

CARGOTEC

Mikael Mäkinen, President and CEO



Cargotec Capital Markets Day, 21 September 2010, Stargard Szczeciński, Poland

Profitable growth through customer focus Cargotec's refined strategy 2011–2015



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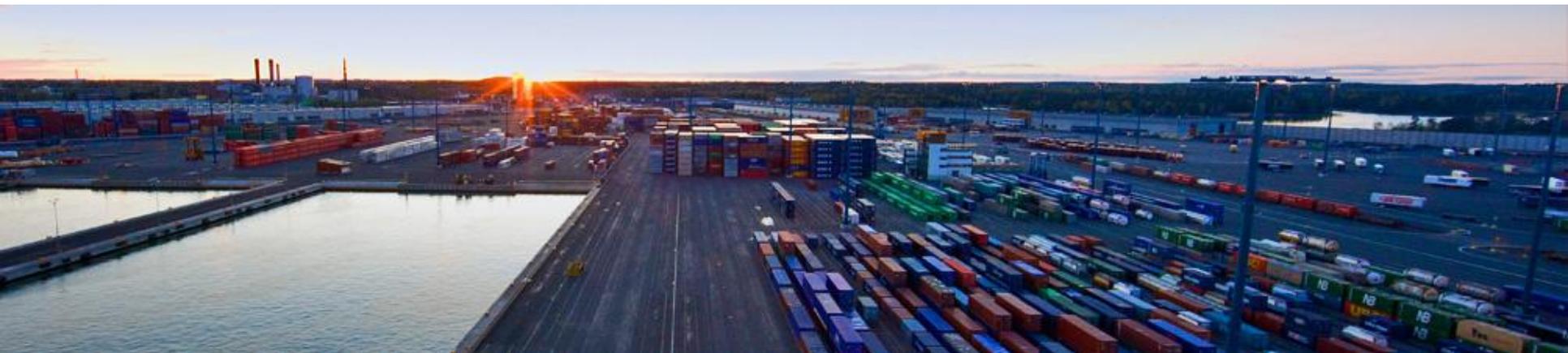
Vision and mission

Our vision is

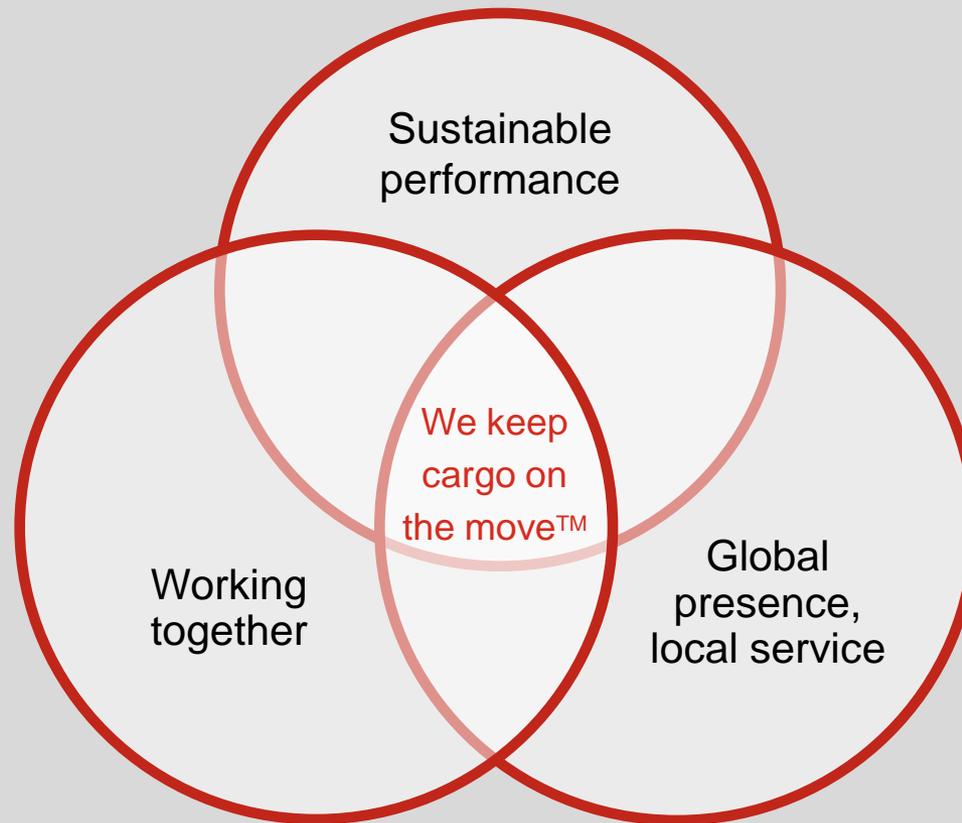
- to be the world's leading provider of cargo handling solutions

