The following table provides the location and fair value amounts of derivative instruments that are reported in the Consolidated Balance Sheet as of September 30, 2013 and December 31, 2012:

Total derivatives NOT designated as a hedge instrument

	Balance Sheet Location	Fair Value September 30, 2013	Fair Value December 31, 2012
Asset Derivatives			
Foreign currency Exchange Contract	Prepaid expense and other	$ 69	$ 137
Liabilities Derivatives			
Foreign currency Exchange Contract	Accrued expense	$ —	$ (13)

Total derivatives designated as a hedge instrument

	Balance Sheet Location	Fair Value September 30, 2013	Fair Value December 31, 2012
Asset Derivatives			
Foreign currency Exchange Contract	Prepaid expense and other	$ 10	$ —
Liabilities Derivatives			
Foreign currency Exchange Contract	Accrued expense	$ —	$ —

The following tables provide the effect of derivative instruments on the Consolidated Statements of Income for the three and nine months ended September 30, 2013 and 2012:

	Location of gain or (loss) recognized in Income Statement	Gain or (loss) Three months ended September 30, 2013	2012	Nine-months ended September 30, 2013	2012
Derivatives Not designated as Hedge Instrument					
Forward currency contracts	Foreign currency transaction gains (losses)	$ (10)	$ 38	$ (133)	$ 33

	Location of gain or (loss) recognized in Income Statement	Gain or (loss) Three months ended September 30, 2013	2012	Nine months ended September 30, 2013	2012
Derivatives designated as Hedge Instrument					
Forward currency contracts	Net revenue	$ —	$ 82	$ —	$ 64

The following table shows changes in the balance of net gains (loss), net of taxes related to derivatives instruments that are included in accumulated other comprehensive income:

Derivatives designated as Hedge Instrument

	Three months ended September 30, 2013	2012	Nine months ended September 30, 2013	2012
Balance at beginning of period	$ —	$ 18	$ —	$ (39)
Additional gains (losses)	7	76	7	115
Amounts reclassified into earnings	—	(82)	—	(64)
Balance at end of period	$ 7	$ 12	$ 7	$ 12

The Counterparty to each of the currency exchange forward contracts is a major financial institution with credit ratings of investment grade or better and no collateral is required. Management continues to monitor counterparty risk and believes the risk of incurring losses on derivative contracts related to credit risk is unlikely.

6. Net Earnings per Common Share

Basic net earnings per share is computed by dividing net income by the weighted average number of common shares outstanding for the period. Diluted earnings per share reflects the potential dilution of warrants, and restricted stock units. Details of the calculations are as follows:

	Three months ended September 30, 2013	2012	Nine months ended September 30, 2013	2012
Net Income per common share				
Basic	$ 2,621	$ 2,504	$ 7,187	$ 6,063
Diluted	$ 2,621	$ 2,504	$ 7,187	$ 6,063
Earnings per share				
Basic	$ 0.21	$ 0.21	$ 0.58	$ 0.51
Diluted	$ 0.21	$ 0.21	$ 0.58	$ 0.51
Weighted average common share outstanding				
Basic	12,352,266	12,140,674	12,307,968	11,845,729
Diluted				
Basic	12,352,266	12,140,674	12,307,968	11,845,729

	Three months ended September 30,		Nine months ended September 30,	
	2013	2012	2013	2012
Dilutive effect of warrants	—	—	—	3,361
Dilutive effect of restricted stock units	51,399	8,102	41,682	5,232
	12,403,665	12,148,776	12,349,650	11,854,322

7. Equity

Stock Issuance

Stock offering

On September 30, 2013, the Company issued 1,375,000 shares of the Company's common stock, no par value. The shares were issued to certain investors pursuant to subscription agreements between the Company and the investors that were entered into on September 25, 2013 (the "Agreements"). Under the Agreements, the investors paid $10.75 per share for a total purchase price of $14,781. The shares were issued pursuant to a prospectus supplement dated September 25, 2013 and prospectus dated August 9, 2011, which is part of a registration statement on Form S-3 (Registration No. 333-176189) that was declared effective by the Securities and Exchange Commission on August 23, 2011.

In connection with this offering, the Company entered into a placement agency agreement ("Placement Agreement") dated September 25, 3013 with Avondale Partners, LLC, Roth Capital Partners, LLC, and The Benchmark Company, LLC (the "Agents"). In accordance with the terms of the Placement Agreement between the Company and the Agents, the Company paid the Agents a cash fee that represents 5.25% of the gross proceeds of the offering and reimbursed the Agents for reasonable out-of-pocket expenses.

In connection with the stock issuance, the Company incurred investment banking fees of $776 and legal fees and expenses of approximately $70. The Company's net cash proceeds after fees and expenses of approximately $13,935 were used to repay debt.

Sabre shares

On August 19, 2013, the Company issue 87,928 shares of common stock. The shares which were part of the consideration paid to the seller in connection with the purchase of the Sabre assets. See Note 3.

Additional stock issued

On September 12, 2013, issued 1,667 shares of common stock to a Director for restricted stock units issued under the Company's 2004 Incentive Plan which had vested.

On March 8, 2013, the Company issued 27,463 shares of common stock to employees and Directors for restricted stock units issued under the Company's 2004 Incentive Plan which had vested.

2004 Equity Incentive Plan

In 2004, the Company adopted the 2004 Equity Incentive Plan and subsequently amended and restated the plan on September 13, 2007, May 28, 2009 and June 5, 2013. The maximum number of shares of common stock reserved for issuance under the plan is 917,046 shares. The total number of shares reserved for issuance however, can be adjusted to reflect certain corporate transactions or changes in the Company's capital structure. The Company's employees and members of the board of directors who are not our employees or employees of our affiliates are eligible to participate in the plan. The plan is administered by a committee of the board comprised of members who are outside directors. The plan provides that the committee has the authority to, among other things, select plan participants, determine the type and amount of awards, determine award terms, fix all other conditions of any awards, interpret the plan and any plan awards. Under the plan, the committee can grant stock options, stock appreciation rights, restricted stock, restricted stock units, performance shares and performance units, except Directors may not be granted stock appreciation rights, performance shares and performance units. During any calendar year, participants are limited in the number of grants they may receive under the plan. In any year, an individual may not receive options for more than 15,000 shares, stock appreciation rights with respect to more than 20,000 shares, more than 20,000 shares of restricted stock and/or an award for more than 10,000 performance shares or restricted stock units or performance units. The plan requires that the exercise price for stock options and stock appreciation rights be not less than fair market value of the Company's common stock on date of grant.

The following table contains information regarding restricted stock units:

	September 30, 2013
Outstanding on January 1, 2013	109,750
Units granted during the period	45,928
Vested and issued	(29,103)
Outstanding on September 30, 2013	126,575

On September 12, 2013, the Company granted 1,667 shares of restricted stock units which vested immediately to a Director pursuant to the Company's 2004 Equity Incentive Plan.

On June 5, 2013, the Company granted an aggregate of 3,425 restricted stock units to four employees pursuant to the Company's 2004 Equity Incentive Plan. Restricted stock units of 1,141, 1,142 and 1,142 vest on September 5, 2014, 2015 and 2016, respectively.

On March 8, 2013, the Company granted an aggregate of 20,000 restricted stock units to four independent Directors. Restricted stock units of 6,600, 6,600 and 6,800 vest on March 8, 2013, December 31, 2013 and December 31, 2014, respectively.

On March 8, 2013, the Company granted 20,836 restricted stock units to employees pursuant to the Company's 2004 Equity Incentive Plan. The restricted stock units which vested immediately represents a portion of the employees' 2012 bonus award that was paid in restricted stock units.

The value of the restricted stock is being charged to compensation expense over the vesting period. Compensation expense includes expense related to restricted stock units of $117 and $23 for the three months and $364 and $109 for the nine months ended September 30, 2013 and 2012, respectively. Additional compensation expense related to restricted stock units will be $98, $328, $257 and $5 for the remainder of 2013, 2014, 2015 and 2016, respectively.

Accumulated Other Comprehensive Income

The table below present changes in accumulated other comprehensive income for the three and nine months September 30, 2013:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Balance at beginning of the period	$ 246	$ 182	$ 716	$ 261
Current period				
Foreign currency translation adjustment	330	451	(140)	334
Derivative instrument fair market value adjustment—net of income taxes	7	(5)	7	33
Balance September 30,	$ 583	$ 628	$ 583	$ 628

8. New Accounting Pronouncements

Recently Adopted Accounting Guidance

In February 2013, the FASB issued ASU 2013-02 that requires enhanced disclosures in the notes to the consolidated financial statements to present separately, by item, reclassifications out of Accumulated Other Comprehensive Income (Loss). The new guidance is effective prospectively for reporting periods beginning after December 15, 2012.

In March 2013, the FASB issued ASU No. 2013-05, "Parent's Accounting for the Cumulative Translation Adjustment upon Derecognition of Certain Subsidiaries or Groups of Assets within a Foreign Entity or of an Investment in a Foreign Entity." This ASU changes a parent entity's accounting for the cumulative translation adjustment upon derecognition of certain subsidiaries or groups of assets within a foreign entity or of an investment in a foreign entity. A parent entity is required to release any related cumulative foreign currency translation adjustment from accumulated other comprehensive income into net income in the following circumstances: (i) a parent entity ceases to have a controlling financial interest in a subsidiary or group of assets that is a business within a foreign entity if the sale or transfer results in the complete or substantially complete liquidation of the foreign entity in which the subsidiary or group of assets had resided; (ii) a partial sale of an equity method investment that is a foreign entity; (iii) a partial sale of an equity method investment that is not a foreign entity whereby the partial sale represents a complete or substantially complete liquidation of the foreign entity that held the equity method investment; and (iv) the sale of an investment in a foreign entity. The amendments in this ASU are effective prospectively for fiscal years (and interim reporting periods within those years) beginning after December 15, 2013. The adoption of this ASU is not expected to have a material impact on the company's consolidated financial statements.

In July 2013, the FASB issued ASU 2013-11, *Income Taxes (Topic 740): Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists.* This Update applies to all entities that have unrecognized tax benefits when a net operating loss carryforward, a similar tax loss, or a tax credit carryforward exists at the reporting date. An unrecognized tax benefit, or a portion of an unrecognized tax benefit, should be presented in the financial statements as a reduction to a deferred tax asset for a net operating loss carryforward, a similar tax loss, or a tax credit carryforward, except as follows. To the extent a net operating loss carryforward, a similar tax loss, or a tax credit carryforward is not available at the reporting date under the tax law of the applicable jurisdiction to settle any additional income taxes that would result from the disallowance of a tax position or the tax law of the applicable jurisdiction does not require the entity to use, and the entity does not intend to use, the deferred tax asset for such purpose, the unrecognized tax benefit should be presented in the financial statements as a liability and should not be combined with deferred tax assets. The assessment of whether a deferred tax asset is available is based on the unrecognized tax benefit and deferred tax asset that exist at the reporting date and should be made presuming disallowance of the tax position at the reporting date. The amendments in this Update are effective for fiscal years, and interim periods within those years, beginning after December 15, 2013. For nonpublic entities, the amendments are effective for fiscal years, and interim periods within those years, beginning after December 15, 2014. Early adoption is permitted. The amendments should be applied prospectively to all unrecognized tax benefits that exist at the effective date. Retrospective application is permitted.

