UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2020

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number: 1-11978

The Manitowoc Company, Inc.
(Exact Name of Registrant as Specified in its Charter)

Wisconsin	**39-0448110**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)
11270 West Park Place Suite 1000 Milwaukee, Wisconsin	**53224**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (414) 760-4600

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $.01 Par Value	MTW	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of June 30, 2020, the registrant had 34,521,063 shares of common stock, $.01 par value per share, outstanding.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

THE MANITOWOC COMPANY, INC.
Condensed Consolidated Statements of Operations
For the three and six months ended June 30, 2020 and 2019
(Unaudited)
($ in millions, except per share and average share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Net sales	$ 328.3	$ 504.7	$ 657.5	$ 922.7
Cost of sales	279.9	409.5	545.9	747.3
Gross profit	48.4	95.2	111.6	175.4
Operating costs and expenses:				
Engineering, selling and administrative expenses	49.7	50.5	105.6	109.9
Amortization of intangible assets	0.1	0.1	0.2	0.2
Restructuring expense	0.2	2.7	1.7	7.2
Total operating costs and expenses	50.0	53.3	107.5	117.3
Operating income (loss)	(1.6)	41.9	4.1	58.1
Other income (expense):				
Interest expense	(7.2)	(7.5)	(14.4)	(18.4)
Amortization of deferred financing fees	(0.3)	(0.4)	(0.7)	(0.8)
Loss on debt extinguishment	—	—	—	(25.0)
Other income (expense) - net	(2.9)	15.9	(6.9)	12.6
Total other income (expense)	(10.4)	8.0	(22.0)	(31.6)
Income (loss) before income taxes	(12.0)	49.9	(17.9)	26.5
Provision for income taxes	0.7	3.9	2.6	7.2
Net income (loss)	$ (12.7)	$ 46.0	$ (20.5)	$ 19.3
Per Share Data				
Basic income (loss) per common share	$ (0.37)	$ 1.29	$ (0.59)	$ 0.54
Diluted income (loss) per common share	$ (0.37)	$ 1.29	$ (0.59)	$ 0.54
Weighted average shares outstanding - basic	34,519,889	35,595,718	34,827,582	35,619,145
Weighted average shares outstanding - diluted	34,519,889	35,725,908	34,827,582	35,799,089

The accompanying notes are an integral part to these Condensed Consolidated Financial Statements.

THE MANITOWOC COMPANY, INC.
Condensed Consolidated Statements of Comprehensive Income (Loss)
For the three and six months ended June 30, 2020 and 2019
(Unaudited)
($ in millions)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Net income (loss)	$ (12.7)	$ 46.0	$ (20.5)	$ 19.3
Other comprehensive income (loss), net of income tax				
Unrealized income on derivatives, net of income tax provision of $0.0, $0.0, $0.0 and $0.0, respectively	0.1	0.6	0.1	0.7
Employee pension and postretirement benefit expense, net of income tax benefit of $0.3, $0.0, $0.0 and $0.0, respectively	0.6	0.5	1.8	1.0
Foreign currency translation adjustments	8.6	1.2	(5.0)	(1.3)
Total other comprehensive income (loss), net of income tax	9.3	2.3	(3.1)	0.4
Comprehensive income (loss)	$ (3.4)	$ 48.3	$ (23.6)	$ 19.7

The accompanying notes are an integral part to these Condensed Consolidated Financial Statements.

THE MANITOWOC COMPANY, INC.
Condensed Consolidated Balance Sheets
As of June 30, 2020 and December 31, 2019
(Unaudited)
($ in millions, except per share amounts)

	June 30, 2020	December 31, 2019
Assets		
Current Assets:		
Cash and cash equivalents	$ 128.3	$ 199.3
Accounts receivable, less allowances of $9.4 and $7.9, respectively	171.9	168.3
Inventories — net	534.5	461.4
Notes receivable — net	14.0	17.4
Other current assets	33.0	26.0
Total current assets	881.7	872.4
Property, plant and equipment — net	277.8	289.9
Operating lease right-of-use assets	42.8	47.6
Goodwill	232.0	232.5
Other intangible assets — net	115.9	116.3
Other non-current assets	54.7	59.0
Total assets	$ 1,604.9	$ 1,617.7
Liabilities and Stockholders' Equity		
Current Liabilities:		
Accounts payable and accrued expenses	$ 332.6	$ 340.8
Short-term borrowings and current portion of long-term debt	4.3	3.8
Product warranties	45.8	47.2
Customer advances	15.8	25.8
Other liabilities	22.2	23.3
Total current liabilities	420.7	440.9
Non-Current Liabilities:		
Long-term debt	356.9	308.4
Operating lease liabilities	33.3	37.6
Deferred income taxes	4.3	5.5
Pension obligations	83.7	86.4
Postretirement health and other benefit obligations	15.6	16.4
Long-term deferred revenue	27.4	30.3
Other non-current liabilities	47.3	46.3
Total non-current liabilities	568.5	530.9
Commitments and contingencies (Note 18)		
Stockholders' Equity:		
Preferred stock (authorized 3,500,000 shares of $.01 par value; none outstanding)	—	—
Common stock (75,000,000 shares authorized, 40,793,983 shares issued, 34,521,063 and 35,374,537 shares outstanding, respectively)	0.4	0.4
Additional paid-in capital	596.0	592.2
Accumulated other comprehensive loss	(124.1)	(121.0)
Retained earnings	215.5	236.2
Treasury stock, at cost (6,272,920 and 5,419,446 shares, respectively)	(72.1)	(61.9)
Total stockholders' equity	615.7	645.9
Total liabilities and stockholders' equity	$ 1,604.9	$ 1,617.7

The accompanying notes are an integral part to these Condensed Consolidated Financial Statements.

THE MANITOWOC COMPANY, INC.
Condensed Consolidated Statements of Cash Flows
For the six months ended June 30, 2020 and 2019
(Unaudited)
($ in millions)

	Six Months Ended June 30,	
	2020	2019
Cash Flows from Operating Activities:		
Net income (loss)	$ (20.5)	$ 19.3
Adjustments to reconcile net income (loss) to cash used for operating activities:		
Depreciation	18.1	17.4
Amortization of intangible assets	0.2	0.2
Amortization of deferred financing fees	0.7	0.8
Loss on debt extinguishment	—	25.0
Other	5.9	6.0
Changes in operating assets and liabilities:		
Accounts receivable	(6.4)	(222.6)
Inventories	(73.4)	(106.5)
Notes receivable	5.6	(2.3)
Other assets	(6.4)	26.1
Accounts payable	(6.5)	22.1
Accrued expenses and other liabilities	(16.0)	(20.9)
Net cash used for operating activities	(98.7)	(235.4)
Cash Flows from Investing Activities:		
Capital expenditures	(8.0)	(9.7)
Proceeds from sale of fixed assets	0.1	4.8
Cash receipts on sold accounts receivable	—	126.3
Net cash provided by (used for) investing activities	(7.9)	121.4
Cash Flows from Financing Activities:		
Proceeds from revolving credit facility	50.0	82.8
Payments on revolving credit facility	—	(82.8)
Payments on long-term debt	—	(276.6)
Proceeds from long-term debt	—	300.0
Other debt - net	(1.5)	1.9
Debt issuance costs	—	(8.2)
Exercises of stock options	0.1	0.1
Common stock repurchases	(12.0)	(7.4)
Net cash provided by financing activities	36.6	9.8
Effect of exchange rate changes on cash and cash equivalents	(1.0)	(1.1)
Net decrease in cash and cash equivalents	(71.0)	(105.3)
Cash and cash equivalents at beginning of period	199.3	140.3
Cash and cash equivalents at end of period	$ 128.3	$ 35.0

The accompanying notes are an integral part to these Condensed Consolidated Financial Statements.

THE MANITOWOC COMPANY, INC.
Condensed Consolidated Statements of Equity
For the three and six months ended June 30, 2020 and 2019
(Unaudited)
($ in millions, except share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Common Stock - Par Value				
Balance at beginning of period	$ 0.4	$ 0.4	$ 0.4	$ 0.4
Balance at end of period	$ 0.4	$ 0.4	$ 0.4	$ 0.4
Additional Paid-in Capital				
Balance at beginning of period	$ 593.7	$ 586.0	$ 592.2	$ 584.8
Stock options exercised and issuance of other stock awards	(0.2)	(0.2)	(2.1)	(2.1)
Stock-based compensation	2.5	3.0	5.9	6.1
Balance at end of period	$ 596.0	$ 588.8	$ 596.0	$ 588.8
Accumulated Other Comprehensive Loss				
Balance at beginning of period	$ (133.4)	$ (118.5)	$ (121.0)	$ (116.6)
Other comprehensive income (loss)	9.3	2.3	(3.1)	0.4
Balance at end of period	$ (124.1)	$ (116.2)	$ (124.1)	$ (116.2)
Retained Earnings				
Balance at beginning of period	$ 228.2	$ 162.9	$ 236.2	$ 189.6
Adoption of accounting standards update	—	—	(0.2)	—
Net income (loss)	(12.7)	46.0	(20.5)	19.3
Balance at end of period	$ 215.5	$ 208.9	$ 215.5	$ 208.9
Treasury Stock				
Balance at beginning of period	$ (72.2)	$ (55.0)	$ (61.9)	$ (56.9)
Stock options exercised and issuance of other stock awards	0.1	0.2	1.8	2.1
Common stock repurchases	—	(7.4)	(12.0)	(7.4)
Balance at end of period	$ (72.1)	$ (62.2)	$ (72.1)	$ (62.2)
Total equity	$ 615.7	$ 619.7	$ 615.7	$ 619.7

The accompanying notes are an integral part to these Condensed Consolidated Financial Statements.

1. Accounting Policies and Basis of Presentation

The Manitowoc Company, Inc. (“Manitowoc,” “MTW” or the “Company”) was founded in 1902 and has over a 117-year tradition of providing high-quality, customer-focused products and support services to its markets. Manitowoc is one of the world’s leading providers of engineered lifting solutions. Manitowoc, through its wholly-owned subsidiaries, designs, manufactures, markets, and supports comprehensive product lines of mobile telescopic cranes, tower cranes, lattice-boom crawler cranes, and boom trucks under the Grove, Manitowoc, National Crane, Potain, Shuttlelift and Manitowoc Crane Care brand names. The Company serves a wide variety of customers, including dealers, rental companies, contractors, and government entities, across the petrochemical, industrial, commercial construction, power and utilities, infrastructure and residential construction end markets. Additionally, the Company’s Manitowoc Crane Care offering leverages Manitowoc's installed base of approximately 149,000 cranes to provide aftermarket parts and services to enable its customers to manage their fleets more effectively and improve their return on investment. Due to the ongoing and predictable maintenance needed by cranes, as well as the high cost of crane downtime, Manitowoc Crane Care provides the Company with a consistent stream of recurring revenue.

The Company has three reportable segments, the Americas segment, Europe and Africa (“EURAF”) segment and Middle East and Asia Pacific (“MEAP”) segment. The segments were identified using the “management approach,” which designates the internal organization that is used by management for making operating decisions and assessing performance. Refer to Note 17, “Segments” for additional information.

In the opinion of management, the accompanying unaudited Condensed Consolidated Financial Statements contain all adjustments necessary for a fair statement of the results of operations, comprehensive income and equity for the three and six months ended June 30, 2020 and 2019, the cash flows for the same six-month periods and the financial position at June 30, 2020 and December 31, 2019, and except as otherwise discussed, such adjustments consist of only those of a normal recurring nature. The interim results are not necessarily indicative of results for a full year and do not contain information included in the Company’s annual consolidated financial statements and notes for the year ended December 31, 2019. Certain information and footnote disclosures, normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States (“GAAP”), have been condensed or omitted pursuant to Securities and Exchange Commission rules and regulations dealing with interim financial statements. However, the Company believes that the disclosures made in the Condensed Consolidated Financial Statements included herein are adequate to make the information presented not misleading. It is suggested that these financial statements be read in conjunction with the financial statements and the notes thereto included in the Company’s latest annual report on Form 10-K.

All amounts, except share and per share amounts, are in millions throughout the tables in these notes unless otherwise indicated.

Impact of COVID-19 Pandemic

There is considerable uncertainty regarding the future impact, and expected duration, of the COVID-19 pandemic, and restrictions on the Company’s access to its facilities or on its support operations or workforce, or similar limitations for its customers, dealers and suppliers. There is no certainty that measures taken by governmental authorities will be sufficient to mitigate the risks posed by the virus, and the Company’s ability to perform critical functions could be harmed. This uncertainty could have an impact in future periods on certain estimates used in the preparation of the Company’s second quarter financial results, including, but not limited to, impairment of goodwill and other long-lived assets, income tax provision, recoverability of inventory and hedge accounting with respect to forecasted future transactions.

2. Recent Accounting Changes and Pronouncements

In December 2019, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2019-12 “Income Taxes (Topic 740).” The amendments in this ASU simplify accounting for income taxes by removing certain exceptions to the general principles in Topic 740. The amendments also improve consistent application of and simplify GAAP for other areas of Topic 740 by clarifying and amending existing guidance. The standard is effective for annual periods beginning after December 15, 2020. The Company is currently evaluating the impact the adoption of the ASU will have on the Company’s consolidated financial statements.

In August 2018, the FASB issued ASU No. 2018-15 "Intangibles – Goodwill and Other – Internal-use Software (Subtopic 250-40): Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement that is a Service Contract." The amendments in this ASU align the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software. The standard is effective for annual periods beginning after December 15, 2019. The adoption of the ASU did not have a material impact on the Company's condensed consolidated financial statements.

In June 2016, the FASB issued ASU 2016-13, "Financial Instruments - Credit Losses," which requires the Company to measure all expected credit losses for financial instruments held at the reporting date based on historical experience, current conditions and reasonable supportable forecasts. The new guidance is applicable to financial assets measured at amortized cost, net investments in leases and certain off-balance sheet credit exposures. The standard was effective for annual periods beginning after December 15, 2019. The adoption of the ASU resulted in a $0.2 million reduction in beginning retained earnings and a corresponding reduction in accounts receivable on the Company's Condensed Consolidated Balance Sheets as of June 30, 2020. There was no material impact to the Company's Condensed Consolidated Statements of Operations or Condensed Consolidated Statements of Cash Flows.

3. Revenues

The Company records deferred revenue when cash payments are received or due in advance of satisfying the performance obligation. The table below shows the change in the customer advances balance for the three and six months ended June 30, 2020 and 2019 which are included in current liabilities in the Condensed Consolidated Balance Sheets.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Balance at beginning of period	$ 21.0	$ 13.3	$ 25.8	$ 9.6
Cash received or due in advance of satisfying performance obligation	15.9	18.3	44.8	50.2
Revenue recognized	(21.6)	(21.1)	(54.1)	(49.4)
Currency translation	0.5	0.1	(0.7)	0.2
Balance at end of period	$ 15.8	$ 10.6	$ 15.8	$ 10.6

Disaggregation of the Company's revenue sources are disclosed in Note 17, "Segments."

