

Rakennuskonepäivät

7.11.2013

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Cramo Plc

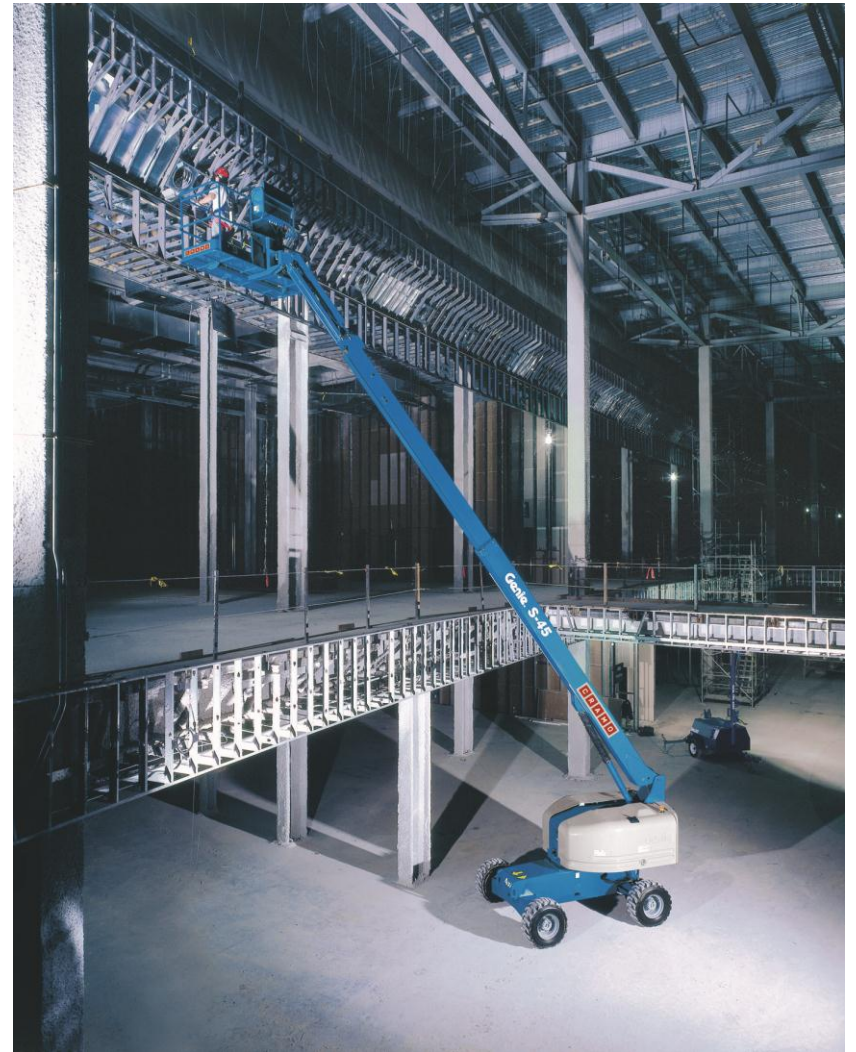


FOR A GREAT DAY AT WORK

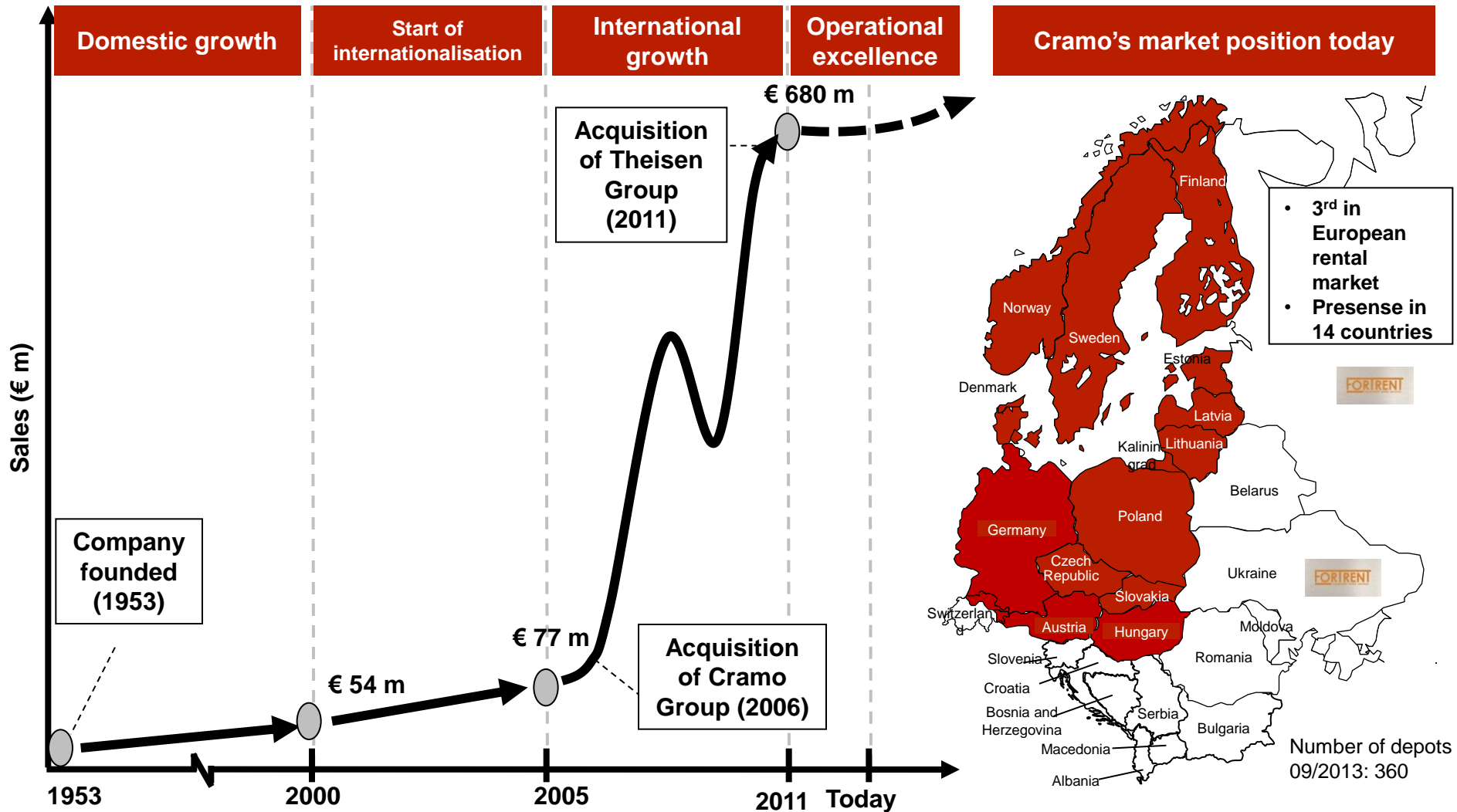
C R A M O

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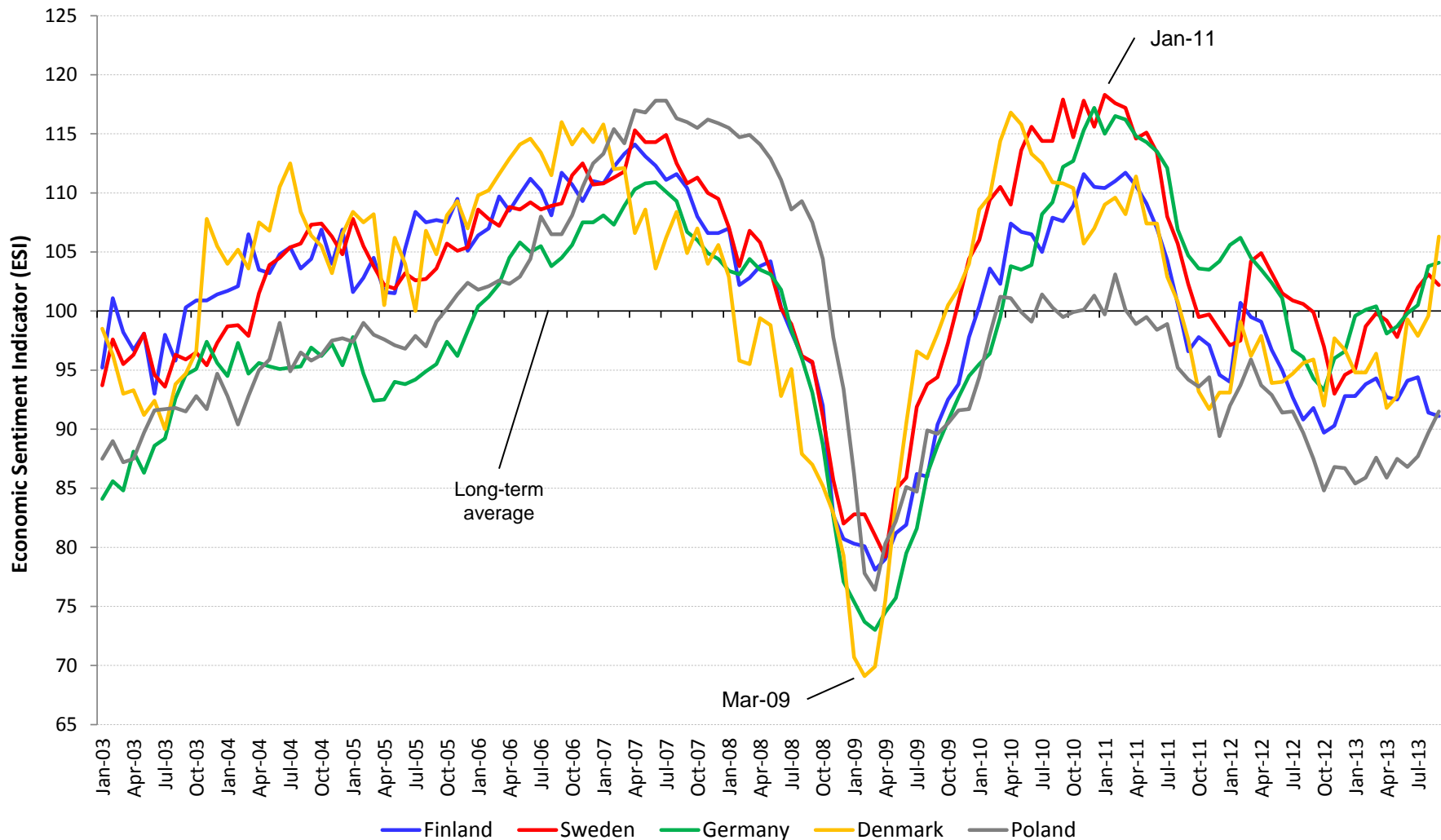


Cramo's path from a domestic company to an international group



Lead indicator: economic sentiment 2003-13

Economic sentiment improving in Sweden, Germany, Denmark and Poland. No clear visibility yet of improving sentiment in Finland

