Cavotec – 4th Quarter Report 2012 and full year 2012 summary

4Q 2012

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Inspired Engineering

- Accumulated revenues amounted to EUR 220,072 thousands in 2012, an increase of 15.8% compared to 2011 (189,969)
- Adjusted operating result[1] increased 51.6% to EUR 21,494 thousands (14,174)
- Order intake for the last twelve months rolling reached EUR 224,984 thousands
- Order book at 31 December 2012 stood at EUR 99,145 thousands, up 4.3% compared to 2011 (95,042)
- Record cash flow generation, with operating cash flow of EUR 11,900 thousands
- Earnings per share increased 93% to EUR 0.173 (0.089)
- The Board of Directors proposes a dividend of CHF 0.05 per share (0.02)

A comment from the CEO

Cavotec continued to deliver consistent results through the past quarter, building on the positive trend set over the preceding 2012 quarters. The cornerstone for this strong performance has been the commitment throughout the whole Group to make 2012 a record year for Cavotec.

An important part of this commitment was to continue working in close partnership with our customers, developing innovative systems to meet their specific requirements. Underlining this strategy are the orders received in 4Q12 for some of our flagship technologies such as MoorMaster™ and for advanced ground support equipment from Cavotec INET in the US. During the quarter we also concluded the official handover of the PCAir project in Bahrain. The acquisition of ground support equipment manufacturer Combibox provided us a foothold in several new geographical areas, providing new market potential for our products and systems. On an organic basis we delivered a solid top line and profitability in a challenging market environment.

We continued our initiatives to maximise our own operational efficiency. A key aspect of this process were the significant actions taken in Germany to streamline production capacity and tailor our product range to reflect shifts in some of our markets. These steps will allow us to continue to deliver optimal performance more consistently across our operations in Germany and, by extension, throughout our Group.

Our sustained focus on the key long-term drivers of our business, such as the growing need for automation, increased demands for operational efficiency, and a continued drive towards environmental sustainability all continue to be fully relevant and show promising growth opportunities ahead. Looking at the short-term, question marks remain regarding the rate of growth in Europe and US and the effect this will have on the other economies around the world. We continue to have relatively low end-customer exposure to Europe, with both the US and BRIC countries showing a growing trend.

Despite macroeconomic headwinds in recent years, we have consistently demonstrated our ability to compete successfully and to maintain growth targets for both revenues and earnings. Thanks to our solid financial performance throughout the quarter and our solid cash generation, we are now in a position to propose an increase in shareholder remuneration.

[1] Operating result adjusted for special items

LOOKING AHEAD

Although there remains uncertainty in the short-term regarding global economic growth, we are in a strong position thanks to our solid order book – EUR 110.4 million as of January 2013 – our broad product range and our extensive geographic scope enabling us to capitalise on profitable growth opportunities in the period ahead.

Looking at our Market Units we can expect continued growth to come from our Ports & Maritime MU with interesting prospects for MoorMaster and AMP technologies, combined with a renewed focus on less mature markets such as E-RTGs. The offshore industry is set to continue its significant growth seen in 2012.

Similarly, our Airports MU stands to build on its substantial 2012 growth, mainly thanks to the on-going development of our complete system offering, significantly boosted by the addition of the INET product range.

The mining industry in general is set for a tough year ahead, especially with regards to the hard rock mining sector. As a consequence our Mining & Tunnelling MU will focus on further developing our presence in the open pit mining industry and related areas to compensate this trend.

Our General Industry MU will remain mostly stable compared to last year with a decrease in activity for cranes and robotics sectors offset by significantly increased activity in land rigs and defence.

We remain fully committed to the financial targets established at the time of our listing. The on-going initiatives to improve our margins have seen considerable progress despite pressure from several exceptional items, which we fully expect not to see repeated in 2013.

A strong emphasis will remain on driving forward cost savings and productivity improvements at our Centres of Excellence and other production facilities, while safeguarding our ability to deliver the best-in-class performance expected by our customers. We will continue to explore opportunities to develop our service revenues, secure the synergies from recent acquisitions, and deliver higher return on investments.

We have seen some excellent achievements this past year and I'm confident that 2013 will see a continuation of this positive trend.

