



January-June 2006 Interim Report

President and CEO Mikael Mäkinen

July 19, 2006

Key issues in April-June 2006

- Order intake continued at record levels as in the first quarter totaling EUR 786 (Q2/05: 571) million
- Net sales grew by 8% and amounted to EUR 661 (612) million
- Operating income rose to EUR 60.7 (48.2) million, equal to 9.2 (7.9)% of net sales. 1-6/2006 operating income margin was 8.8%.
- Order book at end of June amounted to EUR 1,544 (Dec 31, 2005: 1,257) million
- Expansion into dry bulk handling through acquisition of BMH Marine



Acquisition of BMH Marine expands MacGREGOR offering



- Dry bulk handling equipment on ships and at port terminals
- Net sales in 2006 expected to rise to close to EUR 70 million
- Employs 140 people
- Debt-free acquisition price approx. EUR 32 million
- Transaction subject to competition authority approval

Market situation continued good



- Global economy and world trade continued to grow
- Container traffic volumes grew further
- Ship building at ship yards at a high level
- Construction activity strong in main markets in Europe and US
- New truck registration brisk

Orders received increased markedly



- Hiab
 - Orders for loader cranes, demountables and tail lifts grew strongly
 - Demand for forestry cranes leveled off



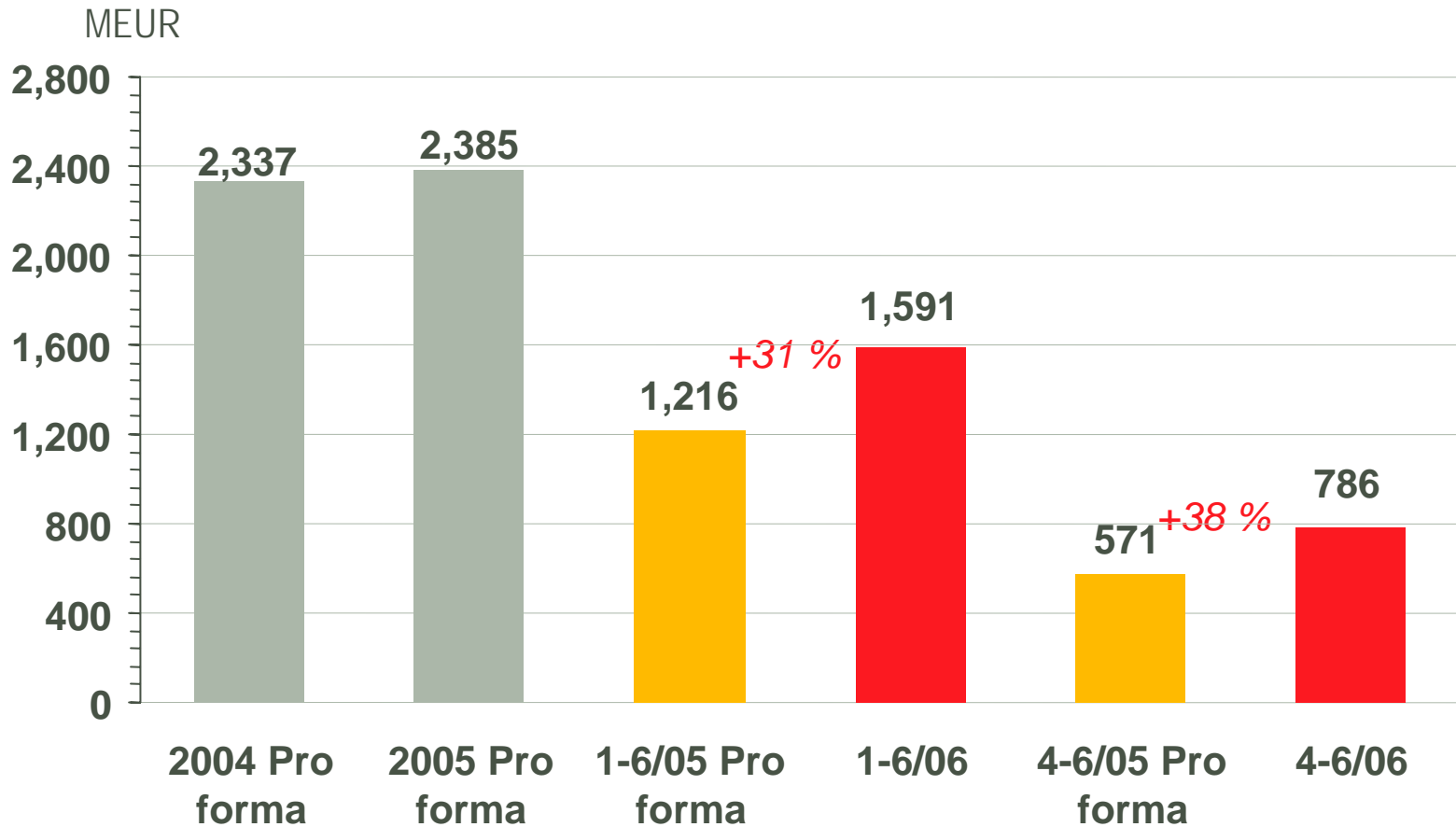
- Kalmar
 - Demand high for container handling equipment and services
 - Heavy industrial handling equipment markets stable



