

**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, 2012**

Commission File No.: 001-32401

MANITEX INTERNATIONAL, INC.

(Exact name of registrant as specified in its charter)

Michigan
(State of incorporation)

42-1628978
(I.R.S. Employer
Identification No.)

9725 Industrial Drive
Bridgeview, Illinois
(Address of principal executive offices)

60455
(Zip Code)

Registrant's telephone number, including area code: (708) 430-7500

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

Title of each class	Name of each exchange on which registered
Common Stock, no par value	The NASDAQ Stock Market LLC
Preferred Share Purchase Rights	The NASDAQ Stock Market LLC

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 Section 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 Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T 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, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer Accelerated Filer Non-Accelerated Filer Smaller reporting company

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 of the shares of common stock, no par value ("Common Stock"), held by non-affiliates of the registrant as of June 30, 2012 was approximately \$89.8 million based upon the closing price for the Common Stock of \$8.40 on the NASDAQ Stock Market on such date.

The number of shares of the registrant's common stock outstanding as of March 8, 2013 was 12,268,443

DOCUMENTS INCORPORATED BY REFERENCE

Part III of this Annual Report on Form 10-K incorporates by reference information (to the extent specific sections are referred to herein) from the registrant's Proxy Statement for its 2013 Annual Meeting (the "2013 Proxy Statement") to be filed with the Commission within 120 days after the end of the fiscal year ended December 31, 2012.

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PART I

References to the “Company,” “we,” “our” and “us” refer to Manitex International, Inc., together in each case with our subsidiaries and any predecessor entities unless the context suggests otherwise.

Forward-Looking Statements

When reading this section of this Annual Report on Form 10-K, it is important that you also read the financial statements and related notes thereto. This Annual Report on Form 10-K and certain information incorporated herein by reference contain forward-looking statements within the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. All statements contained in this Annual Report on Form 10-K, other than statements that are purely historical, are forward-looking statements and are based upon management’s present expectations, objectives, anticipations, plans, hopes, beliefs, intentions or strategies regarding the future. We use words such as “anticipate,” “estimate,” “plan,” “project,” “continuing,” “ongoing,” “expect,” “believe,” “intend,” “may,” “will,” “should,” “could,” and similar expressions to identify forward-looking statements. Forward-looking statements in this Annual Report on Form 10-K include, without limitation: (1) projections of revenue, earnings, capital structure and other financial items, (2) statements of our plans and objectives, (3) statements regarding the capabilities and capacities of our business operations, (4) statements of expected future economic conditions and the effect on us and on our customers, (5) expected benefits of our cost reduction measures, and (6) assumptions underlying statements regarding us or our business. Our actual results may differ from information contained in these forward looking-statements for many reasons, including those described below and in the section entitled “Item 1A. Risk Factors”:

- (1) a future substantial deterioration in economic conditions, especially in the United States and Europe;
- (2) our customers’ diminished liquidity and credit availability;
- (3) difficulties in implementing new systems, integrating acquired businesses, managing anticipated growth, and responding to technological change;
- (4) our ability to negotiate extensions of our credit agreements and to obtain additional debt or equity financing when needed.
- (5) the cyclical nature of the markets we operate in;
- (6) increases in interest rates;
- (7) government spending; fluctuations in the construction industry, and capital expenditures in the oil and gas industry;
- (8) the performance of our competitors;
- (9) shortages in supplies and raw materials or the increase in costs of materials;
- (10) our level of indebtedness and our ability to meet financial covenants required by our debt agreements;
- (11) product liability claims, intellectual property claims, and other liabilities;
- (12) the volatility of our stock price;
- (13) future sales of our common stock;
- (14) the willingness of our stockholders and directors to approve mergers, acquisitions, and other business transactions;
- (15) currency transactions (foreign exchange) risks and the risk related to forward currency contracts;
- (16) certain provisions of the Michigan Business Corporation Act and the Company’s Articles of Incorporation, as amended, Amended and Restated Bylaws, and the Company’s Preferred Stock Purchase Rights may discourage or prevent a change in control of the Company;

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

The risks described in our Annual Report on Form 10-K are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition or operating results. We do not undertake, and expressly disclaim, any obligation to update this forward-looking information, except as required under applicable law.

ITEM 1. BUSINESS

Our Business

The Company is a leading provider of engineered lifting solutions. The Company operates in two business segments: the Lifting Equipment segment and the Equipment Distribution segment. The Company's predecessor company was formed in 1993 and was purchased in 2003 by Veri-Tek International, Corp., which changed its name to Manitex International, Inc. in 2008.

Lifting Equipment Segment

The Company is a leading provider of engineered lifting solutions. The Company designs, manufactures and distributes a diverse group of products that serve different functions and are used in a variety of industries. Through its Manitex, Inc. subsidiary it markets a comprehensive line of boom trucks and sign cranes. Manitex's boom trucks and crane products are primarily used for industrial projects, energy exploration and infrastructure development, including, roads, bridges and commercial construction. Its Badger Equipment Company ("Badger") subsidiary, acquired on July 10, 2009, is a manufacturer of specialized rough terrain cranes and material handling products. Badger primarily serves the needs of the construction, municipality, and railroad industries.

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

The Company's Manitex Load King, Inc. ("Load King") subsidiary manufactures specialized custom trailers and hauling systems typically used for transporting heavy equipment. Load King trailers serve niche markets in the commercial construction, railroad, military, and equipment rental industries through a dealer network.

On July 1, 2010, the Company's newly formed Italian subsidiary, CVS Ferrari, srl, entered into an agreement to rent certain assets of CVS SpA, on an exclusive rental basis, while CVS SpA proceeds through the Italian bankruptcy process (concordato preventivo). CVS SpA was located near Milan, Italy and designed and manufactured a range of reach stackers and associated lifting equipment for the global container handling market, which were sold through a broad dealer network. During the third quarter 2010, CVS Ferrari, srl commenced operations and employed the rental assets in its operations. On July 1, 2011, the Company purchased the assets which were previously being rented.

Equipment Distribution Segment

The Company's Crane and Machinery division is a crane dealer that distributes Terex rough terrain and truck cranes and Manitex boom trucks and sky cranes. This business also supplies repair parts for a wide variety of medium to heavy duty construction equipment sold both domestically and internationally. Recently, the Company has begun on a limited basis to rent cranes or other equipment while the equipment is being held for sale. The crane products are

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used primarily for infrastructure development and commercial construction; applications include road and bridge construction, general contracting, roofing, and sign construction and maintenance.

In the second quarter of 2010, we expanded our Equipment Distribution segment by creating a new division, North American Equipment Exchange (“NAEE”), to market previously-owned construction and heavy equipment, domestically and internationally. This division provides a wide range of used lifting and construction equipment of various ages and condition, and the Company has the capability to refurbish the equipment to the customers’ specification.

Recent Acquisition

On October 31, 2012, the Company purchased the rights to and designs for a nine ton carry deck crane along with two nine ton carry decks cranes which had already been built. The Company expects to begin to market the nine ton carry deck crane in 2013.

General Corporate Information

The Company’s principal executive offices are located at 9725 Industrial Drive, Bridgeview, Illinois 60455 and our telephone number is (708) 430-7500. The Company’s website address is www.manitexinternational.com. Information contained on our website is not incorporated by reference into this report and such information should not be considered to be part of this report.

FINANCIAL INFORMATION ABOUT BUSINESS SEGMENTS

The following is financial information about our Lifting Equipment and Equipment Distribution segments for the years ending December 31, 2012, 2011 and 2010. The accounting policies of the segments are the same as those described in the summary of significant accounting policies in the Notes to the Consolidated Financial Statements included in Item 8 of this Form 10-K, except corporate expenses are not allocated to segments. The Company evaluates segment performance based upon operating income before corporate expenses. Amounts shown are in thousands of dollars.

(in Thousands)

	AS OF OR FOR THE YEAR ENDED		
	DECEMBER 31,		
	2012	2011(1)	2010(1)
Revenues from continuing operations:			
Lifting Equipment	\$188,792	\$130,330	\$ 89,669
Equipment Distribution	17,090	11,986	7,139
Inter-segment Eliminations	(633)	(25)	(933)
Total	<u>\$205,249</u>	<u>\$142,291</u>	<u>\$ 95,875</u>
Operating income from continuing operations:			
Lifting Equipment	\$ 19,870	\$ 11,069	\$ 8,722
Equipment Distribution	202	64	33
Corporate expense	(5,613)	(4,532)	(3,218)
Total	<u>\$ 14,459</u>	<u>\$ 6,601</u>	<u>\$ 5,537</u>
Total assets:			
Lifting Equipment	\$144,937	\$115,211	\$ 99,702
Equipment Distribution	6,374	6,255	5,595
Corporate	193	125	220
Total	<u>\$151,504</u>	<u>\$121,591</u>	<u>\$105,517</u>

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- (1) CVS Ferrari, srl was incorporated in June 2010, with an initial capitalization of 10 Euros. Financial results include the results for CVS Ferrari, srl (our Italian Subsidiary) from the date the Company was formed in June 2010. On July 1, 2010, CVS Ferrari, srl entered into an agreement to rent on an exclusive basis certain assets of CVS SpA, while CVS SpA proceeds through the Italian bankruptcy process (concordato preventivo). CVS Ferrari, srl commenced operations in the third quarter of 2010 utilizing the rented assets to manufacture reach stackers and associated lifting equipment for the global container handling market. On July 1, 2011, the Company acquired the assets that were being rented and the rental agreement was terminated.

Lifting Equipment Segment

Boom Trucks

A boom truck is a straight telescopic boom crane outfitted with a hook and winch which is mounted on a standard flatbed commercial (Class 7 or 8) truck chassis. Relative to other lifting equipment, boom trucks provide increased versatility and are capable of transporting relatively large payloads from site to site at highway speeds. A boom truck is usually sold with outriggers, pads and devices for reinforcing the chassis in order to improve safety and stability. Although produced in a wide range of models and sizes, boom trucks can be broadly distinguished by their normal lifting capability as light, medium, and heavy-cranes. Various models of medium or heavy-lift boom trucks can safely lift loads from 15 to 50 tons and operating radii can exceed 200 feet. Another advantage of the boom truck is the ability to provide occasional man lift capabilities at a very low cost to height ratio. While it is not uncommon to see a very old boom truck, most replacement cycles seem to trend to seven years.

Although the Company offers a complete line of boom trucks from light to heavy capacity cranes much of our efforts have been devoted to the development of higher capacity boom trucks specifically designed to meet the particular needs of customers including those in energy production and power distribution. We believe it is an advantage to be skewed towards the heavier lifting capacity, since the heavier capacity cranes have somewhat higher margins.

Markets that drive demand for boom trucks include power distribution, oil and gas recovery, infrastructure and new home, commercial and industrial construction. The new home construction market, which uses lower capacity cranes, is probably the most cyclical and is where our market share is the lowest. We believe that oil and gas extraction and power distribution, offer the best chance for long-term growth and are markets where the Manitex subsidiary's products are well represented.

The Company sells its boom trucks through a network of over forty full service dealers in the United States, Canada, Mexico, South America, and the Middle East. A number of our dealers maintain a rental fleet of their own. Boom trucks can be rented for either short or long-term periods.

The market for boom trucks has historically been cyclical. Sales of boom trucks grew from 1992, to a peak, in 1998. Since then, the market has experienced periods of declines and recovery. Between 1992 and 2008, unit sales were the lowest in 2003. It is estimated that sales in 2003 were approximately half of what they were at the peak of the market.

In 2008, the market for boom trucks was softening even before the financial crisis that started in September 2008 began. After September 2008, the demand for boom trucks was dramatically reduced as the United States and world financial markets came under unprecedented stress. In 2008, our boom truck shipments decreased by approximately 10%. The Company believes that its percent decrease was substantially below the decline the industry had as a whole. We believe two factors account for this variation. The lower capacity boom truck segment, where our market share is the smallest, is the segment which is most susceptible when economic conditions deteriorate. Secondly, the Company sold boom trucks with lifting capacity that exceeded our competitors, which are used for specific applications primarily in the oil and gas production. The Company continued to see strong demand for our high lifting capacity boom truck during much of 2008.

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In 2009, the boom truck industry felt the full effect of the financial crisis. As a result, sales of boom trucks declined to levels below those seen in earlier recessions. In 2009, the Company's boom truck shipments declined by approximately 50%, which we believe parallels the industry decline in 2009.

In 2010, the Company believes that total industry boom truck units sales did not change significantly from the prior year. There was, however, a modest increase in unit sales of boom trucks with higher lifting capacity and correspondingly higher selling prices. The higher capacity lifting segment is the market segment where Manitex has its largest market share. The Company's revenues for boom trucks increased approximately 8.5% in 2010, while our unit shipments declined by approximately 17%. A change in product mix (to higher lifting capacity boom trucks) accounts for the increase in 2010 revenues while unit sales decreased.

In 2011, the overall market for boom trucks strengthened considerably. It was, however, still considerably below previous market peaks. In 2011, the Company unit sales increased approximately 60%. The Company believes its 2011 percent unit sales growth is lower than the overall industry growth in 2011. Much of the industry's unit sales growth occurred in the lower lifting capacity boom truck segment, a market segment where we traditionally have our lowest market share.

In 2012, the market for boom trucks again showed considerable improvement with total industry unit sales approaching pre-2008 levels. The market dynamics are, however, considerably different than they previously were. Much of the current demand is being driven by niche market sectors, i.e., oil and gas exploration and power line construction. The demand from the general construction market although slowly improving is still not approaching pre-2008 levels. The Company's boom truck unit sales for 2012 increased by approximately 65% as compared to the prior year. The increase in unit sales reflects the Company's strategic initiatives which have emphasized the development of boom trucks with higher lifting capacities that target the oil and gas and power line distribution market segments.

Sign Cranes

A sign crane is similar to a boom truck in that it is a straight telescopic boom crane mounted on a commercially available chassis, but has a man-basket attached to the end of the boom. Three companies control the large majority of the business and each possesses several hundred units in its fleet. Sales to any of these three customers are performed on a direct basis and not through a dealer network. Currently, the Company has no contracts to supply sign cranes to any of these three companies. Instead, the Company offers its sign cranes through a network of dealers who sell to family run and smaller sized businesses.

The market for sign cranes is small and has been depressed the last several years as both large and small customers have been deferring the purchase of sign cranes. The Company expects the market for sign cranes to gradually improve if general economic conditions continue on a positive trajectory. The Company has not generated significant revenues from the sale of sign cranes in the last 3 years. Even, if the Company were to obtain a contract to supply sign cranes to one of the three large customers, it would still only have a modest impact on our future revenues.

Rough Terrain Cranes

Our subsidiary, Badger, sells specialized rough terrain cranes through a network of dealers. The Badger product line includes lattice cranes with 20 to 30 ton lifting capacity marketed under the Little Giant trade name, and specialized 15 and 30 ton rough terrain cranes sold under the Badger name. The 30 ton rough terrain crane sold under the Badger name was launched in 2009 and was the first in a new line of specialized high quality rough terrain cranes. During the fourth quarter of 2012, Badger expanded the product line by launching a 15 ton rough terrain crane which is also sold under the Badger name.

The Little Giant line has five lattice boom models, three of which are dedicated rail cranes. In addition to the rail cranes, Badger sells a 30 ton truck crane and a 25 ton crawler crane. Although Badger end customers include

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states and municipalities, our sales are predominately to railroads. The Company has an advantage over its competitors in selling to railroads as it is the only crane manufacturer that has integrated the installation of rail gear into its production process. Competitors send their cranes to a third party to have rail gear added which both increases cost and delays deliveries.

Badger continues to work on broadening the market for the crane to include non-railroad applications. The Company's effort to broaden its customer base has been hampered by weak demand from several potential customer bases due to general economic conditions. Nevertheless, Badger has been successful in selling a small number of cranes which are being used in non-railroad applications. Our efforts to expand the customer base are continuing and we expect that in the future significant revenues from non-railroad customers can be generated. These revenues are expected to come from states, municipalities, mining and oil refineries.

Specialized Highly Engineered Trailers

Our subsidiary, Load King, acquired on December 31, 2009, designs and sells build-to-order specialized, highly engineered low-bed, heavy-haul, bottom-dump, and platform trailers and hauling systems. The trailers, except for the bottom-dump, are typically used for transporting heavy equipment. Additionally, Load King has recently launched a trailer refurbishment service. Our trailers are utilized by commercial construction firms, equipment rental companies, oil field service companies, the railroad industry, the U.S. military, and other end users to safely and efficiently haul specialized equipment. The Company routinely customizes its trailers and/or innovates new features to address specific customer, end-market or application needs.

Manitex Load King markets its products through a network of dealers.

Rough Terrain Forklifts

Manitex Liftking manufactures a complete range of straight mast forklifts with capacities from 6,000 to 50,000 lbs. and lift heights from 10 to 32 feet. All Manitex Liftking straight mast forklifts feature exceptional ground clearance, easy access to service points, ergonomic controls and easy operation. The Company also produces a series of tag along forklifts that mount to trucks with lifting capacity ranging from 4,000 to 6,000 pounds. These mounted forklifts are ideal for bricklaying, landscaping, construction or any other application that requires a forklift to tag along. The forklifts feature an easy to mount system, which allows an operator to securely mount or dismount the forklift quickly.

Manitex Liftking forklifts include four rough terrain forklifts, in several configurations, which are sold under the Noble trade name. The Noble product line was originally designed and marketed by Caterpillar in 1983 and subsequently sold through Eagle Pitcher's dealers. Noble has a reputation for providing durable, innovative and high quality products, and as a result, the Noble product has benefited from very strong distribution, and has a large installed base giving rise to a healthy after-market parts business. The Noble rough terrain forklifts are currently distributed through the Caterpillar dealer network.

The Company sells its rough terrain forklifts through a network of approximately fifty dealers in the United States and Canada.

Military Forklifts

Manitex Liftking military forklifts are used worldwide during both periods of conflict and peace. Manitex Liftking military units are working for national militaries including the United States, Canada, and Britain. The Company's exported military products (including products sold to the U.S.) are sold through the Canadian Commercial Corporation which has direct contracts with various foreign (outside of Canada) government agencies. The U.S. Department of Defense alone has hundreds of Manitex Liftking vehicles in the Navy, Army and Air Force that they depend on daily. These vehicles range from small shipboard approved forklifts to the biggest articulating, rough-terrain forklift in the world.

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Manitex Liftking military forklifts have innovative features that allow them to meet strict military standards and perform in almost any terrain. These features include the patented hydraulically removable counterweight that permits aircraft transportability of the forklift without exceeding the load limits of the aircraft. The water fording capability of some Manitex Liftking vehicles allow continuous operation in water depths of up to 5 feet (1.5 meters), providing true all-terrain operation. The Company believes that these features have helped position Manitex Liftking as the product of choice for rough terrain military forklifts.

All of Manitex Liftking's shipboard approved vehicles are structurally engineered to withstand a depth charge explosion while on an aircraft carrier, and still be fully operational. The detachable mast and 2-piece operator's cab on some of Manitex Liftking's bigger vehicles allow easy disassembly to satisfy height restrictions while being transported by road or rail. Attachments such as fork rollers and standard ISO container handlers further increase the versatility of a Manitex Liftking forklift.

Manitex Liftking's forklifts are built to exacting military standards including compliance with the quality controls required by ISO 9001-2008. Before being shipped each machine is thoroughly tested on a military approved endurance track located adjacent to Manitex Liftking's military vehicle manufacturing plant. There are a limited number of test tracks in North America, and having a military approved test track is an advantage.

The timing of customer orders can be expected to result in fluctuations in revenues from period to period. The expected fluctuations, however, are not as dependent on general economic conditions as is our commercial business.

Mission Oriented Vehicles and Specialized Carriers

Special mission oriented vehicles and specialized carriers are designed and built to meet the Company's unique customer needs and requirements. The Company's specialized lifting equipment has met the particular needs of customers in various industries including utility, ship building and steel mill industries. Mission oriented vehicles and specialized carriers are sold directly to the end users.

Transporters, used in ship building, are one example of a specialized carrier built by Manitex Liftking. The ship builder will construct a segment of the hull on our transporter. When the section of the hull is complete, the ship builder will move the section to the already completed portion of the hull and attach it. Manitex Liftking has built transporters capable of transporting 300,000 pounds.

Container Handling Equipment

The Company through its Italian subsidiary, CVS Ferrari, srl ("CVS") manufactures a range of container handling equipment to serve ports and inter-modal customers on a worldwide basis.

When CVS began operating in the third quarter 2010 it was a startup operation that had no employees. CVS hired a general manager and commenced hiring staff, and conducting startup activities including installing systems, obtaining insurance, establishing a supplier base and establishing banking relationships, etc. The startup phase was heavily supported by corporate management. Additionally, former customers were contacted to see if they would assign any of their unfilled orders with the Predecessor Company to CVS. Under the rental agreement, CVS was permitted to purchase inventory it needed for its future production from the Predecessor Company but was not required to do so. Management made the decision that it would concentrate its efforts on manufacturing reach stackers and providing part support for all products previously sold by the Predecessor Company.

CVS purchased all the rights and designs to manufacture all the products previously manufactured by the Predecessor Company including reach stackers, empty container handlers, forklift, straddle carriers, and tractors. Although CVS initially concentrated on reach stackers, it was the Company's plan to reintroduce other products. The process of reintroducing products began in 2011 with the sale of a limited number of terminal tractors. Presently, CVS has successfully reintroduced and is currently selling all the Predecessor Company's products,

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except for the straddle carrier. CVS is still in the process of reviewing the straddle carrier product design and functions with the intent of reintroducing the product at a future date.

Historically, a slight majority of the Predecessor Company's sales were to Italy and other European countries. The Predecessor Company also had a market presence in Africa, South America, the Middle East and the Far East. Historically, the Predecessor Company has had no significant penetration into the North American market. Now that CVS is owned by a U.S. based company, it is actively soliciting business in North America. In 2012, CVS had sales to the Canadian military of approximately \$1.9 million. This sale is the first significant sale by CVS in North America. In its traditional markets, CVS competes with several other companies, including three companies that are significantly larger than CVS. In attempting to enter the North American market, CVS will be faced with competition from these competitors and also domestic manufacturers.

The Container handling market is a somewhat cyclical market, which depends in part on general economic conditions but also on the timing of major port construction projects. The financial crisis that began in the later part of 2008 caused a decline in demand for container handling equipment in 2009. The decrease in demand was not nearly as steep as it was for most other types of equipment. The decline was tempered as there are long lead times for major deliveries and a lot of orders for 2009 production had been placed when the crisis began. Additionally, a significant portion of the funding for purchases comes from governments or governmental agencies, which may be less sensitive to general economic conditions. We believe that demand in markets that CVS traditionally serves did not change significantly between 2009 and 2010. We believe that total market demand increased modestly in 2011, but was still below 2008 levels. During 2012, a continuing debt crisis in Western Europe both decreased governmental funding and made obtaining private financing difficult. As a result, the Western European market for CVS type products was severely depressed during 2012. Nevertheless, CVS was able to grow its revenues during the year by increasing sales to other international markets including South Africa, Brazil, South Korea and Russia.

Part Sales

The Lifting Equipment segment supplies repair and replacement parts for all of its products. The parts business margins are higher than our overall margins and accounts from 15% to 20% of our revenues in year. Part sales as a percentage of revenues tend to increase when there is a down-turn in the industry. Part sales as a percentage of revenues is approximately 19% and 20% for the year ended December 31, 2011 and 2010 and declined to 16% for 2012, the result of a substantial increase in revenues related to cranes sales during the year.

Equipment Distribution Segment

The Company established its Equipment Distribution segment in October of 2008 with the acquisition of substantially all the assets of Crane. The Equipment Distribution segment located in Bridgeview, Illinois is a distributor of Terex rough terrain and truck cranes and Manitex boom trucks and sky cranes. The Equipment Distribution segment sells its products predominately to end users, including the rental market. Its products are used primarily for infrastructure development and commercial construction, and applications include road and bridge construction, general contracting, roofing, scrap handling and sign construction and maintenance. The Equipment Distribution segment supplies repair parts for a wide variety of medium to heavy duty construction equipment and sells both domestically and internationally. The segment also provides repair services in the Chicago area.

In the second quarter of 2010, we expanded our Equipment Distribution segment by creating a new division, NAEE, to market previously-owned construction and heavy equipment, domestically and internationally. This division provides a wide range of used lifting and construction equipment of various ages and condition, and the Company has the capability to refurbish the equipment to the customers' specification

Revenues attributable to the Company's Equipment Distribution segment were less than 10% of the Company's total revenues for fiscal years 2012, 2011 and 2010.

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Total Company Revenues by Sources

The sources of the Company's revenues are summarized below:

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Boom trucks	44%	35%	31%
Sign cranes	—	—	1%
Container handling equipment	12%	17%	7%
Rough terrain forklifts	6%	8%	6%
Military forklifts	6%	4%	18%
Rough terrain & truck cranes	4%	6%	9%
Specialized trailers	8%	6%	5%
Used Construction Equipment	4%	5%	3%
Part sales	16%	19%	20%
Total Revenue	<u>100%</u>	<u>100%</u>	<u>100%</u>

In 2012, one customer, Cropac Equipment, Inc., accounted for 10.8% of the Company's revenue. In 2011, no customer accounted for more than 10% of the Company's revenue. In 2010, one customer, Canadian Commercial Corp., accounted for 11% of the Company's revenue.

Raw Materials

The Company both purchases and fabricates components used in production. Our Manitex subsidiary fabricates cranes which are mounted on truck chassis, which are either purchased by the Company or supplied by the customer. The Company purchases steel and a variety of machined parts and subassemblies including weldments, cylinders, winches, and cables. Manitex Lifting builds rough terrain forklifts, and other specialized carriers. Manitex Lifting fabricates some of their cylinders, and masts using quality steel and proprietary technology. Manitex Lifting purchases engines, transmissions, axles, tire, rims, most of its frames and many of the cylinders and masts that are used. Badger historically fabricated its frames and booms, but purchases engines, transmissions, axles, tires, rims and other components. Recently, Badger has been outsourcing much of its requirements for frames. Manitex Load King mainly purchases materials including steel, axles, suspensions, tires, wheels and other engineered components. CVS principally purchases components used in production. CVS purchases frames, booms, engines, transmissions, axles, tire, rims, cylinders, masts, and electronic components.

Lead times for our components vary from several weeks to many months. The Company is vulnerable to an interruption of supply in instances when only one supplier has been qualified and qualification and supply source changes can exceed a year. The Company has been working on qualifying secondary sources to assure supply and to reduce costs. The degree to which our supply base can respond to changes in market demand directly affects our ability to increase production and the Company attempts to maintain some additional inventory in order to react to unexpected increases in demand. In 2010, there were no significant shortages of raw materials that adversely affected production. In 2011, our production of boom trucks was at times constrained by a shortage of chassis and to a lesser degree the availability of cylinders, high density steel and other component parts. Delivery of chassis started to improve in the fourth quarter of 2011. During the first part of 2012, supply chain issues at times delayed some of our deliveries. However, we do not believe that availability or lack of component had any significant impact on full year 2012 revenues.

Any future supply chain issues that might impact the Company will in part depend on how fast the rate of growth is for a product as well as the rate of growth in the general economy. Strong general economic growth could put us in competition for parts with other industries. Additionally, events or circumstance at a particular supplier could impact the availability of a necessary component.

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Patents and Trademarks

The Company protects its trade names and trademarks through registration. Its technology consists of bill of materials, drawings, plans, vendor sources and specifications and although the Company's technology has considerable value, it does not generally have patent protection. Competitors will occasionally patent a unique feature, however, the broader technology does not have patent protection. The Company has (on rare occasions) filed for patent protection on a specific feature. In the future, the Company will consider seeking patent protection on any new design features believed to present a significant future benefit.

The Company owns and uses several trademarks relating to its brands that have significant value and are instrumental to the Company's ability to market its products. The Company's most significant trademarks are its mark "Manitex" (presently registered with the United States Patent and Trademark Office until 2017), and its mark "LIFTKING" (presently registered with the Canadian Intellectual Property Office until 2015). The Company's subsidiary, Manitex Load King sells its products using the trademarks Load King (presently registered with the United States Patent and Trademark Office until 2018) and also utilizes the trademark Power Fold (presently registered with the United States Patent and Trademark Office until 2018). Badger Equipment Company markets its products under the "Little Giant" and Badger trade names. The Manitex, LiftKing, Badger, Little Giant and Load King trademarks and trade names are critically important to the marketing and operation of the Company's business, as a significant number of our products are sold under those names. The use of the trade name "Noble" is also important to the Company's business. Although the Company does not own the Noble trade name, it has the right to use the Noble name in connection with its rough terrain forklift product line.

Seasonality

Traditionally, the Company's peak selling periods for cranes and commercial rough terrain forklifts are in the first half of a calendar year as a result of the need to have new equipment available for the spring, summer and fall construction seasons. Seasonality is reduced when the industry is operating at or near full capacity as it did in 2006 and 2007. The financial crisis that began in 2008 dramatically depressed demand for our crane products and commercial rough terrain forklifts used in commercial construction and home building, the market areas subject to the greatest seasonality. As such, our business has not been subject to normal seasonality in recent years.

A significant portion of cranes sold over the last several years have been deployed in specialized industries or applications, such as oil and gas production, power distribution and in the railroad industry. Sales in these market segments are subject to significant fluctuations which correlate more with general economic conditions and the prices of commodities including oil and generally are not of seasonal nature.

The Lifting Equipment segment's military, special mission oriented vehicles and specialized carriers business is dependent on the receipt of customers' orders. The timing of customer orders can be expected to result in fluctuations in revenues from period to period. The expected fluctuations, however, are not of a seasonal nature. The Lifting Equipment segment's container handling product line is also subject to fluctuations due to in part the timing of contract awards related to major port projects. Again, this fluctuation is not necessarily of a seasonal nature.

Sales of cranes from the Equipment Distribution segment mirror the seasonality of the overall Company. However, the sale of parts is much less seasonal given the geographic breadth of the customer base. Crane repairs are performed by the Equipment Distribution segment throughout the year but are somewhat affected by the slowdown in construction activity during the typically harsh winters in the Midwestern United States.

Competition

Lifting Equipment Segment

The market for the Company's boom trucks and sky cranes, commercial rough terrain forklifts, container handling equipment and trailers is highly competitive. The Company competes based on product design, quality of products and services, product performance, maintenance costs and price. Several competitors have greater

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financial, marketing, manufacturing and distribution resources than we do. The Company believes that it effectively competes with its competitors.

Military forklifts, special mission oriented vehicles and specialized carriers are highly engineered products and, therefore, only face limited competition. The Company's rough terrain cranes serve smaller niche markets and, therefore, also have less competition.

The Company's boom cranes compete with cranes manufactured by National Crane, Terex, Weldco Beales, Elliott and Altec. The Company's sky cranes compete with cranes manufactured by Elliott, Wilke, and Radocy. The Company competes with Linamar, Sellick, Harlo, Manitou, Mastercraft, and Load Lifter in selling rough terrain forklifts. The Company competes primarily with Terex and Broderson in selling rough terrain cranes. The Company's container handling equipment competes with similar equipment sold by Cargotec, Konecranes and Terex. The North American specialty trailer industry is highly fragmented, but our competitors include: Aspen Custom Trailers, Landoll Corporation, Manaca, Inc., and Trail King.

