

CARGOTEC

President and CEO Mikael Mäkinen

21 July 2010



Interim Report January–June 2010



HIAB • KALMAR • MACGREGOR

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.

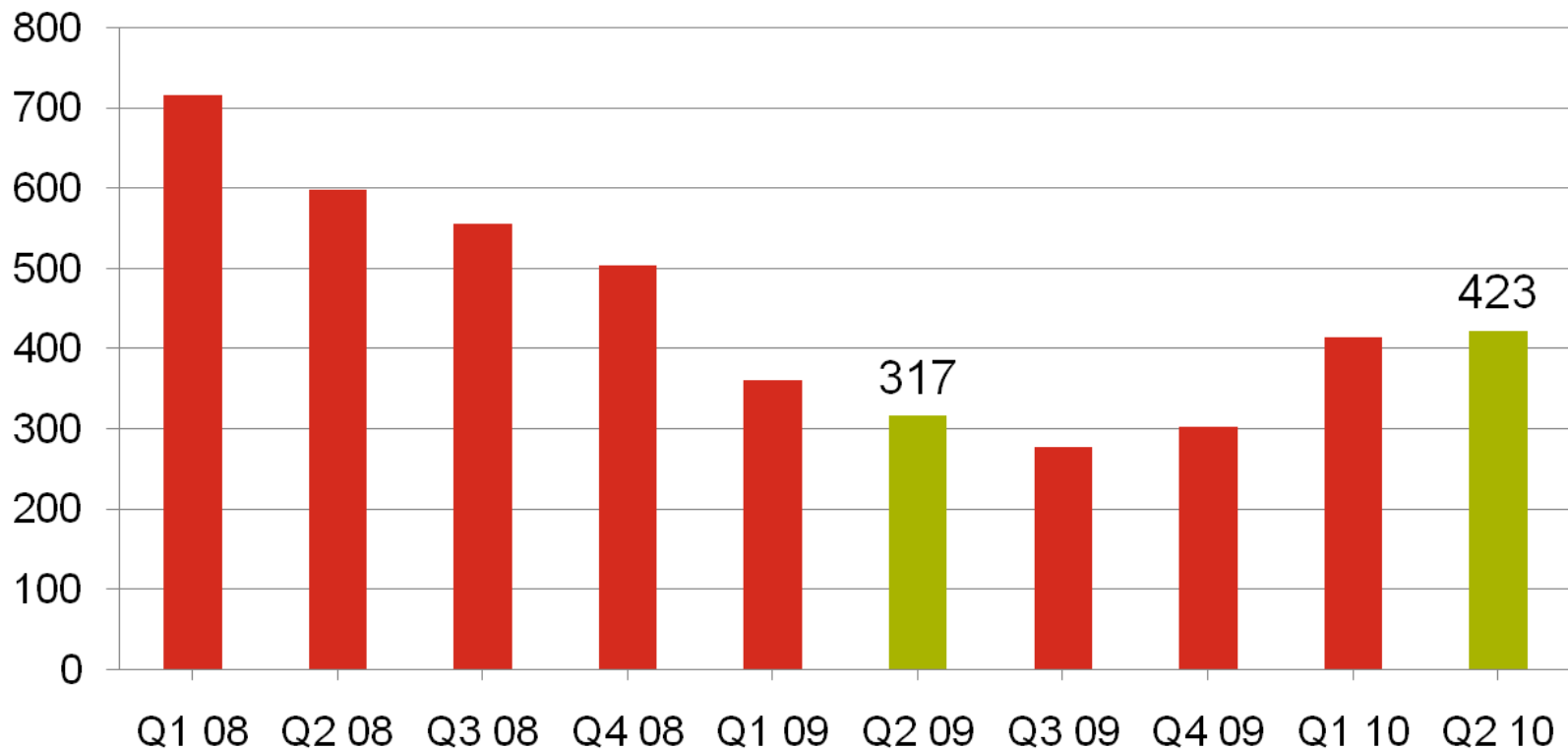


Key figures in January–June 2010

	Q2 2010	Q2 2009	Change	1-6/2010	1-6/2009	Change	2009
Orders received, MEUR	732	471	55%	1,330	928	43%	1,828
Order book, MEUR	2,433	2,555	-5%	2,433	2,555	-5%	2,149
Sales, MEUR	638	678	-6%	1,193	1,353	-12%	2,581
Operating profit excl. restructuring, MEUR	38.8	3.0		54.6	18.0		61.3
Operating margin excl. restructuring, %	6.1	0.4		4.6	1.3		2.4
Operating profit, MEUR	37.2	-10.0		50.7	-3.9		0.3
Cash flow from operations, MEUR	80.5	47.2		127.0	106.8		289.7
Interest-bearing net debt, MEUR	308	467		308	467		335
Earnings per share, EUR	0.32	-0.12		0.45	-0.11		0.05

