



**CARGOTEC**

President and CEO Mikael Mäkinen

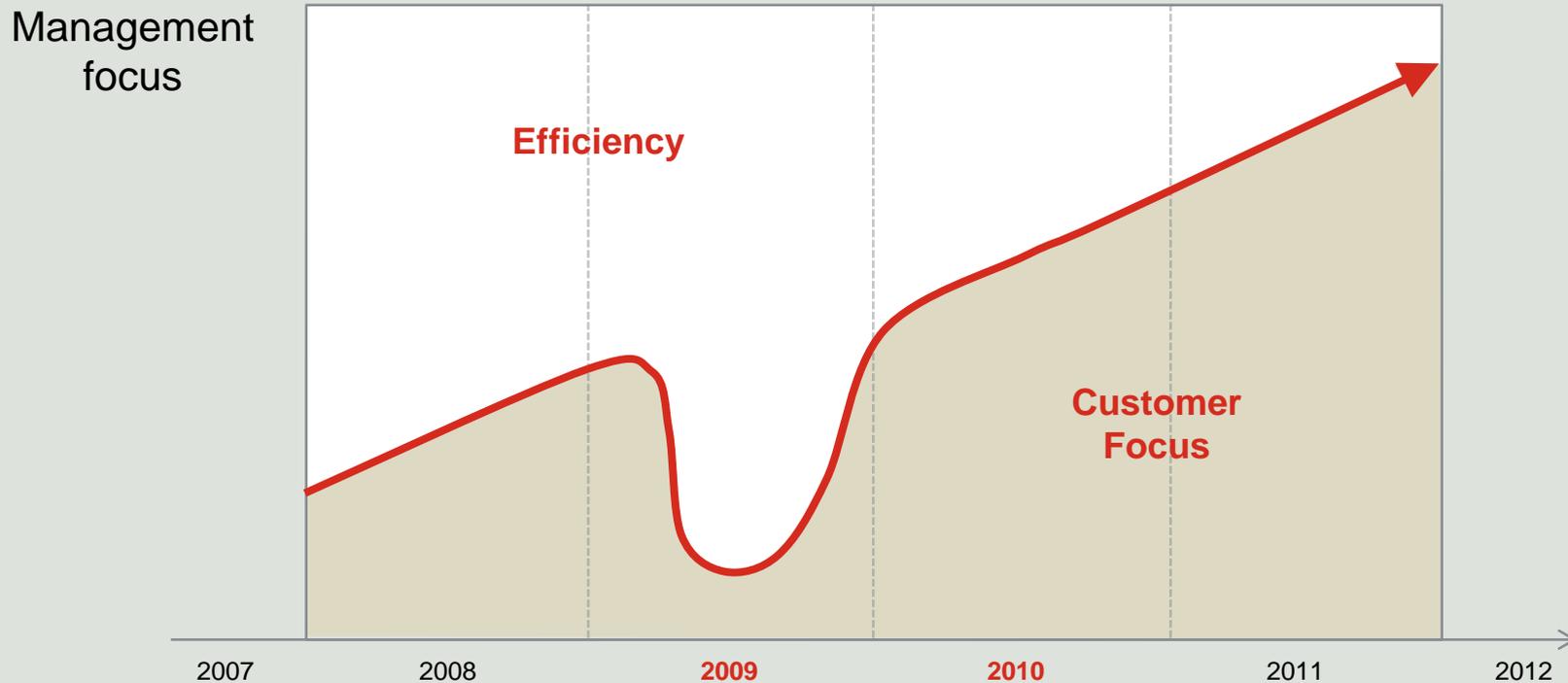
3 February 2010



## Financial Statements Review 2009

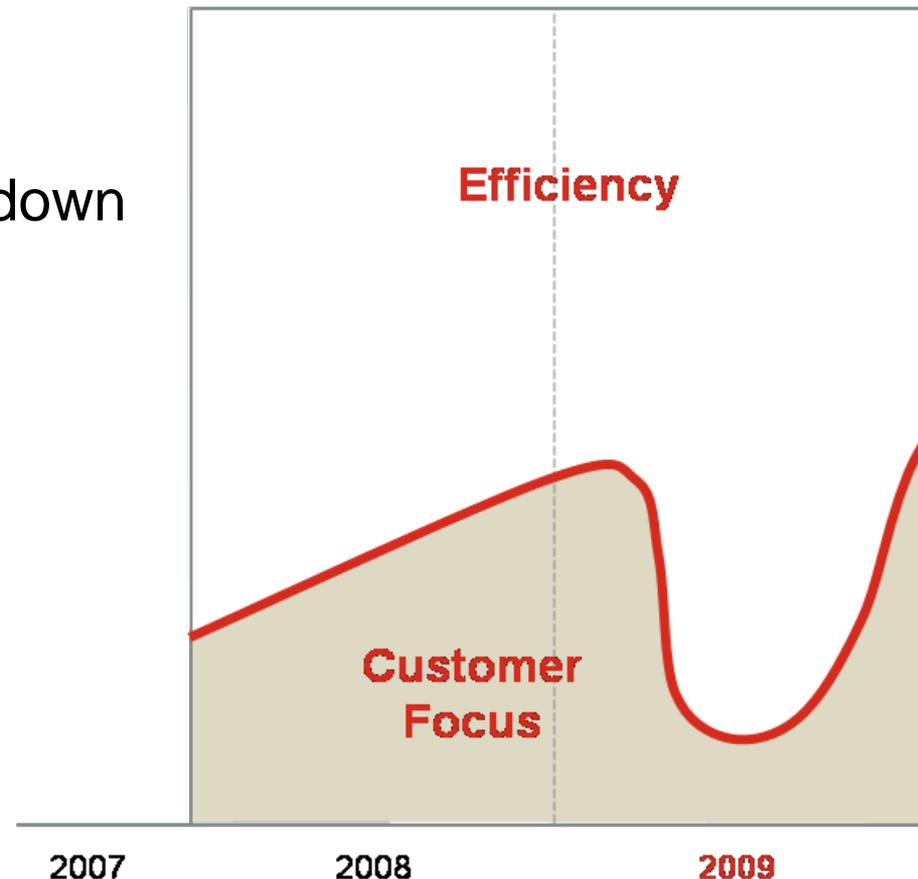


# Cargotec's focus moving from efficiency only to customers



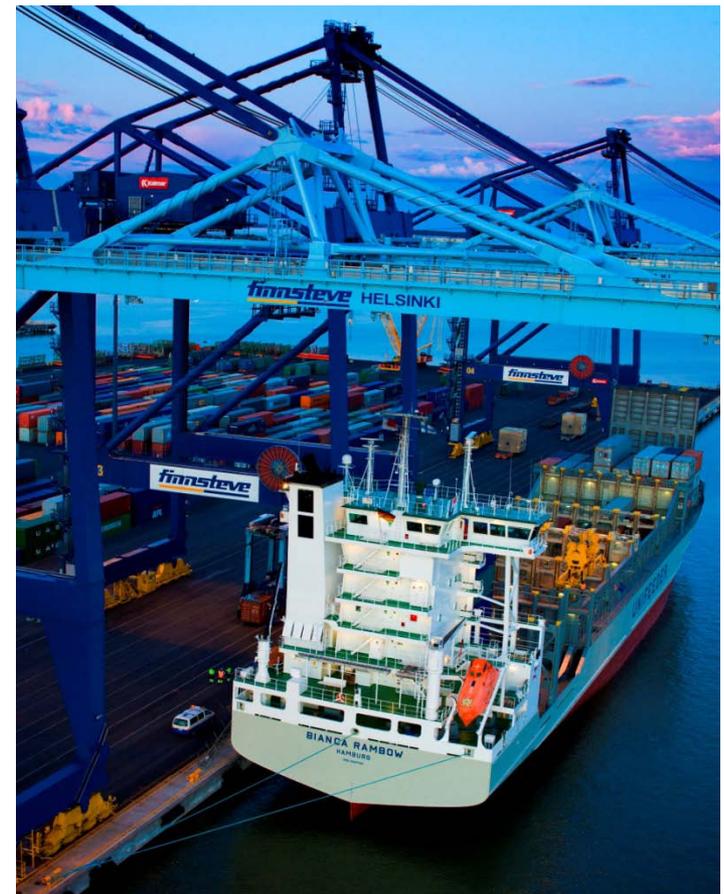
## 2009: Focus on efficiency

- New supply set-up
- Adjustment to market downturn with cost base down by EUR 140 million
- On the Move related consolidation
- Continued research & development
- New Cargotec brand
- Common values