Our mission is

- to improve the efficiency of cargo flows



Company values



Portfolio



Solutions for industrial and on-road load handling

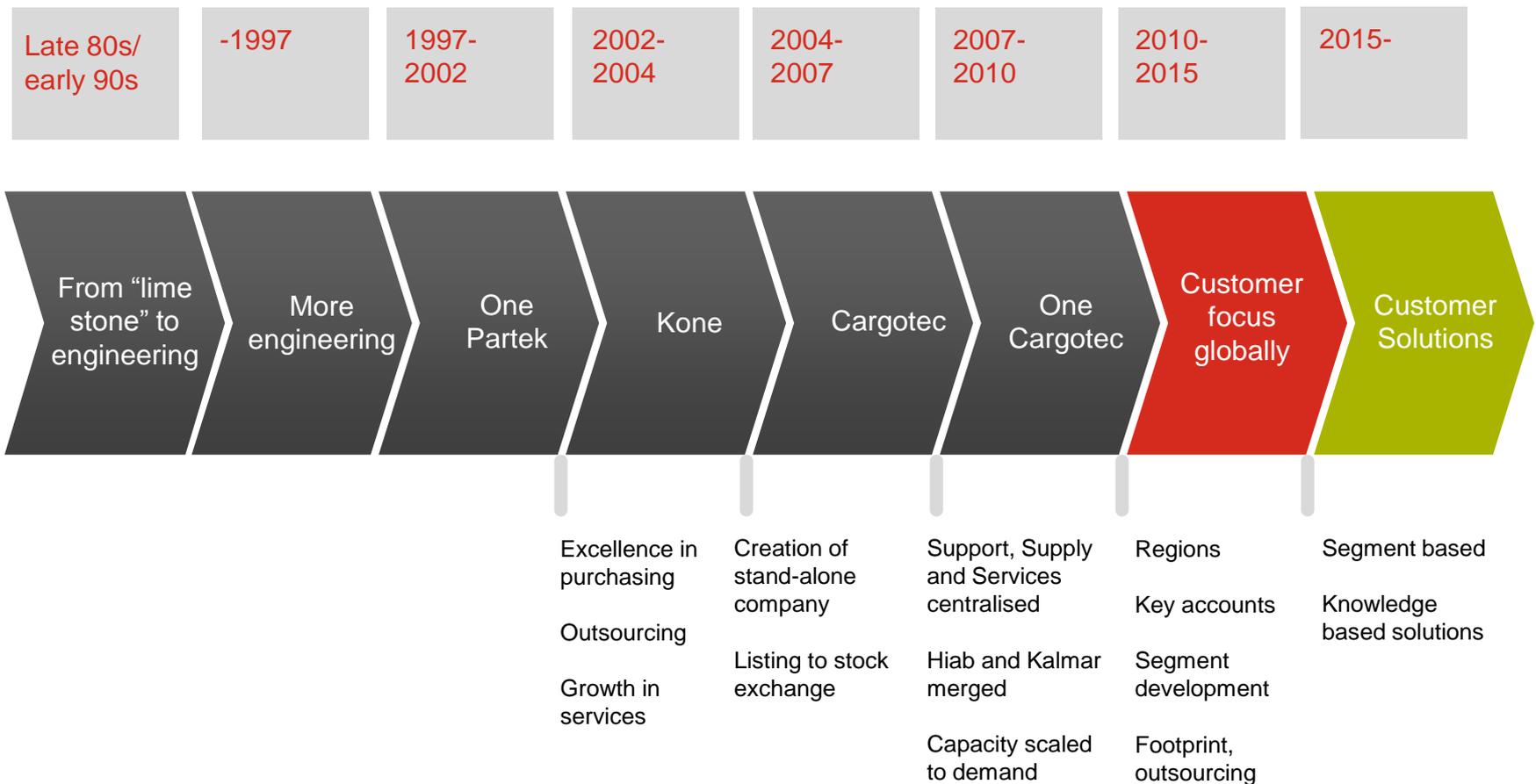


Solutions for ports and container handling



Solutions for marine cargo handling and offshore load handling

Next corporate theme



Strategic focus areas

- customer
- service
- emerging markets
- clarity



Geographical focus

- Lead globally
 - Defend core markets in Europe and North America
 - Global market leadership requires large enough position in big Chinese market
 - Develop other growth markets, in particular India and Brazil, and over time Russia and Africa



How to grow profitably

- Increase market share with both performance seeking customers and customers satisfied with basic products in chosen customer segments
- Further develop and strengthen customer support with spare part logistics
- Exit unattractive segments, products, markets and activities and release management and financial resources to higher priorities
- Continuously differentiate process performance in both equipment, projects and services
 - Understand the businesses and needs of customers as well as they do and better than competitors by going deeper into customer segments
 - Leverage intangible assets like customer relationships and relative lead in new technologies (e.g. automation, electrification, energy efficiency)
 - Continuously reduce complexity
- Develop profitable base product equipment business
- Institutionalise new cargo flow business concepts especially in services to create options for future growth
- To get the most from limited resources focus on key priorities

Customer segments guiding business development

- Purpose of customer segmentation is to improve learning customer needs and to speed up growth of our business in the prioritised segments.
- Prioritisation defines the type of actions and direction of development of business for Cargotec.
- Prioritised segments will guide in allocation of R&D resources and other investments.
- Our market intelligence and management accounting activities will support segmentation.
- Prioritisation guides in search of acquisition targets and divestments.

