

electric parts


tandem slings

buoy chain

overhead power and free conveyor systems

ETC stations

stacker cranes

Columbus McKinnon		annual report 
is	material handling	
		2000

custom-designed material handling systems

chain hoists

mini-load systems

manipulators

overhead lifting chain slings

overhead power and free conveyor systems

gantry cranes

light rail systems

articulated jibs

electric chain hoists

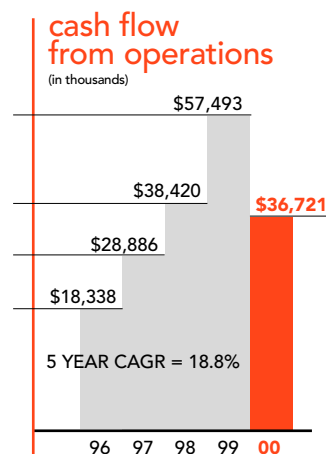
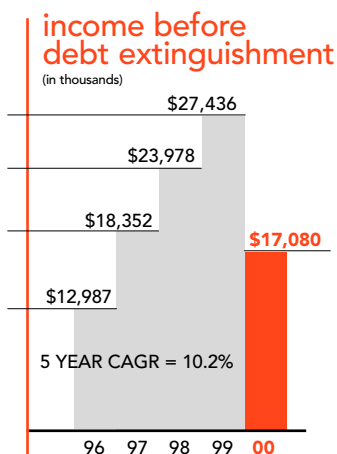
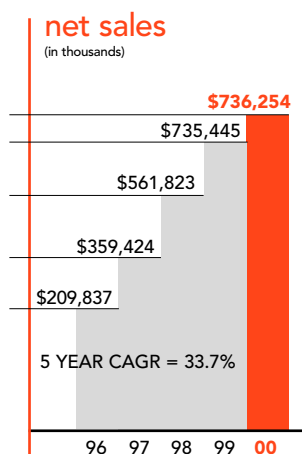
financial highlights

(in thousands, except per share, percent change, margin and ratio data)

	Data as of or for year ended March 31,		
	2000	1999	1998
Net sales	\$ 736,254	\$ 735,445	\$ 561,823
Income from operations	\$ 68,042	\$ 85,082	\$ 69,918
Income before debt extinguishment	\$ 17,080	\$ 27,436	\$ 23,978
Net income	\$ 17,080	\$ 27,436	\$ 19,458
Net income per share	\$ 1.20	\$ 1.92	\$ 1.35
Economic Value Added (EVA™)	\$ 1,106**	\$ 3,142*	\$ 2,444
Cash flow from operating activities per share	\$ 2.58	\$ 4.02	\$ 2.66
Capital expenditures	\$ 8,102	\$ 12,992	\$ 11,406
Working capital	\$ 187,849	\$ 165,473	\$ 188,000
Shareholders' equity	\$ 203,453	\$ 188,674	\$ 170,946
margin data			
Gross margin	24.5 %	26.2 %	28.5 %
EBITDA margin	13.3 %	15.5 %	16.3 %
Operating income margin	9.2 %	11.6 %	12.4 %
Pre-tax income margin	4.7 %	6.9 %	8.3 %
Net income margin	2.3 %	3.7 %	3.5 %
ratio data			
Return on assets	2.2 %	3.6 %	2.5 %
Return on equity	8.4 %	14.5 %	11.4 %
Current ratio	2.69 : 1	2.37 : 1	2.63 : 1

* Excludes ASI, Abell-Howe, Raccords Gautier, Camlock/Tigrip, GL International, Washington Equipment

** Excludes ASI



CAGR = Compound Annual Growth Rate

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The Columbus McKinnon annual report contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve known and unknown risks, uncertainties and other factors that could cause the actual results of the Company to differ materially from the results expressed or implied by such statements, including general economic and business conditions, conditions affecting the industries served by the Company and its subsidiaries, conditions affecting the Company's customers and suppliers, competitor responses to the Company's products and services, the overall market acceptance of such products and services, the integration of acquisitions and other factors disclosed in the Company's periodic reports filed with the Securities and Exchange Commission. Consequently, such forward looking statements should be regarded as the Company's current plans, estimates and beliefs. The Company does not undertake and specifically declines any obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect any future events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.

to our shareholders

Fiscal 2000 proved to be a very challenging year for Columbus McKinnon. Softness in several markets we sell into affected sales and margins for the year with the greatest impact coming from the Solutions–Automotive segment. We responded by taking decisive actions to reduce costs and reposition Solutions–Automotive for greater profitability. The positive results from these initiatives are reflected in the significant improvement in the performance of the Solutions–Automotive segment in the final quarter of fiscal 2000. With the recent improvements in the results of the Solutions–Automotive segment and the strength of our Products segment, CM begins fiscal 2001 with a strong, fundamentally sound business in an excellent position for improved performance.

Fiscal 2000 financial results

- CM's net sales were \$736.3 million, just above net sales for fiscal 1999.
- The Products segment contributed 70% to net sales, followed by Solutions–Automotive at 21% and Solutions–Industrial at 9%.
- CM earned net income of \$17.1 million or \$1.20 per diluted share in fiscal 2000, compared to \$27.4 million or \$1.92 per diluted share in fiscal 1999.
- Full year results reflect both market softness and margin pressure with the most pronounced impact in the second quarter of the year.
- Fourth quarter results were the strongest in fiscal 2000 with diluted net income per share of \$.49, the second highest in CM's history, and sales increasing 11% to a record \$198.5 million.
- The significant improvement in CM's final quarter financial results compared to the rest of fiscal year 2000 is primarily due to the higher sales and lower costs in the Solutions–Automotive segment.

Committed to maximizing shareholder value

- Despite this year's disappointing financial results, CM's business holds significant value that in the opinion of management and the Board is not reflected in our recent share price. This view led to our previously announced decision in the fourth quarter of fiscal 2000 to engage Bear Stearns to evaluate all strategic alternatives to maximize shareholder value including a sale or merger of the company. The process is now underway and we will report on our progress as material developments occur. At the same time, we will remain very focused on implementing our business strategy to further enhance CM's financial performance.

