



# Cavotec - 1st Quarter Report 2013



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- Accumulated revenues amounted to EUR 53,176 thousands in 1Q13, an increase of 14.2% compared to 1Q12 (46,570)
- Operating result amounted to EUR 662 thousands (1Q12: 3,086)
- Record 1Q order intake at 65,959 (1Q12 54,125) with a book to bill ratio of 1.2x
- Order intake for the last twelve months rolling reached EUR 236,819 thousands
- Order book at 31 March 2013 stood at EUR 111,935 thousands, up 10.8% compared to 1Q12 (100,984)

#### A comment from the CEO

Global economic conditions during 1Q13 continued to remain unsettled, further compounding challenges such as an unfavourable product mix, project delays, and the ongoing restructuring programmes at our operations at Cavotec INET and in Germany, resulting in lower margins and subdued profitability.

Order levels increased significantly year-on-year to a record EUR 65,959 thousands due to robust day-to-day ordering of stand-alone products and smaller systems, with our Order Book reaching EUR 111,935 on March 31, and several major projects in the pipeline.

We remain committed to our financial targets, including the approximate 10% annual growth in revenues, and we have renewed our focus on improving margins. Looking forward, we fully expect 2Q13 to offset the low performance of 1Q13, further underlining the strong fundamentals of Cavotec's business model.

#### 1Q13 SUMMARY OF ACTIVITIES

Quarterly revenues increased by 14.2% compared to the same period last year, despite the absence of large projects.

Cavotec's two largest market units (MU), *Airports and Ports & Maritime*, posted significant increases in revenues compared to the same period last year. *Mining & Tunnelling* showed some contraction in revenues compared to 1Q12, caused by on-going uncertainty and weaker demand in the sector. *General Industry* also posted a decrease in revenues, mainly due to a broadly lacklustre market environment, only partially offset by Cavotec systems' growing exposure in the defence sector and other developing niche markets.

*Ports & Maritime* registered substantial orders for cable reel systems for ship-to-shore (STS) cranes and automatic stacking cranes (ASC) for ports in Malaysia and Singapore. These orders were placed by ZPMC, one of our long-standing OEM customers. The unit also signed its first long-term service contract with leading terminal operator APMT in Salalah, Oman marking an important development for an area of our offering that the Group intends to expand.

The period was also strong for *Airports*, with several substantial orders in South East Asia, the Middle East, Europe and North America. The largest of these projects were at Phoenix and Newark international airports in the US, where Cavotec is supplying integrated air,

electrical power and fuel systems. For Hanoi International Airport, Cavotec is manufacturing a comprehensive range of air, electrical power and water supply systems. The MU also won an order for a large number of coiler systems for Shenyang airport in China. This is part of a CAAC (Civil Aviation Administration of China) scheme to retrofit air and electrical supply systems at gates of all major airports in the country.

*Mining & Tunnelling* continued to book a substantial number of smaller orders for systems and components throughout the period from Cavotec's key OEM customers such as Robbins, Sandvik, ThyssenKrupp and Atlas Copco.

Similarly, *General Industry* recorded a large number of small-scale orders for components and niche systems. Radio remote controls (RRC) is an area registering considerable growth, especially in the energy sector where Cavotec RRCs are increasingly used to operate both on- and offshore oil and gas applications.

#### **LOOKING AHEAD**

From a macroeconomic point of view, FY13 is likely to be a challenging year in a variety of markets. Nevertheless, we feel that Cavotec is uniquely positioned to capitalise on its strong global network and its customer-driven R&D that brings innovative engineering solutions to new and emerging markets. We will also continue to expand our after-sales component by offering long-term service contracts for Cavotec systems.

Going forward, we will continue to make inroads with a selection of our core products in BRIC countries and other developing economies. We will also continue to break ground with some genuinely industry-changing innovations such as Human Operating Interface (HOI) technologies, as well as our cable management systems to be seamlessly integrated with the latest generation of electric vehicle (EV) charging stations.

The cost and operational efficiency programmes initiated in 2012 at our Centres of Excellence remain in force. Management throughout the Group have fully embraced the continuing initiatives to reduce costs, and to carefully assessing all new investment.

*Ports & Maritime* remains our largest MU and is set to continue to grow in FY13 as we focus on new technologies for the E-RTG market, and build our growing portfolio for the Oil & Gas segment, which is set to repeat the growth seen in FY12. Core systems such as MoorMaster™ and Alternative Maritime Power continue to attract significant interest from both existing and potential customers.

