KONECRANES®
Lifting Businesses™

HALF-YEAR FINANCIAL REPORT 2017

July 26, 2017

Panu Routila, President & CEO
Teo Ottola, CFO

AGENDA

1 Group highlights

2 Business Area Service

3 Business Area Industrial Equipment

4 Business Areas Port Solutions

5 Cash flow and balance sheet

6 Appendix

This presentation contains comparisons to both the Konecranes' historical figures and the combined company figures. Historical figures relate to Konecranes' stand-alone financial information as reported for 2016 (including the divested STAHL CraneSystems business).

To provide a basis for comparison, this presentation also contains, under separate headings, the comparisons to combined company's financial information on an Unaudited basis estimated by the management for 2016. This financial information has been prepared to reflect the financial results of the combined company as if it had been operating as such for the full financial year 2016. The comparable combined company's operations comprise Konecranes' operations without the divested STAHL CraneSystems business, but include the acquired MHPS business. See "Basis of preparation for comparable combined company" for further information.

Comparable combined company's financial information applies an assumed situation and does not therefore reflect the true financial position or the result of the company during 2016. The previous year's order book for MHPS included deliveries for the next 12 months only.

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Q2/17 HIGHLIGHTS

- Second-quarter financial performance exceeded our expectations in terms of profitability and cash flow
- Order intake growth continued
  - In Port Solutions, orders grew for most of products
  - In Industrial Equipment, order intake growth led by the crane component business in EMEA and the Americas
- EBITA margin expanded as gross margin improved and fixed costs were down Y/Y
  - Continued clear improvement in Service and Industrial Equipment EBITA margin
- Year-end 2017 run-rate of MHPS synergies lifted to EUR45m (35)
  - 2017 P&L impact of EUR15-20m and year-end 2019 synergy run-rate target of EUR140m intact

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KEY FIGURES

Key figures	Q2/17	Q2/16 combined	Change %	H1/17	H1/16 combined	Change %	H1/16 historical	Change %
Orders received, MEUR	790.2	761.6	3.8	1,524.7	1,418.5	7.5	905.3	68.4
Order book at end of period, MEUR	1,605.9	1,538.1	4.4	1,605.9	1,538.1	4.4	1,043.3	53.9
Sales, MEUR	797.2	787.3	1.3	1,480.2	1,503.6	-1.6	987.4	49.9
Adj. EBITDA, MEUR	71.0	61.4	15.5	119.5	88.3	35.3	76.7	55.8
Adj. EBITDA, %	8.9%	7.8%		8.1%	5.9%		7.8%	
Adj. EBITA, MEUR	51.2	42.6	20.4	81.9	51.3	59.7	52.8	54.9
Adj. EBITA, %	6.4%	5.4%		5.5%	3.4%		5.4%	
Operating profit (EBIT), MEUR	30.2			256.1			28.9	785.3
Operating margin (EBIT), %	3.8%			17.3%			2.9%	
EPS, basic, EUR	0.17			2.68			0.19	1,344.0
Free cash flow, MEUR	84.6			172.6			3.3	
Net debt, MEUR	542.4			542.4			258.7	

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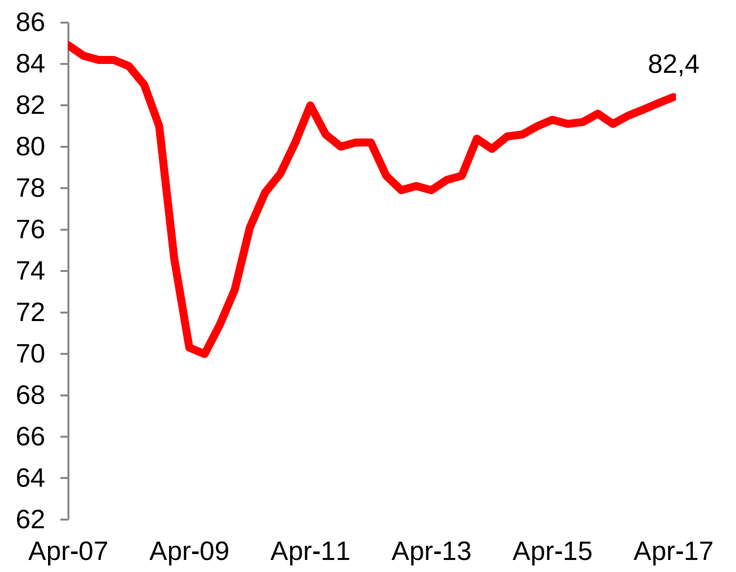
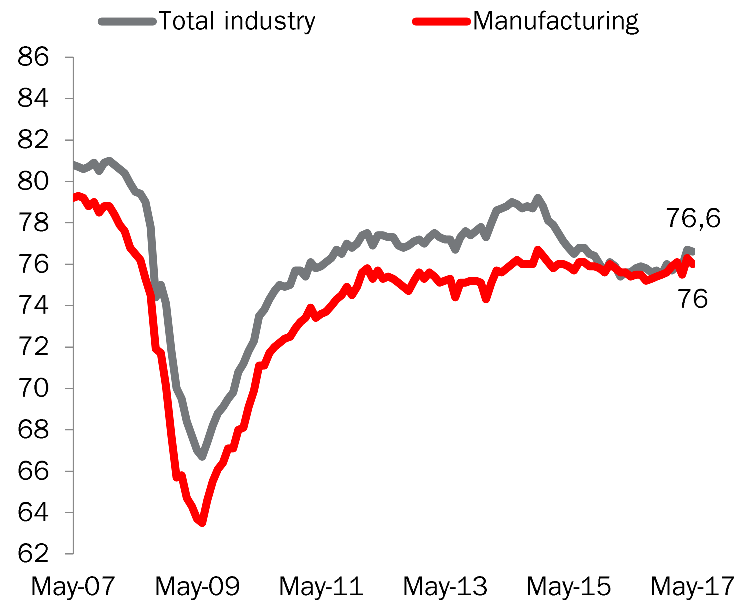
MARKET ENVIRONMENT –
SERVICE AND INDUSTRIAL EQUIPMENT

Capacity utilization rate – EU



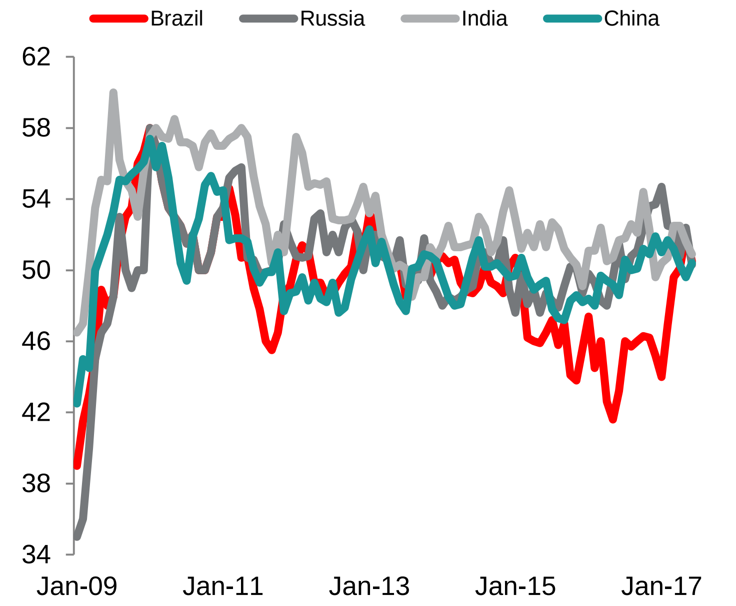
- Demand for equipment and services continued to improve in EMEA

Capacity utilization rate – USA



- Demand was mixed in the Americas

PMIs – BRIC countries

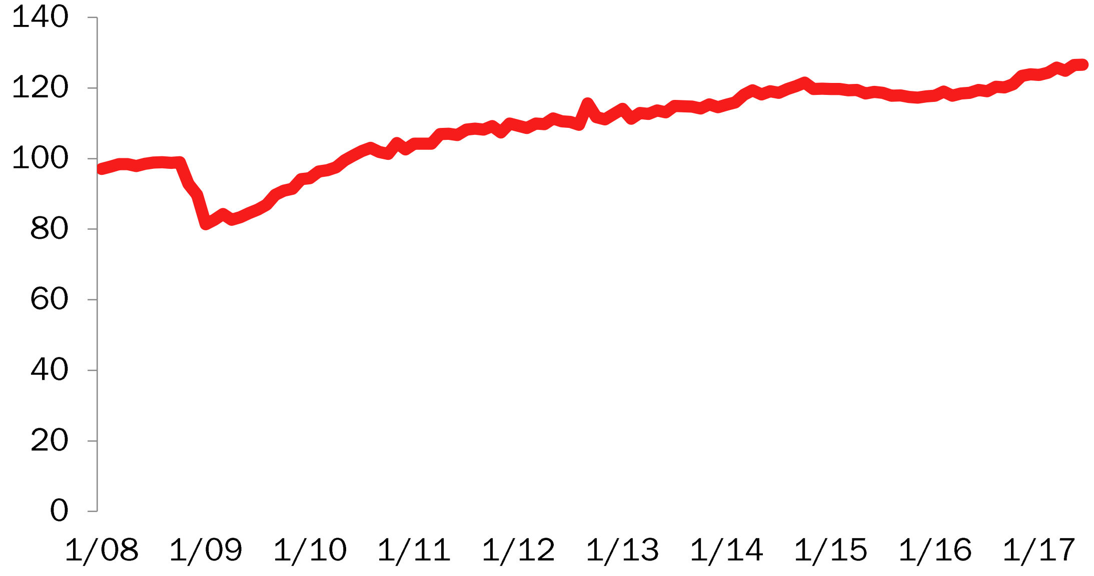


- Demand improvement continued in Asia-Pacific

Sources: Eurostat (latest data point Q2/17), Federal Reserve Bank of St. Louis (June 2017), Markit (June 2017)

