

# Cavotec MSL – AGM 2010



Annual General Meeting  
27 April 2010 – Lugano, Switzerland

# Key points of 2009

2009 was hallmarked by a unprecedented global economic crisis, impacting all levels of industry and society in general. Some key points for Cavotec in 2009 are:

1. A significant shift in market revenues (in %) due to the recession reflected by:

- Mining and Ports & Maritime MU's are lower than preceding year
- Airports MU showed a rising trend and overall increase in activity
- General Industry MU remained on a stable level throughout the year

2. Main region revenues were almost stable (in %) with just 2 notable exceptions:

- Middle East increased its revenues
- America's increased its revenues

3. EBIT for 2009 came in at reasonable level, taking into account the economic turmoil

4. Our 2009 order book was at a record level, 41.9% higher compared to 2008

5. Both acquisitions made in 2008 are fully in-line with our strategy of becoming a global systems integrator

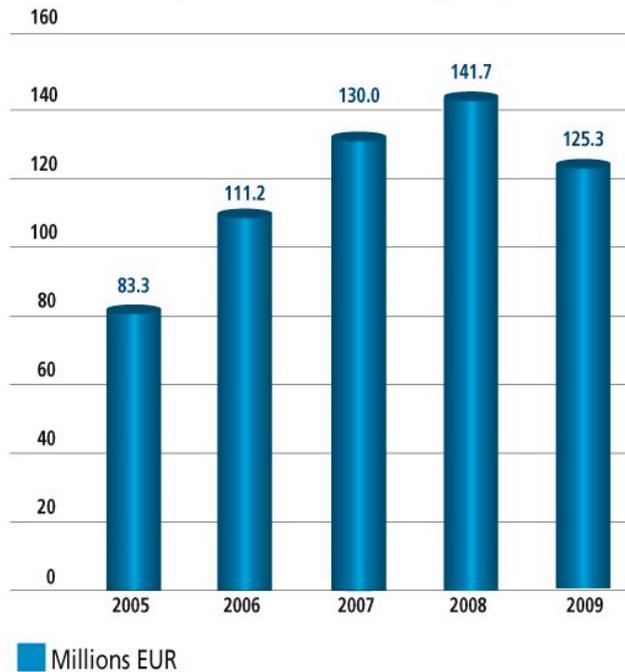
## 2009 Results vs (2008)

- Operational Revenues of € 125.3 million (€ 141.7 million): -11.6%
- EBIT of € 9.0 million (€ 13.3 million): -32.3%
- EBITDA of € 12.3 million (€ 16.4 million): -25.0%
- Order Book of € 65.4 million to start 2010 (€ 46.1 million): +41.9%
- Operational cash flow of € 8.6 million (€ 4.6 million): +87.0%
- Equity of € 67.3 million (€ 60.9 million): +10.5%
- Gearing(Equity/NFP): 1.78 (1.66)
- Loan Facility Agreement signed with a total commitment of EUR 50 million. Bank syndicate of 5 banks, led by SEB, including Banca Intesa, Unicredit, BNL (BNP Paribas) and Corner Banca.

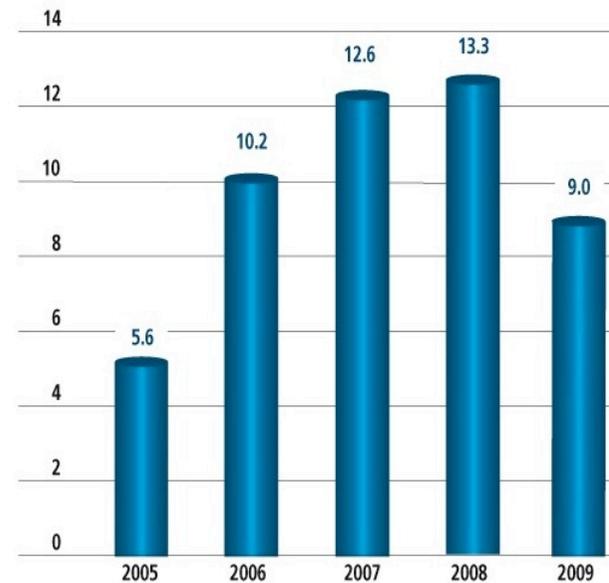
# Revenue & EBIT development: 2005 to 2009

## Consolidated sales

(Revenue from sales of goods)



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



# History of profitability and achievement

M€	2009	2008	2007	2006	2005
<b>Result and Cash Flow</b>					
Revenue from sales of goods	125,258	141,724	129,993	111,214	83,290
Earning before interest amortization & deprec.	12,270	16,406	15,182	11,999	7,098
Operating Profit (EBIT)	8,951	13,318	12,603	10,228	5,628
Finance costs - net	(820)	(3,013)	(982)	(1,141)	(570)
Profit before income tax	8,132	13,013	11,661	9,174	4,957
Profit for the year	5,200	9,198	7,341	6,753	3,393
Cash flow from operating activities	8,594	4,648	8,820	6,889	(2,412)
<b>Ratios</b>					
Operating profit (EBIT) margin	7.15%	9.40%	9.70%	9.20%	6.76%
Profit before income tax margin	6.49%	9.18%	8.97%	8.25%	5.95%
Operating Profit (EBIT) / avg. capital invested	13.91%	22.81%	31.74%	53.92%	38.79%
Profit for the year / avg. capital invested	8.08%	15.75%	18.49%	35.61%	23.38%
Equity (incl. conv. bonds) / total assets (solidity)	49.97%	46.73%	50.59%	33.11%	22.31%
Total debt / total capital	32.67%	35.78%	28.17%	50.24%	63.77%
Leverage ratio (net debt / EBITDA)	1.78%	1.66%	1.16%	1.38%	2.45%