For *Airports*, we view continued infrastructure investment as a key indicator that demand for our systems will remain strong. A report released by IATA in its Airline Industry Forecast 2012-2016, projects that passenger numbers will increase to 3.6 billion in 2016, from 2.8 billion in 2011. Growth scenarios such as these underline the need for our ground support systems as airports initiate upgrades, and the industry-wide drive to improve operational and environmental performance continues.

We expect that *Mining & Tunnelling* will face pressure in coming quarters as the segment experiences market turbulence. This will, at least partially, be offset by order backlogs at several of our major OEM customers. Similar to other MUs, customer-driven R&D is one of our key strengths, exemplified by our new PC-X cooling technology for deep mining operations, which will soon undergo extensive field-testing.

Our *General Industry* MU is showing development consistent with FY12, with some new segments showing significant promise such as cable management systems for EV charging stations, industrial remote controls for land rigs, and new applications for some of our core technologies in several defence applications.

## REVENUES, EARNINGS AND PROFITABILITY

### Quarterly results

Revenues increased by 14.2% to EUR 53,176 thousands in 1Q13 compared to EUR 46,570 thousands in the same period of last year. Operating result amounted to EUR 662 thousands (3,086) as a result of negative mix with the concentration in the first quarter of the completion of certain strategic contracts in the Airports MU carrying low margins.

Financial items were lower compared to the same period last year due to lower interest expenses and positive contribution from exchange fluctuation. The tax rate in the period was 32.3%. Net profit reached EUR 331 thousands compared to EUR 1,071 thousands in 1Q13.

### Regional overview

The Americas registered the largest increase of revenues in 1Q13, a jump of 82.2% on the same period last year, amounting to EUR 14,338 thousands. The region also improved its Gross Operating Result, which amounted to EUR 469 thousands (1Q12; EUR -240 thousands). Order Intake grew in all MUs, resulting in another record Order Book of EUR 32,747 thousands, 85.5% higher than 1Q12. Ports & Maritime's Order Book increased over three and a half times on the year, and now represents 25.2% of the Order Book (1Q12; 12.4%).

Europe & Africa revenues amounted to EUR 41,013 thousands, up 7.3% on 1Q12. The strongest MU was Ports & Maritime, which grew by 56.0%. The region had the highest Gross Operating Result of all regions, amounting to EUR 2,861 thousands. Book to bill ratio stands at 1.12, with Airports registering an exceptional 2.27.

Revenues for the Middle East & India amounted to EUR 6,757 thousands, an increase of 5.5% compared to 1Q12. Ports & Maritime recorded an excellent result: increasing revenues by a multiple of eight, and Order Intake by a multiple of seven compared to the same period last year. Order Intake amounted to EUR 7,451 thousands, up 118.7% on 1Q12. Book to bill ratio ended at 1.10, with General Industry registering an excellent 1.88.

Revenues for the Far East increased 81.6% compared to 1Q12, amounting to EUR 8,325 thousands. Ports & Maritime doubled (+101.0%) its revenues, while Airports (+196.3%) almost tripled its. The region registered its largest increase in Gross Operating Result to date, up 815.4% compared to the same period last year. Order Book increased by 51.1%, to EUR 32,083 thousands, with a book to bill ratio of 1.06.

Revenues in Australasia amounted to EUR 6,275 thousands, up 57.5% compared to the same period last year. Ports & Maritime registered the largest increase in revenue, which, bolstered by MoorMaster™, grew 281.4% during the quarter. The region recorded orders of EUR 6,663 thousands, an increase of 51.5% on 1Q12. Airports registered the largest increase in Order Intake, bringing the Order Book to EUR 12,631 thousands, with a book to bill ratio of 1.06.

**CASH FLOW**

Operating cash flow for the quarter amounted to negative EUR 4,493 thousands, compared to positive 4,371 thousands in 1Q12 following lower profitability and higher working capital absorption.

