





Q2 Interim report
January–June 2008

President and CEO Mikael Mäkinen

July 17, 2008

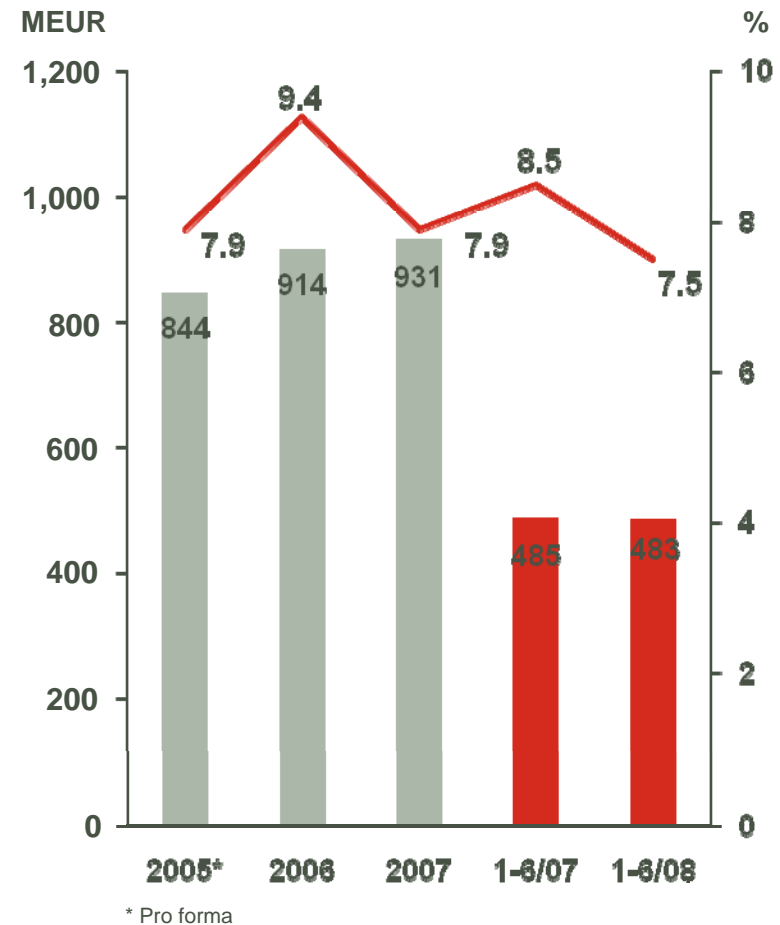
Key issues in January–June 2008

- Orders received grew over 16% to EUR 2,168 (1,864) million
- Sales grew 13% and rose to EUR 1,627 (1,437) million
- Organic growth was 9%
- Services development continued strong with growth of 15%
- Operating profit was EUR 107.3 (104.3) million, representing 6.6 (7.3)% operating margin.



Hiab – mixed market environment

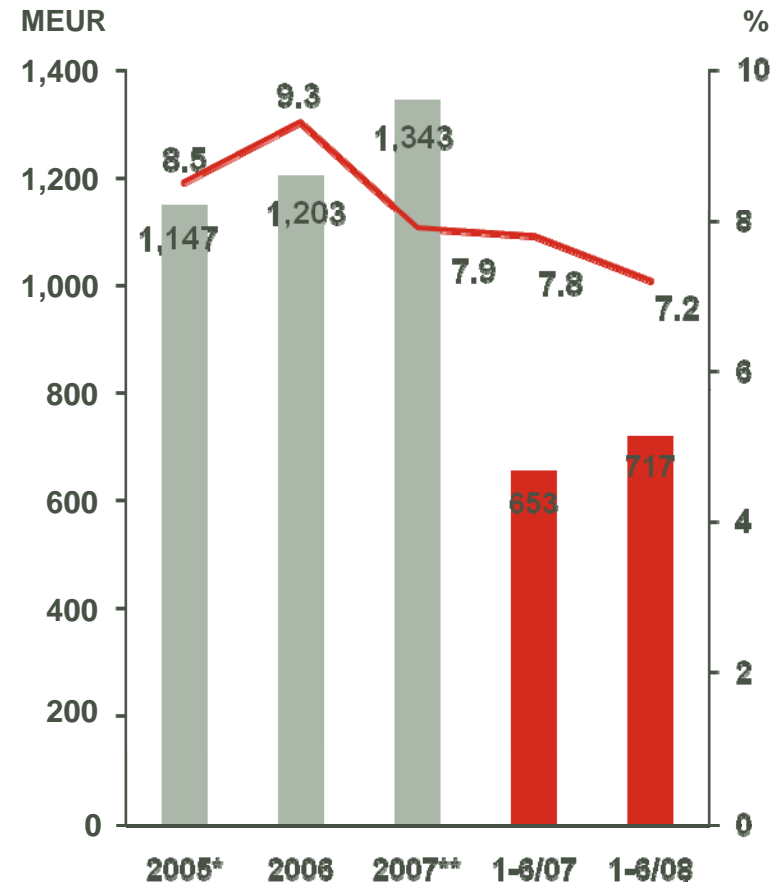
- Markets for load handling equipment strong in Central and Northern Europe but slackened in some Western European countries. Southern Europe weak.
- Demand for demountable systems in waste handling strong
- Profitability challenged by increase in raw material and component prices



