



CARGOTEC

London road show - 2 September 2010



Cargotec in brief

Cargotec improves the efficiency of cargo flows on land and at sea – wherever cargo is on the move. Cargotec's daughter brands, Hiab, Kalmar and MacGregor are recognised leaders in cargo and load handling solutions around the world. Cargotec's global network is positioned close to customers and offers extensive services that ensure the continuous, reliable and sustainable performance of equipment. Cargotec's sales totalled EUR 2.6 billion in 2009 and it employs approximately 9,500 people. Cargotec's class B shares are quoted on the NASDAQ OMX Helsinki.



Cargotec is a global market leader



Solutions for industrial and on-road load handling

Competitors

- Palfinger
- Fassi
- Hyva
- Effer



Solutions for ports and container handling

Competitors

- Terex/Fantuzzi Group
- ZPMC
- Konecranes



Solutions for marine cargo handling and offshore load handling

Competitors

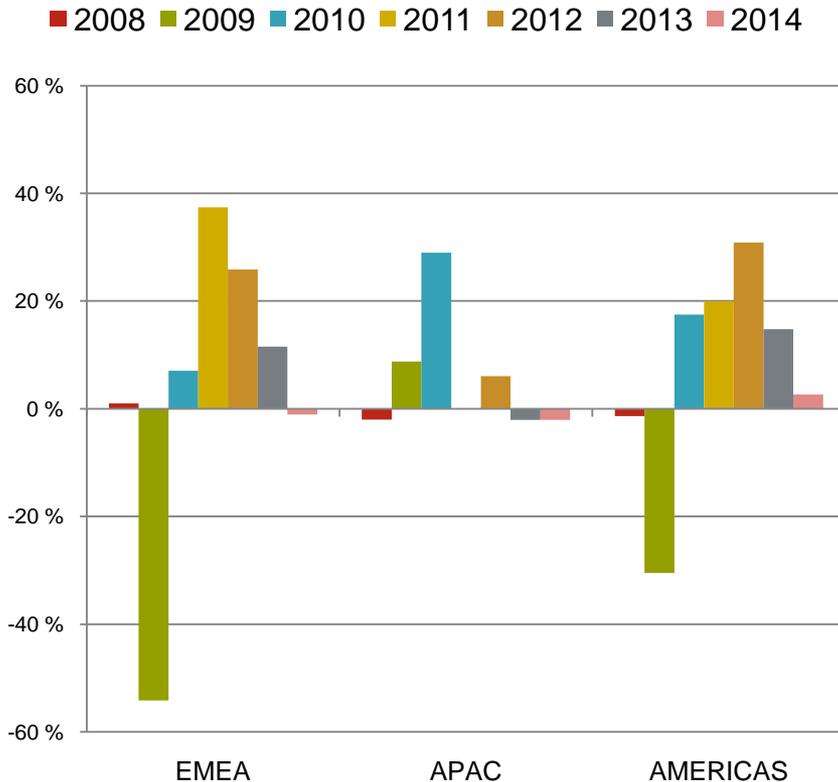
- TTS

Macro indicator trends for Industrial

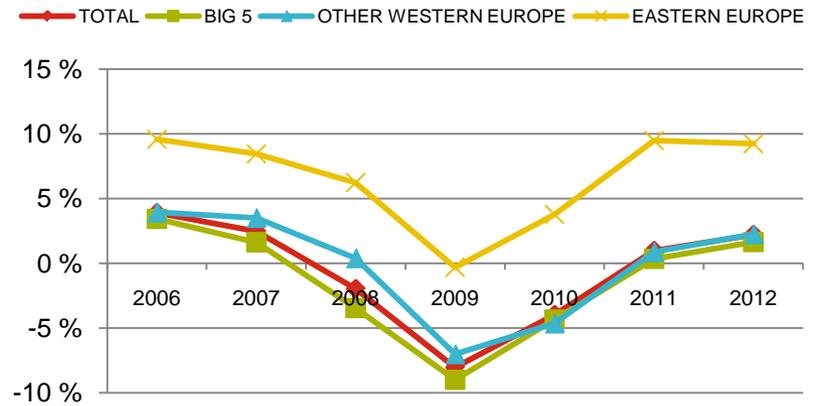


Heavy Truck Registrations

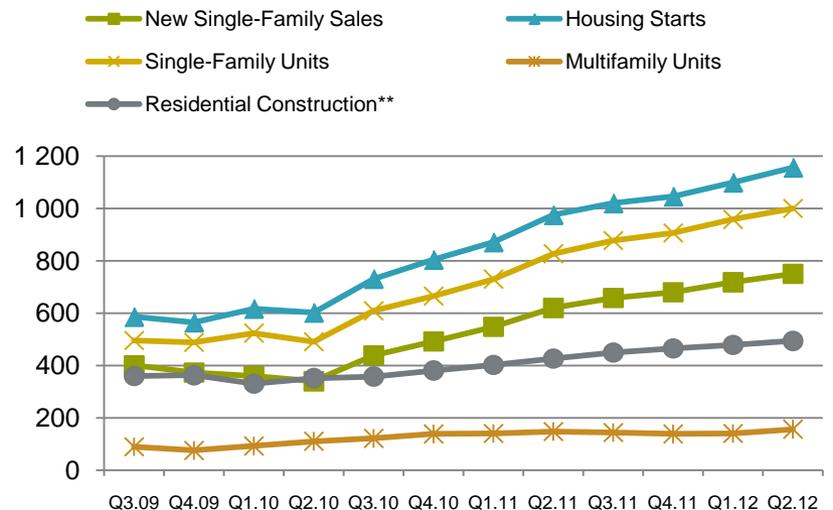
Sales growth GVW over 15 ton - Regions



Euroconstruct: Construction output

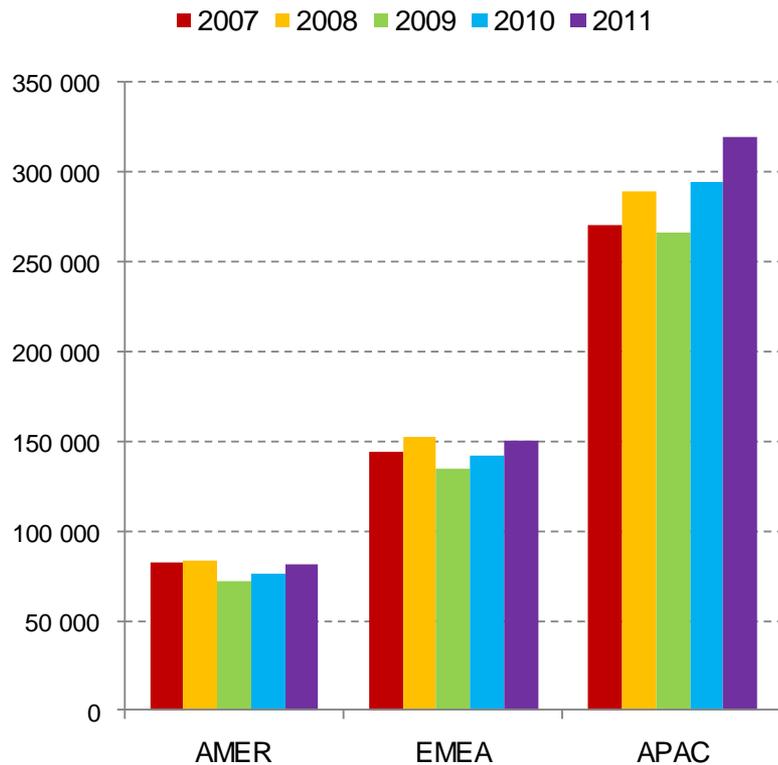


Realtor: US Housing indicators 2009-2012 (Thousands)