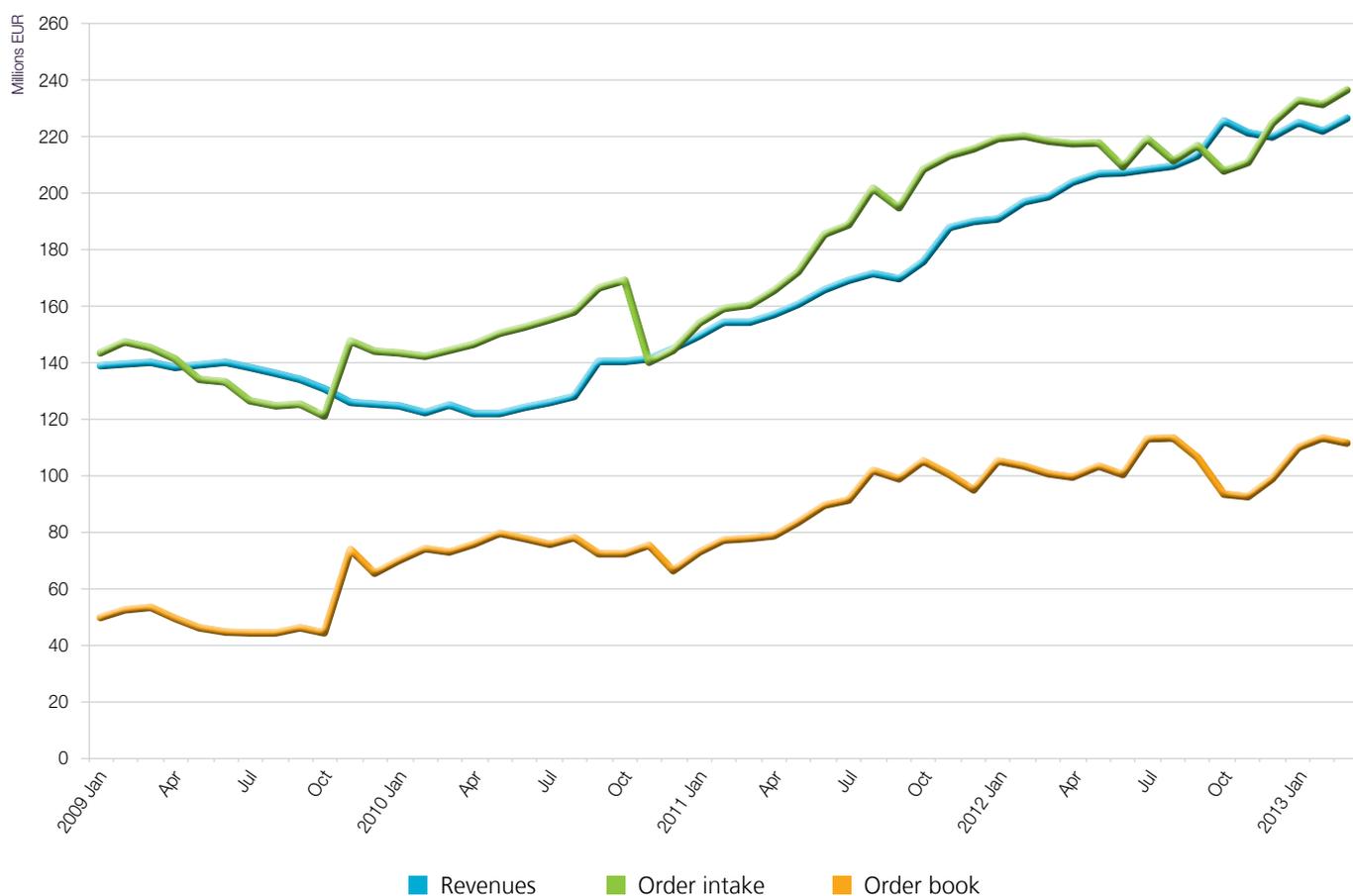
**NET DEBT**

Net debt increased seasonally to EUR 30,814 thousands compared to EUR 24,511 thousands at the end of 2012. Twelve months rolling leverage ratio (Net Debt/ EBITDA) ended at 1.59x (FY12: 1.13x) and debt/equity ratio increased to 28.4% from 22.9% at the end of 2012.

**EMPLOYEES**

On 31 March 2013, Cavotec employed 910 full time equivalent people unchanged compared to 31 March 2012 and an increase of 20 compared to 31 December 2012.

12-Month rolling figures 2009-2013



Revenue from sales of goods and growth

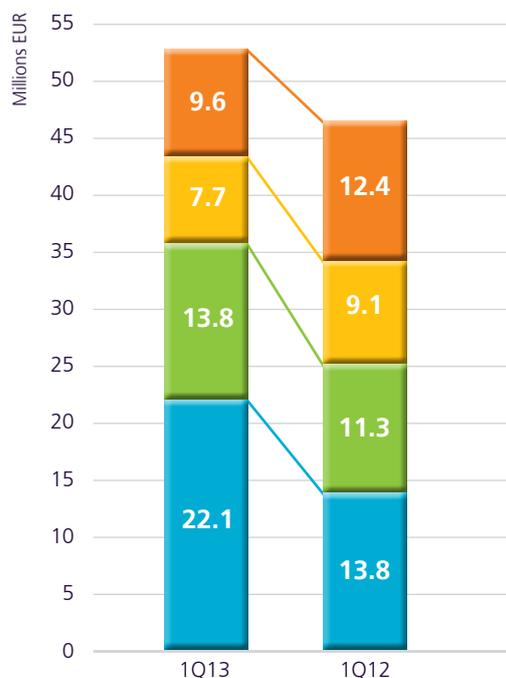
EUR 000's	Revenues		Order Intake	
	1Q13	1Q12	1Q13	1Q12
Revenue from sales of goods	53,176	46,570	65,959	54,125
Increase/decrease	6,606	8,852	11,835	2,669
Percentage change	14.2%	23.5%	21.9%	5.2%
Of which				
- Volumes and prices	13.8%	12.2%	21.8%	(0.1%)
- Acquisitions/divestments	0.5%	8.0%	0.5%	2.0%
- Currency effects	(0.1%)	3.3%	(0.4%)	3.3%