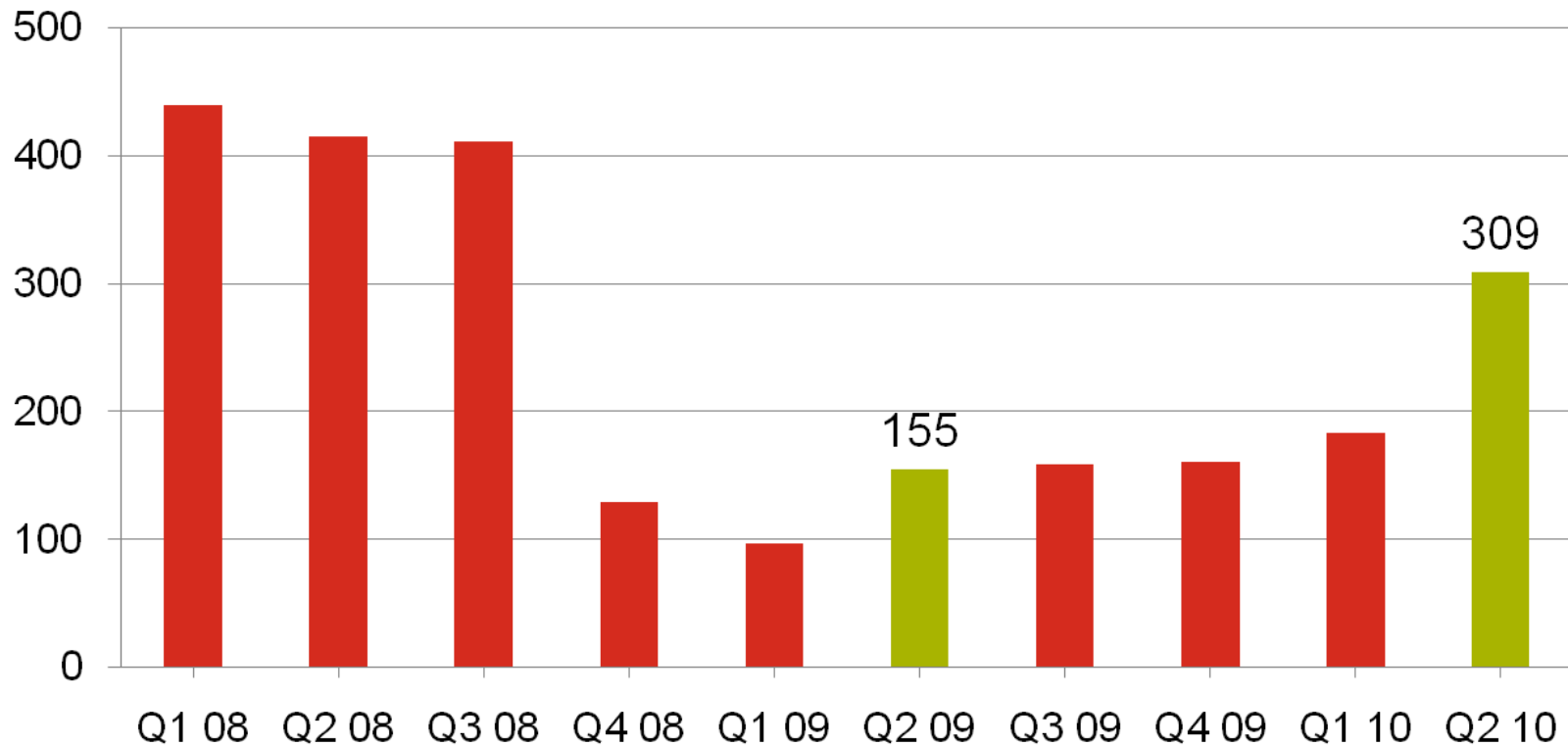
Q2: Industrial & Terminal's order intake grew 34% y-o-y

