

Cargotec's January–June 2016 interim report: business developed favourably

- **Profitability improved in Kalmar and Hiab**
- **MacGregor profitability satisfactory considering current market situation**
- **Strategy execution proceeding as planned**

April–June 2016 in brief

- Orders received decreased 7 percent and totalled EUR 825 (887) million.
- Order book amounted to EUR 2,033 (31 Dec 2015: 2,064) million at the end of the period.
- Sales declined 4 percent and totalled EUR 898 (936) million.
- Operating profit excluding restructuring costs increased 12 percent and was EUR 64.8 (58.0) million, representing 7.2 (6.2) percent of sales.
- Operating profit was EUR 62.6 (54.9) million, representing 7.0 (5.9) percent of sales.
- Cash flow from operations before financial items and taxes totalled EUR 55.8 (101.3) million.
- Net income for the period amounted to EUR 40.4 (27.4) million.
- Earnings per share was EUR 0.63 (0.43).

January–June 2016 in brief

- Orders received decreased 5 percent and totalled EUR 1,728 (1,826) million.
- Sales declined 5 percent and totalled EUR 1,727 (1,825) million.
- Operating profit excluding restructuring costs increased 12 percent and was EUR 123.3 (110.3) million, representing 7.1 (6.0) percent of sales.
- Operating profit was EUR 120.2 (106.2) million, representing 7.0 (5.8) percent of sales.
- Cash flow from operations before financial items and taxes totalled EUR 146.6 (152.8) million.
- Net income for the period amounted to EUR 79.6 (63.9) million.
- Earnings per share was EUR 1.23 (0.99).

Outlook for 2016 unchanged

Cargotec's 2016 sales are expected to be at the 2015 level (EUR 3,729 million) or slightly below. Operating profit excluding restructuring costs for 2016 is expected to improve from 2015 (EUR 230.7 million).

Cargotec's key figures

| MEUR | 4-6/2016 | 4-6/2015 | Change | 1-6/2016 | 1-6/2015 | Change | 2015 |
|---------------------------|---------------|----------|--------|---------------|----------|--------|--------|
| Orders received | 825 | 887 | -7% | 1,728 | 1,826 | -5% | 3,557 |
| Order book, end of period | 2,033 | 2,342 | -13% | 2,033 | 2,342 | -13% | 2,064 |
| Sales | 898 | 936 | -4% | 1,727 | 1,825 | -5% | 3,729 |
| Operating profit* | 64.8 | 58.0 | 12% | 123.3 | 110.3 | 12% | 230.7 |
| Operating profit, %* | 7.2 | 6.2 | | 7.1 | 6.0 | | 6.2 |
| Operating profit | 62.6 | 54.9 | 14% | 120.2 | 106.2 | 13% | 213.1 |
| Operating profit, % | 7.0 | 5.9 | | 7.0 | 5.8 | | 5.7 |
| Income before taxes | 57.5 | 46.3 | | 108.3 | 93.8 | | 186.2 |
| Cash flow from operations | 55.8 | 101.3 | | 146.6 | 152.8 | | 314.6 |
| Net income for the period | 40.4 | 27.4 | | 79.6 | 63.9 | | 142.9 |
| Earnings per share, EUR | 0.63 | 0.43 | | 1.23 | 0.99 | | 2.21 |
| Net debt, end of period | 619 | 735 | | 619 | 735 | | 622 |
| Gearing, % | 45.5 | 56.9 | | 45.5 | 56.9 | | 46.4 |
| Personnel, end of period | 11,422 | 10,730 | | 11,422 | 10,730 | | 10,837 |

*excluding restructuring costs

Cargotec's CEO Mika Vehviläinen:

Our business developed favourably during the second quarter. Orders for Kalmar decreased slightly from the comparison period's level, while Hiab's order intake grew eight percent from the comparison period. It was pleasing to see service orders increase 12 percent compared to the comparison period. Profitability continued to improve in Kalmar and Hiab compared to the previous year. On the other hand, the market situation in MacGregor remained challenging. At MacGregor we have already begun implementing new measures to lower our cost level through actions taken primarily in Norway as well as by merging two divisions.

The execution of our strategy published at the end of 2015 is proceeding in all three focus areas: services, digitalisation and leadership development. Business areas have continued their service development efforts during the quarter, and we have increased resources for digitalisation initiatives. For example, we launched the first products based on our common Cargotec IoT Cloud, a shared connectivity and analytics platform for all our businesses, through which we can provide more efficient analytics to our customers based on equipment data. The INTERSCHALT integration is proceeding as planned and we are getting positive customer feedback about the combined offering of XVELA's maritime industry software and the INTERSCHALT software. Our internal leadership development programme was launched during the last quarter and has gone forward according to plans.

Alternative performance measures (APMs) used in Cargotec's financial reporting

New ESMA (European Securities and Markets Authority) guidelines on Alternative Performance Measures (Alternative performance measure (APM) = financial measure other than financial measure defined or specified in IFRSs) are effective as of 3 July 2016. The new guidelines have had no impact on performance measures used by Cargotec, but in accordance with the guidelines, Cargotec publishes the explanation of use, definitions as well as reconciliations of its APMs to IFRS financial statements.

APMs are used at Cargotec to better convey the underlying business performance and to enhance comparability from period to period. APMs are not substituting the performance measures stipulated by IFRS, but are instead reported as complementary information.

The alternative performance measures used by Cargotec are:

- Operating profit excluding restructuring costs = Operating profit + restructuring costs
- Operating profit excluding restructuring costs, % of sales = (Operating profit + restructuring costs) / Sales * 100
- Interest-bearing net-debt = Interest-bearing debt – interest-bearing assets +/- Foreign-currency hedge of corporate bonds

Restructuring costs include restructuring provisions, asset impairments and disposals, expenses for vacant premises and other restructuring-related expenses in case of a significant restructuring programme of Cargotec or its business area. In the interim report, the reconciliation of operating profit excluding restructuring costs to operating profit of the statement of income is presented in note 3. Reconciliation of interest-bearing net debt to interest-bearing liabilities and assets is presented in note 6.

Press conference for analysts and media

A press conference for analysts and media, combined with a live international telephone conference, will be arranged on the publishing day at 2:00 p.m. EEST at Cargotec's head office, Porkkalankatu 5, Helsinki. The event will be held in English. The report will be presented by CEO Mika Vehviläinen and Executive Vice President, CFO Mikko Puolakka. The presentation material will be available at www.cargotec.com by 2:00 p.m. EEST.

The telephone conference, during which questions may be presented, can be accessed using the following numbers with access code Cargotec/101647:

FI: +358 9 6937 9590

SE: +46 8 5033 6539

UK: +44 20 3427 1914

US: +1 646 254 3364

The event can also be viewed as a live webcast at www.cargotec.com. An on-demand version of the conference will be published at Cargotec's website later during the day.

For further information, please contact:

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Cargotec (Nasdaq Helsinki: CGCBV) is a leading provider of cargo and load handling solutions with the goal of becoming the leader in intelligent cargo handling. Cargotec's business areas Kalmar, Hiab and MacGregor offer products and services that ensure our customers a continuous, reliable and sustainable performance. Cargotec's sales in 2015 totalled approximately EUR 3.7 billion and it employs over 11,000 people. www.cargotec.com

Cargotec's January–June 2016 interim report

Operating environment

The number of containers handled at ports globally is anticipated to grow less than two percent during the current year. Despite the slower growth of containers handled, the market for container handling equipment and port automation solutions was active. This is supported by significantly larger ship sizes than previously, which requires investments from ports that wish to improve their container handling efficiency. Nevertheless, customers are considering their investment decisions carefully.

The market for load handling equipment in the US was supported by strong construction activity that continued from the first quarter. The truck market in the US was still at a high level, although the growth slowed down slightly. In Europe, signs of recovery could be seen, although activity levels still varied by country. Demand for services was healthy.

The market for marine cargo handling equipment remained weak during the second quarter due to the overcapacity in the shipping market. Out of the ship types, the demand for marine cargo handling equipment for RoRo and special vessels was healthy. Despite the increase in the price of oil, low investment levels in the oil industry are still evident in the low demand for offshore load handling solutions. Demand for services was satisfactory.

Financial performance

Orders received and order book

Orders received during the second quarter decreased seven percent from the comparison period and totalled EUR 825 (887) million. Compared to the comparison period, currency rate changes had a two percentage point negative impact on orders received. Orders received decreased slightly at Kalmar compared to the comparison period, grew about eight percent at Hiab and decreased about 32 percent at MacGregor. Service orders increased and totalled EUR 236 (211) million.

Orders received for January–June declined five percent from the comparison period and totalled EUR 1,728 (1,826) million. Compared to the comparison period, currency rate changes had a one percentage point negative impact on orders received. Of the first-half orders, 51 percent were received by Kalmar, 30 percent by Hiab and 19 percent by MacGregor. In geographic terms, the Americas' share of all orders increased slightly to 31 (30) percent. The Asia-Pacific share of orders decreased to 24 (28) percent. EMEA's share of orders received was 45 (42) percent. The share of service orders was 27 (24) percent of all orders received.

The order book was at the 2015 year-end level, and at the end of the second quarter it totalled EUR 2,033 (31 Dec 2015: 2,064) million. Kalmar's order book totalled EUR 1,005 (877) million, representing 49 (42) percent, Hiab's EUR 283 (305) million or 14 (15) percent and that of MacGregor EUR 745 (883) million or 37 (43) percent of the consolidated order book.

