UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

☒ **Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the fiscal year ended December 31, 2017

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 (State or other jurisdiction of incorporation)	**39-0448110** (I.R.S. Employer Identification Number)
2400 South 44th Street, Manitowoc, Wisconsin (Address of principal executive offices)	**54220** (Zip Code)

(920) 684-4410
(Registrant's telephone number, including area code)
Securities Registered Pursuant to Section 12(b) of the Act:

Title of each class	**Name of each exchange on which registered**
Common Stock, $.01 Par Value	New York Stock Exchange

Securities Registered Pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☒

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 and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

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	☐ (Do not check if a small reporting company)	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 Act). Yes ☐ No ☒

The Aggregate Market Value on June 30, 2017, of the registrant's Common Stock held by non-affiliates of the registrant was approximately $838 million based on the closing per share price of $24.04 on that date, after adjustment for the 1-for-4 reverse stock split which occurred on November 17, 2017.

The number of shares outstanding of the registrant's Common Stock as of January 31, 2018, the most recent practicable date, was 35,347,025.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Proxy Statement for the 2018 Annual Meeting of Shareholders, are incorporated by reference in Part III of this Annual Report on Form 10-K.

THE MANITOWOC COMPANY, INC.
Index to Annual Report on Form 10-K
For the Year Ended December 31, 2017

Cautionary Statements Regardin g Forward-Looking Information

All of the statements in this Annual Report on Form 10-K, 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," particularly under the caption "Market Conditions and Outlook." 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 Manitowoc Company, Inc. (the "Company" or "Manitowoc") 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:

- 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;
- unanticipated changes in revenues, margins, costs, and capital expenditures;
- the ability to increase operational efficiencies across Manitowoc's businesses and to capitalize on those efficiencies;
- the ability to significantly improve profitability;
- the risks associated with growth or contraction;
- changes in raw material and commodity prices;
- foreign currency fluctuation and its impact on reported results and hedges in place with Manitowoc;
- 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;
- actions of competitors;
- potential delays or failures to implement specific initiatives within the Company's restructuring program;
- 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 our facilities;
- the ability to complete and appropriately integrate restructurings, consolidations, acquisitions, divestitures, strategic alliances, joint ventures, and other strategic alternatives;
- 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 capitalize on key strategic opportunities and the ability to implement Manitowoc's long-term initiatives;
- the ability to generate cash and manage working capital consistent with Manitowoc's stated goals;
- geographic factors and political and economic conditions and risks;
- global expansion of customers;
- changes in laws throughout the world;

- the ability to focus and capitalize on product quality and reliability;
- unexpected issues associated with the quality of materials, components and products sourced from third parties and the ability to successfully resolve those issues;
- unexpected issues associated with the availability and viability of suppliers;
- the ability to convert orders and order activity into sales and the timing of those sales;
- the ability to sell products through distributors and other third parties;
- the Company’s ability to attract and retain qualified personnel;
- the ability of Manitowoc's customers to receive financing;
- failure to comply with regulatory requirements related to the products the Company sells;
- risks associated with manufacturing or design defects;
- issues related to workforce reductions and potential subsequent rehiring;
- risks associated with data security and technological systems and protections;
- the inability to defend against potential infringement claims on intellectual property rights;
- the ability to direct resources to those areas that will deliver the highest returns;
- impairment of goodwill and/or intangible assets;
- work stoppages, labor negotiations, labor rates, and temporary labor costs;
- risks associated with high financing leverage;
- unanticipated issues affecting the effective tax rate for the year;
- natural disasters and other weather events disrupting commerce in one or more regions of the world;
- government approval and funding of projects and the effect of government-related issues or developments;
- the replacement cycle of technologically obsolete cranes;
- unanticipated changes in the capital and financial markets;
- acts of terrorism;
- risks related to actions of activist shareholders; and
- other risks factors detailed in Manitowoc's filings with the United States Securities and Exchange Commission, including risk factors in Item 1A, “Risk Factors” of this Annual Report on Form 10-K, as such may be amended or supplemented in Manitowoc’s subsequently filed Quarterly Reports on Form 10-Q.

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.

PAR T I

Item 1. BUSINESS

General

The Manitowoc Company, Inc. (“Manitowoc”, the “Company”, “we”, and “us”) was founded in 1902 and has over a 115-year tradition of providing high-quality, customer-focused products and support services to our markets, and for the year ended December 31, 2017, we had net sales of approximately $1.6 billion. Manitowoc is one of the world’s leading providers of engineered lifting equipment for the global construction industry. We design, manufacture, market, sell and support one of the most comprehensive product lines of mobile telescopic cranes, tower cranes, lattice-boom crawler cranes and boom trucks. Our crane products are principally marketed under the Manitowoc, Grove, Potain and National Crane brand names. We support customers globally with financing and leasing options through Manitowoc Finance, which is a program that utilizes third-party leasing companies. We serve a wide variety of customers, including dealers, rental companies, contractors and government entities, across the petrochemical, industrial, commercial, power and utilities, infrastructure and residential end markets. Additionally, our Manitowoc Crane Care offering leverages Manitowoc’s installed base of approximately 143,000 cranes to provide aftermarket parts and services to enable our 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, Crane Care provides us with a consistent stream of recurring aftermarket revenue. We are a Wisconsin corporation, and our principal executive offices are located at 2400 South 44th Street, Manitowoc, Wisconsin 54220. As previously announced, the Company has entered into an agreement to sell its corporate headquarters at the end of the first quarter, 2018. Accordingly, the Company will be moving its headquarters to 11270 West Park Place, Milwaukee, Wisconsin 53224.

Unless otherwise indicated, references to Manitowoc, the Company, we and us refer to The Manitowoc Company, Inc. and its consolidated subsidiaries.

The Company has three reportable segments, the Americas segment, Europe and Africa (“EURAF”) segment and Middle East and Asia Pacific (“MEAP”) segment. The Americas reportable segment includes the North American and South American continents. The EURAF reportable segment includes the continents of Europe and Africa. The MEAP reportable segment includes the Asia and Australian continents and the Middle East region. For financial information by segment and geographic area, see Note 16, “Segments,” to the Consolidated Financial Statements included in Part II, Item 8, of this Annual Report on Form 10-K

The Manitowoc Way

The Manitowoc Way is a culture of continuous improvement which encompasses the core values and growth strategies that add value for the Company’s key stakeholders - customers, shareholders and employees. Customers are the priority of The Manitowoc Way as the Company builds strong relationships by listening to them, understanding their needs and quickly responding with creative products and services. As shareholders understand the value-driven relationship the Company prioritizes with its customers, the shareholders continue to invest resources in order to grow the Company.

Employee commitment to the goals and vision of The Manitowoc Way enable the Company to use those resources to create a stronger organization. The Manitowoc Way empowers employees to develop innovative products and services that meet the needs of the Company's customers. The culture of The Manitowoc Way fosters employee engagement to quickly recognize opportunities and to capitalize on them to add value. Innovation and velocity are the core of The Manitowoc Way, driving the Company's differentiation from its competitors.

Products & Services

The Company designs, manufactures and distributes a diversified line of crawler-mounted lattice-boom cranes, which we sell under the Manitowoc brand name. We also design and manufacture a diversified line of top-slewing and self-erecting tower cranes, which we sell under the Potain brand name. We design and manufacture mobile telescopic cranes, which we sell under the Grove brand name, and a comprehensive line of hydraulically powered telescopic boom trucks, which we sell under the National Crane brand name. We also provide crane product parts and services and crane rebuilding, remanufacturing and training services, which are delivered under the Manitowoc Crane Care brand name. In some cases our products are manufactured for us or distributed for us under strategic alliances. Our crane products are used in a wide variety of applications throughout the world, including energy production/distribution and utilities, petrochemical and industrial projects, infrastructure applications, such as road, bridge and airport construction, plus commercial and residential construction. Many of our customers purchase one or more cranes together with several attachments to permit use of the crane in a broader range of lifting applications and other operations.

For the most part, the Company sells its entire product offering and full line of services in most regions of the world. Moreover, the Company reports under a geographic reporting structure to better align with the location of the Company's customers and the unique market dynamics of each geographic region. The Company's main products it sells in each region are as follows.

Lattice-boom cranes. Under the Manitowoc brand name, we design, manufacture, market and sell lattice-boom crawler cranes. Lattice-boom cranes consist of a lattice-boom, which is a fabricated, high-strength steel structure that has four chords and tubular lacings, mounted on a crawler base. Lattice-boom cranes weigh less and provide higher lifting capacities than a mobile telescopic crane of similar boom length. The lattice-boom cranes are the only category of crane that can pick and move simultaneously with a full-rated load. The lattice-boom sections, together with the crane base, are transported to and erected at a project site.

Our lattice-boom cranes are used to lift material and equipment in a wide variety of applications and end markets, including heavy construction, bridge and highway, infrastructure and energy-related projects. These cranes are also used by the value-added crane rental industry, which serves all of the aforementioned end markets. Lattice boom cranes are produced in the U.S. and lower lifting capacity lattice boom crawler cranes are purchased as complete units from a strategic manufacturer.

We also offer our lattice-boom crawler crane customers various attachments that provide our cranes with greater capacity in terms of height, movement and lifting. Our principal attachments are: MAX-ER ™ attachments, luffing jibs and RINGER ™ attachments. The MAX-ER ™ is a trailing counterweight, heavy-lift attachment that dramatically improves the reach, capacity and lift dynamics of the basic crane to which it is mounted. It can be transferred between cranes of the same model for maximum economy and occupies less space than competitive heavy-lift systems. A luffing jib is a fabricated structure similar to, but smaller than, a lattice-boom. Mounted at the tip of a lattice-boom, a luffing jib easily adjusts its angle of operation permitting one crane with a luffing jib to make lifts at additional locations on the project site. It can be transferred between cranes of the same model to maximize utilization. A RINGER ™ attachment is a high-capacity lift attachment that distributes load reactions over a large area to minimize ground-bearing pressure. It can also be more economical than transporting and setting up a larger crane.

Tower cranes . Under the Potain brand name, we design, manufacture, market and sell tower cranes primarily utilized in the building and construction industries. Tower cranes offer the ability to lift and distribute material at the point of use, more quickly and accurately than other types of lifting machinery, without utilizing substantial square footage on the ground. Tower cranes include a stationary vertical mast and a horizontal jib with a counterweight, which is placed near the vertical mast. A cable runs through a trolley which is mounted on the jib, enabling the load to move along the jib. The jib rotates 360 degrees, thus increasing the crane's work area. Unless using a remote control device, operators occupy a cabin, located where the jib and mast meet, which provides superior visibility above the worksite. We offer a complete line of tower crane products, including top slewing, luffing jib, topless, self-erecting and special cranes for dams, harbors and other large building projects. Top-slewing cranes are the most traditional form of tower cranes. Self-erecting cranes are bottom-slewing cranes which have a counterweight located at the bottom of the mast and are able to be erected, used and dismantled on job sites without assist cranes.

Top-slewing tower cranes have a tower and multi-sectioned horizontal jib. These cranes rotate from the top of their mast and can increase in height with the project. Top-slewing cranes are transported in separate pieces and assembled at the construction site in one to three days depending on the height. These cranes are generally sold to medium to large building and construction groups, as well as to rental companies. These cranes are produced in France, Portugal, India and China.

Topless tower cranes are a type of top-slewing crane and, unlike all others, have no cathead or jib tie-bars on the top of the mast. The cranes are utilized primarily when overhead height is constrained or in situations where several cranes are installed close together. Topless tower cranes are produced in France, Portugal, India and China.

Luffing jib tower cranes, which are a type of top-slewing crane, have an angled rather than horizontal jib. Unlike other tower cranes which have a trolley that controls the lateral movement of the load, luffing jib cranes move their load by changing the angle of the jib. The angle is modified using either a cable controlled by a luffing winch or hydraulic cylinder. The cranes are utilized primarily in urban areas where space is constrained or in situations where several cranes are installed close together. Luffing jib tower cranes are produced in France and China.

Self-erecting tower cranes are mounted on axles or tr ansported on a trailer. The lower segment of the range unfolds in four sections, two for the mast and two for the jib. The smallest of our models unfolds in less than eight minutes; larger models erect in a few hours. Self-erecting cranes rotate from the b ottom of their mast and are utilized primarily in low to medium rise construction and residential applications. Self-erecting tower cranes are produced in France and Italy.

Mobile telescopic cranes . Under the Grove brand name, we design, manufacture, market and sell mobile telescopic cranes utilized in industrial, commercial and construction applications, as well as in maintenance applications to lift and move material at job sites. Mobile telescopic cranes consist of a telescopic boom mounted on a wheeled carrier. Mobile telescopic cranes have the ability to drive between sites, and some are permitted on public roadways. We currently offer the following five types of mobile telescopic cranes: rough-terrain, all-terrain, truck-mounted, telescopic crawler and industrial.

Rough-terrain cranes are designed to lift materials and equipment on rough or uneven terrain, and their versatility allows them to carry out many different lifts within the boundaries of given sites. These cranes cannot be driven on public roadways, and, accordingly, must be transported by truck to a work site. Rough-terrain cranes are produced in the U.S. and Italy.

All-terrain cranes are versatile cranes designed to lift materials and equipment on rough or uneven terrain and yet are highly maneuverable and capable of highway speeds. All-terrain cranes are often used for specific, one-off, heavy, high lifts requiring careful lift-planning and engineering. All-terrain cranes are produced in Germany.

Truck-mounted cranes are designed to provide simple set-up and long reach and have high capacity booms. They are capable of traveling from site to site at highway speeds. These cranes are produced in the U.S. and are suitable for urban and suburban uses.

Telescopic crawler cranes are designed to lift materials on rugged terrain. These cranes consist of a telescopic boom superstructure mounted to a crawler crane chassis. These cranes combine excellent gradeability and lift capacity with 100 percent pick and carry capabilities. These cranes are purchased as complete units from a strategic manufacturer.

Industrial cranes are designed primarily for plant maintenance, storage yard and material handling jobs. These cranes allow for picking up and carrying loads on a smooth, flat surface. We manufacture industrial cranes in the U.S. under the Grove and Shuttlelift brand names.

We offer our hydraulic boom truck products under the National Crane brand name. A boom truck is a hydraulically powered telescopic crane mounted on a conventional truck chassis. Telescopic boom trucks are used primarily for lifting material on a job site and are mostly deployed by end users in the North American market. We currently offer telescoping boom trucks under the National Crane brand name. These cranes are produced in the U.S.

Backlog and customers . The year-end backlog of products includes accepted orders that have been placed on a production schedule that we expect to be shipped and billed primarily within one year. Manitowoc's backlog of unfilled orders at December 31, 2017, 2016 and 2015 was $606.6 million, $323.8 million and $512.6 million, respectively. Our backlog at the end of 2017 increased from the end of 2016 due in part to higher customer demand for mobile hydraulic products across all regions, as well as increased demand for our top slewing cranes in Europe.

The Company does not have any customers that individually comprise more than 10% of its consolidated net sales.

Manufacturing

Manitowoc operates ten manufacturing facilities (including remanufacturing facilities) that utilize a variety of processes. In general, the Company's manufacturing process involves the fabrication and machining of raw materials, primarily steel, which are then manufactured into sub-assemblies. Sub-assemblies are then assembled with purchased components into a complete machine. In its manufacturing operations, Manitowoc maintains advanced manufacturing, quality assurance and testing equipment and utilizes extensive process automation. The Company has also invested in Product Verification Centers at its major manufacturing facilities to support new product development, testing and qualification of sub-systems and final product designs.

The Company is training employees dedicated to leading the implementation of The Manitowoc Way, a busines s system that seeks to enhance customers' experiences with our products and services. The team is comprised of members with diverse backgrounds in quality, lean, finance, product and process engineering. It includes lean tools to eliminate waste from proce sses to provide better value for customers, and it assesses customer satisfaction and implements countermeasures to improve customer experiences. The Manitowoc Way improvement projects have contributed to manufacturing efficiency gains, materials managemen t improvements, steady quality improvements and reduction of lead times, as well as enabled the Company to free up manufacturing space.

Raw Materials and Supplies

Manitowoc purchases a wide variety of raw materials to manufacture its products. The Company’s primary raw materials are structural and rolled steel, which are purchased from various domestic and international suppliers. We also purchase engines and electrical equipment and other semi- and fully-processed materials. Our policy is to maintain alternate sources of supply for our critical materials and parts wherever possible, and therefore, we mitigate the risk of being dependent on a single source for any particular raw material or supply.

Patents, Trademarks, and Licenses

Manitowoc utilizes patent rights to protect its intellectual property and its position as a leading provider of engineered lift solutions. We hold numerous patents across the world pertaining to our products and also have pending applications for additional patents. In addition, we have various registered and unregistered trademarks, copyrights and licenses. We believe our patents, trademarks and copyrights are adequately protected in customary fashions under applicable laws. We actively enforce our patents, trademarks and copyrights and this intellectual property in which we have invested is collectively of material importance to our business.

Seasonality

The second and fourth quarters generally have represented the best quarters for our financial results. More recently, the traditional seasonality of our business has been slightly muted compared to historical patterns. The northern hemisphere summer represents the main construction season, whereby customers require new machines, parts, and service during that season.

Competition

We sell all of our products in highly competitive industries. We compete in each of our industries based on product design, quality of products and aftermarket support services, product performance, maintenance costs, energy and resource saving and other contributions to sustainability and price. Given the potential for equipment failures to cause expensive operational disruption, the Company’s customers generally view quality and reliability as critical factors in their purchasing decision. We believe that we benefit from the following competitive advantages which create customer loyalty: strong brand names with competitive resale values, a reputation for quality and reliable products and aftermarket support and solution services, an established network of global distributors and customer relationships, broad product line offerings in the markets we serve and a commitment to customer-focused engineering design and product innovation. The following table sets forth our primary competitors:

Products	Primary Competitors
Lattice-boom Cranes	Hitachi Sumitomo; Kobelco; Liebherr; Sumitomo/Link-Belt; Terex; XCMG; Zoomlion; and Sany
Tower Cranes	Comansa; Terex Comedil/Peiner; Liebherr; FM Gru; Jaso; Raimondi; Vicario; Saez; Benazzato; Cattaneo; Zoomlion; Yongmao; and Wolffkran
Mobile Telescopic Cranes	Liebherr; Link-Belt; Terex; Tadano; XCMG; Kato; Locatelli; Broderson; Sany; and Zoomlion
Boom Trucks	Terex; Manitex; Altec; Elliott; and Tadano

Engineering, Research and Development

We believe our extensive engineering, research and development capabilities are key drivers of our success. We engage in research and development activities at dedicated locations. We have a staff of in-house engineers and technicians on three continents, supplemented with external engineering resources, who are responsible for improving our existing products and developing new products. We incurred research and development costs of $37.9 million in 2017, $44.5 million in 2016 and $57.6 million in 2015.

Our team of engineers focuses on developing high performance, low maintenance, innovative products intended to create significant brand loyalty among customers. Design engineers work closely with our manufacturing and marketing staff, enabling us to identify changing end-user requirements, implement new technologies and effectively introduce product innovations. Closely managed relationships with dealers, distributors and end users help us identify their needs, not only for products, but for the service and support that are critical to their profitable operations. As part of our ongoing commitment to provide superior products, we intend to continue our efforts to design products that meet evolving customer demands and reduce the period from product conception to product introduction.

Employee Relations

As of December 31, 2017, we employed approximately 4,900 people. A large majority of our European employees belong to various European trade unions, we have one trade union in China, one trade union in India and no trade unions in North America. During 2017, four of our union contracts expired and were successfully renegotiated without incident. We have two union contracts involving an aggregate of 125 employees that expire in 2018.

Available Information

We make available, free of charge at our internet site (www.manitowoc.com), our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, our proxy statements and any amendments to those reports, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the Securities and Exchange Commission ("SEC"). Our SEC reports can also be accessed through the investor relations section of our website. Although some documents available on our website are filed with the SEC, the information generally found on our website is not part of this or any other report we file with or furnish to the SEC.

The public may read and copy any materials that we file with the SEC at the SEC's Public Reference Room located at 100 F Street NE, Washington, DC 20549. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC also maintains electronic versions of our reports on its website at www.sec.gov.

Item 1A. RISK FACTORS

The Company's financial position, results of operations and cash flows are subject to various risks, many of which are not exclusively within the Company's control, which may cause actual performance to differ materially from historical or projected future performance. Investors should consider carefully information in this Annual Report on Form 10-K in light of the risk factors described below.

Sales of our products are cyclical and/or are otherwise sensitive to volatile or variable factors. A downturn or weakness in overall economic activity or fluctuations in those other factors can have a material adverse effect on us.

Historically, sales of products that we manufacture and sell have been subject to cyclical variations caused by changes in general economic conditions and other factors. In particular, demand for our products is cyclical and is impacted by the strength of the economy, generally, the availability of financing and other factors, including crude oil prices, that may have an effect on the level of construction activity on an international, national or regional basis. During periods of expansion in construction activity, we generally have benefited from increased demand for our products. Conversely, during recessionary periods, we have been adversely affected by reduced demand for our products, and challenging conditions can continue well beyond the end of such periods. Furthermore, any future economic recession may impact leveraged companies, such as Manitowoc, more than competing companies with less leverage and may have a material adverse effect on our financial condition, results of operations and cash flows.

Demand for our products also depend in part on federal, state, local and foreign governmental spending an d appropriations, including infrastructure, security and defense outlays. Reductions in governmental spending can reduce demand for our products, which in turn, can negatively affect our performance. Our sales depend in part upon our customers' replacement or repair cycles. Adverse economic conditions may cause customers to forego or postpone new purchases in favor of repairing existing machinery.

If we are unable to sufficiently adjust to market conditions, among other potential adverse effects on our financial condition, results of operations and cash flows, we could fail to deliver on planned results, fall short of analyst and investor expectations, incur high fixed costs and/or fail to benefit from higher than expected customer demand resulting in loss of market share.

Our operational results are dependent on how well we can scale our manufacturing capacity and resources to the level of our customers' demand.

We sell our products in industries that require manufacturers to make highly efficient use of manufacturing capacity. Insufficient or excess capacity threatens our ability to generate competitive profit margins and may expose us to liabilities such as contractual commitments. Although from time to time we close or consolidate facilities, adapting or modifying our capacity is difficult, as modifications take substantial time to execute, are inherently disruptive and costly and, in some cases, may require regulatory approval. Additionally, delivering product during process or facility modifications requires special coordination. The cost and resources required to adapt our capacity, such as through facility acquisitions, facility closings or process moves between facilities, may negate any planned cost reductions or may result in costly delays, product quality issues or material shortages, all of which could adversely affect our operational results and our reputation with our customers.

Large or rapid increases in the cost of raw materials or components parts, substantial decreases in their availability, or our dependence on particular suppliers of raw materials and component parts could materially and adversely affect our operating results.

We use large amounts of steel, among other items, in the manufacture of our products. Occasionally, market prices of some of our key raw materials increase significantly. If in the future we are not able to reduce product costs in other areas or pass raw material price increases on to our customers, our margins could be adversely affected. In addition, because we maintain limited raw material and component inventories, even brief unanticipated delays in delivery by suppliers - including those due to capacity constraints, labor disputes, impaired financial condition of suppliers, weather emergencies or other natural disasters - may impair our ability to satisfy our customers and could adversely affect our financial performance.

The Company purchases certain branded cranes under strategic alliances from various third-party suppliers which are then sold into our markets. If we are not able to effectively manage pricing from these suppliers, our financial performance could be adversely affected. Likewise, if our suppliers terminate these agreements and we are unable to procure alternate products at substantially similar competitive pricing, our financial performance could be adversely affected.

Our results of operations are subject to exchange rate and other currency risks. A significant movement in exchange rates could adversely impact our results of operations and cash flows.

Certain of our indebtedness accrues interest at a variable rate, therefore, increases in interest rates will reduce our operating cash flows and could hinder our ability to fund our operations or capital expenditures. In such cases, we may seek to reduce our exposure to fluctuations in interest rates, but hedging our exposure carries the risk that we may forego the benefits we would otherwise experience if interest rates were to change in our favor. Developing an effective strategy for dealing with movements in interest rates is complex, and no strategy is guaranteed to completely insulate us from the risks associated with such fluctuations.

Additionally, some of our operations are and will continue to be conducted by subsidiaries in foreign countries. The results of the operations and the financial position of these subsidiaries will be reported in the relevant foreign currencies and then translated into U.S. dollars at the applicable exchange rates for inclusion in our consolidated financial statements, which are stated in U.S. dollars. The exchange rates between foreign currencies and the U.S. dollar have fluctuated significantly in recent years and may continue to fluctuate in the future. Such fluctuations may have a material effect on our results of operations and financial position and may significantly affect the comparability of our results between financial periods.

We also incur currency transaction risk whenever one of our operating subsidiaries enters into a transaction using a different curren cy than its functional currency. We attempt to reduce currency transaction risk whenever one of our operating subsidiaries enters into a material transaction using a different currency than its functional currency by:

- matching cash flows and payments in the same currency;
- direct foreign currency borrowing; and
- entering into foreign exchange contracts for hedging purposes.

However, we may not be able to hedge this risk completely or at an acceptable cost, which may adversely affect our results of operations, financial condition and cash flows in future periods.

If we do not develop new and innovative products or if customers in our markets do not accept them, our results could be negatively affected.

Our products must be kept current to meet our customers' needs. To remain competitive, we therefore must develop new and innovative products on an on-going basis. If we fail to make innovations or the market does not accept our new products, our sales and results would likely suffer. We invest significantly in the research and development of new products. These expenditures do not always result in products that will be accepted by the market. To the extent they do not, whether as a function of the product or the business cycle, we will have increased expenses without significant sales to benefit us. Failure to develop successful new products may also cause potential customers to purchase competitors' products, rather than invest in products manufactured by us.

Because we participate in industries that are highly competitive, our net sales and profits could decline as we respond, or fail to effectively respond, to competition.

We sell most of our products in highly competitive industries. We compete in each of those industries based on product design, quality of products, quality and responsiveness of product support services, product performance, maintenance costs and price. Some of our competitors may have greater financial, marketing, manufacturing and distribution resources than we do. These competitors may, among others:

- respond more quickly to new or emerging technologies;
- have greater name recognition, critical mass or geographic market presence;
- be better able to take advantage of acquisition opportunities;
- adapt more quickly to changes in customer requirements;
- devote greater resources to the development, promotion and sale of their products;
- be better positioned to compete on price for their products, due to any combination of low-cost labor, raw materials, components, facilities or other operating items, or willingness to make sales at lower margins than us;
- consolidate with other competitors in the industry which may create increased pricing and competitive pressures on our business; and
- be better able to utilize excess capacity which may reduce the cost of their products or services.

We cannot be certain that our products and services will continue to compete successfully with those of our competitors or that we will be able to retain our customer base or improve or maintain our profit margins on sales to our customers, any of which could materially and adversely affect our financial condition, results of operations and cash flows.

Our ongoing and expected restructuring plans and other cost savings initiatives may not be as effective as we anticipate and we may fail to realize the cost savings and increased efficiencies that we expect to result from these actions. Our operating results could be negatively affected by our inability to effectively implement such restructuring plans and other cost saving initiatives.

We continually seek ways to simplify or improve processes, eliminate excess capacity and reduce costs in all areas of our operations, which from time to time includes restructuring activities. We have implemented significant restructuring activities across our global manufacturing, sales and distribution footprint, which includes workforce reductions and facility consolidations.

Our restructuring actions may not be as effective as we a nticipate, and we may fail to realize the cost savings we expect from these actions. Actual charges, costs and adjustments due to restructuring activities may vary materially from our estimates. Our ability to realize anticipated cost savings, synergies an d revenue enhancements may be affected by a number of factors, including our ability to effectively eliminate duplicative back office overhead and overlapping sales personnel, rationalize manufacturing capacity, synchronize information technology systems, consolidate warehousing and distribution facilities, and shift production to more economical facilities. Our restructuring plans will require significant cash and non-cash integration and implementation costs or charges in order to achieve those cost savin gs, which could offset any such savings and other synergies.

Although we have considered the impact of local regulations, negotiations with employee representatives and the related costs associated with our restructuring activities, factors beyond the control of management may affect the timing of these projects and therefore affect when savings will be achieved under the plans. Further, our operating results could be negatively affected if we are not successful in completing the restructuring projects in the time frames contemplated or if additional issues arise during the projects that add costs to or disrupt our operations.

We have significant manufacturing and sales of our products outside of the United States and such international operations may be subject to a number of risks specific to these countries.

For the years ended December 31, 2017, 2016, and 2015, approximately 61%, 60% and 58%, respectively, of our net sales were attributable to products sold outside of the United States. Expanding the Company’s international sales is part of our growth strategy. Our international operations across many different jurisdictions may be subject to a number of risks specific to these countries, including:

- less flexible employee relationships which can be difficult and expensive to terminate;
- labor unrest;
- political and economic instability (including war and acts of terrorism);
- inadequate infrastructure for our operations (i.e., lack of adequate power, water, transportation and raw materials);
- health concerns and related government actions;
- risk of governmental expropriation of our property;
- less favorable, or relatively undefined, intellectual property laws;
- unexpected changes in regulatory requirements and laws;
- longer customer payment cycles and difficulty in collecting trade accounts receivable;
- export duties, tariffs, import controls and trade barriers (including quotas);
- adverse trade policies or adverse changes to any of the policies of either the United States or any of the foreign jurisdictions in which we operate;
- adverse changes in tax rates or regulations;
- legal or political constraints on our ability to maintain or increase prices;
- burdens of complying with a wide variety of labor practices and foreign laws, including those relating to export and import duties, environmental policies and privacy issues;
- inability to utilize net operating losses incurred by our foreign operations against future income in the same jurisdiction; and
- economies that are emerging or developing, that may be subject to greater currency volatility, negative growth, high inflation, limited availability of foreign exchange and other risks.

These factors may harm our results of operations, and any measures that we may implement to reduce the effect of volatile currencies and other risks of our international operations may not be effective. In our experience, entry into new international markets requires considerable management time as well as start-up expenses for market development, hiring and establishing office facilities before any significant revenue is generated. As a result, initial operations in a new market may operate at low margins or may be unprofitable.

Our international sales and operations are subject to applicable laws relating to trade, export controls and foreign corrupt practices, the violation of which could adversely affect our operations.

We must comply with all applicable international trade, customs, export controls and economic sanctions laws and regulations of the United States and other countries. We are also subject to the Foreign Corrupt Practices Act and other anti-bribery laws that generally bar bribes or gifts to foreign governments or officials. The new presidential administration in the United States has taken, and make take additional, actions that may inhibit international trade by U.S.-based companies. Changes in trade sanctions laws may restrict our business practices, including cessation of business activities in sanctioned countries or with sanctioned parties, and may result in modifications to compliance programs. Violation of these laws or regulations could result in sanctions or fines and could have a material adverse effect on our financial condition, results of operations and cash flows.

If we do not meet customers' product quality, reliability standards and expectations, we may experience increased or unexpected product warranty claims and other adverse consequences to our business.

Product quality and reliability are significant factors influencing customers' decisions to purchase our products. Inability to maintain the high quality of our products relative to the perceived or actual quality of similar products offered by competitors could result in the loss of market share, loss of revenue, reduced profitability, an increase in warranty costs, government investigations and/or damage to our reputation.

Product quality and reliability are determined in part by factors that are not entirely within our control. We depend on our suppliers for parts and components that meet our standards. If our suppliers fail to meet those standards, we may not be able to deliver the quality of products that our customers expect, which may impair our reputation, resulting in lower revenue and higher warranty costs.

We provide our customers a warranty covering workmanship, and in some cases materials, on products we manufacture. Our warranty generally provides that products will be free from defects for periods ranging from 12 months to 60 months. If a product fails to comply with the warranty, we may be obligated, at our expense, to correct any defect by repairing or replacing the defective product. Although we maintain warranty reserves in an amount based primarily on the number of units shipped and on historical and anticipated warranty claims, there can be no assurance that future warranty claims will follow historical patterns or that we can accurately anticipate the level of future warranty claims. An increase in the rate of warranty claims or the occurrence of unexpected warranty claims, for which we are not insured, where the damages exceed insurance coverage, where we cannot recover from our vendors to the extent their materials or workmanship were defective, or any material claim for which insurance coverage is denied or limited and for which indemnification is not available, could materially and adversely affect our financial condition, results of operations and cash flows.

We may incur additional expenses and delays due to technical problems or other interruptions at our manufacturing facilities.

Disruptions in operations due to technical problems or other interruptions such as floods or fire would adversely affect the manufacturing capacity of our facilities. Such interruptions could cause delays in production and cause us to incur additional expenses such as charges for expedited deliveries for products that are delayed. Additionally, our customers may have the ability to cancel purchase orders in the event of any delays in production and may decrease future orders if delays are persistent. Additionally, to the extent that such disruptions do not result from damage to our physical property, these may not be covered by our business interruption insurance. Any such disruptions may adversely affect our business, operations, and financial results.

We face risks related to sales through distributors and other third parties.

We sell a portion of our products through third parties such as distributors, agents and channel partners (collectively referred to as distributors). Using third parties for distribution exposes us to many risks, including competitive pressure, concentration, credit risk, and compliance risks. Distributors may sell products that compete with our products, and we may need to provide financial and other incentives to focus distributors on the sale of our products. We may rely on one or more key distributors for a product, and the loss of these distributors could reduce our revenue. Distributors may face financial difficulties, including bankruptcy, which could harm our collection of accounts receivable and financial results. Violations of the Foreign Corrupt Practices Act or similar laws by distributors or other third-party intermediaries could have a material impact on our business. Failing to manage risks related to our use of distributors may reduce sales, increase expenses, and weaken our competitive position.

We depend on our key executive offic ers, managers and skilled personnel and may have difficulty retaining and recruiting qualified employees.

Our success depends to a large extent upon the continued services of our executive officers, senior management personnel, managers and other skilled personnel and our ability to recruit and retain skilled personnel to maintain and expand our operations. We could be affected by the loss of any of our executive officers who are responsible for formulating and implementing our business plan and strategy. In addition, we need to recruit and retain additional management personnel and other skilled employees. However, competition is high for skilled technical personnel among companies that rely on engineering and technology, and the loss of qualified employees or an inability to attract, retain and motivate additional skilled employees required for the operation and expansion of our business could hinder our ability to conduct design, engineering and manufacturing activities successfully and develop marketable products. We may not be able to attract the skilled personnel we require or retain those whom we have trained at our own cost. If we are not able to do so, our business and our ability to continue to grow could be negatively affected and we could face additional competition from those who leave and work for our competitors.

Some of our customers may not be able to obtain financing with third parties to purchase our products, and we may incur expenses associated with our assistance to customers in securing third-party financing.

A portion of our sales are financed by third-party finance companies on behalf of our customers. The availability of financing from third parties is affected by general economic conditions, the creditworthiness of our customers and the estimated residual value of our equipment. In certain transactions, we provide residual value guarantees and buyback commitments to our customers or to third-party financial institutions. Deterioration in the credit quality of our customers or the overall health of the finance industry could negatively impact our customer's ability to obtain the resources needed to make purchases of our equipment or their ability to obtain third-party financing. In addition, if the actual value of the equipment for which we have provided a residual value guaranty declines below the amount of our guaranty, we may incur additional costs, which may negatively impact our financial condition, results of operations and cash flows.

If our manufacturing processes and products do not comply with applicable statutory and regulatory requirements, or if we manufacture products containing design or manufacturing defects, demand for our products may decline and we may be subject to product liability claims.

Our designs, manufacturing processes and facilities need to comply with applicable statutory and regulatory requirements. We may also have the responsibility to ensure that products we design satisfy safety and regulatory standards including those applicable to our customers and to obtain any necessary certifications. As a result, products that we manufacture may at times contain manufacturing or design defects, and our manufacturing processes may be subject to errors or not be in compliance with applicable statutory and regulatory requirements or demands of our customers. Potential defects in the products we manufacture or design, whether caused by a design, manufacturing or component failure or error, or deficiencies in our manufacturing processes, may result in delayed shipments to customers, replacement costs or reduced or canceled customer orders. If these defects or deficiencies are significant, our business reputation may also be damaged. The failure of the products that we manufacture or our manufacturing processes and facilities to comply with applicable statutory and regulatory requirements may subject us to legal fines or penalties and, in some cases, require us to shut down or incur considerable expense to correct a manufacturing process or facility.

Any manufacturing or design defects may also result in product liability claims. Furthermore, customers use some of our products in potentially hazardous applications that can cause injury or loss of life and damage to property, equipment or the environment. We may be named as a defendant in product liability or other lawsuits asserting potentially large claims if an accident occurs at a location where our equipment and services have been or are being used. Certain of our businesses also have experienced claims relating to past alleged asbestos exposure. Neither we nor our affiliates have to date incurred material costs related to these asbestos claims. We vigorously defend ourselves against current claims and intend to do so against future claims. We also maintain certain insurance policies which may limit our financial exposures. Any significant liabilities which are not covered by insurance could have an adverse effect on our financial condition, results of operation and cash flows. Likewise, a substantial increase in the number of claims that are made against us or the amounts of any judgments or settlements could materially and adversely affect our reputation and our financial condition, results of operations and cash flows.

We may not be able to main tain our engineering, technological and manufacturing expertise.

The markets for our products are characterized by changing technology and evolving process development. The continued success of our business will depend upon our ability to:

- hire, retain and expand our pool of qualified engineering and technical personnel;
- maintain technological leadership in our industry;
- successfully anticipate or respond to changes in manufacturing processes in a cost-effective and timely manner; and
- successfull y anticipate or respond to changes in cost to serve in a cost-effective and timely manner.

We cannot be certain that we will develop the capabilities required by our customers in the future. The emergence of new technologies, industry standards or customer requirements may render our equipment, inventory or processes obsolete or uncompetitive. We may have to acquire new technologies and equipment to remain competitive. The acquisition and implementation of new technologies and equipment may require us to incur significant expense and capital investment, which could reduce our margins and affect our operating results. When we establish new facilities, we may not be able to maintain or develop our engineering, technological and manufacturing expertise due to a lack of trained personnel, effective training of new staff or technical difficulties with machinery. Failure to anticipate and adapt to customers' changing technological needs and requirements or to hire and retain a sufficient number of engineers and maintain engineering, technological and manufacturing expertise may have a material adverse effect on our business.

Any disruption in our information systems could disrupt our operations and would be adverse to our business and financial operations.

We depend on various information systems to support our customers' requirements and to successfully manage our business, including managing orders, suppliers, accounting controls and payroll. Any inability to successfully manage the procurement, development, implementation or execution of our information systems and back-up systems, including matters related to system security, reliability, performance and access, as well as any inability of these systems to fulfill their intended purpose within our business, could have an adverse effect on our business and financial performance. Such disruptions may not be covered by our business interruption insurance.

Security breaches and other disruptions could compromise our information and expose us to liability, which would cause our business and reputation to suffer.

In the ordinary course of our business, we collect and store sensitive data, including our proprietary business information and that of our customers, suppliers and business partners, as well as personally identifiable information of our customers and employees, in our internal and external data centers, cloud services and on our networks. The secure processing, maintenance and transmission of this information is critical to our operations and business strategy. Despite our security measures, our information technology and infrastructure, and that of our partners, may be vulnerable to malicious attacks or breaches due to employee error, malfeasance or other disruptions, including as a result of rollouts of new systems. Any such breach or operational failure would compromise our networks and/or that of our partners and the information stored there could be accessed, publicly disclosed, lost or stolen. Any such access, disclosure or other loss of information could result in legal claims or proceedings and/or regulatory penalties, disrupt our operations, damage our reputation and/or cause a loss of confidence in our products and services, which could adversely affect our business.

If we fail to protect our intellectual property rights or maintain our rights to use licensed intellectual property, our business could be adversely affected.

Our patents, trademarks and licenses are important in the operation of our business. Although we intend to protect our intellectual property rights vigorously, we cannot be certain that we will be successful in doing so. Third parties may assert or prosecute infringement claims against us in connection with the services and products that we offer, and we may or may not be able to successfully defend these claims. Litigation, either to enforce our intellectual property rights or to defend against claimed infringement of the rights of others, could result in substantial costs and in a diversion of our resources. In addition, if a third party would prevail in an infringement claim against us, then we would likely need to obtain a license from the third party on commercial terms, which would likely increase our costs. Our failure to maintain or obtain necessary licenses or an adverse outcome in any litigation relating to patent infringement or other intellectual property matters could have a material adverse effect on our financial condition, results of operations and cash flows.

Increasing costs of doing business in many countries in which we operate may adversely affect our business and financial results.

Increasing costs such as labor and overhead costs in the countries in which we operate may erode our profit margins and compromise our price competitiveness. Historically, the low cost of labor in certain of the countries in which we operate has been a competitive advantage but labor costs in these countries, such as China, have been increasing. Our profitability also depends on our ability to manage and contain our other operating expenses such as the cost of utilities, factory supplies, factory space costs, equipment rental, repairs and maintenance and freight and packaging expenses. In the event we are unable to manage any increase in our labor and other operating expenses in an environment where revenue does not increase proportionately, our financial results would be adversely affected.

Our goodwill and other intangible assets represent a material amount of our total assets; as a result future impairment may have material adverse effect on our results of operations.

At December 31, 2017, goodwill and other intangible assets totaled $443.4 million, or about 28% of our total assets. We assess annually whether there has been impairment in the value of our goodwill or indefinite-lived intangible assets. If future operating performance were to fall below current projections or if there are material changes to management's assumptions, we could be required to recognize a non-cash charge to operating earnings for goodwill or other intangible asset impairment. Any future goodwill or intangible asset impairments may have a material adverse effect on our results of operations.

Our operations and profitability could suffer if we experience problems with labor relations.

As of December 31, 2017, we employed approximately 4,900 people. A large majority of our European employees belong to various European trade unions, we have one trade union in China, one trade union in India, and no trade unions in North America. During 2017, four of our union contracts expired and were successfully renegotiated without incident. We have two union contracts involving an aggregate of 125 employees that expire in 2018.

Any significant labor relations issues could have an adverse effect our operations, reputation, results of operations and financial condition.

Our leverage may impair our operations and financial condition.

As of December 31, 2017, our total consolidated debt was $274.9 million as compared to consolidated debt of $281.5 million as of December 31, 2016, including the value of related interest rate hedging instruments. On March 3, 2016, the Company entered into a $225.0 million Asset Based Revolving Credit Facility (as amended, the "ABL Revolving Credit Facility") by and among the Company and certain of its domestic and German subsidiaries, as borrowers, the lender party thereto, Wells Fargo Bank, N.A. as administrative agent, and Wells Fargo Bank N.A., JP Morgan Chase Bank, N.A. and Goldman Sachs Bank USA as joint lead arrangers. The ABL Revolving Credit Facility includes a $75.0 million Letter of Credit Facility, $10.0 million of which is available to the German borrower, with a maturity date of March 3, 2021.

The amount of debt we maintain could have consequences, including increasing our vulnerability to general adverse economic and industry conditions; requiring a substantial portion of our cash flows from operations be used for the payment of interest rather than to fund working capital, capital expenditures, acquisitions and general corporate requirements; limiting our ability to obtain additional financing; and limiting our flexibility in planning for, or reacting to, changes in our business and the industries in which we operate.

The agreements governing our debt include covenants that restrict, among other matters, our ability to incur additional debt, pay dividends on or repurchase our equity, make certain investments, and consolidate, merge or transfer all or substantially all of our assets. Certain of our debt facilities require or will require us to maintain specified financial ratios and satisfy certain financial condition tests. Our ability to comply with these covenants may be affected by events beyond our control, including prevailing economic, financial and industry conditions. Adhering to these covenants may also require that we take disadvantageous actions, including reducing spending on marketing, advertising and new product innovation, reducing future financing for working capital, capital expenditures and general corporate purposes, selling assets or dedicating an unsustainable level of cash flow from operations to the payment of principal and interest on our indebtedness. Our leverage could also put us at a disadvantage compared to any competitors that are less leveraged. We cannot be certain that we will meet any future financial tests or that the lenders will waive any failure to meet those tests. See additional discussion in Note 10, "Debt" to our Consolidated Financial Statements.

If we default under our debt agreements, our lenders cou ld elect, among other potential remedies, to declare all amounts outstanding under our debt agreements to be immediately due and payable and could proceed against any collateral securing the debt.

Exposure to additional tax liabilities may have a negative impact on our operating results.

We regularly undergo tax audits in various jurisdictions in which we operate. Although we believe that our tax estimates are reasonable and that we prepare our tax filings in accordance with all applicable tax laws, the final determination with respect to any tax audits, and any related contests thereto, could be materially different from our estimates or from our historical income tax provisions and accruals. The results of an audit or contests thereto could have a material adverse effect on operating results and/or cash flows in the periods for which that determination is made. In addition, future period earnings may be adversely impacted by litigation costs, settlements, penalties and/or interest assessments.

Environmental liabilities that may arise in the future could be material to us.

Our operations, facilities and properties are subject to extensive and evolving laws and regulations pertaining to air emissions, wastewater discharges, the handling and disposal of solid and hazardous materials and wastes, the remediation of contamination, and otherwise relating to health, safety and the protection of the environment. As a result, we are involved from time to time in administrative or legal proceedings relating to environmental and health and safety matters and have in the past and will continue to incur capital costs and other expenditures relating to such matters.

We cannot be certain that identification of presently unidentified environmental conditions, more vigorous enforcement by regulatory authorities or other unanticipated events will not arise in the future and give rise to additional environmental liabilities, compliance costs and/or penalties that could be material. Further, environmental laws and regulations are constantly evolving, and it is impossible to predict accurately the effect they may have upon our financial condition, results of operations or cash flows.

In addition, increasing laws and regulations dealing with environmental aspects of the products we manufacture can result in significant expenditures in designing and manufacturing new products that satisfy such new laws and regulations. In particular, climate change is receiving increasing attention worldwide. Many scientists, legislators and others attribute climate change to increased levels of greenhouse gas emissions. While additional regulation of emissions in the future appears likely, how such new regulations would ultimately affect our business, operations or financial results is unknown at this time.

Our inability to recover from natural or man-made disasters could adversely affect our business.

Our business and financial results may be affected by certain events that we cannot anticipate or that are beyond our control, such as natural or manmade disasters, national emergencies, significant labor strikes, work stoppages, political unrest, war or terrorist activities that could curtail production at our facilities and cause delayed deliveries and canceled orders. In addition, we purchase components and raw materials and information technology and other services from numerous suppliers, and, even if our facilities were not directly affected by such events, we could be affected by interruptions at such suppliers. Such suppliers may be less likely than our own facilities to be able to quickly recover from such events and may be subject to additional risks such as financial problems that limit their ability to conduct their operations. We cannot assure you that we will have insurance to adequately compensate us for any of these events.

Compliance or the failure to comply with regulations and governmental policies could cause us to incur significant expense.

We are subject to a variety of local and foreign laws and regulations including those relating to labor and health and safety concerns and import/export duties and customs. Such laws may require us to pay mandated compensation in the event of workplace accidents and penalties in the event of incorrect payments of duties or customs. Additionally, we may need to obtain and maintain licenses and permits to conduct business in various jurisdictions. If we or the businesses or companies we acquire have failed or fail in the future to comply with such laws and regulations, then we could incur liabilities and fines and our operations could be suspended. Such laws and regulations could also restrict our ability to modify or expand our facilities, could require us to acquire costly equipment, or could impose other significant expenditures.

