MANITOWOC CO INC

FORM 10-K
(Annual Report)

Filed 4/1/1996 For Period Ending 12/31/1995

Address	P O BOX 66
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Telephone	920-684-4410
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 year ended December 31, 1995

[_] 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)

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

Common Stock Purchase Rights

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. ( )

The Aggregate Market Value on February 29, 1996, of the registrant's Common Stock held by non-affiliates of the registrant was $237,935,168, based on the $31.81 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 29, 1996, the most recent practicable date, was 7,674,468.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of registrant's Annual Report to Shareholders for the period ended December 31, 1995 (the 1995 "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 2, 1996 (the "1996 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; nine refrigeration products facilities located in Tennessee, Iowa and Wisconsin; ship repair yards in Sturgeon Bay, Wisconsin and Toledo and Cleveland, Ohio; an overhead-crane factory in Big Bend, Wisconsin; 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 and pedestal 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", "Ten-Year Financial Summary and Business Segment Information", "Summary of Significant Accounting Policies -- Research and Development" and Note 13 to Consolidated Financial Statements on pages 18-21, 22-23, 28 and 32, respectively, of the 1995 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 1995 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 is the primary or sole supplier of walk-in refrigerator/freezers to many of the leading restaurant and grocery chains in the United States. See Note 8 to Consolidated Financial Statements on page 31 of the 1995 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. On a calendar 1995 pro forma basis, Shannon and Manitowoc Equipment Works account for 54% of the Company's sales and 84% of the segment operating earnings.

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 by more than 50% in Europe in 1995.

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, 1995 and 1994 were not significant.

Cranes and Related Products

The Company designs and manufactures a diversified line of crawler, truck, fixed-base mounted, overhead and hydraulically-powered cranes, which are sold under the "Manitowoc", "Manitex", "Orley Meyer", 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.

The Company also performs machining, fabricating and assembly subcontract work utilizing 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 West-100 cranes, has successfully captured a large portion of the rental market for self-erecting cranes.

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; Benicia, California; and Northampton, England. During calendar 1995, the Company sold 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 13 to Consolidated Financial Statements on page 32 of the 1995 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, 1995 approximates $85.8 million, as compared with $18.7 million a year earlier. The increase is primarily due to the positive customer acceptance of the Company's new Model-888 crane.

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 March, 1988, the Company announced that, due to the continued decline in the U.S. shipbuilding industry, it would no longer pursue new ship construction contracts and would restructure its shipbuilding subsidiary to be more competitive on ship conversions and repair work.

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 Bay Shipbuilding Co., 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.

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, 1995 the backlog approximates $21.2 million, compared to $7.1 million one year ago.

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. As noted earlier, the Company is the leading, low-cost, producer of ice machines.

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 the leading producer of small undercounter refrigeration units and large refrigerated warehouses as well as the primary or sole 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 third 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 3,200 persons, of whom about 510 are salaried. The number of employees increased during calendar 1995 as a result of the Shannon acquisition. The Shannon Group, Inc. currently employs 1,300 persons, with approximately 200 salaried.

The Company has labor agreements with 20 union locals. There have been no work stoppages during the three years ended December 31, 1995.

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- ins 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.

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.

Femco Machine Co. consists of three manufacturing and office facilities in Punxsutawney. 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 Greenville, 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; Mokena, Illinois; and Benicia, California. 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 10 to Consolidated Financial Statements on Page 31 of the 1995 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, 1995.

Executive Officers of the Registrant

Each of the following officers of the Company has been elected to a renewable one-year term by the Board of Directors. The information presented is as of March 26, 1996.

Name	Age	Position With The Registrant	Principal Position Held Since
Fred M. Butler	60	President & CEO	1990
Robert K. Silva	67	Executive Vice President & COO	1994
Robert R. Friedl	41	Vice President & CFO	1992
Thomas G. Musial	44	Vice President-Human Resources	1995
Philip D. Keener	45	Treasurer	1990
E. Dean Flynn	55	Secretary	1993

Fred M. Butler was elected President & Chief Executive Officer on July 17, 1990, and previously served as Senior Vice President and Chief Operating Officer from March 31, 1989. He joined the Company as Manager of Administration in September, 1988. Prior to such date, Mr. Butler was employed by Tyger Construction Co., Inc., a subsidiary of Guy F. Atkinson Company, as President and Senior Vice President.

Robert K. Silva was elected Executive Vice President and Chief Operating Officer of the corporation on July 8, 1994, and previously served as Vice President from May 4, 1992, and as President and General Manager of the Manitowoc Equipment Works ("MEW"), a division of The Manitowoc Company, Inc. He joined the Company in 1979 as National Sales Manager and held various positions with MEW. Prior to joining the Company, he was Vice President at Follett Corporation.

Robert R. Friedl was elected Vice President and Chief Financial Officer on May 4, 1992, and previously served as Vice President- Finance from August 14, 1990. He joined the Company as Assistant Treasurer on April 18, 1988. Prior to joining Manitowoc, he 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 was elected Vice President-Human Resources on January 31, 1995. Previously, he served as Manager of Human Resources from January 18, 1987; and as Personnel/Industrial Relations Specialist from August 2, 1976.

Philip D. Keener was elected Treasurer on November 13, 1990. He joined the Company on October 1, 1990. Prior to that, Mr. Keener was employed by Farley Industries, Inc. as Assistant Treasurer.

E. Dean Flynn was elected Secretary on February 2, 1993 and previously served as Assistant Corporate Secretary from November 2, 1987; as Manager of Corporate Insurance from January, 1990; and as Legal Assistant from January 16, 1985. Prior to that, he served the Wabco division of Dresser Industries, Inc. in numerous managerial positions for 23 years, departing as manager of legal affairs in 1985.

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", "Ten-Year Financial Summary and Business Segment Information," "Supplemental Quarterly Financial Information (Unaudited)", and "Investor Information", on pages 1, 22-23, 33 and 37 of the 1995 Annual Report.

Item 6. SELECTED FINANCIAL DATA

The information required by this item is incorporated by reference from "Ten-Year Financial Summary and Business Segment Information" on pages 22-23 of the 1995 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 1995 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 1995 Annual Report. Supplementary financial information is incorporated by reference from "Supplemental Quarterly Financial Information (Unaudited)" on page 33 of the 1995 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 3 of the 1996 Proxy Statement and from "Election of Directors" on pages 3- 4 of the 1996 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 5-8 and 13 of the 1996 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 2-3 of the 1996 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 year ended December 31, 1995 and transition period ended December 31, 1994 Financial Statements

Report of Former Independent Public Accountants on fiscal years ended July 2, 1994 and July 3, 1993 Financial Statements

Consolidated Statements of Earnings for the periods ended December 31, 1995, December 31, 1994, July 2, 1994 and July 3, 1993.

Consolidated Balance Sheets as of December 31, 1995 and December 31, 1994.

Consolidated Statements of Cash Flows for the periods ended December 31, 1995, December 31, 1994, July 2, 1994 and July 3, 1993.

Consolidated Statements of Stockholders' Equity for the periods ended December 31, 1995, December 31, 1994, July 2, 1994 and July 3, 1993.

Summary of Significant Accounting Policies.

Notes to Consolidated Financial Statements.

(2) Financial Statement Schedules:

Financial Statement Schedules for the year ended December 31, 1995, transition period ended December 31, 1994, and fiscal years ended July 2, 1994 and July 3, 1993:

Schedule	Description	Filed Herewith
II	Valuation and Qualifying Accounts	X
	Report of Independent Public Accountants on fiscal year ended December 31, 1995 and transition period ended December 31, 1994 Financial Statement Schedules	X
	Report of Former Independent Public Accountants on fiscal years ended July 2, 1994 and July 3, 1993 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:

During the fourth quarter of calendar 1995, a report on Form 8-K dated as of October 11, 1995 was filed indicating that as a result of an inability of the parties to agree on certain terms of a definitive purchase agreement, the letter of intent for the purchase by the Company of The Shannon Group, Inc. was terminated by its terms.

A second report on Form 8-K dated as of October 25, 1995 was filed stating that on October 24, 1995 the Company entered into a definitive agreement to acquire 100% ownership of The Shannon Group, Inc.

A third report on Form 8-K dated as of December 1, 1995 was filed stating that the Company had completed its purchase of the outstanding common stock of The Shannon Group, Inc.

