4Q 2011

Cavotec – 4th Quarter Report 2011 and full year 2011 summary

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Cavotec
Inspired Engineering

- Accumulated revenues reached EUR 189,969 thousands at the end of December (144,960), up 31% on the same period last year
- Adjusted operating result[(1)] increased 14.4% to EUR 14,174 thousands (12,387)
- Order intake for the last twelve months rolling reached EUR 215,876 thousands
- Order book at 31 December 2011 stood at EUR 95,042 thousands, up 43% compared to 2010 (66,378)
- Adjusted earnings per share[(2)] increased 29% to EUR 0.160 (0.125)
- The Board of Directors proposes a dividend of CHF 0.02 per share

A comment from the CEO

2011 saw great changes, challenges and opportunities for Cavotec. Over the past year we acquired a new company in the USA, re-financed the Group's credit facilities, continued to develop our market position, re-listed the Group to the NASDAQ OMX in Stockholm, Sweden and last but not least, managed to significantly increase our revenues.

Despite this we must also continue to look where we can improve as a company. One of our main goals for 2012 is to strengthen the level of profitability compared to 2011, which was affected by three ongoing strategic investments for our future growth:

- Revenue mix: 2011 saw a shift towards larger, more complex and more system oriented projects, simultaneously establishing a knowledge base within the company to handle larger scale projects
- Landmark projects: a continuation of our strategy to strengthen our market share and broadening our product offering
- Strengthening global network: continued development, expansion and improvement of our global sales and support structure

LOOKING AHEAD

Following a consistent and record-high stream of Order Intake and revenues throughout 2011, Cavotec started 2012 with an Order Book of EUR 95.0 million, its highest end of year level ever. January 2012 continued on the same positive track registering a record in Order Intake of EUR 21.8 million and a new high in the Order Book at EUR 105.4 million.

Although there is some on-going uncertainty surrounding prospects for economic growth in Europe, we believe that the diversification and exposure to non-European and emerging markets (European customers represent only 40.5% of Group revenues) will allow Cavotec to continue to register growth in 2012, offsetting any potential downturn in orders in some isolated markets and geographical areas during the year.

Our outlook remains confident and we have established as a 2012 objective to improve operating margins compared to the levels achieved in 2011.

(1) Operating result adjusted for acquisition and reorganization costs
(2) Earnings per share adjusted for non-recurring items

THE REGIONS

Although 4Q11 saw a consistent development for Cavotec as a whole, certain regions reported a significant increase in activity over the previous period.

A good example of this is in the Americas where both a good Order Intake and Order Invoiced was due in part to the first signs of improvement in the US economy and the ongoing economic boom in South America. Another contributing factor to this positive trend is the further integration of Cavotec INET into the Group structure. Acquired in August 2011, the company has already made good progress in contributing to Cavotec's overall results.

In Europe the Group reported slightly lower figures compared to the previous period. This development is mainly due to the ongoing financial uncertainty in the Eurozone, continuing to impact some industry segments within the region.

The Middle East noted a positive trend throughout 4Q but with a moderate overall increase compared to the last period. A main contributor to this growth was the General Industry Market Unit with some interesting orders from customers throughout the region.

In comparison, the South-East Asia region posted a strong performance, with increases in both Order Intake and Order Invoiced across all industry segments in particular for the energy segment contained within the General Industry Market Unit.

The strongest performance came from the Far East underlining the ongoing growth in many of the local economies in that region. The main contributor to this positive trend was the Airports Market Unit, with some significant orders coming from both Shanghai and Hong Kong.

Quarterly results

REVENUES, EARNINGS AND PROFITABILITY

In 4Q11, revenues reached EUR 60,239 thousands up 50.8% compared to 2010 (39,958). Acquisitions contributed 11.1% in the period while negative effect from currency movements subtracted 0.7%. Adjusted for non-recurring costs of EUR 1,237 thousands the operating result amounted to EUR 4,339 thousands compared with EUR 4,042 thousands in 4Q10. Change in the revenue mix and cost inflation explain the decrease of the operating margin.

The profit for the period has been also adversely affected by non-operating costs, related to the reincorporation in Switzerland, the delisting from the New Zealand Stock Exchange and subsequent listing on NASDAQ OMX, totalling EUR 834 thousands. Net interest expenses remained stable while currency exchanges differences deducted EUR 64 thousands compared to a positive contribution of EUR 211 thousands in 4Q10.

Net loss amounted to EUR 566 thousands impacted by non-deductibility of the non-operating costs and non-cash reduction of deferred tax assets.

