Financial Statements Review 2007

President and CEO Mikael Mäkinen

January 31, 2008

Key issues in 2007

- Year 2007 orders received grew by over 40% rising to EUR 4,106 (1-12/2006: 2,910) million. Q4 orders received record-high at EUR 1,214 (10–12/2006: 716) million.
- Sales grew by16% and rose to EUR 3,018 (1-12/2006: 2,597) million.
- Services development continued strong with sales growing by 32%.
- Operating profit from operations excluding EUR 18.0 million one-off was EUR 221.1 (222.6) million, representing 7.3 (8.6) % of sales. Q4 accounted for 64.3 (10–12/2006: 57.8) million at 7.4 (8.3)% of sales.

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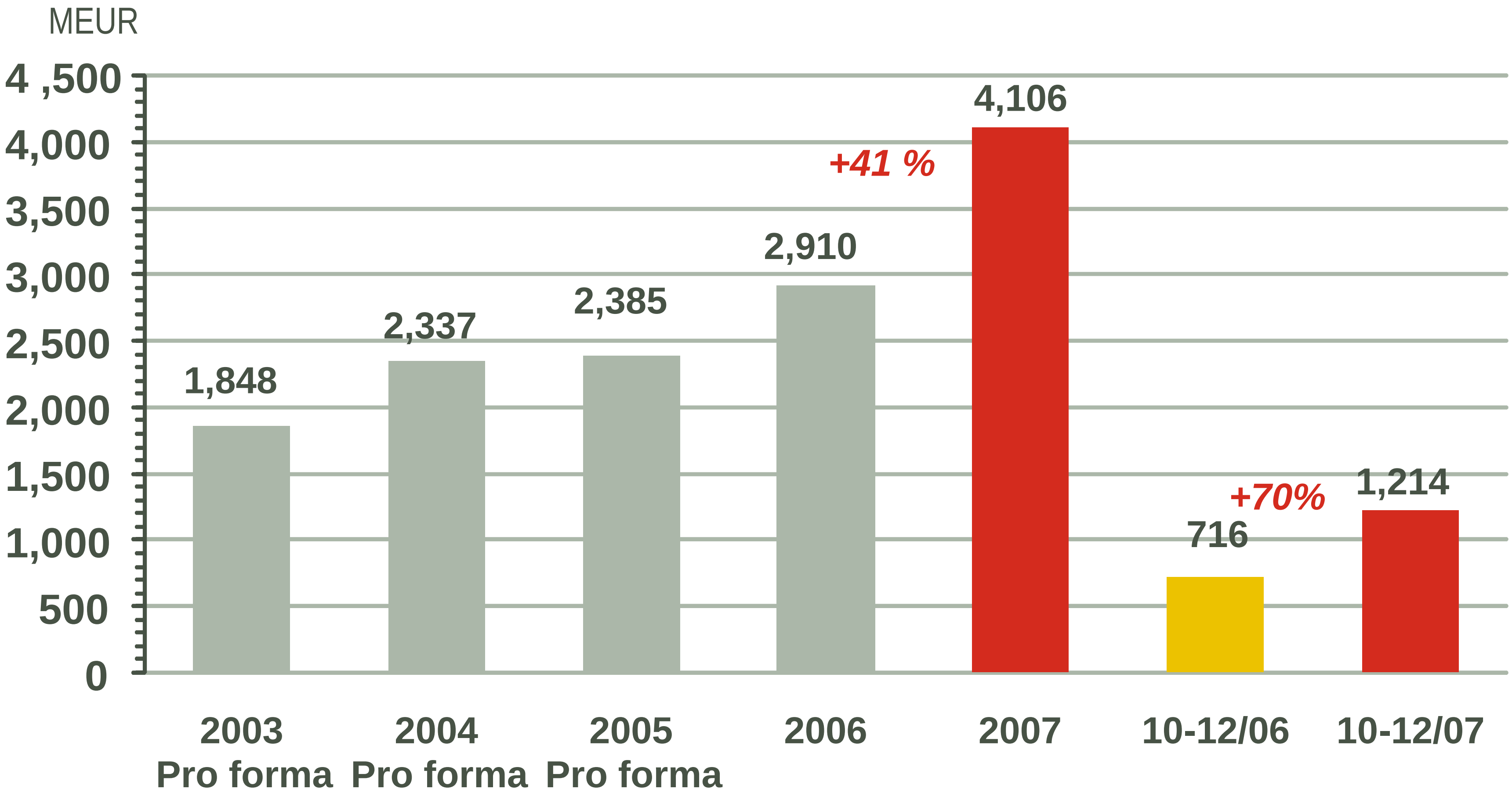
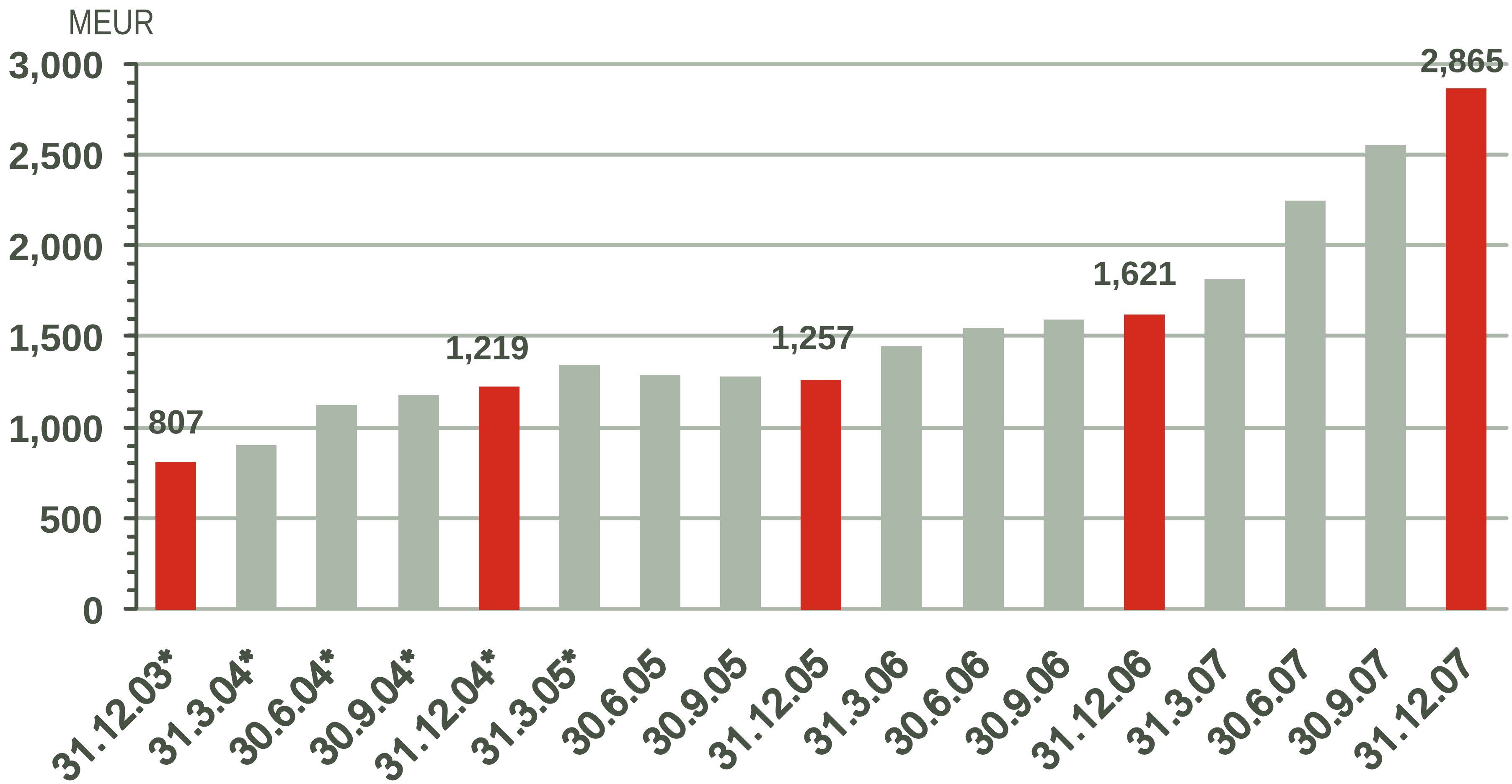
Record-high order intake reflected lively market activity

- Load handling equipment market in Europe and Asia Pacific very buoyant while U.S. demand weak.
- Container handling equipment demand was healthy. In particular, reachstacker demand grew.
- Demand for marine cargo handling and offshore solutions was record-high.
- Demand for services remained favourable throughout the year.