We continue the transition to various regulations, particularly in Europe, including Tier 5 power systems and crash test regulations for Mobile products, as well as Towers cab lift requirements. While plans are in place to comply with the phase-in of these regulations, there is a significant amount of engineering that the Company must complete to comply with these standards. A failure to implement these new standards may result in the loss of market share or fines from regulatory agencies which could have a material adverse effe ct on our business or results of operations.

We face risks associated with our pension and other postretirement benefit obligations.

We have both funded and unfunded pension and other postretirement benefit plans worldwide. As of December 31, 2017, our projected benefit obligations under our pension and other postretirement benefit plans exceeded the fair value of plan assets by an aggregate of approximately $119.4 million (“unfunded status”), compared to $129.6 million at December 31, 2016. Estimates for the amount and timing of the future funding obligations of these benefit plans are based on various assumptions. These assumptions include discount rates, rates of compensation increases, expected long-term rates of return on plan assets and expected healthcare cost trend rates. If our assumptions prove incorrect, our funding obligations may increase, which may have a material adverse effect on our financial results.

We have invested the plan assets of our funded benefit plans in various equity and debt securities. A deterioration in the value of plan assets could cause the unfunded status of these benefit plans to increase, thereby increasing our obligation to make additional contributions to these plans. An obligation to make contributions to our benefit plans could reduce the cash available for working capital and other corporate uses, and may have an adverse impact on our operations, financial condition and liquidity.

Our business and/or reputation could be negatively affected as a result of actions of activist shareholders, and such activism could impact the trading value of our securities.

Certain of our shareholders have publicly or privately expressed views with respect to the operation of our business, our business strategy, corporate governance considerations or other matters that may not be fully aligned with our own. Responding to actions by activist shareholders can be costly and time-consuming, disrupt our operations and divert the attention of management and our employees. Perceived uncertainties as to our future direction may result in the loss of potential business opportunities, damage to our reputation and may make it more difficult to attract and retain qualified directors, personnel and business partners. These actions could also cause our stock price to experience periods of volatility.

Activist shareholders have made, and may in the future make, strategic proposals, suggestions or requests for changes concerning the operation of our business, our business strategy, corporate governance considerations or other matters. We cannot predict, and no assurances can be given, as to the outcome or timing of any consequences arising from these actions, and any such consequences may impact the value of our securities.

Item 1B. UNRESOL VED STAFF COMME NTS

None.

Item 2. PROPERTIES

Manitowoc maintains leased and owned manufacturing, warehouse, storage, field testing and office facilities and land throughout the world. The Company's corporate office is currently located in Manitowoc, Wisconsin but is being moved to Milwaukee, Wisconsin. The Company believes that its facilities currently in use are suitable and have adequate capacity to meet its present and foreseeable future demand. See Note 21, "Leases," to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for additional information regarding leases. Manitowoc management continually monitors the Company's capacity needs and makes adjustments as dictated by market and other conditions.

The following table provides information about principal facilities owned or leased by the Company (exceeding 50,000 square feet) as of December 31, 2017.

Facility Location	Type of Facility	Approximate Square Footage	Owned/Leased
Americas			
Shady Grove, Pennsylvania (1)	Manufacturing/Office	1,330,000	Owned
Manitowoc, Wisconsin (1)	Manufacturing	538,000	Owned
Port Washington, Wisconsin	Manufacturing	81,029	Owned
Passo Fundo, Brazil **	Manufacturing/Office	300,000	Owned
EURAF			
Wilhelmshaven, Germany	Manufacturing/Office and Storage	410,000	Owned/Leased
Fanzeres, Portugal	Manufacturing	362,891	Owned
Baltar, Portugal	Manufacturing/Office	241,876	Owned
Niella Tanaro, Italy	Manufacturing	370,016	Owned
Langenfeld, Germany	Office/Storage and Field Testing	80,300	Leased
Moulins, France	Manufacturing/Office	355,000	Owned
Charlieu, France	Manufacturing/Office	323,000	Owned
Dardilly, France	Office	82,000	Leased
Dry, France	Office	93,100	Leased
Buckingham, United Kingdom	Office/Storage	78,000	Leased
Saint Pierre de Chandieu, France	Warehouse/Office	434,565	Leased
MEAP			
Zhangjiagang, China	Manufacturing	800,000	Owned
Pune, India	Manufacturing/Office	195,634	Leased
Shirwal, India	Land	1,560,700	Owned
Singapore *	Office/Storage	54,000	Leased
Sydney, Australia *	Office/Storage/Workshop	61,000	Leased

(1) In 2017, the Company completed the consolidation of its Manitowoc, Wisconsin manufacturing facility into its existing Shady Grove, Pennsylvania manufacturing facility. As of December 31, 2017, the Manitowoc, Wisconsin manufacturing facility is inactive.
* There are multiple separate facilities within these locations.
** This facility is inactive as of December 31, 2017.

Item 3. LEGAL PROCEEDINGS

From time to time, the Company is subject to litigation incidental to its business, as well as other litigation of a non-material nature in the ordinary course of business. See Note 17, "Commitments and Contingencies," to the Consolidated Financial Statements included in Part II, Item 8 of this Form 10-K for further information.

Item 4. MINE SA FETY DISCLOSURE

Not Applicable.

EXECUTIVE OFFICERS OF THE REGISTRANT

Each of the following executive officers of the Company has been elected by the Board of Directors. The information presented below is as of February 23, 2018.

Name	Age	Position With The Registrant	Principal Position Held Since
Barry L. Pennypacker	57	President and Chief Executive Officer	2016
David J. Antoniuk	60	Senior Vice President and Chief Financial Officer	2016
Thomas G. Musial	66	Senior Vice President of Human Resources and Administration	2000
Thomas L. Doerr, Jr.	42	Senior Vice President, General Counsel and Secretary	2017
Aaron H. Ravenscroft	39	Executive Vice President of Cranes	2016

The following paragraphs provide further information as to our executive officers' duties and their employment history:

Barry L. Pennypacker was appointed to the position of President and Chief Executive Officer of the Company's cranes business in December 2015 and became the Company's President and Chief Executive Officer in March 2016. Mr. Pennypacker served, since 2013, as founder, President and Chief Executive Officer of Quantum Lean LLC, a privately held manufacturer and supplier of precision components. He previously served as president and chief executive officer, as well as a director, of Gardner Denver, Inc., a manufacturer and marketer of engineered industrial machinery and related parts and services (2008-2012). Prior to joining Gardner Denver, Inc., Mr. Pennypacker served in positions with increasing responsibility at Westinghouse Air Brake Technologies Corporation, a worldwide provider of technology-based equipment and services for the rail industry (1999-2008), with his last position being vice president-group executive. He previously served as director, Worldwide Operations, Stanley Fastening Systems, an operating unit of The Stanley Works, a worldwide producer of tools and security products, and held a number of senior management positions with increasing responsibility with Danaher Corporation, a manufacturer and marketer of professional, medical, industrial and commercial products and services.

David J. Antoniuk has served as Senior Vice President and Chief Financial Officer since May 2016, responsible for directing teams in accounting, financial reporting, investor relations, global tax, information services and treasury. Prior to joining Manitowoc, Mr. Antoniuk served as Vice President and Chief Financial Officer at Colorcon, Inc. (2015-2016), a leader in the development, supply and technical support of formulated coatings and functional excipients for the pharmaceutical and dietary/food/nutritional supplement industries, and Vice President and Corporate Controller at Gardner Denver (2005-2014). Prior to Gardner Denver, Mr. Antoniuk served in positions of increasing responsibility at Davis-Standard Corp., Pirelli Cables, Johnson & Johnson and KPMG.

Thomas G. Musial has been Senior Vice President of Human Resources and Administration since 2000. Previously, he was Vice President of Human Resources and Administration and held various roles of increasing responsibility within the Company since 1976.

Thomas L. Doerr, Jr. has served as Senior Vice President, General Counsel and Secretary since November 2017. Prior to Mr. Doerr's current position, he served as Vice President, General Counsel and Secretary of Jason Industries, Inc., a manufacturer in the finishing, components, seating, and automotive acoustics markets, from November 2015 to November 2017. Mr. Doerr originally joined Manitowoc in 2006 as legal counsel; in 2008 he expatriated to London, England, and in 2009 to Lyon, France where he served as Assistant General Counsel - International and was responsible for all legal matters for both Manitowoc's crane segment and Manitowoc's then foodservice segment in Europe, Middle East, Africa and Asia Pacific. After spending four years abroad, Mr. Doerr returned to the United States and assumed global legal responsibility for Manitowoc's crane segment until November 2015. Prior to first joining Manitowoc, Mr. Doerr was most recently with the law firm von Briesen & Roper, s.c. Mr. Doerr is a graduate of Marquette University Law School and the University of St. Thomas.

Aaron H. Ravenscroft joined the Company as the Executive Vice President of Mobile Cranes in March 2016. In September 2017, Mr. Ravenscroft was promoted to Executive Vice President of Cranes. In this position Mr. Ravenscroft focuses on safety, quality, delivery and cost of the entire business. Prior to joining Manitowoc, Mr. Ravenscroft served as Regional Managing Director of the North American Minerals business for the Weir Group (2013-2016), an engineering company, President of

Process & Flow Control Group of Robbins & Myers (2011-2013), a manufacturer of engineered equipment, and Regional Vice Preside nt of Industrial Products Group for Gardner Denver, Inc. (2008-11). Prior to that, he held a series of positions with increasing responsibility at Westinghouse Air Brake Technologies (2003-2008) and Janney Montgomery Scott (2000-2003).

Table of Contents

PAR T II

Item 5. MAR KET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

The Company's common stock is traded on the New York Stock Exchange ("NYSE") under the symbol MTW. As of December 31, 2017, the approximate number of record shareholders of common stock was 1,570.

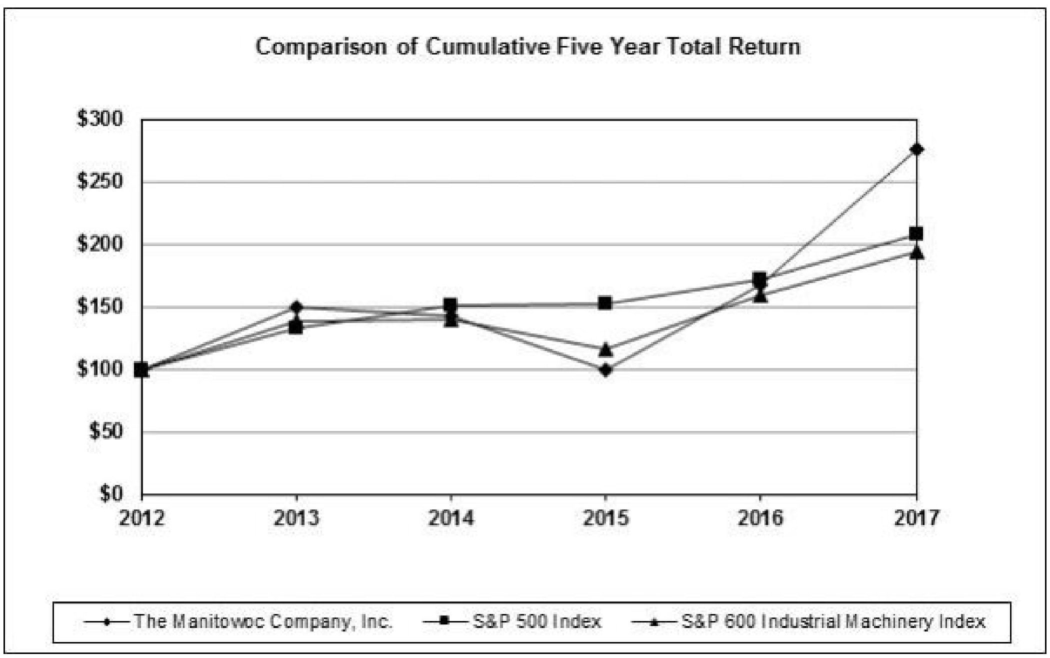
The amount and timing of any dividends are determined by the Board of Directors at its regular meetings each year, subject to limitations within the indenture governing the Company's senior secured second lien note due 2021 (the "2021 Notes") and the Company's ABL Revolving Credit Facility described below. In the years ended December 31, 2017 and 2016, no cash dividends were declared or paid.

Effective after the markets closed on November 17, 2017, the Company completed a 1-for-4 reverse stock split. The highest and lowest intraday sales prices, adjusted for the 1-for-4 reverse stock split, for the Company's common stock during each quarter of the two most recent years were as follows. The prices on and before March 4, 2016 include the value of the Company's former foodservice business, which was spun-off on that date, and have not been adjusted for the reverse stock split.

	2017		2016	
	High	Low	High	Low
1st Quarter - Pre Spin-Off	n/a	n/a	$ 17.40	$ 11.73
1st Quarter - Post Spin-Off	$ 30.28	$ 21.00	18.36	16.00
2nd Quarter	26.40	21.20	24.60	16.84
3rd Quarter	36.56	22.12	23.36	17.08
4th Quarter	42.12	35.20	25.20	14.60

Our ABL Revolving Credit Facility and indenture governing our 2021 Notes limit or restrict the amount of certain payments we can make; including the purchase or retirement of Company stock, prepayment of debt principal and distribution of dividends to holders of Company stock. These so-called "Restricted Payments" are currently constrained by a provision requiring a minimal fixed charge coverage ratio after giving effect to the Restricted Payment. Additionally, we must consider all previous Restricted Payments when we calculate the capacity for future Restricted Payments. See additional disclosure in Note 10, "Debt" to our Consolidated Financial Statements.

See Part III, Item 12 of the Annual Report on Form 10-K for certain information regarding the Company's equity compensation plans.



Total Return to Shareholders

(Includes reinvestment of dividends)

	Annual Return Percentages				
	Years Ending December 31,				
	2013	2014	2015	2016	2017
The Manitowoc Company, Inc.	49.30%	(4.86)%	(30.21)%	69.23%	64.46%
S&P 500 Index	32.39%	13.69%	1.38%	11.96%	21.83%
S&P 600 Industrial Machinery	38.22%	1.36%	(17.22)%	36.69%	22.17%

	Indexed Returns					
	Years Ending December 31,					
	2012	2013	2014	2015	2016	2017
The Manitowoc Company, Inc.	100.00	149.30	142.05	99.13	167.77	275.92
S&P 500 Index	100.00	132.39	150.51	152.59	170.84	208.14
S&P 600 Industrial Machinery	100.00	138.22	140.10	115.97	158.53	193.68

Item 6. SELECTE D FINANCIAL DATA

The following selected historical financial data has been derived from the Consolidated Financial Statements of Manitowoc. The data should be read in conjunction with the Company's Consolidated Financial Statements and related notes and Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations." Results of the former foodservice business and the Manitowoc Dong Yue business in the years presented have been classified as discontinued operations to exclude those results from continuing operations. In addition, the income (loss) from discontinued operations includes the impact of adjustments to certain retained liabilities for operations sold or closed in periods prior to those presented. Amounts are in millions except share and per share data.

	2017	2016	2015	2014	2013
Net sales	$ 1,581.3	$ 1,613.1	$ 1,865.7	$ 2,305.2	$ 2,506.3
Gross Profit	281.9	253.3	332.2	467.2	508.1
Total operating costs and expenses	280.8	406.6	344.6	360.1	355.5
Operating income (loss)	1.1	(153.3)	(12.4)	107.1	152.6
Total other expense	(40.6)	(114.8)	(98.6)	(127.5)	(138.8)
(Loss) income from continuing operations before taxes	(39.5)	(268.1)	(111.0)	(20.4)	13.8
Provision (benefit) for taxes on income	(49.5)	100.5	(41.1)	(17.8)	(22.0)
Income (loss) from continuing operations	10.0	(368.6)	(69.9)	(2.6)	35.8
Discontinued operations:					
Income (loss) from discontinued operations, net of income taxes	(0.6)	(7.2)	135.4	161.4	134.5
Loss on sale of discontinued operations, net of income taxes	—	—	—	(11.0)	(2.7)
Net income (loss)	9.4	(375.8)	65.5	147.8	167.6
Less: Net income (loss) attributable to noncontrolling interest, net of tax	—	—	—	3.9	25.8
Net income (loss) attributable to Manitowoc common shareholders	$ 9.4	$ (375.8)	$ 65.5	$ 143.9	$ 141.8
Amounts attributable to the Manitowoc common shareholders:					
Income (loss) from continuing operations	$ 10.0	$ (368.6)	$ (69.9)	$ (6.9)	$ 1.5
(Loss) income from discontinued operations, net of income taxes	(0.6)	(7.2)	135.4	161.8	143.0
Loss on sale of discontinued operations, net of income taxes	—	—	—	(11.0)	(2.7)
Net income (loss) attributable to Manitowoc common shareholders	$ 9.4	$ (375.8)	$ 65.5	$ 143.9	$ 141.8
Basic income (loss) per common share:					
Income (loss) from continuing operations attributable to Manitowoc common shareholders	$ 0.28	$ (10.70)	$ (2.06)	$ (0.20)	$ 0.05
Income (loss) from discontinued operations attributable to Manitowoc common shareholders	(0.02)	(0.21)	3.98	4.80	4.30
Loss on sale of discontinued operations, net of income taxes	—	—	—	(0.33)	(0.08)
Basic income (loss) per share attributable to Manitowoc common shareholders	$ 0.26	$ (10.91)	$ 1.92	$ 4.27	$ 4.27
Diluted income (loss) per common share:					
Income (loss) from continuing operations attributable to Manitowoc common shareholders	$ 0.28	$ (10.70)	$ (2.06)	$ (0.20)	$ 0.04
Income (loss) from discontinued operations attributable to Manitowoc common shareholders	(0.02)	(0.21)	3.98	4.80	4.23
Loss on sale of discontinued operations, net of income taxes	—	—	—	(0.33)	(0.08)
Diluted income (loss) per share attributable to Manitowoc common shareholders	$ 0.26	$ (10.91)	$ 1.92	$ 4.27	$ 4.19
Cash dividends per share	$ —	$ —	$ 0.08	$ 0.08	$ 0.08
Average shares outstanding:					
Basic	35,111,594	34,441,777	34,009,048	33,733,723	33,223,545
Diluted	35,854,902	34,441,777	34,009,048	33,733,723	33,832,548
PROPERTY, PLANT AND EQUIPMENT					
Property, plant and equipment - net	$ 294.9	$ 308.8	$ 410.7	$ 456.7	$ 438.5
Capital expenditures	(28.9)	(45.9)	(54.9)	(59.5)	(77.1)
Depreciation	38.1	45.6	50.6	47.2	48.4
TOTAL ASSETS	$ 1,607.8	$ 1,517.8	$ 3,562.5	$ 3,821.1	$ 3,976.1
CAPITALIZATION					
Long-term obligations	$ 274.9	$ 281.5	$ 1,397.6	$ 1,503.1	$ 1,500.5
Total stockholders' equity	677.5	590.5	842.3	844.9	803.6

Notes to the table above:

(1) Discontinued operations represent the results of operations of Manitowoc’s former foodservice business through the March 4, 2016 spin-off (refer to note 3, “Discontinued Operations” for additional information regarding the spin-off), and results of operations of our Chinese joint venture, Manitowoc Dong Yue, through the sale date, January 21, 2014.
(2) Total assets includes assets of discontinued operations of $0.0, $0.0, $1,755.7, $1,899.6 and $1,958.4 for the years ended 2017, 2016, 2015, 2014 and 2013, respectively.
(3) Effective after the market close on November 17, 2017, the Company completed a 1-for-4 reverse stock split. The average shares outstanding have been adjusted for this reverse stock split.

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with the consolidated financial statements and related notes appearing in Part II, Item 8 of this Annual Report on Form 10-K.

Overview: Manitowoc is a leading provider of engineered lifting equipment for the global construction industry, including lattice-boom cranes, tower cranes, mobile telescopic cranes and boom trucks. The Company has three reportable segments, the Americas segment, EURAF segment, and MEAP segment. The segments were identified using the "management approach," which designates the internal organization that is used by the CEO, who is also the Company's Chief Operating Decision Maker, for making decisions about the allocation of resources and assessing performance.

During the first quarter of fiscal 2016, the Board of Directors of Manitowoc approved the tax-free spin-off of the Company's former foodservice business ("MFS" or "Foodservice") into an independent, public company (the "Spin-Off"). As a result of the Spin-Off, the Consolidated Financial Statements and related financial information reflect MFS operations, assets, liabilities and cash flows as discontinued operations for all periods presented. Refer to Note 3, "Discontinued Operations," for additional information regarding the Spin-Off.

Effective in the fourth quarter of 2017, the Company changed its operating segments, which are also the Company's reportable segments, as a result of operational changes to flatten the organization and regionalize our sales approach. Prior to the operational changes, the Company had one reportable segment, Cranes. As a result of the operational changes, which were finalized and implemented in the fourth quarter of 2017, the business began to be managed on a regional basis. Under the regional operating structure, each geographic region is managed separately to better align with the location of the Company's customers and the unique market dynamics of each geographic region. In the fourth quarter of fiscal 2017, the Company identified the Americas, EURAF, and MEAP as the reportable segments. The Americas operating segment includes the North American and South American continents. The EURAF operating segment includes the continents of Europe and Africa. The MEAP operating segment includes the Asia and Australian continents and the Middle East region.

In Management's Discussion and Analysis, unless otherwise indicated, references to Manitowoc, the Company, we and us refer to The Manitowoc Company, Inc. and its consolidated subsidiaries.

The following discussion and analysis provides an overview analysis behind our results for 2015 through 2017 and is broken down into three sections. First, we provide an overview of our results of operations for the years 2015 through 2017 on a segment and consolidated basis. Next, we discuss our market conditions, liquidity and capital resources, off-balance sheet arrangements and obligations and commitments. Finally, we provide a discussion of risk management techniques, contingent liability issues, and critical accounting policies.

All dollar amounts, except per share amounts, are in millions of dollars throughout the tables included in Management's Discussion and Analysis of Financial Conditions and Results of Operations unless otherwise indicated.

Results of Consolidated Operations

Millions of dollars	2017	2016	2015
Operations			
Net sales	$ 1,581.3	$ 1,613.1	$ 1,865.7
Cost of sales	1,299.4	1,359.8	1,533.5
Gross Profit	281.9	253.3	332.2
Operating costs and expenses:			
Engineering, selling and administrative expenses	252.6	280.7	316.9
Asset impairment expense	0.1	96.9	15.3
Amortization of intangible assets	0.8	3.0	3.0
Restructuring expense	27.2	23.4	9.4
Other expense	0.1	2.6	—
Total operating costs and expenses	280.8	406.6	344.6
Operating income (loss)	1.1	(153.3)	(12.4)
Other income (expense):			
Interest expense	(39.2)	(39.6)	(95.6)
Amortization of deferred financing fees	(1.9)	(2.2)	(4.2)
Loss on debt extinguishment	—	(76.3)	(0.2)
Other income - net	0.5	3.3	1.4
Total other expense	(40.6)	(114.8)	(98.6)
Loss from continuing operations before taxes	(39.5)	(268.1)	(111.0)
Provision (benefit) for taxes on income	(49.5)	100.5	(41.1)
Income (loss) from continuing operations	10.0	(368.6)	(69.9)
Discontinued operations:			
Income (loss) from discontinued operations, net of income taxes	(0.6)	(7.2)	135.4
Net income (loss) attributable to Manitowoc common shareholders	$ 9.4	$ (375.8)	$ 65.5
Amounts attributable to the Manitowoc common shareholders:			
Income (loss) from continuing operations	$ 10.0	$ (368.6)	$ (69.9)
Income (loss) from discontinued operations, net of income taxes	(0.6)	(7.2)	135.4
Net income (loss) attributable to Manitowoc common shareholders	$ 9.4	$ (375.8)	$ 65.5

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 16, "Segments," to the Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K.

Americas

(in millions)	2017	Change	2016	Change	2015
Net Sales	$ 693.6	(5.8)%	$ 736.3	(21.8)%	$ 941.3
Operating income (loss)	$ 6.8	118.3%	$ (37.1)	(264.9)%	$ 22.5

Americas net sales decreased 5.8% in 2017 to $693.6 million from $736.3 million in 2016. This change was primarily due to lower shipments of variable position counterweight ("VPC") crawler cranes delivered in 2017 as a significant portion of the America's backlog entering 2016 was comprised of VPC crawler cranes which had been booked in 2016 and previous years. The vast majority of this backlog was shipped and recognized as revenue in the first half of 2016. This was partially offset by higher shipments of other mobile and tower products in 2017. Americas net sales were also favorably impacted by approximately $.4 million from favorable changes in foreign currency exchange rates.

Americas operating income increased 118.3% in 2017 to $6.8 million from a loss of $37.1 million in 2016. This change was primarily due to lower engineering, selling and administrative ("ES&A") costs of $18.4 million as a result of headcount reductions during the latter half of 2016 and early 2017 and asset impairment charges of $14.6 million in 2016 related to the closure of the Manitowoc, Wisconsin manufacturing location, which did not reoccur in 2017. This was partially offset by lower net sales year over year as discussed above.

Americas net sales decreased 21.8% in 2016 to $736.3 million from $941.3 million in 2015. This change was primarily due to weaker market demand for mobile cranes. Americas net sales were also unfavorably impacted by approximately $0.1 million from favorable changes in foreign currency exchange rates.

Americas reported operating losses of $37.1 million in 2016 as compared to income of $22.5 million in 2015. The change was primarily due to a decrease in net sales as discussed above, $14.6 million of asset impairment charges related to the closure of the Manitowoc, Wisconsin manufacturing location and $15.2 million of restructuring expenses related to headcount reductions in 2016.

EURAF

(in millions)	2017	Change	2016	Change	2015
Net Sales	$ 628.9	12.2%	$ 560.4	12.3%	$ 498.9
Operating income (loss)	$ 2.3	106.3%	$ (36.5)	(26.3)%	$ (28.9)

EURAF net sales increased 12.2% in 2017 to $628.9 million from $560.4 million in 2016. This change was primarily due to higher demand for tower cranes, particularly in Europe, partially offset by weaker demand for mobile cranes. EURAF net sales were also favorably impacted by approximately $13.8 million from favorable changes in foreign currency exchange rates.

EURAF operating income increased 106.3% to $2.3 million from a loss of $36.5 million in 2016. This change was primarily due to increased net sales as discussed above and $4.9 million of asset impairment charges in 2016 which did not reoccur in 2017.

EURAF net sales increased 12.3% in 2016 to $560.4 million from $498.9 million in 2015. This change was primarily due to higher demand for tower cranes. EURAF net sales were also unfavorably impacted by approximately $8.1 million from unfavorable changes in foreign currency exchange rates.

EURAF operating loss increased 26.3% in 2016 to $36.5 million from $28.9 million in 2015. This change was primarily due to unfavorable manufacturing absorption due to lower production volumes at certain EURAF manufacturing locations.

MEAP

(in millions)	2017	Change	2016	Change	2015
Net Sales	$ 258.8	(18.2)%	$ 316.4	(25.6)%	$ 425.5
Operating income (loss)	$ 32.9	(26.6)%	$ 44.8	(26.0)%	$ 60.5

MEAP net sales decreased 18.2% in 2017 to $258.8 million from $316.4 million in 2016. This change was primarily due to weaker demand for tower cranes. MEAP net sales were also favorably impacted by approximately $4.2 million from favorable changes in foreign currency exchange rates.

MEAP operating income decreased 26.6% in 2017 to $32.9 million from $44.8 million in 2016. This change was primarily due to lower net sales as discussed above.

MEAP net sales decreased 25.6% in 2016 to $316.4 million from $425.5 million in 2015. This change was primarily due to weaker demand for mobile cranes. MEAP net sales were also unfavorably impacted by approximately $1.0 million from unfavorable changes in foreign currency exchange rates.

MEAP operating income decreased 26.0% in 2016 to $44.8 million from $60.5 million in 2015. This change was primarily due to lower net sales as discussed above.

Year Ended December 31, 2017 Compared to 2016

Net Sales

(in millions)	2017	2016	Change
Net Sales	$ 1,581.3	$ 1,613.1	(2.0)%

Consolidated net sales decreased 2.0% in 2017 compared to 2016. The decrease in net sales was primarily due to lower shipments of VPC crawler cranes delivered in 2017 as a significant portion of the America's backlog entering 2016 was comprised of VPC crawler cranes which had been booked in 2016 and previous years, lower demand for mobile cranes in MEAP, and lower demand for mobile cranes in EURAF. This was partially offset by higher demand for tower cranes in Europe. Consolidated net sales were also favorably impacted by approximately $18.4 million from favorable changes in foreign currency exchange rates.

Gross Profit

(in millions)	2017	2016	Change
Gross Profit	$ 281.9	$ 253.3	11.3%
Gross Profit %	17.8%	15.7%	

Gross profit for the year ended December 31, 2017 increased 11.3% to $281.9 million compared to $253.3 million for the year ended December 31, 2016. This change was attributable primarily to manufacturing cost reduction initiatives such as the consolidation of the Manitowoc, WI facility into the Shady Grove, PA facility. As a result of these cost reductions, the gross profit percentage increased in 2017 to 17.8% from 15.7% in 2016.

Engineering, Selling and Administrative Expenses

(in millions)	2017	2016	Change
Engineering, selling and administrative expenses	$ 252.6	$ 280.7	(10.0)%

ES&A expenses for the year ended December 31, 2017 decreased $28.1 million to $252.6 million. This change was driven primarily by decreases in wages and benefits due to headcount reductions and discretionary cost controls, partially offset by higher short-term incentive compensation costs.

Asset Impairment Expense

(in millions)	2017	2016	Change
Asset impairment expense	$ 0.1	$ 96.9	*

* Measure not meaningful

Asset impairment expense for the year ended December 31, 2017 was $0.1 million compared to $96.9 million for the year ended December 31, 2016. In the third quarter of 2016, the Company recorded $96.9 million in asset impairment expense. In conjunction with the decision to close the Manitowoc, Wisconsin facility, it permanently suspended implementation of its SAP enterprise resource planning ("ERP") platform and recorded a write-off of $58.6 million related to SAP construction-in-progress and $18.6 million related to SAP and other information technology assets. This amount also included a $13.8 million write-down to fair value of the Company's fixed assets at the Manitowoc, Wisconsin manufacturing facility.

Restructuring Expense

(in millions)	2017	2016	Change
Restructuring expense	$ 27.2	$ 23.4	16.2%

Restructuring expense for the year ended December 31, 2017 totaled $27.2 million compared to $23.4 million in 2016. These costs related primarily to employee termination benefits associated with workforce reductions. The workforce reductions in 2017 and 2016 are part of ongoing manufacturing and operations rationalization programs in the U.S. and Europe.

During 2017, the Company completed the relocation of its crawler crane manufacturing operations located in Manitowoc, Wisconsin to Shady Grove, Pennsylvania.

See further detail at Note 19, "Restructuring."

Interest Expense & Amortization of Deferred Financing Fees

(in millions)	2017	2016	Change
Interest expense	$ 39.2	$ 39.6	(1.0)%
Amortization of deferred financing fees	$ 1.9	$ 2.2	(13.6)%

Interest expense for the year ended December 31, 2017 totaled $39.2 million versus $39.6 million for the year ended December 31, 2016. The decrease in interest expense of $0.4 million for the year ended December 31, 2017 compared to the prior year was caused by a lower average debt balance in 2017 as compared to the prior year, partly offset by a higher average interest rate. Amortization expense for deferred financing fees was $1.9 million for the year ended December 31, 2017 as compared to $2.2 million in 2016. The decrease in amortization expense for deferred financing fees was related to the lower balance of deferred financing fees as a result of the redemption of certain prior notes during the Spin-Off. See further detail at Note 10, "Debt."

Loss on Debt Extinguishment

(in millions)	2017	2016	Change
Loss on debt extinguishment	$ —	$ 76.3	*

* Measure not meaningful

Loss on debt extinguishment for the year ended December 31, 2017 totaled $0.0 million, compared to $76.3 million in 2016. The loss on debt extinguishment for 2016 consisted of:

- $31.5 million related to the March 3, 2016 redemption of the prior 2020 notes, which included $24.6 million related to the redemption premium and $6.9 million related to the write-off of deferred financing fees;
- $34.6 million on the redemption of the prior 2022 notes, comprised of $31.2 million related to the redemption premium and $3.4 million related to write-off of deferred financing fees;

- $5.9 million on the termination of the prior senior credit facility as a result of the write-off of deferred financing expenses; and
- $4.3 million loss on the termination of interest rate swaps related to the prior senior credit facility.

Other Income – Net

(in millions)	2017	2016	Change
Other income - net	$ 0.5	$ 3.3	*

* Measure not meaningful

Other income - net for the year ended December 31, 2017 was $0.5 million compared to other income - net of $3.3 million for the prior year. This change was primarily due to foreign currency exchange remeasurement.

Income Taxes

(in millions)	2017	2016	Change
Effective annual tax rate	125.2%	(37.5)%	
Provision (benefit) for taxes on income	$ (49.5)	$ 100.5	*

* Measure not meaningful

Due to the Company's historic losses, impacts from U.S. tax reform and full valuation allowances, the effective annual tax rate is not a meaningful measure of the Company's cash tax position or performance of the business.

The 2017 effective tax rate was favorably impacted by the release of the French valuation allowance, Internal Revenue Service audit closure, and U.S. tax reform.

The 2016 effective tax rate was unfavorably impacted by the establishment of valuation allowance reserves against the Company's deferred tax assets in several jurisdictions, most notably the United States, as these jurisdictions moved to cumulative three-year loss positions during the year.

See further detail at Note 12, "Income Taxes."

(Loss) income from Discontinued Operations

(in millions)	2017	2016	Change
(Loss) income from discontinued operations	$ (0.6)	$ (7.2)	*

* Measure not meaningful

The results from discontinued operations were a loss of $0.6 million and $7.2 million, net of income taxes, for the years ended December 31, 2017 and 2016, respectively. The activity from discontinued operations in 2017 and 2016 are primarily the result of the Spin-Off. See additional discussion at Note 3, "Discontinued Operations."

Year Ended December 31, 2016 Compared to 2015

Net Sales

(in millions)	2016	2015	Change
Net Sales	$ 1,613.1	$ 1,865.7	(13.5)%

Consolidated net sales decreased 13.5% in 2016 to $1.6 billion from $1.9 billion in 2015. The decrease in net sales was primarily due to weaker demand in the Americas region and Middle East for mobile cranes. Consolidated net sales were also unfavorably impacted by approximately $9.5 million form unfavorable changes in foreign currency exchange rates.

Gross Profit

(in millions)	2016	2015	Change
Gross Profit	$ 253.3	$ 332.2	(23.8)%
Gross Profit %	15.7%	17.8%	

Gross profit for the year ended December 31, 2016 decreased by 23.8% to $253.3 million compared to $332.2 million for the year ended December 31, 2015. The decrease was attributable primarily to the decrease in sales volume discussed above and unfavorable manufacturing absorption due to lower production volumes, particularly in North America and Germany, partially offset by manufacturing cost reduction initiatives. As a result, the gross profit percentage decreased in 2016 to 15.7% from 17.8% in 2015.

Engineering, Selling and Administrative Expenses

(in millions)	2016	2015	Change
Engineering, selling and administrative expenses	$ 280.7	$ 316.9	(11.4)%

ES&A expenses for the year ended December 31, 2016 decreased $36.2 million to $280.7 million compared to $316.9 million for the year ended December 31, 2015. This decrease was driven primarily by a decrease in wages and benefits due to headcount reductions and discretionary cost controls.

Asset Impairment Expense

(in millions)	2016	2015	Change
Asset impairment expense	$ 96.9	$ 15.3	$ 81.6

Asset impairment expense for the year ended December 31, 2016 was $96.9 million compared to $15.3 million for the year ended December 31, 2015. In the third quarter of 2016, the Company recorded $96.9 million in asset impairment expense. In conjunction with the decision to close its manufacturing location in Manitowoc, Wisconsin, it permanently suspended implementation of its SAP ERP platform and recorded a non-cash impairment charge of $58.6 million related to SAP construction-in-progress and $18.6 million related to SAP and other information technology assets. This amount also included a $13.8 million write-down to fair value of the Company's fixed assets at the Manitowoc, Wisconsin manufacturing facility. The impairment recorded in 2015 resulted from the write-down of facilities in Brazil, which is currently shut down, and Slovakia, which was sold in 2016.

Restructuring Expense

(in millions)	2016	2015	Change
Restructuring expense	$ 23.4	$ 9.4	148.9%

Restructuring expense for the year ended December 31, 2016 totaled $23.4 million compared to $9.4 million in 2015. These costs related primarily to employee termination benefits associated with workforce reductions. The workforce reductions in 2016 were part of the manufacturing and operations rationalization programs, including the consolidation of the Company's manufacturing facilities in Manitowoc, Wisconsin into its Shady Grove, Pennsylvania facility. Additionally, restructuring expense in the twelve months ended December 31, 2016, and December 31, 2015 included $2.3 million and $3.5 million, respectively, of expense related to executive severance. See further detail at Note 19, “Restructuring.”

Interest Expense & Amortization of Deferred Financing Fees

(in millions)	2016	2015	Change
Interest expense	$ 39.6	$ 95.6	(58.6)%
Amortization of deferred financing fees	$ 2.2	$ 4.2	(47.6)%

Interest expense for the year ended December 31, 2016 totaled $39.6 million versus $95.6 million for the year ended December 31, 2015. The decrease in interest expense of $56.0 million for the year ended December 31, 2016 compared to the prior year was the result of lower average debt balance due to debt restructuring as part of the Spin-Off. Amortization expense for deferred financing fees was $2.2 million for the year ended December 31, 2016 as compared to $4.2 million in 2015. The decrease in amortization expense for deferred financing fees was related to the lower balance of deferred financing fees as a result of the redemption of certain prior notes during the Spin-Off. See further detail at Note 10, "Debt."

Loss on Debt Extinguishment

(in millions)	2016	2015	Change
Loss on debt extinguishment	$ 76.3	$ 0.2	*

* Measure not meaningful

Loss on debt extinguishment for the year ended December 31, 2016 totaled $76.3 million, compared to $0.2 million in 2015. The loss on debt extinguishment for 2016 consisted of:

- $31.5 million related to the March 3, 2016 redemption of the prior 2020 notes, which included $24.6 million related to the redemption premium and $6.9 million related to the write-off of deferred financing fees;
- $34.6 million on the redemption of the prior 2022 notes, comprised of $31.2 million related to the redemption premium and $3.4 million related to the write-off of deferred financing fees;
- $5.9 million on the termination of the prior senior credit facility as a result of the write-off of deferred financing expenses; and
- $4.3 million loss on the termination of interest rate swaps related to the prior senior credit facility.

Other Income (Expense) – Net

(in millions)	2016	2015	Change
Other income - net	$ 3.3	$ 1.4	*

* Measure not meaningful

Other income - net for the year ended December 31, 2016 was $3.3 million compared to other income - net of $1.4 million for the prior year. The change primarily relates to foreign currency exchange remeasurement.

Income Taxes

(in millions)	2016	2015	Change
Effective annual tax rate	(37.5)%	37.0%	
Provision (benefit) for taxes on earnings	$ 100.5	$ (41.1)	*

* Measure not meaningful

Due to the Company's historic losses and full valuation allowances, the effective annual tax rate is not a meaningful measure of the Company's cash tax position or performance of the business.

The 2016 effective tax rate was impacted by the establishment of valuation allowance reserves against the Company's deferred tax assets in several jurisdictions, most notably the United States, as these jurisdictions moved to cumulative three-year loss positions during the year.

See further detail at Note 12, "Income Taxes."

(Loss) income from Discontinued Operations

(in millions)	2016	2015	Change
(Loss) income from discontinued operations	$ (7.2)	$ 135.4	*

* Measure not meaningful

The results from discontinued operations was a loss of $7.2 million and income of $135.4 million, net of income taxes, for the years ended December 31, 2016 and 2015, respectively. The activity from discontinued operations in 2016 and 2015 are primarily the result of the Spin-Off of the Foodservice business. See additional discussion at Note 3, "Discontinued Operations."

Non-GAAP Measures

The Company uses EBITDA, Adjusted EBITDA and Adjusted operating loss, which are financial measures that are not prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"), as additional metrics to evaluate the Company's performance.

The Company defines EBITDA as earnings before interest, taxes, depreciation and amortization. The Company defines Adjusted EBITDA as EBITDA plus the addback of restructuring expense, asset impairment expense and other (expense) income - net. The Company defines Adjusted operating income (loss) as Adjusted EBITDA excluding the addback of depreciation. 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 the GAAP financial information provided herein.

The Company's Adjusted EBITDA and Adjusted operating income for the year ended December 31, 2017 was $67.4 million and $29.3 million, respectively. The reconciliation of GAAP net income (loss) to EBITDA, and further to Adjusted EBITDA, Adjusted operating (loss) income and GAAP operating income (loss) is as follows (in millions):

	2017	2016	2015
Net income (loss) from continuing operations	$ 10.0	$ (368.6)	$ (69.9)
Interest expense and amortization of deferred financing fees	41.1	41.8	99.8
Income taxes	(49.5)	100.5	(41.1)
Depreciation expense	38.1	45.6	50.6
Amortization of intangible assets	0.8	3.0	3.0
EBITDA	40.5	(177.7)	42.4
Restructuring expense	27.2	23.4	9.4
Asset impairment expense	0.1	96.9	15.3
Other expense (income) - net (1)	(0.4)	75.6	(1.2)
Adjusted EBITDA	67.4	18.2	65.9
Depreciation expense	(38.1)	(45.6)	(50.6)
Adjusted operating income (loss)	29.3	(27.4)	15.3
Restructuring expense	(27.2)	(23.4)	(9.4)
Asset impairment expense	(0.1)	(96.9)	(15.3)
Amortization of intangible assets	(0.8)	(3.0)	(3.0)
Other operating costs and expenses	(0.1)	(2.6)	—
GAAP operating income (loss)	$ 1.1	$ (153.3)	$ (12.4)

(1) Other expense (income) - net includes loss on debt extinguishment, other (expense) income and other (expense) income - net.

Covenant compliant EBITDA was $76.3 million as of December 31, 2017 on a trailing twelve month basis, as defined by the ABL Revolving Credit Facility. The calculation of covenant compliant EBITDA has certain limitations and restrictions on addbacks and has been included for informational purposes only.

Market Conditions and Outlook

Towards the end of 2017, the Company experienced demand improvements in some of its key end markets, such as petrochemical, utilities and commercial and residential construction particularly in the Americas region. Market demand improvements, along with continued execution of the Company's strategic priorities, cost reduction initiatives and operational efficiencies are part of the considerations for the full year 2018 guidance below.

- Adjusted EBITDA* - approximately $96 to $116 million;
- Depreciation expense - approximately $39 million; and
- Capital expenditures - approximately $25 to $30 million.

* Adjusted operating income and Adjusted EBITDA are non-GAAP financial measures that should be considered together with the GAAP financial information provided herein. See "Non-GAAP Financial Measures" in the preceding "Results of Consolidated Operations" section. Because actual GAAP results will be subject to various factors that are outside of the Company's control and/or are not known at this time, the Company is not able to provide comparable GAAP guidance or a reconciliation of these expected ranges to GAAP without unreasonable expense and effort.

Within the Americas region, the Company is beginning to experience notable improvements within the wind industry, oil and gas, commercial and residential end markets. During the second half of 2017, the Company's distribution channel and customers began to reflect confidence with increased orders in anticipation of improved market demand for the first half of 2018. The Company remains cautiously optimistic regarding the potential infrastructure initiatives being contemplated by various levels of domestic governments. However, these potential infrastructure initiatives may not translate into new crane orders quickly, or at all.

Within the EURAF region, the Company continues to see organic growth in residential and commercial construction markets due to stable macroeconomic factors within Western Europe.

Within the MEAP region, the Company continues to see moderate growth coupled with specific market opportunities and challenges. Australia is experiencing a broad-based recovery in the crane market lead by infrastructure, commercial and residential growth offset by a pullback in investment in South Korea causing an oversupply. Within the Middle East, the Company expects a pullback in investment due to structural changes resulting in uncertainty in demand in the region.

We believe our Crane Care aftermarket business, with an industry leading support network, is not only a key differentiator, but is also especially important to our customers as key end markets rebound and crane utilization increases to ensure uptime availability.

Our end markets remain difficult to predict and forecasting remains challenging due to mixed views from our various sources for leading indicators and customer sentiment. Different industries and different geographic markets can show significant deviations in economic and demand outlook depending on the circumstances within their environments and outlooks can change rapidly during the year. We continue to use what we believe to be the best information available, along with our own experiences and knowledge of our customers and the industries they serve, to forecast future demand.

The Company's business strategy is driven by the principles of The Manitowoc Way, which acts as a foundation of its strategic initiatives. The Manitowoc Way is centered on four strategic priorities; Margin Expansion, Growth, Innovation, and Velocity.

The first key element of the Company's strategy is Margin Expansion. The Company completed the relocation of large crawler crane manufacturing from Manitowoc, Wisconsin to Shady Grove, Pennsylvania during 2017. The Company continues to realign its manufacturing facilities throughout Europe to properly balance supply to meet demand, while eliminating waste to drive higher volume and margins.

The Company's next strategic priority is Growth. Product quality and reliability are key to a crane customer's buying decision. The Company continues to take decisive actions to ensure that all of its products meet the quality expectations of its customers.

The Company's third strategic priority is Innovation. In 2017, the Company continued to invest in innovation while increasing its focus on the Voice of the Customer. Innovation in the crane industry is an elegant balance of reliability, simplicity, and advanced technology. The Company's commitment to product development is unwavering, as evidenced by steady investments in research and development, along with the launch of 18 new crane models in 2017.

Lastly, the Company's fourth key strategic priority is Velocity which refers to creating a culture of continuous improvement, adding value in every aspect of every job, every day. Velocity touches all of the Company's other key priorities using the principles of The Manitowoc Way. The Company continues to hold The Manitowoc Way summits and kaizen events where we train our employees to use Lean tools, which continu e to deliver results in eliminating waste and improving productivity throughout the enterprise.

From a longer-term perspective, the Company is among the world's leading sources of lifting solutions, with what the Company believes to be the most recognized brands and the broadest support footprint in the industry. The Company offers the most comprehensive range of lifting solutions with a legacy of continuing innovation that sets Manitowoc apart in its industry. Globally, longer-term the Company believes there will be a higher growth, multi-year recovery driven by increasing global demand for infrastructure and energy end markets, and the Company is well-positioned to support these end markets anywhere in the world. Manitowoc has a resilient business, with a strong global distribution network and a large installed base of equipment complemented by what the Company believes to be the best and most experienced workforce in the industry.