Full-year results

Revenues in 2011 amounted to EUR 189,969 thousands (144,960) a 26.6% organic growth rate; acquisitions contributed 4.5% while the negative currency effect was 0.1%.

The adjusted operating profit amounted to EUR 14,174 thousands (12,387) before deducting EUR 1,490 thousands of non-recurring costs related to the INET acquisition and subsequent reorganization.

Net finance items were negative EUR 59 thousands, a significant improvement compared to the previous year (973) due to favourable exchange rates fluctuations and lower effective interest rates.

Profit before income tax for the year of EUR 10,305 thousands compared to EUR 11,414 thousands for the same period in 2010 has been adversely affected by a charge of EUR 2,320 thousand for non-operating costs incurred in relation to the delisting from New Zealand, reincorporation in Switzerland and subsequent listing on Nasdaq OMX and by the above mentioned non-recurring costs.

The income tax charge for the year was negatively impacted by the expensing of certain deferred tax assets in consequence of the corporate reorganization of the Group related to the transfer of the listing which had the effect of increasing income tax expense by approximately EUR 1,147 thousands and was also adversely affected by the non-deductible nature of the non-operating costs referred to above.

Net profit decreased to EUR 5,844 thousands (8,006).

CASH FLOW

Operating cash flow was negative in the quarter at EUR 4,468 thousands reflecting the negative working capital movements associated with the increased level of activity in the quarter. Year to date, operating cash flow totalled EUR 5,474 thousands, financial activities contributed EUR 2,712 thousands and cash flow from investing activities was negative at EUR 6,707 thousands due to investments in the expansion of the manufacturing facilities.

