CARGOTEC

President and CEO Mikael Mäkinen

21 July 2011

CARGOTEC

January–June 2011 interim report

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Highlights of January–June 2011 report

- Market activity up in both segments and all geographies
- Q2 order intake grew 4% and sales grew 25% y-o-y
- Q2 operating profit margin increased to 6.8%
- Cash flow remained healthy
- Global competence centre for container terminals development established in Singapore

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Market environment in January–June 2011

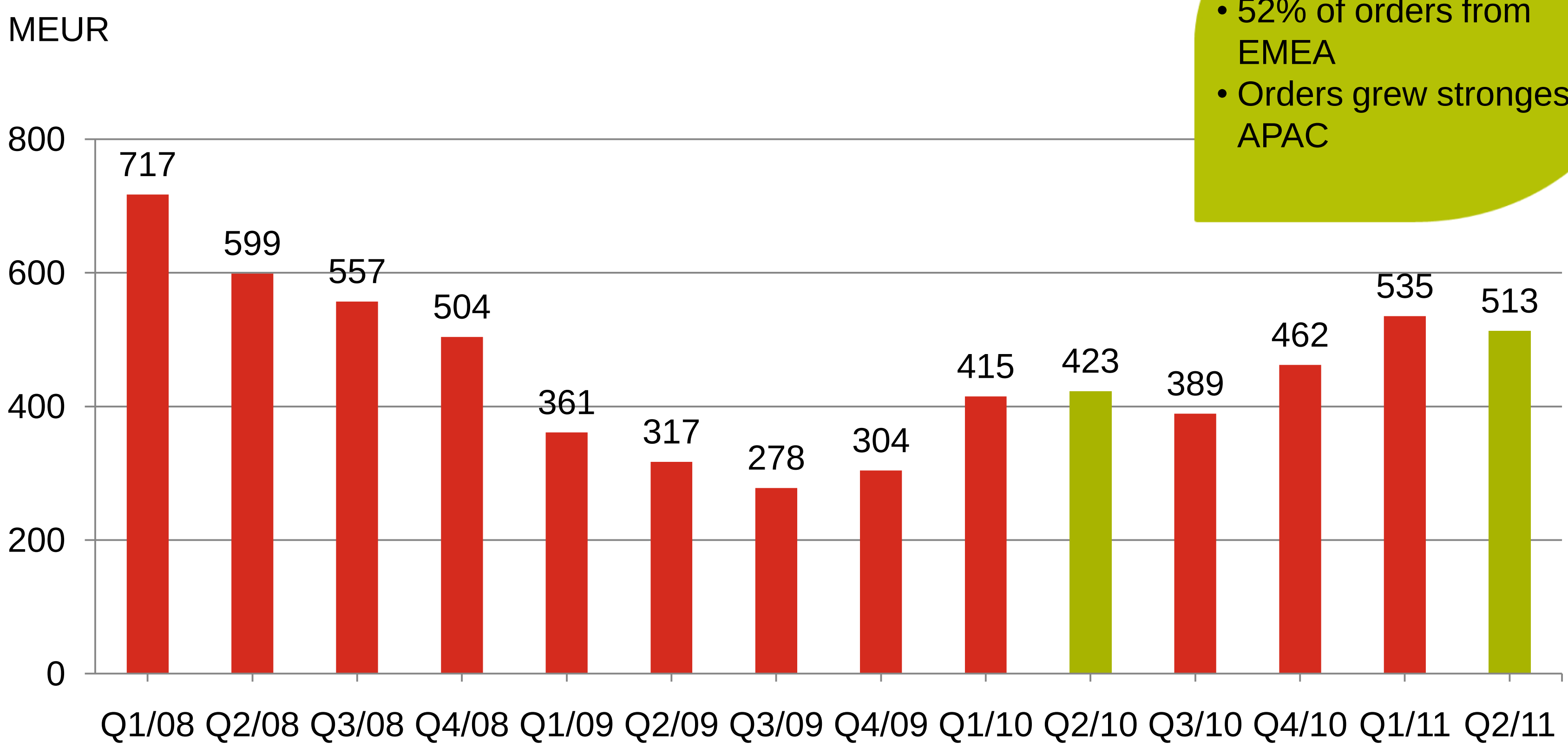
- The load handling equipment market developed positively. Demand for loader cranes, truck-mounted forklifts and tail lifts in particular grew rapidly. Recovery remained weak in construction-related customer segments in United States.
- The revival in demand in container handling equipment for ports can be seen in the high level of activity. Demand for rubber-tyred gantry cranes in particular was strong on the back of improved activity of larger projects.
- Demand for marine cargo handling equipment remained at a healthy level. Demand was driven by the large number of bulk vessels ordered last year.
- Services markets improved mainly in load handling and terminals throughout the first half. In addition to growth in spare parts, demand for various refurbishment and modernisation projects increased clearly.

