INDUSTRIAL CRANES
COMPONENTS
NUCLEAR CRANES
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LIFTTRUCKS
CRANE SERVICE
MACHINE TOOL SERVICE
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MODERNIZATIONS
PARTS

KONECRANES®
Lifting Businesses™

Q4

Good result on lower sales in 2010, demand improving

Financial Statements Bulletin 2010

Good result on lower sales in 2010, demand improving

Figures in brackets, unless otherwise stated, refer to the same period a year earlier.

FOURTH QUARTER HIGHLIGHTS

- Order intake EUR 477.7 million (361.1), increase of 32.3 percent: Service +26.7 percent and Equipment +33.2 percent.
- Order book EUR 756.2 million (607.0) at year-end, +24.6 percent compared with a year before.
- Sales EUR 469.4 million (428.9), +9.5 percent: Service +24.0 percent and Equipment +1.6 percent.
- Operating profit EUR 45.8 million (22.2), 9.8 percent of sales (5.2). Comparison period included restructuring costs of EUR 5.1 million.
- Earnings per share (diluted) EUR 0.55 (0.23).
- Net cash flow from operating activities EUR 31.2 million (89.9).
- Net cash EUR 17.4 million (77.7) and gearing of -3.8 percent (-19.1).

FULL YEAR 2010 HIGHLIGHTS

- Orders received EUR 1,536.0 million (1,348.9), +13.9 percent: Service +21.5 percent and Equipment +7.5 percent.
- Sales EUR 1,546.3 million (1,671.3), -7.5 percent: Service +6.1 percent and Equipment -14.9 percent.
- Operating profit before restructuring costs EUR 115.1 million (118.8), 7.4 percent (7.1) of sales.
- Restructuring costs EUR 2.7 million (20.9).
- Operating profit, including restructuring costs, EUR 112.4 million (97.9), 7.3 percent of sales (5.9).
- Earnings per share (diluted) EUR 1.34 (1.08).
- Net cash flow from operating activities EUR 57.4 million (223.0).
- Dividend proposed by Board of Directors is EUR 1.00 (0.90) per share.

MARKET OUTLOOK

The demand for maintenance services is expected to be above last year's level due to higher capacity utilization within customer industries. The demand for new equipment is expected to continue to grow in Asia-Pacific and in emerging markets in general. Also, customers in Western Europe and North America are gradually gaining confidence to increase their new equipment investments.

FINANCIAL GUIDANCE

We forecast year 2011 sales and operating profit to be higher than in 2010.

Key figures

	Fourth quarter			January - December		
	10-12/ 2010	**10-12/ 2009**	**Change %**	**1-12/ 2010**	**1-12/ 2009**	**Change %**
Orders received, MEUR	477.7	361.1	32.3	1,536.0	1,348.9	13.9
Order book at end of period, MEUR	756.2	607.0	24.6	756.2	607.0	24.6
Sales total, MEUR	469.4	428.9	9.5	1546.3	1,671.3	-7.5
Operating profit excluding restructuring costs, MEUR	45.8	27.3	68.0	115.1	118.8	-3.2
Operating margin excluding restructuring costs, %	9.8 %	6.4 %		7.4 %	7.1 %	
Operating profit including restructuring costs, MEUR	45.8	22.2	106.9	112.4	97.9	14.8
Operating margin including restructuring costs, %	9.8 %	5.2 %		7.3 %	5.9 %	
Profit before taxes, MEUR	45.4	18.6	144.6	111.3	88.6	25.7
Net profit for the period, MEUR	31.9	13.4	139.1	78.2	62.5	25.1
Earnings per share, basic, EUR	0.55	0.23	135.5	1.35	1.08	24.8
Earnings per share, diluted, EUR	0.55	0.23	134.8	1.34	1.08	24.4
Gearing, %				-3.8 %	-19.1 %	
Return on capital employed %, Rolling 12 Months (R12M)				24.2 %	19.3 %	
Average number of personnel during the period				9,739	9,811	

President and CEO Pekka Lundmark:

"The market conditions affecting our industry took a positive turn in the second half of 2010, after some 1.5 years of very low demand among our most important customer segments. This improvement was driven by gradually improving capacity utilization rates in our key markets. The recovery remained fragile, however, as many customers continued to be cautious in taking decisions on new equipment investments. Excellent fourth-quarter orders boosted our total equipment orders for the year above those booked in 2009. The demand for services was throughout the year stronger than in 2009, and also the future potential in this area looks promising. Most geographical markets recovered well, especially emerging markets and North America. The weak point continued to be equipment demand in the large markets of Western Europe.

We have every reason to be satisfied with our financial result in 2010. Our operating margin, before restructuring costs, actually increased from 7.1 percent to 7.4 percent, which is an achievement that our team should be particularly proud of in a year of declining sales. Our variable costs (in-house manufacturing and material procurement) developed well and helped us even slightly increase our sales margin, despite the price erosion that took place in smaller and more standard equipment.

We are planning to increase our development spending in 2011. One of the most important pieces of our strategy going forward will be to increase our technology development to further improve our ability to enhance our customers' productivity. We have several important new products and services in the pipeline, some of which will hit the market already this year. Some of the key development themes are safety, eco-efficiency, automation, maintenance and control systems, and software in general.

I would also like to highlight the investments we are making in increasing our internal efficiency. Beginning with field service, we will gradually renew all our key information systems, with the aim to get a full real-time visibility to our business, and yielding another leap in productivity. We are not changing all our systems in one 'big bang', however, rather on a gradual basis, through a multi-year program."

Report of the Board of Directors 2010

Changes in reporting method

Konecranes changed its structure from the beginning of 2010 so that Business Areas Standard Lifting and Heavy Lifting were merged into one Business Area: Equipment. External segment reporting was also changed to match with the operational structure of the group. From 2010, Konecranes reports on two segments, Service and Equipment. While the number of segments was reduced from three to two, Konecranes discloses more information than before about the segments on a quarterly basis. The new information includes EBITDA, depreciation and impairments, capital employed, ROCE and capital expenditure.

To further improve the transparency of segment profitability, the allocation of Group costs into the business areas has been redefined. Previously, centralized Market Operations, procurement, R&D and IT costs were reported as unallocated Group costs. From 2010 these costs are allocated to the business areas. The reporting of centralized legal, marketing & communications, finance, HR and general management costs remains unchanged and these will continue to be shown as unallocated Group costs. Additionally, the reporting of elimination of internal margins (consolidation items) in inventories has changed as a result of fewer segments and internal margins within the business areas being incorporated in the operating profit of the respective business area.

Konecranes published the 2009 comparison figures related to the segment reporting change in a stock exchange release on February 24, 2010.

In addition, unrealized exchange rate differences relating to the hedging of trade receivables and payables that are not included in IFRS hedge accounting have been reported as part of net sales and cost of goods sold above the operating profit from 2010. Previously, these items were reported in financial income and expenses. It is not possible to recalculate accurately the impact of this change on 2009 numbers as a result of which restating of the 2009 numbers has not been done for this change. However, it is estimated that the change would only have a minor impact on the segment operating profits in 2009. There would not be any change in profit before taxes in 2009.

From year-end 2010, Business Area Service and Equipment order book consists of external orders only. This reporting change discontinues the need for the elimination of the internal order book. The historical figures have not been restated. The elimination of the internal order book has historically been less than EUR 20 million. This reporting change has no impact on the Group order book.

Market review

The turnaround in the global economy that started in the autumn of 2009 continued in 2010. Driven by accommodative monetary policies and low interest rates, global macroeconomic indicators improved across the board and even exceeded expectations in many cases. Growth rates in emerging markets continued to exceed those in developed countries.

Economic news in Europe was dominated by concerns about the economies of various European countries, and several countries announced austerity measures to reduce their budget deficits. Despite increased turbulence in the financial markets, macroeconomic indicators remained generally positive, however. Export-led economies, such as Germany and Sweden, showed the strongest level of recovery.

US economic news was dominated by double-dip fears linked to low construction activity, high unemployment and general deleveraging. Macroeconomic indicators pointed to a slow recovery in the overall economy.

As in the previous years, the Chinese economy drove global growth. The Indian economy continued to gain importance globally.

Industrial capacity utilization improved in both Europe and the US, but was still low by historical standards. Purchasing manager indexes were buoyant worldwide, pointing to an expansion in economic activity, although this was tempered towards the end of the year.

Demand for new equipment continued to suffer from overcapacity across most customer segments, particularly in the first half of the year. Demand for industrial cranes was held back by a lack of major industrial investments, while that for components was boosted by broader use and replacement of old equipment. New inquiries from the power generation, waste-to-energy and paper & pulp sectors increased whereas those from general manufacturing and the steel industry stayed flat.

The stronger-than-expected turnaround in the global economy was particularly visible in container traffic. Global container volumes increased by 13 percent, reaching the previous peak level of 2008, and this was reflected in greater demand for lift trucks and reach stackers. After a quiet start to the year, the increase in shipping volumes resulted in a higher level of project activity with container ports towards the end of the year.

Intense price competition continued due to overcapacity in the crane manufacturing industry.

Demand for lifting equipment services improved due to higher capacity utilization in Konecranes' customer industries. Customers have also continued to show a growing interest in outsourcing their maintenance needs. New types of services utilizing the latest IT and measurement technologies have proved increasingly attractive.

Steel and sea freight prices increased during the first half, but leveled off in the third quarter. Copper prices were high and rose further towards the end of the year. The US dollar appreciated against the euro during the first half. While this development was reversed in the third quarter, the dollar again strengthened against the euro during the fourth quarter.

Note: Unless otherwise stated, the figures in brackets in the sections below refer to the same period in the previous year.

Orders received

In 2010, orders received rose by 13.9 percent to EUR 1,536.0 million (1,348.9). Orders received rose in Service by 21.5 percent and in Equipment by 7.5 percent. Orders received rose in the Americas and Asia-Pacific, but decreased in Europe-Middle East-Africa due to lower Equipment orders in the region.

In January-December, orders from emerging markets accounted for approximately 40 percent of total orders compared with more than 30 percent in 2009. Acquisitions contributed about 3 percent to orders received in January-December.

The fourth quarter order intake increased by 32.3 percent from a year earlier and by 27.9 percent from the third quarter to EUR 477.7 million (361.1). Order intake increased in Service by 26.7 and in Equipment by 33.2 percent. Orders received rose in all geographic areas. Order growth was strongest in Asia-Pacific, followed by the Americas.

Order book

The value of the order book at year-end 2010 totaled EUR 756.2 million (607.0), which is 24.6 percent higher than at end 2009. The order book increased by 11.3 percent from the third quarter when it stood at EUR 679.7 million. Service accounted for EUR 103.3 million (14 percent) and Equipment for EUR 652.9 million (86 percent) of the total end-December order book.