Equipment Distribution Segment

Our Equipment Distribution segment has a dealership arrangement with Terex and must compete against dealers of other rough terrain and truck crane manufacturers such as Imperial Crane (Tadano) and Walter Payton Power (Grove) who operate in the same geographic market in and around Chicago. The same dynamic holds true in selling Manitex boom trucks which are part of our Lifting Equipment segment. The Equipment Distribution segment competes against Runion Equipment (dealer for National Crane), Power Equipment Leasing (dealer for Elliott) and Guiffre Cranes (dealer for Terex boom trucks). Runion is also authorized to sell Manitex boom trucks.

While no geographic limitations exist regarding the Equipment Distribution segment's ability to sell cranes internationally, the lack of any barriers to entry and the heavy use of the Internet make this a highly active and competitive market in which to distribute cranes.

Competition for our Equipment Distribution segment's repair business is even more intense since it is limited geographically due to the necessity of having physical access to the cranes. Most of the above referenced companies also compete in this aspect of the business, as do other types of crane and equipment dealers from nearby areas such as Indiana or Wisconsin.

Parts sales from the Equipment Distribution segment are global in scope and benefit greatly from the Internet and the tenure and expertise of our employees. While competition in this area is extensive, the breadth of the products offered and the segment's long history in this part of the business is we believe a competitive advantage.

In the second quarter of 2010, we expanded our Equipment Distribution segment by creating new division, NAEE, to market previously-owned construction and heavy equipment, domestic and internationally. This Division provides a wide range of used lifting and construction equipment of various ages and condition, and the Company has the capability to refurbish the equipment to the customers' specification.

The Equipment Distribution segment competes based on the design, quality, and performance of the products it distributes, price and the supporting repair and part services that it provides. Several competitors have greater financial, marketing, and distribution resources than we do. The Company, however, believes that it effectively competes with its competitors.

Backlog

The backlog at December 31, 2012 was approximately \$130.4 million, compared to a backlog of approximately \$83.7 million at December 31, 2011. The Company expects to ship product to fulfill its existing backlog within the next twelve months.

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Research and Development

The Company spent \$2.5 million, \$1.6 million and \$1.2 million on company-sponsored research and development activities for 2012, 2011 and 2010, respectively.

Geographic Information

The information regarding revenue, the basis for attributing revenue from external customers to individual countries, and long-lived assets is found in “Note 19. Segment Information” to our consolidated financial statements, is hereby incorporated by reference into this Part I, Item 1.

Employees

As of December 31, 2012, the Company had 386 full time employees. The Company has not experienced any work stoppages and anticipates continued good employee relations. Eighty-three of our employees are covered by collective bargaining agreements. Twenty-six of our employees at our Badger subsidiary are represented by International Union, UAW and its local No. 316. The current union contract expires on January 21, 2014. Three employees are currently represented by Automobile Mechanics’ Local 701. The union contract expires on October 1, 2014. The employees represented by the Automobile Mechanics’ Local 701 are mechanics that work in our Equipment Distribution segment. A number of our Equipment Distribution segment’s customers in the Chicago metropolitan area mandate union mechanics usage for any service / repair jobs. Fifty-four employees at Manitex Load King are represented by United Electrical Radio and Machine Workers of America, Local 1187. The current union contract expires on February 5, 2016.

Governmental Regulation

The Company is subject to various governmental regulations, such as environmental regulations, employment and health regulations, and safety regulations. We have various internal controls and procedures designed to maintain compliance with these regulations. The cost of compliance programs is not material, but is subject to additions to or changes in federal, state or local legislation or changes in regulatory implementation or interpretation of government regulations.

Available Information

The Company makes available free of charge our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished as required by Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, through our Internet Website (www.manitexinternational.com) as soon as is reasonably practicable after we electronically file such material with, or furnish it to, the Securities and Exchange Commission. Information contained in or incorporated into our Internet Website is not incorporated by reference herein.

ITEM 1A.RISK FACTORS

You should carefully consider the following risks, together with the cautionary statement under the caption “Forward-Looking Statements” and the other information included in this report. The risks described below are not the only ones the Company faces. Additional risks that are currently unknown to the Company or that the Company currently considers to be immaterial may also impair its business or adversely affect the Company’s financial condition or results of operations. If any of the following risks actually occurs, the Company’s business, financial condition or results of operation could be adversely affected.

Significant deterioration in economic conditions, especially in the United States and Europe, has had and may again have negative effects on the Company’s results of operations and cash flows

Significant deterioration in economic conditions, especially in the United States and Europe, has had and may again have negative effects on the Company’s results of operations and cash flows. Economic conditions affect

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the Company's sales volumes, pricing levels and overall profitability. Demand for many of the Company's products depends on end-use markets. Challenging economic conditions may reduce demand for our products and may also impair the ability of customers to pay for products they have purchased. As a result, the Company's reserves for doubtful accounts and write-offs for accounts receivable may increase.

A significant deterioration in economic conditions has caused and may again cause a deterioration in the credit quality of our customers and the estimated residual value of our equipment. This could further negatively impact the ability of our customers to obtain the resources they need to make purchases of our equipment. Reduced credit availability will diminish our customers' ability to invest in their businesses, refinance maturing debt obligations, and meet ongoing working capital needs. If customers do not have sufficient access to credit, demand for the Company's products will likely decline. Reduced access to credit and the capital markets will also negatively affect the Company's ability to invest in strategic growth initiatives such as acquisitions.

The Company may require additional funding, which may not be available on favorable terms or at all.

Our future capital requirements will depend on the amount of cash generated or required by our current operations, as well as additional funds which may be needed to finance future acquisitions. Future cash needs are subject to substantial uncertainty.

We cannot guarantee that adequate funds will be available when needed, and if we do not receive sufficient capital, we may be required to alter or reduce the scope of our operations or to forego making future acquisitions. If we raise additional funds by issuing equity securities, existing stockholders may be diluted.

The Company's business is sensitive to increases in interest rates.

The Company is exposed to interest rate volatility with regard to future issuances of fixed rate debt and existing issuances of variable rate debt. Primary exposure includes movements in the U.S. prime rate, the Canadian prime rate and Italian short-term borrowing rates.

If interest rates rise, it becomes more costly for the Company's customers to borrow money to pay for the equipment they buy from the Company. Should the U. S. Federal Reserve Board decide to increase rates, prospects for business investment and manufacturing could deteriorate sufficiently and impact sales opportunities.

The Company's business is sensitive to government spending.

Many of the Company's customers depend substantially on government spending, including highway construction and maintenance and other infrastructure projects by U.S. federal and state governments and governments in other nations. Any decrease or delay in government funding of highway construction and maintenance, other infrastructure projects could cause the Company's revenues and profits to decrease.

Additionally, the portion of business that is military related (including an international agency) has in the past fluctuated significantly between years. A significant decrease in military related revenues would adversely affect our results of operations and our cash flow.

The Company's business is affected by the cyclical nature of its markets.

A substantial portion of our revenues are attributed to limited number of customers which may decrease or cease purchasing any time, since the Company's products depends upon the general economic conditions of the markets in which the Company competes. The Company's sales depend in part upon its customers' replacement or repair cycles. Adverse economic conditions, including a decrease in commodity prices, may cause customers to forego or postpone new purchases in favor of repairing existing machinery. Downward economic cycles may result in reductions in sales of the Company's products, which may reduce the Company's profits. The Company has taken a number of steps to reduce its fixed costs and diversify its operations to decrease the negative impact of these cycles. There can be no assurance, however, that these steps will prevent the negative impact of poor economic conditions.

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The Company's revenues are attributed to limited number of customers which may decrease or cease purchasing any time.

The Company's revenues are attributed to a limited number of customers. We generally do not have long-term supply agreements with our customers. Even if a multi-year contract exists, the customer is not required to commit to minimum purchases and can cease purchasing at any time. If we were to lose either a significant customer or several smaller customers our operating results and cash flows would be adversely impacted.

The Company is dependent upon third-party suppliers, making us vulnerable to supply shortages.

The Company obtains materials and manufactured components from third-party suppliers. Any delay in the Company's suppliers' abilities to provide the Company with necessary materials and components may affect the Company's capabilities at a number of our manufacturing locations, or may require the Company to seek alternative supply sources. Delays in obtaining supplies may result from a number of factors affecting the Company's suppliers including capacity constraints, labor disputes, the impaired financial condition of a particular supplier, suppliers' allocations to other purchasers, weather emergencies or acts of war or terrorism. Any delay in receiving supplies could impair the Company's ability to deliver products to customers and, accordingly, could have a material adverse effect on business, results of operations and financial condition.

In addition, the Company purchases material and services from suppliers on extended terms based on the Company's overall credit rating. Negative changes in the Company's credit rating may impact suppliers' willingness to extend terms and increase the cash requirements of the business.

Price increases in materials could affect our profitability.

We use large amounts of steel and other items in the manufacture of our products. In the past, market prices of some of our key raw materials increased significantly. If we experience future significant increases in material costs including steel, we may not be able to reduce product cost in other areas or pass future raw material price increases on to our customers, our margins could be adversely affected.

The Company depends on its computer systems. If its computer systems do not perform in a satisfactory manner, it could be disruptive and or adversely affect the operations and results of operations of the Company, including the ability of the Company to report accurate and timely financial results.

The Company depends on its computer systems. If its computer systems do not perform in a satisfactory manner, it could be disruptive and or adversely affect the operations and results of operations of the Company, including the ability of the Company to report accurate and timely financial results. In the future, the Company may either install new releases for existing applications or replace existing systems. Systems implementations projects are often not successful. Even when projects are ultimately successful, the projects often require higher than anticipated financial and personal resources. In the future, should systems not be implemented successfully and within budget, or if the systems do not perform in a satisfactory manner, it could be disruptive and or adversely affect the operations and results of operations of the Company, including the ability of the Company to report accurate and timely financial results.

The Company's level of indebtedness reduces financial flexibility and could impede our ability to operate.

As of December 31, 2012, the Company's total debt was \$49.1 million, which includes: revolving term credit facilities, notes payable, and capital lease obligations.

Our level of debt affects our operations in several important ways, including the following:

- a significant portion of our cash flow from operations is likely to be dedicated to the payment of the principal and interest on our indebtedness;
- our ability to obtain additional financing in the future for working capital, capital expenditures or acquisitions may be limited;

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- we may be unable to refinance our indebtedness on terms acceptable to us or at all;
- our cash flow may be insufficient to meet our required principal and interest payments; and
- we may be unable to obtain additional loans as a result of covenants and agreements with existing debt holders.

The Company has debt outstanding and must comply with restrictive covenants in its debt agreements.

The Company's existing debt agreements contain a number of significant covenants which may limit its ability to, among other things, borrow additional money, make capital expenditures, pay dividends, dispose of assets and acquire new businesses. These covenants also require the Company to meet certain financial tests. The Company is currently in compliance with all active covenants. A default, if not waived by the Company's lenders, could result in acceleration of the Company's debt and possibly bankruptcy.

Certain of the Company's products are substantially dependent on the level of capital expenditures in the oil and gas industry and lower capital expenditures will adversely affect the results of the Company's operations.

The demand for our product in part depends on the condition of the oil and gas industry and, in particular, on the capital expenditures of companies engaged in the exploration, development, and production of oil and natural gas. Capital expenditures by these companies are influenced by the following factors:

- the oil and gas industry's ability to economically justify placing discoveries of oil and gas reserves in production;
- the oil and gas industry's need to clear all structures from the lease once the oil and gas reserves have been depleted;
- weather events, such as major tropical storms;
- current and projected oil and gas prices;
- the abilities of oil and gas companies to generate, access and deploy capital;
- exploration, production and transportation costs;
- the discovery rate of new oil and gas reserves;
- the sale and expiration dates of oil and gas leases and concessions;
- local and international political and economic conditions;
- the ability or willingness of host country government entities to fund their budgetary commitments; and
- technological advances.

Historically, prices of oil and natural gas and exploration, development and production have fluctuated substantially. A sustained period of substantially reduced capital expenditures by oil and gas companies will result in decreased demand for certain equipment produced by the Company, lower margins, and possibly net losses.

The Company may face limitations on its ability to integrate acquired businesses.

The Company has completed seven acquisitions since 2006. The successful integration of new businesses depends on the Company's ability to manage these new businesses and cut excess costs. While the Company believes it has successfully integrated these acquisitions to date, the Company cannot ensure that these acquired companies will operate profitably or that the intended beneficial effect from these acquisitions will be realized.

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If the Company is unable to manage anticipated growth effectively, the business could be harmed.

If the Company fails to manage growth, the Company's financial results and business prospects may be harmed. To manage the Company's growth and to execute its business plan efficiently, the Company will need to institute operational, financial and management controls, as well as reporting systems and procedures. The Company also must effectively expand, train and manage its employee base. The Company cannot assure you that it will be successful in any of these endeavors.

The Company relies on key management.

The Company relies on the management and leadership skills of David Langevin, Chairman and Chief Executive Officer. When Mr. Langevin joined the Company, he signed a three year employment agreement with the Company which expired on December 31, 2008. Mr. Langevin's employment agreement has been extended and now expires on December 31, 2015. Under the employment agreement, Mr. Langevin's employment term automatically extends for successive periods of three year unless either the Company or Mr. Langevin gives written notice to the other party of non-renewal at least 90 days prior to the end of the then current employment term. The loss of his services could have a significant and negative impact on the Company's business. In addition, the Company relies on the management and leadership skills of other senior executives. Some of these executives do not have employment or non-compete agreements with the Company. The Company could be harmed by the loss of key personnel in the future.

The Company's success depends upon the continued protection of its trademarks and the Company may be forced to incur substantial costs to maintain, defend, protect and enforce its intellectual property rights.

The Company's registered and common law trademarks, as well as certain of the Company's licensed trademarks, have significant value and are instrumental to the Company's ability to market its products. The Company's marks "Manitex" "Liftking" "Badger" and "Load King" are important to the Company's business as the majority of the Company's products are sold under those names. The Company has not registered all of its trademarks in the United States nor in the foreign countries where it does business. The Company cannot assure you that third parties will not assert claims against any such intellectual property or that the Company will be able to successfully resolve all such claims. If the Company has to change the names of any of its products, it may experience a loss of goodwill associated with its brand names, customer confusion and a loss of sales.

In addition, international protection of the Company's intellectual property may not be available in some foreign countries to the same extent permitted by the laws of the United States. The Company could also incur substantial costs to defend legal actions relating to use of its intellectual property, which could have a material adverse effect on the Company's business, results of operations or financial condition.

The Company may be unable to effectively respond to technological change, which could have a material adverse effect on the Company's results of operations and business.

The markets served by the Company are not historically characterized by rapidly changing technology. Nevertheless, the Company's future success will depend in part upon the Company's ability to enhance its current products and to develop and introduce new products. If the Company fails to anticipate or respond adequately to competitors' product improvements and new production introductions, future results of operations and financial condition will be negatively affected.

The Company operates in a highly competitive industry and the Company is particularly subject to the risks of such competition.

The Company competes in a highly competitive industry and the competition which the Company encounters has an effect on its product prices, market share, revenues and profitability. Because certain competitors have substantially greater financial, production, research and development resources and substantially greater name recognition than the Company, the Company is particularly subject to the risks inherent in competing with them

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and may be put at a competitive disadvantage. To compete successfully, the Company's products must excel in terms of quality, price, product line, ease of use, safety and comfort, and the Company must also provide excellent customer service. The greater financial resources of the Company's competitors may put it at a competitive disadvantage. If competition in the Company's industry intensifies or if the Company's current competitors enhance their products or lower their prices for competing products, the Company may lose sales or be required to lower its prices. This may reduce revenue from the Company's products and services, lower its gross margins or cause the Company to lose market share. The Company may not be able to differentiate our products from those of competitors, successfully develop or introduce less costly products, offer better performance than competitors or offer purchasers of our products payment and other commercial terms as favorable as those offered by competitors.

The Company faces product liability claims and other liabilities due to the nature of its business.

In the Company's lines of business numerous suits have been filed alleging damages for accidents that have occurred during the use or operation of the Company's products. The Company is self-insured, up to certain limits, for these product liability exposures, as well as for certain exposures related to general, workers' compensation and automobile liability. Insurance coverage is obtained for catastrophic losses as well as those risks required to be insured by law or contract. Any liabilities not covered by insurance could have an adverse effect on the Company's financial condition.

The Company is subject to currency fluctuations.

Our revenues are generated in U.S. dollars, Canadian dollars and Euros while costs incurred to generate revenues are only partly incurred in the same currencies. Changes in currency exchange rates between the U.S. dollar and other currencies have had, and will continue to have, an impact on our earnings.

We engage in hedging activities to mitigate the impact of the translation of foreign currencies on our financial results. Our hedging activities are designed to reduce and delay, but not to eliminate, the effects of foreign currency fluctuations. Factors that could affect the effectiveness of our hedging activities include accuracy of sales forecasts, volatility of currency markets, and the availability of hedging instruments. Since the hedging activities are designed to reduce volatility, they not only reduce the negative impact of a weaker U.S. dollar, but they also reduce the positive impact of a stronger U.S. dollar. Our future financial results could be significantly affected by the value of the U.S. dollar in relation to the foreign currencies in which we conduct business. The degree to which our financial results are affected for any given time period will depend in part upon our hedging activities. There can be no assurance that our hedging activities will have the desired beneficial impact on our financial condition or results of operations. Moreover, no hedging activity can completely insulate us from the risks associated with changes in currency exchange rates.

Risks Relating to our Common Stock

The Company's principal shareholders, executive officers and directors hold a significant percentage of the Company's common stock, and these shareholders may take actions that may be adverse to your interests.

The Company's principal shareholders, executive officers and directors beneficially own, in the aggregate, more than 30% of the Company's common stock as of March 1, 2013. As a result, these shareholders, acting together, will be able to significantly influence all matters requiring shareholder approval, including the election and removal of directors and approval of significant corporate transactions such as mergers, consolidations, sales and purchases of assets. They also could dictate the management of the Company's business and affairs. This concentration of ownership could have the effect of delaying, deferring or preventing a change in control or impeding a merger or consolidation, takeover or other business combination, which could cause the market price of our common stock to fall or prevent you from receiving a premium in such a transaction.

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The cost of compliance with Section 404 of the Sarbanes-Oxley Act of 2002 may negatively impact the Company's income.

The Company is subject to the rules and regulations of the SEC, including those rules and regulations mandated by the Sarbanes-Oxley Act of 2002. Section 404 of the Sarbanes-Oxley Act requires all reporting companies to include in their annual report a statement of management's responsibilities for establishing and maintaining adequate internal control over financial reporting, together with an assessment of the effectiveness of those internal controls. Section 404 further requires that the reporting company's independent auditors attest to, and report on, this management assessment. The Company expects its expenses related to its internal and external auditors to be significant. If we fail to maintain a system of adequate controls, it could have an adverse effect on our business and stock price.

The price of our common stock is highly volatile.

The trading price of the Company's common stock is highly volatile and could be subject to wide fluctuations in price in response to various factors, many of which are beyond the Company's control, including:

- the degree to which the Company successfully implements its business strategy;
- actual or anticipated variations in quarterly or annual operating results;
- changes in recommendations by the investment community or in their estimates of the Company's revenues or operating results;
- failure to meet expectations of industry analysts;
- speculation in the press or investment community;
- strategic actions by the Company's competitors;
- announcements of technological innovations or new products by the Company or competitors; and
- changes in business conditions affecting the Company and its customers.

In the past, following periods of volatility in the market price of a company's securities, class action litigation has often been brought against companies. If a securities class action suit is filed against us, whether or not meritorious, we would incur substantial legal fees and our management's attention and resources would be diverted from operating our business in order to respond to the litigation.

Future sales of the Company's common stock by existing shareholders in the public market, or the possibility or perception of such sales, could depress the Company's stock price.

Sales of a large number of shares of the Company's common stock, or the availability of a large number of shares for sale, could adversely affect the market price of the Company's common stock and could impair the Company's ability to raise funds in additional stock offerings. Approximately 12,239,331 the Company's shares are eligible for sale in the public market, approximately 1,000,000 of which are subject to applicable volume limitations and other restrictions set forth in Rule 144 under the Securities Act.

Provisions of the Michigan Business Corporation Act and the Company's Articles of Incorporation, Amended and Restated Bylaws, and Rights Agreement may discourage or prevent a takeover of the Company.

Provisions of the Company's Articles of Incorporation and Amended and Restated Bylaws, Michigan law, and the Rights Agreement, dated October 17, 2008, between the Company and Broadridge Corporate Issuer Solution, Inc., as rights agent, could make it more difficult for a third party to acquire the Company, even if doing so would be perceived to be beneficial to you. These provisions could discourage potential takeover attempts and could adversely affect the market price of the Company's shares. Because of these provisions, you might not be able to receive a premium on your investment. These provisions:

- authorize the Company's Board of Directors, with approval by a majority of its independent Directors but without requiring shareholder consent, to issue shares of "blank check" preferred stock that could be

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issued by the Company's Board of Directors to increase the number of outstanding shares and prevent a takeover attempt;

- limit our shareholders' ability to call a special meeting of the Company's shareholders;
- limit the Company's shareholders' ability to amend, alter or repeal the Company bylaws;
- may result in the issuance of preferred stock, which would significantly dilute the stock ownership percentage of certain shareholders and make it more difficult for a third party to acquire a majority of the Company's outstanding voting stock; and
- restrict business combinations with certain shareholders.

The provisions described above could prevent, delay or defer a change in control of the Company or its management.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None

ITEM 2. PROPERTIES

The Company's executive offices are located at 9725 Industrial Drive, Bridgeview, Illinois 60455. The Company has six principal operating plants. The Company builds boom trucks, and sign cranes in its 188,000 sq. ft. leased facility located in Georgetown, Texas. The Company builds rough terrain forklifts and special mission oriented vehicles, as well as other specialized carriers in its 85,000 sq. ft. leased facility located in Woodbridge, Ontario. The Company builds specialized rough terrain cranes and material handling product in its 170,000 sq. ft. leased facility located in Winona, Minnesota. The Company builds its specialized highly engineered trailers in its 106,000 sq. ft. owned facility in Elk Point, South Dakota. The Company builds reach stackers and container handling equipment in its 103,000 sq. ft. leased facility in Cadeo, Italy. The Company operates its crane distribution business and North American Equipment Exchange in its 39,000 sq. ft. leased facility located in Bridgeview, Illinois. The Company's executive offices are also located in this facility.

All our facilities are used exclusively by our Lifting Equipment segment except for our Bridgeview facility. The Bridgeview facility houses our corporate offices and our Crane & Machinery and North American Equipment Exchange divisions. Crane and Machinery and North American Equipment Exchange divisions comprise our Equipment Distribution segment.

The Company believes that its facilities are suitable for its business and will be adequate to meet our current needs.

ITEM 3. LEGAL PROCEEDINGS

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

ITEM 4. MINING SAFETY DISCLOSURES

Not applicable

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market for the Company's Common Stock

The Company's common stock is listed on The NASDAQ Capital Market trading under the symbol MNTX. The following table sets forth the high and low sales prices of the common stock for the fiscal periods indicated, as reported on The NASDAQ Capital Market.

Price Range of Common Stock

<u>2012</u>	<u>High</u>	<u>Low</u>
First Quarter	\$ 7.86	\$4.08
Second Quarter	10.60	6.79
Third Quarter	9.48	6.32
Fourth Quarter	\$ 7.84	\$6.60
<u>2011</u>	<u>High</u>	<u>Low</u>
First Quarter	\$ 6.50	\$3.81
Second Quarter	6.76	4.71
Third Quarter	5.55	3.43
Fourth Quarter	\$ 4.95	\$3.35

Number of Common Stockholders

As of March 4, 2013, there were 34 record holders of the Company's common stock.

Dividends

During the fiscal years ended December 31, 2012, 2011 and 2010, the Company did not declare or pay any cash dividends on its common stock and the Company does not intend to pay any cash dividends in the foreseeable future. Furthermore, the terms of our credit facility do not allow us to declare or pay dividends without the prior written consent of the lender.

Performance Graph

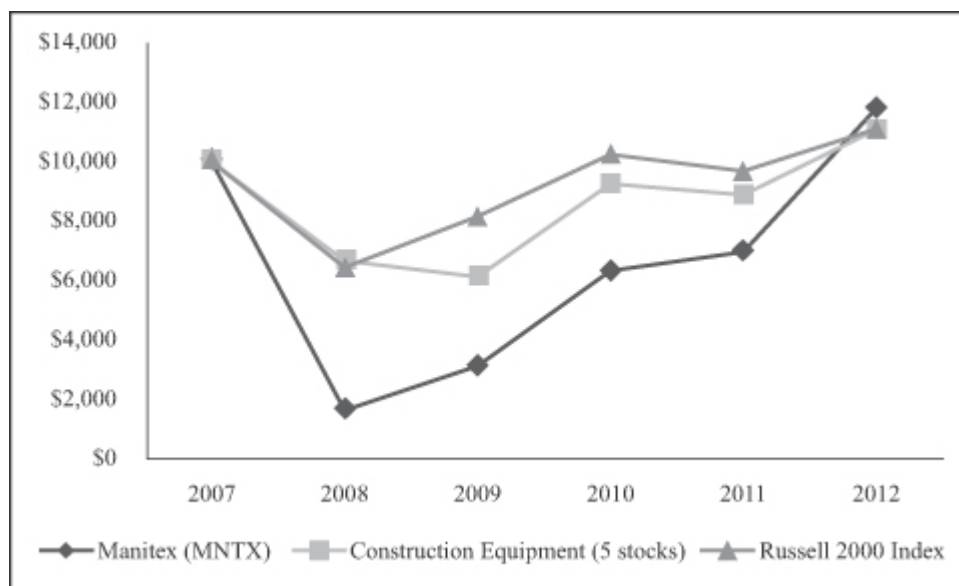
The following stock performance graph is intended to show our stock performance compared with that of comparable companies. The stock performance graph shows the change in market value of ten thousand dollars invested in our Common Stock, the Russell 2000 Index and a peer group of comparable companies ("Peer Group") for the five year period commencing December 31, 2007 through December 31, 2012. The cumulative total stockholder return of the peer group assumes dividends are reinvested. The stockholder return shown on the graph below is not indicative of future performance. The companies in the Peer Group are weighted by market capitalization.

The Peer Group consists of the following companies, which are in similar lines of business to Manitex International Inc. Lindsay Corporation (LNN), Gencor Industries Inc. (GENC), Astec Industries, Inc. (ASTE), Columbus McKinnon Corporation (CMCO) and Alamo Group, Inc. (ALG). The companies in the Peer Group generally have market capitalizations that are significantly greater than the Company's market capitalization. It was necessary to select companies with higher market capitalizations to find companies with similar lines of business. Our competitors are most often either small privately owned companies with a narrow product line or a

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segment of a very large company. In selecting our Peer Group, we intentionally excluded the companies that had the largest market capitalization even when their product lines were similar to ours.

CUMULATIVE TOTAL RETURN
Based upon an initial investment of \$10,000 on December 31, 2007
with dividends reinvested



	December 31, 2007	December 31, 2008	December 31, 2009	December 31, 2010	December 31, 2011	December 31, 2012
Manitek International, Inc.	\$ 10,000	\$ 1,680	\$ 3,163	\$ 6,343	\$ 6,985	\$ 11,763
Russell 2000 Index	\$ 10,000	\$ 6,455	\$ 8,164	\$ 10,230	\$ 9,672	\$ 11,088
Construction Equipment (5 stocks)	\$ 10,000	\$ 6,689	\$ 6,139	\$ 9,254	\$ 8,887	\$ 11,062

Issuer Purchases of Equity Securities

The following table provides information about the Company’s purchases of equity securities during the quarter ended December 31, 2012:

Period	Total number of shares purchased (1)	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Maximum number or approximate dollar value of shares that may yet be purchased under the plans or programs
October 1 through October 31, 2012	—	—	—	—
November 1 through November 30, 2012	—	—	—	—
December 1 through December 31, 2012	—	—	—	—
Total	—	—	—	—

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ITEM 6. SELECTED FINANCIAL DATA

The following selected financial data should be read in conjunction with our financial statements and the related notes thereto and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included elsewhere in this report.

The Company saw significant strategic change in 2006 and 2007. In fiscal 2006, we completed two acquisitions that introduced boom trucks, sign cranes and lifting equipment into our operations as a second business segment. Effective July 3, 2006, the Company completed the purchase of Manitex, Inc. (“Manitex subsidiary”) via an acquisition of all of the membership interests in Quantum Value Management, LLC (an entity owned by certain stockholders of the Company). On November 30, 2006, the Company, through its wholly owned subsidiary, Manitex Liftking, ULC, an Alberta unlimited liability corporation (“Manitex Liftking”), completed the acquisition (the “Liftking Acquisition”) of all of the operating assets of Liftking Industries, Inc., an Ontario, Canada corporation (“Liftking”). On July 31, 2007, the Company further expanded its Lifting Equipment segment by purchasing the Noble Forklift product line. On October 6, 2008, the Company completed the acquisition of substantially all of the assets of Schaeff Lift Truck Inc. (“Schaeff”) and Crane & Machinery, Inc. (“Crane”) from GT Distribution, LLC (“GT”) (an entity in which Mr. Langevin, our Chairman and CEO, had 38.8% membership interest). Crane is a Chicago area based distributor of Terex and Manitex cranes and is a separate new segment, entitled Equipment Distribution. On July 10, 2009, the Company completed the purchase of Badger Equipment Company (“Badger”) by acquiring 100% of the capital stock of Badger. On December 31, 2009, the Company, through its wholly owned subsidiary, Manitex Load King Inc., a Michigan corporation (“Load King”), completed the acquisition of substantially all of the operating assets and business operations related to Genie Industries, Inc.’s specialized low-bed, heavy-haul, bottom-dump and platform trailer manufacturing business located in Elk Point, South Dakota. The trailers, except the bottom-dump, are typically used for transporting heavy equipment. The results for the acquisitions have been included from their respective dates of the acquisition.

CVS Ferrari, srl (“CVS”) was incorporated in June 2010, with an initial capitalization of 10 Euros. Financial results include the results for CVS Ferrari, srl (our Italian Subsidiary) from the date the Company was formed in June 2010. On July 1, 2010, CVS Ferrari, srl entered into an agreement to rent on an exclusive basis certain assets of CVS SpA, while CVS SpA proceeds through the Italian bankruptcy process (concordato preventivo). CVS Ferrari, srl commenced operations in the third quarter of 2010 utilizing the rented assets to manufacture reach stackers and associated lifting equipment for the global container handling market. The assets that were being rented from the Predecessor Company were purchased on July 1, 2011 and the rental agreement was terminated.