Market Units

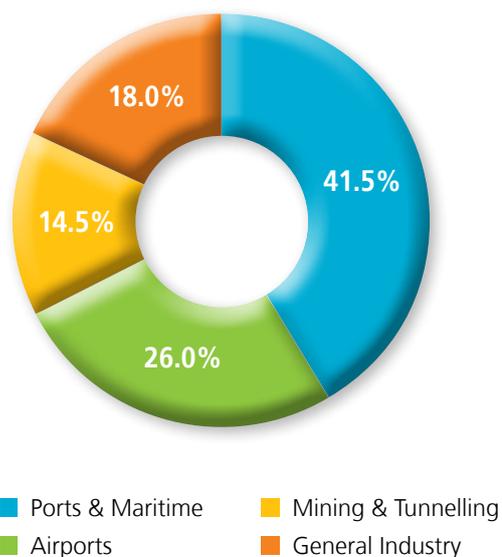
EUR 000's	Revenues			Percentage		
	1Q13	1Q12	Change %	1Q13	1Q12	Change %
Ports & Maritime	22,091	13,821	59.8%	41.5%	29.7%	11.9%
Airports	13,823	11,331	22.0%	26.0%	24.3%	1.7%
Mining & Tunnelling	7,718	9,070	(14.9%)	14.5%	19.5%	(5.0%)
General Industry	9,544	12,348	(22.7%)	18.0%	26.5%	(8.5%)
<b>Total</b>	<b>53,176</b>	<b>46,570</b>	<b>14.2%</b>	<b>100.0%</b>	<b>100.0%</b>	

EUR 000's	Order Intake			Percentage		
	1Q13	1Q12	Change %	1Q13	1Q12	Change %
Ports & Maritime	22,729	17,695	28.4%	34.5%	32.7%	1.8%
Airports	23,750	14,698	61.6%	36.0%	27.2%	8.9%
Mining & Tunnelling	7,288	10,847	(32.8%)	11.0%	20.0%	(9.0%)
General Industry	12,192	10,885	12.0%	18.5%	20.1%	(1.6%)
<b>Total</b>	<b>65,959</b>	<b>54,125</b>	<b>21.9%</b>	<b>100.0%</b>	<b>100.0%</b>	

EUR 000's	Order Book			Book/Bill ratio	
	1Q13	1Q12	Change %	1Q13	1Q12
Ports & Maritime	54,290	44,133	23.0%	1.0	1.3
Airports	39,854	35,785	11.4%	1.7	1.3
Mining & Tunnelling	6,632	9,913	(33.1%)	0.9	1.2
General Industry	11,159	11,153	0.1%	1.3	0.9
<b>Total</b>	<b>111,935</b>	<b>100,984</b>	<b>10.8%</b>	<b>1.2</b>	<b>1.2</b>



Market Units as a percentage of Revenue



## Ports & Maritime

The Ports & Maritime MU registered the highest revenue increase, up 59.8% compared to 1Q12 and contributing the most to the Group's revenue with 41.5%.

The MU also recorded an excellent order intake at EUR 22,729 thousands, an increase of 28.4% compared to the same period last year.

Order Book increased to EUR 54,290 thousands, up 23.0% compared to 1Q12.

### Accumulated Revenues

EUR 22,091 thousands

42%

### Accumulated Order Intake

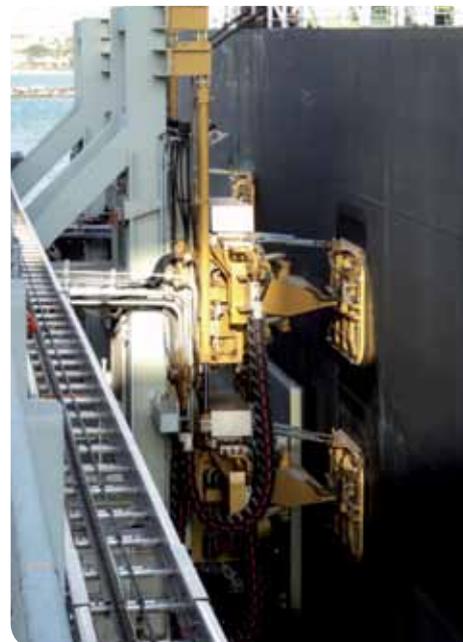
EUR 22,729 thousands

34%

### Order Book

EUR 54,290 thousands

49%



## Airports

A strong first quarter for the Airports MU with revenues amounting to EUR 13,823 thousands, up 22.0% compared to 1Q12.