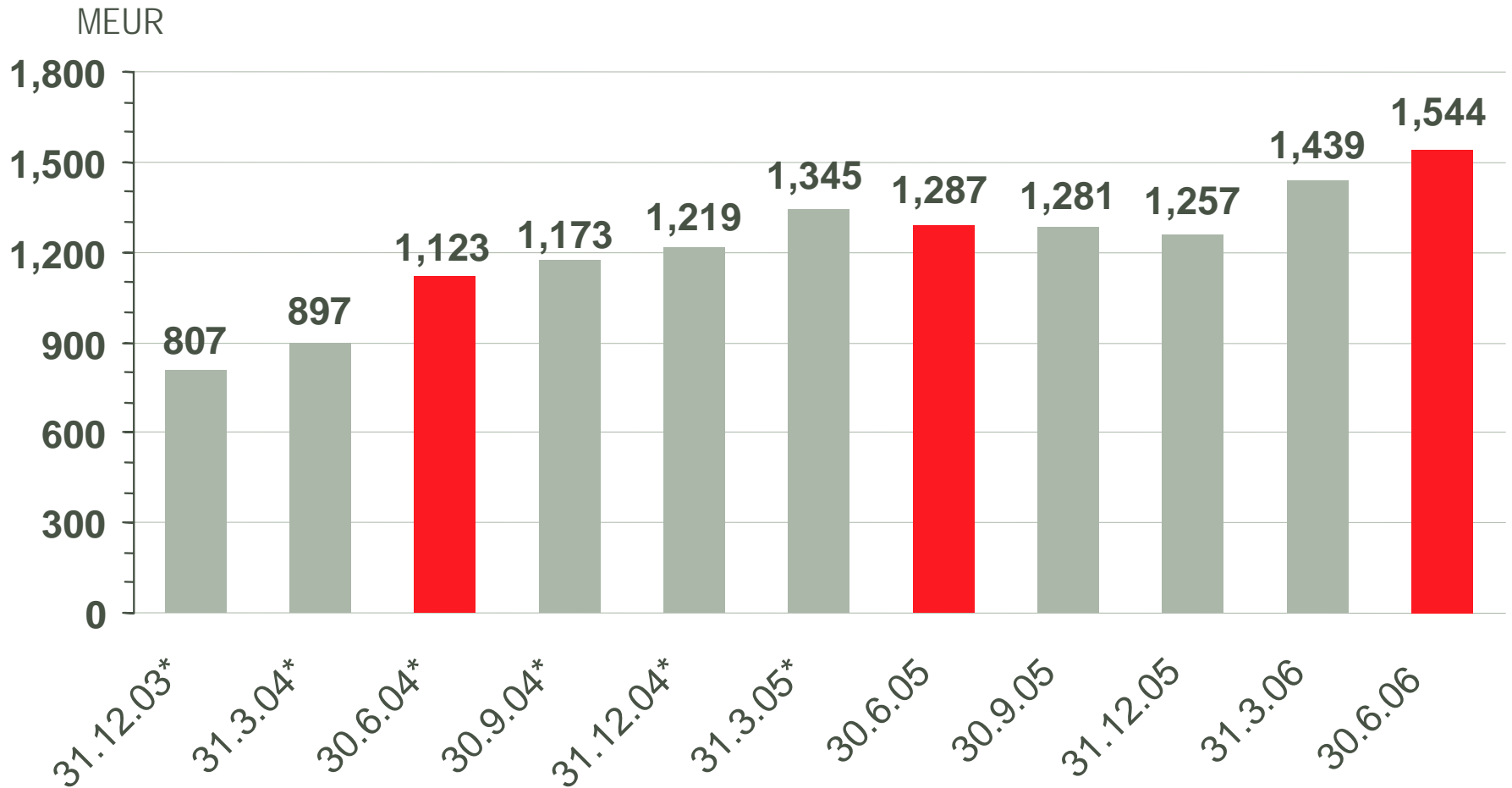
- MacGREGOR
 - Hatch cover, ship crane and cargo securing equipment markets continued lively
 - RoRo equipment demand for PCTCs was strong



