

KONECRANES™
Lifting Businesses™

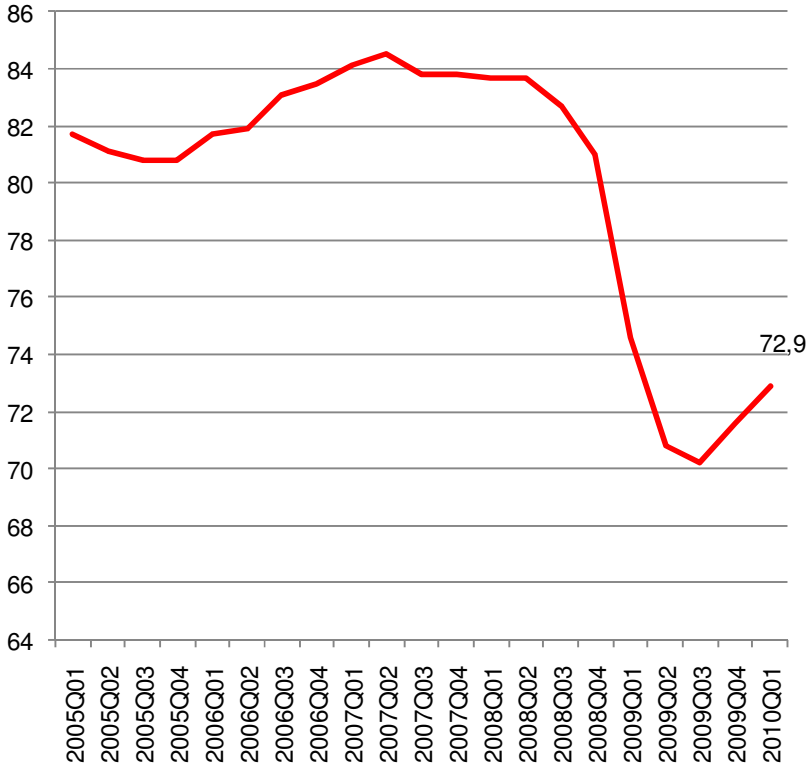
KONECRANES™

**ANNUAL GENERAL MEETING
MARCH 25, 2010**

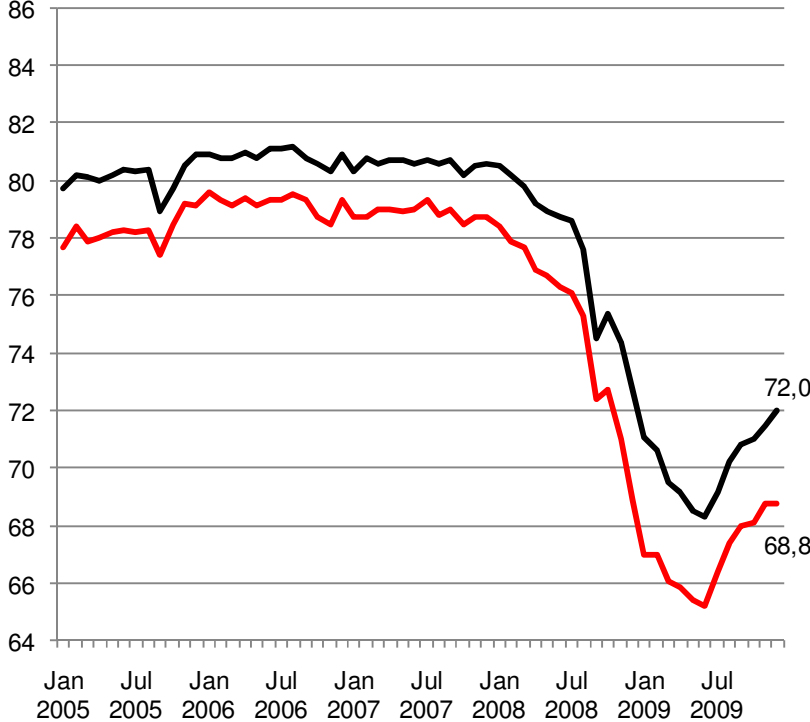
**Pekka Lundmark
President and CEO**

Capacity utilization: EU27 and the USA

Capacity utilisation of manufacturing in EU



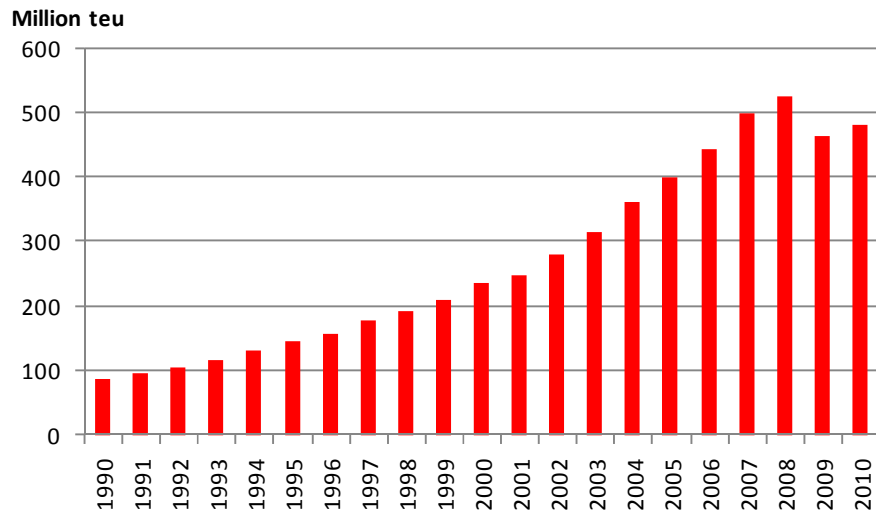
Capacity utilisation in the USA



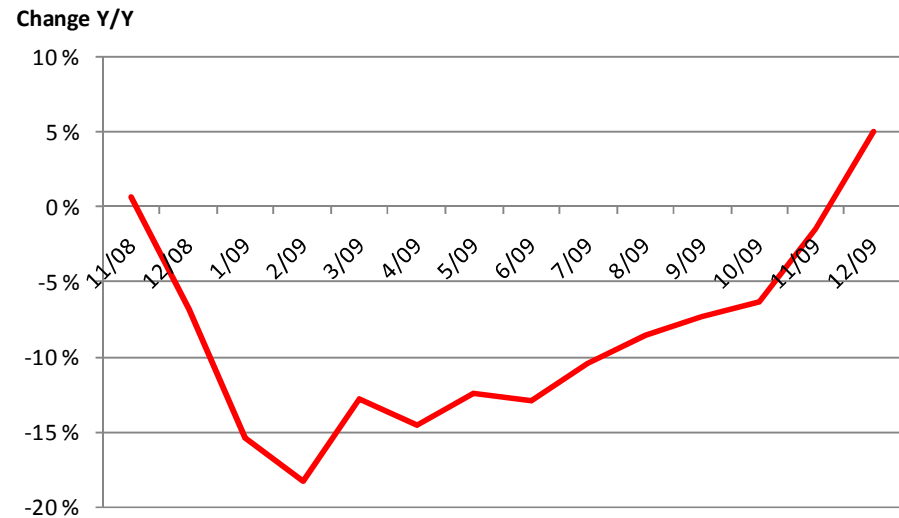
SOURCES: Eurostat, Federal Reserve Bank of St. Louis

