MANITOWOC CO INC

FORM 10-K
(Annual Report)

Filed 3/31/1997 For Period Ending 12/31/1996

Address	P O BOX 66
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CIK	0000061986
Industry	Constr. & Agric. Machinery
Sector	Capital Goods
Fiscal Year	12/31

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington D.C. 20549

FORM 10-K

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 1996

[_] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 1-11978

THE MANITOWOC COMPANY, INC.

(Exact name of registrant as specified in its charter)

Wisconsin	39-0448110
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

500 South 16th Street, Manitowoc, Wisconsin 54220

(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, Including Area Code: (414) 684-4410

Securities Registered Pursuant to Section 12(b) of the Act:

Common Stock, $.01 Par Value New York Stock Exchange
(Title of Each Class)(Name of Each Exchange on Which Registered)

Common Stock Purchase Rights

Securities Registered Pursuant to Section 12(g) of the Act:

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 [X] 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. [X]

The Aggregate Market Value on February 28, 1997, of the registrant's Common Stock held by non-affiliates of the registrant was $376,646,979, based on the $33.88 per share average of high and low sale prices on that date.

The number of shares outstanding of the registrant's Common Stock as of February 28, 1997, the most recent practicable date, was 11,511,357.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of registrant's Annual Report to Shareholders for the period ended December 31, 1996 (the "1996 Annual Report"), are incorporated by reference into Parts I and II of this report. Portions of the registrant's Proxy Statement for the Annual Meeting of Shareholders dated April 1, 1997 (the "1997 Proxy Statement"), are incorporated by reference in Part III of this report.

See Index to Exhibits.

PART I

Item 1. Business

GENERAL

The Manitowoc Company, Inc. (the "Company" or "Manitowoc"), a Wisconsin corporation, is a diversified, capital goods manufacturer headquartered in Manitowoc, Wisconsin. Founded in 1902, the Company is principally engaged in: a) the design and manufacture of commercial ice machines and refrigeration products for the foodservice, lodging, convenience store and healthcare markets; (b) the design and manufacture of cranes and related products which are used by the energy, construction, mining and other industries; and (c) marine vessel repair. The Company currently operates a large-crane manufacturing facility and an ice machine and reach-in refrigerator/freezer manufacturing facility in Manitowoc, Wisconsin; seven refrigeration products facilities located in Tennessee and Wisconsin; ship repair yards in Sturgeon Bay, Wisconsin and Toledo and Cleveland, Ohio; a crane re-manufacturing facility in Bauxite, Arkansas; a crane replacement parts manufacturing facility in Punxsutawney, Pennsylvania and Pompano Beach, Florida; and a boom truck crane operation in Georgetown, Texas.

For information relating to the Company's lines of business and industry segments, see "Management's Discussion and Analysis of Results of Operations and Financial Condition", "Eleven-Year Financial Summary and Business Segment Information", "Summary of Significant Accounting Policies -- Research and Development" and Note 14 to Consolidated Financial Statements on pages 18-21, 22-23, 28 and 33, respectively, of the 1996 Annual Report, which are incorporated herein by reference.

On August 9, 1994, the Board of Directors changed the Company's fiscal year from the Saturday nearest to June 30 of each calendar year to December 31 of each calendar year. Such change in fiscal years resulted in a transition period from July 3, 1994 through December 31, 1994. For further information concerning the transition period see "Summary of Significant Accounting Policies--Fiscal Year" on page 28 of the 1996 Annual Report, which is incorporated herein by reference.

PRODUCTS AND SERVICES

Foodservice

The Foodservice Products business segment designs, manufactures, and markets commercial ice cube machines, ice storage bins, ice cube dispensers, and related accessories including water filtration systems, as well as reach-in and walk-in refrigerators and freezers. Serving the needs of foodservice, lodging, convenience store, and healthcare operations worldwide, the Company has captured a leading percentage of the commercial ice cube machine, reach-in and walk-in refrigerator market.

Several models of automatic ice cube making and dispensing machines are designed, manufactured and marketed by Manitowoc Equipment Works. Offering daily production capacities from 160 to 1,890 pounds, Manitowoc ice machines are complemented by storage bins with capacities from 220 to 760 pounds; countertop ice and beverage dispensers with capacities to 160 pounds; floor-standing ice dispensers with capacities to 180 pounds; and optional accessories such as water filters and ice baggers. The reach-in refrigerators and freezers are available in one, two or three-door models that provide gross storage capacities of 23.1, 47.8 and 73.7 cubic feet, respectively.

Effective December 1, 1995, the Company completed the purchase of The Shannon Group, Inc. ("Shannon"). Shannon is a manufacturer of commercial refrigerators, freezers and related products, ranging from small under-counter units to 300,000 square foot refrigerated warehouses. Among its wide range of products, Shannon is best known for its foamed-in-place walk-in refrigeration units, wood rail walk-in units, refrigerated food-prep tables, reach-in refrigerator/freezers and modular refrigeration systems. Shannon supplies walk-in refrigerator/freezers to many of the leading restaurant and grocery chains in the United States. See Note 9 to Consolidated Financial Statements on page 31 of the 1996 Annual Report, which is incorporated herein by reference.

The acquisition of The Shannon Group, Inc. has made Foodservice equipment the Company's largest business segment. Prior to the acquisition, Foodservice represented 35% of the Company's total sales. In calendar 1996, Shannon and Manitowoc Equipment Works account for 48% of the Company's sales and 54% of the segment operating earnings.

During 1996, Manitowoc Equipment Works introduced the new J-Series 1300 and 1800 ice-cube machines that feature a single evaporator rather than two that were used in earlier models. This improves reliability, simplifies maintenance, and reduces operating cost. All new J-Series models feature HFC refrigerants and our patented self-cleaning system, which cleans and sanitizes our ice machines at a flip of a switch. An automated self-cleaning system is also available as an option.

In fiscal 1993, the foodservice products group introduced a new line of ice machines that use an environmentally enlightened refrigerant. The "B-Series" includes ten models which are complemented by seven ice storage bins. For added customer convenience, the "B" models also feature standard self-cleaning and optional automatic-cleaning systems that improve reliability while simplifying maintenance.

The Company also introduced in 1993 the industry's first reach-in cooler that uses an environmentally enlightened refrigerant. In addition, our Foodservice group received a U.S. patent covering the drop-in refrigeration units for its reach-in cabinets.

During 1995, Manitowoc Equipment Works was certified as meeting ISO-9001 quality standards - the highest international rating for quality management systems.

The Company completed arrangements with a joint-venture partner, Hangzhou Household Electric Appliance Industrial Corporation, to produce ice machines in China during calendar 1995. The joint-venture factory has begun production of the Company's new model I-25 ice machine. The I-25 produces 30 pounds of ice per day. It was developed to meet the needs of customers in overseas markets that do not require the 160 to 1,890 pound daily outputs of the standard ice making models.

The Foodservice Products business segment sales are made from the Company's inventory and sold worldwide through independent wholesale distributors, chain accounts, and government agencies. The distribution network now extends to 80 distributors in 70 countries within Western Europe, the Far East, the Middle East, the Near East, Latin America, North America, the Carribbean, and Africa. A new distribution facility in Rotterdam, Holland has enabled the Company to increase sales of ice and refrigerated foodservice equipment in Europe.

Since sales are made from the Company's inventory, orders are generally filled within 24 to 48 hours. The backlog for unfilled orders for Foodservice Products at December 31, 1996 and 1995 were not significant.

Cranes and Related Products

The Company designs and manufactures a diversified line of crawler, truck, fixed-base mounted, and hydraulically-powered cranes, which are sold under the "Manitowoc", "Manitex", and "West- Manitowoc, Inc." names for use by the energy, construction, mining, pulp and paper, and other industries. Many of the Company's customers purchase one crane together with several options to permit use of the crane in various lifting applications and other operations. Various crane models combined with available options have lifting capacities ranging from approximately 10 to 1,500 U.S. tons and excavating capacities ranging from 3 to 15 cubic yards.

The Company has developed a line of hydraulically-driven, electronically-controlled M-Series crawler cranes. M-Series cranes are easier to transport, operate and maintain, as well as being more productive in a number of applications. Six models, along with various attachments, have been introduced to-date with lifting capacities ranging from 65 to 1,500 U.S. tons.

In July 1995, the Company's large-crane operation completed a plant consolidation to a single site within Manitowoc, Wisconsin in order to streamline the manufacturing process. The consolidation has reduced production costs, shortened the cycle from order to shipment, and has made it easier to respond to shifts in market demand.

During 1995, Manitowoc Engineering introduced the Model-888. The 888 is a lattice boom crawler crane with a lifting capacity of 230 U.S. tons. Because of its innovative design, the 888 will self- assemble and be ready to work on a jobsite in as little as one hour. Other cranes of similar size and configuration take many more hours to assemble before they can be put to work.

During 1996, Manitowoc introduced two innovative attachments for its highly successful Model 888. The 888 RINGER is a 45-foot diameter attachment that boosts the 888's nominal capacity to 660 U.S. tons. For long-reach applications, the 888 can also be rigged with a luffing-jib attachment that delivers a 105,500-pound maximum capacity and allows the 888 to operate with a maximum combination of 370 feet of boom and luffing jib. The new Model-777 liftcrane, somewhat smaller than the 888, is set to be introduced in 1997.

The Company also performs machining, fabricating and assembly subcontract work utilizing its crane manufacturing facilities. The Company also has a remanufacturing facility in Bauxite, Arkansas which buys older cranes for remanufacture and rebuilds and sells the finished units through the distribution channels mentioned below. Customer owned cranes are also remanufactured at this facility.

In fiscal 1994, the Company launched a completely new business unit - West-Manitowoc. Its prime target is the smaller, independent contractors and rental-fleet customers who need smaller, less complicated, easily transportable, and more versatile cranes that meet the needs of a broad range of users.

To serve this growing market, West-Manitowoc has developed a new line of value-priced cranes with those characteristics. The first of these, the 90-ton lifting capacity Model-222 crane, formerly known as the West-100, has successfully captured a large portion of the rental market for self-erecting cranes. During 1997, West-Manitowoc will introduce the 222EX, a self-erecting crawler crane that will serve the specialized needs of bridge and foundation contractors. West will further broaden its product line by introducing the Model-111, a 65- ton crawler crane designed to serve the varied demands of the general construction market.

As West-Manitowoc introduces additional models in the 50 to 130- ton range, Manitowoc Engineering will phase out production of small M-Series models and concentrate solely on high-end cranes for customers with specialized needs.

In February 1994, the Company acquired the assets of Femco Machine Co. Femco Machine Co. is a manufacturer of parts for cranes, draglines, and other heavy equipment. Femco is located in Punxsutawney, Pennsylvania and Pompano Beach, Florida.

Femco and Manitowoc Re-Manufacturing together form the Aftermarket Group. These companies rebuild and remanufacture used cranes, both Manitowoc and non-Manitowoc units, for owners who want to add value to their existing cranes. Femco's existing South Florida operation is ideally positioned to serve the large Latin American market where used cranes are the order of the day.

In February, 1996, the Company announced the sale of Orley Meyer, the Wisconsin-based unit which produced overhead cranes of up to 50-ton capacity. Although Orley Meyer was a profitable and well-run operation, its product line was outside the Company's core business interests.

The Company's cranes and related products are sold throughout North America and foreign countries by independent distributors, and by Company- owned sales subsidiaries located in Mokena, Illinois; and Northampton, England. In July, 1996, the Company sold its sales subsidiary in Benicia, California. During calendar 1995, the Company sold its sales subsidiaries in Long Island City, New York; LaMirada, California; Seattle, Washington; and Chur, Switzerland. In fiscal 1993, the Company sold two previously owned sales subsidiaries located in Davie, Florida and Charlotte, North Carolina.

Distributors generally do not carry inventories of new cranes, except for the smaller truck cranes. Most distributors maintain service facilities and inventories of replacement parts. Company employed service representatives usually assist customers in the initial set-up of new cranes.

The Company does not generally provide financing for either its independent distributors or their customers; however, dealers frequently assist customers in arranging financing and may accept used cranes as partial payment on the sale of new cranes.

See Note 14 to Consolidated Financial Statements on page 33 of the 1996 Annual Report with respect to export sales, which is incorporated herein by reference. Such sales are usually made to the Company's foreign subsidiaries or independent distributors, in addition to sales made to domestic customers for foreign delivery. Foreign sales are made on Letter of Credit or similar terms.

The year-end backlog of crane products includes orders which have been placed on a production schedule, and those orders which the Company has accepted and which are expected to be shipped and billed during the next fiscal year. The backlog of unfilled orders for cranes and related products at December 31, 1996 approximates $136.0 million, as compared with $85.8 million a year earlier. The increase is primarily due to the continued positive customer acceptance of the Company's Model-888 crane, initial orders for the new Model-777 crane, one M-1200 RINGER, and four 888 RINGERs.

Marine

The Company had been a shipbuilder since its inception in 1902. For almost seven decades, all shipbuilding operations were conducted in Manitowoc, Wisconsin. Two adjoining shipyards in Sturgeon Bay, Wisconsin, were acquired in 1968 and 1970, and all shipbuilding activities were transferred to those facilities.

In January, 1992, the Company acquired substantially all the assets of Merce Industries, Inc. Merce Industries, Inc. operated the ship repair facility owned by the Port Authority of Toledo, Ohio, and similar operations in Cleveland, Ohio. Included with the acquisition was the assumption of a lease agreement with the Port Authority for the ship repair facilities.

The Marine Group (made up of BSC, Toledo Shiprepair Co., and Cleveland Shiprepair Co.) dry-docks and services commercial vessels of all sizes, including 1,000-foot super carriers, the largest vessels sailing the Great Lakes. The Marine Group's capabilities include planned and emergency maintenance, vessel inspections, five-year surveys, conversions, repowering, and retrofitting plus repair service for hulls, turbines, boilers, propulsion systems and cargo systems. To reduce seasonality, the Marine Group has begun to perform non- marine industrial repair during the summer months.

In July, 1996, Bay Shipbuilding Co. (BSC), a division in the Company's Marine Group, completed construction of a self-unloading cement barge for a Great Lakes customer. BSC intends to pursue these types of projects with other Great Lakes customers.

The year-end backlog for the marine segment includes repair and maintenance work presently scheduled at the shipyard which will be completed in the next fiscal year. At December 31, 1996 the backlog approximates $5.9 million, compared to $21.2 million one year ago. The 1995 backlog included construction of the self-unloading cement barge.

Raw Materials and Supplies

The primary raw material used by the Company is structural and rolled steel, which is purchased from various domestic sources. The Company also purchases engines and electrical equipment and other semi- and fully-processed materials. It is the policy of the Company to maintain, wherever possible, alternate sources of supply for its important materials and parts. The Company maintains inventories of steel and other purchased material.

Patents, Trademarks, Licenses

The Company owns a number of United States and foreign patents pertaining to the crane and foodservice products, and has presently pending applications for patents in the United States and foreign countries. In addition, the Company has various registered and unregistered trademarks and licenses which are of material importance to the Company's business.

Seasonality

Typically, the second calendar quarter represents the Company's best quarter in all of the business segments. Since the summer brings along warmer weather, there is an increase in the use of ice machines. As a result, distributors are building inventories for the increased demand. In the cranes and related products segment, summer also represents the main construction season. Customers require new machines, parts, and service prior to such season. With respect to the Marine segment, the Great Lakes shipping industry's sailing season is normally May through November. Thus, barring any emergency groundings, the majority of repair and maintenance work is performed during the winter months. Accordingly, the work is typically completed during the second calendar quarter of the year.

Competition

All of the Company's products are sold in highly competitive markets. Competition is at all levels, including price, service and product performance.

Within the ice machine division, there are several manufacturers with whom the Company competes. The primary competitors include Scotsman Industries (tradename Scotsman and Crystal Tips), Prospect Heights, Illinois; Welbilt Company (tradename Ice-O-Matic), New Hyde Park, New York; and Hoshizaki American, Inc. (tradename Hoshizaki), Peachtree City, Georgia. The Company is the leading, low-cost, producer of ice machines in North America.

The list of competitors for the refrigeration products line include Beverage Air, Spartanburg, South Carolina; The Delfield Company, Mt. Pleasant, Michigan; Traulsen & Company, Inc., College Point, New York; True Food Service Company, O'Fallon, Missouri; Hobart, Inc., Troy, Ohio; Elliot-Williams Co., Inc., Indianapolis, Indiana; Hussman Corporation, Bridgeton, Missouri; ThermoKool, Laurel, Mississippi; Masterbilt, New Albany, Mississippi; W. A. Brown, Salisbury, Nebraska; and American Panel, Ocala, Florida. The Company is one of the leading producers of small undercounter refrigeration units and large refrigerated warehouses as well as a supplier of walk- in refrigerator/freezers to many of the leading restaurant and grocery chains in the United States.

With respect to crawler cranes, there are numerous domestic and foreign manufacturers of cranes with whom the Company competes, including American Crane Corporation, Wilmington, North Carolina; Link Belt Construction Equipment Co., a subsidiary of Sumitomo Corporation, Tokyo, Japan; Kobelco, Kobe Steel, Ltd., Tokyo, Japan; Mannesmann Demag Baumaschinen, Zweibrucken, West Germany; Liebherr-Werk Ehingen GMBH, Ehingen, West Germany; and Hitachi Construction Machinery Co., Ltd., Tokyo, Japan. Within the market the Company serves, lattice boom crawler cranes with lifting capacities greater than 125 tons, Manitowoc is a world leader of this equipment.

The competitors within the boom truck crane market include Simon-R.O. Corp., Olathe, Kansas; National Crane, Waverly, Nebraska; and JLG, McConnellsburg, Pennsylvania. The Company believes that its current output of boom truck cranes ranks second among its competitors.

In the ship repair operation, the Company is one of three operational shipyards on the Great Lakes capable of drydocking and servicing 1000 foot Great Lakes bulk carriers; the others are Erie Marine Enterprises, Erie, Pennsylvania, and Port Weller Dry Docks, St. Catherines, Ontario, Canada. There are two other shipyards on the Great Lakes, Fraser Shipyards, Inc., Superior, Wisconsin, and H. Hansen Industries, Toledo, Ohio, with whom the Company competes for drydocking and servicing smaller Great Lakes vessels. The Company also competes with many smaller firms which perform top side repair work during the winter lay-up period. In addition, there are shipyards on the East, West and Gulf Coasts capable of converting and reconstructing vessels of sizes that can enter the Great Lakes through the St. Lawrence Seaway and the Wellen Canal. There are also shipyards on the inland rivers capable of servicing smaller, specialized vessels which the Company is capable of servicing.

Employee Relations

The Company employs approximately 2,900 persons, of whom about 540 are salaried. The number of employees is consistent with the prior year.

The Company has labor agreements with 20 union locals. There have been no work stoppages during the three years ended December 31, 1996.

Item 2. PROPERTIES

Owned

The Company owns Foodservice manufacturing facilities located in Manitowoc, Wisconsin; River Falls, Wisconsin; Mason City, Iowa; Parsons, Tennessee; and Scotts Hill, Tennessee.

Manitowoc Equipment Works' production of ice machines and reach- in coolers are housed in a recently expanded 368,000 square foot facility in Manitowoc, Wisconsin. The 128,000 square foot addition was completed during 1995 and permitted both ice machines and reach- ins to be manufactured in the same facility.

The acquisition of The Shannon Group, Inc. included four manufacturing facilities located in Parsons, Tennessee; River Falls, Wisconsin; Mason City, Iowa and Scotts Hill, Tennessee. The Parsons and River Falls facilities have approximately 212,000 and 133,000 square feet of manufacturing and office space, respectively. The Mason City and Scotts Hill plants each have about 40,000 square feet of manufacturing space. In 1996, the Company closed the Mason City facility and consolidated the manufacturing with the leased facility in Greeneville, Tennessee. The Mason City plant is currently held for sale.

Cranes and related products are manufactured at plant locations in Manitowoc, Wisconsin; Georgetown, Texas; Bauxite, Arkansas; and Punxsutawney, Pennsylvania. During 1995, the crane operations in Manitowoc completed a move from the original plant located in the central city to the existing South Works facility. South Works' construction was completed in 1978 and is comprised of approximately 265,000 square feet of manufacturing and office space located on 76 acres. The original plant, which includes approximately 600,000 square feet of manufacturing and office space, is currently being held for sale.

The Punxsutawney operations consist of three manufacturing and office facilities operated as Femco Machine Co. These facilities have approximately 71,000 square feet and are located on approximately 34 acres. A similar facility in nearby Hawthorn, Pennsylvania was sold in November, 1995.

In 1993, the boomtruck crane operations were moved to Georgetown, Texas. The Company purchased an existing manufacturing and office facility totaling approximately 175,000 square feet. Previously, this operation consisted of manufacturing and office facilities located in McAllen, Texas, and a fabrication plant located in Reynosa, Mexico.

In June, 1987, the Company purchased an existing 20,000 square foot facility in Bauxite, Arkansas, for the remanufacturing of used cranes. This facility began operations in fiscal 1988.

