

Cargotec's January–June 2015 interim report: profitability improved clearly, MacGregor market situation challenging

21 July 2015 by MacGregor

April–June 2015 in brief

- Orders received declined 11 percent and totalled EUR 887 (993) million.
- Order book grew 6 percent from the 2014 year-end, and at the end of the reporting period it totalled EUR 2,342 (31 Dec 2014: 2,200) million.
- Sales grew 16 percent to EUR 936 (804) million.
- Operating profit excluding restructuring costs was EUR 58.0 (4.7) million, representing 6.2 (0.6) percent of sales.
- Operating profit was EUR 54.9 (-6.0) million, representing 5.9 (-0.7) percent of sales.
- Cash flow from operations before financial items and taxes totalled EUR 101.3 (24.4) million.
- Net income for the period amounted to EUR 27.4 (-9.3) million.
- Earnings per share was EUR 0.43 (-0.15).

January–June 2015 in brief

- Orders received declined 2 percent and totalled EUR 1,826 (1,856) million.
- Sales grew 17 percent to EUR 1,825 (1,555) million.
- Operating profit excluding restructuring costs was EUR 110.3 (29.3) million, representing 6.0 (1.9) percent of sales.
- Operating profit was EUR 106.2 (17.8) million, representing 5.8 (1.1) percent of sales.
- Cash flow from operations before financial items and taxes totalled EUR 152.8 (56.9) million.
- Net income for the period amounted to EUR 63.9 (3.6) million.

- Earnings per share was EUR 0.99 (0.05).

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

Cargotec's President and CEO Mika Vehviläinen:

In the second quarter, market activity and orders were healthy in Kalmar and Hiab, but orders for MacGregor remained low due to a challenging shipping market. Our sales developed favourably during the quarter. The development of Hiab and Kalmar's operating profit margin during several quarters shows that profit improvement measures have yielded sustainable results. We cannot be satisfied with profitability in MacGregor. However, effectiveness and cost savings programmes are progressing as planned and we continue with our determined efforts to safeguard MacGregor's profitability.

I am delighted to state that Kalmar and Hiab completed their profit improvement programmes – begun in 2013 – ahead of schedule. Efficiency improvement in these business areas continues, but the focus is shifting towards profitable growth. We have determinedly invested in product development and our offering. Hence, I am convinced that we can provide our customers with significant added value in their cargo handling needs. We will also continue developing our service business in all business areas.

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 10:00 a.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 by 10:00 a.m. EEST.

The telephone conference, during which questions may be presented, can be accessed using the following numbers with access code Cargotec/953925:

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. 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 23 July 2015 in the following numbers: US callers +1 954 334 0342, non-US callers +44 20 7031 4064, access code 953925.

Source: MacGregor