PLAINTIFF'S EXHIBIT

CRA-78

<DOCUMENT>
<TYPE>10-K405
<SEQUENCE>1
<FILENAME>0001.txt
<DESCRIPTION>FORM 10-K405
<TEXT>

<PAGE>

FORM 10-K
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

(x) ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2000

OR

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from ____________ to __________
Commission file number 1-1657

CRANE CO.
(Exact name of registrant as specified in its charter)

Delaware	13-1952290
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No)
100 First Stamford Place, Stamford, CT	06902
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (203) 363-7300

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

Title of each class	Name of each exchange on which registered
Common Stock, par value $1.00	New York Stock Exchange
Preferred Share Purchase Rights	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:
8 1/2% senior notes due March 2004
6 3/4% senior notes due October 2006
(Title of Class)

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 the 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 the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. (X)

Based on the average stock price of $27.47 on January 31, 2001 the aggregate market value of the voting stock held by nonaffiliates of the registrant was $1,663,953,578.

The number of shares outstanding of the registrant's common stock, $1.00 par value was 60,573,483 at January 31, 2001.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the annual report to shareholders for the year ended December 31, 2000 and portions of the proxy statement for the annual shareholders meeting to be held on April 23, 2001 are incorporated by reference into Parts I, II, III and IV of this Form 10-K Annual Report.
<PAGE>

PART I

Item 1. Business

Crane Co. ("Crane" or the "company") is a diversified manufacturer of engineered industrial products. Founded in 1855, Crane employs over 9,000 people in North America, Europe, Asia and Australia.

STRATEGY

The company's strategy is to grow the earnings of niche businesses with high market share, build an aggressive and committed management team whose interests are directly aligned to those of the shareholders, and maintain a focused, efficient corporate structure.

ACQUISITIONS

In the past five years, the company has completed 13 acquisitions. During 2000, the company completed two acquisitions at a total cost of $11.9 million. In March 2000, the company acquired Streamware Corporation, a privately held company based in Norwood, Massachusetts that is a leading provider of business management software and market analysis tools for the vending and food service industry. In December, the company acquired the assets of the Valve Repair Division of Groth Corporation. Located in Houston, Texas, the Valve Repair Division provides both shop and field testing and repair services for a broad range of valve types and is an authorized repair facility for many leading valve manufacturers. Cost in excess of net assets acquired in 2000 amounted to $8.5 million and is being amortized over 15 years.

In December 2000, the company entered into an agreement to purchase certain operations of the Industrial Flow business of Alfa Laval Holding AB for approximately $47 million. This transaction is expected to close by the end of April 2001.

During 1999, the company completed one acquisition at a total cost of $33 million. In October 1999, the company acquired Stentorfield, Ltd., which is based in Chippenham, England. Stentorfield is a premier designer and manufacturer of hot and cold beverage vending machines, serving the U.K. and European market with a broad line of full size and tabletop products, for the hotel, restaurant, office coffee service and vending industries. Stentorfield is known in the industry to provide high quality, reliable and easily serviced products and excellent customer service. This business was integrated with Crane's National Vendors business, which is the leading North American designer and manufacturer of full line vending machines, for snack, food and beverage. The acquisition provides the means for National Vendors to satisfy the growing U.K. and European demand for a broader "one-stop" product offering, consisting of Stentorfield's drinks machines and National Vendors' snack and food machines.

During 1998, the company completed four acquisitions at a total cost of $178 million. In May, the company acquired Environmental Products USA, Inc. This business manufactures membrane-based water treatment systems for industrial, commercial and institutional markets. In August, the company acquired Sequentia Holdings, Inc., a manufacturer of fiberglass-reinforced plastic panels for the construction and building products markets. Sequentia complements the company's Kemlite subsidiary, which provides fiberglass-reinforced plastic panels for the transportation and recreational vehicle markets. In September, the company acquired Liberty Technologies, Inc. which develops, manufactures, markets and sells valve, motor, engine and compressor condition monitoring products and related services to the nuclear power generation and industrial process markets worldwide. Liberty complements the company's nuclear valve business which provides valves, valve diagnostic equipment and related services to the nuclear power industry, and its Dynalco Controls business, which provides sensors, instrumentation, control products and automation systems for use in industrial engine applications. Also in September, the company acquired the Plastic-Lined Piping Products ("PLPP") division of The Dow Chemical Company. PLPP was integrated with the company's Resistoflex division, which supplies lined pipe and valves to the chemical process and industrial markets.

<PAGE>

PART I

Item 1. Business (continued)

During 1997, the company completed four acquisitions at a total cost of $70 million, including assumed debt. In March, the company acquired the transportation products business of Sequentia, Incorporated. This business, which produces fiberglass-reinforced plastic panels for the truck body, trailer and container market, has been integrated with the company's Kemlite subsidiary. Also in March, the company acquired Polyvend Inc., a manufacturer of snack and food vending machines. Polyvend was completely integrated into Crane's National Vendors division, significantly expanding its sales distribution channels. In April, the company acquired the nuclear valve business of ITI MOVATS from Westinghouse. MOVATS is a leading supplier of valve diagnostic equipment and valve services to the commercial nuclear power industry. In December, the company acquired certain operations and product lines of Stockham Valves & Fittings, Inc. The acquired product lines and related manufacturing operations have been integrated into the company's valve businesses.

During 1996, the company acquired two companies. In mid-October, the company acquired Interpoint Corporation in a tax-free merger in which the company issued 1,094,312 shares of Crane common stock and assumed $26 million in debt. Interpoint is a leader in the design and manufacture of standard and custom miniature DC-to-DC power converters with applications in aerospace and medical technology industries. In late October, the company acquired Grenson Electronics Ltd. of Daventry, England. Grenson Electronics produces low voltage power conversion electronics for aerospace, defense and industrial markets.

DIVESTITURES

In the past five years, the company has divested seven businesses. In May 2000, the company sold its interest in Powec AS, a Norwegian manufacturer of power supplies for the telecommunications industry. In addition, the company's wholly owned ELDEC Corporation subsidiary sold its related telecommunications power supply product line to the same purchaser. Total consideration for both businesses was $45.6 million. In April 1999, the company sold Southwest Foundry, acquired as part of the Stockham Valves and Fittings, Inc. transaction, for $400,000. In December 1999, the company sold its Crane Defense Systems business for $6.4 million in cash and a $750,000 note. In 1998, the company sold two foundry operations acquired as part of the Stockham Valves and Fittings Inc. transaction. Accu-Cast, Inc. and the Aliceville Foundry were sold for a total of $4.3 million. In 1997, the company sold its Valve Systems and Controls division for $7.5 million in cash and $1.5 million in preferred stock. In March of 1996, the company sold Empire Foundry for $1.4 million.

DISCONTINUED OPERATIONS

On December 16, 1999, the company distributed all of the shares of its Huttig Building Products ("Huttig") subsidiary to shareholders of the company on the basis of one share of Huttig for every 4.5 shares of Crane Co. common stock. Prior to this spin-off distribution, Huttig repaid an intercompany loan of $68 million to the company, which the company used to pay down debt. The Wholesale segment was discontinued when Huttig was spun off.

LONG-TERM FINANCING

In September 1998 the company sold $100,000,000 of 6 3/4% notes that will mature on October 1, 2006. During April 1992 the company sold $100,000,000 8 1/2% notes that will mature on March 15, 2004.

<PAGE>

PART I

Item 1. Business (continued)

BUSINESS SEGMENTS

See page 27 of the Annual Report to Shareholders for year ended December 31, 2000, for sales, operating profit and assets employed by each business segment.

AEROSPACE

The Aerospace segment consists of ELDEC, Hydro-Aire, Lear Romec and Interpoint.

ELDEC designs, manufactures and markets custom position indication and control systems, proximity sensors, pressure sensors, true mass fuel flowmeters and power conversion systems for the commercial transport, business, regional, general aviation, military, repair and overhaul and electronics markets. These products are custom designed for specific aircraft to meet technically demanding requirements of the aerospace industry. ELDEC has facilities in Redmond, Washington, one in England and one in France.

In May 2000, ELDEC sold its interest in Powec AS, a Norwegian manufacturer of power supplies for the telecommunications industry. In addition, ELDEC sold its related telecommunications power supply product line to the same purchaser. The company accounted for its investment in Powec AS using the equity method.