The Airports MU also registered the highest order intake increase of all MUs (+61.6%), amounting to EUR 23,750 thousands.

Order Book ended at EUR 39,854 thousands, up 11.4%, with a book to bill ratio at 1.7.

**Accumulated Revenues**  
EUR 13,823 thousands



26%

**Accumulated Order Intake**  
EUR 23,750 thousands



36%

**Order Book**  
EUR 39,854 thousands



36%



## Mining & Tunnelling

Mining & Tunnelling MU's revenue amounted to EUR 7,718 thousands in 1Q13, compared to EUR 9,070 thousands in 1Q12.

The MU secured orders in the first quarter for EUR 7,288 thousands, representing 11.0% of the Group's order intake.

Order book stood at EUR 6,632 thousands in 1Q13.

**Accumulated Revenues**  
EUR 7,718 thousands



15%

**Accumulated Order Intake**  
EUR 7,288 thousands



11%

**Order Book**  
EUR 6,632 thousands



6%



## General Industry

The General Industry MU represented 18.0% of the Group's revenue in 1Q13, amounting to EUR 9,544 thousands.

The MU recorded a strong first quarter with orders amounting to EUR 12,192 thousands, up 12.0% compared to 1Q12.

Order book ended at EUR 11,159 thousands, with a book to bill ratio at 1.3.

**Accumulated Revenues**  
EUR 9,544 thousands



18%

**Accumulated Order Intake**  
EUR 12,192 thousands



18%

**Order Book**  
EUR 11,159 thousands



10%



## Consolidated Statement of Comprehensive Income

EUR 000's	Unaudited three months 31 Mar 2013	Unaudited three months 31 Mar 2012	Audited year 31 Dec 2012
Revenue from sales of goods	53,176	46,570	220,072
Other income	790	925	4,810
Raw materials and components	(29,020)	(22,123)	(110,171)
Employee benefit costs	(15,402)	(13,824)	(58,732)
Operating expenses	(7,920)	(7,591)	(34,243)
<b>Gross Operating Result</b>	<b>1,624</b>	<b>3,957</b>	<b>21,736</b>
Depreciation and amortisation	(962)	(871)	(3,758)
<b>Operating Result</b>	<b>662</b>	<b>3,086</b>	<b>17,978</b>
Non-operating costs	-	-	-
Interest expenses - net	(271)	(366)	(1,263)
Currency exchange differences - net	98	(796)	(477)
<b>Profit before income tax</b>	<b>489</b>	<b>1,924</b>	<b>16,237</b>
Income taxes	(158)	(853)	(4,045)
<b>Profit for the period</b>	<b>331</b>	<b>1,071</b>	<b>12,192</b>
<b>Other comprehensive income:</b>			
Exchange differences on translation of foreign operations	1,496	(338)	856
Actuarial gain (loss)	-	-	(30)
<b>Total comprehensive income for the period</b>	<b>1,827</b>	<b>733</b>	<b>13,018</b>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the Group	1,840	764	13,138
Non-controlling interest	(13)	(31)	(120)
<b>Total</b>	<b>1,827</b>	<b>733</b>	<b>13,018</b>
<b>Profit attributed to:</b>			
Equity holders of the Group	340	1,102	12,319
Non-controlling interest	(9)	(31)	(127)
<b>Total</b>	<b>331</b>	<b>1,071</b>	<b>12,192</b>
Basic and diluted earnings per share attributed to the equity holders of the Group	0.005	0.015	0.173
Average number of shares	71,332,700	71,332,700	71,332,700

