

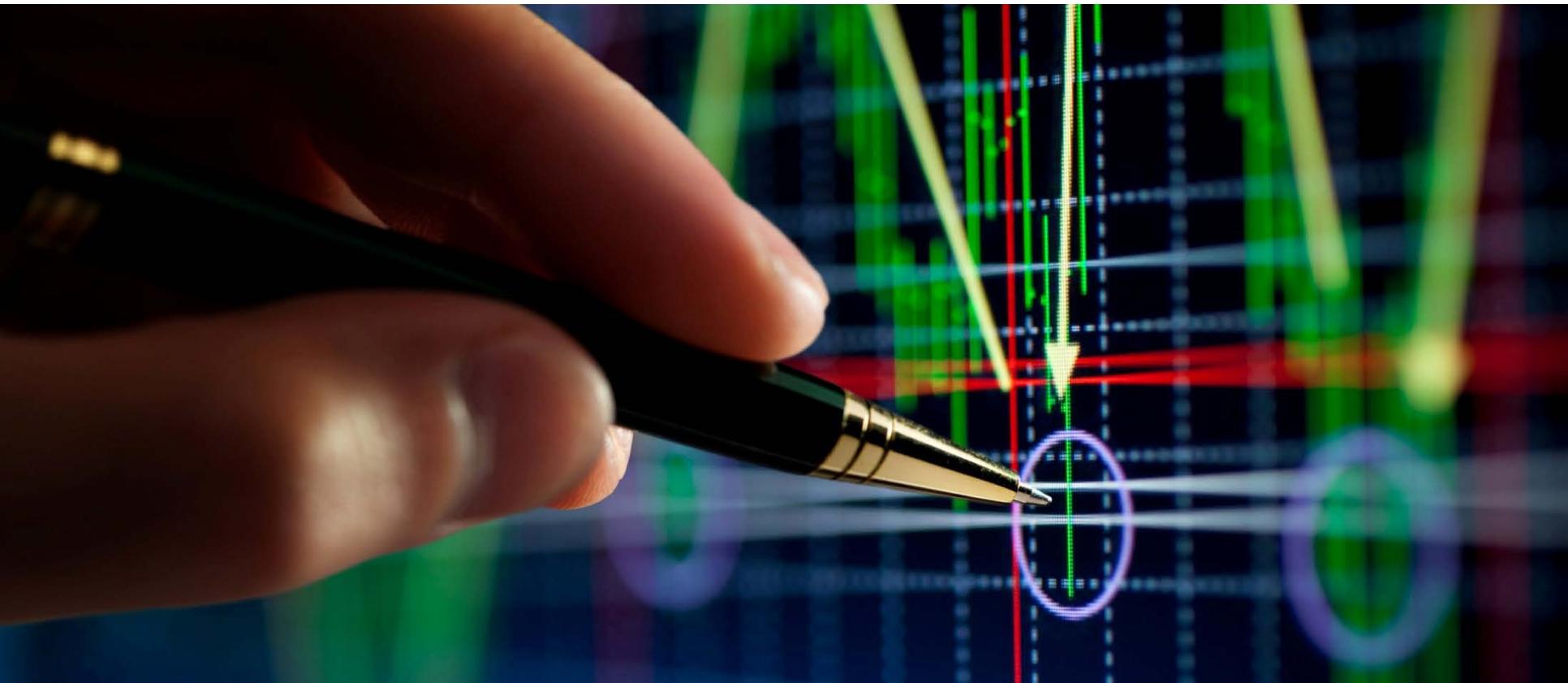
CARGOTEC

Eeva Sipilä, CFO

Cargotec Capital Markets Day 2011, Helsinki



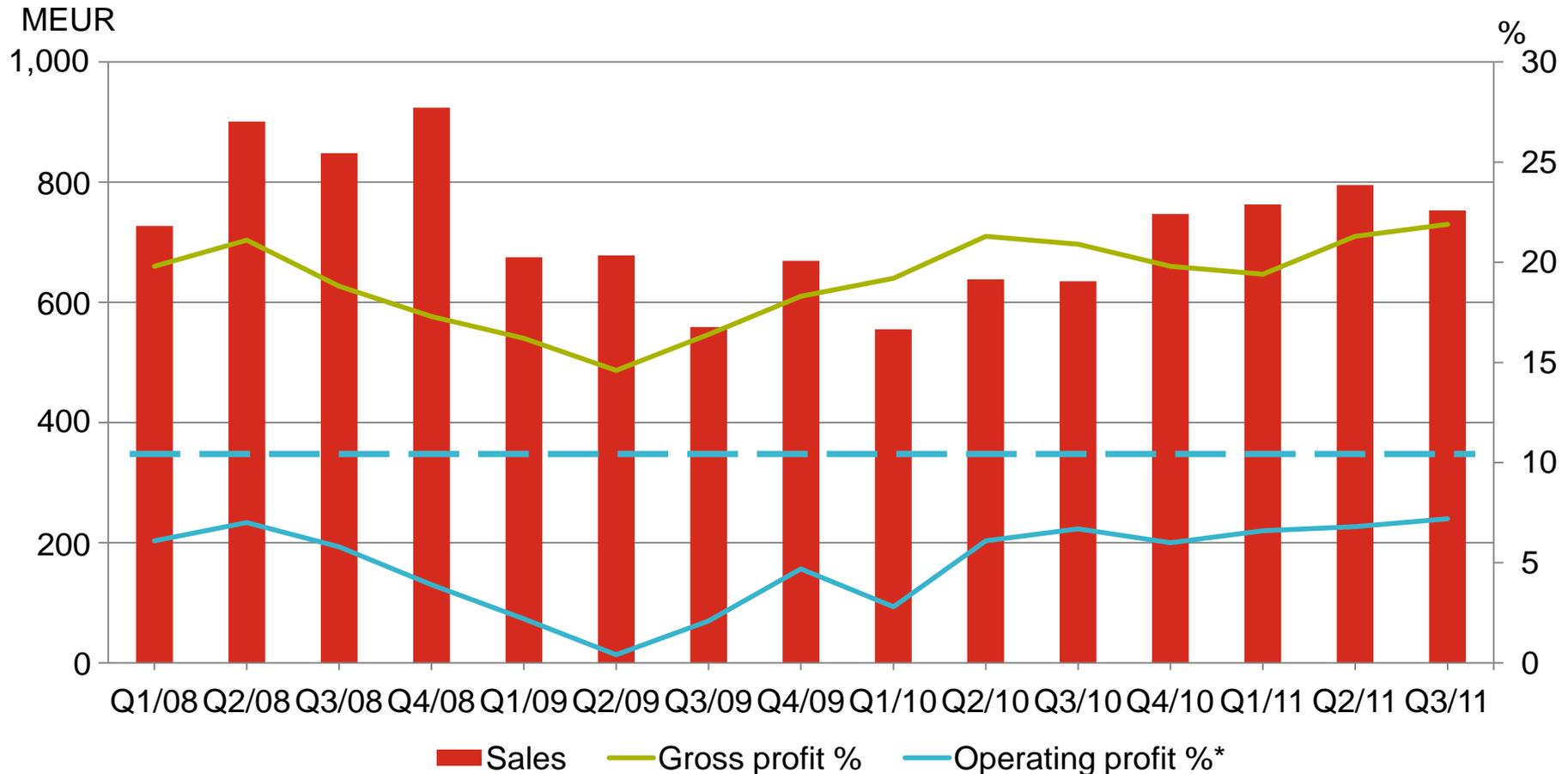
