



Cavotec Group Holdings N.V.
Alblasserdam, the Netherlands

Press Release

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Cavotec Group Holdings NV announces merger with Mooring Systems Ltd.

Cavotec Group Holdings NV and Mooring Systems Limited (MSL) announced today shareholder approval for merging the two companies in a share for share transaction. The merged entity, Cavotec MSL Holdings Ltd., will be based in Christchurch, New Zealand, and will be listed on the New Zealand public stock exchange (NZX). With a settlement date of January 5, 2007, this transaction has an estimated value of approximately €125 million (NZD \$250 million).

MSL, a publicly-traded company based in Christchurch, New Zealand, specializes in the engineering and manufacturing of automated vacuum mooring systems for ships. In March 2004, MSL granted Cavotec with an exclusive European licensing agreement, combining MSL's technology with Cavotec's expertise in the Ports and Maritime market.

"With our respective shareholders' consent, Cavotec and MSL can now begin working together as one team and accelerate the introduction of the automated mooring system to the market," said Cavotec Group Holdings NV Chairman and CEO Stefan Widegren. "We believe that the combination of our two companies' capabilities will enhance our profile and increase shareholder value. In addition, access to public capital should assist us with future growth opportunities."

Cavotec has long been a leader in such port and maritime innovations as motorized cable reels and AMP systems, and the addition of automated mooring systems will further strengthen the company's ability to increase customer efficiencies.

"Going forward as one company, the integration of MSL with Cavotec's established global network will strengthen Cavotec's range of innovative solutions and provide MSL with resources to continue its development," said Cavotec COO Ottonel Popesco. "A commitment to providing and servicing customers with the most recent and advanced technologies remains our main goal."

Cavotec MSL Holdings Ltd. will continue to be led by Stefan Widegren as Executive Chairman and by Ottonel Popesco as Chief Executive Officer, with support coming from both Cavotec's and MSL's existing management teams.

The company will also establish a new Centre of Excellence in Christchurch, New Zealand, named Cavotec MoorMaster Ltd. Peter Montgomery, founder of MSL, will become the Managing Director of this Centre and assume responsibility for worldwide coordination of the MoorMaster product range. Additionally, Peter Montgomery, along with existing MSL board members Michael Cashin and Joe Pope, will continue their respective roles as members of the group holding company's Board of Directors.

For further information please contact us at communications@cavotec.com

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Cautionary Language Concerning Forward-Looking Statements

We have included, or incorporated by reference, in this document financial estimates and other forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These estimates and statements are subject to risks and uncertainties, and actual results might differ materially from these estimates and statements. Such estimates and statements include, but are not limited to, statements about the benefits of the merger, including future financial and operating results, the combined company's plans, objectives, expectations and intentions, and other statements that are not historical facts. Such statements are based upon the current beliefs and expectations of the management of Cavotec Group Holdings NV and Mooring Systems Ltd and are subject to significant risks and uncertainties and outside of our control.

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