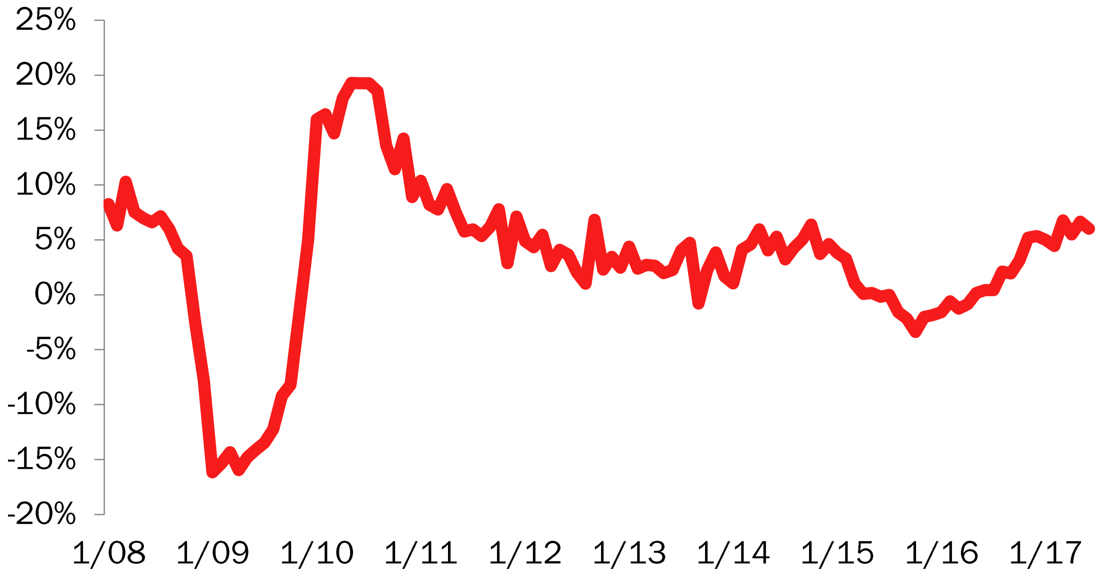
MARKET ENVIRONMENT – PORT SOLUTIONS

RWI/ISL Container Throughput Index



- Small and medium-sized orders improved across the product portfolio

Index change Y/Y



- Demand increased in the Americas and Asia-Pacific

Source: RWI/ISL Container Throughput Index (latest data point June 2017)

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MARKET OUTLOOK

- Economic indicators related to manufacturing industries have strengthened, which appears to improve the customers' willingness to proceed with their investment plans.
- Demand situation in Europe is gradually improving within the industrial customer segments.
- Business activity in the North American manufacturing industry remains mixed.
- Demand in Asia-Pacific is showing signs of bottoming out.
- Global container throughput growth has improved and the prospects for the small and medium-sized orders related to container handling have strengthened.

FINANCIAL GUIDANCE

- The sales in 2017 are expected to be close to or lower than the comparable combined company sales in 2016 (EUR 3,278 million).
- We expect the adjusted EBITA to total EUR 205-225 million in 2017 (comparable combined company's adjusted EBITA was EUR 184 million in 2016).
- The comparable combined company's operations comprise Konecranes' operations without the divested STAHL CraneSystems business, but include the acquired MHPS business. See the stock exchange releases published on April 10, 2017 and April 13, 2017 for further financial information including the basis of preparation for comparable combined company.

2017 INTEGRATION ACTIVITIES CURRENTLY AHEAD OF PLAN

Integration activities update

Main achievements

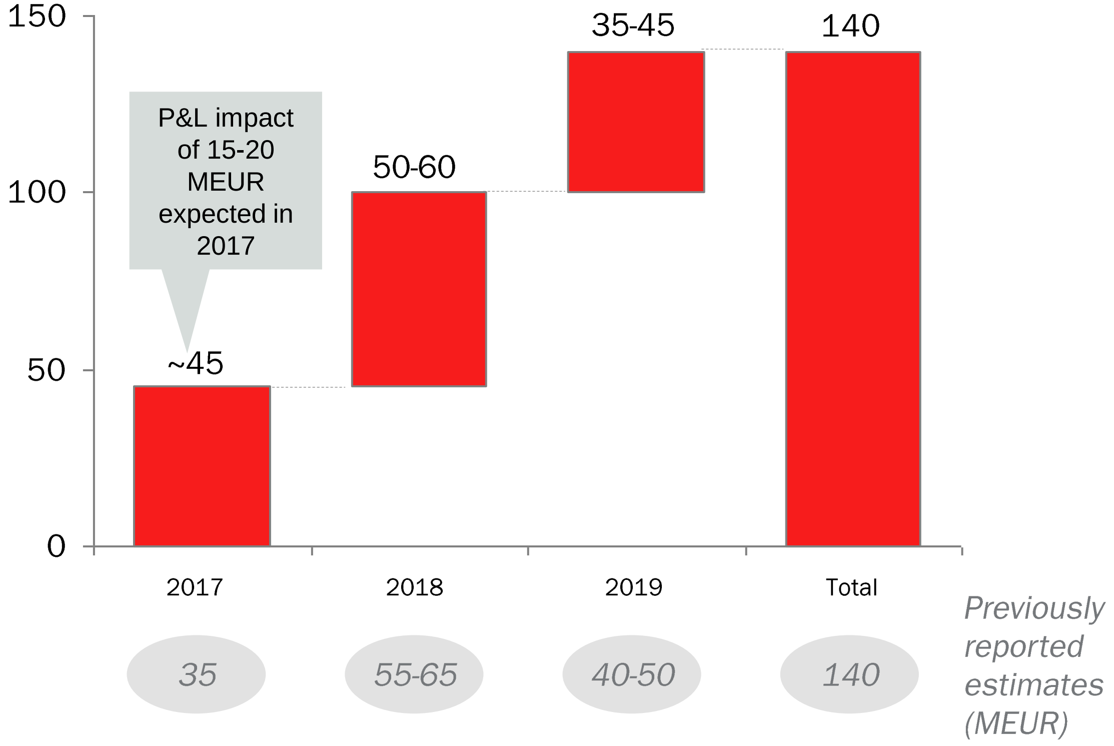
- ~30 MEUR of run-rate synergies already implemented during H1/17
- Integration activities progressing well
  - 2017 activities largely launched and ongoing
  - 2018 activities implementation being already planned
- Closure of a number of industrial crane plants
  - Johannesburg, RSA
  - Salzburg, AUT (manufacturing only, offices to remain)
  - Dietlikon, SUI (manufacturing only, offices to remain)
  - Edmonton, CAN (announced during Q1)
- Transfer of crane production from Chakan to Jejuri, IND
- Potential closure of plant being discussed with unions and local authorities at Lentigione site in Italy

Next steps

- Keep momentum of ongoing synergy initiatives - ensure no slippage of plans
- Prepare launch of 2018 and 2019 integration activities
- Continue focusing on our customers

Renewed guidance on synergy run-rate

Estimated synergy at EBIT level, run-rate impact at end of year (MEUR)



EUR ~130 million of one-time restructuring cost and EUR ~60 million capex expected 2017-2019

SYNERGY SOURCES REMAIN INTACT BUT SPEED OF IMPLEMENTATION INCREASED

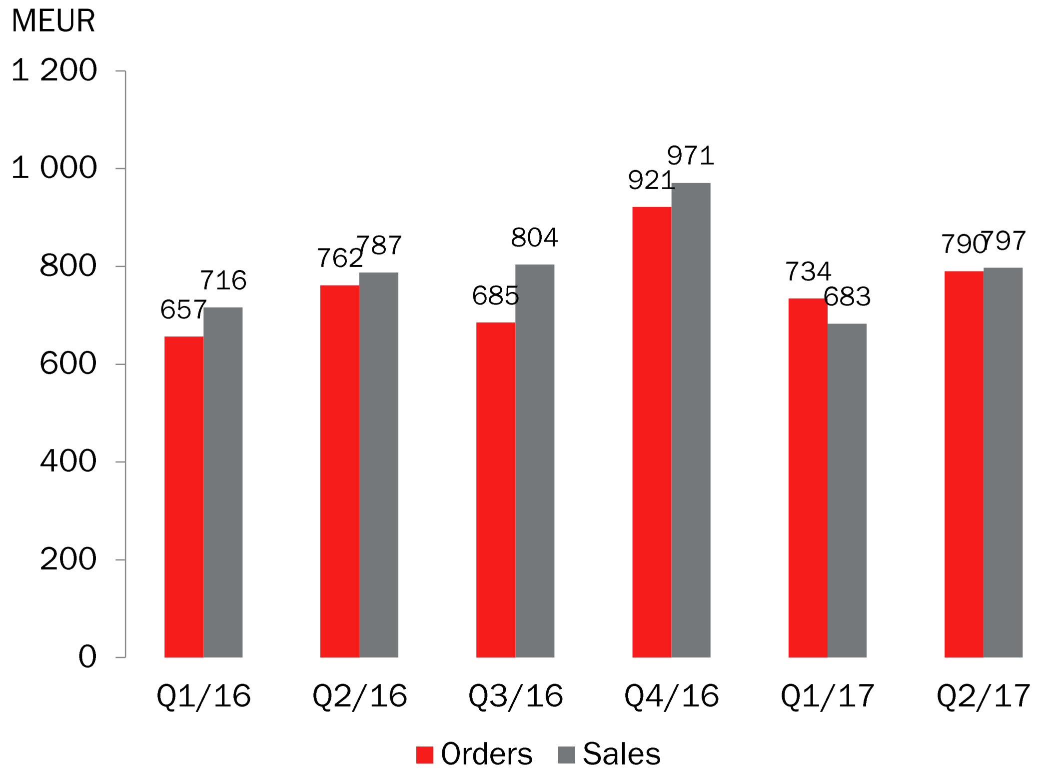
	Main levers	Initial synergy estimate
Commercial	• Go-to-market and sales channel optimization • Combined product portfolio optimization and cross-sales	~ 15 - 25 MEUR
Technology and product platforms	• Product platform and module harmonization • Technology and R&D portfolio and footprint optimization	~ 20 - 30 MEUR
Manufacturing operations	• Plant closure and capacity utilization optimization • In- and out-sourcing for cost and quality gains • Global supplier network optimization, scale and harmonization • Efficiency gains through roll-out of lean production best practices	~ 50 - 70 MEUR
Service operations	• US Branch network consolidation mostly implemented, other geographies in planning • Spare parts distribution center and network optimization	~ 15 - 20 MEUR
Organization and support	• Mgmt and back office scale, organization structure optimization • IT: infra, support, HW and business application harmonization	~ 15 - 20 MEUR
Total		140 MEUR

