Q1 Fiscal 2025
Financial Results Conference Call

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COLUMBUS McKINNON CORPORATION

INTELLIGENT MOTION

July 31, 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, our full year and second quarter fiscal 2025 guidance and our fiscal 2027 targets and goals; (ii) our operational and financial targets and capital distribution policy; (iii) general economic trend and trends in the industry and markets; (iv) the amount of debt to be paid down by the Company during fiscal 2025 and the expected amount of interest expense savings from the March 2024 Term Loan B repricing; (v) the estimated costs and benefits related to the consolidation of the Company’s North American linear motion operations in Charlotte, North Carolina to its manufacturing facility in Monterrey, Mexico; and (vi) 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, 2024 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 financial measures are noted and reconciliations of comparable GAAP measures with non-GAAP financial measures can be found in tables included in the Supplemental Information portion of this presentation.

Q1 FY25 Quarterly Review

- **Net Sales up 2% Y/Y** driven by growth in precision conveyance and lifting
- **Gross margin expanded** 30 bps Y/Y and 110 bps on an adjusted basis[1]
- Net income of $8.6 million or 3.6% of sales **included $2.6 million[2] of costs for factory simplification;** announced consolidation of North American linear motion production to Monterrey, MX in Q2 FY25
- Adjusted EBITDA[1] increased 2% to $37.5 million with an **Adjusted EBITDA Margin[1] of 15.6%**
- Net cash used for operating activities improved $6.5 million from the prior year
- Paid down $20 million of debt, increasing expected debt repayment for FY25 to $60 million

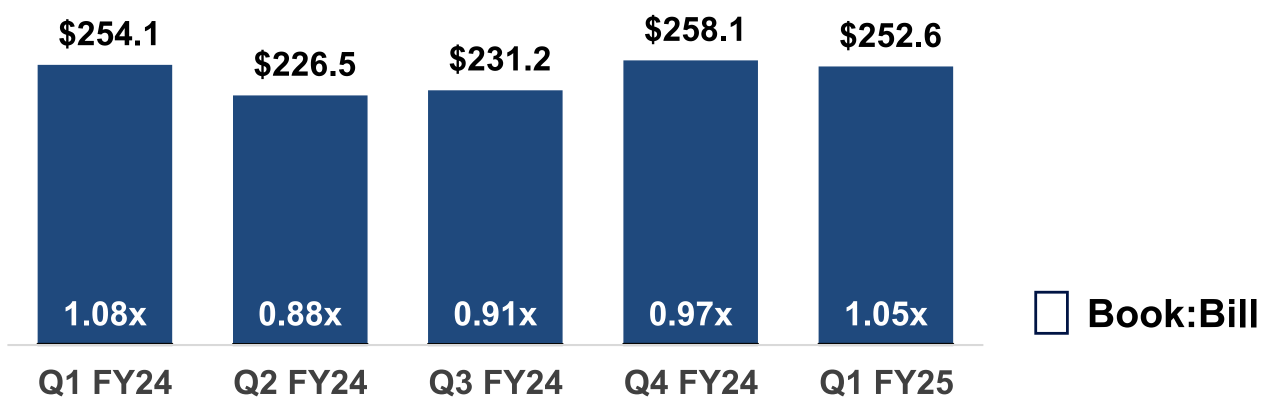
Continued Sales Growth and Gross Margin Expansion as We Advance our Transformation

[1] Non-GAAP financial measure; see definition and reconciliation at the end of this Presentation.
[2] $2.6 million represents the $3.6 million impact tax effected at a 28.4% tax rate.

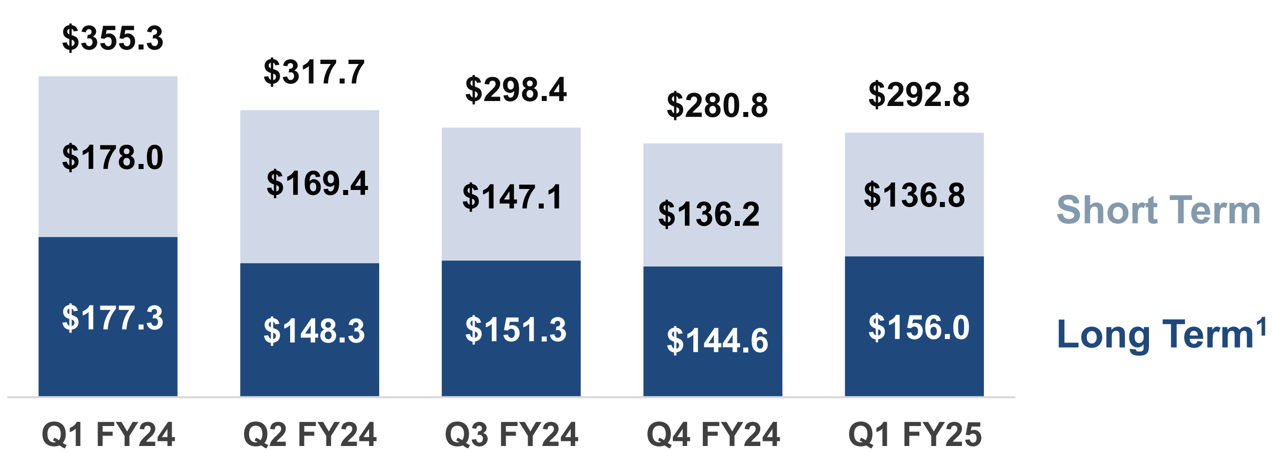
Orders and Backlog

($ in millions, $M)