Orders received by reporting segment

| MEUR | 4-6/2016 | 4-6/2015 | Change | 1-6/2016 | 1-6/2015 | Change | 2015 |
|-----------------|------------|----------|--------|--------------|----------|--------|-------|
| Kalmar | 438 | 450 | -3% | 892 | 906 | -1% | 1,764 |
| Hiab | 239 | 221 | 8% | 514 | 477 | 8% | 967 |
| MacGregor | 149 | 220 | -32% | 322 | 448 | -28% | 828 |
| Internal orders | 0 | -5 | | -1 | -5 | | -1 |
| Total | 825 | 887 | -7% | 1,728 | 1,826 | -5% | 3,557 |

Orders received by geographic area

| MEUR | 4-6/2016 | 4-6/2015 | Change | 1-6/2016 | 1-6/2015 | Change | 2015 |
|--------------|------------|----------|--------|--------------|----------|--------|-------|
| EMEA | 332 | 374 | -11% | 776 | 761 | 2% | 1,471 |
| Asia-Pacific | 215 | 256 | -16% | 410 | 523 | -22% | 1,002 |
| Americas | 278 | 257 | 8% | 542 | 542 | 0% | 1,085 |
| Total | 825 | 887 | -7% | 1,728 | 1,826 | -5% | 3,557 |

Sales

Second-quarter sales declined 4 percent from the comparison period, to EUR 898 (936) million. Compared to the comparison period, currency rate changes had a one percentage point negative impact on sales. Sales grew from the comparison period in Hiab and Kalmar but declined in MacGregor due to the challenging market situation. Sales in services remained at the comparison period's level and totalled EUR 220 (220) million, representing 24 (23) percent of consolidated sales.

January–June sales declined 5 percent from the comparison period and totalled EUR 1,727 (1,825) million. Compared to the comparison period, currency rate changes had a one percentage point negative impact on sales. Sales in services amounted to EUR 431 (437) million, representing 25 (24) percent of sales. In geographic terms, sales grew in the Americas and declined in Asia-Pacific and EMEA. Asia-Pacific's share of consolidated sales decreased to 27 (32) percent, whereas EMEA's share increased to 41 (39) percent and the Americas' to 32 (29) percent. Services sales declined in EMEA and Asia-Pacific and grew in the Americas.

Sales by reporting segment

| MEUR | 4-6/2016 | 4-6/2015 | Change | 1-6/2016 | 1-6/2015 | Change | 2015 |
|----------------|------------|----------|--------|--------------|----------|--------|-------|
| Kalmar | 420 | 391 | 7% | 787 | 786 | 0% | 1,663 |
| Hiab | 283 | 237 | 19% | 529 | 450 | 18% | 928 |
| MacGregor | 196 | 308 | -37% | 411 | 590 | -30% | 1,139 |
| Internal sales | 0 | 0 | | 0 | 0 | | -1 |
| Total | 898 | 936 | -4% | 1,727 | 1,825 | -5% | 3,729 |

Sales by geographic area

| MEUR | 4-6/2016 | 4-6/2015 | Change | 1-6/2016 | 1-6/2015 | Change | 2015 |
|--------------|------------|----------|--------|--------------|----------|--------|-------|
| EMEA | 374 | 369 | 1% | 699 | 719 | -3% | 1,472 |
| Asia-Pacific | 232 | 305 | -24% | 467 | 587 | -20% | 1,199 |
| Americas | 292 | 262 | 12% | 561 | 519 | 8% | 1,058 |
| Total | 898 | 936 | -4% | 1,727 | 1,825 | -5% | 3,729 |

Financial result

Operating profit for the second quarter improved from the comparison period, totalling EUR 62.6 (54.9) million. Operating profit includes EUR 2.3 (3.1) million in restructuring costs. EUR 0.8 (0.2) million of the restructuring costs were related to Kalmar, EUR 0.5 (0.0) million to Hiab, and EUR 1.0 (2.9) million to MacGregor.

Operating profit for the second quarter, excluding restructuring costs, was EUR 64.8 (58.0) million, representing 7.2 (6.2) percent of sales. Excluding restructuring costs, operating profit for Kalmar amounted to EUR 31.9 (28.5) million, Hiab EUR 41.7 (25.4) million, and MacGregor EUR 5.3 (12.5) million. Kalmar's and Hiab's operating profit increased compared to the comparison period. The costs of corporate administration and support functions increased to EUR 14.1 (8.3) million, which was primarily due to weaker results of associated companies compared to the comparison period, as well as digitalisation costs and costs related to leadership development.

Operating profit for January-June improved from the comparison period, totalling EUR 120.2 (106.2) million. Operating profit includes EUR 3.1 (4.1) million in restructuring costs. EUR 1.2 (0.8) million of the restructuring costs were related to Kalmar, EUR 0.7 (0.7) million to Hiab, and EUR 1.2 (2.7) million to MacGregor.

Operating profit for January-June, excluding restructuring costs, was EUR 123.3 (110.3) million, representing 7.1 (6.0) percent of sales. Excluding restructuring costs, operating profit for Kalmar amounted to EUR 57.5 (57.9) million, Hiab EUR 74.2 (44.6) million, and MacGregor EUR 14.5 (24.8) million.

Net interest expenses for interest-bearing debt and assets for the second quarter totalled EUR 4.3 (5.5) million. Net financing expenses totalled EUR 5.1 (8.6) million. Net interest expenses for

interest-bearing debt and assets for January-June totalled EUR 8.6 (10.4) million and net financing expenses totalled EUR 11.9 (12.4) million.

Net income for the second quarter totalled EUR 40.4 (27.4) million, and earnings per share EUR 0.63 (0.43). Net income for January-June totalled EUR 79.6 (63.9) million, and earnings per share EUR 1.23 (0.99).

Balance sheet, cash flow and financing

The consolidated balance sheet total was EUR 3,597 (31 Dec 2015: 3,571) million at the end of the second quarter. Equity attributable to equity holders was EUR 1,359 (1,339) million, representing EUR 21.03 (20.73) per share. Property, plant and equipment on the balance sheet was EUR 306 (306) million and intangible assets were EUR 1,306 (1,249) million.

Return on equity (ROE, annualised) in January–June was 11.8 (10.2) percent, and return on capital employed (ROCE, annualised) increased to 11.0 (9.8) percent. Cargotec's financial target is to reach 15 percent return on capital employed.

Cash flow from operating activities in January–June, before financial items and taxes, totalled EUR 146.6 (152.8) million. At the end of the second quarter, net working capital increased to EUR 175 million from the 2015 year-end level EUR 151 million.

Cargotec's liquidity position is healthy. At the end of the second quarter, interest-bearing net debt totalled EUR 619 (31 Dec 2015: 622) million. Interest-bearing debt amounted to EUR 765 (803) million, of which EUR 121 (69) million was current and EUR 644 (734) million non-current debt. On 30 June 2016, the average interest rate on the loan portfolio was 2.4 (2.1) percent. Cash and cash equivalents, loans receivable, and other interest-bearing assets totalled EUR 146 (31 Dec 2015: 180) million.

At the end of the second quarter, Cargotec's total equity/total assets ratio was 40.2 (31 Dec 2015: 39.8) percent. Gearing was 45.5 (46.4) percent.

Corporate topics

Research and development

Research and product development expenditure in January–June totalled EUR 44.9 (38.4) million, representing 2.6 (2.1) percent of sales. EUR 1.5 (1.3) million was capitalised. Research and product development investments were focused on projects that aim to improve competitiveness, cost efficiency of products and digitalisation.

Kalmar

In June, Kalmar introduced Kalmar Insight, a solution for real-time view of terminal productivity and performance. This is the first solution on the market that combines data from the equipment fleet, terminal operating system (TOS) and maintenance management system.

Kalmar presented another industry-first solution in June by expanding fast-charge technology into the hybrid straddle and shuttle carrier product portfolio. The new Kalmar FastCharge solution is especially targeted towards existing straddle carrier terminals that are not able to utilise a fully electric powered solution. During the same month, Kalmar introduced a new lithium-ion battery technology for its 5-9 ton electric forklift trucks. The technology brings significant benefits to customers as, for example, batteries can be fast-charged during work breaks anywhere in the facility.

In April, Kalmar began a digital business development programme with Linnaeus University in Sweden. The programme focuses on developing new, intelligent services for industrial products.

During the first quarter, Kalmar launched its new drive train system for reachstackers to the Asia-Pacific region. The system increases the efficiency and productivity of reachstackers and reduces fuel consumption, emissions and running costs.

Hiab

In June, Hiab introduced two new LOGLIFT forestry cranes. Their design focuses on safety, performance, comfort, durability and low lifetime costs. During the same month, Hiab completed its R&D investment in Hudiksvall, Sweden. The new laboratory is part of a EUR two million investment that was announced in 2014. Additionally, Hiab moved to an importer model in South East Asia to strengthen its market position.

In April, Hiab launched HiVision™ 3D control system, with which crane operations can be controlled from the truck cabin.

During the first quarter, Hiab introduced a hooklift designed for repetitive loads, added two classes to its loader crane family and announced results of its research cooperation project with two Polish academies. The project focused on developing future load handling control systems and exploring new materials and component-joining techniques. Also in the first quarter, Hiab launched a mobile application for customers to locate their closest authorised service point and strengthened its service offering by launching new service agreement models globally.

MacGregor

In June, MacGregor introduced a fibre rope retrofit option for its subsea cranes. The modular upgrade replaces the crane's original steel wire rope with a synthetic fibre rope. The solution makes it possible to lift heavier loads at greater depths than before, while the module-based design makes it quick to install, which minimises downtime.

In May, MacGregor launched a compact new Pusnes RamWindlass. Operators of floating production units with a scarce deck space will benefit from its compact design.

During the first quarter, MacGregor introduced an offshore fibre-rope crane that features, among other things, a simple-to-operate fibre rope lifting system. The technology enables load handling at even greater depths than previously.

Capital expenditure

Capital expenditure in January-June, excluding acquisitions and customer financing, totalled EUR 15.9 (17.1) million. Investments in customer financing were EUR 18.1 (25.4) million. Depreciation, amortisation and impairment amounted to EUR 38.5 (42.6) million.

In March, as part of plans to consolidate its assembly operations in Europe, Kalmar announced plans to invest approximately EUR nine million in 2016–2017 in the expansion of the assembly unit in Stargard, Poland. The expansion project will start during the third quarter.