Q2/17 GROUP ORDER INTAKE AND SALES

Comparison to combined company figures

- Order intake EUR 790.2 million (761.6), +3.8 percent
- Orders received grew in the Americas, as well as in APAC, but were lower in EMEA
- Order intake growth related to Business Area Port Solutions and Business Area Industrial Equipment
- Sales EUR 797.2 million (787.3), +1.3 percent
- Sales growth related to Business Area Industrial Equipment

Comparable order intake and sales



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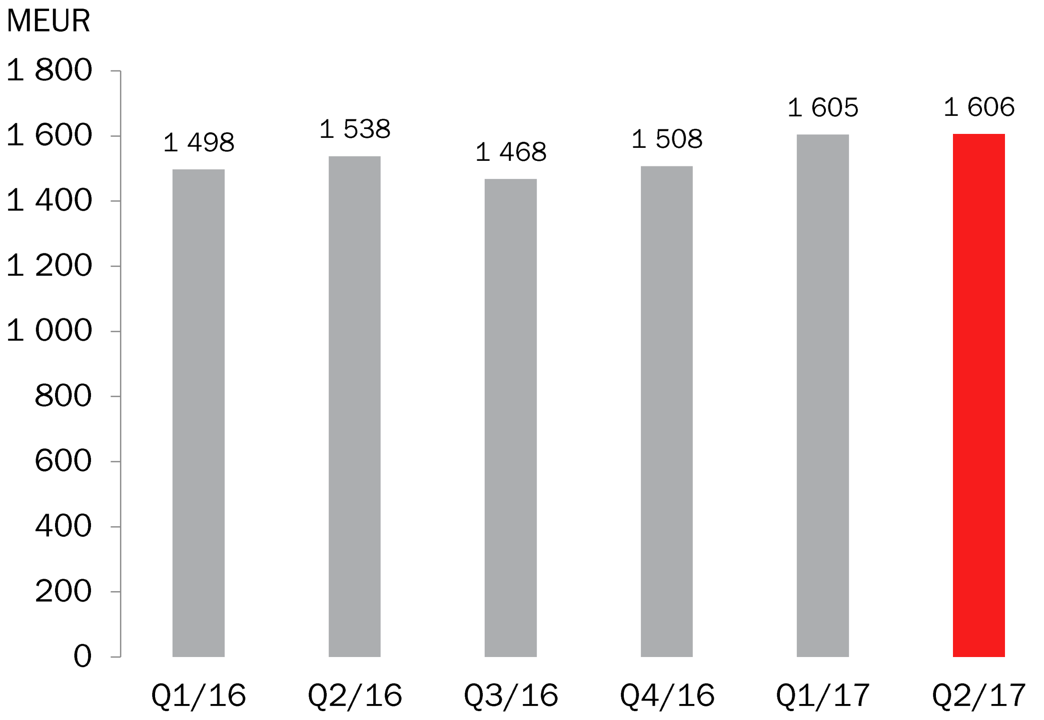
Q2/17 GROUP ORDER BOOK

Comparison to combined company figures

- Order book EUR 1,605.9 million (1,538.1) at the end of June, +4.4 percent
- Order book growth related to Business Area Port Solutions and Business Area Industrial Equipment
- The previous year’s order book for MHPS included deliveries for the next 12 months only

Combined order book



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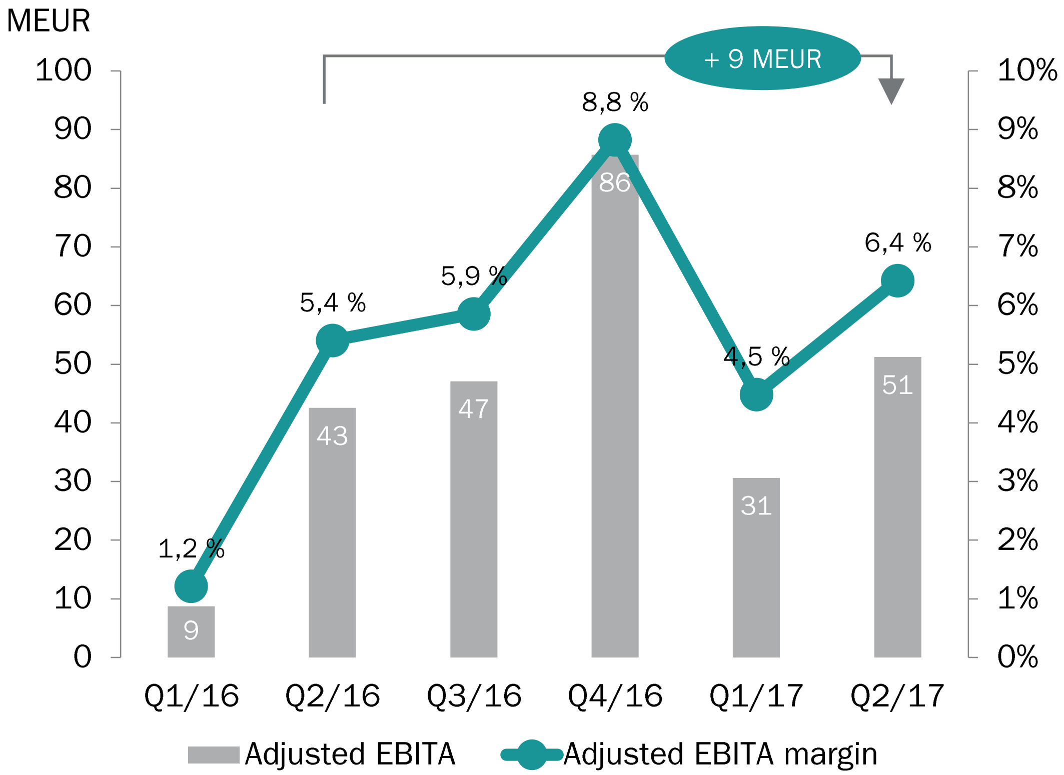
Q2/17 GROUP ADJUSTED EBITA