Liquidity and Capital Resources

Cash Flows

The table below shows a summary of cash flows for fiscal 2017, 2016, and 2015 (in millions):

	2017	2016	2015
Net cash provided by (used for) operating activities of continuing operations	$ 78.5	$ (122.4)	$ (25.5)
Net cash provided by (used for) operating activities of discontinued operations	(0.6)	(49.9)	126.3
Net cash provided by (used for) operating activities	$ 77.9	$ (172.3)	$ 100.8
Net cash used for investing activities of continuing operations	$ (21.3)	$ (39.1)	$ (45.0)
Net cash provided by (used for) investing activities of discontinued operations	—	(2.4)	59.1
Net cash provided by (used for) investing activities	$ (21.3)	$ (41.5)	$ 14.1
Net cash provided by (used for) financing activities of continuing operations	$ (9.7)	$ 219.2	$ (112.7)
Net cash provided by (used for) financing activities of discontinued operations	—	0.2	(0.2)
Net cash provided by (used for) by financing activities	$ (9.7)	$ 219.4	$ (112.9)

Cash flow provided from operating activities of continuing operations in 2017 was $78.5 million compared to cash used for operating activities of $122.4 million in 2016. A total of $119.2 million in cash and cash equivalents were on-hand at December 31, 2017 versus $69.9 million on-hand at December 31, 2016.

The increase in cash flow from operating activities from continuing operations for the year ended December 31, 2017 compared to 2016 was primarily due to improved inventory management and an increase in accounts payable. This was partially offset by an increase in accounts receivable year over year.

Cash flow from operations of continuing operations during 2016 was a use of $122.4 million compared to a use of $25.5 million in 2015. We had $69.9 million in cash and cash equivalents on-hand at December 31, 2016 versus $31.5 million on-hand at December 31, 2015.

The decrease in cash flows from operating activities from continuing operations for the year ended December 31, 2016 compared to 2015 was primarily due to lower profitability, which was driven by a decline in revenues. The decrease in revenue resulted in a reduction in manufacturing activity, which significantly lowered the amount of trade payables year over year. The cash used by the change in trade payables was partially offset by improvements in the collection of receivables and inventory management.

In 2017, cash flows used for investing activities from continuing operations were $21.3 million and consisted primarily of capital expenditures of $28.9 million, which were used to support the growth of the business, offset by proceeds of $7.0 million from the sale of property, plant and equipment.

Cash flows used by investing activities of continuing operations were $39.1 million in 2016 compared to $45.0 million in 2015. Cash use was primarily related to capital expenditures of $45.9 million and $54.9 million in 2016 and 2015, respectively. This was partially offset by cash proceeds on the sale of property, plant and equipment of $8.4 million in 2016 and $7.3 million in 2015.

Cash flows used for financing activities of continuing operations during 2017 totaled $9.7 million and consisted primarily of payments on long-term debt of $10.9 million and payments on financing notes of $4.7 million. This was partially offset by the exercise of stock options of $5.7 million.

Cash flows provided by financing activities of continuing operations during 2016 totaled $219.2 million and consisted primarily of a dividend received from the spun-off subsidiary in the amount of $1,361.7 million along with long-term debt proceeds of $272.1 million, offset by payments on long-term debt of $1,389.0 million. Cash flows used for financing activities of continuing operations during 2015 consisted primarily of payments on long-term debt.

Debt

On March 3, 2016, the Company entered into a $225.0 million Asset Based Revolving Credit Facility (as amended, the "ABL Revolving Credit Facility") with Wells Fargo Bank, N.A. as administrative agent, and JP Morgan Chase Bank, N.A. and Goldman Sachs Bank USA as joint lead arrangers. The ABL Revolving Credit Facility includes a $75.0 million Letter of Credit Facility, $10.0 million of which is available to the German borrower, and a maturity of March 3, 2021. Borrowings under the ABL Revolving Credit Facility are secured by inventory and fixed assets of the loan parties.

In October 2016, the ABL Revolving Credit Facility was amended to accommodate certain previously restricted activities related to the relocation of the Company's manufacturing operations from Manitowoc, Wisconsin to Shady Grove, Pennsylvania. Among other things, the amendment allows the Company to transfer, sell and/or impair fixed assets located at the Wisconsin facility with limited impact on the availability under the facility.

In April 2017, the ABL Revolving Credit Facility was amended to modify several definitions regarding eligible equipment and inventory as it relates to a key financing partner of the Company. The amendment has had, and is expected to continue to have, a minimal impact on the Company's daily operations and borrowing limits.

As of December 31, 2017, the Company had no borrowings outstanding on the ABL Revolving Credit Facility. During the year ended December 31, 2017, the highest daily borrowing was $59.5 million and the average borrowing was $18.4 million, while the average annual interest rate was 3.2%. The interest rate of the ABL Revolving Credit Facility fluctuates based on excess availability. As of December 31, 2017, the spreads for London Interbank Offered Rate and Prime Rate borrowings were 1.50% and 0.50%, respectively, with excess availability of approximately $103.6 million, which represents revolver borrowing capacity of $118.1 million less letters of credit outstanding of $14.4 million.

The ABL Revolving Credit Facility replaced the $1,050.0 million Third Amended and Restated Credit Agreement (the "Prior Senior Credit Facility"), which was entered into on January 3, 2014. The Prior Senior Credit Facility included three different loan facilities. The first was a revolving facility in the amount of $500.0 million, with a term of five years. The second facility was a Term Loan A in the aggregate amount of $350.0 million, with a term of five years. The third facility was a Term Loan B in the amount of $200.0 million, with a term of seven years.

In the first quarter of 2016, the Company terminated the Prior Senior Secured Credit Facility along with $175.0 million notional amount of float-to-fixed interest rate swaps related to one of its prior term loans, resulting in a loss of $5.9 million for the write-off of deferred financing expenses and $4.3 million for the termination of interest rate swaps.

On February 18, 2016, the Company entered into an indenture with Wells Fargo Bank, N.A., as trust and collateral agent, and completed the sale of $260.0 million aggregate principal amount of its 12.750% Senior Secured Second Lien Notes due August 15, 2021 (the "2021 Notes"). Interest on the 2021 Notes is payable semi-annually in February and August of each year. The 2021 Notes were sold pursuant to exemptions from registration under the Securities Act of 1933.

Both the ABL Revolving Credit Facility and indenture governing the 2021 Notes include customary covenants and events of default which include, wi thout limitation, restrictions on indebtedness, capital expenditures, restricted payments, disposals, investments and acquisitions.

Additionally, the ABL Revolving Credit Facility contains a Fixed Charge Coverage springing financial covenant, which measures the ratio of (i) consolidated earnings before interest, taxes, depreciation, amortization and other adjustments as defined in the related credit agreement, to (ii) fixed charges, as defined in the credit agreement. The financial covenant is triggered only if the Company fails to maintain minimum levels of availability under the facility. If triggered, the Company must maintain a Minimum Fixed Charge Coverage Ratio of 1.00 to 1.

On March 3, 2016, the Company redeemed its former 8.50% Senior Notes due 2020 (the “Prior 2020 Notes”) and 5.875% Senior Notes due 2022 (the “Prior 2022 Notes”) for $625.5 million and $330.5 million, or 104.250% and 110.167% as expressed as a percentage of the principal amount, respectively.

The redemption of the Prior 2020 Notes resulted in a loss on debt extinguishment of $31.5 million during the first quarter of 2016 and consisted of $24.6 million related to redemption premium and $6.9 million related to write-off of deferred financing fees. Previously monetized derivative assets related to fixed-to-float interest rate swaps were treated as an increase to the debt balance of the Prior 2020 Notes and were being amortized to interest expense over the life of the original swap. As a result of the redemption, the remaining monetization balance of $11.8 million as of March 3, 2016 was amortized as a reduction to interest expense during the first quarter of 2016.

The redemption of the Prior 2022 Notes resulted in a loss on debt extinguishment of $34.6 million during the first quarter of 2016 and consisted of $31.2 million related to redemption premium and $3.4 million related to write-off of deferred financing fees. Previously, derivative liabilities related to termination of fixed-to-float swaps were treated as a decrease to the debt balance of the Prior 2022 Notes and were being amortized to interest expense over the life of the original swap. As a result of the redemption, the remaining balance of $0.7 million as of March 3, 2016 was amortized as an increase to interest expense during the first quarter of 2016.

Outstanding balances under the Company's Prior Senior Credit Facility, Prior 2020 Notes and Prior 2022 Notes were repaid with proceeds from the 2021 Notes and a cash dividend from MFS in conjunction with the Spin-Off.

The balance sheet values of the 2021 Notes as of December 31, 2017 were not equal to the face value of the 2021 Notes because of original issue discounts included in the applicable balance sheet values.

As of December 31, 2017, the Company had outstanding $26.1 million of other indebtedness that has a weighted-average interest rate of approximately 5.4%. This debt includes balances on local credit lines and capital lease obligations.

The aggregate scheduled maturities of outstanding debt obligations in subsequent years are as follows (in millions):

Year		
2018	$	8.2
2019		6.7
2020		3.8
2021		266.2
2022		0.4
Thereafter		0.7
Total	$	286.0

- The table of scheduled maturities above does not agree to the Company’s total debt as of December 31, 2017 as shown on the Consolidated Balance Sheet and in Note 10, “Debt” due to $8.0 million of Original Issue Discount (“OID”) and $3.1 million of deferred financing costs.

As of December 31, 2017, 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 2021 Notes. Based upon our current plans and outlook, we believe the Company will be able to comply with these covenants during the subsequent 12 months.

Accounts Receivable Securitization

The Company maintains an accounts receivable securitization program with a commitment size of $75.0 million, whereby transactions under the program are accounted for as sales in accordance with Accounting Standards Codification ("ASC") Topic 860, "Transfers and Servicing."

On March 3, 2016, the Company replaced the Fifth Amended and Restated Receivables Purchase Agreement dated December 15, 2014 and entered into 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.

Under the RPA (and the related Purchase and Sale Agreements referenced in the RPA), the Company's domestic trade accounts receivable are sold to MTW Funding which, in turn, sells, conveys, transfers and assigns to a third-party financial institution ("Purchaser") all of MTW Funding's rights, title and interest in a pool of receivables.

The Purchaser receives ownership of the pool of receivables in each instance. New receivables are purchased by MTW Funding and sold to the Purchaser to replace previously sold investments discharged through normal cash collection processes. The Company acts as the servicer (in such capacity, the "Servicer") of the receivables and, as such, administers, collects and otherwise enforces the receivables. The Servicer is compensated for doing so on terms that are generally consistent with what would be charged by an unrelated servicer. The Servicer initially receives payments made by obligors on the receivables but is required to remit those payments to the Purchaser in accordance with the RPA. The Purchaser has no recourse for uncollectible receivables.

Trade accounts receivables sold to the Purchaser and being serviced by the Company totaled $695.2 million and $600.3 million as of December 31, 2017 and 2016, respectively. Cash proceeds received from customers related to the receivables previously sold for the twelve months ended December 31, 2017 and 2016 were $645.5 million and $627.2 million, respectively.

Sales of trade receivables under the program reflected as a reduction of accounts receivable in the accompanying Consolidated Balance Sheets were $31.8 million and $19.5 million as of December 31, 2017 and 2016, respectively. The proceeds received, including collections on the deferred purchase price notes, are included in cash flows from operating activities in the accompanying Consolidated Statements of Cash Flows. The Company deems the interest rate risk related to the deferred purchase price notes to be de minimis, primarily because the average collection cycle of the related receivables is less than 60 days; and as such, the fair value of the Company's deferred purchase price notes approximates book value. The fair value of the deferred purchase price notes recorded as of December 31, 2017 and December 31, 2016 was $60.6 million and $30.6 million, respectively, and is included in accounts receivable in the accompanying Consolidated Balance Sheets.

The securitization program contains customary affirmative and negative covenants. Among other restrictions, these covenants require the Company to meet specified financial tests, which include a minimum fixed charge coverage ratio which is the same as the covenant ratio required per the ABL Revolving Credit Facility. As of December 31, 2017, the Company was in compliance with all affirmative and negative covenants inclusive of the financial covenants pertaining to the RPA, as amended. Based on management's current plans and outlook, it believes the Company will be able to comply with these covenants during the subsequent twelve months.

See Note 11, "Accounts Receivable Securitization" for further information regarding these arrangements.

Capital Expenditures

We spent a total of $28.9 million during 2017 for capital expenditures. We continued to fund capital expenditures intended to improve the cost structure of our business, invest in new processes, products and technology, maintain high-quality production standards and complete certain production capacity expansions. For the year ended December 31, 2017, depreciation was $38.1 million.

Liquidity

Our debt position at various times increases our vulnerability to general adverse industry and economic conditions, and results in a meaningful portion of our cash flow from operations being used for payment of interest on our debt. This could potentially limit our ability to respond to market conditions or take advantage of future business opportunities. Our ability to service our debt is dependent upon many factors, some of which are not subject to our control, such as general economic, financial, competitive, legislative, and regulatory factors. In addition, our ability to borrow additional funds under the revolving credit facility in the future will depend on our meeting the financial covenants contained in the ABL Revo lving Credit Facility, even after taking into account such new borrowings.

Our revolving credit facility, or other future facilities, may be used for working capital requirements, capital expenditures, funding future acquisitions, and other operating, investing and financing needs. We believe that our available cash, ABL Revolving Credit Facility, cash generated from future operations, and access to public debt and equity markets will be adequate to fund our capital and debt financing requirements for the foreseeable future.

Our liquidity positions as of December 31, 2017 and 2016 were as follows:

(in millions)	2017	2016
Cash and cash equivalents	$ 119.2	$ 69.9
Revolver borrowing capacity	118.1	160.4
Less: outstanding letters of credit	(14.4)	(16.4)
Total liquidity	$ 222.9	$ 213.9

The Company has not provided for additional U.S. state and foreign taxes on approximately $564.6 million of undistributed earnings of consolidated non-U.S. subsidiaries included in stockholders' equity. Such earnings could become taxable upon sale or liquidation of these non-U.S. subsidiaries or upon dividend repatriation of cash balances. The amount of unrecognized tax liability on such earnings is not material. At December 31, 2017, approximately $83.1 million of the Company's total cash and cash equivalents were held by its foreign subsidiaries. This cash is associated with earnings that the Company has asserted are permanently reinvested. The Company has no current plans to repatriate cash or cash equivalents held by its foreign subsidiaries because it plans to reinvest such cash and cash equivalents to support its operations and continued growth plans outside the U.S. through the funding of capital expenditures, acquisitions, research, operating expenses or other similar cash needs of these operations. Further, the Company does not currently forecast a need for these funds in the U.S. because its U.S. operations and debt service are supported by the cash generated by its U.S. operations which can be supported by the ABL Revolving Credit Facility as a source of liquidity during times of short term cash needs.

Management also considers the following regarding liquidity and capital resources to identify trends, demands, commitments, events and uncertainties that require disclosure:

A . *Our ABL Revolving Credit Facility and indenture governing the 2021 Notes require us to comply with certain financial ratios and tests.* We were in compliance with these covenants as of December 31, 2017, the latest measurement date. The occurrence of any default of these covenants could result in acceleration of any outstanding balances under the ABL Revolving Credit Facility. Further, such acceleration would constitute an event of default under the indenture governing our 2021 Notes and other debt, and could trigger cross default provisions in other agreements.

B. *Circumstances that could impair our ability to continue to engage in transactions that have been integral to historical operations or are financially or operationally essential, or that could render that activity commercially impracticable, such as the inability to maintain a specified credit rating, level of earnings, earnings per share, financial ratios, or collateral.* We do not believe that these risk factors are reasonably likely to impair our ability to continue to engage in our planned activities at this time.

C. *Factors specific to us and our markets that we expect to be given significant weight in the determination of our credit rating or will otherwise affect our ability to raise short-term and long-term financing* . We do not presently believe that events covered by these risk factors applicable to our business could materially affect our credit ratings or could adversely affect our ability to raise short-term or long-term financing.

D. We have disclosed information related to certain guarantees in Note 18 to our Consolidated Financial Statements.

E. *Written options on non-financial assets (for example, real estate puts).* We do not have any written options on non-financial assets.

OFF-BALANCE SHEET ARRANGEMENTS

Our disclosures concerning transactions, arrangements and other relationships with unconsolidated entities or other persons that are reasonably likely to materially affect liquidity or the availability of or requirements for capital resources are as follows:

- We have disclosed in Note 18, “Guarantees,” to the Consolidated Financial Statements our buyback and residual value guaranty commitments.
- We lease various assets under operating leases. The future estimated payments under these arrangements are disclosed in Note 21, “Leases,” to the Consolidated Financial Statements and in the table below.
- We have disclosed our accounts receivable securitization arrangement in Note 11, “Accounts Receivable Securitization,” to the Consolidated Financial Statements.

CONTRACTUAL OBLIGATIONS AND COMMERCIAL COMMITMENTS

A summary of our significant contractual obligations as of December 31, 2017 is as follows:

(in millions)	Total Committed	2018	2019	2020	2021	2022	Thereafter
Debt (including capital lease obligations)	$ 286.0	$ 8.2	$ 6.7	$ 3.8	$ 266.2	$ 0.4	$ 0.7
Interest on long-term debt (including capital lease obligations)	120.2	33.2	33.2	33.1	20.7	—	—
Operating leases	96.3	18.5	15.7	14.8	13.9	12.7	20.7
Purchase obligations	373.4	365.3	8.1	—	—	—	—
Total committed	$ 875.9	$ 425.2	$ 63.7	$ 51.7	$ 300.8	$ 13.1	$ 21.4

- Unrecognized tax benefits totaling $19.5 million as of December 31, 2017, excluding related interests and penalties, are not included in the table because the timing of their resolution cannot be estimated. See Note 12, “Income Taxes,” to the Consolidated Financial Statements for disclosures surrounding uncertain income tax positions under ASC Topic 740.
- The table of contractual maturities above does not agree to the Company’s total debt as of December 31, 2017 as shown on the Consolidated Balance Sheet and in Note 10, “Debt” due to $8.0 million of OID and $3.1 million of deferred financing costs.

At December 31, 2017, we had outstanding letters of credit that totaled $14.4 million. We also had buyback commitments and residual value guarantees with a balance outstanding of $28.2 million as of December 31, 2017. This amount is not reduced for amounts the Company would recover from the repossession and subsequent resale of collateral.

We maintain defined benefit pension plans for some of our operations. The Company has established the Retirement Plan Committee to manage the operations and administration of all benefit plans and related trusts. As of December 31, 2010, all of the remaining United States defined benefit plans were merged into a single plan: the Manitowoc U.S. Pension Plan. All merged plans had benefit accruals frozen prior to the merger. See Note 20, “Employee benefit plans” for further information on the plans.

In 2017, cash contributions by the Company to all pension plans were $6.8 million, and we estimate that our pension plan contributions will be approximately $8.6 million in 2018.

Financial Risk Management

We are exposed to market risks from changes in interest rates, commodities and changes in foreign currency exchange rates. To reduce these risks, we selectively use derivative financial instruments and other proactive management techniques. We have written policies and procedures that place financial instruments under the direction of corporate finance and restrict all derivative transactions to those intended for hedging purposes. The use of financial instruments for trading purposes or speculation is strictly prohibited.

For a more detailed discussion of our accounting policies and the fi nancial instruments that we use, please refer to Note 2, “Summary of Significant Accounting Policies,” Note 4, “Fair Value of Financial Instruments,” and Note 10, “Debt,” to the Consolidated Financial Statements.

Interest Rate Risk

We are exposed to fluctuating interest rates for our debt. We have established programs to mitigate exposure to these fluctuations. At any time, the Company could be party to various interest rate swaps in connection with its fixed or floating rate debt.

As of December 31, 2017 and 2016, the Company had no outstanding interest rate swaps of any kind.

A 10% increase or decrease in the average cost of the Company’s variable rate debt would result in an immaterial change in interest expense for the year ended December 31, 2017.

Commodity Prices

We are exposed to fluctuating market prices for commodities, including steel, copper, aluminum, and petroleum-based products. Our business is subject to the effect of changing raw material costs caused by movements in underlying commodity prices. We have established programs to manage the negotiations of commodity prices. From time to time the Company may use commodity financial instruments to hedge commodity prices. No new commodity financial instruments were entered into during 2017.

Currency Risk

We have manufacturing, sales and distribution facilities around the world and thus make investments and enter into transactions denominated in various currencies. International sales, including those sales that originated outside of the United States, were approximately 61% of our total sales for 2017, with the largest percentage (38%) being sales into various European countries.

Regarding transactional currency exchange risk, we enter into foreign exchange contracts to 1) reduce the impact of changes in foreign currency rates between a budgeted rate and the rate realized at the time we recognize a particular purchase or sale transaction and 2) reduce the earnings and cash flow impact on nonfunctional currency denominated receivables and payables. Gains and losses resulting from hedging instruments either impact our Consolidated Statements of Operations in the period of the underlying purchase or sale transaction, or offset the foreign exchange gains and losses on the underlying receivables and payables being hedged. The maturities of these foreign exchange contracts coincide with either the underlying transaction date or the settlement date of the related cash inflow or outflow. The hedges of anticipated transactions are designated as cash flow hedges under the guidance of ASC Topic 815-10, “Derivatives and Hedging.” At December 31, 2017, we had an insignificant amount of outstanding foreign exchange contracts hedging anticipated transactions and future settlements of outstanding accounts receivable and accounts payable. A 10% appreciation or depreciation of the underlying functional currency at December 31, 2017 for non-designated hedges of foreign exchange contracts or foreign exchange contracts designated as cash flow hedges would not have a significant impact on our Consolidated Statements of Operations.

Amounts invested in non-U.S. based subsidiaries are translated into U.S. dollars at the exchange rate in effect at year-end. Results of operations are translated into U.S. dollars at an average exchange rate for the period. The resulting translation adjustments are recorded in stockholders’ equity as cumulative translation adjustments. The translation adjustment recorded in accumulated other comprehensive loss at December 31, 2017 was a loss of $52.4 million.

Environmental, Health, Safety, and Other Matters

Please refer to Part II, Item 8, Note 17, “Commitments and Contingencies,” where we have disclosed our environmental, health, safety, contingencies and other matters.

Critical Accounting Policies

The Consolidated Financial Statements include the accounts of the Company and all its subsidiaries. The preparation of financial statements in conformity with GAAP requires us to make estimates and assumptions in certain circumstances that affect amounts reported in the accompanying Consolidated Financial Statements and related footnotes. In preparing these Consolidated Financial Statements, we have made our best estimates and judgments of certain amounts included in the

Consolidated Financial S tatements giving due consideration to materiality. However, application of these accounting policies involves the exercise of judgment and use of assumptions as to future uncertainties and, as a result, actual results could differ from these estimates. A lthough we have listed a number of accounting policies below which we believe to be most critical, we also believe that all of our accounting policies are important to the reader. Therefore, please refer also to the Notes to the Consolidated Financial Sta tements for more detailed description of these and other accounting policies of the Company.

Revenue Recognition - Revenue is generally recognized and earned when all the following criteria are satisfied with regard to a specific transaction: persuasive evidence of an arrangement exists, the price is fixed and determinable, collectability of cash is reasonably assured, and delivery has occurred or services have been rendered. We periodically enter into transactions with customers that provide for residual value guarantees and buyback commitments. These transactions are recorded as operating leases for all significant residual value guarantees and for all buyback commitments. These initial transactions are recorded as deferred revenue and are amortized to income on a straight-line basis over a period equal to that of the customer's third-party financing agreement. In addition, we lease cranes to customers under operating lease terms. Revenue from operating leases is recognized ratably over the term of the lease, and leased cranes are depreciated over their estimated useful lives.

Allowance for Doubtful Accounts - Accounts receivable are reduced by an allowance for amounts that may become uncollectible in the future. Our estimate for the allowance for doubtful accounts related to trade receivables includes evaluation of specific accounts where we have information that the customer may have an inability to meet its financial obligations together with a general provision for unknown but existing doubtful accounts based on historical experience, which are subject to change if experience improves or deteriorates.

Inventories and Related Reserve for Obsolete and Excess Inventory - Inventories are valued at the lower of cost or market value. Finished goods and work-in-process inventories include material, labor and manufacturing overhead costs. Inventories are reduced by a reserve for excess and obsolete inventories. The estimated reserve is based upon specific identification of excess or obsolete inventories based on historical usage, estimated future usage, sales requiring the inventory and historical write-off experience and are subject to change if experience improves or deteriorates.

Goodwill, Other Intangible Assets and Other Long-Lived Assets - The Company accounts for goodwill and other intangible assets under the guidance of ASC Topic 350-10, "Intangibles - Goodwill and Other." Under ASC Topic 350-10, goodwill is not amortized; instead, the Company performs an annual impairment review. The date for the annual impairment review is October 31, or more frequently if events or changes in circumstances indicate that the assets might be impaired. To perform its goodwill impairment review, the Company uses a fair-value method, primarily the income approach, based on the present value of future cash flows. The Company early adopted Accounting Standards Update No. 2017-4 "Intangibles – Goodwill and Other (Topic 350): Simplifying the Accounting for Goodwill Impairment," in the current year. The guidance eliminates Step 2 of the goodwill impairment test, which requires a hypothetical purchase price allocation. Goodwill impairment is now determined by the amount by which a reporting unit's carrying value exceeds its fair value, not to exceed the carrying amount of goodwill. To perform its indefinite lived intangible assets impairment test, the Company uses a fair-value method, based on a relief of royalty valuation approach. Management's judgments and assumptions about the amounts of those cash flows and the discount rates are inputs to these analyses. The estimated fair value is then compared with the carrying amount of the reporting unit or indefinite lived intangible asset. Goodwill and other intangible assets are then subject to risk of write-down to the extent that the carrying amount exceeds the estimated fair value.

Effective in the fourth quarter of 2017, the Company identified new reporting units as a result of restructuring efforts to flatten the organization. Prior to the restructuring of the organization, the Company had one reporting unit, the Cranes reporting unit. However, under our new organizational structure, the Company identified three reporting units: Americas, EURAF and MEAP.

As of October 31, 2017, the Company performed its annual goodwill and indefinite-lived assets impairment test, and based on those results, no impairment was indicated. The valuation of goodwill is particularly sensitive to management's assumptions of margin improvement, and an unfavorable change in those assumptions could put goodwill at risk for impairment in future periods.

Other intangible assets with definite lives continue to be amortized over their estimated useful lives. Definite lived intangible assets are also subject to impairment testing whenever events or circumstances indicate that the carrying value of the assets may not be recoverable. A considerable amount of management judgment and assumptions are required in performing the impairment tests, principally in determining the fair value of the assets. While the Company believes its judgments and assumptions were reasonable, different assumptions could change the estimated fair values and, therefore, impairment charges could be required.

The Company also reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the asset's carrying amount may not be recoverable. The Company conducts its long-lived asset impairment analyses in accordance with ASC Topic 360-10-5, “Property, Plant, and Equipment.” ASC Topic 360-10-5 requires the Company to group assets and liabilities at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities and to evaluate the asset group against the sum of the undiscounted future cash flo ws. Property, plant and equipment are depreciated over the estimated useful lives of the assets using the straight-line depreciation method for financial reporting and on accelerated methods for income tax purposes.

The Company will continue to monitor market conditions and determine if any additional interim reviews of goodwill, other intangibles or long-lived assets are warranted. Deterioration in the market or actual results as compared with the Company’s projections may ultimately result in a future impairment. In the event the Company determines that assets are impaired in the future, the Company would need to recognize a non-cash impairment charge, which could have a material adverse effect on the Company’s Consolidated Balance Sheet and Results of Operations.

Employee Benefit Plans - We provide a range of benefits to our employees and retired employees, including pensions and postretirement health care coverage. Plan assets and obligations are recorded annually based on the Company’s measurement date utilizing various actuarial assumptions such as discount rates, expected return on plan assets, compensation increases, retirement and mortality rates and health care cost trend rates as of that date. The approach we use to determine the annual assumptions are as follows:

- *Discount Rate* - Our discount rate assumptions are based on the interest rate of noncallable high-quality corporate bonds, with appropriate consideration of our pension plans’ participants’ demographics and benefit payment terms. Our discount rate is provided by an independent third party calculated based on an appropriate mix of high quality bonds.
- *Expected Return on Plan Assets* - Our expected return on plan assets assumptions are based on our expectation of the long-term average rate of return on assets in the pension funds, which is reflective of the current and projected asset mix of the funds and considers the historical returns earned on the funds.
- *Compensation increase* - Our compensation increase assumptions reflect our long-term actual experience, the near-term outlook and assumed inflation.
- *Retirement and Mortality Rates* - Our retirement and mortality rate assumptions are based primarily on actual plan experience and mortality tables.
- *Health Care Cost Trend Rates* - Our health care cost trend rate assumptions are developed based on historical cost data, near-term outlook and an assessment of likely long-term trends.

Measurements of net periodic benefit cost are based on the assumptions used for the previous year-end measurements of assets and obligations. We review our actuarial assumptions on an annual basis and make modifications to the assumptions when appropriate. As required by GAAP, the effects of the modifications are recorded currently or amortized over future periods. We have developed the assumptions with the assistance of our independent actuaries and other relevant sources, and we believe that the assumptions used are reasonable; however, changes in these assumptions could impact the Company’s financial position, results of operations or cash flows. Refer to Note 20, “Employee Benefit Plans,” for a summary of the impact of a 0.50% change in the discount rate and rate of return on plan assets and a 1% change on health care trend rates would have on our financial statements.

Product Liability - We are subject in the normal course of business to product liability lawsuits. To the extent permitted under applicable laws, our exposure to losses from these lawsuits is mitigated by insurance with self-insurance retention limits. We record product liability reserves for our self-insured portion of any pending or threatened product liability actions. Our reserve is based upon two estimates. First, we track the population of all outstanding pending and threatened product liability cases to determine an appropriate case reserve for each based upon our best judgment and the advice of legal counsel. These estimates are continually evaluated and adjusted based upon changes to the facts and circumstances surrounding the case. Second, we determine the amount of additional reserve required to cover incurred but not reported product liability issues and to account for possible adverse development of the established case reserves (collectively referred to as “IBNR”). We have established a position within the actuarially determined range, which we believe is the best estimate of the IBNR liability.

Income Taxes - We account for income taxes under the guidance of ASC Topic 740-10, “Income Taxes.” Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards.

Deferred tax assets and liabilit ies are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. We record a valuation allowance that represents a reserve on deferred tax assets for wh ich utilization is not more likely than not. Management judgment is required in determining our provision for income taxes, deferred tax assets and liabilities, and the valuation allowance recorded against our net deferred tax assets. We do not currently provide for additional United States and foreign income taxes which would become payable upon repatriation of undistributed earnings of foreign subsidiaries.

We measure and record income tax contingency accruals under the guidance of ASC Topic 740-10. We recognize liabilities for uncertain income tax positions based on a two-step process. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates that it is more likely than not that the position will be sustained on audit, including resolution of related appeals or litigation processes, if any. The second step requires us to estimate and measure the tax benefit as the largest amount that is more than 50% likely to be realized upon ultimate settlement. It is inherently difficult and subjective to estimate such amounts, as we must determine the probability of various possible outcomes. We reevaluate these uncertain tax positions on a quarterly basis or when new information becomes available to management. These reevaluations are based on factors including, but not limited to, changes in facts or circumstances, changes in tax law, successfully settled issues under audit, expirations due to statutes, and new audit activity. Such a change in recognition or measurement could result in the recognition of a tax benefit or an increase to the tax accrual.

On December 22, 2017, the President of the United States signed into law the Tax Cuts and Jobs Act (the “Tax Reform Act”). The legislation significantly changes U.S. tax law by, among other things, lowering corporate income tax rates and imposing a repatriation tax on deemed repatriated earnings of foreign subsidiaries. The Tax Reform Act permanently reduces the U.S. corporate income tax rate from a maximum of 35% to a flat 21% rate, effective January 1, 2018. The SEC staff issued Staff Accounting Bulletin No. 118 (“SAB 118”) to address the application of GAAP in situations when a registrant does not have the necessary information available, prepared, or analyzed (including computations) in reasonable detail to complete the accounting for certain income tax effects of the Tax Reform Act. The Company has recognized the provisional tax impacts, as of January 19, 2018, related to the deemed repatriated earnings. The revaluation of deferred tax assets and liabilities were remeasured as of December 31, 2017, and these provisional amounts were included in the Company’s consolidated financial statements. The ultimate impact may differ from these provisional amounts, possibly materially, due to, among other things, additional analysis, changes in interpretations and assumptions the Company has made, additional regulatory guidance that may be issued, and actions the Company may take as a result of the Tax Reform Act. The accounting is expected to be complete in the fourth quarter of 2018. See additional details in Note 12, “Income Taxes,” to the financial statements.

Stock-Based Compensation - The computation of the expense associated with stock-based compensation requires the use of certain valuation models and based on projected achievement of underlying performance criteria for performance shares. We currently use a Black-Scholes option pricing model to calculate the fair value of our stock options and Monte Carlo analysis to calculate the total shareholder return portion of performance shares. The Black-Scholes and Monte Carlo models require assumptions regarding the volatility of the Company’s stock, the expected life of the stock award and the Company’s dividend ratio. We primarily use historical data to determine the assumptions to be used in the Black-Scholes model and have no reason to believe that future data is likely to differ materially from historical data. However, changes in the assumptions to reflect future stock price volatility, future dividend payments and future stock award exercise experience could result in a change in the assumptions used to value awards in the future and may result in a material change to the fair value calculation of stock-based awards.

As of December 31, 2017, the Company has $2.7 million of unrecognized compensation expense before tax related to stock options which will be recognized over a weighted average period of 2.1 years and $4.3 million of unrecognized compensation expense before tax related to restricted stock units which will be recognized over a weighted average period of 1.8 years.

Warranties - In the normal course of business, we provide our customers warranties covering workmanship, and in some cases materials, on products manufactured by us. Such warranties generally provide that products will be free from defects for periods ranging from 12 months to 60 months with certain equipment having longer-term warranties. If a product fails to comply with our warranty, we may be obligated, at our expense, to correct any defect by repairing or replacing such defective product. We provide for an estimate of costs that may be incurred under our warranty at the time product revenue is recognized based on historical warranty experience for the related product or estimates of projected losses due to specific warranty issues on new products. These costs primarily include labor and materials, as necessary, associated with repair or replacement. The primary factors that affect our warranty liability include the number of shipped units and historical and anticipated rates or warranty claims. As these factors are impacted by actual experience and future expectations, we assess the adequacy of our recorded warranty liability and adjust the amounts as necessary.

Recent Accounting Changes and Pronouncements

See Note 2, “Summary of Significant Accounting Policies,” under the caption “Recent Accounting Changes and Pronouncements,” to the Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K.

Item 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See Liquidity and Capital Resources, and Financial Risk Management in Management’s Discussion and Analysis of Financial Condition and Results of Operations for a description of the quantitative and qualitative disclosure about market risk.

Item 8. FINANCIAL STATEME NTS AND SUPPLEMENTARY DATA

Index to Consolidated Financial Statements and Financial Statement Schedule:

Financial Statements:

All other schedules are omitted because they are not applicable or the required information is shown in the financial statements or notes thereto.

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors of The Manitowoc Company, Inc.:

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of The Manitowoc Company and its subsidiaries as of December 31, 2017 and 2016, and the related statements of operations, comprehensive income (loss), cash flows, and of equity for each of the three years in the period ended 2017, including the related notes and financial statement schedule listed in the index appearing under Item 15(a)(2) (collectively referred to as the “consolidated financial statements”). We also have audited the Company's internal control over financial reporting as of December 31, 2017, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2017 and 2016, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2017 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2017, based on criteria established in Internal Control - Integrated Framework (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management’s Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company’s consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/PricewaterhouseCoopers LLP
Milwaukee, WI
February 23, 2018

We have served as the Company's auditor since 1995.

The Manitowoc Company, Inc.

Consolidated Statements of Operations

For the years ended December 31, 2017, 2016 and 2015

Millions of dollars, except per share data	**2017**	**2016**	**2015**
Net sales	$ 1,581.3	$ 1,613.1	$ 1,865.7
Cost of sales	1,299.4	1,359.8	1,533.5
Gross profit	281.9	253.3	332.2
Operating costs and expenses:			
Engineering, selling and administrative expenses	252.6	280.7	316.9
Asset impairment expense	0.1	96.9	15.3
Amortization of intangible assets	0.8	3.0	3.0
Restructuring expense	27.2	23.4	9.4
Other expense	0.1	2.6	—
Total operating costs and expenses	280.8	406.6	344.6
Operating income (loss)	1.1	(153.3)	(12.4)
Other income (expense):			
Interest expense	(39.2)	(39.6)	(95.6)
Amortization of deferred financing fees	(1.9)	(2.2)	(4.2)
Loss on debt extinguishment	—	(76.3)	(0.2)
Other income — net	0.5	3.3	1.4
Total other expense	(40.6)	(114.8)	(98.6)
Loss from continuing operations before taxes	(39.5)	(268.1)	(111.0)
Provision (benefit) for taxes on income	(49.5)	100.5	(41.1)
Income (loss) from continuing operations	10.0	(368.6)	(69.9)
Discontinued operations:			
Income (loss) from discontinued operations, net of income taxes of $0.0, $0.6 and $35.9, respectively	(0.6)	(7.2)	135.4
Net income (loss)	$ 9.4	$ (375.8)	$ 65.5
Amounts attributable to the Manitowoc common shareholders:			
Income (loss) from continuing operations	$ 10.0	$ (368.6)	$ (69.9)
Income (loss) from discontinued operations, net of income taxes	(0.6)	(7.2)	135.4
Net income (loss) attributable to Manitowoc common shareholders	$ 9.4	$ (375.8)	$ 65.5
Per Share Data			
Basic income (loss) per common share:			
Income (loss) from continuing operations attributable to Manitowoc common shareholders	$ 0.28	$ (10.70)	$ (2.06)
Income (loss) from discontinued operations attributable to Manitowoc common shareholders	(0.02)	(0.21)	3.98
Basic income (loss) per share attributable to Manitowoc common shareholders	$ 0.26	$ (10.91)	$ 1.92
Diluted income (loss) per common share:			
Income (loss) from continuing operations attributable to Manitowoc common shareholders	$ 0.28	$ (10.70)	$ (2.06)
Income (loss) from discontinued operations attributable to Manitowoc common shareholders	(0.02)	(0.21)	3.98
Diluted income (loss) per share attributable to Manitowoc common shareholders	$ 0.26	$ (10.91)	$ 1.92

The accompanying notes are an integral part of these financial statements.

The Manitowoc Company, Inc.
Consolidated Statements of Comprehensive Income (Loss)
For the years ended December 31, 2017, 2016 and 2015

Millions of dollars	2017	2016	2015
Net income (loss)	$ 9.4	$ (375.8)	$ 65.5
Other comprehensive income (loss), net of tax:			
Foreign currency translation adjustments	58.4	(20.4)	(92.2)
Unrealized income (loss) on derivatives, net of income taxes of $0.0, $0.9 and $1.0, respectively	0.4	1.4	2.5
Employee pension and postretirement benefits, net of income taxes of $4.1, $(0.2) and $4.9, respectively	6.7	(4.1)	12.4
Total other comprehensive income (loss), net of tax	65.5	(23.1)	(77.3)
Comprehensive income (loss)	$ 74.9	$ (398.9)	$ (11.8)

The accompanying notes are an integral part of these financial statements.

Table of Contents

The Manitowoc Company, Inc.
Consolidated Balance Sheets
As of December 31, 2017 and 2016

Millions of dollars, except shares data	2017	2016
Assets		
Current Assets:		
Cash and cash equivalents	$ 119.2	$ 69.9
Accounts receivable, less allowances of $10.9 and $11.1, respectively	179.2	134.4
Inventories — net	396.1	429.0
Notes receivable — net	31.1	62.4
Other current assets	73.6	54.0
Total current assets	799.2	749.7
Property, plant and equipment — net	294.9	308.8
Goodwill	321.3	299.6
Other intangible assets — net	122.1	114.1
Other non-current assets	70.3	45.6
Total assets	$ 1,607.8	$ 1,517.8
Liabilities and Equity		
Current Liabilities:		
Accounts payable and accrued expenses	$ 375.8	$ 321.2
Short-term borrowings	8.2	12.4
Product warranties	35.5	36.5
Customer advances	12.7	21.0
Product liabilities	20.8	21.7
Total current liabilities	453.0	412.8
Non-Current Liabilities:		
Long-term debt	266.7	269.1
Deferred income taxes	13.0	36.6
Pension obligations	88.9	86.4
Postretirement health and other benefit obligations	25.5	38.0
Long-term deferred revenue	20.8	20.3
Other non-current liabilities	62.4	64.1
Total non-current liabilities	477.3	514.5
Commitments and contingencies (Note 17)		
Total 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, 35,273,864 and 34,960,304 shares outstanding, respectively)	1.4	1.4
Additional paid-in capital	576.6	567.6
Accumulated other comprehensive loss	(97.4)	(162.9)
Retained earnings	256.7	247.3
Treasury stock, at cost (5,520,119 and 5,833,679 shares, respectively)	(59.8)	(62.9)
Total Manitowoc stockholders' equity	677.5	590.5
Total liabilities and equity	$ 1,607.8	$ 1,517.8

The accompanying notes are an integral part of these financial statements.

The Manitowoc Company, Inc.

Consolidated Statements of Cash Flows

For the years ended December 31, 2017, 2016 and 2015

Millions of dollars	2017	2016	2015
Cash Flows From Operations			
Net income (loss)	$ 9.4	$ (375.8)	$ 65.5
Adjustments to reconcile net (loss) income to cash (used for) provided by operating activities of continuing operations:			
Asset impairment expense	0.1	96.9	15.3
Loss (income) from discontinued operations, net of income taxes	0.6	7.2	(135.4)
Depreciation expense	38.1	45.6	50.6
Amortization of intangible assets	0.8	3.0	3.0
Amortization of deferred financing fees	1.9	2.2	4.2
Deferred income tax (benefit) - net	(44.1)	101.4	(4.4)
Noncash loss on early extinguishment of debt	—	15.4	0.2
Loss (gain) on sale of property, plant and equipment	0.1	1.1	(0.3)
Stock-based compensation expense and other	8.5	(0.7)	7.5
Changes in operating assets and liabilities, excluding the effects of business divestitures:			
Accounts receivable	(32.7)	18.4	(10.7)
Inventories	55.6	52.7	(7.2)
Notes receivable	18.8	32.2	9.9
Other assets	(0.5)	(6.9)	(18.9)
Accounts payable	27.1	(105.8)	(12.4)
Accrued expenses and other liabilities	(5.2)	(9.3)	7.6
Net cash provided by (used for) operating activities of continuing operations	78.5	(122.4)	(25.5)
Net cash provided by (used for) operating activities of discontinued operations	(0.6)	(49.9)	126.3
Net cash provided by (used for) operating activities	77.9	(172.3)	100.8
Cash Flows From Investing			
Capital expenditures	(28.9)	(45.9)	(54.9)
Proceeds from sale of property, plant and equipment	7.0	8.4	7.3
Other	0.6	(1.6)	2.6
Net cash used for investing activities of continuing operations	(21.3)	(39.1)	(45.0)
Net cash provided by (used for) investing activities of discontinued operations	—	(2.4)	59.1
Net cash provided by (used for) investing activities	(21.3)	(41.5)	14.1
Cash Flows From Financing			
Payments on long-term debt	(10.9)	(1,389.0)	(105.4)
Proceeds from long-term debt	0.2	272.1	5.1
Payments on notes financing - net	(4.7)	(8.4)	(9.4)
Debt issuance costs	—	(8.9)	—
Dividends paid	—	—	(10.9)
Exercises of stock options including windfall tax benefits	5.7	9.4	7.9
Dividend from spun-off subsidiary	—	1,361.7	—
Cash transferred to spun-off subsidiary	—	(17.7)	—
Net cash provided by (used for) financing activities of continuing operations	(9.7)	219.2	(112.7)
Net cash provided by (used for) financing activities of discontinued operations	—	0.2	(0.2)
Net cash provided by (used for) financing activities	(9.7)	219.4	(112.9)
Effect of exchange rate changes on cash	2.4	0.9	(6.6)
Net increase (decrease) in cash and cash equivalents	49.3	6.5	(4.6)
Balance at beginning of year, including cash of discontinued operations of $0.0, $31.9 and $16.5, respectively	69.9	63.4	68.0
Balance at end of year, including cash of discontinued operations of $0.0, $0.0, and $31.9, respectively	$ 119.2	$ 69.9	$ 63.4
Supplemental Cash Flow Information			
Interest paid	$ 37.0	$ 49.6	$ 98.8
Income tax (refund) paid	(7.6)	8.9	7.7

The accompanying notes are an integral part of these financial statements.

The Manitowoc Company, Inc.
Consolidated Statements of Equity
For the years ended December 31, 2017, 2016 and 2015

Millions of dollars, except shares data	2017	2016	2015
Common Stock - Shares Outstanding			
Balance at beginning of year	34,960,303	34,154,290	33,885,967
Stock options exercised	262,118	687,619	116,154
Restricted stock, net	23,566	(9,112)	90,496
Performance shares issued	27,877	127,506	61,673
Balance at end of year	35,273,864	34,960,303	34,154,290
Common Stock - Par Value			
Balance at beginning of year	$ 1.4	$ 1.4	$ 1.4
Balance at end of year	$ 1.4	$ 1.4	$ 1.4
Additional Paid-in Capital			
Balance at beginning of year	$ 567.6	$ 558.0	$ 539.7
Stock options exercised and issuance of other stock awards	2.0	0.3	2.3
Windfall tax benefit on stock options exercised	—	—	1.5
Stock-based compensation	7.0	9.3	14.5
Balance at end of year	$ 576.6	$ 567.6	$ 558.0
Accumulated Other Comprehensive Loss			
Balance at beginning of year	$ (162.9)	$ (207.8)	$ (130.5)
Distribution of Spun-off subsidiary	—	68.0	—
Other comprehensive loss	65.5	(23.1)	(77.3)
Balance at end of year	$ (97.4)	$ (162.9)	$ (207.8)
Retained Earnings			
Balance at beginning of year - As reported	$ 247.3	$ 539.5	$ 486.9
Impact of change in accounting principle	—	22.8	20.8
Balance at beginning of year - As adjusted	247.3	562.3	507.7
Net (loss) income	9.4	(375.8)	65.5
Distribution of Spun-off subsidiary	—	60.8	—
Cash dividends	—	—	(10.9)
Balance at end of year	$ 256.7	$ 247.3	$ 562.3
Treasury Stock			
Balance at beginning of year	$ (62.9)	$ (71.6)	$ (73.4)
Stock options exercised and issuance of other stock awards	3.1	8.7	1.8
Balance at end of year	$ (59.8)	$ (62.9)	$ (71.6)
Total equity	$ 677.5	$ 590.5	$ 842.3

The accompanying notes are an integral part of these financial statements.