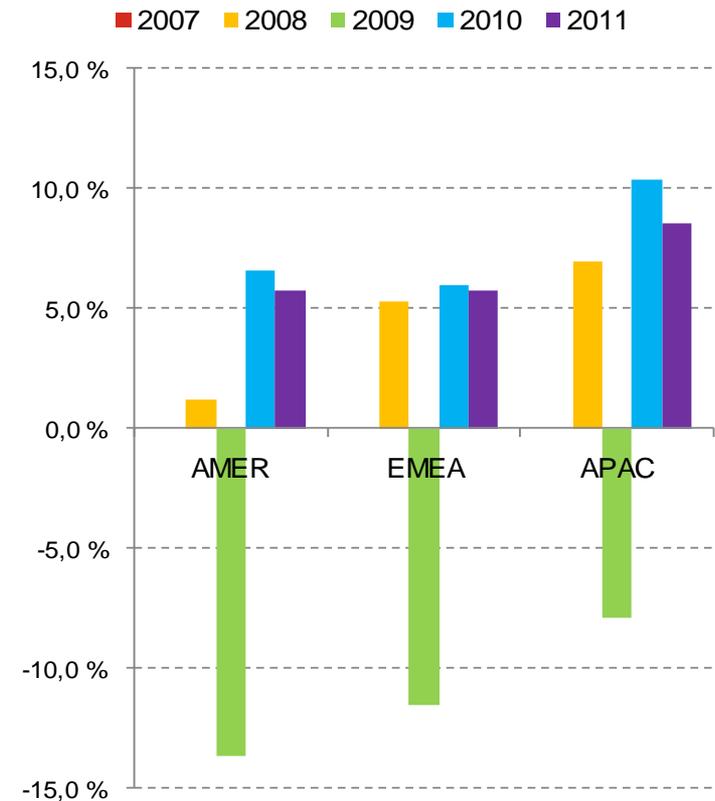


Macro indicator trends for Terminal

Drewry (Throughput TEU units)



Drewry (Throughput TEU % change)

