



Cavotec - 3rd Quarter Report 2013



investor@cavotec.com

- Revenues amounted to EUR 51,891 thousands in 3Q13 in line with 3Q12 (51,907).
- Order Intake was stable quarter on quarter at EUR 57,434 thousands (3Q12: 59,111).
- Operating Result (EBIT) improved to EUR 3,025 thousands, up 17.6% compared to 3Q12 (2,572).
- Net profit increased 118.1% to EUR 2,914 thousands compared to EUR 1,336 in 3Q12.
- Book to bill ratio 1.11x in the quarter.
- Order Book increased to EUR 106,535 thousands (1H13: 102,434).

A comment from our CEO

3Q13 revenues remained stable compared to the same period last year at EUR 51,891 thousands, while order intake softened slightly 2.8 per cent on 3Q12 to EUR 57,434 thousands.

The quarter was characterised by the award of a number of significant projects, including the largest order to date for MoorMaster™ and some significant orders for aircraft ground support equipment, while day-to-day activity declined as some of Cavotec's niche markets contracted. Consequently, the Group's order book reached a record level of EUR 106,535 thousands, albeit with an increased weight of longer lead-time orders.

In addition, Cavotec INET and Cavotec Dabico will this November move to a larger and more modern joint facility, further capitalising on existing synergies and marking a turning point in Cavotec's overall operations on the US West Coast.

Margins improved quarter-on-quarter by 0.8%, but fell short of 2013 targets and will not meet the 2012 profitability levels. Management continues to focus on strengthening margins despite a subdued level of day-to-day business, and is confident to achieve significant improvements within 2014.

3Q13 SUMMARY OF ACTIVITIES

The Ports & Maritime market unit (MU) continued to register substantial growth in the period, with revenues for the period amounting to EUR 22,282 thousands, an increase of 14.4 per cent compared to the same period last year.

Order intake remained strong with a number of smaller projects but also an order for the Group's largest MoorMaster™ project to date worth some EUR 10 million.

The unit also reported a major order for its Panzerbelt crane cable protection system for a customer in Qatar. This project is the latest in a series of projects in a long lasting cooperation at this application.

Once again, Cavotec's Alternative Maritime Power systems contributed performance with, for example, a customer in South Korea ordering four such units for installation on 9,100-TEU container vessels.

Elsewhere, the Ports & Maritime MU won an important order for power and spreader cable reels for container cranes that will be used at a port in Turkey. This order was won by Cavotec India, and in addition to reinforcing the Group's relationship with India's only container crane manufacturer, more broadly it also highlights the Cavotec's growing presence in this burgeoning market.

The Airport's MU results for the quarter were stable, with revenue reaching EUR 12,602 thousands. In another example of Cavotec's expanding position in India, in this instance with its Airports MU, the Group won two orders for defence applications in Pune and New Delhi.

The performance of Cavotec's Mining & Tunnelling unit continued to be affected by widespread caution in these sectors. Revenue decreased to EUR 6,621 thousands compared to EUR 9,473 thousands in the same quarter last year. It should be noted however that Cavotec continues to be a key systems supplier to a large number of customers in a wide variety of territories.

Similarly, the General Industry MU reported a softening in revenues to EUR 10,386 thousands, up 4.4 per cent compared to the same period last year. However, as indicated in previous reports, and as continued to be the case in the period, this MU registered growing demand for its innovative systems in niche and expanding segments such as vehicle charging and offshore energy.

LOOKING AHEAD

Taking into account recent market developments, FY13 is expected to have revenues of approximately EUR 230 million, while order intake will be substantially stronger than FY12. Management expects this softening trend in revenues to extend into the beginning of next year. However, recent market activity already indicates a return to an increased rate of growth in 2H14.

Building on their already solid track record growth opportunities for the Group will come from core innovations such as MoorMaster™, which stands to continue to build on the string of orders seen so far in 2013. Other innovations including Alternative Maritime Power, Human Operator Interface (HOI) technology and Electric Vehicles (EV) also stand to gain further traction in coming quarters.

