

Q3 New York - Boston road show December 2013

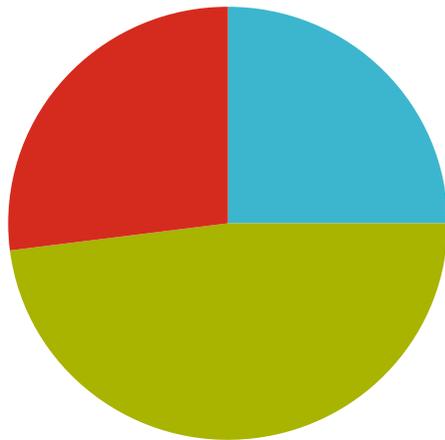
President and CEO Mika Vehviläinen

Cargotec in brief



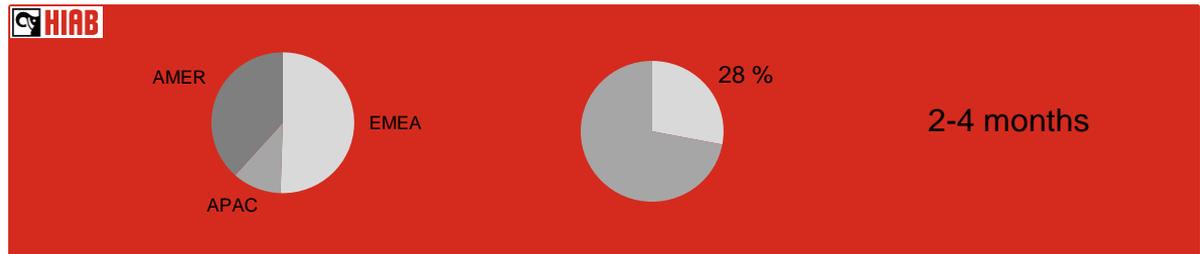
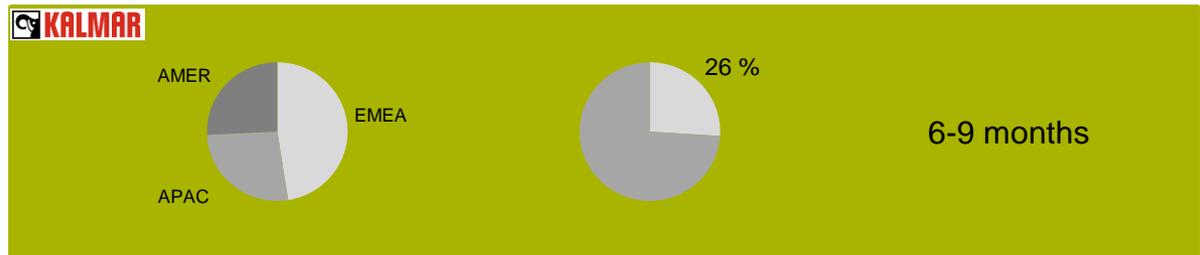
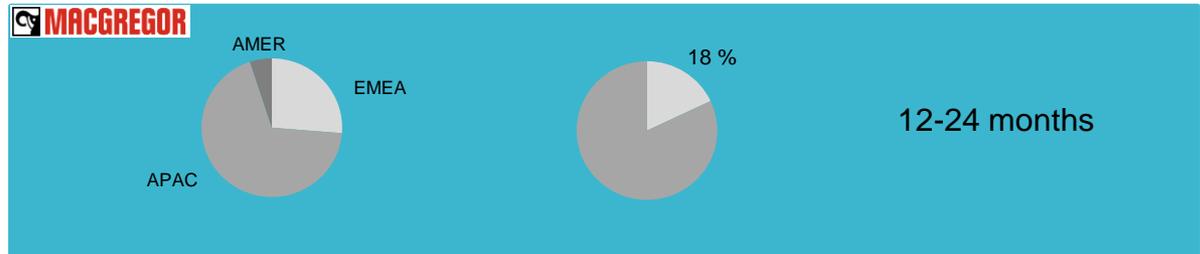
Cargotec's business basics

Cargotec sales split in 1-9/13



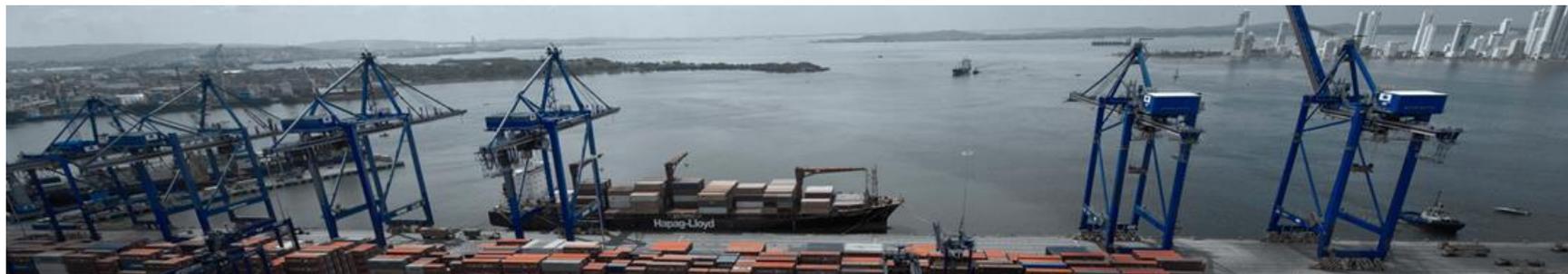
■ MacGregor ■ Kalmar ■ Hiab

Geographical split of sales in 1-9/13



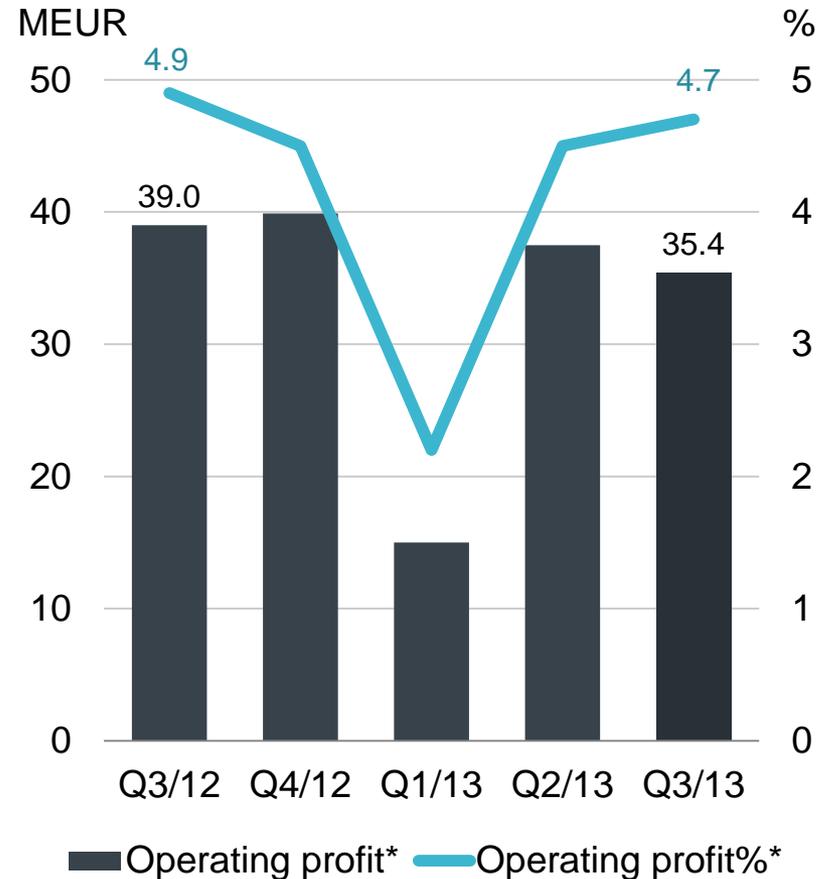
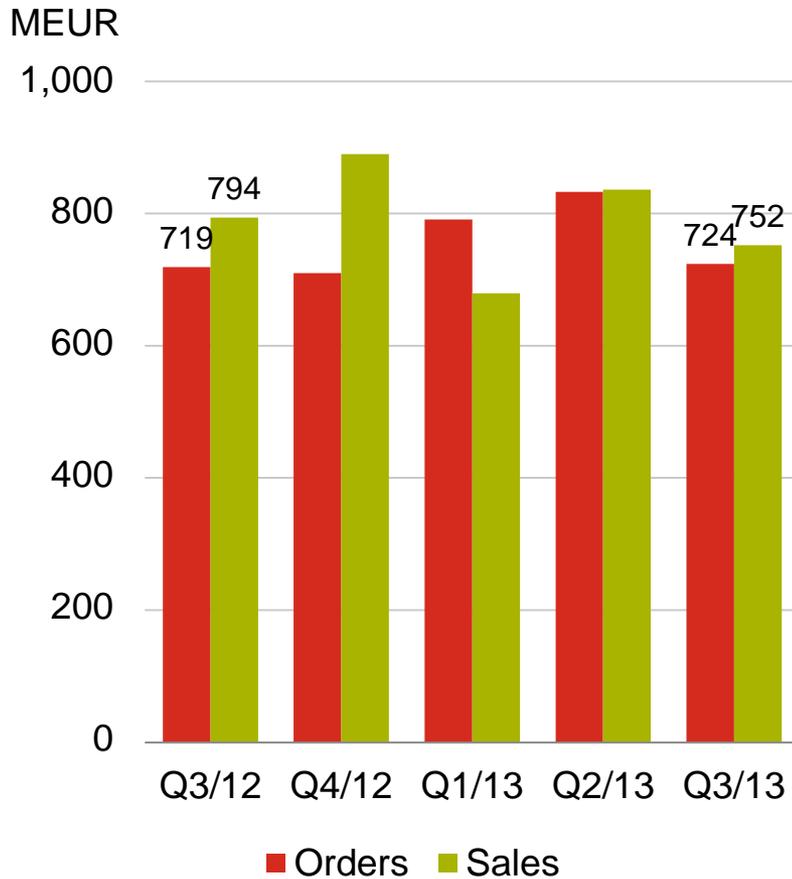
January–September key figures influenced by business area mix

	Q1-Q3/13	Q1-Q3/12	Change	2012	2011
Orders received, MEUR	2,348	2,348	0%	3,058	3,233
Order book, MEUR	2,048	2,312	-11%	2,021	2,426
Sales, MEUR	2,267	2,437	-7%	3,327	3,139
Operating profit, MEUR*	87.9	117.6		157.5	207.0
Operating profit margin, %*	3.9	4.8		4.7	6.6
Cash flow from operations, MEUR	47.0	6.4		97.1	166.0
Interest-bearing net debt, MEUR	577	485		478	299
Earnings per share, EUR	0.77	1.30		1.45	2.42



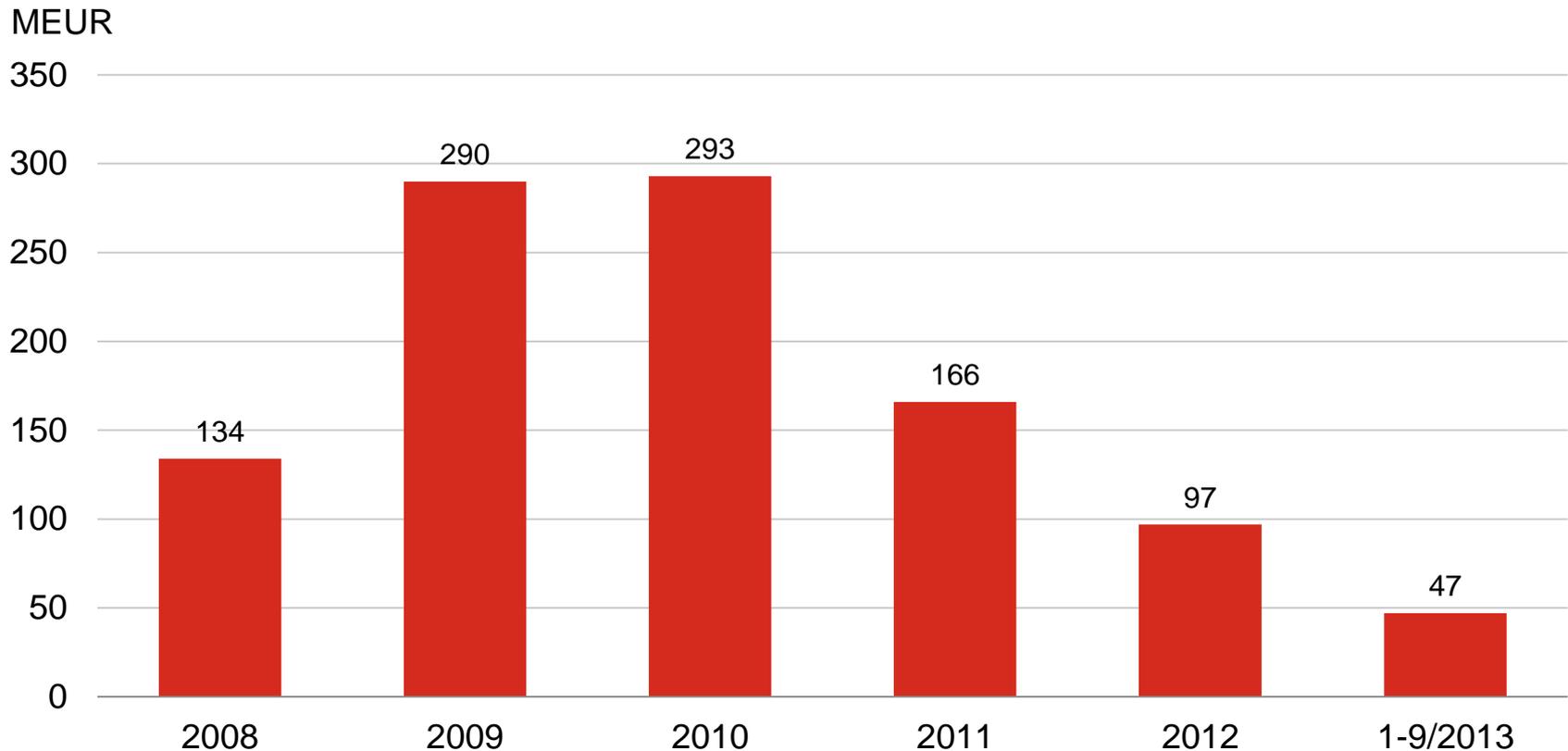
* excluding restructuring costs

Cargotec's book-to-bill and profitability turning the corner



* excluding restructuring costs

Cash flow from operations in H1/2013 was low due to high working capital, focused actions on-going to free cash