Orders



Backlog



Healthy pipeline of opportunities

- Precision conveying, lifting and linear motion orders up mid-single digits Y/Y
- Orders down 1% Y/Y driven by timing shift of an $9M order into Q2 FY25
- Strength in EMEA & APAC
- Short-cycle orders grew 3%; Encouraging order funnel for project business

Backlog up 4% sequentially

- Expect backlog to further normalize from elevated levels
- Improving lead times remain an important focus

Backlog Increased 4% Sequentially with Book to Bill Ratio of 1.05x

[1]Long term backlog is expected to ship beyond three months

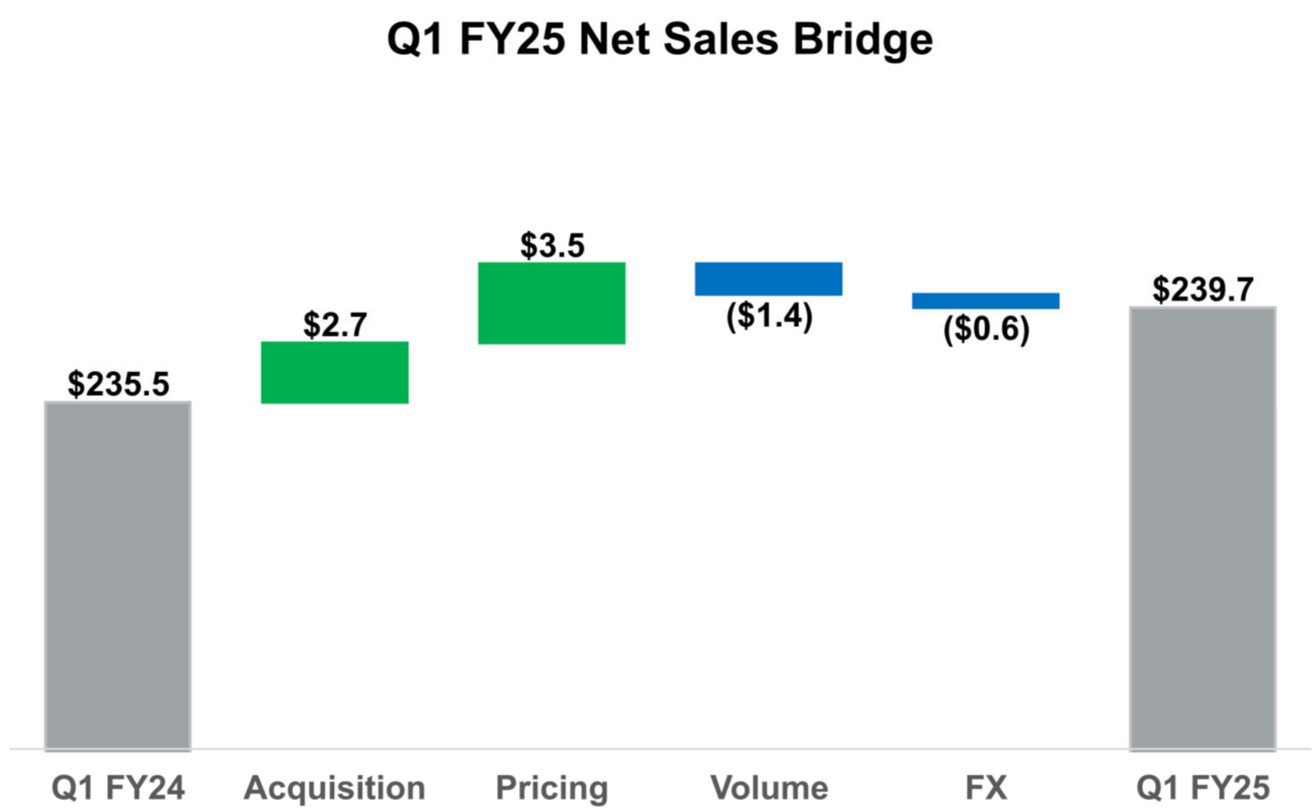
Priority Initiatives in FY25

Profitable Growth	**Deliver on commercial initiatives and drive margin expansion** • Grow share of wallet through improved customer experience • Execute commercial, geographic expansion and product innovation initiatives • Focus on margin expansion through 80/20 actions
Customer Experience	**Improve performance and customer intimacy** • Continue Net Promotor Score improvement following double-digit increase in FY24 • Reduce lead-times and improve on-time delivery to market competitive levels or better • Enhance demand planning process and leverage technology
Factory Performance	**Improve operational KPIs** • Increase material productivity and VAVE savings • Improve direct labor efficiency • Reduce overhead rates driven by strategic priorities
Footprint Simplification	**Execute footprint simplification plan** • Generate cost savings and operational improvement through Americas Manufacturing Center of Excellence in Monterrey, Mexico • Deliver synergies in EMEA through shared services

Focused on Delivering Profitable Growth and Margin Expansion

Net Sales

($ in millions, $M)



Q1 FY25 net sales increased 2% Y/Y

- montratec® acquired growth of 1%[1]
- Organic growth of 1%
- Precision conveyance, up 10%
- Project-related business, up 4%
- Short-cycle, down 2%

Regional Performance:

- Sales outside of the U.S. increased 5% excluding FX
- U.S. sales flat with pricing offsetting volume decline

