

3rd Quarter Report **2016**



- Revenues for the quarter decreased 3.8%, amounting to EUR 51.3 million (3Q15: 53.3).
- Quarterly operating result (EBIT) ended with a profit of EUR 1.4 million (3Q15: 0.1), including non-recurring costs of EUR 0.2 million, corresponding to a margin of 2.7%.
- Net result for the period ended negative at EUR 0.6 million (3Q15: -4.0).
- Order Intake increased by 2.8% in the quarter to EUR 46.5 million (3Q15: 45.2).
- Order Book increased 2.0% to EUR 100.4 million (FY15: 98.4).
- Book to bill ratio was at 1.01x compared to 1.14x in 9M15.

CEO's comment



3Q16 revenues amounted to EUR 51.3 million, a 3.8 per cent decrease compared to the same period last year. As in 2Q16, the Group's results were characterised by robust day-to-day business and a lack of major orders. A continued absence of larger projects into 1Q17 would weigh on results. Despite these challenging conditions, we were able to make further cost reductions, improve our working capital, and cash flow performance.

Organic revenue decreased 2.7 per cent, and our gross margin increased quarter-on-quarter. Order intake rose 2.8 per cent from a year earlier, amounting to EUR 46.5 million. Order book increased 2.0 per cent to EUR 100.4 million. Currency exchange differences had a negative impact on revenues for the quarter.

Despite the slowdown in major orders, our Airports and Ports & Maritime market units registered a number of substantial projects in the period. These included orders for our innovative Alternative Maritime Power systems in Hong Kong. The Ports & Maritime unit also won orders for a number of motorised cable reels for cranes including from leading port operator DP World.

We continue to invest in our MoorMaster™ technology, which enables customers to make substantial improvements in safety and operational efficiency at port applications. To date, around 200 MoorMaster™ units have performed some 215,000 mooring operations at ferry, bulk handling, Ro/Ro, container and lock applications worldwide.

In September, the carbon fibre passenger ferry, Vision of the Fjords, was named "Ship of the Year" at the SMM in Hamburg, the world's leading maritime trade fair. The battery-powered hybrid vessel relies on Cavotec shore power systems to charge its battery units, and is now in operation between two berths in southern Norway. It is high-profile applications such as these that highlight the considerable potential of our advanced technologies, especially in areas such as automation, remote control, mooring and shore power provision.

Our Airports unit also secured several encouraging projects, including orders for pre-conditioned air systems (PCA), along with a number of other aircraft utility pit systems for applications in the US, for example from aircraft manufacturer Boeing, and elsewhere.

Another area where we continued to see positive developments was our Human Operating Interface (HOI) technologies, with Cavotec Finland and Cavotec Micro-control achieving numerous project sales during the period.

Operationally, we are proceeding with the implementation of efficiency measures across the Group, especially at our operations in Germany, Norway, and the US. We remain committed to introducing the necessary organisational changes to the Group to ensure future profitability – a process that will benefit customers, shareholders and employees alike.

"We maintain our cautious outlook going forward."

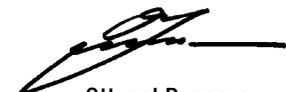
“Cavotec is monitoring costs closely under our Group-wide rationalisation programme.”

