

2013 FINANCIAL RESULTS

February 5, 2014

Pekka Lundmark, President and CEO

Teo Ottola, CFO



HIGHLIGHTS OF Q4/13

- **Positives**

- EBIT improved Y/Y despite EUR 24 million lower sales
- Service EBIT margin excellent 11.5%
- NWC development Q/Q
- Key macroeconomic indicators continued to strengthen in developed markets

- **Negatives**

- Equipment EBIT margin unsatisfactory 4.7%
- Order intake at previous year's level
- Trading conditions remained soft in emerging markets

Q4 ORDERS RECEIVED Y/Y	EMEA	AME	APAC
SERVICE			
EQUIPMENT			

Board of Directors proposes a dividend of EUR 1.05 per share

2013 SUMMARY

KEY POSITIVES

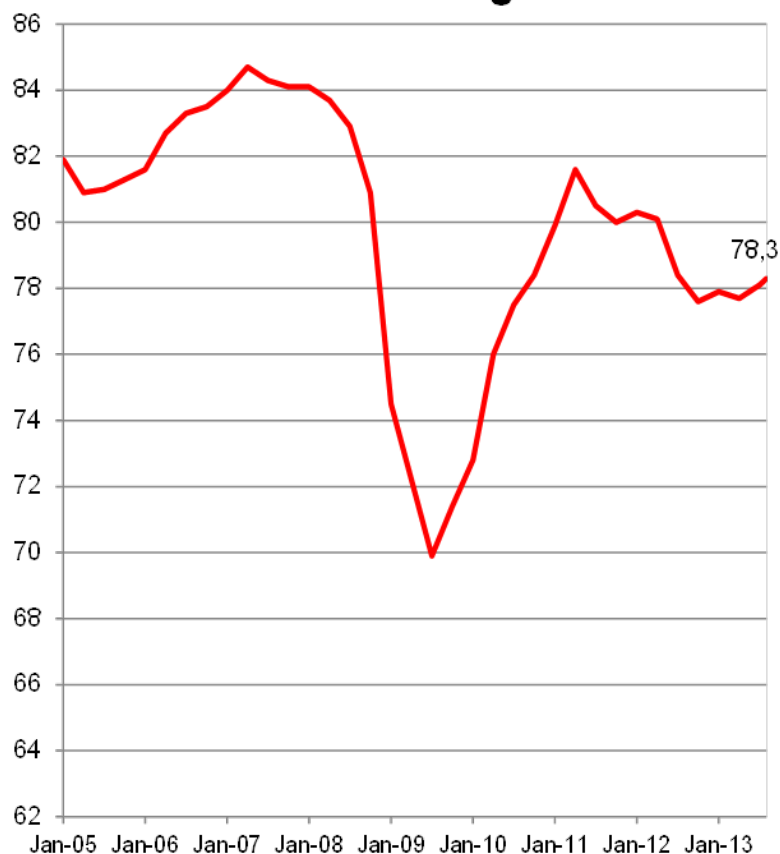
- ✓ Service profitability
- ✓ Continued strength in most North American businesses and several improvements in Europe
- ✓ Fixed cost development thanks to restructuring actions
- ✓ All-time high order intake in Port Cranes

KEY NEGATIVES

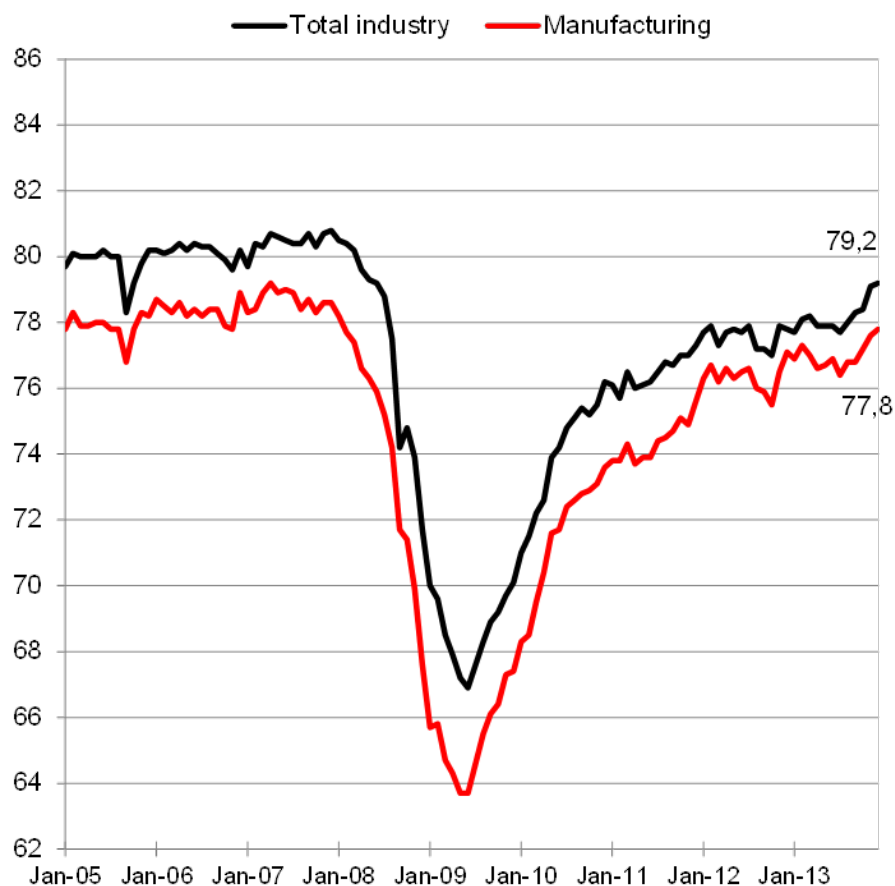
- × 14% CAGR in 2003-2012 came to a halt in 2013
- × Extra costs in heavy-duty industrial crane and shipyard crane projects
- × Heavy IT system development continued to burden result
- × India

CAPACITY UTILIZATION: EU27 AND USA

Capacity utilisation of manufacturing in EU



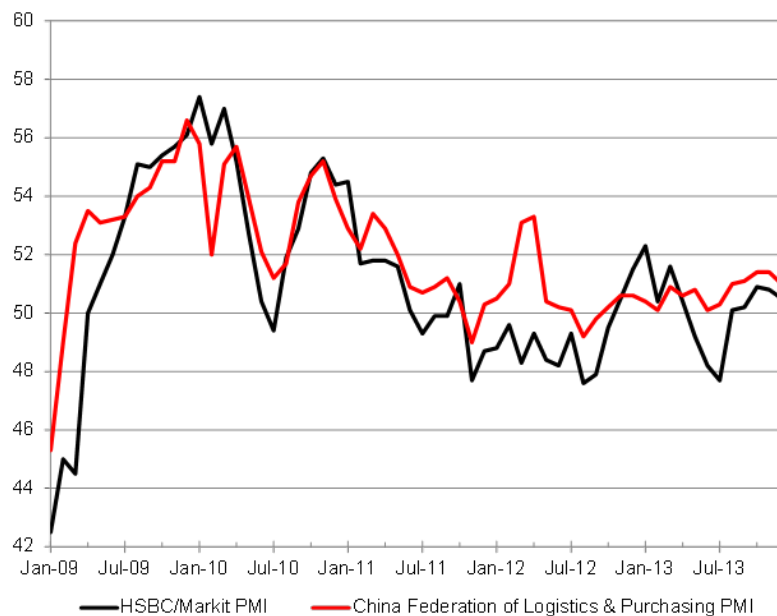
Capacity utilisation in the USA



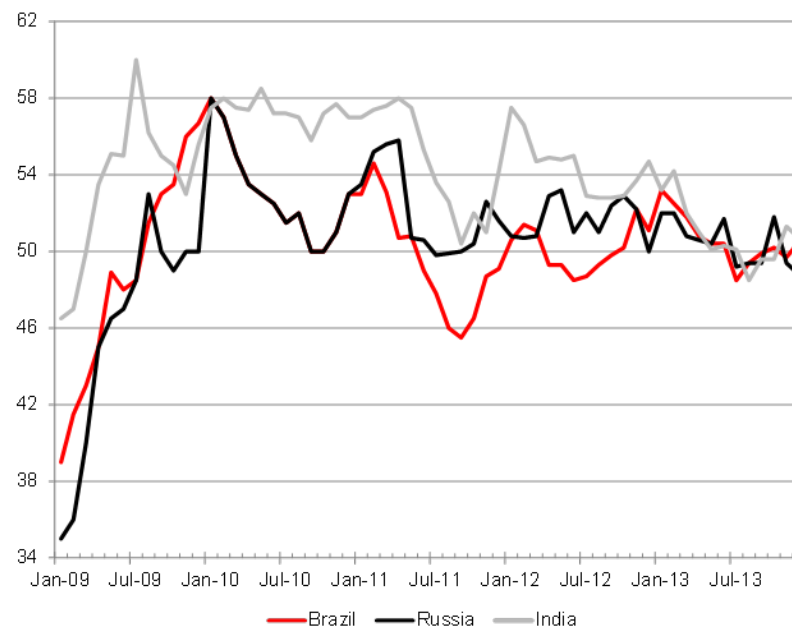
SOURCES: Eurostat (latest data point Q4/13), Federal Reserve Bank of St. Louis (December 2013)