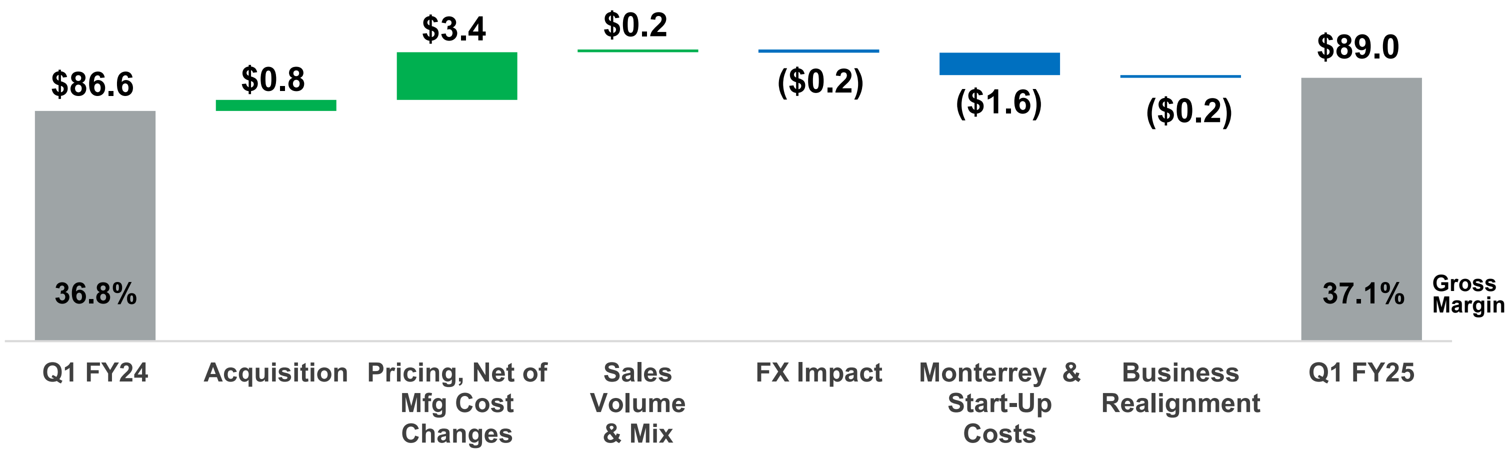
Delivered 2% Growth in Q1 FY25 driven by precision conveyance and lifting

[1] montratec acquisition impact represents the addition of April and May 2024 prior to reaching the anniversary of the acquisition, which was completed on May 31, 2023.

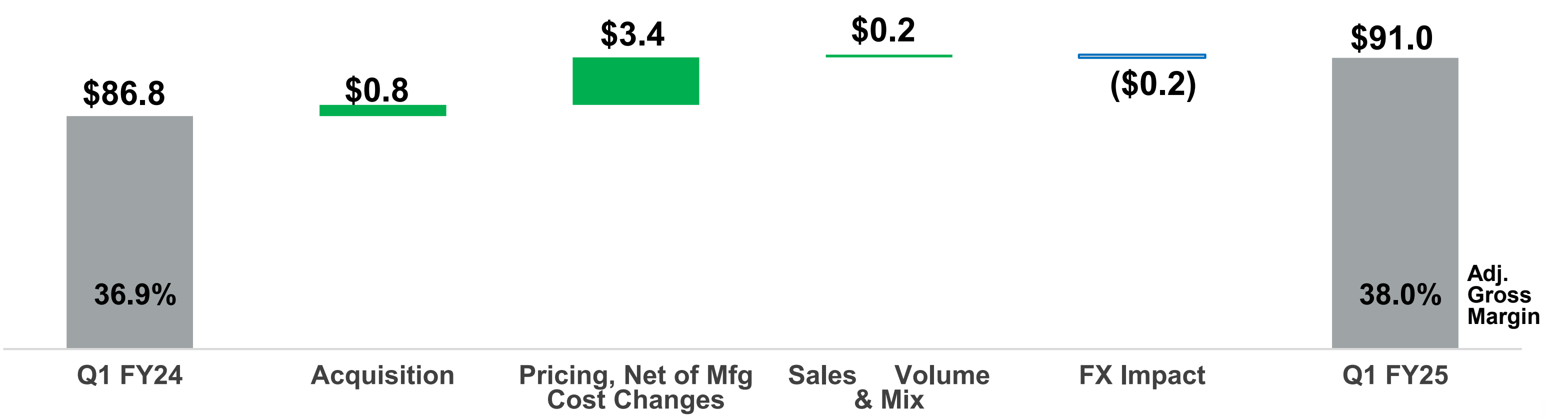
Gross Profit & Margin

($ in millions, $M)

Q1 FY25 Gross Profit



Q1 FY25 Adjusted Gross Profit[1]



Q1 FY25 gross margin of 37.1%

- Increased 30 bps Y/Y
- Gross profit increased 3% driven by:
  - montratec acquisition
  - Pricing net of material inflation, moderating from prior year
  - Partially offset by $1.6M of Monterrey, Mexico start-up costs

