



January-September 2006 Interim Report

President and CEO Mikael Mäkinen

October 19, 2006

Key issues in July-September 2006

- Orders received totaled EUR 603 (Q3/05: 578) million
- Net sales grew 8% to EUR 625 (577) million
- Operating income from operations amounted to EUR 52.0 (41.6) million representing 8.3 (7.2)% of net sales
- Capital gain from sale of property of EUR 18 million raised the operating income for the quarter to EUR 69.9 million
- Appointments to the Executive Board strengthen resources in strategic priority areas

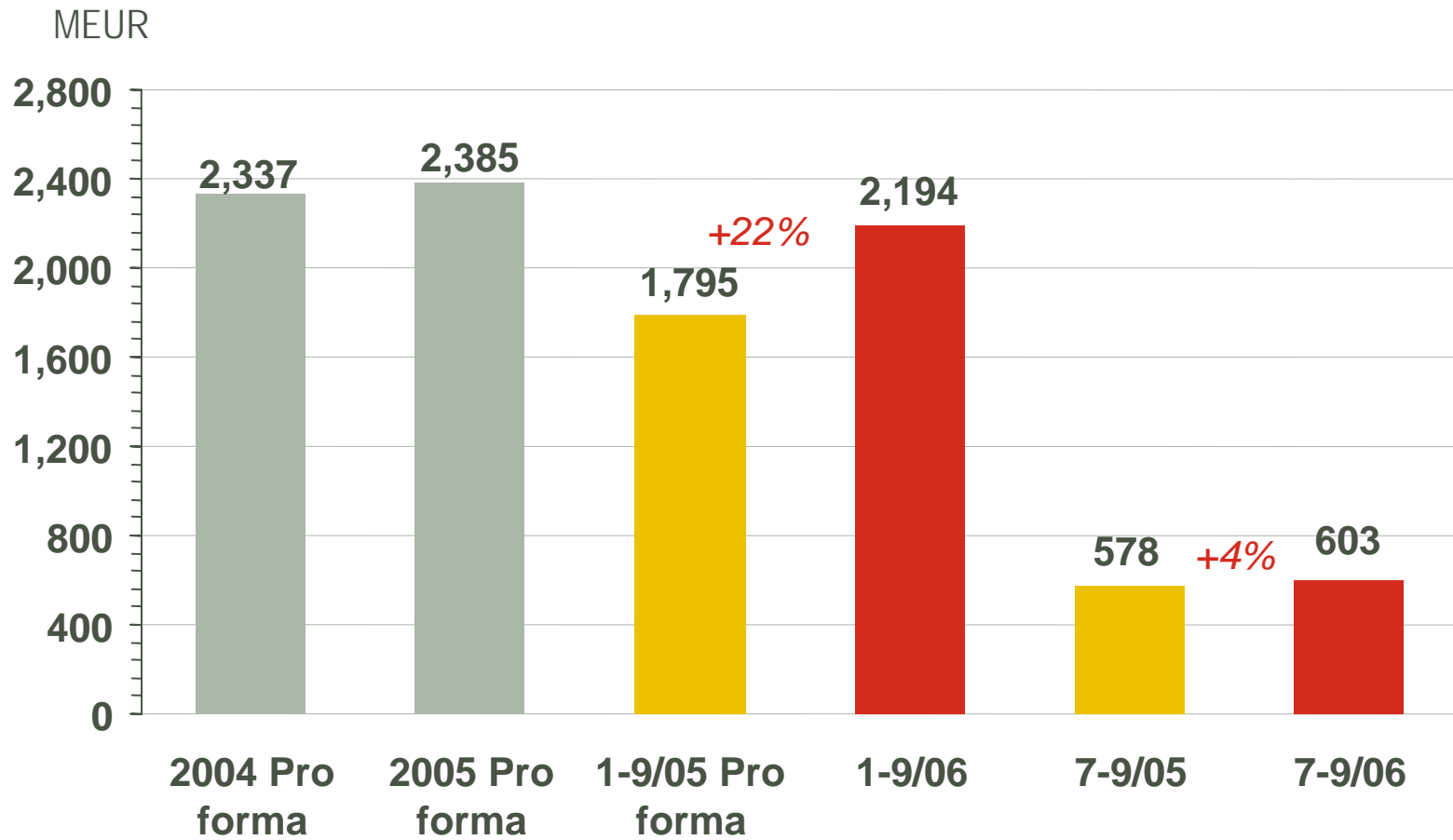
Market situation continued good...

