

Cargotec strengthens MacGregor by acquiring marine and offshore business from TTS Group

Strategic rationale

Combination of two highly complementary businesses producing greater scale and diversification

- By acquiring TTS marine and offshore business, Cargotec will strengthen MacGregor's portfolio and market position in key areas in cargo and load handling markets

The acquisition will strengthen MacGregor's service growth potential and service installed base

Position in China through strategic joint ventures with Chinese state owned ship building companies

Unlocking potential significant synergies

- Based on preliminary estimates, potential cost synergies are estimated to be around EUR 30-35 million on annual level and are expected to be reached within 3 years from closing



TTS overview

TTS provides equipment for the marine and offshore industries through subsidiaries in 15 countries

TTS Group's main products are a wide range of cargo handling and offshore cranes, RoRo access systems, hatch covers, winches and related services.

The company's service business includes spare parts, maintenance, inspections, modernisation, conversion and training. With a worldwide workforce of around 930 employees, TTS has more than 50 years of experience in the marine industry.

The group has subsidiaries in Belgium, Brazil, China, Germany, Greece, Italy, Korea, Norway, Poland, Singapore, Sweden, UAE, USA and Vietnam. TTS operates mainly through three 50/50 owned joint venture companies in China.

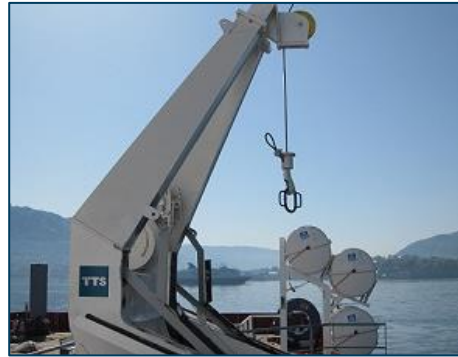


TTS product portfolio

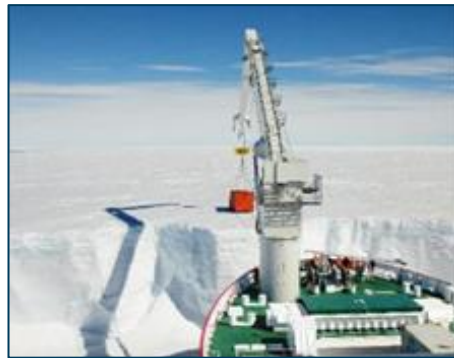
RoRo, Cruise & Navy



Container, Bulk & Tank Vessels



Multipurpose & General Cargo



Offshore Vessels



Services



Financial summary

MEUR, YTD 1 Jan–30 Sep 2017

	TTS business planned to be acquired ¹	MacGregor
Revenues	~161	432
EBIT ²	~4	9.5
Services (as % of revenues)	27%	32%

¹ Based on exchange rate EUR / NOK: 9.23

² Adjusted for restructuring costs

The presented TTS business financial figures are calculated based on full consolidation, but their actual impact on Cargotec's financials is subject to applied post-acquisition consolidation method of the joint ventures included in the acquisition.



Transaction highlights

Transaction terms and structure	Financing	Deal certainty and timing
Acquisition of TTS business ▪ TTS Group ASA and its shipyard solution business, TTS Syncrolift AS, are excluded from the deal Only certain HQ costs will be assumed Total consideration of EUR 87m on a debt free / cash free basis, with customary closing adjustments	Transaction consideration will be covered by Cargotec's available cash and financing	More than 2/3 of TTS shareholders supports the transaction and have committed to vote in favor of the deal in TTS Group's Extraordinary General Meeting. Furthermore, more than 2/3 of convertible bondholders have made the same commitment, if any of their bonds are converted to shares prior to the Extraordinary General Meeting The acquisition is subject to regulatory approvals from competition authorities, which are expected to be received during the third quarter of 2018

Disclaimer

Although forward-looking statements contained in this presentation are based upon what management of the company believes are reasonable assumptions, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. These statements are not guarantees of future performance and undue reliance should not be placed on them. The company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws.

All the discussion topics presented during the session and in the attached material are still in the planning phase. The final impact on the personnel, for example on the duties of the existing employees, will be specified only after the legal requirements of each affected function/ country have been fulfilled in full, including possible informing and/or negotiation obligations in each function / country.