After the fourth quarter end, Amendment No. 1 to the Form 8-K dated as of December 1, 1995 was filed to provide the following historical financial statements of The Shannon Group, Inc. as well as the following pro forma statements of the Company reflecting the acquisition of The Shannon Group, Inc. pursuant to paragraphs (a)(4) and (b)(2) of Item 7 of Form 8-K:

1. Audited consolidated financial statements of The Shannon Group, Inc. and Subsidiary:

Report of Independent Accountants Consolidated Balance Sheets as of December 31, 1994 and 1993 Consolidated Statements of Operations for the Years Ended December 31, 1994, 1993 and 1992 Consolidated Statements of Changes in Shareholders' Equity for the Years Ended December 31, 1994, 1993 and 1992 Consolidated Statements of Cash Flows for the Years Ended December 31, 1994, 1993 and 1992 Note to Consolidated Financial Statements

2. Unaudited interim consolidated financial statements of The Shannon Group, Inc. and Subsidiary:

Consolidated Condensed Statements of Operations for the Three and Nine Months Ended September 30, 1995 and 1994 Consolidated Condensed Balance Sheet at September 30, 1995 Consolidated Condensed Statements of Cash Flows for the Nine Months Ended September 30, 1995 and 1994 Notes to Unaudited Interim Financial Data

3. Unaudited pro forma consolidated condensed financial statements of The Manitowoc Company, Inc.:

Introduction
Pro Forma Consolidated Condensed Statements of Operations for the Year Ended December 31, 1994 Pro Forma Consolidated Condensed Balance Sheet as of September 30, 1995
Pro Forma Consolidated Condensed Statement of Operations for the Nine Months Ended September 30, 1995 Notes to Pro Forma Consolidated Condensed Financial Statements

(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 sheets of The Manitowoc Company, Inc. (a Wisconsin corporation) as of July 2, 1994 and July 3, 1993, and the related statements of earnings, stockholders' equity and cash flows for the fiscal years 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 July 3, 1993, and the results of its operations and its cash flows for the years then ended in conformity with generally accepted accounting principles.

As explained in the Summary of Significant Accounting Policies of the Consolidated Financial Statements, effective June 28, 1992, the Company changed its method of accounting for retiree health care benefits and income taxes.

/s/ Arthur Andersen LLP

ARTHUR ANDERSEN LLP

Milwaukee, Wisconsin
July 28, 1994

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 33 of the 1995 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 12 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 */s/ Coopers & Lybrand L.L.P.*
February 6, 1996

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) are the responsibility of the Company's management and are 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.

/s/ Arthur Andersen LLP
ARTHUR ANDERSEN LLP

Milwaukee, Wisconsin
July 28, 1994.

THE MANITOWOC COMPANY, INC.
AND SUBSIDIARIES

SCHEDULE II: VALUATION AND QUALIFYING ACCOUNTS

FOR THE FISCAL YEARS ENDED JULY 3, 1993, JULY 2, 1994,
TRANSITION PERIOD ENDED DECEMBER 31, 1994,
AND CALENDAR YEAR ENDED DECEMBER 31, 1995

DESCRIPTION	BALANCE AT BEGINNING OF PERIOD	CHARGED TO COSTS AND EXPENSES	DEDUCTIONS	BALANCE AT END OF PERIOD
YEAR ENDED JULY 3, 1993:				
Allowance for doubtful accounts	$ 383,594	$ 453,993	$ (30,385)	$ 807,202
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

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 29, 1996

THE MANITOWOC COMPANY, INC.

By: /s/ Fred M. Butler

Fred M. Butler
President & Chief Executive 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 *Fred M. Butler, President & CEO, Director*	*March 29, 1996*
/s/ Robert K. Silva *Robert K. Silva, Executive Vice President & COO, Director*	*March 29, 1996*
/s/ Robert R. Friedl *Robert R. Friedl, Vice President & CFO*	*March 29, 1996*
/s/ Gilbert F. Rankin, Jr. *Gilbert F. Rankin, Jr., Director*	*March 29, 1996*
/s/ George T. McCoy *George T. McCoy, Director*	*March 29, 1996*
/s/ Guido R. Rahr, Jr. *Guido R. Rahr, Jr., Director*	*March 29, 1996*
James P. McCann, Director	*March 29, 1996*
Dean H. Anderson, Director	*March 29, 1996*
Robert S. Throop, Director	*March 29, 1996*

THE MANITOWOC COMPANY, INC.
ANNUAL REPORT ON FORM 10-K
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 1995

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(a) Rights Agreement dated September 5, 1986 between the Registrant and Morgan Shareholder Services Trust Company (filed as Exhibit 4 to the Company's Annual Report on Form 10-K for the fiscal year ended June 28, 1986 and incorporated herein by reference).

4.1(b) First amendment to Rights Agreement dated August 12, 1988 (filed as Exhibit 1 to the Company's Report on Form 8-K dated August 26, 1988 and incorporated herein by reference).

4.2 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).

4.3 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 April 26, 1994 (filed as Exhibit 10.1(b) to the Company's Annual Report on Form 10-K for the fiscal year ended July 2, 1994 and incorporated herein by reference).

10.2 ** The Manitowoc Company, Inc. Management Incentive Compensation Plan (Economic Value Added (EVA) Bonus Plan) effective July 4, 1993, and as amended May 22, 1995 (filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1995 and incorporated herein by reference).

10.3 ** Form of Contingent Employment Agreement between the Company and Messrs. Butler, Flynn, Friedl, Keener, Musial and Silva, 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 ** 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).

10.7 * 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 1995 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.

PORTIONS OF THE 1995 ANNUAL REPORT TO SHAREHOLDERS
OF THE MANITOWOC COMPANY, INC. INCORPORATED
BY REFERENCE

QUARTERLY COMMON STOCK PRICE RANGE

	Year Ended December 31, 1995			Transition Period Ended December 31, 1994			Year Ended July 2, 1994			Year Ended July 3, 1993		
	High	Low	Close	High	Low	Close	High	Low	Close	High	Low	Close
1st Quarter	$25.00	$21.00	$24.88	$27.00	$24.00	$27.00	$33.25	$30.38	$31.50	$23.50	$19.00	$23.13
2nd Quarter	28.88	24.88	28.88	26.88	21.50	21.63	33.13	31.00	32.25	27.50	22.50	26.00
3rd Quarter	30.00	26.88	29.63	--	--	--	32.38	27.75	27.75	29.50	24.88	28.00
4th Quarter	30.63	28.13	30.63	--	--	--	28.25	24.88	25.13	32.50	27.75	32.25

The company's common stock is traded on the New York Stock Exchange. Prior to May 27, 1993, the stock was traded over-the-counter on the NASDAQ National Market System.

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

Results of Operations for the Period Ended December 31, 1995, Transition Period Ended December 31, 1994 and Fiscal Years Ended July 2, 1994 and July 3, 1993.

The Manitowoc Company and its subsidiaries manufacture and distribute products as well as provide customer support services to a broad range of capital goods markets, both domestically and internationally. These markets include: foodservice equipment for restaurants, hotels, and other institutions; cranes for commercial construction and cargo handling; and ship-repair, construction, and conversion, primarily for Great Lakes and inland waterway carriers. Acquisitions and corporate restructuring have significantly affected these operating segments in terms of sales, earnings, economic value-added (EVA(TM)), and their relative operational and financial importance to the company going forward. Additional information on these business segments is presented on pages 6 through 17.

On August 9, 1994, the board of directors changed the company's fiscal year-end 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. Results of operations for the transition period are presented in the company's consolidated financial statements in this Annual Report.

This Management's Discussion and Analysis, as well as certain other parts of this Annual Report, contain forward looking statements that involve a number of risks and uncertainties. Such statements are based on management's current expectations. The company cautions that such statements are further qualified by important factors that could cause actual results to differ materially from those in the forward looking statements, including, among others, the following factors for each of the company's three businesses: Foodservice - demographic changes affecting the number of women in the workforce and the growth in population and household incomes; serving large restaurant chains as they expand their global operations; specialty foodservice market growth; and the demand for equipment suitable for small kiosk-type locations; Cranes and Related Products - innovative product development acceptance by the market; the cyclical nature of the construction industry; growth in the world market for heavy cranes; competitive pricing pressures for heavy cranes; and the demand for used equipment in developing economies; Marine - shipping volume fluctuations based on performance of the steel industry; five-year drydocking schedule; and reducing seasonality through non-marine repair work.

Market Conditions

North American economic conditions for all three of the company's business segments improved in 1995 compared with fiscal 1994. The company believes that continued growth in the restaurant industry, particularly among high volume chains; expansion of fast food franchises into non-traditional locations such as automobile service stations; growth in health care facilities; and continued recovery in the hotel and lodging industry were primary contributors to higher foodservice equipment demand in nearly all market areas in North American during 1995.

With the notable exception of its truck-mounted telescopic cranes and the introduction of its newest self-erecting, lattice-boom crawler crane, the Model 888, an anemic market in heavy construction equipment continues to moderate growth for most crane and related products units of the company. Despite the well documented need for a rebuilding of America's infrastructure- which could drive a recovery of this business segment - federal, state, and local funding for much needed projects was limited in 1995, as it has been for the past several years.