- Global economy and world trade continued to grow
- Container traffic volumes grew further
- Ship building at ship yards at a high level
- Demand for load handling equipment was brisk in Europe, while demand showed signs of leveling off in U.S. building materials supply
- Demand for services was healthy in all business areas

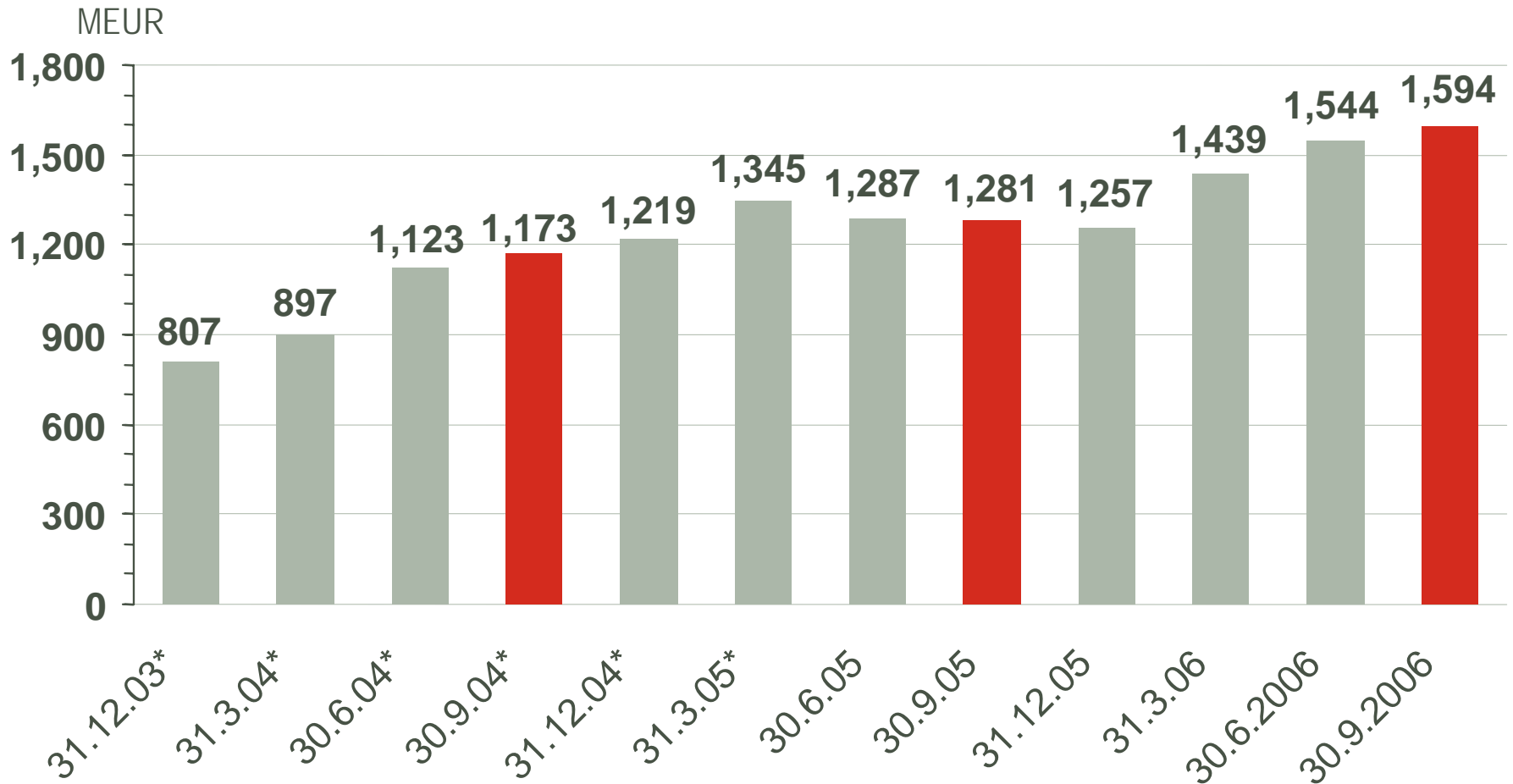
...reflecting also in Cargotec's orders received

- Hiab
 - Orders for loader cranes grew strongly
- Kalmar
 - Demand for container handling equipment strong although straddle carrier market will not achieve the record levels of 2005
 - Market for heavy industrial forklift trucks healthy
- MacGREGOR
 - Demand for hatch covers, ship cranes and lashing equipment was active
 - Demand for cargo handling solutions for dry cargo vessels increased year on year