4. Fair Value of Financial Instruments

The following table sets forth the Company's financial assets and liabilities that were accounted for at fair value as of June 30, 2020 and December 31, 2019, by level within the fair value hierarchy. Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

	Fair Value as of June 30, 2020				
	Level 1	Level 2	Level 3	Total	Recognized Location
Forward currency exchange contracts	$ —	$ 0.1	$ —	$ 0.1	Other current assets

	Fair Value as of December 31, 2019				
	Level 1	Level 2	Level 3	Total	Recognized Location
Forward currency exchange contracts	$ —	$ 0.1	$ —	$ 0.1	Other current assets
Forward currency exchange contracts	—	0.1	—	0.1	Accounts payable and accrued expenses

The fair value of the senior secured second lien notes due on April 1, 2026, with an annual coupon rate of 9.000% (the "2026 Notes"), was approximately $299.0 million as of June 30, 2020. See Note 11, "Debt," for a description of the 2026 Notes and the related carrying value.

The Company endeavors to utilize the best available information in measuring fair value. Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company estimates the fair value of its 2026 Notes based on quoted market prices; because these markets are typically actively traded, the liabilities are classified as Level 1 within the valuation hierarchy. The carrying values of cash and cash equivalents, accounts receivable, accounts payable and short-term variable debt, including any amounts outstanding under the revolving credit facility, approximate fair value, without being discounted as of June 30, 2020 and December 31, 2019, due to the short-term nature of these instruments.

Forward currency exchange contracts (“FX Forward Contracts”) are valued through an independent valuation source which uses an industry standard data provider, with resulting valuations periodically validated through third-party or counterparty quotes. As such, these derivative instruments are classified within Level 2. See Note 5, “Derivative Financial Instruments” for additional information.

5. Derivative Financial Instruments

The Company’s risk management objective is to ensure that business exposures to risks are minimized using the most effective and efficient methods to eliminate, reduce, or transfer such exposures. Operating decisions consider these associated risks and, whenever possible, transactions are structured to avoid or mitigate these risks.

From time to time, the Company enters into FX Forward Contracts to manage the exposure on forecasted transactions denominated in non-functional currencies and to manage the risk of transaction gains and losses associated with assets/liabilities in currencies other than the functional currency of certain subsidiaries. Certain of these FX Forward Contracts are designated as cash flow hedges. To the extent these derivatives are effective in offsetting the variability of the hedged cash flows, changes in the derivatives’ fair value are not included in current earnings but are included in accumulated other comprehensive income (loss). These changes in fair value are reclassified into earnings as a component of cost of sales, as applicable, when the forecasted transaction impacts earnings. In addition, if the forecasted transaction is no longer probable, the cumulative change in the derivatives’ fair value is recorded as a component of other income expense – net in the period in which the transaction is no longer considered probable of occurring. No amounts were recorded related to these types of transactions during the three and six months ended June 30, 2020 and 2019, respectively.

The Company had FX Forward Contracts with an aggregate notional amount of $9.6 million and $32.6 million outstanding as of June 30, 2020 and December 31, 2019, respectively. The aggregate notional amount outstanding as of June 30, 2020 is scheduled to mature within one year. The FX Forward Contracts purchased are denominated in various foreign currencies. As of June 30, 2020 and December 31, 2019, the net fair value of these contracts was a net current asset of $0.1 million and a net zero balance, respectively. There was $0.1 million and zero unrealized gains, net of income tax, recorded in accumulated other comprehensive loss as of June 30, 2020 and December 31, 2019, respectively.

The following table provides the amount of gain or loss recorded in the Condensed Consolidated Statement of Operations for FX Forward Contracts for the three and six months ended June 30, 2020 and June 30, 2019.

		Three Months Ended June 30,		Six Months Ended June 30,	
	Recognized Location	**2020**	**2019**	**2020**	**2019**
Designated	Cost of sales	$ 0.2	$ 0.7	$ 0.3	$ 1.5
Non-Designated	Other income (expense) - net	$ (0.4)	$ (1.6)	$ (0.4)	$ (2.3)

6. Inventories

The components of inventories as of June 30, 2020 and December 31, 2019 are summarized as follows:

	June 30, 2020	December 31, 2019
Raw materials	$ 140.7	$ 156.3
Work-in-process	116.5	116.3
Finished goods	329.7	239.4
Total inventories	586.9	512.0
Excess and obsolete inventory reserve	(52.4)	(50.6)
Inventories — net	$ 534.5	$ 461.4

7. Notes Receivable

The Company has notes receivable balances that are classified as current or long-term based on the timing of amounts due. Long-term notes receivable are included within other non-current assets on the Condensed Consolidated Balance Sheets. Current and long-term notes receivable balances primarily relate to the Company's captive finance entity in China. As of June 30, 2020, the Company had current and long-term notes receivable in the amount of $14.0 million and $14.8 million, respectively. As of December 31, 2019, the Company had current and long-term notes receivable in the amount of $17.4 million and $16.3 million, respectively.

8. Property, Plant and Equipment

The components of property, plant and equipment at June 30, 2020 and December 31, 2019 are summarized as follows:

	June 30, 2020	December 31, 2019
Land	$ 23.2	$ 24.0
Building and improvements	195.6	197.3
Machinery, equipment and tooling	275.3	274.2
Furniture and fixtures	18.8	18.5
Computer hardware and software	117.6	119.3
Rental cranes	75.2	77.7
Construction in progress	10.8	11.2
Total cost	716.5	722.2
Less accumulated depreciation	(438.7)	(432.3)
Property, plant and equipment — net	$ 277.8	$ 289.9

Property, plant and equipment are depreciated over the asset's estimated useful life using the straight-line depreciation method for financial reporting and accelerated methods for income tax purposes.

9. Goodwill and Other Intangible Assets

The Company performs an annual impairment review of goodwill and indefinite-lived intangible assets during the fourth quarter, or more frequently if events or changes in circumstances indicate that the asset might be impaired. During the three months ended March 31, 2020, the Company considered the decline in its market capitalization due to the COVID-19 pandemic as an interim triggering event. The Company's interim test results as of March 31, 2020 indicated that the fair values of all reporting units exceeded their carrying values and thus, no impairment of goodwill existed. No additional triggers for an interim impairment test have been identified since March 31, 2020. However, the Company is unable to predict future impacts of the COVID-19 pandemic, including a prolonged and/or more severe pandemic than anticipated, or future changes in management's judgements and assumptions used to assess the fair value of the reporting units, which could result in a non-cash impairment charge in the future.

The changes in the carrying amount of goodwill for the year ended December 31, 2019 and the six months ended June 30, 2020 are summarized as follows:

	Americas	MEAP	Consolidated
Balance as of January 1, 2019	$ 166.5	$ 66.3	$ 232.8
Foreign currency impact	—	(0.3)	(0.3)
Balance as of December 31, 2019	166.5	66.0	232.5
Foreign currency impact	—	(0.5)	(0.5)
Balance as of June 30, 2020	$ 166.5	$ 65.5	$ 232.0

The gross carrying amount, accumulated amortization and net book value of the Company's intangible assets other than goodwill at June 30, 2020 and December 31, 2019 are summarized as follows:

	June 30, 2020			December 31, 2019		
	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Definite lived intangible assets:						
Customer relationships	$ 9.7	$ (8.2)	$ 1.5	$ 10.0	$ (8.5)	$ 1.5
Patents	29.5	(28.8)	0.7	29.5	(28.7)	0.8
Total	39.2	(37.0)	2.2	39.5	(37.2)	2.3
Indefinite lived intangible assets:						
Trademarks and tradenames	95.1	—	95.1	95.3	—	95.3
Distribution network	18.6	—	18.6	18.7	—	18.7
Total	113.7	—	113.7	114.0	—	114.0
Total other intangible assets	$ 152.9	$ (37.0)	$ 115.9	$ 153.5	$ (37.2)	$ 116.3

Other intangible assets with definite lives are amortized over their estimated useful lives. Amortization expense for the three months ended June 30, 2020 and 2019 was $0.1 million. Amortization expense for the six months ended June 30, 2020 and 2019 was $0.2 million.

Definite lived intangible assets and long-lived assets are subject to impairment testing whenever events or circumstances indicate that the carrying value of the assets may not be recoverable. The Company considered the impact of the COVID-19 pandemic on each of the Company's definite lived intangible assets and long-lived assets. The Company determined there was not a triggering event during the second quarter of 2020.

10. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses at June 30, 2020 and December 31, 2019 are summarized as follows:

	June 30, 2020	December 31, 2019
Trade accounts payable	$ 177.9	$ 187.1
Employee-related expenses	40.3	56.6
Accrued vacation	23.9	20.2
Miscellaneous accrued expenses	90.5	76.9
Total	$ 332.6	$ 340.8

11. Debt

Outstanding debt at June 30, 2020 and December 31, 2019 is summarized as follows:

	June 30, 2020	December 31, 2019
Borrowings under senior secured asset based revolving credit facility	$ 50.0	$ —
Senior secured second lien notes due 2026	300.0	300.0
Other	15.4	16.7
Deferred financing costs	(4.2)	(4.5)
Total debt	361.2	312.2
Short-term borrowings and current portion of long-term debt	(4.3)	(3.8)
Long-term debt	$ 356.9	$ 308.4

On March 25, 2019, the Company and certain of its subsidiaries entered into an indenture with U.S. Bank National Association as trustee and notes collateral agent, pursuant to which the Company issued $300.0 million aggregate principal amount senior secured second lien notes due on April 1, 2026 with an annual coupon rate of 9.000%. Interest on the 2026 Notes is payable in cash semi-annually in arrears on April 1 and October 1 of each year. The 2026 Notes are fully and unconditionally guaranteed on a senior secured second lien basis, jointly and severally, by each of the Company's existing and future domestic subsidiaries that is either a guarantor or a borrower under the ABL Revolving Credit Facility (as defined below) or that guarantees certain other debt of the Company or a guarantor. The 2026 Notes and the related guarantees are secured on a second-priority basis, subject to certain exceptions and permitted liens, by pledges of capital stock and other equity interests and other security interests in substantially all of the personal property and fee-owned real property of the Company and of the guarantors that secure obligations under the ABL Revolving Credit Facility. The 2026 Notes were sold pursuant to exemptions from registration under the Securities Act of 1933.

Additionally, on March 25, 2019, the Company and certain subsidiaries of the Company (the "Loan Parties") entered into a credit agreement (the "ABL Credit Agreement") with JP Morgan Chase Bank, N.A as administrative and collateral agent, and certain financial institutions party thereto as lenders, providing for a senior secured asset-based revolving credit facility (the "ABL Revolving Credit Facility") of up to $275.0 million. The borrowing capacity under the ABL Revolving Credit Facility is based on the value of inventory, accounts receivable and fixed assets of the Loan Parties. The Loan Parties' obligations under the ABL Revolving Credit Facility are secured on a first-priority bases, subject to certain exceptions and permitted liens, by substantially all of the personal property and fee-owned real property of the Loan Parties. The liens securing the ABL Revolving Credit Facility are senior in priority to the second-priority liens securing the obligations under the 2026 Notes and the related guarantees. The ABL Revolving Credit Facility has a term of 5 years and includes a $75.0 million letter of credit sub-facility, $10.0 million of which is available to the Company's German subsidiary that is a borrower under the ABL Revolving Credit Facility.

Borrowings under the ABL Revolving Credit Facility bear interest at a variable rate using either the Alternative Base Rate or the Eurodollar and Overnight London Interbank Offered Rate ("LIBOR"). The variable interest rate is based upon the average availability as of the most recent determination date as follows:

Average quarterly availability	Alternative base rate spread	Eurodollar and overnight LIBOR spread
≥ 50% of Aggregate Commitment	0.25%	1.25%
< 50% of Aggregate Commitment	0.50%	1.50%

The Company used the initial extension of credit under the ABL Revolving Credit Facility, together with the net proceeds from the offering of the 2026 Notes, to (i) redeem all of the Company's $260.0 million in outstanding 12.750% Senior Secured Second Lien Notes due 2021 (the "Prior 2021 Notes"); (ii) repay all obligations outstanding, and terminate all commitments, under (x) the Company's previous $225.0 million ABL Revolving Credit Facility ("Prior ABL Facility") and (y) $75.0 million AR Securitization Facility; and (iii) pay related fees and expenses, including $16.6 million of call premium on the Prior 2021 Notes, $5.0 million of closing costs and $4.6 million of accrued interest.

During the six months ended June 30, 2019, the Company recorded a $25.0 million charge in the Condensed Consolidated Statement of Operations associated with the Company's refinancing of the ABL Revolving Credit Facility and 2026 Notes. The charge was composed of $16.6 million of call premium on the Prior 2021 Notes, $5.3 million of unamortized discount on the Prior 2021 Notes and $3.1 million of unamortized debt issuance costs.

As of June 30, 2020, the Company had other indebtedness outstanding of $15.4 million that had a weighted-average interest rate of approximately 5.13%. This debt includes balances on local credit lines and other financing arrangements.

At June 30, 2020 and December 31, 2019 the Company had $50.0 million and no borrowings on the ABL Revolving Credit Facility, respectively. During the quarter ended June 30, 2020, the highest daily borrowing under the ABL Revolving Credit Facility was $50.0 million and the average amount borrowed was $27.5 million, while the average annual interest rate was 1.82%. The interest rate spread of the ABL Revolving Credit Facility fluctuates based on excess availability. As of June 30, 2020, the spreads for LIBOR and prime rate borrowings were 1.25% and 0.25%, respectively, with excess availability of approximately $207.8 million, which represents revolver borrowing capacity of $260.8 million less U.S. letters of credit outstanding of $3.0 million and $50.0 million in borrowings.

Both the ABL Revolving Credit Facility and the 2026 Notes include customary covenants which include, without limitation, restrictions on, the Company's ability and the ability of the Company's restricted subsidiaries to incur, assume or guarantee additional debt or issue certain preferred shares, pay dividends on or make other distributions in respect of the Company's capital stock or make other restricted payments, make certain investments, sell or transfer certain assets, create liens on certain assets to secure debt, consolidate, merge, sell, or otherwise dispose of all or substantially all of the Company's assets, enter into certain transactions with affiliates and designate the Company's subsidiaries as unrestricted. Both the ABL Revolving Credit Facility and the 2026 Notes also include customary events of default. The ABL Revolving Credit Facility has customary representations and warranties including, as a condition to borrowing, that all such representations and warranties are true and correct, in all material respects, on the date of the borrowing, including representations as to no material adverse change in the Company’s business or financial condition since December 31, 2018.