Sales

Group sales in full year 2010 decreased by 7.5 percent and totaled EUR 1,546.3 million (1,671.3). Sales in Service increased by 6.1 percent, but decreased by 14.9 percent in Equipment as a result of lower order book at the start of the year. Acquisitions contributed about 2 percent to sales in January-December.

Fourth-quarter sales rose by 9.5 percent from the corresponding period in 2009 to EUR 469.4 million (428.9). Sales increased in Service by 24.0 percent and in Equipment by 1.6 percent.

In 2010, the regional breakdown was as follows: EMEA 53 (56), Americas 30 (29) and APAC 16 (16) percent.

Net sales by region, MEUR

	10-12/ 2010	10-12/ 2009	Change percent	1-12/ 2010	1-12/ 2009	Change percent	Change % at comparable currency rates
EMEA	258.3	244.2	5.8	823.2	928.0	-11.3	-13.4
AME	135.8	113.7	19.5	468.2	479.5	-2.4	-8.1
APAC	75.3	71.1	6.0	254.8	263.8	-3.4	-11.6
Total	**469.4**	**428.9**	**9.5**	**1,546.3**	**1,671.3**	**-7.5**	**-11.5**

Currency rate effect

In a year-on-year comparison, the currency rates had a positive effect on orders and sales in January-December. The reported order intake rose by 13.9 percent and by 9.1 percent at comparable currency rates. Reported sales declined by 7.5 percent and by 11.5 percent at comparable currency rates. In the fourth quarter, the reported order intake grew by 32.3 percent whereas the growth at comparable currencies was 25.5 percent. The reported sales increased by 9.5 percent and by 3.3 percent at comparable currencies.

In Service, the reported January-December order intake growth of 21.5 percent exceeded the growth of 15.1 percent at comparable currencies. In Equipment, reported orders grew by 7.5 percent and by 3.8 percent at comparable currencies. In the fourth quarter, Service orders grew by 26.7 in reported terms and by 18.5 percent at comparable currencies. In Equipment, the corresponding figures were 33.2 percent and 27.4 percent.

In 2010 and in the fourth quarter, the currency rates had an insignificant impact on the Group's operating margin compared with the same period a year earlier.

Financial result

The consolidated operating profit in full year 2010 totaled EUR 112.4 million (97.9), increasing in total by EUR 14.5 million. The operating profit includes restructuring costs of EUR 2.7 million (20.9) booked in the second quarter due to the announced closure of the assembly plant in Windsor, WI, USA. The consolidated operating margin rose to 7.3 percent (5.9). The operating margin improved in Service to 8.8 percent (8.7) and in Equipment to 6.8 percent (5.2). Procurement cost savings and adjustment of production capacity more than offset the product price pressure.

The consolidated operating profit in the fourth quarter totaled EUR 45.8 million (22.2). The comparison period included restructuring costs of EUR 5.1 million. The consolidated operating margin in the fourth quarter rose to 9.8 percent (5.2). The operating margin improved in Service to 10.5 percent (8.4) and in Equipment to 9.5 percent (4.1). Profitability improved on higher volume, successful execution and procurement cost savings.

In 2010, depreciation and impairments totaled EUR 31.1 million (32.5).

In 2010, the share of the result of associated companies and joint ventures was EUR 2.5 million (–2.2).

Net financial expenses in January-December totaled EUR 3.6 million (7.1). Net interest expenses accounted for EUR 1.3 million (2.2) of this.

The January-December profit before taxes was EUR 111.3 million (88.6).

Income taxes in January-December were EUR 33.1 million (26.1). The Group's effective tax rate was 29.8 percent (29.5).

The January-December net profit was EUR 78.2 million (62.5).

In 2010, basic earnings per share were EUR 1.35 (1.08) and diluted earnings per share were EUR 1.34 (1.08).

In 2010, return on capital employed was 24.2 percent (19.3) and return on equity 18.1 percent (15.5).

Balance sheet

The year-end 2010 consolidated balance sheet amounted to EUR 1,175.5 million (1,060.4). Total equity at the end of the report period was EUR 456.2 million (407.1). Total equity attributable to equity holders of the parent company at year-end 2010 was EUR 450.5 million (402.5) or EUR 7.64 per share (6.84).

Net working capital at year-end 2010 totaled EUR 191.6 million, which was EUR 8.2 million more than at the end of the third quarter and EUR 52.8 million more than at year-end 2009. Advance payments received stayed at the previous year's level whereas work in progress and accounts receivable increased.

Cash flow and financing

Net cash from operating activities in full year 2010 was EUR 57.4 million (223.0), representing EUR 0.97 per share (3.79). In the fourth quarter, net cash flow from operating activities was EUR 31.2 million (89.9). Cash flow before financing activities was EUR -7.5 million (181.8). Cash flow before financing activities in the fourth quarter was EUR 21.0 million (71.5).

Interest-bearing net debt was EUR -17.4 million (-77.7) at the end of 2010. Solidity was 44.7 percent (45.1) and gearing -3.8 percent (-19.1).

The Group's liquidity remained healthy. At the end of the fourth quarter, cash and cash equivalents amounted to EUR 98.5 million (137.5).

Konecranes signed a new EUR 200 million five-year Revolving Credit Facility with its core relationship banks in December. The loan will be used for general corporate purposes and it replaced the three-year EUR 200 million facility signed in April 2009. Early refinancing enabled taking advantage of the favorable market conditions and prolonging the maturity. None of the Group's EUR 200 million committed back-up financing facility was in use at the end of the period.

Konecranes paid its shareholders dividends amounting to EUR 53.0 million or EUR 0.90 per share in April 2010.

Capital expenditure

In 2010, capital expenditure excluding acquisitions and investments in associated companies amounted to EUR 22.3 million (25.7). This consisted mainly of replacement or capacity expansion investments in machines, equipment and information technology. Capital expenditure including acquisitions was EUR 68.8 million (55.8).

Fourth quarter capital expenditure excluding acquisitions was EUR 11.0 million (11.8) and including acquisitions EUR 22.4 million (30.7).

Acquisitions

In 2010, capital expenditure on acquisitions and investments in associated companies was EUR 46.5 million (30.1). During January-December, Konecranes made nine small acquisitions, six of which related to the Machine Tool Service (MTS) business in Denmark, in the UK and in the USA. Konecranes also acquired service companies in Morocco and in France. The net assets of the acquired companies were recorded at EUR 9.9 million and goodwill of EUR 9.6 million was booked from the acquisitions.

Konecranes and the Japanese hoist, crane and material handling equipment company Kito Corporation ("Kito") entered into a strategic alliance. The alliance agreement was signed by representatives of the two companies on March 23, 2010. To fully utilize the global market potential and mutually complement each other, Konecranes will sell Kito manual products while Kito will sell wire rope hoists made by Konecranes.

To reinforce the strategic alliance, Konecranes purchased 29,750 shares (22.0 percent of the share capital and voting rights) in Kito on March 24, 2010. The total value of the stake purchased amounted to approximately JPY 3.3 billion (EUR 27 million). Furthermore, Kito repurchased 10.0 percent of the share capital on March 24, 2010. Post the share purchase by Konecranes and the Kito share buyback, Konecranes has approximately 24.4 percent of the voting rights in Kito.

The shareholding has been included in investments accounted for using the equity method in the balance sheet on March 31. Kito has been included in Konecranes' statement of income as an associated company during the third quarter.

As a part of the strategic alliance, Konecranes sold the assets relating to the hoist distribution business of the Japanese subsidiary MHS Konecranes to Kito on November 1, 2010.

On October 11, 2010, Konecranes announced that it has entered into an agreement to acquire the Indian crane company WMI Cranes Ltd. ("WMI"). The company is one of the leading manufacturers of heavy-duty cranes in India. For the year ending March 31, 2010, WMI's net sales amounted to approximately EUR 30 million. The company has an order book of more than EUR 50 million and its order intake prospects are good. WMI employs approximately 350 people and an additionally contracted workforce of about 600 persons.

Konecranes will acquire WMI's shares in two phases. In the first phase Konecranes will acquire 51 percent of the shares for INR 1,690 million (EUR 28 million). In the second phase, estimated to take place later during 2011, Konecranes will purchase the remaining 49 percent of the shares. The sellers are entitled to a performance linked part of the purchase price and the total maximum price for 100 percent of the shares in WMI can amount to approximately INR 3,600 million (EUR 60 million). The acquisition is irrevocable. The purchase will be financed with existing cash reserves.

WMI will be consolidated into Konecranes' financial reporting once the regulatory approvals have been received. The approvals are expected to be received during the first quarter of 2011.

Personnel

In January-December, the Group employed an average of 9,739 people (9,811). On 31 December, the headcount was 10,042 (9,782). At year-end 2010, the number of personnel by Business Area was as follows: Service 5,397 employees (4,991), Equipment 4,600 employees (4,742) and Group staff 45 (49). The Group had 5,751 employees (5,533) working in EMEA, 2,259 (2,236) in the Americas and 2,032 (2,013) in the APAC region.

Konecranes announced on June 3, 2010, that it will close its assembly plant in Windsor, WI, USA by the end of October 2010. Of the 47 personnel in Windsor, 27 were transferred to positions in other locations and 20 positions were eliminated.

During 2010, we continued to emphasize the importance of our people. We defined our people strategy called Lifting People, which focuses on good company culture, true leadership, performance management and ensuring competent resources. Our global job satisfaction survey, which is an important tool and indicator for us, was carried out globally for the fourth time. Performance management, including annual development discussions with every employee, is a continuous process at Konecranes.

Competence development is a high priority for Konecranes and we have continued to invest in our people. An important development area is leadership skills, which are developed continuously. Furthermore, we are focusing on resource planning and target aligned training, which fill the competence gaps now and also in the future needs.

In 2010, the Group's personnel expenses totaled EUR 468.7 million (452.4).

