

# MANITEX INTERNATIONAL, INC.

(NASDAQ: MNTX)

Second Quarter 2017 Investor Update  
Teleconference: August 3, 2017



Manitex

**Manitex**



**MANITEX  
SABRE**

**MANITEX  
VALLA**



## FORWARD-LOOKING STATEMENT & NON-GAAP MEASURES



Safe Harbor Statement under the U.S. Private Securities Litigation Reform Act of 1995: This presentation contains statements that are forward-looking in nature which express the beliefs and expectations of management including statements regarding the Company's expected results of operations or liquidity; statements concerning projections, predictions, expectations, estimates or forecasts as to our business, financial and operational results and future economic performance; and statements of management's goals and objectives and other similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by terminology such as "anticipate," "estimate," "plan," "project," "continuing," "ongoing," "expect," "we believe," "we intend," "may," "will," "should," "could," and similar expressions. Such statements are based on current plans, estimates and expectations and involve a number of known and unknown risks, uncertainties and other factors that could cause the Company's future results, performance or achievements to differ significantly from the results, performance or achievements expressed or implied by such forward-looking statements. These factors and additional information are discussed in the Company's filings with the Securities and Exchange Commission and statements in this presentation should be evaluated in light of these important factors. Although we believe that these statements are based upon reasonable assumptions, we cannot guarantee future results. Forward-looking statements speak only as of the date on which they are made, and the Company undertakes no obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

# Q2 2017 Summary

- ❑ Net revenue of \$51.6 million is up 29.5% on a sequential quarter basis
- ❑ Production levels are increasing in Q2 as supply chain has ramped up to meet demand requirements
- ❑ Adjusted operating income of \$2.3 million has doubled from \$1.1 million on a *sequential* quarter basis
- ❑ Debt reductions of \$49.7 million occurred in Q2 -2017
- ❑ EBITDA Margin expectation of 10% or greater in recovery
- ❑ Backlog as of June 30, 2017 is \$47.6 million, up 52.1% from December 31, 2016
- ❑ Book to bill ratio was 0.93:1 in Q2 2017
- ❑ Cost reductions of \$2.9 million achieved in Q2 -2017



# Continuing Operations Adj. Results

## Key Figures \*

USD thousands

	Q2-2017*	Q2-2016*	Q1-2017*
<b>Net sales</b>	<b>\$51,592</b>	<b>\$48,635</b>	<b>\$39,842</b>
% change in 2017 to prior period		6.0%	29.5%
<b>Adjusted Gross profit</b>	<b>11,116</b>	<b>9,561</b>	<b>9,663</b>
Gross margin %	21.5%	19.6%	24.3%
Adjusted Net Income (loss)	975	(84)	258
Adjusted Earnings (loss) per share	\$0.06	(\$0.01)	\$0.02
<b>Adjusted Ebitda</b>	<b>3,471</b>	<b>1,705</b>	<b>2,539</b>
Adjusted Ebitda % of Sales	6.7%	3.5%	6.4%
Working capital	32,446	34,652	30,886
Backlog	47,554	27,329	51,237
% change in 2016 to prior period		74.0%	(7.2)%

## Adjusted Continuing Operations Operating Performance



\$m			Q2-2017
Q2-2016 sales			\$48.7
Volume / mix			<u>2.9</u>
Q2-2017 sales			\$51.6

\$m			Q2-2017
Q2-2016 Adjusted net loss attributable to shareholders			\$(0.1)
Margin impact of increased volume			0.6
Margin impact of increased margin %			1.0
Operating expenses			0.8
Interest expense			0.5
Forex & minority share			0.2
Income tax			<u>(2.0)</u>
Q2-2017 Adjusted net income from continuing attributable to shareholders			\$1.0



# Working Capital



\$000	June 30, 2017	December 31, 2016
Working Capital	\$32,446	\$31,446
Days sales outstanding (DSO)	78	76
Days payable outstanding (DPO)	96	106
Inventory turns	2.6	2.1
Current ratio (CR)	1.4	1.4
Operating working capital	\$64,872	\$57,743
Operating working capital % of annualized last quarters sales (LQS)	31.4%	35.6%

- ❑ Increase in operating working capital as production ramps up to meet demand generated by higher backlog.
- ❑ CR would be 1.9 at both June 30, 2017 and at December 31, 2016 adjusting for PM working capital facilities of \$21.9 m at June 30, 2017 and \$18.2 m at December 31, 2016 that are transactional and therefore current (vs US credit facilities)