## Market environment in 2009

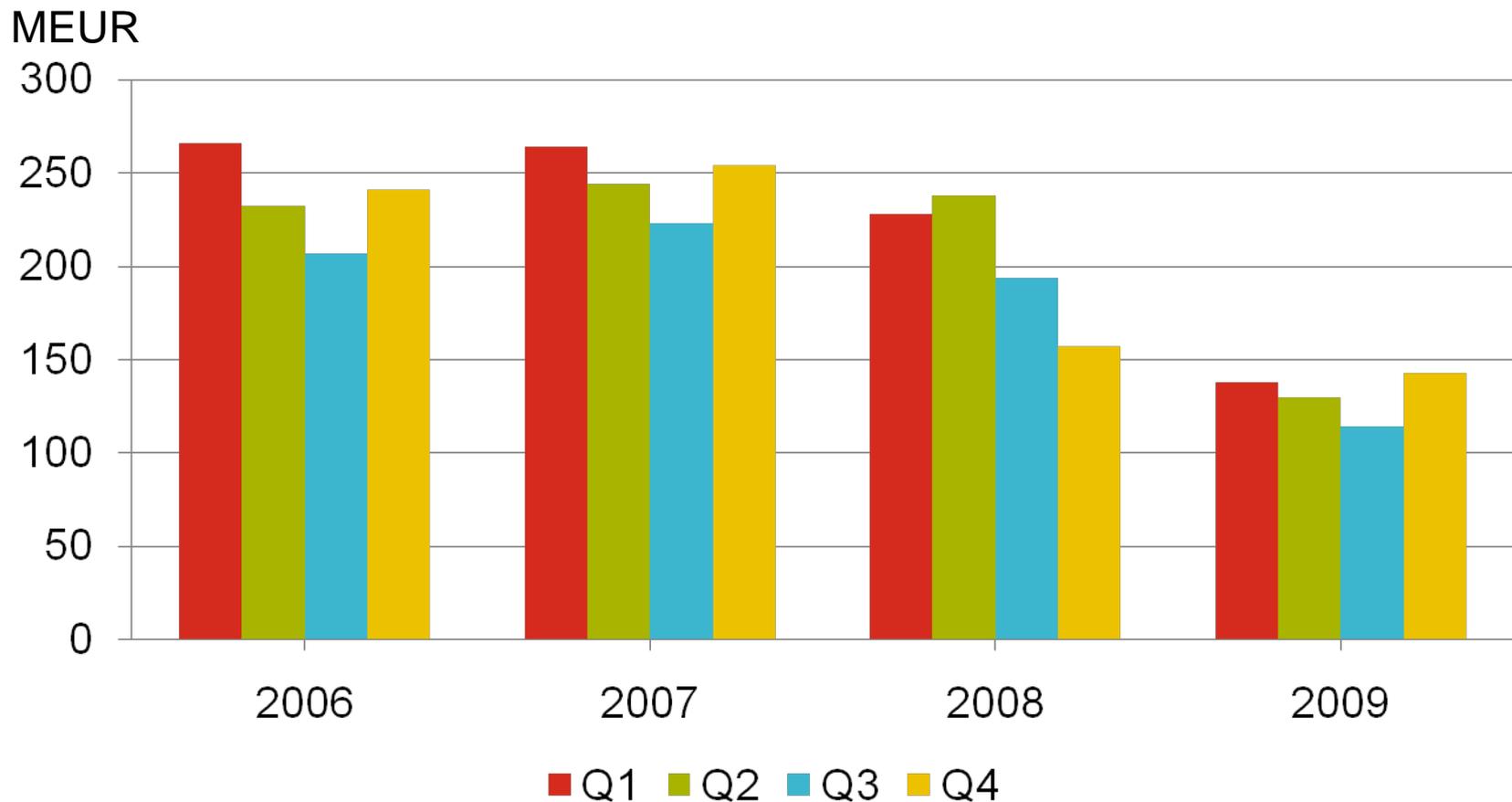
- Demand in load handling equipment was weak all year, however, tentative positive signs visible in order intake during the fourth quarter.
- Low usage rates of container handling equipment led to reduction in replacement investments and lengthened customer's decision-making processes.
- Markets for marine cargo handling equipment contracted, however, cancellations of order remained at moderate levels.
- Service markets not immune but in better shape than the equipment market.