PMI'S IN THE BRIC COUNTRIES

Chinese manufacturing PMI

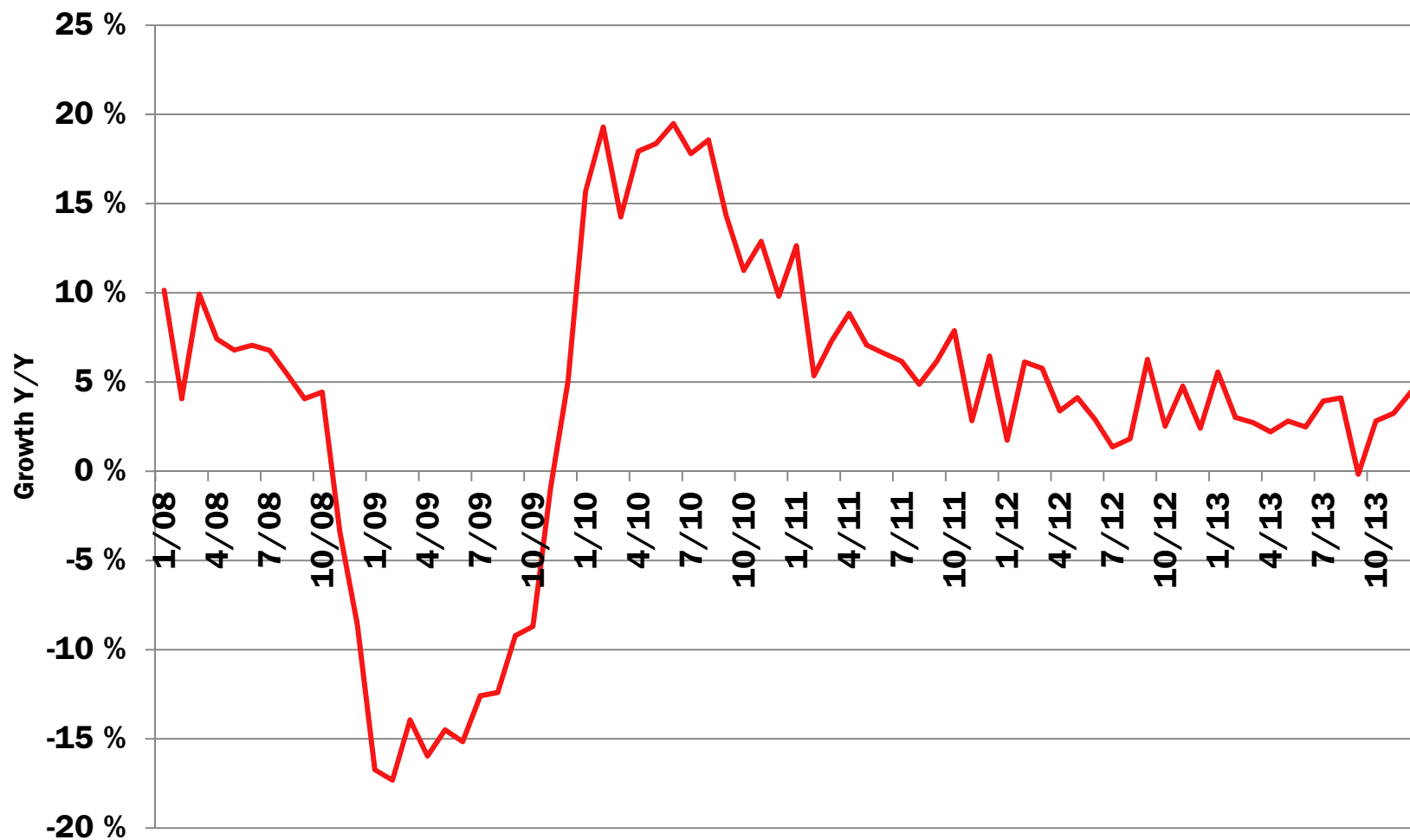


Brazil, Russia, India - PMI



SOURCES: HSBC/Markit, (latest data point December 2013)

CONTAINER THROUGHPUT



Source: RWI/ISL Container Throughput Index

MARKET OUTLOOK AND FINANCIAL GUIDANCE AS OF FEBRUARY 5, 2014

Market outlook

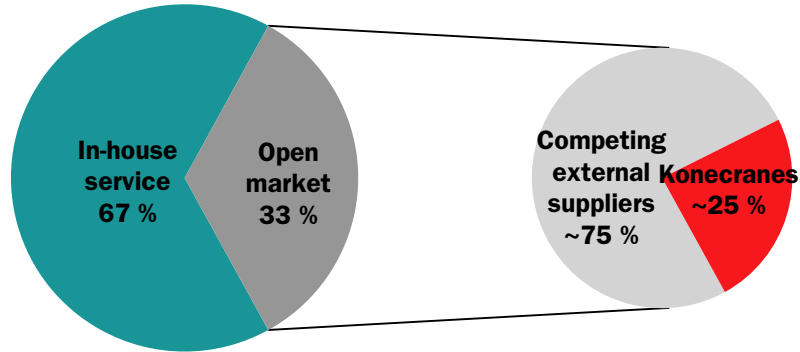
- The growth in industrial production and container traffic is moderate and below the historical averages.
- The near-term investment outlook within manufacturing and process industries, as well as container handling, remains uncertain.
- However, there are certain positive macroeconomic signs in the developed world also outside the US.

Financial guidance

- The order book at year-end 2013 was below the previous year, which will affect the company's sales and operating profit in the beginning of the year.
- Due to the market uncertainty, it is too early to estimate the full-year 2014 sales development.
- The ongoing restructuring actions and improving project execution are expected to have a positive impact on profitability.

MARKET SHARE AND SIZE IN 2013

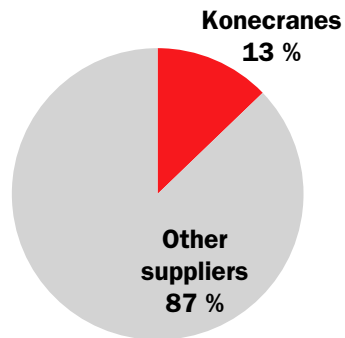
Service: Industrial and Port Cranes



Total market >10 BEUR

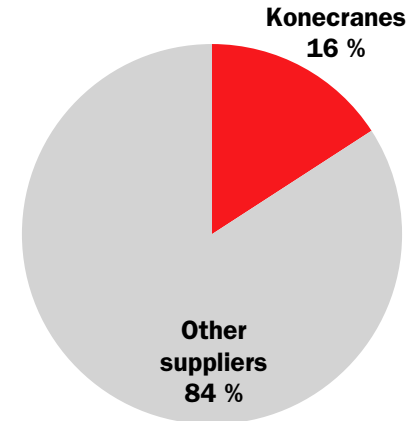
Open market >3 BEUR

Equipment: Industrial Cranes and Components, Container Handling Equipment



Market size ~10 BEUR

Total open market



Market size ~13 BEUR

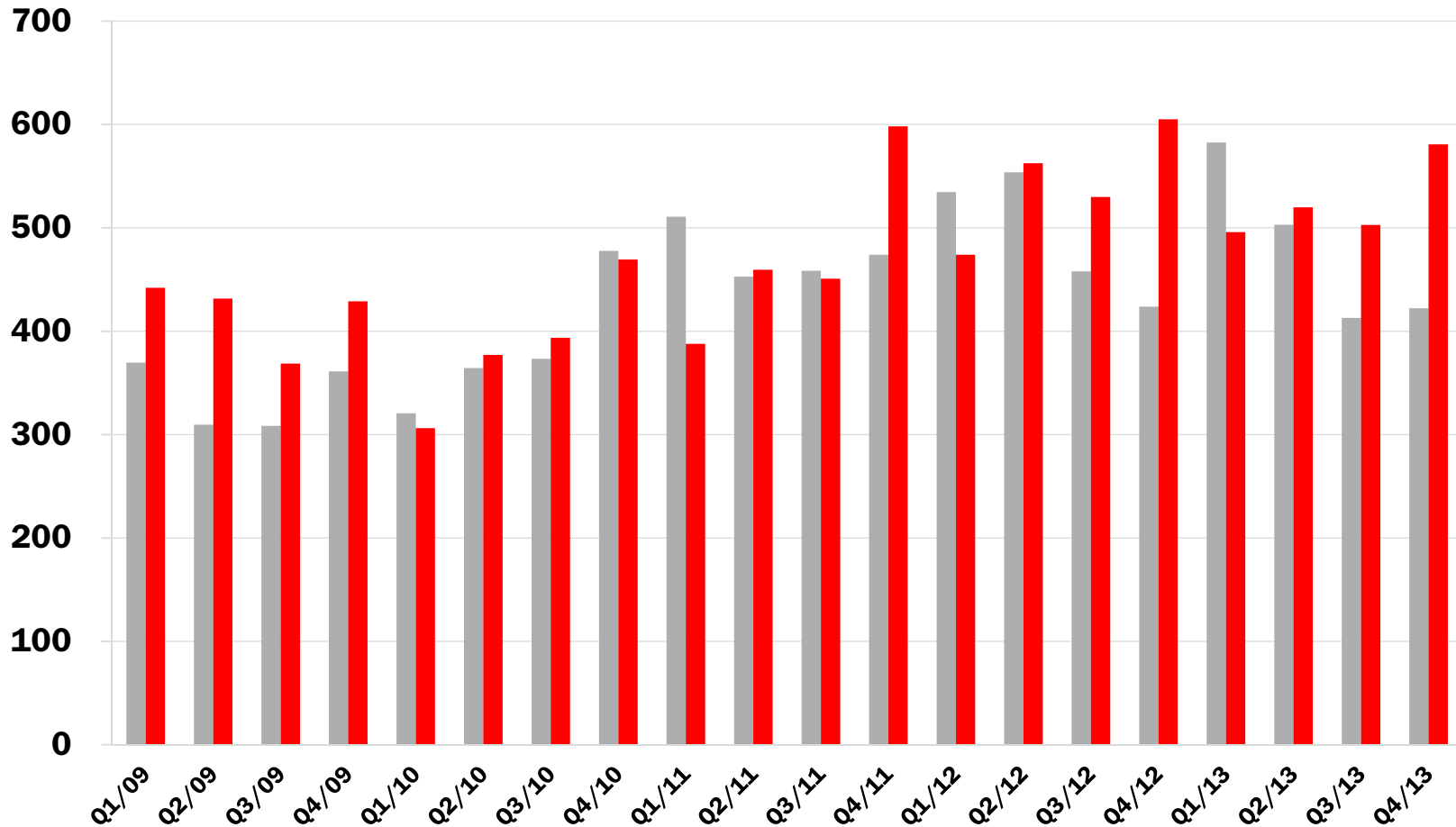
Note that market share and size are based on Konecranes' estimates as no comprehensive statistics are available.