Against the background of the operating losses generated by the Testing & Assembly Equipment segment operations based at Wixom, Michigan, the Company conducted a strategic review of these operations. On March 29, 2007, our Board of Directors approved a plan to sell our Testing & Assembly Equipment segment’s operating assets. As a result, our Testing & Assembly Equipment segment has been accounted for as a discontinued operation starting with the first quarter of 2007 until its disposition. On July 5, 2007, the Company entered into an Asset Purchase Agreement with EuroMaint Industry, Inc., a Delaware corporation (“EuroMaint”). Under the terms of the Asset Purchase Agreement, the Company agreed to sell and EuroMaint agreed to purchase certain assets of the Company used in connection with the Company’s diesel engine testing equipment business. This transaction was completed on August 1, 2007. As of August 31, 2007, all operations of the Company’s Testing & Assembly Equipment segment had ceased. The below financial data for 2008 presents the former Testing & Assembly Equipment segment as a discontinued operation.

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(In 000's except share information)

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008 (1)</u>
Continuing operations:					
Revenues	\$ 205,249	\$ 142,291	\$ 95,875	\$ 55,887	\$ 106,341
Operating income from continuing operations	14,459	6,601	5,537	3,344	3,408
Income from continuing operations before income taxes	11,898	4,213	3,135	1,542	1,392
Provision (benefit) for taxes on income	3,821	1,433	1,026	(2,097)	(407)
Net income from continuing operations	8,077	2,780	2,109	3,639	1,799
Discontinued operations:					
Income from discontinued operations, net	—	—	—	—	199
Gain on sale or closure of discontinued operations, net of income tax	—	—	—	—	200
Net income	\$ 8,077	\$ 2,780	\$ 2,109	\$ 3,639	\$ 2,198
Basic earnings per share:					
Income from continuing operations	\$ 0.68	\$ 0.24	\$ 0.19	\$ 0.33	\$ 0.18
Income from discontinued operations, net of income taxes	\$ —	\$ —	\$ —	\$ —	\$ 0.02
Gain on sales or closure of discontinued operations, net of income taxes	\$ —	\$ —	\$ —	\$ —	\$ 0.02
Net income	\$ 0.68	\$ 0.24	\$ 0.19	\$ 0.33	\$ 0.22
Diluted income per share:					
Income from continuing operations	\$ 0.68	\$ 0.24	\$ 0.19	\$ 0.33	\$ 0.17
Income from discontinued operations, net of income taxes	\$ —	\$ —	\$ —	\$ —	\$ 0.02
Gain on sales or closure of discontinued operations, net of income taxes	\$ —	\$ —	\$ —	\$ —	\$ 0.02
Net income	\$ 0.68	\$ 0.24	\$ 0.19	\$ 0.33	\$ 0.21
Shares used to calculate earnings per share:					
Basic	11,948,356	11,441,914	11,362,361	10,957,646	10,071,585
Diluted	11,957,458	11,548,158	11,380,966	10,965,444	10,375,062
Total assets:					
Continuing operations	\$ 151,504	\$ 121,591	\$ 105,517	\$ 94,685	\$ 86,228
Discontinued operations	—	—	—	—	—
Total assets	\$ 151,504	\$ 121,591	\$ 105,517	\$ 94,685	\$ 86,228
Total debt:					
Continuing operations	\$ 49,138	\$ 42,227	\$ 34,019	\$ 33,511	\$ 28,061
Discontinued operations	—	—	—	—	—
Total debt	\$ 49,138	\$ 42,227	\$ 34,019	\$ 33,511	\$ 28,061
Total shareholders' equity	\$ 59,533	\$ 46,794	\$ 43,274	\$ 40,428	\$ 35,014

(1)

The financial data for the years 2008 presents the former Testing & Assembly Equipment segment as a discontinued operation.

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

The following management's discussion and analysis of financial condition and results of continuing operations should be read in conjunction with the Company's financial statements and notes, and other information included elsewhere in this Report.

FORWARD-LOOKING STATEMENTS

When reading this section of this Annual Report on Form 10-K it is important that you also read the financial statements and related notes thereto. This Annual Report on Form 10-K and certain information incorporated herein by reference contain forward-looking statements within the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. All statements contained in this Annual Report on Form 10-K, other than statements that are purely historical, are forward-looking statements and are based upon management's present expectations, objectives, anticipations, plans, hopes, beliefs, intentions or strategies regarding the future. We use words such as "anticipate," "estimate," "plan," "project," "continuing," "ongoing," "expect," "believe," "intend," "may," "will," "should," "could," and similar expressions to identify forward-looking statements. Forward-looking statements in this Annual Report on Form 10-K include, without limitation: (1) projections of revenue, earnings, capital structure and other financial items, (2) statements of our plans and objectives, (3) statements regarding the capabilities and capacities of our business operations, (4) statements of expected future economic performance and (5) assumptions underlying statements regarding us or our business.

It is important to note that our actual results could differ materially from those included in such forward-looking statements due to a variety of **factors including**: (1) substantial deterioration in economic conditions, especially in the United States and Europe; (2) our customers' diminished liquidity and credit availability; (3) difficulties in implementing new systems, integrating acquired businesses, managing anticipated growth, and responding to technological change; (4) our ability to negotiate extensions of our credit agreements and to obtain additional debt or equity financing when needed; (5) the cyclical nature of the markets we operate in; (6) increases in interest rates; (7) government spending; (8) fluctuations in the construction industry, and capital expenditures in the oil and gas industry; (9) the performance of our competitors; (10) shortages in supplies and raw materials or the increase in costs of materials; (11) our level of indebtedness and our ability to meet financial covenants required by our debt agreements; (12) product liability claims, intellectual property claims, and other liabilities; (13) the volatility of our stock price; (14) future sales of our common stock; (15) the willingness of our stockholders and directors to approve mergers, acquisitions, and other business transactions; (16) currency transactions (foreign exchange) risks and the risk related to forward currency contracts; and (17) certain provisions of the Michigan Business Corporation Act and the Company's Articles of Incorporation, as amended, Amended and Restated Bylaws, and the Company's Preferred Stock Purchase Rights may discourage or prevent a change in control of the Company (18) a substantial portion of our revenues are attributed to a limited number of customers which may decrease or cease purchasing any time; and (19) other risks described in the section entitled "Risk Factors" and elsewhere in our Annual Report on Form 10-K.

The risks, described in our Annual Report on Form 10-K, are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition or operating results. We do not undertake, and expressly disclaim, any obligation to update this forward-looking information, except as required under applicable law.

OVERVIEW

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

Lifting Equipment Segment

The Company is a leading provider of engineered lifting solutions. The Company designs, manufactures and distributes a diverse group of products that serve different functions and are used in a variety of industries.

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Through its Manitex, Inc. subsidiary it markets a comprehensive line of boom trucks and sign cranes. Manitex's boom trucks and crane products are primarily used for industrial projects, energy exploration and infrastructure development, including, roads, bridges and commercial construction. Its Badger Equipment Company ("Badger") subsidiary is a manufacturer of specialized rough terrain cranes and material handling products. Badger primarily serves the needs of the construction, municipality, and railroad industries.

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

The Company's Manitex Load King, Inc. ("Load King") subsidiary manufactures specialized custom trailers and hauling systems typically used for transporting heavy equipment. Load King Trailers serve niche markets in the commercial construction, railroad, military, and equipment rental industries through a dealer network.

On July 1, 2010, the Company's newly formed Italian subsidiary, CVS Ferrari, srl, entered into an agreement to rent certain assets of CVS SpA, on an exclusive rental basis, while CVS SpA proceeds through the Italian bankruptcy process (concordato preventivo). CVS SpA was located near Milan, Italy and designed and manufactured a range of reach stackers and associated lifting equipment for the global container handling market, which were sold through a broad dealer network. During the third quarter 2010, CVS Ferrari, srl commenced operations and employed the rental assets in its operations. On July 1, 2011, the Company purchased the assets which were previously being rented.

Equipment Distribution Segment

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

In the second quarter of 2010, we expanded our Equipment Distribution segment by creating a new division, North American Equipment Exchange ("NAEE") to market previously-owned construction and heavy equipment, domestically and internationally. This division provides a wide range of used lifting and construction equipment of various ages and condition, and the Company has the capability to refurbish the equipment to the customers' specification

Economic Conditions

Beginning in September of 2008, the United States and world financial markets came under unprecedented stress. The immediate impact was a dramatic decrease in liquidity and credit availability throughout the world. An incredibly rapid and significant deterioration in economic conditions, especially in the United States and Europe followed. These events had an immediate significant adverse impact on the Company including order cancellations.

The overall market for construction equipment has improved but has not returned to pre-2008 levels. Certain market segments, particularly the North American energy sector, is currently very strong. As result, we have seen a significant increase in orders for our higher capacity boom trucks and specialized trailers. As of December 31, 2012, our backlog of \$130 million represents increases of 56% and 227% respectively when December 31, 2012 backlog is compared to December 31, 2011 and December 31, 2010 backlogs. As a result, we have taken actions to selectively increase production capacity, including hiring additional manufacturing employees at certain of our facilities. Additionally, our suppliers have increased capacity to meet the increased demand. As a result, the

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Company's production volumes and revenues have increased consistently during 2012 and our backlog has decreased from its peak of \$150 million at June 30, 2012 to a current backlog of \$130 million. There, however, is still significant uncertainty, in part due to the European sovereign debt crisis and an uncertain outlook for the US economy and other global markets. Nevertheless, the Company expects continued revenue growth in 2013.

Factors Affecting Revenues and Gross Profit

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

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

The following table sets forth certain financial data for the three years ended December 31, 2012, 2011, and 2010:

Results of Consolidated Operations

MANITEX INTERNATIONAL, INC.

(Thousands of Dollars, except share data)

	Year Ended December 31, 2012	Year Ended December 31, 2011	Year Ended December 31, 2010
Net revenues	\$ 205,249	\$ 142,291	\$ 95,875
Cost of sales	164,785	113,041	72,541
Gross profit	40,464	29,250	23,334
Operating expenses			
Research and development costs	2,457	1,571	1,173
Selling, general and administrative expense	23,548	19,895	16,624
Legal settlement (at net present value)	—	1,183	—
Total operating expenses	26,005	22,649	17,797
Operating income	14,459	6,601	5,537
Other income (expense)			
Interest expense	(2,457)	(2,540)	(2,450)
Foreign currency transaction gains (loss)	(110)	49	(65)
Other income (expense)	6	103	113
Total other expense	(2,561)	(2,388)	(2,402)
Income before income taxes	11,898	4,213	3,135
Provision for taxes on income	3,821	1,433	1,026
Net income	\$ 8,077	\$ 2,780	\$ 2,109

Year Ended December 31, 2012 Compared to Year Ended December 31, 2011

Financial results include the results for CVS Ferrari, srl (our Italian Subsidiary) from the date the Company was formed in June 2010. In the third quarter of 2010 using assets rented under a rental agreement with the Predecessor Company, CVS commenced manufacturing reach stackers and associated lifting equipment for the

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global container handling market. On July 1, 2011, the Company purchased the assets previously being rented and the rental agreement was terminated. Beginning on July 1, 2011, CVS results includes amortization and depreciation related to intangible assets and manufacturing equipment that was purchased on that date.

Net income

For the year ended December 31, 2012, net income was \$8.1 million, which consists of revenue of \$205.2 million, cost of sales of \$164.8 million, research and development costs of \$2.5 million, SG&A costs of \$23.5 million, interest expense of \$2.5 million, foreign currency transaction loss of \$0.1 million and income tax expense of \$3.8 million.

For the year ended December 31, 2011, net income was \$2.8 million, which consists of revenue of \$142.3 million, cost of sales of \$113.0 million, research and development costs of \$1.6 million, SG&A costs of \$19.9 million, legal settlement of \$1.2 million, interest expense of \$2.5 million, other income of \$0.1 million and income tax expense of \$1.4 million.

Net revenue and gross profit—For the year ended December 31, 2012 net revenue and gross profit were \$205.2 million and \$40.5 million, respectively. Gross profit as a percent of sales was 19.7% for the year ended December 31, 2012. For the year ended December 31, 2011, net revenue and gross profit were \$142.3 million and \$29.2 million, respectively. Gross profit as a percent of sales was 20.6% for the year ended December 31, 2011.

Approximately seventy percent of the increase in revenues is attributed to an increase in the sale of boom trucks. The other product lines, which are not as large as our boom truck product line, account for the remaining thirty percent increase in revenues and they all contributed to the increase in revenue. Their contributions varied from product line to product line ranging from two to twelve percent of the total increase in year over year revenues. The Company is continuing to see a modest but sustained improvement in the overall market for construction equipment, which contributed to the year over year growth in revenues. The much more significant factor, however, is the strong demand from niche markets particularly those related to oil and gas extraction and power line distribution. The increase in revenues reflect the Company's strategic initiatives which have emphasized the development of boom trucks with higher lifting capacities and specialized trailers that target the oil and gas and power line distribution market segments.

Gross profit as a percent of net revenues decreased 0.9% to 19.7% for the year ended December 31, 2012 from 20.6% for the comparable 2011 period. The decrease in gross profit of 0.9% between years is attributed to a number of different factors, the most significant of which is a change in product mix. Although part sales grew, the growth rate for part sales is not near the rate of growth for unit sales. As a result part sales as a percent of total sales decreased to 16% from 19%. As the gross profit percent on part sales is significantly higher than unit sales, it had the effect of reducing overall gross profit percent by approximately 1%. The gross profit percent (excluding the effect of part sales) for boom trucks product line, which has the highest gross profit percent of any our product lines, showed a slight improvement between years. As the sale of boom trucks increased as a percent of total revenues, it had the effect of increasing the Company's overall gross profit percent. This favorable effect was, however, offset by an erosion of gross profit percent for the other product lines and a change in product mix. A number of different factors and circumstances had an effect on the gross profit percent for the other product lines. For example, the gross margin percent for distributed products (Equipment Distribution segment) decreased as several Terex cranes purchased in 2009 which were still in our inventory were sold during 2012 at a slight loss. In 2012, the sale of tractors, a product with a lower gross profit percent, increased and resulted in an decrease in the gross profit percent for the port handling equipment product line.

Research and development— Research and development for the year ended December 31, 2012 was \$2.5 million compared to \$1.6 million for the comparable period in 2011. The increase in research and development expense reflects our continued commitment to develop and introduce new products that gives the Company a competitive advantage.

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Selling, general and administrative expense—Selling, general and administrative expense for the year ended December 31, 2012 was \$23.5 million compared to \$19.9 million for the comparable period in 2011. Selling, general and administrative expense for the year ended December 31, 2011 includes approximately \$0.5 million to attend the 2011 Con Expo trade show, which is held every three years. Selling, general and administrative expenses for the year ended December 31, 2012 was 11.5% of revenues a decrease from the comparable period in 2011. Selling general and administrative expense as a percent of revenue for year ended December 31, 2011 was 14.0% or 13.6% if adjusted to eliminate the cost associated with attending Con Expo.

The increase in selling, general and administrative expense after adjusting for the non-recurring Con Expo expenses is approximately \$4.2 million. Slightly less than 60% of increase is related to an increase in selling expenses which reflects an expansion of our sales organization along with increases in commissions and other selling expense that increase with an increase in revenue. Another 30% of the increase is related to an increase in employee related costs, associated with additional staff, an increase in performance based compensations and merit increases. The remaining increase is attributed to several other factors including increase in audit fees related to our auditor opining on internal controls and an increase in travel expenses.

Legal settlement (at net present value)

The results for 2011 included a non-recurring charge of \$1.2 million recorded in connection with the settlement of two product liability cases. This charge was unusual as it was not covered by insurance. The Company is not aware of any other similar potential liabilities at the present time and has secured insurance coverage to explicitly cover such future instances, mitigating future business risks.

For additional details concerning the nature of the 2011 charge see the section below entitled “Legal settlement (at net present value)” under the heading “Year Ended December 31, 2011 Compared to Year Ended December 31, 2010”.

Operating income—The Company, had operating income of \$14.5 million and \$6.6 million for the years ended December 31, 2012 and 2011, respectively. The increase in operating income is due to an increase in gross profit of \$11.2 million offset by \$3.4 million increase in operating expenses. An increase in revenues accounts for the increase in gross profit as the gross profit percent decreased 0.9% between 2012 and 2011. The increase in operating expenses is related to increases in research and development and selling, general and administrative expenses. Additionally, there is a favorable impact on the variance between operating expenses for 2012 and 2011, as 2011 included a non-recurring expense related the settlement of two product liability cases. This charge was unusual as it was not covered by insurance. The Company is not aware of any other similar potential liabilities at the present time and has secured insurance coverage to explicitly cover such future instances, mitigating future business risks.

Interest expense—Interest expense was \$2.5 million and \$2.5 million for the years ended December 31, 2012 and 2011, respectively. Interest expense did not change significantly as the effect of an increase in overall debt was offset by an decrease in the average interest rate. The increase in debt is the result of an increase in the amount outstanding on revolving credit facilities and working capital lines offset by significant retirement of term debt. The interest rate on our revolving credit facilities are much lower than the term debt that was retired during the year.

Foreign currency transaction gains and loss—The Company attempts to purchase forward currency exchange contracts such that the exchange gains and losses on the assets and liabilities denominated in other than the reporting units’ functional currency will be offset by the changes in the market value of the forward currency exchange contracts it holds. The Company records at the balance sheet date the forward currency exchange contracts at their market value with any associated gain or loss being recorded in current earnings as a currency gain or loss.

For the year ended December 31, 2012, the Company had a foreign currency loss of \$0.1 million as compared to a \$0.05 million foreign currency gain for the year ended December 31, 2011. The aforementioned foreign currency gains and losses are net of forward currency contracts gains and losses.

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Income tax —Income tax expense was \$3.8 million and \$1.4 million for the year ended December 31, 2012 and 2011, respectively. The increase in income tax is attributed to an increase in pre-tax income, as the Company's effective rate decreased to 32.1% for 2012 from 34.0% the effective tax rate for 2011. The decrease in the effective tax is primarily the result of being able to record a deduction in connection with the American Jobs Creation Act of 2004 (which affords a taxpayer a deduction for 9% of qualifying production activities income) and a remeasurement of the Texas Margin Credit. In prior years, the Company was not able to recognize a benefit under American Jobs Creation Act of 2004 as it had unutilized net operating loss carryforwards.

Net income —Net income for the year ended December 31, 2012 was \$8.1 million. This compares with a net income for the year ended December 31, 2010 of \$2.8 million.

Year Ended December 31, 2011 Compared to Year Ended December 31, 2010

Financial results include the results for CVS Ferrari, srl (our Italian Subsidiary) from the date the Company was formed in June 2010. In the third quarter of 2010 using assets rented under a rental agreement with the Predecessor Company, CVS commenced manufacturing reach stackers and associated lifting equipment for the global container handling market. On July 1, 2011, the Company purchased the assets previously being rented and the rental agreement was terminated. Beginning on July 1, 2011, CVS results include amortization and depreciation related to intangible assets and manufacturing equipment that was purchased on that date.

Net income

For the year ended December 31, 2011, net income was \$2.8 million, which consists of revenue of \$142.3 million, cost of sales of \$113.0 million, research and development costs of \$1.6 million, SG&A costs of \$19.9 million, legal settlement of \$1.2 million, interest expense of \$2.5 million, other income of \$0.1 million and income tax expense of \$1.4 million.

The legal settlement (at net present value) referred to above was recorded as a result of the recent Fifth Circuit appeals court ruling reversing the earlier District Courts ruling in the Company's favor. The amount recorded, represents the net present value of twenty annual payments of ninety-five thousand dollars as provided for in a May 5, 2011 contingent settlement for two product liability suits related to an accident that occurred in 2006. Under the settlement agreement, the Company only became liable when it was ultimately determined that there is no duty on the part of the liability insurance carriers to defend the Company.

This settlement is related to a liability for a product that was manufactured by a predecessor company of our Manitex subsidiary. The product liability of this predecessor company was assumed by various acquiring companies and ultimately became the Company's liability when we acquired the Company's Manitex subsidiary in 2006.

This settlement is of an unusual nature and although it had a significant impact on our 2011 results, it is not related to ongoing activities of the Company. Furthermore, the Company is not aware of any other similar potential liabilities at the present time and has secured insurance coverage to explicitly cover such future instances, mitigating future business risks.

For the year ended December 31, 2010, net income was \$2.1 million, which consists of revenue of \$95.9 million, cost of sales of \$72.5 million, research and development costs of \$1.2 million, SG&A costs of \$16.6 million, interest expense of \$2.4 million, foreign currency transaction loss of \$0.1 million and income tax expense of \$1.0 million.

Net revenue and gross profit —For the year ended December 31, 2011 net revenue and gross profit were \$142.3 million and \$29.2 million, respectively. Gross profit as a percent of sales was 20.6% for the year ended December 31, 2011. For the year ended December 31, 2010, net revenue and gross profit were \$95.9 million and \$23.3 million, respectively. Gross profit as a percent of sales was 24.3% for the year ended December 31, 2010. Approximately half of the increase in revenues is attributed to increased revenues at CVS and NAEF, two units that commenced operations mid-year 2010.

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The remaining increase in revenues is principally attributed to increased revenues for our boom trucks. The increase in boom truck sales is largely due to strength in the energy and power distribution market segments, both domestically and in certain international markets. A substantial portion of the significant decrease in military revenues at the Liftking operation was offset by an increase in lower margin commercial business and by increased sales of Load King specialized trailers.

Gross profit as a percent of net revenues decreased 3.7% to 20.6% for the year ended December 31, 2011 from 24.3% for the comparable 2010 period. A modest improvement in the gross profit percent for crane products is attributed to a change in product mix towards high capacity cranes which have a higher gross profit margin and an increase in volume. The decrease in the gross profit percent for other products is principally attributed to a decrease in higher margin military and governmental business, and the sales of used equipment which has a margin roughly half of that of our new product sales. Additionally, part sales (which have significantly higher profit margins than unit sales) decreased as a percent of total sales during 2011, and was also a factor that contributed to the reduction in the gross margin percent. Increases in commodity prices, principally steel, is not a principal cause of the decrease in the gross margin percent. Nevertheless, the increase in commodity prices did have a modest negative impact on our gross profit percent.

Selling, general and administrative expense—Selling, general and administrative expense for the year ended December 31, 2011 was \$19.9 million compared to \$16.6 million for the comparable period in 2010. Approximately 65% of the increase is related to increased selling, general and administrative expenses at CVS and NAEF, attributed to the fact NAEF and CVS only began operating in June and July 2010, respectively. As such these operations had essentially no selling, general and administrative expenses for six months ended June 30, 2010 and CVS had only had limited expenses for the three months ended September 30, 2010, as CVS was still in a start-up mode during the third quarter of 2010.

The majority of the remaining 35% increase is attributed to an increase in selling expense and higher compensation expense related to additional provisions for performance based compensation, a restoration of prior salary reductions and selected increase in staffing. Selling expense increased primarily as the Company spent \$0.5 million to attend the 2011 Con Expo trade show. The Con Expo show, which is held every three years, was held in Las Vegas in March of this year. This show is an international gathering place for the construction industries. It is estimated that 120,000 professionals from around the world attended the show. Increased revenues also contributed to the increase in selling expenses. Other less significant factors, including higher travel expenses, also contributed to the increase in selling, general and administrative expense.

Legal settlement (at net present value)

The Company has disclosed in its previous filings with the Security and Exchange Commission that its insurance carriers had denied coverage for two product liability suits. The insurance companies subsequently filed a Declaratory Judgment action in a U.S. District Court, seeking a determination that there was no duty on the part of the liability insurance carriers to defend the Company.

The legal settlement (at net present value) was recorded as a result of the a Fifth Circuit appeals court ruling reversing the earlier District Courts ruling in the Company's favor. The amount recorded, represents the net present value of twenty annual payments of ninety-five thousand dollars as provided for in an earlier contingent settlement for two product liability suits related to an accident that occurred in 2006. Under the settlement agreement, the Company only became liable when it was ultimately determined that there was no duty on the part of the liability insurance carriers to defend the Company.

This settlement is related to a liability for a product that was manufactured by a predecessor company of our Manitex subsidiary. The product liability of this predecessor company was assumed by various acquiring companies and ultimately became the Company's liability when we acquired the Company's Manitex subsidiary in 2006.

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This settlement is of an unusual nature and although it had a significant impact on our 2011 results, it is not related to ongoing activities of the Company. Furthermore, the Company is not aware of any other similar potential liabilities at the present time and has secured insurance coverage to explicitly cover such future instances, mitigating future business risks.

Operating income—The Company, had operating income of \$6.6 million and \$5.5 million for the years ended December 31, 2011 and 2010, respectively. The increase in operating income is due to an increase in gross profit of \$5.9 million offset by \$4.8 million increase in operating expenses. An increase in revenues accounts for the increase in gross profit as the gross profit percent decreased 3.7% between 2011 and 2010. The increase in operating expenses is primarily related to increases in selling, general and administrative expense and a charge booked to recognize a liability for a legal settlement.

Interest expense—Interest expense was \$2.5 million and \$2.4 million for the years ended December 31, 2011 and 2010, respectively. Decreases in interest rates charged on borrowing under the Company's revolving credit facilities were offset by an increase in outstanding debt. The increase in debt is principally related to increased borrowings under the Company's revolving credit lines and additional debt incurred in connection with the acquisition of CVS assets in July 2011. The additional borrowing against the Company's revolving credit facilities were incurred to support substantial revenue growth that occurred between 2010 and 2011.

Foreign currency transaction gains and loss—The Company attempts to purchase forward currency exchange contracts such that the exchange gains and losses on the assets and liabilities denominated in other than the reporting units' functional currency will be offset by the changes in the market value of the forward currency exchange contracts it holds. The Company records at the balance sheet date the forward currency exchange contracts at their market value with any associated gain or loss being recorded in current earnings as a currency gain or loss.

For the year ended December 31, 2011, the Company had a foreign currency gain of \$0.05 million as compared to a \$0.06 million foreign currency loss for the year ended December 31, 2010. The aforementioned foreign currency gains and losses are net of forward currency contracts gains and losses.

Income tax—Income tax expense was \$1.4 million and \$1.0 million for the year ended December 31, 2011 and 2010, respectively. The increase in income tax is principally attributed to an increase in pre-tax income.

Net income—Net income for the year ended December 31, 2011 was \$2.8 million. This compares with a net income for the year ended December 31, 2010 of \$2.1 million.

SEGMENT INFORMATION

Lifting Equipment Segment

	2012	2011	2010 (1)
Net revenues	\$188,792	\$130,330	\$89,669
Operating income	19,870	11,069	8,722
Operating margin	10.5%	8.5%	9.7%

(1) CVS operating results are included since commencement of operations which occurred in the third quarter of 2010.

Year Ended December 31, 2012 Compared to Year Ended December 31, 2011

Net Revenues—Net revenues increased \$58.5 million to \$188.8 million for the year ended December 31, 2012 from \$130.3 million for the comparable period in 2011.

Approximately seventy-five percent of the increase in revenues is attributed to an increase in the sale of boom trucks. The other product lines, which are not as large as our boom truck product line, account for the remaining

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twenty-five percent increase in revenues and they all contributed to the increase in revenue. The Company is continuing to see a modest but sustained improvement in the overall market for construction equipment, which contributed to the year over year growth in revenues. The much more significant factor, however, is the strong demand from niche markets particularly those related to oil and gas extraction and power line distribution. The increase in revenues reflect the Company's strategic initiatives which have emphasized the development of boom trucks with higher lifting capacities and specialized trailers that target the oil and gas and power line distribution market segments.

Operating Income and Operating Margins —Operating income of \$19.9 million for the year ended December 31, 2012 was equivalent to 10.5% of net revenues compared to an operating income of \$11.1 million for the year ended December 31, 2011 or 8.5% of net revenues. The increase in operating income is attributed to an \$11.0 million increase in gross profit.

The Segment had operating income of \$19.9 million and \$11.1 million for the years ended December 31, 2012 and 2011, respectively. The increase in operating income is due to an increase in gross profit of \$11.0 million offset by \$2.2 million increase in operating expenses.

The increase in gross profit is entirely due to an increase in revenues as the gross profit percent decrease modestly between 2011 and 2012. The decrease in margin percent is principally attributed to the fact that part sales, which have substantially higher margins, decreased significantly as a percent of total revenues. Part sales revenues, however, were approximately 24% above the prior year.

Operating expenses increased by \$2.2 million from 2011 to 2012. Included in 2011 operating expenses is an unusual non-recurring charge of \$1.2 million to recognize a liability for a legal settlement. Operating expense excluding the impact of the non-recurring charge increased by \$3.4 million. The increase in operating expenses is attributed to increases of \$0.9 million and \$2.5 million in research and development and selling and general administrative expenses, respectively. The increase in research and development expense reflects our continued commitment to develop and introduce new products that gives the Company a competitive advantage. Approximately, 75% of increase in selling general and administrative expenses is related to increase selling expenses, which reflects an expansion of our sales organization along with increases in commissions and other selling expense that increase with an increase in revenue. The remaining 25% is the net impact of other increases and decreases. The net other increase is principally related to an increase in employee related costs, associated with additional staff, an increase in performance based compensations and merit increases.

Year Ended December 31, 2011 Compared to Year Ended December 31, 2010

Net Revenues —Net revenues increased \$40.7 million to \$130.3 million for the year ended December 31, 2011 from \$89.7 million for the comparable period in 2010. Approximately 50% of the increase in revenues is attributed to increased revenues at CVS, a unit that commenced operations mid-year 2010. The remaining 50% increase in revenues is principally attributed to increased revenues for our boom trucks. The increase in boom truck sales is largely due to strength in the energy and power distribution market segments, both domestically and in certain international markets. A substantial portion of the significant decrease in military revenues at Liftking operation was offset by an increase in lower margin commercial business and by increased sales of Load King specialized trailers.

Operating Income and Operating Margins —Operating income of \$11.1 million for the year ended December 31, 2011 was equivalent to 8.5% of net revenues compared to an operating income of \$8.7 million for the year ended December 31, 2010 or 9.7% of net revenues. The increase in operating income is attributed to a \$5.7 million increase in gross profit which was partially offset by an increase in operating expenses of \$3.3 million.

The increase in gross profit is entirely due to an increase in revenues as the gross profit percent deteriorated by 3.5% between 2010 and 2011. A modest improvement in the gross profit percent for crane products was more than offset by a decrease in the margin percent for other products. The improvement in crane products gross

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profit percent is attributed to a change in product mix towards high capacity cranes which have a higher gross profit margin and an increase in volume. The decrease in the gross profit percent for other products is in part attributed to a decrease in higher margin military and governmental business.

Included in 2011 operating expenses is an unusual charge of \$1.2 million to recognize a liability for a legal settlement. This charge had the effect of decreasing operating income as percent of revenues by approximately 1%. Without this unusual charge operating income as a percent of revenues would have been 9.4% or a decrease of 0.3% from the prior year. The effect of the decrease in the gross margin percent and an increased operating expenses (excluding the legal settlement) of 16% were more than offset by a 45% increase in revenue.