Financial review



Topics

- Performance
- Capital and capex
- Cash flow
- Treasury operations

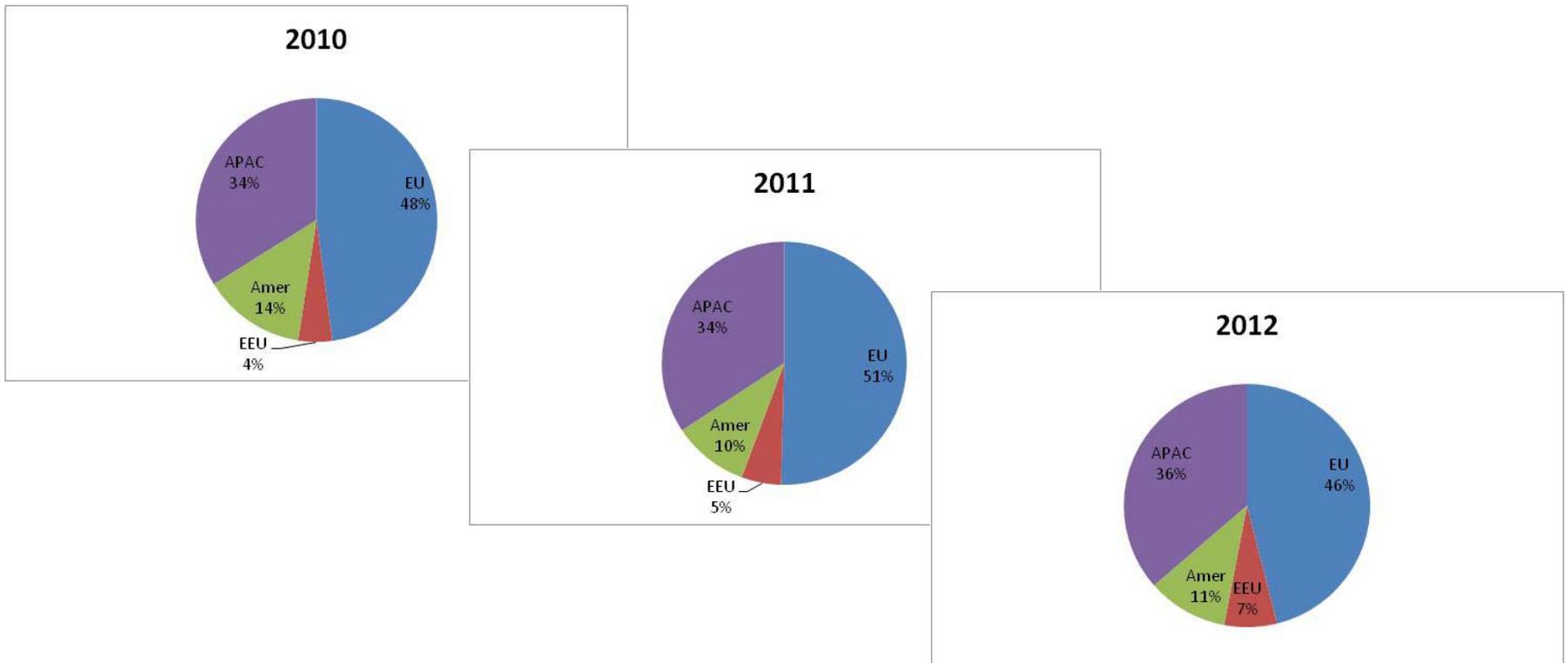