Customer segmentation - priorities

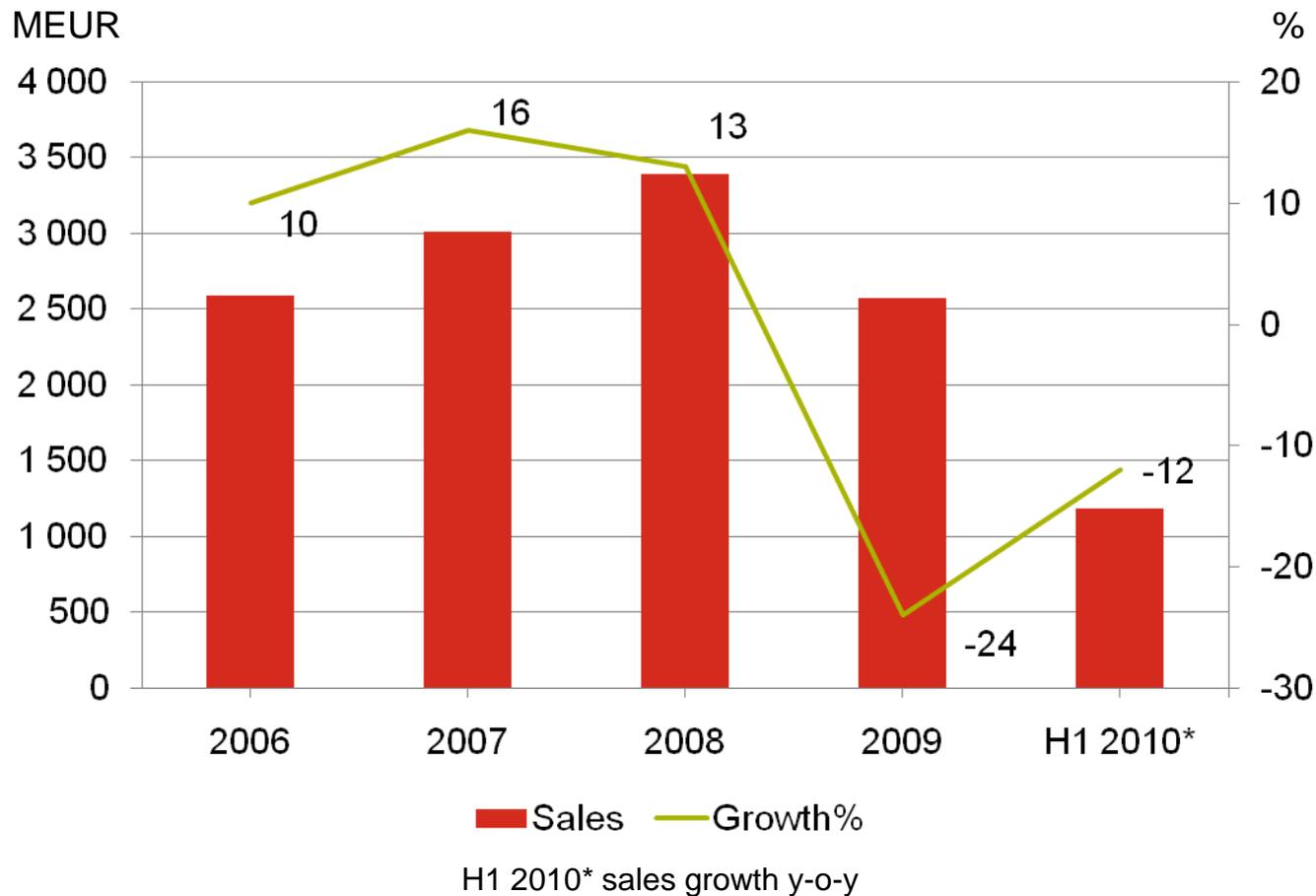
<p>Invest</p>	<ul style="list-style-type: none"> • Grow business through customer focus • Acquisitions • Prioritise R&D to expand offering • Account management • Grow market share/defend position 	<ul style="list-style-type: none"> • Develop new business models • Growing market • High Services potential
<p>Harvest & Consider</p>	<ul style="list-style-type: none"> • Product sales approach • Basic services • Standard business models • Standard offering • Cash cow 	<ul style="list-style-type: none"> • Review annually possibilities to Green or Red • Scan potential M&A targets
<p>Divest</p>	<ul style="list-style-type: none"> • Prepare for divestiture • No R&D • Maximise short term profits • Organise for carve-out • Focused growth strategy 	<ul style="list-style-type: none"> • Do not matrix with the rest • Allow independent distribution