GROUP ORDERS AND NET SALES

Q4 Orders: 422.2 (423.8) MEUR, -0.4%* | Net sales: 580.9 (605.1) MEUR, -4.0%**

MEUR

■ ORDERS ■ SALES

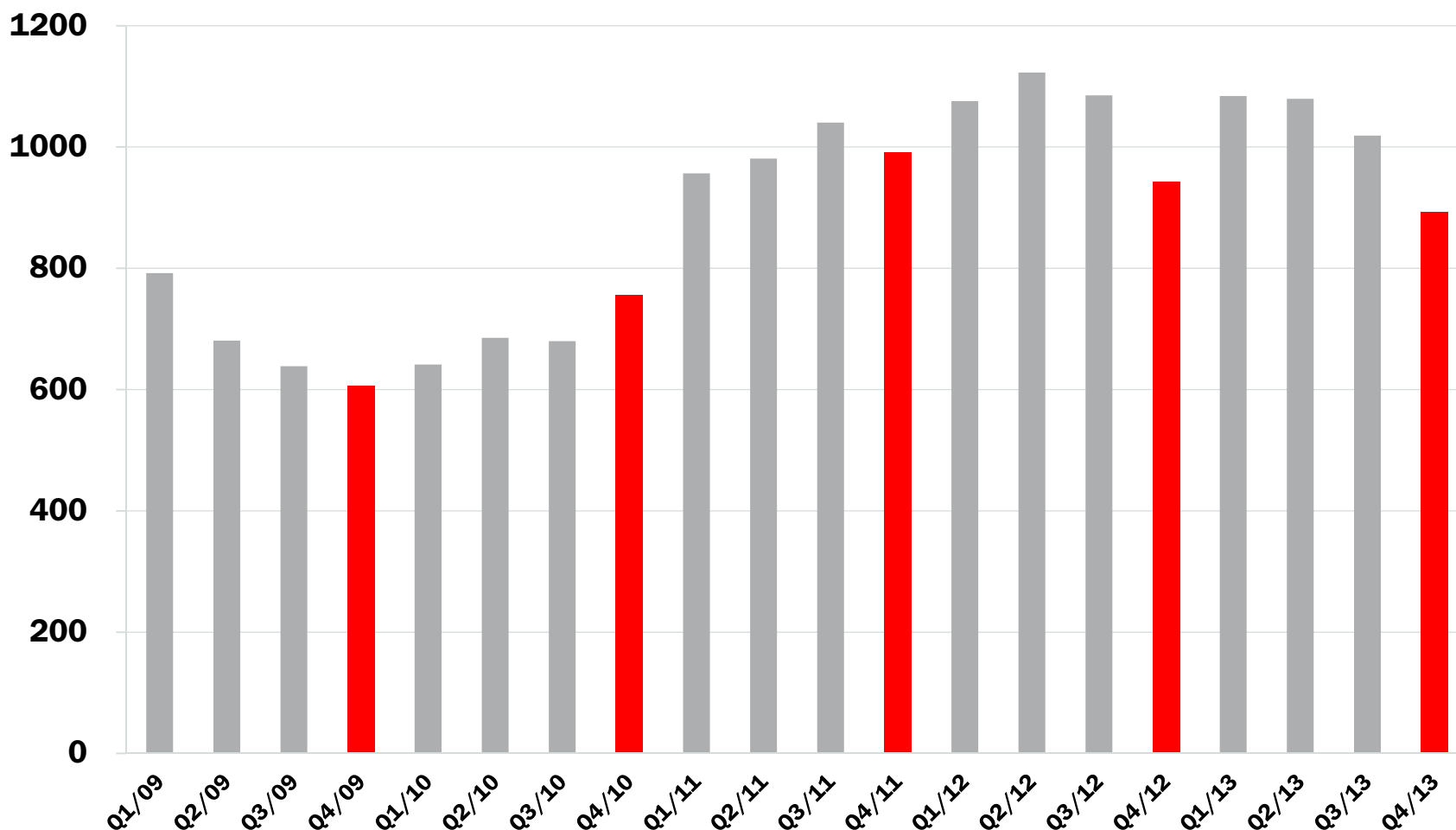


*+3.5% at comparable currencies, **0.0% at comparable currencies

GROUP ORDER BOOK

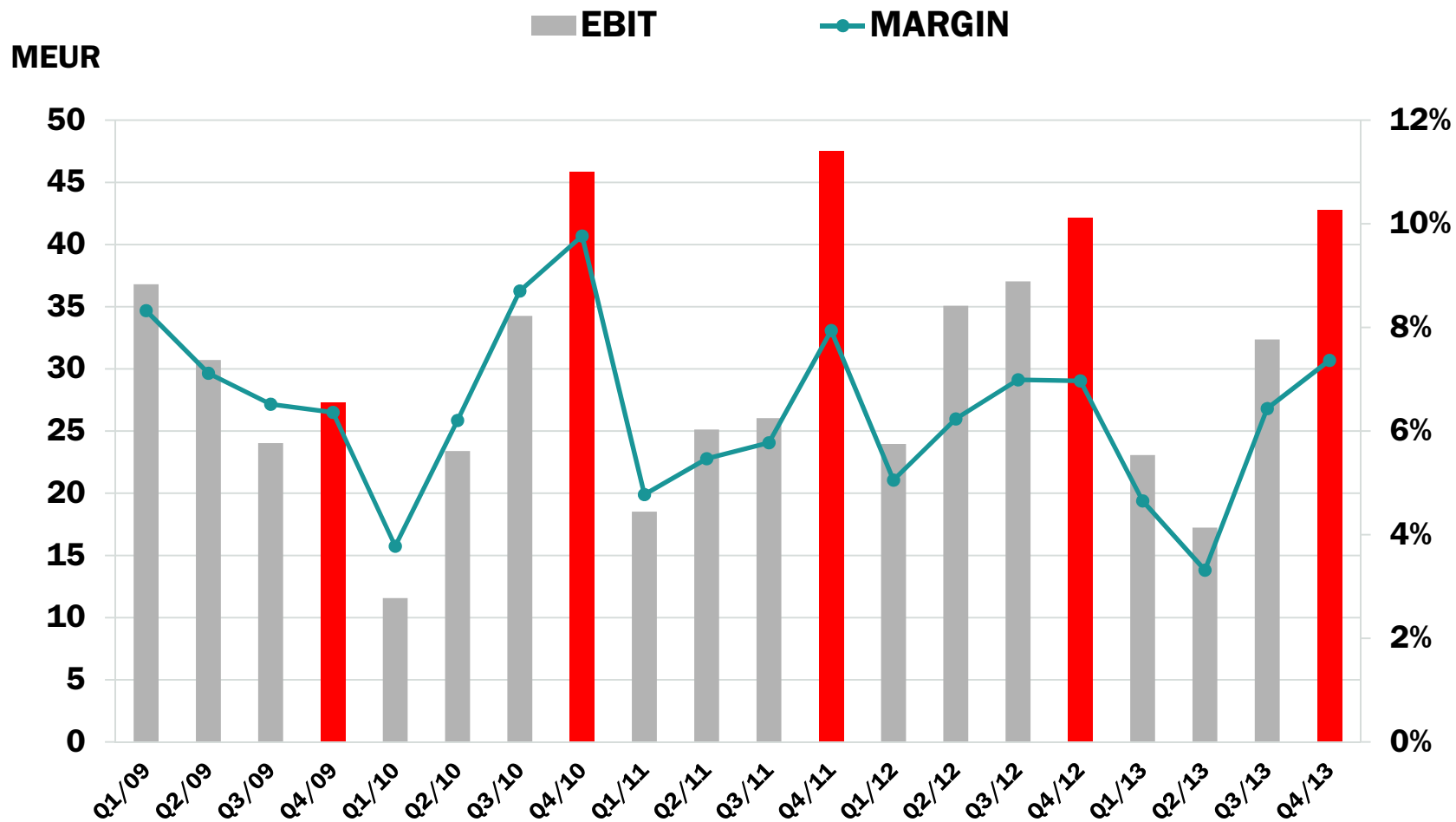
Q4 Order book: 893.5 (942.7) MEUR, -5.2%

MEUR



GROUP EBIT & MARGIN

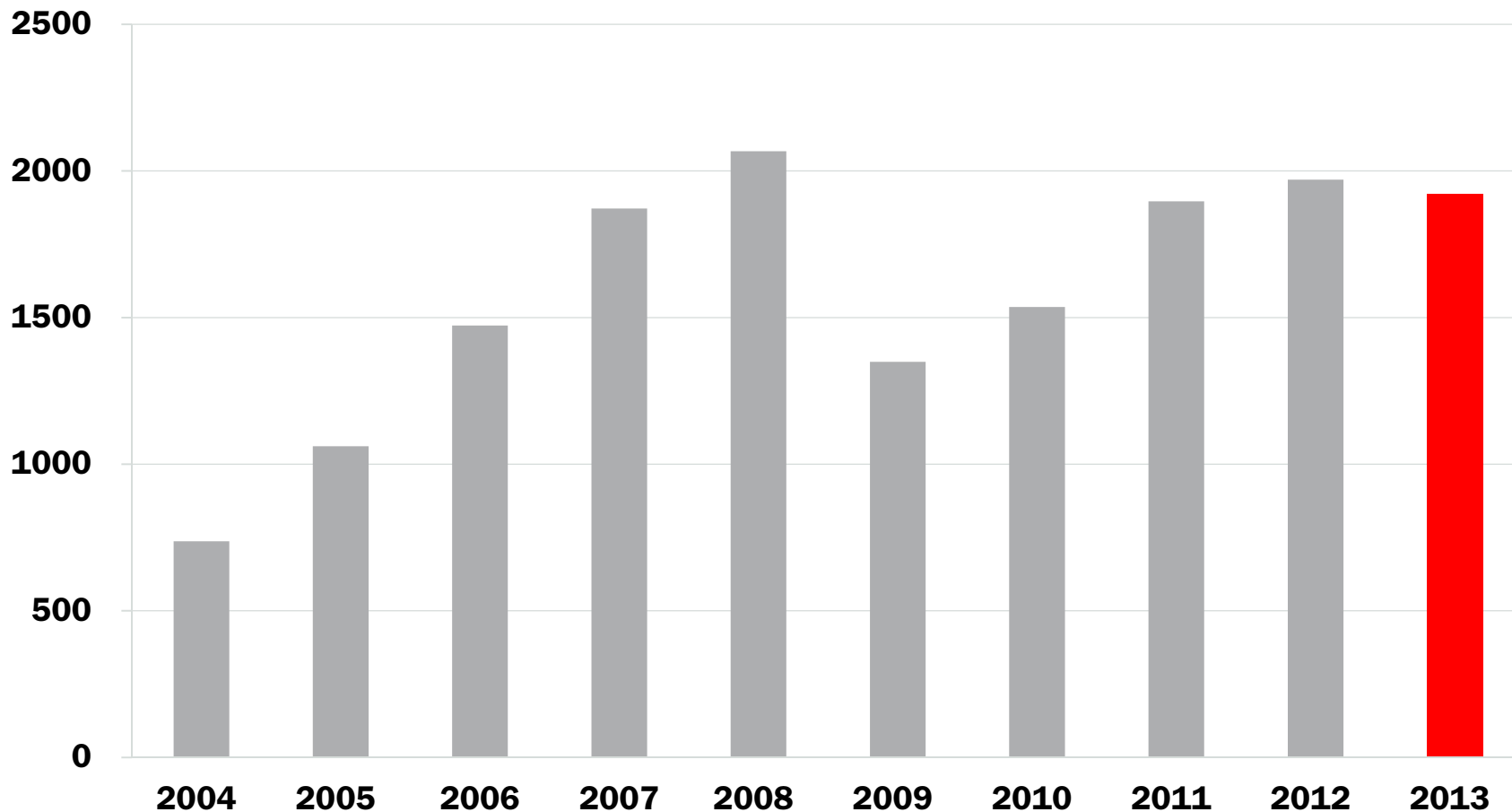
Q4 EBIT: 42.8 (42.2) MEUR, +1.4% | MARGIN: 7.4% (7.0%), excluding restructuring costs