Following record first half-year Q3 orders received continued to show growth y-on-y

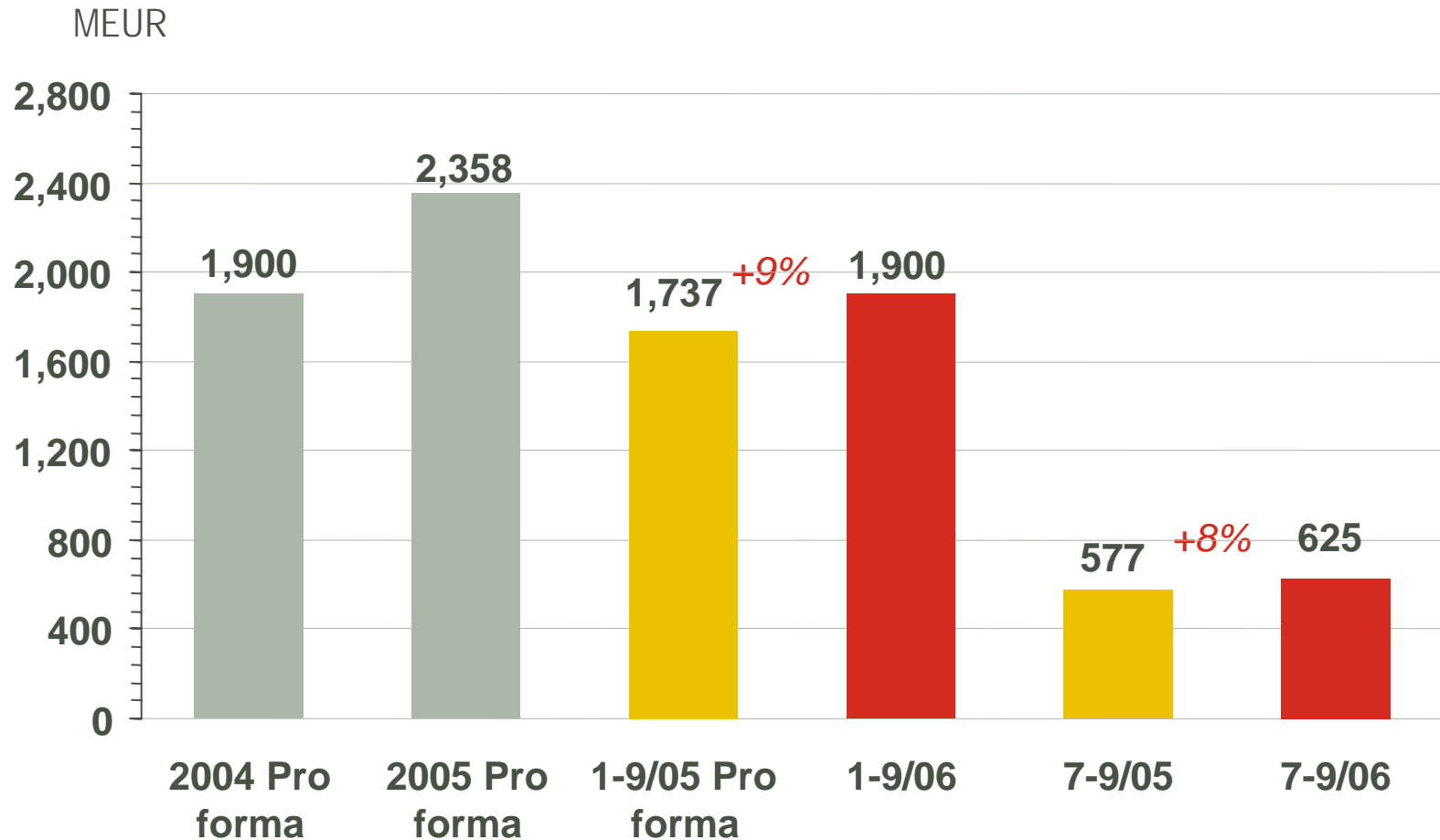


Order book continued to grow

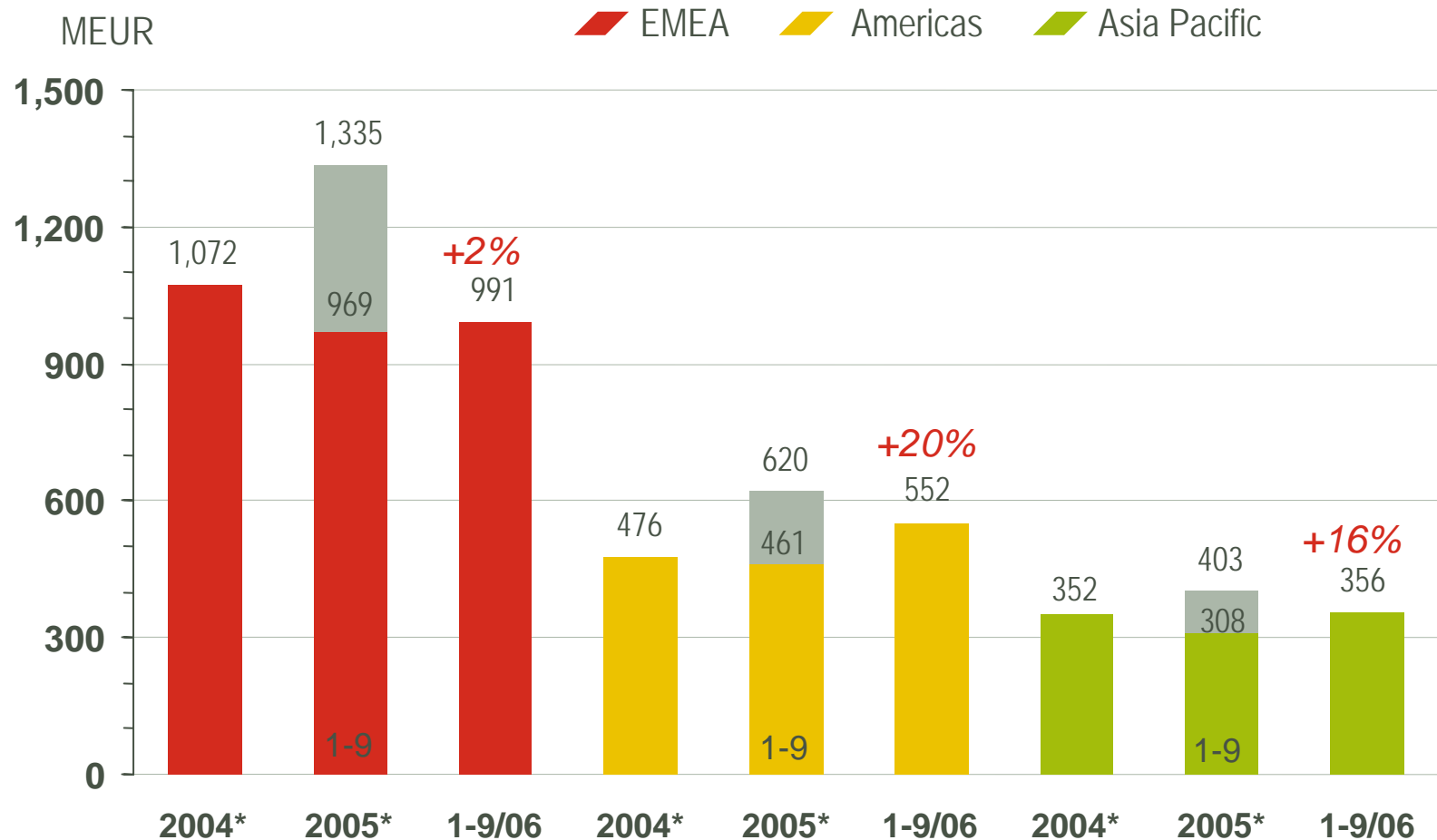


*Pro forma

Net sales

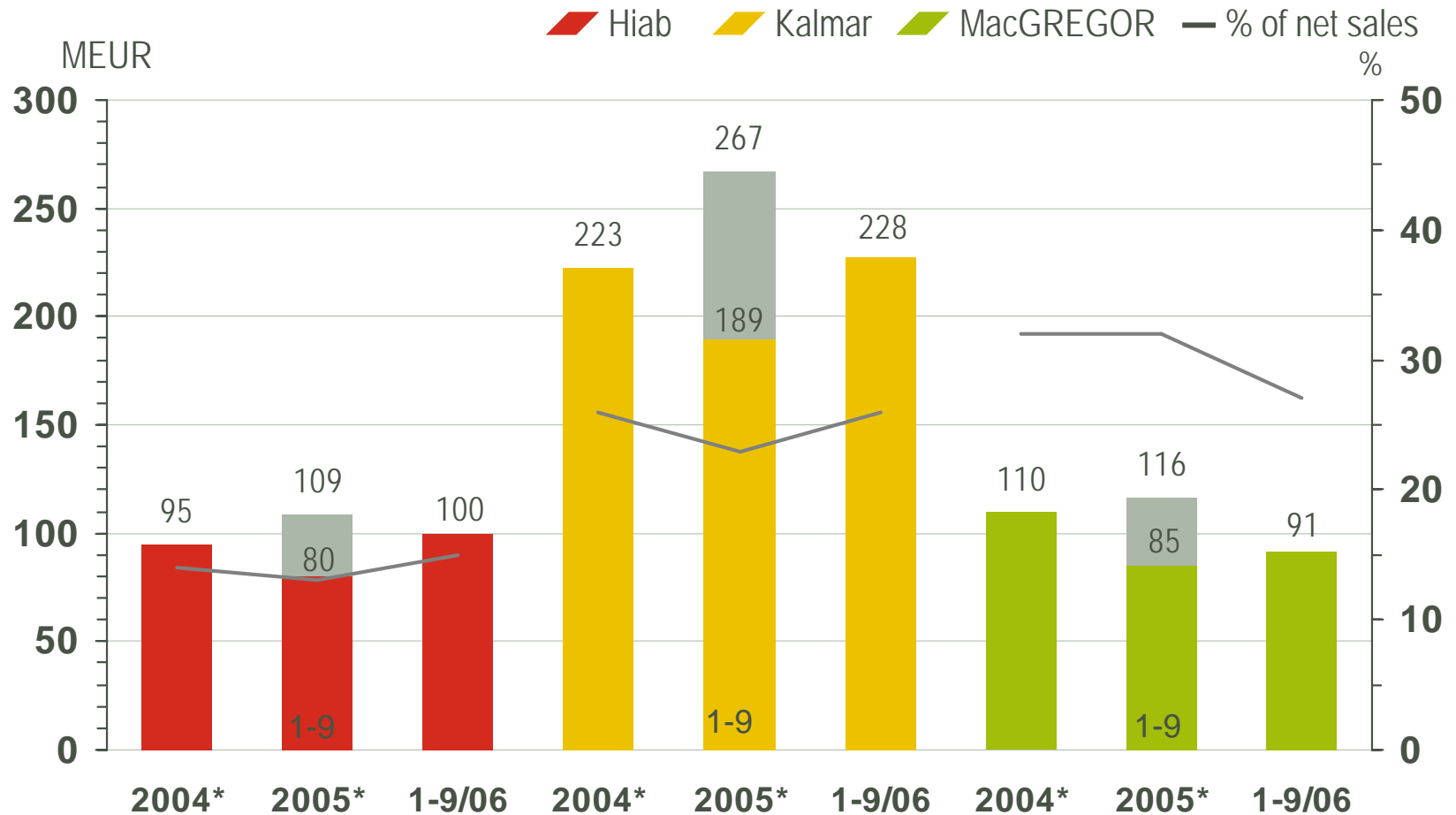


Geographical development of net sales



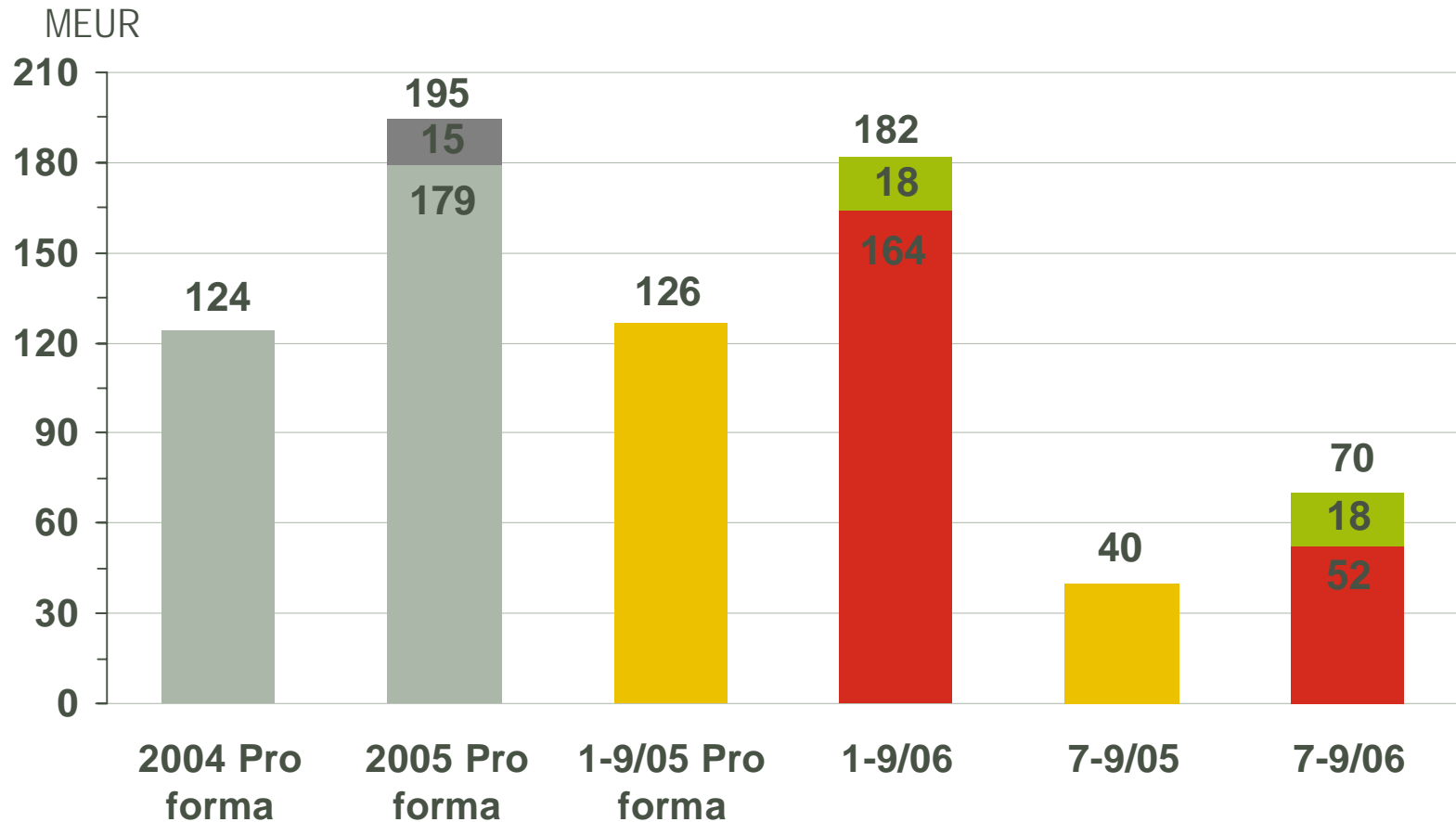
*Pro forma



Services showed 18% growth y-on-y and represent 22% of net sales



*Pro forma

Operating income



 Capital gain from sale of property
