CARGOTEC

President and CEO Mikael Mäkinen

28 April 2011

January–March 2011 interim report

Highlights of January–March 2011 report

- Market activity up in both segments and all geographies
- Order intake and sales grew 37% y-o-y
- Operating profit margin increased to 6.6%
- Cash flow strong despite working capital increasing with volume
- Navis acquisition closed, consolidation from Q2

Market environment in January–March 2011

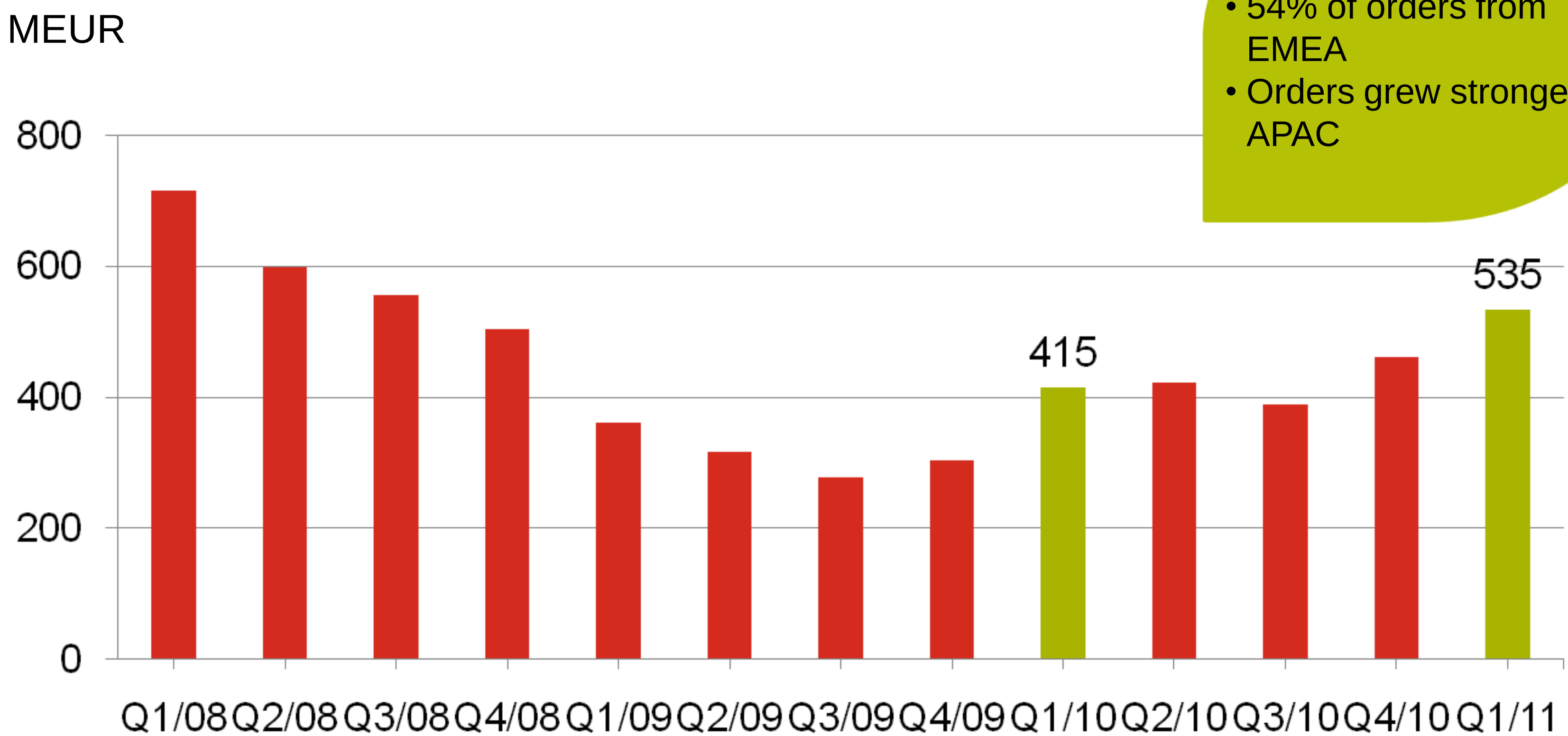
- Markets for load handling equipment developed positively. Demand for particularly loader cranes, truck-mounted forklifts and tail lifts grew clearly. In Americas, demand continued at a low level in construction-related customer segments.
- The revival in demand in container handling equipment for ports began to show in the form of larger project orders. Demand for rubber-tyred gantry cranes in particular was strong.
- The marine cargo handling equipment markets remained healthy. While demand for equipment for bulk vessels is showing signs of slowing, that for container ship equipment has picked up.
- The services markets continued to improve. Demand picked up for various refurbishment and modernisation projects.

