



27 April 2023

# Record high comparable operating profit

Cargotec's Interim Report January–March 2023

Casimir Lindholm, CEO • Mikko Puolakka, CFO  
Michel van Roozendaal, President Kalmar  
Scott Phillips, President Hiab

- Demand remained at a good level
- Strong sales development
- Comparable operating profit improved in core businesses

# Disclaimer

Although forward-looking statements contained in this presentation are based upon what management of the company believes are reasonable assumptions, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. These statements are not guarantees of future performance and undue reliance should not be placed on them. The company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws.

All the discussion topics presented during the session and in the attached material are still in the planning phase. The final impact on the personnel, for example on the duties of the existing employees, will be specified only after the legal requirements of each affected function/ country have been fulfilled in full, including possible informing and/or negotiation obligations in each function / country.



# Contents

- Q1/23 highlights
- Group level development
- Business areas
- Financials and outlook
- Q&A



# Highlights of Q1/23 – Comparable operating profit margin above 10%

**Orders received** decreased by 7%

- Demand remained at a good level

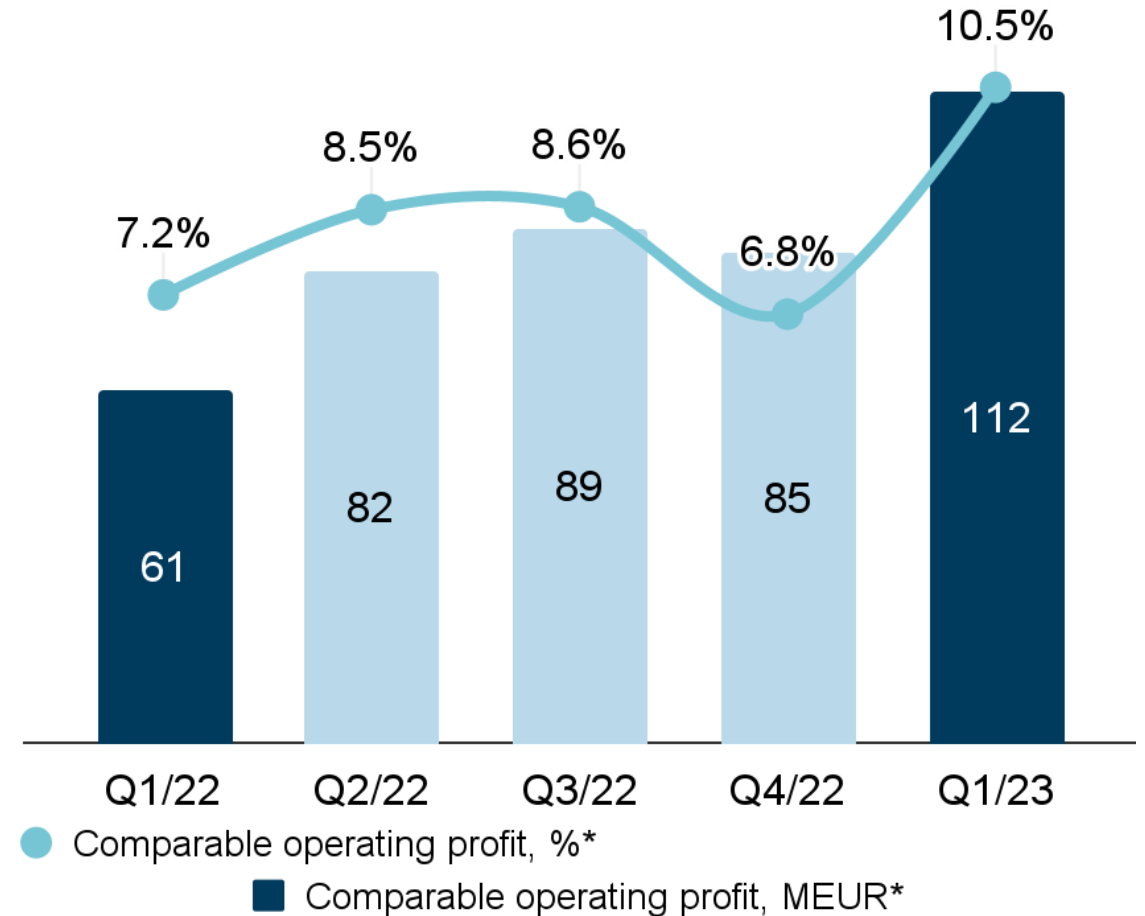
**Sales** increased by 26%

- Service sales increased by 22%
- Eco portfolio increased by 21%

**Comparable operating profit**

increased by 85%

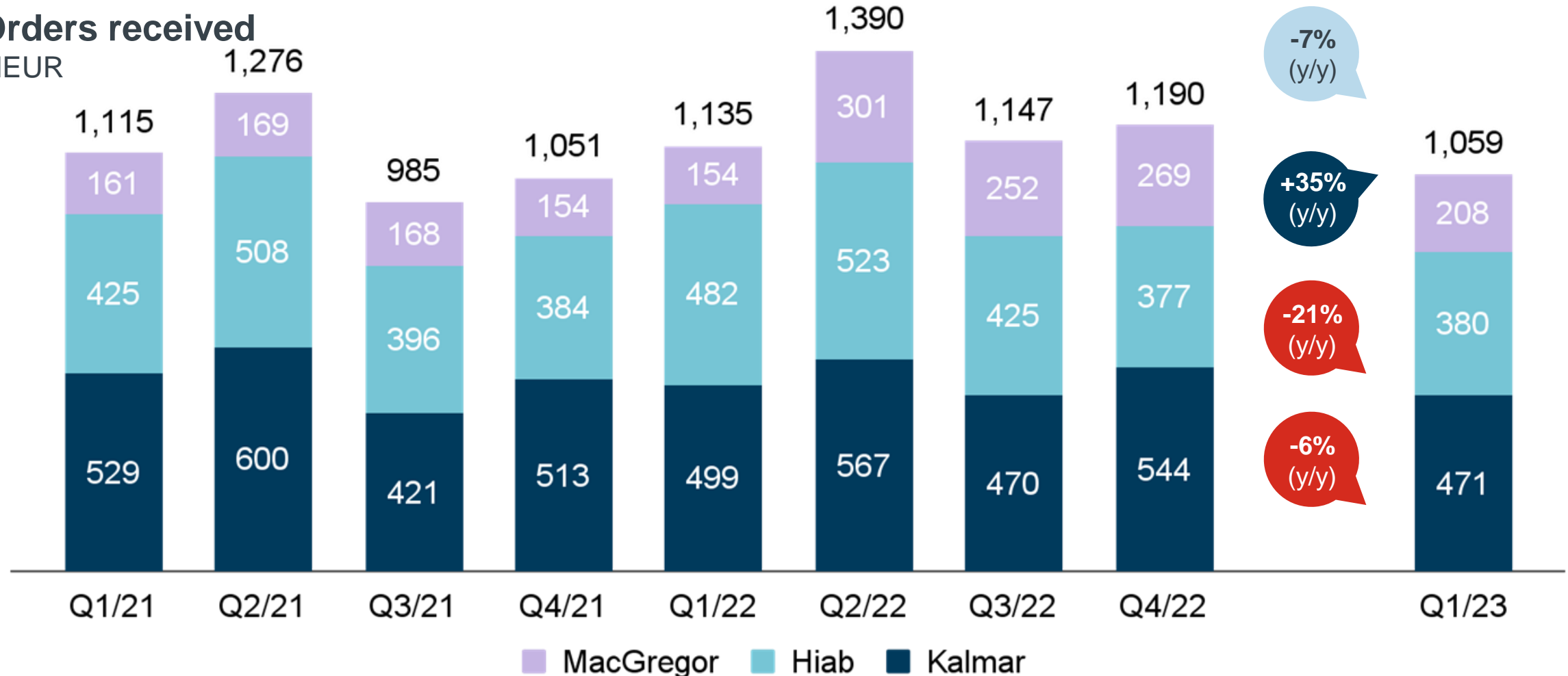
- Kalmar +35 MEUR
- Hiab +14 MEUR
- MacGregor +3 MEUR



