



KONE Americas

Ken Schmid, Executive Vice President, Americas
KONE Capital Markets Day 2024

27 SEPTEMBER 2024

KONE CAPITAL MARKETS DAY 2024 © KONE CORPORATION

Dedicated to
People Flow™

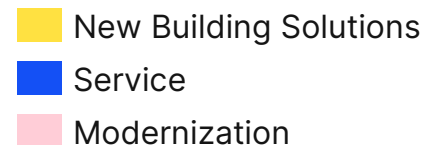
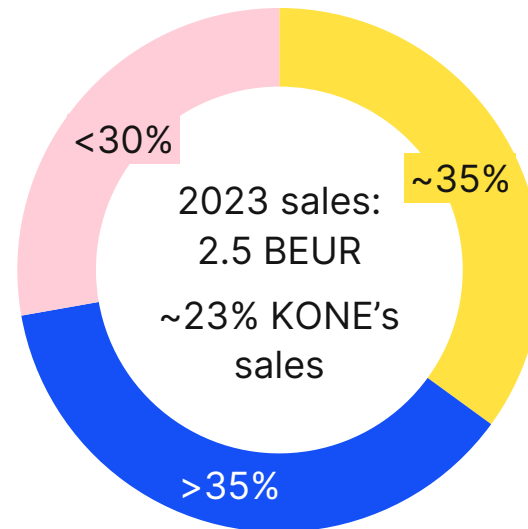
KONE Americas

Market characteristics

- Mature market with old installed base
- Non-residential largest segment
- U.S. accounts for ~80% of area sales
- KONE #3 in New Building Solutions and #4 in Service
- KONE well positioned to capture market share

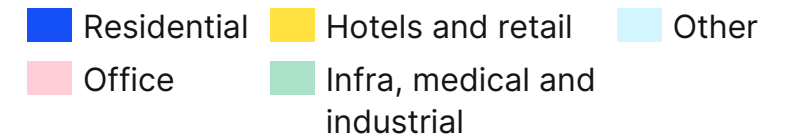
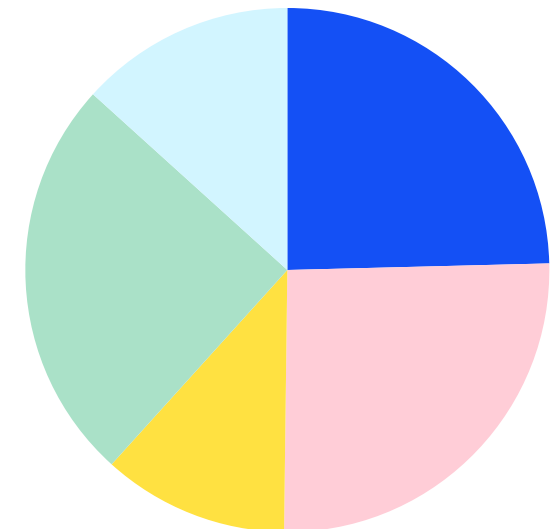
Sales split by business