LOOKING AHEAD

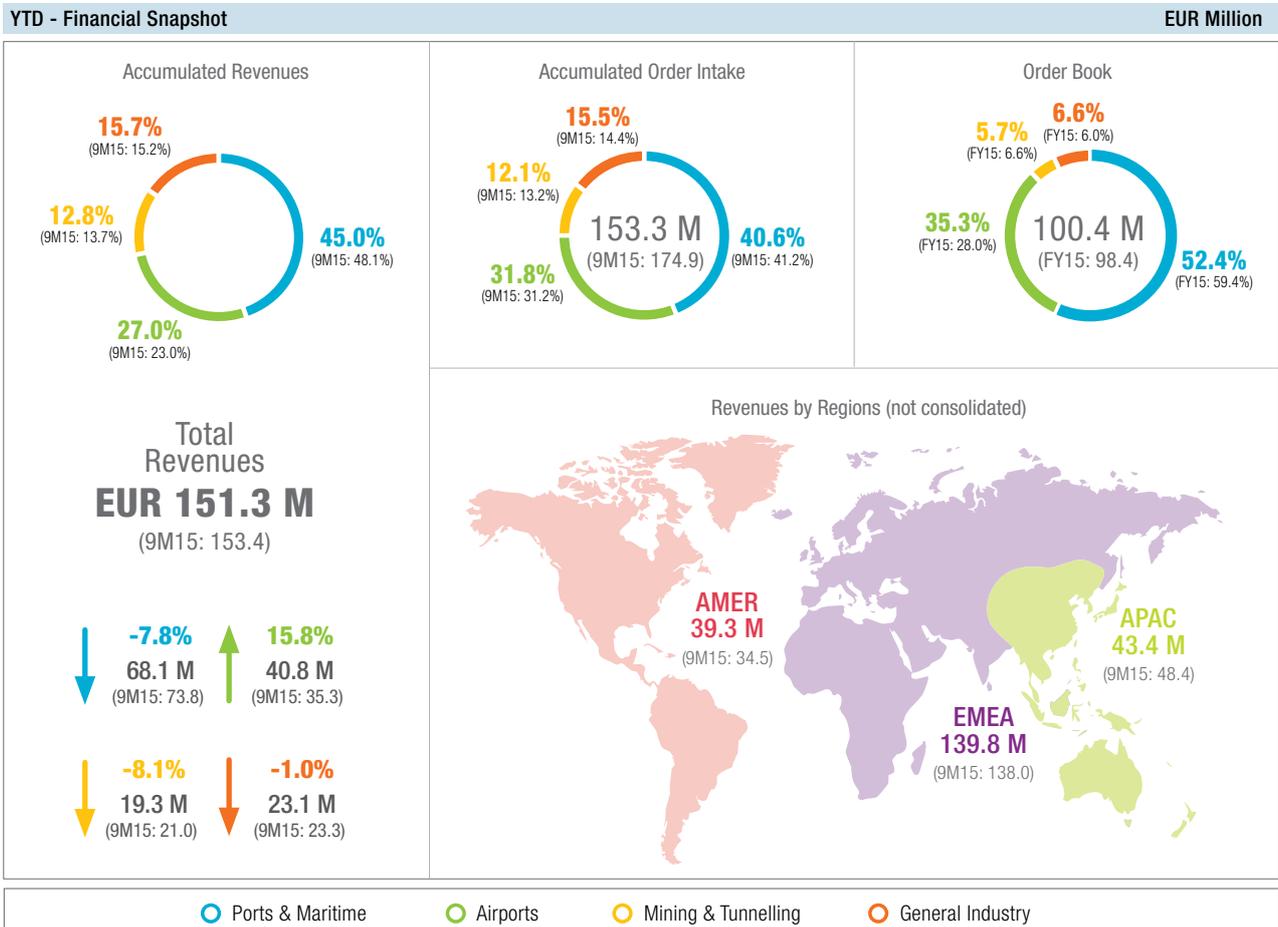
While major orders have been postponed in recent months, we are encouraged by a number of such projects in the pipeline. We maintain our cautious outlook going forward, with challenging macro-economic conditions likely to result in subdued demand in a majority of markets and sectors in the months ahead.

Cavotec is monitoring costs closely under our Group-wide rationalisation programme and we are actively reducing expenses wherever possible. We will continue to focus on our key technologies in areas with the greatest potential for growth – automation and electrification in particular.

Lugano, 3 November 2016



Ottonel Popesco
Chief Executive Officer



Financial Review

REVENUES, EARNINGS AND PROFITABILITY

Quarterly results

Revenues amounted to EUR 51,265 thousands, a decrease of 3.8% year-over-year, organic revenue amounted to negative 2.7%. Operating result amounted to a profit of EUR 1,368 thousands, (including non-recurring cost of EUR 156 thousands), compared to a profit of EUR 125 thousands in 3Q15.

