

**CARGOTEC**

President and CEO Mikael Mäkinen

29 April 2010



# Interim Report January–March 2010



HIAB · KALMAR · MACGREGOR

## Highlights of January–March report

- Positive signs in business environment
- Order intake 31% up y-o-y and 29% q-o-q
- Sales declined due to low order book and delivery challenges in Industrial & Terminal
- Production ramp-up ongoing
- Excellent profitability for Marine
- Restructuring measures concluded with total impact of 3,200 people
- EUR 150 million annual savings achieved



## Market environment in January–March

- Tentative recovery in demand for load handling equipment continued in both Europe and the US
- Markets for container handling equipment in ports remained quiet to a large extent. The number of containers handled showed signs of an upturn in the Asian ports.
- The market for marine cargo handling equipment showed signs of picking up, especially in terms of equipment for offshore and bulk vessels.
- Services markets were fairly quiet at the beginning of the year, however, signs of recovery, especially in spare parts, glimpsed towards the end of the quarter.

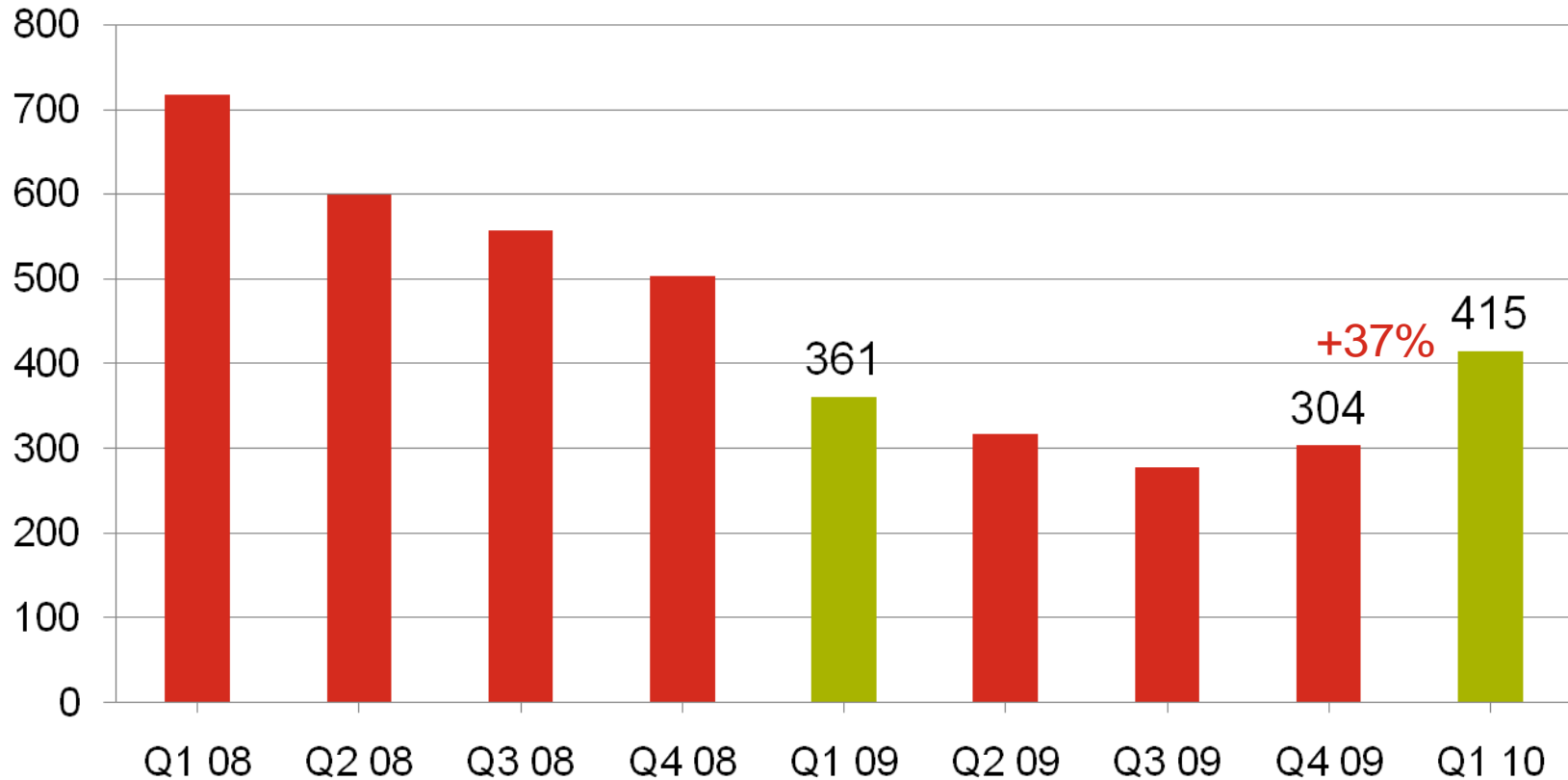


## Key figures in January–March 2010

|  | Q1 2010 | Q1 2009 | Change % | 2009  |
|--|---------|---------|----------|-------|
| Orders received, MEUR                      | 598     | 456     | 31       | 1,828 |
| Order book, MEUR                           | 2,239   | 2,772   | -19      | 2,149 |
| Sales, MEUR                                | 555     | 675     | -18      | 2,581 |
| Operating profit excl. restructuring, MEUR | 15.8    | 15.0    |          | 61.3  |
| Operating margin excl. restructuring, %    | 2.8     | 2.2     |          | 2.4   |
| Operating profit, MEUR                     | 13.5    | 6.2     |          | 0.3   |
| Cash flow from operations, MEUR            | 46.5    | 59.6    |          | 289.7 |
| Interest-bearing net debt, MEUR            | 336     | 510     |          | 335   |
| Earnings per share, EUR                    | 0.13    | 0.01    |          | 0.05  |

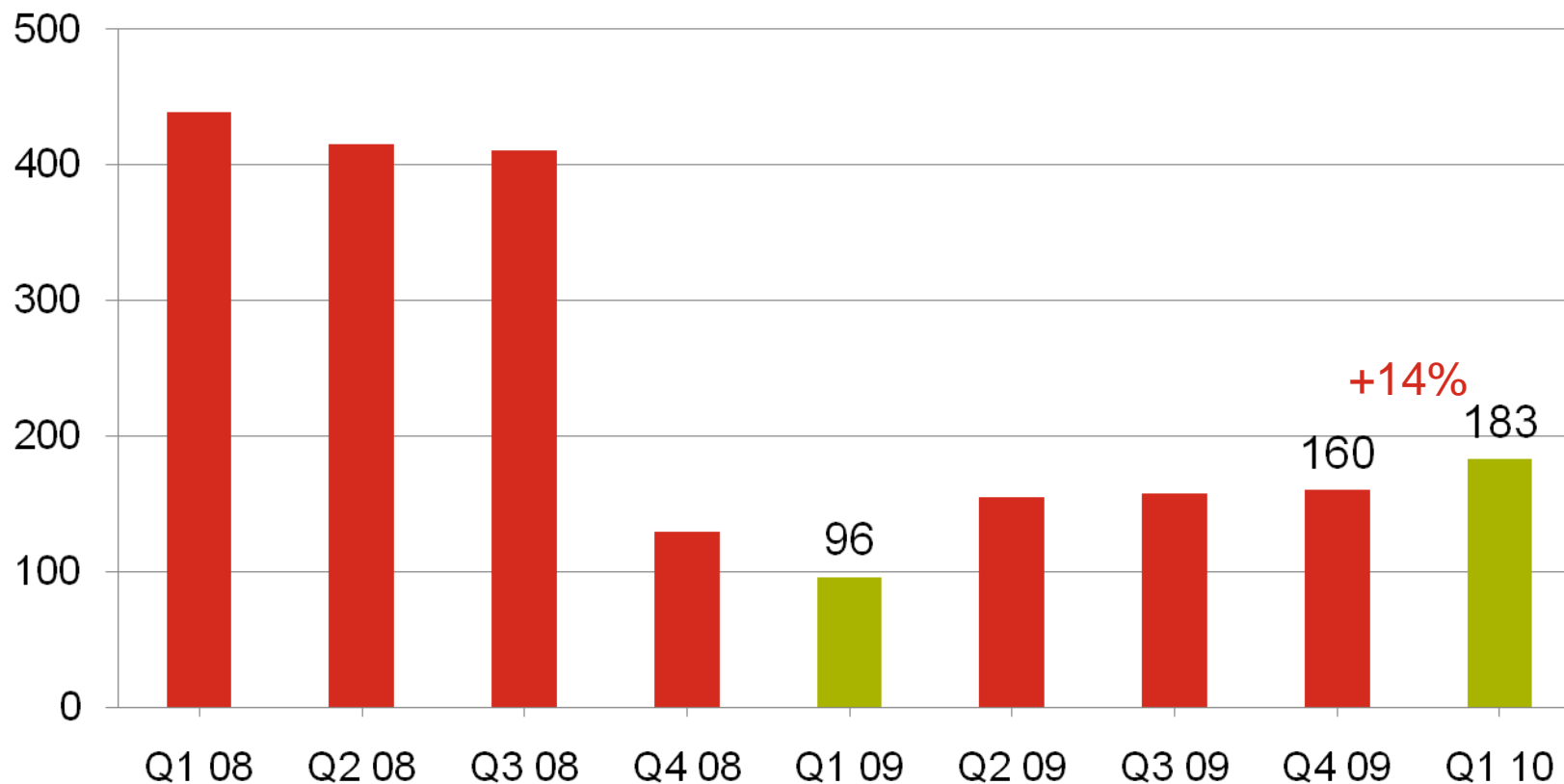
## Industrial & Terminal's order intake grew 15% y-o-y