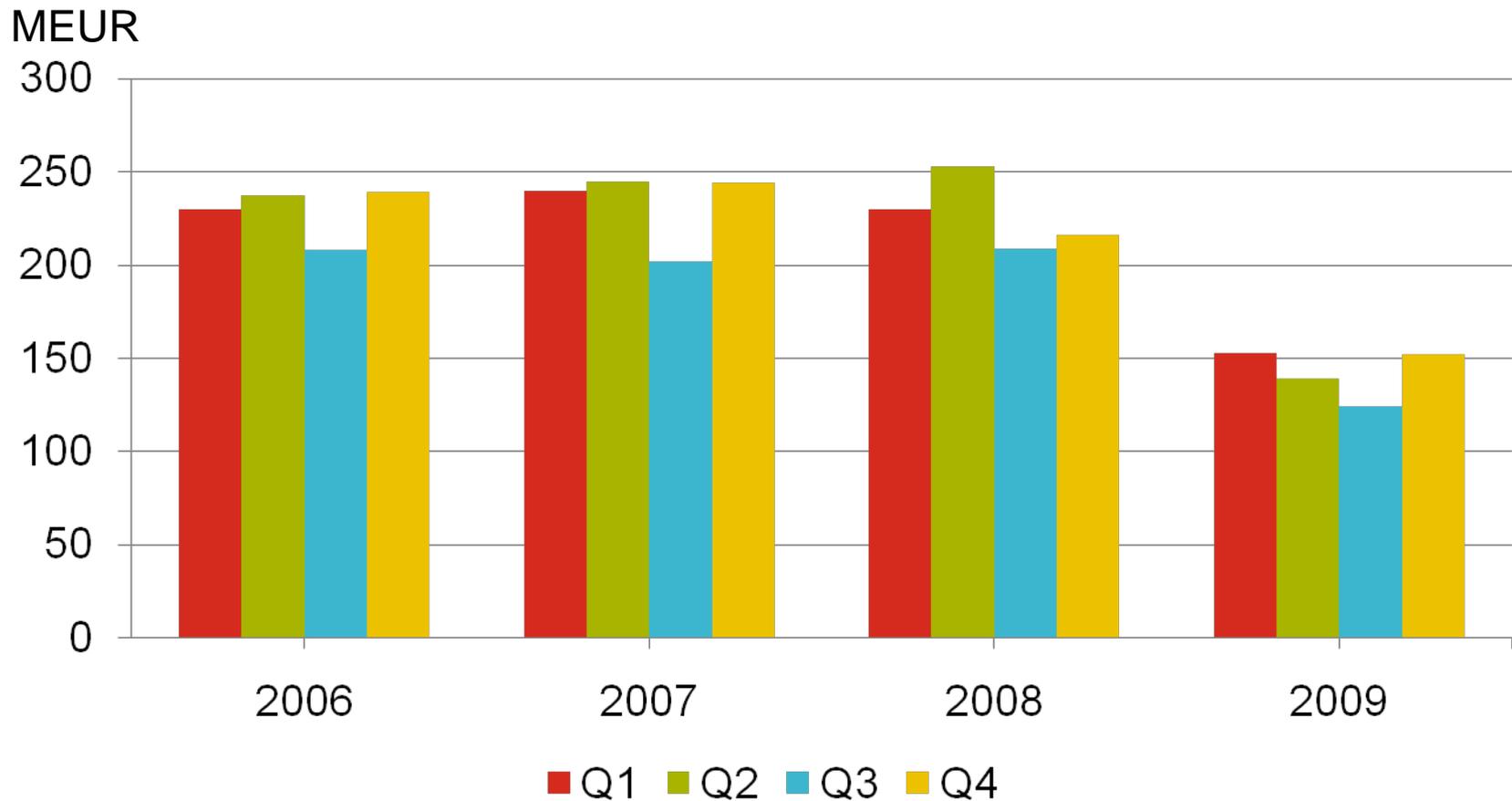
## Q4 EBIT turned up and cash flow strengthened further

	Q4 2009	Q4 2008	Change %	2009	2008
Orders received, MEUR	464	633	-27	1,828	3,769
Order book, MEUR	2,149	3,054	-30	2,149	3,054
Sales, MEUR	669	924	-28	2,581	3,399
Operating profit excl. restructuring, MEUR	31.7	35.9		61.3	192.8
Operating margin excl. restructuring, %	4.7	3.9		2.4	5.7
Operating profit, MEUR	7.4	16.8		0.3	173.7
Cash flow from operations, MEUR				289.7	133.8
Interest-bearing net debt, MEUR				335	478
Earnings per share, EUR				0.05	1.91

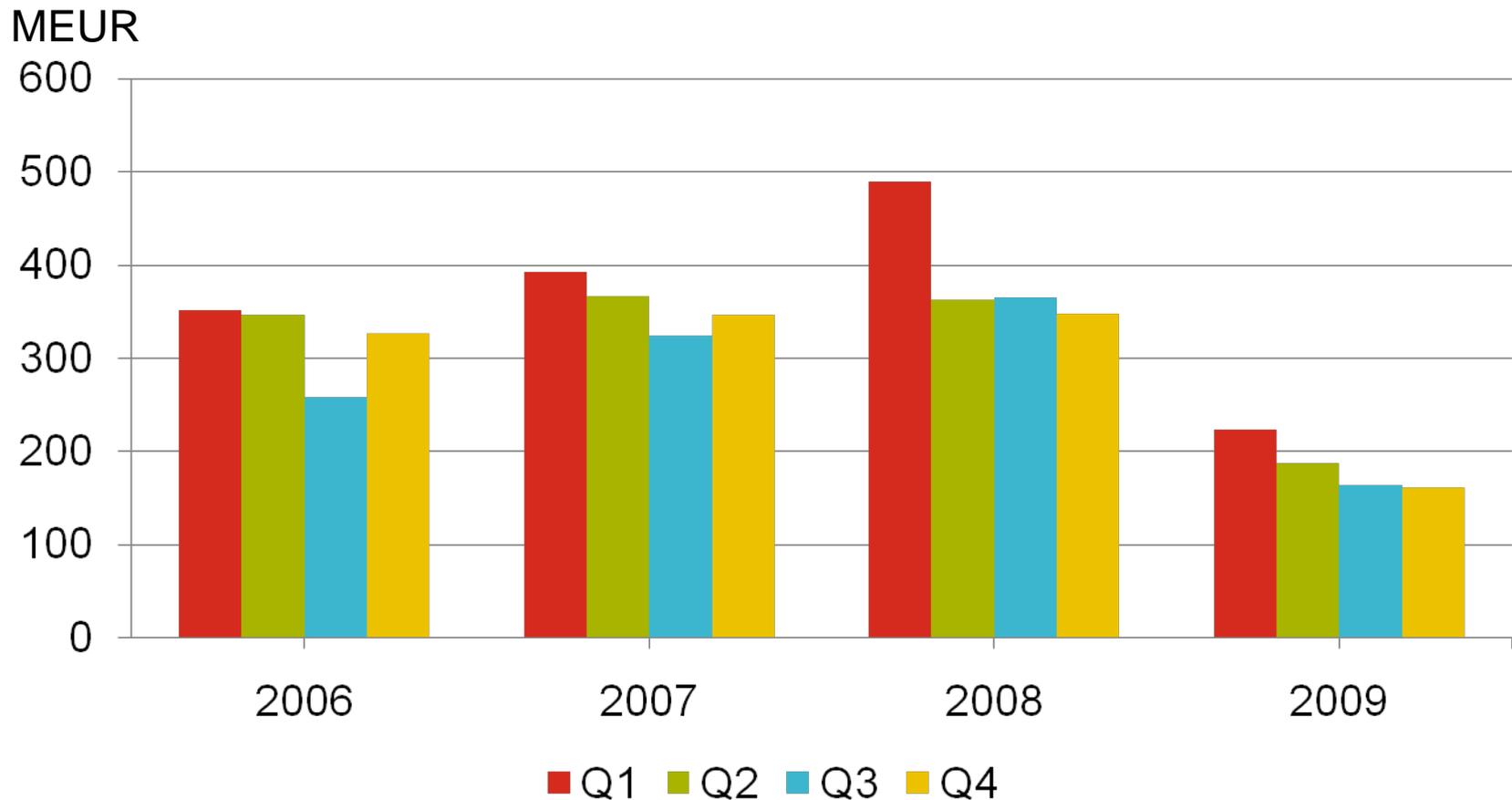
## Tentative positive signs visible in Hiab's Q4 order intake