Hydro-Aire designs, manufactures and sells aircraft brake control and anti-skid systems, including electro-hydraulic servo valves and manifolds, embedded software and rugged electronic controls, hydraulic control valves, landing gear sensors and fuel pumps as original equipment to the commercial transport, business, regional, general aviation, military and government aerospace, repair and overhaul markets. In addition, Hydro-Aire designs and manufactures systems similar to those above for the retrofit of aircraft with improved systems and manufactures replacement parts for systems installed as original equipment by the aircraft manufacturer. All of these products are largely proprietary to Hydro-Aire and, to some extent, are custom designed to the requirements and specifications of the aircraft manufacturer or program contractor. These systems and replacement parts are sold directly to aircraft manufacturers, airlines, governments, and aircraft maintenance and overhaul companies.

Lear Romec designs, manufactures and sells lubrication and fuel pumps for aircraft, aircraft engines and radar cooling systems for the commercial and military aerospace industries. Lear Romec has a leading share of the non-captive market for turbine engine lube and scavenge oil pumps. Lear Romec also manufactures fuel boost and transfer pumps for commuter and business aircraft.

Interpoint designs, manufactures and sells standard and custom miniature (hybrid) DC-to-DC power converters and custom miniature (hybrid) electronic circuits for applications in commercial, space and military aerospace, medical technology, fiber optic and medical technology industries. Interpoint has facilities in Redmond, Washington and in Taiwan.

The segment employs 2,100 people and had assets of $258.7 million at year-end. The order backlog totaled $301.6 million at December 31, 2000.

<PAGE>

PART I (continued)

Item 1. Business (continued)

ENGINEERED MATERIALS

The Engineered Materials segment consists of five businesses: Kemlite, CorTec, Resistoflex, Polyflon and Crane Plumbing.

Kemlite manufactures fiberglass-reinforced plastic panels for use principally by the transportation industry in refrigeration and dry van truck trailers and recreational vehicles. Kemlite products are also sold to the commercial construction industry for food processing, fast food restaurant and supermarket applications, to institutions where fire rated materials with low smoke generation and minimum toxicity are required, and for residential construction. Kemlite sells its products directly to the truck trailer and recreational vehicle manufacturers. Sequentia manufactures fiberglass-reinforced plastic panels for the construction and building products markets. Kemlite uses distributors to serve its commercial construction market and some segments of the recreational vehicle market. Sequentia's Grand Junction, Tennessee and Houston, Texas plants were added to Kemlite's plants in Joliet, Illinois and Jonesboro, Arkansas.

CorTec manufactures fiberglass-reinforced laminated panels serving the truck and truck trailer segment of the transportation industry and for specialty applications. CorTec markets its products directly to the truck and truck trailer manufacturers.

Resistoflex is engaged in the design, manufacture and sale of corrosion-resistant, plastic-lined steel pipes, fittings, tanks, valves, expansion joints and hose used primarily by the pharmaceutical, chemical processing, pulp and paper, ultra pure water and waste management industries. It also manufactures high-performance, separable fittings for operating pressures to 8,000 PSI used primarily in the aerospace industry. Resistoflex sells its industrial products through distributors who provide stocking and fabrication services to industrial users in the United States. Its aerospace products are sold directly to the aerospace industry. Resistoflex also manufactures plastic-lined pipe products at its Singapore plant serving the Asian chemical processing and the Asian pharmaceutical industries.

Polyflon manufactures microwave laminates, high voltage RF capacitors, radomes and circuit processing for wireless communication, magnetic resonance imaging, microwave and radar system manufacturers.

Crane Plumbing manufactures plumbing fixtures in Canada. Its products are sold through distributors in Canada, where it has a large share of the Canadian plumbing fixtures market.

This segment had assets of $228.6 million at December 31, 2000 and employed 1,700 people. Order backlog at year-end 2000 was $18.7 million.

MERCHANDISING SYSTEMS

The Merchandising Systems segment has two operating units: National Vendors, the industry leader in the design and manufacture of a complete line of vending merchandisers for the food service vending market; and NRI, which manufactures electronic coin validators in Buxtehude, Germany for the automated merchandising and gambling/amusement markets in Europe.

<PAGE>

National Vendors products include electronic vending merchandisers for refrigerated and frozen foods, hot and cold beverages, snack foods, single cup individually brewed hot drinks and combination vendors/merchandisers, designed to vend both snack foods and hot/cold drinks, or snacks and refrigerated/frozen foods in one machine. National Vendors manufactures its products in Bridgeton, Missouri. National Vendors' products are marketed to customers in the United States and Europe by company sales and marketing personnel, as well as distributors, and in other international markets through independent distributors. In March 2000, the company acquired Streamware Corporation, a privately held company based in Norwood, Massachusetts that is a leading provider of business management software and market analysis tools for the vending and food service industry. The acquisition of Streamware gives National Vendors an opportunity to develop a significant new business. Streamware's VendMAX is a fully integrated software/hardware solution that offers operators complete cash accountability, inventory control and improved merchandising capabilities.

NRI is among the relatively few makers of coin validators that will supply European countries, which must equip existing and new coin-operated vending machines, with validators programmed for the new euro coins that will go into circulation at the start of 2002.

Merchandising Systems employs 1,400 people and had assets of $159.9 million at year-end 2000. Order backlog totaled $69.4 million at December 31, 2000.

FLUID HANDLING

The Fluid Handling segment consists of the Crane Valves, Crane Valves-U.K., Valve Services, Crane Pumps, Crane Environmental and Crane Supply businesses. The Crane Valves and Crane Valves-U.K. businesses, with four manufacturing facilities in North America, as well as operations in the United Kingdom, Australia, Norway, China and Indonesia, sell a wide variety of commodity and special purpose valves and fluid control products for the chemical and hydrocarbon processing, power generation, marine, general industrial and commercial construction industries. Products are sold under the trade names Crane, Jenkins, Pacific, Westad, Flowseal, Center Line, Stockham, Triangle and Duo-Check. The company's Valve Service business, with two manufacturing facilities in North America, provides valves, valve diagnostic equipment and related services to the nuclear power, chemical and hydrocarbon processing and power generation industries. Crane Pumps has eight manufacturing facilities in the United States. Pumps are manufactured under the trade names Deming, Weinman, Chempump, Burks, Chem/Meter, Barnes, Sellers and Process Systems. Pumps are sold to a broad customer base, which includes chemical and hydrocarbon processing, automotive, municipal, industrial and commercial wastewater, power generation, commercial heating, ventilation and air-conditioning industries and original equipment manufacturers. The Crane Environmental business has manufacturing facilities in Pennsylvania and Florida and serves the water and wastewater treatment market. Its products are sold under the trade names Cochrane and Environmental Products. Crane Supply, a distributor of plumbing supplies, valves and piping in Canada, maintains thirty-five branches throughout Canada and distributes Crane manufactured products in that country. Crane Supply also distributes products that are both complementary to and competitive with Crane's own manufactured products.

Products in this group are sold directly to end users through Crane's sales organization and through independent distributors and manufacturers representatives.

This segment employs 3,100 people and had assets of $308.7 million at December 31, 2000. Fluid Handling order backlog totaled $91.6 million.

<PAGE>

PART I (continued)

Item 1. Business (continued)

CONTROLS

This segment includes five businesses: Barksdale, Powers Process Controls, Dynalco Controls, Azonix, and Ferguson. The companies in this segment design, manufacture and market industrial and commercial products that control flows and processes in various industries including petroleum, chemical, construction, food and beverage, power generation and transportation.

Barksdale manufactures solid state and electromechanical pressure switches and transducers, level switches and continuous level indicators, temperature switches, and directional control valves that serve a broad range of commercial and industrial applications. It has manufacturing and marketing facilities in the United States and Germany.

Powers Process Controls designs, manufactures and markets water mixing and thermal shock protection shower systems, commercial and residential plumbing brass, process controllers and instrumentation, process control valves and temperature regulators for industrial applications and the commercial and institutional construction industry.

Dynalco Controls designs and manufactures rotational speed sensors, temperature and pressure instruments and monitors for rugged environments, microprocessor based engine and mechanism controls. Dynalco's products are used worldwide by industries in a variety of applications, including stationary natural gas engines, power generation, oil and gas production and transmission, and agriculture equipment.

Azonix manufactures operator interfaces and measurement and control systems for hazardous and harsh applications, intelligent data acquisition products, high-precision thermometers and calibrators for the oil and gas, petrochemical, chemical, pharmaceutical and metal processing industries.

