

KONECRANES ACQUISITION OF TEREX MHPS

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FORWARD LOOKING STATEMENTS

This document contains forward-looking statements regarding future events, including statements regarding Konecranes, Terex or MHPS, the Acquisition described in this document and the expected benefits of such transaction and future financial performance of the combined businesses of Konecranes and MHPS based on current expectations. These statements involve risks and uncertainties that may cause results to differ materially from those set forth in the statements. When included in this document, the words “may”, “expects”, “intends”, “anticipates”, “plans”, “wants”, “will”, “projects”, “estimates” and the negatives thereof and analogous or similar expressions are intended to identify forward-looking statements. However, the absence of these words does not mean that the statement is not forward-looking. Terex and Konecranes have based these forward-looking statements on current expectations and projections about future events. These statements are not guarantees of future performance.

Because forward-looking statements involve risks and uncertainties, actual results could differ materially. Such risks and uncertainties, many of which are beyond the control of Konecranes, include, among others: Konecranes’ ability to obtain shareholder approval for the Acquisition and the required amendments to the Konecranes’ articles of association; the ability of Konecranes to obtain regulatory approval for the Acquisition; Konecranes’ ability to issue class B shares and list American Depositary Shares on the New York Stock Exchange; the total consideration to be paid by Konecranes to Terex in connection with the Acquisition; the possibility that the length of time required to complete the Acquisition will be longer than anticipated; the ability of Konecranes and Terex to enter into other agreements in connection with the Acquisition, including the SHA; the achievement of the expected synergies and benefits of the Acquisition; risks associated with the integration of the MHPS business into Konecranes; the ability of Konecranes and Terex to terminate the Stock and Asset Purchase Agreement under certain circumstances; the possibility that Konecranes’ businesses may suffer as a result of uncertainty surrounding the Acquisition; Konecranes’ ability to obtain financing for the Acquisition; Konecranes’ financial position after the Acquisition; and other factors, risks and uncertainties that are more specifically set forth in Konecranes’ annual and interim reports. Konecranes disclaims any obligation to update the forward-looking statements contained herein.

ACQUISITION SUMMARY

<p>Structure</p>	<ul style="list-style-type: none"> ▪ USD 820m cash consideration (EUR 723m¹) and Terex receives 19.6m newly issued class B shares of Konecranes with restricted voting rights and certain nomination rights making Terex a 25% shareholder^{2,3} ▪ Konecranes acquires Terex MHPS free of interest bearing debt and cash⁴ ▪ Assuming Konecranes' closing price of EUR 20.60 as at May 13, 2016, transaction enterprise value ("EV") amounts to EUR 1,126m³ implying 2015 EV/Adj. EBITDA⁵ of 10.5x and including synergies, 5.3x⁶ ▪ Terex to be entitled to nominate up to two members to the Board of Directors of Konecranes
<p>Operational & Financial Benefits</p>	<ul style="list-style-type: none"> ▪ Aggregated 2015 sales of EUR 3,517m and adj. EBITDA of EUR 267m (excl. synergies) ▪ Expected to be EPS accretive to Konecranes' shareholders in first full year from inception⁷ ▪ Industrial and operational synergies of EUR 140m p.a. targeted at EBIT level, to be implemented within 3 years from closing of the acquisition
<p>Conditions / Timing</p>	<ul style="list-style-type: none"> ▪ The closing of the acquisition is subject to regulatory authority approvals and other closing conditions, including shareholder approval at a Konecranes EGM ▪ The Stock and Asset Purchase Agreement may be terminated by Terex prior to May 31, 2016, if it enters into, or reasonably believes that it will promptly enter into, a legally binding merger agreement with Zoomlion, in which case it is to compensate Konecranes a termination fee of USD 37m ▪ Expected to close in early 2017
<p>Termination of Business Combination</p>	<ul style="list-style-type: none"> ▪ Konecranes and Terex have jointly decided to terminate the Business Combination Agreement and Plan of Merger announced on August 11, 2015 with no penalties incurred by either party

1) EURUSD FX 1.1348 as at May 13, 2016; 2) See Appendix for further information on class B shares. Ownership calculated from shares outstanding on April 30, 2016; 3) The parties have agreed on purchase price adjustments based on potential remedies due to antitrust review and performance of the MHPS business in 2016. A summary of the terms are included in the Appendix; 4) Konecranes assumes approximately EUR 202m of unfunded pension liabilities; 5) Adj. EBITDA includes share of the result of the 50%-owned Singapore-based joint venture, stock compensation, non-controlling interest and changes in certain provisions; 6) EV adjusted for EUR 190m implementation costs and capex; 7) Adjusted for non-recurring integration costs and purchase price allocation related amortization