# History of fiscal conservatism

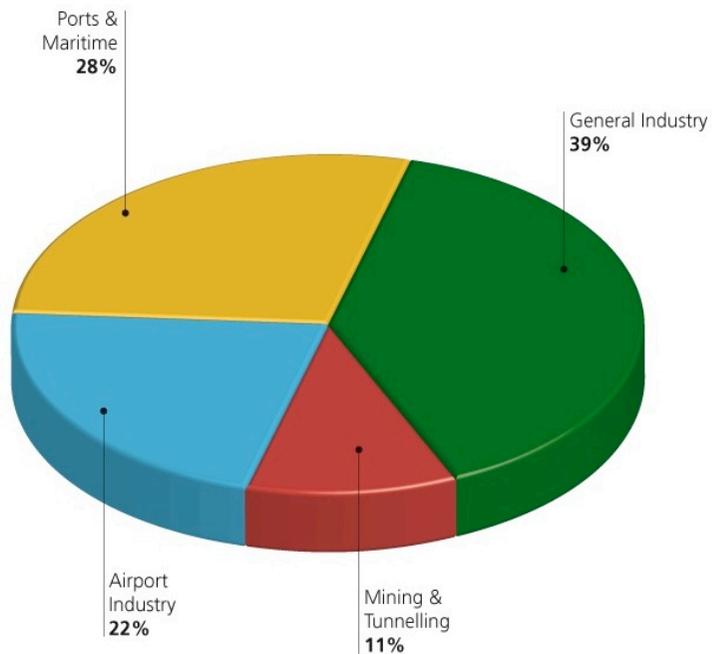
M€	2009	2008	2007	2006	2005
<b>Balance Sheet</b>					
Equity	67,613	61,092	55,681	23,736	14,199
Goodwill	44,089	43,640	31,636	12,846	13,101
Net consolidated debt	21,855	27,291	17,549	15,545	17,407
Total assets	135,305	130,747	110,220	71,686	63,614

<b>Number of Employees</b>					
Number of employees at end of year	677	718	568	490	430
Average number of employees	681	640	529	460	397
Revenue from sales of goods per employee	183,865	221,413	245,734	241,769	209,798
Operating profit (EBIT) per employee	13,140	20,806	23,824	22,235	14,177
Average cost per employee	54,169	55,159	61,034	59,510	38,888

# Group Main Market Sectors 2009 vs 2008

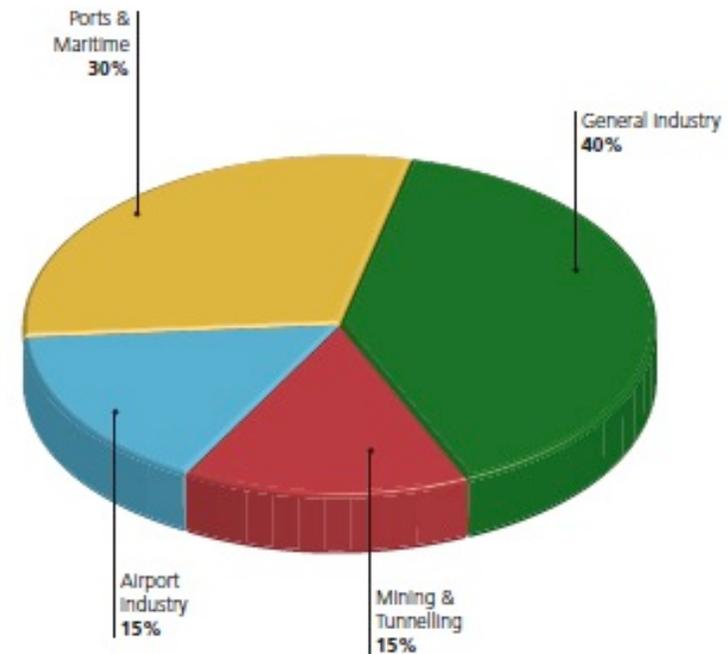
Main market sectors 31 December 2009

(Revenue from sales of goods)



Main market sectors 31 December 2008

(Revenue from sales of goods)

