

CARGOTEC

Frankfurt road show – 23 November 2011



Strategy and financial targets



Vision and mission

Our vision is

- to be the world's leading provider of cargo handling solutions

Our mission is

- to improve the efficiency of cargo flows



Company values



Portfolio



Solutions for industrial and on-road load handling

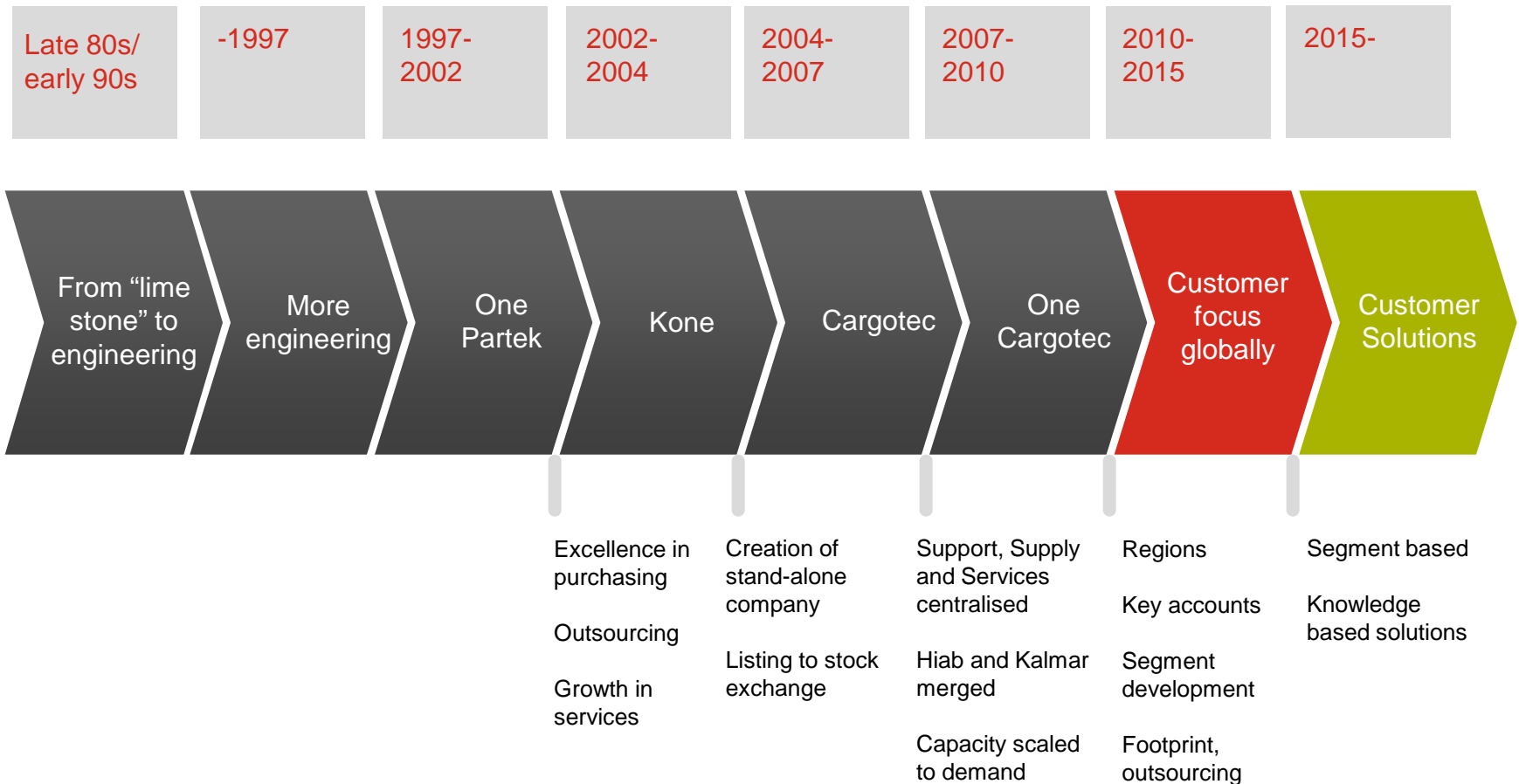


Solutions for ports and container handling



Solutions for marine cargo handling and offshore load handling

Next corporate theme



Strategic focus areas 2011–2015



CUSTOMERS

- Improve knowledge of customer needs
- Invest in attractive customer segments
- Decide which segments to keep and which to divest



SERVICES

- Spare parts logistics
- Regional distribution centres
- Growing up in the value chain towards more preventive maintenance
- Support customers' operations outsourcing



EMERGING MARKETS

- Position in Chinese market
- Develop other growth markets: India, Brazil, Russia and Africa
- Acquisitions, partnerships, organic growth



INTERNAL CLARITY

- Common processes
- Harmonisation of information systems
- Further development of Industrial & Terminal organisation
- Working together

Acquisition of terminal operating systems provider Navis

- Announced in January 2011, consolidation from 19 March onwards
- Navis is #1 vendor in marine terminal logistics solutions market
- Its global customer footprint is in over 50 countries at 200+ terminals
- The company has 20+ years of expertise in developing solutions to complex supply chain execution problems
- Navis has ~350 employees providing worldwide sales, services and support
- 2011 sales are expected to be around EUR 50 million

Cargotec to strengthen position in heavy cranes

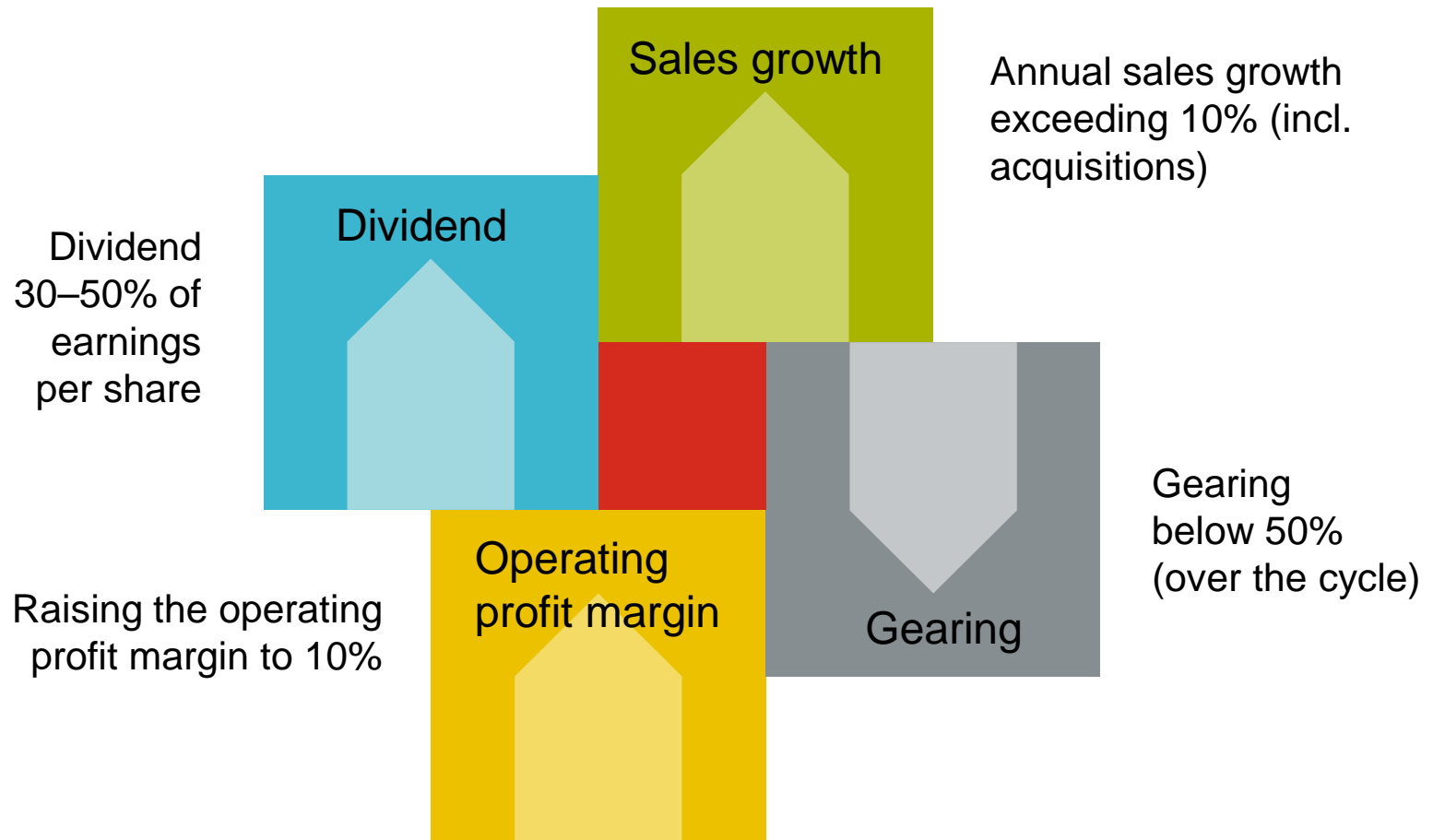
- Cargotec and its long-term manufacturing supplier in China, Jiangsu Rainbow Heavy Industries (RHI), plan to establish a joint venture to provide leading heavy crane solutions globally, expand delivery capacity and grasp growth opportunities in the Chinese and global markets.
- Cargotec's ownership would be 49 percent and the value of Cargotec's equity investment approximately EUR 30 million.
- In addition, Cargotec plans to strengthen its strategic partnership with RHI by becoming an owner in the company. Cargotec will acquire a 49 percent interest in China Crane Investment Holdings Ltd, which currently owns 18.75 percent of RHI shares, for approximately EUR 50 million.
- The transaction is subject to the relevant regulatory approvals, which are expected to be received in the coming 6–8 months (from late July 2011).
 - The joint venture is not expected to impact Cargotec's financial outlook for 2011.

New operational model to accelerate strategy implementation

- More focus
- Increased transparency
- External reporting segments as of 1 Jan 2012:
 - Marine
 - Terminals
 - Load Handling
- Services business area continues the integration to form a single Services business area and support the customer segment implementation
- Regions responsible for the sales and services
- Streamlining of the organisation in centralised Support functions and central Supply



Financial targets



January–September 2011 financials



Highlights of January–September 2011 report

- Market activity remained healthy in both segments and all geographies
- Q3 order intake and sales grew 19% y-o-y
- Q3 operating profit margin improved to 7.2%
- Industrial & Terminal growth tied working capital affecting cash flow
- Important port terminal contracts signed during Q3
- New operating model from 1 Jan 2012



Market environment in January–September 2011

- Main load handling markets were marked by strong activity, aside from US-based customer segments related to construction. The markets showed emerging signs of uncertainty in the business environment.
- Higher number of containers handled in ports reflected growth in demand for container handling equipment in harbours. During Q3, several agreements in the third quarter for larger port automation projects were signed.
- Demand for marine cargo handling equipment continued to be healthy.
- Services markets grew for load handling and terminals. There was a slight recovery in services for marine cargo equipment.

