1H
2012

Cavotec - Interim Report 2012

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CAVOTEC
Inspired Engineering

- Revenues reached a record EUR 101,282 thousands, up 21% in 1H12 (1H11: 83,775).
- Operating Result increased by 31% to EUR 8,186 thousands (1H11: 6,272).
- Operating Margin strengthened to 8.1% in 1H12 compared to 6.7% in FY11.
- Operating Cash Flow was strong at EUR 2,948 thousands (1H11: -1.063).
- Order Book ended at EUR 100,595 thousands, an increase of 5.8% compared to the end of 2011 (95,042).

A comment from the CEO

In the second quarter demand remained robust for Cavotec products and systems in all four of the Group's market units (MUs) and in the majority of regions.

Order intake was strong at EUR 104,760 thousands in the first half of the year, and revenues reached a record level of EUR 101,282 thousands, an increase of 21% compared to the first six months of 2011. Importantly, Cavotec was able to maintain the positive developments seen in 1Q12 as book- to-bill ratio remained above 1, while Order Book increased by EUR 5,553 thousands to EUR 100,595 thousands, a 5.8% increase compared to the end of 2011.

Similar to 1Q12 this second quarter also saw strong growth in day-to-day orders, without any large project orders being registered. This underlines once again the intrinsic strength of the Cavotec Group to book excellent results on purely day-to-day business.

Nonetheless, there were some particular highlights for this period, including significant orders for shore power systems for the Port of Oakland and the Port of Long Beach. Meanwhile, for the Airports Market Unit, of particular note were orders confirming the Group's growing positions in key markets such as India, China and the United States. Further details on these projects are included in the respective MU sections of this report.

LOOKING AHEAD

As highlighted in Cavotec's 1Q12 Report, one of the Group's main goals for 2012 is to strengthen its level of profitability compared to 2011. At this halfway point in the year, I am pleased to report that we are well on target to achieve this objective.

As stated previously Cavotec remains committed to increasing profitability through continued control of operating expenses and prudence when evaluating new investments.

Without doubt, the on-going global economic uncertainty remains a concern, and with potential slow-downs in some markets, Cavotec continues to be vigilant and versatile in safeguarding continued success. Over the years the Group has a proven track record of being able to weather downturns in good condition, and with Cavotec's 2Q12 results extending the positive trend established in 1Q12, I remain confident that the Group is well placed to maximise its growth potential in the months ahead.

THE REGIONS

The Americas recorded the largest revenue increase of all regions for the period, EUR 18,010 thousands up 148% compared to 1H11. Although partly influenced by the acquisition of INET, the region saw very strong organic growth at 63%. Order intake amounted to EUR 21,916 thousands in 1H12, up 103%, to which Cavotec INET US Inc. contributed EUR 1,920 thousands.

Europe & Africa had an extremely strong first half of 2012 with an increase in gross operating result of 113% compared to 1H11. Revenues amounted to EUR 79,195 thousands, compared to EUR 63,239 thousands in 1H11. Northern Europe was a main contributor to these results thanks to the booming offshore market. Order intake remained strong with a book-to-bill ratio of 1.08.

In line with expectations, and mainly due to the absence of large projects in 1H12, the Middle East & India region registered a weaker performance compared to 1H11. Thanks to on-going day-to-day business and prudent cost control, gross operating results came in at breakeven.

2Q12 revenues for Australasia amounted to EUR 5,987 thousands, an increase of 35% compared to 2Q11. Despite a slightly softer 1H12 result, the region stands to develop well in the second half as MoorMaster™ automated mooring units will start to be shipped for existing orders in Australia.

The Far East saw steady growth throughout 1H12, bolstered by increased local manufacturing capacity. 1H12 revenues amounted to EUR 12,373 thousands, compared to EUR 10,046 thousands in the same period last year. Book-to-bill ratio ended at 1.59, with Order Intake amounting to EUR 19,637 thousands.

Quarterly results

REVENUES, EARNINGS AND PROFITABILITY

Revenues reached EUR 54,172 thousands in 2Q12, up 19% compared to EUR 46,057 thousands in the same period last year. Operating result increased 24%, amounting to EUR 5,100 thousands (1H11: 4,126) with rigorous cost control offsetting increases in raw material and component costs.

Net profit in 2Q12 increased by 41% to EUR 3,825 thousands, compared to EUR 2,709 thousands in 2Q11. This was in part due to positive exchange rate fluctuations and the lowering of net interest expenses. The tax rate increased in 2Q12 to 31% versus 22% in 2Q11, due to lower contributions from low tax countries.