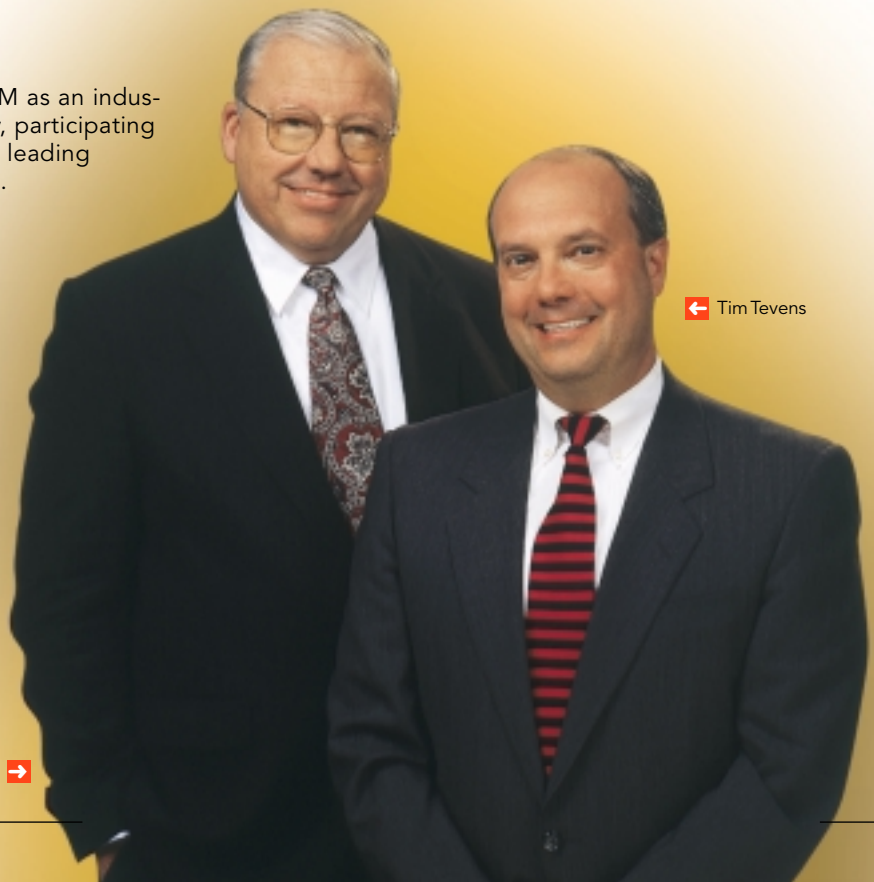
CM's business strategy:

Focused on internal growth

- Over several years, we have established CM as an industry leader in the material handling industry, participating in five of seven industry sub-sectors with a leading market share in several product categories. With that critical mass now in place, our strategic objective is to further enhance CM's position as a leading designer, manufacturer and distributor of material handling products and solutions, both domestically and internationally. Our business strategy for achieving this objective is multi-tiered, and primarily focuses on leveraging our strengths and current business to generate new internal growth.

Leverage CM's strong competitive position

- Our market leadership, brand strength and reputation for quality and service are a strong platform to increase sales



← Tim Tevens

Bob Montgomery →

through existing and new distribution channels. E-commerce, further penetration of consumer and industrial retail channels, and expansion of our service-after-sale operations are key areas of focus for generating incremental sales at attractive margins. Our e-business strategy is under development for introduction in the upcoming year. CM's service-after-sale business is already well-established contributing 4% to consolidated net sales last year with room for new growth as CM's market reach expands. The consumer and industrial retail channels represent relatively new end markets for CM with significant potential for incremental growth.

Expand market reach of Solutions businesses

- With manufacturers continuing to take a more systems-focused, outsourced approach to material handling, the capabilities of CM's Solutions businesses provide a significant long-term internal growth opportunity. In the Solutions–Industrial business, CM has a strong foundation in Europe and looks to penetrate new markets in North America, Latin America and Asia where CM's products are already widely known among end users. CM's only significant customer concentration is in its Solutions–Automotive segment where General Motors is the largest customer. Here we see opportunity to diversify our revenue stream while growing the business by generating more business from other domestic and transplant automobile manufacturers and by expanding its customer base to include automotive parts suppliers and general industrial customers.

Increase penetration of international markets

- CM currently generates just over 25% of sales through international markets including Europe, Latin America and Asia. We look to further penetrate these markets and enhance margins through our increased global sales presence, the streamlining of our global supply chain and expanded production at our Mexico and China manufacturing facilities.

Continue to establish CraneMart™ strategy

- CM's CraneMart strategy, launched in fiscal 1999, will enhance our position as a full service supplier of hoists, cranes and crane components. CraneMart participants include Company-owned and independent crane builders who use CM products and parts in their offerings and benefit from best pricing, parts distribution rights, dedicated technical support and shared resources. In the last year, CM has formed strategic alliances through CraneMart with over 50 participants, putting us well on our way to establishing an integrated network of crane builders covering major North American markets.

Continue to focus on quality, productivity and efficiency

- CM's reputation for quality and service is a key competitive differentiator and we will continue to leverage it to grow our business. Our ongoing focus on achieving cost savings from integrated operations and centralized purchasing has also contributed to enhancements in margins and profitability. With this year's further integration of the Solutions–Automotive segment into the CM organization and implementation of cost controls largely completed, we are turning our focus to a comprehensive product and operational rationalization program to achieve further cost reduction and margin improvement.

CM's value:

Grounded in competitive advantage

- The multi-tiered business strategy we are pursuing is a prudent approach to realizing CM's full potential and value. As we consider CM's future course, it is also important to note several important strengths that provide the foundation for CM's current and future value.

Market leadership

- Columbus McKinnon is North America's largest manufacturer of hoists, alloy chain and high strength carbon steel chain, and operator-controlled manipulators. We estimate that almost 70% of our domestic Products segment sales—which make up over 1/2 of consolidated sales—are into markets where CM is the number one supplier. This large installed product base is also a strong foundation to continue building our parts and service business. CM's brands including Abell-Howe, Automatic Systems, Inc., American Lifts, Big Orange, Budgit, Chester, CM, Coffing, Duff-Norton, Gaffey, Hammerlok, Herc-Alloy, Larco, Positech, Shaw-Box, Univeyor and Yale, are widely known in the markets we sell into and make up one of the most diverse and comprehensive product portfolios in the material handling industry.

Strong relationships with major distributors

- Over the last decade, Columbus McKinnon has enhanced its long-standing relationships with leading distributors of industrial products through our strong commitment to customer service. Aftermarket service for CM hoist products is provided through a network of over 450 independent distributors staffed with CM-trained professionals. CM also sponsors advisory boards composed of representatives from our largest distributors and aftermarket sales and service network. As we have grown the company, the strength of CM's relationships with distributors has enabled us to increase sales, market share and the number of CM products carried by many distributors. As a broad-line supplier, CM is favorably positioned for the future as distributors continue to prefer fewer suppliers.

Diversified products, markets and customers

→ CM offers the most extensive product line to the widest range of distribution channels for application in a diverse range of end markets. Our Products segment sells to over 20,000 distributors and OEMs worldwide for use in applications in nearly all basic industry groups. The diversity of our largest segment's product offering, distribution channels and end markets enhances our competitive position and minimizes our dependence on any one particular market, customer or geographic region. The cyclical exposure of CM's Products segment is further reduced because 75% of its sales are classified as maintenance, repair, operating and production (MROP), carrying significantly lower price points than more cyclically vulnerable capital goods.

Track record of strong financial performance and cash flow generation

→ While operating difficulties in the Solutions-Automotive business affected this year's consolidated results, CM's historical financial performance has been marked by steady growth in sales and earnings. Through both internal growth and acquisitions, the combined sales and EBITDA of our Products and Solutions-Industrial segments—which currently contribute over 3/4 of net sales—grew at respective compound annual growth rates of 27.5% and 34.5%, over the last five fiscal years. CM also continues to be a significant generator of operating cash flow in a business that is not capital intensive. In fiscal 2000, we generated cash flow from operating activities of \$36.7 million and made capital investments of \$8.1 million.

