





Q1 2015 Copenhagen road show

Executive Vice President and CFO Eeva Sipilä

Cargotec in brief



Cargotec's business areas

MacGregor

- MacGregor offers integrated cargo flow solutions for maritime transportation and offshore industries
- Global company with facilities near ports worldwide
- Wide offering for ships, ports and terminals and offshore industry



Kalmar

- Kalmar offers the widest range of cargo handling solutions and services to ports, terminals, distribution centres and heavy industry
- Industry forerunner in terminal automation and in energy efficient container handling



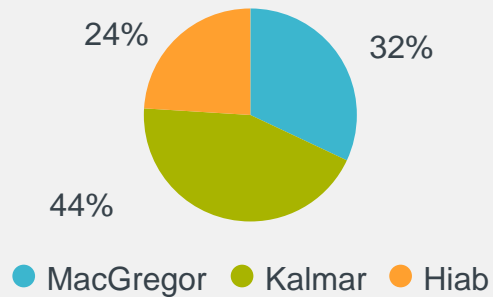
Hiab

- Hiab is the global market leading brand in on-road load handling solutions
- Load handling solutions are used in various sectors of on land transport and delivery, including construction, distribution, forestry, warehousing, waste and recycling, and defence

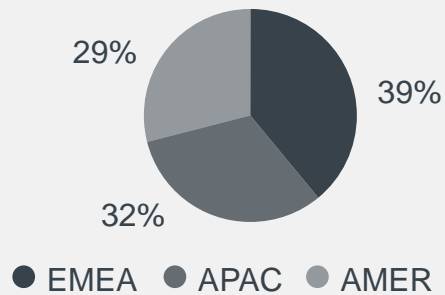


Cargotec's business basics

Cargotec sales split in 1-3/2015

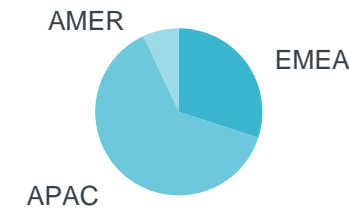


Cargotec geographical split of sales in 1-3/2015



Geographical split of sales in 1-3/2015

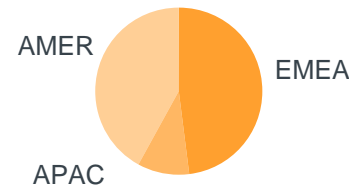
MacGregor



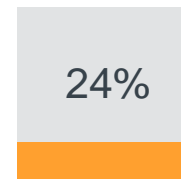
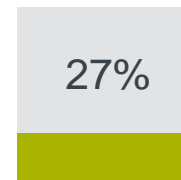
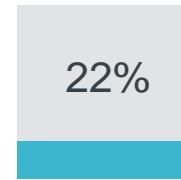
Kalmar



Hiab



Services share of sales in 1-3/2015



Order to delivery lead time

12-24
months

6-9
months

2-4
months

Key drivers for the business areas

MacGregor

- Merchant ship building
- Development of global energy demand and oil price, which have a direct impact on exploration and production (E&P) spending and investment in the oil industry
- Oil drilling moving to new locations
 - Deep sea environments and subsea installations drive demand for premium products
- Ship dry dockings, repairs and modernisations
- Preventive maintenance and on-call service needs

Kalmar

- Gross domestic product (GDP) growth is the main driver behind activities in ports and terminals and in the industrial sector
- Container traffic is an important driver for around 70 percent of Kalmar's business operations
 - Drewry Shipping Consultants estimates that global container throughput will grow by around five percent per year
 - Growth in Asia-Pacific is expected to be double that of the rest of the world
- Capacity utilisation drives services
- Bigger ships drive crane refurbishment
- Preventive maintenance and outsourcing needs

Hiab

- Hiab's business fluctuates based on truck sales and construction activity. Sentiments in the distribution, warehousing and forest businesses also affect Hiab
- Residential houses, associated roof constructions and other construction elements are increasingly built elsewhere and transported to their location
 - In mature markets, this creates a need for Hiab products, especially for high capacity equipment
 - In emerging markets, the trend involves a move away from small transportation packages
- Crane utilisation and increased remote diagnostics drive services

Key competitors

MacGregor



SHIP'S EQUIPMENT CENTRE GRONINGEN B.V.



ROBERT ROCK BRUNN



Rolls-Royce



LIEBHERR

Kalmar



KONECRANES®
Lifting Businesses™



LIEBHERR

ABB

Hiab



Manufacturer of truck mounted forklifts

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



Enabling better performance



Building world class business platforms



Performance culture



Better control, predictability and capital returns



Embracing digitalisation

Cargotec financial targets for 2016

Operating profit margin
(EBIT)

>8%

Return on capital
employed
(ROCE pre-tax)

