

## Cargotec's January–March 2015 interim report: improvement in all key figures

### January–March 2015 in brief

- Orders received increased 9 percent and totalled EUR 939 (863) million.
- Order book amounted to EUR 2,469 (31 Dec 2014: 2,200) million at the end of the period.
- Sales grew 18 percent to EUR 889 (751) million.
- Operating profit excluding restructuring costs was EUR 52.3 (24.6) million, representing 5.9 (3.3) percent of sales.
- Operating profit was EUR 51.3 (23.8) million, representing 5.8 (3.2) percent of sales.
- Cash flow from operations before financial items and taxes totalled EUR 51.6 (32.5) million.
- Net income for the period amounted to EUR 36.4 (12.9) million.
- Earnings per share was EUR 0.56 (0.20).

### Outlook for 2015 unchanged

Cargotec's 2015 sales are expected to grow from 2014. Operating profit excluding restructuring costs for 2015 is expected to improve from 2014.

### Cargotec's key figures

MEUR	1-3/2015	1-3/2014	Change	2014
Orders received	<b>939</b>	863	9%	3,599
Order book, end of period	<b>2,469</b>	2,111	17%	2,200
Sales	<b>889</b>	751	18%	3,358
Operating profit*	<b>52.3</b>	24.6	112%	149.3
Operating profit, %*	<b>5.9</b>	3.3		4.4
Operating profit	<b>51.3</b>	23.8	116%	126.6
Operating profit, %	<b>5.8</b>	3.2		3.8
Income before taxes	<b>47.5</b>	18.3		98.2
Cash flow from operations	<b>51.6</b>	32.5		204.3
Net income for the period	<b>36.4</b>	12.9		72.0
Earnings per share, EUR	<b>0.56</b>	0.20		1.11
Net debt, end of period	<b>789</b>	824		719
Gearing, %	<b>62.2</b>	68.1		59.2
Personnel, end of period	<b>10,698</b>	10,883		10,703

\*excluding restructuring costs

**Cargotec's President and CEO Mika Vehviläinen:**

2015 began positively for Cargotec. We saw year-on-year improvement in all of our key figures. I am extremely pleased with the way our profit improvement measures are progressing with regard to Kalmar and Hiab. Our new product launches together with the improving market situation are demonstrating as growth in our order book and sales. Our profitability is improving step by step towards our 8% EBIT margin target set for 2016.

We are also satisfied with the 9% growth seen in orders received in the first quarter. During the first quarter, the market situation related to Kalmar and Hiab developed favourably, while that of MacGregor weakened. We do not expect to see rapid improvement in MacGregor's market situation, which is why we have added a savings programme to our current programmes in order to safeguard the profitability of this business area.

**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 1:30 p.m. EEST at Cargotec's head office, Porkkalankatu 5, Helsinki. The event will be held in English. The report will be presented by President and CEO Mika Vehviläinen and Executive Vice President, CFO Eeva Sipilä. The presentation material will be available at [www.cargotec.com](http://www.cargotec.com) by 1:30 p.m. EEST.

The telephone conference, during which questions may be presented, can be accessed using the following numbers ten minutes before the beginning of the event with access code

Cargotec/952518:

FI: +358 9 2313 9201

SE: +46 8 5052 0110

UK: +44 207 1620 077

US: +1 334 323 6201

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

A replay of the conference call will be available until midnight 30 April 2015 in the following numbers: US callers +1 954 334 0342, non-US callers +44 20 7031 4064, access code 952518.

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Cargotec shapes the cargo handling industry for the benefit of its customers and shareholders. Cargotec's business areas MacGregor, Kalmar and Hiab are recognised leaders in cargo and load handling solutions around the world. Their global network is positioned close to customers and offers extensive services that ensure a continuous, reliable and sustainable performance according to customers' needs. Cargotec's sales in 2014 totalled approximately EUR 3.4 billion and it



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employs approximately 11,000 people. Cargotec's class B shares are quoted on NASDAQ OMX Helsinki Ltd under symbol CGCBV. [www.cargotec.com](http://www.cargotec.com)

## Cargotec's January–March 2015 interim report

### Operating environment

The market for marine cargo handling equipment was rather weak in early 2015. The demand for cargo handling solutions for bulk carriers was low. The level of activity in the container ship sector picked up, but was not yet reflected in orders. As far as the MacGregor product range was concerned, the offshore cargo handling equipment market remained at a healthy level, but the drop in oil price in late 2014 was reflected as market uncertainty. Demand for services showed signs of improvement.

A growth of more than five percent is anticipated in the number of containers handled at ports in 2015. The demand for container handling equipment and services saw positive development on all continents. Customer interest in port automation solutions remained healthy. In the United States, the recovering economy was reflected in increased demand also for equipment supplied to distribution centres and heavy material handling customers.

In early 2015, the market for load handling equipment continued its strong growth in the US. The demand situation in Europe varied significantly between countries, showing, however, early signs of picking up. Increased demand in the US was especially visible in the demand for truck-mounted forklifts and tail lifts. Demand for services was healthy.

### Financial performance

#### Orders received and order book

Orders received during the first quarter increased by nine percent from the comparison period and totalled EUR 939 (863) million. Compared to the comparison period, currency rate changes had a six percentage point positive impact on orders received. Orders received grew in Kalmar and Hiab, but decreased in MacGregor. Service orders grew by nine percent from the comparison period.

Of the first-quarter orders, 24 percent were received by MacGregor, 49 percent by Kalmar, and 27 percent by Hiab. In geographical terms, the share of orders received in EMEA (Europe, Middle East, Africa) was 41 (46) percent, in Asia-Pacific 29 (32) percent, and that of the Americas 30 (22) percent. Service orders accounted for 24 (24) percent of total orders.

The order book grew by 12 percent from the 2014 year-end level, and at the end of the first quarter it totalled EUR 2,469 (31 Dec 2014: 2,200) million. MacGregor's order book totalled EUR 1,250 (1,131) million, representing 51 (51) percent, Kalmar's EUR 898 (805) million, or 36 (37) percent, and that of Hiab EUR 322 (264) million, or 13 (12) percent of the consolidated order book.

