Cargotec

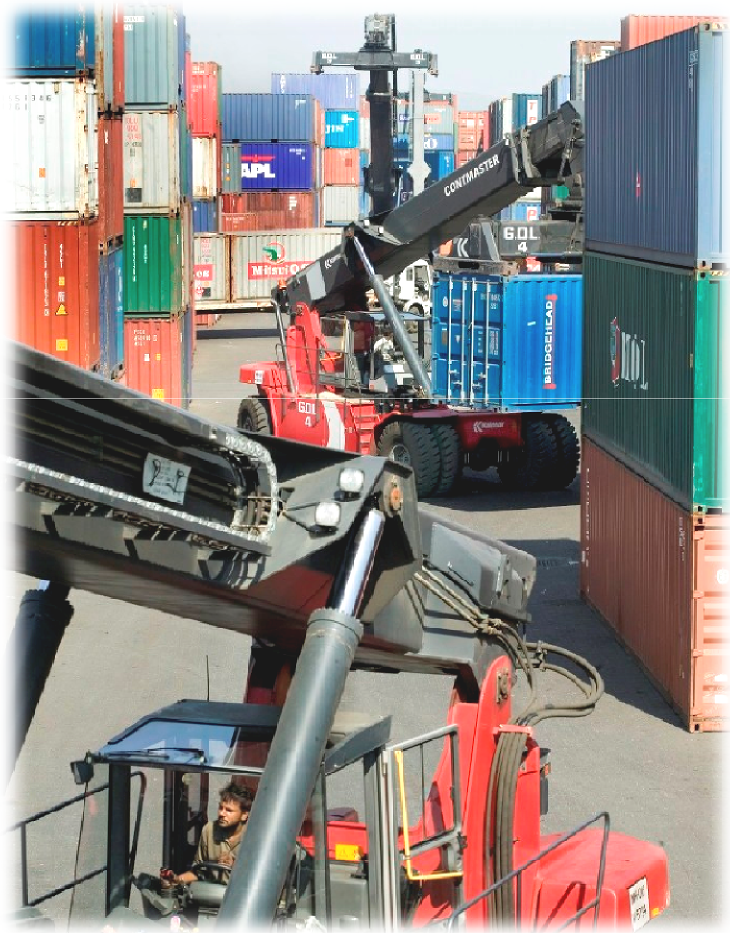
Q3 Interim report
January–September 2008

President and CEO Mikael Mäkinen

October 20, 2008

Key issues in January–September 2008

- Orders received grew over 8% to EUR 3,136 (2,892) million
- Sales grew 15% and rose to EUR 2,476 (2,151) million
- Organic growth 12%
- Services development continued strong with growth of 17%
- Operating profit EUR 156.9 (156.8) million, representing 6.3 (7.3)% operating margin.
- EUR 23.6 million used to repurchase of 1,086,000 own shares
- Healthy financing structure



