Road show, USA

CEO Mika Vehviläinen
VP, IR Hanna-Maria Heikkinen
Cargotec in brief
Investment highlights
Kalmar
Hiab
MacGregor
Q3 2016 financials
Appendix
Cargotec in brief
Today’s leader in cargo handling equipment

Cargotec Group
Sales: EUR 3,729 million
EBIT: 6.2%
Services: 24%

Kalmar
45% of sales
EBIT: 7.8%
Services: 26%

Hiab
25% of sales
EBIT: 10.8%
Services: 23%

MacGregor
30% of sales
EBIT: 2.6%
Services: 20%

Geographical split of sales in 2015

AMER 36%
EMEA 42%
APAC 22%

AMER 42%
EMEA 48%
APAC 10%

AMER 6%
EMEA 29%
APAC 65%

Figures: 2015
EBIT % excluding restructuring costs
### Key competitors

<table>
<thead>
<tr>
<th>Global main competitors</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Kalmar</td>
<td>Hiab</td>
<td>MacGregor</td>
</tr>
<tr>
<td>ZPMC</td>
<td>Palfinger</td>
<td>TTS</td>
</tr>
<tr>
<td>Konecranes</td>
<td></td>
<td>NOV</td>
</tr>
<tr>
<td>ABB</td>
<td></td>
<td>Rolls-Royce</td>
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<td>Terex</td>
<td></td>
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<tr>
<td>Sany</td>
<td></td>
<td></td>
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<tr>
<td>Liebherr</td>
<td></td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other competitors</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fassi</td>
<td>IHI</td>
</tr>
<tr>
<td>HMF</td>
<td>Mitsubishi Heavy Industries, Ltd.</td>
</tr>
<tr>
<td>Hyva</td>
<td>Navalpianti Group</td>
</tr>
<tr>
<td>Huisman</td>
<td>SMS Korea</td>
</tr>
<tr>
<td>Terberg Kinglifter</td>
<td></td>
</tr>
<tr>
<td>Liebherr</td>
<td></td>
</tr>
</tbody>
</table>
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
# Cargotec’s portfolio

<table>
<thead>
<tr>
<th>Net sales, EUR million *</th>
<th>Trend in orders, last 12 months</th>
<th>Profitability: EBIT margin, last 12 months</th>
</tr>
</thead>
<tbody>
<tr>
<td>3,600</td>
<td></td>
<td></td>
</tr>
<tr>
<td>~500</td>
<td></td>
<td>Low due to long term investments</td>
</tr>
<tr>
<td>~800</td>
<td></td>
<td>-34%</td>
</tr>
<tr>
<td>~1,000</td>
<td></td>
<td>1.2%</td>
</tr>
<tr>
<td>~1,200</td>
<td></td>
<td>Low double digit</td>
</tr>
</tbody>
</table>

Kalmar software (Navis) and Automation and Projects division

Hiab

Kalmar equipment and service (excluding Automation and Projects Division & Navis)

* Figures rounded to closest 100 million
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
Investment highlights:

Why invest in Cargotec?

1. Technology leader and strong market positions, leading brands in markets with long term growth potential
2. Transformation to become leader in intelligent cargo handling
3. Growing services business and asset light business model are decreasing the impact of cyclicality
4. Capitalizing huge possibility for future automation and software growth
5. Clear plan for profitability improvement and to reach financial targets
# Technology leader and strong market positions

Leading brands in markets with long term growth potential

<table>
<thead>
<tr>
<th></th>
<th>Kalmar</th>
<th>Hiab</th>
<th>MacGregor</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>End markets</strong></td>
<td>Ports, terminals, distribution centers</td>
<td>Construction, distribution, forestry, defence, waste and recycling</td>
<td>Maritime transportation and offshore industries</td>
</tr>
<tr>
<td><strong>Market position</strong></td>
<td>1-2#</td>
<td>1-2#</td>
<td>1-2#</td>
</tr>
<tr>
<td><strong>Key drivers and supporting megatrends</strong></td>
<td>Global trade growth driven by globalisation and growing middle class Container throughput growth, larger ships require investments in ports, ports need to increase efficiency via automation, Increasing importance for safety</td>
<td>Construction growth via population growth and urbanisation Changing distribution patterns and models Increasing penetration in developing countries</td>
<td>Global trade growth driven by globalisation and growing middle class, oil price</td>
</tr>
<tr>
<td><strong>Competitive advantage</strong></td>
<td>Recognized premium brand Leading market position in software Full automation solution offering (equipment, software and automation, service) Asset light business model</td>
<td>Hiab one of the two global players with scale Diversified product range Asset light model, efficient assembly operation</td>
<td>Asset light model, technology leader, closeness to customers (shipyards and shipowners) globally, industry competence</td>
</tr>
</tbody>
</table>
Transformation to become leader in intelligent cargo handling