Key figures in January–March 2011

	Q1 2011	Q1 2010	Change %	2010
Orders received, MEUR	819	598	37	2,729
Order book, MEUR	2,373	2,239	6	2,356
Sales, MEUR	763	555	37	2,575
Operating profit, MEUR	50.6	13.5		131.4
Operating profit margin, %	6.6	2.4		5.1
Cash flow from operations, MEUR	36.2	46.5		292.9
Interest-bearing net debt, MEUR	335	336		171
Earnings per share, EUR	0.59	0.13		1.21

Q1: Industrial & Terminal's order intake grew 29% y-o-y and 16% q-o-q

- 54% of orders from EMEA
- Orders grew strongest in APAC



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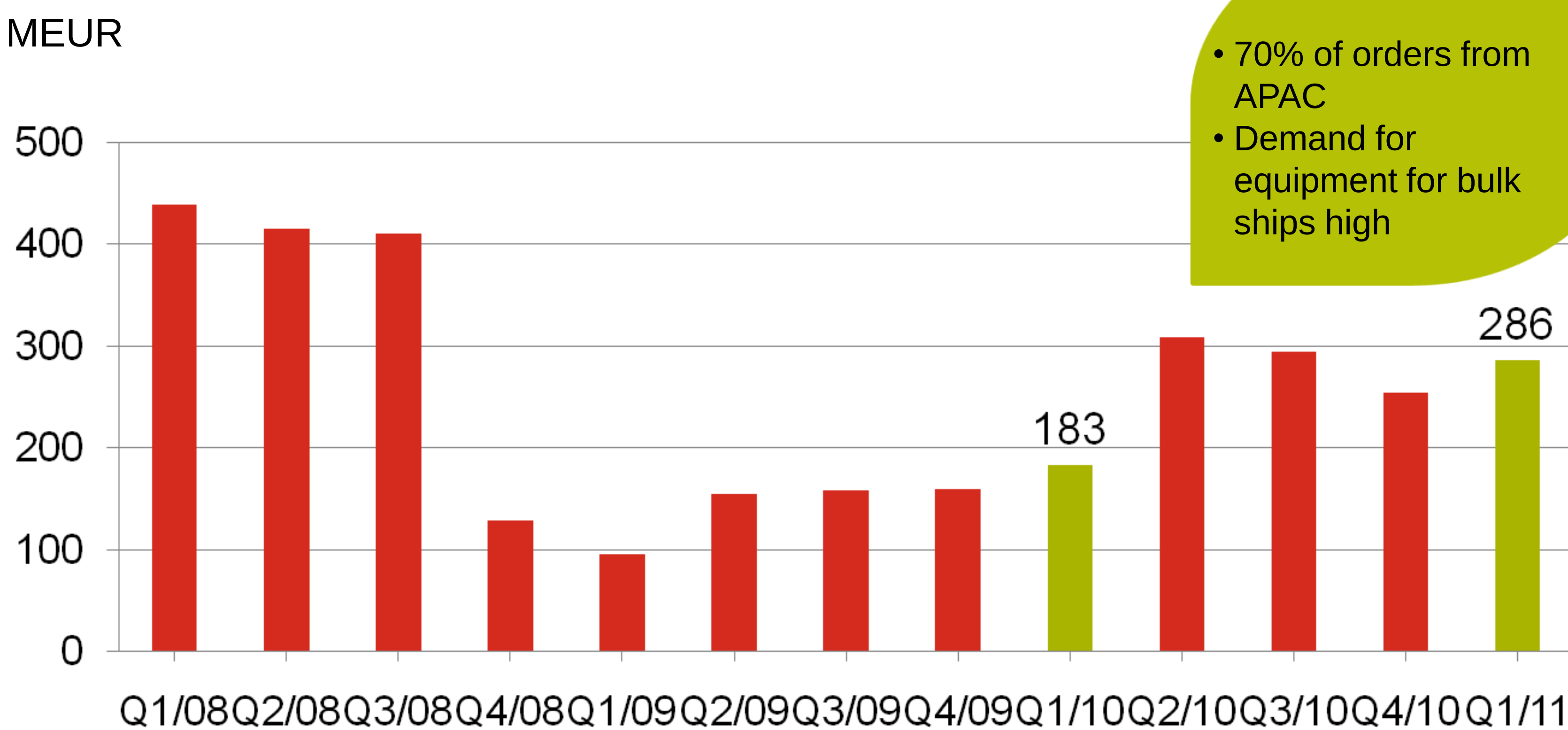
Q1: Marine's order intake continued healthy