Net financial items amounted to negative EUR 848 thousands, compared to negative EUR 450 thousands in 3Q15. We have a charge for income taxes of EUR 1,128 thousands for the period compared to 3,626 thousands in 3Q15. Net result ended with a loss of EUR 608 thousands compared to a loss of EUR 3,951 thousands in 3Q15.

Nine months results

Revenues amounted to EUR 151,296 thousands, a decrease of 1.4% year-over-year, organic revenue growth amounted to 0.7%. Operating result amounted to a profit of EUR 6,388 thousands, (including non-recurring net income of EUR 2,819 thousands), compared to a loss of EUR 1,159 thousands in 9M15.

Net financial items amounted to negative EUR 1,936 thousands, compared to positive EUR 5,911 thousands in 9M15, (including EUR 6.774 thousands in currency exchange differences). We have a charge for income taxes of EUR 2,875 thousands for the period compared to EUR 6,150 thousands in 9M15. Net result ended with a profit of EUR 1,577 thousands compared to a loss of EUR 1,398 thousands in 9M15.

CASH FLOW

3Q16 operating cash flow ended positive at EUR 7,297 thousands, mainly due to improved profits and decrease in working capital, compared to positive EUR 957 thousands in 3Q15. Financial activities was negative at EUR 5,115 thousands compared to negative EUR 3,421 thousands in 3Q15. Investing activities amounted to EUR 743 thousands, mainly due to R&D development and investments related to machinery, compared to EUR 187 thousands in 3Q15.

9M16 operating cash flow ended positive at EUR 2,408 thousands, mainly due to decrease in trade receivables, compared to negative EUR 12,303 thousands in 9M15. Financial activities was negative at EUR 1,620 thousands compared to positive EUR 7,726 thousands in 9M15. Investing activities amounted to EUR 2,640 thousands compared to EUR 1,229 thousands in 9M15.

NET DEBT

Net debt amounted to EUR 30,435 thousands, a quarter-over-quarter decrease of EUR 4,293 thousands due to operational profit and decrease in working capital. Leverage ratio increased to 1.76x (FY15: 1.65x).

EMPLOYEES

On September 30, 2016 Cavotec employed 1,005 full time equivalent employees, this is a decrease of 39 employees in 3Q16.

REVENUES AND ORDER INTAKE

EUR 000's	Revenues			
	3Q16	3Q15	9M16	9M15
Revenue from sales of goods and services	51,265	53,275	151,296	153,409
Increase/decrease	(2,010)	(14,839)	(2,113)	(8,793)
Percentage change	-3.8%	-21.8%	-1.4%	-5.4%
Of which				
- Volumes and prices	-2.7%	-29.0%	0.7%	-13.7%
- Currency effects	-1.1%	7.2%	-2.1%	8.3%

EUR 000's	Order Intake			
	3Q16	3Q15	9M16	9M15
Order Intake	46,452	45,189	153,280	174,932
Increase/decrease	1,263	(7,955)	(21,652)	3,566
Percentage change	2.8%	-15.0%	-12.3%	2.1%
Of which				
- Volumes and prices	-3.1%	-10.6%	-9.2%	-1.6%
- Currency effects	5.9%	-4.4%	-3.1%	3.7%

OPERATING SEGMENTS

EUR 000's	Revenues					
	3Q16	3Q15	Change %	9M16	9M15	Change %
AMER	11,340	9,674	17.2%	39,289	34,460	14.0%
EMEA	43,748	43,505	0.6%	139,810	138,004	1.3%
APAC	17,260	23,179	-25.5%	43,378	48,370	-10.3%
Inter-Group elimination	(21,083)	(23,083)		(71,181)	(67,425)	
Total	51,265	53,275	-3.8%	151,296	153,409	-1.4%