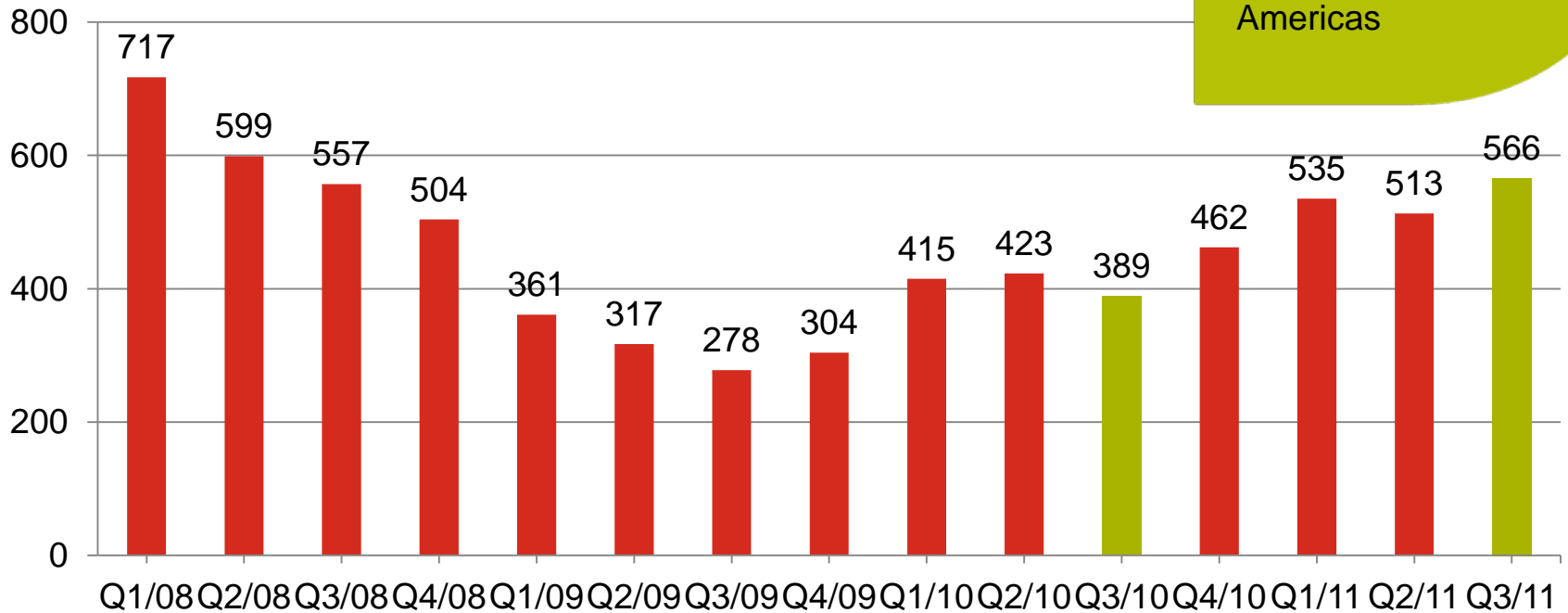


Key figures in January–September 2011

	Q3 2011	Q3 2010	Change	1-9/2011	1-9/2010	Change	2010
Orders received, MEUR	811	683	19%	2,391	2,013	19%	2,729
Order book, MEUR	2,349	2,395	-2%	2,349	2,395	-2%	2,356
Sales, MEUR	753	635	19%	2,310	1,828	26%	2,575
Operating profit, MEUR	54.4	42.2		159.1	92.9		131.4
Operating profit margin, %	7.2	6.6		6.9	5.1		5.1
Cash flow from operations, MEUR	6.4	66.4		78.0	193.4		292.9
Interest-bearing net debt, MEUR	362	264		362	264		171
Earnings per share, EUR	0.58	0.38		1.86	0.82		1.21

Q3: Industrial & Terminal's order intake grew 45% y-o-y

MEUR



Q3

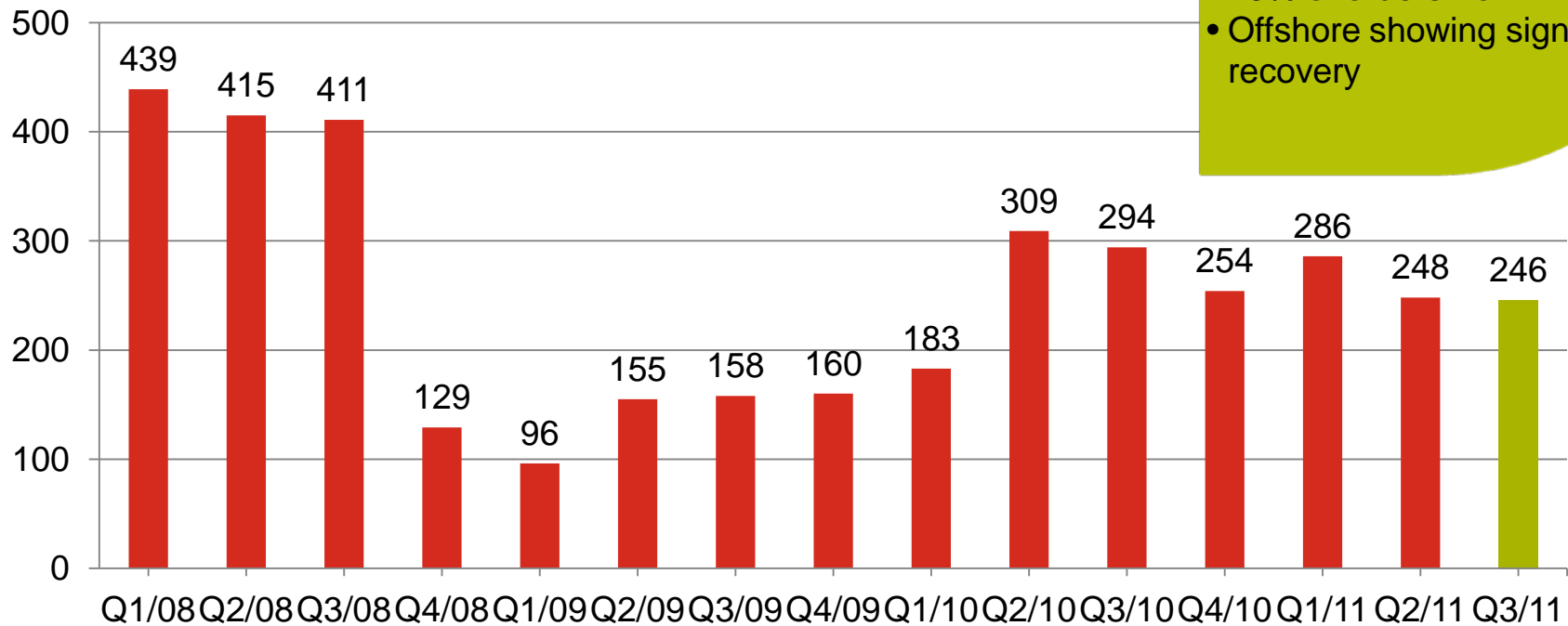
- 49% of orders from EMEA
- Orders grew strongest in Americas