Order intake

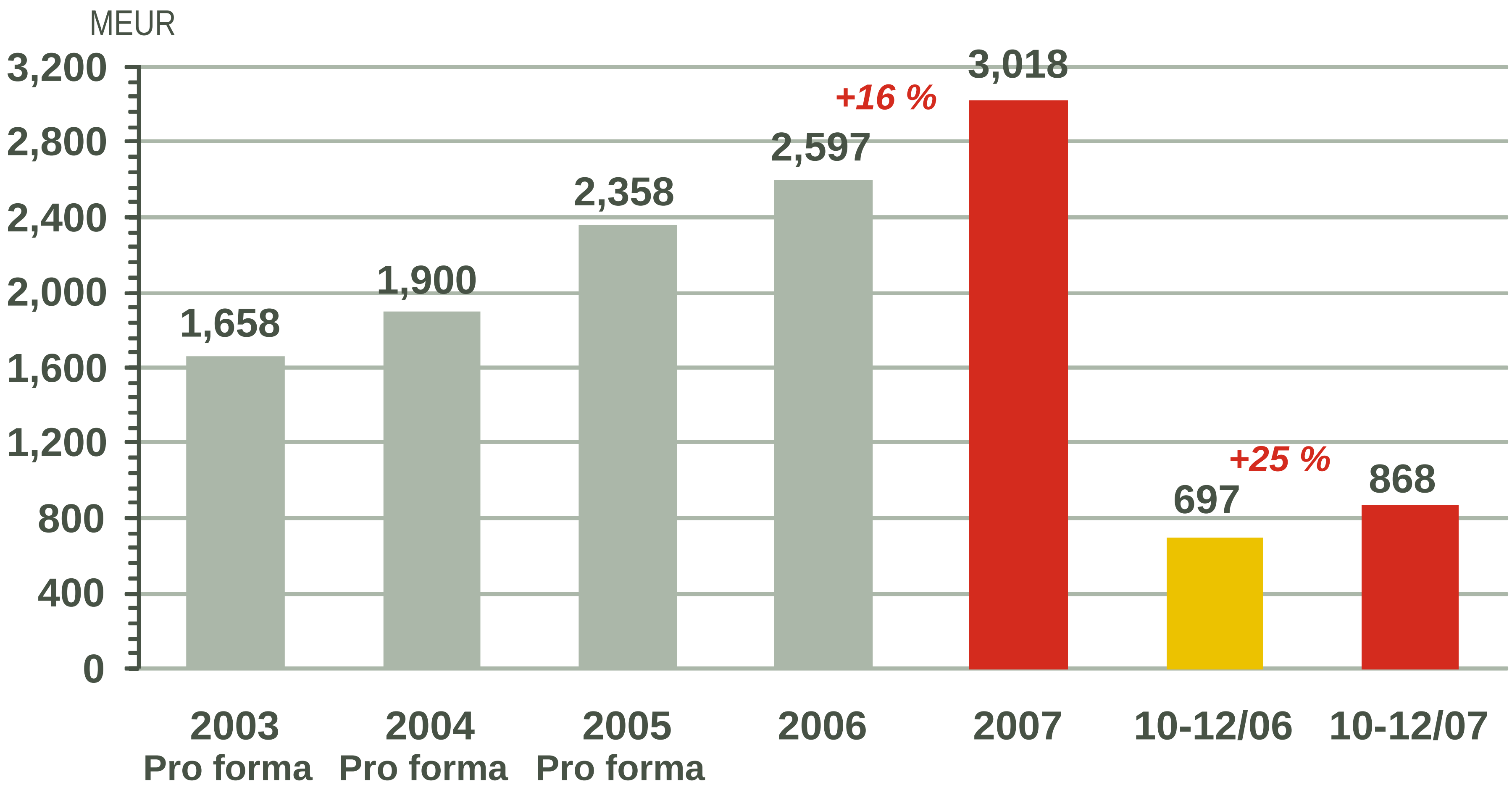


Order book rose again to new record



*Pro forma