**Orders received by reporting segment**

MEUR	1-3/2015	1-3/2014	Change	2014
MacGregor	<b>228</b>	315	-28%	1,210
Kalmar	<b>455</b>	330	38%	1,482
Hiab	<b>256</b>	218	17%	909
Internal orders	<b>0</b>	0		-1
<b>Total</b>	<b>939</b>	863	9%	3,599

**Orders received by geographical area**

MEUR	1-3/2015	1-3/2014	Change	2014
EMEA	<b>388</b>	396	-2%	1,524
Asia-Pacific	<b>267</b>	276	-3%	1,195
Americas	<b>284</b>	190	49%	880
<b>Total</b>	<b>939</b>	863	9%	3,599

**Sales**

First-quarter sales grew 18 percent from the comparison period, to EUR 889 (751) million. Compared to the comparison period, currency rate changes had an eight percentage point positive impact on sales. Sales in services grew 12 percent from the comparison period and totalled EUR 217 (194) million, representing 24 (26) percent of consolidated sales. Sales grew in all business areas. Services sales grew in all geographical areas. In geographical terms, sales evened out: EMEA represented 39 (48) percent of consolidated sales, Asia-Pacific 32 (28) percent, and the Americas 29 (24) percent.

**Sales by reporting segment**

MEUR	1-3/2015	1-3/2014	Change	2014
MacGregor	<b>282</b>	217	30%	1,034
Kalmar	<b>395</b>	327	21%	1,487
Hiab	<b>212</b>	208	2%	840
Internal sales	<b>0</b>	-1		-3
<b>Total</b>	<b>889</b>	751	18%	3,358

**Sales by geographical area**

MEUR	1-3/2015	1-3/2014	Change	2014
EMEA	<b>350</b>	362	-3%	1,437
Asia-Pacific	<b>282</b>	211	34%	1,013
Americas	<b>257</b>	177	45%	908
Total	<b>889</b>	751	18%	3,358

**Financial result**

Operating profit for the first quarter clearly increased from the comparison period, totalling EUR 51.3 (23.8) million. Kalmar's and Hiab's operating profit improved as a result of profit improvement measures undertaken during the past two years. In Kalmar, growth in sales also supported profit improvement. MacGregor's profit improvement was mainly a result of slightly higher volume compared to the comparison period. In addition, MacGregor's comparison period was burdened by one-time costs of EUR 3.0 million resulting from business acquisitions. Operating profit includes EUR 1.0 (0.9) million in restructuring costs. EUR -0.2 (0.0) million of the restructuring costs were related to MacGregor, EUR 0.5 (0.6) million to Kalmar, EUR 0.6 (-0.1) million to Hiab. The comparison period also included EUR 0.4 million in restructuring costs related to corporate administration and support functions.

Operating profit for the first quarter, excluding restructuring costs, was EUR 52.3 (24.6) million, representing 5.9 (3.3) percent of sales. Excluding restructuring costs, operating profit for MacGregor amounted to EUR 12.3 (7.7) million, Kalmar EUR 29.4 (11.2) million, and Hiab EUR 19.2 (13.4) million.

Net interest expenses for interest-bearing debt and assets for the first quarter totalled EUR 4.8 (6.5) million. Net financing expenses totalled EUR 3.8 (5.5) million.

Net income for the first quarter totalled EUR 36.4 (12.9) million, and earnings per share EUR 0.56 (0.20).

**Balance sheet, cash flow and financing**

The consolidated balance sheet total was EUR 3,771 (31 Dec 2014: 3,652) million at the end of the first quarter. Equity attributable to equity holders was EUR 1,263 (1,209) million, representing EUR 19.60 (18.76) per share. Property, plant and equipment on the balance sheet was EUR 317 (303) million and intangible assets were EUR 1,292 (1,247) million.

Return on equity (ROE, annualised) in January–March increased to 11.7 (4.2) percent, and return on capital employed (ROCE, annualised) increased to 9.5 (4.6) percent.

Cash flow from operating activities for the first quarter, before financial items and taxes, totalled EUR 51.6 (32.5) million. Net working capital increased during the quarter, from EUR 186 million at the end of 2014 to EUR 209 million, mainly due to an increase in inventories.

Cargotec's liquidity position is healthy. At the end of the first quarter, interest-bearing net debt totalled EUR 789 (31 Dec 2014: 719) million. Interest-bearing debt amounted to EUR 940 (932) million, of which EUR 181 (193) million was current and EUR 759 (739) million non-current debt. On 31 March 2015, the average interest rate on the loan portfolio was 2.4 (2.8) percent. Cash and cash equivalents, loans receivable, and other interest-bearing assets totalled EUR 151 (31 Dec 2014: 213) million.

At the end of the first quarter, Cargotec's total equity/total assets ratio was 36.2 (31 Dec 2014: 35.9) percent. Gearing rose from its 2014 year-end level of 59.2 percent to 62.2 percent mainly due to payment of dividend.

## Corporate topics

### Research and development

Research and product development expenditure in the first quarter totalled EUR 18.4 (15.9) million, representing 2.1 (2.1) percent of sales. Research and product development investments were focused on projects that aim to improve the competitiveness and cost efficiency of products.

### MacGregor

In January, MacGregor established a new cross-divisional technology, sourcing and QEHS (quality, environment, health & safety) function to ensure a stronger focus on R&D collaboration within divisions in product development. The first joint project started during the quarter.

### Kalmar

In February, Kalmar introduced new heavy forklift trucks in the 18–33 tonne capacity range as well as a new reachstacker for empty container handling.

### Hiab

During the first quarter, Hiab presented to the market a new loader crane for the heavy range segment. This highly productive and reliable solution for heavy duty load handling has a lift capacity of 80tm and an outreach of 34.5 in the horizontal plane. A completely new 750 kg ultra-light weight cantilever tail lift for the important 3,5t transport vehicle segment was also launched during the quarter. It has rapid operation for competitive frequent usage, stability for a safe working environment and it offers a substantially reduced installation time on to the vehicle.

### Capital expenditure

Capital expenditure in the first quarter, excluding acquisitions and customer financing, totalled EUR 7.3 (8.8) million. Investments in customer financing were EUR 12.8 (14.4) million. Depreciation, amortisation and impairment amounted to EUR 20.3 (20.5) million.

During the first quarter, Kalmar decided to invest approximately three million euros in a new port automation testing and development platform at its Technology and Competence Centre in Tampere, Finland. The platform will be used primarily for testing in customer projects and new

product releases. The investment includes all modules to run an automated container yard operation, including the total automation system, a new automatic stacking crane (ASC) and the R&D work required for the deployment. The testing platform is expected to be fully operational in early 2016.