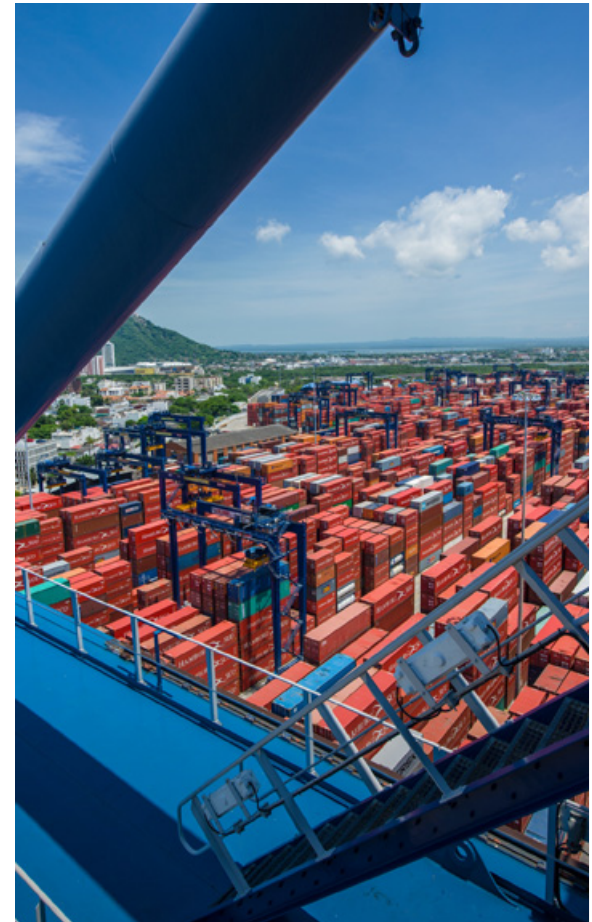
>13%

Gearing

<50%

Dividend

**30-
50%**
of earnings per share

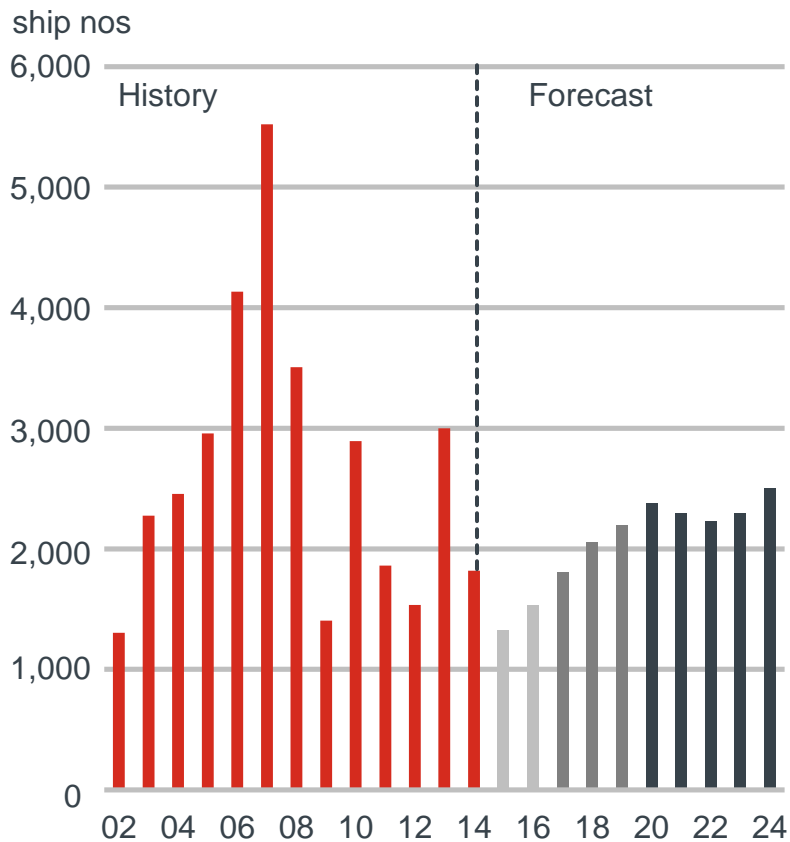


MacGregor



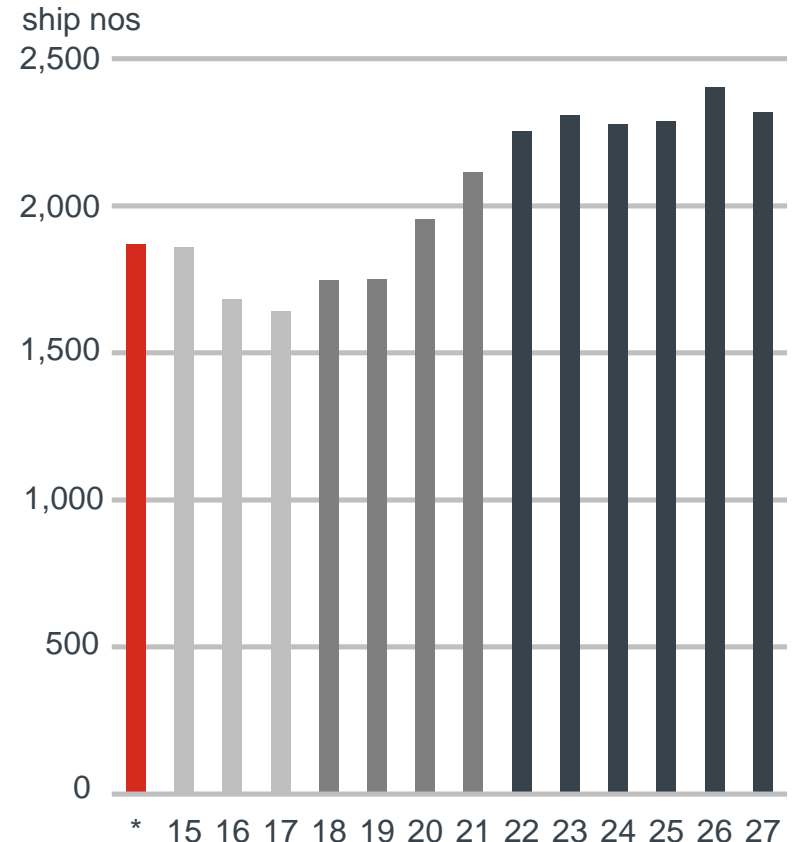
Contracting forecast reflects imbalance in the ship market

Long-term contracting 2002–2024



Source: Clarkson Newbuilding Market Forecast, April 2015

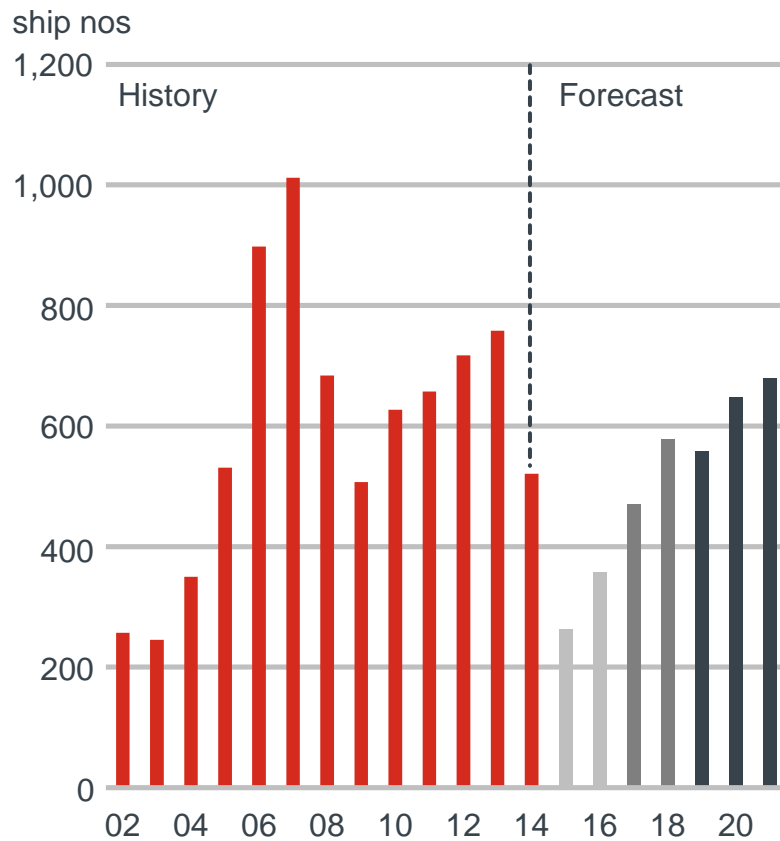
Long-term deliveries 1996–2027



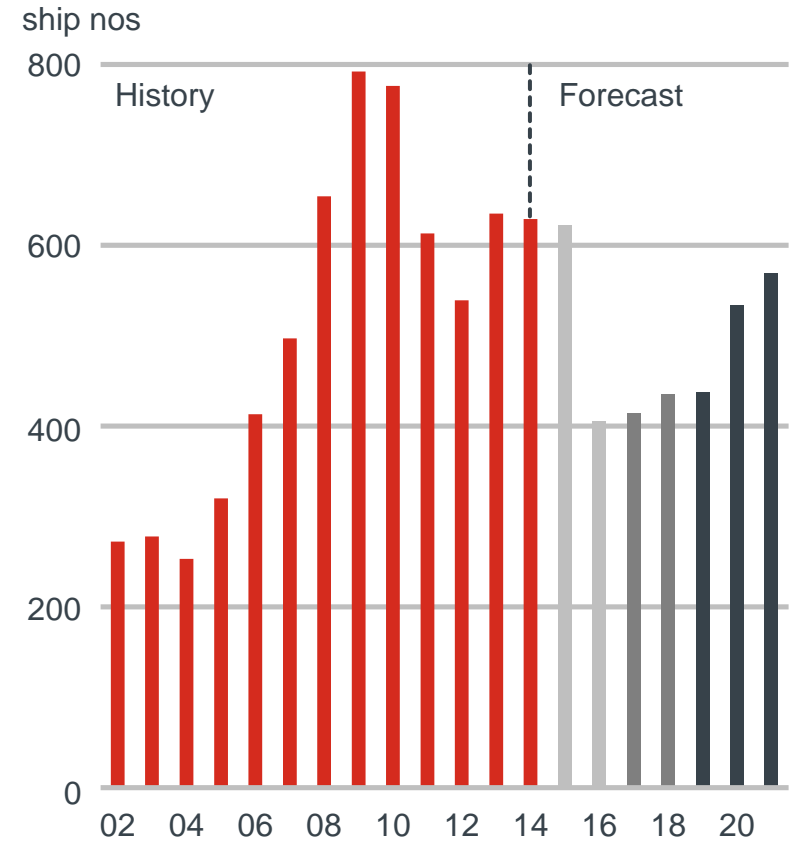
* 1996 – 2014 average

Mobile offshore unit contracting and delivery forecast

Long-term contracting 2002–2021

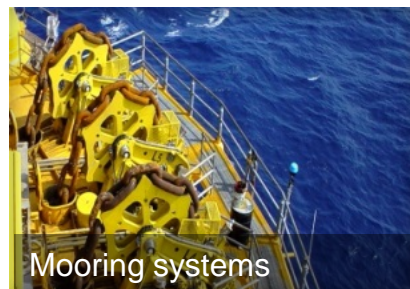
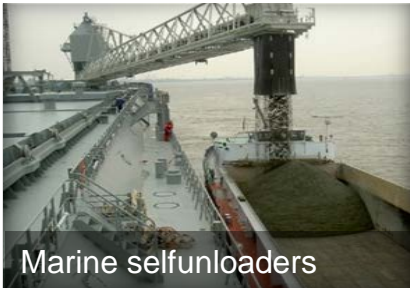


Long-term deliveries 2002–2021



Source: Clarkson Offshore Newbuilding Market Forecast, April 2015

Strong positions in merchant ship and offshore markets



Key actions to drive profitability in MacGregor

Service

- Right capabilities and systems
- Service footprint
- Excellence in spare parts availability

Grow services to 30% of sales

Sales

- Increase sales by cross-selling & defining sales models
- Increase solution selling