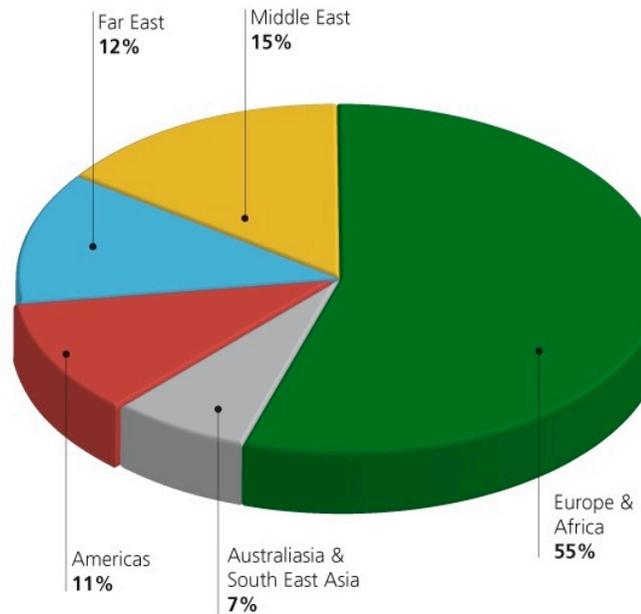


*Consolidated sales 2009 EUR 125.3 M (2008: 141.7 M)*

# Group Main Regions 2009 vs 2008

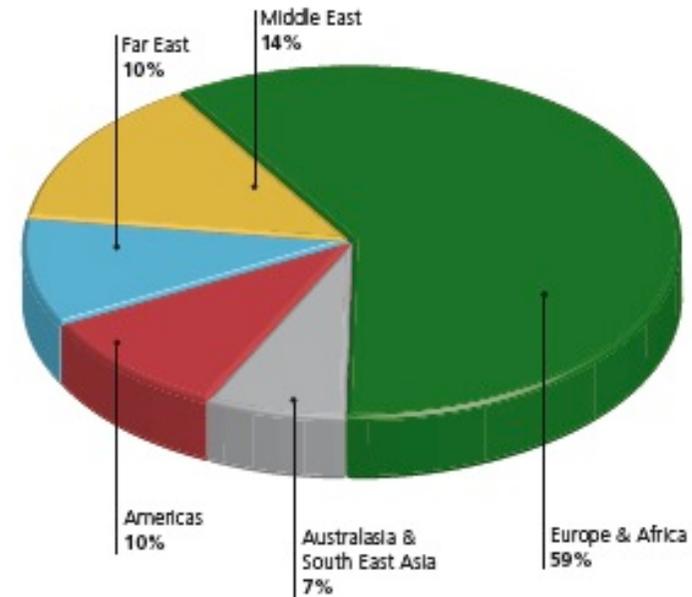
Main regions / revenue recognition 31 December 2009

(Revenue from sales of goods)



Main regions / revenue recognition 31 December 2008

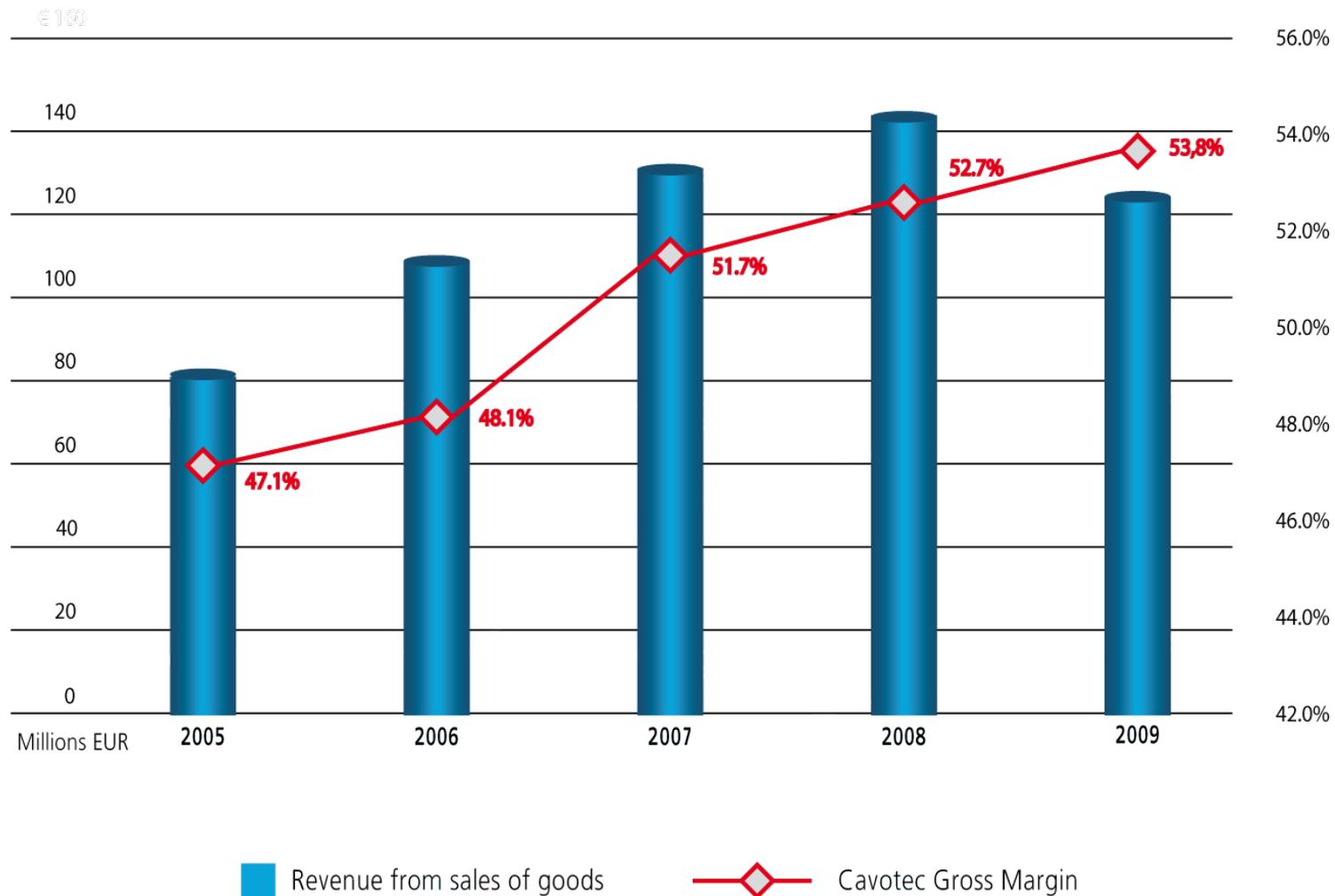
(Revenue from sales of goods)



