

CAPITAL MARKETS DAY

September 11, 2012

Pekka Lundmark
President & CEO



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- Summary of January-June 2012
- Changing the game with service and technology innovation
- Global footprint
- 2012 outlook and long-term objectives
- Summary



THE START OF THE YEAR HAS BEEN IN LINE WITH OUR EXPECTATIONS

KEY FIGURES	1-6/2012	1-6/2011	Change %	2011
Orders received, MEUR	1,088.3	963.7	+12.9	1,896.1
Order book at end of period, MEUR	1,122.8	981.0	+14.5	991.8
Net sales, MEUR	1,035.2	847.3	+22.2	1,896.4
EBITA* excluding restructuring costs, MEUR	66.1	50.5	+30.8	131.6
EBITA* excluding restructuring costs, %	6.4 %	6.0 %		6.9 %
Operating profit (EBIT) excluding restructuring costs, MEUR	58.7	43.6	+34.5	117.2
Operating margin (EBIT) excluding restructuring costs, %	5.7 %	5.2 %		6.2 %
EPS, diluted, EUR	0.64	0.40	+61.6	1.10
Gearing, %	64.7 %	26.7 %		50.5 %
Return on capital employed %, Rolling 12 Months	17.2 %	21.3 %		17.1 %

*Operating profit excluding amortization of acquisition-related intangible assets

SUMMARY OF H1/12

- **Positives**

- Strong order intake particularly in Equipment leading to all-time high order book
- Continued strong development in Service contract base, +8% Y/Y in units and +20% Y/Y in value at end-June
- Turnaround in Service EBIT margin thanks to sales growth and executed restructuring

- **Negatives**

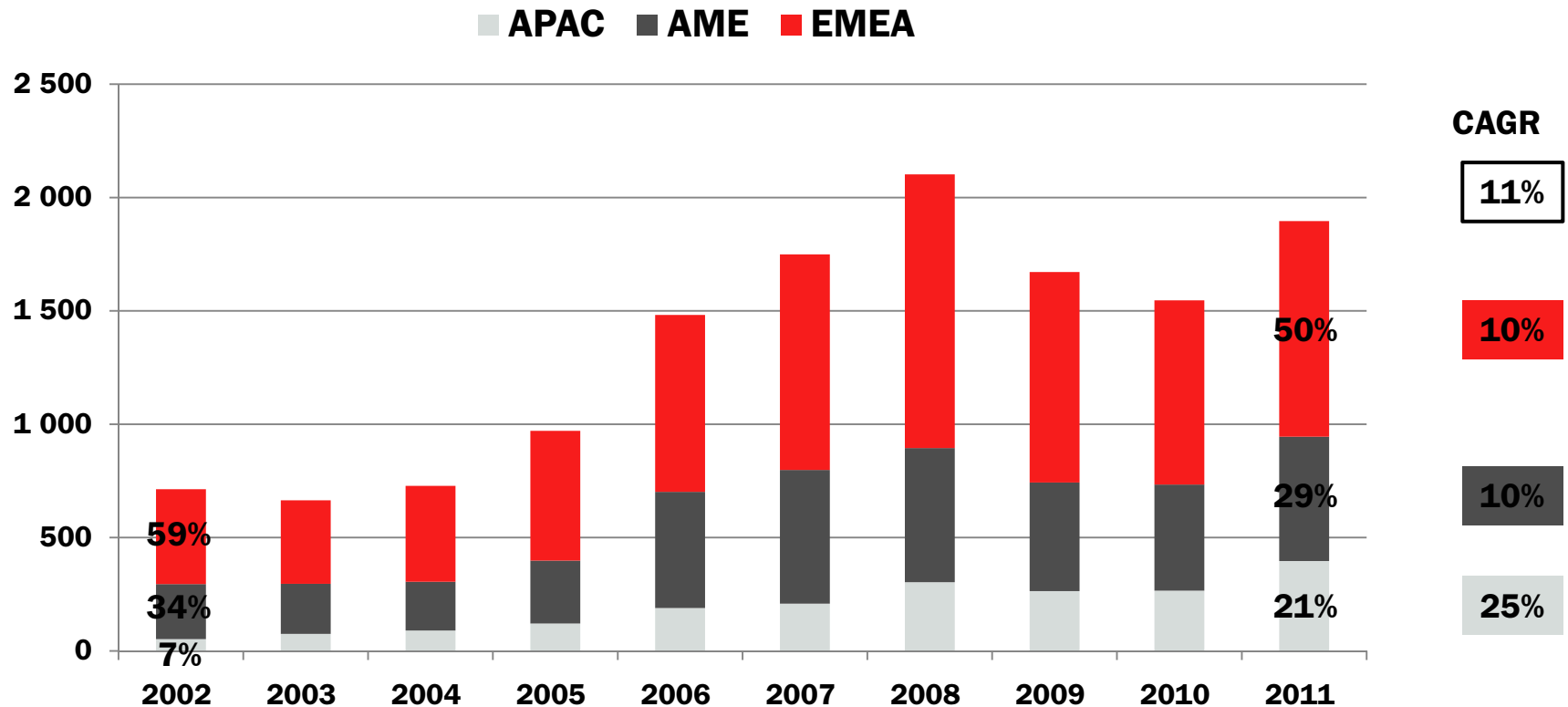
- Operating leverage modest in Equipment due to intense competition, sales mix and growth in fixed costs
- Demand remained weak in China, but did not get worse vs. H2/11
- Net working capital high