Except as noted above, the guidance issued by the FASB during the current year is not expected to have a material effect on the Company's consolidated financial statements.

9. Inventory

The components of inventory are as follows:

	September 30, 2013	December 31, 2012
Raw materials and purchased parts,	$ 52,102	$ 43,207
Work in process	9,971	9,465
Finished goods	13,355	8,618
Inventory, net	$ 75,428	$ 61,290

10. Goodwill and Intangible Assets

	September 30, 2013	December 31, 2012	Useful lives
Patented and unpatented technology	$ 13,142	$ 13,154	7-10 years
Amortization	(8,431)	(7,429)	
Customer relationships	15,276	10,089	10-20 years
Amortization	(3,773)	(3,303)	
Trade names and trademarks	8,542	7,314	25 years-indefinite
Amortization	(1,562)	(1,383)	
Non-competition agreements	50	—	2-5 years
Amortization	(2)	—	
Customer backlog	471	473	< 1 year
Amortization	(471)	(473)	

	September 30, 2013	December 31, 2012	Useful lives
Intangible assets	23,242	18,442	
Goodwill	19,880	15,283	
Goodwill and other intangibles	$ 43,122	$ 33,725	

Amortization expense for intangible assets was $580 and $527 for the three months and $1,672 and $1,580 for the nine months ended September 30, 2013 and 2012, respectively.

Changes in goodwill for the six months ended September 30, 2013 are as follows:

	Equipment Lifting Segment	Equipment Distribution Segment	Total
Balance January 1, 2013	$ 15,008	$ 275	$15,283
Goodwill for the Sabre acquisition	4,577	—	4,577
Effect of change in exchange rates	20	—	20
Balance September 30, 2013	$ 19,605	$ 275	$19,880

11. Accrued Expenses

	September 30, 2013	December 31, 2012
Accrued expenses:		
Accrued payroll	$ 861	$ 1,084
Accrued employee health	309	261
Accrued bonuses	1,130	1,838
Accrued vacation expense	956	384
Accrued deferred interest income	—	33
Accrued insurance premiums	—	266
Accrued interest	180	148
Accrued commissions	435	617
Accrued expenses—other	234	624
Accrued warranty	853	988
Accrued income taxes	—	1,160
Accrued taxes other than income taxes	1,785	242
Accrued product liability and workers compensation claims	232	87
Accrued liability on forward currency exchange contracts	—	13
Total accrued expenses	$ 6,975	$ 7,745

12. Accrued Warranty

The liability is established using historical warranty claim experience. Historical warranty experience is, however, reviewed by management. The current provision may be adjusted to take into account unusual or non-recurring events in the past or anticipated changes in future warranty claims. Adjustments to the initial warranty accrual are recorded if actual claim experience indicates that adjustments are necessary. Warranty reserves are reviewed to ensure critical assumptions are updated for known events that may impact the potential warranty liability.

	Nine Months Ended	
	September 30, 2013	September 30, 2012
Balance January 1,	$ 988	$ 698
Business Acquired	10	
Accrual for warranties issued during the period	1,753	1,623
Warranty services provided	(1,786)	(1,435)

	Nine Months Ended	
	September 30, 2013	September 30, 2012
Changes in estimate	(110)	—
Foreign currency translation	(2)	1
Balance September 30,	$ 853	$ 887

13. Revolving Term Credit Facilities and Debt

On August 19, 2013, the Company together with its U.S. and Canadian subsidiaries entered into a new credit agreement ("Credit Agreement") with Comerica Bank ("Comerica") and certain other lenders, who become participants under the credit agreement. The Credit Agreement provides the Company with up to $64 million of financing ("Financing") comprised of (a) a $40 million Senior Secured Revolving Credit Facility to the U.S. Borrowers ("U.S. Revolver"), (b) a $15 million Secured Term Loan to the U.S. Borrowers ("Term Loan") and (c) a $9 million (or the Canadian dollar equivalent amount) Senior Secured Revolving Credit Facility to the Canadian Borrower ("Canadian Revolver"). The three aforementioned credit facilities each mature on August 19, 2018. The Financing replaces all of the existing credit facilities between the Company and its subsidiaries and Comerica, except for the Manitex Liftking ULC $2.0 million Specialized Canadian Export Facility.

Proceeds borrowed on the U.S. Revolver and the Canadian Revolver were used pay the outstanding principal and interest that was outstanding on the Revolving Term Credit Facility, the Revolving Canadian Term Credit Facility, and the Revolving Term Credit Facility—Equipment Line that were outstanding on August 19, 2013.

The indebtedness is collateralized by substantially all of the Company's assets. The facility contains customary limitations including, but not limited to, limitations on acquisitions, dividends, repurchase of the Company's stock and capital expenditures. The Company is also required to comply with certain financial covenants as defined in the Credit Agreement including maintaining (1) a Minimum Fixed Charge Coverage ratio of not less than 1.25 to 1.0, (2) a Maximum Senior Secured First Lien Debt to Consolidated Adjusted EBITDA ratio of not more than 3.25 to 1.0, with a step down to 3.0 to 1.0 at December 31, 2014, (3) a Maximum Consolidated Total Debt to Consolidated Adjusted EBITDA ratio of not more than 4.0 to 1.0 with a step down to 3.75 to 1.0 at December 31, 2014, and (4) a minimum Tangible Net Worth.

In connection with the Financing, the Company paid fees and expenses of $989 which are being expense over the life of the loan.

U.S.Revolver

At September 30, 2013, the Company had drawn $18,442 under the U.S. Revolver. The Company is eligible to borrow up to $40,000. The U.S. Revolver bears interest, at the Company's option at the base rate plus a spread or an adjusted LIBOR rate plus a spread. The base rate is the greater of the bank's prime rate, the federal funds rate plus 1.00% or the 30 day LIBOR rate Adjusted Daily plus 1.00%. For the U.S. Revolver the interest rate spread for Base Rate is between 1.625% and 2.250% and for LIBOR the spread is between 2.265% and 3.250% in each case with the spread being based on the consolidated total debt to consolidated adjusted EBITDA ratio, as defined in the Credit Agreement, for the preceding twelve months. The base rate and LIBOR spread is currently 2.00% and 3.00%, respectively. Funds borrowed under the LIBOR options can be borrowed for periods of one, two, three or six months.

The $40 million U.S. Revolver is a secured financing facility under which borrowing availability is limited to existing collateral as defined in the agreement. The maximum amount available is limited to (1) the sum of 85% of eligible receivables, (2) the lesser of 50% of eligible inventory or $18,000, (3) the lesser of 80% of used equipment purchased for resale or rent or $2,000 reduced by (4) outstanding standby letter or credits issued by the bank. At September 30, 2013, the maximum the Company could borrow based on available collateral was capped at $35,093.

Under the Credit Agreement, the banks are also paid 0.50% annual facility fee payable in quarterly installments.

The agreement permits the Company to issue unsecured guarantees of indebtedness owed by CVS Ferrari, srl to foreign banks in respect to working capital financing, not to exceed the lesser of $9,000 or the amount of such financing. Additionally the agreement allows the Company to make or allow to remain outstanding any investment (whether such investment shall be of the character of investment of shares of stock, evidence of indebtedness or other securities or otherwise) in, or any loans or advances to CVS or to any other wholly-owned foreign subsidiary in an amount not to exceed $6,500.

Canadian Revolver

At September 30, 2013, the Company had drawn $7,239 under the Canadian Revolver. The Company is eligible to borrow up to $9,000. The maximum amount available is limited to the sum of (1) 85% of eligible receivables plus (2) 30% of eligible work-in-process inventory not to exceed $850 and (3) 50% of eligible inventory excluding work in process inventory. Under the agreement, total inventory collateral, however, cannot exceed $5,500. At September 30, 2013, the maximum the Company could borrow based on available collateral was $7,615. The indebtedness is collateralized by substantially all of Manitex Liftking ULC's assets. The Company can borrow in either U.S. or Canadian dollars. For the Canadian Revolver, the interest rate spread for U.S. prime based borrowing is between 0.00% and 0.25% and for Canadian prime based borrowings the interest rate spread is between 0.00% and 0.75%, in each case with the spread being based on the consolidated total debt to consolidated adjusted EBITDA ratio, as defined in the Credit Agreement, for the preceding twelve months. As of September 30, 2013 the spread on U.S. Prime based borrowing and Canadian Prime based borrowings was 0.00% and 0.25%, respectively.

Under the Credit Agreement, the banks are also paid 0.50% annual facility fee payable in quarterly installments.

Term Loan

As of September 30, 2013, the Company had outstanding the $11,508 borrowed under the term loan provisions of the Credit Agreement. Pursuant to terms of the Credit Agreement, the Company is required to make quarterly principal payments of $750 commencing on October 1, 2013. The term loan bears interest, at the Company's option at the base rate plus a spread or an adjusted LIBOR rate plus a spread. For the Term Loan the interest rate spread for Base Rate is between 2.00% and 2.75% and for LIBOR the spread is between 3.00% and 3.750% in each case with the spread being based on the consolidated total debt to consolidated adjusted EBITDA ratio, as defined in the Credit Agreement, for the preceding twelve months. The base rate and LIBOR spread is currently 2.00% and 3.00%, respectively. Funds borrowed under the LIBOR options can be borrowed for periods of one, two, three or six months.

The Company may be required to make an additional mandatory annual principal payment on April 1 of each year beginning on April 1, 2014. The payment is required if the Company has excess cash flow for the preceding fiscal year as defined in the Credit Agreement. The Company may also prepay the Term Loan, in whole or in part, at any time without premium or penalty. Amounts repaid or prepaid with respect to the Term Loan may not be reborrowed.

Specialized Export Facility

The Canadian Revolving Credit facility contains an additional $2,000 Specialized Export Facility that matures on April 1, 2014. Borrowings under the Specialized Export Facility are guaranteed by the Company and Export Development Canada ("EDC"), a corporation established by an Act of Parliament of Canada. Under the Export Facility Liftking can borrow 90% of the total cost of material and labor incurred on export contracts which are subject to the EDC guarantee. The EDC guarantee, which expires on April 1, 2014, is issued under their export guarantee program and covers certain goods that are to be exported from Canada. At September 30, 2013, the maximum the Company could have borrowed based upon available collateral under the Specialized Export Facility was $2,000. Under this facility, the Company can borrow either Canadian or U.S. dollars.

Any borrowings under the facility in Canadian dollars currently bear interest of 3.50% which is based on the Canadian prime rate (the Canadian prime was 3.0% at June 30, 2013) plus 0.5%. Any borrowings under the facility in U.S. dollars bear interest at the U.S. prime rate (prime was 3.25% at June 30, 2013). Repayment of advances made under the Export Facility are due sixty days after shipment of the goods, or five business days after the borrower receives payment in full for the goods covered by the guarantee (the "Scheduled Payment Date") or upon the termination of the EDC guarantee.

