



KONE CAPITAL MARKETS DAY 2012

Developing KONE's business in Central and North Europe

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June 8, 2012



- Central and North Europe market review
- Developing competitiveness in the new equipment business
- Driving growth in the modernization business
- Improving productivity in the maintenance business
- Case example: London high-rise buildings

The Central and North Europe area

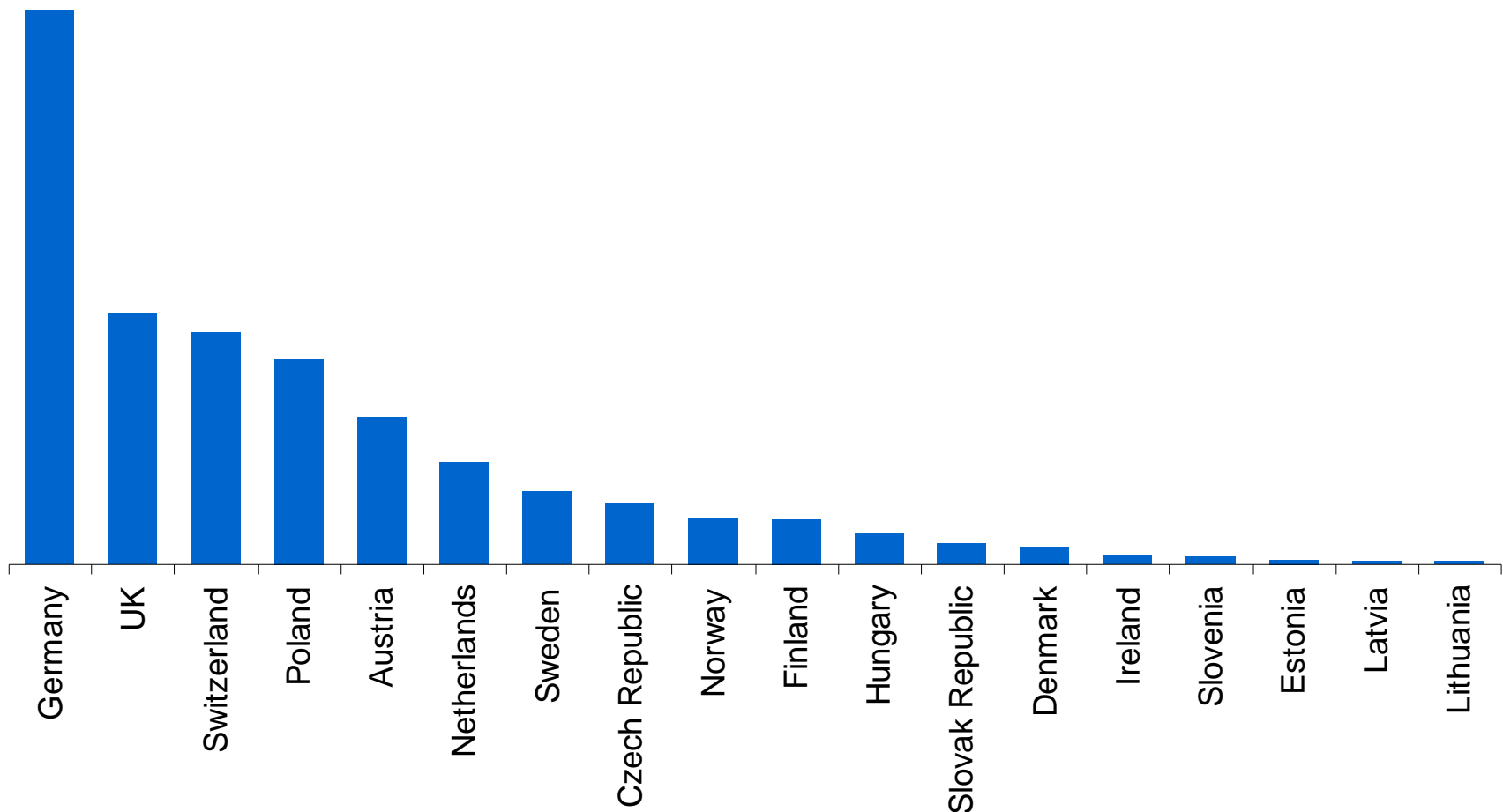


- 19 countries
- Approx. 2 million running elevators & escalators
- Approx. half of the new equipment volume in the EMEA region