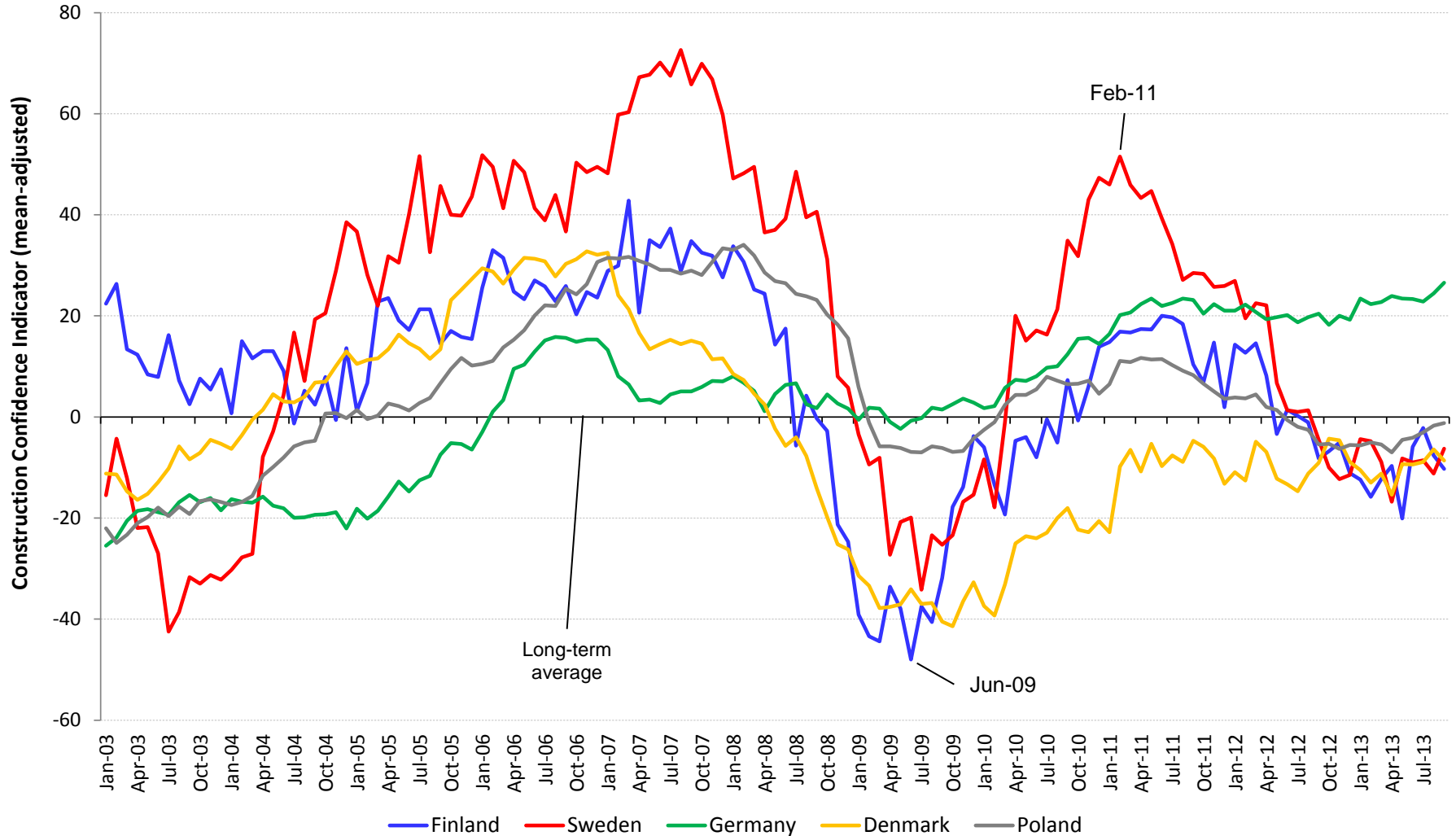


Source: European Commission, October 2013



Lead indicator: construction confidence 2003-13

Construction confidence improving in GER. SWE and PL most recently upwards but still below I-t average. FIN and DEN, no improvement yet



Source: European Commission, October 2013



Europe shows signs of recovery in 2014

Main Cramo markets amongst most positive

Southern periphery countries also expected to turn to growth in 2014

Real GDP growth %	2013E	2014F
Finland	-0,6%	1,1%
Sweden	0,9%	2,3%
Norway	1,6%	2,3%
Denmark	0,1%	1,2%
Germany	0,5%	1,4%
Poland	1,3%	2,4%
Russia	1,5%	3,0%
<hr/>		
United Kingdom	1,4%	1,9%
France	0,2%	1,0%
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Ireland	0,6%	1,8%
Spain	-1,3%	0,2%
Italy	-1,8%	0,7%
Portugal	-1,8%	0,8%
Greece	-4,2%	0,6%