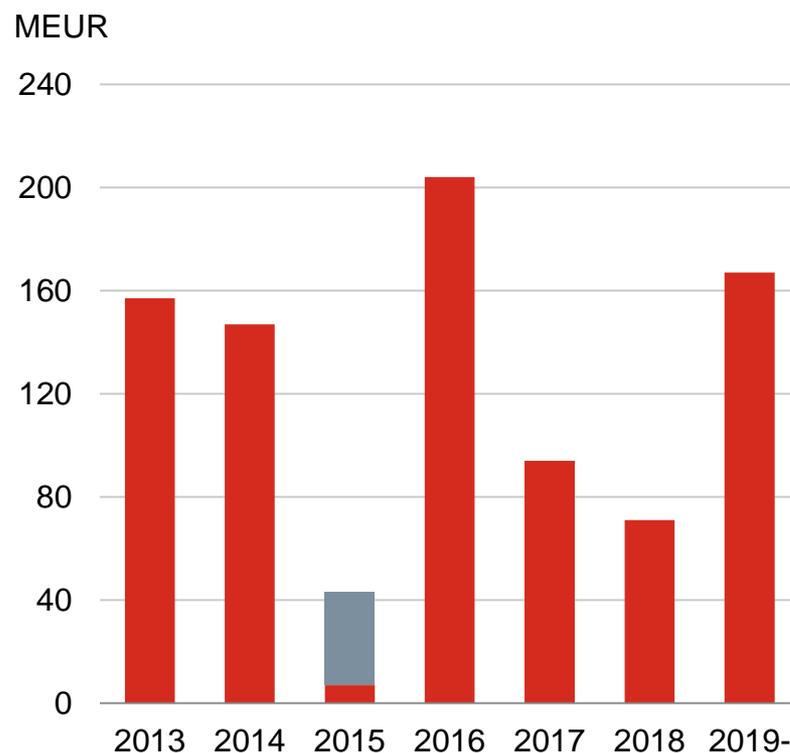
Balanced debt portfolio from maturity structure and source point of view

As of 30 Sep 2013:

- Commercial bank loans
300 MEUR
- Commercial papers
105 MEUR
- Corporate bonds
222 MEUR
- Loans from international
financial institutions 215 MEUR
- Other 4 MEUR

- Hatlapa capital loan
36 MEUR (included as of closing
1 November)

Repayment schedule
of interest-bearing liabilities



Cargotec's must wins

- Converting Hiab's high business potential into profitability
- Creating solid platform for growth through successful integration of acquisitions in MacGregor
- Safeguarding competitiveness in mobile equipment in Kalmar
- Driving services offering development and growth in MacGregor and Kalmar
- Driving growth in automation in Kalmar



Cargotec financial targets

2014

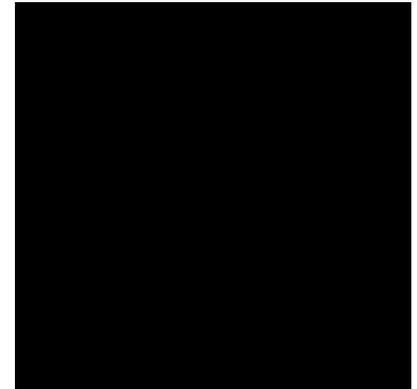
- Due to on-going turnaround activities focus in short-term profit improvement
- 40 MEUR run-rate improvement by end of 2014 on 2013 EBIT both in Kalmar and Hiab
- MacGregor's EBIT impacted by slow recovery in merchant ship market, delivery mix as well as M&A related integration costs

Long-term financial targets

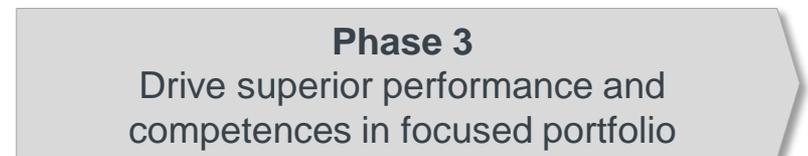
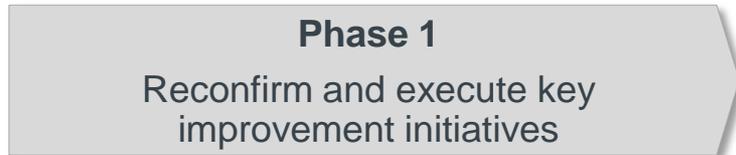
- Gearing below 50 percent
- Dividend 30–50 percent of earnings per share
- Cargotec will revert to longer term profitability and return targets during 2014