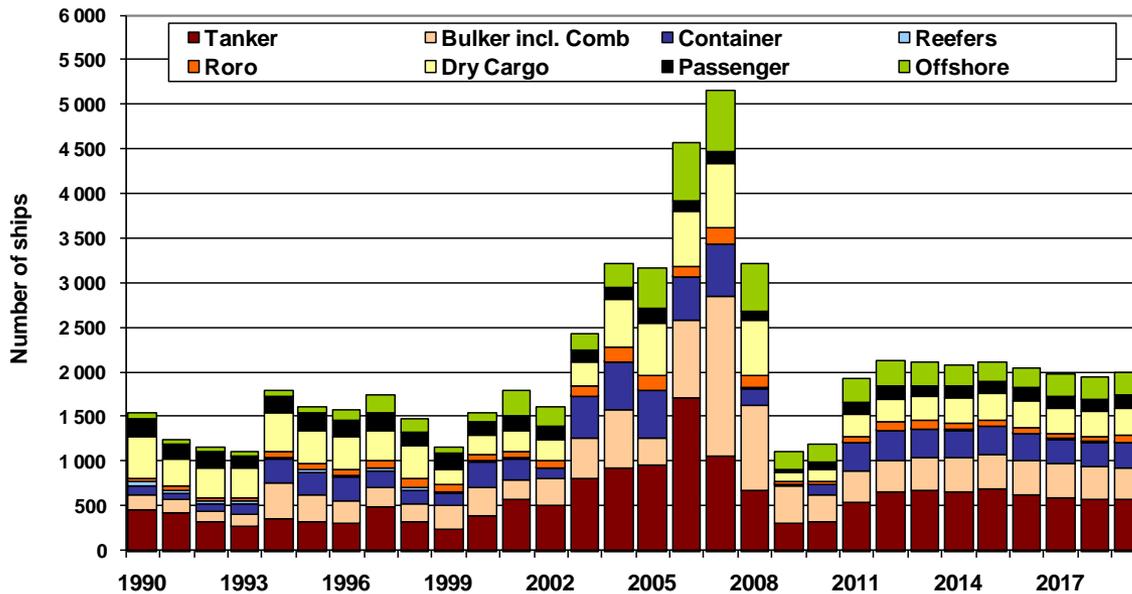


Source: Drewry Container Forecasters Q2/2010

September
2010

Ship ordering recovery in 2010 headed by offshore

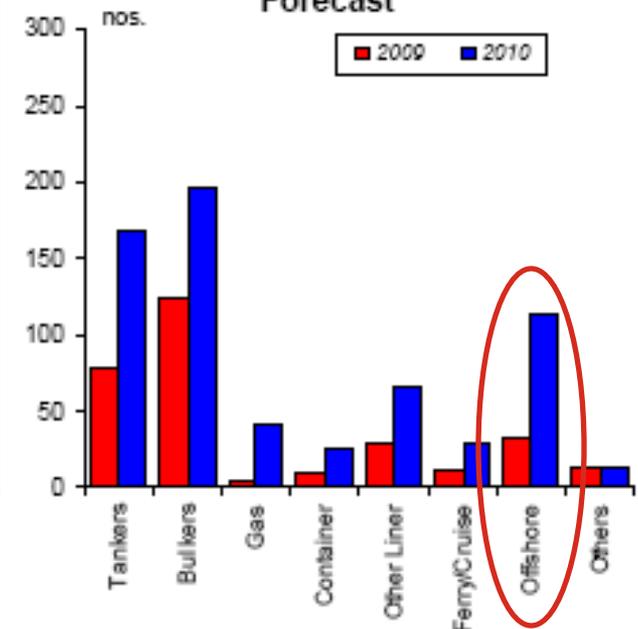
Contracting, incl. Prognosis



Database Date: 10-04-01

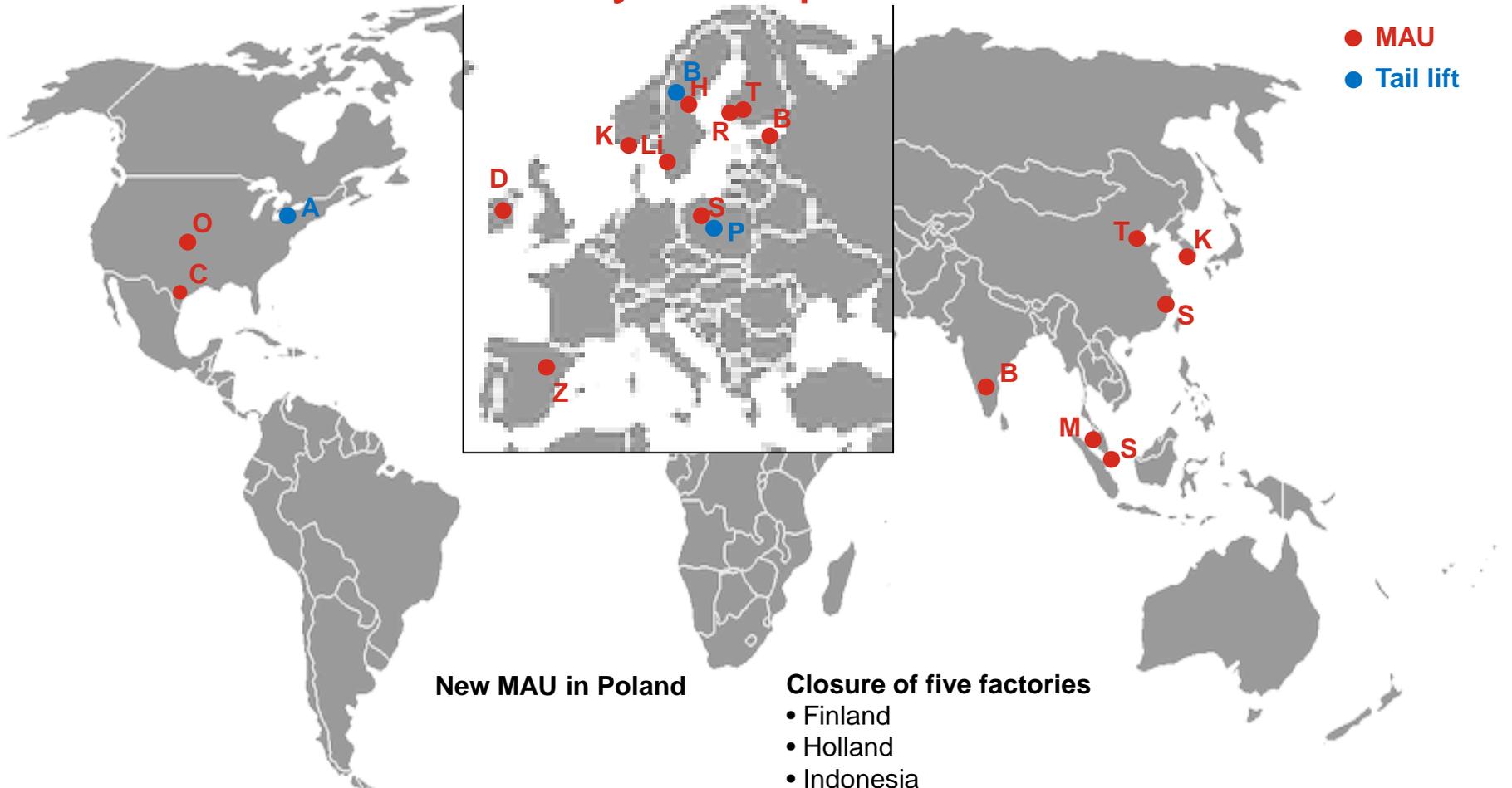
Source: SAI, 1 April 2010

Short-Term Contracting Forecast

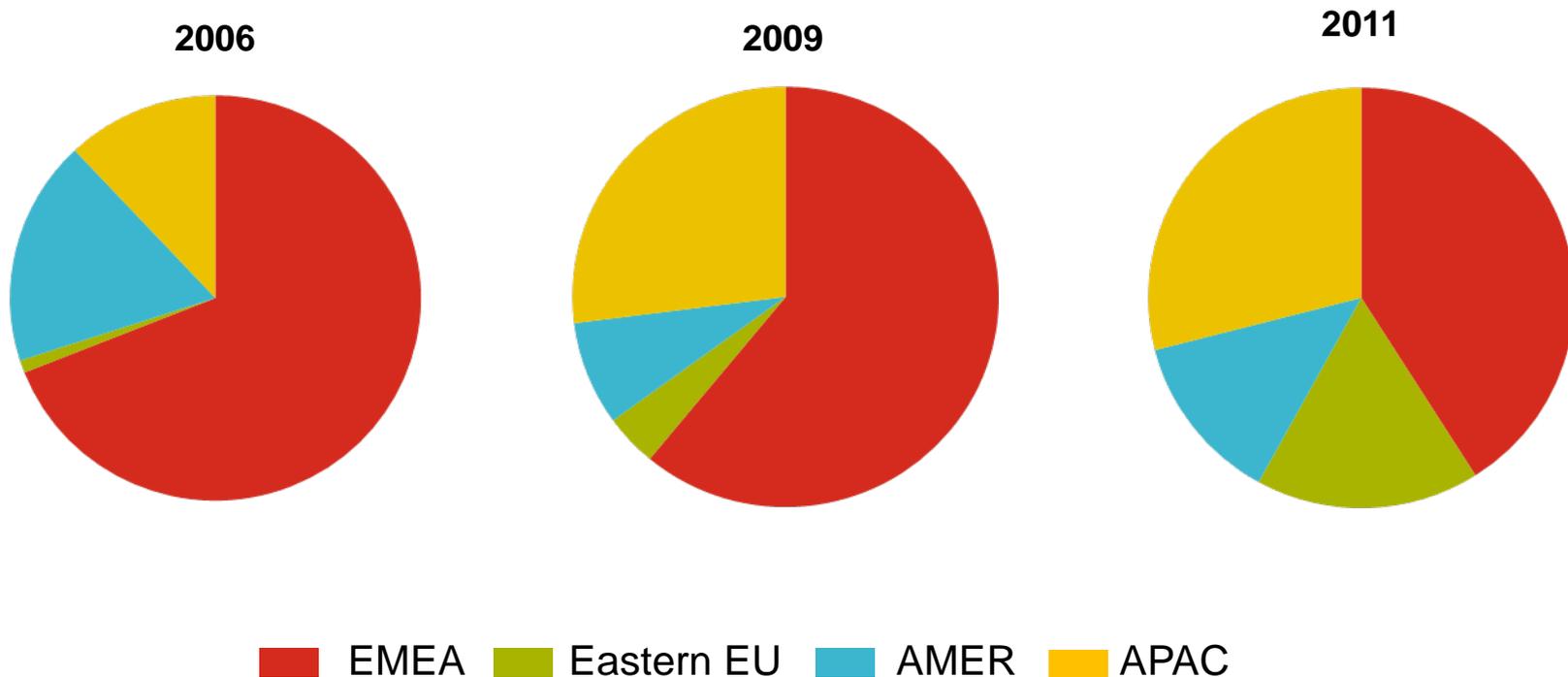


Source: Clarkson Research Services

More balanced factory set-up

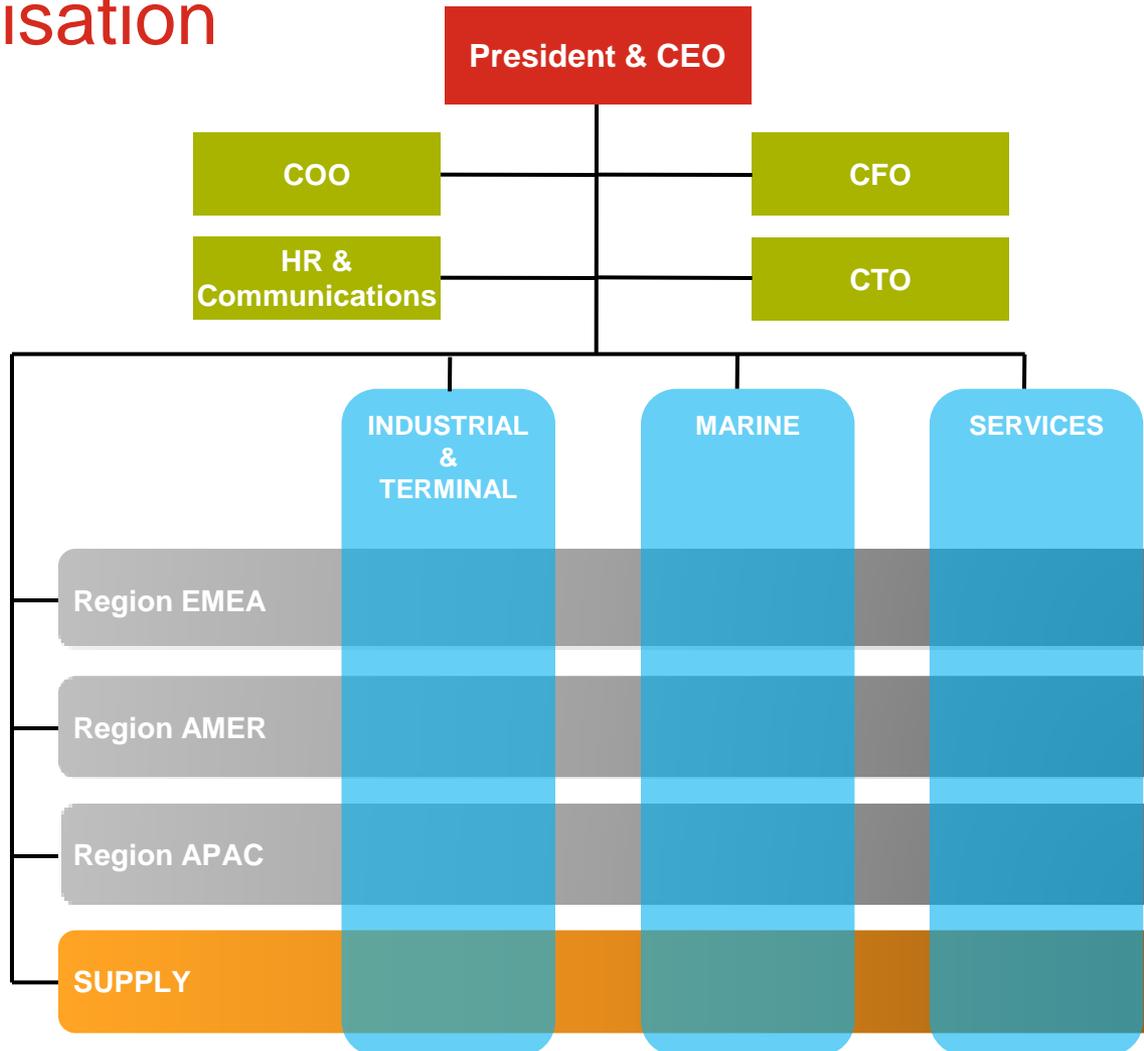


Increasing sourcing from Eastern EU and APAC



Volume in USA decreased from 2006 to 2009 mainly due to weakening market

Organisation



September
2010

10

Highlights of January–June report

- Market recovery continued in all segments
- Q2 order intake 55% up y-o-y
- Industrial & Terminal's sales still down y-o-y due to low volumes in Terminal business
- Industrial & Terminal's profitability turned positive
- Excellent deliveries and profitability in Marine
- Cash flow continued healthy



Market environment in January–June

- Recovery in demand for load handling equipment continued, however, market pick up varied from region to region and from customer segment to another
- Demand for container handling equipment in ports was still showing only tentative signs of recovery. However, first orders for large equipment were received while project demand still remained rather modest.
- The market for marine cargo handling equipment picked up more than expected. Shipyards succeeded in reselling capacity freed up by cancellations, which reflected positively in demand.
- Services markets were fairly quiet at the beginning of the year, however, signs of recovery, especially in spare parts, became visible during the second quarter.