At September 30, 2013, the Company had outstanding borrowing in connection with the Specialized Export Facility of $1,921.

Note Payable—Terex

At September 30, 2013, the Company has a note payable to Terex Corporation with a remaining balance of $750. The note was issued in connection with the purchase of substantially all of the domestic assets of Crane & Machinery, Inc. ("Crane") and Schaeff Lift Truck, Inc., ("Schaeff"). The note provides bears interest at 6% annually and is payable quarterly. Terex has been granted a lien on and security interest in all of the assets of the Company's Crane & Machinery Division as security against the payment of the note.

The Company has three remaining principal payments of $250 due on March 1, 2014, March 1, 2015 and March 1, 2016. As long as the Company's common stock is listed for trading on the NASDAQ or another national stock exchange, the Company may opt to pay up to $150 of each annual principal payment in shares of the Company's common stock having a market value of $150.

Load King Debt

In November 2011, the Company's Load King Subsidiary used its manufacturing facility as collateral to secure mortgage financing with BED (South Dakota Board of Economic Development) and bank. Load King pledged its equipment to the bank to secure additional term debt ("Equipment Note"). The funds received in connection with the above borrowing were used to repay a promissory note to Terex Corporation ("Terex"), which was issued in connection with the Load King acquisition. The BED Mortgage, the bank mortgage and the Equipment Note, which are all guaranteed by the Company, have outstanding balances as of September 30, 2013 of $798, $815 and $312, respectively.

Under the terms of the BED Mortgage, the Company is required to make 59 payments of $5 based on a 240 month amortization period and a 3% interest rate. A final balloon payment of unpaid principal and interest is due on November 2, 2016. The interest rate for the note is subject to Load King maintaining employment levels specified in an Employment Agreement between Load King and BED. If Load King fails to maintain agreed upon employment levels, Load King may be required to pay BED an amount equal to the difference between the interest paid and amount of interest that would have been paid if the loan had a 6.5% interest rate.

Under the terms of the Bank Mortgage, the Company is required to make 120 interest and principal payments. The first sixty payments of $6 per month are based on a 240 month amortization period and a 6% interest rate. On November 2, 2016, the interest rate will reset. The new interest rate will be equal to the monthly average yield on 5 Year Constant Maturity U.S. Treasury Securities plus 3.75%. The monthly interest and principal payment will be recalculated accordingly. A final balloon payment of unpaid principal and interest is due on November 2, 2021.

Under the Equipment Note, the Company is required to make 84 monthly interest and principal payments. The first 60 payments will be for $6 and are based on an 84 month amortization period and a 6.25% interest rate. On November 2, 2016, the interest rate will reset. The interest rate will be equal to the monthly average yield on 5 year Constant Maturity of U.S. Treasury Securities plus 4.00%. The monthly principal and interest payments will be recalculated based on the new interest rate and will remain fixed for the next 24 months.

Sabre note payable

At September 30, 2013, Sabre had a note payable with a balance of $18 which bears interest at approximately 11.8% and matures on September 1, 2014. Under the terms of the note, Sabre is required to make monthly payments of $1 which includes accrued interest.

CVS Short-Term Working Capital Borrowings

At September 30, 2013, CVS had established demand credit facilities with eight Italian banks. Under the facilities, CVS can borrow up to €135 ($182) on an unsecured basis and up to an additional €8,045 ($10,865) as advances against orders, invoices and letters of credit. Borrowing under the CVS credit facilities are guaranteed by the Company, except for two facilities with a maximum availability of €2,118 ($2,860). The maximum amount outstanding is limited to 80% of the assigned accounts receivable if there is an invoice issued or 50% if there is an order/contract issued. The banks will evaluate each request to borrow individually and determine the allowable advance percentage and interest rate. In making its determination the bank considers the customer's credit and location of the customer.

At September 30, 2013, the banks had advanced CVS €3,085 ($4,182), at variable interest rates which currently range from 2.08% to 4.78%. At September 30, 2013, the Company has guaranteed €2,567 ($3,467) of CVS's outstanding debt. Additionally, the banks had issued performance bonds which total €857 ($1,157) which are also guaranteed by the Company.

Note Payable—Bank

At September 30, 2013, the Company has a $82 note payable to a bank. The note dated January 8, 2013 had an original principal amount of $809 and an annual interest rate of 3.45%. Under the terms of the note the company is required to make ten monthly payments of $82 commencing January 30, 2013. The proceeds from the note were used to pay annual premiums for certain insurance policies carried by the Company. The holder of the note has a security interest the insurance policies it financed and has the right upon default to cancel these policies and receive any unearned premiums.

Capital leases

Georgetown facility

The Company has a twelve year lease, which expires in April 2018 that provides for monthly lease payments of $74 for its Georgetown, Texas facility. The lease has been classified as a capital lease. At September 30, 2013, the outstanding capital lease obligation is $2,796.

Winona facility

The Company has a five year lease which expires in July 10, 2014 that provides for monthly lease payments of $25 for its Winona, Minnesota facility. The Company has an option to purchase the facility for $500 by giving notice to the landlord of its intent to purchase the Facility. The Landlord must receive such notice at least three months prior to end of the Lease term. At September 30, 2013, the Company has outstanding capital lease obligation of $701.

Equipment

The Company has entered into a lease agreement with a bank pursuant to which the Company is permitted to borrow 100% of the cost of new equipment and 75% of the cost of used equipment with 60 and 36 months repayment periods, respectively. At the conclusion of the lease period, for each piece of equipment the Company is required to purchase that piece of leased equipment for one dollar.

The equipment, which is acquired in ordinary course of the Company's business, is available for sales and rental prior to sale.

Under the lease agreement the Company can elect to exercise an early buyout option at any time, and pay the bank the present value of the remaining rental payments discounted by a specified Index Rate established at the time of leasing. The early buyout option results in a prepayment penalty which progressively decreases during the term of the lease. Alternatively, the Company under the like-kind provisions in the agreement can elect to replace or substitute different equipment in place of equipment subject to the early buyout without incurring a penalty.

The following is a summary of amounts financed under equipment capital lease agreements:

	Amount Borrowed	Repayment Period	Amount of Monthly Payment	Balance As of September 30, 2013
New equipment	$ 225	60	$ 4	$ 165
Used equipment	$ 1,768	36	$ 54	$ 1,374
Total	$ 1,993		$ 58	$ 1,539

The Company has three additional small capital leases. As of September 30, 2013, the capitalized lease obligation in aggregate related to the three leases was $141.

14. Legal Proceedings and Other Contingencies

The Company is involved in various legal proceedings, including product liability, employment related issues, and workers' compensation matters which have arisen in the normal course of operations. The Company has product liability insurance with self- insurance retention that range from $50 to $1,000. Certain cases are at a preliminary stage, and it is not possible to estimate the amount or timing of any cost to the Company. However, the Company does not believe that these contingencies, in the aggregate, will have a material adverse effect on the Company. When it is probable that a loss has been incurred and possible to make a reasonable estimate of the Company's liability with respect to such matters, a provision is recorded for the amount of such estimate or the minimum amount of a range of estimates when it is not possible to estimate the amount within the range that is most likely to occur.

Additionally beginning on December 31, 2011, the Company's workmen's compensation insurance policy has a per claim deductible of $250 and aggregates of $1,000 and $1,150 for 2012 and 2013 policy years, respectively. The Company is fully insured for any amount on any individual claim that exceeds the deductible and for any additional amounts of all claims once the aggregate is reached. The Company currently has several workmen compensation claims related to injuries that occurred after December 31, 2011 and therefore, are subject to a deductible. The Company does not believe that the contingencies associated with these worker compensation claims in aggregate will have a material adverse effect on the Company. Prior to December 31, 2011, worker compensation claims were fully insured.

On May 5, Company 2011, entered into two separate settlement agreements with two plaintiffs. As of September 30, 2013, the Company has a remaining obligation under the agreements to pay the plaintiffs $1,710 without interest in 18 annual installments of $95 on or before May 22 each year. The Company has recorded a liability for the net present value of the liability. The difference between the net present value and the total payment will be charged to interest expense over payment period.

It is reasonably possible that the "Estimated Reserve for Product Liability Claims" may change within the next 12 months. A change in estimate could occur if a case is settled for more or less than anticipated, or if additional information becomes known to the Company.

15. Business Segments

The Company operates in two business segments: Lifting Equipment and Equipment Distribution.

The Lifting Equipment segment is a leading provider of engineered lifting solutions. The Company designs, manufactures and distributes, predominately through a network of dealers, a diverse group of products that serve different functions and are used in a variety of industries. The Company markets a comprehensive line of boom trucks, a truck crane and sign cranes, a complete line of rough terrain forklifts, including both the Liftking and Noble product lines, as well as special mission oriented vehicles, and other specialized carriers, heavy material handling transporters and steel mill equipment. The Company also manufacturers a number of specialized rough terrain cranes and material handling products, including 15 and 30-ton cab down rough terrain cranes. Company lifting products are used in industrial applications, energy exploration and infrastructure development in the commercial sector and for military applications. The company's specialized rough terrain cranes primarily serve the needs of the construction, municipality, and railroad industries. Through its Italian subsidiary, the Company manufactures and distributes reach stackers and associated lifting equipment for the global container handling markets. Additionally, the Company manufactures and distributes custom trailers and hauling systems typically used for transporting heavy equipment, the trailer business serves niche markets in the commercial construction, railroad, military, and equipment rental industries through a dealer network. Beginning in August 2013, the Company began to manufacture and market a comprehensive line of specialized trailer tanks for liquid and solid storage and containment. The tank trailers are used in a variety of end markets such as petrochemical, waste management and oil and gas drilling.

The Equipment Distribution segment located in Bridgeview, Illinois is a distributor of Terex rough terrain and truck cranes, and Manitex's products. The Equipment Distribution segment predominately sells its products to end users, including the rental market. Its products are used primarily for infrastructure development and commercial constructions, applications include road and bridge construction, general contracting, roofing, scrap handling and sign construction and maintenance. The Equipment Distribution segment supplies repair parts for a wide variety of medium to heavy duty construction equipment and sell both domestically and internationally. The segment also provides repair services in the Chicago area. The North American Equipment Exchange division, ("NAEE") markets previously-owned construction and heavy equipment, domestically and internationally. This Division provides a wide range of used lifting and construction equipment of various ages and condition, and the Company has the capability to refurbish the equipment to the customers' specification.

Sabre results are included in the Company's results from the date of acquisition (August 19, 2013).