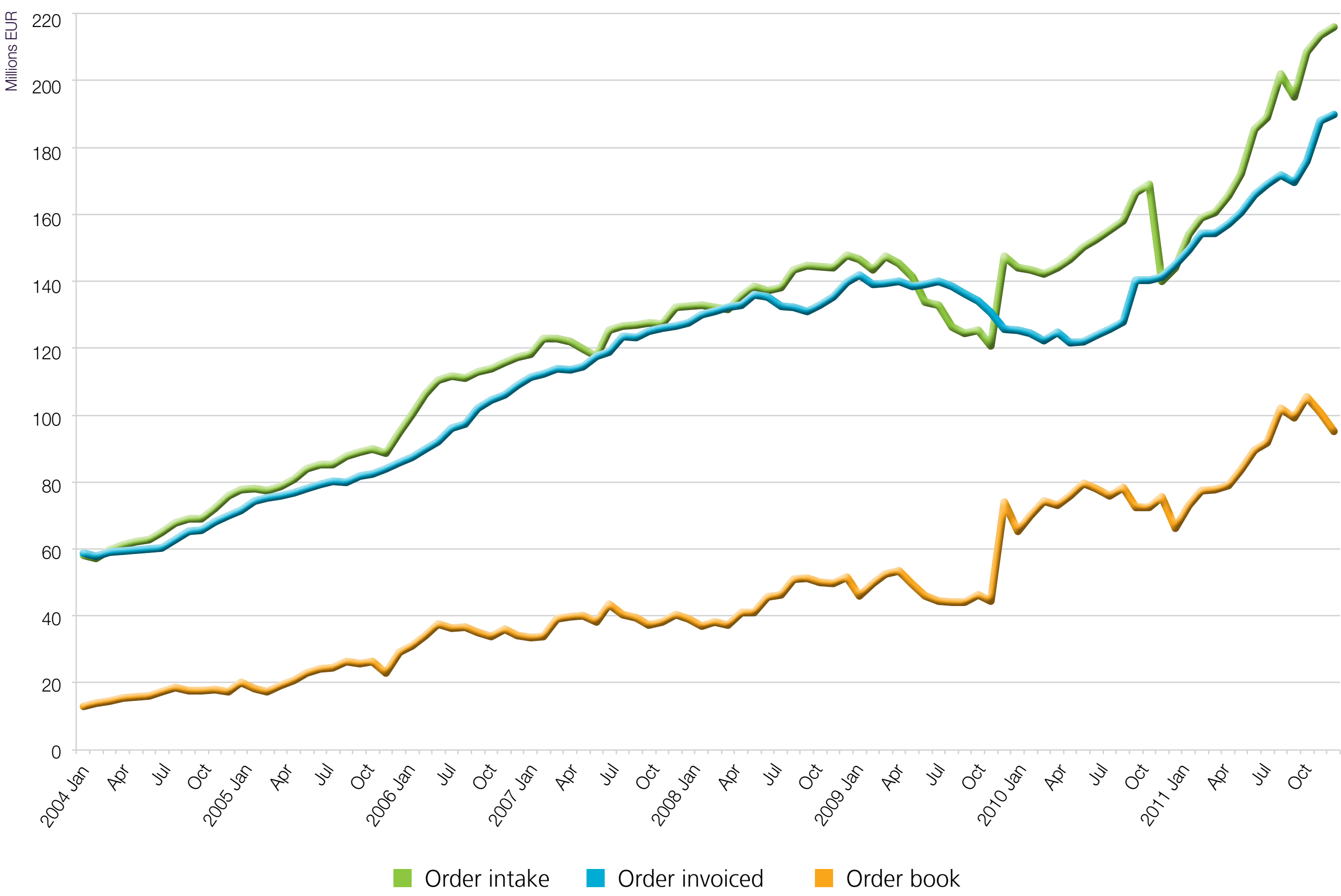
NET DEBT

The Group's net debt increased to EUR 23,708 thousands, compared to EUR 19,651 thousands at the end of 2010 and EUR 21,378 thousands at the end of the previous quarter. Cavotec's 12-month rolling leverage ratio (Net Debt/EBITDA adj.) slightly increased from 1.25 to 1.31, while the Group's debt/equity ratio improved from 25.6% to 24.3%.

EMPLOYEES

The main increase in our employee numbers came following the recent acquisition of Cavotec INET in the USA. On 31 December 2011, the number of Cavotec employees converted to a full-time employment equivalent was 896, an increase of 5 since 30 September 2011 and 178 more compared to 31 December 2010.

12-Month rolling figures 2004-2011



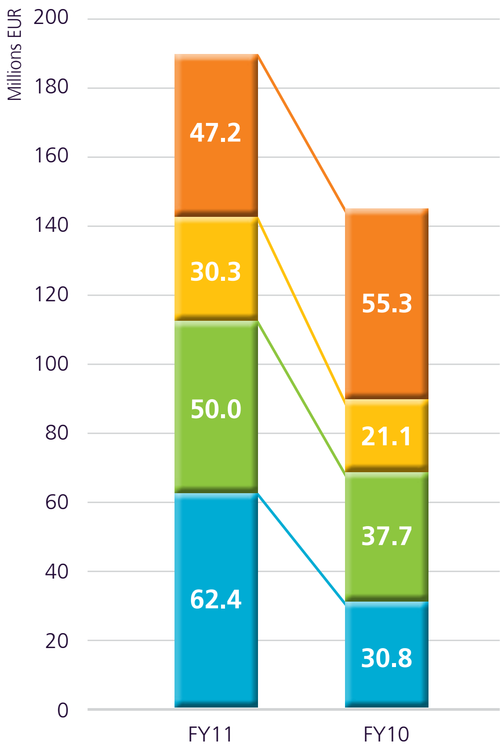
Revenue from sales of goods and growth

EUR 000's	Three months 31 Dec 2011	Three months 31 Dec 2010	Year 31 Dec 2011	Year 31 Dec 2010
Revenue from sales of goods	60,239	39,958	189,969	144,960
Increase/decrease	20,281	4,550	45,009	19,702
Percentage change	50.8%	12.9%	31.0%	15.7%
Of which				
- Volumes and prices	40.4%	5.7%	26.6%	8.9%
- Acquisitions/divestments	11.1%	0.0%	4.5%	0.0%
- Currency effects	-0.7%	7.2%	-0.1%	6.8%

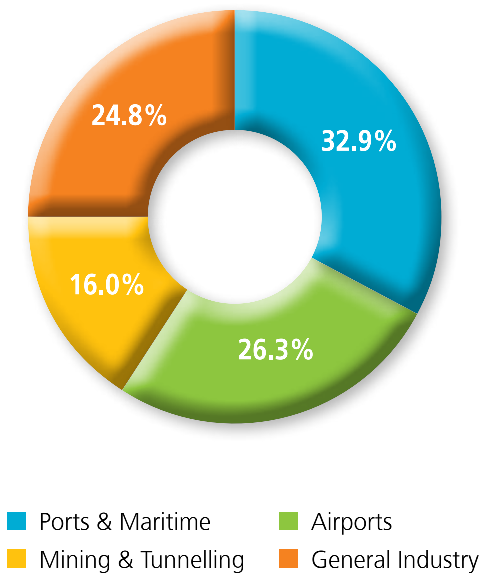
Market Units

EUR 000's	4Q11	4Q10	Change %	FY11	FY10	Change %
Ports & Maritime	20,802	8,121	156.2%	62,441	30,819	102.6%
Airports	18,224	10,191	78.8%	49,988	37,723	32.5%
Mining & Tunnelling	8,847	6,304	40.3%	30,346	21,136	43.6%
General Industry	12,367	15,342	-19.4%	47,194	55,282	-14.6%
Total	60,239	39,958	50.8%	189,969	144,960	31.0%