MEUR



## Marine's order intake stronger than expected

MEUR

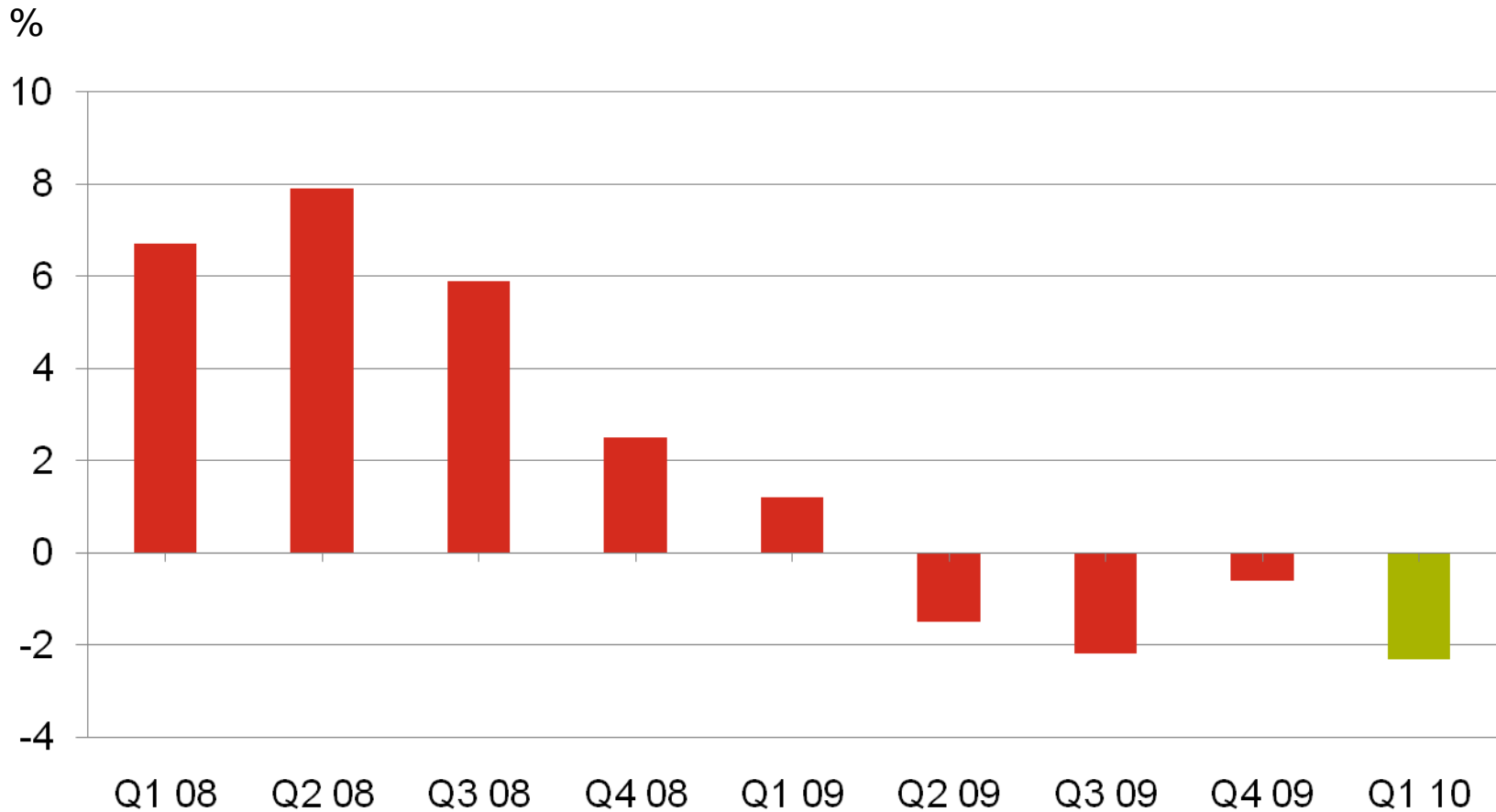


## Industrial & Terminal's sales declined 31% and