GROUP ORDERS RECEIVED

2013 Orders: 1,920.8 (1,970.1) MEUR, -2.5%*

MEUR

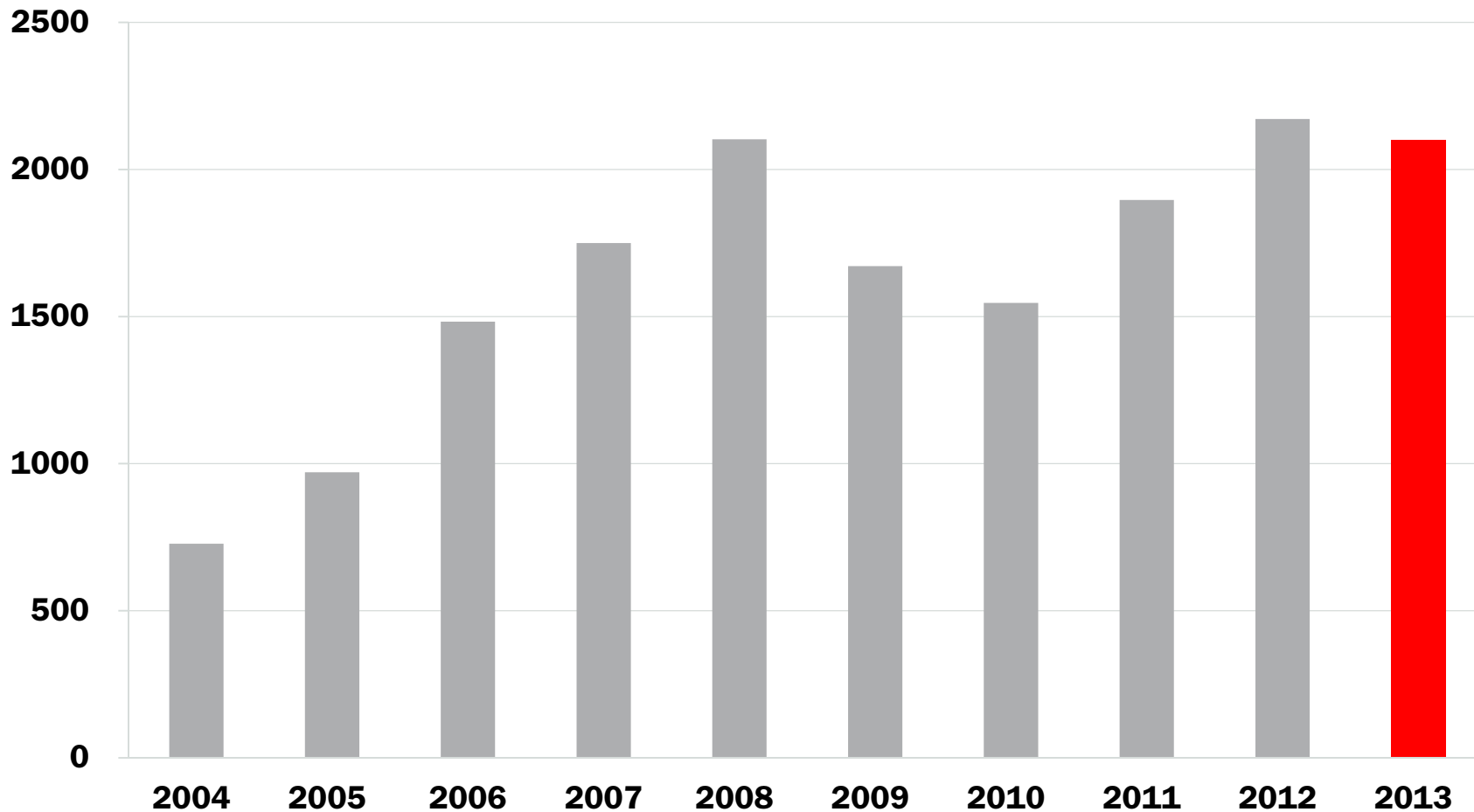


*-0.1% at comparable currencies

GROUP NET SALES

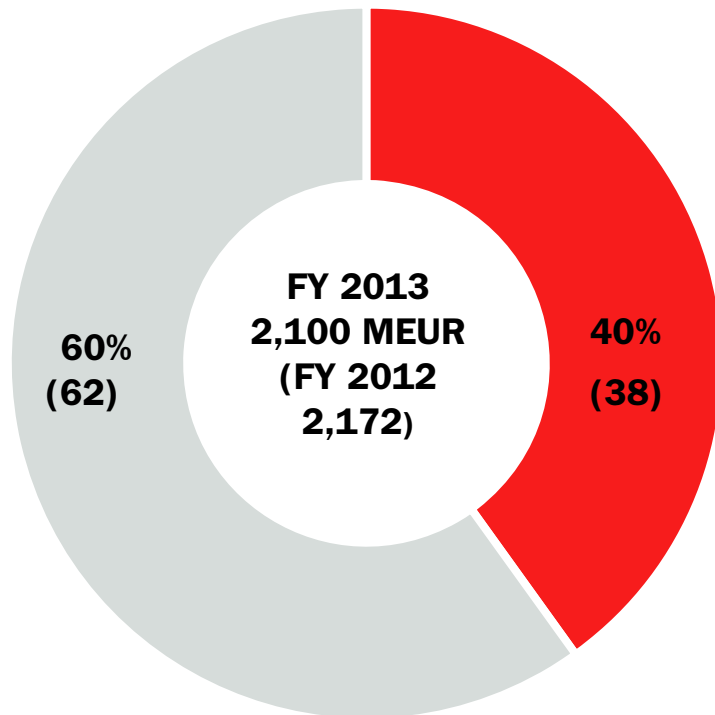
2013 Net sales: 2,099.6 (2,171.5) MEUR, -3.3%*

