



**MEDIA RELEASE**  
29<sup>th</sup> February 2008

**Cavotec MSL Holdings Ltd**  
**Earnings Report for announcement to the market (un-audited)**

**Reporting Period:** Twelve Months to 31 December 2007  
**Previous Reporting Period:** Twelve Months to 31 December 2006

**Revenue from ordinary activities:**  
Amount: EUR 129.993.276 (NZD 247.314.174)  
Percentage change: 16.9%

**Operating profit before finance costs and income tax (EBIT):**  
Amount: EUR 12.603.014 (NZD 23.977.424)  
Percentage change: 23.2%

**Profit/(Loss) from ordinary activities after tax attributable to security holder:**  
Amount: EUR 7.341.090 (NZD 13.996.535)  
Percentage change: 8.7%

**Net tangible assets per security**  
This reporting period: 0.267  
Previous reporting period: 0.738

**Basic earnings per share**  
This reporting period: 0.114  
Previous reporting period: 0.527

**Number of shares outstanding**  
31 December 2007: 63.632.700 (post-merger)  
31 December 2006: 12.726.540 (pre-merger)

**Interim/Final Dividend**  
A dividend of NZD 4.0 cents (approx. EUR 2.1 cents) per share in circulation is proposed

**Exchange rate**  
NZD conversion rate: 0.52562

*The amounts provided in this earnings release are subject to audit. The audit of the financial statements is almost complete. Certain information required to be disclosed in the Notes to the Financial Statements by the first time application of IFRS7 Financial Instruments: Disclosures, has taken longer to assemble from across the Group than anticipated. The audit is expected to be completed within the next few days and it is unlikely that the numbers presented in this release will differ from the final audited numbers.*

The year 2007 was the most successful in our company's history. Cavotec's revenue from operations reached a level of € 130 million (+16.9% above 2006 revenue of € 111.2 million) with an EBIT of € 12.6 million (+23.2% above the 2006 result of € 10.2 million). The operating profit (EBIT) of our Group increased by 23.2% as compared with the previous year, while consolidated net profit increased over 2007 levels by 8.7%. This is a consequence of the increase in the effective tax rate which increased from 26% to 38%. Changes in the tax legislation in China contributed some 4% (or about EUR 0.5 million) to the increase in the effective tax rate. Additionally, our historically lower effective tax rate was adversely affected by increased profit contributions from European-based Cavotec companies in high tax jurisdictions, and the final absorption of loss carry forwards in the United States.

CAVOTEC MSL

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Cavotec MSL is listed on the NZX



During the fourth quarter of 2007, management decided to sell Cavotec Gantrex Canada to the Gantry Group, a long-time partner of Cavotec, allowing us to concentrate more on our core competencies in North America. In 2008 this transaction will provide a cash flow in excess of €6.0 million, and a profit on disposal of some €2.8 million. This will provide additional resources to aid us in indentifying new acquisition targets, with the goal of bringing at least one more company into the Group within 2008.

The audited Annual Report of Cavotec MSL Holdings Ltd will be made available no later than March 7th 2008 for download from [www.cavotec.com](http://www.cavotec.com) as a PDF file. Towards the end of March shareholders will receive the Notice of AGM and a Section 209 letter, which will provide the option of requesting a printed copy of the Cavotec MSL Annual Report.

The Annual General Meeting of shareholders will be held at the Russley Golf Club Function Centre on 29 April 2008 at 11:00am. Directly after the AGM, there will be special presentations highlighting MoorMaster systems and recent developments at Cavotec Fladung. These presentations will be held by Mr. Peter Montgomery and Mr. Michael Widegren respectively. At 13:00pm shareholders are invited to a lunch courtesy of Cavotec MSL.

Peter Montgomery has advised the Board of his intention to retire as a Director of the Company at this year's AGM. Peter desires to undertake further business studies during 2009 at a Doctorate level, yet will continue in his role as Managing Director of Cavotec MoorMaster Limited until December 2008 and then, as a Director and advisor to this company from January 2009.

#### **Dividend payment**

The Board of Directors has approved that a dividend of NZD 4.0 cents (approx. EUR 2.1 cents) per share in circulation be paid. Only those registered as shareholders at Link Market Services by 12 March, 2008, the record date for dividend distribution, are entitled to dividends. The date approved by the Board of Directors for the payment of dividends is 26 March, 2008.