# Orders received continued to improve in MacGregor, decreases in Kalmar and Hiab

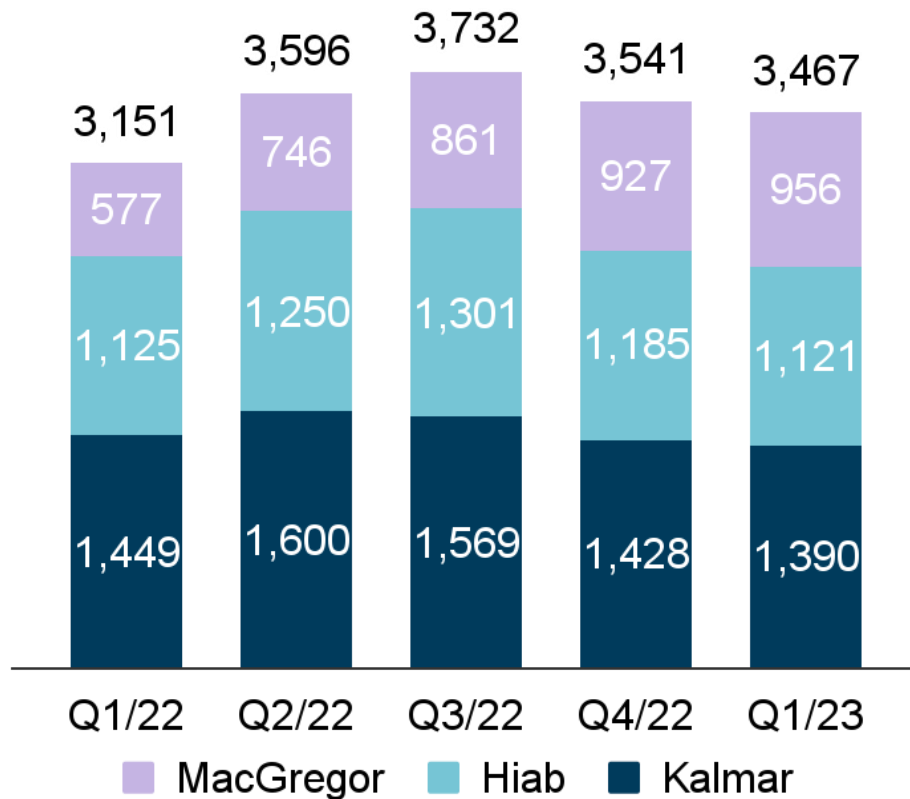
Orders received

MEUR

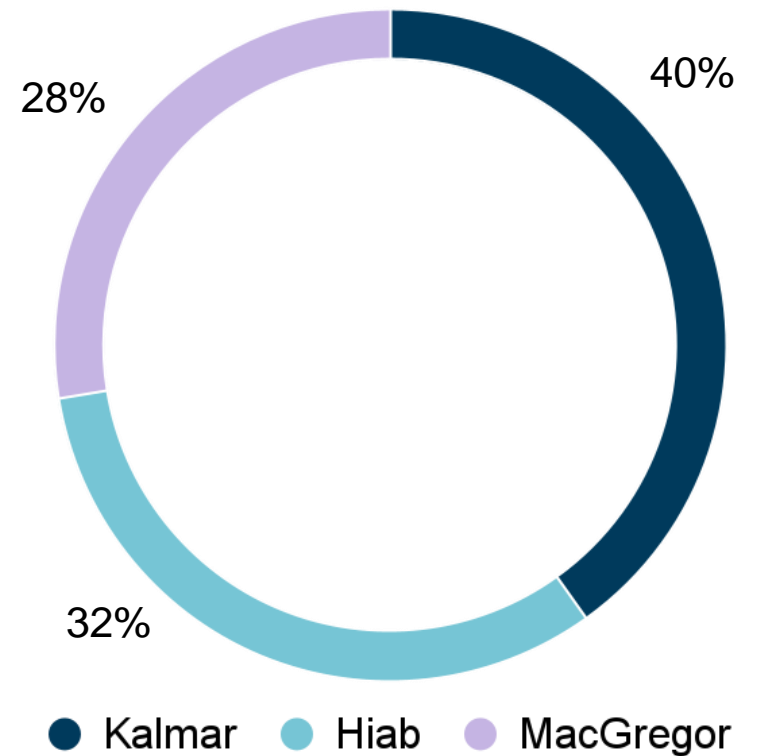


# Solid order book for 2023 in all business areas

Order book  
MEUR

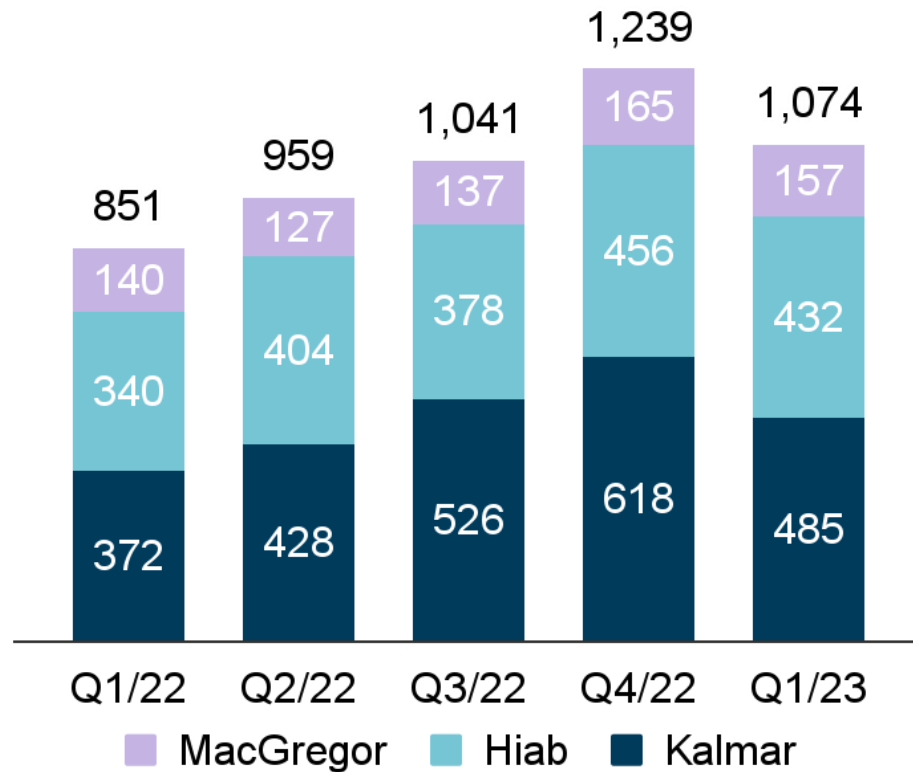


Order book by reporting  