Notes to Consolidated Financial Statements

1. Company and Basis of Presentation

The Manitowoc Company, Inc. ("Manitowoc", "MTW" and the "Company") was founded in 1902 and has over a 115-year tradition of providing high-quality, customer-focused products and support services to its markets and for the year ended December 31, 2017, the Company had net sales of approximately $1.6 billion. Manitowoc is one of the world's leading providers of engineered lifting equipment for the global construction industry. Manitowoc designs, manufactures, markets, and supports one of the most comprehensive product lines of mobile telescopic cranes, tower cranes, lattice-boom crawler cranes, and boom trucks. Its Crane products are principally marketed under the Manitowoc, Grove, Potain and National Crane brand names. The Company serves a wide variety of customers, including dealers, rental companies, contractors, and government entities, across the petrochemical and industrial, commercial, power and utilities, infrastructure, and residential end markets. Additionally, its Manitowoc Crane Care offering leverages Manitowoc's installed base of approximately 143,000 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, Crane Care provides the Company with a consistent stream of recurring revenue. Manitowoc is a Wisconsin corporation, and its principal executive offices are located at 2400 South 44th Street, Manitowoc, Wisconsin 54220.

During the first quarter of fiscal 2016, the Board of Directors of Manitowoc approved the tax-free spin-off of the Company's former foodservice business ("MFS" or "Foodservice") into an independent, public company (the "Spin-Off"). To effect the Spin-Off, the Board declared a pro rata dividend of MFS common stock to MTW's stockholders of record as of the close of business on February 22, 2016 (the "Record Date") and the Company paid the dividend on March 4, 2016. Each MTW stockholder received one share of MFS common stock for every share of MTW common stock held as of the close of business on the Record Date.

In these Consolidated Financial Statements, unless otherwise indicated, references to Manitowoc, MTW and the Company refer to The Manitowoc Company, Inc. and its consolidated subsidiaries after giving effect to the Spin-Off, or, in the case of information as of dates or for periods prior to the Spin-Off, the consolidated entities of the Crane business and certain other assets and liabilities that were historically held at the Manitowoc corporate level but were specifically identifiable and attributable to the Crane business.

As a result of the Spin-Off, the Consolidated Financial Statements and related financial information reflect MFS operations, assets and liabilities, and cash flows as discontinued operations for all periods presented.

See Note 3, "Discontinued Operations," for further details concerning the above transactions being reported as discontinued operations.

Effective after the market closed on November 17, 2017, the Company completed a 1-for-4 reverse stock split. The share amounts in this Annual Report on Form 10-K have been adjusted to reflect that reverse stock split.

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

Basis of Presentation The consolidated financial statements include the accounts of The Manitowoc Company, Inc. and its wholly and majority-owned subsidiaries. All significant intercompany balances and transactions have been eliminated. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

2. Summary of Significant Accounting Policies

Cash Equivalents All short-term investments purchased with an original maturity of three months or less are considered cash equivalents.

Allowance for Doubtful Accounts Accounts receivable are reduced by an allowance for amounts that may become uncollectible in the future. Our estimate for the allowance for doubtful accounts related to trade receivables includes evaluation of specific accounts where we have information that the customer may have an inability to meet its financial obligations together with a general provision for unknown but existing doubtful accounts based on historical experience, which are subject to change if experience improves or deteriorates.

Inventories Inventories are valued at the lower of cost or market value. Finished goods and work-in-process inventories include material, labor and manufacturing overhead costs. In the fourth quarter of 2016, the Company changed its method of inventory costing for certain inventory in the U.S. to the first-in, first-out ("FIFO") method from the last-in, first-out ("LIFO") method. The Company believes that the FIFO method is preferable as it results in uniformity across its global operations, aligns with how the Company internally manages inventory, provides better matching of revenues and expenses and improves comparability with its peers. The Company's other locations determine costs using the FIFO method. The impact of this change in accounting principle has been reflected through retrospective application to the financial statements for each period presented, and is further explained in Note 5, "Inventories".

Goodwill and Other Intangible Assets The Company accounts for its goodwill and other intangible assets under the guidance of ASC Topic 350-10, "Intangibles — Goodwill and Other." Under ASC Topic 350-10, goodwill is not amortized, but it is tested for impairment annually during the fourth quarter, or more frequently, as events dictate. See additional discussion of impairment testing under "Impairment of Long-Lived Assets" below. The Company's other intangible assets with indefinite lives, including trademarks and tradenames and in-place distributor networks, are not amortized but are also tested for impairment annually, or more frequently, as events dictate. The Company's other intangible assets subject to amortization are tested for impairment whenever events or changes in circumstances indicate that their carrying values may not be recoverable. Other intangible assets are amortized straight-line over the following estimated useful lives:

	Useful lives
Patents	20 years
Engineering drawings	15 years
Customer relationships	10 years

Property, Plant and Equipment Property, plant and equipment are stated at cost. Expenditures for maintenance, repairs and minor renewals are charged against earnings as incurred. Expenditures for major renewals and improvements that substantially extend the capacity or useful life of an asset are capitalized and are then depreciated. The cost and accumulated depreciation for property, plant and equipment sold, retired or otherwise disposed of are relieved from the accounts, and resulting gains or losses are reflected in earnings. Property, plant and equipment are depreciated over the estimated useful lives of the assets using the straight-line depreciation method for financial reporting and on accelerated methods for income tax purposes.

Property, plant and equipment are depreciated over the following estimated useful lives:

	Years
Building and improvements	2 - 40
Machinery, equipment and tooling	2 - 20
Furniture and fixtures	3 - 20
Computer hardware and software	2 - 10
Rental cranes	5 - 15

Property, plant and equipment also include cranes accounted for as operating leases. Equipment accounted for as operating leases includes equipment leased directly to the customer and equipment for which the Company has assisted in the financing arrangement, whereby it has guaranteed more than insignificant residual value or made a buyback commitment. Equipment that is leased directly to the customer is accounted for as an operating lease with the related assets capitalized and depreciated over their estimated economic life. Equipment involved in a financing arrangement is depreciated over the life of the underlying arrangement so that the net book value at the end of the period equals the buyback amount or the residual value amount. The amount of buyback and rental equipment included in property, plant and equipment amounted to $54.3 million and $57.9 million, net of accumulated depreciation, at December 31, 2017 and 2016, respectively.

Impairment of Long-Lived Assets The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the assets' carrying amount may not be recoverable. The Company conducts its long-lived asset impairment analyses in accordance with ASC Topic 360-10-5. ASC Topic 360-10-5 requires the Company to group assets and liabilities at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities and to evaluate the asset group against the sum of the undiscounted future cash flows.

For property, plant and equipment and other long-lived assets, other than goodwill and other indefinite lived intangible assets, the Company performs undiscounted operating cash flow analysis to determine impairments. If an impairment is determined to exis t, any related impairment loss is calculated based upon comparison of the fair value to the net book value of the assets. Impairment losses on assets held for sale are based on the estimated proceeds to be received, less costs to sell.

The Company tests for impairment of goodwill annually in the fourth quarter. To test goodwill the Company estimates the fair values of its reporting units using the present value of future cash flows approach, subject to a comparison for reasonableness to its market capitalization at the date of valuation. If the carrying amount exceeds the fair value, an impairment loss is recognized in an amount equal to that excess, not to exceed the carrying amount of the goodwill. In addition, goodwill of a reporting unit is tested for impairment between annual tests if an event occurs or circumstances change that would more-likely-than-not reduce the fair value of a reporting unit below its carrying value. For other indefinite lived intangible assets, the impairment test consists of a comparison of the fair value of the intangible assets to their carrying amount. See Note 8, "Goodwill and Other Intangible Assets," for further details on our impairment assessments.

Warranties Estimated warranty costs are recorded in cost of sales at the time of sale of the warranted products based on historical warranty experience for the related product or estimates of projected costs due to specific warranty issues on new products. These estimates are reviewed periodically and are adjusted based on changes in facts, circumstances or actual experience.

Environmental Liabilities The Company accrues for losses associated with environmental remediation obligations when such losses are probable and reasonably estimable. Such accruals are adjusted as information develops or circumstances change. Costs of long-term expenditures for environmental remediation obligations are discounted to their present value when the timing of cash flows are estimable.

Product Liabilities The Company records product liability reserves for its self-insured portion of any pending or threatened product liability actions when losses are probable and reasonably estimable. The reserve is based upon two estimates. First, the Company tracks the population of all outstanding pending and threatened product liability cases to determine an appropriate case reserve for each based upon the Company's best judgment and the advice of legal counsel. These estimates are continually evaluated and adjusted based upon changes to facts and circumstances surrounding the case. Second, the Company determines the amount of additional reserve required to cover incurred but not reported product liability obligations and to account for possible adverse development of the established case reserves (collectively referred to as "IBNR") utilizing actuarially developed estimates.

Foreign Currency Translation The financial statements of the Company's non-U.S. subsidiaries are translated using the current exchange rate for assets and liabilities and the average monthly exchange rate throughout the year for income and expense items. Resulting translation adjustments are recorded to Accumulated Other Comprehensive Income ("AOCI") as a component of Manitowoc stockholders' equity.

Derivative Financial Instruments and Hedging Activities The Company has written policies and procedures that place all financial instruments under the direction of corporate treasury and restrict all derivative transactions to those intended for hedging purposes. The use of financial instruments for trading purposes is strictly prohibited. The Company uses financial instruments to manage the market risk from changes in foreign exchange rates, commodities and interest rates. The Company follows the guidance in accordance with ASC Topic 815-10, "Derivatives and Hedging." The fair values of all derivatives are recorded in the Consolidated Balance Sheets. The change in a derivative's fair value is recorded each period in current earnings or AOCI depending on whether the derivative is designated and qualifies as a cash flow hedge transaction.

During 2017, 2016 and 2015, minimal amounts were recognized in earnings due to ineffectiveness of certain commodity hedges. The amount reported as derivative instrument fair market value adjustment in the AOCI account within the Consolidated Statements of Comprehensive Income (Loss) represents the net gain (loss) on foreign currency exchange contracts, commodity contracts and interest rate contracts designated as cash flow hedges, net of income taxes.

Cash Flow Hedges The Company selectively hedges anticipated transactions that are subject to foreign exchange exposure, commodity price exposure or variable interest rate exposure, primarily using foreign currency exchange contracts, commodity contracts and interest rate contracts, respectively. These instruments are designated as cash flow hedges in accordance with ASC Topic 815-10 and are recorded in the Consolidated Balance Sheets at fair value. The effective portion of the contracts' gains or losses due to changes in fair value are initially recorded as a component of AOCI and are subsequently reclassified into earnings when the hedged transactions, typically sales and costs related to sales and interest expense, occur and affect earnings.

These contracts are highly effe ctive in hedging the variability in future cash attributable to changes in currency exchange rates, commodity prices or interest rates.

Fair Value Hedges The Company periodically enters into interest rate swaps designated as a hedge of the fair value of a portion of its fixed rate debt. These hedges effectively result in changing a portion of its fixed rate debt to variable interest rate debt. Both the swaps and the debt are recorded in the Consolidated Balance Sheets at fair value. The change in fair value of the swaps should exactly offset the change in fair value of the hedged debt, with no net impact to earnings. Interest expense of the hedged debt is recorded at the variable rate in earnings. See Note 10, "Debt" for further discussion of fair value hedges.

The Company selectively hedges cash inflows and outflows that are subject to foreign currency exposure from the date of transaction to the related payment date. The hedges for these foreign currency accounts receivable and accounts payable are recorded in the Consolidated Balance Sheets at fair value. Gains or losses due to changes in fair value are recorded as an adjustment to earnings in the Consolidated Statements of Operations.

Stock-Based Compensation The Company recognizes expense for all stock-based compensation with graded vesting on a straight-line basis over the vesting period of the entire award. Stock-based compensation plans are described more fully in Note 15, "Stock-Based Compensation."

Revenue Recognition Revenue is generally recognized and earned when all the following criteria are satisfied with regard to a specific transaction: persuasive evidence of a sales arrangement exists; the price is fixed or determinable; collectability of cash is reasonably assured; and delivery has occurred or services have been rendered. Shipping and handling fees are reflected in net sales, and shipping and handling costs are reflected in cost of sales in the Consolidated Statements of Operations.

The Company enters into transactions with customers that provide for residual value guarantees and buyback commitments on certain transactions. The Company records transactions which it provides significant residual value guarantees and any buyback commitments as operating leases. Net revenues in connection with the initial transactions are recorded as deferred revenue and are amortized to income on a straight-line basis over a period equal to that of the customer's third party financing agreement. See Note 18, "Guarantees."

The Company also leases cranes to customers under operating lease terms. Revenue from operating leases is recognized ratably over the term of the lease, and leased cranes are depreciated over their estimated useful lives.

Research and Development Research and development costs are charged to expense as incurred and amounted to $37.9 million, $44.5 million and $57.6 million for the years ended December 31, 2017, 2016 and 2015, respectively. Research and development costs include salaries, materials, contractor fees and other administrative costs.

Income Taxes The Company utilizes the liability method to recognize deferred tax assets and liabilities for the expected future income tax consequences of events that have been recognized in the Company's financial statements. Under this method, deferred tax assets and liabilities are determined based on the temporary difference between financial statement carrying amounts and the tax basis of assets and liabilities using enacted tax rates in effect in the years in which the temporary differences are expected to reverse. Valuation allowances are provided for deferred tax assets where it is considered more likely than not that the Company will not realize the benefit of such assets. The Company evaluates its uncertain tax positions as new information becomes available. Tax benefits are recognized to the extent a position is more likely than not to be sustained upon examination by the taxing authority.

On December 22, 2017, the President of the United States signed into law the Tax Cuts and Jobs Act (the "Tax Reform Act"). Further information on the tax impacts of the Tax Reform Act is included in Note 12, "Income Taxes," of the Company's consolidated financial statements.

Earnings Per Share Basic earnings per share is computed by dividing net earnings attributable to Manitowoc by the weighted average number of common shares outstanding during each year or period. Diluted earnings per share is computed similar to basic earnings per share except that the weighted average shares outstanding is increased to include shares of restricted stock, performance shares and the number of additional shares that would have been outstanding if stock options were exercised and the proceeds from such exercise were used to acquire shares of common stock at the average market price during the year or period.

Comprehensive Income (Loss) Comprehensive income (loss) includes, in addition to net earnings, other items that are reported as direct adjustments to Manitowoc stockholders' equity. These items are foreign currency translation adj ustments, employee postretirement benefit adjustments and the change in fair value of certain derivative instruments.

Concentration of Credit Risk Credit extended to customers through trade accounts receivable potentially subjects the Company to risk. This risk is limited due to the large number of customers and their dispersion across various industries and many geographical areas. However, a significant amount of the Company's receivables are with distributors and contractors in the construction industry, customers servicing the U.S. steel industry and government agencies. The Company currently does not foresee a significant credit risk associated with these individual groups of receivables but continues to monitor the exposure, if any.

Recent Accounting Changes and Pronouncements

In August 2017, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2017-12 "Targeted Improvements to Accounting for Hedging Activities," which amends ASC 815, "Derivatives and Hedging." The purpose of this ASU is to better align a company's risk management activities and financial reporting for hedging relationships, simplify the hedge accounting requirements, and improve the disclosures of hedging arrangements. The effective date is fiscal 2019, with early adoption permitted. The Company is evaluating the impact the adoption of this ASU will have on its consolidated financial statements.

In May 2017, the FASB issued ASU No. 2017-09 "Compensation - Stock Compensation (Topic 718): Scope of Modification Accounting," to provide clarity and reduce both diversity in practice and cost complexity when applying the guidance in Topic 718 to a change to the terms and conditions of a stock-based payment award. ASU 2017-09 also provides guidance about the types of changes to the terms or conditions of a share-based payment award that require an entity to apply modification accounting in accordance with Topic 718. The standard is effective for annual periods beginning after December 15, 2017, and for interim periods therein. Early adoption is permitted. The Company is evaluating the impact the adoption of this ASU will have on its consolidated financial statements.

In March 2017, the FASB issued ASU No. 2017-08 "Receivables - Nonrefundable Fees and Other Costs (Subtopic 310-20): Premium Amortization on Purchased Callable Debt Securities," to shorten the amortization period for the premium to the earliest call date instead of the contractual life of the instrument. This new guidance will be effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018 with early adoption permitted. Entities will be required to apply the new guidance using the modified retrospective method with a cumulative-effect adjustment to retained earnings upon the adoption date. The Company is evaluating the impact the adoption of this ASU will have on its consolidated financial statements.

In March 2017, the FASB issued ASU No. 2017-07 "Compensation - Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost." This ASU amends ASC 715, "Compensation – Retirement Benefits," to require employers that present a measure of operating income in their statement of income to include only the service cost component of net periodic pension cost and net periodic postretirement benefit cost in operating expenses (together with other employee compensation costs). The other components of net benefit cost, including amortization of prior service cost/credit and settlement and curtailment effects, are to be included in nonoperating expenses. This ASU also allows only the service cost component of net benefit cost to be capitalized (for example, as a cost of inventory). The amendments in this ASU should be applied retrospectively for the presentation of the service cost component and the other components of net periodic pension cost and net periodic postretirement benefit cost in the income statement and prospectively, on and after the effective date, for the capitalization of the service cost component of net periodic pension cost and net periodic postretirement benefit in assets, and is effective for public companies for fiscal years beginning after December 15, 2017; early adoption is permitted. The Company is evaluating the impact the adoption of this ASU will have on its consolidated financial statements.

In January 2017, the FASB issued ASU No. 2017-04 - "Intangibles – Goodwill and Other (Topic 350): Simplifying the Accounting for Goodwill Impairment." This ASU simplifies the accounting for goodwill impairment. The guidance removes Step 2 of the goodwill impairment test, which required a hypothetical purchase price allocation. A goodwill impairment is now the amount by which a reporting unit's carrying value exceeds its fair value, not to exceed the carrying amount of goodwill. ASU No. 2017-04 will be effective for annual or interim goodwill impairment tests in fiscal years beginning after December 15, 2019. Early adoption was permitted for any impairment tests performed after January 1, 2017, and the Company early adopted this ASU effective in the first quarter of 2017. The adoption of this ASU did not have a material impact on the Company's consolidated financial statements.

In November 2016, the FASB issued ASU No. 2016-18 "Statement of Cash Flows (Topic 230): Restricted Cash (a consensus of the FASB Emerging Issues Task Force)." The amendments of this ASU address the diversity of presentation of restricted cash by requirin g a statement of cash flows to explain the change during the period in the total cash, cash equivalents and amounts generally described as restricted cash or restricted cash equivalents. ASU 2016-18 will be effective for fiscal years beginning after Decemb er 15, 2017. The Company is evaluating the impact the adoption of this ASU will have on its consolidated financial statements.

In October 2016, the FASB issued ASU No. 2016-16 - "Income Taxes (Topic 740): Intra-Entity Transfer of Assets Other than Inventory," which requires the recognition of the income tax consequences of an intra-entity transfer of an asset, other than inventory, when the transfer occurs. ASU 2016-16 will be effective for fiscal years beginning after December 15, 2017. The Company is currently evaluating the impact of adopting this ASU on its consolidated financial statements.

In August 2016, the FASB issued ASU No. 2016-15 - "Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments." This Update addresses eight specific cash flow issues with the objective of reducing the existing diversity in practice and affects all entities required to present a statement of cash flows under Topic 230. This standard will be effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. The Company is evaluating the impact the adoption of this ASU will have on its consolidated financial statements.

In May 2014, the FASB issued ASU No. 2014-09 - "Revenue from Contracts with Customers" (Topic 606), which supersedes the revenue recognition requirements in ASC 605, Revenue Recognition. This was further clarified with technical corrections issued within ASU 2015-14, ASU 2016-08, ASU 2016-10, ASU 2016-11, ASU 2016-12, ASU 2016-20, and ASU 2017-05. The new revenue recognition guidance was issued to provide a single, comprehensive revenue recognition model for all contracts with customer. Under the new guidance, an entity will recognize revenue to depict the transfer of promised goods or services to customer at an amount that the entity expects to be entitled to in exchange for those goods or services. A five-step model has been introduced for an entity to apply when recognizing revenue. The new guidance also includes enhanced disclosure requirements and is effective January 1, 2018. Entities have the option to apply the new guidance under a retrospective approach to each prior reporting period presented, or a modified retrospective approach with the cumulative effect of initially applying the new guidance recognized at the date of initial application within the Consolidated Statement of Changes in Stockholder's Equity. The Company will adopt the new guidance effective January 1, 2018, utilizing the modified retrospective approach. Based upon review of the Company's current revenue recognition practices, the Company did not identify any terms or conditions in the contracts reviewed which changed the Company's pattern of revenue recognition than that recorded under the superseded guidance. The adoption of this ASU will not have a material impact on the Company's consolidated financial statements.

In March 2016, the FASB issued ASU 2016-09 - "Compensation-Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting." This update is part of the Simplification Initiative, and its objective is to identify, evaluate and improve areas of accounting principles generally accepted in the United States of America for which cost and complexity can be reduced while maintaining or improving usefulness of the information provided to users of financial statements. The update involves several aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. The effective date for this ASU is for annual periods beginning after December 15, 2016 and interim periods within those annual periods. The adoption of this ASU did not have a material impact on the Company's consolidated financial statements.

In March 2016, the FASB issued ASU No. 2016-06 - "Derivatives and Hedging: Contingent Put and Call Options in Debt Instruments." The amendments clarify the steps required to assess whether a call or put option meets the criteria for bifurcation as an embedded derivative. The ASU is effective for fiscal years and interim periods within those years beginning after December 15, 2016. The adoption of this ASU did not have a material impact on the Company's consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02 - "Leases", which is intended to improve financial reporting on leasing transactions. This standard requires a lessee to record on the balance sheet the assets and liabilities for the rights and obligations created by lease terms of more than 12 months. This standard will be effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. The Company is evaluating the impact the adoption of this ASU will have on its consolidated financial statements.

In January 2016, the FASB issued ASU 2016-01 - "Financial Instruments-Overall: Recognition and Measurement of Financial Assets and Financial Liabilities." ASU 2016-01 amends various aspects of the recognition, measurement, presentation, and disclosure for financial instruments. Most significantly, ASU 2016-01 requires equity investments (except those accounted for under the equity method of accounting or those that result in consolidation of an investee) to be measured at fair value with changes in fair val ue recognized in net income (loss). ASU 2016-01 is effective for annual reporting periods, and interim periods within those years beginning after December 15, 2017. The Company is evaluating the impact the adoption of this ASU will have on its consolidated financial statements.

In July 2015, the FASB issued ASU No. 2015-11 - "Inventory (Topic 330): Simplifying the Measurement of Inventory." This update changes the guidance on accounting for inventory accounted for on a FIFO basis. Under the revised standard, an entity should measure FIFO inventory at the lower of cost and net realizable value. Net realizable value is the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. Subsequent measurement is unchanged for inventory measured on a LIFO basis. The amendments in this ASU are effective for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2016. The adoption of this ASU did not have a material impact on the Company's consolidated financial statements.

3. Discontinued Operations

On March 4, 2016, Manitowoc completed the Spin-Off of MFS. The financial results of MFS are presented as income (loss) from discontinued operations, net of income taxes in the Consolidated Statements of Operations. Concurrent with the Spin-Off, the Company received a $1,361.7 million dividend from MFS. The following table presents the financial results of MFS through the date of the Spin-Off for the indicated periods and do not include corporate overhead allocations:

Major classes of line items constituting earnings from discontinued operations before income taxes related to MFS

(in millions)	2016	2015
Net sales	$ 219.6	$ 1,570.1
Cost of sales	141.5	1,065.6
Engineering, selling and administrative expenses	48.3	271.3
Amortization of intangible assets	5.2	31.4
Asset impairment expense	—	9.0
Restructuring expense	0.3	4.6
Separation expense	27.7	39.4
Other	—	0.9
Total operating costs and expenses	223.0	1,422.2
Operating (loss) income	(3.4)	147.9
Other (expense) income	(2.2)	23.4
(Loss) income from discontinued operations before income taxes	(5.6)	171.3
Provision for taxes on income	0.6	35.9
(Loss) income from discontinued operations, net of income taxes (1)	$ (6.2)	$ 135.4

(1) For the year ended December 31, 2016 and 2015, the Company recorded net (losses) income of $(1.0) million and $0.0 million, respectively, from various other businesses disposed of prior to 2014. This is presented for informational purposes only and does not necessarily reflect what the results of operations would have been had the businesses operated as stand-alone entities .

No assets or liabilities of MFS are reflected on the Company's Consolidated Balance Sheet as of December 31, 2017 and 2016.

Manitowoc and MFS entered into several agreements in connection with the Spin-Off, including a transition services agreement ("TSA"), separation and distribution agreement, tax matters agreement, intellectual property matters agreement and an employee matters agreement.

Pursuant to the TSA, Manitowoc, MFS and their respective subsidiaries are providing various services to each other on an interim, transitional basis. Services being provided by Manitowoc include, among others, finance, information technology and certain other administrative services. The services generally commenced on March 4, 2016, and all have terminated. Billings by Manitowoc under the TSA were recorded as a reduction of the costs to provide the respective service in the applicable expense category.

Separation costs recorded by the Com pany during the twelve months ended December 31, 2017 related to the Spin-Off were not material. During the twelve months ended December 31, 2016 and 2015, the Company recorded $27.7 million and $39.4 million, respectively, of separation costs related to t he Spin-Off. Separation costs consisted primarily of professional and consulting fees and were included in the results of discontinued operations.

4. Fair Value of Financial Instruments

The following tables set forth the Company's financial assets and liabilities that were accounted for at fair value as of December 31, 2016 by level within the fair value hierarchy. At December 31, 2017, there was an immaterial amount of financial assets and liabilities that were accounted for at 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.

	Fair Value as of December 31, 2016			
(in millions)	**Level 1**	**Level 2**	**Level 3**	**Total**
Current Assets:				
Foreign currency exchange contracts	$ —	$ 0.2	$ —	$ 0.2
Commodity contracts	—	0.2	—	0.2
Total current assets at fair value	$ —	$ 0.4	$ —	$ 0.4
Current Liabilities:				
Foreign currency exchange contracts	$ —	$ 1.0	$ —	$ 1.0
Total current liabilities at fair value	$ —	$ 1.0	$ —	$ 1.0

The fair value of the Company's 12.750% senior secured second lien notes due 2021 (the "2021 Notes") was approximately $297.3 million and $282.2 million as of December 31, 2017 and 2016, respectively.

ASC Topic 820-10 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC Topic 820-10 classifies the inputs used to measure fair value into the following hierarchy:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities

Level 2 Unadjusted quoted prices in active markets for similar assets or liabilities, or

Unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or

Inputs other than quoted prices that are observable for the asset or liability

Level 3 Unobservable inputs for the asset or liability

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 fair value of its 2021 Notes based on quoted market prices of the instruments; because these markets are typically thinly traded, the liabilities are classified as Level 2 within the valuation hierarchy. The carrying values of cash and cash equivalents, accounts receivable, accounts payable, deferred purchase price notes on receivables sold (see Note 11, "Accounts Receivable Securitization") and short-term variable debt, including any amounts outstanding under our revolving credit facility, approximate fair value, without being discounted as of December 31, 2017 and December 31, 2016 due to the short-term nature of these instruments.

As a result of the Company's global operating and financing activities, the Company is exposed to market risks from changes in interest rates, foreign currency exchange rates, and commodity prices, which may adversely affect its operating results and financial position. When deemed appropriate, the Company minimizes these risks through the use of derivative financial instruments. Derivative financial instruments are used to manage risk and are not used for trading or other speculative purposes, and the Company does not use leveraged derivative financial instruments. The foreign currency exchange, interest rate, and commodity 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.

5. Inventories

The components of inventories at December 31, 2017 and December 31, 2016 are summarized as follows:

(in millions)	2017	2016
Raw materials	$ 122.0	$ 109.3
Work-in-process	94.3	88.4
Finished goods	227.7	270.9
Total inventories — gross	444.0	468.6
Excess and obsolete inventory reserve	(47.9)	(39.6)
Net inventories	$ 396.1	$ 429.0

As described in Note 2, in the fourth quarter of 2016, the Company elected to change its method of accounting for certain inventory in the U.S. from LIFO to FIFO. The Company applied this change in method of inventory costing by retrospectively adjusting the prior period financial statements. As a result of the retrospective adjustment of the change in accounting principle, certain amounts in the Company's consolidated financial statements for the year ended December 31, 2015 was adjusted as follows:

For the year ended December 31, 2015

In millions (except per share data)	Historical	Impact of Change to FIFO	As adjusted
Cost of sales	$ 1,537.0	$ (3.5)	$ 1,533.5
Operating (loss) income	(15.9)	3.5	(12.4)
Loss from continuing operations before taxes	(114.5)	3.5	(111.0)
Benefit for income taxes	(42.6)	1.5	(41.1)
Loss from continuing operations	(71.9)	2.0	(69.9)
Net (loss) income	63.5	2.0	65.5
Net (loss) income attributable to Manitowoc common shareholders	63.5	2.0	65.5
Basic (loss) income per share from continuing operations	(2.11)	0.02	(2.06)
Diluted (loss) income per share from continuing operations	(2.11)	0.02	(2.06)

The Consolidated Statements of Cash Flows for the year ended December 31, 2015 was adjusted as follows:

For the year ended December 31, 2015

In millions	Historical	Impact of Change to FIFO	As adjusted
Net (loss) income	$ 63.5	$ 2.0	$ 65.5
Deferred income taxes	(5.9)	1.5	(4.4)
Change in inventories, net	(3.7)	(3.5)	(7.2)

The tables above present selected financial information “as adjusted for impact of change to FIFO” and “historical,” which represents the results of operations prior to the change to FIFO but after the classification of MFS to discontinued operations.

6. Notes Receivable

Notes receivable balances as of December 31, 2017 and 2016, consisted primarily of amounts due to the Company's captive finance company in China and the remaining balance on the note from the 2014 sale of Manitowoc Dong Yue. During 2017, the Company renegotiated the terms of the note with Manitowoc Dong Yue to provide extended payment terms. As a result of the renegotiation, the entire balance of the Manitowoc Dong Yue note is included in long-term notes receivable in the Consolidated Balance Sheet as of December 31, 2017. As of December 31, 2017, the Company had current and long-term notes receivable in the amount of $31.1 million and $27.4 million, respectively. As of December 31, 2016, the Company had current and long-term notes receivable in the amount of $62.4 million and $21.1 million, respectively. Long-term notes receivable are included within other long-term assets on the Consolidated Balance Sheet.

7. Property, Plant and Equipment

The components of property, plant and equipment at December 31, 2017 and December 31, 2016 are summarized as follows:

(in millions)	2017	2016
Land	$ 25.4	$ 23.6
Building and improvements	196.4	$ 225.0
Machinery, equipment and tooling	263.6	$ 292.6
Furniture and fixtures	15.6	$ 16.7
Computer hardware and software	114.4	$ 126.0
Rental cranes	90.2	$ 89.0
Construction in progress	17.3	$ 16.7
Total cost	722.9	789.6
Less accumulated depreciation	(428.0)	(480.8)
Property, plant and equipment-net	$ 294.9	$ 308.8

In the twelve months ended December 31, 2017 and 2016, the Company recorded $0.1 million and $96.9 million in asset impairment charges, respectively. See additional discussion of impairments in Note 19, “Restructuring and Asset Impairments.”

Assets Held for Sale

The Company has classified the Manitowoc, Wisconsin manufacturing building and Corporate headquarters as held for sale on the consolidated balance sheet. The net book value of assets held for sale were $25.0 million as of December 31, 2017 and are included in other current assets on the balance sheet. No assets were classified as held for sale on the balance sheet as of December 31, 2016.

These assets were carried at the lesser of the original cost or fair value, less the estimated costs to sell. The fair values were determined by the Company to be Level 3 (see Note 4, “Fair Value of Financial Instruments,” for the definition of Level 3 inputs) under the fair value hierarchy and were estimated based on broker quotes and internal expertise related to current marketplace conditions.

8. Goodwill and Other Intangible Assets

The changes in carrying amount of goodwill for the years ended December 31, 2017 and December 31, 2016 are as follows:

(in millions)	Cranes	Americas	Europe and Africa ("EURAF")	Middle East and Asia Pacific ("MEAP")
Net balance as of January 1, 2016	$ 306.5	$ —	$ —	$ —
Foreign currency impact	(6.9)	—	—	—
Net balance as of December 31, 2016	299.6	—	—	—
Foreign currency impact	16.5	—	—	—
Reallocation of goodwill at October 31, 2017	(316.1)	166.5	81.5	68.1
Foreign currency impact	—	—	4.4	0.8
Net balance as of December 31, 2017	$ —	$ 166.5	$ 85.9	$ 68.9

The Company accounts for goodwill and other intangible assets under the guidance of ASC Topic 350, “Intangibles — Goodwill and Other.” The Company performs impairment reviews for goodwill and indefinite-lived intangible assets using a fair-value method based on the present value of future cash flows, which involves management’s judgments and assumptions about the amounts of those cash flows and the discount rates used. The estimated fair value is then compared with the carrying amount of the reporting unit, including recorded goodwill, or indefinite-lived intangible asset. The intangible asset is then subject to risk of write-down to the extent that the carrying amount exceeds the estimated fair value.

Table of Contents

The annual goodwill and indefinite-lived assets impairment testing was performed during the fourth quarter. Based on the results of that test, no impairment was indicated. The Company will continue to monitor changes in circumstances and test more frequently if those changes indicate that assets might be impaired.

A considerable amount of management judgment and assumptions are required in performing the impairment test, principally in determining the fair value of the reporting unit. While the Company believes the judgments and assumptions are reasonable, different assumptions could change the estimated fair value and, therefore, impairment charges could be required. Weakening industry or economic trends, disruptions to our business, unexpected significant changes or planned changes in the use of the assets or in entity structure may adversely impact the assumptions used in the valuations. The Company continually monitors market conditions and determines if any additional interim reviews of goodwill, other intangibles or long-lived assets are warranted. In the event the Company determines that assets are impaired in the future, the Company would recognize a non-cash impairment charge, which could have a material adverse effect on the Company's Consolidated Balance Sheets and Results of Operations.

The gross carrying amount and accumulated amortization of the Company's intangible assets other than goodwill are as follows as of December 31, 2017 and December 31, 2016.

	December 31, 2017			December 31, 2016		
(in millions)	**Gross Carrying Amount**	**Accumulated Amortization Amount**	**Net Book Value**	**Gross Carrying Amount**	**Accumulated Amortization Amount**	**Net Book Value**
Trademarks and tradenames	$ 99.7	$ —	$ 99.7	$ 92.4	$ —	$ 92.4
Customer relationships	10.7	(8.7)	2.0	10.3	(7.8)	2.5
Patents	30.6	(29.7)	0.9	28.5	(27.4)	1.1
Engineering drawings	10.8	(10.7)	0.1	10.0	(9.9)	0.1
Distribution network	19.5	(0.1)	19.4	18.0	—	18.0
Other intangibles	0.1	(0.1)	—	0.2	(0.2)	—
	$ 171.4	$ (49.3)	$ 122.1	$ 159.4	$ (45.3)	$ 114.1

Amortization of intangible assets for the years ended December 31, 2017, 2016 and 2015 was $0.8 million, $3.0 million and $3.0 million, respectively. Excluding the impact of any future acquisitions, divestitures or impairments, the Company anticipates amortization will be approximately $0.3 million per year through 2022.

9. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses at December 31, 2017 and December 31, 2016 are summarized as follows:

(in millions)	**2017**	**2016**
Trade accounts payable	$ 204.9	$ 157.7
Employee-related expenses	59.7	28.1
Accrued vacation	23.8	21.8
Miscellaneous accrued expenses	87.4	113.6
	$ 375.8	$ 321.2

10. Debt

Outstanding debt at December 31, 2017 and December 31, 2016 is summarized as follows:

(in millions)	**2017**	**2016**
Revolving credit facility	$ —	$ —
Senior notes due 2021	251.9	249.8
Other	26.1	35.7
Deferred financing costs	(3.1)	(4.0)
Total debt	274.9	281.5
Less current portion and short-term borrowings	(8.2)	(12.4)
Long-term debt	$ 266.7	$ 269.1

The balance sheet values of the 2021 Notes as of December 31, 2017 and 2016 are not equal to the face value of the 2021 Notes, $260.0 million, because of original issue discounts ("OID") included in the applicable balance sheet values.

As of December 31, 2017, the Company had outstanding $26.1 million of other indebtedness that has a weighted-average interest rate of approximately 5.4%. This debt includes balances on local credit lines and capital lease obligations.

On March 3, 2016, the Company entered into a $225.0 million Asset Based Revolving Credit Facility (as amended, the "ABL Revolving Credit Facility") with Wells Fargo Bank, N.A. as administrative agent, and JP Morgan Chase Bank, N.A. and Goldman Sachs Bank USA as joint lead arrangers. The ABL Revolving Credit Facility capacity calculation is defined in the Agreement and dependent on the fair value of inventory and fixed assets of the loan parties, which secure the borrowings. The ABL Revolving Credit Facility has a term of 5 years, and includes a $75.0 million Letter of Credit sublimit, $10.0 million of which can be applied to the German borrower.

In October 2016, the ABL Revolving Credit Facility was amended to accommodate certain previously restricted activates related to the relocation of the Company's manufacturing operations from Manitowoc, Wisconsin to Shady Grove, Pennsylvania. Among other things, the amendment allows the Company to transfer, sell and/or impair fixed assets located at the Wisconsin facility with limited impact on the availability under the facility.

In April 2017, the ABL Revolving Credit Facility was amended to modify several definitions regarding eligible equipment and inventory as it relates to a key financial partner of the Company. The amendment has had, and is expected to continue to have, a minimal impact on the Company's daily operations and borrowing limits.

In December 2017, the Company notified the Administrative Agent of its intent to sell its Corporate headquarters in Manitowoc, Wisconsin, and the ABL Revolving Credit Facility was amended to permit that transaction and related restructuring activities.

As of December 31, 2017, the Company did not have an outstanding balance on the ABL Revolving Credit Facility. During the year ended December 31, 2017, the highest daily borrowing was $59.5 million and the average borrowing was $18.4 million, while the average annual interest rate was 3.20%. The interest rate of the ABL Revolving Credit Facility fluctuates based on excess availability. As of December 31, 2017, the spreads for London interbank offer rate and prime rate borrowings were 1.50% and 0.50%, respectively, with excess availability of approximately $103.6 million, which represents revolver borrowing capacity of $118.1 million less U.S. letters of credit outstanding of $14.4 million.

The ABL Revolving Credit Facility replaced the $1,050.0 million Third Amended and Restated Credit Agreement (the "Prior Senior Credit Facility"), which was entered into on January 3, 2014. The Prior Senior Credit Facility included three different loan facilities. The first was a revolving facility in the amount of $500.0 million, with a term of five years. The second facility was a Term Loan A in the aggregate amount of $350.0 million, with a term of five years. The third facility was a Term Loan B in the amount of $200.0 million, with a term of seven years.

In the first quarter of 2016, the Company terminated the Prior Senior Credit Facility along with $175.0 million notional amount of float-to-fixed interest rate swaps related to one of its prior term loans, resulting in a loss of $5.9 million for the write-off of deferred financing expenses and $4.3 million for the termination of interest rate swaps. Prior to termination of the Prior Senior Credit Facility in March 2016, the highest daily borrowing was $234.0 million, the average borrowing was $117.4 million, and the average annual interest rate was 3.5%.

On February 18, 2016, the Company entered into an indenture with Wells Fargo Bank, N.A., as trust and collateral agent, and completed the sale of $260.0 million aggregate principal amount of its 2021 Notes. Interest on the 2021 Notes is payable semi-annually in February and August of each year. The 2021 Notes were sold pursuant to exemptions from registration under the Securities Act of 1933.

Both the ABL Revolving Credit Facility and indenture governing the 2021 Notes include customary covenants and events of default which include, without limitation, restrictions on indebtedness, capital expenditures, restricted payments, disposals, investments and acquisitions.

Additionally, the ABL Revolving Credit Facility contains a Fixed Charge Coverage springing financial covenant, which measures the ratio of (i) consolidated earnings before interest, taxes, depreciation, amortization and other adjustments as defined in the credit agreement, to (ii) fixed charges, as defined in the related credit agreement. The financial covenant is triggered only if the Company fails to maintain minimum levels of availability under the credit facility. If triggered, the Company must maintain a Minimum Fixed Charge Coverage Ratio of 1.00 to 1.

On March 3, 2016, the Company redeemed its former 8.50% Senior Notes due 2020 (the “Prior 2020 Notes”) and 5.875% Senior Notes due 2022 (the “Prior 2022 Notes”) for $625.5 million and $330.5 million, or 104.250% and 110.167% as expressed as a percentage of the principal amount, respectively.

The redemption of the Prior 2020 Notes resulted in a loss on debt extinguishment of $31.5 million during the first quarter of 2016 and consisted of $24.6 million related to redemption premium and $6.9 million related to write-off of deferred financing fees. Previously monetized derivative assets related to fixed-to-float interest rate swaps were treated as an increase to the debt balance of the Prior 2020 Notes and were being amortized to interest expense over the life of the original swap. As a result of the redemption, the remaining monetization balance of $11.8 million as of March 3, 2016 was amortized as a reduction to interest expense during the first quarter of 2016.

The redemption of the Prior 2022 Notes resulted in a loss on debt extinguishment of $34.6 million during the first quarter of 2016 and consisted of $31.2 million related to redemption premium and $3.4 million related to write-off of deferred financing fees. Previously, derivative liabilities related to termination of fixed-to-float swaps were treated as a decrease to the debt balance of the Prior 2022 Notes and were being amortized to interest expense over the life of the original swap. As a result of the redemption, the remaining balance of $0.7 million as of March 3, 2016 was amortized as an increase to interest expense during the first quarter of 2016.

Outstanding balances under the Company's Prior Senior Credit Facility, Prior 2020 Notes and Prior 2022 Notes were repaid with proceeds from the 2021 Notes and a cash dividend from MFS in conjunction with the Spin-Off.

The aggregate scheduled maturities of outstanding debt obligations in subsequent years are as follows (in millions):

Year		
2018	$	8.2
2019		6.7
2020		3.8
2021		266.2
2022		0.4
Thereafter		0.7
Total	$	286.0

- The table of scheduled maturities above does not agree to the Company’s total debt as of December 31, 2017 as shown on the Consolidated Balance Sheet due to $8.0 million of OID and $3.1 million of deferred financing costs.

As of December 31, 2017, 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 2021 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.

11. Accounts Receivable Securitization

The Company maintains an accounts receivable securitization program with a commitment size of $75.0 million, whereby transactions under the program are accounted for as sales in accordance with ASC Topic 860, “Transfers and Servicing.”

On March 3, 2016, the Company replaced the Fifth Amended and Restated Receivables Purchase Agreement dated December 15, 2014 (“Prior RPA”) and entered into 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.

Under the RPA (and the related Purchase and Sale Agreements referenced in the RPA), the Company’s domestic trade accounts receivable are sold to MTW Funding which, in turn, sells, conveys, transfers and assigns to a third-party financial institution (“Purchaser”) all of MTW Funding's rights, title and interest in a pool of receivables.

The Purchaser receives ownership of the pool of receivables in each instance. New receivables are purchased by MTW Fundin g and resold to the Purchaser to replace previously sold investments discharged through normal cash collection processes. The Company acts as the servicer (in such capacity, the "Servicer") of the receivables and, as such, administers, collects and otherwi se enforces the receivables. The Servicer is compensated for doing so on terms that are generally consistent with what would be charged by an unrelated servicer. The Servicer initially receives payments made by obligors on the receivables but is required t o remit those payments to the Purchaser in accordance with the RPA. The Purchaser has no recourse for uncollectible receivables.

Trade accounts receivables sold to the Purchaser and being serviced by the Company totaled $695.2 million and $600.3 million as of December 31, 2017 and 2016, respectively. Cash proceeds received from customers related to the receivables previously sold for the twelve months ended December 31, 2017 and 2016 were $645.5 million and $627.2 million, respectively.

Sales of trade receivables under the program reflected as a reduction of accounts receivable in the accompanying Consolidated Balance Sheets were $31.8 million and $19.5 million as of December 31, 2017 and 2016, respectively. The proceeds received, including collections on the deferred purchase price notes, are included in cash flows from operating activities in the accompanying Consolidated Statements of Cash Flows. The Company deems the interest rate risk related to the deferred purchase price notes to be de minimis, primarily because the average collection cycle of the related receivables is less than 60 days; and as such, the fair value of the Company's deferred purchase price notes approximates book value. The fair value of the deferred purchase price notes recorded as of December 31, 2017 and December 31, 2016 was $60.6 million and $30.6 million, respectively, and is included in accounts receivable in the accompanying Consolidated Balance Sheets.

The securitization program contains customary affirmative and negative covenants. Among other restrictions, these covenants require the Company to meet specified financial tests, which include a minimum fixed charge coverage ratio which is the same as the covenant ratio required per the ABL Revolving Credit Facility. As of December 31, 2017, the Company was in compliance with all affirmative and negative covenants inclusive of the financial covenants pertaining to the RPA, as amended. Based on management's current plans and outlook, the Company believes it will be able to comply with these covenants during the subsequent twelve months.

The Company's Prior RPA was entered into on December 15, 2014. Under the Prior RPA (and the related Purchase and Sale Agreements referenced in the Prior RPA), the Company's domestic trade accounts receivable were sold to certain affiliates of the Company which, in turn, then sold, conveyed, transferred and assigned to a third-party financial institution, all of the right, title and interest in and to the pool of receivables. The Prior RPA was subsequently amended to make various changes; such as in the originators and servicers thereunder and in the obligations of various MFS-related entities, generally in anticipation of the Spin-Off.

12. Income Taxes

Income (loss) from continuing operations are summarized below:

(in millions)	2017	2016	2015
(Loss) income from continuing operations before income taxes:			
Domestic	$ (98.5)	$ (293.0)	$ (184.0)
Foreign	59.0	24.9	73.0
Total	$ (39.5)	$ (268.1)	$ (111.0)

Income tax provision (benefit) from continuing operations is summarized as follows:

(in millions)	2017	2016	2015
Current:			
Federal and state	$ (12.8)	$ (13.0)	$ (48.6)
Foreign	7.4	12.1	11.9
Total current	$ (5.4)	$ (0.9)	$ (36.7)
Deferred:			
Federal and state	$ (7.0)	$ 98.7	$ (8.3)
Foreign	(37.1)	2.7	3.9
Total deferred	$ (44.1)	$ 101.4	$ (4.4)
Provision (benefit) for taxes on income	$ (49.5)	$ 100.5	$ (41.1)

The federal statutory income tax rate is reconciled to the Company's effective income tax rate for continuing operations for the years ended December 31, 2017, 2016 and 2015 as follows:

	2017	2016	2015
Federal income tax at statutory rate	35.0%	35.0%	35.0%
State income provision (benefit)	16.3	2.3	5.7
Manufacturing & research incentives	7.9	2.0	(0.4)
Taxes on foreign income which differ from the U.S. statutory rate	41.5	2.4	8.3
Adjustments for unrecognized tax benefits	0.5	(4.0)	1.5
Adjustments for valuation allowances	287.7	(69.8)	(8.5)
Spin-off tax costs	—	(1.3)	(1.8)
U.S. Tax Reform	(228.3)	—	—
Other items	(35.4)	(4.1)	(2.8)
Effective tax rate	125.2%	(37.5)%	37.0%

On December 22, 2017, the President of the United States signed into law the Tax Reform Act. The legislation significantly changes U.S. tax law by, among other things, lowering corporate income tax rates, and imposing a repatriation tax on deemed repatriated earnings of foreign subsidiaries. The Tax Reform Act permanently reduces the U.S. corporate income tax rate from a maximum of 35% to a flat 21% rate, effective January 1, 2018. As a result of the reduction in the U.S. corporate income tax rate from 35% to 21% under the Tax Reform Act, the Company revalued its ending net deferred tax assets and offsetting valuation allowance at December 31, 2017, resulting in a net tax benefit of $6.5 million.

