




## Q4 2012 investor presentation

# Strategy and structure



# Cargotec's businesses

	Share of total sales in 2012	Geographical split of sales in 2012	Services share of sales in 2012	Order to delivery lead time
 <b>MAGGREGOR</b> Solutions for maritime transportation and offshore industries.	32%	EMEA 24% APAC 72% AMER 4%	17%	12-24 months
 <b>KALMAR</b> Cargo handling and automation solutions for ports and terminals	43%	EMEA 43% APAC 22% AMER 35%	25%	6-9 months
 <b>HIAB</b> Solutions for industrial and on-road load handling	25%	EMEA 55% APAC 13% AMER 32%	27%	2-4 months

# Separate listing of MacGregor in Asia

- A separate listing of Marine business area provides an opportunity to accelerate growth and value creation of the business.
- Cargotec will retain a majority stake in the listed subsidiary.
- In February 2013, the Board decided to establish the domicile of the future parent company of MacGregor business area in Singapore.
  - The management of MacGregor will be based in Singapore.

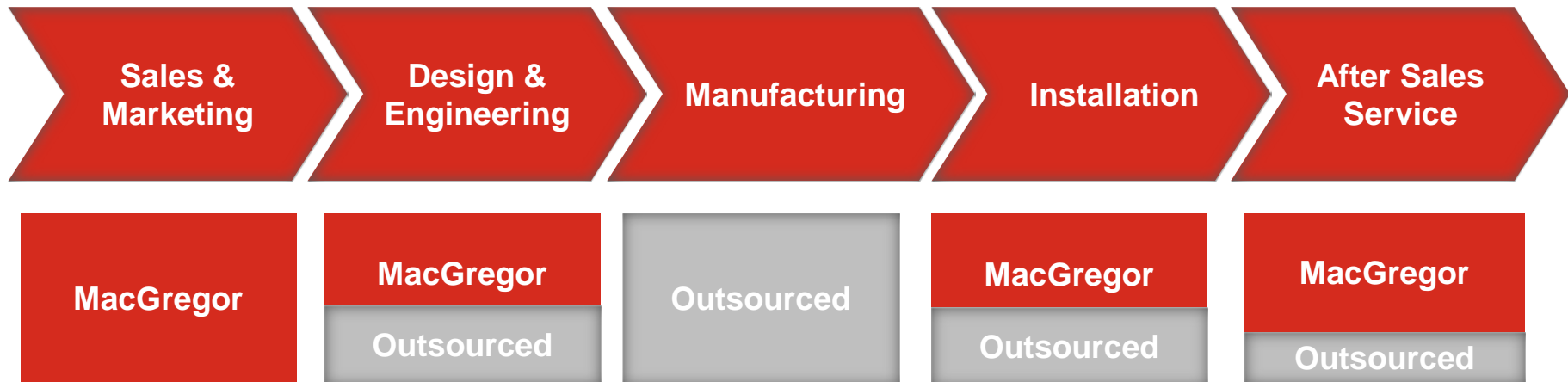


# MacGregor core is in merchant ships, offshore offers attractive growth opportunities



# MacGregor's business model – built-in flexibility

Concept focused on **design, engineering and service**



Reasonable margins  
Focus on core competencies

Cash positive  
Low fixed cost

High flexibility

# Kalmar's strategy 2011–2015

- To make our customers businesses run more effectively and efficiently
- Objective is to be the leading and most efficient box moving company
- Focus on integrated automation solutions
  - Navis
  - Extensive R&D investment
- Improve competitiveness of product offering
- Grow services business

Product fit



Fleet performance



Customer performance





# The most comprehensive offering for Kalmar

Packaging, Integration & Operationalisation



## Equipment

Complete set of equipment for container and cargo handling tasks

## Services

Global service network  
Rebuilding and refurbishing  
Service contracting  
Terminal development

## Systems & Automation

Terminal operating systems  
Automated equipment  
Process automation

# Kalmar's short term strategic actions

- Improve operational efficiency
  - Organisation with clear P&L responsibilities
  - Reduction of fixed cost
- Improve volume product competitiveness
  - Transfer of production from Lidhult to Poland
  - EMEA network integration
- Improve profitability of big projects
  - Increased project management competence
  - Rainbow-Cargotec joint venture in China for production
  - Development of way of working and tools
  - Tighter integration of sales and delivery



# Hiab's strategy 2011–2015

- Focus on customer needs
- Target is to be the leading on-road load handling supplier
- Profitability over sales growth
- Product differentiation
- Route to market
- Presence in mature markets with focused approach in China, Brazil and Russia



# Hiab's short term strategic actions

- Cost efficiency
  - Outsourcing
  - Sourcing footprint
  - Product cost improvement
  - Supply efficiency
    - Investment in Poland
- Frontline execution development
- Offering development



# January- December financials



# Highlights of Q4

- Order intake decreased 16% y-o-y to EUR 710 (842) million
- Sales grew 7% y-o-y to EUR 890 (828) million
- EUR 25.7 million was booked in restructuring costs
- Operating profit margin excluding restructuring costs was 4.4%
- Cash flow from operations at previous year's level totalling EUR 90.6 (88.3) million



# Restructuring costs in 2012

Cargotec	MacGregor	Kalmar	Hiab	Corporate
MEUR 26.2	MEUR 3.2	MEUR 9.9	MEUR 10.4	MEUR 2.8
Of which MEUR 19 cash flow impact	<ul style="list-style-type: none"> <li>Restructuring measures in selfunloader, services and offshore businesses</li> </ul>	<ul style="list-style-type: none"> <li>Adjusting operations to improve profitability</li> <li>Centralising the assembly of reachstackers and empty container handlers from Lidhult, Sweden, to Poland</li> <li>Transfer of production in China</li> </ul>	<ul style="list-style-type: none"> <li>Restructuring sales and distribution network in various countries globally</li> <li>Restructuring and capacity adjustment measures in Hudiksvall, Sweden</li> </ul>	<ul style="list-style-type: none"> <li>Adjusting operations to the new business-driven operating model</li> </ul>

Measures taken are estimated to result in approximately EUR 30 million cost savings for 2013.