Looking at the outlook for specific MUs: for Ports & Maritime growth will continue to be impacted by the slow-down in the growth rate of containerisation.

However, ports and shipping lines continue to drive forward with automation, electrification and productivity enhancing projects, resulting in consistent demand for the Group's product offering. Continued focus on environmental and efficiency drivers will provide interesting opportunities for Cavotec's innovative technologies.

On-going investments to increase productivity and sustainability at airports throughout the BRIC and ME regions will continue to drive demand for the Group's ground support equipment offering.

Management foresees capital expenditure by large mining companies will continue to decline over the coming quarters, impacting demand for the Group's product offering for Mining & Tunnelling. This trend is likely to continue until commodity prices rebound. It should be noted however, that this trend is expected to bottom-out by 2H14.

The General Industry MU will continue to register solid day-to-day business, with growth coming from new innovations and further penetration of the defence, EV and other developing sectors.

In conclusion, Cavotec's long-term growth story continues to be based on sound foundations despite possible short-term speed bumps, as shown by the ability to navigate turbulent economic tides while capitalising on new opportunities. Management reiterates its commitment to the communicated long-term targets to be achieved over the next business cycle.

THE REGIONS

Activity remained very strong in Europe & Africa with order intake reaching EUR 61,671 in the quarter compared to EUR 42,138 thousands in 3Q12. Revenues saw a modest decline to EUR 38,634 thousands thereby affecting the operating result, which decreased to EUR 3,932 thousands compared to EUR 5,464 in same quarter of 2012. The order book reached a new high at EUR 82,312 thousands thanks to three MoorMaster orders registered this year.

In line with the previous year the Middle East & India region's operating result broke even in the third quarter. Order intake was subdued in the quarter influenced by the postponement of some large projects in the Airport MU but with a growing contribution from India, where order intake doubled compared to the same period of the previous year.

The Americas continued to be influenced by the on-going restructuring at Cavotec INET with operating result showing a loss of EUR 2,679 thousands (3Q12 loss of 1,487), despite revenues increasing by 9.1% quarter on quarter. Order intake was significantly lower at EUR 5,374 thousands compared to EUR 13,163 thousands in 3Q12.

The Far East was the strongest performing region in the quarter with revenues increasing to EUR 15,396 thousands, an increase of 112% compared to the previous year (7,277), fuelled by the completion of several projects in the Ports & Maritime MU. Consequently operating result increased significantly to a record EUR 3,071 thousands compared to EUR 472 thousands in 3Q12.

In terms of revenues and operating result the slowdown in the mining sector continued to have a knock-on effect on the Australasia region. Despite this there continue to be other opportunities in the region for our other Market Units and in particular for the Airport MU where we have witnessed an increase of activity compared to the previous year.

Quarterly results

REVENUES, EARNINGS AND PROFITABILITY

Revenues were unchanged compared to 3Q12, mainly due to no large projects being completed in the quarter. Operating result increased with EUR 453 thousands in the quarter thanks to the growing contribution of our engineering services component.

Income tax had a positive effect for the quarter due to a significant amount of quarterly profit coming from low tax regions and the recognition of deferred tax assets.

Net profit amounted to EUR 2,914 thousands, up 118.1% compared to the same period last year.

Nine-month results

9M13 revenues hit another Cavotec record, amounting to EUR 172,485 thousands. Organic growth was 14.6%, while the exchange rate fluctuation had a negative effect of -2.4%. Operating result amounted to EUR 10,294 thousands, a decrease of EUR 464 thousands compared to 9M12. As already informed in the 2Q13 report, this decrease mainly comes from the first quarter's product mix, which was negatively impacted by the completion of certain strategic contracts in the Airports MU and the on-going restructuring costs of Cavotec INET operations.

Financial items were lower compared to the previous year benefitting from less negative exchange rate fluctuations. Tax rate decreased from 31.0% to 15.1% as an effect of higher profit in low tax regions. As a consequence, net profit amounted to EUR 7,956 thousands, up 27.6% compared to 9M12.