Weighted percentage	4Q11	4Q10	Change %	FY11	FY10	Change %
Ports & Maritime	34.5%	20.3%	14.2%	32.9%	21.3%	11.6%
Airports	30.3%	25.5%	4.7%	26.3%	26.0%	0.3%
Mining & Tunnelling	14.7%	15.8%	-1.1%	16.0%	14.6%	1.4%
General Industry	20.5%	38.4%	-17.9%	24.8%	38.1%	-13.3%
Total	100.0%	100.0%		100.0%	100.0%	



Market Units as a percentage of 2011 Revenue



Ports & Maritime

Cavotec's Ports & Maritime Market Unit continued to register exceptional performance in 4Q11 with revenues amounting to EUR 20,802 thousands, up 156.2% compared to 4Q10.

Accumulated revenues reached EUR 62,441 thousands, up 102.6% versus EUR 30,819 thousands in 2010. Ports & Maritime represented 32.9% of Group revenues up from 21.3% in 2010.

The accumulated Order Intake for the Market Unit amounted to EUR 81,176 thousands and the Order Book for Ports & Maritime stands at EUR 40,897 thousands almost doubled compared to 2010.

ACTIVITIES IN THE MARKET

Cavotec's Ports & Maritime Market Unit reported a strong Q4, with orders booked throughout the period. The unit also succeeded in winning one of its largest projects to date for its automated mooring technology MoorMaster™.

This record order comprised 24 MoorMaster™ MM200D units for installation at Port Hedland, Western Australia. This will be the second MoorMaster™ application at the port.

Indicative of the extent to which MoorMaster™ is becoming increasingly accepted in the ports sector, the technology was a key component in four significant industry awards during Q4.

The 2011 Western Australia Engineering Excellence Award and Australia Bulk Handling Award 2011 for Best Practice in Occupational Health & Safety both went to Cavotec MoorMaster™ partners Port Hedland Port Authority and Pinc Group. In November, the MoorMaster™ technology also went on to win the national 2011 Australia Engineering Excellence Awards, and the International Bulk Journal's Award for Safety in Bulk Handling.

Meanwhile, the Market Unit was awarded an order from the ThyssenKrupp industrial group for horizontal drum reels for cables and hoses and radio remote controls (RRC) for an iron ore application, also at Port Hedland. Additional hoses were also included in the order.

The unit also noted further progress for its Alternative Maritime Power (AMP) system with the successful connection of a container ship to its first low- and medium-voltage shore-to-ship electrical power system in China. Remaining in Asia, Cavotec Singapore won a contract for a drag chain for an oilrig application.

Market conditions also remained firm in the Middle East, where highlights included a contract to electrify eight rubber tyred gantry (RTG) cranes at DP World's Jebel Ali port in Dubai.

Accumulated Revenues
EUR 62,441 thousands

33%

Accumulated Order Intake
EUR 81,176 thousands

38%

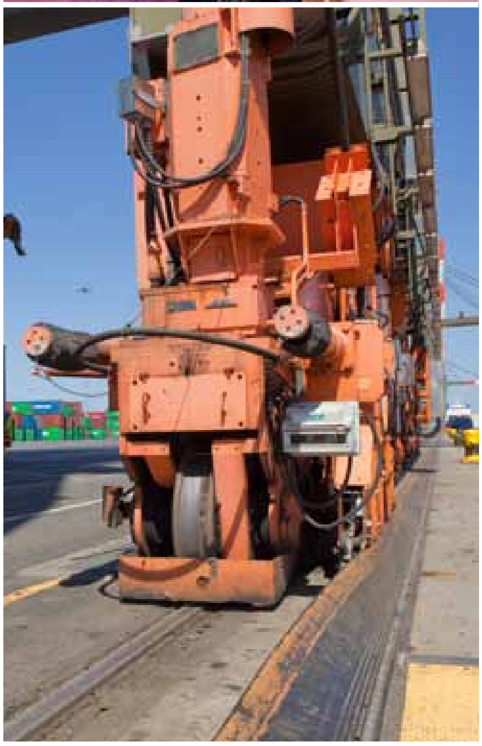
Order Book
EUR 40,897 thousands

43%

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
PSA
SLSMC
Statoil
ZPMC





Airports

The Airports Market Unit registered revenues amounting to EUR 18,224 thousands in the quarter versus 10,191 thousand in the same quarter of the previous year.