New equipment markets in Central and North Europe



Total new E&E market size in units in 2011

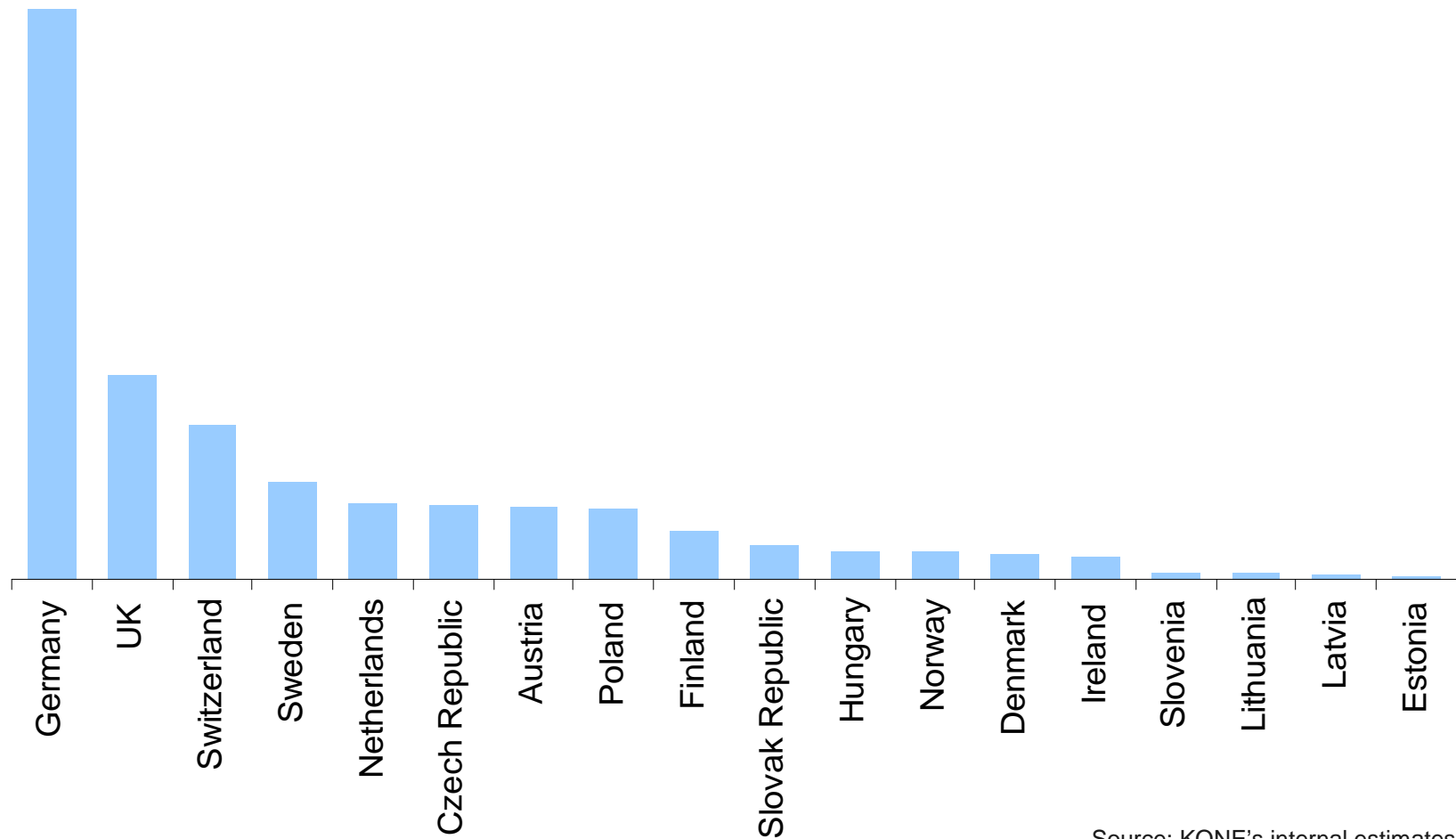


Source: KONE's internal estimates

Service markets in Central and North Europe



Total E&E service market size in units in 2011



Source: KONE's internal estimates

New equipment market stable or in slight decline in January-May in Central and North Europe