In May, Kalmar started an expansion project at a manufacturing plant in Kansas, USA. The expansion is expected to be finished by the end of the year with a total cost of EUR five million.

Acquisitions

The acquisition of INTERSCHALT maritime systems AG was completed in March. The results of INTERSCHALT's software business have been consolidated into Kalmar business area results and services business into MacGregor business area results as of 1 March 2016.

Personnel

Cargotec employed 11,422 (31 Dec 2015: 10,837) people at the end of the second quarter. Kalmar employed 5,682 (5,328) people, Hiab 3,036 (2,757), MacGregor 2,473 (2,543) and corporate administration and support functions 232 (209). The average number of employees in January-June was 11,157 (10,692).

At the end of the second quarter, 11 (31 Dec 2015: 12) percent of the employees were located in Sweden, 8 (8) percent in Finland and 40 (38) percent in the rest of Europe. Personnel in Asia-Pacific represented 24 (25) percent, North and South America 14 (14) percent, and the rest of the world 2 (2) percent of total employees.

During the second quarter, to respond to a challenging market situation, MacGregor underwent a workforce reduction process in Norway. This will lead to a reduction of 85 employees in Arendal and Kristiansand collectively. The cost benefits of the reduction are estimated to amount to approximately EUR two million in the last quarter of 2016 and EUR 7 million annually from 2017 onwards. This process generated no significant costs during the second quarter.

Executive Board

Mikko Puolakka started as Cargotec's CFO in 1 May 2016. He is a member of the Executive Board and reports to CEO Mika Vehviläinen. In May, Cargotec announced that Antti Kaunonen has been appointed President of Kalmar as of 1 July 2016. In this position he follows Olli Isotalo. Kaunonen is a member of the Executive Board and reports to CEO Mika Vehviläinen.

As of 1 July 2016, Cargotec's Executive Board includes Mika Vehviläinen, CEO; Mikko Puolakka, Executive Vice President, CFO; Eeva Sipilä, Executive Vice President, CFO (until 31 July 2016); Mikko Pelkonen, Senior Vice President, Human Resources; Mikael Laine, Senior Vice President,



CARGOTEC CORPORATION INTERIM REPORT

20 JULY 2016 AT 12.00 PM

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Strategy; and business area presidents Antti Kaunonen (Kalmar), Roland Sundén (Hiab) and Michel van Roozendaal (MacGregor). Outi Aaltonen, Senior Vice President, General Counsel, acts as Secretary to the Executive Board.

Reporting segments

Kalmar

| MEUR | 4-6/2016 | 4-6/2015 | Change | 1-6/2016 | 1-6/2015 | Change | 2015 |
|---------------------------|--------------|----------|--------|--------------|----------|--------|-------|
| Orders received | 438 | 450 | -3% | 892 | 906 | -1% | 1,764 |
| Order book, end of period | 1,005 | 946 | 6% | 1,005 | 946 | 6% | 877 |
| Sales | 420 | 391 | 7% | 787 | 786 | 0% | 1,663 |
| Sales of services | 105 | 107 | | 210 | 212 | | 433 |
| % sales | 25 | 27 | | 27 | 27 | | 26 |
| Operating profit (EBIT) | 31.1 | 28.2 | | 56.3 | 57.1 | | 127.3 |
| % sales | 7.4 | 7.2 | | 7.2 | 7.3 | | 7.7 |
| Operating profit (EBIT)* | 31.9 | 28.5 | | 57.5 | 57.9 | | 129.9 |
| % sales* | 7.6 | 7.3 | | 7.3 | 7.4 | | 7.8 |
| Personnel, end of period | 5,682 | 5,284 | | 5,682 | 5,284 | | 5,328 |

*excluding restructuring costs

In the second quarter, orders received by Kalmar were near the comparison period's level and totalled EUR 438 (450) million.

Major orders received by Kalmar during the second quarter included

- 14 terminal tractors to the United Arab Emirates,
- 18 all-electric AGVs to Singapore, and
- upgrade of seven ship-to-shore cranes to Malaysia.

Kalmar's orders for January–June declined one percent and totalled EUR 892 (906) million. The order book grew 15 percent from the 2015 year-end, and at the end of the second quarter it totalled EUR 1,005 (31 Dec 2015: 877) million.

Kalmar's second-quarter sales increased seven percent from the comparison period and totalled EUR 420 (391) million. Sales for services were at the comparison period's level, EUR 105 (107) million, representing 25 (27) percent of sales. January–June sales were at the comparison period's level, EUR 787 (786) million. Sales for services amounted to EUR 210 (212) million, or 27 (27) percent of sales.

Kalmar's second-quarter operating profit totalled EUR 31.1 (28.2) million. Operating profit includes EUR 0.8 (0.2) million in restructuring costs. Operating profit, excluding restructuring costs, amounted to EUR 31.9 (28.5) million, representing 7.6 (7.3) percent of sales.

Operating profit for January–June totalled EUR 56.3 (57.1) million. Operating profit includes EUR 1.2 (0.8) million in restructuring costs. Operating profit, excluding restructuring costs, amounted to EUR 57.5 (57.9) million, representing 7.3 (7.4) percent of sales. Profitability improvement

measures and new products have had a positive effect on result; however, increased investments in research and product development lessen the effect.

Hiab

| MEUR | 4-6/2016 | 4-6/2015 | Change | 1-6/2016 | 1-6/2015 | Change | 2015 |
|---------------------------|-----------------|----------|--------|-----------------|----------|--------|-------|
| Orders received | 239 | 221 | 8% | 514 | 477 | 8% | 967 |
| Order book, end of period | 283 | 297 | -5% | 283 | 297 | -5% | 305 |
| Sales | 283 | 237 | 19% | 529 | 450 | 18% | 928 |
| Sales of services | 61 | 56 | | 118 | 107 | | 218 |
| % sales | 22 | 23 | | 22 | 24 | | 23 |
| Operating profit (EBIT) | 41.3 | 25.3 | | 73.5 | 43.9 | | 99.6 |
| % sales | 14.6 | 10.7 | | 13.9 | 9.8 | | 10.7 |
| Operating profit (EBIT)* | 41.7 | 25.4 | | 74.2 | 44.6 | | 100.5 |
| % sales* | 14.7 | 10.7 | | 14.0 | 9.9 | | 10.8 |
| Personnel, end of period | 3,036 | 2,598 | | 3,036 | 2,598 | | 2,757 |

*excluding restructuring costs

Hiab's orders received for the second quarter increased eight percent from the comparison period and totalled EUR 239 (221) million. During the quarter, Hiab's orders consisted of small, individual orders typical of the business. One of the larger ones consisted of ten hooklifts delivered to the Netherlands. In January–June, orders received grew eight percent and totalled EUR 514 (477) million. The order book decreased seven percent from 2015 year-end, totalling EUR 283 (31 Dec 2015: 305) million at the end of the second quarter.

Hiab's second-quarter sales grew 19 percent from the comparison period and totalled EUR 283 (237) million. Sales for services amounted to EUR 61 (56) million, representing 22 (23) percent of sales. January–June sales grew 18 percent from the comparison period and amounted to EUR 529 (450) million. Sales for services totalled EUR 118 (107) million, or 22 (24) percent of sales.

Operating profit for Hiab in the second quarter totalled EUR 41.3 (25.3) million. Operating profit includes EUR 0.5 (0.0) million in restructuring costs. Operating profit, excluding restructuring costs, amounted to EUR 41.7 (25.4) million, representing 14.7 (10.7) percent of sales.

Operating profit for January-June improved from the comparison period and totalled EUR 73.5 (43.9) million. Operating profit includes EUR 0.7 (0.7) million in restructuring costs. Operating profit, excluding restructuring costs, amounted to EUR 74.2 (44.6) million, representing 14.0 (9.9) percent of sales. The volume growth and improvements in delivery capability had a positive impact on the result. Additionally, profitability improvement measures and investments in more competitive products contributed to the increased profitability.

MacGregor

| MEUR | 4-6/2016 | 4-6/2015 | Change | 1-6/2016 | 1-6/2015 | Change | 2015 |
|---------------------------|--------------|----------|--------|--------------|----------|--------|-------|
| Orders received | 149 | 220 | -32% | 322 | 448 | -28% | 828 |
| Order book, end of period | 745 | 1,104 | -32% | 745 | 1,104 | -32% | 883 |
| Sales | 196 | 308 | -37% | 411 | 590 | -30% | 1,139 |
| Sales of services | 54 | 58 | | 104 | 118 | | 232 |
| % sales | 27 | 19 | | 25 | 20 | | 20 |
| Operating profit (EBIT) | 4.3 | 9.6 | | 13.3 | 22.1 | | 15.8 |
| % sales | 2.2 | 3.1 | | 3.2 | 3.7 | | 1.4 |
| Operating profit (EBIT)* | 5.3 | 12.5 | | 14.5 | 24.8 | | 30.1 |
| % sales* | 2.7 | 4.1 | | 3.5 | 4.2 | | 2.6 |
| Personnel, end of period | 2,473 | 2,650 | | 2,473 | 2,650 | | 2,543 |

*excluding restructuring costs

MacGregor's orders for the second quarter declined 32 percent from the comparison period to EUR 149 (220) million. About 75 percent of the orders received were related to merchant ships and 25 percent were offshore vessel-related. Of the ship types, demand for marine cargo handling equipment for RoRo vessels was active.

Major orders received by MacGregor during the second quarter included

- highly-specialised winches for a pilot project to generate electricity from waves,
- three offshore cranes and Triplex handling system to China, and
- hatch covers for five container vessels to Japan.

MacGregor's orders for January–June declined 28 percent and totalled EUR 322 (448) million. The order book decreased 16 percent from the 2015 year-end, totalling EUR 745 (31 Dec 2015: 883) million at the end of the second quarter. Two thirds of the order book is merchant ship-related and one third is offshore vessel-related.