## Hiab Q4 sales back on Q1 level

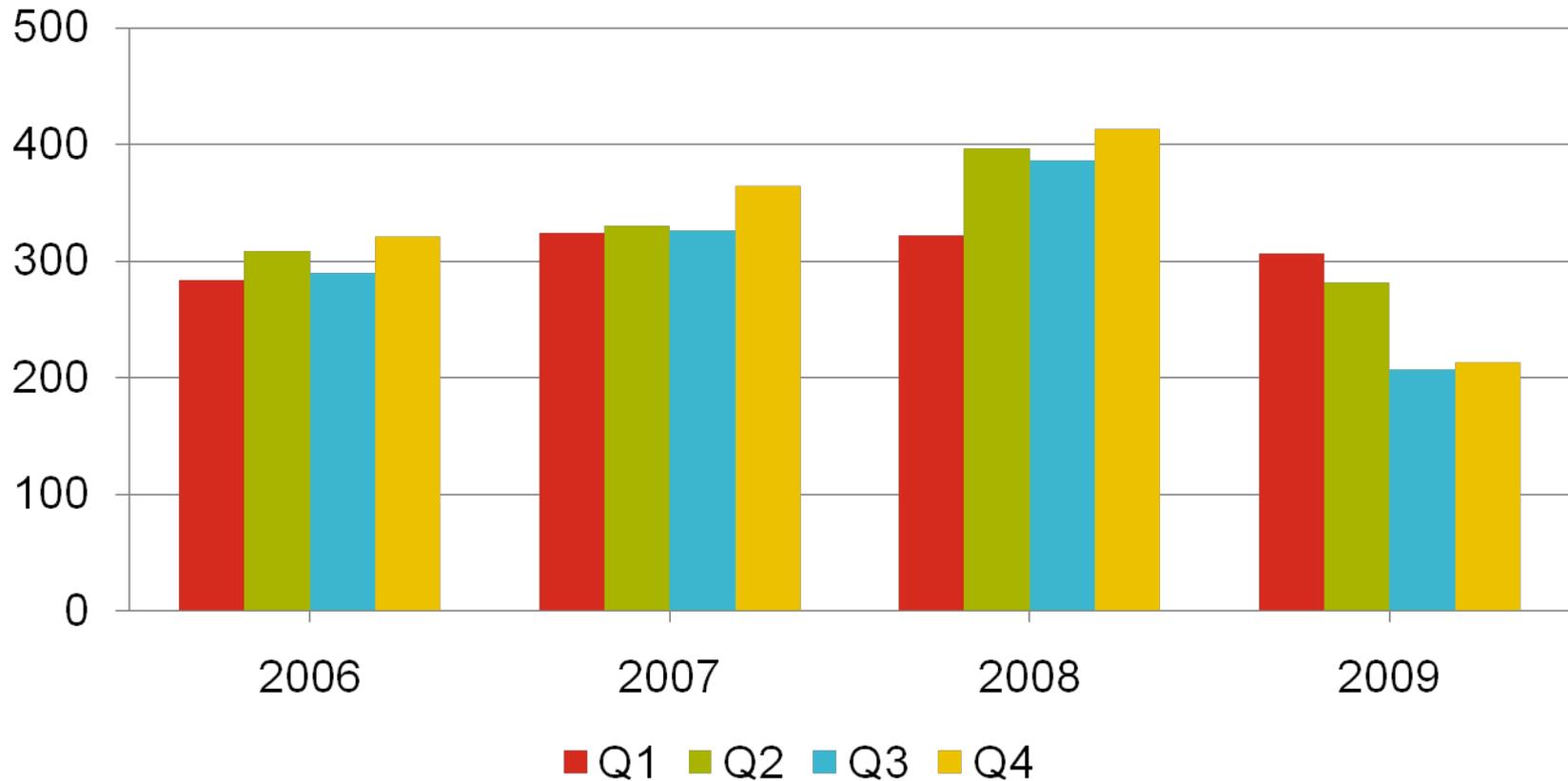


## Kalmar's order intake: visibility is weak

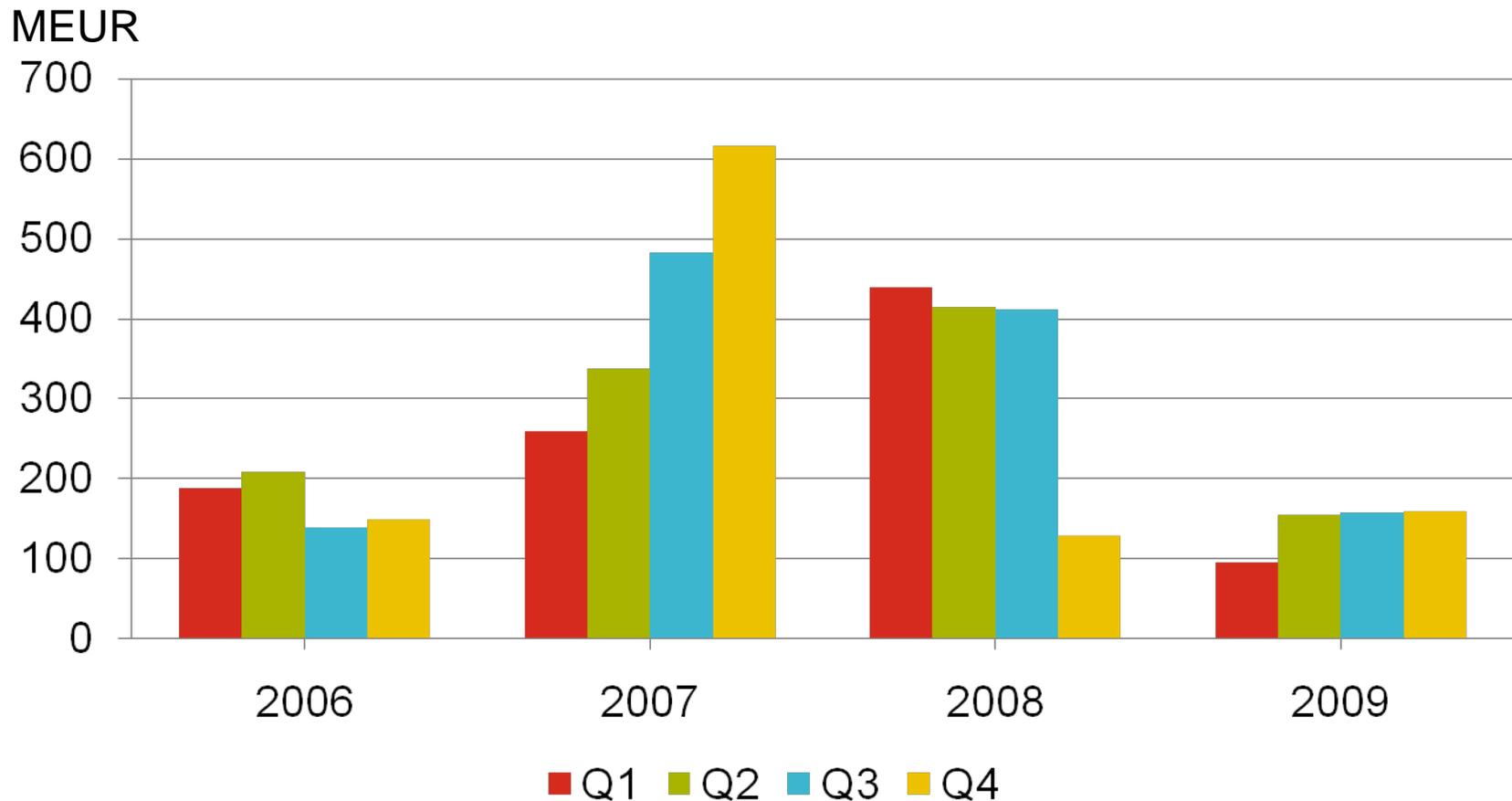


## Kalmar's H2 sales reflects low order intake

MEUR

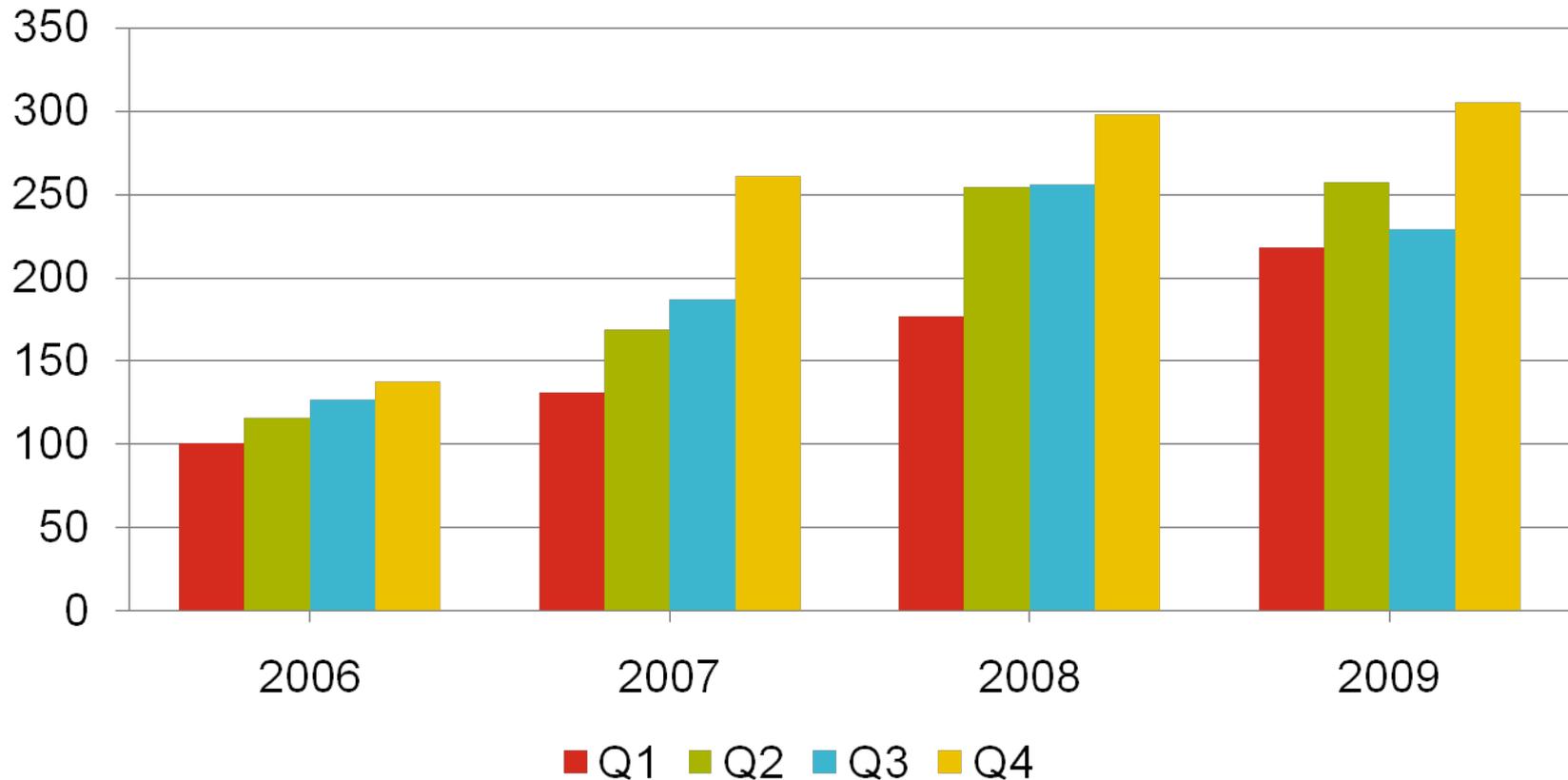


## MacGregor's order intake on a stable lower level

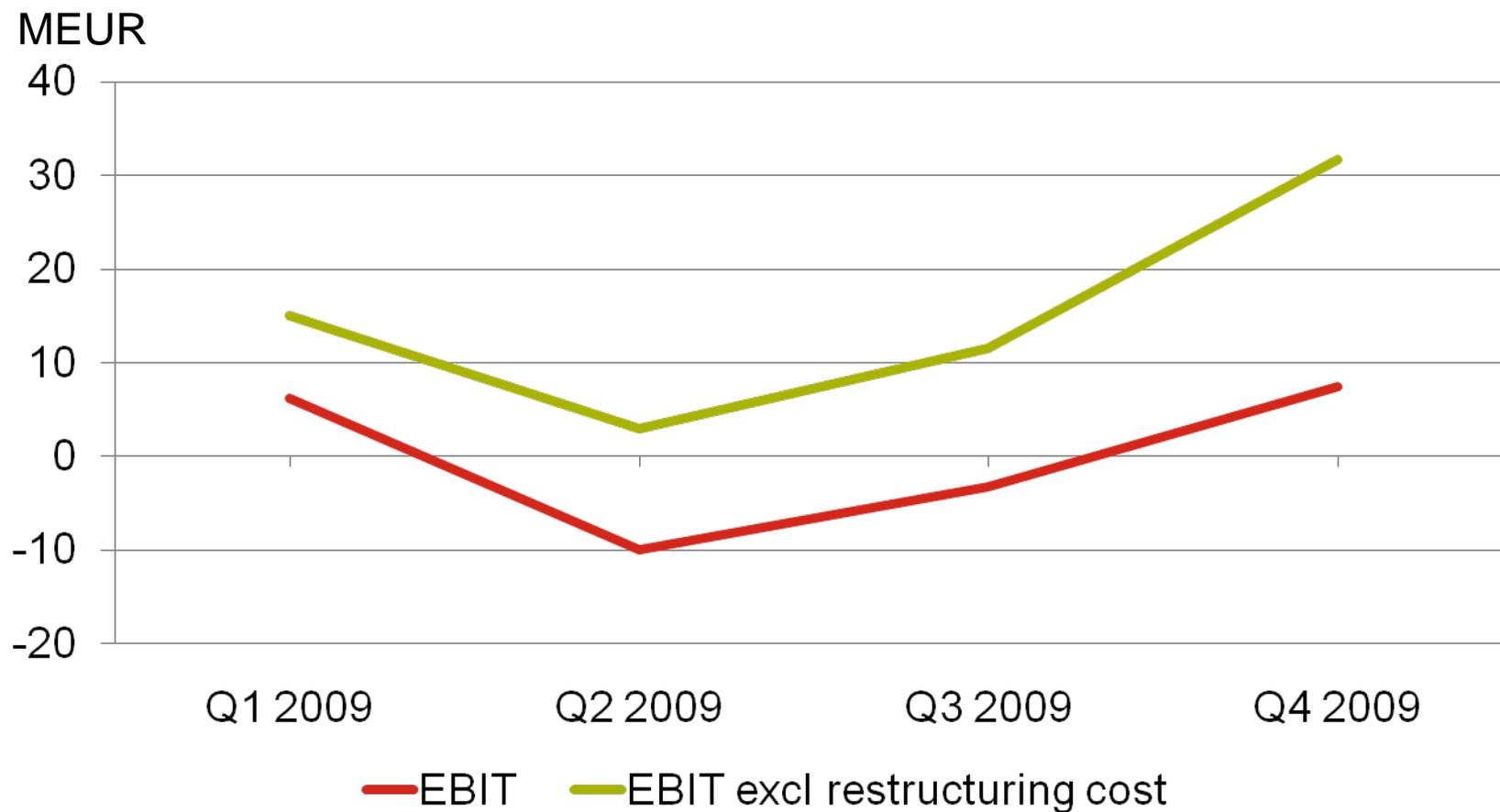