H1 ORDERS RECEIVED Y/Y	EMEA	AME	APAC
SERVICE			
EQUIPMENT			

OUR R12M ORDERS AND SALES ARE CLOSE TO THE PREVIOUS PEAK



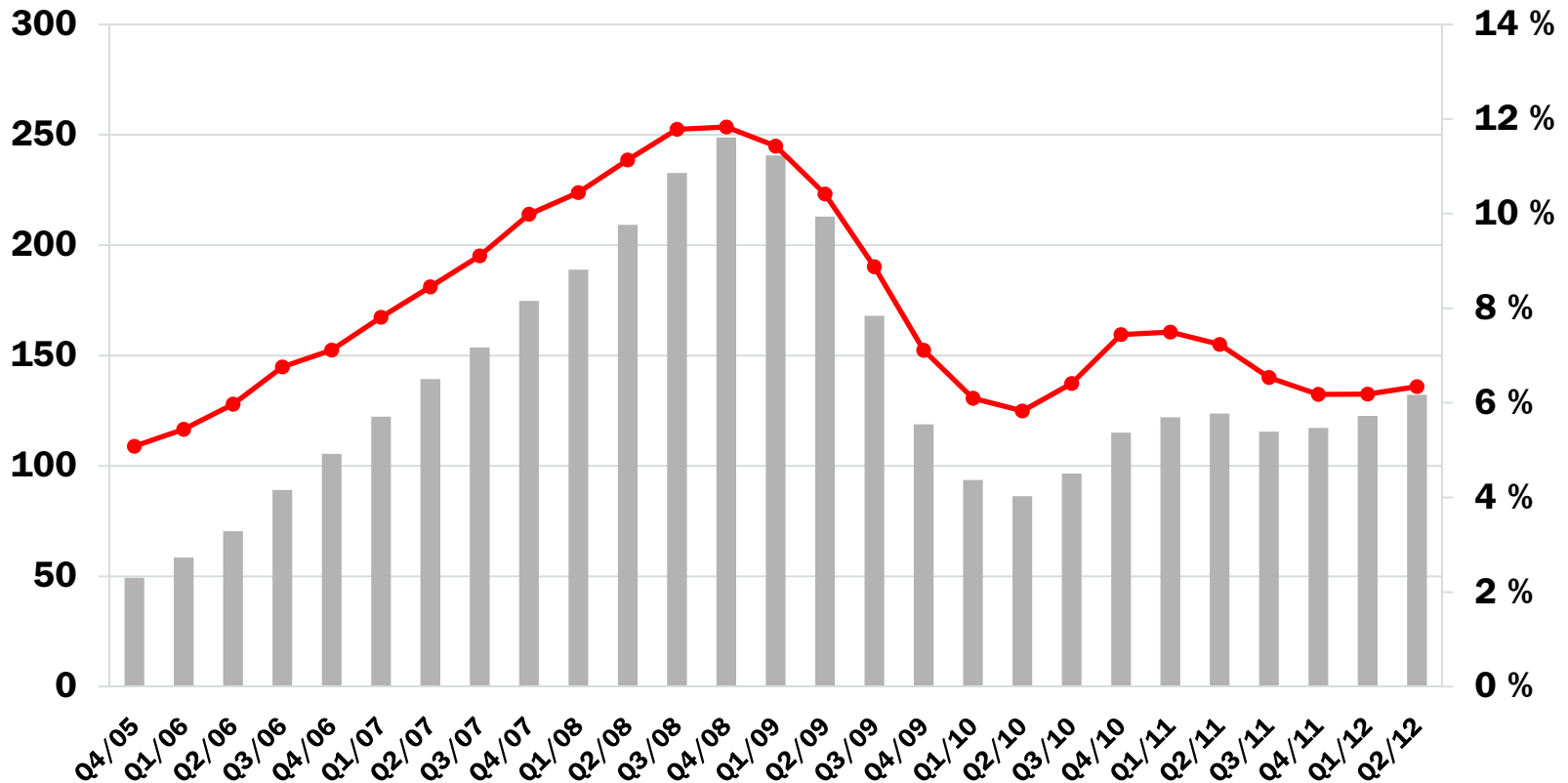
APAC'S SHARE OF OUR SALES HAS INCREASED FROM 7% TO 21% IN 10 YEARS



OUR PRIMARY FOCUS IS TO IMPROVE PROFITABILITY

■ EBIT EXCL. RESTRUCTURING COSTS ● MARGIN

MEUR





CHANGING THE GAME

**WITH SERVICE AND
TECHNOLOGY
INNOVATION**

OUR NEW VISION

"We know in real time how millions of lifting devices and machine tools perform. We use this knowledge around the clock to make our customers' operations safer and more productive."

EVOLUTION OF MAINTENANCE

POWER OF INFORMATION

Reactive

Preventive

Real-time

EQUIPMENT TECHNOLOGY FOUNDATION ENABLING REAL-TIME SERVICES

Technology

Automated cranes

PLC controlled
cranes

Control Pro
for industrial cranes

SmartCrane
Remote-based data
collection and
analysis

Remote sensors
(rope, brake, vibration,
environmental aspects)

Internet technology,
IT development

End of 80's

2002

2010

2012

Customer value

Condition
monitoring systems

Remote help via
modem

Safe working
period

Hoist diagnostics

TRUCONNECT®
Safety, lifetime and
usage information

Remote condition
monitoring and
predictive
maintenance

Real-time service

MACHINES THAT CAN SENSE THEIR OWN PERFORMANCE, USAGE AND CONDITION

Typical sensor measurements:

- Load
- Position
- Speed, acceleration
- Temperature of components
- Voltage
- Current
- Power
- RPM
- Vibration
- Noise
- Rope angle
- Deflection
- Stress
- Ambient temperature, humidity, corrosivity



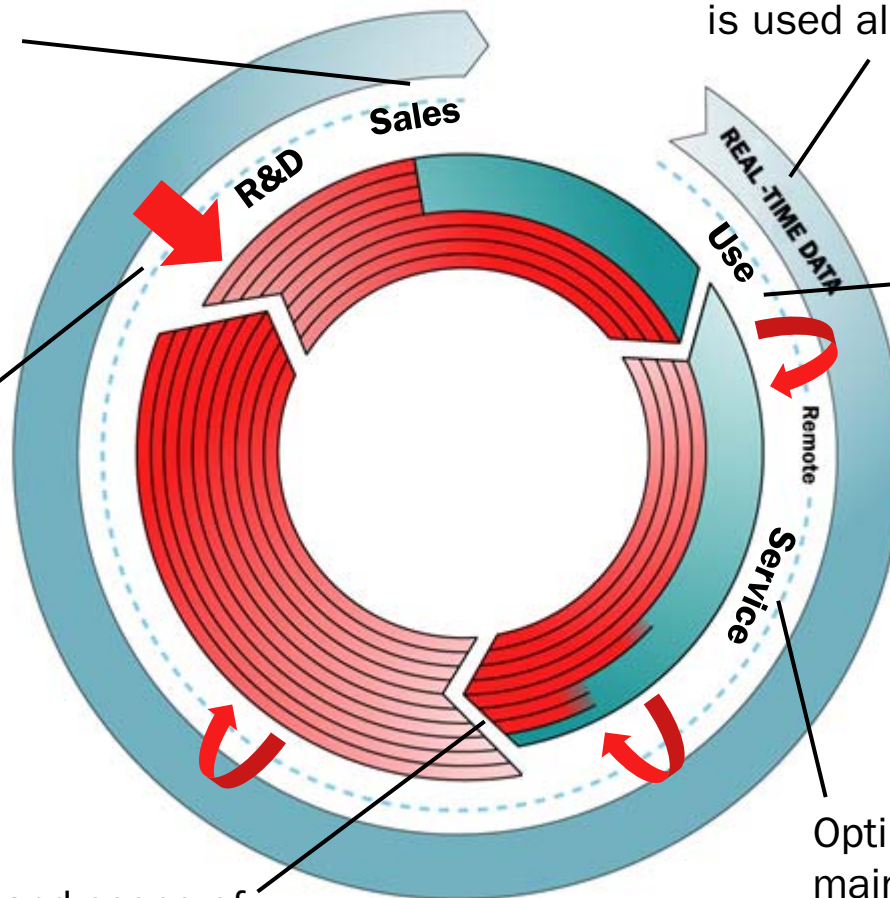
TRANSPARENCY

REAL-TIME DATA THROUGHOUT THE PRODUCT LIFE CYCLE

Offered product fits the application; correct performance parameters and application-specific features