MacGregor's second-quarter sales declined 37 percent from the comparison period to EUR 196 (308) million. Sales were burdened by the continuing challenging market situation. The share of services sales was 27 (19) percent, or EUR 54 (58) million. January–June sales decreased 30 percent compared to comparison level to EUR 411 (590) million. Sales for services totalled EUR 104 (118) million, representing 25 (20) percent of sales.

MacGregor's operating profit for the second quarter totalled EUR 4.3 (9.6) million. Operating profit includes EUR 1.0 (2.9) million in restructuring costs. Operating profit, excluding restructuring costs, totalled EUR 5.3 (12.5) million, representing 2.7 (4.1) percent of sales. Gross margin continued to improve, but the resourcing adjustments in terms of the rapidly decreasing sales take effect only after a delay, which had a negative impact on operating profit.

January–June operating profit amounted to EUR 13.3 (22.1) million. Operating profit includes EUR 1.2 (2.7) million in restructuring costs. Operating profit, excluding restructuring costs, totalled EUR 14.5 (24.8) million, representing 3.5 (4.2) percent of sales.

Annual General Meeting and shares

Decisions taken at Cargotec Corporation's Annual General Meeting

Cargotec Corporation's Annual General Meeting (AGM), held on 22 March 2016, adopted the 2015 financial statements and consolidated financial statements. The meeting granted discharge from liability for the CEO and the members of the Board of Directors for the accounting period 1 January–31 December 2015. The AGM approved a dividend of EUR 0.79 to be paid for each class A share and a dividend of EUR 0.80 to be paid for each class B share outstanding. The dividend payment date was 4 April 2016.

The Board was authorised to decide on the repurchase of no more than 6,400,000 Cargotec's shares, of which no more than 952,000 are class A shares and 5,448,000 are class B shares.

Kimmo Alkio, Jorma Eloranta, Tapio Hakakari, Ilkka Herlin, Peter Immonen, Kaisa Olkkonen, Teuvo Salminen and Heikki Soljama were elected to the Board of Directors. The yearly remuneration of the Board of Directors is as follows: EUR 80,000 to the Chairman of the Board, EUR 55,000 to the Vice Chairman, EUR 55,000 to the Chairman of the Audit and Risk Management Committee, and EUR 40,000 to the other Board members. In addition, members are paid EUR 1,000 for attendance at board and committee meetings. Thirty percent of the yearly remuneration will be paid in Cargotec's class B shares and the rest in cash.

The accounting firm PricewaterhouseCoopers Oy and authorised public accountant Tomi Hyryläinen were elected as auditors. EUR 600,000 was approved to be donated to Tampere University of Technology.

Organisation of the Board of Directors

On 22 March 2016, Cargotec Corporation's Board of Directors elected at its organising meeting Ilkka Herlin to continue as Chairman of the Board. Tapio Hakakari was elected to continue as Vice Chairman. Outi Aaltonen, Senior Vice President, General Counsel, will continue as Secretary to the Board.

Ilkka Herlin, Kaisa Olkkonen and Teuvo Salminen (Chairman) were elected as members of the Audit and Risk Management Committee. Jorma Eloranta, Tapio Hakakari, Ilkka Herlin (Chairman) and Peter Immonen were elected to the Nomination and Compensation Committee.

The Board of Directors decided to continue the practice that the members are to keep the Cargotec shares they have obtained as remuneration under their ownership for at least two years from the day they obtained them. The shares will be purchased at market price on a quarterly basis.

Shares and trading

Share capital, own shares and share issue

Cargotec Corporation's share capital totalled EUR 64,304,880 at the end of June. The number of class B shares was 55,182,079, while the number of class A shares totalled 9,526,089. During the

second quarter, the number of Cargotec class B shares increased by 17,096 as new shares were subscribed with 2010B stock options.

On 22 March 2016, the Board of Directors of Cargotec Corporation decided on a directed share issue related to the reward payment for the restricted shares programme 2015 under Cargotec's share-based incentive programme 2014. In the share issue, 27,601 own class B shares held by the company were transferred without consideration in accordance with the terms and conditions of the share-based incentive programme to the key employees who fulfilled the earnings criteria.

After the transfer of shares, Cargotec holds a total of 65,099 own class B shares, accounting for 0.10 percent of the total number of shares and 0.04 percent of the total number of votes. At the end of June, the number of outstanding class B shares totalled 55,116,980.

Share-based incentive programmes

In February 2016, The Board of Directors approved a new long-term share-based incentive programme for key personnel of Cargotec for 2016–2019. The number of participants will be approximately 90 persons, including Cargotec's CEO and members of the Executive Board. The first phase of the programme includes specific financial performance targets for the year 2016 (business area or corporate return on capital employed, ROCE). The second phase consists of an additional earnings multiplier, which is based on Cargotec's total shareholder return (TSR) at the end of a three-year performance period in March 2019. Eligible participants need to be employed by Cargotec by the end of the second phase of the programme in the spring 2019.

The potential reward will be delivered in Cargotec class B shares in 2019. Gross reward, before deduction for the applicable taxes and employment-related expenses, is in the range of 25–120 percent of annual base salary for on-target performance (for maximum performance the range is 75–360 percent of the annual base salary). If the performance is on target for the maximum number of participants, the cost of the programme for the three-year period would be approximately EUR 7.3 million (for maximum performance approximately EUR 21.8 million). If the financial performance threshold levels are not met, there will not be any incentive payment.

As a part of total compensation, additional restricted share grants can be allocated for a selected few key employees during 2016–2018. Gross reward, before deduction for the applicable taxes and employment related expenses, is in range of 25–100 percent of the annual base salary. If the financial performance threshold levels are met, the maximum cost of the programme is EUR 1.75 million annually. If the financial performance threshold levels are not met, there will not be any incentive payment.

No new shares will be issued in connection with the above programme and therefore the programme will have no diluting effect.

Option programme

The 2010 AGM confirmed the issue of stock options for key personnel at Cargotec and its subsidiaries. The programme includes 2010A, 2010B and 2010C stock options, with 400,000 stock options in each series and each stock option entitling its holder to subscribe for one (1) new class

B share in Cargotec. For share subscription to commence, the required attainment of targets is determined by the Board of Directors. A total of 378,864 2010B stock options and 400,000 2010C stock options held by the company were cancelled, as the earnings criteria for the stock options were not fulfilled.

2010B stock options were listed on the main list of Nasdaq Helsinki Ltd. The share subscription period for 2010B stock options was from 1 April 2014 to 30 April 2016. During the second quarter, 17,096 new class B shares were subscribed with 2010B stock options. During the whole subscription period, a total of 18,376 class B shares were subscribed. After the end of the share subscription period, on 2 May 2016, the unused 2010B stock options have been null and void and were automatically removed from the book-entry accounts of option holders. Following the expiration of the share subscription period with 2010B stock options, the company has no valid option programmes.

Market capitalisation and trading

At the end of June, the total market value of class B shares was EUR 2,007 (1,878) million, excluding own shares held by the company. The period-end market capitalisation, in which unlisted class A shares are valued at the average price of class B shares on the last trading day of the period, was EUR 2,352 (2,203) million, excluding own shares held by the company.

The class B share closed at EUR 36.42 (34.05) on the last trading day of June on Nasdaq Helsinki Ltd. The volume-weighted average share price for January–June was EUR 30.65 (32.25), the highest quotation being EUR 37.62 (37.37) and the lowest EUR 24.30 (24.13). During the January–June period, a total of 25 (33) million class B shares were traded on Nasdaq Helsinki Ltd, corresponding to a turnover of EUR 770 (1,057) million. In addition, according to Fidessa, a total of 41 (30) million class B shares were traded in several alternative marketplaces, such as BATS OTC and Turquoise, corresponding to a turnover of EUR 1,258 (967) million.

Short-term risks and uncertainties

Developments in the global economy and cargo flows have a direct effect on Cargotec's business environment and customers' willingness to invest. The general uncertainty related to economic development is still estimated to continue, and doubts about the economic consequences of the UK Brexit vote may lead to investment postponements among customers. The slowdown in global economic growth has reduced growth in container traffic, which, if it continues, may have an impact on the decision-making of Kalmar's customers. Such uncertainty may be increased by risks stemming from political uncertainty, volatility on the currency and raw material markets, or from the financing sector. Greater difficulty in obtaining financing would weaken customers' liquidity and investments.

MacGregor's market situation still involves uncertainties. It is anticipated that the oversupply in the merchant ship market will take longer to balance out, since capacity will continue to increase while demand is expected to grow very moderately. At the same time, the low oil price and uncertainty regarding its development has led to an intense fall in investments by the oil industry and created oversupply in the offshore market. The concurrent deterioration in both markets has a negative

impact on the financial situation of shipyards and ship owners, as well as ship operators. In the challenging market situation, customers may also try to postpone or cancel orders.

More information on risks is available at www.cargotec.com, under Investors > Governance > Internal control and risk management.

Events after the reporting period

In July, Kalmar completed the employee cooperation negotiations, announced in March, in Lidhult, Sweden. As a result, Kalmar transfers the production of forklift trucks from Sweden to Poland, invests in new, state of the art premises in Sweden and transforms the operations in Southern Sweden into a Business, Innovation and Technology Centre.

The change will lead to a permanent reduction of 160 employees and gradual closing of the operations in Lidhult. The restructuring costs associated with the transfer are estimated to amount to approximately EUR 18 million, out of which EUR 16 million will be booked in Cargotec's results in 2016 and EUR two million in 2017. Approximately EUR 13 million of the restructuring costs are cash effective. The total benefits of the activities are expected to amount to approximately EUR 13 million annually from 2018 and onwards. No restructuring costs due to this were booked in the second quarter.

Outlook for 2016 unchanged

Cargotec's 2016 sales are expected to be at the 2015 level (EUR 3,729 million) or slightly below. Operating profit excluding restructuring costs for 2016 is expected to improve from 2015 (EUR 230.7 million).