MEUR



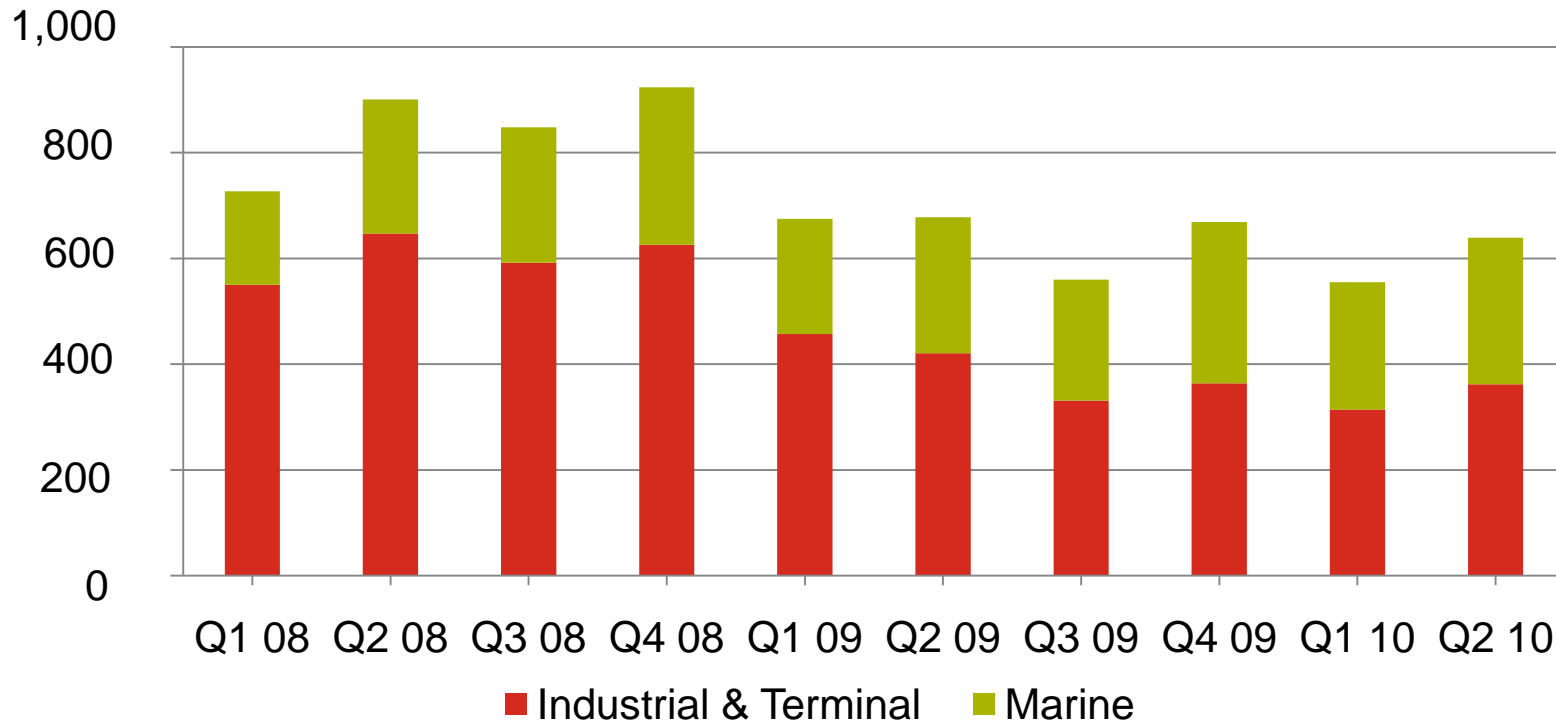
Q2: Marine's order intake clearly stronger than expected