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Kalmar – profitability developing according to plan

- Markets for container handling equipment were lively
- Order intake grew 12%
- RTG and reachstacker markets especially active
- Operating margin improved from 6.0% in the first quarter to 8.2% in the second quarter
- Pro Future concept launched



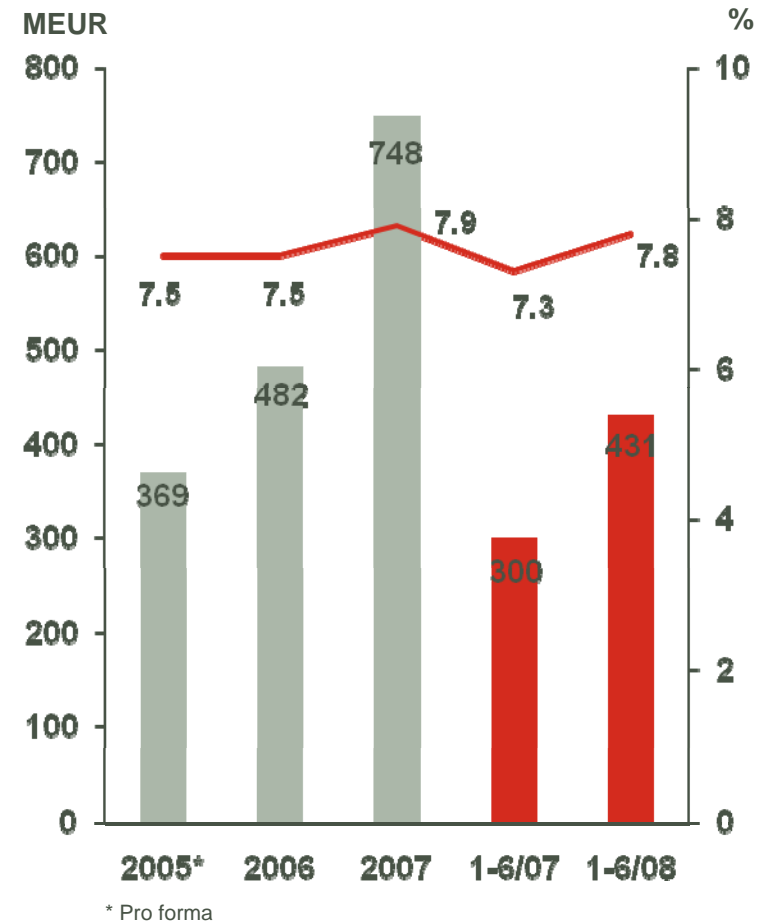
* Pro forma

** Excluding a one-off cost of EUR 18 million related to a container spreader inspection program



MacGREGOR – order intake still strong

- Demand for marine cargo systems and offshore solutions continued extremely strong
- An estimated 80% of EUR 2.3 billion order book will be delivered by the end of 2010
- Operating margin improving following better project mix and strong growth