Driving for better performance

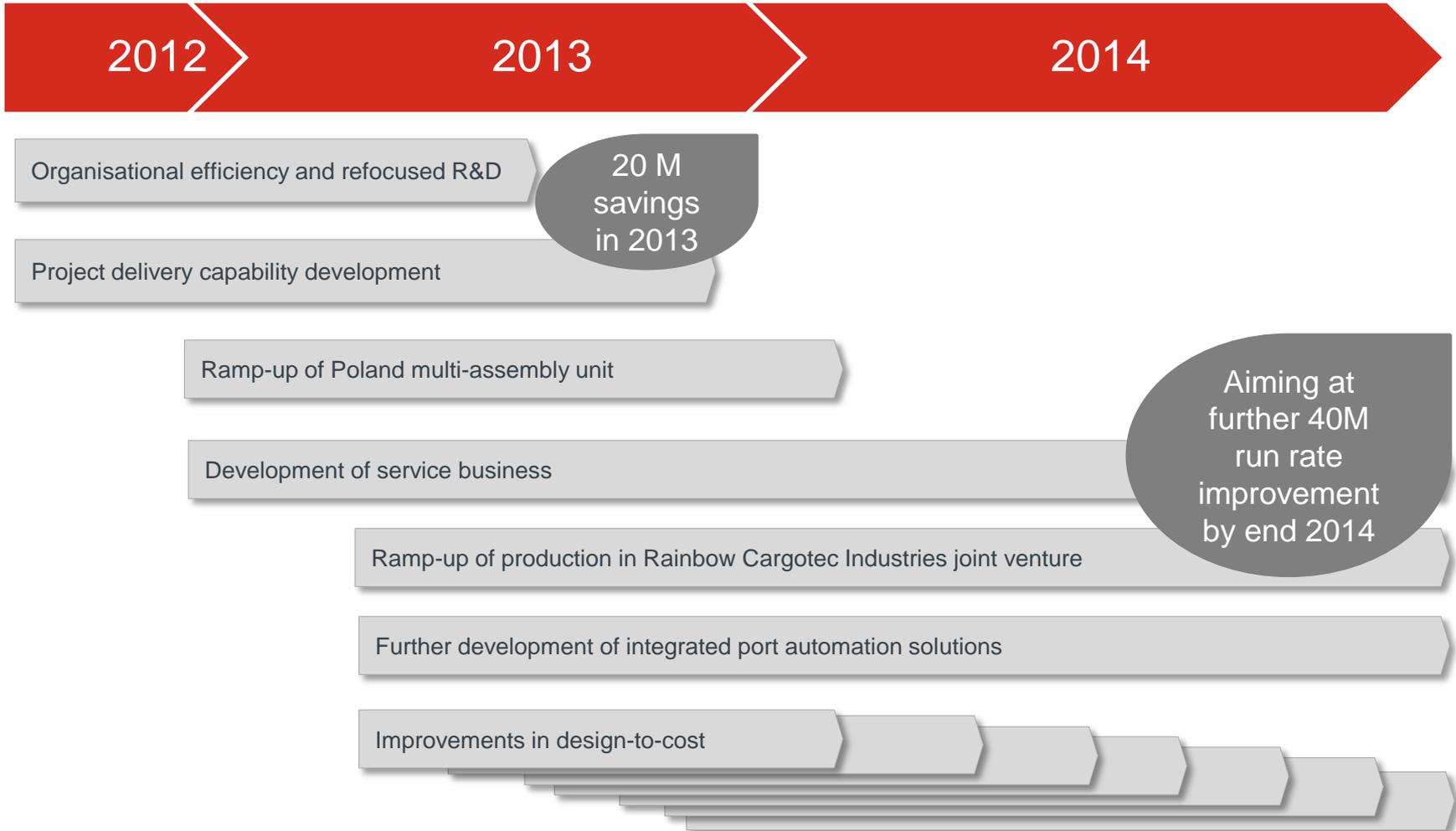
Actions taken in Q3



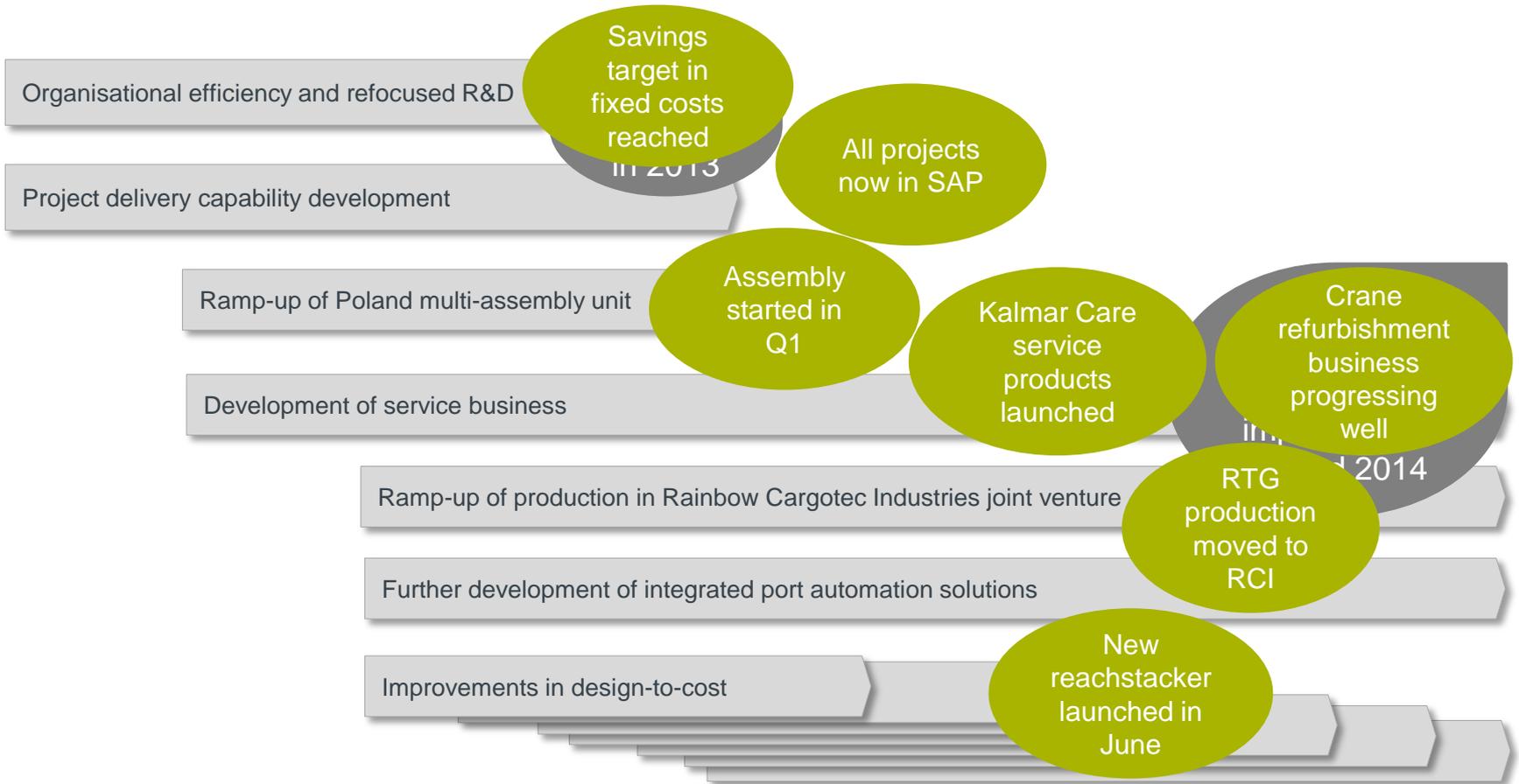
Cargotec road map



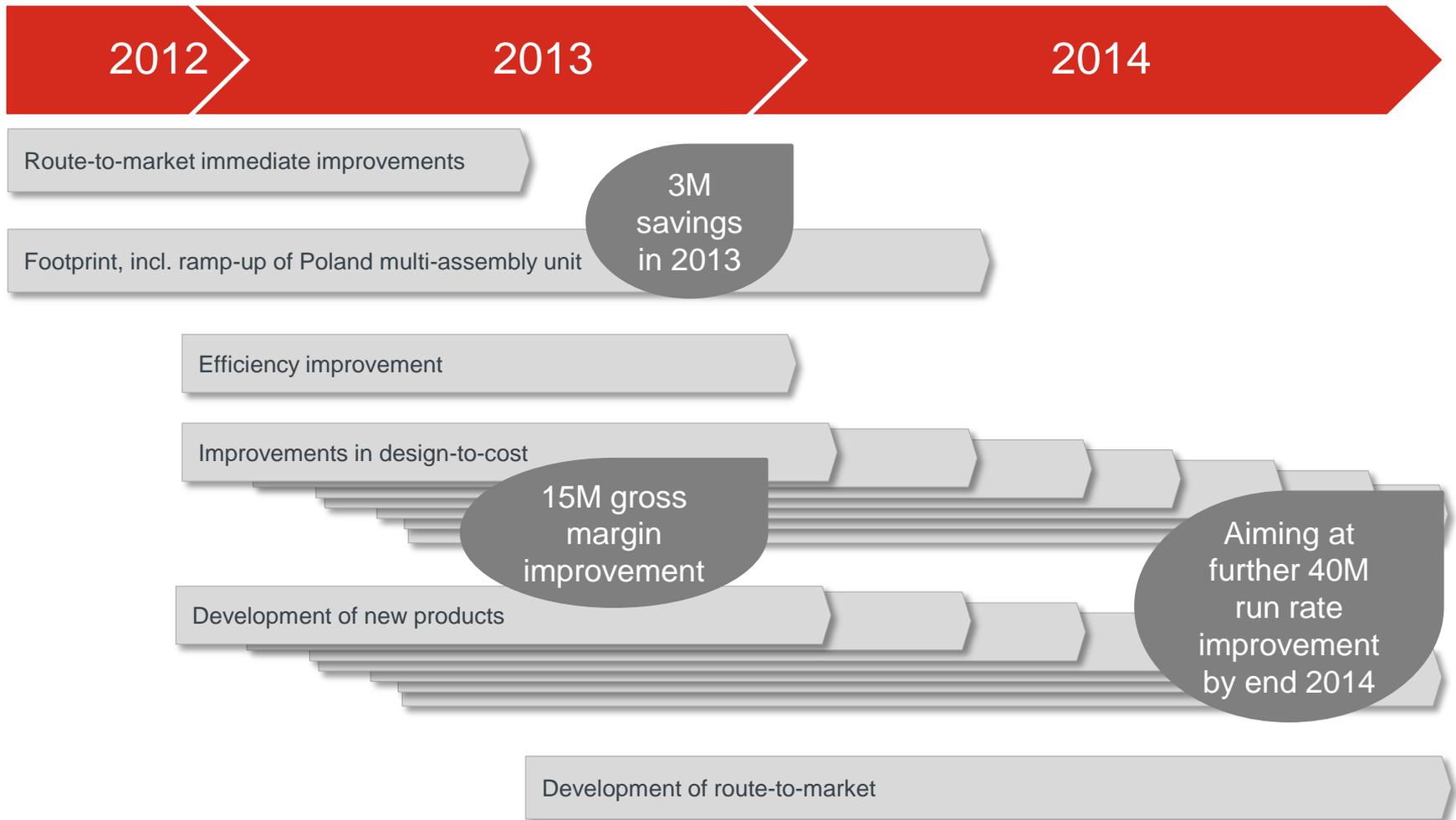
Kalmar improvement initiatives



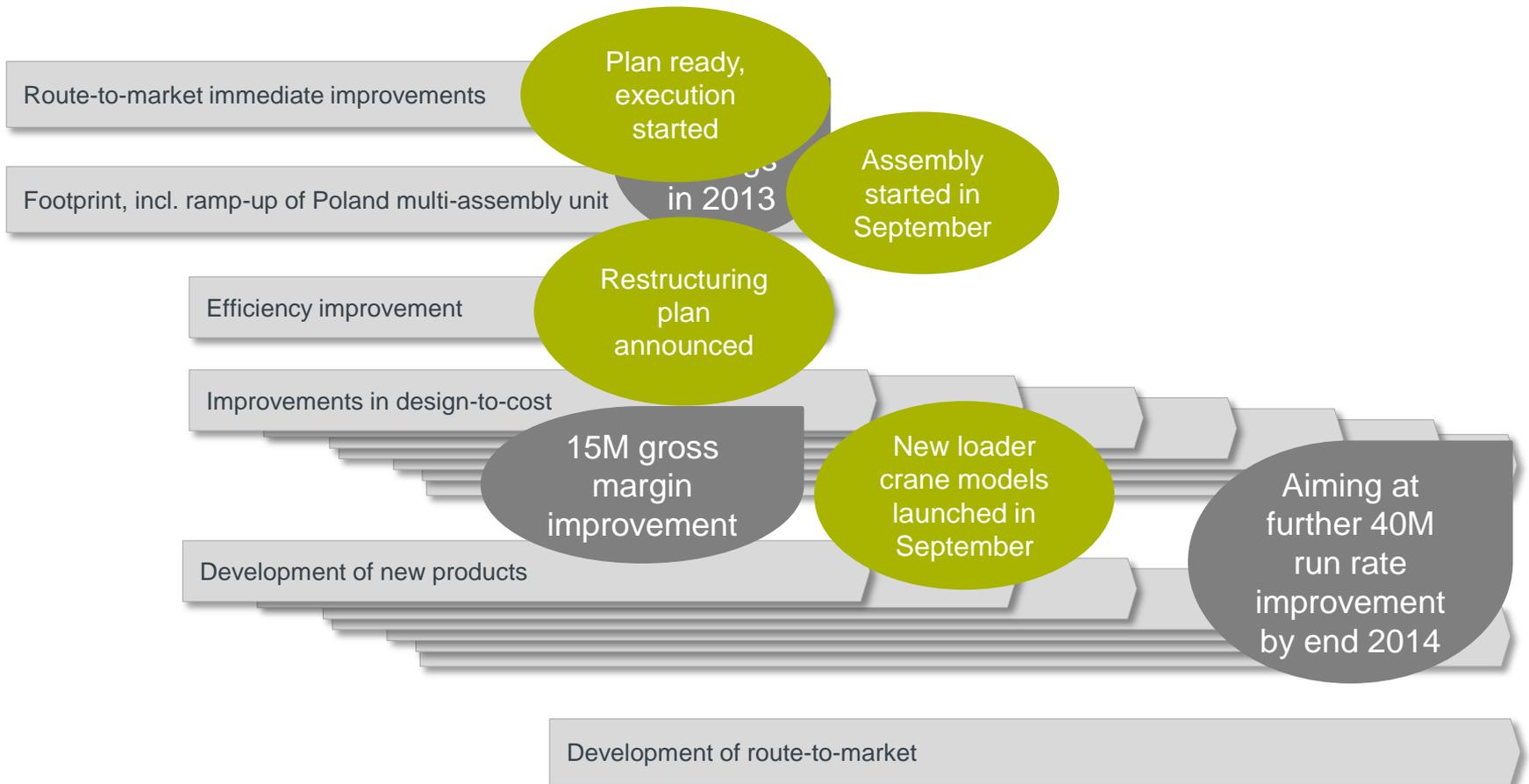
Kalmar improvement initiatives



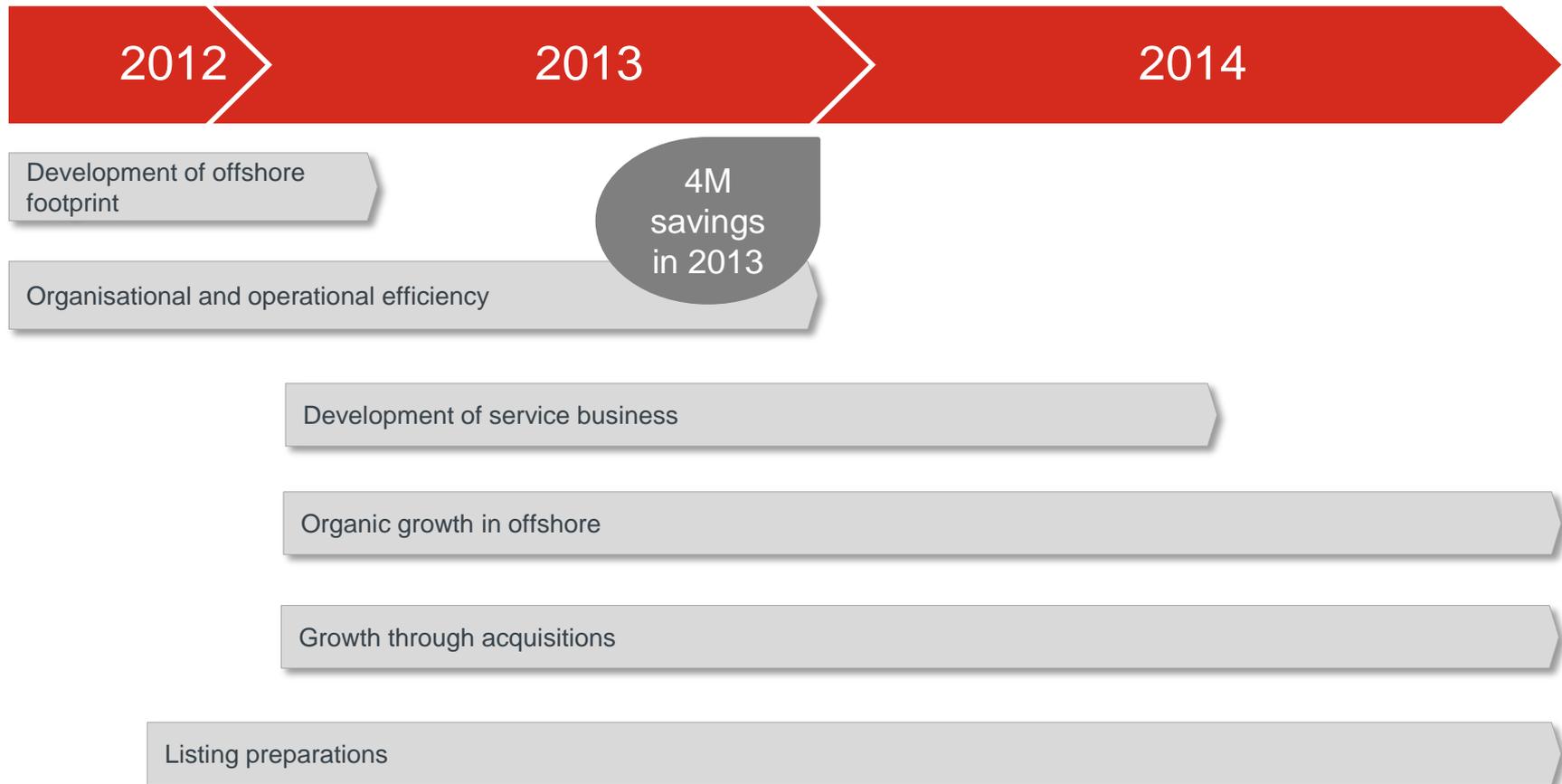
Hiab improvement initiatives



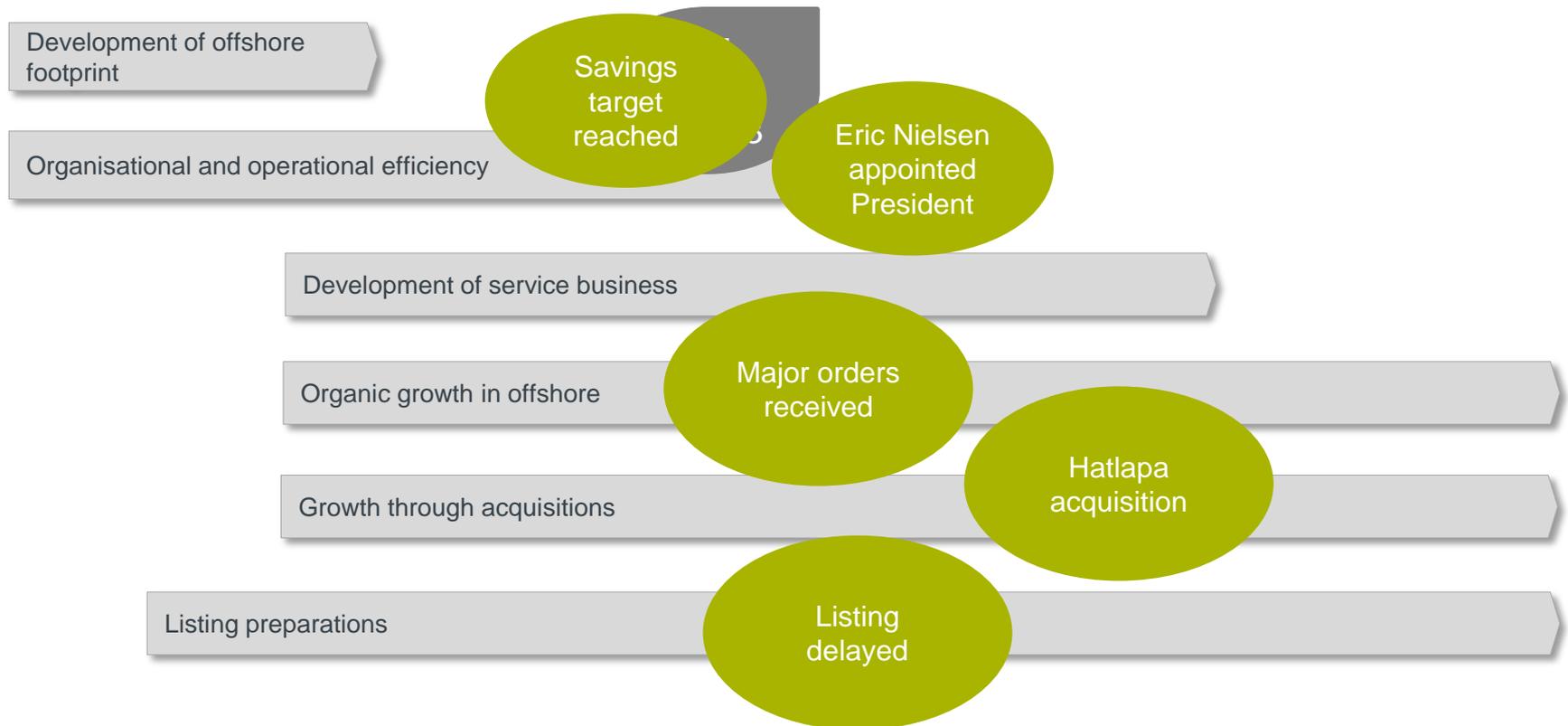
Hiab improvement initiatives



MacGregor improvement initiatives



MacGregor improvement initiatives

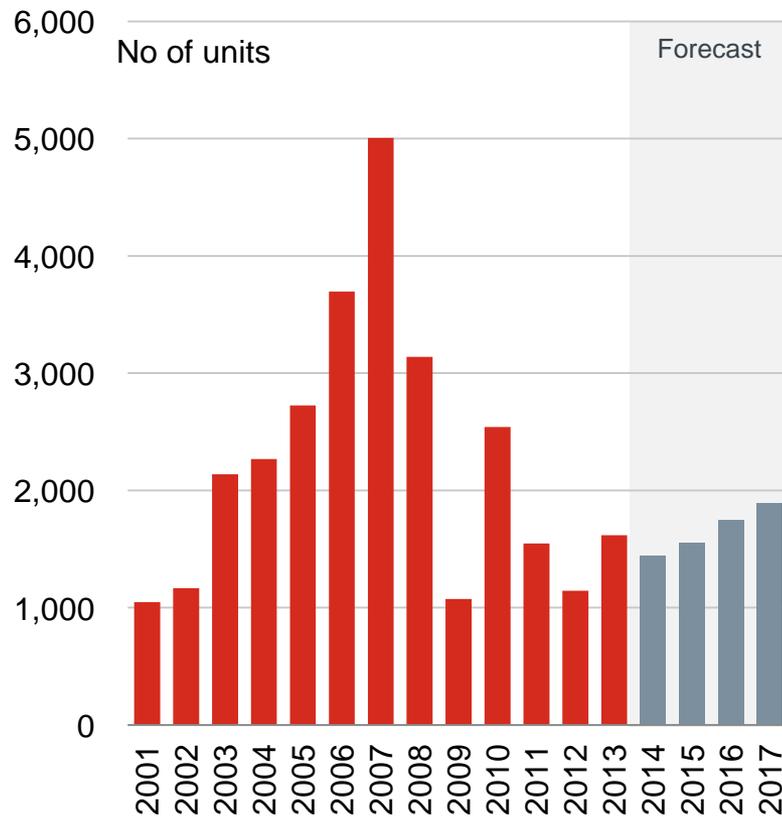


MacGregor

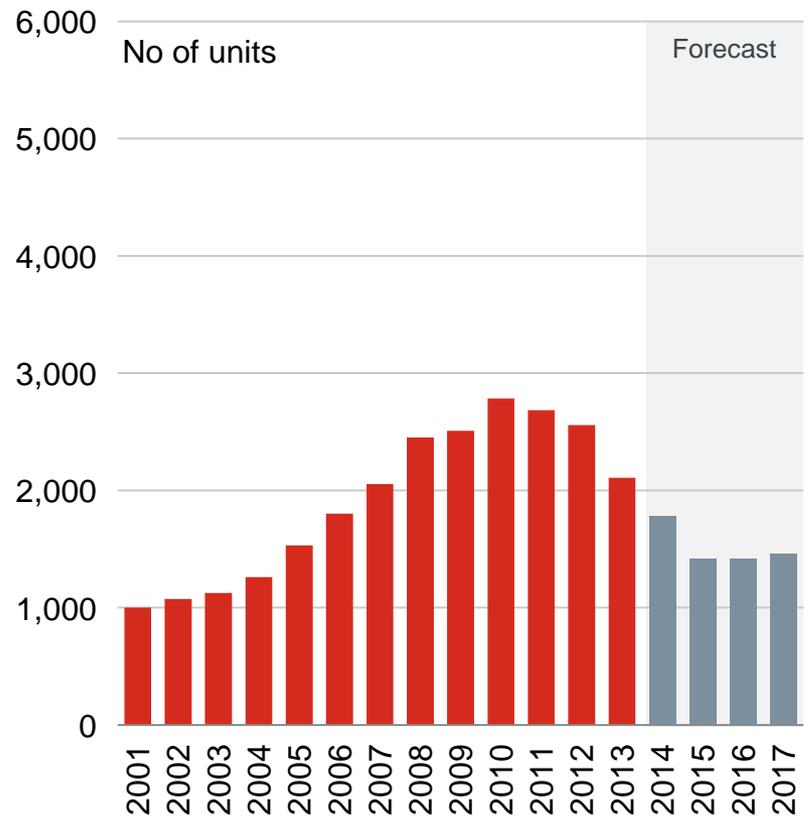


Merchant ship contracting forecast

Contracting 2001-2017



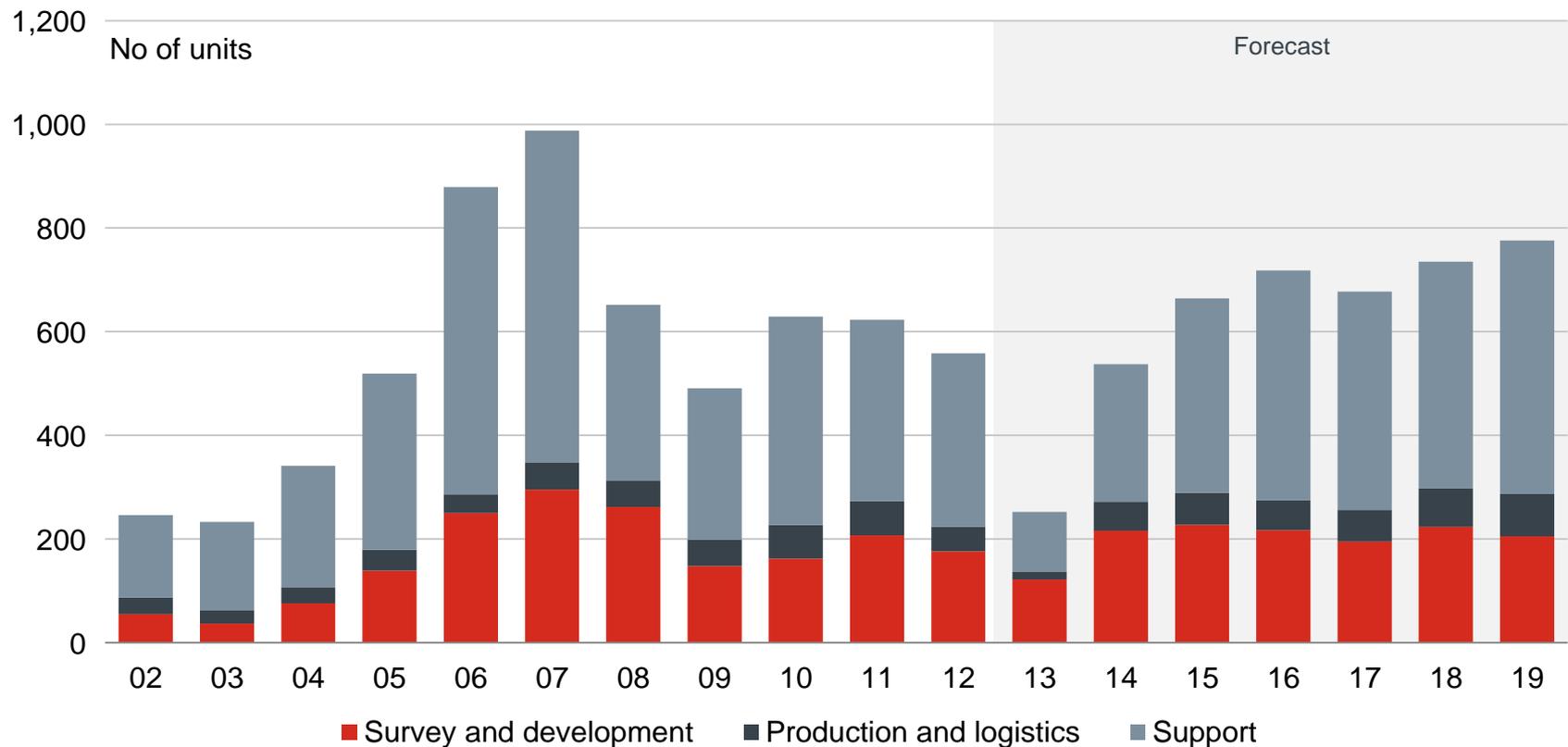
Deliveries 2001-2017



Source: Clarkson Shipbuilding forecast, September 2013

Offshore ship contracting forecast

Offshore contracting, historical and forecast contracting (no)



Source: Clarkson Offshore forecast, September 2013

Strong market leadership positions

Merchant

#1



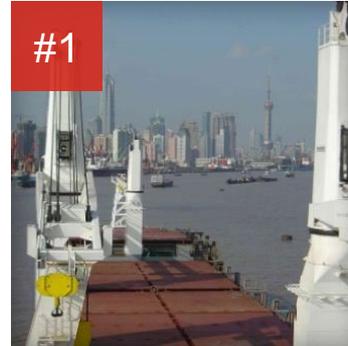
Hatch covers

#1



Container lashing

#1



Cranes and selfunloaders

#1



RoRo

Offshore

#2



Offshore advanced load handling

#2



Offshore winches

Services



Focus on integrated systems and solutions

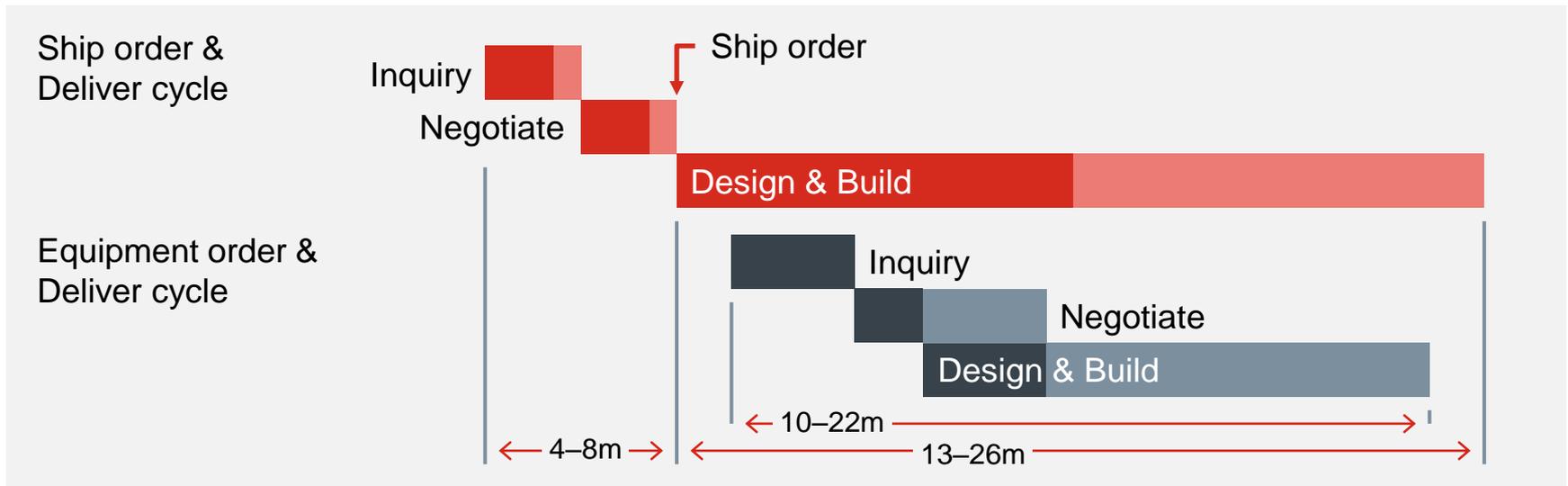
Comprehensive product coverage

		Cranes	Hatch covers	RoRo equipment	Offshore cranes	Winches	Mooring systems	Service	