MEUR

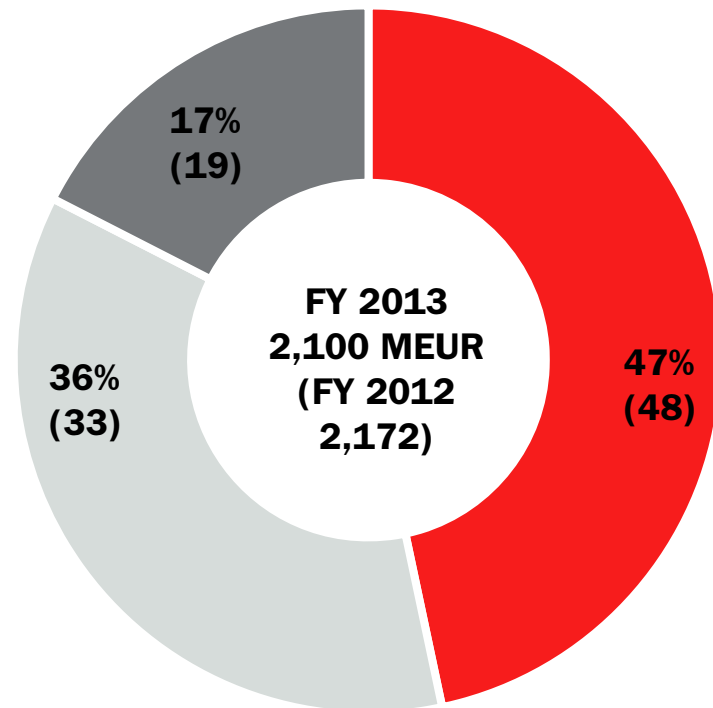


*-1.0% at comparable currencies

SALES SPLIT BY BUSINESS AREA & REGION



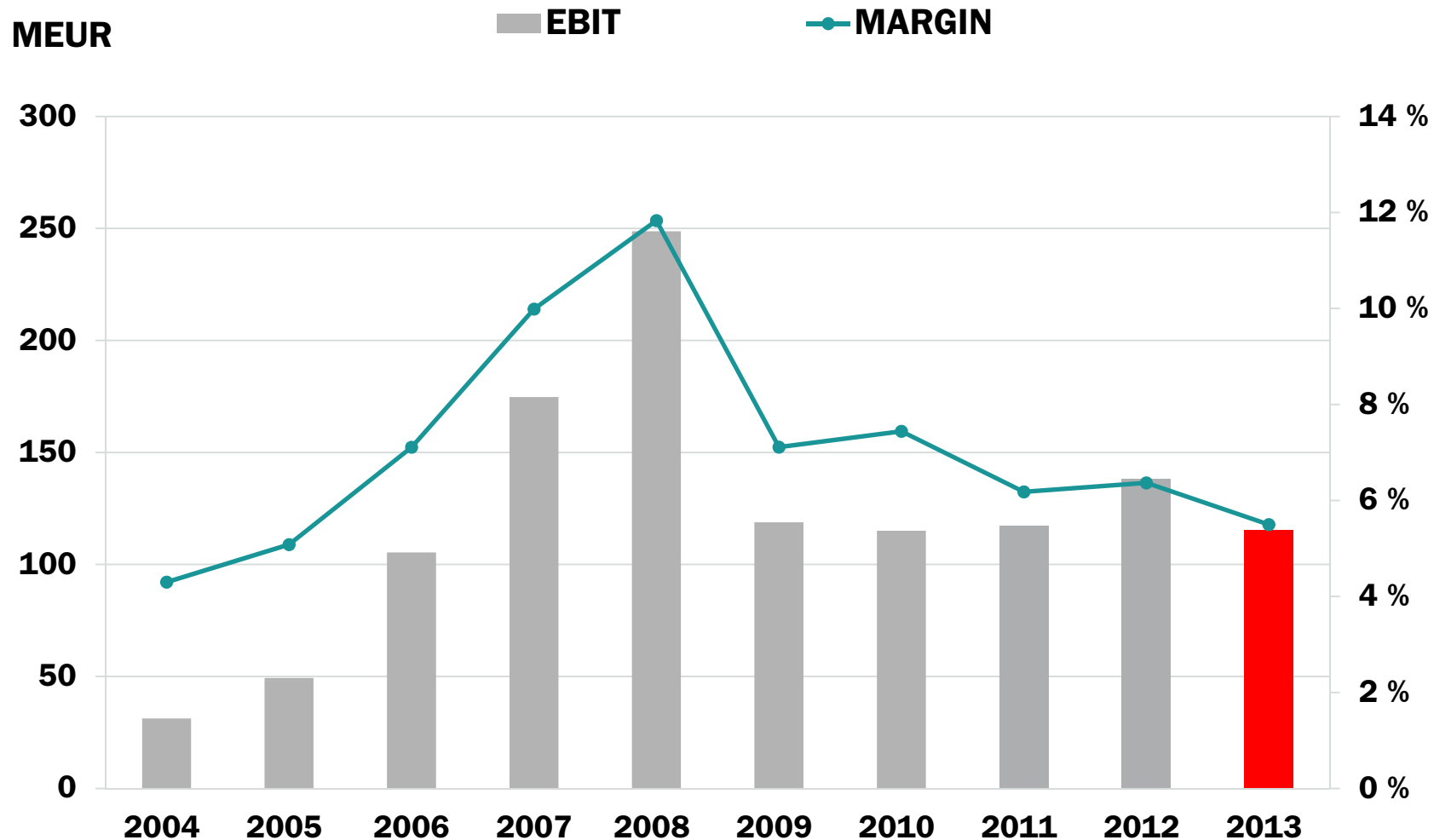
■ SERVICE ■ EQUIPMENT



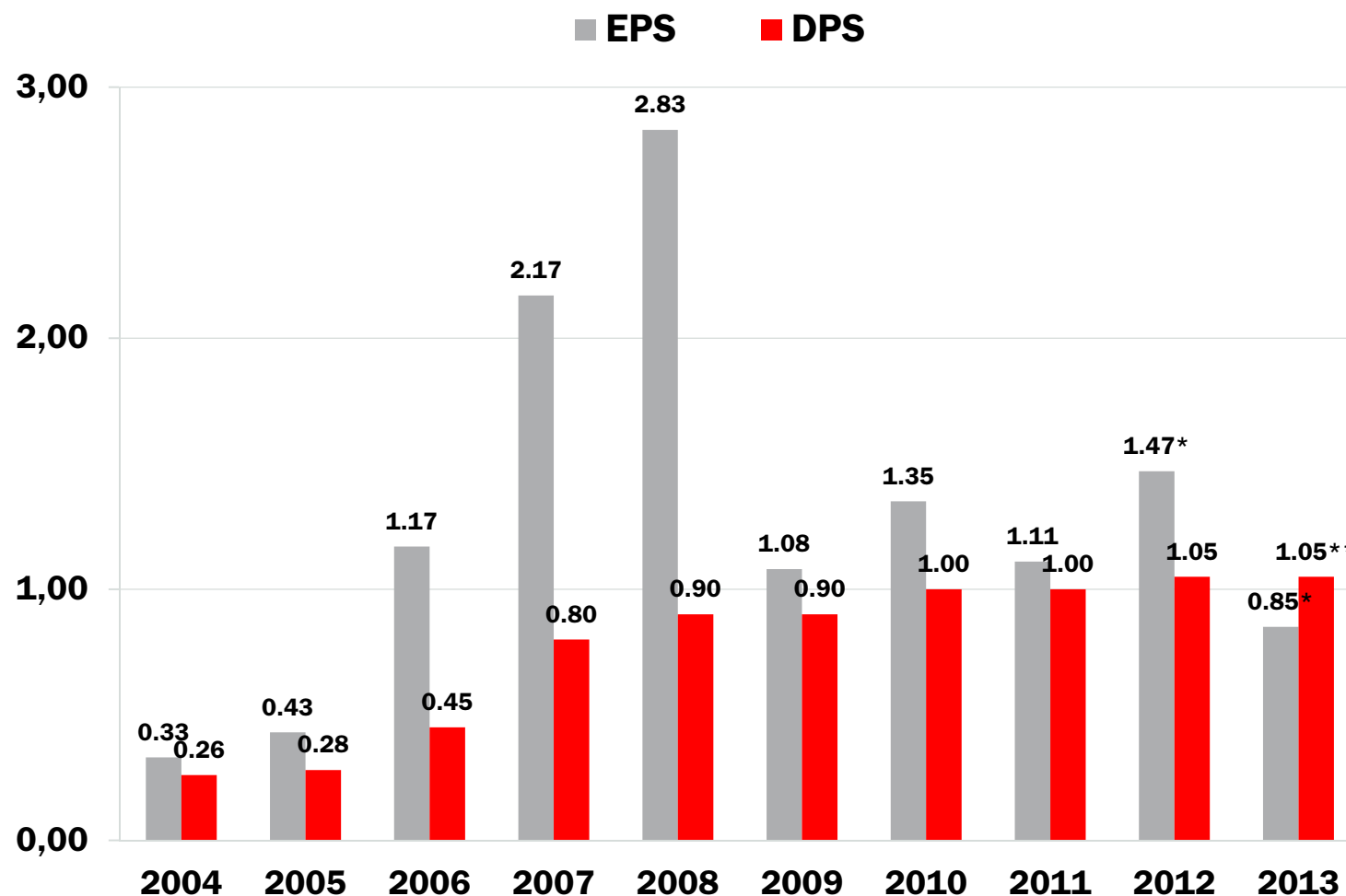
■ EMEA ■ AME ■ APAC

GROUP EBIT & MARGIN

2013 EBIT: 115.5 (138.3) MEUR, -16.5% | MARGIN: 5.5% (6.4%), excluding restructuring costs



EPS AND DPS



*Approx. EUR1.54 in 2012 and EUR1.20 in 2013 excluding restructuring costs

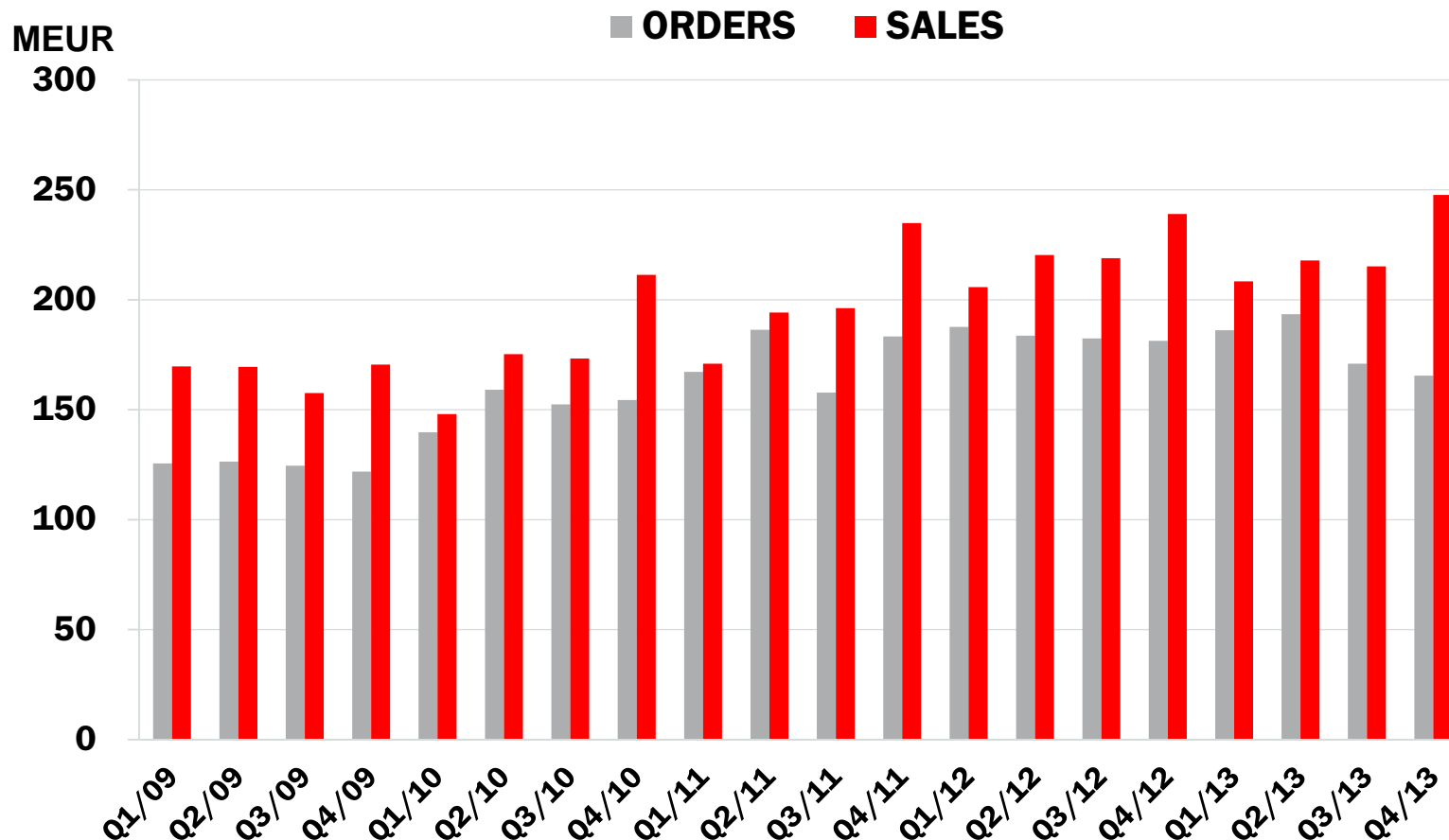
**Board's proposal to the AGM

SERVICE



SERVICE ORDERS AND NET SALES

Q4 Orders: 165.5 (181.3) MEUR -8.7%* | Sales: 247.6 (239.0) MEUR +3.6%**

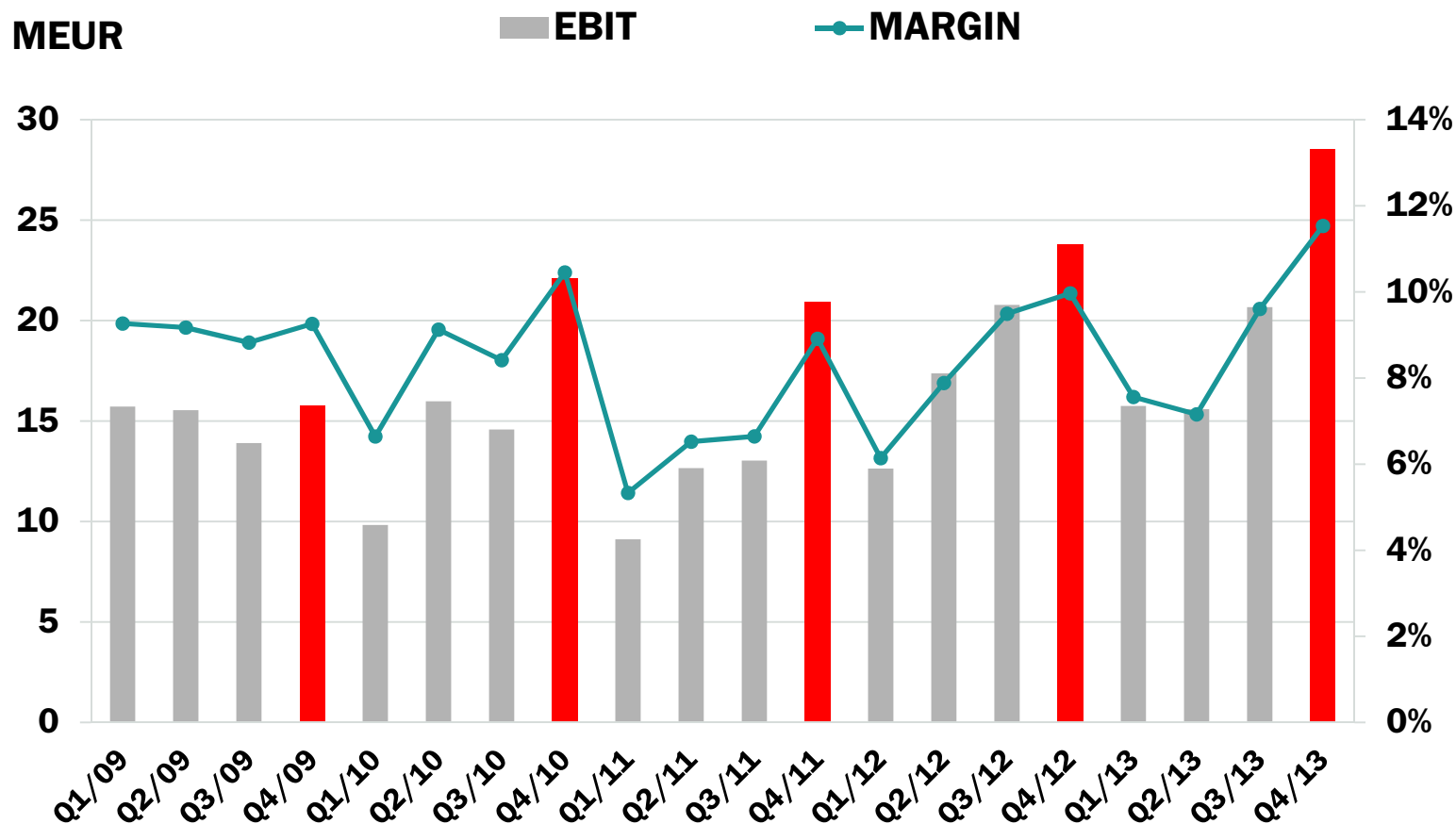


- Orders were lower than a year ago in all regions
- Order intake increased in Parts, but decreased in Crane Service