Orders received

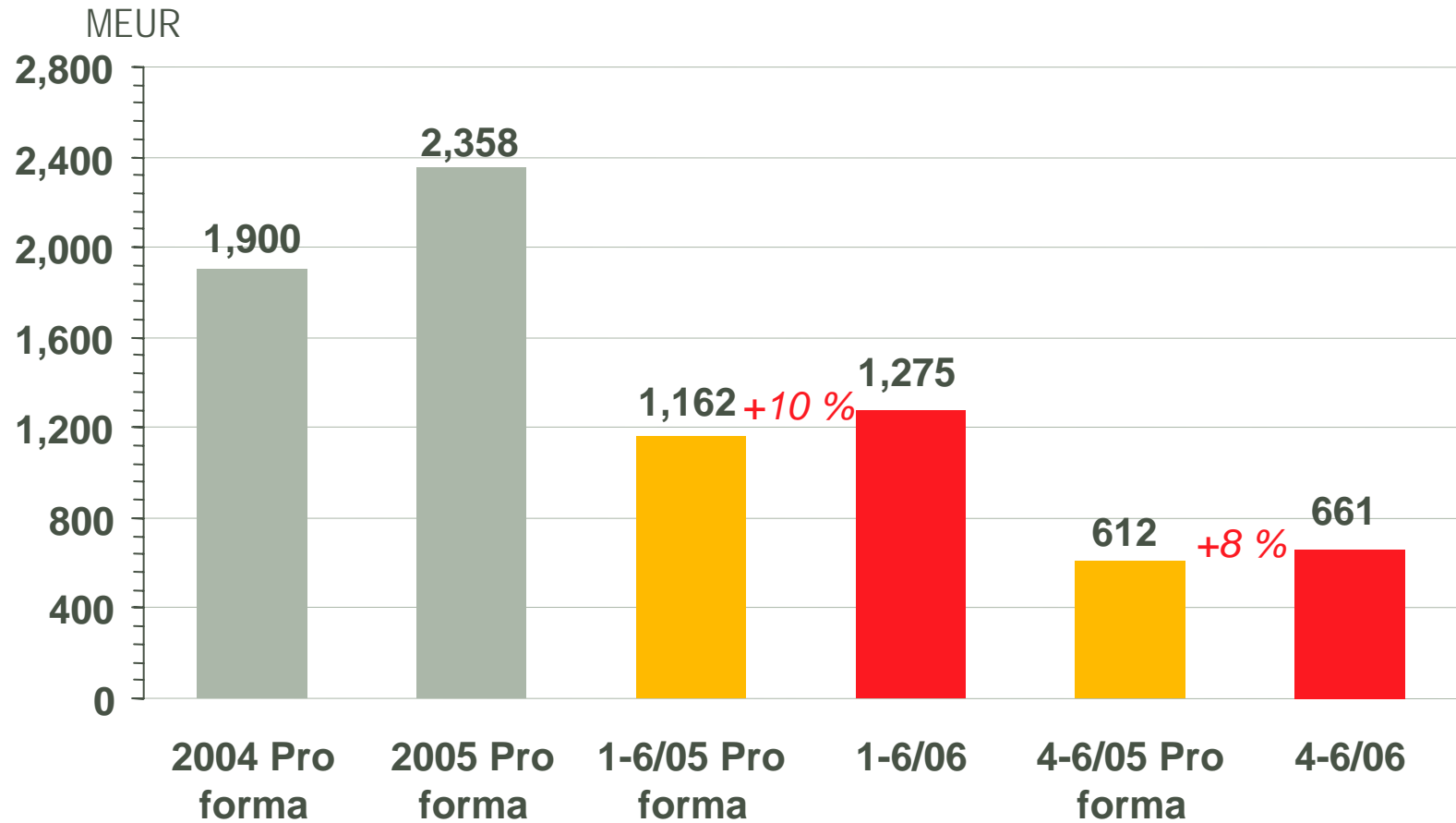


Order book

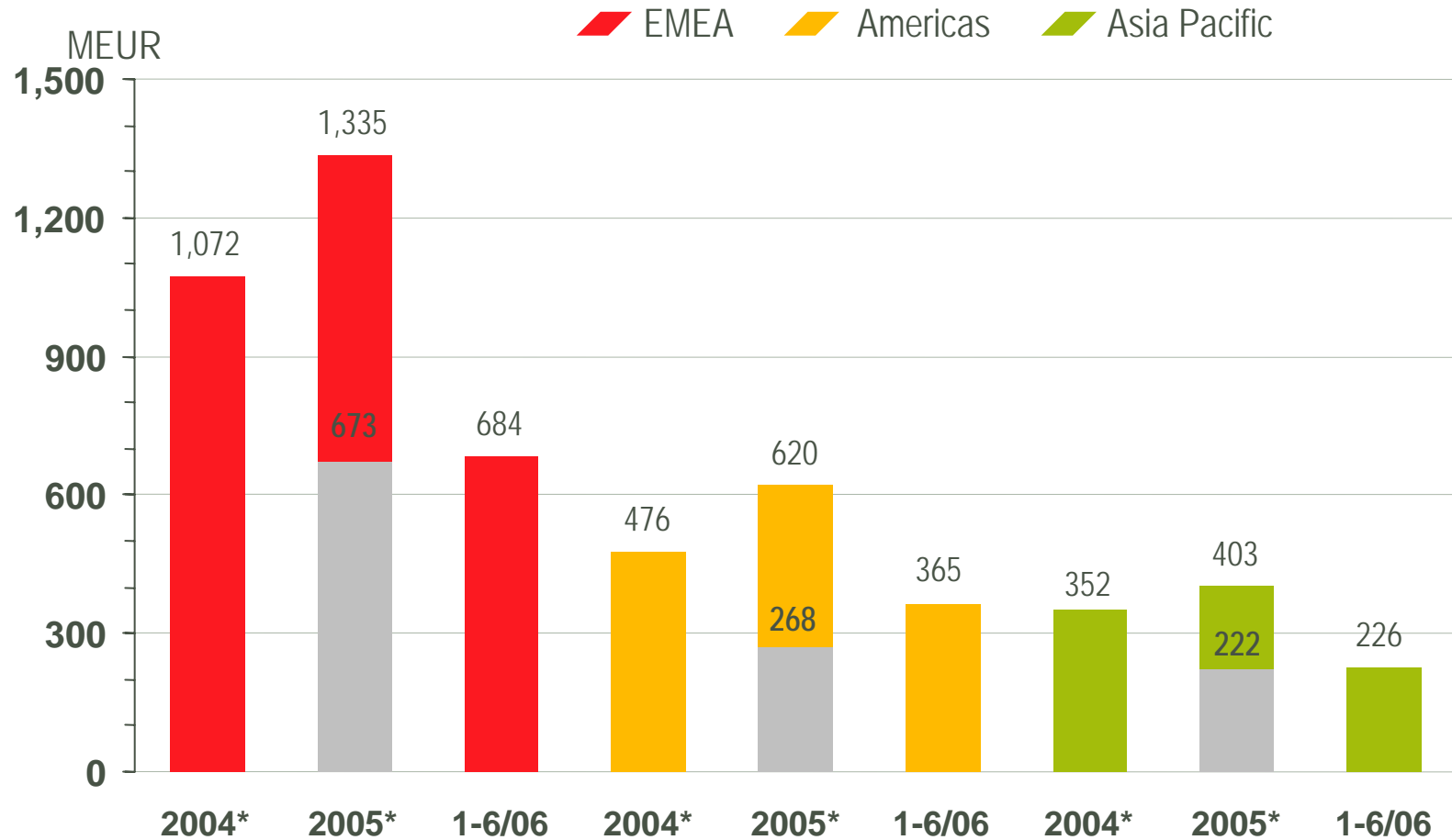


*Pro forma

Net sales

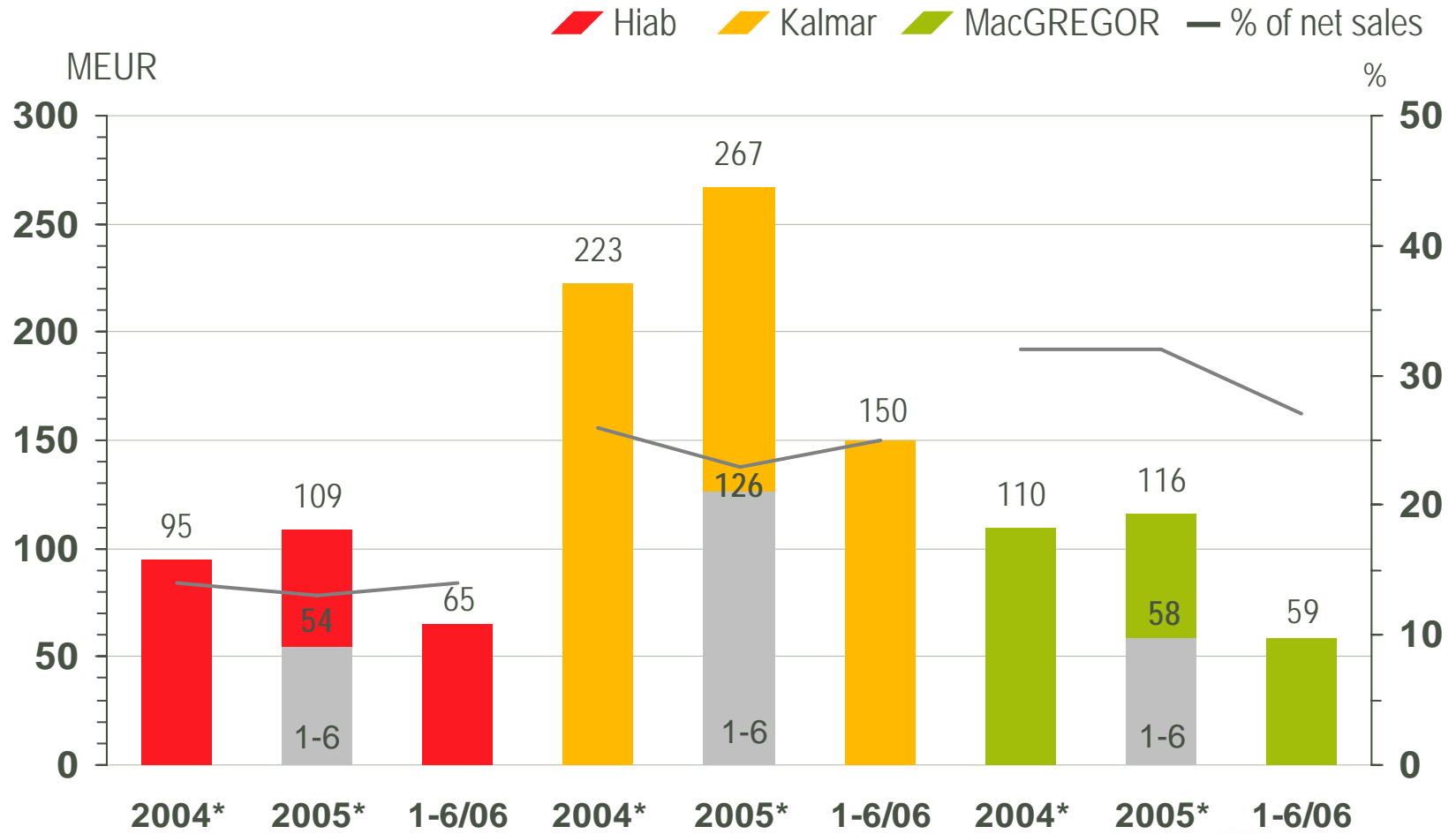