Sales growth continued



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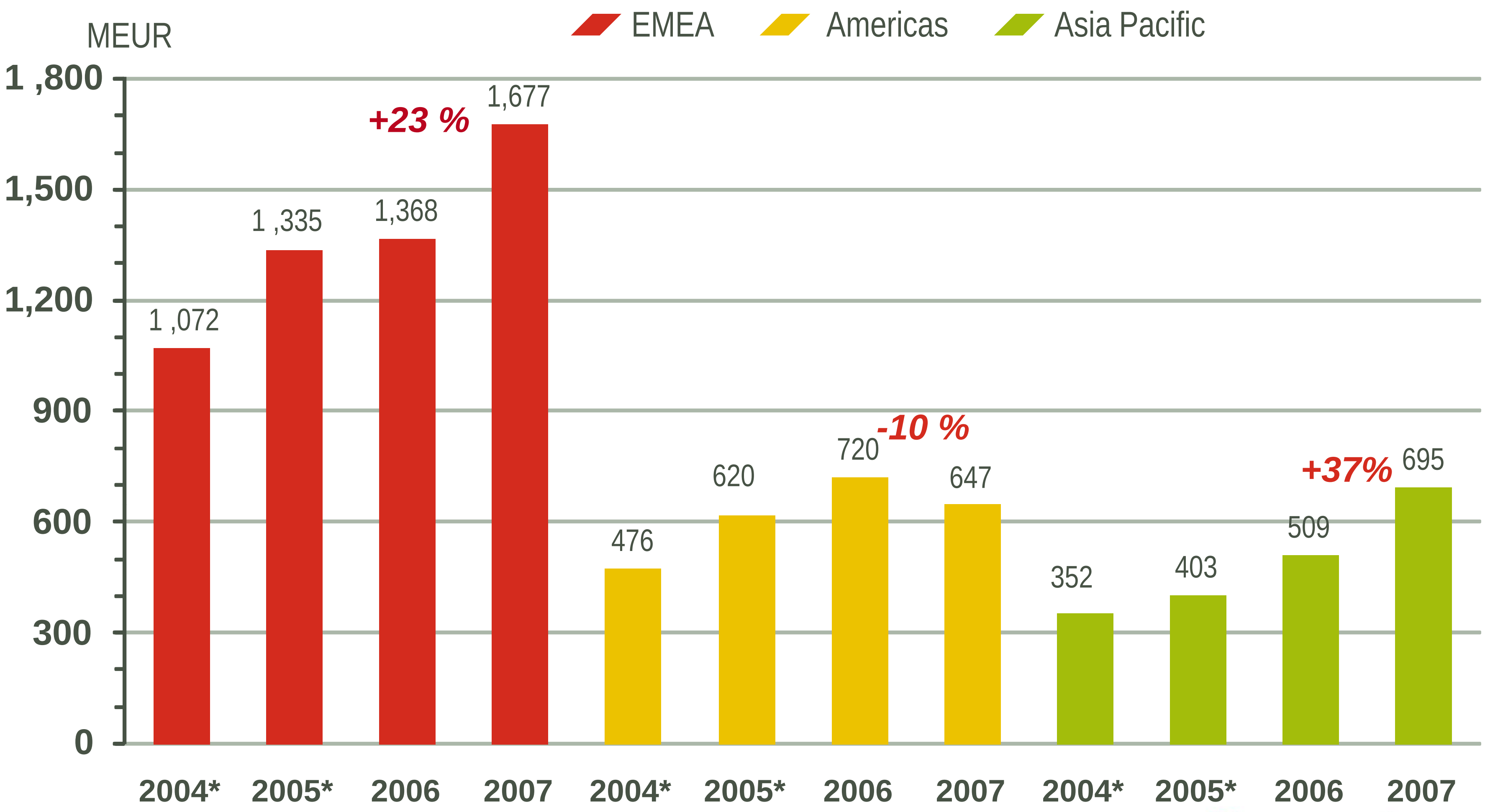