THE REGIONS

The Americas increased revenues in FY12 by 52.9% to EUR 40,442 thousands, with both Ports & Maritime and Airports registering an increase more than 65% each. The new production facility in USA Inc. and the integration with the INET operations also contributed to the strong performance for the region. Despite the on-going litigation negatively affecting the Gross Operating Result, the underlying profitability was good. Order Book ended at EUR 23,433 thousands, an increase of 36.7% compared to FY11.

The Europe & Africa region posted a very strong performance in 2012, with revenues amounting to EUR 168,912 thousands. This increase represents a total growth of 25.4%, with a positive trend in activity registered in all four market units. Gross Operating Result reached EUR 19,375 thousands, an exceptional growth of 147.3% compared to FY11.

The main contributing factors to this growth are the strong results from our activities in Scandinavia and UK, and the re-export of our products and systems by OEMs to BRIC and other non-European countries, mainly thanks to the specification of our equipment through our global sales network. Order Book for the MU stands at EUR 54,996 thousands.

Middle East & India´s revenues amounted to EUR 24,215 thousands in FY12, a slight decrease compared to FY11 partially offset by an increase of day-to-day business with 31.7%. Despite the lack of larger projects in the region, the Order Book increased throughout the year by 6.6%, ending at EUR 22,427 thousands. Book to bill ratio reached 1.1.

Australasia increased revenues by 22.3% to EUR 37,481 thousands. This increase mainly comes from our activities in the mining sector and the delivery of MoorMaster™ units for projects in Australia. Gross Operating Result amounted to EUR 2,852 thousands, a decrease compared to FY11 due to more project-based revenues. Order Book ended at EUR 12,243 thousands.

The Far East registered a strong performance for the year with revenues totalling EUR 30,477 thousands, up 12.8% compared to FY11. The region had the largest increase in order intake, 37.8%, with the increase of activity in Hong Kong the main contributor to this positive development. Order Book reached EUR 31,560 thousands, up 91.4% compared to FY11 and with a book to bill ratio at an exceptional 1.5.

REVENUES, EARNINGS AND PROFITABILITY

Quarterly results

Revenues increased by 11% to EUR 66,884 thousands in 4Q12 compared to the record EUR 60,239 thousands in the same period of last year. Operating result amounted to EUR 7,220 thousands, more than double compared to 4Q12. Excluding the EUR 1,494 thousands cost related to the restructuring of the German operations and the on-going litigation, adjusted operating result reached EUR 8,714 thousands compared to EUR 4,340 in 4Q11.

Financial items were higher compared to the same period last year due to negative exchange fluctuation, which was only partly offset by lower interest expenses. The tax rate in the period was 17.3% benefitting from positive movements of deferred tax assets. Net profit reached EUR 5,958 thousands compared to a loss of EUR 566 thousands in 4Q11.

Full-year results

Revenues in 2012 amounted to EUR 220,072 thousands (189,969) a 6.8% organic growth rate; acquisitions contributed 3.5% while the positive currency effect was 5.5%.

Adjusted operating result increased to EUR 21,494 thousands resulting in an operating margin of 9.8% compared to 7.5% in 2011. Operating result increased by 41.7% in 2012 to EUR 17,978 thousands against EUR 12,684 thousands in 2011.

CASH FLOW
Operating cash flow for the quarter amounted to EUR 2,085 thousands, compared to negative 4,780 thousands in 4Q11. Year to date, operating cash flow totalled EUR 11,900 thousands a significant improvement compared to 2011 (5,164). Financial activities amounted to negative EUR 5,036 thousands following decreased borrowing and the payment of capital reduction. Cash flow from investing activities was negative at EUR 12,183 thousands due to investments in the expansion of the manufacturing facilities, the acquisition of CombiBox and the payment of the first tranche of the Inet earn-out.

NET DEBT
Net debt increased to EUR 24,511 thousands compared to EUR 24,068 thousands at the end of third quarter (FY11: EUR 23,708). Twelve months rolling leverage ratio (Net Debt/ EBITDA) ended at 1.13 (FY11: 1.38) and debt/equity ratio decreased to 22.9% from 25.0% at the end of 2011.