## **Personnel**

Cargotec employed 10,698 (31 Dec 2014: 10,703) people at the end of the first quarter. MacGregor employed 2,726 (2,737) people, Kalmar 5,234 (5,219), Hiab 2,555 (2,572) and corporate administration and support functions 183 (176). The average number of employees in January–March was 10,681 (10,838).

At the end of the first quarter, 12 (31 Dec 2014: 13) percent of the employees were located in Sweden, 8 (8) percent in Finland and 38 (37) percent in the rest of Europe. Asia-Pacific personnel represented 26 (25) percent, North and South American 14 (14) percent, and the rest of the world 2 (2) percent of total employees.

## Reporting segments

### MacGregor

MEUR	1-3/2015	1-3/2014	Change	2014
Orders received	<b>228</b>	315	-28%	1,210
Order book, end of period	<b>1,250</b>	1,128	11%	1,131
Sales	<b>282</b>	217	30%	1,034
Sales of services	<b>61</b>	50		224
% sales	<b>22</b>	23		22
Operating profit (EBIT)	<b>12.4</b>	7.7		51.7
% sales	<b>4.4</b>	3.6		5.0
Operating profit (EBIT)*	<b>12.3</b>	7.7		53.9
% sales*	<b>4.4</b>	3.6		5.2
Personnel, end of period	<b>2,726</b>	2,691		2,737

\*excluding restructuring costs

MacGregor's orders for the first quarter declined 28 percent from the comparison period and amounted to EUR 228 (315) million. About a half of the orders received were merchant ship and a half offshore vessel related.

Major orders received by MacGregor in January–March were:

- RoRo cargo access and handling equipment to Finland,
- two deck equipment packages to China,
- Pusnes bow loading systems for three shuttle tankers to South Korea,
- Triplex shark jaws and guide pins and two cranes to Brazil, as well as
- two subsea knuckle boom cranes to China.

MacGregor's order book grew 10 percent from the 2014 year-end, totalling EUR 1,250 (31 Dec 2014: 1,131) million at the end of the first quarter. Two thirds of the order book is merchant ship-related and one third is offshore vessel-related.

MacGregor's first-quarter sales grew 30 percent from the comparison period, totalling EUR 282 (217) million. The share of services sales was to 22 (23) percent, or EUR 61 (50) million.

MacGregor's operating profit for the first quarter totalled EUR 12.4 (7.7) million, representing 4.4 (3.6) percent of sales. Operating profit includes EUR -0.2 (0.0) million in restructuring costs. The profit improvement was mainly a result of slightly higher volume compared to the comparison period. In addition, comparison period was burdened by one-time costs of EUR 3.0 million resulting from business acquisitions.

## Kalmar

MEUR	1-3/2015	1-3/2014	Change	2014
Orders received	<b>455</b>	330	38%	1,482
Order book, end of period	<b>898</b>	773	16%	805
Sales	<b>395</b>	327	21%	1,487
Sales of services	<b>105</b>	95		395
% sales	<b>27</b>	29		27
Operating profit (EBIT)	<b>28.9</b>	10.7		55.3
% sales	<b>7.3</b>	3.3		3.7
Operating profit (EBIT)*	<b>29.4</b>	11.2		56.8
% sales*	<b>7.4</b>	3.4		3.8
Personnel, end of period	<b>5,234</b>	5,304		5,219

\*excluding restructuring costs

In the first quarter, orders received by Kalmar grew 38 percent from the comparison period and totalled EUR 455 (330) million. Orders included a significant further port automation contract with DP World London Gateway.

Major orders received by Kalmar in January–March were:

- integrated automation system for a new automated container terminal in Australia,
- significant further port automation contract to the UK,
- 58 terminal tractors, five reachstackers and four rubber-tyred gantry cranes (RTG) to Philippines,
- 512 terminal tractors to dealers in North America, as well as
- three hybrid shuttle carriers to the USA.

Kalmar's order book grew 12 percent from the 2014 year-end, and at the end of the first quarter it totalled EUR 898 (31 Dec 2014: 805) million.

Kalmar's first-quarter sales grew 21 percent from the comparison period and totalled EUR 395 (327) million. Sales for services grew 10 percent from the comparison period and amounted to EUR 105 (95) million, representing 27 (29) percent of sales.

Kalmar's first-quarter operating profit improved clearly from the comparison period and totalled EUR 28.9 (10.7) million. Operating profit includes EUR 0.5 (0.6) million in restructuring costs. Operating profit, excluding restructuring costs, amounted to EUR 29.4 (11.2) million, representing 7.4 (3.4) percent of sales. The clear improvement in profitability resulted from successful execution of the measures undertaken to improve profitability. In addition, comparison period included cost overruns related to projects.

**Hiab**

MEUR	1-3/2015	1-3/2014	Change	2014
Orders received	<b>256</b>	218	17%	909
Order book, end of period	<b>322</b>	211	53%	264
Sales	<b>212</b>	208	2%	840
Sales of services	<b>51</b>	48		196
% sales	<b>24</b>	23		23
Operating profit (EBIT)	<b>18.6</b>	13.4		42.5
% sales	<b>8.7</b>	6.5		5.1
Operating profit (EBIT)*	<b>19.2</b>	13.4		61.0
% sales*	<b>9.0</b>	6.4		7.3
Personnel, end of period	<b>2,555</b>	2,722		2,572

\*excluding restructuring costs

Hiab's orders received for the first quarter grew 17 percent from the comparison period and totalled EUR 256 (218) million. During the quarter, Hiab received among others a significant order for truck-mounted forklifts and an order for hooklifts and container handling system from the US, a major order for truck-mounted forklifts from the UK, as well as a key order for stiff-boom cranes from China. The order book grew 22 percent from 2014 year-end, totalling EUR 322 (31 Dec 2014: 264) million at the end of the first quarter.

Hiab's first-quarter sales grew two percent from the comparison period and totalled EUR 212 (208) million. Sales for services amounted to EUR 51 (48) million, representing 24 (23) percent of sales.

Operating profit for Hiab in the first quarter improved from the comparison period to EUR 18.6 (13.4) million. Operating profit includes EUR 0.6 (-0.1) million in restructuring costs. Operating profit, excluding restructuring costs, amounted to EUR 19.2 (13.4) million, representing 9.0 (6.4) percent of sales. The continuous improvement of profitability over several quarters is the result of determined execution of measures undertaken to improve profitability.