High activity in terminal projects



Q3: Marine's order intake at healthy level

MEUR

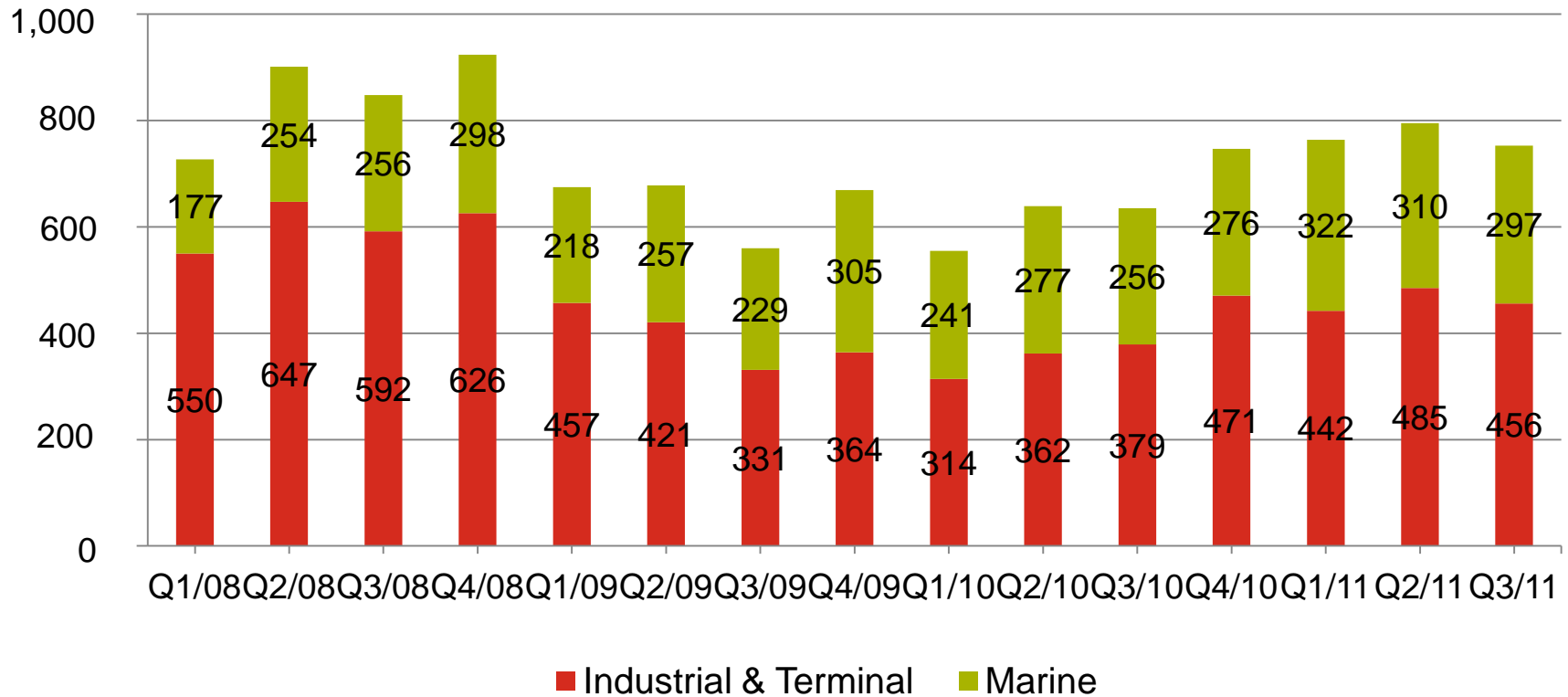


Q3

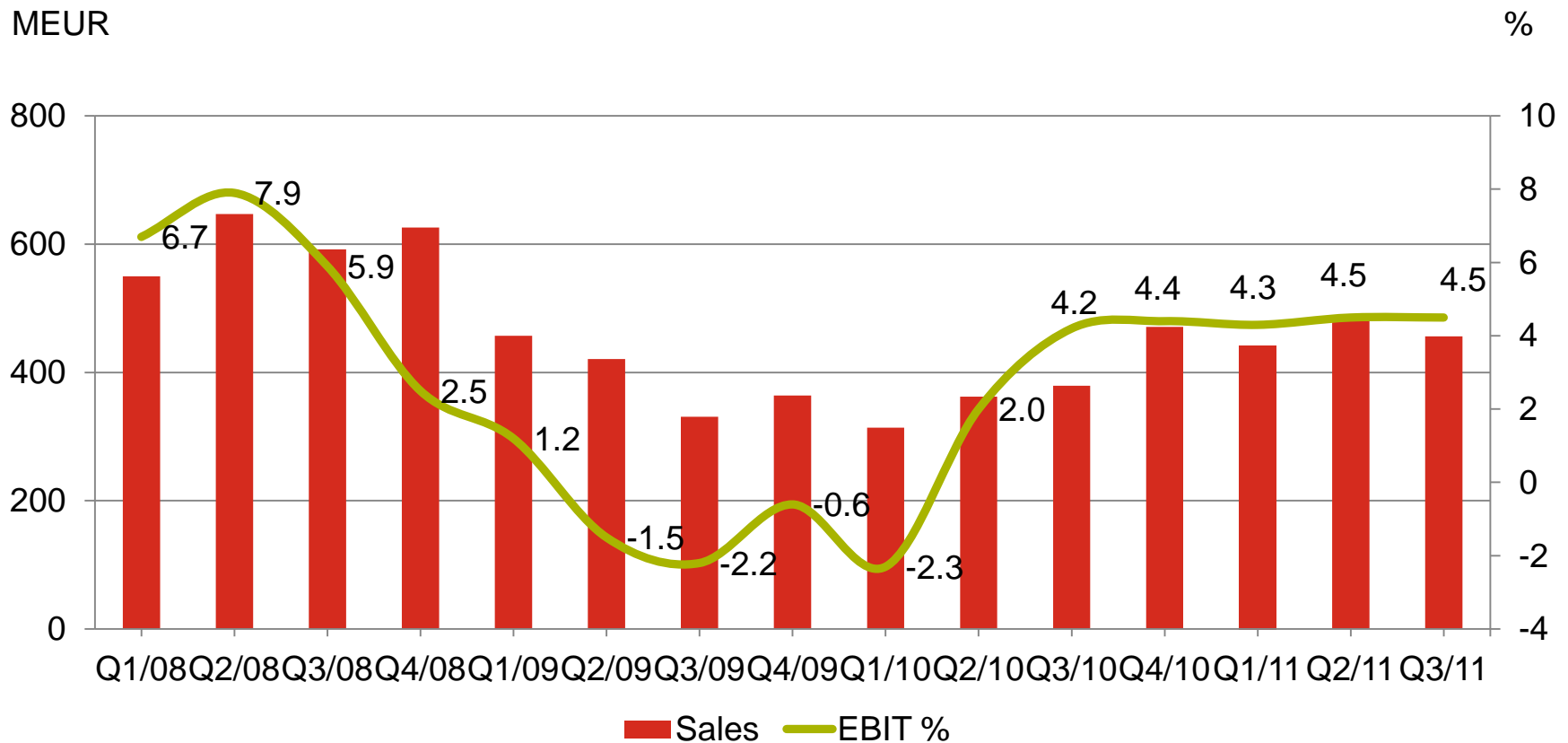
- 79% of orders from APAC
- Offshore showing signs of recovery

Q3: Sales grew 19% y-o-y

MEUR

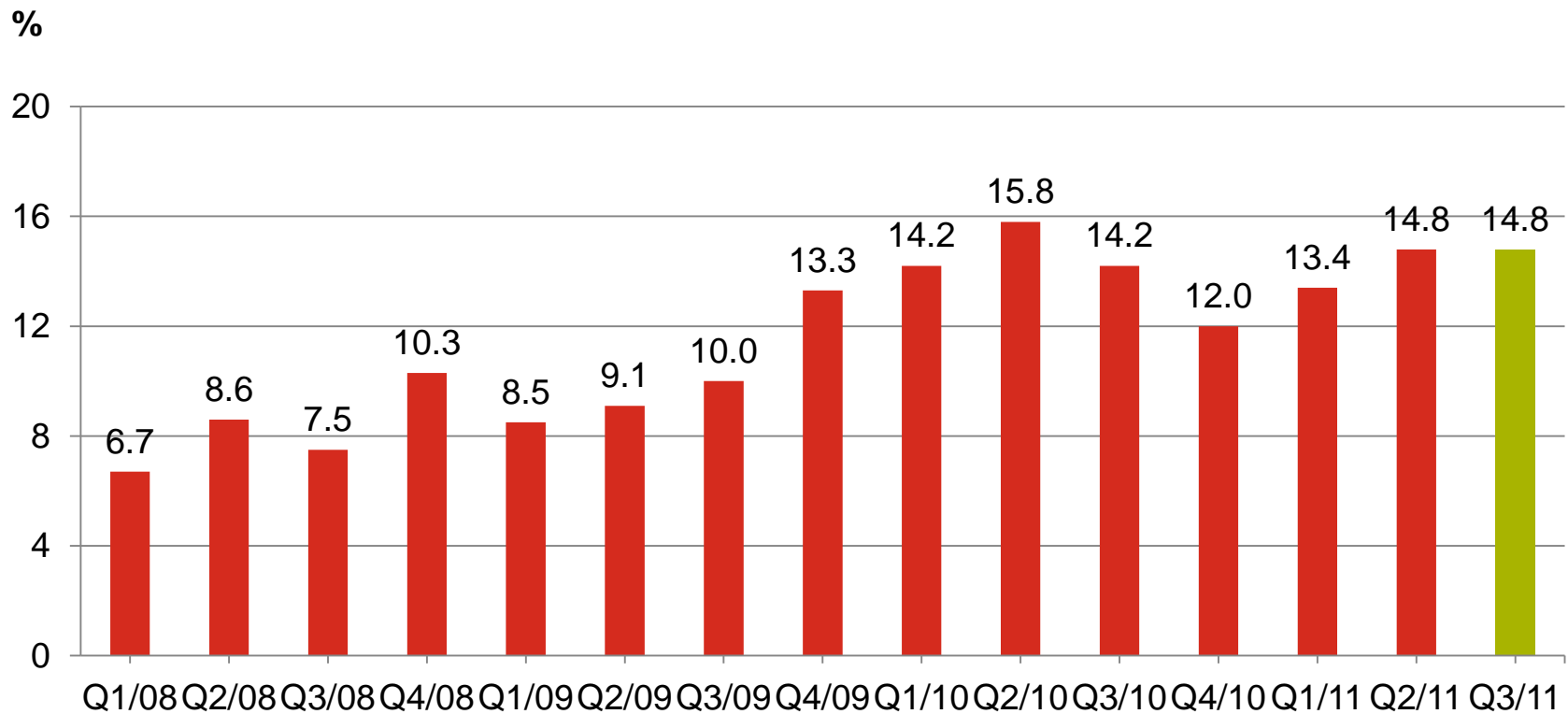


Q3: Industrial & Terminal operating margin flat with lower sales



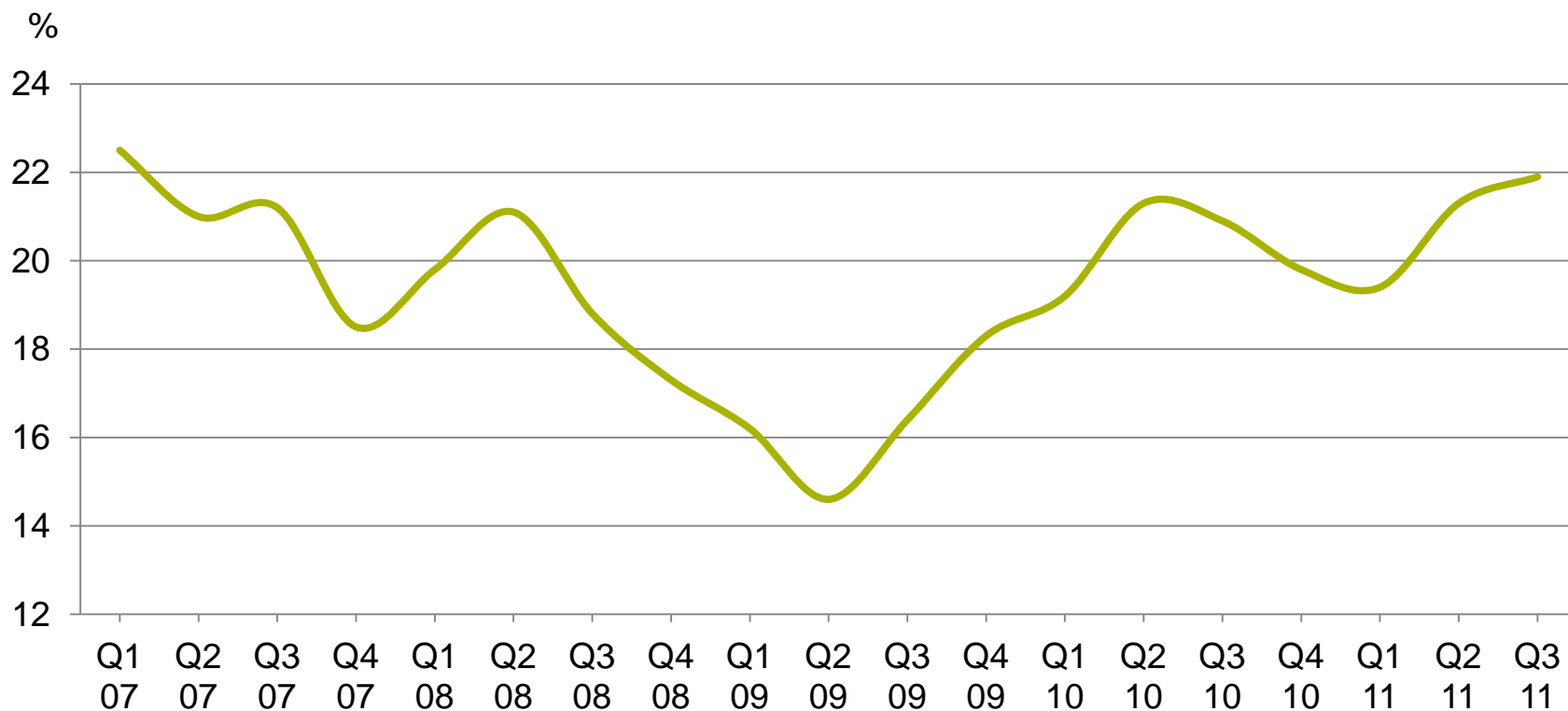
EBIT% Q1/08–Q4/10 excluding restructuring costs