## Strong order book and successful deliveries supported MacGregor's sales

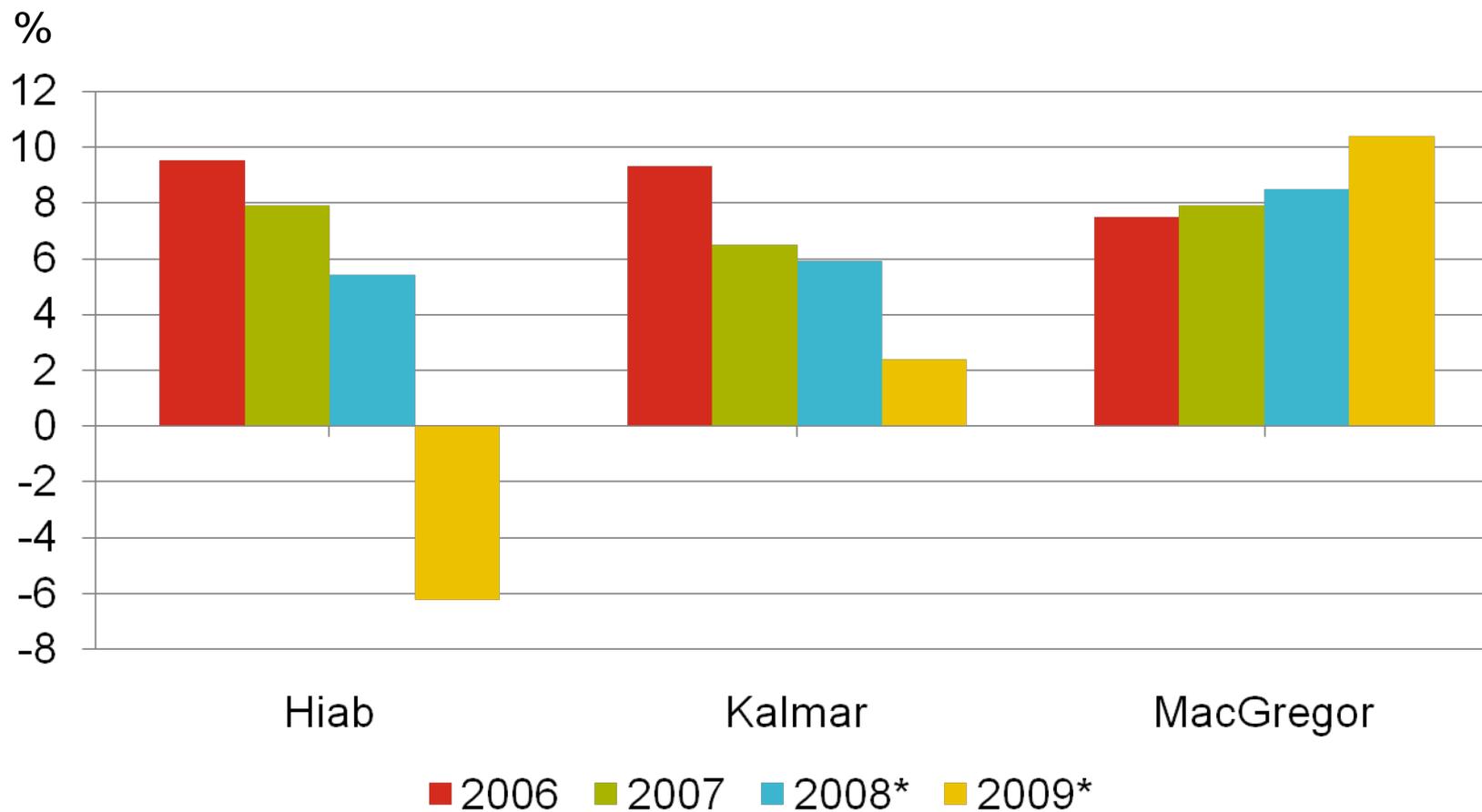
MEUR



## Restructuring began to have a positive impact



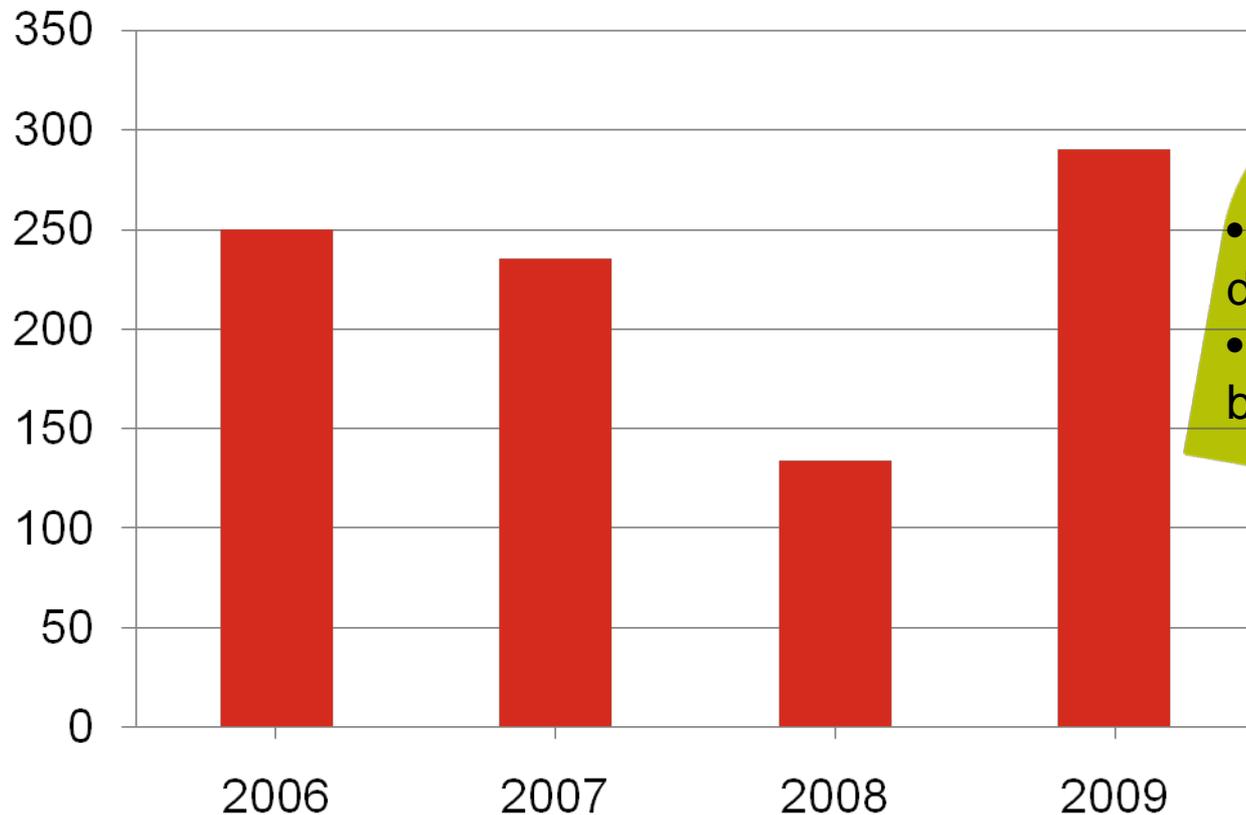
## Margin development



\*EBIT margin excluding restructuring costs

## Strong cash flow from operations in 2009

MEUR



- Net working capital decreased by MEUR 201
- Inventories decreased by MEUR 273