Service

	10-12/ 2010	10-12/ 2009	Change percent	1-12/ 2010	10-12/ 2009	Change percent
Orders received, MEUR	154.4	121.8	26.7	605.7	498.4	21.5
Order book, MEUR	103.3	75.9	36.0	103.3	75.9	36.0
Contract base value, MEUR	145.7	122.3	19.1	145.7	122.3	19.1
Net sales, MEUR	211.3	170.5	24.0	707.8	667.2	6.1
EBITDA, MEUR	24.7	17.3	42.6	73.2	68.6	6.7
EBITDA, %	11.7 %	10.2 %		10.3 %	10.3 %	
Depreciation and amortization, MEUR	-2.6	-3.1	-14.6	-10.7	-10.3	4.0
Operating profit (EBIT), MEUR	22.1	14.3	54.9	62.5	58.3	7.2
Operating profit (EBIT), %	10.5 %	8.4 %		8.8 %	8.7 %	
Restructuring costs, MEUR	0.0	-1.5		0.0	-2.7	
Operating profit (EBIT) excluding restructuring costs, MEUR	22.1	15.8	40.0	62.5	61.0	2.5
Operating profit (EBIT) excluding restructuring costs, %	10.5 %	9.3 %		8.8 %	9.1 %	
Capital employed, MEUR	163.3	130.7	25.0	163.3	130.7	25.0
ROCE%				42.5 %	43.8 %	
Capital expenditure, MEUR	5.5	2.8	96.2	11.3	7.7	46.5
Personnel at the end of period	5,397	4,991	8.1	5,397	4,991	8.1

Full year 2010 orders received totaled EUR 605.7 million (498.4), showing an increase of 21.5 percent. Demand for maintenance services grew in all regions. Order intake increased in all business units with particular strength in Modernization. Also, demand for spare parts was strong. The order book rose to EUR 103.3 million (75.9) at year-end, representing an increase of 36.0 percent. Sales rose by 6.1 percent to EUR 707.8 million (667.2). Sales growth was mainly attributable to favorable currency changes. Operating profit was EUR 62.5 million (58.3) and the operating margin 8.8 percent (8.7). Profitability was held back by the lack of organic sales growth at constant currencies and higher business development costs including investments in IT and new services. The January-December 2009 operating profit included EUR 2.7 million restructuring costs.

Fourth quarter order intake rose by 26.7 percent from the previous year and totaled EUR 154.4 million (121.8). Similar to the full year 2010, orders were higher than a year ago in all regions and business units as a result of higher capacity utilization among customer industries. Compared to the previous quarters of 2010, demand in EMEA developed positively. Modernization orders were lower than in the earlier quarters of 2010. Fourth-quarter sales totaled EUR 211.3 million (170.5), representing a year-over-year increase of 24.0 percent. Fourth quarter operating profit was EUR 22.1 million (14.3), and the operating margin 10.5 percent (8.4). The fourth quarter 2009 operating profit included EUR 1.5 million restructuring costs. The operating profit increased on higher volume.

The annual value of the contract base increased to EUR 145.7 million (122.3) at year-end 2010. Two-thirds of the increase in the value of the contract base was organic while the rest was attributable to currency changes. At year-end 2010, the total number of items of equipment included in the maintenance contract base was 375,514 (362,996).

The number of service technicians at year-end 2010 was 3,466, which is 244 or 7.6 percent more than at year-end 2009.

Equipment

	10-12/ 2010	10-12/ 2009	Change percent	1-12/ 2010	10-12/ 2009	Change percent
Orders received, MEUR	349.2	262.2	33.2	1,004.9	934.6	7.5
Order book, MEUR	652.9	547.8	19.2	652.9	547.8	19.2
Net sales, MEUR	288.5	284.0	1.6	948.6	1,115.1	-14.9
EBITDA, MEUR	32.8	20.2	62.0	84.7	79.5	6.6
EBITDA, %	11.4 %	7.1 %		8.9 %	7.1 %	
Depreciation and amortization, MEUR	-5.3	-8.4	-36.8	-20.0	-21.0	-4.5
Operating profit (EBIT), MEUR	27.4	11.8	132.8	64.7	58.5	10.6
Operating profit (EBIT), %	9.5 %	4.1 %		6.8 %	5.2 %	
Restructuring costs, MEUR	0.0	-3.6		-2.7	-18.2	
Operating profit (EBIT) excluding restructuring costs, MEUR	27.4	15.4	78.2	67.4	76.7	-12.2
Operating profit (EBIT) excluding restructuring costs, %	9.5 %	5.4 %		7.1 %	6.9 %	
Capital employed, MEUR	243.1	208.7	16.5	243.1	208.7	16.5
ROCE%				28.6 %	22.9 %	
Capital expenditure, MEUR	5.5	8.9	-38.1	11.0	17.0	-35.1
Personnel at the end of period	4,600	4,742	-3.0	4,600	4,742	-3.0

Full year 2010 orders received totaled EUR 1,004.9 million (934.6), showing an increase of 7.5 percent. Order intake rose in APAC and the Americas, but fell in EMEA. Orders for Industrial Cranes accounted for approximately 45 percent of the orders received and were above last year's level. Components generated approximately 25 percent of the new orders and were above last year's level. The combined orders for the other business units (Nuclear Cranes, Port Cranes and Lift Trucks) amounted to approximately 30 percent of the orders received and were higher compared to the comparison period.

The order book increased by 19.2 percent from a year before to EUR 652.9 million (547.8). Sales decreased by 14.9 percent to EUR 948.6 million (1,115.1). Operating profit before restructuring costs of EUR 2.7 million (18.2) was EUR 67.4 million (76.7) and the operating margin 7.1 percent (6.9). Operating profit after restructuring costs was EUR 64.7 million (58.5) and 6.8 percent of sales (5.2). The under-absorption of the fixed costs was offset by improved sales mix and procurement cost savings.

The fourth quarter order intake rose by 33.2 percent and totaled EUR 349.2 million (262.2). Fourth quarter order intake rose in all regions. Compared to the third quarter, order increase was strongest in EMEA. The value of new orders in Equipment was higher than a year ago in all business units except Lift Trucks, which experienced strong demand already in the comparison period. The fourth quarter order intake included significant contracts for port cranes both in 2010 and in 2009. Fourth quarter sales totaled EUR 288.5 million (284.0) and were 1.6 percent higher than a year ago. The fourth quarter operating profit was EUR 27.4 million (11.8), and the operating margin 9.5 percent (4.1). The operating profit increased from a year ago due to achieved cost savings and a more favorable sales mix. The fourth quarter 2009 operating profit included EUR 3.6 million restructuring costs.

Group Overheads
Unallocated Group overhead costs in 2010 were EUR 14.8 million (18.9), representing 1.0 percent of sales (1.1).

Administration
Konecranes Annual General Meeting was held March 25, 2010. The meeting approved the company's annual accounts for the fiscal year 2009 and discharged the members of the Board of Directors and Managing Director from liability. The AGM approved the Board's proposal that a dividend of EUR 0.90 per share be paid from the distributable assets of the parent company. In addition, the AGM confirmed the annual compensation to the Board members and decided to amend Section 9 of the Articles of Association.

The AGM approved the proposal of the Nomination and Compensation Committee that eight (8) members of the Board of Directors be elected. The previous Board members i.e. Mr Svante Adde, Mr Tomas Billing, Mr Kim Gran, Mr Stig Gustavson, Mr Tapani Järvinen, Mr Matti Kavetvuo, Ms Malin Persson and Mr Mikael Silvennoinen were re-elected.

The AGM confirmed that Ernst & Young Oy will continue as the Company's external auditor. The AGM decided to grant a donation to one or more Finnish Universities in the amount of EUR 1,250,000 to thereby support education and research within the fields of technology, economy, or art. Equity reduced by EUR 0.9 million due to the paid donation in the third quarter.

The AGM authorized the Board of Directors to decide on the issuance of shares as well as on the issuance of special rights entitling to shares. The amount of shares to be issued based on this authorization shall not exceed 9,000,000 shares, which corresponds to approximately 14.5 percent of all of the shares in the Company. The authorization is effective until the end of the next AGM, however no longer than until 24 September 2011.

Konecranes announced on December 14, 2010, that it had acquired all the shares in KCR Management Oy from the Group executives through a share swap. A total of 281,007 new shares were subscribed in the share issue of Konecranes Plc directed to the shareholders of KCR Management Oy following the share swap. The new shares were entered into the Trade Register on January 13, 2011.

The AGM authorized the Board of Directors to decide on the repurchase of the Company's own shares and/or on the acceptance as pledge of the Company's own shares. The amount of own shares to be repurchased and/or accepted as pledge shall not exceed 6,000,000 shares in total, which corresponds to approximately 9.7 percent of all of the shares in the Company. The authorization is effective until the end of the next AGM, however no longer than until 24 September 2011. Through the acquisition of KCR Management Oy, announced on December 14, 2010, Konecranes Plc received 517,696 own shares.

The AGM authorized the Board of Directors to decide on the transfer of the Company's own shares. The authorization is limited to a maximum of 6,000,000 shares, which corresponds to approximately 9.7 percent of all of the shares in the Company. This authorization shall be effective until the next AGM, however no longer than until 24 September 2011. Konecranes conveyed 12,000 own shares on April 29, 2010 as sale against contribution in kind. In addition, Konecranes conveyed 5,840 own shares on August 26, 2010 as the payment of Board remuneration.

The decisions are explained in more detail in the release covering the resolutions of the AGM, which is available on the company's website at www.konecranes.com.

In its first meeting held after the Annual General Meeting, the Board of Directors elected Mr Stig Gustavson to continue as Chairman. Mr Svante Adde was elected Chairman of the Audit Committee, and Mr Kim Gran, Mr Tapani Järvinen and Mr Mikael Silvennoinen as Committee members. Mr Matti Kavetvuo was elected Chairman of the Nomination and Compensation Committee, and Mr Tomas Billing, Mr Stig Gustavson, and Ms Malin Persson were elected as Committee members.

With the exception of Mr Stig Gustavson, the Board members are deemed to be independent of the company under the Finnish Corporate Governance Code. All Board members are independent of significant shareholders of the company.

At the end of year 2010, Konecranes had a loan receivable of EUR 211,736 from President & CEO Pekka Lundmark with the interest rate of 2.544 percent. The loan relates to a tax payment resulting from the incentive scheme directed to the President & CEO in 2006. There is a tax appeal pending against the imposed payment and the loan is effective until the appeal is concluded.

Konecranes complies with the Finnish Corporate Governance Code 2010 approved by the Board of the Securities Market Association. Konecranes has issued a Corporate Governance Statement based on the recommendation 54 of the Code, which can be reviewed on the corporate website of Konecranes at www.konecranes.com.

Share capital and shares

The company's registered share capital on December 31, 2010 totaled EUR 30.1 million. On December 31, 2010, the number of shares including treasury shares totaled 62,002,120. On December 31, 2010, Konecranes Plc was in possession of 2,524,760 own shares directly and 517,696 own shares indirectly through KCR Management Oy, which corresponds to 4.9 percent of the total number of shares and which at that date had a market value of EUR 94.0 million.

Konecranes conveyed 12,000 own shares on April 29, 2010 as sale against contribution in kind. In addition, Konecranes conveyed 5,840 own shares on August 26, 2010 as the payment of Board remuneration in accordance with the resolution of the AGM held on March 25, 2010.

Konecranes announced on December 14, 2010, that it acquires all the shares in KCR Management Oy from the Group executives through a share swap. Through the acquisition of KCR Management Oy, Konecranes Plc received 517,696 own shares.

On December 31, 2010, Konecranes had a liability to issue 281,007 new shares to the sellers of KCR Management Oy. The new shares were entered into the Trade Register on January 13, 2011, which increased the total number of shares in Konecranes Plc, including treasury shares, to 62,283,127.

