Q3 2015 Frankfurt road show

Executive Vice President and CFO Eeva Sipilä

9th December 2015
Cargotec in brief
Today’s leader in cargo handling equipment

Cargotec Group
Sales: EUR 2,753 million
EBIT: 6.5%
Services: 24%

MacGregor
32% of sales
EBIT: 4.2%
Services: 20%

Kalmar
43% of sales
EBIT: 7.9%
Services: 27%

Hiab
25% of sales
EBIT: 10.3%
Services: 24%

Geographical split of sales in 1-9/2015

Figures: 1-9/2015
EBIT % excluding restructuring costs

Dec 2015
Key competitors

<table>
<thead>
<tr>
<th>MacGregor</th>
<th>Kalmar</th>
<th>Hiab</th>
</tr>
</thead>
<tbody>
<tr>
<td>TTS</td>
<td>ZPMC</td>
<td>Palfinger</td>
</tr>
<tr>
<td>SMS</td>
<td>Konecranes</td>
<td>Fassi</td>
</tr>
<tr>
<td>SEC</td>
<td>Terex</td>
<td>HMF</td>
</tr>
<tr>
<td>German Lashing</td>
<td>Sany</td>
<td>HVA</td>
</tr>
<tr>
<td>IHI</td>
<td></td>
<td>Rolls-Royce</td>
</tr>
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</table>
| Mitsubishi Heavy Industries, Ltd. | | |}

Dec 2015
From turnaround to leader in intelligent cargo handling with sector leading profitability

Turnaround is delivering results in Hiab and Kalmar; MacGregor has improvement plan in place

Transformation has started from equipment business to world class services offering and leadership in intelligent cargo handling

Investing to ensure a leading position

Shaping the portfolio to increase shareholder value

→ 10%
operating profit margin (EBIT) in each business area over the cycle
Investing in our transformation to be the leader in intelligent cargo handling

**PRODUCT LEADERSHIP**
Good equipment company
Product R&D drives offering development

**SERVICES LEADERSHIP**
World-class service offering
Connected equipment and data analytics building value on data
Significant software business

**2020**
LEADER IN INTELLIGENT CARGO HANDLING
40% of the sales from services and software
More efficient and optimised cargo handling solutions
Must-win battles to support transformation

Build world-class services offering

Lead digitalisation

Build world-class leadership
Committed to improve shareholder return

<table>
<thead>
<tr>
<th>Business area targets</th>
<th>Operating profit margin (EBIT) in each business area over the cycle</th>
<th>Growth Faster than market growth</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>10%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Group targets</th>
<th>Gearing</th>
<th>Return on capital employed over the cycle (ROCE pre-tax)</th>
<th>Dividend</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>&lt;50%</td>
<td>15%</td>
<td>30-50%</td>
</tr>
<tr>
<td></td>
<td>of earnings per share</td>
<td></td>
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</tbody>
</table>
Well positioned to become the leader in intelligent cargo handling

Execution capabilities in place and profitability improving

Building on tremendous strengths

Transforming from equipment company to a company that will shape the cargo handling industry

Investing to ensure a leading position

Shaping our portfolio to drive growth and shareholder value
MacGregor
Outlook in merchant shipping and offshore turning back to growth

### Long-term contracting 2005–2024
**Merchant ships > 2,000 gt**

- **No of ships**
  - History
  - Forecast

### History
- Avg 2006: 3,000
- Avg 2008: 4,000
- Avg 2010: 3,000
- Avg 2012: 2,000
- Avg 2014: 1,000
- Hist avg 1996–2014: 1,500

### Forecast
- 2022: 2,500
- 2024: 4,000

### Long-term contracting 2012–2021
**Mobile offshore units**

- **No of units**
  - History
  - Forecast

### History
- Avg 2012: 50
- Avg 2013: 100
- Avg 2014: 150

### Forecast
- 2020: 300
- 2021: 400

Sources: UNCTAD, Clarkson Research
MacGregor has strong positions in both the marine and offshore market

**Marine**

#1

- Container lashing
- Hatch covers
- Cranes and selfunloaders
- RoRo

**Offshore**

#1

- Offshore advanced load handling
- Offshore winches
- Mooring systems
- Loading and offloading systems

RoRo=roll-on/roll-off
Cost reduction and cost control measures set in place in MacGregor in 2015

Reduction of over 300 employees

Organisational development

Targeted annual savings of EUR 27 million

Measures taken in 2015 will have a full impact in 2016

Headcount reduced by 11%

Internal headcount

<table>
<thead>
<tr>
<th>Status 1.1.2015</th>
<th>Key position increases</th>
<th>Services branches restructuring</th>
<th>Uetersen restructuring</th>
<th>Norway and Singapore offshore divisions</th>
<th>Other restructuring</th>
<th>Status 1.1.2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,700</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2,400</td>
</tr>
<tr>
<td>2,600</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2,300</td>
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<tr>
<td>2,500</td>
<td></td>
<td></td>
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<td>2,200</td>
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Dec 2015
MacGregor’s asset-light business model gives flexibility