Container traffic

Annual port handling volume



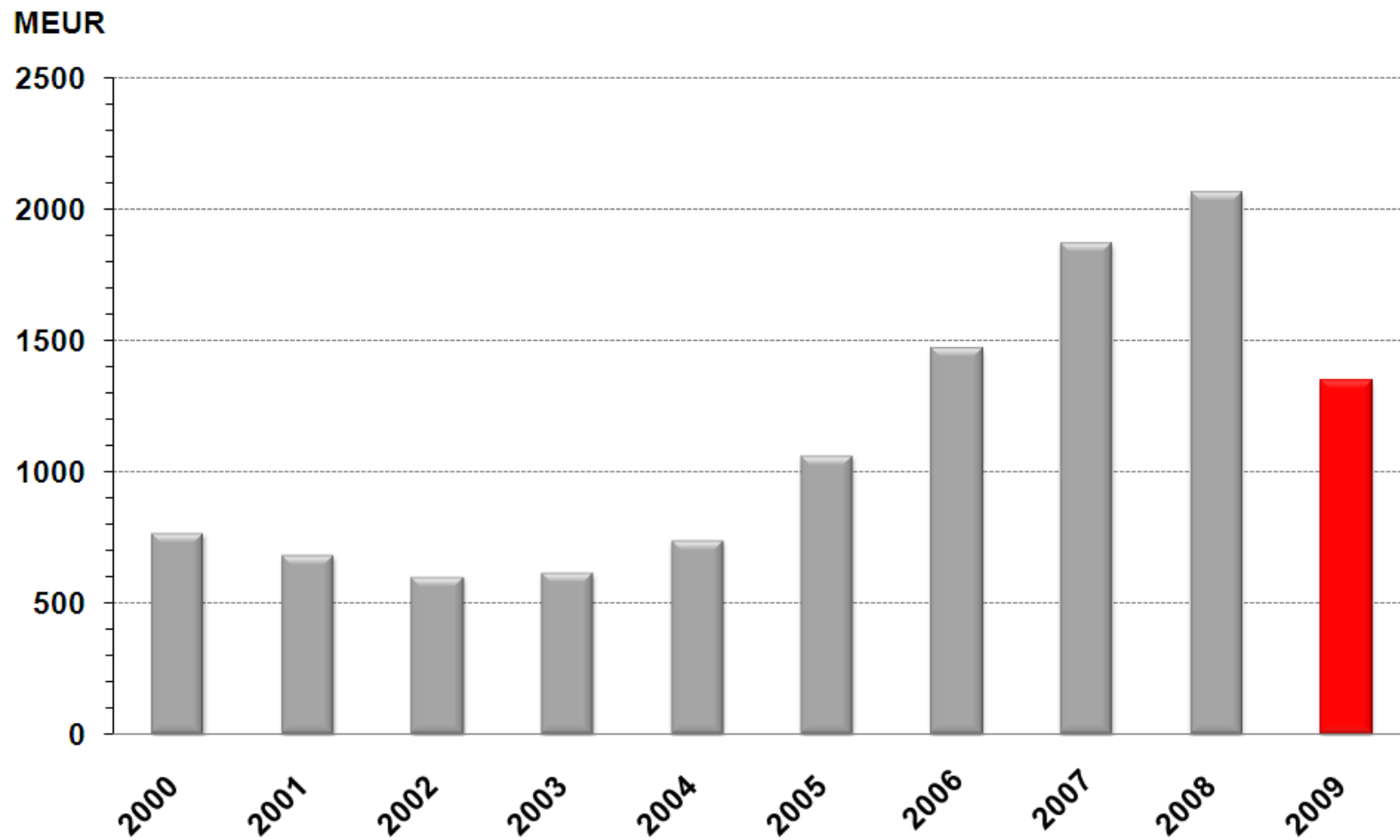
Monthly port handling volume



SOURCES: Drewry Container Annual 2009/2010, Drewry Freight Shipper Insight