## Annual General Meeting and shares

### Decisions taken at Cargotec Corporation's Annual General Meeting

Cargotec Corporation's Annual General Meeting (AGM), held on 18 March 2015, approved the 2014 financial statements and consolidated financial statements, discharging the President and CEO and members of the Board of Directors from liability for the accounting period 1 January–31 December 2014. The Annual General Meeting approved a dividend of EUR 0.54 be paid for each of class A shares and a dividend of EUR 0.55 be paid for each of class B shares. The dividend payment date was 27 March 2015.

The Annual General Meeting authorised the Board of Directors to decide on the repurchase of own shares with non-restricted equity. Altogether no more than 952,000 class A shares and 5,448,000 class B shares may be purchased. The authorisation shall remain in effect for a period of 18 months from the resolution by the Annual General Meeting. More detailed information on the authorisation was published in a stock exchange release on the day of the AGM, 18 March 2015.

The number of ordinary members of the Board of Directors was confirmed at seven. Jorma Eloranta, Tapio Hakakari, Ilkka Herlin, Peter Immonen, Antti Lagerroos, Teuvo Salminen and Anja Silvennoinen were re-elected to the Board of Directors. The meeting decided to keep the yearly remuneration for the Board of Directors unchanged as follows: a yearly remuneration of EUR 80,000 will be paid 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, it was decided that members receive EUR 1,000 for attendance at board and committee meetings. The meeting decided that 30 percent of the yearly remuneration will be paid in Cargotec's class B shares and the rest in cash.

The Annual General Meeting elected authorised public accountants Tomi Hyryläinen and PricewaterhouseCoopers Ltd as auditors. The auditors' fees were decided to be paid according to invoice approved by the company.

### Organisation of the Board of Directors

On 18 March 2015, the Board of Directors elected 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, continues as Secretary to the Board.

Ilkka Herlin, Teuvo Salminen (chairman) and Anja Silvennoinen 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 in 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 March. The number of class B shares was 54,911,209, while the number of class A shares totalled 9,526,089.

On 19 March 2015, Cargotec repurchased 28,030 of its own class B shares based on the authorisation of the AGM on 18 March 2015 for a total cost of EUR 940,317.78. Shares were repurchased for the share-based incentive programme 2014. Based on the authorisation granted by the AGM, the Board decided on 18 March 2015 on a directed share issue as a reward payment for the restricted shares under this share-based incentive programme. These shares were transferred without consideration to those employees participating in the restricted shares programme who fulfilled the earnings criteria. Following the share transfer, Cargotec does not hold any own shares.

### Share-based incentive programmes

In February 2015, the Board of Directors approved a new long-term incentive programme for key personnel of Cargotec for 2015–2018. The purpose of the programme is to increase Cargotec's profitability, efficient use of capital and shareholder value in the long term by attracting and retaining the required talent. The number of participants will be approximately 85 persons, including Cargotec's President and CEO and members of the Executive Board.

This programme consists of two phases. The first phase includes specific financial performance targets for the year 2015 (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 2017. The second phase serves to align the interests to that of the shareholders as well as retention. Eligible participants need to be employed by Cargotec at the beginning of 2018.

The potential reward will be delivered in Cargotec class B shares at the beginning of 2018. If the performance was on target for the maximum number of participants, the cost of the programme for the three-year period would be approximately EUR 6.5 million (for maximum performance approximately EUR 19 million). 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.

Recognition of the programme will begin after the grant date in the second quarter of 2015.

### Option programme

The 2010 AGM confirmed that stock options will be issued for the 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. 2010A and 2010B stock options are listed on the main list of NASDAQ OMX Helsinki Ltd.

The share subscription period for 2010A stock options is from 1 April 2013 to 30 April 2015. The share subscription price at the end of March 2015 was EUR 18.05 per share, and the number of listed 2010A stock options was 390,286.

The share subscription period for 2010B stock options is from 1 April 2014 to 30 April 2016. The share subscription price at the end of March 2015 was EUR 28.54 per share, and the number of listed 2010B stock options was 21,136.

### **Market capitalisation and trading**

At the end of March, the total market value of class B shares was EUR 1,768 (1,712) million. 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 2,075 (2,010) million.

The class B share closed at EUR 32.20 (31.25) on the last trading day of March on NASDAQ OMX Helsinki Ltd. The volume-weighted average share price for the period was EUR 30.46 (29.88), the highest quotation being EUR 35.20 (34.58) and the lowest EUR 24.13 (25.86). During the period, a total of 21 (14) million class B shares were traded on NASDAQ OMX Helsinki Ltd., corresponding to a turnover of EUR 623 (431) million. In addition, according to Fidessa, a total of 16 (22) million class B shares were traded in several alternative market places, such as BATS Chi-X CXE and Turquoise, corresponding to a turnover of EUR 501 (679) million.

### **Events after the reporting period**

In late April, Cargotec announced savings measures in MacGregor to respond to the weakening market situation. MacGregor is planning to reach savings by reviewing resourcing and making the necessary adjustments with a plan to reduce the use of external workforce and the number of own personnel. Simultaneously MacGregor continues to have a strong focus on the earlier announced development programmes to improve the internal effectiveness.

The planned measures are estimated to have an effect of reducing some 220 employees globally. The target is to achieve annual savings of EUR 20 million. The initiated measures are estimated to create restructuring costs of EUR 5 million in 2015.

### **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. Uncertainty related to economic developments is estimated to continue this year, mainly in Europe. Risks stemming from political uncertainty, volatility on the currency and raw material markets or from the financing sector could add to this uncertainty. Greater difficulty in obtaining financing would weaken customers' liquidity and investments.

Many kinds of uncertainties are related to MacGregor's market situation in particular. The balancing of the oversupply in the merchant ship market is anticipated to take longer than expected, since the capacity will continue to increase further in 2015 – especially in bulk carriers – while demand is expected to grow very moderately. Simultaneously, the drop in oil price in late 2014 and uncertainty regarding the balance of demand and supply in both the short and long term may significantly reduce customers' willingness to invest in the offshore market. The concurrent deterioration of both markets will negatively impact the financial situation of shipyards. The long lead times typical to MacGregor's business mean that any weakening in order intake would be reflected in deliveries with a delay.

More information on risks is available in the annual report, Risk management.

## **Outlook for 2015**

Cargotec's 2015 sales are expected to grow from 2014. Operating profit excluding restructuring costs for 2015 is expected to improve from 2014.

## **Financial calendar 2015**

January–June 2015 interim report, Tuesday, 21 July 2015

January–September 2015 interim report, Wednesday, 21 October 2015

Helsinki, 28 April 2015  
Cargotec Corporation  
Board of Directors

This interim report is unaudited.