Half-year results

1H12 revenues increased by 21%, amounting to EUR 101.282 thousands compared to EUR 83,775 thousands in 1H11, of which Cavotec INET US Inc. contributed with 7.4%.

Operating margins grew substantially in 1H12 to 8.1%, compared to 7.5% 1H11 and 6.7% FY11. This growth was achieved in the face of an increase in raw material costs, and supported by significantly higher volumes and on-going monitoring of operating expenses. Operating result increased 23% to EUR 9,980 thousands (1H11: 8,107).

Net profit increased by EUR 796 thousands in 1H12 (EUR 4,897) compared to 1H11 (EUR 4,101), despite an increase in tax rate from 24% to 34%, due to lower contributions from low tax countries.

CASH FLOW

Operating cash flow reached EUR 2.948 thousands in 1H12 (1H11: -1,063). 2Q12 operating cash flow was negative at EUR 1,801 thousands, primarily due to inventory run up for several large projects due for completion in the second half of the year.

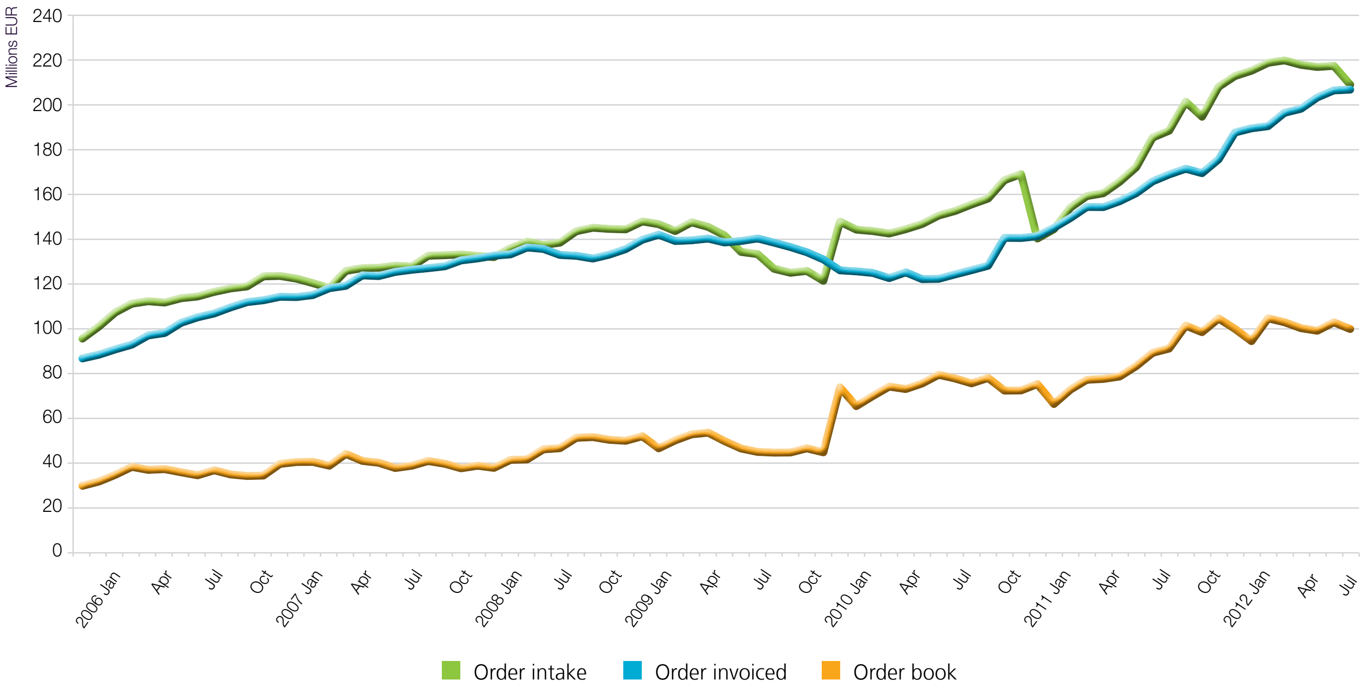
NET DEBT

The Group's net debt increased to EUR 25,333 thousands, from EUR 23,178 thousands in 1Q12 and 23,708 thousands in FY11. This increase was mainly due to working capital movements. Twelve months rolling leverage ratio (Net Debt/EBITDA) ended at 1.27 in 1H12, compared to 1.21 in 1Q12 and 1.31 in FY11. Following the capital reduction to be paid at the beginning of July, the debt/equity ratio ended at 25% (1Q12: 23% FY11: 25%).

