CARGOTEC
Financial statements review 2014

10 February 2015

Mika Vehviläinen, President and CEO

Eeva Sipilä, Executive Vice President, CFO
Highlights of Q4

- Orders declined 5% y-o-y and totalled EUR 914 (958) million
- Order book strengthened 11% y-o-y to EUR 2,200 (1,980) million
- Sales grew 5% y-o-y to EUR 963 (914) million
- Operating profit excluding restructuring costs was EUR 71.5 (38.6) million or 7.4 (4.2)% of sales
- Operating profit was EUR 63.0 (15.3) million
- Cash flow from operations was EUR 84.0 (133.9) million
- New operating model in Hiab to accelerate growth
- Dividend proposal EUR 0.55/B share
## January–December key figures

<table>
<thead>
<tr>
<th></th>
<th>Q4/14</th>
<th>Q4/13</th>
<th>Change</th>
<th>Q1-Q4/14</th>
<th>Q1-Q4/13</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders received, MEUR</td>
<td>914</td>
<td>958</td>
<td>-5%</td>
<td>3,599</td>
<td>3,307</td>
<td>9%</td>
</tr>
<tr>
<td>Order book, MEUR</td>
<td>2,200</td>
<td>1,980</td>
<td>11%</td>
<td>2,200</td>
<td>1,980</td>
<td>11%</td>
</tr>
<tr>
<td>Sales, MEUR</td>
<td>963</td>
<td>914</td>
<td>5%</td>
<td>3,358</td>
<td>3,181</td>
<td>6%</td>
</tr>
<tr>
<td>Operating profit, MEUR*</td>
<td>71.5</td>
<td>38.6</td>
<td>85%</td>
<td>149.3</td>
<td>126.5</td>
<td>18%</td>
</tr>
<tr>
<td>Operating profit margin, %*</td>
<td>7.4</td>
<td>4.2</td>
<td></td>
<td>4.4</td>
<td>4.0</td>
<td></td>
</tr>
<tr>
<td>Cash flow from operations, MEUR</td>
<td>84.0</td>
<td>133.9</td>
<td></td>
<td>204.3</td>
<td>180.9</td>
<td></td>
</tr>
<tr>
<td>Interest-bearing net debt, MEUR</td>
<td>719</td>
<td>578</td>
<td></td>
<td>719</td>
<td>578</td>
<td></td>
</tr>
<tr>
<td>Earnings per share, EUR</td>
<td>0.63</td>
<td>0.12</td>
<td></td>
<td>1.11</td>
<td>0.89</td>
<td></td>
</tr>
</tbody>
</table>

*excluding restructuring costs
Performance development

**Order Development**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q4/13</th>
<th>Q1/14</th>
<th>Q2/14</th>
<th>Q3/14</th>
<th>Q4/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>MEUR</td>
<td>958</td>
<td>914</td>
<td>914</td>
<td>914</td>
<td>963</td>
</tr>
</tbody>
</table>

**Sales**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q4/13</th>
<th>Q1/14</th>
<th>Q2/14</th>
<th>Q3/14</th>
<th>Q4/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>MEUR</td>
<td>800</td>
<td>600</td>
<td>400</td>
<td>200</td>
<td>0</td>
</tr>
</tbody>
</table>

**Operating Profit**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q4/13</th>
<th>Q1/14</th>
<th>Q2/14</th>
<th>Q3/14</th>
<th>Q4/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>MEUR</td>
<td>38.6</td>
<td>4.2</td>
<td>71.5</td>
<td>7.4</td>
<td></td>
</tr>
</tbody>
</table>

*excluding restructuring costs
MacGregor Q4 – first quarter of organic growth in three years

- Order intake declined 16% y-o-y to EUR 304 (361) million
  - Contribution of acquired businesses EUR 121 (25) million
- Order book grew 15% y-o-y
- Market for marine cargo handling equipment remained stable
- Offshore cargo handling equipment market remained stable, but steep fall in oil price increased uncertainty in market
- Demand for services was satisfactory
- Sales grew 38% y-o-y to EUR 301 (218) million
  - Contribution of acquired businesses EUR 61 (18) million
  - Organic growth 20%
- Profitability excluding restructuring costs was 8.0%
  - Restructuring costs EUR 1.9 million
  - PPA depreciation and amortisation EUR 2.5 million (EUR 10.0 million in 2014)
Kalmar Q4 – healthy development continued

- Demand for mobile equipment was strong and customers’ interest in automation solutions increased thanks to successful deliveries.

- Demand remained steady in Europe, but grew in North America, particularly from distribution centres. Activity also picked up in Asia towards the year-end.

- Demand for services was healthy.

- Order intake increased 6% y-o-y to EUR 378 (357) million.

- Sales declined 3% y-o-y to EUR 452 (468) million.

- Profitability excluding restructuring costs was 7.6%.
  - Restructuring costs EUR 0.7 million.

*excluding restructuring costs
Hiab Q4 – profitability improved further

- Demand for load handling equipment was satisfactory throughout the year
  - Activity level stable in Europe and healthy in North America with demand picking further up towards the year-end
- Demand for services was healthy
- Orders declined 4% y-o-y to EUR 232 (241) million
- Sales declined 8% y-o-y to EUR 211 (229) million
- Profitability excluding restructuring costs was 8.4%
  - Restructuring costs EUR 5.9 million

![Graph showing orders, sales, and operating profit% for Q4/13 to Q4/14](image)
Cash flow from operations strengthened towards year-end

![Cash flow diagram](image-url)
Acquisitions increased MacGregor’s share in portfolio

Sales by reporting segment 2014, %

- Equipment 78 (82)%
- Services 22 (18)%

Sales by geographical segment 2014, %

- Americas 27% (25)
- APAC 30% (31)
- EMEA 43% (44)
Earnings per share and dividend (B share)

* Dividend proposal by the Board of Directors
Cargotec’s must wins 2015–

- Driving Hiab to best in class profitability and capital return
- Driving MacGregor profitability over the cycle through better effectiveness
- Safeguarding competitiveness in mobile equipment in Kalmar
- Driving services offering development and growth in MacGregor and Kalmar
- Driving growth in automation in Kalmar
Outlook

- Cargotec’s 2015 sales are expected to grow from 2014 (3,358 MEUR).

- Operating profit excluding restructuring costs for 2015 is expected to improve from 2014 (149.3 MEUR).