

## Q2 2013 Paris road show - 24 September 2013

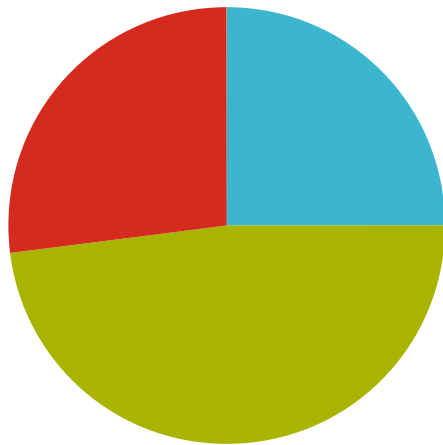
President and CEO Mika Vehviläinen

# Cargotec businesses



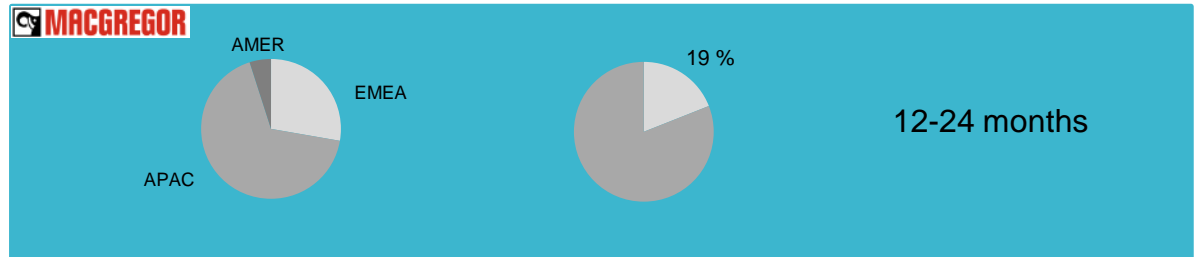
# Cargotec's business in brief

Cargotec sales split in H1/13

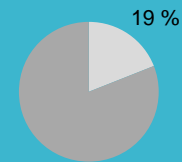


■ MacGregor ■ Kalmar ■ Hiab

Geographical split of sales in H1/13

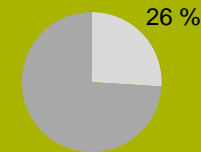
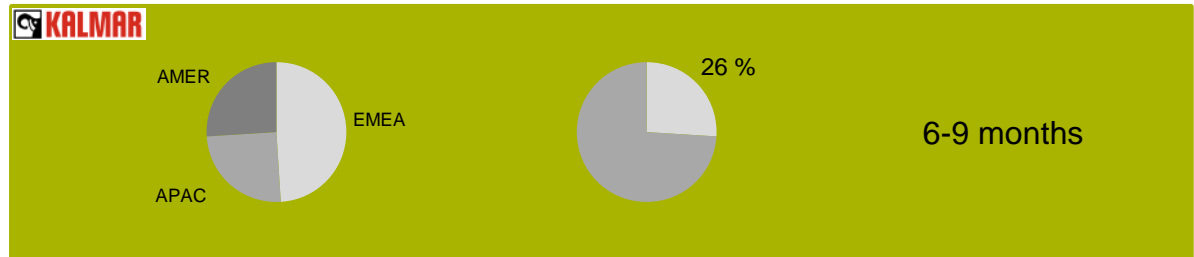


Services share of sales in H1/13

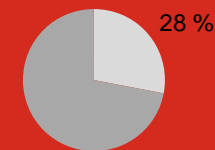
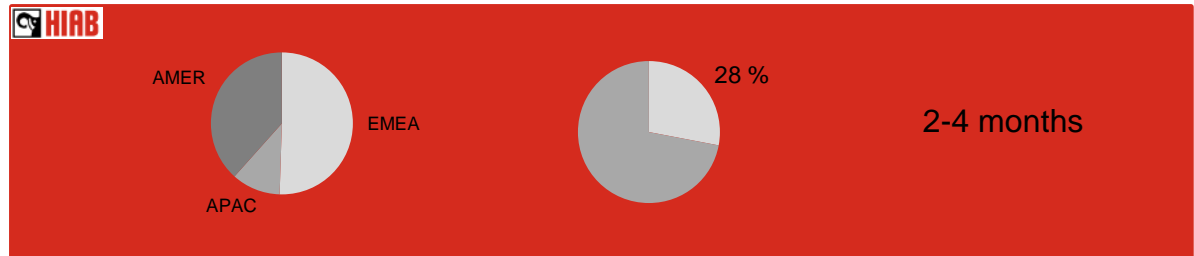


Order to delivery lead time

12-24 months



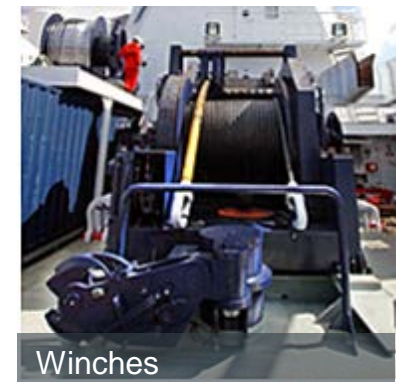
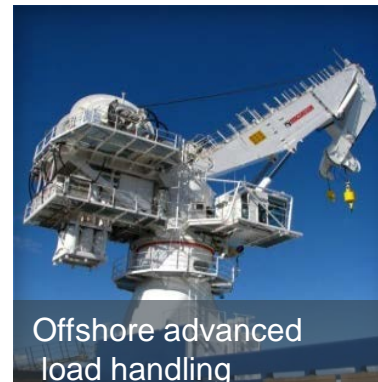
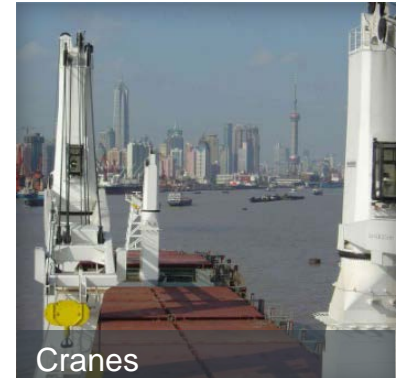
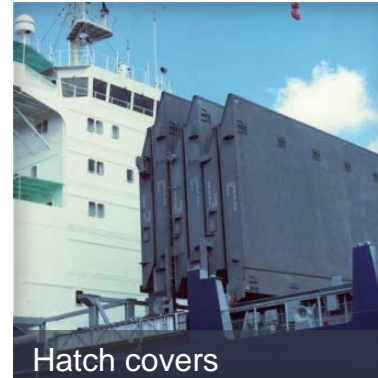
6-9 months



2-4 months

# MacGregor offers solutions for merchant and offshore ships

- Leading brand with long standing client relationships
- World class R&D portfolio and products
- Building stronger platform in offshore
- Asset light, highly cash generative business
- Strong financial track record
- Separate listing in Singapore under preparations



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



# Kalmar offers complete solutions for ports and terminals



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

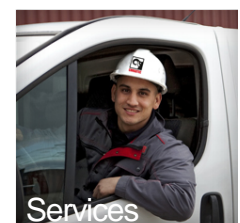
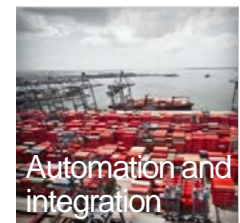
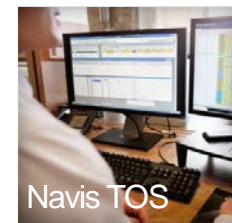
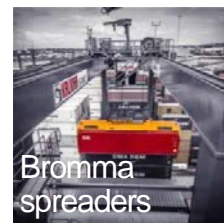
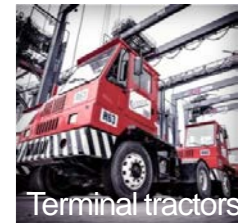
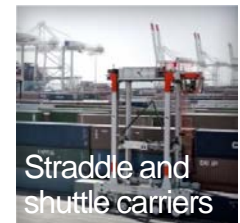
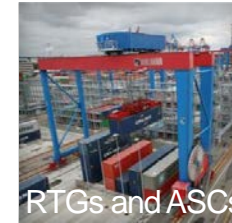
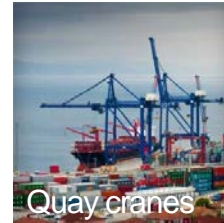


## Systems & Automation

Terminal operating systems  
Automated equipment  
Process automation

# Kalmar's strategy

- 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





# Hiab is the preferred brand in on-road load handling

- Hiab's high performance product range includes loader cranes, forestry and recycling cranes, demountables, truck-mounted forklifts and tail lifts.
- Hiab solutions let customers optimise their services while running efficient and profitable operations.
- Broad product offering, leading technology and solid global know-how make Hiab solutions the most reliable and efficient for customers.