2013
Product leadership
Good equipment company
→ Product R&D drives offering development and higher gross profit

2018
Service 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-wins

World class service offering
Lead digitalisation
Build world class leadership
Growing services business and asset light business model are decreasing the impact of cyclicality

Asset light business model with flexible cost structure

- Kalmar and Hiab: efficient assembly operation
- MacGregor: efficient project management and engineering office: more than 85% of manufacturing outsourced and 30% of design and engineering capacity outsourced
- No in-house component manufacturing

Leading product portfolio creates solid platform for services development

- Growing services will bring stability, better profitability and decrease cyclicality

Large installed base – huge potential

Key actions to increase capture rates of spare parts:

- Improve sales process
- Digitalisation efforts and connectivity: online services and e-commerce solutions
- Towards service agreements
- Distribution centers improving availability

![Services net sales, EUR million](chart.png)

November 2016 13
Capitalizing huge possibility for future automation and software growth

Digitalisation supports service and software growth and vice versa

Industry trends support growth in port automation:

- Ships are becoming bigger and the peak loads have become an issue
- Safety in the terminal yard has become even more of a focus for operators
- Customers require decreasing energy usage and zero emission ports
- Optimum efficiency, space utilization and reduction of costs are increasingly important
- Shortage and cost of trained and skilled labour pushes terminals to automation

Huge possibility in port software

- The container value chain is very inefficient: total value of waste and inefficiency estimated at ~EUR 17bn
- The container shipping industry has an annual IT software spend of approx. EUR 1.7 billion. The market is expected to grow to EUR 2.8 billion by 2020
- More than 50% of port software market in-house currently, in long term internal solutions not competitive
- Navis has leading position in port ERP
  - 500 software engineers

Change when manual terminal converted into an automated operation

<table>
<thead>
<tr>
<th></th>
<th>Labour costs</th>
<th>Total costs</th>
<th>Profit increase</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>60% less</td>
<td>24% less</td>
<td>125%</td>
</tr>
<tr>
<td>Labour costs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total costs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit increase</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Clear plan for profitability improvement and to reach financial targets

Growth
Target to grow faster than market
- Strong market position supports organic growth
- R&D investments
- M&A potential

Profitability
Target 10% EBIT for each business area and 15% ROCE on Group level over the cycle
- Cost savings actions:
  - Product re-design and improved project management
  - Ongoing restructuring
  - Asset light business model to support ROCE target
  - Higher operating profit key driver for higher ROCE

Balance sheet and dividend
Target gearing < 50% and dividend 30-50% of EPS
- Strong cash flow
- Gearing below target, enables solid dividend payout

Sales and operating profit development
- Net sales
- Operating profit*
- Operating profit* margin
*excluding restructuring costs
Container throughput still forecasted to grow year on year

Source: Drewry: Container forecaster Q3 2016

November 2016
Kalmar has strong position in attractive segments

<table>
<thead>
<tr>
<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>→ EUR 7.5 billion</td>
</tr>
<tr>
<td>Mobile equipment</td>
<td>#1</td>
<td>→</td>
</tr>
<tr>
<td>Bromma</td>
<td>#1</td>
<td>→</td>
</tr>
<tr>
<td>Navis</td>
<td>#1</td>
<td>→</td>
</tr>
<tr>
<td>Services</td>
<td>#1</td>
<td>→ EUR 7.6 billion</td>
</tr>
</tbody>
</table>
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>Further development of integrated port automation solutions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total improvement potential 2015-2018:
- 60-100 EUR million