Although the last year was the most difficult in CM's four years as a public company, we finished fiscal 2000 with the strength of our business intact and our repositioning of the Solutions-Automotive segment well underway and already producing favorable results.

As a global provider of material handling products and solutions, we remain very confident in CM's future prospects. Columbus McKinnon is a leader in a consolidating industry serving a \$300 billion worldwide market with 80% of this market outside the United States (Source: Material Handling Industry Association). The strength of CM's brands and breadth of our product line can be leveraged globally for new internal growth. Our products also enhance workplace safety and productivity which continue to be major trends affecting manufacturing environments. The engineering, design and implementation capabilities of CM's Solutions segments enable us to meet the growing demand of end users for integrated material handling systems.

We extend our thanks to the 4,200 associates of Columbus McKinnon who continue to deliver the high quality products and service that have made us a recognized and respected leader in our industry. We also greatly appreciate the support of CM's shareholders and reiterate our commitment to increasing shareholder value and renewing our track record of delivering consistent top and bottom line growth.



Timothy T. Tevens
President & Chief Executive Officer



Robert L. Montgomery, Jr.
Executive Vice President & Chief Financial Officer

summary

products

financial facts

(in thousands, except percent, order size and employee data)

	fiscal year	
	2000	1999
Net sales	\$ 511,287	\$ 508,313
% of total	69.5 %	69.1 %
Income from operations before amortization as a % of net sales	14.7 %	15.5 %
Identifiable assets	\$ 505,461	\$ 517,774
Capital expenditures	\$ 7,805	\$ 11,201
Average order size	\$ 2M	\$ 2M
Employees	3,270	3,310
Revenue per employee	\$ 156,400	\$ 153,600

overview

→ CM believes that it offers the most extensive line of material handling products to the widest range of distribution channels. The Company is North America's largest manufacturer of overhead hoists and alloy and high-strength carbon chain, with leading market share for electric chain hoists, hand hoists, wire rope hoists, lever chain hoists, hoist trolleys, grades 43, 70 and 80 chain, hoist load chain, mechanical actuators and jib cranes.

CM's CraneMart™ is North America's largest integrated network of top overhead crane builders and is housed in the Company's Products segment, reflecting the close tie of crane building to CM's flagship hoist product line.

The Products segment accounts for approximately 70% of consolidated revenues, and approximately 75% of Products segment sales are classified as maintenance, repair, operating and production ("MROP") supplies.

products

- Electric, Hand and Air Powered Chain Hoists
- Electric Wire Rope Hoists
- Air Balancers
- Lever and Ratchet Binders and Load Securement Devices
- Motorized, Manual and Geared Trolleys
- Beam Clamps
- Wire Rope Worm Gear Drive Hoists
- Electric Chain Worm Gear Drive Hoists
- Crane Forks and C-Hooks
- Coil and Sheet Lifters
- Pallet Trucks
- Forged Attachments (Hooks, Shackles, etc.)
- End Tools (Vacuum Lift, Vertical/Horizontal Core Lifters)
- Textile Slings
- High-Strength Chain and Overhead Lifting Chain Slings
- Mill Liner and Heavy Construction Bolts
- Anchors, Mooring Buoy Chain, Kiln Chain
- Mechanical Actuators, Rotary Unions and Industrial Jacks
- Single/Double Girder Overhead Bridge Cranes
- Jib and Gantry Cranes
- Light Rail Systems

solutions automotive

financial facts

(in thousands, except percent, order size and employee data)

	fiscal year	
	2000	1999
Net sales	\$ 156,408	\$ 161,443
% of total	21.2 %	22.0 %
Income from operations before amortization as a % of net sales	1.5 %	9.2 %
Identifiable assets	\$ 188,369	\$ 180,617
Capital expenditures	\$ 175	\$ 321
Average order size	\$10-15MM	\$10-15MM
Employees	340	330
Revenue per employee	\$ 460,000	\$ 489,200

→ CM's Solutions-Automotive segment, formed in 1998 with the acquisition of Automatic Systems, Inc. ("ASI"), formerly LICO, Inc., provides integrated material handling conveyor systems to large automotive OEMs. ASI is positioned as a leader in the project design, management and implementation of complex integrated material handling systems and is a preferred supplier of conveyor systems to its major customers, including General Motors, its largest customer.

- Overhead Power and Free Conveyor Systems
- Inverted Power and Free Conveyor Systems
- Autoflex Power and Free Conveyor Systems
- Electrified Monorails
- Robotic Indexing Systems
- Special and Custom Designed Product Transfer Systems
- Belt Skid and Skillet Conveyors
- Specialized Mold, Flask and Casting Handling Equipment
- Aggregate and Bulk Material Handling Equipment

solutions industrial

financial facts

(in thousands, except percent, order size and employee data)

	fiscal year	
	2000	1999
Net sales	\$ 68,559	\$ 65,689
% of total	9.3 %	8.9 %
Income from operations before amortization as a % of net sales	9.9 %	10.2 %
Identifiable assets	\$ 65,994	\$ 68,520
Capital expenditures	\$ 122	\$ 1,468
Average order size	\$ 1MM	\$ 1MM
Employees	540	530
Revenue per employee	\$ 127,000	\$ 123,900

→ CM's acquisition of Univeyor A/S established it as a significant player in the integrated material handling industry. Univeyor designs, manufactures and supplies computer-controlled and automated powered roller conveyors, warehousing operations and distribution systems.

CM is also the largest North American manufacturer of operator-controlled manipulators and manufactures the industry's widest variety of standard scissor lift tables.

- Custom-Designed Material Handling Systems
- Unit Handling Powered Roller Conveyor Systems
- Mini-Load Systems
- Pneumatic, Hydraulic and Electric Manipulators
- Vertical Lift Cylinders
- Articulated Jibs
- Reaction and Transfer Arms
- Custom Engineered Tooling
- Single and Double Arm Scissor Lifts
- Tilters, Tilt Lifts, Tilt Stations
- Stackers, Palletizers, Inverted Lifters
- Stacker Cranes
- Light Rail Systems
- Tire Shredders

↓ sales/services

→ Sold through commercial and consumer distributors both domestically and internationally
Sold to over 20,000 general, specialty and service-after-sale distributors and OEMs for various applications

CM products are distributed by industrial distributors, rigging shops, crane builders, catalog houses, material handling specialists and entertainment equipment distributors

Industrial crane systems are sold to crane end-users throughout the U.S. and Canada

Company products are sold directly to the US and Canadian governments and to numerous OEM accounts worldwide

CM has an extensive service-after-sale network with over 450 locations

CM has more than 1,100 consumer distributors, including mass merchandisers, rental outlets, and hardware, trucking, transportation and farm hardware distributors

markets (worldwide)

General Manufacturing, Overhead Crane, Automotive, Construction, Logging, Mining, Entertainment, Transportation, Power Generation, Agriculture, Marine, Consumer and a significant parts and service business

↓ competitive strengths

→ CM's long-standing relationships with and status as a preferred provider to the largest and most successful distributors of industrial products

69% of domestic Products segment sales into markets where CM is the number one supplier

Largest North American manufacturer of hoisting equipment

Largest installed base of hoists in North America, providing strong recurring sales and parts base

Widely known and respected brand names in all product categories

Number one market position in load chain for use in hoists

Number one market position in other grades of high-strength load securement chain

Leading supplier of marine chain to US and Canadian governments

Second largest North American producer of forged products and rigging accessories

North America's largest integrated network of top overhead crane builders - CraneMart™

Most Company facilities are certified to ISO 9000 standards

↓ growth drivers

→ Material handling is one of America's largest industries

The US market for these products is expected to grow to \$70 billion by 2003

Industry trends driving material handling growth:

- More outsourcing
- Demands for productivity enhancement
- Increased focus on worker safety
- Growing workforce diversity
- Fewer, larger, more diversified suppliers

Hoists, chain and forged attachments have significantly lower price points than capital goods and are considered 'must have' items

Approximately 75% of CM's Products sales are for maintenance, repair, operating and production supplies, as contrasted with more cyclical higher cost capital goods

CM's strong global presence; 26% of fiscal 2000 products sales were from outside the U.S.