Accumulated revenues reached EUR 49,989 thousands (37,723) of which 6,585 were contributed by the newly acquired Cavotec INET.

The accumulated Order Intake for the Airports Market Unit amounted to EUR 51,627 thousands and the Order Book slightly increased to EUR 33,200 thousands, up 4.7% compared to end of 2010 Order Book (31,721).

ACTIVITIES IN THE MARKET

The Airports Market Unit continued to grow strongly in Q4, with projects registered for new equipment and upgrades of existing facilities worldwide.

The Group's strong presence in the aviation market in China was enhanced during the period when Cavotec Shanghai received an order for Cavotec Fladung coilers. The units will be installed in the new Shenzhen Airport Terminal 2 and at the new Terminal in Chongqing Airport during 2012.

Cavotec Hong Kong continued to strengthen its local presence during the period with an order from International Airport of Hong Kong for hatch pits.

In Europe, Cavotec successfully installed several 400Hz converters at Paris Charles de Gaulle International Airport's Terminal 1. Success with this project could lead to this solution becoming an accepted standard at airports across France.

Meanwhile, work continued on several of the unit's major projects in the Middle East, for example at Bahrain International Airport and Dubai International Airport. At both these flagship projects, Cavotec is installing state-of-the-art ground support equipment to serve these airports', and others', evolution into major transport hubs in the region's burgeoning airports sector.

Accumulated Revenues
EUR 49,989 thousands
26%

Accumulated Order Intake
EUR 51,627 thousands
24%

Order Book
EUR 33,200 thousands
35%

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

Cavotec's Mining & Tunnelling Market Unit recorded another record quarterly results, with revenues amounting to EUR 8,847 thousands, up 40.3% compared to 4Q10.

Accumulated revenues reached EUR 30,346 thousands, up 43.6% versus EUR 21,136 thousands in 2010, sustained by strong commodity prices. The accumulated Order Intake for the Market Unit amounted to EUR 32,558 thousands.

The end of year Order Book for Mining & Tunnelling stands at EUR 8,235 thousands, up 40.8% compared to 2010 Order Book.

ACTIVITIES IN THE MARKET

Rising levels of activity in the mining and tunnelling segments in most markets saw Cavotec's Mining & Tunnelling Market Unit report strong overall growth in Q4, continuing a positive trend established earlier in the year.

Major infrastructure projects, such as the new Hong Kong underground and the Stockholm City Line, provided the tunnelling side of the unit with steady demand for equipment and components throughout the period. Such projects involve large numbers of orders over extended periods, often to Cavotec's long-term OEM customers. Overall, activity in the tunnelling segment was encouraging throughout the period.

On the mining side of the business, the Market Unit reported positive results in all major markets including Africa, Europe, the Middle East, the Americas and Asia. Projects encompassed the unit's expertise and product range in key areas such as electrical power control and supply and radio remote controls.

In one particular breakthrough project for the Group, the Market Unit won an order for cable reels and accessories for an application in Mexico. Activity was also stronger elsewhere in emerging markets such as Brazil with several projects awarded for Cavotec's specialised mining products and components.

Accumulated Revenues
EUR 30,346 thousands
16%

Accumulated Order Intake
EUR 32,558 thousands
15%

Order Book
EUR 8,235 thousands
9%

Some of our major customers in this segment:

Atlas Copco

Bals

BHP Billiton

Blumenbecker Automation

Herrenknecht

LKAB

Pilbara Iron

Ramboom

Robbins

Sandvik

ThyssenKrupp

WHBO

General Industry

Revenues for the General Industry Market Unit amounted to EUR 12,367 thousands, down 19.4% compared to 4Q10.

Accumulated revenues reached EUR 47,193 thousands, down 14.6% compared to 2010 reflecting the overall lack of big projects in 2011 and the soft Order Book for this Market Unit at the end of 2010.

Importantly, the accumulated Order Intake for the Market Unit amounted to EUR 50,668 thousands demonstrating an increase in activity for the unit with the Order Book at the end of the period standing at EUR 12,710 thousands, up 52.9% compared to 4Q10 Order Book.

ACTIVITIES IN THE MARKET

The General Industry unit recorded steady growth in orders for the Q4 period. The unit noted especially robust demand in the energy sector. Growth was also encouraging in several other sectors, with automation and manufacturing equipment more broadly being particularly strong.