The Company's shipyard in Sturgeon Bay, Wisconsin, consists of approximately 55 acres of waterfront property. Four of those acres, which connect two operating areas of the shipyard, are leased under a long term ground lease. There is approximately 295,000 square feet of enclosed manufacturing and office space. Facilities at the shipyard include a 140 by 1,158 foot graving dock, the largest on the Great Lakes. In addition, there is a 250 foot graving dock, and a 600 foot floating drydock.

Additional properties consist primarily of a crane sales office and warehouse facility located in Northampton, England. Sales offices in Long Island City, New York and Seattle, Washington were sold during the fourth quarter of 1995.

Leased

The Company leases three manufacturing facilities for the foodservice division including 90,000 square feet in Selmer, Tennessee; 50,000 square feet in Greeneville, Tennessee and 38,500 square feet in Bethel Springs, Tennessee. The Company also leases approximately 11,000 square feet of office space for The Shannon Group, Inc. in Brentwood, Tennessee. In addition, the Company leases sales offices and warehouse facilities for cranes and related products in Big Bend, Wisconsin; and Mokena, Illinois. Facilities are also leased in Pompano Beach, Florida for parts manufacturing and crane re- manufacturing. Furthermore, the Company leases the shipyard facilities at Toledo and Cleveland, Ohio for the marine segment. These facilities include waterfront land, buildings, and 800-foot and 550-foot graving docks.

Item 3. LEGAL PROCEEDINGS

The information required by this item is incorporated by reference from Note 11 to Consolidated Financial Statements on Page 32 of the 1996 Annual Report.

Item 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted to security holders for a vote during the fourth quarter of the Company's fiscal year ended December 31, 1996.

Executive Officers of the Registrant

Each of the following officers of the Company has been elected to a one-year term by the Board of Directors. The information presented is as of February 28, 1997.

Name	Age	Position With The Registrant	Principal Position Held Since
Fred M. Butler	61	President & CEO	1990
Robert R. Friedl	42	Senior Vice President & CFO	1996
Thomas G. Musial	45	Vice President -Human Resources	1995
Philip D. Keener	45	Treasurer	1990
E. Dean Flynn	54	Secretary	1993
Terry D. Growcock	51	President and General Manager	1996
Jeffry D. Bust	43	President and General Manager	1996
Bruce C. Shaw	62	President and General Manager	1996

Fred M. Butler, 61, president and chief executive officer of The Manitowoc Company, Inc. since 1990. Previously senior vice-president and chief operating officer (1989); and manager of administration
(1988). Prior to joining Manitowoc, Mr. Butler served Guy F. Atkinson Co., and its subsidiaries, for 29 years in numerous managerial and executive positions.

Robert R. Friedl, 42, senior vice president and chief financial officer since 1996. Previously, vice president and chief financial officer (1992),vice president of finance (1990), and assistant treasurer
(1988). Prior to joining Manitowoc, Mr. Friedl served as chief financial officer with Coradian Corp.; was co-founder, vice president of finance, and treasurer of Telecom North, Inc.; and tax manager for Nankin, Schnoll & Co., S.C.

Thomas G. Musial, 45, vice president human resources since 1995. Previously, manager of human resources (1987) and personnel/industrial relations specialist (1976).

Philip D. Keener, 45, treasurer since 1990. Prior to joining Manitowoc, Mr. Keener served as assistant treasurer of Farley Industries, Inc., and in various financial capacities at Northwest Industries, Inc.

E. Dean Flynn, 54, secretary since 1993. Previously, assistant corporate secretary (1987) manager of corporate insurance (1990); and legal assistant (1985). Formerly served the Wabco division of Dresser Industries, Inc., in numerous managerial positions for 23 years, departing as manager of legal affairs in 1985.

Terry D. Growcock, 51, president and general manager of Manitowoc Ice, Inc. since 1996. Previously, executive vice president and general manager of Manitowoc Equipment Works (1994). Prior to joining Manitowoc Ice Inc., Mr. Growcock served as vice president and general manager with Robertshaw Automotive; and vice president and general manager with Paragon Electric.

Jeffry D. Bust, 43, president and general manager of Manitowoc Cranes, Inc. since 1996. Previously executive vice president and general manager (1994). Prior to joining Manitowoc Cranes, Inc., Mr. Bust served as senior vice president and general manager with Mining and

Equipment Division of Harnischfeger Corp.

Bruce C. Shaw, 62, president and general manager of Bay Shipbuilding Co., and executive vice president of Manitowoc Marine Group, Inc. since 1996. Previously, executive vice president and general manager
(1992), vice president and assistant general manager (1987), director of operations (1984), assistant operations manager (1977), and manager planning (1974) with Bay Shipbuilding Co.

PART II

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

The information required by this item is incorporated by reference from "Quarterly Common Stock Price Range", "Eleven-Year Financial Summary and Business Segment Information," "Supplemental Quarterly Financial Information (Unaudited)", and "Investor Information" on pages 1, 22-23, 34 and 37, respectively, of the 1996 Annual Report.

Item 6. SELECTED FINANCIAL DATA

The information required by this item is incorporated by reference from "Eleven-Year Financial Summary and Business Segment Information" on pages 22-23 of the 1996 Annual Report.

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

The information required by this item is incorporated by reference from "Management's Discussion and Analysis of Results of Operations and Financial Condition" on pages 18-21 of the 1996 Annual Report.

Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The financial statements required by this item are incorporated by reference from pages 24-33 of the 1996 Annual Report. Supplementary financial information is incorporated by reference from "Supplemental Quarterly Financial Information (Unaudited)" on page 34 of the 1996 Annual Report. See also the reports of the former independent public accountants included as part of Item 14 of this report and incorporated herein by reference.

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

None.

PART III

Item 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

The information required by this item is incorporated by reference from "Compliance with Section 16(a) of the Exchange Act" on page 4 of the 1997 Proxy Statement and from Election of Directors" on pages 4- 5 of the 1997 Proxy Statement. See also "Executive Officers of the Registrant" in Part I hereof, which is incorporated herein by reference.

Item 11. EXECUTIVE COMPENSATION

The information required by this item is incorporated by reference from "Compensation of Directors", "Executive Compensation", "Contingent Employment Agreements", and "Supplemental Retirement Agreements" on pages 6-10 and 15 of the 1997 Proxy Statement.

Item 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The information required by this item is incorporated by reference from "Ownership of Securities" on pages 2-4 of the 1997 Proxy Statement.

Item 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

None.

PART IV

Item 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

(a) Documents filed as part of this Report.

(1) Financial Statements:

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

Report of Independent Public Accountants on fiscal years ended December 31, 1996 and December 31, 1995, and transition period ended December 31, 1994 Financial Statements

Report of Former Independent Public Accountants on fiscal year ended July 2, 1994 Financial Statements

Consolidated Statements of Earnings for the periods ended December 31, 1996, December 31, 1995, December 31, 1994, and July 2, 1994.

Consolidated Balance Sheets as of December 31, 1996 and December 31, 1995.

Consolidated Statements of Cash Flows for the periods ended December 31, 1996, December 31, 1995, December 31, 1994 and July 2, 1994.

Consolidated Statements of Stockholders' Equity for the periods ended December 31, 1996, December 31, 1995, December 31, 1994, and July 2, 1994.

Summary of Significant Accounting Policies.

Notes to Consolidated Financial Statements.

(2) Financial Statement Schedules:

Financial Statement Schedules for the year ended December 31, 1996 and December 31, 1995, transition period ended December 31, 1994, and fiscal year ended July 2, 1994.

Schedule	Description	Filed Herewith
II	Valuation and Qualifying Accounts	X
	Report of Independent Public Accountants on fiscal year ended December 31, 1996, December 31, 1995, and transition period ended December 31, 1994 Financial Statement Schedules	X
	Report of Former Independent Public Accountants on fiscal year ended July 2, 1994 Financial Statement Schedules	X

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

(b) Reports on Form 8-K:

A report on Form 8-K, dated as of February 19, 1997, was filed on March 4, 1997, stating that the Board of Directors of The Manitowoc Company, Inc. decided to discontinue its common stock repurchase program, effective immediately.

(c) Exhibits:

See Index to Exhibits immediately following the signature page of this report, which is incorporated herein by reference.

REPORT OF FORMER INDEPENDENT PUBLIC ACCOUNTANTS

To The Manitowoc Company, Inc.:

We have audited the consolidated balance sheet of The Manitowoc Company, Inc. (a Wisconsin corporation) as of July 2, 1994, and the related statement of earnings, stockholders' equity and cash flow for the fiscal year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Manitowoc Company, Inc. as of July 2, 1994, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

Milwaukee, Wisconsin
July 28, 1994

/s/ Arthur Andersen LLP
ARTHUR ANDERSEN LLP

REPORT OF INDEPENDENT ACCOUNTANTS

Board of Directors and Stockholders
The Manitowoc Company, Inc. and Subsidiaries

Our report on the consolidated financial statements of The Manitowoc Company, Inc. and Subsidiaries has been incorporated by reference in the Form 10-K from page 34 of the 1996 Annual Report of The Manitowoc Company, Inc. In connection with our audits of such financial statements, we have also audited the related consolidated financial statement schedule listed in the index on page 19 of this Form 10-K.

In our opinion, the consolidated financial statement schedule referred to above, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information required to be included therein.

Milwaukee, Wisconsin
February 5, 1997

/s/ Coopers & Lybrand L.L.P.
COOPERS & LYBRAND L.L.P.

REPORT OF FORMER INDEPENDENT PUBLIC ACCOUNTANTS ON SUPPLEMENTARY SCHEDULES

We have audited in accordance with generally accepted auditing standards, the financial statements included in The Manitowoc Company, Inc.'s annual report to shareholders incorporated by reference in this Form 10-K, and have issued our report thereon dated July 28, 1994. Our audit was made for the purpose of forming an opinion on those statements taken as a whole. The schedule listed in Item 14(a)(2) is the responsibility of the Company's management and is presented for purposes of complying with the Securities and Exchange Commission's rules and are not part of the basic financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly state in all material respects the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

ARTHUR ANDERSEN LLP

Milwaukee, Wisconsin
July 28, 1994.

/s/ Arthur Andersen LLP

THE MANITOWOC COMPANY, INC.
AND SUBSIDIARIES

SCHEDULE II: VALUATION AND QUALIFYING ACCOUNTS

FOR THE FISCAL YEAR ENDED, JULY 2, 1994, TRANSITION PERIOD ENDED DECEMBER 31, 1994, CALENDAR YEARS ENDED DECEMBER 31, 1995 AND DECEMBER 31, 1996

DESCRIPTION	BALANCE AT BEGINNING OF PERIOD	CHARGED TO COSTS AND EXPENSES	DEDUCTIONS (1)	BALANCE AT END OF PERIOD
YEAR ENDED JULY 2, 1994:				
Allowance for doubtful accounts	$ 807,202	$ 702,079	$ (732,536)	$ 776,745
PERIOD ENDED DECEMBER 31, 1994:				
Allowance for doubtful accounts	$ 776,745	$ 419,442	$ --	$1,196,317
YEAR ENDED DECEMBER 31, 1995:				
Allowance for doubtful accounts	$1,196,317	$ 283,843	$ (114,804)	$1,365,356
YEAR ENDED DECEMBER 31, 1996:				
Allowance for doubtful accounts	$1,365,356	$ 322,837	$ (711,986)	$ 976,207

(1) Deductions represent bad debts written-off, net of recoveries.

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 31, 1997

THE MANITOWOC COMPANY, INC.

By: /s/ Fred M. Butler

Fred M. Butler
President & Chief Executive Officer

By: /s/ Robert R. Friedl

Robert R. Friedl
Senior Vice President and
Chief Financial Officer

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

/s/ Fred M. Butler *March 31, 1997*
Fred M. Butler, President & CEO, Director

/s/ Robert R. Friedl *March 31, 1997*
Robert R. Friedl, Senior Vice President & CFO

/s/ Gilbert F. Rankin, Jr. *March 31, 1997*
Gilbert F. Rankin, Jr., Director

/s/ George T. McCoy - ---------- George T. McCoy, Director	March 31, 1997
/s/ Guido R. Rahr, Jr. - ---------- Guido R. Rahr, Jr., Director	March 31, 1997
- ---------- James P. McCann, Director	March 31, 1997
- ---------- Dean H. Anderson, Director	March 31, 1997
- ---------- Robert S. Throop, Director	March 31, 1997

THE MANITOWOC COMPANY, INC.
ANNUAL REPORT ON FORM 10-K
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 1996

INDEX TO EXHIBITS

Exhibit No.	Description	Filed Herewith
2.1 (a) *	Stock Purchase Agreement dated as of October 24, 1995, for the acquisition of The Shannon Group, Inc. by The Manitowoc Company, Inc. (filed as Exhibit 2 to the Company's Report on Form 8-K, dated as of October 25, 1995 and incorporated herein by reference).	
2.1 (b) *	First Amendment to Stock Purchase Agreement, dated as of December 1, 1995, for the acquisition of The Shannon Group, Inc. by The Manitowoc Company, Inc. (filed as Exhibit 2.2 to the Company's Report on Form 8-K, dated as of December 1, 1995 and incorporated herein by reference).	
3.1	Amended and Restated Articles of Incorporation as amended on November 5, 1984 (filed as Exhibit 3(a) to the Company's Annual Report on Form 10-K for the fiscal year ended June 29, 1985 and incorporated herein by reference).	
3.2	Restated By-Laws (as amended through May 22, 1995) including amendment to Article II changing the date of the annual meeting (filed as Exhibit 3.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1995 and incorporated herein by reference).	
4.1	Rights Agreement dated August 5, 1996 between the Registrant and First Chicago Trust Company of New York (filed as Exhibit 4 to the Company's current Report on Form 8-K filed on August 5, 1996 and incorporated herein by reference).	
4.2(a)	Credit Agreement, dated as of December 1, 1995, among The Manitowoc Company, Inc., as Borrower, certain subsidiaries from time to time parties thereto, as Guarantors, the several Lenders, and NationsBank, N.A., as Agent (filed as Exhibit 4.1 to the Company's Report on Form 8-K dated as of December 1, 1995 and incorporated herein by reference).	

4.2(b)	First amendment to Credit Agreement, dated as of September 30, 1996 (filed as Exhibit 4 to the Company's Quarterly Report on Form 10-Q for the quarter-ended September 30, 1996 and incorporated herein by reference).	
4.3	Security and Pledge Agreement, dated as of December 1, 1995, among The Manitowoc Company, Inc., certain of its subsidiaries and NationsBank, N.A. (filed as Exhibit 4.2 to the Company's Report on Form 8-K dated as of December 1, 1995 and incorporated herein by reference).	
4.4	Articles III, V, and VIII of the Amended and Restated Articles of Incorporation (see Exhibit 3.1 above).	
10.1(a) **	The Manitowoc Company, Inc. Deferred Compensation Plan effective August 20, 1993 (the "Deferred Compensation Plan") (filed as Exhibit 4.1 to the Company's Registration Statement on Form S-8 filed June 23, 1993 (Registration No. 33-65316) and incorporated herein by reference).	
10.1(b) **	Amendment to Deferred Compensation Plan adopted by the Board of Directors on February 18, 1997.	X
10.2 **	The Manitowoc Company, Inc. Management Incentive Compensation Plan (Economic Value Added (EVA) Bonus Plan) effective July 4, 1993, and as amended February 18, 1997.	X
10.3 **	Form of Contingent Employment Agreement between the Company and Messrs. Butler, Flynn, Friedl, Keener, Musial, Bust, Growcock and Shaw and certain other employees of the Company (filed as Exhibit 10(c)to the Company's Annual Report on Form 10-K for the fiscal year ended July 1, 1989 and incorporated herein by reference).	
10.4 **	Form of Indemnity Agreement between the Company and each of the directors, executive officers and certain other employees of the Company (filed as Exhibit 10(d) to the Company's Annual Report on Form 10-K for the fiscal year ended July 1, 1989 and incorporated herein by reference).	
10.5 **	Supplemental Retirement Agreement between Fred M. Butler and the Company dated March 15, 1993 (filed as Exhibit 10(e) to the Company's Annual Report on Form 10-K for the fiscal year ended July 3, 1993 and incorporated herein by reference).	
10.6(a) **	Supplemental Retirement Agreement between Robert K. Silva and the Company dated January 2, 1995 (filed as Exhibit 10 to the Company's Report on Form 10-Q for the transition period ended December 31, 1994 and incorporated herein by reference).	
10.6(b) **	Restatement to clarify Mr. Silva's Supplemental Retirement Agreement dated March 31, 1997.	X
10.7 *	The Manitowoc Company, Inc. 1995 Stock Plan (filed as Appendix A to the Company's Proxy Statement dated April 2,	

	1996 for its 1996 Annual Meeting of Stockholders and incorporated herein by reference).	
13	Portions of the 1996 Annual Report to Shareholders of The Manitowoc Company, Inc. incorporated by reference into this Report on Form 10-K.	X
21	Subsidiaries of The Manitowoc Company, Inc.	X
23.1	Consent of Coopers & Lybrand L.L.P., the Company's Independent Public Accountants.	X
23.2	Consent of Arthur Andersen LLP the Company's Former Independent Public Accountants.	X
27	Financial Data Schedule.	X

* Pursuant to Item 601(b)(2) of Regulation S-K, the Registrant agrees to furnish to the Securities and Exchange Commission upon request a copy of any unfiled exhibits or schedules to such document.

** Management contracts and executive compensation plans and arrangements required to be filed as exhibits pursuant to Item 14(c) of Form 10-K.

EXIHIBIT 10.1(b)
1996 10-K

THE MANITOWOC COMPANY, INC.

DEFERRED COMPENSATION PLAN

SECTION 1. PURPOSE AND EFFECTIVE DATE

1.1 The purpose of The Manitowoc Company, Inc. Deferred Compensation Plan (the "Plan") is to promote the best interests of The Manitowoc Company, Inc. (the "Company") and its subsidiaries and affiliates and the stockholders of the Company by (1) attracting and retaining well-qualified persons for service as nonemployee directors of the Company and promoting identity of interest between directors and stockholders of the Company; and (2) attracting and retaining key management employees possessing a strong interest in the successful operation of The Manitowoc Company, Inc. and its subsidiaries and affiliates (collectively referred to herein as the "Employer") and encouraging their continued loyalty, service, and counsel to the Employer.

It is intended that the Plan will allow participants to elect voluntarily to defer and convert, in the case of nonemployee directors, all or a portion of their retainer and meeting fees for services as a director and, in the case of key employees, a portion of their compensation, into Manitowoc Stock and other investments for payment upon retirement, death, disability, or designated distribution date.

1.2 The effective date of the Plan is June 30, 1993. The Plan was amended and restated on May 7, 1996, to permit participation by key employees of subsidiaries adopting the Plan and on February 18, 1997, to conform to Rule 16b-3.

SECTION 2. DEFINITIONS

The following terms have the following meanings unless the context clearly indicates otherwise:

2.1 "Administrator" means a committee of the Board composed of not less than two directors, each of whom shall qualify as a "Non- Employee Director" within the meaning of Rule 16b-3, or such other committee or officer of the Company designated by the Board.

2.2 "Agreement" means the written agreement entered into between the Employer and a Participant, whereby the Participant agrees to defer a portion of his Compensation pursuant to the provisions of the Plan and the Employer agrees to make benefit payments in accordance with the terms of the Plan and such Agreement. An Agreement may be the "Initial Agreement" applicable to a Participant or a "Modified Agreement" (in form approved by the Administrator), properly completed and signed.

2.3 "Beneficiary" means the person or entity designated by the Participant to be the beneficiary of the Deferred Compensation Account of the Participant. If a valid designation of Beneficiary is not in effect at the time of the death of a Participant, the estate of the Participant is deemed to be the sole Beneficiary of such Account. If a Participant dies before receiving full distribution of his Account, any remaining distributions shall be made to the Beneficiary. If a Beneficiary dies while entitled to receive distributions from the Plan, any remaining payments shall be paid to the estate of the Beneficiary. Beneficiary designations shall be in writing, filed with the Administrator, and in such form as the Administrator may prescribe for this purpose.

2.4 "Board" means the Board of Directors of the Company.

2.5 "Change of Control" means the first to occur of the following:

(a) The acquisition by any person or entity, or group thereof acting in concert, of beneficial ownership of securities of the Company which, together with securities previously owned, confer upon the holder the voting power, on all matters brought to a vote of stockholders, of thirty percent (30%) or more of all the then outstanding shares of the Company.

(b) The sale, assignment or transfer of assets (or earning power) of the Company or any subsidiary or subsidiaries, in a transaction or series of transactions, to a twenty percent (20%) stockholder (as herein defined) or any affiliate of a twenty percent (20%) stockholder, if the aggregate market value thereof exceeds fifty percent (50%) of the aggregate book value, determined by the Company in accordance with generally accepted accounting principles, of all the assets (or earning power) of the Company determined on a consolidated basis before such transaction or the first of such transactions, unless the Board approved such transaction or transactions before the date on which the twenty percent (20%) stockholder became a twenty percent (20%) stockholder. For

(c) purposes of this definition of Change of Control, a twenty percent (20%) stockholder means any person, entity, or group of persons and/or entities acting in concert, who or which, together with his, its or their affiliates and associates, is the beneficial owner of securities of the Company which confer upon the holder the voting power, on all matters brought to a vote of stockholders, of twenty percent (20%) or more of all the then outstanding shares of the Company.