Shares subscribed under stock option rights

Pursuant to Konecranes Plc's stock option plans, 129,200 new shares were subscribed and registered in the Finnish Trade Register in January-December. As a result of these subscriptions, the total number of Konecranes Plc shares, including treasury shares, rose to 62,002,120.

The stock options issued under Konecranes Plc's ongoing stock option plans (2007 and 2009) at end-December 2010 entitle holders to subscribe to a total of 3,370,000 shares, which would increase the total number of Konecranes Plc shares, including treasury shares, to 65,372,120. The option programs include approximately 200 key persons.

All shares carry one vote per share and equal rights to dividends.

The terms and conditions of the stock option programs are available on Konecranes' website at www.konecranes.com.

Market capitalization and trading volume

The closing price for Konecranes Plc's shares on the NASDAQ OMX Helsinki on December 31, 2010 was EUR 30.89. The volume-weighted average share price in January-December was EUR 23.84, the highest price being EUR 32.04 in December and the lowest EUR 19.08 in January. In January–December, the trading volume on the NASDAQ OMX Helsinki totaled 88.0 million Konecranes Plc shares, corresponding to a turnover of approximately EUR 2,098 million. The average daily trading volume was 349,257 shares, representing an average daily turnover of EUR 8.3 million.

On December 31, 2010, the total market capitalization of Konecranes Plc's shares was EUR 1,915 million including treasury shares. The market capitalization was EUR 1,821 million excluding the treasury shares.

Flagging notifications

On February 24, 2010, HTT 2 Holding Oy Ab informed Konecranes that their holding had exceeded 5 percent. HTT 2 Holding Oy Ab held 3,129,500 shares, which was 5.06 percent of Konecranes' shares and votes on February 23, 2010.

On April 9, 2010, BlackRock, Inc. informed Konecranes that their holding had exceeded 10 percent. BlackRock, Inc. held 6,228,000 shares, which was 10.05 percent of Konecranes' shares and votes on April 7, 2010.

On June 3, 2010, BlackRock, Inc. informed Konecranes that their holding had decreased below 10 percent. BlackRock, Inc. held 6,181,787 shares, which was 9.97 percent of Konecranes' shares and votes on June 2, 2010.

On June 23, 2010, Konecranes received a disclosure according to which the combined holding of HTT 2 Holding Oy Ab, K. Hartwall Invest Oy Ab, Fyrklöver-Invest Oy Ab and Rönnäs Invest AG had exceeded 10 percent. The combined ownership of the shareholders mentioned in the disclosure amounted to 6,207,968 shares on June 23, 2010, which is 10.01 percent of the shares and votes in Konecranes Plc. All the shareholders mentioned in the disclosure will in practice cooperate in matters concerning their ownership in Konecranes. HTT 2 Holding Oy Ab is a subsidiary of Hartwall Capital Oy Ab.

On July 2, 2010, HTT 2 Holding Oy Ab informed Konecranes that their holding had exceeded 10 percent. HTT 2 Holding Oy Ab held 6,215,568 shares, which was 10.02 percent of Konecranes' shares and votes on July 2, 2010. K. Hartwall Invest Oy Ab, Fyrklöver-Invest Oy Ab and Rönnäs Invest AG, who will in practice cooperate with HTT 2 Holding Oy Ab in matters concerning their ownership in Konecranes Plc, held 6,357,968 shares on July 2, 2010, which is 10.25 percent of the shares and votes in Konecranes Plc.

On August 20, 2010, BlackRock, Inc. informed Konecranes that their holding had exceeded 10 percent. BlackRock held 6,200,223 Konecranes' shares on August 19, 2010, which is 10.00 percent of Konecranes' shares and votes.

On August 30, 2010, Konecranes received a disclosure according to which the holding of BlackRock, Inc. in Konecranes had decreased below 10 percent. BlackRock, Inc. held 6,192,571 Konecranes' shares on August 24, 2010, which is 9.99 percent of Konecranes' shares and votes.

On September 8, 2010, BlackRock, Inc. informed Konecranes that their holding had exceeded 10 percent. BlackRock held 6,271,713 Konecranes' shares on September 7, 2010, which is 10.12 percent of Konecranes' shares and votes.

On November 29, 2010, Konecranes received a disclosure according to which the holding of BlackRock, Inc. in Konecranes had decreased below 10 percent. On November 26, was BlackRock Inc. in possession of 6,168,494 Konecranes shares. The holding corresponds 9.95 percent of Konecranes' shares and votes.

On December 20, 2010, BlackRock, Inc. informed Konecranes that their holding had exceeded 10 percent. On December 17, was BlackRock Inc. in possession of 6,239,140 Konecranes shares. The holding corresponds 10.06 percent of Konecranes' shares and votes.

On December 21, 2010, Konecranes received a disclosure according to which the holding of BlackRock, Inc. in Konecranes had decreased below 10 percent. On December 20, was BlackRock Inc. in possession of 6,099,149 Konecranes shares. The holding corresponds 9.84 percent of Konecranes' shares and votes.

No other disclosures of changes in holdings were received in 2010.

Research and development

In 2010, Konecranes' research and product development expenditure totaled EUR 21.5 (22.0) million, representing 1.4 (1.3) percent of sales. R&D expenditure includes product development projects aimed at improving the quality and cost efficiency of both products and services.

Konecranes continued to finalize the options and features for SMARTON® crane. SMARTON® is an industry shaping industrial crane. It can be used in industrial sectors such as steel handling and warehousing, automotive, general manufacturing, power, workshops, automatic storage systems and mining. Depending on the set up, SMARTON® can lift loads ranging from 30 tons to more than 500 tons. The crane monitors its own condition and recommends when and what kinds of inspection or preventive maintenance should be performed. The crane can easily be updated with smart solutions. SMARTON® is compact in size. This enables new industrial halls, for example, to be smaller than before. The feed-back of the braking energy, a standard feature in SMARTON®, can reduce power consumption and energy costs by up to one third.

In CXT cranes, advanced features, like shockload prevention and minimum rope fleet angle hook block, were adopted.

New electric chain hoist family was developed for emerging markets.

Safety enhancing features are important in material handling equipment. A good example is the new RFID based NearGuard system for heavy lift trucks and reach stackers, which alarms driver when there is a danger of colliding with nearby obstacles. NearGuard won the IMHX Design 4 Safety award in UK.

World's most compact polar crane and cask transporter for spent fuel were developed for nuclear power plants.

To complement the component offering of the branded products, new heavier load (up to 160 tons) crane component package was developed.

Konecranes automation and software development unit was founded in order to even better utilize the scale and further develop software products for all business lines.

Konecranes continued its long-term efforts to increase the efficiency and quality in the front-line engineering operations. In-house-made software gives engineer unique capabilities in the daily crane specific engineering tasks. Software is also integrated in the most important sales tools, giving sales force excellent capabilities to serve customers needs.

Consistent look and feel is increasingly important also in industrial products. Entirely new cabin design with improved user experience and ergonomics was developed during 2010 and it will be launched in port and heavy-duty cranes in 2011.

Development continued in remote services to fully support Konecranes advanced maintenance concept globally. By utilizing real-time equipment usage data, we can optimize and predict maintenance needs and give needed expert support to our customers from three different remote centers, located in Shanghai (China), Springfield (USA) and Hyvinkää (Finland).

Corporate responsibility

In the spring of 2010, the Group joined United Nations Global Compact sustainability initiative as expression of its commitment to responsibility and support for the initiative. During the year the Group also sharpened its overall approach towards corporate responsibility and via stakeholder dialogue defined five corporate responsibility focus areas. These focus areas are safety, people, environment, fair play, and smarter offering. Even though there has been work ongoing in all of these areas already earlier, with clarified approach and defined focus areas with specific set objectives, the Group is able to communicate its progress and efforts better.

For example, safety and environmental networks including promotion of best practices were further developed during 2010. Reporting and key performance indicators related to corporate responsibility and especially safety and environment, were further improved during the year.

Other important matters

On October 8, 2010, Konecranes confirmed that it had approached Demag Cranes AG ("Demag Cranes") on September 8, 2010, to discuss a potential combination of the two companies. The management of Demag Cranes has responded that Demag Cranes has no interest in engaging in any dialogue regarding such a potential combination. Under these circumstances, we will not pursue the matter.

Events after the end of the reporting period

On January 5, 2011, BlackRock, Inc. informed Konecranes that their holding had exceeded 10 percent. On January 4, was BlackRock Inc. in possession of 6,441,109 shares in Konecranes Plc. The holding corresponds 10.39 percent of Konecranes Plc's shares and votes.

A total of 281,007 new shares subscribed in the share issue of Konecranes Plc directed to the shareholders of KCR Management Oy following the share swap announced on December 14, 2010, were entered into the Trade Register on January 13, 2011. After the Trade Register entry of the new shares, the number of the Company's all shares is 62,283,127 shares.

On January 13, 2011, HTT 2 Holding Oy Ab informed Konecranes that their holding had decreased below 10 percent. HTT 2 Holding Oy Ab held 6,215,568 shares in Konecranes Plc on January 13, 2011, which is 9.98 percent of Konecranes Plc's shares and votes. K. Hartwall Invest Oy Ab, Fyrklöver-Invest Oy Ab and Ronnas Invest AG, who will in practice cooperate with HTT 2 Holding Oy Ab in matters concerning their ownership in Konecranes Plc, held 6,347,968 shares on January 13, 2011, which is 10.19 percent of the shares and votes in Konecranes Plc.

On January 14, 2011, HTT 2 Holding Oy Ab informed Konecranes that their holding had exceeded 10 percent. HTT 2 Holding Oy Ab held 6,230,568 shares in Konecranes Plc on January 14, 2011, which is 10.00 percent of Konecranes Plc's shares and votes. K. Hartwall Invest Oy Ab, Fyrklöver-Invest Oy Ab and Ronnas Invest AG, who will in practice cooperate with HTT 2 Holding Oy Ab in matters concerning their ownership in Konecranes Plc, held 6,362,968 shares on January 14, 2011, which is 10.22 percent of the shares and votes in Konecranes Plc.

Risks and uncertainties

The Group's principal short-term risks and uncertainties derive from a possible renewed downturn in the world economy due to the sovereign credit crisis, for example, or other unforeseen events. A decrease in demand for Konecranes' products and services may have a negative effect on the Group's pricing power, and result in decreasing profits, a possible impairment of goodwill and other assets, or inventory obsolescence.

A renewed shortage of credit may cause difficulties for Konecranes' customers, suppliers, and financial and other counterparties. The risk may be realized as a shortage of supplies or defaulting liabilities.

The supply chain has been downsized due to the low demand for products and it is possible that as demand picks up, Konecranes and its suppliers may not be able to respond to this instantly, which may result in delays of deliveries and increased costs as a consequence. In addition to Konecranes' own assembly operations, the lack of raw materials and components may cause bottlenecks.