Ferguson designs and manufactures, in the United States and through Ferguson Machine Co. S.A. in Europe, precision index and transfer systems for use on and with machines that perform automatic forming, assembly, metal cutting, testing and inspection operations. Products include mechanical index drives, pick-and-place robots, in line transfer machines, rotary tables, press feeds and custom cams.

The products in this segment are sold directly to end users and engineering contractors through the company's own sales force and cooperatively with sales representatives, stocking specialists and industrial distributors.

Controls had assets of $118.0 million at December 31, 2000, and employs 800 people. On December 31, 2000, Crane Controls had a backlog of $22.3 million.

<PAGE>

PART I (continued)

Item 1. Business (continued)

COMPETITIVE CONDITIONS

The company's lines of business are conducted under actively competitive conditions in each of the geographic and product areas they serve. Because of the diversity of the classes of products manufactured and sold, they do not compete with the same companies in all geographic or product areas. Accordingly, it is not possible to estimate the precise number of competitors or to identify the principal methods of competition. Although reliable statistics are not available, the company believes that it is an important supplier to a number of market niches and geographic areas.

The company's products have primary application in the aerospace, hydrocarbon processing, petrochemical, power generation, automated merchandising and transportation industries. As such, they are dependent upon numerous unpredictable factors, including changes in market demand, general economic conditions and capital spending. Because these products are also sold in a wide variety of markets and applications, the company does not believe it can reliably quantify or predict the possible effects upon its business resulting from such changes.

Seasonality is a factor in the Canadian operations. Net sales in Canada and assets related to Canadian operations were 13.89% and 7.14% of the respective 2000 consolidated amounts.

The company's engineering and product development activities are directed primarily toward improvement of existing products and adaptation of existing products to particular customer requirements. While the company owns numerous patents and licenses, none are of such importance that termination would materially affect its business. Product development and engineering costs totaled approximately $55.0 million in 2000, $58.9 million in 1999, and $70.9 million in 1998. Included in these amounts were approximately $6.7 million, $7.4 million and $15.8 million received by the company in 2000, 1999 and 1998, respectively, for customer sponsored research and development.

The company is not dependent on any single customer nor are there any issues at this time regarding available raw materials for inventory.

Costs of compliance with federal, state and local laws and regulations involving the discharge of materials into the environment or otherwise relating to the protection of the environment are not expected to have a material effect upon the company's capital expenditures, earnings or competitive position.

<PAGE>

PART I (continued)

Item 1. Business (continued)

FORWARD LOOKING STATEMENTS

Throughout the Annual Report to Shareholders, particularly in the Chairman's Letter to Shareholders and Management's Discussion and Analysis of Operations, the company makes numerous statements about expectations of future performance and market trends, and statements about plans and objectives and other matters, which, because they are not historical fact, may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995.

In addition, the company and its representatives may, from time to time, make written or oral forward-looking statements, including statements contained in the company's filings with the Securities and Exchange Commission and in its reports to shareholders, which can be identified by the use of forward-looking terminology such as "believes", "contemplates", "expects", "may", "will", "could", "should", "would" or "anticipates" or the negative thereof or comparable terminology.

All forward-looking statements speak only as of the date on which such statements are made and involve risk and uncertainties that exist in the company's operations and business environment and are not guarantees of future performance. The company assumes no obligation to update any of these forward-looking statements, whether as a result of new information or future events. As a responsibility to our investors, the company will make reasonable efforts at timely disclosure of future facts and circumstances which may affect such statements.

Because the company wishes to take advantage of the "safe harbor" provision of the Private Securities Litigation Reform Act of 1995, readers are cautioned to consider the following important risk factors that could affect the company's businesses and cause actual results to differ materially from those projected.

General

A substantial portion of the sales of the company's business segments are concentrated in industries which are cyclical in nature. Because of the cyclical nature of these businesses, their results are subject to fluctuations in domestic and international economies, as well as to currency fluctuations and unforeseen inflationary pressures. Reductions in the business levels of these industries would negatively impact the sales and profitability of the affected business segments.

While the company is a principal competitor in most of its markets, all of its markets are highly competitive. The company's competitors in many of its business segments can be expected in the future to improve technologies, reduce costs and develop and introduce new products, and the ability of the company's business segments to achieve similar advances will be important to their competitive positions. Competitive pressures, including those discussed above, could cause one or more of the company's business segments to lose market share or could result in significant price erosion, either of which could have an adverse effect on the company's results of operations.

The company's acquisition program entails the potential risks inherent in assessing the value, strengths, weaknesses, contingent or other liabilities and potential profitability of acquisition candidates and in integrating the operations of acquired companies. There can be no assurance that suitable acquisition opportunities will be available in the future, that the company will continue to acquire businesses or that any business acquired will be integrated successfully or prove profitable.

<PAGE>

PART I (continued)

Item 1. Business (continued)

Forward Looking Statements (continued)

Net sales and assets related to operations outside the United States were 36.3% and 20.9% of the respective 2000 consolidated amount. Such operations and transactions entail the risks associated with conducting business internationally, including the risk of currency fluctuations, slower payment of invoices, adverse trade regulations and possible social and economic instability. While the full impact of this economic instability cannot be predicted, it could have a material adverse effect on the company's revenue and profitability.

Certain of the company's business segments are dependent upon highly qualified personnel, and the company generally is dependent upon the continued efforts of key management employees. Particularly in light of the current tight labor market, the company's prospects would be adversely affected by an inability to retain its key personnel.

New factors emerge from time to time, and it is not possible for management to predict all of such factors. Further, management cannot assess the impact of each such factor on the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

Aerospace

A significant fall-off in demand for air travel or a decline in airline profitability generally could result in reduced aircraft orders, and could also cause the airlines to scale back their purchases of repair parts from Crane companies. The companies could also be impacted if major aircraft manufacturers, such as Boeing, which represents approximately 21% of the segment's revenue, encountered production problems, or if pricing pressure from aircraft customers caused the manufacturers to press their suppliers to lower prices. Sales and profits could face erosion if pricing pressure from competitors increased, if planned new products were delayed, if finding new aerospace-qualified suppliers grew more difficult, or if required technical personnel became harder to hire and retain. Aerospace segment results could be below expectations if further slowing of the U. S. economy causes customers to delay or cancel spare parts or aircraft orders.

Engineered Materials

In the Engineered Materials segment, sales and profits could fall if there were a decline in demand for truck trailers, recreational vehicles or building products, for which Crane's companies produce fiberglass-reinforced panels. Profits could be adversely affected as well by unanticipated increases in resin and fiberglass material costs, by unforeseen fluctuations in the Canadian dollar, and by any inability on the part of Crane's companies to maintain their position in product cost and functionality against competing materials.

Merchandising Systems

Results at Crane's U.S.-based vending machine business could be reduced by delays in launching or supplying new products or an inability to achieve new product sales objectives. Results at Crane's German-based coin validation machine business could be affected by changes in demand stemming from the advent of the euro, the planned new European currency, as well as by unforeseen fluctuations in the value of the euro or other European currencies versus the U.S. dollar.

<PAGE>

PART I (continued)

Item 1. Business (continued)

Forward Looking Statements (continued)

Fluid Handling

Crane's companies could face increased price competition from larger competitors. Further slowing of the U. S. economy could reduce sales and profits, particularly if projects for which Crane's companies are suppliers or bidders are cancelled or delayed, or if the companies' ability to source product from international sources is impeded. At Crane's Canadian distribution operation, reported results in U.S. dollar terms could be eroded by an unanticipated weakening of Canada's currency.

Controls

A number of factors could affect the Controls segment's results. Lower sales and earnings could result if Crane's companies can not maintain their cost competitiveness, encounter delays in introducing new products, or fail to achieve their new product sales objectives. Results could decline because of an unanticipated decline in demand for Crane products from the industrial machinery, oil and gas, or heavy equipment industries, or from unforeseen product obsolescence.

<PAGE>

PART I (continued)

Item 2. Properties

TOTAL MANUFACTURING FACILITIES	NUMBER	AREA
Fluid Handling		
United States	15	1,191,000 sq. ft.
Canada	2	140,000 sq. ft.
International	7	1,144,000 sq. ft.
Aerospace		
United States	6	634,000 sq. ft.
International	3	40,000 sq. ft.
Engineered Materials		
United States	10	1,235,000 sq. ft.
Canada	3	636,000 sq. ft.
International	1	10,000 sq. ft.
Crane Controls		
United States	5	334,000 sq. ft.
International	2	63,000 sq. ft.
Merchandising Systems		
United States	1	463,000 sq. ft.
Other International	2	131,000 sq. ft.