Construction



Environment



Distribution



Forestry



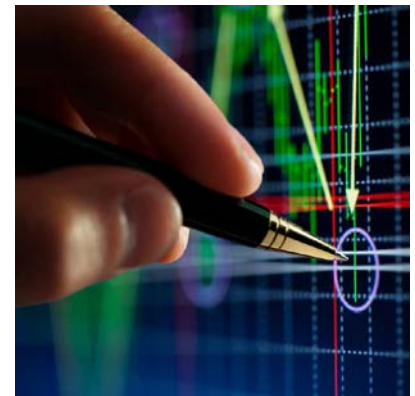
Defence

# Hiab's strategy

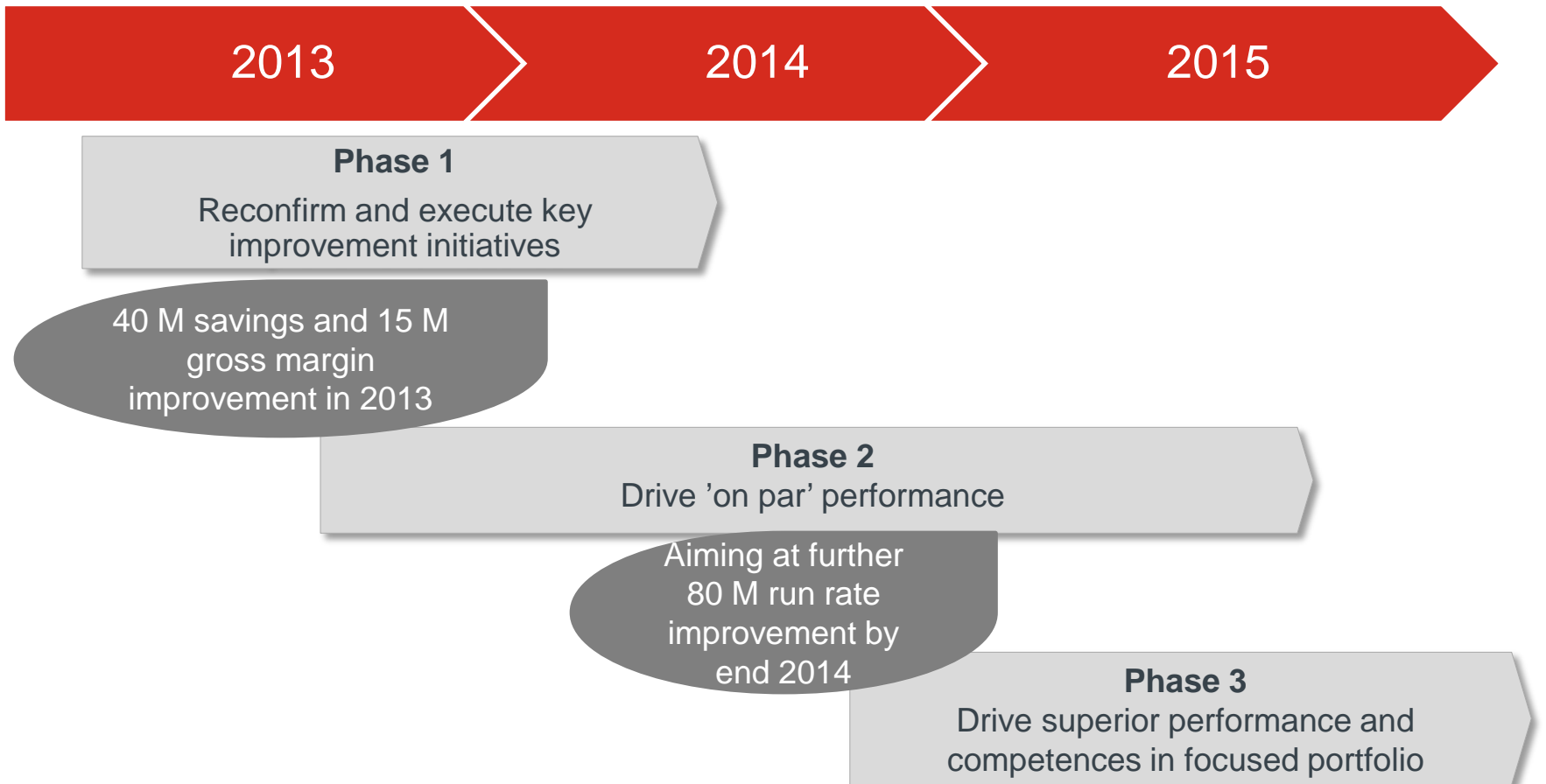
- Focus on customer needs
- Target is to be the leading on-road load handling supplier
- Profitability over sales growth
- Product differentiation
- Route to market
- Presence in mature markets with focused approach in China, Brazil and Russia