(d) The merger or consolidation of the Company (or of one or more subsidiaries of the Company, in a transaction or series of transactions, if

the aggregate book value of the assets thereof exceeds fifty percent (50%) of the aggregate book value of all the assets of the Company determined on a consolidated basis before such transaction or the first of such transactions), with or into a twenty percent (20%) stockholder or any affiliate of a twenty percent (20%) stockholder, unless the Board approved such merger or consolidation before the date on which the twenty percent (20%) stockholder first became a twenty percent (20%) stockholder.

(e) The dissolution of the Company, unless the Board approved such dissolution before the date on which the twenty percent (20%) stockholder first became a twenty percent (20%) stockholder.

(f) Change in the composition of the Board after which a majority of the members thereof are not continuing directors. Continuing director, for this purpose, means (i) any member of the Board while such person is a member of the Board, who is not an acquiring person, or an affiliate or associate of an acquiring person, or a representative of an acquiring person or of any such affiliate or associate, and was a member of the Board prior to July 4, 1993, or (ii) any person who subsequently becomes a member of the Board, who is not an acquiring person, or an affiliate or associate of an acquiring person, or a representative of an acquiring person or of any such affiliate or associate, if such person's nomination for election or election to the Board is recommended or approved by a majority of the continuing directors. As used herein, affiliate and associate shall have the respective meanings ascribed to such terms in Rule 12b-2 under the Exchange Act.

(g) The commencement (within the meaning of Rule 14d-2 of the General Rules and Regulations under the Exchange Act) of a tender or exchange offer which, if successful, would result in a change of control of the Company.

(h) A determination by the Board, in view of then current circumstances or impending events, that a change of control of the Company has occurred or is imminent, which determination shall be made for the specific purpose of triggering the operative provisions of the Company's contingent employment agreements.

2.6 "Company" means The Manitowoc Company, Inc., a Wisconsin corporation, or any successor corporation.

2.7 "Code" means the Internal Revenue Code of 1986, as interpreted by regulations and rulings issued pursuant thereto, all as amended and in effect from time to time.

2.8 "Compensation" means (i) for nonemployee director Participants, the Retainer Fee and (ii) for key employee Participants, "Compensation" has the same meaning as the term "eligible compensation," as defined in The Manitowoc Company, Inc. RSVP Profit Sharing Plan (the "RSVP Plan") and incorporated herein by this reference, without regard to the dollar limits applied to that definition by Code Section 401(a)(17), and without regard to whether such Participants are eligible to participate in the RSVP Plan.

2.9 "Date" means the date an Initial Agreement, a Modified Agreement, an Investment Election Change Form, a Transfer Election Form, or an Extraordinary Distribution Request Form is received by the Administrator.

2.10 "Deferred Compensation Account," "Account," or "Subaccount" means the accounts maintained on the books of the Employer for each Participant.

2.11 "Disability" means disability as set forth in Section 22(e)(3) of the Code.

2.12 Distribution Date" means the date designated by a Participant in accordance with Section 6 for the commencement of payment of amounts credited to his Account.

2.13 "Employer" means the Company and each subsidiary and affiliate of the Company which adopts this Plan.

2.14 "Employer Contribution" means the amount of contribution which may be made each year on behalf of key employee Participants, as described in Section 7.

2.15 "Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time.

2.16 "Extraordinary Distribution Request Form" means the Plan form (in the form approved by the Administrator) properly completed and signed by a Participant (or a Beneficiary after the Participant's death) who wishes to request an extraordinary distribution of amounts credited to his Account.

2.17 "Investment Election Change Form" means the Plan form (in the form approved by the Administrator) properly completed and signed by a Participant who wishes to change his investment election prospectively as to new deposits to his Account.

2.18 "Manitowoc Stock" means the common stock, $.01 par value, of the Company.

2.19 "Participant" means any nonemployee member of the Board and any key employee of an Employer who has executed an Agreement. Key employee status for a Plan Year is determined as of the last day of the immediately preceding Plan Year, or, as to newly-hired employees in their first year of employment, at time of hire based on current base rate of pay. Key employees, for all Plan purposes, include only elected

officers of the Company and other highly compensated employees of an Employer who have Compensation in a Plan Year equal to or greater than the indexed amount described in Code
Section 414(q)(1)(c). A Participant who ceases to be a nonemployee director or a key employee shall cease making deferrals as of the first day of the Plan Year following such loss of eligibility, but shall remain an inactive Participant until all amounts due such person under the Plan have been distributed in full.

2.20 "Plan Year" means the fiscal year of the Company.

2.21 "Retainer Fee" means those fees paid by the Company to nonemployee directors for services rendered on the Board or any committee of the Board, including attendance fees and fees for serving as committee chair. Any Retainer Fee payable for services during a month is deemed to accrue to the nonemployee director on the first day of such month for Plan purposes.

2.22 "Rule 16b-3" means Rule 16b-3 of the General Rules and Regulations under the Exchange Act as promulgated by the Securities Exchange Commission or its successor, as amended and in effect from time to time.

2.23 "Transfer Election Form" means a valid transfer election form (in the form approved by the Administrator) properly completed and signed by a Participant who wishes to transfer funds from one investment Subaccount to another.

SECTION 3. AGREEMENTS AND ELECTIONS TO DEFER

3.1 Each nonemployee director and key employee as of July 3, 1993 is initially eligible to defer Compensation accruing on and after August 1, 1993, provided such Participant's Initial Agreement Date is before that date. Thereafter, such persons shall be eligible to commence deferrals only on the first day of any subsequent Plan Year provided their Initial Agreement Date is before such date.

3.2 Each new nonemployee director and new key employee, on and after July 4, 1993, shall be entitled to defer Compensation accruing on and after the first day of the month following his Initial Agreement Date, provided such Initial Agreement Date is not more than thirty (30) days after the Date such person initially becomes eligible under the Plan. Thereafter, such persons shall be eligible to commence deferrals only as of the first day of any subsequent Plan Year provided their Initial Agreement Date is before such date.

3.3 A Participant has no further right to defer Compensation under the Plan after termination of service to the Company as a nonemployee director, or after termination of employment in the case of all other Participants, or, if earlier, upon receipt of written notice from the Administrator of revocation of an employee's status as a key employee. Such revocations by the Administrator are effective only upon the first day of the Plan Year following the date that the employee is provided such written notice. If a Participant terminates service with the Employer and subsequently returns to service, he shall be treated as a new employee (or director if applicable) for all Plan purposes.

3.4 A nonemployee director Participant may make a deferral election with respect to all or part of his Compensation, in increments of five percent (5%). A key employee Participant may make separate deferral elections, in whole percentages, with respect to regular pay and incentive bonuses. Deferral elections shall not exceed forty percent (40%) of regular pay for any Plan Year and deferral elections with regard to incentive bonuses are not subject to a percentage maximum; provided, however, that the maximum amount of Compensation of a key employee Participant for any Plan Year which may be considered for purposes of determining the Employer contribution authorized by Section 7.1 shall not exceed twenty-five percent (25%) for any Plan Year. Deferral elections remain in effect from year to year until modified or revoked in accordance with Plan rules.

3.5 Each Participant shall designate on his Initial Agreement the following information:

a) the percentage of Compensation to be deferred;

b) the Subaccounts to which the deferred amounts are to be allocated;

c) the Distribution Date;

d) whether distributions are to be in a lump sum, in installments, or a combination thereof; and;

e) the Participant's Beneficiaries.

Persons subject to Section 16 of the Exchange Act shall be afforded a further opportunity to determine in advance whether applicable withholding requirements on amounts distributed from Subaccount A are to be satisfied by an Employer through withholding of shares of Manitowoc Stock or whether the Participant will provide cash from other sources for this purpose.

3.6 A Participant may increase the deferral amount specified in his Initial Agreement by completing and executing a Modified Agreement and submitting it to the Administrator. Such Modified Agreement shall be effective with respect to Compensation accruing on and after the first day of the Plan Year beginning after the Date of the Modified Agreement.

3.7 A Participant may reduce, or completely revoke, his deferral election by completing and executing a Modified Agreement and submitting it to the Administrator. Such Modified Agreement shall be effective with respect to Compensation accruing on and after the first day of the Plan Year beginning after the Date of the Modified Agreement; provided, however, that the effective date of such an election shall be the first day of the month following the Date of the Modified Agreement if the Participant establishes to the Administrator that the reason for the reduction/revocation election is an unanticipated event or events beyond the control of the Participant that would result in severe financial hardship to the Participant if the reduction/revocation is not permitted. In the event that the Administrator allows a Participant to reduce or cease making deferral contributions under the Plan other than on the first day of a Plan Year, the Participant shall forfeit any Employer Contributions to which his Account would otherwise be entitled for the Plan Year in which such reduction or revocation occurred.

3.8 A Participant shall be permitted at any time to modify his Beneficiary election by completing and executing a revised Beneficiary designation and submitting it to the Administrator.

SECTION 4. INVESTMENT DIRECTIONS

4.1 In connection with his Initial Agreement and thereafter, from time to time as determined by the Participant (or a Beneficiary after the Participant's death), each Participant shall provide written investment directions indicating the portion of such Participant's deferred amount, including for key employees any Employer contribution, that is to be allocated to Subaccount A or Subaccount B (as such terms are hereinafter defined in Section 6.5) of the Participant's Account. Any apportionment of newly deposited funds to Subaccounts shall be in ten percent (10%) increments.

4.2 An investment direction contained in an Initial Agreement and any Investment Election Change Form shall become effective on the first day of the month following the Initial Agreement Date or the Investment Election Change Date.

4.3 Subject to the restrictions in Section 4.4, below, a Participant (or a Beneficiary after the Participant's death) may transfer to one or more different Subaccounts all or a part (not less than ten percent (10%)) of the amounts credited to a Subaccount by completing and executing a Transfer Election Form and submitting it to the Administrator. Such transfers among Subaccounts shall become effective on the first day of the calendar month following the Transfer Election Date.

4.4 A Participant who is subject to Section 16 of the Exchange Act may make transfers of existing Account balances into or out of Subaccount A only if the transfer is effected pursuant to an election made at least six (6) months after the date of the Participant's most recent opposite-way election making a transfer of existing Account balances out of or into Subaccount A or existing account balances out of or into the Company stock account under the RSVP Plan or any other Company plan.

SECTION 5. DISTRIBUTIONS.

5.1 Each Participant shall designate on his Initial Agreement one of the following dates as a Distribution Date with respect to amounts credited to his Account thereafter.

a) the first day of the calendar month following the date of the Participant's death.

b) the first day of the calendar month following the date of the Participant's Disability.

c) the first day of the calendar month following the date of termination of the Participant's service as a member of the Board if the Participant is a nonemployee director; or, if the Participant is an employee of an Employer, the first day of the calendar month following the date of termination of the Participant's employment with the Employer.

d) the first day of a calendar month specified by the Participant.

e) the earliest to occur of a, b, c, or d, or any combination of such options.

5.2 A Participant shall direct on his Initial Agreement whether distributions from his Account, or separately as to each Subaccount, are to be made in (i) a lump sum or (ii) no more than one- hundred eighty (180) monthly, sixty (60) quarterly, or fifteen (15) annual installments. Each installment shall be determined by dividing the Account (or Subaccount, if applicable) balance by the number of remaining installments. If a Participant receives a distribution on an installment basis, amounts remaining in his Account (or Subaccount, if applicable) before payment in full is completed shall continue to accrue earnings and incur losses in accordance with the terms of the Plan. Except as provided in Section 5.3, all distributions shall be made to the Participant.

5.3 If the Distribution Date is the first day of the month following the Participant's death or a fixed date which in fact occurs after the Participant's death or if at the time of death the Participant was receiving distributions in installments, the balance remaining in the Participant's Account shall be payable to his Beneficiary. Upon the death of a Beneficiary who is receiving distributions in installments, the balance remaining in the Account of the Beneficiary shall be payable to the estate of the Beneficiary.

5.4 All distributions to Beneficiaries shall be in a lump sum except when the Distribution Date is the first day of the month following the

Participant's death and the Agreement specifies installment payments to the Beneficiary.

5.5 All distributions from Subaccount A shall be made in shares of Manitowoc Stock except that cash shall be distributed in lieu of fractional shares. Distributions from any other Subaccount shall be paid in cash. Unless a Participant has specified different distribution methods as to separate Subaccounts, or in the case of extraordinary distributions as described below, distributions will be deemed to be made from each Subaccount pro rata.

5.6 A Participant may modify his election as to Distribution Date and distribution form (to Participant and/or Beneficiary) with respect to Compensation accruing in subsequent Plan Years by completing and executing a Modified Agreement and submitting it to the Administrator. A Participant may make similar modifications and/or specify the maximum dollar amount to be distributed to the Participant during any calendar year commencing prior to the Participant's termination of employment with an Employer, with respect to the Participant's accumulated Account, by completing and executing a Modified Agreement and submitting it to the Administrator by no later than the close of the calendar year preceding the calendar year in which distributions to the Participant hereunder would otherwise commence. No more than one modification under each of the two preceding sentences shall be permitted unless the Administrator determines that a greater number of modifications shall be made uniformly available to all Participants on a prospective only basis.

5.7 Notwithstanding the foregoing, a Participant (or Beneficiary after the death of the Participant) may request an extraordinary distribution of all or part of the amount credited to his Account because of hardship. A distribution shall be deemed to be because of hardship if such distribution is necessary due to unanticipated events beyond the control of the Participant that would result in severe financial hardship to the Participant if the extraordinary distribution is not permitted.

5.8 A request for an extraordinary distribution shall be made by completing and executing an Extraordinary Distribution Request Form and submitting it to the Administrator. All extraordinary distributions shall be subject to approval by the Board.

5.9 The Extraordinary Distribution Request Form shall indicate.

(a) the amount to be distributed from the Account;

(b) the Subaccount(s) from which the distribution is to be made;

(c) the hardship requiring the distribution.

The amount of any extraordinary distribution shall not exceed the amount determined by the Board to be required to meet the hardship.

5.10 An extraordinary distribution shall be made with respect to amounts credited to all Subaccounts on the first day of the calendar month next following approval of the extraordinary distribution request by the Board.

5.11 Notwithstanding the foregoing, the Administrator may adopt any additional rules and modify existing Plan rules and procedures, as necessary, to assure compliance with the insider trading liability rules under Section 16 of the Exchange Act, as amended and revised, and as in effect from time to time.

5.12 Any remaining balance in a Participant's Account shall be distributed in a single lump sum amount to the Participant, or his Beneficiary if applicable, upon the occurrence of a Change in Control of the Company. Such distribution shall occur not later than thirty (30) days following the date on which the Change in Control of the Company occurred and shall include the accelerated distribution of any installment payments otherwise to be paid.

SECTION 6. ACCOUNTS AND SUBACCOUNTS.

6.1 The Employer shall establish an Account, with one or more Subaccounts, on its books for each Participant as specified by the Participant in his Agreement and shall credit to each such Subaccount any amounts deferred to such Subaccount by the Participant under the Plan, including for key employees any Employer Contribution allocable to the Account. Such credits for deferred Compensation are to be made within a reasonable time (not to exceed thirty (30) days) following the time that the deferred Compensation, but for the Participant's deferral election, would otherwise have been paid or made available to the Participant. The credits for Employer Contributions, if any, shall be made as provided in Section 7. The Employer shall deduct amounts it is required to withhold on the deferred Compensation at the time it is credited to a Participant's Account, under any state, federal, or local law for payroll or other taxes or charges, from the Participant's Compensation which is not deferred, to the maximum extent possible, before reducing the amount of the Participant's deferrals.

6.2 The Accounts of Participants in the Plan are immediately vested and nonforfeitable.

6.3 Subaccounts established for Participants shall be deemed to be fully invested at all times in the investment option assigned to the Subaccount, as such designations may be revised from time to time in accordance with Section 6.4, below. The Employer shall separately account for credited amounts as units of the designated investment vehicle having the value attributable to units of the investment option at all times, taking into account reinvestment of all dividends pertaining to such investment, but without adjustment for any income tax consequences

attributable to deemed Employer ownership of such investments.

6.4 The Administrator shall provide to each Participant, not less frequently than semiannually, a statement with respect to each of his Subaccounts in such form as the Administrator determines to be appropriate, setting forth credited amounts added during the reporting period, any units of each investment option attributable to each Subaccount and their current value, amounts distributed from each Subaccount to the Participant since the last report, the current balance to the credit of such Participant in each Subaccount, and other appropriate information.

6.5 The Subaccounts available under the Plan are as set forth below.

Subaccount A. A bookkeeping account whose value shall be based on investments in Manitowoc Stock.

Subaccount B. A bookkeeping account whose value shall be based on investments in the Fidelity Investments Balanced Fund Mutual Fund.

The Administrator shall, from time to time, review the investment options available under the Plan and may, on a prospective basis, eliminate, modify, or otherwise change such investment options, provided, however, that no fewer than two (2) investment options shall at all times be made available under the Plan including Manitowoc Stock and one balanced mutual fund.

SECTION 7. EMPLOYER CONTRIBUTIONS.

7.1 The Employer shall credit to the Accounts of key employee Participants, in accordance with their investment directions on file with the Plan, an Employer Contribution equal to the amount of deferred compensation of a key employee for a Plan Year multiplied by the rate, determined as a percentage of eligible compensation, of fixed and variable profit sharing contributions plus one percent (1%) that the Participant has received from his Employer for the Plan Year under the RSVP Plan, subject to the restrictions of Section 3.7 and Section 3.4. If the Participant is not a participant in the RSVP Plan, the amount of Employer contribution made on behalf of the Participant shall be determined in a similar manner but with regard to the qualified defined contribution retirement program in which the Participant does participate, as determined by the Administrator.

7.2 Such Employer Contribution shall be credited to the Account of the eligible Participant within a reasonable time (not to exceed thirty (30) days) following the time the Employer deposits its contributions to the RSVP Plan.

SECTION 8. MANITOWOC STOCK.

8.1 The amount of Manitowoc Stock which may be allocated to Participants' Accounts under the Plan is determined by the amount of Compensation deferred under the Plan and the investment directions provided by Participants. In the event of any merger, share exchange, reorganization, consolidation, recapitalization, stock dividend, stock split or other change in corporate structure affecting Manitowoc Stock, appropriate adjustments shall be made to the units credited to Subaccount A for each Participant, except that any such adjustments to units credited to Subaccount A for each Participant subject to Section 16 shall be only such as is necessary to maintain the proportionate interest of such Participant and preserve, without exceeding, the value reflected by such Participant's Subaccount A.

8.2 Plan record keeping pertaining to Manitowoc Stock shall be based on the fair market value of Manitowoc Stock. Fair market value per share of Manitowoc Stock on any given date is defined for Plan purposes as the value, as determined by the Administrator, at which shares were traded on that date in representative trades reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on The New York Stock Exchange on such date or, if no Manitowoc Stock is traded on such date, the most recent date on which Manitowoc Stock was traded.

8.3 Participants shall have no rights as a stockholder pertaining to Manitowoc Stock units credited to their Plan Accounts. No Manitowoc Stock unit nor any right or interest of a Participant under the Plan in any Manitowoc Stock unit may be assigned, encumbered, or transferred, except by will or the laws of descent and distribution. The rights of a Participant hereunder with respect to any Manitowoc Stock unit are exercisable during the Participant's lifetime only by him or his guardian or legal representative.

8.4 Any shares of Manitowoc Stock distributed to Participants under the Plan shall be subject to such stock transfer orders and other restrictions as the Administrator may deem advisable under the rules, regulations and other requirements of the Company, any stock exchange upon which Manitowoc Stock is then listed and any applicable Federal, state or foreign securities law, and the Administrator may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

SECTION 9. GENERAL PROVISIONS.

9.1 The Administrator shall administer and interpret the Plan, and supervise preparation of Agreements, forms, and any amendments thereto. Interpretation of the Plan shall be within the sole discretion of the Administrator and shall be final and binding upon each Participant and Beneficiary. The Administrator may adopt and modify rules and regulations relating to the Plan as it deems necessary or advisable for the administration of the Plan. If the Administrator shall also be a Participant or Beneficiary, any determinations affecting such person's participation in the Plan which would otherwise be made by the Administrator shall be made by the Board or its delegate for this purpose. If at any time the Administrator is not composed of at least two "Non-Employee Directors" within the meaning of Rule 16b-3, then all

determinations affecting participation by persons subject to Section 16 of the Exchange Act shall be made by the Board. Headings are given to the sections of the Plan solely as a convenience to facilitate reference. The reference to any statute, regulation, or other provision of law shall be construed to refer to any amendment to or successor of such provision of law. With regard to persons subject to Section 16 of the Exchange Act, transactions under the Plan are intended to comply with all applicable conditions of Rule 16b-3 or its successor under the Exchange Act. The Plan shall be construed so that transactions under the Plan will be exempt from Section 16 of the Exchange Act pursuant to regulations and interpretations issued from time to time by the Securities and Exchange Commission.