Cross-selling 100 MEUR +

Effectiveness

- Leveraging technology and R&D
- Design to value

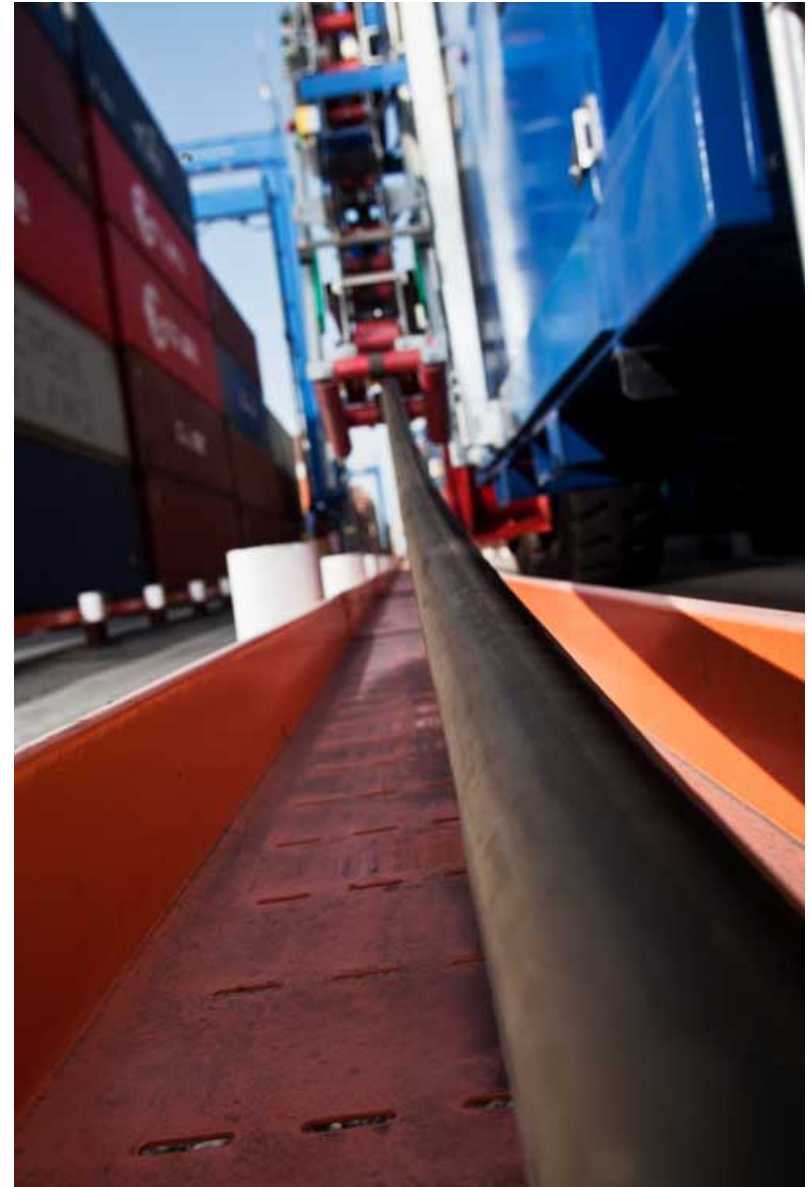
2% product margin improvement

MacGregor savings measures

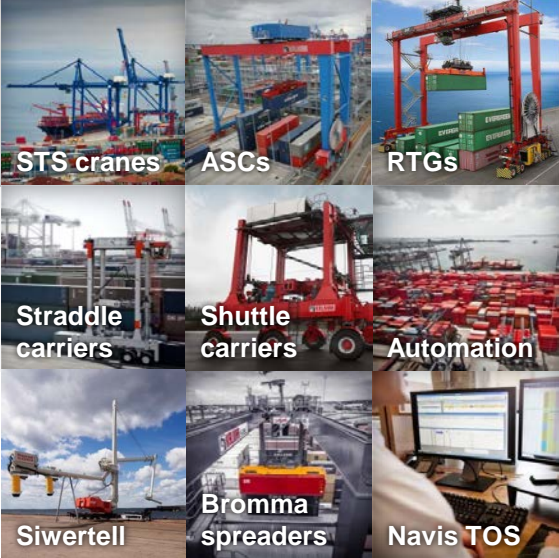
- Weakened market situation
 - Low oil price
 - Low number of merchant ship orders
- Strong focus on earlier announced development programmes continues
 - Sales, services and design-to-cost
- Estimated reduction of 220 employees globally
- EUR 20 million targeted annual savings
- Estimated restructuring cost of EUR 5 million



Kalmar



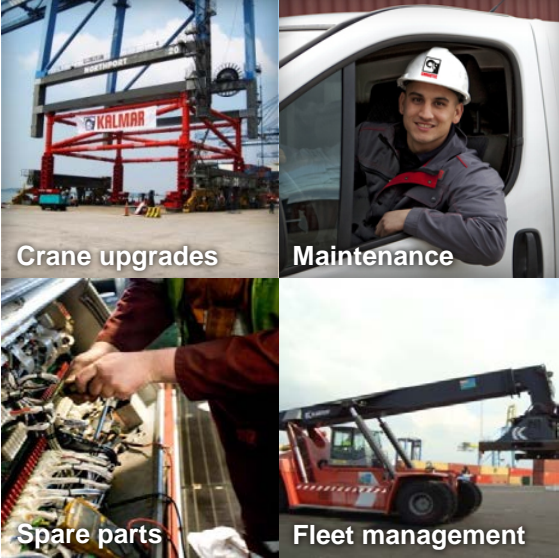
Kalmar offering



Terminal projects

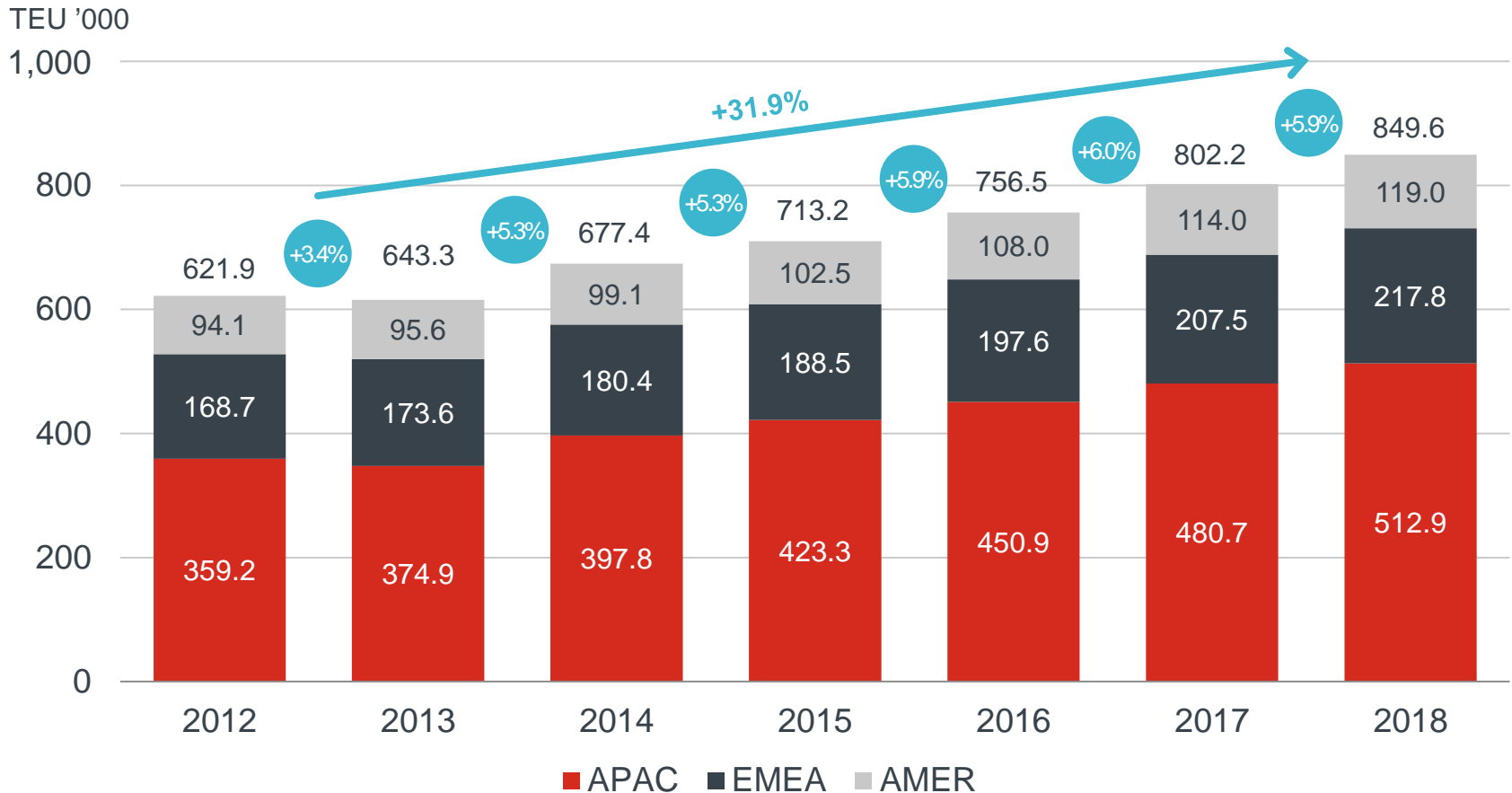


Equipment



Services

Container throughput forecast illustrates that Kalmar is in a growth business



Source: Drewry: Container forecaster Q3 2014 and Q1 2015, Base case, April 2015

Securing competitiveness of mobile equipment

- New products meeting customer requirements also in emerging markets
 - Energy efficiency improvements
 - Environmentally friendly products
 - Safety enhancements and easier to maintenance
- Profit improvement initiatives integrated
 - Design-to-cost
 - Sourcing
 - Improved pricing power
- Reduced total cost of ownership
- Differentiation against low-cost competition