The Tax Reform Act provided for a one-time deemed mandatory repatriation of post-1986 undistributed foreign subsidiary earnings and profits ("E&P") through the year ended December 31, 2017. The Company calculated a provisional $54.0 million of federal and state income tax expense for this item. After the utilization of net operating losses, the Company expects no U.S. cash tax impact.

On December 22, 2017, the SEC staff issued Staff Accounting Bulletin No. 118 ("SAB 118") to address the application of U.S. GAAP in situations when a registrant does not have the necessary information available, prepared, or analyzed (including computations) in reasonable detail to complete the accounting for certain income tax effects of the Tax Reform Act. The Company has recognized the provisional federal and state tax impacts related to deemed repatriated earnings and the revaluation of deferred tax assets and liabilities and included these amounts in its consolidated financial statements for the year ended December 31, 2017. The ultimate impact may differ from these provisional amounts, possibly materially, due to, among other things, additional analysis, changes in interpretations and assumptions the Company has made, additional regulatory guidance that may be issued, and actions the Company may take as a result of the Tax Reform Act. In addition, the Company is still analyzing its permanent reinvestment assertion in light of the Tax Reform Act. The accounting is expected to be complete in the fourth quarter of 2018.

Beginning in 2018, the Tax Reform Act includes two new U.S. corporate tax provisions, the global intangible low-taxed income ("GILTI") and the base-erosion and anti-abuse tax ("BEAT") provisions. The GILTI provision require the Company to include in its U.S. income tax return foreign subsidiary earnings in excess of an allowable return on the foreign subsidiary's tangible assets. The BEAT provision in the Tax Reform Act eliminate the deduction of certain base-erosion payments made to related foreign corporates, and impose a minimum tax if greater than regular tax. The Company is still evaluating the potential impact of the GILTI and BEAT provisions and accordingly has not recorded a provisional estimate for the year ended December 31, 2017.

The 2017, 2016 and 2015 effective tax rates were favorably impacted by income earned in jurisdictions where the statutory rate was less than 35%. The rate reconciling items included above, when adjusted for actual dollar values, are consistent with prior year. The percentage impacts are higher in 2017 due to the lower consolidated pretax loss.

As of each reporting date, the Company's management considers new evidence, both positive and negative, that could impact management's view with regard to future realization of deferred tax assets. Due to the Spin-Off that occurred in the first quarter of 2016, management reevaluated the deferred tax assets related to the domestic crane operations and determined that it was more likely than not that deferred tax assets related to its domestic crane operations were not realizable and the Company recorded a valuation allowance.

The Company has recorded valuation allowances on the deferred tax assets in Brazil, China Leasing, Germany, India, Slovakia, U.K., and the U.S. as it is more likely than not that they will not be utilized. Also during 2017, the Company released a $40.2 million valuation allowance in France. The 2017 tax provision was impacted by a net decrease of $113.8 million related to valuation allowances in these jurisdictions, with the primary drivers being the French valuation allowance release noted above, Internal Revenue Service audit resolution of $13.7 million, and U.S. tax reform impact of $68.9 million.

The Company will continue to periodically evaluate its valuation allowance requirements in light of 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 in the deferred tax asset valuation allowances will be reflected in the current operations through the Company’s income tax provision and could have a material effect on operating results.

For 2017, the only significant item included in Other items was the IRS audit resolution. For 2016, the only significant item included in Other items was the net operating loss. For 2015, no items included in Other items are individually, or when appropriately aggregated, significant. Note certain prior period numbers were reclassified to conform to current year presentation.

Temporary differences and carryforwards that give rise to deferred tax assets and liabilities include the following items:

(in millions)	2017	2016
Non-current deferred tax assets (liabilities):		
Inventories	$ 16.5	$ 14.2
Accounts receivable	(5.4)	(4.6)
Property, plant and equipment	(9.7)	19.0
Intangible assets	(33.8)	(35.9)
Deferred employee benefits	47.3	71.8
Product warranty reserves	5.5	6.1
Product liability reserves	5.0	7.8
Tax credits	6.7	4.9
Loss carryforwards	159.2	145.4
Deferred revenue	7.4	10.8
Transition tax	(26.2)	—
Other	2.2	(1.7)
Total non-current deferred tax assets	174.7	237.8
Less valuation allowance	(162.3)	(269.6)
Net deferred tax assets (liabilities), non-current	$ 12.4	$ (31.8)

The net deferred tax assets (liabilities) are reflected in the Consolidated Balance Sheets for the years ended December 31, 2017 and December 31, 2016 as follows:

(in millions)	2017	2016
Long-term income tax assets, included in other non-current assets	$ 25.4	$ 4.8
Long-term deferred income tax liability	(13.0)	(36.6)
Net deferred income tax asset (liability)	$ 12.4	$ (31.8)

The Company has not provided for additional U.S. state and foreign taxes on approximately $564.6 million of undistributed earnings of consolidated non-U.S. subsidiaries included in stockholders' equity. Such earnings could become taxable upon sale or liquidation of these non-U.S. subsidiaries or upon dividend repatriation of cash balances. The amount of unrecognized tax liability on such earnings is not material. At December 31, 2017, approximately $83.1 million of the Company's total cash and cash equivalents were held by its foreign subsidiaries. This cash is associated with earnings that the Company has asserted are permanently reinvested. The Company has no current plans to repatriate cash or cash equivalents held by its foreign subsidiaries because it plans to reinvest such cash and cash equivalents to support its operations and continued growth plans outside the U.S. through the funding of capital expenditures, acquisitions, research, operating expenses or other similar cash needs of these operations. Further, the Company does not currently forecast a need for these funds in the U.S. because its U.S. operations and debt service are supported by the cash generated by its U.S. operations.

The Company has approximately $131.3 million of domestic federal loss carryforwards, which are available to reduce future domestic federal tax liabilities. The federal net operating loss carryforward expires 2036-2037. All of the domestic loss carryforwards are offset by a valuation allowance.

The Company has approximately $657.3 million of state net operating loss carryforwards, which are available to reduce future state tax liabilities. These state net operating loss carryforwards expire at various times through 2037. The Company has recorded a full valuation allowance related to the state net operating losses.

The Company has approximately $396.5 million of foreign loss carryforwards, which are available to reduce future foreign tax liabilities. Substantially all of the foreign loss carryforwards are not subject to any time restrictions on their future use, and $242.9 million are offset by a valuation allowance.

The Company or one of its subsidiaries files income tax returns in the U.S. federal jurisdiction, and various state and foreign jurisdictions. The following table provides the open tax years for which the Company could be subject to income tax examination by the tax authorities in its major jurisdictions:

Jurisdiction	Open Years
U.S. Federal	2012 — 2017
China	2007 — 2017
France	2013 — 2017
Germany	2011 — 2017

Among other regular and ongoing examinations by federal and state jurisdictions globally, the Company closed the audit with the Internal Revenue Service for calendar years 2012 to 2014. The statute is still open for these years; however, no adjustments are anticipated. There have been no significant developments with respect to the Company's ongoing tax audits in other jurisdictions.

The Company regularly assesses the likelihood of an adverse outcome resulting from examinations to determine the adequacy of its tax reserves. As of December 31, 2017, the Company believes that it is more likely than not that the tax positions it has taken will be sustained upon the resolution of its audits resulting in no material impact on its consolidated financial position and the results of operations and cash flows. However, the final determination with respect to any tax audits, and any related litigation, could be materially different from the Company's estimates and/or from its historical income tax provisions and accruals and could have a material effect on operating results and/or cash flows in the periods for which that determination is made. In addition, future period earnings may be adversely impacted by litigation costs, settlements, penalties, and/or interest assessments.

During the years ended December 31, 2017, 2016 and 2015, the Company recorded a change to gross unrecognized tax benefits including interest and penalties of $(1.7) million, $4.9 million, and $(1.9) million, respectively.

During the years ended December 31, 2017, 2016 and 2015, the Company recognized in the Consolidated Statements of Operations $0.3 million, $2.8 million, and $(0.5) million, respectively, for interest and penalties related to uncertain tax liabilities, which the Company recognizes as a part of income tax expense. As of December 31, 2017 and 2016, the Company has accrued interest and penalties of $7.7 million and $7.4 million, respectively.

A reconciliation of the beginning and ending amount of unrecognized tax benefits for the years ended December 31, 2017, 2016 and 2015 is as follows:

(in millions)	2017	2016	2015
Balance at beginning of year	$ 21.5	$ 19.4	$ 20.8
Additions based on tax positions related to the current year	0.9	1.1	1.3
Additions for tax positions of prior years	4.9	5.0	0.2
Reductions for tax positions of prior years	(0.5)	(3.6)	—
Reductions based on settlements with taxing authorities	(6.7)	—	—
Reductions for lapse of statute	(0.6)	(0.4)	(2.9)
Balance at end of year	$ 19.5	$ 21.5	$ 19.4

Approximately $13.1 million, $14.6 million, and $9.9 million of the Company's unrecognized tax benefits as of December 31, 2017, 2016, and 2015 would affect the effective tax rate. Note certain prior period numbers were reclassified to conform to current year presentation.

During the next twelve months, it is reasonably possible that federal, state and foreign tax audit resolutions could reduce unrecognized tax benefits and income tax expense by up to $9.0 million, either because the Company's tax positions are sustained on audit or settled, or the applicable statute of limitations closes.

The Company has a Tax Matters Agreement with Manitowoc Foodservice, Inc. that provides that MFS shall be liable for and shall indemnify the Company against certain U.S. (including states) and foreign income taxes resulting from tax obligations arising due to operations reported on a separate company basis prior to March 4, 2016, where MFS has retained the legal entity post Spin-Off. In addition, the Company is liable for and shall indemnify MFS against certain U.S. (including states) and foreign income taxes arising due to operations prior to March 4, 2016, where such taxes result from combined filings (i.e., when the legal entities of the Company filed as a combined group with legal entities of MFS prior to the Spin-Off) or relate to operations where the Company has retained the legal entity past separation.

13. Earnings Per Share

Basic earnings (loss) per share is computed as net earnings (loss) divided by the basic weighted average common shares outstanding of 35.1 million, 34.4 million and 34.0 million for the year ended December 31, 2017, 2016 and 2015, respectively. The calculation of diluted earnings (loss) per share includes the effect of any dilutive equity incentive instruments. The Company uses the treasury stock method to calculate the effect of outstanding dilutive equity incentive instruments, which requires the Company to compute total proceeds as the sum of the amount the employee must pay upon exercise of the award and the amount of unearned stock-based compensation costs attributable to future services.

Equity incentive instruments for which the 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 approximately 36,300 common shares were excluded from the computation of diluted net earnings per share for the year ended December 31, 2017. Due to the net loss incurred during the year ended December 31, 2016 and 2015, the assumed exercise of all equity incentive instruments was anti-dilutive and, therefore, not included in the diluted loss per share calculation for these periods.

The following is a reconciliation of the average shares outstanding used to compute basic and diluted earnings per share:

	2017	2016	2015
Basic weighted average common shares outstanding	35,111,594	34,441,777	34,009,048
Effect of dilutive securities - stock awards	743,308	—	—
Diluted weighted average common shares outstanding	35,854,902	34,441,777	34,009,048

14. Equity

Authorized capitalization consists of 75 million shares of $0.01 par value common stock and 3,500,000 shares of $0.01 par value preferred stock. None of the preferred shares have been issued.

The amount and timing of any dividends are determined by the Board of Directors at its regular meetings each year, subject to limitations within the indenture governing the Company's 2021 Notes and the Company's ABL Revolving Credit Facility. No cash dividends were declared or paid in the years ended December 31, 2017 and 2016. In the year ended December 31, 2015, the Company paid an annual dividend of $0.08 per share in the fourth quarter.

Currently, the Company has authorization to purchase up to .6 million shares of common stock at management's discretion; however, the Company has certain restrictions from repurchasing shares of its capital stock or other equity interests under various covenants of its debt agreement. Further, the Company has not purchased any shares of its common stock under this authorization since 2006.

The components of accumulated other comprehensive income (loss) as of December 31, 2017 and 2016 are as follows:

(in millions)	2017	2016
Foreign currency translation	$ (52.4)	$ (110.8)
Derivative instrument fair market value, net of income taxes of $(0.3) and $(0.3)	0.1	(0.3)
Employee pension and postretirement benefit adjustments, net of income taxes of $(14.9) and $(19.0)	(45.1)	(51.8)
	$ (97.4)	$ (162.9)

Table of Contents

A reconciliation for the changes in accumulated other comprehensive income (loss), net of tax, by component for the year ended December 31, 2016 and December 31, 2017 is as follows:

(in millions)	Gains and Losses on Cash Flow Hedges	Pension & Postretirement	Foreign Currency Translation	Total
Balance at December 31, 2015	$ (3.8)	$ (82.6)	$ (121.4)	$ (207.8)
Other comprehensive loss before reclassifications	(2.9)	(8.6)	(20.4)	(31.9)
Amounts reclassified from accumulated other comprehensive loss	4.3	4.5	—	8.8
Net current period other comprehensive income (loss)	1.4	(4.1)	(20.4)	(23.1)
Distribution of MFS	2.1	34.9	31.0	68.0
Balance at December 31, 2016	(0.3)	(51.8)	(110.8)	(162.9)
Other comprehensive income (loss) before reclassifications	(0.3)	7.0	58.4	65.1
Amounts reclassified from accumulated other comprehensive income (loss)	0.7	(0.3)	—	0.4
Net current period other comprehensive income	0.4	6.7	58.4	65.5
Balance at December 31, 2017	$ 0.1	$ (45.1)	$ (52.4)	$ (97.4)

A reconciliation for the reclassifications out of accumulated other comprehensive income, net of tax, for the year ended December 31, 2017 is as follows:

(in millions)	Amount Reclassified from Accumulated Other Comprehensive Income	Recognized Location
Gains and losses on cash flow hedges		
Foreign exchange contracts	$ (0.7)	Cost of sales
	(0.7)	Total before tax
	—	Tax expense
	$ (0.7)	Net of tax
Amortization of pension and postretirement items		
Actuarial losses	$ (5.2) (a)	
Amortization of prior service cost	1.3 (a)	
	(3.9)	Total before tax
	4.2	Tax expense
	$ 0.3	Net of Tax
Total reclassifications for the period	$ (0.4)	Net of Tax

(a) These other comprehensive income components are included in the computation of net periodic pension cost (see Note 20, “Employee Benefit Plans,” for further details).

A reconciliation for the reclassifications out of accumulated other comprehensive income, net of tax, for the year ended December 31, 2016 is as follows:

(in millions)	Amount Reclassified from Accumulated Other Comprehensive Income	Recognized Location
Gains and losses on cash flow hedges		
Foreign exchange contracts	$ (0.9)	Cost of sales
Commodity contracts	(0.2)	Cost of sales
Interest rate swap contracts: Float-to-fixed	(4.3)	Interest expense
	(5.4)	Total before tax
	1.1	Tax benefit
	$ (4.3)	Net of tax
Amortization of pension and postretirement items		
Actuarial losses	$ (4.6) (a)	
Amortization of prior service cost	(0.1) (a)	
	(4.7)	Total before tax
	0.2	Tax benefit
	$ (4.5)	Net of Tax
Total reclassifications for the period	$ (8.8)	Net of Tax

(a) These other comprehensive income components are included in the computation of net periodic pension cost (see Note 20, “Employee Benefit Plans,” for further details).

A reconciliation for the reclassifications out of accumulated other comprehensive income, net of tax, for the year ended December 31, 2015 is as follows:

(in millions)	Amount Reclassified from Accumulated Other Comprehensive Income	Recognized Location
Gains and losses on cash flow hedges		
Foreign exchange contracts	$ (11.7)	Cost of sales
Commodity contracts	(4.0)	Cost of sales
Interest rate swap contracts: Float-to-fixed	(2.6)	Interest expense
	(18.3)	Total before tax
	6.8	Tax expense
	$ (11.5)	Net of tax
Amortization of pension and postretirement items		
Actuarial losses	$ (7.5) (a)	
Amortization of prior service cost	(0.1) (a)	
	(7.6)	Total before tax
	2.1	Tax benefit
	$ (5.5)	Net of Tax
Total reclassifications for the period	$ (17.0)	Net of Tax

(a) These other comprehensive income components are included in the computation of net periodic pension cost (see Note 20, “Employee Benefit Plans,” for further details).

15. Stock-Based Compensation

The Company's 2013 Omnibus Incentive Plan (the "2013 Omnibus Plan") was approved by shareholders on May 7, 2013 and replaced the 2003 Incentive Stock and Awards Plan (the "2003 Stock Plan") and 2004 Non-Employee Director Stock and Awards Plan (the "2004 Stock Plan"). The 2013 Omnibus Plan also replaced the Company's Short-Term Incentive Plan (the "STIP") as of December 31, 2013. The 2003 Stock Plan, the 2004 Stock Plan and the STIP are referred to as the "Prior Plans." No new awards may be granted under the Prior Plans after the respective termination dates, but the Prior Plans continue to govern awards outstanding; outstanding awards will continue in force and effect until vested, exercised or forfeited pursuant to their terms. The 2013 Omnibus Plan provides for both short-term and long-term incentive awards for employees and non-employee directors. Stock-based awards may take the form of stock options, stock appreciation rights, restricted stock, restricted stock units, and performance share or performance unit awards. Following amendments to the 2013 Omnibus Plan to reflect the effect of the Spin-Off of MFS and the November 2017 1-for-4 reverse stock split, the total number of shares of the Company's common stock available for awards under the 2013 Omnibus Plan is 7,477,395 shares.

The 2003 Stock Plan and the 2013 Omnibus Plan provided for both short-term and long-term incentive awards for employees, and the 2013 Omnibus Plan also provided for granting of long-term incentive awards for non-employee members of the Board of Directors. Options granted prior to 2011 became exercisable in 25% increments beginning on the second anniversary of the grant date over a four-year period and expire ten years subsequent to the grant date. Option grants to employees beginning in 2011 became exercisable in 25% increments beginning on the first anniversary of the grant date over a four-year period and expire ten years subsequent to the grant date. Beginning in 2017, grants to officers and directors are exercisable in three annual increments over a three-year period beginning on the first anniversary of the date and expire 10 years subsequent to the grant date. Restrictions on restricted stock awards and restricted stock units granted to employees lapse 100% on the third anniversary of the grant date. Restrictions on restricted stock units granted to non-employee members of the Board of Directors lapse 100% on the second anniversary of the grant date. Performance shares 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. An explanation of the performance goals and the applicable performance period for the 2016 and 2014 awards is set forth below.

The 2004 Stock Plan provided for the granting of stock options to non-employee members of the Board of Directors. No new awards may be made under the 2004 Stock Plan. Stock options awarded under the plan were granted at an exercise price equal to the market price of the common stock at the date of grant and vest immediately and expire ten years subsequent to the grant date. Restrictions on restricted stock awarded to date under the plan lapse on the third anniversary of the award date.

The Company recognizes expense for all stock-based compensation on a straight-line basis over the vesting period of the entire award.

Total stock-based compensation expense recognized within engineering, selling and administrative expenses in the Consolidated Statements of Operations was $6.3 million, $4.9 million and $9.7 million during 2017, 2016 and 2015, respectively. In 2016, the Company also recognized $2.8 million of expense before tax related to restricted stock retention awards and modification of performance awards due to the Spin-Off, and $1.3 million of expense before tax related to the modification of stock awards associated with employee severance; these expenses are included in "other expense" and "restructuring expense," respectively, within operating earnings in the Consolidated Statements of Operations. The Company recognized stock-based compensation expense before tax of $0.0 million, $0.3 million and $4.7 million related to MFS which is included in "(loss) income from discontinued operations" in the Consolidated Statements of Operations.

Shares are issued out of treasury stock upon exercise for stock options and vesting of restricted stock awards and restricted stock units.

Stock Options

Any option grants to directors are exercisable immediately upon granting and expire ten years subsequent to the grant date. For all outstanding grants made to officers and employees prior to 2011, options become exercisable in 25% increments annually over a four-year period beginning on the second anniversary of the grant date and expire ten years subsequent to the grant date. Starting with 2011 grants to officers and directors, options become exercisable in 25% increments annually over a four-year period beginning on the first anniversary of the grant date and expire ten years subsequent to the grant date. Beginning in 2017, grants to officers and directors are exercisable in three annual increments over a three-year period beginning on the first anniversary of the date and expire 10 years subsequent to the grant date.

The Company granted options to acquire 273,800, 439,741 and 151,827 shares of common stock during 2017, 2016 and 2015, respectively. Stock-based compensation expense is calculated by estimating the fair value of incentive and non-qualified stock options at the time of grant and is amortized over the stock options' vesting period. The Company re cognized $1.9 million, $1.8 million and $3.7 million of compensation expense before taxes associated with stock options during 2017, 2016 and 2015, respectively.

A summary of the Company's stock option activity is as follows (the weighted average exercise price per share has been adjusted for the Spin-Off and November 2017 1-for-4 reverse stock split):

	Shares	Weighted Average Exercise Price	Aggregate Intrinsic Value
Options outstanding as of January 1, 2016	1,397,571	$ 15.51	
Granted	439,741	17.20	
Exercised	(712,514)	13.09	
Forfeited	(97,842)	16.38	
Cancelled	(61,056)	18.68	
Options outstanding as of December 31, 2016	965,900	17.76	
Granted	273,800	25.68	
Exercised	(258,699)	19.86	
Forfeited	(78,100)	20.16	
Cancelled	(26,536)	27.29	
Options outstanding as of December 31, 2017	876,365	$ 19.13	$ 17.8
Options exercisable as of:			
December 31, 2017	372,206	$ 15.97	$ 8.7

The Company uses the Black-Scholes valuation model to value stock options. The Company used its historical stock prices as the basis for its volatility assumption for grants prior to the Spin-Off. For grants after the Spin-Off, the Company used an average of historical stock prices of selected peers. The assumed risk-free rates were based on ten-year U.S. Treasury rates in effect at the time of grant. The expected option life represents the period of time that the options granted are expected to be outstanding and is based on historical experience.

As of December 31, 2017, the Company has $2.7 million of unrecognized compensation expense before tax related to stock options, which will be recognized over a weighted average period of 2.1 years.

The weighted average fair value of options granted per share during the years ended December 31, 2017, 2016 and 2015 was $12.16, $8.20 and $43.72, respectively. The fair value of each option grant was estimated at the date of grant using the Black-Scholes option-pricing method with the following assumptions:

	2017	2016	2015
Expected Life (years)	6.5	6.5	6.0
Risk-free Interest rate	2.2%	1.6%	1.8%
Expected volatility	45.0%	45.0%	56.0%
Expected dividend yield	—%	—%	0.3%

For the years ended December 31, 2017, 2016 and 2015, the total intrinsic value of stock options exercised was $3.0 million, $6.3 million and $5.6 million, respectively.

Restricted Stock Awards

The Company granted 80,548 of restricted stock awards to employees in 2015 as retention awards to provide incentive for the employees to continue in employment and contribute toward the successful completion of the separation. Under the retention agreements, the restricted shares will vest on the second anniversary of the Spin-Off if the employee has been continuously employed with the Company or an affiliate through that second anniversary.

The Company recognized zero ($0.0), $1.8 million and $.3 million of compensation expense a ssociated with restricted stock awards for the years ended December 31, 2017, 2016 and 2015, respectively. Restricted stock award expense is based on the fair value of the Company’s shares as of the grant date.

A summary of activity for restricted stock awards for the year ended December 31, 2017 is as follows:

	Shares	Weighted Average Grant Date Fair Value
Unvested as of January 1, 2017	39,028	$ 86.92
Granted	—	—
Vested	(11,058)	86.92
Forfeited	(5,544)	86.92
Unvested as of December 31, 2017	22,426	$ 86.92

As of December 31, 2017, the Company has zero ($0.0) of unrecognized compensation expense before tax related to restricted stock awards.

Restricted Stock Units

The Company granted 267,902, 362,293 and 111,840 of restricted stock units in 2017, 2016 and 2015, respectively. The restricted stock units are earned either based on service over the vesting period, or based on service over the vesting period and on the extent to which performance goals are met over the applicable performance period (“performance shares”). The performance goals and the applicable performance period vary for performance shares each grant year. The Company recognized $4.4 million, $4.0 million and $7.5 million of compensation expense associated with restricted stock units during 2017, 2016 and 2015, respectively.

The restricted stock units granted to employees in 2017 generally vest on the third anniversary of the grant date, assuming continued employment. The restricted stock units granted to directors in 2017 vest on the second anniversary of the grant date, assuming continued service. The performance shares granted in 2017 are earned based on the extent to which performance goals are met by the Company over a three-year period from January 1, 2017 to December 31, 2019. The performance goals for the performance shares granted in 2017 were based fifty percent (50%) on total shareholder return relative to a peer group of companies over the three-year period and fifty percent (50%) on meeting targeted adjusted EBITDA margin at the end of the three-year period. Depending on the foregoing factors, the number of shares awarded could range from zero to approximately 230,000 for the 2017 performance share grants. For the performance awards, the expense is based on the fair value of the Company's shares as of the grant date for the adjusted EBITDA margin criteria and a Monte Carlo model for the total shareholder return criteria.

The restricted stock units granted to employees in 2016 generally vest on the third anniversary of the grant date, assuming continued employment. The restricted stock units granted to directors in 2016 vest on the second anniversary of the grant date, assuming continued service. The performance shares granted in 2016 are earned based on the extent to which performance goals are met by the Company over a three-year period from January 1, 2016 to December 31, 2018. The performance goals for the performance shares granted in 2016 were based fifty percent (50%) on total shareholder return relative to a peer group of companies over the three-year period and fifty percent (50%) on return on invested capital over the three-year period. Depending on the foregoing factors, the number of shares awarded could range from zero to approximately 400,000 for the 2016 performance share grants. For the performance awards, the expense is based on the fair value of the Company's shares as of the grant date for the return on invested capital or adjusted EBITDA criteria and a Monte Carlo model for the total shareholder return criteria.

The restricted stock units granted to employees in 2015 generally vest on the third anniversary of the grant date, assuming continued employment. The restricted stock units granted to directors in 2015 generally vest on the second anniversary of the grant date, assuming continued service. Performance shares were not granted in 2015 due to the anticipated Spin-Off.

A summary of activity for restricted stock units for the year ended December 31, 2017 is as follows:

	Shares	Weighted Average Grant Date Fair Value
Unvested as of January 1, 2017	465,117	$ 44.08
Granted	267,902	25.87
Vested	(72,891)	96.59
Forfeited	(66,029)	27.72
Unvested as of December 31, 2017	594,099	$ 29.18

As of December 31, 2017, the Company has $4.3 million of unrecognized compensation expense before tax related to restricted stock units which will be recognized over a weighted average period of 1.8 years.

16. Segments

The Company reports segment information based on the “management” approach. The management approach designates the internal reporting used by the CEO, who is also the Company’s Chief Operating Decision Maker, for making decisions about the allocation of resources and assessing performance as the source of the Company’s reportable operating segments.

Effective in the fourth quarter of 2017, the Company changed its operating segments, which are also the Company’s reportable segments, as a result of operational changes to flatten the organization and regionalize our sales approach. Prior to the operational changes, the Company had one reportable segment, Cranes. As a result of the operational changes, which were finalized and implemented in the fourth quarter of 2017, the business began to be managed on a regional basis. Under the regional operating structure, each geographic region is managed separately to better align with the location of the Company’s customers and the unique market dynamics of each geographic region. In the fourth quarter of fiscal 2017, the Company identified the Americas, EURAF, and MEAP as the reportable segments. The Americas operating segment includes the North American and South American continents. The EURAF operating segment includes the continents of Europe and Africa. The MEAP operating segment includes the Asia and Australian continents and the Middle East region. The accounting policies of the various segments are the same as those described in Note 2, “Summary of Significant Accounting Policies.”

The CODM evaluates the performance of its reportable segments based on net sales and operating income. Net sales for geographic segments are based on the geographic region that sells the products. 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 reportable 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 reportable 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 following table shows information by reportable segment for the years ended December 31, 2017, 2016 and 2015 (in millions):

	2017		2016		2015	
Net Sales						
Americas	$	693.6	$	736.3	$	941.3
EURAF		628.9		560.4		498.9
MEAP		258.8		316.4		425.5
Total	$	1,581.3	$	1,613.1	$	1,865.7
Segment Operating Income (Loss)						
Americas	$	6.8	$	(37.1)	$	22.5
EURAF		2.3		(36.5)		(28.9)
MEAP		32.9		44.8		60.5
Total	$	42.0	$	(28.8)	$	54.1
Depreciation						
Americas	$	18.6	$	24.5	$	28.4
EURAF		15.0		15.7		15.9
MEAP		3.8		4.6		5.4
Corporate		0.7		0.8		0.9
Total	$	38.1	$	45.6	$	50.6
Capital Expenditures						
Americas	$	10.6	$	14.5	$	26.9
EURAF		14.3		26.9		23.4
MEAP		3.9		4.5		3.7
Corporate		0.1		—		0.9
Total	$	28.9	$	45.9	$	54.9

A reconciliation of the Company's segment operating income (loss) to the consolidated statement of operations for the years ended December 31, 2017, 2016 and 2015 was as follows (in millions):

	2017	2016	2015
Segment operating income (loss)	$ 42.0	$ (28.8)	$ 54.1
Unallocated corporate expenses	(36.9)	(42.1)	(62.8)
Asset impairment expense	—	(77.4)	—
Restructuring expense	(3.6)	(2.0)	(3.7)
Other operating income (expense) - net	(0.4)	(3.0)	—
Total operating income (loss)	$ 1.1	$ (153.3)	$ (12.4)

Net sales from continuing operations and long-lived asset information by geographic area as of and for the years ended December 31 are included below. Long-lived assets are defined as property, plant and equipment-net and other non-current assets, excluding goodwill, other intangible assets-net and deferred tax assets.

	Net Sales			Long-Lived Assets	
(in millions)	**2017**	**2016**	**2015**	**2017**	**2016**
United States	$ 618.5	$ 641.3	$ 784.5	$ 119.1	$ 152.9
Other North America	42.0	61.9	87.2	—	—
Europe	601.3	520.7	418.9	144.2	129.9
Asia	97.8	159.1	184.8	62.9	50.5
Middle East	102.6	119.6	193.8	1.3	1.4
Central and South America	27.1	24.9	63.7	9.3	10.8
Africa	27.6	39.7	80.0	—	—
Caribbean	6.0	8.2	5.9	—	—
Australia	58.4	37.7	46.9	0.3	0.4
Total	$ 1,581.3	$ 1,613.1	$ 1,865.7	$ 337.1	$ 345.9

Net sales by product for 2017, 2016, and 2015 are as follows (in millions):

	2017	2016	2015
Cranes	$ 1,270.5	$ 1,311.1	$ 1,564.3
Aftermarket parts and other*	310.8	302.0	301.4
Total net sales	$ 1,581.3	$ 1,613.1	$ 1,865.7

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

17. Commitments and Contingencies

As of December 31, 2017, 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. The high-end of the Company's self-insurance retention level is a legacy product liability insurance program inherited in the Grove acquisition for cranes manufactured in the United States for occurrences from January 2000 through October 2002. As of December 31, 2017, 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 in the Consolidated Balance Sheets at December 31, 2017 and December 31, 2016 were $20.8 million and $21.7 million, respectively, which 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.

At December 31, 2017, and December 31, 2016, the Company had reserved $35.2 million and $28.6 million, respectively, for warranty claims included in product warranties and other non- current liabilities in the Consolidated Balance Sheets. Certain of these warranty and other related claims involve matters in dispute that ultimately are resolved by negotiations, arbitration, or litigation. See Note 18, "Guarantees," for further informa tion.

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.

The Company is also 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 of all matters is not expected to have a material adverse effect on the Company's financial condition, results of operations, or cash flows.

It is reasonably possible that the estimates for warranty costs, product liability, asbestos-related claims and other various legal matters may change in the near future 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.

18. Guarantees

The Company periodically enters into transactions with customers that provide for residual value guarantees and buyback commitments. These initial transactions are recorded as deferred revenue and are amortized to income on a straight-line basis over a period equal to that of the customer's third-party financing agreement. The deferred revenue included in accounts payable and accrued expenses and non-current liabilities at December 31, 2017 and December 31, 2016 was $29.7 million and $30.4 million, respectively. The total amount of residual value guarantees and buyback commitments given by the Company and outstanding at December 31, 2017 and December 31, 2016 was $28.2 million and $32.8 million, respectively. These amounts are not reduced for amounts the Company would recover from repossessing and subsequent resale of the units. The residual value guarantees and buyback commitments expire at various times through 2019.

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 warranty generally provides 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. Below is a table summarizing the warranty activity for the years ended December 31, 2017 and 2016:

(in millions)	2017	2016
Balance at beginning of period	$ 28.6	$ 32.4
Accruals for warranties issued during the period	34.6	20.4
Settlements made (in cash or in kind) during the period	(29.9)	(23.7)
Currency translation	1.9	(0.5)
Balance at end of period	$ 35.2	$ 28.6

19. Restructuring and Asset Impairments

The Company initiated restructuring plans in 2015 to focus on its cranes business and Spin-Off of MFS. The Spin-Off was completed in the first quarter of 2016. Refer to Notes 1 and 3 for further information regarding the Spin-Off. The Company is continuing its restructuring activities to right-size the business by balancing capacity with demand. During the years ended December 31, 2017, 2016 and 2015, the Company incurred $27.2 million, $23.4 million and $9.4 million of restructuring expense, respectively. These costs related primarily to employee termination benefits associated with workforce reductions. The workforce reductions are part of ongoing manufacturing and operations rationalization programs, including the closure of the Company's manufacturing facility in Manitowoc, WI which was completed in 2017. The restructuring expense for the year ended December 31, 2017, and December 31, 2016 included $2.8 million and $2.3 million, respectively, of expense related to executive severance.

The following is a roll-forward of the Company's restructuring activities for the twelve months ended December 31, 2017 (in millions):

	Restructuring Reserve Balance as of December 31, 2016	Restructuring Expenses	Use of Reserve	Reserve Reclassifications	Restructuring Reserve Balance as of 2017
Total	$ 8.2	$ 27.2	$ 28.8	$ 1.0	$ 5.6

The Company recorded $.1 million of asset impairment expense for the year ended December 31, 2017.

In the year ended December 31, 2016, the Company recorded $96.9 million in asset impairment expense. This included a $13.8 million write-down to fair value related to the fixed assets of the Manitowoc, WI manufacturing facility. Further, during 2016, the Company, in conjunction with the decision to close the manufacturing location in Manitowoc, WI, made the decision to permanently stop any further work on implementing its SAP enterprise resource planning ("ERP") platform, and recorded a write-off of $58.6 million related to SAP construction-in-progress and $18.6 million related to SAP and other information technology assets. The remainder of the impairment expense incurred in 2016 was related to other restructuring actions.

Asset impairment expense for the year ended December 31, 2015 was $15.3 million. The impairment recorded in 2015 resulted from the write-down of manufacturing facilities in Brazil and Slovakia.

Asset valuations are estimates and require assumptions and judgment by management. While the Company believes the estimates and assumptions are reasonable, a change in assumptions, including market conditions, could change the estimated fair value and, therefore, further impairment charges could be required.

20. Employee Benefit Plans

The Company maintains three defined contribution retirement plans for its employees: (1) The Manitowoc Company, Inc. 401(k) Retirement Plan (the "Manitowoc 401(k) Retirement Plan"); (2) The Manitowoc Company, Inc. Retirement Savings Plan (the "Manitowoc Retirement Savings Plan"); and (3) The Manitowoc Company, Inc. Deferred Compensation Plan (the "Manitowoc Deferred Compensation Plan"). Each plan results in individual participant balances that reflect a combination of amounts contributed by the Company or deferred by the participant, amounts invested at the direction of either the Company or the participant, and the continuing reinvestment of returns until the accounts are distributed.

Manitowoc 401(k) Retirement Plan The Manitowoc 401(k) Retirement Plan is a tax-qualified retirement plan that is available to substantially all non-union U.S. employees of Manitowoc, its subsidiaries and related entities.

The Manitowoc 401(k) Retirement Plan allows employees to make both pre- and post-tax elective deferrals, subject to certain limitations under the Internal Revenue Code of 1986, as amended (the "Tax Code"). The Company also has the right to make the following additional contributions: (1) a safe harbor matching contribution and (2) an additional contribution, which may or may not be made at the full discretion of the Company and for which the value will be fully determined by the Company. Each participant in the Manitowoc 401(k) Retirement Plan is allowed to direct the investment of that participant's account among a diverse mix of investment funds, including a Company stock alternative. To the extent that any funds are invested in Company stock, that portion of the Manitowoc 401(k) Retirement Plan is an employee stock ownership plan, as defined under the Tax Code (an "ESOP").

The terms governing the retirement benefits under the Manitowoc 401(k) Retirement Plan are the same for the Company's executive officers as they are for other eligible employees in the U.S.

Manitowoc Retirement Savings Plan The Manitowoc Retirement Savings Plan is a tax-qualified retirement plan that is available to certain collectively bargained U.S. employees of Manitowoc, its subsidiaries and related entities.

The Manitowoc Retirement Savings Plan allows employees to make both pre- and post-tax elective deferrals, subject to certain limitations under the Tax Code. The Company also has the right to make the following additional contributions: (1) a matching contribution based upon individual employee deferrals; and (2) an additional discretionary or fixed Company contribution. Each participant in the Manitowoc Retirement Savings Plan is allowed to direct the investment of that participant's account among a diverse mix of investment funds, including a Company stock alternative. To the extent that any funds are invested in Company stock, that portion of the Manitowoc Retirement Savings Plan is an ESOP.

The Company's executives are not eligible to participate in the Manitowoc Retirement Savings Plan. Company contributions to the plans are based upon formulas contained in the plans. Total costs incurred under these plans were $1.5 million, $1.9 million and $3.2 million for the years ended December 31, 2017, 2016 and 2015, respectively.

Manitowoc Deferred Compensation Plan The Manitowoc Deferred Compensation Plan is a non-tax-qualified supplemental deferred compensation plan for highly compensated and key management employees and for directors. The Company maintains the Manitowoc Deferred Compensation Plan to allow eligible individuals to save for retirement in a tax-efficient manner despite Tax Code restrictions that would otherwise impair their ability to do so under the Manitowoc 401(k) Retirement Plan. The Manitowoc Deferred Compensation Plan also assists the Company in retaining those key employees and directors.

The Manitowoc Deferred Compensation Plan accounts are credited with: (1) elective deferrals made at the request of the individual participant; and/or (2) a discretionary Company contribution for each individual participant. Although unfunded within the meaning of the Tax Code, the Manitowoc Deferred Compensation Plan utilizes a rabbi trust to hold assets intended to satisfy the Company's corresponding future benefit obligations. Each participant in the Manitowoc Deferred Compensation Plan is credited with interest based upon individual elections from amongst a diverse mix of investment funds that are intended to reflect investment funds similar to those offered under the Manitowoc 401(k) Retirement Plan, including Company stock. Participants do not receive preferential or above-market rates of return under the Manitowoc Deferred Compensation Plan.

Plan participants are able to direct deferrals and Company matching contributions into two separate investment programs, Program A and Program B.

The investment assets in Program A and B are held in two separate Deferred Compensation Plans, which restrict the Company's use and access to the funds, but which are also subject to the claims of the Company's general creditors in rabbi trusts. Program A invests solely in the Company's stock; dividends paid on the Company's stock are automatically reinvested; and all distributions must be made in Company stock. Program B offers a variety of investment options but does not include Company stock as an investment option. All distributions from Program B must be made in cash. Participants cannot transfer assets between programs.

Program A is accounted for as a plan that does not permit diversification. As a result, the Company stock held by Program A is classified in equity in a manner similar to accounting for treasury stock. The deferred compensation obligation is classified as an equity instrument. Changes in the fair value of the Company's stock and the compensation obligation are not recognized. The asset and obligation for Program A were zero ($0.0) at both December 31, 2017 and 2016.

Program B is accounted for as a plan that permits diversification. As a result, the assets held by Program B are classified as an asset in the Consolidated Balance Sheets and changes in the fair value of the assets are recognized in earnings. The deferred compensation obligation is classified as a liability in the Consolidated Balance Sheets and adjusted, with a charge or credit to compensation cost, to reflect changes in the fair value of the obligation. The assets, which are included in other non-current assets, and obligation, which are included in other non-current liabilities, was $10.6 million at December 31, 2017 and $11.3 million at December 31, 2016. There was no net impact on the Consolidated Statements of Operations for the years ended December 31, 2017, 2016 and 2015.

Pension, Postretirement Medical and Other Benefit Plans The Company provides certain pension, health care and death benefits for eligible retirees and their dependents. The pension benefits are funded, while the health care and death benefits are not funded but are paid as incurred. Eligibility for coverage is based on meeting certain years of service and retirement qualifications. These benefits may be subject to deductibles, co-payment provisions, and other limitations. The Company has reserved the right to modify these benefits. As of December 31, 2010, all of the remaining United States defined benefit plans were merged into a single plan: the Manitowoc U.S. Pension Plan. All merge d plans had benefit accruals frozen prior to merger of plan.

The Manitowoc U.S. Pension Plan was split into the Manitowoc U.S. Pension Plan and the Manitowoc Foodservice Pension Plan as of December 31, 2015, and the plan obligations and assets associated with MFS were transferred to the MFS legal entity as of that date. For accounting purposes, the plan obligation, assets, and costs associated with the Manitowoc Foodservice Pension Plan are included in the results of operations of the Company until the Spin-Off date.

In addition to the Manitowoc U.S. Pension Plan, the Company also maintains defined benefit plans which are sponsored directly by the Company or its subsidiaries and offered only to employees or retirees of specific subsidiaries (“Direct Plans”). The plan obligation, assets, and costs associated with Direct Plans related to MFS are presented as discontinued operations in the consolidated financial statements. As of December 31, 2015, the funded status of the MFS Direct Plans of $32.5 million was recognized in liabilities of discontinued operations. The tables below are inclusive of the plan obligation, assets, and cost associated with the MFS Direct Plans through the Spin-Off.

Effective July 1, 2017, The Manitowoc Company, Inc. Post-65 Retiree Health Plan (the “Plan”) was amended. Eligible retirees and their spouses were provided access to a Retiree Health Exchange where they may purchase Medicare Supplement Plans, including Medicare Advantage and Medigap plan prescription drug coverage. The enrollment and payment for this coverage is facilitated by an outside third-party, and these plans have no affiliation with the Company. To assist retirees with premium and out-of-pocket expenses they incur, the Company funds a Health Reimbursement Account (“HRA”) for each enrolled retiree. The value of the HRA is based on the plan type and premium cost for each specific retiree before the Plan was amended.

The components of period benefit costs for the years ended December 31, 2017, 2016 and 2015 are as follows:

	US Pension Plans			Non-US Pension Plans			Postretirement Health and Other		
(in millions)	**2017**	**2016**	**2015**	**2017**	**2016**	**2015**	**2017**	**2016**	**2015**
Service cost - benefits earned during the year	$ —	$ —	$ —	$ 1.9	$ 1.7	$ 2.6	$ 0.3	$ 0.3	$ 0.4
Interest cost of projected benefit obligation	5.3	6.8	9.4	2.1	2.5	8.9	1.0	1.7	2.0
Expected return on assets	(4.9)	(5.7)	(9.0)	(1.5)	(1.8)	(7.4)	—	—	—
Amortization of prior service cost	—	—	—	0.1	0.1	0.1	(1.4)	—	—
Amortization of actuarial net loss (gain)	3.2	3.6	5.1	1.6	1.0	2.3	0.4	—	0.1
Curtailment gain recognized	—	—	—	—	—	—	—	—	—
Net periodic benefit cost	$ 3.6	$ 4.7	$ 5.5	$ 4.2	$ 3.5	$ 6.5	$ 0.3	$ 2.0	$ 2.5
Weighted average assumptions:									
Discount rate	4.2%	4.5%	4.1%	2.1%	2.9%	3.3%	3.8%	4.2%	3.7%
Expected return on plan assets	4.7%	5.5%	5.8%	3.4%	4.0%	3.6%	N/A	N/A	N/A
Rate of compensation increase	N/A	N/A	N/A	2.6%	2.4%	3.9%	N/A	N/A	1.5%

The prior service costs are amortized on a straight-line basis over the average remaining service period of active participants. Gains and losses in excess of 10% of the greater of the benefit obligation and the market-related value of assets are amortized over the average remaining service period of active participants.

To develop the expected long-term rate of return on assets assumptions, the Company considered the historical returns and future expectations for returns in each asset class, as well as targeted asset allocation percentages within the pension portfolio.

The following is a reconciliation of the changes in benefit obligation, the changes in plan assets, and the funded status as of December 31, 2017 and 2016:

(in millions)	US Pension Plans 2017	US Pension Plans 2016	Non-US Pension Plans 2017	Non-US Pension Plans 2016	Postretirement Medical and Other 2017	Postretirement Medical and Other 2016
Change in Benefit Obligation						
Benefit obligation, beginning of year	$ 155.6	$ 218.5	$ 82.8	$ 252.5	$ 41.6	$ 51.8
Distribution of MFS	—	(62.4)	—	(170.4)	—	(10.1)
Service cost	—	—	1.9	1.7	0.3	0.3
Interest cost	5.3	6.8	2.1	2.5	1.0	1.7
Participant contributions	—	—	—	—	1.4	1.9
Medicare subsidies received	—	—	—	—	—	0.2
Plan amendments	—	—	—	—	(13.8)	—
Net transfer out	—	—	—	—	—	—
Actuarial (gain) loss	10.0	0.9	(2.2)	11.0	2.9	1.8
Currency translation adjustment	—	—	9.2	(9.9)	—	—
Benefits paid	(8.6)	(8.2)	(4.3)	(4.6)	(4.5)	(6.0)
Benefit obligation, end of year	$ 162.3	$ 155.6	$ 89.5	$ 82.8	$ 28.9	$ 41.6
Change in Plan Assets						
Fair value of plan assets, beginning of year	$ 108.6	$ 143.9	$ 41.8	$ 196.9	$ —	$ —
Distribution of MFS	—	(34.1)	—	(147.8)	—	—
Actual return on plan assets	11.5	6.4	1.1	2.7	—	—
Employer contributions	4.7	0.6	2.1	2.2	3.1	3.9
Participant contributions	—	—	—	—	1.4	1.9
Medicare subsidies received	—	—	—	—	—	0.2
Currency translation adjustment	—	—	4.4	(7.6)	—	—
Net transfer out	—	—	—	—	—	—
Benefits paid	(8.6)	(8.2)	(4.3)	(4.6)	(4.5)	(6.0)
Fair value of plan assets, end of year	116.2	108.6	45.1	41.8	—	—
Funded status	$ (46.1)	$ (47.0)	$ (44.4)	$ (41.0)	$ (28.9)	$ (41.6)
Amounts recognized in the Consolidated Balance sheet at December 31						
Pension asset	$ —	$ —	$ —	$ —	$ —	$ —
Pension obligation	(46.1)	(47.0)	(44.4)	(41.0)	—	—
Postretirement medical and other benefit obligations	—	—	—	—	(28.9)	(41.6)
Net amount recognized	$ (46.1)	$ (47.0)	$ (44.4)	$ (41.0)	$ (28.9)	$ (41.6)
Weighted-Average Assumptions						
Discount rate	3.6%	4.2%	2.2%	2.1%	3.3%	3.8%
Expected return on plan assets	4.7%	5.5%	3.4%	4.0%	N/A	N/A
Rate of compensation increase	N/A	N/A	2.6%	2.4%	N/A	N/A

The Company prepares its discount rates with advice from an independent third party. The Company uses different discount rates for each plan depending on the plan jurisdiction, the demographics of participants and the expected timing of benefit payments. For the qualified U.S. pension plan and postretirement medical plans, the Company uses a discount rate calculated based on an appropriate mix of high quality corporate bonds. For the non-U.S. pension and postretirement plans, the Company consistently uses the relevant country specific benchmark indices for determining the various discount rates.