Key figures in January–June 2011

	Q2 11	Q2 10	Change	1-6/11	1-6/10	Change	2010
Orders received, MEUR	761	732	4 %	1,580	1,330	19 %	2,729
Order book, MEUR	2,306	2,433	-5 %	2,306	2,433	-5%	2,356
Sales, MEUR	795	638	25 %	1,558	1,193	31 %	2,575
Operating profit, MEUR	54.0	37.2		104.6	50.7		131.4
Operating profit margin, %	6.8	5.8		6.7	4,2		5.1
Cash flow from operations, MEUR	35.4	80.5		71.6	127.0		292.9
Interest-bearing net debt, MEUR	335	308		335	308		171
Earnings per share, EUR	0.69	0.32		1.28	0.45		1.21

Q2: Industrial & Terminal's order intake grew 21% y-o-y

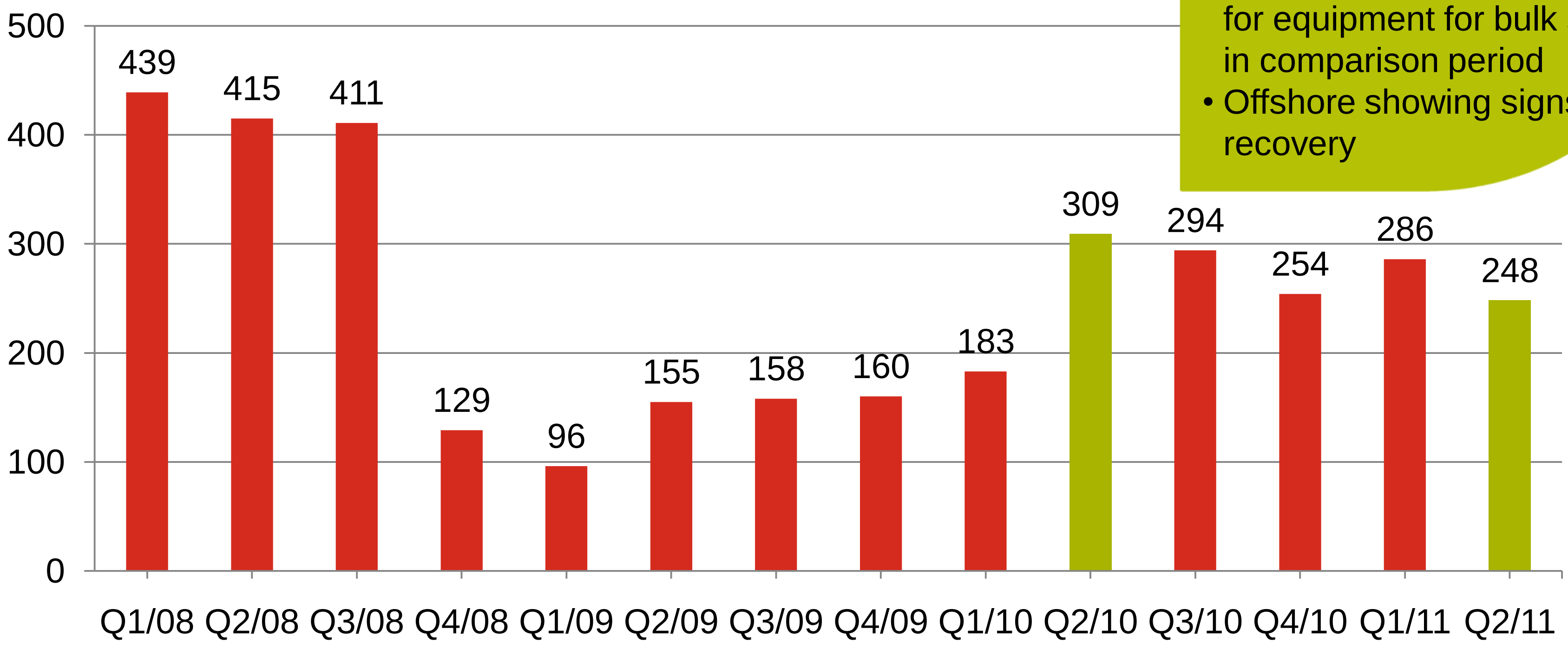
- 52% of orders from EMEA
- Orders grew strongest in APAC