Near capacity utilization of U.S. and Canadian maritime fleets on the Great Lakes, reflecting the general economic strength of the heavy industry and manufacturing sectors of the economy in 1995, provided strong demand for ship repair and scheduled fleet maintenance at the company's facilities in Toledo and Cleveland, Ohio and Sturgeon Bay, Wisconsin.

Non-U.S. sales showed improvement during 1995. The Pacific Rim continues to drive sales of refrigeration equipment outside the U.S. Strong hotel and chain restaurant demand for refrigeration and ice- making equipment could well continue through the end of the decade. Lifestyle

changes in the Asia-Pacific markets, some of which are beginning to mirror cultural preferences in the U.S. for frozen and refrigerated products, are contributing to strong growth trends for our restaurant products in these markets. Our strategic alliance and partnership with Hangzhou Household Electric Appliances in the People's Republic of China anticipated these trends and should add measurably to our international presence and position in the Asian markets. Our new distribution center in Rotterdam, Holland, helped increase ice machine sales by 50% in Europe in 1995 despite the market's less than robust economic picture. Although European industry sales of cranes continued at the depressed levels of the past several years, and Asia proved highly competitive, sales of refurbished crane products into less developed countries proved encouraging and may become another factor driving replacement orders domestically. Marine repair and maintenance remains primarily a domestic source of revenue although the North American Free Trade Agreement has provided increased potential service access to the large fleet of Canadian vessels sailing the Great Lakes.

The North American general economy continued strong in 1995 and, in our opinion, could likely remain as such for most of 1996, at least through this year's U.S. elections. Continued economic strength, coupled with related gains in corporate profits and strong employment growth, stimulated spending on durable goods in 1995. We participated in this growth. The year proved one in which the economy provided a solid base for increased sales in both the company's foodservice and marine operations during 1995.

The company anticipates its acquisition of The Shannon Group, Inc., (Shannon), a manufacturer of commercial refrigerators, freezers, and related products, in December 1995 will strengthen its future. The most obvious expected effects will be a stronger market position within the foodservice industry and a decided shift in the company's product mix favoring the foodservice equipment industry. Shannon's impact on revenue and earnings is expected to reduce the historically cyclical nature of our company.

Financial Goals

In our last annual report, which reported on fiscal year ended July 2, 1994, we stated weak demand, competitive pricing, and less than optimal asset utilization had caused lower sales levels and unstable earnings. The root of the problem had been with us for a long time. To correct the situation, we aggressively initiated the EVA concept into company operations and established a number of short-term measures to more properly size our operating units to match their business potential. Longer term, we set our focus on improved quality, reduced costs, and greater responsiveness to customer needs. These efforts were continued into calendar 1995 with positive results. The product of such efforts has been substantial 1995 sales, earnings, and EVA growth in all segments.

Operating Results

The following table illustrates the relationship between various components of operations, stated as a percent of net sales, for the year ended December 31, 1995, the transition period ended December 31, 1994, and fiscal years ended July 2, 1994 and July 3, 1993.

Percent of Net Sales	Year Ended Dec. 31, 1995	Transition Period Ended Dec. 31, 1994	Fiscal Year Ended July 2, 1994	Fiscal Year Ended July 3, 1993
Net sales	100.0	100.0	100.0	100.0
Cost of sales	75.9	74.7	75.3	80.0
Gross profit	24.1	25.3	24.7	20.0
Engineering, selling & administrative expenses	16.7	20.8	17.0	15.8
Plant relocation costs	NA	11.3	NA	1.2
Operating income (loss)	7.4	(6.8)	7.7	3.0
Interest and other	0.0	0.1	0.5	0.2
Earnings (loss) before taxes & other items	7.4	(6.7)	8.2	3.2
Income taxes (benefit)	2.7	(2.6)	3.1	0.9
Net earnings (loss) before cumulative effect of change in accounting principle	4.7	(4.1)	5.1	2.3
Cumulative effect of change in accounting principle	NA	NA	NA	(3.7)
Net earnings (loss)	4.7	(4.1)	5.1	(1.4)

During calendar 1995, The Manitowoc Company's consolidated net sales rose 13.7% to $313 million when compared with net sales of $275.4

million for the full fiscal year 1994. The increase in net sales can be attributed to a 22.2% increase in foodservice equipment sales, an 8.7% increase in crane sales, and a 13.5% increase in marine division sales. The rebound in sales can be attributed primarily to: (1) increased demand for ice machines both domestically and internationally;
(2) continued sales strength in boom trucks, along with marked improvements in productivity and increased shipments at the Manitex plant; (3) the acquisition of Shannon; (4) strong growth in the crane parts and refurbishing markets, served by our Aftermarket Group; (5) the start-up of production and shipment of West-Manitowoc crawler cranes; and (6) greater demand for marine repair and scheduled maintenance on Great Lakes vessels.

Net sales for the transition period totaled $123.9 million, a decline of 3.8% from the first half of fiscal 1994. Even though foodservice sales increased 10% from the comparable period in the prior year due to favorable market conditions, this was offset by a sales decrease of 10% in cranes and related products and a 13% decrease in marine segment sales. The sales decline in cranes and related products was primarily related to the soft market for heavy- lift cranes at our large-crane division. The decrease in marine sales was the result of fewer drydockings and lower volumes of emergency repair work.

During fiscal 1994, The Manitowoc Company's consolidated sales were down slightly to $275.4 million from $278.6 million in 1993. The 1% decrease in 1994 sales was caused by a 13% decline in crane sales, which was not fully offset by a 14% increase in foodservice sales, and a 40% increase in marine sales.

Overall, the 1995 gross margin percentage was 24.1%, down slightly from the 24.7% reported for fiscal 1994 but still substantially higher than the 20.0% reported in fiscal 1993. The gross margin in 1995 was affected by the $2.8 million cost of consolidating Manitowoc Engineering Company's crawler crane manufacturing facilities. The margin in fiscal 1993 was adversely affected by a $9.7 million crane inventory charge and a $4.3 million crane product liability settlement. Gross margin percentages were 25.3% and 25.2% for the transition period and the comparable prior year period, respectively.

Engineering, selling and administrative expenses in 1995 were $52.3 million, up from the $46.8 million reported for fiscal 1994 because of the acquisition of Femco Machine Co. (Femco) in February 1994 and Shannon in December 1995, and increased marketing and product development efforts. However, on a percentage basis, these expenses were in line with the recent past. In fiscal 1993, these expenses stood at $44.1 million, or 15.8% of net sales.

Engineering, selling, and administrative expenses increased from $21.8 million in the 26 weeks ended January 1, 1994 to $25.8 million for the transition period ended December 31, 1994. The increase is the result of our Femco acquisition, six months of expenses for West- Manitowoc at December 31, 1994 versus three months for January 1, 1994, and additional costs related to the development of foreign offices.

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 operating 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. (See Note 9 of the Notes to Consolidated Financial Statements).

Operating earnings in 1995 rose in each business segment for a combined 9.8% improvement over those of fiscal 1994. Earnings from operations in 1995 were $23.2 million compared with operating earnings of $21.1 million in fiscal 1994. In fiscal 1993, operating earnings stood at $11.6 million before plant consolidation charges. In fiscal 1993, the company also adopted Statement of Financial Accounting Standards ("SFAS") No. 106, "Employer's Accounting For Postretirement Benefits Other Than Pensions," and SFAS No. 109, "Accounting For Income Taxes," effective June 28, 1992. The cumulative effect of adopting these statements was recorded as a charge to earnings in fiscal 1993 of $8.0 million and $2.2 million for SFAS Nos. 106 and 109, respectively.

The loss from operations for the transition period was $8.5 million compared to earnings from operations of $10.6 million for the comparable period in the prior year. Without the plant consolidation, operating earnings as a percentage of revenues for the transition period would have been 4.5% compared to 8.2% in the comparable prior period. The decrease was attributed to the increase in engineering, selling, and administrative expenses.

The effective income tax rate for calendar 1995 was 37.0%, down from the 37.8% in fiscal 1994 and up from the 29.3% effective rate in fiscal 1993. The decrease in the effective tax rate, calendar 1995 versus fiscal 1994, was due primarily to the utilization of foreign tax credits. The lower rate in fiscal 1993 reflected the utilization of state loss and credit carryforwards generated in a corporate restructuring in 1990. The effective income tax rate for the transition period was 39.0% compared to 37.6% for the comparable period ended January 1, 1994.

Net earnings increased to $14.6 million, or $1.90 per share, in calendar 1995. Net earnings were up only slightly from the $14.0 million reported in fiscal 1994, while earnings per share were up 18.1% due to the reduction in shares outstanding. The company reported a loss of $3.9 million, or $0.40 per share, in fiscal 1993. The weighted average number of shares outstanding totaled 7.7 million during calendar 1995 and 8.7 million in fiscal 1994. The weighted average number of shares outstanding in fiscal 1993 was 9.7 million shares. The earnings decline in 1993 was due to crane inventory charges, a crane product liability settlement, Manitex relocation expenses, and the implementation of SFAS 106 and SFAS 109.