Merchant ships	Bulk carrier	X	X			X		X	Customers
	Container ship	X	X			X		X	
	General cargo ship	X	X	X		X		X	
	Naval ship	X	X			X		X	
	RoRo ship	X	X	X		X		X	
	Tanker	X				X		X	
	Trans-loader	X	X			X		X	
Offshore ships	OFS subsea		X	X	X	X	X	X	Customers
	OFS AHTS				X	X	X	X	
	OFS tug					X	X	X	
	New ship types								

RoRo=roll-on/roll-off, OFS=offshore, AHTS=anchor handling, towing, supply

What to expect from MacGregor in 2014

- Focus on larger systems sales
 - With increasing order lumpiness
- Greater emphasis on service
- Managing the lag between ship orders and equipment sales
- Increasing order rates for merchant and offshore
- Capturing Hatlapa synergies
 - Procurement
 - Cross-selling with MacGregor



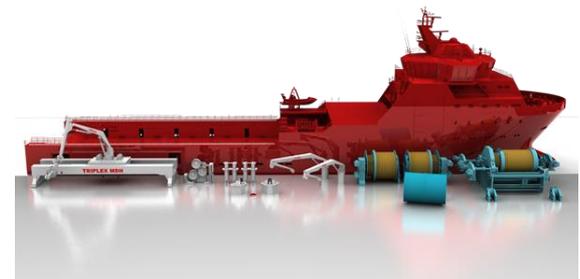
Hatlapa strengthens merchant and offshore offering

- Attractive deal structure
 - Enterprise value of EUR 160 million
- Annual revenue of ~EUR 120 million
 - 75% merchant
 - 25% offshore
- Expands product coverage in key categories
 - Merchant and offshore winches
 - Offshore automated deck handling (Triplex MDH)
 - Support equipment
- Supports expansion of integrated systems sales
 - Cross selling with MacGregor and Pusnes merchant ship equipment and offshore load handling and mooring equipment
- ~585 new team members bring strong application and customer knowledge
 - Merchant ship winch operations
 - Deepwater automated load handling
 - Service