CASH FLOW

Operating cash flow was positive at EUR 1,747 thousands in the quarter. The capital reduction of EUR 2,918 thousands and the deferred portion of Combibox were paid in 3Q13, while investing activities were kept at a very low level, EUR 366 thousands compared to 5,498 thousands in 3Q12.

The increase of activity led to a negative operating cash flow of EUR 4,256 thousands in the first nine months of 2013, compared to positive EUR 9,815 thousands in 9M12. Investing activities have returned to their historical pattern, amounting to EUR 1,707 thousands compared to EUR 10,980 thousands in 9M12.

NET DEBT

Net debt increased from EUR 33,422 thousands in 1H13 to EUR 35,467 thousands in 9M13, mainly as a result of movements in the working capital. Net debt/equity ratio ended at 32.8% (1H13: 31.4%), after the capital reduction. Last twelve months leverage ratio (Net debt/EBITDA) ended at 1.65x compared to 1.59x in 1H13.

EMPLOYEES

In the third quarter 10 new persons were employed ending 9M13 with 955 full time equivalent employees, compared to 898 in 9M12.

Revenue from sales of goods and growth

EUR 000's	Revenues			
	3Q13	3Q12	9M13	9M12
Revenue from sales of goods	51,891	51,907	172,485	153,189
Increase/decrease	(16)	5,952	19,296	23,460
Percentage change	0.0%	13.0%	12.6%	18.1%
Of which				
- Volumes and prices	3.6%	6.0%	14.6%	7.1%
- Acquisitions/divestments	0.4%	1.1%	0.4%	5.1%
- Currency effects	-4.2%	5.9%	-2.4%	5.9%

EUR 000's	Order Intake			
	3Q13	3Q12	9M13	9M12
Order Intake	57,433	59,111	181,316	163,871
Increase/decrease	-1,678	7,594	17,445	1,246
Percentage change	-2.8%	14.7%	10.6%	0.8%
Of which				
- Volumes and prices	1.0%	4.1%	12.7%	-7.8%
- Acquisitions/divestments	0.0%	4.0%	0.3%	2.4%
- Currency effects	-3.8%	6.6%	-2.4%	6.2%

Operating Segments

EUR 000's	Revenues					
	3Q13	3Q12	Change %	9M13	9M12	Change %
Americas	11,007	10,092	9.1%	40,971	28,102	45.8%
Europe & Africa	38,634	44,219	-12.6%	134,174	123,413	8.7%
Middle East & India	5,761	5,910	-2.5%	23,535	19,108	23.2%
Far East	15,396	7,277	111.6%	34,706	19,650	76.6%
Australasia & SE Asia	65	14,307	-99.5%	16,678	24,279	-31.3%
Inter-Group elimination	(18,972)	(29,898)	-36.5%	(77,579)	(61,363)	26.4%
Total	51,891	51,907	0.0%	172,485	153,189	12.6%

EUR 000's	Order Intake					
	3Q13	3Q12	Change %	9M13	9M12	Change %
Americas	5,374	13,163	-59.2%	38,191	35,079	8.9%
Europe & Africa	61,671	42,138	46.4%	160,632	127,812	25.7%
Middle East & India	4,828	10,261	-53.0%	17,023	16,122	5.6%
Far East	9,925	11,774	-15.7%	32,230	31,410	2.6%
Australasia & SE Asia	3,731	7,646	-51.2%	14,507	15,831	-8.4%
Inter-Group elimination	(28,095)	(25,871)	8.6%	(81,267)	(62,383)	30.3%
Total	57,434	59,111	-2.8%	181,316	163,871	10.6%