The net loss for the transition period was $5.1 million, or 66 cents per share, compared with net earnings of $7.2 million, or 79 cents per share, for the comparable period in the prior year. Without the plant consolidation charge, earnings for the transition period would have been $3.5 million, or 45 cents per share. The weighted average number of shares outstanding were 7.7 million and 9.0 million during the transition period

and the comparable prior year period, respectively.

Foodservice

Foodservice products revenues accounted for 36.3% of total company sales in 1995, rising 22.1% to $113.9 million. Net sales in fiscal 1994 and 1993 were $93.2 million and $81.4 million, respectively. With the acquisition of Shannon for cash effective December 1, 1995, Manitowoc added one of the leading manufacturers of commercial refrigeration equipment to its foodservice group. While this addition had minimal impact in calendar 1995, it will make foodservice Manitowoc's largest business segment and have a significant positive impact on the company going forward - both in terms of sales and earnings. Based on the synergy between the two companies, significant growth opportunities are anticipated for this segment. Nineteen ninety-five also saw the formation of a joint partnership with Hangzhou Household Electric Appliance Industrial Corporation to supply ice machines to China and the Pacific Rim. We anticipate that the foodservice business will continue to expand, driven by growth in kiosk locations, the ongoing consolidation from single location restaurants to chain operations, and the expansion of chains into less developed markets outside the United States.

The fiscal 1994 increase in foodservice products revenues from fiscal 1993 is due to steady growth in reach-in refrigerator and freezer sales, a generally improving North American ice machine market, and continued success of the new B-models introduced during the second quarter of fiscal 1993.

Operating earnings in the foodservice segment grew 5.1% in calendar 1995 to $22.7 million from $21.6 million in fiscal 1994. Operating earnings were $18.3 million in fiscal 1993. Foodservice equipment sales and services accounted for 76% of the company's total operating earnings from its three business segments in 1995. Operating margins declined in 1995 due to increases in ice machine material costs (primarily copper) and the acquisition of Shannon. Operating earnings in the foodservice segment jumped to $21.6 million in fiscal 1994, compared to $18.3 million in fiscal 1993 on continually increasing revenues. Operating margins have held steady at about 23% during these periods.

As the foodservice segment benefited from increased demand for ice machines, sales for the transition period of $45.0 million increased 10.2% over the same period in the prior year. However, operating earnings of $9.4 million grew only 7.4% in the transition period, from $8.8 million, in the comparable prior year period. This was the result of costs associated with a plant expansion project and production line moves made to increase manufacturing efficiencies.

Cranes & Related Products

Cranes and related products sales rose in calendar 1995 compared to fiscal 1994 and accounted for 54.2% of total company sales. Net sales for this business segment in calendar 1995 were $169.9 million, an 8.7% increase over the $156.3 million in fiscal 1994. Crane sales were $178.6 million in fiscal 1993. The 1995 increase in revenues over fiscal 1994 was largely due to the increase in Manitex sales, attributable to the significant increase in productivity following the consolidation during fiscal 1993, and the acquisition of Femco in 1994. West-Manitowoc has successfully captured a large portion of the rental market for small self-erecting cranes, and has also made a strong contribution to the increase in 1995 revenues. Partially offsetting these increases was a 25% drop in large crawler crane shipments, reflecting weak demand and the cyclical nature of that business. The decline in revenues in fiscal 1994 from fiscal 1993 was largely caused by a decline in large crawler crane orders. This decline was experienced at our large crawler crane manufacturer and our company-owned dealerships.

Backlogs for all crane products at the end of calendar 1995, and fiscal years 1994 and 1993 were $85.8 million, $26.9 million, and $57.7 million, respectively.

The quality and durability of Manitowoc cranes has created a high demand for used equipment in third world countries and developing economies where import tariffs on used equipment are much lower than on new equipment. The Aftermarket Group (Femco and Manitowoc Re- Manufacturing) provides access to these foreign markets. A strong resale market for used cranes makes it more attractive for new equipment buyers to upgrade their fleet with the most technically advanced and efficient cranes available. Sales and service for refurbished cranes and draglines as well as aftermarket sales for non- Manitowoc parts increased in calendar 1995 compared to fiscal 1994.

Crane segment operating earnings in calendar 1995 were $3.2 million, or 11% of the company's total segment operating income, compared to $2.3 million in fiscal 1994 and a loss of $2.0 million in fiscal 1993. Fiscal 1994 operating margins were adversely affected by losses in the truck-mounted crane and company-owned dealership businesses, as well as costs incurred in the formation and start-up of West-Manitowoc. The 1993 loss included a $9.7 million charge for inventory write downs, and $4.3 million for a product liability settlement.

Sales and operating earnings for cranes and related products for the transition period were $71.0 million and $0.9 million, respectively. Sales and operating earnings were $78.9 million and $3.1 million, respectively, for the comparable period in the prior year. Sales and operating earnings increases at our boom-truck facility and the acquisition of Femco did not offset the declines at our large-crane company. The declines at the large-crane company were attributable to the soft market for heavy-lift cranes. The backlog for cranes and related products at December 31, 1994 was $18.7 million, compared to $33.3 million at the end of the comparable prior year period.

Marine

Marine segment sales in calendar 1995 rose 13.5% to $29.5 million, compared to $26.0 million in fiscal 1994 and $18.5 million in fiscal 1993.

Marine sales represented 9.4% of the company's total sales for 1995. The acquisition of the Toledo and Cleveland ship- repair operations at the end of 1992 added $9.4 million to sales during fiscal 1993. A very active Great Lakes fleet has spurred demand for ship repair, maintenance, and conversion services as well as resulting in more casualty work. Manitowoc's marine segment is the leading provider of ship repair, maintenance, and conversion services on the Great Lakes.

Calendar 1995 witnessed a 64% increase in marine segment operating earnings versus fiscal 1994. The marine segment reported operating earnings of $4.0 million, or 13.4% of total company segment operating income during 1995, up from $2.4 million in fiscal 1994 and $0.6 million in fiscal 1993. The increase in earnings over this three-year period reflects higher revenues and a more favorable product mix.

Sales for the transition period were $8.0 million compared to $9.1 million for the same period last year. In addition, a net loss of $0.8 million in the transition period compares to earnings of $1.1 million for the comparable period last year. Fewer drydockings and less emergency repair work than was performed in the prior year contributed to this shortfall.

Liquidity & Capital Resources

Cash flows from operations in calendar 1995 were $16.4 million compared to $37.0 million in fiscal 1994 and $62.7 million in fiscal 1993. Cash flows in 1994 and 1993 included $21.1 million and $45.5 million, respectively, from reductions in working capital, primarily in the crane segment. Working capital decreased $6.8 million during the transition period due to a seasonal inventory buildup of ice-cube machines. The principle uses of cash in calendar 1995 were the payment of dividends of $7.7 million and capital expenditures of $19.2 million, which included $13.6 million to consolidate and modernize the manufacturing operations of our large crawler crane company and $3.0 million to complete the expansion of our ice machine and reach-in refrigerator/freezer facility.

Cash and marketable securities were $16.6 million at December 31, 1995 as compared to $16.2 million at December 31, 1994. Since September 8, 1992, the board of directors has authorized the company to repurchase a total of 3 million shares of common stock. During calendar 1995, the company did not repurchase any shares. During fiscal 1994, the company repurchased 1.1 million shares of its common stock through open market purchases at an average cost of $29 per share. At the end of the 1995, 354,000 shares remained under authorization for repurchase.

On December 1, 1995, the company purchased The Shannon Group. The aggregate consideration paid by the company for Shannon was $127 million which is net of cash acquired of $651,000, and which includes an amount due to a seller of $19.8 million which was paid in January, 1996, direct acquisition costs of $2.7 million, and other assumed liabilities of $1.3 million. The transaction was financed through credit facilities provided under a Credit Agreement dated December 1, 1995. At December 31, 1995, short-term borrowings include $7.0 million which was outstanding under the revolving loan portion of the Credit Agreement. (See Note 5 and Note 8 of the Notes to Consolidated Financial Statements).

Inventories stood at $52.9 million at the end of 1995, including the $10.5 million of inventories acquired with Shannon. The balance of the $16.1 million increase in inventories during 1995 was caused by the increase in production at our large crawler crane company.

The company expects that current cash reserves and future cash flows from operations are adequate to meet the company's liquidity requirements for the foreseeable future, including payments for long- term debt, line of credit, and capital expenditures.

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.

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. Approximately 150 PRP's have been identified as having shipped substances to the Site.

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 5% of the total cleanup costs, but could increase to 15% if no participation agreements are made between the LSRG and any other PRP's.