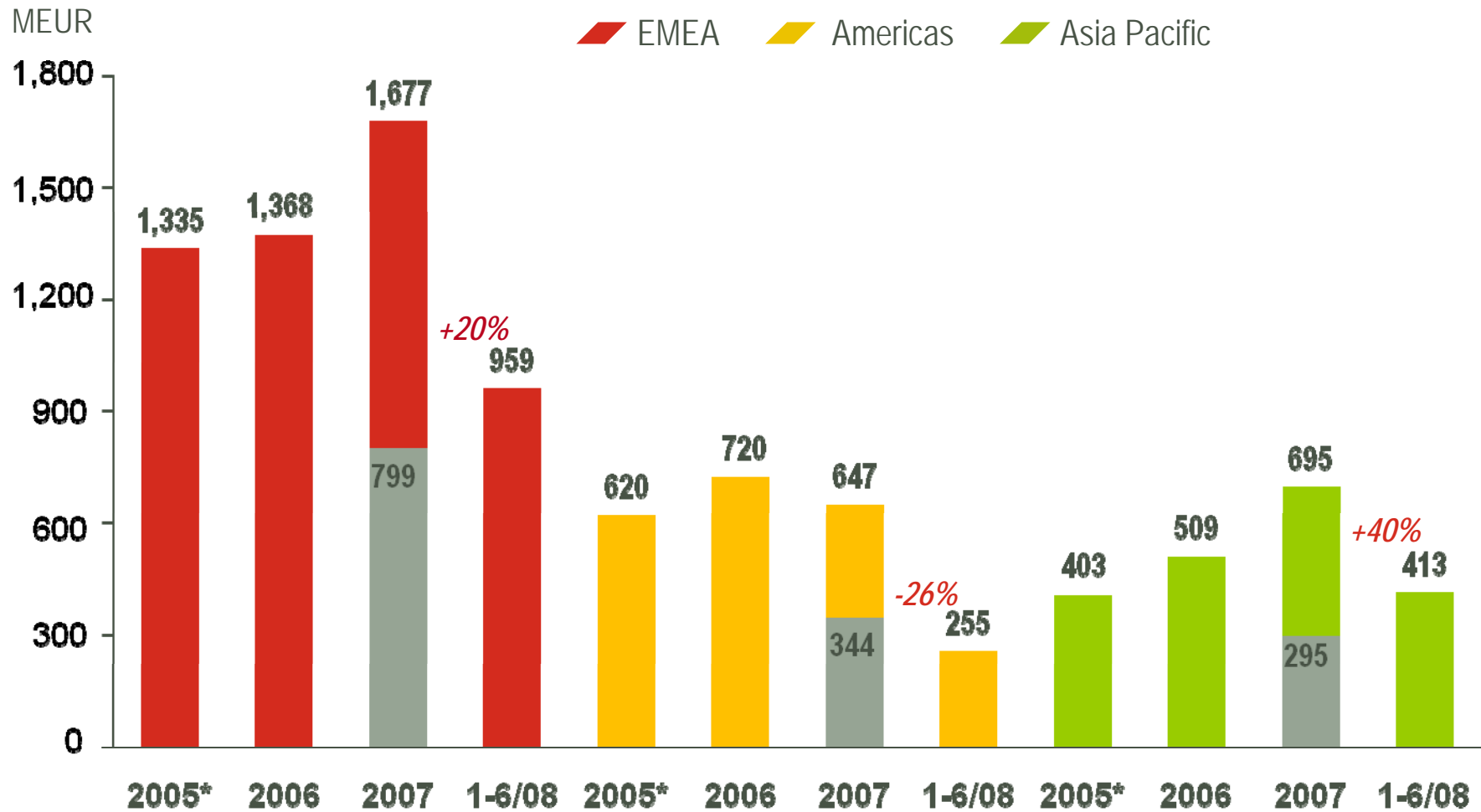
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Services – strong growth continued

- Demand for services continued to be active
- Conversion projects launched successfully
- Several maintenance contracts for container handling equipment signed
- Service sales represented 25% of total sales