Q1 FY25 Adjusted Gross Margin[1] of 38.0%

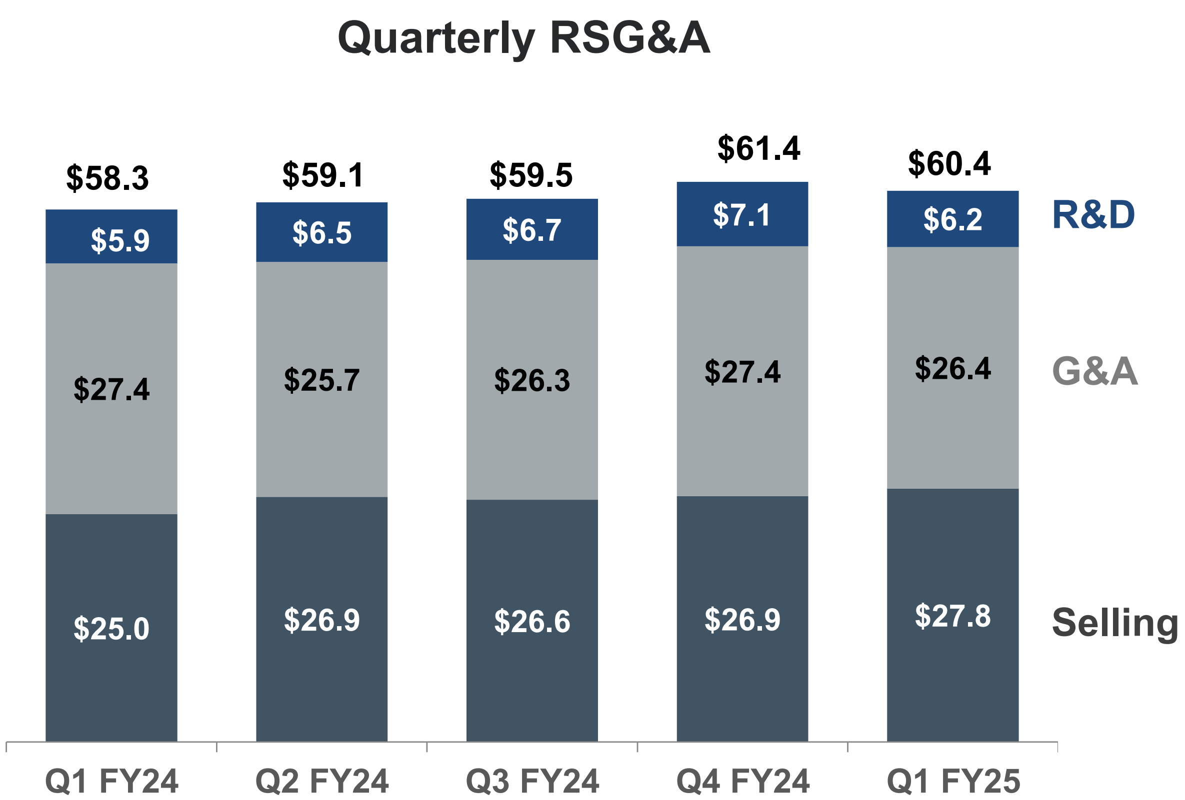
- Increased 110 bps Y/Y
- Adjusted Gross Profit[1] increased 5% adjusted for Monterrey, Mexico start-up and business realignment costs

Adjusted Gross Margin[1] Expanded 110 bps Y/Y... On Track Toward Long-Term Objective

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

RSG&A

($ in millions, $M)



RSG&A as a % of Net Sales	**24.8%**	**22.9%**	**23.4%**	**23.1%**	**25.2%**

Note: Components may not add to totals due to rounding

Q1 FY25 RSG&A increased $2.1M Y/Y

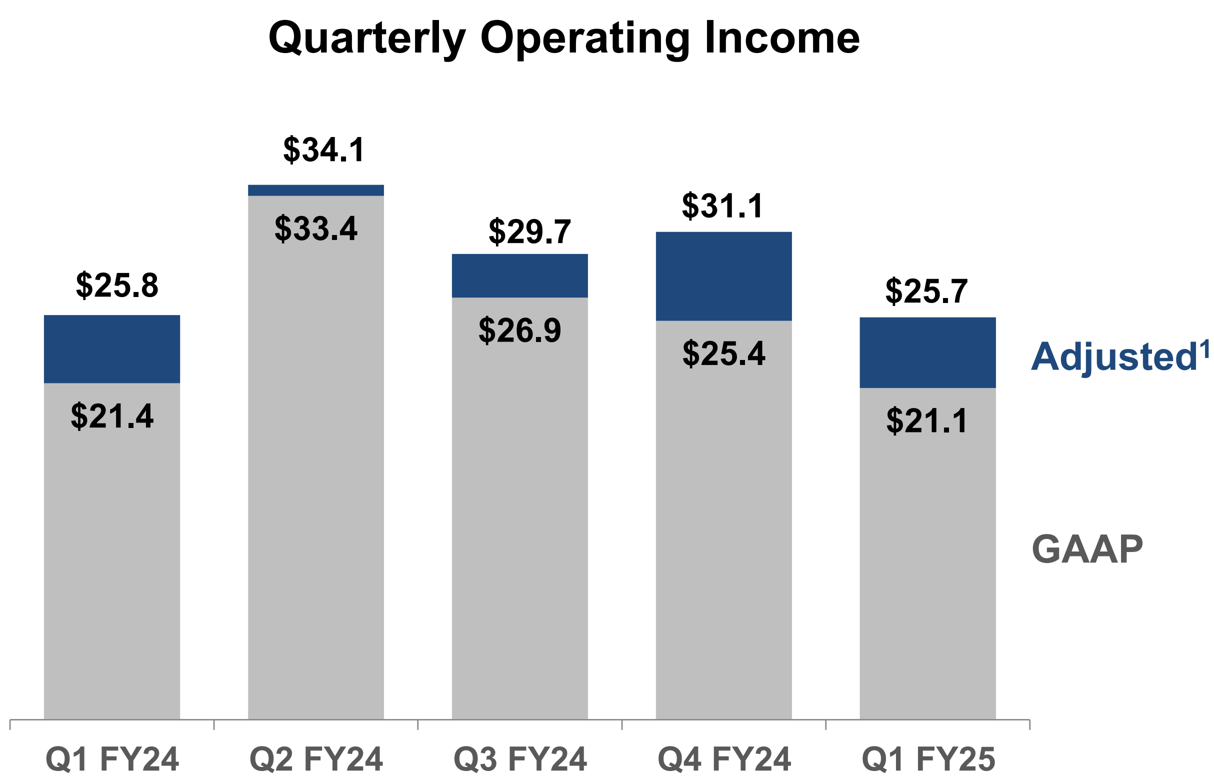
- $1.7M from montratec acquisition[1]
- G&A includes $1.9M of Monterrey Mexico start-up costs
- Selling includes $1.2M of costs for our strategic partner conferences and $0.2M of business realignment costs
- R&D includes $0.3M of business realignment costs

RSG&A Y/Y Increase in Q1 FY25 Reflects Acquisition and Mexico Center Of Excellence Investment

[1] montratec acquisition impact represents the addition of April and May 2024 prior to reaching the anniversary of the acquisition, which was completed on May 31, 2023.