- 2015: +20-30 EUR million
- 2016: +10-20 EUR million
- 2017: +20-30 EUR million
- 2018: +10-20 EUR million

Colour on the bubbles indicates the progress against the plans.
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
Flexible and scalable Navis TOS software

Terminal Logistic System

- Truck / Transfer area
- Automated Horizontal Transportation
- Automatic stacking crane (ASC) area
- Quay crane area
- ASC stack area
- Equipment

Terminal Operating System (TOS)
Kalmar’s operating environment

Kalmar provides integrated port automation solutions including software, services and a wide range of cargo handling equipment.

Navis coordinates and optimises the planning and management of container and equipment moves in complex business environments.

Navis provides also maritime shipping solutions:

- Stowage planning
- Vessel monitoring
- Loading computer
- Route planning

XVELA
The collaboration platform serving the needs of ocean carriers, terminals and their shipping partners

BROMMA
Industry leading spreader manufacturer

November 2016
Construction output driving growth opportunity

EMEA construction output
y/y change (%)

AMER construction output
y/y change (%)


November 2016 24
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

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

November 2016
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
Merchant shipping and offshore markets may have reached the bottom in orders.

Long term contracting 2011-2025
Merchant ships > 2,000 gt (excl ofs and misc)

No of ships

Long term contracting 2013-2022
Mobile offshore units

No of units

Sources: UNCTAD, Clarkson Research, September 2016

November 2016
MacGregor has strong positions in both the marine and offshore market

**Marine**
- #1 Container lashing
- #1-2 Hatch covers
- #1 Cranes and selfunloaders
- #1 RoRo

**Offshore**
- #1 Offshore advanced load handling
- #2 Offshore winches
- #1 Mooring systems
- #1 Loading and offloading systems

RoRo = roll-on/roll-off

November 2016
MacGregor’s asset-light business model gives flexibility

Cost-efficient scaling

85% of manufacturing outsourced

30% of design and engineering capacity outsourced
Cargotec launches a programme to achieve annual cost savings of approximately EUR 25 million in MacGregor

- MacGregor’s market situation is challenging and cost savings are needed
- Already ongoing programmes are expected to create EUR 30 million savings in 2016
- Aim is to reach an additional EUR 25 million savings on a yearly level
- Savings measures would include, among others, business re-organisations and personnel reductions
- It is estimated that the measures would affect operations especially in Norway, China, Sweden, Finland and Singapore
- According to preliminary estimates, savings measures seek a reduction of approximately 260 full time equivalents
- Savings measures are estimated to result in restructuring costs in the final quarter of 2016 and in 2017
January–September financials
Third quarter highlights

- Profitability improved in Hiab, market situation in MacGregor still challenging
- Order book EUR 1,874 (31 Dec 2015: 2,064) million, orders received at EUR 733 (907) million
- Sales declined 8% y-o-y to EUR 854 (928) million
- Operating profit excluding restructuring costs was EUR 65.9 (68.3) million or 7.7 (7.4) percent of sales
- Cash flow from operations at EUR 74.4 (74.5) million, gearing at 41.6%
Market environment in January–September

- Number of containers handled at ports globally continues to grow, however at a slower pace than earlier. Long term market potential still strong, but customer decision making is slower.

- Strong construction activity continued in the US, supporting demand for load handling equipment. In Europe, activity levels still varied between countries. Demand for services was satisfactory.

- Market for marine cargo handling equipment remained weak. At the offshore industry, the low oil price is keeping the investment levels at a record-low level. Demand for services has declined.