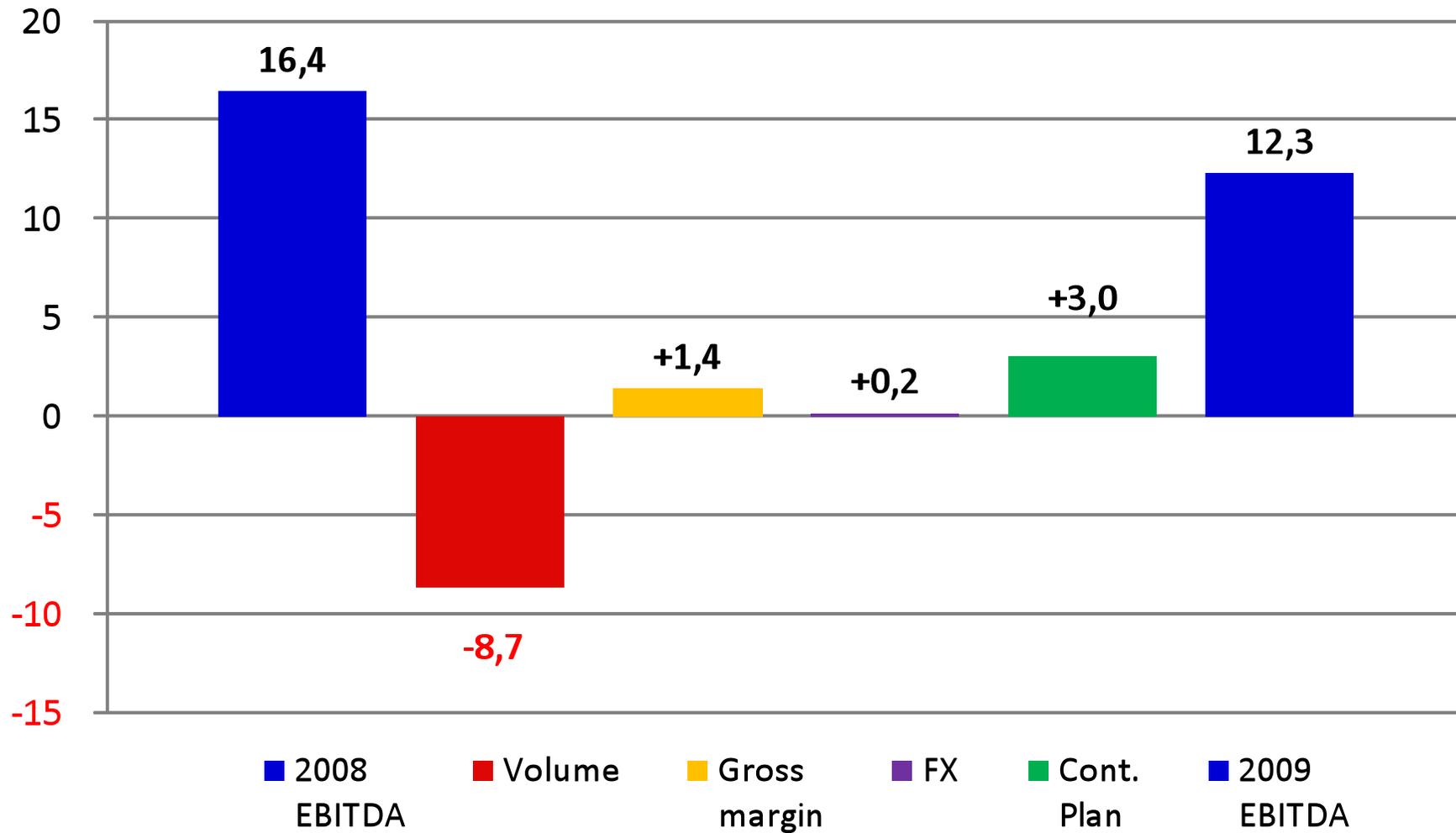
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# Historical gross margin contributions and trendings