- The markets in Austria, Germany, Switzerland and the Nordic countries grew in 2011 and have stabilized in 2012 but remain at a relatively good level
- There are concerns in the Netherlands and weakness in Ireland and parts of eastern Europe
- KONE's market share grew in 2011 primarily due to KONE's strong development in the major projects and residential segments

Maintenance market growing steadily



- Good and stable development, but markets remain volatile with price competition in all segments
- KONE's good performance in the new equipment market provides excellent long-term potential in maintenance
- KONE's position on the maintenance market is strong:
 - High conversion and retention rates
 - Increasing competence in maintenance for 3rd party equipment

Reasonably stable modernization market with a reduction in public segments in January-May



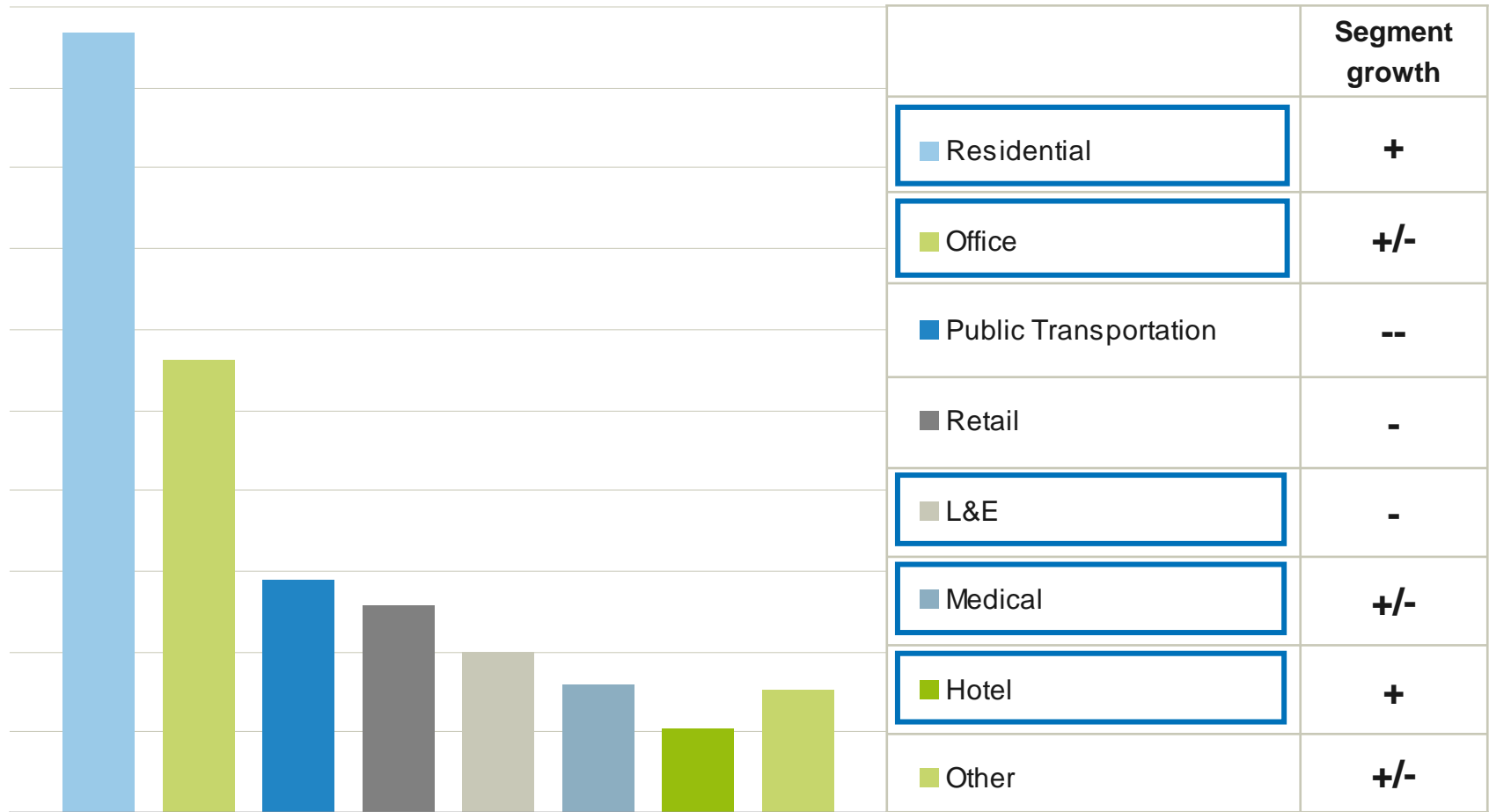
- The market in Sweden remains strong and the market in Austria grows this year driven by SNEL. The market in the Netherlands is declining clearly.
- Strongest growth in the leisure/education, medical and multi-use building segments. Also the office segment grew.
- KONE's market share grew slightly in 2011.