Mooring winches

Hatlapa offshore package



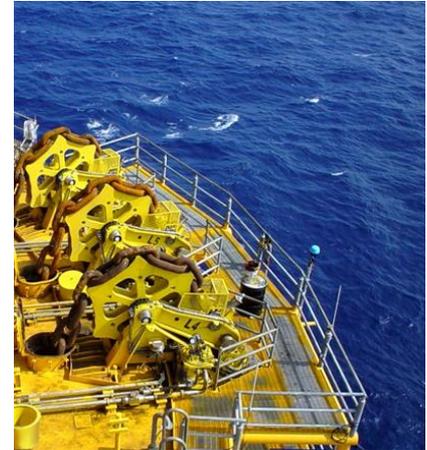
Focus in Hatlapa now on integration and synergies

	2013E	2012	2011	2010
Sales, MEUR	111	118	152	155
EBITDA, MEUR	7.1	8.8	17.9	21.5

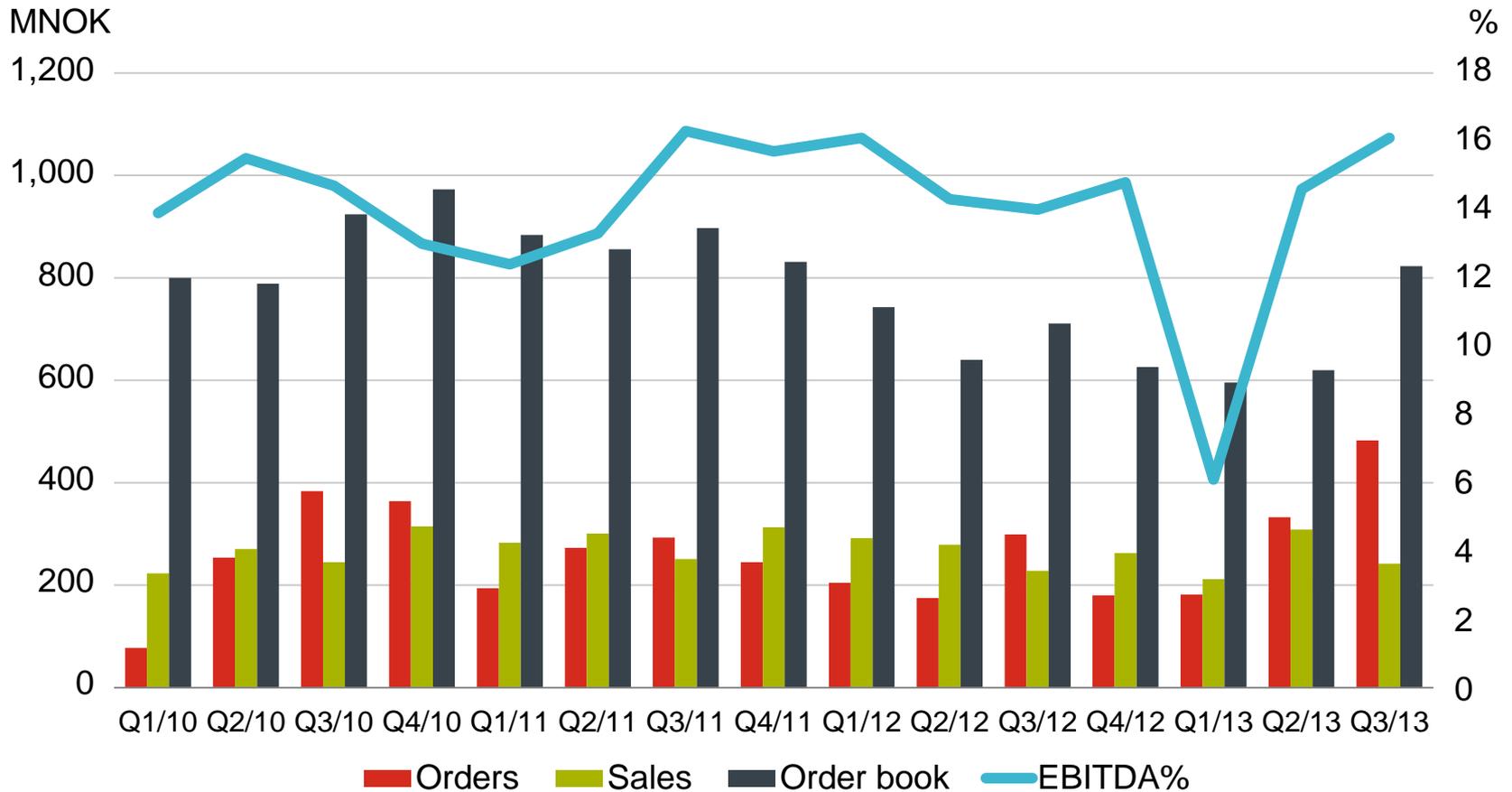
- Enterprise value EUR 160 million including EUR 55 million of debt at closing, of consideration EUR 36 million paid in the form of capital loan
- Downturn in merchant ship market (~75% of sales) has affected 2012 and 2013 numbers heavily
- Outlook more positive thanks to market pick-up
- High focus on achieving synergies to secure value creation

Pusnes solidifies offshore product portfolio

- Attractive deal structure
 - Enterprise value of ~EUR 180 million
 - Subject to regulatory approvals
- Annual revenue of ~EUR 130 million
 - 25% merchant
 - 75% offshore
- Expands product coverage in key offshore categories
 - Offshore mooring and loading systems
- Supports expansion of integrated systems sales
 - Combined offshore package sales with MacGregor and Hatlapa offshore load handling and mooring equipment
 - Broadening geographical presence in merchant ship
- ~370 new team members bring deep application and customer knowledge
 - Deep water, harsh environment mooring and load handling
 - Service