At the beginning of 2013, the Group secured a EUR 15,000 thousands increase of the existing syndicated loan facility expiring in 2016 at the same conditions.

EMPLOYEES
On 31 December 2012, Cavotec employed 890 full time equivalent people, a decrease of 6 compared to 31 December 2011.

Special items

EUR 000's	4Q12	4Q11	FY12	FY11
Operating Result	7,220	3,102	17,978	12,684
Litigation costs	50	-	1,810	-
Restructuring costs	1,444	572	1,706	572
Acquisition costs	-	47	-	299
Impairment losses	-	619	-	619
Adjusted Operating Result	8,714	4,340	21,494	14,174

The litigation costs are the costs sustained from the on-going litigation with Mike Colaco.

Restructuring costs are the costs incurred due to the actions taken in Germany to streamline production capacity and tailor our product range to reflect shifts in some markets.

Revenue from sales of goods and growth

	Revenues			
EUR 000's	4Q12	4Q11	FY12	FY11
Revenue from sales of goods	66,884	60,239	220,072	189,969
Increase/decrease	6,645	20,281	30,103	45,009
Percentage change	11.0%	50.8%	15.8%	31.0%
Of which				
- Volumes and prices	5.9%	40.4%	6.8%	26.6%
- Acquisitions/divestments	0.1%	11.1%	3.5%	4.5%
- Currency effects	5.0%	-0.7%	5.5%	-0.1%

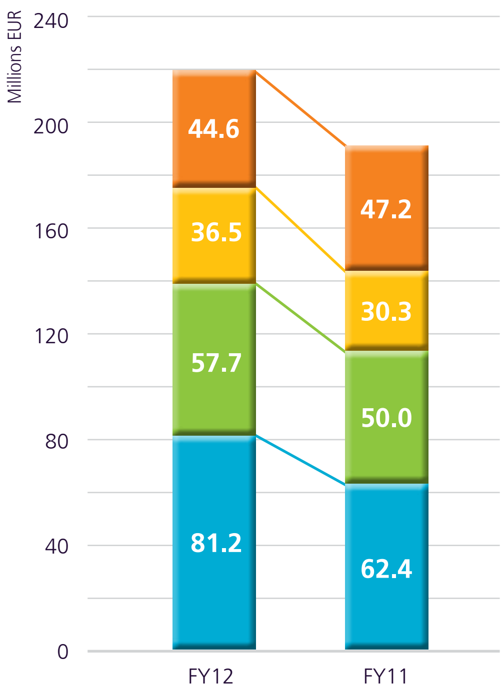
	Order Intake			
EUR 000's	4Q12	4Q11	FY12	FY11
Order Intake	61,113	53,251	224,984	215,876
Increase/decrease	7,862	20,792	9,108	71,696
Percentage change	14.8%	64.1%	4.2%	49.7%
Of which				
- Volumes and prices	10.0%	51.6%	-3.3%	38.7%
- Acquisitions/divestments	0.8%	12.3%	2.0%	11.2%
- Currency effects	4.0%	0.2%	5.5%	-0.2%

Market Units

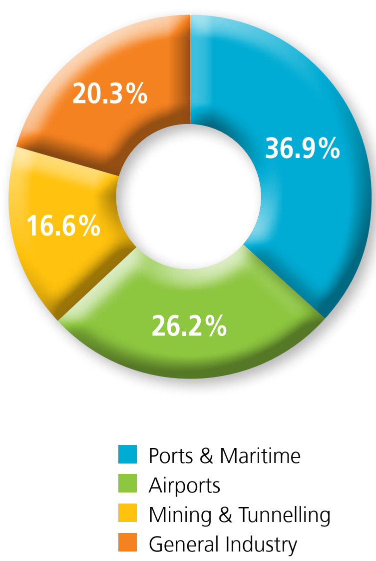
EUR 000's	Revenues 4Q12	4Q11	Change %	FY12	FY11	Change %
Ports & Maritime	28,245	20,802	35.8%	81,220	62,441	30.1%
Airports	19,125	18,224	4.9%	57,692	49,988	15.4%
Mining & Tunnelling	8,420	8,847	-4.8%	36,518	30,346	20.3%
General Industry	11,094	12,367	-10.3%	44,642	47,194	-5.4%
Total	66,884	60,239	11.0%	220,072	189,969	15.8%