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Third quarter events

Hiab launches a new webshop at webshop.hiab.com
Operating profit margin improved

<table>
<thead>
<tr>
<th></th>
<th>7–9/16</th>
<th>7–9/15 Change</th>
<th>1–9/16</th>
<th>1–9/15 Change</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders received, MEUR</td>
<td>733</td>
<td>907 -19%</td>
<td>2,461</td>
<td>2,733 -10%</td>
<td>3,557</td>
</tr>
<tr>
<td>Order book, MEUR</td>
<td>1,874</td>
<td>2,233 -16%</td>
<td>1,874</td>
<td>2,233 -16%</td>
<td>2,064</td>
</tr>
<tr>
<td>Sales, MEUR</td>
<td>854</td>
<td>928 -8%</td>
<td>2,581</td>
<td>2,753 -6%</td>
<td>3,729</td>
</tr>
<tr>
<td>Operating profit, MEUR*</td>
<td>65.9</td>
<td>68.3 -3%</td>
<td>189.3</td>
<td>178.6 6%</td>
<td>230.7</td>
</tr>
<tr>
<td>Operating profit, %*</td>
<td>7.7</td>
<td>7.4</td>
<td>7.3</td>
<td>6.5</td>
<td>6.2</td>
</tr>
<tr>
<td>Cash flow from operations, MEUR</td>
<td>74.4</td>
<td>74.5</td>
<td>221.0</td>
<td>227.3</td>
<td>314.6</td>
</tr>
<tr>
<td>Interest-bearing net debt, MEUR</td>
<td>581</td>
<td>678</td>
<td>581</td>
<td>678</td>
<td>622</td>
</tr>
<tr>
<td>Earnings per share, EUR</td>
<td>0.52</td>
<td>0.67</td>
<td>1.75</td>
<td>1.67</td>
<td>2.21</td>
</tr>
</tbody>
</table>

*excluding restructuring costs
Order book development

Order backlog, MEUR

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>2,111</td>
<td>2,327</td>
<td>2,233</td>
</tr>
<tr>
<td>Q2</td>
<td>2,285</td>
<td>2,469</td>
<td>2,064</td>
</tr>
<tr>
<td>Q3</td>
<td>2,327</td>
<td>2,342</td>
<td>2,095</td>
</tr>
<tr>
<td>Q4</td>
<td>2,200</td>
<td>2,233</td>
<td>2,033</td>
</tr>
</tbody>
</table>

Order book by reporting segments, Q3 2016

- Kalmar: 922m (-3% y/y)
- Hiab: 258m (-14% y/y)
- MacGregor: 696m (-29% y/y)
Kalmar Q3 – satisfactory development

- Order intake declined 16% y-o-y to EUR 389 (463) million as customers postponed their bigger investment decisions
- Order book strengthened 5% from 2015 year-end level to EUR 922 million
- Sales grew 6% y-o-y to EUR 436 (409) million
- Profitability excluding restructuring costs was 8.3% (8.8%)
- Increased investments in automation and software development decreased profitability
- Sales mix had a negative impact on profitability
Hiab Q3 – profitability on a good level

- Order intake declined 8% and was EUR 220 (239) million
- Order book decreased 15% from 2015 year-end to EUR 258 million
- Sales grew 9% y-o-y to EUR 250 (229) million
- Profitability excluding restructuring costs was 13.2% (11.0%)
- The volume growth and improvements in delivery capability had a positive impact on the result
- Profitability improvement measures and investments in more competitive products contributed to the increased profitability
MacGregor Q3 – challenging market situation continued

- Order intake declined 38% y-o-y and was EUR 124 (200) million
- Order book decreased 21% from 2015 year-end to EUR 696 million
- Sales declined 42% y-o-y to EUR 169 (289) million
- Profitability excluding restructuring costs was 1.7% (4.3%)
- New measures started to lower the cost level
- New joint venture in China expected to strengthen market position and local connections

*excluding restructuring costs

November 2016
Cash flow, gearing and net debt

Cash flow from operations

Net debt and gearing

November 2016
Dividend and payout ratio

DPS per B share (lhs)  Dividend / EPS-% (rhs)

<table>
<thead>
<tr>
<th>Year</th>
<th>Dividend per B share (EUR)</th>
<th>Dividend / EPS-%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>0.61</td>
<td>50.4%</td>
</tr>
<tr>
<td>2011</td>
<td>1.00</td>
<td>41.3%</td>
</tr>
<tr>
<td>2012</td>
<td>0.72</td>
<td>49.7%</td>
</tr>
<tr>
<td>2013</td>
<td>0.42</td>
<td>47.1%</td>
</tr>
<tr>
<td>2014</td>
<td>0.55</td>
<td>49.6%</td>
</tr>
<tr>
<td>2015</td>
<td>0.80</td>
<td>36.1%</td>
</tr>
</tbody>
</table>