In connection with this matter, the company expensed $0.2 million, $1.6 million, and $0.5 million for the year ended December 31, 1995, and fiscal years 1994 and 1993, respectively, for its estimated portion of the cleanup costs. There were no expenses incurred during the transition period ended December 31, 1994.

Ten-Year Financial Summary & Business Segment Information

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

	Calendar 1995	Pro Forma Calendar 1994(2)	Transition Calendar 1994(2)	FISCAL YEARS 1994	1993	1992
NET SALES						
Foodservice	$113,814	$ 97,321	$ 44,996	$ 93,171	$ 81,424	$ 74,175
Cranes & related products	169,866	148,355	70,958	156,253	178,630	155,743
Marine	29,469	24,782	7,952	25,956	18,504	16,471
Total	$313,149	$270,458	$123,906	$275,380	$278,558	$246,389
Gross margin	75,470	$ 66,769	$ 31,302	$ 67,924	$ 55,785	$ 54,443
EARNINGS (LOSS) FROM OPERATIONS						
Foodservice	$ 22,729	$ 22,286	$ 9,426	$ 21,637	$ 18,311	$ 17,585
Cranes & related products	3,179	17	870	2,275	(1,961)	(850)
Marine	4,024	516	(799)	2,447	593	278
General corporate	(6,780)	(6,832)	(3,981)	(5,274)	(5,296)	(6,545)
Plant relocation costs	--	(14,000)	(14,000)	--	(3,300)	--
Total	23,152	1,987	(8,484)	21,085	8,347	10,468
Other income (expense) - net	(32)	768	169	1,494	582	1,104
Earnings (loss) before taxes on income	23,120	2,755	(8,315)	22,579	8,929	11,572
Accounting changes	--	--	--	--	(10,214)	--
Provision (benefit) for taxes on income	8,551	960	(3,243)	8,536	2,612	3,315
Net earnings (loss)	$ 14,569	$ 1,795	$ (5,072)	$ 14,043	$ (3,897)	$ 8,257
OTHER FINANCIAL INFORMATION						
Cash from operations	$ 16,367	$ 13,821	$ (330)	$ 36,995	$ 62,700	$ 28,250
Invested capital (monthly averages):						
Foodservice	$ 32,696	$ 24,734	$ 21,979	$ 25,662	$ 26,503	$ 23,555
Cranes & related products	85,082	80,619	81,800	86,288	112,120	137,839
Marine	9,579	12,691	11,201	13,953	17,497	16,879
General corporate	12,409	4,248	4,818	4,052	2,581	2,025
Total	$139,766	$122,292	$119,798	$129,955	$158,701	$180,298
IDENTIFIABLE ASSETS						
Foodservice	$ 90,126	$ 27,828	$ 27,828	$ 31,460	$ 29,526	$ 25,608
Cranes & related products	109,118	88,068	88,068	93,823	105,750	138,416
Marine	11,369	13,233	13,233	16,726	16,720	19,253
General corporate	114,302	30,336	30,336	43,839	56,015	41,829
Total	$324,915	$159,465	$159,465	$185,848	$208,011	$225,106
LONG-TERM OBLIGATION						
Long-term debt	$101,180	$ --	$ --	$ --	$ --	$ --
DEPRECIATION						
Foodservice	$ 1,606	$ 1,364	$ 703	$ 1,320	$ 1,187	$ 1,090
Cranes & related products	4,162	4,639	2,288	4,211	3,875	4,053
Marine	608	658	316	681	756	785
General corporate	80	91	46	61	44	196
Total	$ 6,456	$ 6,752	$ 3,353	$ 6,273	$ 5,862	$ 6,124
CAPITAL EXPENDITURES						
Foodservice	$ 4,568	$ 4,929	$ 3,011	$ 2,300	$ 2,152	$ 1,099
Cranes & related products	14,252	4,214	528	3,120	8,648	4,047
Marine	383	145	109	(492)	(463)	500
General corporate (1)	6	419	82	414	(39)	(508)
Total	$ 19,209	$ 9,707	$ 3,730	$ 5,342	$ 10,298	$ 5,138
PER SHARE						
Net earnings (loss)	$ 1.90	$ .22	$ (.66)	$ 1.61	$ (.40)	$ .80
Dividends	1.00	1.00	.50	1.00	1.00	1.00
Stockholders' equity	10.64	9.78	9.78	11.61	13.06	16.04
Average shares outstanding	7,674,471	8,101,025	7,745,221	8,736,594	9,759,387	10,320,847

Ten-Year Financial Summary & Business Segment Information

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

	FISCAL YEARS 1991	1990	1989	1988	1987
NET SALES					
Foodservice	$ 73,944	$ 74,612	$ 74,431	$ 72,986	$ 72,501
Cranes & related products	147,554	117,464	102,430	81,593	46,571

Marine	14,689	33,752	23,735	17,710	103,995
Total	$236,187	$225,828	$200,596	$172,289	$223,067
Gross margin	$ 58,062	$ 54,366	$ 50,860	$ 37,033	$ 29,921
EARNINGS (LOSS) FROM OPERATIONS					
Foodservice	$ 17,364	$ 19,387	$ 18,468	$ 17,203	$ 17,910
Cranes & related products	7,602	5,490	3,454	(1,974)	4,532
Marine	(973)	6,497	3,416	(15,921)	(9,693)
General corporate	(5,734)	(6,094)	(5,623)	(4,744)	(3,628)
Plant relocation costs	--	--	--	--	--
Total	18,259	25,280	19,715	(5,436)	9,121
Other income (expense) - net	2,233	5,077	4,527	4,187	7,510
Earnings (loss) before taxes on income	20,492	30,357	24,242	(1,249)	16,631
Accounting changes	--	--	--	--	--
Provision (benefit) for taxes in income	5,060	9,327	7,344	(1,341)	4,868
Net earnings (loss)	$ 15,432	$ 21,030	$ 16,898	$ 92	$ 11,763
OTHER FINANCIAL INFORMATION					
Cash from operations	$ 6,472	$ 14,210	$ (5,278)	$ 3,658	$(33,833)
Invested capital (monthly averages):					
Foodservice	$ 25,099	$ 19,018	$ 22,859	$ 21,940	$ 16,427
Cranes & related products	133,777	118,097	99,147	76,335	77,382
Marine	14,621	16,206	28,600	18,894	26,122
General corporate	3,051	6,314	7,656	14,151	4,227
Total	$176,548	$159,635	$158,262	$131,320	$124,158
IDENTIFIABLE ASSETS					
Foodservice	$ 28,019	$ 24,168	$ 26,074	$ 27,449	$ 33,486
Cranes & related products	136,995	115,804	96,623	75,217	61,306
Marine	18,009	22,683	32,451	24,049	41,366
General corporate	35,983	50,143	61,966	82,374	94,628
Total	$219,006	$212,798	$217,114	$209,089	$230,786
LONG-TERM OBLIGATION					
Long-term debt	$ --	$ --	$ --	$ --	$ --
DEPRECIATION					
Foodservice	$ 812	$ 657	$ 771	$ 785	$ 817
Cranes & related products	3,691	2,895	2,953	3,000	2,972
Marine	792	748	465	2,362	2,600
General corporate	234	431	380	327	303
Total	$ 5,529	$ 4,731	$ 4,569	$ 6,474	$ 6,692
CAPITAL EXPENDITURES					
Foodservice	$ 2,797	$ 748	$ (169)	$ 229	$ 201
Cranes & related products	6,347	3,130	2,225	2,264	2,580
Marine	113	197	108	1	112
General corporate (1)	(2,955)	70	586	317	86
Total	$ 6,302	$ 4,145	$ 2,750	$ 2,811	$ 2,979
PER SHARE					
Net earnings (loss)	$ 1.50	$ 2.04	$ 1.64	$ .01	$ 1.08
Dividends	1.00	2.00	.80	.80	.80
Stockholders' equity	16.20	15.66	15.63	14.86	15.70
Average shares outstanding	10,320,994	10,321,249	10,335,066	10,630,104	10,870,357

(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 was 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.