 Capital gain from sale of Consolis

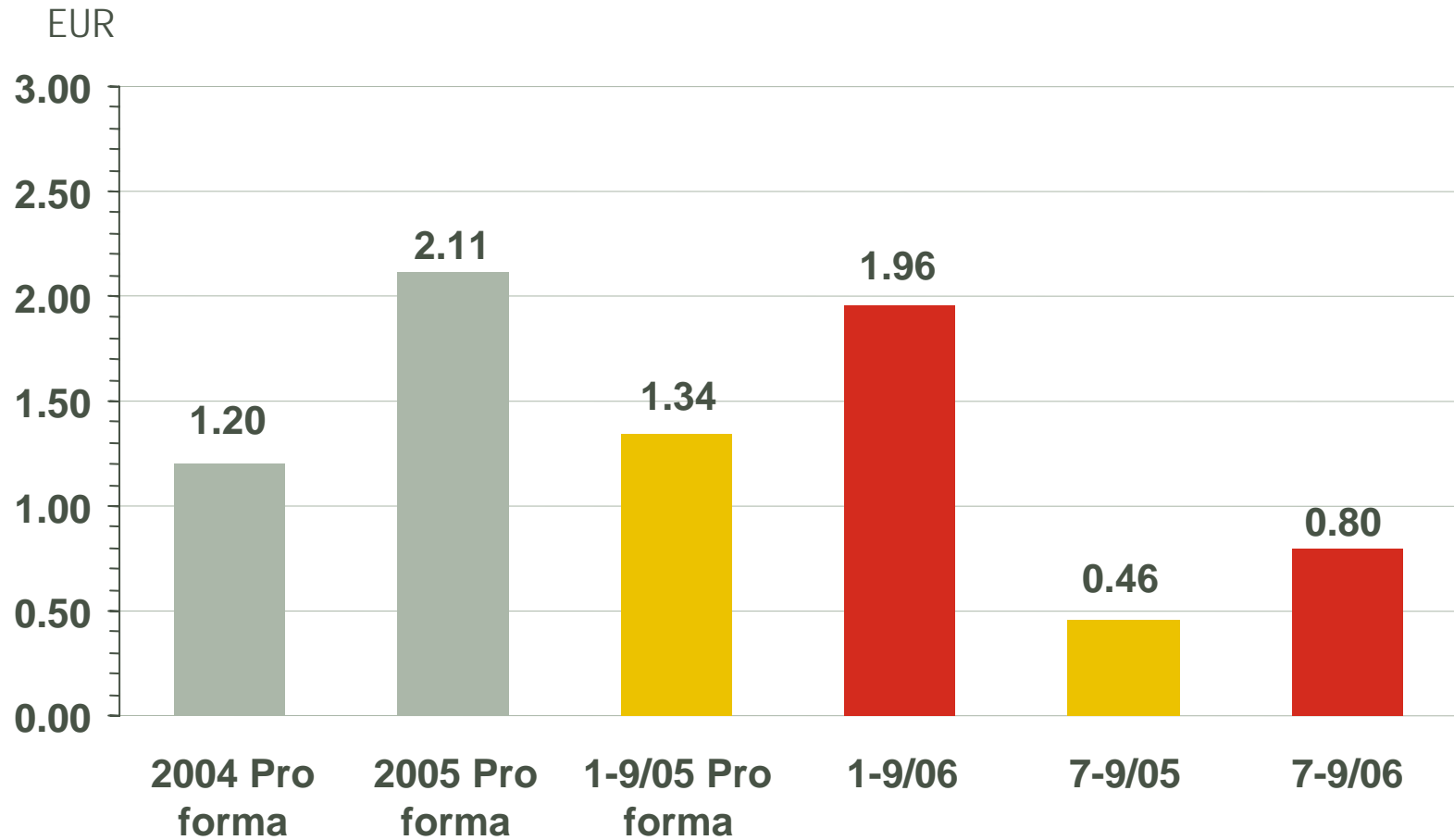
Cargotec

Operating income from operations by business area

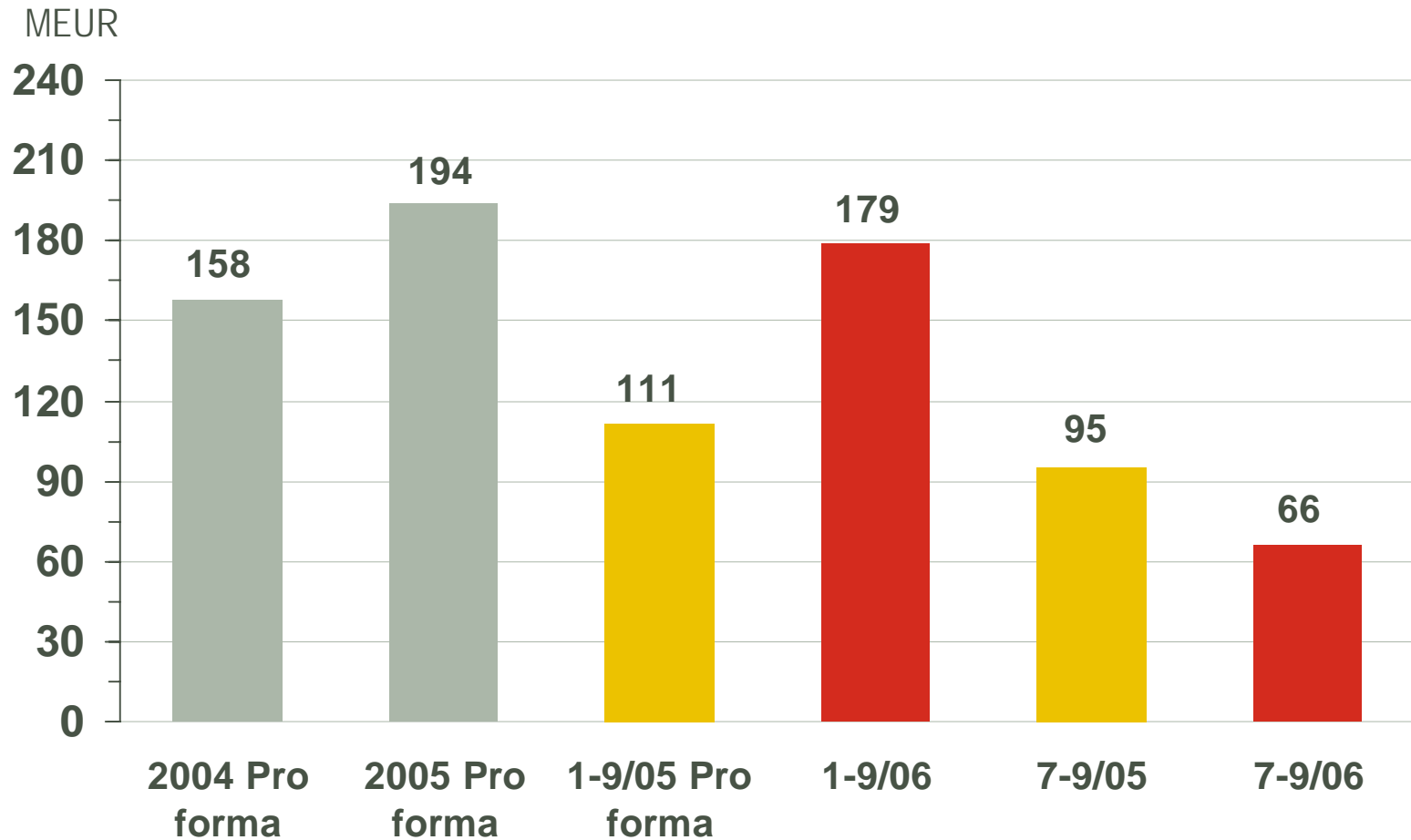
MEUR	7-9/2006	7-9/2005	1-9/2006	2005*	2004*
Hiab %	17.4 8.4%	13.7 7.0%	63.3 9.4%	66.6 7.9%	44.6 6.4%
Kalmar %	27.2 9.4%	24.7 8.5%	82.9 9.4%	97.6 8.5%	66.4 7.7%
MacGREGOR %	10.0 7.9%	6.6 7.3%	26.5 7.7%	27.5 7.5%	20.9 6.2%
Cargotec total %	52.0 8.3%	41.6 7.2%	163.7 8.6%	179.4 7.6%	123.9 6.5%

*Pro forma

Earnings per share (basic)