- 70% of orders from APAC
- Demand for equipment for bulk ships high



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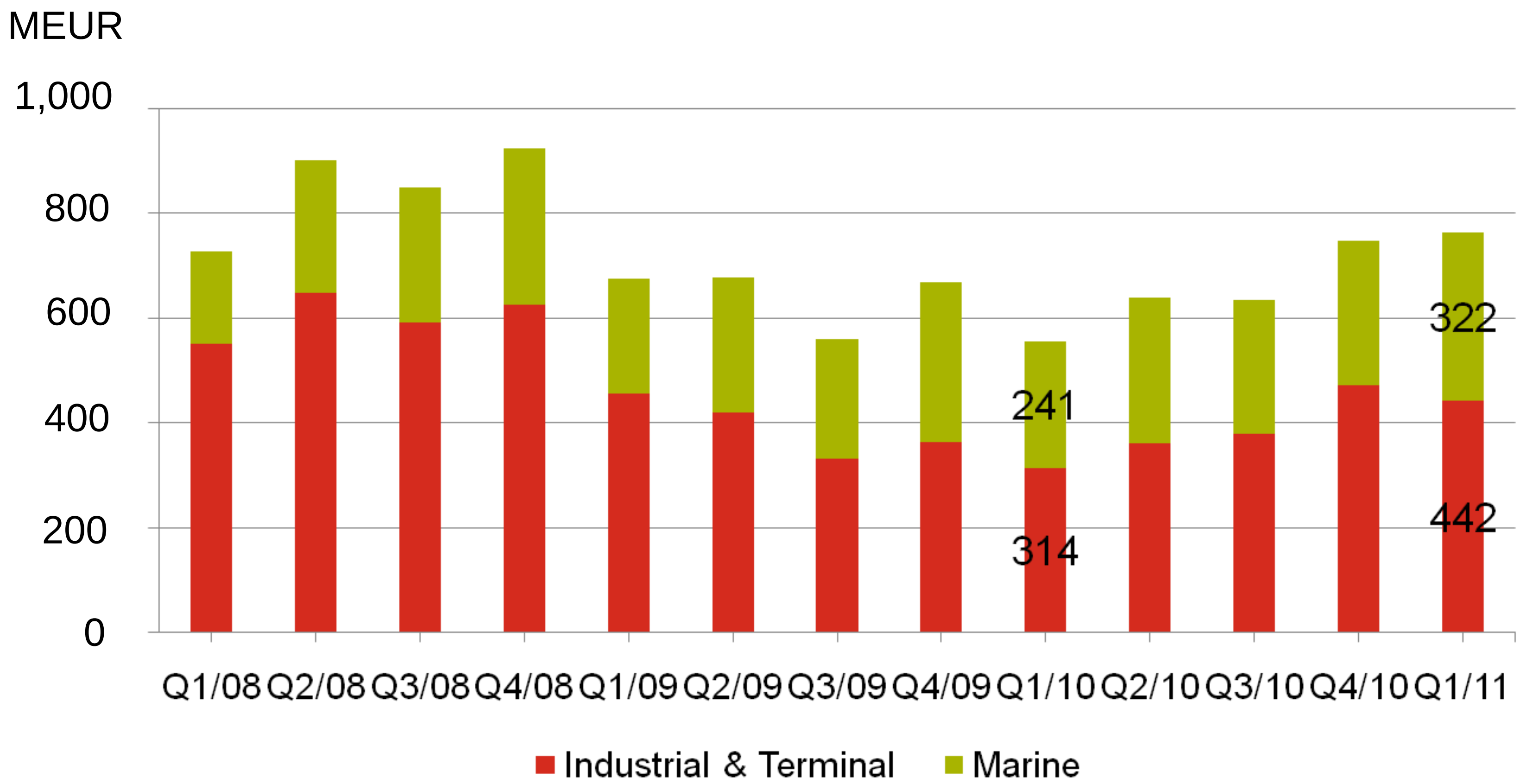
Q1: Industrial & Terminal sales grew 41% and Marine sales 34% y-o-y