Amounts recognized in accumulated other comprehensive income as of Decem ber 31, 2017 and 2016, consist of the following:

	Pensions		Postretirement Medical and Other	
(in millions)	2017	2016	2017	2016
Net actuarial gain (loss)	$ (64.2)	$ (65.1)	$ (7.6)	$ (5.1)
Prior service credit	(0.6)	(0.6)	12.5	—
Total amount recognized	$ (64.8)	$ (65.7)	$ 4.9	$ (5.1)

The amounts in accumulated other comprehensive income that are expected to be recognized as components of net periodic benefit cost during the next fiscal year are $4.9 million for the pension plan and $(1.0) million for the postretirement medical and other plans.

For measurement purposes, a 6.2% annual rate of increase in the per capita cost of covered health care benefits was assumed for 2017. The rate was assumed to decrease gradually to 4.5% until 2038 and remain at that level thereafter. Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. The following table summarizes the sensitivity of our December 31, 2017 retirement obligations and 2017 retirement benefit costs of our plans to changes in the key assumptions used to determine those results (in millions):

Change in assumption:	Estimated increase (decrease) in 2018 pension cost	Estimated increase (decrease) in Projected Benefit Obligation for the year ended December 31, 2017	Estimated increase (decrease) in 2018 Other Postretirement Benefit costs	Estimated increase (decrease) in Other Postretirement Benefit Obligation for the year ended December 31, 2017
0.50% increase in discount rate	$ (0.9)	$ (15.0)	$ (0.1)	$ (0.9)
0.50% decrease in discount rate	0.9	16.2	0.1	0.9
0.50% increase in long-term return on assets	(0.8)	N/A	N/A	N/A
0.50% decrease in long-term return on assets	0.8	N/A	N/A	N/A
1% increase in medical trend rates	N/A	N/A	0.3	1.4
1% decrease in medical trend rates	N/A	N/A	(0.3)	(1.3)

It is reasonably possible that the estimate for future retirement and medical costs may change in the near future due to changes in the health care environment or changes in interest rates that may arise. Presently, there is no reliable means to estimate the amount of any such potential changes.

The weighted-average asset allocations of the U.S. pension plans at December 31, 2017 and 2016, by asset category are as follows:

	2017	2016
Equity	48.0%	25.0%
Fixed income	48.3%	74.4%
Other	3.7%	0.6%
	100.0%	100.0%

The weighted-average asset allocations of the Non-U.S. pension plans at December 31, 2017 and 2016, by asset category are as follows:

	2017	2016
Equity	35.6%	33.7%
Fixed income	31.6%	31.1%
Other	32.8%	35.2%
	100.0%	100.0%

The Board of Directors has established the Retirement Plan Committee (the “Committee”) to manage the operations and administration of all benefit plans and related trusts. The Committee is committed to diversification to reduce the risk of large losses. On a quarterly basis, the Committee reviews progress toward achieving t he pension plans’ and individual managers’ performance objectives.

Investment Strategy The overall objective of the Company's pension assets is to earn a rate of return over time to satisfy the benefit obligations of the pension plans and to maintain sufficient liquidity to pay benefits and address other cash requirements of the pension fund. Specific investment objectives for our long-term investment strategy include reducing the volatility of pension assets relative to pension liabilities, achieving a competitive, total investment return, achieving diversification between and within asset classes and managing other risks. Investment objectives for each asset class are determined based on specific risks and investment opportunities identified.

The Company reviews its long-term, strategic asset allocations annually. The Company uses various analytics to determine the optimal asset mix and consider plan liability characteristics, liquidity characteristics, funding requirements, expected rates of return and the distribution of returns. The Company identifies investment benchmarks for the asset classes in the strategic asset allocation that are market-based and investable where possible.

Actual allocations to each asset class vary from target allocations due to periodic investment strategy changes, market value fluctuations, the length of time it takes to fully implement investment allocation positions and the timing of benefit payments and contributions. The asset allocation is monitored and rebalanced monthly.

During 2017, the Company changed the investment target allocations for the U.S. Plans from 75% debt securities and 25% equity securities to 50% debt securities and 50% equity securities.

The actual allocations for the pension assets at December 31, 2017, and target allocations by asset class, are as follows:

	Target Allocations		Weighted Average Asset Allocations	
	U.S. Plans	International Plans	U.S. Plans	International Plans
Equity Securities	50%	0 - 25%	48.0%	35.6%
Debt Securities	50%	0 - 100%	48.3%	31.6%
Other	—%	0 - 100%	3.7%	32.8%

Risk Management In managing the plan assets, we review and manage risk associated with funded status risk, interest rate risk, market risk, counterparty risk, liquidity risk and operational risk. Liability management and asset class diversification are central to our risk management approach and are integral to the overall investment strategy. Further, asset classes are constructed to achieve diversification by investment strategy, by investment manager, by industry or sector and by holding. Investment manager guidelines for publicly traded assets are specified and are monitored regularly.

Fair Value Measurements The following table presents our plan assets using the fair value hierarchy as of December 31, 2017 and 2016. The fair value hierarch y has three levels based on the reliability of the inputs used to determine fair value. Level 1 refers to fair values determined based on quoted prices in active markets for identical assets. Level 2 refers to fair values estimated using significant other observable inputs, and Level 3 includes fair values estimated using significant non-observable inputs.

	December 31, 2017				
Assets (in millions)	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Unobservable Inputs (Level 3)**	**Net Asset Value ("NAV")**	**Total**
Cash	$ 4.7	$ —	$ —	$ —	$ 4.7
Insurance group annuity contracts	—	—	14.4	—	14.4
Common/collective trust funds — Government, corporate and other non-government debt	—	—	—	70.4	70.4
Common/collective trust funds — Corporate equity	—	—	—	71.8	71.8
Total	$ 4.7	$ —	$ 14.4	$ 142.2	$ 161.3

	December 31, 2016				
Assets (in millions)	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Unobservable Inputs (Level 3)**	**Net Asset Value ("NAV")**	**Total**
Cash	$ 0.9	$ —	$ —	$ —	$ 0.9
Insurance group annuity contracts	—	—	14.5	—	14.5
Common/collective trust funds — Government, corporate and other non-government debt	—	—	—	93.7	—
Common/collective trust funds — Corporate equity	—	—	—	41.3	—
Total	$ 0.9	$ —	$ 14.5	$ 135.0	$ 150.4

Cash equivalents and other short-term investments, which are used to pay benefits, are primarily held in registered money market funds which are valued using a market approach based on the quoted market prices of identical instruments. Other cash equivalent and short-term investments are valued daily by the fund using a market approach with inputs that include quoted market prices for similar instruments.

Insurance group annuity contracts are valued at the present value of the future benefit payments owed by the insurance Company to the Plans' participants.

Common/collective funds are typically common or collective trusts valued at their net asset values that are calculated by the investment manager or sponsor of the fund and have daily or monthly liquidity. The Company believes that NAV is representative of fair value at the reporting date, as there are no significant restrictions on redemption on these investments or other reasons to indicate that the investment would be redeemed at an amount different than NAV.

The valuation methodologies described above may generate a fair value calculation that may not be indicative of net realizable value or future fair values. While the Company believes the valuation methodologies used are appropriate, the use of different methodologies or assumptions in calculating fair value could result in different amounts.

A reconciliation of the fair values measurements of plan assets using significant unobservable inputs (Level 3) from the beginning of the year to the end of the year is as follows:

	Insurance Contracts Year Ended December 31,	
(in millions)	2017	2016
Beginning Balance	$ 14.5	$ 106.5
Distribution of MFS	—	(89.9)
Actual return on assets	—	2.0
Benefit payments	(1.5)	(1.4)
Foreign currency impact	1.3	(2.7)
Ending Balance	$ 14.4	$ 14.5

The expected 2018 contributions for the U.S. pension plans are as follows: the minimum contribution for 2018 is $6.1 million; and no planned discretionary or non-cash contributions. The expected 2018 contributions for the non-U.S. pension plans are as follows: the minimum contribution for 2018 is $2.5 million; and no planned discretionary or non-cash contributions. Expected Company paid claims for the postretirement medical and life insurance plans are $3.5 million for 2018. Projected benefit payments from the plans as of December 31, 2017 are estimated as follows:

(in millions)	U.S Pension Plans	Non-U.S. Pension Plans	Postretirement Health and Other
2018	$ 9.8	$ 2.9	$ 3.5
2019	10.0	3.1	3.4
2020	10.2	3.4	3.2
2021	10.2	3.7	3.1
2022	10.1	3.8	2.6
2023 — 2027	49.7	21.3	10.1

The fair value of plan assets for which the accumulated benefit obligation is in excess of the plan assets as of December 31, 2017 and 2016 is as follows:

	U.S Pension Plans		Non U.S. Pension Plans	
(in millions)	2017	2016	2017	2016
Projected benefit obligation	$ 162.3	$ 155.6	$ 85.6	$ 79.1
Accumulated benefit obligation	162.3	155.6	82.1	76.2
Fair value of plan assets	116.2	108.6	41.6	38.4

The accumulated benefit obligation for all U.S. pension plans as of December 31, 2017 and 2016 was $162.3 million and $155.6 million, respectively. The accumulated benefit obligation for all non-U.S. pension plans as of December 31, 2017 and 2016 was $82.1 million and $76.2 million, respectively.

The measurement date for all plans is December 31, 2017.

The Company also maintains a target benefit plan for certain executive officers of the Company. Expenses related to the plan in the amount of $1.2 million, $3.2 million and $2.9 million were recorded in 2017, 2016 and 2015, respectively. Amounts accrued as of December 31, 2017 and 2016 related to this plan were $15.1 million and $21.4 million, respectively.

21. Leases

The Company leases various property, plant and equipment. Terms of the leases vary, but generally require the Company to pay property taxes, insurance premiums, and maintenance costs associated with the leased property. Rental expense attributed to operating leases was $20.2 million, $23.1 million and $16.8 million in 2017, 2016 and 2015, respectively.

Future minimum rental obligations under non-cancelable operating leases as of December 31, 2017 are payable as follows:

(in millions)	
2018	$ 18.5
2019	15.7
2020	14.8
2021	13.9
2022	12.7
Thereafter	20.7
Total	$ 96.3

22. Quarterly Financial Data (Unaudited)

The following tables present select quarterly financial data for 2017 and 2016:

Historical	2017				2016			
(in millions, except per share data)	First	Second	Third	Fourth	First	Second	Third	Fourth
Statements of operations:								
Net sales	$ 305.8	$ 394.6	$ 399.4	$ 481.5	$ 427.4	$ 457.7	$ 349.8	$ 378.2
Cost of sales	253.9	318.3	326.9	400.3	347.7	370.4	309.0	332.7
Gross profit	51.9	76.3	72.5	81.2	79.7	87.3	40.8	45.5
Operating income (loss)	(23.7)	9.9	7.9	7.0	0.8	3.9	(134.2)	(23.8)
(Loss) income from continuing operations before taxes	(34.5)	3.0	(3.4)	(4.6)	(85.0)	(4.3)	(144.2)	(34.6)
Provision (benefit) for taxes on income	1.5	2.3	(13.1)	(40.2)	107.7	0.7	(5.3)	(2.6)
Income (loss) from continuing operations	(36.0)	0.7	9.7	35.6	(192.7)	(5.0)	(138.9)	(32.0)
(Loss) income from discontinued operations, net of income taxes	—	(0.2)	(0.1)	(0.3)	(3.2)	(0.8)	(1.8)	(1.4)
Net income (loss)	(36.0)	0.5	9.6	35.3	(195.9)	(5.8)	(140.7)	(33.4)
Basic (loss) income per share:								
(Loss) income from continuing operations	$ (1.04)	$ —	$ 0.28	$ 1.01	$ (5.64)	$ (0.15)	$ (4.01)	$ (0.92)
(Loss) income from discontinued operations	—	—	—	(0.01)	(0.09)	(0.02)	(0.05)	(0.04)
(Loss) income per share	$ (1.04)	$ —	$ 0.28	$ 1.00	$ (5.73)	$ (0.17)	$ (4.06)	$ (0.96)
Diluted (loss) income per share:								
(Loss) income from continuing operations	$ (1.04)	$ —	$ 0.28	$ 0.98	$ (5.64)	$ (0.15)	$ (4.01)	$ (0.92)
(Loss) income from discontinued operations	—	—	—	(0.01)	(0.09)	(0.02)	(0.05)	(0.04)
(Loss) income per share	$ (1.04)	$ —	$ 0.28	$ 0.97	$ (5.73)	$ (0.17)	$ (4.06)	$ (0.96)
Dividends per common share	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Cash flows from operations:								
Net income (loss)	$ (36.0)	$ 0.5	$ 9.6	$ 35.3	$ (195.9)	$ (5.8)	$ (140.7)	$ (33.4)
Deferred income taxes	—	—	(1.3)	(42.8)	110.3	1.1	2.6	(12.6)
Change in inventories, net	(31.2)	(3.4)	0.8	89.4	(33.7)	(6.2)	7.5	85.1

During the second quarter of 2016, the Company identified two adjustments to the previously issued financial statements for the three months ended March 31, 2016. In evaluating whether the Company’s previously issued consolidated financial statements were materially misstated, the Company considered the guidance in ASC Topic 250, “Accounting Changes and Error Corrections” and ASC Topic 250-10-S99-1, “Assessing Materiality.” The Company determined that these errors were not material to the Company's prior interim perio d consolidated financial statements and therefore, amending the previously filed report was not required. However, the Company determined that the impact of the corrections would be too significant to record within the second quarter of 2016. As such, the revision for the corrections was reflected in the financial information of the first quarter of 2016 and 2015, as applicable. The adjustments were as follows:

- Adjustment related to AOCI, whereby the Company had understated loss on debt extinguishment by $4.3 million, overstated income tax expense by $0.8 million, and understated loss from continuing operations by $3.5 million in the first quarter of 2016. The adjustment also resulted in an overstatement of AOCL and understatement of retained earnings by $2.6 million as of March 31, 2016.
- Adjustment related to the classification of income tax expense between continuing operations and discontinued operations in the three months ended March 31, 2015, whereby the Company had understated the benefit for taxes on continuing operations and understated the income tax provision on discontinued operations by $2.1 million.

During the fourth quarter of 2016, the Company identified an adjustment to the previously issued financial statements for the three months ended March 31, 2016, six months ended June 30, 2016, and nine months ended September 30, 2016, related to a non-cash reclassification between continuing and discontinued operations with the operating section of the Statement of Cash Flows in the three months ended March 31, 2016, whereby the change in accrued expenses and other liabilities and net cash used for operating activities of continuing operations was understated by $16.2 million, and the net cash used for operating activities of discontinued operating activities was overstated by $16.2 million. In evaluating whether the Company’s previously issued consolidated financial statements were materially misstated, the Company considered the guidance in ASC Topic 250, “Accounting Changes and Error Corrections” and ASC Topic 250-10-S99-1, “Assessing Materiality.” The Company determined that these errors were not material to the Company's prior interim period consolidated financial statements and therefore, amending the previously filed reports was not required.

It em 9. CHANGES IN AND DISAGREEMENTS WITH ACCO UNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

Item 9A. CONTROLS AND PROCEDURES

Conclusion Regarding the Effectiveness of 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 (the "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.

Management's Report on 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 Rule 13a-15(f). The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's internal control over financial reporting based on the framework in Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, the Company's management has concluded that, as of December 31, 2017, the Company's internal control over financial reporting was effective.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2017, has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which appears herein.

Changes in Internal Control Over Financial Reporting

During the fourth quarter of 2017, there were no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. OTHER INFORMATION

On February 23, 2018, the Company announced that Thomas G. Musial the Company's Senior Vice President, Human Resources & Administration will be retiring effective July 6, 2018 (the "Retirement Date"). In connection with his retirement, the Company entered into a Severance Agreement and Release (the "Agreement") with Mr. Musial.

The Company agrees to provide Mr. Musial with a paid leave of absence from February 21, 2018 (or such other date to which the parties mutually agree) through June 30, 2018 and an unpaid leave of absence from July 1, 2018 through the Retirement Date.

Pursuant to the Agreement, Mr. Musial will be paid $213,149.95 in accord with the Company's bi-weekly payroll for the 26-week period from July 1 through December 31, 2018 and a lump sum payment in the amount of $873,915.05 between January 10 and January 31, 2019.

Mr. Musial will be eligible to receive four months of a Short-Term Incentive Plan ("STIP") award earned based on actual 2018 performance. Any award earned will be paid out when the STIP awards are finalized in early 2019.

Mr. Musial is entitled to full accelerated vesting of any equity awarded prior to the Retirement Date that has not yet vested by the Retirement Date, all restricted stock will be transferred immediately without restrictions, and restricted stock units will be paid out in cash, equal to an amount calculated at 100% of the target award, at such times as payments would have otherwise been paid had he remained employed with the Company.

Mr. Musial is entitled to any vested retirement plan benefits that he accrued through the Execution Date, and the Company will pay the balance of his account in its Deferred Compensation Plan in accordance with the terms of such plan. If Mr. Musial elects continued health and/or dental insurance coverage under COBRA, the Company will reimburse 80% of the monthly cost of such coverage to him through December 31, 2019, with the Company's reimbursement obligation s ubject to early termination if Mr. Musial is offered health insurance from a new employer prior to the end of 2019.

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

Mr. Musial has until February 28, 2018 to revoke the effectiveness of the Agreement.

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 as Exhibit 10.26 to this Annual Report on Form 10-K and is incorporated herein by reference in its entirety.

PART III

Item 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by this item is incorporated by reference from the sections in the Company’s definitive Proxy Statement for its 2018 Annual Meeting of Shareholders (the “2018 Proxy Statement”) captioned “Ownership of Securities — Section 16(a) Beneficial Ownership Reporting Compliance,” Corporate Governance — Governance of the Company,” “Corporate Governance — Audit Committee” and “Election of Directors.” See also “Executive Officers of the Registrant” in Part I hereof, which is incorporated herein by reference.

The Company has a Global Ethics Policy and other policies relating to business conduct, that pertain to all employees, which can be viewed at the Company’s website (www.manitowoc.com). The Company has adopted a code of ethics that applies to the Company’s principal executive officer, principal financial officer, and controller, which is part of the Company’s Global Ethics Policy and other policies related to business conduct. Any amendments to the Global Ethics Policy, or information about any waivers granted to directors or executive officers with respect to the Global Ethics Policy will be posted on the Company’s website (www.manitowoc.com).

Item 11. EXECUTIVE COMPENSATION

The information required by this item is incorporated by reference from the sections of the 2018 Proxy Statement captioned “Non-Employee Director Compensation,” “Executive Compensation,” “Compensation Discussion and Analysis and Compensation Committee Report” and “CEO Pay Ratio.”

Item 12. SECUR ITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The information required by this item with respect to security ownership of certain beneficial owners and management is incorporated by reference from the section of the 2018 Proxy Statement captioned “Ownership of Securities.”

The following table sets forth information with respect to compensation plans under which equity securities of the Company are authorized for issuance as of December 31, 2017 (which has been adjusted for the November 2017 1-for-4 reverse stock split).

	A	B	C
Plant Category	**Number of securities to be issued upon exercise of outstanding options, warrants, and rights**	**Weighted-average exercise price of outstanding options, warrants, and rights**	**Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column A)**
Equity compensation plans not approved by security holders (1)	0 (2)	$0 (2)	0 (2)
Equity compensation plans approved by security holders (2)(3)	1,208,207 (3(a))(4) 2,450 (3(b))(4) 237,381 (3(c))(4)	$20.89 (3(a))(4) $27.47 (3(b))(4) $14.34 (3(c))(4)	5,985,620 (3(a))(4) 0 (3(b)) 0 (3(c))
Total	**1,448,038**		**5,985,620**

(1) Reflects the Company’s Deferred Compensation Plan, which is discussed within the 2018 Proxy Statement under Compensation Discussion and Analysis and Compensation Committee Report under the subsection captioned “Deferred Compensation” under Other Pay Elements and under Non-Employee Director Compensation.

(2) Column (A) does not include 24,598 common stock units issued under the Deferred Compensation Plan as of December 31, 2017. Each common stock unit under the Deferred Compensation Plan represents the right to receive one share of Company common stock following the participant’s death, disability, termination of service as a director or employee, a date specified by the participant, or the earlier of any such events to occur. Since the common stock units are acquired by participants through a deferral of fees or compensation, there is no “exercise price” associated with the common stock units. Thus, the weighted-average exercise price in column (B) is calculated solely on the basis of outstanding options issued under the 2003 Incentive Stock and Awards Plan (the “2003 Stock Plan”), the 2004 Non-

Employee Director Stock and Awards Plan (the "2004 Stock Plan"), and the 2013 Omnibus Incentive Plan and does not take into account the common stock units issued under the Deferred Compensation Plan. The operation of the Deferred Compensation Plan requires the plan trustees to make available as and when needed a sufficient number of shares of Company common stock to meet the needs of the plan. Accordingly, since there i s no specific number of shares reserved for issuance under the Deferred Compensation Plan, column (C) includes only those shares remaining available for issuance under the 2003 Stock Plan, the 2004 Stock Plan and the 2013 Omnibus Incentive Plan.

(3) Consists of the Company's: (a) 2013 Omnibus Incentive Plan; (b) 2004 Stock Plan; and (c) 2003 Stock Plan. No new awards may be issued under the 2003 Stock Plan or the 2004 Stock Plan; however, the two plans continue to govern awards outstanding as of the date they were terminated, and the outstanding awards under these plans continue in force and effect until vested, exercised or forfeited pursuant to their terms.

(4) Includes stock options, performance share awards issued at target and restricted stock units. Does not include restricted shares. The weighted-average price does not factor in performance share awards or restricted stock units.

Item 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this item is incorporated by reference from the section of the 2018 Proxy Statement captioned "Corporate Governance — Governance of the Company" and "Corporate Governance — Transactions with Related Persons."

Item 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required by this item is incorporated by reference from the section of the 2018 Proxy Statement captioned "Audit Committee Report."

Table of Contents

PAR T IV

Item 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Documents filed as part of this Report.

(1) Financial Statements:

The following Consolidated Financial Statements are filed as part of this report under Item 8, "Financial Statements and Supplementary Data."

Report of Independent Registered Public Accounting Firm

Consolidated Statements of Operations

Consolidated Statements of Comprehensive Income (Loss)

Consolidated Balance Sheets

Consolidated Statements of Cash Flows

Consolidated Statements of Equity

Notes to Consolidated Financial Statements

(2) Financial Statement Schedule:

Schedule II — Valuation and Qualifying Accounts

Schedule	Description	Filed Herewith
II	Valuation and Qualifying Accounts	X

All other financial statement schedules not listed have been omitted since the required information is included in the Consolidated Financial Statements or the Notes thereto, or is not applicable or required under rules of Regulation S-X.

(b) Exhibits:

The exhibits listed in the Exhibit Index below are filed or furnished as part of this Annual Report on Form 10-K.

Table of Contents

EXHIBIT INDEX

Exhibit No.	Description	Filed/Furnished Herewith
2	Mater Separation and Distribution Agreement, dated March 4, 2016, between The Manitowoc Company, Inc. and Manitowoc Foodservice, Inc. (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K, dated March 3, 2016.	
3.1	Amended and Restated Articles of Incorporation, effective as of November 17, 2017 (filed as Exhibit 3.1 to the Company's Current Report on Form 8-K filed on November 22, 2017 and incorporated herein by reference).	
3.2	Restated By-laws (filed as Exhibit 3.1 to the Company's Current Report on Form 8-K filed on January 29, 2015 and incorporated herein by reference).	
4.1(a)	Indenture, dated February 18, 2016, between MTW Cranes Escrow Corp. and Wells Fargo Bank, National Association, as trustee and collateral agent (the "2016 Indenture") (incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K, dated February 18, 2016).	
4.1(b)	Form of 12.75% Senior Secured Second Lien Note due 2021 (included as Exhibit A to the 2016 Indenture) (incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K, dated February 18, 2016).	
4.1(c)	First Supplemental Indenture, dated March 3, 2016, by and among MTW Cranes Escrow Corp., The Manitowoc Company, Inc., the guarantors party thereto and Wells Fargo Bank National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, dated March 3, 2016).	
10.1**	The Manitowoc Company, Inc. Deferred Compensation Plan, as amended and restated through December 31, 2008 (filed as exhibit 10.1 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2008 and incorporated herein by reference).	
10.2**	Short-Term Incentive Plan, as amended, effective January 1, 2013. (filed as Exhibit 10.2(a) to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2012 and incorporated herein by reference).	
10.3(a)**	Form of Contingent Employment Agreement between The Manitowoc Company, Inc. and executive officers hired beginning in fiscal 2015 (filed as Exhibit 10.2 to the Company's Current Report on Form 8-K filed on December 29, 2015 and incorporated herein by reference).	
10.3(b)**	Form of Contingent Employment Agreement between The Manitowoc Company, Inc. and the following executive officers of the Company: Thomas G. Musial and Larry J. Weyers. (filed as Exhibit 10.3(b) to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2012 and incorporated herein by reference).	
10.4**	Form of Indemnity Agreement between the Company and each of the directors, executive officers and certain other employees of the Company (filed as Exhibit 10(b) to the Company's Annual Report on Form 10-K for the fiscal year ended July 1, 1989 and incorporated herein by reference).	X(1)
10.5**	Supplemental Retirement Plan, as amended and restated through December 31, 2008 (filed as Exhibit 10.6(c) to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2008 and incorporated herein by reference).	

Exhibit No.	Description	Filed/Furnished Herewith
10.6**	The Manitowoc Company, Inc. 2003 Incentive Stock and Awards Plan, as amended, effective May 1, 2012 (filed as Exhibit 10.7(c) to the Company's Proxy Statement for its 2012 annual meeting, filed on March 22, 2012 and incorporated herein by reference).	
10.7**	The Manitowoc Company, Inc. 2004 Non-Employee Director Stock and Awards Plan, as amended on December 17, 2008, (filed as Exhibit 10.7(e) to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2008 and incorporated herein by reference).	
10.8**	The Manitowoc Company, Inc. Incentive Stock Option Agreement with Vesting Provisions, applicable to the Company's 2003 Incentive Stock and Awards Plan (filed as Exhibit 10.1 to the Company's Current Report on Form 8-K dated as of February 25, 2005 and incorporated herein by reference).	
10.9**	The Manitowoc Company, Inc. Non-Qualified Stock Option Agreement with Vesting Provisions, applicable to the Company's 2003 Incentive Stock and Awards Plan (filed as Exhibit 10.2 to the Company's Current Report on Form 8-K dated as of February 25, 2005 and incorporated herein by reference).	
10.10(a)**	The Manitowoc Company, Inc. Award Agreement for Restricted Stock Awards under the Company's 2003 Incentive Stock and Awards Plan, amended February 27, 2007 (filed as Exhibit 10.10 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2004 and incorporated herein by reference).	
10.10(b)**	The Manitowoc Company, Inc. Performance Share Award Agreement, applicable to the Company's 2003 Incentive Stock and Awards Plan (filed as Exhibit 10.10 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2010 and incorporated herein by reference).	
10.11**	The Manitowoc Company, Inc. Award Agreement for the 2004 Non-Employee Director Stock and Awards Plan, as amended effective May 3, 2006 and February 27, 2007 (filed as Exhibit 10.11 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2006 and incorporated herein by reference).	
10.12**	The Manitowoc Company, Inc. 2013 Omnibus Incentive Plan, as amended and restated, (filed as Exhibit 10.1 to the Company's Current Report on Form 8-K filed on November 22, 20171 and incorporated herein by reference).	
10.12(a)**	Form of Performance Share Award Agreement under The Manitowoc Company, Inc. 2013 Omnibus Incentive Plan (filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on August 2, 2013 and incorporated herein by reference).	
10.12(b)**	Form of Restricted Stock Award Agreement for Directors under The Manitowoc Company, Inc. 2013 Omnibus Incentive Plan (filed as Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed on August 2, 2013 and incorporated herein by reference).	
10.12(c)**	Form of Restricted Stock Award Agreement for Employees under The Manitowoc Company, Inc. 2013 Omnibus Incentive Plan (filed as Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q filed on August 2, 2013 and incorporated herein by reference).	
10.12(d)**	Form of Restricted Stock Unit Award Agreement for Directors under The Manitowoc Company, Inc. 2013 Omnibus Incentive Plan (filed as Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q filed on August 2, 2013 and incorporated herein by reference).	

Exhibit No.	Description	Filed/Furnished Herewith
10.12(e)**	Form of Restricted Stock Unit Award Agreement for Employees under The Manitowoc Company, Inc. 2013 Omnibus Incentive Plan (filed as Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q filed on August 2, 2013 and incorporated herein by reference).	
10.12(f)**	Form of Non-Qualified Stock Option Award Agreement under The Manitowoc Company, Inc. 2013 Omnibus Incentive Plan (filed as Exhibit 10.6 to the Company's Quarterly Report on Form 10-Q filed on August 2, 2013 and incorporated herein by reference).	
10.12(g)**	Form of Incentive Award Agreement under The Manitowoc Company, Inc. 2013 Omnibus Incentive Plan (filed as Exhibit 10.7 to the Company's Quarterly Report on Form 10-Q filed on August 2, 2013 and incorporated herein by reference).	
10.13**	The Manitowoc Company, Inc. Severance Pay Plan adopted by the Board of Directors as of May 4, 2009 (filed as Exhibit 10.13 to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 2009, and incorporated herein by reference.)	
10.14**	Form of Retention Award Agreement, dated April 8, 2015 (filed as Exhibit 10.1 to the Company's Current Report on Form 8-K filed on April 13, 2015 and incorporated herein by reference).	
10.15**	Offer Letter, accepted as of December 28, 2015, by and between Barry L. Pennypacker and The Manitowoc Company, Inc. (filed as Exhibit 10.1 to the Company's Current Report on Form 8-K filed on December 29, 2015 and incorporated herein by reference).	
10.16**	Offer Letter, accepted as of April 27, 2016, by and between David J. Antoniuk and The Manitowoc Company, Inc. (filed as Exhibit 10.1 to the Company's Current Report on Form 8-K dated April 27, 2016 and incorporated herein by reference).	
10.17	Note Purchase Agreement, dated February 8, 2016, between MTW Cranes Escrow Corp., The Manitowoc Company, Inc., the guarantors named therein, and Goldman, Sachs & Co., for itself and on behalf of the several initial purchasers listed on Schedule 1 thereto (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, dated February 5, 2016).	
10.18	Transition Services Agreement, dated March 4, 2016, between The Manitowoc Company, Inc. and Manitowoc Foodservice, Inc. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated March 3, 2016).	
10.19	Tax Matters Agreement, dated March 4, 2016, between The Manitowoc Company, Inc. and Manitowoc Foodservice, Inc. (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, dated March 3, 2016).	
10.20(a)	Employee Matters Agreement, dated March 4, 2016, between The Manitowoc Company, Inc. and Manitowoc Foodservice, Inc. (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, dated March 3, 2016).	
10.20(b)	Amendment, dated March 28, 2016, to the Employee Matters Agreement, effective as of March 4, 2016, by and between The Manitowoc Company, Inc. and Manitowoc Foodservice, Inc. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated March 28, 2016).	
10.21	Intellectual Property Matters Agreement, dated March 4, 2016, between The Manitowoc Company, Inc. and Manitowoc Foodservice, Inc. (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K, dated March 3, 2016).	

Exhibit No.	Description	Filed/Furnished Herewith
10.22(a)	Credit Agreement, dated March 3, 2016, among Wells Fargo Bank, National Association, as administrative agent, the financial institutions from time to time party thereto, as lenders, and The Manitowoc Company, Inc., Manitowoc Cranes, LLC, Grove U.S. L.L.C., and Manitowoc Crane Group Germany GmbH, as borrowers (incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K, dated March 3, 2016).	
10.22(b)	Amendment No. 1, dated October 31, 2016, to Credit Agreement, dated March 3, 2016, among Wells Fargo Bank, National Association, as administrative agent, the financial institutions from time to time party thereto, as lenders, and The Manitowoc Company, Inc., Manitowoc Cranes, LLC, Grove U.S. L.L.C., and Manitowoc Crane Group Germany GmbH, as borrowers (incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2016).	
10.22(c)	Consent and Amendment No. 2 to Credit Agreement and Amendment No. 1 to Guaranty Security Agreement, dated April 21, 2017, to Credit Agreement, dated March 3, 2016, among Wells Fargo Bank, National Association, as administrative agent, the financial institutions from time to time party thereto, as lenders, and The Manitowoc Company, Inc., Manitowoc Cranes, LLC, Grove U.S. L.L.C., and Manitowoc Crane Group Germany GmbH, as borrowers (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017).	
10.23(a)	Receivables Purchase Agreement, dated March 3, 2016, by and among Manitowoc Funding, LLC, as seller, The Manitowoc Company, Inc., as servicer, and Wells Fargo Bank, N.A., as purchaser and as agent (incorporated by reference to Exhibit 10.6 to the Company's Current Report on Form 8-K, dated March 3, 2016).	
10.23(b)	Purchase Agreement, dated February 8, 2016, between MTW Cranes Escrow Corp., The Manitowoc Company, Inc., the guarantors named therein, and Goldman, Sachs & Co., for itself and on behalf of the several initial purchasers listed on Schedule 1 thereto (filed as Exhibit 10.3 to the Company's Current Report on Form 8-K filed on February 11, 2016 and incorporated herein by reference).	
10.24**	Severance Agreement and Release, executed August 31, 2017, by and between The Manitowoc Company, Inc. and Lawrence J. Weyers (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated August 31, 2017).	
10.25**	Severance Agreement and Release, executed November 30, 2017, by and between The Manitowoc Company, Inc. and Louis F. Raymond.	X(1)
10.26**	Severance Agreement and Release, executed February 21, 2018, by and between The Manitowoc Company, Inc. and Thomas G. Musial.	X(1)
11	Statement regarding computation of basic and diluted earnings per share (see Note 14, "Earnings Per Share" to the Consolidated Financial Statements included herein).	
12	Statement of Computation of Ratio of Earnings to Fixed Charges	X(1)
21	Subsidiaries of The Manitowoc Company, Inc.	X(1)
23	Consent of PricewaterhouseCoopers LLP, the Company's Independent Registered Public Accounting Firm	X(1)

Exhibit No.	Description	Filed/Furnished Herewith
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	The following materials from the Company's Annual Report on Form 10-K for the year ended December 31, 2017 formatted in Extensible Business Reporting Language (XBRL): (i) the Consolidated Statements of Income, (ii) the Consolidated Statements of Comprehensive Income (iii) the Consolidated Balance Sheets, (iv) the Consolidated Statements of Cash Flows, (v) the Consolidated Statement of Equity and (vi) related notes.	X(1)

(1) Filed Herewith
(2) Furnished Herewith
** Management contracts and executive compensation plans and arrangements required to be filed as exhibits pursuant to item 15(c) of Form 10-K.

(c) Financial Statement Schedule

THE MANITOWOC COMPANY, INC
AND SUBSIDIARIES
Schedule II: Valuation and Qualifying Accounts
For The Years Ended December 31, 2017, 2016 and 2015
(dollars in millions)

	Balance at Beginning of Year	Charge to Costs and Expenses	Utilization of Reserve	Other, Primarily Impact of Foreign Exchange Rates	Balance at end of Year
Year End December 31, 2015					
Allowance for doubtful accounts	$ 15.4	$ 2.5	$ (3.5)	$ (1.6)	$ 12.8
Deferred tax valuation allowance	$ 85.2	$ 11.4	$ (1.9)	$ (8.2)	$ 86.5
Year End December 31, 2016					
Allowance for doubtful accounts	$ 12.8	$ 1.0	$ (2.9)	$ 0.2	$ 11.1
Deferred tax valuation allowance	$ 86.5	$ 199.2	$ (4.1)	$ (12.0)	$ 269.6
Year End December 31, 2017					
Allowance for doubtful accounts	$ 11.1	$ 1.7	$ (2.7)	$ 0.8	$ 10.9
Deferred tax valuation allowance	$ 269.6	$ 15.2	$ (128.7)	$ 6.2	$ 162.3

Item 16. FORM 10-K SUMMARY

None.

SIGNA TURES

Pursuant to the requirements of Section 13 or 15(d) 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: February 23, 2018

The Manitowoc Company, Inc.
(Registrant)

/s/ Barry L. Pennypacker
Barry L. Pennypacker
President and Chief Executive Officer

/s/ David J. Antoniuk
David J. Antoniuk
Senior Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

/s/ Barry L. Pennypacker Barry L. Pennypacker, President and Chief Executive Officer (Principle Executive Officer)	February 23, 2018
/s/ David J. Antoniuk David J. Antoniuk, Senior Vice President and Chief Financial Officer (Principle Financial and Accounting Officer)	February 23, 2018
/s/ Jose Maria Alapont Jose Maria Alapont, Director	February 23, 2018
/s/ Robert G. Bohn Robert G. Bohn, Director	February 23, 2018
/s/ Donald M. Condon, Jr. Donald M. Condon, Jr., Director	February 23, 2018
/s/ Anne M. Cooney Anne M. Cooney, Director	February 23, 2018
/s/ Kenneth W. Krueger Kenneth W. Krueger, Chairman of the Board	February 23, 2018
/s/ Jesse A. Lynn Jesse A. Lynn, Director	February 23, 2018
/s/ C. David Myers C. David Myers, Director	February 23, 2018
/s/ John C. Pfeifer John C. Pfeifer, Director	February 23, 2018

Exhibit 10.4

INDEMNITY AGREEMENT

THIS INDEMNITY AGREEMENT ("Agreement") is made and entered into as of this _______ day of ________, 2017, by and between The Manitowoc Company, Inc., a Wisconsin corporation ("Company"), and ____________________, an Officer of the Company and/or one of its subsidiaries ("Executive"). Capitalized terms used in this Agreement and not otherwise defined in the text of this Agreement or in Paragraph 16 hereof, shall have the meaning ascribed to them in Section 180.0850 of the Statute.

R E C I T A L S:

A. The Statute provides Directors and Officers with certain more expanded rights to indemnification than previously provided by the Company.

B. Section 180.0858 of the Statute provides that Directors and Officers may be granted rights in addition to those provided in the Statute pursuant to a written agreement between a Director and Officer and the Company.

C. In order to conform the indemnification rights of the Directors and Officers with those set forth in the Statute and to otherwise provide the Executive with the most comprehensive personal liability protection presently allowed under Wisconsin law, the company has deemed it appropriate to enter into this Agreement with the Executive.

D. The Executive desire s to continue to serve as a Officer of the Company and/or one more of its subsidiaries; provided, however, that the Executive is furnished with the personal liability protections set forth hereinafter.

A G R E E M E N T S:

In consideration of the promises, mutual covenants and agreements of the Company and the Executive contained in this Agreement and the mutual benefits to be derived therefrom, the Company and the Executive, intending to be legally bound, hereby covenant and agree as follows:

1. **Agreement to Serve** . The Executive agrees to continue to serve the Company as a Officer of the Company and/or one or more of its subsidiaries in consideration of the personal liability protections granted by the Company to the Executive herein; provided, however, that nothing contained in this Agreement shall constitute a contract of employment between the Company and the Executive.

2. **Mandatory Indemnification** . The Company shall indemnify the Executive, to the fullest extent permitted or required by the Statute, against all Liabilities incurred by the

Executive in a Proceeding in which the Executive is a Party because the Executive is a Officer of the Company and/or one or more of its subsidiaries.

3. **Procedural Requirements** .

(a) If the Executive seeks indemnification under Paragraph 2, the Executive shall make a written request therefor to the Company. Subject to Paragraph 3(b), within sixty days of the Company's receipt of such request, the Company shall pay or reimburse the Executive for the entire amount of Liabilities incurred thereby in connection with the subject Proceeding (net of any Expenses previously advanced pursuant to Paragraph 5).

(b) No indemnification shall be required to be paid by the Company pursuant to Paragraph 2 if, within such sixty-day period, (i) a Disinterested Quorum, by a majority vote thereof, determines that the Executive engaged in misconduct constituting a Breach of Duty; or (ii) a Disinterested Quorum cannot be obtained.

(c) In either case of nonpayment pursuant to Paragraph 3(b), the Board shall immediately authorize by resolution that an Authority, as provided in Paragraph 4, determine whether the Executive's conduct constituted a Breach of Duty and, therefore, whether indemnification should be denied hereunder.

(d) (i) If the Board does not authorize an Authority to determine the Executive's right to indemnification hereunder within such sixty-day period and/or (ii) if indemnification of the requested amount of Liabilities is paid by the Company, then it shall be conclusively presumed for all purposes that a Disinterested Quorum has affirmatively determined that the Executive did not engage in misconduct constituting a Breach of Duty and, in the case of subparagraph (i) above (but not subparagraph (ii)), indemnification by the company of the requested amount of Liability shall be paid to the Executive immediately.

4. **Determination of Indemnification** .

(a) If the Board authorizes an Authority to determine the Executive's right to indemnification pursuant to Paragraph 3, then the Executive shall have the absolute discretionary authority to select one of the following as such Authority:

(i) An independent legal counsel; provided, that such counsel shall be mutually selected by the Executive and by a majority vote of a Disinterested Quorum or, if a Disinterested Quorum cannot be obtained, then by a majority vote of the Board;

(ii) A panel of three arbitrators selected from the panels of arbitrators of the American Arbitration Association in Milwaukee, Wisconsin; provided, that (A) one arbitrator shall be selected by the Executive, the second arbitrator shall be selected by a majority vote of a Disinterested Quorum or, if a

Disinterested Quorum cannot be obtained, then by a majority vote of the Board, and the third arbitrator shall be selected by the two previously se lected arbitrators; and (B) in all other respects, such panel shall be governed by the American arbitration Association's then existing Commercial Arbitration Rules; or

(iii) A court pursuant to and in accordance with Section 180.0854 of the Statute.

(b) In any such determination by the selected Authority there shall exist a rebuttable presumption that the Executive's conduct did not constitute a Breach of Duty and that indemnification against the requested amount of Liabilities is required. The burden of rebutting such a presumption by clear and convincing evidence shall be on the Company or such other party asserting that such indemnification should not be allowed.

(c) The Authority shall make its determination within sixty days of being selected and shall submit a written opinion of its conclusion simultaneously to both the company and the Executive.

(d) If the Authority determines that indemnification is required hereunder, the Company shall pay the entire requested amount of Liabilities (net of any Expenses previously advanced pursuant to Paragraph 5), including interest thereon at a reasonable rate, as determined by the Authority, within ten days of receipt of the Authority's opinion, provided, that, if it is determined by the Authority that the Executive is entitled to indemnification as to some claims, issues or matters, but not as to other claims, issues or matters, involved in the subject Proceeding, the Company shall be required to pay (as set forth above) only the amount of such requested Liabilities as the Authority shall deem appropriate in light of all of the circumstances of such Proceeding.

(e) The determination by the Authority that indemnification of the Executive is required hereunder shall be binding upon the Company regardless of any prior determination that the Executive engaged in a Breach of Duty.

(f) All Expenses incurred in the determination process under this Paragraph 4 by either the Company or the Executive, including, without limitation, all Expenses of the selected Authority, shall be paid by the Company.

5. **Mandatory Allowance of Expenses** .

(a) The Company shall pay or reimburse, within ten days after the receipt of the Executive's written request therefore, the reasonable Expenses of the Executive as such Expenses are incurred; provided, the following conditions are satisfied:

(i) The Executive furnishes to the Company an executed written certificate affirming the Executive's good faith belief that the Executive has not engaged in misconduct which constitutes a Breach of Duty; and

(ii) The Executive furnishes to the company an unsecured executed written agreement to repay any advances made under this Paragraph 5 if it is ultimately determined by an Authority that the Executive is not entitled to be indemnified by the Company for such Expenses pursuant to Paragraph 4.

(b) If the Executive must repay any previously advanced Expenses pursuant to this Paragraph 5, the Executive shall not be required to pay interest on such amounts.

6. **Insurance**. The Company may purchase and maintain insurance on behalf of the Executive against any Liability asserted against or incurred by the Executive because the Executive is a Officer of the Company and/or one or more of its subsidiaries, regardless of whether the Company is required or permitted to indemnify against Liabilities or allow Expenses to the Executive hereunder.

7. **Notice to the Company**. The Executive shall promptly notify the Company in writing when the Executive has actual knowledge of a Proceeding which may result in a claim of indemnification or advancement of Expenses hereunder, but the failure to do so shall not relieve the Company of any liability to the Executive under this Agreement unless the Company shall have been irreparably prejudiced by such failure (as determined by an Authority selected pursuant to Paragraph 4(a)).

8. **Severability**. If any provision of this Agreement shall be deemed invalid or inoperative, or if a court of competent jurisdiction determines that any of the provisions of this Agreement contravene public policy, this Agreement shall be construed so that the remaining provisions shall not be affected, but shall remain in full force and effect, and any such provisions which are invalid or inoperative or which contravene public policy shall be deemed, without further action or deed by or on behalf of the Company or the Executive, to be modified, amended and/or limited, but only to the extent necessary to render the same valid and enforceable.

9. **Nonexculsivity of Agreement**. The rights of the Executive granted hereunder shall not be deemed exclusive of any other rights to indemnification against Liabilities or to the allowance of Expenses to which the Executive may be entitled under any charter or bylaw provision, written agreement, Board resolution, vote of shareholders of the Company or otherwise, including, without limitation, under the Statue.