- Cost-efficient scaling
  - 85% of manufacturing outsourced
  - 30% of design and engineering capacity outsourced
MacGregor is improving profitability

Improving profitability by cost reductions, product and project cost improvements, services development

- Cost reduction measures started in 2015 will result in targeted EUR 27 million annual savings
- Targeted savings of EUR 10 million from design-to-cost will materialise in 2016
- Share of services will exceed 25% of sales in 2016
- Asset-light model with 85% of manufacturing outsourced allows for cost-efficient scaling

80% of orders for 2016 in backlog by the end of the year

→ 10% operating profit margin (EBIT) over the cycle
Kalmar
Container throughput forecasted to grow year on year

Source: Drewry: Global Container Terminal Operators Annual Report 2015
Kalmar has strong position in attractive segments

<table>
<thead>
<tr>
<th>Segment</th>
<th>Market position</th>
<th>Trend</th>
<th>Market size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automation &amp; Projects</td>
<td>#1-2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mobile equipment</td>
<td>#1</td>
<td>→</td>
<td>EUR 7.5 billion</td>
</tr>
<tr>
<td>Bromma</td>
<td>#1</td>
<td>→</td>
<td></td>
</tr>
<tr>
<td>Navis</td>
<td>#1</td>
<td>→</td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>#1</td>
<td>→</td>
<td>EUR 7.6 billion</td>
</tr>
</tbody>
</table>

Over 80% of Kalmar business is in ports and terminals.
Kalmar’s profit improvement potential 2016-2018

<table>
<thead>
<tr>
<th>Year</th>
<th>Automation</th>
<th>Software</th>
<th>Mobile equipment</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>Project delivery capability development</td>
<td>Expand software business</td>
<td>Continuous improvements in design-to-cost and sourcing</td>
<td>Excel in spare parts</td>
</tr>
<tr>
<td>2016</td>
<td>Expand Rainbow Cargotec Industries (China) joint venture offering</td>
<td></td>
<td>Strengthen distribution network</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td></td>
<td>Further development of integrated port automation solutions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total improvement potential:
- 60-100 EUR million
- +20-30 EUR million
- +10-20 EUR million
- +20-30 EUR million
- +10-20 EUR million

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Kalmar’s focus on profitable growth

- Solid foundation for further improvement
- Win in automation
- Grow in software
- Sustain global leadership in mobile equipment
- Digital services and spare parts excellence

→ 10% operating profit margin (EBIT) over the cycle
Construction output driving growth opportunity

EMEA construction output

Hiab has strong positions in attractive markets

<table>
<thead>
<tr>
<th>Product</th>
<th>Market size (€B)</th>
<th>Growth</th>
<th>Hiab position &amp; trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loader cranes</td>
<td>1.3</td>
<td>GDP</td>
<td>#2</td>
</tr>
<tr>
<td>Tail lifts</td>
<td>0.5</td>
<td>GDP+</td>
<td>#1</td>
</tr>
<tr>
<td>Demountables</td>
<td>0.4</td>
<td>GDP</td>
<td>#1</td>
</tr>
<tr>
<td>Truck-mounted forklifts</td>
<td>0.2</td>
<td>GDP+</td>
<td>#1</td>
</tr>
<tr>
<td>Forestry cranes</td>
<td>0.2</td>
<td>GDP</td>
<td>#2</td>
</tr>
</tbody>
</table>
Hiab’s key growth drivers are:

<table>
<thead>
<tr>
<th><strong>Cranes</strong></th>
<th>Gain market share in <strong>big loader cranes</strong> and crane <strong>core markets</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tail lifts</strong></td>
<td>Enter fast growing <strong>emerging markets</strong> and standardise and globalise <strong>business model</strong></td>
</tr>
<tr>
<td><strong>Truck-mounted forklifts</strong></td>
<td>Accelerate <strong>penetration</strong> in North America and Europe</td>
</tr>
<tr>
<td><strong>Services</strong></td>
<td>Increase <strong>spare parts capture rates</strong> driven by connectivity and e-commerce</td>
</tr>
</tbody>
</table>

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Hiab’s investments for profitable growth

- E2E value chain – optimise our distribution network and supply chain
- Product innovation – strengthening our market positions
- Digitalisation – all new products connected by 2018
- Services – further expand our offering

→ 10% operating profit margin (EBIT) over the cycle
Highlights of the third quarter