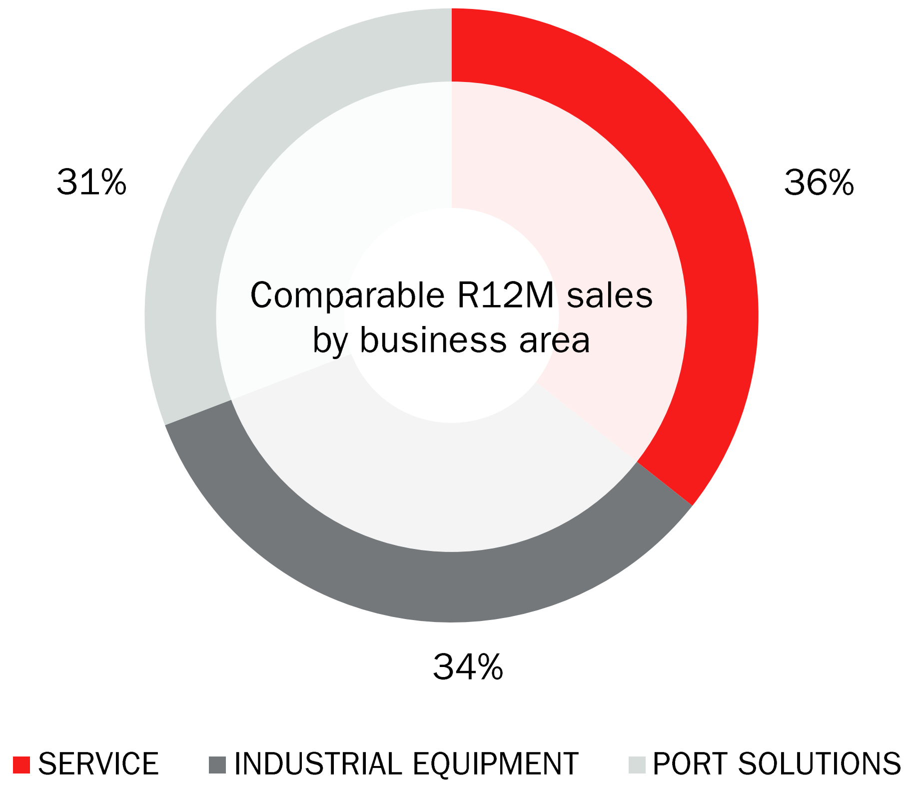
Comparison to combined company figures

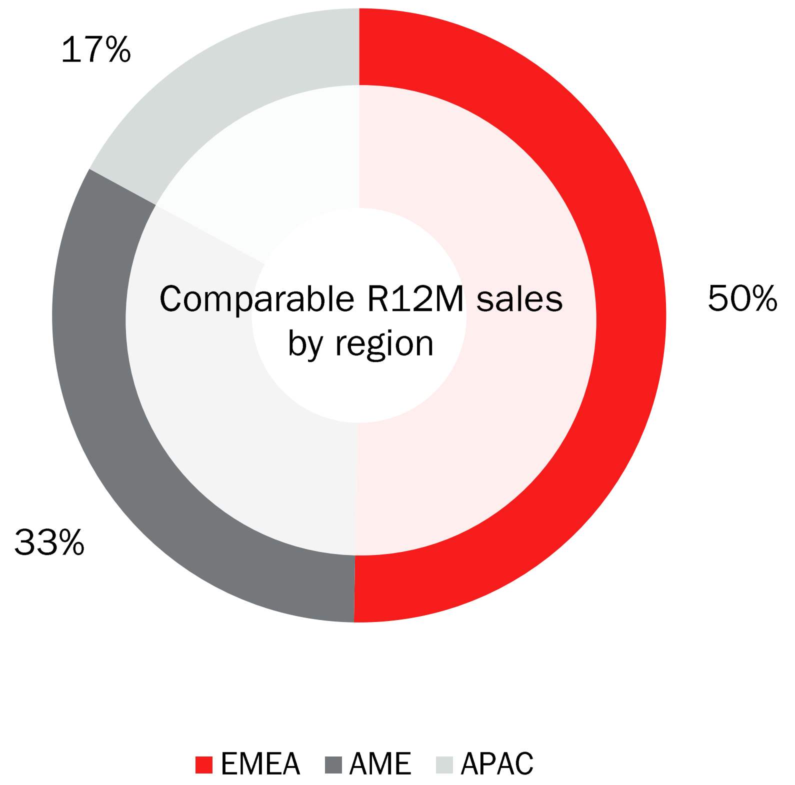
- Adjusted EBITA EUR 51.2 million (42.6), 6.4 percent of sales (5.4)
- The Group adjusted EBITA margin improved mainly thanks to the cost-saving measures implemented in 2016-2017, as well as successful delivery execution
- Gross margin improved and fixed costs were lower on a year-on-year basis

Comparable adjusted EBITA



GROUP SALES BY BUSINESS AREA AND REGION





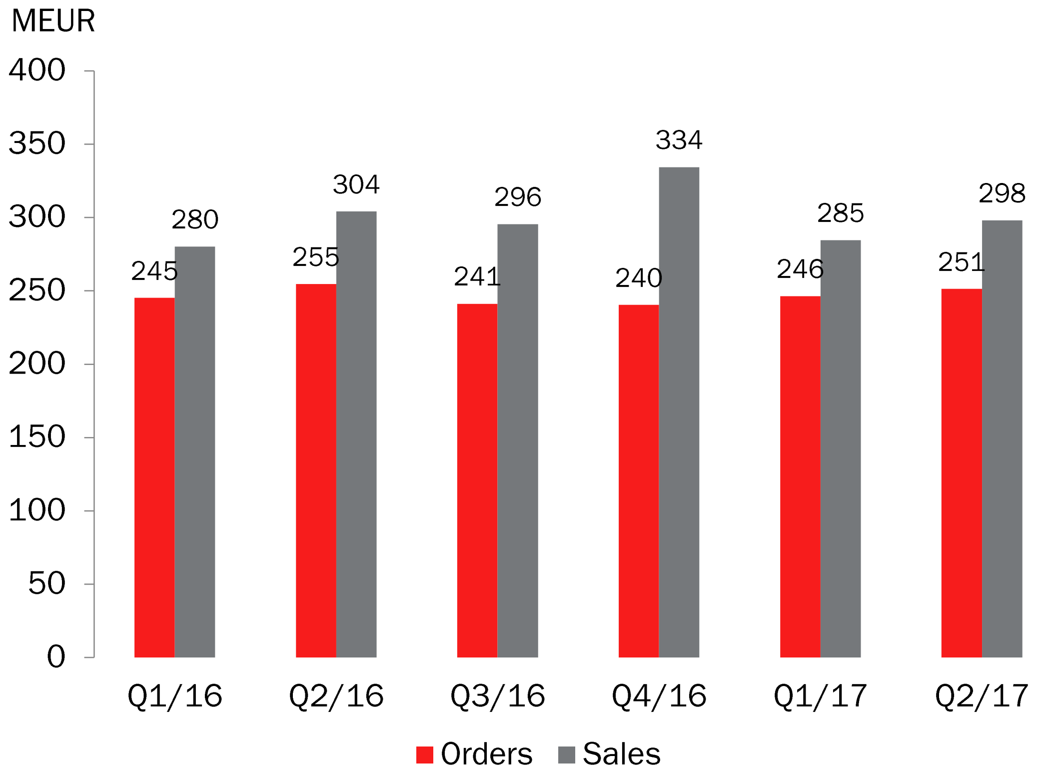
SERVICE

Q2/17 SERVICE ORDER INTAKE AND SALES

Comparison to combined company figures

- Orders received decreased by 1.3 percent to EUR 251.4 million (254.6)
- Sales fell by 2.0 percent to EUR 298.1 million (304.1)
- Sales increased in EMEA and APAC, whereas they decreased in the Americas
- Parts sales outperformed field service

Comparable order intake and sales

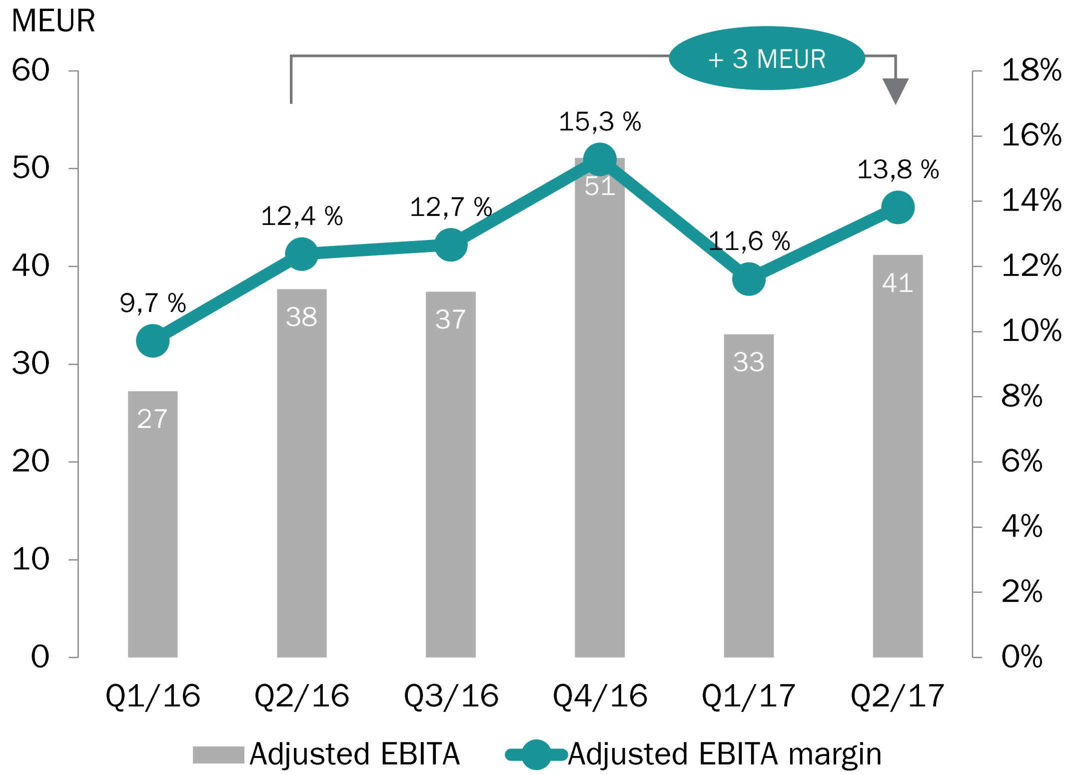


Q2/17 SERVICE ADJUSTED EBITA

Comparison to combined company figures

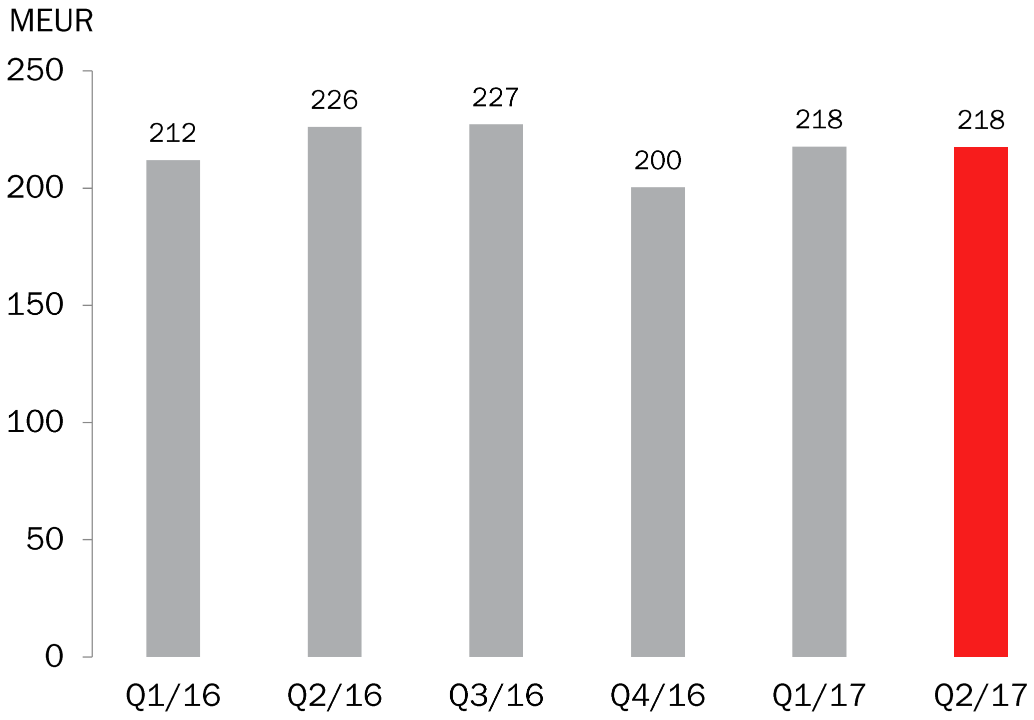
- The adjusted EBITA was EUR 41.2 million (37.7) and the adjusted EBITA margin 13.8 percent (12.4)
- The adjusted EBITA improved thanks to the positive sales mix, better productivity and lower fixed costs