November 2016
Hiab’s share increasing in sales mix

Sales by reporting segment 1–9/2016, %

- Equipment 74 (80)%
- Services 26 (20)%

Sales by geographical segment 1–9/2016, %

- Equipment 74 (73)%
- Services 26 (27)%

November 2016
Sales by geographical segment by business area 1–9/2016

Kalmar

- Americas 37 (37)%
- EMEA 42 (41)%
- APAC 21 (22)%

Hiab

- Americas 43 (43)%
- EMEA 47 (48)%
- APAC 10 (10)%

MacGregor

- Americas 6 (6)%
- EMEA 33 (29)%
- APAC 61 (65)%

November 2016
Positive development in key financial metrics continued

- ROCE
- Operating profit margin %*

*excluding restructuring costs

November 2016
Cargotec to become a leader in intelligent cargo handling

- Strategy execution proceeds in its three focus areas
  - **Services**: Hiab’s spare parts web shop, MacGregor’s strengthening spare parts delivery cooperation relationships in Asia, Kalmar’s new measures to speed up growth in services
  - **Digitalisation**: we are developing Cargotec IoT Cloud-based solutions with our customers regarding automation effectiveness and proactive maintenance, for example
  - **Leadership development programme** expands
- We are focusing our efforts on projects that improve competitiveness, the cost efficiency of products and digitalisation. Additionally, we are investing in global systems and procedures that in future enable higher efficiency in operational activities as well as in support functions.
Outlook 2016 unchanged

- Cargotec’s 2016 sales are expected to be at the 2015 level (EUR 3,729 million) or slightly below.
- Operating profit excluding restructuring costs for 2016 is expected to improve from 2015 (EUR 230.7 million).

Hiab renewed its mid-range loader cranes models
Appendix

1. Largest shareholders
2. Kalmar
3. Hiab
4. MacGregor
## Largest shareholders

31 October 2016

<table>
<thead>
<tr>
<th>Shareholder</th>
<th>% of shares</th>
<th>% of votes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wipunen varainhallinta Oy</td>
<td>14.1%</td>
<td>23.7%</td>
</tr>
<tr>
<td>Mariatorp Oy</td>
<td>12.3%</td>
<td>22.9%</td>
</tr>
<tr>
<td>Pivosto Oy</td>
<td>10.5%</td>
<td>22.1%</td>
</tr>
<tr>
<td>KONE Foundation</td>
<td>3.0%</td>
<td>5.5%</td>
</tr>
<tr>
<td>The State Pension Fund</td>
<td>1.7%</td>
<td>0.7%</td>
</tr>
<tr>
<td>Ilmarinen Mutual Pension Insurance Company</td>
<td>1.3%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Nordea Finland Fund</td>
<td>0.8%</td>
<td>0.3%</td>
</tr>
<tr>
<td>Varma Mutual Pension Insurance Company</td>
<td>0.8%</td>
<td>0.3%</td>
</tr>
<tr>
<td>Keva</td>
<td>0.7%</td>
<td>0.3%</td>
</tr>
<tr>
<td>Herlin Heikki Juho Kustaa</td>
<td>0.6%</td>
<td>0.3%</td>
</tr>
<tr>
<td><strong>Nominee registered and non-Finnish holders</strong></td>
<td><strong>26.5%</strong></td>
<td><strong>60.1%</strong></td>
</tr>
<tr>
<td><strong>Total number of shareholders</strong></td>
<td><strong>22,769</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Wipunen varainhallinta Oy is a company controlled by Ilkka Herlin, Mariatorp Oy a company controlled by Niklas Herlin and Pivosto Oy a company controlled by Ilona Herlin.
Kalmar appendix
Global container throughput development

Growth stabilising in the short-mid term

Global container throughput and GDP, change % y/y

GDP change

Container throughput

Source: IMF July 2016, Drewry August 2016
Consolidation leading to five dominant container terminal operators in 2020

- 24 Global Terminal Operators’ total forecasted capacity increase 2015-2020 is 125 Mteu, increasing 3.1% p.a to 892 Mteu by 2020