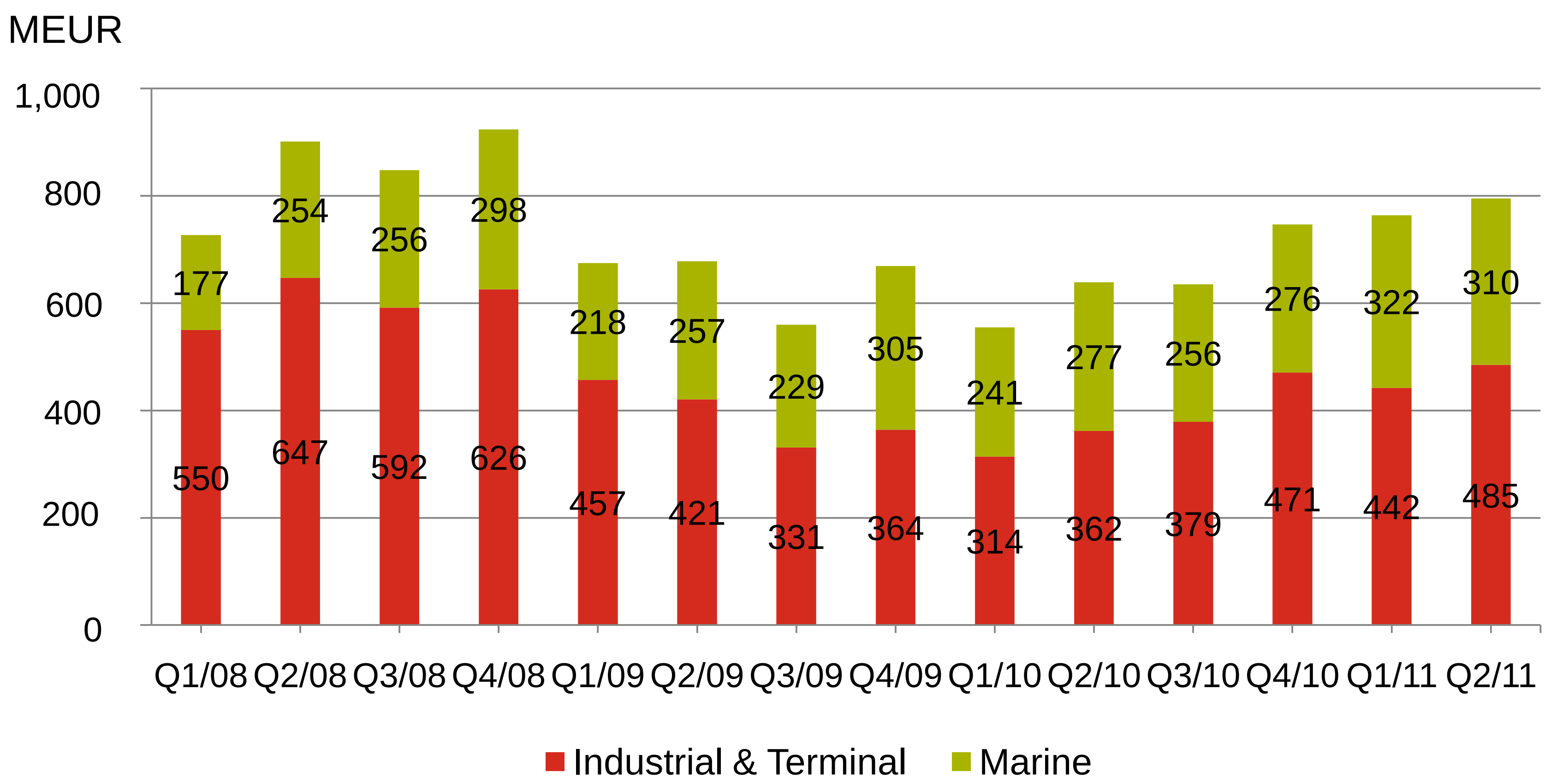
Q2: Marine’s order intake continued healthy

- 71% of orders from APAC
- Exceptionally high demand for equipment for bulk ships in comparison period
- Offshore showing signs of recovery