EMPLOYEES

On 30 June 2012, Cavotec employed 895 people, unchanged compared to 31 December 2011.

12-Month rolling figures 2006-2012



Revenue from sales of goods and growth

	Revenues			
EUR 000's	**2Q12**	**2Q11**	**1H12**	**1H11**
Revenue from sales of goods	54,712	46,057	101,282	83,775
Increase/decrease	8,696	11,634	17,507	21,018
Percentage change	18.8%	33.8%	20.9%	33.5%
Of which				
- Volumes and prices	5.8%	35.0%	8.5%	32.0%
- Acquisitions/divestments	6.9%	0.0%	7.4%	0.0%
- Currency effects	6.1%	-1.2%	5.0%	1.5%

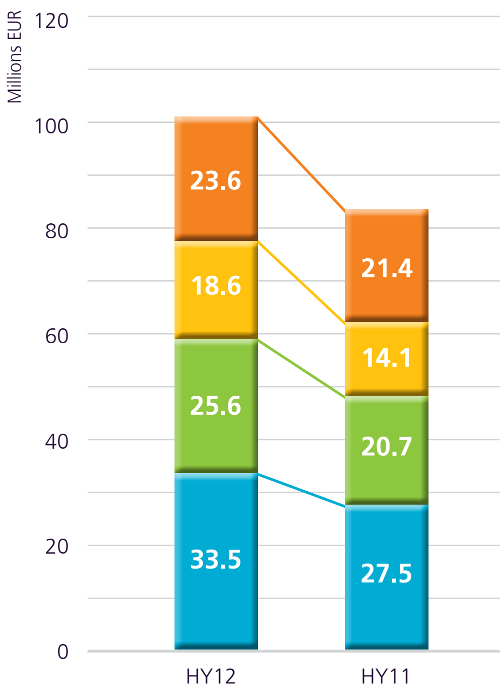
	Order Intake			
EUR 000's	**2Q12**	**2Q11**	**1H12**	**1H11**
Order Intake	50,635	59,652	104,760	111,108
Increase/decrease	(9,017)	25,152	(6,349)	41,426
Percentage change	-15.1%	72.9%	-5.7%	59.5%
Of which				
- Volumes and prices	-22.8%	75.0%	-12.4%	59.2%
- Acquisitions/divestments	1.5%	0.0%	1.7%	0.0%
- Currency effects	6.2%	-2.1%	5.0%	0.3%

Market Units

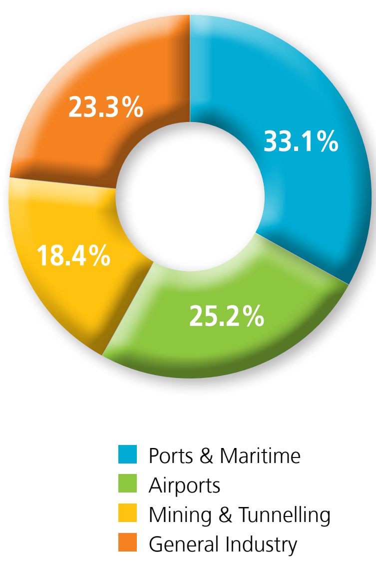
	Revenues					
EUR 000's	2Q12	2Q11	Change %	1H12	1H11	Change %
Ports & Maritime	19,682	17,407	13.1%	33,503	27,549	21.6%
Airports	14,220	10,308	38.0%	25,550	20,701	23.4%
Mining & Tunnelling	9,555	7,189	32.9%	18,625	14,099	32.1%
General Industry	11,255	11,153	0.9%	23,604	21,423	10.2%
Total	54,712	46,057	18.8%	101,282	83,772	20.9%

	Order Intake					
EUR 000's	2Q12	2Q11	Change %	1H12	1H11	Change %
Ports & Maritime	20,639	27,659	-25.4%	38,334	48,647	-21.2%
Airports	10,649	10,734	-0.8%	25,347	15,784	60.6%
Mining & Tunnelling	8,894	8,996	-1.1%	19,741	16,479	19.8%
General Industry	10,453	12,263	-14.8%	21,338	30,198	-29.3%
Total	50,635	59,652	-15.1%	104,760	111,108	-5.7%

	Order Book			Book/Bill ratio	
EUR 000's	1H12	1H11	Change %	1H12	1H11
Ports & Maritime	46,869	40,401	16.0%	1.1	1.8
Airports	33,557	24,916	34.7%	1.0	0.8
Mining & Tunnelling	9,560	7,989	19.7%	1.1	1.2
General Industry	10,609	16,374	-35.2%	0.9	1.4
Total	100,595	89,680	12.2%	1.0	1.3



Market Units as a percentage of Revenue



Ports & Maritime

Ports & Maritime was the strongest Market Unit in 1H12 with revenues amounting to EUR 33,503 thousands, up 21.6% compared to 1H11.