9.2 The right of the Participant or his Beneficiary to receive a distribution hereunder shall be an unsecured claim against the general assets of the Company or any Employer and neither the Participant nor any Beneficiary shall have any rights in or against any amount credited to his Account or any other specific assets of the Company or any Employer. The right of a Participant or Beneficiary to the payment of benefits under this Plan shall not be assigned, encumbered, or transferred, except by will or the laws of descent and distribution. The rights of a Participant hereunder are exercisable during the Participant's lifetime only by him or his guardian or legal representative.

9.3 This Plan is unfunded and is maintained by Employers primarily for the purpose of providing deferred compensation for nonemployee directors of the Company and a select group of management and highly compensated employees. Nothing contained in this Plan and no action taken pursuant to its terms shall create or be construed to create a trust of any kind, or a fiduciary relationship between the Company or any Employer and any Participant or Beneficiary, or any other person. The Employers may authorize the creation of one or more trusts or other arrangements to assist the Employers in meeting the obligations created under the Plan. Any liability to any person with respect to the Plan shall be based solely upon any contractual obligations that may be created pursuant to the Plan. No obligation of an Employer hereunder shall be deemed to be secured by any pledge of, or other encumbrance on, any property of the Company or any Employer..

9.4 No later than the date as of which an amount first becomes includible in the gross income of the Participant for Federal income tax purposes with respect to any participation under the Plan, the Participant shall pay to the Employer, or make arrangements satisfactory to the Employer regarding the payment of, any Federal, state, local or foreign taxes of any kind required by law to be withheld with respect to such amount.

9.5 There shall be no time limit on the duration of the Plan. The Board may, at any time, amend or terminate the Plan without the consent of the Participants or Beneficiaries, provided, however, that no amendment or termination may reduce any Account balance accrued on behalf of a Participant based on deferrals already made, or divest any Participant of rights to which he would have been entitled if the Plan had been terminated immediately prior to the effective date of such amendment. This Section shall not, however, restrict the right of the Board to cause all Accounts to be distributed in the event of Plan termination, provided all Participants and Beneficiaries are treated in a uniform and nondiscriminatory manner in such event. In addition, no amendment may become effective until stockholder approval is obtained if the amendment (i) except as expressly provided in the Plan, materially increases the aggregate number of shares of Manitowoc Stock that may be allocated in a Plan Year, (ii) materially increases the benefits accruing to Participants under the Plan or
(iii) materially modifies the eligibility requirements for participation in the Plan.

9.6 The Plan will become effective on July 4, 1993, subject to approval by a majority of the votes cast at a duly held meeting of the Company's stockholders at which a quorum representing a majority of all outstanding voting stock is, either in person or by proxy, present.

9.7 Costs of establishing and administering the Plan will be paid by the Employers in such proportion as determined by the Treasurer.

9.8 Compensation and Employer Contributions credited to an Account hereunder shall not be considered "compensation" for the purpose of computing benefits under any qualified retirement plan maintained by an Employer, but shall be considered compensation for welfare benefit plans, such as life and disability insurance programs sponsored by the Employers.

9.9 If any of the provisions of the Plan shall be held to be invalid, or shall be determined to be inconsistent with the purpose of the Plan, the remainder of the Plan shall not be affected thereby.

9.10 This Plan shall be binding upon and inure to the benefit of the Company and each Employer, their successors and assigns and the Participants and their heirs, executors, administrators, and legal representatives.

9.11 This plan shall be construed in accordance with and governed by the law of the State of Wisconsin to the extent not preempted by federal law.

EXHIBIT 10.2
1996 10-K

MANAGEMENT INCENTIVE COMPENSATION PLAN

Economic Value Added (EVA) Bonus Plan

As Amended February 18, 1997

ARTICLE I

Statement of Purpose

1.1 The purpose of the Plan is to provide a system of incentive compensation which will promote the maximization of shareholder value over the long term. In order to align management incentives with shareholder interests, incentive compensation will reward the creation of value. This Plan will tie incentive compensation to Economic Value Added ("EVA") and, thereby, reward management for creating value and penalize management for destroying value.

1.2 EVA is the performance measure of value creation. EVA reflects the benefits and costs of capital employment. Managers create value when they employ capital in an endeavor that generates a return that exceeds the cost of the capital employed. Managers destroy value when they employ capital in an endeavor that generates a return that is less than the cost of capital employed. By imputing the cost of capital upon the operating profits generated by a business group, EVA measures the total value created (or destroyed) by management.

EVA = (Net Operating Profit After Tax - Capital Charge)

1.3 Each Plan Participant is placed in a classification. Each classification has a prescribed target bonus. The bonus earned in any one year is the result of multiplying the Actual Bonus Percentage times the Participant's base pay. Bonuses that fall within a pre-specified range will be fully paid out. Positive and negative bonuses falling outside this range are banked forward in the Participant's Bonus Bank, with one-third of the net positive balance paid out each year in cash.

ARTICLE II

Definition of EVA and the Components of EVA

Unless the context provides a different meaning, the following terms shall have the following meanings.

2.1 "Participating Group" means a business division or group of business divisions which are uniquely identified for the purpose of calculating EVA and EVA based bonus awards. Some Participants' awards may be a mixture of two different Participating Groups.

For the purpose of this plan, the Participating Groups are listed on Exhibit C.

2.2 "Capital" means the net investment employed in the operations of each Participating Group. The components of Capital are as follows:

Gross Accounts Receivable (including trade A/R from another Manitowoc unit) Plus: FIFO Inventory
Plus: Other Current Assets
Less: Non-Interest Bearing Current Liabilities

(NIBCL's - See Note 1)

Plus: Net PP&E
Plus: Other Operating Assets
Plus: Capitalized Research & Development Plus: Goodwill acquired after July 3, 1993 Plus: Accumulated Amortization on Goodwill acquired after July 3, 1993
Plus (Less): Special Items (one-time)
Equals: Capital

Notes: (1) NIBCL's include trade A/P to another Manitowoc unit, but do not include the contingent liability associated with Bonus Banks.

2.3 Each component of Capital will be measured by computing an average balance based on the ending monthly balance for the twelve months of the Fiscal Year.

2.4 "Cost of Capital" or "C*" means the weighted average of the after tax cost of debt and equity for the year in question.

The Cost of Capital will be reviewed annually and revised if it has changed significantly. Calculations will be carried to one decimal point.

The cost of capital for the initial year is 12.6%. See Exhibit A. In subsequent plan years the methodology for the calculation of the Cost of Capital will be:

a) Cost of Equity = Risk Free Rate + (Beta x Market Risk Premium)

b) Debt Cost of Capital = Debt Yield x (1 - Tax Rate)

c) The weighted average of the Cost of Equity and the Debt Cost of Capital is determined by reference to the actual debt to capital ratio where the Risk Free Rate is the average daily closing yield rate on 30 year U.S. Government Bonds for the month of October immediately preceding the Plan Year, the BETA is determined by reference to the most recently available Value Line report on the Company closest to, but before October 31, the Market Risk Premium is 6%, the Debt Yield is the weighted average yield on the Company's long term obligations for the trailing 12 month period ending October 31 of the year immediately preceding the Plan Year, and the tax rate is 39% for U.S. Companies, and the full statutory rate of the country where a foreign division or subsidiary is based.

d) Short-term debt is to be treated as long-term for purposes of computing the cost of capital.

2.5 "Capital Charge" means the deemed opportunity cost of employing Capital in the business of each Participating Group. The Capital Charge is computed as follows:

Capital Charge = Capital x Cost of Capital (C*)

2.6 "Net Operating Profit After Tax" or "NOPAT"

"NOPAT" means the after tax cash earnings attributable to the capital employed in the Participating Group for the year in question. The components of NOPAT are as follows:

Operating Earnings

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Plus:     Increase (Decrease) in Capitalized  R & D (See
          Note 1)
Plus:     Increase (Decrease) in Bad Debt Reserve
Plus:     Increase (Decrease) in Inventory Reserves
Plus:     Amortization of  Goodwill acquired  after July 3,
          1993
Less:     Other  Expense (Excluding interest on debt)
Plus:     Other  Income (Excluding investment income)
Equals:   Net Operating Profit Before Tax
Less:     Taxes (See Note 2)
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Equals:   Net Operating Profit After Tax
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2.7 "Economic Value Added" or "EVA" means the NOPAT that remains after subtracting the Capital Charge, expressed as follows:

NOPAT
Less: Capital Charge

Equals: EVA

EVA may be positive or negative.

ARTICLE III

Definition and Computation of Target Bonus Value

3.1 "Actual EVA" means the EVA as calculated for each Participating Group for the year in question.

3.2 "Target EVA" means the level of EVA that is expected in order for the Participating Group to receive the Target Bonus Value.

The Target EVA for the first year is set at the expected EVA for the year prior to the first year of the plan after adjusting for inventory write-offs, Manitex relocation, FAS 106 and 109 and the $5 million product liability settlement (except for $1.2 million). After the first year, the Base-Line EVA is revised according to the following formula:

(Last Year's Actual EVA + Last Year's Target EVA) Expected Target EVA = ---------- + Improvement
2 in EVA

"Expected Improvement in EVA" means the constant EVA improvement that is added to shift the target up each year. This is determined by the expected growth in EVA per year.

See Exhibit B for the Expected Improvement for each Participating Group.

3.3 "Target Bonus Value" means the "Target Bonus Percentage" times a Participant's base pay.

3.4 "Target Bonus Percentage" is determined by a Participant's classification as shown on Exhibit B.

3.5 "Actual Bonus Value" means the bonus earned * by a

Participant and is computed as the Actual Bonus Percentage times a Participant's base pay.

3.6 "Actual Bonus Percentage" is determined by multiplying the Target Bonus Percentage by the Bonus Performance Value.

3.7 "Bonus Performance Value" means the difference between the Actual EVA and the Target EVA divided by the Leverage Factor plus 1.0.

$$\text{Bonus Performance Value} = \left[\frac{\text{Actual EVA} - \text{Target EVA}}{\text{Leverage Factor}}\right] + 1$$

3.8 "Leverage Factor" is the negative (positive) deviation from Target EVA necessary before a zero (two times Target) bonus is earned. See Exhibit C for the Leverage Factor of each Participating Group.

3.9 A Participant's classification is determined by each business unit manager. They shall generally be direct reports and are subject to approval by the CEO and the Compensation Committee of the Board of Directors.

*Note: A portion of the Actual Bonus Value may be placed in the Participants' Bonus Bank. See Article IV for details on the Bonus Bank.

ARTICLE IV

Description of Bonus Banks

4.1 Establishment of a Bonus Bank. To encourage a long-term commitment by Participants to the Company, a portion of exceptional bonuses (amounts above Target and negative bonuses) shall be credited to "at risk" deferred accounts ("Bonus Banks"), with the level of payout contingent on sustained high performance and improvements and continued employment as provided herein.

4.2 Although a Bonus Bank may, as a result of negative EVA, have a deficit, no Plan Participant shall be required, at any time, to reimburse his/her Bonus Bank.

4.3 "Bonus Bank" means, with respect to each Participant, a bookkeeping record of an account to which amounts are credited, or debited as the case may be, from time to time under the Plan and from which bonus payments to such Participant are debited.

4.4 "Bank Balance" means, with respect to each Participant, a bookkeeping record of the net balance of the amounts credited to and debited against such Participant's Bonus Bank. A Participant's Bank Balance shall initially be equal to zero.

4.5 Payout Rule: If the Bank Balance entering the Plan Year is zero or positive, then

1) Pay any positive bonus earned up to the "Target Bonus Value",
2) Add any unpaid portion of the bonus earned (including negative bonuses) to the Bonus Bank,
3) Pay out 1/3 of any Positive Bank Balance
4) Carry the remaining Bank Balance forward to the next year.

If the Bank Balance entering the Plan Year is negative, then

1) Pay 1/3 of the positive bonus earned up to the "Target Bonus Value",

2) Add any unpaid portion of the bonus earned (including negative bonuses) to the Bonus Bank,
3) Pay out 1/3 of any Positive Bank Balance,
4) Carry the remaining Bank Balance forward to the next year.

4.6 A Participant may elect to withdraw, in cash, all or a portion of the Bank Balance. The amount available for such withdrawal is the lesser of the ending Bank Balance of the applicable year or the Bank Balance at the end of the third prior year.

ARTICLE V

Plan Participation, Transfers and Terminations

5.1 Participant Group. The Committee will have sole discretion in determining who shall participate in the EVA Bonus Plan. Employees designated for Plan participation by the Committee shall be management or highly compensated employees.

5.2 Transfers. A Participant who transfers his employment from one Participating Unit of the Company to another shall retain his Bonus Bank and will be eligible to receive future EVA Plan Awards in accordance with the provisions of the EVA Plan. Any positive Bonus Bank balance would payout in full as soon as is practical.

5.3 Retirement or Disability. A Participant who terminates employment with the Company, at or after age fifty-five, for any reason ("retirement"), or suffers a "disability," as such term is defined in the Company's long-term disability benefits program, while in the Company's employ shall be eligible to receive the balance of their Bonus Bank. In the case of retirement, the Participant will receive their balance over three years subject to reduction if the Actual Bonus Value is negative in any of the three years subsequent to the year of retirement. In the case of disability while in the Company's employ, the Participant will receive their balance as soon as practical after qualifying for benefit payments under the Company's long-term disability benefits program.

5.4 Involuntary Termination Without Cause or Death. A Participant who is Terminated without cause or who dies shall receive any positive Bonus Bank balance. Such payments will be made as soon as is practical.

5.5 Voluntary Termination. In the event that a Participant voluntarily terminates employment with the Company, the right of the Participant to their Bonus Bank shall be forfeited unless a different determination is made by the Committee.

5.6 Involuntary Termination for Cause. In the event of termination of employment for cause, the right of the Participant to the Bonus Bank shall be determined by the Committee.

"Cause" shall mean:

(i) any act or acts of the Participant constituting a felony under the laws of the United States, any state thereof or any foreign jurisdiction;

(ii) any material breach by the Participant of any employment agreement with the Company or the policies of the Company or the willful and persistent (after written notice to the Participant) failure or refusal of the Participant to comply with any lawful directives of the Board;

(iii)a course of conduct amounting to gross neglect, willful misconduct or dishonesty; or

(iv) any misappropriation of material property of the Company by the Participant or any misappropriation of a corporate or business opportunity of the Company by the Participant.

5.7 Breach of Agreement. Notwithstanding any other provision of the Plan or any other agreement, in the event that a Participant shall breach any non-competition agreement with the Company or breach any agreement with respect to the post- employment conduct of such Participant, the Bonus Bank held by such Participant shall be forfeited.

5.8 No Guarantee. Participation in the Plan provides no guarantee that a payment under the Plan will be paid. Selection as a Participant is no guarantee that payments under the plan will be paid or that selection as a Participant will be made in the subsequent Calendar Year.

ARTICLE VI

General Provisions.

6.1 Withholding of Taxes. The Company shall have the right to withhold the amount of taxes, which in the determination of the Company, are required to be withheld under law with respect to any amount due or paid under the Plan.

6.2 Expenses. All expenses and costs in connection with the adoption and administration of the plan shall be borne by the Company.

6.3 No prior Right or Offer. Except and until expressly granted pursuant to the Plan, nothing in the Plan shall be deemed to give any employee any contractual or other right to participate in the benefits of the Plan.

6.4 Claims for Benefits. In the event a Participant (a "claimant") desires to make a claim with respect to any of the benefits provided hereunder, the claimant shall submit evidence satisfactory to the Committee of facts establishing his entitlement to a payment under the Plan. Any claim with respect to any of the benefits provided under the Plan shall be made in writing within ninety (90) days of the event which the claimant asserts entitles him to benefits. Failure by the claimant to submit his claim within such ninety (90) day period shall bar the claimant from any claim for benefits under the Plan.

6.5 In the event that a claim which is made by a claimant is wholly or partially denied, the claimant will receive from the Committee a written explanation of the reason for denial and the claimant or his duly authorized representative may appeal the denial of the claim to the Committee at any time within ninety (90) days after the receipt by the claimant of written notice from the Committee of the denial of the claim. In connection therewith, the claimant or his duly authorized representative may request a review of the denied claim; may review pertinent documents; and may submit issues and comments in writing. Upon receipt of an appeal, the Committee shall make a decision with respect to the appeal and, not later than sixty (60) days after receipt of a request for review, shall furnish the claimant with a decision on review in writing, including the specific reasons for the decision written in a manner calculated to be understood by the claimant, as well as specific reference to the pertinent provisions of the Plan upon which the decision is based. In reaching its decision, the Committee shall have complete discretionary authority to determine all questions arising in the interpretation and administration of the Plan, and to construe the terms of the Plan, including any doubtful or disputed terms and the eligibility of a Participant for benefits.

6.6 Action Taken in Good Faith; Indemnification. The Committee may employ attorneys, consultants, accountants or other persons and the Company's directors and officers shall be entitled to rely upon the advice, opinions or valuations of any such persons. All actions taken and all interpretations and determinations made by the Committee in good faith shall be final and binding upon all employees who have received awards, the Company and all other interested parties. No member of the Committee, nor any officer, director, employee or representative of the Company, or any of its affiliates acting on behalf of or in conjunction with the Committee, shall be personally liable for any action, determination, or interpretation, whether of commission or omission, taken or made with respect to the Plan, except in circumstances involving actual bad faith or willful misconduct. In addition to such other rights of indemnification as they may have as members of the Board, as members of the Committee or as officers or employees of the Company, all members of the Committee and any officer, employee or representative of the Company or any of its subsidiaries acting on their behalf shall be fully indemnified and protected by the Company with respect to any such action, determination or interpretation against the reasonable expenses, including attorneys' fees actually and necessarily incurred, in connection with the defense of any civil or criminal action, suit or proceeding, or in connection with any appeal therein, to which they or any of them may be a party by reason of any action taken or failure to act under or in connection with the Plan or an award granted thereunder, and against all amounts paid by them in settlement thereof (provided such settlement is approved by independent legal counsel selected by Company) or paid by them in satisfaction of a judgment in any action, suit or proceeding, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such person claiming indemnification shall in writing offer the Company the opportunity, at its own expense, to handle and defend the same. Expenses (including attorneys' fees) incurred in defending a civil or criminal action, suit or proceeding shall be paid by the Company in advance of the final disposition of such action, suit or proceeding if such person claiming indemnification is entitled to be indemnified as provided in this Section.

6.7 Rights Personal to Employee. Any rights provided to an employee under the Plan shall be personal to such employee, shall not be transferable (except by will or pursuant to the laws of descent or distribution), and shall be exercisable, during his lifetime, only by such employee.

6.8 Upon termination of the Plan or suspension for a period of more than 90 days, the Bank Balance of each Participant shall be distributed as soon as practicable but in no event later than 90 days from such event. The Committee, in its sole discretion, may accelerate distribution of the Bank Balance, in whole or in part, at any time without penalty.

6.9 Non-Allocation of Award. In the event of a suspension of the Plan in any Plan Year, as provided herein at Article VIII, Section 8, the Current Bonus for the subject Plan year shall be deemed forfeited and no portion thereof shall be allocated to Participants. Any such forfeiture shall not affect the calculation of EVA in any subsequent year.

ARTICLE VII

Limitations

7.1 No Continued Employment. Nothing contained herein shall provide any employee with any right to continued employment or in any way abridge the rights of the Company and its Participating Units to determine the terms and conditions of employment and whether to terminate employment of any employee.

7.2 No Vested Rights. Except as otherwise provided herein, no employee or other person shall have any claim of right (legal, equitable, or otherwise)to any award, allocation, or distribution or any right, title, or vested interest in any amounts in his Bonus Bank and no officer or employee of the Company or any Participating Group or any other person shall have any authority to make representations or agreements to the contrary. No interest conferred herein to a Participant shall be assignable or subject to claim by a Participant's creditors. The right of the Participant to receive a distribution hereunder shall be an unsecured claim against the general assets of the Company and the Participant shall have no rights in or against any specific assets of the Company as the result of participation hereunder.

7.3 Not Part of Other Benefits. The benefits provided in this plan shall not be deemed a part of any other benefit provided by the Company to its employees. The Company assumes no obligation to plan Participants except as specified herein. This is a complete statement, along with the Schedules and Appendices attached hereto, of the terms and conditions of the plan.

7.4 Other Plans. Nothing contained herein shall limit the Company or the Compensation Committee's power to grant bonuses to employees of the Company, whether or not Participants in this plan.

7.5 Limitations. Neither the establishment of the plan or the grant of an award hereunder shall be deemed to constitute an express or implied contract of employment for any period of time or in any way abridge the rights of the Company to determine the terms and conditions of employment or to terminate the employment of any employee with or without cause at any time.

7.6 Unfunded Plan. This Plan is unfunded and is maintained by the Company in part to provide deferred compensation to a select group of management and highly compensated employees. Nothing herein shall create or be construed to create a trust of any kind, or a fiduciary relationship between the Company and any Participant.