EUR 000's	Order Intake 4Q12	4Q11	Change %	FY12	FY11	Change %
Ports & Maritime	29,894	20,551	45.5%	94,376	81,176	16.3%
Airports	14,366	16,144	-11.0%	54,874	51,627	6.3%
Mining & Tunnelling	6,538	8,337	-21.6%	35,299	32,558	8.4%
General Industry	10,315	8,219	25.5%	40,435	50,515	-20.0%
Total	61,113	53,251	14.8%	224,984	215,876	4.2%

EUR 000's	Order Book FY12	Order Book FY11	Order Book Change %	Book/Bill ratio FY12	Book/Bill ratio FY11
Ports & Maritime	53,652	40,897	31.2%	1.2	1.3
Airports	29,927	33,200	-9.9%	1.0	1.0
Mining & Tunnelling	7,062	8,235	-14.2%	1.0	1.1
General Industry	8,504	12,710	-33.1%	0.9	1.1
Total	99,145	95,042	4.3%	1.0	1.1



Market Units as a percentage of Revenue



Ports & Maritime

Ports & Maritime registered the highest increase in revenues of all MUs coming in at EUR 81.2 thousands, up 30.1% compared to FY11.

The MU also recorded the strongest increase in order intake at EUR 94.4 thousands in FY12, an increase of 16.3% compared to FY11.

Order Book stands at EUR 53.7 thousands, an increase of 31.2% in the year.

Accumulated Revenues
EUR 81,220 thousands

37%

Accumulated Order Intake
EUR 94,376 thousands

42%

Order Book
EUR 53,652 thousands

54%

Reflecting the generally more positive sentiment in areas of the global ports sector, the Cavotec's Ports & Maritime market unit reported a strong period with major contract wins for all its key product areas: automated mooring, shore-to-ship power supply systems and cable technologies for container cranes.

The period was especially positive for the unit's innovative automated mooring system for ships, MoorMaster™, with two projects announced in December. The first of these orders was for MoorMaster™ MM400 units at a frequent-use passenger ferry berth at Port Den Helder in the Netherlands. In Canada, Cavotec will supply specially designed lock versions of MoorMaster™ to the St. Lawrence Seaway.

Ports' growing urgency to install systems that minimise emissions from ships was evident in the quarter, as it was earlier in the year, with several major orders placed for Cavotec Alternative Maritime Power (AMP) shore-to-ship electrical power systems.

In December, the Group notified the market of a large order at the Port of Los Angeles (POLA) for these systems – a project that will see Cavotec supply a large number of "Easy Lift" Access Covers and Shore Power Outlet Connection boxes for four container terminals at the Port. Cavotec enjoys a long-standing cooperation with POLA and other local partners, and this latest project further highlights Cavotec's role as an established supplier of shore power equipment in the US and elsewhere.

Asia is another market where Cavotec is registering growing demand for its AMP systems. During 4Q, it received two orders for these systems. One, a follow-up order, is from a customer in Japan that will install the units on container ships. In Korea, the unit is supplying a large number of ship-based AMP junction boxes for another global container line.

Another strongly encouraging area for the unit in 4Q was motorised cable reel technologies, with several substantial orders from Cavotec's OEM customers such as ZPMC, the world's largest port equipment manufacturer, Trans Gulf Port Cranes and DP World. During the period, the unit won three significant orders for motorised cable reel technologies for installation on ship-to-shore cranes and rail-mounted gantry cranes for end-users in the Middle East and Asia.

Airports

The Airport MU registered a record year at EUR 57.7 thousands, up 15.4% compared to FY11.

FY12 order intake reached EUR 54.9 thousands, 6.3% higher than FY11.

Order Book ended at EUR 29.9 thousands, representing 30.2% of the Group's Order Book.

Accumulated Revenues
EUR 57,692 thousands

26%

Accumulated Order Intake
EUR 54,874 thousands

24%

Order Book
EUR 29,927 thousands

30%

Cavotec's Airports unit had a strong 4Q period; with major project wins that highlight the Group's increasingly established position as a trusted supplier of fully integrated systems. The unit also registered buoyant demand across markets, with North America and the Middle East being especially encouraging.