Equipment Distribution Segment

	2012	2011	2010
Net revenues	\$17,090	\$11,986	\$7,139
Operating income	202	64	33
Operating margin	1.2%	0.5%	0.5%

Year Ended December 31, 2012 Compared to Year Ended December 31, 2011

Net revenues —The Equipment Distribution segment net revenue increased \$5.1 million to \$17.1 million for the year ended December 31, 2012 from \$12.0 million in the prior year. Approximately 60% of the increase is related to an increase in new crane sales. The remaining 40% is attributed principally to an increase in used equipment sales. The increase in both new cranes and used equipment is attributed an improvement in market conditions and an internal commitment to expand this operation.

Operating Income (loss) and Operating Margins —Operating income of \$0.2 million for the year ended December 31, 2012 was equivalent to 1.2% of net revenues and compares to operating income of \$0.06 million for the year ended December 31, 2011 or 0.5% of net revenues. The increase in operating income is due to an increase in revenues from 2011 to 2012. The additional gross profit generated by an increase in revenues offset the effect of a decrease in the gross margin percent. The decrease in the gross percent is primarily related to the sales of several Terex cranes purchased in 2009 which were still in our inventory until they were sold during 2012 and a decrease in the percent of total revenues which were related to part sales. The sales of the 2009 cranes increased revenues but decreased the gross margin percent as they were sold at a slight loss. The gross margin percent for part sales is substantially higher than gross margin percent for equipment sales. Although part sales in dollars were comparable between years, part sales as a percent of total revenues decreased significantly, the effect of which would be a decrease in the overall gross profit percent.

Year Ended December 31, 2011 Compared to Year Ended December 31, 2010

Net revenues —The Equipment Distribution segment net revenue increased \$4.8 million to \$12.0 million for the year ended December 31, 2011 from \$7.1 million in the prior year. Approximately 75% of the increase is related to the sale of used construction equipment. As mentioned earlier, we expanded our Equipment Distribution segment in the second quarter of 2010 by creating a new division, North American Equipment Exchange (“NAEE”), to market previously-owned construction and heavy equipment, domestic and internationally. This division provides a wide range of used lifting and construction equipment of various ages and condition, and the Company has the capability to refurbish the equipment to the customers’ specification. The balance of the increase is due to increased rental income, part sales and service income.

Operating Income (loss) and Operating Margins —Operating income of \$0.06 million for the year ended December 31, 2011 was equivalent to 0.5% of net revenues and compares to operating income of \$0.03 million for the year ended December 31, 2010 or 0.5% of net revenues. The increase in operating income is due to an

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increase in revenues from 2010 to 2011. The additional gross profit generated by an increase in revenues offset the effect of a decrease in the gross margin percent and an increase in operating expense. The gross margin percent declined principally because of an increase in the sale of used construction equipment. The margins for used equipment are lower than what is generated by the sale of new equipment and parts. The increase in operating expenses is largely associated with the increase in revenues.

Liquidity and Capital Resources

Cash and cash equivalents were \$1.9 million and \$0.1 million at December 31, 2012 and December 31, 2011, respectively. As of December 31, 2012, the Company had approximately \$7.8 million available to borrow under its credit facilities.

The Company needs cash to meet its working capital needs as the business grows, to acquire capital equipment, and to fund acquisitions and debt repayment. During 2012, the Company utilized all net operating carryforwards that were available. As consequence, going forward the Company will be required to tax payments based on current earnings, which may be substantial.

We intend to use cash flows from operations and existing availability under the current revolving credit facilities to fund anticipated levels of operations for approximately the next 12 months. As our availability under our credit lines is limited, it is important that we manage our working capital. We may need to raise additional capital through debt or equity financings to support our growth strategy, which may include additional acquisitions. There is no assurance that such financing will be available or, if available, on acceptable terms.

Stock offering

On July 17, 2012, the Company issued 500,000 shares of the Company's common stock, which was issued pursuant to a prospectus supplement and a prospectus, which is part of a registration statement on Form S-3 that was declared effective by the Securities and Exchange Commission on August 23, 2011. The net proceeds for the stock offering of \$3.8 million were to retire outstanding term debt. See Note 21 in the Consolidated Financial Statements for additional details.

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Outstanding borrowings and required payments

The following is a summary of our outstanding borrowings at December 31, 2012

	<u>Outstanding Balance</u>	<u>Interest Rate</u>	<u>Interest Paid</u>	<u>Principal Payment</u>
Revolving term credit facility	\$25.9 million	3.25%	Monthly	n.a.
Revolving Canadian term credit facility	7.4 million	3.50%	Monthly	n.a.
Revolving term credit facility—Equipment Line	1.0 million	3.25%	Monthly	n.a.
Specialized export facility	0.9 million	3.50%	Periodic	5 days after receipt of customer payment
Load King bank debt	1.2 million	6%/6.25%	Monthly	\$0.011 million monthly including interest
Load King debt (SD Board of Economic Development)	0.8 million	3.00%	Monthly	\$0.005 million monthly including interest
Note payable—Terex	0.8 million	6.00%	Quarterly	\$0.25 million March 1, 2014, 2015 and 2016 (\$0.15 million can be paid in stock)
Capital lease—cranes for sale	1.0 million	6.25%	Monthly	Over 36 or 60 months
Capital lease—Georgetown facility	3.1 million	12.00%	Monthly	\$0.07 million monthly payment includes interest
Capital leases —Winona facility	0.9 million	6.13%	Monthly	\$0.025 million monthly payment includes interest
CVS short-term working capital borrowings	<u>6.1 million</u>	2.09 to 5.19%	Monthly	Upon payment of invoice
	<u>\$49.1 million</u>			

The debt matures at various points in time. See Note 13 to the financial statements for additional details.

Change in outstanding debt

In 2012, existing debt (including lines of credit, capital lease obligations and the current portion of notes payable and capital lease obligations) increased \$6.9 million dollars to \$49.1 million from \$42.2 million at December 31, 2011. The increase in debt is principally attributed to increases in our revolving credit facilities and CVS working capital borrowings, which were increased to support our substantial increase in revenues and a new capital lease for to purchase equipment which was partially offset by repayments of other debt.

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Our debt increased by approximately \$6.9 million. The following is a summary of changes in debt:

	<u>Increase/ (decrease)</u>	
Revolving term credit facility	\$ 6.8	Million
Revolving Canadian term credit facility	1.7	Million
Special export facility	0.9	Million
Revolving term credit facility—Equipment line	—	Million
Installment note	(0.9)	Million
Badger acquisition note	(1.5)	Million
Load King bank debt	(0.1)	Million
Load King SD Board of Economic Development	(0.1)	Million
Capital leases—buildings	(0.6)	Million
Capital leases—equipment	1.0	Million
Floor plan	(1.2)	Million
Note payable—Terex	(0.5)	Million
CVS acquisition debt	(2.9)	Million
CVS working capital borrowings	4.3	Million
	<u>\$ 6.9</u>	Million

2012

Operating activities consumed \$6.5 million of cash for the year ended December 31, 2012, and is comprised of net earnings of \$8.1 million, and non-cash items of \$4.0 million offset by an increase in working capital of \$18.5 million. The following are the principal non-cash items: depreciation and amortization of \$3.5 million, a decrease in net deferred tax assets of \$0.2 million, an increase in the reserve for uncertain tax positions of \$0.2 million and stock based deferred compensation of \$0.2 million offset by a gain on the disposal of assets of \$0.1 million. The increase in working capital is principally due to increases in accounts receivable and inventory, of \$12.1 million and \$17.2 million, respectively offset by decrease in prepaid expenses of \$0.1 million and increases in accounts payables, accrued expenses and other current liabilities of \$6.7 million, \$2.8 million and \$1.2 million, respectively. The increase in accounts receivable, inventory and accounts payable are due to an increase in revenues. The increase in accrued expense is principally attributed to increases in the accruals for income taxes payable of \$1.1 million, payroll and commissions of \$0.6 million, and performance based compensation of \$0.8 million, respectively. The increase in other current liabilities is due to an increase in advance payment received from customers.

Cash flows related to investing activities consumed \$1.3 million of cash for the year ended December 31, 2012. The Company expended \$1.1 million to purchases capital equipment offset by \$0.2 million generated from the sales of equipment. Additionally, the Company spent \$0.3 million to purchase the rights and designs for a nine ton carry deck crane. The \$1.1 million spent to purchase capital equipment is the total of numerous purchases for various operations. No single item in itself was particularly significant.

Financing activities generated \$9.3 million in cash for the year ended December 31, 2012. The above table shows a net increase in outstanding debt of \$6.9 million. This amount, however, includes approximately \$1.2 million related to new capital leases and is non-cash item that is excluded from cash flow from financing activities. Additionally, the Company received proceeds of approximately \$3.8 million in connection with the issuance of 500,000 shares of its common stock in offering pursuant to a shelf registration statement. The remaining difference of \$(0.2) million is principally due to the effect of exchange rates on our foreign debt.

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2011

Operating activities consumed \$5.4 million of cash for the year ended December 31, 2011, and is comprised of net earnings of \$2.8 million, and non-cash items of \$5.9 million offset by an increase in working capital of \$14.1 million. The following are the principal non-cash items: depreciation and amortization of \$3.3 million, a decrease in net deferred tax assets of \$1.1 million and a legal settlement of \$1.1 million. Together these three items represent approximately 95% of total net non-cash items. The legal settlement is a non-cash item as there is no cash impact in the current year as the settlement is paid out over the next twenty years. . The remaining non-cash items, none of which are significant, net to \$0.3 million. The increase in working capital is principally due to increases in accounts receivable and other receivables, inventory, accounts receivable finance, and other assets of \$5.6 million, \$12.5 million, \$0.9 million and \$0.1 million, respectively as well as a decrease in other current liabilities of \$0.2 million offset by decrease in prepaid expenses of \$0.4 million and increases in accounts payables and accrued expenses of \$4.3 million and \$0.5 million, respectively. Approximately 65% of the increase in accounts receivable including other receivables and approximately a third of the increase in inventory are related to operations that began operating in during 2010. The remaining increases in accounts receivable and inventory are attributed to increased revenues at our core business. The increase in accounts receivable finance is due to the fact that the Company leased container handling equipment to customers for the first time during 2011. The decrease in prepaid expenses is due to a decrease in deposits made in connection with inventory purchase orders. In the prior year, CVS was often required to make deposits when it ordered inventory as the predecessor company had gone bankrupt. Approximately 70% of the increase in accounts payable is attributed to increased accounts payable at CVS, a subsidiary that only began operations in 2010. The remaining increase in accounts payable is attributed to an increase in revenues, which resulted in an increase in purchasing activity. The increase in accrued expenses is related to increases in accruals for payroll, management bonuses and warranty.

Cash flows related to investing activities consumed \$1.9 million of cash for the year ended December 31, 2011. The Company used \$1.6 million to purchase assets that were previously being rented by our CVS subsidiary. (See Note 19). The remaining \$0.3 million is composed of \$0.6 million of capital expenditures offset by proceeds of \$0.3 million from the sale of property and equipment. Capital expenditures are comprised of a number of items, none of which individually are significant. Approximately, half of the proceeds from the sales of property and equipment are related to sale of land at our South Dakota facility, which was not required to conduct operations.

Financing activities generated \$7.0 million in cash for the year ended December 31, 2011. The funds provide from financing activities are principally related to increases in borrowing on our revolving credit facilities and an increase in CVS's short-term working capital borrowings. Additional new borrowing and proceeds from the exercise of warrants were largely offset by other debt principal payment and capital lease payments. New borrowings include approximately \$1.9 million borrowed to acquire the CVS rental assets, \$2.2 million borrowed to refinance the Load King acquisition debt and \$0.5 million to finance insurance premiums.

Contingencies

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

Off Balance Sheet Arrangements

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

Additionally, various Italian banks have issued performance bonds which total €542 (\$715) which are also guaranteed by the Company.

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Contractual Obligations

The following is a schedule as of December 31, 2012 of our long-term contractual commitments, future minimum lease payments under non-cancelable operating lease arrangements and other long-term obligations.

(in thousands)

	Payments due by period				
	Total	2013	2014- 2015	2016- 2017	Thereafter
Revolving term credit facilities	\$35,232	\$ 875	\$34,357	\$ —	\$ —
CVS working capital borrowing	6,110	6,110	—	—	—
Term loans	2,755	107	732	1,157	759
Operating lease obligations	4,485	1,372	2,155	958	—
Capital lease obligations (3)	6,816	1,589	3,089	1,843	295
Consulting agreements	124	124	—	—	—
Legal Settlement (See Note 24) (3)	1,805	95	190	190	1,330
Purchase obligations (1)	37,036	37,036	—	—	—
Total	<u>\$94,363</u>	<u>\$47,308</u>	<u>\$40,523</u>	<u>\$4,148</u>	<u>\$ 2,384</u>

- (1) Except for a very insignificant amount, purchase obligations are for inventory items. Purchase obligations not for inventory would include research and development materials, supplies and services.
- (2) At December 31, 2012, the Company had unrecognized tax benefits of \$335 thousand for which the Company is unable to make reasonably reliable estimates of the period of cash settlement with the respective tax authority. Thus, these liabilities have not been included in the contractual obligations table. See footnote 15.
- (3) Capital lease obligations and legal settlement include imputed interest.

Related Party Transactions

For a description of the Company's related party transactions, please see Note 24 to the Company's consolidated financial statements entitled "Transactions between the Company and Related Parties."

Critical Accounting Policies and Estimates

The preparation of our financial statements and related disclosures in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and judgments that affect our reported amounts of assets and liabilities, revenues and expenses, and related disclosures of contingent assets and liabilities. On an on-going basis, we evaluate our estimates and assumptions based upon historical experience and various other factors and circumstances. Management believes that our estimates and assumptions are reasonable under the circumstances; however, actual results may vary from these estimates and assumptions under different future circumstances. We have identified the following critical accounting policies that affect the more significant judgments and estimates used in the preparation of our consolidated financial statements.

Revenue Recognition. For products shipped FOB destination, sales are recognized when the product reaches its FOB destination, or when the services are rendered, which represents the point when the risks and rewards of ownership are transferred to the customer. For products shipped FOB shipping point, revenue is recognized when the product is shipped, as this is the point when title and risk of loss pass from us to the customers.

Customers may be invoiced prior to the time customers take physical possession. Revenue is recognized in such cases only when the customer has a fixed commitment to purchase the units, the units have been completed,

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tested and made available to the customer for pickup or delivery, and the customer has authorized in writing that we hold the units for pickup or delivery at a time specified by the customer. In such cases, the units are invoiced under our customary billing terms, title to the units and risks of ownership pass to the customer upon invoicing, the units are segregated from our inventory and identified as belonging to the customer and we have no further obligations under the order.

The Company establishes reserve for future warranty expense at the point when revenue is recognized by the Company and is based on percentage of revenues. The provision for estimated warranty claims, which is included in cost of sales, is based on sales.

Allowance for Doubtful Accounts. Accounts Receivable is reduced by an allowance for amounts that may become uncollectible in the future. The Company's 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.

Inventories and Related Reserve for Obsolete and Excess Inventory. Inventories are valued at the lower of cost or market and are reduced by a reserve for excess and obsolete inventories. The estimated reserve is based upon specific identification of excess or obsolete inventories.

Other Intangible Assets. —The Company accounts for Other Intangible Assets under the guidance of ASC 350, "Intangibles—Goodwill and Other". The Company capitalizes certain costs related to patent technology. Additionally, a substantial portion of the purchase price related to the Company's acquisitions has been assigned to patents or unpatented technology, trade name, customer backlog, and customer relationships. Under the guidance, Other Intangible Assets with definite lives are amortized over their estimated useful lives. Intangible assets with indefinite lives are tested annually for impairment.

Goodwill. —Goodwill, representing the difference between the total purchase price and the fair value of assets (tangible and intangible) and liabilities at the date of acquisition is reviewed for impairment annually, and more frequently as circumstances warrant, and written down only in the period in which the recorded value of such assets exceed their fair value. The Company does not amortize goodwill in accordance with Financial Accounting Standards Board (the "FASB") Accounting Standards Codification ("ASC") 350, "Intangibles—Goodwill and Other" ("ASC 350"). The Company selected October 1 as the date for the required annual impairment test.

Goodwill is tested for impairment at the reporting unit level, which is defined as an operating segment or a component of an operating segment that constitutes a business for which discrete financial information with similar economic characteristics is available and the operating results are regularly reviewed by the Company's management. The Company's two operating segments comprise the reporting units for goodwill impairment testing purposes.

Under ASU 2011-08, entities are provided with the option of first performing a qualitative assessment on none, some, or all of its reporting units to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value. If after completing a qualitative analysis, it is determined that it is more likely than not that the fair value of a reporting unit is less than its carrying value a quantitative analysis is required. In 2011, the Company determined on a qualitative basis, that it was not more likely than not that the fair value of the reporting units were less than its carrying value and the quantitative two-step process was not performed. In 2012, it was also determined on a qualitative basis, that it was not more likely than not that the fair value of the Lifting Equipment Segment was less than its carrying value, as such the quantitative two-step process was not performed for the Lifting Equipment Segment.

The quantitative goodwill impairment analysis is a two-step process. The first step used to identify potential impairment involves comparing each reporting unit's estimated fair value to its carrying value, including goodwill.

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The Company performed Step one quantitative testing for its Equipment Distribution Segment in 2012. In 2010 the Company performed Step one quantitative testing for both of the Lifting Equipment and Equipment distribution segments. The aforementioned mentioned Step one quantitative tests did not indicate impairment. During the first step, the Company evaluates goodwill for impairment using a business valuation method, which is calculated as of a measurement date by determining the present value of debt-free, after-tax projected future cash flows, discounted at the weighted average cost of capital of a hypothetical third party buyer. The market approach was also considered in evaluating the potential for impairment by calculating fair value based on multiples of earnings before interest, taxes, depreciation and amortization (EBITDA) of comparable, publicly traded companies. This analysis also did not indicate impairment. Moreover, the Company also observed implied EBITDA multiples from relatively recent merger and acquisition activity in the industry, which was used to test the reasonableness of the results.

The Company did not have any impairment for the years ended December 31, 2012, 2011 and 2010.

Impairment of Long Lived Assets. —The Company’s policy is to assess the realizability of its long-lived assets, including intangible assets, and to evaluate such assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets (or group of assets) may not be recoverable. Impairment is determined to exist if the estimated future undiscounted cash flows are less than the carrying value. Future cash flow projections include assumptions for future sales levels, the impact of cost reduction programs, and the level of working capital needed to support each business. The amount of any impairment then recognized would be calculated as the difference between the estimated fair value and the carrying value of the asset. The Company did not have any impairment for the years ended December 31, 2012, 2011 and 2010.

Warranty Expense. The Company establishes reserves for future warranty expense at point when revenue is recognized by the Company and is based on a percentage of revenues. The provision for estimated warranty claims, which is included in cost of sales, is based on sales.

Litigation Claims. In determining whether liabilities should be recorded for pending litigation claims, the Company must assess the allegations and the likelihood that it will successfully defend itself. When the Company believes it is probable that it will not prevail in a particular matter, it will then make an estimate of the amount of liability based, in part, on the advice of outside legal counsel.

Income Taxes. The Company accounts for income taxes under the provisions of ASC 740 “Income Taxes,” which requires recognition of income taxes based on amounts payable with respect to the current year and the effects of deferred taxes for the expected future tax consequences of events that have been included in the Company’s financial statements or tax returns. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial accounting and tax basis of assets and liabilities, as well as for operating losses and tax credit carryforwards using enacted tax rates in effect for the year in which the differences are expected to reverse. Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not a tax benefit will not be realized.

ASC 740 also prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return, as well as guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income prior to the expiration of any net operating loss carryforwards. In 2010, the Company determined that a valuation allowance was no longer required as all of the Company’s deferred tax assets were realizable on a more likely than not basis. See Note 15, Income Taxes, for further details.

Recently Adopted Accounting Guidance

In June 2011, the FASB issued ASU 2011-05—Presentation of Comprehensive Income (“ASU 2011-05”), requires entities to present reclassification adjustments included in other comprehensive income on the face of the financial

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statements and allows entities to present the total of comprehensive income, the components of net income and the components of other comprehensive income either in a single continuous statement of comprehensive income or in two separate but consecutive statements. It also eliminates the option for entities to present the components of other comprehensive income as part of the statement of changes in shareholders' equity. For public companies, ASU 2011-05 is effective for fiscal years (and interim periods within those years) beginning after December 15, 2011, with earlier adoption permitted. In December 2011, the FASB issued ASU 2011-12 "Comprehensive Income (Topic 220): Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05," which defers certain aspects of ASU 2011-05 related to the presentation of reclassification adjustment.

On January 1, 2012, the Company adopted the provisions of ASU 2011-05 that were not deferred by ASU 2011-12. Accordingly, the Company's financial statements include a "Consolidated Statements of Comprehensive Income" which immediately follows the Company's Consolidated Statements of Income.

In July 2012, the Financial Accounting Standards Board ("FASB") amended Accounting Standards Codification ("ASC") 350, Intangibles—Goodwill and Other. This amendment is intended to reduce the cost and complexity of the annual impairment test for indefinite-lived intangible assets other than goodwill by providing entities an option to perform a qualitative assessment to determine whether further impairment testing is necessary. The amendments are effective for annual and interim impairment tests performed for fiscal years beginning after September 15, 2012. Early adoption is permitted. The Company elected to early adopt this guidance on October 1, 2012. The adoption did not have a material impact on the Company's consolidated financial position, results of operations or cash flows.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company is exposed to certain market risks that exist as part of our ongoing business operations and the Company's use of derivative financial instruments, where appropriate, to manage our foreign change risks. As a matter of policy, the Company does not engage in trading or speculative transactions. For further information on accounting policies related to derivative financial instruments, refer to Note 6 – "Derivative Financial Instruments" in our Consolidated Financial Statements.

Foreign Exchange Risk

The Company is exposed to fluctuations in foreign currency cash flows related to third-party purchases and sales, intercompany product shipments and intercompany loans. The Company is also exposed to fluctuations in the value of foreign currency investments in subsidiaries and cash flows related to repatriation of these investments. Additionally, the Company is exposed to volatility in the translation of foreign currency earnings to U.S. Dollars. Primary exposures include the U.S. Dollar when compared to functional currencies of our major foreign subsidiaries, which include the Euro and the Canadian dollar. The Company assesses foreign currency risk based on transactional cash flows, identifies naturally offsetting positions and purchases hedging instruments to partially offset anticipated exposures. At December 31, 2012, the Company had foreign exchange contracts with a notional value of \$3.7 million. The fair market value of these arrangements, which represents the cost to settle these contracts, was a gain \$0.1 million at December 31, 2012.

At December 31, 2012, the Company performed a sensitivity analysis on the effect that aggregate changes in the translation effect of foreign currency exchange rate changes would have on our operating income. Based on this sensitivity analysis, we have determined that a change in the value of the U.S. dollar relative to currencies outside the U.S. by 10% to amounts already incorporated in the financial statements for the year ended December 31, 2012 would have had less than \$0.1 million impact on the translation effect of foreign currency exchange rate changes already included in our reported operating income for the period.

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Interest Rate Risk

The Company is exposed to interest rate volatility with regard to future issuances of fixed rate debt and existing issuances of variable rate debt. Primary exposure includes movements in the U.S. prime rate, the Canadian prime rate and EURIBOR. At December 31, 2012, the Company had approximately \$42.5 million of variable interest debt with average weighted average interest rate at year end of approximately 3.3%.

At December 31, 2012, the Company performed a sensitivity analysis to determine the impact that an increase in interest rates would have. Based on this sensitivity analysis, the Company has determined that an increase of 10% in our average floating interest rates at December 31, 2012 would increase interest expense by approximately \$0.1 million.

Commodities Risk

Principal materials and components that the Company uses in our various manufacturing processes include steel, castings, engines, tires, hydraulics, cylinders, drive trains, electric controls and motors, and a variety of other commodities and fabricated or manufactured items. Extreme movements in the cost and availability of these materials and components may affect the Company's financial performance. Changes in input costs did not have a significant effect on the Company's operating performance in 2012. The availability of certain components, especially during the first part of the year, may have delayed deliveries. The Company, however, does not believe that availability or lack of availability had any significant impact on the Company's 2012 full year results.

In the absence of labor strikes or other unusual circumstances, substantially all materials and components are normally available from multiple suppliers. However, certain of our businesses receive materials and components from a single source supplier, although alternative suppliers of such materials may be generally available. Current and potential suppliers are evaluated on a regular basis on their ability to meet our requirements and standards. The Company actively manages our material supply sourcing, and may employ various methods to limit risk associated with commodity cost fluctuations and availability. The inability of suppliers, especially any single source suppliers for a particular business, to deliver materials and components promptly could result in production delays and increased costs to manufacture the Company's products. To mitigate the impact of these risks, the Company continues to search for acceptable alternative supply sources and less expensive supply options on a regular basis, including improving the globalization.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The report of the Company's independent registered public accounting firm and the Company's Consolidated Financial Statements are filed pursuant to this Item 8 and are included in this report. See the Index to Financial Statements.

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Index to Financial Statements

The financial statements of the registrant required to be included in Item 8 are listed below:

	<u>Page Reference</u>
Report of Independent Registered Public Accounting Firm	44
Consolidated Financial Statements:	
Consolidated Balance Sheets as of December 31, 2012 and 2011	46
Consolidated Statements of Income for the Years Ended December 31, 2012, 2011 and 2010	47
Consolidated Statements of Comprehensive Income for the Years Ended December 31, 2012, 2011 and 2010	48
Consolidated Statements of Shareholders' Equity for Years Ended December 31, 2012, 2011 and 2010	49
Consolidated Statements of Cash Flows for the Years Ended December 31, 2012, 2011 and 2010	50
Notes to Consolidated Financial Statements	51-86

Report of Independent Registered Public Accounting Firm

To the Board of Directors and
Shareholders of Manitex International, Inc.

We have audited the accompanying consolidated balance sheets of Manitex International, Inc. and Subsidiaries as of December 31, 2012 and 2011, and the related consolidated statements of income, comprehensive income, shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2012. We also have audited Manitex International, Inc.'s internal control over financial reporting as of December 31, 2012, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Manitex International, Inc.'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 the accompanying Form 10-K Annual Report. Our responsibility is to express an opinion on these financial statements and an opinion on the company's internal control over financial reporting based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). 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 and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the consolidated financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall consolidated financial statement presentation. 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.

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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) 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 (3) 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.

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In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Manitex International, Inc. and Subsidiaries as of December 31, 2012 and 2011, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 2012, in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, Manitex International, Inc. and Subsidiaries maintained, in all material respects, effective internal control over financial reporting as of December 31, 2012, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

/s/ UHY LLP

UHY LLP

Sterling Heights, Michigan
March 14, 2013

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MANITEX INTERNATIONAL, INC.
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)

As of December 31,

	2012	2011
ASSETS		
Current assets		
Cash	\$ 1,889	\$ 71
Trade receivables (net)	36,189	23,913
Accounts receivable finance	276	394
Other receivables	2,761	2,284
Inventory (net)	61,290	42,307
Deferred tax asset	1,166	923
Prepaid expense and other	1,206	1,317
Total current assets	104,777	71,209
Accounts receivable finance	307	557
Total fixed assets (net)	10,297	11,017
Intangible assets (net)	18,442	20,153
Deferred tax asset	2,259	3,238
Goodwill	15,283	15,267
Other long-term assets	139	150
Total assets	\$151,504	\$121,591
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Notes payable—short term	\$ 6,218	\$ 5,349
Revolving credit facilities	875	—
Current portion of capital lease obligations	1,040	634
Accounts payable	25,101	18,421
Accounts payable related parties	839	470
Accrued expenses	7,745	4,946
Other current liabilities	1,533	357
Total current liabilities	43,351	30,177
Long-term liabilities		
Revolving term credit facilities	34,357	25,874
Deferred tax liability	4,269	4,825
Notes payable	2,648	6,335
Capital lease obligations	4,000	4,035
Deferred gain on sale of building	2,028	2,408
Other long-term liabilities	1,318	1,143
Total long-term liabilities	48,620	44,620
Total liabilities	91,971	74,797
Commitments and contingencies		
Shareholders' equity		
Preferred Stock—Authorized 150,000 shares, no shares issued or outstanding at December 31, 2012 and December 31, 2011	—	—
Common Stock—no par value, authorized, 20,000,000 shares authorized issued and outstanding, 12,268,443 and 11,681,051 at December 31, 2012 and December 31, 2011, respectively	53,040	48,571
Warrants	—	232
Paid in capital	1,098	1,098
Retained earnings (deficit)	4,679	(3,368)
Accumulated other comprehensive income	716	261
Total shareholders' equity	59,533	46,794
Total liabilities and shareholders' equity	\$151,504	\$121,591

The accompanying notes are an integral part of these financial statements

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MANITEX INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per share data)

For the years ended December 31,

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Net revenues	\$ 205,249	\$ 142,291	\$ 95,875
Cost of sales	164,785	113,041	72,541
Gross profit	40,464	29,250	23,334
Operating expenses			
Research and development costs	2,457	1,571	1,173
Selling, general and administrative expense	23,548	19,895	16,624
Legal settlement (at net present value)	—	1,183	—
Total operating expenses	26,005	22,649	17,797
Operating income	14,459	6,601	5,537
Other income (expense)			
Interest expense	(2,457)	(2,540)	(2,450)
Foreign currency transaction (loss) gain	(110)	49	(65)
Other income	6	103	113
Total other expense	(2,561)	(2,388)	(2,402)
Income before income taxes	11,898	4,213	3,135
Provision for taxes on income	3,821	1,433	1,026
Net income	\$ 8,077	\$ 2,780	\$ 2,109
Earnings per share :			
Basic	\$ 0.68	\$ 0.24	\$ 0.19
Diluted	\$ 0.68	\$ 0.24	\$ 0.19
Weighted average common shares outstanding:			
Basic	11,948,356	11,441,914	11,362,361
Diluted	11,957,458	11,548,158	11,380,966

The accompanying notes are an integral part of these financial statements

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MANITEX INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands)

For the years ended December 31,

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Net income:	<u>\$8,077</u>	<u>\$2,780</u>	<u>\$2,109</u>
Other comprehensive income (loss)			
Foreign currency translation adjustments	429	(384)	242
Derivative instrument fair market value adjustments—net of income taxes of \$13, \$(33) and \$19 for 2012, 2011 and 2010, respectively	<u>26</u>	<u>(63)</u>	<u>37</u>
Total other comprehensive (loss) income	<u>455</u>	<u>(447)</u>	<u>279</u>
Comprehensive income	<u>\$8,532</u>	<u>\$2,333</u>	<u>\$2,388</u>

The accompanying notes are an integral part of these financial statements

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MANITEX INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

Years ended December 31, 2012, 2011 and 2010

(In thousands, except per share data)