Leased Manufacturing Facilities	Leases Expiring Through	Number	Area
United States	2009	11	536,000 sq. ft.
Canada	2001	1	13,000 sq. ft.
Other International	2007	5	133,000 sq. ft.

Other Facilities

Fluid Handling operates five valve service centers in the United States, of which two are owned, and three distribution centers in the United States. This segment operates thirty-eight distribution and three service centers outside the United States.

Crane Controls operates one distribution center outside the United States.

Merchandising Systems operates eight distribution centers in the United States and six outside the United States.

Engineered Materials operates seven distribution centers in the United States, of which one is owned, and two outside the United States.

In the opinion of management, these properties have been well maintained, are in sound operating condition, and contain all necessary equipment and facilities for their intended purposes.

<PAGE>

PART I (continued)

Item 3. Legal Proceedings

Neither the company, nor any subsidiary of the company has become a party to, nor has any of their property become the subject of, any material legal proceedings, other than ordinary routine litigation incidental to their businesses.

Item 4. Submission of Matters to a Vote of Security Holders

No matters were submitted to a vote of security holders during the fourth quarter of 2000.

<PAGE>

PART I (continued)

EXECUTIVE OFFICERS OF THE REGISTRANT

The executive officers of the registrant are as follows:

<TABLE>
<CAPTION>

<S> Name	<C> Position	<C> Business Experience During Past Five Years
Robert S. Evans*	Chairman and Chief Executive Officer	Chairman and Chief Executive Officer of the company since 1984 President of the company
Eric C. Fast*	President and Chief Operating Officer	President and Chief Opera Officer, previously Co-he Investment Banking of Sal Barney and a Managing Dir firm
Gil A. Dickoff	Treasurer	Treasurer of the company, previously Assistant Trea of the company
Augustus I. duPont	Vice President, General Counsel and Secretary	Vice President and Genera Counsel and Secretary of the company.
Bradley L. Ellis	Vice President-Chief Information Officer	Vice President - Chief Information Officer of th company since July 1997, with the Business System group of Arthur Andersen international provider of business consulting servi
Elise M. Kopczick	Vice President-Human Resources	Vice President-Human Reso since January 2001, previ President of the company' Romec subsidiary and Vice

		Human Resources at the co Hydro-Aire subsidiary
Thomas M. Noonan	Vice President-Controller and Chief Tax Officer	Controller since February Vice President - Taxes si September 1999, previousl of Taxes of the company f 1996 to September 1999, p Director of Taxes Tax Cou Corporation, a manufactur adhesives and coatings
Anthony D. Pantaleoni	Vice President-Environment, Health & Safety	Vice President - Environm Health & Safety of the co

</TABLE>

<PAGE>

PART I (continued)
EXECUTIVE OFFICERS OF THE REGISTRANT (continued)

<TABLE>
<CAPTION>

<S> Name	<C> Position	<C> Business Experience During Past Five Years
Michael L. Raithel	Vice President-Finance and Chief Financial Officer	Vice President - Finance and Chief Financial Offic February 2000, previously of the company since 1985

</TABLE>

* On January 22, 2001 the company announced that Mr. R. S. Evans planned to retire from his positions as Chief Executive Officer effective at the Annual Meeting, although he will continue to serve the company as Chairman of the Board, and Mr. E. C. Fast, currently President and Chief Operating Officer of the company, will succeed Mr. Evans as Chief Executive Officer.

PART II

Item 5. Market for the Registrant's Common Stock and Related Stockholder Matters.

The information required by Item 5 is hereby incorporated by reference to Pages 35 through 37 of the 2000 Annual Report to Shareholders.

Item 6. Selected Financial Data.

The information required by Item 6 is hereby incorporated by reference to Pages 35 of the 2000 Annual Report to Shareholders.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The information required by Item 7 is hereby incorporated by reference to Pages 6 through 14 of the 2000 Annual Report to Shareholders.

Item 7A. Quantitative and Qualitative Disclosures about Market Risks.

The information required by Item 7A is hereby incorporated by reference to Page 34 of the 2000 Annual Report to Shareholders.

Item 8. Financial Statements and Supplementary Data.

The information required by Item 8 is hereby incorporated by reference to Pages 15 through 28 and page 35 of the 2000 Annual Report to Shareholders.

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 Item 10 is incorporated by reference to the definitive proxy statement dated March 7, 2001, which the company has filed with the Commission pursuant to Regulation 14A except that such information with respect to Executive Officers of the Registrant is included, pursuant to Instruction 3, paragraph (b) of Item 401 of Regulation S-K, under Part I.

15

<PAGE>

PART III (continued)

Item 11. Executive Compensation

The information required by Item 11 is incorporated by reference to the definitive proxy statement dated March 7, 2001, which the company has filed with the Commission pursuant to Regulation 14A.

Item 12. Security Ownership of Certain Beneficial Owners and Management

The inform ation required by Item 12 is incorporated by reference to the definitive proxy statement dated March 7, 2001, which the company has filed with the Commission pursuant to Regulation 14A.

Item 13. Certain Relationships and Related Transactions

The information required by Item 13 is incorporated by reference to the definitive proxy statement dated March 7, 2001, which the company has filed with the Commission pursuant to Regulation 14A.

PART IV

Item 14. Exhibits, Financial Statement Schedule, and Reports on Form 8-K

(a)(1) The consolidated balance sheets of Crane Co. and subsidiaries as of December 31, 2000 and 1999 and the related consolidated statements of income, changes in common shareholders' equity and cash flows for the years ended December 31, 2000, 1999 and 1998 and the report thereon of Deloitte & Touche LLP dated January 16, 2001 appearing on Pages 15 through 28 of Crane Co.'s 2000 Annual Report to Shareholders which will be furnished with the company's proxy statement as required by Regulation 14A, Rule 14a-3(c), are incorporated herein by reference

(2) Financial statement schedules for which provision is made in the applicable regulation of the Securities and Exchange Commission have been omitted because they are not required under related instructions or are inapplicable, or the information is shown in the financial statements and related notes.

(3) Exhibits: Exhibit 10(i) The EVA Incentive Compensation Plan as amended January 22, 2001.

Exhibit 10(j) The employment agreement with Eric C. Fast date January 22, 2001.

Exhibit 11 Computation of net income per share.

Exhibit 13 Annual Report to shareholders for the year ended December 31, 2000.

Exhibit 21 Subsidiaries of the Registrant.

Exhibit 23 Independent auditors' consent.

(b) Reports on Form 8-K:
No reports on Form 8-K were filed during the quarter ended December 31, 2000.

(c) Exhibits to Form 10-K:
There is incorporated by reference herein:

(3) (a) The company's Certificate of Incorporation, as amended on May 25, 1999 contained in Exhibit 3A to the company's Annual report on Form 10-K for the fiscal year ended December 31, 1999.

(b) The company's By-Laws, as amended on January 24, 2000 contained in Exhibit 3B to the company's Annual report on Form 10-K for the fiscal year ended December 31, 1999.

(4) Instruments Defining the Rights of Security Holders, including Indentures:
(a) There is incorporated by reference herein:
(1) Preferred Share Purchase Rights Agreement contained in Exhibit 1 to the company's Report on Form 8-K filed with the Commission on July 6, 1998.

<PAGE>

PART IV (continued)

Item 14. Exhibits, Financial Statement Schedules, and Reports on Form 8-K (continued)

(b) There is incorporated by reference herein:
1) Indenture dated as of April 1,1991 between the Registrant and the Bank of New York contained in Exhibit 4.1 to the company's report on Form 8-K filed with the Commission on September 16, 1998.

(10) Material Contracts:
(iii)Compensatory Plans
There is incorporated by reference herein:

(a) The forms of Employment/Severance Agreement between the company and certain executive officers (form I) and (form II) which provide for the continuation of certain employee benefits upon a change of control as contained in Exhibit C of the company's annual report on Form 10-K for the fiscal year ended December 31, 1994.

(b) The indemnification agreements entered into with each director and executive officer of the company, the form of which is contained in Exhibit C to the company's definitive proxy statement filed with the Commission in connection with the company's April 27, 1987 Annual Meeting.