Marine's grew 11% y-o-y



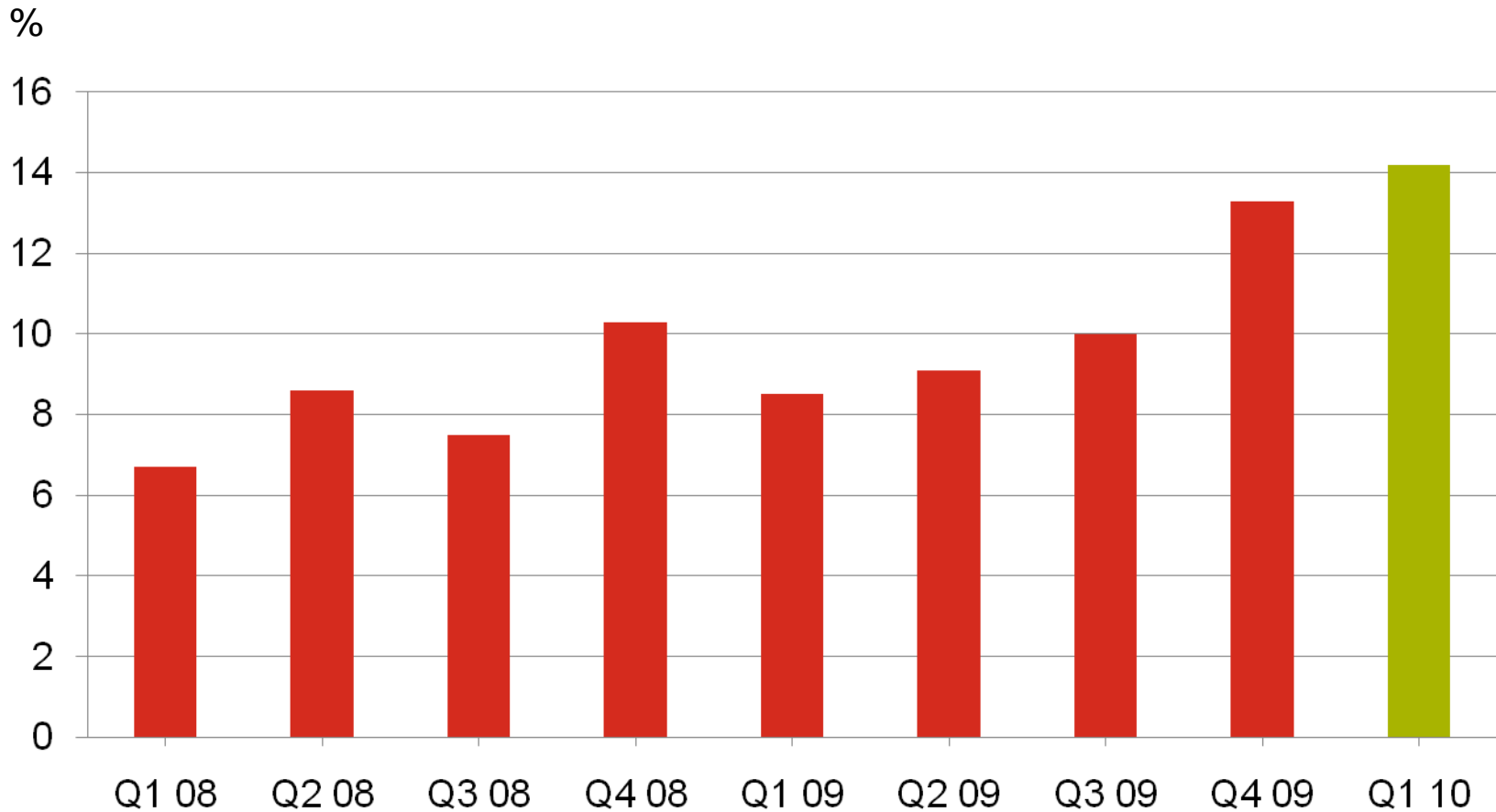


## Industrial & Terminal's quarterly profit affected by very low sales



EBIT % excluding