MEUR

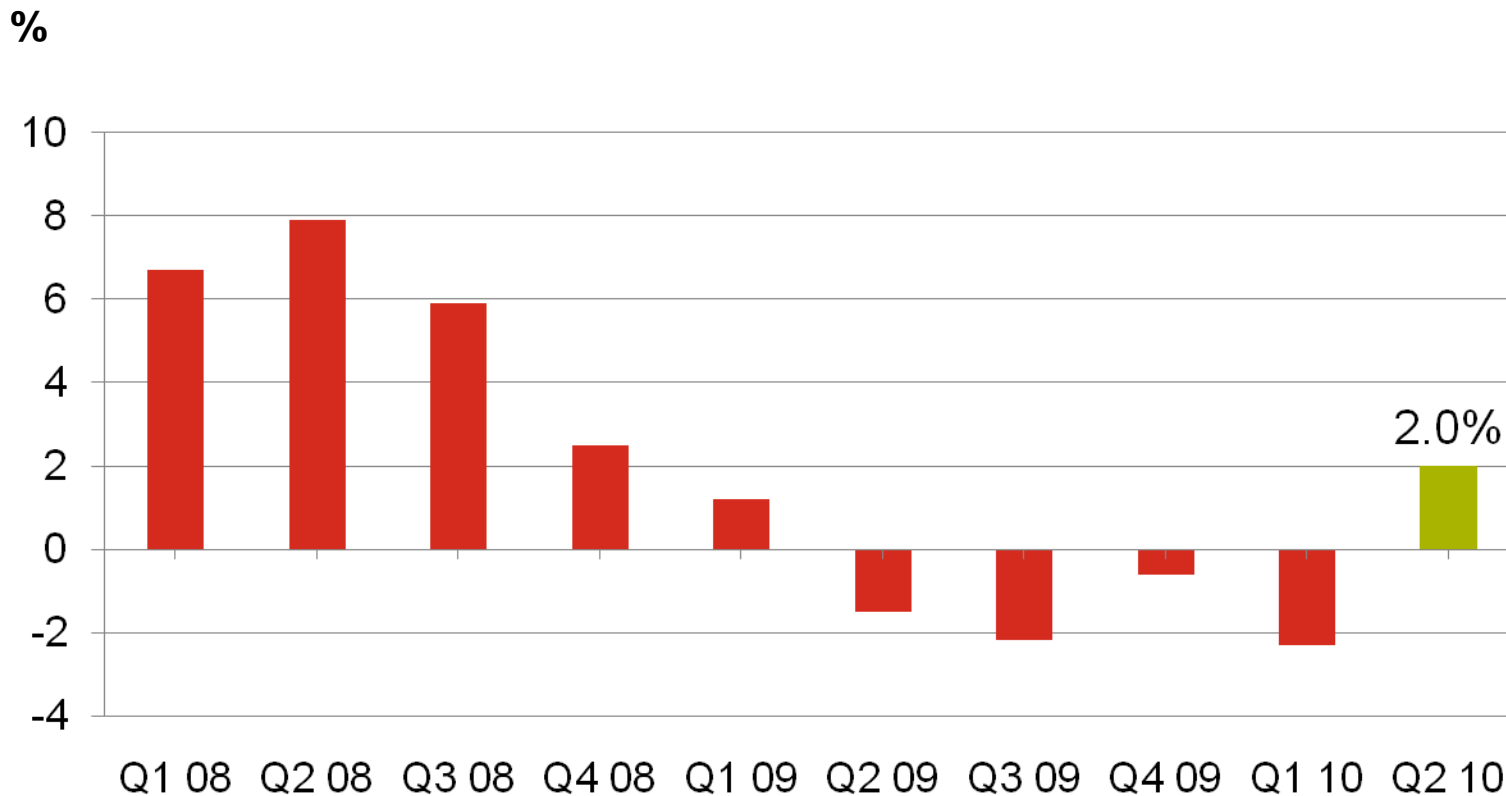


Q2: Marine sales grew 8% while Industrial & Terminal sales still 14% below y-o-y

MEUR

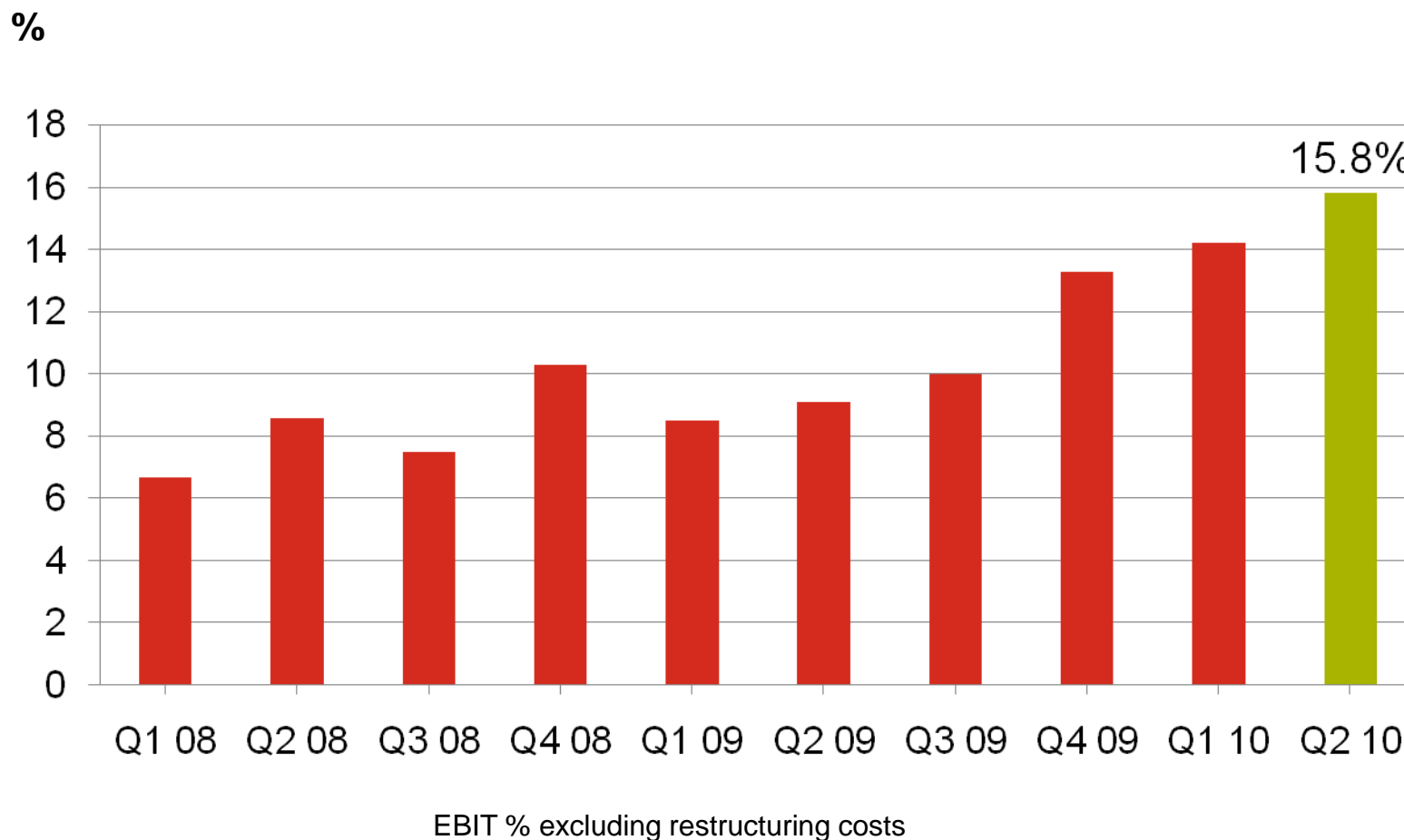