1-12/2023



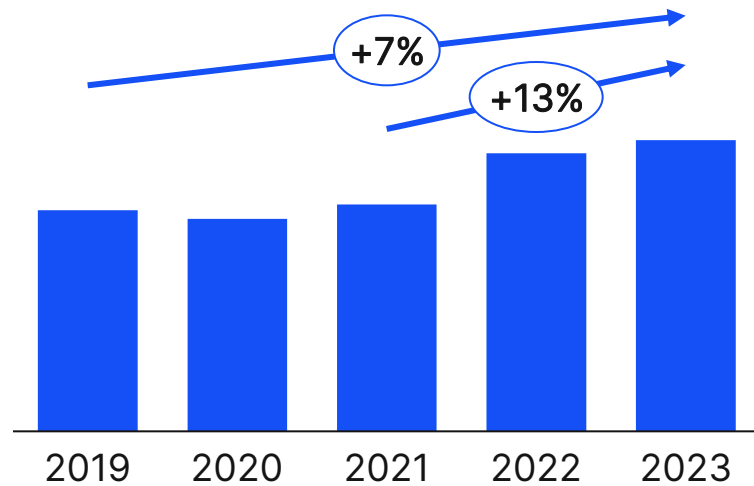
Customer segment split

KONE's indicative exposure

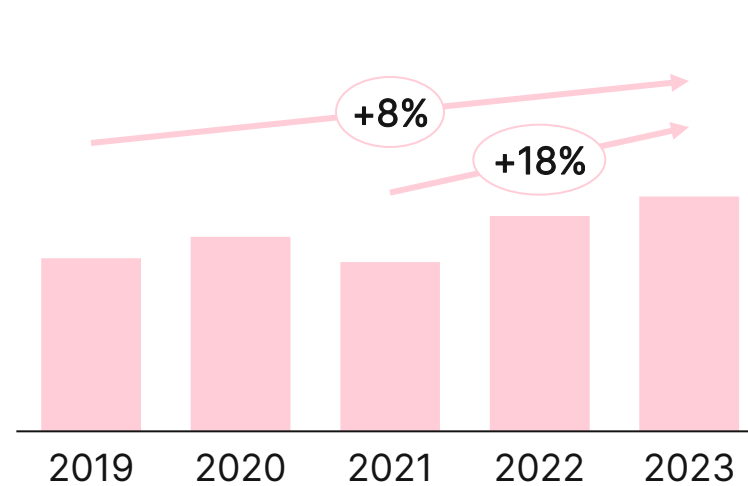


Growing faster than market while improving profitability

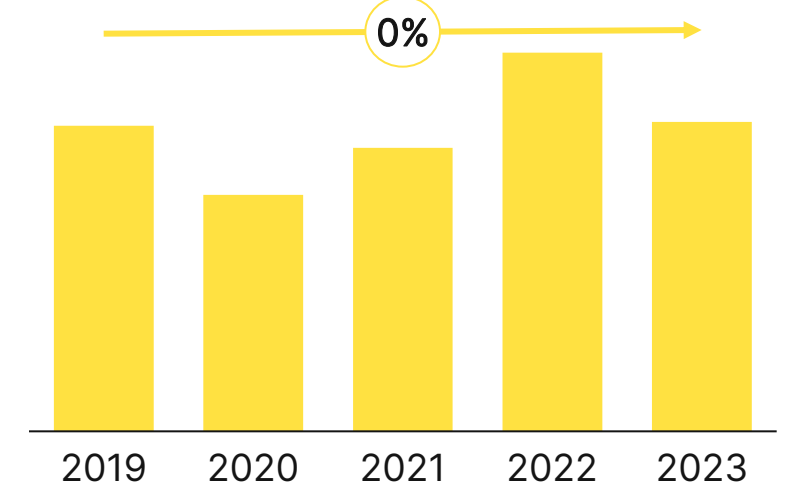
Service Sales, MEUR



Modernization Orders received, MEUR



New Building Solutions Orders received, MEUR



Americas market outlook 2024

+

+++

stable

Rise to lead

#1 for Employees & Customers • Innovation & Sustainability • Growth & Profitability



**Accelerate
Digital**



**Drive
Modernization**



**Win
Residential**



**Cut
Carbon**

Core: Easiest to work for and work with

Customer case: Dallas Area Rapid Transit (DART)

Innovate to Differentiate

A complex project...