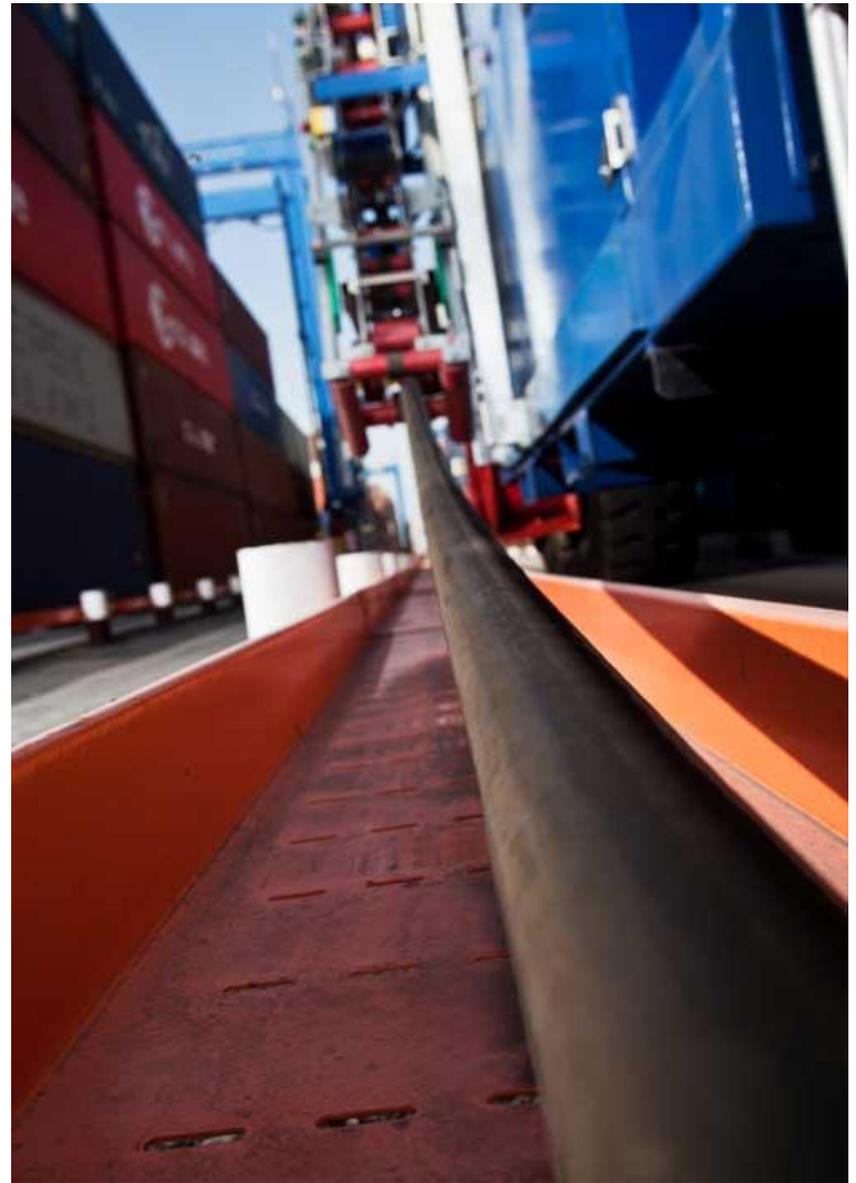


Pusnes publicly available financials

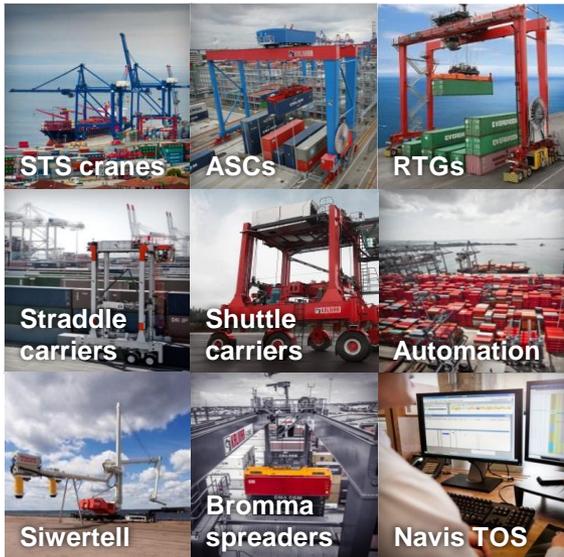


Source: Aker Solutions

Kalmar



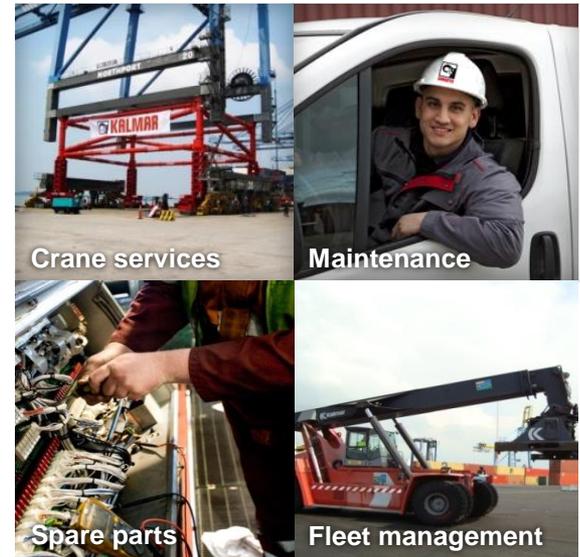
Kalmar businesses and offering



Terminal projects 35%

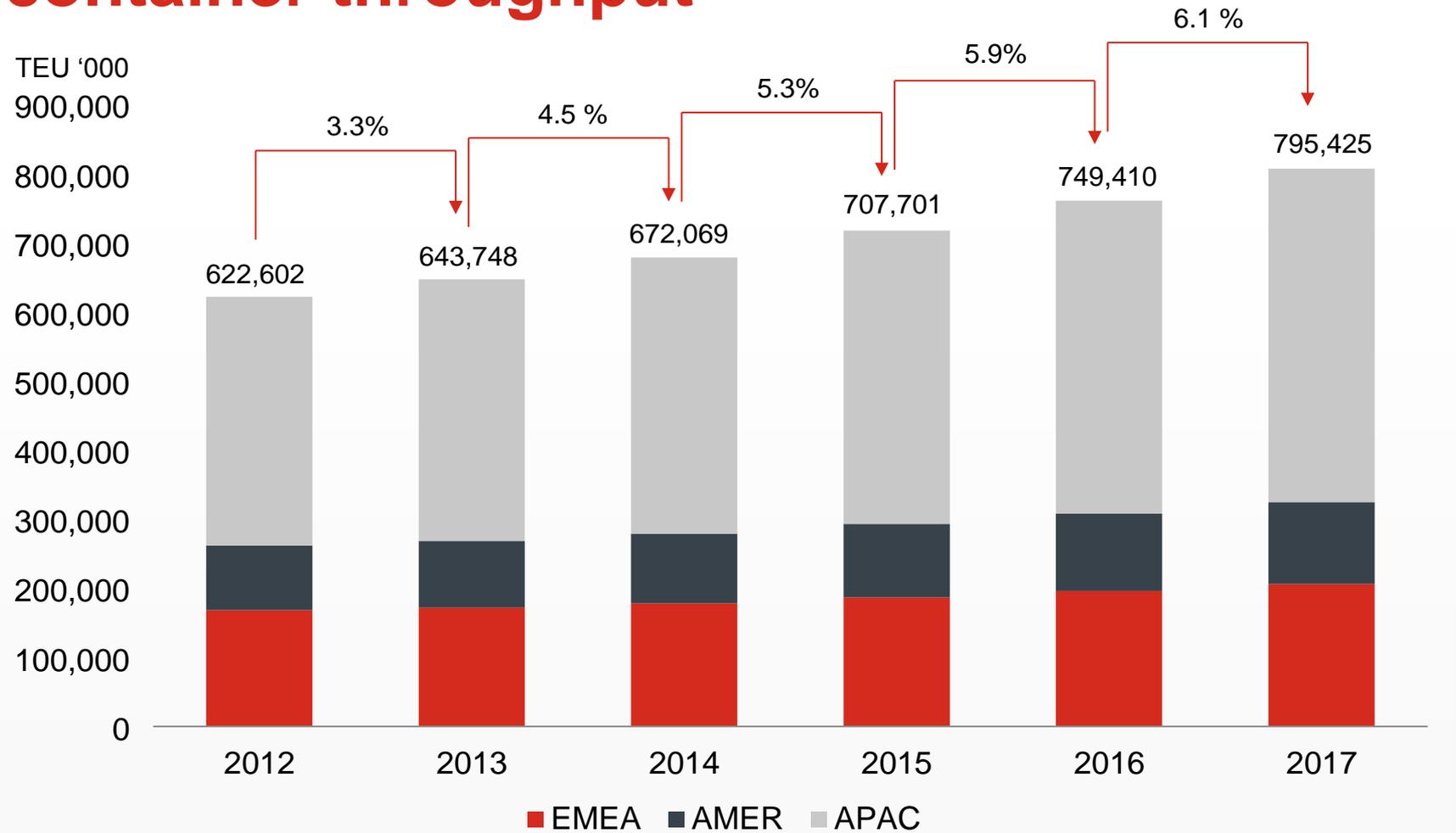


Equipment 40%



Services 25%

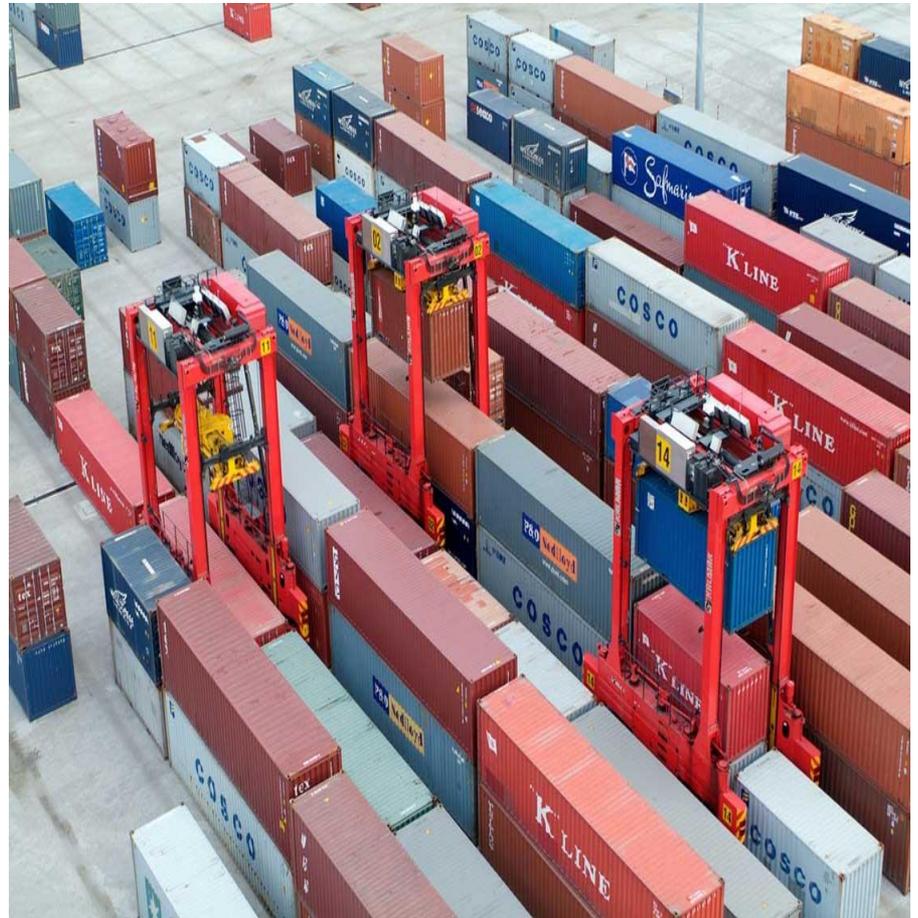
Kalmar is in a growing business – global container throughput



Source: Drewry 2013

Industry trends for Kalmar

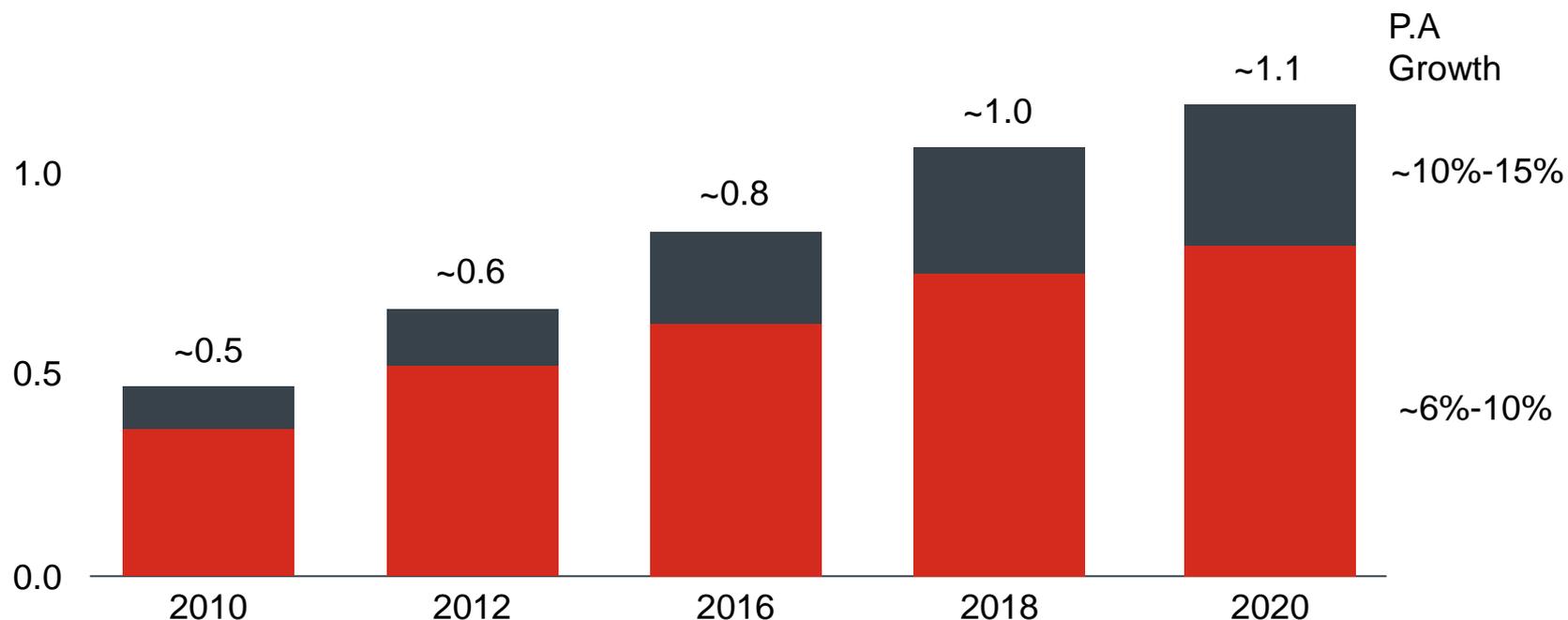
- Ships are getting bigger
- Availability and cost of labour
- Sustainability is port operations
- Safety
- Industry consolidation



Strong future growth expected for automation solutions (TOS 200 MEUR excluded)

Global automation market
(equipment, system and process)

€1.5B



Note: Equipment and system includes yard and horizontal equipment and related system; Process automation includes RFID, OCR, etc.
Source: Drewry, PEMA, Company websites

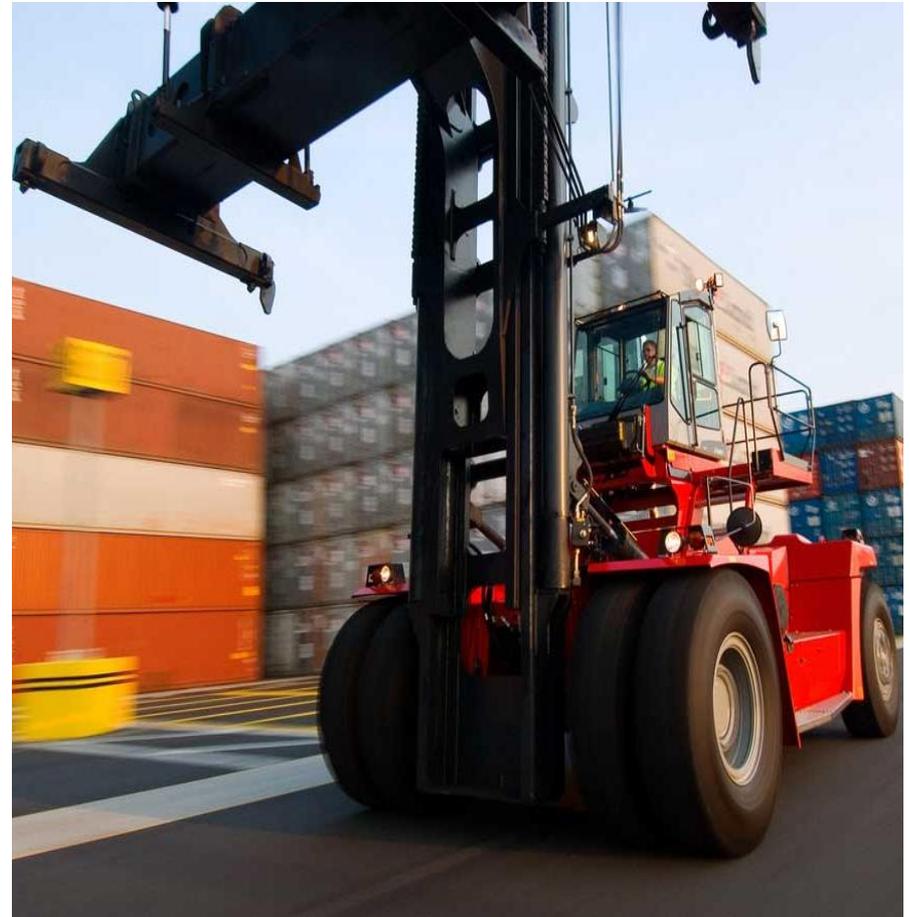
Kalmar has a leading position in port automation

- First fully automated straddle carrier terminal
- Strategic acquisitions
- Technology Centre in Tampere
- On-going mega terminal projects
- More than hundred SmartPort process automation deployments
- Navis market share in TOS about 20%



Kalmar is well equipped to respond to the industry trends and grow profitably

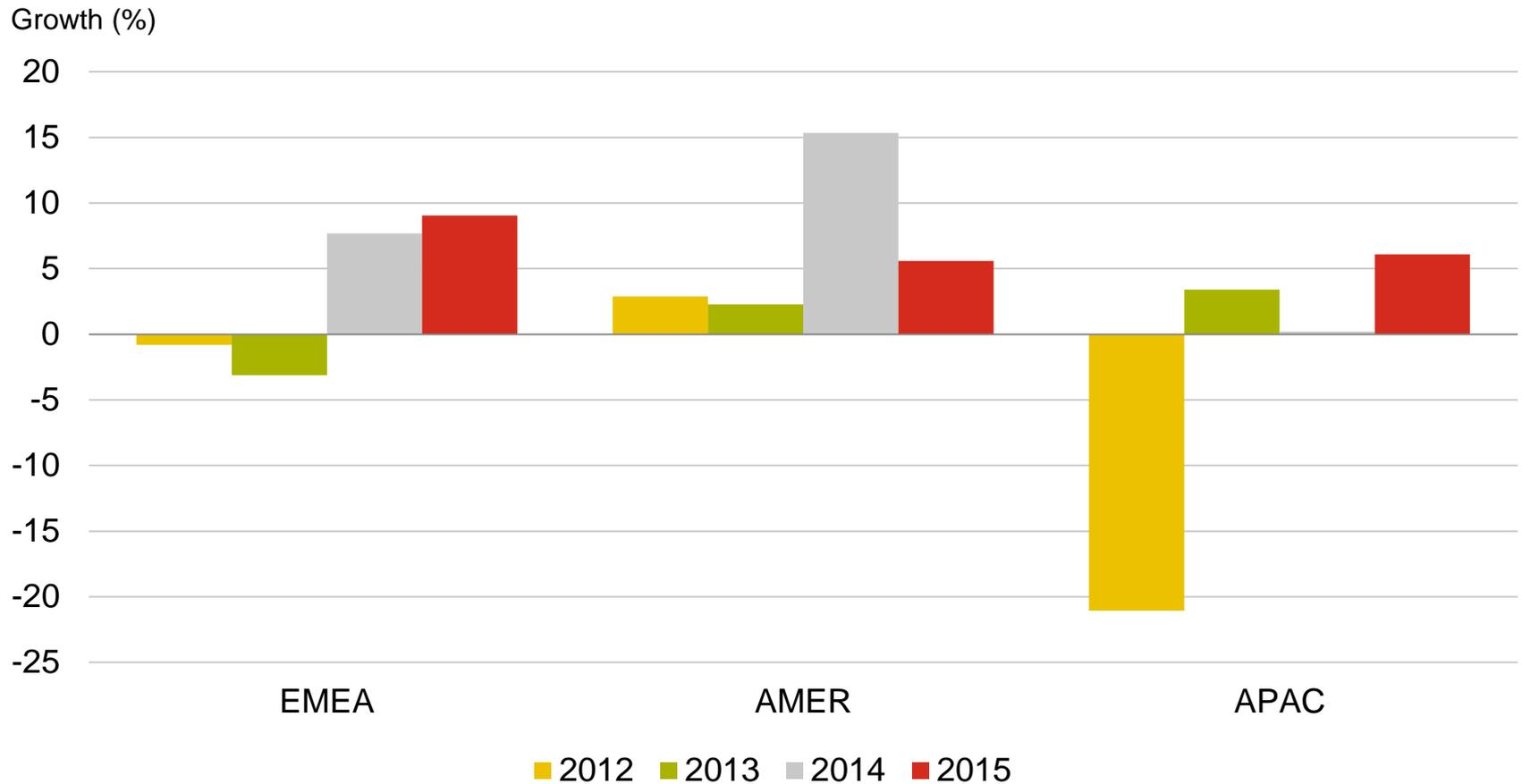
- Good products as foundation
- Unique automation offering
- Strong focus on services
 - Modular services products
 - Crane refurbishment



