1Q 2011

Cavotec - 1st Quarter Report 2011

investor@cavotec.com

CAVOTEC
Inspired Engineering

1Q11 Results

- Revenues for the quarter increased 33.1% to EUR 37.7 million (28.3)
- Operating result up 77.1% to EUR 2.1 million (1.2)
- Profit before tax amounted to EUR 1.9 million (0.5)
- Profit for the period was EUR 1.4 million (0.4)
- Basic earnings per share were EUR 0.022 (0.007)
- Order Intake for the period came to EUR 51.5 million, up 46.3% on 1Q10 (35.2)
- Order Book now stands at EUR 77.8 million, a 6.3% increase on 1Q10 (73.2) and up 17.2% on FY10 (66.4)
- Our rolling 12-month Order Intake amounted to EUR 160.5 million, up 11.3% compared to 1Q10

A comment from the CEO

MARKET UNIT PERFORMANCE

The positive momentum from 2010 continued into the first quarter of this year with good increases in sales revenues across all our market units, creating excellent conditions for further growth in the months and the years ahead. I would like to draw your attention to some key figures in the period that highlight the strength of our performance across all our Market Units.

Our Ports & Maritime unit recorded revenue of EUR 10.1 million, up 23.1% from EUR 8.2 million in 1Q10 and accounting for 26.9% of total revenues for the period. This performance represents a significant increase in activity for the Group in this sector, and, more broadly, indicates recovery in an industry sector hit harder than most during the financial crisis. As explained in greater detail below, growing acceptance of the MoorMaster™ product range has resulted in some interesting orders in the first few months of the year.

Equally impressive are the figures from our Airports Market Unit, accounting for 27.5% of total revenues, at EUR 10.4 million, up 64.3% from EUR 6.3 million in 1Q10. These figures are primarily the result of continued growth in the Middle East and Far East markets, where spending on airport infrastructure remains at consistently high levels.

Our Mining & Tunnelling unit, reporting 18.3% of total revenues for the period, also registered a strong recovery on the year, with revenue increasing 64.4% to EUR 6.9 million. The strength of this result lies for a large part in the continued growth in the commodities market and the steady resurgence of large OEMs such as Atlas Copco and Sandvik.

The General Industry Market Unit, with 27.3% of total revenues for the period, recorded an increase of 7.8% on the year to EUR 10.3 million. This unit is the most diverse in terms of sectors it serves, and as such reflects general economic sentiment across a wide range of industries. It is especially encouraging therefore to note a robust performance by this Market Unit.

LOOKING AHEAD

The continuing debt crisis in the eurozone does not seem to be dampening economic recovery, at least for now, with industrial production expected to rise slightly in the zone's major economies, mainly driven by exports and continued investment. Indicators suggest that this trend will continue well into 2Q11. The ZEW index, a leading indicator for economic activity in Germany could be down slightly moving further into April, but still consistent with the economic expansion in the country and in the eurozone as a whole. We are mindful that the current situation in Japan, North Africa and the Middle East, accompanied by a further spike in commodity prices and appreciation in the euro, could affect long-term growth.

For the US economy, the first few months of 2011 have shown a promise of recovery with rising consumption and foreign investment supporting this positive trend. Expectations of 3% growth in 2011 have now firmed up and all indicators point to this being a feasible target. The languishing labour market remains problematic, as does the potential for monetary changes in 2H2011. Fiscal policy, despite the anti-deficit stance adopted by US lawmakers, will most likely continue to disregard the difficulties in medium-term sustainability focusing instead on the short-term.

In Bahrain, we remain vigilant and monitor the situation closely. Our project for Bahrain International Airport remains on time and on budget. We have successfully overcome some minor delays and anticipate commissioning to be complete by the end of August this year. In the Middle East as a whole, recent events have not disrupted projects we are currently working on in Kuwait, Oman, Saudi Arabia and the UAE.

In India, growth is expected to remain positive with private consumption and foreign trade offsetting a slowdown in investments due to rising interest rates. Despite these macro-economic issues, India remains a key growth market for the Group, with investment ongoing to further expand our local presence.