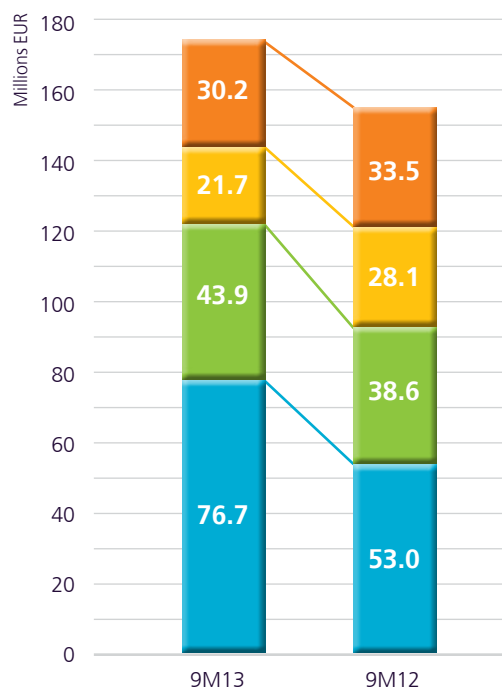
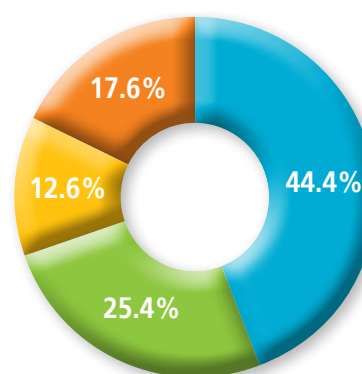
EUR 000's	Order Book			Book/Bill ratio	
	9M13	9M12	Change %	9M13	9M12
Americas	19,481	24,085	-19.1%	0.93	1.25
Europe & Africa	82,312	59,930	37.3%	1.20	1.04
Middle East & India	15,726	18,224	-13.7%	0.72	0.84
Far East	29,086	28,231	3.0%	0.93	1.60
Australasia & SE Asia	7,066	20,842	-66.1%	0.87	0.65
Inter-Group elimination	(47,136)	(44,577)	5.7%	1.05	1.02
Total	106,535	106,735	-0.2%	1.05	1.07

Market Units

EUR 000's	Revenues					
	3Q13	3Q12	Change %	9M13	9M12	Change %
Ports & Maritime	22,282	19,473	14.4%	76,698	52,976	44.8%
Airports	12,602	13,017	-3.2%	43,864	38,567	13.7%
Mining & Tunnelling	6,621	9,473	-30.1%	21,731	28,099	-22.7%
General Industry	10,386	9,944	4.4%	30,192	33,547	-10.0%
Total	51,891	51,907	0.0%	172,485	153,189	12.6%

EUR 000's	Order Intake					
	3Q13	3Q12	Change %	9M13	9M12	Change %
Ports & Maritime	30,261	26,148	15.7%	79,282	64,482	23.0%
Airports	10,246	15,161	-32.4%	46,193	40,508	14.0%
Mining & Tunnelling	7,426	9,020	-17.7%	22,857	28,761	-20.5%
General Industry	9,501	8,782	8.2%	32,984	30,120	9.5%
Total	57,434	59,111	-2.8%	181,316	163,871	10.6%

EUR 000's	Order Book			Book/Bill ratio	
	9M13	9M12	Change %	9M13	9M12
Ports & Maritime	54,841	52,903	3.7%	1.03	1.22
Airports	32,207	35,353	-8.9%	1.05	1.05
Mining & Tunnelling	8,188	9,063	-9.7%	1.05	1.02
General Industry	11,299	9,416	20.0%	1.09	0.90
Total	106,535	106,735	-0.2%	1.05	1.07


Market Units as a percentage of Revenue


- Ports & Maritime
- Airports
- Mining & Tunnelling
- General Industry

Ports & Maritime

Ports & Maritime had the highest revenue increase of the MUs, up 14.4%, amounting to EUR 22,282 thousands.

The MU represented more than half of the Group's Order Intake in 3Q13, EUR 30,261 thousands.

Order Book increased to EUR 54,841 thousands.

Accumulated Revenues
EUR 76,698 thousands



44%

Accumulated Order Intake
EUR 79,282 thousands



44%

Order Book
EUR 54,841 thousands



51%



Airports

After two very strong quarters Airports saw a small dip in 3Q13 revenues, coming in at EUR 12,602 thousands.

Order Intake amounted to EUR 10,246 thousands in 3Q13.

Order Book reached EUR 32,207 thousands with a book-to-bill ratio at 1.05x.