Q2: Operating margin for Industrial & Terminal back in black



EBIT % excluding restructuring costs

Q2: Marine profitability improved still thanks to high-margin deliveries

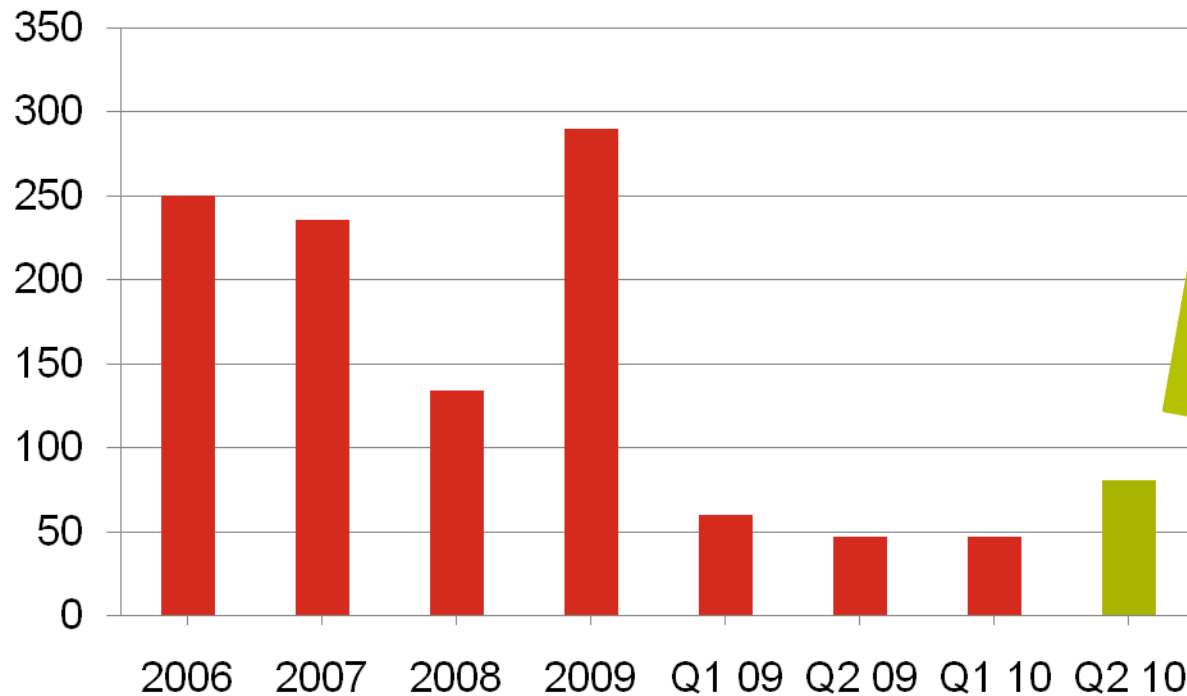