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

	For The Periods Ended			
		Transition		
	Dec. 31, 1995	Dec. 31, 1994	July 2, 1994	July 3, 1993
EARNINGS				
Net Sales	$313,149	$123,906	$ 275,380	$ 278,558
Costs and expenses:				
Cost of sales	237,679	92,604	207,456	222,773

Engineering, selling, and administrative expenses	52,318	25,786	46,839	44,138
Plant relocation costs	--	14,000	--	3,300
Total costs and expenses	289,997	132,390	254,295	270,211
Earnings(loss) from operations	23,152	(8,484)	21,085	8,347
Interest expense	(1,865)	(187)	(263)	(174)
Interest and dividend income	47	333	1,697	1,502
Other	1,786	23	60	(746)
Earnings(loss) before taxes on income and cumulative effect of accounting changes	23,120	(8,315)	22,579	8,929
Provision (benefit) for taxes on income	8,551	(3,243)	8,536	2,612
Earnings(loss) before cumulative effect of accounting changes	14,569	(5,072)	14,043	6,317
Cumulative effect of changes in accounting for postretirement medical benefits and income taxes, net of income tax	--	--	--	(10,214)
Net earnings (loss)	$ 14,569	$ (5,072)	$ 14,043	$ (3,897)
PER SHARE DATA				
Net earnings (loss) before cumulative effect of accounting changes	$ 1.90	$ (.66)	$ 1.61	$ .65
Cumulative effect of accounting changes	--	--	--	(1.05)
Net earnings (loss)	$ 1.90	$ (.66)	$ 1.61	$ (.40)
AVERAGE SHARES OUTSTANDING	7,674,471	7,745,221	8,736,594	9,759,387

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

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

	As of December 31,	
	1995	1994
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 15,077	$ 4,118
Marketable securities	1,558	12,045
Accounts receivable, less allowances of $1,365 and $1,196	51,011	29,500
Inventories	52,928	36,793
Prepaid expenses and other	3,451	2,882
Future income tax benefits	11,120	11,200
Total current assets	135,145	96,538
Intangible assets - net	92,433	2,844
Other assets	9,663	8,799
Property, plant and equipment - net	87,674	51,284
Total assets	$ 324,915	$ 159,465
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Current portion of long-term debt	$ 10,089	$ --
Accounts payable and accrued expenses	66,028	43,864
Short-term borrowings	26,807	3,999
Income taxes payable	1,503	699
Product warranties	6,496	5,502
Total current liabilities	110,923	54,064
NON-CURRENT LIABILITIES		

Long-term debt, less current portion	101,180	--
Product warranties	4,199	2,944
Postretirement health benefits obligation	19,190	18,190
Other liabilities	7,762	9,210
Total non-current liabilities	132,331	30,344
Commitments and contingencies	--	--
STOCKHOLDERS' EQUITY		
Common stock (10,887,847 shares issued in both years)	109	109
Preferred stock	--	--
Additional paid-in capital	31,115	31,115
Cumulative foreign currency translation adjustments	(479)	(188)
Retained earnings	132,418	125,523
Treasury stock, at cost	(81,502)	(81,502)
Total stockholders' equity	81,661	75,057
Total liabilities and stockholders' equity	$ 324,915	$ 159,465

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

CONSOLIDATED STATEMENTS OF CASH FLOWS
(Thousands of dollars)

	For The Periods Ended			
	Dec. 31, 1995	Transition Dec. 31, 1994	July 2, 1994	July 3, 1993
CASH FLOWS FROM OPERATIONS				
Net earnings (loss)	$ 14,569	$ (5,072)	$ 14,043	$ (3,897)
Adjustments to reconcile net cash from operations:				
Depreciation and amortization	6,801	3,426	6,401	6,048
Deferred income taxes	(815)	(6,219)	(2,976)	(1,449)
Accounting changes	--	--	--	10,214
Plant relocation costs	--	14,000	--	3,300
Gain on sale of property, plant, and equipment	(1,964)	--	--	--
Changes in operating assets and liabilities excluding effects of business acquisitions:				
Accounts receivable	(843)	13,089	9,352	7,259
Inventories	(5,913)	(5,553)	6,438	30,660
Other current assets	999	74	3,592	(3,403)
Current liabilities	4,015	(14,373)	1,723	11,023
Non-current liabilities	(1,052)	(387)	(1,285)	2,342
Non-current assets	570	685	(293)	603
Net cash provided by (used in) operations	16,367	(330)	36,995	62,700
CASH FLOWS FROM INVESTING				
Sale (purchase) of marketable securities - net	10,487	2,963	(3,520)	(5,994)
Capital expenditures	(19,209)	(3,730)	(5,342)	(10,298)
Business acquisitions - net of cash acquired	(105,944)	--	(10,685)	--
Proceeds from sale of property, plant and equipment	5,656	--	--	--
Net cash used for investing	(109,010)	(767)	(19,547)	(16,292)
CASH FLOWS FROM FINANCING				
Dividends paid	(7,674)	(3,838)	(8,688)	(9,762)
Proceeds from long-term borrowings	110,000	--	--	--
Proceeds from short-term borrowings - net	3,001	3,999	--	--
Treasury stock purchases	--	(10,114)	(31,091)	(30,518)
Debt acquisition costs	(1,687)	--	--	--
Net cash provided by (used for) financing	103,640	(9,953)	(39,779)	(40,280)

Effect of exchange rate changes on cash	(38)	74	77	(686)
Net change in cash and cash equivalents	10,959	(10,976)	(22,254)	5,442
Balance at beginning of year	4,118	15,094	37,348	31,906
Balance at end of year	$ 15,077	$ 4,118	$ 15,094	$ 37,348
SUPPLEMENTAL CASH FLOW INFORMATION				
Interest paid	$ 1,163	$ 157	$ 192	$ 45
Income taxes paid	$ 7,929	$ 6,901	$ 6,895	$ 8,076

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

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

	For The Periods Ended			
	Dec. 31, 1995	Transition Dec. 31, 1994	July 2, 1994	July 3, 1993
COMMON STOCK - SHARES OUTSTANDING				
Balance at beginning of period	7,674,475	8,082,847	9,146,501	10,320,847
Treasury stock purchases	(7)	(408,372)	(1,063,654)	(1,174,346)
Balance at end of period	7,674,468	7,674,475	8,082,847	9,146,501
COMMON STOCK - PAR VALUE				
Balance at beginning of period	$ 109	$ 109	$ 109	$ 109
Balance at end of period	$ 109	$ 109	$ 109	$ 109
ADDITIONAL PAID-IN CAPITAL				
Balance at beginning of period	$ 31,115	$ 31,115	$ 31,115	$ 31,115
Balance at end of period	$ 31,115	$ 31,115	$ 31,115	$ 31,115
CUMULATIVE FOREIGN CURRENCY TRANSLATION ADJUSTMENTS				
Balance at beginning of period	$ (188)	$ (410)	$ (569)	$ 1,399
Foreign currency translation adjustment	(291)	222	159	(1,968)
Balance at end of period	$ (479)	$ (188)	$ (410)	$ (569)
RETAINED EARNINGS				
Balance at beginning of period	$ 125,523	$ 134,433	$ 129,078	$ 142,737
Net earnings (loss)	14,569	(5,072)	14,043	(3,897)
Cash dividends *	(7,674)	(3,838)	(8,688)	(9,762)
Balance at end of period	$ 132,418	$ 125,523	$ 134,433	$ 129,078
TREASURY STOCK				
Balance at beginning of period	$ (81,502)	$ (71,388)	$ (40,297)	$ (9,779)
Treasury stock purchases	--	(10,114)	(31,091)	(30,518)
Balance at end of period	$ (81,502)	$ (81,502)	$ (71,388)	$ (40,297)

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*  Cash dividends per share were $1.00 per share in all periods
except the transition period in which the dividend was $.50 per share.

The accompanying summary of significant accounting policies and notes
to the consolidated financial statements are an integral part of these
statements.
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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, 1995 and 1994 were $5,985 and $267, 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.

INTANGIBLE ASSETS

Intangible assets consist primarily of costs in excess of net assets of businesses acquired (See Note 8). Intangible assets are amortized using the straight line basis 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, 1995 and 1994 of $92,433 and $2,844, respectively, are net of accumulated amortization of $1,939 and $1,364, respectively.

The company is required to adopt Statement of Financial Accounting Standards ("SFAS") No. 121, "Accounting for the Impairment of Long-Lived Assets" in 1996. The adoption of this statement is not expected to have a material affect on the financial statements.

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.

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. The cumulative effect of changing to the liability method at the beginning of fiscal year 1993 was $2,240, or $.23 per share.

POSTRETIREMENT BENEFITS OTHER THAN PENSIONS

The expected cost of postretirement health care benefits is recorded during the years that the employees render service. The cumulative effect of changing to this method at the beginning of fiscal 1993 was a one-time, non-cash charge of $13,073 ($7,974 net of tax, or $.82 per share).

RESEARCH AND DEVELOPMENT

Research and development costs are charged to expense as incurred and amount to $3,110 in 1995, $1,323 for the transition period ended December 31, 1994, and, $2,439, and $2,209 in fiscal years 1994 and 1993, respectively.

NET EARNINGS PER COMMON SHARE

Net earnings per common share is based on weighted average shares outstanding during each year.

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 1995.