In an example of strengthening demand in the energy sector, the unit won a substantial order for RRC systems and related materiel for an application in the US. Delivery began in December and is set to continue on a monthly basis into 2012. This is the second such order from this significant US customer and is an area the Group intends to develop further going forward.

The unit also noted continued growth in demand in markets in Europe, the Middle East and Asia, with the Far East being especially strong. Applications for the unit's products and systems in the period ranged from bulk handling, manufacturing and the entertainment industries.

Accumulated Revenues
EUR 47,193 thousands

25%

Accumulated Order Intake
EUR 50,668 thousands

23%

Order Book
EUR 12,710 thousands

13%

Some of our major customers in this segment:

ABB

Arcelor – Mittal

Al Habtoor

Costain

Fisia Italimpianti

GE International

Konecranes

Liebherr

Linde

Manitowoc

Palfinger

Rocktec

Siemens

Terex

Vahle

Consolidated Statement of Comprehensive Income

EUR 000's	Unaudited three months 31 Dec 2011	Unaudited three months 31 Dec 2010	Unaudited year 31 Dec 2011	Audited year 31 Dec 2010
Revenue from sales of goods	60,239	39,958	189,969	144,960
Other income	585	1,714	3,098	3,663
Raw materials and components	(32,264)	(16,422)	(96,288)	(65,802)
Employee benefit costs	(14,008)	(11,135)	(49,378)	(42,031)
Operating expenses	(9,756)	(9,124)	(30,210)	(25,027)
Gross Operating Result	4,796	4,991	17,191	15,763
Depreciation and amortisation	(1,694)	(949)	(4,507)	(3,376)
Operating Result	3,102	4,042	12,684	12,387
Non-operating costs	(834)	-	(2,320)	-
Interest expenses - net	(332)	(375)	(1,573)	(1,757)
Currency exchange differences - net	(64)	211	1,514	784
Profit before income tax	1,872	3,878	10,305	11,414
Income taxes	(2,438)	(1,283)	(4,461)	(3,408)
Profit for the period	(566)	2,595	5,844	8,006
Other comprehensive income:				
Exchange differences on translation of foreign operations	5,374	1,172	3,956	3,466
Fair value adjustment: to available for sale financial assets	-	(1)	-	(466)
Actuarial gain (loss)	(244)	-	(244)	-
Total comprehensive income for the period	4,564	3,766	9,556	11,005
Total comprehensive income attributable to:				
Equity holders of the Group	4,602	3,735	9,693	10,934
Non-controlling interest	(38)	31	(137)	71
Total	4,564	3,766	9,556	11,005
Profit / (loss) attributed to:				
Equity holders of the Group	(501)	2,575	5,948	7,932
Non-controlling interest	(65)	20	(104)	74
Total	(566)	2,595	5,844	8,006
Basic and diluted earnings per share attributed to the equity holders of the Group	(0.007)	0.040	0.089	0.125
Average number of shares	71,332,700	63,632,700	66,501,741	63,632,700

Consolidated Balance Sheet

EUR 000's	Unaudited 31 Dec 2011	Audited 31 Dec 2010*	Audited 31 Dec 2009*
Assets			
Current assets			
Cash and cash equivalents	12,952	12,203	10,957
Trade receivables	42,612	31,298	31,644
Tax assets	940	554	916
Other current receivables	6,491	2,802	2,221
Inventories	29,105	27,884	22,460
Assets held for sale	-	-	608
Total current assets	92,100	74,741	68,806
Non-current assets			
Property, plant and equipment	24,582	20,260	13,919
Intangible assets	68,917	50,739	50,435
Non-current financial assets	254	429	-
Deferred tax assets	2,380	1,181	889
Other non-current receivables	4,047	276	558
Total non-current assets	100,180	72,885	65,803
Total assets	192,280	147,626	134,609
Equity and Liabilities			
Current liabilities			
Bank overdrafts	-	-	(4,448)
Current financial liabilities	(4,277)	(3,559)	(4,641)
Trade payables	(33,949)	(23,645)	(20,778)
Other current liabilities	(15,383)	(10,082)	(10,225)
Total current liabilities	(53,609)	(37,286)	(40,093)
Non-current liabilities			
Non-current financial liabilities	(32,387)	(28,319)	(23,723)
Deferred tax liabilities	(3,411)	(2,698)	(1,740)
Other non-current liabilities	(1,591)	(44)	-
Provision for risks and charges	(3,870)	(2,472)	(2,136)
Total non-current liabilities	(41,259)	(33,533)	(27,599)
Total liabilities	(94,868)	(70,819)	(67,692)
Equity			
Equity attributable to owners of the parent	(97,507)	(76,459)	(66,650)
Non-controlling interests	95	(348)	(267)
Total equity	(97,412)	(76,807)	(66,917)
Total equity and liabilities	(192,280)	(147,626)	(134,609)