Gross profit development



Cash flow from operations healthy with strong Q2

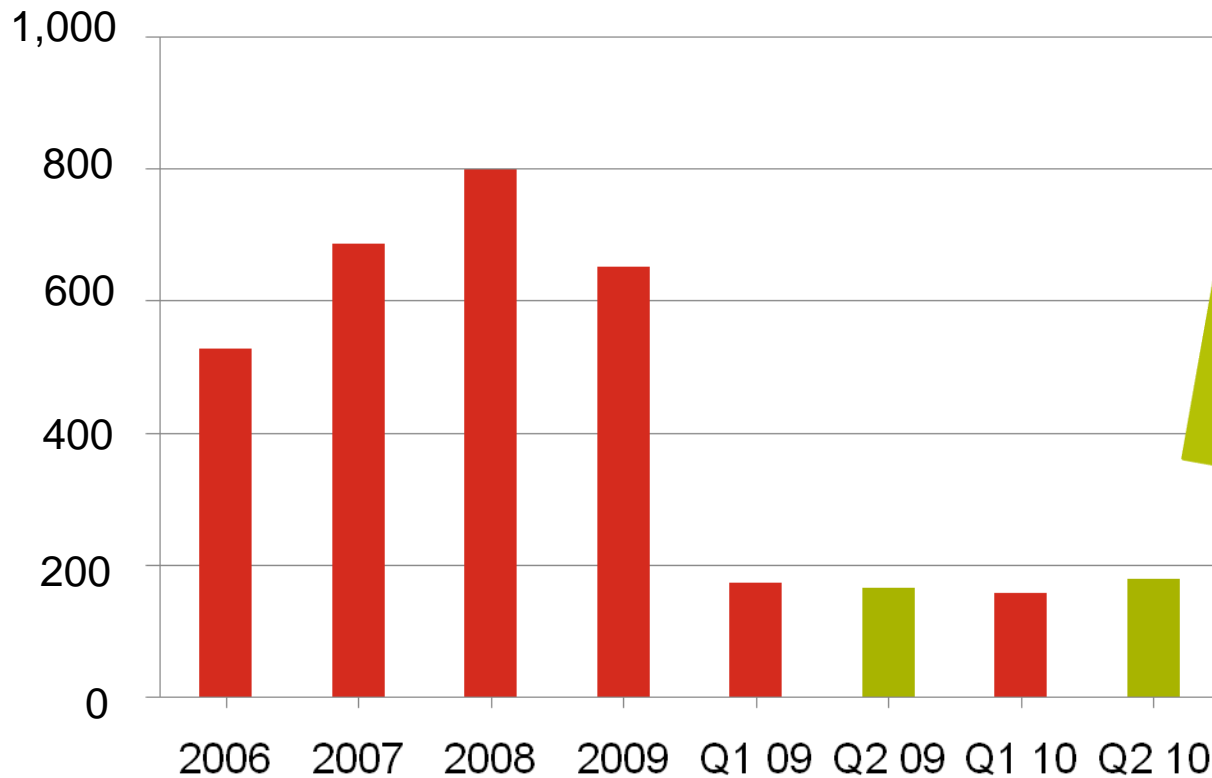
MEUR



• Net working capital decreased to EUR 96 (31 Dec 2009: 123) million