	Common Stock		Paid in Capital	Warrants	Retained Earnings (Deficit)	Accumulated Other Comprehensive Income (Loss)	Total
Balance, December 31, 2009	<u>11,160,455</u>	<u>\$46,375</u>	<u>\$ 93</u>	<u>\$ 1,788</u>	<u>\$(8,257)</u>	<u>\$ 429</u>	<u>\$40,428</u>
Share issued to repay debt	195,545	400					400
Employee 2004 incentive plan grant	47,451	165	(87)				78
Repurchase to satisfy withholding and cancelled	(8,830)	(20)					(20)
Net Income					2,109		2,109
Gain on foreign currency translation						242	242
Derivative instrument fair market adjustment—net of income taxes						37	37
Balance, December 31, 2010	<u>11,394,621</u>	<u>\$46,920</u>	<u>\$ 6</u>	<u>\$ 1,788</u>	<u>\$(6,148)</u>	<u>\$ 708</u>	<u>\$43,274</u>
Shares issued on warrant exercise	266,568	1,554		(458)			1,096
Expiration of warrants			1,098	(1,098)			—
Employee 2004 incentive plan grant	22,927	109	(6)				103
Repurchase to satisfy withholding and cancelled	(3,065)	(12)					(12)
Net Income					2,780		2,780
Loss on foreign currency translation						(384)	(384)
Derivative instrument fair market adjustment—net of income taxes						(63)	(63)
Balance, December 31, 2011	<u>11,681,051</u>	<u>\$48,571</u>	<u>\$1,098</u>	<u>\$ 232</u>	<u>\$(3,368)</u>	<u>\$ 261</u>	<u>\$46,794</u>
Shares issued on warrant exercise	105,000	986		(232)			754
Repurchase shares in connection with a cashless warrant exercise	(77,071)	(724)			(30)		(754)
Stock offering	500,000	3,781					3,781
Employee 2004 incentive plan grant	30,351	226					226
Stock issued in connection with asset purchase (see Note 21)	29,112	200					200
Net Income					8,077		8,077
Gain on foreign currency translation						429	429
Derivative instrument fair market adjustment—net of income taxes						26	26
Balance, December 31, 2012	<u>12,268,443</u>	<u>\$53,040</u>	<u>\$1,098</u>	<u>\$ —</u>	<u>\$ 4,679</u>	<u>\$ 716</u>	<u>\$59,533</u>

The accompanying notes are an integral part of these financial statements

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MANITEX INTERNATIONAL, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
(Thousands of Dollars)

For the years ended December 31,

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Cash flows from operating activities:			
Net income	\$ 8,077	\$ 2,780	\$ 2,109
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation and amortization	3,498	3,336	3,139
Legal settlement	—	1,183	—
Provisions for customer allowances	17	25	67
Gain on debt restructuring	—	(194)	—
(Gain) loss on disposal of assets	(119)	62	(39)
Deferred income taxes	181	1,089	93
Inventory reserves	1	316	123
Reserves for uncertain tax positions	183	—	(39)
Stock based deferred compensation	226	104	78
Changes in operating assets and liabilities:			
(Increase) decrease in accounts receivable	(12,494)	(5,597)	(9,785)
(Increase) decrease in accounts receivable finance	378	(927)	—
(Increase) decrease in inventory	(17,187)	(12,484)	(3,002)
(Increase) decrease in prepaid expenses	117	389	(793)
(Increase) decrease in other assets	11	(99)	34
Increase (decrease) in accounts payable	6,702	4,297	5,539
Increase (decrease) in accrued expense	2,765	478	2,135
Increase (decrease) in other current liabilities	1,168	(165)	438
Increase (decrease) in other long-term liabilities	(8)	—	—
Net cash (used) for provided by operating activities	<u>(6,484)</u>	<u>(5,407)</u>	<u>97</u>
Cash flows from investing activities:			
Proceeds from sale of fixed assets	212	289	216
Purchase of property and equipment	(1,125)	(610)	(511)
Acquisition of assets	(345)	(1,585)	—
Investment in intangibles except goodwill	—	(12)	—
Net cash used for investing activities	<u>(1,258)</u>	<u>(1,918)</u>	<u>(295)</u>
Cash flows from financing activities:			
Borrowing on revolving credit facility	9,221	6,009	4,077
Repayment on revolving credit facility	—	—	(1,107)
Net borrowings on working capital facilities	4,181	1,600	202
Proceeds of stock offering	3,781	—	—
Proceeds from exercise of warrants	—	1,096	—
New borrowings—notes payable	764	4,647	1,007
Note payments	(7,884)	(5,868)	(3,016)
Shares repurchased for income tax withholding on share-based compensation	—	(12)	(20)
Repayment on capital lease obligations	(795)	(578)	(529)
Net cash provided by financing activities	<u>9,268</u>	<u>6,894</u>	<u>614</u>
Effect of exchange rate change on cash	292	(160)	(41)
Net increase (decrease) in cash and cash equivalents	1,526	(431)	416
Cash and cash equivalents at the beginning of the year	71	662	287
Cash and cash equivalents at end of year	<u>\$ 1,889</u>	<u>\$ 71</u>	<u>\$ 662</u>
Supplemental disclosure of cash flow information:			
Cash paid during the year for			

Interest	\$ 2,498	\$ 2,552	\$ 2,443
Income taxes	\$ 2,067	\$ 1,247	\$ 65

(See note 16 for other supplemental cash flow information)

The accompanying notes are an integral part of these financial statements

Note 1. Nature of Operations

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

Lifting Equipment Segment

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

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

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

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

Equipment distribution segment

The Company operates a crane dealership that distributes Terex rough terrain and truck cranes and Manitek boom trucks and sky cranes. The Company treats these operations as a separate reporting segment entitled "Equipment Distribution." The Equipment Distribution segment also supplies repair parts for a wide variety of medium to heavy duty construction equipment sold both domestically and internationally. The crane products are used primarily for infrastructure development and commercial construction; applications include road and bridge construction, general contracting, roofing, and sign construction and maintenance.

In the second quarter of 2010, we expanded our Equipment Distribution segment by creating a new division, North American Equipment Exchange, ("NAEE") to market previously-owned construction and heavy equipment, domestically and internationally. This division provides a wide range of used lifting and construction equipment of various ages and condition, and the Company has the capability to refurbish the equipment to the customers' specification.

Note 2. Basis of Presentation

The consolidated financial statements, included herein, have been prepared by the Company pursuant to the rules and regulations of the United States Securities and Exchange Commission. Pursuant to these rules and

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regulations, the financial statements are prepared in accordance with accounting principles generally accepted in the United States of America. The consolidated financial statement includes the accounts of Manitex International, Inc., and its subsidiaries. Significant intercompany transactions have been eliminated in consolidation. Results for CVS are included in operations from its date of incorporation in June 2010. Beginning in the third quarter 2010, CVS Ferrari, srl commenced operations and used the rental assets in its operations. On June 29, 2011, the Company entered into an agreement which was effective on July 1, 2011 with CVS SpA in Liquidation to acquire the assets that were being rented. On July 1, 2011 the Company began to depreciate and amortize the tangible and intangible assets that it acquired from CVS SpA in Liquidation.

Financial statements are presented in thousands of dollars except for per share amounts.

Note 3. Summary of Significant Accounting Policies

The summary of significant accounting policies of Manitex International, Inc. is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Cash and Cash Equivalents —For purposes of the statement of cash flows, the Company considers all short-term securities purchased with maturity dates of three months or less to be cash equivalents.

Warrants —The Company had issued warrants, which allowed the warrant holder to purchase one share of stock at a specified price for a specific period of time. The Company records equity instruments including warrants issued to non-employees based on the fair value at date of issue. The fair value of the warrants at date of issuance is estimated using the Black-Scholes Model.

Revenue Recognition —For products shipped FOB destination, sales are recognized when the product reaches its FOB destination, or when the services are rendered, which represents the point when the risks and rewards of ownership are transferred to the customer. For products shipped FOB shipping point, revenue is recognized when the product is shipped, as this is the point when title and risk of loss pass from the Company to the customers.

Customers may be invoiced prior to the time customers take physical possession. Revenue is recognized in such cases only when the customer has a fixed commitment to purchase the units, the units have been completed, tested and made available to the customer for pickup or delivery, and the customer has authorized in writing that we hold the units for pickup or delivery at a time specified by the customer. In such cases, the units are invoiced under our customary billing terms, title to the units and risks of ownership pass to the customer upon invoicing, the units are segregated from our inventory and identified as belonging to the customer and we have no further obligations under the order.

The Company establishes reserves for future warranty expense at the point when revenue is recognized by the Company and is based on percentage of revenues. The provision for estimated warranty claims, which is included in cost of sales, is based on revenues.

Allowance for Doubtful Accounts —The Company has adopted a policy consistent with U.S. GAAP for the periodic review of its accounts receivable to determine whether the establishment of an allowance for doubtful accounts is warranted based on the Company's assessment of the collectability of the accounts. The Company established an allowance for bad debt of \$161 and \$144 at December 31, 2012 and 2011, respectively. The Company also has in some instances a security interest in its accounts receivable until payment is received.

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Property, Equipment and Depreciation—Property and equipment are stated at cost or the fair market value at date of acquisition for property and equipment acquired in connection with acquisition of a company. Depreciation of property and equipment is provided over the following useful lives:

<u>Asset Category</u>	<u>Depreciable Life</u>
Machinery and equipment	1 – 15 years
Furniture and fixtures	3 – 12 years
Leasehold improvements	1.5 – 12 years

Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. Depreciation expense for the years ended December 31, 2012, 2011, and 2010 was \$1,401, \$1,284, and \$1,107, respectively.

Other Intangible Assets—The Company accounts for Other Intangible Assets under the guidance of ASC 350, “Intangibles—Goodwill and Other”. The Company capitalizes certain costs related to patent technology. Additionally, a substantial portion of the purchase price related to the Company’s acquisitions has been assigned to patents or unpatented technology, trade name, customer backlog, and customer relationships. Under the guidance, Other Intangible Assets with definite lives are amortized over their estimated useful lives. Intangible assets with indefinite lives are tested annually for impairment.

Goodwill—Goodwill, representing the difference between the total purchase price and the fair value of assets (tangible and intangible) and liabilities at the date of acquisition is reviewed for impairment annually, and more frequently as circumstances warrant, and written down only in the period in which the recorded value of such assets exceed their fair value. The Company does not amortize goodwill in accordance with Financial Accounting Standards Board (the “FASB”) Accounting Standards Codification (“ASC”) 350, “Intangibles—Goodwill and Other” (“ASC 350”). The Company selected October 1 as the date for the required annual impairment test.

Goodwill is tested for impairment at the reporting unit level, which is defined as an operating segment or a component of an operating segment that constitutes a business for which discrete financial information with similar economic characteristics is available and the operating results are regularly reviewed by the Company’s management. The Company’s two operating segments comprise the reporting units for goodwill impairment testing purposes.

Under ASU 2011-08, entities are provided with the option of first performing a qualitative assessment on none, some, or all of its reporting units to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value. If after completing a qualitative analysis, it is determined that it is more likely than not that the fair value of a reporting unit is less than its carrying value a quantitative analysis is required. In 2011, the Company determined on a qualitative basis, that it was not more likely than not that the fair value of the reporting units were less than its carrying value and the quantitative two-step process was not performed. In 2012, it was also determined on a qualitative basis, that it was not more likely than not that the fair value of the Lifting Equipment Segment was less than its carrying value, as such the quantitative two-step process was not performed for the Lifting Equipment Segment.

The quantitative goodwill impairment analysis is a two-step process. The first step used to identify potential impairment involves comparing each reporting unit’s estimated fair value to its carrying value, including goodwill.

The Company performed Step one quantitative testing for its Equipment Distribution Segment in 2012. In 2010 the Company performed Step one quantitative testing for both of the Lifting Equipment and Equipment distribution segments. The aforementioned mentioned Step one quantitative tests did not indicate impairment. During the first step, the Company evaluates goodwill for impairment using a business valuation method, which is calculated as of a measurement date by determining the present value of debt-free, after-tax projected future cash flows, discounted at the weighted average cost of capital of a hypothetical third party buyer. The market approach was also considered in evaluating the potential for impairment by calculating fair value based on

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multiples of earnings before interest, taxes, depreciation and amortization (EBITDA) of comparable, publicly traded companies. This analysis also did not indicate impairment. Moreover, the Company also observed implied EBITDA multiples from relatively recent merger and acquisition activity in the industry, which was used to test the reasonableness of the results.

The second step of the process involves the calculation of an implied fair value of goodwill for each reporting unit for which step one indicated impairment. The implied fair value of goodwill is determined by measuring the excess of the estimated fair value of the reporting unit over the estimated fair values of the individual assets, liabilities and identifiable intangibles as if the reporting unit was being acquired in a business combination. If the implied fair value of goodwill exceeds the carrying value of goodwill assigned to the reporting unit, there is no impairment. If the carrying value of goodwill assigned to a reporting unit exceeds the implied fair value of the goodwill, an impairment charge is recorded for the excess. An impairment loss cannot exceed the carrying value of goodwill assigned to a reporting unit and the subsequent reversal of goodwill impairment losses is not permitted.

The determination of fair value requires the Company to make significant estimates and assumptions. These estimates and assumptions primarily include, but are not limited to, revenue growth and operating earnings projections, discount rates, terminal growth rates, and required capital expenditure projections. Due to the inherent uncertainty involved in making these estimates, actual results could differ materially from those estimates. Deterioration in the market or actual results as compared with the projections may ultimately result in a future impairment. In the event, the Company determines that goodwill is impaired in the future the Company would need to recognize a non-cash impairment charge.

The Company did not have any impairment for the years ended December 31, 2012, 2011 and 2010.

Impairment of Long Lived Assets —The Company's policy is to assess the realizability of its long-lived assets, including intangible assets, and to evaluate such assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets (or group of assets) may not be recoverable. Impairment is determined to exist if the estimated future undiscounted cash flows are less than the carrying value. Future cash flow projections include assumptions for future sales levels, the impact of cost reduction programs, and the level of working capital needed to support each business. The amount of any impairment then recognized would be calculated as the difference between estimated fair value and the carrying value of the asset. The Company did not have any impairment for the years ended December 31, 2012, 2011 and 2010.

Inventory —Inventory consists of stock materials and equipment stated at the lower of cost (first in, first out) or market. All equipment classified as inventory is available for sale. The company records excess and obsolete inventory reserves. The estimated reserve is based upon specific identification of excess or obsolete inventories. Selling, general and administrative expenses are expensed as incurred and are not capitalized as a component of inventory.

Foreign Currency Translation and Transactions —The financial statements of the Company's non-U.S. subsidiaries are translated using the current exchange rate for assets and liabilities and the weighted-average exchange rate for the year for income and expense items. Resulting translation adjustments are recorded to accumulated other comprehensive income (OCI) as a component of shareholders' equity.

The Company converts receivables and payables denominated in other than the Company's functional currency at the exchange rate as of the balance sheet date. The resulting transaction exchange gains or losses, except for certain transaction gains or loss related to intercompany receivable and payables, are included in other income and expense. Transaction gains and losses related to intercompany receivables and payables not anticipated to be settled in the foreseeable future are excluded from the determination of net income and are recorded as a translation adjustment (with consideration to the tax effect) to accumulated other comprehensive income (OCI) as a component of shareholders' equity.

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Derivatives—Forward Currency Exchange Contracts —The Company enters into forward currency exchange contracts in relationship such that the exchange gains and losses on the assets and liabilities denominated in other than the reporting units' functional currency would be offset by the changes in the market value of the forward currency exchange contracts it holds. The forward currency exchange contracts that the Company has to offset existing assets and liabilities denominated in other than the reporting units' functional currency have been determined not to be considered a hedge under ASC 815-10. The Company records at the balance sheet date the forward currency exchange contracts at its market value with any associated gain or loss being recorded in current earnings. Both realized and unrealized gains and losses related to forward currency contracts are included in current earnings and are reflected in the Statement of Operations in the other income expense section on the line titled foreign currency transaction gain (loss).

The Company has entered into forward currency contracts to hedge certain future U.S. dollar sales of its Canadian Subsidiary. The forward currency contracts to hedge future sales are designated as cash flow hedges under ASC 815-10. As required, forward currency contracts are recognized as an asset or liability at fair value on the Company's Consolidated Balance Sheet. For derivative instruments that are designated and qualify as cash flow hedges, the effective portion of the gain or loss on the derivative is reported as a component of other comprehensive income and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings (date of sale). Gains or losses on cash flow hedges when recognized into income are included in net revenues. See note 6.

Credit Risk Concentrations —Financial instruments which potentially subject the Company to concentrations of credit risk consist primarily of cash, trade receivables and payables. The Company maintains its cash balances and marketable securities at banks located in Detroit, Michigan, Toronto, Canada as well as several separate Italian banks. Accounts in the United States are insured by the Federal Deposit Insurance Corporation up to \$250. At December 31, 2012 and 2011, the Company had uninsured balances of \$1,889 and \$70, respectively.

As of December 31, 2012, two customers accounted for 15% and 13% if the Company's total accounts receivable, respectively. As of December 31, 2011 no customers accounted for 10% or more of total Company's accounts receivable. In 2012, one customer accounted for 11% of total company revenue. In 2011, no one customer accounted for 10% or more of total company's revenues. In 2010, one customer accounted for 11% of total company's revenues. For 2012, 2011 and 2010, purchases from any single supplier did not exceed 10% of total purchases.

Research and Development Expenses . The Company expenses research and development costs, as incurred. For the periods ended December 31, 2012, 2011 and 2010 expenses were \$2,457, \$1,571, and \$1,173, respectively.

Advertising —Advertising costs are expensed as incurred and were \$517, \$475, and \$194 for the years ended December 31, 2012, 2011, and 2010, respectively.

Litigation Claims —In determining whether liabilities should be recorded for pending litigation claims, the Company must assess the allegations and the likelihood that it will successfully defend itself. When the Company believes it is probable that it will not prevail in a particular matter, it will then record an estimate of the amount of liability based, in part, on advice of outside legal counsel.

Shipping and Handling —The Company records the amount of shipping and handling costs billed to customers as revenue. The cost incurred for shipping and handling is included in the cost of sales.

Use of Estimates —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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes —The Company accounts for income taxes under the provisions of ASC 740 "Income Taxes," which requires recognition of income taxes based on amounts payable with respect to the current year and the effects of deferred taxes for the expected future tax consequences of events that have been included in the

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Company's financial statements or tax returns. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial accounting and tax basis of assets and liabilities, as well as for operating losses and tax credit carryforwards using enacted tax rates in effect for the year in which the differences are expected to reverse. Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not a tax benefit will not be realized.

ASC 740 also prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return, as well as guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income prior to the expiration of any net operating loss carryforwards. In 2010, the Company determined that a valuation allowance was no longer required as all of the Company's deferred tax assets were realizable on a more likely than not basis. See Note 15, Income Taxes, for further details.

Accrued Warranties—Warranty costs are accrued at the time revenue is recognized. The Company's products are typically sold with a warranty covering defects that arise during a fixed period of time. The specific warranty offered is a function of customer expectations and competitive forces. The Equipment Distribution segment does not accrue for warranty costs at the time of sales, as they are reimbursed by the manufacturers for any warranty that they provides to their customers.

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

Sale and Leaseback—In accordance with ASC 840-40 Sales-Leaseback Transactions, the Company has recorded deferred revenue in relationship to the sale and leaseback of one of the Company's operating facilities. As such, the gain on the sale of the land and building has been deferred and is being amortized on a straight line basis over the life of the lease.

Computation of EPS—Basic Earnings per Share ("EPS") was computed by dividing net income (loss) by the weighted average number of common shares outstanding during the period.

The number of shares related to options, warrants, restricted stock and similar instruments included in diluted EPS ("EPS") is based on the "Treasury Stock Method" prescribed in ASC 260-10, Earnings per Share. This method assumes theoretical repurchase of shares using proceeds of the respective stock option or warrant exercised, and for restricted stock the amount of compensation cost attributed to future services which has not yet been recognized and the amount of current and deferred tax benefit, if any, that would be credited to additional paid in capital upon the vesting of the restricted stock, at a price equal to the issuer's average stock price during the related earnings period. Accordingly, the number of shares includable in the calculation of EPS in respect of the stock options, warrants, restricted stock and similar instruments is dependent on this average stock price and will increase as the average stock price increases.

Stock Based Compensation—In accordance with ASC 718 Compensation-Stock Compensation, share-based payments to employees, including grants of restricted stock units, are measured at fair value as of the date of grant and are expensed in the consolidated statement of income over the service period (generally the vesting period).

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Comprehensive Income —“Reporting Comprehensive Income” requires reporting and displaying comprehensive income and its components. Comprehensive income includes, in addition to net earnings, other items that are reported as direct adjustments to shareholder’s equity. Currently, the comprehensive income adjustment required for the Company has two components. First is a foreign currency translation adjustment, the result of consolidating its foreign subsidiary. The second component is a derivative instrument fair market value adjustment (net of income taxes) related to forward currency contracts designated as a cash flow hedge.

For derivative instruments that are designated and qualify as cash flow hedges, the effective portion of the gain or loss on the derivative is reported as a component of other comprehensive income and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings (date of sale). See Note 6 for additional details.

Reclassifications —Certain reclassifications have been made to the 2011 and 2010 financial statements to conform to the 2012 presentation.

Business Combinations —The Company accounts for acquisitions in accordance with guidance found in ASC 805, Business Combinations. The guidance, effective January 1, 2009, requires consideration given, including contingent consideration, assets acquired and liabilities assumed to be valued at their fair market values at the acquisition date. The guidance further provides that: (1) in-process research and development will be recorded at fair value as an indefinite-lived intangible asset; (2) acquisition costs will generally be expensed as incurred, (3) restructuring costs associated with a business combination will generally be expensed subsequent to the acquisition date; and (4) changes in deferred tax asset valuation allowances and income tax uncertainties after the acquisition date generally will affect income tax expense.

ASC 805 requires that any excess of purchase price over fair value of assets acquired, including identifiable intangibles and liabilities assumed be recognized as goodwill. In accordance with ASC 805, any excess of fair value of acquired net assets, including identifiable intangibles assets, over the acquisition consideration results in a bargain purchase gain. Prior to recording a gain, the acquiring entity must reassess whether all acquired assets and assumed liabilities have been identified and recognized and perform re-measurements to verify that the consideration paid, assets acquired and liabilities assumed have been properly valued.

Note 4. Earnings per Common Share

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

	2012	2011	2010
Net Income per common share			
Basic	\$ 8,077	\$ 2,780	\$ 2,109
Diluted	\$ 8,077	\$ 2,780	\$ 2,109
Earnings per share			
Basic	\$ 0.68	\$ 0.24	\$ 0.19
Diluted	\$ 0.68	\$ 0.24	\$ 0.19
Weighted average common shares outstanding			
Basic	11,948,356	11,441,914	11,362,361
Diluted			
Basic	11,948,356	11,441,914	11,362,361
Dilutive effect of warrants	2,521	102,534	—
Dilutive effect of restricted stock units	6,581	3,710	18,605
	11,957,458	11,548,158	11,380,966

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Note 5. Fair Value Measurements

The Company adopted ASC 820-10 “Fair Value Measurements” effective January 1, 2008. The following tables set forth the Company’s financial assets and liabilities that were accounted for at fair value on a recurring basis as of December 31, 2012 and 2011 by level within the fair value hierarchy. As required by ASC 820-10 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 following is summary of items that the Company measures at fair value on a recurring basis:

	Fair Value at December 31, 2012			
	Level 1	Level 2	Level 3	Total
Assets:				
Forward currency exchange contracts	\$ —	\$ 137	\$ —	\$137
Total current assets at fair value	<u>\$ —</u>	<u>\$ 137</u>	<u>\$ —</u>	<u>\$137</u>
Liabilities:				
Forward currency exchange contracts	\$ —	\$ 13	\$ —	\$ 13
Total long-term liabilities at fair value	<u>\$ —</u>	<u>\$ 13</u>	<u>\$ —</u>	<u>\$ 13</u>
	Fair Value at December 31, 2011			
	Level 1	Level 2	Level 3	Total
Assets:				
Forward currency exchange contracts	\$ —	\$ 145	\$ —	\$145
Total current assets at fair value	<u>\$ —</u>	<u>\$ 145</u>	<u>\$ —</u>	<u>\$145</u>
Liabilities:				
Forward currency exchange contracts	\$ —	\$ 77	\$ —	\$ 77
Load King contingent consideration (1)	—	—	30	30
Total long-term liabilities at fair value	<u>\$ —</u>	<u>\$ 77</u>	<u>\$ 30</u>	<u>\$107</u>

- (1) The Load King purchase agreement has a contingent consideration provision which provides for a one-time payment of \$750 if net revenues are equal to or greater than \$30,000 in 2010, 2011 or 2012. It was determined that the probability weighted average earn out payment is \$30. Based thereon, we determined the fair value of the contingent consideration to be \$30. During the quarter ended March 31, 2012, the Company determined that the sales would not equal or exceed \$30,000 for any of the three years and, therefore, eliminated the accrual for contingent consideration. There were no other charges to items valued using level 3 measurements.

In addition, the Company recorded a legal settlement payable over twenty years without interest at its net present value (fair market value) in December 2011 when the Company entered into the settlement agreements. Once recorded this liability is not subject to future fair market value adjustments.

	Fair Value at December 31, 2011			
	Level 1	Level 2	Level 3	Total
	<u>\$ —</u>	<u>\$ —</u>	<u>\$1,075</u>	<u>\$1,075</u>

In accordance with current accounting guidance, a liability for the legal settlement was recorded at the present value of future payments discounted at a market interest rate. The discount rate used was management’s estimate of what a market interest rate would be on similar obligations. In making its determination management considered, the Company’s credit rating and the length of the obligation.

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The carrying value of the amounts reported in the Consolidated Balance Sheets for cash, accounts receivable, accounts payable and short-term variable debt, including any amounts outstanding under the Company's revolving credit facilities and working capital borrowing, approximate fair value, without being discounted, due to the short periods during which these amounts are outstanding.

The fair value of the Company's term debt was \$2,800 and \$10,125 for the years ended December 31, 2012 and 2011, respectively. The fair value of the Company capital lease was \$6,200 and \$5,900 for the years ended December 31, 2012 and 2011, respectively. The fair value of the long-term legal settlement was \$1,049 and \$1,075, at December 31, 2012 and 2011, respectively.

Fair Value Measurements

ASC 820-10 classifies the inputs used to measure fair value into the following hierarchy:

- Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 - Quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability; and
- Level 3 - Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity)

Fair value of the forward currency contracts are determined on the last day of each reporting period using observable inputs, which are supplied to the Company by the foreign currency trading operation of its bank and are Level 2 items.

Note 6. Derivative Financial Instruments

ASC 815-10 requires enhanced disclosures regarding an entity's derivative and hedging activities as provided below.

The Company's risk management objective is to use the most efficient and effective methods available to us to minimize, eliminate, reduce or transfer the risks which are associated with fluctuation of exchange rates between the Canadian and U.S. dollar. When the Company's Canadian subsidiary receives a significant new U.S. dollar order, management will evaluate different options that may be available to mitigate future currency exchange risks. The decision to hedge future sales is not automatic and is decided case by case. The Company will only use hedge instruments to hedge firm existing sales orders and not estimated exposure, when management determines that exchange risks exceeds desired risk tolerance levels.

The Company enters into forward currency exchange contracts in relationship such that the exchange gains and losses on the assets and liabilities denominated in other than the reporting units' functional currency would be offset by the changes in the market value of the forward currency exchange contracts it holds. The forward currency exchange contracts that the Company has to offset existing assets and liabilities denominated in other than the reporting units' functional currency have been determined not to be considered a hedge under ASC 815-10. The Company records at the balance sheet date the forward currency exchange contracts at its market value with any associated gain or loss being recorded in current earnings. Both realized and unrealized gains and losses related to forward currency contracts are included in current earnings and are reflected in the Statement of Income in the other income expense section on the line titled foreign currency transaction gains (losses). Items denominated in other than a reporting units functional currency includes U.S. denominated accounts receivables and accounts payable held by our Canadian subsidiary.

Beginning in the second quarter 2009, the Company entered into forward currency contracts to hedge certain future U.S. dollar sales of its Canadian subsidiary. The decision, to hedge future sales is not automatic and is decided case by case. The forward currency contracts to hedge future sales are designated as cash flow hedges under ASC 815-10.

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As required, forward currency contracts are recognized as an asset or liability at fair value on the Company's Consolidated Balance Sheet. For derivative instruments that are designated and qualify as cash flow hedges, the effective portion of the gain or loss on the derivative is reported as a component of other comprehensive income and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings (date of sale). Gains or losses on cash flow hedges when recognized into income are included in net revenues. Gains and losses on the derivative instruments representing either hedge ineffectiveness or hedge components excluded from the assessment of effectiveness are recognized in current earnings. The Company expects minimal ineffectiveness as the Company has hedged only firm sales orders and has not hedged estimated exposures. As of December 31, 2012, the Company had no outstanding forward currency contracts that were in place to hedge future sales. Therefore, there are currently no unrealized pre-tax gains or loss which will be reclassified from other comprehensive income into earnings during the next 12 months.

At December 31, 2012, the Company had entered into a series of forward currency exchange contracts. The contracts obligate the Company to purchase approximately CDN \$2,067 in total. The contracts, which are in various amounts, mature between January 14, 2013 and March 11, 2013. Under the contracts, the Company will purchase Canadian dollars at exchange rates between 0.9663 and 1.0248. The Canadian to US dollar exchange rate was \$1.0051 at December 31, 2012. At December 31, 2012, the Company had forward currency contracts to sell €800 at 1.4240 and €400 at 1.2923 with contract maturity dates of July 2, 2013 and January 31, 2013, respectively. The Euro to US dollar exchange rate was 1.3194 at December 31, 2012. The unrealized currency exchange asset is reported under prepaid expense and other if it is an asset or under accrued expenses if it is a liability on the balance sheet at December 31, 2012 and 2011.