EARNINGS AND PROFITABILITY

Operating result amounted to EUR 2.1 million thanks to an increase of 33.1% in the revenues which more than compensated the increase of employee benefit costs and operating expenses. Net financial items were EUR -0.3 million (-0.7) with the improvement coming from the lower effective interest rate and favourable exchange rate differences. Profit before tax amounted to EUR 1.9 million (0.5) while profit for the period reached EUR 1.4 million (0.4)

OPERATING CASHFLOW AND INVESTMENTS

Operating cash flow was negative in the quarter at EUR -3.0 million (-0.7) reflecting seasonality and the increase in working capital due to the higher level of activity. Investment in property, plant and equipment was EUR -1.3 (-1.8).

NET FINANCIAL POSITION

The Group's net financial position amounted to EUR 24.3 million almost unchanged compared to the same period of the previous year (24.5). The 12 months rolling leverage ratio (Net Financial Position/EBITDA) decreased from 1.90 to 1.45 while the debt/equity ratio improved from 35% to 32%.

EMPLOYEES

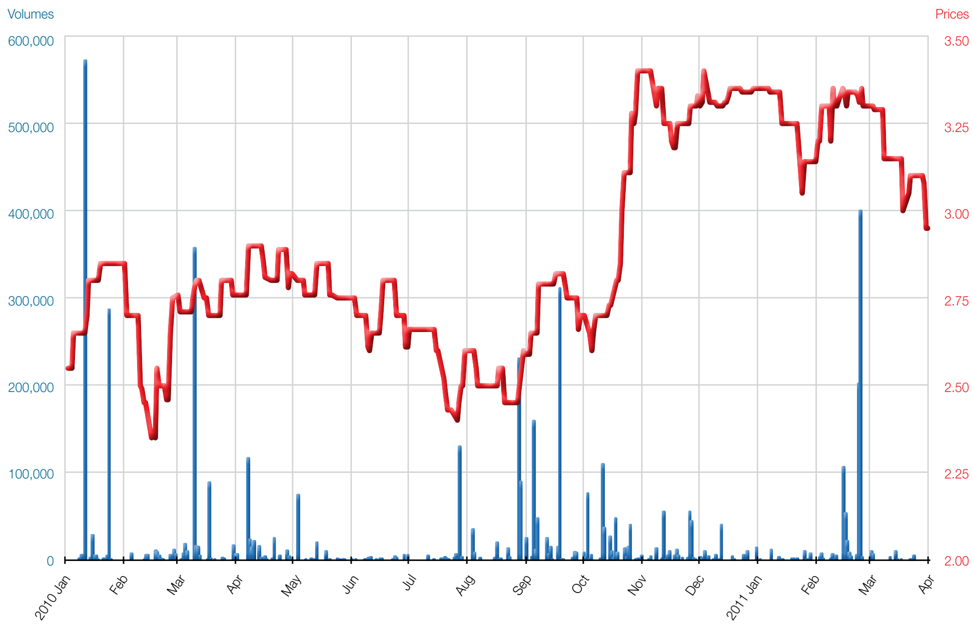
On March 31, 2011, Cavotec employed 737 people, up from 719 at December 31, 2010.

Taking all the above into account I am confident our Group, thanks to its market diversity, technical spirit and innovative mindset, will continue to flourish in the months ahead.

