Mikko Puolakka, CFO

Strong commitment to improving profitability

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We have delivered solid improvement in profitability

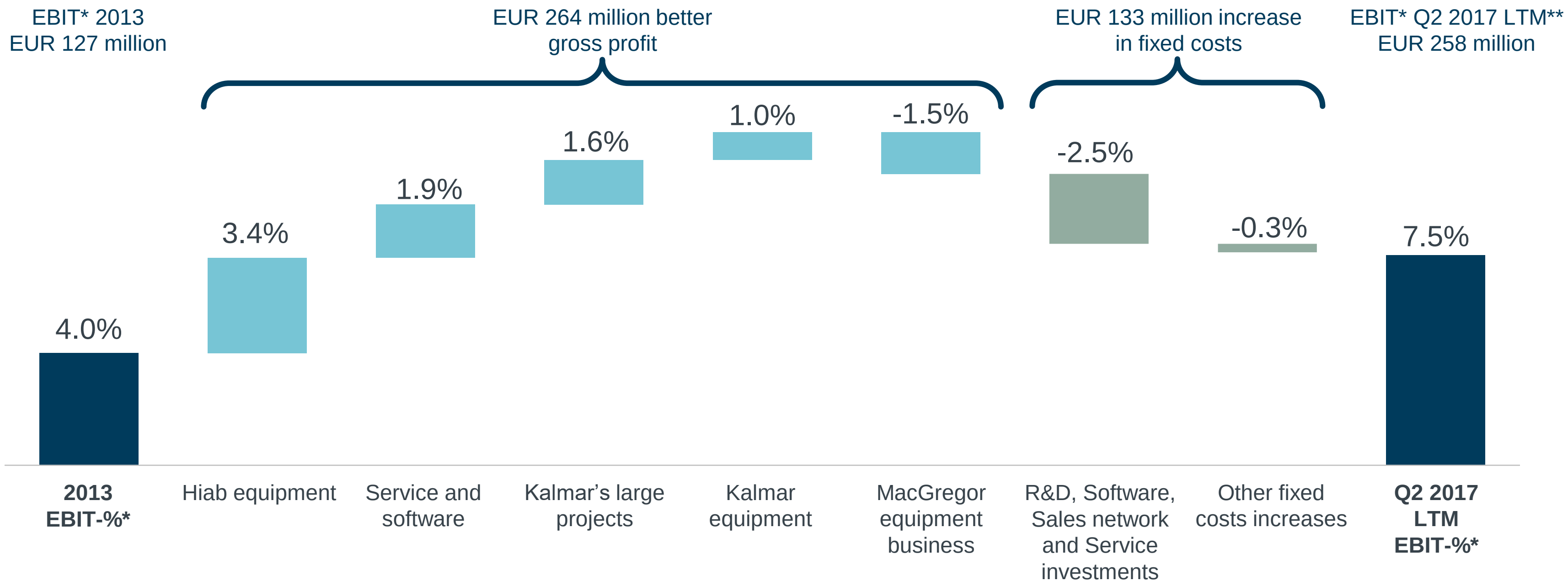
Our cost efficiency programs are on track

Our financing structure supports strategy execution

We have a concrete plan in place to reach 10% EBIT

CARGOTEC

We have increased EBIT* margins since 2013 through operational improvements



*Excluding restructuring costs
**LTM=Last 12 months (Q3/16-Q2/17)

We have four main profit improvement programs in place

EUR 25 million (MacGregor)

EUR 2 million (Interschalt)

EUR 13 million (Lidhult assembly transfer in Kalmar)

EUR 50 million (indirect purchasing and new Business Services operations)

Business Area cost efficiency programs are on track

	Scope and Target	Status June 2017
MacGregor	Reduction of 230 FTEs in China, Finland, Norway, Singapore and Sweden Annual savings EUR 25 million in 2017	Layoffs, asset divestments and lease contract terminations completed EUR 12 million savings in H1 2017
Interschalt	Re-organising operations in Germany, USA and China Annual savings EUR 2 million in 2017	Layoffs completed EUR 1 million savings in H1 2017
Transfer of Kalmar production site	Forklift trucks production from Lidhult, Sweden to Stargard, Poland Annual savings EUR 13 million from 2018 onwards	Production facilities ready. Light and medium fork lift trucks already moved, heavy transferred in H2 2017.