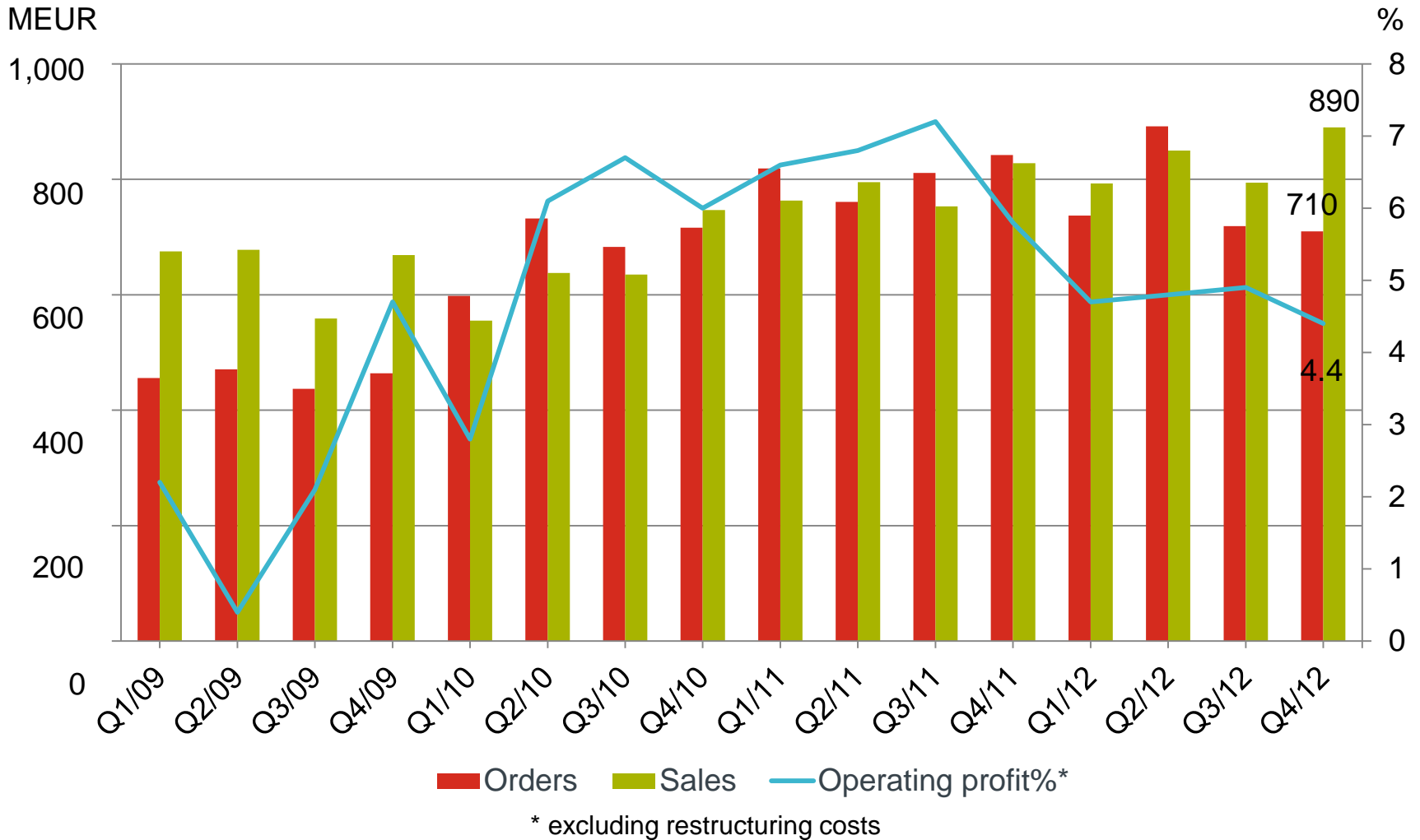
# January–December key figures

	Q4 2012	Q4 2011	Change	Q1-Q4/2012	Q1-Q4/2011	Change
Orders received, MEUR	710	842	-16%	3,058	3,233	-5%
Order book, MEUR	2,021	2,426	-17%	2,021	2,426	-17%
Sales, MEUR	890	828	7%	3,327	3,139	6%
Operating profit, MEUR*	39.5	48.0	-18%	157.2	207.0	-24%
Operating profit margin, %*	4.4	5.8		4.7	6.6	
Cash flow from operations, MEUR	90.6	88.3		97.1	166.3	
Interest-bearing net debt, MEUR	478	299		478	299	
Earnings per share, EUR	0.14	0.56		1.45	2.42	

\*excluding restructuring costs

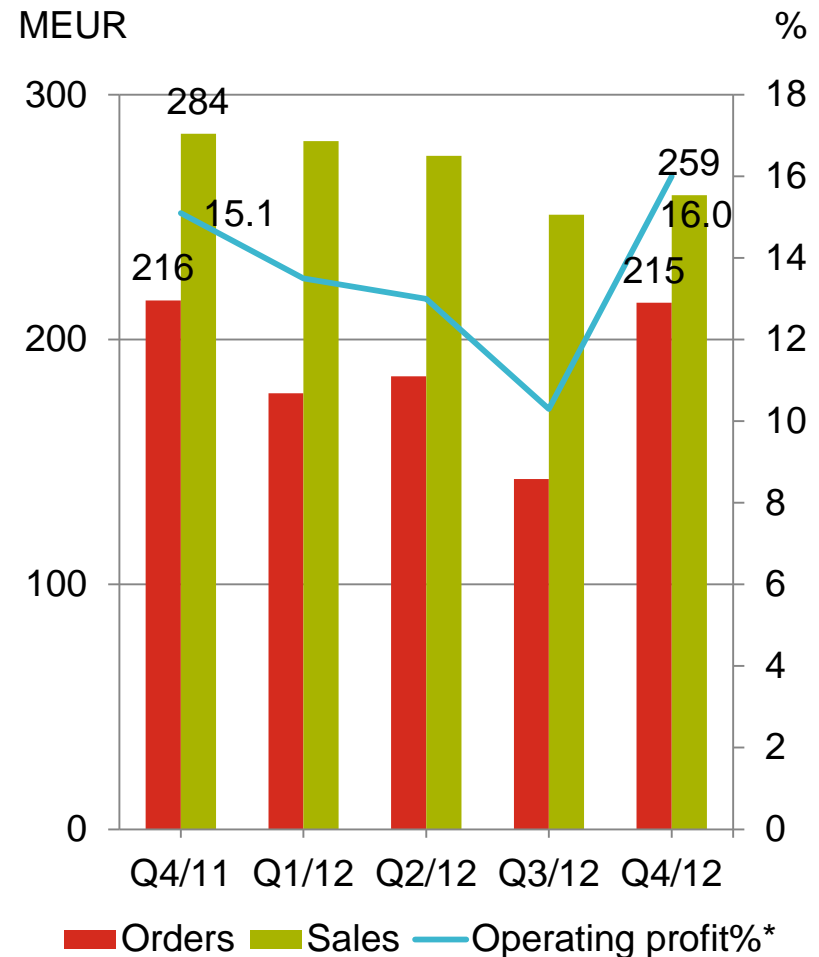


# Performance development



# MacGregor Q4 – margin remained strong

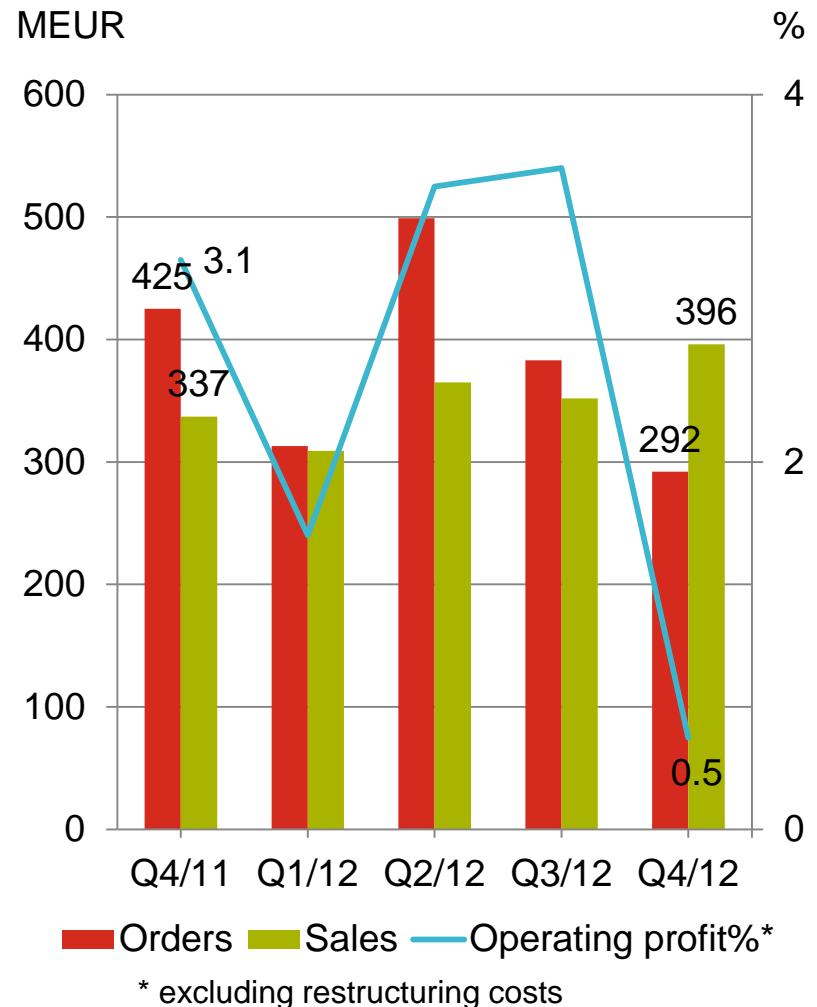
- Profitability at strong level
- EBIT includes EUR 7 million capital gain from a sale of property in Singapore
- Demand for marine cargo handling equipment for offshore support vessels, RoRo vessels and bulk terminals remained healthy
- Sales declined 9 percent from the comparison period