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Restructuring

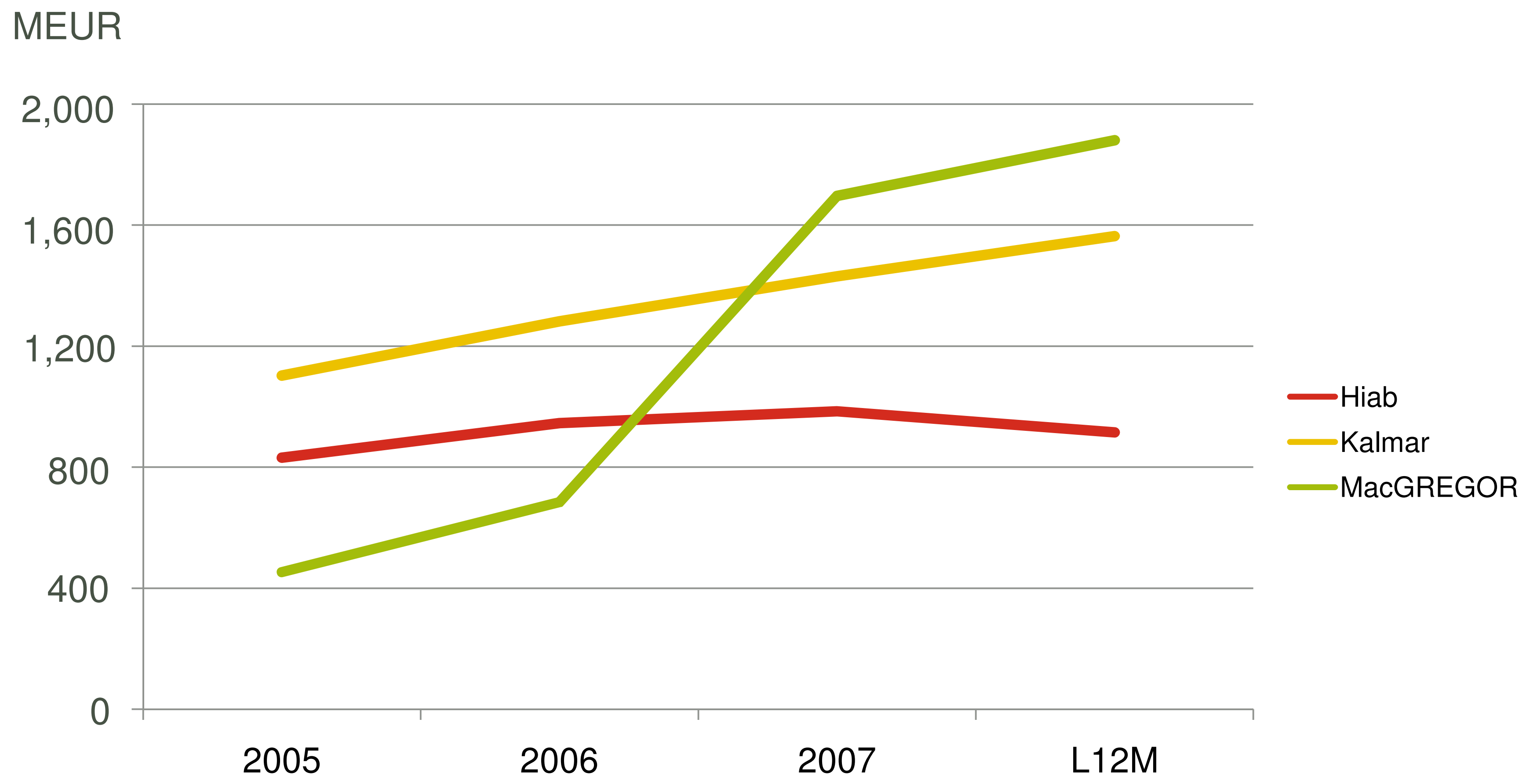
- Restructuring measures initiated mainly in Western Europe and North America
- Estimated one-time costs and asset write downs of EUR 35 million
- Expected annual savings of EUR 25 million

- Crane manufacturing capacity planned to be consolidated in Europe into three factories, manufacturing in Salo, Finland planned to be ceased
- Manufacturing unit of truck-mounted forklifts in Ohio, USA will be closed, manufacturing will be consolidated to a joint Cargotec production unit in Kansas, USA

- Measures affecting some 700 people mainly in Finland, Sweden and USA of which close to 300 people in Finland

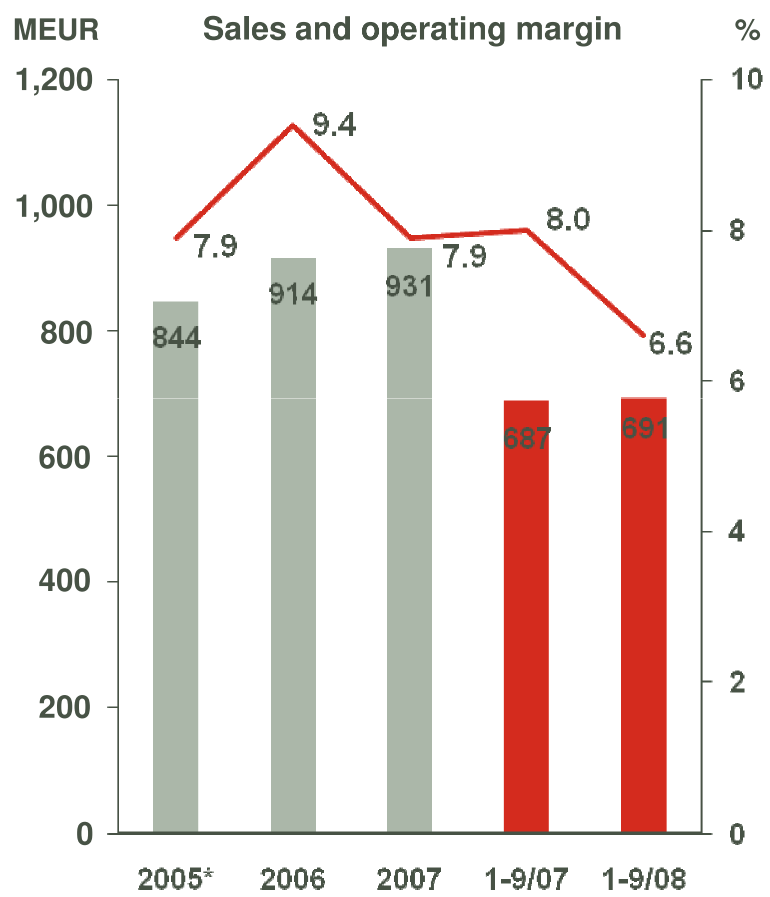
Adjustment of Hiab's production capacity