The following is financial information for our two operating segments, i.e., Lifting Equipment and Equipment Distribution.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Net revenues				
Lifting Equipment	$53,284	$50,353	$166,706	$137,219
Equipment Distribution	4,269	3,179	13,000	12,094
Inter-segment sales	(32)	(152)	(65)	(588)
Total	$57,521	$53,380	$179,641	$148,725
Operating income from continuing operations				
Lifting Equipment	$ 5,703	$ 5,830	$ 16,543	$ 15,541
Equipment Distribution	183	(12)	486	45
Corporate expenses	(1,229)	(1,295)	(4,511)	(4,320)
Elimination of inter-segment profit in inventory	—	(56)	—	(83)
Total operating income	$ 4,657	$ 4,467	$ 12,518	$ 11,183

The Lifting Equipment segment operating earnings includes amortization of $543 and $490 for the three months and $1,562 and $1,470 for the nine months ended September 30, 2013 and 2012, respectively. The Equipment Distribution segment operating earnings includes amortization of $37 and $37 for the three months and $110 and $110 for the six months ended September 30, 2013 and 2012, respectively.

	September 30, 2013	December 31, 2012
Total Assets		
Lifting Equipment	$ 167,793	$ 144,937
Equipment Distribution	5,370	6,374
Corporate	1,121	193
Total	$ 174,284	$ 151,504

16. Transactions between the Company and Related Parties

In the course of conducting its business, the Company has entered into certain related party transactions.

The Company, through its Manitex and Manitex Liftking subsidiaries, purchases and sells parts to BGI USA, Inc. ("BGI") including its subsidiary SL Industries, Ltd ("SL"). BGI is a distributor of assembly parts used to manufacture various lifting equipment. SL Industries, Ltd is a Bulgarian subsidiary of BGI that manufactures fabricated and welded components used to manufacture various lifting equipment. The President of Manufacturing Operations is the majority owner of BGI.

The Company through its Manitex Liftking subsidiary provides parts and services to LiftMaster, Ltd ("LiftMaster") or purchases parts or services from LiftMaster. LiftMaster is a rental company that rents and services rough terrain forklifts. LiftMaster is owned by the Vice President of a wholly owned subsidiary of the Company, Manitex Liftking, ULC, and a relative.

As of September 30, 2013 the Company had accounts payable of $14, $722 and $9 to BGI, SL and LiftMaster, respectively. As of December 31, 2012 the Company had an accounts receivable of $62 and $69 from LiftMaster and SL, respectively and accounts payable of $869 and $101 to SL and LiftMaster, respectively.

The following is a summary of the amounts attributable to certain related party transactions as described in the footnotes to the table, for the periods indicated:

		Three months ended September 30, 2013	Three months ended September 30, 2012	Nine months ended September 30, 2013	Nine months ended September 30, 2012
Rent paid	Bridgeview Facility 1	$ 63	$ 61	$ 188	$ 183
Sales to:	SL Industries, Ltd.	$ 0	$ 21	$ 43	$ 53
	LiftMaster	0	2	3	6
Total Sales		$ 0	$ 23	46	$ 59
Purchases from:					
	BGI USA, Inc.	$ 68	$ 15	$ 149	$ 114
	SL Industries, Ltd.	1,605	1,415	3,813	3,507
	LiftMaster	8	7	18	13
Total Purchases		$ 1,681	$ 1,437	$ 3,980	$ 3,634

1. The Company leases its 40,000 sq. ft. Bridgeview facility from an entity controlled by Mr. David Langevin, the Company's Chairman and CEO. Pursuant to the terms of the lease, the Company makes monthly lease payments of $21. The Company is also responsible for all the associated operations expenses, including insurance, property taxes, and repairs. The lease will expire on September 30, 2016 and has a provision for six one year extension periods. The lease contains a rental escalation clause under which annual rent is increased during the initial lease term by the lesser of the increase in the Consumer Price Increase or 2.0%. Rent for any extension period shall however, be the then-market rate for similar industrial buildings within the market area. The Company has the option, to purchase the building by giving the Landlord written notice at any time prior to the date that is 180 days prior to the expiration of the lease or any extension period. The Landlord can require the Company to purchase the building if a change of Control Event, as defined in the agreement occurs by giving written notice to the Company at any time prior to the date that is 180 days prior to the expiration of the lease or any extension period. The purchase price regardless whether the purchase is initiated by the Company or the landlord will be the Fair Market Value as of the closing date of said sale.

17. Income Taxes

The Company's provision for income taxes consists of U.S. and foreign taxes in amounts necessary to align the Company's year-to-date tax provision with the effective rate that the Company expects to achieve for the full year. Each quarter the Company updates its estimate of the annual effective tax rate and records cumulative adjustments as necessary. The annual effective tax rates (excluding discrete items) are estimated to be approximately 31% and 34% for 2013 and 2012, respectively. The effective tax rate is based upon the Company's anticipated earnings both in the U.S. and in foreign jurisdictions. The effective tax rate is favorably impacted by the Domestic Production Activities Deduction (Section 199) and Federal Research and Development tax credits.

For the three months ended September 30, 2013, the Company recorded an income tax expense of $1,197 which consisted primarily of anticipated federal, state and local, and foreign taxes. For the three months ended September 30, 2012, the Company recorded an income tax expense of $1,313 which consisted primarily of anticipated federal, state and local, and foreign taxes.

For the nine months ended September 30, 2013, the Company recorded an income tax expense of $3,087 which included discrete items of $103 primarily related to 2012 Federal Research & Development tax credits which were retroactively enacted by the American Taxpayer Reconciliation Act on January 2, 2013. For the nine months ended September 30, 2012, the Company recorded an income tax expense of $3,188 which consisted primarily of anticipated federal, state and local, and foreign taxes.

The Company's total unrecognized tax benefits as of September 30, 2013 and 2012 were approximately $397 and $158, which, if recognized, would affect the Company's effective tax rate. As of September 30, 2012 the Company had accrued immaterial amounts for the potential payment of interest and penalties.

Item 2: Management's Discussion and Analysis of Financial Condition and Results of Operations

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This quarterly report on Form 10-Q contains forward-looking statements and are intended to be "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements relate to, among other things, the Company's expectations, beliefs, intentions, future strategies, future events or future financial performance, and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements include, without limitation: (1) projections of revenue, earnings, capital structure and other financial items, (2) statements of our plans and objectives, (3) statements regarding the capabilities and capacities of our business operations, (4) statements of expected future economic conditions and the effect on us and on our customers, (5) expected benefits of our cost reduction measures, and (6) assumptions underlying statements regarding us or our business. In some cases, you can identify forward-looking statements by terminology such as "may," "should," "could," "expects," "plans," "intends," "anticipates," "believes," "estimates," "predicts," "potential" or "continue" or the negative of such terms or other comparable terminology. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. These statements are only predictions. Our actual results may differ materially from information contained in these forward looking-statements for many reasons, including, without limitation, those described below and in our 2012 Annual Report on Form 10-K for the fiscal year ended December 31, 2012, in the section entitled "Item 1A. Risk Factors,"

(1) Substantial deterioration in economic conditions, especially in the United States and Europe;

(2) our customers' diminished liquidity and credit availability;

(3) difficulties in implementing new systems, integrating acquired businesses, managing anticipated growth, and responding to technological change;

(4) our ability to negotiate extensions of our credit agreements and to obtain additional debt or equity financing when needed;

(5) the cyclical nature of the markets we operate in;

(6) increases in interest rates;

(7) government spending, fluctuations in the construction industry, and capital expenditures in the oil and gas industry;

(8) the performance of our competitors;

(9) shortages in supplies and raw materials or the increase in costs of materials;

(10) our level of indebtedness and our ability to meet financial covenants required by our debt agreements;

(11) product liability claims, intellectual property claims, and other liabilities;

(12) the volatility of our stock price;

(13) future sales of our common stock;

(14) the willingness of our stockholders and directors to approve mergers, acquisitions, and other business transactions;

(15) currency transactions (foreign exchange) risks and the risks related to forward currency contracts;

(16) certain provisions of the Michigan Business Corporation Act and the Company's Articles of Incorporation, as amended, Amended and Restated Bylaws, and the Company's Preferred Stock Purchase Rights may discourage or prevent a change in control of the Company; and

(17) a substantial portion of our revenues are attributed to limited number of customers which may decrease or cease purchasing any time.

The risks described in our Annual Report on Form 10-K for the fiscal year ended December 31, 2012, are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition or operating results. If any of these risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may vary significantly from what we projected. We do not undertake, and expressly disclaim, any obligation to update this forward-looking information, except as required under applicable law. The following discussion should be read in conjunction with the accompanying Consolidated Financial Statements and Notes thereto of the Company appearing elsewhere within this Form 10-Q.

OVERVIEW

The Company is a leading provider of engineered lifting solutions. The Company operates in two business segments: the Lifting Equipment segment and the Equipment Distribution segment.

Lifting Equipment Segment

The Company is a leading provider of engineered lifting solutions. The Company designs, manufactures and distributes a diverse group of products that serve different functions and are used in a variety of industries. Through its Manitex, Inc. subsidiary it markets a comprehensive line of boom trucks, a truck crane and sign cranes. Manitex's boom trucks, the truck crane and crane products are primarily used for industrial projects, energy exploration and infrastructure development, including, roads, bridges and commercial construction. Badger Equipment Company ("Badger") is a manufacturer of specialized rough terrain cranes and material handling products. Badger primarily serves the needs of the construction, municipality, and railroad industries.

Through its Manitex Liftking ULC ("Manitex Liftking" or "Liftking") subsidiary, the Company also sells a complete line of rough terrain forklifts, a line of stand-up electric forklifts, cushioned tired forklifts with lifting capacities from 18 thousand to 40 thousand pounds, and special mission oriented vehicles, as well as other specialized carriers, heavy material handling transporters and steel mill equipment. Manitex Liftking's rough terrain forklifts are used in both commercial and military applications. Specialty mission oriented vehicles and specialized carriers are designed and built to meet the Company's unique customer needs and requirements. The Company's specialized lifting equipment has met the particular needs of customers in various industries that include utility, ship building and steel mill industries.

Manitex Load King, Inc. ("Load King") manufactures specialized custom trailers and hauling systems typically used for transporting heavy equipment. Load King Trailers serve niche markets in the commercial construction, railroad, military, and equipment rental industries through a dealer network. Load King complements our existing material handling business.

CVS Ferrari, srl ("CVS") located near Milan, Italy designs and manufactures a range of reach stackers and associated lifting equipment for the global container handling market, which are sold through a broad dealer network.

On August 19, 2013, the Manitex Sabre, Inc. ("Sabre") acquired the assets of Sabre Manufacturing, LLC. Sabre located in Knox, Indiana, is a manufacturer of a comprehensive line of specialized mobile tanks for liquid and solid storage and containment solutions with capacities from 8,000 to 21,000 gallons. Its mobile tanks will be sold to specialist independent tank rental companies and through the Company's existing dealer network. The tanks are used in a variety of end markets such as petrochemical, waste management and oil and gas drilling.

Equipment Distribution Segment

The Company's Crane and Machinery division is a crane dealer that distributes Terex rough terrain and truck cranes and Manitex's products. This division supplies repair parts for a wide variety of medium to heavy duty construction equipment sold both domestically and internationally. The crane products are used primarily for infrastructure development and commercial construction; applications include road and bridge construction, general contracting, roofing, and sign construction and maintenance.