Group orders received

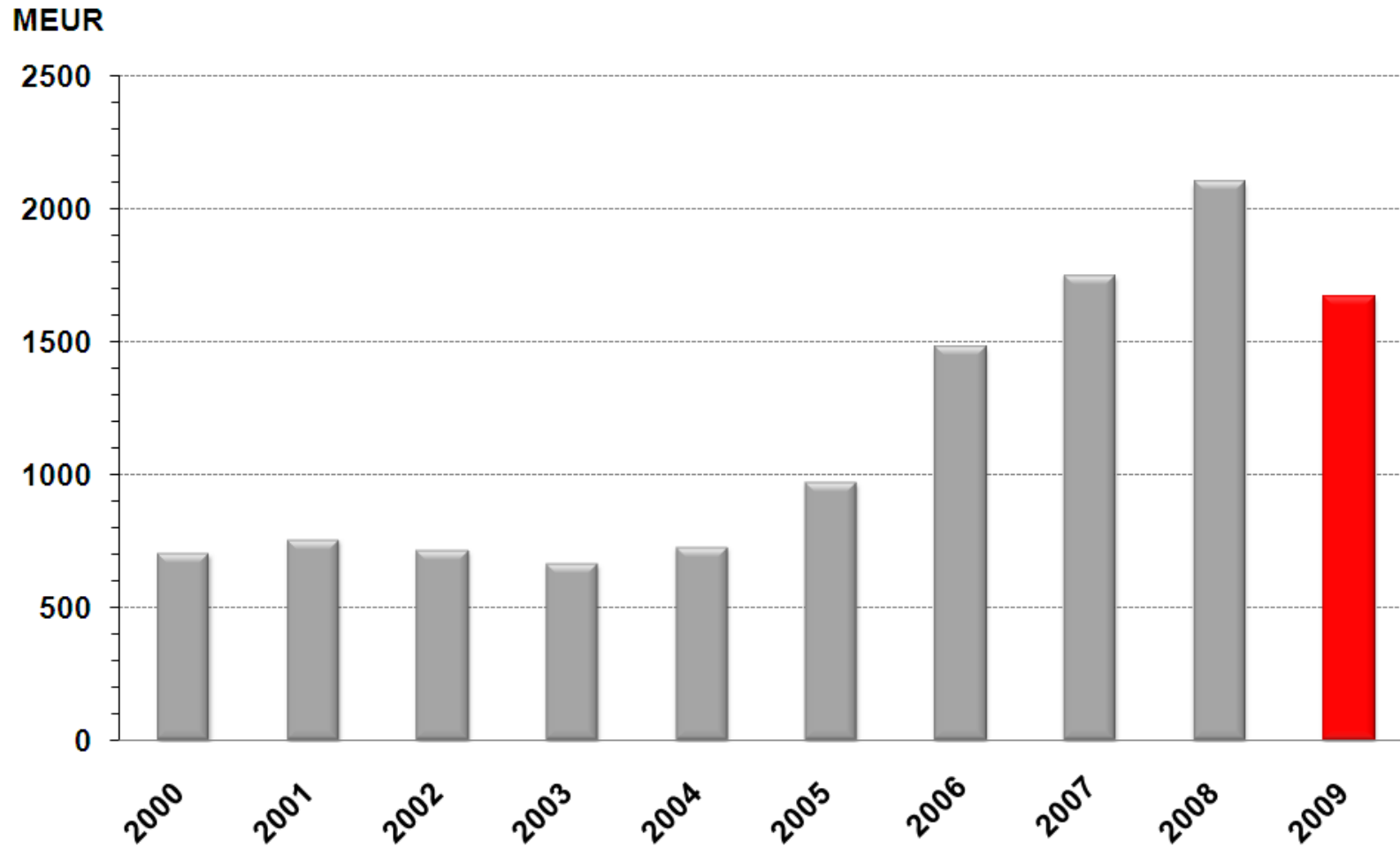
Orders: 1 348.9 (2 067.1) MEUR, -34.7%



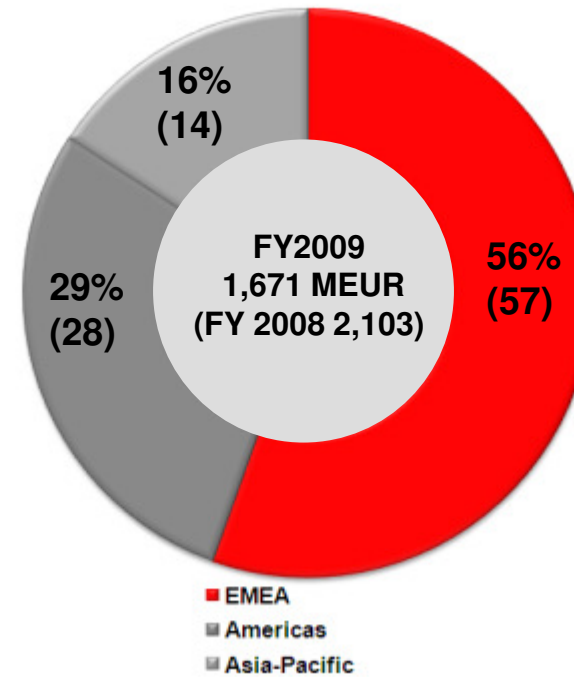
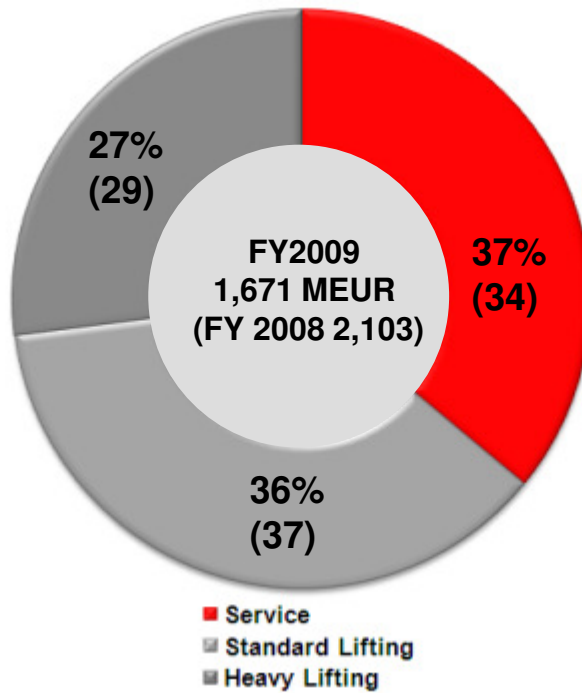
Group net sales