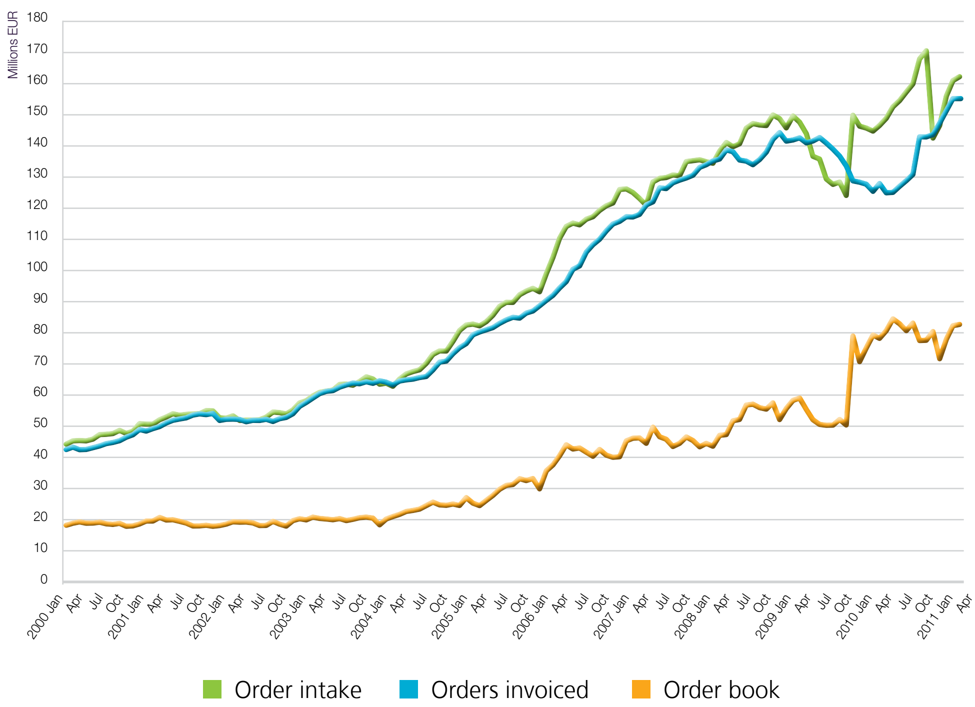
Ottonel Popesco
Chief Executive Officer

This report has not been reviewed by the company`s auditor

Cavotec MSL share price development in NZD from beginning 2010 to end 1Q11

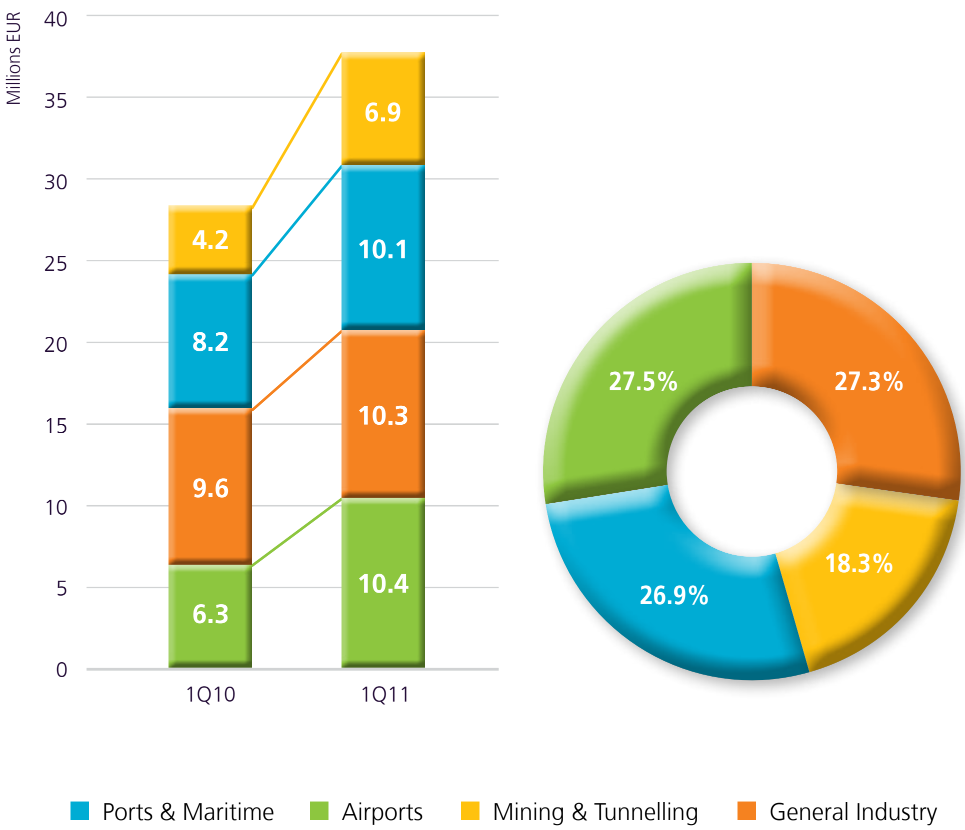


12 Months Running Turnover 2000-2011



Market Units

Millions EUR	1Q10	1Q11	Change %
Ports & Maritime	8.2	10.1	+23.1%
Airports	6.3	10.4	+64.3%
Mining & Tunnelling	4.2	6.9	+64.4%
General Industry	9.6	10.3	+7.8%
Total	28.3	37.7	+33.1%