## Debt Table-Update Q2 2017



USD millions	PM/Valla (Non-Recourse)	Manitex	Total	Increase / (decrease) in Q2 2017
Working capital borrowings	24.2	13.2	37.4	(5.8)
Bank term debt	28.3	--	28.3	0.1
Capital leases	-	6.6	6.6	0.4
Convertible notes	-	21.4	21.4	0.0
Other notes	-	0.2	0.2	(1.7)
<b>Total</b>	<b>\$52.5</b>	<b>\$41.4</b>	<b>\$93.9</b>	<b>(7.0)</b>
Debt issuance costs			(0.8)	0.0
Total debt per balance sheet			\$93.1	(7.0)
Cash on hand			<u>\$3.6</u>	<u>\$(0.1)</u>
<b>Net debt</b>			<b>\$89.5</b>	<b>\$(6.9)</b>

## Debt and Liquidity



\$000	June 30, 2017	December 31, 2016	June 30, 2016
Total Cash	\$3,589	\$5,311	\$6,958
Total Debt	93,135	95,386	106,637
Total Equity	73,416	74,398	108,446
Net capitalization	\$162,962	\$164,473	\$208,125
Net debt / capitalization	54.9%	54.8%	47.9%
Adjusted EBITDA (TTM)	\$7,465	\$6,366	\$7,561

- ❑ Absolute net debt (on a non-restated basis) is down \$49.7 million from \$139.2 million at March 31, 2017 to \$89.5 million at June 30, 2017
- ❑ Goal of further debt reduction in 2017
- ❑ Adjusted EBITDA for Q2-2017 of \$ 3.5 million
- ❑ Our TTM results continue to be negatively impacted by the weak Q3 and Q4 2016 figures.



## Appendix-Reconciliations



Reconciliation of GAAP Net Income (loss) From Continuing Operations Attributable to Shareholders of Manitex International to Adjusted Net Income (loss) From continuing operations Attributable to Shareholders of Manitex International (in thousands)

\$000	Three Months Ended		Six Months Ended	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
Net (Loss) Income from continuing operations attributable to shareholders	(\$1,365)	(\$2,512)	(\$4,913)	(\$5,416)
Adjustments related to normalized margin, trade show, restructuring, and other expenses	2,340	2,428	6,146	3,254
Adjusted Net Income (Loss) from continuing operations attributable to shareholders	975	(84)	1,233	(2,162)
Weighted diluted shares outstanding	16,553,667	16,125,788	16,512,061	16,115,695
Diluted (loss) per share attributable to shareholders as reported	(\$0.08)	(\$0.16)	(\$0.30)	(\$0.34)
Total EPS effect	\$0.14	\$0.15	\$0.37	\$0.20
Adjusted diluted income (loss) per share attributable to shareholders	\$0.06	(\$0.01)	\$0.07	(\$0.13)

Reconciliation of GAAP Operating Income From Continuing Operations to Adjusted EBITDA (in thousands)

\$000	Three Months Ended		Six Months Ended	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
Operating income (loss)	\$176	(\$1,528)	(\$2,485)	(\$426)
Adjustments related to normalized margin, trade show and restructuring, and other expenses	2,084	1,434	5,807	1,744
Adjusted operating income (loss)	2,260	(94)	3,322	1,318
Depreciation and amortization	1,211	1,799	2,688	3,593
Adjusted EBITDA	\$3,471	\$1,705	\$6,010	\$4,911
Adjusted EBITDA % to sales	6.7%	3.5%	6.6%	4.7%

## APPENDIX--Adjustment for Normalized Absorption Levels, Trade Show and Other Expenses



	Three Months Ended		Six Months Ended	
	June 30, 2017	June 30, 2017	June 30, 2017	June 30, 2017
Normalized plant absorption levels	\$1,687	\$0.10	\$3,848	\$0.23
Trade show expenses (tri-annual only)	\$0	\$0.00	\$1,106	\$0.07
Restructuring fees	\$301	\$0.02	\$574	\$0.03
Share-based compensation	\$96	\$0.01	\$279	\$0.02
Foreign exchange	\$256	\$0.01	\$339	\$0.02
<b>Total</b>	<b>\$2,340</b>	<b>\$0.14</b>	<b>\$6,146</b>	<b>\$0.37</b>

	Three Months Ended		Six Months Ended	
	June 30, 2016	June 30, 2016	June 30, 2016	June 30, 2016
Write off deferred finance costs	\$1,439	\$0.09	\$1,439	\$0.09
Normalized plant absorption levels	\$814	\$0.05	\$814	\$0.05
Restructuring fees	\$339	\$0.02	\$364	\$0.02
Share-based compensation	\$281	\$0.02	\$566	\$0.04
Write off goodwill	\$275	\$0.02	\$275	\$0.02
Foreign exchange	\$200	\$0.01	\$716	\$0.04
Contingent liability adjustment	(\$920)	(\$0.06)	(\$920)	(\$0.06)
<b>Total</b>	<b>\$2,428</b>	<b>\$0.15</b>	<b>\$3,254</b>	<b>\$0.20</b>

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A white Manitex truck is parked under a structure with the Manitex logo. The truck is a large, heavy-duty vehicle with a white cab and a white trailer. The Manitex logo is visible on the side of the truck and on the structure above it. The background is a blue and white geometric design.

Manitex