Dividends will normally be paid in NZD to New Zealand residents, while in EUR to non-New Zealand residents. The exchange rate conversion will be carried out based on the spot rate between NZD and EUR shown at 08.00 on 12 March 2008 on Reuter's page ASAP. Any shareholders, who would prefer to be paid in the opposite currency than given in the aforementioned rule, should contact Link Market Services before March 26, 2008.

#### **Building shareholder value**

The reverse merger between the Cavotec Group and MSL Ltd. has already created significant value for each of the companies' respective shareholders. The combination of Cavotec's fast growing and profitable business concept with the potential future development of MoorMaster automatic mooring systems has proven to be a powerful force in the marketplace.

For Cavotec MoorMaster (CMM), 2007 has been a year of incubation within the wider Cavotec MSL Group. CMM has undertaken 2 major projects within the period: 1) the extended trial of the MM600 units at the Port of Salalah, and 2) the development of a new product referred to as MoorMaster® 200C. In addition to these initiatives, CMM has continued to progress the St. Lawrence Seaway project and exciting development work with Chevron Oil. As CMM progresses into 2008, the company is confident that the previous years' efforts in research and market development will generate meaningful contribution to Cavotec MSL's near-term results.

Over the past 5 years, Cavotec MSL's turnover growth has exceeded 20% compounded annually. We believe we can continue to achieve satisfactory growth rates over the next 5 years through the further integration of our innovative technologies into our operations, continued organic growth in sales, and selective acquisitions in key market sectors. Together, along with our ongoing commitment to controlling costs and making appropriate investments in our companies as needed, we aim to sustain long-term growth and strong levels of profitability.

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#### CAVOTEC MSL

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### **The road ahead - Cavotec Outlook**

Despite the current volatility of global financial markets and concerns of an economic recession in the United States, we thus far see no indication of a contraction in our markets in 2008. On the contrary, our strength of geographical, customer and product diversity gives us the flexibility to respond to challenges like these, as evidenced by our over 30 years of consistent annual growth— and we project to continue this trend in 2008.

Stripping Cavotec Gantrex Canada out, our reported 2007 turnover would amount to €122.7 million. From these levels, we expect 2008 turnover from continuing operations to increase in excess of 10%, with higher profitability. As mentioned above, we have intentions of adding to our Group's number with acquisition activity this year and going forward, and this outlook does not include any assumptions for new acquisitions. We will provide an update to our 2008 Outlook during the AGM in April.

For further information contact:

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# Five years in a nutshell

Our results and progress are clear.  
The figures speak with conviction to show our steady growth  
and strong financial position, from every angle of analysis.

Amounts in thousands €	2007	2006	2005	2004	2003
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#### RESULT AND CASH FLOW

Revenue from operations	129.993	111.214	83.290	68.185	58.824
Operating profit before finance costs and income tax (EBIT)	12.603	10.228	5.628	4.014	3.774
Financial income/loss	(982)	(1.141)	(570)	(519)	(431)
Profit before income tax	11.661	9.174	4.957	3.501	3.425
Net Profit for the year	7.341	6.753	3.393	2.205	2.284
Cash flow from operating activities	8.085	6.889	(2.412)	3.137	5.803
Order Intake	133.667	122.849	87.795	71.216	58.445
Total investment in tangible assets	19.260	14.874	13.607	10.719	10.328

#### BALANCE SHEET

Equity (incl. conv. bonds)	55.581	23.736	14.199	14.820	12.452
Goodwill	31.582	12.846	13.101	8.121	4.943
Net interest bearing loans	17.548	15.498	17.407	7.472	790
Total assets	110.069	71.686	63.614	46.362	36.191