EUR 000's	Order Intake					
	3Q16	3Q15	Change %	9M16	9M15	Change %
AMER	11,610	15,777	-26.4%	30,800	36,638	-15.9%
EMEA	33,877	43,569	-22.2%	126,205	146,526	-13.9%
APAC	20,317	11,236	80.8%	61,758	61,978	-0.4%
Inter-Group elimination	(19,352)	(25,393)		(65,483)	(70,210)	
Total	46,452	45,189	2.8%	153,280	174,932	-12.4%

EUR 000's	Order Book			Book/Bill ratio	
	9M16	FY15	Change %	9M16	9M15
AMER	23,584	32,075	-26.5%	0.78	1.06
EMEA	65,607	79,215	-17.2%	0.90	1.06
APAC	49,895	31,521	58.3%	1.42	1.28
Inter-Group elimination	(38,671)	(44,368)			
Total	100,415	98,443	2.0%	1.01	1.14

MARKET UNITS

EUR 000's	Revenues					
	3Q16	3Q15	Change %	9M16	9M15	Change %
Ports & Maritime	22,352	22,618	-1.2%	68,074	73,803	-7.8%
Airports	15,138	16,217	-6.7%	40,818	35,258	15.8%
Mining & Tunnelling	6,268	7,509	-16.5%	19,302	21,008	-8.1%
General Industry	7,507	6,931	8.3%	23,102	23,340	-1.0%
Total	51,265	53,275	-3.8%	151,296	153,409	-1.4%

EUR 000's	Order Intake					
	3Q16	3Q15	Change %	9M16	9M15	Change %
Ports & Maritime	17,275	20,830	-17.1%	62,213	72,173	-13.8%
Airports	15,983	9,503	68.2%	48,748	54,597	-10.7%
Mining & Tunnelling	6,370	5,746	10.9%	18,569	23,033	-19.4%
General Industry	6,824	9,110	-25.1%	23,750	25,129	-5.5%
Total	46,452	45,189	2.8%	153,280	174,932	-12.4%

EUR 000's	Order Book			Book/Bill ratio	
	9M16	FY15	Change %	9M16	9M15
Ports & Maritime	52,659	58,520	-10.0%	0.91	0.98
Airports	35,466	27,536	28.8%	1.19	1.55
Mining & Tunnelling	5,724	6,457	-11.4%	0.96	1.10
General Industry	6,566	5,930	10.7%	1.03	1.08
Total	100,415	98,443	2.0%	1.01	1.14

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR 000's	Unaudited three months 30 Sep, 2016	Unaudited three months 30 Sep, 2015	Unaudited nine months 30 Sep, 2016	Unaudited nine months 30 Sep, 2015	Audited year 31 Dec, 2015
Revenue from sales of goods and services	51,265	53,275	151,296	153,409	232,223
Other income	844	1,802	7,448	4,010	5,982
Cost of materials	(24,076)	(26,030)	(70,333)	(73,046)	(113,580)
Employee benefit costs	(15,410)	(15,960)	(49,694)	(49,784)	(68,132)
Operating expenses	(10,146)	(11,822)	(28,924)	(32,137)	(44,130)
Gross Operating Result	2,477	1,265	9,793	2,452	12,363
Depreciation and amortisation	(1,109)	(1,140)	(3,405)	(3,611)	(4,768)
Operating Result	1,368	125	6,388	(1,159)	7,595
Interest income	45	17	577	34	52
Interest expenses	(435)	(415)	(1,321)	(897)	(1,312)
Currency exchange differences - net	(458)	(52)	(1,192)	6,774	6,484
Profit / (Loss) before income tax	520	(325)	4,452	4,752	12,819
Income taxes	(1,128)	(3,626)	(2,875)	(6,150)	(6,695)
Profit / (Loss) for the period	(608)	(3,951)	1,577	(1,398)	6,124
Other comprehensive income:					
Remeasurements of post employment benefit obligations	1	(71)	4	(29)	(113)
Items that will not be reclassified to profit or loss	1	(71)	4	(29)	(113)
Currency translation differences	(57)	(7,493)	(1,419)	(3,317)	(973)
Items that may be subsequently reclassified to profit / (loss)	(57)	(7,493)	(1,419)	(3,317)	(973)
Other comprehensive income for the period, net of tax	(56)	(7,564)	(1,415)	(3,346)	(1,086)
Total comprehensive income for the period	(664)	(11,515)	161	(4,744)	5,038
Total comprehensive income attributable to:					
Equity holders of the Group	(664)	(11,515)	162	(4,747)	5,035
Non-controlling interest	-	-	(1)	3	3
Total	(664)	(11,515)	161	(4,744)	5,038
Profit / (Loss) attributed to:					
Equity holders of the Group	(608)	(3,951)	1,577	(1,397)	6,124
Non-controlling interest	-	-	-	(1)	-
Total	(608)	(3,951)	1,577	(1,398)	6,124
Basic and diluted earnings per share attributed to the equity holders of the Group	(0.008)	(0.050)	0.020	(0.018)	0.078
Average number of shares	78,373,978	78,471,480	78,466,444	78,471,480	78,475,939