ACQUISITION BENEFITS

- Creates a focused Industrial Lifting & Ports Solutions service and equipment world leader
- Unlocks significant growth opportunities for the service business based on the substantial acquired installed base, in particular
- Provides Konecranes with critical scale and well-balanced range of services and products
- Range of leading brands underpins equipment business
- Industry-leading resources for continued technology development
- Significant synergy benefits
- Allows us to combine the outstanding talent and best practices that each of Konecranes and MHPS have to offer
- Expected to be EPS-accretive¹ from inception; sound financing structure

1) Adjusted for non-recurring integration costs and purchase price allocation related amortization

KONECRANES AS FOCUSED INDUSTRIAL LIFTING AND PORT SOLUTIONS LEADER (1/2)

Adds critical mass and scope to Konecranes' global service organization

- Enlarged combined installed base provides broader opportunities to offer service capabilities
- Major earnings growth potential from digitalization of services
- Combination of service networks and concepts creates critical mass to unlock the significant in-house service market

Reach scale benefits and synergies in industrial lifting

- Optimization of manufacturing footprint enables production cost savings
- Scale benefits in sourcing
- New manufacturing platform positions Konecranes for future market growth

Combines complementary Port segment technological and marketing capabilities into complete product offering to better compete in global markets

- Ability to offer comprehensive port solutions to customers globally based on highly complementary range of products
- Enhances further strategic customer dialogue

KONECRANES AS FOCUSED INDUSTRIAL LIFTING AND PORT SOLUTIONS LEADER (2/2)

Geographical complementarity creates truly global footprint

- Konecranes' presence in Northern Europe, North America and China vs. Terex MHPS' presence in Germany, Southern Europe, South America and Southeast Asia improve ability to serve global customers
- Critical mass in emerging markets

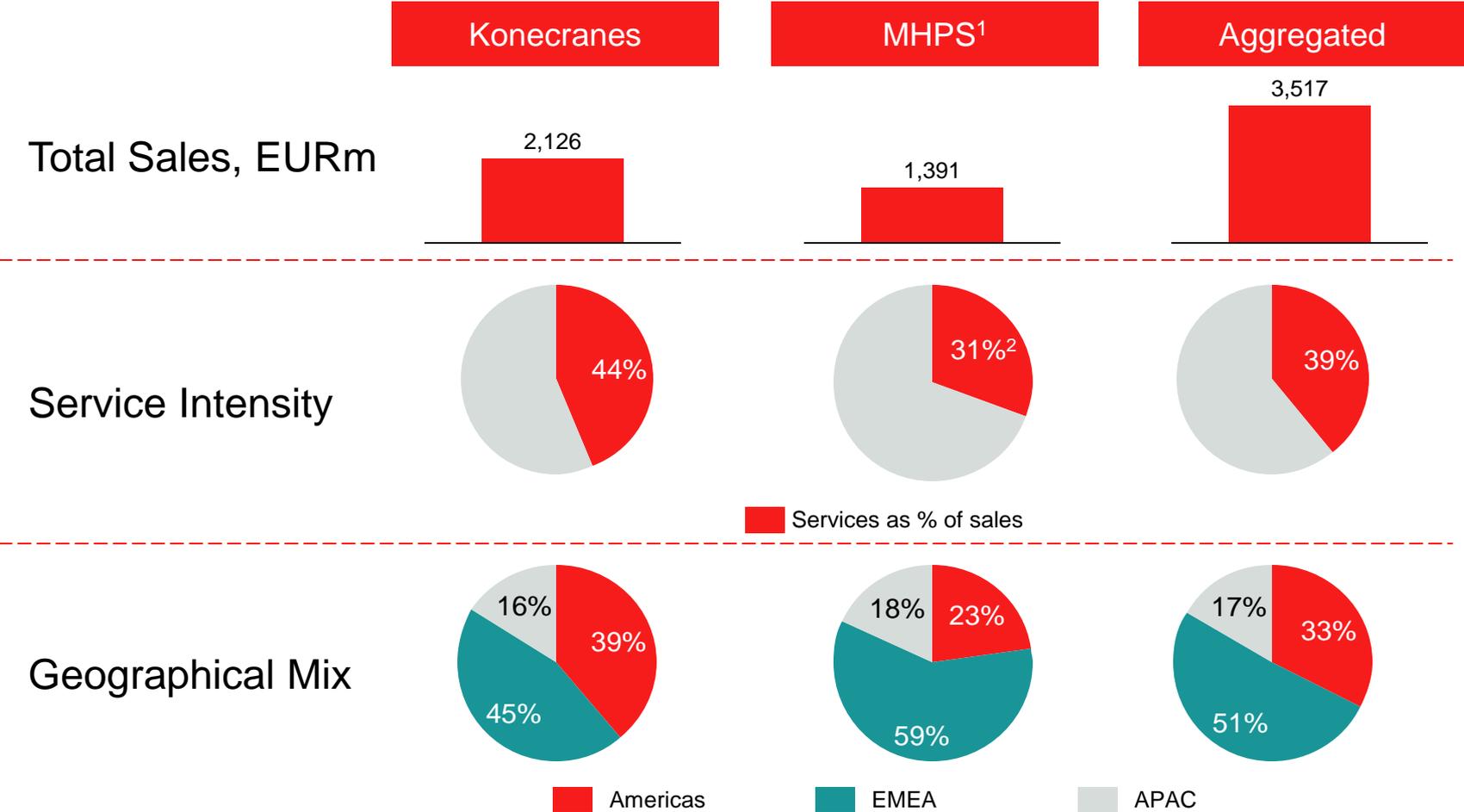
Creates critical mass for future technology development