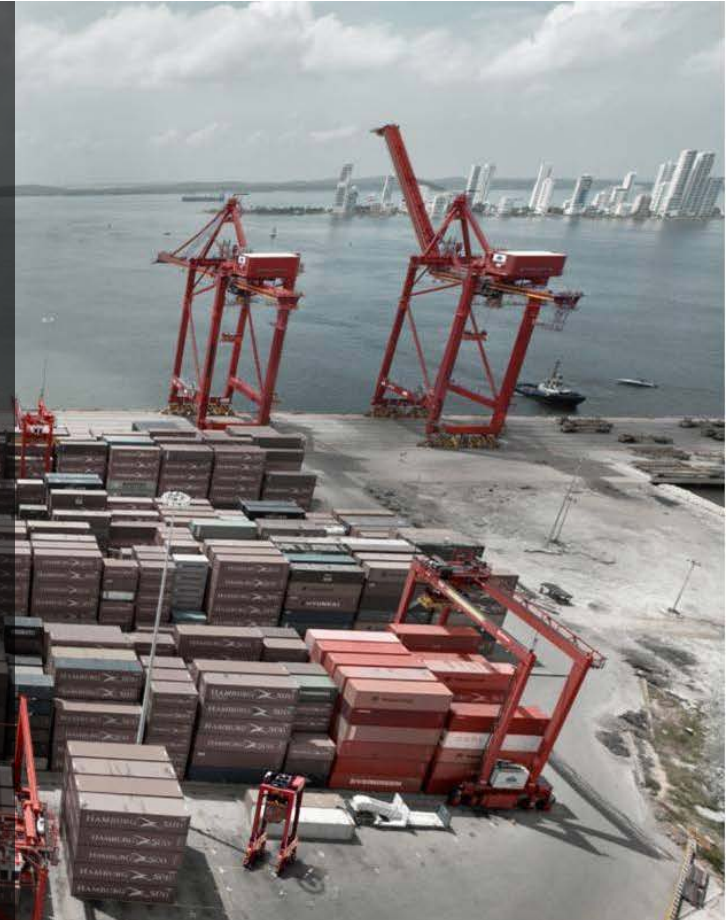
Services development continues in all areas

- Kalmar Care contracts won in all regions
- Kalmar Care for automated terminals – work in progress
- Crane Upgrades growth delayed, but still anticipated
- Spare parts pricing and tool development will show results in 2015



Kalmar has all the capabilities to respond to the increased demand for port automation

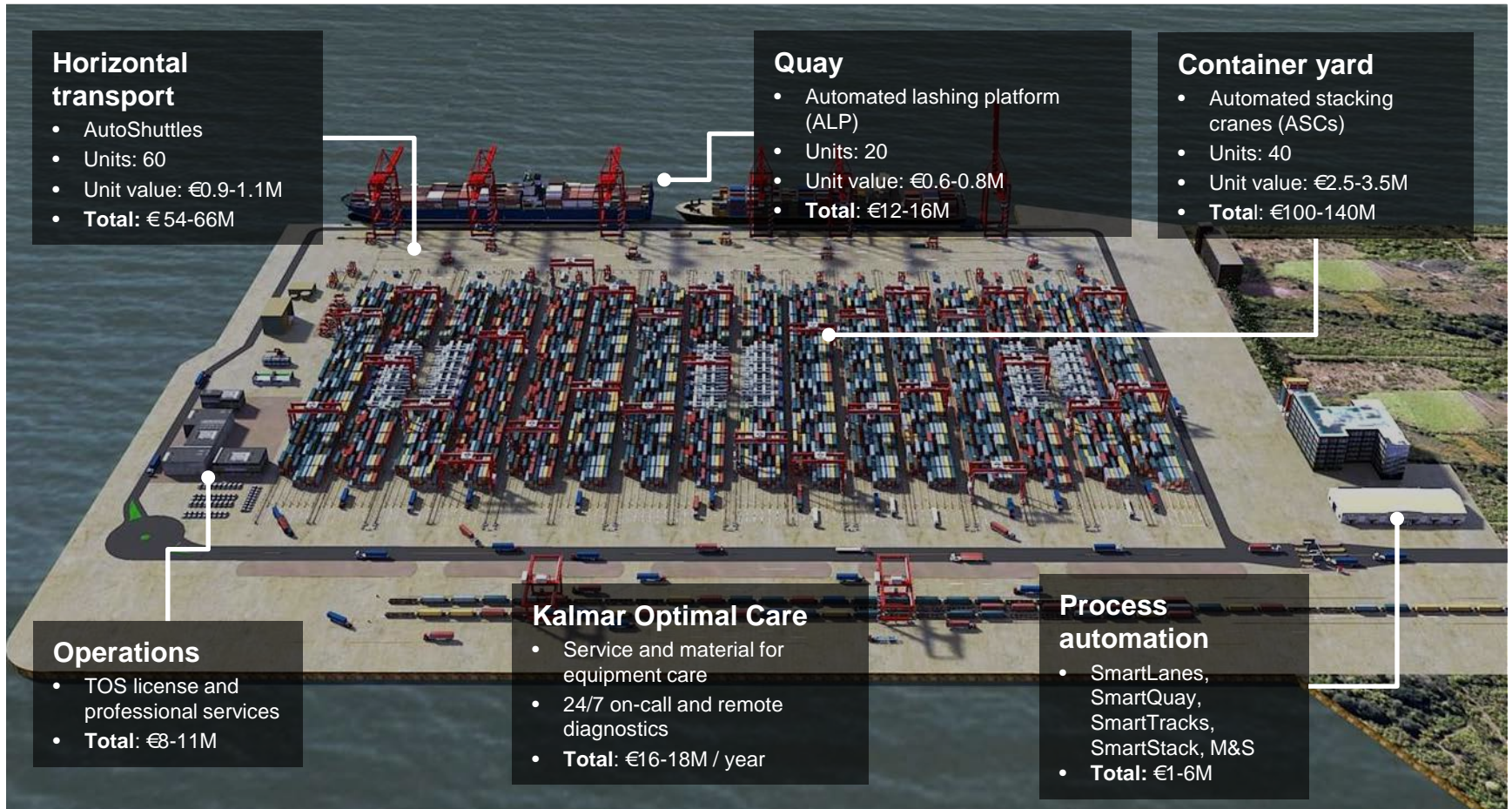
- Terminals are looking for different types of automation
- Greenfield projects = New automated terminals, expansion of current automated terminals or conversions of existing manual operations
 - Currently approx. 25 projects on-going or planned
 - Expected 20 more projects in coming five years
- Brownfield projects = Automating existing manual operations
 - Development in early phase
 - Currently approx. 130 existing straddle carrier terminals, of which 10% with automation potential
 - Currently approx. 430 existing RTG terminals, of which 10–15% with automation potential