Group wide EUR 50 million cost savings programme proceeding faster than expected

WHY

- Investments in common systems as enabler
- EUR ~600 million addressable indirect cost base

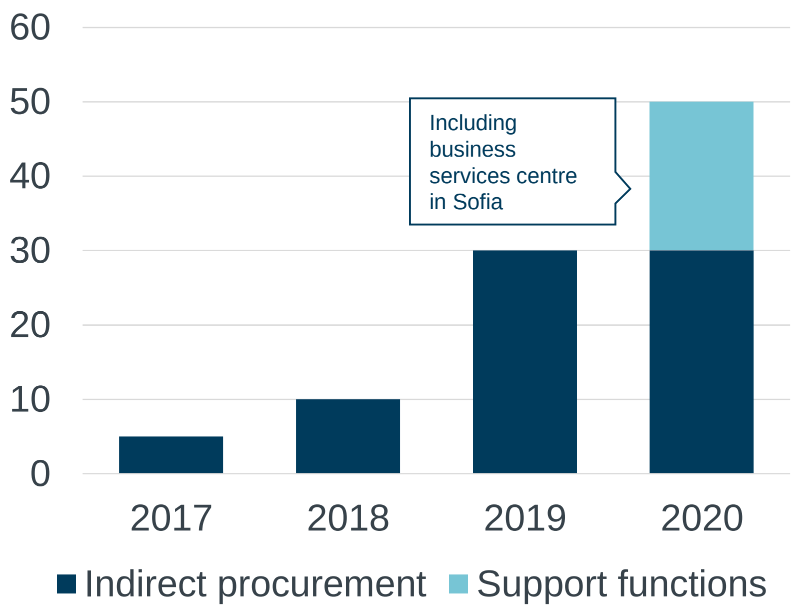
WHAT

- Reductions in indirect purchasing spend (EUR 30 million), and more efficient support functions (EUR 20 million)

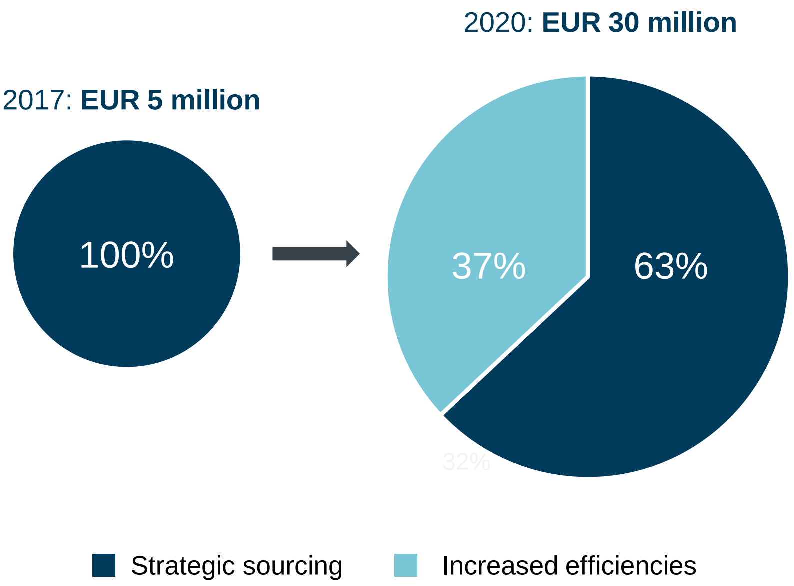
HOW

- Central procurement organization to drive indirect procurement cost and efficiency
- Establishing support function services in Sofia
- Automation in Finance, HR, information management and procurement

Expected savings compared to 2016 cost level, MEUR



Strategic sourcing actions and increased efficiencies drive the EUR 30 million indirect procurement savings



Strategic sourcing

- Consolidation of current supplier base
- Example categories: logistics, facilities management, MRO & investments