## Services was not immune to the market slowdown

MEUR

1000

800

600

400

200

0

2006

2007

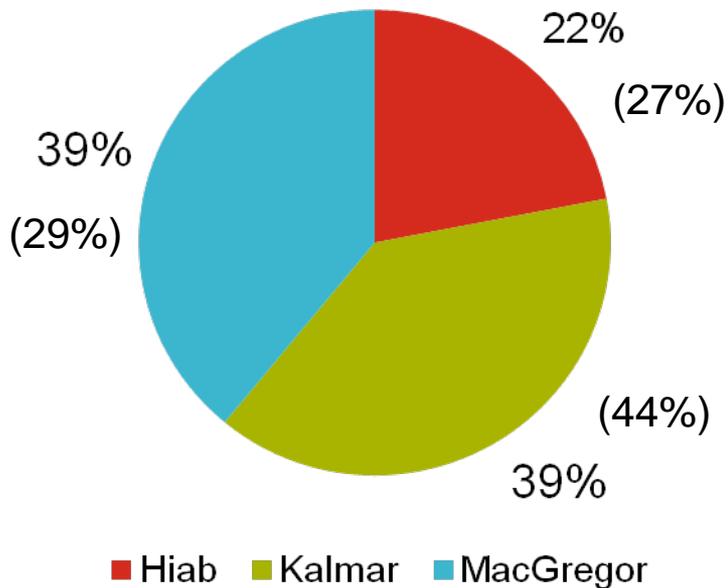
2008

2009

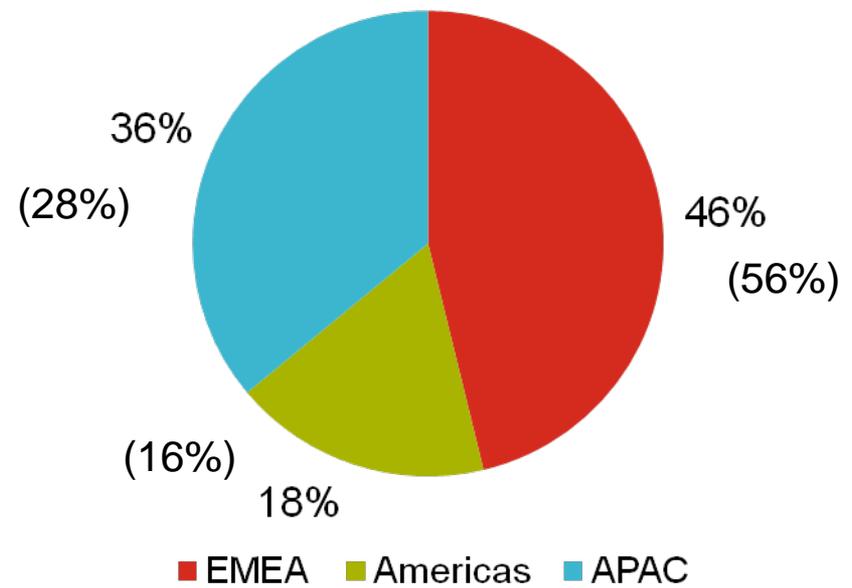
- Hiab MEUR 170
- Kalmar MEUR 331
- MacGregor MEUR 190

# Kalmar and MacGregor equal in size

Sales by business area 2009, %



Sales by geographical segment 2009, %



## Personnel effect of restructuring initiatives

	Restructuring initiated in 2008		Restructuring initiated in 2009		Total	
	People affected	People left by 31 Dec 2009	People affected	People left by 31 Dec 2009	People affected	People left by 31 Dec 2009
Hiab	648	648		849		1,497
Kalmar	302	302	2,340*	777	3,300*	1,079
MacGregor	-	-		281		281
Other	10	10		-		10
<b>Total</b>	<b>960</b>	<b>960</b>	<b>2,340*</b>	<b>1,907</b>	<b>3,300*</b>	<b>2,867</b>