\* excluding restructuring costs and including capital gain

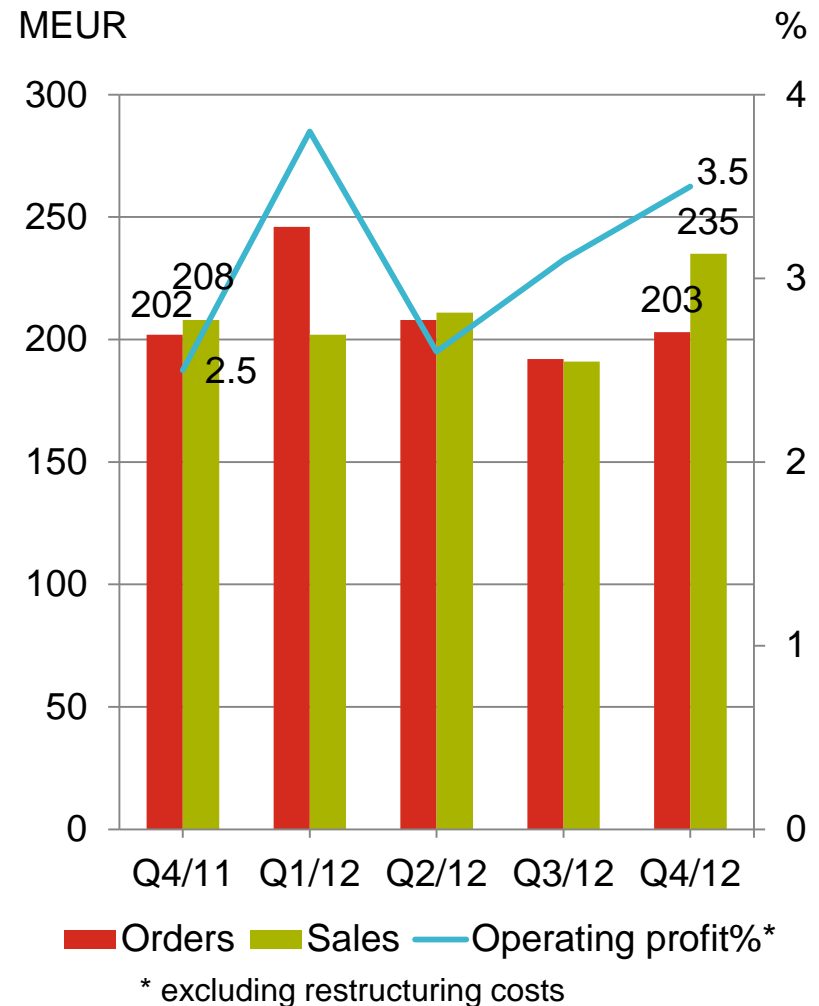
# Kalmar Q4 – profitability hampered by cost overruns on large projects

- Demand for container handling equipment remained brisk albeit no big project orders were booked
- Sales grew 18% y-o-y
- Profitability excluding restructuring costs was 0.5%
  - Cost overruns on large projects
  - Low relative share of services
  - Investment in port automation technology
- Focus on profitability and project execution



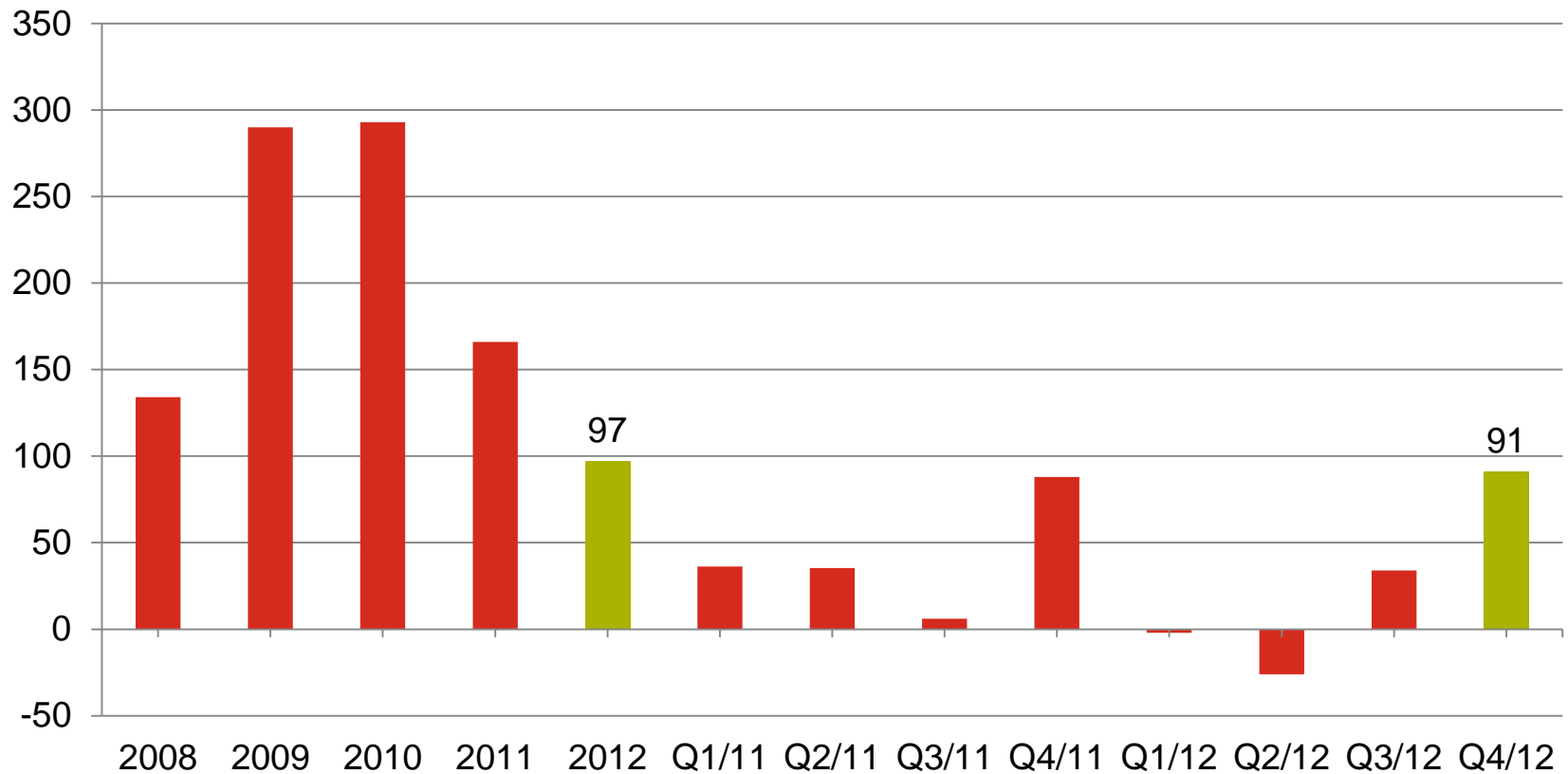
# Hiab Q4 – order intake and sales remained healthy