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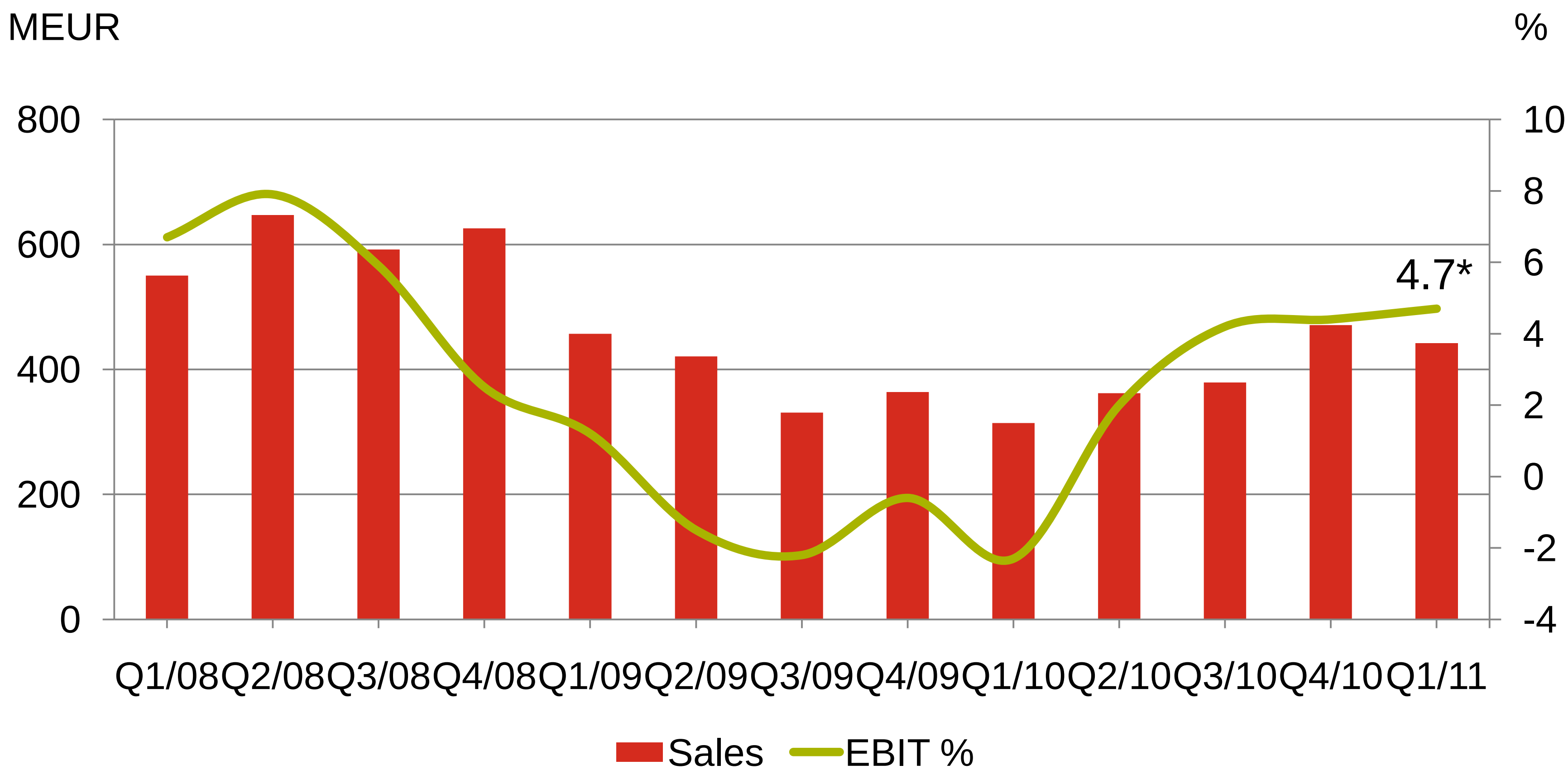