Cash flow from operations



Key figures

		1-9/2006	2005*	2004*
Earnings per share	EUR	1.96	2.11	1.20
Equity per share	EUR	13.27	11.93	10.17
Interest-bearing net debt	MEUR	93.2	120.5	281.4
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Total equity/total assets	%	49.0	46.2	42.2
Gearing	%	10.9	15.7	43.0
Return on equity	%	20.8	19.2	12.6
Return on capital employed	%	23.8	20.9	12.9

*Pro forma

Priorities in strategy implementation

- Cargotec's strategy is based on profitable growth in developing and consolidating markets.
- The aim is to grow the operations significantly both organically and through acquisitions.
- Within services the target is a leading position.
- Way of working will be changed in order to achieve better utilization of common know-how and benefits of scale in technology development and global network.
- Achievement of the growth target will require more investment in personnel development.

Acquisitions during January-September 2006



- Tail lift manufacturer **AMA** in Poland
55 employees and '06 net sales approx. EUR 5 million
- Port service company **ECC** in U.S. East Coast and Gulf ports
Over 100 employees and '06e net sales approx. EUR 25 million



- **BMH Marine** dry bulk handling equipment on ships and at port terminals
140 employees and '06e net sales approx. EUR 70 million



- **Grampian Hydraulics** service company for offshore support vessels
30 employees and '06e net sales approx. EUR 4 million



- Kalmar distributor and service provider **ANE** in South Africa
13 employees
- Distribution and service company **Catracom** in Belgium*
100 employees and '05 net sales were EUR 70 million of which Kalmar equipment share EUR 26 million

Cargotec

Outlook

- Cargotec's market situation is expected to continue good.
- Order intake for the fourth quarter is expected to improve from the third quarter level.
- As previously estimated Cargotec's year 2006 net sales are expected to exceed EUR 2.6 billion and operating margin from operations is expected to exceed 8 percent.