ARTICLE VIII

Authority

8.1 Compensation Committee Authority. Except as otherwise expressly provided herein, full power and authority to interpret and administer this plan shall be vested in the Compensation Committee. The Compensation Committee may from time to time make such decisions and adopt such rules and regulations for implementing the Plan as it deems appropriate for any Participant under the Plan. Any decision taken by the Compensation Committee arising out of or in connection with the construction, ad ministration, interpretation and effect of the Plan shall be final, conclusive and binding upon all Partici pants and any person claiming under or through them.

8.2 Board of Directors Authority. The Board shall be ultimately responsible for administration of the plan. References made herein to the "Compensation Committee" assume that the Board of Directors has created a Compensation Committee to administer the Plan. In the event a Compensation Committee is not so designated, the Board shall administer the Plan. The Board or its Compensation Committee, as appropriate, shall work with the CEO of the Company in all aspects of the administration of the Plan.

ARTICLE IX

Notice

9.1 Any notice to be given pursuant to the provisions of the Plan shall be in writing and directed to the appropriate recipient thereof at his business address or office location.

ARTICLE X

Effective Date

10.1 This Plan shall be effective as of July 4, 1993.

ARTICLE XI

Amendments

11.1 This Plan may be amended, suspended or terminated at any time at the sole discretion of the Board upon the recommendation of the Compensation Committee. Provided, however, that no such change in the Plan shall be effective to eliminate or diminish the distribution of any Award that has been allocated to the Bank of a Participant prior to the date of such amendment, suspension or termination. Notice of any such amendment, suspension or termination shall be given promptly to each Participant.

ARTICLE XII

Applicable Law

12.1 This Plan shall be construed in accordance with the provisions of the laws of the State of Wisconsin.

Exhibit A

Calculation of the Cost of Capital

Inputs Variables:

Risk Free Rate = Average Daily closing yield on U.S. Government 30 Yr. Bonds (for the month of October preceding the Plan Year).

Market Risk Premium = 6.0% (Fixed)

Beta = 0.80 % (Value Line)

Debt/Capital Ratio = Debt as a % of Capital (computed using the monthly average debt/capital ratio for the trailing 12 month period ending October 31 of the year preceding the Plan Year)

b = Cost of Debt Capital (Weighted Average Yield on the Company's Long Term Debt Obligations).

Marginal Tax Rate = 39.0% (Historical Average). However, for exceptions see 2.4(C)

Calculations:

y = Cost of Equity Capital
= Risk Free Rate + (Beta x Market Risk Premium)

Weighted Average Cost of Capital = [Cost of Equity Capital x (1
- Debt/Capital Ratio)] + [Cost of Debt x (Debt/Capital Ratio) x (1 - Marginal Tax Rate)]

c* = [y x (1 - Debt/Capital)] + [b x (Debt/Capital) x (1 - Marginal Tax Rate)]

EXHIBIT B

Participant Classification	Target Bonus Percentage
I	60 %
II	50 %
III	35 %
IV	30 %
V	25 %
VI	20 %
VII	15 %
VIII	10 %
IX	7 %
X	5 %
XI	2 %

EXHIBIT C

Participation Groups	Expected Improvement in EVA	Leverage Factor
Manitowoc Equipment Works	500,000	2,000,000
* The Shannon Group	500,000	2,000,000
* Foodservice Group (The Shannon Group & Manitowoc Equipment Works)	1,000,000	4,000,000
Manitowoc Engineering Co.	1,000,000	3,000,000
Femco	400,000	600,000
* Re-Manufacturing	50,000	150,000
Manitowoc Europe Ltd.	75,000	225,000
North Central Crane	40,000	120,000
* Manitowoc Engineering Co. Group, (Manitowoc Engineering, Manitowoc Europe Ltd., North Central Crane, Re-Manufacturing, and Femco)	1,500,000	4,000,000
West Manitowoc	200,000	350,000
Manitex	500,000	1,000,000
Marine	150,000	750,000
Corporate	1,000,000	7,000,000

EXHIBIT 10.6(b)
1996 10-K

SUPPLEMENTAL RETIREMENT AGREEMENT

THIS AGREEMENT, made and entered into as of this 31st day of March, 1996, but effective as of the 2nd day of January, 1995, by and between The Manitowoc Company, Inc., a Wisconsin corporation (the "Company") and Robert K. Silva ("Executive").

R E C I T A L S:

A. Executive is employed by the Company as its Executive Vice President and Chief Operating Officer;

B. The Company desires to have the benefit of Executive's continued loyalty, service and counsel until his retirement; and

C. The parties are entering into this Agreement to provide Executive with an added incentive to remain with the Company until completion of FY 1996.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Definitions. As used in this Agreement, the following terms shall have the meanings assigned to them:

(a) "Cause" in connection with the termination by the Company of the employment of Executive means Executive's persistent failure to follow the Company's written directives and policies, or insubordination, willful malfeasance, gross negligence or acts of dishonesty by Executive.

(b) "Normal Retirement" means the termination of Executive's employment with the Company for any reason (including by reason of death), if such termination occurs on or after the attainment by Executive of age 68.

(c) "Change in Control of the Company" shall have the same meaning as the phrase "change in control of the Company" in the Contingent Employment Agreement between the Company and Executive dated as of December 29, 1988.

(d) "Full Monthly Benefit" means one-twelfth of $125,000.

(e) "Reduced Monthly Benefit" means the Full Monthly Benefit, reduced by two percent (2%) for each full month by which Executive's employment with the Company terminates prior to his attainment of age 68; provided, however, that if the Company terminates Executive's employment for other than Cause prior to attainment of age 68, but on or after a Change in Control of the Company, the Reduced Monthly Benefit shall be equal to 70% of the Full Monthly Benefit.

(f) "Early Retirement" means the voluntary termination of Executive's employment with the Company, if such termination occurs prior to the attainment by Executive of age 68 and prior to a Change in Control of the Company.

2. Normal Retirement. Upon Normal Retirement, Executive shall be paid the Full Monthly Benefit, in the form provided in Section 6 hereof.

3. Early Retirement. Upon Early Retirement, Executive will be paid the Reduced Monthly Benefit, in the form provided in Section 6 hereof.

4. Termination of Employment Prior to Age 68. Upon the death of Executive prior to his attainment of age 68, or upon termination by the Company of Executive's employment for other than Cause prior to his attainment of age 68, Executive shall be paid the Reduced Monthly Benefit, in the form provided in Section 6 hereof.

5. Change in Control. Upon termination by the Company of Executive's employment for other than Cause prior to his attainment of age 68 but on or after a Change in Control, Executive shall be paid the Reduced Monthly Benefit, in the form provided in Section 6 hereof.

6. Form of Benefit Payments. The Full Monthly Benefit or the Reduced Monthly Benefit, as applicable, shall be payable to Executive pursuant to Section 2, 3, 4, or 5 hereof in the form of a joint and 100% survivor annuity, such that the Full Monthly Benefit or Reduced Monthly Benefit, as applicable, will be payable to Executive during his lifetime, and upon Executive's death to his spouse for her lifetime if she survives him, commencing on the first day of the first full calendar month following Executive's termination of employment and on the first day of each succeeding calendar month. No actuarial reduction shall be made to the Full Monthly Benefit or Reduced Monthly Benefit by virtue of the joint and 100% survivor feature.

7. Rabbi Trust. At any time after there has occurred an event which entitles Executive to begin to receive payments pursuant to the joint and 100% survivor annuity referred to in Section 6, Executive may require the Company to establish a so-called "rabbi trust" for the purpose of providing additional assurance to Executive that the Company's obligations hereunder will be met. Such trust shall be established within thirty

(30) days following written notice from Executive that he desires to have such trust established. The trustee of such rabbi trust shall be a bank or trust company located in the United States. The trust agreement creating such trust shall contain terms which are customarily associated with such trusts, including terms to ensure that the Company is treated as the grantor of the trust for federal income tax purposes. Contemporaneously with the establishment of such trust, the Company will deposit with the trustee of such trust an amount equal to the present value of the joint and 100% survivor annuity referred to in Section 6.

8. Actuarial Calculations. Hewitt Associates (or if it is unable or declines to act, such other nationally recognized benefits consulting firm as Company may designate) shall calculate the Full Monthly Benefit or Reduced Monthly Benefit, as applicable and the present value of such annuity in connection with the establishment of the rabbi trust referred to in Section 7, and such calculations shall be binding and conclusive on the parties. In calculating the foregoing amounts, Hewitt Associates or other benefits consulting firm shall use an 8% annual interest rate, the 1983 Group Annuity Mortality Table and such other actuarial assumptions as may be necessary in the sole discretion of Hewitt Associates or such other benefits consulting firm.

9. Unfunded Plan. Nothing contained in this Agreement and no action taken pursuant to its terms shall create or be construed to create a trust of any kind or any fiduciary relationship between the Company and Executive or any other person. This Agreement and the benefits payable hereunder shall at all times be unfunded, and the rights of Executive or any other person to any payments hereunder shall be those of an unsecured creditor.

10. Non-alienation. The right of Executive or any other person to the payment of amounts under this Agreement shall not be assignable or transferable or subject to any sale, mortgage, lien, pledge, hypothecation, anticipation, garnishment, attachment, execution or levy of any kind, whether by operation of law or otherwise.

11. No Guarantee of Employment. Nothing contained in this Agreement shall be construed as conferring upon Executive the right to continue in the employment of the Company.

12. Effect on Other Plans. Unless otherwise required by law, amounts payable to Executive hereunder shall not constitute "compensation" for the purpose of computing benefits under any retirement plans or welfare benefit plans which may be maintained by the Company for the benefit of Executive, except that Executive shall not be eligible to participate in the Company Profit Sharing Plan.

13. Limitation on Liability. No member of the Board of Directors of the Company or any Committee thereof, and no officer, employee or agent of the Company, shall be liable to Executive or other person for any action taken or omitted in connection with this Agreement, unless attributable to such individual's fraud, willful misconduct or gross negligence.

14. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Company and its successors and assigns, and Executive and his beneficiaries, heirs and legal representatives.

15. Severability. If any of the provisions of this Agreement shall be held to be invalid, or shall be determined to be inconsistent with the purpose of this Agreement, the remainder of this Agreement shall not be affected thereby.

16. Governing Law. This Agreement shall be construed in accordance with and governed by the internal laws by the State of Wisconsin.

17. Complete Agreement. This Agreement constitutes the complete agreement between the Company and Executive concerning its subject matter, and may be amended only by a written instrument signed by each of them. Nothing contained herein affects in any way the Contingent Employment Agreement between Executive and the Company dated as of December 29, 1988, which remains in full force and effect.

18. Withholding. The Company shall have the right to deduct from any payments hereunder any taxes required by law to be withheld.

19. Effectiveness. This Agreement shall not become effective until it is approved by the Board of Directors of the Company, notwithstanding the earlier execution by the Company and Executive.

IN WITNESS WHEREOF, the Company and Executive have executed this Agreement as of the date first written above.

THE MANITOWOC COMPANY, INC.

By: /s/ Fred M. Butler

Fred M. Butler
President & CEO

/s/ Robert K. Silva

Robert K. Silva

EXHIBIT 13
1996 10-K

PORTIONS OF THE 1996 ANNUAL REPORT TO SHAREHOLDERS OF THE MANITOWOC COMPANY, INC. INCORPORATED BY REFERENCE

QUARTERLY COMMON STOCK PRICE RANGE

	Year Ended December 31, 1996			Year Ended December 31, 1995			Transition Period Ended December 31, 1994			Year Ended July 2, 1994		
	High	Low	Close	High	Low	Close	High	Low	Close	High	Low	Close
1st Quarter	$33.25	$27.75	$31.50	$25.00	$21.00	$24.88	$27.00	$24.00	$27.00	$33.25	$30.38	$31.50
2nd Quarter	38.00	31.75	35.88	28.88	24.88	28.88	26.88	21.50	21.63	33.13	31.00	32.25
3rd Quarter	35.75	23.50	32.13	30.00	26.88	29.63	--	--	--	32.38	27.75	27.75
4th Quarter	43.88	31.50	40.50	30.63	28.13	30.63	--	--	--	28.25	24.88	25.13

The company's common stock is traded on the New York Stock Exchange. The share prices shown above are not adjusted for the three-for-two stock split.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Business Description

The Manitowoc Company and its divisions and subsidiaries are market leaders in their domestic and international businesses. The Foodservice Equipment Group is one of the largest suppliers of ice cube machines and walk-in refrigerators/freezers in North America, serving restaurants, hotels and other institutions. The Cranes and Related Products Group has a leading market share in lattice-boom crawler cranes (over 150-ton capacity) in the world, serving heavy-construction crane-rental and cargo-handling customers. The Marine Group is the leading provider of ship repair, maintenance and conversion services on the U.S. Great Lakes. Additional information on these business segments can be found on pages 6 through 17.

Note on Forward-Looking Statements

This report includes forward-looking statements based on management's current expectations. Reference is made in particular to the decription of the Company's plans and objectives for future operations, assumptions underlying such plans and objectives and other forward-looking statements in this Report. Such forward-looking statements generally are identifiable by words such as "believes," "intends," "estimates," "expects" and similar expressions.

These statements involve a number of risks and uncertainties and must be qualified by factors that could cause results to be materially different from what is presented here. This includes the following factors for each business: Foodservice Equipment - demographic changes affecting the number of women in the workforce, general population growth, and household income; serving large restaurant chains as they expand their global operations; specialty foodservice market growth; and the demand for equipment for small kiosk-type locations. Cranes and Related Products - market acceptance of innovative products; cyclicality in the construction industry; growth in the world market for heavy cranes; demand for used equipment in developing countries. Marine - shipping volume fluctuations based on performance of the steel industry; five-year drydocking schedule; reducing seasonality through non-marine repair work.

Long-Term Financial Goals

Manitowoc has established and will work to achieve these goals by the year 2000: Each business segment must be economic value-added (EVA) accretive each year. Expand in international markets to generate sales of $200 million and manufacturing of $75 million outside the United States. Generate 80% of sales from new products/models acquired or introduced after 1996. Have all manufacturing operations ISO-certified. Achieve $800 million in revenues.

Market Conditions/North America

North American economic conditions for all three of Manitowoc's businesses improved again in 1996.

Foodservice Equipment continues to benefit from a number of trends:

growth in the restaurant industry, particularly among high-volume chains; expansion of fast-food franchises into non-traditional locations, such as automotive service stations; growth in healthcare facilities; and the continued recovery of the hotel and lodging industry. These factors resulted in higher foodservice equipment demand in nearly all North American markets in 1996. We expect this market will remain fairly constant into 1997.

Cranes and Related Products improved in 1996 from the anemic market of earlier years. This business should continue to grow over the next several years because of the following: increased construction spending in the United States; the necessary rebuilding of America's infrastructure (although government funding remains limited); and an aging high-capacity liftcrane fleet that is becoming technically obsolete.

The 1996 Marine market benefited from near-record levels of shipping tonnage; the general economic strength of heavy industry and manufacturing sectors; and the aging of the Great Lakes fleet, which requires more maintenance and repair. Demand was good at all three ship-repair facilities: Toledo and Cleveland, Ohio, and Sturgeon Bay, Wisconsin, during 1996.

Market Conditions/International

Manitowoc's international sales increased 11% over 1995 levels, now reaching about 14% of total revenues.

Foodservice Equipment demand for refrigeration products is strongest in the Pacific Rim. Orders for refrigeration and ice-making equipment from hotel and restaurant chains are expected to be robust through the end of the decade. Manitowoc's strategic alliance and partnership with Hangzhou Household Electric Appliances in China is expected to help the company add to its international presence in this part of the world. In addition, the distribution center in Rotterdam, Holland, nearly tripled its European ice machine sales in 1996 versus 1995.

Cranes and Related Products continued to see low levels of demand from European countries in 1996. In addition, the Asian market remained cost-competitive. Although it saw a 7.1% sales decrease in 1996, Manitowoc's Aftermarket Group, which refurbishes cranes and sells them into less-developed countries, helped generate replacement orders for new cranes in North America.

Marine repair and maintenance revenue is primarily domestic. The potential of serving Canadian Great Lakes vessels is improving because of the North American Free Trade Agreement, and U.S. shipyards becoming more cost-effective in competing with their Canadian counterparts.

Results of Operations

On August 9, 1994, the board of directors changed the company's fiscal year-end to December 31 from the Saturday nearest June 30. This resulted in a transition period from July 3, 1994 through December 31, 1994.

This table summarizes the relationship between components of operations as a percent of net sales, for the periods indicated.

Percent of Net Sales	Year Ended Dec. 31, 1996	Year Ended Dec. 31, 1995	Transition Period Ended Dec. 31, 1994	Fiscal Year Ended July 2, 1994
Net sales	100.0	100.0	100.0	100.0
Cost of sales	73.1	75.9	74.7	75.3
Gross profit	26.9	24.1	25.3	24.7
Engineering, selling & administrative expenses	16.5	16.7	20.8	17.0
Plant relocation costs	0.2	--	11.3	--
Operating income (loss)	10.2	7.4	(6.8)	7.7
Interest and other	(1.7)	0.0	0.1	0.5
Earnings (loss) before taxes	8.5	7.4	(6.7)	8.2
Income taxes (benefit)	3.4	2.7	(2.6)	3.1
Net earnings (loss)	5.1	4.7	(4.1)	5.1

Net Sales

Consolidated net sales for 1996 rose 59.8% to $500.5 million from $313.1 million in 1995. This resulted from a 112.9% increase in Foodservice Equipment sales, a 24.0% rise in Crane sales, and 61.5% higher Marine sales. This strong performance resulted from (in order of decreasing relative contribution): (1) a full year's performance by The Shannon Group, Inc., acquired in December 1995; (2) positive market

reception of new and recently introduced crane models; (3) the sale of a self- unloading barge built for Lafarge Cement Corporation during the Marine group's off-peak season; (4) significantly higher sales of crane parts; and (5) record winter fleet activity at our ship-repair facilities.

For 1995, net sales increased 13.7% to $313.1 million compared with $275.4 million for fiscal 1994. Higher sales were seen at all divisions: Foodservice Equipment sales up 22.2%, Cranes sales up 8.7%, and Marine sales up 13.5%. The sales improvement for 1995 came from: (1) higher domestic and international demand for ice machines; (2) continued strong sales in boom trucks resulting in higher shipments from Manitex; (3) the Shannon acquisition; (4) growth in crane parts and refurbishing markets;
(5) the start-up of production and shipping of West-Manitowoc crawler crane; and (6) greater demand for marine repair and scheduled maintenance on Great Lakes vessels.

For the 1994 transition period, net sales totaled $123.9 million, down 3.8% from the first half of fiscal 1994. A 10% increase in Foodservice Equipment sales, due to favorable market conditions, was offset by a 10% decline in Crane sales and a 13% drop in Marine sales. Lower Crane sales resulted from a soft market for heavy-lift cranes. In addition, fewer drydockings and lower volumes of emergency repair work reduced Marine revenues.

Gross Margins

The 1996 gross margin increased to 26.9%. The gross margin was 24.1% in 1995, 25.3% for the transition period, and 24.7% in fiscal 1994. The biggest contributor to the strong 1996 gross margin resulted from the consolidation and improvements at Manitowoc Engineering, which have increased productivity and reduced overhead costs. The 1995 gross margin was negatively affected by a $2.8 million investment to consolidate and upgrade the large-crane facility.

Engineering, Selling and Administrative Expenses

In 1996, the engineering, selling and administrative expenses increased to $82.6 million, up from $52.3 million in 1995, primarily because of the Shannon acquisition. However, on a percentage of net sales basis, these expenses were in line with the recent past. In fiscal 1994, these expenses were $46.8 million, or 17.0% of net sales.

Plant Relocation Costs

As part of improving its EVA, Manitowoc has, since 1992, been reviewing its operations and consolidating underperforming assets. In 1996, the company took a $1.2 million charge to close its Tonka (Mason City, IA) and Kolpak (Bethel Springs, TN) walk-in refrigerator plants. The Iowa plant was consolidated with an expanded Greeneville, TN facility. Prior to this, in the 1994 transition period, Manitowoc consolidated its large-crane manufacturing to one site. This resulted in a $14 million charge, including a $9.4 million facility write-down.

Operating Earnings

Each segment contributed to the 119.8% increase in operating earnings, to $50.9 million in 1996 from $23.2 million in 1995. In 1995, operating earnings improved from a $8.5 million loss in the 1994 transition period and were up 9.8% from $21.1 million in fiscal 1994.

Income Taxes

The effective income tax rate for 1996 was 39.7% versus 37.0% in 1995, a 39.0% rate in the transition period, and 37.8% in fiscal 1994. The higher 1996 rate resulted from non-deductible goodwill associated with the Shannon acquisition. The 1995 rate was lower than fiscal 1994 due to utilization of foreign tax credits.

Net Earnings

In 1996, net earnings increased 76.0% to a record $25.6 million, or $2.23 per share, compared with the prior year's $14.6 million, or $1.27 per share. The net loss for the 1994 transition period was $5.1 million, equal to 44 cents per share, and for fiscal 1994, net earnings were $14.0 million, or $1.07 per share. Without the plant consolidation charge, the 1994 transition period would have had earnings of $3.5 million, or 30 cents per share. All per-share figures reflect the July 1996 three- for-two stock split. As a result, the average shares outstanding for each period are: 1996 - 11.5 million, 1995 - 11.5 million, 1994 transition period
- - 11.6 million, fiscal 1994 - 13.1 million. The reduction in shares outstanding between 1995 and 1994 was attributable to share repurchases by the company.