## Consolidated Balance Sheet

EUR 000's	Unaudited 31 Mar 2013	Unaudited 31 Mar 2012	Audited 31 Dec 2012
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	13,250	12,912	10,313
Trade receivables	54,079	38,101	50,583
Tax assets	912	495	530
Other current receivables	5,073	5,851	3,596
Inventories	45,875	35,198	39,561
<b>Total current assets</b>	<b>119,189</b>	<b>92,557</b>	<b>104,583</b>
<b>Non-current assets</b>			
Property, plant and equipment	28,878	28,129	28,840
Intangible assets	68,181	65,627	67,709
Non-current financial assets	145	238	153
Deferred tax assets	8,212	3,196	7,094
Other non-current receivables	2,558	3,942	2,346
<b>Total non-current assets</b>	<b>107,974</b>	<b>101,132</b>	<b>106,141</b>
<b>Total assets</b>	<b>227,163</b>	<b>193,689</b>	<b>210,725</b>
<b>Equity and Liabilities</b>			
<b>Current liabilities</b>			
Bank overdrafts	(34)	(42)	(1,829)
Current financial liabilities	(4,757)	(4,251)	(2,911)
Trade payables	(43,859)	(36,838)	(36,973)
Other current liabilities	(17,692)	(15,937)	(19,719)
<b>Total current liabilities</b>	<b>(66,342)</b>	<b>(57,068)</b>	<b>(61,432)</b>
<b>Non-current liabilities</b>			
Non-current financial liabilities	(39,279)	(31,802)	(30,088)
Deferred tax liabilities	(4,480)	(3,249)	(4,345)
Other non-current liabilities	(1,114)	(1,542)	(885)
Provision for risks and charges	(7,270)	(4,422)	(7,146)
<b>Total non-current liabilities</b>	<b>(52,143)</b>	<b>(41,015)</b>	<b>(42,464)</b>
<b>Total liabilities</b>	<b>(118,485)</b>	<b>(98,083)</b>	<b>(103,896)</b>
<b>Equity</b>			
Equity attributable to owners of the parent	(108,780)	(95,732)	(106,939)
Non-controlling interests	102	126	110
<b>Total equity</b>	<b>(108,678)</b>	<b>(95,606)</b>	<b>(106,829)</b>
<b>Total equity and liabilities</b>	<b>(227,163)</b>	<b>(193,689)</b>	<b>(210,725)</b>

## Consolidated Statement of Changes in Equity

EUR 000's	Equity related to owners of the parent	Non-controlling interest	Total equity
<b>Unaudited</b>			
Balance as at 1 January 2012	(94,968)	95	(94,873)
Profit for the period	(1,102)	31	(1,071)
Exchange differences on translation	338	(0)	338
<b>Total comprehensive income and expenses</b>	<b>(764)</b>	<b>30</b>	<b>(734)</b>
<b>Balance as at 31 March 2012</b>	<b>(95,732)</b>	<b>126</b>	<b>(95,606)</b>
<b>Audited</b>			
Balance as at 1 January 2012	(94,968)	95	(94,873)
Profit for the year	(12,319)	127	(12,192)
Exchange differences on translation	(850)	(6)	(856)
Actuarial (gain) loss	30	-	30
<b>Total comprehensive income and expenses</b>	<b>(13,138)</b>	<b>121</b>	<b>(13,018)</b>
Capital reduction	1,167	-	1,167
Capital increase	-	(106)	(106)
<b>Transactions with shareholders</b>	<b>1,167</b>	<b>(106)</b>	<b>1,061</b>
<b>Balance as at 31 December 2012</b>	<b>(106,940)</b>	<b>110</b>	<b>(106,830)</b>
<b>Unaudited</b>			
Balance as at 1 January 2013	(106,940)	110	(106,830)
Profit for the period	(340)	9	(331)
Exchange differences on translation	(1,500)	4	(1,496)
<b>Total comprehensive income and expenses</b>	<b>(1,840)</b>	<b>13</b>	<b>(1,827)</b>
Capital increase	-	(21)	(21)
<b>Transactions with shareholders</b>	<b>-</b>	<b>(21)</b>	<b>(21)</b>
<b>Balance as at 31 March 2013</b>	<b>(108,780)</b>	<b>102</b>	<b>(108,678)</b>