One of the largest orders in the period was an example of how Cavotec combines its expertise and product offering in different areas to deliver a strong customer offering: Cavotec Inet and Cavotec Dabico booked an order for a complete air and electrical power supply solution for a United Airlines wide-body aircraft hangar at Washington Dulles International Airport.

This project follows similar successes in both the US and Asian aviation markets earlier in 2012, and indeed has been followed since by further orders in these markets and elsewhere.

For the Dulles project, Cavotec will design, manufacture and install 400Hz motor generators, associated pit assemblies, and pre-conditioned air units according to specific design requirements.

The order includes jet engine air start equipment, and hoses that connect aircraft to pits assemblies. Cavotec has also been contracted to supply additional services such as engineering support and site testing.

In an example of Cavotec's on-going advances in product innovation, and the growth that flows from them, Airports secured an order in 4Q for an electrical converter caddy, recently designed by Cavotec Inet in the US. Several of the caddies were successfully supplied to various US airports. The model features a number of design and performance improvements on previously existing models.

Mining & Tunnelling

Revenues in FY12 amounted to EUR 36.5 thousands, an increase of 20.3% compared to FY11.

Mining & Tunnelling recorded an order intake of EUR 35.3 thousands, up 8.4% in the year.

Order book stands at EUR 7.1 thousands, with a book to bill ratio of 1.0.

Accumulated Revenues
EUR 36,518 thousands

17%

Accumulated Order Intake
EUR 35,299 thousands

16%

Order Book
EUR 7,062 thousands

7%

Despite tough trading conditions in some markets, Cavotec's Mining & Tunnelling market unit posted a strong performance in the 4Q12 period. One of several product categories that registered resilient demand was radio remote control (RRC) systems; another was cable chains, where orders from some customers stood at record highs.

In North America, the unit saw growth in demand for its RRC systems primarily in the mining segment. The unit received orders from OEMs such as B&D Industrial and Cubex for end-customers needing to control underground mining machines and operate some of the largest dumper trucks in use today at mines all over the world.

The unit also registered strong demand for its cable reels and cable management systems in the period in North American, European and Asian markets.

Furthermore, OEM customers such as Sandvik drove record-high order levels for cable chain systems. This also helped ensure a strong finish to the year for the unit.

General Industry

FY12 revenues amounted to EUR 44.6 thousands, down 5.4% compared to FY11.

Order intake reached EUR 40.4 thousands in FY12, representing 18.0% of the Group's order intake.

General Industry's order book ended at EUR 8.5 thousands.

Accumulated Revenues
EUR 44,642 thousands

20%

Accumulated Order Intake
EUR 40,435 thousands

18%

Order Book
EUR 8,504 thousands

9%

Cavotec's product- and segment-diverse General Industry unit reported positive results for the fourth quarter of 2012, with demand for its niche automation and electrical control systems remaining strong. The period was notable for breakthrough orders with important new customers, especially in Asia.

In an example of Cavotec's increasingly established role as an important supplier of niche, high-value technologies to expanding segments, the unit won an order for a number of MC3-5 explosion proof RRC systems from a customer in China. The units will be used at an offshore energy application. This project is an important breakthrough for the Group in the Chinese oilfield market, and will serve as a solid customer reference in China and further afield.

The unit also booked RRC orders with an important new customer, a leading provider of engineering services and products, primarily to the offshore oil and gas industry, with a focus on deepwater applications. As energy exploration takes Cavotec customers into more challenging environments, the General Industry unit is well placed to build on its role as an expert supplier of key technologies.

As with Cavotec's Mining & Tunnelling unit, General Industry ordering tends to be made up to a large extent of small, regular orders, rather than one-off, major projects.