Operating Income

($ in millions, $M)



	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25
Operating Margin	**9.1%**	**12.9%**	**10.6%**	**9.6%**	**8.8%**
Adj. Operating Margin[1]	**10.9%**	**13.2%**	**11.7%**	**11.7%**	**10.7%**

Q1 FY25 operating income decreased 1% Y/Y

- Operating income included:
  - $3.6M of Monterrey Mexico start-up costs
  - $1.2M of costs related to our strategic partner conferences
- Operating margin of 8.8% down 30 bps

Q1 FY25 Adjusted Operating Income[1] flat Y/Y

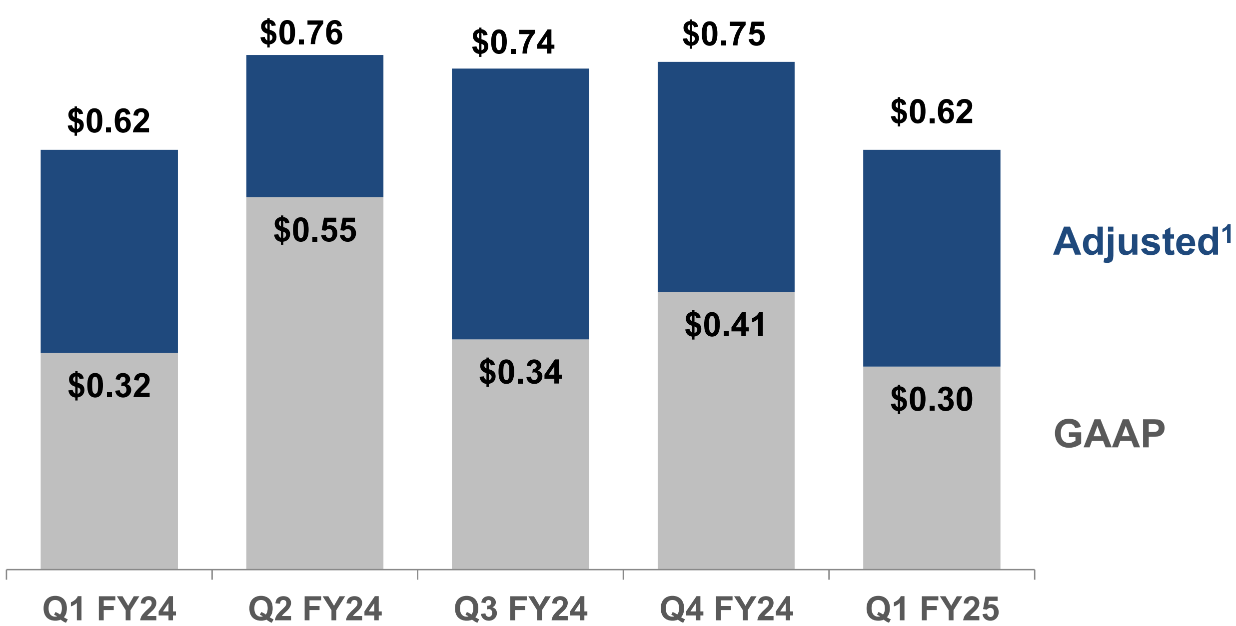
- Adjusted Operating Margin[1] of 10.7% down 20 bps

Q1 FY25 Adjusted Operating Income[1] Flat Y/Y Including $1.2M of Cost for Strategic Partner Conferences

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

Earnings Per Share

Quarterly Diluted EPS



	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25
Net Income	$9.3	$15.8	$9.7	$11.8	$8.6
Adj. Net Income[1]	$17.9	$21.9	$21.4	$21.8	$18.0

Q1 net income of $8.6M decreased $0.6M Y/Y

- $0.3M higher other expense (pension costs)
- $0.2M decrease in operating income
- $0.2M lower investment income
- Partially offset $0.3M lower interest expense

Q1 FY25 Adjusted Net Income[1] of $18.0M increased $0.2M Y/Y

- Flat Adjusted Operating Income[1]
- $0.5M higher amortization expense add-back
- $0.3M lower interest expense
- Partially offset by $0.3M higher other expense (pension-related) and $0.2M lower investment income