*-4.2% at comparable currencies, **+8.7% at comparable currencies

SERVICE EBIT & MARGIN

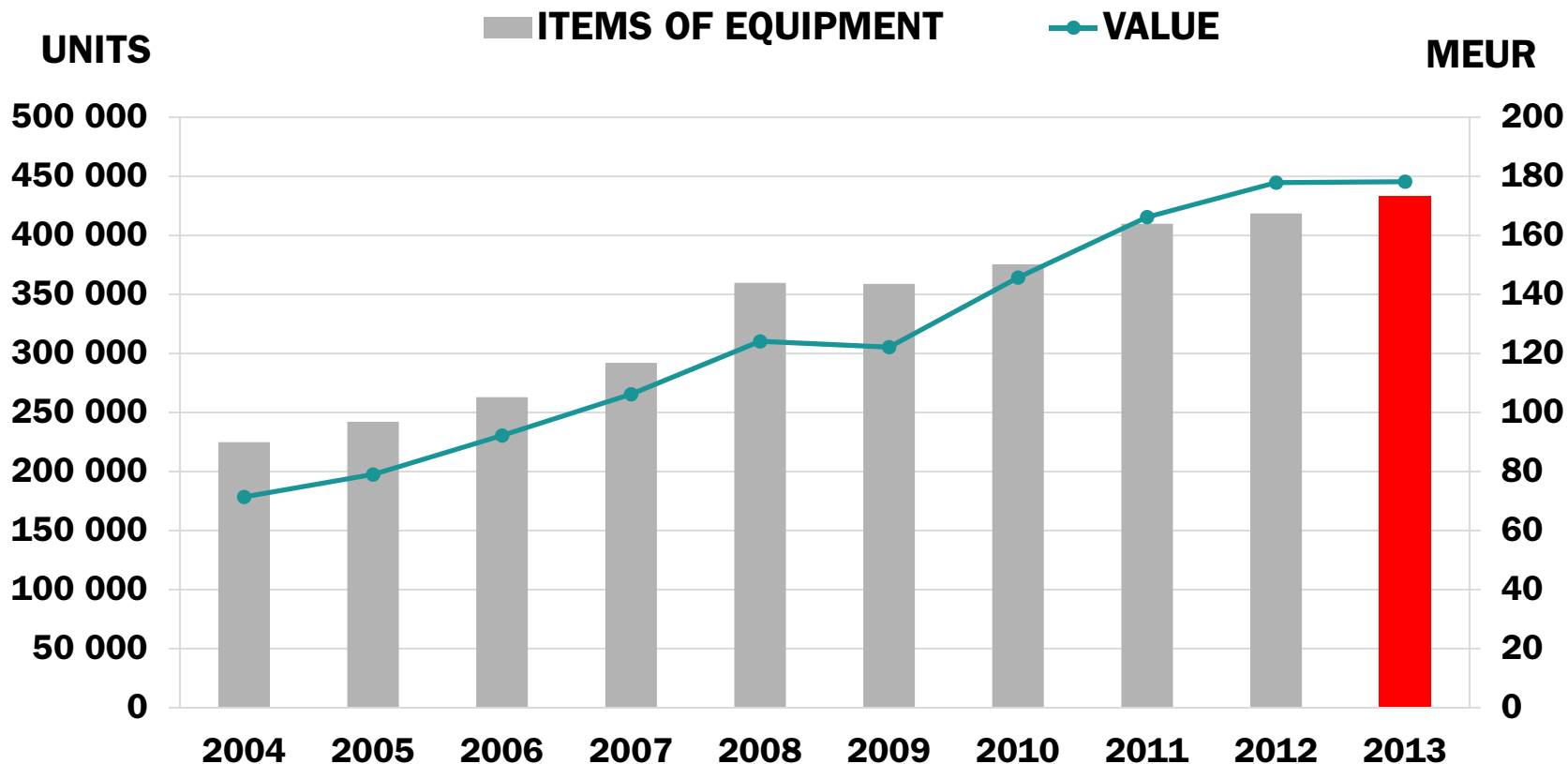
Q4 EBIT: 28.6 (23.8) MEUR, +19.9% | MARGIN: 11.5% (10.0%), excluding restructuring costs



- EBIT improved due to the higher volume and the restructuring actions executed in 2013

SERVICE CONTRACT BASE

Q4 CB: 434 (419) thousand units, +3.6% | Annual value 178 (178) MEUR, +0.0% Y/Y

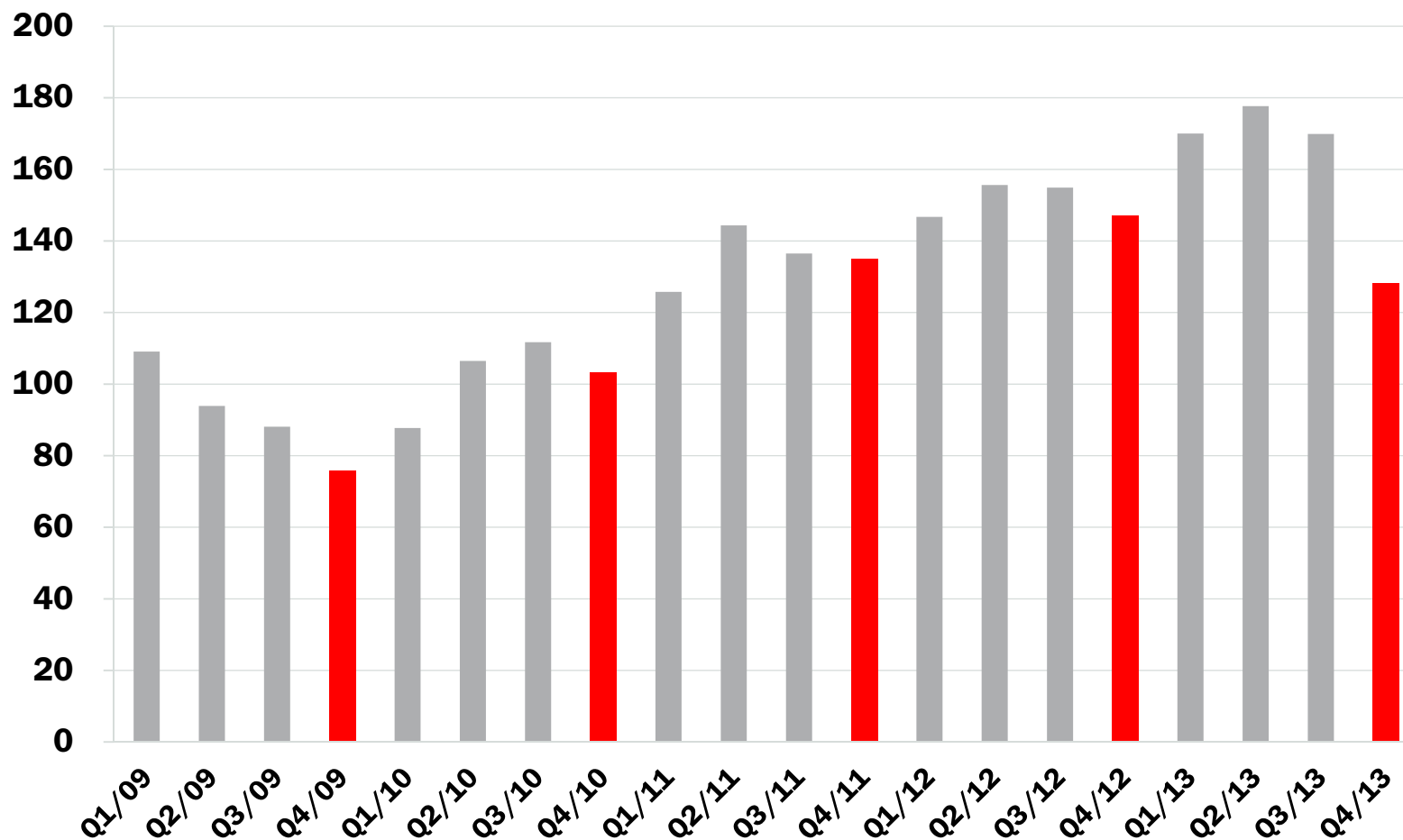


- Currencies affected the annual contract base value by approximately 5% Y/Y

SERVICE ORDER BOOK

Q4 Order book: **128.1 (147.2) MEUR, -12.9%**

MEUR



A large yellow crane is lifting a yellow rectangular object, possibly a container or a piece of equipment, on the deck of a ship. Several workers in orange and red uniforms and white hard hats are standing in the foreground, looking towards the crane. The ship's hull is blue, and the sky is overcast. A red banner is overlaid on the top right of the image.

EQUIPMENT

EQUIPMENT ORDERS AND NET SALES

Q4 Orders: 280.3 (269.7) MEUR, +3.9%* | Net sales: 364.9 (401.6) MEUR, -9.2%**

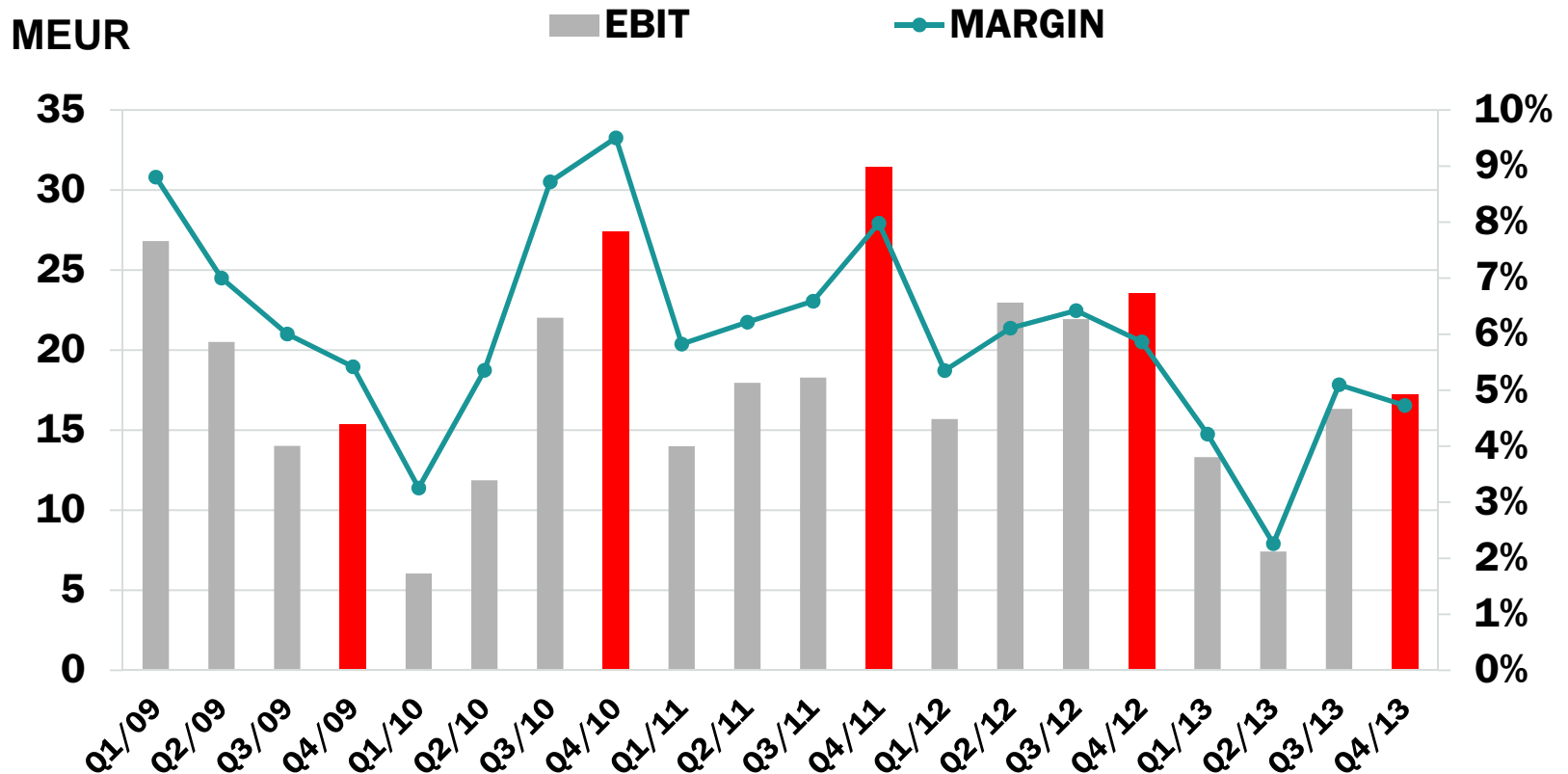


- Order intake increased in EMEA and the Americas, but fell in APAC
- Orders for industrial cranes and lift trucks grew; orders for components, light lifting systems, and port cranes fell