Continuous R&D based on massive amount of real data from various customer applications and product configurations

Right timing and scope of work for modernizations



Product monitoring and real-time data is used already during installation

Usage and sensor data provide clues for safety and performance improvements:

- Training
- Product feature updates
- Service support

Optimized maintenance cost: maintenance is done based on real usage, not by calendar

SCALABLE PRODUCTS ENABLE VALUE-BASED PRICING



OPTIONAL

STANDARD

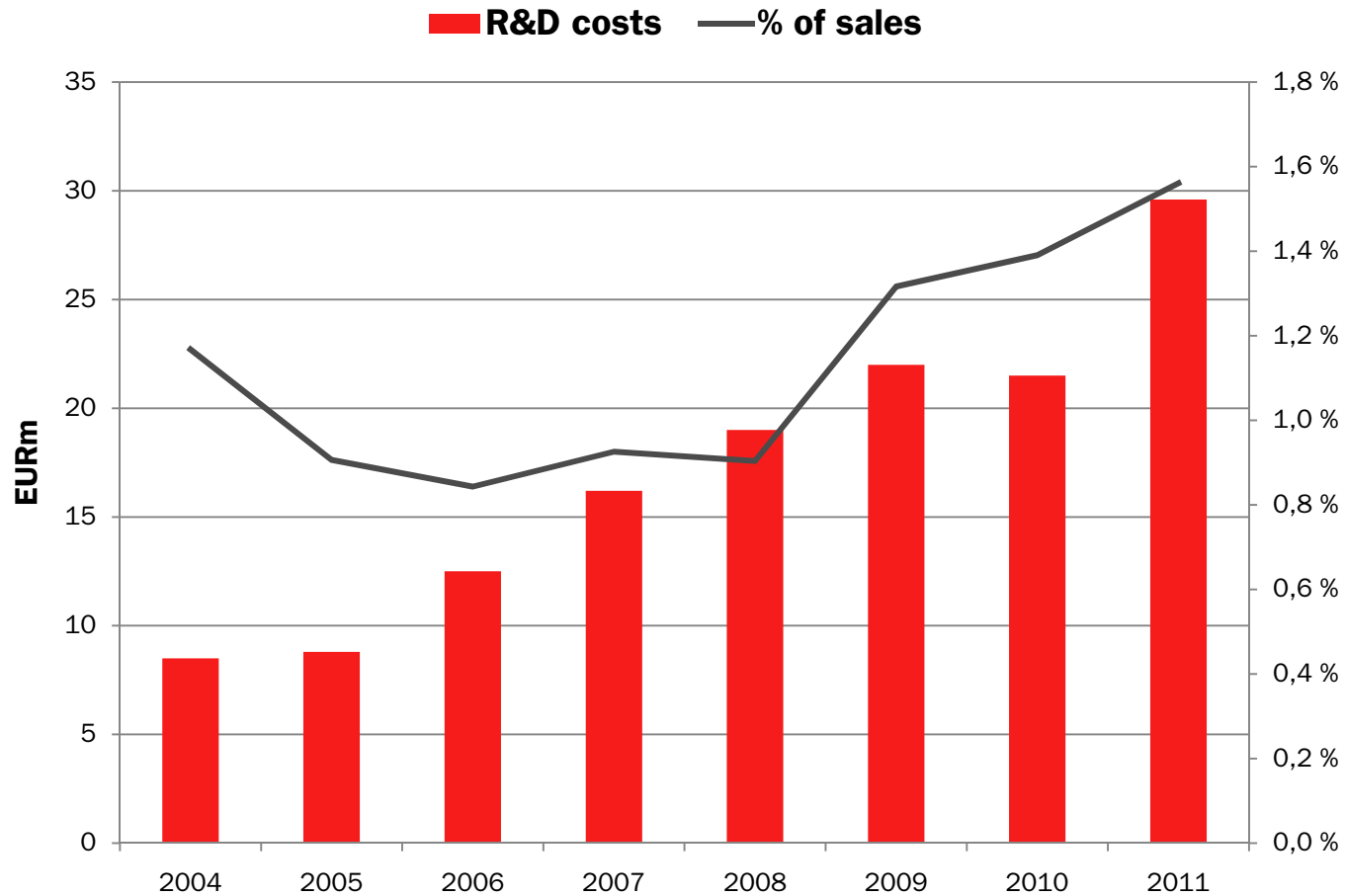
Load control:

- Making the crane operator's work safer and more productive

Positioning & area control:

- Assisting the crane operator to position the load more efficiently and more accurately
- Adapting the crane's working area to the physical layout of your production line