→ The Company's integrated material handling solutions business deals primarily with end-users

ASI provides custom-engineered systems by functioning either as a turnkey contractor or as a supplier working in conjunction with the customer's general contractor

markets (worldwide)

Automotive Assembly (General Motors and Ford over 90%), Automotive Parts, Steel Mill and Foundry, Paint Processing, General Industrial

→ ASI enjoys preferred provider status with several key customers, bidding on virtually every GM and Ford material handling system project

The average material handling system project is growing larger and more complex thereby eliminating smaller, less integrated competitors

ASI is one of the few "one-stop shops" for integrated material handling solutions

ASI's engineering, estimating, bidding capabilities and project implementation skills are among the best in the industry

ASI was one of only 184 companies worldwide—from over 30,000 supplier companies—recognized by General Motors as a supplier of the year, a distinction awarded to ASI for two consecutive years

→ Several key dynamics are driving the material handling systems industry:

- Project size growing larger and more complex
- OEMs are outsourcing systems projects to turnkey suppliers with broad-based capabilities
- Conveyor systems evolving from inventory storage to integrated production systems
- Automobile model life cycles decreasing
- U.S. auto manufacturers are reworking existing plants focusing on productivity
- Manufacturers are focusing on providing safety and improved ergonomics
- Automotive and industrial manufacturers are purchasing from fewer suppliers

ASI's blue-chip client list: General Motors, Ford, Harley-Davidson, American Steel and Wire, John Deere

→ The products and services are highly engineered and are generally built to order and primarily sold directly to end-users for specific applications.

Univeyor designs, manufactures and supplies products and turnkey systems for integrated material handling systems, based on standardized products and high-tech operating systems that are tailored to the customers needs.

Scissor lift tables and manipulators are sold through CM's internal sales force, specialized independent distributors and manufacturers representatives.

markets (worldwide)

Metals, Construction, Food and Beverage, Storage and Distribution, Electronics, Consumer Products Manufacturing, Heavy Machinery, Pharmaceuticals, Warehousing, Aerospace, Waste Management

→ Univeyor is a leading provider of integrated material handling systems with strong market share in Europe

CM is the largest manufacturer of operator-controlled manipulators in North America

The Company manufactures the industry's widest variety of standard scissor lift tables and custom lift systems

Continual emphasis on innovation and technology with a number of proprietary material handling systems and components

→ Manufacturing and distribution trends to outsource the design and implementation of work flow and material handling systems worldwide

Manipulators provide productivity and safety enhancements

CM's blue-chip client list for Solutions-Industrial: Volvo, Saab-Scania, Chivas Regal, LEGO, Federal Express, J.I. Case, John Deere, DuPont, 3M, GTE, Cummins Engine, Steelcase, Boeing, Saturn, General Electric and United Biscuits

Significant potential for maintenance and long-term relationships



hoists

North America's largest manufacturer of overhead lifting devices

Hoists – 53.6% of CM's Products segment sales for fiscal 2000

- CM has the leading market share of the North American hoist market
- The Company manufactures a variety of hoist products including electric chain hoists, electric wire rope hoists, hand-operated hoists, lever tools, air balancers and air-powered hoists
- These products are sold under a wide variety of recognized brand names
- Load capacities for the Company's hoist product lines range from one-eighth of a ton to 100 tons
- The Company also supplies hoist trolleys, driven manually or by electric motors, for the industrial, consumer and OEM markets
- CM provides comprehensive aftermarket service to product end-users, through the industry's most extensive network of independent distributors
- The distributor network includes over 450 hoist parts, product, service and repair centers and 14 chain service centers
- The Company's hoists are sold for use in a variety of general industrial applications, and the entertainment, consumer, rental, health care and other emerging product markets
- Hoists, chain and forged attachments have significantly lower price points than capital goods and are considered 'must have' items, irrespective of prevailing economic conditions



The industry's most extensive network of independent distributors

- More CM overhead hoists are in use in North America than all of its competitors combined.

air-powered hoists

Product	Domestic Market Share	Market Position	Domestic Product Segment Sales Percentage
Electric chain hoists	85 %	1st	19 %
Electric wire rope hoists	56 %	1st	9 %
Hoist parts	60 %	1st	10 %
Hand chain hoists	79 %	1st	5 %
Lever hoists	65 %	1st	5 %

CM's Products segment – Approximately 70% of consolidated revenues

- Approximately 75% of Products segment sales are classified as maintenance, repair, operating and production (MROP) supplies
- The Company enjoys long-standing relationships with and is a preferred provider to many of North America's largest and most successful distributors of industrial products

CM's Brands – The most recognized and respected in material handling

- Strong brand name recognition, together with a large installed base of products and systems, provides CM with a significant competitive advantage in selling its full product line to existing and new customers as well as providing repair services and replacement parts
- The Company's products are sold to over 20,000 general, specialty and service-after-sale distributors and OEMs for various applications

Budgit



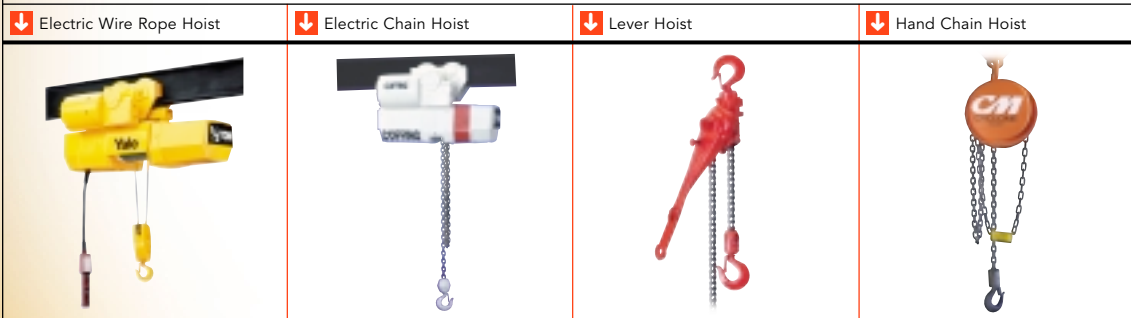
COFFING HOISTS



SHAW-BOX

TIGRIP

Yale



Product Summary – Hoists

Facilities:

16 facilities – 9 North American, 5 European, 3 Asian, 1 African – dedicated to manufacturing, distribution, sales and servicing of CM's extensive product line

Sales – FY 2000: \$274.3 Million

Product Segment Sales %: 53.6%

Brands:

Budgit, Camlok, Chester, CM, Coffing, Little Mule, Shaw-Box, Tigrip, Yale

Market Position:

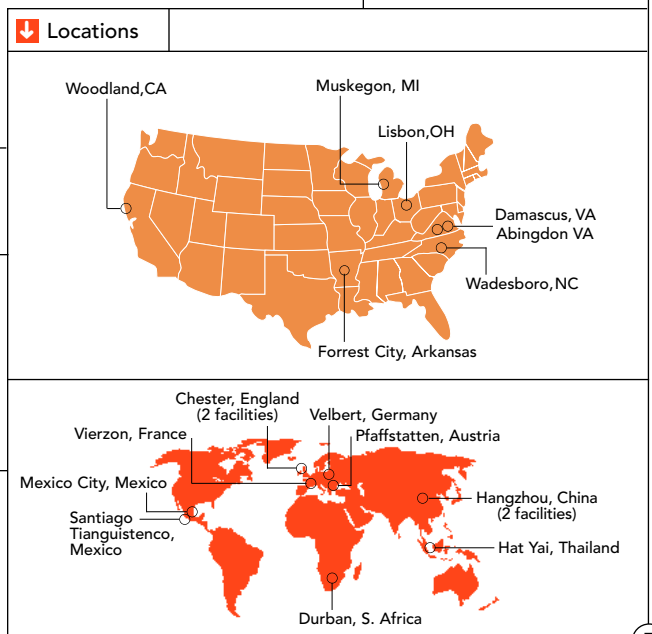
- Leading North American hoist manufacturer
- #1 market share in variety of product lines

Markets:

General manufacturing, production industries, marine, power generation, automotive assembly, entertainment, construction, mining, crane building, logging, oil and gas production, pulp and paper, metals production, steel processing, warehousing and distribution

Product Distribution:

Sold primarily through distributors in commercial and consumer channels for both domestic and international markets



cranes

CraneMart™ is North America's largest integrated network of top overhead crane builders

Crane components – 14.4% of CM's Product segment sales

- The Company entered the crane manufacturing market through the August 1998 acquisition of Abell-Howe
- The acquisition of Abell-Howe was the first step in the development of the Company's CraneMart™ strategy
- CraneMart™ is a nationally recognized marketing program consisting of Company-owned and independent crane builders
- CraneMart™ participants utilize Columbus McKinnon's products in their own offerings and receive a full range of services from the Company including best pricing, parts distribution rights, dedicated technical support and shared resources
- CM's merger with GL in March 1999 and acquisition of WECO in April 1999 established it as a significant participant in the strategically important crane building and servicing markets
- The Company's crane builders design, engineer, manufacture, install and service bridge, jib, and gantry cranes for end-users
- CM's crane components are distributed through crane builders that design, build, install and service industrial crane systems such as bridge, gantry and jib cranes and light-rail systems



<p>CraneMart Service Truck</p>	<p>Bridge Crane</p>	<p>Single Girder Cranes</p>	<p>End Truck Crane Components</p>
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Overhead Cranes – \$74 million in sales for fiscal 2000

- CM is one of North America’s largest manufacturers of crane components, under the Chester Hoist, Shaw-Box®, and Yale® brands
- Crane builders represent a specialized distribution channel for electric wire rope hoists and other crane components
- CM’s products and services sold include the design and manufacture of hoists and other crane components, including end trucks, electronic controls and trolleys
- The Company supplies hoist trolleys, driven manually or by electric motors, for the industrial, consumer and OEM markets
- CraneMart™ is housed in CM’s Products segment, reflecting the close tie of crane building to CM’s flagship hoist product line

CraneMart™ – A strategic initiative

- CraneMart™ is North America’s largest integrated network of top overhead crane builders and CM is a leading manufacturer of crane components

The Company has developed its leading market position over its 125-year history by emphasizing technological innovation, manufacturing excellence and superior after-sale service

Product	Domestic Market Share	Market Position	Domestic Product Segment Sales Percentage
Jib cranes	45 %	1st	1 %
Trolleys	86 %	1st	1 %
Electric wire rope hoists	56 %	1st	9 %

Product Summary – Cranes

Facilities:

The Company has 17 North American facilities and 1 joint venture in Egypt dedicated to designing, manufacturing, distribution, sales and servicing of its overhead bridge, jib and gantry cranes.

Sales - FY 2000: \$74 Million

Product Segment Sales %: 14.4%

Brands:

Abell-Howe, CraneMart™, Gaffey, Larco, WECO

Market Position:

- North America’s largest integrated network of top overhead crane builders
- North America’s leading manufacturer of hoist and crane components

Markets:

General Manufacturing, Marine, Agricultural, Construction, Crane Building, Transportation, Pulp and Paper, Primary Metals Production, Steel Processing, Warehousing, Distribution Centers, Food and Beverage

Product Distribution:

Sold through CraneMart™ – North America’s largest integrated network of top overhead crane builders – and independent crane builders that design, build, install and service industrial crane systems





chain

and forged attachments

CM is the leading manufacturer of alloy and carbon steel chain in North America

Chain & Forged Attachments – 24.4% of CM’s Products segment sales for fiscal 2000

- CM holds number one market share in high-strength carbon steel chain used in the transportation industry and for load chain used in hoists
- Federal regulations in the United States require the use of alloy chain, which CM first developed, for overhead lifting applications because of its strength and wear characteristics
- CM developed the first welded alloy overhead lifting chain in 1933
- The Company’s Herc-Alloy brand is sold for use in overhead lifting, pulling and restraining applications
- CM manufactures three grades, and multiple sizes, of carbon steel welded-link chain for various load securement and other non-overhead lifting applications
- The Company manufactures a complete line of alloy and carbon steel closed-die forged attachments, including hooks, shackles, hitch pins, master links and loadbinders
- Forged attachments are used in virtually all types of chain and wire rope rigging applications in a variety of industries
- CM’s AgWorks™ is an import product line of carbon steel hardware targeted at the part-time farmer or hobbyist
- The acquisition of Lister Bolt & Chain, Ltd., in December 1996, provided a line of kiln chain sold primarily to the cement and lime kiln manufacturing market
- Lister Chain & Forge Inc. manufactures anchor and buoy chain sold primarily to the US and Canadian governments
- CM also sells chain, smaller hoists and forged attachments to the consumer market through hardware and farm equipment distributors, mass merchandisers and equipment rental outlets
- The Company produces specific application forgings for a number of OEM customers
- CM provides prompt aftermarket service to product end-users, through a network of independent distributors, at over 450 hoist parts, product, service and repair centers and 14 chain service centers
- Hoists, chain and forged attachments have significantly lower price points than capital goods and are considered ‘must have’ items, irrespective of prevailing economic conditions

kiln chain



overhead lifting chain slings

anchor chain

hooks

Forged Attachments



Chain Slings



Welded Chain



CM's significant competitive advantage

- The Company enjoys long-standing relationships with, and is a preferred provider to, many of North America's largest and most successful industrial products distributors
- CM's portfolio of brand names is among the most recognized and respected in the material handling industry
- The Company believes that it offers the most extensive line of material handling products to the widest range of distribution channels for application in the most diverse range of end markets
- Strong brand name recognition, together with a large installed base of products and systems, provides CM with a significant competitive advantage in selling its full product line to existing and new customers
- The Company's products and customer base are highly diversified; no single product accounts for more than 1% and no individual customer accounts for more than 5% of net Products segment sales



The leading manufacturer of alloy and high strength chain

- CM developed the first welded alloy-steel overhead lifting chain in 1933. With the acquisition of Lister, CM became the leading supplier of marine chain to both the US and Canadian governments.