Comparable adjusted EBITA

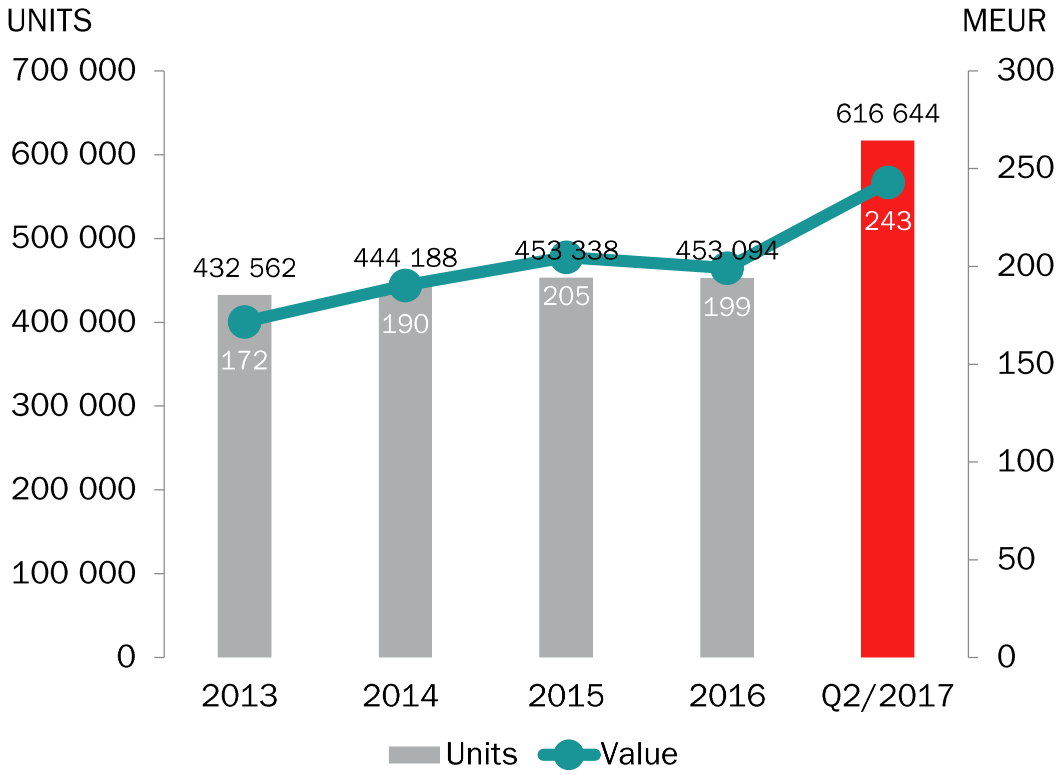


Q2/17 SERVICE ORDER BOOK AND AGREEMENT BASE

Combined order book



Agreement base*



*2013-16 agreement base on Konecranes stand-alone basis

INDUSTRIAL EQUIPMENT

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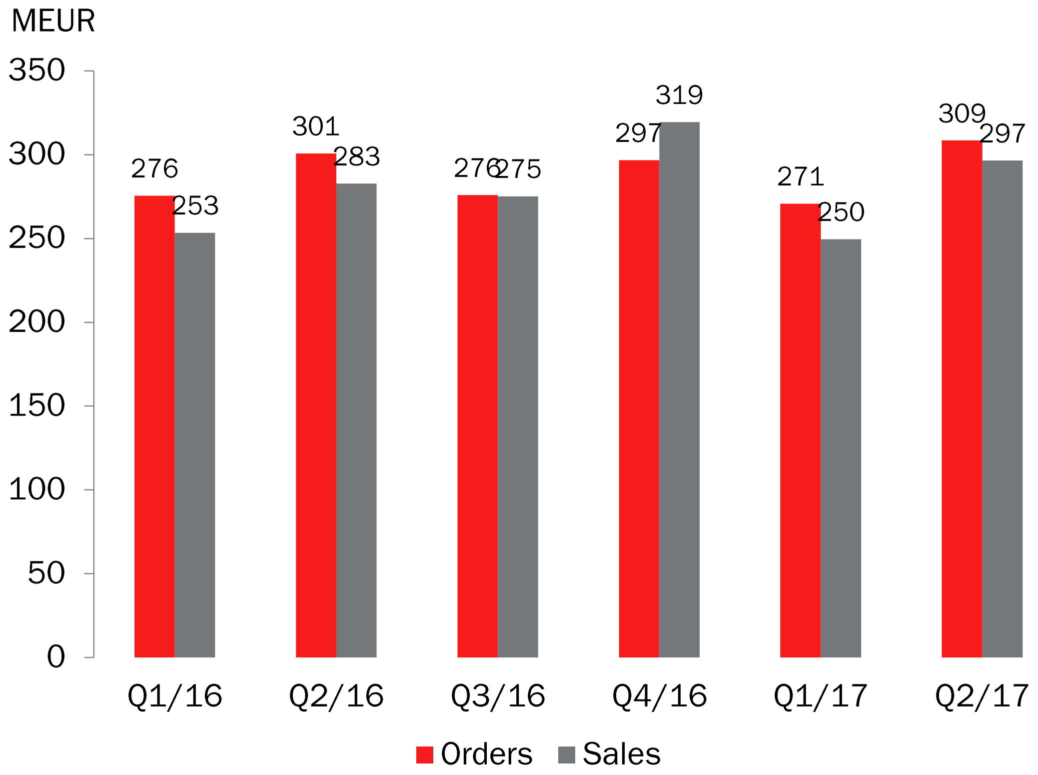
Q2/17 INDUSTRIAL EQUIPMENT ORDER INTAKE AND SALES

Comparison to combined company figures

- Orders received totaled EUR 308.5 million (300.8), showing an increase of 2.6 percent
- Orders grew in EMEA and APAC, whereas they were broadly unchanged in the Americas
- In the Americas, industrial crane orders declined as the comparison period included some unusually large single heavy-duty crane orders; orders for industrial cranes rose in EMEA and APAC
- Crane component orders increased in EMEA and the Americas, but decreased in APAC
- Sales rose by 4.8 percent to EUR 296.5 million (282.8)

Comparable order intake and sales



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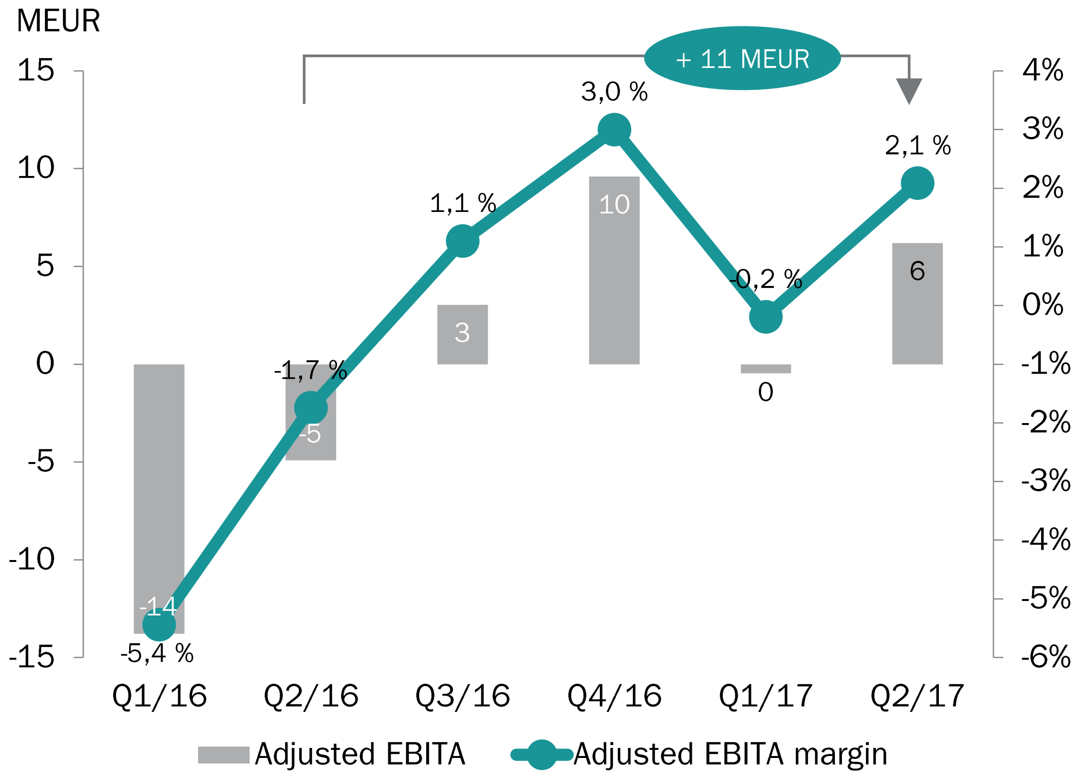
Q2/17 INDUSTRIAL EQUIPMENT ADJUSTED EBITA