INCREASING R&D INVESTMENT





CHANGING THE GAME

IN EMERGING MARKETS

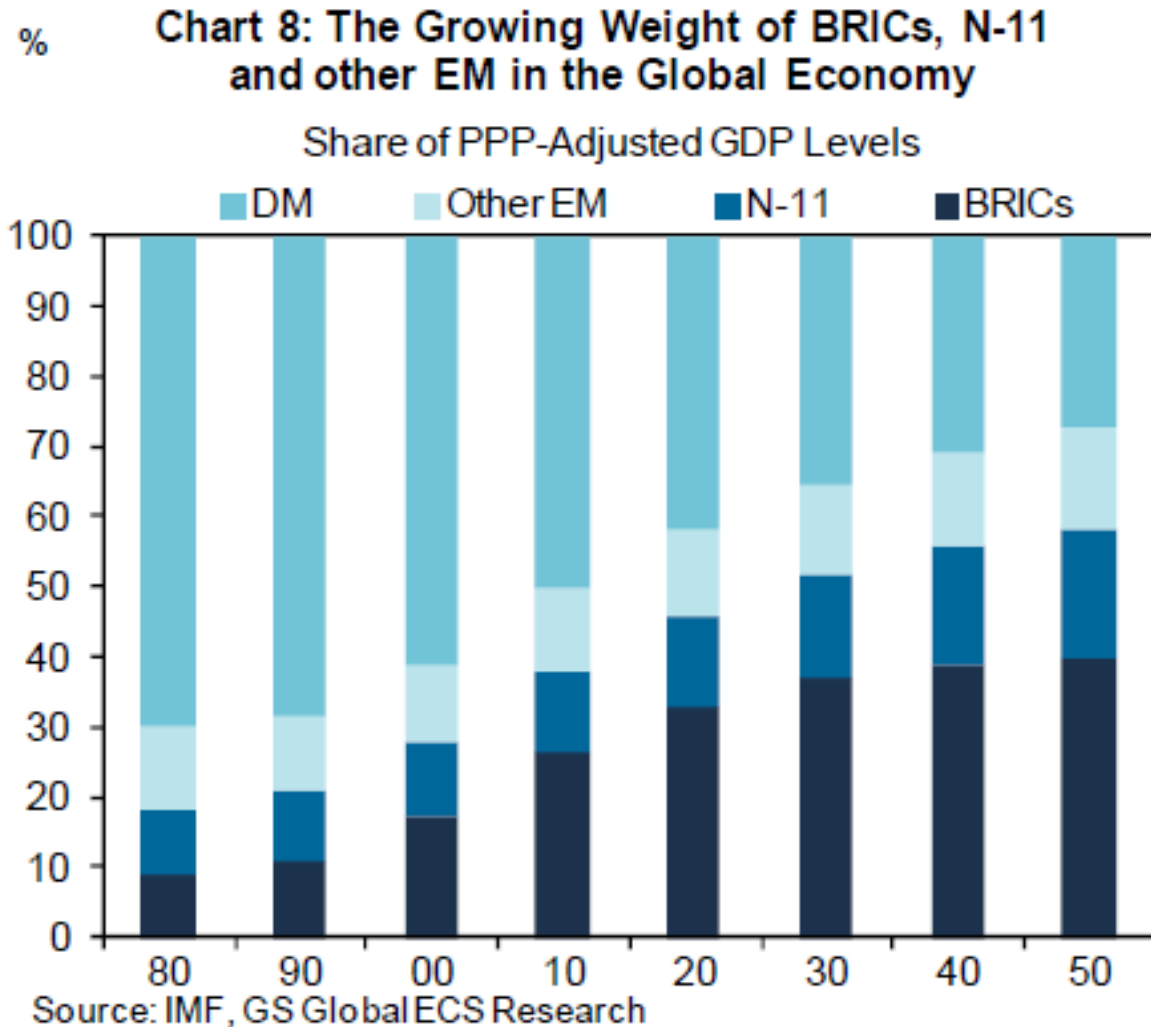
ROLE OF EMERGING MARKETS

Table 1: BRICs Move Up USD-denominated GDP Rankings

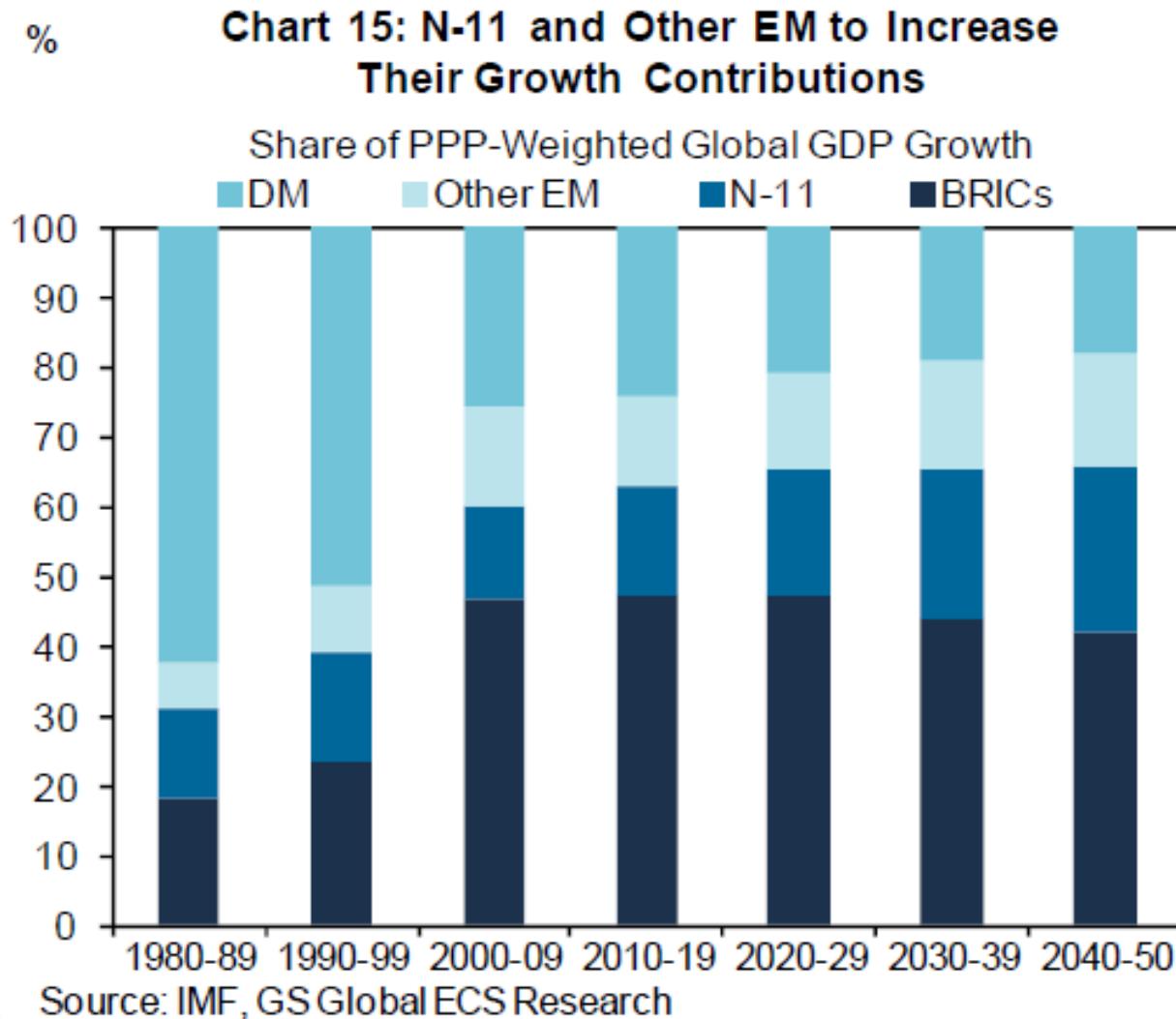
	1980	2000	2010	2050*
1	United States	United States	United States	China
2	Japan	Japan	China	United States
3	Germany	Germany	Japan	India
4	France	United Kingdom	Germany	Brazil
5	United Kingdom	France	France	Russia
6	Italy	China	United Kingdom	Japan
7	Canada	Italy	Brazil	Mexico
8	Mexico	Canada	Italy	Indonesia
9	Spain	Mexico	Canada	United Kingdom
10	Argentina	Brazil	India	France
11	China	Spain	Russia	Germany
12	India	Korea	Spain	Nigeria
13	Netherlands	India	Australia	Turkey
14	Australia	Australia	Mexico	Egypt
15	Saudi Arabia	Netherlands	Korea	Canada
16	Brazil	Argentina	Netherlands	Italy
17	Sweden	Turkey	Turkey	Pakistan
18	Belgium	Russia	Indonesia	Iran
19	Switzerland	Switzerland	Switzerland	Philippines
20	Indonesia	Sweden	Poland	Spain