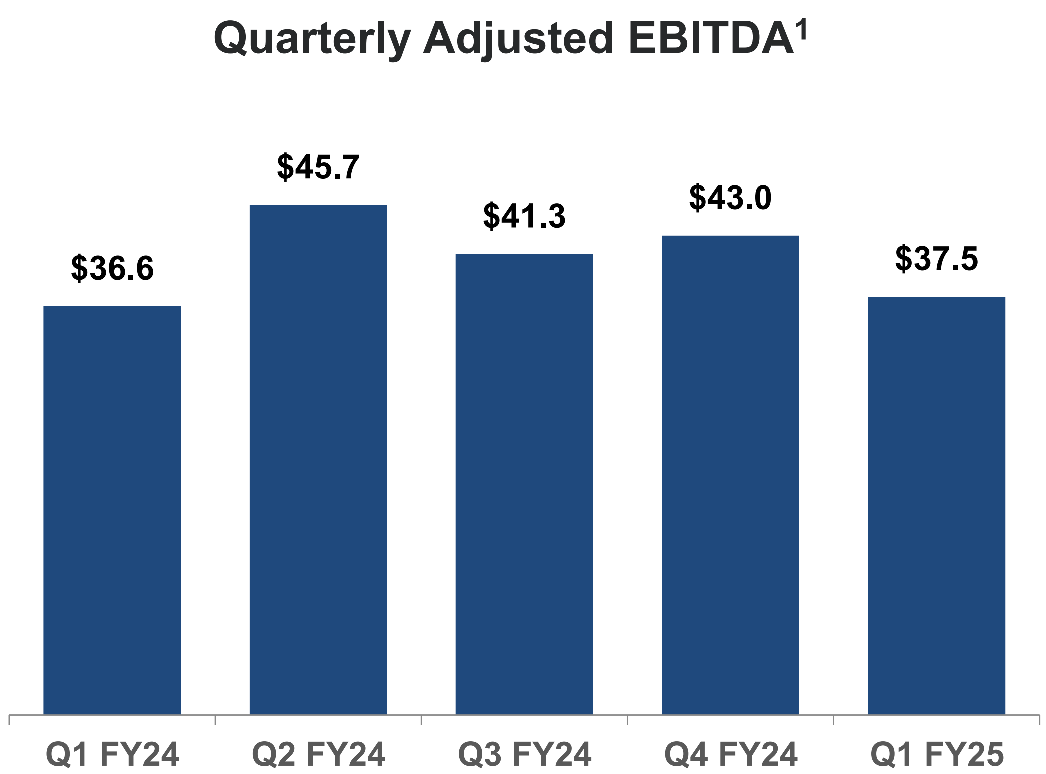
Note: All variance numbers are tax effected at a 28.4% rate.

Delivered Adjusted EPS[1] of $0.62 in Q1 FY25

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

Adjusted EBITDA

($ in millions, $M)



	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25
Adj. EBITDA Margin[1]	**15.6%**	**17.7%**	**16.3%**	**16.2%**	**15.6%**

Q1 FY25 Adjusted EBITDA[1] increased 2% Y/Y

- Flat Adjusted Operating Income[1]
- Increased depreciation and amortization of $1.0M

Q1 FY25 Adjusted EBITDA Margin[1] of 15.6%

- Targeting ~21% Adjusted EBITDA Margin[1] in FY27
- Expect 80/20 initiatives, factory simplification, and operating leverage on increased scale to drive continued margin expansion

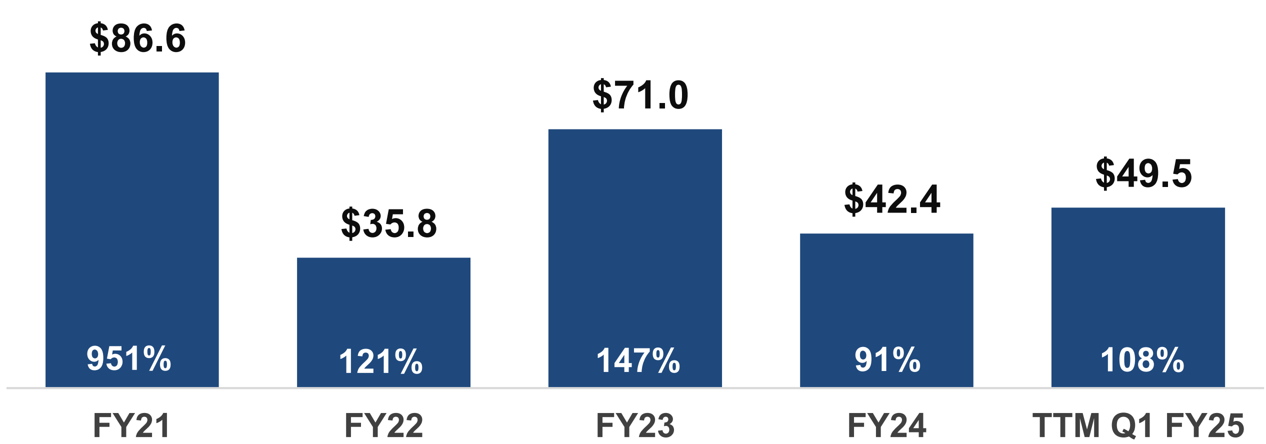
Q1 FY25 Adjusted EBITDA[1] Increased 2% Y/Y Driven By Adjusted Gross Margin Expansion

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

Cash Flow

($ in millions, $M)

Free Cash Flow[1] & FCF Conversion[1]



	Three Months Ended	
	6/30/24	6/30/23
Net cash provided by (used for) operating activities	**($10.8)**	**($17.2)**
Capital Expenditures	4.6	5.3
Free Cash Flow (FCF)[1]	**($ 15.4)**	**($22.5)**

Note: Components may not sum due to rounding

Net cash used for operating activities improved by $6.5M Y/Y

- Seasonal cash outflow in Q1 FY25 ahead of prior year

Capital expenditures decreased $0.6M Y/Y

- CapEx investment for our North American manufacturing center of excellence in Monterrey facility in H2 FY25

Free Cash Flow[1] improved by $7.1M Y/Y

Free Cash Flow Conversion[1] of 108% on a trailing twelve-month basis

Free Cash Flow[1] increased $7.1M Y/Y with Normal Seasonal Outflow in Q1 FY25

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

Capital Structure

($ in millions, $M)