Statement of Comprehensive Income

	Consolidated		
	1Q11	1Q10	Change
Revenue from sales of goods	37,718,093	28,334,388	33.1%
Other income	910,607	322,131	182.7%
Raw materials and change in inventory	(18,255,468)	(12,595,414)	44.9%
Employee benefit costs	(11,332,943)	(9,275,349)	22.2%
Operating expenses	(6,100,448)	(4,815,497)	26.7%
Gross Operating Result	**2,939,841**	**1,970,259**	**49.2%**
Depreciation and amortisation	(794,850)	(758,986)	4.7%
Operating Result	**2,144,991**	**1,211,273**	**77.1%**
Net financial costs	(261,489)	(713,055)	-63.3%
Profit before income tax	**1,883,502**	**498,218**	**278.0%**
Income taxes	(492,247)	(60,872)	708.7%
Profit for the period	**1,391,255**	**437,346**	**218.1%**
Other comprehensive income:			
Exchange differences on translation of foreign operations	(1,842,764)	2,485,433	-174.1%
Fair value adjustment: to available for sale financial assets	-	-	-
Total comprehensive income for the period	**(451,509)**	**2,922,779**	**-115.4%**
Total comprehensive income attributable to:			
Equity holders of the Group	(402,873)	2,915,933	-
Minority interest	(48,636)	6,846	-
Total	**(451,509)**	**2,922,779**	-
Profit / (loss) attributed to:			
Equity holders of the Group	1,414,440	451,308	-
Minority interest	(23,185)	(13,962)	-
Total	**1,391,255**	**437,346**	-
Basic and diluted earnings per share attributed to the equity holders of the Group	0.022	0.007	-

Balance Sheet

	Consolidated		
Assets	**31 Mar 2011**	**31 Mar 2010**	**31 Dec 2010**
Current assets			
Cash and cash equivalents	13,454,219	13,083,926	12,203,021
Trade receivables	29,255,250	26,191,058	31,298,002
Other current receivables	4,093,731	5,255,208	3,356,058
Inventories	28,385,097	23,958,368	28,580,569
Assets held for sale	-	606,879	-
Total current assets	75,188,297	69,095,439	75,437,650
Non-current assets			
Property, plant and equipment	20,741,714	15,192,294	20,259,600
Intangible assets	49,951,442	50,745,023	50,739,096
Non-current financial assets	315,496	-	429,005
Deferred tax assets	1,922,890	923,825	1,181,334
Other non-current receivables	281,536	533,000	275,980
Total non-current assets	73,213,078	67,394,142	72,885,015
Total assets	148,401,375	136,489,581	148,322,665
Liabilities	**31 Mar 2011**	**31 Mar 2010**	**31 Dec 2010**
Current liabilities			
Bank overdrafts	-	(374,491)	-
Current financial liabilities	(3,600,325)	(4,811,138)	(3,558,836)
Trade payables	(18,914,226)	(16,549,710)	(23,645,263)
Other current liabilities	(9,182,938)	(8,980,098)	(10,082,369)
Total current liabilities	(31,697,489)	(30,715,437)	(37,286,468)
Non-current liabilities			
Non-current financial liabilities	(34,132,397)	(32,367,345)	(28,318,940)
Deferred tax liabilities	(2,970,297)	(1,756,216)	(2,698,045)
Other non-current liabilities	(1,400,395)	(163,510)	(43,501)
Provision for risks and charges	(2,507,117)	(1,963,678)	(2,471,658)
Total non-current liabilities	(41,010,206)	(36,250,749)	(33,532,144)
Total liabilities	(72,707,695)	(66,966,186)	(70,818,612)
Net assets	75,693,680	69,523,395	77,504,053
Equity	**31 Mar 2011**	**31 Mar 2010**	**31 Dec 2010**
Contributed equity	(42,577,669)	(42,577,669)	(42,577,669)
Currency exchange reserve	1,221,691	(57,817)	(595,623)
Available for sale reserve	-	-	-
Retained earnings	(34,038,679)	(26,613,978)	(33,983,103)
	(75,394,657)	(69,249,464)	(77,156,395)
Minority interest part of equity	(299,023)	(273,931)	(347,658)
Total equity	(75,693,680)	(69,523,395)	(77,504,053)
Total equity and liabilities	(148,401,375)	(136,489,581)	(148,322,665)
Net tangible asset per share	0.405	0.295	0.421