restructuring costs

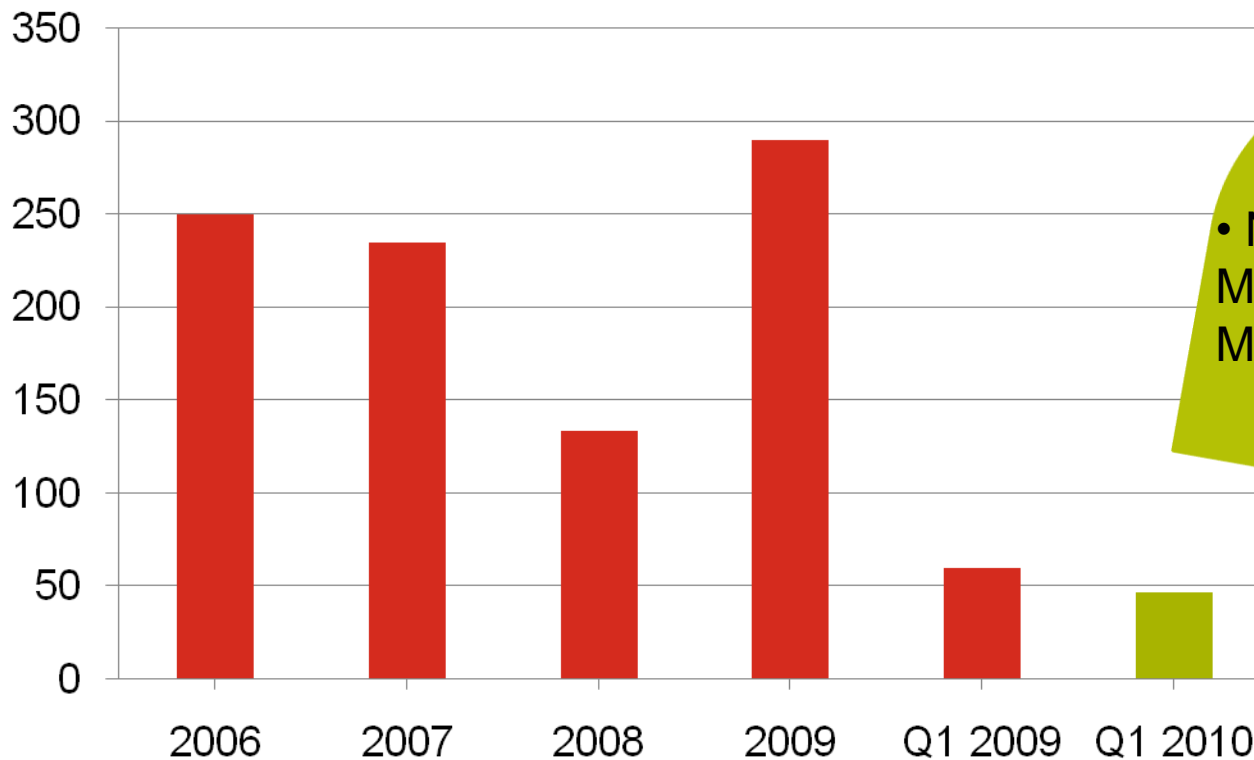
## Marine's deliveries still related to high-margin orders received prior to downturn