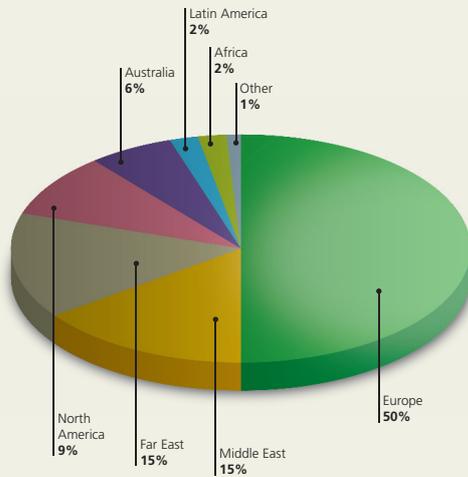
#### RATIOS

Net margin on sales/net sales	9,70%	9,20%	6,76%	5,89%	6,41%
Profit before taxation/net sales	8,97%	8,25%	5,95%	5,13%	5,82%
Net margin on sales/average capital invested	22,68%	43,09%	38,79%	29,44%	31,60%
Profit after tax/average capital invested	18,26%	35,61%	23,38%	16,17%	19,13%
Net equity (incl. conv. bonds)/total assets (solidity)	50,50%	33,11%	22,32%	31,97%	36,41%
Total debt / total capital	33,76%	56,52%	63,77%	43,91%	36,72%

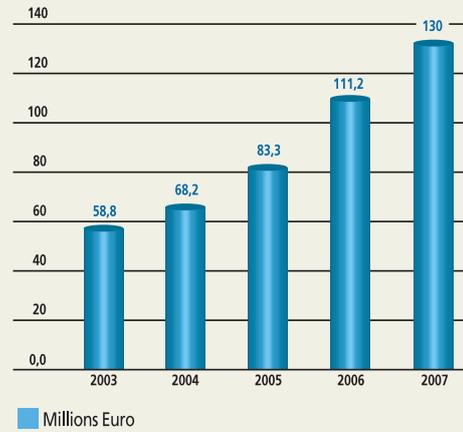
#### NUMBER OF EMPLOYEES

Number of employees at end of year	568	490	430	410	294
Average number of employees	529	460	397	396	302
Turnover per employee	245.734	241.769	209.798	172.185	194.782
Net margin per employee	23.824	22.235	14.177	10.137	12.459
Average cost per employee	61.034	59.510	38.888	34.566	37.010

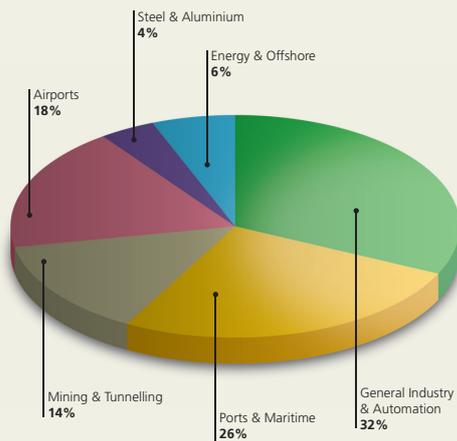
### Main Regions 2007



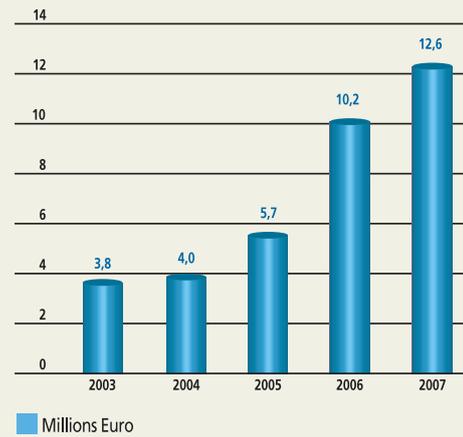
### Revenue from operations



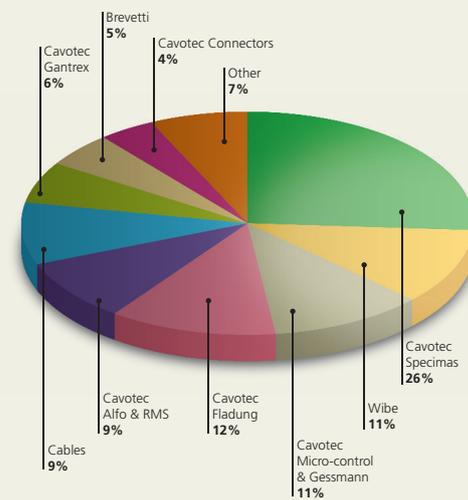
### Main Market Sectors 2007



### Operating profit before finance costs and income tax (EBIT)



### Main Product Ranges 2007



### Profit before income tax