MEUR



Q2: Industrial & Terminal sales grew 34% and Marine sales 12% y-o-y



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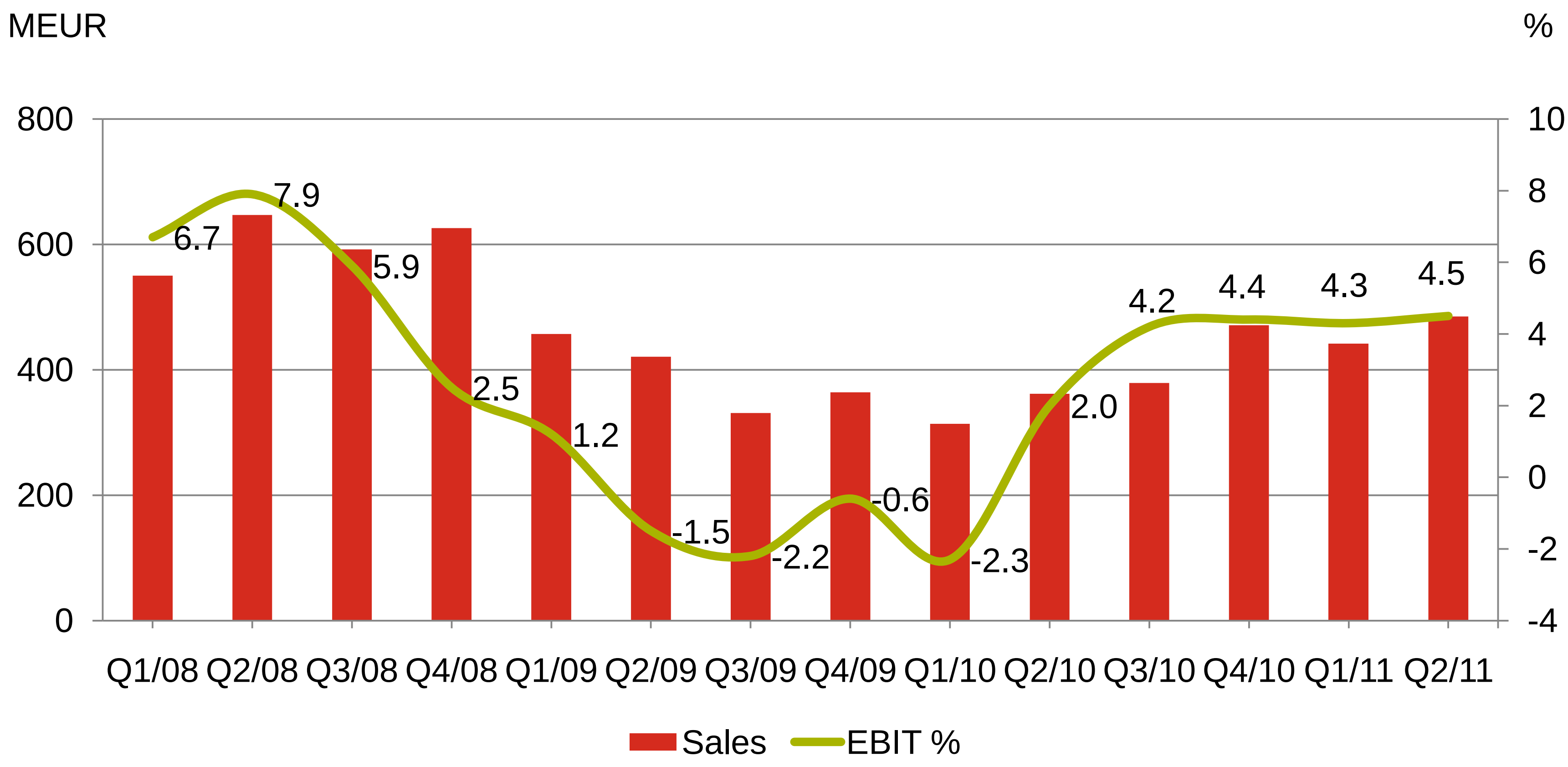