## Consolidated statement of income

MEUR	1-3/2015	1-3/2014	1-12/2014
<b>Sales</b>	<b>888.7</b>	<b>750.9</b>	<b>3,357.8</b>
Cost of goods sold	-701.6	-603.6	-2,723.3
<b>Gross profit</b>	<b>187.1</b>	<b>147.2</b>	<b>634.5</b>
<i>Gross profit, %</i>	21.0	19.6	18.9
Other operating income	9.9	9.1	48.1
Selling and marketing expenses	-51.6	-46.3	-190.5
Research and development expenses	-19.9	-16.0	-69.3
Administration expenses	-64.0	-54.1	-228.4
Restructuring costs	-1.0	-0.9	-22.7
Other operating expenses	-10.3	-14.6	-50.5
Costs and expenses	-137.0	-122.6	-513.2
Share of associated companies' and joint ventures' net income	1.2	-0.8	5.3
<b>Operating profit</b>	<b>51.3</b>	<b>23.8</b>	<b>126.6</b>
<i>Operating profit, %</i>	5.8	3.2	3.8
Financing income and expenses	-3.8	-5.5	-28.4
<b>Income before taxes</b>	<b>47.5</b>	<b>18.3</b>	<b>98.2</b>
<i>Income before taxes, %</i>	5.3	2.4	2.9
Income taxes	-11.0	-5.4	-26.1
<b>Net income for the period</b>	<b>36.4</b>	<b>12.9</b>	<b>72.0</b>
<i>Net income for the period, %</i>	4.1	1.7	2.1
<b>Net income for the period attributable to:</b>			
Equity holders of the parent	36.3	12.7	71.4
Non-controlling interest	0.2	0.2	0.6
<b>Total</b>	<b>36.4</b>	<b>12.9</b>	<b>72.0</b>
<b>Earnings per share for profit attributable to the equity holders of the parent:</b>			
Basic earnings per share, EUR	0.56	0.20	1.11
Diluted earnings per share, EUR	0.56	0.20	1.11

## Consolidated statement of comprehensive income

MEUR	1-3/2015	1-3/2014	1-12/2014
<b>Net income for the period</b>	36.4	12.9	72.0
<b>Items that will not be reclassified to statement of income:</b>			
Defined benefit plan actuarial gains (+) / losses (-)	-1.2	-0.6	-10.1
Taxes relating to items that will not be reclassified to statement of income	0.5	0.2	1.8
<b>Total</b>	<b>-0.7</b>	<b>-0.4</b>	<b>-8.3</b>
<b>Items that may be reclassified subsequently to statement of income:</b>			
Gain (+) / loss (-) on cash flow hedges	-25.3	-4.2	-45.1
Gain (+) / loss (-) on cash flow hedges transferred to statement of income	19.8	0.6	10.4
Translation differences	61.5	-11.6	-54.8
Taxes relating to items that may be reclassified subsequently to statement of income	-2.3	1.6	26.6
<b>Total</b>	<b>53.6</b>	<b>-13.5</b>	<b>-62.9</b>
<b>Comprehensive income for the period</b>	<b>89.4</b>	<b>-1.1</b>	<b>0.8</b>
<b>Comprehensive income for the period attributable to:</b>			
Equity holders of the parent	89.0	-1.2	0.0
Non-controlling interest	0.4	0.1	0.8
<b>Total</b>	<b>89.4</b>	<b>-1.1</b>	<b>0.8</b>

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

## Consolidated balance sheet

<b>ASSETS, MEUR</b>	<b>31 Mar 2015</b>	<b>31 Mar 2014</b>	<b>31 Dec 2014</b>
<b>Non-current assets</b>			
Goodwill	999.2	968.0	962.9
Other intangible assets	292.7	288.3	284.4
Property, plant and equipment	317.2	325.1	302.9
Investments in associated companies and joint ventures	111.9	92.4	104.8
Available-for-sale investments	3.8	3.9	3.8
Loans receivable and other interest-bearing assets*	2.8	8.6	3.4
Deferred tax assets	196.1	147.8	178.0
Derivative assets	40.0	0.3	15.5
Other non-interest-bearing assets	5.2	5.5	5.8
<b>Total non-current assets</b>	<b>1,969.0</b>	<b>1,839.9</b>	<b>1,861.5</b>
<b>Current assets</b>			
Inventories	744.0	655.1	690.5
Loans receivable and other interest-bearing assets*	4.9	5.6	4.4
Income tax receivables	29.2	65.8	24.5
Derivative assets	27.8	7.7	20.5
Accounts receivable and other non-interest-bearing assets	852.6	780.1	845.4
Cash and cash equivalents*	143.4	237.4	205.4
<b>Total current assets</b>	<b>1,801.8</b>	<b>1,751.7</b>	<b>1,790.8</b>
<b>Total assets</b>	<b>3,770.8</b>	<b>3,591.5</b>	<b>3,652.3</b>

<b>EQUITY AND LIABILITIES, MEUR</b>	<b>31 Mar 2015</b>	<b>31 Mar 2014</b>	<b>31 Dec 2014</b>
<b>Equity attributable to the equity holders of the parent</b>			
Share capital	64.3	64.3	64.3
Share premium account	98.0	98.0	98.0
Translation differences	84.2	53.4	26.7
Fair value reserves	-24.1	2.8	-20.1
Reserve for invested non-restricted equity	73.9	72.6	74.9
Retained earnings	966.6	913.2	965.0
<b>Total equity attributable to the equity holders of the parent</b>	<b>1,262.9</b>	<b>1,204.3</b>	<b>1,208.8</b>
Non-controlling interest	5.4	6.3	5.0
<b>Total equity</b>	<b>1,268.3</b>	<b>1,210.6</b>	<b>1,213.8</b>
<b>Non-current liabilities</b>			
Interest-bearing liabilities*	794.8	833.7	753.2
Deferred tax liabilities	98.3	78.5	77.8
Pension obligations	73.7	62.5	71.6
Provisions	23.8	21.6	24.0
Derivative liabilities	0.8	4.9	0.2
Other non-interest-bearing liabilities	38.0	32.0	34.7
<b>Total non-current liabilities</b>	<b>1,029.3</b>	<b>1,033.2</b>	<b>961.5</b>
<b>Current liabilities</b>			
Current portion of interest-bearing liabilities*	6.9	16.5	7.1
Other interest-bearing liabilities*	174.3	220.2	186.1
Provisions	74.8	67.2	80.9
Advances received	263.2	193.9	271.3
Income tax payables	13.6	17.2	12.8
Derivative liabilities	59.8	24.1	64.6
Accounts payable and other non-interest-bearing liabilities	880.6	808.6	854.1
<b>Total current liabilities</b>	<b>1,473.2</b>	<b>1,347.7</b>	<b>1,476.9</b>
<b>Total equity and liabilities</b>	<b>3,770.8</b>	<b>3,591.5</b>	<b>3,652.3</b>

\*Included in interest-bearing net debt. In addition, the calculation of the interest-bearing net debt includes the hedging of cross-currency risk relating to the USD 205 (31 Mar 2014: 300 and 31 Dec 2014: 205) million Private Placement bond, totalling on 31 Dec 2015, EUR -36.3 (31 Mar 2014: 5.6 and 31 Dec 2014: -14.6) million.