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

PROPERTY, PLANT AND EQUIPMENT

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

	1995	1994
Land	$ 2,883	$ 3,583
Buildings	46,194	42,721
Drydocks and dock fronts	21,743	21,660
Machinery, equipment and tooling	114,800	77,705
Construction in progress	3,135	5,677
Total cost	188,755	151,346
Less accumulated depreciation	(101,081)	(100,062)
Property, plant and equipment - net	$ 87,674	$ 51,284

MARKETABLE SECURITIES

Effective July 3, 1994, the company adopted SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities." The effect of adopting this new statement was not material. Marketable securities at December 31, 1995 include $1.6 million of securities which are available for sale. Marketable securities at December 31, 1994 include $8.0 million of investments in treasury bills which were held until maturity in 1995 and $4.0 million of equity securities which are available for sale. For both types of investments, at December 31, 1995 and 1994, the difference between fair market value and cost was not material.

INVENTORIES

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

	1995	1994
Components:		
Raw materials	$ 22,809	$ 13,150
Work-in-process	18,868	14,659
Finished goods	31,711	28,758
Total inventories at FIFO cost	73,388	56,567
Excess of FIFO cost over LIFO value	(20,460)	(19,774)
Total inventories	$ 52,928	$ 36,793

Inventory is carried at lower of cost or market using the first-in, first-out (FIFO) method for 60% and 50% of total inventory for 1995 and 1994, respectively. The remainder of the inventory is 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.

ACCOUNTS PAYABLE AND ACCRUED EXPENSES

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

	1995	1994
Trade accounts payable	$ 29,221	$ 13,339
Vacation accrual	3,427	3,116
Profit sharing	7,857	3,108
Product liability	6,188	7,947
Miscellaneous accrued expenses	19,335	16,354
Total	$ 66,028	$ 43,864

DEBT

Long-term debt at December 31, 1995 consists of the following (there was no long-term debt at December 31, 1994):

Term loan payable	$110,000
Capital lease obligations	1,269
	111,269
Less current portion	10,089
	$101,180

The company entered into a Credit Agreement ("Agreement") on December 1, 1995 with a group of banks which provides for maximum borrowings of $125 million under a term loan and a maximum of $55 million in revolving loans to fund the purchase of The Shannon Group, Inc. (See Note 8). The Agreement includes covenants which require the maintenance of various debt and net worth ratios, and limit the amount of capital expenditures. Annual commitment fees during 1995 were .25% 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 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, 1995 was 7.19%. 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.

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 in subsequent years are as follows:

1996	$ 10,089
1997	15,095
1998	20,098
1999	25,101
2000	25,105
Thereafter	15,781
	$111,269

At December 31, 1995, short-term borrowings include $7,000 which was outstanding under the revolving loan portion of the Agreement. The revolving loans are due on December 31, 2001. The company intends to pay these borrowings during 1996. Short-term borrowings also include $19,807 due to the seller of The Shannon Group, Inc. which was paid in January, 1996 (see Note 8.)

INCOME TAXES

Components of earnings before income taxes and the cumulative effect of accounting changes for the following periods are as follows:

	Dec. 31, 1995	Transition Period Dec. 31, 1994	July 2, 1994	July 3, 1993
Earnings before income taxes:				
Domestic	$ 22,273	$ (8,861)	$ 22,089	$ 8,348
Foreign	847	546	490	581
TOTAL	$ 23,120	$ (8,315)	$ 22,579	$ 8,929

Provision (benefit) for taxes on income before the cumulative effect of accounting changes are as follows:

	Dec. 31, 1995	Transition Period Dec. 31, 1994	July 2, 1994	July 3, 1993
Current:				
Federal	$ 8,093	$ 1,972	$ 9,138	$ 2,812
State	1,105	716	2,358	821
Foreign	168	288	16	428
Total current	9,366	2,976	11,512	4,061
Deferred:				
Federal and state	(815)	(6,036)	(3,120)	(1,138)
Foreign	--	(183)	144	(311)
Total deferred	(815)	(6,219)	(2,976)	(1,449)

Provision (benefit) for taxes on income	$ 8,551	$ (3,243)	$ 8,536	$ 2,612

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

	Dec. 31, 1995	Transition Period Dec. 31, 1994	July 2, 1994	July 3, 1993
Federal income tax at statutory rate	$ 8,092	$ (2,910)	$ 7,903	$ 3,036
State income taxes, net of federal income tax benefit	1,137	(420)	1,140	656
Investment tax credit	--	(699)	(96)	(144)
Tax-exempt FSC income	(373)	(236)	(515)	(355)
Adjustments to prior years' income tax accruals	(132)	884	--	--
Realization of state net operating and general business credit carryforwards	--	--	--	(477)
Other	(173)	138	104	(104)
Provision (benefit) for taxes on income	$ 8,551	$ (3,243)	$ 8,536	$ 2,612

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:

	1995	1994
Current deferred tax assets:		
Inventories	$ 485	$ 1,655
Accounts receivable	692	440
Product warranty reserves	2,252	2,208
Product liability reserves	2,413	2,934
Environmental reserves	238	1,035
Customer profit sharing reserves	527	253
Other employee related benefits and allowances	2,706	1,291
Other	1,807	1,384
Future income tax benefits, current	$ 11,120	$ 11,200
Non-current deferred tax assets (liabilities):		
Property, plant and equipment	$(10,340)	$ (4,859)
Postretirement benefits other than pensions	7,581	7,295
Severance benefits	1,014	837
Provisions for long-term product warranty reserves	1,412	1,182
Long-term environmental reserves	740	201
Net operating loss carryforwards	2,428	--
Other	(9)	(177)
Net future income tax benefits, non-current	$ 2,826	$ 4,479

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.

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 September 5, 1986, 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 30% or more of the common stock. In the event a person or group actually acquires 30% or more of the common stock, or if the company is merged with an acquiring person, each Right permits the holder to purchase for $45 common stock having a market value of $90. The Rights expire on September 19, 1996, and may be redeemed by the company for $.05 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. Such repurchases will be in open market or privately negotiated purchases, as the company may determine from time to time. As of December 31, 1995, a total of 2,646,379 treasury shares were purchased pursuant to these authorizations.

Subject to shareholder approval, the company's board of directors approved a stock option plan for key employees in 1995. The company is required to adopt the pro-forma disclosure requirements of SFAS No. 123, "Accounting for Stock Based Compensation," in 1996. The company will account for its stock option plan under the provisions of Accounting Principles Board Opinion No. 25.

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 $127,020 which is net of cash acquired of $651, and which includes an amount due to a seller of $19,807 which was paid in January, 1996, direct acquisition costs of $2,671, and other assumed liabilities of $1,269. The transaction was financed through credit facilities provided under the Credit Agreement dated December 1, 1995 (See Note 5).

The purchase price paid to the Shannon stockholders is subject to post-closing adjustments based upon levels of working capital and 1995 gross profit as defined in the Stock Purchase Agreement ("Agreement"). The amount of the working capital adjustment is not yet known. No earnout payment is anticipated based upon the gross profit results of Shannon for the specified period.

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 preliminary estimate of the excess of the cost over the fair value of net assets acquired is $88,331, and is being amortized over 32 years.

The results of operations of Shannon subsequent to the date of acquisition are included in the Consolidated Statement of Earnings.

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	$ 1.95	$ (.54)

During fiscal year 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

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 various environmental studies on the Peninsula location. During the year ended December 31, 1995, $641 was paid and charged against these reserves.

During 1995, additional costs 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.

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. Approximately 150 PRP's have been identified as having shipped substances to the Site.

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 5% of the total cleanup costs, but could increase to 15% if no participation agreements are made between the LSRG and any other PRP's.

In connection with this matter, the company expensed $0.2 million, $1.6 million, and $0.5 million for the year ended December 31, 1995, and fiscal years 1994 and 1993, respectively, for its estimated portion of the cleanup costs. There were no expenses incurred during the transition period ended December 31, 1994.

As of December 31, 1995, 30 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, 1995 are $6.2 million; $2.9 million reserved specifically for the 30 cases referenced above, and $3.3 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 $1.0 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.

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 $4,657 in 1995, $2,165 for the transition period, and for fiscal years 1994 and 1993, $4,981, and $4,896, respectively.

The company maintains an employee benefit trust through which group health benefits are funded. The cost of group health benefits was $4,351 in 1995, $2,505 in the transition period, $4,790 in 1994, and $4,450 in 1993.

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 for the following periods are as follows:

	Dec. 31 1995	Transition Period Dec. 31, 1994	July 2, 1994	July 3, 1993
Service cost - benefits earned during the year	$ 323	$ 147	$ 230	$ 237
Interest cost on accumulated postretirement health benefit obligation	1,393	694	1,279	1,282
Net periodic postretirement health benefit cost	$ 1,716	$ 841	$ 1,509	$ 1,519

The components of the accumulated periodic postretirement health benefit obligation at December 31, 1995 and 1994 are as follows:

	1995	1994
Retirees	$ 10,920	$ 10,733
Active participants	7,952	7,223
Unrecognized gain	318	234
Accumulated postretirement health benefit obligation	$ 19,190	$ 18,190

The health care cost trend rate assumed in the determination of the accumulated postretirement benefit obligation begins at 11.0% in 1993, 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 $2,408 at December 31, 1995 and the aggregate of the service and interest cost components of net periodic postretirement health benefit cost by $277 for 1995.