(c) The Crane Co. Retirement Plan for Non-Employee Directors contained in Exhibit E to the company's Annual Report on Form 10-K for the fiscal year ended December 31, 1988.

(d) The Crane Co. 1998 Stock Option Plan contained in Exhibit 4.1 to the company's Registration Statement No. 333-50489 on Form S-8 filed with the Commission on April 20, 1998.

(e) The Crane Co. 1998 Restricted Stock Award Plan contained in Exhibit 4.1 to the company's Registration Statement No. 333-50487 on Form S-8 filed with the Commission on April 20, 1998.

(f) The Crane Co. 1998 Non-Employee Director Restricted Stock Award Plan contained in Exhibit 4.1 to the company's Registration Statement No. 333-50495 on Form S-8 filed with the Commission on April 20, 1998.

(g) The Crane Co. 2000 Non-Employee Director Stock Compensation Plan contained in Exhibit 10(a) to the company's quarterly report on Form 10-Q for the quarter ended March 31, 2000.

(h) The employment agreement with Eric. C. Fast contained in Exhibit 10(b) to the company's quarterly report on Form 10-Q for the quarter ended March 31, 2000.

All other exhibits are omitted because they are not applicable or the required information is shown elsewhere in this Annual Report on Form 10-K.

<PAGE>

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.

CRANE CO.

(Registrant)

By M. L. Raithel

M. L. Raithel
Vice President-Finance and
Chief Financial Officer
Date 2/26/01

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

OFFICERS

R. S. Evans

R. S. Evans
Chairman and Chief Executive Officer and a Director
Date 2/26/01

E. C. Fast	M. L. Raithel
E. C. Fast	M. L. Raithel
President and Chief Operating Officer and a Director Date 2/26/01	Vice President-Finance and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer) Date 2/26/01

DIRECTORS

	E. T. Bigelow, Jr.	
	E. T. Bigelow, Jr. Date 2/26/01	R. S. Forte Date
D. R. Gardner	J. J. Lee	
D.R. Gardner Date 2/26/01	J. J. Lee Date 2/26/01	W. E. Lipner Date
D. C. Minton	C. J. Queenan, Jr.	
D. C. Minton Date 2/26/01	C. J. Queenan, Jr. Date 2/26/01	J. L. L. Tullis Date

</TEXT>
</DOCUMENT>

<DOCUMENT>
<TYPE>10-Q
<SEQUENCE>1
<FILENAME>0001.txt
<DESCRIPTION>QUARTERLY
<TEXT>

FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

QUARTERLY REPORT UNDER SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended September 30, 2000

Commission File Number 1-1657

CRANE CO.

(Exact name of registrant as specified in its charter)

Delaware	13-1952290
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
100 First Stamford Place, Stamford, CT.	06902
(Address of principal executive office)	(Zip Code)

(203) 363-7300

(Registrant's telephone number, including area code)

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

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 ____

The number of shares outstanding of the issuer's classes of common stock, as of

October 31, 2000:

Common stock, $1.00 Par Value - 60,3[illegible],[illegible]82 shares

<PAGE>

Part I - Financial Information

Item 1. Financial Statements

<TABLE>

Crane Co. and Subsidiaries

Consolidated Statements of Income

(In Thousands, Except Per Share Amounts)

(Unaudited)

<CAPTION>

	Three Months Ended September 30, 2000	1999	Nine Months Ended September 30, 2000	199
<S>	<C>	<C>	<C>	<C>
Net Sales	$363,191	[illegible]	$1,134,851	$1,1
Operating Costs and Expenses:				
Cost of sales	245,231	[illegible]	749,371	[illegible]
Selling, general and administrative	65,995	[illegible]	213,876	2
Depreciation and amortization	14,296	15,171	41,034	
	325,522	351,373	994,281	1,0
Operating Profit	37,669	32,320	140,569	1
Other Income (Expense):				
Interest income	353	[illegible]	1,351	
Interest expense	5,344	[illegible]	16,947	
Miscellaneous - net	61	15	24,436	
	4,735	4,025	8,499	
Income Before Taxes	32,933	[illegible]	149,067	1
Provision for Income Taxes	11,526	[illegible]	52,17[illegible]	
Income from Continuing Operations	21,4[illegible]7	[illegible]	96,[illegible]	
Income from Discontinued Operations	-	4,008	-	
Net Income	$ 21,417	$ 22,355	$ 96,894	$
Basic Net Income Per Share:				
Income from Continuing Operations	[illegible]	[illegible]	$1.5[illegible]	
Income from Discontinued Operations	-	.[illegible]	-	

Net Income	$.35	$.33	$1.59
	======	======	======
Average Basic Shares Outstanding	60,674	67,346	61,077
Diluted Net Income Per Share:			
Income from Continuing Operations	$.35	$.27	$1.57
Income from Discontinued Operations	-	.06	-
	------	------	------
Net Income	$.35	$.33	$1.57
	======	======	======
Average Diluted Shares Outstanding	61,168	67,553	61,540
Dividends Per Share	$.10	$.10	$.30

See Notes to Consolidated Financial Statements

</TABLE>

<PAGE>
<TABLE>

Part I - Financial Information
Item 1. Financial Statements

Crane Co. and Subsidiaries

Consolidated Balance Sheets
(In Thousands, Except Share and Per Share Amounts)
(Unaudited)

<CAPTION>

	September 30, 2000	1999	December 31, 1999
	----	----	----
Assets			
<S>	<C>	<C>	<C>
Current Assets			
Cash and cash equivalents	$ 2,6[illegible]	$ 15,013	$ 3,245
Accounts receivable	224,[illegible]	227,945	[illegible]
Inventories:			
Finished goods	[illegible]	105,721	107,[illegible]
Finished parts and subassemblies	52,611	56,193	57,667
Work in process	25,489	27,252	23,471
Raw materials	69,903	71,351	71,330
	-------	-------	-------
	235,047	260,516	259,474
Net Assets of Discontinued Operations	-	142,954	-
Other Current Assets	33,427	37,764	35,4[illegible]
	-------	-------	-------
Total Current Assets	501,332	684,192	505,161
Property, Plant and Equipment:			
Cost	597,688	582,683	579,263
Less accumulated depreciation	345,286	322,542	322,614
	-------	-------	-------

	244,402	260,141	256,649
Other Assets	37,579	30,876	45,771
Intangibles	40,486	44,741	43,796
Cost in excess of net assets acquired	322,590	308,626	329,321
	----------	----------	----------
	$1,146,[illegible]	$1,315,576	$1,180,697
	==========	==========	==========

See Notes to Consolidated Financial Statements

</TABLE>

<PAGE>
<TABLE>

Part I - Financial Information
Item 1. Financial Statements

Crane Co. and Subsidiaries

Consolidated Balance Sheets
(In Thousands, Except Share and Per Share Amounts)
Unaudited

<CAPTION>

	September 30,		Dec
	[illegible]	1999	
	----	----	
Liabilities and Shareholders Equity			
<S>	<C>	<C>	
Current Liabilities			
Current maturities of long-term debt	$ 329	$ 429	
Loans payable	7,[illegible]	16,632	
Accounts payable	[illegible],159	93,[illegible]	
Accrued liabilities	[illegible],258	120,193	
U.S. and foreign taxes on income	14,924	15,606	
	-------	-------	
Total Current Liabilities	[illegible],410	256,419	
Long-Term Debt	[illegible],784	313,[illegible]	
Deferred Income Taxes	16,[illegible]	[illegible]	
Other Liabilities	[illegible]	[illegible]	
Accrued Postretirement Benefits	[illegible]	31,[illegible]	
Accrued Pension Liability	11,054	3,570	
Preferred Shares, par value $.01 5,000,000 shares authorized	-	-	
Common Shareholders' Equity: Common stock, par value $1.00 200,000,000 shares authorized, 72,426,139 shares issued	[illegible]	[illegible]	

Capital surplus	98,289	96,262	
Retained earnings	699,940	650,668	
Accumulated other comprehensive loss	(33,671)	(18,835)	
Common stock held in treasury	(257,829)	(125,802)	
	---------	---------	
Total Common Shareholders' Equity	579,155	674,719	
	--------	----------	-
	$1,146,392	$1,328,576	$
	==========	==========	=
Common Stock Issued	72,426	72,426	
Less Common Stock held in Treasury	(12,075)	(5,699)	
	-------	------	
Common Stock Outstanding	60,351	66,727	
	======	======	

