


**Cargotec**



Q1 Interim report  
January–March 2008

President and CEO Mikael Mäkinen

April 18, 2008

## Key issues in Q1 2008

- Orders received grew over 26% to EUR 1,155 (1–3 /2007: 915) million
- Sales grew 5% and rose to EUR 727 (1–3/2007: 694) million
- Services development continued strong with growth of 9%
- Operating profit was EUR 44 (58) million, representing 6.1 (8.4)% operating margin. The quarter includes a EUR 4 million project cost provision in Kalmar
- First On the Move actions initiated



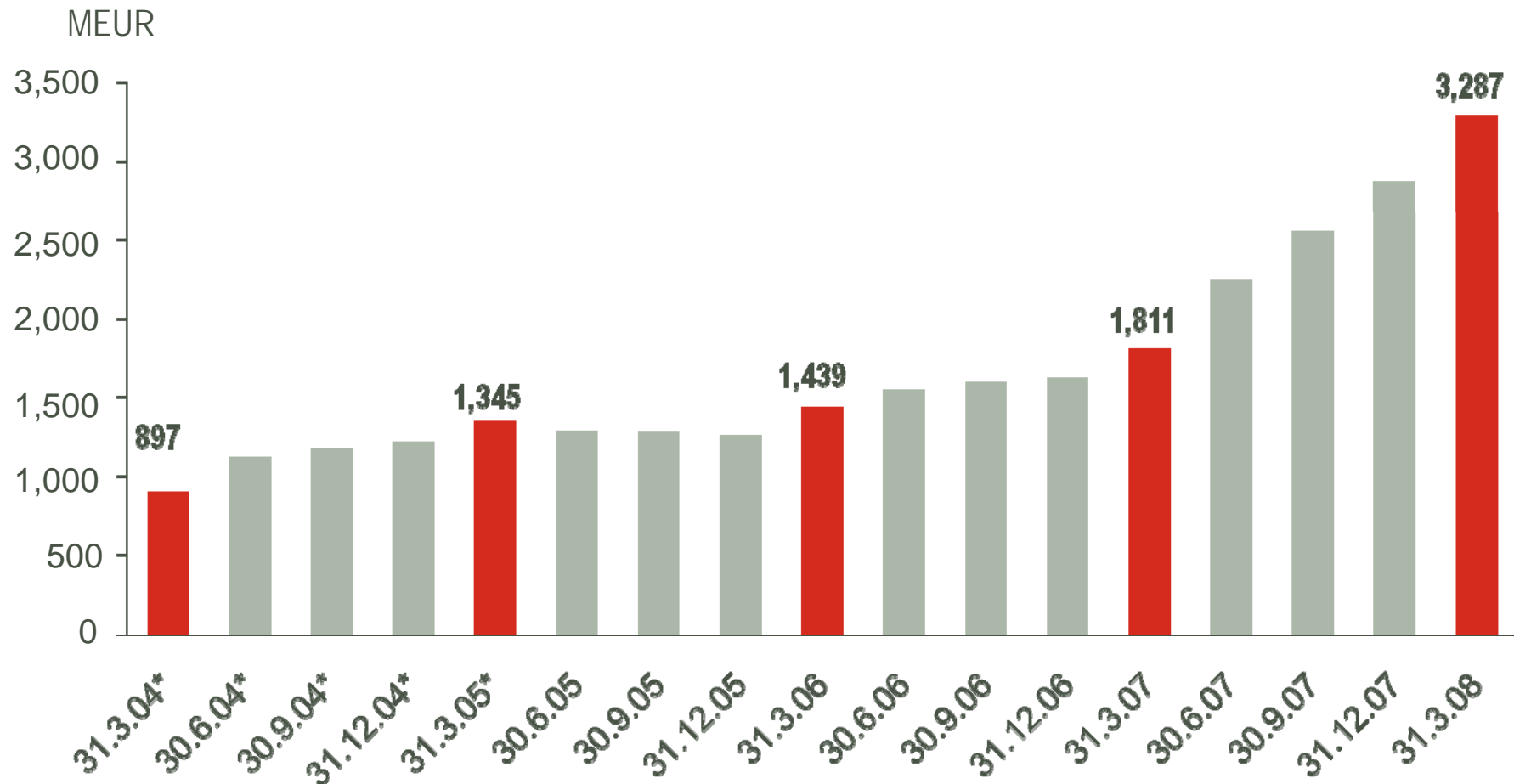
**Cargotec**

## Order intake continued to be strong

- Markets for load handling equipment strong in Europe and Asia Pacific. Spain and Italy weaker compared to 2007. US demand poor
- Container handling equipment demand lively
- Demand for marine cargo handling and offshore solutions continued extremely lively
- Demand for services remained favourable