Financial calendar 2016

January–September 2016 interim report, Tuesday, 25 October 2016

Helsinki, 20 July 2016
Cargotec Corporation
Board of Directors

This interim report is unaudited.

Consolidated statement of income

| MEUR | 4-6/2016 | 4-6/2015 | 1-6/2016 | 1-6/2015 | 1-12/2015 |
|--|--------------|--------------|----------------|----------------|----------------|
| Sales | 898.3 | 936.2 | 1,726.6 | 1,824.9 | 3,729.3 |
| Cost of goods sold | -675.1 | -740.5 | -1,306.4 | -1,442.2 | -2,942.0 |
| Gross profit | 223.2 | 195.7 | 420.2 | 382.8 | 787.3 |
| <i>Gross profit, %</i> | 24.8 | 20.9 | 24.3 | 21.0 | 21.1 |
| Other operating income | 8.6 | 9.3 | 18.6 | 19.2 | 40.4 |
| Selling and marketing expenses | -56.5 | -54.1 | -111.0 | -105.7 | -210.4 |
| Research and development expenses | -23.9 | -20.2 | -46.0 | -40.1 | -85.2 |
| Administration expenses | -73.6 | -65.3 | -136.1 | -129.3 | -264.3 |
| Restructuring costs | -2.3 | -3.1 | -3.1 | -4.1 | -17.7 |
| Other operating expenses | -8.4 | -7.9 | -20.5 | -18.2 | -39.8 |
| Costs and expenses | -156.1 | -141.3 | -298.1 | -278.3 | -577.1 |
| Share of associated companies' and joint ventures' net income | -4.6 | 0.5 | -1.8 | 1.7 | 2.8 |
| Operating profit | 62.6 | 54.9 | 120.2 | 106.2 | 213.1 |
| <i>Operating profit, %</i> | 7.0 | 5.9 | 7.0 | 5.8 | 5.7 |
| Financing income and expenses | -5.1 | -8.6 | -11.9 | -12.4 | -26.9 |
| Income before taxes | 57.5 | 46.3 | 108.3 | 93.8 | 186.2 |
| <i>Income before taxes, %</i> | 6.4 | 4.9 | 6.3 | 5.1 | 5.0 |
| Income taxes | -17.0 | -18.9 | -28.8 | -29.9 | -43.3 |
| Net income for the period | 40.4 | 27.4 | 79.6 | 63.9 | 142.9 |
| <i>Net income for the period, %</i> | 4.5 | 2.9 | 4.6 | 3.5 | 3.8 |
| Net income for the period attributable to: | | | | | |
| Equity holders of the parent | 40.5 | 27.6 | 79.7 | 63.9 | 143.0 |
| Non-controlling interest | -0.1 | -0.2 | -0.1 | 0.0 | -0.1 |
| Total | 40.4 | 27.4 | 79.6 | 63.9 | 142.9 |
| Earnings per share for profit attributable to the equity holders of the parent: | | | | | |
| Basic earnings per share, EUR | 0.63 | 0.43 | 1.23 | 0.99 | 2.21 |
| Diluted earnings per share, EUR | 0.63 | 0.43 | 1.23 | 0.99 | 2.21 |

Consolidated statement of comprehensive income

| MEUR | 4-6/2016 | 4-6/2015 | 1-6/2016 | 1-6/2015 | 1-12/2015 |
|--|-------------|-------------|-------------|--------------|--------------|
| Net income for the period | 40.4 | 27.4 | 79.6 | 63.9 | 142.9 |
| Items that will not be reclassified to statement of income: | | | | | |
| Defined benefit plan actuarial gains (+) / losses (-) | -3.6 | -0.5 | -2.6 | -1.8 | 3.0 |
| Taxes relating to items that will not be reclassified to statement of income | 0.8 | -0.1 | 0.6 | 0.4 | -0.4 |
| Total | -2.8 | -0.7 | -2.1 | -1.4 | 2.6 |
| Items that may be reclassified subsequently to statement of income: | | | | | |
| Gains (+) / losses (-) on cash flow hedges | -9.0 | 19.5 | 11.1 | -5.8 | -11.1 |
| Gains (+) / losses (-) on cash flow hedges transferred to statement of income | 1.9 | -4.6 | 1.7 | 15.2 | 3.6 |
| Gains (+) / losses (-) on net investment hedges | 9.9 | - | 11.7 | - | -4.0 |
| Translation differences | -13.8 | -9.1 | -30.7 | 52.3 | 36.0 |
| Taxes relating to items that may be reclassified subsequently to statement of income | 2.9 | -13.5 | -1.8 | -15.8 | -10.1 |
| Total | -8.0 | -7.6 | -8.0 | 46.0 | 14.4 |
| Comprehensive income for the period | 29.6 | 19.1 | 69.5 | 108.5 | 159.9 |
| Comprehensive income for the period attributable to: | | | | | |
| Equity holders of the parent | 29.7 | 19.4 | 69.6 | 108.4 | 160.0 |
| Non-controlling interest | -0.1 | -0.3 | -0.1 | 0.1 | 0.0 |
| Total | 29.6 | 19.1 | 69.5 | 108.5 | 159.9 |

The notes are an integral part of the consolidated interim financial statements.

Consolidated balance sheet

| ASSETS, MEUR | 30.6.2016 | 30.6.2015 | 31.12.2015 |
|---|------------------|------------------|-------------------|
| Non-current assets | | | |
| Goodwill | 1,014.0 | 991.2 | 976.4 |
| Other intangible assets | 292.0 | 284.0 | 272.4 |
| Property, plant and equipment | 306.1 | 313.3 | 306.0 |
| Investments in associated companies and joint ventures | 114.1 | 110.9 | 116.7 |
| Available-for-sale investments | 3.8 | 3.8 | 3.8 |
| Loans receivable and other interest-bearing assets * | 2.2 | 2.5 | 2.0 |
| Deferred tax assets | 170.4 | 171.8 | 183.5 |
| Derivative assets | 14.0 | 31.7 | 35.3 |
| Other non-interest-bearing assets | 6.1 | 4.9 | 5.7 |
| Total non-current assets | 1,922.8 | 1,914.0 | 1,901.8 |
| Current assets | | | |
| Inventories | 690.9 | 719.1 | 655.4 |
| Loans receivable and other interest-bearing assets * | 2.5 | 4.7 | 2.6 |
| Income tax receivables | 20.5 | 30.8 | 20.0 |
| Derivative assets | 31.1 | 29.4 | 36.7 |
| Accounts receivable and other non-interest-bearing assets | 787.4 | 842.1 | 778.4 |
| Cash and cash equivalents * | 141.5 | 167.8 | 175.8 |
| Total current assets | 1,673.9 | 1,793.8 | 1,668.9 |
| Total assets | 3,596.7 | 3,707.8 | 3,570.7 |

| EQUITY AND LIABILITIES, MEUR | 30.6.2016 | 30.6.2015 | 31.12.2015 |
|--|------------------|------------------|-------------------|
| Equity attributable to the equity holders of the parent | | | |
| Share capital | 64.3 | 64.3 | 64.3 |
| Share premium account | 98.0 | 98.0 | 98.0 |
| Translation differences | 30.2 | 65.5 | 47.7 |
| Fair value reserves | -17.2 | -13.0 | -26.7 |
| Reserve for invested non-restricted equity | 76.6 | 78.5 | 76.1 |
| Retained earnings | 1,107.3 | 995.4 | 1,079.9 |
| Total equity attributable to the equity holders of the parent | 1,359.2 | 1,288.7 | 1,339.3 |
| Non-controlling interest | 2.0 | 3.0 | 2.4 |
| Total equity | 1,361.2 | 1,291.6 | 1,341.8 |
| Non-current liabilities | | | |
| Interest-bearing liabilities* | 657.1 | 764.9 | 768.1 |
| Deferred tax liabilities | 73.4 | 83.3 | 72.1 |
| Pension obligations | 74.7 | 74.9 | 71.3 |
| Provisions | 24.7 | 21.6 | 22.9 |
| Derivative liabilities | - | 0.0 | - |
| Other non-interest-bearing liabilities | 47.3 | 39.2 | 42.3 |
| Total non-current liabilities | 877.2 | 983.8 | 976.7 |
| Current liabilities | | | |
| Current portion of interest-bearing liabilities* | 117.9 | 6.6 | 5.9 |
| Other interest-bearing liabilities * | 20.7 | 167.5 | 62.8 |
| Provisions | 76.1 | 61.5 | 75.9 |
| Advances received | 209.5 | 243.9 | 197.2 |
| Income tax payables | 32.2 | 25.9 | 24.3 |
| Derivative liabilities | 23.0 | 11.3 | 14.2 |
| Accounts payable and other non-interest-bearing liabilities | 878.8 | 915.6 | 872.1 |
| Total current liabilities | 1,358.3 | 1,432.4 | 1,252.3 |
| Total equity and liabilities | 3,596.7 | 3,707.8 | 3,570.7 |

*Included in interest-bearing net debt.

The notes are an integral part of the consolidated interim financial statements.