Q3: Marine's profitability continued very strong



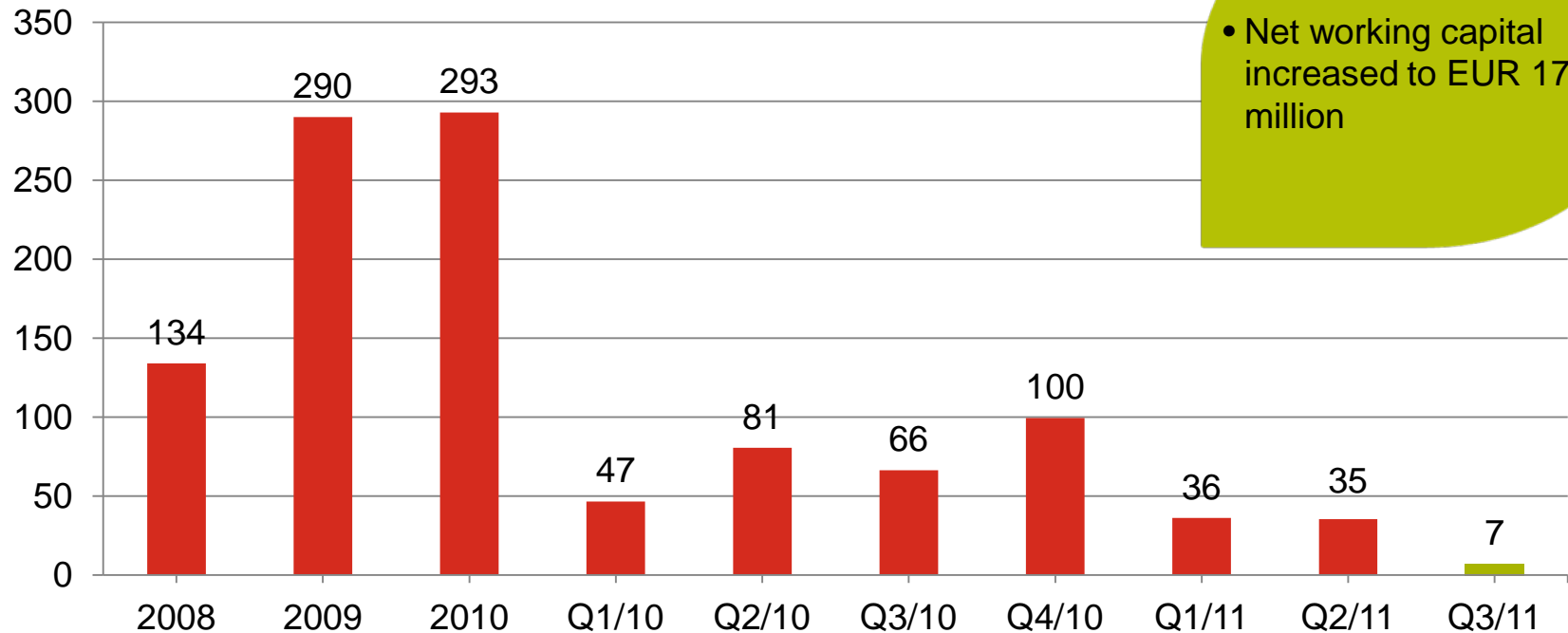
EBIT% Q1/08–Q4/10 excluding restructuring costs

Gross profit development

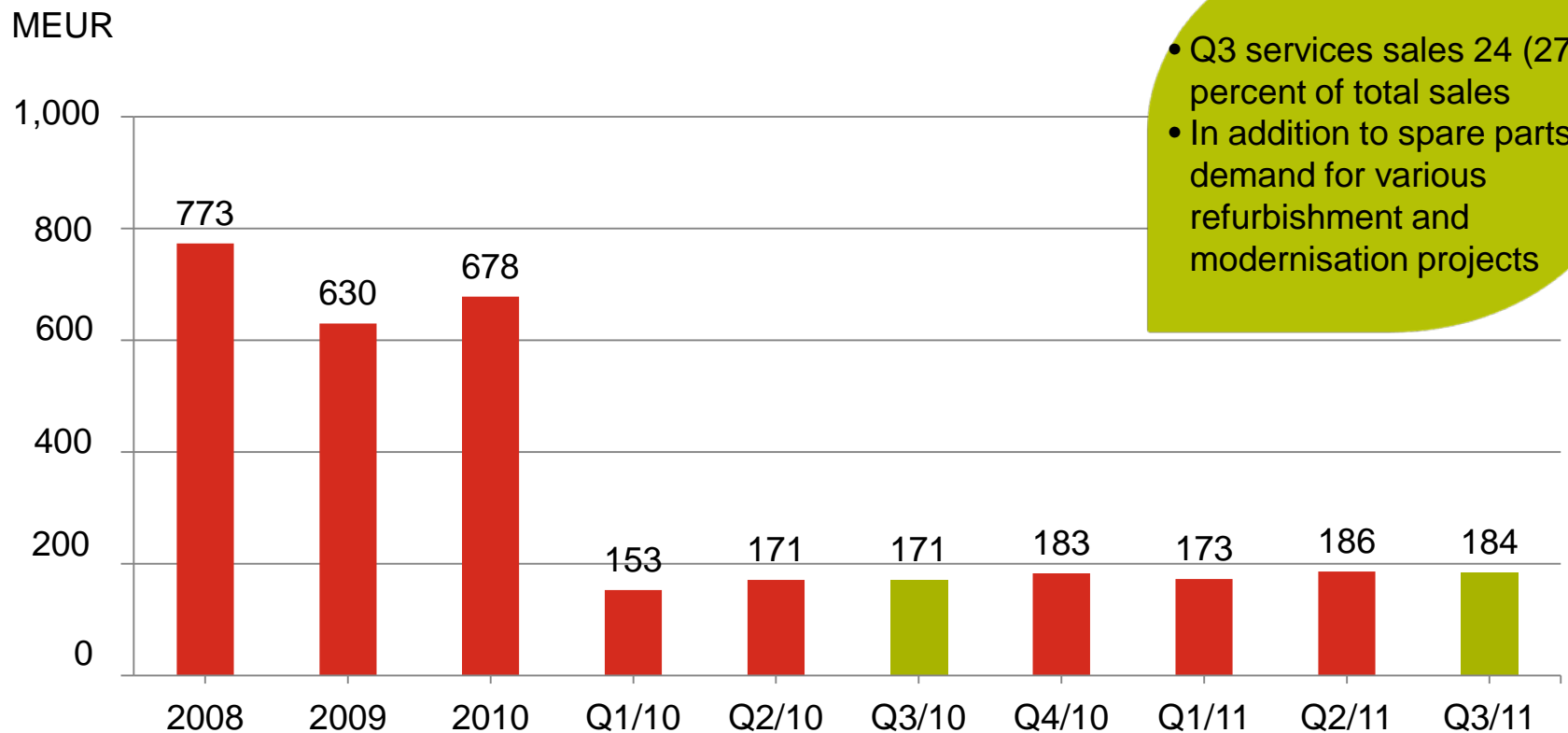


Cash flow from operations reflected growth in Industrial & Terminal

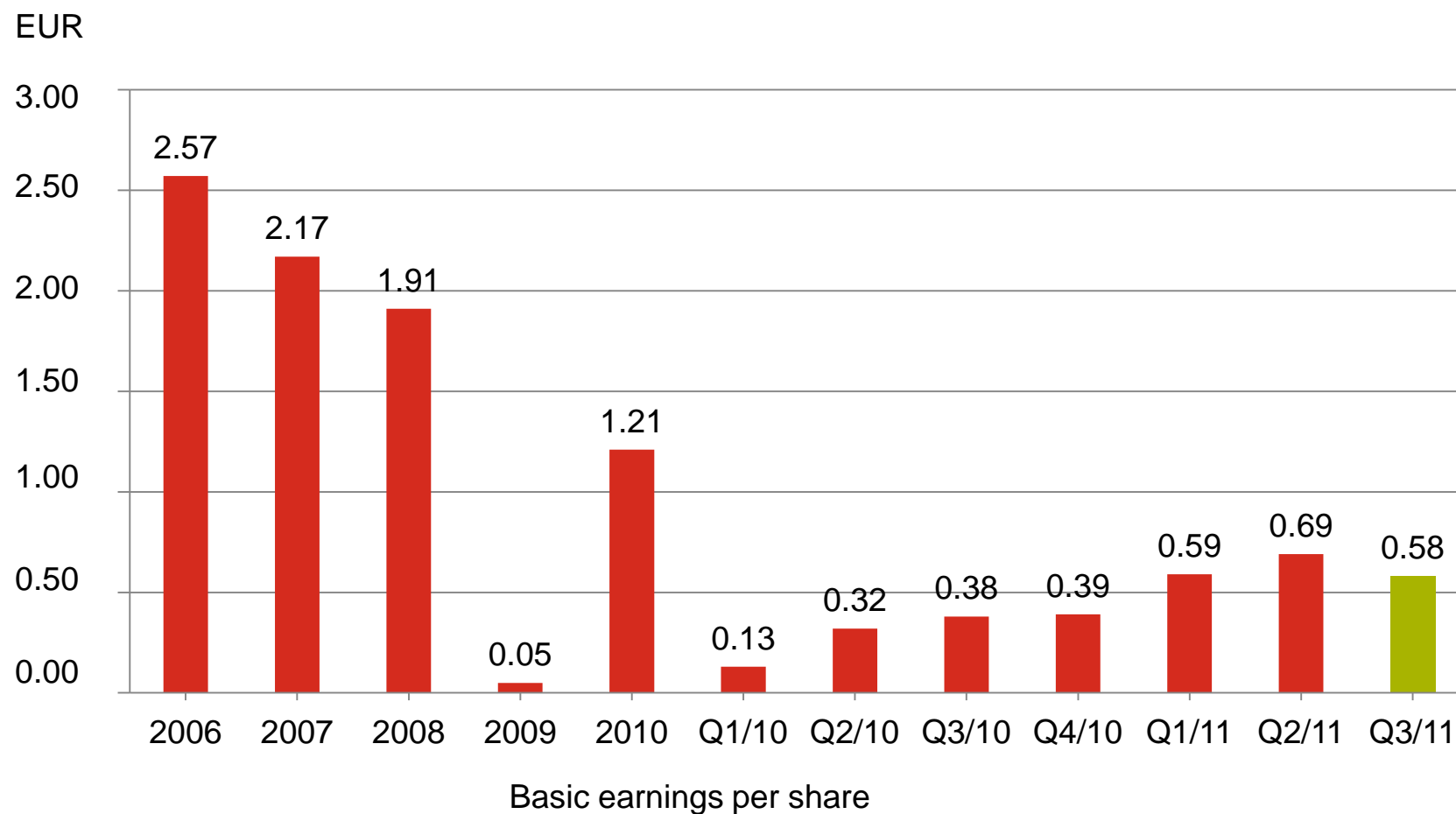
MEUR



Services sales grew 7% y-o-y



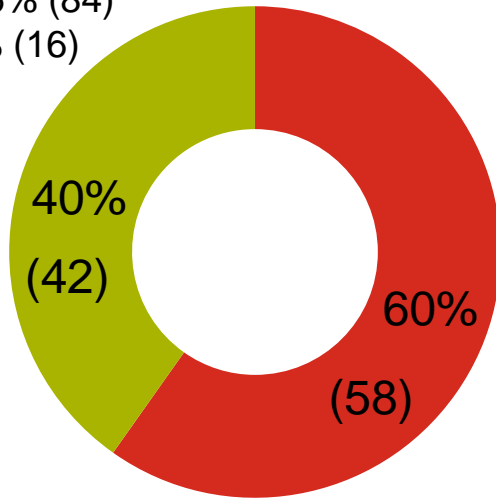
Development of earnings per share



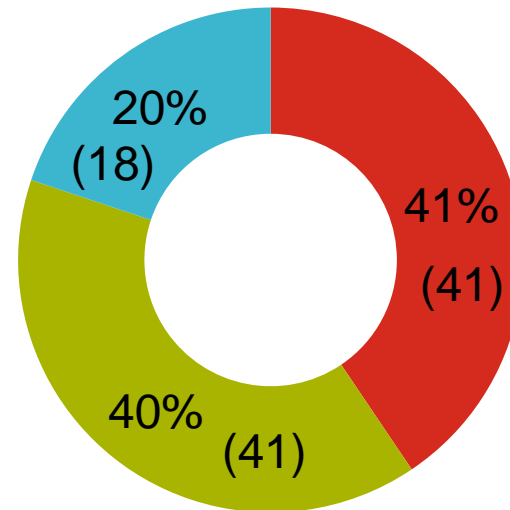
EMEA and APAC equal in size

Sales by reporting segment 1-9/2011, %

Equipment 86% (84)
Services 14% (16)



Sales by geographical segment 1-9/2011, %



Equipment 70% (65)
Services 30% (35)

■ Marine ■ Industrial & Terminal

■ Americas ■ APAC ■ EMEA

Outlook

- Cargotec's 2011 sales are estimated to grow approximately 20 percent based on healthy January–September order intake.
- Cargotec's 2011 operating profit margin is estimated to be approximately 7 percent.