Foodservice Equipment

Manitowoc's largest segment generated 48.4% of total sales in 1996. Foodservice revenues increased 112.9% to $242.3 million for the latest year, compared with $113.8 million in 1995, and $93.2 million in fiscal 1994. The primary reason for higher 1996 sales was the December 1995 acquisition of The Shannon Group, a leading manufacturer of commercial refrigeration equipment. While Shannon's 1996 sales were down slightly compared with 1995, the acquisition was responsible for nearly all of the Foodservice revenue increase. Foodservice Equipment sales should continue to expand, driven by growth in small kiosk locations, industry movement from single location restaurants to chain

operations, and the expansion of chains into less-developed markets outside the United States.

Foodservice operating earnings grew 49.5% in 1996 to $34.0 million from 1995's $22.7 million. Fiscal 1994 saw $21.6 million in operating earnings. This segment generated 54.2% of total operating earnings in 1996. This was down from 75.9% in 1995, when Crane segment operating earnings were lower than normal.

Operating margins for Foodservice were 14.0% in 1996, 20.0% in 1995, and 23.2% in fiscal 1994. The difference between 1996 and 1995 resulted from the acquisition of The Shannon Group, whose margins are historically lower. The decline between 1995 and fiscal 1994 margins also was caused by the traditionally lower margins of the Shannon product line (acquired in December 1995).

Cranes and Related Products

Sales from this business contributed 42.1% of Manitowoc's total 1996 revenues. Net Crane sales reached $210.6 million in 1996, up 24.0% from the previous year. Sales were $169.9 million in 1995 and $156.3 million in fiscal 1994. The improvement in 1996 came primarily from orders for new products introduced during the last four years. These products accounted for 98% of the order backlog at year-end 1996. The difference between 1995 and fiscal 1994 sales came from increases in Manitex boom- truck sales, the benefits of the 1993 Femco acquisition, and higher West- Manitowoc sales. These advances were partially offset by a 25% drop in large crawler crane shipments.

The Aftermarket Group has two operations: Femco and Manitowoc Re- Manufacturing. Femco did well in 1996, with revenues from industrial press repair and scrapyard business. However, flat crane parts sales and lower sales from Manitowoc Re-Manufacturing resulted in a slight reduction to total 1996 Aftermarket Group sales.

Backlogs for all crane products at year-end were: 1996 - $136.0 million, 1995 - $85.8 million, fiscal 1994 - $26.9 million. The 1996 backlog includes one M-1200 RINGER, four 888 RINGERs, and a single customer order for 20 Model 777 crawler cranes.

Operating earnings for the Crane segment increased seven-fold over 1995 levels and contributed 36.0% of the company's total segment operating earnings. Operating earnings were $22.6 million in 1996, $3.2 million in 1995, and $2.3 million in fiscal 1994. Operating margins for the last three years were: 1996 - 10.7%, 1995 - 1.9%, and fiscal 1994 - 1.5%. The 1996 figure reflects higher sales across all crane businesses and improved operating efficiencies resulting from earlier restructurings and plant consolidations.

Marine Group

In 1996, Marine segment sales of $47.6 million grew 61.5% over 1995's $29.5 million, also up from fiscal 1994's $26.0 million. Marine revenues contributed 9.5% of Manitowoc's 1996 net sales. The major reasons for the improved performance were higher levels of winter repair and maintenance, and construction of a self-unloading cement barge for a Great Lakes customer.

Operating earnings in this business increased 54.0% in 1996, reaching $6.2 million, compared with $4.0 million in 1995, and higher than fiscal 1994's $2.4 million. Marine contributed 9.9% of total company operating segment earnings during 1996. The 1996 operating margin, at 13.0% was down slightly from 13.7% in 1995 (and higher than 9.4% in fiscal 1994) due to the traditionally lower margins on new construction versus repair work.

Liquidity and Capital Resources

Cash flows from operations for 1996 were $64.5 million, compared with 1995's $16.4 million and $37.0 million in fiscal 1994. The increase reflects net earnings gains and a significant reduction in working capital. The primary uses of cash for the latest year were $50.5 million in debt payments, $8.4 million in capital expenditures and $7.7 million in dividend payments. At the end of 1996, long-term debt of $76.5 million, versus $101.2 million at the end of 1995. Estimated capital expenditures for 1997 are in the $11 - 12 million range.

Cash and marketable securities were $16.0 million at the end of 1996, compared with $16.6 million for 1995 and $30.1 million for fiscal 1994. On September 8, 1992, the board of directors authorized management to repurchase up to 1.5 million shares of its common stock. In addition, on January 11, 1994, and February 1, 1994, the board authorized the repurchase of an additional 500,000 shares and 1,000,000 shares, respectively. As of December 31, 1996, a total of 2,646,379 treasury shares were purchased as a result of these authorizations. On February 19, 1997, the board discontinued this stock repurchase program.

On December 1, 1995, the company purchased the outstanding common stock of The Shannon Group, Inc. The aggregate consideration paid by Manitowoc was $127.3 million, which is net of cash acquired of $651,000. The purchase price included $19.8 million due to the seller and paid in January 1996, direct acquisition costs of $2.7 million, $1.3 million in other assumed liabilities, and a post-closing working capital adjustment of $300,000. The transaction was financed through credit facilities provided under the Credit Agreement dated December 1, 1995.

On December 31, 1996, and July 2, 1994, there were no short-term borrowings, compared with $26.8 million at December 31, 1995.

Inventories stood at $44.0 million at the end of 1996 compared with $52.9 million at year-end 1995. Working capital declined to $17.6 million from $24.2 million.

The company expects current cash reserves and future cash flows from operations will be adequate to meet its liquidity requirements for the foreseeable future. This includes payments on long-term debt, line of credit and anticipated capital expenditures.

Contingencies

The United States Environmental Protection Agency (EPA) identified the company as a potentially responsible party (PRP) under the Comprehensive Environmental Response Compensation and Liability Act (CERCLA), liable for the costs associated with investigating and cleaning up the contamination at the Lemberger Landfill Superfund Site near Manitowoc, Wisconsin.

Approximately 150 PRP's have been identified as having shipped substances to the site. Eleven of the PRP's have formed the Lemberger Site Remediation Group (LSRG) and have successfully negotiated with the EPA and Wisconsin Department of Natural Resources to settle the potential liability at the site and fund the cleanup.

Recent estimates indicate that the total cost to clean up the site could be as high as $30 million. However, the ultimate remediation methods and appropriate allocation of costs for the site are not yet final. Although liability is joint and several, the company's share of liability is estimated to be 11% of the total cleanup costs.

In connection with this matter, the company expensed $0.2 million in 1996, $0.2 million in 1995, and $1.6 million in fiscal 1994 for its estimated portion of the cleanup costs. There were no expenses during the transition period ended December 31, 1994.

Eleven-Year Financial Summary & Business Segment Information

(Thousands of dollars, except shares and per share data)

	Calendar 1996	Calendar 1995	Pro Forma Calendar 1994 (2)	Transition Period Calendar 1994 (2)	FISCAL YEARS 1994	FISCAL YEARS 1993
NET SALES						
Foodservice	$242,317	$113,814	$ 97,321	$ 44,996	$ 93,171	$ 81,424
Cranes & related products	210,564	169,866	148,355	70,958	156,253	178,630
Marine	47,584	29,469	24,782	7,952	25,956	18,504
Total	$500,465	$313,149	$270,458	$123,906	$275,380	$278,558
Gross margin	$134,641	$ 75,470	$ 66,769	$ 31,302	$ 67,924	$ 55,785
EARNINGS (LOSS) FROM OPERATIONS						
Foodservice	$ 33,989	$ 22,729	$ 22,286	$ 9,426	$ 21,637	$ 18,311
Cranes & related products	22,582	3,179	17	870	2,275	(1,961)
Marine	6,197	4,024	516	(799)	2,447	593
General corporate	(7,678)	(6,530)	(6,832)	(3,981)	(5,274)	(5,296)
Amortization	(3,000)	(250)	--	--	--	--
Plant relocation costs	(1,200)	--	(14,000)	(14,000)	--	(3,300)
Total	50,890	23,152	1,987	(8,484)	21,085	8,347
Other income (expense) - net	(8,384)	(32)	768	169	1,494	582
Earnings (loss) before taxes on income	42,506	23,120	2,755	(8,315)	22,579	8,929
Accounting changes	--	--	--	--	--	(10,214)
Provision (benefit) for taxes on income	16,863	8,551	960	(3,243)	8,536	2,612
Net earnings (loss)	$ 25,643	$ 14,569	$ 1,795	$ (5,072)	$ 14,043	$ (3,897)
OTHER FINANCIAL INFORMATION						
Cash from operations	$ 64,514	$ 16,367	$ 13,821	$ (330)	$ 36,995	$ 62,700
Invested capital (monthly averages):						
Foodservice	$ 68,556	$ 32,696	$ 24,734	$ 21,979	$ 25,662	$ 26,503
Cranes & related products	73,246	85,082	80,619	81,800	86,288	112,120
Marine	7,335	9,579	12,691	11,201	13,953	17,497
General corporate	94,166	12,409	4,248	4,818	4,052	2,581
Total	$243,303	$139,766	$122,292	$119,798	$129,955	$158,701
IDENTIFIABLE ASSETS						
Foodservice	$ 90,937	$ 90,126	$ 27,828	$ 27,828	$ 31,460	$ 29,526
Cranes & related products	88,174	109,118	88,068	88,068	93,823	105,750
Marine	10,648	11,369	13,233	13,233	16,726	16,720
General corporate	127,951	114,302	30,336	30,336	43,839	56,015
Total	$317,710	$324,915	$159,465	$159,465	$185,848	$208,011
LONG-TERM OBLIGATION						
Long-term debt	$ 76,501	$101,180	$ --	$ --	$ --	$ --
DEPRECIATION						
Foodservice	$ 3,377	$ 1,606	$ 1,364	$ 703	$ 1,320	$ 1,187

Cranes & related products	4,260	4,162	4,639	2,288	4,211	3,875
Marine	600	608	658	316	681	756
General corporate	81	80	91	46	61	44
Total	$ 8,318	$ 6,456	$ 6,752	$ 3,353	$ 6,273	$ 5,862
CAPITAL EXPENDITURES						
Foodservice	$ 5,110	$ 4,568	$ 4,929	$ 3,011	$ 2,300	$ 2,152
Cranes & related products	2,816	14,252	4,214	528	3,120	8,648
Marine	343	383	145	109	(492)	(463)
General corporate (1)	127	6	419	82	414	(39)
Total	$ 8,396	$ 19,209	$ 9,707	$ 3,730	$ 5,342	$ 10,298
PER SHARE (3)						
Net earnings (loss)	$ 2.23	$ 1.27	$ .15	$ (.44)	$ 1.07	$ (.27)
Dividends	.67	.67	.67	.33	.67	.67
Stockholders' equity	8.72	7.09	6.52	6.52	7.74	8.71
Average shares outstanding	11,511,357	11,511,707	12,151,538	11,617,832	13,104,891	14,639,081

	FISCAL YEARS					
	1992	1991	1990	1989	1988	1987
NET SALES						
Foodservice	$ 74,175	$ 73,944	$ 74,612	$ 74,431	$ 72,986	$ 72,501
Cranes & related products	155,743	147,554	117,464	102,430	81,593	46,571
Marine	16,471	14,689	33,752	23,735	17,710	103,995
Total	$246,389	$236,187	$225,828	$200,596	$172,289	$223,067
Gross margin	$ 54,443	$ 58,062	$ 54,366	$ 50,860	$ 37,033	$ 29,921
EARNINGS (LOSS) FROM OPERATIONS						
Foodservice	$ 17,585	$ 17,364	$ 19,387	$ 18,468	$ 17,203	$ 17,910
Cranes & related products	(850)	7,602	5,490	3,454	(1,974)	4,532
Marine	278	(973)	6,497	3,416	(15,921)	(9,693)
General corporate	(6,545)	(5,734)	(6,094)	(5,623)	(4,744)	(3,628)
Amortization	--	--	--	--	--	--
Plant relocation costs	--	--	--	--	--	--
Total	10,468	18,259	25,280	19,715	(5,436)	9,121
Other income (expense) - net	1,104	2,233	5,077	4,527	4,187	7,510
Earnings (loss) before taxes on income	11,572	20,492	30,357	24,242	(1,249)	16,631
Accounting changes	--	--	--	--	--	--
Provision (benefit) for taxes on income	3,315	5,060	9,327	7,344	(1,341)	4,868
Net earnings (loss)	$ 8,257	$ 15,432	$ 21,030	$ 16,898	$ 92	$ 11,763
OTHER FINANCIAL INFORMATION						
Cash from operations	$ 28,250	$ 6,472	$ 14,210	$ (5,278)	$ 3,658	$(33,833)
Invested capital (monthly averages):						
Foodservice	$ 23,555	$ 25,099	$ 19,018	$ 22,859	$ 21,940	$ 16,427
Cranes & related products	137,839	133,777	118,097	99,147	76,335	77,382
Marine	16,879	14,621	16,206	28,600	18,894	26,122
General corporate	2,025	3,051	6,314	7,656	14,151	4,227
Total	$180,298	$176,548	$159,635	$158,262	$131,320	$124,158
IDENTIFIABLE ASSETS						
Foodservice	$ 25,608	$ 28,019	$ 24,168	$ 26,074	$ 27,449	$ 33,486
Cranes & related products	138,416	136,995	115,804	96,623	75,217	61,306
Marine	19,253	18,009	22,683	32,451	24,049	41,366
General corporate	41,829	35,983	50,143	61,966	82,374	94,628
Total	$225,106	$219,006	$212,798	$217,114	$209,089	$230,786
LONG-TERM OBLIGATION						
Long-term debt	--	--	--	--	--	--
DEPRECIATION						
Foodservice	$ 1,090	$ 812	$ 657	$ 771	$ 785	$ 817
Cranes & related products	4,053	3,691	2,895	2,953	3,000	2,972
Marine	785	792	748	465	2,362	2,600
General corporate	196	234	431	380	327	303
Total	$ 6,124	$ 5,529	$ 4,731	$ 4,569	$ 6,474	$ 6,692
CAPITAL EXPENDITURES						
Foodservice	$ 1,099	$ 2,797	$ 748	$ (169)	$ 229	$ 201
Cranes & related products	4,047	6,347	3,130	2,225	2,264	2,580
Marine	500	113	197	108	1	112
General corporate (1)	(508)	(2,955)	70	586	317	86
Total	$ 5,138	$ 6,302	$ 4,145	$ 2,750	$ 2,811	$ 2,979

PER SHARE (3)						
Net earnings (loss)	$ .53	$ 1.00	$ 1.36	$ 1.09	$ .01	$ .72
Dividends	.67	.67	1.33	.53	.53	.53
Stockholders' equity	10.69	10.80	10.44	10.42	9.91	10.47
Average shares outstanding	15,481,271	15,481,491	15,481,874	15,502,599	15,945,156	16,305,536

(1) During 1991, certain assets were transferred from general corporate to the cranes and related products segment.

(2) The company changed its year-end to December 31, effective with the period ended December 31, 1994 (transition period). The prior fiscal year-end ended on the Saturday nearest to June 30. The Pro Forma information related to the calendar year ended December 31, 1994 is a compilation of the calendar quarterly data for 1994 and is unaudited.

(3) Per share data and average shares outstanding have been adjusted to reflect the three-for-two stock split which occurred in 1996. See Note 7 of notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF EARNINGS
(Thousands of dollars, except per share and average shares data)

	For The Periods Ended			
	Dec. 31, 1996	Dec. 31, 1995	Transition Dec. 31, 1994	July 2, 1994
EARNINGS				
Net Sales	$500,465	$313,149	$123,906	$275,380
Costs and expenses:				
Cost of sales	365,824	237,679	92,604	207,456
Engineering, selling, and administrative expenses	82,551	52,318	25,786	46,839
Plant relocation costs	1,200	--	14,000	--
Total costs and expenses	449,575	289,997	132,390	254,295
Earnings (loss) from operations	50,890	23,152	(8,484)	21,085
Interest expense	(9,097)	(1,865)	(187)	(263)
Interest and dividend income	394	47	333	1,697
Other	319	1,786	23	60
Earnings (loss) before taxes on income	42,506	23,120	(8,315)	22,579
Provision (benefit) for taxes on income	16,863	8,551	(3,243)	8,536
Net earnings (loss)	$ 25,643	$ 14,569	$ (5,072)	$ 14,043
PER SHARE DATA				
Net earnings (loss)	$ 2.23	$ 1.27	$ (.44)	$ 1.07
AVERAGE SHARES OUTSTANDING	11,511,357	11,511,707	11,617,832	13,104,891

The accompanying summary of significant accounting policies and notes to the consolidated financial statements are an integral part of these financial statements.

CONSOLIDATED BALANCE SHEETS
(Thousands of dollars, except shares data)

	As of December 31	
	1996	1995
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 14,364	$ 15,077
Marketable securities	1,657	1,558
Accounts receivable, less allowances of $976 and $1,365	53,876	51,011
Inventories	43,978	52,928
Prepaid expenses and other	1,281	3,451
Future income tax benefits	12,719	11,120
Total current assets	127,875	135,145

Intangible assets - net	92,200	92,433
Property, plant and equipment - net	84,703	87,674
Other assets	12,932	9,663
Total assets	$317,710	$324,915
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Current portion of long-term debt	$ 11,064	$ 10,089
Accounts payable and accrued expenses	90,967	67,531
Short-term borrowings	0	26,807
Product warranties	8,271	6,496
Total current liabilities	110,302	110,923
NON-CURRENT LIABILITIES		
Long-term debt, less current portion	76,501	101,180
Product warranties	4,914	4,199
Postretirement health benefits obligation	19,455	19,190
Other liabilities	6,209	7,762
Total non-current liabilities	107,079	132,331
Commitments and contingencies	--	--
STOCKHOLDERS' EQUITY		
Common stock (16,331,770 and 10,887,847 shares issued)	163	109
Additional paid-in capital	31,061	31,115
Cumulative foreign currency translation adjustments	220	(479)
Retained earnings	150,387	132,418
Treasury stock, at cost	(81,502)	(81,502)
Total stockholders' equity	100,329	81,661
Total liabilities and stockholders' equity	$317,710	$324,915

The accompanying summary of significant accounting policies and notes to the consolidated financial statements are an integral part of these financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(Thousands of dollars)

	For The Periods Ended			
	Dec. 31, 1996	Dec. 31, 1995	Transition Dec. 31, 1994	July 2, 1994
CASH FLOWS FROM OPERATIONS				
Net earnings (loss)	$ 25,643	$ 14,569	$ (5,072)	$ 14,043
Adjustments to reconcile net cash from operations:				
Depreciation	8,318	6,456	3,353	6,273
Amortization	3,300	345	73	128
Deferred income taxes	(4,383)	(815)	(6,219)	(2,976)
Plant relocation costs	1,200	--	14,000	--
(Gain) loss on sale of property, plant, and equipment	259	(1,964)	--	--
Changes in operating assets and liabilities excluding effects of business acquisitions:				
Accounts receivable	(2,865)	(843)	13,089	9,352
Inventories	8,950	(5,913)	(5,553)	6,438
Other current assets	909	999	74	3,592
Current liabilities	23,432	4,015	(14,373)	1,723
Non-current liabilities	(573)	(1,052)	(387)	(1,285)
Non-current assets	324	570	685	(293)
Net cash provided by (used in) operations	64,514	16,367	(330)	36,995
CASH FLOWS FROM INVESTING				
Sale (purchase) of marketable securities - net	(99)	10,487	2,963	(3,520)
Capital expenditures	(8,396)	(19,209)	(3,730)	(5,342)
Business acquisitions - net of cash acquired	(300)	(105,944)	--	(10,685)

Proceeds from sale of property, plant, and equipment	1,443	5,656	--	--
Net cash used for investing	(7,352)	(109,010)	(767)	(19,547)
CASH FLOWS FROM FINANCING				
Dividends paid	(7,674)	(7,674)	(3,838)	(8,688)
Proceeds from long-term borrowings	15,000	110,000	--	--
Payments on long-term borrowings	(38,704)	--	--	--
Proceeds (payments) from short-term borrowings - net	(26,807)	3,001	3,999	--
Treasury stock purchases	--	--	(10,114)	(31,091)
Debt acquisition costs	--	(1,687)	--	--
Net cash provided by (used for) financing	(58,185)	103,640	(9,953)	(39,779)
Effect of exchange rate changes on cash	310	(38)	74	77
Net change in cash and cash equivalents	(713)	10,959	(10,976)	(22,254)
Balance at beginning of year	15,077	4,118	15,094	37,348
Balance at end of year	$ 14,364	$ 15,077	$ 4,118	$ 15,094
SUPPLEMENTAL CASH FLOW INFORMATION				
Interest paid	$ 8,215	$ 1,163	$ 157	$ 192
Income taxes paid	$ 19,319	$ 7,929	$ 6,901	$ 6,895

The accompanying summary of significant accounting policies and notes to the consolidated financial statements are an integral part of these financial statements.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Thousands of dollars, except shares and per share data)

	For The Periods Ended			
	Dec. 31, 1996	Dec. 31, 1995	Transition Dec. 31, 1994	July 2, 1994
COMMON STOCK - SHARES OUTSTANDING				
Balance at beginning of period	7,674,468	7,674,475	8,082,847	9,146,501
Treasury stock purchases	--	(7)	(408,372)	(1,063,654)
Three-for-two stock split	3,836,889	--	--	--
Balance at end of period	11,511,357	7,674,468	7,674,475	8,082,847
COMMON STOCK -- PAR VALUE				
Balance at beginning of period	$ 109	$ 109	$ 109	$ 109
Three-for-two stock split	54	--	--	--
Balance at end of period	$ 163	$ 109	$ 109	$ 109
ADDITIONAL PAID-IN CAPITAL				
Balance at beginning of period	$ 31,115	$ 31,115	$ 31,115	$ 31,115
Three-for-two stock split	(54)	--	--	--
Balance at end of period	$ 31,061	$ 31,115	$ 31,115	$ 31,115
CUMULATIVE FOREIGN CURRENCY TRANSLATION ADJUSTMENTS				
Balance at beginning of period	$ (479)	$ (188)	$ (410)	$ (569)
Foreign currency translation adjustment	699	(291)	222	159
Balance at end of period	$ 220	$ (479)	$ (188)	$ (410)
RETAINED EARNINGS				
Balance at beginning of period	$132,418	$125,523	$134,433	$129,078
Net earnings (loss)	25,643	14,569	(5,072)	14,043
Cash dividends *	(7,674)	(7,674)	(3,838)	(8,688)
Balance at end of period	$150,387	$132,418	$125,523	$134,433
TREASURY STOCK				

Balance at beginning of period	$(81,502)	$(81,502)	$(71,388)	$(40,297)
Treasury stock purchases	--	--	(10,114)	(31,091)
Balance at end of period	$(81,502)	$(81,502)	$(81,502)	$(71,388)

* Cash dividends per share after giving effect to the three-for-two stock split, were $.67 per share in all periods except the transition period in which the dividend was $.33 per share.