Order intake still strong



Hiab – challenging market environment

- Markets for load handling equipment weakened in Western Europe during the third quarter
- Orders declined as a result of a drop in demand in construction related customer segments in the US and Western Europe
- Operating margin burdened by overcapacity
- Adjustment of production capacity needed



* Pro forma

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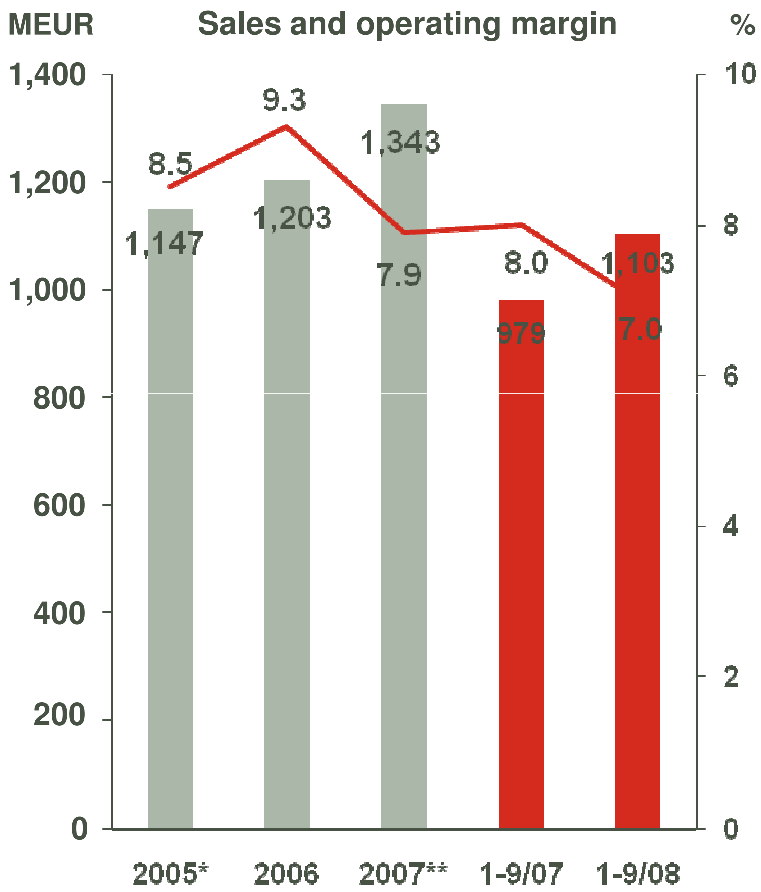
Kalmar – lively demand for heavy equipment

- Markets for container handling equipment remained healthy
- RTG, straddle carrier and reachstacker markets especially active
- Operating profit burdened by EUR 9 million project overruns in the reporting period (EUR 4 million in Q1 + EUR 5 million in Q3)