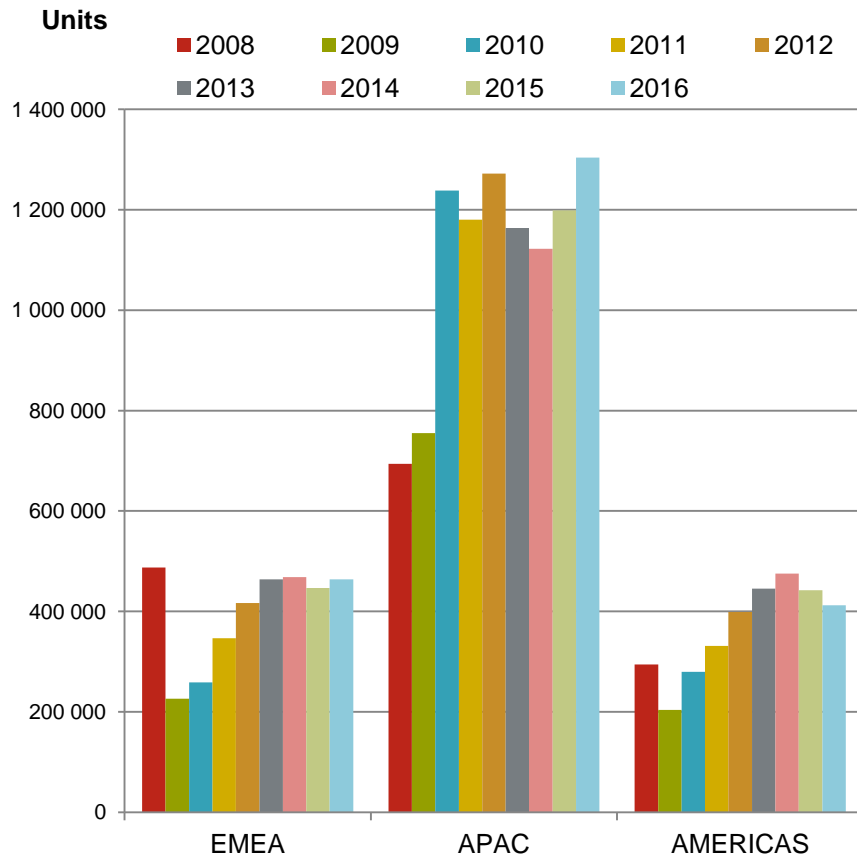


Appendices



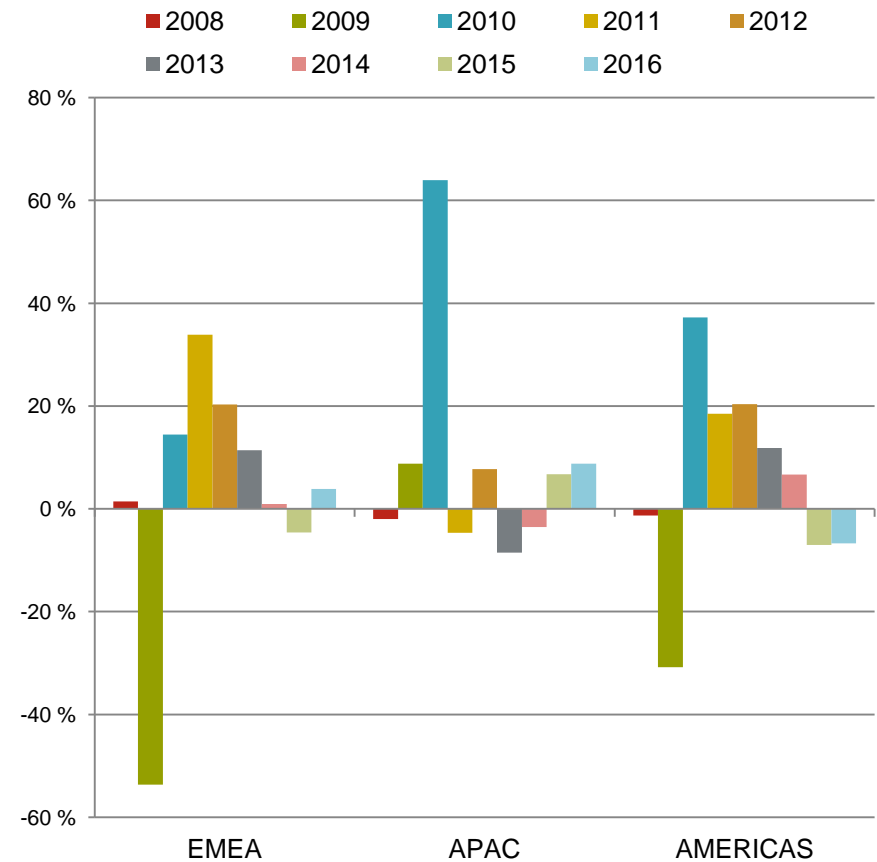
Macro indicator trends

Truck sales GVW over 15 ton - Regions



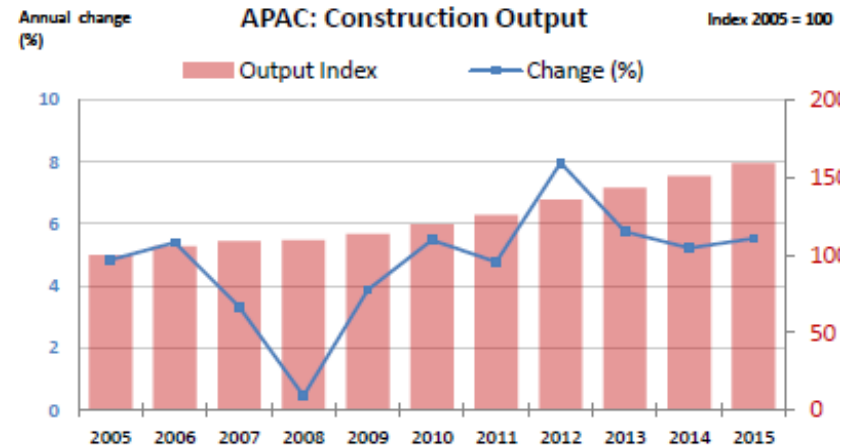
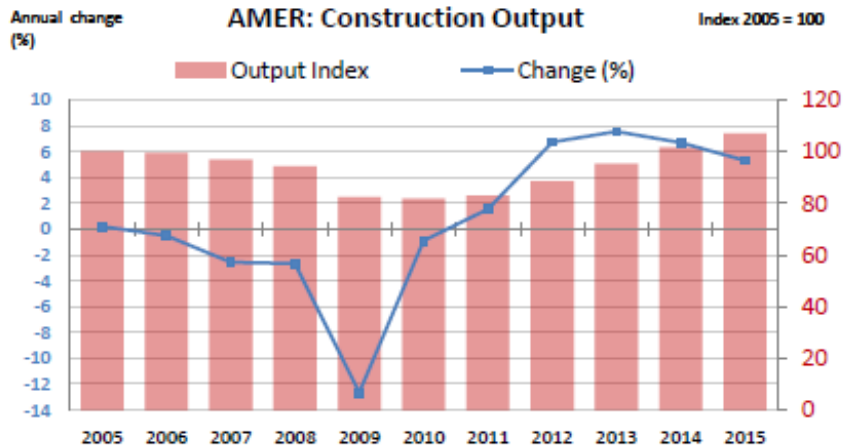
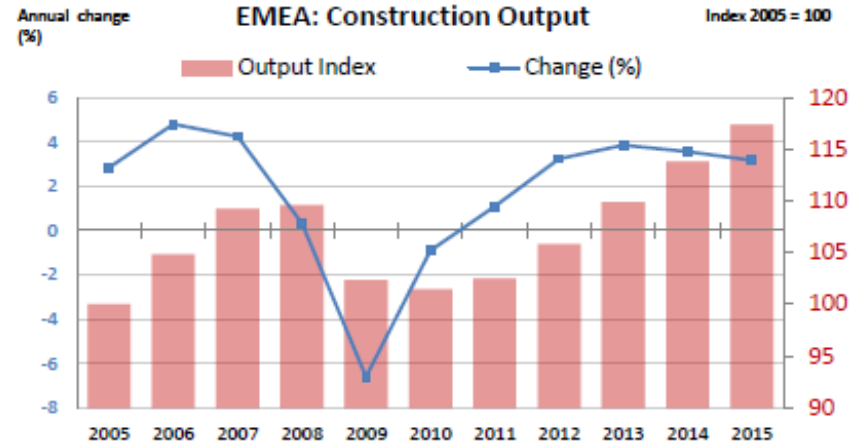
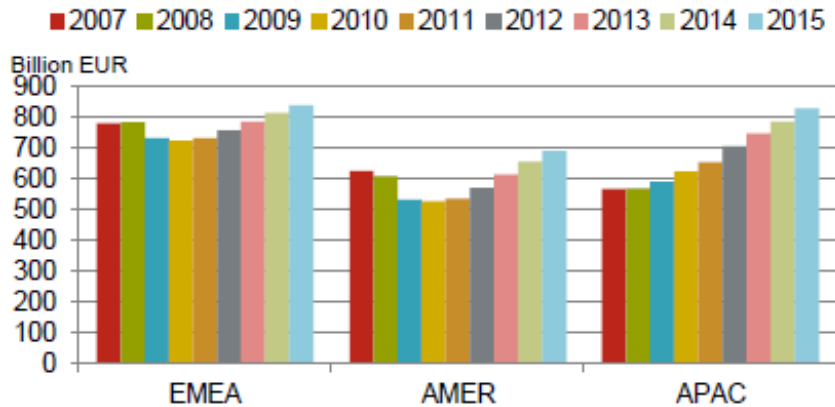
Source: Global Insight Q2/2011