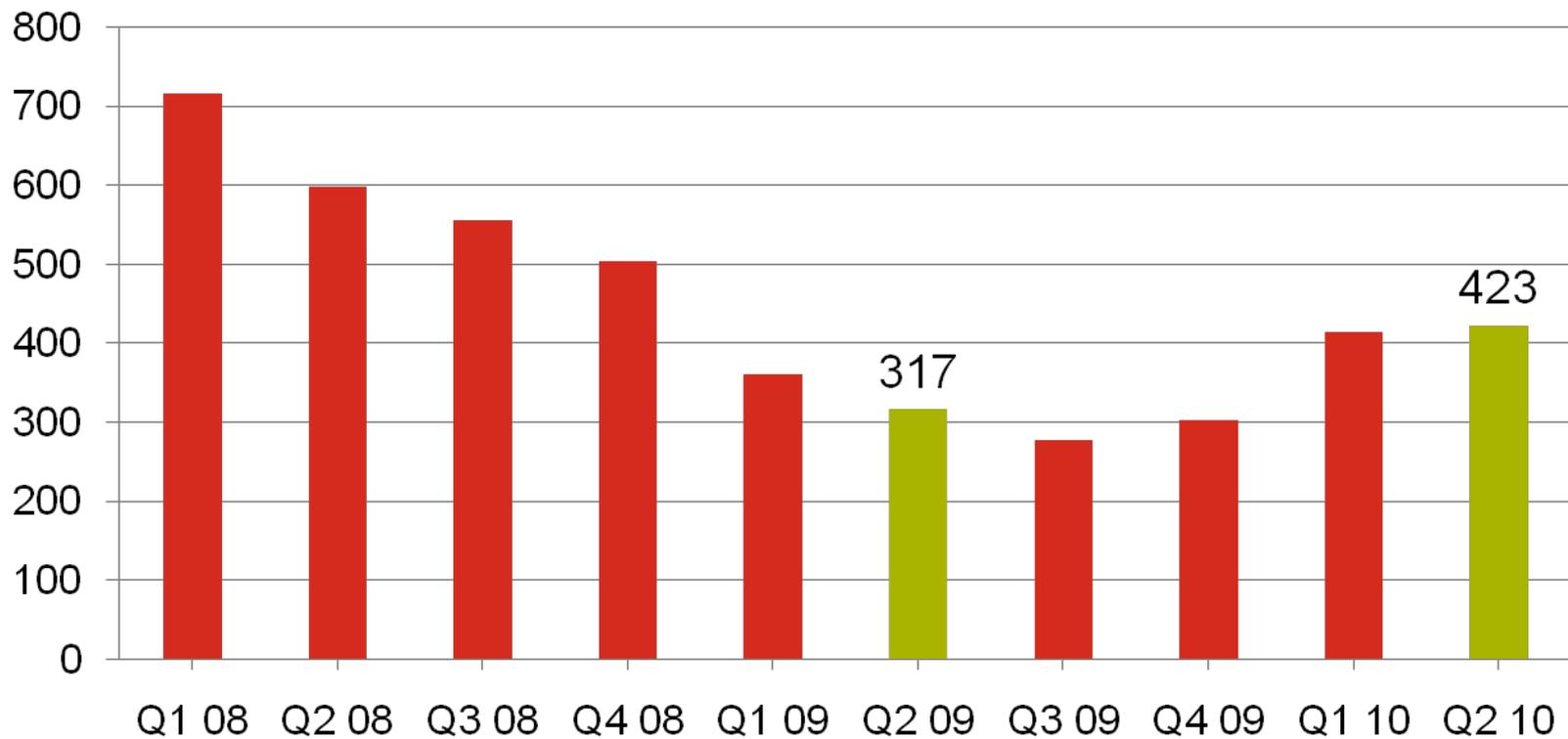


Key figures in January–June 2010

	Q2 2010	Q2 2009	Change	1-6/2010	1-6/2009	Change	2009
Orders received, MEUR	732	471	55%	1,330	928	43%	1,828
Order book, MEUR	2,433	2,555	-5%	2,433	2,555	-5%	2,149
Sales, MEUR	638	678	-6%	1,193	1,353	-12%	2,581
Operating profit excl. restructuring, MEUR	38.8	3.0		54.6	18.0		61.3
Operating margin excl. restructuring, %	6.1	0.4		4.6	1.3		2.4
Operating profit, MEUR	37.2	-10.0		50.7	-3.9		0.3
Cash flow from operations, MEUR	80.5	47.2		127.0	106.8		289.7
Interest-bearing net debt, MEUR	308	467		308	467		335
Earnings per share, EUR	0.32	-0.12		0.45	-0.11		0.05

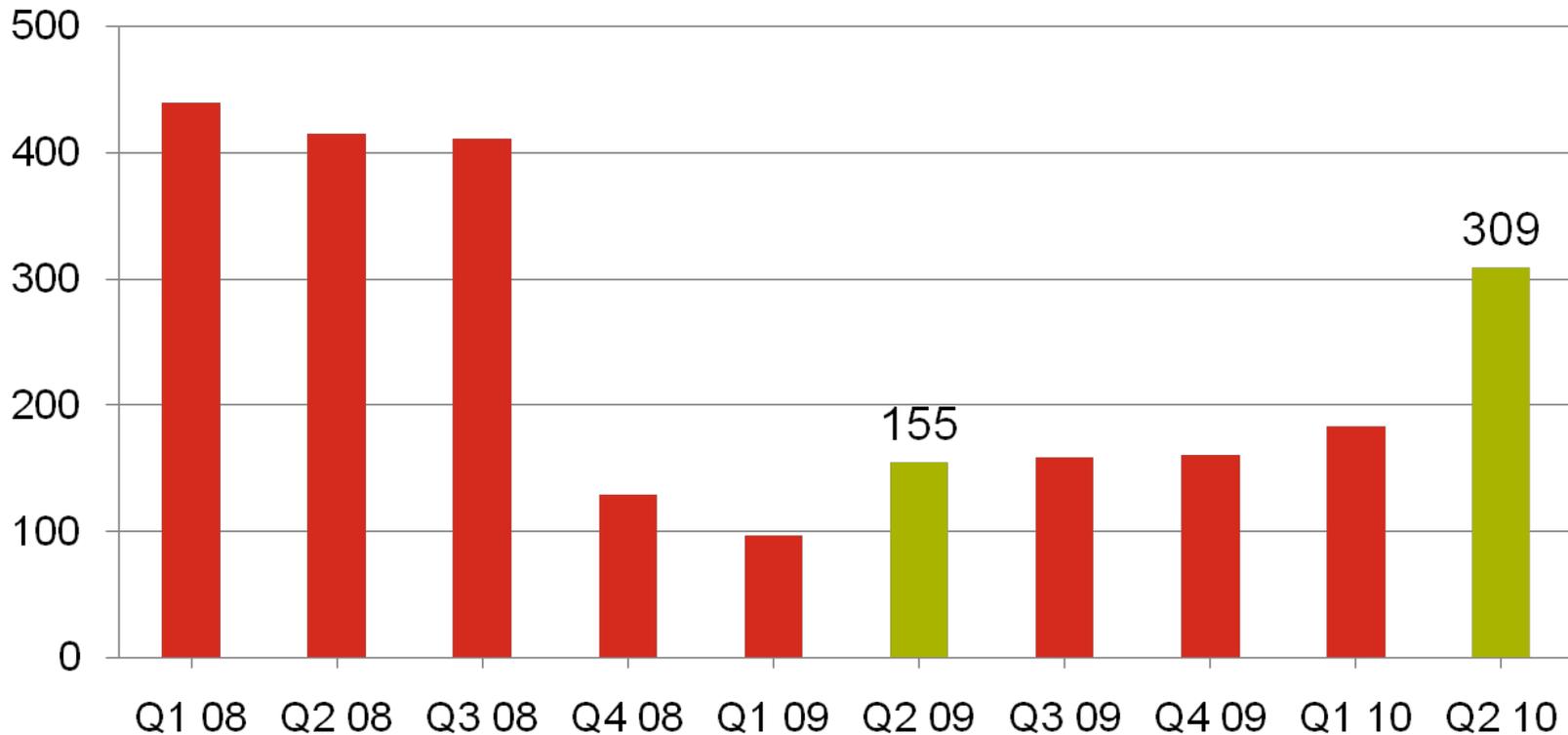
Q2: Industrial & Terminal's order intake grew 34% y-o-y