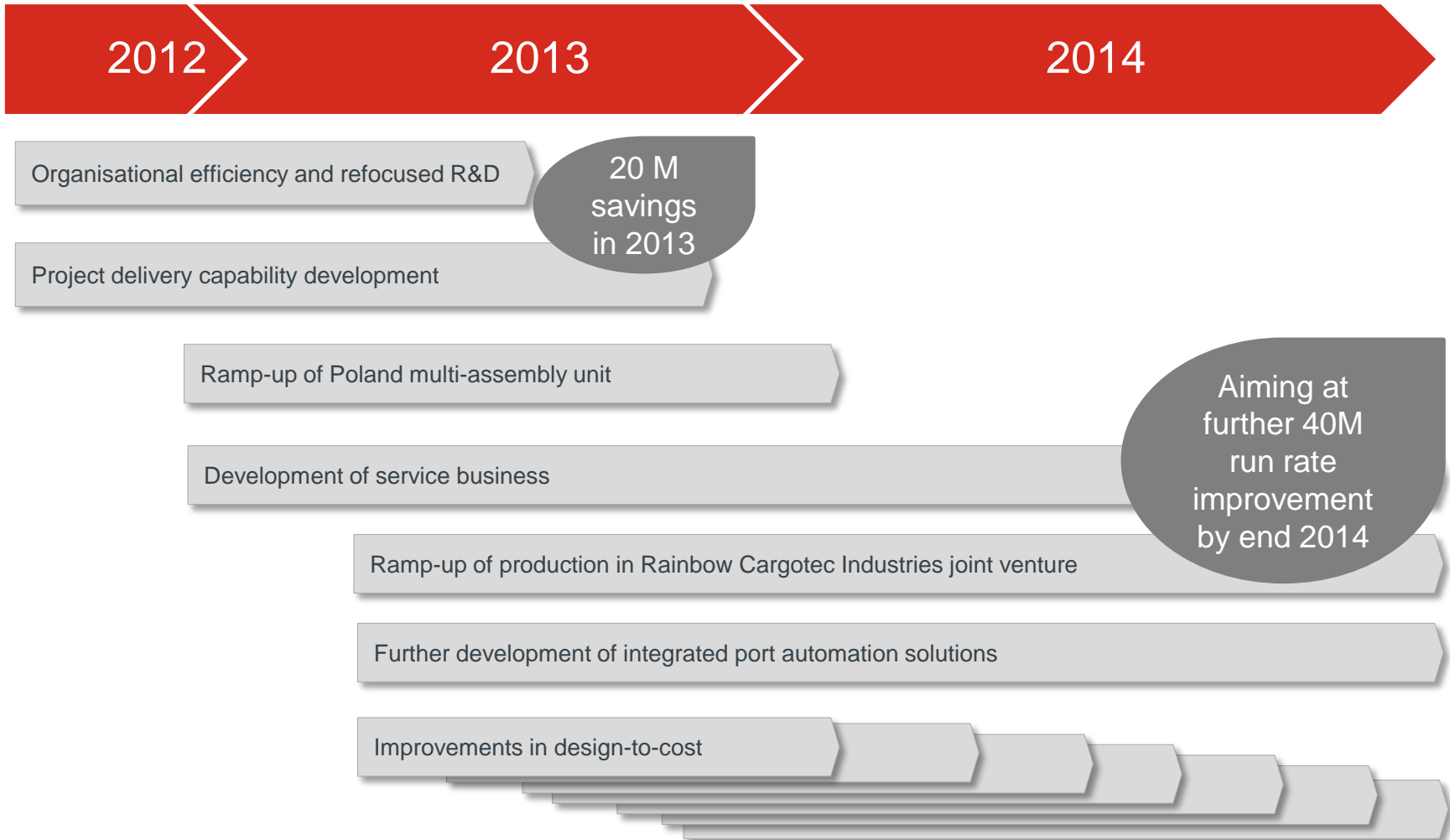
# Driving for better performance



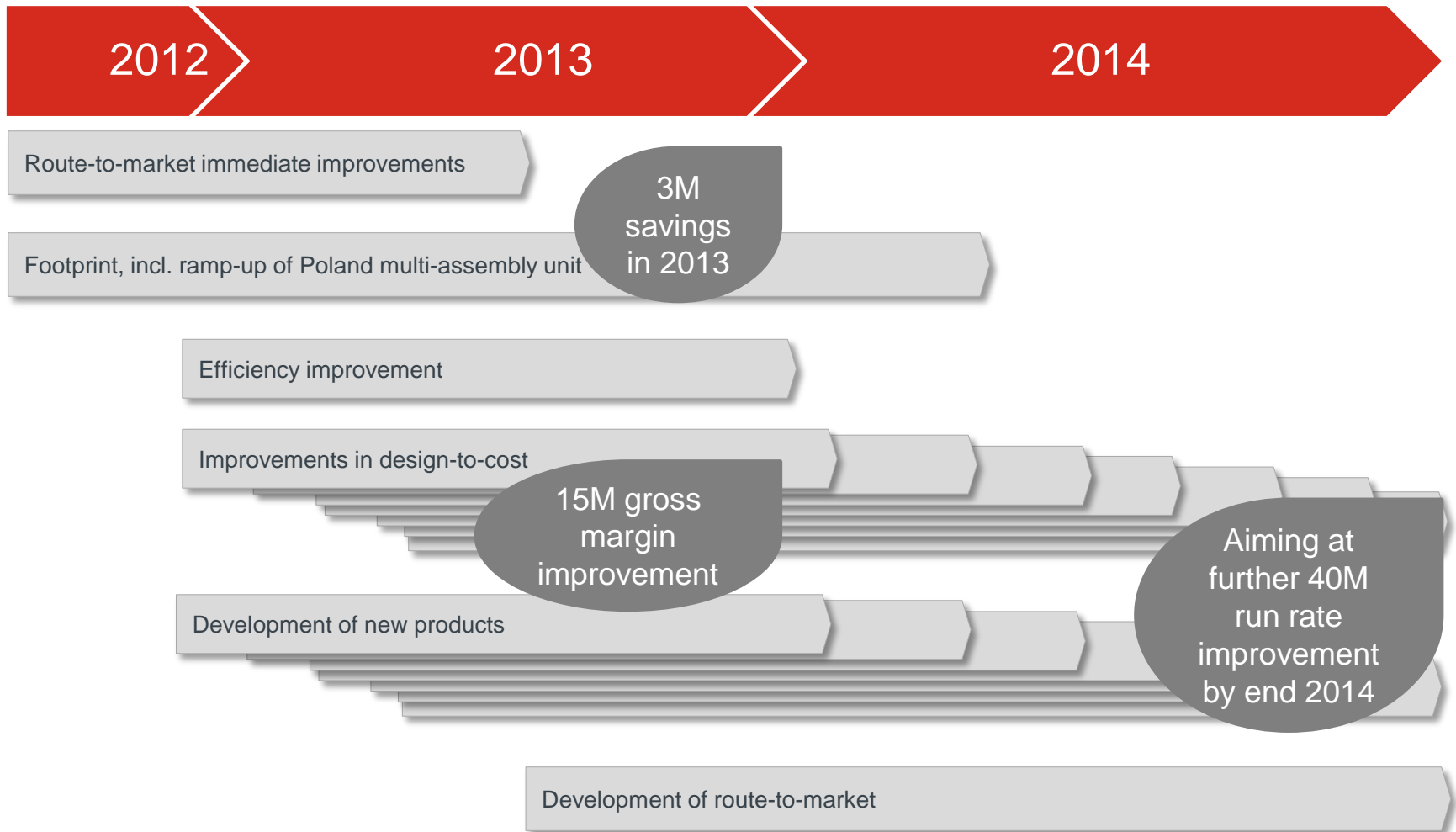
# Cargotec road map



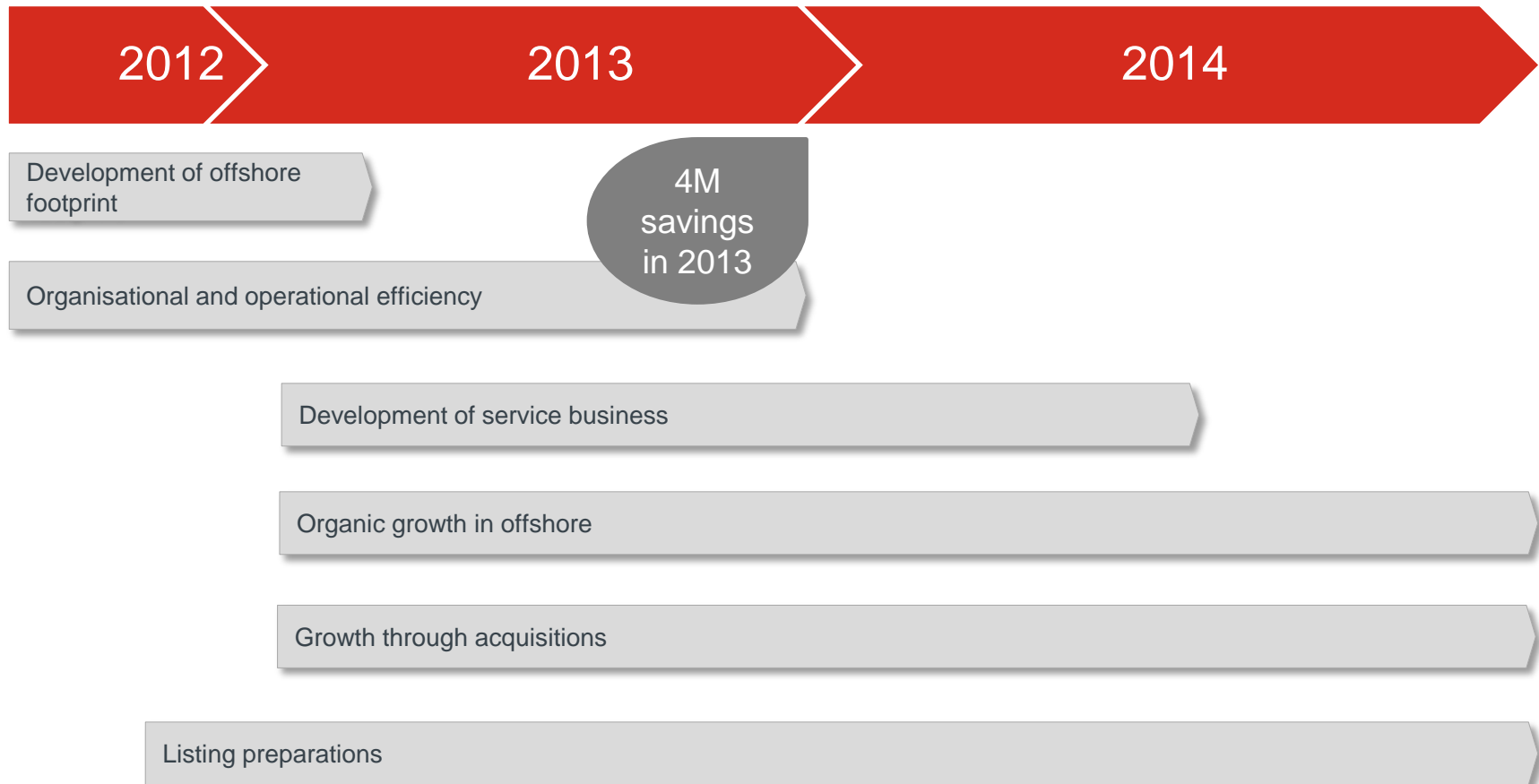
# Kalmar improvement initiatives



# Hiab improvement initiatives



# MacGregor improvement initiatives



# January–June financials





# Highlights of Q2

- Hatlapa acquisition in July
- Order intake declined 7% y-o-y to EUR 833 (892) million
- Sales at EUR 836 (850) million, down 2% y-o-y
- Operating profit excluding restructuring costs was EUR 37.5 (41.1) million or 4.5 (4.8)% of sales
- Operating profit was EUR 32.9 (41.1) million
- Cash flow from operations was EUR -12.4 (-25.6) million

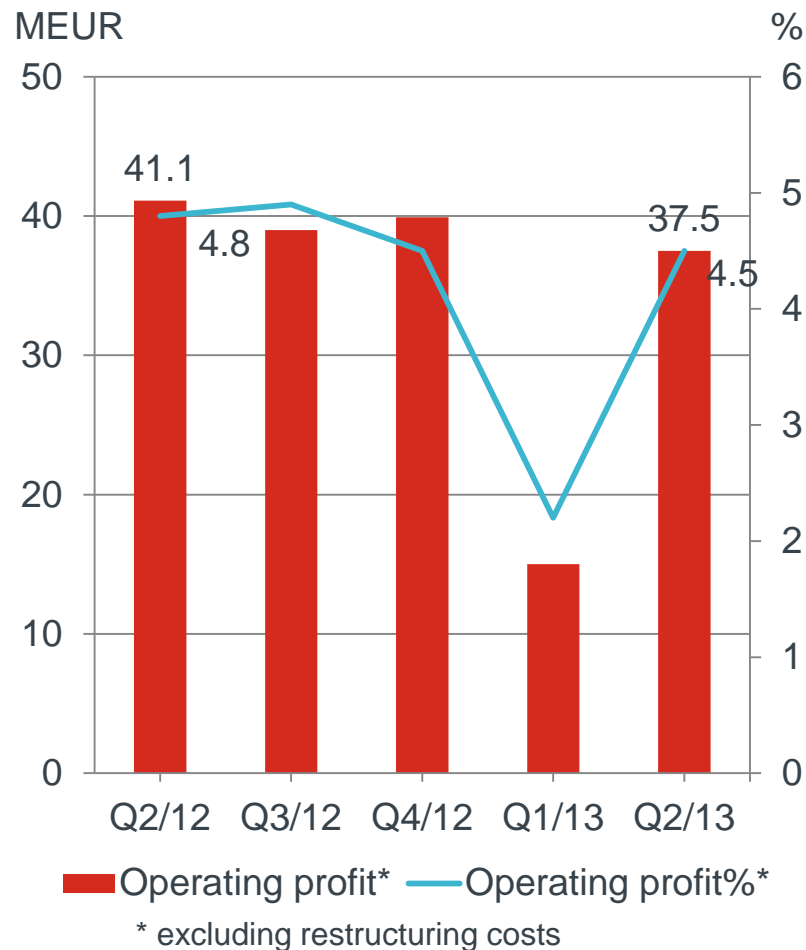
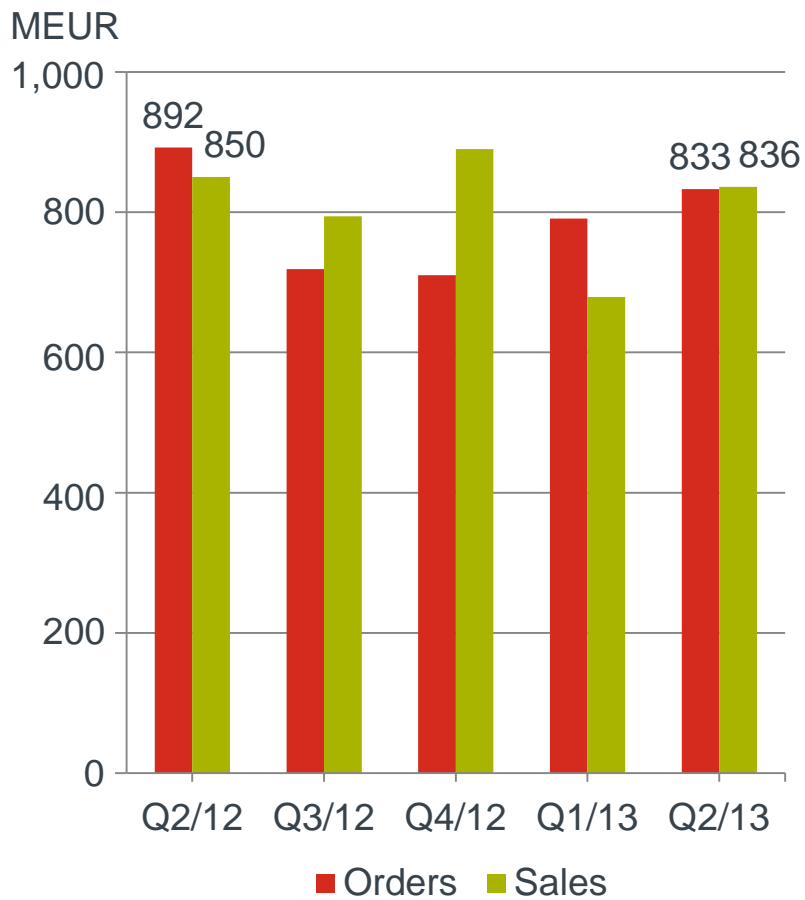