Product	Domestic Market Share	Market Position	Domestic Product Segment Sales Percentage
Grade 43 chain	24 %	1st	1 %
Grade 70 chain	31 %	1st	2 %
Grade 80 chain	34 %	1st	2 %
Load chain	40 %	1st	4 %

Product Summary – Chain & Forged Attachments

Facilities:

The Company has 15 North American facilities and 1 in Europe dedicated to manufacturing and distribution of chain and forged attachments.

Sales - FY 2000: \$125 Million

Product Segment Sales %: 24.4%

Brands:

Big Orange, CM, Dixie Industries, Durbin Durco, Hammerlok, Herc-Alloy, Lister, Midland Forge

Market Position:

- Largest North American producer of high-strength carbon steel chain used for load securement
- Largest North American producer of load chain for hoists
- Leading supplier of marine chain to the US and Canadian governments
- Second largest North American producer of forged products and rigging accessories

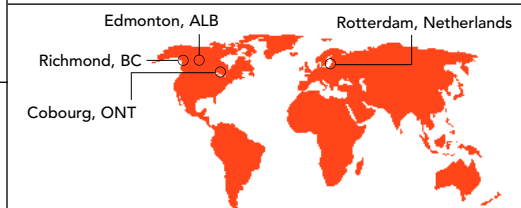
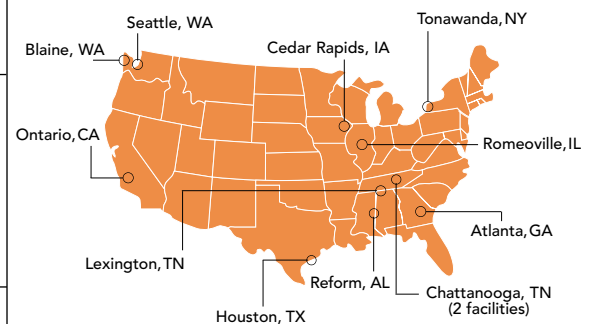
Markets:

General manufacturing, marine, agricultural, automotive assembly, entertainment, construction, mining, crane building, transportation, logging, oil and gas, primary metals production and steel processing

Product Distribution:

Chain and forged attachments are distributed to the industrial and consumer markets through industrial distributors, specialty distributors and mass merchandiser outlets

Locations



solutions

Industrial

CM is a leading provider of integrated material handling systems

Solutions Industrial – 9.3% of CM’s sales for fiscal 2000

- The Solutions-Industrial segment is engaged primarily in the design, fabrication and installation of integrated workstation and facility-wide material handling systems
- Integrated material handling systems are designed to meet specific applications of end-users to increase productivity
- The delivered products of the Solutions-Industrial segment include various types of conveyor systems as well as operator-controlled manipulators, scissor lift tables, lode rail and tire shredders
- CM acquired Univeyor A/S in fiscal 1998, positioning itself as a leader in the project design, management and implementation of integrated material handling systems
- The Company’s Univeyor operation specializes in designing computer-controlled and automated powered roller conveyors for use in warehouse operations and distribution systems
- The Company supplies custom-designed hydraulic, pneumatic, and electric manipulators for a wide variety of applications where the user requires multi-axial movement in a harsh or repetitive environment
- CM’s Solutions-Industrial segment, positions the Company as a leading provider of integrated material handling systems for a wide range of industries in the U.S. and Europe



North America’s largest manufacturer of operator-controlled manipulators

- CM manufactures two lines of sophisticated operator-controlled manipulators under the brand names Positech and Conco
- American Lifts manufactures the industry’s widest variety of standard scissor lift tables and custom lift systems

↓ Product	Domestic Market Share	Market Position	Domestic Product Segment Sales Percentage
Manipulators	50 %	1st	3 %



ators

articulated jibs

g syste
bles

Powered Roller Conveyor



Scissor Lift Table



Manipulator



Material Handling Systems – the marketplace

- The products and services are highly engineered, are generally built to order, and are primarily sold directly to end-users for specific applications
- Conveyors are key components of many material handling systems, reflecting their high functionality for transporting material throughout manufacturing and warehouse facilities
- Scissor lift tables enhance workplace ergonomics and are sold primarily to customers in the manufacturing, construction, general industrial and air cargo industries
- Manipulators are designed to perform lifting, rotating, turning, tilting, reaching and positioning tasks in a manufacturing process
- The products and services of the Solutions-Industrial segment are sold primarily to large corporate end-users, including Federal Express, Volvo, United Biscuits, Lego, Chivas Regal, J.I. Case, John Deere, DuPont, 3M, GTE, Cummins Engine, Steelcase, Boeing, Saturn, General Electric and other industrial companies
- Many of CM's customers and end-users are outsourcing the design, management and implementation of both workstation and facility-wide material handling systems
- CM's products enable many workplace tasks to be performed safely, efficiently and with less physical stress
- Increasing diversity in the workforce should continue to increase demand for CM's products

Product Summary – Solutions-Industrial

Facilities:

5 U.S. facilities that manufacture Solutions-Industrial products and 4 European facilities that design and fabricate integrated material handling systems

Sales - FY 2000: \$69 Million

Consolidated Sales %: 9.3%

Brands:

Univeyor, American Lifts, Conco, HSC, Positech

Market Position:

- Largest manufacturer of operator-controlled manipulators in North America
- A leading provider of integrated material handling systems with strong market shares in the US and Europe
- Manufactures the industry's widest variety of standard scissor lift tables and custom lift systems

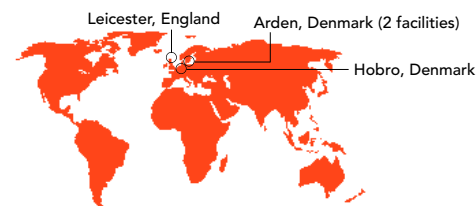
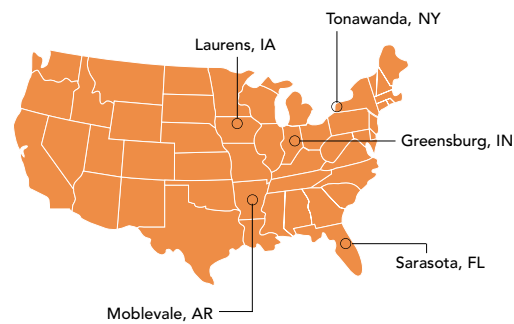
Markets:

General manufacturing, agricultural, entertainment, transportation, primary metals production and steel processing, warehousing and distribution centers, food and beverage

Product Distribution:

- CM generally acts as a prime contractor with turnkey responsibility for integrated material handling conveyor systems, or as a supplier working closely with the customer's general contractor through a competitive bid process
- Scissor lift tables and manipulators are sold through CM's internal sales force, specialized independent distributors and manufacturers' representatives

Locations



solutions

Automotive

ASI is a leading global provider of turnkey material handling conveyor systems

Solutions-Automotive – 21.2% of CM’s sales for fiscal 2000

- CM’s Solutions-Automotive segment, formed in 1998 with the acquisition of Automatic Systems, Inc. (ASI), formerly LICO, Inc., provides integrated material handling conveyor systems primarily to large automotive OEMs
- CM has positioned itself as a leader in the design, management and implementation of complex integrated material handling systems that are designed to meet specific applications of end-users to increase productivity
- ASI’s conveyor systems deliver products of various size and weight at moderate speeds to multiple locations within a manufacturing or assembly plant
- ASI’s versatile and cost-effective material handling conveyor systems are used primarily in automotive and agribusiness equipment plants for assembly and paint operations
- ASI produces a full range of high-lift and low-lift forks for automotive body transfers between systems, automatic drop sections and steel mill coil transfer cars
- Electrified monorail systems are cleaner, quieter, ergonomically correct and require a smaller footprint than traditional power and free systems, generally used in automotive body shop and general assembly plant applications
- The Company is a preferred supplier of conveyor systems to its major customers, including General Motors, its largest customer



→ Overhead Power-and-Free Conveyor

→ Parts Delivery System

→ Electrified Monorail



Trends driving the automotive solutions marketplace

- The average material handling system project is growing larger and more complex thereby eliminating smaller, less integrated competitors
- Automotive OEMs are outsourcing systems projects to turnkey suppliers with broad-based capabilities, such as ASI, as they reduce their in-house technical staffs
- Conveyor systems are evolving from WIP inventory storage and delivery functions to integrated production systems
- Automobile model life cycles have been decreasing for the past decade leading to more frequent retooling and material handling system changeovers
- U.S. automotive manufacturers are focusing on productivity by reworking existing plants, and the emphasis on increased efficiency through further automation will continue for U.S. manufacturers
- Manufacturers are focusing on providing safety and improved ergonomics in their facilities with electrified monorail systems emerging as a preferred system
- Automotive and industrial manufacturers are purchasing from fewer suppliers with comprehensive in-house capabilities to provide turnkey solutions
- New competitors including foreign companies have entered the automotive conveyor market as existing competitors have exited or failed as a result of recent pricing pressures

ASI is a preferred supplier of conveyor systems to its major customers

- ASI was one of only 184 companies worldwide – from over 30,000 supplier companies – recognized by General Motors as a GM supplier of the year, two years in a row
- ASI is one of the few “one-stop shops” for integrated material handling solutions
- To broaden its customer base, ASI is pursuing other opportunities with Tier I and Tier II automotive parts suppliers, steel mills, foundries and general industrial customers

Product Summary – Solutions-Automotive

Facilities:

7 North American facilities that design, engineer and fabricate complete integrated material handling systems

Sales - FY 2000: \$156 Million

Consolidated Sales %: 21.2%

Brand:

Automatic Systems, Inc.

Market Position:

One of the leading material handling systems providers to the automotive industry

Markets:

Automotive Assembly (General Motors and Ford over 90%), Automotive Parts, Steel Mill and Foundry, Paint Processing, General Industrial

Product Distribution:

Direct to end-users through a competitive bid process

↓ Locations



Hamilton, ONT



components

A comprehensive line of lifting and positioning equipment and components



Industrial components – 7.5% of CM's Product segment sales for fiscal 2000

- CM's Duff-Norton division designs and manufactures mechanical and electromechanical actuators, mechanical jacks and rotary unions
- The Company's acquisition of Raccords Gautier, a French rotary union and swivel joint manufacturer, complemented the product line and expanded global reach
- Actuators are linear motion devices used in a variety of industries, including paper, steel processing and aerospace industries
- Rotary unions are piping devices which introduce heating or cooling liquids from a fixed pipe into the interiors of rotating drums in industrial processes
- Duff-Norton is one of the largest manufacturers of heavy-duty industrial jacks – lifting devices used for the repair and maintenance of railroad tracks, locomotives and industrial machinery

↓ Mechanical Actuator



↓ Rotary Union



↓ Industrial Jack



Product Summary – Industrial Components

Facilities: 1 US and 1 European manufacturing facilities

Sales - FY 2000: \$38 Million

Product Segment Sales %: 7.5%

Brands: Duff-Norton, Raccords Gautier

Market Position:

Leading domestic market share for mechanical actuators

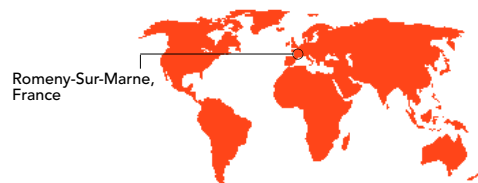
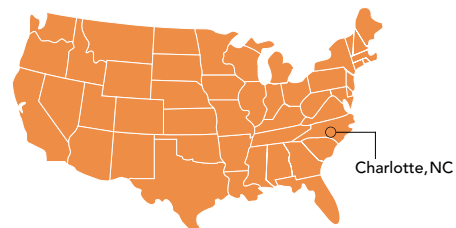
Markets:

Pulp and paper, primary metals production and steel processing, aerospace, transportation, general manufacturing, textiles, rubber, plastics, printing and machine tool industries

Product Distribution:

Power transmission distributors, direct to OEMs

↓ Locations



↓ Product	Domestic Market Share	Market Position	Domestic Product Segment Sales Percentage
Mechanical Actuators	45 %	1st	5 %

shareholder and corporate information

Company Information on the Internet

Information of interest to shareholders, potential investors, customers, vendors and employees is available on-line. For CM's news, financial documents, stock quotes, and an opportunity to e-mail senior management, visit CM at: www.cmworks.com

Shareholder Information

As of March 31, 2000, there were 307 shareholders of record of the Company's common stock. In addition, 1,566 Columbus McKinnon employees owned shares through the Company ESOP. Approximately 2,000 additional shareholders held shares in "street name."

According to the March 31, 2000 SEC filings, 44 institutional investors own 49% of CM's outstanding shares.

Dividend Policy

The Company has continuously paid a cash dividend on its common stock since 1988. The Board of Directors, when justified by the financial condition of the Company, intends to continue its present policy of declaring quarterly dividends. The Company has paid a quarterly dividend of \$.07 per share since July 1996. However, the amount of future dividends, if any, will always depend on the Company's earnings and capital requirements, and on such other factors as the Board of Directors may deem relevant.