*+7.2% at comparable currencies, **-5.7% at comparable currencies

EQUIPMENT EBIT & MARGIN

Q4 EBIT: 17.3 (23.5) MEUR, -26.7% | MARGIN: 4.7% (5.9%), excluding restructuring costs



- EBIT margin fell due to the lower sales, adverse sales mix effects and certain extra costs related to project execution

EQUIPMENT ORDER BOOK

Q4 Order book: 765.3 (795.6) MEUR, -3.8%

MEUR

1200

1000

800

600

400

200

0

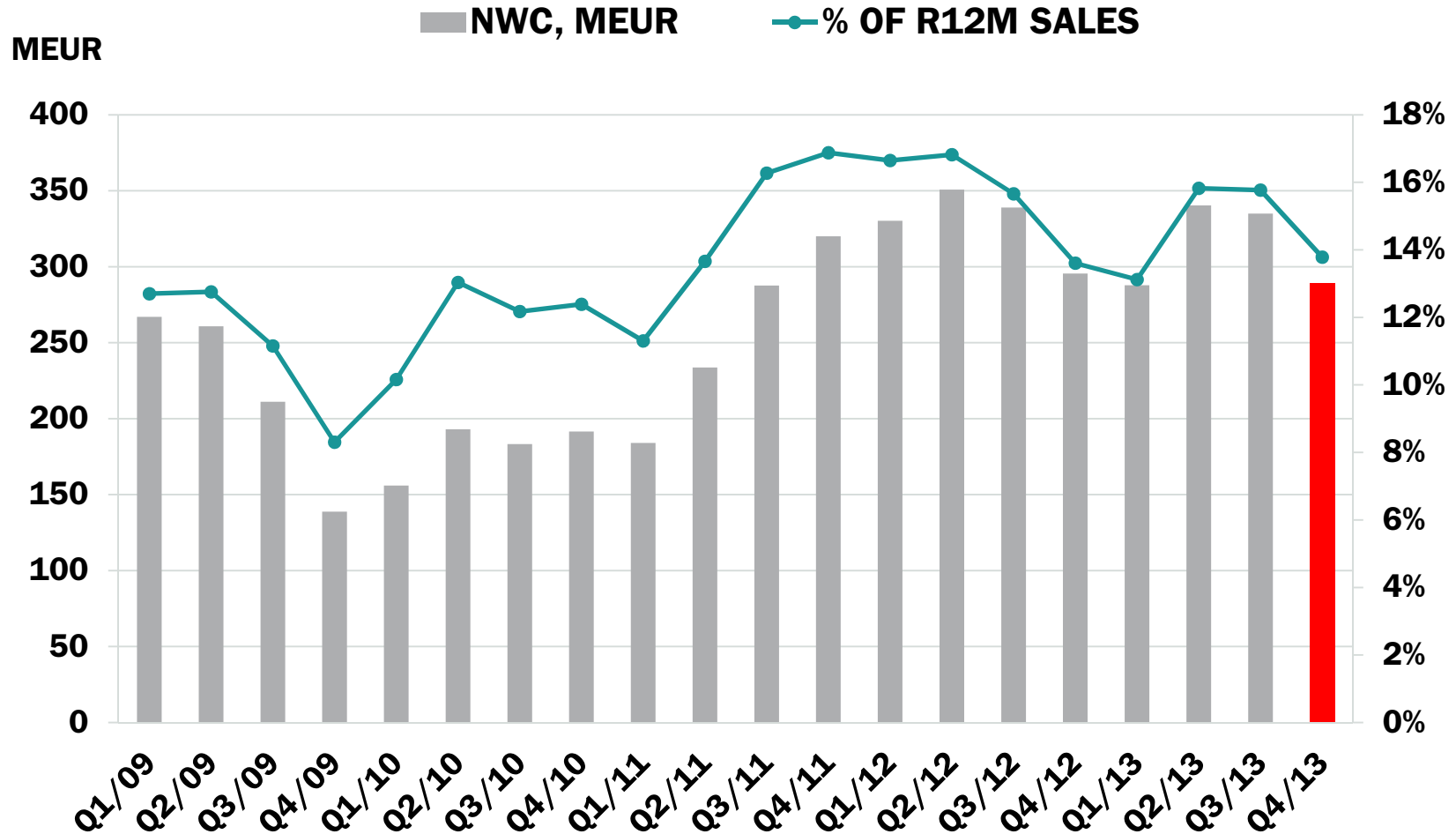
Q1/09 Q2/09 Q3/09 Q4/09 Q1/10 Q2/10 Q3/10 Q4/10 Q1/11 Q2/11 Q3/11 Q4/11 Q1/12 Q2/12 Q3/12 Q4/12 Q1/13 Q2/13 Q3/13 Q4/13



BALANCE SHEET AND CASH FLOW

NET WORKING CAPITAL

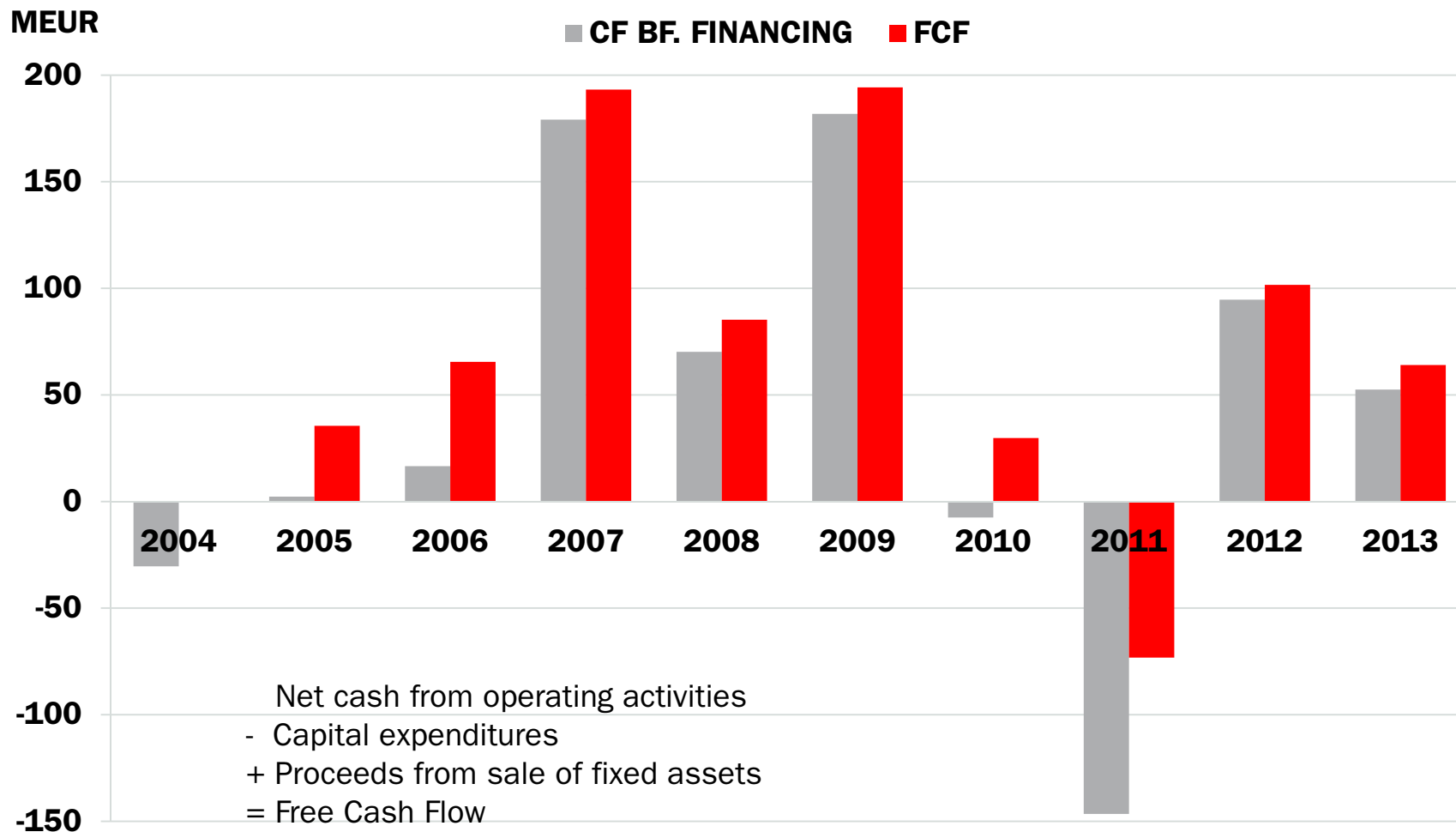
Q4 NWC: 289.4 (295.5) MEUR | 13.8% (13.6%) of R12M sales



Q1/13 excl. dividend liability of EUR 61 million, Q1/12 excl. dividend liability of EUR 57 million, Q1/11 excl. dividend liability of EUR 60 million, Q1/10 excl. dividend liability of EUR 53 million