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New MonoSpace[®] 500 product offering fits perfectly into the needs of the largest and strongest performing market segments



New MonoSpace[®] 500 product offering further improves KONE's competitiveness



Core values in MonoSpace 500 offering will significantly improve KONE's competitiveness in key market segments

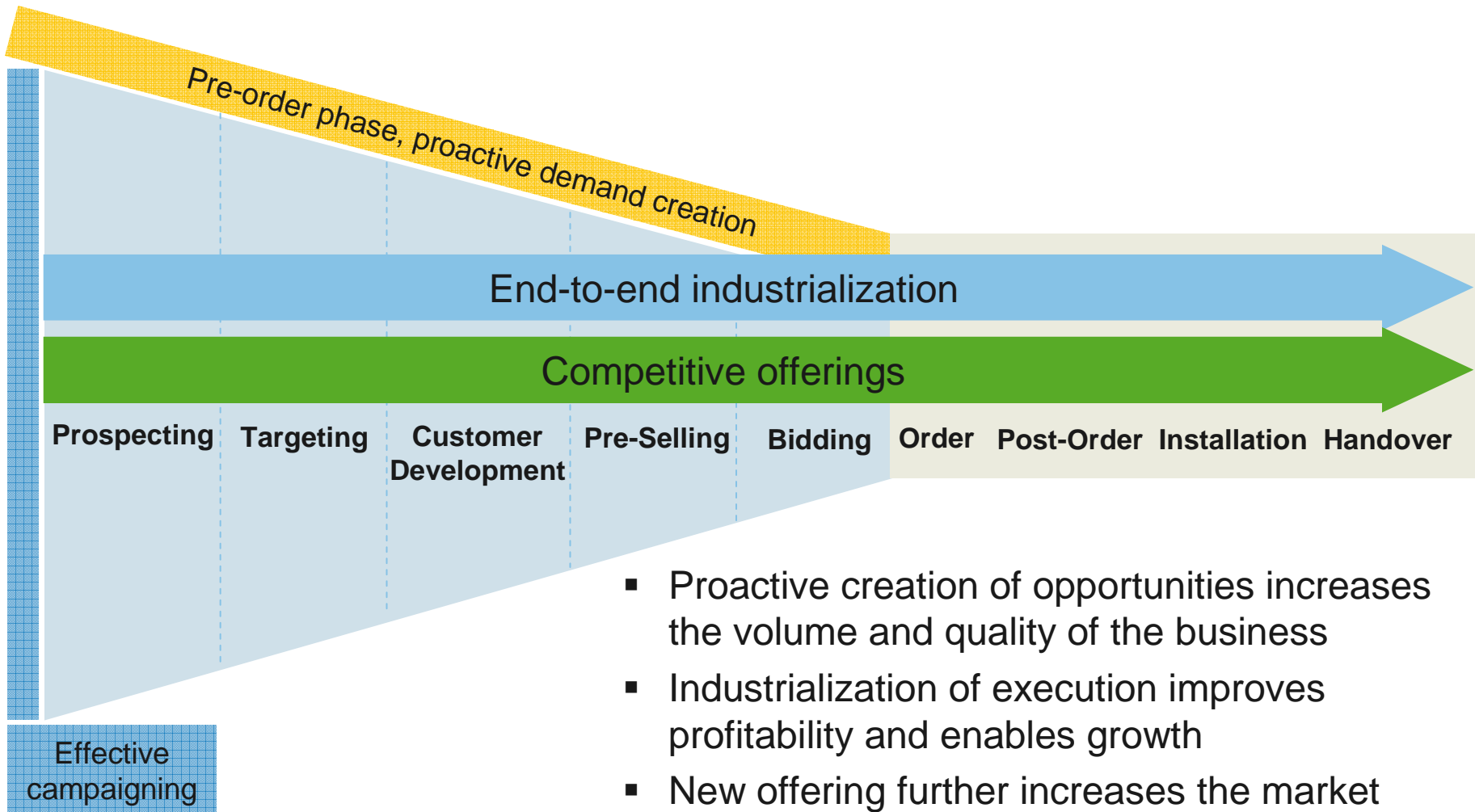
| | MonoSpace 500 core values |
|-------------|--------------------------------------|
| Residential | Eco Efficiency ✓ Visual Design ✓ |
| Office | Ride Comfort ✓ Space efficiency ✓ |
| | |
| | |
| L & E | Eco Efficiency ✓ |
| Medical | Visual Design ✓ Ride Comfort ✓ |
| Hotel | Space efficiency ✓ |