Gross and operating profit improving



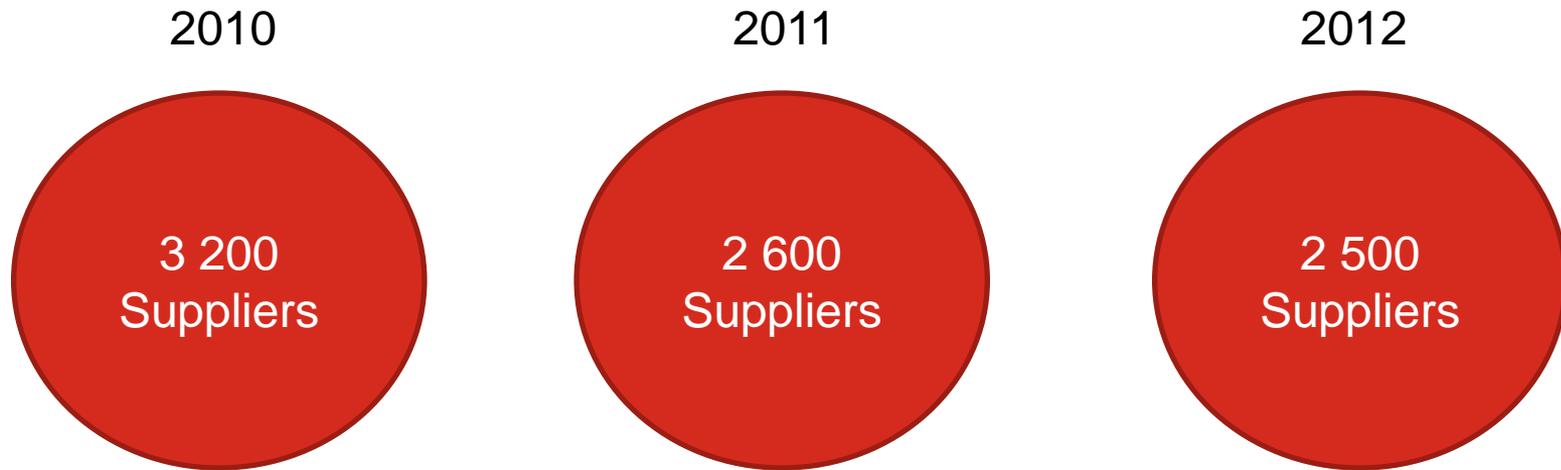
* Excl. restructuring costs/quarter of MEUR:

- - - 19.1 8.8 13.1 14.9 24.3 2.3 1.6 0.6 6.0 - - -

Sourcing footprint development 2010–2012



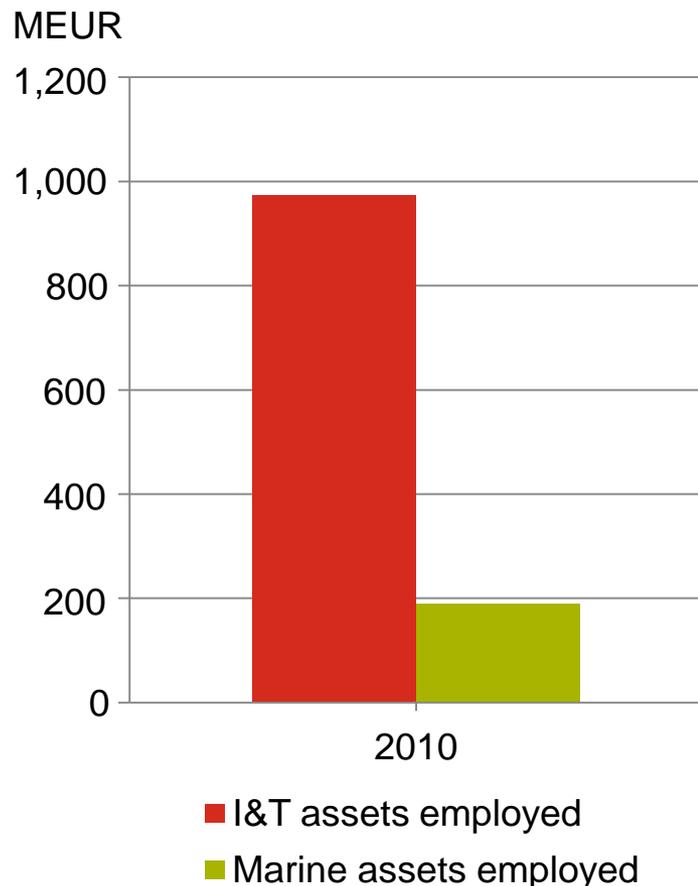
Number of suppliers 2010–2012



Topics

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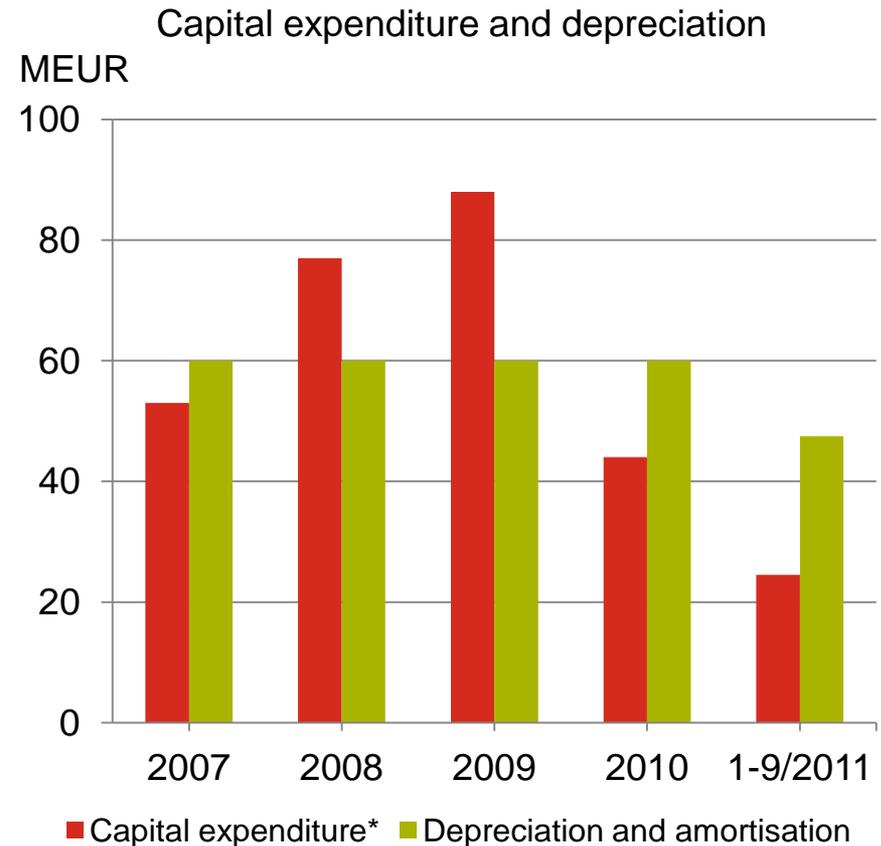
I&T business model ties more capital than Marine



- Business model varies significantly between I&T and Marine
 - Marine is to large extent project sales where advance payments are typically received when signing orders. In-house supply footprint only in Offshore.
 - I&T has significant in-house supply footprint in assembly factories as well as in sales and distribution, both of which tie capital. Advance payments not typical
 - Both segments have a global service network which is shared

Capex currently clearly below depreciation

- Key investments in supply footprint in 2008–2010
 - Poland MAU 2009–2010 (MEUR 30)
 - Shanghai MAU 2008–2009
 - No significant further investments in supply expected in short-term
- Main capex decision this year is Technology and Competence Centre in Tampere, Finland for approximately MEUR 35 during 2011–2013