Statement of Changes in Equity

	Consolidated		
	31 Mar 2011	31 Mar 2010	31 Dec 2010
Opening balance	(77,504,053)	(67,613,123)	(67,613,123)
Profit for the period	(1,391,255)	(437,346)	(8,005,717)
Exchange differences on translation	1,842,764	(2,485,433)	(3,465,353)
Fair value adjustment - to availble for sale financial assets	-	-	466,273
Dividends	1,358,864	1,012,507	1,113,867
Closing balance	(75,693,680)	(69,523,395)	(77,504,053)

Segment information

Period ended 31 March, 2011

	Americas	Europe & Africa	Middle East	Far East	Australasia SE Asia	Inter-Group elimination	Total
Revenue from sales of goods	3,658,766	31,297,935	6,622,014	3,746,552	7,530,583	(15,137,757)	37,718,093
Operating expenses before depreciation and amortisation	(3,384,622)	(31,373,533)	(6,607,765)	(3,790,338)	(7,432,720)	16,900,119	(35,688,859)
Gross Operating Result	252,859	956,696	190,905	(85,465)	211,370	1,413,476	2,939,841

Period ended 31 March, 2010

	Americas	Europe & Africa	Middle East	Far East	Australasia SE Asia	Inter-Group elimination	Total
Revenue from sales of goods	1,909,414	22,672,823	4,353,372	2,106,581	8,235,259	(10,943,061)	28,334,388
Operating expenses before depreciation and amortisation	(2,301,504)	(22,342,690)	(3,620,192)	(2,173,522)	(7,473,767)	11,225,415	(26,686,260)
Gross Operating Result	(256,249)	791,923	769,379	(82,081)	929,264	(181,977)	1,970,259

Statement of Cash Flows

Operating activities	Consolidated three months 31 Mar 2011	three months 31 Mar 2010
Cash was provided from:		
Receipts from customers	39,321,500	33,974,626
Interest received	13,672	227,430
Total cash inflows	39,335,172	34,202,056
Cash was applied to:		
Payment to suppliers	28,804,769	23,672,909
Payment to employees	12,567,339	10,006,042
Income tax and VAT paid	710,785	804,728
Interest paid	269,572	482,448
Total cash outflows	42,352,465	34,966,127
Net cash inflow from operating activities	(3,017,292)	(764,071)

Financing activities	three months 31 Mar 2011	three months 31 Mar 2010
Borrowings	6,134,261	11,232,888
Repayment of loans	(265,928)	(2,208,294)
Dividends paid	-	(1,113,867)
Unrealised exchange difference	(228,994)	288,007
Net cash inflow / (outflow) from financial activities	5,639,339	8,198,734

Investing activities	three months 31 Mar 2011	three months 31 Mar 2010
Purchase of intangible assets	(56,672)	(53,830)
Purchase of property, plant and equipment	(1,412,877)	(1,700,900)
Other investing activities	173,017	(19,506)
Net cash inflow / (outflow) from investing activities	(1,296,533)	(1,774,236)
Net (decrease) / increase in cash held	1,325,514	5,660,427
Cash at beginning of period	12,203,022	6,508,501
Currency exchange differences	(74,317)	540,507
Cash at end of the period	13,454,219	12,709,435
Cash comprises:		
Cash and cash equivalents	13,454,219	13,083,926
Bank overdrafts	-	(374,491)
Total	13,454,219	12,709,435

Statement of Comprehensive Income

	Parent		
	1Q11	1Q10	Change
Other income	81,432	76,883	5.9%
Operating expenses	(204,744)	(68,961)	196.9%
Gross Operating Result	**(123,312)**	**7,922**	**-1656.6%**
Depreciation and amortisation	(16,060)	(10,200)	57.5%
Operating Result	**(139,372)**	**(2,278)**	**6019.1%**
Net financial costs	(137,164)	14,667	-1035.2%
Profit for the period	**(276,536)**	**12,389**	**-2332.2%**

Balance Sheet

	Parent		
Assets	31 Mar 2011	31 Mar 2010	31 Dec 2010
Total current assets	156,108	367,138	84,044
Total non-current assets	103,432,583	102,121,351	112,628,832
Total assets	**103,588,691**	**102,488,489**	**112,712,876**
Liabilities	31 Mar 2011	31 Mar 2010	31 Dec 2010
Total current liabilities	(1,940,127)	(2,002,459)	(1,700,410)
Total non-current liabilities	(1,394,245)	(138,899)	(61,872)
Total liabilities	**(3,334,372)**	**(2,141,358)**	**(1,762,282)**
Net assets	**100,254,319**	**100,347,131**	**110,950,594**
Equity	31 Mar 2011	31 Mar 2010	31 Dec 2010
Total equity	(100,254,319)	(100,347,131)	(110,950,594)
Total equity and liabilities	**(103,588,691)**	**(102,488,489)**	**(112,712,876)**