Consolidated statement of changes in equity

| | Attributable to the equity holders of the company | | | | | | | Non-controlling interest | Total equity |
|---|---|-----------------------|-------------------------|---------------------|--|-------------------|----------------|--------------------------|----------------|
| | Share capital | Share premium account | Translation differences | Fair value reserves | Reserve for invested non-restricted equity | Retained earnings | Total | | |
| MEUR | | | | | | | | | |
| Equity on 1 Jan 2015 | 64.3 | 98.0 | 26.7 | -20.1 | 74.9 | 965.0 | 1,208.8 | 5.0 | 1,213.8 |
| Net income for the period | | | | | | 63.9 | 63.9 | 0.0 | 63.9 |
| Cash flow hedges | | | | 7.1 | | | 7.1 | | 7.1 |
| Translation differences | | | 38.8 | | | | 38.8 | 0.1 | 38.9 |
| Defined benefit plan actuarial gains (+) / losses (-) | | | | | | -1.4 | -1.4 | | -1.4 |
| Comprehensive income for the period* | | | 38.8 | 7.1 | - | 62.5 | 108.4 | 0.1 | 108.5 |
| Dividends paid | | | | | | -35.3 | -35.3 | -0.6 | -36.0 |
| Acquisition of treasury shares | | | | | -0.9 | | -0.9 | | -0.9 |
| Stock options exercised | | | | | 4.6 | | 4.6 | | 4.6 |
| Share-based incentives* | | | | | | 1.5 | 1.5 | | 1.5 |
| Transactions with owners of the company | | | | | 3.6 | -33.9 | -30.2 | -0.6 | -30.8 |
| Transactions with non-controlling interests | | | | | | 1.7 | 1.7 | -1.5 | 0.2 |
| Equity on 30 Jun 2015 | 64.3 | 98.0 | 65.5 | -13.0 | 78.5 | 995.4 | 1,288.7 | 3.0 | 1,291.6 |
| *Net of tax | | | | | | | | | |
| Equity on 1 Jan 2016 | 64.3 | 98.0 | 47.7 | -26.7 | 76.1 | 1,079.9 | 1,339.3 | 2.4 | 1,341.8 |
| Net income for the period | | | | | | 79.7 | 79.7 | -0.1 | 79.6 |
| Cash flow hedges | | | | 9.5 | | | 9.5 | | 9.5 |
| Net investment hedges | | | 11.7 | | | | 11.7 | | 11.7 |
| Translation differences | | | -29.2 | | | | -29.2 | 0.0 | -29.2 |
| Defined benefit plan actuarial gains (+) / losses (-) | | | | | | -2.1 | -2.1 | | -2.1 |
| Comprehensive income for the period* | | | -17.5 | 9.5 | - | 77.6 | 69.6 | -0.1 | 69.5 |
| Dividends paid | | | | | | -51.6 | -51.6 | -0.3 | -51.9 |
| Acquisition of treasury shares | | | | | | | | | |
| Stock options exercised | | | | | 0.5 | | 0.5 | | 0.5 |
| Share-based incentives* | | | | | | 1.3 | 1.3 | | 1.3 |
| Transactions with owners of the company | | | | | 0.5 | -50.2 | -49.8 | -0.3 | -50.1 |
| Transactions with non-controlling interests | | | | | | | | 0.0 | 0.0 |
| Equity on 30 Jun 2016 | 64.3 | 98.0 | 30.2 | -17.2 | 76.6 | 1,107.3 | 1,359.2 | 2.0 | 1,361.2 |
| *Net of tax | | | | | | | | | |

The notes are an integral part of the consolidated interim financial statements.

Consolidated condensed statement of cash flows

| MEUR | 1-6/2016 | 1-6/2015 | 1-12/2015 |
|--|--------------|--------------|---------------|
| Net income for the period | 79.6 | 63.9 | 142.9 |
| Depreciation, amortisation and impairment | 38.5 | 42.6 | 76.5 |
| Other adjustments | 45.2 | 40.3 | 65.8 |
| Change in net working capital | -16.7 | 6.0 | 29.4 |
| Cash flow from operations | 146.6 | 152.8 | 314.6 |
| Cash flow from financial items and taxes | -13.7 | -106.7 | -119.0 |
| Cash flow from operating activities | 132.8 | 46.2 | 195.6 |
| Acquisitions, net of cash acquired | -64.6 | -* | -0.6 |
| Investments to associated companies and joint ventures | -2.7 | - | -2.9 |
| Cash flow from investing activities, other items | -25.8 | -34.8 | -54.3 |
| Cash flow from investing activities | -93.2 | -34.8 | -57.8 |
| Stock options exercised | 0.5 | 4.6 | 4.6 |
| Acquisition of treasury shares | - | -0.9 | -3.4 |
| Acquisition of non-controlling interests | - | -1.7* | -3.5 |
| Proceeds from long-term borrowings | - | 140.4 | 120.0 |
| Repayments of long-term borrowings | -2.9 | -143.7 | -125.0 |
| Proceeds from short-term borrowings | 25.4 | 136.7 | 177.0 |
| Repayments of short-term borrowings | -61.5 | -162.7 | -311.5 |
| Dividends paid | -51.9 | -36.0 | -36.1 |
| Cash flow from financing activities | -90.4 | -63.3 | -177.9 |
| Change in cash | -50.7 | -51.9 | -40.2 |
| Cash, cash equivalents and bank overdrafts at the beginning of period | 164.9 | 203.4 | 203.4 |
| Effect of exchange rate changes | 15.6 | 11.1 | 1.7 |
| Cash, cash equivalents and bank overdrafts at the end of period | 129.8 | 162.6 | 164.9 |
| Bank overdrafts at the end of period | 11.7 | 5.2 | 10.9 |
| Cash and cash equivalents at the end of period | 141.5 | 167.8 | 175.8 |

*EUR 1.7 million has been restated from Acquisitions, net of cash acquired to Acquisition of non-controlling interests.

The notes are an integral part of the consolidated interim financial statements.

Key figures

| | | 1-6/2016 | 1-6/2015 | 1-12/2015 |
|--|------|----------|----------|-----------|
| Equity / share | EUR | 21.03 | 19.92 | 20.73 |
| Interest-bearing net debt | MEUR | 619.0 | 735.1 | 622.4 |
| Total equity / total assets | % | 40.2 | 37.3 | 39.8 |
| Gearing | % | 45.5 | 56.9 | 46.4 |
| Return on equity, annualised | % | 11.8 | 10.2 | 11.2 |
| Return on capital employed, annualised | % | 11.0 | 9.8 | 9.8 |

Additional information regarding interest-bearing net debt and gearing is disclosed in note 6, Interest-bearing net debt and liquidity.

Notes to the interim review

1. General information

Cargotec Corporation is a limited liability company domiciled in Helsinki, Finland. The registered address is Porkkalankatu 5, 00180 Helsinki, Finland. Cargotec Corporation and its subsidiaries form the Cargotec Group (later referred to as Cargotec or company). Cargotec Corporation's class B shares are listed on the NASDAQ OMX Helsinki since 1 June 2005.

2. Accounting principles and new accounting standards

The interim review has been prepared according to IAS 34 Interim Financial Reporting. The accounting policies adopted are consistent with those of the annual financial statements for 2015 and comply with changes in IAS/IFRS standards effective from 1 January 2016. These changes have no material impact on the interim review. All figures presented have been rounded and consequently the sum of individual figures may deviate from the presented sum figure.

3. Segment information

| Sales, MEUR | 4-6/2016 | 4-6/2015 | 1-6/2016 | 1-6/2015 | 1-12/2015 |
|--------------------|-----------------|-----------------|-----------------|-----------------|------------------|
| Kalmar | 420 | 391 | 787 | 786 | 1,663 |
| Hiab | 283 | 237 | 529 | 450 | 928 |
| MacGregor | 196 | 308 | 411 | 590 | 1,139 |
| Internal sales | 0 | 0 | 0 | 0 | -1 |
| Total | 898 | 936 | 1,727 | 1,825 | 3,729 |

| Sales by geographical area, MEUR | 4-6/2016 | 4-6/2015 | 1-6/2016 | 1-6/2015 | 1-12/2015 |
|---|-----------------|-----------------|-----------------|-----------------|------------------|
| EMEA | 374 | 369 | 699 | 719 | 1,472 |
| Asia-Pacific | 232 | 305 | 467 | 587 | 1,199 |
| Americas | 292 | 262 | 561 | 519 | 1,058 |
| Total | 898 | 936 | 1,727 | 1,825 | 3,729 |

| Sales by geographical area, % | 4-6/2016 | 4-6/2015 | 1-6/2016 | 1-6/2015 | 1-12/2015 |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|------------------|
| EMEA | 41.6 | 39.4 | 40.5 | 39.4 | 39.5 |
| Asia-Pacific | 25.8 | 32.6 | 27.0 | 32.2 | 32.2 |
| Americas | 32.5 | 28.0 | 32.5 | 28.4 | 28.4 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

| Operating profit, MEUR | 4-6/2016 | 4-6/2015 | 1-6/2016 | 1-6/2015 | 1-12/2015 |
|---|-----------------|-----------------|-----------------|-----------------|------------------|
| Kalmar | 31.1 | 28.2 | 56.3 | 57.1 | 127.3 |
| Hiab | 41.3 | 25.3 | 73.5 | 43.9 | 99.6 |
| MacGregor | 4.3 | 9.6 | 13.3 | 22.1 | 15.8 |
| Corporate administration and support functions | -14.1 | -8.3 | -22.8 | -16.9 | -29.7 |
| Total | 62.6 | 54.9 | 120.2 | 106.2 | 213.1 |
| Restructuring costs, MEUR | 4-6/2016 | 4-6/2015 | 1-6/2016 | 1-6/2015 | 1-12/2015 |
| Kalmar | -0.8 | -0.2 | -1.2 | -0.8 | -2.5 |
| Hiab | -0.5 | 0.0 | -0.7 | -0.7 | -0.9 |
| MacGregor | -1.0 | -2.9 | -1.2 | -2.7 | -14.3 |
| Corporate administration and support functions | - | - | - | - | 0.0 |
| Total | -2.3 | -3.1 | -3.1 | -4.1 | -17.7 |
| Operating profit excl. restructuring costs, MEUR | 4-6/2016 | 4-6/2015 | 1-6/2016 | 1-6/2015 | 1-12/2015 |
| Kalmar | 31.9 | 28.5 | 57.5 | 57.9 | 129.9 |
| Hiab | 41.7 | 25.4 | 74.2 | 44.6 | 100.5 |
| MacGregor | 5.3 | 12.5 | 14.5 | 24.8 | 30.1 |
| Corporate administration and support functions | -14.1 | -8.3 | -22.8 | -16.9 | -29.7 |
| Total | 64.8 | 58.0 | 123.3 | 110.3 | 230.7 |
| Operating profit, % | 4-6/2016 | 4-6/2015 | 1-6/2016 | 1-6/2015 | 1-12/2015 |
| Kalmar | 7.4 | 7.2 | 7.2 | 7.3 | 7.7 |
| Hiab | 14.6 | 10.7 | 13.9 | 9.8 | 10.7 |
| MacGregor | 2.2 | 3.1 | 3.2 | 3.7 | 1.4 |
| Cargotec | 7.0 | 5.9 | 7.0 | 5.8 | 5.7 |
| Operating profit excl. restructuring costs, % | 4-6/2016 | 4-6/2015 | 1-6/2016 | 1-6/2015 | 1-12/2015 |
| Kalmar | 7.6 | 7.3 | 7.3 | 7.4 | 7.8 |
| Hiab | 14.7 | 10.7 | 14.0 | 9.9 | 10.8 |
| MacGregor | 2.7 | 4.1 | 3.5 | 4.2 | 2.6 |
| Cargotec | 7.2 | 6.2 | 7.1 | 6.0 | 6.2 |