Geographical development of net sales



*Pro forma

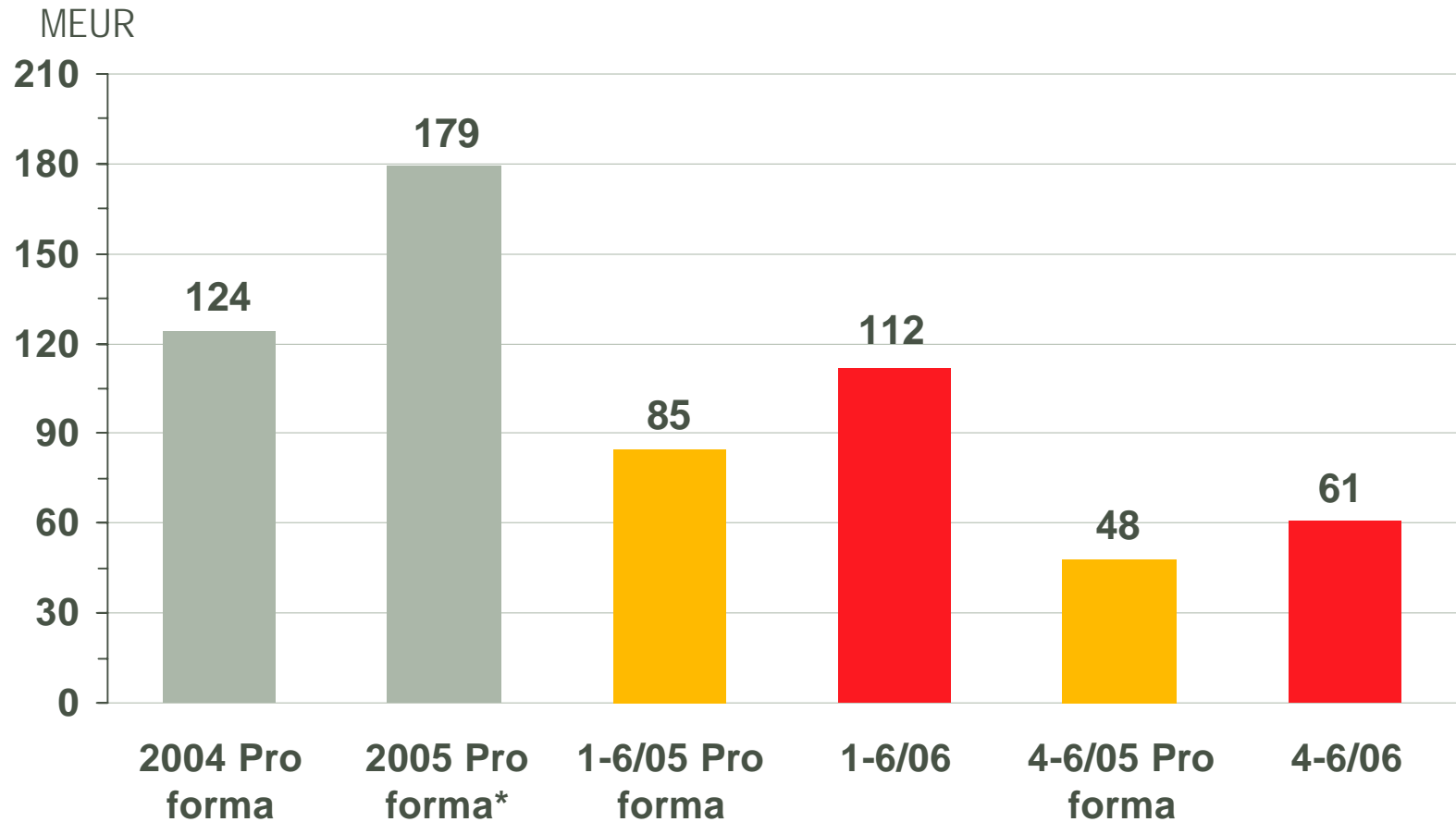
Services continued to grow



*Pro forma



Operating income



*Excluding EUR 15.4 million capital gain on sale of Consolis