10. **Continuation of Rights and Obligations**. The terms and provisions of this Agreement shall continue in full force and effect subsequent to the time when the Executive ceases to be a Officer of the Company and its subsidiaries. All obligations of the Company to indemnify against Liabilities and allow Expenses to the Executive hereunder shall continue in full force and effect despite any subsequent amendment or modification of the Company's Articles of Incorporation or bylaws and such obligations shall not be adversely affected or in any

way limited by any such amendment or modification, any Board resolution, vote of shareholders of the Company or by any other corporate action, other than as set forth herein.

11. **Assignment; Amendment**.

(a) This Agreement shall not be assigned by the company or the Executive without the written consent of the other and any attempt at assignment without such written consent shall be null and void; provided, however, that the Company may freely assign its obligations under this Agreement to any Affiliate for whom the Executive is serving as an Officer thereof, but such assignment shall not release the Company from its obligations hereunder.

(b) Except as set forth in Paragraph 8, this Agreement may only be amended, modified or supplemented by the written agreement of the Company and Executive.

12. **Governing Law**. This Agreement shall be construed and interpreted according to the internal laws of the State of Wisconsin.

13. **Counterparts**. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

14. **Headings**. The headings used in this Agreement are inserted for convenience only and shall not constitute a part of this Agreement.

15. **Notices**. All notices, requests, demands and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given when delivered by hand or when mailed by United States certified or registered mail with postage prepaid addressed as follows:

(a) If to the Executive, to the address set forth by the Executive on the signature page of this Agreement or to such other person or address which the Executive shall furnish to the Company in writing pursuant to the above.

(b) If to the Company, to the attention of the General Counsel and Secretary at the address set forth on the signature page of this Agreement or to such other person or address as the Company shall furnish to the Executive in writing pursuant to the above.

16. **Certain Definitions**. The following terms (including any plural forms thereof) as used in this Agreement shall be defined as follows:

(a) “Affiliate” shall include, without limitation, any corporation, partnership, joint venture, employee benefit plan, trust or other enterprise that directly or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the Company.

(b) “Authority” shall mean the entity selected by the Executive to determine the Executive’s right to indemnification pursuant to Paragraph 4.

(c) “Board” shall mean the entire then elected and serving board of directors of the Company, including all members thereof who are Parties to the subject Proceeding or any related Proceeding.

(d) “Breach of Duty” shall mean the Executive breached or failed to perform the Executive’s duties to the Company and such breach of or failure to perform those duties is determined, in accordance with Paragraph 4, to constitute misconduct under Section 180.0851(2) (a) 1, 2, 3, or 4 of the Statute.

(e) “Corporation,” as defined in the Statute and incorporated by reference into the definitions of certain of the capitalized terms used in this Agreement, shall mean the Company and the term “Company,” as previously defined herein, shall include, without limitation, any successor corporation or entity to the Company by way of merger, consolidation or acquisition of all or substantially all of the capital stock or assets of the Company.

(f) “Director or Officer” shall have the meaning set forth in the Statute; provided, that, for purposes of this Agreement, it shall be conclusively presumed that if the Executive serves as a director, officer, partner, trustee, member of any governing or decision-making committee, employee or agent of an Affiliate, the Executive shall be so serving at the request of the Company.

(g) “Disinterested Quorum” shall mean a quorum of the Board who are not Parties to the subject Proceeding or any related Proceeding.

(h) “Party” shall have the meaning set forth in the Statute; provided, that, for purpose of this Agreement, the term “Party” shall also include the Executive if the Executive is or was a witness in a Proceeding at a time when the Executive has not otherwise been formally named as Party thereto.

(i) “Proceeding” shall have the meaning set forth in the Statue; provided, that, for purposes of this Agreement, the term “Proceeding” shall also include all Proceedings (i) brought under (in whole or in part) the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, their respective state counterparts, and/or any rule or regulation promulgated under any of the foregoing; (ii) brought before an Authority or otherwise to enforce rights hereunder; (iii) any appeal from a Proceeding; and (iv) any Proceeding in which the Executive is a plaintiff or petitioner because the Executive is a Director or

Officer; provided, however, that any such Proceeding under this clause (v) must be authorized by a majority vote of a Disinterested Quorum.

(j) "Statute" shall mean Sections 180.0850 through 180.0859, inclusive, of the Wisconsin Business Corporation Law, Chapter 180 of the Wisconsin Statutes, as the same shall then be in effect, including any amendments thereto, but, in the case of any such amendment, only to the extent such amendment permits or requires the Company provide broader indemnification rights than the Statute permitted or required the Company to provide prior to such amendment.

IN WITNESS WHEREOF , the Company and the Executive have caused this Agreement to be duly executed as of the day and year first above written.

THE MANITOWOC COMPANY, INC.
("Company")
2400 S. 44th Street
P.O. Box 66
Manitowoc, Wisconsin 54220

By:________________________________
Barry Pennypacker
President and CEO

EXECUTIVE :

____
[Name]

____
Address

____
City, State

Exhibit 10.25

SEVERANCE AGREEMENT AND RELEASE

THIS AGREEMENT is made and entered into by and between THE MANITOWOC COMPANY, INC. with its principal office at 2400 South 44th Street, Manitowoc, Wisconsin and Louis F. Raymond ("Employee"). For purposes of this Agreement, the term "Company" and "Manitowoc" means and includes The Manitowoc Company, Inc., its successors, assigns, and spin offs, any parent, subsidiary or division of Manitowoc, and any other affiliated entity under common control with Manitowoc, whether now existing or hereafter formed or acquired.

WHEREAS, Employee and the Company have mutually agreed and decided to terminate their relationship, including but not limited to Employee's employment and all offices and directorships with Company and its affiliates, including General Counsel, Vice President, and Secretary for the Company; and

WHEREAS, Employee and the Company have agreed to a severance package including a release of all claims.

NOW, THEREFORE, in consideration of the foregoing, the parties hereto agree as follows:

1. **Termination**. Employee's employment and all offices and directorships with the Company and its affiliates shall terminate effective at such time or times as determined by the Company, but no later than January 3, 2018 (the "Termination Date"). Notwithstanding any decision to remove Employee from any offices or directorships prior to the Termination Date, the effective date of his employment termination shall be the Termination Date. Employee agrees that Employee will not seek or obtain any further employment with the Company or any of its parent companies, subsidiaries, affiliate companies, successors, or any other related entities, in any capacity, at any time in the future. Employee further agrees never to accept any assignment through a temporary agency with the Company or any of its parent companies, subsidiaries, affiliate companies, successors, or any other related entities, in any capacity, at any time in the future. Employee expressly waives any right Employee may have to be employed by the Company and any of its related entities, in any capacity, at any time in the future.

2. **Post-Termination Release Agreement**. In addition to this Agreement, Employee agrees he will execute a Post-Termination Release Agreement on or after the Termination Date. Employee acknowledges and agrees his receipt of the severance benefits set forth herein is conditioned upon his compliance with the terms of this Paragraph. Notwithstanding the foregoing, Employee acknowledges and agrees that this Paragraph 2 does not in any way alter the terms and conditions set forth in Paragraph 19 of this Agreement. Violation of the terms of this Paragraph shall render the Agreement void.

3. **Compensation and Benefits** . Employee shall receive the following as consideration for the execution of this Agreement, compliance with the terms of this Agreement, and waiver of the legal rights set forth herein:

(a) Effective seven (7) calendar days after the date Employee executes the Post-Termination Release referenced in Paragraph 2, subject to adjustment as provided below, the Company agrees to pay Employee Three Hundred Thousand and 00/100 Dollars ($300,000.00) in biweekly payments of Eleven Thousand Five Hundred Thirty-Eight and 46/100 Dollars ($11,538.46) each, for twenty-six (26) two-week periods (the “Severance Pay Period”), provided that the initial payment and final payment may be a greater or lesser amount so as to ensure that payments are treated as having commenced on the Termination Date and to otherwise conform with the Company’s regular biweekly payroll period. This amount will be paid on the Company’s regular biweekly payroll period and is subject to federal and state withholdings.

(b) The Company will continue to provide Employee with group health insurance coverage and dental reimbursement through the Termination Date, at which time all such coverage will be terminated and applicable COBRA coverage will be made available to Employee. The available coverage is the same coverage which is available for all non-represented employees of the Company. Beginning the day following the Termination Date, Employee understands that Employee is eligible to elect continued health and/or dental insurance coverage under COBRA. If Employee elects continued coverage under COBRA, the Company agrees to reimburse Employee for 80% of the monthly COBRA cost upon receipt of proof of payment from the day following the Termination Date through the end of the Severance Pay Period. Any reimbursements under this provision will be subject to required federal and state tax withholding. To be eligible for reimbursement, Employee must submit proof of payment within 30 days of payment. Employee understands it is Employee’s sole obligation to make these COBRA payments on a monthly basis in order to continue Employee’s health or dental insurance benefits and that failure by Employee to make these payments timely will result in cessation of benefits. If Employee obtains other employment prior to the end of the Severance Pay Period which offers insurance coverage, the Company’s obligation to reimburse Employee for COBRA payments will be terminated. Employee agrees to furnish promptly to the Company all documentation required and/or reasonably requested by the Company regarding subsequent benefit eligibility.

(c) The payments provided in Section 3(a) above are intended to also compensate Employee for certain payments or benefits that Employee might have received under the Company’s Short-Term Incentive Plan (“STIP”) during the Severance Pay Period. In addition to these payments, and as an additional payment under this Agreement, the Company will also pay Employee an amount equal to his full share of any 2017 STIP bonus, which will be equal to the STIP bonus that Employee would have received based upon actual 2017 performance factors applied when the STIP awards are finalized in early 2018. This payment will be paid in 2018 at the same time that STIP payments for the 2017 performance year, if any, are paid or would have been paid to then-active employees of the Company. Employee acknowledges that he will not qualify for any other benefits under the Company’s STIP program for 2017 and/or 2018. Employee waives all claims to any additional STIP benefits.

(d) Employee will receive payment for any unused 2017 and 2018 vacation allowance. This will be paid o ut in a lump sum within thirty (30) days of Employee executing this Agreement, and will be subject to federal and state withholdings.

(e) Employee will be entitled to receive any vested retirement plan benefits that Employee has accrued through the Termination Date. For purposes of this provision, a retirement plan shall mean any retirement plan of the Company qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and The Manitowoc Company, Inc. Deferred Compensation Plan. Such benefits shall be calculated and paid in accordance with the terms of such plan(s).

(f) The Company will provide outplacement services, through an outplacement service selected by the Company, until Employee secures other employment.

(g) The Company will reimburse Employee for costs associated with the preparation of Employee's personal income taxes for 2017; provided however, this benefit shall not exceed $10,000.00.

(h) The Company will allow Employee to retain the cellular phone and phone number issued to him by the Company.

(i) With respect to services provided by Employee on or prior to the Termination Date, the Company shall maintain Director and Officer insurance coverage for Employee consistent with that provided to other Company directors and officers, and provide Employee with indemnification as permitted by law. Specifically, the Company will secure appropriate tail coverage in order to protect Employee for actions while he rendered his services as an Officer of the Company.

4. **Equity Compensation .** In accordance with the terms of The Manitowoc Company, Inc. 2003 Incentive Stock and Awards Plan and The Manitowoc Company, Inc. 2013 Omnibus Incentive Plan (each a "Plan"), the individual award agreements between Employee and Company and subsequent action by the Company's Compensation Committee:

(a) The Company agrees to accelerate the vesting of certain awards to: (1) provide an additional two years of vesting towards the non-qualified stock options ("NQSOs") that were granted on March 28, 2016, and February 22, 2017, respectively; (2) vest 66.6% of the restricted stock units ("RSUs") that were granted on February 22, 2017; and (3) fully vest all other outstanding awards, including any restricted stock awards ("RSAs"). RSUs will be paid in stock and at such time as the payments would have been paid if Employee had remained employed by the Company. If the preceding rules would provide for the payment of any accelerated RSUs before the six-month anniversary of Employee's separation from service, then such RSUs will be paid immediately following that six-month anniversary date in accordance with Paragraph 21 below. Employee shall forfeit any and all right and interest in the following awards immediately upon termination: (1) all awards that have not vested on or before the Termination Date or under the first sentence of this sub-paragraph, including, but not limited to, incentive stock options ("ISOs") and NQSOs; and (2) all awards that remain subject to any unsatisfied restriction, performance requirement, or measu rement period, including, but not limited to, performance shares (“PSs”), RSAs, and RSUs, unless specifically identified in this sub-paragraph.

(b) Employee will have twelve (12) months from the Termination Date to exercise vested and currently exercisable ISOs and NQSOs. [1] Any ISOs or NQSOs not exercised within twelve (12) months of the Termination Date will be forfeited.

(c) The parties agree that the following schedule represents Employee’s outstanding equity grants by type and date, as of the date of this Agreement [2] :

CRANES

AWARD DATE	AWARD TYPE	AWARD PRICE	AWARD AMOUNT	NUMBER VESTED	EXERCISABLE FOR 12 MONTHS	FORFEIT ON TERMINATION
02/15/2008	NQ	$7.9864	2,370	2,370	2,370	0
02/15/2008	ISO	$7.9864	3,230	3,230	3,230	0
02/24/2009	NQ	$0.9001	21,800	21,800	21,800	0
02/11/2010	NQ	$2.3165	18,000	18,000	18,000	0
02/14/2011	NQ	$4.0371	9,100	9,100	9,100	0
02/28/2012	NQ	$3.3227	6,300	6,300	6,300	0
02/26/2013	NQ	$3.7024	3,915	3,915	3,915	0
02/14/2014	NQ	$5.9332	3,170	3,170	3,170	0
02/17/2015	NQ	$4.4494	4,990	4,990	4,990	0
02/17/2015	RSU	$0.0000	2,740	2,740	2,740	0
04/08/2015	RSA	$0.0000	8,973	8,973	8,973	0
03/28/2016	NQ	$4.3500	49,505	37,129	37,129	12,376
03/28/2016	RSU	$0.0000	23,256	23,256	23,256	0
02/22/2017	RSU	$0.0000	22,638	15,092	15,092	7,546
02/22/2017	NQ	$6.4200	53,879	35,919	35,919	17,960

WELBILT

AWARD DATE	AWARD TYPE	AWARD PRICE	AWARD AMOUNT	NUMBER VESTED	EXERCISABLE FOR 12 MONTHS	FORFEIT ON TERMINATION
02/15/2008	NQ	$31.1436	2,370	2,370	2,370	0
02/15/2008	ISO	$31.1436	3,230	3,230	3,230	0
02/14/2014	NQ	$23.1368	3,170	3,170	3,170	0
02/17/2015	NQ	$17.3506	4,990	4,990	4,990	0
02/17/2015	RSU	$0.0000	2,740	2,740	2,740	0
04/08/2015	RSA	$0.0000	8,973	8,973	8,973	0

1 The twelve-month election period shall not apply to any shares for which the award price is less than the market price on the Termination Date. All options for shares for which the award price is equal to or in excess of the market price on the Termination Date are subject to the exercise deadline set forth in the original Award Agreement. Additionally, any ISO not exercised within three (3) months of the Termination Date will be converted into an NQ.

2 The equity share numbers and prices are based upon the number of shares originally awarded, and not the number as of the date of this Agreement. All payouts and awards will be subject to applicable adjustments, and shall be adjusted, in the event of stock splits, stock dividends, or other similar capital transactions and/or events.

5. **No Other Obligations** . Employee acknowledges and agrees that aside from Paragraphs 3 and 4, there are no other amounts, obligations or benefits due Employee by the Company. Further, Employee acknowledges and agrees that Employee is not eligible for any separation or termination benefit other than as set forth herein and Employee acknowledges that Employee's right to any benefit or payment authorized under this Agreement is conditioned upon: (a) Employee's execution of the Agreement; (b) Employee not revoking the Agreement as described in Paragraph 20 of the Agreement; (c) Employee's execution of the Post-Termination Release Agreement as described in Paragraph 2 of this Agreement; (d) Employee not revoking the Post-Termination Release Agreement; and (e) Employee's compliance with all obligations ascribed to Employee under t his Agreement.

6. **Employment Reference** . The Company agrees that all inquiries to the Company regarding Employee's employment shall be directed and responded to by the Senior Vice President Human Resources and Administration, and shall reference only Employee's dates of employment and positions held.

7. **Non-Disclosure of Confidential Information** . Employee acknowledges and agrees that Employee's work required access to Confidential Information of the Company, and that the Company's Confidential Information is valuable proprietary information belonging to the Company. Maintaining the confidentiality of such information is crucial to the Company's present and future success. The parties acknowledge and agree that protection of the Company's Confidential Information constitutes a legitimate protectable interest of the Company. Employee acknowledges and agrees that the Company would not have been willing to provide Employee access to this Confidential Information without the assurance of reasonable protection against any use of this information by Employee in a manner inconsistent with the Company's best interests. Therefore, the parties agree as follows:

(a) Employee agrees that a duty to protect the Company's Confidential Information is imposed upon Employee by law. "Confidential Information" includes, but is not limited to, trade secrets, design documents, copyright material, inventions (whether patentable or not), processes, marketing data, business strategies, product information (including, without limitation, any product designs, specifications, capabilities, drawings, diagrams, blueprints, models and similar items), customer and prospective customer lists, supplier and vendor lists, manufacturing procedures, methods, equipment, compositions, technology, formulas, know-how, research and development programs, strategic marketing plans, company-developed sales methods, customer usages and requirements, computer programs, business plans, company policies, personnel-related information and Company employee Personal Data (defined as any individually identifiable information about a natural person or from which a natural person reasonably could be identified) obtained from the Company's confidential personnel files or by virtue of employee's performance of assigned job responsibilities, any information received from a third party under confidentiality obligations, pricing and nonpublic financial information and records, software and similar information, in any form (whether oral, electronic, written, graphic or other printed form or obtained from access to or observation of the Company's (and/or any affiliate's) facilities or operations), which is not generally known by or readily available to the public at the time of disclosure or use.

(b) In addition, and with out limiting the duties imposed on Employee by law, Employee agrees that, for a period of two (2) years following the termination of Employee's employment, Employee will not disclose to any third party or use, directly or indirectly, any Confidential Infor mation of the Company, except as required by law or with the express written consent of the Company. Employee agrees that, in the event any person or entity seeks to legally compel Employee to disclose any such Confidential Information of the Company, Empl oyee shall provide the Company with prompt written notice within three (3) calendar days so that the Company may, in its sole discretion, seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. In any event, Employee agrees to furnish only that portion of the Confidential Information of the Company which is legally required to be disclosed, and will exercise Employee's best efforts to obtain commercially reasonable assurances that confidential treat ment shall be accorded to such Confidential Information of the Company.

(c) Employee also acknowledges that certain of the Company's Confidential Information is a "trade secret" as that term is defined in the federal Defend Trade Secrets Act of 2016 (18 U.S.C. §§ 1839(3) & 1890(b)(1)) and/or Section 134.90(1)(c) of the Wisconsin Uniform Trade Secrets Act. Employee agrees that Employee shall never disclose to a third party or use any trade secrets of the Company, whether during Employee's employment with the Company or at any time following the termination of Employee's employment with the Company, unless made in accordance with an express exception set forth in applicable federal, state, or local law(s). The parties agree that nothing in this Agreement shall be construed to limit or negate the common law of torts or trade secrets where it provides the Company with broader protection than that provided herein.

(d) Pursuant to the Defend Trade Secrets Act of 2016 (18 U.S.C. §§ 1833(b)(1) & (2)), Employee 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 (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) 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. Similarly, if Employee files a lawsuit for retaliation for reporting a suspected violation of law, Employee may disclose the trade secret to Employee's attorney and use the trade secret information in the court proceeding, if Employee: (A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order. Any employee, contractor, or consultant who is found to have wrongfully misappropriated trade secrets may be liable for, among other things, exemplary damages and attorneys' fees.

(e) Employee acknowledges that all original works of authorship made within the scope of Employee's employment and which are protectable by copyright are "works made for hire" as that term is defined in the United States Copyright Act (17 USCA § 101).

(f) The Company has informed Employee that it has (and may have in the future) duties to third parties (including the Company's customers and vendors) to maintain information in confidence and secrecy. Employee agrees to be bound by (and to adhere to) the Company's duties of confidentiality to third parties and will treat such information with the same care as required under the law and this Agreement. Employee further agrees that Employee will carefully preserve, in accordance with the Company's policies and proced ures, all documents, records, correspondence, prototypes, models and other written or tangible data relating to Inventions or Confidential Information in every form coming into Employee's possession (the "Records") during Employee's employment. Employee wi ll return all such Records, along with any copies of them, to the Company upon the Termination Date.

(g) Nothing contained in this Agreement shall be deemed to prohibit the Employee and/or Employee's representative(s) from freely communicating with any federal or state governmental agency or commission, including but not limited to the Securities and Exchange Commission, regarding, and/or from disclosing to any federal or state governmental agency or commission, including but not limited to the SEC, Company Confidential Information in any manner subject to protection under any foreign, federal, state or local laws, including but not limited to whistleblower laws.

(h) Employee agrees that any breach by Employee of any aspect of this Paragraph will entitle the Company to any and all relief provided for under Paragraph 12 of this Agreement, including immediate cessation of any severance payments and/or benefits under this Agreement and the return of any severance payments and/or benefits previously made to or received by Employee pursuant to this Agreement.

8. **Company Property and Proprietary Information** . Employee acknowledges and agrees that Employee's work required access to property of the Company. The parties acknowledge and agree that protection of the Company's property constitutes a legitimate protectable interest of the Company. Therefore, the parties agree as follows:

(a) Any and all Company property shall, at all times, remain the property of the Company. Any Company property over which Employee has any control, is in Employee's possession or which was in Employee's possession or was otherwise entrusted to Employee for use in Employee's employment must and will be turned over and shall remain on Company premises immediately as of the Termination Date. Any Company property over which the Employee has any control, was in the Employee's possession or which was otherwise entrusted to Employee that is not on Company premises as of the Termination Date will be returned to the Company as soon as possible following the Termination Date. Employee agrees to provide all codes, passwords, usernames, or other identification or information necessary to access any of the Company's computer files, e-mail accounts, or voicemail systems and agrees to cooperate with the Company in an effort to transfer any files, data, systems, or other information to the Company or its designated agent or employee. Employee agrees that, as of the time of Employee's termination, Employee will not access or attempt to access any computer, e-mail, voicemail, or other system of the Company. Employee understands that this also applies to and prohibits the downloading of Company property prior to and/or as of the Termination Date.

(b) Employee understands and agrees that, during the course of Employee's employment, Employee had access to the Company's Proprietary Information. "Proprietary Information" is information developed by or for the Company, which is used by the Company, but does not rise to the level of Confidential Information. Proprietary Information includes, but is not limited to, general policies, templates, operating manuals, forms, spreadsheets, slides, Power Point presentations, graphs, and other items used internally by the Company, which do not contain Confidential Information. Emplo yee acknowledges and agrees that Proprietary Information was developed, created, and/or modified on Company work time and/or at the Company's expense and, as such, has value and constitutes Company property. Employee acknowledges and agrees that, following the termination of Employee's employment, Employee is not entitled to disclose, use, possess, and/or have access to any Company property including, but not limited to Proprietary Information. Employee understands and agrees that, following the termination of Employee's employment, it shall be a material breach of this Agreement to request and/or receive Company property from any source without the express written permission of the Senior Vice President Human Resources and Administration for the Company. In the event Employee receives such Company property from any source, which was not requested by Employee, Employee may rectify the aforementioned breach by immediately notifying the Senior Vice President Human Resources and Administration of such receipt, a long with an explanation of the manner in which Employee received said Company property and prompt return of said Company property.

(c) Nothing contained in this Agreement shall be deemed to prohibit the Employee and/or Employee's representative(s) from freely communicating with any federal or state governmental agency or commission, including but not limited to the Securities and Exchange Commission, regarding, and/or from disclosing to any federal or state governmental agency or commission, including but not limited to the SEC, Company Proprietary Information in any manner subject to protection under any foreign, federal, state or local laws, including but not limited to whistleblower laws.

(d) Employee agrees that any breach by Employee of any aspect of this Paragraph will entitle the Company to any and all relief provided for under Paragraph 12 of this Agreement, including immediate cessation of any severance payments and/or benefits under this Agreement and the return of any severance payments and/or benefits previously made to or received by Employee pursuant to this Agreement.

9. **Non-Solicitation of Employees** . Employee understands and agrees that the Company's relationship with its employees is one of the Company's most valuable assets. The relationships that the Company has developed with its employees are crucial to the Company's present and future success. Employee acknowledges and agrees that the Company's employee relationships are established and maintained at great expense and investment, and constitute a legitimate protectable interest of the Company. Employee acknowledges and agrees that assurance of reasonable protection against any interference by Employee with the Company's relationships with its employees in a manner inconsistent with the Company' s best interests is warranted. Therefore, the parties agree as follows:

(a) Employee agrees that, for a period of two (2) years following the termination of Employee's employment, Employee will not interfere with or attempt to impair the relationship between the Company and any of its employees by attempting, directly or indirectly, to solicit, entice, or otherwise induce any employee to terminate his/her association with the Company to accept employment with a competitor of the Company. The term "solicit, entice or induce" includes, but is not limited to, the following: (i) communicating with an employee of the Company relating to possible employment with a competitor of the Company; (ii) offering bonuses or additional compensation to encourage employees of t he Company to terminate their employment to accept employment with a competitor of the Company; (iii) referring employees of the Company to personnel or agents employed or engaged by competitors of the Company; or (iv) referring personnel or agents employe d or engaged by competitors of the Company to employees of the Company. Employee acknowledges and agrees that this restriction does not prevent any competitor of the Company from hiring any employees of the Company without Employee's involvement.

(b) Employee further agrees that, for a period of two (2) years following the termination of Employee's employment, Employee will not interfere with or attempt to impair the relationship between the Company and any of its employees by attempting, directly or indirectly, to solicit, entice, or otherwise induce any employee to terminate his/her association with the Company to accept employment with any entity with which Employee is or becomes an employee, officer, agent, independent contractor, consultant, and/or representative (the "Entity"). For purposes of this subparagraph, Entity shall include any affiliates of the Entity. The term "solicit, entice or induce" includes, but is not limited to, the following: (i) communicating with an employee of the Company relating to possible employment with the Entity; (ii) offering bonuses or additional compensation to encourage employees of the Company to terminate their employment to accept employment with the Entity; (iii) referring employees of the Company to personnel or agents employed or engaged by the Entity; or (iv) referring personnel or agents employed or engaged by the Entity to employees of the Company. Employee acknowledges and agrees that this restriction does not prevent Employee's future employer from hiring any employees of the Company without Employee's involvement.

(c) Employee agrees that any breach by Employee of any aspect of this Paragraph will entitle the Company to any and all relief provided for under Paragraph 12 of this Agreement, including immediate cessation of any severance payments and/or benefits under this Agreement and the return of any severance payments and/or benefits previously made to or received by Employee pursuant to this Agreement.

10. **Non-Solicitation of Customers** . Employee understands and agrees that the Company's relationship with its customers is one of the most valuable assets of the Company. These relationships and the goodwill that the Company has developed with its customers are crucial to the Company's present and future success. Employee agrees that the Company's customer contacts and its relationships are established and maintained at great expense and that Employee, by virtue of employment with the Company, had unique and extensive exposure to and personal contact directly with the Company's customers. Therefore, the parties agree as follows:

(a) Employee agrees that, for a period of two (2) years following the termination of Employee's employment, Employee will not, directly or indirectly, individually or as an employee, agent, partner, shareholder, consultant, or in any other capacity, canvass, contact, solicit, or accept any of the Company's customers with whom Employee has had direct contact, or for whom Employee has had supervisory or managerial responsibility, during the two (2) year period preceding Employee's termination for the purpose of providing services or products that are substantially similar to the services or products which Employee was involved in providing to said customers on behalf of the Company. It is understoo d and agreed that the fluid customer list limitation contemplated by the parties closely approximates the area of the Company's vulnerability to unfair competition by Employee and does not deprive Employee of legitimate competitive opportunities to which E mployee is entitled.

(b) Employee agrees that any breach by Employee of any aspect of this Paragraph will entitle the Company to any and all relief provided for under Paragraph 12 of this Agreement, including immediate cessation of any severance payments and/or benefits under this Agreement and the return of any severance payments and/or benefits previously made to or received by Employee pursuant to this Agreement.

11. **Request for Review of Obligations Regarding Future Employment or Conduct** . Employee acknowledges and agrees that it is not the purpose of this Agreement to preclude Employee from engaging in employment or conduct that does not unfairly interfere with the Company's protectable business interests. If during the term of this Agreement, Employee is uncertain as to whether Employee's employment, conduct, or business enterprise may interfere with the Company's protectable business interests in violation of this Agreement, Employee agrees to submit to the Company in writing a request to engage in said employment, conduct, or business enterprise, prior to commencing and/or engaging in any such employment, conduct, or business enterprise. Any such request must specifically refer to this Agreement. The Company agrees that it will respond to the request with reasonable promptness and that it will not unreasonably withhold permission to engage in the employment, conduct, or business enterprise specified in the request, regardless of the terms of the Agreement, if the employment, conduct, or business enterprise sought to be engaged in does not interfere with the Company's protectable business interests. Any such permission granted by the Company must be in writing, shall extend only to the employment, conduct, or business enterprise specifically identified in the written request, and shall not otherwise constitute a waiver of the Company's rights under the Agreement.

12. **Enforcement** . Employee understands and acknowledges that irreparable injury will result to the Company and its business in the event of a breach of any of the covenants or obligations contained in this Agreement. Employee also acknowledges and agrees that the damages or injuries which the Company may sustain as a result of such a breach are difficult to ascertain and money damages alone would not be an adequate remedy to the Company. Employee therefore agrees that if a controversy arises concerning the rights or obligations contained in this Agreement or Employee breaches any of the covenants or obligations contained in this Agreement, the Company shall be entitled to any injunctive, or other, relief necessary to enforce, prevent, or restrain any violation of the provisions of this Agreement (without posting a bond or other security). Such relief, however, shall be cumulative and non-exclusive and shall be in addition to any other right or remedy to which the Company may be entitled. Employee also agrees that any breach by Employee of Employee's obligations enumerated in this Agreement shall entitle the Company to the return of any severance payment(s) or any other benefit(s) paid, and/or received by Employee, hereunder, and reimbursement of any and all attorneys' fees and costs incurred by the Company in enforcing this Agreement or taking action against Employee for breach of this Agreement.

13. **Confidentiality of Agreement**. Employee agrees that the existence of this Agreement and the terms and contents of this Agreement shall be kept confidential and shall not be disclosed in any way, directly or indirectly, to any other person or entity. The terms of this Paragraph shall not apply to disclosures compelled by judicial process, disclosures to taxing authorities required by law or consultations with attorneys, accountants, governmental agencies or immediate family members as necessary to implement the terms of this Agreement.

14. **Release**. Employee, for and in consideration of the terms of this Agreement, does hereby for Employee, and for Employee's heirs, personal representatives, and assigns, fully and forever release and discharge the Company, the officers, employees, and/or agents of the Company, the members of the board of directors of the Company, and the Company's benefit plans and its fiduciaries, from any and all claims, demands, damages, actions, rights of action, both known and unknown, costs, loss of wages, expenses, compensation, and any other relief, on account of, or in any way growing out of any events relating to Employee's employment and/or termination from employment with the Company. This release includes (but is not limited to) any rights or claims that Employee may have under the Age Discrimination in Employment Act of 1967, which prohibits age discrimination in employment; Title VII of the Civil Rights Act of 1964 (as amended by the Civil Rights Act of 1991), which prohibits discrimination in employment based on race, color, national origin, religion or sex; the Americans with Disabilities Act, which prohibits discrimination in employment based on disability; the Equal Pay Act, which prohibits paying men and women unequal pay for equal work; the Employee Retirement Income Security Act; the Genetic Information Nondiscrimination Act; the Family and Medical Leave Act; 42 U.S.C. § 1981; any state law counterparts; and/or any other federal, state, or local employment laws. This also includes a release of any claims for wrongful discharge arising from the separation of Employee's employment and any claims under any severance plan of the Company. This release includes both claims that Employee knows about and those which Employee may not know about. Except as set forth in Paragraphs 3 and 4, this release also acts as a waiver and release of any rights Employee has to any benefits under the Company's retirement or other benefit plans. Further, this release does not waive or release any rights or claims that Employee may have under the Age Discrimination in Employment Act which arise after the effective date of this Agreement. Employee agrees that nothing in this Agreement is to be construed as an admission of liability or wrongdoing of any sort by the Company in the negotiation or execution of this Agreement. This waiver and release provision does not apply to any rights that Employee cannot lawfully waive.

15. **ADEA Waiver**. Employee, without limiting the foregoing release, specifically agrees and represents that Employee is waiving and releasing all claims arising under the Age Discrimination in Employment Act of 1967, that in exchange for the waiver and release of those claims, Employee is receiving consideration in addition to anything of value to which Employee is already entitled, that Employee is not waiving any claims or rights that may arise after the effective date of this Agreement, and that Employee has been advised to consult with an attorney of Employee's choice prior to executing this Agreement regarding the content of the Agreement and the legal rights waived hereunder.

16. **Noninterference Clause.** Notwithstanding the above, nothing in this Agreement shall interfere with Employee's right to file a charge, cooperate or participate in an investigation or proceeding conducted by the Equal Employment Opportunity Commission, the National Labor Relations Board, the Wisconsin Equal Rights Division, or any ot her federal or state regulatory or law enforcement agency. However, the consideration provided to Employee in this Agreement shall be the sole relief provided to Employee for the claims that are released by Employee herein and Employee will not be entitle d to recover and agrees to waive any monetary benefits, reinstatement, or other recovery against Company in connection with any such claim, charge or proceeding without regard to who has brought such complaint or charge.

17. **Hold Harmless**. Except as set forth in Paragraph 16, Employee agrees that the consideration paid hereunder is in full and final compromise of all claims, known or unknown, that Employee may have against the Company as of the effective date of this Agreement. Employee agrees not to file suit, or initiate a proceeding, claim or charge or cause any other suit, proceeding, claim or charge to be filed by any other person or entity on Employee's behalf, against the Company related to any events concerning Employee's employment or termination from employment with the Company. If Employee breaches this Agreement by filing a lawsuit based on claims that Employee has released, Employee will pay for all costs incurred by the Company, including any and all attorneys' fees and costs incurred by the Company, in defending against Employee's claim.

18. **Non-Disparagement**. Employee agrees that Employee will not make any statements regarding the Company, either now or at any time in the future, concerning Employee's employment with the Company or termination from employment which could reasonably be viewed as disparaging or in any way reflecting negatively on the reputation of the Company unless otherwise required by law. Nothing contained in this Agreement shall be deemed to prohibit the Employee and/or Employee's representative(s) from freely communicating with any federal or state governmental agency or commission, including but not limited to the SEC, regarding, and/or from disclosing to any federal or state governmental agency or commission, including but not limited to the SEC, any potential violations of law by the Company in any manner subject to protection under any foreign, federal, state or local laws, including but not limited to whistleblower laws.

Likewise, the Company agrees no officer of the Company or agent of the Company acting at the express direction of an officer of the Company will make any statements regarding Employee, either now or at any time in the future, concerning Employee's employment with the Company or termination from employment which could reasonably be viewed as disparaging or in any way reflecting negatively on the reputation of the Company unless otherwise required by law. Employee understands and agrees that, prior to bringing any action against the Company for breach of this Paragraph, Employee shall identify and present to the Company the alleged disparaging remark and the identity of the person making the alleged disparaging remark, and the Company shall be given the opportunity to rescind and/or retract the alleged statement and/or otherwise cure the alleged breach.

19. **Consideration Period**. Employee will have twenty-one (21) calendar days from the later of the date Employee receives this Agreement or his Termination Date to consider its

terms and decide whether to sign it. This period is designed to allow Employee time to consult with an attorney, or anyone else whose advice Employee may need or want. The execution of this Agreement prior to the expiration of the twenty-one (21) calendar day period does not neg ate the fact that Employee had the full twenty-one (21) calendar day period for consideration of this Agreement. If this Agreement is not signed by Employee prior to the conclusion of the twenty-one (21) calendar day period described above, then the Compan y's offer to Employee, as contained in this Agreement, shall expire.

20. **Revocation Period**. After signing this Agreement, Employee will have seven (7) calendar days to revoke it. Any revocation should be in writing and delivered to Thomas G. Musial, Senior Vice President Human Resources and Administration, The Manitowoc Company, Inc., 2400 South 44th Street, P.O. Box 66, Manitowoc, Wisconsin 54221-0066, by no later than the end of the seventh (7th) calendar day of the revocation period. Employee understands and agrees that, should Employee exercise this right of revocation, Employee will not be entitled to any payment or consideration under this Agreement.

21. **Code Section 409A**. To the extent applicable, it is intended that this Agreement and any payments or benefits due hereunder are exempt from the application of Code Section 409A to the extent possible, but that all payments and benefits comply with the provisions of Code Section 409A, if applicable. Each installment payment shall be considered a separate payment for purposes of determining whether and how Code Section 409A applies to such payment. This Agreement shall be administered by the Company in a manner consistent with this intent, and any provision that would cause this Agreement to fail to satisfy Code Section 409A shall have no force or effect until amended to comply with Code Section 409A (which amendment may be retroactive to the extent permitted by Code Section 409A).

22. **Governing Law**. The parties agree that this Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin without giving effect to any conflicts of law provisions. The parties also agree that any action or suit brought by any party to enforce or adjudicate the rights of the parties to and under this Agreement shall be brought in the Circuit Court for Manitowoc County, Wisconsin, this Court being the sole, exclusive, and mandatory venue and jurisdiction for any disputes between the parties arising from or relating to this Agreement. By entering into this Agreement, Employee consents to the jurisdiction of the Circuit Court for Manitowoc County, Wisconsin. If any action is filed, by any party, relating to a breach of this Agreement and/or enforcement of this Agreement, Employee expressly agrees and consents to jurisdiction in the Circuit Court for Manitowoc County, Wisconsin and waives any claim that the Circuit Court for Manitowoc County, Wisconsin lacks personal jurisdiction or is an inconvenient forum.

23. **Severability**. In the event that any provision or clause of this Agreement shall be held to be invalid or unenforceable for any reason whatsoever, it is agreed such invalidity or unenforceability shall not affect any other provision or clause of this Agreement and the remaining covenants, restrictions, and provisions herein shall remain in full force and effect, and any court of competent jurisdiction may so modify the objectionable provision as to make it valid, reasonable, and enforceable.

24. **Enforceability**. The parties ag ree that the terms and conditions of the restrictions in this Agreement are reasonable and necessary for the protection of the Company's protectable business interests and to prevent damage or loss to the Company as a result of action taken by Employee. Em ployee acknowledges and agrees that the restrictions contained in this Agreement are reasonable and do not inhibit the free flow of trade or business; nor do they restrict the mobility, hiring, and/or employment opportunities of any individual or business, including other Company employees, Employee's future employer, and any other business entities, including competitors of the Company. Employee acknowledges and agrees that Employee could continue to actively pursue Employee's career and earn sufficient co mpensation in the same or similar business without breaching any of the restrictions contained in this Agreement. Employee acknowledges and agrees that this consideration is sufficient to fully and adequately compensate Employee for agreeing to the restric tions contained herein.

25. **Sale, Consolidation, or Merger**. In the event of a sale of the stock of the Company and/or any one or more of the entities comprised within the definition of the Company, consolidation or merger of the Company, and/or any one or more entities comprised within the definition of the Company, with or into another corporation or entity, or the sale or spinoff of substantially all of the operating assets of the Company, and/or any one or more entities comprised within the definition of the Company, to another corporation, entity, or individual, the successor in interest shall be deemed to have assumed all rights, privileges, duties, and liabilities of the Company, and/or the relevant entities comprised within the definition of the Company, under this Agreement.

26. **Notice**. Any notice to be given hereunder shall be deemed sufficient if addressed in writing, and delivered by registered or certified mail or delivered personally, in the case of the Company to its principal business office and in Employee's case, to Employee's address appearing on the Company's records, or to such other address as Employee may designate in writing to the Company.

27. **Counterparts**. This Agreement may be executed in one or more counterparts. Each counterpart shall be considered an original and all such counterparts shall constitute a single agreement binding upon the parties.

28. **No Waiver**. The failure of either party to insist, in any one or more instances, upon performance of the terms or conditions of this Agreement, and/or the waiver of a breach of any provision hereof, shall not be construed as a waiver of other breaches of the same or other provisions of the Agreement and/or relinquishment of any right granted hereunder or of the future performance of any such term, covenant, or condition. The parties agree that this Agreement shall not be deemed or construed to have been modified, amended, rescinded, canceled or waived in whole or in part, unless the parties agree in writing. To prevent adverse tax consequences, the parties agree that they will not modify the payment schedule set forth in Paragraph 3 above.

29. **Benefit**. This Agreement shall be binding upon and inure to the benefit of and shall be enforceable by and against the Company, its successors and assigns, and Employee, Employee's heirs, beneficiaries, and legal representatives.

30. **Future Employment**. Employee agrees that during the term of this Agreement, Employee shall notify any employer of the terms and restrictions of this Agreement. Employee also agrees that if Employee accepts employment, the Company may advise such employer of this Agreement and its terms.

31. **Cooperation Clause**. Employee acknowledges that during his employment he was integral in various ongoing litigation matters in which the Company was or may become a party. Employee agrees that, from the time of execution of this Agreement through the Severance Pay Period, Employee shall reasonably assist in the transition of Employee’s duties, which shall include responding to phone calls or emails to answer questions and provide information regarding Employee’s former duties and/or the aforementioned litigation. Employee also agrees that, during the Severance Pay Period, Employee will assist the Company in the aforementioned litigation. Such assistance and/or participation shall not include providing legal services and/or advice, but shall include Employee: (i) making himself reasonably available for interview by the Company or its counsel; (ii) making himself reasonably available for preparation with the Company or its counsel for deposition(s), trial(s), hearing(s) and/or other proceeding(s); (iii) attending any deposition(s), trial(s), hearing(s) and/or other proceeding(s) to provide testimony on the Company’s behalf; (iv) reviewing, locating, and/or providing requested documents relevant to the litigation; and (v) providing other reasonable assistance to the Company or its counsel in the defense or prosecution of the aforementioned litigation. For the enumerated items above, the Company shall compensate Employee at his then-current hourly rate not to exceed one hundred fifty dollars ($150.00) per hour, which will be made in accordance with the Company’s generally applicable policies for employee payroll. The Company shall also reimburse Employee for reasonable out-of-pocket expenses incurred by Employee in the course of complying with the enumerated obligations contained in this Paragraph, in accordance with the Company’s generally applicable policies for employee expenses. Employee’s agreement to assist the Company includes an obligation to provide truthful, accurate, and factual testimony relevant to the subject matter of the aforementioned litigation and Employee agrees to provide such testimony regardless of its substance and regardless of the impact of the testimony on the ultimate outcome of the aforementioned litigation. Manitowoc’s counsel in the aforementioned litigation shall represent Employee in connection with the litigation at Manitowoc’s expense, unless a conflict of interest arises that in the judgment of Manitowoc, or its counsel, requires Employee to have separate counsel or unless Employee otherwise desires to engage Employee’s own counsel at Employee’s own expense.

32. **Entire Agreement**. This Agreement sets forth the entire intent of and understanding between the parties with respect to the subject matter of this Agreement and supersedes all prior discussions, negotiations, and agreements between the parties, rendering all prior agreements between the parties null and void.

33. **IN ENTERING INTO THIS AGREEMENT, EACH PARTY EXPRESSLY STATES THAT IT HAS READ AND FULLY UNDERSTANDS THE TERMS OF THIS AGREEMENT, THAT THIS AGREEMENT HAS BEEN FULLY EXPLAINED TO SUCH PARTY BY ITS RESPECTIVE ATTORNEY, AGENT, OR REPRESENTATIVE, THAT THE PARTY ENTERS INTO THIS AGREEMENT VOLUNTARILY AND OF**

ITS OWN FREE WILL AND THAT THE PARTY UNDERSTANDS THAT THIS AGREEMENT CONSTITUTES A FULL, FINAL AND BINDING SETTLEMENT OF THE MATTERS COVERED BY THIS AGREEMENT. EACH PARTY FURT HER STATES THAT ITS WILLINGNESS TO ENTER INTO THIS AGREEMENT WAS NOT INDUCED BY, OR BASED UPON, ANY REPRESENTATION BY ANY OTHER PARTY HERETO, OR ITS AGENTS OR EMPLOYEES, WHICH IS NOT CONTAINED IN THIS AGREEMENT. VALUABLE LEGAL RIGHTS ARE WAIVED HEREUNDER.

Accepted By:

LOUIS F. RAYMOND THE MANITOWOC COMPANY, INC.

/s/ Louis F. Raymond /s/ Thomas Musial
Louis F. Raymond By:Thomas Musial

Title: Senior Vice President Human Resources and Administration

Date: _ November 30, 2017___________ Date: _ November 30, 2017_____________

ADDENDUM TO SEVERANCE AGREEMENT AND RELEASE

POST-TERMINATION RELEASE AGREEMENT

In accordance with Paragraph 2 of the Severance Agreement and Release (the "Agreement") entered into between The Manitowoc Company, Inc. (the "Company") and Louis F. Raymond ("Employee"), for an in consideration of the terms of said Agreement, Employee executes this Post-Termination Release Agreement and hereby for Employee, and for Employee's heirs, personal representatives, and assigns, fully and forever releases and discharges the Company, its successors, assigns, and spin-offs, any parent, subsidiary, or division, the officers, employees, and agents of the Company, the members of the board of directors of the Company, and the Company's benefit plans and its fiduciaries, from any and all claims, demands, damages, actions, rights of action, both known and unknown, as fully set forth in Paragraphs 14 and 15 of the Agreement, which are incorporated by reference as if fully set forth herein, except the foregoing shall also apply to all rights and claims that may have arisen since the date of the execution of the Agreement. This Post-Termination Release Agreement is intended to provide, in conjunction with the release and waiver contained in the Agreement, uninterrupted coverage of all time periods up to and including the date and time of the execution of this Post-Termination Release Agreement but does not apply to rights or claims that may arise after the date of this Post-Termination Release Agreement is executed. This waiver and release provision does not apply to any rights or claims Employee may have under the Age Discrimination in Employment Act which arise after the effective date of this Agreement, and/or to any rights Employee cannot lawfully waive.

The parties further expressly incorporate by reference as if fully set forth herein all terms, conditions, and other obligations set forth in the Agreement. Employee acknowledges and agrees his receipt of the severance benefits set forth in the Agreement are conditioned upon his execution of this Post-Termination Release Agreement.

Accepted By:

/s/ Louis F. Raymond
Louis F. Raymond

Date: __ November 30, 2017_____________

Exhibit 10.26

SEVERANCE AGREEMENT AND RELEASE

THIS AGREEMENT is made and entered into by and between THE MANITOWOC COMPANY, INC. with its principal office at 2400 South 44 th Street, Manitowoc, Wisconsin and THOMAS G. MUSIAL ("Employee"). For purposes of this Agreement, the term "Company" and "Manitowoc" means and includes The Manitowoc Company, Inc., its successors, assigns, and spin offs, any parent, subsidiary or division of Manitowoc, and any other affiliated entity under common control with Manitowoc, whether now existing or hereafter formed or acquired.

