Interim Report January–June 2010
Highlights of January–June report

• Market recovery continued in all segments

• Q2 order intake 55% up y-o-y

• Industrial & Terminal’s sales still down y-o-y due to low volumes in Terminal business

• Industrial & Terminal’s profitability turned positive

• Excellent deliveries and profitability in Marine

• Cash flow continued healthy
Market environment in January–June

• Recovery in demand for load handling equipment continued, however, market pick up varied from region to region and from customer segment to another

• Demand for container handling equipment in ports was still showing only tentative signs of recovery. However, first orders for large equipment were received while project demand still remained rather modest.

• The market for marine cargo handling equipment picked up more than expected. Shipyards succeeded in reselling capacity freed up by cancellations, which reflected positively in demand.

• Services markets were fairly quiet at the beginning of the year, however, signs of recovery, especially in spare parts, became visible during the second quarter.
## Key figures in January–June 2010

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Orders received, MEUR</td>
<td>732</td>
<td>471</td>
<td>55%</td>
<td>1,330</td>
<td>928</td>
<td>43%</td>
</tr>
<tr>
<td>Order book, MEUR</td>
<td>2,433</td>
<td>2,555</td>
<td>-5%</td>
<td>2,433</td>
<td>2,555</td>
<td>-5%</td>
</tr>
<tr>
<td>Sales, MEUR</td>
<td>638</td>
<td>678</td>
<td>-6%</td>
<td>1,193</td>
<td>1,353</td>
<td>-12%</td>
</tr>
<tr>
<td>Operating profit excl. restructuring, MEUR</td>
<td>38.8</td>
<td>3.0</td>
<td>54.6</td>
<td>18.0</td>
<td>61.3</td>
<td></td>
</tr>
<tr>
<td>Operating margin excl. restructuring, %</td>
<td>6.1</td>
<td>0.4</td>
<td>4.6</td>
<td>1.3</td>
<td>2.4</td>
<td></td>
</tr>
<tr>
<td>Operating profit, MEUR</td>
<td>37.2</td>
<td>-10.0</td>
<td>50.7</td>
<td>-3.9</td>
<td>0.3</td>
<td></td>
</tr>
<tr>
<td>Cash flow from operations, MEUR</td>
<td>80.5</td>
<td>47.2</td>
<td>127.0</td>
<td>106.8</td>
<td>289.7</td>
<td></td>
</tr>
<tr>
<td>Interest-bearing net debt, MEUR</td>
<td>308</td>
<td>467</td>
<td>308</td>
<td>467</td>
<td>335</td>
<td></td>
</tr>
<tr>
<td>Earnings per share, EUR</td>
<td>0.32</td>
<td>-0.12</td>
<td>0.45</td>
<td>-0.11</td>
<td>0.05</td>
<td></td>
</tr>
</tbody>
</table>
Q2: Industrial & Terminal’s order intake grew 34% y-o-y

MEUR

Q1 08  Q2 08  Q3 08  Q4 08  Q1 09  Q2 09  Q3 09  Q4 09  Q1 10  Q2 10

423
Q2: Marine’s order intake clearly stronger than expected
Q2: Marine sales grew 8% while Industrial & Terminal sales still 14% below y-o-y
Q2: Operating margin for Industrial & Terminal back in black

EBIT % excluding restructuring costs

2.0%
Q2: Marine profitability improved still thanks to high-margin deliveries
Gross profit development

%
Cash flow from operations healthy with strong Q2

• Net working capital decreased to EUR 96 (31 Dec 2009: 123) million
Services sales turned to slight growth

- H1 2010: Service 28% of total sales
- Orders received increased by a quarter y-o-y
Clear improvement in earnings per share

<table>
<thead>
<tr>
<th>Period</th>
<th>Basic earnings per share EUR</th>
</tr>
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<tbody>
<tr>
<td>H1 06</td>
<td>1.60</td>
</tr>
<tr>
<td>H2 06</td>
<td>1.40</td>
</tr>
<tr>
<td>H1 07</td>
<td>1.20</td>
</tr>
<tr>
<td>H2 07</td>
<td>1.00</td>
</tr>
<tr>
<td>H1 08</td>
<td>0.80</td>
</tr>
<tr>
<td>H2 08</td>
<td>0.60</td>
</tr>
<tr>
<td>H1 09</td>
<td>0.40</td>
</tr>
<tr>
<td>H2 09</td>
<td>0.20</td>
</tr>
<tr>
<td>H1 10</td>
<td>0.00</td>
</tr>
</tbody>
</table>
EMEA and APAC almost equal in size by sales

Sales by reporting segment H1 2010, %
- Equipment: 81% (77%)
- Services: 19% (23%)

Sales by geographical segment H1 2010, %
- Equipment: 65% (73%)
- Services: 35% (27%)

Marine

Industrial & Terminal

APAC

Americas

EMEA

21 Jul 2010
Cargotec’s key priorities in 2010

• Preparing for growth strategy
• Focused research & development
• Service concept development
• Ensuring accomplishment of efficiency targets
Elements of operating profit improvement in 2010

- Cost savings
- Increased volume in Industrial
- Profitability in Marine projects
- Higher corporate costs y-o-y
- Production ramp-up in early year
- Slow recovery in service
- Price development in markets
- Currencies
Outlook

• Cargotec continues to estimate 2010 consolidated sales to be on 2009 level for both Industrial & Terminal and Marine segments and consolidated operating profit to exceed EUR 100 million.

• The recovery in the market environment and the resulting growth in order volumes support growth in Industrial. The sales of Terminal are expected to fall short of 2009 levels due to the slower recovery of these markets, as second half orders will have a minor effect on full-year sales due to delivery times.

• Based on the healthy first half development, strong order book and new orders received still to be delivered during 2010, sales in Marine will reach year 2009 level.
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