Statement of Changes in Equity

	Parent		
	31 Mar 2011	31 Mar 2010	31 Dec, 2010
Opening balance	(110,950,594)	(97,351,069)	(97,351,069)
Profit for the period	276,536	(12,389)	38,592
Exchange differences on translation	9,060,876	(3,996,181)	(14,661,898)
Dividends	1,358,864	1,012,507	1,023,781
Closing balance	**(100,254,319)**	**(100,347,131)**	**(110,950,594)**

Statement of Cash Flows

	Parent	
	three months 31 Mar 2011	three months 31 Mar 2010
Net cash inflow from operating activities	(104,630)	(77,431)
Net cash inflow / (outflow) from financial activities	(159,451)	(683,882)
Net cash inflow / (outflow) from investing activities	(27,722)	(79,901)
Cash at end of the period	**(1,671,086)**	**(1,451,803)**

Ports & Maritime

Our Ports & Maritime Market Unit saw a rapid growth in orders during 1Q, reflecting the continued return of confidence in the global ports industry. We are experiencing a favourable climate across the market as our customers look to improve safety, operational efficiency and meet increasingly strict environmental standards. Our expertise in innovative systems that deliver on these critical requirements has been a prime driver of activity for the period, as indeed we believe it will continue to be in the years ahead.

The success that flows from our capacity to innovate is perhaps best demonstrated by the growing acceptance by ports, shipping lines and the industry as a whole of our automated mooring technology, MoorMaster™. In February, we received another major order for the system under which 12 MM200D units are to be installed at an iron ore facility at the Port of Geraldton in Western Australia. We are also currently working with several other potential customers on adapting the technology to a variety of applications. To date, MoorMaster™ has performed some 40,000 mooring operations at Ro/Ro, container, bulk handling and lock applications with a 100% safety record.

Our shore-to-ship power system – Alternative Maritime Power (AMP) – also saw several positive developments during the quarter. We received an order to supply AMP cable reels that will power container vessels calling at the Port of Los Angeles. We also received an order for shore power vault covers and outlet enclosures for the Port of Oakland. The Port of Prince Rupert on the west coast of Canada also continued to introduce AMP systems during the period.

Our performance in growth markets such as China and India remained robust in 1Q. We were delighted to register our largest cable and cable reel order to date in India for shore-to-ship cranes at Karaikal Port on the east coast of the country. Also at Karaikal, we will be supplying cable reels fitted with frequency drive systems and Tratos cables.

Meanwhile, we further augmented our position as a valued OEM supplier. China's ZPMC confirmed orders for a total of more than 30 power and spreader reels for shore-to-ship cranes at ports in Abu Dhabi, Australia, China and Colombia.

Another OEM customer, Mitsui of Japan, ordered four sets of high voltage cable reels, high voltage cables and festoon cables for shore-to-ship cranes at Westports Malaysia. This project follows similar orders from ZPMC in 2010 for the same port.

And in Canada, we received an OEM order from EMS Tech for two large cable reels and associated cables for a crane application in Indonesia. This order is the second in what will likely be a series for this customer.

Our patented Panzerbelt power cable system for shore-to-ship cranes recorded an impressive quarter with orders for a total of more than seven kilometres of cable at ports in Germany, Greece, Italy, the Netherlands, Jamaica, Kuwait, Abu Dhabi and the Philippines. Panzerbelt is now in operation at more than 800 applications around the globe.

And in the Netherlands, Cavotec will supply cables and Brevetti rotating chain systems and containment frames for two offshore mast cranes destined for the Chinese energy sector. We also received an order for more than 35 Brevetti M60 double chain units and cables for use on automated stacking cranes at a container handling application.