Additionally, the ABL Revolving Credit Facility contains a covenant requiring the Company to maintain a minimum fixed charge coverage ratio under certain circumstances set forth in the ABL Credit Agreement.

As of June 30, 2020, the Company was in compliance with all affirmative and negative covenants in its debt instruments, inclusive of the financial covenants pertaining to the ABL Revolving Credit Facility and 2026 Notes. Based upon management’s current plans and outlook, the Company believes it will be able to comply with these covenants during the subsequent twelve months.

12. Accounts Receivable Securitization and Other Factoring Arrangements

The Company had maintained a Receivables Purchase Agreement (“RPA”) among Manitowoc Funding, LLC (“MTW Funding”), as Seller, The Manitowoc Company, Inc., as Servicer, and Wells Fargo Bank, N.A., as Purchaser and as Agent, with a commitment size of $75.0 million. Under the RPA (and the related Purchase and Sale Agreements referenced in the RPA), the Company’s domestic trade accounts receivable were sold to MTW Funding which, in turn, sold, conveyed, transferred and assigned to a third-party financial institution (“Purchaser”), all of MTW Funding’s rights, title and interest in a pool of receivables to the Purchaser. Transactions under the program were accounted for as sales in accordance with Accounting Standards Codification Topic 860, “Transfers and Servicing,” (“Topic 860”). This program was terminated on March 25, 2019.

Trade accounts receivable sold to the Purchaser and being serviced by the Company totaled zero and $149.0 million for the three and six months ended June 30, 2019, respectively. Cash proceeds received from customers related to the receivables previously sold for the three and six months ended June 30, 2019 were zero and $182.8 million, respectively.

Proceeds received from the sale of trade receivables under the program were included in cash flows from operating activities; whereas cash collections related to the deferred purchase price were classified as cash flows from investing activities in the accompanying Condensed Consolidated Statements of Cash Flows.

The Company has two non-U.S. accounts receivable financing programs with maximum availability of €55.0 million. Under these financing programs, the Company has the ability to sell eligible receivables up to the maximum limit and can sell additional receivables as previously sold are collected. During the six months ended June 30, 2020, the Company sold receivables and received cash of €59.3 million. The Company also has one U.S. accounts receivable financing program with maximum availability of $35.0 million. Transactions under the U.S. and non-U.S. programs were accounted for as sales in accordance with Topic 860.

13. Income Taxes

For the three months ended June 30, 2020 and 2019, the Company recorded a provision for income taxes of $0.7 million and $3.9 million, respectively. For the six months ended June 30, 2020 and 2019, the Company recorded a provision for income taxes of $2.6 million and $7.2 million, respectively. During the three months ended June 30, 2020, net discrete tax benefits of $2.5 million were recorded primarily driven by the implementation of certain U.S. tax planning strategies as a result of the enactment of the Coronavirus Aid, Relief and Economic Security Act (the “CARES Act”). The year over year decrease in the Company’s provision for income taxes for the three and six months ended June 30, 2020 primarily relates to the net discrete tax benefit recorded.

The CARES Act was enacted in response to the COVID-19 pandemic. The CARES Act allowed the Company to implement certain U.S. tax planning strategies which resulted in the Company filing an amended 2018 tax return during the three months ended June 30, 2020 and recognized a net tax benefit of $3.7 million for the three and six months ended June 30, 2020.

The Company will continue to evaluate its valuation allowance requirements on an ongoing basis considering changing facts and circumstances and may adjust its deferred tax asset valuation allowances accordingly. It is reasonably possible that the Company will either add to or reverse a portion of its existing deferred tax asset valuation allowances in the future. Such changes will be reflected in the Company’s income tax provision and could have a material effect on financial results.

The Company’s unrecognized tax benefits, excluding interest and penalties, were $22.6 million and $11.5 million as of June 30, 2020 and December 31, 2019, respectively. The increase primarily relates to $10.9 million from the uncertainty of a portion of the U.S. federal tax planning strategies implemented as a result of the CARES Act. It is reasonably possible that the Company will reverse a portion of its unrecognized tax benefits in the future. Such changes will be reflected in the Company’s income tax provision and could have a material effect on financial results.

14. Net Income (Loss) Per Share

The following is a reconciliation of the average shares outstanding used to compute basic and diluted income (loss) per common share:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Basic weighted average common shares outstanding	34,519,889	35,595,718	34,827,582	35,619,145
Effect of dilutive securities	—	130,190	—	179,944
Diluted weighted average common shares outstanding	34,519,889	35,725,908	34,827,582	35,799,089

Equity incentive instruments for which total employee proceeds from exercise exceed the average fair value of the same equity incentive instrument over the period have an anti-dilutive effect on earnings per share during periods with net earnings, and accordingly, the Company excludes them from the calculation. Anti-dilutive equity instruments of 1,515,430 and 1,556,298 common shares were excluded from the computation of diluted net income (loss) per common share for the three and six months ended June 30, 2019, respectively. Due to the net loss incurred during the three and six months ended June 30, 2020, the assumed exercise of all equity instruments was anti-dilutive and, therefore, not included in the net diluted income (loss) per share calculations for those periods.

No cash dividends were paid during the three and six months ended June 30, 2020 and 2019.

15. Equity

Authorized capital consists of 75.0 million shares of $0.01 par value common stock and 3.5 million shares of $0.01 par value preferred stock. None of the preferred shares have been issued.

As of June 30, 2020, the Company has authorization from the Board of Directors to purchase up to $30.0 million of the Company's common stock at management's discretion. During the six months ended June 30, 2020, the Company repurchased 1,061,711 of the Company's common shares for $12.0 million under this authorization. As a result of the COVID-19 pandemic, the Company suspended its share repurchase program to preserve its liquidity and manage cash flows. As of June 30, 2020, the Company had $10.6 million remaining under this authorization.

A reconciliation of the changes in accumulated other comprehensive loss, net of income tax, by component for the three months ended June 30, 2020 and 2019 are summarized as follows:

	Gains and Losses on Cash Flow Hedges	Pension & Postretirement	Foreign Currency Translation	Total
Balance at March 31, 2019	$ (0.2)	$ (35.7)	$ (82.6)	$ (118.5)
Other comprehensive income (loss) before reclassifications	(0.3)	0.1	1.2	1.0
Amounts reclassified from accumulated other comprehensive loss	0.9	0.4	—	1.3
Net other comprehensive income	0.6	0.5	1.2	2.3
Balance at June 30, 2019	$ 0.4	$ (35.2)	$ (81.4)	$ (116.2)
Balance at March 31, 2020	$ —	$ (38.7)	$ (94.7)	$ (133.4)
Other comprehensive income before reclassifications	(0.1)	0.5	8.6	9.0
Amounts reclassified from accumulated other comprehensive loss	0.2	0.1	—	0.3
Net other comprehensive income	0.1	0.6	8.6	9.3
Balance at June 30, 2020	$ 0.1	$ (38.1)	$ (86.1)	$ (124.1)

A reconciliation of the changes in accumulated other comprehensive loss, net of tax, by component for the six months ended June 30, 2020 and 2019 are summarized as follows:

	Gains and Losses on Cash Flow Hedges	Pension & Postretirement	Foreign Currency Translation	Total
Balance at December 31, 2018	$ (0.3)	$ (36.2)	$ (80.1)	$ (116.6)
Other comprehensive income (loss) before reclassifications	(1.0)	0.2	(1.3)	(2.1)
Amounts reclassified from accumulated other comprehensive loss	1.7	0.8	—	2.5
Net other comprehensive income (loss)	0.7	1.0	(1.3)	0.4
Balance at June 30, 2019	$ 0.4	$ (35.2)	$ (81.4)	$ (116.2)
Balance at December 31, 2019	—	(39.9)	(81.1)	(121.0)
Other comprehensive income (loss) before reclassifications	(0.2)	1.0	(5.0)	(4.2)
Amounts reclassified from accumulated other comprehensive loss	0.3	0.8	—	1.1
Net other comprehensive income (loss)	0.1	1.8	(5.0)	(3.1)
Balance at June 30, 2020	$ 0.1	$ (38.1)	$ (86.1)	$ (124.1)

A reconciliation of the reclassifications from accumulated other comprehensive loss, net of income tax, for the three and six months ended June 30, 2020 and 2019 are summarized as follows:

	Amount Reclassified from Accumulated Other Comprehensive Loss				
	Three Months Ended June 30,		Six Months Ended June 30,		
	2020	2019	2020	2019	Recognized Location
Losses on cash flow hedges					
FX Forward Contracts	$ (0.2)	$ (0.9)	$ (0.3)	$ (1.7)	Cost of sales
Total before income taxes	(0.2)	(0.9)	(0.3)	(1.7)	
Income tax provision	—	—	—	—	
Total, net of income taxes	$ (0.2)	$ (0.9)	$ (0.3)	$ (1.7)	
Amortization of pension and postretirement items					
Actuarial losses	$ (1.1)	$ (1.1)	$ (2.2)	$ (2.2) (a)	Other income (expense) - net
Amortization of prior service cost	0.7	0.7	1.4	1.4 (a)	Other income (expense) - net
Total before income taxes	(0.4)	(0.4)	(0.8)	(0.8)	
Income tax benefit	0.3	—	—	—	
Total, net of income taxes	$ (0.1)	$ (0.4)	$ (0.8)	$ (0.8)	
Total reclassifications for the period, net of income taxes	$ (0.3)	$ (1.3)	$ (1.1)	$ (2.5)	

(a) These accumulated other comprehensive loss components are components of net periodic pension cost (see Note 21, “Employee Benefit Plans,” for further details).

16. Stock-Based Compensation

Long-term incentive compensation awards may be granted to certain eligible employees or non-employee directors. A detailed description of the awards granted prior to 2020 is included in the Company's 2019 Annual Report on Form 10-K. The total number of shares of the Company's common stock available for awards under the Company's 2013 Omnibus Incentive Plan ("2013 Plan") is 7,477,395 shares. The total number of shares of the Company's common stock still available for issuance as of June 30, 2020 is 3,983,976 shares.

Stock-based compensation expense was $2.5 million and $3.0 million for the three months ended June 30, 2020 and 2019, respectively. Stock-based compensation expense was $5.9 million and $6.1 million for the six months ended June 30, 2020 and 2019, respectively. The Company recognizes stock-based compensation expense over the award's vesting period, subject to retirement, death or disability provisions of the 2013 Plan.

No options to acquire shares of common stock were granted to employees during the three months ended June 30, 2020 and 2019. Options to acquire 250,432 and 210,243 shares of common stock were granted to employees during the six months ended June 30, 2020 and 2019, respectively. The options granted become exercisable in three annual increments over a three-year period beginning on the grant date and expire 10 years subsequent to the grant date.

During the three months ended June 30, 2020 and 2019, 28,070 and 2,000 restricted stock units, respectively, were issued to employees. A total of 305,519 and 178,371 restricted stock units, respectively, were issued to employees during the six months ended June 30, 2020 and 2019, respectively. The restricted stock units granted to employees vest in three annual increments over a three-year period beginning on the grant date.

During the three months ended June 30, 2020 and 2019, 6,711 and zero performance shares, respectively, were issued to employees. A total of 328,310 and 228,037 performance shares were issued during the six months ended June 30, 2020 and 2019, respectively. Performance shares cliff vest after three years and are earned based on the extent to which performance goals are met over the applicable performance period. The performance goals and the applicable performance period vary for each grant year. The performance goals for the performance shares granted in 2020 are based 100% on the 3-year average of the Company's Adjusted EBITDA percentage from continuing operations from 2020 to 2022 and can be modified +/-20% based on total shareholder return relative to a defined peer group of companies during the three-year performance period. The performance goals for the performance shares granted in 2019 are based 50% on total shareholder return relative to a defined peer group of companies during the three-year performance period and 50% on the Company's Adjusted EBITDA percentage from continuing operations in 2021. Depending on the foregoing factors, the number of shares earned could range from zero to two times the amount of performance shares outstanding on the vesting date.

The Company did not issue any equity awards to directors during the three months ended June 30, 2020 and 2019. A total of 77,608 and 50,673 equity awards were issued to directors during the six months ended June 30, 2020 and 2019, respectively. The 2020 and 2019 equity awards vested immediately upon the grant date.

17. Segments

The Company reports segment information based on the "management" approach. The management approach designates the internal reporting used by the Chief Executive Officer, who is also the Company's Chief Operating Decision Maker ("CODM"), for making decisions about the allocation of resources and assessing performance as the source of the Company's reportable operating segments.

The Company has three reportable segments: Americas, EURAF, and MEAP. The Americas operating segment includes the North America and South America continents. The EURAF operating segment includes the Europe and Africa continents, excluding the Middle East region. The MEAP operating segment includes the Asia and Australia continents and the Middle East region.

The CODM evaluates the performance of its reportable segments based on net sales and operating income. Segment net sales are recognized in the geographic region the product is sold. Operating income for each segment includes net sales to third parties, cost of sales directly attributable to the segment, and operating expenses directly attributable to the segment. Manufacturing variances generated within each operating segment are maintained in each segment's operating income. Operating income for each segment excludes other income and expense and certain expenses managed outside the operating segments. Costs excluded from segment operating income include various corporate expenses such as stock-based compensation expenses, income taxes, nonrecurring charges and other separately managed general and administrative costs. The Company does not include intercompany sales between segments for management reporting purposes. The Company's operating segments were identified as its reportable segments.