*projections; Source: GS Global ECS Research

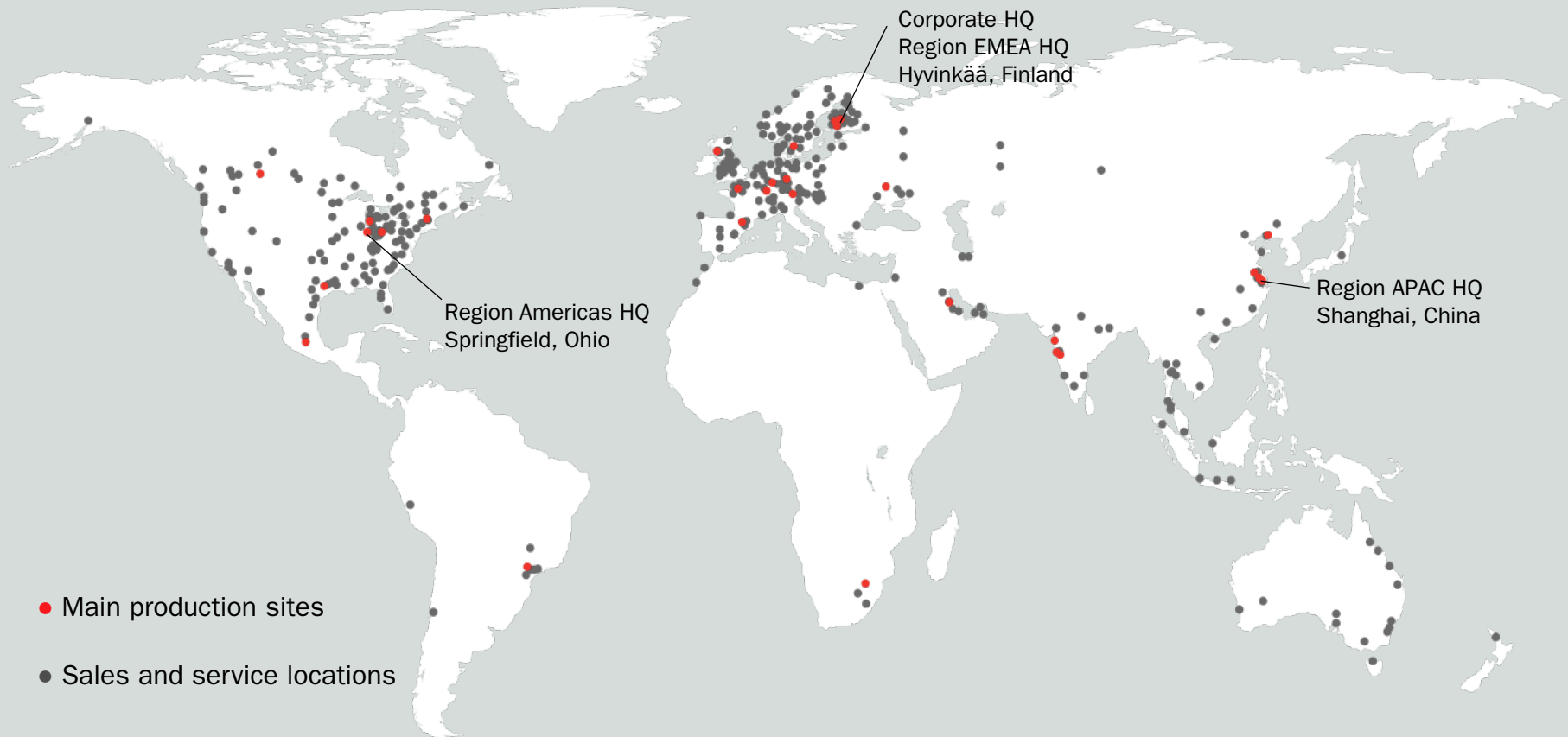
ROLE OF EMERGING MARKETS



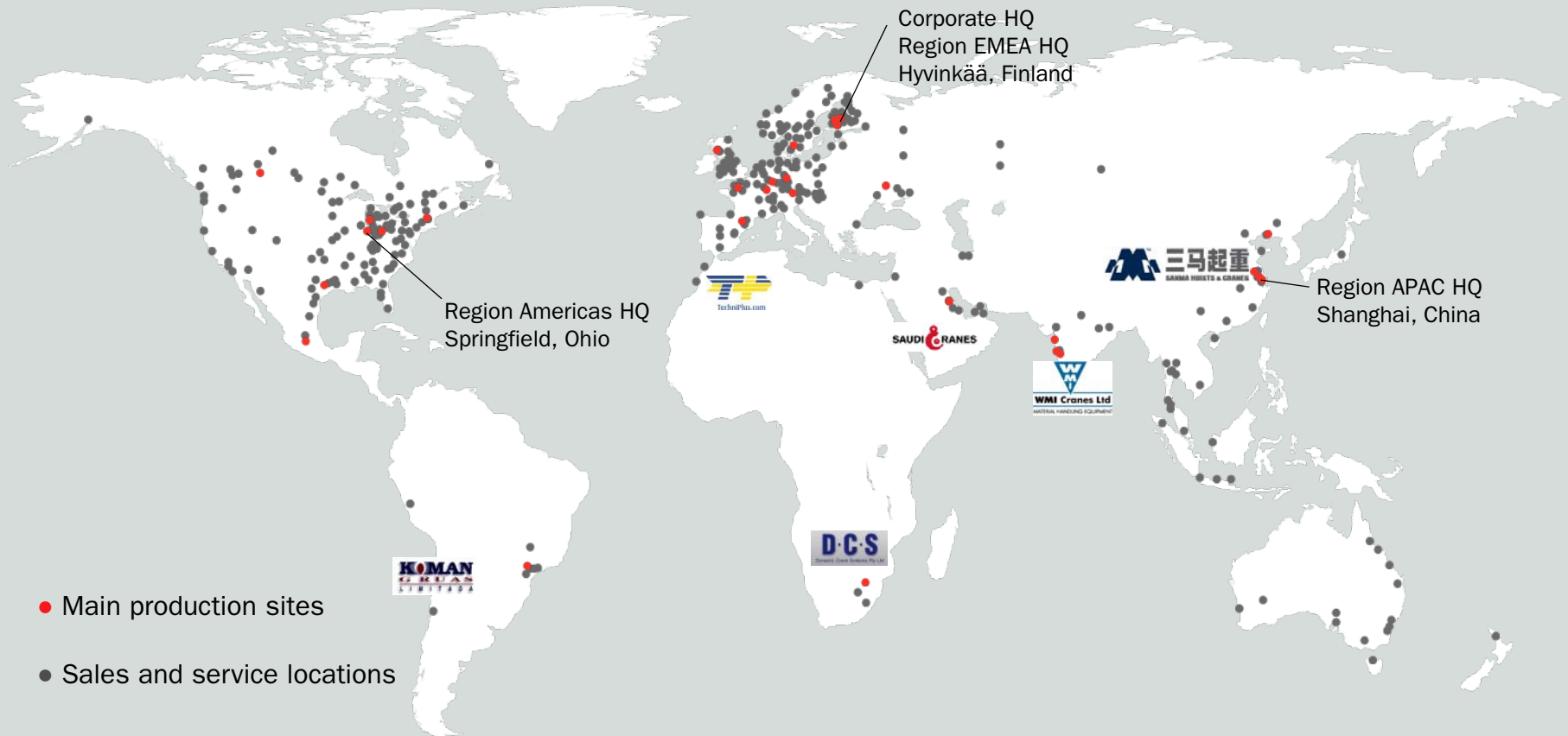
ROLE OF EMERGING MARKETS



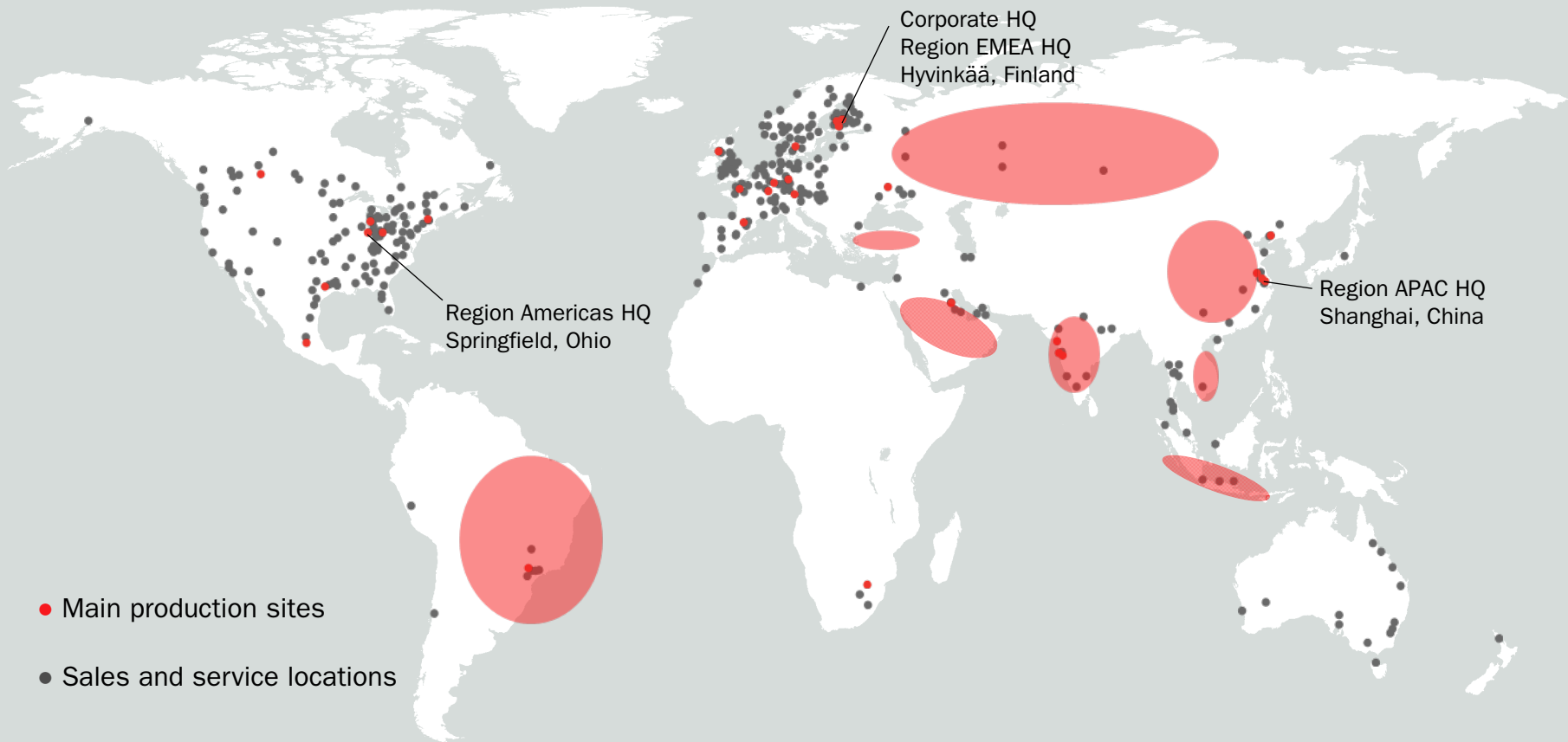
OUR COMPANY ON THE MAP