CONSOLIDATED BALANCE SHEET

EUR 000's	Unaudited 30 Sep, 2016	Unaudited 30 Sep, 2015	Audited 31 Dec, 2015
Assets			
Current assets			
Cash and cash equivalents	17,474	12,764	20,812
Trade receivables	46,721	54,427	62,431
Tax assets	1,009	971	1,035
Other current receivables	8,061	10,952	7,339
Inventories	47,621	53,177	45,065
Total current assets	120,886	132,291	136,682
Non-current assets			
Property, plant and equipment	25,862	26,371	26,736
Intangible assets	70,613	70,709	71,534
Non-current financial assets	282	376	289
Deferred tax assets	19,487	17,842	19,005
Other non-current receivables	7,389	469	5,731
Total non-current assets	123,633	115,767	123,295
Total assets	244,519	248,058	259,977
Equity and Liabilities			
Current liabilities			
Bank overdrafts	-	(110)	(202)
Current financial liabilities	(2,560)	(2,655)	(2,661)
Trade payables	(28,614)	(36,101)	(38,048)
Tax liabilities	(1,765)	(3,249)	(4,012)
Provision for risk and charges, current	(5,871)	(5,608)	(5,484)
Other current liabilities	(12,262)	(11,760)	(15,149)
Total current liabilities	(51,072)	(59,483)	(65,556)
Non-current liabilities			
Non-current financial liabilities	(44,281)	(46,758)	(43,345)
Deferred tax liabilities	(6,654)	(6,434)	(6,359)
Other non-current liabilities	(278)	(172)	(215)
Provision for risk and charges, non-current	(4,475)	(5,267)	(4,632)
Total non-current liabilities	(55,688)	(58,631)	(54,551)
Total liabilities	(106,760)	(118,114)	(120,107)
Equity			
Equity attributable to owners of the parent	(137,730)	(129,914)	(139,840)
Non-controlling interests	(29)	(30)	(30)
Total equity	(137,759)	(129,944)	(139,870)
Total equity and liabilities	(244,519)	(248,058)	(259,977)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR 000's	Equity related to owners of the parent	Reserves	Retained earnings	Equity related to owners of the parent	Non-controlling interest	Total equity
Unaudited						
Balance as at 1 January 2015	(91,990)	(12,096)	(33,790)	(137,876)	(27)	(137,903)
(Profit) / Loss for the period	-	-	1,398	1,398	(1)	1,398
Currency translation differences	-	3,320	-	3,320	(3)	3,317
Remeasurements of post employment benefit obligations	-	29	-	29	-	29
Total comprehensive income and expenses	-	3,349	1,398	4,747	(3)	4,744
Capital reduction	3,218	(3)	-	3,215	-	3,215
Transactions with shareholders	3,218	(3)	-	3,215	-	3,215
Balance as at 30 September 2015	(88,772)	(8,750)	(32,392)	(129,914)	(30)	(129,944)
Audited						
Balance as at 1 January 2015	(91,990)	(12,096)	(33,790)	(137,876)	(27)	(137,903)
(Profit) / Loss for the period	-	-	(6,124)	(6,124)	-	(6,124)
Currency translation differences	-	976	-	976	(3)	973
Remeasurements of post employment benefit obligations	-	113	-	113	-	113
Total comprehensive income and expenses	-	1,089	(6,124)	(5,035)	(3)	(5,038)
Capital reduction	3,218	(62)	-	3,156	-	3,156
Transactions related to own shares	-	-	(84)	(84)	-	(84)
Transactions with shareholders	3,218	(62)	(84)	3,072	-	3,072
Balance as at 31 December 2015	(88,772)	(11,069)	(39,998)	(139,840)	(30)	(139,870)
Unaudited						
Balance as at 1 January 2016	(88,772)	(11,069)	(39,998)	(139,840)	(30)	(139,870)
(Profit) / Loss for the period	-	-	(1,577)	(1,577)	-	(1,577)
Currency translation differences	-	1,419	-	1,419	1	1,420
Remeasurements of post employment benefit obligations	-	(4)	-	(4)	-	(4)
Total comprehensive income and expenses	-	1,414	(1,577)	(162)	1	(161)
Capital reduction	1,930	(4)	-	1,925	-	1,925
Transactions related to own shares	-	347	-	347	-	347
Transactions with shareholders	1,930	342	-	2,272	-	2,272
Balance as at 30 September 2016	(86,842)	(9,312)	(41,575)	(137,730)	(29)	(137,759)