As of December 31, 2012, the Company had the following forward currency contracts:

<u>Nature of Derivative</u>	<u>Amount</u>	<u>Type</u>
Forward currency contract	CDN\$ 2,067	Not designated as hedge instrument
Forward currency contract	€ 1,200	Not designated as hedge instrument

The following table provides the location and fair value amounts of derivative instruments that are reported in the Consolidated Balance Sheet as of December 31, 2012 and 2011:

Total derivatives not designated as a hedge instrument

<u>Asset Derivatives</u>	<u>Balance Sheet Location</u>	<u>Fair Value</u>	
		<u>December 31, 2012</u>	<u>December 31, 2011</u>
Foreign currency Exchange Contract	Prepaid expense and other	\$ 137	\$ 114
<u>Liabilities Derivatives</u>			
Foreign currency Exchange Contract	Accrued expense	\$ (13)	\$ (7)

Total derivatives designated as a hedge instrument

<u>Asset Derivatives</u>	<u>Balance Sheet Location</u>	<u>Fair Value</u>	
		<u>December 31, 2012</u>	<u>December 31, 2011</u>
Foreign currency Exchange Contract	Prepaid expense and other	\$ —	\$ 31
<u>Liabilities Derivatives</u>			
Foreign currency Exchange Contract	Accrued expense	\$ —	\$ (70)

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The following tables provide the effect of derivative instruments on the Consolidated Statement of Income for 2012, 2011 and 2010:

<u>Derivatives not designated as Hedge Instrument</u>	<u>Location of gain or (loss) recognized in Income Statement</u>	<u>Gain or (loss)</u>		
		<u>2012</u>	<u>2011</u>	<u>2010</u>
Forward currency contracts	Foreign currency transaction gains (losses)	\$ 5	\$ (17)	\$(80)

<u>Derivatives designated as Hedge Instrument</u>	<u>Location of gain or (loss) recognized in Income Statement</u>	<u>Gain or (loss)</u>		
		<u>2012</u>	<u>2011</u>	<u>2010</u>
Forward currency contracts	Net revenue	\$71	\$100	\$(62)

The effect of derivative instruments on the Consolidated Statements of Income for the twelve months ended December 31, 2012 and gains or losses initially recognized in Other Comprehensive Income (“OCI”) in the Consolidated Balance Sheets was as follows:

Derivatives designated as Hedge Instrument

<u>Forward Exchange contracts</u>	<u>Amounts of gains or (loss) recognized in OCI net of tax</u>	<u>Location of gain or (loss) reclassified from OCI in income</u>	<u>Amount of gain or (loss) reclassified from Accumulated OCI in Income</u>
Year ended December 31, 2012	\$ 73	Revenue	\$ 71
Year ended December 31, 2011	\$ 1	Revenue	\$ 100

Note 7. CVS Operating Agreement

Manitex International, Inc. announced on June 30, 2010, that its newly formed Italian subsidiary, CVS Ferrari, srl, had entered into an agreement which allows CVS Ferrari srl to use certain assets of CVS SpA on an exclusive rental basis, during the Italian bankruptcy process (concordato preventivo). CVS SpA was located near Milan, Italy and designed and manufactured a range of reach stackers and associated lifting equipment for the global container handling market, which were sold through a broad dealer network.

During July 2010 the Italian court administrator of CVS SpA approved the Company’s agreement to use certain assets of CVS SpA. This agreement is on a monthly rental fee basis and is for a duration of up to two years as the Italian insolvency process, “concordato preventivo” proceeds. Under this process, the creditors of CVS SpA and the court administrator will determine the resolution of the insolvency of CVS SpA. The administrator can elect to sell the assets of CVS SpA either in whole or piecemeal. Under the agreement, CVS Ferrari srl can use the rented CVS SpA assets for its own benefit but must return the assets at the expiration of the agreement. Also included, and subject to the agreement of the creditors, and the court process, was an offer to purchase the rental assets.

On June 29, 2011, the Company entered into an agreement with CVS SpA in Liquidation to purchase on July 1, 2011 the assets that were being rented. The operating agreement was terminated on July 1, 2011, when the rented assets were transferred to CVS Ferrari srl. See Note 20 for further details.

Note 8. Sale Type Leases

The Company has entered into lease agreements with two of its customers to lease them three reach stackers. The Company has determined that the leases which, expire on June 15, 2013 and January 15, 2014, are both sales type leases.

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Under the leases the Company is to receive minimum lease payments of:

<u>Years</u>	<u>Amount</u>
2013	276
2014	307
Receivable finance	<u>\$ 583</u>

The Company has a reserve for unearned interest income of \$33, which will be amortized into income over the life of the leases.

Note 9. Inventory

The components of inventory at December 31 are summarized as follows:

	<u>2012</u>	<u>2011</u>
Raw materials and purchased parts	\$43,207	\$31,599
Work in process	9,465	6,270
Finished goods and replacement parts	8,618	4,438
Inventories, net	<u>\$61,290</u>	<u>\$42,307</u>

The Company has established reserves for obsolete and excess inventory of \$700 and \$699 for the years ended December 31, 2012 and 2011, respectively.

Note 10. Property, Plant and Equipment

Property, plant and equipment consist of the following:

	<u>2012</u>	<u>2011</u>
Land	\$ 763	\$ 763
Buildings	8,342	8,313
Machinery and equipment	6,017	5,526
Furniture and fixtures	466	466
Leasehold improvements	717	405
Computer software & equipment	940	817
Motor vehicles	161	222
Construction in progress	34	—
Totals	<u>17,440</u>	<u>16,512</u>
Less: accumulated depreciation	<u>(7,143)</u>	<u>(5,495)</u>
Net property and equipment	<u>\$10,297</u>	<u>\$11,017</u>

Depreciation expense was \$1,401 (net of \$380 amortization of deferred gain on building), \$1,284 (net of \$380 amortization of deferred gain on building), and \$1,107 (net of \$381 amortization of deferred gain on building) in 2012, 2011, and 2010, respectively. See Note 14 for information regarding capital leases.

Note 11. Goodwill and Other Intangible Assets

The Company accounts for Other Intangible Assets under the guidance in ASC 350, Intangibles—Goodwill and Other. Under the guidance intangible assets with definite lives are amortized over their estimated useful lives. Indefinite lived intangible assets are subject to annual impairment testing. The Company capitalizes certain costs

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related to patent technology. Additionally, a substantial portion of the purchase price related to the Company's acquisitions has been assigned to patents or unpatented technology, trade name, customer backlog, and customer relationships. The intangibles acquired in acquisitions have been valued using a discounted flow approach. Intangibles, except goodwill, are being amortized over their estimated useful lives.

	<u>2012</u>	<u>2011</u>	<u>Useful Lives</u>
Patented and unpatented technology	\$13,154	\$12,695	7-10 years
Amortization	(7,429)	(6,144)	
Customer relationships	10,089	10,081	10-20 years
Amortization	(3,303)	(2,723)	
Trade names and trademarks	7,314	7,287	25 years -Indefinite
Amortization	(1,383)	(1,143)	
In process research and development	—	100	indefinite
Customer backlog	473	472	< 1 year
Amortization	(473)	(472)	
Intangible assets	18,442	20,153	
Goodwill	15,283	15,267	
Goodwill and other intangibles	<u>\$33,725</u>	<u>\$35,420</u>	

Amortization expense was \$ 2,097, \$2,052 and \$2,032 for the periods ended December 31, 2012, 2011 and 2010, respectively.

Estimated amortization expense for the next five years and subsequent is as follows:

	<u>Amount</u>
2013	2,158
2014	2,158
2015	2,158
2016	1,679
2017	1,135
And subsequent	7,835
Total intangibles currently to be amortized	<u>\$17,123</u>

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Note 12. Accrual Detail

	As of December 31,	
	2012	2011
Account payable:		
Trade	\$25,101	\$18,268
Bank overdraft	—	153
Total accounts payable	<u>\$25,101</u>	<u>\$18,421</u>
Accrued expenses:		
Accrued payroll	\$ 1,084	\$ 669
Accrued employee health	261	80
Accrued bonuses	1,838	1,007
Accrued vacation expense	384	348
Accrued consulting fees	—	263
Accrued deferred interest income	33	68
Accrued insurance premiums	266	65
Accrued interest	148	141
Accrued commissions	617	481
Accrued expenses—other	624	282
Accrued warranty	988	698
Accrued income taxes	1,160	80
Accrued taxes other than income taxes	242	574
Accrued product Liability and workers compensation claims	87	113
Accrued liability on forward currency exchange contracts	13	77
Total accrued expenses	<u>\$ 7,745</u>	<u>\$ 4,946</u>

Note 13. Revolving Term Credit Facilities and Debt

Revolving term Credit Facility

At December 31, 2012, the Company had drawn \$25,921 under a revolving credit facility. The Company is eligible to borrow up to \$32,000 with interest at the prime rate (prime was 3.25% at December 31, 2012). Alternatively, the Company can elect to take LIBOR based advances for a one, two or three month period, in which case interest is then equal to the applicable LIBOR interest rate plus 3.15%. At the end of specified period, the Company can elect to rollover the LIBOR based advance to another one, two or three month LIBOR based advance or can elect to convert the advance to a prime rate borrowing. The maximum amount available is limited to the sum of 85% of eligible receivables, and the lesser of 50% of eligible inventory or \$16,000, plus an over formula amount of \$1,500. The over formula amount is decreased by \$500 annually on April 1, 2013, 2014 and 2015. At December 31, 2012, the maximum the Company could borrow based on available collateral was capped at \$32,000. The credit facility matures on April 1, 2015. The indebtedness is collateralized by substantially all of the Company's assets. The facility contains customary limitations including, but not limited to, limitations on acquisitions, dividends, repurchase of the Company's stock and capital expenditures. The agreement also requires the Company to have a Debt Service Ratio, as defined in the agreement, of 1.25 to 1.0 and Funded Debt to EBITDA Ratio, as defined in the agreement, of no greater than 4.75 to 1.0 through March 31, 2013, and on June 30, 2013 and thereafter a ratio of no greater than 4.25 to 1.0.

The agreement also provides that the bank is to receive an unused credit line fee in an amount equal to one-eighth percent per annum payable quarterly in arrears.

The agreement permits the Company to issue unsecured guarantees of indebtedness owed by CVS Ferrari, srl to foreign banks in respect to working capital financing, not to exceed the lesser of \$7,500 or the amount of such financing. Additionally the agreement allows the Company to make or allow to remain outstanding any

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investment (whether such investment shall be of the character of investment of shares of stock, evidence of indebtedness or other securities or otherwise) in, or any loans or advances to CVS or to any other wholly-owned foreign subsidiary in an amount not to exceed \$6,500.

Revolving Canadian term Credit Facility

At December 31, 2012, the Company had drawn \$7,436 under a revolving credit agreement with a bank. The Company is eligible to borrow up to \$8,000. The maximum amount available is limited to the sum of (1) 85% of eligible receivables plus (2) 35% of eligible work-in-process inventory not to exceed \$625 and (3) 50% of eligible inventory excluding work in process inventory. Under the agreement, total inventory collateral, however, cannot exceed \$5,000. At December 31, 2012, the maximum the Company could borrow based on available collateral was \$8,000. The *in* indebtedness is collateralized by substantially all of Manitex Liftking ULC's assets. The Company can borrow in either U.S. or Canadian dollars. For the purposes of determining availability under the credit line, borrowings in U.S. dollars are converted to Canadian dollars based on the most favorable spot exchange rate determined by the bank to be available to it at the relevant time. Any borrowings under the facility in Canadian dollars bear interest at the Canadian prime rate (the Canadian prime was 3.0% at December 31, 2012) plus 0.5%. Any borrowings under the facility in U.S. dollars bear interest at the U.S. prime rate (prime was 3.25% at December 31, 2012). The credit facility has a maturity date of April 1, 2015.

Specialized Export Facility

On December 23, 2011, the Canadian Revolving Credit agreement was amended to add a \$2,000 Specialized Export Facility that matures on March 11, 2013. Borrowings under the Specialized Export Facility are guaranteed by the Company and Export Development Canada ("EDC"), a corporation established by an Act of Parliament of Canada. Under the Export Facility Liftking can borrow 90% of the total cost of material and labor incurred on export contracts which are subject to the EDC guarantee. The EDC guarantee, which expires on March 11, 2013, is issued under their export guarantee program and covers certain goods that are to be exported from Canada. At December 31, 2012, the maximum the Company could have borrowed based available collateral under the Specialized Export Facility was \$2,000. Under this facility, the Company can borrow either Canadian or U.S. dollars. The Export Facility advances bear interest at the same rate as other advances received under Liftking's revolving Canadian credit facility. Repayment of advances made under the Export Facility are due sixty days after shipment of the goods, or five business days after the borrower receives payment in full for the goods covered by the guarantee (the "Scheduled Payment Date") or upon the termination of the EDC guarantee. In connection with the Specialized Export Facility, the bank received a \$10 commitment fee and the Company reimbursed the bank in the amount of \$25 for a fee the bank paid to the EDC in exchange for their guarantee.

At December 31, 2012, the Company had outstanding borrowing in connection with the Specialized Export Facility of \$875.

On January 31, 2013, EDC extended its guarantee to April 1, 2014 and the Company amended its credit agreement with the bank to extend the maturity date of the facility to April 1, 2014. In connection with the extension the bank received a \$10 commitment fee.

Revolving term Credit Facility—Equipment Line

At December 31, 2012, the Company had drawn \$1,000 under a revolving credit facility with a bank. The Company is eligible to borrow up to \$1,000 with interest at prime rate (prime was 3.25% at December 31, 2012). Alternatively, the Company can elect to take LIBOR based advances for a one, two or three month period, in which case interest is then equal to the applicable LIBOR interest rate plus 3.15%. At the end of specified period, the Company can elect to rollover the LIBOR based advance to another one, two or three month LIBOR based advance or can elect to convert the advance to a prime rate borrowing. The maximum amount available is limited to of 85% of eligible equipment. The maximum the Company could borrow on December 31, 2012 based on available collateral was \$1,000. The credit facility has a maturity date of April 1, 2015.

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Note Payable—Terex

At December 31, 2012, the Company has a note payable to Terex Corporation with a remaining balance of \$750. The note was issued in connection with the purchase of substantially all of the domestic assets of Crane & Machinery, Inc. (“Crane”) and Schaeff Lift Truck, Inc., (“Schaeff”). The note provides bears interest at 6% annually and is payable quarterly. Terex has been granted a lien on and security interest in all of the assets of the Company’s Crane & Machinery Division.

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

Debt to Refinance Load King Acquisition Debt

On November 2, 2011, the Company’s Load King subsidiary borrowed \$1,258 and \$858 from a bank and BED (South Dakota Board of Economic Development), respectively. In connection with the borrowings, Load King executed three promissory notes. Promissory notes in the amount \$858 were delivered to the bank and BED. The aforementioned promissory notes are collateralized by a mortgage on the Company’s land and building located in Elk Point, South Dakota (“Bank Mortgage” and “BED Mortgage”). Additionally, Load King executed and delivered to the bank a \$400 promissory note, (“Equipment Note”) collateralized by the Company’s machinery and equipment located in Elk Point, South Dakota. The funds received in connection with the above borrowing were used to repay promissory note to Terex Corporation (“Terex”), which was issued in connection with the Load King acquisition.

Under the terms of the Bank Mortgage, the Company is required to make 120 interest and principal payments. The first sixty payments of \$6 per month are based on a 240 month amortization period and a 6% interest rate. On November 2, 2016, the interest rate will reset. The new interest rate will be equal to the monthly average yield on 5 Year Constant Maturity U.S. Treasury Securities plus 3.75%. The monthly interest and principal payment will be recalculated accordingly. A final balloon payment of unpaid principal and interest is due on November 2, 2021. At December 31, 2012, the Bank Mortgage has a remaining outstanding balance of \$833.

Under the terms of the BED Mortgage, the Company is required to make 59 payments of \$5 based on a 240 month amortization period and a 3% interest rate. A final balloon payment of unpaid principal and interest is due on November 2, 2016. The interest rate for the note is subject to Load King maintaining employment levels specified in an Employment Agreement between Load King and BED. If Load King fails to maintain agreed upon employment levels, Load King may be required to pay BED an amount equal to the difference between the interest paid and amount of interest that would have been paid if the loan had a 6.5% interest rate. At December 31, 2012, the BED Mortgage has a remaining outstanding balance of \$823.

Under the Equipment Note, the Company is required to make 84 monthly interest and principal payments. The first 60 payments will be for \$6 and are based on an 84 month amortization period and a 6.25% interest rate. On November 2, 2016, the interest rate will reset. The interest rate will be equal to the monthly average yield on 5 year Constant Maturity of U.S. Treasury Securities plus 4.00%. The monthly principal and interest payments will be recalculated based on the new interest rate and will remain fixed for the next 24 months. As of December 31, 2012, the Equipment Note has a remaining outstanding balance of \$349.

The Bank Mortgage, the BED Mortgage and the Equipment loans are guaranteed by Manitex International, Inc. and included customary events of default. In the event of default, the notes are subject to acceleration and a default interest rate as specified in the notes will apply.

CVS Short-Term Working Capital Borrowings

At December 31, 2012, CVS had established demand credit facilities with seven Italian banks. Under the facilities, CVS can borrow up to €130 (\$172) on an unsecured basis and up to an additional €7,385 (\$9,744) as

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advances against orders, invoices and letters of credit. Borrowing under the CVS credit facilities are guaranteed by the Company, except for one facility with maximum availability of €1,600 (\$2,111). The maximum amount outstanding is limited to 80% of the assigned accounts receivable if there is an invoice issued or 50% if there is an order/contract issued. The banks will evaluate each request to borrow individually and determine the allowable advance percentage and interest rate. In making its determination the bank considers the customer's credit and location of the customer.

At December 31, 2012, the banks had advanced CVS €4,631 (\$6,110), at variable interest rates which currently range from 2.09% to 5.19%. At December 31, 2012, the Company has guaranteed €4,367 (\$5,762) of CVS's outstanding debt. Additionally, the banks had issued performance bonds which total €542 (\$715) which are also guaranteed by the Company.

Note 14. Leases

Capital leases

The Company has a twelve year lease which expires in April 2018 that provides for monthly lease payments of \$74 for its Georgetown, Texas facility. The lease has been classified as a capital lease. At December 31, 2012, the outstanding capital lease obligation is \$3,121.

The Company has a five year lease which expires in July 10, 2014 that provides for monthly lease payments of \$25 for its Winona, Minnesota facility. At the conclusion of the lease, the Company has an option to purchase the facility for \$500 by giving notice to Landlord of its intent to purchase the Facility. The Landlord must receive such notice at least three months prior to end of the Lease term. At December 31, 2012, the Company has outstanding capital lease obligation of \$890.

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

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

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

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

	<u>Amount Borrowed</u>	<u>Repayment Period</u>	<u>Amount of Monthly Payment</u>	<u>Balance As of December 31, 2012</u>
New equipment	\$ 225	60	\$ 4	\$ 196
Used equipment	\$ 941	36	\$ 28	\$ 809
Total	\$ 1,166		\$ 32	\$ 1,005

The Company has one additional capital lease. The lease is a 72 month lease for a forklift which expires on July 20, 2015 that provides for monthly leases payments of \$1. As of December 31, 2012, the capitalized lease obligation related to aforementioned lease was \$25.

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Future Minimum Lease Payments are:

<u>Years</u>	<u>Operating Leases</u>	<u>Capital Leases</u>
2013	\$ 1,372	\$ 1,589
2014	1,318	1,946
2015	836	1,143
2016	678	938
2017	281	904
Subsequent	—	296
Total Minimum Lease Payments	\$ 4,485	6,816
Less: imputed interest		(1,776)
Present value of minimum lease payment		\$ 5,040

<u>Capital Item – as of or for the year ended December 31, 2012</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Depreciation Expense</u>	<u>Interest Expense</u>
Building—Georgetown, TX	\$4,913	\$ 2,699	\$ 35	\$ 495
Land & Building—Winona, MN	1,700	198	57	62
Other Capitalized leases	51	25	7	2
Totals	<u>\$6,664</u>	<u>\$ 2,922</u>	<u>\$ 99</u>	<u>\$ 559</u>

<u>Capital Item – as of or for the year ended December 31, 2011</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Depreciation Expense</u>	<u>Interest Expense</u>
Building—Georgetown, TX	\$4,913	\$ 2,284	\$ 35	\$ 522
Land & Building—Winona, MN	1,700	141	57	77
Other Capitalized leases	51	18	7	3
Totals	<u>\$6,664</u>	<u>\$ 2,443</u>	<u>\$ 99</u>	<u>\$ 602</u>

Sales and Leaseback—In accordance with ASC 840-40 Sales- Leaseback Transaction, at December 31, 2012 and 2011, the Company has deferred gain of \$2,028 and \$2,408, respectively, related to the sale and leaseback of Georgetown operating facilities. The deferred gain is being amortized over the life of the lease which reduces depreciation expense \$380 annually.

Operating leases

The Company leases its Woodbridge, Ontario facility under an operating lease. Monthly payments under the lease are \$40. The lease expires on November 29, 2014. The Company has an option to renew the lease for an additional five years at a rent which is mutually agreed. In the event that the parties cannot agree the lease has an arbitration provision. Total rent expense related to this lease was \$483, \$492 and \$480 for the year ended December 31, 2012, 2011 and 2010, respectively.

The Company leases its 40,000 sq. ft. Bridgeview facility from an entity controlled by Mr. David Langevin, the Company's Chairman and CEO. Pursuant to the terms of the lease, the Company makes monthly lease payments of \$21. The Company is also responsible for all the associated operations expenses, including insurance, property taxes, and repairs. The lease will expire on June 30, 2016 and has a provision for six one year extension periods. The lease contains a rental escalation clause under which annual rent is increased during the initial lease term by the lesser of the increase in the Consumer Price Increase or 2.0%. Rent for any extension period shall, however, be the then-market rate for similar industrial buildings within the market area.

The Company has the option to purchase the building by giving the landlord written notice at any time prior to the date that is 180 days prior to the expiration of the lease or any extension period. The landlord can require the

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Company to purchase the building if a change of Control Event, as defined in the lease, occurs by giving written notice to the Company at any time prior to the date that is 180 days prior to the expiration of the lease or any extension period. The purchase price, regardless whether the purchase is initiated by the Company or the landlord, will be the Fair Market Value as of the closing date of said sale. Rent expense for the current and former Bridgeview facility was \$247, \$240 and \$322 for the years ended December 31, 2012, 2011 and 2010, respectively.

The Company leases its 103,000 sq. ft. facility in Cadeo, Italy from Fratelli Ferrari Realty. The lease which was executed on June 30, 2011 is for six years and provides annual rent of €360 (\$466) payable in monthly installments. The Company has an option to renew the lease for an additional six years at a rent which is mutually agreed. The Company has a conditional commitment to purchase the building on June 30, 2014 for €9,200. The commitment to purchase the building is contingent on CVS Ferrari srl being able to secure a mortgage on market terms for 75% of the purchase price.

The Company has various operating equipment leases with monthly payments ranging from less than \$1 to \$4 with various expiration dates through 2017. Total rent expense under these additional leases was \$272, \$199, and \$203 for the years ended December 31, 2012, 2011, and 2010.

Note 15. Income Taxes

Information pertaining to the Company's income before income taxes is as follows:

	Year ended December 31,		
	2012	2011	2010
Net income from continuing operations before income taxes:			
Domestic	\$11,316	\$3,460	\$ 267
Foreign	582	753	2,868
Total net income before income taxes	<u>\$11,898</u>	<u>\$4,213</u>	<u>\$3,135</u>

Information pertaining to the Company's provision (benefit) for income taxes is as follows:

	Year ended December 31,		
	2012	2011	2010
Provision (benefit) for income taxes:			
Current:			
Federal	\$2,784	\$ (35)	\$ (8)
State and local	227	52	(33)
Foreign	535	332	977
	<u>3,546</u>	<u>349</u>	<u>936</u>
Deferred:			
Federal	670	1,077	162
State and local	(378)	(7)	(9)
Foreign	(18)	14	(63)
	<u>274</u>	<u>1,084</u>	<u>90</u>
Total provision for income taxes	<u>\$3,820</u>	<u>\$1,433</u>	<u>\$1,026</u>

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Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and income tax purposes. Significant components of the Company's deferred tax assets and liabilities are as follows:

	Year ended December 31,	
	2012	2011
Deferred tax assets:		
Current:		
Accrued expenses and other liabilities	\$1,166	\$ 923
Long-term:		
Other liabilities	455	427
Deferred gain	703	843
State net operating loss carryforwards	7	1,037
Tax credit carryforwards	883	814
Unrealized foreign currency loss	211	117
Total deferred tax asset	3,425	4,161
Valuation allowance	—	—
Total deferred tax asset net of valuation allowance	3,425	4,161
Deferred tax liabilities:		
Long-term:		
Property, plant and equipment	542	676
Intangibles	3,727	4,149
Total deferred tax liability	4,269	4,825
Net deferred tax liability	<u>\$ (844)</u>	<u>\$ (664)</u>

The Company has not provided for the United States income or the foreign withholding taxes on the undistributed earnings of its subsidiaries operating outside of the United States. It is the Company's intention to reinvest those earnings permanently, and accordingly, it is not practicable to estimate the amount of tax that might be payable.

The effective tax rate before income taxes varies from the current U.S. federal statutory income tax rate as follows:

	Year ended December 31,	
	2012	2011
Statutory rate	34.00%	34.00%
State and local taxes	0.39	1.05
Permanent differences	-2.42	0.37
Tax credits	-3.34	-2.18
Foreign operations	2.69	2.16
Uncertain tax positions	1.23	—
Other	-0.44	-1.39
	<u>32.11%</u>	<u>34.01%</u>

As of December 31, 2012, the Company has utilized their remaining federal net operating losses. As of December 31, 2012, the Company has approximately \$1,400 of Texas Temporary Margin Tax Credit that may be utilized through 2026, subject to certain annual limitations. Due to the limitations imposed on the Texas Temporary Margin Credit, the Company has reflected a deferred tax asset in the table above of \$883, net of federal benefit.

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A reconciliation of the beginning and ending amount of unrecognized tax benefits, including interest and penalties, is as follows:

	<u>2012</u>	<u>2011</u>
Balance at January 1	\$152	\$131
Increases in tax positions for prior years	219	29
Decreases in tax positions for prior years	(36)	(8)
Settlements	—	—
Balance at December 31	<u>\$335</u>	<u>\$152</u>

Of the amounts reflected in the above table at December 31, 2012, the entire amount would reduce the Company's annual effective tax rate if recognized. The Company had approximately \$38 of accrued interest as of December 31, 2012. The Company records accrued interest related to income tax matters in the provision for income taxes in the accompanying consolidated statement of income. The Company does not expect its unrecognized tax benefits to change significantly over the next 12 months.

The Company files income tax returns in the United States, Canada and Italy as well as various state and local tax jurisdictions with varying statutes of limitations. The 2009 through 2012 tax years generally remain subject to examination by federal, foreign and most state tax authorities.

Note 16. Supplemental Cash Flow Disclosures

Interest received and paid, income taxes paid and non-cash transactions incurred during the years ended December 31, 2012, 2011, and 2010 were as follows:

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Interest Paid	\$2,498	\$2,552	\$2,443
Income Taxes	2,067	1,247	65
Non-Cash Transactions:			
Acquisition note—CVS (see note 20)	—	2,870	—
Acquisition deferred payments	—	85	—
Available for sale assets acquired under a capital leases	1,166	—	—
Issuance of stock in connection with acquisition of assets (see Note 20)	200	—	—
Issuance of stock in connection with a cashless warrant exercise	986	—	—
Repurchase of stock in connections with cashless warrant exercise	(754)	—	—
Transfer of warrant to capital stock upon exercise of cashless warrant	(232)	—	—
Legal settlement (see Note 25)	—	1,183	—
Terex Note payment paid in stock (1)	—	—	150
Manitex stock (2)	—	—	250

- (1) On March 1, 2010, the Company issued 64,655 shares of its common stock to Terex Corporation, in lieu of \$150 of the principal payment on the Term Note that was due on March 1, 2010. These transactions are non-cash transactions. Accordingly, the cash flow statement excludes the impact of these transactions.
- (2) On January 6, 2010, the Company issued 130,890 shares of common stock to settle a promissory note issued on December 31, 2009 in connection with the Load King acquisition. The note was executed to ensure the delivery to the Seller of 130,890 shares of the Company's Common Stock as provided for in the Purchase Agreement. This transaction is a non-cash transaction. Accordingly, the cash flow statement excludes the impact of this transaction.

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Note 17. 401(k) Profit Sharing Plan

The Company's sponsors a 401(k) plan. The plan is intended to cover all non-union United States based employees. The plan is open to employees 21 years of age & older. There is no minimum employment duration required before eligibility. The plan allows for monthly enrollment and contribution changes.

The Company suspended its discretionary matching contribution on February 15, 2009. On January 1, 2012, the Company again began to match participants' contributions. The Company match currently in effect matches dollar for dollar participants' contributions up to 3% of the participant's income. There is no dollar limit regarding matched funds and the plan also calls for immediate vesting of the employer contribution component. The employer match is paid when payroll is processed.

The amount paid in matching contributions by the company for 2012 was \$187.

Note 18. Accrued Warranties

A liability for estimated warranty claims is accrued at the time of sale. The liability is established using historical warranty claim experience. Historical warranty experience is, however, reviewed by management.

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

The following table summarizes the changes in product warranty liability:

	<u>2012</u>	<u>2011</u>
Balance January 1,	\$ 698	\$ 577
Accrual for warranties issued during the year	2,270	1,363
Warranty services provided	(1,981)	(1,232)
Changes in estimates	—	(8)
Foreign currency translation	1	(2)
Balance December 31,	<u>\$ 988</u>	<u>\$ 698</u>

Note 19. Segment Information

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

The Lifting Equipment segment is a leading provider of engineered lifting solutions. The Company designs, manufactures and distributes, predominately through a network of dealers, a diverse group of products that serve different functions and are used in a variety of industries. The Company markets a comprehensive line of boom trucks and sign cranes, a complete line of rough terrain forklifts, including both the Liftking and Noble product lines, as well as special mission oriented vehicles, and other specialized carriers, heavy material handling transporters and steel mill equipment. The Company also manufactures a number of specialized rough terrain cranes and material handling products, including 15 and 30-ton cab down rough terrain cranes. Company lifting products are used in industrial applications, energy exploration and infrastructure development in the commercial sector and for military applications. The company's specialized rough terrain cranes primarily serve the needs of the construction, municipality, and railroad industries. Additionally, the Company manufactures and distributes custom trailers and hauling systems typically used for transporting heavy equipment, the trailer business serves niche markets in the commercial construction, railroad, military, and equipment rental industries through a dealer network.

During the third quarter 2010, CVS Ferrari, srl, our recently formed Italian subsidiary located near Milan, commenced operations. CVS Ferrari, srl used through June 30, 2011 certain assets in its operations that it rented from CVS SpA under an exclusive rental agreement while CVS SpA proceeds through the Italian bankruptcy

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process (concordato preventivo). On June 29, 2011, the Company entered into an agreement with CVS SpA in Liquidation to purchase on July 1, 2011 the assets that were being rented. The rental agreement was terminated on July 1, 2011, when the rented assets were transferred to CVS Ferrari srl. See Note 20 for further details. Results for CVS are included in operations from its date of incorporation in June 2010.

The Equipment Distribution segment located in Bridgeview, Illinois is a distributor of Terex rough terrain and truck cranes and Manitex boom trucks and sky cranes. The Equipment Distribution segment predominately sells its products to end users, including the rental market. Its products are used primarily for infrastructure development and commercial constructions, applications include road and bridge construction, general contracting, roofing, scrap handling and sign construction and maintenance. The Equipment Distribution segment supplies repair parts for a wide variety of medium to heavy duty construction equipment and sells both domestically and internationally. The segment also provides repair services in the Chicago area. In the second quarter of 2010, the Company expanded our Equipment Distribution segment by creating a new division, North American Equipment Exchange, (“NAEE”) to market previously-owned construction and heavy equipment, domestically and internationally. This Division provides a wide range of used lifting and construction equipment of various ages and condition, and the Company has the capability to refurbish the equipment to the customers’ specification.