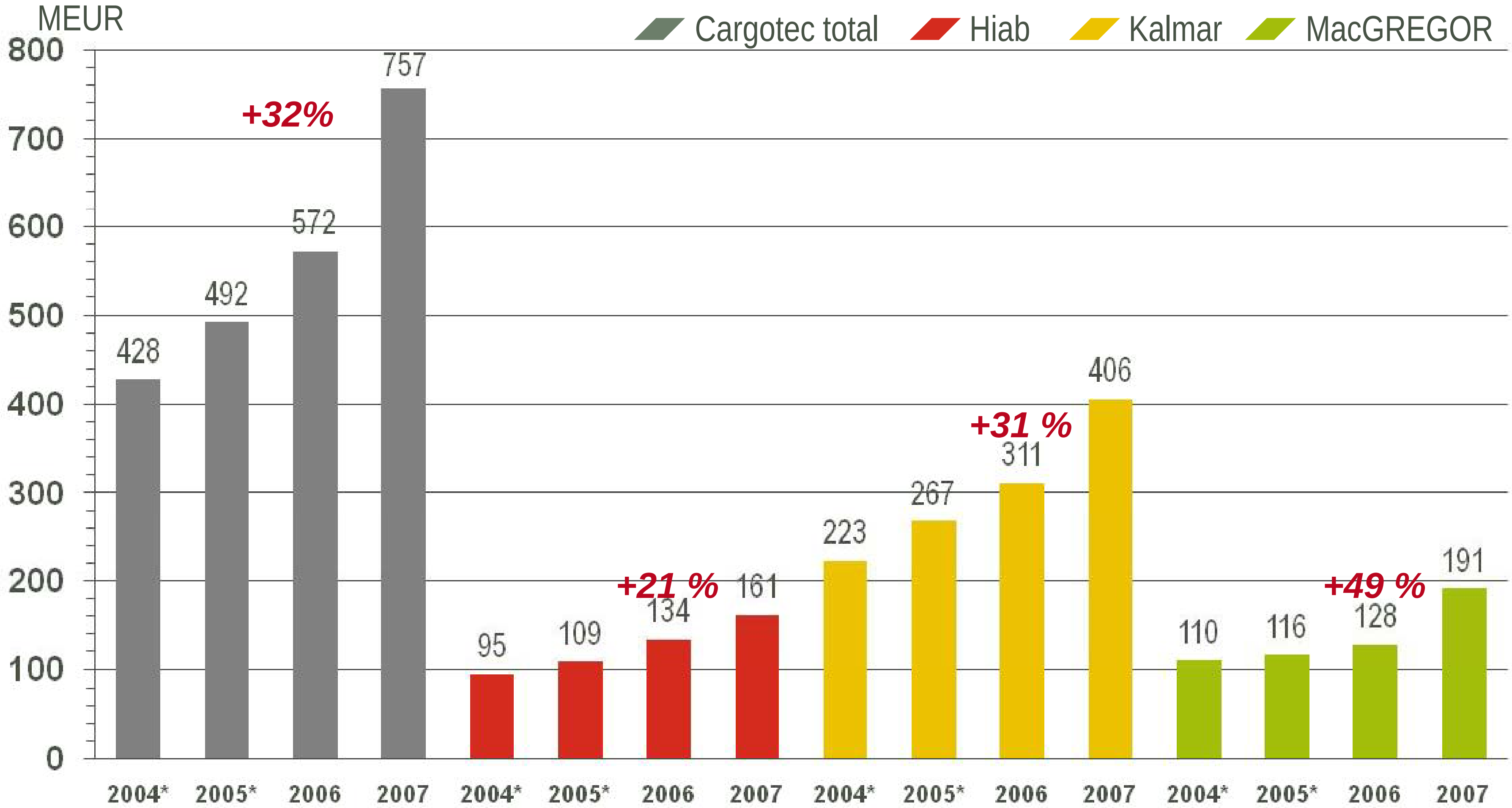
Geographical sales growth – fastest growth in Asia