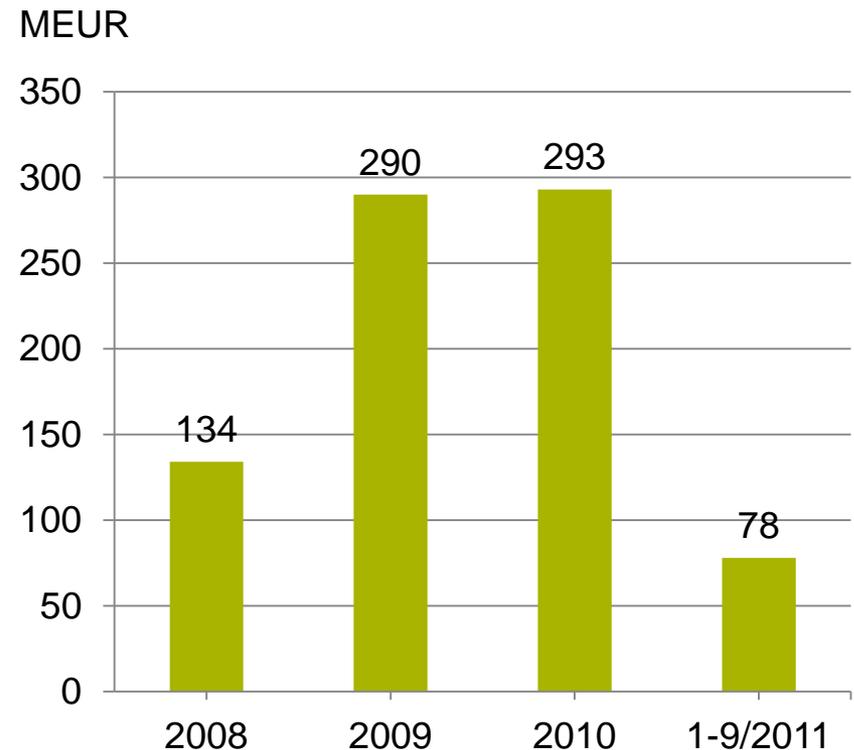
* excluding customer financing

Topics

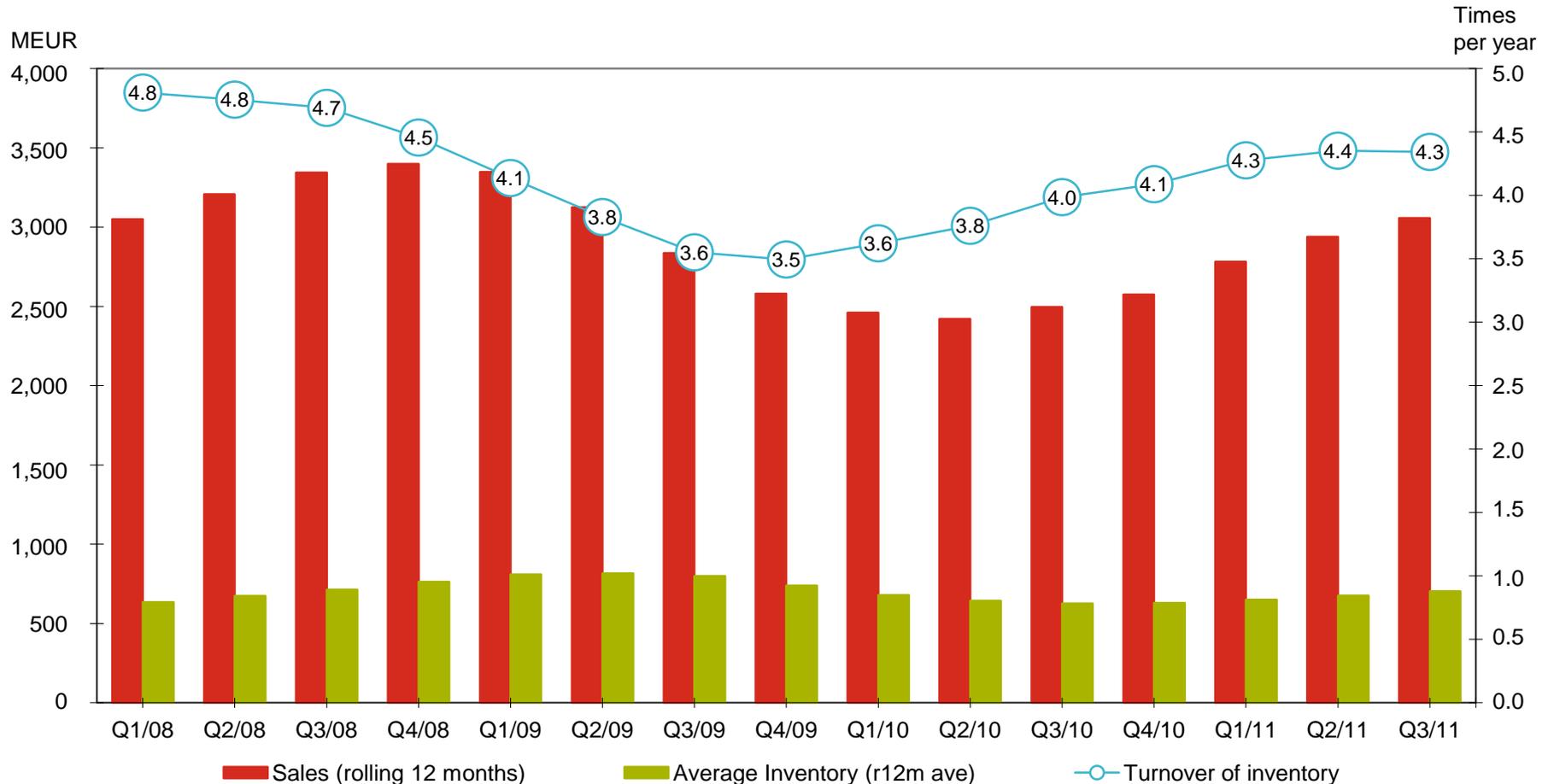
- Performance
- Capital and capex
- **Cash flow**
- Treasury operations