Order Intake amounting to EUR 38,334 thousands, representing 36.6% of the Group's Order Intake.

Order Book increased to EUR 46,869 thousands, up 16.0% from 1H11.

Accumulated Revenues
EUR 33,503 thousands

33%

Accumulated Order Intake
EUR 38,334 thousands

37%

Order Book
EUR 46,869 thousands

47%

Cavotec's Ports & Maritime MU reported strong results for the quarter with orders for a large number of different technologies such as cable reels for ship-to-shore systems at applications worldwide. Demand was also buoyant for the Group's shore-to-ship electrical power supply technologies – Alternative Maritime Power (AMP) – with several major orders received for applications in Asia and the US.

As announced during the period, the largest of the AMP orders in 2Q12 were received from the Port of Oakland and the Port of Long Beach, where the Group will supply a substantial number of shore power outlet boxes and shore power vault cover assemblies for several berths at both ports.

In China, Cavotec was awarded two separate orders for a number of AMP cable reel assemblies that will connect 6,000- and 10,000-TEU container ships to shore side electrical power. Remaining in the Asian market, in Japan the Group received an order for AMP units for use on container ships operated by two major shipping lines.

Cavotec also assisted in retro–fitting container ship berths with above ground AMP facilities at the Port of Kaohsiung in Taiwan.

The quarter was also strongly positive for the unit's other key systems. As previously announced, the most significant of these were substantial orders for electrical power and spreader cable reels for ship-to-shore container cranes destined for the Port of Colombo in Sri Lanka, Northport Terminal in Malaysia and the Rotterdam World Gateway terminal in The Netherlands.

The unit also won two significant orders in the period for motorised cable reels for the Keppel Shipyard in Singapore, and a separate order for these systems for mobile harbour cranes, with an option on further units.

Airports

Airports had the highest revenue growth in 2Q12 with 38.0%, amounting to EUR 14,220 thousands.

1H12 revenues increased with 23.4% compared to 1H11, ending at EUR 25,550 thousands.

Order Intake for the Airport Market Unit was strongest with an increase of 60.6% compared to 1H11, amounting to EUR 25,347 thousands.

Order Book stood at EUR 33,557 thousands in 1H12, up 34.7% versus 1H11.

Accumulated Revenues
EUR 25,550 thousands

25%

Accumulated Order Intake
EUR 25,347 thousands

24%

Order Book
EUR 33,557 thousands

33%

The Group's Airports unit registered strong progress throughout the quarter with major orders in key markets such as Europe, the Middle East and the United States.

In one of the largest projects in the period, and as previously reported, Cavotec won an order to supply fuel hydrant pits, vault access covers and valve isolation chambers for aircraft stands at Memphis Airport in the US.

As announced during the period, and in a significant development for the Group on the Indian market, Cavotec will deliver, install and commission electrical power converters, 400Hz hatch pits and cables for a cargo apron and remote cargo aircraft stands at Rajiv Gandhi Hyderabad International Airport. This is the first time that Cavotec will supply systems of this kind to the Indian market, and will thus serve as a strong customer reference.

Cavotec also won a major contract in the quarter to manufacture and install 90 in-ground electrical power units and converter systems as part of a modernisation programme at St.Petersburg's Pulkovo International Airport.

In the Middle East, and as previously reported to the market, the Group secured a contract for aviation fuelling systems and related equipment for installation at Sohar International Airport in the Sultanate of Oman. Cavotec's comprehensive package for this project will include fuel hydrant and isolation valve pits, truck unloading skids and fuel flow control valve instrumentation. The order makes Sohar Airport the first airport in the region to include the complete Cavotec portfolio of fuelling components and equipment.

The Group was also awarded a follow-up order for 400Hz electrical pop pit systems for various upgrade projects at Dubai International Airport.

Overall, demand for the Airports MU remained firm in most markets with a large number of contracts for the Group's equipment and consultancy services.

Mining & Tunnelling

Mining & Tunnelling grew most of the Market Units in 1H12 revenues, plus 32.1%, ended at EUR 18,625 thousands.