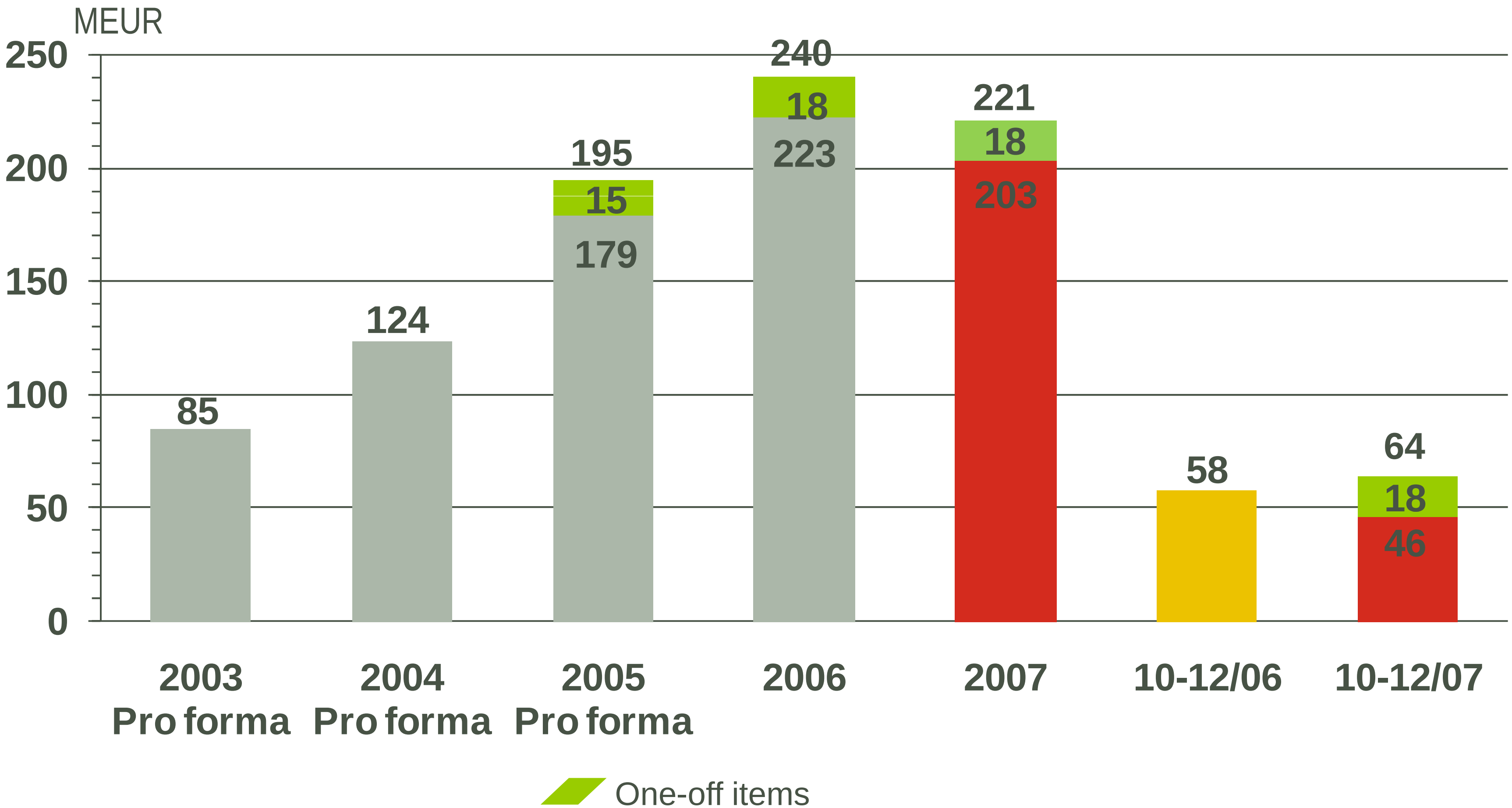
*Pro forma

Services grew by 32% y-on-y representing 25% of sales



*Pro forma

Operating profit



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Operating profit from operations by business area