segment, 31 March 2023

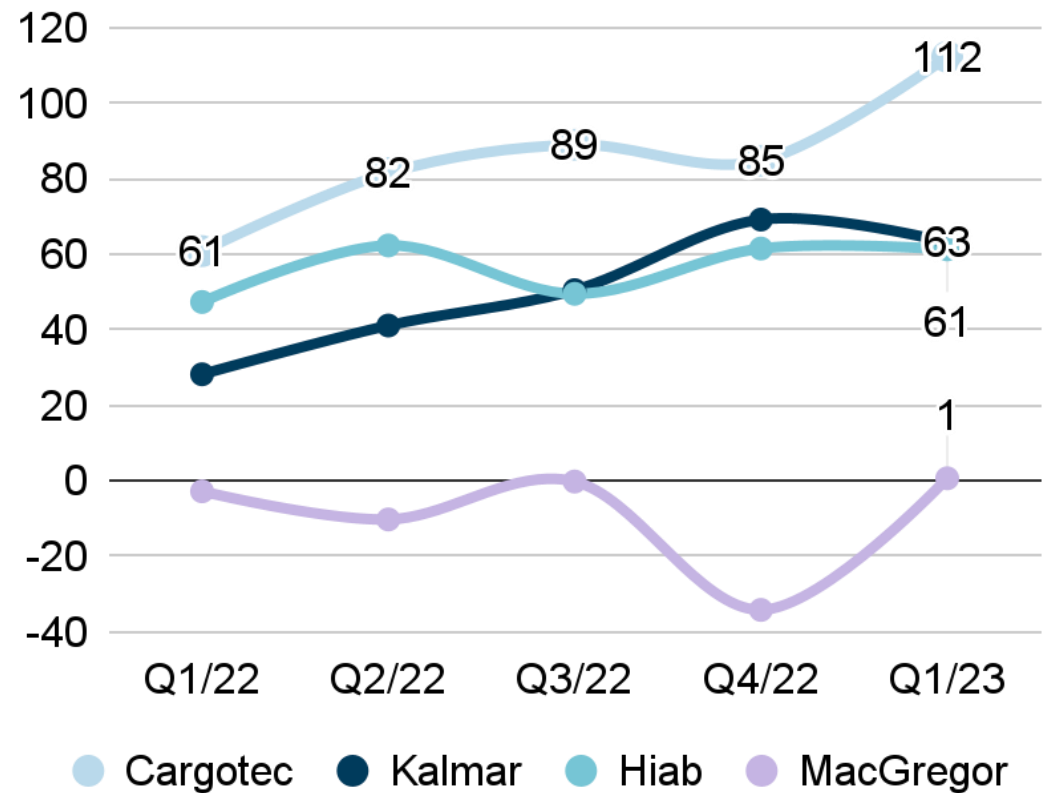


# Strong development in sales and record comparable operating profit

## Sales MEUR



## Comparable operating profit\* MEUR





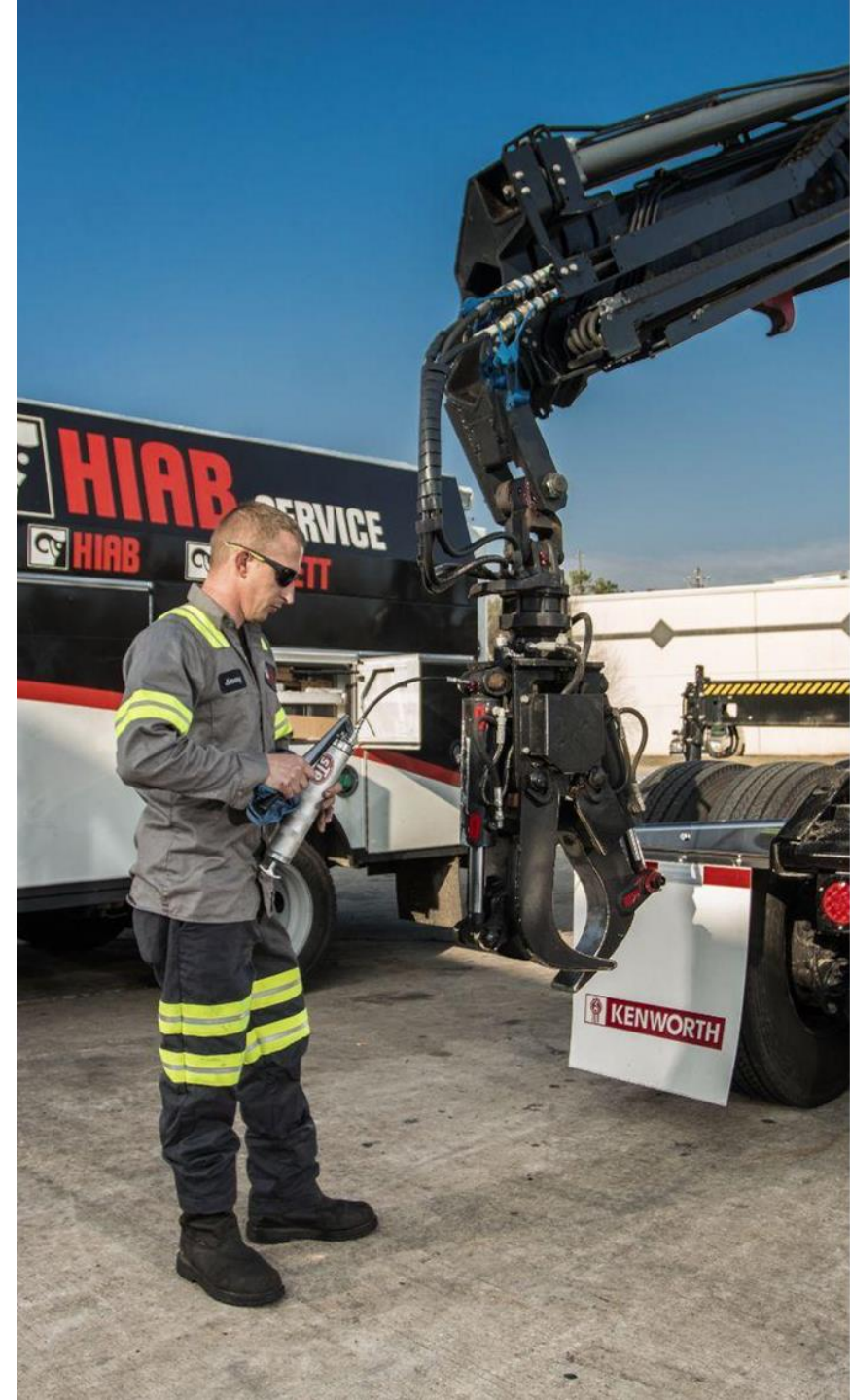
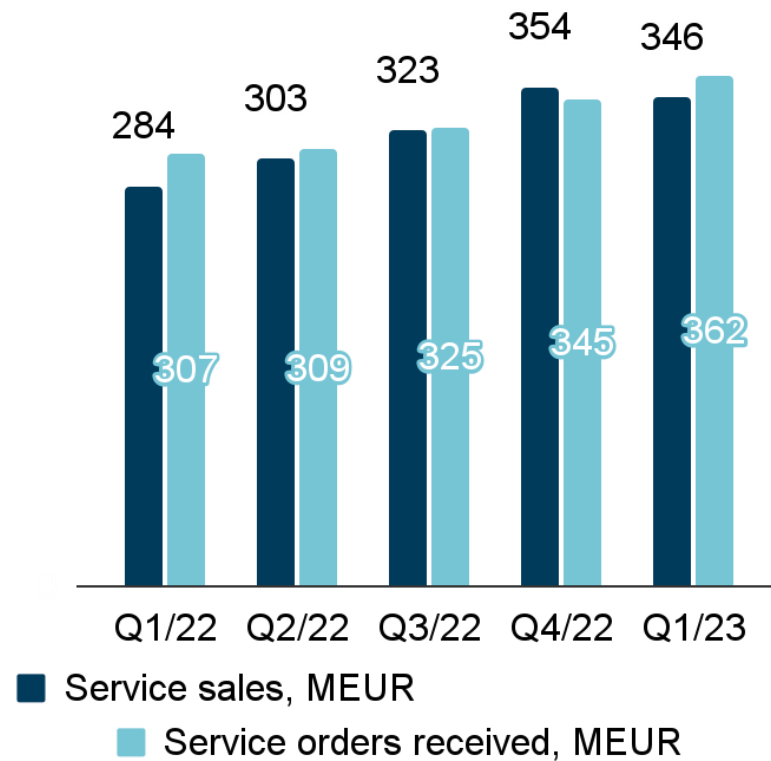
# Excellent performance in service business continued