Sales: 1 671.3 (2 102.5) MEUR, -20.5%

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Sales split by business area & region



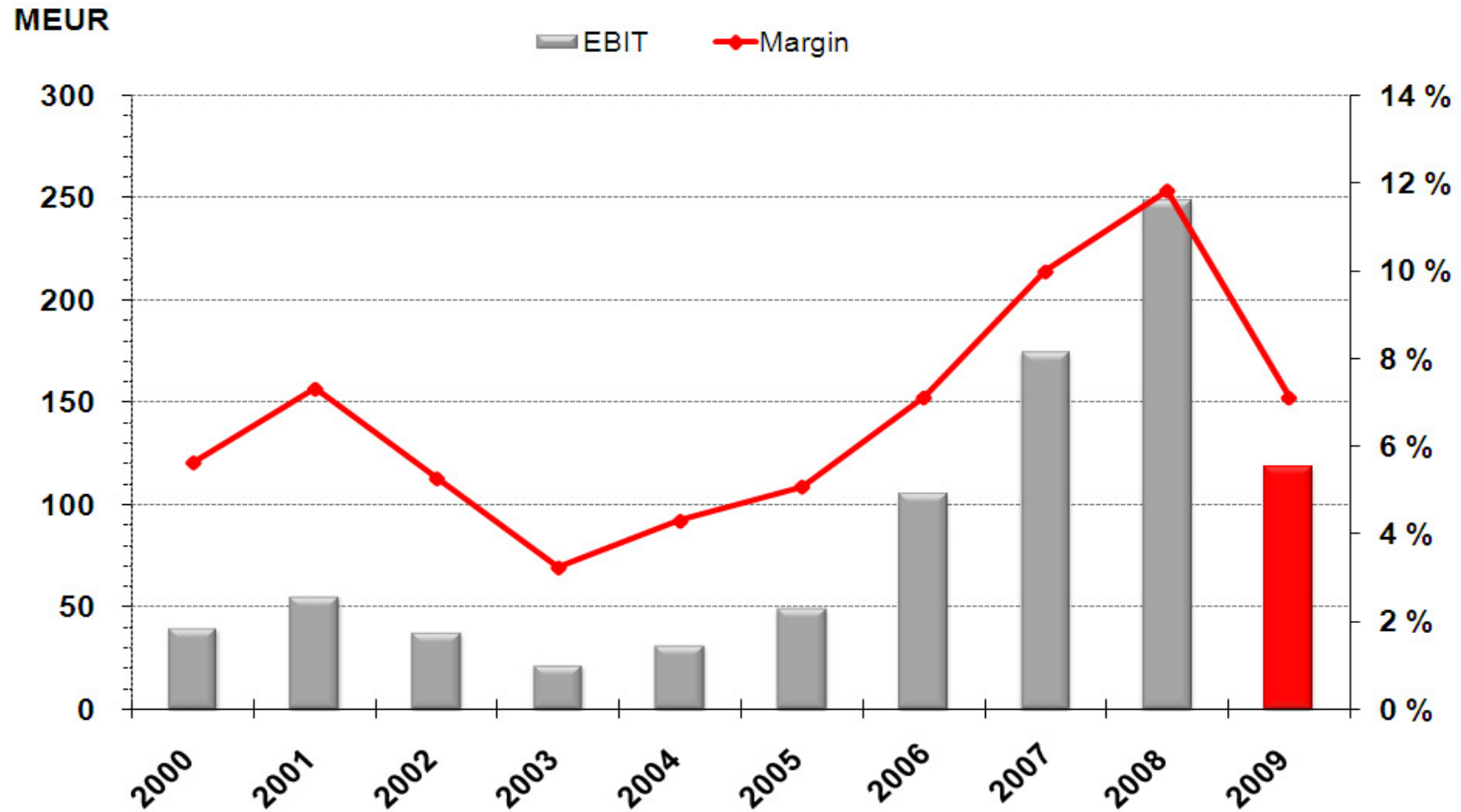
Actions to cope with the recession

- **EUR 100 million cost reduction program including both personnel reductions and procurement actions in progress**
 - **Decisions taken to reduce personnel by more than 1,600**
 - **Closures of three crane factories in Germany, the UK and the US**
 - **Global category-based procurement development program and consolidation of the supplier base in progress**
- **Progress according to plan**