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

## 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		
<b>MEUR</b>									
<b>Equity on 1 Jan 2014</b>	<b>64.3</b>	<b>98.0</b>	<b>64.1</b>	<b>5.7</b>	<b>73.5</b>	<b>927.8</b>	<b>1,233.3</b>	<b>6.2</b>	<b>1,239.4</b>
Net income for the period						12.7	12.7	0.2	12.9
Cash flow hedges				-2.8			-2.8		-2.8
Translation differences			-10.7				-10.7	0.0	-10.7
Defined benefit plan actuarial gains (+) / losses (-)						-0.4	-0.4		-0.4
<b>Comprehensive income for the period*</b>			<b>-10.7</b>	<b>-2.8</b>	<b>0.0</b>	<b>12.3</b>	<b>-1.2</b>	<b>0.1</b>	<b>-1.1</b>
Dividends paid						-26.9	-26.9		-26.9
Acquisition of treasury shares					-0.9		-0.9		-0.9
Share-based incentives*						0.0	0.0		0.0
<b>Transactions with owners of the company</b>					<b>-0.9</b>	<b>-26.9</b>	<b>-27.7</b>	<b>0.0</b>	<b>-27.7</b>
<b>Equity on 31 Mar 2014</b>	<b>64.3</b>	<b>98.0</b>	<b>53.4</b>	<b>2.8</b>	<b>72.6</b>	<b>913.2</b>	<b>1,204.3</b>	<b>6.3</b>	<b>1,210.6</b>
<b>Equity on 1 Jan 2015</b>									
<b>Equity on 1 Jan 2015</b>	<b>64.3</b>	<b>98.0</b>	<b>26.7</b>	<b>-20.1</b>	<b>74.9</b>	<b>965.0</b>	<b>1,208.8</b>	<b>5.0</b>	<b>1 213.8</b>
Net income for the period						36.3	36.3	0.2	36.4
Cash flow hedges				-4.0			-4.0		-4.0
Translation differences			57.5				57.5	0.2	57.7
Defined benefit plan actuarial gains (+) / losses (-)						-0.7	-0.7		-0.7
<b>Comprehensive income for the period*</b>			<b>57.5</b>	<b>-4.0</b>	<b>0.0</b>	<b>35.5</b>	<b>89.0</b>	<b>0.4</b>	<b>89.4</b>
Dividends paid						-35.4	-35.4	0.0	-35.4
Acquisition of treasury shares					-0.9		-0.9		-0.9
Share-based incentives*						1.4	1.4		1.4
<b>Transactions with owners of the company</b>					<b>-0.9</b>	<b>-33.9</b>	<b>-34.9</b>	<b>0.0</b>	<b>-34.9</b>
<b>Equity on 31 March 2015</b>	<b>64.3</b>	<b>98.0</b>	<b>84.2</b>	<b>-24.1</b>	<b>73.9</b>	<b>966.6</b>	<b>1,262.9</b>	<b>5.4</b>	<b>1,268.3</b>

\*Net of tax

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

## Consolidated condensed statement of cash flows

MEUR	1-3/2015	1-3/2014	1-12/2014
Net income for the period	32.4	12.9	72.0
Depreciation, amortisation and impairment	20.3	20.5	81.2
Other adjustments	17.4	12.5	42.8
Change in net working capital	-18.4	-13.3	8.3
<b>Cash flow from operations</b>	<b>51.6</b>	<b>32.5</b>	<b>204.3</b>
Cash flow from financial items and taxes	-77.2	-50.8	-94.1
<b>Cash flow from operating activities</b>	<b>-25.6</b>	<b>-18.3</b>	<b>110.2</b>
Acquisitions, net of cash acquired	-	-182.6	-187.3
Divestments, net of cash sold	-	-	4.6
Investments to associated companies and joint ventures	-	-1.1	-3.4
Cash flow from investing activities, other items	-16.3	-29.0	-43.7
<b>Cash flow from investing activities</b>	<b>-16.3</b>	<b>-212.7</b>	<b>-229.8</b>
Stock options exercised	-	-	2.3
Acquisition of treasury shares	-0.9	-0.9	-0.9
Proceeds from long-term borrowings	20.0	261.7	300.0
Repayments of long-term borrowings	-	-89.9	-230.7
Proceeds from short-term borrowings	71.0	18.1	42.2
Repayments of short-term borrowings	-87.8	-20.7	-70.7
Dividends paid	-35.4	-26.9	-27.6
<b>Cash flow from financing activities</b>	<b>-33.1</b>	<b>141.4</b>	<b>14.7</b>
<b>Change in cash</b>	<b>-75.0</b>	<b>-89.6</b>	<b>-104.9</b>
Cash, cash equivalents and bank overdrafts at the beginning of period	203.4	303.3	303.3
Effect of exchange rate changes	11.0	-0.8	5.0
<b>Cash, cash equivalents and bank overdrafts at the end of period</b>	<b>139.4</b>	<b>212.9</b>	<b>203.4</b>
Bank overdrafts at the end of period	4.0	24.5	2.0
<b>Cash and cash equivalents at the end of period</b>	<b>143.4</b>	<b>237.4</b>	<b>205.4</b>

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

## Key figures

		1-3/2015	1-3/2014	1-12/2014
Equity / share	EUR	19.60	18.73	18.76
Interest-bearing net debt	MEUR	788.8	824.3	718.6
Total equity / total assets	%	36.2	35.6	35.9
Gearing	%	62.2	68.1	59.2
Return on equity, annualised	%	11.7	4.2	5.9
Return on capital employed, annualised	%	9.5	4.6	6.2

## Notes to the interim financial statements 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 financial statements 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 2014 and comply with changes in IAS/IFRS standards effective from 1 January 2015. These changes have no material impact on the interim financial statements review. All figures presented have been rounded and consequently the sum of individual figures may deviate from the presented sum figure.