- Demand for load handling equipment was healthy – strong in Americas, softer in Europe
- Orders at previous year's level
- Sales grew 13% y-o-y
- Profitability excluding restructuring costs was 3.5%
- Focus on profitability

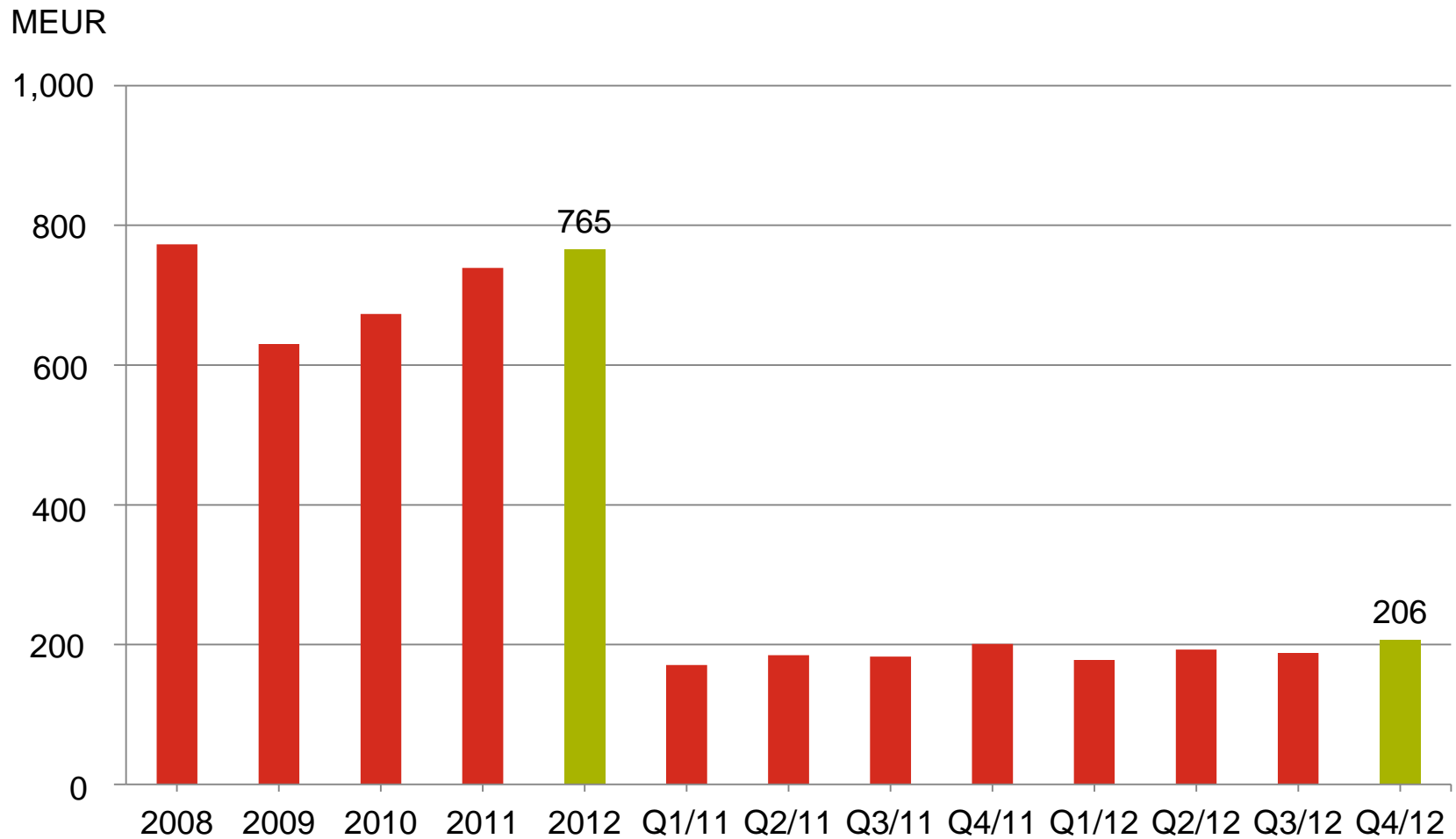


# Strongest quarter for cash flow from operations

MEUR

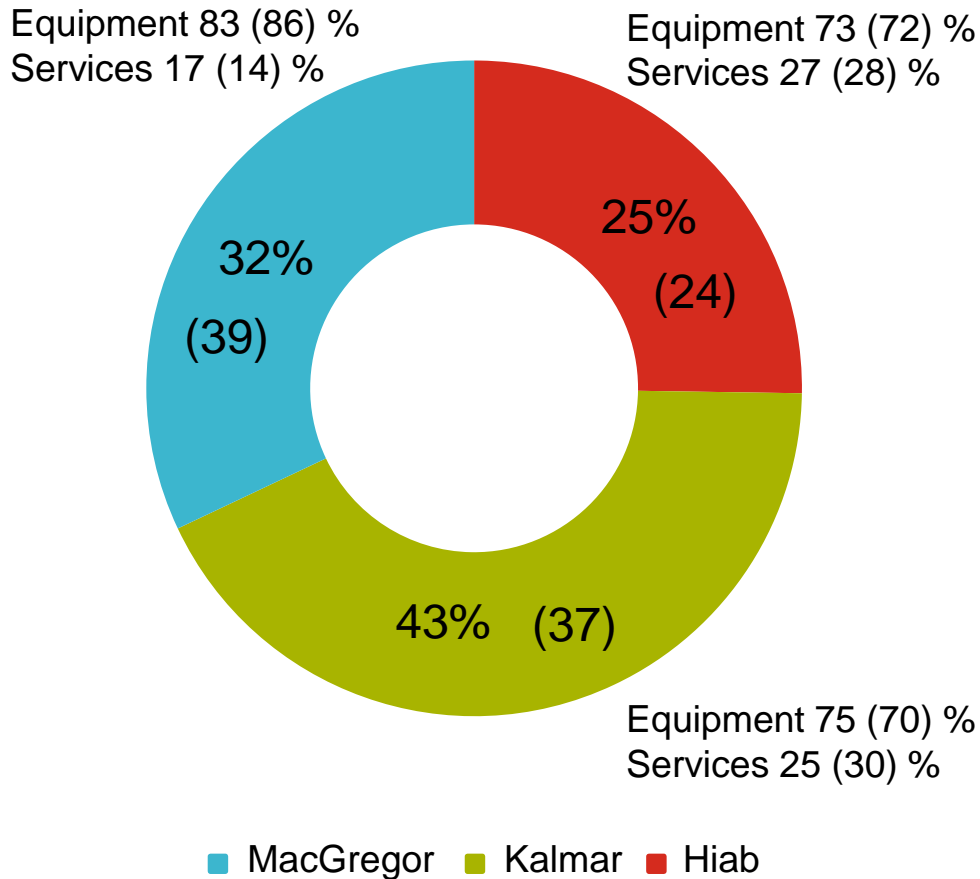


# Services sales grew 3% in 2012

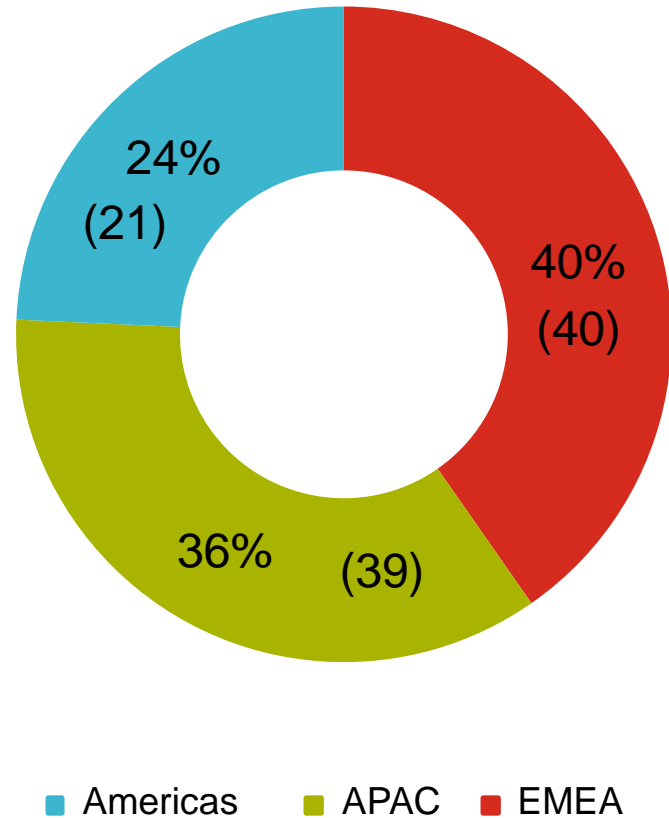


# Balanced geographical split in sales

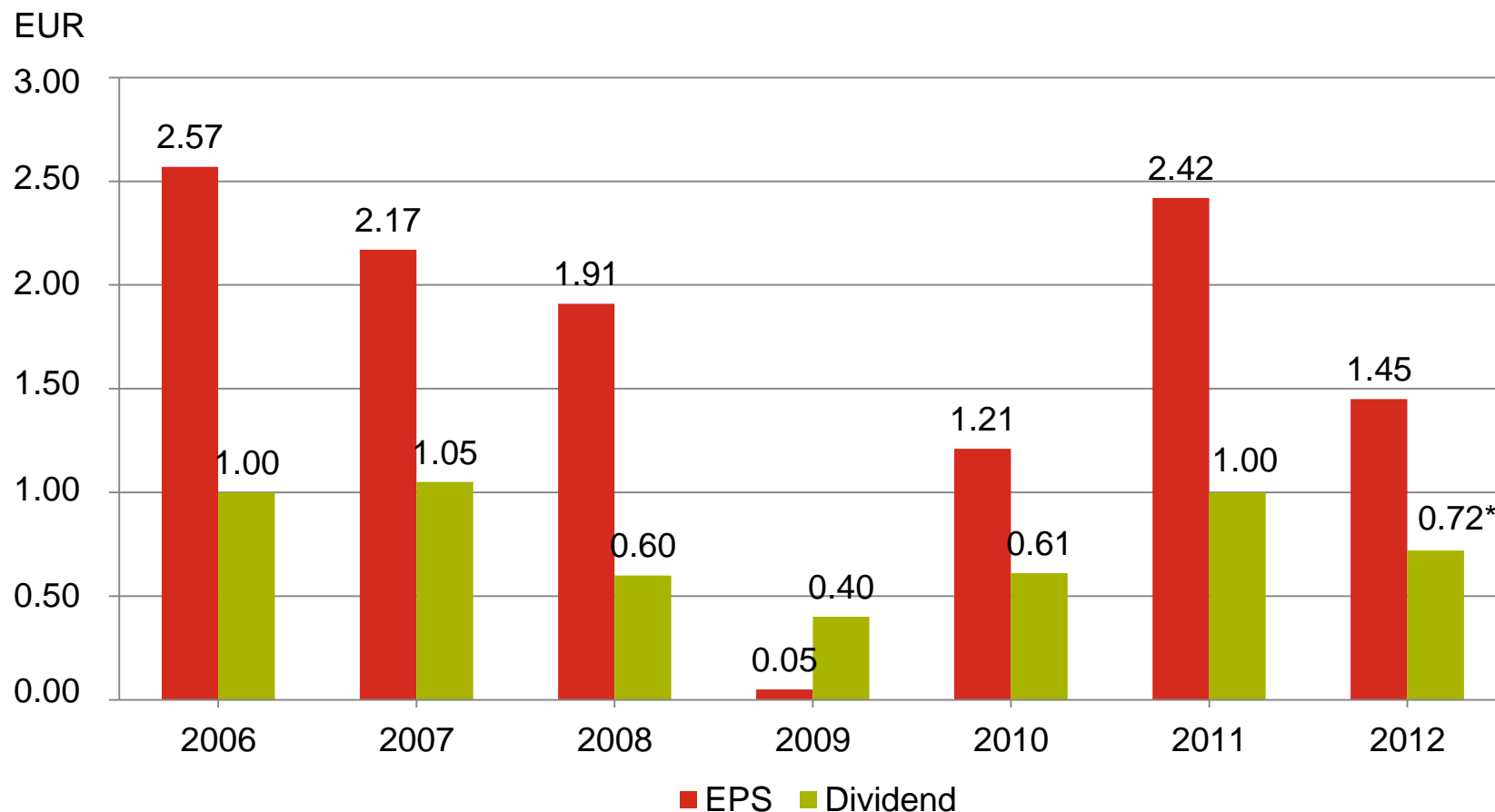
Sales by reporting segment 2012, %



Sales by geographical segment 2012, %



# Earnings per share and dividend (B share)



\* Dividend proposal by the Board of Directors



# New President and CEO



- Mr Mika Vehviläinen was appointed as new President and CEO 27 January 2013
- New President and CEO started at Cargotec on 1 March 2013
- Previously he was the President and CEO of Finnair Plc.
- Prior Finnair has held senior leadership positions at Nokia Siemens Networks and Nokia

# Outlook

- Cargotec's sales are expected to be slightly below 2012 and operating profit excluding restructuring costs to be at 2012 level.
- Positive impact of efficiency improvement measures implemented will be weighted on the second half of the year.