Service orders received +18%

Service sales +22%

- Kalmar +18%
- Hiab +21%
- MacGregor +31%

Service share 32% of total sales



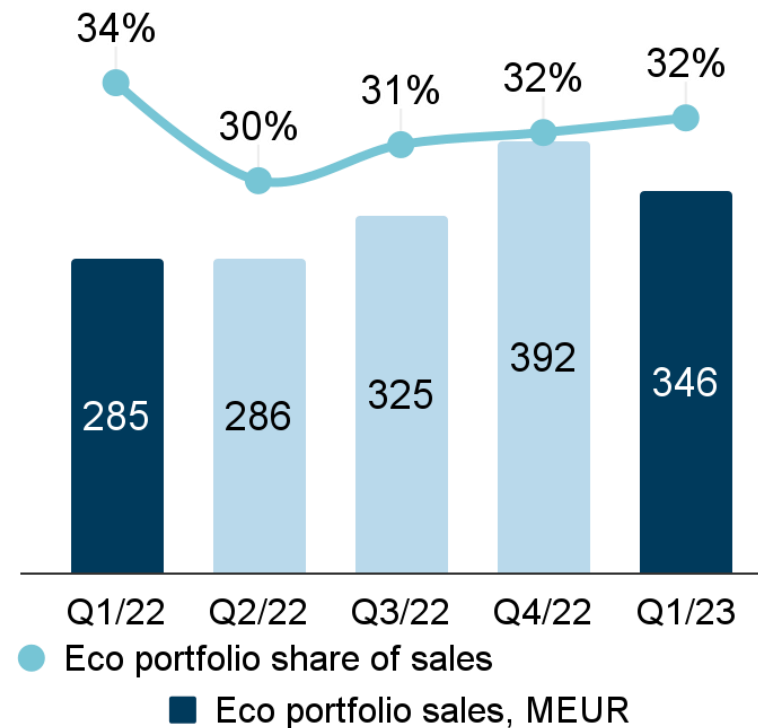


# Eco portfolio sales continued to grow

Eco portfolio sales +21%

- Increase in climate solutions and in circular solutions
- Increase in all business areas

Eco portfolio share 32% of Cargotec's total sales





# Business areas



The background image shows a port terminal. In the foreground, a red Kalmar truck is being washed with a high-pressure water hose, creating a misty spray. A worker in a high-visibility orange and blue uniform is standing to the right, holding the hose. In the background, there are large blue gantry cranes and a container with the text 'M SC TERMINAL VALENCIA' on it.

Kalmar Q1/23

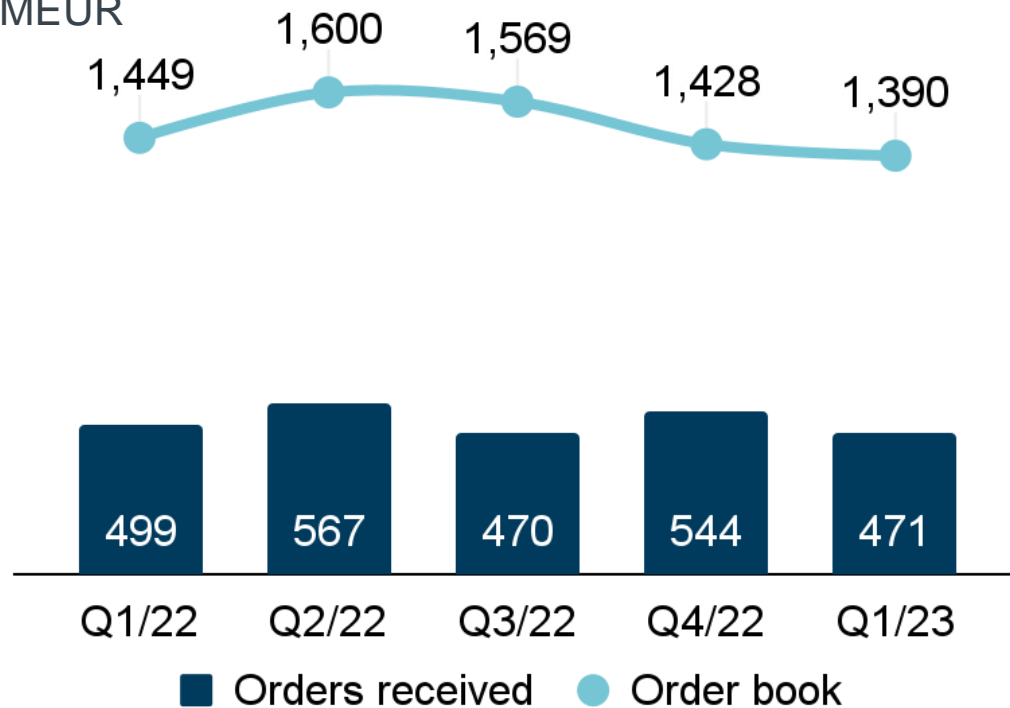
# Record comparable operating profit margin in Kalmar

- Steady demand
- Orders for the eco portfolio continued to increase
- Continued strong performance of service business



# Steady demand in Kalmar

Orders received and order book  
MEUR

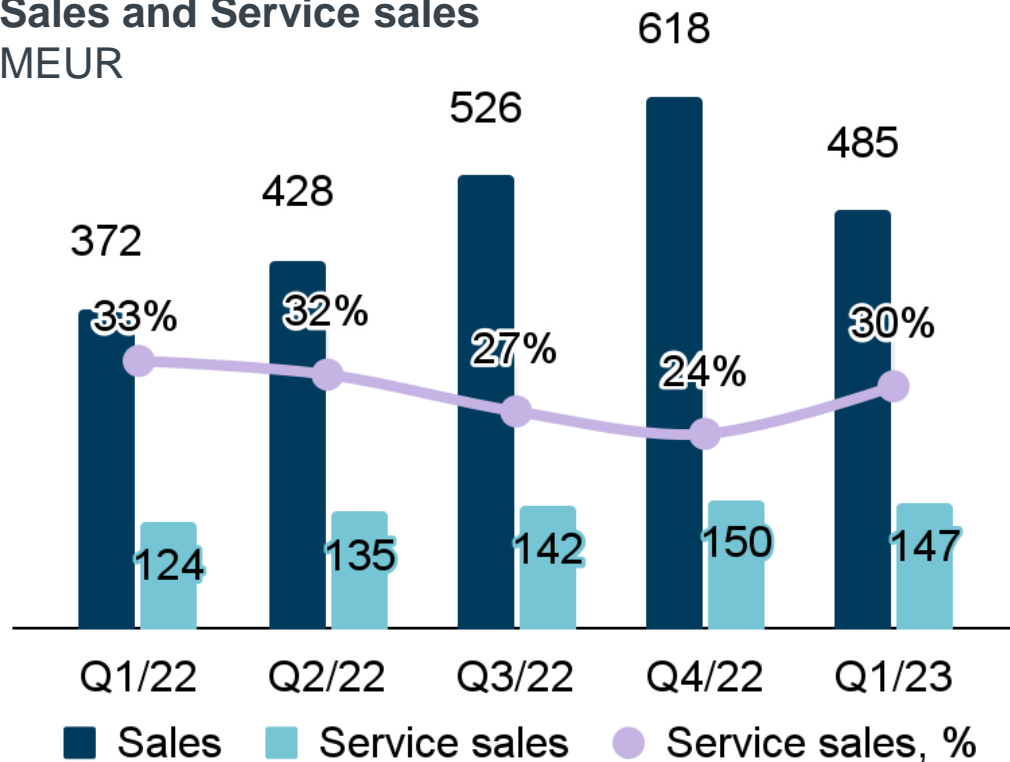


MEUR	Q1/23	Q1/22	Change
Orders received	471	499	-6%
Order book	1,390	1,449	-4%

- Decision process for larger project orders slowed down
- Service orders continued to be strong
- Order book on a solid level for 2023