## Consolidated Statement of Cash Flows - Indirect Method

EUR 000's	Unaudited three months 31 Mar 2013	Unaudited three months 31 Mar 2012	Audited year 31 Dec 2012
<b>Profit for the period</b>	<b>331</b>	<b>1,071</b>	<b>12,192</b>
<b>Adjustments for:</b>			
Net interest expenses	218	293	949
Current taxes	1,097	1,441	7,470
Depreciation and amortisation	962	871	3,758
Deferred tax	(939)	(588)	(3,425)
Provision for risks and charges	383	461	5,148
Capital gain or loss on assets	(2)	(16)	(17)
Other items not involving cash flows	203	73	305
Interest paid	(201)	(314)	(967)
Taxes paid	(2,692)	(1,195)	(5,792)
	<b>(971)</b>	<b>1,026</b>	<b>7,429</b>
<b>Cash flow before change in working capital</b>	<b>(640)</b>	<b>2,097</b>	<b>19,621</b>
<b>Impact of changes in working capital:</b>			
Inventories	(6,650)	(6,208)	(11,094)
Trade receivables	(3,569)	4,564	(8,207)
Other current receivables	(1,667)	663	2,849
Trade payables	6,886	2,889	2,995
Other current liabilities	(640)	366	4,034
Long term receivables	(213)	-	1,702
<b>Impact of changes involving working capital</b>	<b>(5,853)</b>	<b>2,274</b>	<b>(7,721)</b>
<b>Net cash inflow / (outflow) from operating activities</b>	<b>(6,493)</b>	<b>4,371</b>	<b>11,900</b>
<b>Financial activities:</b>			
Increase (decrease) of loans and borrowings	11,213	(691)	(3,868)
Capital reduction	-	-	(1,167)
<b>Net cash inflow from financial activities</b>	<b>11,213</b>	<b>(691)</b>	<b>(5,035)</b>
<b>Investing activities:</b>			
Investments in property, plant and equipment	(723)	(4,270)	(6,970)
Investments in intangible assets	(9)	(41)	(1,350)
(Increase) decrease in non-current financial assets	8	122	101
Deferred consideration	-	-	(1,516)
Increase in other assets	-	-	(2,653)
Disposal of assets	29	22	205
<b>Net cash outflow from investing activities</b>	<b>(695)</b>	<b>(4,167)</b>	<b>(12,183)</b>
Cash at the beginning of the period	8,484	12,952	12,952
Cash flow for the period	4,025	(487)	(5,318)
Currency exchange differences	706	405	849
<b>Cash at the end of the period</b>	<b>13,215</b>	<b>12,870</b>	<b>8,484</b>
<b>Cash comprises:</b>			
Cash and cash equivalents	13,250	12,912	10,313
Bank overdrafts	(35)	(42)	(1,829)
<b>Total</b>	<b>13,215</b>	<b>12,870</b>	<b>8,484</b>

## Segment information

EUR 000's	Americas	Europe & Africa	Middle East & India	Far East	Australasia SE Asia	HQ	Inter-Group elimination	Total
<b>Unaudited</b>								
<b>Three months ended 31 March 2013</b>								
Revenue from sales of goods	14,338	41,013	6,757	8,325	6,275	-	(23,532)	53,176
Other income	198	1,336	52	286	121	330	(1,533)	790
Operating expenses before depreciation and amortisation	(14,067)	(39,488)	(6,897)	(7,610)	(7,426)	(388)	23,534	(52,342)
<b>Gross Operating Result</b>	<b>469</b>	<b>2,861</b>	<b>(88)</b>	<b>1,001</b>	<b>(1,030)</b>	<b>(58)</b>	<b>(1,531)</b>	<b>1,624</b>
<b>Unaudited</b>								
<b>Three months ended 31 March 2012</b>								
Revenue from sales of goods	7,870	38,216	6,406	4,585	3,985	-	(14,492)	46,570
Other income	(58)	1,529	85	(14)	(43)	325	(899)	925
Operating expenses before depreciation and amortisation	(8,052)	(35,153)	(6,433)	(4,462)	(3,984)	(317)	14,863	(43,538)
<b>Gross Operating Result</b>	<b>(240)</b>	<b>4,592</b>	<b>58</b>	<b>109</b>	<b>(42)</b>	<b>8</b>	<b>(528)</b>	<b>3,957</b>
<b>Audited</b>								
<b>Year ended 31 December 2012</b>								
Revenue from sales of goods	40,442	168,912	24,215	30,477	37,481	-	(81,455)	220,072
Other income	663	6,625	726	164	571	1,305	(5,243)	4,810
Operating expenses before depreciation and amortisation	(42,278)	(156,162)	(24,844)	(27,720)	(35,201)	(1,693)	84,751	(203,147)
<b>Gross Operating Result</b>	<b>(1,173)</b>	<b>19,375</b>	<b>98</b>	<b>2,921</b>	<b>2,851</b>	<b>(388)</b>	<b>(1,947)</b>	<b>21,736</b>