MEUR	10-12/2007	10-12/2006	2007	2006	Pro forma 2005
Hiab	19.1	22.7	73.8	86.6	66.7
%	7.8%	9.5%	7.9%	9.5%	7.9%
Kalmar	26.9*	28.3	105.5*	111.8	97.8
%	7.4%*	8.8%	7.9%*	9.3%	8.5%
MacGREGOR	22.3	9.7	59.4	36.1	27.6
%	8.6%	7.0%	7.9%	7.5%	7.5%
Group admin, others	(4.0)	(2.9)	(17.5)	(11.9)	(12.3)
Cargotec total	64,3*	57.8	221.1*	222.6**	179.8
%	7.4%*	8.3%	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 program
**Excluding capital gain

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Operating profit analysis

	2007	2006	
Comparable oper .profit	234.4	225.9	
Hiab factory closure cost	(3.3)	-	• Closure cost of Dutch factory
PPA	(9.9)	(3.3)	• Purchase price allocation treatment
Oper. profit from operations:	221.1	222.6	
of whichHiab	73.8	86.6	• U.S. market weak
of which Kalmar	105.5	111.8	• R&D investments • Expansion of service network through acquisitions
of which MacGREGOR	59.4	36.1	
group admin cost	(17.5)	(11.9)	• Development of global network and knowledge
One-off cost	(18.0)	-	• Bromma container spreader inspection programme
One-off capital gain	-	+17.8	• Capital gain from real estate sale
Operating profit	203.1	240.4	

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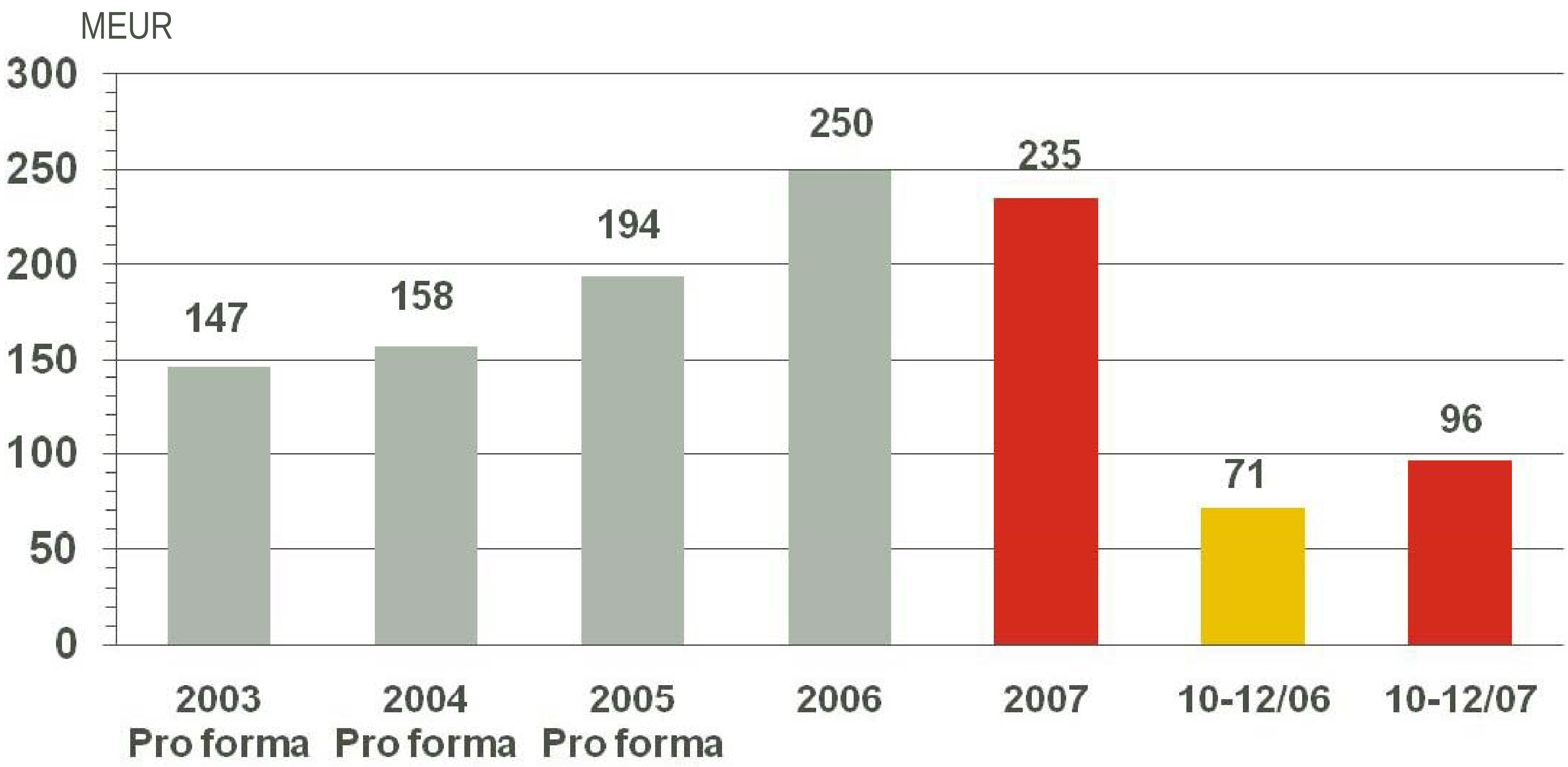
Earnings per share (basic)