# Kalmar's equipment and service sales continued to grow

Sales and Service sales  
MEUR

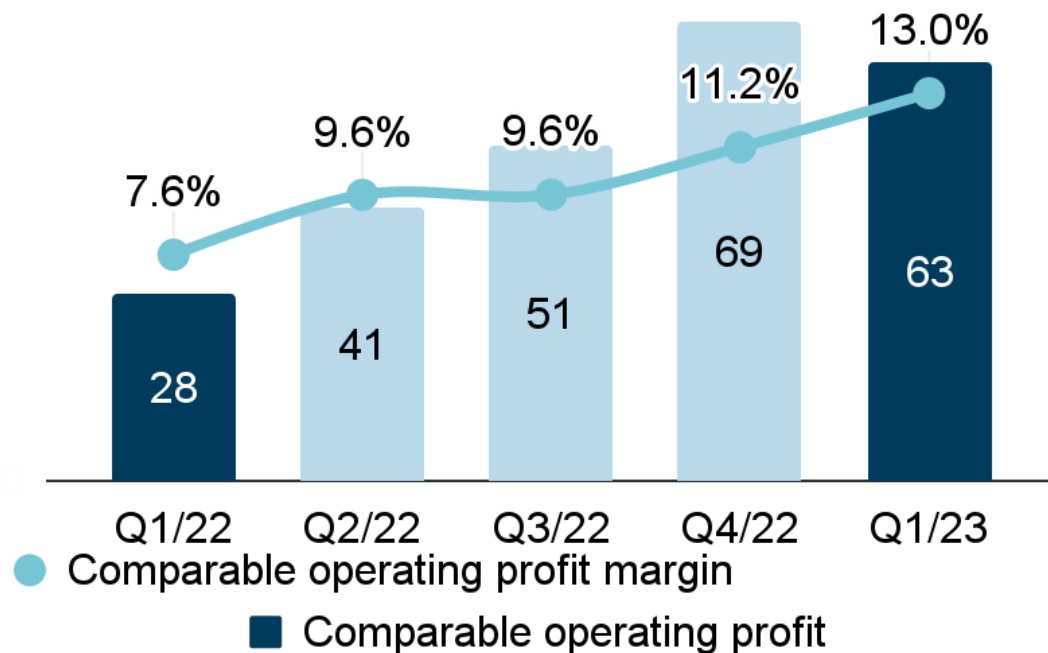


MEUR	Q1/23	Q1/22	Change
Sales	485	372	31%
Service sales	147	124	18%
Service sales, %	30%	33%	-300 bps

- Improved efficiency in supply chain management
- Persisting tightness and volatility of the component availability
- Improved spare part capture rate

# Margin expansion in Kalmar driven by continued improvements in operational excellence

Comparable operating profit  
MEUR



MEUR	Q1/23	Q1/22	Change
Comparable operating profit	63	28	>100%
Comparable operating profit margin	13.0%	7.6%	540 bps

- Higher sales
- Good management of inflationary pressures
- Heavy cranes losses EUR 4 million lower



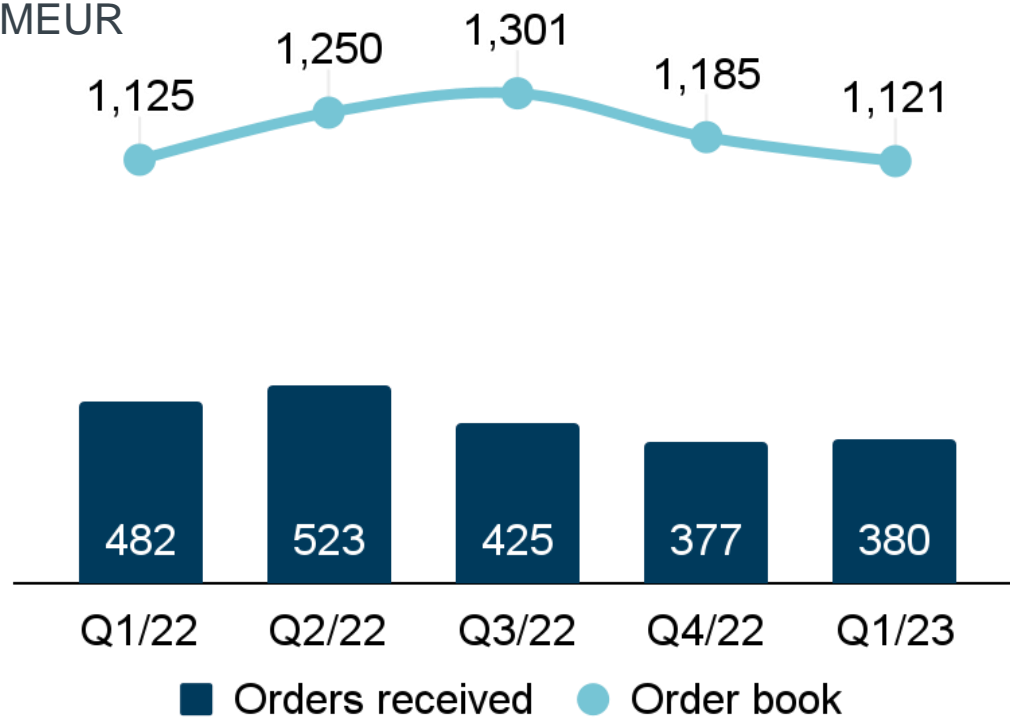
Hiab Q1/23

# Strong quarter in sales and profitability

- Underlying demand drivers remained at a good level despite decline in orders
- Excellent operational execution continued
- Services continue on a positive trajectory

# Hiab's underlying demand drivers remained at a good level

Orders received and order book  
MEUR

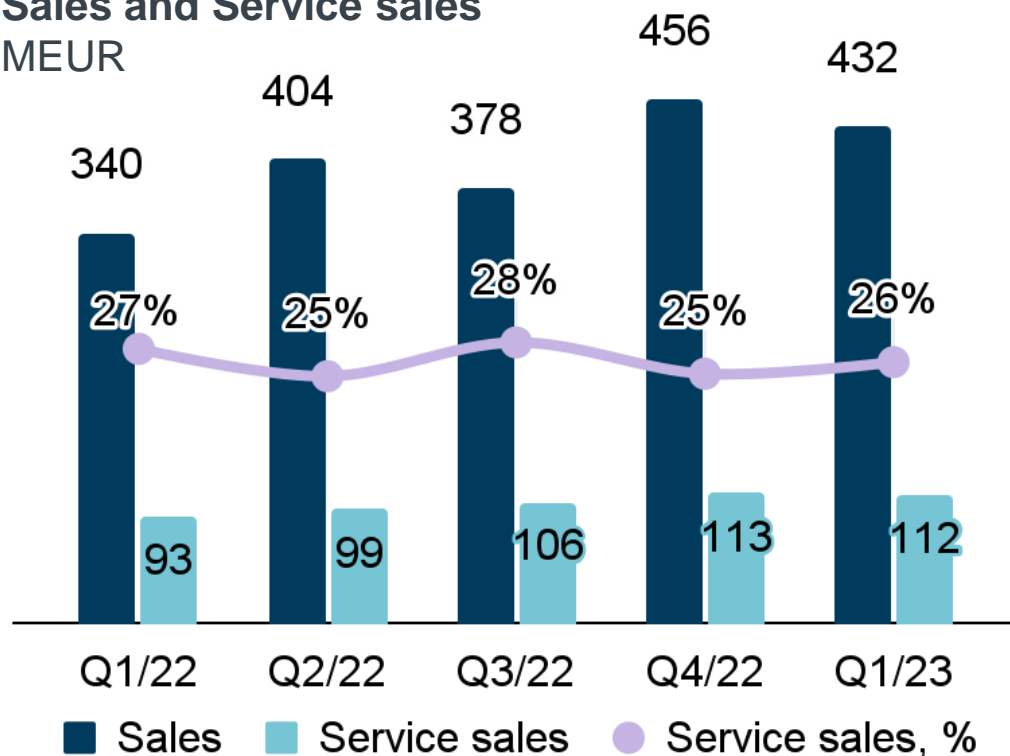


MEUR	Q1/23	Q1/22	Change
Orders received	380	482	-21%
Order book	1,121	1,125	0%

- Large orders in the comparison period
- Inflation, extended truck lead times and interest rates impacting orders received
- Order book remain strong