Attention on cash flow continues

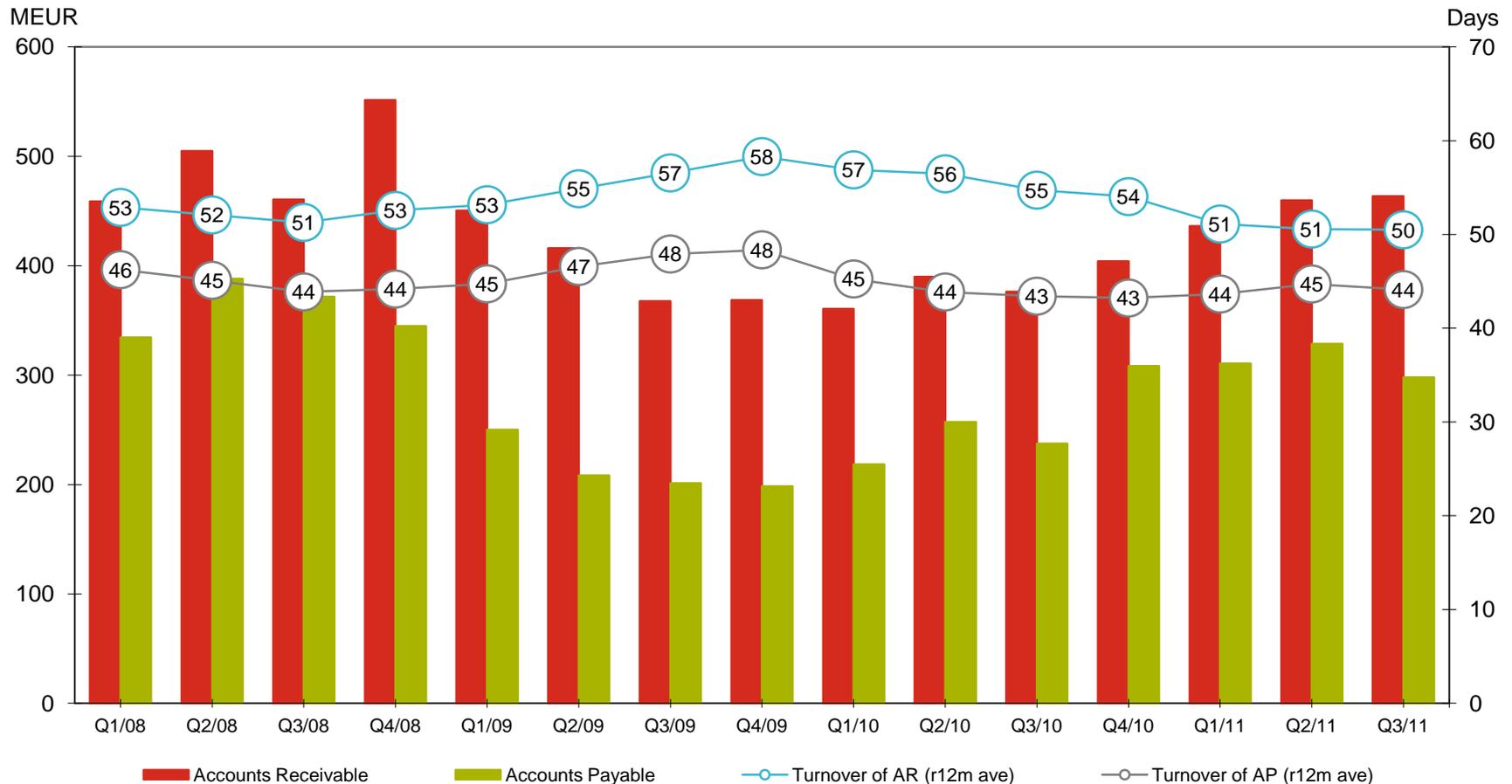
- 2009–2010 cash flow was the priority with excellent results
- 2011 cash flow from operations good but reflects growth in Industrial & Terminal that is tying capital
- Further improvement potential exists, even if 2009–2010 levels not achievable in short-term when business is growing
 - Better forecasting
 - Supply chain efficiency
 - Spare parts centralised logistics and better transparency through common system
 - Collection process



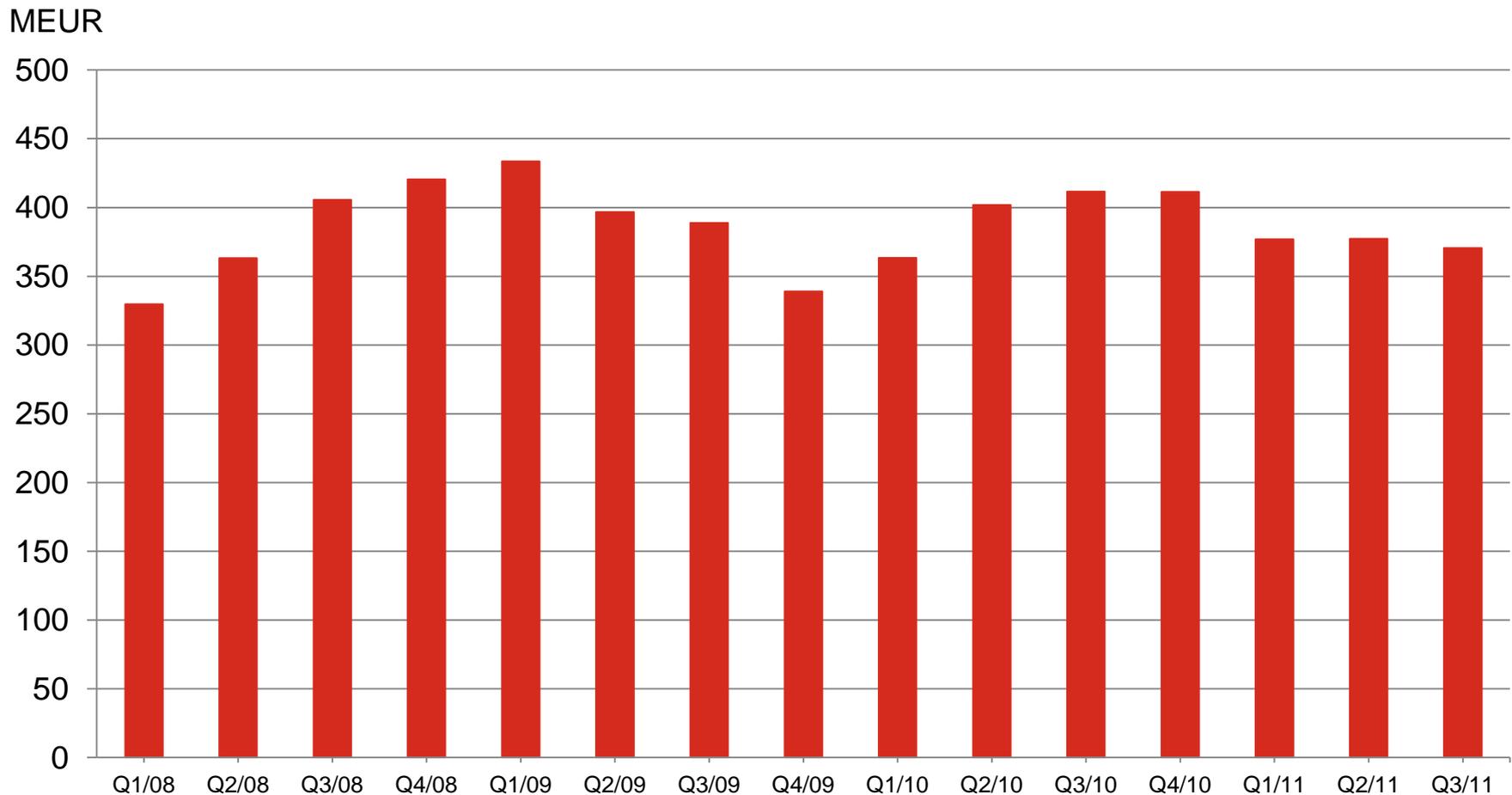
Inventory turnover has improved but further potential exists