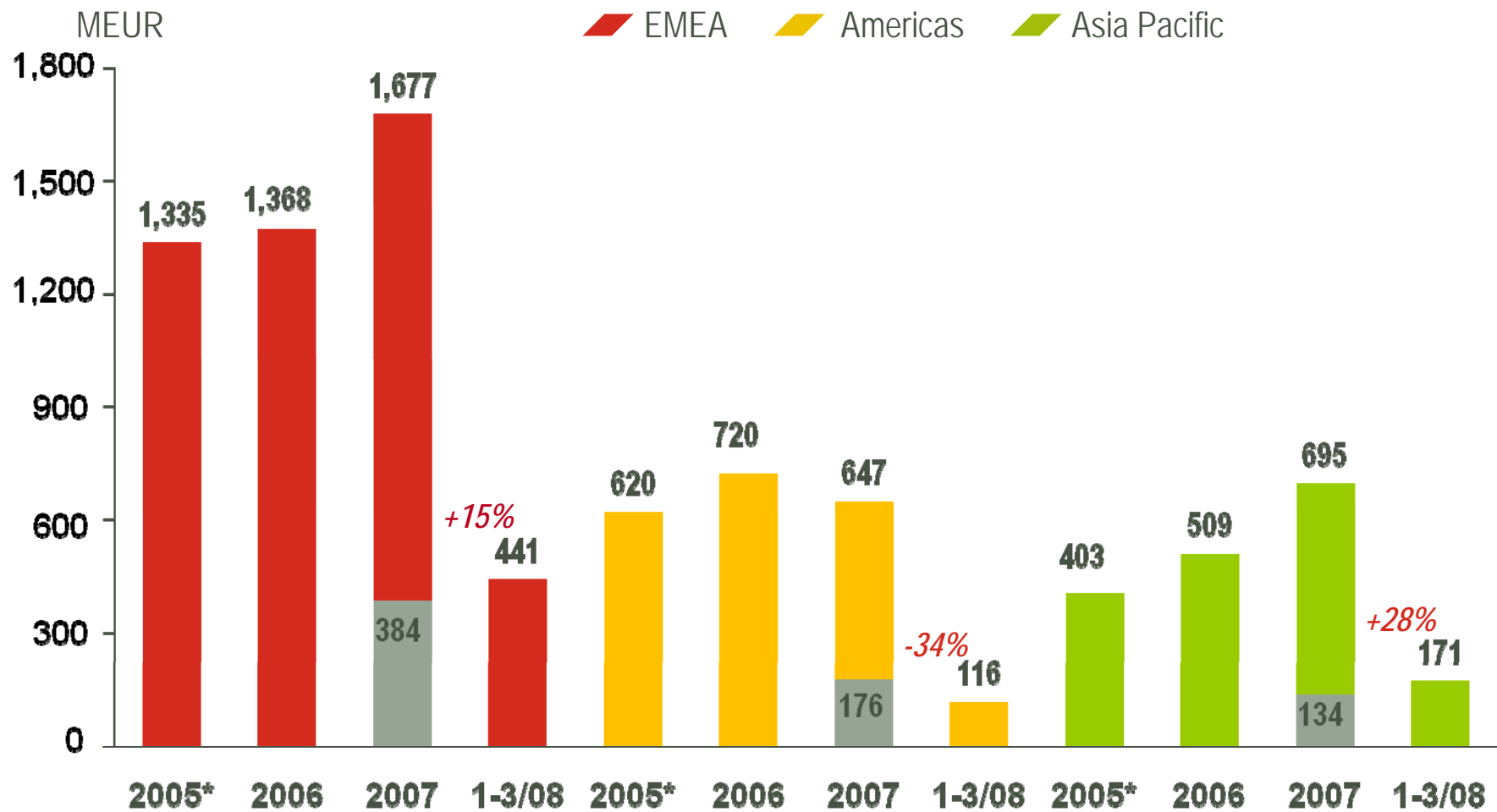


# Order book rose again to new record

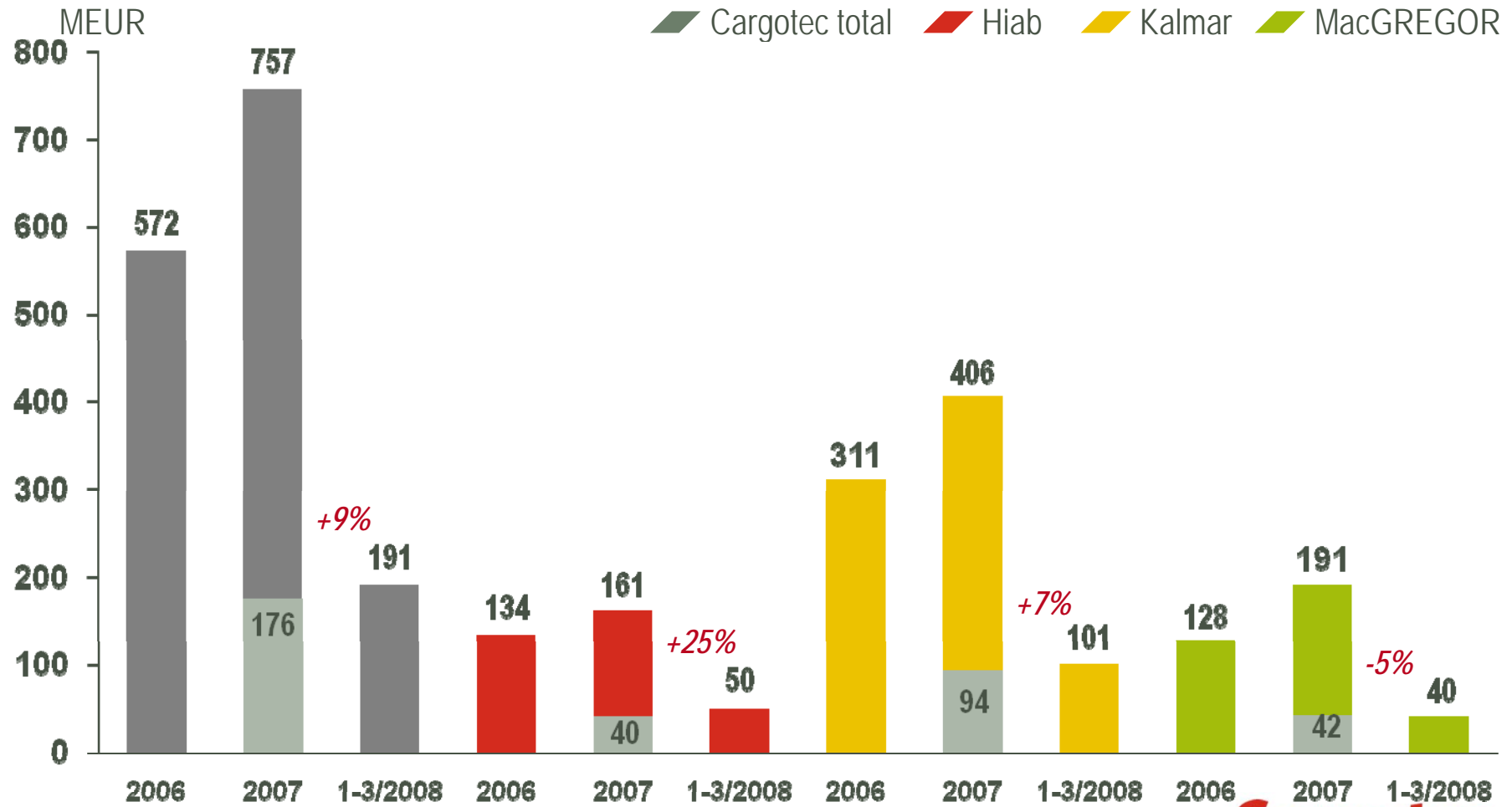


\*Pro forma

# Geographical sales growth – strong growth in Asia



# Services grew by 9%



## Operating profit by business area

	1-3/2008	1-3/2007	2007	2006	Pro forma 2005
Hiab	17.7	24.4	73.8	86.6	66.7
%	7.7 %	10.2 %	7.9 %	9.5 %	7.9 %
Kalmar	19.4	26.7	105.5*	111.8	97.8
%	6.0 %	8.3 %	7.9%*	9.3 %	8.5 %
MacGREGOR	11.9	10.7	59.4	36.1	27.6
%	6.7 %	8.2 %	7.9 %	7.5 %	7.5 %
Corporate admin and others	-4.8	-3.8	-17.5	-11.9	-12.3
Cargotec total	44.2	58.0	221.1*	222.6**	179.8
%	6.1 %	8.4 %	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

	<b>1-3/2008</b>	<b>1-3/2007</b>	<b>2007</b>	<b>2006</b>	<b>Pro forma 2005</b>
Basic earnings per share, EUR	0.50	0.62	2.17	2.57	2.11
Equity per share, EUR	13.94	13.16	14.29	13.72	11.93
Interest-bearing net debt, MEUR	331.1	179.6	303.6	107.5	120.5
Total equity/total assets, %	37.5	40.7	38.3	47.6	46.2
Gearing, %	37.8	21.3	33.9	12.3	15.7
Return on equity, %	14.2	18.3	15.6	20.2	19.2
Return on capital employed, %	13.4	19.9	16.8	23.1	20.9



## 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. Subject to approval of regulatory authorities.
- US based **Platform Crane Services International** for offshore services. Sales of USD 16 million and 105 people. Subject to due diligence.

# Kalmar new way of working – key priorities (1/3)

1. Actions to boost organic growth
  - Special focus on growing in emerging areas through sub-regions (China, India, Latin America, MEA)
  - Solution development combining technology and service capabilities for creating e.g. eco-efficient, energy saving equipment
  - Increased customer focus and improved key account management through global customer team