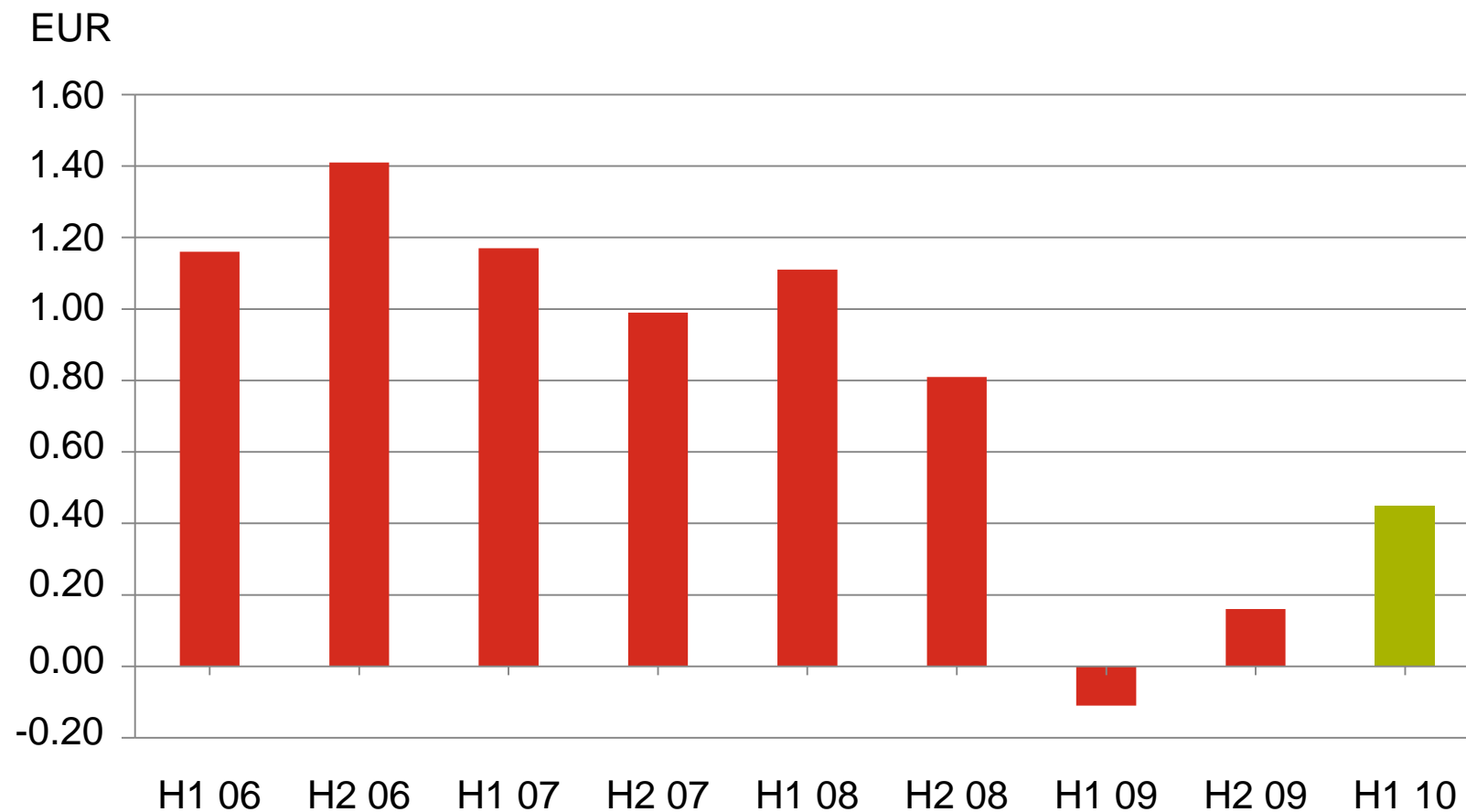
Services sales turned to slight growth

MEUR



- H1 2010: Service 28% of total sales
- Orders received increased by a quarter y-o-y