Example of an automated terminal project

TERMINAL CAPACITY: 3 MILLION TEU / YEAR

TOTAL KALMAR SCOPE APPROX. EUR 190-260 MILLION

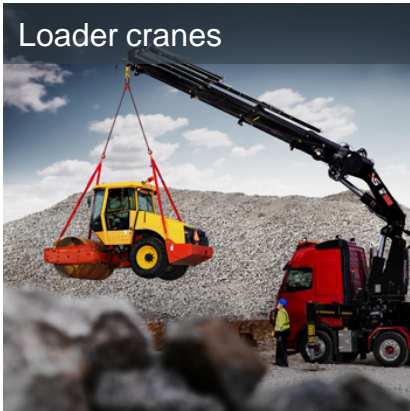


Hiab

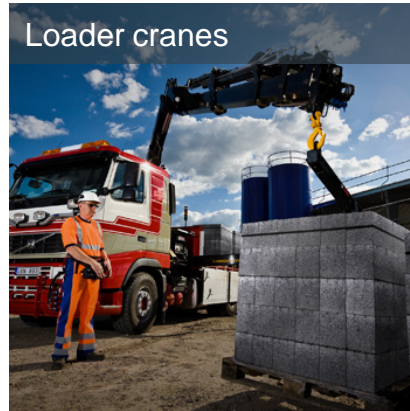


Hiab offering

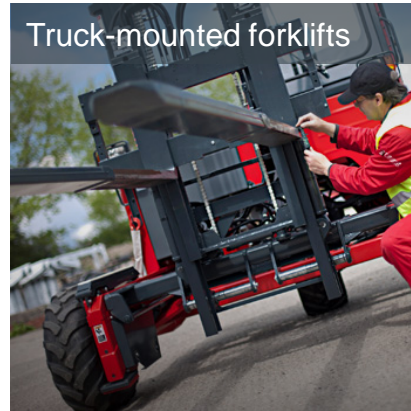
Loader cranes



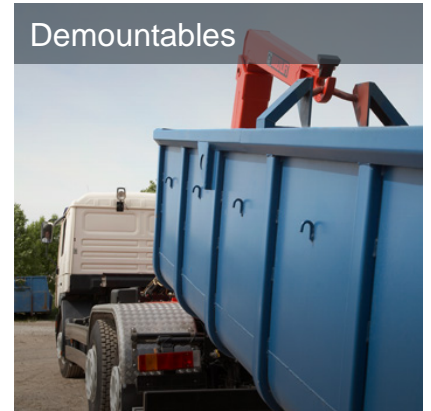
Loader cranes



Truck-mounted forklifts



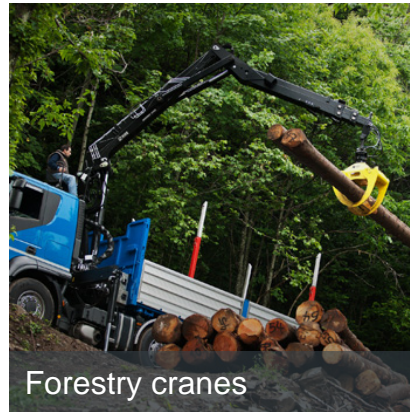
Demountables



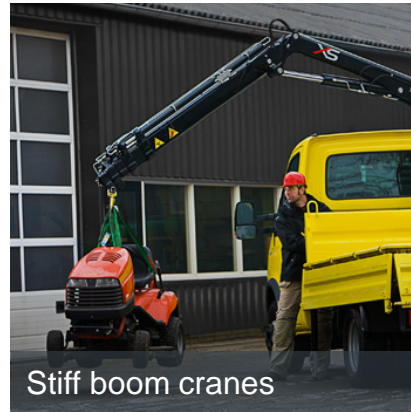
Tail lifts



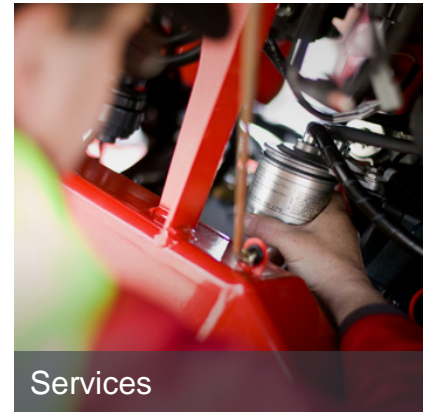
Forestry cranes



Stiff boom cranes

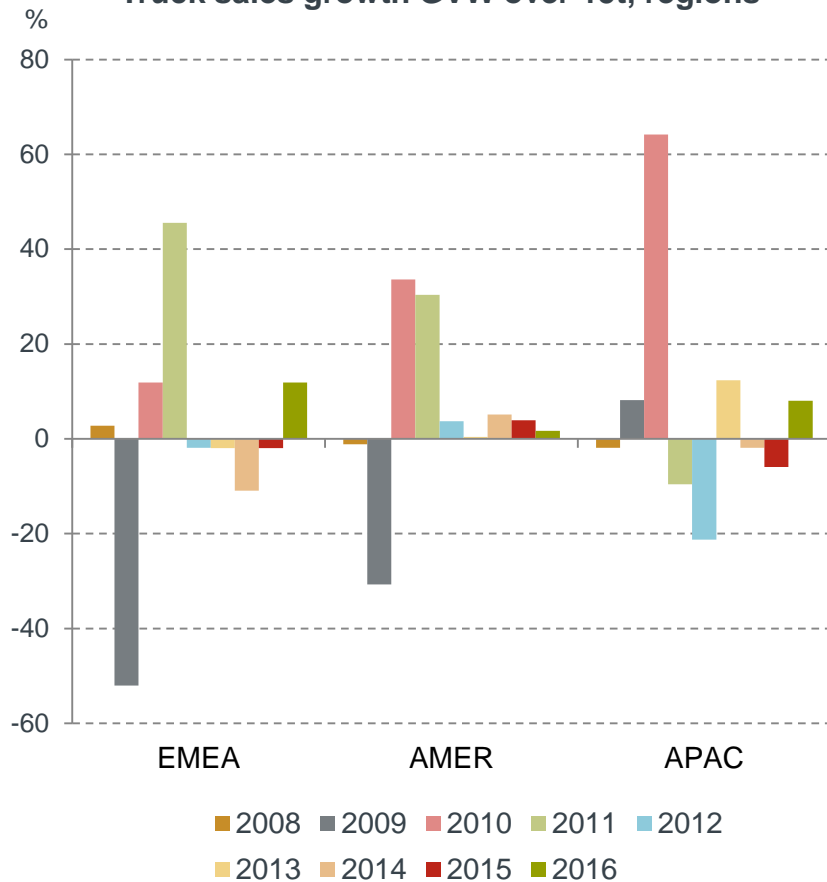


Services

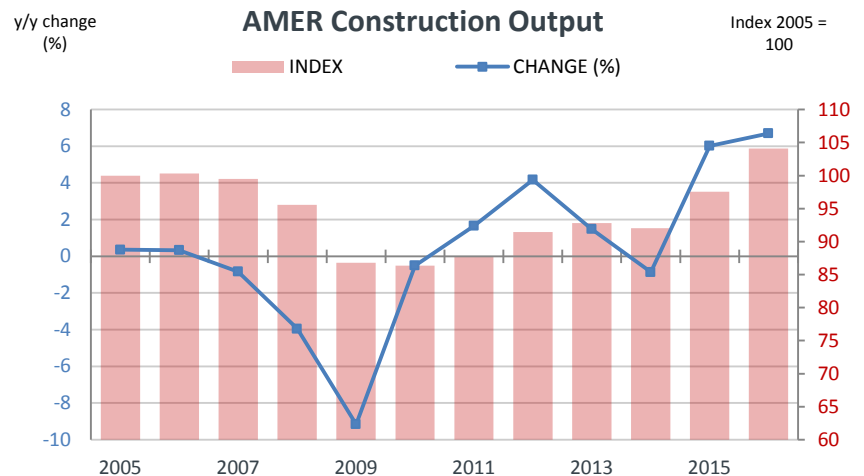
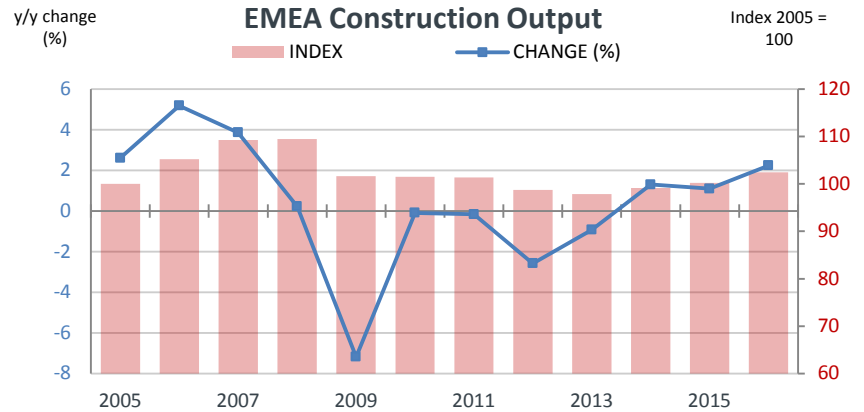


Two-fold market environment for Hiab

Truck sales growth GVW over 15t, regions



Source: IHS Global Insight Q1-Q2/2015 forecast



Building a sustainably profitable and growing business in Hiab



Three must win battles to reach targets in Hiab

1. Outperform competition in sales & services execution

- Dealer management
- Sales funnel management
- Parts availability

2. Develop customer driven, simplified and competitive product offering

- Customer insight
- Product portfolio upgrading
- Modularisation

3. Reduce value chain complexity, cost and cash conversion cycle

- Stargard up to full-scale
- Optimise the distribution network
- Working capital management