CONSOLIDATED STATEMENT OF CASH FLOWS - INDIRECT METHOD

EUR 000's	Unaudited three months 30 Sep, 2016	Unaudited three months 30 Sep, 2015	Unaudited nine months 30 Sep, 2016	Unaudited nine months 30 Sep, 2015	Audited year 31 Dec, 2015
Profit / (Loss) for the period	(608)	(3,951)	1,577	(1,398)	6,124
Adjustments for:					
Net interest expenses / (income)	311	319	499	782	1,096
Current taxes	1,547	3,470	3,460	5,440	6,990
Depreciation and amortisation	1,109	1,140	3,406	3,611	4,768
Deferred tax	(420)	155	(585)	709	(295)
Provision for risks and charges	1,741	1,484	(739)	2,807	2,887
Capital gain or loss on assets	(23)	(5)	(131)	(40)	(45)
Other items not involving cash flows	1,255	739	2,415	(6,212)	(5,688)
Interest received / (paid)	(307)	(322)	(497)	(804)	(1,114)
Taxes paid	(1,320)	(683)	(5,682)	(5,237)	(6,088)
	3,893	6,297	2,146	1,056	2,511
Cash flow before changes in working capital	3,285	2,346	3,723	(342)	8,635
Impact of changes in working capital:					
Inventories	1,834	(600)	(3,188)	(13,327)	(5,393)
Trade receivables	12,307	3,183	16,686	5,268	(3,774)
Other current receivables	(674)	(1,482)	(719)	(4,227)	(621)
Trade payables	(10,084)	(1,827)	(9,491)	3,240	5,138
Other current liabilities	571	(222)	(3,000)	(2,653)	978
Long term receivables and liabilities	58	(441)	(1,603)	(262)	(5,231)
Impact of changes involving working capital	4,012	(1,389)	(1,315)	(11,961)	(8,903)
Net cash inflow / (outflow) from operating activities	7,297	957	2,408	(12,303)	(268)
Financial activities:					
Proceeds of loans and borrowings	-	2,025	1,514	14,427	10,097
(Repayments) of loans and borrowings	(2,958)	(1,669)	(631)	(2,924)	(2,308)
Capital reduction	(2,156)	(3,777)	(2,156)	(3,777)	(3,777)
Purchase of own shares	(1)	-	(347)	-	-
Net cash inflow / (outflow) from financial activities	(5,115)	(3,421)	(1,620)	7,726	4,012
Investing activities:					
Investments in property, plant and equipment	(461)	(1,183)	(1,518)	(2,261)	(3,173)
Investments in intangible assets	(341)	(549)	(1,318)	(616)	(651)
Sales of non-current financial assets	-	-	-	-	(25)
Disposal of assets	59	1,545	196	1,648	1,767
Net cash inflow / (outflow) from investing activities	(743)	(187)	(2,640)	(1,229)	(2,082)
Cash at the beginning of the period	16,172	17,569	20,610	17,071	17,071
Cash flow for the period	1,439	(2,651)	(1,852)	(5,806)	1,662
Currency exchange differences	(137)	(2,263)	(1,284)	1,389	1,877
Cash at the end of the period	17,474	12,654	17,474	12,654	20,610
Cash comprises:					
Cash and cash equivalents	17,474	12,764	17,474	12,764	20,812
Bank overdrafts	-	(110)	-	(110)	(202)
Total	17,474	12,654	17,474	12,654	20,610