Consolidated Statement of Comprehensive Income

EUR 000's	Unaudited three months 31 Dec 2012	Unaudited three months 31 Dec 2011	Unaudited year 31 Dec 2012	Audited year 31 Dec 2011
Revenue from sales of goods	66,884	60,239	220,072	189,969
Other income	1,463	585	4,810	3,098
Raw materials and components	(34,319)	(32,264)	(110,172)	(96,288)
Employee benefit costs	(16,215)	(14,008)	(58,732)	(49,378)
Operating expenses	(9,610)	(9,756)	(34,242)	(30,210)
Gross Operating Result	**8,203**	**4,795**	**21,736**	**17,191**
Depreciation and amortisation	(983)	(1,694)	(3,758)	(4,507)
Operating Result	**7,220**	**3,102**	**17,978**	**12,684**
Non-operating costs	-	(834)	-	(2,320)
Interest expenses - net	(249)	(332)	(1,263)	(1,573)
Currency exchange differences - net	234	(64)	(478)	1,514
Profit before income tax	**7,205**	**1,872**	**16,237**	**10,305**
Income taxes	(1,247)	(2,438)	(4,045)	(4,461)
Profit for the period	**5,958**	**(566)**	**12,192**	**5,844**
Other comprehensive income:				
Exchange differences on translation of foreign operations	(1,470)	2,836	857	1,418
Fair value adjustment:				
Actuarial gain (loss)	(31)	(244)	(31)	(244)
Total comprehensive income for the period	**4,457**	**2,025**	**13,018**	**7,018**
Total comprehensive income attributable to:				
Equity holders of the Group	4,479	2,064	13,138	7,155
Non-controlling interest	(23)	(39)	(121)	(137)
Total	**4,457**	**2,025**	**13,018**	**7,019**
Profit (loss) attributed to:				
Equity holders of the Group	5,986	(501)	12,319	5,948
Non-controlling interest	(28)	(65)	(127)	(104)
Total	**5,958**	**(566)**	**12,192**	**5,844**
Basic and diluted earnings per share attributed to the equity holders of the Group	0.084	(0.007)	0.173	0.089
Average number of shares	71,332,700	71,332,700	71,332,700	66,501,741

Consolidated Balance Sheet

EUR 000's	Unaudited 31 Dec 2012	Audited 31 Dec 2011
Assets		
Current assets		
Cash and cash equivalents	10,313	12,952
Trade receivables	50,583	42,612
Tax assets	530	554
Other current receivables	3,596	6,491
Inventories	39,561	29,105
Total current assets	104,583	91,714
Non-current assets		
Property, plant and equipment	28,840	24,582
Intangible assets	67,709	66,379
Non-current financial assets	153	254
Deferred tax assets	7,094	2,766
Other non-current receivables	2,344	4,047
Total non-current assets	106,141	98,027
Total assets	210,725	189,741
Equity and Liabilities		
Current liabilities		
Bank overdrafts	(1,829)	-
Current financial liabilities	(2,911)	(4,277)
Trade payables	(36,973)	(33,949)
Other current liabilities	(19,719)	(15,383)
Total current liabilities	(61,432)	(53,609)
Non-current liabilities		
Non-current financial liabilities	(30,088)	(32,387)
Deferred tax liabilities	(4,345)	(3,411)
Other non-current liabilities	(885)	(1,591)
Provision for risks and charges	(7,146)	(3,870)
Total non-current liabilities	(42,464)	(41,259)
Total liabilities	(103,896)	(94,868)
Equity		
Equity attributable to owners of the parent	(106,939)	(94,968)
Non-controlling interests	110	95
Total equity	(106,829)	(94,873)
Total equity and liabilities	(210,725)	(189,741)

Consolidated Statement of Changes in Equity

EUR 000's	Equity related to owners of the parent	Non-controlling interest	Total equity
Audited			
Balance as at 1 January 2011	(76,460)	(348)	**(76,807)**
Profit for the year	(5,948)	104	**(5,844)**
Exchange differences on translation	(1,451)	33	**(1,418)**
Actuarial (gain) loss	244	-	**244**
Total comprehensive income and expenses	**(7,154)**	**137**	**(7,017)**
Reclassification	-	-	-
Capital increase	(12,444)	-	**(12,444)**
Own shares reserve	-	-	-
Share premium reserve	-	-	-
Dividends	1,395	-	**1,395**
Reduction in non-controlling interest	(306)	306	-
Transactions with shareholders	**(11,355)**	**306**	**(11,049)**
Balance as at 31 December 2011	**(94,968)**	**95**	**(94,873)**
Unaudited			
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	31	-	**31**
Total comprehensive income and expenses	**(13,138)**	**121**	**(13,018)**
Capital reduction	1,167	-	**1,167**
Capital (increase)	-	(106)	**(106)**
Transactions with shareholders	**1,167**	**(106)**	**1,061**
Balance as at 31 December 2012	**(106,939)**	**110**	**(106,830)**