The following table shows information by reportable segment for the three and six months ended June 30, 2020 and 2019:

	Three Months Ended June 30, 2020	Three Months Ended June 30, 2019	Six Months Ended June 30, 2020	Six Months Ended June 30, 2019
Net Sales				
Americas	$ 149.6	$ 264.6	$ 305.8	$ 470.7
EURAF	135.5	182.6	258.4	336.8
MEAP	43.2	57.5	93.3	115.2
Total	$ 328.3	$ 504.7	$ 657.5	$ 922.7
Segment Operating Income (Loss)				
Americas	$ 4.8	$ 35.7	$ 13.9	$ 50.9
EURAF	(4.4)	1.7	(4.8)	5.1
MEAP	6.6	5.1	12.9	12.4
Total	$ 7.0	$ 42.5	$ 22.0	$ 68.4
Depreciation				
Americas	$ 4.0	$ 3.5	$ 8.0	$ 7.1
EURAF	3.9	3.7	7.7	7.4
MEAP	0.5	0.7	1.0	1.4
Corporate	0.7	0.7	1.4	1.5
Total	$ 9.1	$ 8.6	$ 18.1	$ 17.4
Capital Expenditures				
Americas	$ 1.2	$ 3.2	$ 1.5	$ 6.0
EURAF	3.1	1.6	6.4	2.4
MEAP	0.1	0.5	0.1	1.3
Corporate	—	—	—	—
Total	$ 4.4	$ 5.3	$ 8.0	$ 9.7

A reconciliation of the Company’s segment operating income to operating income (loss) in the Condensed Consolidated Statement of Operations for the three and six months ended June 30, 2020 and 2019 are summarized as follows:

	Three Months Ended June 30, 2020	Three Months Ended June 30, 2019	Six Months Ended June 30, 2020	Six Months Ended June 30, 2019
Segment operating income	$ 7.0	$ 42.5	$ 22.0	$ 68.4
Unallocated corporate expenses	(8.6)	(0.6)	(17.9)	(10.2)
Unallocated restructuring expense	—	—	—	(0.1)
Total operating income (loss)	$ (1.6)	$ 41.9	$ 4.1	$ 58.1

Net sales by geographic area for the three and six months ended June 30, 2020 and 2019 are summarized as follows:

	Three Months Ended June 30, 2020	Three Months Ended June 30, 2019	Six Months Ended June 30, 2020	Six Months Ended June 30, 2019
United States	$ 133.5	$ 233.0	$ 276.2	$ 417.7
Europe	133.5	174.1	253.0	323.2
Other	61.3	97.6	128.3	181.8
Total net sales	$ 328.3	$ 504.7	$ 657.5	$ 922.7

Net sales by product for the three and six months ended June 30, 2020 and 2019 are summarized as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Cranes	$ 259.5	$ 418.0	$ 508.1	$ 751.5
Aftermarket parts and other*	68.8	86.7	149.4	171.2
Total net sales	$ 328.3	$ 504.7	$ 657.5	$ 922.7

*Other revenue consists of revenue related to CraneCare services such as training and field service work.

18. Commitments and Contingencies

The Company is involved in various legal actions arising out of the normal course of business, which, taking into account the liabilities accrued and legal counsel's evaluation of such actions, in the opinion of management, the ultimate resolution, individually and in the aggregate, is not expected to have a material adverse effect on the Company's financial condition, results of operations or cash flows.

As of June 30, 2020, various product-related lawsuits were pending. To the extent permitted under applicable law, all of these are insured with self-insurance retention levels. The Company's self-insurance retention levels vary by business and have fluctuated over the last 10 years. As of June 30, 2020, the largest self-insured retention level for new occurrences currently maintained by the Company is $2.0 million per occurrence and applies to product liability claims for cranes manufactured in the United States.

Product liability reserves, recorded within other liabilities in the Condensed Consolidated Balance Sheets at June 30, 2020 and December 31, 2019 were $11.6 million and $12.8 million, respectively. These reserves were estimated using a combination of actual case reserves and actuarial methods. Based on the Company's experience in defending product liability claims, management believes the current reserves are adequate for estimated case resolutions on aggregate self-insured claims and insured claims. Any recoveries from insurance carriers are dependent upon the legal sufficiency of claims and solvency of insurance carriers.

The Company is involved in numerous lawsuits involving asbestos-related claims in which the Company is one of numerous defendants. After taking into consideration legal counsel's evaluation of such actions, the current political environment with respect to asbestos related claims, and the liabilities accrued with respect to such matters, in the opinion of management, ultimate resolution is not expected to have a material adverse effect on the financial condition, results of operations, or cash flows of the Company.

At June 30, 2020 and December 31, 2019, the Company had reserved $60.1 million and $60.6 million, respectively, for warranty claims included in product warranties and other non-current liabilities in the Condensed Consolidated Balance Sheets. Certain of these warranty and other related claims involve legal matters in dispute that ultimately are resolved by negotiation, arbitration, or litigation. See Note 19, "Guarantees," for further information.

During the three months ended June 30, 2019, the Company settled a legal matter resulting in a net $24.7 million gain. The Company recorded this settlement by recognizing income of $15.5 million in other income (expense) - net and a benefit of $9.2 million in engineering, selling and administrative expenses in the Condensed Consolidated Statements of Operations.

It is reasonably possible that the estimates for warranty costs, product liability, environmental remediation, asbestos-related claims and other various legal matters may change based upon new information that may arise or matters that are beyond the scope of the Company's historical experience. Presently, there are no reliable methods to estimate the amount of any such potential changes.

19. Guarantees

The Company periodically enters into transactions with customers that provide for buyback commitments. The Company evaluates each agreement at inception to determine if the customer has a significant economic incentive to exercise the buyback option. If it is determined that the customer has a significant economic incentive to exercise that right, the revenue is deferred and the agreement is accounted for as a lease in accordance with Accounting Standards Codification Topic 842 – "Leases" ("Topic 842"). If it is determined that the customer does not have a significant economic incentive to exercise that right, then revenue is recognized when control of the product is transferred to the customer. The revenue deferred related to buyback obligations accounted for under Topic 842 included in other current and non-current liabilities as of June 30, 2020 and December 31, 2019 was $33.4 million and $34.1 million, respectively. The total amount of buyback commitments given by the Company and outstanding as of June 30, 2020 and December 31, 2019 was $18.1 million and $17.3 million, respectively. These amounts are not reduced for amounts the Company would recover from the repossession and subsequent resale of the cranes. The buyback commitments expire at various times through 2027. The Company also has various loss guarantees with maximum liabilities of $17.1 million and $11.3 million as of June 30, 2020 and December 31, 2019, respectively. These amounts are not reduced for amounts the Company would recover from the repossession and subsequent resale of the cranes.

In the normal course of business, the Company provides its customers a warranty covering workmanship, and in some cases materials, on products manufactured by the Company. Such warranties generally provide that products will be free from defects for periods ranging from 12 months to 60 months. If a product fails to comply with the Company’s warranty, the Company may be obligated, at its expense, to correct any defect by repairing or replacing such defective products. The Company provides for an estimate of costs that may be incurred under its warranty at the time product revenue is recognized. These costs primarily include labor and materials, as necessary, associated with repair or replacement. The primary factors that affect the Company’s warranty liability include the number of units shipped and historical and anticipated warranty claims. As these factors are impacted by actual experience and future expectations, the Company assesses the adequacy of its recorded warranty liability and adjusts the amounts as necessary. The revenue deferred related to warranties included in other current and non-current liabilities as of June 30, 2020 and December 31, 2019 was $5.8 million and $3.9 million, respectively. Below is a table summarizing the warranty activity for the three and six months ended June 30, 2020 and 2019:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Balance at beginning of period	$ 59.7	$ 45.7	$ 60.6	$ 47.8
Accruals for warranties issued during the period	7.5	13.1	16.1	20.1
Settlements made (in cash or in kind) during the period	(7.8)	(7.7)	(16.6)	(16.5)
Currency translation	0.7	0.2	—	(0.1)
Balance at end of period	60.1	51.3	60.1	51.3
Long-term warranty reserve	(14.3)	(8.9)	(14.3)	(8.9)
Product warranties	$ 45.8	$ 42.4	$ 45.8	$ 42.4

20. Restructuring

During the three months ended June 30, 2020 and 2019, the Company incurred $0.2 million and $2.7 million of restructuring expense, respectively. During the six months ended June 30, 2020 and 2019, the Company incurred $1.7 million and $7.2 million of restructuring expense, respectively. The expense for the three and six months ended June 30, 2020 related primarily to costs associated with headcount reductions in Europe. Expenses for the three and six months ended June 30, 2019 related primarily to headcount reductions in India, Europe and North America.

The following is a rollforward of the Company's restructuring accrual, which is included within accounts payable and accrued expenses in the Condensed Consolidated Balance Sheets, for the three and six months ended June 30, 2020 and 2019:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Balance at beginning of period	$ 2.4	$ 4.6	$ 2.0	$ 3.1
Restructuring expenses	0.2	2.7	1.7	7.2
Use of reserve	(0.7)	(4.2)	(1.8)	(7.2)
Balance at end of period	$ 1.9	$ 3.1	$ 1.9	$ 3.1

21. Employee Benefit Plans

The Company provides certain pension, health care and death benefits to eligible retirees and their dependents. The funding mechanism for such benefits varies based on the country where the plan is located. Eligibility for pension coverage is based on retirement qualifications for each of the related plans. Healthcare benefits may be subject to deductibles, co-payments and other limitations. The Company reserves the right to modify benefits unless prohibited by local laws or regulations.

The components of periodic benefit cost for the three and six months ended June 30, 2020 and June 30, 2019 are summarized as follows:

	Three Months Ended June 30, 2020			Three Months Ended June 30, 2019		
	U.S. Pension Plans	Non-U.S. Pension Plans	Postretirement Health and Other Plans	U.S. Pension Plans	Non-U.S. Pension Plans	Postretirement Health and Other Plans
Service cost - benefits earned during the period	$ —	$ 0.5	$ —	$ —	$ 0.5	$ 0.1
Interest cost of projected benefit obligations	1.0	0.4	0.1	1.3	0.5	0.2
Expected return on plan assets	(1.3)	(0.2)	—	(1.1)	(0.3)	—
Amortization of prior service cost	—	—	(0.7)	—	—	(0.7)
Amortization of actuarial net loss	0.7	0.4	—	0.8	0.3	—
Net periodic benefit cost	$ 0.4	$ 1.1	$ (0.6)	$ 1.0	$ 1.0	$ (0.4)

	Six Months Ended June 30, 2020			Six Months Ended June 30, 2019		
	U.S. Pension Plans	Non-U.S. Pension Plans	Postretirement Health and Other Plans	U.S. Pension Plans	Non-U.S. Pension Plans	Postretirement Health and Other Plans
Service cost - benefits earned during the period	$ —	$ 1.0	$ 0.1	$ —	$ 1.0	$ 0.2
Interest cost of projected benefit obligations	2.0	0.8	0.2	2.6	1.0	0.4
Expected return on plan assets	(2.6)	(0.4)	—	(2.2)	(0.6)	—
Amortization of prior service cost	—	—	(1.4)	—	—	(1.4)
Amortization of actuarial net loss	1.4	0.8	—	1.6	0.6	—
Net periodic benefit cost	$ 0.8	$ 2.2	$ (1.1)	$ 2.0	$ 2.0	$ (0.8)

The components of net periodic benefit cost other than the service cost component are included in other income (expense) - net in the Condensed Consolidated Statement of Operations.

22. Subsequent Events

On August 5, 2020 (the “Separation Date”), Barry L. Pennypacker stepped down from his role as President and Chief Executive Officer of the Company and as a member of the Company’s Board of Directors as part of the Company’s leadership transition plan. Effective as of the Separation Date, the Company’s Board of Directors appointed Aaron H. Ravenscroft, formerly the Company’s Executive Vice President of Cranes, to serve as the Company’s President and Chief Executive Officer and as a member of the Company’s Board of Directors. Mr. Pennypacker will continue to serve the Company in an advisory role through December 31, 2020, to ensure a smooth transition.

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

The following Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the Company's Annual Report on Form 10-K for the year ended December 31, 2019, including the financial statements, accompanying notes and Management's Discussion and Analysis of Financial Condition and Results of Operations therein, and the interim condensed consolidated financial statements and accompanying notes included in this Quarterly Report on Form 10-Q.

Cautionary Statements Regarding Forward-Looking Information

All of the statements in this Quarterly Report on Form 10-Q, other than historical facts, are forward-looking statements, including, without limitation, the statements made in the "Management's Discussion and Analysis of Financial Condition and Results of Operations." As a general matter, forward-looking statements are those focused upon anticipated events or trends, expectations and beliefs relating to matters that are not historical in nature. The words "could," "should," "feel," "anticipate," "aim," "preliminary," "expect," "believer," "estimate," "intend," "intent," "plan," "will," "foresee," "project," "forecast," or the negative thereof or variations thereon, and similar expressions identify forward-looking statements.

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for these forward-looking statements. In order to comply with the terms of the safe harbor, the Company notes that forward-looking statements are subject to known and unknown risks, uncertainties and other factors relating to the Company's operations and business environment, all of which are difficult to predict and many of which are beyond the control of the Company. These known and unknown risks, uncertainties and other factors could cause actual results to differ materially from those matters expressed in, anticipated by or implied by such forward-looking statements. These risks, uncertainties, and other factors include, but are not limited to:

- The negative impacts COVID-19 has had and will continue to have on Manitowoc's business, financial condition, cash flows, results of operations and supply chain, as well as customer demand (including future uncertain impacts);
- actions of competitors;
- changes in economic or industry conditions generally or in the markets served by Manitowoc;
- unanticipated changes in customer demand, including changes in global demand for high-capacity lifting equipment, changes in demand for lifting equipment in emerging economies, and changes in demand for used lifting equipment;
- geographic factors and political and economic conditions and risks;
- the ability to capitalize on key strategic opportunities and the ability to implement Manitowoc's long-term initiatives;
- government approval and funding of projects and the effect of government-related issues or developments;
- unanticipated changes in the capital and financial markets;
- unanticipated changes in revenues, margins and costs;
- the ability to increase operational efficiencies across Manitowoc and to capitalize on those efficiencies;
- the ability to significantly improve profitability;
- the ability to focus on customers, new technologies, and innovation;
- uncertainties associated with new product introductions, the successful development and market acceptance of new and innovative products that drive growth;
- issues relating to the ability to timely and effectively execute on manufacturing strategies, including issues relating to plant closings, new plant start-ups, and/or consolidations of existing facilities and operations, and the ability to achieve the expected benefits from such actions, as well as general efficiencies and capacity utilization of the Company's facilities;
- realization of anticipated earnings enhancements, cost savings, strategic options and other synergies, and the anticipated timing to realize those savings, synergies, and options;
- the ability to generate cash and manage working capital consistent with Manitowoc's stated goals;
- the ability to convert orders and order activity into sales and the timing of those sales;
- the ability to direct resources to those areas that will deliver the highest returns;
- changes in raw material and commodity prices;
- unexpected issues associated with the availability and viability of suppliers;

- the Company’s ability to attract and retain qualified personnel;
- the replacement cycle of technologically obsolete products;
- natural disasters and other weather events disrupting commerce in one or more regions of the world;
- the ability of Manitowoc's customers to receive financing;
- the ability to focus and capitalize on product quality and reliability;
- risks associated with manufacturing or design defects;
- unexpected issues associated with the quality of materials, components and products sourced from third parties and the ability to successfully resolve those issues;
- changes in laws throughout the world;
- failure to comply with regulatory requirements related to the products the Company sells;
- risks associated with data security and technological systems and protections;
- the inability to defend against potential infringement claims on intellectual property rights;
- impairment of goodwill and/or intangible assets;
- foreign currency fluctuation and its impact on reported results;
- potential delays or failures to implement specific initiatives within the Company’s restructuring programs;
- the ability to complete and appropriately integrate restructurings, consolidations, acquisitions, divestitures, strategic alliances, joint ventures, and other strategic alternatives;
- issues related to workforce reductions and potential subsequent rehiring;
- the ability to sell products through distributors and other third parties;
- work stoppages, labor negotiations, labor rates, and temporary labor costs;
- risks associated with high debt leverage;
- unanticipated issues affecting the effective tax rate for the year;
- acts of terrorism; and
- other risk factors detailed in Manitowoc's 2019 Annual Report on Form 10-K, as such were previously supplemented and amended in Manitowoc’s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 and which may be further amended or supplemented in Manitowoc’s subsequently filed Quarterly Reports on 10-Q (including this report), and its other filings with the United States Securities and Exchange Commission.