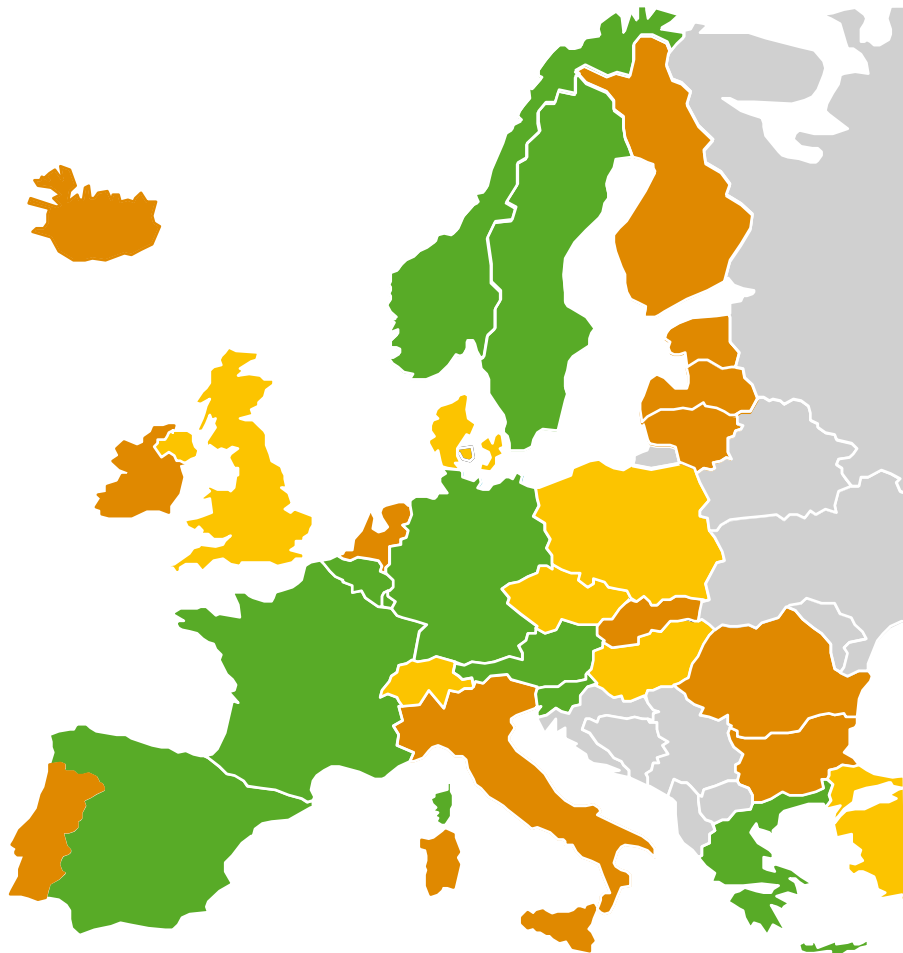
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Creating and catching opportunities in our modernization business