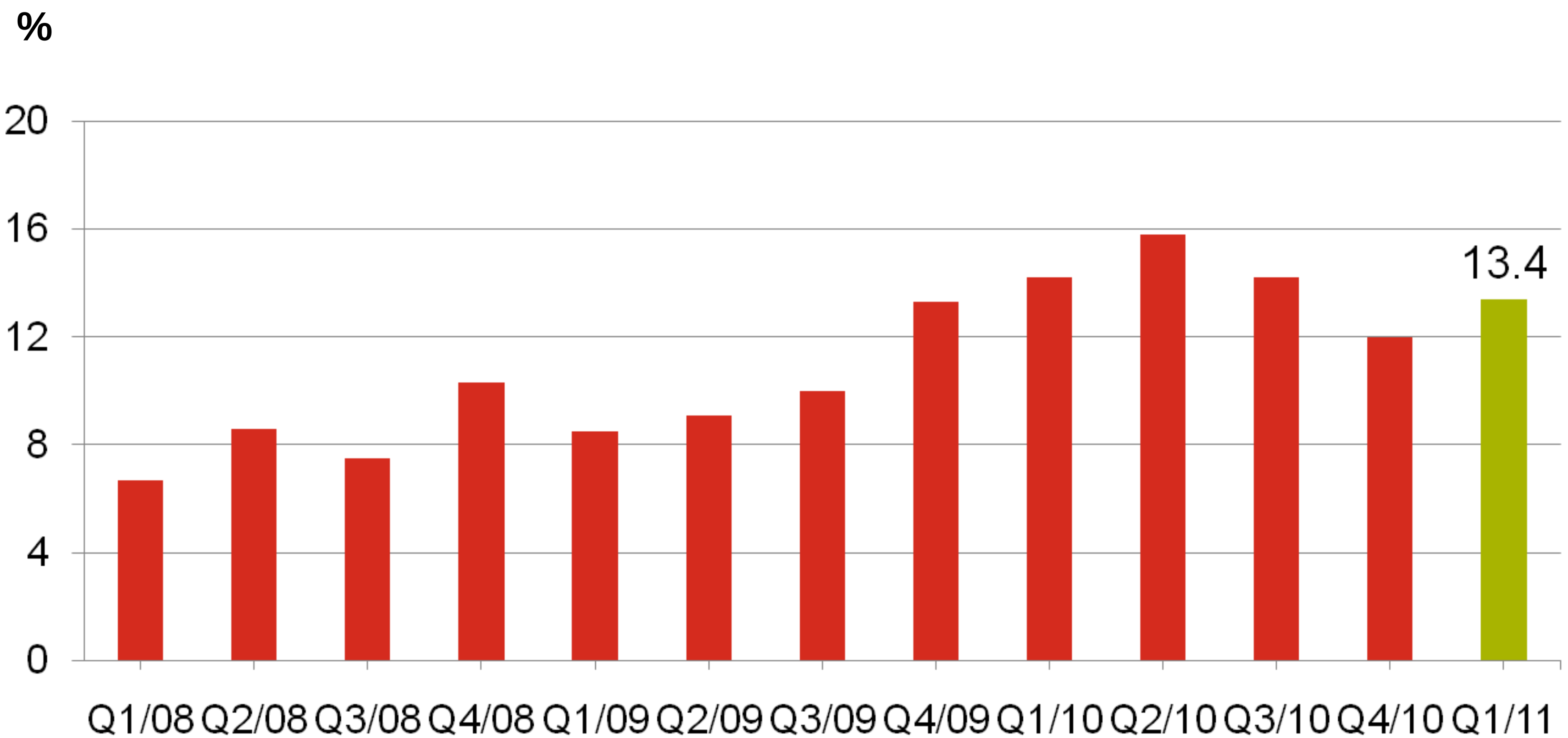
Q1: Industrial &Terminal operating margin improving step-by-step