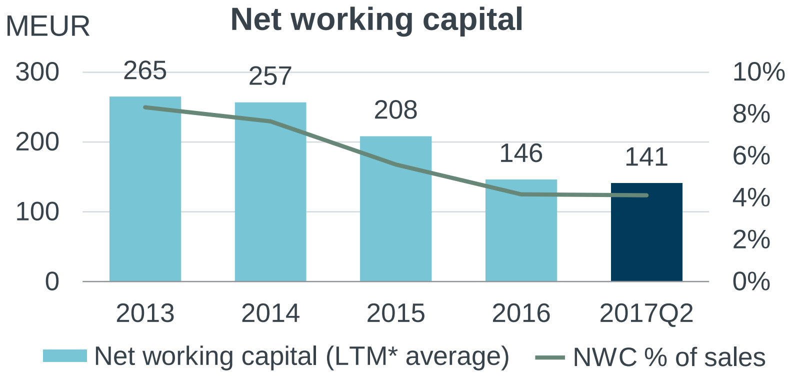
Increased efficiencies

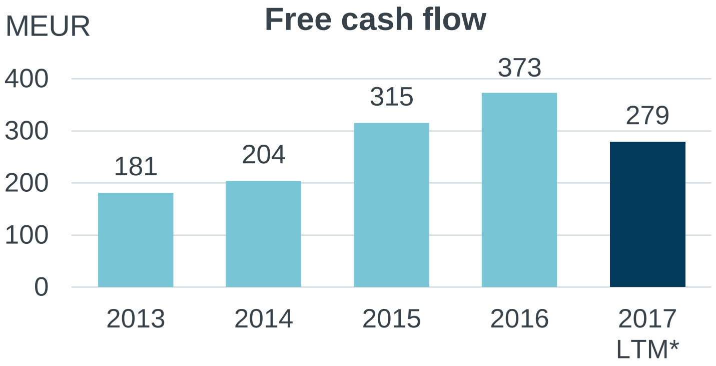
- New tools, harmonised processes, automation and internal procurement savings

We establish Cargotec Business Services in Sofia to improve support function efficiency by EUR 20 million

- Savings from consolidation, outsourcing of certain activities, labour arbitrage and robotics
- Scope: Finance, Human Resources, Information Management and Indirect Procurement services primarily from Sofia, Bulgaria
- Good progress in establishing Cargotec Business Services
  - Infrastructure ready, key positions manned
  - First 53 employees joined on 1st of August, induction has started
- Finland as pilot, cooperation negotiations completed in June 2017

Working capital efficiency supports cash flow generation





Key drivers

- \+ Supply chain optimisation
- \+ Central spare parts inventory
- \+ Supplier financing
- \+ Payment term harmonisation
- \- Services growth
- \- Low project orders in Kalmar and MacGregor

Key drivers

- Higher profit
- Working capital efficiency actions
- Asset light business model

*LTM=Last 12 months (Q3/16-Q2/17)

Strong cash flow supports higher dividends as well as investments in R&D and M&A

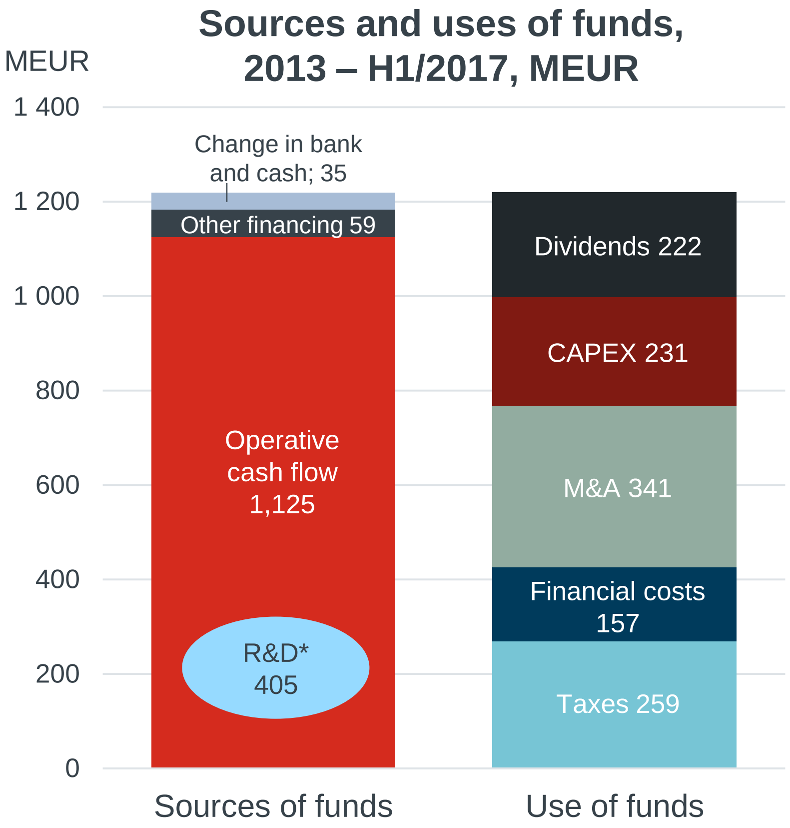
Free cash flow generation

- Dividend distribution according to dividend policy of 30-50% of earnings
- M&A to support strategy