- Industry-leading resources for continued technology development, incl. automation, software and digitalization
- Technology leadership of increasingly critical importance
- Significant scale benefits enhance R&D capacity
- Combination benefits from technology development heritage of both businesses

Leveraging Konecranes' IT infrastructure

- Significant investments already made in IT infrastructure enable seamless integration
- Continuous development and high scalability support future growth

INCREASED SCALE, HIGH SHARE OF SERVICE BUSINESS AND BALANCED GEOGRAPHICAL PROFILE



Note: Based on 2015 figures; Average 2015 EURUSD FX rate 1.109; Konecranes' financials according to IFRS and MHPS' financials according to US GAAP
 1) Includes sales from Terex MHPS and Crane America Services; 2) Includes service and maintenance sales and parts sales

SUBSTANTIAL GROWTH POTENTIAL IN SERVICE BUSINESS

	Sales (EURbn)	Service locations	Technicians
Konecranes	1.0	600	4,100
Terex MHPS	0.4	240 ¹	1,500

- ✓ Substantial installed base of Terex MHPS equipment (approximately 750,000 units) with significant untapped service potential
- ✓ Konecranes' lifecycle approach, maximizing productivity of uptime, provides key to unlocking potential
- ✓ Konecranes has service contract base of approximately 460,000 units

1) Includes service branches operated by 50%-owned Singapore-based joint venture

UNMATCHED CUSTOMER OFFERING IN SERVICE, INDUSTRIAL LIFTING AND PORT SOLUTIONS

Service



Industrial Lifting & Port Solutions

Industrial Lifting



Port Solutions



LEADING BRANDS UNDERPIN EQUIPMENT BUSINESS

Industrial Lifting

KONECRANES®

DEMAG
CRANES AG

STAHL
Crane Systems

R&M
MATERIALS
HANDLING
INC.

SWF
KRANTECHNIK

MORRIS
CRANE SYSTEMS

三马起重
SANMA HOISTS & CRANES

VERLINDE
LIFTING EQUIPMENT

DONATI

Port Solutions

KONECRANES®

GOTTWALD
port technology

NOELL

FANTUZZI
REGGIANE

SIGNIFICANT VALUE CREATION OPPORTUNITY THROUGH SYNERGIES

- Konecranes is well-prepared for a large transaction
- Synergy implementation based on integration planning work carried out jointly with Terex over recent months
- In-depth review of synergy opportunity has identified incremental synergy potential
 - Upwards-revised synergy target of EUR 140m run-rate to be implemented within 3 years from closing of the acquisition
 - EUR 35m savings to be implemented within 12 months from closing of the acquisition
 - EUR 130m one-off implementation costs and EUR 60m capex expected

Procurement	<ul style="list-style-type: none">▪ Supply chain optimization▪ Insourcing/ outsourcing▪ Freight and logistics efficiency
Operations	<ul style="list-style-type: none">▪ Manufacturing footprint▪ Capacity utilization▪ Overall operational optimization
SG&A	<ul style="list-style-type: none">▪ SG&A efficiencies▪ IT system consolidation▪ Engineering and R&D optimization