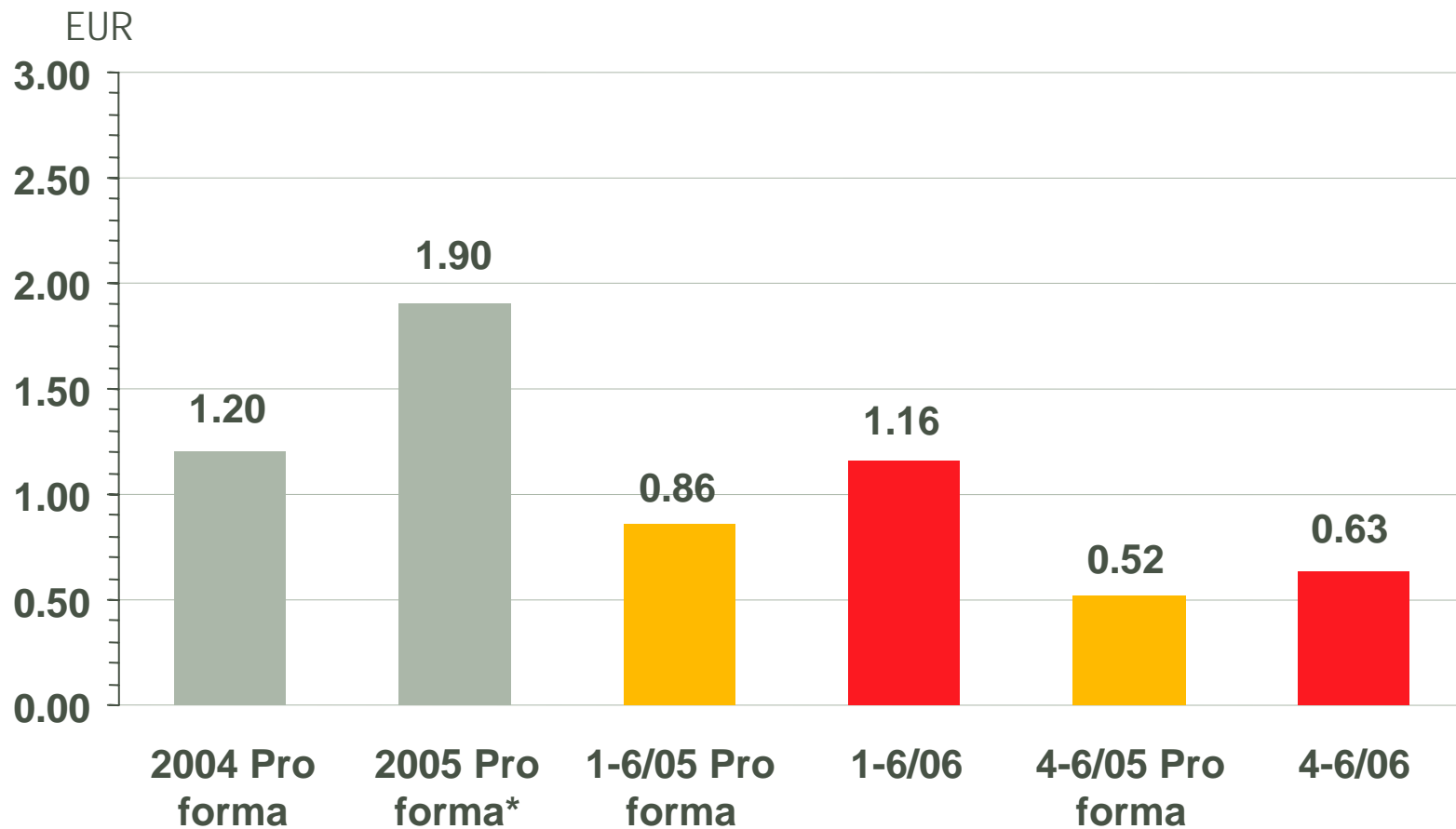
Operating income by business area

| MEUR | 4-6/2006 | 4-6/2005* | 1-6/2006 | 2005* | 2004* |
|-----------------------------|----------------------|----------------------|-----------------------|---------------------------|-----------------------|
| Hiab % | 23.4 9.9% | 18.2 8.2% | 45.9 9.8% | 66.6 7.9% | 44.6 6.4% |
| Kalmar % | 30.7 9.9% | 24.7 8.1% | 55.7 9.4% | 97.6 8.5% | 66.4 7.7% |
| MacGREGOR % | 10.3 8.9% | 7.7 8.8% | 16.5 7.6% | 27.5 7.5% | 20.9 6.2% |
| Cargotec total % | 60.7 9.2% | 48.2 7.9% | 111.7 8.8% | 179.4** 7.6%** | 123.9 6.5% |