These statements reflect the current views and assumptions of management with respect to future events. Except to the extent required by the federal securities laws, the Company does not undertake, and hereby disclaims, any duty to update these forward-looking statements, even though its situation and circumstances may change in the future. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this report. The inclusion of any statement in this report does not constitute an admission by the Company or any other person that the events or circumstances described in such statement are material.

COVID-19 Update

The Company is continuing to monitor the impact the COVID-19 pandemic is having on the global economy and human health, and continues to actively address the pandemic's impact on the Company's employees and business.

Across the globe, the Company restarted operations in all its facilities during the second quarter 2020. However, the Company has experienced a decline in the demand for its products in all segments due to COVID-19. The Company has and will continue to manage the demand decline with rolling shutdowns and reduced work schedules as needed within its facilities. In addition, future outbreaks or government mandates in response to COVID-19 could result in plant shutdowns or other actions that limit productivity. The Company expects reduced demand primarily driven by the Americas segment and general production slowdowns to have an adverse effect on financial results for the second half of 2020. Additionally, while the Company's supply chain has recovered to meet current demand, uncertainty related to future impacts from the COVID-19 pandemic on the Company's global supplier network could have an adverse effect on financial results for the second half of 2020.

The future extent of the COVID-19 pandemic impact on the Company's financial results is dependent on a number of factors, including the length and severity of the pandemic, associated government actions and the related effect on the global economy and markets in which the Company serves, all of which are highly uncertain and cannot be predicted.

Segment Operating Performance

The Company manages its business primarily on a geographic basis. The Company's reportable operating segments consist of the Americas, EURAF, and MEAP. Further information regarding the Company's reportable segments can be found in Note 17, "Segments," to the Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q.

	Three Months Ended June 30,				Six Months Ended June 30,			
	2020	2019	Dollar Change	Percentage Change	2020	2019	Dollar Change	Percentage Change
Net Sales								
Americas	$ 149.6	$ 264.6	$ (115.0)	(43.5)%	$ 305.8	$ 470.7	$ (164.9)	(35.0)%
EURAF	135.5	182.6	(47.1)	(25.8)%	258.4	336.8	(78.4)	(23.3)%
MEAP	43.2	57.5	(14.3)	(24.9)%	93.3	115.2	(21.9)	(19.0)%
Segment Operating Income								
Americas	$ 4.8	$ 35.7	$ (30.9)	(86.6)%	$ 13.9	$ 50.9	$ (37.0)	(72.7)%
EURAF	(4.4)	1.7	(6.1)	*	(4.8)	5.1	(9.9)	*
MEAP	6.6	5.1	1.5	29.4%	12.9	12.4	0.5	4.0%

*Measure not meaningful

Americas

Americas net sales decreased 43.5% for the three months ended June 30, 2020 to $149.6 million from $264.6 million for the three months ended June 30, 2019. The decrease was primarily due to lower shipments of cranes mainly from entering the quarter with a lower shippable backlog.

Americas operating income decreased $30.9 million for the three months ended June 30, 2020 to $4.8 million from $35.7 million for the three months ended June 30, 2019. The decrease was primarily due to lower volume on crane shipments. This was partially offset by $2.2 million of lower engineering, selling and administrative expenses.

Americas net sales decreased 35.0% for the six months ended June 30, 2020 to $305.8 million from $470.7 million for the six months ended June 30, 2019. The decrease was primarily due to lower shipments of cranes mainly from entering the year with a lower shippable backlog.

Americas operating income decreased $37.0 million for the six months ended June 30, 2020 to $13.9 million from $50.9 million for the six months ended June 30, 2019. The decrease was primarily due to lower volume on crane shipments and expenses related to the triennial ConExpo tradeshow held in March 2020. This was partially offset by $1.7 million of lower restructuring expense.

EURAF

EURAF net sales decreased 25.8% for the three months ended June 30, 2020 to $135.5 million from $182.6 million for the three months ended June 30, 2019. The decrease was primarily due to lower crane shipments as a result of the COVID-19 pandemic and $3.0 million from unfavorable changes in foreign currency exchange rates.

EURAF operating income (loss) decreased $6.1 million for the three months ended June 30, 2020 to a loss of $4.4 million from income of $1.7 million for the three months ended June 30, 2019. The decrease was primarily due to lower volume on crane shipments and $7.9 million of period costs from underutilized manufacturing facilities due to the COVID-19 pandemic. This was partially offset by $4.1 million of lower engineering, selling and administrative expenses.

EURAF net sales decreased 23.3% for the six months ended June 30, 2020 to $258.4 million from $336.8 million for the six months ended June 30, 2019. The decrease was primarily due to lower crane shipments as a result of the COVID-19 pandemic and $6.7 million from unfavorable changes in foreign currency exchange rates.

EURAF operating income (loss) decreased $9.9 million for the six months ended June 30, 2020 to a loss of $4.8 million from income of $5.1 million for the six months ended June 30, 2019. The decrease was primarily due to lower volume on crane shipments and $9.9 million of period costs from underutilized manufacturing facilities due to the COVID-19 pandemic. This was partially offset by $8.0 million of lower engineering, selling and administrative expenses and $1.7 million of lower restructuring expenses.

MEAP

MEAP net sales decreased 24.9% for the three months ended June 30, 2020 to $43.2 million from $57.5 million for the three months ended June 30, 2019. The decrease was primarily due to lower shipments of cranes for the commercial construction end market. MEAP net sales were also unfavorably impacted by approximately $1.3 million from changes in foreign currency exchange rates.

MEAP operating income increased $1.5 million for the three months ended June 30, 2020 to $6.6 million from $5.1 million for the three months ended June 30, 2019. The increase was primarily due to favorable mix on crane shipments, $2.2 million in lower engineering, selling and administrative expenses and $1.6 million of lower restructuring expenses. This was partially offset by lower volume on crane shipments.

MEAP net sales decreased 19.0% for the six months ended June 30, 2020 to $93.3 million from $115.2 million for the six months ended June 30, 2019. The decrease was primarily due to lower shipments of cranes due to the COVID-19 pandemic. MEAP net sales were also unfavorably impacted by approximately $2.8 million from changes in foreign currency exchange rates.

MEAP operating income increased $0.5 million for the six months ended June 30, 2020 to $12.9 million from $12.4 million for the six months ended June 30, 2019. The increase was primarily due to $3.5 million in lower engineering, selling and administrative expenses and $1.9 million of lower restructuring expenses. This was partially offset by lower volume on crane shipments.

Results of Operations for the Three and Six Months Ended June 30, 2020 and 2019

	Three Months Ended June 30,			Six Months Ended June 30,		
	2020	2019	% Change	2020	2019	% Change
Net sales	$ 328.3	$ 504.7	(35.0)%	$ 657.5	$ 922.7	(28.7)%
Gross profit	48.4	95.2	(49.2)%	111.6	175.4	(36.4)%
Gross profit %	14.7%	18.9%		17.0%	19.0%	
Engineering, selling and administrative expenses	49.7	50.5	(1.6)%	105.6	109.9	(3.9)%
Restructuring expense	0.2	2.7	(92.6)%	1.7	7.2	(76.4)%
Interest expense	7.2	7.5	(4.0)%	14.4	18.4	(21.7)%
Loss on debt extinguishment	—	—	*	—	25.0	*
Other income (expense) - net	(2.9)	15.9	(118.2)%	(6.9)	12.6	(154.8)%
Provision for income taxes	0.7	3.9	*	2.6	7.2	*

*Measure not meaningful

Net Sales, Orders and Backlog

Consolidated net sales for the three months ended June 30, 2020 decreased 35.0% to $328.3 million from $504.7 million in the same period in 2019. This decrease was primarily attributable to lower shipments of cranes in all segments. Consolidated net sales were unfavorably impacted by $4.4 million from changes in foreign currency exchange rates.

Consolidated net sales for the six months ended June 30, 2020 decreased 28.7% to $657.5 million from $922.7 million for the same period in 2019. This decrease was primarily attributable to lower shipments of cranes in all segments. Consolidated net sales were unfavorably impacted by $9.6 million from changes in foreign currency exchange rates.

Orders for the three months ended June 30, 2020 decreased 36.1% to $237.8 million from $372.0 million for the same period in 2019. The decrease in orders was primarily attributable to the Americas and EURAF segment. Orders were unfavorably impacted by $1.6 million due to changes in foreign currency exchange rates.

As of June 30, 2020, total backlog was $430.5 million, a 23.3% decrease from the June 30, 2019 backlog of $561.4 million. Backlog was unfavorably impacted by $2.9 million due to changes in foreign currency exchange rates.

Gross Profit

Gross profit for the three months ended June 30, 2020 was $48.4 million, a decrease of $46.8 million compared to $95.2 million for the three months ended June 30, 2019. This decrease was primarily due to lower volume of crane shipments across all segments and period costs from underutilized manufacturing facilities due to the COVID-19 pandemic. Gross profit was also unfavorably impacted by $0.8 million from changes in foreign currency exchange rates.

Gross profit percentage decreased in the three months ended June 30, 2020 to 14.7% from 18.9% in the same period in 2019 primarily due to the underutilization of the Company's manufacturing facilities from the COVID-19 pandemic.

Gross profit for the six months ended June 30, 2020 was $111.6 million, a decrease of $63.8 million compared to $175.4 million for the same period in 2019. This decrease was primarily due to lower volume of crane shipments across all segments and period costs from underutilized manufacturing facilities due to the COVID-19 pandemic. Gross profit was also unfavorably impacted by $1.9 million from changes in foreign currency exchange rates.

Gross profit percentage decreased in the six months ended June 30, 2020 to 17.0% from 19.0% in the same period in 2019 primarily due to the underutilization of the Company's manufacturing facilities from the COVID-19 pandemic.

Engineering, Selling and Administrative Expenses

Engineering, selling and administrative expenses decreased 1.6% to $49.7 million for the three months ended June 30, 2020 compared to $50.5 million for the three months ended June 30, 2019. The decrease was primarily due to lower short-term incentive compensation costs and reduced discretionary spending. This was partially offset by a $9.2 million benefit recorded in 2019 related to the settlement of a legal matter. Engineering, selling and administrative expenses were also favorably impacted by $0.8 million from changes in foreign currency exchange rates.

Engineering, selling and administrative expenses decreased 3.9% to $105.6 million for the six months ended June 30, 2020 compared to $109.9 million for the same period in 2019. The decrease was primarily due to lower short-term incentive compensation costs and reduced discretionary spending. This was partially offset by a $9.2 million benefit recorded in 2019 related to the settlement of a legal matter. Engineering, selling and administrative expenses were also favorably impacted by $1.8 million from changes in foreign currency exchange rates.

Restructuring Expense

During the three months ended June 30, 2020 and 2019, the Company incurred $0.2 million and $2.7 million of restructuring expense, respectively. Restructuring expense for the three months ended June 30, 2020 related primarily to headcount reductions in Europe. Restructuring expense for the three months ended June 30, 2019 related primarily to headcount reductions in India and Europe.

During the six months ended June 30, 2020 and 2019, the Company recorded $1.7 million and $7.2 million of restructuring expense, respectively. Restructuring expense for the six months ended June 30, 2020 related primarily to headcount reductions in Europe. Restructuring expense for the six months ended June 30, 2019 related primarily to headcount reductions in India, Europe and North America.

Interest Expense

Interest expense was $7.2 million during the three months ended June 30, 2020 and $7.5 million during the three months ended June 30, 2019. This decrease was primarily due to a reduction of the average effective interest rate from 8.9% for the three months ended June 30, 2019 to 8.7% for the three months ended June 30, 2020. The decrease in the average effective interest rate was primarily due to the reduction in interest rates on variable rate debt.

Interest expense was $14.4 million during the six months ended June 30, 2020 and $18.4 million during the six months ended June 30, 2019. This decrease was primarily due to a reduction of the average effective interest rate from 11.2% for the six months ended June 30, 2019 to 9.0% for the six months ended June 30, 2020. The decrease in the average effective interest rate was primarily due to the refinancing of the Company's senior secured high yield notes that occurred in the first quarter of 2019

Refer to Note 11, "Debt" for additional information.

Loss on Debt Extinguishment

During the six months ended June 30, 2019, the Company recorded a $25.0 million charge associated with the Company's refinancing of the Prior ABL Facility and Prior 2021 Notes. The charge is composed of $16.6 million of call premium on the Prior 2021 Notes, $5.3 million of unamortized discount on the Prior 2021 Notes and $3.1 million of unamortized debt issuance costs.

Refer to Note 11, "Debt" for additional information.

Other Income (Expense) - Net

Other income (expense) - net was $(2.9) million during the three months ended June 30, 2020 and $15.9 million for the same period in 2019. Other income (expense) – net during the three months ended June 30, 2020 was primarily composed of $2.1 million of net foreign currency losses and $0.4 million of pension benefit and postretirement health costs. Other income (expense) – net during the three months ended June 30, 2019 was primarily composed of a $15.5 million benefit related to the settlement of a legal matter and $1.5 million of net foreign currency gains. This was partially offset by $1.2 million of pension benefit and postretirement health costs.

Other income (expense) - net was $(6.9) million during the six months ended June 30, 2020 and $12.6 million for the same period in 2019. Other income (expense) – net during the six months ended June 30, 2020 was primarily composed of $6.0 million of net foreign currency losses and $0.8 million of pension benefit and postretirement health costs. Other income (expense) – net during the six months ended June 30, 2019 was primarily composed of a $15.5 million benefit related to the settlement of a legal matter, partially offset by $2.1 million of pension benefit and postretirement health costs and $1.0 million of net foreign currency losses.

Income Taxes

For the three months ended June 30, 2020 and 2019, the Company recorded a provision for income taxes of $0.7 million and $3.9 million, respectively. During the three months ended June 30, 2020, a net discrete tax benefit of $2.5 million was recorded primarily driven by the implementation of certain U.S. tax planning strategies as a result of the CARES Act. In addition, the Company's effective tax rate varies from the U.S. federal statutory rate of 21% due to the results of foreign operations that are subject to income taxes at different statutory rates.