Hiab

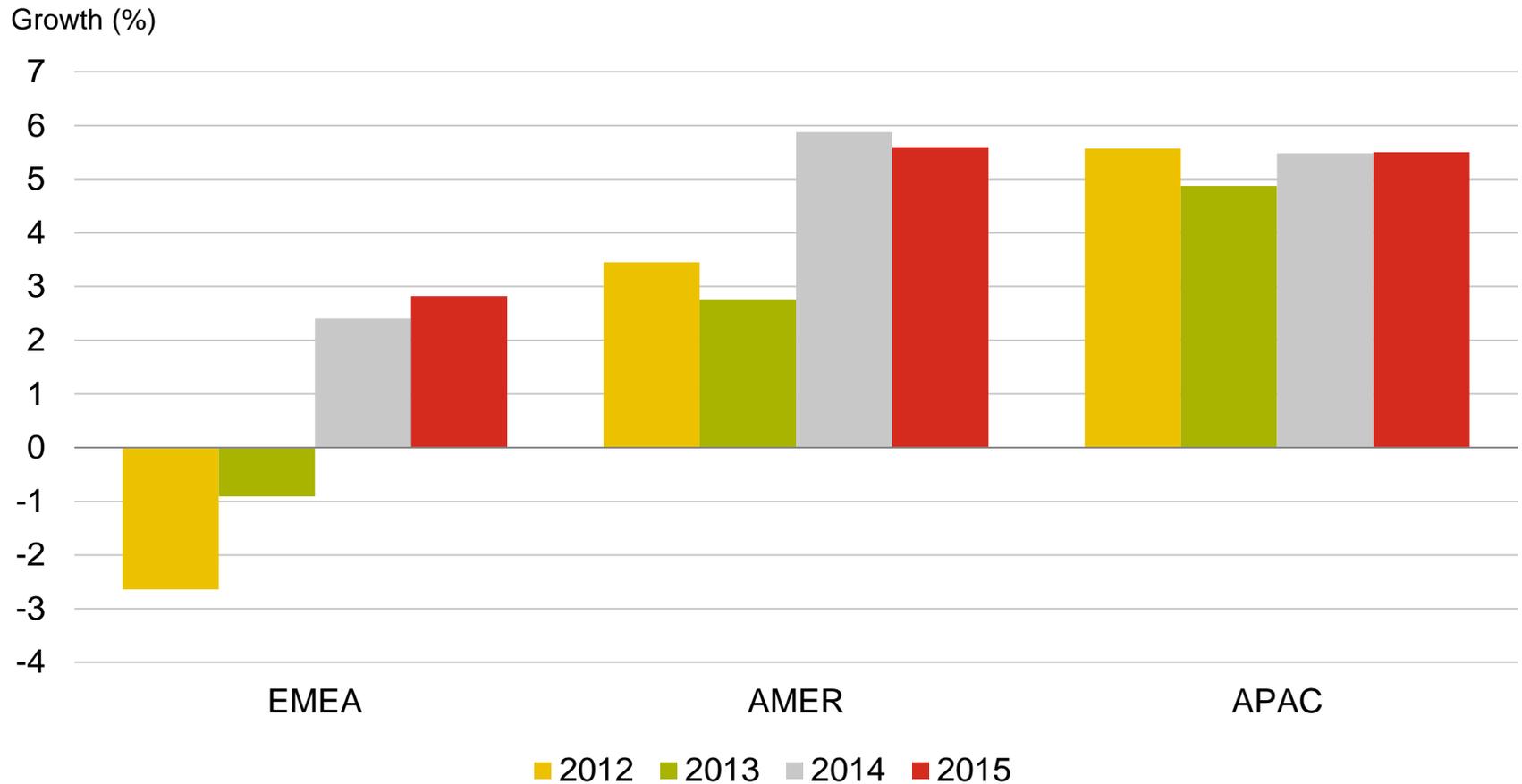


Macro indicator trends – truck sales (GVW >15 tn)



Source: IHS Global Insight, Nov/2013 fcst

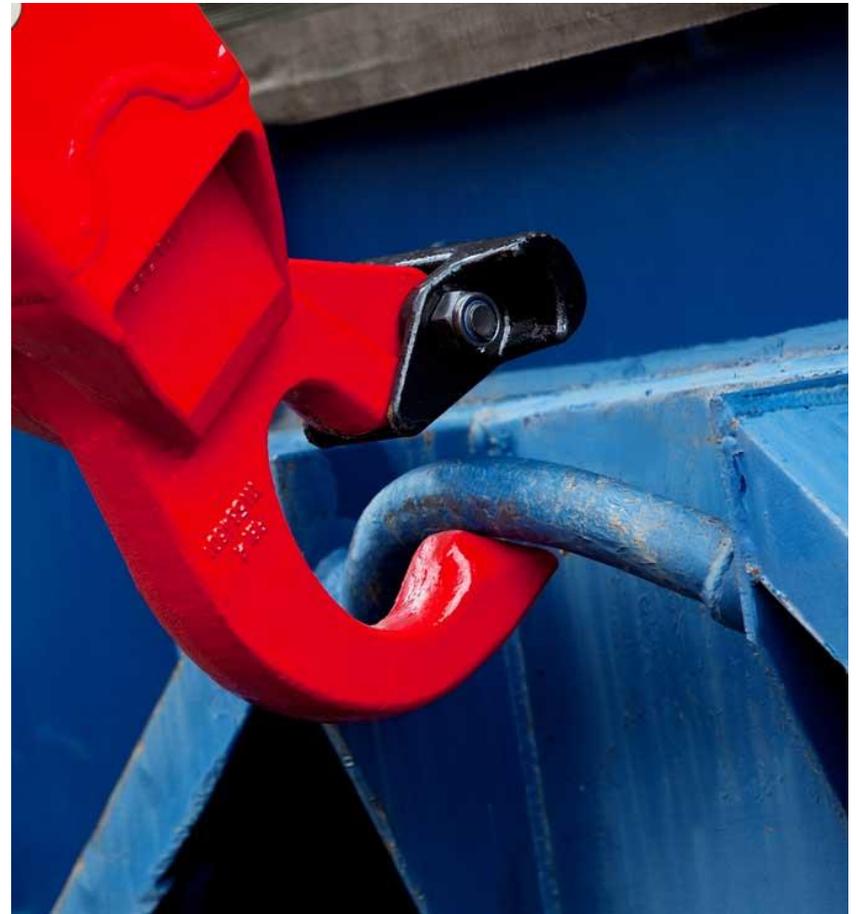
Macro indicator trends – construction output



Source: Oxford Economics, Q3/2013

Hiab strategic priorities 2014

- Deliver profitability improvement and cost reduction in all areas of Hiab
- Drive professional sales and price management and distribution footprint
- Drive design to cost and new product introductions
- Build cost control and performance culture



Actions started in 2013 in Markets

1. Route-to-market

- 40% of our distribution set-up will change
- Improvements in service network profitability

2. Organisation

- Reduction of complexity
- Centralisation of key support functions

3. Pricing

- Better price management and clear escalation model
- Improvement in spare parts pricing

4. Cost control

- Reduction of indirect and over head costs

5. Sales enablers

- Performance management
- Central dealer management

Improving margins by reducing costs

- Design-to-cost process started in all product lines in 2013
 - Supplier consolidation
 - Changes in design
- No in-house component production
 - Outsourcing completed in Hudiskvall, Sweden and Dundalk, Ireland
- Global sourcing footprint moving from high cost to low cost countries
- Average material cost reduction of 5–10 percent
- Product portfolio streamlining
- Numerous new products

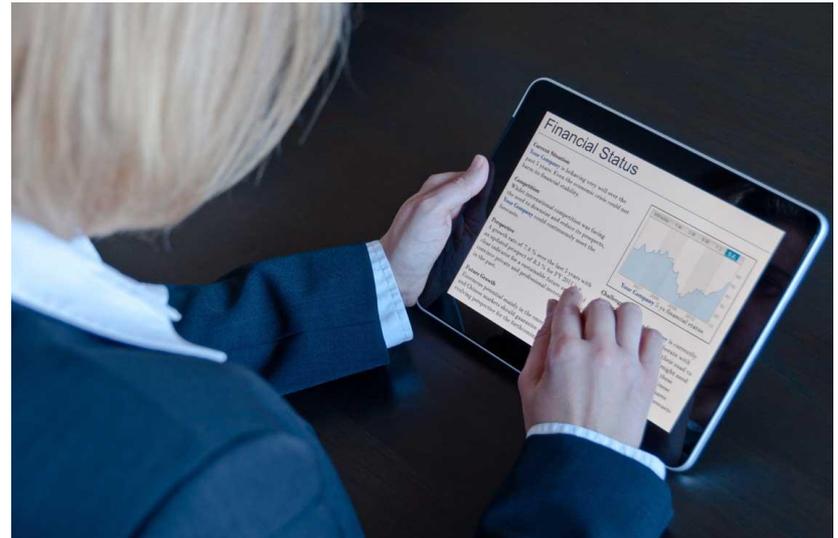


January– September financials



Highlights of Q3

- Order intake at comparison period's level, EUR 724 (719) million
- Sales at EUR 752 (794) million, down 5% y-o-y
- Operating profit excluding restructuring costs was EUR 35.4 (39.0) million or 4.7 (4.9)% of sales, slight improvement over Q2
- Operating profit was EUR 31.2 (38.5) million
- Cash flow from operations increased to EUR 38.2 (34.2) million
- MacGregor listing delayed



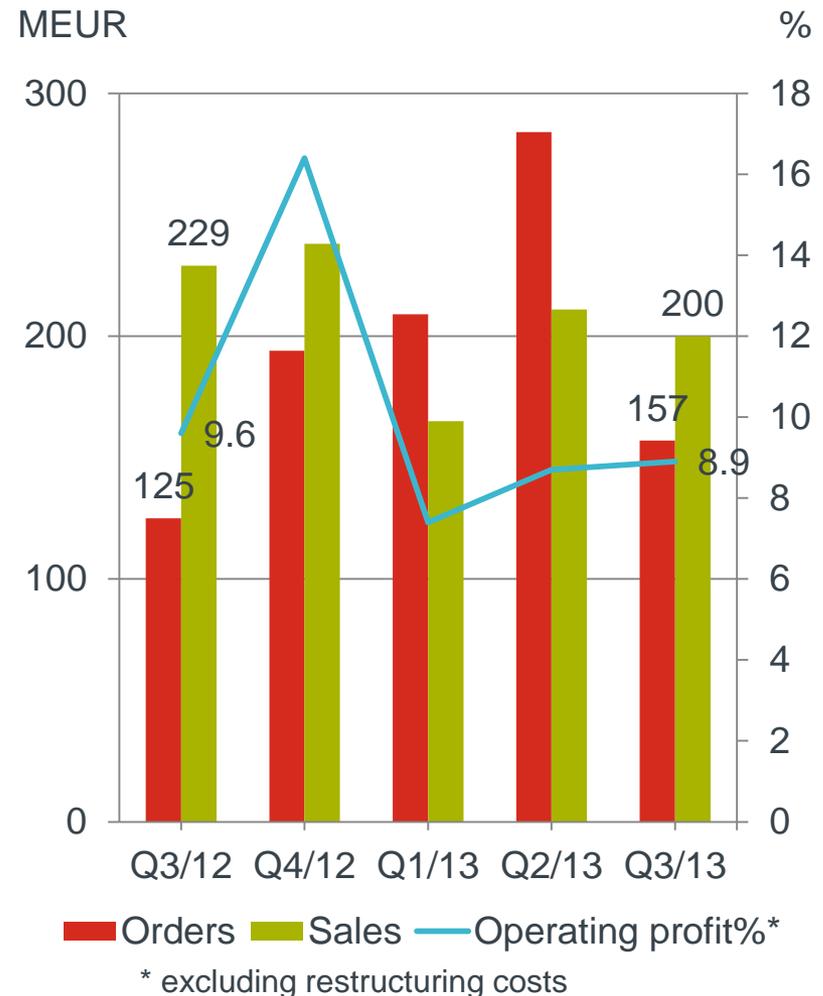
January–September key figures

	Q3/13	Q3/12	Change	Q1-Q3/13	Q1-Q3/12	Change	2012
Orders received, MEUR	724	719	1%	2,348	2,348	0%	3,058
Order book, MEUR	2,048	2,312	-11%	2,048	2,312	-11%	2,021
Sales, MEUR	752	794	-5%	2,267	2,437	-7%	3,327
Operating profit, MEUR*	35.4	39.0		87.9	117.6		157.5
Operating profit margin, %*	4.7	4.9		3.9	4.8		4.7
Cash flow from operations, MEUR	38.2	34.2		47.0	6.4		97.1
Interest-bearing net debt, MEUR	577	485		577	485		478
Earnings per share, EUR	0.31	0.41		0.77	1.30		1.45