EBIT% Q1/08–Q4/10 excluding restructuring costs
* Excluding EUR 1.8 million cost related to Navis acquisition

Q1: Marine's profitability remained strong



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

Gross profit development

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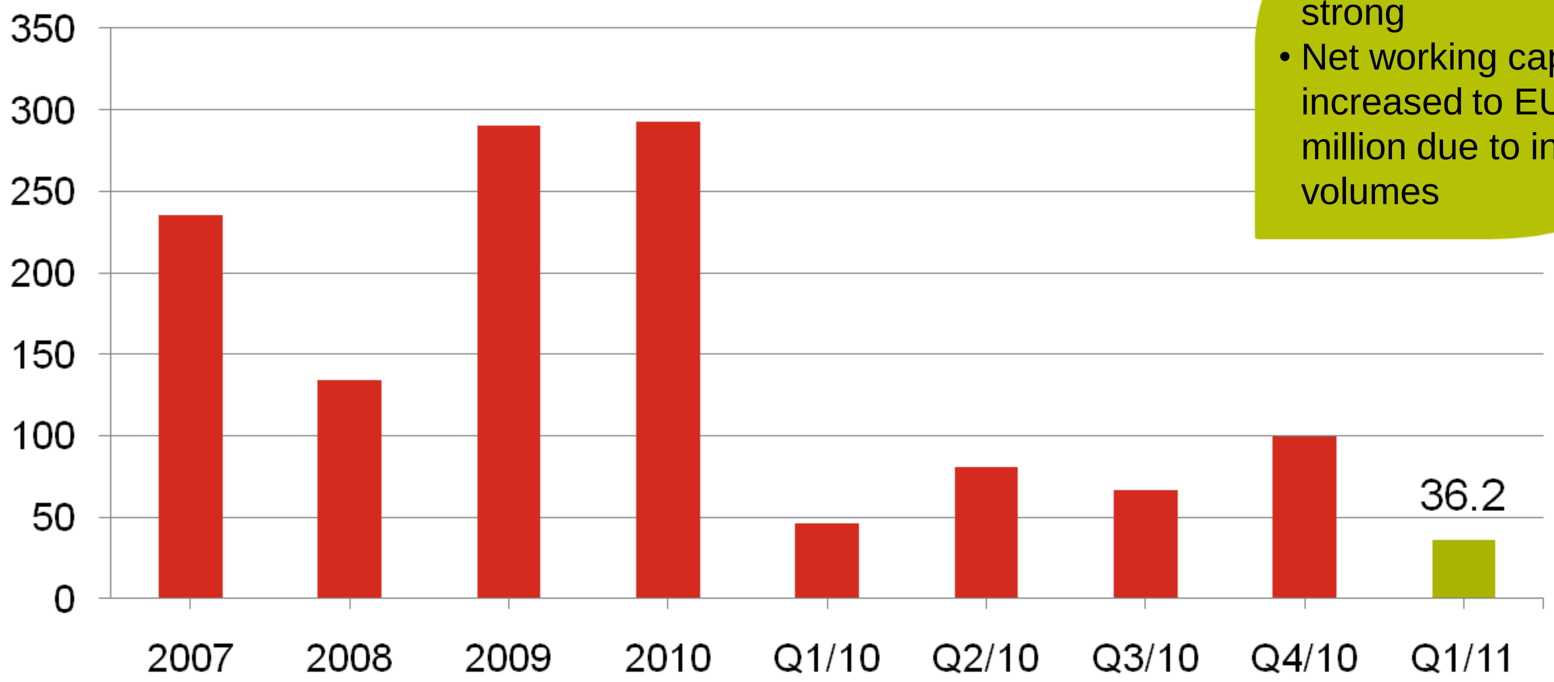
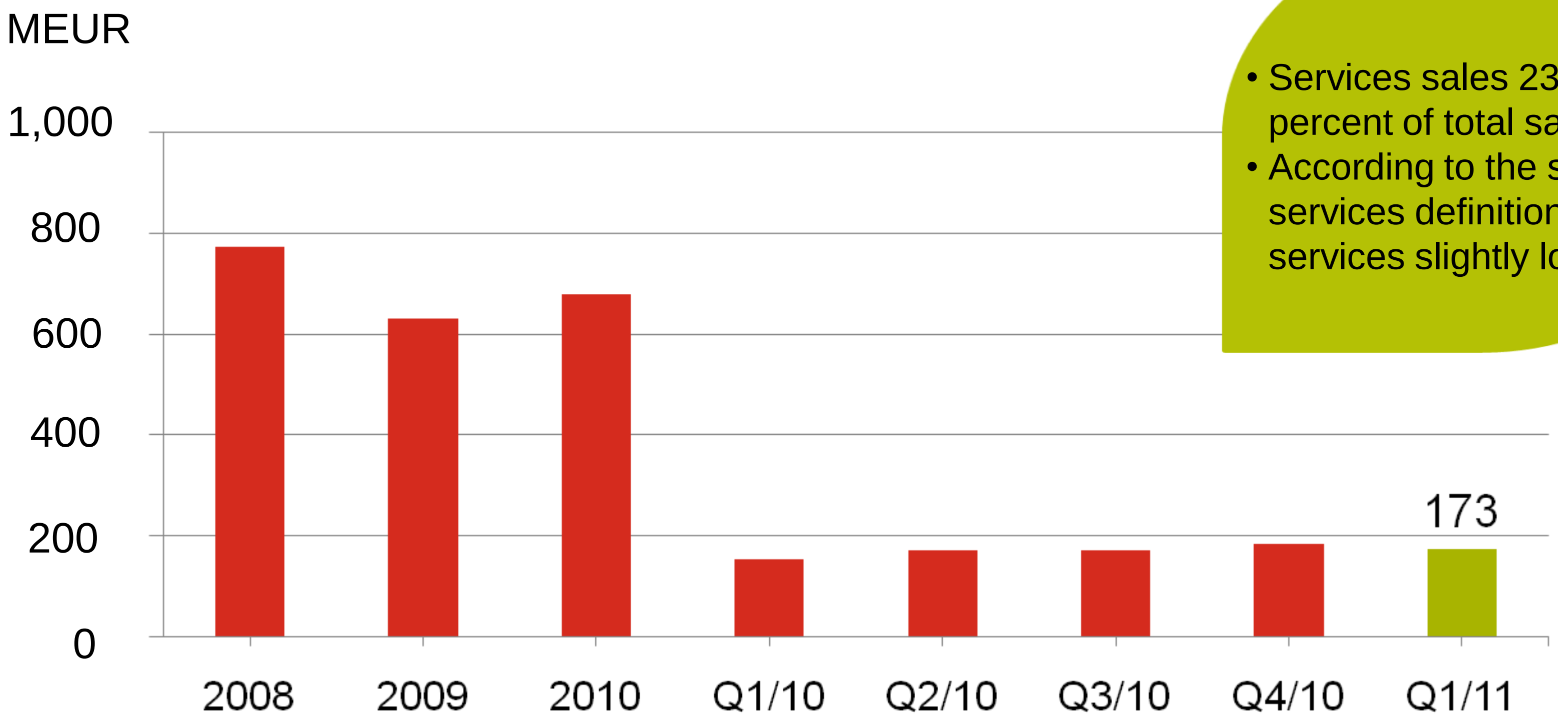
Cash flow from operations remained strong