# Hiab's equipment and services sales continued to grow

Sales and Service sales  
MEUR



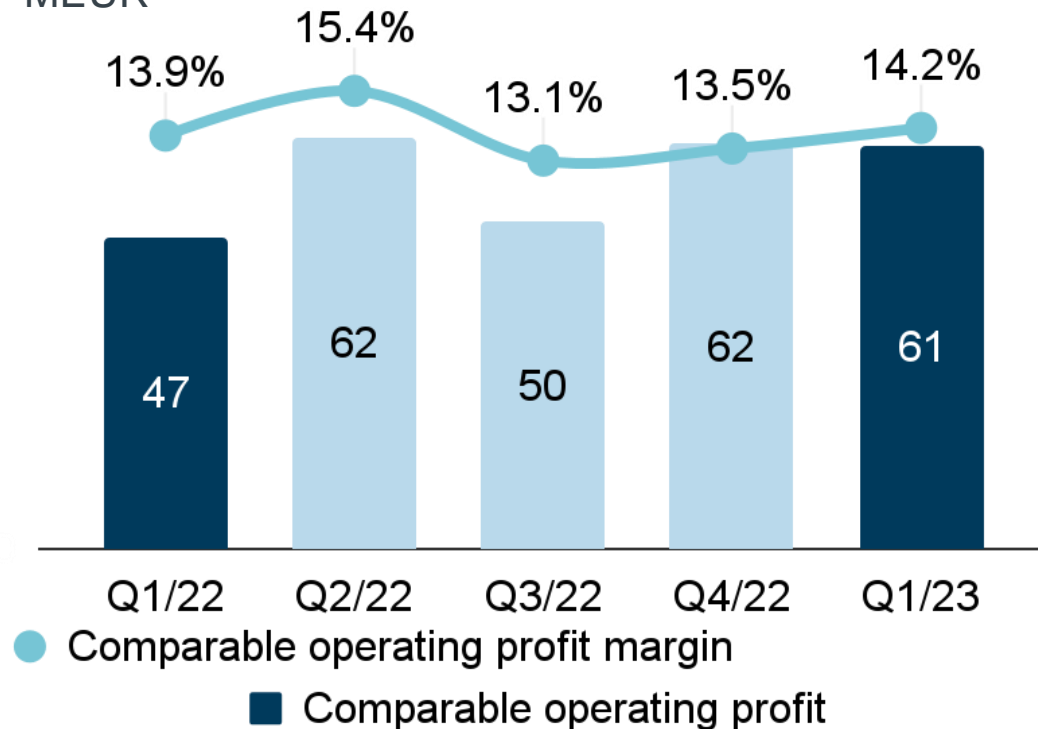
MEUR	Q1/23	Q1/22	Change
Sales	432	340	27%
Service sales	112	93	21%
Service sales, %	26%	27%	-100 bps

- Excellent operational execution
- Truck lead times limiting sales conversion



# Hiab's comparable operating profit improved driven by higher sales

Comparable operating profit  
MEUR



MEUR	Q1/23	Q1/22	Change
Comparable operating profit	61	47	29%
Comparable operating profit margin	14.2%	13.9%	30 bps

- Higher sales
- Good management of inflationary pressures and costs

# MacGregor Q1 – Positive comparable operating profit

Orders received increased

- Increase in merchant, offshore and service businesses

Sales increased by 12%

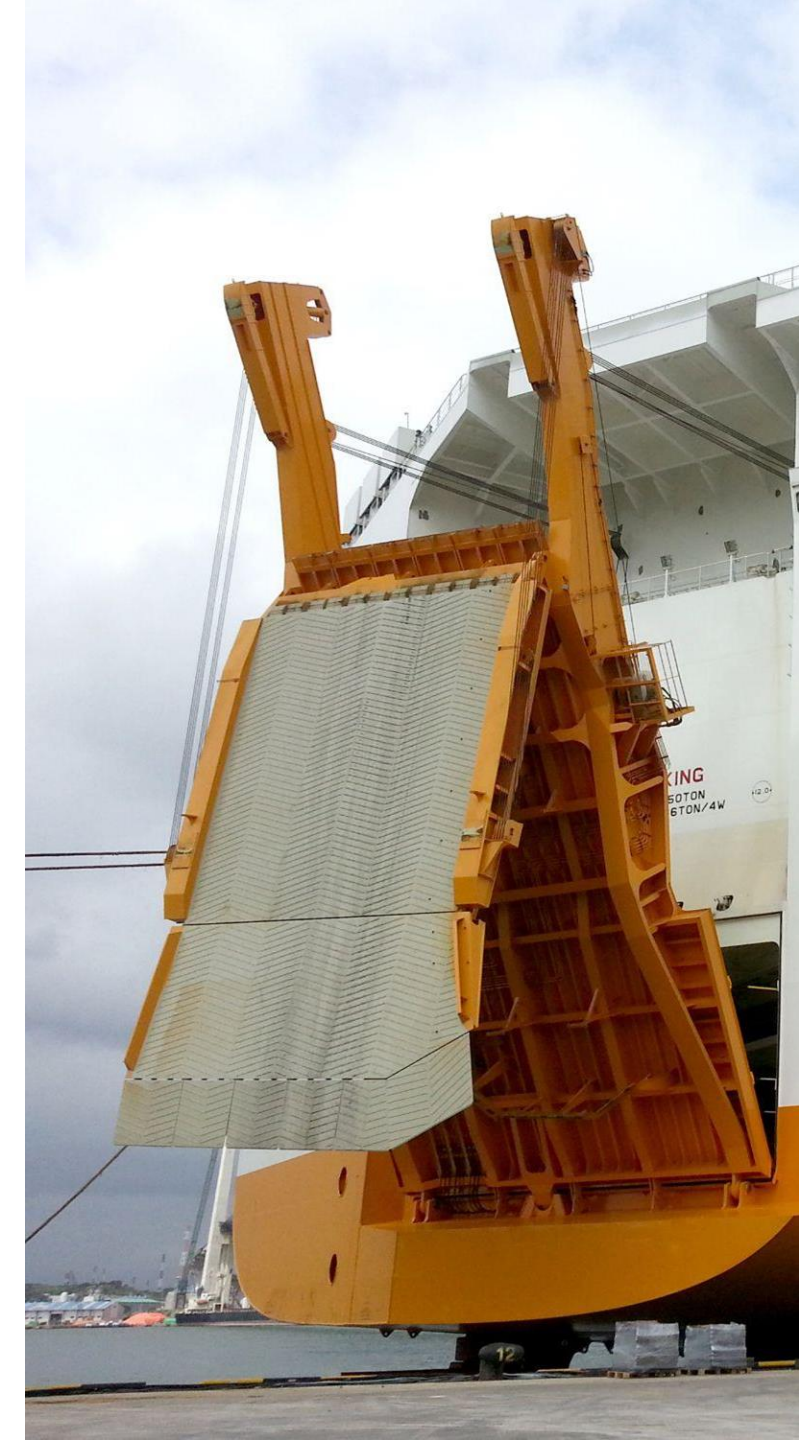
- Service sales +31%

Comparable operating profit increased

- Higher service sales

Restructuring of offshore business progressing

MEUR	Q1/23	Q1/22	Change
Orders received	208	154	35%
Order book	956	577	66%
Sales	157	140	12%
Service sales, %	56%	48%	800 bps
Comparable operating profit*	1	-3	>100%
Comparable operating profit margin	0.4%	-2.0%	240 bps







