30 million
  - Net debt to net total capital 30.1%

Financial flexibility enables Phase III of Blueprint for Growth strategy

---

\(^{(1)}\) Debt leverage ratio is defined as Net Debt / Adjusted TTM EBITDA
Capital deployment priorities remain unchanged

**Organic Growth**
- New product development and CapEx
- De-lever the balance sheet

**In-organic Growth**
- M&A

**Return of Capital**
- Regular dividend
- Share repurchase

- Investing in growth initiatives
- Achieved net leverage target
- Fund M&A
- Adhere to dividend policy
- Consider opportunistically

*Capital deployment priorities remain unchanged*
ROADMAP TO ACHIEVING EBITDA MARGIN TARGET

(+/- in basis points)

Adjusted EBITDA margin expansion driven by Blueprint for Growth strategy
**Value Creation vs. Peers**

*Objective: Achieve Top Quartile Performance*

**TTM EBITDA %**

1st: ~27% ~19%
2nd: ~16% 15.5%
3rd: ~13% 11.7%
4th: ~10%

**EV/EBITDA**

1st: ~18.9x
2nd: ~13.5x
3rd: ~9.8x 9.4x
4th: ~7.3x 8.5x

**TTM ROIC**

1st: ~18%
2nd: ~14%
3rd: ~11%
4th: ~9%

**Valuation not reflecting earnings power potential…**

-Meeting quartiles as of 6/30/19
WHY COLUMBUS MCKINNON?

- Blueprint for Growth strategy is driving change
- Building stronger earnings power - creating value
- Strong management team executing well
- Strategy expected to outperform in recession
- Delivering returns with lower risk profile
## BUSINESSES SOLD

<table>
<thead>
<tr>
<th>($ in thousands)</th>
<th>FY17</th>
<th>FY18</th>
<th>Q1 FY19</th>
<th>Q2 FY19</th>
<th>Q3 FY19</th>
<th>Q4 FY19</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>36,055</td>
<td>38,299</td>
<td>11,104</td>
<td>9,233</td>
<td>8,983</td>
<td>4,875</td>
<td>34,195</td>
</tr>
<tr>
<td>Income (loss) from operations</td>
<td>(1,158)</td>
<td>985</td>
<td>665</td>
<td>1,461</td>
<td>1,007</td>
<td>532</td>
<td>3,665</td>
</tr>
</tbody>
</table>

1. The Tire Shredder business was divested December 28, 2018.
2. Crane Equipment & Service, Inc. was divested February 28, 2019.
3. Stahlhammer Bommern GmbH was divested February 28, 2019.
## Adjusted Income from Operations Reconciliation

<table>
<thead>
<tr>
<th>($ in thousands)</th>
<th>Fiscal Year</th>
<th>TTM</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY 2017</td>
<td>FY 2018</td>
</tr>
<tr>
<td>Income from operations</td>
<td>$23,725</td>
<td>$68,331</td>
</tr>
<tr>
<td>Add back (deduct):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Factory closures</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Business realignment costs</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Insurance recovery legal costs</td>
<td>1,359</td>
<td>2,948</td>
</tr>
<tr>
<td>Net (gain) loss on sales of businesses</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Insurance settlement</td>
<td>—</td>
<td>(2,362)</td>
</tr>
<tr>
<td>Acquisition deal, integration, and severance costs</td>
<td>8,815</td>
<td>8,763</td>
</tr>
<tr>
<td>Debt repricing fees</td>
<td>—</td>
<td>619</td>
</tr>
<tr>
<td>Magnetek litigation</td>
<td>—</td>
<td>400</td>
</tr>
<tr>
<td>Acquisition inventory step-up expense</td>
<td>8,852</td>
<td>—</td>
</tr>
<tr>
<td>CEO retirement pay and search costs</td>
<td>3,085</td>
<td>—</td>
</tr>
<tr>
<td>Impairment of intangible asset</td>
<td>1,125</td>
<td>—</td>
</tr>
<tr>
<td>Canadian pension lump sum settlements</td>
<td>247</td>
<td>—</td>
</tr>
<tr>
<td>Non-GAAP adjusted income from operations</td>
<td>$47,208</td>
<td>$78,699</td>
</tr>
<tr>
<td>Sales</td>
<td>$637,123</td>
<td>$839,419</td>
</tr>
<tr>
<td>Adjusted operating margin</td>
<td>7.4%</td>
<td>9.4%</td>
</tr>
</tbody>
</table>

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 information, 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)

<table>
<thead>
<tr>
<th></th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>TTM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income</td>
<td>$ 8,984</td>
<td>$ 22,065</td>
<td>$ 42,577</td>
<td>$ 54,137</td>
</tr>
<tr>
<td><strong>Add back:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Factory closures</td>
<td>—</td>
<td>—</td>
<td>1,473</td>
<td>2,970</td>
</tr>
<tr>
<td>Business realignment costs</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>413</td>
</tr>
<tr>
<td>Insurance recovery legal costs</td>
<td>1,359</td>
<td>2,948</td>
<td>1,282</td>
<td>982</td>
</tr>
<tr>
<td>Net loss on sales of businesses</td>
<td>—</td>
<td>—</td>
<td>25,672</td>
<td>14,748</td>
</tr>
<tr>
<td><strong>Insurance settlement</strong></td>
<td>—</td>
<td>(2,362)</td>
<td>—</td>
<td>(290)</td>
</tr>
<tr>
<td>Acquisition deal, integration, and severance costs</td>
<td>8,815</td>
<td>8,763</td>
<td>1,906</td>
<td>—</td>
</tr>
<tr>
<td>Debt refinancing costs</td>
<td>—</td>
<td>619</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Magnetek litigation</td>
<td>—</td>
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<td>—</td>
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<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>CEO retirement pay and search costs</td>
<td>3,085</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Loss on foreign exchange option for acquisition</td>
<td>1,590</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Loss on extinguishment of debt</td>
<td>1,303</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Impairment of intangible asset</strong></td>
<td>1,125</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Canadian pension lump sum settlements</td>
<td>247</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Normalize tax rate</strong></td>
<td>(4,626)</td>
<td>14,408</td>
<td>(7,990)</td>
<td>(4,917)</td>
</tr>
<tr>
<td><strong>Non-GAAP adjusted net income</strong></td>
<td>$ 30,734</td>
<td>$ 46,841</td>
<td>$ 64,920</td>
<td>$68,043</td>
</tr>
<tr>
<td>Average diluted shares outstanding</td>
<td>20,888</td>
<td>23,335</td>
<td>23,660</td>
<td>23,775</td>
</tr>
<tr>
<td>Diluted income per share - GAAP</td>
<td>$0.43</td>
<td>$0.95</td>
<td>$1.80</td>
<td>$2.28</td>
</tr>
<tr>
<td>Diluted income per share - Non-GAAP</td>
<td>$1.47</td>
<td>$2.01</td>
<td>$2.74</td>
<td>$2.86</td>
</tr>
</tbody>
</table>

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

Adjusted net income and diluted EPS are defined as net income and diluted EPS as reported, adjusted for certain items and at a normalized tax rate. Adjusted net income and 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 to the measures as used by other companies. Nevertheless, Columbus McKinnon believes that providing non-GAAP information, such as adjusted net income and 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 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.

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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 information, such as adjusted EBITDA, 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 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.
INDUSTRIAL CAPACITY UTILIZATION

U.S. Capacity Utilization
Source: The Federal Reserve Board

Eurozone Capacity Utilization
Source: European Commission

(1) November 2019 numbers are preliminary
January 8, 2020

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