# January–June key figures

	Q2/13	Q2/12	Change	Q1-Q2/13	Q1-Q2/12	Change	2012
Orders received, MEUR	833	892	-7%	1,624	1,629	0%	3,058
Order book, MEUR	2,147	2,413	-11%	2,147	2,413	-11%	2,021
Sales, MEUR	836	850	-2%	1,515	1,643	-8%	3,327
Operating profit, MEUR*	37.5	41.1	-9%	52.5	78.7	-33%	157.5
Operating profit margin, %*	4.5	4.8		3.5	4.8		4.7
Cash flow from operations, MEUR	-12.4	-25.6		8.8	-27.8		97.1
Interest-bearing net debt, MEUR	567	497		567	497		478
Earnings per share, EUR	0.36	0.48		0.46	0.90		1.45

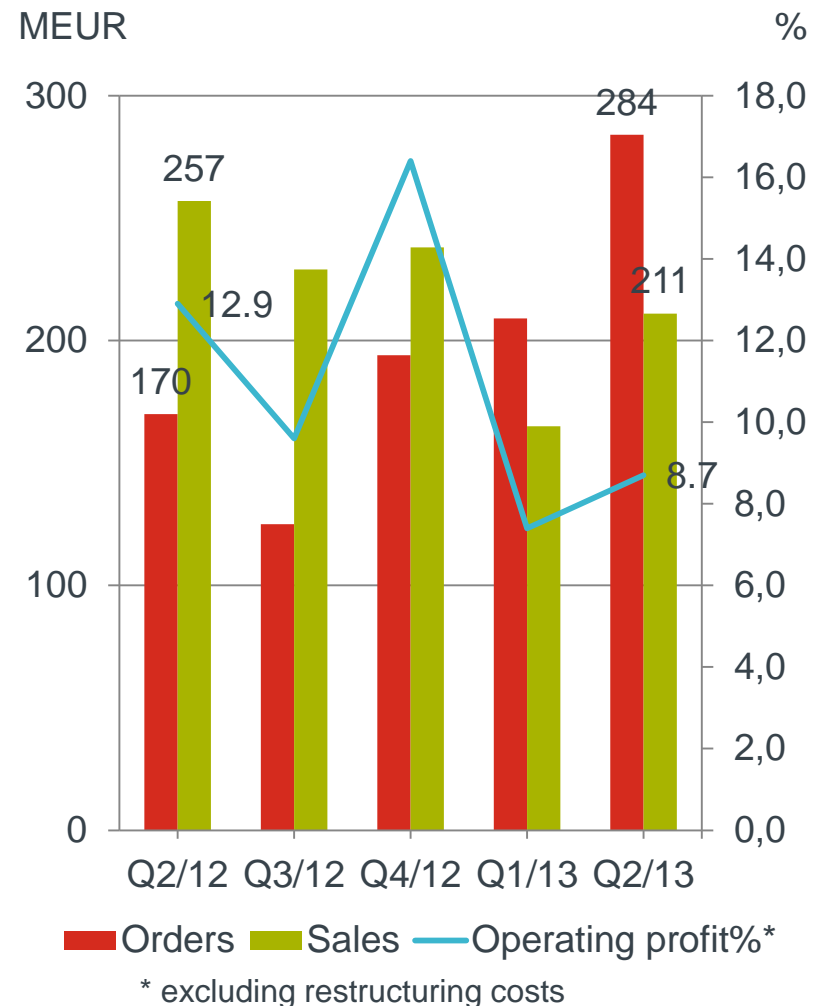
\* excluding restructuring costs

# Performance development



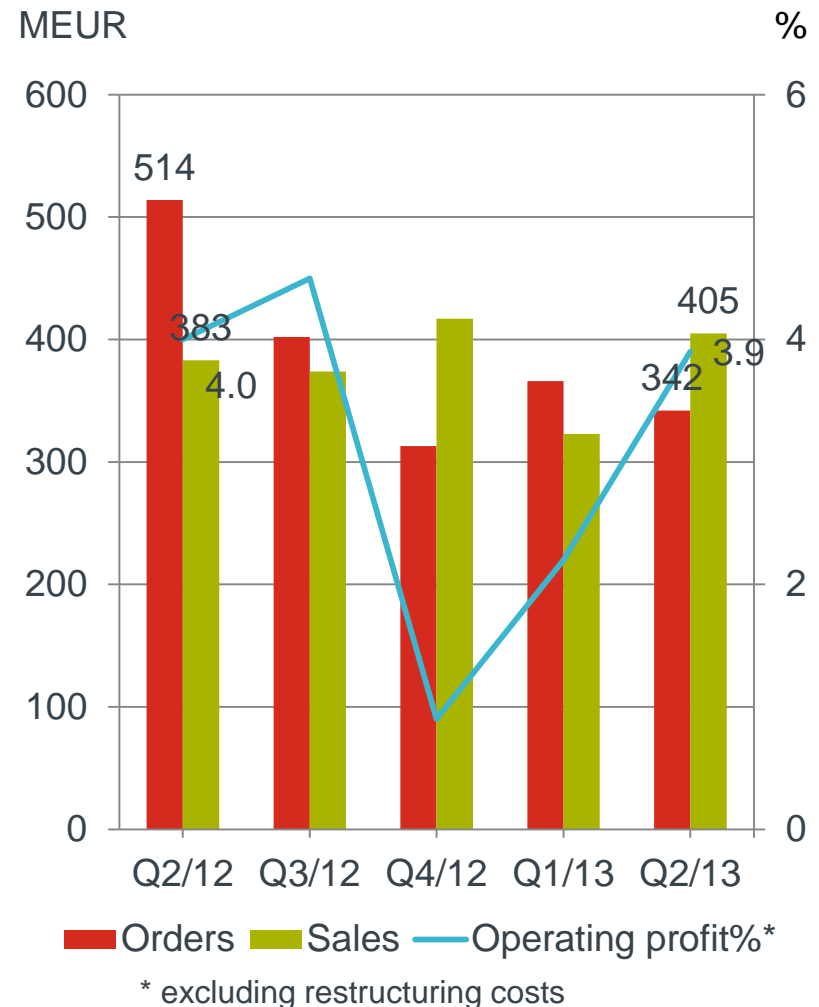
# MacGregor Q2 – strong order intake in offshore

- Offshore order intake close to 50% of orders received
- Order intake grew 67% y-o-y to EUR 284 (170) million
- Sales declined 18% y-o-y to EUR 211 (257) million due to low deliveries as customers delayed receipt of deliveries
- Profitability of 8.7% (excluding restructuring) reflects low sales

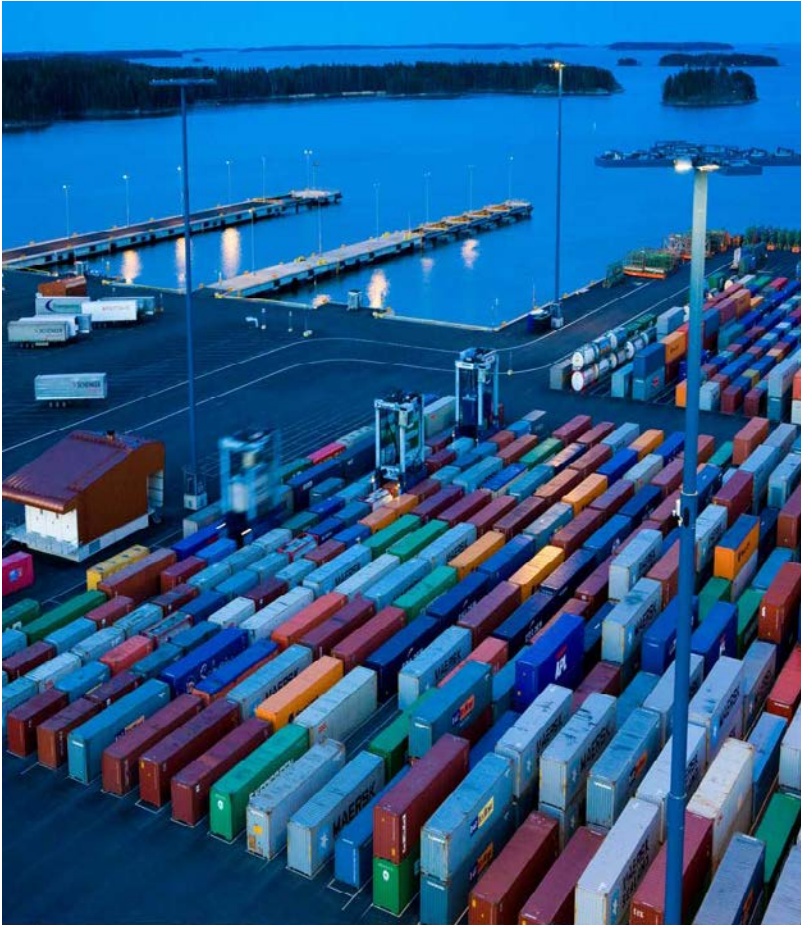


# Kalmar Q2 – profitability improved despite cost overruns in projects

- Demand for smaller container handling equipment and automation solutions was healthy, whereas demand for larger equipment was modest
- Order intake fell 34% y-o-y to EUR 342 (514) million due to lack of new big projects in the quarter
- Sales grew 6% y-o-y to EUR 405 (383) million
- Profitability excluding restructuring costs was 3.9%
  - Additional costs of EUR 10 million in projects