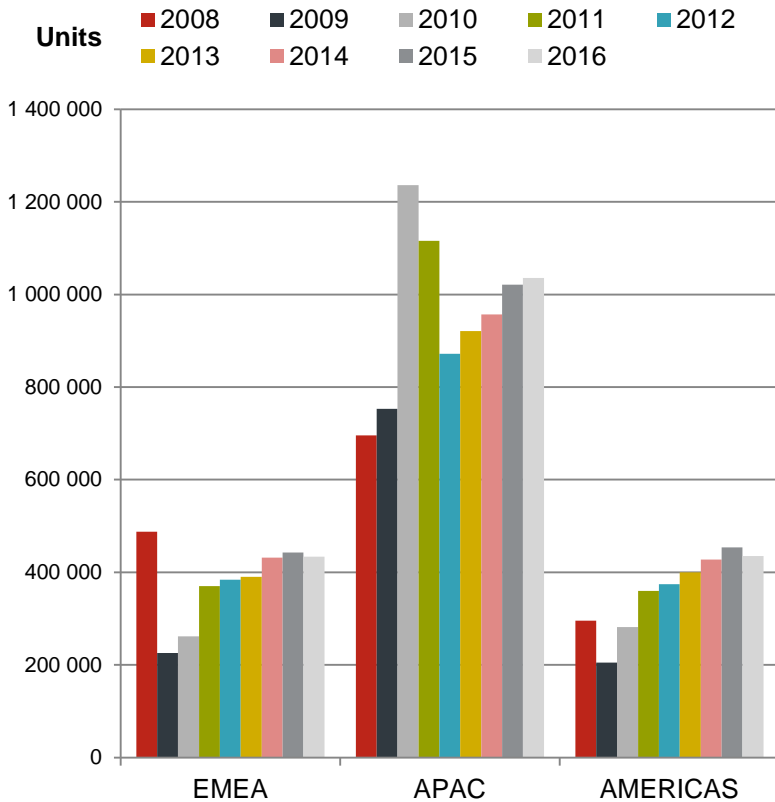


# Appendices

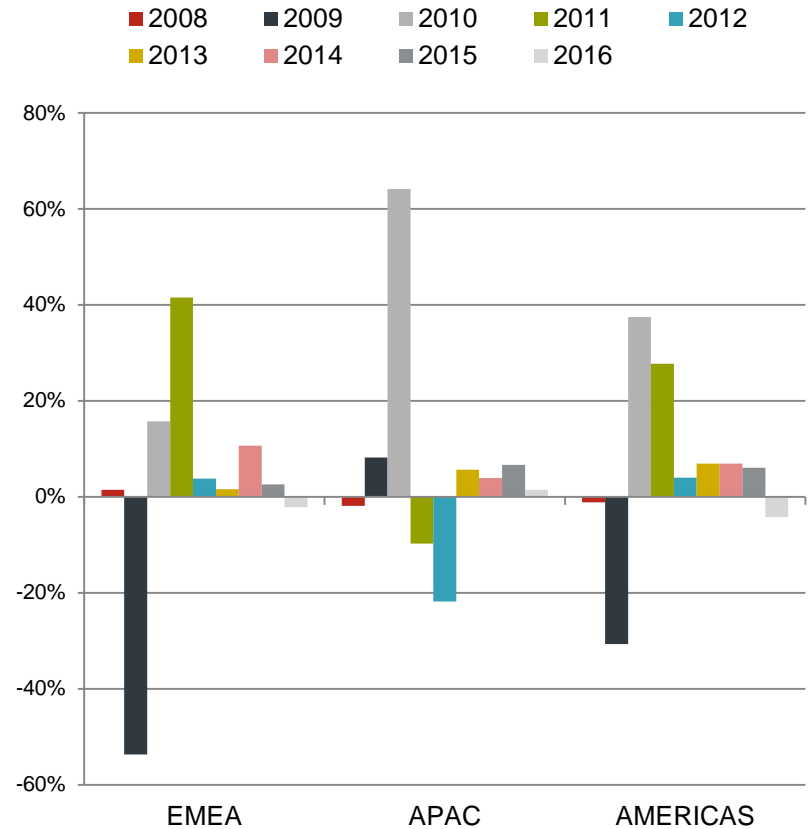


# Macro indicator trends

Truck sales GVW over 15 ton - regions

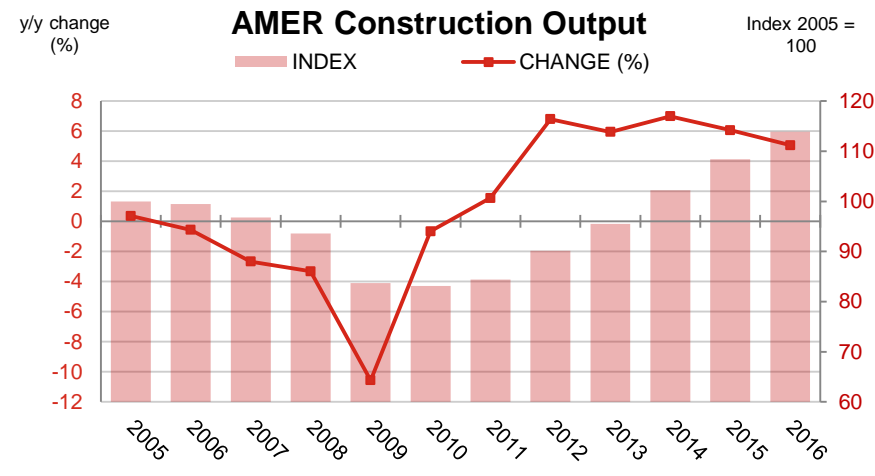
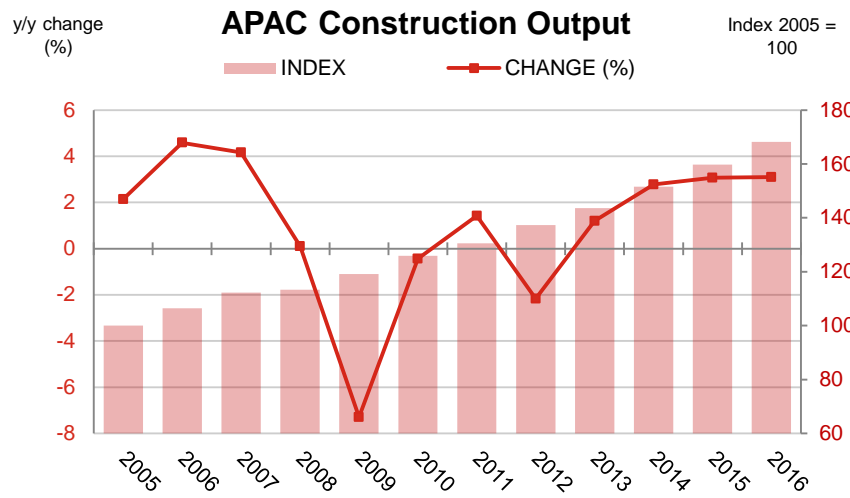
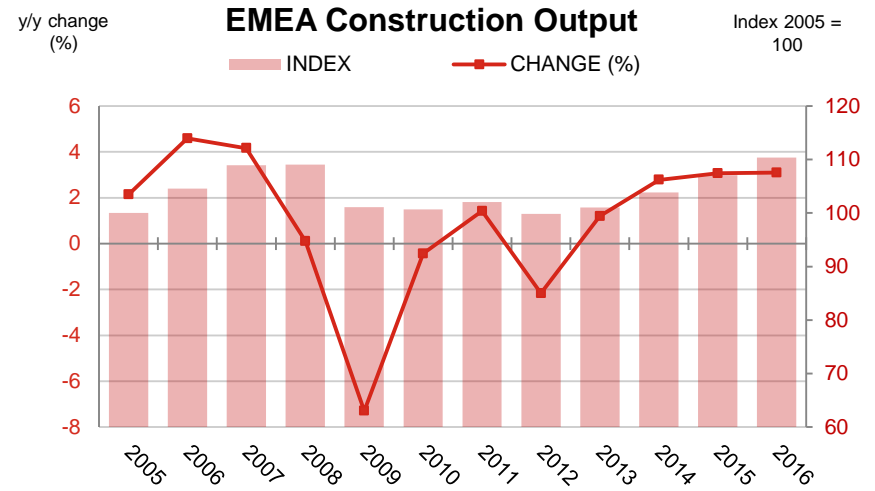
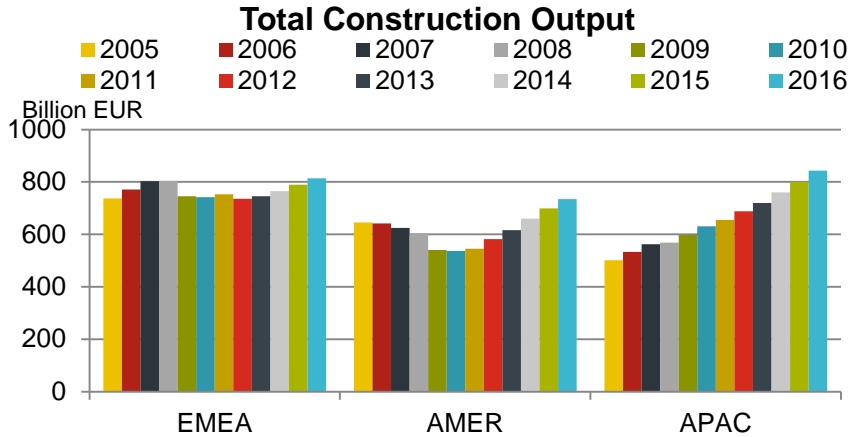