Main Cramo markets

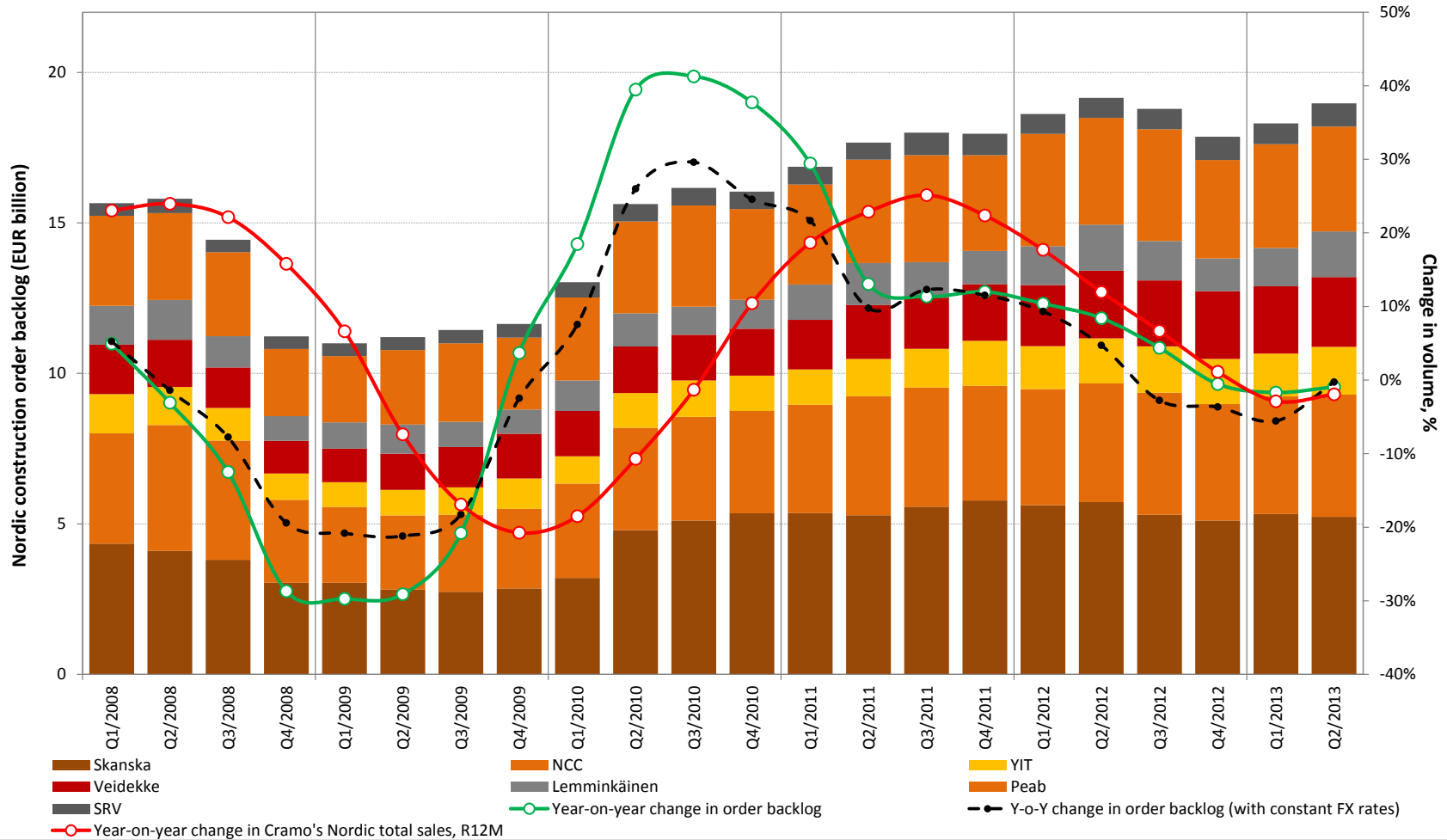
Other big European economies

European countries with sovereign debt issues

- Policy actions have reduced some important tail risks in the Eurozone and stabilized financial markets
- Growth is beginning to resume. Recent indicators suggest that activity would stabilize in the periphery and recover in the core
- Main Cramo markets projected to experience moderate growth in 2014