The discount rate used in determining the accumulated postretirement health benefit obligation for 1995 is 7.25% compounded annually 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.

LEASES

In February 1992, the company entered into a sale/leaseback arrangement covering substantially all of its crawler crane and boom truck crane rental fleets. The leaseback agreements for the fleet cover terms of 5 and 7 years and are being accounted for as operating leases. The gains on the sales of the fleet inventory were deferred and are being recognized over the term of the leases or at the time the inventory is otherwise sold to third parties.

The company leases various other 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, including the sale/leaseback arrangements, was $7,232 in 1995, $3,724 in the transition period, $7,816 in 1994, and $7,480 in 1993. Total minimum rental obligations under noncancelable operating leases, as of December 31, 1995, aggregated $29,412 and were payable as follows:

1996	$6,696	1999	$2,432

1997	$5,561	2000	$1,708
1998	$3,904	Thereafter	$9,111

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 U.S. 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 $61 million in 1995, $31 million during the transition period, $57 million in 1994, and $65 million in 1993. Foreign sales, operating earnings, and identifiable assets for 1995 are $10.3 million, $0.2 million, and $13.3 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	*/s/ Robert R. Friedl*
President & Chief Executive Officer	*Chief Financial Officer*

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

We have audited the accompanying consolidated balance sheets of The Manitowoc Company, Inc. and Subsidiaries as of December 31, 1995 and 1994 and the related consolidated statements of earnings, stockholders' equity, and cash flows for the year ended December 31, 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 and July 3, 1993 were audited by other auditors whose reports, dated July 28, 1994 and July 30, 1993, 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, 1995 and 1994, and the consolidated results of their operations and

their cash flows for the year ended December 31, 1995, and the period from July 3, 1994 to December 31, 1994, in conformity with generally accepted accounting principles.

As explained in the Summary of Significant Accounting Policies of the Consolidated Financial Statements, effective June 28, 1992, the company changed its method of accounting for retiree health care benefits and income taxes.

Milwaukee, Wisconsin
February 6, 1996

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

SUPPLEMENTAL QUARTERLY FINANCIAL INFORMATION (Unaudited)

The table below presents quarterly data for calendar years ended December 31, 1995 and 1994
(Thousands of dollars, except per share data)

	1995				1994			
	First	Second	Third	Fourth	First	Second	Third (*)	Fourth (*)
Net sales	$ 69,101	$ 82,287	$ 80,088	$ 81,673	$ 60,606	$ 85,946	$ 66,039	$ 57,867
Gross margin	15,919	21,204	18,011	20,336	14,405	21,062	18,320	12,982
Earnings (loss) before cumulative effect of accounting changes	1,768	5,386	3,590	3,825	1,600	5,267	3,800	(8,872)
Net earnings (loss)	1,768	5,386	3,590	3,825	1,600	5,267	3,800	(8,872)
Per common share:								
Earnings (loss) before cumulative effect of accounting changes	.23	.70	.47	.50	.19	.64	.49	(1.16)
Net earnings (loss)	.23	.70	.47	.50	.19	.64	.49	(1.16)
Dividends	.25	.25	.25	.25	.25	.25	.25	.25

(*) The third and fourth quarter of calendar 1994 equates to the transition period included in the Consolidated Financial Statements.

OTHER INVESTOR INFORMATION

Independent Public Accountants
Coopers & Lybrand LLP
411 East Wisconsin
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, Tuesday, May 7, 1996, 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 - On December 31, 1995, 7,674,468 shares of Manitowoc common stock were outstanding. At such date, there were approximately 2,350 shareholders of record.

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

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 1995, may be obtained by any shareholders, 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.

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GLOSSARY
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Financial Terms
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Backlog:   Firm, unfilled orders.  An indicator of future sales.

Book Value:  Another term for shareholder equity, most often shown on
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a 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: Represents the growth in economic profit from year to year.

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.

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.

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.

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.

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.

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.

EXHIBIT 13 - APPENDIX A

Graph No.	Description of Graph	Cross Reference or Narrative Discussion
1	Bar Graph of Consolidated Net Sales for fiscal years 1991-1994 and calendar year 1995	Graph shows consolidated net sales of $236 million, $246 million, $279 million, $275 million and $313 million for fiscal 1991, 1992, 1993, 1994 and calendar 1995.
2	Bar Graph of Consolidated Gross Margins for fiscal years 1991-1994 and calendar year 1995	Graph shows consolidated gross margins of $58 million, $54 million, $56 million, $68 million and $75 million for fiscal 1991, 1992, 1993, 1994 and calendar 1995.
3	Bar Graph of Consolidated Operating Earnings for fiscal years 1991-1994 and calendar year 1995	Graph shows consolidated operating earnings of $18 million, $10 million, $8 million, $21 million and $23 million for fiscal 1991, 1992, 1993, 1994 and calendar 1995.
4	Bar Graph of Consolidated Net Earnings for fiscal years 1991-1994 and calendar year 1995	Graph shows consolidated net earnings of $15 million for fiscal 1991, $8 million for fiscal 1992, a net loss of $4 million for fiscal 1993, and net earnings of $14 million and $15 million for fiscal 1994 and calendar 1995, respectively.
5	Bar Graph of Consolidated Free Cash Flow for fiscal years 1991-1994 and calendar year 1995	Graph shows consolidated free cash flows of $6 million, $28 million, $63 million, $37 million and $16 million for fiscal 1991, 1992, 1993, 1994 and calendar 1995.
6	Bar Graph of Invested Capital for fiscal years 1991-1994 and calendar year 1995	Graph shows invested capital of $176 million, $180 million, $159 million, $130 million and $140 million for fiscal 1991, 1992, 1993, 1994 and calendar 1995.
7	Bar Graph of Consolidated Export Shipments for fiscal years 1991-1994 and calendar year 1995	Graph shows export shipments of $42 million, $41 million, $65 million, $57 million, and $61 million for fiscal 1991, 1992, 1993, 1994, and calendar 1995.
8	Bar Graph of Average Shares Outstanding for fiscal years	Graph shows average shares outstanding of 10.3 million

1991-1994 and calendar year 1995	for fiscal years 1991 and 1992, 9.8 million for fiscal 1993, 8.7 million for fiscal 1994 and 7.7 million for calendar 1995.

EXHIBIT 21
1995 10-K

LIST OF SUBSIDIARIES

SUBSIDIARY	JURISDICTION OF INCORPORATION
Femco Machine Co.	Nevada
Kolpak Manufacturing Company	Wisconsin
Manitex, Inc.	Texas
Manitowoc Engineering, Inc.	Nevada
Manitowoc Equipment Works PTE, Ltd.	Nevada
Manitowoc Equipment Works, Inc.	Nevada
Manitowoc Europe B.V.	The Netherlands
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

EXHIBIT 23.1
1995 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, which includes an explanatory paragraph regarding the Company's changing its method of accounting for retiree health care benefits and income taxes, dated February 6, 1996 on our audit of the consolidated financial statements and financial statement schedule of The Manitowoc Company, Inc. and Subsidiaries as of December 31, 1995 and 1994, and for the year ended December 31, 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.

/s/ Coopers & Lybrand LLP

Milwaukee, Wisconsin
March 26, 1996

EXHIBIT 23.2
1995 10-K

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

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

/s/ Arthur Andersen LLP
ARTHUR ANDERSEN LLP

Milwaukee, Wisconsin
March 25, 1996

ARTICLE 5

MULTIPLIER: 1000

PERIOD TYPE	YEAR
FISCAL YEAR END	DEC 31 1995
PERIOD END	DEC 31 1995
CASH	15077
SECURITIES	1558
RECEIVABLES	52376
ALLOWANCES	1365
INVENTORY	52928
CURRENT ASSETS	135145
PP&E	188756
DEPRECIATION	101081
TOTAL ASSETS	324915
CURRENT LIABILITIES	110923
BONDS	0
PREFERRED MANDATORY	0
PREFERRED	0
COMMON	109
OTHER SE	81552
TOTAL LIABILITY AND EQUITY	324915
SALES	313149
TOTAL REVENUES	313149
CGS	237679
TOTAL COSTS	289997
OTHER EXPENSES	(1786)
LOSS PROVISION	0
INTEREST EXPENSE	1865
INCOME PRETAX	23120
INCOME TAX	8551
INCOME CONTINUING	14569
DISCONTINUED	0
EXTRAORDINARY	0
CHANGES	0
NET INCOME	14569
EPS PRIMARY	1.90
EPS DILUTED	1.90

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