Order Intake ended at EUR 19,741 in 1H12 compared to 16,479 in 1H11, increase of 19.8%.

Order Book increased with 19.7% from 1H11 ended at EUR 9,560 thousands in 1H12.

Accumulated Revenues
EUR 18,625 thousands

18%

Accumulated Order Intake
EUR 19,741 thousands

19%

Order Book
EUR 9,560 thousands

10%

Cavotec's Mining & Tunnelling MU noted robust demand for its range of innovative electrical power supply cables and connectors throughout the Q2 period. Resilience in the market for natural resources drove encouraging results for the unit's mining systems, especially in Australia and North America; while investment in major infrastructure projects lifted demand for the Group's tunnelling systems.

Demand for the unit's products is characterised by a large number of frequent, repeat orders, and Q2 was no exception to this.

The Australian market led growth in this unit, where the Group won several orders for power supply equipment from leading OEM manufacturers such as Sandvik and major operators such as BMA. The bulk of these orders were for cable reel systems for stacker reclaimer machines and hopper cars.

Another strong growth market for the Mining & Tunnelling unit in the Q2 period was the United States where the Group continues to build strong relationships with OEMs such as ThyssenKrupp, The Robbins Company and other suppliers of mining and underground construction machinery.

For ThyssenKrupp the unit will manufacture specialised medium voltage cables, hose reels and related equipment for indoor stacker and reclaimer machines at an application in Saudi Arabia. One of the orders secured in the period with The Robbins Company was for hose reels for a project in Singapore.

Cavotec will manufacture all equipment for these two projects in the US and thus reinforce the Group's manufacturing presence in this important market.

In another major project with Sandvik for the period, this time in Canada, the unit secured an order for large level wind cable reels and special Tratos cable. This equipment will be fitted to stacker reclaimer machines at a coal handling application in British Columbia.

The cable reels in this project will be entirely designed and manufactured in North America. This order follows a similar project the unit won earlier in the year for a new-build stacker/reclaimer machine that Sandvik is building for the same terminal.

General Industry

General Industry´s increased revenues with 10.2% in 1H12, amounting to EUR 21,423 thousands.

General Industry´s Order Intake represented 20.4% of the Groups Order Intake, at EUR 21,338 thousands.

Order Book ended at EUR 10,609 thousands in 1H12.

Accumulated Revenues
EUR 23,604 thousands

24%

Accumulated Order Intake
EUR 21,338 thousands

20%

Order Book
EUR 10,609 thousands

10%

Throughout Q2, the Group's diverse General Industry unit continued its positive performance registered earlier in the year. A particular highlight for the period included encouraging results in the United States, where Cavotec's advanced radio remote control (RRC) systems continued to develop an impressive profile with customers for performing highly specialised functions in niche industries such as the offshore energy sector.

The Group received an order for RRC systems from a fluid power service company in the US. The units will be used at a high-explosive (EX Zone 1) application to operate crane winch systems on land-based oilrigs.

Cavotec's work in the highly specialised EX market registered further progress in the period with an order for the Group's advanced MC-3200EX RRC systems for use on land-based oil rigs. Cavotec will also supply a number of specially adapted motorised cable reels for a major offshore energy project in Qatar.

In what serves as an excellent product reference, the Q2 period also saw the unit manufacture two large floating suction units for a leading industrial fuelling customer. At 24" these are the largest such systems ever produced by Cavotec. The unit also produced two 12" floating suction units for the same customer for use at an application in Australia – another first for the Group.

In an example of the extraordinarily varied applications that use the Group's products and services, the unit won an order for a number of power and signal cables and related equipment for giant digital screens for use at a new multi-purpose arena in the Swedish capital Stockholm.