Becoming more significant

- Investing in organic growth through R&D

Investment level is stabilizing



*R&D is included in the operative cash flow

M&A strategy focusing on bolt-on acquisitions

Key acquisition criteria

Contribution to 15% ROCE target

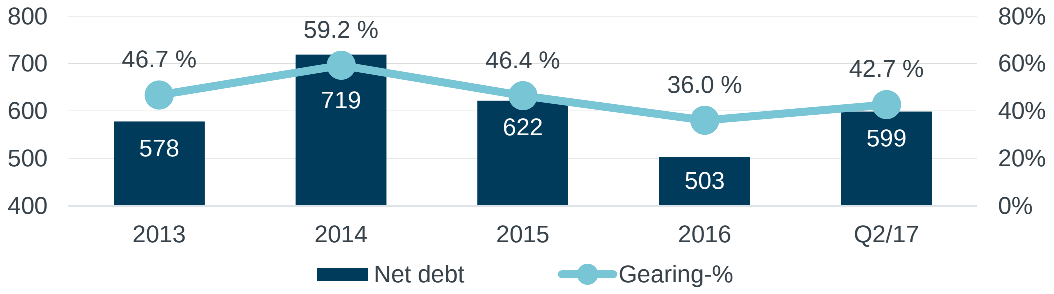
Recurring business

Increase the potential for services through larger installed base and increased presence

Group gearing long term target of 50%

Net debt and gearing

MEUR



M&A focus by business area:

Kalmar

Expand service footprint and software offering

Hiab

Expand geographical presence, service and product offering

MacGregor

Focus on distressed assets and software and intelligent technology

Updated financial targets reflect increased stability and profitability

Targets from 2015	New targets	Results
Grow faster than the market	Grow faster than the market	Growth rates 2013 - Q2 2017 LTM per annum (CAGR): Kalmar 2.0%, Hiab 5.9%, MacGregor -3.6%
EBIT margin 10% for each business area over the cycle	Cargotec operating profit margin 10% in 3-5 years	Q2 2017 LTM: 7.5%**
Service and software sales 40% of net sales	Service and Software sales 40% of net sales, minimum EUR 1.5 billion in 3-5 years	Q2 2017 LTM: 30% total EUR 1.04 billion
Dividend 30-50% of earnings per share	Increasing dividend in the range of 30-50% of EPS, dividend to be paid twice a year*	2013-2016: steady 31% p.a. (CAGR) increase in absolute dividend, average 46% of EPS
15% ROCE over the cycle	15% ROCE in 3-5 years	Q2 2017: 10.2% (annualised)
Gearing below 50%	Gearing below 50%	Gearing 42.7% in Q2 2017

*To be proposed to Annual General Meeting 2018
**Excluding restructuring costs

We have good growth opportunities in all business areas

KALMAR

- Increasing average ship size and container throughput growth
- Growing automation penetration
- Growing replacement market
- Inland logistics and intermodal offering

HIAB

- Growing construction market
- Changing distribution patterns and models
- Increasing lifting equipment penetration in developing countries
- Broad spectrum of industries and segments where involved