Sales growth GVW over 15 ton - Regions



Macro indicator trends

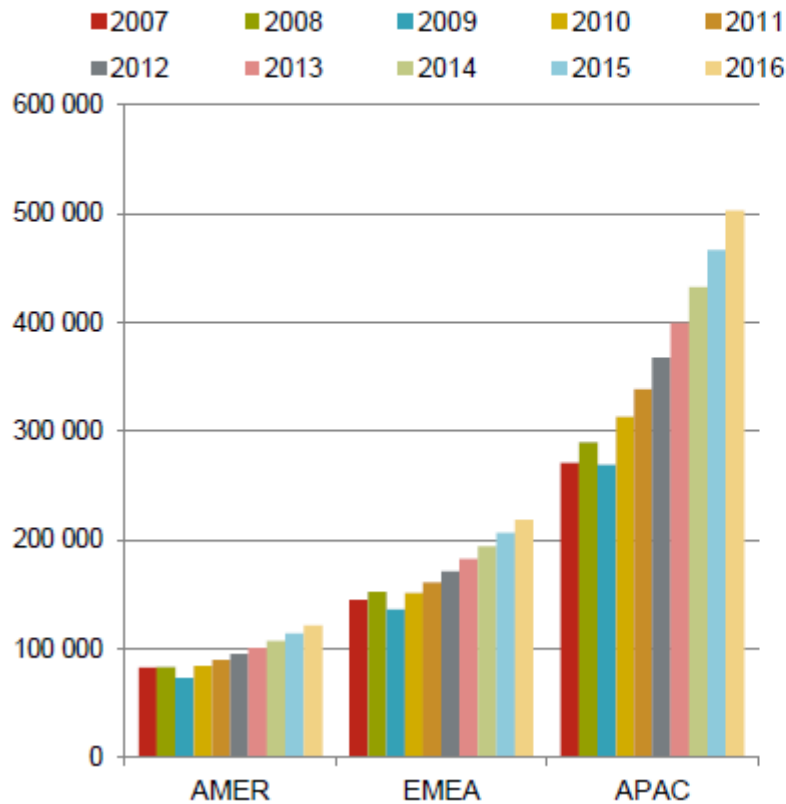
Total Construction Output



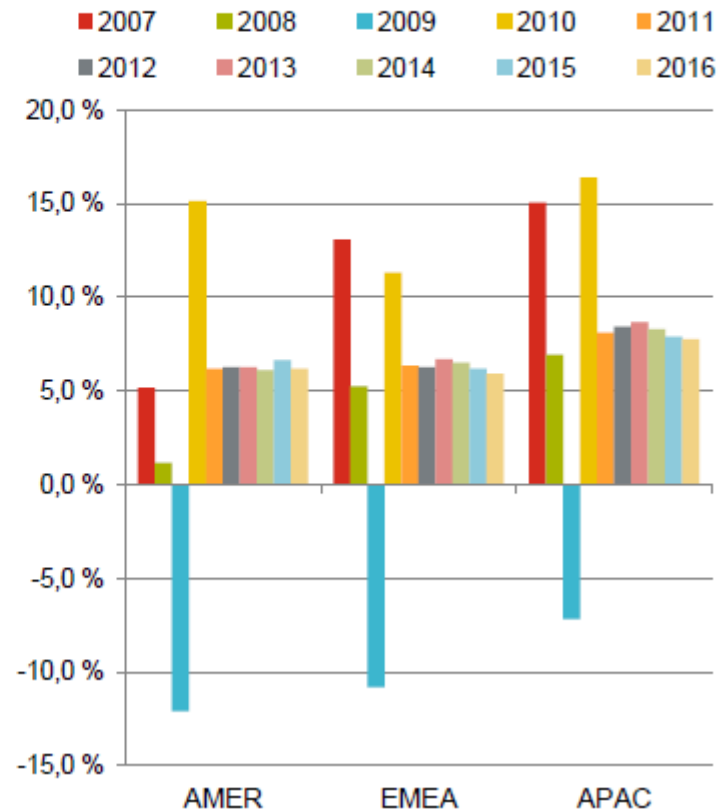
Source: Oxford Economics Q3/2011

Macro indicator trends

Drewry (Throughput '000 TEU units)



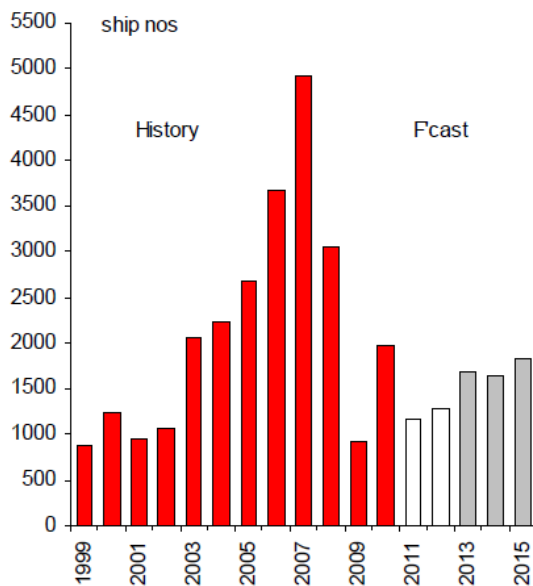
Drewry (Throughput TEU % change)