The accompanying summary of significant accounting policies and notes to the consolidated financial statements are an integral part of these financial statements.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Thousands of dollars, except per share data)

BASIS OF PRESENTATION

The financial statements of The Manitowoc Company, Inc. ("the company") have been prepared in accordance with generally accepted accounting principles, which require management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses for the periods presented. They also affect the disclosures of contingencies. Actual results could differ from those estimates.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the accounts of the company and its wholly owned domestic and non-U.S. subsidiaries. Significant intercompany balances and transactions have been eliminated.

FISCAL YEAR

The company changed its fiscal year from a fiscal year ending on the Saturday nearest June 30 to a fiscal year ending on December 31, effective for the period ending December 31, 1994. The Consolidated Statement of Earnings, the Consolidated Statement of Cash Flows, and the Consolidated Statement of Stockholders' Equity for the period from July 3, 1994 to December 31, 1994 (Transition Period) are also presented in the financial statements.

INVENTORIES

Inventories are stated at the lower of cost or market as described in Note 3. Advance payments from customers are netted against inventories to the extent of related accumulated costs. Advance payments netted against inventories at December 31, 1996 and 1995 were $8,552 and $5,985, respectively. Advance payments received in excess of related costs on uncompleted contracts are classified as accrued expenses.

REVENUE RECOGNITION

Revenues and expenses in all business segments are generally recognized upon shipment or completion of service provided. However, revenues and costs on contracts for long-term projects are recognized on the percentage-of-completion method, commencing when work has progressed to a state where estimates are reasonably accurate. These estimates are reviewed and revised periodically throughout the lives of the contracts, and adjustments to income resulting from such revisions are recorded in the accounting period in which the revisions are made. Estimated losses on such contracts are recognized in full when they are identified.

FOREIGN CURRENCY TRANSLATION

The financial statements of the company's non-U.S. subsidiaries are translated using the current exchange rate for assets and liabilities and the weighted average exchange rate for the year for income statement items. Resulting translation adjustments are recorded directly to a separate component of stockholders' equity.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is depreciated over the estimated useful lives of the assets using the straight-line depreciation method for all property acquired after June 29, 1991. Property acquired prior to June 30, 1991, is depreciated using the sum-of-the-years-digits method.

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

	Years
Buildings	40

Drydocks and dock fronts	15-27
Machinery, equipment and tooling	4-15

INTANGIBLE ASSETS

Intangible assets consist primarily of costs in excess of net assets of businesses acquired (See Note 9). Intangible assets are amortized using the straight-line method over their estimated beneficial lives, not to exceed 40 years. Subsequent to an acquisition, the company continually evaluates whether later events and circumstances have occurred that indicate the remaining estimated useful life of intangibles may warrant revision or that the remaining balance of intangibles may not be recoverable. When factors indicate that intangibles should be evaluated for possible impairment, the company uses an estimate of the related business' discounted net cash flows over the remaining life of the intangibles in measuring whether the intangibles are recoverable. Intangible assets at December 31, 1996 and 1995 of $92,200 and $92,433, respectively, are net of accumulated amortization of $3,550 and $1,939 respectively.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts reported in the consolidated balance sheets for cash and cash equivalents, accounts receivable, accounts payable and short- term borrowings approximate fair value due to the immediate short-term maturity of these financial instruments. The carrying amount reported for long-term debt approximates fair value since the underlying instrument bears interest at a variable rate that reprices frequently.

The fair value of interest rate swaps is the amount at which they could be settled, based on estimates obtained from financial institutions.

INCOME TAXES

The company utilizes the liability method to recognize deferred tax assets and liabilities for the expected future income tax consequences of events that have been recognized in the company's financial statements. Under this method, deferred tax assets and liabilities are determined based on the temporary differences between financial statement carrying amounts and the tax basis of assets and liabilities using enacted tax rates in effect in the years in which the temporary differences are expected to reverse.

POSTRETIREMENT BENEFITS OTHER THAN PENSIONS

The expected cost of postretirement health care benefits is recorded during the years that the employees render service.

RESEARCH AND DEVELOPMENT

Research and development costs are charged to expense as incurred and amount to $3,502 in 1996, $3,110 in 1995, $1,323 for the transition period ended December 31, 1994, and, $2,439, in fiscal year 1994.

WARRANTIES

Estimated warranty costs are provided at the time of sale of the warranted products, based on historic experience for the relevant product.

NET EARNINGS PER COMMON SHARE
Net earnings per common share is based on weighted average shares outstanding during each year.

The company is required to adopt Statement of Financial Accounting Standard (SFAS) No. 128, "Earnings Per Share," in 1997. SFAS 128 specifies the computation, presentation, and disclosure requirements for earnings per share. The adoption of this statement will result in the presentation by the company of basic and diluted earnings per share, as defined by the statement, and is not expected to have a material impact on the earnings per share reported in the financial statements. Upon adoption of this statement, all prior-period earnings per share amounts will be restated to conform to the provisions of SFAS 128.

CASH EQUIVALENTS

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

RECLASSIFICATIONS

Certain reclassifications have been made to the financial statements of prior periods to conform to the presentation for 1996.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Thousands of dollars, except shares and per share data)

1.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is summarized at December 31 as follows:

	1996	1995
Land	$ 3,489	$ 2,883
Buildings	59,606	46,194
Drydocks and dock fronts	21,743	21,743
Machinery, equipment and tooling	102,512	114,800
Construction in progress	2,033	3,135
Total cost	189,383	188,755
Less accumulated depreciation	(104,680)	(101,081)
Property, plant and equipment - net	$ 84,703	$ 87,674

2.

MARKETABLE SECURITIES

Marketable securities at December 31, 1996 and 1995 include $1.7 million and $1.6 million, respectively, of securities which are available for sale. For these investments, the difference between fair market value and cost was not material for both years.

3.

INVENTORIES

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

	1996	1995
Components:		
Raw materials	$ 20,153	$ 22,809
Work-in-process	19,447	18,868
Finished goods	25,725	31,711
Total inventories at FIFO cost	65,325	73,388
Excess of FIFO cost over LIFO value	(21,347)	(20,460)
Total inventories	$ 43,978	$ 52,928

Inventories are carried at the lower of cost or market using the first- in, first-out (FIFO) method for 56% and 60% of total inventory for 1996 and 1995, respectively. The remainder of the inventories are costed using the last-in, first-out (LIFO) method.

Inventory quantity reductions during fiscal 1994 resulted in lower cost of goods sold computed under the LIFO method due to lower costs prevailing in prior periods. The increase in net earnings for fiscal 1994 due to such inventory reductions was $1,726.

4.

ACCOUNTS PAYABLE AND ACCRUED EXPENSES

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

	1996	1995
Trade accounts payable	$ 31,215	$ 29,221
Customer progress payments	9,857	924
Profit sharing	14,748	7,857
Product liability	6,744	6,188
Income taxes payable	2,836	1,503
Miscellaneous accrued expenses	25,567	21,838

Total	$ 90,967	$ 67,531

DEBT

Long-term debt at December 31, consists of the following:

	1996	1995
Term loan payable	$ 86,365	$ 110,000
Capital lease obligations	1,200	1,269
	87,565	111,269
Less current portion	11,064	10,089
	$ 76,501	$ 101,180

The company entered into a Credit Agreement (Agreement) on December 1, 1995 with a group of banks to fund the purchase of The Shannon Group, Inc. (See Note 9). The Agreement, which was amended in 1996, provides for maximum borrowings of $95 million under a term loan and a maximum of $85 million in revolving loans. There are no borrowings under the revolving loan portion of the Agreement at December 31, 1996.

The Agreement includes covenants which require the maintenance of various debt and net worth ratios, and limits the amount of capital expenditures. Annual commitment fees during 1996 were .1875% on the unused portion of the available credit. Borrowings under the Agreement bear interest at a rate equal to the sum of a base rate, or LIBOR rate (London Interbank Offered Rate), at the option of the company, plus an applicable percentage, as defined. The base rate is equal to the greater of the Federal Funds rate in effect on such day plus .5% or the prime rate in effect on such day. The interest rate for the term and revolving loans at December 31, 1996 was 6.38%. Payments of principal and interest for the term loan are due quarterly through December 31, 2001. Borrowings under the Agreement are collateralized by receivables and inventories of the company and substantially all of the common stock of its subsidiaries.

The company has entered into interest rate swap agreements, which expires in December, 2000, to reduce the impact of changes in interest rates on its floating rate long-term debt. At December 31, 1996, the company had outstanding three interest rate swap agreements with financial institutions, having a total notional principal amount of $87.5 million. The effect of these agreements on the company's interest rates during 1996 was not significant. Interest expense has been adjusted for the net receivable or payable under these agreements. The fair value of these interest rate swap agreements is $980 at December 31, 1996. The company is exposed to credit loss in the event of non-performance by the financial institutions. However, management does not anticipate such non-performance.

In January 1997, the company reduced the notional principal amount of its interest rate swaps by $44.3 million. The notional principal amounts of the remaining interest rate swaps will be reduced as mandatory principal payments reduce the amount of the company's outstanding loan payable.

Capital lease obligations relate to the company's obligations on three property leases for industrial property located in the State of Tennessee. These obligations are due in monthly or annual installments including principal and interest at rates varying from 5% to 18.3%. These obligations mature at various dates through 2012.

The aggregate scheduled maturities of long-term debt and capital lease obligations in subsequent years are as follows:

1997	$ 11,064
1998	15,009
1999	18,949
2000	18,953
2001	22,893
Thereafter	697
	$ 87,565

At December 31, 1995, short-term borrowings included $19,807 due to the seller of The Shannon Group, Inc. and $7,000 which was outstanding under the revolving loan portion of the Agreement. The company repaid these borrowings during 1996.

INCOME TAXES

Components of earnings before income taxes are as follows:

	Dec. 31, 1996	Dec. 31, 1995	Transition Period Dec. 31, 1994	July 2, 1994
Earnings before income taxes:				
Domestic	$ 41,702	$ 22,273	$ (8,861)	$ 22,089
Foreign	804	847	546	490
TOTAL	$ 42,506	$ 23,120	$ (8,315)	$ 22,579

The provision (benefit) for taxes on income is as follows:

	Dec. 31, 1996	Dec. 31, 1995	Transition Period Dec. 31, 1994	July 2, 1994
Current:				
Federal	$ 17,743	$ 8,093	$ 1,972	$ 9,138
State	3,190	1,105	716	2,358
Foreign	313	168	288	16
Total current	21,246	9,366	2,976	11,512
Deferred:				
Federal and state	(4,383)	(815)	(6,036)	(3,120)
Foreign	--	--	(183)	144
Total deferred	(4,383)	(815)	(6,219)	(2,976)
Provision (benefit) for taxes on income	$ 16,863	$8,551	$ (3,243)	$ 8,536

Federal income taxes at statutory rates and the provision (benefit) for income taxes as reported are reconciled as follows:

	Dec. 31, 1996	Dec. 31, 1995	Transition Period Dec. 31, 1994	July 2, 1994
Federal income tax at statutory rate	$ 14,877	$ 8,092	$ (2,910)	$ 7,903
State income taxes, net of federal income tax benefit	2,019	1,137	(420)	1,140
Investment tax credit	--	--	(699)	(96)
Non-deductible goodwill amortization	713	--	--	--
Tax-exempt FSC income	(564)	(373)	(236)	(515)
Adjustments to prior years' income tax accruals	(360)	(132)	884	--
Other	178	(173)	138	104
Provision (benefit) for taxes on income	$ 16,863	$ 8,551	$ (3,243)	$ 8,536

The deferred income tax accounts reflect the impact of temporary differences between the basis of assets and liabilities for financial reporting purposes and their related basis as measured by income tax regulations. A summary of the deferred income tax accounts at December 31 is as follows:

	1996	1995
Current deferred tax assets:		
Inventories	$ 826	$ 485
Accounts receivable	392	692
Product warranty reserves	3,021	2,252
Product liability reserves	2,679	2,413
Environmental reserves	311	238
Customer profit sharing reserves	497	527
Other employee related benefits and allowances	3,453	2,706
Other	1,540	1,807

Future income tax benefits, current	$ 12,719	$ 11,120
Non-current deferred tax assets (liabilities):		
Property, plant and equipment	$ (8,271)	$(10,340)
Postretirement benefits other than pensions	7,791	7,581
Deferred employee benefits	1,239	--
Severance benefits	1,097	1,014
Product warranty reserves	1,248	1,412
Environmental reserves	502	740
Net operating loss carryforwards	2,004	2,419
Net future income tax benefits, non-current	$ 5,610	$ 2,826

The company does not provide for taxes which would be payable if undistributed earnings of foreign subsidiaries or its foreign affiliate were remitted because the company either considers these earnings to be invested for an indefinite period or anticipates that when such earnings are distributed, the U.S. income taxes payable would be substantially offset by foreign tax credits.

7.

STOCKHOLDERS' EQUITY

Authorized capitalization consists of 35,000,000 shares of $.01 par value common stock and 3,500,000 shares of $.01 par value preferred stock. None of the preferred shares have been issued. Pursuant to a Rights Agreement dated August 5, 1996, each common share carries with it a Right to purchase additional stock. The Rights are not currently exercisable and cannot be separated from the shares unless certain specified events occur, including the acquisition of 20% or more of the common stock by a person or group, or the commencement of a tender offer for 20% or more of the common stock. In the event a person or group actually acquires 20% or more of the common stock, or if the company is merged with an acquiring person, each Right permits the holder to purchase one share of common stock for $100. The Rights expire on September 18, 2006 and may be redeemed by the company for $.01 per Right (in cash or stock) under certain circumstances.

On September 8, 1992, the board of directors authorized the company to repurchase up to 1.5 million shares of its common stock. In addition, on January 11, 1994 and February 1, 1994, the board of directors authorized the repurchase of an additional 500,000 and 1,000,000 shares, respectively. As of December 31, 1996, a total of 2,646,379 treasury shares were purchased pursuant to these authorizations. On February 19, 1997, the board of directors discontinued this stock repurchase program.

On June 14, 1996, the company`s board of directors authorized a three- for-two stock split in the form of a 50-percent stock dividend payable on July 2, 1996 to shareholders of record on June 25, 1996. A total of 3,836,889 shares were issued in connection with the split and fractional shares were paid in cash. All references in the financial statements to average number of common shares outstanding and related earnings per share amounts, market prices per share of common stock, and stock option plan data have been restated to reflect the split.

8.

STOCK OPTIONS

Effective May 22, 1995, the company's board of directors approved The Manitowoc Company, Inc. Stock Plan (the "Plan") which provides for the granting of stock options as an incentive to certain key employees. Under the Plan, stock options to acquire up to 1,125,000 shares of common stock, in the aggregate, may be granted under a time-vesting formula at an exercise price equal to the market price of the common stock at the date of grant. The options become exercisable in equal 25% increments beginning on the second anniversary of the grant date over a four year period and expire ten years subsequent to the grant date. Stock option transactions are summarized as follows:

	1996		1995	
	Shares	Weighted-Average Exercise Price	Shares	Weighted-Average Exercise Price
Options outstanding, beginning of year	64,050	$17.50	--	$ --
Options granted	79,350	$22.33	64,050	$17.50
Options outstanding, end of year	143,400	$20.17	64,050	$17.50

The outstanding stock options at December 31, 1996 have a range of exercise prices between $17.50 and $22.33 per option and have a

weighted average contractual life of approximately 9.2 years. None of the options are currently exercisable. The weighted average fair value at date of grant for options granted during 1996 and 1995 was $7.03 and $4.89 per option, respectively. The fair value of options at date of grant was estimated using the Black-Scholes option pricing model with the following weighted average assumptions:

	1996	1995
Expected life (years)	7	7
Risk-free interest rate	6.8 %	6.6 %
Expected volatility	25.4 %	26.5 %
Expected dividend yield	2.4 %	3.8 %

The company applies Accounting Principles Board Opinion No. 25, under which no compensation cost has been recognized in the statements of operations. Had compensation cost been determined under an alternative method suggested by Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation", the effect on 1996 and 1995 net income and earnings per share would not have been significant.

ACQUISITIONS

On December 1, 1995, the company completed the purchase of the outstanding common stock of The Shannon Group, Inc. ("Shannon"). Shannon is a manufacturer of commercial refrigerators, freezers and related products, ranging from small under-counter units to 300,000 square foot refrigerated warehouses. Among its wide range of products, Shannon is best known for its foamed-in-place walk-in refrigeration units, wood rail walk-in units, refrigerated food-prep tables, reach-in refrigerator/freezers and modular refrigeration systems.

The aggregate consideration paid by the company for Shannon was $127,320 which is net of cash acquired of $651, and includes an amount due to a seller of $19,807 paid in January, 1996, direct acquisition costs of $2,671, other assumed liabilities of $1,269 and a post-closing working capital adjustment of $300. The transaction was financed through credit facilities provided under the Credit Agreement dated December 1, 1995 (See Note 5).

The acquisition has been recorded using the purchase method of accounting. The cost of the acquisition has been allocated on the basis of the estimated fair value of the assets acquired and the liabilities assumed. The excess of the cost over the fair value of net assets acquired of $91,384 is being amortized over 32 years. The results of operations of Shannon subsequent to the date of acquisition are included in the Consolidated Statements of Earnings for the years ended December 31, 1996 and 1995.

The following unaudited information presents on a pro forma basis, the acquisition as if it had occurred at the beginning of the period indicated:

	Year Ended Dec. 31, 1995	Transition Period Dec. 31, 1994
Net sales	$436,114	$186,230
Net earnings (loss)	$ 14,983	$ (4,155)
Net earnings (loss) per common share	$ 1.30	$ (.36)

During fiscal 1994, the company acquired the assets of Femco Machine Co. for $10,685 in cash. Femco is a manufacturer of parts for cranes, draglines, and other heavy equipment. The acquisition was recorded using the purchase method of accounting. The excess of the cost over the fair value of net assets acquired of $1,849 is being amortized over 25 years.

Femco's results of operations subsequent to the date of acquisition are included in the Consolidated Statements of Earnings. Pro forma results of operations are not presented as the amounts do not significantly differ from historical results of the company.

PLANT CONSOLIDATION

During the fourth quarter of 1996, the company's decision to consolidate and close walk-in refrigeration plants located in Iowa and Tennessee resulted in a $1.2 million charge to earnings in the Foodservice segment. The charge includes a write-down to the estimated net realizable values of the assets being abandoned and takes into consideration future holding costs and costs related to the sale of the properties.

In the transition period ended December 31, 1994, the company's decision to consolidate its large-crane manufacturing to a single site resulted in a $14 million charge to earnings in the cranes and related products segment. The charge included a $9.4 million write-down of the facility being abandoned and estimated holding costs of $4.6 million while the facility is being marketed. It is reasonably possible that the estimate for future holding costs of the facility may change in the future.