SEGMENT INFORMATION

EUR 000's	AMER	EMEA	APAC	HQ	Inter-Group elimination	Total
Unaudited						
Three months ended 30 September 2016						
Revenue from sales of goods and services	11,340	43,749	17,260	-	(21,084)	51,265
Other income	759	1,587	591	5,290	(7,383)	844
Operating expenses before depreciation and amortisation	(14,219)	(42,664)	(17,138)	(4,911)	29,299	(49,632)
Gross Operating Result	(2,120)	2,672	713	379	832	2,477
Unaudited						
Three months ended 30 September 2015						
Revenue from sales of goods and services	9,674	43,505	23,179	-	(23,083)	53,275
Other income	22	1,717	1,546	504	(1,987)	1,802
Operating expenses before depreciation and amortisation	(12,540)	(44,678)	(21,647)	(11)	25,064	(53,812)
Gross Operating Result	(2,844)	544	3,078	493	(6)	1,265
Unaudited						
Nine months ended 30 September 2016						
Revenue from sales of goods and services	39,289	139,809	43,378	-	(71,181)	151,296
Other income	6,535	5,067	2,140	16,269	(22,562)	7,448
Operating expenses before depreciation and amortisation	(45,544)	(137,132)	(44,649)	(16,042)	94,415	(148,951)
Gross Operating Result	280	7,744	870	227	673	9,793
Unaudited						
Nine months ended 30 September 2015						
Revenue from sales of goods and services	34,460	138,004	48,370	-	(67,425)	153,409
Other income	475	5,116	4,878	2,327	(8,786)	4,010
Operating expenses before depreciation and amortisation	(43,582)	(138,082)	(47,780)	(1,158)	75,635	(154,967)
Gross Operating Result	(8,647)	5,038	5,468	1,169	(576)	2,452
Audited						
Year ended 31 December 2015						
Revenue from sales of goods and services	51,930	201,865	81,065	-	(102,637)	232,223
Other income	722	7,634	5,806	4,622	(12,802)	5,982
Operating expenses before depreciation and amortisation	(62,809)	(198,511)	(77,727)	(2,437)	115,642	(225,842)
Gross Operating Result	(10,157)	10,988	9,144	2,185	203	12,363

REVIEW OPINION



Report on the Review of
Interim consolidated financial statements
to the Board of Directors of
Cavotec SA
Lugano

Introduction

We have reviewed the interim consolidated financial statements on pages 5 to 9 (balance sheet, statement of comprehensive income, cash flow statement, statement of changes in equity and notes on page 12) of Cavotec SA for the nine months period ended 30 September 2016. The Board of Directors is responsible for the preparation and presentation of this interim consolidated financial statements in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with Swiss Auditing Standard 910 and International Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Swiss Auditing Standards and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements have not been prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers SA