For the six months ended June 30, 2020 and 2019, the Company recorded a provision for income taxes of $2.6 million and $7.2 million, respectively. The year over year decrease in the Company's tax expense for the six months ended June 30, 2020 was primarily driven by the net discrete tax benefit recorded as a result of the CARES Act. In addition, the Company's effective tax rate varies from the U.S. federal statutory rate of 21% due to the results of foreign operations that are subject to income taxes at different statutory rates.

Financial Condition

Cash Flows

The table below shows a summary of cash flows for the six months ended June 30, 2020 and 2019:

	Six Months Ended June 30,	
	2020	**2019**
Net cash used for operating activities	$ (98.7)	$ (235.4)
Net cash provided by (used for) investing activities	(7.9)	121.4
Net cash provided by financing activities	36.6	9.8
Cash and cash equivalents	128.3	35.0

Cash Flows From Operating Activities

Cash flows used for operating activities for the six months ended June 30, 2020 were $98.7 million and were primarily driven by a net increase in working capital of $103.1 million. The increase in working capital primarily resulted from an increase in inventory of $73.4 million from December 31, 2019 and payments of incentive compensation earned in the prior year. This was partially offset by a net $4.4 million which is composed of a net loss of $20.5 million less $24.9 million of adjustments to reconcile net loss to operating cash flows from operating activities.

Cash flows used for operating activities for the six months ended June 30, 2019 were $235.4 million and were primarily driven by trade receivables sold to the Company's prior securitization program resulting in $126.3 million of cash flows being reported in cash provided by investing activities, $75.0 million of purchases of accounts receivable previously sold to the prior accounts receivable securitization program, increased inventory since December 31, 2018 and payments of incentive compensation earned in the prior year. This was partially offset by $36.5 million of cash received from the settlement of a legal matter.

Cash Flows From Investing Activities

Cash flows used for investing activities were $7.9 million for the six months ended June 30, 2020 and consisted of $8.0 million of capital expenditures, partially offset by $0.1 million in proceeds from sales of property, plant and equipment.

Cash flows provided by investing activities were $121.4 million for the six months ended June 30, 2019 and consisted of $126.3 million of cash collections on accounts receivable sold to the prior accounts receivable securitization program and proceeds from sales of property, plant and equipment of $4.8 million. This was partially offset by capital expenditures of $9.7 million.

Cash Flows From Financing Activities

Cash flows provided by financing activities were $36.6 million for the six months ended June 30, 2020 and consisted of $50.0 million of proceeds from borrowings under the ABL Revolving Credit Facility and $0.1 million of cash receipts from the exercise of stock options. This was partially offset by $12.0 million of repurchases of the Company's common stock and $1.5 million of payments on other debt.

Cash flows provided by financing activities were $9.8 million for the six months ended June 30, 2019 and consisted of $300.0 million of proceeds from long-term debt and $82.8 million of proceeds from borrowings under the ABL Revolving Credit Facility. This was partially offset by payments of $276.6 million to terminate the Prior 2021 Notes, $82.8 million of payments on the ABL Revolving Credit Facility, $8.2 million of debt issuance costs on the ABL Revolving Credit Facility and 2026 Notes and $7.4 million from the repurchases of the Company's common stock.

Liquidity and Capital Resources

The Company's liquidity position as of June 30, 2020, December 31, 2019 and June 30, 2019 is summarized as follows:

	June 30, 2020	December 31, 2019	June 30, 2019
Cash and cash equivalents	$ 128.3	$ 199.3	$ 35.0
Revolver borrowing capacity	260.8	210.4	275.0
Other debt availability	38.7	38.8	38.7
Less: Borrowings on revolver	(50.0)	—	—
Less: Borrowings on other debt	—	—	(4.5)
Less: Outstanding letters of credit	(3.0)	(4.0)	(4.0)
Total liquidity	$ 374.8	$ 444.5	$ 340.2

Outlook

The Company believes its liquidity and expected cash flows from operations should be sufficient to meet expected working capital, capital expenditure and other general ongoing operational needs for the subsequent twelve months. The Company is also taking action to preserve its liquidity and manage its cash flow, such as a preemptive $50.0 million borrowing on its ABL Revolving Credit Facility, reduced discretionary spending, suspended its share repurchase program and reduced capital expenditures. In addition, the Company eliminated base salary increases for its employees and executive officers. Globally, the Company has made use of available government subsidies and other programs to aid with liquidity and employee retention and will continue to review additional programs as they become available.

Cash Sources

The Company has historically relied primarily on cash flows from operations, borrowings under revolving credit facilities, issuances of notes and other forms of debt financing as its sources of cash.

The maximum availability under the Company's current ABL Revolving Credit Facility is $275.0 million. The borrowing capacity under the ABL Revolving Credit Facility is based on the value of inventory, accounts receivable and fixed assets of the Loan Parties. The Loan Parties' obligations under the ABL Revolving Credit Facility are secured on a first-priority basis, subject to certain exceptions and permitted liens, by substantially all of the personal property and fee-owned real property of the Loan Parties. The liens securing the ABL Revolving Credit Facility are senior in priority to the second-priority liens securing the obligations under the 2026 Notes and the related guarantees. The ABL Revolving Credit Facility has a term of 5 years and includes a $75.0 million letter of credit sub-facility, $10.0 million of which is available to the Company's German subsidiary that is a borrower under the ABL Revolving Credit Facility.

In addition to the ABL Revolving Credit Facility, the Company has access to non-committed overdraft facilities to fund working capital in Europe. There are six facilities, of which five are denominated in Euros totaling €26.0 million and one denominated in U.S. dollars totaling $9.5 million. Total availability as of June 30, 2020 for the six overdraft facilities is $38.7 million.

Debt

Outstanding debt as of June 30, 2020 and December 31, 2019 is summarized as follows:

	June 30, 2020	December 31, 2019
Senior secured asset based revolving credit facility	$ 50.0	$ —
Senior secured second lien notes due 2026	300.0	300.0
Other debt	15.4	16.7
Deferred financing costs	(4.2)	(4.5)
Total debt	361.2	312.2
Short-term borrowings and current portion of long-term debt	(4.3)	(3.8)
Long-term debt	$ 356.9	$ 308.4

Both the ABL Revolving Credit Facility and 2026 Notes include customary covenants and events of default. Refer to Note 11, “Debt,” of the Condensed Consolidated Financial Statements for additional discussions of covenants for the ABL Revolving Credit Facility and 2026 Notes. Based upon management’s current plans and outlook, the Company believes it will be able to comply with these covenants during the subsequent twelve months.

Non-GAAP Measures

The Company uses EBITDA, adjusted EBITDA and adjusted operating income (loss), which are financial measures that are not prepared in accordance with GAAP, as additional metrics to evaluate the Company's performance. The Company defines EBITDA as net income (loss) before interest, taxes, depreciation and amortization. The Company defines adjusted EBITDA as EBITDA plus the addback of certain restructuring and other charges. The Company defines adjusted operating income (loss) as adjusted EBITDA excluding the addback of depreciation and amortization. The Company believes these non-GAAP measures provide important supplemental information to readers regarding business trends that can be used in evaluating its results of operations because these financial measures provide a consistent method of comparing financial performance and are commonly used by investors to assess performance. These non-GAAP financial measures should be considered together with, and are not substitutes for, the GAAP financial information provided herein.

The reconciliation of GAAP net income (loss) to EBITDA, and further to adjusted EBITDA and to adjusted operating income (loss) for the three and six months ended June 30, 2020 and 2019 is summarized as follows:

	Three Months Ended June 30,		Six Months Ended June 30,		Trailing Twelve Months
	2020	2019	2020	2019	
Net income (loss)	$ (12.7)	$ 46.0	$ (20.5)	$ 19.3	$ 6.8
Interest expense and amortization of deferred financing fees	7.5	7.9	15.1	19.2	30.1
Provision for income taxes	0.7	3.9	2.6	7.2	7.8
Depreciation expense	9.1	8.6	18.1	17.4	35.7
Amortization of intangible assets	0.1	0.1	0.2	0.2	0.3
EBITDA	4.7	66.5	15.5	63.3	80.7
Restructuring expense	0.2	2.7	1.7	7.2	4.3
Loss on debt extinguishment	—	—	—	25.0	—
Other non-recurring charges (1)	—	—	—	—	3.1
Other (income) expense - net (2)	2.9	(15.9)	6.9	(12.6)	9.7
Adjusted EBITDA	7.8	53.3	24.1	82.9	97.8
Depreciation expense	(9.1)	(8.6)	(18.1)	(17.4)	(35.7)
Amortization of intangible assets	(0.1)	(0.1)	(0.2)	(0.2)	(0.3)
Adjusted operating income (loss)	(1.4)	44.6	5.8	65.3	61.8
Restructuring expense	(0.2)	(2.7)	(1.7)	(7.2)	(4.3)
Other non-recurring charges	—	—	—	—	(3.1)
Operating income (loss)	$ (1.6)	$ 41.9	$ 4.1	$ 58.1	$ 54.4
Adjusted EBITDA margin percentage	*2.4%*	*10.6%*	*3.7%*	*9.0%*	*6.2%*
Adjusted operating income (loss) margin percentage	*(0.4)%*	*8.8%*	*0.9%*	*7.1%*	*3.9%*

(1) Other non-recurring charges includes losses from a long-term note receivable resulting from the 2014 divesture of the Company's Chinese joint venture and other charges included in engineering, selling and administrative expenses in the third and fourth quarter 2019.

(2) Other (income) expense - net includes the settlement of a legal matter in 2019, along with net foreign currency gains (losses), other components of net periodic pension costs and other miscellaneous items recorded in 2020 and 2019.

The Company uses adjusted operating cash flows and free cash flows, which are financial measures that are not prepared in accordance with GAAP, as additional metrics to evaluate the Company's performance. Adjusted operating cash flows is defined as cash flows used for operating activities plus cash receipts on sold accounts receivable and other one-time items. Free cash flows is defined as adjusted operating cash flows less capital expenditures. Adjusted operating cash flows and free cash flows for the three and six months ended June 30, 2020 and 2019 are summarized as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Net cash provided by (used for) operating activities	$ (20.2)	$ 31.9	$ (98.7)	$ (235.4)
Cash receipts on sold accounts receivable	—	—	—	126.3
Net payments on accounts receivable securitization program	—	—	—	75.0
Adjusted operating cash flows	(20.2)	31.9	(98.7)	(34.1)
Capital expenditures	(4.4)	(5.3)	(8.0)	(9.7)
Free cash flows	$ (24.6)	$ 26.6	$ (106.7)	$ (43.8)

Critical Accounting Policies

The Company's critical accounting policies have not materially changed since the 2019 Form 10-K was filed. Refer to the Critical Accounting Policies in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" included in the Annual Report on Form 10-K for the year ended December 31, 2019 for information about the Company's policies, methodology and assumptions related to critical accounting policies.

Item 3. Quantitative and Qualitative Disclosure about Market Risk

The Company's market risk disclosures have not materially changed since the 2019 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, 2019.

Item 4. Controls and Procedures

Disclosure Controls and Procedures: The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, have evaluated the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended ("Exchange Act")) as of the end of the period covered by this report. Based on such evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of such period, the Company's disclosure controls and procedures are effective in recording, processing, summarizing and reporting, on a timely basis, information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act, and that such information is accumulated and communicated to the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely discussions regarding required disclosure.

Changes in Internal Control Over Financial Reporting: The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). During the period covered by this report, the Company made no changes that have materially affected, or that are reasonably likely to materially affect, its internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1A. Risk Factors

There have been no material changes to the risk factors previously disclosed in Part I, Item 1A, "Risk Factors," in the Company's Annual Report on Form 10-K for the year ended December 31, 2019, which was filed with the Securities and Exchange Commission on February 14, 2020, other than as such were previously supplemented and amended by Part II, Item 1A, "Risk Factors," in the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020, which was filed with the Securities and Exchange Commission on May 8, 2020.

Item 5. Other Information

On August 5, 2020, the Company announced that Aaron H. Ravenscroft, formerly the Company's Executive Vice President of Cranes, has been appointed President and Chief Executive Officer effective immediately. Mr. Ravenscroft succeeds Barry L. Pennypacker, who is stepping down from his role as President and Chief Executive Officer and as a member of the Board of Directors as part of the Company's leadership transition plan. Mr. Pennypacker will continue to serve the Company in an advisory role through December 31, 2020, to ensure a smooth transition.

In connection with the foregoing, the Board of Directors also elected Mr. Ravenscroft as a director of the Company, effective immediately, with a term expiring at the Company's 2021 annual meeting of shareholders and until his successor is duly elected and qualified.

There are no arrangements between Mr. Ravenscroft and any other person pursuant to which Mr. Ravenscroft was elected to serve as a director, nor are there any transactions in which the Company is a participant in which Mr. Ravenscroft has a material interest requiring disclosure pursuant to Item 404(a) of Regulation S-K promulgated under the Securities Exchange Act of 1934, as amended.

In connection with his appointment to the role of President and Chief Executive Officer, Mr. Ravenscroft's annual base salary rate was increased from $500,000 to $800,000 and his target Short-Term Incentive Plan award for 2020 was increased from 75% of base salary to 100% of base salary.

In connection with Mr. Pennypacker stepping down, the Company entered into a severance and general release agreement (the "Agreement") with him. Pursuant to the Agreement, Mr. Pennypacker will be paid $4,000,000, which is equal to two times the sum of his base salary and target bonus under the Company's Short-Term Incentive Plan at the time of his separation from employment. This amount will be paid over a 24-month period following Mr. Pennypacker's separation from employment in accordance with the Company's regular payroll process (the "Severance Pay Period"). Mr. Pennypacker will also be eligible to receive a pro rata bonus under the Company's 2020 Short-Term Incentive Plan based on the Company's performance for the year. In addition, he will receive accelerated vesting of a portion of his restricted stock units under the Company's 2013 Omnibus Incentive Plan. All other equity-based awards that had yet to vest were forfeited. The Company will also make an employer contribution in the amount of $175,000 to Mr. Pennypacker's account under the Company's Deferred Compensation Plan for the 2020 plan year.

If Mr. Pennypacker elects continued health and/or dental insurance coverage, the Company will reimburse Mr. Pennypacker for the monthly cost of such coverage through the end of the Severance Pay Period, with the Company's reimbursement obligation subject to early termination if Mr. Pennypacker is offered health insurance from a new employer prior to the end of the Severance Pay Period.

The Agreement also includes a release and customary covenants restricting Mr. Pennypacker from disclosing confidential information, from competing with the Company's business and from soliciting employees of the Company and its subsidiaries.