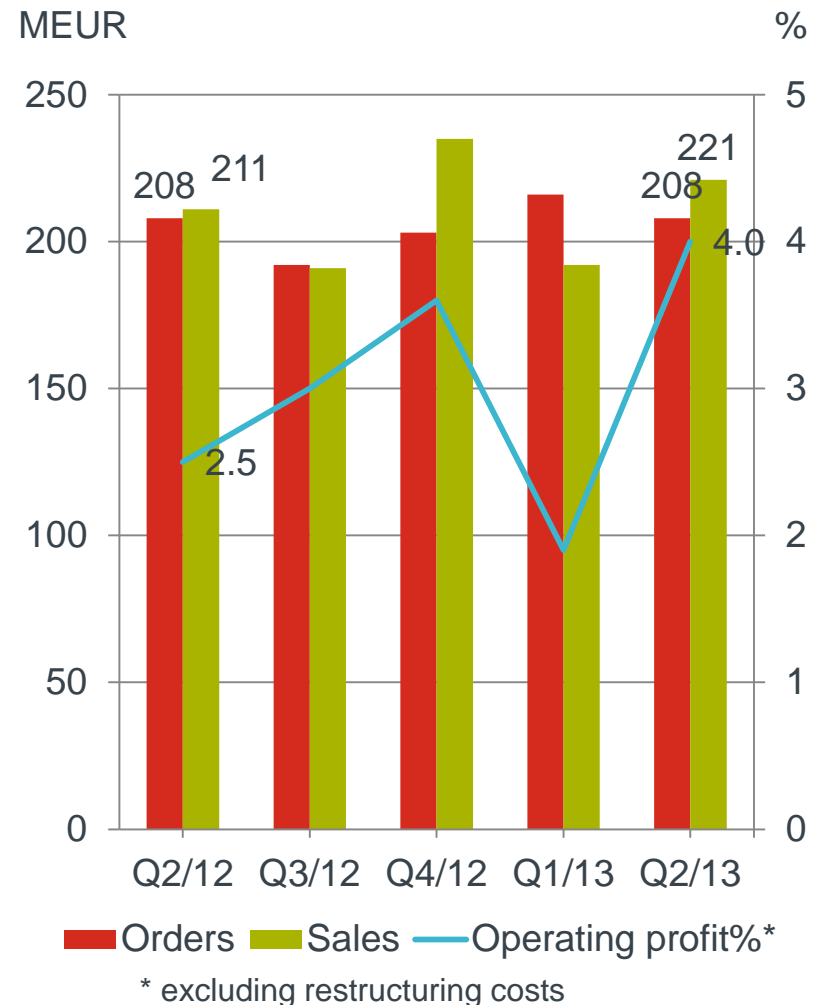
# Kalmar container terminal projects



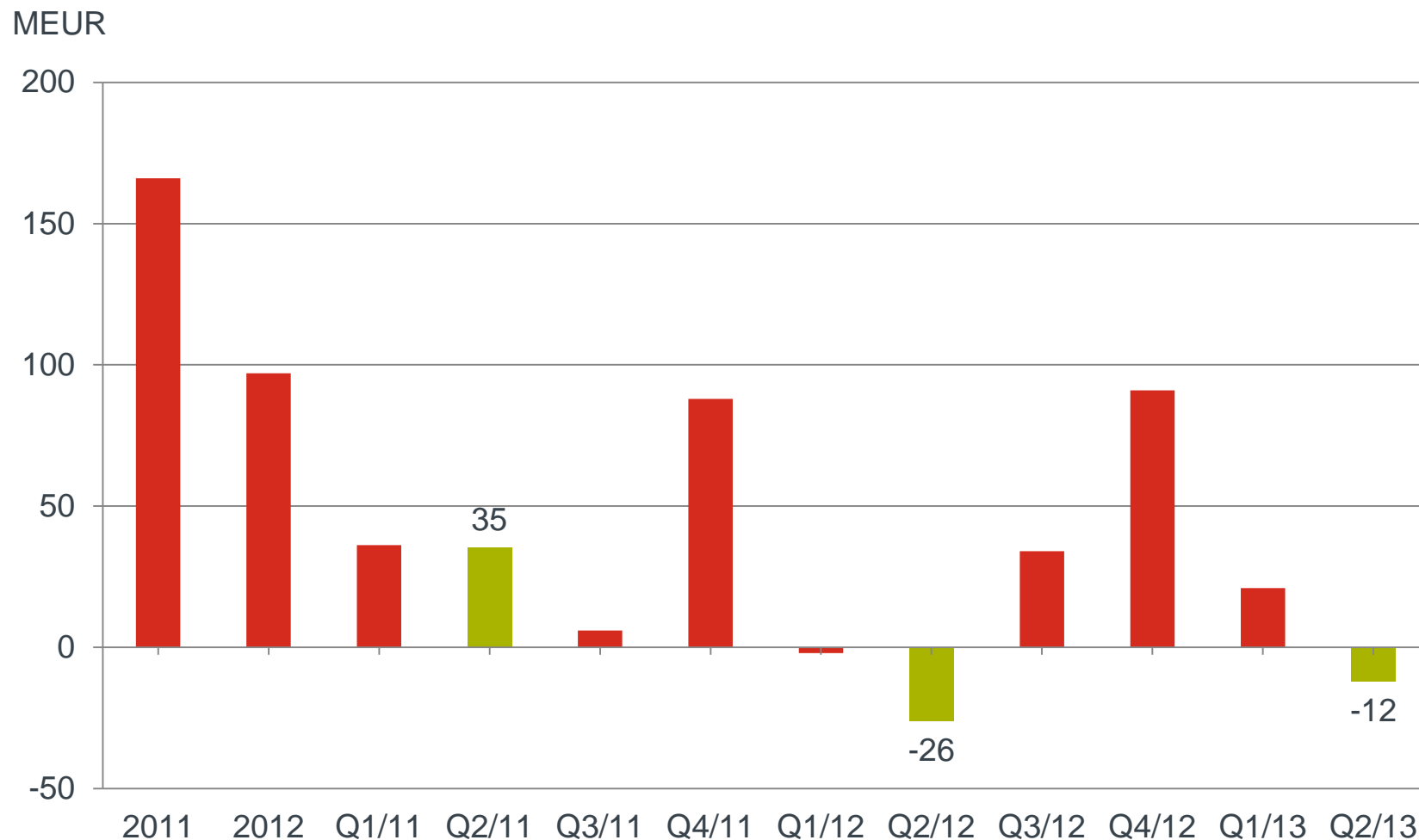
- Currently 9 major projects on-going with value of EUR 400 million
- EUR 200 million estimated to be recognised in 2013. Order book at end of Q2 EUR 180 million.
- Cost overruns H1/2013 EUR 16 million
- Major improvements in project management, processes and tools during last 12 months
- These projects will establish Kalmar as the leading port solution provider
- Future market potential remains attractive

# Hiab Q2 – profitability improving

- Market environment variations by country characterised the load handling markets within Europe. Demand was healthy in the US
- Orders were at comparison period's level and totalled EUR 208 (208) million
- Sales grew 5% y-o-y to EUR 221 (211) million
- Profitability excluding restructuring costs was 4.0%