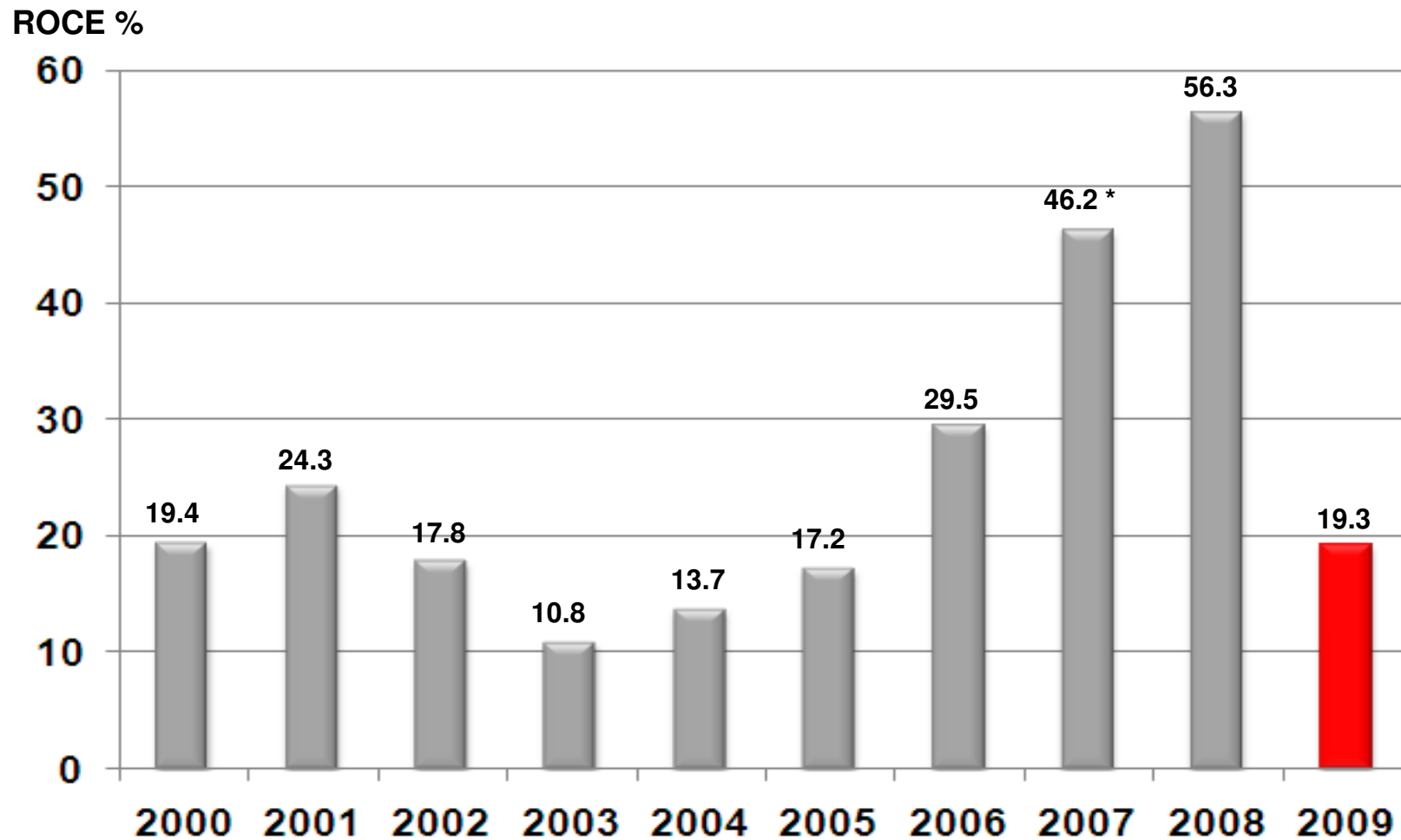
Group EBIT & margin

EBIT: 118.8 (248.7) MEUR, excluding restructuring costs of 20.9 MEUR

Margin: 7.1% (11.8%)