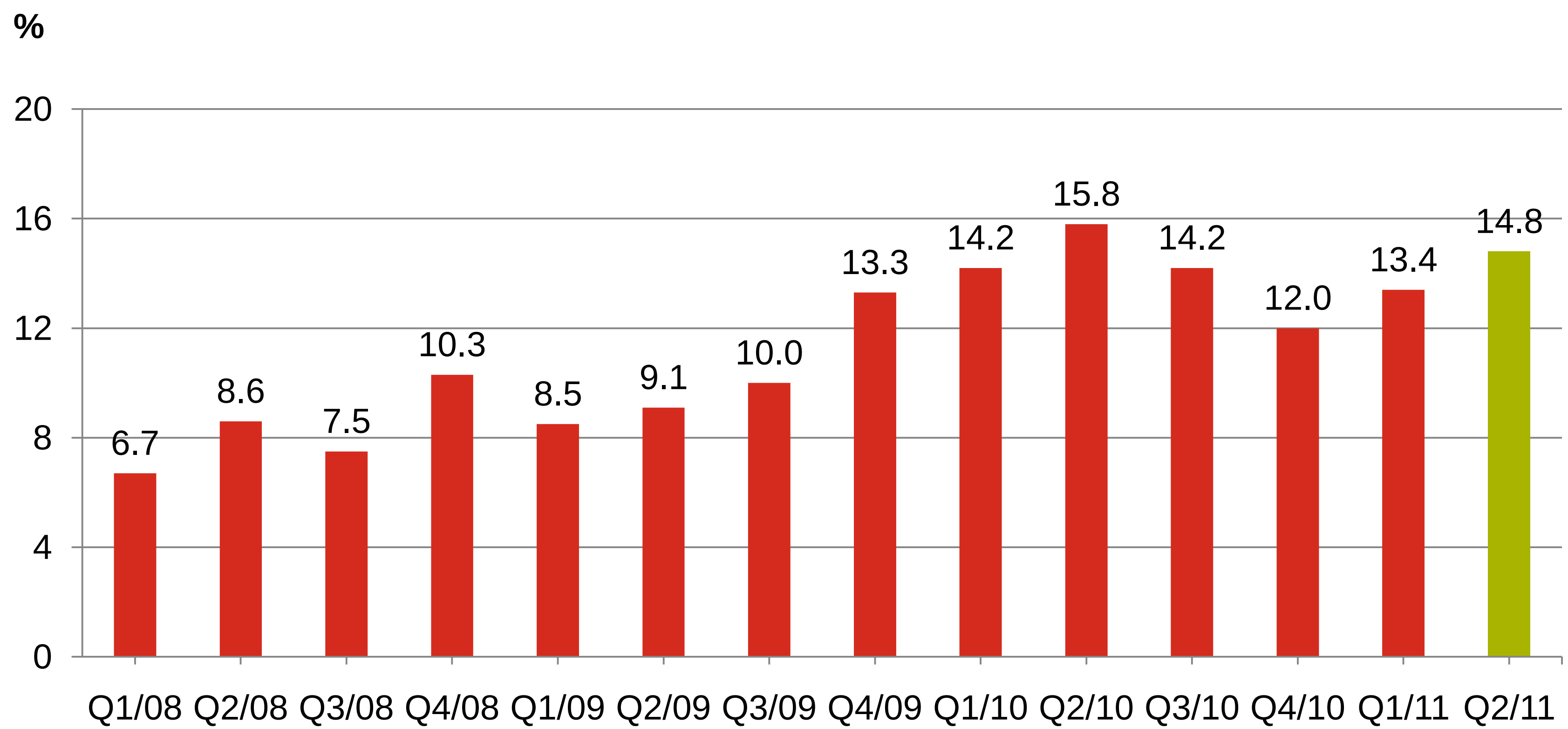
Q2: Industrial & Terminal operating margin improvement slowed down by cost increases