Source: Drewry Container Forecaster Q3/2011

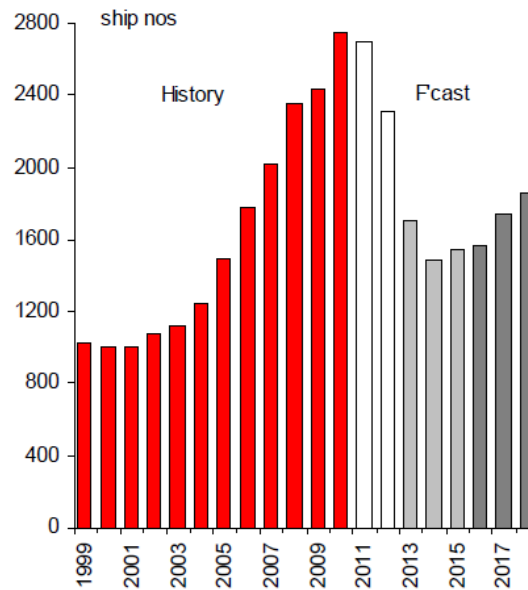
Ship contracting and delivery forecast

Contracting 1999-2015



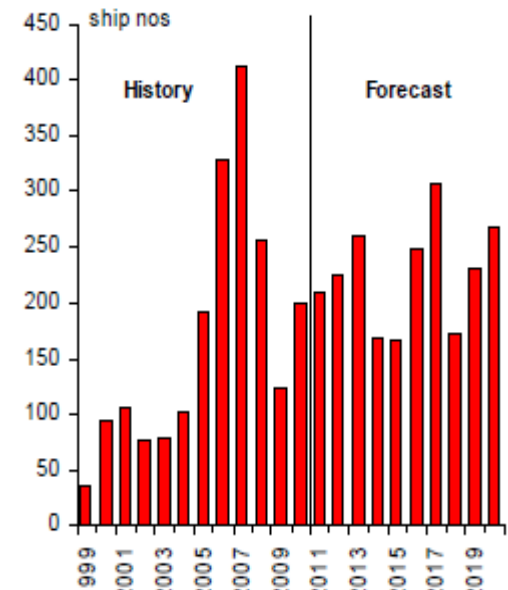
Source: Clarkson Research Services

Deliveries 1999-2018



Source: Clarkson Research Services

Offshore Vessel Contracting



Source: Clarkson Research Services

Medium-Term Contracting Forecast to 2015

Medium-Term Deliveries to 2018

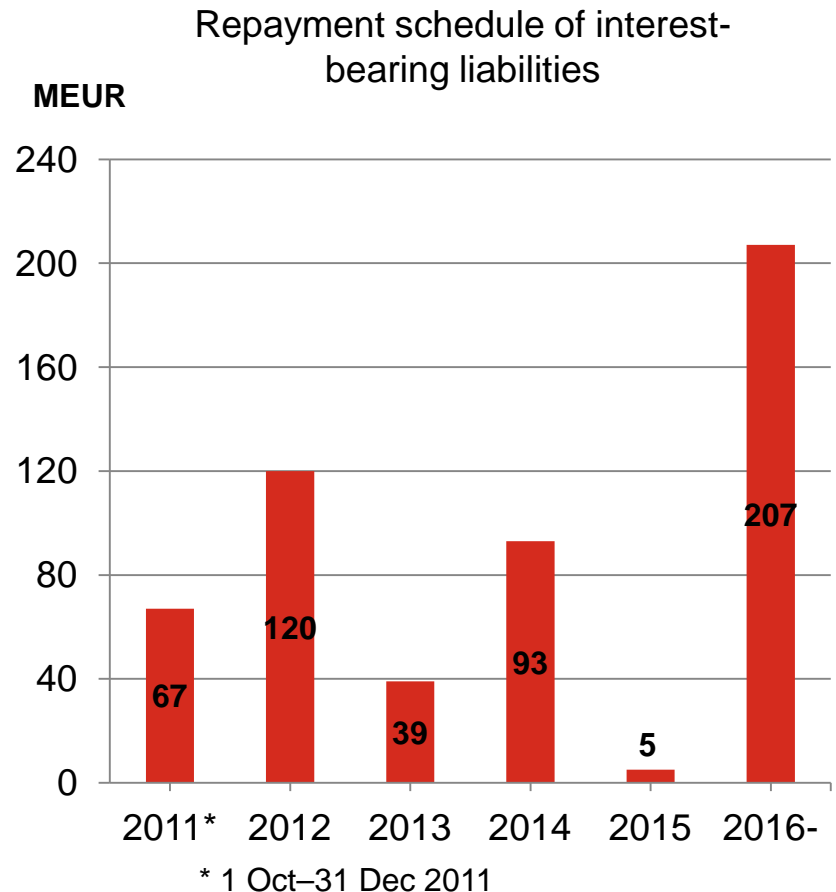
Offshore Vessel Contracting

Source: Clarkson research 9/2011

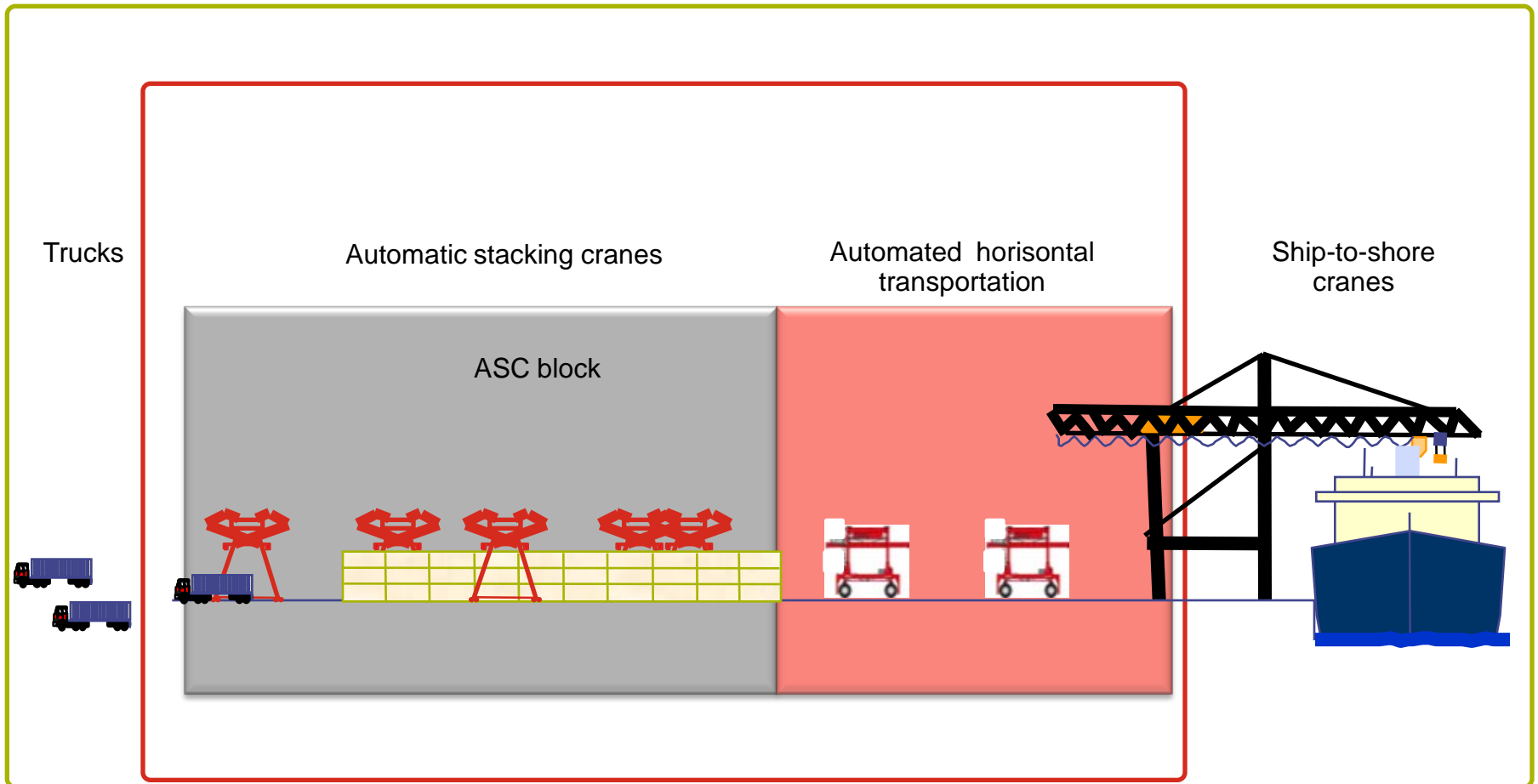
Low gearing and strong liquidity 30 Sep 2011

- Gearing 32.7%
- Net debt MEUR 362
- Liquidity MEUR 453
 - Cash and cash equivalents MEUR 153
 - Unused and committed long-term revolving credit facility of MEUR 300
- During Q3, Cargotec strengthened liquidity further by signing new credit facilities of MEUR 120 which will mature in 2018–2021.

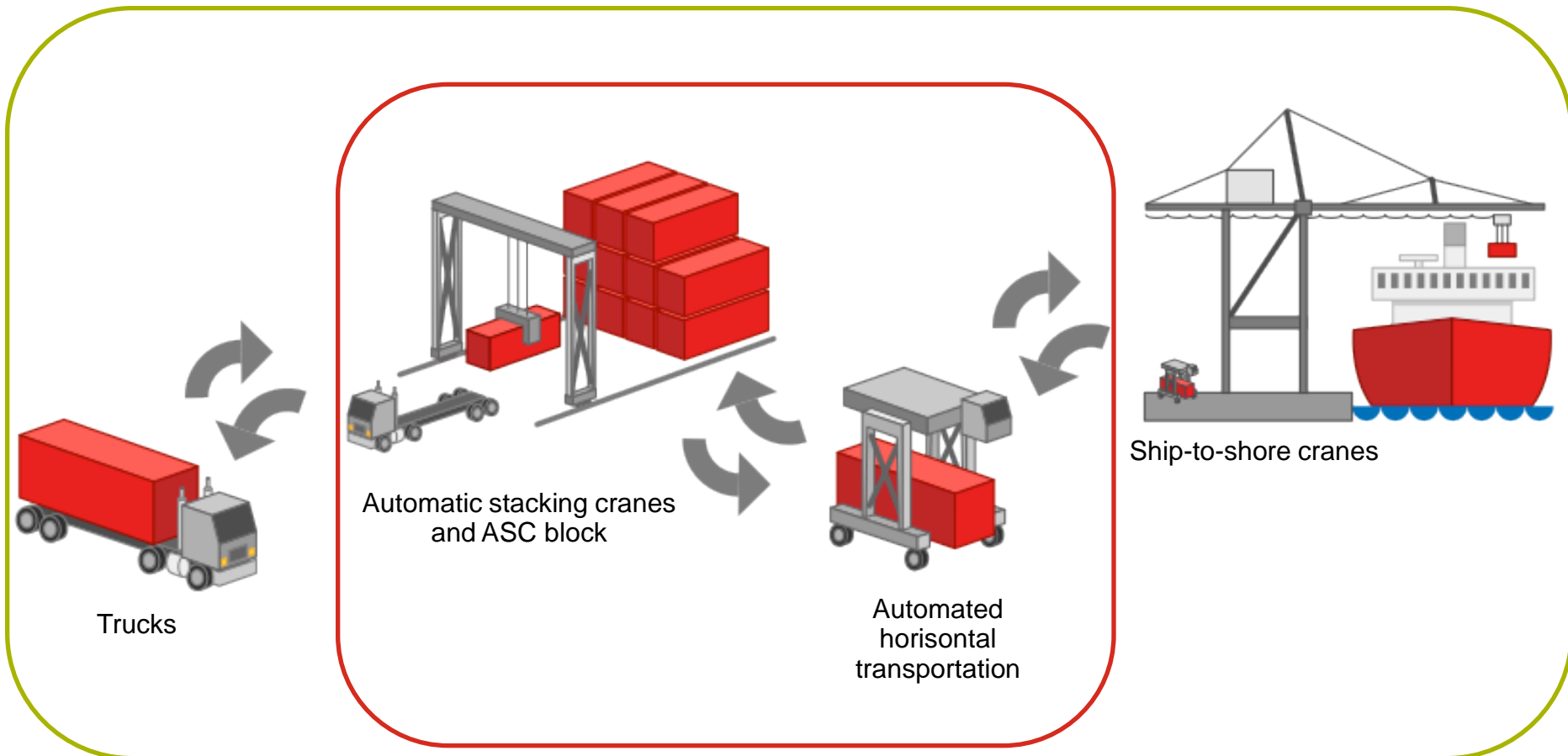
→ Cargotec is well prepared financially for the coming years