Consolidated Statement of Comprehensive Income

EUR 000's	Unaudited three months 30 Jun 2012	Unaudited three months 30 Jun 2011	Unaudited six months 30 Jun 2012	Unaudited six months 30 Jun 2011	Audited year 31 Dec 2011
Revenue from sales of goods	54,712	46,057	101,282	83,775	189,969
Other income	1,008	807	1,933	1,718	3,098
Raw materials and components	(27,721)	(22,557)	(49,844)	(40,812)	(96,288)
Employee benefit costs	(14,446)	(12,121)	(28,271)	(23,454)	(49,378)
Operating expenses	(7,530)	(7,020)	(15,120)	(13,120)	(30,210)
Gross Operating Result	**6,023**	**5,166**	**9,980**	**8,107**	**17,191**
Depreciation and amortisation	(923)	(1,040)	(1,794)	(1,835)	(4,507)
Operating Result	**5,100**	**4,126**	**8,186**	**6,272**	**12,684**
Non-operating costs	-	(228)	-	(228)	(2,320)
Interest expenses - net	(298)	(344)	(664)	(683)	(1,573)
Currency exchange differences - net	714	(71)	(82)	6	1,514
Profit before income tax	**5,516**	**3,483**	**7,440**	**5,367**	**10,305**
Income taxes	(1,691)	(774)	(2,543)	(1,266)	(4,461)
Profit for the period	**3,825**	**2,709**	**4,897**	**4,101**	**5,844**
Other comprehensive income:					
Exchange differences on translation of foreign operations	2,631	(883)	2,292	(2,726)	1,418
Fair value adjustment:					
Actuarial gain (loss)	-	-	-	-	(244)
Total comprehensive income for the period	**6,456**	**1,826**	**7,190**	**1,375**	**7,018**
Total comprehensive income attributable to:					
Equity holders of the Group	6,500	1,904	7,265	1,502	7,155
Non-controlling interest	(45)	(78)	(76)	(127)	(137)
Total	**6,456**	**1,826**	**7,190**	**1,375**	**7,018**
Profit attributed to:					
Equity holders of the Group	3,873	2,783	4,976	4,198	5,948
Non-controlling interest	(48)	(74)	(79)	(97)	(104)
Total	**3,825**	**2,709**	**4,897**	**4,101**	**5,844**
Basic and diluted earnings per share attributed to the equity holders of the Group	0.054	0.044	0.070	0.066	0.089
Average number of shares	71,332,700	63,632,700	71,332,700	63,632,700	66,501,741

Consolidated Balance Sheet

EUR 000's	Unaudited 30 Jun 2012	Unaudited 30 Jun 2011	Audited 31 Dec 2011
Assets			
Current assets			
Cash and cash equivalents	16,235	9,752	12,952
Trade receivables	40,836	37,387	42,612
Tax assets	530	536	554
Other current receivables	6,373	3,815	6,491
Inventories	39,911	28,770	29,105
Total current assets	103,885	80,260	91,714
Non-current assets			
Property, plant and equipment	28,662	23,517	24,582
Intangible assets	67,127	49,461	66,379
Non-current financial assets	217	316	254
Deferred tax assets	3,521	2,136	2,766
Other non-current receivables	4,274	464	4,047
Total non-current assets	103,801	75,894	98,027
Total assets	207,686	156,154	189,741
Equity and Liabilities			
Current liabilities			
Bank overdrafts	(102)	(111)	-
Current financial liabilities	(4,406)	(3,534)	(4,277)
Trade payables	(37,773)	(25,990)	(33,949)
Other current liabilities	(17,712)	(8,934)	(15,383)
Total current liabilities	(59,993)	(38,569)	(53,609)
Non-current liabilities			
Non-current financial liabilities	(37,065)	(35,142)	(32,387)
Deferred tax liabilities	(3,496)	(2,912)	(3,411)
Other non-current liabilities	(1,635)	(42)	(1,591)
Provision for risks and charges	(4,579)	(2,702)	(3,870)
Total non-current liabilities	(46,775)	(40,798)	(41,259)
Total liabilities	(106,768)	(79,367)	(94,868)
Equity			
Equity attributable to owners of the parent	(101,045)	(76,567)	(94,968)
Non-controlling interests	127	(220)	95
Total equity	(100,918)	(76,787)	(94,873)
Total equity and liabilities	(207,686)	(156,154)	(189,741)

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 2011	(76,460)	(348)	**(76,807)**
Profit for the period	(4,198)	97	**(4,101)**
Exchange differences on translation	2,696	30	**2,726**
Total comprehensive income and expenses	**(1,502)**	**127**	**(1,375)**
Dividends	1,395		**1,395**
Transactions with shareholders	**1,395**	**-**	**1,395**
Balance as at 30 June 2011	**(76,567)**	**(220)**	**(76,787)**
Audited			
Balance as at 1 January 2011	(76,460)	(348)	**(76,807)**
Profit for the period	(5,948)	104	**(5,844)**
Exchange differences on translation	(1,451)	33	**(1,418)**
Actuarial (gain) loss	244	-	**244**
Total comprehensive income and expenses	**(7,154)**	**137**	**(7,017)**
Capital increase	(12,444)	-	**(12,444)**
Dividends	1,395	-	**1,395**
Reduction in minority interest	(306)	306	**-**
Transactions with shareholders	**(11,355)**	**306**	**(11,049)**
Balance as at 31 December 2011	**(94,968)**	**95**	**(94,873)**
Unaudited			
Balance as at 1 January 2012	(94,968)	95	**(94,873)**
Profit for the period	(4,976)	79	**(4,897)**
Exchange differences on translation	(2,290)	(3)	**(2,293)**
Total comprehensive income and expenses	**(7,266)**	**76**	**(7,190)**
Capital reduction	1,189	-	**1,189**
Capital increase	-	(44)	**(44)**
Transactions with shareholders	**1,189**	**(44)**	**1,145**
Balance as at 30 June 2012	**(101,045)**	**127**	**(100,918)**