EBIT% Q1/08–Q4/10 excluding restructuring costs

Q2: Marine's profitability very strong



EBIT% Q1/08–Q4/10 excluding restructuring costs

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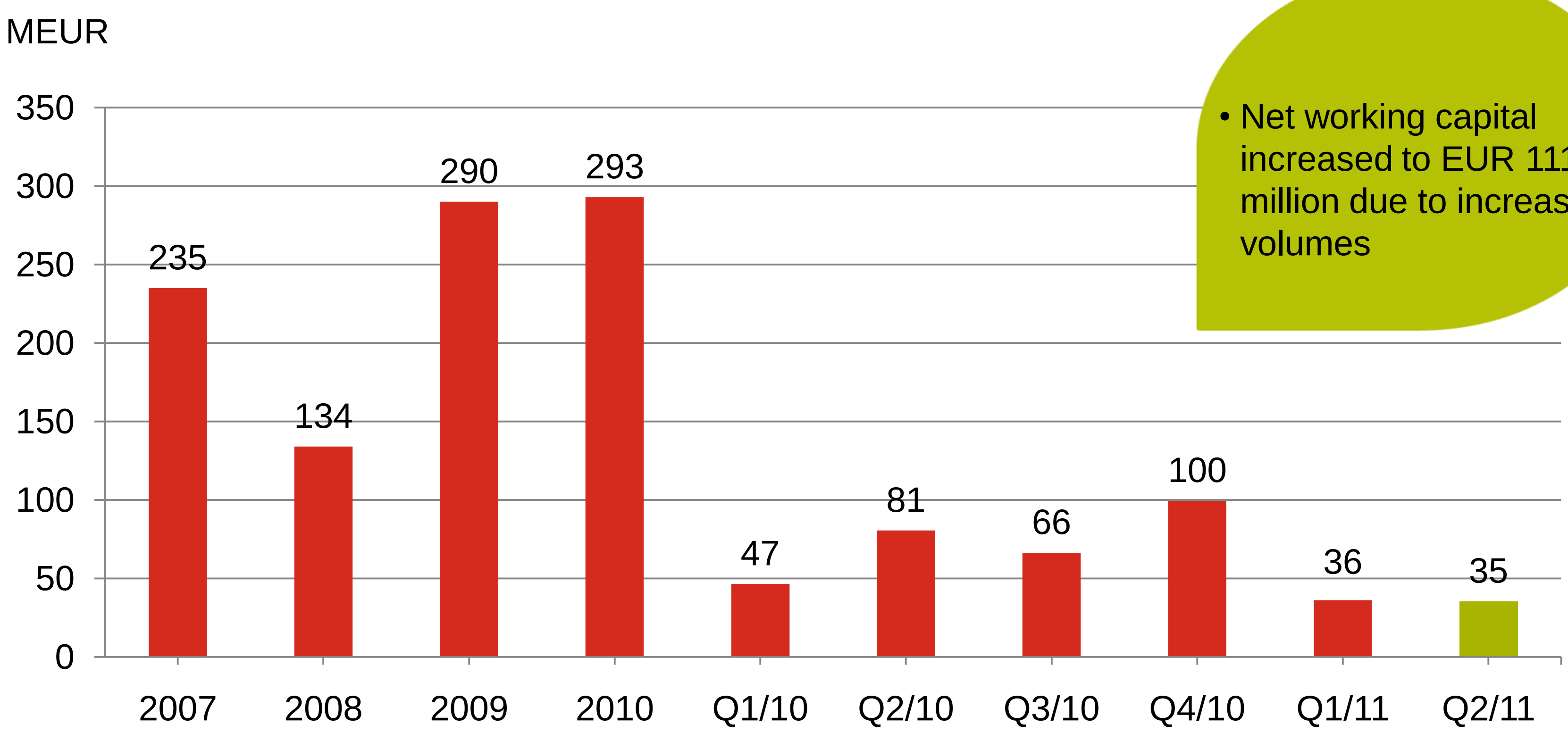
Gross profit development