Terminal operating system



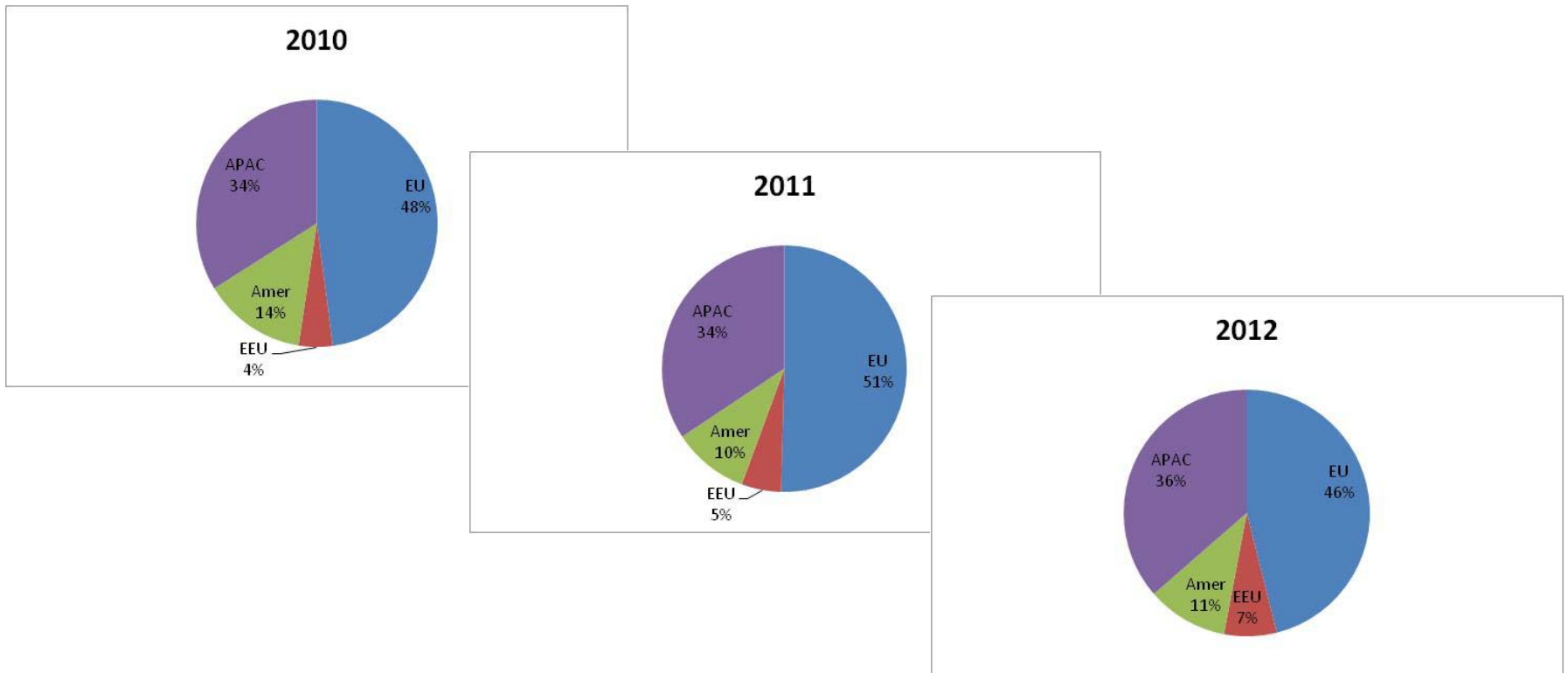
Terminal operating system



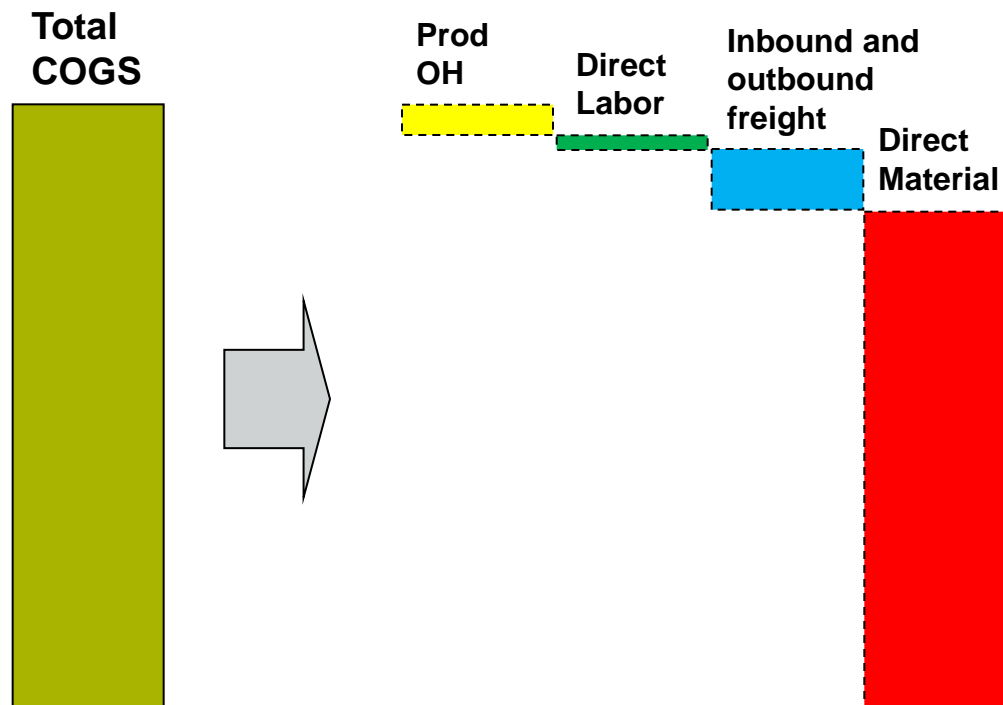
Global factory set-up today



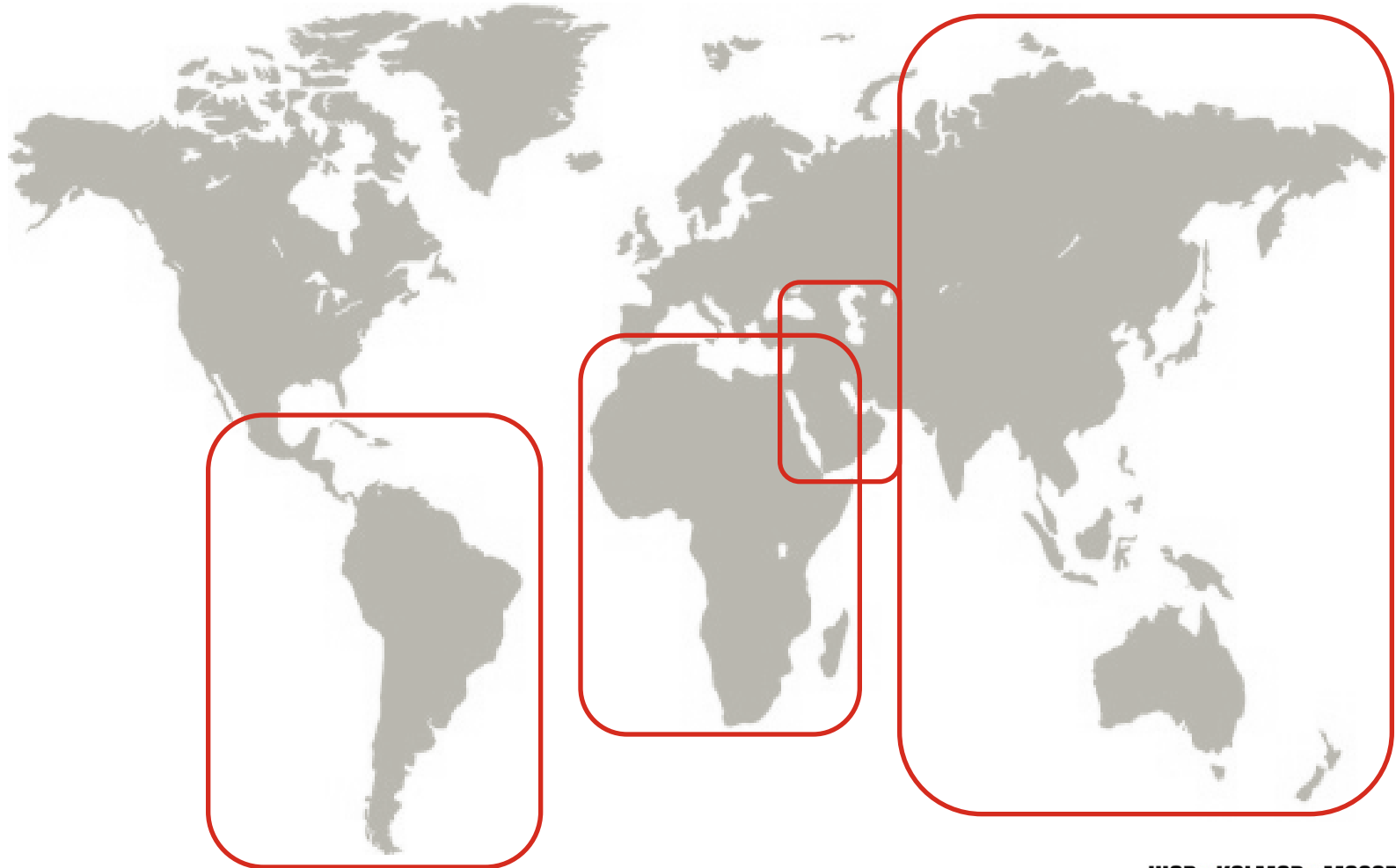
Sourcing footprint development 2010–2012



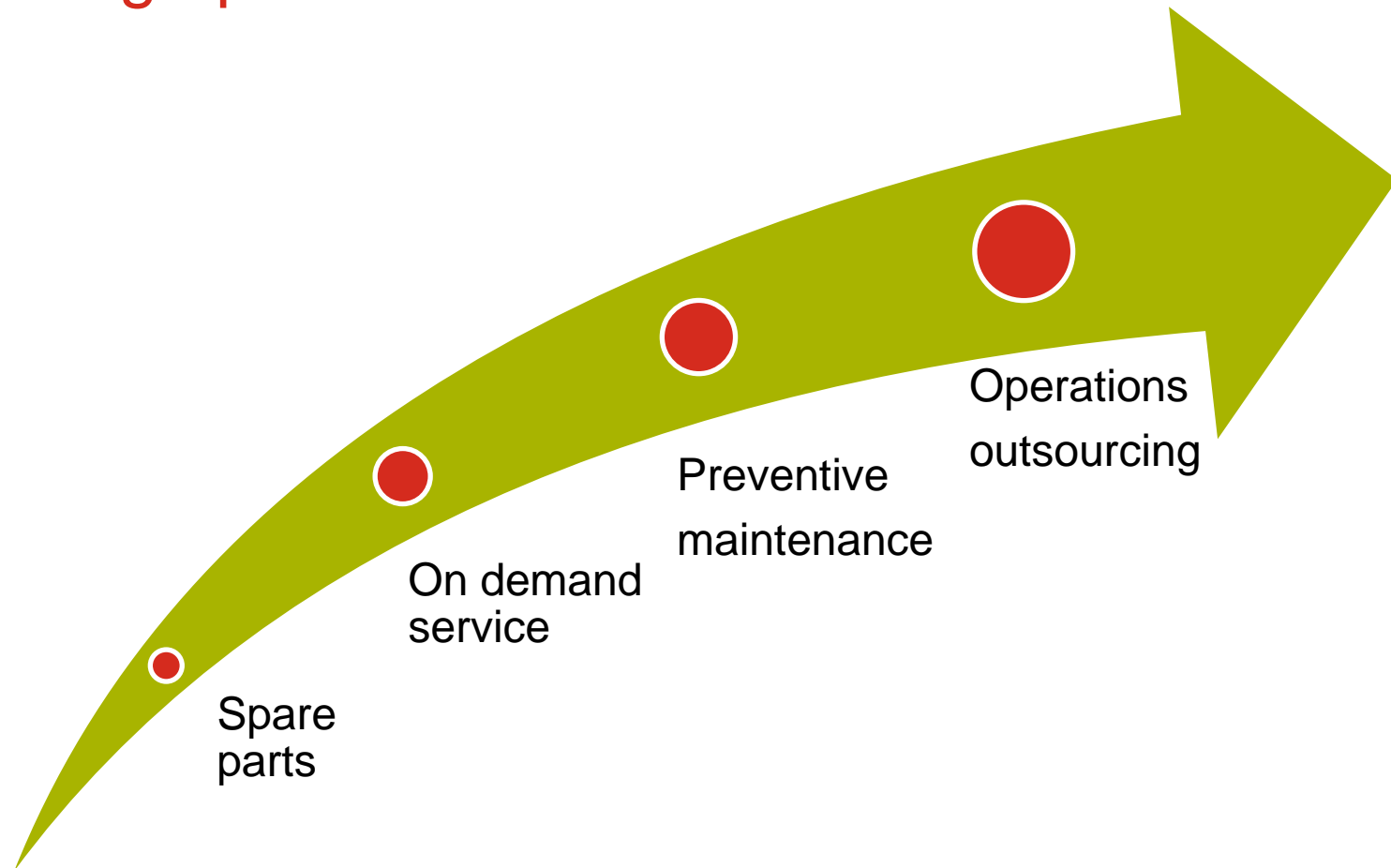
Optimising cost of Supply means optimising all parts of cost of goods sold (COGS)



Services geographical growth opportunities



Growing up the value chain



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					
• Effer	X					
• PM	X					
• Unic		X				
• Tadano		X				
• National		X				
• Meiller			X			
• Marrel			X			
• Stellar			X			
• Shimaywa			X	X		
• D'Hollandia				X		
• MBB				X		
• Maxon				X		
• Manitou					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	RTG/RMG Cranes	Straddle Carriers	Reach Stackers	Fork Lift Trucks	Terminal Tractors. AGVs	Spreaders	Mobile Harbour Cranes	Services
• Kalmar	X	X	X	X	X	X	X		X
• ZPMC	X	X							
• Liebherr	X	X	X	X				X	
• Demag		X				X		X	
• Mitsubishi	X	X			X			X	
• Mitsui	X	X							
• Terex-Fantuzzi	X	X	X	X	X			X	X
• Konecranes	X	X	X	X	X				X
• TCM		X	X		X				
• CVS Ferrari			X	X	X	X			
• Hyster Heavy				X	X				
• Taylor				X	X				
• Kion				X	X				
• Sany				X					
• Svetruck					X				
• Capacity						X			
• Terberg						X			
• Sinotruck						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	Bulk systems	RoRo equipment	Offshore	Services
• MacGregor	X	X	X	X	X	X	X
• TTS	X	X			X	X	X
• Seohae	X				X		
• IHI	X	X		X (cement)			
• Nakata	X			X (coal)			
• Liebherr		X				X	X
• Oriental Precision		X				X	
• NMF		X					X
• MHI		X					
• Luzhou (KGW)		X					
• German Lashing			X				X
• SEC			X				X
• Krupp				X (coal)			
• Buhler				X (grain)			
• FLS				X			
• Sumitomo				X (coal)			
• National Oilwell						X	
• Rolls Royce						X	X
• Dreggen						X	
• ODIM						X	
• Coops & Nieborg	X						
• Ainoura (ex-Tsuji)	X	X			X		(X)

we keep cargo on the move™