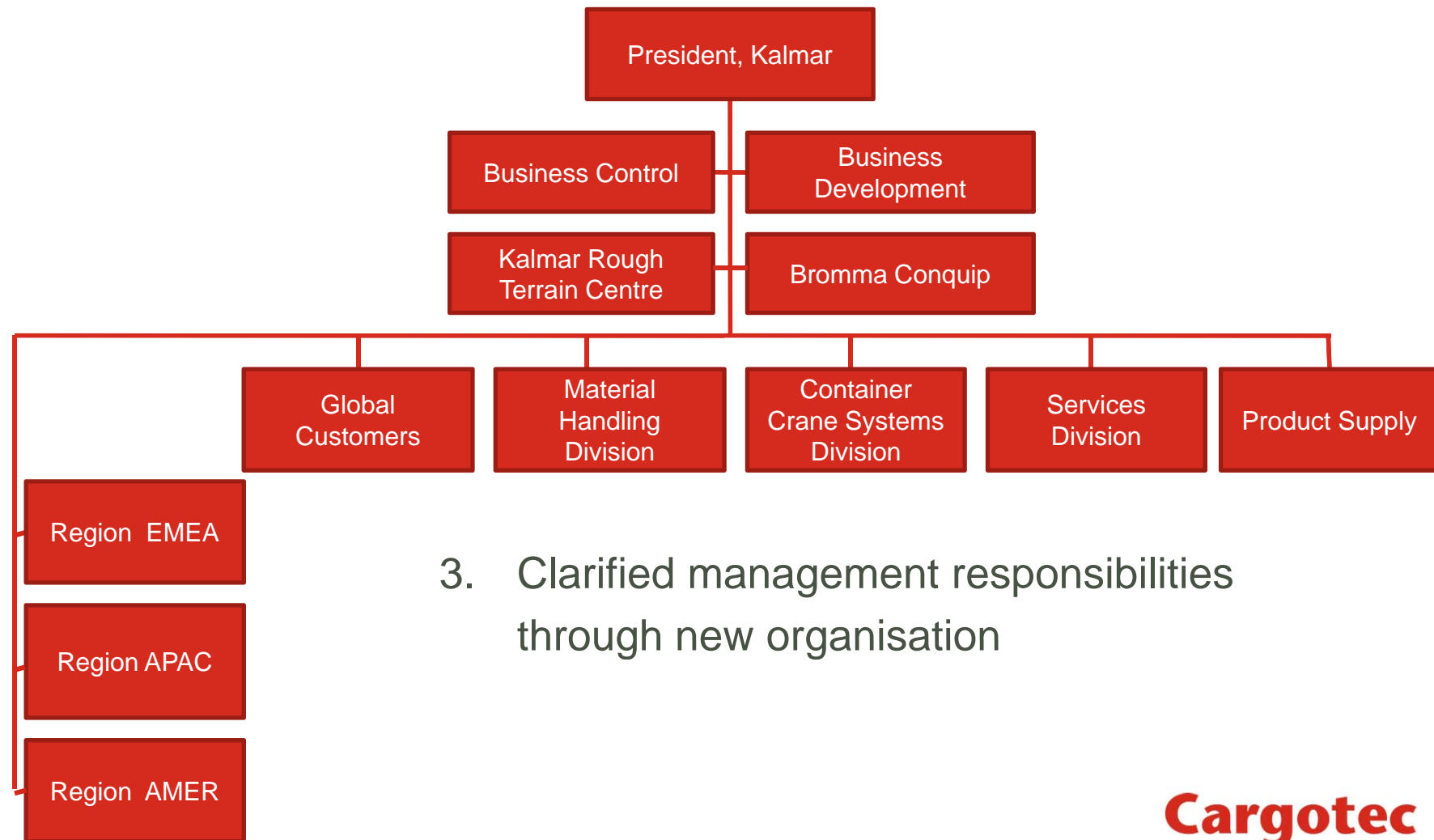
**Cargotec**

## Kalmar new way of working – key priorities (2/3)

2. Actions to increase focus on integrated profitability
  - Project management capabilities
  - Reduction of quality costs
  - Profit oriented culture
  - Cost competitiveness of Kalmar supply chain
  - Better footprint management through Cargotec Supply Board initiatives



## Kalmar new way of working – key priorities (3/3)



3. Clarified management responsibilities through new organisation



## Outlook

- Full year net sales growth in 2008 is expected to be at previous year's level as a result of the strong order intake and record high order book.
- Order intake is expected to continue healthy but lower compared to the very strong first quarter.
- Cargotec expects operating margin to improve from the 2007 level and to be approximately 8 percent for the full year.



## Questions & Answers

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