January–September 2012 interim report

Eeva Sipilä, Executive Vice President, CFO, 25 October 2012
Highlights of Q3

- Order intake decreased 11% y-o-y to EUR 719 (811) million
- Sales grew 5% y-o-y to EUR 794 (753) million
- Operating profit margin was 4.9%
  - Focus on improving profitability, restructuring measures launched
- Cash flow from operations positive totalling EUR 34.2 (6.4) million
- New outlook guides for approximately 5% operating profit margin excluding non-recurring cost for 2012
## January–September key figures

<table>
<thead>
<tr>
<th></th>
<th>Q3 12</th>
<th>Q3 11</th>
<th>Change</th>
<th>Q1-Q3/12</th>
<th>Q1-Q3/11</th>
<th>Change</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders received, MEUR</td>
<td>719</td>
<td>811</td>
<td>-11%</td>
<td>2,348</td>
<td>2,391</td>
<td>-2%</td>
<td>3,233</td>
</tr>
<tr>
<td>Order book, MEUR</td>
<td>2,312</td>
<td>2,349</td>
<td>-2%</td>
<td>2,312</td>
<td>2,349</td>
<td>-2%</td>
<td>2,426</td>
</tr>
<tr>
<td>Sales, MEUR</td>
<td>794</td>
<td>753</td>
<td>5%</td>
<td>2,437</td>
<td>2,310</td>
<td>5%</td>
<td>3,139</td>
</tr>
<tr>
<td>Operating profit, MEUR*</td>
<td>39.0</td>
<td>54.4</td>
<td>-28%</td>
<td>117.7</td>
<td>159.1</td>
<td>-26%</td>
<td>207.0</td>
</tr>
<tr>
<td>Operating profit margin, %*</td>
<td>4.9</td>
<td>7.2</td>
<td>4.8</td>
<td>6.9</td>
<td>6.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash flow from operations, MEUR</td>
<td>34.2</td>
<td>6.4</td>
<td>6.4</td>
<td>78.0</td>
<td>166.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest-bearing net debt, MEUR</td>
<td>485</td>
<td>362</td>
<td>485</td>
<td>362</td>
<td>299</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Earnings per share, EUR</td>
<td>0.41</td>
<td>0.58</td>
<td>1.31</td>
<td>1.86</td>
<td>2.42</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*excluding restructuring
Marine Q3 – challenging market environment

- Profitability at healthy level
- Low ship ordering reflected in demand for marine cargo handling equipment.
- Demand for marine cargo handling equipment for offshore support vessels remained healthy.
- Sales declined 16 percent from the comparison period.
- Delivery postponements over the year-end
- Services sales grew slightly
Terminals Q3 – two major port equipment orders from Australia

- Demand for large projects and automation solutions remained brisk.
- Orders at the level of the comparison period
- Sales grew 27% y-o-y.
- Profitability was 3.6%
  - Cost overruns on large deliveries
  - Low relative share of services
  - Investment in port automation technology
- Focus on profitability and project execution

![Graph showing orders, sales, and EBIT% for Q3/11 to Q3/12.](image)
Load Handling Q3 – profitability rebounded from Q2

- Demand for load handling equipment in Europe weakened following the general economic uncertainty, and remained strong in the US.
- Orders grew 8% y-o-y.
- Sales grew 7% y-o-y.
- Profitability was 3.1% rebounding from Q2 as expected.
- Focus on profitability
Cash flow from operations positive
Services sales grew 3% y-o-y
Balanced geographical split in sales

Sales by reporting segment 1-9/2012, %

- Equipment: 84% (86)
- Services: 16% (14)

Sales by geographical segment 1-9/2012, %

- Equipment: 72% (72)
- Services: 28% (28)

- Americas: 24% (20)
- APAC: 36% (40)
- EMEA: 39% (41)
Cargotec’s ongoing actions

- **Interim President and CEO**
- **New more business-focused structure**
- **Employee cooperation negotiations**
  - Could result in a reduction of around 245 man-years globally
- **Centralisation of reachstacker and empty container handler production from Lidhult, Sweden, to Stargard Szczecinski, Poland**
  - Could result in a reduction of around 130 employees
- **Business areas will be named after their industry leading brand names MacGregor, Kalmar and Hiab**
Outlook

- Cargotec’s operating profit margin for 2012 is expected to be approximately 5 percent excluding non-recurring costs.

- Sales are expected to grow from 2011.