Clarity and efficiency through discipline

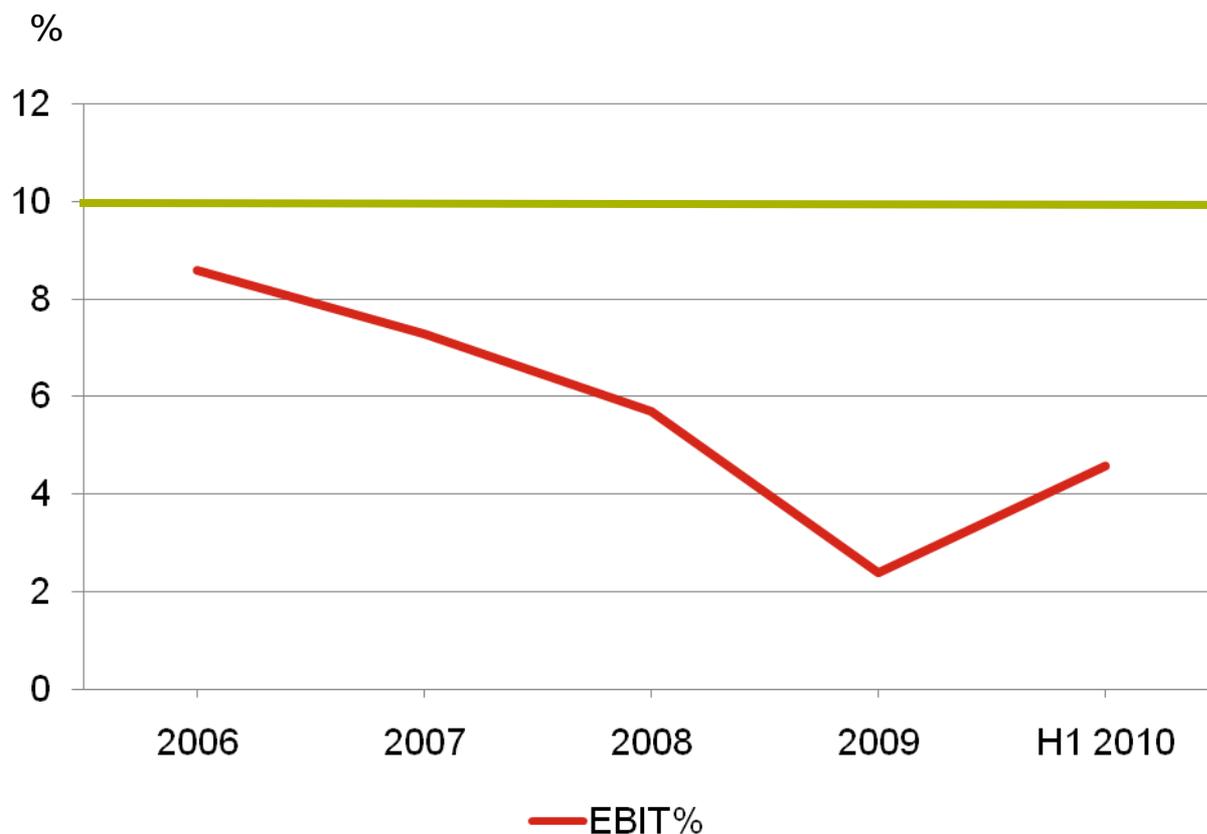


	Sales & Marketing	Develop Solutions	Assembly & Component Manufacturing	Product Supply - Sourcing and Planning	Conduct Projects	Deliver Services	Support	Management	
Steer	Sales Strategy	Offering Strategy	Footprint Strategy	Distribution and Warehousing strategy	Project Portfolio Strategy	Service Strategy & Planning	HR Strategy	Corporate & Business Strategy & Planning	
	Pricing Strategy	Technology Strategy		Sourcing Strategy	Project Portfolio Management			Service Concept Management	Acquisition Planning
	Sales Channel Management	Design Rules & Policies	Operations Strategy	Demand Management & Forecasting		Project Master Planning	IM Strategy		Partnership Strategy
	Brand Strategy			Supplier Relationship Management	Corporate Performance Mgmt.				
	Solution Portfolio Management	Profit Generation Model	Supply Chain Performance Monitoring	Project Initiation & Planning	Service Capacity Mgmt.	Competence Management	Corporate Governance		
Manage	Account Management	R&D Project Portfolio Management	Delivery Management	Supplier Performance Management	Project Management	Service Quality Control	Corporate Performance Mgmt.	Performance Review	
	Sales Management	R&D and Engineering Tools Mgmt	Capacity Management					Investment Mgmt.	