Accumulated Revenues
EUR 43,864 thousands



25%

Accumulated Order Intake
EUR 46,193 thousands



25%

Order Book
EUR 32,207 thousands



30%



Mining & Tunnelling

Mining & Tunnelling's revenues amounted to EUR 6,621 thousands in 3Q13.

Order Intake decreased during the quarter to EUR 7,426 thousands.

The MU had an increase in book-to-bill ratio in 9M13 compared to 9M12 with an Order Book amounting to EUR 8,188 thousands.

Accumulated Revenues
EUR 21,731 thousands



13%

Accumulated Order Intake
EUR 22,857 thousands



13%

Order Book
EUR 8,188 thousands



8%



General Industry

General Industry's revenues increased to EUR 10,386 thousands in 3Q13.

Order Intake increased with 8.2% for the quarter, amounting to EUR 9,501 thousands.

The MU had the highest book-to-bill ratio 1.09x with an Order Book of EUR 11,299 thousands.

Accumulated Revenues
EUR 30,192 thousands



18%

Accumulated Order Intake
EUR 32,984 thousands



18%

Order Book
EUR 11,299 thousands



11%



Consolidated Statement of Comprehensive Income

EUR 000's	Unaudited three months 30 Sep 2013	Unaudited three months 30 Sep 2012	Unaudited nine months 30 Sep 2013	Unaudited nine months 30 Sep 2012	Audited year 31 Dec 2012
Revenue from sales of goods	51,891	51,907	172,485	153,189	220,072
Other income	2,150	1,414	4,158	3,347	4,810
Raw materials and components	(25,840)	(26,009)	(89,575)	(75,852)	(110,171)
Employee benefit costs	(14,897)	(14,246)	(45,931)	(42,517)	(58,732)
Operating expenses	(9,260)	(9,513)	(27,795)	(24,634)	(34,243)
Gross Operating Result	4,044	3,553	13,342	13,533	21,736
Depreciation and amortisation	(1,019)	(981)	(3,048)	(2,775)	(3,758)
Operating Result	3,025	2,572	10,294	10,758	17,978
Interest expenses - net	(267)	(350)	(852)	(1,014)	(1,263)
Currency exchange differences - net	(599)	(630)	(66)	(712)	(477)
Profit before income tax	2,159	1,591	9,376	9,032	16,237
Income taxes	755	(255)	(1,420)	(2,798)	(4,045)
Profit for the period	2,914	1,336	7,956	6,234	12,192
Other comprehensive income:					
Exchange differences on translation of foreign operations	(1,328)	35	(3,761)	2,327	856
Fair value adjustment:					
Actuarial gain (loss)	-	(1)	-	(1)	(30)
Total comprehensive income for the period	1,586	1,370	4,196	8,560	13,018
Total comprehensive income attributable to:					
Equity holders of the Group	1,566	1,392	4,233	8,658	13,138
Non-controlling interest	21	(22)	(37)	(98)	(120)
Total	1,586	1,370	4,196	8,560	13,018
Profit attributed to:					
Equity holders of the Group	2,904	1,356	8,015	6,332	12,319
Non-controlling interest	10	(20)	(59)	(98)	(127)
Total	2,914	1,336	7,956	6,234	12,192
Basic and diluted earnings per share attributed to the equity holders of the Group	0.041	0.019	0.112	0.089	0.173
Average number of shares	71,332,700	71,332,700	71,332,700	71,332,700	71,332,700