The economic growth, particularly in China, has had an inflationary impact on raw material prices, which may affect Konecranes' profits if product sales prices cannot be adjusted correspondingly due to intense competition, for example. On the other hand, Konecranes serves several producers whose propensity to invest can increase due to improved profitability on higher raw material prices.

Challenges in financing may force customers to postpone projects or even to cancel existing orders. A renewed downturn in the world economy would increase postponement of deliveries and cancellations of orders. Advance payments are an integral part of Konecranes' project business and they have played a crucial role in mitigating the adverse effects from postponements of certain deliveries and minor cancellations. Konecranes intends to avoid incurring costs of major projects under construction in excess of advance payments. Konecranes aims to continue a strict policy in these regards.

Currency rate fluctuations have increased and may significantly affect the company's performance. The USD/EUR exchange rate has the largest impact on financial performance through a combination of the translational effect and transactional exposure.

Litigation

Various legal actions, claims and other proceedings are pending against the Group in various countries. These actions, claims and other proceedings are typical for this industry and consistent with a global business offering that encompasses a wide range of products and services. These matters involve contractual disputes, warranty claims, product liability (including design defects, manufacturing defects, failure to warn and asbestos legacy), employment, auto liability and other matters involving claims of general liability.

While the final outcome of these proceedings cannot be predicted with certainty, Konecranes is of the opinion, based on the information available to date and considering the grounds presented for such claims, the available insurance coverage and the reserves made, that the outcome of such actions, claims and other proceedings, if unfavorable, would not have a material adverse impact on the financial condition of the Group.

Market outlook

The demand for maintenance services is expected to be above last year's level due to higher capacity utilization within customer industries. The demand for new equipment is expected to continue to grow in Asia-Pacific and in emerging markets in general. Also, customers in Western Europe and North America are gradually gaining confidence to increase their new equipment investments.

Financial guidance

We forecast year 2011 sales and operating profit to be higher than in 2010.

Board of directors' proposal for disposal of distributable funds

The parent company's non-restricted equity is EUR 190,712,992.28 of which the net income for the year is EUR 56,371,908.44. The Group's non-restricted equity is EUR 380,422,000.

According to the Finnish Companies Act, the distributable funds of the company are calculated based on the parent company's non-restricted equity. For the purpose of determining the amount of the dividend the Board of Directors has assessed the solvency of the parent company and the economic circumstances subsequent to the financial year end.

Based on such assessments the Board of Directors proposes to the Annual General Meeting that a dividend of EUR 1.00 be paid on each share and that the remaining non-restricted equity is retained in shareholders' equity.

A pdf version of Konecranes' full audited financial statements including the report of the Board of Directors will be available on the web during the week 9 and the printed version during the week 11.

Helsinki, February 3, 2011
Konecranes Plc
Board of Directors

Disclaimer

It should be noted that certain statements in this report, which are not historical facts, including, without limitation, those regarding

- expectations for general economic development and market situation,
- expectations for general developments in the industry,
- expectations regarding customer industry profitability and investment willingness,
- expectations for company growth, development and profitability,
- expectations regarding market demand for the company's products and services,
- expectations regarding the successful completion of acquisitions on a timely basis and Konecranes' ability to achieve the set targets and synergies,
- expectations regarding competitive conditions,
- expectations regarding cost savings,
- and statements preceded by "believes," "expects," "anticipates," "foresees" or similar expressions, are forward-looking statements. These statements are based on current expectations, decisions and plans and currently known facts. Therefore, they involve risks and uncertainties, which may cause actual results to materially differ from the results currently expected by the company. Such factors include, but are not limited to,
- general economic conditions, including fluctuations in exchange rates and interest levels,
- the competitive situation, especially significant products or services developed by our competitors,
- industry conditions,
- the company's own operating factors, including the success of production, product development, project management, quality, and timely delivery of our products and services and their continuous development,
- the success of pending and future acquisitions and restructurings.

Summary Financial Statements and Notes

Accounting principles

The presented financial information is prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the EU. As of January 1, 2010 Konecranes applied one amended standard: IFRS 3, Business Combinations (Revised). In revised IFRS 3 the acquisition-related costs will be expensed through statement of income at time that such services are received. This is a significant difference from former practice in which such costs were included in the cost of the business combination and therefore included in the calculation of goodwill. The other year 2010 standards will have immaterial impact on future financial statements.

Konecranes is introducing also new reporting segments. From the beginning of 2010, Konecranes will report two Business Areas: Service and Equipment. Previously the number of reporting segments was three: Service, Standard Lifting and Heavy Lifting. More information than before will be provided for each segment, and the allocation of Group costs into the segments has been redefined to improve transparency. The comparison figures in year 2009 have been changed accordingly.

Otherwise Konecranes applies the same accounting policies as were applied in the 2009 annual financial statements.

The figures presented in the tables below have been rounded to one decimal, which should be taken into account when reading the sum figures.

The numbers stated in this bulletin have been subject to audit.

Consolidated statement of income

EUR million	10-12/2010	10-12/2009	Change %	1-12/2010	1-12/2009	Change %
Sales	**469.4**	**428.9**	9.5	**1,546.3**	**1,671.3**	-7.5
Other operating income	1.1	1.1		3.6	2.9	
Depreciation and impairments	-8.0	-11.8		-31.1	-32.5	
Other operating expenses	-416.7	-396.0		-1,406.3	-1,543.8	
Operating profit	**45.8**	**22.2**	106.9	**112.4**	**97.9**	14.8
Share of associates' and joint ventures' result	1.2	-0.2		2.5	-2.2	
Financial income and expenses	-1.6	-3.4		-3.6	-7.1	
Profit before taxes	**45.4**	**18.6**	144.6	**111.3**	**88.6**	25.7
Taxes	-13.5	-5.2		-33.1	-26.1	
NET PROFIT FOR THE PERIOD	**31.9**	**13.4**	139.1	**78.2**	**62.5**	25.1
Net profit for the period attributable to:						
Shareholders of the parent company	32.3	13.7		79.4	63.6	
Non-controlling interest	-0.4	-0.4		-1.2	-1.1	
Earnings per share, basic (EUR)	0.55	0.23	135.5	1.35	1.08	24.8
Earnings per share, diluted (EUR)	0.55	0.23	134.8	1.34	1.08	24.4

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR million	10-12/2010	10-12/2009	Change %	1-12/2010	1-12/2009	Change %
Net profit for the period	**31.9**	**13.4**	139.1	**78.2**	**62.5**	25.1
Other comprehensive income for the period, net of tax						
Exchange differences on translating foreign operations	4.6	3.1		19.4	-1.1	
Cash flow hedges	1.2	-2.5		-2.4	1.9	
Income tax relating to components of other comprehensive income	-0.3	0.7		0.6	-0.5	
Other comprehensive income for the period, net of tax	**5.6**	**1.2**		**17.6**	**0.3**	
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**37.5**	**14.5**	157.8	**95.8**	**62.8**	52.7
Total comprehensive income attributable to:						
Shareholders of the parent company	37.3	14.9		96.6	64.0	
Non-controlling interest	0.2	-0.4		-0.8	-1.2	

Consolidated balance sheet

EUR million ASSETS	31.12.2010	31.12.2009
Non-current assets		
Goodwill	84.4	71.5
Intangible assets	68.3	65.8
Property, plant and equipment	99.1	91.3
Advance payments and construction in progress	19.0	11.8
Investments accounted for using the equity method	31.9	4.5
Available-for-sale investments	1.4	1.8
Long-term loans receivable	0.3	2.7
Deferred tax assets	40.7	37.3
Total non-current assets	**345.2**	**286.7**
Current assets		
Inventories		
Raw material and semi-manufactured goods	120.6	125.0
Work in progress	139.0	114.3
Advance payments	10.3	8.9
Total inventories	269.9	248.2
Accounts receivable	315.8	265.4
Loans receivable	1.8	2.9
Other receivables	28.8	23.5
Deferred assets	115.6	96.1
Cash and cash equivalents	98.5	137.5
Total current assets	**830.3**	**773.7**
TOTAL ASSETS	**1,175.5**	**1,060.4**

Consolidated balance sheet

EUR million EQUITY AND LIABILITIES	31.12.2010	31.12.2009
Equity attributable to equity holders of the parent company		
Share capital	30.1	30.1
Share premium account	39.3	39.3
Share issue	8.7	0.0
Fair value reserves	0.5	2.3
Translation difference	0.5	-18.4
Paid in capital	10.5	9.0
Retained earnings	281.4	276.6
Net profit for the period	79.4	63.6
Total equity attributable to equity holders of the parent company	**450.5**	**402.5**
Non-controlling interest	5.7	4.6
Total equity	**456.2**	**407.1**
Liabilities		
Non-current liabilities		
Interest-bearing liabilities	32.9	38.6
Other long-term liabilities	57.0	56.1
Deferred tax liabilities	18.1	18.6
Total non-current liabilities	**107.9**	**113.3**
Provisions	**50.1**	**61.1**
Current liabilities		
Interest-bearing liabilities	50.2	26.9
Advance payments received	154.0	156.7
Progress billings	24.9	18.9
Accounts payable	117.2	83.7
Other short-term liabilities (non-interest bearing)	23.2	13.8
Accruals	191.7	178.7
Total current liabilities	**561.2**	**478.9**
Total liabilities	**719.2**	**653.3**
TOTAL EQUITY AND LIABILITIES	**1,175.5**	**1,060.4**

Consolidated statement of changes in equity

EUR million	Equity attributable to equity holders of the parent company				
	Share capital	Share premium account	Share issue	Cash flow hedge	Translation difference
Balance at 1 January, 2010	**30.1**	**39.3**	**0.0**	**2.3**	**-18.4**
Option exercised					
Share issue			0.1		
Dividends paid to equity holders					
Share based payments recognized against equity					
Employee benefit scheme for executive management*			8.6		
Business combinations					
Donations***					
Total comprehensive income				-1.8	19.0
Balance at 31 December, 2010	**30.1**	**39.3**	**8.7**	**0.5**	**0.5**
Balance at 1 January, 2009	**30.1**	**39.3**	**0.1**	**0.9**	**-17.4**
Option exercised					
Share issue			-0.1		
Dividends paid to equity holders					
Share based payments recognized against equity					
Employee benefit scheme for executive management*					
Change of control in associated company**					
Business combinations					
Total comprehensive income				1.4	-1.1
Balance at 31 December, 2009	**30.1**	**39.3**	**0.0**	**2.3**	**-18.4**