Comparison to combined company figures

- The adjusted EBITA was EUR 6.2 million (-4.9) and the adjusted EBITA margin 2.1 percent (-1.7)
- The improvement in adjusted EBITA margin related mainly to the cost-saving measures implemented in 2016-2017, as well as successful deliveries
- Gross margin improved and fixed costs were lower on a year-on-year basis

Comparable adjusted EBITA



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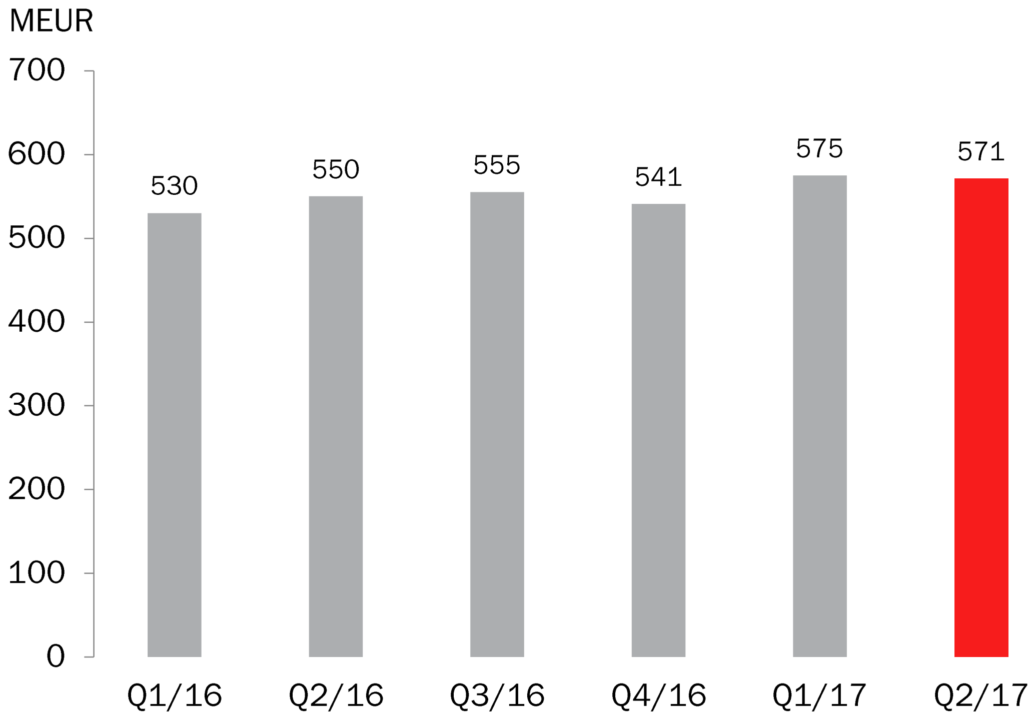
Q2/17 INDUSTRIAL EQUIPMENT ORDER BOOK

Combined order book



Comparison to combined company figures

- The order book increased by 3.8 percent from a year before to EUR 571.2 million (550.2)

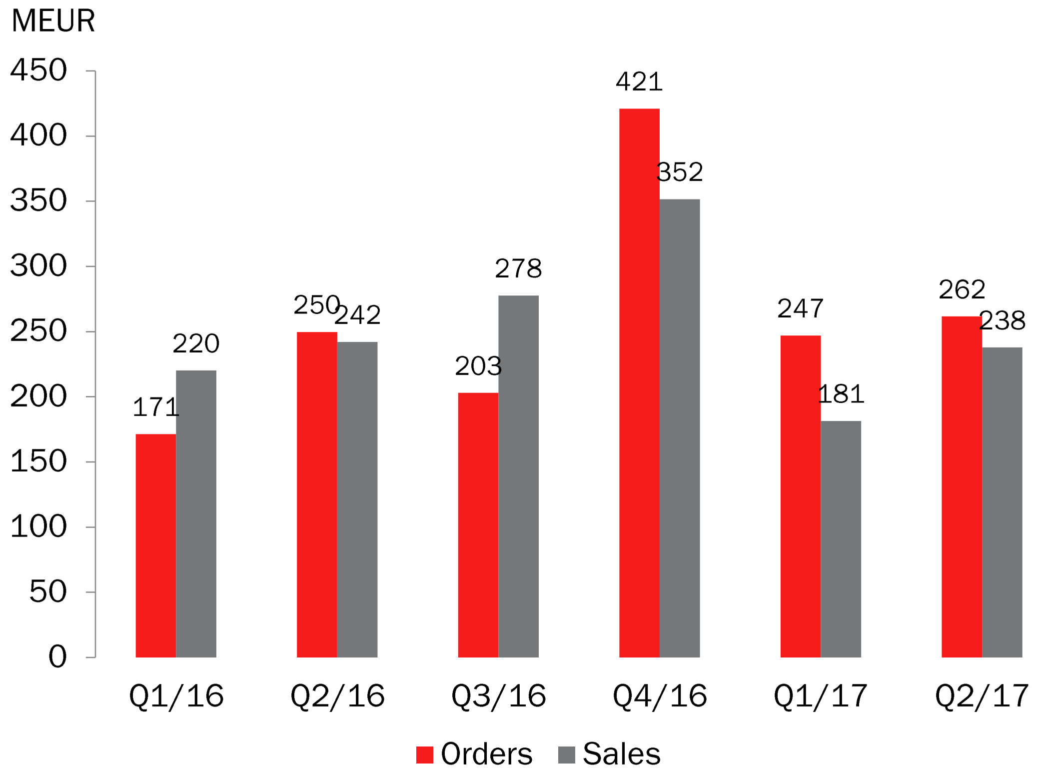
PORT SOLUTIONS

Q2/17 PORT SOLUTIONS ORDER INTAKE AND SALES

Comparison to combined company figures

- Orders received totaled EUR 261.6 million (249.7), showing an increase of 4.8 percent
- Orders grew in the Americas and APAC, whereas orders fell in EMEA
- Orders increased for most of products and services
- Sales fell by 1.7 percent to EUR 237.9 million (242.0)
- The decrease in sales related to the timing of deliveries

Comparable order intake and sales



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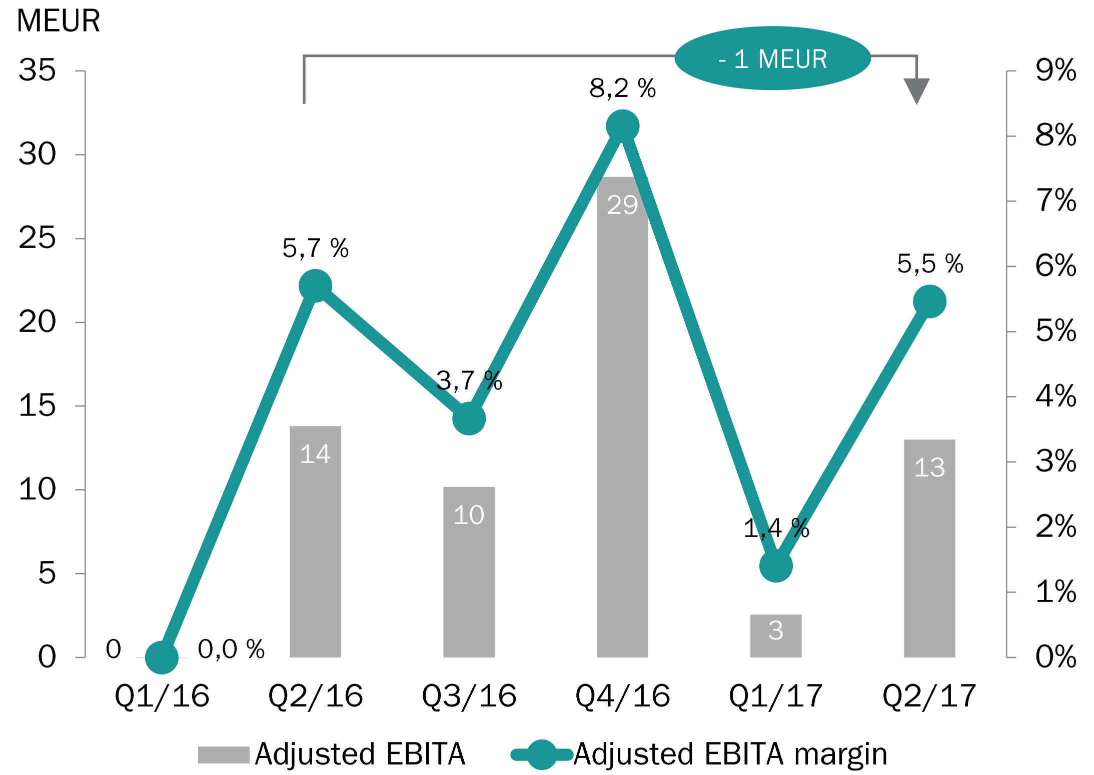
Q2/17 PORT SOLUTIONS ADJUSTED EBITA

Comparison to combined company figures

- The adjusted EBITA was EUR 13.0 million (13.8) and the adjusted EBITA margin 5.5 percent (5.7)
- The adjusted EBITA margin was affected by slightly lower sales
- Gross margin declined on a year-on-year basis