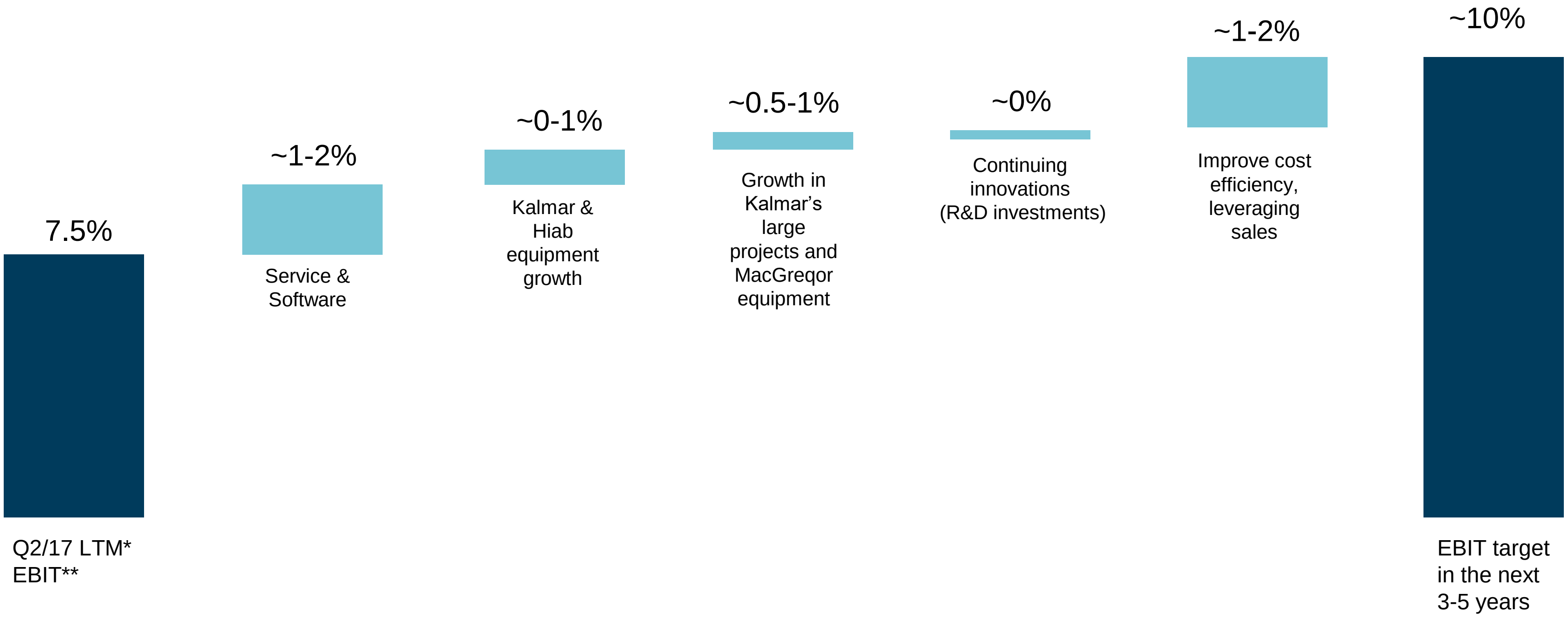
MACGREGOR

- Growing global trade
- Growing demand for energy
- Maritime intelligence: Customers' requirements on operational efficiency, predictability and sustainability
- Blue Growth: clean energy, aquaculture, maritime resources
- Autonomous or remotely controlled ship developments a long term opportunity

MEGATRENDS

Globalisation, urbanisation, population growth, growing middle class, increasing consumption, digitalisation, energy demand, environmental awareness and demand for more intelligent solutions