The foregoing description of the Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Agreement, which is attached hereto as Exhibit 10 and is incorporated herein by reference.

Item 6. Exhibits

Exhibit No.	Description	Filed/Furnished Herewith	
10	Severance and General Release Agreement, executed August 5, 2020, by and between The Manitowoc Company, Inc. and Barry L. Pennypacker.	X	(1)
31	Rule 13a - 14(a)/15d - 14(a) Certifications	X	(1)
32.1	Certification of CEO pursuant to 18 U.S.C. Section 1350	X	(2)
32.2	Certification of CFO pursuant to 18 U.S.C. Section 1350	X	(2)
101.INS	Inline XBRL Instance Document – The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.	X	(1)
101.SCH	Inline XBRL Taxonomy Extension Schema Document	X	(1)
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	X	(1)
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document	X	(1)
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document	X	(1)
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	X	(1)
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)	X	(1)

(1) Filed Herewith

(2) Furnished 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.

Date: August 6, 2020	The Manitowoc Company, Inc.
	(Registrant)
	/s/ Aaron H. Ravenscroft
	Aaron H. Ravenscroft President and Chief Executive Officer (Principle Executive Officer)
	/s/ David J. Antoniuk
	David J. Antoniuk Senior Vice President and Chief Financial Officer (Principle Financial Officer)
	/s/ Brian P. Regan
	Brian P. Regan Vice President and Corporate Controller (Principle Accounting Officer)

SEVERANCE AND GENERAL RELEASE AGREEMENT

This Agreement is between The Manitowoc Company, Inc. (which in this Agreement is referred to as "Manitowoc" or "the Company") and Barry L. Pennypacker, who is referred to as "Employee" or "Pennypacker."

WHEREAS, Pennypacker has decided to resign his employment and all offices with the Company and its affiliates, including Board Member, President and Chief Executive Officer of The Manitowoc Company; and

WHEREAS, the Company is willing to accept Pennypacker's resignation and provide Pennypacker with a severance package in return for the execution of an agreement that is acceptable to the Company, which includes various obligations owed by Pennypacker.

NOW, THEREFORE, Employee and the Company have agreed to the severance package and terms and conditions identified below, including a release of all claims and ongoing obligations to provide assistance to the Company as it may require upon its request:

1. **Separation Date**. Pennypacker and Manitowoc have agreed that Employee's end of employment shall be and is as of **August 5, 2020** (the "Separation Date"). Both Pennypacker and Manitowoc acknowledge that this amicable separation shall fully and finally compromise and settle any differences that may exist between them on the terms set forth in this Agreement. Pennypacker also acknowledges, agrees and represents that he has been paid and has received all compensation and/or other amounts due that he earned on or before the date he signed this Agreement, including but not limited to all wages, salary, bonuses, incentive compensation, accrued vacation, sick and personal day pay. Pennypacker further agrees that Manitowoc's payment and his receipt of all compensation due him earned on or before the date he signed this Agreement is not and has not been conditioned upon his execution of this Agreement.

2. **Employment Termination**. Pennypacker understands that his employment with Manitowoc is considered ended effective the Separation Date, based on Employee's resignation.

3. **Severance Pay and Benefits**. In return for the execution of this Agreement, it becoming effective (*see* paragraph 17), and Pennypacker honoring all of its terms (and continuing to honor all of its terms), the Company will provide Pennypacker with the following pay and benefits.

a. **Severance Pay.** Severance pay equal to two times (2x) the sum of Pennypacker's (i) base salary ($1,000,000.00) and (ii) his bonus at target ($1,000,000.00), for a grand total of **Four Million Dollars and Zero Cents ($4,000,000.00)**, less applicable withholding and deductions. The severance pay will be provided in accordance with the Company's regular payroll process for a twenty-four month period, commencing with the first payroll that is more than thirty (30) days after the Separation Date (see paragraph 1), provided that the Agreement has then become effective (*see* paragraph 17). The severance payments shall be allocated as if provided during the twenty-four (24) months immediately following the Separation Date for unemployment compensation and other purposes – this period shall be known as the "Severance Period" – and the first payment shall include an initial catch-up payment to compensate for the period from the Separation Date to the first payroll that is more than thirty (30) days after the Separation Date. Should Pennypacker materially violate, in the Company's exclusive determination exercised in good faith, *any* term of this Agreement during the Severance Period, all future payments of severance shall immediately cease and no more shall be forthcoming.

b. **Bonus Severance.** In addition, the Company shall provide Pennypacker with a pro-rata share of that amount to which he would have otherwise been eligible to receive as a bonus under the Company's 2020 Short-Term Incentive Plan had he completed his current year of employment. The bonus severance shall be provided in a lump sum, less withholding and deductions, at the same time as short-term incentive bonus payments are provided to other executives in the Company (approximately March 1, 2021), so long as Pennypacker has not materially violated, in the Company's exclusive determination exercised in good faith, *any* term of this Agreement.

c. **Deferred Compensation.** Further, the Company shall provide an employer contribution to Pennypacker's deferred compensation account under the Company's Deferred Compensation Plan for the 2020 plan year in the amount of **One Hundred Seventy-Five Thousand Dollars and Zero Cents ($175,000.00)**. The contribution shall be made by the Company at the same time when it makes contributions to other similar accounts for the 2020 plan year in or about March, 2021.

d. **Additional Payment for Review Costs**. The Company shall also provide Pennypacker with **Fifteen Thousand Dollars and Zero Cents ($15,000.00)**, less applicable withholding and deductions, which is intended to cover any costs or fees incurred by Pennypacker to have counsel of his own choosing review and provide advice on this Agreement. The payment in this paragraph shall be added to the first payment made consistent with the payment of the Severance Pay above.

e. **Equity Compensation.** The outstanding equity-based awards held by Pennypacker under The Manitowoc Company, Inc. 2013 Omnibus Incentive Plan (the "Plan") as of the Separation Date shall be treated in accordance with the Plan and the applicable award agreement except to the extent otherwise provided below:

i. All unvested stock options shall be forfeited as of the Separation Date. All outstanding vested stock options shall remain exercisable until the earlier of (A) twelve (12) months following the Separation Date and (B) the expiration date set forth in the applicable award agreement.

ii. A portion of outstanding unvested restricted stock units shall vest as of the Separation Date. For the avoidance of doubt, the parties agree that the number of Pennypacker's outstanding restricted stock units that will be vested as of the Separation Date is as follows:

Grant Date	# of Shares	Vested	Unvested	Additional Vesting of Unvested RSUs	Total Vested RSUs
2/26/2020	72,757	0	72,757	**24,252**	**24,252**
2/27/2019	41,472	13,824	27,648	**13,824**	**27,648**

iii. All outstanding unvested performance share units shall be forfeited.

f. **COBRA.** As of the Separation Date, any group health insurance coverage and/or dental reimbursement coverage Pennypacker may have with the Company will be terminated and applicable COBRA coverage will be made available to Pennypacker. The available coverage is the same coverage that is available for all non-represented employees of the Company. Beginning on the Separation Date, Pennypacker understands that Pennypacker is eligible to elect continued health and/or dental insurance coverage under COBRA. If Pennypacker elects continued coverage under COBRA, the Company agrees to reimburse Pennypacker for 100% of the monthly COBRA cost upon receipt of proof of payment from the Separation Date through eighteen (18) months following the Separation Date (the “COBRA End Date”). To be eligible for reimbursement, Pennypacker must submit proof of payment within 30 days of payment. Pennypacker understands it is Pennypacker’s sole obligation to make these COBRA payments on a monthly basis in order to continue Pennypacker’s health or dental insurance benefits and that failure by Pennypacker to make these payments timely will result in cessation of benefits. If Pennypacker obtains other employment prior to the COBRA End Date that offers any of such insurance coverage, the Company’s obligation to reimburse Pennypacker for COBRA payments will be terminated. Following the COBRA End Date, to the extent Pennypacker has not obtained and does not obtain other employment that offers any of such insurance coverage, the Company will continue to offer continued coverage under its group health and/or dental insurance plan to Pennypacker on the same terms that are available for all non-represented employees of the Company until the second anniversary of the Separation Date (the “Coverage End Date”) and, if Pennypacker elects continued coverage, then the Company will reimburse Pennypacker for 100% of the monthly cost of such coverage upon receipt of proof of payment until the Coverage End Date.

The benefits provided for in this paragraph shall immediately cease upon violation of any provision in this Agreement by Pennypacker or should Pennypacker otherwise become eligible to receive health or dental benefits through a new employer. Pennypacker agrees to furnish promptly to the Company all documentation required and/or reasonably requested by the Company regarding benefit eligibility subsequent to the Separation Date.

4. **Acknowledgement and Waiver**. Pennypacker understands that the severance pay and benefits provided in paragraph 3.a thru 3.f. will not be paid or provided unless he accepts this Agreement, it becomes effective (*see* paragraph 17), he continues to honor all of its terms and he

waives any and all rights under Section 7(c) of the Contingent Employment Agreement between Pennypacker and the Company (the "Contingent Agreement") regarding a termination of employment prior to a Change of Control (as defined in the Contingent Agreement).

5. **Release**. Pennypacker understands and agrees that his acceptance of this Agreement means that, except as stated in paragraph 8, he is forever waiving and giving up any and all claims he may have, **whether known or unknown**, against Manitowoc, its subsidiaries and related companies, their insurers, their officers and directors, their employees and agents for any personal monetary relief for himself, benefits or remedies that are based on any act or failure to act that occurred before he signed this Agreement. Pennypacker understands that this release and waiver of claims includes claims relating to his employment and the termination of his employment; any Company policy, practice, contract or agreement; any tort or personal injury; any policies, practices, laws or agreements governing the payment of wages, commissions or other compensation, including but not limited to under the Pennsylvania Wage Payment & Collection Law; any laws governing employment discrimination or retaliation including, but not limited to, the Age Discrimination in Employment Act ("ADEA"), Older Worker Benefits Protection Act, Title VII of the Civil Rights Act, the Employee Retirement Income Security Act, the National Labor Relations Act ("NLRA"), the Fair Labor Standards Act, the Family and Medical Leave Act, the Americans with Disabilities Act, the Genetic Information Nondiscrimination Act, and any state or local laws, including but not limited to the Pennsylvania Human Relations Act and the Wisconsin Fair Employment Act; any laws or agreements that provide for punitive, exemplary or statutory damages; and any laws or agreements that provide for payment of attorney fees, costs or expenses. **PENNYPACKER UNDERSTANDS THAT THIS AGREEMENT RELEASES ALL CLAIMS BASED ON FACTS OR OMISSIONS OCCURRING ON OR BEFORE THE DATE OF THIS AGREEMENT, EVEN IF HE DOES NOT, AT THE TIME HE SIGNS THIS AGREEMENT, HAVE KNOWLEDGE OF THOSE FACTS OR OMISSIONS.**

6. **No Disparagement**. Pennypacker agrees not to make critical, negative or disparaging remarks about the Company, its products/services, its subsidiaries and related companies, their insurers, their officers and directors, their employees or agents to others. Pennypacker also agrees not to disclose personal or private information about the Company or its subsidiaries and related companies, their insurers, their officers and directors, their employees, agents or clients. Company executive leadership similarly agrees not to cause any Company employee to make critical, negative or disparaging remarks about Pennypacker. To the extent the NLRA applies to Pennypacker, he understands that nothing in this paragraph 6 is intended to prohibit him from any activity that constitutes a concerted, protected activity under the NLRA, including commenting upon his terms and conditions of employment; and the obligations in this paragraph shall be interpreted consistent with the NLRA, but only to the extent the NLRA applies to Pennypacker. In addition, nothing in this paragraph (or this Agreement) is intended to prohibit Pennypacker from sharing information relative to any alleged sexual harassment or sexual assault.

7. **Advisory Role**. Pennypacker agrees that he is not now nor hereafter entitled to employment or reemployment with Manitowoc, its subsidiaries or related companies; however, he agrees to serve in an advisory role to the Company and to provide counsel and advice whenever the Company seeks such services from him. Such services shall be provided at reasonable times and only through December 31, 2020, and only when the Chairman or the Chief Executive Officer of the Company seek such services. Pennypacker acknowledges that the severance pay he is

receiving during the Severance Period, is provided in part to compensate him for such advisory role services if sought by the Company.

8. **Claims Not Waived**. Pennypacker understands that this Agreement does not waive any claims that he may have: (a) arising from acts or conduct occurring after the date that he signs the Agreement; (b) for compensation for illness or injury or medical expenses under any worker's compensation statute; (c) for benefits under any plan currently maintained by the Company that provides for retirement benefits or under the Company's Deferred Compensation Plan (however, Pennypacker agrees and acknowledges that the payment(s) and benefits provided in paragraphs 3.a., thru 3.f. above shall not be considered or included for purposes of any retirement benefit contribution or plan); (d) under any law or any policy or plan currently maintained by the Company that provides health insurance continuation or conversion rights; (e) any claims for coverage under officers or directors insurance maintained by the Company for conduct or action that occurred prior to the Separation Date; (f) any claim for breach of this Agreement; or (g) any claim that by law cannot be released or waived.

9. **Government Cooperation.** Nothing in this Agreement prohibits Pennypacker from cooperating with any government agency, including the National Labor Relations Board or the Equal Employment Opportunity Commission, or any similar State agency. Further, Pennypacker understands that nothing in this Agreement (including any obligation in paragraphs 5, 6 or 10, or their subparagraphs) prohibits him from reporting a possible violation of federal, state, or local law or regulation to any governmental agency or entity, including but not limited to the Department of Justice, the Securities and Exchange Commission, the Congress, or any agency (including but not limited to the National Labor Relations Board or the Equal Employment Opportunity Commission) or Inspector General, or making other disclosures that are protected under any whistleblower provision of federal, state, or local law or regulation. Further, Pennypacker does not need the prior authorization of the Company to make any such reports or disclosures and he is not required to notify the Company that he made such reports or disclosures.