Consolidated Statement of Cash Flows - Indirect Method

EUR 000's	Unaudited three months 30 Jun 2012	Unaudited three months 30 Jun 2011	Unaudited six months 30 Jun 2012	Unaudited six months 30 Jun 2011	Audited year 31 Dec 2011
Profit for the period	3,825	2,709	4,897	4,101	5,844
Adjustments for:					
Net interest expenses	219	268	512	532	1,303
Current taxes	1,755	1,020	3,196	1,939	5,043
Depreciation and amortisation	923	1,040	1,795	1,835	4,507
Deferred tax	(429)	(209)	(652)	(673)	(582)
Provision for risks and charges	440	(52)	901	230	1,859
Capital gain or loss on assets	(10)	(27)	(26)	(39)	(49)
Other items not involving cash flows	79	(295)	152	(219)	270
Interest paid	(215)	(276)	(529)	(532)	(1,374)
Taxes paid	(2,206)	(858)	(3,402)	(1,569)	(2,634)
	556	611	1,947	1,504	8,343
Cash flow before change in working capital	4,381	3,321	6,844	5,605	14,187
Impact of changes in working capital:					
Inventories	(4,821)	(806)	(11,029)	(716)	(1,443)
Trade receivables	(2,770)	(7,992)	1,794	(6,089)	(15,155)
Other current receivables	(541)	(35)	134	(1,058)	(4,076)
Trade payables	935	7,075	3,824	2,344	10,304
Other current liabilities	1,015	392	1,381	(1,149)	1,347
Impact of changes involving working capital	(6,182)	(1,366)	(3,896)	(6,668)	(9,023)
Net cash inflow / (outflow) from operating activities	(1,801)	1,954	2,948	(1,063)	5,164
Financial activities:					
Increase (decrease) of loans and borrowings	5,391	1,007	4,700	6,646	4,517
Dividend payment	-	(1,395)	-	(1,395)	(1,395)
Acquisition of non-controlling interest	-	-	-	-	(410)
Net cash inflow from financial activities	5,391	(388)	4,700	5,251	2,712
Investing activities:					
Investments in property, plant and equipment	(956)	(3,596)	(5,226)	(5,009)	(6,609)
Investments in intangible assets	(92)	(31)	(133)	(88)	(180)
Change in non-current financial assets	(312)	(181)	(190)	(75)	(69)
Disposal of assets	45	82	67	149	151
Net cash outflow from investing activities	(1,315)	(3,726)	(5,482)	(5,023)	(6,707)
Cash at the beginning of the period	12,870	13,454	12,952	12,203	12,203
Cash flow for the period	2,275	(2,160)	2,166	(835)	1,169
Currency exchange differences	988	(1,653)	1,015	(1,727)	(420)
Cash at the end of the period	16,133	9,641	16,133	9,641	12,952
Cash comprises:					
Cash and cash equivalents	16,235	9,752	16,235	9,752	12,952
Bank overdrafts	(102)	(111)	(102)	(111)	-
Total	16,133	9,641	16,133	9,641	12,952