- 6 escalators, 50 meters below a major highway near downtown → logistics & material handling complexities

...with special requirements

- Customized design due to the rise, location of drives, and step loading requirements

KONE's differentiated approach

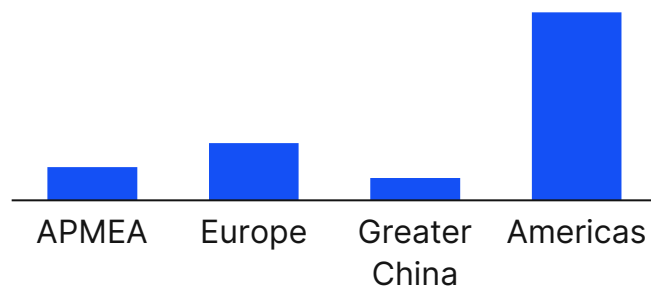
- Partnership approach, unique offering and proven track record in transit escalator modernizations
- Minimizing customer/public disruption through effective communication and speed of execution

KONE MonoSpace 300 DX designed by technicians for technicians

Installation efficiency is crucial for competitiveness in Americas

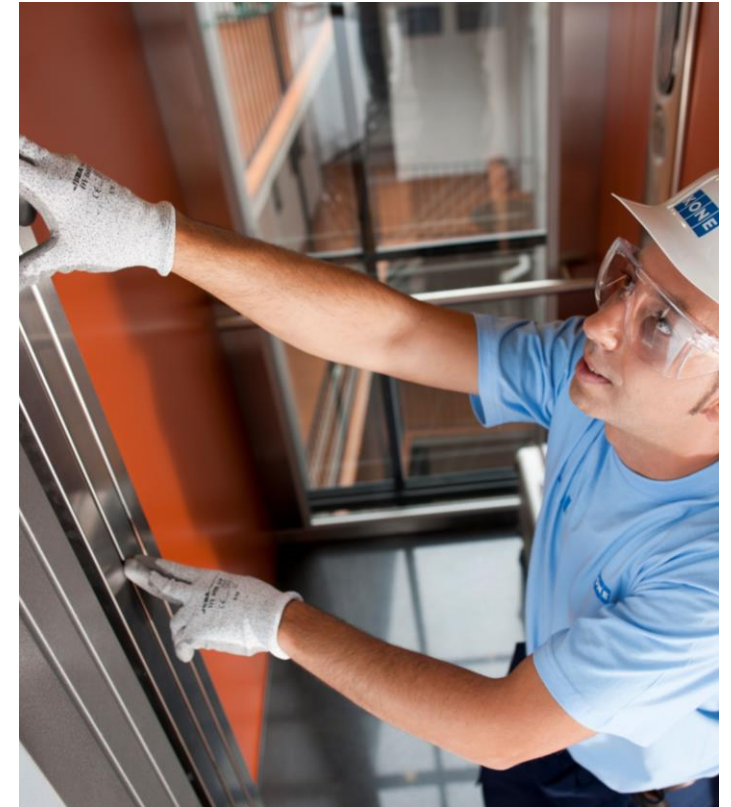
- Labor costs cover ~60% of the total product cost
- Monetary value per unit is significantly higher in Americas than in other Areas

Average monetary value per unit



Case MonoSpace 300 DX

- Simplified installation process and fewer tools
- Lean construction facilitating professional execution with project management and site supervision
- KONE 24/7 Connected Services enabling predictive maintenance
- Expanding the addressable market



We want to lead
the way to net-
zero future by
driving customer
value and
differentiation



Regenerative drives as
a standard on new
installations across
product portfolio

Sustainability sales
tools to provide the
right information that
our customers need