MAPPING SELECTED RECENT ACQUISITIONS



PRIORITY AREAS FOR FURTHER EXPANSION

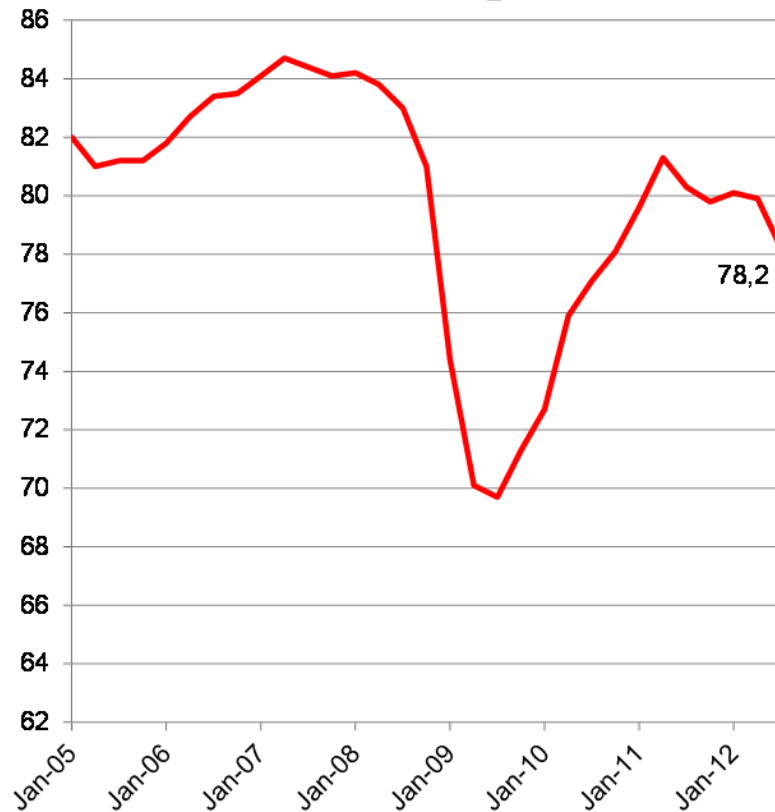


2012 OUTLOOK AND LONG-TERM OBJECTIVES

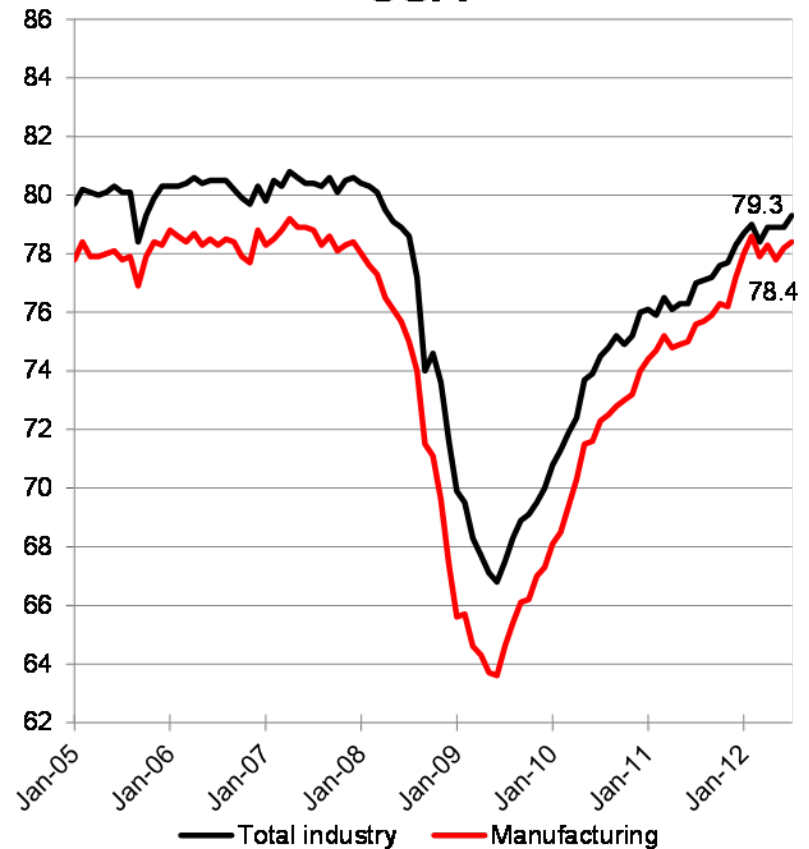


CAPACITY UTILIZATION: EU27 AND USA