EBIT % excluding restructuring costs

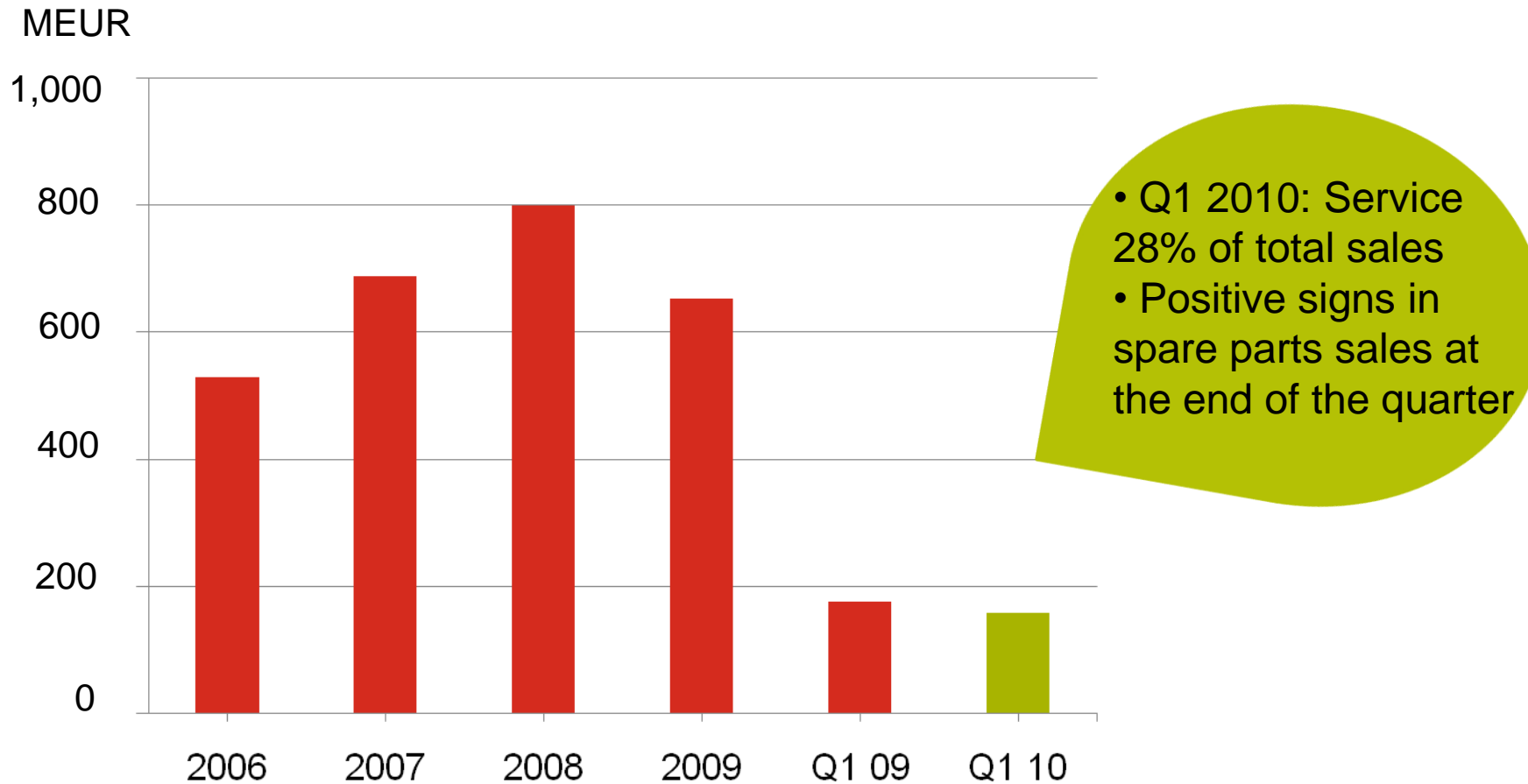
## Cash flow from operations continued healthy