Some of our major customers in this segment:

ABB

Aker

APMT

Cargotec

China Harbour Engineering

Dalian Huarai

DP World

Eurogate

Konecranes

MSC

National Oilwell Varco

Odim

Port of Los Angeles

Port of Long Beach

Port of Salalah

Pireaus Port

PSA

SLSMC

ZPMC

Airports

Our Airports Market Unit extended its strong performance in 2010 into the first quarter with substantial orders at applications in Asia, the Middle East, Europe and the US. As new airports are built in developing markets and many existing airports in mature markets seek to upgrade existing facilities to accommodate new aircraft types and meet environmental targets, we anticipate growth for this unit to remain positive going forward.

At London's Heathrow Airport, we will be upgrading electrical power facilities and deliver new systems ahead of the arrival of the Airbus A380 and the Boeing 787 Dreamliner aircraft. This order includes cable crocodiles, converter caddies, power units and installation cable.

Remaining in Europe, we are to supply refuelling pantographs, dispensing ends and swivel joints for nine dispenser trucks for Schiphol Airport, in the Netherlands and 17 fuelling pits for Geneva International Airport. And in Turkey, we received an order for utility pits at Sabiha Gökçen Airport in Istanbul.

We have also seen encouraging developments in the Middle East market, with two orders for more than 10 fuelling stands in the 1Q period, bringing the total number of these units supplied to applications in the Middle East in the past 12 months to more than 100. These units are primarily for use at airports in Dubai, Abu Dhabi and Oman.

We also registered significant orders in the 1Q period for the Muscat International Airport development project, where we will be supplying fuel hydrant pits for the airport's fuel farm. The capacity of our fuel pit units, coupled to their uniquely easy opening covers and their sand- and waterproofing provided a vital edge over rival suppliers during the evaluation and final selection processes. This follows earlier orders for the project for related apron services such as Cavotec 400Hz power supply and preconditioned air pop-up pits.

In Pakistan, at Benazir Bhutto International Airport, we are to supply over 50 hydrant pits and valve chamber high point vent/low point drain pits and related materiel.

We also experienced stronger demand in the US market, with several orders during the period. We are supplying 33 hatch assemblies for San Francisco's Oakland International Airport's East Ramp parking area, supporting the Port of Oakland's sustainability initiatives at the airport.

We also registered significant progress in the US market with orders for several aircraft utility hatches for Lockheed Martin and fuel system assemblies for use at Los Angeles International Airport. We are to supply utility pit assemblies to Gulfstream Aerospace's manufacturing centre in Savannah, GA, and we are also in the process of delivering utility hatches for Boeing's production facilities in the states Washington and South Carolina respectively.

In China, we continue to expand our strong position with projects for fully integrated ground support systems at five airports across the country including the new Kunming Airport in southern China.

Some of our major
customers in this segment:

Anchorage Airport

Bahrain Airport

Boeing Corporation

Cargolux

ClaVal

Dubai Airport

Emte Sistemas

Frankfurt Airport

Gamuda

Gatwick International Airport

Heathrow International Airport

Lufthansa

Munich Airport

New Delhi Airport

Oslo Airport

Shanghai Airport

Siemens

Saudi Oger

Mining & Tunnelling

Our Mining & Tunnelling Market Unit recorded the strongest performance of our four units for the period, reporting a substantial increase in demand on the year.

As investments in the global mining sector maintained levels seen in 2010, we continued to register a substantial amount of orders – large and small – throughout the quarter. Sales of our range of mining products, services and after-sales expertise continued to increase in both mature and emerging markets. The bulk of these projects were for our OEM customers, often major mining groups in the industry such as Atlas Copco, Krupp and Sandvik, with whom Cavotec enjoys solid, long-term relationships.

On the tunnelling side, the quarter saw a series of interesting orders for projects with leading tunnelling group Herrenknecht. In Georgia we are to supply 20kV cable reels for a road traffic-tunnelling project. In Ireland we received an order for several 20kV cable reels for a utility tunnelling project, and in the UK we are to deliver multiple 11 kV cable reels for a similar utility tunnelling application.

Elsewhere, we received an order from Maschinen & Stahlbau Dresden, a division of Herrenknecht, for cable reels that will be used on a top bridge crane.

We also registered an encouraging lift in demand in the Americas. We were awarded a contract to support a road traffic-tunnelling project in Peru with power connectors and power units. We continued to develop our presence in Brazil with the establishment of a dedicated sales company based there during the period, a market with huge potential for Cavotec. We are already working with Sandvik Brazil and received an order for Cavotec connectors in the quarter.