MEUR



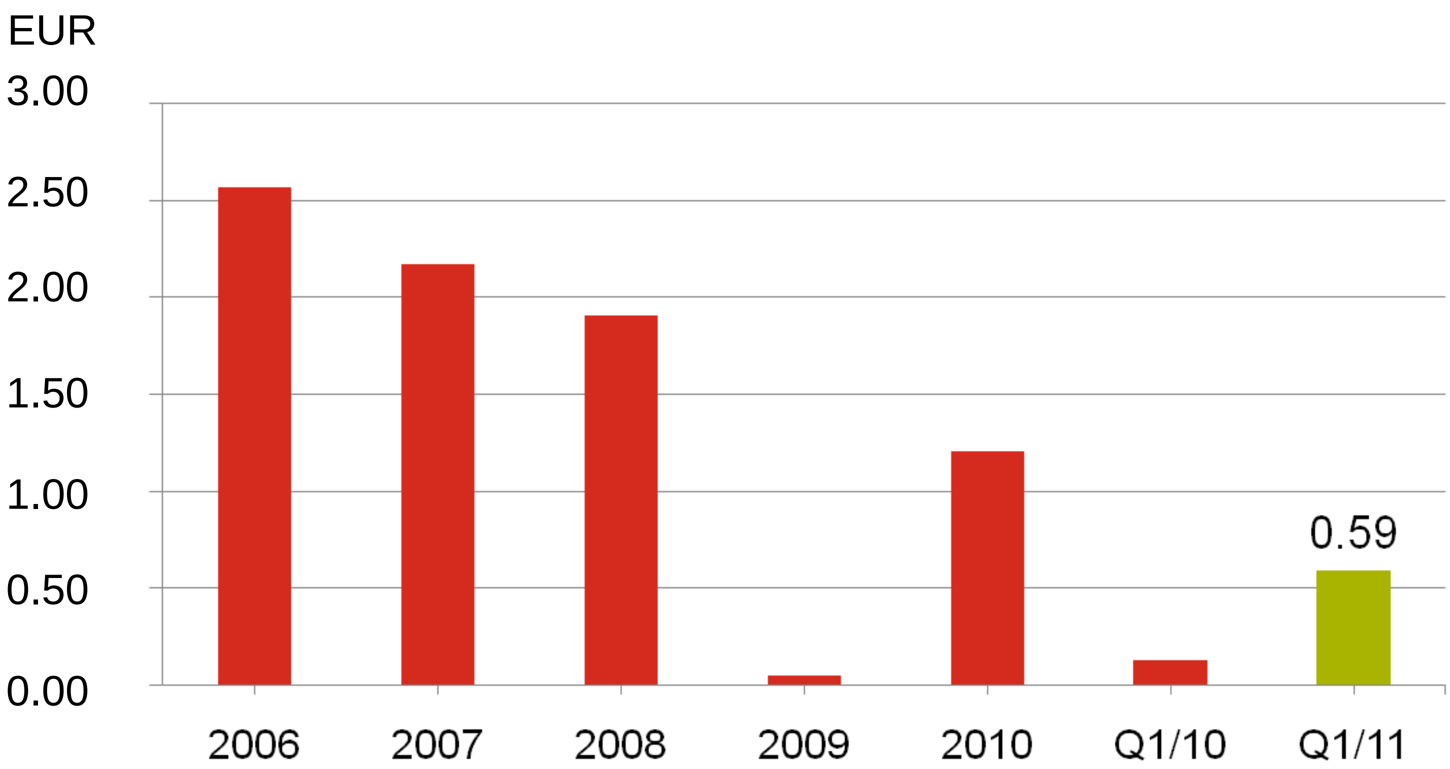
- Q1 cash flow remained strong
- Net working capital increased to EUR 83 million due to increased volumes

Services sales recovering slowly



- Services sales 23 (28) percent of total sales
- According to the specified services definition, Marine services slightly lower