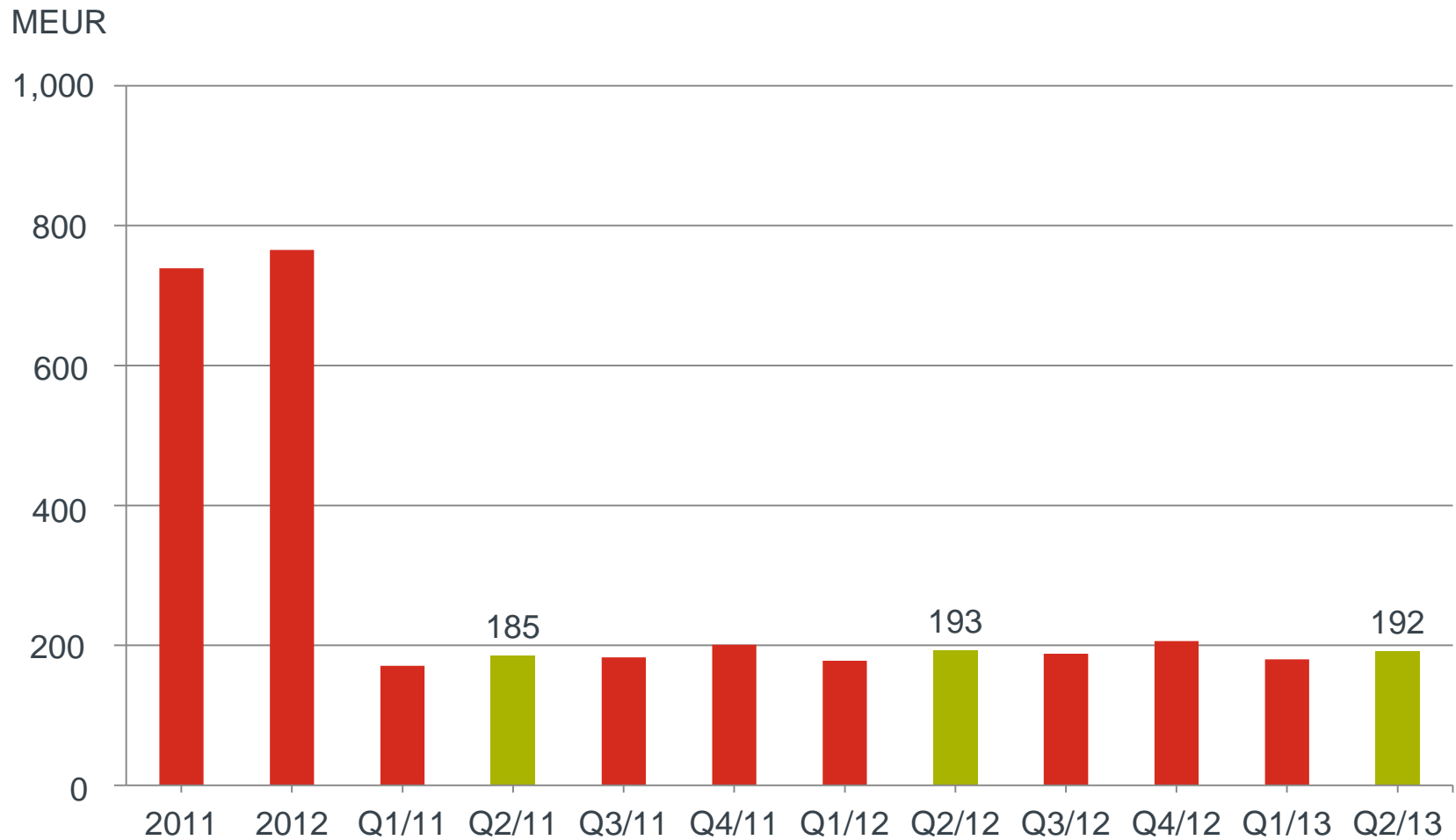


# Cash flow from operations low due to net working capital demand



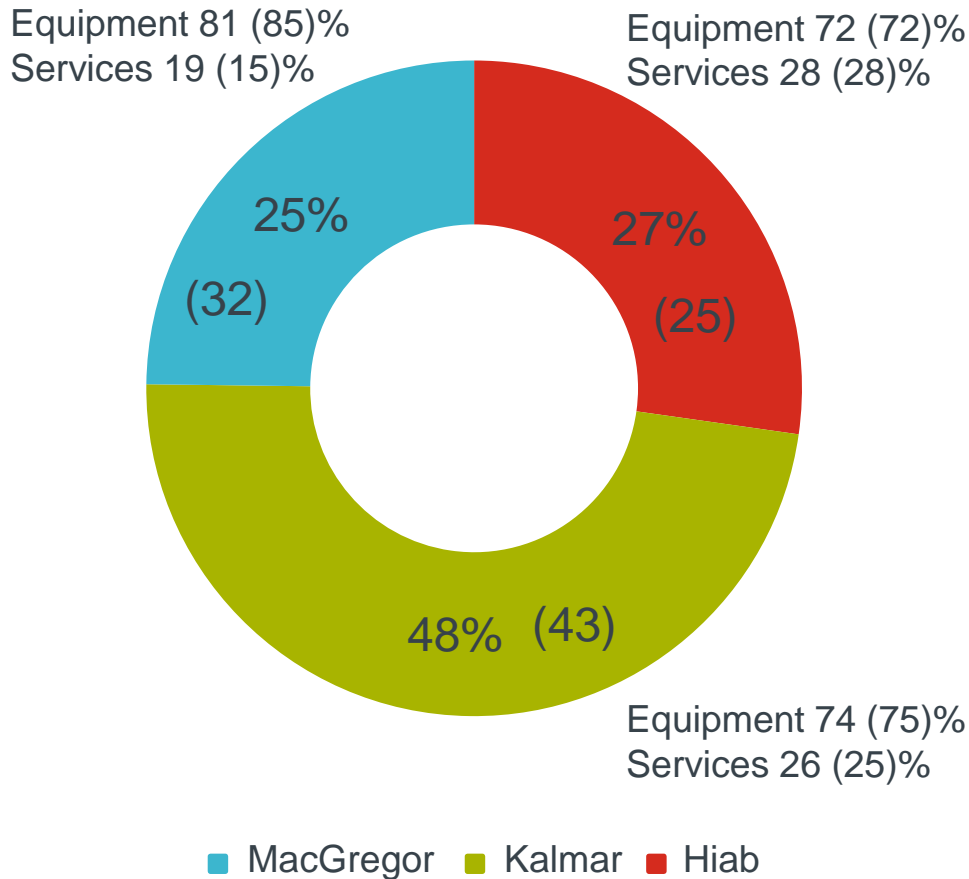


# Sales in services unchanged

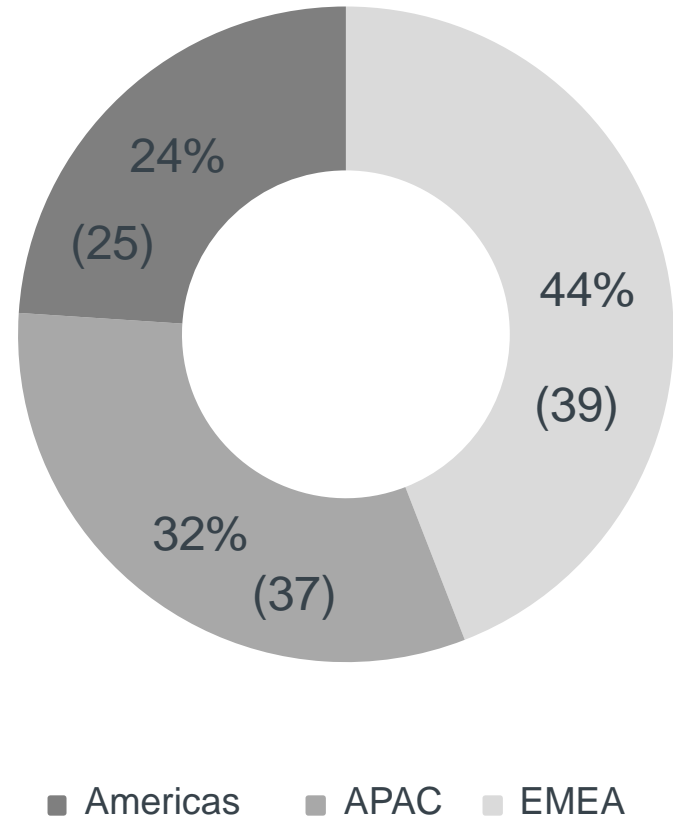


# Relative size of MacGregor decreased

Sales by reporting segment 1-6/2013, %



Sales by geographical segment 1-6/2013, %



# Outlook

- Certain deliveries for MacGregor will be delayed and customers are postponing services. MacGregor's 2013 operating profit margin is expected to be slightly below 10 percent, as 2013 sales are falling short of the previously expected approximately EUR 850 million and now are expected to total closer to EUR 800 million.
- Cargotec's sales are expected to be slightly below 2012 and operating profit excluding restructuring costs to be at or slightly below 2012 level
- This outlook is excluding the Hatlapa acquisition announced in July



# MacGregor to acquire Hatlapa

- Hatlapa Group is privately owned merchant and offshore deck equipment provider
- Acquisition strengthens MacGregor's position as the leading provider of deck machinery
- MacGregor to become a global leader in winches
- Acquisition supports MacGregor's growth strategy in both merchant shipping and offshore segments
- The enterprise value is EUR 160 million
- Hatlapa's sales are estimated to be around EUR 120 million in 2013