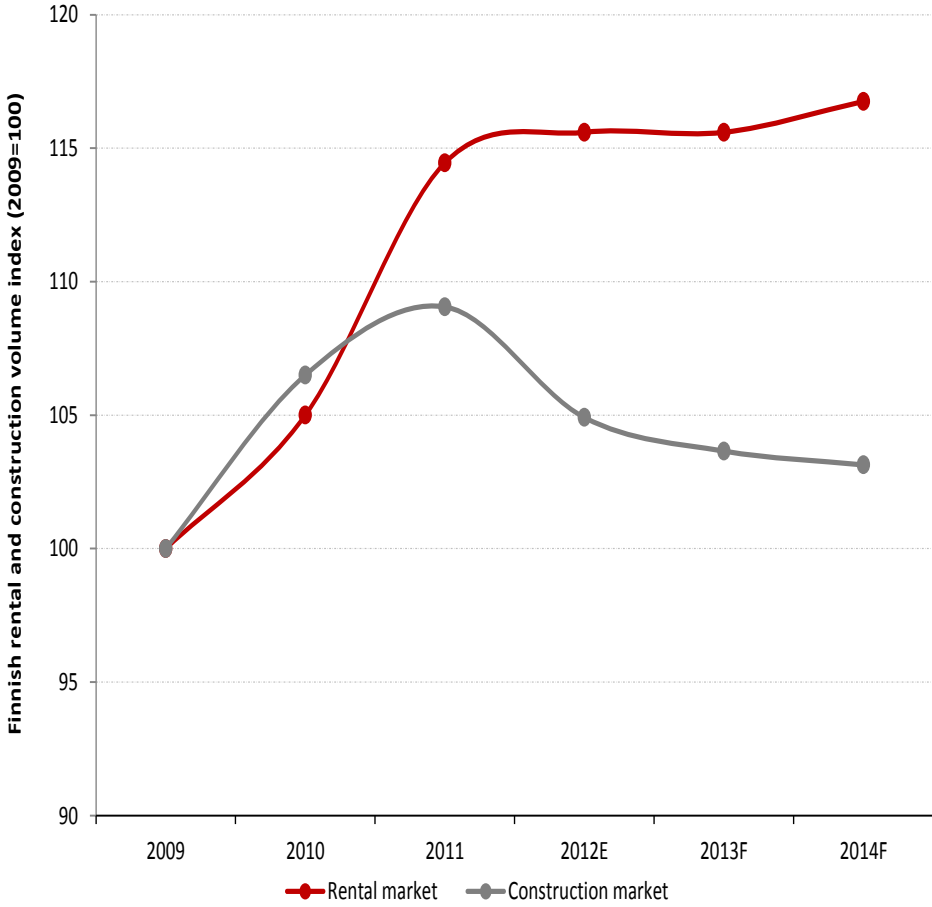
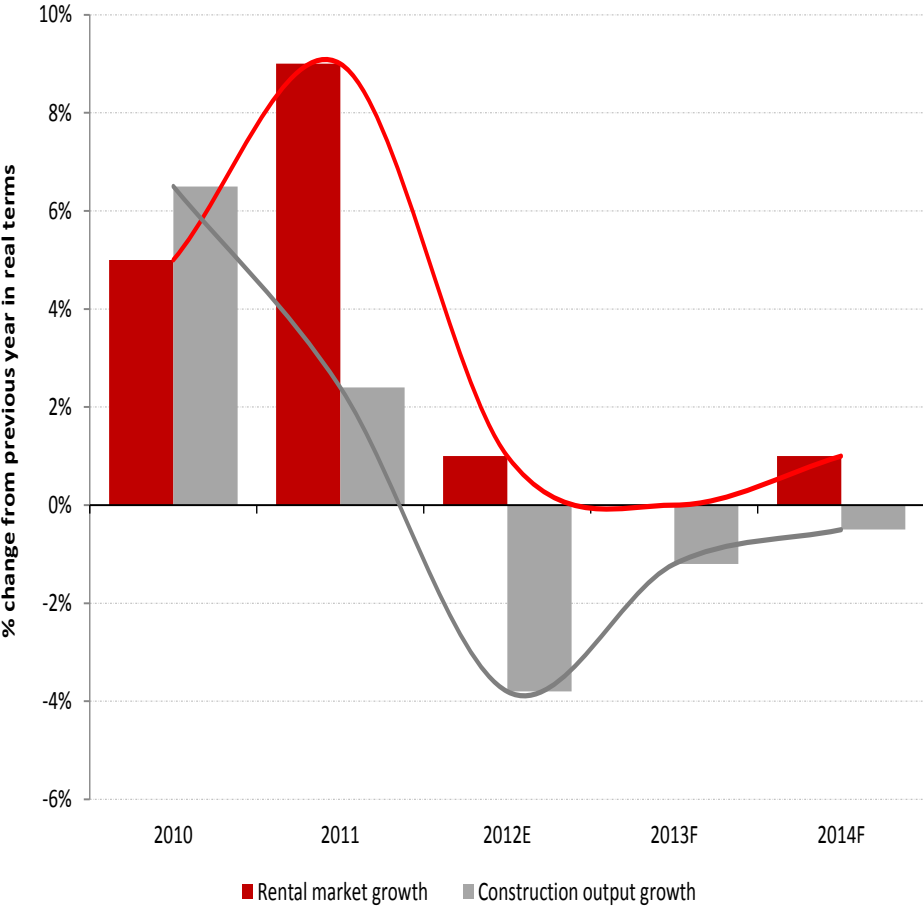
Nordic construction order backlogs 2008-Q2/2013

Q2/13 backlog was up by 3.7% from Q1/13 (+8.0% in local currency), but still down by 0.9% year-on-year (-0.3% in local currency). Cramo's Nordic sales have correlated with changes in backlog with a lag of about 3-4 quarters



Rental vs. construction growth: Case Finland

According to statistics and estimates, rental growth clearly surpasses construction growth over the cycle. Rental is an industrial service business with a number of additional growth drivers to construction



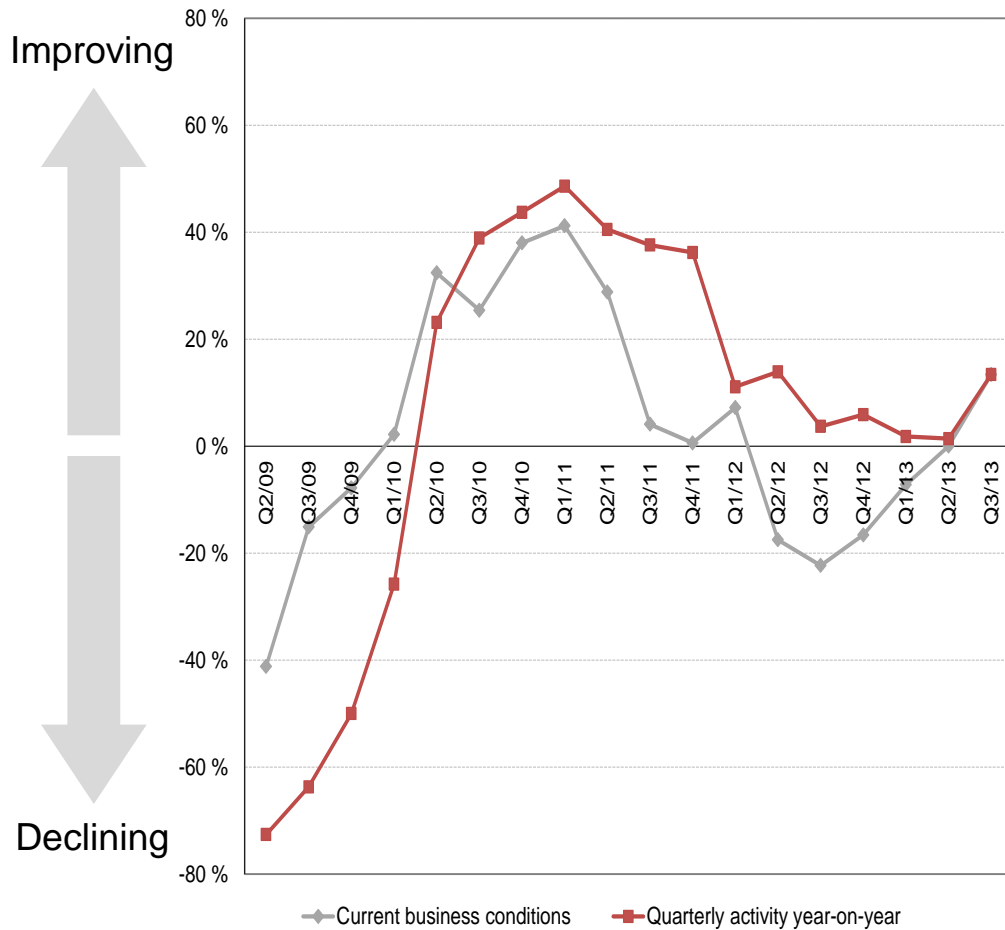
Source: Construction growth rates from Euroconstruct (VTT is the Euroconstruct partner institute in Finland), June 2013. Rental growth rates and estimates from VTT, June 2013