Total number of employees 31 Dec 2009: 9,606

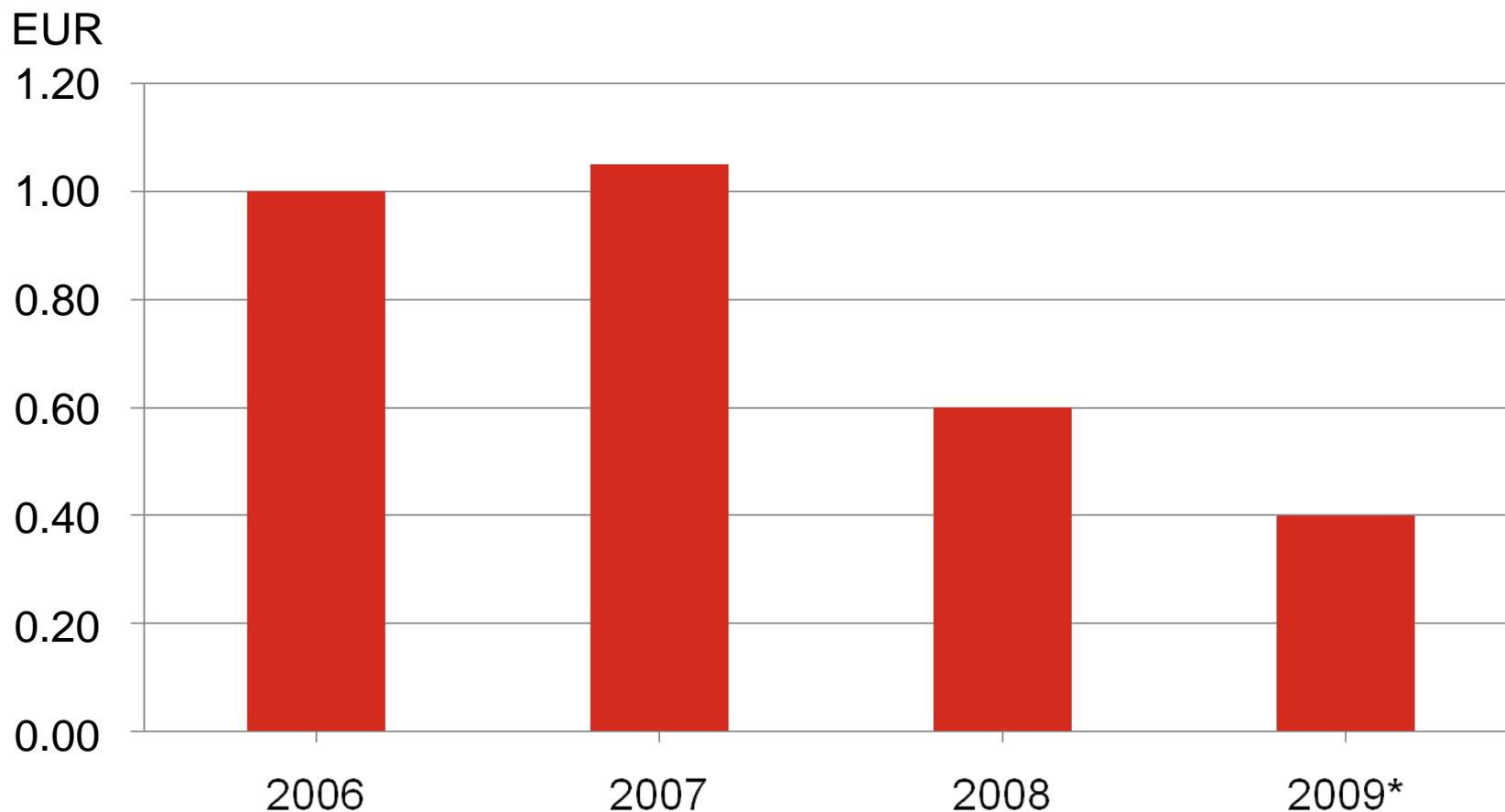
\* Estimate of total number of people affected

## Achievement of savings

- Total annual non-volume related costs savings target EUR 150 million
  - New Industrial & Terminal business area
  - Fixed cost streamlining through personnel reductions and sales and service network integration
  - Structural changes from On the Move
- Achieved savings in 2009 EUR 90 million
  - EUR 30 million production related (COGS)
  - EUR 60 million SG&A related
- Running rate EUR 140 million by the end of 2009

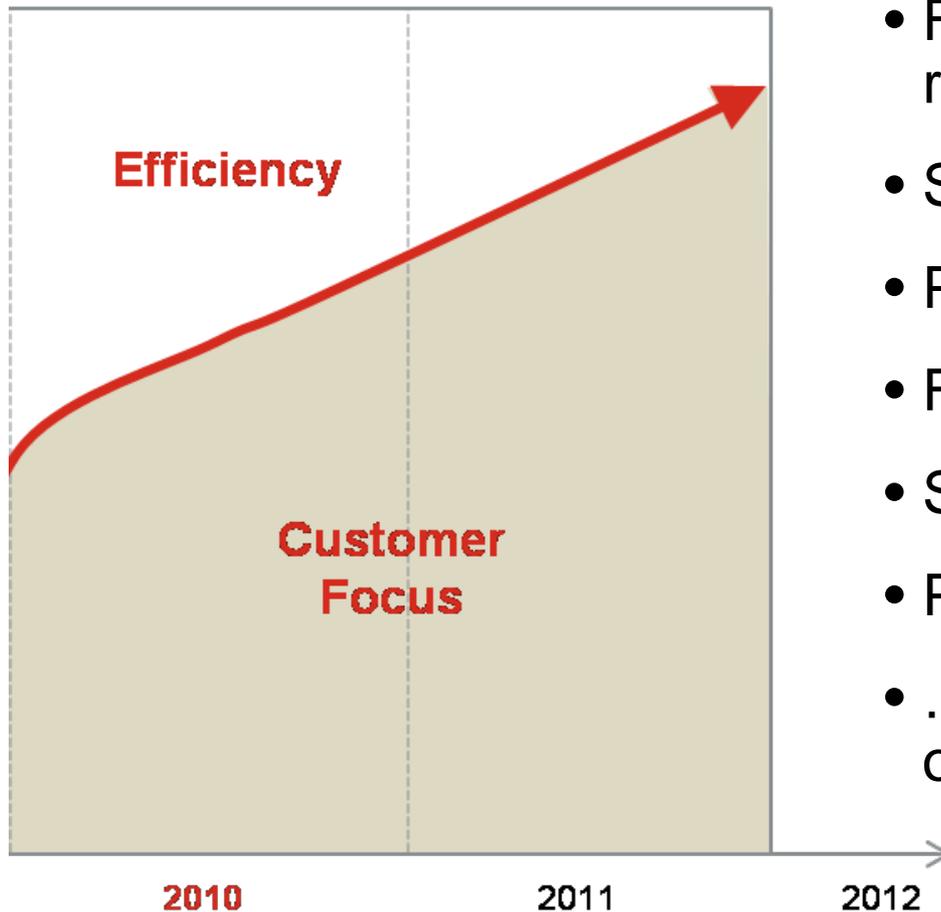


## Dividend for class B share 2006–2009



\* Dividend proposal by the Board of Directors

## 2010: Focus on customer



- Further development of I&T regional sales and service
- Strengthening ship type focus
- Preparing for growth strategy
- Focused research & development
- Service concept development
- Process development
- ...while ensuring accomplishment of efficiency targets

## Tampere competence and technology center



## Outlook

- There are tentative positive signs visible in the order intake for industrial business. Uncertainty continues in port terminal business. Based on the strong order book, sales in marine cargo handling business are expected to remain on a healthy level in 2010.
- Cargotec's 2010 sales are estimated to be on 2009 level and operating profit to exceed EUR 100 million.
- It is estimated that still a few million euro in restructuring costs from currently ongoing restructuring measures will be booked during early-2010.

we keep cargo on the move™