Consolidated Balance Sheet

EUR 000's	Unaudited 30 Sep 2013	Unaudited 30 Sep 2012	Audited 31 Dec 2012
Assets			
Current assets			
Cash and cash equivalents	13,583	19,827	10,313
Trade receivables	45,584	35,118	50,583
Tax assets	906	392	530
Other current receivables	5,285	7,628	3,596
Inventories	45,976	43,278	39,561
Assets held for sale	2,215	-	-
Total current assets	113,549	106,243	104,583
Non-current assets			
Property, plant and equipment	25,283	28,763	28,840
Intangible assets	66,303	68,670	67,709
Non-current financial assets	65	214	153
Deferred tax assets	10,060	5,984	7,094
Other non-current receivables	2,518	7,299	2,346
Total non-current assets	104,229	110,930	106,141
Total assets	217,778	217,173	210,725
Equity and Liabilities			
Current liabilities			
Bank overdrafts	(66)	-	(1,829)
Current financial liabilities	(4,651)	(6,788)	(2,911)
Trade payables	(31,376)	(40,359)	(36,973)
Other current liabilities	(14,713)	(19,703)	(19,719)
Total current liabilities	(50,806)	(66,850)	(61,432)
Non-current liabilities			
Non-current financial liabilities	(44,342)	(37,111)	(30,088)
Deferred tax liabilities	(4,551)	(3,964)	(4,345)
Other non-current liabilities	(1,096)	(2,303)	(885)
Provision for risks and charges	(8,876)	(4,636)	(7,146)
Total non-current liabilities	(58,865)	(48,014)	(42,464)
Total liabilities	(109,671)	(114,864)	(103,896)
Equity			
Equity attributable to owners of the parent	(108,254)	(102,459)	(106,939)
Non-controlling interests	147	150	110
Total equity	(108,107)	(102,309)	(106,829)
Total equity and liabilities	(217,778)	(217,173)	(210,725)

Consolidated Statement of Changes in Equity

EUR 000's	Equity related to owners of the parent	Non-controlling interest	Total equity
Unaudited			
Balance as at 1 January 2012	(94,968)	95	(94,873)
Profit for the period	(6,332)	98	(6,234)
Exchange differences on translation	(2,327)	-	(2,327)
Actuarial (gain) loss	1	-	1
Total comprehensive income and expenses	(8,658)	98	(8,560)
Capital reduction	1,167	-	1,167
Capital increase	-	(43)	(43)
Transactions with shareholders	1,167	(43)	1,124
Balance as at 30 September 2012	(102,459)	150	(102,308)
Audited			
Balance as at 1 January 2012	(94,968)	95	(94,873)
Profit for the period	(12,319)	127	(12,192)
Exchange differences on translation	(850)	(6)	(856)
Actuarial (gain) loss	30	-	30
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	(106,940)	110	(106,830)
Unaudited			
Balance as at 1 January 2013	(106,940)	110	(106,830)
Profit for the period	(8,015)	59	(7,956)
Exchange differences on translation	3,783	(22)	3,761
Total comprehensive income and expenses	(4,233)	37	(4,195)
Capital reduction	2,918	-	2,918
Capital increase	-	-	-
Transactions with shareholders	2,918	-	2,918
Balance as at 30 September 2013	(108,255)	147	(108,107)