	Pricing & Discount Planning	Technology Competence Management	Subcontracting Mgmt	Installed Base Management	Project Closure	Service Performance Mgmt.	Communications	Business Development	
	Marketing & Customer Communications	Idea & Innovation Management	Delivery Quality Control					Acquisition Mgmt.	
	Contract Management	Product Changes Management	Configuration Management	Sourcing (Direct)	Project Process Development	Dealer Operations Management	Tax management	Internal Audit	
	Sales & Pricing Execution	Outline Future Offering	Inbound Logistics Mgmt					Transportation	Project Engineering
	Proposal development	Prepare Elements of Future Offering	Technical Design (BOM)	Outbound logistics	Project Product Execution	Consulting & Training Execution	HR administration	Intellectual Property	Legal
		Develop Product Concept	Assembly					Project Process Development	Spare Parts Management
	Claims Management & Customer Feedback	Develop New Product	Component Manufacturing	Fleet Management	Project Site Operations	Dealer Interaction	Sustainability (HSE)	Quality Management	Investor Relations
	Order Management	Perform Product Care	Inventory Management					Project Process Development	
Invoicing		Maintain Product Portfolio	Purchasing (Direct + Indirect)	Vendor Managed Inventory	Warranty	Spare Parts Execution	Real Estate	Information Management	Management Support
	Maintain Technology Portfolio	Production Engineering	Project Process Development					Technical Support	Information Management