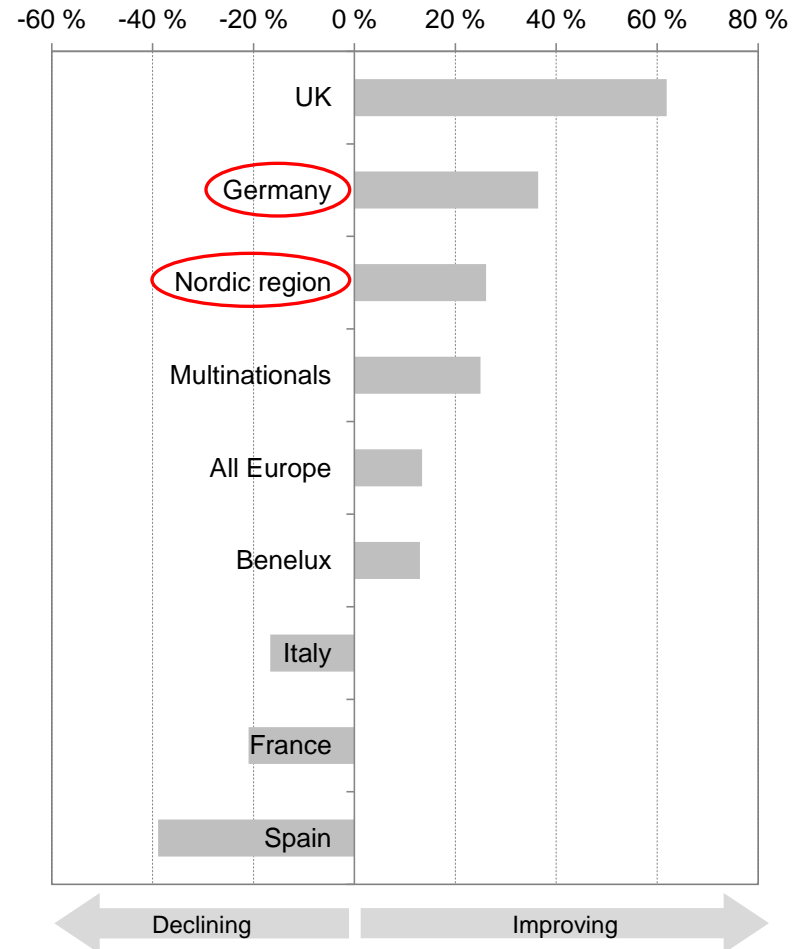
Confidence among European rental improving

Business conditions and rental activity improving notably in Q3/2013, driven by UK, Germany and the Nordic region

Current rental activity & conditions in Europe Q3/13



Current regional business conditions Q3/13



Source: ERA / IRN Rental Tracker Survey June 2009 – September 2013 (International Rental News/European Rental Association)