## Parent Company - Condensed Statement of Comprehensive Income

CAVOTEC SA EUR 000's	Unaudited three months 31 Mar 2013	Unaudited three months 31 Mar 2012	Audited year 31 Dec 2012
Dividend	-	-	475
Other income	148	140	574
Employee benefit costs	(357)	(140)	(729)
Operating expenses	(200)	(186)	(1,077)
<b>Operating Result</b>	<b>(409)</b>	<b>(186)</b>	<b>(757)</b>
Non-operating costs	-	-	-
Interest expenses - net	(6)	(6)	(25)
Currency exchange differences - net	-	(1)	(24)
<b>Profit before income tax</b>	<b>(415)</b>	<b>(193)</b>	<b>(806)</b>
Income taxes	(6)	(6)	(24)
<b>Profit for the period</b>	<b>(421)</b>	<b>(199)</b>	<b>(830)</b>
Other comprehensive income:			
Actuarial gain (loss)	-	-	(4)
<b>Total comprehensive income for the period</b>	<b>(421)</b>	<b>(199)</b>	<b>(834)</b>

## Parent Company - Condensed Balance Sheet

CAVOTEC SA EUR 000's	Unaudited three months 31 Mar 2013	Unaudited three months 31 Mar 2012	Audited year 31 Dec 2012
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	-	32	(0)
Trade receivables	2	-	570
Tax assets	18	29	17
Other current receivables	156	152	3
<b>Total current assets</b>	<b>176</b>	<b>213</b>	<b>590</b>
<b>Non-current assets</b>			
Investment in subsidiary companies	98,447	100,775	98,447
<b>Total non-current assets</b>	<b>98,447</b>	<b>100,775</b>	<b>98,447</b>
<b>Total assets</b>	<b>98,623</b>	<b>100,988</b>	<b>99,037</b>
<b>Equity and Liabilities</b>			
<b>Current liabilities</b>			
Bank overdrafts	(9,034)	(10,100)	(10,916)
Current financial liabilities	(1,845)	(1,115)	-
Trade payables	(46)	(128)	(165)
Other current liabilities	(87)	(160)	(131)
<b>Total current liabilities</b>	<b>(11,012)</b>	<b>(11,503)</b>	<b>(11,214)</b>
<b>Non-current liabilities</b>			
Provision for risks and charges	(78)	(73)	(78)
Other non-current liabilities	(345)	-	(136)
<b>Total non-current liabilities</b>	<b>(423)</b>	<b>(73)</b>	<b>(214)</b>
<b>Total liabilities</b>	<b>(11,435)</b>	<b>(11,576)</b>	<b>(11,428)</b>
Equity	(87,188)	(89,412)	(87,609)
<b>Total equity</b>	<b>(87,188)</b>	<b>(89,412)</b>	<b>(87,609)</b>
<b>Total equity and liabilities</b>	<b>(98,623)</b>	<b>(100,988)</b>	<b>(99,037)</b>

**General information**

Cavotec is a global engineering group that manufactures power transmission, distribution and control technologies that form the link between fixed and mobile equipment in the Ports & Maritime, Airports, Mining & Tunnelling and General Industry sectors. All engineering and most manufacturing of Cavotec's products and systems take place at nine specialised engineering Centres of Excellence in Germany (three), Sweden, Norway, Italy, the United States (two) and New Zealand. Cavotec has fully-owned sales companies spread across the world which monitor local markets and co-operate with Cavotec's Centres of Excellence.

Cavotec SA, the Parent company, is a limited liability company incorporated and domiciled in Switzerland and listed on Nasdaq OMX in Stockholm, Sweden.

These unaudited Financial Statements have been approved by the Board of Directors for publication on 6 May 2013.

**Basis of preparation of financial statements**

This interim report was prepared in accordance with IFRS, applying IAS 34 Interim Financial Reporting. The same accounting and valuation policies were applied in the most recent annual report with the exception of new and revised standards and interpretations effective from 1 January 2013. The updated standard, IAS 19, Employee benefits, is applied from 1 January 2013 with full retroactive application. These changes have not had any impact on Cavotec's financial statements. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended in December 2012.

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

**Segment information**

There have been no relevant changes to the assets and liabilities for segment information as shown in the Annual Report for 2012.

**Noteworthy risks and uncertainties**

There have been no changes to what was stated by Cavotec in its Annual Report for 2012 under Risk management.

On behalf of the Board  
6 May 2013



**Ottonel Popesco**  
Chief Executive Officer

**Reporting dates 2013**

It is the responsibility of Cavotec Group Management to disclose any and all information that might impact the Cavotec share price to the market in a timely manner. Group Management is ultimately responsible for determining whether information will impact the Cavotec share.

The 2Q13 Quarterly Report will be published on 8 August 2013.

**Forward-looking statements**

Some statements in this report are forward-looking, and the actual outcome could be materially different. In addition to the factors explicitly discussed, other factors could have a material effect on the actual outcome. Such factors include, but are not limited to, general business conditions, fluctuations in exchange rates and interest rates, political developments, the impact of competing products and their pricing, product development, commercialisation and technological difficulties, interruptions in supply, and major customer credit losses.

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