EUR million	Equity attributable to equity holders of the parent company				
	Paid in capital	Retained earnings	Total	Non-controlling interest	Total equity
Balance at 1 January, 2010	**9.0**	**340.2**	**402.5**	**4.6**	**407.1**
Option exercised	1.4		1.4		**1.4**
Share issue			0.1		**0.1**
Dividends paid to equity holders		-53.0	-53.0		**-53.0**
Share based payments recognized against equity		3.6	3.6		**3.6**
Employee benefit scheme for executive management*		-7.8	0.8	-0.9	**-0.1**
Business combinations		-0.6	-0.6	2.8	**2.2**
Donations***		-0.9	-0.9		**-0.9**
Total comprehensive income		79.4	96.6	-0.8	**95.8**
Balance at 31 December, 2010	**10.5**	**360.8**	**450.5**	**5.7**	**456.2**
Balance at 1 January, 2009	**7.3**	**338.5**	**398.8**	**1.9**	**400.7**
Option exercised	1.8		1.8		**1.8**
Share issue			-0.1		**-0.1**
Dividends paid to equity holders		-53.3	-53.3		**-53.3**
Share based payments recognized against equity		3.5	3.5		**3.5**
Employee benefit scheme for executive management*		-8.4	-8.4	1.3	**-7.1**
Change of control in associated company**		-3.7	-3.7		**-3.7**
Business combinations			0.0	2.6	**2.6**
Total comprehensive income		63.6	64.0	-1.2	**62.8**
Balance at 31 December, 2009	**9.0**	**340.2**	**402.5**	**4.6**	**407.1**

* Consolidation of KCR Management Oy (incentive arrangement for Konecranes Group executive management)
** Increase of Konecranes' influence in the management of associated company ZAO Zaporozhje Kran in Ukraine.
*** Donations (after taxes) to Finnish Universities based on the decision made by AGM

Consolidated cash flow statement

EUR million	1-12/2010	1-12/2009
Cash flow from operating activities		
Net income	78.2	62.5
Adjustments to net income		
Taxes	33.1	26.1
Financial income and expenses	3.8	7.5
Share of associates' and joint ventures' result	-2.5	2.2
Dividend income	-0.2	-0.4
Depreciation and impairments	31.1	32.5
Profits and losses on sale of fixed assets	-0.6	0.6
Other adjustments	0.6	1.8
Operating income before change in net working capital	**143.5**	**132.9**
Change in interest-free short-term receivables	-49.7	171.8
Change in inventories	-7.2	94.9
Change in interest-free short-term liabilities	10.8	-111.9
Change in net working capital	**-46.1**	**154.8**
Cash flow from operations before financing items and taxes	**97.4**	**287.7**
Interest received	2.1	1.2
Interest paid	-5.8	-4.6
Other financial income and expenses	-5.0	-1.6
Income taxes paid	-31.3	-59.6
Financing items and taxes	**-40.0**	**-64.6**
Net cash from operating activities	**57.4**	**223.0**
Cash flow from investing activities		
Acquisition of Group companies, net of cash	-11.5	-12.3
Divestment of Group companies, net of cash	0.9	-0.4
Acquisition of shares in associated companies	-27.0	0.0
Investments in other shares	0.0	-0.2
Capital expenditures	-29.2	-29.7
Proceeds from sale of fixed assets	1.6	0.9
Dividends received	0.2	0.4
Net cash used in investing activities	**-65.0**	**-41.2**
Cash flow before financing activities	**-7.5**	**181.8**
Cash flow from financing activities		
Proceeds from options exercised and share issues	1.2	1.7
Related Party net investment to Konecranes Plc shares	0.0	-7.1
Proceeds from long-term borrowings	0.3	132.6
Repayments of long-term borrowings	-8.4	-207.2
Proceeds from (+), payments of (-) short-term borrowings	17.7	-8.4
Change in long-term receivables	1.4	-0.9
Change in short-term receivables	0.0	-2.6
Dividends paid to equity holders of the parent	-53.0	-53.3
Net cash used in financing activities	**-40.8**	**-145.2**
Translation differences in cash	9.3	0.0
Change of cash and cash equivalents	**-39.1**	**36.6**
Cash and cash equivalents at beginning of period	137.5	100.9
Cash and cash equivalents at end of period	98.5	137.5
Change of cash and cash equivalents	**-39.1**	**36.6**

The effect of changes in exchange rates has been eliminated by converting the beginning balance at the rates current on the last day of the reporting period.

Segment information

1. BUSINESS SEGMENTS

EUR million

Orders received by Business Area	**1-12/2010**	% of total	**1-12/2009**	% of total
Service [1]	605.7	38	498.4	35
Equipment	1,004.9	62	934.6	65
./. Internal	-74.6		-84.1	
Total	**1,536.0**	**100**	**1,348.9**	**100**

1) Excl. Service Contract Base

Order book total [2]	**31.12.2010**	% of total	**31.12.2009**	% of total
Service	103.3	14	75.9	12
Equipment	652.9	86	547.8	88
./. Internal	0.0		-16.8	
Total	**756.2**	**100**	**607.0**	**100**

2) Percentage of completion deducted

Sales by Business Area	**1-12/2010**	% of total	**1-12/2009**	% of total
Service	707.8	43	667.2	37
Equipment	948.6	57	1,115.1	63
./. Internal	-110.1		-111.1	
Total	**1,546.3**	**100**	**1,671.3**	**100**

Operating profit (EBIT) by Business Area	**1-12/2010**		**1-12/2009**	
excluding restructuring costs	MEUR	EBIT %	MEUR	EBIT %
Service	62.5	8.8	61.0	9.1
Equipment	67.4	7.1	76.7	6.9
Group costs and eliminations	-14.8		-18.9	
Total	**115.1**	**7.4**	**118.8**	**7.1**

Operating profit (EBIT) by Business Area	**1-12/2010**		**1-12/2009**	
including restructuring costs	MEUR	EBIT %	MEUR	EBIT %
Service	62.5	8.8	58.3	8.7
Equipment	64.7	6.8	58.5	5.2
Group costs and eliminations	-14.8		-18.9	
Total	**112.4**	**7.3**	**97.9**	**5.9**

Capital Employed and ROCE%	**1-12/2010**		**1-12/2009**	
	MEUR	ROCE %	MEUR	ROCE %
Service	163.3	42.5	130.7	43.8
Equipment	243.1	28.6	208.7	22.9
Unallocated Capital Employed	132.9		133.2	
Total	**539.3**	**24.2**	**472.6**	**19.3**

Personnel by Business Area (at the end of the period)	**31.12.2010**	% of total	**31.12.2009**	% of total
Service	5,397	54	4,991	51
Equipment	4,600	46	4,742	48
Group staff	45	0	49	1
Total	**10,042**	**100**	**9,782**	**100**

Segment information

2. GEOGRAPHICAL SEGMENTS

EUR million

Sales by market	**1-12/2010**	% of total	**1-12/2009**	% of total
Europe-Middle East-Africa (EMEA)	823.2	53	928.0	56
Americas (AME)	468.2	30	479.5	29
Asia-Pacific (APAC)	254.8	16	263.8	16
Total	**1,546.3**	**100**	**1,671.3**	**100**

Personnel by region (at the end of the period)	**31.12.2010**	% of total	**31.12.2009**	% of total
Europe-Middle East-Africa (EMEA)	5,751	57	5,533	57
Americas (AME)	2,259	22	2,236	23
Asia-Pacific (APAC)	2,032	20	2,013	21
Total	**10,042**	**100**	**9,782**	**100**

Notes

KEY FIGURES	31.12.2010	31.12.2009	Change %
Earnings per share, basic (EUR)	1.35	1.08	24.8
Earnings per share, diluted (EUR)	1.34	1.08	24.4
Return on capital employed %, Rolling 12 Months (R12M)	24.2	19.3	25.4
Return on equity %, Rolling 12 Months (R12M)	18.1	15.5	16.8
Equity per share (EUR)	7.64	6.84	11.7
Current ratio	1.4	1.4	0.0
Gearing %	-3.8	-19.1	-80.1
Solidity %	44.7	45.1	-0.9
EBITDA, EUR million	143.6	130.4	10.1
Investments total (excl. acquisitions), EUR million	22.3	25.7	-13.0
Interest-bearing net debt, EUR million	-17.4	-77.7	-77.6
Net working capital, EUR million	191.6	138.8	38.0
Average number of personnel during the period	9,739	9,811	-0.7
Average number of shares outstanding, basic	58,922,329	58,922,323	0.0
Average number of shares outstanding, diluted	59,274,012	59,085,936	0.3
Number of shares outstanding	58,959,664	58,812,624	0.3

The period end exchange rates*:	31.12.2010	31.12.2009	Change %
USD - US dollar	1.336	1.441	7.8
CAD - Canadian dollar	1.332	1.513	13.6
GBP - Pound sterling	0.861	0.888	3.2
CNY - Chinese yuan	8.822	9.835	11.5
SGD - Singapore dollar	1.714	2.019	17.8
SEK - Swedish krona	8.966	10.252	14.3
NOK - Norwegian krone	7.800	8.300	6.4
AUD - Australian dollar	1.314	1.601	21.9

The period average exchange rates*:	31.12.2010	31.12.2009	Change %
USD - US dollar	1.326	1.395	5.2
CAD - Canadian dollar	1.366	1.585	16.1
GBP - Pound sterling	0.858	0.891	3.9
CNY - Chinese yuan	8.973	9.529	6.2
SGD - Singapore dollar	1.806	2.024	12.1
SEK - Swedish krona	9.539	10.618	11.3
NOK - Norwegian krone	8.006	8.726	9.0
AUD - Australian dollar	1.443	1.773	22.9

* Konecranes applies a weekly calendar in its financial reporting.
The presented exchange rates are determined by rates on the last Friday of the period.

CONTINGENT LIABILITIES AND PLEDGED ASSETS

EUR million	31.12.2010	31.12.2009
For own commercial obligations		
Guarantees	347.2	212.0
Leasing liabilities		
Next year	30.3	27.7
Later on	69.7	71.3
Other	0.1	0.2
Total	**447.3**	**311.1**

Leasing contracts comply with normal practices in the countries concerned.

Contingent liabilities relating to litigation

Various legal actions, claims and other proceedings are pending against the Group in various countries. These actions, claims and other proceedings are typical for this industry and consistent with a global business offering that encompasses a wide range of products and services. These matters involve contractual disputes, warranty claims, product liability (including design defects, manufacturing defects, failure to warn and asbestos legacy), employment, vehicles and other matters involving claims of general liability.

While the final outcome of these matters cannot be predicted with certainty Konecranes is of the opinion, based on the information available to date and considering the grounds presented for such claims, the available insurance coverage and the reserves made, that the outcome of such actions, claims and other proceedings, if unfavorable, would not have a material, adverse impact on the financial condition of the Group.