See Notes to Consolidated Financial Statements

</TABLE>

-4-

<PAGE>
<TABLE>

Part I - Financial Information (Cont'd.
Item 1. Financial Statements

Crane Co. and Subsidiaries

Consolidated Statements of Cash Flows

In Thousands

Unaudited

<CAPTION>

	Nine Months Ended September 30, 2000	1999
<S>	<C>	<C>
Operating activities:		
Income from continuing operations	$96,894	$86,[illegible]
Non-cash special charges	-	16,[illegible]
Gain on sale of investments	[illegible]	[illegible]
Depreciation	[illegible]	[illegible]
Amortization	[illegible]	[illegible]
Deferred income taxes	[illegible]	[illegible]
Cash provided by (used for) operating working capital	(14,036)	14,24[illegible]
Other	(2,531)	9,[illegible]
	-------	-------
Total provided by Operating activities	93,662	154,226
Investing activities:		
Capital expenditures	[illegible]	[illegible]
Purchase of investment	-	[illegible]
Sale of investments	45,536	[illegible]
Payments for acquisitions	[illegible]	-
Proceeds from divestitures	-	[illegible]
Proceeds from disposition of capital assets	434	[illegible]
	------	------
Total provided by (used for) Investing activities	16,391	[illegible]
Financing activities:		

Equity:		
Dividends paid	(18,286)	(20,301
Reacquisition of shares-open market	(60,633)	(47,415
Reacquisition of shares-stock incentive programs	(3,711)	(756
Stock options exercised	10,470	5,846
Net equity	(72,160)	(62,626
Debt		
Proceeds from issuance of long-term debt	86,200	133,000
Repayments of long-term debt	(115,195)	(189,870
Net decrease in short-term debt	(9,519)	(11,882
Net debt	(38,514)	(68,752
Total used for Financing activities	(110,674)	(131,378
Cash Used in Discontinued Operations	-	(13,841
Effect of exchange rate on cash and cash equivalents	(515)	(400
Decrease in cash and cash equivalents	(636)	(1,182
Cash and cash equivalents at beginning of period	3,245	16,195
Cash and cash equivalents at end of period	$2,609	$15,013
Detail of Cash Provided by (Used for) Operating Activities		
Working capital:		
Accounts receivable	$(23,484)	$ 7,322
Inventories	19,034	20,776
Other current assets	(1,381)	6,601
Accounts payable	5,351	2,705
Accrued liabilities	(10,626)	(22,028
U.S. and foreign taxes on income	(2,939)	(1,136
Total	$(14,136)	$14,240
Supplemental disclosure of cash flow information:		
Interest paid	$17,493	$22,559
Income taxes paid	57,951	48,120

See Notes to Consolidated Financial Statements

</TABLE>

<PAGE>

Part I - Financial Information (Cont'd.

Notes to Consolidated Financial Statements (Unaudited)

<TABLE>

1. The accompanying unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial reporting and the instructions to Form 10-Q and, therefore reflect all adjustments which are, in the opinion of management, necessary for a fair statement of the results for the interim period presented. Certain prior period amounts have been reclassified to conform to the 2000 presentation.

The Company began reporting its former Huttig Building Products subsidiary, which was spun-off in December of 1999, as a discontinued operation in the third quarter of 1999. In this accounting treatment, the total net assets of Huttig are shown on the balance sheet as "Net Assets of Discontinued Operations", and on the statement of operations only the net income of Huttig is shown, as "Income from Discontinued Operations".

These interim consolidated financial statements should be read in conjunction with the Consolidated Financial Statements and Notes to

Consolidated Financial Statements in the Company's Annual Report on Form 10-K for the year ended December 31, 1999.

2. Net Sales, gross profit and operating profit by segment are as follows:

<CAPTION>

<S>	Three Months Ended September 30, 2000 <C>	Three Months Ended September 30, 1999 <C>	Nine Months Ended September 30, [illegible] <C>	Nine Months Ended September 30, 1999 <C>
(In Thousands)				
Net Sales:				
Engineered Materials	$ [illegible]	$ [illegible]	$ [illegible]	$ 275,168
Merchandising	54,123	50,089	1[illegible]7,426	151,036
Aerospace	84,475	89,833	[illegible]	282,708
Fluid Handling	114,791	122,452	3[illegible],309	383,401
Crane Controls	29,364	30,115	[illegible],537	91,261
Other	-	3,149	-	9,669
Intersegment Elimination	[illegible]	(1,169)	([illegible])	(3,736)
Total	$363,190	$384,193	$1,1[illegible]	$1,[illegible]
Gross Profit:				
Engineered Materials	$ 17,741	$ 22,471	$ 66,630	$ 70,481
Merchandising	16,593	19,[illegible]	[illegible],365	58,369
Aerospace	36,176	33,397	[illegible]	123,414
Fluid Handling	[illegible]	[illegible]	[illegible]	72,164
Crane Controls	[illegible]	8,921	[illegible]	29,645
Other	-	[illegible]	-	1,036
Corporate	[illegible]	[illegible]	[illegible]	([illegible])
Total	$[illegible]	$[illegible]	$[illegible]	$354,425

</TABLE>

<PAGE>

Part I - Financial Information (Cont'd.)

Notes to Consolidated Financial Statements (Unaudited)

<TABLE>
<CAPTION>

<S>	Three Months Ended September 30, [illegible] <C>	Three Months Ended September 30, 1999 <C>	Nine Months Ended September 30, [illegible] <C>	Nine Months Ended September 30, 1999 <C>
(In Thousands)				
Operating Profit (Loss):				
Engineered Materials	$[illegible]	$[illegible]	$ [illegible]	$ [illegible]
Merchandising	6,428	[illegible]	24,994	[illegible]
Aerospace	[illegible],393	16,246	61,616	[illegible],166
Fluid Handling	6,282	(3,913)	23,730	6,137
Crane Controls	[illegible]	[illegible]	([illegible])	[illegible]
Other	-	([illegible])	-	(435)
Corporate	([illegible])	([illegible])	([illegible])	([illegible])
Intersegment Elimination	[illegible]	[illegible]	[illegible]	[illegible]

Total	$37,668	$32,32[illegible]	$140,569	$142,715
	=======	=======	========	========

</TABLE>

3. Inventories

Inventories are stated at the lower of cost or market, principally on the last-in, first-out (LIFO) method of inventory valuation. Replacement cost would be higher by $22.3 million at September 30, 2000, $27.5 million at September 30, 1999, and $23.1 million at December 31, 1999.

4. Intangibles

Intangible assets are amortized on a straight-line basis over their estimated useful lives, which range from five to twenty years. Accumulated amortization was $24.8 million at September 30, 2000, $21.1 million at September 30, 1999 and $22.0 million at December 31, 1999

5. Cost in Excess of Net Assets Acquired

Cost in excess of net assets acquired is amortized on a straight-line basis principally over 15 to 40 years. Accumulated amortization was $72.7 million at September 30, 2000, $[illegible] million at September 30, 1999 and $60.1 million at December 31, 1999. In March of 2000, Streamware Corporation was acquired. The cost in excess of net assets resulting from this acquisition will be amortized over 15 years using the straight-line method.

6. Miscellaneous Net

Included in this caption is a pre-tax gain from the sale of investments of $23.4 million and $2.6 million for the nine months ended September 30, 2000 and 1999, respectively.

7. Total comprehensive income for the three and nine-month periods ended September 30, 2000 and 1999 was as follows:

<TABLE>
<CAPTION>

(In thousands)	Three Months Ended September 30, 2000	Three Months Ended September 30, 1999	Nine Months Ended September 30, 2000	Nine Months Ended September 30, 1999
<S>	<C>	<C>	<C>	<C>
Net Income	$[illegible]	$22,355	$96,894	$95,[illegible]
Foreign currency translation adjustments	5,11[illegible]	3,402	(11,190)	[illegible]
Comprehensive Income	$16,[illegible]	$25,757	$85,704	$94,[illegible]

</TABLE>

<PAGE>

Part I - Financial Information Cont'd.