| Orders received, MEUR | 4-6/2016 | 4-6/2015 | 1-6/2016 | 1-6/2015 | 1-12/2015 |
|------------------------------|-----------------|-----------------|-----------------|-----------------|------------------|
| Kalmar | 438 | 450 | 892 | 906 | 1,764 |
| Hiab | 239 | 221 | 514 | 477 | 967 |
| MacGregor | 149 | 220 | 322 | 448 | 828 |
| Internal orders received | 0 | -5 | -1 | -5 | -1 |
| Total | 825 | 887 | 1,728 | 1,826 | 3,557 |

| Orders received by geographical area, MEUR | 4-6/2016 | 4-6/2015 | 1-6/2016 | 1-6/2015 | 1-12/2015 |
|---|-----------------|-----------------|-----------------|-----------------|------------------|
| EMEA | 332 | 374 | 776 | 761 | 1,471 |
| Asia-Pacific | 215 | 256 | 410 | 523 | 1,002 |
| Americas | 278 | 257 | 542 | 542 | 1,085 |
| Total | 825 | 887 | 1,728 | 1,826 | 3,557 |

| Orders received by geographical area, % | 4-6/2016 | 4-6/2015 | 1-6/2016 | 1-6/2015 | 1-12/2015 |
|--|-----------------|-----------------|-----------------|-----------------|------------------|
| EMEA | 40.3 | 42.1 | 44.9 | 41.7 | 41.3 |
| Asia-Pacific | 26.1 | 28.9 | 23.7 | 28.7 | 28.2 |
| Americas | 33.7 | 29.0 | 31.4 | 29.7 | 30.5 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

| Order book, MEUR | 30 Jun 2016 | 30 Jun 2015 | 31 Dec 2015 |
|-------------------------|--------------------|--------------------|--------------------|
| Kalmar | 1,005 | 946 | 877 |
| Hiab | 283 | 297 | 305 |
| MacGregor | 745 | 1,104 | 883 |
| Internal order book | -1 | -5 | -1 |
| Total | 2,033 | 2,342 | 2,064 |

| Number of employees at the end of period | 30 Jun 2016 | 30 Jun 2015 | 31 Dec 2015 |
|---|--------------------|--------------------|--------------------|
| Kalmar | 5,682 | 5,284 | 5,328 |
| Hiab | 3,036 | 2,598 | 2,757 |
| MacGregor | 2,473 | 2,650 | 2,543 |
| Corporate administration and support functions | 232 | 198 | 209 |
| Total | 11,422 | 10,730 | 10,837 |

| Average number of employees | 1-6/2016 | 1-6/2015 | 1-12/2015 |
|--|-----------------|-----------------|------------------|
| Kalmar | 5,516 | 5,252 | 5,286 |
| Hiab | 2,976 | 2,552 | 2,638 |
| MacGregor | 2,450 | 2,700 | 2,652 |
| Corporate administration and support functions | 215 | 188 | 195 |
| Total | 11,157 | 10,692 | 10,772 |

4. Capital expenditure, depreciation and amortisation

| Capital expenditure, MEUR | 1-6/2016 | 1-6/2015 | 1-12/2015 |
|----------------------------------|-----------------|-----------------|------------------|
| Intangible assets | 4.6 | 4.9 | 12.1 |
| Property, plant and equipment | 29.4 | 37.6 | 66.7 |
| Total | 34.0 | 42.5 | 78.8 |

| Depreciation, amortisation and impairment, MEUR | 1-6/2016 | 1-6/2015 | 1-12/2015 |
|--|-----------------|-----------------|------------------|
| Intangible assets | 14.2 | 14.5 | 28.7 |
| Buildings | 5.2 | 4.2 | 8.2 |
| Machinery & equipment | 19.1 | 23.9 | 39.5 |
| Total | 38.5 | 42.6 | 76.5 |

5. Taxes in statement of income

| MEUR | 1-6/2016 | 1-6/2015 | 1-12/2015 |
|--------------------------------|-----------------|-----------------|------------------|
| Current year tax expense | 26.6 | 31.0 | 65.6 |
| Deferred tax expense | 2.7 | -2.3 | -19.8 |
| Tax expense for previous years | -0.5 | 1.3 | -2.5 |
| Total | 28.8 | 29.9 | 43.3 |

6. Interest-bearing net debt and liquidity

| MEUR | 30.6.2016 | 30.6.2015 | 31.12.2015 |
|--|------------------|------------------|-------------------|
| Interest-bearing liabilities* | 795.6 | 939.0 | 802.7 |
| Loans receivable and other interest-bearing assets | -4.7 | -7.2 | -4.6 |
| Cash and cash equivalents | -141.5 | -167.8 | -175.8 |
| Interest-bearing net debt in balance sheet | 649.4 | 764.1 | 656.4 |
| Foreign currency hedge of corporate bonds* | -30.4 | -29.0 | -34.0 |
| Interest-bearing net debt | 619.0 | 735.1 | 622.4 |
| Equity | 1,361.2 | 1,291.6 | 1,341.8 |
| Gearing | 45.5% | 56.9% | 46.4% |

The fair values of interest-bearing assets and liabilities are not significantly different than their carrying amounts.

*Cash flow hedge accounting is applied to cash flows of the fixed rate USD 205.0 million Private Placement corporate bonds. The cash flows of the bonds are converted into euro flows through long-term cross-currency and interest rate swaps. As a result of the hedging, Cargotec effectively holds long-term euro-denominated fixed rate debt.

| MEUR | 30.6.2016 | 30.6.2015 | 31.12.2015 |
|---|------------------|------------------|-------------------|
| Cash and cash equivalents | 141.5 | 167.8 | 175.8 |
| Committed long-term undrawn revolving credit facilities | 300.0 | 300.0 | 300.0 |
| Repayments of interest-bearing liabilities in following 12 months | -138.6 | -174.2 | -68.7 |
| Total liquidity | 303.0 | 293.6 | 407.1 |

7. Derivatives

Fair values of derivative financial instruments

| MEUR | Positive fair value 30 Jun 2016 | Negative fair value 30 Jun 2016 | Net fair value 30 Jun 2016 | Net fair value 30 Jun 2015 | Net fair value 31 Dec 2015 |
|---|--|--|-------------------------------------|-------------------------------------|-------------------------------------|
| Currency forward contracts | 12.8 | 23.0 | -10.1 | 18.1 | 22.5 |
| Cash flow hedge accounting | 0.4 | 6.8 | -6.4 | 2.5 | 7.1 |
| Net investment hedge accounting | 2.5 | - | 2.5 | - | -4.7 |
| Cross-currency and interest rate swaps | 32.2 | - | 32.2 | 31.7 | 35.3 |
| Total | 45.1 | 23.0 | 22.1 | 49.8 | 57.8 |
| Non-current portion: | | | | | |
| Currency forward contracts | - | - | - | - | - |
| Cross-currency and interest rate swaps | 14.0 | - | 14.0 | 31.7 | 35.3 |
| Non-current portion | 14.0 | - | 14.0 | 31.7 | 35.3 |
| Current portion | 31.1 | 23.0 | 8.1 | 18.1 | 22.5 |

Cross-currency and interest rate swaps hedge the US Private Placement corporate bond funded in February 2007. Cash flow hedge accounting is applied for these instruments.

Financial assets and liabilities recognised at fair value through profit and loss comprise solely currency derivatives as well as cross-currency and interest rate swaps, which are classified to level 2, observable input information, in the IFRS fair value hierarchy.

Nominal values of derivative financial instruments

| MEUR | 30 Jun 2016 | 30 Jun 2015 | 31 Dec 2015 |
|--|----------------|----------------|----------------|
| Currency forward contracts | 3,595.0 | 3,139.3 | 3,874.5 |
| Cash flow hedge accounting | 1,103.5 | 1,259.7 | 1,161.0 |
| Net investment hedge accounting | 574.1 | - | 588.8 |
| Cross-currency and interest rate swaps | 184.7 | 183.2 | 188.3 |
| Total | 3,779.6 | 3,322.5 | 4,062.8 |

The derivatives have been recognised at gross fair values on balance sheet, as the netting agreements related to derivatives allow unconditional netting only in the occurrence of credit events, but not in a normal situation. The group has not given or received collateral related to derivatives from the counterparties.

8. Commitments

| MEUR | 30 Jun 2016 | 30 Jun 2015 | 31 Dec 2015 |
|------------------------------|--------------------|--------------------|--------------------|
| Guarantees | 1.1 | 0.0 | - |
| End customer financing | 16.7 | 16.9 | 13.1 |
| Operating leases | 175.6 | 153.1 | 165.9 |
| Other contingent liabilities | 2.6 | 5.4 | 5.2 |
| Total | 196.0 | 175.4 | 184.2 |

Cargotec Corporation has guaranteed obligations of Cargotec companies, arising from ordinary course of business, up to a maximum of EUR 419.0 (30 Jun 2015: 552.8 and 31 Dec 2015: 494.1) million.