Additionally, the Company markets previously-owned construction and heavy equipment, domestically and internationally through its North American Equipment Exchange division ("NAEE"). This division provides a wide range of used lifting and construction equipment of various ages and condition, and the Company has the capability to refurbish the equipment to the customers' specification

Economic Conditions

The overall market for construction equipment has improved substantially since the 2008 down turn but has not returned to pre-2008 levels. The market for general construction equipment which had shown gradual but consistent improvement has, recently, plateaued. A very significant portion of the increase in the Company's revenues has been attributed to demand from niche market segments, particularly the North American energy sector. During the current year, there has been a softening in the demand for our products which are related to the energy sector. The Company believes the current decrease in demand from the energy sector is temporary, and that the North American energy sector will continue to grow and, in turn, will drive future demand for our products. Additionally, the European market for port handling equipment continues to be affected by the general weakness in the European economy. The Company does not believe that 2013 revenues will be significantly impacted because the Company has a significant backlog ($97 million at September 30, 2013).

Factors Affecting Revenues and Gross Profit

The Company derives most of its revenue from purchase orders from dealers and distributors. The demand for the Company's products depends upon the general economic conditions of the markets in which the Company competes. The Company's sales depend, in part, upon its customers' replacement or repair cycles. Adverse economic conditions, including a decrease in commodity prices, may cause customers to forego or postpone new purchases in favor of repairing existing machinery. Additionally, our Manitex Liftking subsidiary revenues are impacted by the timing of orders received for military forklifts and residential housing starts. CVS revenues are impacted in part by the timing of contract awards related to major port projects.

Gross profit varies from period to period. Factors that affect gross profit include product mix, production levels and cost of raw materials. Margins tend to increase when production is skewed towards larger capacity cranes, special mission oriented vehicles, specialized carriers and heavy material transporters.

Three Months Ended September 30, 2013 Compared to Three Months Ended September 30, 2012

Net income for the three month periods ended September 30, 2013 and 2012

For the three months ended September 30, 2013 and 2012, the Company had a net income of $2.6 million and $2.5 million, respectively.

For the three months ended September 30, 2013, the net income of $2.6 million consisted of revenue of $57.5 million, cost of sales of $46.3 million, research and development costs of $0.7 million, SG&A expenses of $5.9 million, interest expense of $0.8 million, and income tax expense of $1.2 million.

For the three months ended September 30, 2012, the net income of $2.5 million consisted of revenue of $53.4 million, cost of sales of $42.6 million, research and development costs of $0.6 million, SG&A expenses of $5.7 million, interest expense of $0.6 million, other expense of $0.1 million and income tax expense of $1.3 million.

Net revenues and gross profit —For the three months ended September 30, 2013, net revenues and gross profit were $57.5 million and $11.2 million, respectively. Gross profit as a percent of revenues was 19.5% for the three months ended September 30, 2013. For the three months ended September 30, 2012, net revenues and gross profit were $53.4 million and $10.8 million, respectively. Gross profit as a percent of revenues was 20.3% for the three months ended September 30, 2012.

Net revenues increased $4.1 million or 7.8% to $57.5 million for the three months ended September 30, 2013 from $53.4 million for the comparable period in 2012. Without the Sabre acquisition, revenues would have increased $2.0 million as Sabre had revenues of $2.1 million for the period from August 19, 2013 (the acquisition date) to the end of the quarter. The remaining increase is attributed to an increase in the sale of boom trucks and an increase in revenues generated by our equipment distribution segment which offset decreases in revenues of other products. Approximately half the increase in boom truck revenues is related to sales of trucks with lifting capacity of forty tons or less, which are frequently used in general construction and infrastructure applications. The remaining increase in boom truck revenues is attributed to trucks with higher lifting capacities which are often used in specialized energy and power line distribution applications. Manufacturing inefficiencies at our specialized trailer manufacturing facility and a decrease in sales of forklifts to the military principally account for the decrease in other product revenues. Military related sales have historically fluctuated significantly from period to period based on the timing of orders received. The Company is currently taking action to address the manufacturing inefficiencies at our specialized trailer manufacturing facility.

Our gross profit as a percentage of net revenues decreased 0.8% to 19.5% for the three months ended September 30, 2013 from 20.3% for the three months ended September 30, 2012. Approximately 0.3% of the decrease is attributed to an increase in chassis sales, which are sold with only a nominal markup. Part sales decreased both in absolute dollars and as a percent of revenues between the third quarters 2012 and 2013. The decrease in part sales as a percent of revenues decreased from approximately 14.6% for the three months ended September 30, 2012 to 10.9% for the three months ended September 30, 2013. As parts sell at significantly higher margins, this had the impact of decreasing margins by approximately 0.7%. Other factors which largely offset also had an effect on margins. The increase in boom truck sales as a percent of total sales had a positive impact on our margin percent as boom trucks margins are somewhat higher than the margin we realize on the other products that we sell. This favorable impact was offset by lower average margins for our other products, which is attributed to a change in product mix and decreased volumes and the manufacturing inefficiencies encountered at our specialized trailer manufacturing facility.

Research and development —Research and development was $0.8 million and $0.6 million for the three months ended September 30, 2013 and 2012, respectively. The increase in research and development expense demonstrates the Company's continued commitment to develop new products.

Selling, general and administrative expense —Selling, general and administrative expense for the three months ended September 30, 2013 was $5.9 million compared to $5.7 million for the comparable period in 2012, an increase of $0.2 million. Without the Sabre acquisition expenses would have increased $0.1 million as Sabre had selling general and administrative expenses of $0.1 million for the period from August 19, 2013 (the acquisition date) to the end of the quarter. The increase is principally attributed to an increase of $0.2 million for additional expenses directly associated with Sabre acquisition offset by a decrease of $0.1 million accrued for management incentive compensation.

Operating income —For the three months ended September 30, 2013 and 2012, the Company had operating income of $4.7 million and $4.5 million, respectively. The increase in operating income is due to an increase in gross profit of $0.4 million offset by $0.2 million increase in operating expenses. An increase in revenues accounts for the increase in gross profit as the gross profit percent decreased 0.8% between the third quarter 2012 and 2013. The increase in operating expenses is related to increases in research and development and selling, general and administrative expenses as explained above.

Interest expense —Interest expense was $0.8 million for the three months ended September 30, 2013 compared to $0.6 million for the comparable period in 2012. The increase in interest expense is attributed to an increase in average outstanding debt for the quarter and a modest increase in interest rates. On September 30, 2013, the company used proceeds from the stock offering to repay $13.9 million of its outstanding debt. As such, outstanding debt at September 30, 2013 is not an accurate indicator of average outstanding debt for the quarter ended September 30, 2013.

On August 19, 2013, the Company entered into a new financing agreement with its current bank. The primary purpose of the agreement was to increase the Company's borrowing capacity and to put into place a finance agreement that would allow additional banks to participate with the current bank in the Company's credit facilities. Interest rates under the new facility increased by approximately 0.5%. Subsequent to September 30, 2013, Fifth Third Bank and HSBC Bank became parties to certain of the Company's credit facilities.

Foreign currency transaction gains and losses —The Company attempts to purchase forward currency exchange contracts such that the exchange gains and losses on the assets and liabilities denominated in other than the reporting units' functional currency will be offset by the changes in the market value of the forward currency exchange contracts it holds.

For the three months ended September 30, 2013 and 2012, foreign currency gains and losses were insignificant.

Income tax —For the three months ended September 30, 2013, and 2012 the Company recorded an income tax expense of $1.2 million and $1.3 million, respectively.

The Company's provision for income taxes consists of U.S. and foreign taxes in amounts necessary to align the Company's year-to-date tax provision with the effective rate that the Company expects to achieve for the full year.

Income tax expense decreased $0.1 million even though pre-tax income was $1.8 million for both the three months periods ended September 30, 2013 and 2012. This occurred as the effective tax rate for the third quarter 2013 decreased to 31.4% from 34.4% for the three month period ended September 30, 2012. The effective tax rate for 2013 is favorably impacted by the Domestic Production Activities Deduction (Section 199) and Federal Research and Development tax credits. In the prior year, the Company was not able to recognize the Domestic Production Activities Deduction as it had unutilized net operating loss carryforwards. Additionally, the Company was not able to recognize a Federal Research and Development tax credit in 2012 as the provision in the Internal Revenue Code authorizing the R&D credit had expired.

Net income —Net income for the three months ended September 30, 2013 was $2.6 million. This compares with a net income for the three months ended September 30, 2012 of $2.5 million. The change in net income is explained above.

Nine Months Ended September 30, 2013 Compared to Nine Months Ended September 30, 2012

Net income for the nine month periods ended September 30, 2013 and 2012

For the nine months ended September 30, 2013 and 2012 the Company had a net income of $7.2 million and $6.1 million, respectively.

For the nine months ended September 30, 2013, the net income of $7.2 million consisted of revenue of $179.6 million, cost of sales of $145.9 million, research and development costs of $2.1 million, SG&A expenses of $19.1 million, interest expense of $2.1 million, foreign currency transaction losses of $0.1 million, and income tax expense of $3.1 million.

For the nine months ended September 30, 2012, the net income of $6.1 million consisted of revenue of $148.7 million, cost of sales of $118.6 million, research and development costs of $1.9 million, SG&A expenses of $17.0 million, interest expense of $1.8 million, foreign currency transaction losses of $0.1 million, and income tax expense of $3.2 million.

Net Revenues and Gross Profit —For the nine months ended September 30, 2013, net revenues and gross profit were $179.6 million and $33.7 million, respectively. Gross profit as a percent of revenues was 18.8% for the nine months ended September 30, 2013. For the nine months ended September 30, 2012, net revenues and gross profit were $148.7 million and $30.1 million, respectively. Gross profit as a percent of revenues was 20.3% for the nine months ended September 30, 2012.

Net revenues increased $30.9 million or 21% to $179.6 million for the nine months ended September 30, 2013 from $148.7 million for the comparable period in 2012. Without the Sabre acquisition revenues would have increased $28.8 million as Sabre had revenues of $2.1 million for the period from August 19, 2013 (the acquisition date) to the end of the period.

During the quarter ended March 31, 2012, the Company saw a very rapid and significant increase in demand for its products from the energy sector. As a result the Company and its suppliers began to increase production capacities during the third quarter of 2012.

Approximately eighty-five percent of the increase in revenues is the result of an increase in capacity which allows us to increase shipments of boom trucks. The majority of the increase in boom trucks sales is related to boom trucks, with higher lifting capacities, which are most often used in the energy sector. An increase in the sales of boom trucks with lower lifting capacities, which are often used for general industrial projects and infrastructure development, including, roads, bridges and commercial construction, also contributed significantly to the increase in total boom truck sales. The remaining revenue increase is principally due to increases in CVS sales that support the needs of ports and inter-modal customers globally which is partially offset by lower military sales and decreased revenues from the sales of specialized trailers. Military related sales have historically fluctuated significantly from period to period based on the timing of orders received. The decrease in special trailers is attributed to manufacturing inefficiencies which adversely impact revenues. The Company is currently taking action to address the manufacturing inefficiencies at our specialized trailer manufacturing facility.

