January–March 2016 interim report

29 April 2016

Mika Vehviläinen, CEO

Eeva Siplä, CFO
Highlights of the first quarter

- Market situation for Kalmar and Hiab healthy, but challenging for MacGregor

- Order book remained strong at EUR 2,095 million, orders received at EUR 903 (939) million

- Sales declined 7% y-o-y to EUR 828 (889) million

- Operating profit excluding restructuring costs increased 12% and totalled EUR 58.5 (52.3) million or 7.1 (5.9)% of sales

- Operating profit was EUR 57.7 (51.3) million

- Cash flow from operations strong at EUR 90.8 (51.6) million, gearing at 45.3%

- INTERSCHALT acquisition
Market environment in the first quarter

- Demand for container handling equipment, and services as well as interest for automation solutions was healthy

- Market for load handling equipment was strong in the US, in Europe, market situation showed slight positive development

- Market for marine cargo handling equipment was weak
  - Demand for RoRo and special vessel related cargo handling equipment grew and was active
First-quarter key figures

<table>
<thead>
<tr>
<th></th>
<th>1–3/16</th>
<th>1–3/15</th>
<th>Change</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders received, MEUR</td>
<td>903</td>
<td>939</td>
<td>-4%</td>
<td>3,557</td>
</tr>
<tr>
<td>Order book, MEUR</td>
<td>2,095</td>
<td>2,469</td>
<td>-15%</td>
<td>2,064</td>
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<tr>
<td>Sales, MEUR</td>
<td>828</td>
<td>889</td>
<td>-7%</td>
<td>3,729</td>
</tr>
<tr>
<td>Operating profit, MEUR*</td>
<td>58.5</td>
<td>52.3</td>
<td>12%</td>
<td>230.7</td>
</tr>
<tr>
<td>Operating profit margin, %*</td>
<td>7.1</td>
<td>5.9</td>
<td>6.2</td>
<td></td>
</tr>
<tr>
<td>Cash flow from operations, MEUR</td>
<td>90.8</td>
<td>51.6</td>
<td>314.6</td>
<td></td>
</tr>
<tr>
<td>Interest-bearing net debt, MEUR</td>
<td>603</td>
<td>789</td>
<td>622</td>
<td></td>
</tr>
<tr>
<td>Earnings per share, EUR</td>
<td>0.61</td>
<td>0.56</td>
<td>2.21</td>
<td></td>
</tr>
</tbody>
</table>

*excluding restructuring costs
Kalmar Q1 – order intake continued strong

- Order intake at comparison period’s level or EUR 454 (455) million
- Order book strengthened 11% from 2015 year-end level to EUR 973 million
- Sales declined 7% y-o-y to EUR 367 (395) million due to the timing of the deliveries
- Profitability excluding restructuring costs was 7.0%

![Graph showing orders, sales, and operating profit%](image|alt|legend)
Hiab Q1 – strong development continued

- Orders grew 8% y-o-y to EUR 275 (256) million
- Order book strengthened 8% from 2015 year-end to EUR 328 million
- Sales grew 16% y-o-y to EUR 246 (212) million
- Profitability excluding restructuring costs was 13.2%

*excluding restructuring costs
MacGregor Q1 – satisfactory profitability

- Order intake declined 24% y-o-y to EUR 173 (228) million
- Order book decreased 10% from 2015 year-end to EUR 795 million
- Sales declined 23% y-o-y to EUR 216 (282) million
- Profitability excluding restructuring costs was 4.2% supported by restructuring measures in 2015
Cash flow from operations strong
Balanced geographical mix in sales

Sales by reporting segment 1–3/2016, %

- Equipment: 77 (78)%
- Services: 23 (22)%

Sales by geographical segment 1–3/2016, %

- EMEA: 33% (39)
- APAC: 28% (32)
- Americas: 26% (32)
Sales by geographical segment by business area 1–3/2016

Kalmar
- Americas 40% (37)
- EMEA 39% (42)
- APAC 21% (21)

Hiab
- Americas 44% (42)
- EMEA 47% (48)
- APAC 9% (10)

MacGregor
- Americas 8% (7)
- EMEA 29% (30)
- APAC 63% (63)
Positive development in key financial metrics continued

![Graph showing ROCE and Operating profit margin%](image)

ROCE, annualised
*excluding restructuring costs

29 Apr 2016
Execution of strategy to become a leader in intelligent cargo handling proceeding well

- Must-win battles supporting strategy execution
  - Build world-class services offering
  - Lead digitalisation
  - Build world-class leadership
2016 outlook unchanged

- Cargotec’s 2016 sales are expected to be at the 2015 (EUR 3,729 million) level or slightly below.

- Operating profit excluding restructuring costs for 2016 is expected to improve from 2015 (EUR 230.7 million).