MEUR



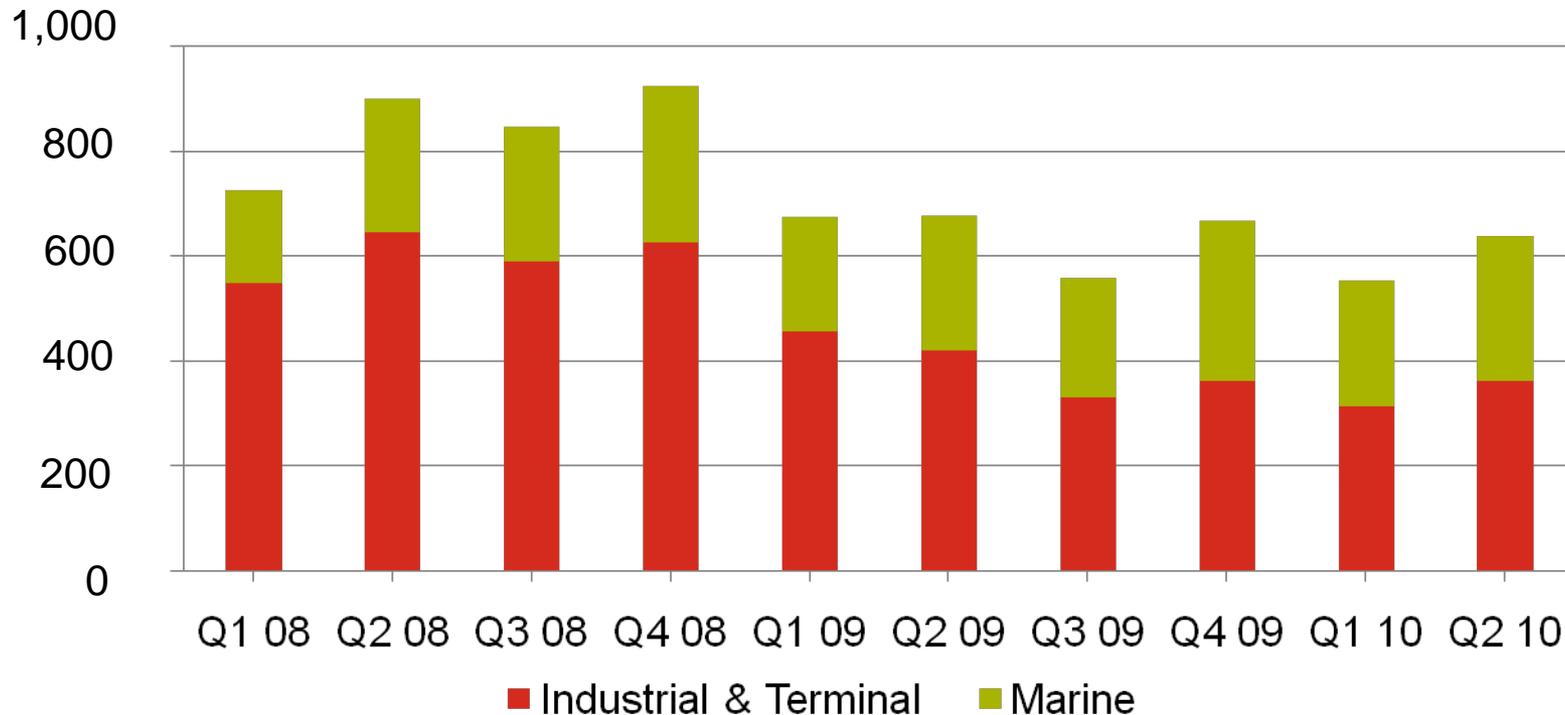
Q2: Marine's order intake clearly stronger than expected