Our gross profit as a percentage of net revenues decreased 1.5% to 18.8% for the nine months ended September 30, 2013 from 20.3% for the nine months ended September 30, 2012. Part sales decreased both in absolute dollars and as a percent of revenues between the third quarters 2012 and 2013. Part sales as a percent of revenues decreased from approximately 14.9% for the three months ended September 30, 2012 to 11.29% for the three months ended September 30, 2013. As parts sell at significantly higher margins, this had the impact of decreasing margins by approximately 0.7%. Another 0.5% of the decrease is attributed to an increase in chassis sales, which are sold with only a nominal markup. The remaining decrease in gross margin percent is related to unabsorbed labor and overhead at our boom truck manufacturing plant during the first quarter, startup inefficiencies also during the first quarter related to new product introductions, manufacturing inefficiencies at our specialized trailer manufacturing facility and other changes in sales mix.

Research and development —Research and development for the nine months ended September 30, 2013 was $2.1 million compared to $1.9 million for the comparable period in 2012. The Company’s research and development spending continues to reflects our continued commitment to develop and introduce new products that gives the Company a competitive advantage.

Selling, general and administrative expense —Selling, general and administrative expense for the nine months ended September 30, 2013 was $19.1 million compared to $17.0 million for the comparable period in 2012, an increase of $2.1 million. Selling, general and administrative expense as a percent of revenues for the nine months ended September 30, 2013 was 10.6% a decrease of 1.0% from the 11.5% for the comparable period in 2012.

Approximately two third of the increase is attributed to an increase in selling expenses, which are partially a direct impact of an increase in revenues and also the result of an expansion of the sales organization. Approximately $0.2 million and $0.1 million (approximately 15% of the increase) is attributed to expenses related to the Sabre acquisition and Sabre’s selling, general and administrative expense for the period from August 19, 2013 (acquisition date) to the end of the period. The remaining increase of approximately $0.4 million is due to a number of factors including a modest increase in salary expense, the result of selected staff additions.

Operating income —For the nine months ended September 30, 2013 and 2012, the Company had operating income of $12.5 million and $11.2 million, respectively. The increase in operating income is due to an increase in gross profit of $3.6 million offset by a $2.2 million increase in operating expenses. An increase in revenues accounts for the increase in gross profit as the gross profit percent decreased by 1.5% between the nine month periods ended September 30, 2013 and 2012. The increase in operating expenses is related to increases in selling, general and administrative expense and research and development as explained above.

Interest expense —Interest expense increased $0.3 million to $2.2 million for the nine months ended September 30, 2013 from $1.8 million for the comparable 2012 period. Approximately $.02 million of the increase relates to an increase in interest expense between third quarter 2013 and 2012 and is explained in the section above that compares the three month periods.

The remaining increase related to a $0.1 million increase in interest expense during the second quarter. This increase is principally attributed to two factors: (1) an increase in total debt outstanding at June 30, 2013 compared to total debt outstanding at June 30, 2012 and (2) the fact that $1.9 million capital lease financing entered into subsequent to June 30, 2012 has an interest rate that is higher than the average interest rates on our other debt.

Foreign currency transaction (losses) gains —The Company attempts to purchase forward currency exchange contracts such that the exchange gains and losses on the assets and liabilities denominated in other than the reporting units' functional currency will be offset by the changes in the market value of the forward currency exchange contracts it holds.

For the nine months ended September 30, 2013 and 2012, the Company had a foreign currency transaction loss of $0.1 million.

Income tax —For the nine months periods ended September 30, 2013 and 2012, the Company recorded an income tax expense of $3.1 million and $3.2 million, respectively. Income tax expense decreased marginally even though pre-tax income for the nine months ended September 30, 2013 was $1.0 million higher than it was for the nine month period end September 30, 2012. This occurred as the effective tax rate for 2013 decreased to 30.0% from 34.5% for 2012. The effective tax rate for 2013 is favorably impacted by the Domestic Production Activities Deduction (Section 199) and Federal Research and Development tax credits. In the prior year, the Company was not able to recognize the Domestic Production Activities Deduction as it had unutilized net operating loss carryforwards. Additionally, the Company was not able to recognize a Federal Research and Development tax credit in 2012 as the provision in the Internal Revenue Code authorizing the R&D credit had expired.

The American Taxpayer Reconciliation Act enacted on January 2, 2013, retroactively restored the Research and Development credit back to January 1, 2012. The tax provision for the nine months ended September 30, 2013, includes discrete items of $103 primarily related to 2012 Federal Research & Development tax credits which were retroactively restored.

Net income —Net income for the nine months ended September 30, 2013 was $7.2 million. This compares with a net income for the nine months ended September 30, 2012 of $6.1 million. The change in net income is explained above.

Segment information

Lifting Equipment Segment

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Net revenues	$53,284	$50,353	$166,706	$137,219
Operating income	5,703	5,830	16,543	15,541
Operating margin	10.7%	11.6%	9.9%	11.3%

Net revenues

Net revenues increased $2.9 million to $53.3 million for the three months ended September 30, 2013 from $50.4 million for the comparable period in 2012. Sabre revenues from August 19, 2013 (acquisition date) to the end of the period accounts for $2.1 million of the increase in the three month revenues. The remaining $0.8 million increase in revenues is attributed to an increase in boom truck sales which, is partially, offset by the decrease in sales of forklifts sold to the military and the adverse impact that manufacturing inefficiencies at our specialized trailer manufacturing facility had on specialized trailer revenues. Military related sales have historically fluctuated significantly from period to period based on the timing of orders received. The Company is currently taking action to address the manufacturing inefficiencies at our specialized trailer manufacturing facility.

Net revenues increased $29.5 million to $166.7 million for the nine months ended September 30, 2013 from $137.2 million for the comparable period in 2012. Sabre revenues from August 19, 2013 (acquisition date) to the end of the period accounts for $2.1 million of the increase in the nine month revenues. Revenue, excluding the impact of the Sabre acquisition, increased $27.4 million

Approximately, ninety percent of the increase in revenues is the result of an increase in capacity which allows us to increase shipments of boom trucks. The majority of the increase in boom trucks sales is related to boom trucks, with higher lifting capacities, which are most often used in the energy sector. An increase in the sales of boom trucks with lower lifting capacities, which are often used for general industrial projects and infrastructure development, including, roads, bridges and commercial construction, also contributed significantly to the increase in total boom truck sales. The remaining revenue increase is principally due to increases in CVS sales that support the needs of ports and inter-modal customers globally which and is partially offset by lower military sales and decreased revenues from the sales of specialized trailers. Military related sales have historically fluctuated significantly from period to period based on the timing of orders received. The decrease in special trailers is attributed to manufacturing inefficiencies which adversely impact revenues. The Company is currently taking action to address the manufacturing inefficiencies at our specialized trailer manufacturing facility.

Operating income and operating margins

Operating income of $5.7 million for the three months ended September 30, 2013 was equivalent to 10.7% of net revenues compared to an operating income of $5.8 million for the three months ended September 30, 2012 or 11.6% of net revenues. Operating income decreased $0.1 million as the marginal increase in gross profit was more than offset by a small increase in operating expenses. The additional increase in gross margin generated by higher revenues was almost completely offset by the effect of a decrease in the gross percent, which decreased from 20.8% to 19.6%. The decrease in gross margin percent is attributed to a change in product mix (including the effect that the change in part sales as a percent of total sales has), the increase in chassis sales, which are sold with only a nominal markup and the manufacturing inefficiencies encountered at our specialized trailer manufacturing facility.

Operating income of $16.5 million for the nine months ended September 30, 2013 was equivalent to 9.9% of net revenues compared to an operating income of $15.5 million for the nine months ended September 30, 2012 or 11.3% of net revenues. The increase in operating income is due to an increase in gross profit of $2.7 million offset by increased operating expense of $1.7 million. The increase in gross profit is due to the significant increase in revenues as the gross profit percent decreased 2.2% to 18.9% for the nine months ended September 30, 2013 from 21.1% for the nine months ended September 30, 2012. The decrease in gross margin percent is attributed to a change in product mix (including the effect that the change in part sales as a percent of total sales has), the increase in chassis sales, which are sold with only a nominal markup, unabsorbed labor and overhead variances at our boom truck plant during the first quarter, and first quarter startup inefficiencies related to new product introductions and manufacturing inefficiencies at our specialized trailer manufacturing facility.

The increase in operating expenses is due to an increase in research and development of $0.2 million and an increase in Selling, general and administrative expenses of $1.5 million. The increase in research and development expense reflects our continued commitment to develop and introduce new products that gives the Company a competitive advantage. The majority of the increase in selling, general and administrative expense is attributed to increased selling expenses, which are partially a direct impact of an increase in revenues and also the result of an expansion of the sales organization.

Equipment Distribution Segment

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Net revenues	$ 4,269	$ 3,179	$13,000	$12,094
Operating (loss) income	183	(12)	486	45
Operating margin	4.3%	(0.4%)	3.7%	0.4%

Net revenues

Net revenues increased $1.1 million to $4.3 million for the three months ended September 30, 2013 from $3.2 million for the comparable period in 2012. Approximately 60% of the increase is attributed to the increase in sale of used construction equipment. The remaining increase is attributed to increases in rental and service income.

Net revenues increased $0.9 million to $13.0 million for the nine months ended September 30, 2013 from $12.1 million for the comparable period in 2012. The increase in revenues is attributed to the increase in third quarter revenues, which is explained above.

Operating income (loss) and operating margins

The Equipment Distribution segment had an operating income of $0.2 million and $(0.01) million for the three months ended September 30, 2013 and 2012, respectively. The change in operating income is due to the increase in revenue.

The Equipment Distribution segment had an operating income of $0.5 million and $0.05 million for the nine months ended September 30, 2013 and 2012, respectively. The increase in operating income is due to an increase in revenues.

Reconciliation to Statement of Income:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Revenues:				
Lifting Equipment	$53,284	$50,353	$166,706	$137,219
Equipment Distribution	4,269	3,179	13,000	12,094
Elimination of intersegment sales	(32)	(152)	(65)	(588)
Total	$57,521	$53,380	$179,641	$148,725

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Operating Income:				
Lifting Equipment	$ 5,703	$ 5,830	$ 16,543	$ 15,541
Equipment Distribution	183	(12)	486	45
Corporate expenses	(1,229)	(1,295)	(4,511)	(4,320)
Elimination of intersegment profit in inventory	—	(56)	—	(83)
Total	$ 4,657	$ 4,467	$ 12,518	$ 11,183

Liquidity and Capital Resources

Cash and cash equivalents were $3.1 million at September 30, 2013 compared to $1.9 million at December 31, 2012. In addition, the Company has U.S. and Canadian revolving credit facilities, with maturity dates of August 19, 2018. At September 30, 2013 the Company had approximately $17.0 million available to borrow under its revolving credit facilities. Subsequent to September 30, 2013, the Company took advances against its U.S. Revolver and repaid the entire $11.5 million balance on the term loan that was outstanding at September 30, 2013.