*Pro forma

**Excluding EUR 15.4 million capital gain on sale of Consolis

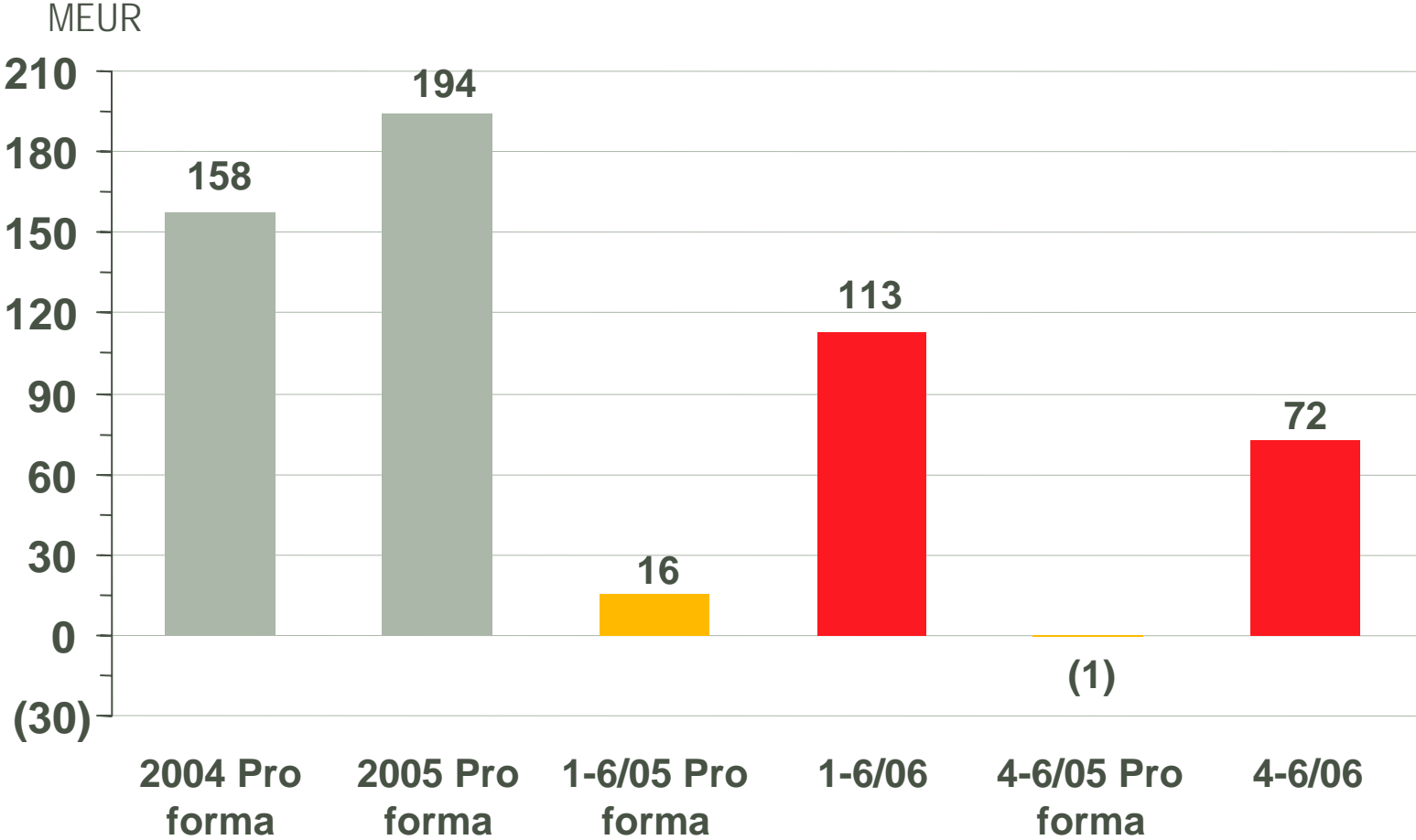
Earnings per share (basic)



*Excluding EUR 15.4 million capital gain on sale of Consolis



Cash flow from operations



Key figures

| | | 1-6/2006 | 2005* | 2004* |
|----------------------------|------|----------|--------|-------|
| Earnings per share | EUR | 1.16 | 1.90** | 1.20 |
| Equity per share | EUR | 12.58 | 11.93 | 10.17 |
| Interest-bearing net debt | MEUR | 129.4 | 120.5 | 281.4 |
| <hr/> | | | | |
| Total equity/total assets | % | 47.5 | 46.2 | 42.2 |
| Gearing | % | 16.0 | 15.7 | 43.0 |
| Return on equity | % | 18.9 | 19.2 | 12.6 |
| Return on capital employed | % | 20.9 | 20.9 | 12.9 |

*Pro forma

**Excluding EUR 15.4 million capital gain on sale of Consolis

Outlook

- Cargotec's market situation is expected to continue good.
- Following a record first half of the year the order intake during the second half of 2006 is expected to be at last year's healthy level.
- Due to the strong order book at the end of June Cargotec's net sales for year 2006 are estimated to exceed EUR 2.6 billion.
- The operating income margin from operations is estimated to exceed 8 percent.