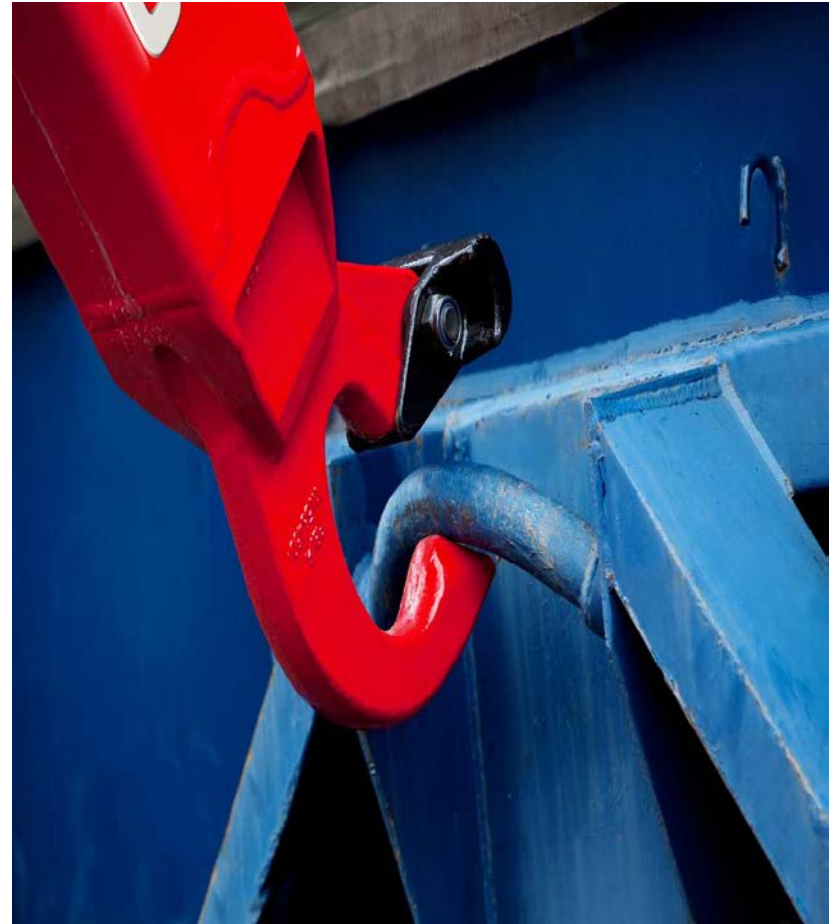


January–March financials



Highlights of January–March

- Orders grew 9% y-o-y and totalled EUR 939 (863) million
 - With fixed currencies orders grew 2%
- Order book strengthened 12% from 2014 year-end to EUR 2,469 million
- Sales grew 18% y-o-y to EUR 889 (751) million
 - With fixed currencies sales grew 10%
- Operating profit excluding restructuring costs was EUR 52.3 (24.6) million or 5.9 (3.3)% of sales
- Operating profit was EUR 51.3 (23.8) million
- Cash flow from operations was EUR 51.6 (32.5) million
- Savings measures initiated in MacGregor



Market environment in January–March

- Market for marine cargo handling equipment rather weak in early 2015
 - Demand for cargo handling solutions for bulk carriers low, activity level in container ship sector picking up
 - Offshore cargo handling equipment market remained healthy, but uncertainty increasing
- Demand for container handling equipment and services saw positive development on all continents
- Market for load handling equipment continued its strong growth in the US, and varied significantly between countries in Europe
 - Early signs of market picking up in Europe



January–March key figures

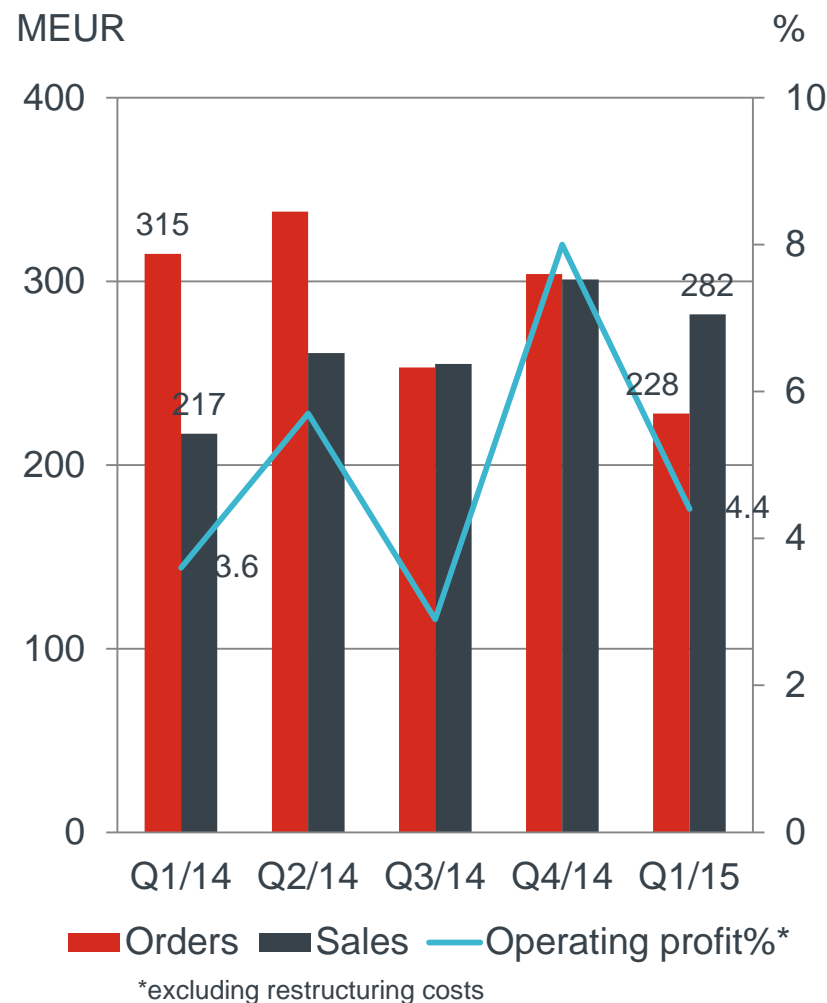
	1–3/15	1–3/14	Change	2014
Orders received, MEUR	939	863	9%	3,599
Order book, MEUR	2,469	2,111	17%	2,200
Sales, MEUR	889	751	18%	3,358
Operating profit, MEUR*	52.3	24.6	112%	149.3
Operating profit margin, %*	5.9	3.3		4.4
Cash flow from operations, MEUR	51.6	32.5		204.3
Interest-bearing net debt, MEUR	789	824		719
Earnings per share, EUR	0.56	0.20		1.11



*excluding restructuring costs

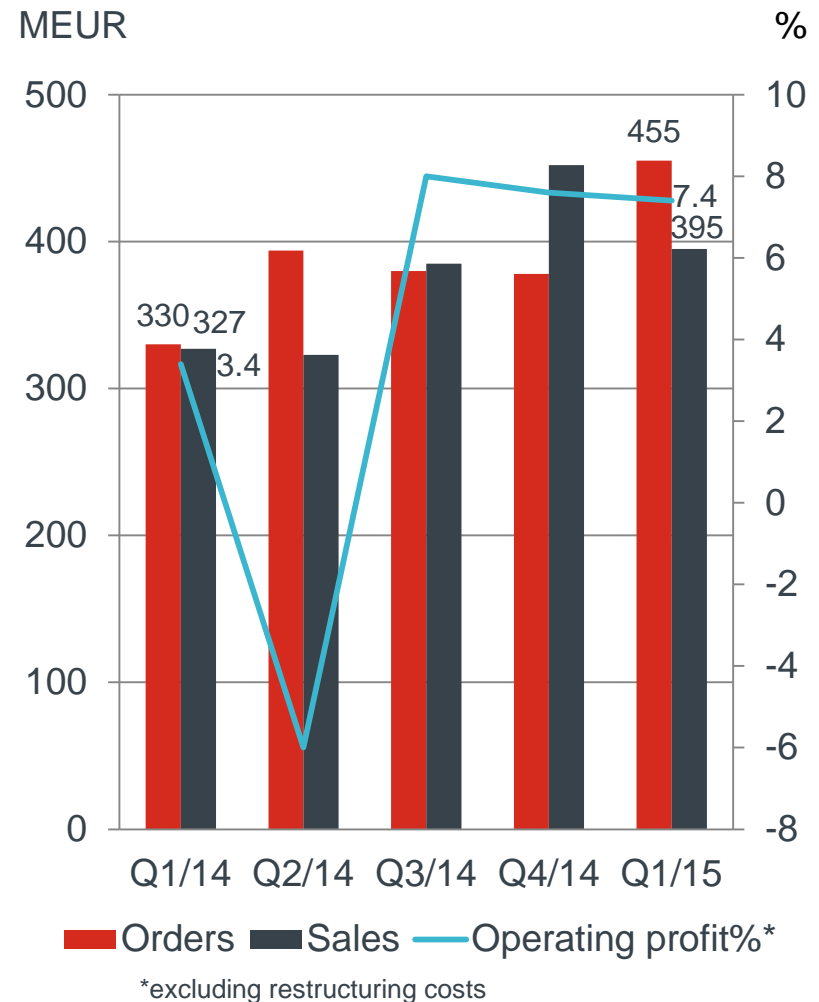
MacGregor Q1 – offshore orders still on good level

- Order intake declined 28% y-o-y to EUR 228 (315) million
- Order book grew 10% from 2014 year-end
- Sales grew 30% y-o-y to EUR 282 (217) million
- Profitability excluding restructuring costs was 4.4%
- Savings measures initiated