* Pro forma

** Excluding a one-off cost of EUR 18 million related to a container spreader inspection program

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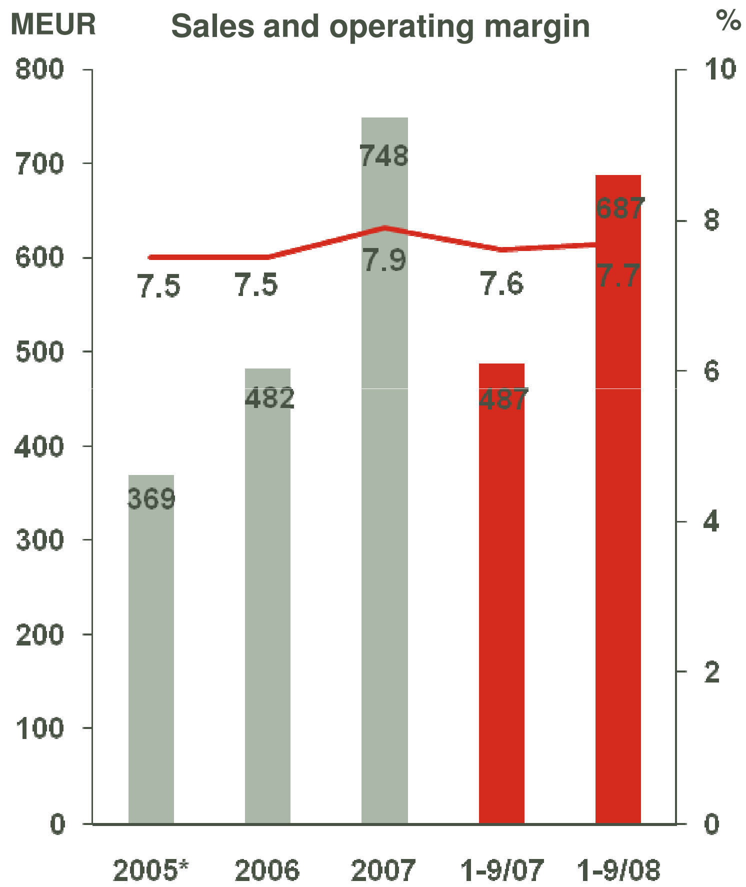
MacGREGOR – order book continued to grow

- Markets for marine cargo systems and offshore solutions continued lively
- Still strong order intake reflecting a high level of ship orders during early 2008
- Margin development in line with expectations
- Possibility of some project deliveries being delayed until early 2009 affecting growth in Q4



* Pro forma

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Services – strong growth continues

- Demand for services healthy in Europe, economic uncertainty affected demand in the US
- Customers interested in increasing their operational flexibility
- Services sales represented 26% of total sales

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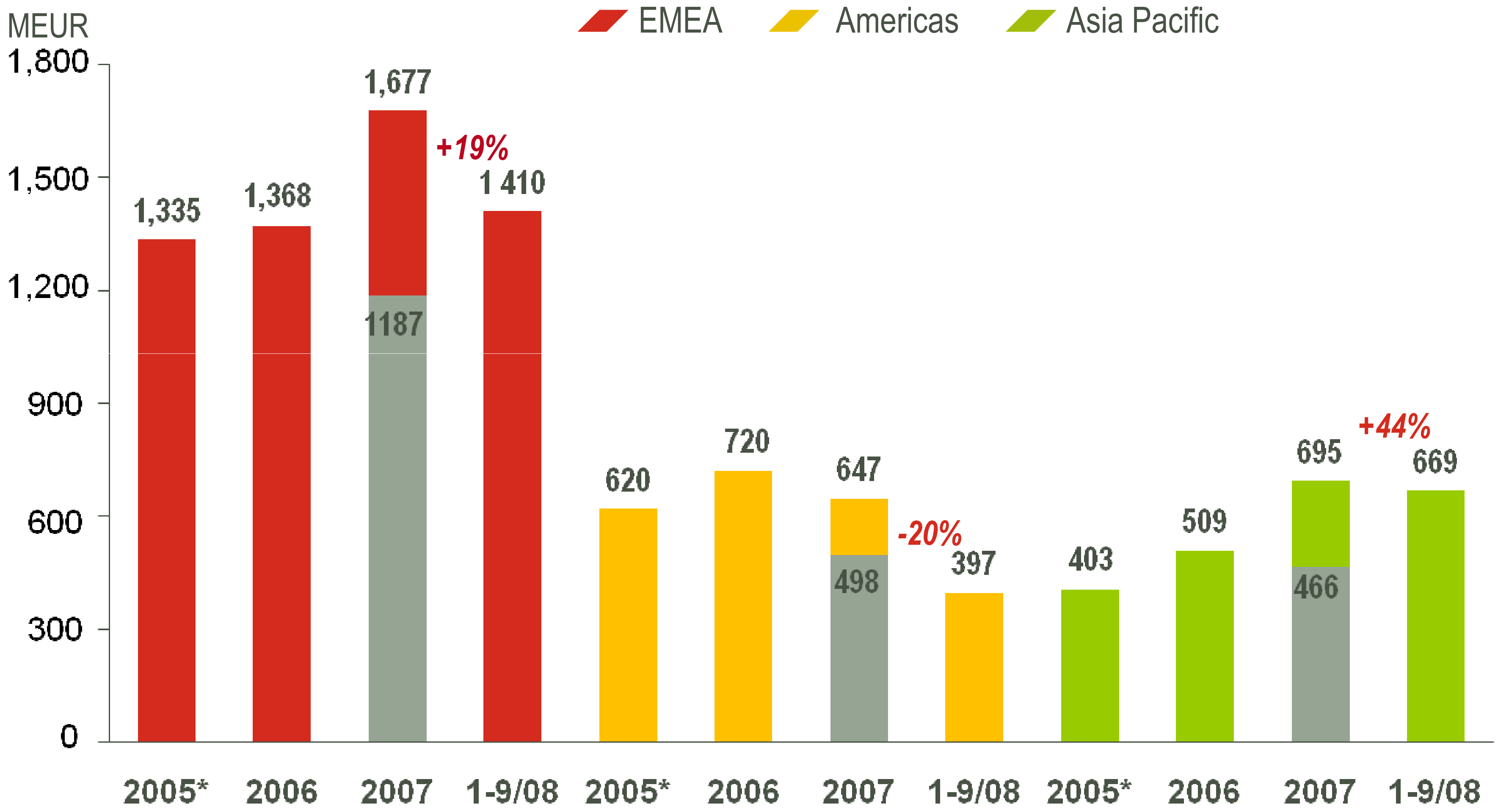
Geographical sales growth – strong growth in Asia continues