Capitalization	June 30, 2024	March 31, 2024
Term Loan B	$ 462.6	$ 477.6
AR Securitization Facility	40.0	45.0
Capital Lease	12.8	12.9
Unamortized Deferred Financing Fees	(4.9)	(5.3)
Total debt	**510.4**	**530.2**
Cash and cash equivalents	$ 68.4	$ 114.1
Debt, net of cash and cash equivalents	**442.1**	**416.1**
Shareholders' equity	885.8	882.1
Net capitalization	**$ 1,327.9**	**$ 1,412.3**
Debt/total capitalization	*36.6%*	*37.5%*
Net debt/net total capitalization	*33.3%*	*32.1%*

Note: Components may not add to totals due to rounding

Repaid $20M of debt in Q1 FY25

- Total debt down 4% YTD

Repriced Term Loan B debt in Mar 2024 resulting in ~$2.5M of annual interest expense savings

- Repriced TLB in March 2024 reducing applicable margin by 25 bps to 250 bps and eliminated 26 bps credit spread adjustment
- 68% of total debt is hedged at a weighted average fixed cost of 6.7%

Net Leverage Ratio[1] of 2.6x as of Q1 FY25

- Down 0.3x Y/Y
- Up 0.2x Q/Q consistent with normal seasonality

Continued financial flexibility with $230M of liquidity

Investing in Growth and Paying Down Debt… Expect to Repay $60M of Debt in FY25

FY2025 Guidance

	FY25	Q2 FY25
Net Sales ($M)	Low-single digit growth Y/Y	Down low to mid-single digits Y/Y
Adjusted EPS[1]	Mid to high-single digit growth Y/Y	Down mid-single digits Y/Y
Capital Expenditures	$20 to $30 million	
Net Leverage Ratio[1]	~2.0x	

Guidance Assumptions:

- FY25: ~$33M of interest expense, ~$30M of amortization, an effective tax rate of ~25% and 29.4M diluted average shares
- Q2 FY25: ~$9M of interest expense, ~$8M of amortization, an effective tax rate of ~25% and 29.2M diluted average shares

Reaffirming Full Year Guidance; Continue to Expect Growth and Margin Expansion in FY25

[1] Adjusted EPS and Net Leverage Ratio are non-GAAP financial measures. See supplemental information for additional information on non-GAAP financial measures. Forward-looking estimates of Adjusted EPS and Net Leverage Ratio are made in a manner consistent with the relevant definitions and assumptions noted herein, but reconciliations are not available on a forward-looking basis without unreasonable effort.

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July 31, 2024

Supplemental Information

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PURPOSE IN MOTION

Conference Call Playback Info

Replay Number: 412-317-6671 passcode: 13747096

Telephone replay available through August 7, 2024

Webcast / PowerPoint / Replay available at investors.cmco.com

Transcript, when available, at investors.cmco.com

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.

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

Forward-Looking:

The Company has not reconciled the Adjusted EBITDA Margin, Adjusted EPS and Net Leverage Ratio guidance to the most comparable GAAP measure 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 guidance for the comparable GAAP financial measures. Forward-looking guidance regarding Adjusted EPS and Net Leverage Ratio for fiscal 2025 are made in a manner consistent with the relevant definitions and assumptions noted herein. Forward-looking guidance regarding Adjusted EBITDA Margin for fiscal 2027 are made in a manner consistent with the relevant definitions and assumptions noted herein.

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

($ in thousands)	Quarter	
	Q1 FY24	**Q1 FY25**
Gross profit	$ 86,649	$ 89,030
Add back (deduct):		
Business realignment costs	196	392
Monterrey, MX new factory start-up costs	—	1,625
Adjusted Gross Profit	$ 86,845	$ 91,047
Net sales	$ 235,492	$ 239,726
Gross margin	36.8%	37.1%
Adjusted Gross Margin	36.9%	38.0%

Adjusted Gross Profit is defined as gross profit as reported, adjusted for certain items. Adjusted Gross 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 Margin as used by other companies. Nevertheless, Columbus McKinnon believes that providing non-GAAP financial measures, such as Adjusted Gross Profit and Adjusted Gross 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 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	
	Q1 FY24	Q1 FY25
Income from operations	$ 21,448	$ 21,147
Add back (deduct):		
Acquisition deal and integration costs	2,587	—
Business realignment costs	375	850
Headquarter relocation costs	1,228	96
Factory and warehouse consolidation	117	—
Monterrey, MX new factory start-up costs	—	3,566
Adjusted Operating Income	$ 25,755	$ 25,659
Net sales	$ 235,492	$ 239,726
Operating margin	9.1%	8.8%
Adjusted Operating Margin	10.9%	10.7%

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 Adjusted 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 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 EPS

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($ in thousands, except per share data)	Quarter	
	Q1 FY24	**Q1 FY25**
Net income	$ 9,275	$ 8,629
Add back (deduct):		
Amortization of intangibles	6,877	7,500
Acquisition deal and integration costs	2,587	—
Business realignment costs	375	850
Headquarter relocation costs	1,228	96
Factory and warehouse consolidation	117	—
Monterrey, MX new factory start-up costs	—	3,566
Normalize tax rate to 25%	(2,569)	(2,595)
Adjusted Net Income	$ 17,890	$ 18,046
Average diluted shares outstanding	28,906	29,127
Diluted income per share	$ 0.32	$ 0.30
Adjusted EPS	$ 0.62	$ 0.62

Adjusted Net Income and Adjusted 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 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 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 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 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.