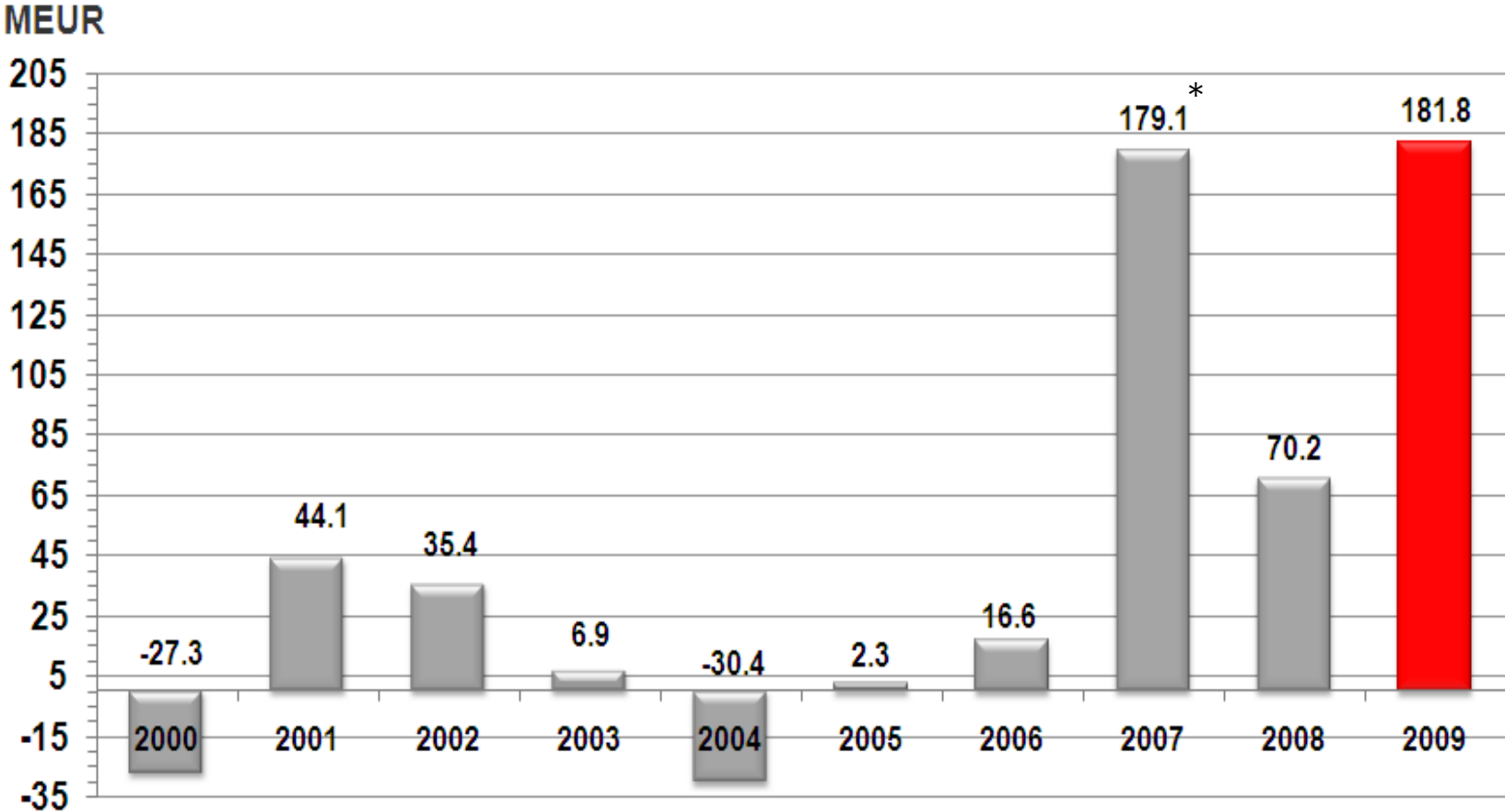


Return on capital employed (incl. restructuring costs)