** Restated, refer to page 21*

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 31 December 2009	(67,346)	(267)	(67,613)
Restatement	697	-	697
Balance restated as at 1 January 2010	(66,649)	(267)	(66,916)
Profit for the year	(7,932)	(74)	(8,006)
Exchange differences on translation	(3,469)	3	(3,466)
Fair value adjustment - to available for sale financial assets	466	-	466
Total comprehensive income and expenses	(10,934)	(71)	(11,005)
Dividends	1,114	-	1,114
Acquisition of non-controlling interest	10	(10)	-
Transactions with shareholders	1,124	(10)	1,114
Balance as at 31 December 2010	(76,460)	(348)	(76,807)
Unaudited			
Balance as at 1 January 2011	(76,460)	(348)	(76,807)
Profit for the year	(5,948)	104	(5,844)
Exchange differences on translation	(3,989)	33	(3,956)
Actuarial (gain) loss	244	-	244
Total comprehensive income and expenses	(9,693)	137	(9,556)
Reclassification	-	-	-
Capital increase	(12,444)	-	(12,444)
Other reserves	-	-	-
Dividends	1,395	-	1,395
Acquisition of non-controlling interest	(306)	306	-
Transactions with shareholders	(11,355)	306	(11,049)
Balance as at 31 December 2011	(97,507)	95	(97,412)

Consolidated Statement of Cash Flows - Indirect Method

EUR 000's	Unaudited three months 31 Dec 2011	Unaudited three months 31 Dec 2010	Unaudited year 31 Dec 2011	Audited year 31 Dec 2010
Profit for the period	(566)	2,595	5,844	8,006
Adjustments for:				
Net interest	298	288	1,303	1,449
Current taxes	1,587	1,073	4,733	3,276
Depreciation and amortisation	1,694	949	4,507	3,376
Deferred tax	833	(1,226)	(272)	(1,250)
Provision for risks and charges	970	136	1,859	336
Capital gain or loss on assets	(3)	(14)	(49)	(458)
Other items not involving cash flows	34	3,293	270	3,514
Interest paid	(327)	(318)	(1,374)	(2,068)
Taxes paid	(510)	(2,658)	(2,324)	(2,657)
	4,576	1,523	8,653	5,518
Cash flow before change in working capital	4,010	4,118	14,497	13,524
Inventories	1,805	(1,071)	(1,443)	(5,424)
Trade receivables	(10,610)	(1,006)	(15,155)	346
Other current receivables	1,765	3,568	(4,076)	(219)
Trade payables	(1,462)	1,240	10,304	2,867
Other current liabilities	24	106	1,347	(143)
Impact of changes involving working capital	(8,478)	2,837	(9,023)	(2,573)
Net cash inflow / (outflow) from operating activities	(4,468)	6,955	5,474	10,951
Increase (decrease) of loans and borrowings	577	(3,608)	4,517	3,682
Dividend payment	-	(93)	(1,395)	(1,114)
Acquisition of non-controlling interest	(410)	-	(410)	-
Net cash inflow from financial activities	167	(3,701)	2,712	2,568
Investments in property, plant and equipment	(592)	(3,173)	(6,609)	(7,954)
Investments in intangible assets	(49)	(194)	(180)	(525)
Change in non-current financial assets	10	(44)	(69)	(176)
Disposal of assets	(48)	58	151	110
Net cash outflow from investing activities	(679)	(3,353)	(6,707)	(8,545)
Cash at the beginning of the period	14,674	12,737	12,203	6,509
Cash flow for the period	(4,980)	(99)	1,479	4,974
Currency exchange differences	3,257	(435)	(730)	721
Cash at the end of the period	12,952	12,203	12,952	12,203
Cash comprises:				
Cash and cash equivalents	12,952	12,203	12,952	12,203
Bank overdrafts	-	-	-	-
Total	12,952	12,203	12,952	12,203

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 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 three months ended 31 December 2010								
Revenue from sales of goods	5,913	32,517	7,130	5,317	3,613	-	(14,532)	39,958
Other income	69	2,148	159	556	(38)	232	(1,412)	1,714
Operating expenses before depreciation and amortisation	(4,629)	(31,306)	(7,240)	(5,180)	(3,495)	(705)	15,874	(36,681)
Gross Operating Result	1,353	3,359	49	693	81	(473)	(70)	4,991
Unaudited 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
Audited year ended 31 December 2010								
Revenue from sales of goods	17,276	111,507	27,806	16,308	19,508	-	(47,445)	144,960
Other income	354	4,467	430	562	100	820	(3,070)	3,663
Operating expenses before depreciation and amortisation	(15,204)	(106,423)	(25,673)	(15,178)	(18,369)	(988)	48,975	(132,860)
Gross Operating Result	2,426	9,551	2,563	1,692	1,239	(168)	(1,540)	15,763