# Financials and outlook



# Financial highlights of Q1/23

**3,467**

**MEUR**

Strong  
order book

**85%**

Comparable  
operating profit  
increase

**104**

**MEUR**

Operating profit

**346**

**MEUR**

Eco portfolio sales

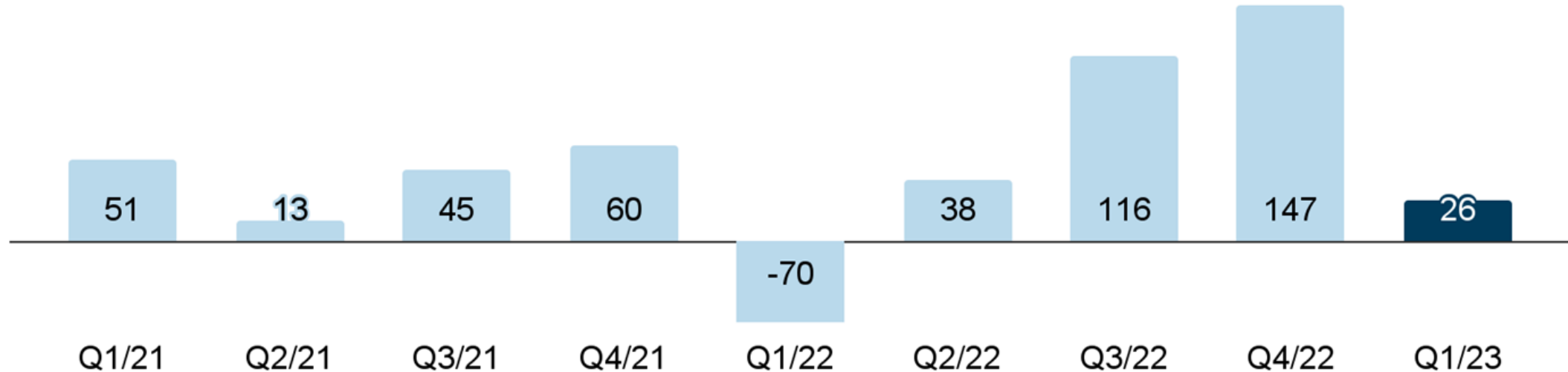
**12.4%**

Core businesses\*  
comparable  
operating profit  
margin

# Cash flow impacted by typical seasonal build up in net working capital

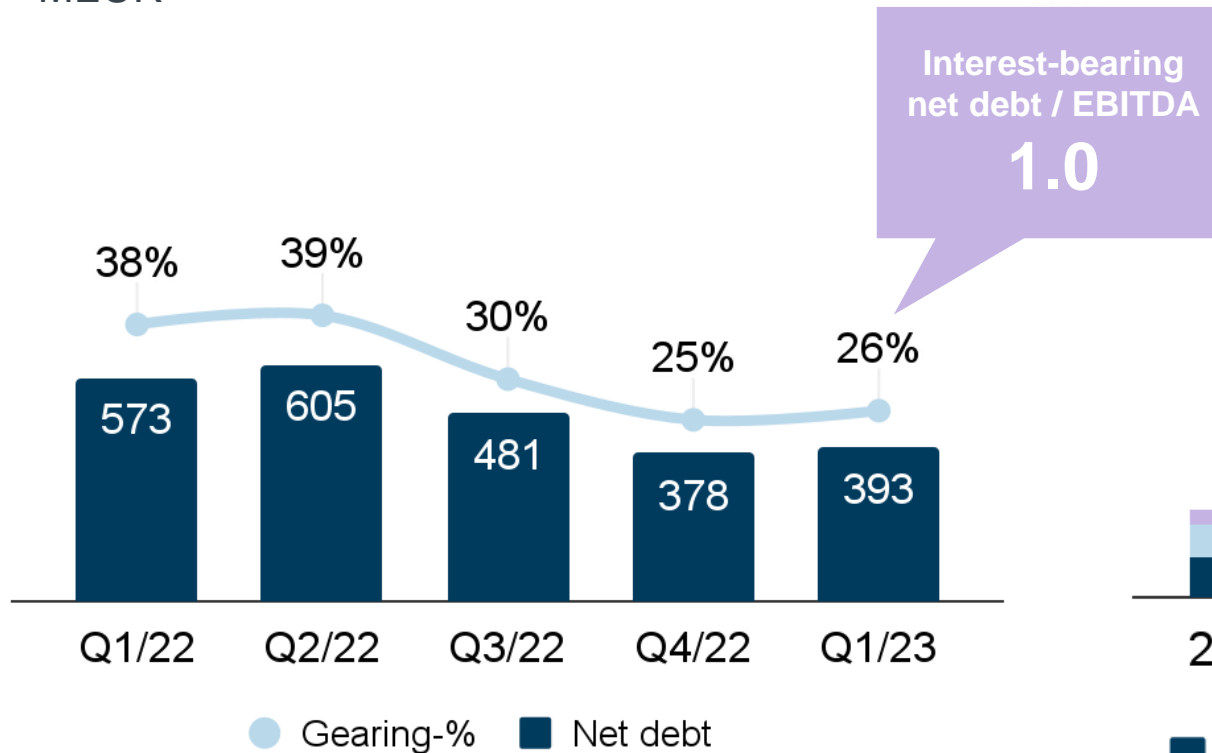
Cash flow from operations before financing items and taxes

MEUR

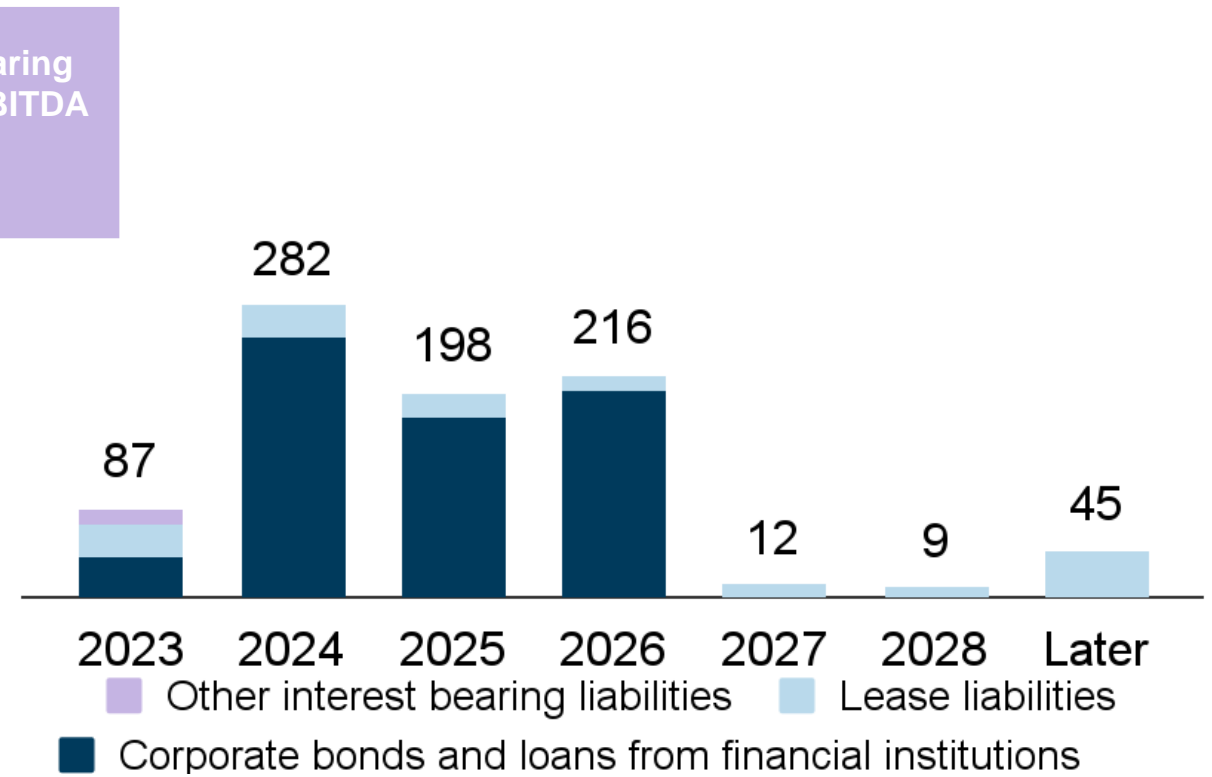


# Strong balance sheet and balanced maturity profile

Net debt & gearing  
MEUR



Maturity profile, 31 March 2023





# Outlook for 2023 unchanged

Cargotec estimates its core businesses' <sup>1</sup> 2023 comparable operating profit to improve from 2022 (EUR 384<sup>2</sup> million) and MacGregor's comparable operating profit in 2023 to be positive (EUR -47<sup>2</sup> million)<sup>3</sup>