MEUR

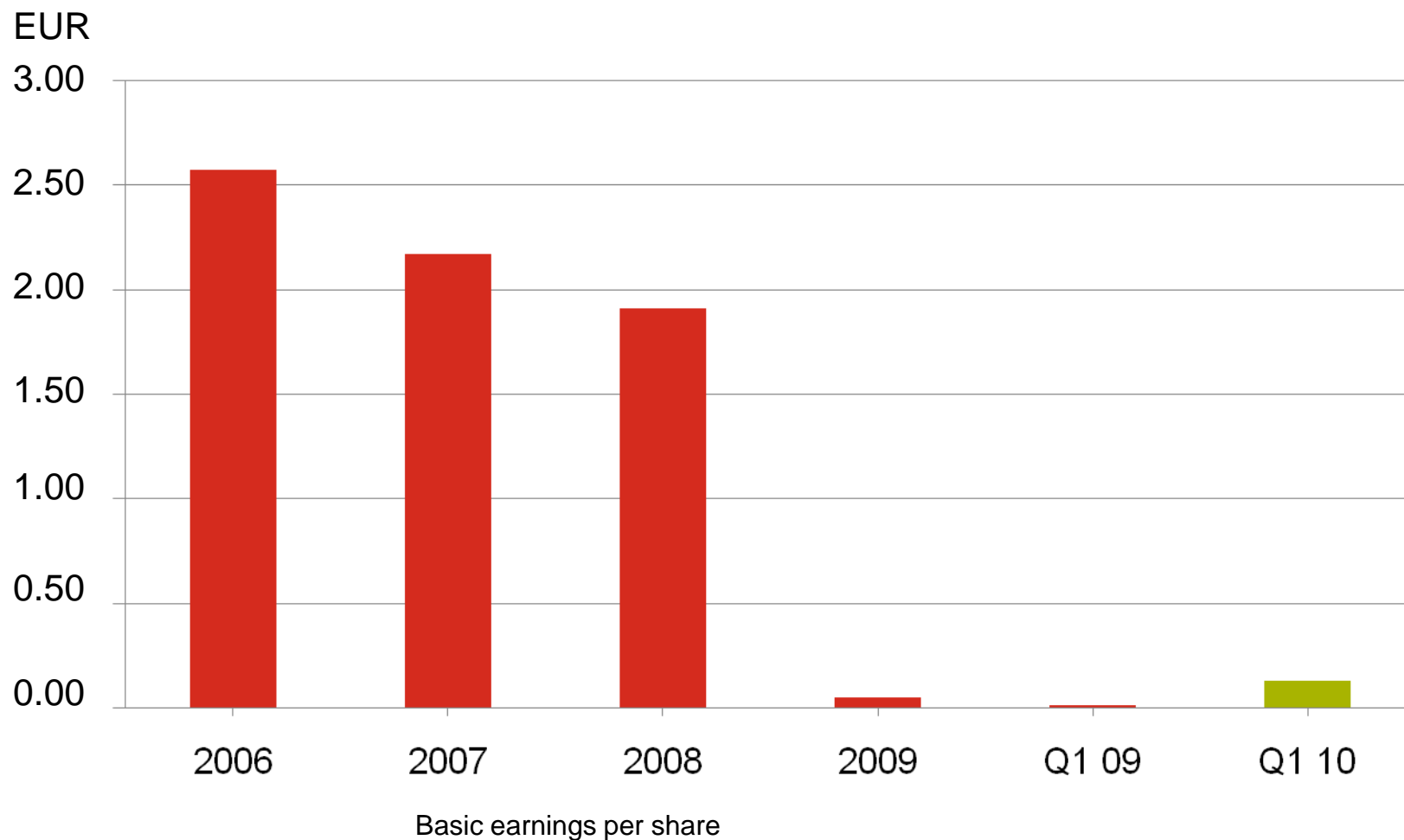


- Net working capital MEUR 116 (Dec 2009: MEUR 123)

## Services close to last year's level



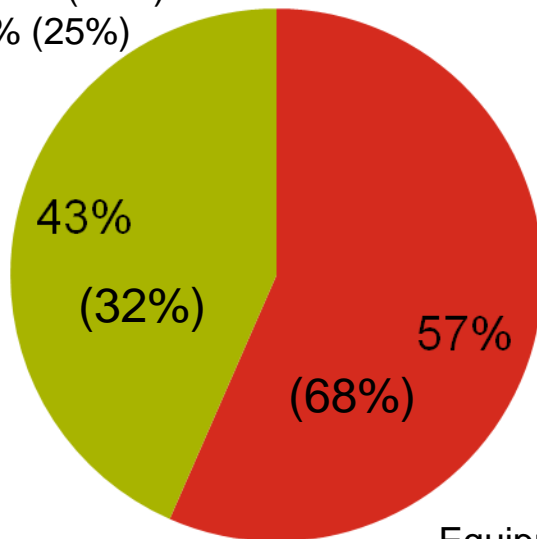
## Clear improvement in earnings per share



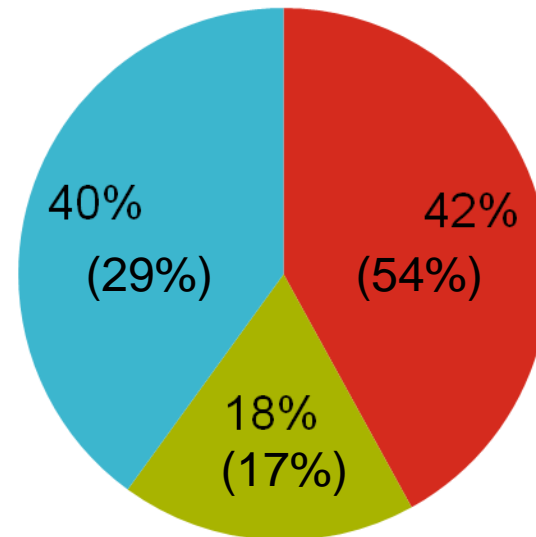
# EMEA and APAC almost equal in size

Sales by reporting segment Q1 2010, %

Equipment 82% (75%)  
Services 18% (25%)