Additionally, CVS has agreements with eight Italian banks under which CVS can borrow approximately €8.0 million ($10.9 million) against specific orders, invoices and letters of credit. As of September 30, 2013, CVS had received advances of €3.1 million ($4.1 million). The amount of future advances is dependent on open orders, invoices and letters of credits that exist at the time an advance is requested. The percent that the bank will advance is dependent on both the nature of documents against which they are advancing and the credit worthiness of the customer.

During the nine months ended September 30, 2013, total debt increased by $2.1 million to $51.2 million at September 30, 2013 from $49.1 million at December 31, 2012.

The following is a summary of the net increase in our indebtedness from December 31, 2012 to September 30, 2013:

Facility	Increase/ (decrease)
Revolving credit facility excluding payment related to stock offering	$ 2.9 million
Stock offering proceeds to reduce credit facility	(10.4) million
Term loan excluding payment related to stock offering	15.0 million
Stock offering proceeds to reduce term loan	(3.5) million
Revolving Canadian credit facility	(0.2) million
Revolving credit facility—specialized export facility	1.0 million
Revolving credit facility—Equipment Line	(1.0) million
Note payable—bank (insurance premiums)	0.1 million
Capital leases	0.1 million
Repayments against orders, invoices, or letters of credit	(1.9) million
	$ 2.1 million

Outstanding borrowings

The following is a summary of our outstanding borrowings at September 30, 2013:

	Outstanding Balance	Required Payment
Revolving credit facility	$18.4 million	n.a.
Revolving Canadian credit facility	7.2 million	n.a.
Revolving credit facility— Specialized Export Facility	1.9 million	60 days after shipment or 5 days after receipt of payment
Term loan	11.5 million	Paid in full during October 2013
Load King debt	2.0 million	$0.02 million monthly payment
Notes payable bank (insurance premiums)	0.1 million	$0.07 million monthly
Note payable—Terex	0.8 million	$0.25 million March 1 ($0.15 million) can be paid in stock
Capital lease—cranes for sale	1.6 million	Over 36 or 60 months
Capital lease—Georgetown facility	2.8 million	$0.07 million monthly payment
Capital leases—Winona facility	0.7 million	Capital leases—Winona facility
Borrowings against orders, invoices and letters of credit	4.2 million	Upon payment of invoice or letter of credit
	$51.2 million	

Future availability under credit facilities

As stated above, the Company had cash of $3.1 million and approximately $17.1 million available to borrow under its credit facilities at September 30, 2013. Approximately $11.5 million was used in October to repay the entire balance that was outstanding on the term loan at September 30, 2013. Additionally, CVS has agreements with eight Italian banks under which CVS can draw up to €8.0 million ($10.9 million) against specific orders, invoices and letters of credit. As of September 30, 2013, CVS had received advances of €3.1 million (4.1 million) from the banks. Any future advances against the Italian facilities are dependent on having available collateral.

The Company needs cash to fund normal working capital needs and to make scheduled debt payments as shown in the above table. Both the U.S. and Canadian credit facilities are asset based. The maximum the Company may borrow under either facility is the lower of the credit line or the available collateral, as defined in the credit agreements. Collateral under the agreements consists of stated percentages of eligible accounts receivable and inventory. The overall market for construction equipment has improved but has not returned to pre-2008 levels. A very significant portion of the increase in the Company's revenues has been attributed to demand from niche market segments, particularly the North American energy sector. This year, there has been a softening in the demand for our products which are related to the energy sector. The Company believes the current decrease in demand from the energy sector is temporary, and that the North American energy sector will continue to grow and in turn will drive future demand for our products. Additionally, the European market for port handling equipment continues to be affected by the general weakness in the European economy. The Company does not believe that 2013 revenues will be significantly impacted because the Company has a significant backlog ($97 million at September 30, 2013). As such, the Company does not expect this to have a significant impact on the Company's North American credit facilities.

The Company expects cash flows from operations and existing availability under the current revolving credit facilities will be adequate to fund future operations. If in the future, we were to determine that additional funding is necessary, we believe that it would be available. We will likely need to raise additional capital through debt or equity financings to support our growth strategy, which may include additional acquisitions. There is no assurance that such financing will be available or, if available, on acceptable terms.

2013

Operating activities consumed $1.1 million of cash for the nine months ended September 30, 2013 comprised of net income of $7.2 million, non-cash items that totaled $3.5 million and changes in assets and liabilities, which consumed $11.8 million. The principal non-cash items are depreciation and amortization of $2.7 million, an increase in allowance for doubtful accounts of $0.2 million, shared based compensation of $0.6 million offset by a gain on the disposal of fixed assets $0.1 million.

The change in assets and liabilities which consumed $11.8 million in cash is principally attributed to the following changes in assets and liabilities including a decreases in accounts receivable of $6.1 million and increases in other current liabilities of $0.7 which generated cash, and increases in inventory of $13.0 million, prepaid expenses of $0.7 million and other assets of $0.9 million and decreases in accounts payable of $2.8 million and accrued expenses of $1.0 million all of which consumed cash.

The decreases in accounts receivable is due the timing of customer payment. The increase in other current liabilities is attributed to the receipt of customer deposits at Sabre. The increase in inventory is due to increases of $9.0 million, $0.3 million and $4.7 million in raw materials, work in process and finished goods respectively. Approximately $1.5 million of the increase in raw material inventory is at our newly acquire Sabre operation. Excluding Sabre, raw material inventory increased by $7.5 million, as inventory was purchase in anticipation of higher sales in the fourth quarter and to build products for the military that have longer manufacturing times. The Company normally manufactures products in response to existing customer orders. Recently, the Company has manufactured a limited number of specific products to be held in inventory until they are sold. This was done as the Company is working on penetrating new markets, and believes having items available for immediate delivery will help in this endeavor. The increase in prepaid expenses is attributed to an increase in prepaid insurance and advance payment made to attend future trade shows. The decrease in accounts payable is attributed to the time of vendor payments. The decrease in accrued expenses is largely due to the time of estimated tax payments.

Investing activities for the nine months ended September 30, 2013 consumed $13.9 million of cash of which $13.0 million was to purchase Sabre. Approximately $1.0 was expended purchase machinery and equipment and $0.1 million was received from the sale of fixed assets. None of the capital investments individually were significant.

Financing activities generated $16.1 million in cash for the nine months ended September 30, 2013. Proceeds from a stock offering that occurred on September 30, 2013 were the source of $13.9 million of cash. The remaining increase of $2.2 is due to an increase in outstanding debt. There is a small difference to the $2.1 million shown as the change in debt on the above table. The $0.1 million difference is an exchange rate difference that occurs as cash flows for foreign subsidiaries are calculated in local currencies and then converted to U.S. dollars. As such, the impact (in U.S. dollars) of change in exchange rates for the Canadian dollar and Euro had on outstanding debt are reflected on the cash flow statement on the line entitled "effect of exchange rate changes on cash" rather than being included in the financing activity section.

2012

Operating activities consumed $4.0 million of cash for the nine months ended September 30, 2012 comprised of net income of $6.1 million, non-cash items that totaled $4.7 million and changes in assets and liabilities, which consumed $14.8 million. The principal non-cash items are depreciation and amortization of $2.7 million, a decrease in deferred tax assets of $1.8 million and share based compensation of $0.2 million.

The change in assets and liabilities which consumed $14.8 million in cash is principally attributed to the following changes in assets and liabilities: an increase in accounts payable of $11.2 million, accrued expenses of $1.1 million and an increase in other current liabilities of $1.3 million generated cash, and increases in accounts receivable of $9.3 million, inventory of $17.9 million, and prepaid expenses of $1.2 million. The increase in prepaid expense includes increases in prepaid insurance, and advance payments to suppliers.

Investing activities for the nine months ended September 30, 2012 consumed $0.5 million of cash which represents an investment in a several pieces of equipment which was partially offset by proceeds of $0.2 million from the sale of several pieces of equipment.

Financing activities generated $7.6 million in cash for the nine months ended September 30, 2012, of which $3.8 million represents the proceeds of July 2012 stock offering. The remaining increase of $3.8 million is attributed an increase in debt, which represents an increase of $10.4 million in revolving credit and working capital borrowing offset by $6.6 million net decrease in other debt.

Contingencies

The Company is involved in various legal proceedings, including product liability and workers' compensation matters which have arisen in the normal course of operations. Certain cases are at a preliminary stage, and it is not possible to estimate the amount or timing of any cost to the Company. However, the Company does not believe that these contingencies, in aggregate, will have a material adverse effect on the Company.

The Company has a conditional commitment to purchase the building in which CVS Ferrari srl operates. Under the agreement, CVS Ferrari srl has a commitment to purchase the building at the conclusion of a rental period that ends on September 30, 2014 for €9,200. The commitment to purchase the building is contingent on CVS Ferrari srl being able to secure a mortgage on market terms for 75% of the purchase price.

Related Party Transactions

For a description of the Company's related party transactions, please see Note 16 to the Company's consolidated financial statements entitled "Transactions between the Company and Related Parties."

Critical Accounting Policies

See Item 7, Management's Discussion and Analysis of Results of Operations and Financial Condition in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2012, for a discussion of the Company's other critical accounting policies.

Impact of Recently Issued Accounting Standards

Recently Adopted Accounting Guidance

In February 2013, the FASB issued ASU 2013-02 that requires enhanced disclosures in the notes to the consolidated financial statements to present separately, by item, reclassifications out of Accumulated Other Comprehensive Income (Loss). The new guidance is effective prospectively for reporting periods beginning after December 15, 2012.

In March 2013, the FASB issued ASU No. 2013-05, "Parent's Accounting for the Cumulative Translation Adjustment upon Derecognition of Certain Subsidiaries or Groups of Assets within a Foreign Entity or of an Investment in a Foreign Entity." This ASU changes a parent entity's accounting for the cumulative translation adjustment upon derecognition of certain subsidiaries or groups of assets within a foreign entity or of an investment in a foreign entity. A parent entity is required to release any related cumulative foreign currency translation adjustment from accumulated other comprehensive income into net income in the following circumstances: (i) a parent entity ceases to have a controlling financial interest in a subsidiary or group of assets that is a business within a foreign entity if the sale or transfer results in the complete or substantially complete liquidation of the foreign entity in which the subsidiary or group of assets had resided; (ii) a partial sale of an equity method investment that is a foreign entity; (iii) a partial sale of an equity method investment that is not a foreign entity whereby the partial sale represents a complete or substantially complete liquidation of the foreign entity that held the equity method investment; and (iv) the sale of an investment in a foreign entity. The amendments in this ASU are effective prospectively for fiscal years (and interim reporting periods within those years) beginning after December 15, 2013. The adoption of this ASU is not expected to have a material impact on the company's consolidated financial statements.