*The 2007 ROCE including capital gain was 50.4%

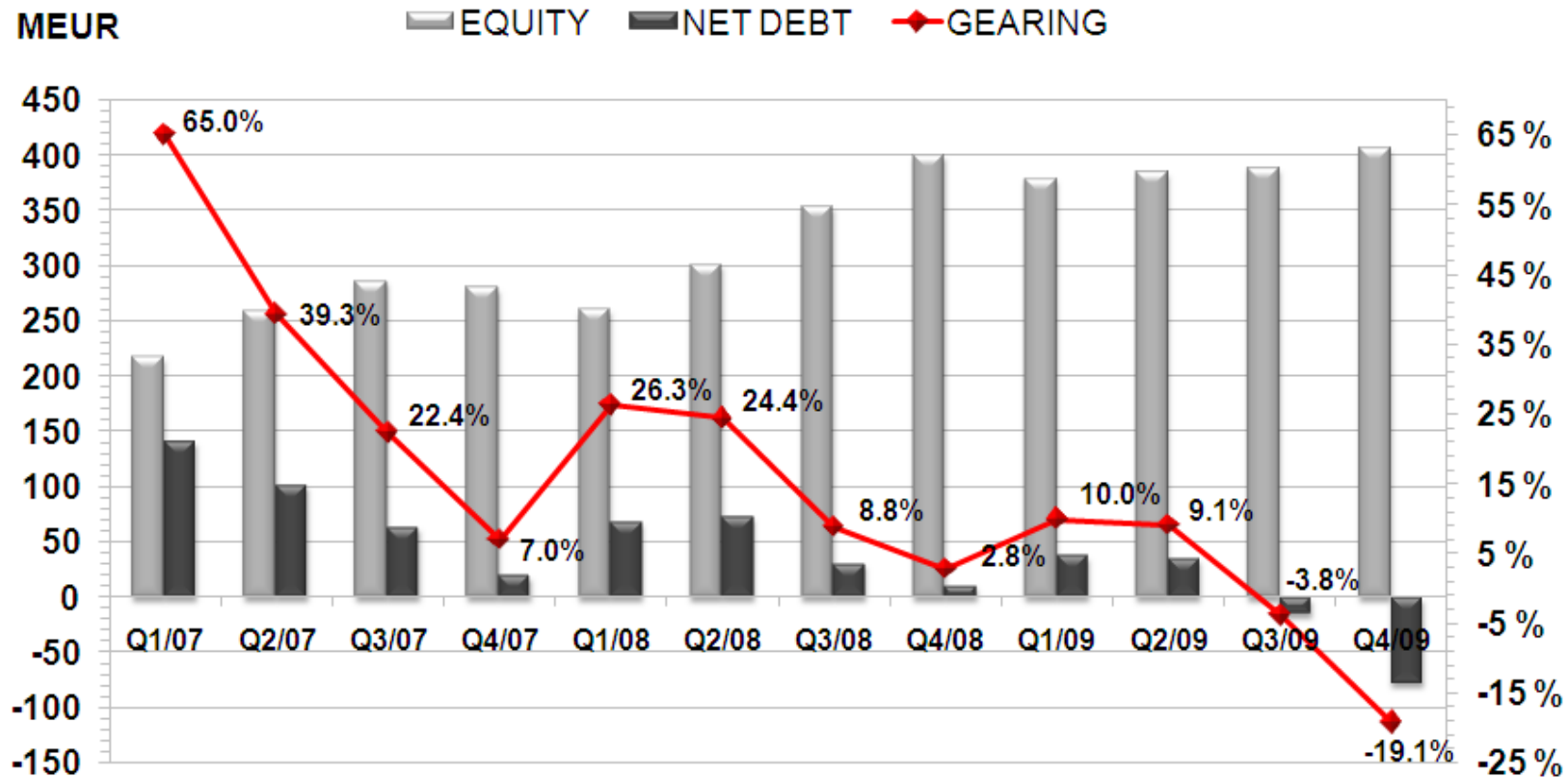
Cash flow before financing activities



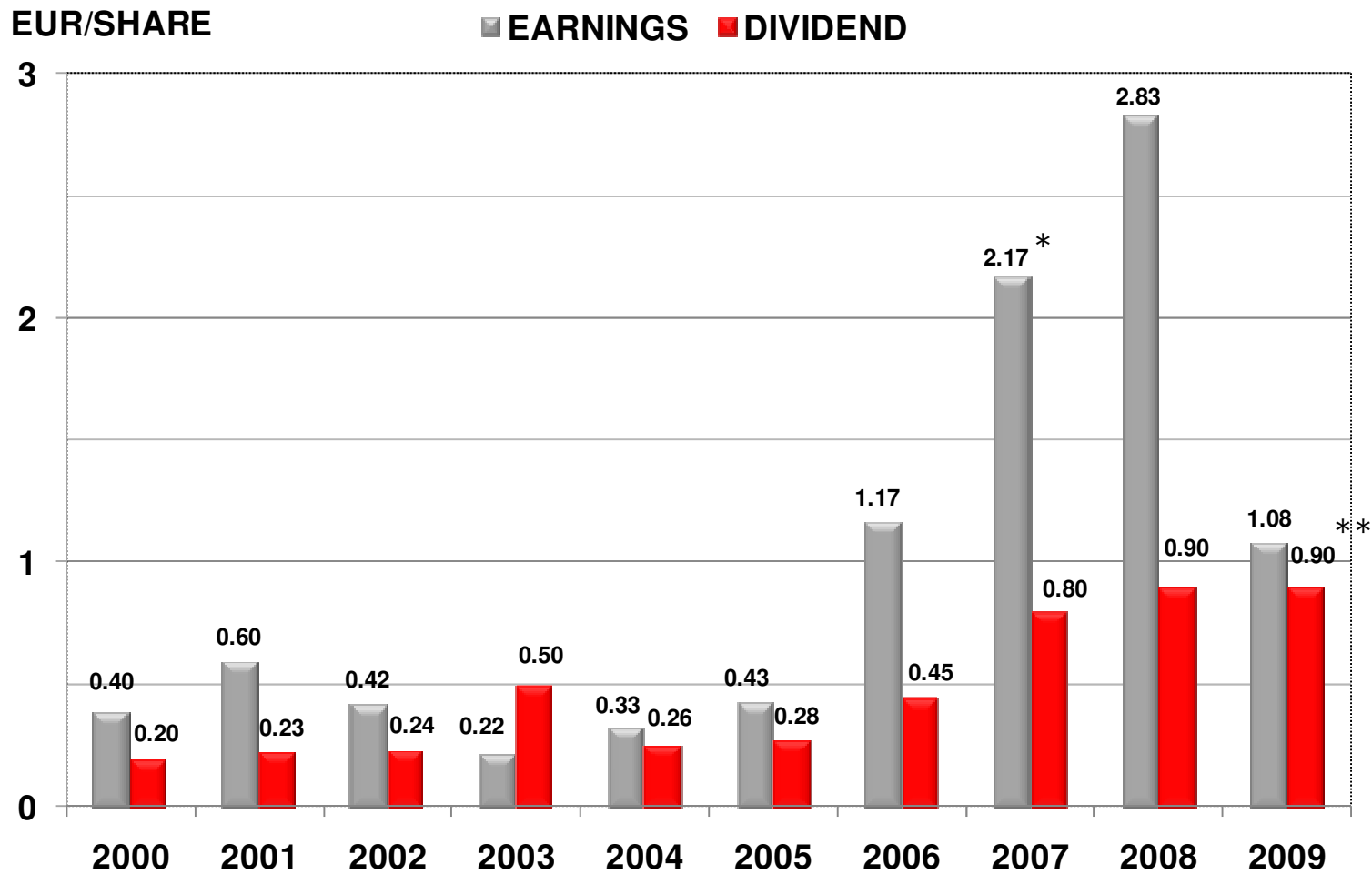
*Including capital gain

Gearing

Equity: 407.1 (400.7) MEUR
 Net debt: -77.7 (11.3) MEUR



EPS and DPS



* 2007 EPS excluding capital gain: EUR 1.95

** Board's proposal to the AGM

Konecranes will be in a strong position once the market recovers



- We have invested in our remaining factories
- We have increased our investment in training
- Product development has proceeded at full speed
- We are in good position to consolidate the market thanks to our strong balance sheet

Acquisitions in 2009

- 3 MTS companies in Finland, Sweden, Norway 
 - 1 MTS company in the US 
 - 2 Crane Service companies in Germany  
 - 2 Manipulator manufacturers in Austria, Germany  
 - Hoist manufacturer in China 
 - Crane and service company in South Africa 
-
- Substantial market potential in new segments
 - Strong local players within their sectors