Consolidated Statement of Cash Flows - Indirect Method

EUR 000's	Unaudited three months 30 Sep 2013	Unaudited three months 30 Sep 2012	Unaudited nine months 30 Sep 2013	Unaudited nine months 30 Sep 2012	Audited year 31 Dec 2012
Profit for the period	2,914	1,336	7,956	6,234	12,192
Adjustments for:					
Net interest expenses	225	267	705	779	949
Current taxes	1,025	2,282	4,294	5,478	7,470
Depreciation and amortisation	1,019	980	3,048	2,775	3,758
Deferred tax	(1,780)	(2,028)	(2,874)	(2,680)	(3,425)
Provision for risks and charges	1,271	1,197	2,427	2,098	5,148
Capital gain or loss on assets	22	(19)	15	(45)	(17)
Other items not involving cash flows	255	503	359	655	305
Interest paid	(226)	(258)	(708)	(787)	(967)
Taxes paid	(668)	(584)	(6,164)	(3,986)	(5,792)
	1,143	2,340	1,102	4,287	7,429
Cash flow before change in working capital	4,057	3,676	9,058	10,521	19,621
Impact of changes in working capital:					
Inventories	(475)	(3,897)	(6,938)	(14,926)	(11,094)
Trade receivables	7,923	4,550	4,613	6,344	(8,207)
Other current receivables	355	(1,262)	(1,676)	(1,128)	2,849
Trade payables	(9,513)	2,586	(5,619)	6,410	2,995
Other current liabilities	(330)	1,757	(3,521)	3,138	4,034
Long term receivables	(270)	(544)	(173)	(544)	1,702
Impact of changes involving working capital	(2,310)	3,190	(13,314)	(706)	(7,721)
Net cash inflow / (outflow) from operating activities	1,747	6,866	(4,256)	9,815	11,900
Financial activities:					
Increase (decrease) of loans and borrowings	2,514	3,013	16,411	7,713	(3,868)
Capital reduction	(2,918)	(1,167)	(2,918)	(1,167)	(1,167)
Acquisition	(353)	-	(353)	-	-
Net cash inflow from financial activities	(757)	1,846	13,140	6,546	(5,035)
Investing activities:					
Investments in property, plant and equipment	(451)	(865)	(1,854)	(6,091)	(6,970)
Investments in intangible assets	-	(2,282)	-	(2,415)	(1,350)
(Increase) decrease in non-current financial assets	72	(2,477)	88	(2,667)	101
Deferred consideration	-	-	-	193	(1,516)
Increase in other assets	-	-	-	-	(2,653)
Disposal of assets	13	126	59	-	205
Net cash outflow from investing activities	(366)	(5,498)	(1,707)	(10,980)	(12,183)
Cash at the beginning of the period	13,279	16,133	8,484	12,952	12,952
Cash flow for the period	624	3,214	7,177	5,381	(5,318)
Currency exchange differences	(386)	480	(2,144)	1,494	849
Cash at the end of the period	13,517	19,827	13,517	19,827	8,484
Cash comprises:					
Cash and cash equivalents	13,583	19,827	13,583	19,827	10,313
Bank overdrafts	(66)	-	(66)	-	(1,829)
Total	13,517	19,827	13,517	19,827	8,484

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 30 September 2013								
Revenue from sales of goods	11,007	38,634	5,761	15,396	65	-	(18,972)	51,891
Other income	1,385	1,288	(88)	(158)	3,033	248	(3,558)	2,150
Operating expenses before depreciation and amortisation	(15,071)	(35,991)	(5,692)	(12,167)	(3,847)	(659)	23,430	(49,997)
Gross Operating Result	(2,679)	3,932	(20)	3,071	(749)	(411)	900	4,044
Unaudited								
Three months ended 30 September 2012								
Revenue from sales of goods	10,092	44,219	5,910	7,277	14,307	-	(29,898)	51,907
Other income	222	1,738	186	(106)	253	264	(1,143)	1,414
Operating expenses before depreciation and amortisation	(11,801)	(40,493)	(6,102)	(6,699)	(12,224)	207	27,344	(49,768)
Gross Operating Result	(1,487)	5,464	(6)	472	2,336	471	(3,697)	3,553
Unaudited								
Nine months ended 30 September 2013								
Revenue from sales of goods	40,971	134,174	23,535	34,706	16,678	-	(77,579)	172,485
Other income	1,806	4,659	(181)	44	3,449	899	(6,518)	4,158
Operating expenses before depreciation and amortisation	(46,774)	(125,786)	(22,341)	(29,206)	(20,831)	(2,700)	84,337	(163,301)
Gross Operating Result	(3,997)	13,047	1,013	5,544	(704)	(1,801)	240	13,342
Unaudited								
Nine months ended 30 September 2012								
Revenue from sales of goods	28,102	123,413	19,108	19,650	24,279	-	(61,364)	153,189
Other income	513	4,784	607	62	360	871	(3,850)	3,347
Operating expenses before depreciation and amortisation	(30,041)	(113,483)	(19,693)	(18,012)	(22,038)	(802)	61,066	(143,003)
Gross Operating Result	(1,426)	14,714	22	1,700	2,601	69	(4,147)	13,533
Audited								
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	97	2,921	2,851	(388)	(1,947)	21,736

Review opinion



Report on the Review of
condensed consolidated interim financial information
to the Board of Directors of
Cavotec SA
Lugano