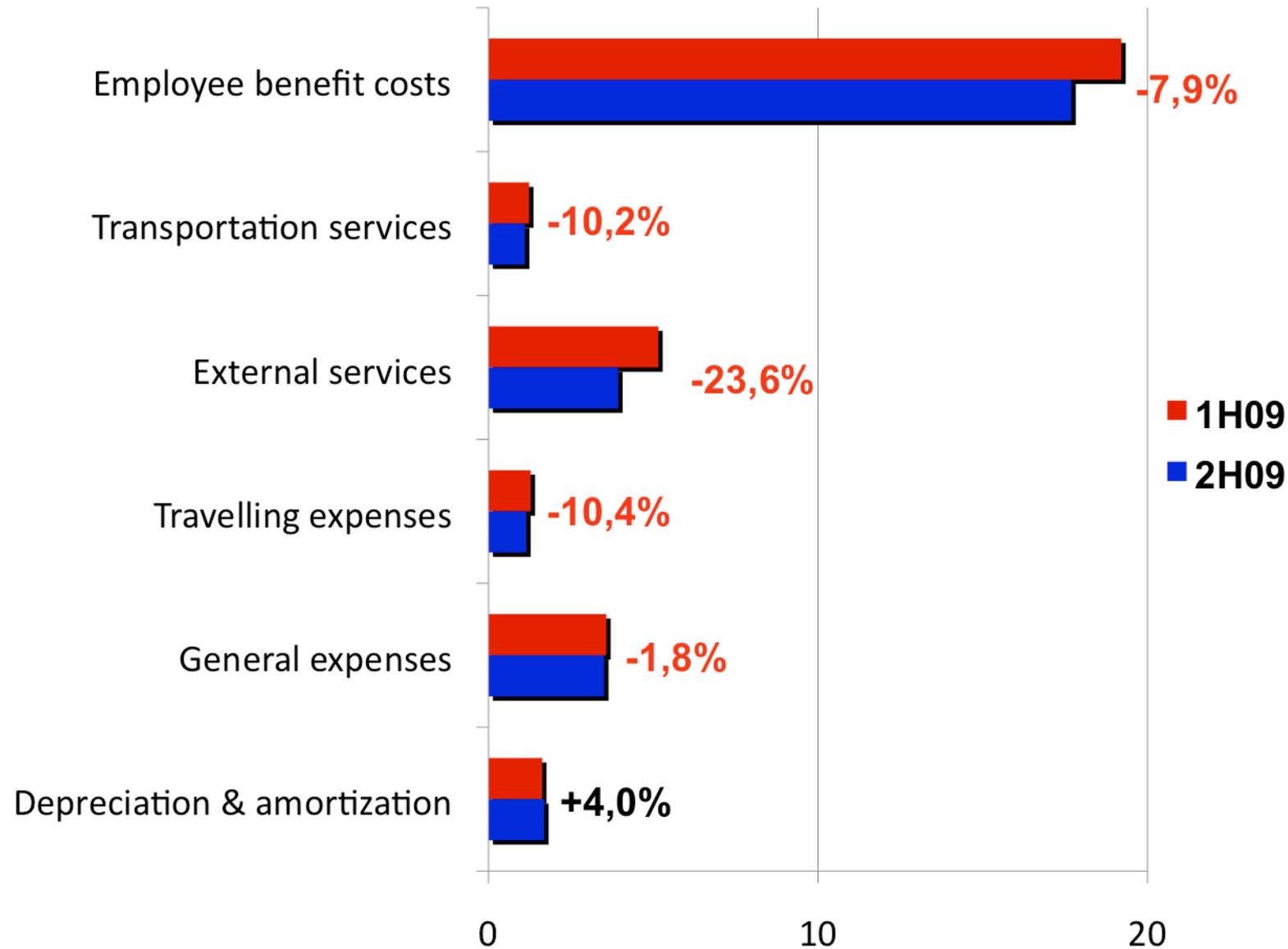
## Historical gross margin contributions and trendings



# EBITDA Evolution



# Contingency plan 2009



## Contingency Plan 2009 in detail

M€	1H09	2H09	Change %
Employee benefit costs	19,2	17,7	-7,9%
Transportation expenses	1,2	1,1	-10,2%
External services	5,1	3,9	-23,6%
Travelling expenses	1,3	1,1	-10,4%
General expenses	3,6	3,5	-1,8%
Depreciation and amortization	1,6	1,7	4,0%
<b>Total operating expenses</b>	<b>32,1</b>	<b>29,1</b>	<b>-9,3%</b>