We also expanded our existing manufacturing and service offerings in the Far East and Australia and South East Asia. We anticipate that the Mining & Tunnelling Unit is well placed to grow as these markets expand. For example, leading international mining group Rio Tinto, ordered several Cavotec cable reels, hose reels and related cable for one of their ongoing projects.

As demand in the segment increases, so does the need for equipment that ensures the safe, efficient supply and distribution of electrical power. This trend, coupled with moves to implement stricter safety standards and moves to greater automation in the industry, indicate this segment is set for further growth in 2011 and in coming years.

Some of our major
customers in this segment:

Atlas Copco
Bals
BHP Billiton
Blumenbecker Automation
Herrenknecht
LKAB
Pilbara Iron
Rambooms
Robbins
Sandvik
Thyssenkrupp
WHBO

General Industry

Our General Industry Market Unit is our most diverse business unit, covering a wide variety of applications. As economic activity continued to stabilise during the period, we registered an extension of the growth we saw throughout 2010. During the 1Q period, the unit further established its reputation for designing and manufacturing advanced power distribution and automation solutions to highly specialised, niche applications.

In the US, we recorded an extremely encouraging order in the oil recovery sector – something with the potential to pave the way for many similar projects in the coming years, as interest in such equipment continues to grow. As part of this order we are supplying MC-36Ex explosion-proof radio remote control (RRC) units, base units and several hose reels that will be used for controlling large hose reels and several types of oil skimmer. Interest in our other radio remote control products in the US market grew steadily throughout the quarter.

Also in the US, we are engaged in development work on cable reel mechanisms for electric car recharging stations. Although at an early stage of development our estimation is that this project has substantial potential for the future.

Indicating our established presence on the Chinese market, we secured a major order for power connectors from transportation manufacturer Bombardier for 'bullet' trains on China's rapidly growing high-speed rail network. We are to supply a total of more than 1440 plug and socket units for 70 trains that will serve the Shanghai-Beijing route. The project is scheduled for completion in 2014.

We also noted steady growth throughout the period in India, with this unit seeing, amongst others, substantial orders for Cavotec Alfo spring reels in the communications sector.

In a prime example of how our engineers continue to develop fresh innovations for our customers, we designed a unique centre swivel slipring unit for hydraulic oil, power and signal rings for use on electrified bulk handling cranes that operate on rails, tracks and tyres. Two units were ordered during the period, with an order for a further ten units expected in the months ahead.

Our expertise as a specialised equipment supplier was highlighted during the period with an order placed in the UK to supply more than 20 explosion proof RRC units that will be used to operate cranes.

In the Swedish market, we received an order for high voltage (12kV) power connectors to be used on a crane application at the Port of Piteå in northern Sweden. And in Austria, we received a similar order for use on Liebherr cranes.

Illustrating the diversity of our customer base, 1Q11 also saw an order in the Netherlands for collector units for sliprings that transmit data, power and signals for rotating cattle milk stands for applications all over the world. Another good example of this diversity is an order from a European fairground attraction manufacturer for several types of slipring collectors and RRCs for amusement rides. Similar to the previous order, the end users of these products are located across the globe.

Some of our major customers in this segment:

ABB

Alimak

Arcelor – Mittal

Al Habtoor

Costain

Fisia Italimpianti

GE International

Konecranes

Liebherr

Linde

Manitowoc

Palfinger

Rocktec

Siemens

Terex

Vahle

Reporting dates 2011

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.

Reporting date for 1H11 Interim Report:
The 1H11 Interim Report will be published on 24 August 2011.

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.

Analysts & Media

For more information please contact:

Michael Scheepers
Director, Investor Relations & PR
Telephone: +41 91 911 40 10
Mobile: +41 79 502 40 10
Email: investor@cavotec.com

To find out more about Cavotec, visit our website at www.cavotec.com. For updates on Cavotec projects, technologies and industry news, take a look at our blog (blog.cavotec.com), or follow us on Facebook and Twitter (www.twitter.com/CavotecGroup).

investor@cavotec.com

Cavotec MSL Holdings Ltd.
Cavotec Swiss
Via Balestra 27
6900 Lugano
Switzerland
Telephone: +41 91 911 40 10
Facsimile: +41 91 922 54 00
Website: www.cavotec.com

investor@cavotec.com

Inspired Engineering