* excluding restructuring costs

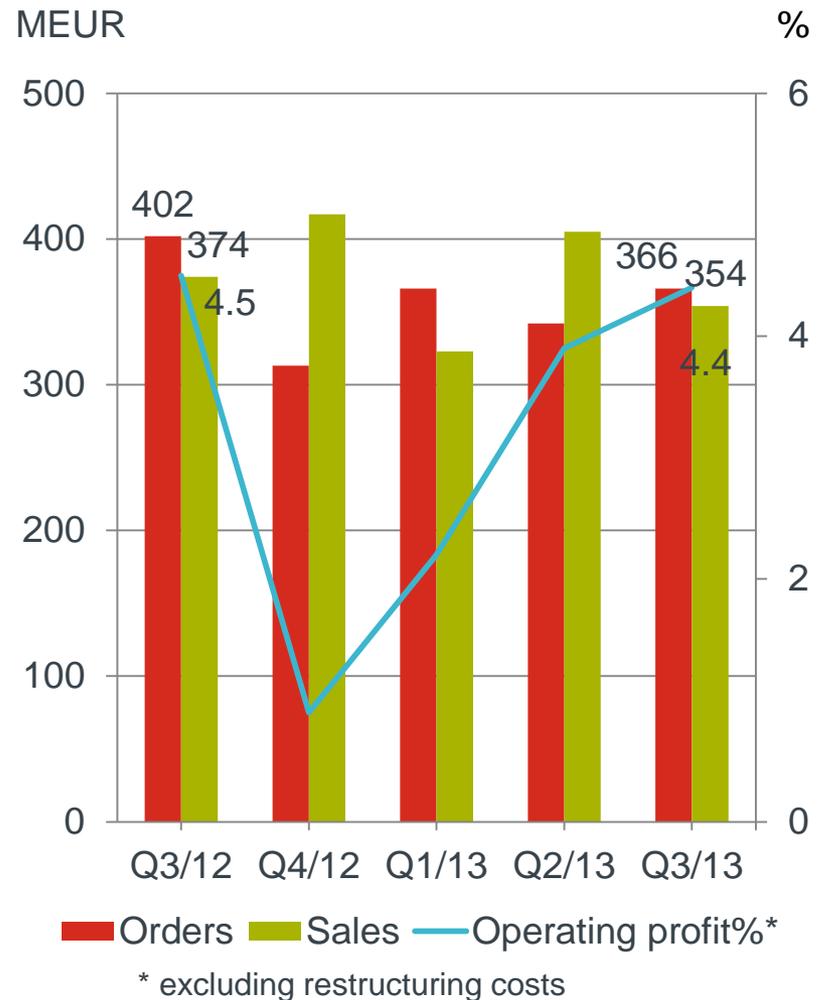
MacGregor Q3 – delays in deliveries continued

- Merchant ship market continued to recover and offshore market remained active
 - Impact will first be seen in order intake during upcoming quarters while recovery in deliveries is expected from 2015 onwards
- Order intake grew 25% y-o-y to EUR 157 (125) million
- Sales declined 12% y-o-y to EUR 200 (229) million due to low deliveries as customers delayed receipt of deliveries
- Profitability of 8.9% (excluding restructuring) reflects low sales



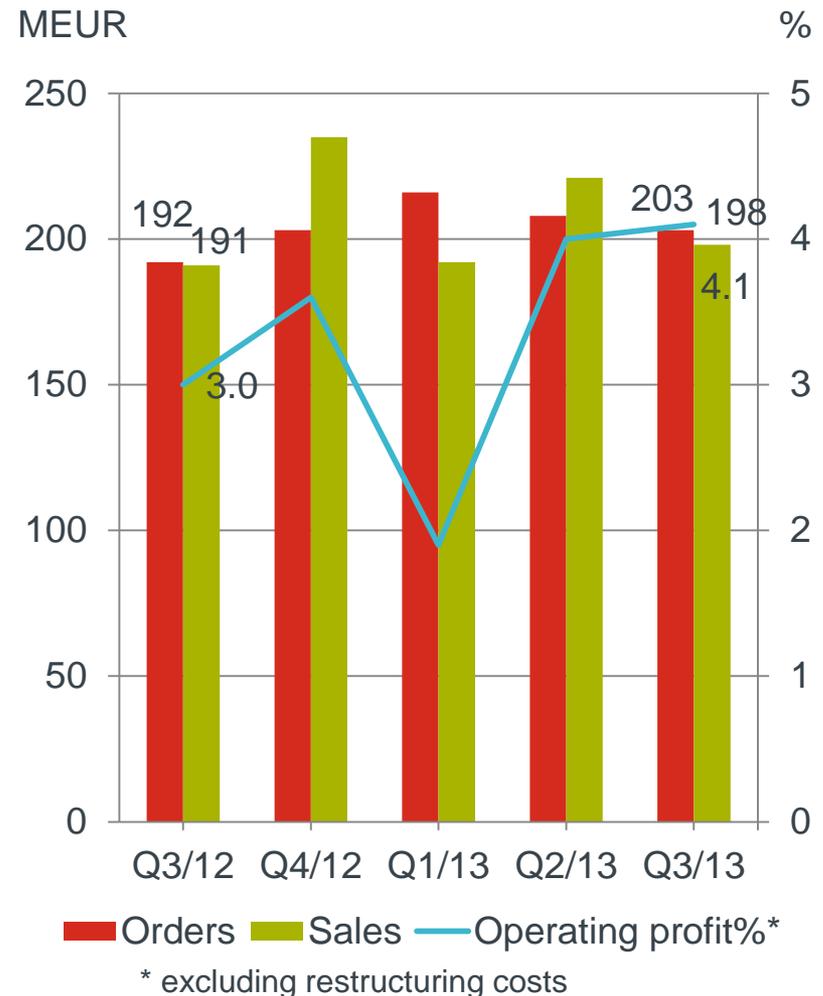
Kalmar Q3 – profitability continued to improve despite cost overruns in projects

- Demand for smaller container handling equipment and automation solutions was healthy, while demand for larger equipment picked up slightly but was still modest
- Order intake fell 9% y-o-y to EUR 366 (402) million
- Sales declined 5% y-o-y to EUR 354 (374) million
- Profitability excluding restructuring costs was 4.4%
 - Additional costs of EUR 9 million in projects (1-9/2013: 23 MEUR)
- Q3 order book includes EUR 120 million of problem projects



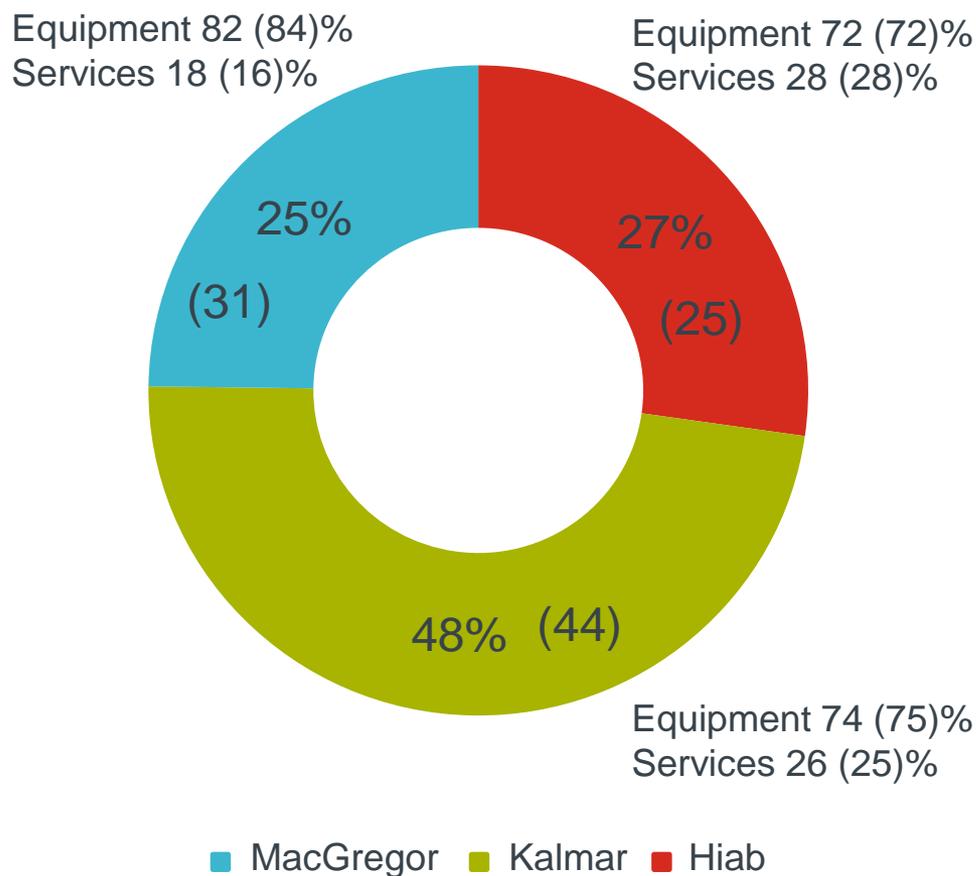
Hiab Q3 – orders and sales grew y-o-y

- The load handling equipment and services market was characterised by variations within European countries. Demand was generally healthy in the US
- Orders grew 6% y-o-y and totalled EUR 203 (192) million
- Sales grew 4% y-o-y to EUR 198 (191) million
- Profitability excluding restructuring costs was 4.1%

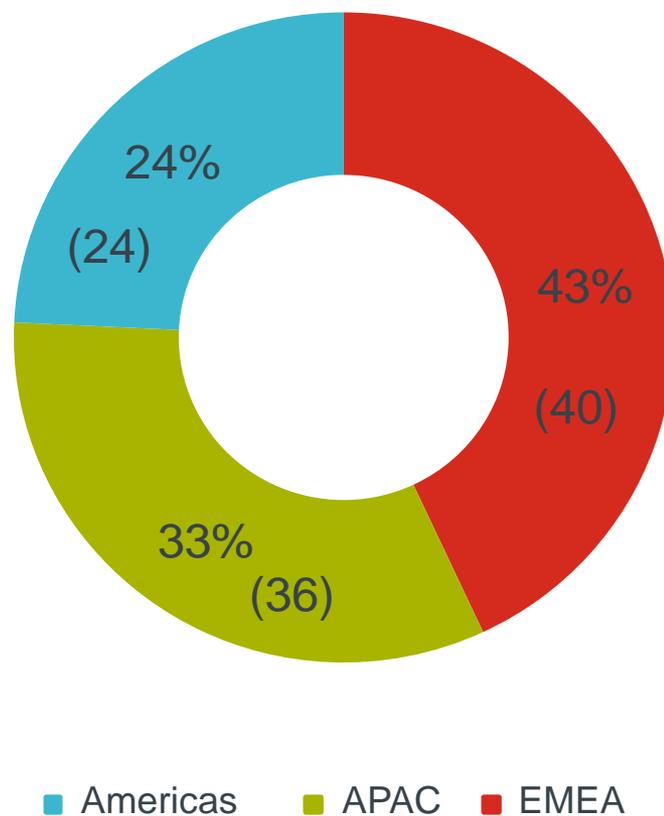


Sales by reporting and geographical segment

Sales by reporting segment 1-9/2013, %

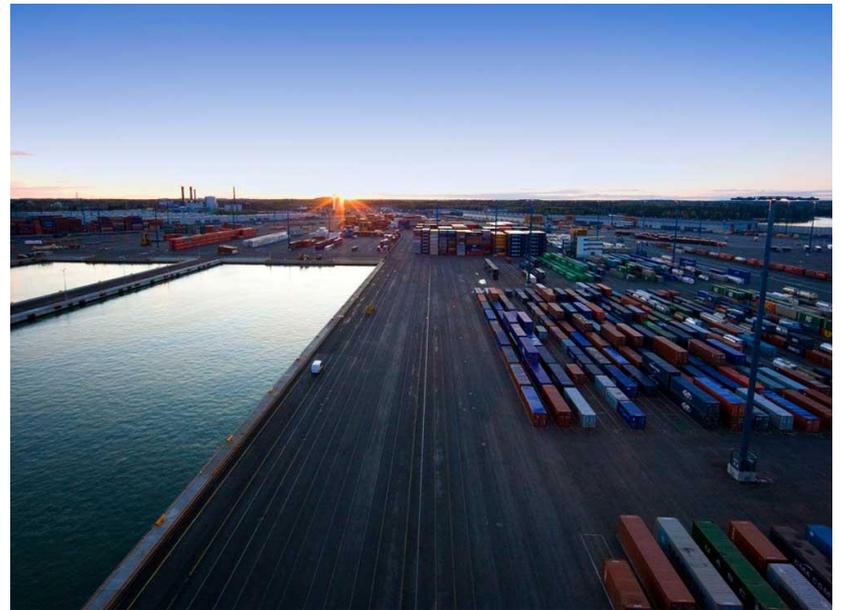


Sales by geographical segment 1-9/2013, %



Outlook

- The sales and operating profit excluding restructuring costs for 2013 are expected to fall short of 2012.



Appendices



MacGregor offering



Hatch covers



Ship cranes



Offshore deck equipment



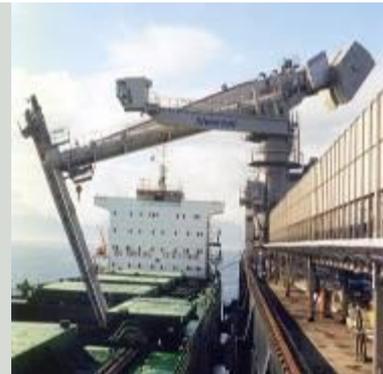
Securing



RoRo



Link spans



Bulk loaders



Services

Kalmar offering



Straddle carriers



Reachstackers



Terminal tractors



Forklift trucks



Quay cranes



RTGs, RMGs



Spreaders



Services

Hiab offering



Loader cranes



Truck-mounted forklifts



Demountables



Tail lifts



Forestry cranes



Stiff boom cranes



Services

Key competitors



- Palfinger
- Fassi
- HMF
- Hyva
- Terberg Kinglifter

- ZPMC
- Konecranes
- Terex/Gottwald
- Sany
- Liebherr

- TTS
- SMS
- German Lashing
- SEC
- Mitsubishi HI
- IHI
- Navalimpianti
- NOV
- Rolls-Royce
- Huisman
- Liebherr