Investor Relations Contact

Investor information is available on CM's Web site, www.cmworks.com

It may also be requested by calling or writing:

Lois H. Demler
Corporate Secretary
Columbus McKinnon Corporation
140 Audubon Parkway
Amherst, NY 14228-1197
(716) 689-5409
lois.demler@cmworks.com

Transfer Agent

Please direct questions about lost certificates, change of address and consolidation of accounts to the Company's transfer agent and registrar:

American Stock Transfer & Trust Company
40 Wall Street
New York, NY 10005
(212) 936-5100
<http://www.amstock.com>

Annual Meeting

As previously announced, the annual meeting of shareholders will take place later in 2000, but no earlier than October 1, 2000. Shareholders will be notified of the meeting date, time and location when it is scheduled.

Conference Call Recordings

A recording of the Company's most recent quarterly earnings release conference call is available year-round, toll-free at 1-800-925-0870.

Analyst Coverage

These firms produced research about Columbus McKinnon during fiscal years 1999 or 2000. Information may be obtained by contacting the following security analysts:

Michael Braig, A.G. Edwards & Sons
(314) 955-5894

John Inch, Bear Stearns & Co.
(212) 272-4054

John Walthausen, C. L. King & Associates
(212) 421-3242

Ed LaVarnway, First Albany Corp.
(518) 447-8500

JoAnna Shatney, Goldman Sachs & Co.
(212) 902-1079

Independent Auditors

Ernst & Young, LLP
50 Fountain Plaza, 14th Floor
Buffalo, NY 14202-2297

Corporate Counsel for Securities Matters

Lippes, Silverstein, Mathias & Wexler, LLP
700 Guaranty Building
Buffalo, NY 14202

General Counsel

Phillips, Lytle, Hitchcock, Blaine & Huber, LLP
3400 HSBC Center
Buffalo, NY 14203

The following are trademarks of Columbus McKinnon Corporation registered in the U.S. Patent and Trademark Office: CM, ASI, Big Orange, Bossman, Budgit, Cady, Coffing, Conco, Cyclone, Duff-Norton, Hammerlok, Herc-Alloy, Lift-Tech, LTI, Little Mule, Lodestar, Shaw-Box, Tigrip, Yale.

The following are trademarks of Columbus McKinnon Corporation: Abell-Howe, Camlock, CM Max, CraneMart, Deeweld, Gaffey, HSC, Larco, LICO, Positech, Raccords Gautier, Rotary Union, Univeyor, WECO.

EVA is a trademark of Stern Stewart registered in the U.S. Patent and Trademark Office.

board of directors

Herbert P. Ladds, Jr. was elected Chairman of the Board of Columbus McKinnon Corporation in January 1998, and has been a Director of the Company since 1973. He served as Chief Executive Officer of the Company from 1987 until his retirement in July 1998. He also served as President from 1982 until January 1998. Prior to this, he served as Executive Vice President from 1981 to 1982, and Vice President - Sales and Marketing from 1971 to 1980. At age 67, he is also a Director of Utica Mutual Insurance Company, R.P. Adams Co., Inc., Fibron Products, Inc., and Eastman Machine Company. Among his not-for-profit activities, he serves on the boards of Albright-Knox Art Gallery and the Martin House Restoration Corporation.

David Black, age 63, has been a Director of the Company since 1995. He has served as Chairman of the Board and Chief Executive Officer of JLG Industries, Inc. since 1999, and as Chairman of the Board, President and Chief Executive Officer from 1993 to 1999. Prior thereto, he served as President of JLG Industries, Inc. He is also a member of Columbus McKinnon's Audit Committee.

Richard H. Fleming, was named a Director in 1999. Fleming, age 52, is currently Executive Vice President and Chief Financial Officer of USG Corporation. Prior to his appointment as Chief Financial Officer of USG in 1994, Mr. Fleming held several executive positions in finance at USG, including Treasurer, and Assistant Treasurer and Director, Corporate Finance. Mr. Fleming joined USG in 1984 following its acquisition of Masonite Corporation, where he was Vice President and Chief Financial Officer. He also serves as President of the Board of Directors of the Child Welfare League of America in Washington D.C. Mr. Fleming serves as a member of Columbus McKinnon's Compensation and Nomination/Succession Committee and Audit Committee.

Randolph A. Marks, age 64, has been a Director of the Company since 1986. A private investor, he is a retired Chairman of the Board of American Brass Company, Director and Acting Chairman of Computer Task Group, Inc., and a Director of Delaware North Companies, Inc. He is also a member of Columbus McKinnon's Compensation and Nomination/Succession Committee.

Robert L. Montgomery, Jr. has served as Executive Vice President, Chief Financial Officer since 1987, and Director since 1982. Montgomery, age 62, has been with Columbus McKinnon since 1974. Prior thereto, he was a certified public accountant with Price Waterhouse LLP. He also serves on the Kaleida Health System Trustee Council and the Beechwood Continuing Care Board of Directors.

Carlos Pascual, age 55, has been a Director of the Company since August 1998. A 30-year veteran of Xerox Corporation, he currently serves as Executive Vice President, Xerox Corporation, and President of Developing Markets Operations for Xerox. Mr. Pascual is Chairman of Xerox Modicorp and serves on the Board of the China-U.S. Business Council. He is a member of Columbus McKinnon's Compensation and Nomination/Succession Committee and Audit Committee.

Timothy T. Tevens, age 44, was named a Director in January 1998, in conjunction with his promotion to President. Having served as Chief Operating Officer since October 1996, Mr. Tevens succeeded Mr. Ladds as Chief Executive Officer in July 1998. He joined the Company in 1991 as Vice President of Information Services. He is a director of the American Supply & Machinery Manufacturers Association.

Corporate Secretary

Lois H. Demler - Mrs. Demler has served Columbus McKinnon for 41 years in various capacities, 14 of those in her current position. She also serves as the Company's investor relations contact.

corporate officers

Timothy T. Tevens, President and Chief Executive Officer

Robert L. Montgomery, Jr., Executive Vice President and Chief Financial Officer

Karen L. Howard, Vice President, Controller

Ned T. Librock, Vice President, Sales and Marketing

Ernst K. H. Marburg, Vice President, Total Quality Standards

Joseph J. Owen, Vice President, Strategic Integration

Lois H. Demler, Corporate Secretary



board of directors

↓ Herbert Ladds



↓ Robert Montgomery



↓ Timothy Tevens



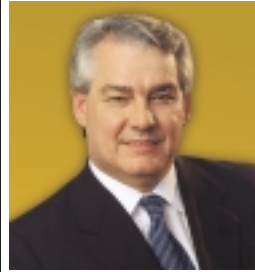
↓ David Black



↓ Randolph Marks



↓ Carlos Pascual



↓ Richard Fleming



executive committee

Bob Montgomery →



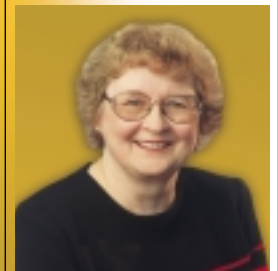
← Joe Owen

Ned Librock →

← Tim Tevens

↑ Karen Howard

↓ Lois Demler,
Corporate Secretary



kilo chain

mechanical actuators

wire rope hoists

electric wire rope hoists

electrified monorails

scissor lifts

skillet
conveyors

overhead bridge cranes

hand

rotary unions

trolleys

	
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