Sales by geographical segment Q1 2010, %

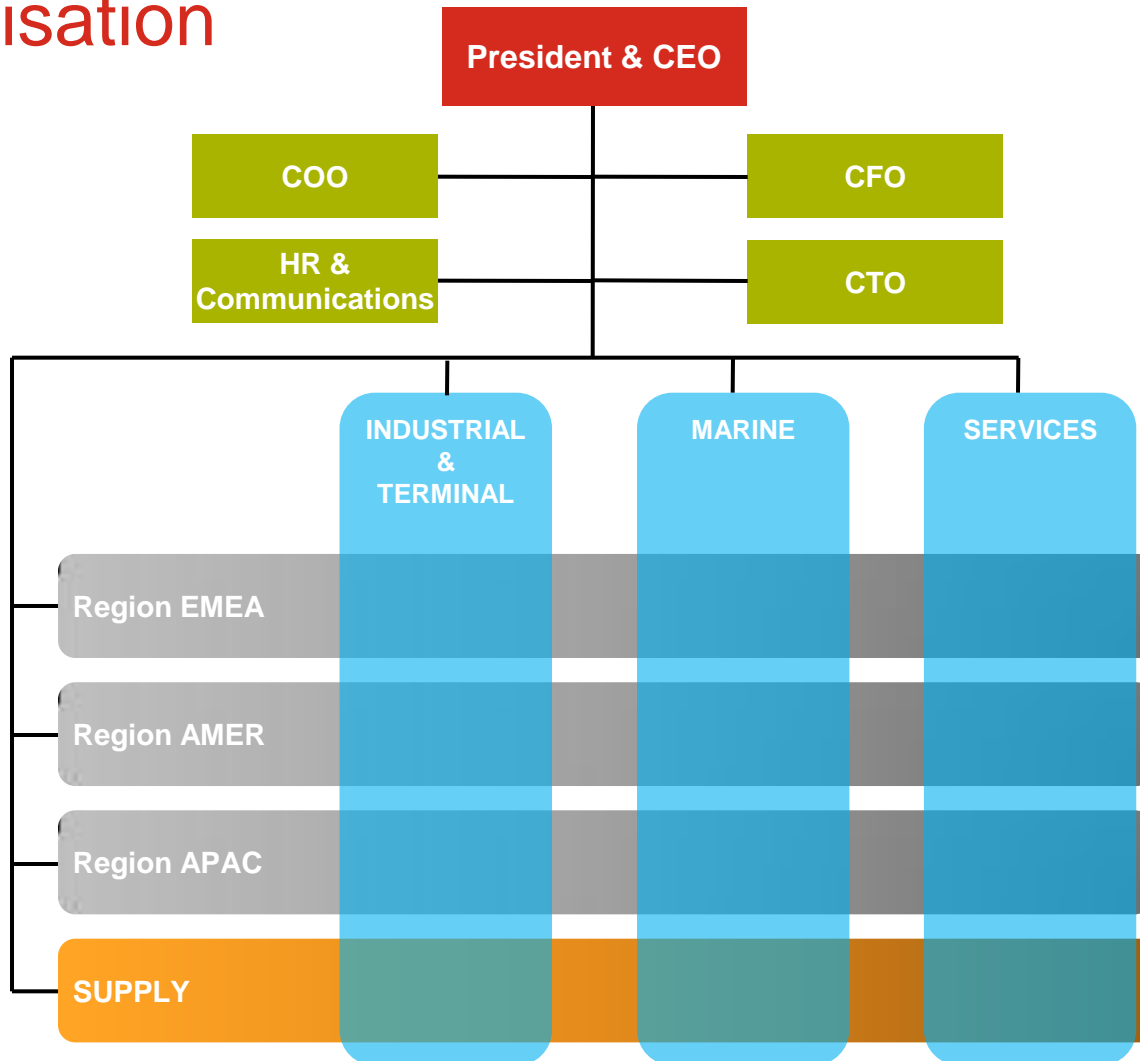


Equipment 64 % (74%)  
Services 36% (26%)

■ Marine ■ Industrial & Terminal

■ APAC ■ Americas ■ EMEA

# Organisation



## Cargotec's key priorities in 2010

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





# Investment in Poland proceeding according to plan



## Outlook

- There are tentative positive signs visible in the order intake for the Industrial business. Uncertainty continues in the Terminal business. Based on the strong order book, sales in the Marine 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.

we keep cargo on the move™