Capacity utilisation of manufacturing in EU



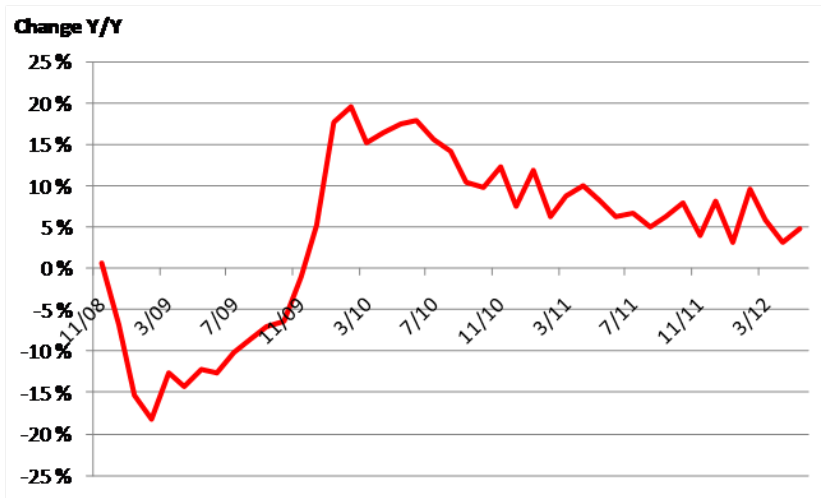
Capacity utilisation in the USA



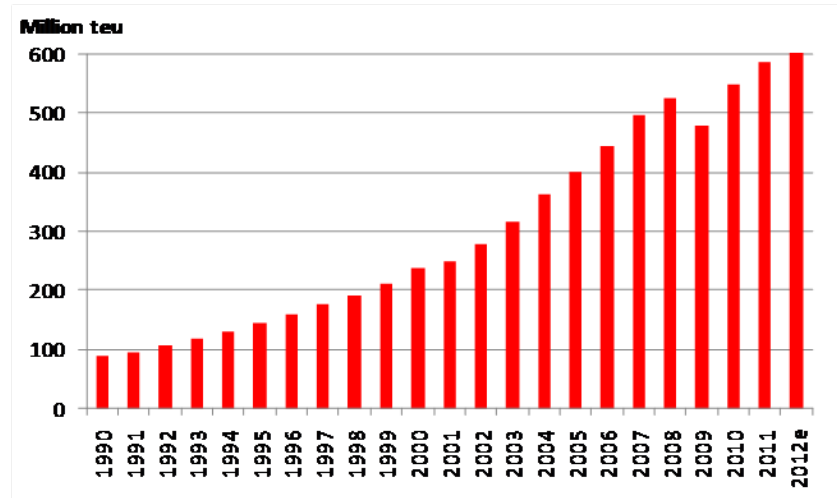
SOURCES: Eurostat (latest data point Q3/12), Federal Reserve Bank of St. Louis (July 2012)