MEUR

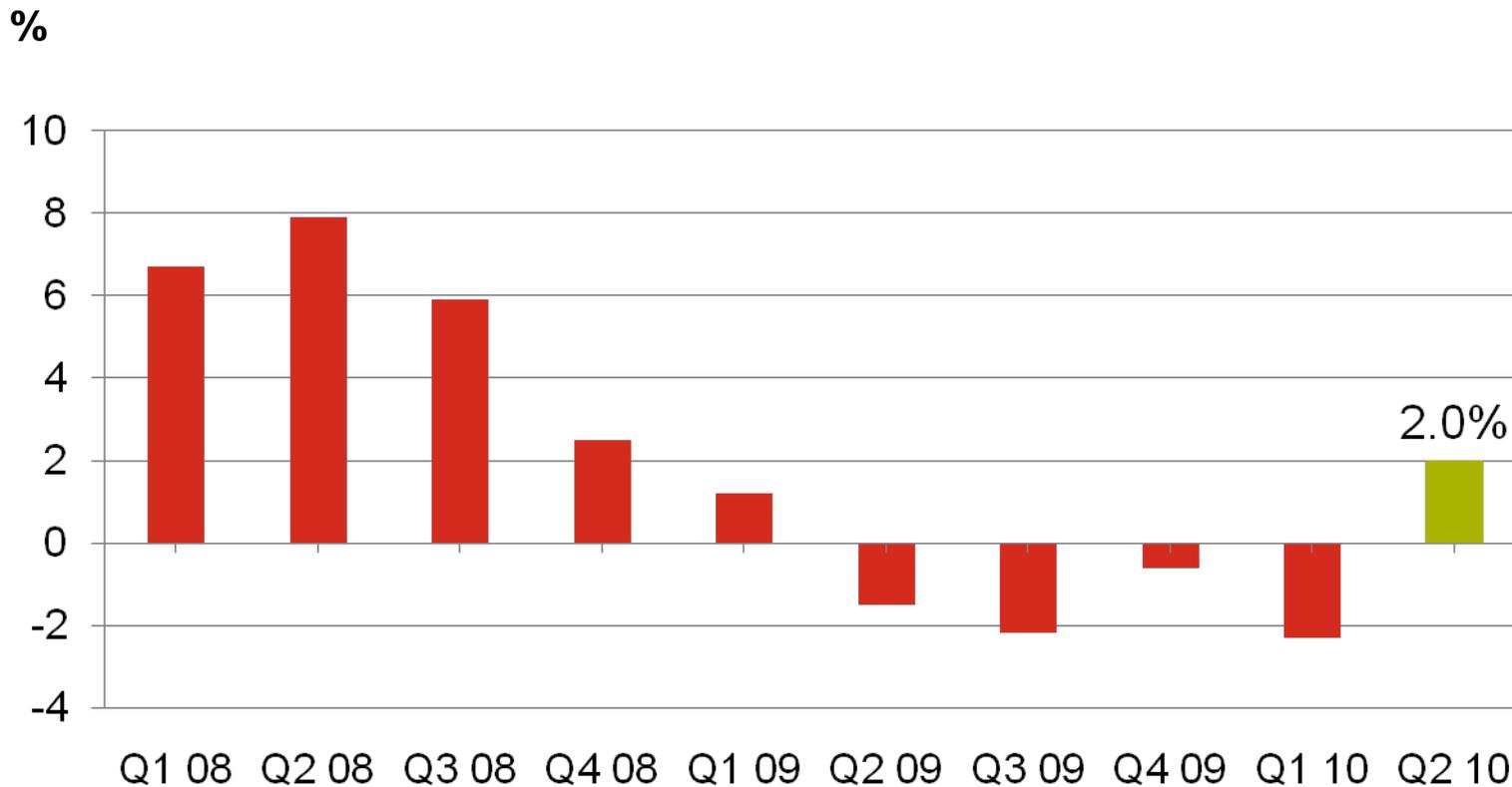


Q2: Marine sales grew 8% while Industrial & Terminal sales still 14% below y-o-y

MEUR

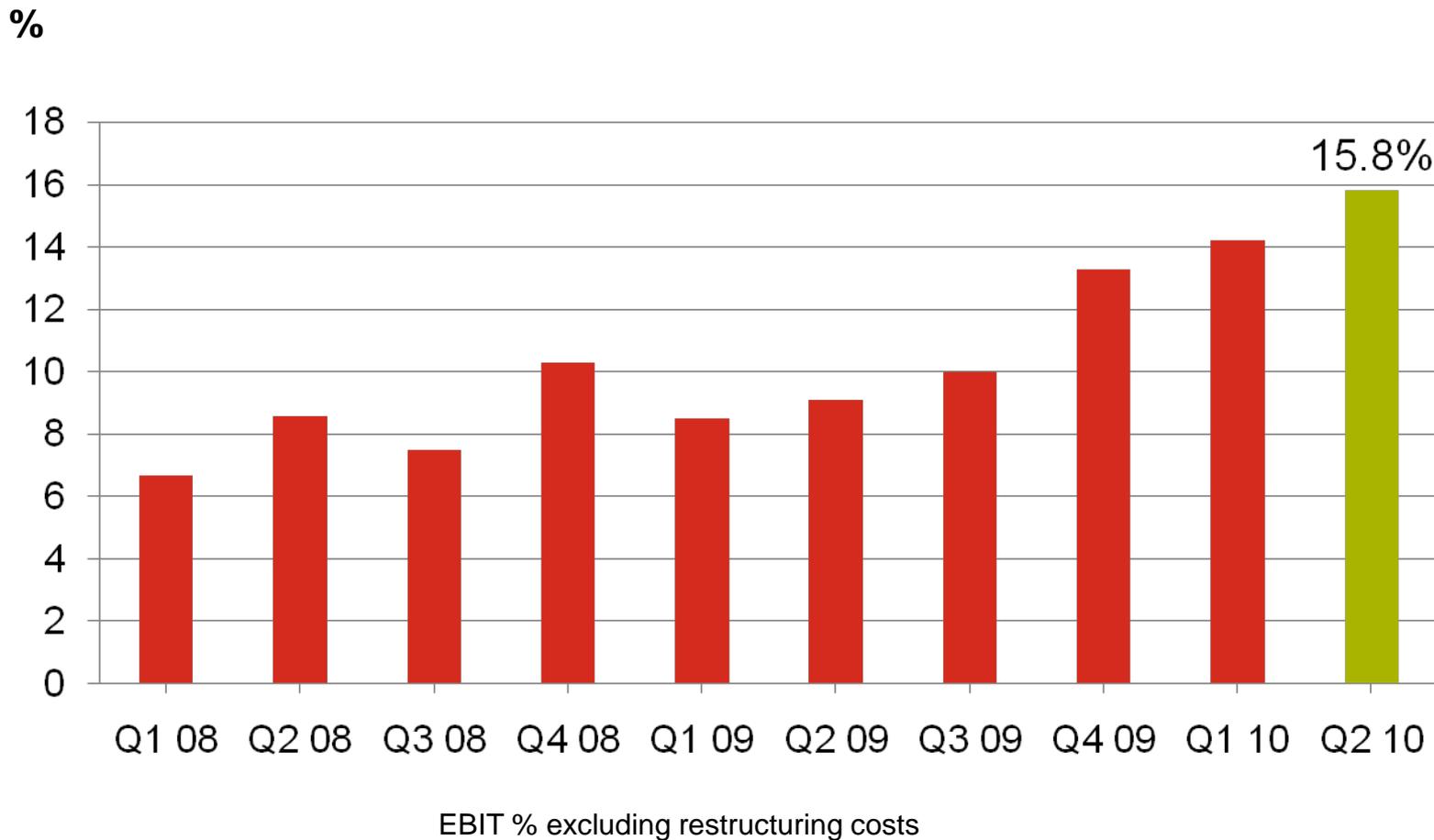


Q2: Operating margin for Industrial & Terminal back in black



EBIT % excluding restructuring costs

Q2: Marine profitability improved still thanks to high-margin deliveries

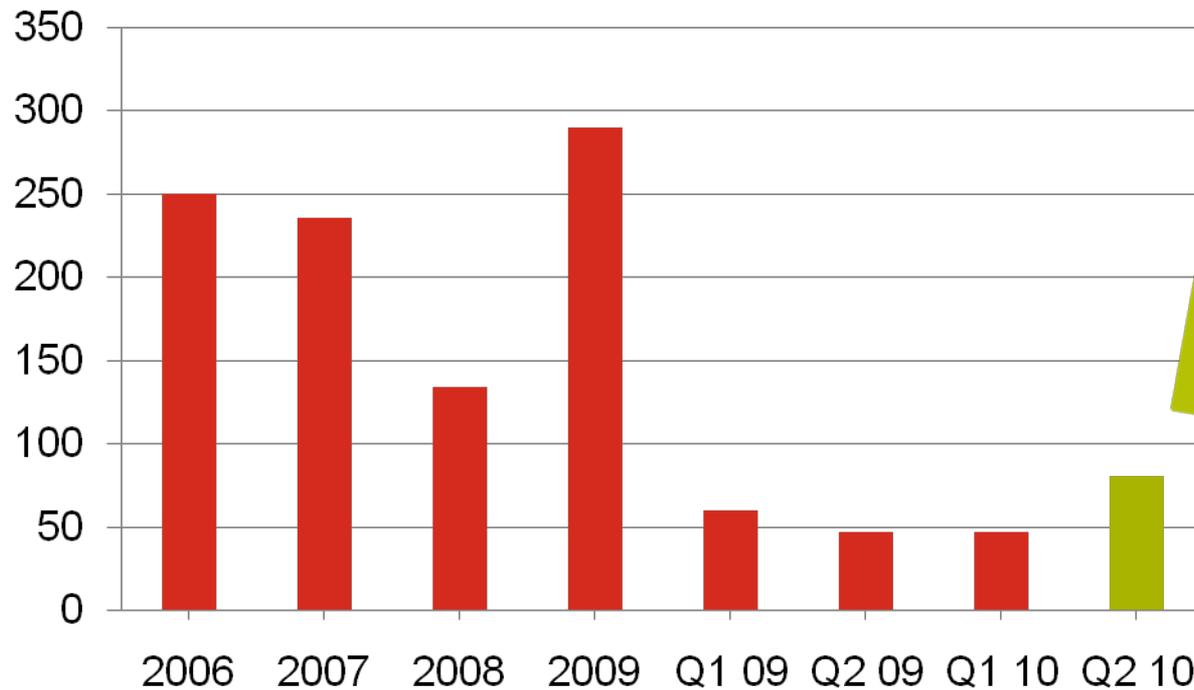


Gross profit development



Cash flow from operations healthy with strong Q2

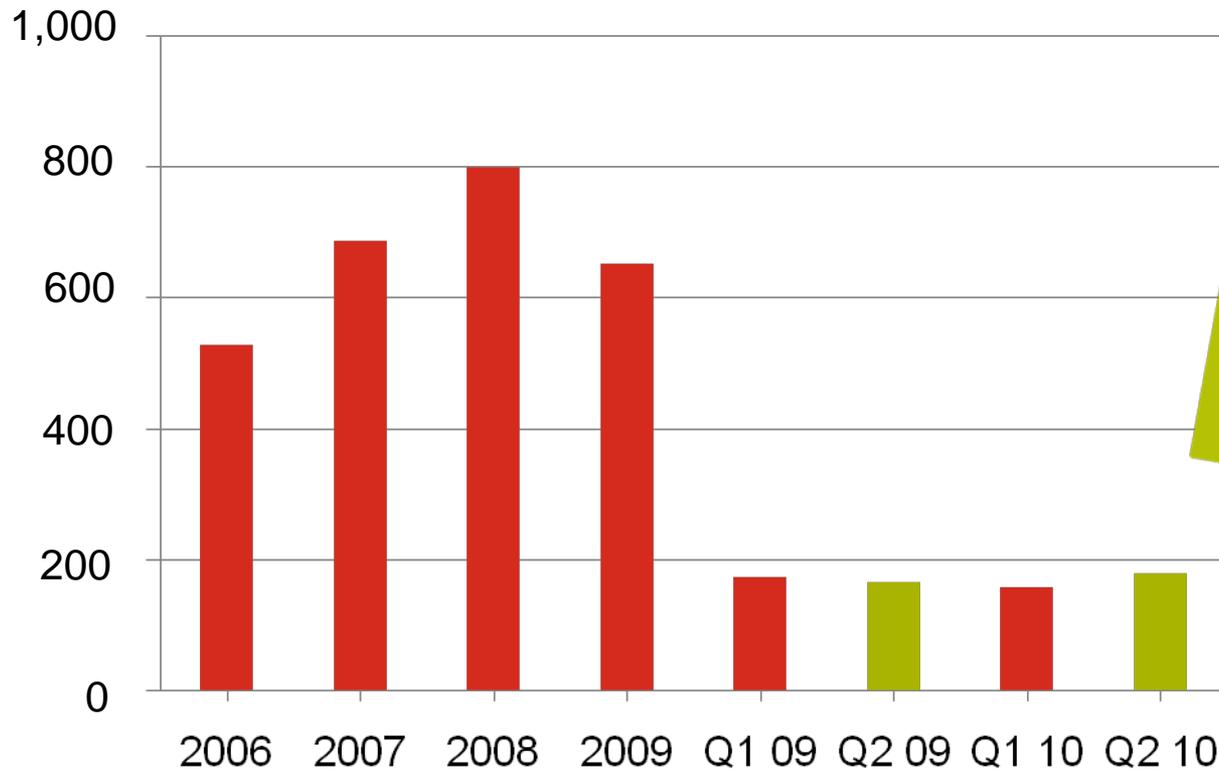
MEUR



- Net working capital decreased to EUR 96 (31 Dec 2009: 123) million