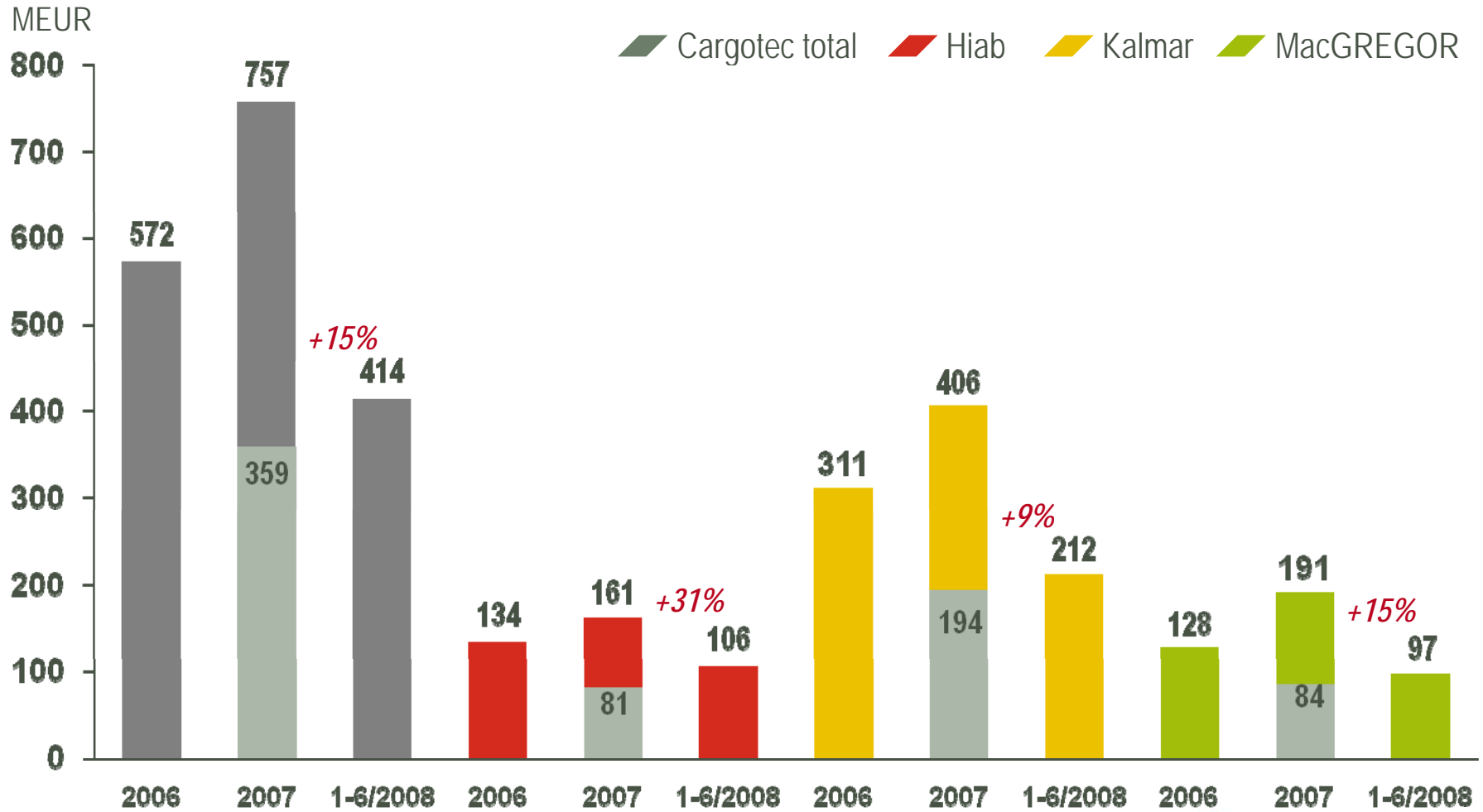


Geographical sales growth – strong growth in Asia



*Pro forma

Services grew by 15%



Operating profit from operations by business area

MEUR	1-6/2008	1-6/2007	2007	2006	Pro forma 2005
Hiab	36.2	40.9	73.8	86.6	66.7
%	7.5%	8.5%	7.9%	9.5%	7.9%
Kalmar	51.7	50.8	105.5*	111.8	97.8
%	7.2%	7.8%	7.9%*	9.3%	8.5%
MacGREGOR	33.8	22.0	59.4	36.1	27.6
%	7.8%	7.3%	7.9%	7.5%	7.5%
Corporate admin and others	-14.4	-9.5	-17.5	-11.9	-12.3
Cargotec total	107.3	104.3	221.1*	222.6**	179.8
%	6.6%	7.3%	7.3%*	8.6%**	7.6%

*Excluding a one-off cost of EUR 18 million in Kalmar business area related to a container spreader inspection and repair programme