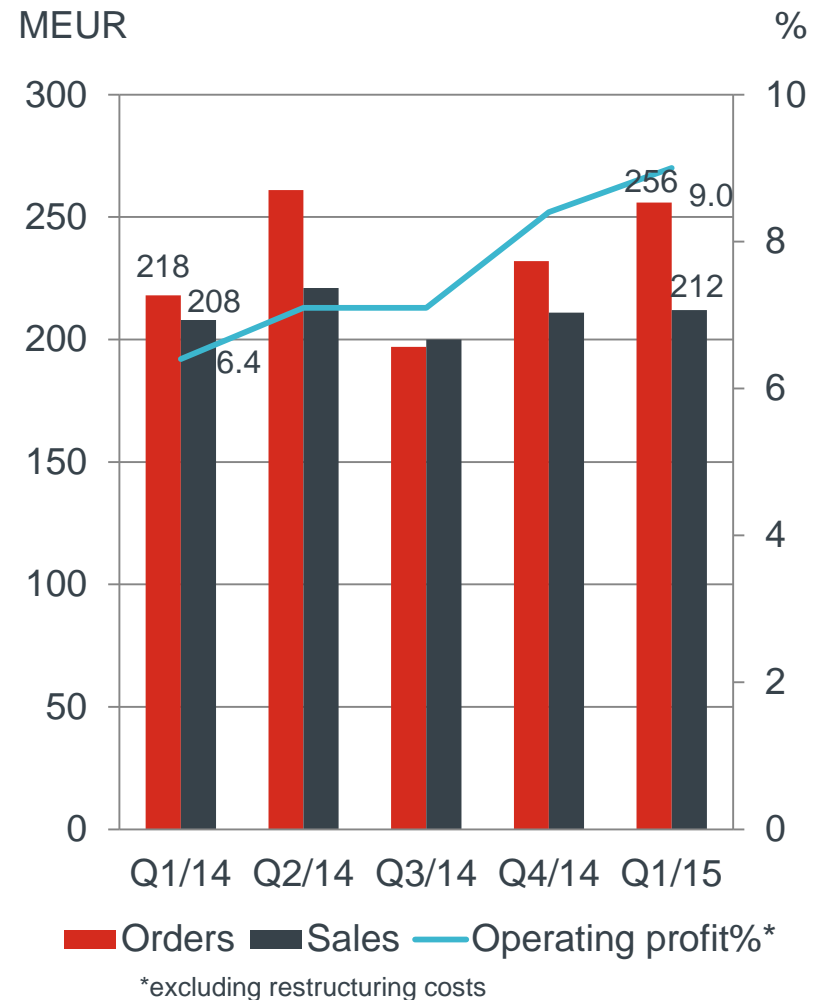
Kalmar Q1 – strong start for the year

- Order intake increased 38% y-o-y to EUR 455 (330) million
- Order book strengthened 12% from 2014 year-end
- Sales grew 21% y-o-y to EUR 395 (327) million
- Profitability excluding restructuring costs was 7.4%

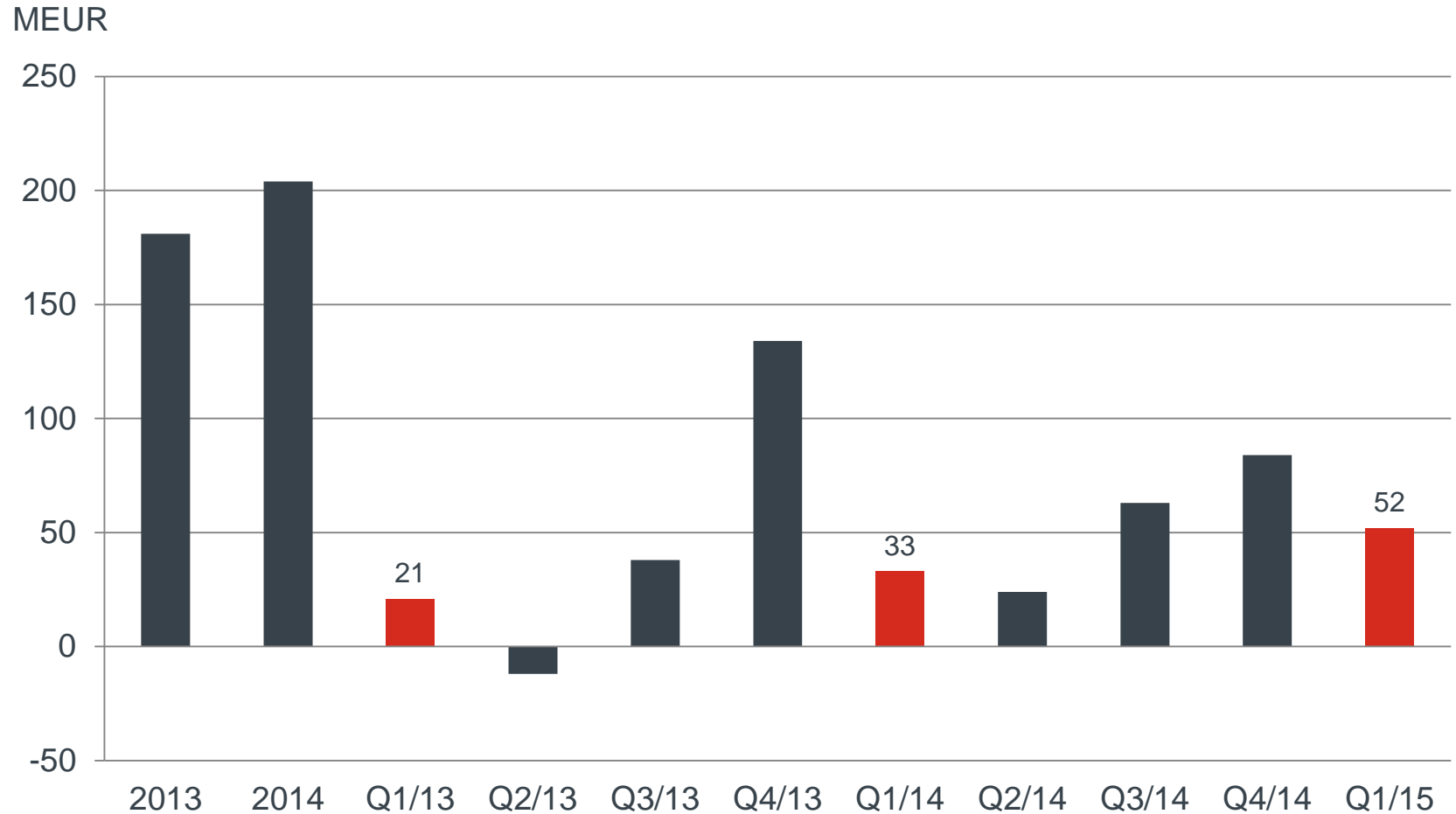


Hiab Q1 – profitability improved further

- Orders grew 17% y-o-y to EUR 256 (218) million
- Order book strengthened 22% from 2014 year-end
- Sales were at comparison period's level at EUR 212 (208) million
- Profitability excluding restructuring costs was 9.0%