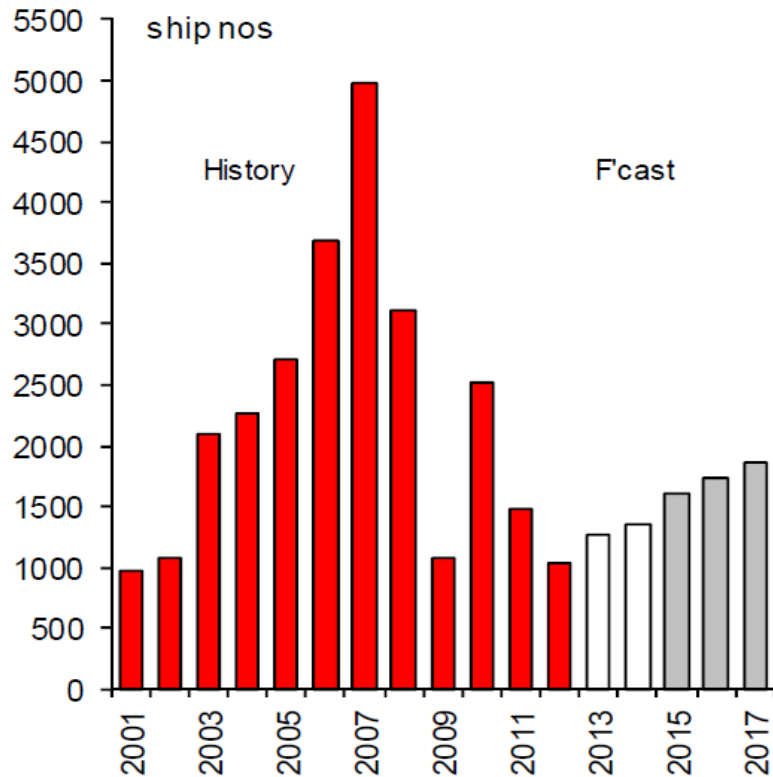


# Appendices



# Ship contracting forecast

**Contracting 2001-2017**

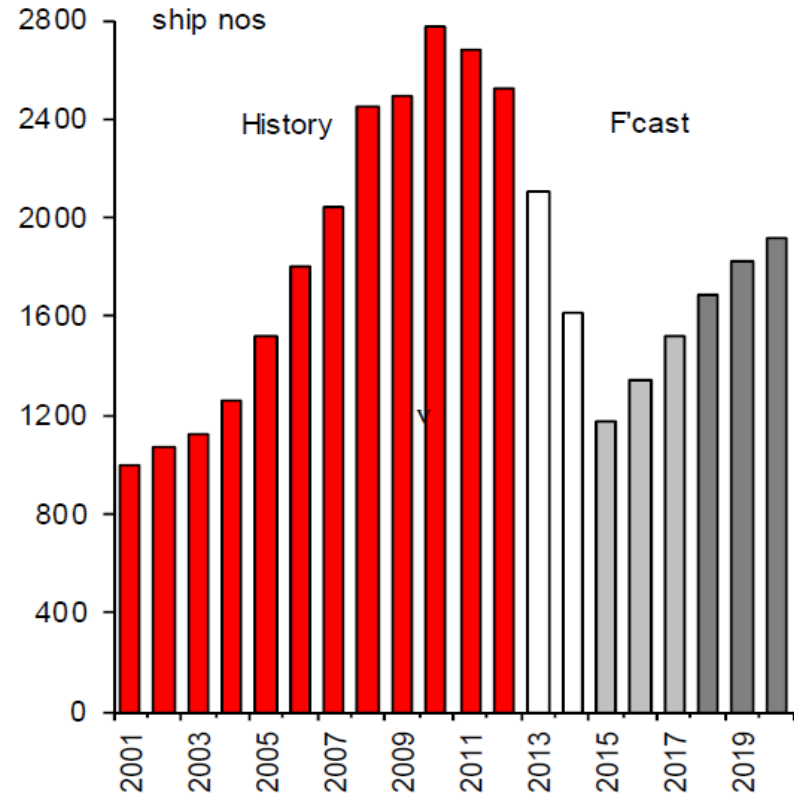


Source: Clarkson Research Services

*Medium-Term Contracting Forecast to 2017*

Source: Clarkson Shipbuilding forecast, March 2013

**Deliveries 2001-2020**

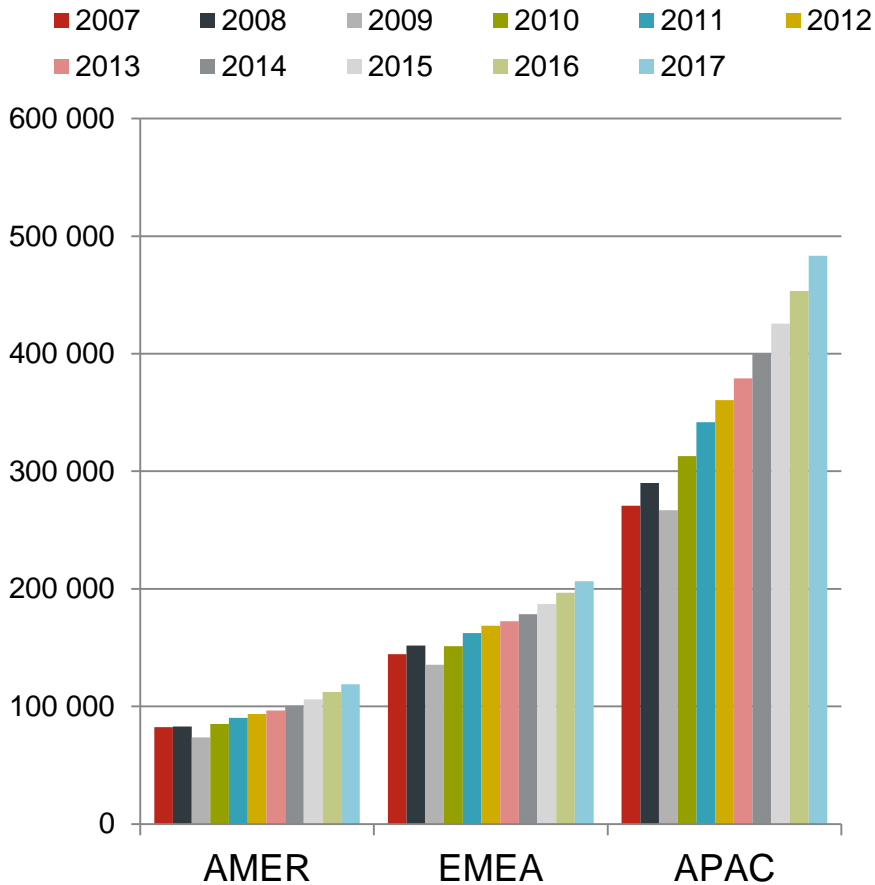


Source: Clarkson Research Services

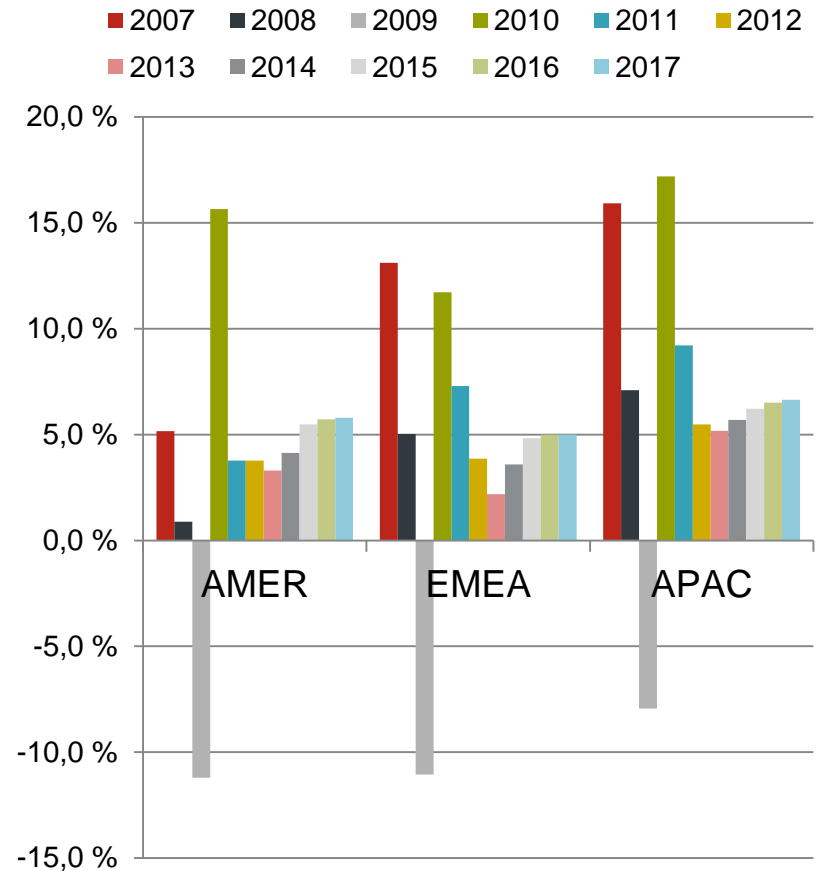
*Medium-Term Deliveries to 2020*

# Macro indicator trends

Drewry (Throughput '000 TEU units)



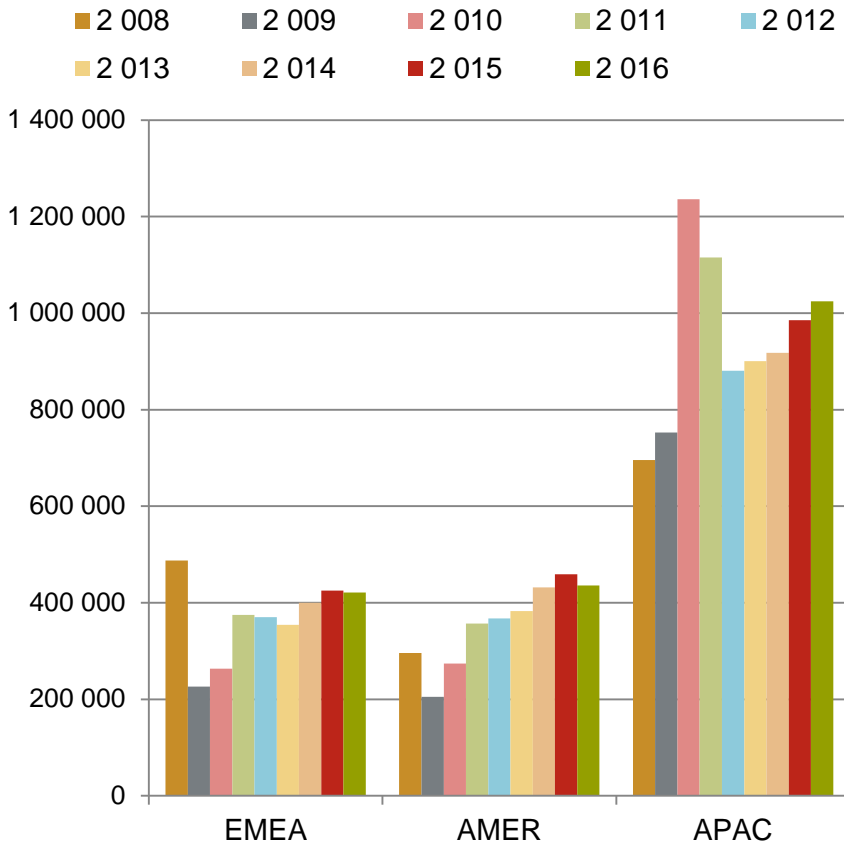
Drewry (Throughput TEU % change)