Daniel Ketterer

Efreem Dell'Era

Lugano, 3 November 2016

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PARENT COMPANY - CONDENSED STATEMENT OF COMPREHENSIVE INCOME

CAVOTEC SA EUR 000's	Unaudited three months 30 Sep, 2016	Unaudited three months 30 Sep, 2015	Unaudited nine months 30 Sep, 2016	Unaudited nine months 30 Sep, 2015	Audited year 31 Dec, 2015
Dividend	64	-	64	-	-
Other income	621	214	2,281	1,755	3,355
Employee benefit costs	(153)	(14)	(653)	(587)	(940)
Operating expenses	(347)	(241)	(1,065)	(867)	(1,283)
Operating Result	185	(41)	627	301	1,132
Interest expenses - net	(7)	(7)	(20)	(18)	(26)
Currency exchange differences - net	(253)	(542)	(256)	(542)	(577)
Profit / (Loss) before income tax	(74)	(590)	351	(259)	529
Income taxes	(17)	(10)	(43)	(24)	(7)
Profit / (Loss) for the period	(92)	(600)	309	(283)	522
Other comprehensive income:					
Actuarial gain	-	-	-	-	48
Total comprehensive income for the period	(92)	(600)	309	(283)	570

PARENT COMPANY - CONDENSED BALANCE SHEET

CAVOTEC SA EUR 000's	Unaudited nine months 30 Sep, 2016	Unaudited nine months 30 Sep, 2015	Audited year 31 Dec, 2015
Assets			
Current assets			
Cash and cash equivalents	95	26	62
Trade receivable	248	70	2,159
Tax assets	25	19	22
Other current receivables	630	571	30
Total current assets	998	686	2,274
Non-current assets			
Investment in subsidiary companies	155,622	155,622	155,622
Deferred tax assets	41	-	31
Total non-current assets	155,662	155,622	155,652
Total assets	156,661	156,308	157,926
Equity and Liabilities			
Current liabilities			
Bank overdrafts	(58,048)	(56,233)	(56,975)
Current financial liabilities	(1,955)	(1,955)	(1,955)
Trade payables	(86)	(66)	(280)
Provision for risks and charges - current	-	(263)	(263)
Other current liabilities	(532)	(787)	(460)
Total current liabilities	(60,622)	(59,304)	(59,932)
Non-current liabilities			
Provision for risks and charges - non current	(121)	(178)	(121)
Other non-current liabilities	(169)	(109)	(158)
Total non-current liabilities	(289)	(287)	(278)
Total liabilities	(60,911)	(59,591)	(60,211)
Equity	(95,750)	(96,717)	(97,715)
Total equity	(95,750)	(96,717)	(97,715)
Total equity and liabilities	(156,661)	(156,308)	(157,926)

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 eight specialised engineering Centres of Excellence in Germany (two), 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 3 November 2016.

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

This quarterly report was prepared in accordance with IFRS, applying IAS 34 Interim Financial Reporting. The same accounting and valuation policies were applied in the annual report. The condensed quarterly financial statements should be read in conjunction with the annual financial statements for the year ended in December 2015.

The preparation of quarterly 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.

The Group is not exposed to seasonal variation in its operations. The carrying amount of financial assets and liabilities approximates their fair value.

SEGMENT INFORMATION

There have been no relevant changes to the assets and liabilities for segment information as shown in the Annual Report for 2015.

LEGAL DISPUTES

Following the lawsuit against Mr. Colaco, the former owner of INET Airport Systems, Mr. Colaco sold 2.8 million shares in Cavotec SA in order to pay USD 6.7 million pursuant to the court judgement entered in favour of Cavotec. The payment of USD 6.7 million received in 2Q16 was in addition to payments Cavotec had previously received from Mr. Colaco, which totalled USD 1.8 million.

Mr. Colaco has proceeded with an appeal of the judgement, which will postpone a final settlement to 2017. The payment made by Mr. Colaco has positively affected the Company's 2016 results by USD 5.8 million.

NOTEWORTHY RISKS AND UNCERTAINTIES

There have been no changes to what was stated by Cavotec in its Annual Report for 2015 under Risk management.

REPORTING DATES 2016

The 4Q16 Quarterly Report will be published on 22 February 2017.

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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