Cash flow from operations remained healthy



- Net working capital increased to EUR 111 million due to increased volumes

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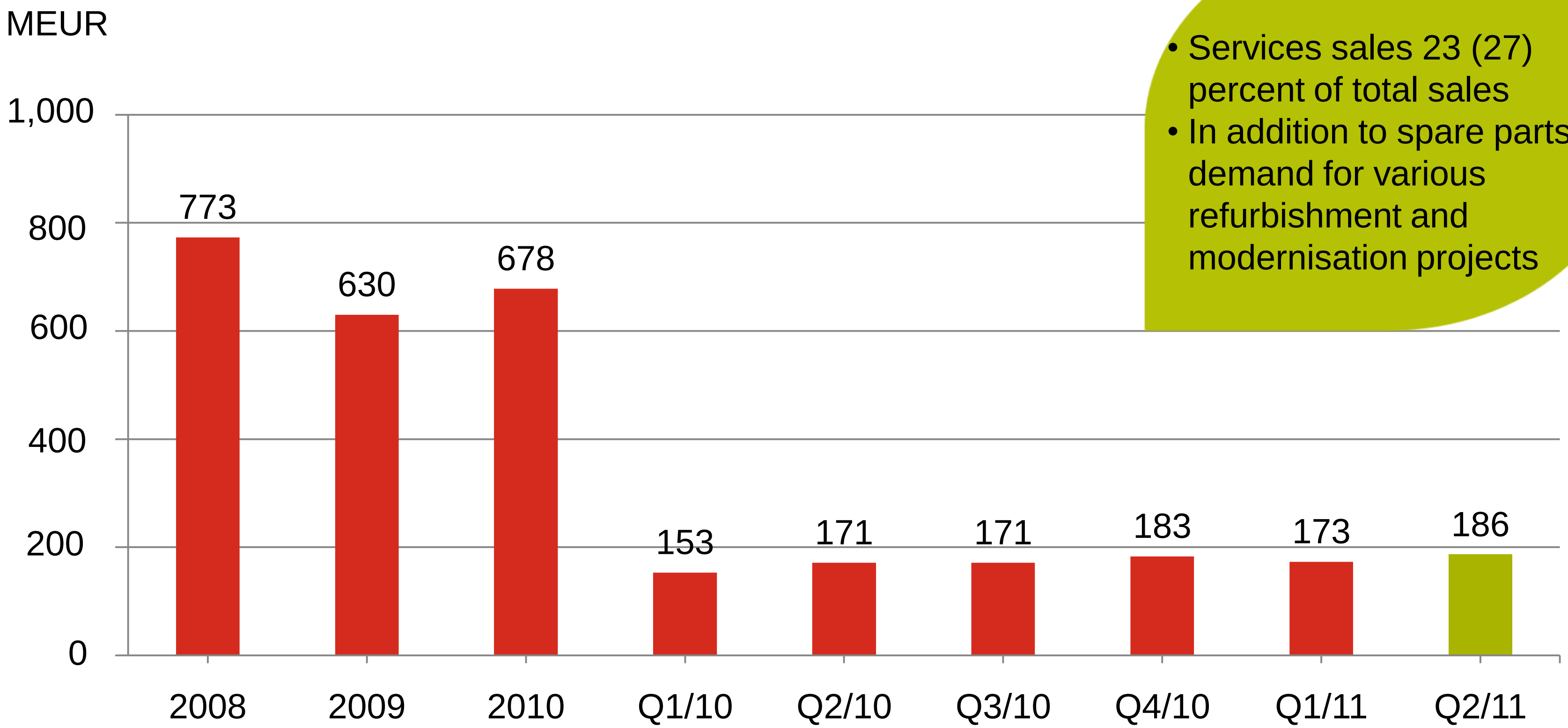
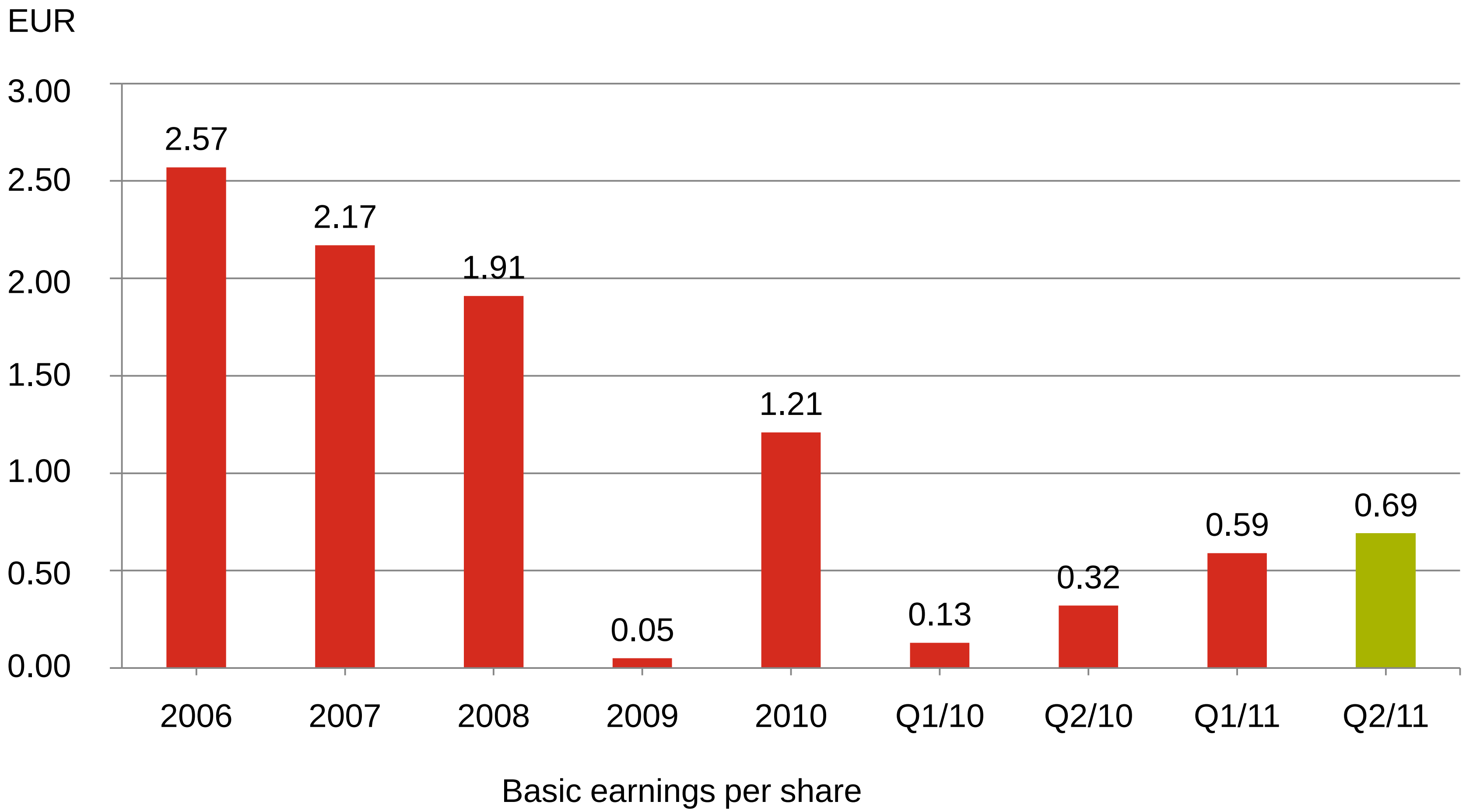
Services sales recovering slowly



- Services sales 23 (27) percent of total sales
- In addition to spare parts, demand for various refurbishment and modernisation projects