**Excluding capital gain



Key figures

	1-6/2008	1-6/2007	2007	2006	Pro forma 2005
Basic earnings per share, EUR	1.11	1.17	2.17	2.57	2.11
Equity per share, EUR	14.38	13.82	14.29	13.72	11.93
Interest-bearing net debt, MEUR	370.1	344.3	303.6	107.5	120.5
Total equity/total assets, %	36.9	40.4	38.3	47.6	46.2
Gearing, %	41.0	39.0	33.9	12.3	15.7
Return on equity, %	15.6	17.0	15.6	20.2	19.2
Return on capital employed, %	15.7	17.7	16.8	23.1	20.9
Cash flow from operations	94.7	83.4	235.1	249.8	194.1

Acquisitions so far in 2008

- Australian **O'Leary's Material Handling Services**, the leading supplier of tail lifts in Western Australia. Sales of EUR 2.6 million and 24 people.
- **Del Equipment** and **Ultron Lift Corp.** manufacturing tail lifts in UK and US. Sales of EUR 23 million and 164 people.
- Italian **Idea Designing & Consulting** to strengthen R&D capabilities. 10 people for product design.
- South African **Bowman Cranes**, Hiab's long-term agent for supply, installation and services. Sales of EUR 18 million and 70 people.
- US based **Platform Crane Services International** for offshore services. Sales of USD 16 million and 105 people.
- New Zealand **Zepro Tailgate** Ltd, Hiab's long-term distributor for tail lifts. In addition to tail lift sales, the business comprises installation, repairs, maintenance and spare parts sales.



On the Move change programme

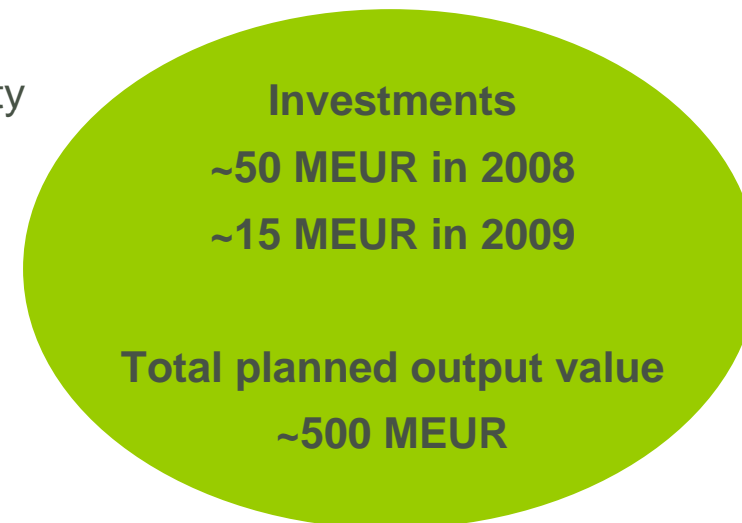
- The projects in the first phase focused on streamlining support functions and company structure as well as initiating IT projects that improve efficiency
 - In Finland and Sweden all operations will be transferred to one company per country at the year-end
 - Company structure analysis expanded to several countries
- Tighter timetable, projects started expected to incur costs of approx. EUR 10 million in 2008
- Going forward focus on developing the global supply footprint

Globalisation of supply footprint – ongoing projects

- **Shanghai, China** – expansion of load and container handling capacity at shared site
- **Tianjin, China** – new facility for offshore equipment opened in March 2008
- **Singapore** – start of offshore crane production
- **Korea** – doubling loader crane capacity
- **Malaysia** – expansion of spreader capacity

- **Narva, Estonia** – increase in component production

- **Texas, US** – new capacity for container handling





Outlook

- Cargotec continues to expect full year sales growth in 2008 to be at the previous year's level as a result of the strong order intake and record-high order book.
- Kalmar and MacGREGOR profitability is estimated to develop positively in line with earlier expectations. However, the uncertainty on the European market outlook for Hiab has considerably increased.
- Cargotec's 2008 operating margin is still estimated to improve from previous year's 7.3 percent, but the uncertainty in Hiab's outlook and costs of the accelerated On the Move change programme are expected to result in the operating margin remaining below 8 percent.



Questions & Answers

- Mr. Mikael Mäkinen, President and CEO
- Mr. Kari Heinistö, Deputy CEO
- Ms. Eeva Mäkelä, CFO
- Ms. Tiina Naumanen, SVP Corporate Control