- Terminal operators consolidating, recent M&A activity:
  - COSCO and China Shipping merged
  - APMT bought Group TCB
  - CMA CGM bought APL
  - Yildrim bought Portugese Tertir group and the company is also eyeing Ports America

Source: Drewry
* Capacity counted once in all terminals where shareholding held by both sub operators
Global Container terminal volume and Capacity Development

MTEU

Source: Drewry Container terminal operator annual review, 2002-2016
Three Alliances represent about 80% of global container fleet capacity

November 2016

*HMM's membership in 2M alliance isn't yet confirmed

The arrows indicate changes through M&A over the last 12 months

China Shipping and Cosco = Cosco container lines
DS Research: 298 Mteu new capacity to be added 2016-2021 which could trigger US$bn 37 investments for container handling equipment

- According to DS Research, the project pipeline of all upcoming container terminal projects consists of 405 TEUms additional capacity scheduled for completion until 2021. 298 TEUms new capacity is expected to be finally executed until 2021, assuming that further project postponements are required to adjust to the weakening demand. This would trigger roughly US$bn 146 investment.

- Depending on the type of project, different cost have been assumed for quay construction, container handling equipment, yard construction, dredging & land reclamation and other cost. Overall, DS Research has estimated that investments for container terminal projects 2016-‘21 include about US$bn 37 for container handling equipment.

![Capacity Additions](image)

**Investment 2016-‘21**

(\(\Sigma\) US$bn 146; in %)

- **Quay** 25.1 / 17%
- **Dredging** 44.5 / 30%
- **Equipment** 37.3 / 26%
- **Other** 30.4 / 21%
- **Yard** (8.7 / 6%)

*Source: Market Report CT Project Pipeline 2016*
Hiab appendix
Global truck volumes
IHS predicts global truck volumes to increase in 2016 and 2017, driven by China and South Asia, but forecasting a slowing truck market in Americas during 2016.

Source: IHS Truck registration (Sep 2016)
Construction output forecast

Source: Oxford Economics

Annual Construction Output

<table>
<thead>
<tr>
<th>Year</th>
<th>NAM</th>
<th>SAM</th>
<th>NE</th>
<th>CE</th>
<th>WE</th>
<th>APAC</th>
<th>Total YoY change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>3.6%</td>
<td>-0.6%</td>
<td>-2.3%</td>
<td>1.4%</td>
<td>2.7%</td>
<td>4.5%</td>
<td>2.9%</td>
</tr>
<tr>
<td>2016</td>
<td>3.9%</td>
<td>0.8%</td>
<td>1.3%</td>
<td>2.8%</td>
<td>0.7%</td>
<td>4.6%</td>
<td>3.3%</td>
</tr>
<tr>
<td>2017</td>
<td>5.7%</td>
<td>2.0%</td>
<td>1.0%</td>
<td>1.9%</td>
<td>1.3%</td>
<td>4.2%</td>
<td>3.6%</td>
</tr>
<tr>
<td>2018</td>
<td>6.1%</td>
<td>2.1%</td>
<td>1.5%</td>
<td>1.8%</td>
<td>2.0%</td>
<td>4.2%</td>
<td>3.9%</td>
</tr>
<tr>
<td>2019</td>
<td>4.9%</td>
<td>2.5%</td>
<td>1.8%</td>
<td>1.8%</td>
<td>2.4%</td>
<td>4.4%</td>
<td>3.8%</td>
</tr>
<tr>
<td>2020</td>
<td>3.8%</td>
<td>3.0%</td>
<td>2.0%</td>
<td>1.6%</td>
<td>3.3%</td>
<td>4.4%</td>
<td>3.7%</td>
</tr>
</tbody>
</table>

Source: Oxford Economics construction output (All Output series are measured in Billions, 2010 Prices)
MacGregor appendix
World Fleet: Supply-Demand Balance

Source: Clarksons September 2016
Contracting Forecast by Shiptype (number of ships)
- Merchant ship types > 2000 gt, base case

- Vessel upsizing trend continues:
  Upsizing trends are expected to continue, with the average size of ships delivered in 2016-28 projected to reach c.37,500 GT, compared to the average size of units in the current fleet of c. 23,000 GT.