Notes to Consolidated Financial Statements (Unaudited)

8. Special Charges

The pre-tax special charges of $3[illegible] million taken in 1999 were principally for a series of actions to reduce the fixed cost base in Engineered Materials, Aerospace, Fluid Handling and Controls by closing or consolidating facilities, reducing staff, rationalizing product lines and for other unusual items. In total, five manufacturing facilities have been closed or ceased production. A summary of the liability balances included in accrued liabilities relating to severance and facility closure costs at September 30, 2000 is as follows:

<TABLE>
<CAPTION>

(In thousands,	Liability Balance at December 31, 1999	Deductions	Liability Balance at September 30, 2000
<S>	<C>	<C>	<C>
Severance costs	$1,327	$1,327	$ -
Facility closure costs	1,695	1,695	-
Total	$3,022	$3,022	$ -

</TABLE>

Part I - Financial Information (Cont'd)

Item 2. Management's Discussion and Analysis of Financial Condition

and Results of Operations

Three Months Ended September 30, 2000

This 10Q may contain forward-looking statements as defined by the Private Securities Litigation Reform Act of 1995. These statements present management's expectations, beliefs, plans and objectives regarding future financial performance, and assumptions or judgments concerning such performance. Any discussions contained in this 10-Q, except to the extent that they contain historical facts, are forward-looking and accordingly involve estimates, assumptions, judgments and uncertainties. There are a number of factors that could cause actual results or outcomes to differ materially from those addressed in the forward-looking statements. Such factors are detailed in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1999 filed with the Securities and Exchange Commission.

Results from Operations

Third Quarter of 2000 Compared to Third Quarter of 1999

Income from continuing operations for the third quarter was $21.4 million, or $.35 per diluted share outstanding, compared with $16.3 million, or $.27 per diluted share outstanding for the third quarter of 1999 after special charges of $18.4 million pre-tax, $11.9 million after-tax or $.19 per diluted share outstanding in the third quarter of 1999 .

<PAGE>

Part I - Financial Information (Cont'd)
Item 2. Management's Discussion and Analysis of Financial Condition

and Results of Operations

Three Months Ended September 30, 2000

Operating profit for the third quarter was $37.7 million on sales of $363.2

million compared with $32.3 million (after special charges of $18.4 million in the third quarter of 1999) on sales of $384.2 million in 1999. Operating profit margins were 10.4% for the third quarter 2000 compared with 8.4 in the third quarter 1999 (after special charges). Orders received during the third quarter 2000 increased over the orders received during the third quarter 1999 by $8.2 million, or 2%, to $394.7 million. Net sales from domestic businesses were 74% of total net sales in 2000 compared with 73% in the same three-month period of 1999. Operating profit from domestic businesses was 85% and 91% (after special charges) of total operating profit for 2000 and 1999, respectively. Operating profit margins for domestic businesses were 11.4% in 2000 compared with 10.1% in 1999 (after special charges). Operating profit margins for non-US businesses were 5.9% in 2000 versus 2.7% in 1999 (after special charges).

Engineered Materials sales decreased by $8.4 million, or 9%, to $81.4 million for the third quarter of 2000 compared with the third quarter of 1999. Operating profit decreased $5.0 million, or 34%, to $9.8 million in 2000 versus $14.8 million in 1999 (after special charges of $.7 million in the third quarter of 1999). Operating profit margins for the segment declined to 12.0% compared with 16.5% in 1999 (after special charges). The decrease in results was driven by Kemlite, which experienced a sales decline of $ 9.8 million, or 16%, to $51.0 million and an operating profit decline of $4.6 million, or 36%, to $8.1 million for the quarter compared with the third quarter of 1999. Kemlite continues to be adversely affected by the downturn in the transportation and recreational vehicle markets and increased raw material costs. Order backlog decreased by $5.5 million to $15.6 million from September 30, 1999.

Merchandising Systems sales increased by $3.9 million, or 8%, to $54.0 million for the third quarter of 2000 compared with the third quarter of 1999. Operating profit decreased $3.6 million, or 36%, to $6.4 million in 2000 versus $10.0 million in 1999. Operating profit margins for the segment were 11.9% in 2000 compared with 20.0% in 1999. National Vendors' sales increased $5.7 million, or 15%, to $44.5 million, with the 1999 Stentorfield acquisition contributing $7.9 million of this increase. National Vendors' operating profit decreased $3.1 million, or 40%, to $4.7 million. National Vendors' operating profit was impacted by costs associated with production inefficiencies and the weakened euro and British pound. NRI's (Germany) sales decreased by $1.8 million, or 16%, to $9.5 million and operating profit decreased $.5 million, or 21%, to $1.9 million due to unfavorable U.S. dollar-to-euro exchange rates and delayed demand for euro-based coin validators. Order backlog increased by $12.5 million to $30.9 million from September 30, 1999.

Aerospace sales decreased by $5.4 million, or 6%, to $84.5 million for the third quarter of 2000 compared with the third quarter of 1999. Operating profit increased $3.1 million, or 19%, to $19.4 million in 2000 versus $16.2 million in 1999 (after special charges of $6.7 million in the third quarter of 1999). Operating profit margins for the segment were 23.0 compared with 18.1% in 1999 (after special charges). Results were affected by lower sales volume in the commercial aerospace market and Interpoint's power market. Interpoint is experiencing production delays due to a customer-supplied design and shortages of key electronic components. The overall stabilization of the aerospace markets served by this segment is evidenced by the $45.9 million increase in order backlog from September 30, 1999, to $297.8 million. ELDEC and Interpoint contributed $31.3 million and $14.9 million of the increase, respectively.

<PAGE>

Part I - Financial Information (Cont'd)
Item 2. Management's Discussion and Analysis of Financial Condition

and Results of Operations

Three Months Ended September 30, 2000

Fluid Handling sales declined $7.7 million, or 6%, to $114.8 million for the third quarter of 2000 compared with the third quarter of 1999. Operating profit increased $10.2 million to $6.3 million in 2000 versus a $3.9 million loss in 1999 (after special charges of $8.9 million in the third quarter of 1999). Operating profit margins improved to 5.5% compared with (3.2%) in 1999 (after special charges). On a comparable basis, Commercial Valves' operating profit improved by $1.5 million to $1.1 million on a $6.3 million, or a 20%, sales reduction to $25.5 million. Engineered Valves' operating profit, on a comparable basis, increased $2.0 million to $1.7 million on a $4.1 million increase in sales to $27.3 million as the result of increased shipments of high-margin pressure-seal valves to the power generation market. The segment's backlog decreased by $2.7 million to $37.7 million from September 30, 1999.

Controls sales decreased $.8 million, or 2%, to $28.4 million for the third quarter of 2000 compared with the third quarter of 1999. Operating loss increased $.3 million to a $.9 million loss in 2000 versus $.6 million loss in 1999 (after special charges of $1.6 million in the third quarter of 1999). Operating profit margins were (3.2%) versus (2.1%) in 1999 (after special charges). The bulk of the operating loss increase resulted from continuing operational inefficiencies at Ferguson following consolidation of manufacturing at its St. Louis facility. Order backlog decreased by $2.1 million to $27.6 million from September 30, 1999.

Nine Months Ended September 30, 2000 Compared to Nine Months Ended September 30,1999

For the nine months ended September 30, 2000, income from continuing operations was $96.9 million, or $1.57 per diluted share outstanding, compared with $86.9 million, or $1.27 per diluted share outstanding for the nine months ended September 1999 after special charges of $18.4 million pre-tax, $11.9 million after-tax or $.18 per diluted share outstanding in the nine months ended September 30, 1999). Included in the results for the nine-month period ended September 30, 2000 were a non-operating gain from the sale of an investment and non-operating expenses accounting for $.16 per diluted share as compared to a non-operating gain of $.03 per diluted share for the nine months ended September 30,1999. Operating profit for the nine months ended September 30, 2000, was $140.6 million on sales of $1.135 billion compared with $142.7 million (after special charges) on sales of $1.190 billion in 1999. Operating profit margins for the nine months ended September 30, 2000, were 12.4% compared with 12.0% for the nine months ended September 30, 1999 (after special charges).

Orders continued to increase, improving by $54.8 million, or 5%, to $1.215 billion during the nine-month period ended September 30, 2000 over the same period a year ago. Net sales from domestic businesses were 75% of total net sales in 2000 compared with 74% in the same nine-month period of 1999. Operating profit from domestic businesses was 87% and 91% after special charges, of total operating profit for 2000 and 1999, respectively. Operating profit margins for domestic businesses were 13.9% in 2000 compared with 14.6% in 1999 (after special charges). Operating profit margins for non-US businesses were 6.1% in 2000 versus 3.5% (after special charges in 1999.