The assets currently held for sale include land and improvements, buildings, and certain machinery and equipment at the "Peninsula facility" located in Manitowoc, Wisconsin. The current carrying value of these assets, determined through independent appraisals, is approximately $3 million and is included in other assets. The future holding costs, included in accounts payable and accrued expenses and in other non-current liabilities, consist primarily of utilities, security, maintenance, property taxes, insurance, and demolition costs for various buildings. Future holding costs also include estimates for potential environmental liabilities on the Peninsula location. During the years ended December 31, 1996 and 1995, $1,063 and $641 was paid and charged against these reserves, respectively.

During 1995, additional costs related to the plant consolidation of $2.8 million were expensed as incurred and include items such as moving and relocation, engineering, and severance. No additional costs are expected to be incurred related to these items.

CONTINGENCIES

The United States Environmental Protection Agency ("EPA") has identified the company as a potentially responsible party ("PRP") under the Comprehensive Environmental Response Compensation and Liability Act ("CERCLA"), liable for the costs associated with investigating and cleaning up contamination at the Lemberger Landfill Superfund Site (the "Site") near Manitowoc, Wisconsin.

Approximately 150 PRP's have been identified as having shipped substances to the Site. Eleven of the potentially responsible parties have formed a group (the Lemberger Site Remediation Group, or LSRG) and have successfully negotiated with the EPA and the Wisconsin Department of Natural Resources to settle the potential liability at the Site and fund the cleanup.

Recent estimates indicate that the total cost to clean up the Site could be as high as $30 million, however, the ultimate remediation methods and appropriate allocation of costs for the Site are not yet final.

Although liability is joint and several, the company's percentage share of liability is estimated to be 11% of the total cleanup costs.

In connection with this matter, the company expensed $0.2 million in 1996, $0.2 million in 1995, and $1.6 million in fiscal year 1994, for its estimated portion of the cleanup costs. There were no expenses incurred during the transition period ended December 31, 1994.

The company is required to adopt the AICPA Statement of Position ("SOP") No. 96-1, "Environmental Remediation Liabilities", in 1997. The adoption of this SOP is not expected to have a material effect on the financial statements.

As of December 31, 1996, 35 product-related lawsuits were pending. Of these, two occurred between 1985 and 1990 when the company was completely self-insured. The remaining lawsuits occurred subsequent to June 1, 1990, at which time the company has insurance coverages ranging from a $5.5 million self-insured retention with a $10.0 million limit on the insurer's contribution in 1990, to the current $1.0 million self- insured retention and $16.0 million limit on the insurer's contribution.

Product liability reserves at December 31, 1996 are $6.7 million; $2.6 million reserved specifically for the 35 cases referenced above, and $4.1 million for incurred but not reported claims. These reserves were estimated using actuarial methods. The highest current reserve for a non-insured claim is $0.2 million, and $0.6 million for an insured claim. Based on the company's experience in defending itself against product liability claims, management believes the current reserves are adequate for estimated settlements on aggregate self-insured claims.

It is reasonably possible that the estimates for environmental remediation and product liability costs may change in the near future based upon new information which may arise. Presently, there is no reliable means to estimate the amount of any such potential changes.

The company is also involved in various other legal actions arising in the normal course of business. After taking into consideration legal counsel's evaluation of such actions, in the opinion of management, ultimate resolution is not expected to have a material adverse effect on the consolidated financial statements.

RETIREMENT AND HEALTH CARE PLANS

The company provides retirement benefits through noncontributory deferred profit sharing plans covering substantially all employees. Company contributions to the plans are based upon formulas contained in such plans. The company also has a defined contribution plan in which the company matches 25% of participant contributions up to a maximum of 5% of a participant's compensation. Total costs incurred were $8,810 in 1996, $4,657 in 1995, $2,165 for the transition period, and $4,981 for fiscal 1994.

The company maintained an employee benefit trust through which group health benefits were funded. The costs of group health benefits was $4,351 in 1995, $2,505 in the transition period, and $4,790 in fiscal 1994. The company terminated this trust at the end of 1995. The current and future benefit obligations of the trust were assumed by the company at the date of termination. Subsequent to the termination, the company maintains the plan as a self-funded employee health plan which provides for the same coverage and terms. Total costs of the group health benefits were $4,554 in 1996.

The company also provides certain health care benefits for eligible retired employees. Substantially all of the company's domestic employees hired before January 1, 1990, may become eligible for these benefits if they reach a normal retirement age while working for the company and satisfy certain years of service requirements.

The components of the periodic postretirement health benefit cost are as follows:

			Transition Period	
	Dec. 31, 1996	Dec. 31, 1995	Dec. 31, 1994	July 2, 1994
Service cost - benefits earned during the year	$ 260	$ 323	$ 147	$ 230
Interest cost on accumulated postretirement health benefit obligation	1,044	1,393	694	1,279
Amortization of actuarial gain	(136)	--	--	--
Net periodic postretirement health benefit cost	$1,168	$1,716	$ 841	$1,509

The components of the accumulated periodic postretirement health benefit obligation at December 31, 1996 and 1995 are as follows:

	1996	1995
Retirees	$ 8,325	$ 10,920
Active participants	6,497	7,952
Unrecognized gain	4,633	318
Accumulated postretirement health benefit obligation	$ 19,455	$ 19,190

The health care cost trend rate assumed in the determination of the accumulated postretirement benefit obligation is 8.0% in 1996, decreases 1.0% per year to 5.0% for 1999, and remains at that level thereafter. Increasing the assumed medical trend rates by one percentage point in each year would increase the accumulated postretirement health benefit obligation by $1,971 at December 31, 1996 and the aggregate of the service and interest cost components of net periodic postretirement health benefit cost by $208 for 1996.

The discount rate used in determining the accumulated postretirement health benefit obligation for 1996 is 7.50% compounded annually, 7.25% compounded annually for 1995, and 8.0% compounded annually for all other periods. The plan is unfunded.

It is reasonably possible that the estimate for future retirement and health care costs may change in the near future based upon changes in the health care environment or changes in interest rates which may arise.

13.

LEASES

The company leases various property, plant and equipment. Terms of the leases vary, but generally require the company to pay property taxes, insurance premiums, and maintenance costs associated with the leased property. Rental expense attributable to operating leases, was $4,474 in 1996, $7,232 in 1995, $3,724 in the transition period, and $7,816 in 1994. Total minimum rental obligations under noncancelable operating leases, as of December 31, 1996, aggregated $19,018 and were payable as follows:

1997	$2,717	2000	$ 1,257
1998	$2,210	2001	$ 1,117
1999	$1,555	Thereafter	$10,162

14.

BUSINESS INFORMATION

The company's business units, which consist of Foodservice Equipment ("Foodservice"), Cranes and Related Products ("Cranes"), and Marine Operations ("Marine"), operate in both domestic and international markets.

Foodservice products consist primarily of commercial ice cube machines, dispensers, and related accessories, as well as commercial refrigerators and freezers. Foodservice distributes its products primarily in the United States. Foodservice products serve the lodging, restaurant, healthcare, and convenience store markets which are impacted by demographic changes and business cycles.

Cranes' products consist primarily of crawler and truck-mounted lattice boom and hydraulic cranes and excavators which serve the construction, energy, and mining industries. Cranes distributes its products worldwide, primarily in the U.S., Southeast Asia, Middle East and Europe. Cranes' operations are tied most closely to energy and infrastructure projects throughout the world.

Marine provides ship-repair services to foreign and domestic vessels operating on the Great Lakes. Marine serves the Great Lakes maritime market consisting of both U.S. and Canadian fleets, inland waterway operators, and oceangoing vessels that transit the Great Lakes and St. Lawrence Seaway.

Information concerning the company's operations in various businesses is presented on page 22. Export sales were approximately $68 million in 1996, $61 million in 1995, $31 million during the transition period, and $57 million in 1994. Foreign sales, operating losses, and identifiable assets for 1996 are $11.8 million, $0.1 million, and $14.3 million, respectively.

MANAGEMENT'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

Company management is responsible for the integrity of this annual report's consolidated financial statements. Those statements were prepared in accordance with generally accepted accounting principles. Where necessary, amounts are based on judgments and estimates by management. All financial information in this report matches the financial statements.

The company maintains an internal accounting system designed to provide reasonable assurance that assets are safeguarded and that books and records reflect only authorized transactions.

To further safeguard assets, the company has established an Audit Committee composed of directors who are neither officers nor employees of the company. The Audit Committee is responsible for reviewing the company's financial reports and accounting practices. The Audit Committee meets periodically with the company's independent accountants.

The company's independent accountants provide an objective examination of the company's financial statements. They evaluate the company's system of internal controls and perform tests and other procedures necessary to express an opinion on the fairness of the presentation of the consolidated financial statements.

/s/ Fred M. Butler

Fred M. Butler
President & Chief Executive Officer

/s/ Robert R. Friedl

Robert R. Friedl
Senior Vice President & Chief Financial Officer

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To The Stockholders
The Manitowoc Company, Inc.

We have audited the accompanying consolidated balance sheets of The Manitowoc Company, Inc. and Subsidiaries as of December 31, 1996 and 1995 and the related consolidated statements of earnings, stockholders' equity, and cash flows for the years ended December 31, 1996 and 1995 and the period from July 3, 1994 to December 31, 1994. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audits. The consolidated financial statements of The Manitowoc Company, Inc. and Subsidiaries as of July 2, 1994 were audited by other auditors whose report, dated July 28, 1994 expressed an unqualified opinion on those statements.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of The Manitowoc Company, Inc. and Subsidiaries as of December 31, 1996 and 1995, and the consolidated results of their operations and their cash flows for the years ended December 31, 1996 and 1995, and the period from July 3, 1994 to December 31, 1994, in conformity with generally accepted accounting principles.

/s/ Coopers & Lybrand L.L.P.

COOPERS & LYBRAND L.L.P.

Milwaukee, Wisconsin
February 5, 1997, except as to certain information in Note 7, for which the date is February 19, 1997.

SUPPLEMENTAL QUARTERLY FINANCIAL INFORMATION
(Unaudited)
The table below presents quarterly data for calendar years ended December 31, 1996 and 1995
(Thousands of dollars, except per share data)

	1996				1995			
	First	Second	Third	Fourth	First	Second	Third	Fourth
Net sales	$114,099	$139,219	$132,042	$115,105	$69,101	$82,287	$80,088	$ 81,673
Gross margin	28,637	37,891	36,778	31,335	15,919	21,204	18,011	20,336
Net earnings	4,114	8,798	8,534	4,197	1,768	5,386	3,590	3,825
Per common share:*								
Net earnings	.36	.76	.74	.36	.15	.47	.31	.33
Dividends	.17	.17	.17	.17	.17	.17	.17	.17

* Per share data adjusted to reflect three-for-two stock split.

GLOSSARY

Industry Terms

BOOM TRUCK: A flatbed truck chassis equipped with a hydraulic crane. A boom truck is different than a truck crane in that it can haul up to several thousand pounds of payload on its cargo deck.

CRAWLER CRANE: Usually refers to lattice-boom cranes that are mounted on crawlers rather than a truck chassis. This method of mounting significantly reduces ground bearing pressures and enables the crane to pick-and-carry any rated load.

FIVE-YEAR SURVEY: Ship inspection and maintenance that must be performed every five years to satisfy various maritime requirements of the U.S. Coast Guard and other regulatory agencies.

GRAVING DOCK: An in-ground concrete structure in which ships can be constructed or repaired. Because a graving dock is equipped with pumps and watertight gates, it can be flooded so ships can float in, then be pumped dry so crews can work on those portions of the ship that are normally underwater.

HFC: An abbreviation for hydrofluorocarbon, the new enviornmentally friendly refrigerant that is replacing the ozone-depleting CFC refrigerants previously used in many types of refrigeration and cooling equipment.

KIOSK: A non-traditional restaurant.

LATTICE BOOM: A fabricated structure usually consisting of four chords and tubular lacings. Lattice booms are typically lighter in weight than similar-length telescopic booms. In addition, lattice booms generally provide higher lifting capacities than telescopic booms in most situations.

LUFFING JIB: A fabricated structure similar to, but smaller than, a lattice boom. Mounted at the tip of a lattice boom, luffing jibs can readily adjust their angles of operation, a capability that is not possible with conventional fixed-jib attachments.

REACH-IN: A capital goods item typically found in restaurant and convenience-store applications to store foodservice ingredients at safekeeping temperatures prior to preparation, or for refrigerated storage of various beverage and food items for retail sale.

RINGER: Manitowoc's patented heavy-lift attachment that dramatically improves the reach, capacity, and lift dynamics of the basic crane to which it is mounted.

SELF-UNLOADING VESSEL: Refers to the fleet of vessels operating on the Great Lakes that are equipped with cargo-hold conveyors and cargo discharge booms that enable these vessels to offload their bulk cargoes, such as iron ore, coal, or cement, without requiring dockside assist equipment.

TELESCOPIC BOOM: A boom, composed of several overlapping sections, which can be extended or retracted like a telescope.

TUG/BARGE: A new form of Great Lakes bulk cargo transportation that consists of a non-powered notch barge pushed by a high-horse power diesel tug.

WALK-IN: A large, custom-built, refrigerated structure often found in restaurants that can be equipped with cooling or freezing systems for long-term storage of foodservice items prior to preparation.

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Financial Terms
- ---------------

BACKLOG:   Firm, unfilled orders.  An indicator of future sales.

BOOK VALUE:  Another term for shareholder equity, most often shown on a
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per-share basis.

CASH FLOW: Funds generated by a company to operate the business, make capital investments, repay debt, pay dividends, repurchase stock, and make acquisitions.

COST OF CAPITAL: A weighted average of the after-tax cost of equity and borrowed funds used to invest in operating capital for business.

CURRENT RATIO: Current assets divided by current liabilities, an indicator of liquidity.

ECONOMIC VALUE ADDED: Measures the economic profit after a capital charge is subtracted from an after-tax operating profit. A company adds value when it earns more than the cost of capital.

OUTSOURCING: Contracting with an outside supplier to take over a function that had been performed within the company.

PRODUCT MIX: A company that sells more than one product can have its amount of sales vary from year to year, even when the overall number of units sold remains the same. This occurs when multiple products have different sales values, when a greater number of units with higher sales values are sold in comparison to lower-priced units.

STOCK REPURCHASE PLAN: A systematic approach in which a company repurchases its stock. The result of this action increases the percent of ownership each remaining shareholder has in the company.

INVESTOR INFORMATION

Independent Public Accountants
Coopers & Lybrand L.L.P.
411 East Wisconsin Avenue
Milwaukee, WI 53202

Stock Transfer Agent and Registrar
First Chicago Trust Company of New York
P. O. Box 2500
Jersey City, NJ 07303-2500

ANNUAL MEETING - The annual meeting of Manitowoc shareholders will be held at 9:00 a.m., CDT, on Tuesday, May 6, 1997, on the third floor of the company's corporate offices at 500 South 16th Street, Manitowoc, WI. We encourage shareholders to participate in this meeting in person or by proxy.

STOCK LISTING - Manitowoc's common stock is traded on the New York Stock Exchange and is identified by the ticker symbol MTW. Current trading volume, share price, dividends, and related information can be found in the financial section of most daily newspapers.

Quarterly common stock price information for our three most recent fiscal years can be found on page 1 of this annual report.

MANITOWOC SHAREHOLDERS - Although the majority of Manitowoc shareholders reside in Wisconsin, other shareholders reside throughout the United States, Canada, Mexico, and several overseas locations.

On December 31, 1996, 11,511,357 shares of Manitowoc common stock were outstanding. At such date, there were 2,362 shareholders of record.

FORM 10-K REPORT - Each year, Manitowoc files its Annual Report on Form 10-K with the Securities and Exchange Commission. Most of the financial information contained in that report is included in the Annual Report to Shareholders.

A copy of Form 10-K, as filed with the Securities and Exchange Commission for 1996, may be obtained by any shareholder, without charge, upon written request to:

E. Dean Flynn
Secretary
The Manitowoc Company, Inc.
P. O. Box 66
Manitowoc, WI 54221-0066

DIVIDENDS - Common stock dividends are usually considered in conjunction with quarterly meetings of Manitowoc's board of directors.

DIVIDEND REINVESTMENT AND STOCK PURCHASE PLAN - The Dividend Reinvestment and Stock Purchase Plan provides a convenient method to acquire additional shares of Manitowoc stock through the investment of quarterly dividends. Shareholders may also purchase shares by investing cash as often as once a month in varying amounts from $10 up to a maximum of $60,000 each calendar year.

Participation is voluntary and all fees associated with stock purchases under these plans are paid for by Manitowoc.

To receive an information booklet and enrollment form, please contact our stock transfer agent and registrar, First Chicago Trust Company of New York.

EXHIBIT 13 - APPENDIX A

Graph No.	Description of Graph	Cross Reference or Narrative Discussion
1	Bar Graph of Consolidated Net Sales for fiscal years 1992-1994 and calendar years 1995 and 1996.	Graph shows consolidated net sales of $246 million, $279 million and $275 million for fiscal 1992, 1993 and 1994 and $313 million and $500 million for calendar 1995 and 1996.
2	Bar Graph of Consolidated Gross Margins for fiscal years 1992-1994 and calendar years 1995 and 1996.	Graph shows consolidated gross margins of $54 million, $56 million, $68 million, $75 million and $135 million for fiscal 1992, 1993 and 1994 and calendar 1995 and 1996.
3	Bar Graph of Consolidated Operating Earnings for fiscal years 1992-1994 and calendar years 1995 and 1996.	Graph shows consolidated operating earnings of $10 million, $8 million, $21 million, $23 million and $51 million for fiscal 1992, 1993 and 1994 and calendar 1995 and 1996.
4	Bar Graph of Consolidated Net Earnings for fiscal years 1992-1994 and calendar years 1995 and 1996.	Graph shows consolidated net earnings of $8 million for fiscal 1992, a net loss of $4 million for fiscal 1993, and net earnings of $14 million, $15 million and $26 million for fiscal 1994 and calendar 1995 and 1996, respectively.
5	Bar Graph of Consolidated Free Cash Flow for fiscal years 1992-1994 and calendar years 1995 and 1996.	Graph shows consolidated free cash flows of $28 million, $63 million, $37 million, $16 million and $65 million for fiscal 1992, 1993 and 1994 and calendar 1995 and 1996.
6	Bar Graph of Invested Capital for fiscal years	Graph shows invested capital of $180 million, $159 million,

	1992-1994 and calendar years 1995 and 1996.	$130 million, $140 million and $243 million for fiscal 1992, 1993 and 1994 and calendar 1995 and 1996.
7	Bar Graph of Consolidated International Shipments for fiscal years 1992-1994 and calendar years 1995 and 1996.	Graph shows international shipments of $41 million, $65 million, $57 million, $61 million and $68 million for fiscal 1992, 1993 and 1994 and calendar 1995 and 1996.
8	Bar Graph of Average Shares Outstanding for fiscal years 1992-1994 and calendar years 1995 and 1996.	Graph shows average shares outstanding of 15.5 million for fiscal year 1992, 14.6 million for fiscal 1993, 13.1 million for fiscal 1994 and 11.5 million for calendar 1995 and 1996.

EXHIBIT 21
1996 10-K

LIST OF SUBSIDIARIES

JURISDICTION	SUBSIDIARY OF INCORPORATION
Femco Machine Co.	Nevada
Kolpak Manufacturing Company	Wisconsin
Manitex, Inc.	Texas
Manitowoc Engineering, Inc.	Nevada
Manitowoc Equipment Works PTE, Ltd.	Singapore
Manitowoc Equipment Works, Inc.	Nevada
Manitowoc Europe Holdings, Ltd.	England
Manitowoc Europe Limited	England
Manitowoc International Sales Corp.	Barbados
Manitowoc Korea Company, Ltd.	Korea
Manitowoc Nevada, Inc.	Nevada
Manitowoc Re-Manufacturing, Inc.	Wisconsin
Manitowoc Western Company, Inc.	Wisconsin
North Central Crane & Excavator Sales Corp.	Nevada
The Shannon Group, Inc.	Delaware
West Manitowoc, Inc.	Wisconsin

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EXHIBIT 23.1
1996 10-K

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the incorporation by reference in the registration statements of The Manitowoc Company, Inc. on Forms S-8 (File Nos. 33-48665 and 33-65316) of our reports dated February 5, 1997 on our audit of the consolidated financial statements and financial statement schedule of The Manitowoc Company, Inc. and Subsidiaries as of December 31, 1996 and 1995, and for the years ended December 31, 1996 and 1995, and the period from July 3, 1994 to December 31, 1994, which reports are incorporated by reference and included, respectively, in this Annual Report on Form 10-K.

Milwaukee, Wisconsin
March 31, 1997

/s/ Coopers & Lybrand L.L.P.

COOPERS & LYBRAND L.L.P.

consent

EXHIBIT 23.2
1996 10-K

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation of our reports included in this Form 10-K, into the Company's previously filed Registration Statement Nos. 33-48665 and 33-65316.

Milwaukee, Wisconsin
March 21, 1997

/s/ Arthur Andersen LLP

ARTHUR ANDERSEN LLP

con-aa

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