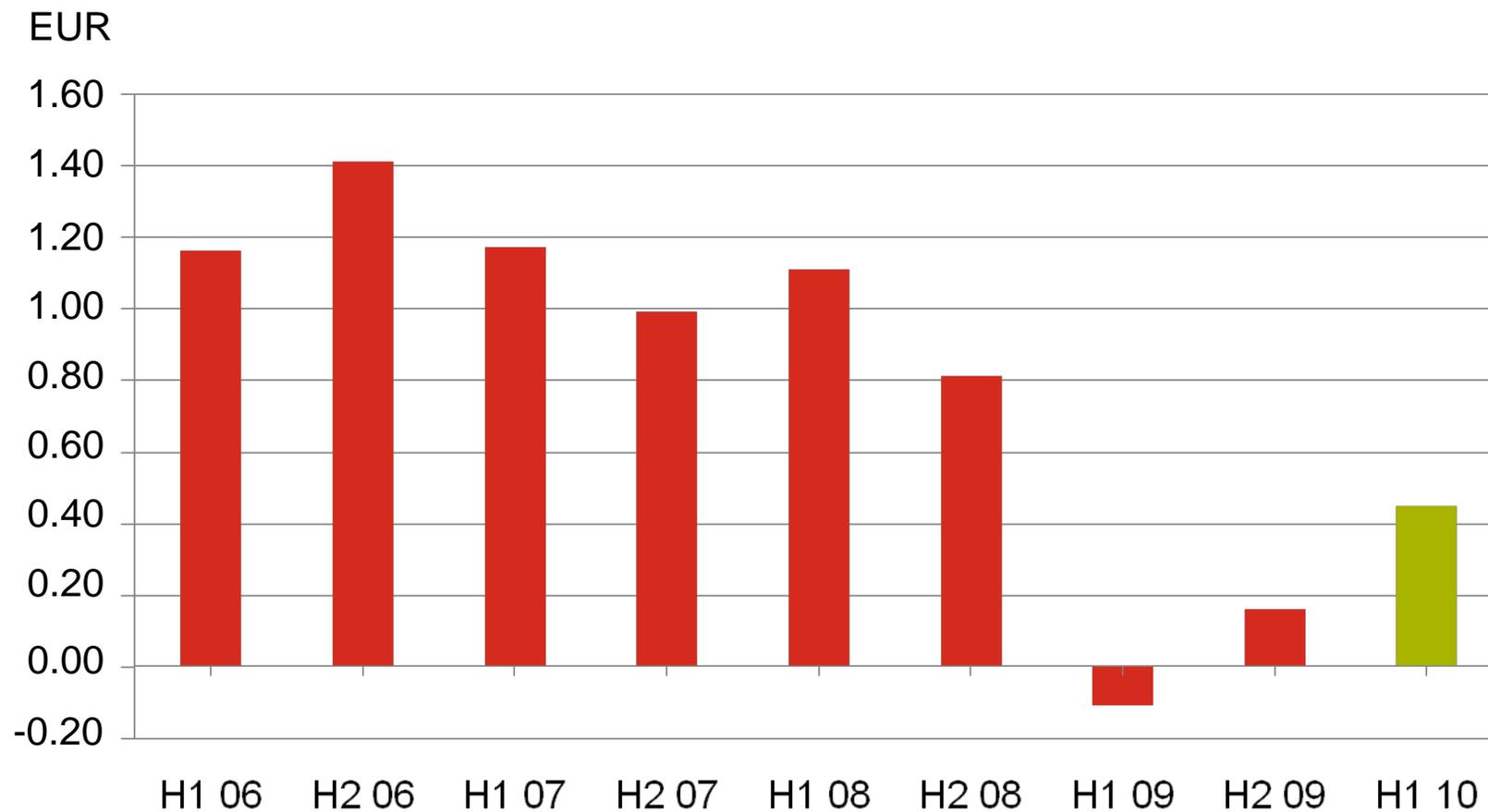
Services sales turned to slight growth

MEUR



- H1 2010: Service 28% of total sales
- Orders received increased by a quarter y-o-y

Clear improvement in earnings per share

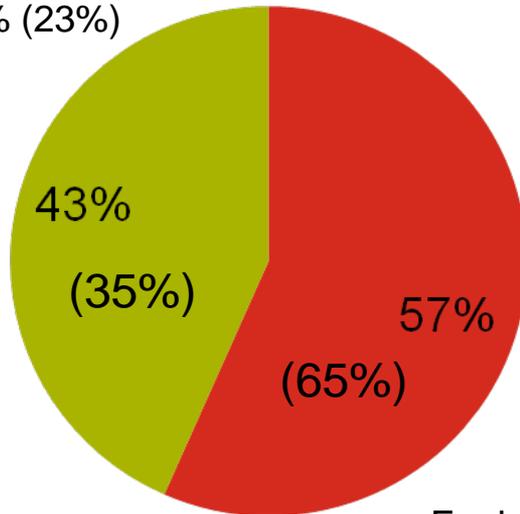


Basic earnings per share

EMEA and APAC almost equal in size by sales

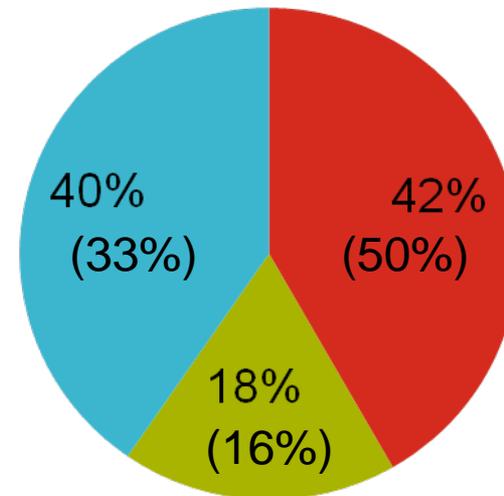
Sales by reporting segment H1 2010, %

Equipment 81% (77%)
Services 19% (23%)



Sales by geographical segment H1 2010, %

Equipment 65% (73%)
Services 35% (27%)