NOMINAL AND FAIR VALUES OF DERIVATIVE FINANCIAL INSTRUMENTS

EUR million	31.12.2010 Nominal value	31.12.2010 Fair value	31.12.2009 Nominal value	31.12.2009 Fair value
Foreign exchange forward contracts	397.2	2.1	129.5	2.6
Electricity derivatives	2.4	0.4	2.1	-0.2
Total	**399.6**	**2.5**	**131.6**	**2.5**

Derivatives are used for hedging currency and interest rate risks, as well as the risk of electricity price fluctuations.
The Company applies hedge accounting on the derivatives used to hedge cash flows in large projects in Business Area Equipment.

Notes

ACQUISITIONS

During January - December, Konecranes made altogether nine acquisitions. Six of these were small acquisitions related to machine tool service (MTS) business in Denmark, the United Kingdom and the United States.

In July 2010 Konecranes acquired the service company Bouyer Manutention (BM) based in Tours, France. BM has 38 employees and net sales of approximately EUR 5 million (2009).

In October 2010 Konecranes expanded in Africa by acquiring 100 percent of the shares in crane service and modernization company Techniplus S.A.R.L. in Morocco. This is Konecranes' first acquisition in North Africa. Techniplus has 120 employees and net sales of EUR 7 million (2009).

During October and November Konecranes increased its ownership in Suomen Teollisuusosa Oy from 16 percent to 93 percent. Company develops material handling solutions and employs 22 people.

From the date of acquisitions the acquired companies have contributed EUR 8.1 million of sales and EUR 0.2 million EBIT. If the combinations had taken place at the beginning of the year, Konecranes Group's 2010 sales would have been EUR 1,556.8 million and EBIT EUR 112.6 million.

The fair values of the identifiable assets and liabilities of the acquired businesses at date of acquisitions are summarized below.

EUR million	**31.12.2010** Recognized on acquisition	**31.12.2010** Fair value adjustments	**31.12.2010** Acquired carrying value
Intangible assets			
Clientele	6.2	6.2	0.0
Technology	3.3	-2.4	5.7
Other intangible assets	0.3	0.2	0.1
Property, plant and equipment	1.1	0.2	0.9
Inventories	0.8	0.2	0.6
Account receivables and other assets	4.6	0.0	4.5
Cash and cash equivalents	2.4	0.0	2.4
Total assets	**18.7**	**4.5**	**14.2**
Deferred tax liabilities	0.9	0.9	0.0
Long- and short-term interest bearing debts	1.8	0.0	1.8
Account payables	3.4	0.0	3.4
Other liabilities	2.7	0.0	2.7
Non-controlling interest	0.1	0.1	0.0
Total liabilities	**8.8**	**1.0**	**7.9**
Net assets	**9.9**	**3.5**	**6.4**
Purchase consideration transferred	**19.5**		
Goodwill	**9.6**		
Cash outflow on acquisition			
Purchase consideration, paid in cash	13.2		
Transactions costs*	0.4		
Cash and cash equivalents in acquired companies	-2.4		
Net cash flow arising on acquisition	**11.3**		
Purchase consideration:			
Purchase consideration, paid in cash	13.2		
Purchase consideration, liabilities assumed	3.3		
Contingent consideration liability	3.0		
Total purchase consideration	**19.5**		

*Transaction costs of EUR 0.4 million have been expensed and are included in other operating expenses.

Notes

Acquisition of associated company:
On March 23, 2010 Konecranes purchased 29,750 shares (22.0% of the share capital and voting rights) in the Japanese hoist, crane and material handling equipment company Kito Corporation ("Kito"). The purchase price for the shares in Kito was JPY 111,800 per share. The total value of the stake purchased amounted to approximately JPY 3.3 billion (EUR 27 million). The purchase was financed with existing cash reserves.

Furthermore, Kito repurchased 10.0% of the share capital on March 24, 2010. Post the share purchase by Konecranes and the Kito share buyback, Konecranes has approximately 24.4% of the voting rights in Kito.

Increase in ownership interest of a subsidiary:
In June 04, 2010 Konecranes finalized the agreement to increase its ownership in Japanese company MHS Konecranes Co., Ltd. to 100% by acquiring the remaining 35% stake from Meidensha Corporation. The purchase price was recognized as decrease of minority interest and retained earnings.

Divestments 2010
During the fourth quarter of 2010 Konecranes sold the hoist distribution business of Japanese subsidiary MHS Konecranes Co.,Ltd. to Kito Corporation.

Quarterly figures

CONSOLIDATED STATEMENT OF INCOME, QUARTERLY

EUR million	Q4/2010	Q3/2010	Q2/2010	Q1/2010	Q4/2009	Q3/2009	Q2/2009	Q1/2009
Sales	**469.4**	**393.6**	**377.0**	**306.3**	**428.9**	**368.7**	**431.6**	**442.1**
Other operating income	1.1	0.8	0.8	0.8	1.1	0.4	0.8	0.7
Depreciation and impairments	-8.0	-7.8	-7.6	-7.3	-11.8	-7.4	-6.5	-6.8
Restructuring costs	0.0	0.0	-2.7	0.0	-5.1	-13.9	-1.9	0.0
Other operating expenses	-416.7	-352.3	-346.8	-288.2	-390.9	-337.7	-395.1	-399.2
Operating profit	**45.8**	**34.3**	**20.7**	**11.6**	**22.2**	**10.2**	**28.8**	**36.8**
Share of associates' and joint ventures' result	1.2	0.3	0.9	0.1	-0.2	-0.7	-1.4	0.0
Financial income and expenses	-1.6	-1.8	-0.9	0.7	-3.4	-2.3	0.0	-1.5
Profit before taxes	**45.4**	**32.7**	**20.8**	**12.4**	**18.6**	**7.2**	**27.4**	**35.4**
Taxes	-13.5	-9.7	-6.2	-3.7	-5.2	-3.0	-7.8	-10.1
Net profit for the period	**31.9**	**23.0**	**14.5**	**8.8**	**13.4**	**4.2**	**19.6**	**25.3**

CONSOLIDATED BALANCE SHEET, QUARTERLY

EUR million	Q4/2010	Q3/2010	Q2/2010	Q1/2010	Q4/2009	Q3/2009	Q2/2009	Q1/2009
ASSETS								
Goodwill	84.4	76.3	73.9	72.8	71.5	64.4	59.5	58.4
Intangible assets	68.3	63.5	65.3	66.5	65.8	60.5	61.1	61.3
Property, plant and equipment	99.1	96.1	99.4	96.1	91.3	76.6	75.5	72.7
Other	93.3	102.3	97.2	89.5	58.1	54.8	56.5	48.8
Total non-current assets	**345.2**	**338.1**	**335.7**	**324.9**	**286.7**	**256.3**	**252.7**	**241.2**
Inventories	269.9	279.6	288.3	271.1	248.2	303.0	322.6	356.7
Receivables and other current assets	461.9	419.8	426.4	395.5	387.9	400.5	441.3	468.3
Cash and cash equivalents	98.5	103.3	95.1	121.1	137.5	88.5	96.9	116.0
Total current assets	**830.3**	**802.6**	**809.8**	**787.8**	**773.7**	**792.1**	**860.7**	**941.0**
Total assets	**1,175.5**	**1,140.7**	**1,145.5**	**1,112.7**	**1,060.4**	**1,048.4**	**1,113.4**	**1,182.2**
EQUITY AND LIABILITIES								
Total equity	**456.2**	**415.7**	**405.1**	**373.7**	**407.1**	**389.1**	**385.4**	**379.7**
Non-current liabilities	107.9	114.4	113.2	111.8	113.3	93.5	109.3	180.4
Provisions	50.1	53.2	59.3	58.6	61.1	54.9	42.9	46.9
Advance payments received	154.0	170.8	178.4	183.4	156.7	157.3	175.2	197.1
Other current liabilities	407.2	386.6	389.5	385.3	322.2	353.6	400.6	378.2
Total liabilities	**719.2**	**725.0**	**740.4**	**739.0**	**653.3**	**659.3**	**728.0**	**802.6**
Total equity and liabilities	**1,175.5**	**1,140.7**	**1,145.5**	**1,112.7**	**1,060.4**	**1,048.4**	**1,113.4**	**1,182.2**

Quarterly figures

CONSOLIDATED CASH FLOW STATEMENT - QUARTERLY

EUR million	Q4/2010	Q3/2010	Q2/2010	Q1/2010	Q4/2009	Q3/2009	Q2/2009	Q1/2009
Operating income before change in net working capital	53.8	41.2	29.2	19.3	36.4	17.2	35.4	43.9
Change in net working capital	-31.0	-2.9	-23.0	10.8	64.4	57.4	23.6	9.5
Financing items and taxes	8.4	-6.3	-12.5	-29.6	-10.8	-8.4	-24.6	-20.8
Net cash from operating activities	**31.2**	**32.1**	**-6.3**	**0.5**	**89.9**	**66.2**	**34.4**	**32.6**
Cash flow from investing activities	**-10.2**	**-10.9**	**-9.0**	**-35.0**	**-18.4**	**-9.2**	**-8.7**	**-5.0**
Cash flow before financing activities	**21.0**	**21.2**	**-15.3**	**-34.5**	**71.5**	**57.0**	**25.7**	**27.6**
Proceeds from options exercised and share issues	0.1	0.0	0.2	0.9	0.2	0.2	0.6	0.7
Related Party net investment to Konecranes shares	0.0	0.0	0.0	0.0	0.0	0.0	-7.1	0.0
Change of interest-bearing debt	-27.4	-6.3	34.6	10.0	-24.1	-64.2	-36.9	38.8
Dividends paid to equity holders of the parent	0.0	0.0	-53.0	0.0	0.0	0.0	0.0	-53.3
Net cash used in financing activities	**-27.2**	**-6.3**	**-18.2**	**10.9**	**-23.9**	**-64.0**	**-43.4**	**-13.8**
Translation differences in cash	1.3	-6.7	7.6	7.1	1.5	-1.4	-1.4	1.3
Change of cash and cash equivalents	**-4.8**	**8.2**	**-26.0**	**-16.5**	**49.1**	**-8.4**	**-19.1**	**15.1**
Cash and cash equivalents at beginning of period	103.3	95.1	121.1	137.5	88.5	96.9	116.0	100.9
Cash and cash equivalents at end of period	98.5	103.3	95.1	121.1	137.5	88.5	96.9	116.0
Change of cash and cash equivalents	**-4.8**	**8.2**	**-26.0**	**-16.5**	**49.1**	**-8.4**	**-19.1**	**15.1**

Quarterly figures

QUARTERLY SEGMENT INFORMATION

EUR million

Orders received by Business Area	Q4/2010	Q3/2010	Q2/2010	Q1/2010	Q4/2009	Q3/2009	Q2/2009	Q1/2009
Service [1)]	154.4	152.4	159.1	139.8	121.8	124.5	126.4	125.6
Equipment	349.2	240.0	219.6	196.2	262.2	205.9	202.6	263.9
./. Internal	-25.9	-19.0	-14.3	-15.4	-22.9	-22.0	-19.5	-19.8
Total	**477.7**	**373.4**	**364.4**	**320.6**	**361.1**	**308.5**	**309.6**	**369.7**