Introduction

We have reviewed the accompanying condensed consolidated interim financial information on pages 11 to 15 (statement of comprehensive income, balance sheet, cash flow statement, statement of changes in equity and notes) of Cavotec SA for the period ended 30 September 2013. The Board of Directors is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information 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 financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers SA

Daniel Ketterer
Efrem Dell'Era

Lugano, 7 November 2013

.....
PricewaterhouseCoopers SA, via della Posta 7, Casella postale, CH-6901 Lugano, Switzerland
Telephone: +41 58 792 65 00, Facsimile: +41 58 792 65 10, www.pwc.ch

PricewaterhouseCoopers SA is a member of the global PricewaterhouseCoopers network of firms, each of which is a separate and independent legal entity.

Parent Company - Condensed Statement of Comprehensive Income

CAVOTEC SA EUR 000's	Unaudited three months 30 Sep 2013	Unaudited three months 30 Sep 2012	Unaudited nine months 30 Sep 2013	Unaudited nine months 30 Sep 2012	Audited year 31 Dec 2012
Dividend	439	-	439	475	475
Other income	143	150	439	427	574
Employee benefit costs	(405)	(147)	(1,013)	(439)	(729)
Operating expenses	(224)	(259)	(757)	(886)	(1,077)
Operating Result	(47)	(256)	(892)	(423)	(757)
Non-operating expenses	-	-	-	-	-
Interest expenses - net	(7)	(9)	(19)	(20)	(25)
Currency exchange differences - net	27	(24)	29	(25)	(24)
Profit before income tax	(27)	(289)	(882)	(468)	(806)
Income taxes	(6)	(6)	(17)	(17)	(24)
Profit for the period	(33)	(295)	(899)	(485)	(830)
Other comprehensive income:					
Actuarial gain (loss)	-	-	-	-	(4)
Total comprehensive income for the period	(33)	(295)	(899)	(485)	(834)

Parent Company - Condensed Balance Sheet

CAVOTEC SA EUR 000's	Unaudited 30 Sep 2013	Unaudited 30 Sep 2012	Audited 31 Dec 2012
Assets			
Current assets			
Cash and cash equivalents	18	6	-
Trade receivable	2	4	570
Tax assets	18	26	17
Other current receivables	435	427	3
Total current assets	473	463	590
Non-current assets			
Investment in subsidiary companies	98,447	98,447	98,447
Total non-current assets	98,447	98,447	98,447
Total assets	98,920	98,910	99,037
Equity and Liabilities			
Current liabilities			
Bank overdrafts	(12,266)	(7,403)	(10,916)
Current financial liabilities	(1,845)	(3,205)	-
Trade payables	(61)	(84)	(165)
Other current liabilities	(172)	(187)	(131)
Total current liabilities	(14,344)	(10,879)	(11,214)
Non-current liabilities			
Provision for risks and charges	(78)	(73)	(78)
Other non-current liabilities	(707)	-	(136)
Total non-current liabilities	(785)	(73)	(214)
Total liabilities	(15,129)	(10,952)	(11,428)
Equity	(83,791)	(87,958)	(87,609)
Total equity	(83,791)	(87,958)	(87,609)
Total equity and liabilities	(98,920)	(98,910)	(99,037)

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 7 November 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 2013. The updated standard, IAS 19, Employee benefits, is applied from 1 January 2013 with full retroactive application. 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 2012.

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 2012.

Legal disputes

The lawsuit against Mike Colaco is progressing and discovery is approaching the final stage. The start of the trial has been set for May 2014.

Noteworthy risks and uncertainties

There have been no changes to what was stated by Cavotec in its Annual Report for 2012 under Risk management.

On behalf of the Board
7 November 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 4Q13 Quarterly Report will be published on 26 February 2014.

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

For more information please contact:

Michael Scheepers

Director, Investor Relations & PR

Telephone: +41 91 911 40 11

Mobile: +41 79 502 40 10

Email: investor@cavotec.com

Cavotec SA

Via Serafino Balestra 27
CH-6900 Lugano, Switzerland
Telephone: +41 91 911 40 10
Facsimile: +41 91 922 54 00
Website: www.cavotec.com

investor@cavotec.com