Comparable adjusted EBITA



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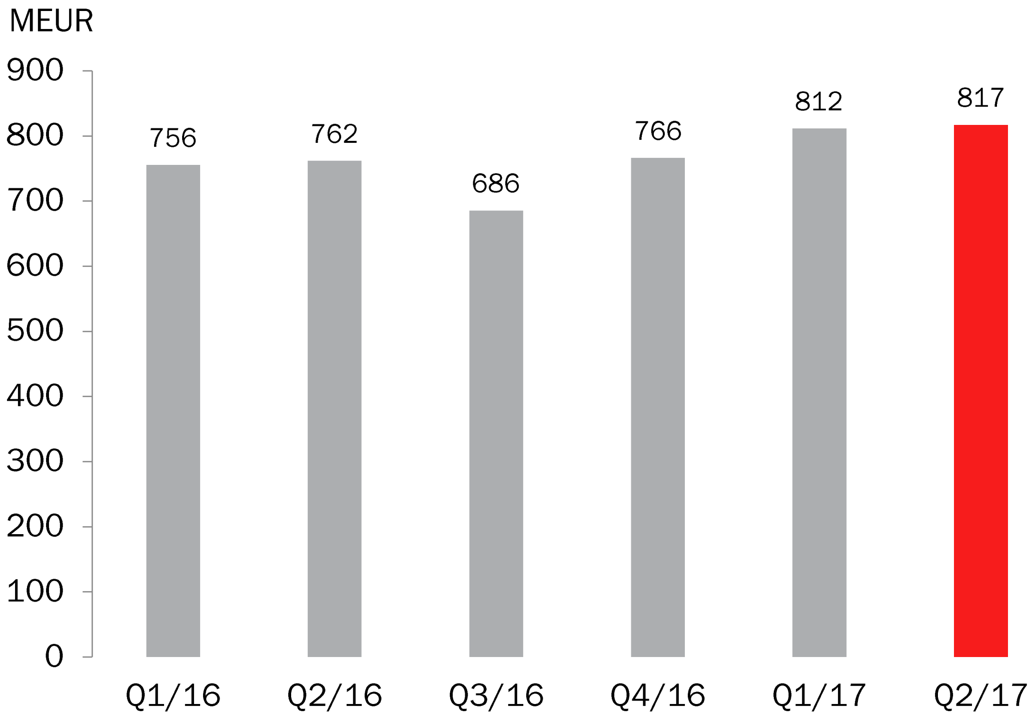
Q2/17 PORT SOLUTIONS ORDER BOOK

Combined order book



Comparison to combined company figures

- The order book increased by 7.3 percent from a year before to EUR 817.2 million (761.8).
- Order book for most of our new Konecranes Gottwald and Konecranes Noell products has increased

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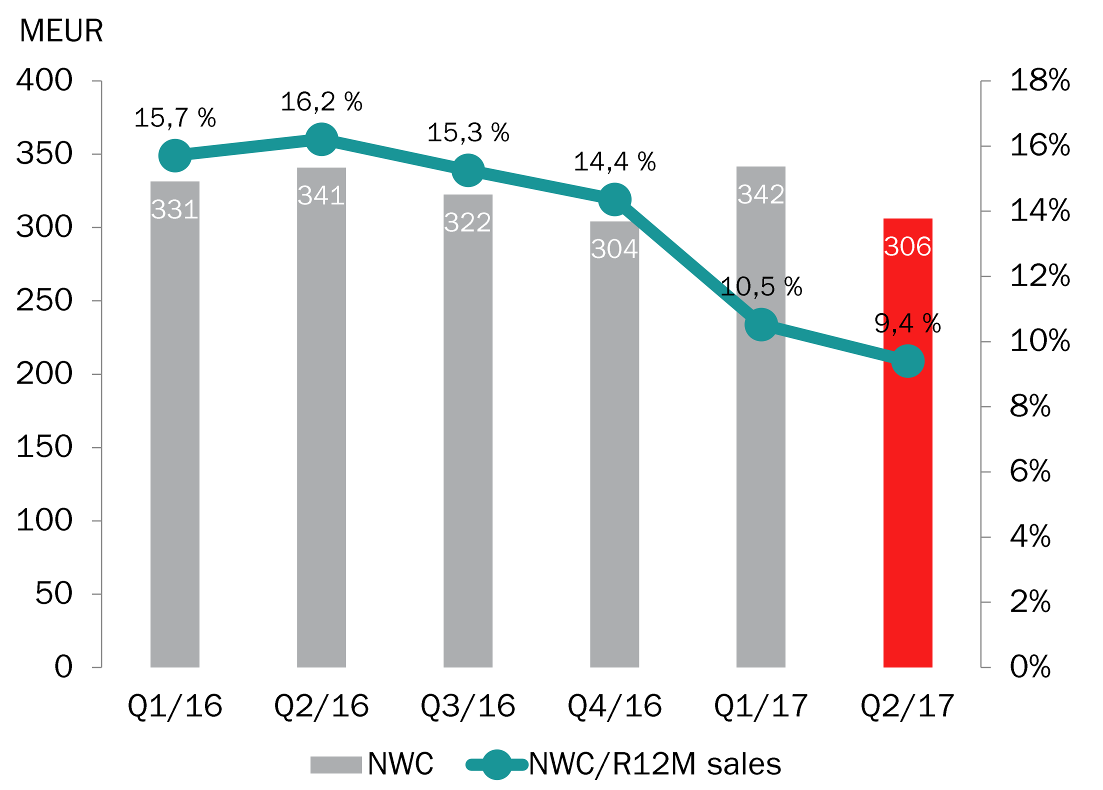
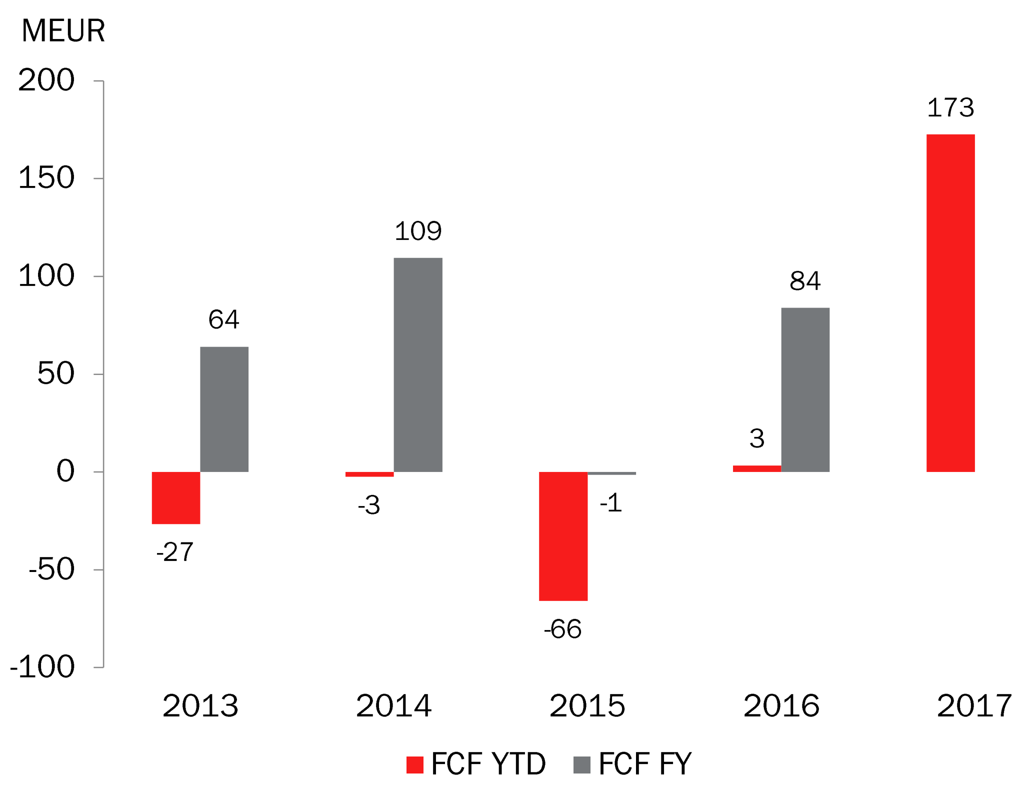
CASH FLOW AND BALANCE SHEET

NET WORKING CAPITAL AND FREE CASH FLOW

Net working capital*



Free cash flow



*Q1/17 excl. dividend liability of EUR 82 million, Q1/16 excl. dividend liability of EUR 62 million
Q1/17 and Q2/17 R12M sales for comparable combined company