10. **Confidentiality & Non-Solicitation Obligations**. To the extent Pennypacker has executed an agreement (or agreements) with the Company that restricts (or restrict) his use of confidential information or competitive activities after his employment ends, he expressly reaffirms those commitments, and subparagraphs 10.a, 10.b., 10.c. and 10.d. shall be viewed as supplements and additional obligations to such agreement(s) and Pennypacker acknowledges that he will comply with whichever such obligations are the most restrictive. Pennypacker acknowledges that the severance pay and benefits made available to him in this Agreement are partly provided in return for his agreement to this paragraph 10 and the subparagraphs immediately below.

a. **Background**. Pennypacker acknowledges that during the course of his employment for Manitowoc, he was provided access to and was permitted to use confidential information (as defined in subparagraph 10.b. below) and / or trade secrets, which could be used by him in the future to gain an unfair competitive advantage if he did not comply with the provisions in this paragraph. Therefore, he agrees to the confidentiality, non-solicitation, non-compete, and non-interference obligations in subparagraphs 10.b. thru 10.e., which shall apply during the twenty-four (24)-month period following the Separation Date:

b. **Confidentiality**. Pennypacker agrees to hold in strict confidence and, except as Manitowoc may otherwise authorize in writing, not disclose to any person, entity or organization, any confidential information that he received, acquired or reviewed in connection with the performance of his employment on behalf of Manitowoc. For purposes of paragraph 10 (and the subparagraphs), “confidential information” includes Manitowoc’s customer/client information, supplier information, product information, design and construction information, pricing and profitability information, sales and marketing strategies and techniques, and business ideas or practices. The restriction on use and disclosure contained in this subparagraph shall not apply to such information that is of general knowledge in the industry through no fault or act of his own.

c. **Non-Solicitation of Customers**. Without limiting the generality of subparagraph 10.b. above, during the twenty-four (24)-month period following his Separation Date, Pennypacker agrees that he will not, directly or indirectly, either separately, jointly, or in association with others, solicit or otherwise contact any of the Manitowoc customers/clients (for purposes of this paragraph, a customer/client is a person or organization that had actually purchased Manitowoc products or services in the two-year period prior to the Separation Date) with whom he had contact, responsibility for, or had acquired confidential information about by virtue of his employment with Manitowoc during the two-year period that preceded the Separation Date, if such solicitation or contact is for the general purpose of selling or marketing products or services that satisfy the same general needs as any products or services that Manitowoc has available for sale to its customers during this non-solicitation period.

d. **Non**-**Compete**. Without limiting the generality of subparagraph 10.b. above, during the twenty-four (24)-month period following his Separation Date, Pennypacker agrees he will not, on his own behalf, or on behalf of any other person or entity, directly or indirectly, provide services to a direct competitor in a role where his knowledge of confidential information is likely to affect his decisions or actions for the direct competitor, to the detriment of the Company. For purposes of paragraph 10 (and the subparagraphs), a “direct competitor” is a person, business or company, anywhere in the United States that provides products or services that satisfy the same general needs as any products or services that Manitowoc has available for sale to its customers.

e. **Non**-**Interference**. Without limiting the generality of subparagraph 10.b. above, during the twenty-four (24)-month period following his Separation Date, Pennypacker agrees he shall not, either personally or in conjunction with others either (i) solicit, interfere with, or endeavor to cause any restricted employee of the Company to leave his or her employment in order to work for a direct competitor, or (ii) otherwise induce or attempt to induce any such restricted employee to terminate employment with the Company in order to work for a director competitor. For purposes of paragraph 10 (and the subparagraphs), a “restricted employee” is an employee of the Company with whom Pennypacker had a managing, reporting, or other special relationship, which could be exploited by him to persuade the restricted employee to leave his or her employment with the Company, and whom has special knowledge and/or information (including access to confidential information) that could cause the Company damage/harm if he or she went to work for a direct competitor. Nothing in this paragraph 10 (or its subparagraphs) is meant to prohibit an employee of the Company that is not a party to this Agreement from becoming employed by another organization or person.

f. **No Conflict with NLRA Intended**. Pennypacker understands that nothing in this paragraph 10 (or its subparagraphs) is intended to conflict with any requirements under the NLRA or prohibit him from engaging in actual protected concerted activity under the NLRA, such as discussing the terms or conditions of his employment or compensation.

g. **Trade Secrets/Defend Trade Secrets Act**. Nothing in this Agreement (or any prior agreement on confidentiality to which Pennypacker may be subject) diminishes or limits any protection granted by law to trade secrets or relieves Pennypacker of any duty not to disclose, use, or misappropriate any information that is a trade secret, for as long as such information remains a trade secret. Additionally, nothing in this Agreement (or any prior agreement on confidentiality to which Pennypacker may be subject) is intended to discourage him from reporting any theft of trade secrets to the appropriate government official pursuant to the Defend Trade Secrets Act of 2016 ("DTSA") or other applicable state or federal law. Additionally, under the DTSA, a trade secret may be disclosed to report a suspected violation of law and/or in an anti-retaliation lawsuit, as follows:

(i) An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that: (A) is made (1) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (2) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

(ii) An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual: (A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order. Nothing in this Agreement (or any prior agreement on confidentiality to which Pennypacker may be subject) shall limit, curtail or diminish the Company's statutory rights under the DTSA, any applicable state law regarding trade secrets or common law.

11. **Non-admission**. Pennypacker and the Company both acknowledge and agree that nothing in this Agreement is meant to suggest that the Company has violated any law or contract or that he has any claim against the Company.

12. **Voluntary Agreement**. Pennypacker acknowledges and states that he has entered into this Agreement knowingly and voluntarily.

13. **Consulting An Attorney**. Pennypacker acknowledges that the Company has told him that he should consult an attorney of his own choice about this Agreement and every matter that it covers before signing this Agreement; and, that he has done so.

14. **Obligation to Pay Attorney Fees and Costs**. Pennypacker understands and agrees that if he violates any of the commitments he has made in this Agreement, the Company may seek

to recover all payments and/or the value of the benefits provided in paragraphs 3.a. thru 3.f. of this Agreement, with the exception of **Ten Thousand Dollars ($10,000)**, and that, except as provided in paragraph 15, he will be responsible for paying the actual attorney fees and costs incurred by the Company in successfully enforcing this Agreement, defending a claim released by paragraph 5, or in successfully defending an action brought under this Agreement by Pennypacker.

Similarly, the Company understands and agrees that if it violates any of the commitments it has made in this Agreement, it will be responsible for paying the actual attorney fees and costs incurred by Pennypacker in successfully enforcing this Agreement or in successfully defending an action brought under this Agreement by the Company.

15. **Exception to Attorney Fees Obligation**. The obligation to pay the Company's attorney fees and costs does not apply to an action by Pennypacker regarding the validity of this Agreement under the ADEA.

16. **Complete Agreement**. Except as provided in paragraph 10, Pennypacker understands and agrees that this document contains the entire agreement between he and the Company relating to his employment and the termination of his employment, that this Agreement supersedes and displaces any prior agreements, including without limitation the Contingent Agreement, and/or discussions relating to such matters and that he may not rely on any such prior agreements or discussions.

17. **Effective Date and Revocation**. This Agreement shall not be effective until seven (7) days after Pennypacker signs it and returns it to **Thomas L. Doerr, Jr., Senior Vice President, General Counsel and Secretary**. During that seven (7)-day period, Pennypacker may revoke his acceptance of this Agreement by delivering to **Doerr** a written statement stating he wishes to revoke this Agreement or not be bound by it. In addition, Pennypacker understands and agrees that this Agreement may be executed by him and the Company in counter-parts and that facsimile, copy or .pdf signatures shall be considered just as effective as original signatures.

18. **Final and Binding Effect**. Pennypacker understands that if this Agreement becomes effective it will have a final and binding effect, and that by signing and not timely revoking this Agreement he may be giving up legal rights.

19. **Resignation of All Board, Officerships and Director Positions**. Pennypacker acknowledges and affirms his resignation from all Board, officerships, directorships or other positions that he held with the Company or any of its subsidiaries or affiliates as of the Separation Date, including, but not limited to, for or on behalf of the following: The Manitowoc Company, Inc., Manitowoc (Bermuda) Ltd., Manitowoc Holdings (Cayman Islands) Ltd., Manitowoc Grove (Cayman Islands) Ltd., Manitowoc Potain (Cayman Islands) Ltd., The Manitowoc Company Foundation.

20. **Future Cooperation**. As with advisory role services, during the Severance Period, Pennypacker agrees to cooperate with the Company and to provide to the Company truthful information, testimony or affidavits requested in connection with any matter that arose during his employment. Pennypacker acknowledges that the severance pay he is receiving is partially provided in return for this specific obligation. This cooperation may be performed at reasonable

times and places and in a manner as to not interfere with any other employment he may have at the time of request. The Company agrees to reimburse Pennypacker for expenses incurred in providing such cooperation, so long as such expenses are approved in advance by the Company.

21. **Return of Property**. Pennypacker acknowledges an obligation and agrees to return all Company property, unless otherwise specified in this paragraph. This includes, whether in paper or electronic form, all files, memoranda, documents, records, credit cards, keys and key cards, computers, laptops, iPads, personal digital assistants, cellular telephones, iPhones, Blackberry devices or similar instruments, other equipment of any sort, badges, vehicles, and any other property of the Company. In addition, Pennypacker agrees to provide any and all access codes or passwords necessary to gain access to any computer, program or other equipment that belongs to the Company or is maintained by the Company or on Company property. Further, Pennypacker acknowledges an obligation and agrees not to destroy, delete or disable any Company property, including items, files and materials on computers and laptops.

22. **Divisibility of Agreement or Modification by Court**. Pennypacker understands that, to the extent permitted by law, the invalidity of any provision of this Agreement will not and shall not be deemed to affect the validity of any other provision. Pennypacker agrees that in the event that any provision of this Agreement is held to be invalid, it shall be, to the extent permitted by law, modified as necessary to be interpreted in a manner most consistent with the present terms of the provision, to give effect to the provision. Finally, in the event that any provision of this Agreement is held to be invalid and not capable of modification by a court, then Pennypacker understands and agrees that such provision shall be considered expunged (eliminated), and he further agrees that the remaining provisions shall be treated as in full force and effect as if this Agreement had been executed by him after the expungement (elimination) of the invalid provision.

23. **Representations**. By signing this Agreement, Pennypacker represents that he has read this entire document and understands all of its terms.

24. **21-Day Consideration Period**. Pennypacker may consider whether to sign and accept this Agreement for a period of **twenty-one (21) days** from the day he received it, which will be no later than the Separation Date. If this Agreement is not signed, dated and returned to **Doerr** within twenty-two (22) days, the offer of severance payments and benefits described in paragraph 3 will no longer be available. Pennypacker acknowledges that should he sign and return this Agreement within the 21-day period identified in this subparagraph, he is knowingly waiving whatever additional time he may have up to the conclusion of the 21-day period for consideration of this Agreement.

25. **Code Section 409A**. Notwithstanding any provision of this Agreement to the contrary, to the extent required by Section 409A of the Internal Revenue Code of 1986, as amended (“Code Section 409A”) to avoid the imposition of any additional taxes or other adverse consequences under Code Section 409A, if Pennypacker is a “specified employee” for purposes of Code Section 409A, any payments of deferred compensation under this Agreement being made as a result of a separation from service shall be delayed until six (6) months after the Separation Date. This Agreement is intended to meet the requirements of the "short-term deferral" exception, the "separation pay" exception and other exceptions under Code Section 409A and the regulations promulgated thereunder to the extent applicable. Notwithstanding anything in this Agreement to

the contrary, to the extent required for compliance with Code Section 409A, payments may only be made under this Agreement upon an event and in a manner permitted by Code Section 409A, to the extent applicable. For purposes of Code Section 409A, the right to a series of payments under the Agreement shall be treated as a right to a series of separate payments. All reimbursements and in-kind benefits provided under this Agreement shall be made or provided in accordance with the requirements of Code Section 409A, including, where applicable, the requirement that (a) any reimbursement is for expenses incurred during the period of time specified in this Agreement, (b) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a calendar year may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year, (c) the reimbursement of an eligible expense will be made no later than the last day of the calendar year following the year in which the expense is incurred, and (d) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit. In no event may Pennypacker designate the year of payment for any amounts payable under this Agreement. The Company does not guarantee that the payments or other benefits under this Agreement will comply with, or be exempt from, Code Section 409A, or receive any other specific tax treatment.

26. **Exclusive Jurisdiction and Venue/Jury Waiver.** PENNYPACKER AND MANITOWOC AGREE THAT THIS AGREEMENT SHALL BE APPLIED AND INTERPRETED UNDER THE LAWS OF THE **STATE OF WISCONSIN**, WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES. ANY DISPUTE RELATING TO THIS AGREEMENT SHALL BE BROUGHT **ONLY** IN A STATE OR FEDERAL COURT WITH JURISDICTION IN **MILWAUKEE COUNTY, WISCONSIN**; BOTH EMPLOYEE AND MANITOWOC CONSENT TO THE EXCLUSIVE JURISDICTION AND VENUE OF SUCH COURTS. **IN ADDITION, PENNYPACKER AND MANITOWOC BOTH ACKNOWLEDGE AND AGREE THAT EACH, BY EXECUTING THIS AGREEMENT, IS AFFIRMATIVELY WAIVING ANY RIGHT OR OPPORUTNITY TO HAVE ANY DISPUTE UNDER THIS AGREEMENT RESOLVED BY A JURY, AND SUCH DISPUTES SHALL ONLY BE RESOLVED BY A COURT HAVING JURISDICTION OVER THE MATTER.**

(Remainder of page, intentionally left blank; signatures on next page.)

Employee:

Signature: /s/ Barry L. Pennypacker Date Signed: August 5, 2020

Printed Name: Barry L. Pennypacker

Company:

Signature: /s/ Thomas L. Doerr, Jr

Printed Name: Thomas L. Doerr, Jr.

Its (title): Senior Vice President & General Counsel

Exhibit 31

Certification of Principal Executive Officer

I, Aaron H. Ravenscroft, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of The Manitowoc Company, 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: August 6, 2020

/s/ Aaron H. Ravenscroft
Aaron H. Ravenscroft
President and Chief Executive Officer

Certification of Principal Financial Officer

I, David J. Antoniuk, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of The Manitowoc Company, 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: August 6, 2020

/s/ David J. Antoniuk

David J. Antoniuk
Senior Vice President and Chief Financial Officer

Exhibit 32.1

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

In connection with the Quarterly Report of The Manitowoc Company, Inc. (the “Company”) on Form 10-Q for the quarter ended June 30, 2020, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Aaron H. Ravenscroft, President and Chief Executive Officer of the Company, certify, pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the company as of the date and for the periods expressed in the Report.

/s/ Aaron H. Ravenscroft
Aaron H. Ravenscroft
President and Chief Executive Officer
August 6, 2020

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to The Manitowoc Company, Inc. and will be retained by The Manitowoc Company, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

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

In connection with the Quarterly Report of The Manitowoc Company, Inc. (the "Company") on Form 10-Q for the quarter ended June 30, 2020, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David J. Antoniuk, Senior Vice President and Chief Financial Officer of the Company, certify, pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the company as of the date and for the periods expressed in the Report.

/s/ David J. Antoniuk
David J. Antoniuk
Senior Vice President and Chief Financial Officer
August 6, 2020

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to The Manitowoc Company, Inc. and will be retained by The Manitowoc Company, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.