Implementation status of the Safety Norm for Existing Lifts (SNEL) in the EU



- In Sweden, the impact of SNEL will gradually decline towards year end deadline
- In Austria, all states have own schedules and Vienna is the first one to implement until end 2012
- In Switzerland, the process is somewhat similar to Austria

- SNEL has been implemented through a national law
- National legislation or guidelines in preparation
- Slow progress/no measures taken to implement legislation, or no information available



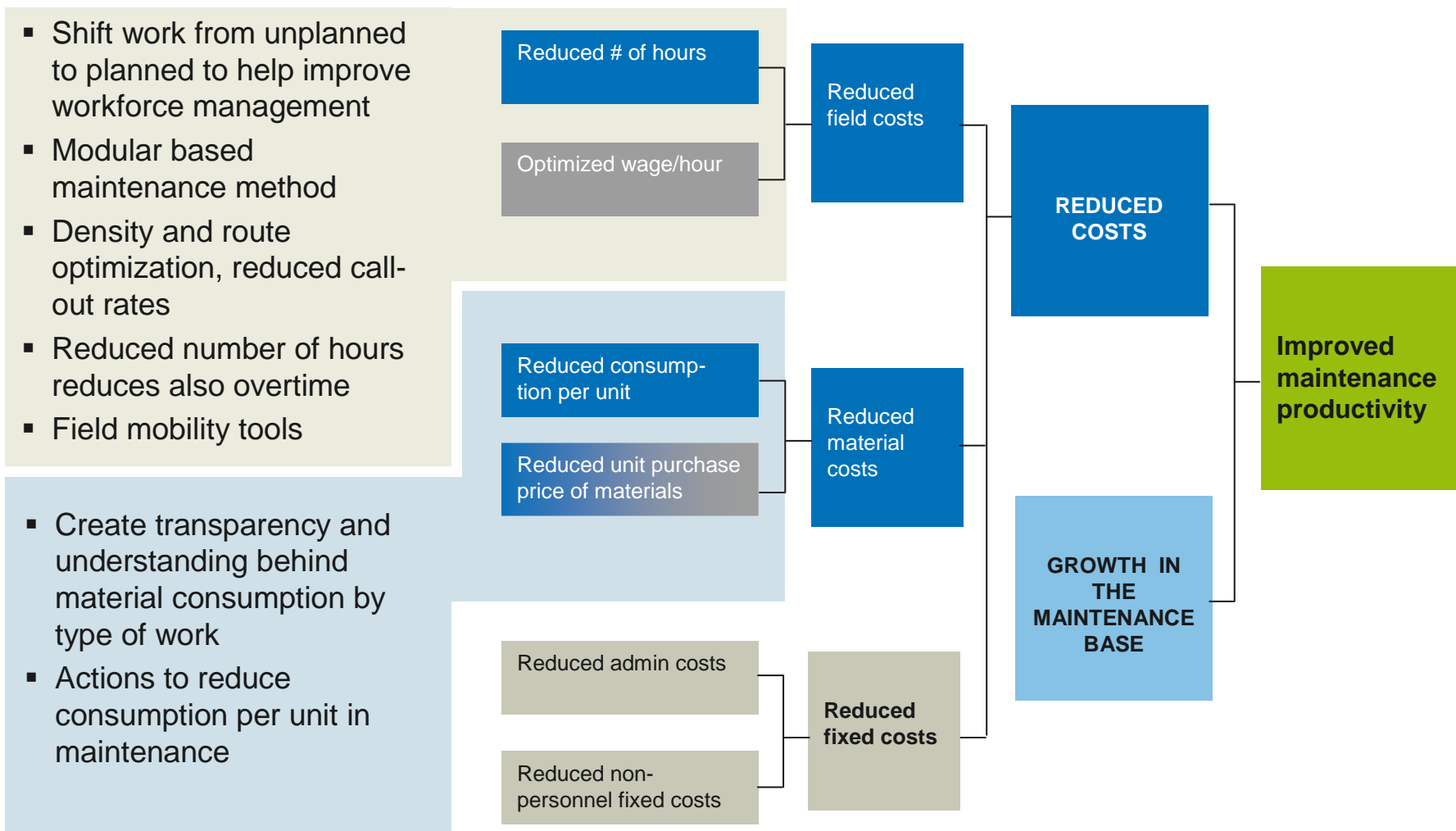
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We are actively driving the productivity of our maintenance operations