In July 2013, the FASB issued ASU 2013-11, *Income Taxes (Topic 740): Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists.* This Update applies to all entities that have unrecognized tax benefits when a net operating loss carryforward, a similar tax loss, or a tax credit carryforward exists at the reporting date. An unrecognized tax benefit, or a portion of an unrecognized tax benefit, should be presented in the financial statements as a reduction to a deferred tax asset for a net operating loss carryforward, a similar tax loss, or a tax credit carryforward, except as follows. To the extent a net operating loss carryforward, a similar tax loss, or a tax credit carryforward is not available at the reporting date under the tax law of the applicable jurisdiction to settle any additional income taxes that would result from the disallowance of a tax position or the tax law of the applicable jurisdiction does not require the entity to use, and the entity does not intend to use, the deferred tax asset for such purpose, the unrecognized tax benefit should be presented in the financial statements as a liability and should not be combined with deferred tax assets. The assessment of whether a deferred tax asset is available is based on the unrecognized tax benefit and deferred tax asset that exist at the reporting date and should be made presuming disallowance of the tax position at the reporting date. The amendments in this Update are effective for fiscal years, and interim periods within those years, beginning after December 15, 2013. For nonpublic entities, the amendments are effective for fiscal years, and interim periods within those years, beginning after December 15, 2014. Early adoption is permitted. The amendments should be applied prospectively to all unrecognized tax benefits that exist at the effective date. Retrospective application is permitted.

Except as noted above, the guidance issued by the FASB during the current quarter is not expected to have a material effect on the Company's consolidated financial statements.

Off-Balance Sheet Arrangements

Comerica has issued a $0.425 million standby letter of credit in favor of an insurance carrier to secure obligations which may arise in connection with future deductibles payments that may be incurred under the Company's workman compensation insurance policies.

Additionally, various Italian banks have issued performance bonds which total €857,000 ($1,157,000) which are also guaranteed by the Company.

Item 3—Quantitative and Qualitative Disclosures about Market Risk

The company's market risk disclosures have not materially changed since the 2012 Form 10-K was filed. The company's quantitative and qualitative disclosures about market risk are incorporated by reference from Part II, Item 7A of the company's Annual Report on Form 10-K, for the year ended December 31, 2012.

Item 4—Controls and Procedures

Disclosure Controls and Procedures

The Company under the supervision and with the participation of management, including the Chief Executive Officer (principal executive officer) and the Chief Financial Officer (principal financial officer), evaluated the effectiveness of our "disclosure controls and procedures" (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act")) as of September 30, 2013.

Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) were effective as of September 30, 2013 to provide reasonable assurance that (1) information required to be disclosed by us in the reports we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and (2) information required to be disclosed by us in the reports we file or submit under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosures.

The effectiveness of any system of controls and procedures is subject to certain limitations, and, as a result, there can be no assurance that our controls and procedures will detect all errors or fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system will be attained.

Changes in Internal Control over Financial Reporting

There has been no change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended September 30, 2013 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1—Legal Proceedings

The Company is involved in various legal proceedings, including product liability and workers' compensation matters which have arisen in the normal course of operations. The Company has product liability insurance with self insurance retention that ranges from fifty thousand to $1 million. Until 2012, all worker compensation claims were fully insured. Beginning in 2012, the Company has a $250 thousand per claim deductible on worker compensation claims and aggregates of $1.0 and $1.2 million for 2012 and 2013 policy years, respectively. Certain cases are at a preliminary stage, and it is not possible to estimate the amount or timing of any cost to the Company. However, the Company does not believe that these contingencies, in the aggregate, will have a material adverse effect on the Company. When it is probable that a loss has been incurred and possible to make a reasonable estimate of the Company's liability with respect to such matters, a provision is recorded for the amount of such estimate or the minimum amount of a range of estimates when it is not possible to estimate the amount within the range that is most likely to occur.

Item 1A—Risk Factors

As of the date of this filing, there have been no material changes from the risk factors disclosed in the Company's Annual Report on Form 10-K filed for the year ended December 31, 2012.

Item 2—Unregistered Sales of Equity Securities and Use of Proceeds.

The Company's credit agreement with Comerica Bank directly restricts the Company's ability to declare or pay dividends without Comerica's consent. In addition, pursuant to the Company's credit agreement with Comerica, the Company must maintain as specified in the agreement a Debt Service ratio and Funded Debt to EBITDA ratio.

ISSUER PURCHASE OF EQUITY SECURITIES

Period	(a) Total Number of Shares (or Units) Purchased	(b) Average Price Paid per Share (or Unit)	(c) Total Number of Shares (or Units) Purchased as Part of Publically Announced Plans or Programs	(d) Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs
July 1—July 31, 2013	—	—	—	—
August 1—August 31, 2013	—	—	—	—
September 1—September 30, 2013	—	—	—	—
	—	—	—	—

Item 3—Defaults Upon Senior Securities

None

Item 4—Mine Safety Disclosures

Not applicable.

Item 5—Other Information

Not applicable.

Item 6—Exhibits

EXHIBIT INDEX

Exhibit Number	Exhibit Description
2.1	Asset Purchase Agreement, effective August 19, 2013, by and among Sabre Manufacturing, LLC, Steven Adler, the majority interest holder and Managing Member of Seller and Manitex Sabre, Inc. (incorporated by reference to Exhibit 2.1 of the Company's Current Report on Form 8-K filed (with respect to Items 1.01, 1.02, 2.03, 3.02 and 9.01) August 20, 2013).
10.1	Credit Agreement dated as of August 19, 2013 by and among Manitex International, Inc., Manitex, Inc., Manitex Sabre, Inc., Badger Equipment Company and Manitex Load King, Inc. as the U.S. Borrowers, Manitex Liftking ULC, as the Canadian Borrower, The Other Persons Party hereto that are designed as credit parties, Comerica Bank, for itself as U.S. Revolving Lender, a U.S. Term Lender, the U.S. Swing Line Lender and a U.S. L/C Issuer and as U.S. Agent for All Lenders , Comerica through its Toronto branch, for itself, as a Canadian Lender and the Canadian Swing Line Lender and as Canadian Agent for all Canadian Lenders, The Other Financial Institutions now or hereafter party hereto, as lenders, Comerica as Administrative Agent, Sole Lead Arranger and Sole Bookrunner (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed (with respect to Items 1.01, 1.02, 2.03, and 9.01) August 20, 2013).

Exhibit Number	Exhibit Description
10.2	Guaranty dated August 19, 2013 of Manitex International, Inc., Manitex, Inc., Manitex Sabre, Inc., Badger Equipment Company, Manitex Load King, Inc., Liftking , Inc. and Manitex, LLC (incorporated by reference to Exhibit 10.2 of the Company's Current Report on Form 8-K filed (with respect to Items 1.01, 1.02, 2.03, and 9.01) August 20, 2013).
10.3	Security Agreement dated August 19, 2013 by and among Manitex International, Inc., Manitex, Inc., Manitex Sabre, Inc., Badger Equipment Company, Manitex Load King, Inc., Liftking, Inc. and Manitex, LLC and Comerica Bank, as Agent (incorporated by reference to Exhibit 10.3 of the Company's Current Report on Form 8-K filed (with respect to Items 1.01, 1.02, 2.03, and 9.01) August 20, 2013).
10.4	Security Agreement dated August 19, 2013 between Manitex Liftking, ULC and Comerica Bank, as Canadian Agent (incorporated by reference to Exhibit 10.4 of the Company's Current Report on Form 8-K filed (with respect to Items 1.01, 1.02, 2.03, and 9.01) August 20, 2013).
10.5	Commercial lease with Sabre Realty, LLC dated January 1, 2009 (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed (with respect to Items 1.01, 2.01, 2.03, 3.02, and 9.01) August 20, 2013).
10.6	Commercial lease with Brave New World Realty, LLC dated August 29, 2011 (incorporated by reference to Exhibit 10.2 of the Company's Current Report on Form 8-K filed (with respect to Items 1.01, 2.01, 2.03, 3.02, and 9.01) August 20, 2013).
10.7	First Amendment to Commercial lease with Sabre Realty, LLC dated August 19, 2013 (incorporated by reference to Exhibit 10.3 of the Company's Current Report on Form 8-K filed (with respect to Items 1.01, 2.01, 2.03, 3.02, and 9.01) August 20, 2013).
10.8	First Amendment to Commercial lease with Brave New World Realty, LLC dated August 19, 2013 (incorporated by reference to Exhibit 10.4 of the Company's Current Report on Form 8-K filed (with respect to Items 1.01, 2.01, 2.03, 3.02, and 9.01) August 20, 2013).
31.1*	Certification by the Chief Executive Officer pursuant to Rule 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as amended pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification by the Chief Financial Officer pursuant to Rule 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as amended pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification by the Chief Executive Officer and the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101*	The following financial information from Manitex International, Inc.'s Quarterly Report on Form 10-Q for the quarter ended September 30, 2013, formatted in XBRL (eXtensible Business Reporting Language): (i) Statements of Income for the three and nine months ended September 30, 2013 and 2012 (ii) Statement of Comprehensive Income for three and nine months ended September 30, 2013 and 2012 (ii) Balance Sheets as of September 30, 2013 and December 31, 2012, (iii) Statements of Cash Flows for the three and nine months ended September 30, 2013 and 2012, and (iv) Notes to Unaudited Interim Financial Statements.

* Filed herewith

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

November 8, 2013

By: /S/ DAVID J. LANGEVIN

David J. Langevin
Chairman and Chief Executive Officer
(Principal Executive Officer)

November 8, 2013

By: /S/ DAVID H. GRANSEE

David H. Gransee
Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

CERTIFICATIONS

I, David J. Langevin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Manitex International, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 8, 2013	By:	/s/ David J. Langevin
	Name:	**David J. Langevin**
	Title:	**Chairman and Chief Executive Officer (Principal Executive Officer of Manitex International, Inc.)**

Exhibit 31.2

CERTIFICATIONS

I, David H. Gransee, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Manitex International, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 8, 2013

By:	/s/ David H. Gransee
Name:	**David H. Gransee**
Title:	**Vice President and Chief Financial Officer (Principal Financial and Accounting Officer of Manitex International, Inc.)**

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Solely for the purpose of complying with 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, we, the undersigned Chief Executive Officer and Chief Financial Officer of Manitex International, Inc. (the "Company"), hereby certify that, to the best of our knowledge, the Quarterly Report of the Company on Form 10-Q for the quarter ended September 30, 2013 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ David J. Langevin
Name: **David J. Langevin**
Title: **Chairman and Chief Executive Officer (Principal Executive Officer of Manitex International, Inc.)**

Dated: November 8, 2013

By: /s/ David H. Gransee
Name: **David H. Gransee**
Title: **Vice President and Chief Financial Officer (Principal Financial and Accounting Officer of Manitex International, Inc.)**

Dated: November 8, 2013