1) Excl. Service Contract Base

Order book by Business Area	Q4/2010	Q3/2010	Q2/2010	Q1/2010	Q4/2009	Q3/2009	Q2/2009	Q1/2009
Service	103.3	111.7	106.5	87.7	75.9	88.1	93.9	109.1
Equipment	652.9	585.6	598.3	558.2	547.8	565.6	599.0	701.9
./. Internal	0.0	-17.6	-19.5	-4.6	-16.8	-15.3	-12.2	-19.0
Total	**756.2**	**679.7**	**685.2**	**641.3**	**607.0**	**638.4**	**680.6**	**792.0**

Sales by Business Area	Q4/2010	Q3/2010	Q2/2010	Q1/2010	Q4/2009	Q3/2009	Q2/2009	Q1/2009
Service	211.3	173.2	175.2	148.0	170.5	157.6	169.5	169.7
Equipment	288.5	252.6	221.6	185.8	284.0	233.5	293.0	304.6
./. Internal	-30.4	-32.3	-19.8	-27.6	-25.6	-22.4	-30.9	-32.2
Total	**469.4**	**393.6**	**377.0**	**306.3**	**428.9**	**368.7**	**431.6**	**442.1**

Operating profit (EBIT) by Business Area excluding restructuring costs	Q4/2010	Q3/2010	Q2/2010	Q1/2010	Q4/2009	Q3/2009	Q2/2009	Q1/2009
Service	22.1	14.6	16.0	9.8	15.8	13.9	15.6	15.7
Equipment	27.4	22.0	11.9	6.0	15.4	14.0	20.5	26.8
Group costs and eliminations	-3.7	-2.3	-4.5	-4.3	-3.9	-3.9	-5.4	-5.7
Total	**45.8**	**34.3**	**23.4**	**11.6**	**27.3**	**24.0**	**30.7**	**36.8**

Operating margin, (EBIT %) by Business Area excluding restructuring costs	Q4/2010	Q3/2010	Q2/2010	Q1/2010	Q4/2009	Q3/2009	Q2/2009	Q1/2009
Service	10.5 %	8.4 %	9.1 %	6.6 %	9.3 %	8.8 %	9.2 %	9.3 %
Equipment	9.5 %	8.7 %	5.4 %	3.3 %	5.4 %	6.0 %	7.0 %	8.8 %
Group EBIT % total	**9.8 %**	**8.7 %**	**6.2 %**	**3.8 %**	**6.4 %**	**6.5 %**	**7.1 %**	**8.3 %**

Personnel by Business Area (at the end of the period)	Q4/2010	Q3/2010	Q2/2010	Q1/2010	Q4/2009	Q3/2009	Q2/2009	Q1/2009
Service	5,397	5,125	4,938	4,926	4,991	5,033	5,210	5,494
Equipment	4,600	4,626	4,583	4,586	4,742	4,334	4,429	4,317
Group staff	45	44	49	50	49	52	52	55
Total	**10,042**	**9,795**	**9,570**	**9,562**	**9,782**	**9,419**	**9,691**	**9,866**

Quarterly figures

Sales by market	Q4/2010	Q3/2010	Q2/2010	Q1/2010	Q4/2009	Q3/2009	Q2/2009	Q1/2009
Europe-Middle East-Africa (EMEA)	258.3	202.1	189.9	173.0	244.2	201.0	236.3	246.4
Americas (AME)	135.8	122.0	123.8	86.6	113.7	111.9	121.2	132.7
Asia-Pacific (APAC)	75.3	69.5	63.3	46.7	71.1	55.7	74.0	63.0
Total	**469.4**	**393.6**	**377.0**	**306.3**	**428.9**	**368.7**	**431.6**	**442.1**

Personnel by region (at the end of the period)	Q4/2010	Q3/2010	Q2/2010	Q1/2010	Q4/2009	Q3/2009	Q2/2009	Q1/2009
Europe-Middle East-Africa (EMEA)	5,751	5,562	5,431	5,466	5,533	5,646	5,778	5,626
Americas (AME)	2,259	2,217	2,170	2,171	2,236	2,298	2,410	2,654
Asia-Pacific (APAC)	2,032	2,016	1,969	1,925	2,013	1,475	1,503	1,586
Total	**10,042**	**9,795**	**9,570**	**9,562**	**9,782**	**9,419**	**9,691**	**9,866**

Konecranes Group 2006-2010

BUSINESS DEVELOPMENT

		2010	2009	2008	2007	2006
Orders received	MEUR	1,536.0	1,348.9	2,067.1	1,872.0	1,472.8
Order book	MEUR	756.2	607.0	836.3	757.9	571.6
Net sales	MEUR	1,546.3	1,671.3	2,102.5	1,749.7	1,482.5
of which outside Finland	MEUR	1,457.4	1,575.1	1,979.6	1,652.2	1,396.0
Export from Finland	MEUR	427.2	488.4	700.1	579.8	519.6
Personnel on average		9,739	9,811	9,222	8,005	6,859
Personnel on 31 December		10,042	9,782	9,904	8,404	7,549
Capital expenditure	MEUR	22.3	25.7	22.3	25.2	16.3
as a percentage of net sales	%	1.4%	1.5%	1.1%	1.4%	1.1%
Research and development costs	MEUR	21.5	22.0	19.0	16.2	12.5
as % of Group net sales	%	1.4%	1.3%	0.9%	0.9%	0.8%

PROFITABILITY

		2010	2009	2008	2007	2006
Net sales	MEUR	1,546.3	1,671.3	2,102.5	1,749.7	1,482.5
Operating profit (including restructuring costs)	MEUR	112.4	97.9	248.7	192.3	105.5
as percentage of net sales	%	7.3%	5.9%	11.8%	11.0%	7.1%
Income before taxes	MEUR	111.3	88.6	236.2	178.8	95.1
as percentage of net sales	%	7.2%	5.3%	11.2%	10.2%	6.4%
Net income (incl. minority)	MEUR	78.2	62.5	166.6	129.2	68.6
as percentage of net sales	%	5.1%	3.7%	7.9%	7.4%	4.6%

KEY FIGURES AND BALANCE SHEET

		2010	2009	2008	2007	2006
Equity (incl. minority)	MEUR	456.2	407.1	400.7	280.8	223.7
Balance Sheet	MEUR	1,175.5	1,060.4	1,205.4	956.9	919.0
Return on equity	%	18.1	15.5	48.9	51.2	36.5
Return on capital employed	%	24.2	19.3	56.3	50.4	29.5
Current ratio		1.4	1.4	1.5	1.3	1.4
Solidity	%	44.7	45.1	39.9	36.1	28.3
Gearing	%	-3.8	-19.1	2.8	7.0	57.3

Konecranes Group 2006-2010

SHARES IN FIGURES

		2010	2009	2008	2007	2006
Earnings per share, basic	EUR	1.35	1.08	2.83	2.17	1.17
Earnings per share, diluted	EUR	1.34	1.08	2.82	2.13	1.15
Equity per share	EUR	7.64	6.84	6.75	4.80	3.77
Cash flow per share	EUR	0.97	3.79	1.82	3.08	1.39
Dividend per share	EUR	1.00*	0.90	0.90	0.80	0.45
Dividend / earnings	%	74.1	83.3	31.8	36.9	38.5
Effective dividend yield	%	3.2	4.7	7.5	3.4	2.0
Price / earnings		22.9	17.7	4.3	10.9	19.1
Trading low / high	EUR	19.08/32.04	10.61/22.04	9.90/32.50	20.68/34.90	10.23/22.33
Average share price	EUR	23.84	16.66	21.05	27.41	15.04
Share price on 31 December	EUR	30.89	19.08	12.08	23.58	22.30
Year-end market capitalization	MEUR	1,821.3	1,122.1	713.6	1,379.6	1,322.0
Number traded	(1,000)	88,013	113,270	171,519	128,266	114,023
Stock turnover	%	149.3	192.6	290.4	219.2	192.3
Average number of shares outstanding, basic	(1,000)	58,922	58,922	58,726	59,609	58,383
Average number of shares outstanding, diluted	(1,000)	59,274	59,086	58,987	60,507	59,736
Number of shares outstanding	(1,000)	58,960	58,813	59,070	58,506	59,285

* The Board’s proposal to the AGM

CALCULATION OF KEY FIGURES

Return on equity (%):	Net profit for the period / Taseen oma pääoma (keskim. kauden aikana)	X 100
Return on capital employed (%):	Income before taxes + interest paid + other financing cost / Total amount of equity and liabilities - non-interest bearing debts (average during the period)	X 100
Current ratio:	Current assets / Current liabilities	
Solidity (%):	Shareholders' equity / Total amount of equity and liabilities - advance payment received	X 100
Gearing (%):	Interest-bearing liabilities - liquid assets - loans receivable / Total equity	X 100
Earnings per share:	Net profit for the shareholders of the parent company / Average number of shares outstanding	
Earnings per share, diluted:	Net profit for the shareholders of the parent company / Average fully diluted number of shares outstanding	
Equity per share:	Equity attributable to the shareholders of the parent company / Number of shares outstanding	
Cash flow per share:	Net cash flow from operating activities / Average number of shares outstanding	
Effective dividend yield(%):	Dividend per share / Share price at the end of financial year	X 100
Price per earnings:	Share price at the end of financial year / Earnings per share	
Year-end market capitalization:	Number of shares outstanding multiplied by the share price at the end of year	
Average number of personnel:	Calculated as average of number of personnel in quarters	
Number of shares outstanding:	Total number of shares - treasury shares - shares owned by KCR Management Oy	

Analyst and press briefing

An analyst and press conference will be held at G.W. Sundmans' Auditorium (address Eteläranta 16) at 11.00 a.m. Finnish time. The Interim Report will be presented by Konecranes' President and CEO Pekka Lundmark and CFO Teo Ottola.

A live webcast of the conference will begin at 11.00 a.m. at www.konecranes.com. Please see the stock exchange release of January 19, 2011, for the conference call details.

Next report

Konecranes' January-March 2011 interim report will be published on April 28, 2011.

KONECRANES PLC

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Konecranes is a world-leading group of Lifting Businesses™, serving a broad range of customers, including manufacturing and process industries, shipyards, ports and terminals. Konecranes provides productivity-enhancing lifting solutions as well as services for lifting equipment and machine tools of all makes. In 2010, Group sales totaled EUR 1,546 million. The Group has 10,000 employees at 578 locations in 46 countries. Konecranes is listed on the NASDAQ OMX Helsinki (symbol: KCR1V).

www.konecranes.com