The following is financial information for our two operating segments, i.e., Lifting Equipment and Equipment Distribution. The below financial information includes results for each of the above acquisitions from the respective date of acquisition:

	Year ended December 31,		
	2012	2011	2010
Net Revenues			
Lifting Equipment	\$188,792	\$130,330	\$ 89,669
Equipment Distribution	17,090	11,986	7,139
Inter-segment elimination	(633)	(25)	(933)
Total	\$205,249	\$142,291	\$ 95,875
Operating Earnings			
Lifting Equipment	\$ 19,870	\$ 11,069	\$ 8,722
Equipment Distribution	202	64	33
Corporate expenses	(5,613)	(4,532)	(3,218)
Total operating income	\$ 14,459	\$ 6,601	\$ 5,537
Total Assets			
Lifting Equipment	\$144,937	\$115,211	\$ 99,702
Equipment Distribution	6,374	6,255	5,595
Corporate	193	125	220
Total	\$151,504	\$121,591	\$105,517

Total foreign source net revenue was approximately \$90,691, \$66,864 and \$37,410 for the years ended December 31, 2012, 2011, and 2010, respectively. Total long-lived assets related to the Company’s foreign operations were approximately \$5,145 and \$5,656 for the years ended December 31, 2012 and 2011, respectively. Information of external net revenues and long lived asset information by country is shown on the below tables:

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The following is a summary of goodwill by segment:

	<u>2012</u>	<u>2011</u>
Goodwill—Lifting Equipment Segment		
Balance January 1	\$14,992	\$14,177
Goodwill related to CVS acquisition (see Note 20)	—	815
Foreign currency translation	16	—
Balance December 31,	<u>15,008</u>	<u>14,992</u>
Goodwill—Equipment Distribution Segment		
Balance January 1 and December 31	275	275
Total goodwill at December 31,	<u>\$15,283</u>	<u>\$15,267</u>

Net Revenues

	<u>2012</u>	<u>2011</u>	<u>2010</u>
United States	\$114,558	\$ 75,427	\$58,465
Canada	55,540	30,771	23,755
Italy	11,700	15,861	1,064
Australia	3,213	—	—
Korea	2,810	3,398	1,029
Russia	2,189	1,369	435
Germany	2,041	984	—
Mexico	1,867	1,296	510
Czech Republic	1,484	—	—
Brazil	1,205	1,443	2,434
Venezuela	1,188	473	481
France	810	4,647	278
United Arab Emirates	152	1,931	2,264
Switzerland	22	1,134	—
Algeria	—	—	2,790
Other	6,470	3,557	2,370
	<u>\$205,249</u>	<u>\$142,291</u>	<u>\$95,875</u>

Company attributes revenue to different geographic areas based on where items are shipped or services are performed.

Long Lived Assets

	<u>2012</u>	<u>2011</u>
United States	\$41,582	\$44,726
Canada	788	766
Italy	4,357	4,890
Total Long-Lived Assets	<u>\$46,727</u>	<u>\$50,382</u>

Long-Lived Assets are based on where the operating unit is domiciled.

Note 20. Asset Purchases

CVS SpA in Liquidation Assets Purchase

On July 1, 2011, CVS Ferrari, Srl purchased the intangible assets and the machinery and equipment that CVS had previously rented from CVS SpA in Liquidation (the “Seller”) pursuant to a purchase agreement (“Purchase

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Agreement”) with the Seller dated June 29, 2011. Additionally on June 29, 2011, CVS entered into a second agreement which also closed on June 29, 2011 with Cabletronic, Srl (“Cabletronic Agreement”) to acquire software and electronic know-how that is used in the products manufactured by CVS. Finally, CVS Ferrari assumed certain liabilities.

Total Consideration for the acquired assets is as follows:

	Euros	U.S. Dollars (3)
Per the Purchase agreement	€ 2,817	\$ 4,089
Per Cabletronic agreement	100	145
Stamp taxes and notary fees	91	132
Assumed liabilities	500	726
Sub-total	3,508	\$ 5,092
Present value adjustment related to a non-interest bearing note (1)	(132)	(192)
Total consideration	3,376	4,900
Less: non-cash amounts		
Deferred payments (2)	(2,284)	(3,315)
Cash consideration	€ 1,092	\$ 1,585
	Euros	U.S. Dollars (3)
Purchase Price Allocation		
Machinery and equipment	€1,336	\$ 1,939
Trade names and trademarks	1,000	1,452
Patented and unpatented technology	410	595
Goodwill	630	914
Net assets acquired	€3,376	\$ 4,900

- (1) Under the terms of the purchase agreement €2,350 of the purchase price was payable in future installments supported by non-interest bearing note. It was determined that the present value of the €2,350 note is €2,218 based on 4% discount interest rate. It was determined that a 4% rate was appropriate taking into account current interest rates and the inherent risk.
- (2) The non-cash consideration is comprised of the present value of the above described note of €2,218 and €66 which represents two payment of €33 related to Cabletronic Agreement which are payable on October 30, 2011 and January 12, 2012, respectively.
- (3) The CVS acquisition was consummated in Euros. The U.S dollar conversions above and elsewhere in this note are based on the exchange rates on the transaction date. As such, the balances in U.S. dollars shown above will differ from the amounts reflected in our September 30, 2012 and December 31, 2011 balance sheets and other notes in the our financial statements as exchange rates on July 1, 2011 and those dates are different.

Purchase Agreements

On June 29, 2011, CVS Ferrari srl (the “Purchaser”), an Italian Corporation and a wholly owned subsidiary of Manitex International, Inc. (the “Company”), entered into a purchase agreement (the “Purchase Agreement”) with CVS SpA in Liquidation (the “Seller”) to acquire on July 1, 2011 for €2,817 (approximately \$4,089) (1) rights, designs and drawings for all products previously manufactured by CVS SpA including reach stackers, straight mast container handlers, straddle carriers and tractors and (2) certain machinery and equipment used to manufacture the aforementioned items.

The remaining balance on the note issued in connection with the acquisition of CVS SpA assets was paid in full during the quarter ended September 30, 2012 and guarantee and underlying letter of credit were allowed to expire.

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Cabletronic Agreement

On June 29, 2011, The Company and Cabletronic srl entered into a separate agreement. Under the agreement, the Company agreed to pay Cabletronics €100 (approximately \$145) in exchange for the software or electronic know-how (including source code) and all rights to said software and electronic know-how currently used to manufacture and operate the products acquired from CVS SpA.

Assumed Liabilities

In connection with the transactions, the Company assumed a liability of €500 (approximately \$726).

Assets Acquired

Under the acquisition method of accounting, the total acquisition consideration is allocated to the assets acquired based on their fair values as of the date of the acquisition as shown below.

Machinery and equipment: The fair value of the machinery and equipment was determined by management relying in part on an independent appraisal of the machinery and equipment.

Intangible assets: There are three fundamental methods applied to value intangible assets outlined in FASB ASC 820. These methods include the Cost Approach, the Market Approach, and the Income Approach. Each of these valuation approaches was considered in our estimation of value.

Trade names and trademarks and patented and unpatented technology: Valued using the Relief from Royalty method, a form of both the Market Approach and the Income Approach. Because the Company has established trade names and trademarks and has developed patented and patented technology, the Company estimated the benefit of ownership as the relief from the royalty expense that would need to be incurred in absence of ownership.

Goodwill: Goodwill represents the excess of total consideration paid and the fair value of net assets acquired. The recognition of goodwill of \$914 reflects the inherent value in the CVS's reputation, which has been built since being founded in 1982. CVS has a reputation for quality and technical proficiency acquired by continued development of a robust and superior product and after sales service, with products in use across the global container handling and inter-modal markets. The entire amount of goodwill in this transaction is associated with our Lifting Equipment Segment.

Conditional Future Purchase Commitment

On June 29, 2011, upon the signing of the Purchase Agreement a conditional commitment became effective to purchase the building in which CVS Ferrari srl operates. Under the agreement, CVS Ferrari srl has a commitment to purchase the building at the conclusion of a rental period that ends on June 30, 2014 for €9,200. The commitment to purchase the building is contingent on CVS Ferrari srl being able to secure a mortgage on market terms for 75% of the purchase price. During the rental period, CVS Ferrari srl rent will remain fixed at €360 (\$486) per year.

Pro forma Results

Pro forma results have not been provided in connection with the CVS acquisitions as they are not relevant. Pro forma information is not available as CVS SpA was in liquidation and did not operate during 2009.

Nine Ton Carry Deck Crane Asset Purchase

On October 3, 2012, the Company purchased the rights to, and the intangible assets and inventory of a newly designed 9 ton carry deck crane from SL Industries Ltd. ("SL"). SL developed the 9 ton carry deck on its own

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initiative using its own engineering and technical development staff. At the time, SL offered the rights to 9 ton carry deck crane, the Company had no understanding, commitment or obligation to purchase the rights to the 9 ton carry crane. The Company's management recognized the value of the development and the potential to introduce a new and complementary product line to its offerings. SL is owned by an executive officer of the Company. As such the Company's Board of Directors and Audit Committee approved the terms of asset acquisition before the Company executed an agreement with SL.

Total consideration for the acquired assets is as follows:

Total Consideration per Purchase Agreement	\$ 545
Less: non cash consideration	(200)
Cash consideration	<u>\$ 345</u>
Purchase price allocation	
Inventory	\$ 206
Unpatented technology	<u>339</u>
	<u>\$ 545</u>

Purchase Agreement

On October 3, 2012, a purchase agreement was entered into by SL Industries Ltd and Manitex International, Inc. (the Company) for the acquisition by the Company of a 9 ton carry deck crane that had been developed by SL Industries on its own initiative using its own engineering and technical development staff. The total consideration payable to SL or its designate was \$545 of which \$200 was payable in 29,112 shares of the Company's common stock. The remaining balance is payable in cash.

Shares Issued

Pursuant to the terms of the agreement, the stock was valued at the average of the closing price for 7 days ending on September 13, 2012.

Assets Acquired at Fair Market Value

The total acquisition consideration is allocated to the assets acquired based on their fair values as of the date of acquisition. The fair value of inventory was valued by management applying its knowledge of the resale value of this type of competitive product. The fair value of the unpatented technology was valued utilizing a form of both the Market Approach and Income Approach to valuation of intangible assets outlined in FASB ASC 820. The Relief from Royalty method used by the Company estimated the benefit of ownership as the relief from royalty expense that would be needed to be incurred in the absence of ownership.

Note 21. Equity

Issuance of Common Stock and Warrants

Stock Warrants

The Company accounts for equity instruments issued to non-employees based on the fair value of the equity instruments issued. The Warrants were exercisable on a cashless basis under certain circumstances, and are callable by the Company on a cashless basis under certain circumstances.

Roth Capital Partners, LLC acted as exclusive placement agent for the 2007 Private Placement and received cash and warrants to purchase 105,000 shares of the Company's common stock as a placement agent fee. The Warrants were issued the day after the closing of the 2007 Private Placement (September 11, 2007) and were

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exercisable after the sixth month anniversary of the issuance date of the Warrants until September 11, 2012. The warrant holder can purchase 105,000 shares of the Company's common stock. The Warrants have an exercise price of \$7.18 per share. On May 18, 2012, the holder of the outstanding warrants elected to exercise its rights to purchase 105,000 warrant shares under the cashless exercise provisions of the warrant. Under the cashless exercise provisions, the holder surrendered its rights to receive the number of shares with a value equal to the exercise price of \$754 based on the average of \$9.782 or the closing price for the five days, preceding the date of exercise or 77,071 shares. Upon exercise, the warrant holder was issued 27,929 shares of Company, which represents the difference between the 105,000 warrants exercised and the 77,071 shares withheld in lieu of a cash payment for the exercise price.

On June 18, 2007, the Company and Hayden Communications, Inc. ("Hayden") entered into a contract under which Hayden will provide public and investor relation services to the Company for a period of one year. The contract provides for the issuance of 15,000 warrants to Hayden Communications, Inc. Each warrant allows Hayden to purchase one share of Company Common Stock for \$7.08 per share. The warrants were exercisable beginning on June 15, 2008 and expired on June 15, 2011. The warrants issued to Hayden expired, unexercised, on June 15, 2011.

The Series A Warrants and the Series B Warrants (together the "Warrants") were issued upon the closing of a private placement on November 15, 2006 and were exercisable after the sixth month anniversary of the issuance date of the Warrants until November 15, 2011. The Series A warrant holders can purchase 550,000 shares of the Company's common stock. The Series A Warrants have an exercise price of \$4.05 per share. The Series B warrant holders can purchase 550,000 shares of the Company's common stock. The Series B Warrants have an exercise price of \$4.25 per share. During the 2007, the warrant holders exercised 100,000 Series A warrants and 346,000 Series B warrants. During 2011, the warrant holders exercised 191,199 Series A warrants and 258,801 Series A warrants expired. During 2011, the warrant holders exercised 75,369 Series B warrants and 128,631 Series B warrants expired.

On November 15, 2006, the Company also issued warrants to purchase an aggregate of 192,500 shares of the Company's common stock to a finder and to Roth Capital Partners, LLC for acting as placement agent in connection with the private placement that closed on November 15, 2006. These warrants were exercisable until November 15, 2011, and have an exercise price of \$4.62 per share. These warrants expired, unexercised, on November 15, 2011.

As of December 31, 2012, there were no warrants outstanding as all warrants previously issued had either been exercised or have expired.

At December 31, 2012, 2011 and 2010 the Company had issued and outstanding warrants as follows:

Number of Warrants Shares			Exercise Price	Expiration Date	Reason for Issuance
2012	2011	2010			
—	—	450,000	\$ 4.05	November 15, 2011	Private placement
—	—	204,000	\$ 4.25	November 15, 2011	Private placement
—	—	192,500	\$ 4.62	November 15, 2011	Placement Agent Fee
—	—	15,000	\$ 7.08	June 15, 2011	Investor Relation Service
—	105,000	105,000	\$ 7.18	September 11, 2012	Placement Agent Fee

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<u>Date of Issue</u>	<u>Employees or Director</u>	<u>Shares Issued</u>	<u>Value of Shares Issued</u>
January 5, 2010	Employees	1,500	\$ 3
January 6, 2010	Employees	4,000	9
January 18, 2010	Employees	1,000	2
January 28, 2010	Employees	10,500	21
February 1, 2010	Employees	5,500	12
March 31, 2010	Employees	1,320	6
October 1, 2010	Employees	16,831	106
December 31, 2010	Directors	6,800	6
		<u>47,451</u>	<u>\$ 165</u>

Warrant exercises

On May 18, 2012, the Company issued shares of common stock in connection with a cashless exercise of warrant as detailed below:

<u>Issued Date</u>	<u>Shares Issued</u>	<u>Shares Repurchased</u>	<u>Share Net of Repurchases</u>	<u>Repurchase Price</u>
May 18, 2012	105,000	77,071	27,929	\$ 9.782

In connection with the above cashless exercise \$232, the value of warrants at the date of grant, was transferred from warrants to common stock. The shares 77,071 repurchased and cancelled were acquired \$754 or \$9.782 per share. The shares being repurchased were originally issued \$9.39 per share or \$724. The \$30 difference was recorded as a direct charge to retained earnings.

On November 15, 2011, the Company issued 266,568 shares of common stock as warrant holders exercised 191,199 Series A warrants and 75,369 Series B warrants. The exercise of warrants resulted in an increase in common stock of \$1,554 of which \$1,095 represents cash received upon the exercise of the warrants and the balance of approximately \$459 represents the value of exercised warrants determined upon issuance of the warrants on November 15, 2006. As a result of the exercise, the \$459 which was previously included in shareholders' equity under the caption warrants is transferred to common stock.

On October 3, 2012, the Company issued 29,112 shares to an executive officer. The executive officer was assigned the rights to receive the shares which had a value of \$200 pursuant to a purchase agreement between SL and the Company. See Note 20 for additional details.

Stock offering

On July 17, 2012, the Company issued 500,000 shares of the Company's common stock, no par value. The shares were issued to certain investors pursuant to subscription agreements between the Company and the investors that were entered into on July 12, 2012 (the "Agreements"). Under the Agreements, the investors paid \$8.25 per share for a total purchase price of \$4,125. The shares were issued pursuant to a prospectus supplement dated July 12, 2012 and a prospectus dated August 9, 2011, which is part of a registration statement on Form S-3 (Registration No. 333-176189) that was declared effective by the Securities and Exchange Commission on August 23, 2011.

Avondale Partners, LLC acted as the Company's exclusive placement agent in this offering. In accordance with the terms of a Placement Agency Agreement dated July 12, 2012 between the Company and the placement agent, the Company paid the placement agent a cash fee that represents 5.25% of the gross proceeds of the offering and reimbursed the placement agent for reasonable out-of-pocket expenses. The Company received net cash proceeds of approximately \$3,781 after payment of investment bank fees of \$217 and legal and other expenses of \$127. The net proceeds from the stock offering was used to repay debt.

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Stock Repurchase

The Company purchased shares of Common Stock at various times from certain employees at the closing price on date of purchase. The stock was purchased from the employees to satisfy employees' withholding tax obligations related to stock issuances described above. The following is a summary of common stock purchases that occurred during 2011 and 2010 (no stock purchase occurred in 2012):

<u>Date of Purchase</u>	<u>Shares Purchased</u>	<u>Closing Price on Date of Purchase</u>
January 1, 2011	<u>3,065</u>	\$ 3.85

<u>Date of Purchase</u>	<u>Shares Purchased</u>	<u>Closing Price on Date of Purchase</u>
January 5, 2010	490	\$ 2.19
January 6, 2010	1,309	\$ 2.19
January 18, 2010	327	\$ 2.30
January 28, 2010	3,429	\$ 2.30
February 1, 2010	1,798	\$ 2.25
October 1, 2010	1,477	\$ 2.48
	<u>8,830</u>	

On May 18, 2012, the holder of the outstanding warrants elected to exercise its rights to purchase 105,000 warrant shares under the cashless exercise provisions of the warrant. In connection with cashless exercise, the Company repurchased 77,071 shares that had of value equal the exercise price of warrants being exercised or \$754.

2004 Equity Incentive Plan

In 2004, the Company adopted the 2004 Equity Incentive Plan and subsequently amended and restated the plan on May 28, 2009. The maximum number of shares of common stock reserved for issuance under the plan is 500,000 shares. The total number of shares reserved for issuance may, however, may be adjusted to reflect certain corporate transactions or changes in our capital structure. Employees and members of the board of directors who are not our employees or employees of an affiliate are eligible to participate in the plan. The plan is administered by a committee of the board comprised of members who are outside directors. The plan provides that the committee has the authority to, among other things, select plan participants, determine the type and amount of awards, determine award terms, fix all other conditions of any awards, interpret the plan and any plan awards. Under the plan, the committee can grant stock options, stock appreciation rights, restricted stock, restricted stock units, performance shares and performance units, except Directors may not be granted stock appreciation rights, performance shares and performance units. During any calendar year, participants are limited in the number of grants they may receive under the plan. In any year, an individual may not receive options for more than 15,000 shares, stock appreciation rights with respect to more than 20,000 shares, more than 20,000 shares of restricted stock and/or an award for more than 20,000 performance shares or restricted stock units or performance units. The plan requires that the exercise price for stock options and stock appreciation rights be not less than fair market value of our common stock on date of grant.

On April 15, 2008, the Company awarded under the Amended and Restated 2004 Equity Incentive Plan 4,000 restricted stock units to an employee. The employee restricted stock units will vest 33%, 33% and 34% on March 31, 2009, March 31, 2010, and March 31, 2011 respectively. The restricted stock units awarded were valued at \$18 or \$4.55 per share, which was the closing price of the Company's common stock on the date of grant.

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On December 18, 2008, the Company awarded under the Amended and Restated 2004 Equity Incentive Plan 103,375 and 21,155 restricted stock units to employees and to the independent Directors, respectively. The restricted stock units are subject to the same conditions as the restricted stock awards except the restricted stock units will not have voting rights and the common stock will not be issued until the vesting criteria are satisfied. The employee restricted stock units vested on January 2, 2009, following the Company's final determination that each of the employees had met certain performance objectives. The units granted to Directors will vest 36.7%, 31.2% and 32.1% on December 31, 2008, December 31, 2009 and December 31, 2010 respectively. The restricted stock units awarded were valued at \$112 or \$0.90 per share, which was the closing price of the Company's common stock on the date of grant. The value of the restricted stock units is being charged to compensation expense over the vesting period. The Company awarded under the Amended and Restated 2004 Equity Incentive Plan a total of 135,001; 26,667; and 22,500 restricted stock units to employees and directors during 2012, 2011 and 2010, respectively. The restricted stock units are subject to the same conditions as the restricted stock awards except the restricted stock units will not have voting rights and the common stock will not be issued until the vesting criteria are satisfied.

Compensation expense in 2012, 2011 and 2010 includes \$132, \$103 and \$78 related to restricted stock units, respectively. Compensation expense related to restricted stock units will be \$298, \$245 and \$245 for 2013, 2014 and 2015, respectively.

The following is a summary of restricted stock units that were awarded during 2012, 2011 and 2010:

<u>2012 Grants</u>	<u>Vesting Date</u>	<u>Number of Restricted Stock Units</u>	<u>Closing Price on Date of Grant</u>	<u>Value of Restricted Stock Units Issued</u>
March 21, 2012	March 21, 2012			
	18,651 units; December 31, 2012			
	6,600 units; December 31, 2013			
	6,800 units	32,051	\$ 7.83	\$ 251
December 31, 2012	34,317 units December 31, 2013;			
	34,317 units December 31, 2014			
	and 34,316 units December 31, 2015	102,950	\$ 7.14	735
		<u>135,001</u>		<u>\$ 986</u>

<u>2011 Grants</u>	<u>Vesting Date</u>	<u>Number of Restricted Stock Units</u>	<u>Closing Price on Date of Grant</u>	<u>Value of Restricted Stock Units Issued</u>
January 1, 2011	January 1, 2011	10,000	\$ 3.85	\$ 38
March 15, 2011	6,667 units March 15, 2011;			
	4,950 units December 31, 2011			
	and 5,000 units December 31, 2012	16,667	\$ 5.56	93
		<u>26,667</u>		<u>\$ 131</u>

<u>2010 Grants</u>	<u>Vesting Date</u>	<u>Number of Restricted Stock Units</u>	<u>Closing Price on Date of Grant</u>	<u>Value of Restricted Stock Units Issued</u>
January 1, 2010	January 28, 2010	10,000	\$ 1.92	\$ 19
January 5, 2010	January 5, 2010	1,500	\$ 2.19	3
January 6, 2010	January 6, 2010	4,000	\$ 2.19	9
January 18, 2010	January 18, 2010	1,000	\$ 2.30	2
January 28, 2010	January 28, 2010	500	\$ 2.30	1
February 1, 2010	February 1, 2010	5,500	\$ 2.25	12
		<u>22,500</u>		<u>\$ 46</u>

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The following table contains information regarding restricted stock units for the years ended December 31, 2012, December 31, 2011 and, December 31, 2010, respectively:

	Restricted Stock Units		
	2012	2011	2010
Outstanding on January 1,	5,100	1,360	26,379
Issued	135,001	26,667	22,500
Vested and issued	(30,351)	(19,862)	(38,621)
Vested—issued and repurchased for income tax withholding	—	(3,065)	(8,830)
Forfeited	—	—	(68)
Outstanding on December 31	<u>109,750</u>	<u>5,100</u>	<u>1,360</u>

Note 22. Recent Accounting Guidance

Recently Adopted Accounting Guidance

In June 2011, the FASB issued ASU 2011-05—Presentation of Comprehensive Income (“ASU 2011-05”), requires entities to present reclassification adjustments included in other comprehensive income on the face of the financial statements and allows entities to present the total of comprehensive income, the components of net income and the components of other comprehensive income either in a single continuous statement of comprehensive income or in two separate but consecutive statements. It also eliminates the option for entities to present the components of other comprehensive income as part of the statement of changes in shareholders’ equity. For public companies, ASU 2011-05 is effective for fiscal years (and interim periods within those years) beginning after December 15, 2011, with earlier adoption permitted. In December 2011, the FASB issued ASU 2011-12 “Comprehensive Income (Topic 220): Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05,” which defers certain aspects of ASU 2011-05 related to the presentation of reclassification adjustment.

On January 1, 2012, the Company adopted the provisions of ASU 2011-05 that were not deferred by ASU 2011-12. Accordingly, the Company’s financial statements include a “Consolidated Statements of Comprehensive Income” which immediately follows the Company’s Consolidated Statements of Income.

In July 2012, the Financial Accounting Standards Board (“FASB”) amended Accounting Standards Codification (“ASC”) 350, Intangibles—Goodwill and Other. This amendment is intended to reduce the cost and complexity of the annual impairment test for indefinite-lived intangible assets other than goodwill by providing entities an option to perform a qualitative assessment to determine whether further impairment testing is necessary. The amendments are effective for annual and interim impairment tests performed for fiscal years beginning after September 15, 2012. Early adoption is permitted. The Company elected to early adopt this guidance on October 1, 2012. The adoption did not have a material impact on the Company’s consolidated financial position, results of operations or cash flows.

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Note 23. Contractual Obligations

The following is a schedule as of December 31, 2012 of our long-term contractual commitments, future minimum lease payments under non-cancelable operating lease arrangements and other long-term obligations.

(In thousands)

	Payments due by period				
	Total	2013	2014- 2015	2016- 2017	Thereafter
Revolving term credit facilities	\$35,232	\$ 875	\$34,357	\$ —	\$ —
CVS working capital borrowing	6,110	6,110	—	—	—
Term loans	2,755	107	732	1,157	759
Operating lease obligations	4,485	1,372	2,155	958	—
Capital lease obligations (3)	6,816	1,589	3,089	1,843	295
Consulting agreements	124	124	—	—	—
Legal Settlement (See Note 24) (3)	1,805	95	190	190	1,330
Purchase obligations (1)	37,036	37,036	—	—	—
Total	<u>\$94,363</u>	<u>\$47,308</u>	<u>\$40,523</u>	<u>\$4,148</u>	<u>\$ 2,384</u>

- (1) Except for a very insignificant amount, purchase obligations are for inventory items. Purchase obligations not for inventory would include research and development materials, supplies and services.
- (2) At December 31, 2012, the Company had unrecognized tax benefits of \$335 thousand for which the Company is unable to make reasonably reliable estimates of the period of cash settlement with the respective tax authority. Thus, these liabilities have not been included in the contractual obligations table. See footnote 15.
- (3) Capital lease obligations and legal settlement include imputed interest.

Note 24. Transactions between the Company and Related Parties

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

The Company, through its subsidiaries, purchases and sells parts to GT Distribution, LLC (“GT”) including its subsidiaries, BGI USA, Inc. (“BGI”) and SL Industries, Ltd (“SL”). BGI is a distributor of assembly parts used to manufacture various lifting equipment. SL Industries, Ltd is a Bulgarian subsidiary of GT that manufactures fabricated and welded components used to manufacture various lifting equipment. GT is owned by the Company’s President of Manufacturing Operations.

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

As of December 31, 2012 the Company had an accounts receivable of \$62 and \$69 from LiftMaster and SL, respectively and accounts payable of \$869 and \$101 to SL and LiftMaster, respectively. As of December 31, 2011 the Company had an accounts receivable of \$54 from LiftMaster and accounts payable of \$442 and \$81 to GT and LiftMaster, respectively.

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

	2012	2011	2010
Bridgeview Facility (1)	\$ 247	\$ 240	\$ 140
Sales to:			
SL Industries, Ltd	65	216	3
LiftMaster (2)	6	6	117
Total Sales	70	222	120
Inventory Purchases from:			
SL Industries, Ltd (3)	4,592	3,321	2,334
LiftMaster (2)	24	26	46
BGI	147	197	206
Total Inventory Purchases	\$4,763	\$3,544	\$2,586
Intangible Asset Purchase (3)			
SL Industries Ltd	\$ 339	\$ —	\$ —
Total Intangible asset Purchase	\$ 339	\$ —	\$ —

1. The Company leases its 40,000 sq. ft. Bridgeview facility from an entity controlled by Mr. David Langevin, the Company's Chairman and CEO. Pursuant to the terms of the lease, the Company makes monthly lease payments of \$21. The Company is also responsible for all the associated operations expenses, including insurance, property taxes, and repairs. The lease will expire on June 30, 2016 and has a provision for six one year extension periods. The lease contains a rental escalation clause under which annual rent is increased during the initial lease term by the lesser of the increase in the Consumer Price Increase or 2.0%. Rent for any extension period shall however, be the then-market rate for similar industrial buildings within the market area. The Company has the option, to purchase the building by giving the Landlord written notice at any time prior to the date that is 180 days prior to the expiration of the lease or any extension period. The Landlord can require the Company to purchase the building if a change of Control Event, as defined in the agreement occurs by giving written notice to the Company at any time prior to the date that is 180 days prior to the expiration of the lease or any extension period. The purchase price regardless whether the purchase is initiated by the Company or the landlord will be the Fair Market Value as of the closing date of said sale.
- (2) The Company provides parts and services to LiftMaster, Inc. LiftMaster is a rental company that rents and services rough terrain forklifts. LiftMaster is owned by a relative of an Officer of Manitex Lifting, ULC.
- (3) The Company acquired the intangible assets associated with a nine ton carry deck crane (the "Crane") developed by SL Industries Ltd. The intangible assets (the Intangible Assets") includes all related technology, patents, drawings, designs, know-how and all technical information related to the Crane and its improvements, including all variations, sizes and models, both now in existence or which are hereafter developed. In exchange for the rights, designs and the two cranes, Manitex is contractually obligated to pay to SL the sum of \$345 in cash ("the Cash Consideration") and to issue them 29,112 shares of the Manitex's common stock, (the "the Stock Consideration"). SL assigned to Mr. Litchev, the sole owner of SL and the Company's President of Manufacturing, all of its rights to the Stock Consideration under the Agreement, and \$139 of the Cash Consideration and Mr. Litchev agreed to this assignment, and accepted the Stock Consideration and \$139 of the Cash Consideration.

Note 25. Legal Proceedings and Other Contingencies

The Company is involved in various legal proceedings, including product liability, employment related issues, and workers' compensation matters which have arisen in the normal course of operations. The Company has product liability insurance with self insurance retention that range from \$50 to \$1,000. Certain cases are at a preliminary stage, and it is not possible to estimate the amount or timing of any cost to the Company. However, the Company does not believe that these contingencies, in the aggregate, will have a material adverse effect on the Company. When it is

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probable that a loss has been incurred and possible to make a reasonable estimate of the Company's liability with respect to such matters, a provision is recorded for the amount of such estimate or the minimum amount of a range of estimates when it is not possible to estimate the amount within the range that is most likely to occur.

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

On May 5, 2011, Company entered into two separate settlement agreements with two plaintiffs. As of December 31, 2012, the Company has a remaining obligation under the agreements to pay the plaintiffs \$1,805 without interest in 19 annual installments of \$95 on or before May 22 each year. The Company has recorded a liability for the net present value of the liability. The difference between the net present value and the total payment will be charged to interest expense over payment period.