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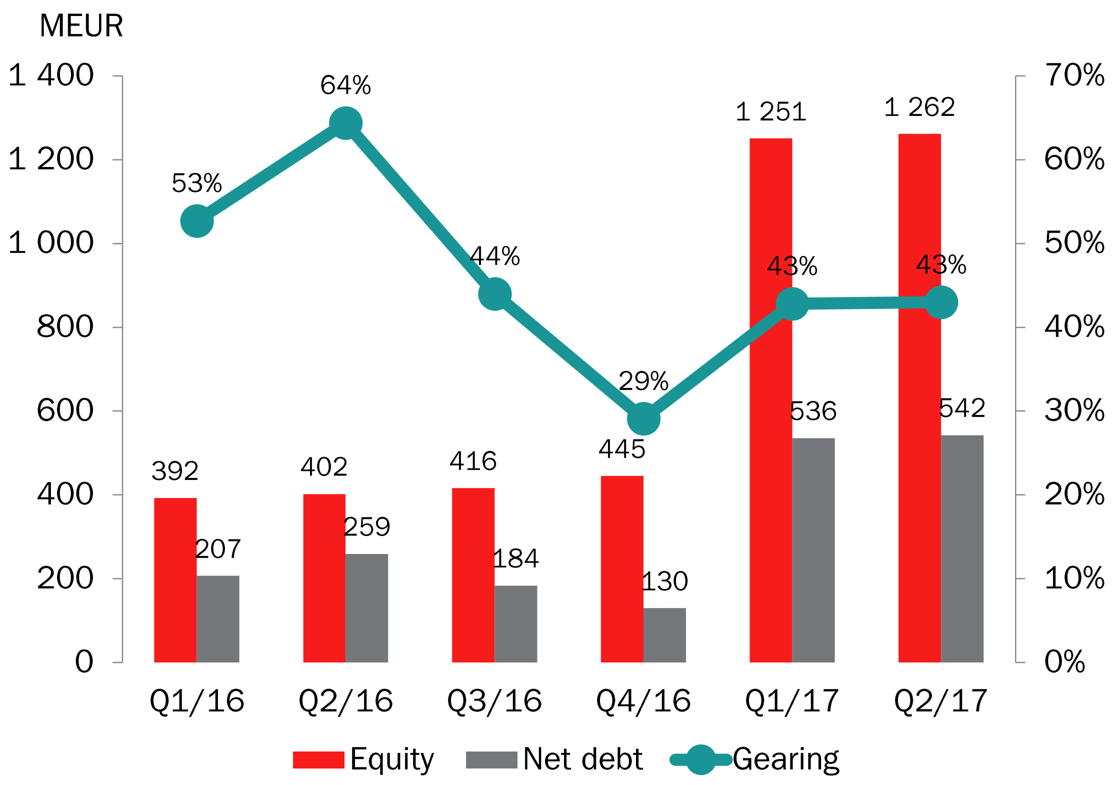
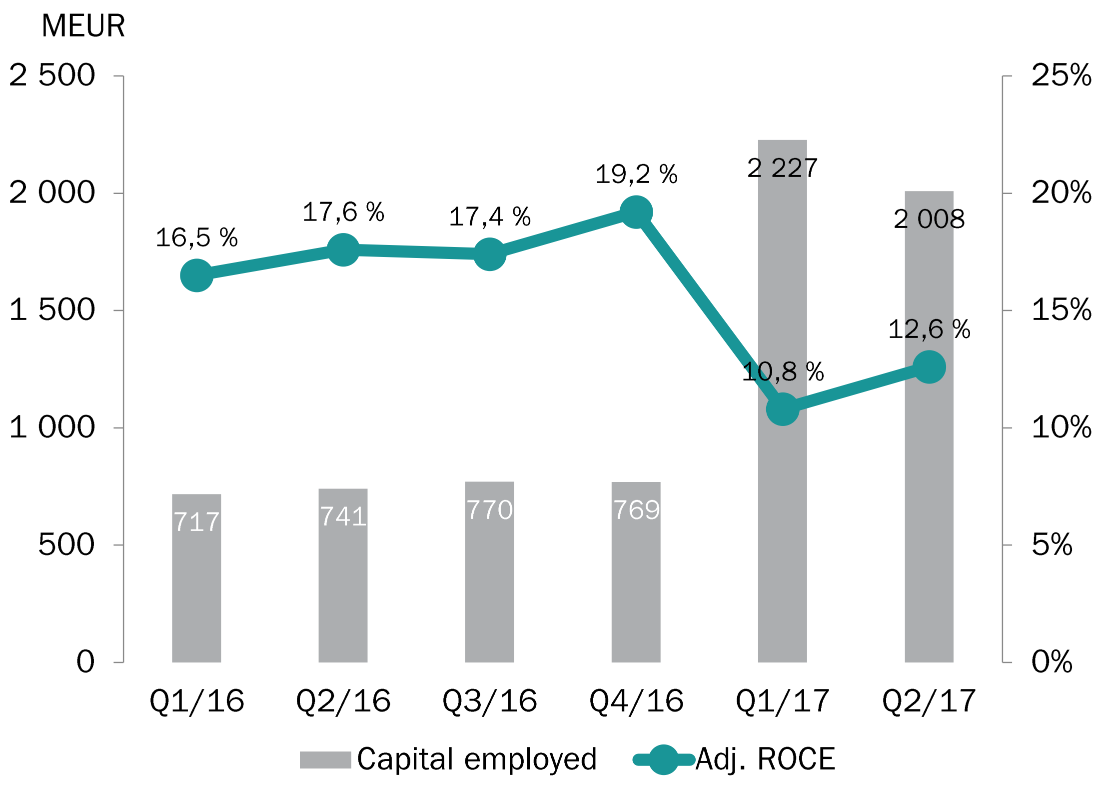
GEARING AND RETURN ON CAPITAL EMPLOYED

Equity, net debt and gearing



Capital employed and return on capital employed



December 14: presentations from CEO, CFO and business area heads

We will start with lunch at 11.30 and finish by 17.30 to allow fly in and out during the day

December 15: site visit to Demag factory in Wetter

APPENDIX


1 Overloads occurred
Latest Occurrence: Aug 15, 2015
Continue
Alerts Summary
1 Overloads
0 Emergency Stops
0 Motor Over Temperature
0 Brake Faults

STATEMENT OF INCOME

EUR million	Q2/17	Q2/16	Change %	H1/2017	H1/2016	Change %
Sales	**797.2**	**528.8**	**50.7**	**1,480.2**	**987.4**	**49.9**
Other operating income	1.5	10.6		221.9	10.9	
Materials, supplies and subcontracting	-344.2	-237.2		-616.8	-430.7	
Personnel cost	-263.6	-169.4		-517.9	-332.2	
Depreciation and impairments	-31.4	-14.7		-59.7	-28.7	
Other operating expenses	-129.2	-89.6		-251.6	-177.8	
Operating profit	**30.2**	**28.6**	**5.4**	**256.1**	**28.9**	**785.3**
Share of associates' and joint ventures' result	0.4	3.6		-0.2	4.8	
Financial income	7.7	0.3		27.0	4.1	
Financial expenses	-24.2	-10.1		-47.2	-22.5	
Profit before taxes	**14.0**	**22.4**	**-37.6**	**235.7**	**15.4**	**1435.5**
Taxes	0.5	-6.4		-28.3	-4.5	
PROFIT FOR THE PERIOD	**14.5**	**16.0**	**-9.1**	**207.4**	**10.9**	**1803.1**

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BALANCE SHEET

EUR million	30.6.2017	30.6.2016
Non-current assets		
Goodwill	918.4	105.4
Intangible assets	649.3	104.0
Property, plant and equipment	278.2	136.0
Other	201.1	136.3
Current assets		
Inventories	616.9	381.6
Accounts receivable	493.6	351.3
Other current assets	238.0	166.6
Cash and cash equivalents	197.9	80.5
Total Assets	**3,593.3**	**1,461.7**

EUR million	30.6.2017	30.6.2016
Total Equity	1,261.5	401.9
Non-current liabilities		
Interest-bearing liabilities	647.5	56.6
Other long-term liabilities	287.0	96.0
Other	184.2	32.1
Current liabilities		
Interest-bearing liabilities	99.4	282.6
Advance payments received	389.9	193.2
Accounts payable	185.2	95.8
Other current liabilities	538.7	303.5
Total Equity and Liabilities	**3,593.3**	**1,461.7**

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CASH FLOW STATEMENT

EUR million	Q2/2017	Q2/2016	H1/2017	H1/2016
Operating income before change in net working capital	62.6	43.1	103.6	56.3
Change in net working capital	61.5	-8.5	141.8	-12.5
Cash flow from operations before financing items and taxes	124.1	34.6	245.4	43.7
Financing items and taxes	-32.0	–17.3	-59.7	-29.5
Net cash from operating activities	**92.1**	**17.3**	**185.7**	**14.2**
Net cash used in investing activities	-7.5	-7.1	-512.6	-10.9
Cash flow before financing activities	**84.6**	**10.2**	**-327.0**	**3.3**
Net cash used in financing activities	-303.6	-48.6	335.9	-3.5
Change of cash and cash equivalents	-225.6	-37.6	3.8	-0.2
Free cash flow	84,6	10.1	172.6	3.3

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KEY FIGURES

EUR million	H1/2017	H2/2016	Change %
Earnings per share, basic (EUR)	2.68	0.19	1,344.0
Earnings per share, diluted (EUR)	2.68	0.19	1,344.0
Return on capital employed, %, Rolling 12 Months (R12M)	23.2	8.2	182.9
Return on equity, %, Rolling 12 Months (R12M)	28.1	5.9	376.3
Equity per share (EUR)	15.80	6.84	131.0
Net debt / Adjusted EBITDA, Rolling 12 Months (R12M)	2.3	1.5	58.6
Equity to assets ratio, %	39.4	31.7	24.3
Investments total (excl. acquisitions), EUR million	21.2	18.2	16.4
Average number of personnel during the period	14,867	11,647	27.6
Average number of shares outstanding, basic	77,853,221	58,745,394	32.5
Average number of shares outstanding, diluted	77,853,221	58,745,394	32.5
Number of shares outstanding	78,421,906	58,751,009	33.5

BASIS OF PREPARATION FOR COMPARABLE COMBINED COMPANY

The comparable combined company financial information is based on management's estimates and is for illustrative purposes only. The comparable combined company financial information gives an indication of the combined company's key figures assuming the activities were included in the same company from the beginning of 2016.

The comparable combined company financial information is based on a hypothetical situation and should not be viewed as pro forma financial information as the differences in accounting principles have not been taken into account. The unaudited comparable combined company financial information is based on Konecranes Group's financial statements for the financial year 2016 (adjusted for restructuring costs, transaction costs and received insurance indemnity) according to IFRS and Terex Corporation's ("Terex") MHPS segment unaudited special purpose carve-out financial information for the financial year 2016 (adjusted for non-recurring items such as restructuring costs and impairments of goodwill and trademarks) according to USGAAP. The corporation allocations of Terex Group have been adjusted in MHPS income statement to illustrate the situation as the Group had been combined at the beginning of 2016.

Since the financial information for MHPS has been prepared on a carve-out basis, this does not necessarily reflect what the results of its operations would have been had MHPS operated as an independent company and had it presented stand-alone financial information under IFRS during the period provided. Moreover, the carve-out financial information may not be indicative of the MHPS's future performance of the operating activities aggregated within Konecranes.

Konecranes is unable to present a reconciliation of the comparable combined company financial information as the MHPS' financials have been calculated according to USGAAP and using different accounting principles than Konecranes and because Terex has categorized MHPS as a discontinued operation in 2016.

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