Earnings per share continued to improve



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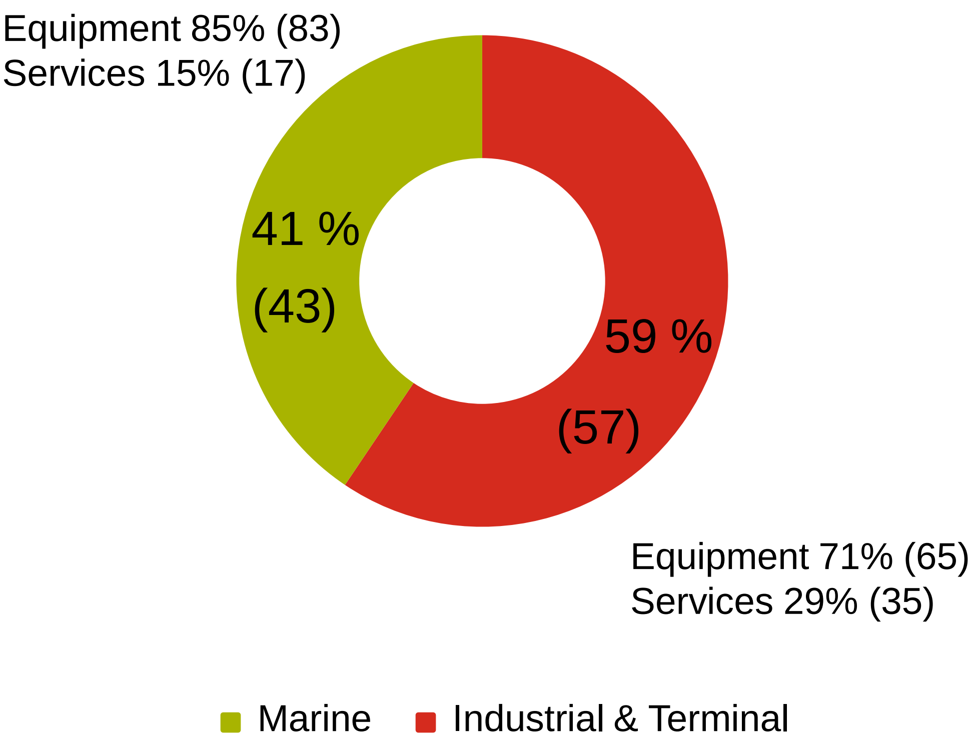
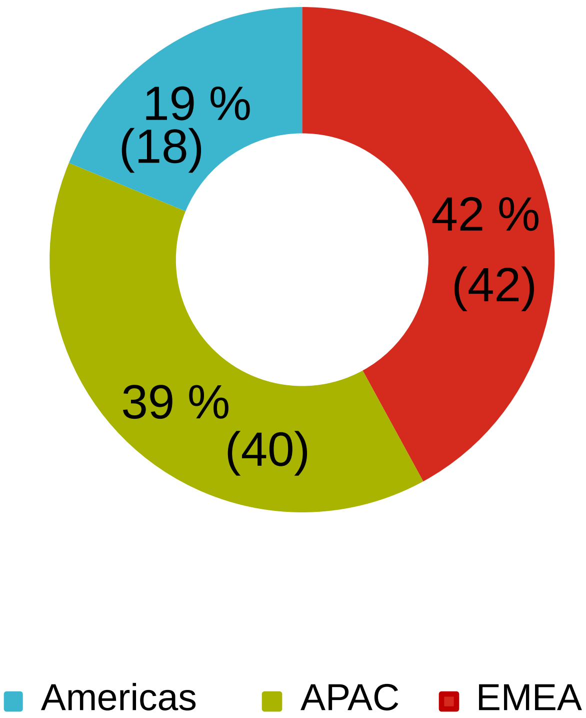
EMEA is slightly bigger market area than APAC

Sales by reporting segment 1-6/2011, %



Sales by geographical segment 1-6/2011, %



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Strategic focus areas 2011–2015

Customers and customer segments
- Improve knowledge of customer needs
- Invest in attractive customer segments
- Decide which segments to keep and which to divest

Services
- Spare parts logistics
- Regional distribution centres
- Growing up in the value chain towards more preventive maintenance
- Support customers' operations outsourcing

Emerging markets
- Position in Chinese market
- Develop other growth markets (India, Brazil, Russia and Africa)
- Acquisitions, partnerships, organic growth

Internal clarity
- Common processes
- Harmonisation of information systems
- Further development of I&T organisation

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Cargotec's key priorities in 2011

- Responding to growing demand
- Service growth and service network expansion
- Customer segments
- Position in Chinese market
- Cargotec ERP

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Outlook

- Cargotec's 2011 sales are estimated to grow approximately 20 percent.
- Healthy first half order intake both in Industrial & Terminal and Marine segments together with the recovery in the market situation support a more positive growth expectation. Sales growth and significant efficiency improvement measures executed during the past years support profitability, but there is cost pressure on the markets.
- Cargotec's 2011 operating profit margin is estimated to be approximately 7 percent.

we keep cargo on the move™