January–June 2011 interim report
Highlights of January–June 2011 report

• Market activity up in both segments and all geographies

• Q2 order intake grew 4% and sales grew 25% y-o-y

• Q2 operating profit margin increased to 6.8%

• Cash flow remained healthy

• Global competence centre for container terminals development established in Singapore
Market environment in January–June 2011

• The load handling equipment market developed positively. Demand for loader cranes, truck-mounted forklifts and tail lifts in particular grew rapidly. Recovery remained weak in construction-related customer segments in United States.

• The revival in demand in container handling equipment for ports can be seen in the high level of activity. Demand for rubber-tyred gantry cranes in particular was strong on the back of improved activity of larger projects.

• Demand for marine cargo handling equipment remained at a healthy level. Demand was driven by the large number of bulk vessels ordered last year.

• Services markets improved mainly in load handling and terminals throughout the first half. In addition to growth in spare parts, demand for various refurbishment and modernisation projects increased clearly.
## Key figures in January–June 2011

<table>
<thead>
<tr>
<th></th>
<th>Q2 11</th>
<th>Q2 10</th>
<th>Change</th>
<th>1-6/11</th>
<th>1-6/10</th>
<th>Change</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders received, MEUR</td>
<td>761</td>
<td>732</td>
<td>4 %</td>
<td>1,580</td>
<td>1,330</td>
<td>19 %</td>
<td>2,729</td>
</tr>
<tr>
<td>Sales, MEUR</td>
<td>795</td>
<td>638</td>
<td>25 %</td>
<td>1,558</td>
<td>1,193</td>
<td>31%</td>
<td>2,575</td>
</tr>
<tr>
<td>Operating profit, MEUR</td>
<td>54.0</td>
<td>37.2</td>
<td></td>
<td>104.6</td>
<td>50.7</td>
<td></td>
<td>131.4</td>
</tr>
<tr>
<td>Operating profit margin, %</td>
<td>6.8</td>
<td>5.8</td>
<td></td>
<td>6.7</td>
<td>4.2</td>
<td></td>
<td>5.1</td>
</tr>
<tr>
<td>Cash flow from operations, MEUR</td>
<td>35.4</td>
<td>80.5</td>
<td></td>
<td>71.6</td>
<td>127.0</td>
<td></td>
<td>292.9</td>
</tr>
<tr>
<td>Interest-bearing net debt, MEUR</td>
<td>335</td>
<td>308</td>
<td></td>
<td>335</td>
<td>308</td>
<td></td>
<td>171</td>
</tr>
<tr>
<td>Earnings per share, EUR</td>
<td>0.69</td>
<td>0.32</td>
<td></td>
<td>1.28</td>
<td>0.45</td>
<td></td>
<td>1.21</td>
</tr>
</tbody>
</table>
Q2: Industrial & Terminal’s order intake grew 21% y-o-y

- 52% of orders from EMEA
- Orders grew strongest in APAC
Q2: Marine’s order intake continued healthy

- 71% of orders from APAC
- Exceptionally high demand for equipment for bulk ships in comparison period
- Offshore showing signs of recovery
Q2: Industrial & Terminal sales grew 34% and Marine sales 12% y-o-y
Q2: Industrial & Terminal operating margin improvement slowed down by cost increases
Q2: Marine’s profitability very strong

EBIT% Q1/08–Q4/10 excluding restructuring costs

21 Jul 2011
Gross profit development
Cash flow from operations remained healthy

- Net working capital increased to EUR 111 million due to increased volumes
Services sales recovering slowly

- Services sales 23 (27) percent of total sales
- In addition to spare parts, demand for various refurbishment and modernisation projects
Earnings per share continued to improve

<table>
<thead>
<tr>
<th>Year</th>
<th>Basic earnings per share</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>2.57 EUR</td>
</tr>
<tr>
<td>2007</td>
<td>2.17 EUR</td>
</tr>
<tr>
<td>2008</td>
<td>1.91 EUR</td>
</tr>
<tr>
<td>2009</td>
<td>0.05 EUR</td>
</tr>
<tr>
<td>2010</td>
<td>1.21 EUR</td>
</tr>
<tr>
<td>Q1/10</td>
<td>0.13 EUR</td>
</tr>
<tr>
<td>Q2/10</td>
<td>0.32 EUR</td>
</tr>
<tr>
<td>Q1/11</td>
<td>0.59 EUR</td>
</tr>
<tr>
<td>Q2/11</td>
<td>0.69 EUR</td>
</tr>
</tbody>
</table>
EMEA is slightly bigger market area than APAC

Sales by reporting segment 1-6/2011, %

- Equipment: 85% (83)
- Services: 15% (17)

Sales by geographical segment 1-6/2011, %

- Equipment: 71% (65)
- Services: 29% (35)
- Americas: 19% (18)
- APAC: 39% (40)
- EMEA: 42% (42)
Strategic focus areas 2011–2015

Customers and customer segments
- Improve knowledge of customer needs
- Invest in attractive customer segments
- Decide which segments to keep and which to divest

Services
- Spare parts logistics
- Regional distribution centres
- Growing up in the value chain towards more preventive maintenance
- Support customers’ operations outsourcing

Emerging markets
- Position in Chinese market
- Develop other growth markets (India, Brazil, Russia and Africa)
- Acquisitions, partnerships, organic growth

Internal clarity
- Common processes
- Harmonisation of information systems
- Further development of I&T organisation
Cargotec’s key priorities in 2011

- Responding to growing demand
- Service growth and service network expansion
- Customer segments
- Position in Chinese market
- Cargotec ERP
Outlook

• Cargotec’s 2011 sales are estimated to grow approximately 20 percent.

• Healthy first half order intake both in Industrial & Terminal and Marine segments together with the recovery in the market situation support a more positive growth expectation. Sales growth and significant efficiency improvement measures executed during the past years support profitability, but there is cost pressure on the markets.

• Cargotec’s 2011 operating profit margin is estimated to be approximately 7 percent.
we keep cargo on the move™