Cargotec leases globally a large part of the properties needed in the operations under non-cancellable operating leases with varying terms and conditions. It is not anticipated that any material liabilities will arise from customer finance commitments.

The future minimum lease payments under non-cancellable operating leases

| MEUR | 30 Jun 2016 | 30 Jun 2015 | 31 Dec 2015 |
|------------------|--------------------|--------------------|--------------------|
| Less than 1 year | 32.5 | 26.8 | 31.8 |
| 1-5 years | 76.4 | 62.4 | 69.9 |
| Over 5 years | 66.6 | 63.8 | 64.2 |
| Total | 175.6 | 153.1 | 165.9 |

The aggregate operating lease expenses totalled EUR 20.2 (1–6/2015: 16.9 and 1–12/2015: 36.6) million.

Some lawsuits, claims and disputes based on various grounds are pending against Cargotec around the world. Management believes that the outcome of these disputes will not have a material effect on Cargotec's financial position.

9. Acquisitions

INTERSCHALT maritime systems AG (preliminary)

Kalmar ja MacGregor acquired on 2 March 2016 privately owned INTERSCHALT maritime systems AG ("INTERSCHALT") by purchasing the full share capital of the entity for EUR 62.1 million. Acquisition includes a German parent company and subsidiaries in China, Germany, Singapore, and the United States. INTERSCHALT delivers as its main products software solutions, and related maintenance and support services that allow to enhance and optimise containerships' steering and cargo handling. Additionally INTERSCHALT offers services for navigation equipment used in ships, and delivers equipment to ships for recording data about ship's movement and steering - so called voyage data recorders, and related services. The software solutions and services related to efficiency and optimisation were acquired by Kalmar, and the safety solutions with related services were acquired by MacGregor. The acquisition supports Cargotec's growth strategy by expanding Kalmar's strong existing software and automation business related to container handling from ports to sea and among ports, and by expanding MacGregor's service business. In connection with the acquisition, the personnel of Kalmar and MacGregor increased by 231 employees who are mainly located in Germany.

Consolidation of the acquired business is provisional as of 30 June 2016. Fair value measurement of the acquired assets and liabilities is preliminary and subject to adjustments until the valuation is finalised. In the preliminary valuation, customer relationships, technology and order book have been identified as acquired intangible assets. According to the preliminary valuation, the acquisition will generate goodwill, which will not be tax-deductible. Goodwill is primarily based on personnel, expected synergy benefits and achieved market position.

| Acquired net assets and goodwill, MEUR | |
|---|-------------|
| Intangible assets | 28.7 |
| Property, plant and equipment | 6.2 |
| Inventories | 2.6 |
| Accounts receivable and other non-interest-bearing assets | 4.5 |
| Interest-bearing receivables | 0.7 |
| Cash and cash equivalents | 3.7 |
| Deferred tax assets | 0.4 |
| Accounts payable and other non-interest-bearing liabilities | -10.0 |
| Interest-bearing liabilities | -5.9 |
| Deferred tax liabilities | -10.1 |
| Net assets | 20.7 |
| | |
| Purchase price, paid in cash | 62.1 |
| Total consideration | 62.1 |
| | |
| Non-controlling interests | - |
| Goodwill | 41.3 |
| | |
| Purchase price, paid in cash | 62.1 |
| Cash and cash equivalents, and withdrawn bank overdrafts | 2.2 |
| Cash flow impact | 64.3 |

The goodwill resulting from the acquisition is mostly allocated to Kalmar segment, and partly to MacGregor segment.

The deal consideration was fully paid in cash. The cost of acquisition does not include additional conditional amounts.

INTERSCHALT has contributed EUR 10.9 million to Cargotec's sales and EUR -0.8 million to net income since the acquisition date. Transaction costs of EUR 0.3 million in 2015 and EUR 1.1 million in 2016 related to the acquisition have been included in the operating profits of Kalmar and MacGregor segments, and in other operating expenses in the consolidated statement of income. In addition, the cumulative operating profit for 2016 includes EUR 0.8 million in amortisation and depreciation of fixed assets.

Had the business been acquired on 1 January 2016, the contribution of INTERSCHALT to Cargotec's 2016 sales and net income, including the consolidation period, would have been approximately EUR 16.4 million and EUR -1.6 million respectively. The pro forma loss for the year includes depreciation and amortisation related to measurements recognised at acquisition amounting to approximately EUR 1.2 million.

10. Events after the reporting period

In July, Kalmar completed the employee cooperation negotiations, announced in March, in Lidhult, Sweden. As a result, Kalmar transfers the production of forklift trucks from Sweden to Poland, invests in new, state of the art premises in Sweden and transforms the operations in Southern Sweden into a Business, Innovation and Technology Centre.

The change will lead to a permanent reduction of 160 employees and gradual closing of the operations in Lidhult. The restructuring costs associated with the transfer are estimated to amount to approximately EUR 18 million, out of which EUR 16 million will be booked in Cargotec's results in 2016 and EUR two million in 2017. Approximately EUR 13 million of the restructuring costs are cash effective. The total benefits of the activities are expected to amount to approximately EUR 13 million annually from 2018 and onwards. No restructuring costs due to this were booked in the second quarter.

Key exchange rates for the Euro

| Closing rate | 30 Jun 2016 | 30 Jun 2015 | 31 Dec 2015 |
|---------------------|--------------------|--------------------|--------------------|
| SEK | 9.424 | 9.215 | 9.190 |
| USD | 1.110 | 1.119 | 1.089 |
| Average rate | 1–6/2016 | 1–6/2015 | 1–12/2015 |
| SEK | 9.281 | 9.326 | 9.341 |
| USD | 1.111 | 1.126 | 1.113 |

Calculation of key figures

| | | |
|---------------------------------|---------|--|
| Equity / share, EUR | = | $\frac{\text{Total equity attributable to the equity holders of the company}}{\text{Number of outstanding shares at the end of period}}$ |
| Total equity / total assets (%) | = 100 x | $\frac{\text{Total equity}}{\text{Total assets - advances received}}$ |
| Gearing (%) | = 100 x | $\frac{\text{Interest-bearing debt* - interest-bearing assets}}{\text{Total equity}}$ |
| Return on equity (%) | = 100 x | $\frac{\text{Net income for the period}}{\text{Total equity (average for the period)}}$ |
| Return on capital employed (%) | = 100 x | $\frac{\text{Income before taxes + interest and other financing expenses}}{\text{Total assets - non-interest-bearing debt (average for the period)}}$ |
| Basic earnings / share, EUR | = | $\frac{\text{Net income for the period attributable to the equity holders of the company}}{\text{Average number of outstanding shares during the period}}$ |
| Diluted earnings / share, EUR | = | $\frac{\text{Net income for the period attributable to the equity holders of the company}}{\text{Average number of outstanding diluted shares during the period}}$ |

*Including foreign currency hedging of the USD Private Placement corporate bonds.

Quarterly figures

| Cargotec | | Q2/2016 | Q1/2016 | Q4/2015 | Q3/2015 | Q2/2015 |
|----------------------|------|----------------|----------------|----------------|----------------|----------------|
| Orders received | MEUR | 825 | 903 | 824 | 907 | 887 |
| Order book | MEUR | 2,033 | 2,095 | 2,064 | 2,233 | 2,342 |
| Sales | MEUR | 898 | 828 | 977 | 928 | 936 |
| Operating profit | MEUR | 62.6 | 57.7 | 45.0 | 61.9 | 54.9 |
| Operating profit | % | 7.0 | 7.0 | 4.6 | 6.7 | 5.9 |
| Operating profit* | MEUR | 64.8 | 58.5 | 52.1 | 68.3 | 58.0 |
| Operating profit* | % | 7.2 | 7.1 | 5.3 | 7.4 | 6.2 |
| Basic earnings/share | EUR | 0.63 | 0.61 | 0.55 | 0.67 | 0.43 |

| Kalmar | | Q2/2016 | Q1/2016 | Q4/2015 | Q3/2015 | Q2/2015 |
|-------------------|------|----------------|----------------|----------------|----------------|----------------|
| Orders received | MEUR | 438 | 454 | 395 | 463 | 450 |
| Order book | MEUR | 1,005 | 973 | 877 | 949 | 946 |
| Sales | MEUR | 420 | 367 | 468 | 409 | 391 |
| Operating profit* | MEUR | 31.9 | 25.6 | 35.9 | 36.1 | 28.5 |
| Operating profit* | % | 7.6 | 7.0 | 7.7 | 8.8 | 7.3 |

| Hiab | | Q2/2016 | Q1/2016 | Q4/2015 | Q3/2015 | Q2/2015 |
|-------------------|------|----------------|----------------|----------------|----------------|----------------|
| Orders received | MEUR | 239 | 275 | 250 | 239 | 221 |
| Order book | MEUR | 283 | 328 | 305 | 300 | 297 |
| Sales | MEUR | 283 | 246 | 249 | 229 | 237 |
| Operating profit* | MEUR | 41.7 | 32.4 | 30.7 | 25.3 | 25.4 |
| Operating profit* | % | 14.7 | 13.2 | 12.3 | 11.0 | 10.7 |

| MacGregor | | Q2/2016 | Q1/2016 | Q4/2015 | Q3/2015 | Q2/2015 |
|-------------------|------|----------------|----------------|----------------|----------------|----------------|
| Orders received | MEUR | 149 | 173 | 180 | 200 | 220 |
| Order book | MEUR | 745 | 795 | 883 | 984 | 1,104 |
| Sales | MEUR | 196 | 216 | 259 | 289 | 308 |
| Operating profit* | MEUR | 5.3 | 9.2 | -7.2 | 12.5 | 12.5 |
| Operating profit* | % | 2.7 | 4.2 | -2.8 | 4.3 | 4.1 |

*Operating profit excluding restructuring costs