Parent Company - Condensed Statement of Comprehensive Income

CAVOTEC SA EUR 000's	Unaudited three months 31 Dec 2011	Unaudited three months 31 Dec 2010	Unaudited year 31 Dec 2011	Audited year 31 Dec 2010
Employee benefit costs	(139)	-	(139)	-
Operating expenses	(278)	-	(415)	-
Gross Operating Result	(417)	-	(554)	-
Depreciation and amortisation	-	-	-	-
Operating Result	(417)	-	(554)	-
Non-operating expenses	(821)	-	(1,978)	-
Interest expenses - net	(1)	-	(1)	-
Currency exchange differences - net	1	-	7	-
Profit before income tax	(1,238)	-	(2,526)	-
Income taxes	(13)	-	(13)	-
Profit for the period	(1,251)	-	(2,539)	-
Other comprehensive income:				
Actuarial gain (loss)	(73)	-	(73)	-
Total comprehensive income for the period	(1,324)	-	(2,612)	-

Parent Company - Condensed Balance Sheet

CAVOTEC SA EUR 000's	Unaudited 31 Dec 2011	Audited 31 Dec 2010
Assets		
Current assets		
Cash and cash equivalents	23	-
Tax assets	33	-
Other current receivables	5	-
Total current assets	61	-
Non-current assets		
Investment in subsidiary companies	100,775	-
Other non-current assets	-	-
Total non-current assets	100,775	-
Total assets	100,836	-
Equity and Liabilities		
Current liabilities		
Bank overdrafts	(9,556)	-
Current financial liabilities	(1,115)	-
Trade payables	(323)	-
Other current liabilities	(158)	-
Total current liabilities	(11,152)	-
Non-current liabilities		
Provision for risks and charges	(73)	-
Total non-current liabilities	(73)	-
Total liabilities	(11,225)	-
Equity	(89,611)	-
Total equity	(89,611)	-
Total equity and liabilities	(100,836)	-

General information

Cavotec is a global engineering group, supplying innovative and environmentally friendly systems to the ports and maritime, airports, mining and 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 29 February 2012.

The Board of Directors proposes a dividend of 0.02 CHF per share, or a total of approximately EUR 1,180 thousands at today's prevailing exchange rates.

Basis of preparation of financial statements

The consolidated accounts of the Cavotec Group are prepared in accordance with International Financial Reporting Standards (IFRS). The same accounting and valuation policies were applied as in the most recent annual report with the exception of new and revised standards and interpretations effective from 1 January 2011. These changes have not had any impact on Cavotec's financial statements.

This interim report is prepared in accordance with IAS 34 Interim Financial Reporting.

In addition, the Group has introduced an accounting policy for non-operating costs as follows: non-operating costs were incurred in relation to the change of the listing place from New Zealand to Sweden. All these costs were directly charged to the profit and loss account.

Restatement

The reported Balance Sheet figures as of 31 December 2009 and 31 December 2010 have been restated to correct an error dating back to 2006/07 resulting in a reduction of the inventory of EUR 697 thousands and a corresponding reduction of prior years' retained earnings for the same amount.

Segment information

There have been no relevant changes to the assets and liabilities for segment information as shown in the Annual Report for 2010.

Company acquisitions and divestments

On 15 November, the ownership of Cavotec South Africa has been increased from 70% to 100% following the acquisition of the shares owned by the minority partner.

Noteworthy risks and uncertainties

There have been no changes to what was stated by Cavotec in its Annual Report for 2010 under Risk management (pages 139-142).

Management long term incentive plan

The Board of Directors will propose to the Annual General Meeting a long-term incentive plan which requires co-investment in Cavotec shares by the participants. The details of the proposals will be communicated in connection with the Notice of the Annual General Meeting.

On behalf of the Board
29 February 2012

Ottonel Popesco
Chief Executive Officer

Reporting dates 2012

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 Annual General Meeting will be held in Stockholm on the 4 May at 11:00 CET. The 2011 Annual Report will be available in the first week of April on www.cavotec.com where a printed version of the report can also be ordered.

The 1Q12 Quarterly Report will be published on 7 May 2012.

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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