- Stable growth of the maintenance base boosted by conversion and retention rates, competition balance as well as acquisitions
- Upgrading basic contracts to full comprehensive contracts
- Weekly management cycle for productivity improvements
- Active development of pricing excellence, optimized tools and processes as well as a true service culture

Reducing the number of hours and material consumption boosts productivity





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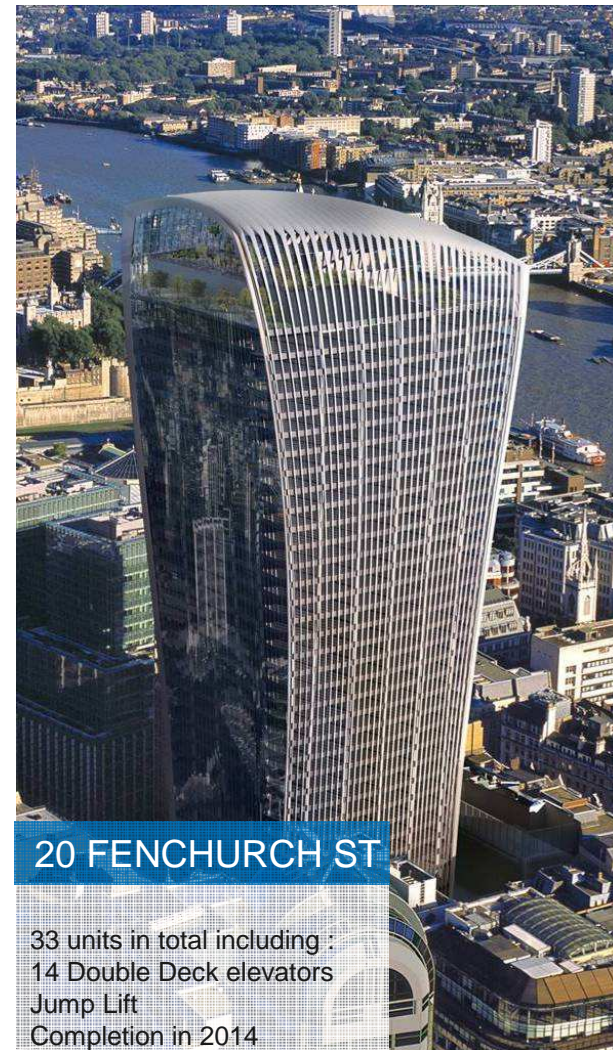
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THE SHARD – LONDON, UNITED KINGDOM

- 310 meters tall (tallest building in Europe)
- 80 stories
- 32 elevators, 13 of which double-deck elevators
- 10 escalators
- 9 KONE Jump Lifts used during the construction

Other recent KONE landmarks in London



KONE as part of shaping the high-rise landscape in London



1. Minster Court
 2. Swiss Re
 3. Moor House
 4. Plantation Place
 5. Nido
 6. Dashwood House
 7. 122 Leadenhall Street
 8. 100 Bishopsgate
 9. 20 Fenchurch Street
- Additionally
- The Shard
 - The Place (Baby Shard)



Dedicated to People Flow™