Clear improvement in earnings per share

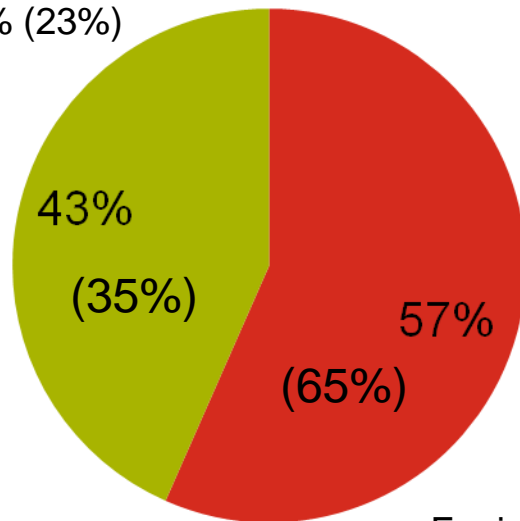


Basic earnings per share

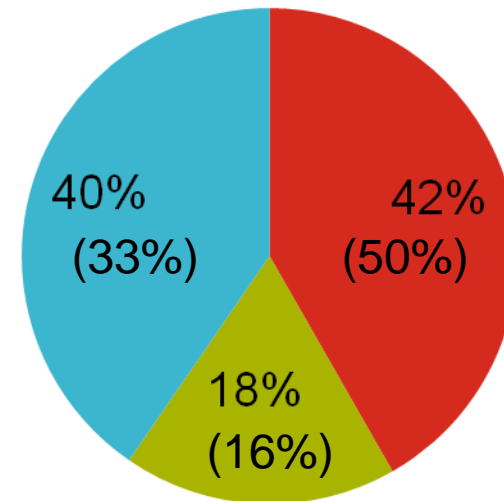
EMEA and APAC almost equal in size by sales

Sales by reporting segment H1 2010, %

Equipment 81% (77%)
Services 19% (23%)



Sales by geographical segment H1 2010, %



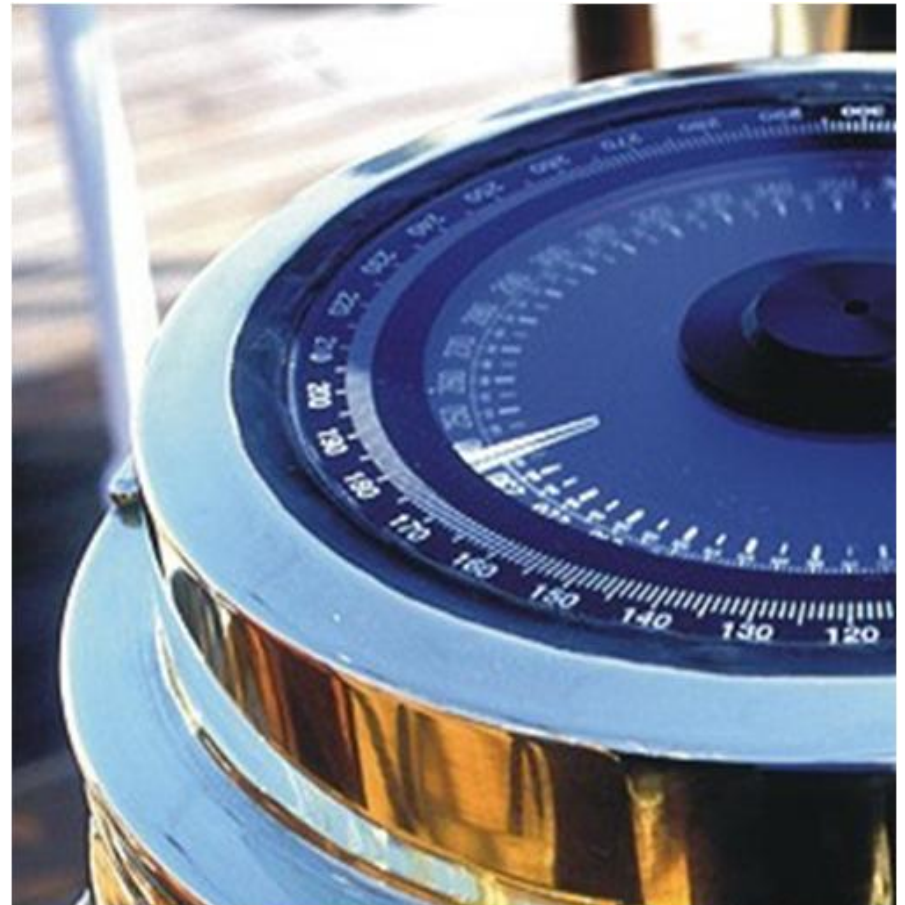
Equipment 65 % (73%)
Services 35% (27%)

■ Marine ■ Industrial & Terminal

■ APAC ■ Americas ■ EMEA

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.

we keep cargo on the move™