Consolidated Statement of Cash Flows - Indirect Method

EUR 000's	Unaudited three months 31 Dec 2012	Unaudited three months 31 Dec 2011	Unaudited year 31 Dec 2012	Audited year 31 Dec 2011
Profit for the period	5,958	(566)	12,192	5,844
Adjustments for:				
Net interest expenses	170	298	949	1,303
Current taxes	1,992	1,897	7,470	5,043
Depreciation and amortisation	983	1,694	3,758	4,507
Deferred tax	(745)	523	(3,425)	(582)
Provision for risks and charges	3,050	970	5,148	1,859
Capital gain or loss on assets	28	(3)	(17)	(49)
Other items not involving cash flows	(350)	34	305	270
Interest paid	(180)	(369)	(967)	(1,374)
Taxes paid	(1,806)	511	(5,792)	(2,634)
	3,142	5,555	7,429	8,343
Cash flow before change in working capital	9,100	4,989	19,621	14,187
Impact of changes in working capital:				
Inventories	3,832	1,805	(11,094)	(1,443)
Trade receivables	(14,551)	(10,610)	(8,207)	(15,155)
Other current receivables	3,977	1,765	2,849	(4,076)
Trade payables	(3,415)	(1,462)	2,995	10,304
Other current liabilities	896	(1,267)	4,034	1,347
Long term receivables	2,246	-	1,702	-
Impact of changes involving working capital	(7,015)	(9,769)	(7,721)	(9,023)
Net cash inflow / (outflow) from operating activities	2,085	(4,780)	11,900	5,164
Financial activities:				
Increase (decrease) of loans and borrowings	(11,581)	578	(3,868)	4,517
Dividend payment	-	-	-	(1,395)
Capital reduction	(1)	-	(1,168)	-
Acquisition of non-controlling interest	-	-	-	(410)
Net cash inflow (outflow) from financial activities	(11,582)	578	(5,036)	2,712
Investing activities:				
Investments in property, plant and equipment	(879)	(592)	(6,970)	(6,609)
Investments in intangible assets	1,065	(49)	(1,350)	(180)
Change in non-current financial assets	(1,401)	10	(4,068)	(69)
Disposal of assets	12	(48)	205	151
Net cash outflow from investing activities	(1,203)	(679)	(12,183)	(6,707)
Cash at the beginning of the period	19,827	14,674	12,952	12,203
Cash flow for the period	(10,700)	(4,881)	(5,319)	1,169
Currency exchange differences	(644)	3,159	850	(420)
Cash at the end of the period	8,484	12,952	8,484	12,952
Cash comprises:				
Cash and cash equivalents	10,313	12,952	10,313	12,952
Bank overdrafts	(1,829)	-	(1,829)	-
Total	8,484	12,952	8,484	12,952

Segment information

EUR 000's	Americas	Europe & Africa	Middle East & India	Far East	Australasia SE Asia	HQ	Inter-Group elimination	Total
Unaudited Three months ended 31 December 2012								
Revenue from sales of goods	12,340	45,499	5,107	10,827	13,203	-	(20,092)	**66,884**
Other income	150	1,841	119	102	211	434	(1,394)	**1,463**
Operating expenses before depreciation and amortisation	(12,237)	(42,679)	(5,151)	(9,708)	(13,162)	(891)	23,685	**(60,143)**
Gross Operating Result	252	4,661	76	1,221	251	(457)	2,199	8,203
Unaudited Three months ended 31 December 2011								
Revenue from sales of goods	11,493	37,807	9,548	11,030	13,204	-	(22,843)	**60,239**
Other income	167	1,686	197	174	34	29	(1,702)	**585**
Operating expenses before depreciation and amortisation	(10,500)	(39,265)	(11,907)	(10,147)	(10,284)	2,548	23,527	**(56,028)**
Gross Operating Result	1,160	228	(2,162)	1,057	2,954	2,577	(1,018)	4,796
Unaudited Year ended 31 December 2012								
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)**
Gross Operating Result	(1,173)	19,375	98	2,921	2,852	(388)	(1,947)	21,736
Audited Year ended 31 December 2011								
Revenue from sales of goods	26,458	134,679	34,289	27,020	30,641	-	(63,118)	**189,969**
Other income	412	5,572	174	676	160	679	(4,575)	**3,098**
Operating expenses before depreciation and amortisation	(24,840)	(132,416)	(32,829)	(24,945)	(26,848)	(1,212)	67,214	**(175,876)**
Gross Operating Result	2,030	7,835	1,634	2,751	3,953	(533)	(479)	17,191