Sales growth exceeding 10% (incl. acquisitions)

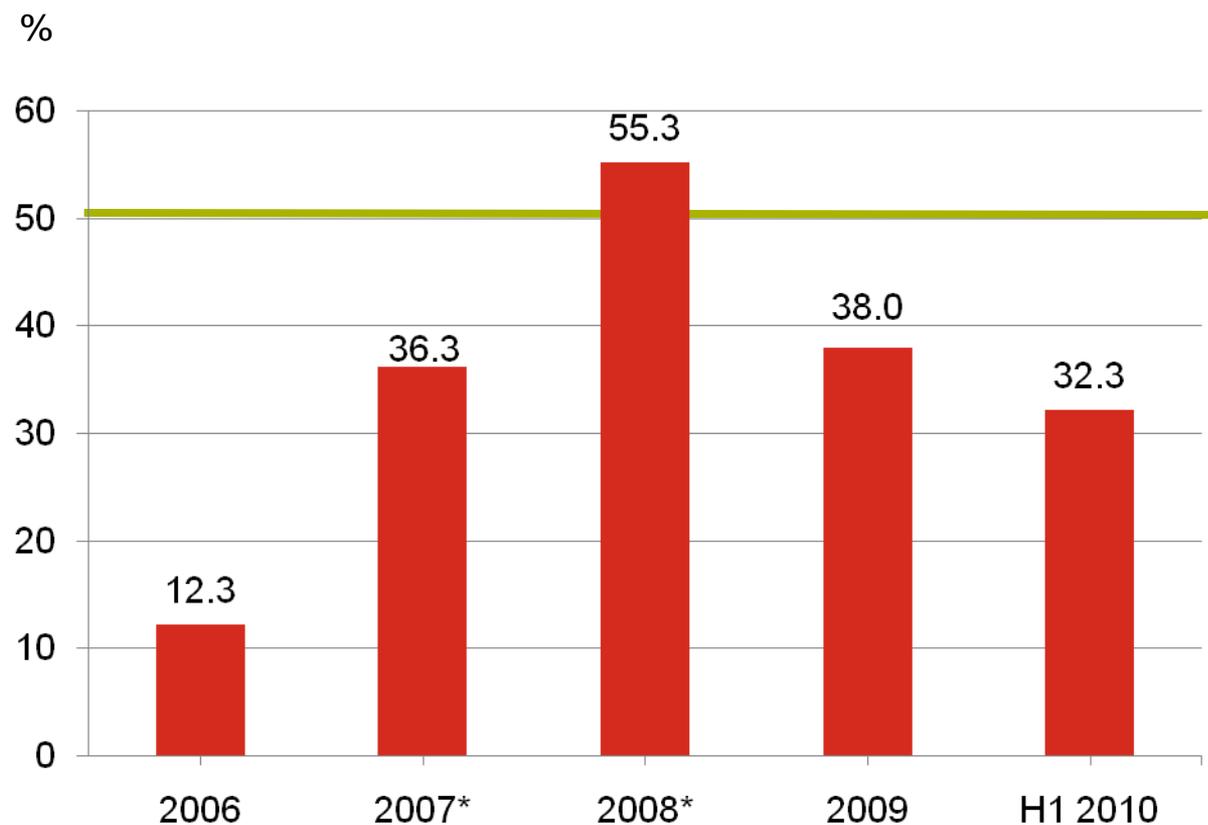


Operating profit 10%



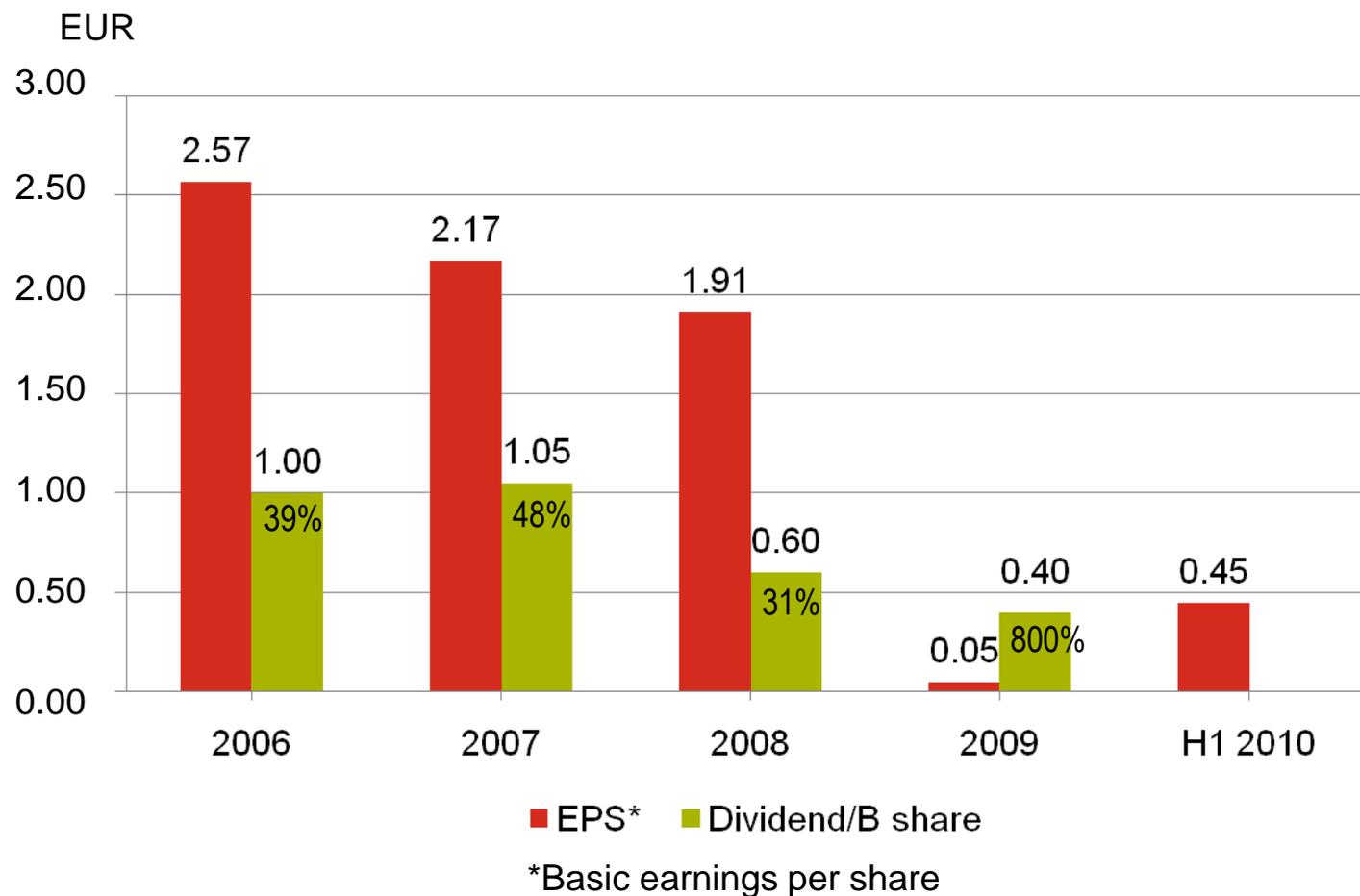
Operating profit from operations, excluding capital gains, restructuring and one-off cost related to a container spreader inspection and repair programme.