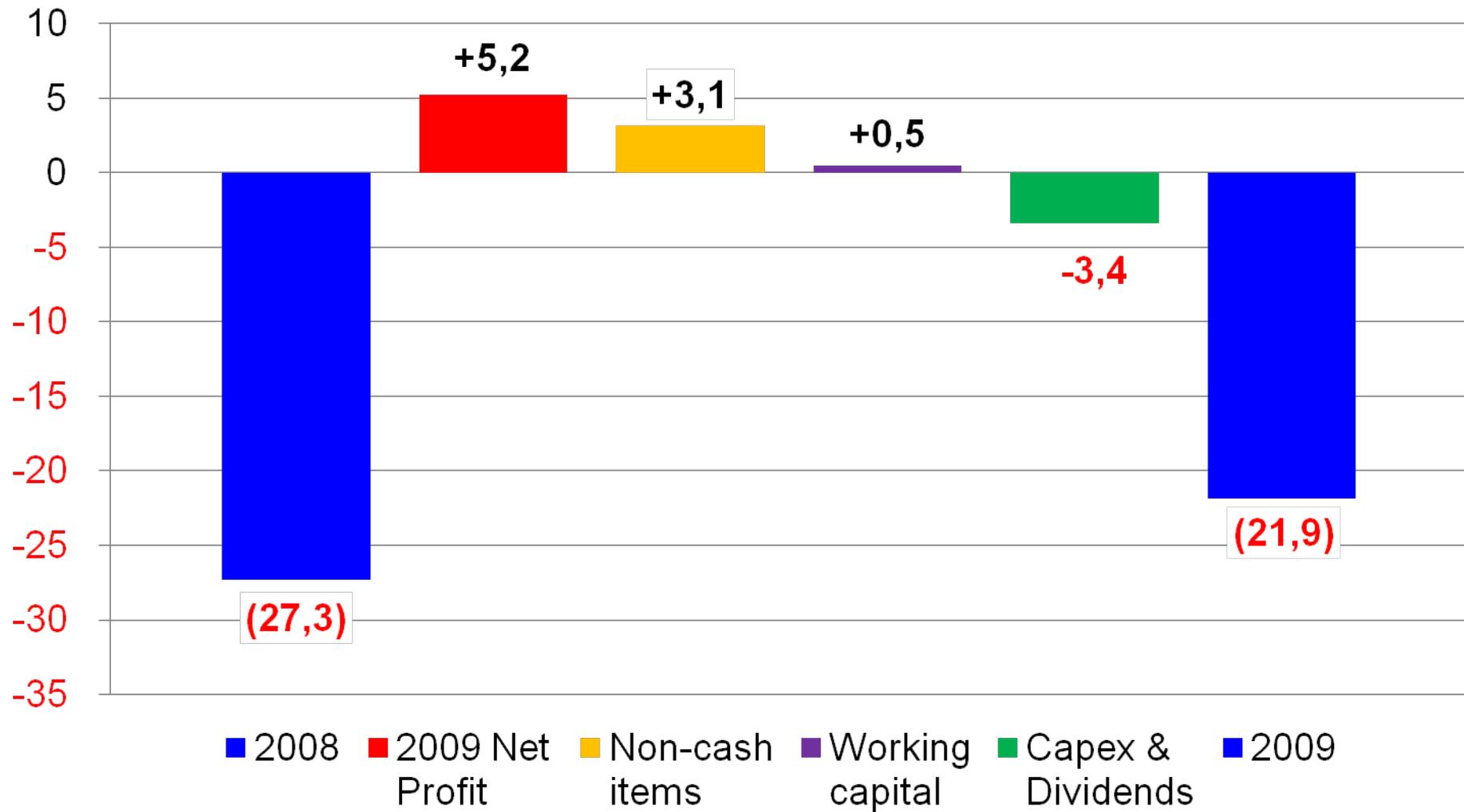
**Total annualized savings**

**6,0**

## Finance & Tax

M€	2009	2008	Change
<b>EBIT</b>	<b>9,0</b>	<b>13,3</b>	<b>-4,4</b>
Gain on disposal of subs	0	2,71	- 2,71
Net Interest Expenses	(1,88)	(1,54)	-0,34
Net FX Gain/Losses (below EBITDA)	1,03	(1,48)	+ 2,51
Income Taxes	(2,93)	(3,81)	+0,89
<b>Net Profit</b>	<b>5,2</b>	<b>9,2</b>	<b>- 4,0</b>
<i>Effective Tax Rate</i>	<i>36,1%</i>	<i>29,3%</i>	<i>+5,8 pp</i>
Average NFP	(27,8)	(22,7)	- 5,1 M€
<i>Average Cost of Debt</i>	<i>6,78%</i>	<i>6,77%</i>	<i>Inv</i>