*Pro forma

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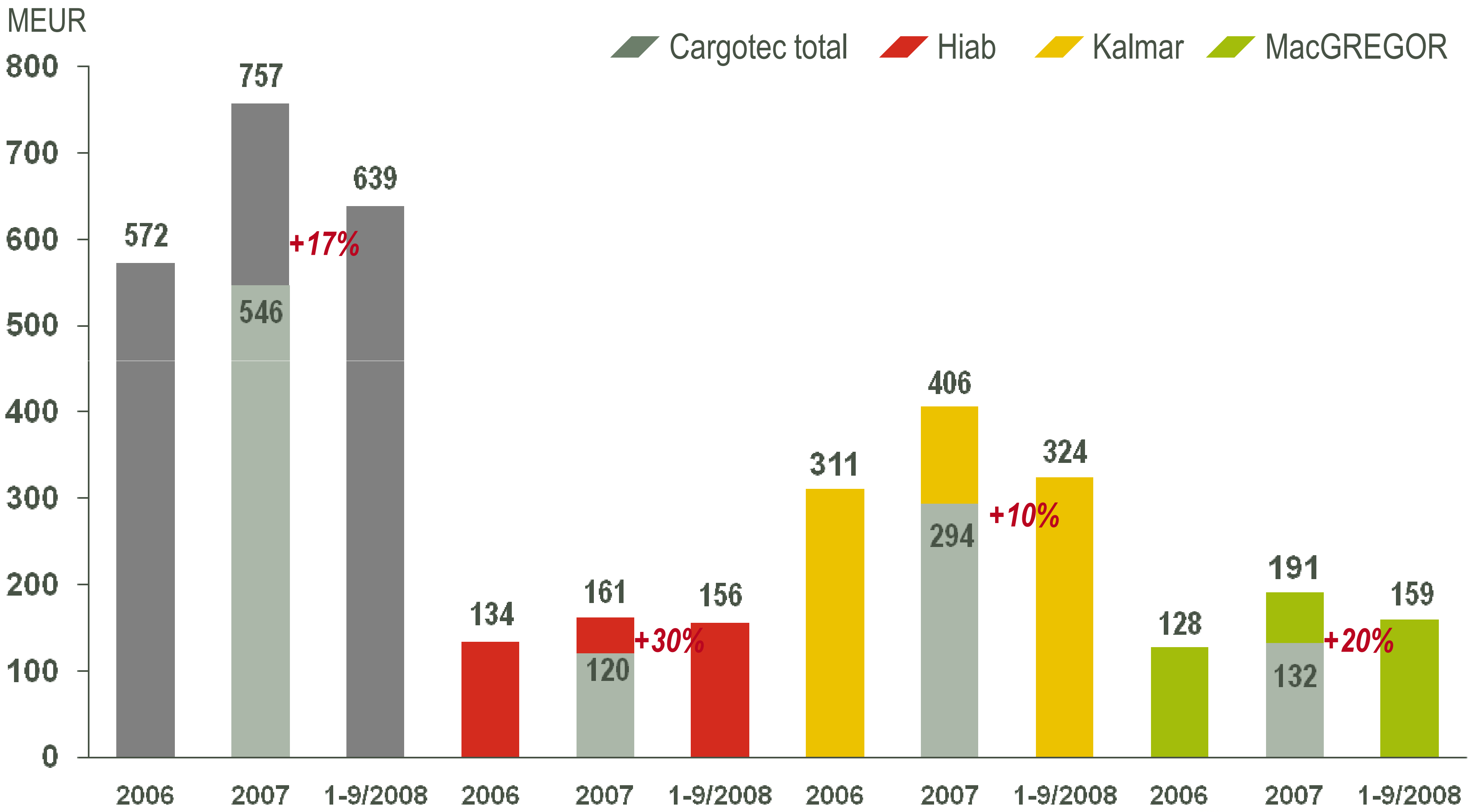
Services grew by 17%