Gearing below 50%

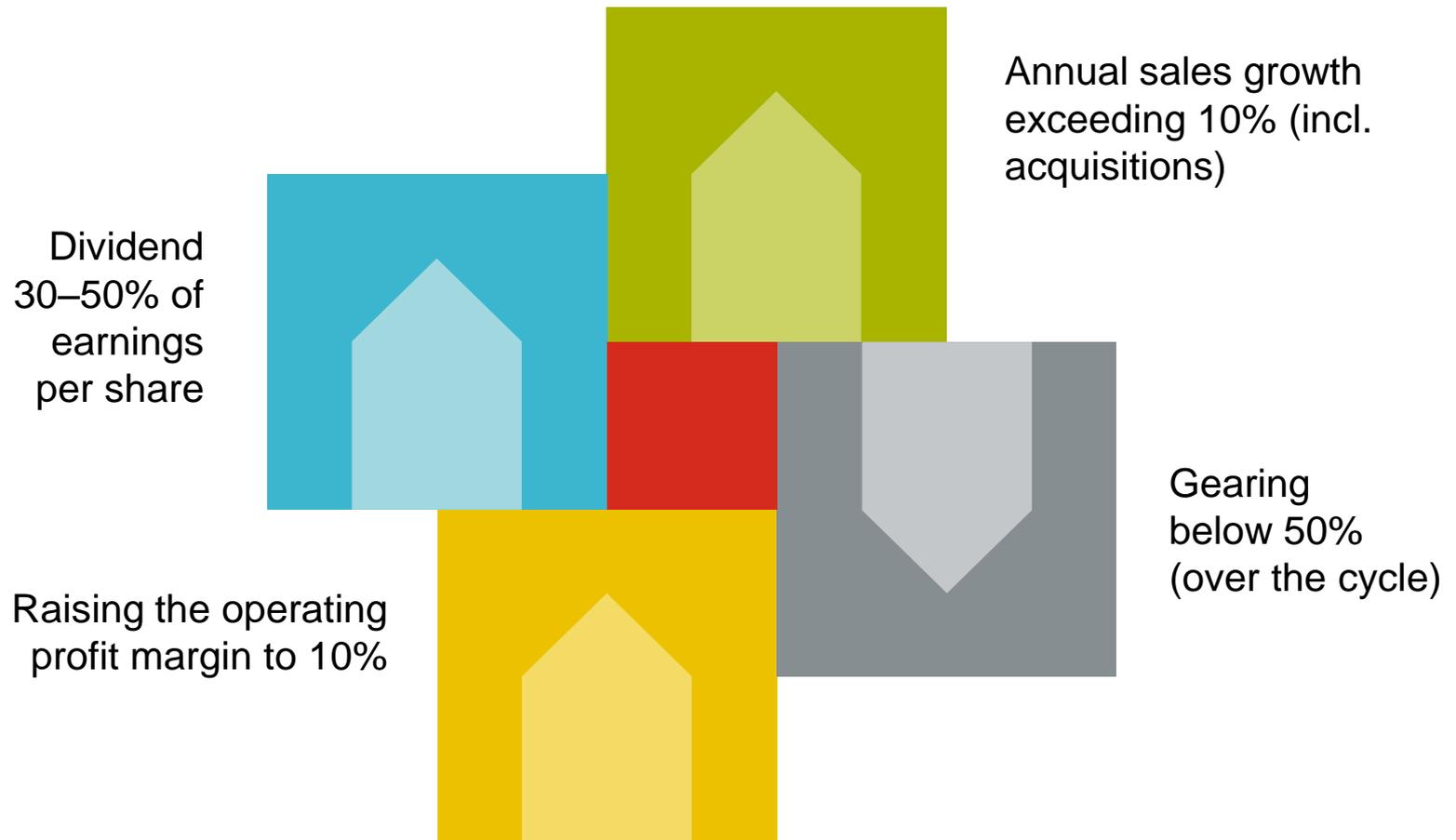


* Including cross-currency hedging of the USD 300 million Private Placement corporate bonds.

Dividend 30–50% of earnings per share



Reconfirmed financial targets



we keep cargo on the move™