Facts about Kito Corporation

- Founded in 1932 and listed on the Tokyo Stock Exchange in 2007
- Serves customers mainly in Japan, North America and China
- Clear market leader for manual and electric chain hoists in Japan
- For the year ended March 31, 2009, Kito's net sales amounted to EUR 227 million and operating profit to EUR 16.5 million
- Kito has approximately 1,500 employees and factories in Japan, China and the Philippines

KITO



Strategic alliance with Kito Corporation **KONECRANES**[™] Lifting Businesses[™]

- Purchase of 22% of shares for EUR 27 million
- Konecranes will sell Kito manual products; Kito will sell wire rope hoist made by Konecranes
- Enhances Konecranes' presence in East Asia and North America
- Possibilities to expand co-operation
- Both companies will retain own identity and independence



New products and services



SMARTON®

- Can be used in multiple industrial sectors
- Can lift loads ranging from 30 tons to more than 500 tons
- Crane monitors its own condition and recommends when and what kind of preventive maintenance should be performed



DynaPilot sway-control system

- Prevents the load from swaying due to crane movements
- Enables faster operation speeds and load positioning to improve productivity

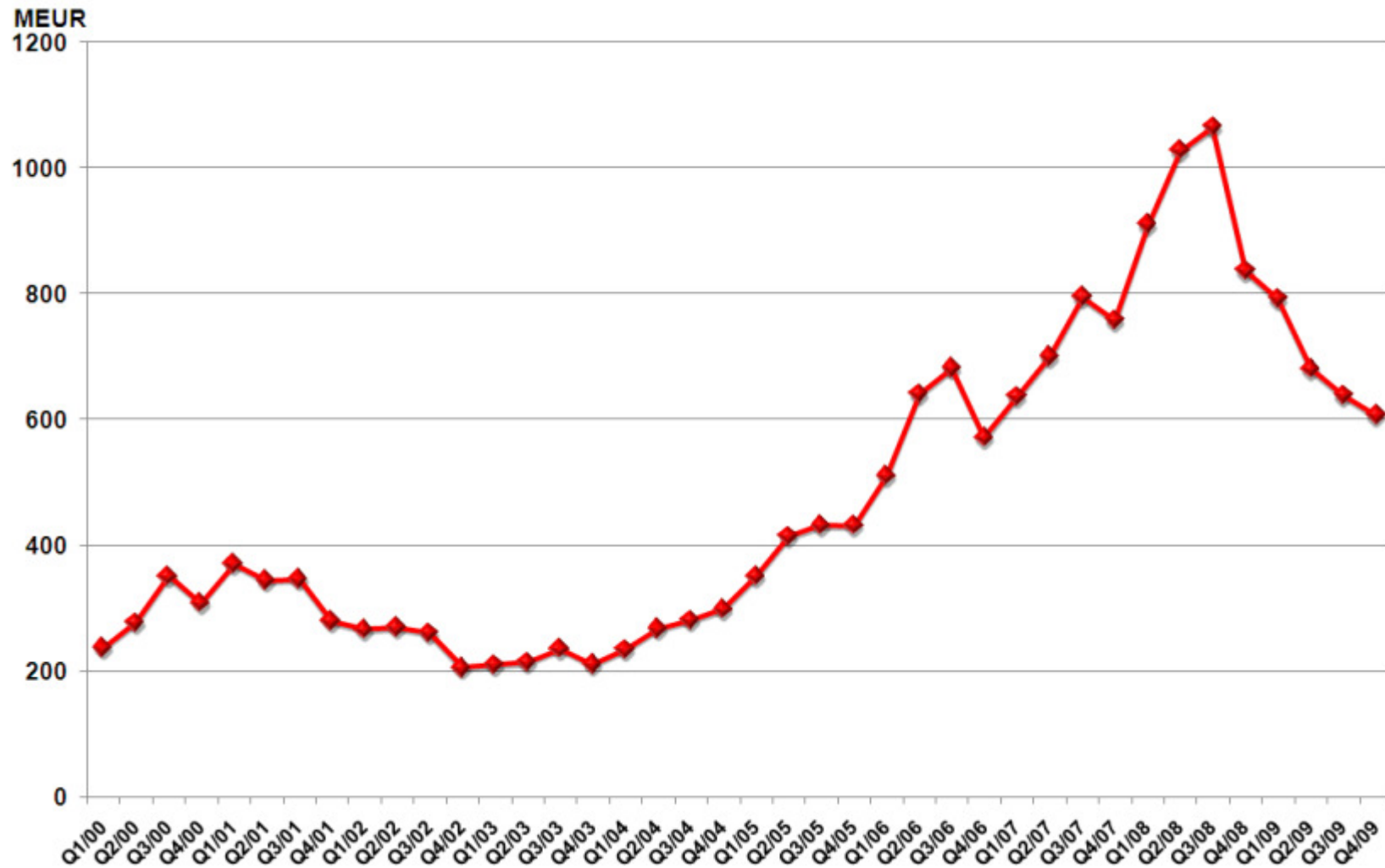


RailQ

- New runway measurement and analysis method
- Customer gets a 3D model and report to bring runway back to accepted tolerances

Group order book

Group: 607.0 (836.3) MEUR, -27.4%



Future prospects

- No credible signs of market recovery visible despite a slight pick-up in industrial output in H2
- Demand for maintenance services to remain stable or to increase gradually should the capacity utilization within customer industries continue to improve
- Demand for new equipment to remain on a low level
 - Price competition to remain
- Year 2010 began with a thinner order book than the previous year
 - Sales in 2010 forecast to be lower than in 2009
 - Operating profit in 2010 expected to be lower than in 2009 before restructuring costs



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



Thank you!