- 1) Core businesses = Hiab + Kalmar excluding heavy port cranes and including all group costs
- 2) Cargotec changed the definition of the alternative performance measure comparable operating profit starting from 1 January 2023. The restated comparable operating profit will also include the impacts of the purchase price allocation, which amounted to EUR 4 million in the core business and EUR 12 million in MacGregor in 2022. Comparison figure has been calculated based on the new definition. Restatement for 2022 figures will be published before Q1/23 result announcement.
- 3) Cargotec's outlook for 2023 does not include the comparable operating profit of Kalmar heavy cranes business which will be discontinued









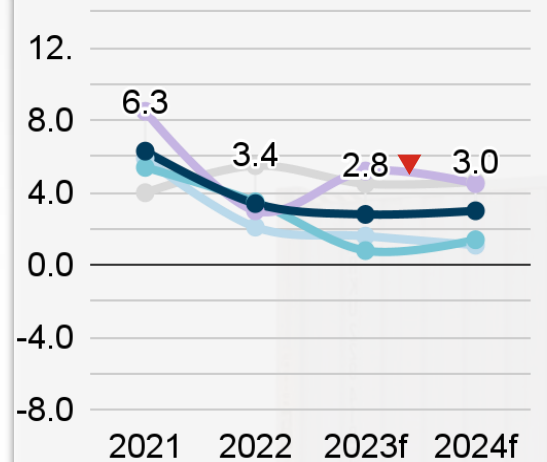
# Appendix

# Market environment

Uncertainty going forward



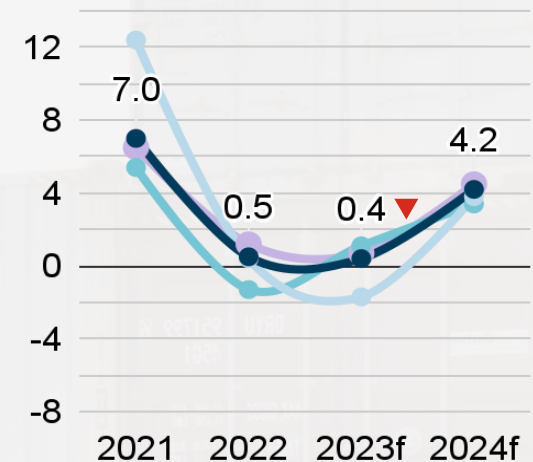
GDP growth<sup>1</sup>, %



● Global ● US ● Euro area  
● China ● ASEAN 5\*

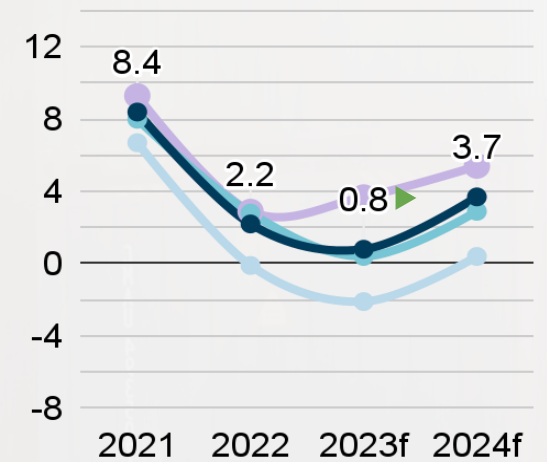
\*ASEAN 5: Indonesia, Malaysia, Philippines, Thailand, Vietnam.

Container throughput growth<sup>2</sup>, %



● Global ● EMEA ● AMER  
● APAC

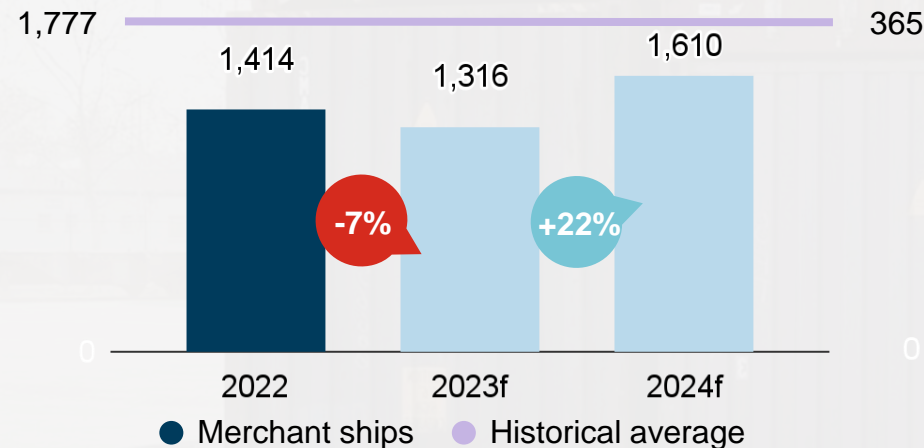
Manufacturing output growth<sup>3</sup>, %



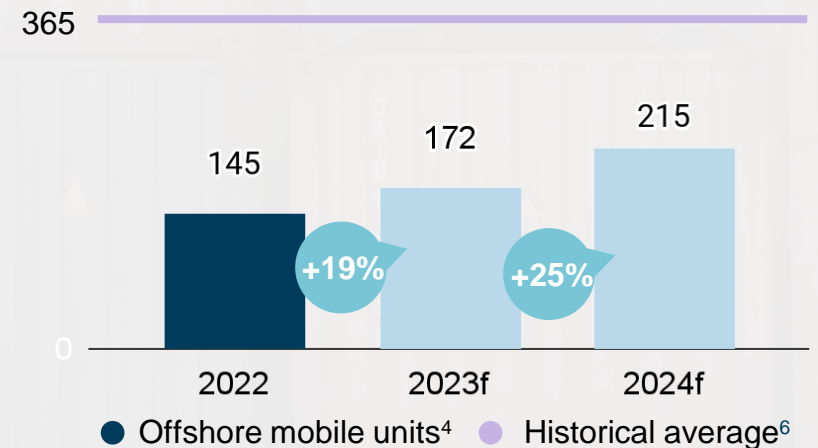
● Global ● US ● Euro area  
● China

Change direction since last quarter ▲ ▼

Long term contracting<sup>4</sup> – Key driver for MacGregor



● Merchant ships ● Historical average



● Offshore mobile units<sup>4</sup> ● Historical average<sup>6</sup>

1.IMF, 2.Drewry, 3.Oxford Economics Global Sector Outlook Q3/2022, 4.Clarkson

# Key financial figures

	Q1/23	Q1/22	Change
Orders received, MEUR	1,059	1,135	-7%
Order book, MEUR	3,467	3,151	10%
Sales, MEUR	1,074	851	26%
Comparable operating profit, MEUR	112	61	85%
Comparable operating profit, %	10.5%	7.2%	330bps
Items affecting comparability, MEUR	-8	-23	64%
Operating profit, MEUR	104	37	>100%
Operating profit, %	9.7%	4.4%	530bps
Profit for period, MEUR	73	21	>100%
Basic earnings per share, EUR	1.13	0.33	>100%
Earnings per share, EUR*	1.23	0.58	>100%
ROCE, %**	7.5%	15.3%	-780bps