WHEREAS, Employee has decided to retire from his employment and all offices and directorships with Company and its affiliates, including Senior Vice President, Human Resources and Administration of the Company; and

WHEREAS, Employee and the Company have agreed to a severance package including a release of all claims.

NOW, THEREFORE, in consideration of the foregoing, the parties hereto agree as follows:

1. **Retirement**. Employee's employment and all offices and directorships with the Company and its affiliates shall terminate effective at such time or times as determined by the Company, but no later than the end of the day on July 6, 2018 (the "Retirement Date"). Notwithstanding any decision to remove Employee from any offices or directorships prior to the Retirement Date, the effective date of his employment termination and separation from employment will be the Retirement Date. The Company agrees to provide Employee with a paid leave of absence from the date on which Employee initially executes this Agreement (or such other date to which the parties mutually agree) through June 30, 2018, and an unpaid leave of absence from July 1, 2018 through the Retirement Date; and, Employee acknowledges that he has requested this paid and unpaid leave over the specified period. During the paid and unpaid leave, Employee agrees he shall not act as an agent of the Company for any purpose, nor may he bind the Company by any act during that time unless the Company has expressly asked Employee to engage in some act during this period. Further, Employee shall have no job duties or responsibilities during his paid or unpaid leave. Finally, Employee agrees that Employee will not apply for employment with the Company or any of its related entities at any time after the date on which this Agreement is executed by Employee and Employee waives any right Employee may have to be employed by the Company and any of its related entities at any time after the Retirement Date. Employee further agrees never to accept any assignment through a temporary agency with the Company or any of its parent companies, successors, or any other related entities, in any capacity, at any time in the future.

2. **Post-Retirement Reaffirmation of this Severance Agreement and Release**. Employee acknowledges and agrees that his receipt of the payment set forth in Section 3(a)(ii) in this Agreement is conditioned upon his reaffirmation of his commitments in this Agreement, including his release of any and all claims pursuant to Sections 13 and 14, by re-executing this Agreement after the Retirement Date but within four (4) days of the Retirement Date, and not revoking his reaffirmation within the seven-day period immediately following his re-execution.

Employee acknowledges and agrees that this Section 2 does not in any way alter the terms and conditions set forth in Section 19 of this Agreement. Violation of the terms of this Section 2 shall not render the Agreement void, but shall mean that Employee shall not be eligible to receive the payment set forth in Section 3(a)(ii).

3. **Compensation and Benefits**. Employee shall receive the following as consideration for the execution of this Agreement, reaffirmation of this Agreement in accord with Section 2, compliance with the terms of this Agreement, and waiver of the legal rights set forth herein:

ve the later of seven (7) calendar days after Employee executes this Agreement (and only if Employee has not revoked this Agreement cor with Section 19) or the Retirement Date, and as to the pay provided in Section 3(a)(ii) only if Employee has re-executed this Agreement in accord with Section 2, and only so long as Employee continues to honor all terms and conditions of this Agreement, the Company agrees to provide employee: (i) with a total of thirteen (13) payments of Sixteen Thousand Three Hundred Ninety-Six and 15/100 Dollars ($16,396.15), commencing with the first regular Company payroll following the Retirement Date and continuing each regular payroll date thereafter until all thirteen payments have been made, and (ii) a lump sum payment of Four Hundred Twenty-Six Thousand Three Hundred and 05/100 Dollars ($426,300.05) paid after January 10, 2019 but before January 31, 2019. All payments provided under this Section 3(a) shall be subject to federal and state withholdings and deductions.

(b) As of the Retirement Date, any group health insurance coverage and/or dental reimbursement coverage Employee may have with the Company will be terminated and applicable COBRA coverage will be made available to Employee. The available coverage is th e same coverage which is available for all non-represented employees of the Company. Beginning July 7, 2018, Employee understands that Employee is eligible to elect continued health and/or dental insurance coverage under COBRA. If Employee elects continued coverage under COBRA, the Company agrees to reimburse Employee for 80% of the monthly COBRA cost upon receipt of proof of payment from July 7, 2018, through December 31, 2019. To be eligible for reimbursement, Employee must submit proof of payment within 30 days of payment. Employee understands it is Employee's sole obligation to make these COBRA payments on a monthly basis in order to continue Employee's health or dental insurance benefits and that failure by Employee to make these payments timely will result in cessation of benefits. If Employee obtains other employment prior to the end of December 31, 2019 which offers any of such insurance coverage, the Company's obligation to reimburse Employee for COBRA payments will be terminated. Employee agrees to furnish promptly to the Company all documentation required and/or reasonably requested by the Company regarding subsequent benefit eligibility.

(c) Consistent with the terms of the STIP, the Company will also pay Employee a 2017 STIP bonus equal to t he STIP bonus that Employee would have received based upon actual 2017 performance factors applied when the STIP awards are finalized in early 2018. This 2017 STIP payment will be paid in 2018 at the same time that 2017 STIP payments for the 2017 performance year, if any, are paid or would have been paid to then-active employees of the Company.

(d) Consistent with the terms of the STIP, the Company will also pay Employee a pro-rata 2018 STIP bonus equal to one-third of the 2018 STIP bonus that Employee would have received based upon actual 2018 performance factors applied when the STIP awards are finalized in early 2019. This pro-rata 2018 STIP payment will be paid in 2019 at the same time that the 2018 STIP payments for the 2018 performance year, if an y, are paid or would have been paid to then-active employees of the Company.

(e) The Company will also pay Employee Four Hundred Forty-Seven Thousand Six Hundred Fifteen and 00/100 Dollars ($447,615.00) ("Additional Bonus Payment"), less applicable federa l and state withholding and deductions, in a lump sum, after January 10, 2019 but before January 31, 2019. Except as provided in Section 3(d), Employee acknowledges that he will not qualify for any benefits under the Company's STIP program for 2018, 2019 or any year thereafter. Employee waives all claims, if any, to any additional STIP benefits.

(f) Employee will receive payment for eight and one-half (8½) weeks' of vacation, less applicable federal and state withholding and deductions, within 30 days of the Retirement Date, which payment may be included with one of the first two payments provided under Section 3(a)(i). Employee expressly acknowledges and agrees that this payment is in accord with all alleged vacation owed to Employee as of the Retirement Date. In addition, the Company will provide outplacement services through an outplacement service selected by the Company, until employee secures other employment or for two years from the Retirement Date, whichever concludes earlier.

(g) Employee will be entitled to receive any vested retirement plan benefits that Employee has accrued through the Retirement Date. For purposes of this provision, a retirement plan shall mean any retirement plan of the Company qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended (the "Code"), The Manitowoc Company, Inc. Deferred Compensation Plan ("Deferred Compensation Plan") and any benefits that Employee has accrued under the Company's Supplemental Executive Retirement Plan ("SERP") based upon all services provided and Compensation paid through the Retirement Date. Such benefits shall be calculated and paid in accordance with the terms of such plan(s). By way of illustration:

i. Employee's Deferred Compensation Plan benefit consists of grandfathered and non-grandfathered amounts. Grandfathered and non-grandfathered benefits are paid in accordance with Employee's prior distribution election. Any payment of non-grandfathered amounts will be delayed for six (6) months from Employee's Retirement Date to comply with Internal Revenue Code Section 409A, during which time, Employee's account will continue to be adjusted for earnings and losses, if any.

ii. Employee's SERP benefit consists of grandfathered and non-grandfathered benefits. Grandfathered amounts are paid in a single lump-sum within sixty (60) days of Employee's Retirement Date. Non-grandfathered benefits for which no prior distribution election was made are paid in a single lump-sum, but such payment will be delayed for six (6) months from Employee's Retirement Date to comply with Internal Revenue Code Section 409A, during which time, Employee's benefits will be adjusted for earnings and losses, if any, in accord with the SERP terms in affect as of the Retirement Date.

(h) The Company will pay on behalf of Employee Forty Thousand Dollars ($40,000.00), without any deductions or withholdings, in a check made payable to Employee's attorney's trust account: Fox & Fox, S.C. Trust Account. This payment shall be provided within ten (10) business days of the later of (i) the date on with this Agreement becomes effective, or (ii) the date on which Employee's attorney provides the Company with a completed IRS Form W-9. The payment called for in this Section shall be mailed to Employee's attorney: Michael Fox, Fox & Fox, S.C., 124 W. Broadway, Monona, WI 53716-3999. This payment is intended to cover legal fees Employee has incurred in this matter or with respect to personal income tax preparation costs, and the Company shall issue an IRS MISC-1099 Form(s) reflecting this payment.

(i) The Company will allow Employee to retain the cellular phone and phone number issued to him by the Company.

(j) With respect to services (if any) provided by Employee on or prior to the Retirement Date, the Company shall maintain Director and Officer insurance coverage for Employee consistent with that provided to other Company directors and officers, and provide Employee with indemnification as permitted by law. Specifically, the Company will secure appropriate tail coverage in order to protect the Employee for actions while he rendered his services as a Director on the Board of the Company.

(k) The Company will make a new equity award or awards to Employee in 2018 prior to the Retirement Date that is consistent with and in the same relative manner as the equity awards provided to other employees employed in similar executive-level positions with the Company that is anticipated to be valued at Four Hundred Forty-Seven Thousand Dollars ($447,000.00).

4. **<u>Equity Compensation</u>**. In accordance with the terms of The Manitowoc Company, Inc. 2003 Incentive Stock and Awards Plan and The Manitowoc Company, Inc. 2013 Omnibus Incentive Plan (each a "Plan"), the individual award agreements between Employee and Company and subsequent action by the Company's Compensation Committee:

(a) All currently outstanding equity grants shall be deemed fully vested on the Retirement Date; and, no equity grant that has been awarded prior to the Retirement Date shall be subject to pro-ration as a result of language in any award agreement associated with the equity grant.

i. Employee will have until the expiration date set forth in the applicable individual award agreement to exercise all vested awards that are stock options for which the award price is not less than the market price on the Retirement Date.

ii. Any Incentive Stock Options (“ISOs”) not exercised within three (3) months of the Retirement Date will be converted into Non-Qualified Stock Options (“NQSOs”).

iii. Any options not exercised by the expiration date set forth in the applicable individual award agreement will be forfeited.

iv. Restricted Stock that has been vested will be transferred immediately, without restrictions, upon expiration of the Revocation Period described in Section 19 below.

v. Restricted Stock Units will be paid out as cash payments, equal to the amount calculated at 100% of the target award, at such time as the payments would have been paid if Employee had remained employed by the Company.

(b) The parties agree that the schedule on the next page represents Employee’s outstanding equity grants by type and date, as of the date of this Agreement (the parties agree that the schedule does not include the equity grants to be awarded pursuant to Section 3.k. of this Agreement):

[continued on next page]

The Manitowoc Company Inc.

AWARD DATE	AWARD TYPE	AWARD PRICE	AWARD AMOUNT	NUMBER VESTED	NUMBER EXERCISABLE	EXPIRATION DATE
02/15/2008	ISO	$31.9457	639	639	639	02/15/2018
02/15/2008	NQ	$31.9457	3,837	3,837	3,837	02/15/2018
02/14/2011	NQ	$16.1484	13,875	13,875	13,875	02/14/2021
02/28/2012	NQ	$13.2910	10,290	10,290	10,290	02/28/2022
02/26/2013	NQ	$14.8095	6,450	6,450	6,450	02/26/2023
02/14/2014	NQ	$23.7327	5,170	3,877	5,170	02/14/2024
02/17/2015	NQ	$17.7975	7,865	3,932	7,865	02/17/2025
03/28/2016	NQ	$17.4000	27,661	6,915	27,661	03/28/2026
02/22/2017	NQ	$25.6800	20,070	0	20,070	02/22/2027
04/08/2015	RSA	$0.0000	7,499	0	7,499	N/A**
02/17/2015	RSU	$0.0000	4,321	0	4,321	N/A**
03/28/2016	RSU/PERF	$0.0000	12,995	0	12,995*	N/A**
02/22/2017	RSU/PERF	$0.0000	8,433	0	8,433*	N/A**

* Target award, based on 100% of performance target.
**Settled as provided in award agreement.

Welbilt Inc.

AWARD DATE	AWARD TYPE	AWARD PRICE	AWARD AMOUNT	NUMBER VESTED	NUMBER EXERCISABLE	EXPIRATION DATE
02/15/2008	ISO	$31.1436	2,555	2,555	2,555	02/15/2018
02/15/2008	NQ	$31.1436	15,345	15,345	15,345	02/15/2018
02/24/2009	NQ	$3.5099	74,100	74,100	74,100	02/24/2019
02/11/2010	NQ	$9.0335	87,300	87,300	87,300	02/11/2020
02/14/2011	NQ	$15.7429	55,500	55,500	55,500	02/14/2021
02/28/2012	NQ	$12.9573	41,160	41,160	41,160	02/28/2022
02/26/2013	NQ	$14.4376	25,800	25,800	25,800	02/26/2023
02/14/2014	NQ	$23.1368	20,680	15,510	20,680	02/14/2024
02/17/2015	NQ	$17.3506	31,458	15,729	31,458	02/17/2025
04/08/2015	RSA	$0.0000	29,993	0	29,993	N/A*
02/17/2015	RSU	$0.0000	17,283	0	17,283	N/A*

*Settled as provided in award agreement.

5. **No Other Obligations** . Employee acknowledges and agrees that aside from Sections 3 and 4, there are no other amounts, obligations or benefits due Employee by the Company. Further, Employee acknowledges and agrees that Employee is not eligible for any separation or termination benefit other than as set forth herein and Employee acknowledges that Employee’s right to any benefit or payment authorized under this Agreement is conditioned upon: (a) Employee’s execution of the Agreement; (b) Employee not revoking the Agreement as described in Section 19 of the Agreement; (c) Employee complying with the reaffirmation obligation in Section 2, and not revoking his reaffirmation, with respect to the pay provided

under Secti on 3(a)(ii); and (d) Employee’s compliance with all obligations ascribed to Employee under this Agreement.

6. **Employment Reference** . The Company agrees that all inquiries to the Company regarding Employee’s employment shall be directed and responded to by the Senior Vice President, General Counsel & Secretary for The Manitowoc Company, Inc.

7. **Government Cooperation** . Nothing in this Agreement, including as may be specifically provided in any other provision of this Agreement, prohibits the Employee from reporting possible violations of local, state, foreign or federal law or regulation, or related facts, to any governmental agency or entity or making other reports or disclosures that, in each case, are protected under the whistleblower provisions of local, state, foreign or federal law or regulation. Without limitation, the Employee may report possible violations of law or regulation and related facts to the U.S. Department of Justice, the Securities and Exchange Commission, Congress, and any agency Inspector General. The Employee does not need the prior authorization of the Company to make any such reports or disclosures, and the Employee does not need to notify the Company that he has made such reports or disclosures.

8. **Non-Disclosure of Confidential Information** . Employee acknowledges and agrees that Employee’s work required access to Confidential Information of the Company, and that the Company’s Confidential Information is valuable proprietary information belonging to the Company. Maintaining the confidentiality of such information is crucial to the Company’s present and future success. The parties acknowledge and agree that protection of the Company’s Confidential Information constitutes a legitimate protectable interest of the Company. Employee acknowledges and agrees that the Company would not have been willing to provide Employee access to this Confidential Information without the assurance of reasonable protection against any use of this information by Employee in a manner inconsistent with the Company’s best interests. Therefore, the parties agree as follows:

(a) Employee agrees that a duty to protect the Company’s Confidential Information is imposed upon Employee by law. “Confidential Information” includes, but is not limited to, trade secrets, design documents, copyright material, inventions (whether patentable or not), processes, marketing data, business strategies, product information (including, without limitation, any product designs, specifications, capabilities, drawings, diagrams, blueprints, models and similar items), customer and prospective customer lists, supplier and vendor lists, manufacturing procedures, methods, equipment, compositions, technology, formulas, know-how, research and development programs, strategic marketing plans, company-developed sales methods, customer usages and requirements, computer programs, business plans, company policies, personnel-related information and Company employee Personal Data (defined as any individually identifiable information about a natural person or from which a natural person reasonably could be identified) obtained from the Company’s confidential personnel files or by virtue of employee's performance of assigned job responsibilities, pricing and nonpublic financial information and records, software and similar information, in any form (whether oral, electronic, written, graphic or other printed form or obtained from access to or observation of the Company’s (and/or any affiliate’s) facilities or operations), which is not generally known by or readily available to the public at the time of disclosure or use.

(b) In addition, and without limiting the duties imposed on Employee by law, Employee agrees that, during employment and for a period of two (2) years following the termination of Employee's employment, Employee will not disclose to any third party or use, directly or indirectly, any Confidential Information of the Company, except as required by law or with the express written consent of the Company. Employee agrees that, in the event any pers on or entity seeks to legally compel Employee to disclose any such Confidential Information of the Company, Employee shall provide the Company with prompt written notice within three (3) calendar days so that the Company may, in its sole discretion, seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. In any event, Employee agrees to furnish only that portion of the Confidential Information of the Company which is legally required to be disclosed , and will exercise Employee's best efforts to obtain commercially reasonable assurances that confidential treatment shall be accorded to such Confidential Information of the Company.

(c) Employee also acknowledges that certain of the Company's Confidential Information is a "trade secret" as that term is defined in Section 134.90(1)(c) of the Wisconsin Uniform Trade Secrets Act and/or in the federal Defend Trade Secrets Act of 2016 (18 U.S.C. §§ 1839(3) & 1890(b)(1)). Employee agrees that Employee shall never disclose to a third party or use any trade secrets of the Company. Employee agrees that nothing in this Agreement shall be construed to limit or negate the common law of torts or trade secrets where it provides the Company with broader protection than that provided herein.

(d) Pursuant to the Defend Trade Secrets Act of 2016 (18 U.S.C. §§ 1833(b)(1) & (2)), Employee 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 (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) 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. Similarly, if Employee files a lawsuit for retaliation for reporting a suspected violation of law, Employee may disclose the trade secret to Employee's attorney and use the trade secret information in the court proceeding, if Employee: (A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order. Any employee, contractor, or consultant who is found to have wrongfully misappropriated trade secrets may be liable for, among other things, exemplary damages and attorneys' fees.

(e) Employee acknowledges that all original works of authorship made within the scope of Employee's employment and which are protectable by copyright are "works made for hire" as that term is defined in the United States Copyright Act (17 USCA § 101).

(f) The Company has informed Employee that it has (and may have in the future) duties to third parties (including the Company's customers and vendors) to maintain information in confidence and secrecy. Employee agrees to be bound by (and to adhere to) the Company's duties of confidentiality to third parties. Employee further agrees that Employee will carefully preserve, in accordance with the Company's policies and procedures, all documents, records, correspondence, prototypes, models and other written or tangible data relating to Inventions or Confidential Information in every form coming into Employee's possession (the "Records").

Employee will return all such Records, along with any copies of them, to the Company upon the Retirement Date.

(g) Employee agrees that any breach by Employee of any aspect of this Section 8 will entitle the Company to any and all relief provided for under this Agreement, including immediate cessation of any severance payments and/or benefits under this Agreement and the return of any severance payments and/or benefits previously made to or received by Employee pursuant to this Agreement.

9. **Company Property**. Employee acknowledges and agrees that Employee's work required access to property of the Company. The parties acknowledge and agree that protection of the Company's property constitutes a legitimate protectable interest of the Company. Therefore, the parties agree as follows:

(a) Any and all Company property shall, at all times, remain the property of the Company. Any Company property over which Employee has any control, is in Employee's possession or which was in Employee's possession or was otherwise entrusted to Employee for use in Employee's employment must and will be turned over and must remain on Company premises immediately on the Retirement Date. Any Company property over which the Employee has any control, was in the Employee's possession or which was otherwise entrusted to Employee that is not on Company premises as of the Retirement Date will be returned to the Company as soon as possible following the Retirement Date. Employee agrees to provide all codes, passwords, usernames, or other identification or information necessary to access any of the Company's computer files, e-mail accounts, or voicemail systems and agrees to cooperate with the Company in an effort to transfer any files, data, systems, or other information to the Company or its designated agent or employee. Employee agrees that, as of the date of Employee's termination, Employee will not access or attempt to access any computer, e-mail, voicemail, or other system of the Company. Employee understands that this also applies to and prohibits the downloading of Company property prior to and/or as of the Retirement Date.

(b) Employee understands and agrees that, during the course of Employee's employment, Employee had access to the Company's Proprietary Information. "Proprietary Information" is information developed by or for the Company, which is used by the Company, but does not rise to the level of Confidential Information. Proprietary Information includes, but is not limited to, general policies, operating manuals, forms, spreadsheets, slides, Power Point presentations, graphs, and other items used internally by the Company, which do not contain Confidential Information. Employee acknowledges and agrees that Proprietary Information was developed, created, and/or modified on Company work time and/or at the Company's expense and, as such, has value and constitutes Company property. Employee acknowledges and agrees that, following the termination of Employee's employment, Employee is not entitled to disclose, use, possess, and/or have access to any Company property including, but not limited to Proprietary Information. Employee understands and agrees that, following the termination of Employee's employment, it shall be a material breach of this Agreement to request and/or receive Company property from any source without the express written permission of the Senior Vice President, General Counsel & Secretary for The Manitowoc Company, Inc. In the event Employee receives such Company property from any source, which was not requested by Employee, Employee may rectify the aforementioned breach by immediately notifying the

Senior Vice President, General Counsel & Secretary fo r The Manitowoc Company, Inc. of such receipt, along with an explanation of the manner in which Employee received said Company property and prompt return of said Company property.

(c) Employee agrees that any breach by Employee of any aspect of this Section 9 will entitle the Company to any and all relief provided for under this Agreement, including immediate cessation of any severance payments and/or benefits under this Agreement and the return of any severance payments and/or benefits previously made to or received by Employee pursuant to this Agreement.

10. **Non-Solicitation of Employees .** Employee understands and agrees that the Company's relationship with its employees is one of the Company's most valuable assets. The relationships that the Company has developed with its employees are crucial to the Company's present and future success. Employee acknowledges and agrees that the Company's employee relationships are established and maintained at great expense and investment, and constitute a legitimate protectable interest of the Company. Employee acknowledges and agrees that assurance of reasonable protection against any interference by Employee with the Company's relationships with its employees in a manner inconsistent with the Company's best interests is wa rranted. Therefore, the parties agree as follows:

(a) Employee agrees that until the Retirement Date, and for a period of eighteen (18) months from the Retirement Date, Employee 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 provide services on behalf of a Direct Competitor, or (ii) otherwise induce or attempt to induce any such Restricted Employee to terminate employment with the Company for the purpose of providing services on behalf of a Direct Competitor. A "Restricted Employee" is an employee of the Company with whom Employee has or had a managing, reporting, or close-working relationship, which could be exploited by Employee 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 Section 10.a. 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.

(b) A "Direct Competitor" means a person, business or company providing Competitive Products or Competitive Services anywhere in the United States.

(c) "Competitive Services" means services of the type that the Company provided or offered to its customers, clients or partners at any time during the twelve (12) months immediately preceding the Retirement Date. "Competitive Services" also includes those services that the Company was in the process of developing or which it was actively engaged in research and development to offer to a customer/client/partner or anticipated customer/client/partner at the time Employee's employment with the Company ended. Competitive Services does not include any service that the Company no longer provides and/or does not intend to provide in the 12-month period following the Retirement Date.

(d) “Competitive Products” means products that serve the same function as, or that could be used to replace, products the Company provided to, offered to, or was in the process of developing for a present, former, or future possible customer/client/partner at any time during the twelve (12) months immediately preceding the Retirement Date. Competitive Products does not include any product that the Company no longer provides and/or does not intend to provide in the 12-month period fol lowing the Retirement Date.

(e) Employee agrees that any breach by Employee of any aspect of this Section 10 will entitle the Company to any and all relief provided for under this Agreement, including immediate cessation of any severance payments and/or benefits under this Agreement and the return of any severance payments and/or benefits previously made to or received by Employee pursuant to this Agreement.

11. **Non-Solicitation of Customers** . Employee understands and agrees that the Company’s relationship with its customers is one of the most valuable assets of the Company. These relationships and the goodwill that the Company has developed with its customers are crucial to the Company’s present and future success. Employee agrees that the Company’s customer contacts and its relationships are established and maintained at great expense and that Employee, by virtue of employment with the Company, had unique and extensive exposure to and personal contact directly with the Company’s customers. Therefore, the parties agree as follows:

(a) The terms and conditions of the restrictive covenants contained in this Section 11 are reasonable and necessary for the protection of the Company’s business and confidential information and to prevent damages or loss to the Company as a result of action taken by Employee. Employee acknowledges that this non-solicitation restriction is reasonable and does not inhibit the free flow of trade or business.

(b) Employee agrees that, during employment and for a period of two (2) years following the termination of Employee’s employment, Employee will not, directly or indirectly, individually or as an employee, agent, partner, shareholder, consultant, or in any other capacity, canvass, contact, solicit, or accept any of the Company’s customers with whom Employee has had and/or will have direct contact, or for whom Employee has had or will have supervisory or managerial responsibility, during the two (2) year period preceding Employee’s termination for the purpose of providing services or products that are substantially similar to the services or products which Employee was involved in providing to said customers on behalf of the Company. It is understood and agreed that the fluid customer list limitation contemplated by the parties closely approximates the area of the Company’s vulnerability to unfair competition by Employee and does not deprive Employee of legitimate competitive opportunities to which Employee is entitled.

(c) Employee agrees that any breach by Employee of any aspect of this Section 11 will entitle the Company to any and all relief provided for under this Agreement, including immediate cessation of any severance payments and/or benefits under this Agreement and the return of any severance payments and/or benefits previously made to or received by Employee pursuant to this Agreement.

12. **Request for Review of Obligations Regarding Future Employment or Conduct**. Employee acknowledges and agrees that it is not the purpose of this Agreement to preclude Employee from engaging in employment o r conduct that does not unfairly interfere with the Company's protectable business interests. If during the term of this Agreement, Employee is uncertain as to whether Employee's employment, conduct, or business enterprise may interfere with the Company's protectable business interests in violation of this Agreement, Employee agrees to submit to the Company in writing a request to engage in said employment, conduct, or business enterprise, prior to commencing and/or engaging in any such employment, conduct, or business enterprise. Any such request must specifically refer to this Agreement. The Company agrees that it will respond to the request with reasonable promptness and that it will not unreasonably withhold permission to engage in the employment, conduc t, or business enterprise specified in the request, regardless of the terms of the Agreement, if the employment, conduct, or business enterprise sought to be engaged in does not interfere with the Company's protectable business interests. Any such permissi on granted by the Company must be in writing, shall extend only to the employment, conduct, or business enterprise specifically identified in the written request, and shall not otherwise constitute a waiver of the Company's rights under the Agreement.

13. **Release**. Employee, for and in consideration of the terms of this Agreement, does hereby for Employee, and for Employee's heirs, personal representatives, and assigns, fully and forever release and discharge the Company, the officers, employees, and/or agents of the Company, the members of the board of directors of the Company, and the Company's benefit plans and its fiduciaries, from any and all claims, demands, damages, actions, rights of action, both known and unknown, costs, loss of wages, expenses, compensation, and any other relief, on account of, or in any way growing out of any events relating to Employee's employment and/or termination from employment with the Company. This release includes (but is not limited to) any rights or claims that Employee may have under the Age Discrimination in Employment Act of 1967, which prohibits age discrimination in employment; Title VII of the Civil Rights Act of 1964 (as amended by the Civil Rights Act of 1991), which prohibits discrimination in employment based on race, color, national origin, religion or sex; the Americans with Disabilities Act, which prohibits discrimination in employment based on disability; the Equal Pay Act, which prohibits paying men and women unequal pay for equal work; the Employee Retirement Income Security Act; the Genetic Information Nondiscrimination Act; the Family and Medical Leave Act; 42 U.S.C. §§ 1981 or 1983; any state law counterparts; or any other federal, state, or local employment laws or regulations. This also includes a release of any claims for wrongful discharge arising from the separation of Employee's employment and any claims under any severance plan of the Company. This release includes both claims that Employee knows about and those which Employee may not know about. Except as set forth in Sections 3 and 4, this release also acts as a waiver and release of any rights Employee has to any benefits under the Company's retirement or other benefit plans. Further, this release does not waive or release any rights or claims that Employee may have that arise after the effective date of this Agreement; however, if Employee reaffirms his commitment to the obligations in this Agreement by re-executing this Agreement consistent with the requirement in Section 2 and does not revoke his reaffirmation, then Employee acknowledges and agrees that this release does waive and release all rights and claims covered by this Section 13 and those in Section 14 from the effective date of this Agreement through the date on which this Agreement is re-executed by Employee. Employee agrees that nothing in this Agreement is to be construed as an admission

of liability or wrongdoing of any sort by the Company in the negotiation or execution of this Agreement. This waiver and release provision d oes not apply to any rights that Employee cannot lawfully waive.

14. **ADEA Waiver**. Employee, without limiting the foregoing release, specifically agrees and represents that he is waiving and releasing all claims arising under the Age Discrimination in Employment Act of 1967, that in exchange for the waiver and release of those claims, he is receiving consideration in addition to anything of value to which he is already entitled, that he is not waiving any claims or rights that may arise after the effective date of this Agreement, unless he has re-executed (and not subsequently revoked) this Agreement consistent with the requirement of Section 2, in which case he is not waiving any claims or rights that may arise after the date on which he re-executes this Agreement, and that he has been advised to consult with an attorney of his choice prior to executing this Agreement regarding the content of the Agreement and the legal rights waived hereunder.

15. **Noninterference Clause**. Notwithstanding the above, nothing in this Agreement shall interfere with Employee's right to file a charge, cooperate or participate in an investigation or proceeding conducted by the Equal Employment Opportunity Commission and/or the State of Wisconsin Department of Workforce Development, or any other federal or state regulatory or law enforcement agency. However, the consideration provided to Employee in this Agreement shall be the sole relief provided to Employee for the claims that are released by Employee herein and Employee will not be entitled to recover and agrees to waive any monetary benefits, reinstatement, or other recovery against Company in connection with any such claim, charge or proceeding without regard to who has brought such complaint or charge.

16. **Hold Harmless**. Except as set forth in Section 15, Employee agrees that, except for the payment provided in Section 3(a)(ii), the consideration paid hereunder is in full and final compromise of all claims known or unknown that Employee may have against the Company as of the effective date of this Agreement. And with respect to the payment provided in Section 3(a)(ii), it is consideration paid in full and final compromise of all claims known or unknown that Employee may have from the effective date of this Agreement through the date on which he re-executes the Agreement. Employee agrees not to file suit, or initiate a proceeding, claim or charge or cause any other suit, proceeding, claim or charge to be filed by any other person or entity on Employee's behalf, against the Company related to any events concerning Employee's employment or termination from employment with the Company. If Employee breaches this Agreement by filing a lawsuit based on claims that Employee has released, Employee will pay for all costs incurred by the Company, including any and all attorneys' fees and costs incurred by the Company, in defending against Employee's claim.

Similarly, should the Company breach this Agreement by failing to make any of the payments required under Sections 3 or 4, the Company will pay all costs incurred by Employee, including any and all attorneys' fees and costs incurred by Employee, in successfully enforcing this Agreement.

17. **Non-Disparagement**. Employee agrees that Employee will not make any statements regarding the Company, either now or at any time in the future, concerning Employee's employment with the Company or termination from employment which could

reasonably be viewed as disparaging or in any way reflecting negatively on the reputation of the Company unless otherwise required by law. And, the Company similarly agrees that its officers and directors will not make any statements reg arding the Employee, either now or at any time in the future, concerning Employee's employment with the Company or termination from employment which could reasonably be viewed as disparaging or in any way reflecting negatively on the reputation of the Empl oyee unless otherwise required by law.

18. **Consideration Period**. Employee will have twenty-one (21) calendar days from the date Employee receives this Agreement to consider its terms and decide whether to sign it. This period is designed to allow Employee time to consult with an attorney, or anyone else whose advice Employee may need or want. If this Agreement is not signed by Employee prior to the conclusion of the twenty-one (21) calendar day period described above, then the Company's offer to Employee, as contained in this Agreement, shall expire. In addition, Employee acknowledges that should he sign and return this Agreement within the 21-day period identified in this Section 18, he is knowingly waiving whatever additional time he may have up to the conclusion of the 21-day period for consideration of this Agreement.

19. **Revocation Period**. After signing this Agreement, Employee will have seven (7) calendar days to revoke it. Any revocation should be in writing and delivered to Thomas L. Doerr, Jr., Senior Vice President, General Counsel & Secretary, The Manitowoc Company, Inc., 2400 South 44th Street, P.O. Box 66, Manitowoc, Wisconsin 54221-0066, by no later than the end of the seventh (7th) calendar day of the revocation period. Employee understands and agrees that, should Employee exercise this right of revocation, Employee will not be entitled to any payment or consideration under this Agreement.

Employee shall similarly have seven (7) calendar days to revoke his reaffirmation required in Section 2. Any revocation of the reaffirmation should be in writing and delivered to Thomas L. Doerr, Jr., Senior Vice President, General Counsel & Secretary, The Manitowoc Company, Inc., 2400 South 44th Street, P.O. Box 66, Manitowoc, Wisconsin 54221-0066, by no later than the end of the seventh (7th) calendar day of this reaffirmation revocation period. Employee understands and agrees that, should Employee exercise this right of revocation of his reaffirmation, Employee shall not be entitled to the payment set forth in Section 3(a)(ii).

20. **Code Section 409A**. To the extent applicable, it is intended that this Agreement and any payments or benefits due hereunder comply with the provisions of Code Section 409A and each installment payment shall be considered a separate payment for purposes of determining whether and how Code Section 409A applies to such payment. This Agreement shall be administered by the Company in a manner consistent with this intent, and any provision that would cause this Agreement to fail to satisfy Code Section 409A shall have no force or effect until amended to comply with Code Section 409A (which amendment may be retroactive to the extent permitted by Code Section 409A).

21. **Governing Law**. The parties agree that this Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin without giving effect to any conflicts of law provisions. The parties also agree that any action or suit brought by any party to enforce or adjudicate the rights of the parties to and under this Agreement shall be brought in the Circuit Court for Manitowoc County, Wisconsin, this Court being the sole, exclusive, and

mandatory venue and jurisdiction for any disputes between the parties arising from or relating to thi s Agreement. If any action is filed, by any party, relating to a breach of this Agreement and/or enforcement of this Agreement, Employee expressly agrees and consents to jurisdiction in the Circuit Court for Manitowoc County, Wisconsin and waives any claim that the Circuit Court for Manitowoc County, Wisconsin is an inconvenient forum.

22. **Severability** . In the event that any provision or clause of this Agreement shall be held to be invalid or unenforceable for any reason whatsoever, it is agreed such invalidity or unenforceability shall not affect any other provision or clause of this Agreement and the remaining covenants, restrictions, and provisions herein shall remain in full force and effect, and any court of competent jurisdiction may so modify the objectionable provision as to make it valid, reasonable, and enforceable.

23. **Enforceability** . The parties agree that the terms and conditions of the restrictions in this Agreement are reasonable and necessary for the protection of the Company's protectable business interests and to prevent damage or loss to the Company as a result of action taken by Employee. Employee acknowledges and agrees that the restrictions contained in this Agreement are reasonable and do not inhibit the free flow of trade or business; nor do they restrict the mobility, hiring, and/or employment opportunities of any individual or business, including other Company employees, Employee's future employer, and any other business entities, including competitors of the Company. Employee acknowledges and agrees that Employee could continue to actively pursue Employee's career and earn sufficient compensation in the same or similar business without breaching any of the restrictions contained in this Agreement. Employee acknowledges and agrees that this consideration is sufficient to fully and adequately compensate Employee for agreeing to the restrictions contained herein.

24. **Sale, Consolidation, or Merger** . In the event of a sale of the stock of the Company and/or any one or more of the entities comprised within the definition of the Company, consolidation or merger of the Company, and/or any one or more entities comprised within the definition of the Company, with or into another corporation or entity, or the sale or spinoff of substantially all of the operating assets of the Company, and/or any one or more entities comprised within the definition of the Company, to another corporation, entity, or individual, the successor in interest shall be deemed to have assumed all rights, privileges, duties, and liabilities of the Company, and/or the relevant entities comprised within the definition of the Company, under this Agreement.

25. **Notice** . Any notice to be given hereunder shall be deemed sufficient if addressed in writing, and delivered by registered or certified mail or delivered personally, in the case of the Company to its principal business office and in Employee's case, to Employee's address appearing on the Company's records, or to such other address as Employee may designate in writing to the Company.

26. **Counterparts** . This Agreement may be executed in one or more counterparts. Each counterpart shall be considered an original and all such counterparts shall constitute a single agreement binding upon. Further, the parties agree that facsimile, .pdf or copy signatures shall be just as effective as original signatures.

27. **No Waiver**. The failure of either party to insist, in any one or more instances, upon performance of the terms or conditions of this Agreement, and/or the waiver of a breach of any provision hereof, shall not be construed as a waiver of other breaches of the same or other provisions of the Agreement and/or relinquishment of any right granted hereunder or of the future performance of any such term, covenant, or cond ition. The parties agree that this Agreement shall not be deemed or construed to have been modified, amended, rescinded, canceled or waived in whole or in part, unless the parties agree in writing. To prevent adverse tax consequences, the parties agree th at they will not modify the payment schedule set forth in Section 3.

28. **Benefit**. This Agreement shall be binding upon and inure to the benefit of and shall be enforceable by and against the Company, its successors and assigns, and Employee, Employee's heirs, beneficiaries, and legal representatives.

29. **Future Employment**. Employee agrees that for the 2-year period following the Retirement Date, Employee shall notify any employer with whom he may become employed of the restrictions in Sections 8 thru 11 of this Agreement. Employee also agrees that if Employee accepts employment, Manitowoc may advise such employer of the restrictions contained in Sections 8 thru 11 of this Agreement.

30. **Entire Agreement**. This Agreement sets forth the entire intent of and understanding between the parties with respect to the subject matter of this Agreement and supersedes all prior discussions, negotiations, and agreements between the parties, rendering all prior agreements between the parties null and void.

31. **Consulting an Attorney**. Employee 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. Further, Employee acknowledges that he has consulted with an attorney of his own choosing, Michael R. Fox, Esq. of the Fox & Fox, S.C. law firm, prior to executing this Agreement, and that modifications to this Agreement were expressly negotiated by his attorney and were incorporated in this Agreement.

32. **IN ENTERING INTO THIS AGREEMENT, EACH PARTY EXPRESSLY STATES THAT HE/IT HAS READ AND FULLY UNDERSTANDS THE TERMS OF THIS AGREEMENT; THAT THIS AGREEMENT HAS BEEN FULLY EXPLAINED TO SUCH PARTY BY HIS/ITS RESPECTIVE ATTORNEY, AGENT, OR REPRESENTATIVE; THAT THE PARTY ENTERS INTO THIS AGREEMENT VOLUNTARILY AND OF HIS/ITS OWN FREE WILL; AND THAT THE PARTY UNDERSTANDS THAT THIS AGREEMENT CONSTITUTES A FULL, FINAL AND BINDING SETTLEMENT OF THE MATTERS COVERED BY THIS AGREEMENT. EACH PARTY FURTHER STATES THAT HIS/ITS WILLINGNESS TO ENTER INTO THIS AGREEMENT WAS NOT INDUCED BY, OR BASED UPON, ANY REPRESENTATION BY ANY OTHER PARTY HERETO, OR HIS/ITS AGENTS OR EMPLOYEES, WHICH IS NOT CONTAINED IN THIS AGREEMENT. VALUABLE LEGAL RIGHTS ARE WAIVED HEREUNDER.**

Date provided to Employee for consideration (by electronic delivery to Employee's attorney): February 15, 2018

Accepted By:

THE MANITOWOC COMPANY, INC.

/s/ Thomas G. Musial /s/ Thomas L. Doerr

Thomas G. Musial By: Thomas L. Doerr

Employee Title: Senior Vice President, General Counsel and Secretary

Date: _ February 21, 2018________________ Date: _ February 21, 2018

Reaffirmed by Employee (after Retirement Date):

Thomas G. Musial

Employee

Date:

Exhibit 12

The Manitowoc Company, Inc.
Statement of Computation of Ratio of Earnings to Fixed Charges
(in millions, except ratio data)

	For the Year Ended December 31,				
	2017	2016	2015	2014	2013
(Loss) income from continuing operations before taxes (1)	$ (39.5)	$ (268.1)	$ (111.0)	$ (20.4)	$ 13.8
Fixed charges	48.1	49.9	109.1	108.5	145.3
Total (loss) income available for fixed charges	$ 8.6	$ (218.2)	$ (1.9)	$ 88.1	$ 159.1
Fixed charges:					
Interest expense	$ 39.2	$ 39.6	$ 95.6	$ 92.8	$ 127.4
Amortization of deferred financing fees	1.9	2.2	4.2	4.4	7.0
Portion of rent deemed interest factor (2)	7.0	8.1	9.3	11.3	10.9
Total fixed charges	$ 48.1	$ 49.9	$ 109.1	$ 108.5	$ 145.3
Ratio of (loss) income to fixed charges	*	**	***	****	1.1x

Notes for explanations:

(1) 2016 and 2015 amounts include the impact of non-cash impairment changes of $96.9 million and $15.3 million, respectively.

(2) One-third of all rent expense is deemed representative of the interest factor.

* The ratio coverage for the year ended December 31, 2017 was less than 1:1. The Company would have needed to generate additional earnings of $39.5 million to achieve a ratio coverage of 1:1 for the year ended December 31, 2017.

** The ratio coverage for the year ended December 31, 2016 was less than 1:1. The Company would have needed to generate additional earnings of $268.1 million to achieve a ratio coverage of 1:1 for the year ended December 31, 2016.

*** The ratio coverage for the year ended December 31, 2015 was less than 1:1. The Company would have needed to generate additional earnings of $111.0 million to achieve a ratio coverage of 1:1 for the year ended December 31, 2015.

**** The ratio coverage for the year ended December 31, 2014 was less than 1:1. The Company would have needed to generate additional earnings of $20.4 million to achieve a ratio coverage of 1:1 for the year ended December 31, 2014.

Exhibit 21

Subsidiaries of
The Manitowoc Company, Inc. (WI)

1	Grove Europe Pension Trustees Limited	(United Kingdom)
2	Grove U.S. LLC	(Delaware)
3	Manitowoc (Bermuda) Ltd.	(Bermuda)
4	Manitowoc (Mauritius) Ltd.	(Mauritius)
5	Manitowoc (UK) Limited	(United Kingdom)
6	Manitowoc Asia Global Sourcing	(China)
7	Manitowoc Brasil Guindastes Ltda	(Brazil)
8	Manitowoc Company Foundation, The	(Michigan)
9	Manitowoc CP, Inc.	(Nevada)
10	Manitowoc Crane Companies, LLC (MCG)	(Wisconsin)
11	Manitowoc Crane Equipment (China) Co., Ltd.	(China)
12	Manitowoc Crane Group (Brazil)	(Brazil)
13	Manitowoc Crane Group (UK) Limited	(United Kingdom)
14	Manitowoc Crane Group Asia Pte Ltd	(Singapore)
15	Manitowoc Crane Group Australia Pty Ltd.	(Australia)
16	Manitowoc Crane Group Chile Limitada	(Chile)
17	Manitowoc Crane Group CIS	(Russia)
18	Manitowoc Crane Group Columbia, S.A.S.	(Columbia)
19	Manitowoc Crane Group Czech Republic SRO	(Czech Republic)
20	Manitowoc Crane Group France SAS or MCG France SAS	(France)
21	Manitowoc Crane Group Germany GmbH	(Germany)
22	Manitowoc Crane Group Holding Germany GmbH	(Germany)
23	Manitowoc Crane Group Inc.	(Philippines)
24	Manitowoc Crane Group Italy Srl or MCG Italy Srl	(Italy)
25	Manitowoc Crane Group Korea Co., Ltd.	(Korea)
26	Manitowoc Crane Group M-E (FZE)	(Dubai, UAE)
27	Manitowoc Crane Group Mexico, S. de R.L. de C.V.	(Mexico)
28	Manitowoc Crane Group Netherlands B.V.	(Netherlands)
29	Manitowoc Crane Group Poland Sp	(Poland)
30	Manitowoc Crane Group Portugal Ltda	(Portugal)
31	Manitowoc Crane Group Slovakia SRO	(Slovak Republic)
32	Manitowoc Crane Group U.S. Holding, LLC	(Tennessee)
33	Manitowoc Cranes, LLC	(Wisconsin)
34	Manitowoc Credit (China) Leasing Company Limited	(China)
35	Manitowoc EMEA Holding SARL	(France)
36	Manitowoc France SAS	(France)
37	Manitowoc Funding LLC	(Nevada)
38	Manitowoc Group (UK) Limited (UK)/Enodis (Domestication) LLC	(Delaware)
39	Manitowoc Grove (Cayman Islands) Ltd.	(Cayman Islands)
40	Manitowoc Holding (Cayman Islands) Ltd.	(Cayman Islands)
41	Manitowoc Holding Asia SAS	(France)
42	Manitowoc Holding Germany LLC & Co. KG	(Germany)
43	Manitowoc Holdings (Netherlands Antilles) B.V.	(Netherlands Antilles)
44	Manitowoc Holdings (UK) Limited	(United Kingdom)
45	Manitowoc India Private Limited	(India)
46	Manitowoc Potain (Cayman Islands) Ltd.	(Cayman Islands)
47	Manitowoc Re-Manufacturing, LLC	(Wisconsin)
48	Manitowoc Worldwide Holdings (France) SAS	(France)
49	Manitowoc Worldwide Holdings (France) SCS	(France)
50	Manitowoc Worldwide Holdings (Netherlands) BV	(Netherlands)
51	MMG Holding Co., LLC	(Nevada)
52	Potain India Pvt. Ltd.	(India)
53	Zhang Jia Gang Manitowoc Crane Trading Co. Ltd.	(China)

Exhibit 23

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (Nos. 333-215860, 333-213877, 333-188428, 333-115992, 333-113804, 333-11731, and 333-11729) and the Registration Statement on Form S-3 (No. 333-216391), of The Manitowoc Company, Inc. of our report dated February 23, 2018 relating to the financial statements, financial statement schedule and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP
Milwaukee, Wisconsin
February 23, 2018

Exhibit 31

Certification of Principal Executive Officer

I, Barry Pennypacker, certify that:

1. I have reviewed this Annual Report on Form 10-K 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: February 23, 2018

/s/ Barry L. Pennypacker
Barry L. Pennypacker
President and Chief Executive Officer

Certification of Principal Financial Officer

I, David J. Antoniuk, certify that:

1. I have reviewed this Annual Report on Form 10-K 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: February 23, 2018

/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 Annual Report of The Manitowoc Company, Inc. (the "company") on Form 10-K for the year ended December 31, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Barry L. Pennypacker, 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/ Barry L. Pennypacker
Barry L. Pennypacker
President and Chief Executive Officer
February 23, 2018

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 Annual Report of The Manitowoc Company, Inc. (the "company") on Form 10-K for the year ended December 31, 2017, 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
February 23, 2018

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.