Cash flow from operating activities before financial items and taxes



Key figures

				Pro forma
		2007	2006	2005
Basic earnings per share	EUR	2.17	2.57	2.11
Equity per share	EUR	14.29	13.72	11.93
Interest-bearing net debt	MEUR	303.6	107.5	120.5
Total equity/total assets	%	38.3	47.6	46.2
Gearing	%	33.9	12.3	15.7
Return on equity	%	15.6	20.2	19.2
Return on capital employed	%	16.8	23.1	20.9

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Acquisitions completed in 2007

- Services company **Tagros** in Slovenia
- **Berger** sales, service, installation network in Eastern Europe
- Sales and services company **Truck och Maskin i Örnsköldsvik** in Northern Sweden
- Increased stake in distribution and services company **BG Crane** in Australia
- U.S. services company **PES** for ports and intermodal terminals
- Manufacturing base in India through **Indital**
- Offshore and sub-sea load handling systems company **Hydramarine** in Norway
- **Plimsoll** in Singapore focused on offshore deck equipment
- **Kalmar Asia Pacific** minority stake
- Kalmar distributor **Kalmar España** in Spain
- Offshore service company **Vestnorsk Hydraulikkservice** in Norway
- Component and steel structure manufacturer **Balti** in Estonia
- U.S. services company **Bay Equipment Repairs**
- Port automation technology company **Advanced Cargo Transhipment** in the Netherlands

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Key 2007 achievements in Cargotec's development

Growth in Services

Asian sales growth

Expansion of global presence

Investments in R&D

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On the Move to support strategy implementation

- The programme is aimed at taking advantage of Cargotec's knowledge and scale by establishing a way of working that supports the change in the Company's business environment in which the share of services and emerging markets is increasing.
- Change programme will be lead by Deputy CEO Kari Heinistö.
- Cargotec's strong order book and growth enable transforming the way of working as part of continuous development of operations.
- A profitability improvement of EUR 80-100 million is targeted through the change programme. Essential in the improvement target is enabling profitable growth through a more efficient structure and way of working.

Outlook

- Investments in the strategic development of Cargotec will continue and growth in services is expected to remain strong.
- Based on the record-high order book at the beginning of the year management estimates sales growth in 2008 to be at the year 2007 level.
- General market activity and Cargotec's orders received are expected to continue healthy although in MacGREGOR the achievement of the exceptionally high order intake level of 2007 is a stretch.
- Operating margin in 2008 is expected to improve from the 2007 level.
- The U.S. market continues weak without yet any signs of improvement.

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Questions & Answers

- Mr. Mikael Mäkinen, President and CEO
- Mr. Kari Heinistö, Deputy CEO
- Ms. Eeva Mäkelä, CFO as of Feb 1, 2008
- Ms. Tiina Naumanen, Group Controller

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