Rental business growth drivers

Growth drivers in rental business

Increasing rental penetration, outsourcing

1

Rental-related services

2

Exchange of manpower for machinery

3

Environmental concerns, energy efficiency and sustainability

4

Renovation construction

5

Demographic changes

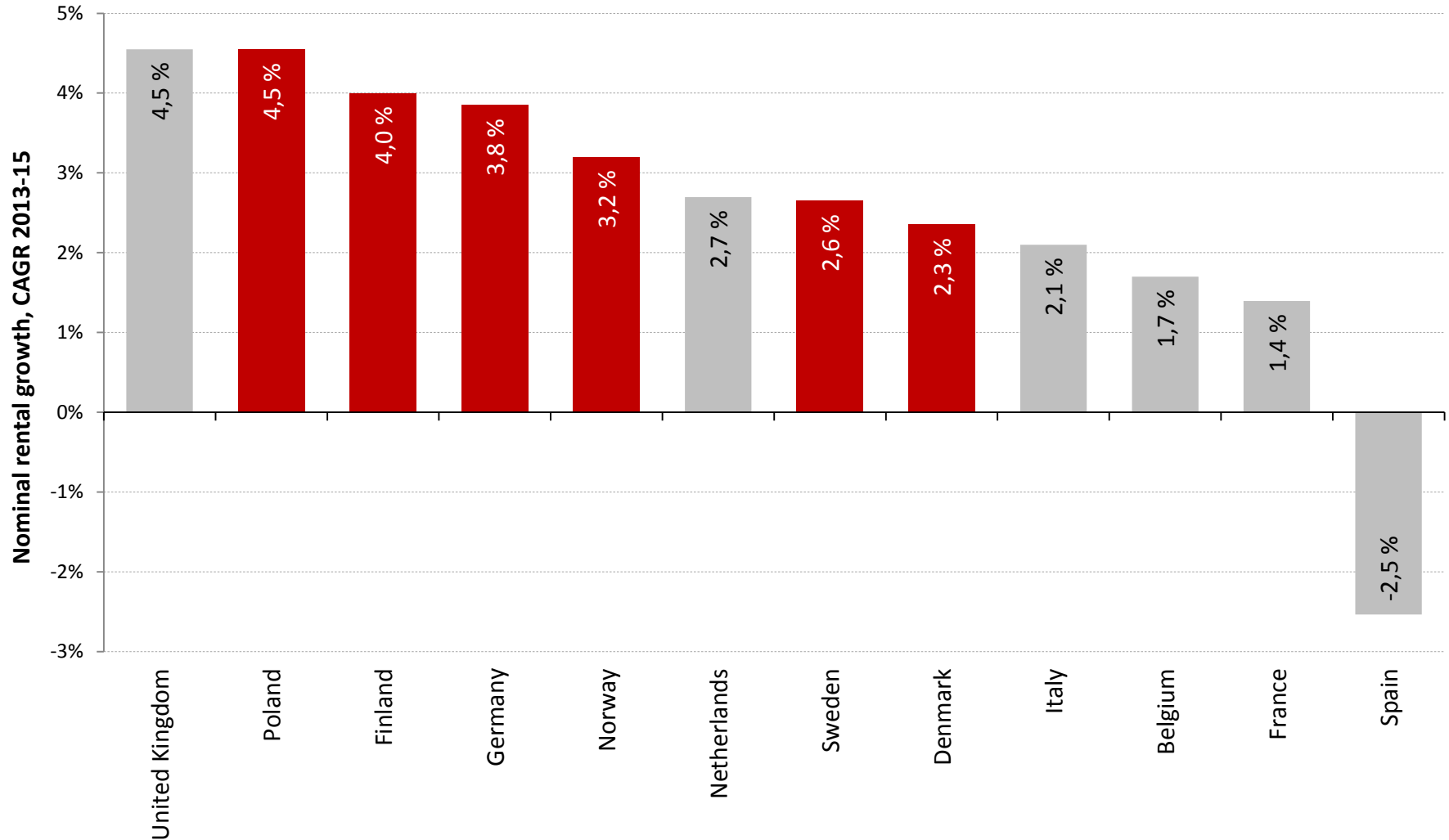
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Rental is a growing industrial services business

Most European rental markets expected to grow in 2014-15

European Rental Association's estimates from October 2013



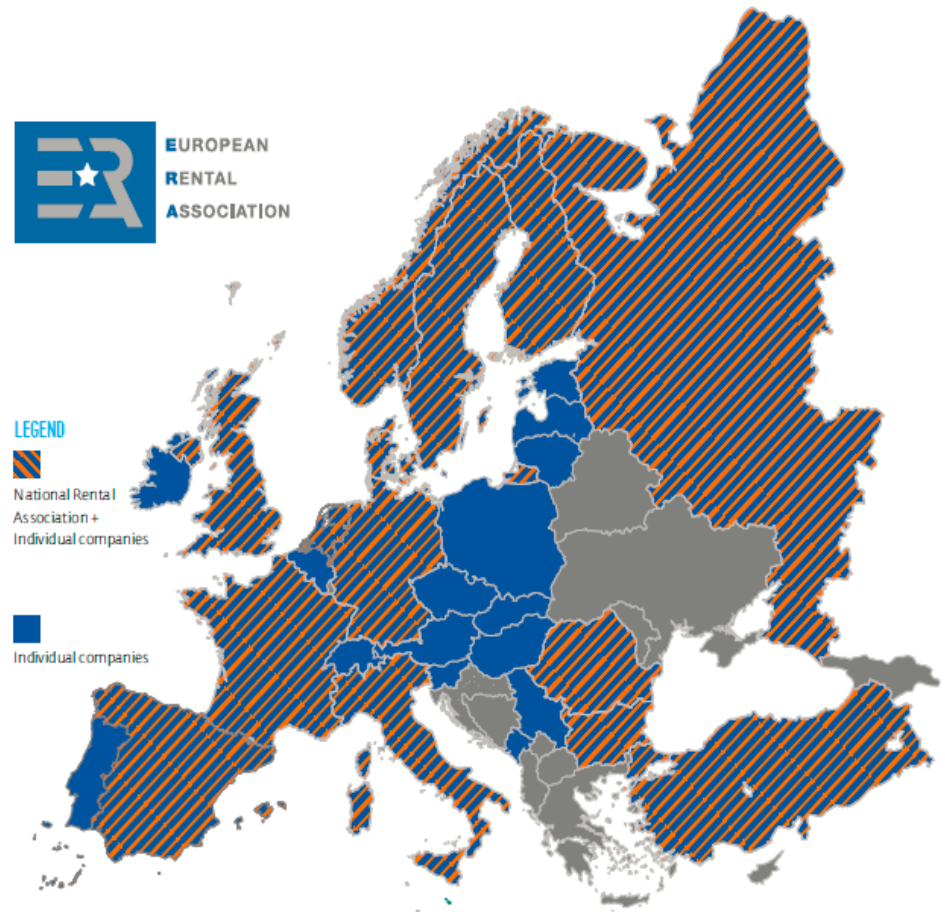
Source: European Rental Association, The European Equipment Rental Industry 2013 Report, October 2013