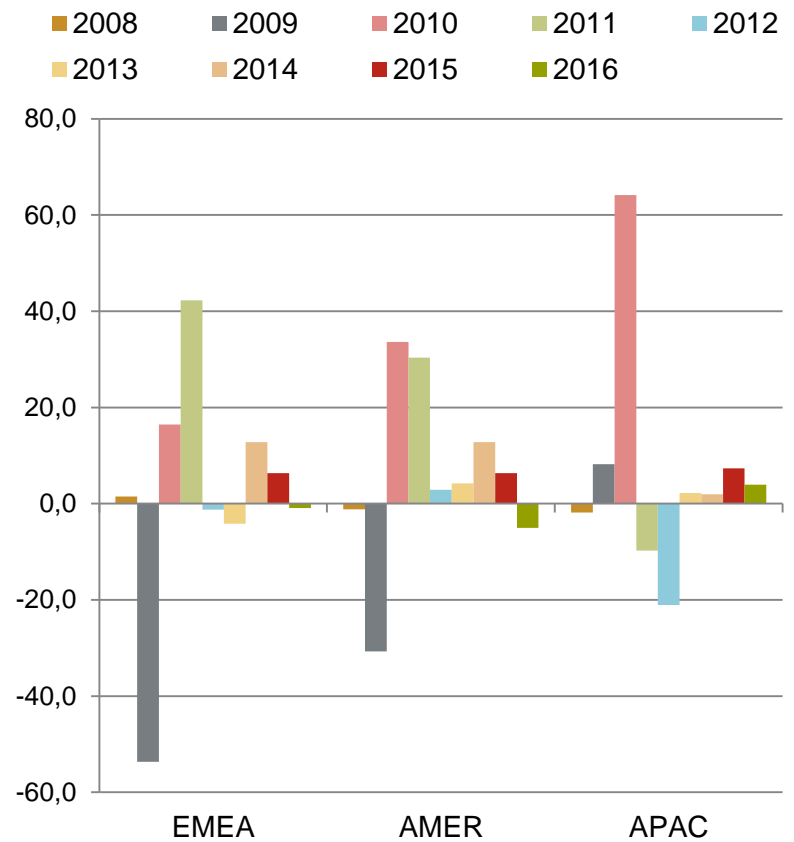
Source: Drewry Global Container Terminal Operators report, 2013

# Macro indicator trends

Truck sales GVW over 15 ton - regions



Sales growth GVW over 15 ton - regions

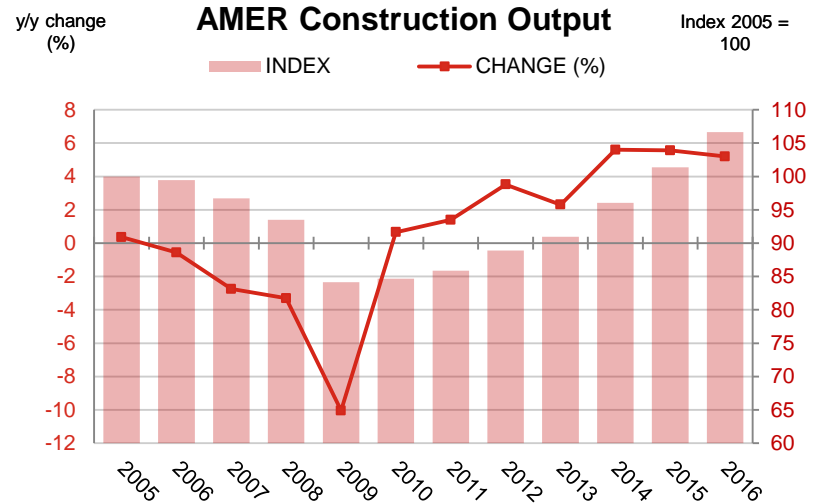
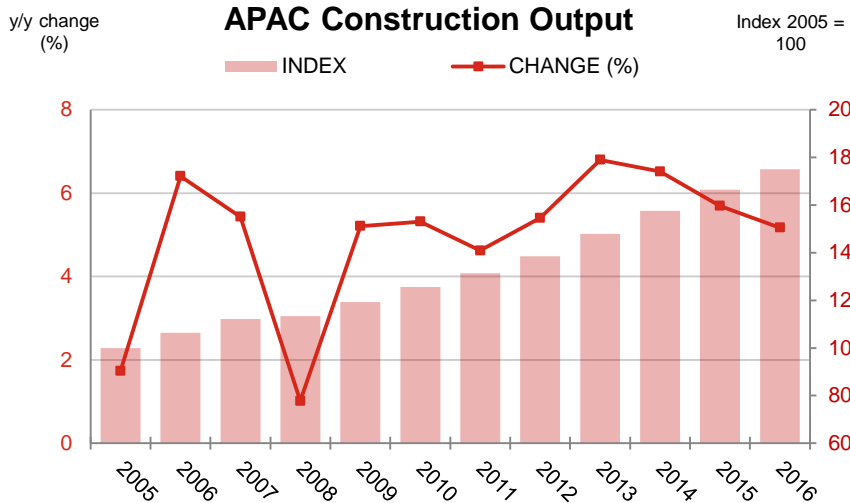
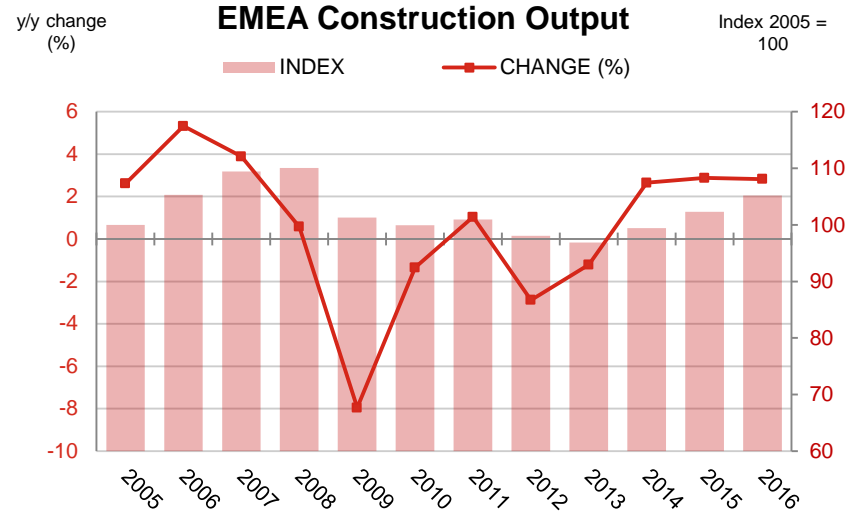
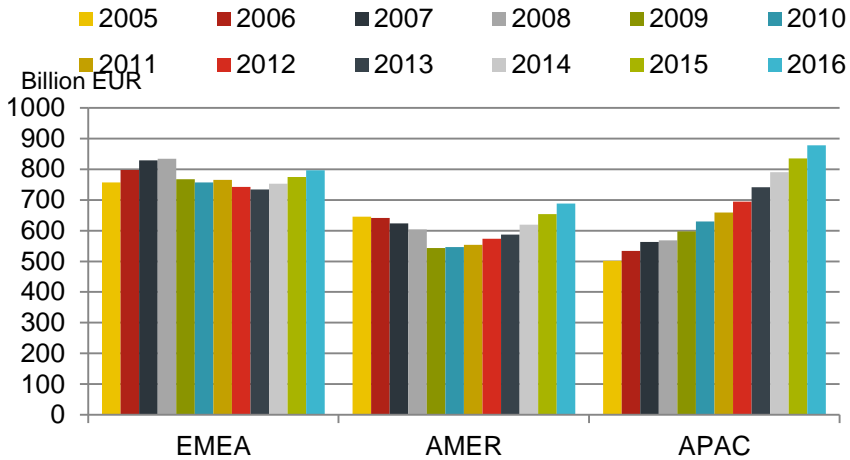


Source: IHS Global Insight, Aug/2013 fcst



# Macro indicator trends

## Total Construction Output

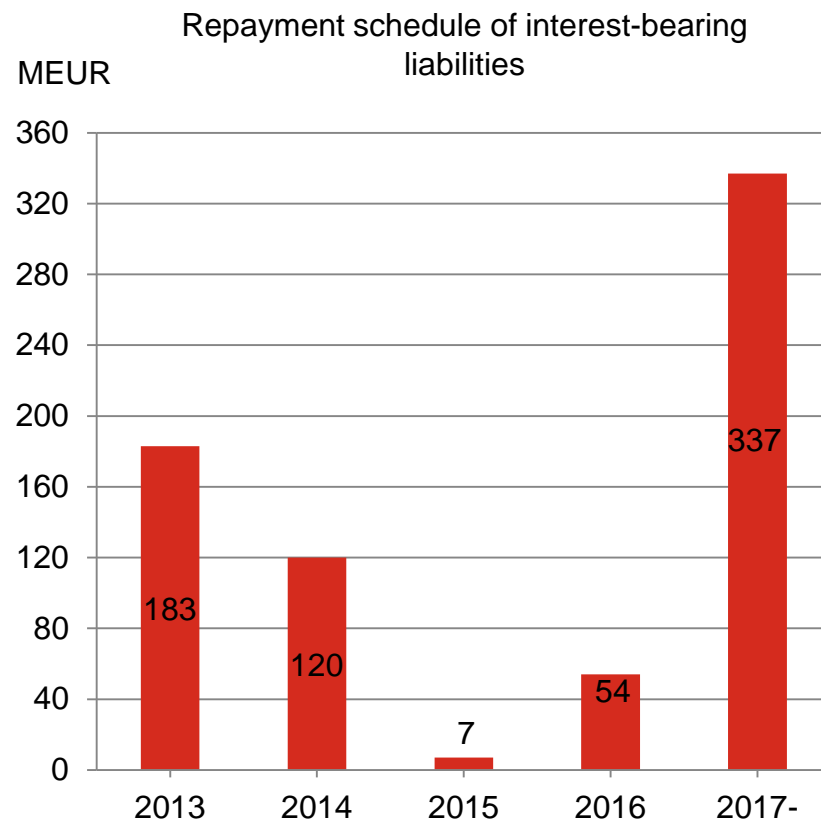


Source: Oxford Economics Q3/2013

# Financing on 30 Jun 2013

- Gearing 48.9%
- Net debt MEUR 567
- Liquidity MEUR 436
  - Cash and cash equivalents MEUR 136
  - Unused and committed long-term revolving credit facility of MEUR 300

→ Cargotec is well prepared financially for the coming years



# 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			

# Kalmar offering



**Straddle carriers**



**Reachstackers**



**Terminal tractors**



**Forklift trucks**



**Quay 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		

# 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