Leverage sustainability
as a differentiator and
a vehicle for customer
value

Key levers to continue profitability improvements in Americas

PRICING

Opportunities to strengthen pricing excellence

PRODUCTIVITY

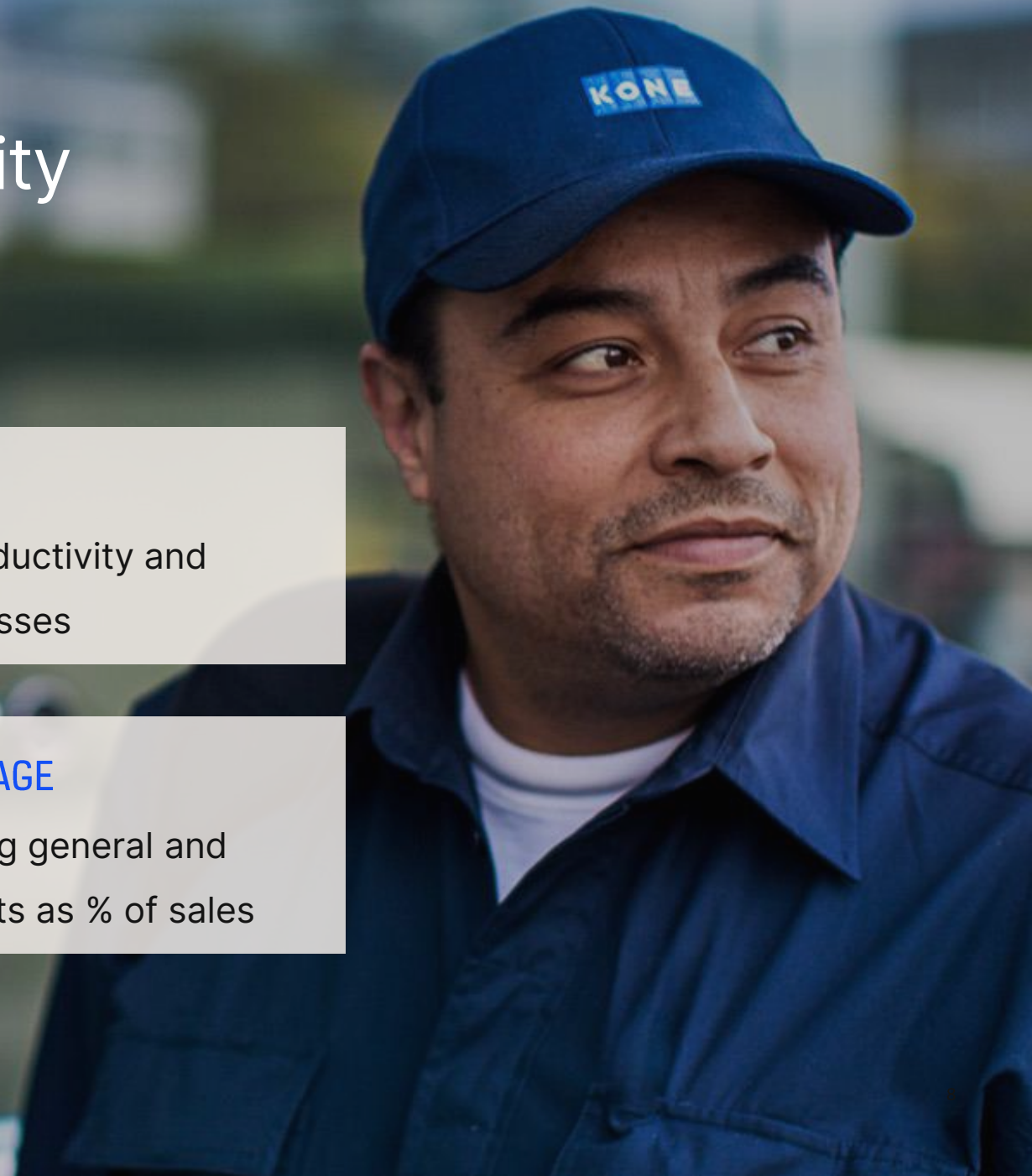
Focus on field productivity and simplicity of processes

INDUSTRIALIZING MODERNIZATION

>50% reduction in time to tender, engineer, manufacture and install

OPERATING LEVERAGE

Reduction of selling general and administrative costs as % of sales



Taking market share while improving profitability

- We target mid single digit sales growth and further improvement in profitability over the next years
- Strengthening our culture with more courage, speed and simplicity



An aerial photograph of a city, likely Helsinki, Finland, showing a dense urban landscape with numerous buildings, streets, and green spaces. The city is situated near a large body of water, with a bridge visible in the distance. The sky is a mix of blue and light grey clouds. Overlaid on the center of the image is the word "KONE" in large, bold, semi-transparent grey letters. Each letter is contained within a white rectangular box that allows the city scene to be seen through it.

KONE