Our target is to reach 10% EBIT in the next 3-5 years



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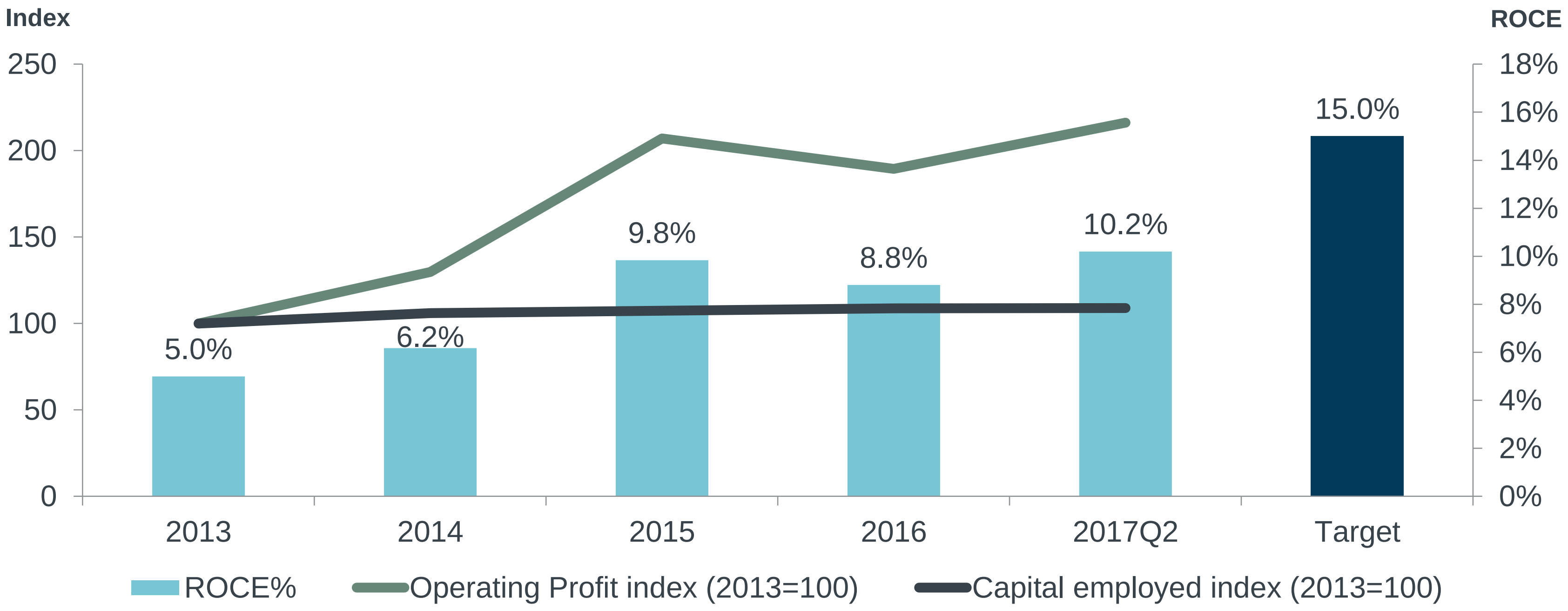
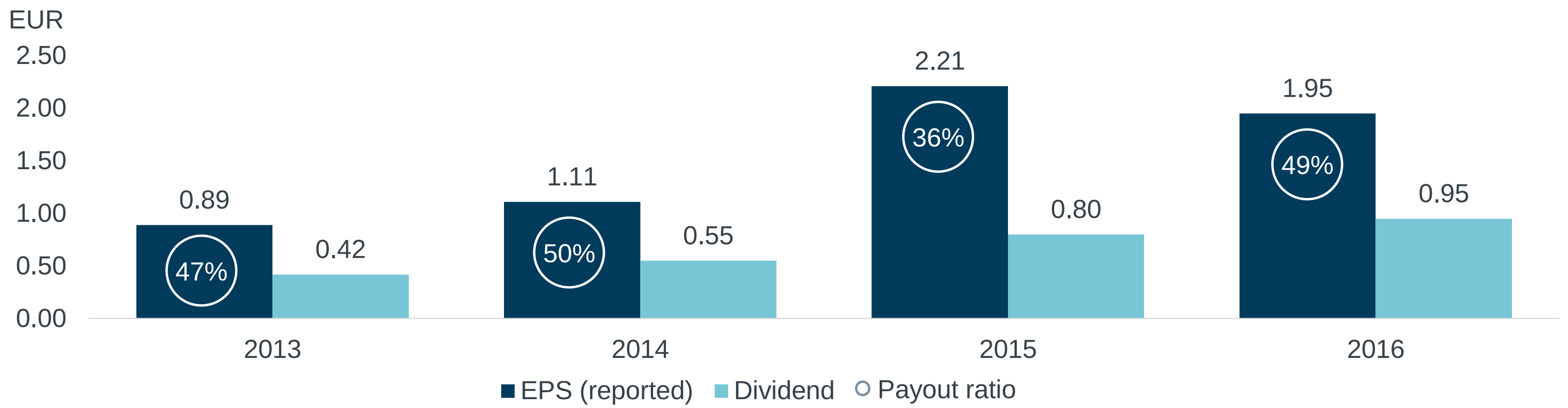
**Excluding restructuring costs

Higher operating profit is key driver to reach 15% ROCE target



We aim to increase dividends annually



Dividend per B share for 2016: EUR 0.95

Higher EPS and strong cash flow support increasing dividend

- Dividend to be paid twice a year*

Target to increase the dividend in the range of 30-50% of EPS

*To be proposed to AGM 2018

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CARGOTEC