### 3. Segment information

<b>Sales, MEUR</b>	<b>1-3/2015</b>	<b>1-3/2014</b>	<b>1-12/2014</b>
MacGregor	282	217	1,034
Kalmar	395	327	1,487
Hiab	212	208	840
Internal sales	0	-1	-3
<b>Total</b>	<b>889</b>	<b>751</b>	<b>3,358</b>

<b>Sales by geographical area, MEUR</b>	<b>1-3/2015</b>	<b>1-3/2014</b>	<b>1-12/2014</b>
EMEA	350	362	1,437
Asia-Pacific	282	211	1,013
Americas	257	177	908
<b>Total</b>	<b>889</b>	<b>751</b>	<b>3,358</b>

<b>Sales by geographical area, %</b>	<b>1-3/2015</b>	<b>1-3/2014</b>	<b>1-12/2014</b>
EMEA	39.4	48.3	42.8
Asia-Pacific	31.7	28.1	30.2
Americas	28.9	23.6	27.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

<b>Operating profit, MEUR</b>	<b>1-3/2015</b>	<b>1-3/2014</b>	<b>1-12/2014</b>
MacGregor	12.4	7.7	51.7
Kalmar	28.9	10.7	55.3
Hiab	18.6	13.4	42.5
Corporate administration and support functions	-8.6	-8.0	-22.8
<b>Total</b>	<b>51.3</b>	<b>23.8</b>	<b>126.6</b>

<b>Operating profit, %</b>	<b>1-3/2015</b>	<b>1-3/2014</b>	<b>1-12/2014</b>
MacGregor	4.4	3.6	5.0
Kalmar	7.3	3.3	3.7
Hiab	8.7	6.5	5.1
Cargotec	5.8	3.2	3.8

<b>Operating profit excl. restructuring costs, MEUR</b>	<b>1-3/2015</b>	<b>1-3/2014</b>	<b>1-12/2014</b>
MacGregor	12.3	7.7	53.9
Kalmar	29.4	11.2	56.8
Hiab	19.2	13.4	61.0
Corporate administration and support functions	-8.6	-7.7	-22.4
<b>Total</b>	<b>52.3</b>	<b>24.6</b>	<b>149.3</b>

<b>Operating profit excl. restructuring costs, %</b>	<b>1-3/2015</b>	<b>1-3/2014</b>	<b>1-12/2014</b>
MacGregor	4.4	3.6	5.2
Kalmar	7.4	3.4	3.8
Hiab	9.0	6.4	7.3
Cargotec	5.9	3.3	4.4

<b>Orders received, MEUR</b>	<b>1-3/2015</b>	<b>1-3/2014</b>	<b>1-12/2014</b>
MacGregor	228	315	1,210
Kalmar	455	330	1,482
Hiab	256	218	909
Internal orders received	0	0	-1
<b>Total</b>	<b>939</b>	<b>863</b>	<b>3,599</b>

<b>Orders received by geographical area, MEUR</b>	<b>1-3/2015</b>	<b>1-3/2014</b>	<b>1-12/2014</b>
EMEA	388	396	1,524
Asia-Pacific	267	276	1,195
Americas	284	190	880
<b>Total</b>	<b>939</b>	<b>863</b>	<b>3,599</b>

<b>Orders received by geographical area, %</b>	<b>1-3/2015</b>	<b>1-3/2014</b>	<b>1-12/2014</b>
EMEA	41.3	45.9	42.4
Asia-Pacific	28.5	32.0	33.2
Americas	30.3	22.1	24.4
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

<b>Order book, MEUR</b>	<b>31 Mar 2015</b>	<b>31 Mar 2014</b>	<b>31 Dec 2014</b>
MacGregor	1,250	1,128	1,131
Kalmar	898	773	805
Hiab	322	211	264
Internal order book	0	-1	0
<b>Total</b>	<b>2,469</b>	<b>2,111</b>	<b>2,200</b>

<b>Number of employees at the end of period</b>	<b>31 Mar 2015</b>	<b>31 Mar 2014</b>	<b>31 Dec 2014</b>
MacGregor	2,726	2,691	2,737
Kalmar	5,234	5,304	5,219
Hiab	2,555	2,722	2,572
Corporate administration and support functions	183	166	176
<b>Total</b>	<b>10,698</b>	<b>10,883</b>	<b>10,703</b>

<b>Average number of employees</b>	<b>1-3/2015</b>	<b>1-3/2014</b>	<b>1-12/2014</b>
MacGregor	2,721	2,668	2,702
Kalmar	5,232	5,295	5,273
Hiab	2,542	2,750	2,694
Corporate administration and support functions	186	161	168
<b>Total</b>	<b>10,681</b>	<b>10,874</b>	<b>10,838</b>

#### 4. Capital expenditure, depreciation and amortisation

Capital expenditure, MEUR	1-3/2015	1-3/2014	1-12/2014
Intangible assets	2.4	4.5	13.4
Property, plant and equipment	17.7	18.8	65.9
<b>Total</b>	<b>20.1</b>	<b>23.3</b>	<b>79.3</b>

Depreciation, amortisation and impairment, MEUR	1-3/2015	1-3/2014	1-12/2014
Intangible assets	7.8	6.9	29.4
Buildings	2.0	2.0	8.8
Machinery & equipment	10.4	11.7	43.0
<b>Total</b>	<b>20.3</b>	<b>20.5</b>	<b>81.2</b>

#### 5. Taxes in statement of income

MEUR	1-3/2015	1-3/2014	1-12/2014
Current year tax expense	6.9	11.6	42.4
Deferred tax expense	2.3	-6.0	-11.2
Tax expense for previous years	1.8	-0.2	-5.1
<b>Total</b>	<b>11.0</b>	<b>5.4</b>	<b>26.1</b>

#### 6. Interest-bearing net debt and liquidity

MEUR	31 Mar 2015	31 Mar 2014	31 Dec 2014
Interest-bearing liabilities*	939.8	1,075.9	931.8
Loans receivable and other interest-bearing assets	-7.7	-14.2	-7.9
Cash and cash equivalents	-143.4	-237.4	-205.4
<b>Interest-bearing net debt</b>	<b>788.8</b>	<b>824.3</b>	<b>718.6</b>
Equity	1,268.3	1,210.6	1,213.8
<b>Gearing</b>	<b>62.2%</b>	<b>68.1%</b>	<b>59.2%</b>

\*The fair values do not materially differ from book values. One exception is the hedging of currency risk relating to the USD 205 (31 Mar 2014: 300 and 31 Dec 2014: 205) million Private Placement bond, which affected the interest-bearing liabilities on 31 Mar by EUR -36.3 (31 Mar 2014: 5.6 and 31 Dec 2014: -14.6) million.