*Source: Clarksons September 2016*
Deliveries forecast by shiptype (number of ships)
- Merchant ship types > 2000 gt, base case

- Deliveries 2017 and onwards decrease due to the extremely low contracting levels 2015-2016, and will remain at historically lower levels due to the continued lower contracting in no of ships.

Source: Clarksons September 2016

November 2016 63
Historical Offshore CAPEX

Source: Clarksons September 2016
Contracting Forecast by Shiptype (number of units)
short term revised again downwards
- Offshore mobile units, base case (USD 60/bbl 2021)

Source: Clarksons September 2016
Deliveries Forecast by Shiptype (number of units) reflects the low contracting levels - Offshore mobile units, base case (USD 60/bbl 2021)

Source: Clarksons September 2016
# Shipbuilding – Contracting (ships >2000 gt/dwt)

## Global Contracting Activity (1st October 2016)

<table>
<thead>
<tr>
<th>Vessel Type</th>
<th>No.</th>
<th>%y-o-y*</th>
<th>$bn</th>
<th>%y-o-y*</th>
<th>m. CGT</th>
<th>%y-o-y*</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL (&gt;2,000 Dwt/GT**)</td>
<td>2,190</td>
<td>311</td>
<td>-75%</td>
<td>117.6</td>
<td>25.9</td>
<td>-62%</td>
</tr>
<tr>
<td>Bulkers</td>
<td>766</td>
<td>37</td>
<td>-86%</td>
<td>24.6</td>
<td>2.7</td>
<td>-61%</td>
</tr>
<tr>
<td>Tankers</td>
<td>381</td>
<td>81</td>
<td>-80%</td>
<td>17.0</td>
<td>2.9</td>
<td>-85%</td>
</tr>
<tr>
<td>Containerships</td>
<td>160</td>
<td>63</td>
<td>-65%</td>
<td>9.9</td>
<td>1.8</td>
<td>-87%</td>
</tr>
<tr>
<td>Gas Carriers</td>
<td>180</td>
<td>11</td>
<td>-86%</td>
<td>21.6</td>
<td>1.6</td>
<td>-81%</td>
</tr>
<tr>
<td>Offshore</td>
<td>494</td>
<td>36</td>
<td>-72%</td>
<td>24.1</td>
<td>1.3</td>
<td>-79%</td>
</tr>
<tr>
<td>Others</td>
<td>209</td>
<td>83</td>
<td>-51%</td>
<td>20.4</td>
<td>15.6</td>
<td>23%</td>
</tr>
<tr>
<td>Builder Country</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>China</td>
<td>962</td>
<td>142</td>
<td>-66%</td>
<td>34.7</td>
<td>5.6</td>
<td>-68%</td>
</tr>
<tr>
<td>South Korea</td>
<td>334</td>
<td>39</td>
<td>-82%</td>
<td>34.2</td>
<td>2.6</td>
<td>-86%</td>
</tr>
<tr>
<td>Japan</td>
<td>502</td>
<td>42</td>
<td>-89%</td>
<td>19.0</td>
<td>2.0</td>
<td>-89%</td>
</tr>
<tr>
<td>Europe</td>
<td>164</td>
<td>60</td>
<td>-30%</td>
<td>23.0</td>
<td>14.6</td>
<td>43%</td>
</tr>
<tr>
<td>Other</td>
<td>228</td>
<td>28</td>
<td>-77%</td>
<td>6.7</td>
<td>1.1</td>
<td>-75%</td>
</tr>
</tbody>
</table>

Source: Clarksons September 2016
Shipbuilding Capacity and Utilisation Scenario

- Since peak shipyard output in 2010 (in CGT terms), it is estimated that the global shipbuilding capacity has declined 22%.
- Significant downward revision in the contracting forecast suggests that there will be further pressure on yards, and the capacity is projected to decline by another 20% by end of 2020.

Source: Clarksons September 2016
Ship sizes increasing dramatically

- The largest containership in the fleet has nearly tripled since 2000.
- The average size of new builds doubles between 2009 and 2014

Source: Drewry November 2015