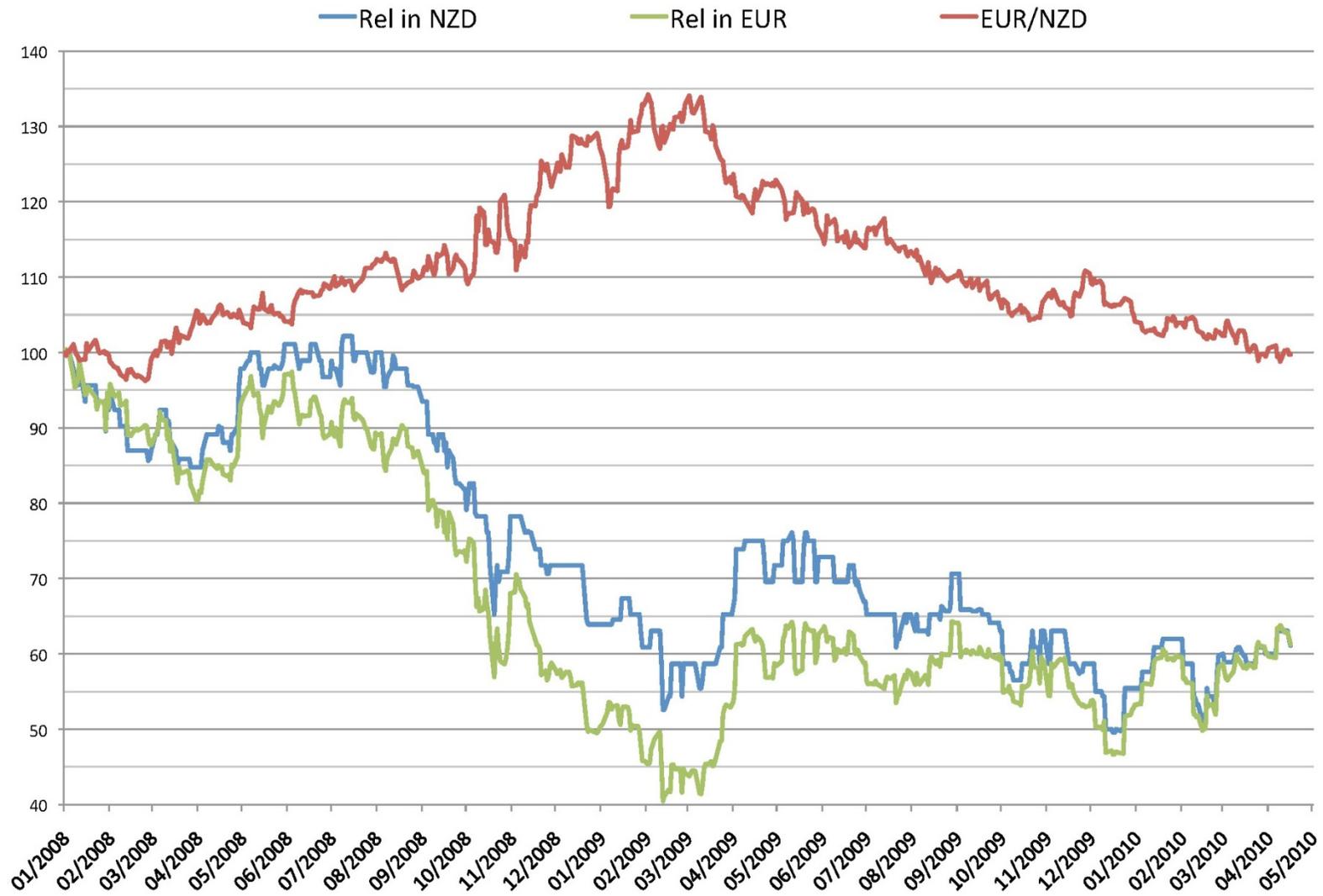
# NFP Evolution



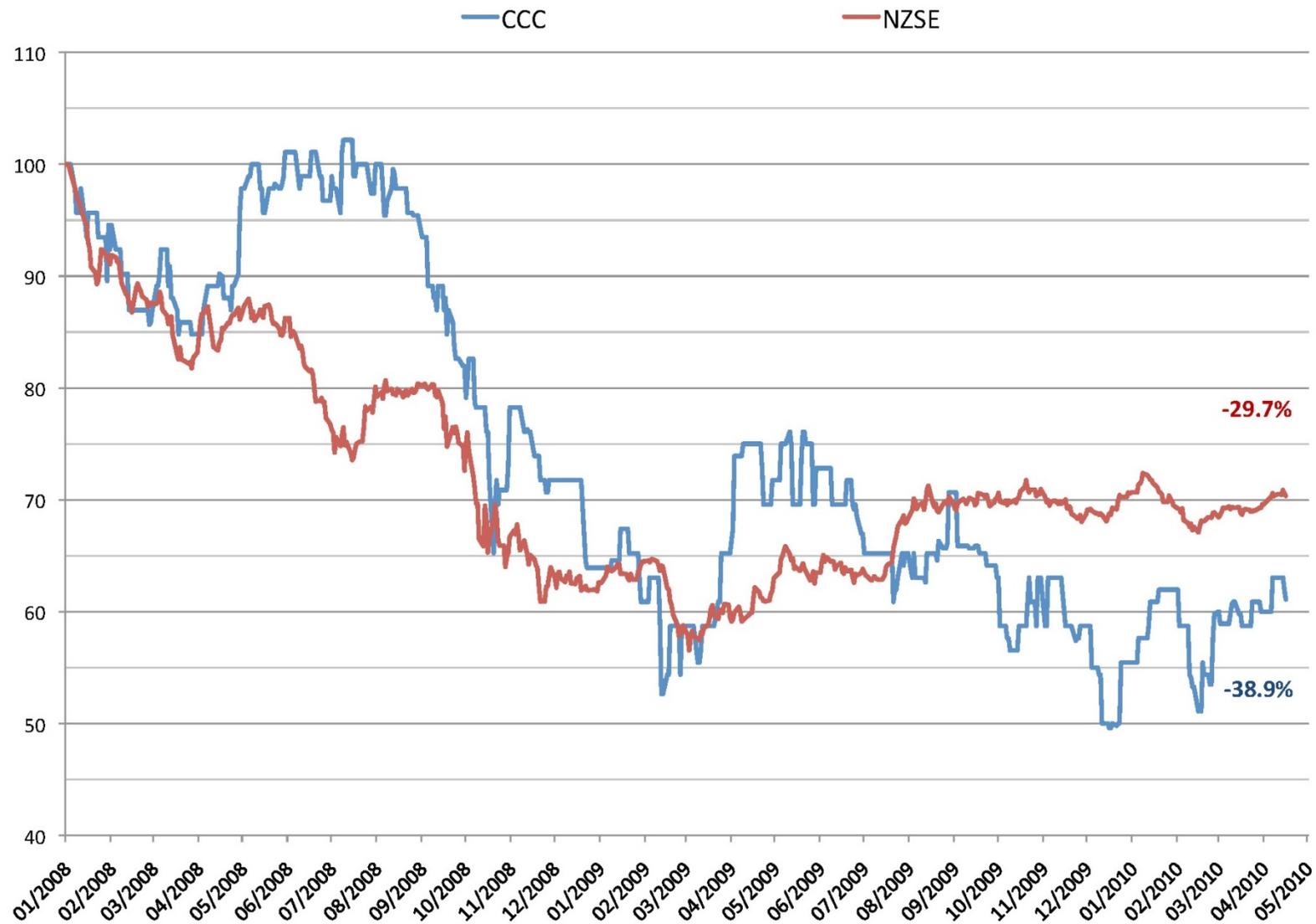
## Ageing of receivables

M€	2009	2008	Change %
Revenues from sales of goods	125,3	141,7	-11,6%
Receivables	34,8	33,0	+5,5%
Receivables as % of sales	28%	23%	+5 pp
Overdue receivables	17,6	9,8	+7,8M€
<i>of which</i>			
Overdue by more than 120 days	4,4	0,4	+4,0M€

# Cavotec MSL share price development



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# Looking ahead to 2010

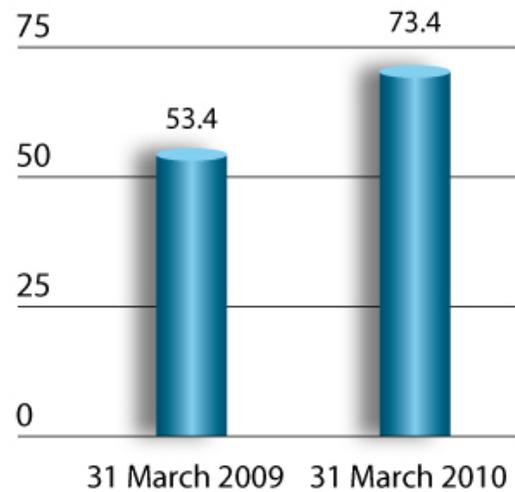
- Market outlook for 2010 looks better than 2009
- Our main target is to return to 2008 operating levels within this year
- Medium-term market outlook remains positive
- EUR 73.0 million Order Book as of March 31<sup>st</sup> gives us a good start into 2010; projects are starting to pick up noticeably
- Cavotec has a leading position in niche markets and is present with the right technologies
- Contingency program 2009 still in place; nevertheless in some areas we need to invest in new HR and technologies