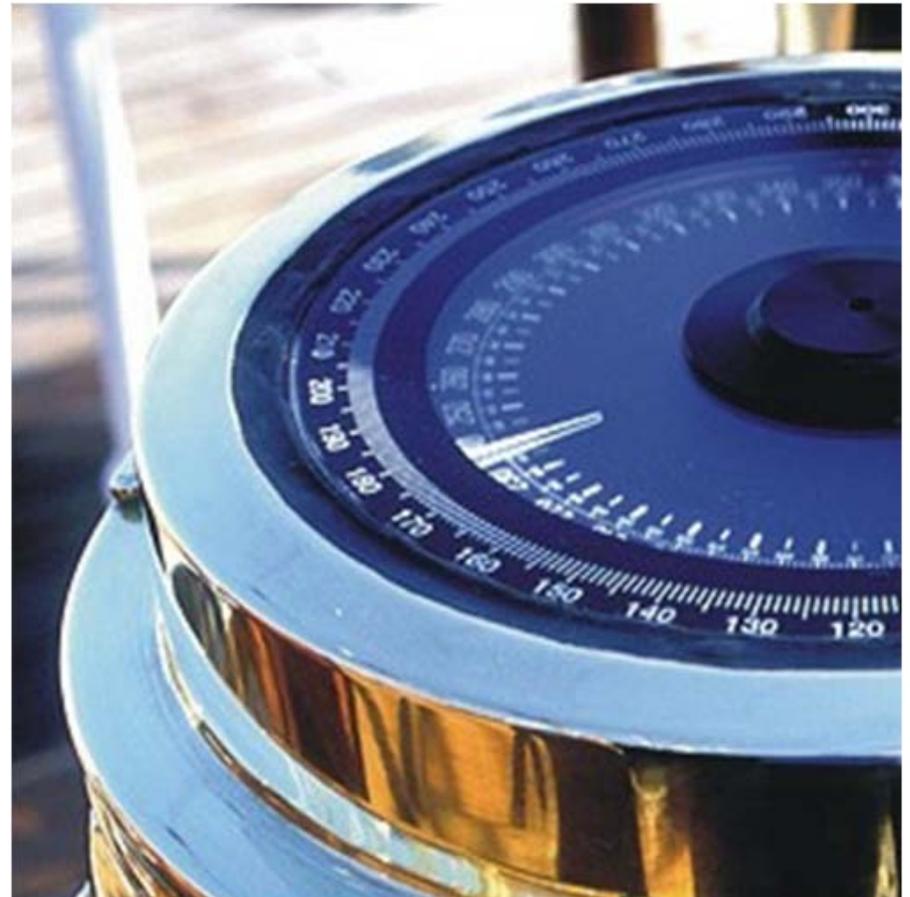


■ Marine ■ Industrial & Terminal

■ APAC ■ Americas ■ EMEA

Cargotec's key priorities in 2010

- Preparing for growth strategy
- Focused research & development
- Service concept development
- Ensuring accomplishment of efficiency targets



Elements of operating profit improvement in 2010

Cost savings



Increased volume in Industrial



Profitability in Marine projects



Higher corporate costs y-o-y



Production ramp-up in early year



Slow recovery in service



Price development in markets



Currencies

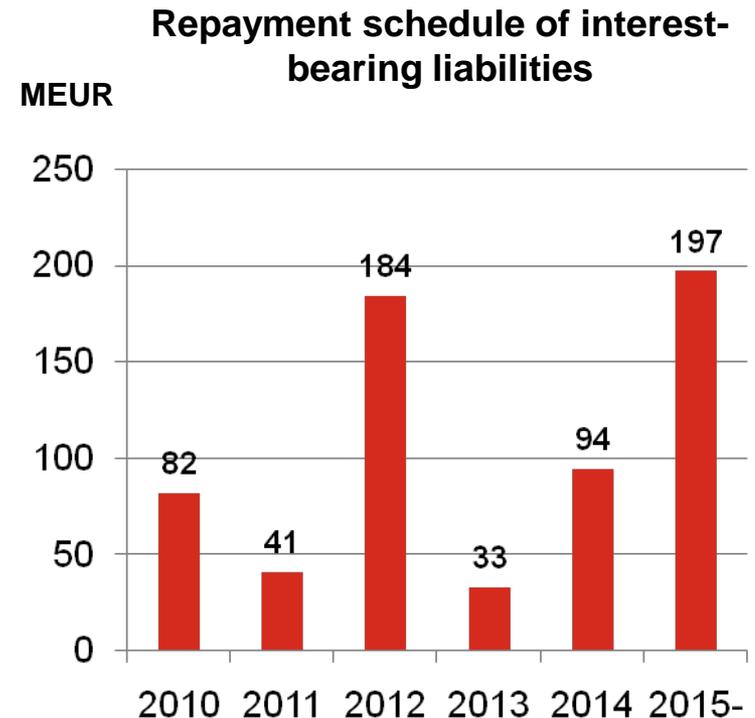


Outlook

- Cargotec continues to estimate 2010 consolidated sales to be on 2009 level for both Industrial & Terminal and Marine segments and consolidated operating profit to exceed EUR 100 million.
- The recovery in the market environment and the resulting growth in order volumes support growth in Industrial. The sales of Terminal are expected to fall short of 2009 levels due to the slower recovery of these markets, as second half orders will have a minor effect on full-year sales due to delivery times.
- Based on the healthy first half development, strong order book and new orders received still to be delivered during 2010, sales in Marine will reach year 2009 level.

Healthy financing structure

- Small repayments scheduled for 2010–2011
- Liquidity of MEUR ~890
 - Cash and cash equivalents MEUR 291
 - Long-term unused Revolving Credit Facilities MEUR 585
 - MEUR 535 maturing in 2012
 - MEUR 50 maturing in 2013



Cargotec's financial targets 2007–2011



Annual net sales growth exceeding 10% (incl. acquisitions)



Raising the operating income margin to 10%



Gearing below 50%



Dividend 30–50% of earnings per share

Hiab offering



Loader cranes



Truck-mounted forklifts



Demountables



Tail lifts



Forestry cranes



Stiff boom cranes



Services

Key competition with Hiab offering

	Knuckle-boom Cranes	Stiff boom Cranes	Demountables	Tail Lifts	Truck-mounted Forklifts	Forestry Cranes
• Hiab	X	X	X	X	X	X
• Palfinger	X	X	X	X	X	X
• Hyva	X		X	X		
• Fassi	X					
• Effer	X					
• PM	X					
• Unic		X				
• Tadano		X				
• National		X				
• Meiller			X			
• Marrel			X			
• Stellar			X			
• Shimaywa			X	X		
• D'Hollandia				X		
• MBB				X		
• Maxon				X		
• Manitou					X	
• Chrisman					X	
• Donkey					X	
• Kesla						X
• Prentice						X

Kalmar offering



Straddle carriers



Reachstackers



Terminal tractors



Forklift trucks



Ship-to-Shore cranes



RTGs, RMGs



Spreaders



Services

Key competition with Kalmar offering

	Ship-to-Shore Cranes	RTG/RMG Cranes	Straddle Carriers	Reach Stackers	Fork Lift Trucks	Terminal Tractors. AGVs	Spreaders	Mobile Harbour Cranes	Services
• Kalmar	X	X	X	X	X	X	X		X
• ZPMC	X	X							
• Liebherr	X	X	X	X				X	
• Demag		X				X		X	
• Mitsubishi	X	X			X			X	
• Mitsui	X	X							
• Terex-Fantuzzi	X	X	X	X	X			X	X
• Konecranes	X	X	X	X	X				X
• TCM		X	X		X				
• CVS Ferrari			X	X	X	X			
• Hyster Heavy				X	X				
• Taylor				X	X				
• Kion				X	X				
• Sany				X					
• Svetruck					X				
• Capacity						X			
• Terberg						X			
• Sinotruck						X			
• Stinis							X		
• RAM							X		

MacGregor offering



Hatch covers



Ship cranes



Offshore deck equipment



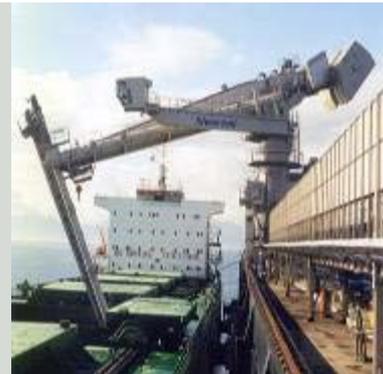
Securing



RoRo



Link spans



Bulk loaders



Services

Key competition with MacGregor offering

	Hatch Covers	Deck Cranes	Lashing equipment	Bulk systems	RoRo equipment	Offshore	Services
• MacGregor	X	X	X	X	X	X	X
• TTS	X	X			X	X	X
• Seohae	X				X		
• IHI	X	X		X (cement)			
• Nakata	X			X (coal)			
• Liebherr		X				X	X
• Oriental Precision		X				X	
• NMF		X					X
• MHI		X					
• Luzhou (KGW)		X					
• German Lashing			X				X
• SEC			X				X
• Krupp				X (coal)			
• Buhler				X (grain)			
• FLS				X			
• Sumitomo				X (coal)			
• National Oilwell						X	
• Rolls Royce						X	X
• Dreggen						X	
• ODIM						X	
• Coops & Nieborg	X						
• Ainoura (ex-Tsuji)	X	X			X		(X)

we keep cargo on the move™