CONTAINER TRAFFIC

Monthly container handling volume



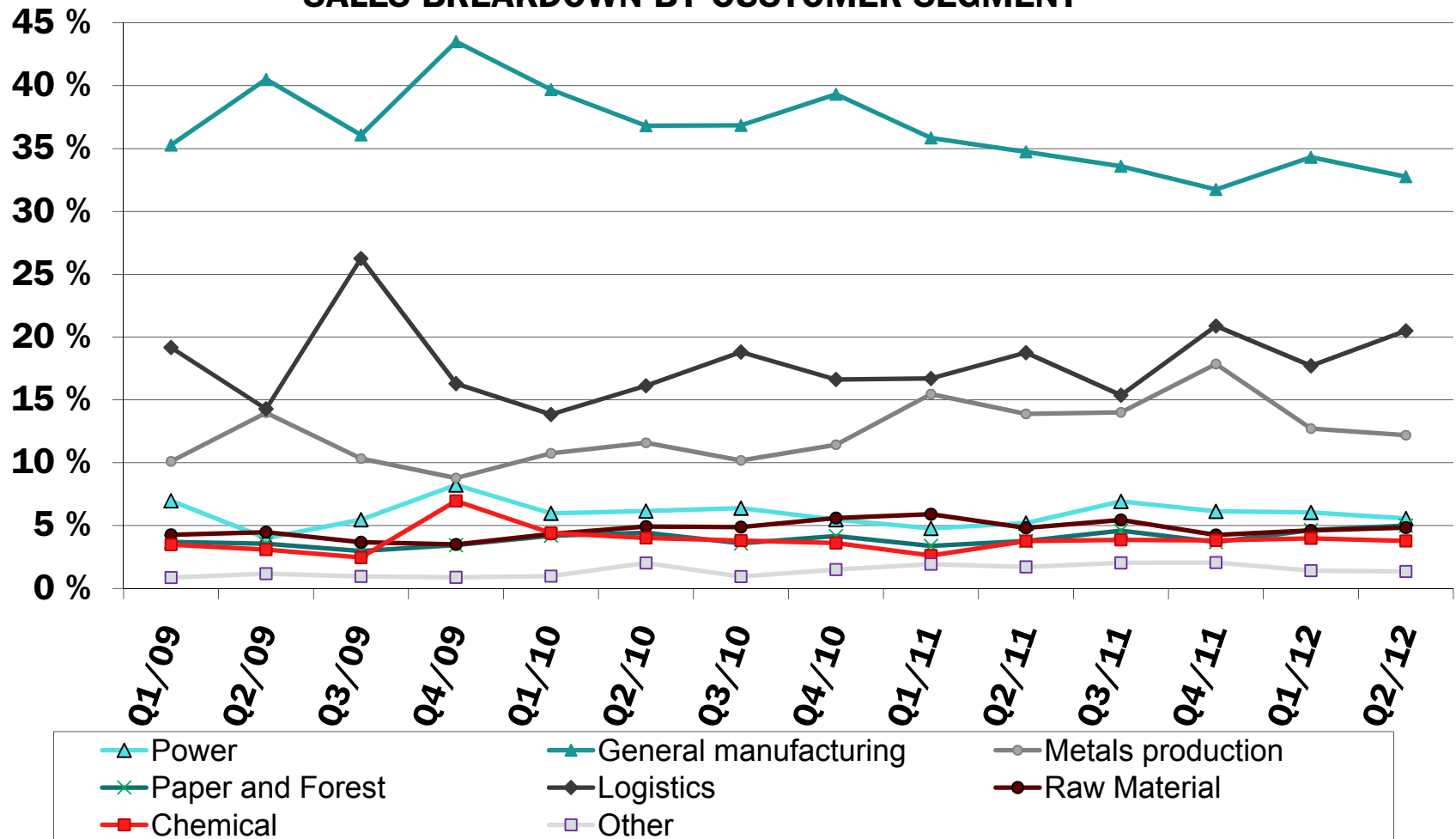
Annual container handling volume



SOURCE: Drewry Container Port Insight (latest data point May 2012)

SHARE OF LOGISTICS UP WHILE SHARE OF GENERAL MANUF. AND STEEL DOWN IN 2012

SALES BREAKDOWN BY CUSTOMER SEGMENT



MARKET OUTLOOK AND FINANCIAL GUIDANCE AS OF JULY 25, 2012

Market outlook

- Our current offer base remains on a good level.
- However, there are some signs of a weakening global demand due to the continuing crisis within the Eurozone and slower economic growth in some emerging markets.

Financial guidance

- Based on the order book, we forecast year 2012 sales and operating profit to be higher than in 2011.



LONG-TERM OBJECTIVES

Profitability

- 10 % operating margin over the cycle

Growth

- Vision to reach a global market share of 30 %

Capital structure

- No quantitative target for the capital structure, but the optimal long-term gearing (net debt/equity) is considered to be in the range of 50–80 %

A close-up photograph of industrial machinery, specifically a large gear with multiple teeth. The gear is made of metal and has a complex, multi-ported design. The lighting is dramatic, with strong highlights and shadows, emphasizing the metallic texture and the precision of the engineering.

HOW TO REACH THE EBIT MARGIN TARGET OF 10%

- Moderate sales growth
- Tight control of fixed costs, seeking efficiencies in all aspects
- Introducing new value-adding products and services
- Reaping benefits from the IT investments
- Continued development of supply chain

A man in a blue Konecranes shirt is shown in profile, looking down at a handheld device. He is wearing a blue t-shirt with the Konecranes logo on the sleeve. The background is a blurred outdoor setting with parked cars.

SUMMARY

A close-up photograph of industrial machinery, specifically a large gear with multiple teeth. The gear is made of metal and has a complex, multi-ported design. The lighting is dramatic, with strong highlights and deep shadows, emphasizing the metallic texture and the precision of the engineering.

SUMMARY – OUR MANAGEMENT PRIORITIES

1. Operating profit improvement
2. NWC control
3. Working towards our vision
4. Emerging markets from both product and local presence point of views
5. Successful implementation of IT projects



KONECRANES®

Lifting Businesses™



ites
locations

**NOT JUST LIFTING
THINGS, BUT
ENTIRE BUSINESSES**