Sales growth GVW over 15 ton - regions



Source: IHS Global Insight Feb 2013

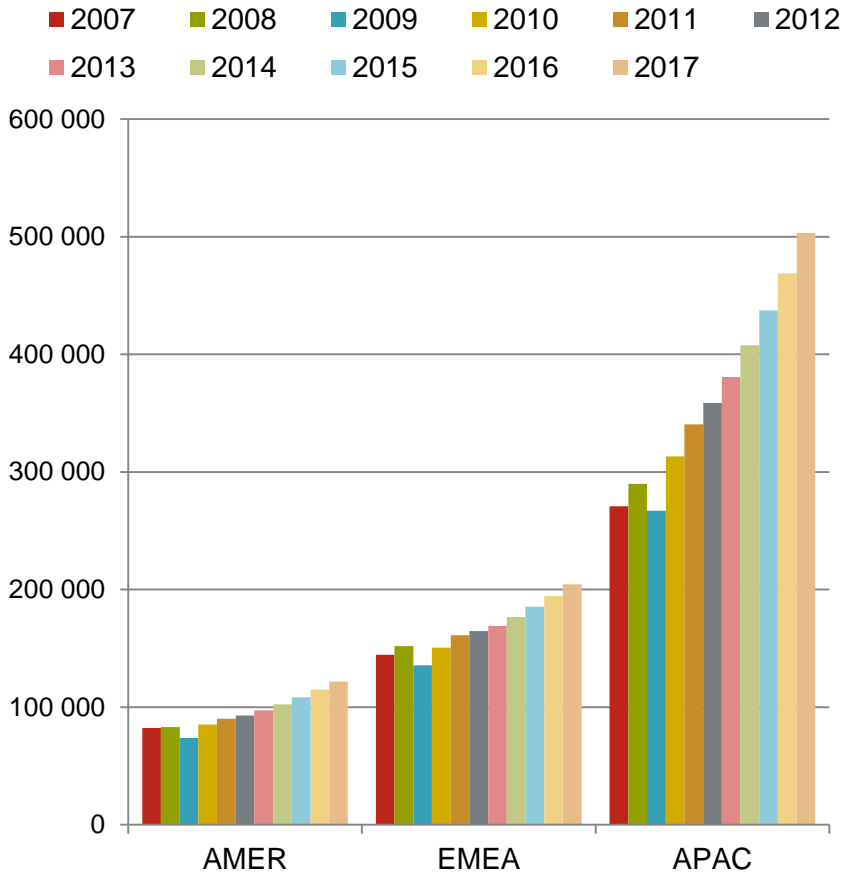
# Macro indicator trends



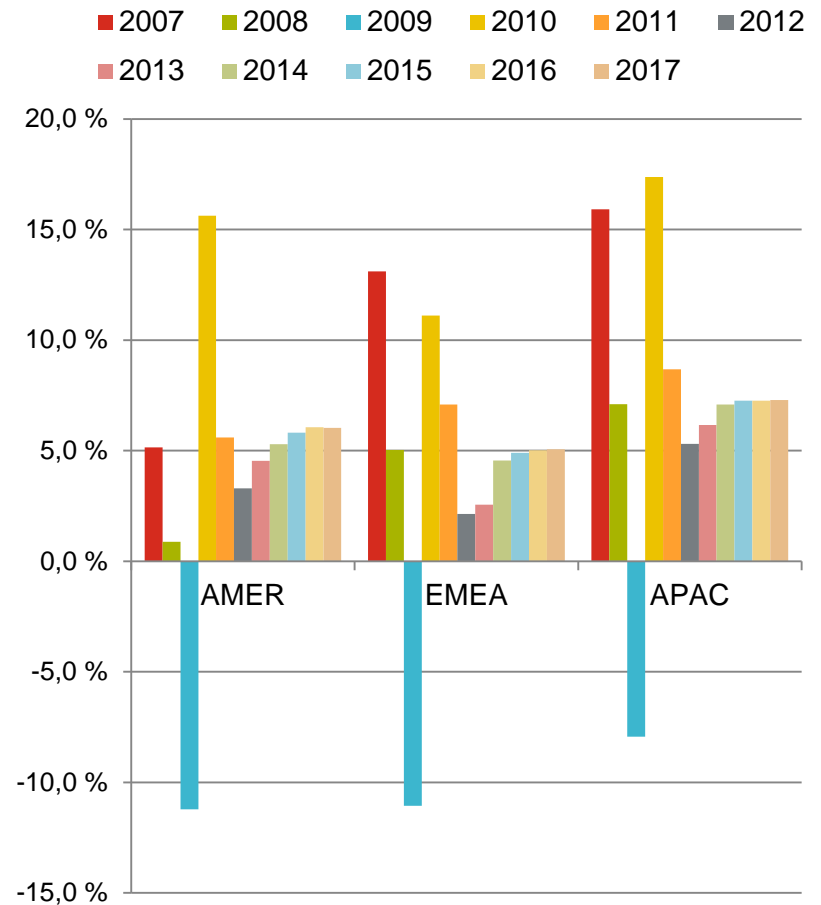
Source: Oxford Economics Q4/2012

# Macro indicator trends

Drewry (Throughput '000 TEU units)

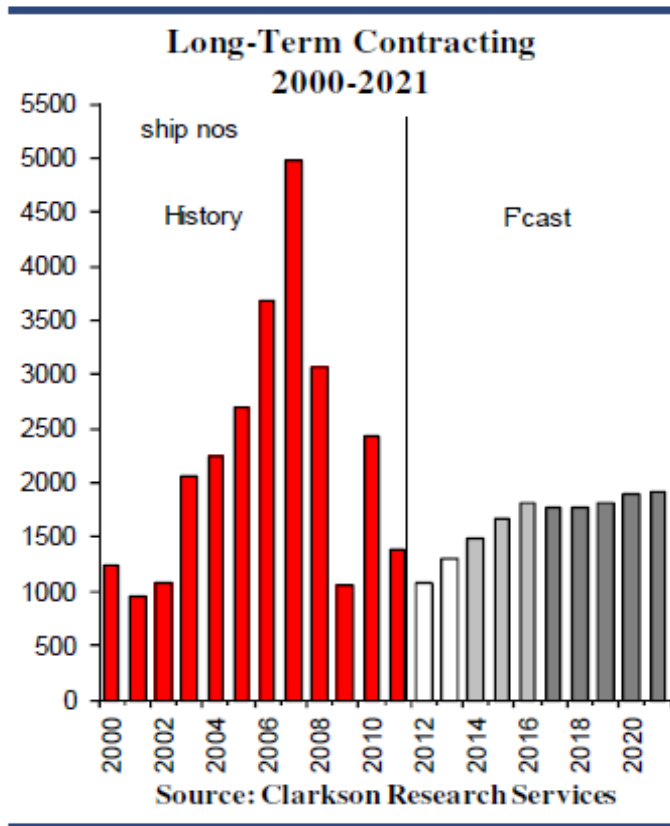


Drewry (Throughput TEU % change)