European Rental Association (ERA)

ERA is an extension to national rental associations

- Representative association of the equipment rental sector in Europe
- Represents over 4,700 rental companies in Europe, either directly or through 13 national rental associations
- Potential to grow up to ~ 20 associations in the future



ERA's key mission is to support the growth of European rental industry

THROUGH:

- Promotion of the Rental Concept
- Economic studies and their impact on decision makers from construction industry to financial markets
- Involvement in European regulations
 - in preparation and/or in revision
 - in connection with the national associations

ERA has active, regularly meeting committees

- Promotion
 - promoting the rental concept; attracting and keeping talents to the rental industry
- Statistics
 - developing definitions and methodologies for statistics; increasing international cooperation
- Equipment Technology
 - providing a forum for equipment manufacturers and rental companies to discuss issues of common interest
- Sustainability
 - delivering tools to communicate on resource efficiency and sustainability of rental
- National Rental Associations
 - monitoring and providing input in EU policies

SUCCESS THROUGH EXPERTISE, INDUSTRY KNOWLEDGE AND COMMITMENT OF THE MEMBERS

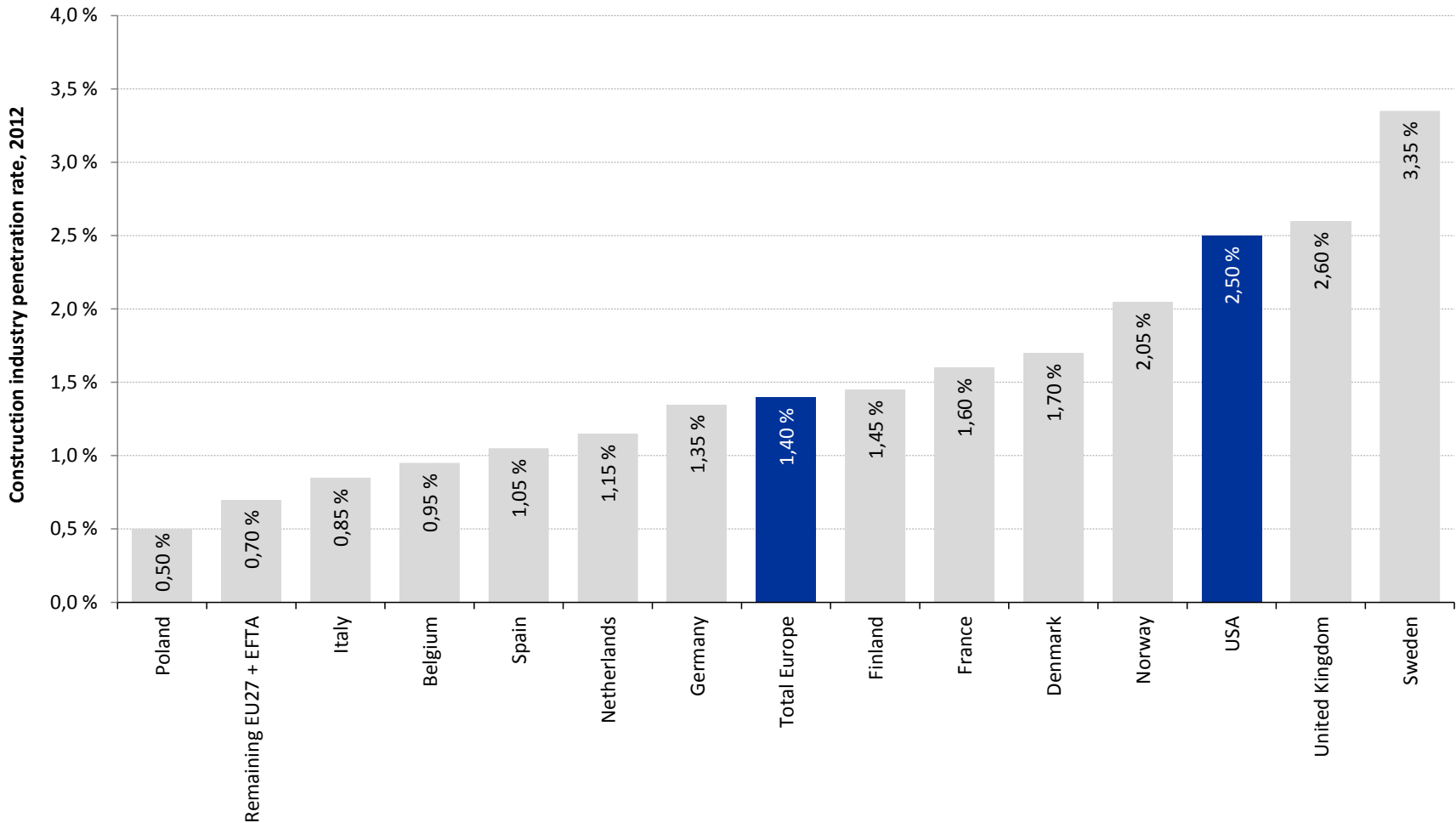
Worldwide and European Rental Markets

- GRA (USA, Europe, Canada, Brazil, Australia and New Zealand) shares a total rental revenue number of US\$ 66 billion for fiscal year 2011
- Worldwide total rental revenue estimated in 2011 at US\$ 80/85 billion of which Europe represents around 33% to 35%

MAIN RENTAL MARKETS IN EUROPE IN 2012

Country	Market size (EUR billion)
United Kingdom	6,1
France	3,9
Germany	3,5
Sweden	1,5
Spain	1,4
Italy	1,4
Norway	0,9
Total Europe	23,0

Construction Industry Penetration in 2012





Thank You!