~EUR 140m synergies at EBIT level

AGGREGATED FINANCIALS

EURm, 2015	Konecranes	MHPS ¹	Aggregated	Aggregated incl. synergies
Sales	2,126	1,391	3,517	3,517
Adj. EBITDA	166	100	267	407
Adj. EBIT	118	50	168	308

Note: Average 2015 EURUSD FX rate 1.109; Konecranes' financials according to IFRS and MHPS' financials according to US GAAP

1) MHPS and Crane America Services combined. See Appendix for details

TRANSACTION FINANCIAL IMPACT

EPS accretive to Konecranes' shareholders in first full year from inception¹

Capital Structure / Financing

- Expected leverage of ~3.5x net financial debt / Adj. EBITDA² at completion
- Target leverage of less than 2.0x expected to be reached within three years after completion of the acquisition
- Committed financing in place to refinance existing bank facilities, cash consideration and net working capital

1) Adjusted for non-recurring integration costs and purchase price allocation related amortizations; 2) Aggregated adjusted EBITDA

CONCLUSION

- Creates a focused Industrial Lifting & Ports Solutions service and equipment world leader
- Unlocks significant growth opportunities for the service business based on the substantial acquired installed base, in particular
- Provides Konecranes with critical scale and well-balanced range of services and products
- Range of leading brands underpins equipment business
- Industry-leading resources for continued technology development
- Significant synergy benefits
- Allows us to combine the outstanding talent and best practices that each of Konecranes and MHPS have to offer
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1) Adjusted for non-recurring integration costs and purchase price allocation related amortization

APPENDIX

TEREX MHPS EBITDA RECONCILIATION

2015	USDm	EURm
MHPS EBIT¹	26.9	24.2
Add back adjusted corporate management charges ²	28.5	25.7
MHPS Adj. EBIT	55.4	49.9
Amortization	21.4	19.3
MHPS Adj. EBITA	76.7	69.2
Depreciation	34.5	31.1
MHPS Adj. EBITDA	111.3	100.3
MHPS Adj. EBITDA used for valuation³	118.9	107.2

Note: 2015 average EURUSD FX rate 1.109

1) MHPS EBIT excluding restructuring charges and impairments, and including Crane America Services; 2) Terex corporate management charges less estimated Konecranes corporate management charges; 3) For valuation purposes the adj. EBITDA includes share of the result of the 50%-owned Singapore-based joint venture, stock compensation, non-controlling interest and changes in certain provisions

SUMMARY OF THE TRANSACTION TERMS

Certain Terms

- Terex and Konecranes to enter into shareholders' agreement
- Terex subject to certain standstill obligations for four-years following closing and a more limited standstill obligations following the initial four years, as well as two years non-compete obligation with respect to the MHPS business
- The Stock and Asset Purchase Agreement may be terminated by Terex prior to May 31, 2016, if it enters into, or reasonably believes that it will promptly enter into, a legally binding merger agreement with Zoomlion Heavy Industries Science & Technology Co., Ltd., in which case, it is to compensate Konecranes with a termination fee of \$37 million
- If the Konecranes shareholder approval for amendment to the articles of association and issuance of new class B shares is not obtained, Konecranes will be required to compensate Terex's transaction expenses up to USD 20 million

Purchase Price ("PP") Adjustments

- Konecranes and Terex have agreed to a PP adjustment based on the actual 2016 MHPS adj. EBITDA. The PP adjustment will be effected by adjusting the number of Konecranes shares issued to Terex and only to the extent that Terex' ownership in Konecranes remains between 20.5% and 29.5%
- Additional PP adjustments related to outcomes of possible antitrust remedies
- PP adjustments described in more detail in the Stock Exchange Release

Articles of Association and B Shares

- Konecranes' articles of association proposed to be amended to create a new class of B shares to be issued to Terex
- The class B shares will not be listed on any regulated market and subject to agreed limitations on transferability, are converted to ordinary shares upon sale
- Konecranes will also have the right to cause Terex to distribute or otherwise transfer all Konecranes shares held by Terex to Terex's shareholders in case of a change of control in Terex
- Terex will be entitled to nominate up to two members of the Board of Directors of Konecranes, until such time as Terex' or its group companies' shareholding in Konecranes has reduced below certain agreed thresholds
- Class B shares will have the same financial rights as Konecranes ordinary shares but will carry no voting rights in certain matters and circumstances
- Articles of association and class B shares are described in more detail in the Stock Exchange Release

KONECRANES



NOT JUST LIFTING
THINGS, BUT ENTIRE
BUSINESSES