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 June 2012								
Revenue from sales of goods	10,140	40,978	6,792	7,788	5,987	-	(16,973)	**54,712**
Other income	349	1,517	336	181	151	281	(1,807)	**1,008**
Operating expenses before depreciation and amortisation	(10,188)	(37,838)	(7,157)	(6,851)	(5,831)	(692)	18,860	**(49,697)**
Gross Operating Result	301	4,657	(29)	1,118	307	(411)	80	6,023
Unaudited Three months ended 30 June 2011								
Revenue from sales of goods	3,608	31,941	12,363	6,300	4,450	-	(12,605)	**46,057**
Other income	104	1,511	(174)	254	54	289	(1,231)	**807**
Operating expenses before depreciation and amortisation	(3,710)	(31,276)	(8,785)	(5,601)	(4,529)	(1,153)	13,356	**(41,698)**
Gross Operating Result	2	2,176	3,404	953	(25)	(864)	(480)	5,166
Unaudited Six months ended 30 June 2012								
Revenue from sales of goods	18,010	79,195	13,198	12,373	9,972	-	(31,466)	**101,282**
Other income	290	3,046	421	168	108	606	(2,706)	**1,932**
Operating expenses before depreciation and amortisation	(18,240)	(72,991)	(13,591)	(11,313)	(9,815)	(1,008)	33,723	**(93,235)**
Gross Operating Result	60	9,250	28	1,228	265	(402)	(449)	9,980
Unaudited Six months ended 30 June 2011								
Revenue from sales of goods	7,267	63,239	18,985	10,046	11,980	-	(27,742)	**83,775**
Other income	82	2,467	3	212	86	447	(1,579)	**1,718**
Operating expenses before depreciation and amortisation	(7,094)	(61,353)	(15,393)	(9,391)	(11,756)	(2,655)	30,256	**(77,386)**
Gross Operating Result	255	4,353	3,595	867	310	(2,208)	935	8,107
Audited 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

Parent Company - Condensed Statement of Comprehensive Income

CAVOTEC SA EUR 000's	Unaudited three months 30 Jun 2012	Unaudited three months 30 Jun 2011	Unaudited six months 30 Jun 2012	Unaudited six months 30 Jun 2011	Audited year 31 Dec 2011
Dividend	475	-	475	-	-
Other income	136	-	277	-	-
Employee benefit costs	(151)	-	(291)	-	(139)
Operating expenses	(441)	-	(627)	-	(415)
Operating Result	**19**	**-**	**(166)**	**-**	**(554)**
Non-operating expenses	-	-	-	-	(1,978)
Interest expenses - net	(5)	-	(11)	-	(1)
Currency exchange differences - net	-	-	(2)	-	7
Profit before income tax	**14**	**-**	**(179)**	**-**	**(2,526)**
Income taxes	(6)	-	(11)	-	(13)
Profit for the period	**8**	**-**	**(190)**	**-**	**(2,539)**
Other comprehensive income:					
Actuarial gain (loss)	-	-	-	-	(73)
Total comprehensive income for the period	**8**	**-**	**(190)**	**-**	**(2,612)**

Parent Company - Condensed Balance Sheet

CAVOTEC SA EUR 000's	Unaudited 30 Jun 2012	Unaudited 30 Jun 2011	Audited 31 Dec 2011
Assets			
Current assets			
Cash and cash equivalents	156	81	23
Tax assets	25	-	33
Other current receivables	261	-	5
Total current assets	**442**	**81**	**62**
Non-current assets			
Investment in subsidiary companies	100,775	-	100,775
Total non-current assets	**100,775**	**-**	**100,775**
Total assets	**101,217**	**81**	**100,836**
Equity and Liabilities			
Current liabilities			
Bank overdrafts	(10,362)	-	(9,556)
Current financial liabilities	(1,115)	-	(1,115)
Trade payables	(139)	-	(323)
Other current liabilities	(1,295)	-	(158)
Total current liabilities	**(12,911)**	**-**	**(11,152)**
Non-current liabilities			
Provision for risks and charges	(73)	-	(73)
Total non-current liabilities	**(73)**	**-**	**(73)**
Total liabilities	**(12,984)**	**-**	**(11,225)**
Equity	(88,233)	(81)	(89,611)
Total equity	**(88,233)**	**(81)**	**(89,611)**
Total equity and liabilities	**(101,217)**	**(81)**	**(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 9 August 2012.

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 2012. 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.

Segment information

There have been no relevant changes to the assets and liabilities for segment information as shown in the Annual Report for 2011.

Company acquisitions and divestments

There have been no acquisitions in the period.

Related parties transactions

On 4 June 2012, Cavotec Realty USA signed a preliminary contract with GEMS for the acquisition of the property, comprising of land and buildings located in Fullerton California, and currently occupied by Cavotec Inet, for a total consideration of USD 9,700 thousands. A deposit and down payment of USD 3,500 thousands has been paid on 2 July 2012. This transaction is at arm's length.

Noteworthy risks and uncertainties

There have been no changes to what was stated by Cavotec in its Annual Report for 2011 under Risk management.

On behalf of the Board
9 August 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 3Q12 Quarterly Report will be published on 12 November 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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