MEUR	31 Mar 2015	31 Mar 2014	31 Dec 2014
Cash and cash equivalents	143.4	237.4	205.4
Committed long-term undrawn revolving credit facilities	280.0	200.0	300.0
Repayments of interest-bearing liabilities in following 12 months	-181.3	-236.7	-193.2
<b>Total liquidity</b>	<b>242.2</b>	<b>200.7</b>	<b>312.2</b>

## 7. Derivatives

### Fair values of derivative financial instruments

MEUR	Positive fair value 31 Mar 2015	Negative fair value 31 Mar 2015	Net fair value 31 Mar 2015	Net fair value 31 Mar 2014	Net fair value 31 Dec 2014
Currency forward contracts	27.8	60.6	-32.8	-16.2	-44.2
Hedge accounting	2.3	29.9	-27.6	-1.8	-20.4
Cross-currency and interest rate swaps	40.0	-	40.0	-4.8	15.5
<b>Total</b>	<b>67.8</b>	<b>60.6</b>	<b>7.2</b>	<b>-21.0</b>	<b>-28.8</b>
Non-current portion:					
Currency forward contracts	-	0.8	-0.8	0.2	-0.2
Cross-currency and interest rate swaps	40.0	-	40.0	-4.8	15.5
<b>Non-current portion</b>	<b>40.0</b>	<b>0.8</b>	<b>39.2</b>	<b>-4.6</b>	<b>15.3</b>
<b>Current portion</b>	<b>27.8</b>	<b>59.8</b>	<b>-32.0</b>	<b>-16.4</b>	<b>-44.1</b>

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 fair value hierarchy.

### Nominal values of derivative financial instruments

MEUR	31 Mar 2015	31 Mar 2014	31 Dec 2014
Currency forward contracts	3,344.9	2,906.6	3,277.3
Hedge accounting	1,315.0	1,138.2	1,165.0
Cross-currency and interest rate swaps	190.5	148.7	168.8
<b>Total</b>	<b>3,535.4</b>	<b>3,055.3</b>	<b>3,446.1</b>

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	31 Mar 2015	31 Mar 2014	31 Dec 2014
Guarantees	0.0	-	0.7
End customer financing	17.3	11.1	16.4
Operating leases	154.7	138.3	150.6
Other contingent liabilities	5.7	5.7	5.8
<b>Total</b>	<b>177.8</b>	<b>155.1</b>	<b>173.5</b>

Cargotec Corporation has guaranteed obligations of Cargotec companies, arising from ordinary course of business, up to a maximum of EUR 548.5 (31 Mar 2014: 515.1 and 31 Dec 2014: 622.6) million.

Cargotec leases property, plant and equipment under non-cancellable operating leases. The leases have varying terms and renewal rights. 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	31 Mar 2015	31 Mar 2014	31 Dec 2014
Less than 1 year	28.0	22.8	26.0
1-5 years	60.7	51.0	60.7
Over 5 years	66.0	64.5	64.0
<b>Total</b>	<b>154.7</b>	<b>138.3</b>	<b>150.6</b>

The aggregate operating lease expenses totalled EUR 8.0 (1–3/2014: 6.7 and 1–12/2014: 30.8) 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.

## Key exchange rates for the Euro

Closing rate	31 Mar 2015	31 Mar 2014	31 Dec 2014
SEK	9.290	8.948	9.393
USD	1.076	1.379	1.214
Average rate	1–3/2015	1–3/2014	1–12/2014
SEK	9.353	8.878	9.100
USD	1.136	1.373	1.326

## 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 cross-currency hedging of the USD 205 (31 Mar 2014: 300 and 31 Dec 2014: 205) million Private Placement corporate bonds.

## Quarterly figures

<b>Cargotec</b>		<b>Q1/2015</b>	<b>Q4/2014</b>	<b>Q3/2014</b>	<b>Q2/2014</b>	<b>Q1/2014</b>
Orders received	MEUR	939	914	829	993	863
Order book	MEUR	2,469	2,200	2,327	2,285	2,111
Sales	MEUR	889	963	840	804	751
Operating profit	MEUR	51.3	63.0	45.8	-6.0	23.8
Operating profit	%	5.8	6.5	5.4	-0.7	3.2
Operating profit*	MEUR	52.3	71.5	48.4	4.7	24.6
Operating profit*	%	5.9	7.4	5.8	0.6	3.3
Basic earnings/share	EUR	0.56	0.63	0.43	-0.15	0.20
<b>MacGregor</b>		<b>Q1/2015</b>	<b>Q4/2014</b>	<b>Q3/2014</b>	<b>Q2/2014</b>	<b>Q1/2014</b>
Orders received	MEUR	228	304	253	338	315
Order book	MEUR	1,250	1,131	1,199	1,181	1,128
Sales	MEUR	282	301	255	261	217
Operating profit*	MEUR	12.3	24.0	7.3	14.9	7.7
Operating profit*	%	4.4	8.0	2.9	5.7	3.6
<b>Kalmar</b>		<b>Q1/2015</b>	<b>Q4/2014</b>	<b>Q3/2014</b>	<b>Q2/2014</b>	<b>Q1/2014</b>
Orders received	MEUR	455	378	380	394	330
Order book	MEUR	898	805	883	855	773
Sales	MEUR	395	452	385	323	327
Operating profit*	MEUR	29.4	34.3	30.7	-19.4	11.2
Operating profit*	%	7.4	7.6	8.0	-6.0	3.4
<b>Hiab</b>		<b>Q1/2015</b>	<b>Q4/2014</b>	<b>Q3/2014</b>	<b>Q2/2014</b>	<b>Q1/2014</b>
Orders received	MEUR	256	232	197	261	218
Order book	MEUR	322	264	245	249	211
Sales	MEUR	212	211	200	221	208
Operating profit*	MEUR	19.2	17.8	14.2	15.6	13.4
Operating profit*	%	9.0	8.4	7.1	7.1	6.4

\*Operating profit excluding restructuring costs