- Orders increased 9% y-o-y to EUR 907 (829) million
- Order book strengthened one percent from 2014 year-end to EUR 2,233 million
- Sales grew 10% y-o-y to EUR 928 (840) million
- Operating profit excluding restructuring costs was EUR 68.3 (48.4) million or 7.4 (5.8)% of sales
- Operating profit was EUR 61.9 (45.8) million
- Cash flow from operations strong at EUR 74.5 (63.4) million
Market environment in January–September

- Market for marine cargo handling equipment was weak
  - Demand for cargo handling equipment for large container ships improved during Q3, demand for cargo handling solutions for bulk carriers and offshore vessels was low
  - Demand for RoRo and special vessel related cargo handling equipment was healthy

- Demand for container handling equipment and services was active

- Demand for Kalmar industrial and logistical solutions was healthy especially in the US

- Market for load handling equipment was strong in the US, and healthy in Europe varying significantly between countries
# January–September key figures

<table>
<thead>
<tr>
<th></th>
<th>7-9/15</th>
<th>7-9/14</th>
<th>Change</th>
<th>1-9/15</th>
<th>1-9/14</th>
<th>Change</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders received, MEUR</td>
<td>907</td>
<td>829</td>
<td>9%</td>
<td>2,733</td>
<td>2,685</td>
<td>2%</td>
<td>3,599</td>
</tr>
<tr>
<td>Order book, MEUR</td>
<td>2,233</td>
<td>2,327</td>
<td>-4%</td>
<td>2,233</td>
<td>2,327</td>
<td>-4%</td>
<td>2,200</td>
</tr>
<tr>
<td>Sales, MEUR</td>
<td>928</td>
<td>840</td>
<td>10%</td>
<td>2,753</td>
<td>2,395</td>
<td>15%</td>
<td>3,358</td>
</tr>
<tr>
<td>Operating profit, MEUR*</td>
<td>68.3</td>
<td>48.4</td>
<td>41%</td>
<td>178.6</td>
<td>77.8</td>
<td>130%</td>
<td>149.3</td>
</tr>
<tr>
<td>Operating profit margin, %*</td>
<td>7.4</td>
<td>5.8</td>
<td></td>
<td>6.5</td>
<td>3.2</td>
<td></td>
<td>4.4</td>
</tr>
<tr>
<td>Cash flow from operations, MEUR</td>
<td>74.5</td>
<td>63.4</td>
<td></td>
<td>227.3</td>
<td>120.3</td>
<td></td>
<td>204.3</td>
</tr>
<tr>
<td>Interest-bearing net debt, MEUR</td>
<td>678</td>
<td>835</td>
<td></td>
<td>678</td>
<td>835</td>
<td></td>
<td>719</td>
</tr>
<tr>
<td>Earnings per share, EUR</td>
<td>0.67</td>
<td>0.43</td>
<td></td>
<td>1.67</td>
<td>0.48</td>
<td></td>
<td>1.11</td>
</tr>
</tbody>
</table>

*excluding restructuring costs
MacGregor Q3 – order intake reflecting challenging market situation

- Order intake declined 21% y-o-y to EUR 200 (253) million
- Order book decreased 13% from 2014 year-end, but still at EUR 984 million
- Sales grew 13% y-o-y to EUR 289 (255) million
- New restructuring measures announced to improve profitability
- Profitability excluding restructuring costs was 4.3%
  - Restructuring costs EUR 5.2 million

*excluding restructuring costs
Kalmar Q3 – strong progress in orders and profitability

- Order intake increased 22% y-o-y to EUR 463 (380) million
- Order book strengthened 18% from 2014 year-end
- Sales grew 6% y-o-y to EUR 409 (385) million
- Profitability excluding restructuring costs was 8.8%
Hiab Q3 – profitability improved further

- Orders grew 21% y-o-y to EUR 239 (197) million
- Order book strengthened 14% from 2014 year-end
- Sales grew 14% y-o-y to EUR 229 (200) million
- Profitability excluding restructuring costs was 11.0%
Cash flow from operations strong
Balanced geographical mix in sales

Sales by reporting segment 1-9/2015, %
- Equipment: 80 (78)%
- Services: 20 (22)%

Sales by geographical segment 1-9/2015, %
- Americas: 28% (28)
- APAC: 33% (30)
- EMEA: 39% (42)
Sales by geographical segment by business area 1–9/2015

### MacGregor
- Americas: 6% (9)
- EMEA: 29% (31)
- APAC: 65% (60)

### Kalmar
- Americas: 37% (36)
- EMEA: 41% (44)
- APAC: 22% (20)

### Hiab
- Americas: 42% (38)
- EMEA: 48% (51)
- APAC: 10% (11)
Return on capital (ROCE) improved towards 15% over the cycle target

ROCE, annualised
*excluding restructuring costs
Outlook unchanged

- Cargotec’s 2015 sales are expected to grow from 2014 (3,358 MEUR).
- Operating profit excluding restructuring costs for 2015 is expected to improve from 2014 (149.3 MEUR).