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Operating profit from operations by business area

MEUR	1-9/2008	1-9/2007	2007	2006	Pro forma 2005
Hiab	45.7	54.6	73.8	86.6	66.7
%	6.6%	8.0%	7.9%	9.5%	7.9%
Kalmar	77.5	78.6	105.5*	111.8	97.8
%	7.0%	8.0%	7.9%*	9.3%	8.5%
MacGREGOR	52.9	37.1	59.4	36.1	27.6
%	7.7%	7.6%	7.9%	7.5%	7.5%
Corporate admin and others	-19.2	-13.5	-17.5	-11.9	-12.3
Cargotec total	156.9	156.8	221.1*	222.6**	179.8
%	6.3%	7.3%	7.3%*	8.6%**	7.6%

*Excluding a one-off cost of EUR 18 million in Kalmar business area related to a container spreader inspection and repair programme
**Excluding capital gain

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Key figures

	1-9/2008	1-9/2007	2007	2006	Pro forma 2005
Basic earnings per share, EUR	1.77	1.72	2.17	2.57	2.11
Equity per share, EUR	14.26	13.96	14.29	13.72	11.93
Interest-bearing net debt, MEUR	388.7	364.6	303.6	107.5	120.5
Total equity/total assets, %	35.3	40.2	38.3	47.6	46.2
Gearing, %	44.1	41.6	33.9	12.3	15.7
Return on equity, %	16.8	16.7	15.6	20.2	19.2
Return on capital employed, %	15.1	17.6	16.8	23.1	20.9
Cash flow from operations	158.1	138.8	235.1	249.8	194.1

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Healthy financing structure

- Liquidity of MEUR 757 consists of the following
  - Cash and cash equivalents MEUR 122
  - Long-term unused Revolving Credit Facilities MEUR 635
    - » EUR 50 million maturing in 2010
    - » EUR 535 million maturing in 2012
    - » EUR 50 million maturing in 2015

- Short-term loans of EUR 80 million maturing in Q4 2008–2009
- Long-term loans of EUR 440 million maturing mainly from 2012

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On the Move change programme

- The projects in the first phase focused on streamlining support functions and company structure as well as initiating IT projects that improve efficiency
  - In Finland and Sweden all operations will be transferred to one company per country at the year-end
  - Company structure analysis expanded to several countries
- Tighter timetable, projects started expected to incur costs of approx. EUR 10 million in 2008
- Focus on developing the global supply footprint
  - Plans about a new assembly factory in Poland
- Hiab, Kalmar and MacGREGOR have changed structure towards more customer oriented organisations

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Outlook

- The market situation in the large project side of container handling is healthy, and offers are at a high level. On the other hand in construction related customer segments in Europe and the US the market situation in load handling has further weakened from September. The ship building market is evening out as earlier expected. Order intake in the final quarter of the year is according to earlier expectations expected to be below the high level of previous quarters.
- Cargotec’s 2008 sales growth is expected to be approximately 13 percent. The growth rate in the final quarter is likely to slow from January–September due to the economic uncertainty and a possibility of project deliveries being delayed.
- Operating margin for full year 2008 is estimated to be at the January–September margin level. This margin estimate is excluding the expected costs and asset write downs from restructuring operations, in total approximately EUR 35 million.

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Questions & Answers

- Mr. Mikael Mäkinen, President and CEO
- Mr. Kari Heinistö, Deputy CEO
- Ms. Eeva Sipilä, CFO
- Ms. Tiina Naumanen, SVP Corporate Control