- The SEB Bank facility agreement for EUR 50.0 million, available for 3 + 2 years, provides the necessary resources to support our continued growth.
- Cavotec has a healthy balance sheet, able to support the business without any problem
- Ready to take growth opportunities in our markets, where we are present since almost half a century

# Looking beyond 2010

- Cavotec aims to emerge from the current global economic downturn in a stronger position by:
  1. Consolidating on the core and profitable business opportunities
  2. Increase efficiency and control costs
  3. Continue to invest in new future technologies
  4. Moving from component supply towards systems integration in the airports and port markets

# Q1 2010 Market Update

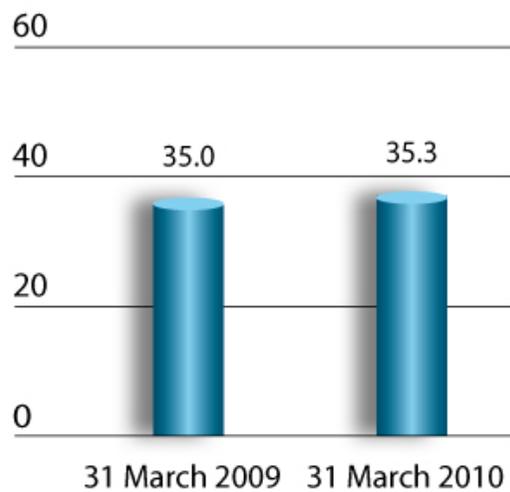
## Order Book



% Change: +37.4%

Millions EUR

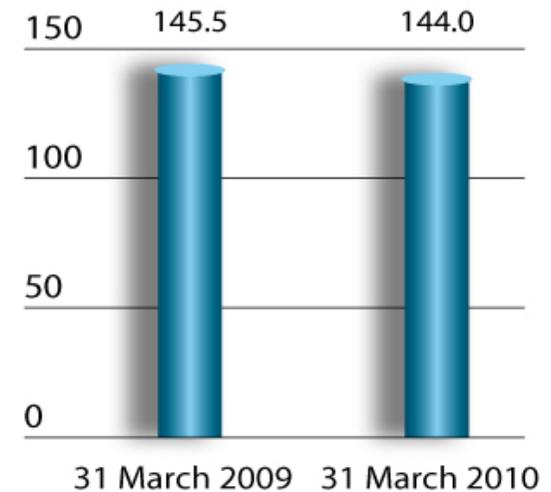
## Order Intake (for quarter)



% Change: +0.9%

Millions EUR

## Order Intake (12 months)



% Change: -1.0%

Millions EUR

Thank you for your attention