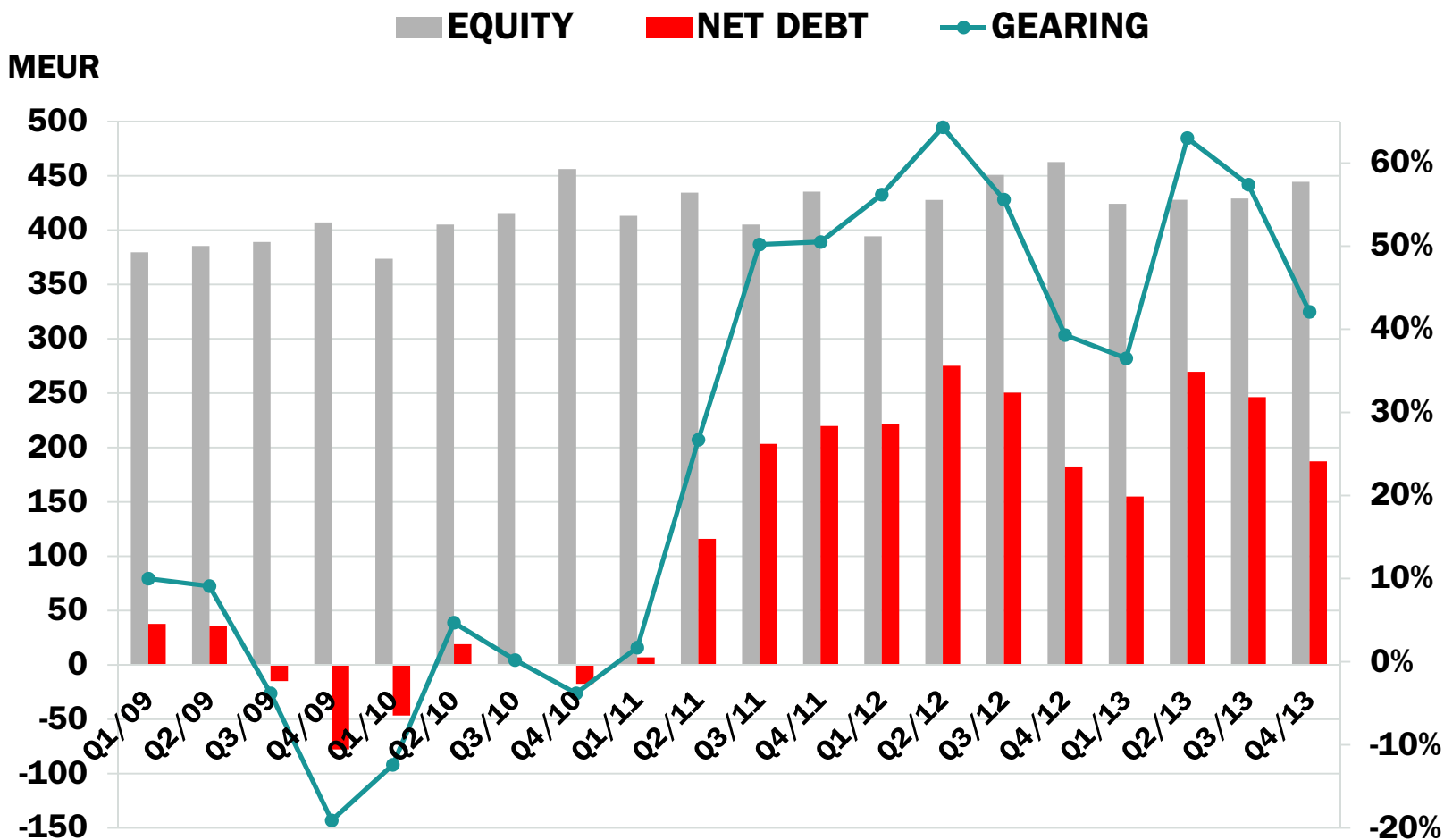
CF BEFORE FINANCING ACTIVITIES AND FCF

2013 CF BF. FINANCING: 52.5 (94.7) MEUR | FCF: 64.0 (101.6) MEUR



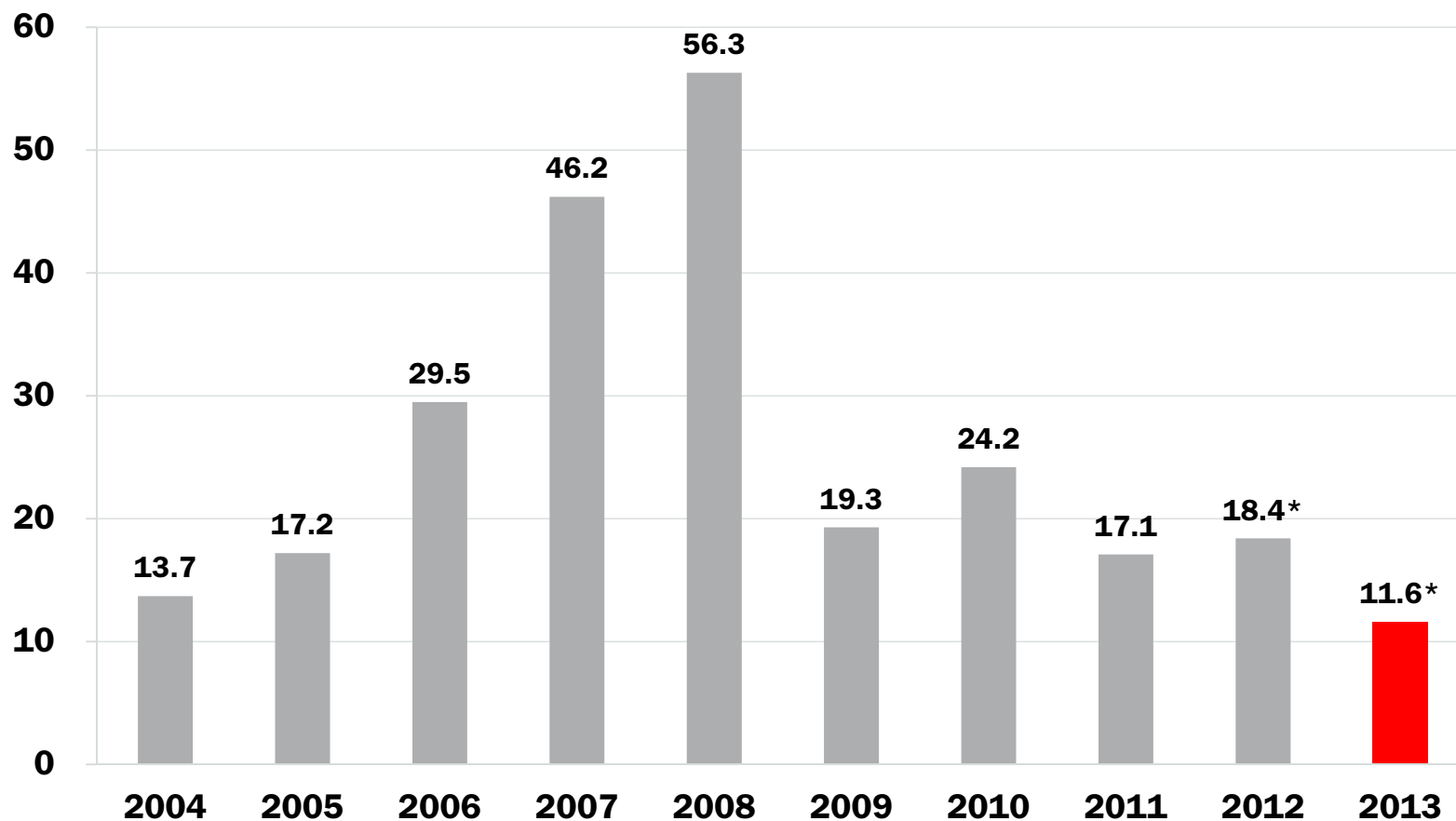
GEARING

Q4 Equity: 444.5 (462.6) MEUR | Net debt: 187.3 (181.8) MEUR | Gearing: 42.1% (39.3%)



RETURN ON CAPITAL EMPLOYED

ROCE %



* ROCE excluding restructuring costs was 19.2% in 2012 and 17.7% in 2013



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



APPENDIXES

STATEMENT OF INCOME

MEUR	2013	2012	% Change
Sales	2,099.6	2,171.5	-3.3
Other operating income	1.6	2.3	
Depreciation and impairments	-56.0	-44.4	
Other operating expenses	-1,960.6	-1,996.9	
Operating profit	84.5	132.5	-36.2
Share of associates' and joint ventures' result	3.9	3.8	
Financial income and expenses	-13.0	-12.1	
Profit before taxes	75.5	124.2	-39.2
Taxes	-26.1	-39.4	
Net profit for the period	49.4	84.8	-41.7

BALANCE SHEET

MEUR	December 31, 2013	December 31, 2012	MEUR	December 31, 2013	December 31, 2012
Non-current assets	482.7	478.2	Equity	444.5	462.6
Inventories	325.5	369.8	Non-current liabilities	231.4	303.2
Other current assets	556.3	582.6	Provisions	47.5	44.5
Cash and cash equivalents	132.2	145.3	Current liabilities	758.6	766.0
Total assets	1,482.0	1,576.3	Total equity and liabilities	1,482.0	1,576.3

CASH FLOW STATEMENT

MEUR	1-12/ 2013	1-12/ 2012
Operating income before change in net working capital	144.8	180.2
Change in net working capital	28.0	28.2
Financing items and taxes	-52.6	-49.8
Net cash from operating activities	120.2	158.6
Cash flow from investing activities	-67.8	-63.8
Cash flow before financing activities	52.5	94.7
Proceeds from options exercised and share issues	6.2	1.1
Change in interest-bearing debt	-4.7	33.2
Dividends paid to equity holders of the parent	-60.6	-57.2
Net cash used in financing activities	-59.1	-22.9
Translation differences in cash	-6.5	0.0
Change of cash and cash equivalents	-13.1	71.8
Cash and cash equivalents at beginning of period	145.3	73.5
Cash and cash equivalents at end of period	132.2	145.3
Change of cash and cash equivalents	-13.1	71.8

KEY FIGURES

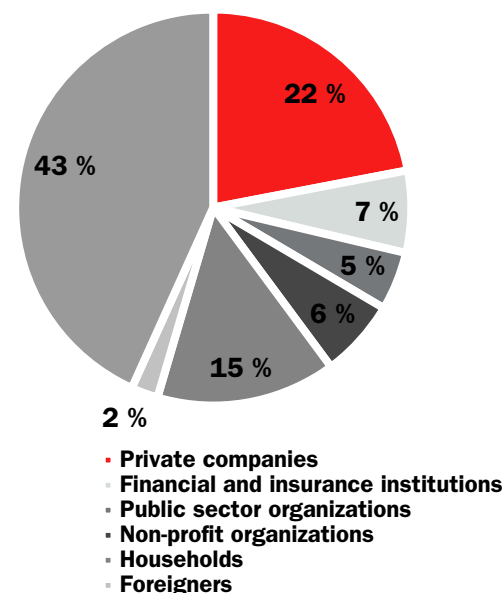
MEUR	December 31, 2013	December 31, 2012	% Change
Earnings per share, basic, EUR	0.85	1.47	-42.0
Earnings per share, diluted, EUR	0.85	1.46	-41.9
Return on capital employed %, R12M	11.6	18.4	-37.0
Return on equity %, R12M	10.9	18.8	-42.0
Equity per share, EUR	7.56	7.97	-5.1
Current ratio	1.2	1.4	
Gearing (%)	42.2	39.3	
Solidity (%)	34.0	34.0	
EBITDA, MEUR	140.5	176.8	-20.5
Investments total (excl. acquisitions), MEUR	65.7	41.7	57.7
Interest-bearing net debt, MEUR	187.3	181.8	3.0
Net working capital, MEUR	289.4	295.5	-2.1
Personnel at end of period	11,832	12,147	-2.6
Personnel on average during the period	11,987	11,917	0.6
Average number of shares outstanding, basic	57,683,620	57,227,652	0.8
Average number of shares outstanding, diluted	57,876,949	57,516,909	0.6
Number of shares outstanding	57,828,080	57,291,310	0.9

THE LARGEST SHAREHOLDERS

Largest shareholders on December 31, 2013	Number of shares	% of all shares
1 HTT KCR Holding Oy Ab	6,870,568	10.86
2 Nordea Investment Funds	2,606,741	4.12
3 Gustavson Stig, Chairman of the Board of Konecranes and family *)	2,073,927	3.28
4 Varma Mutual Pension Insurance Company	1,190,275	1.88
5 Nordea Nordenfonden	869,192	1.37
6 The State Pension Fund	840,000	1.33
7 Sigrid Jusélius Foundation	638,500	1.01
8 Fondita Funds	609,700	0.96
9 Folkhälsan Samfundet i Svenska Finland	535,600	0.85
10 Ilmarinen Mutual Pension Insurance Company	470,225	0.74
Konecranes Plc's treasury shares	5,444,262	8.64
Nominee registered shares	27,372,961	43.26
Other shareholders	13,750,391	21.73
Total number of shares	63,272,342	100.00

*) Konecranes Plc has on December 28, 2011 received information according to which the Chairman of the company's Board of Directors Stig Gustavson has donated all of his shares in Konecranes Plc to his near relatives retaining himself for life the voting rights and right to dividend attached to the donated shares. The donation encompasses in total 2,069,778 shares which corresponds to approximately 3.27 percent of all of the company's shares and voting rights.

Market cap EUR 1,495 million excluding treasury shares



Trading information

- Listing: NASDAX OMX Helsinki
- Date of listing: March 27, 1996
- Segment: Large Cap
- Sector: Industrials
- Trading code: KCR1V
- 1-12/13 average daily trading volume 206,413 shares, EUR 5.2 million



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