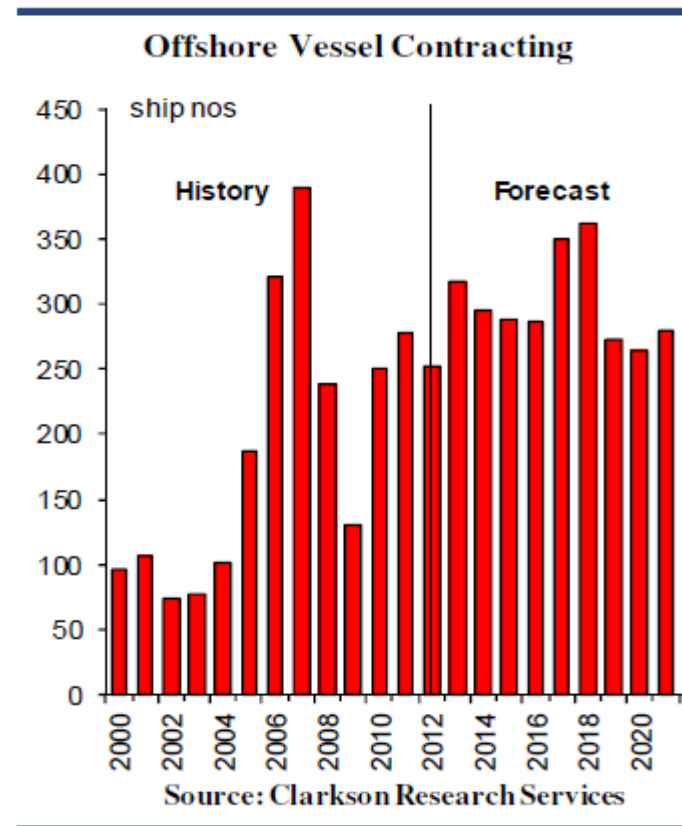


Source: Drewry Global Container Terminal Operators, Q3/2012 report

# Ship contracting forecast



*Long-Term Newbuilding Requirement, No.*



*Offshore Vessel Contracting*

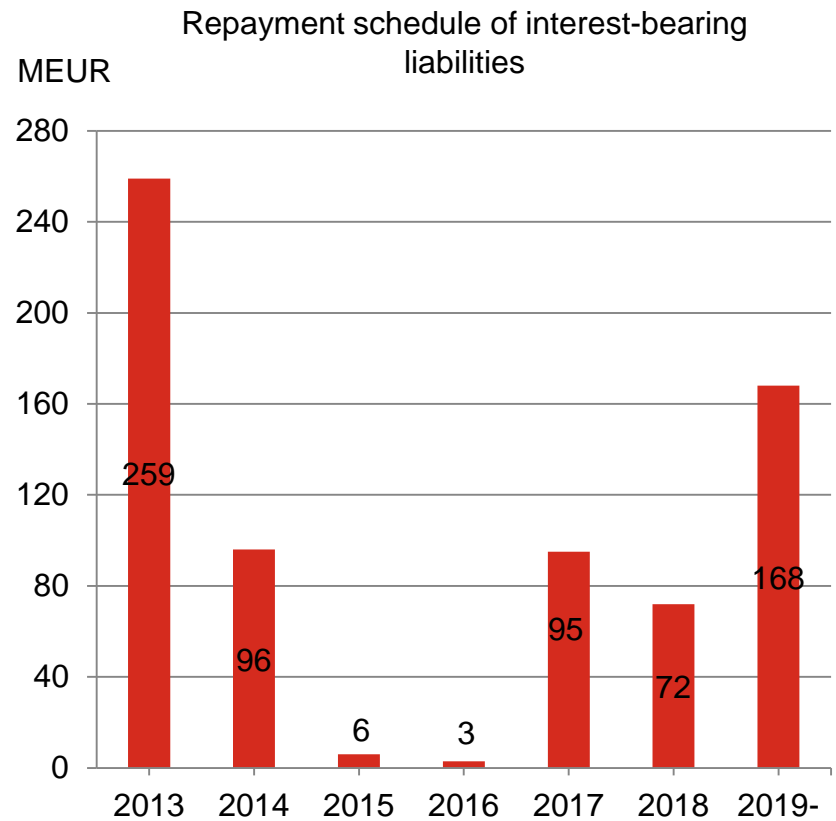
Source: Clarkson Shipbuilding forecast 9/2012

# Low gearing and strong liquidity

## 31 Dec 2012

- Gearing 38.8%
- Net debt MEUR 478
- Liquidity MEUR 509
  - Cash and cash equivalents MEUR 209
  - Unused and committed long-term revolving credit facility of MEUR 300

→ Cargotec is well prepared financially for the coming years





# Hiab offering



Loader cranes



Truck-mounted forklifts



Demountables



Tail lifts



Forestry cranes



Stiff boom cranes



Services

# Key competition with Hiab offering

	Knuckle-boom Cranes	Stiff boom Cranes	Demountables	Tail Lifts	Truck-mounted Forklifts	Forestry Cranes
• Hiab	X	X	X	X	X	X
• Palfinger	X	X	X	X	X	X
• Hyva	X		X	X		
• Fassi	X					X
• Effer	X					
• HMF	X					
• Unic		X				
• Tadano		X				
• National		X				
• Meiller			X			
• VDL			X			
• Stellar	X		X			
• Shimaywa			X	X		
• D'Hollandia				X		
• Bär				X		
• Dautel				X		
• Anteo				X		
• Maxon				X		
• Tommy Gate				X		
• Manitou					X	
• Terberg Kinglifter					X	
• Chrisman					X	
• Donkey					X	
• Kesla						X
• Prentice						X

# Kalmar offering



**Straddle carriers**



**Reachstackers**



**Terminal tractors**



**Forklift trucks**



**Ship-to-Shore cranes**



**RTGs, RMGs**



**Spreaders**



**Services**

# Key competition with Kalmar offering

	Ship-to-shore cranes	ASC carriers	RTG/RMG cranes	Straddle/Shuttle carriers	Reach stackers	Fork lift trucks	Terminal tractors. AGVs	Spreaders	Mobile harbour cranes	Services
• Kalmar	X	X	X	X	X	X	X	X		X
• ZPMC	X	X	X	X				X		
• Konecranes	X	X	X	X	X	X				X
• Terex/Gottwald	X	X	X	X	X	X			X	X
• Sany	X		X		X	X		X		
• Liebherr	X		X	X	X				X	
• Mitsubishi	X		X	X		X				
• Mitsui	X		X					X		
• Kunz		X	X							
• TCM			X	X	X	X				
• CVS				X	X	X	X	X		
• Hyster Heavy					X	X				
• Taylor					X	X				
• Linde Heavy					X	X				
• Zoomlion					X					
• Tomac					X	X				
• Toyota						X				
• Sinotruk							X			
• Capacity							X			
• Terberg							X			
• Mafi							X			
• Stinis								X		
• RAM								X		

# MacGregor offering



**Hatch covers**



**Ship cranes**



**Offshore deck equipment**



**Securing**



**RoRo**



**Link spans**



**Bulk loaders**



**Services**

# Key competition with MacGregor offering

	Hatch covers	Deck cranes	Lashing equipment	RoRo equipment	Self unloaders	Offshore ALH	Offshore winches	Services
• MacGregor	X	X	X	X	X	X	X	X
• TTS	X	X		X		X	X	X
• SMS (ex Seohae)	X			X				(X)
• Iknow (ex Tsuji)	X	X		X				(X)
• Kyoritsu	X			X				
• Nakata	X			X				
• IHI		X						
• Coops & Nieborg	X							
• Macor	X			X		X		(X)
• Navalimpianti	(X)			X		(X)		
• Liebherr		X				X		X
• Oriental Precision		X				X		
• Huisman		X				X	X	
• MHI		X						
• German Lashing			X					X
• SEC			X					X
• Taiyo			X				X	
• National Oilwell Varco						X	X	X
• Rolls Royce						X	X	X
• Aker Solutions (Pusnes)							X	
• Hatlapa							X	(X)
• EMS-Tech					X			
• Seabulk					X			
• Oshima	X				X			