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

Note 26. Quarterly Financial Data (Unaudited)

Unaudited Quarterly Financial Data

Summarized quarterly financial data for 2012 and 2011 are as follows (in thousands, except per share amounts).

	2012				2011			
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
Net revenues	\$ 42,849	\$ 52,496	\$ 53,380	\$ 56,524	\$ 31,722	\$ 37,066	\$ 36,942	\$ 36,561
Gross Profit	8,576	10,756	10,810	10,322	6,459	7,478	7,824	7,489
Net income (loss)	\$ 1,251	\$ 2,308	\$ 2,504	\$ 2,014	\$ 442	\$ 1,029	\$ 1,020	\$ 289
Earnings (loss) per Share								
Basic	\$ 0.11	\$ 0.20	\$ 0.21	\$ 0.16	\$ 0.04	\$ 0.09	\$ 0.09	\$ 0.03
Diluted	\$ 0.11	\$ 0.20	\$ 0.21	\$ 0.16	\$ 0.04	\$ 0.09	\$ 0.09	\$ 0.03
Shares outstanding								
Basic	11,683,306	11,713,206	12,140,674	12,256,237	11,402,821	11,409,533	11,409,533	11,545,768
Diluted	11,684,829	11,729,360	12,148,776	12,266,867	11,581,676	11,601,180	11,454,012	11,555,764

Results for CVS Ferrari are included in the Company's results from commencement of operations from July 1, 2010. On July 1, 2011, CVS Ferrari, Srl purchased the intangible assets and the machinery and equipment that CVS had previously rented from CVS SpA in Liquidation pursuant to a purchase agreement dated June 29, 2011. Additionally on June 29, 2011, CVS entered into a second agreement which also closed on June 29, 2011 with Cabletronic, Srl to acquire software and electronic know-how that is used in the products manufactured by CVS. Assets as well as associated depreciation and amortization for assets purchased from Caabletronic Srl and CVS SpA in Liquidation are included in the Company's financial results from their respective dates of acquisition June 29, 2011 and July 1, 2011, respectively.

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ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed by the Company in the reports it files or submits under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) is recorded, processed, summarized, and reported, within the time periods specified by the Securities and Exchange Commission (“SEC”) rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is accumulated and communicated to management, including the Chief Executive Officer (principal executive officer) and the Chief Financial Officer (principal financial officer), as appropriate to allow timely decisions regarding required disclosure.

Under the supervision of, and with the participation of our management, including our Chief Executive Officer (principal executive officer) and Chief Financial Officer (principal financial officer), we conducted an evaluation of the effectiveness of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, as of the end of the period covered by this report. Based on our evaluation, the Chief Executive Officer (principal executive officer) and Chief Financial Officer (principal financial officer) have concluded that these controls and procedures were effective as of the end of the period covered by this report to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the rules and forms of the SEC.

Management’s Report on Internal Control over Financial Reporting

Management’s Responsibility

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. 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 in the United States.

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.

Management’s Assessment

Management, under the supervision and with the participation of our Chief Executive Officer (principal executive officer) and Chief Financial Officer (principal financial officer), assessed the effectiveness of the Company’s internal control over financial reporting as of December 31, 2012. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control—Integrated Framework*. In connection with such evaluation, our management concluded that the Company’s internal control over financial reporting was effective as of December 31, 2012.

The effectiveness of the company’s internal control over financial reporting as of December 31, 2012, has been audited by UHY LLP, an independent registered public accounting firm, as stated in their report which appears herein.

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Changes in Internal Control over Financial Reporting

During the fourth quarter of 2012, 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

Bonus Awards

On March 8, 2013, the Compensation Committee of the Board of Directors of the Company recommended to the Board of Directors, that certain bonuses be awarded to key Executive Officers of the Company. The discretionary awards were based on the recognition by the Committee of the superior level of performance and leadership provided by these Executives during 2012, which led to the Company's improved financial performance for that year. The recommended awards were to the Company's Chairman and Chief Executive officer, David J. Langevin, in the amount of \$442,500, to the Company's President and Chief Operating Officer, Andrew M. Rooke, in the amount of \$348,100, to the Company's President of Manufacturing Operations, Lubomir T. Litchev, in the amount of \$330,400 and to the Company's Vice President and Chief Financial Officer, David H. Gransee, in the amount of \$214,000. The Compensation Committee recommended that fifteen percent of the bonus award be paid in restricted stock awarded under the Company's 2004 Equity Incentive Plan and that the remainder of the bonus awards be paid in cash. The Board of Directors approved the bonuses recommended by the Compensation Committee.

PART III

Certain information required by Part III is omitted from this Form 10-K as the Company intends to file with the Commission its definitive Proxy Statement for its 2013 Annual Meeting of Shareholders (the "2013 Proxy Statement") pursuant to Regulation 14A of the Securities Exchange Act of 1934, as amended, not later than 120 days after December 31, 2012.

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information under the headings "Nominees to Serve Until the 2014 Annual Meeting," "Executive Officers of the Company who are not also Directors," "Section 16(a) Beneficial Ownership Reporting Compliance," "Committee on Directors and Board Governance," and "Audit Committee" in our 2013 Proxy Statement is incorporated herein by reference.

Code of Ethics

The Company has adopted a code of ethics applicable to our principal executive officer and principal financial and accounting officer, in accordance with Section 406 of the Sarbanes-Oxley Act of 2002, the rules of the SEC promulgated thereunder, and the NASDAQ rules. The code of ethics also applies to all employees of the Company as well as the Board of Directors. In the event that any changes are made or any waivers from the provisions of the code of ethics are made, these events would be disclosed on the Company's website or in a report on Form 8-K within four business days of such event. The code of ethics is posted on our website at www.manitexinternational.com. Copies of the code of ethics will be provided free of charge upon written request directed to Investor Relations, Manitex International, Inc., 9725 Industrial Drive, Bridgeview, Illinois 60455.

ITEM 11. EXECUTIVE COMPENSATION

The information under the headings "Compensation Committee Interlocks and Insider Participation," "EXECUTIVE COMPENSATION," and "DIRECTOR COMPENSATION" in our 2013 Proxy Statement is incorporated herein by reference.

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ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information under the headings “Equity Compensation Plan Information” and “PRINCIPAL STOCKHOLDERS” in our 2013 Proxy Statement is incorporated herein by reference.

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

The information under the headings “Transactions with Related Persons,” “Corporate Governance,” “Compensation Committee,” and “Audit Committee” in our 2013 Proxy Statement is incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information under the heading “AUDIT COMMITTEE” in our 2013 Proxy Statement is incorporated herein by reference.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) The following documents are filed as part of this Report:

(1) *Financial Statements*

See Index to Financial Statements on page 43.

(2) *Supplemental Schedules*

None.

All schedules have been omitted because the required information is not present in amounts sufficient to require submission of the schedules, or because the required information is included in the consolidated financial statements or notes thereto.

(b) *Exhibits*

See the Exhibit Index following the signature page.

(c) *Financial Statement Schedules*

All information for which provision is made in the applicable accounting regulations of the SEC is either included in the financial statements, is not required under the related instructions or is inapplicable, and therefore has been omitted.

SIGNATURES

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.

Dated: March 14, 2013

MANITEX INTERNATIONAL, INC.

By: /s/ D AVID H. G RANSEE
David H. Gransee
Vice President, Chief Financial Officer
(On behalf of the Registrant and as
Principal Financial and Accounting Officer)

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints David J. Langevin and David H. Gransee his or her attorneys-in-fact, each with the power of substitution, for him in any and all capacities, to sign any amendments to this Annual Report on Form 10-K, and to file the same, with Exhibits thereto and other documents in connection therewith with the Securities and Exchange Commission, hereby ratifying and confirming all that each of said attorneys-in-fact, or substitute or substitutes may do or cause to be done by virtue hereof.

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.

<u> /s/ D AVID J. L ANGEVIN </u> David J. Langevin, Chairman and Chief Executive Officer (Principal Executive Officer)	March 14, 2013
<u> /s/ D AVID H. G RANSEE </u> David H. Gransee, Vice President, Chief Financial Officer (Principal Financial and Accounting Officer)	March 14, 2013
<u> /s/ R ONALD M. C LARK </u> Ronald M. Clark, Director	March 14, 2013
<u> /s/ S TEPHEN J. T OBER </u> Stephen J. Tober, Director	March 14, 2013
<u> /s/ R OBERT S. G IGLIOTTI </u> Robert S. Gigliotti, Director	March 14, 2013
<u> /s/ M ARVIN B. R OSENBERG </u> Marvin B. Rosenberg, Director	March 14, 2013

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Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
2.1	English Summary of Form of Agreement for Sale of Company Division dated June 27, 2011 between C.V.S. Costruzione Veicoli Speciali S.p.A. and CVS Ferrari srl (<i>incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K/A filed on August 8, 2011</i>) .
3.1	Articles of Incorporation, as amended (<i>incorporated by reference to Exhibit 3.1 to the Quarterly Report on Form 10-Q filed on November 13, 2008</i>) .
3.2	Amended and Restated Bylaws of Veri-Tek International, Corp. (now known as Manitex International, Inc.), as amended (<i>incorporated by reference to Exhibit 3.2 to the Annual Report on Form 10-K filed on March 27, 2008</i>) .
4.1	Specimen Common Stock Certificate of Manitex International, Inc. (<i>incorporated by reference to Exhibit 4.1 to the Annual Report on Form 10-K filed on March 25, 2009</i>) .
4.2	Rights Agreement, dated as of October 17, 2008, between Manitex International, Inc. and American Stock Transfer & Trust Company, LLC (<i>incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K filed on October 21, 2008</i>) .
10.1*	Employment Agreement, dated December 12, 2012, between Manitex International, Inc. and David J. Langevin (<i>incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-k filed on December 17, 2012</i>) .
10.2*	Employment Agreement, dated December 12, 2012, between Manitex International, Inc. and Andrew M. Rooke (<i>incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-k filed on December 17, 2012</i>) .
10.3*	Employment Agreement, dated December 12, 2012, between Manitex International, Inc. and Lubomir T. Litchev (<i>incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-k filed on December 17, 2012</i>) .
10.4*	Employment Agreement, dated December 12, 2012, between Manitex International, Inc. and David H. Gransee (<i>incorporated by reference to Exhibit 10.4 to the Current Report on Form 8-k filed on December 17, 2012</i>) .
10.5 *	Second Amended and Restated Manitex International, Inc. 2004 Equity Incentive Plan (<i>incorporated by reference to Exhibit 10.4 to the Annual Report on Form 10-K filed on March 30, 2010</i>) .
10.6 *	Form of Restricted Stock Unit Award (<i>incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on November 16, 2007</i>) .
10.7	Lease dated April 17, 2006 between Krislee-Texas, LLC and Manitex, Inc. for facility located in Georgetown, Texas (<i>incorporated by reference to Exhibit 10.21 to the Annual Report on Form 10-K filed on April 13, 2007</i>) .
10.8	Lease Agreement, dated July 10, 2009, by and between Badger Equipment Company and Avis Industrial Corporation (<i>incorporated by reference to Exhibit 10.5 to the Current Report on Form 8-K filed on July 16, 2009</i>) .
10.9	Lease Agreement, dated May 26, 2010, between Manitex International, Inc. and KB Building, LLC (<i>incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on May 28, 2010</i>) .
10.10	Lease dated June 8, 2010, between Aldrovandi Equipment Limited and Manitex Lifting, ULC for facility located in Woodbridge, Ontario (<i>incorporated by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q filed on August 13, 2010</i>) .

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<u>Exhibit No.</u>	<u>Description</u>
10.11	Loan Agreement by and between Comerica Bank and Veri-Tek International, Corp. (now known as Manitex International, Inc.) dated November 19, 2004 (<i>incorporated by reference to Exhibit 10.10 to the Registration Statement on Form S-1 (Amendment No. 2) filed on December 1, 2004 (Registration No. 333-11830)</i>).
10.12	Second Amended and Restated Credit Agreement, dated April 11, 2007, by and between Veri-Tek International, Corp. (now known as Manitex International, Inc.), Manitex, Inc. and Comerica Bank (<i>incorporated by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q filed on May 15, 2007</i>).
10.13	Amendment No. 1, effective as of August 9, 2007, to the Second Amended and Restated Credit Agreement by and between Veri-Tek International, Corp. (now known as Manitex International, Inc.), Manitex, Inc., and Comerica Bank dated April 11, 2007 (<i>incorporated by reference to Exhibit 10.2 to the Quarterly Report on Form 10-Q filed on August 14, 2007</i>).
10.14	Amendment No. 2, dated October 18, 2007, to the Second Amended and Restated Credit Agreement by and between Veri-Tek International, Corp. (now known as Manitex International, Inc.), Manitex, Inc. and Comerica Bank dated April 11, 2007, as amended (<i>incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed on October 22, 2007</i>).
10.15	Amendment No. 3, dated June 30, 2008, to Second Amended and Restated Credit Agreement dated April 11, 2007, as amended, and Amendment to Revolving Credit Note, by and between Manitex International, Inc., Manitex, Inc., and Comerica Bank, as amended (<i>incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on July 7, 2008</i>).
10.16	Amendment No. 4, dated July 9, 2009, to Second Amended and Restated Credit Agreement dated April 11, 2007, as amended, and Amendment to Revolving Credit Note, by and between Manitex International, Inc., Manitex, Inc., and Comerica Bank, as amended (<i>incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on July 10, 2009</i>).
10.17	Amendment No. 5, dated November 9, 2010, to Second Amended and Restated Credit Agreement, dated April 11, 2007, as amended and Amendment to Revolving Credit Note, by and between Manitex International, Inc., Manitex, Inc., and Comerica Bank, as amended (<i>incorporated by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q filed on November 12, 2010</i>).
10.18	Amendment No. 6, dated November 9, 2010, to Second Amended and Restated Credit Agreement, dated April 11, 2007, as amended and Amendment to Revolving Credit Note, by and between Manitex International, Inc., Manitex, Inc., and Comerica Bank, as amended (<i>incorporated by reference to Exhibit 10.2 to the Quarterly Report on Form 10-Q filed on November 12, 2010</i>).
10.19	Amendment No. 7, dated June 28, 2011, to Second Amended and Restated Credit Agreement and Amendment to Revolving Credit Note dated August 9, 2007, by and between Manitex International, Inc., Manitex, Inc., and Comerica Bank, as amended (<i>incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on July 1, 2011</i>).
10.20	Amendment No. 8, dated February 16, 2012, to Second Amended and Restated Credit Agreement and Amendment to Revolving Credit Note, by and between Manitex International, Inc., Manitex, Inc., and Comerica Bank, as amended (<i>incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on February 17, 2012</i>).
10.21	Amendment No. 9 to Second Amended and Restated Credit Agreement and Amendment to Revolving Credit Note, by and between Manitex International, Inc., Manitex, Inc., and Comerica Bank, as amended (<i>incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on July 2, 2012</i>).

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<u>Exhibit No.</u>	<u>Description</u>
10.22	Amendment No. 10 to Second Amended and Restated Credit Agreement and Amendment to Revolving Credit Note, by and between Manitex International, Inc., Manitex, Inc., and Comerica Bank, as amended (<i>incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on October 1, 2012</i>).
10.23	Amendment No. 11 to Second Amended and Restated Credit Agreement and Amendment to Revolving Credit Note, by and between Manitex International, Inc., Manitex, Inc., and Comerica Bank, as amended (<i>incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on November 8, 2012</i>).
10.24	Amendment No. 12 to Second Amended and Restated Credit Agreement and Amendment to Revolving Credit Note, by and between Manitex International, Inc., Manitex, Inc., and Comerica Bank, as amended (<i>incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on December 13, 2012</i>).
10.25	Revolving Credit Note for \$16,500,000 dated April 11, 2007, payable to Comerica Bank by Manitex, Inc. (<i>incorporated by reference to Exhibit 10.2 to the Quarterly Report on Form 10-Q filed on May 15, 2007</i>).
10.26	Master Revolving Note in the principal amount of \$20.5 million, dated July 9, 2009, by and between Manitex, Inc. and Comerica Bank (<i>incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed on July 10, 2009</i>).
10.27	Amendment, effective May 5, 2010, to Master Revolving Note in the principal amount of \$20.5 million, dated July 9, 2009, by and between Manitex, Inc. and Comerica Bank (<i>incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on May 11, 2010</i>).
10.28	Letter Agreement between Manitex Liftking, ULC and Comerica Bank dated December 29, 2006 (<i>incorporated by reference to Exhibit 10.25 to Amendment No. 1 to the Annual Report on Form 10-K/A filed on May 17, 2007</i>).
10.29	Letter Agreement, dated June 30, 2008, by and between Manitex LiftKing, ULC and Comerica Bank (<i>incorporated by reference to Exhibit 10.4 to the Current Report on Form 8-K filed on July 7, 2008</i>).
10.30	Letter Agreement, dated October 29, 2009, by and between Manitex LiftKing, ULC and Comerica Bank (<i>incorporated by reference to Exhibit 10.4 to the Current Report on Form 8-K filed on November 2, 2009</i>).
10.31	Amendment effective as of June 29, 2011 to the Letter Agreement dated October 29, 2009 by and between Manitex LiftKing, ULC and Comerica Bank (<i>incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K filed on July 1, 2011</i>).
10.32	Amended and Restated Letter Agreement between Manitex Liftking, ULC and Comerica Bank dated December 23, 2011 (<i>incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on December 30, 2011</i>).
10.33	Security Agreement, dated December 29, 2006, between Manitex Liftking, ULC and Comerica Bank (<i>incorporated by reference to Exhibit 10.27 to Amendment No. 1 to the Annual Report on Form 10-K/A filed on May 17, 2007</i>).
10.34	Amendment dated December 23, 2011 to Security Agreement dated December 29, 2006, between Manitex Liftking, ULC and Comerica Bank (<i>incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K filed on December 30, 2011</i>).
10.35	Guaranty executed by Manitex, LLC on December 29, 2006, guaranteeing the loan from Comerica Bank to Manitex Liftking, ULC (<i>incorporated by reference to Exhibit 10.28 to Amendment No. 1 to the Annual Report on Form 10-K/A filed on May 17, 2007</i>).

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<u>Exhibit No.</u>	<u>Description</u>
10.36	Advance Formula Agreement dated as of December 23, 2011, made by Manitex Liftking, ULC in favor of Comerica Bank <i>(incorporated by reference to Exhibit 10.8 to the Current Report on Form 8-K filed on December 30, 2011)</i> .
10.37	Amendment No. 1, dated August 10, 2012, to Advance Formula Agreement dated as of December 23, 2011, made by Manitex Liftking, ULC in favor of Comerica Bank <i>(incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed on August 13, 2012)</i> .
10.38	Master Revolving Note in the principal amount of \$500,000 dated May 5, 2010, between Manitex International, Inc. and Comerica Bank <i>(incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed on August May 11, 2010)</i> .
10.39	Amendment No. 1, dated August 10, 2012, to Master Revolving Note in the principal amount of \$500,000 dated May 5, 2010, between Manitex International, Inc. and Comerica Bank <i>(incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on August 13, 2012)</i> .
10.40	Letter agreement dated May 5, 2010, between Manitex International, Inc. and Comerica Bank <i>(incorporated by reference to Exhibit 10.4 to the Current Report on Form 8-K filed on May 11, 2010)</i> .
10.41	Amendment effective as of June 29, 2011 to the Letter Agreement dated May 5, 2010 between Manitex International, Inc. and Comerica Bank <i>(incorporated by reference to Exhibit 10.7 to the Current Report on Form 8-K filed on July 1, 2011)</i> .
10.42	Comerica Bank Foreign Currency Exchange Master Agreement, dated September 7, 2007, between Veri-Tek International, Corp. (now known as Manitex International, Inc.) and Comerica Bank <i>(incorporated by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q filed on November 14, 2007)</i> .
10.43	Specialized Equipment Export Facility Master Revolving Note for \$2.0 million dated December 23, 2011, between Manitex Liftking, ULC and Comerica Bank <i>(incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed on December 30, 2011)</i> .
10.44	Manitex International, Inc. Guarantee dated as of December 23, 2011 in favor of Comerica Bank related to indebtedness of Manitex Liftking, ULC Specialized Equipment Export Facility <i>(incorporated by reference to Exhibit 10.4 to the Current Report on Form 8-K filed on December 30, 2011)</i> .
10.45	Manitex, LLC Guarantee dated as of December 23, 2011, in favor of Comerica Bank related to indebtedness of Manitex Liftking, ULC Specialized Equipment Export Facility <i>(incorporated by reference to Exhibit 10.5 to the Current Report on Form 8-K filed on December 30, 2011)</i> .
10.46	Manitex International, Inc. Waiver issued to Export Development Canada dated December 9, 2011 <i>(incorporated by reference to Exhibit 10.6 to the Current Report on Form 8-K filed on December 30, 2011)</i> .
10.47	Manitex, LLC Waiver issued to Export Development Canada dated December 9, 2011 <i>(incorporated by reference to Exhibit 10.7 to the Current Report on Form 8-K filed on December 30, 2011)</i> .
10.48	Amended and Restated Master Revolving Note (Multi-Currency) for \$6.5 million dated December 23, 2011, between Manitex Liftking, ULC and Comerica Bank <i>(incorporated by reference to Exhibit 10.9 to the Current Report on Form 8-K filed on December 30, 2011)</i> .
10.49	Amended and Restated Guaranty dated December 23, 2011 from Manitex International, Inc. to Comerica Bank related to Manitex Liftking, ULC Amended and Restated Master Revolving Note <i>(incorporated by reference to Exhibit 10.10 to the Current Report on Form 8-K filed on December 30, 2011)</i> .

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<u>Exhibit No.</u>	<u>Description</u>
10.50	Amended and Restated Security Agreement dated as of December 23, 2011 from Manitek International, Inc. to Comerica Bank related to Manitek Liftking, ULC Amended and Restated Master Revolving Note (<i>incorporated by reference to Exhibit 10.11 to the Current Report on Form 8-K filed on December 30, 2011</i>).
10.51	Amended and Restated Guaranty dated December 23, 2011 from Manitek, LLC to Comerica Bank related to Manitek Liftking, ULC Amended and Restated Master Revolving Note (<i>incorporated by reference to Exhibit 10.12 to the Current Report on Form 8-K filed on December 30, 2011</i>).
10.52	Security Agreement dated as of December 23, 2011 from Manitek, LLC to Comerica Bank related to Manitek Liftking, ULC Amended and Restated Master Revolving Note (<i>incorporated by reference to Exhibit 10.13 to the Current Report on Form 8-K filed on December 30, 2011</i>).
10.53	Floorplan and Security Agreement between Manitek International, Inc. and HCA Equipment Finance LLC, dated December 15, 2008, together with the form of Extension of Credit, which is attached as Exhibit A thereto, and the Addendum to Floorplan and Security Agreement, dated January 20, 2009 (<i>incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on January 27, 2009</i>).
10.54	Restructuring Agreement, dated October 6, 2008, by and among Terex Corporation, Crane & Machinery, Inc., and Manitek International, Inc. (<i>incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed on October 10, 2008</i>).
10.55	Term Note in principal amount of \$2,000,000, dated October 6, 2008, payable by Manitek International, Inc. to Terex Corporation (<i>incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K filed on October 10, 2008</i>).
10.56	Security Agreement, dated October 6, 2008, by and between Crane & Machinery, Inc. and Terex Corporation (<i>incorporated by reference to Exhibit 10.5 to the Current Report on Form 8-K filed on October 10, 2008</i>).
10.57	Master Revolving Note in the principal amount of \$22.5 million dated June 29, 2011 by and between, and between Manitek, Inc. and Comerica Bank (<i>incorporated by reference to Exhibit 10-2 to the Current Report on Form 8-K filed on July 1, 2011</i>).
10.58	Master Revolving Note in the principal amount of \$1.0 million dated June 29, 2011 by and between, and between Manitek International, Inc. and Comerica Bank (<i>incorporated by reference to Exhibit 10-6 to the Current Report on Form 8-K filed on July 1, 2011</i>).
10.59	Guaranty of Manitek International, Inc. dated June 29, 2011 that guarantees Manitek, Inc. indebtedness to Comerica Bank (<i>incorporated by reference to Exhibit 10.9 to the Current Report on Form 8-K filed on July 1, 2011</i>).
10.60	Guaranty of Manitek International, Inc. dated June 29, 2011 that guarantees Manitek Liftking, ULC indebtedness to Comerica Bank (<i>incorporated by reference to Exhibit 10.10 to the Current Report on Form 8-K filed on July 1, 2011</i>).
10.61	Guaranty of Badger Equipment Company and Manitek Load King, Inc. dated June 29, 2011 that guarantees Manitek, Inc. and Manitek International, Inc. indebtedness to Comerica Bank (<i>incorporated by reference to Exhibit 10.11 to the Current Report on Form 8-K filed on July 1, 2011</i>).
10.62	Security Agreement dated June 29, 2011 by and between, and between Badger Equipment Company and Comerica Bank (<i>incorporated by reference to Exhibit 10.12 to the Current Report on Form 8-K filed on July 1, 2011</i>).

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<u>Exhibit No.</u>	<u>Description</u>
10.63	Security Agreement dated June 29, 2011 by and between, and between Manitex Load King, Inc. and Comerica Bank <i>(incorporated by reference to Exhibit 10.13 to the Current Report on Form 8-K filed on July 1, 2011)</i> .
10.64	Guaranty of Manitex, Inc. dated June 29, 2011 that guarantees Manitex International, Inc. indebtedness to Comerica Bank <i>(incorporated by reference to Exhibit 10.14 to the Current Report on Form 8-K filed on July 1, 2011)</i> .
10.65	Loan Agreement dated November 2, 2011, between the South Dakota Board of Economic Development and Manitex Load King, Inc. <i>(incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on November 8, 2011)</i> .
10.66	Promissory Note in the principal amount of \$857,500 dated November 2, 2011, between Manitex Load King, Inc. and the South Dakota Board of Economic Development <i>(incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed on November 8, 2011)</i> .
10.67	Mortgage—One Hundred Eighty Day Redemption dated November 2, 2011, between Manitex Load King, Inc. and the South Dakota Board of Economic Development <i>(incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K filed on November 8, 2011)</i> .
10.68	Guaranty Agreement dated November 2, 2011, between the State of South Dakota Board of Economic Development and Manitex International, Inc. <i>(incorporated by reference to Exhibit 10.4 to the Current Report on Form 8-K filed on November 8, 2011)</i> .
10.69*	Employment Agreement dated November 2, 2011, between the State of South Dakota Board of Economic Development and Manitex Load King, Inc. <i>(incorporated by reference to Exhibit 10.5 to the Current Report on Form 8-K filed on November 8, 2011)</i> .
10.70	Promissory Note in the principal amount of \$857,500 dated November 2, 2011, between Manitex Load King, Inc. and Home Federal Bank <i>(incorporated by reference to Exhibit 10.6 to the Current Report on Form 8-K filed on November 8, 2011)</i> .
10.71	Mortgage One Hundred Eighty Day Redemption dated November 2, 2011, between Manitex Load King, Inc. and Home Federal Bank <i>(incorporated by reference to Exhibit 10.7 to the Current Report on Form 8-K filed on November 8, 2011)</i> .
10.72	Guaranty dated November 2, 2011, between Manitex International, Inc., Manitex Load King, Inc. and Home Federal Bank <i>(incorporated by reference to Exhibit 10.8 to the Current Report on Form 8-K filed on November 8, 2011)</i> .
10.73	Promissory Note in the principal amount of \$400,000 dated November 2, 2011, between Manitex Load King, Inc. and Home Federal Bank <i>(incorporated by reference to Exhibit 10.9 to the Current Report on Form 8-K filed on November 8, 2011)</i> .
10.74	Security Agreement dated November 2, 2011, between Home Federal Bank and Manitex Load King, Inc. <i>(incorporated by reference to Exhibit 10.10 to the Current Report on Form 8-K filed on November 8, 2011)</i> .
10.75	English Summary of Form of Agreement for the Provision of Goods dated June 29, 2011 between CVS Ferrari Srl and Cabletronic srl. <i>(incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K/A filed on August 8, 2011)</i> .
10.76	English Summary of Form of Letter Agreement dated February 11, 2011 between C.V.S. Costruzione Veicoli Speciali S.p.A. and CVS Ferrari srl <i>(incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K/A filed on August 8, 2011)</i> .
21.1 ⁽¹⁾	Subsidiaries of the Company.

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<u>Exhibit No.</u>	<u>Description</u>
23.1 ⁽¹⁾	Consent of UHY LLP.
24.1 ⁽¹⁾	Power of Attorney (included on signature page).
31.1 ⁽¹⁾	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended.
31.2 ⁽¹⁾	Certification of Principal Financial Officer pursuant to Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended.
32.1 ⁽¹⁾	Certification by Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. 1350.
101 **	The following financial information from the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2012, formatted in XBRL (eXtensible Business Reporting Language): (i) Consolidated Statements of Income for the fiscal years ended December 31, 2012, 2011 and 2010, (ii) Consolidated Balance Sheets as of December 31, 2012 and 2011, (iii) Consolidated Statements of Shareholders Equity and Comprehensive Income, (iv) Consolidated Statements of Cash Flows and (v) Notes to Consolidated Financial Statements.

* Denotes a management contract or compensatory plan or arrangement.

** Pursuant to Rule 406T of Regulation S-T, these interactive data files are deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933 or Section 18 of the Securities Exchange Act of 1934 and otherwise are not subject to liability under those sections.

⁽¹⁾ Filed herewith.

Subsidiaries of Manitex International, Inc.

1. Quantum Value Management LLC – a Michigan limited liability company
2. Manitex, LLC – a Delaware limited liability company
3. Manitex, Inc. – a Texas corporation
4. Liftking, Inc. – a Michigan corporation
5. Manitex Liftking, ULC – an Alberta unlimited liability company
6. Badger Equipment Company – a Minnesota corporation
7. Manitex Load King, Inc. – a Michigan corporation
8. CVS Ferrari srl – an Italian corporation

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 333-139576, No. 333-146569 and No. 333-176189) and Form S-8 (No. 333-126978) of Manitex International, Inc. of our report dated March 14, 2013, relating to our audit of the consolidated financial statements and the effectiveness of internal control over financial reporting, which appear in this Form 10-K for the year ended December 31, 2012.

/s/ UHY LLP
UHY LLP

Sterling Heights, Michigan
March 14, 2013

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

Solely for the purpose of complying with 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, we, the undersigned Chief Executive Officer and Chief Financial Officer of Manitex International, Inc. (the “Company”), hereby certify that, to the best of our knowledge, the Annual Report of the Company on Form 10-K for the year ended December 31, 2012 (the “Report”) fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: / S/ D AVID J. L ANGEVIN

Name: **David J. Langevin**

Title: **Chairman and Chief Executive Officer
(Principal Executive Officer
of Manitex International, Inc.)**

Dated: March 14, 2013

By: / S/ D AVID H. G RANSEE

Name: **David H. Gransee**

Title: **Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer
of Manitex International, Inc.)**

Dated: March 14, 2013