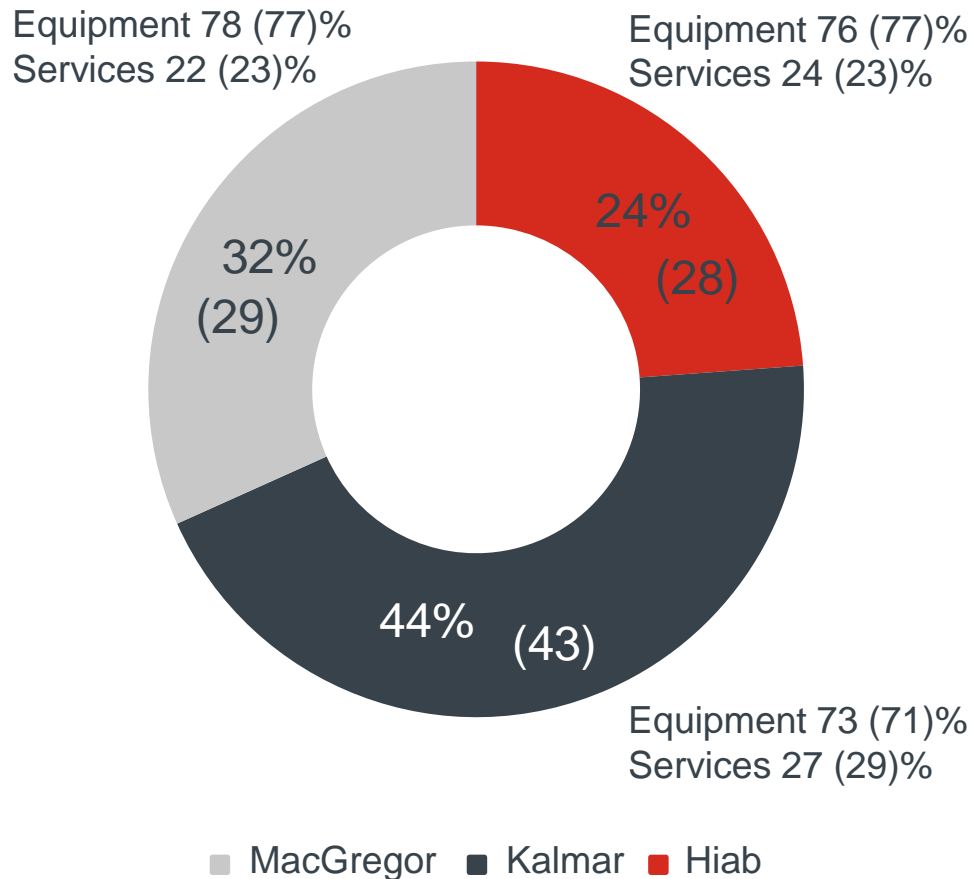


Cash flow from operations healthy

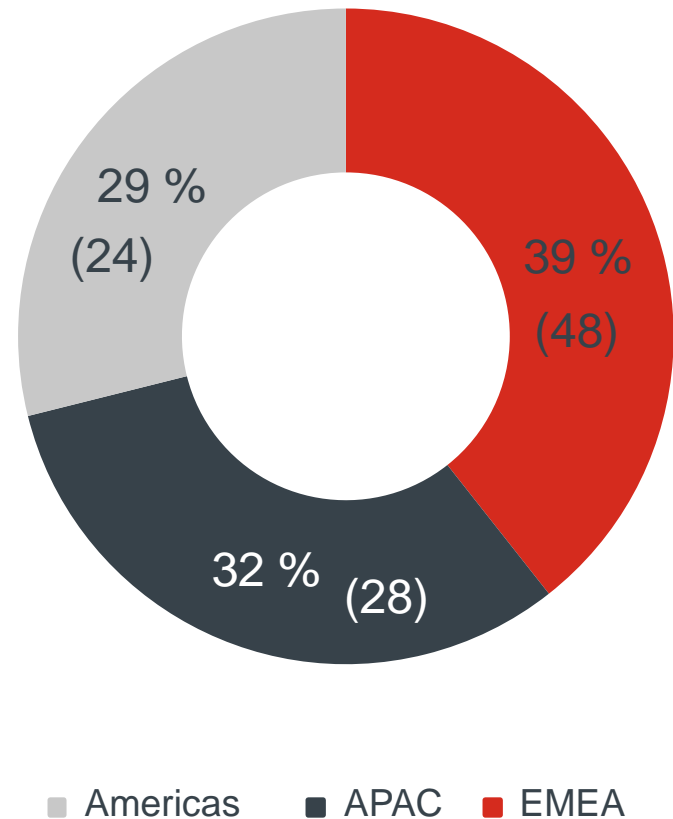


More balanced geographical mix in sales

Sales by reporting segment 1-3/2015, %

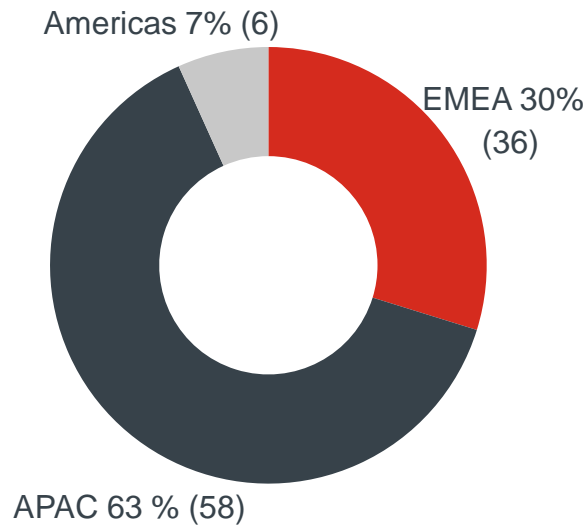


Sales by geographical segment 1-3/2015, %

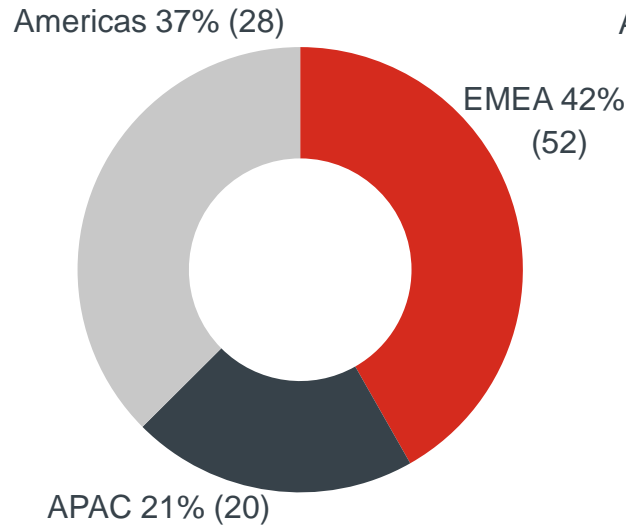


Sales by geographical segment by business area

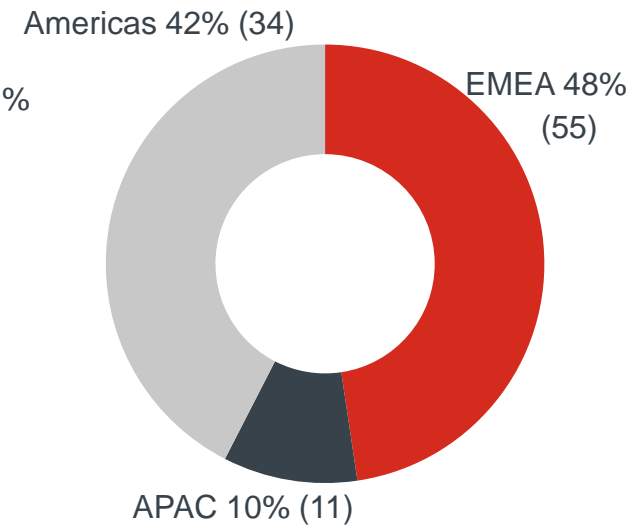
MacGregor



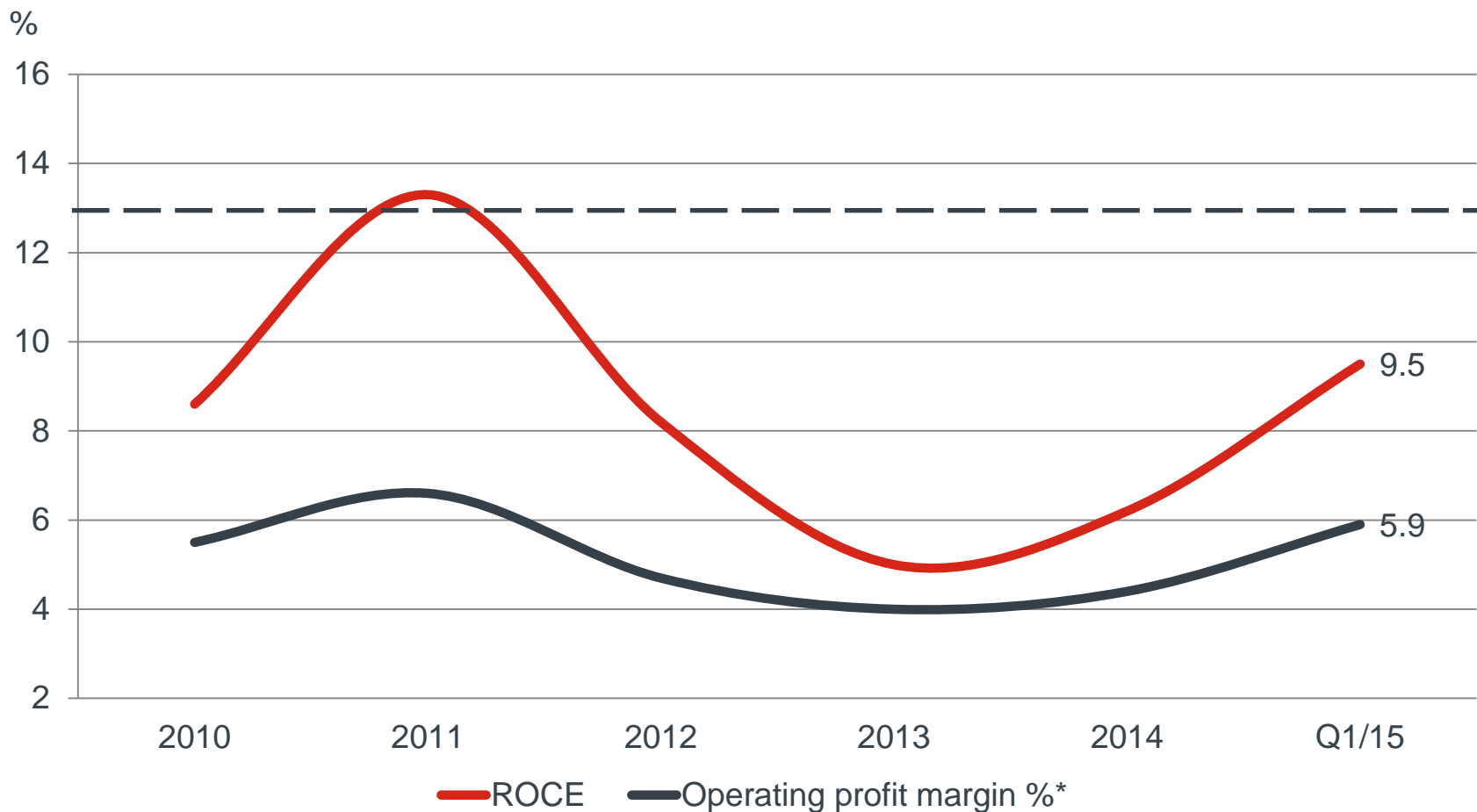
Kalmar



Hiab



ROCE and EBIT-% improved towards the >13% target level



ROCE, annualised
* excluding restructuring costs

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).