Gap between accounts receivable and accounts payable turnover days exists although has decreased



Advances received relatively stable and follow mainly Marine order intake



Topics

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- **Treasury operations**

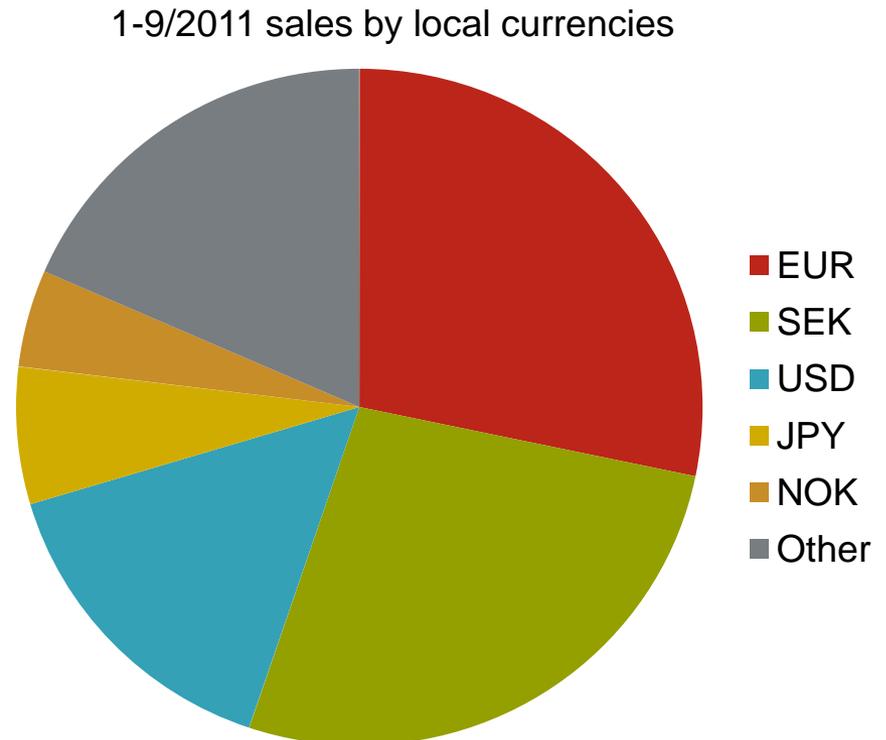
Treasury way of working

- Treasury management fully centralised
- FX risks hedged (sales and purchases)
- Strong liquidity position
- Well balanced debt repayment schedule
- Only strong counterparties
- Interest rate risk managed by keeping duration of fixed and floating rate loans and assets optimal



FX exposure

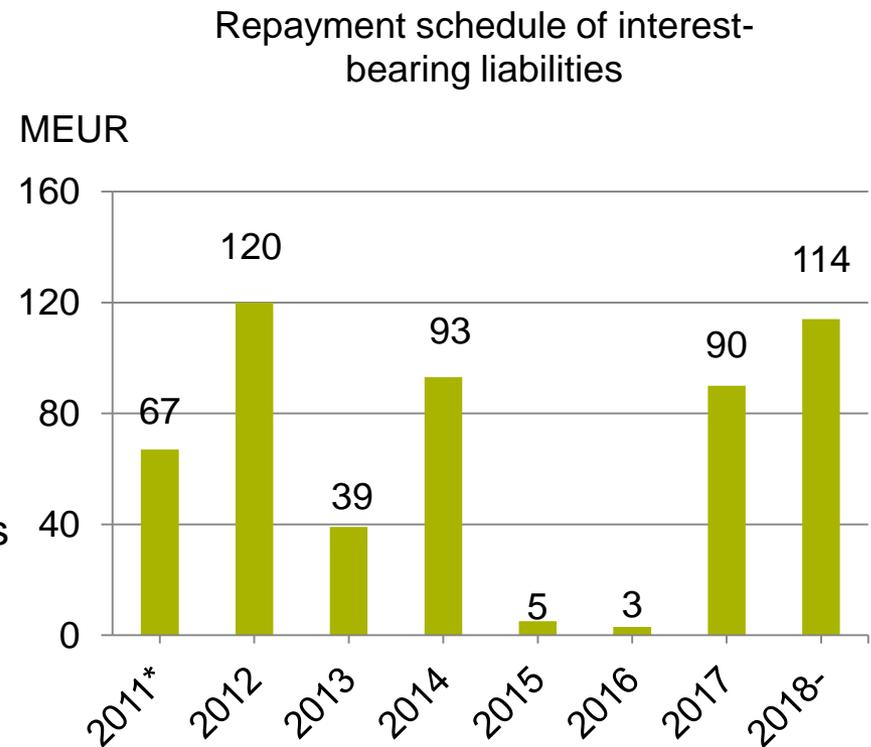
- Main sales currencies EUR, SEK, USD
- Weakening/strengthening of euro has no transactional impact due to hedging of order book but translational impact affects financials
- Longer-term economic risk needs to be managed by supply/sourcing footprint
- 1-9/2011 sales would have been one percent lower with comparable (1-9/10) currency rates