Parent Company - Condensed Statement of Comprehensive Income

CAVOTEC SA EUR 000's	Unaudited three months 31 Dec 2012	Unaudited three months 31 Dec 2011	Unaudited year 31 Dec 2012	Audited year 31 Dec 2011
Dividend	-	-	475	-
Other income	147	-	574	-
Employee benefit costs	(291)	(139)	(729)	(139)
Operating expenses	(190)	(277)	(1,077)	(415)
Operating Result	**(334)**	**(417)**	**(757)**	**(554)**
Non-operating expenses	-	(821)	-	(1,978)
Interest expenses - net	(5)	(1)	(25)	(1)
Currency exchange differences - net	-	2	(24)	7
Profit before income tax	**(339)**	**(1,238)**	**(806)**	**(2,526)**
Income taxes	(6)	(13)	(24)	(13)
Profit for the period	**(345)**	**(1,251)**	**(830)**	**(2,539)**
Other comprehensive income:				
Actuarial gain (loss)	(4)	(73)	(4)	(73)
Total comprehensive income for the period	**(349)**	**(1,324)**	**(834)**	**(2,612)**

Parent Company - Condensed Balance Sheet

CAVOTEC SA EUR 000's	Unaudited 31 Dec 2012	Audited 31 Dec 2011
Assets		
Current assets		
Cash and cash equivalents	-	23
Trade receivable	570	-
Tax assets	17	33
Other current receivables	3	5
Total current assets	**590**	**61**
Non-current assets		
Investment in subsidiary companies	98,447	100,775
Total non-current assets	**98,447**	**100,775**
Total assets	**99,037**	**100,836**
Equity and Liabilities		
Current liabilities		
Bank overdrafts	(10,916)	(9,556)
Current financial liabilities	-	(1,115)
Trade payables	(165)	(323)
Other current liabilities	(131)	(158)
Total current liabilities	**(11,214)**	**(11,152)**
Non-current liabilities		
Current financial liabilities	(78)	(73)
Provision for risks and charges	(136)	-
Total non-current liabilities	**(214)**	**(73)**
Total liabilities	**(11,428)**	**(11,225)**
Equity	**(87,609)**	**(89,611)**
Total equity	**(87,609)**	**(89,611)**
Total equity and liabilities	**(99,037)**	**(100,836)**

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 26 February 2012.

The Cavotec Board of Directors has proposed a dividend for 2012 of 0.05 CHF per share, or a total of approximately EUR 2,888 thousands at today's prevailing exchange rates, compared to 0.02 CHF per share in the prior year. The proposal is in line with the company's dividend policy to pay a steadily rising, sustainable dividend over time.

If approved by shareholders at the company's annual general meeting on April 23, 2013 the dividend payout would take place early July 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 2012. 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 2011.

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 2011.

Legal disputes / subsequent events

The lawsuit against Mike Colaco is moving forward and discovery is currently underway. The start of the trial is expected in 4Q13/1Q14. The Board of Directors remains of the opinion that the claims made by Colaco are without substantial basis or foundation and are not likely to result in any material financial exposure to Cavotec, which has not already been provided for in the accounts.

Noteworthy risks and uncertainties

There have been no changes to what was stated by Cavotec in its Annual Report for 2011 under Risk management.

On behalf of the Board
26 February 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 AGM will be held on 23 April 2013.
The 1Q13 Quarterly Report will be published on 6 May 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.

Analysts & Media

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