Earnings per share continued to improve



Basic earnings per share

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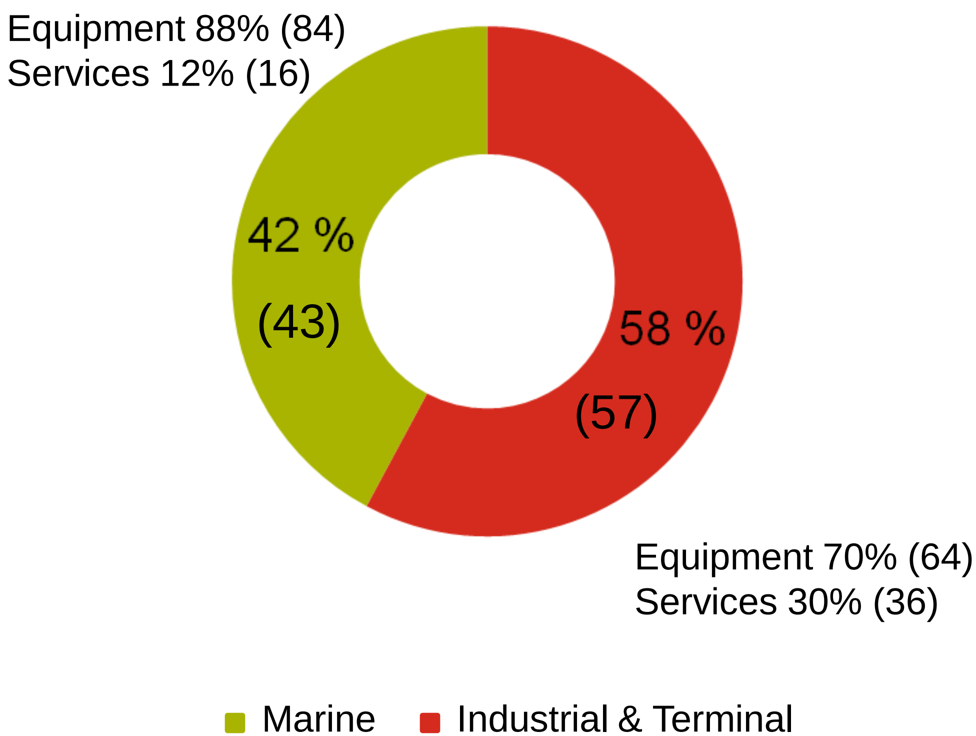
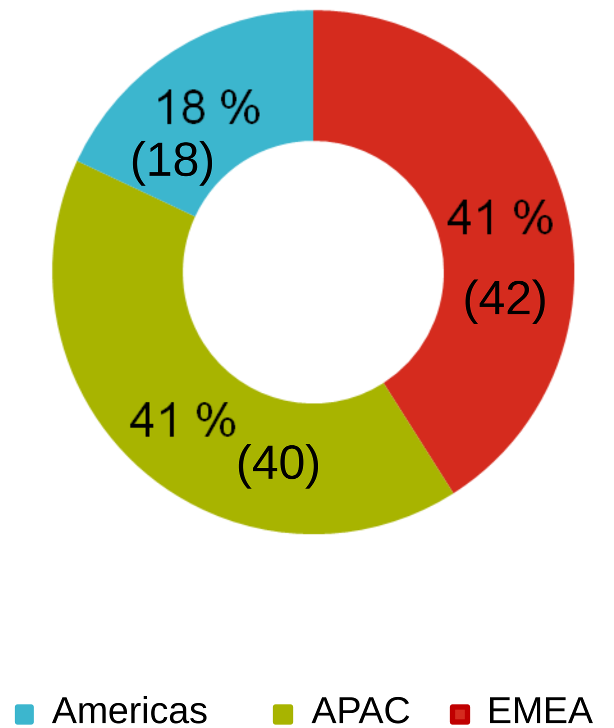
EMEA and APAC equal in size by sales

Sales by reporting segment 1-3/2011, %



Sales by geographical segment 1-3/2011, %



Navis acquisition – accounting treatment effects

- Transaction costs – all of EUR1.8 million booked in Q1/2011
- Acquisition accounting – preliminary purchase price allocation (PPA) calculation results in annual depreciation cost of approximately EUR 5 million as of Q2/2011 for multiple years
- Deferred revenue on acquisition date – under IFRS (and US GAAP) when consolidating into Cargotec deferred revenue adjustment will decrease post-acquisition sales of Navis for slightly over one year. The amount of deferred revenue to be deducted from sales is estimated at approximately EUR 10 million.

→Navis result will have limited impact on Cargotec's consolidated sales and profitability in 2011, situation will improve from 2012 as only PPA depreciation will continue

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

Cargotec's key priorities in 2011

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

Outlook

- Cargotec's 2011 sales are estimated to grow approximately 20 percent.
- Healthy first quarter order intake both in Industrial & Terminal and Marine segments together with the recovery in the market situation supports 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™