Debt maturity structure well-balanced

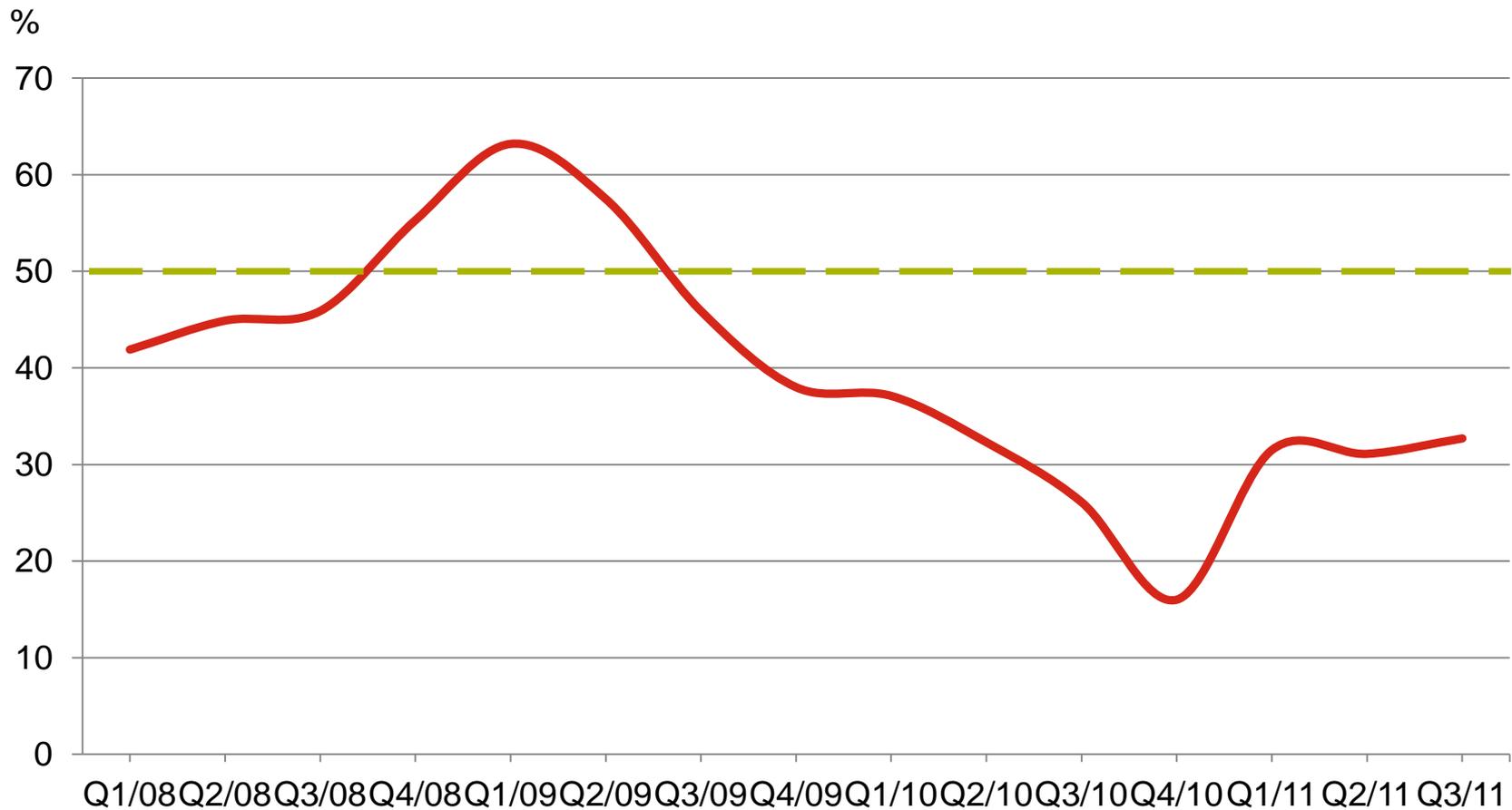
- Key figures at 30 Sep 2011:
 - Gearing 32.7%
 - Net debt MEUR 362
 - Liquidity MEUR 453
 - Cash and cash equivalents MEUR 153
 - Unused and committed long-term revolving credit facility of MEUR 300
- During Q3, Cargotec strengthened financial position further by signing new credit facilities of MEUR 120 which will mature in 2018–2021.

→ Cargotec is well prepared financially for the coming years



* 1 Oct–31 Dec 2011

Gearing well below target level



we keep cargo on the move™