<PAGE>

Part I - Financial Information Cont'd

Item 2. Management's Discussion and Analysis of Financial Condition

and Results of Operations

Nine Months Ended September 30, 2000

Engineered Materials sales decreased by 1%, or $4.2 million, to $271.0 million versus the same nine-month period in 1999. Gross profit decreased 5% to $66.6 million for the nine-month period compared with 1999 (after special charges). Operating profit decreased 11%, or $4.8 million, to $41.2 million (after special charges of $.7 million in the third quarter of 1999). Operating profit margins for the segment decreased to 15.1% of sales compared to 16.8% in 1999 (after special charges), as a result of lower shipments at Kemlite and higher material costs at Plumbing, Kemlite and Resistoflex, which offset improvement in operating margins at Cortec.

Merchandising Systems sales increased 11%, or $16.4 million, to $167.4 million for the nine-month period compared with the same period in 1999. Gross profit decreased 3% to $56.4 million versus 1999. Operating profit decreased 19%, or $5.8 million, to $25.0 million. Operating profit margins were 14.9% in 2000 compared with 20.4% in 1999, due to a brief strike during the first quarter at National Vendors' St. Louis facility, higher shipping costs, lower results in Europe and a favorable legal settlement of $1.5 million in 1999. In addition, results in 2000 include costs related to National Vendors' acquisition of Streamware Corporation in late March. National Vendors' sales increased $21.5 million, with the 1999 Stentorfield acquisition contributing $20.7 million of the sales increase. NRI sales decreased 15%, or $5.1 million, due to an unfavorable U.S. dollar to Euro exchange rate, and operating profit decreased 6%, or $.4 million, due to the lower sales volume.

Aerospace sales decreased by [illegible], or $[illegible] million, to $[illegible] million compared with 1999. Gross profit decreased [illegible] to $111.9 million versus the same nine-month period of 1999 (after special charges). Operating profit decreased 13%, or $9.5 million, to $61.6 million (after special charges of $6.8 million in the third quarter of 1999). Operating profit margins were 24.1% compared to 25.2% in 1999 (after special charges). Sales were lower due to a slowdown in the commercial transport aerospace market that began in the second half of 1999 and lower shipments of standard and custom products at Interpoint. Operating profit at ELDEC and Hydro-Aire was negatively impacted by lower commercial OEM and aftermarket spares revenues while Interpoint's operating profit declined compared with 1999 due to lower revenues.

Fluid Handling sales declined 9%, or $34.1 million, to $349.3 million for the nine-month period compared with the same period in 1999. Gross profit increased 16% to $84.0 million versus 1999 (after special charges). Operating profit increased $17.6 million, to $23.8 million in 2000 (after special charges of $8.9 million in the third quarter of 1999). Operating profit margins for the segment improved to 6.8% of sales compared to 1.6% in 1999 partially as a result of the special charges and related actions taken in 1999. On a comparable basis, Commercial Valves operating profit improved by $[illegible].4 million on a 15%, or $14.1 million, sales reduction as this business returned to profitability and operating margins improved to [illegible]. The sales decline resulted principally from increased discipline in pricing and order acceptance. Pumps sales increased by $.9 million, resulting in increased operating profit of $.1 million, while Crane Supply's operating profit increased by 1[illegible]%, or $.[illegible] million, on a comparable basis, on a [illegible]% decrease in sales, due to cost efficiencies. Valve Services' shipments decreased by $11.[illegible] million and operating profit decreased by $.6 million due to a decline in nuclear services as a result of fewer extended shutdowns and outages. Engineered Valves' operating profit increased $1.2 million on a $5.8 million decrease in sales, on a comparable basis, as the result of increased shipments of

<PAGE>

Part I - Financial Information (Cont'd)
Item 2. Management's Discussion and Analysis of Financial Condition

and Results of Operations

Nine Months Ended September 30, 2000

higher-margin pressure seal valves to the power generation market and the closure of a steel valve facility in the U.K, partially offset by lower quarter-turn valve shipments.

Controls sales increased 3%, or $2.3 million, to $93.6 million for the nine months ended September 30, 2000 versus the same period in 1999. Gross profit decreased 7% to $27.7 million in 2000 compared with 1999 after special charges). Operating profit decreased $2.4 million, to a loss of $1.2 million (after special charges . Operating profit/loss margins declined to (1.3%) versus 1.3% in 1999(after special charges . Dynalco and Azonix achieved higher operating profit, which was more than offset by declines at Ferguson resulting from production problems caused by the integration of its Greenwood, Mississippi production into its St. Louis facility.

Liquidity and Capital Resources

For the nine-month period ended September 30, 2000, the Company generated $93.7 million of cash from operating activities, versus $154.2 million in 1999. Net debt totaled 30.8% of capital at September 30, 2000 compared with 32.5% at September 30,1999. The current ratio at September 30, 2000 was 2.3 with working capital totaling $279.3 million compared with 2.7 and $427.8 at September 30, 1999. The Company had unused credit lines of $451.5 million available at September 30, 2000. During the first nine months of 2000, the Company paid $60.6 million for the repurchase of 2.9 million shares of Crane common stock at an average price of $20.93 per share and $18.3 million for the payment of dividends. Debt repayment totaled $38.5 million. Average diluted shares outstanding decreased by 6.7 million from the third quarter of 1999 due to the Company's share repurchases.

The Company's cash flows and earnings are subject to fluctuations from changes in interest rates and foreign currency exchange rates. The Company manages its exposures to these market risks through internally established policies and procedures and, when deemed appropriate, through the use of interest rate swap agreements and forward exchange contracts. Of the $153.1 million in long-term debt outstanding at September 30, 2000, 78.6% was at fixed rates of interest ranging from 6.75% to 8.50%. At September 30, 2000, no interest rate swap agreements were outstanding and the amounts outstanding for forward exchange contracts were not material. The Company does not enter into derivatives or other financial instruments for trading or speculative purposes.

<PAGE>

Part I - Financial Information Cont'd
Item 2. Management's Discussion and Analysis of Financial Condition

and Results of Operations

Nine Months Ended September 30, 2000

New Accounting Pronouncements

In 1998, the Financial Accounting Standards Board FASB issued Statement No. 133, "Accounting for Derivative Instruments and Hedging Activities" (FAS 133), which establishes accounting and reporting standards for derivative instruments and hedging activities. FAS 133 requires an entity to recognize all derivatives as either assets or liabilities in the statement of financial position and measure those instruments at fair value. In June 2000, the FASB issued Statement No. 138, "Accounting for Certain Derivative Instruments and Certain Hedging Activities" (FAS 138), an amendment of FAS 133. Crane Co. historically has made limited use of derivative instruments and financial hedges to reduce its exposure to exchange rate risk on foreign source income and purchases. FAS 133 as amended under FAS 138 is effective for fiscal years beginning after December 15, 2000. The Company does not expect this statement to have a significant impact on the results of operations or financial position and related disclosure requirements.

In December 1999, the Securities and Exchange Commission staff released Staff Accounting Bulletin No.101, "Revenue Recognition in Financial Statements," (SAB 101) which provides guidance on the recognition, presentation and disclosure of revenue in financial statements. SAB 101B issued in June 2000 delayed the effective date of SAB 101 to the fourth quarter of 2000. Crane Co. is required to adopt SAB 101 in the fourth quarter of 2000 (retroactive to January 1, 2000). Management does not expect SAB 101 to have a material effect on Crane Co. financial position or results of operations and related disclosure requirements.

Part II - Other Information

Item 1. Legal Proceedings

There have been no material developments in any of the legal proceedings described in the Company's Annual Report on Form 10-K for the year ended December 31, 1999.

Item 6. Exhibits and Reports on Form 8-K

Exhibit 27. Article 5 of Regulation S-X Financial Data Schedule for the first quarter.

<PAGE>

SIGNATURES

Pursuant to the requirements 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.

CRANE CO.

REGISTRANT

Date November 7, 2000 By /s/ M. L. Raithel

M. L. Raithel
Vice President and Chief
Financial Officer

Date November 7, 2000 By /s/ T. M. Noonan

T. M. Noonan
Vice President, Controller
and Chief Tax Officer

</TEXT>
</DOCUMENT>