Non-GAAP Measures: Adjusted EBITDA and Adjusted EBITDA Margin

($ in thousands)	Quarter	
	Q1 FY24	**Q1 FY25**
Net income	$ 9,275	$ 8,629
Add back (deduct):		
Income tax expense (benefit)	3,394	3,421
Interest and debt expense	8,625	8,235
Investment (income) loss	(543)	(209)
Foreign currency exchange (gain) loss	483	395
Other (income) expense, net	214	676
Depreciation and amortization expense	10,890	11,840
Acquisition deal and integration costs	2,587	—
Business realignment costs	375	850
Factory and warehouse consolidation	117	—
Headquarter relocation costs	1,228	96
Monterrey, MX new factory start-up costs	—	3,566
Adjusted EBITDA	$ 36,645	$ 37,499
Net sales	$ 235,492	$ 239,726
Net income margin	3.9%	3.6%
Adjusted EBITDA Margin	15.6%	15.6%

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: Free Cash Flow (FCF) and FCF Conversion

($ in thousands)	Quarter		Fiscal Year				TTM
	Q1 FY24	**Q1 FY25**	**2021**	**2022**	**2023**	**2024**	**Q1 FY25**
Net cash provided by (used for) operating activities	$ (17,247)	$ (10,758)	$ 98,890	$ 48,881	$ 83,636	$ 67,198	$ 73,687
Capital expenditures	(5,273)	(4,629)	(12,300)	(13,104)	(12,632)	(24,813)	(24,169)
Free Cash Flow (FCF)	$ (22,520)	$ (15,387)	$ 86,590	$ 35,777	$ 71,004	$ 42,385	$ 49,518
Net income			$ 9,106	$ 29,660	$ 48,429	$ 46,625	$ 45,979
Free Cash Flow Conversion			951%	121%	147%	91%	108%

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: ROIC

($ in thousands)	Fiscal Year				
	2021	**2022**	**2023**	**2024**	**TTM Q1 2025**
Income from operations	$ 42,255	$ 73,781	$ 97,841	$ 107,148	$ 106,847
Add back (deduct):					
Acquisition deal and integration costs	3,951	10,473	616	3,211	624
Business realignment costs	1,470	3,902	5,140	1,867	2,342
Factory and warehouse consolidation	3,778	—	—	744	627
Headquarter relocation costs	—	—	996	2,059	927
Garvey contingent consideration	—	—	1,230	—	—
Monterrey, MX new factory start-up costs	—	—	—	4,489	8,055
Acquisition inventory step-up expense	—	5,042	—	—	—
Product liability settlement	—	2,850	—	—	—
Cost of debt repricing	—	—	—	1,190	1,190
Insurance settlement	229	—	—	—	—
Gain on sale of building	(2,638)	—	—	—	—
Acquisition amortization of backlog	—	2,100	—	—	—
Adjusted Operating Income	$ 49,045	$ 98,148	$ 105,823	$ 120,708	$ 120,612
Adjusted Operating Income, net of normalized tax rate of 25%	$ 36,784	$ 73,611	$ 79,367	$ 90,531	$ 90,459
Trailing five quarter averages:					
Total debt	260,130	438,768	491,410	539,296	547,063
Total shareholders' equity	487,523	701,640	795,410	859,119	869,453
Cash and cash equivalents	168,599	123,636	100,922	111,260	98,299
Net total capitalization	$ 579,054	$ 1,016,772	$ 1,185,898	$ 1,287,086	$ 1,318,216
Return on Invested Capital (ROIC)	6.4%	7.2%	6.7%	7.0%	6.9%

ROIC is defined as Adjusted Operating Income, net of taxes at a *25%* normalized rate *(fiscal 2021, 2022 and 2023 restated with a 25% normalized tax rate versus the 22% tax rate previously reported)*, for the trailing twelve months divided by the average of total debt plus total shareholders' equity less cash and cash equivalents (average capital) for the trailing five quarters. ROIC is not a measure determined in accordance with GAAP and may not be comparable with the measures as used by other companies. Nevertheless, Columbus McKinnon believes that providing non-GAAP financial information, such as ROIC, is important for investors and other readers of the Company's financial statements.

Non-GAAP Measures: Net Debt and Net Leverage Ratio

CECO INTELLIGENT MOTION

($ in thousands)	Trailing Twelve Month	
	Q1 FY24	**Q1 FY25**
Net income	$ 49,313	$ 45,978
Add back (deduct):		
Annualize EBITDA for montratec[1]	7,994	—
Annualize synergies for montratec[1]	401	—
Income tax expense (benefit)	20,547	14,929
Interest and debt expense	30,364	37,567
Non-cash loss related to asset retirement	2	—
Gain on sale of facility	(232)	—
Non-cash pension settlement	—	4,984
Amortization of deferred financing costs	1,774	2,488
Stock compensation expense	11,655	11,159
Garvey contingent consideration	1,230	—
Depreciation and amortization expense	42,368	46,895
Acquisition deal and integration costs	3,117	624
Excluded deal and integration costs[2]	(529)	—
Business realignment costs	3,857	2,341
Excluded business realignment costs[2]	(3,482)	—
Factory and warehouse consolidation	117	627
Headquarter relocation costs	2,224	927
Cost of debt refinancing	—	1,190
Monterrey, MX new factory start-up costs	—	8,055
Credit Agreement TTM Adjusted EBITDA	$ 170,720	$ 177,764
Total debt	579,769	510,430
Standby letters of credit	15,364	15,630
Cash and cash equivalents	(106,994)	(68,373)
Net Debt	$ 488,139	$ 457,687
Net Leverage Ratio	2.86x	2.57x

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 ("TTM") Adjusted EBITDA. 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 TTM Q1 FY25.

[2] The Company's credit agreement definition of Adjusted EBITDA excludes certain acquisition deal and integration costs and business realignment costs that are incurred beyond one year after the close of an acquisition.