

## Annual Review 2006





# NOT JUST LIFTING THINGS, BUT ENTIRE BUSINESSES

Konecranes RMG-crane at Roadways Container Logistics in Birmingham, UK  
Front cover: Konecranes Process crane at Ruukki steel mill in Hämeenlinna, Finland

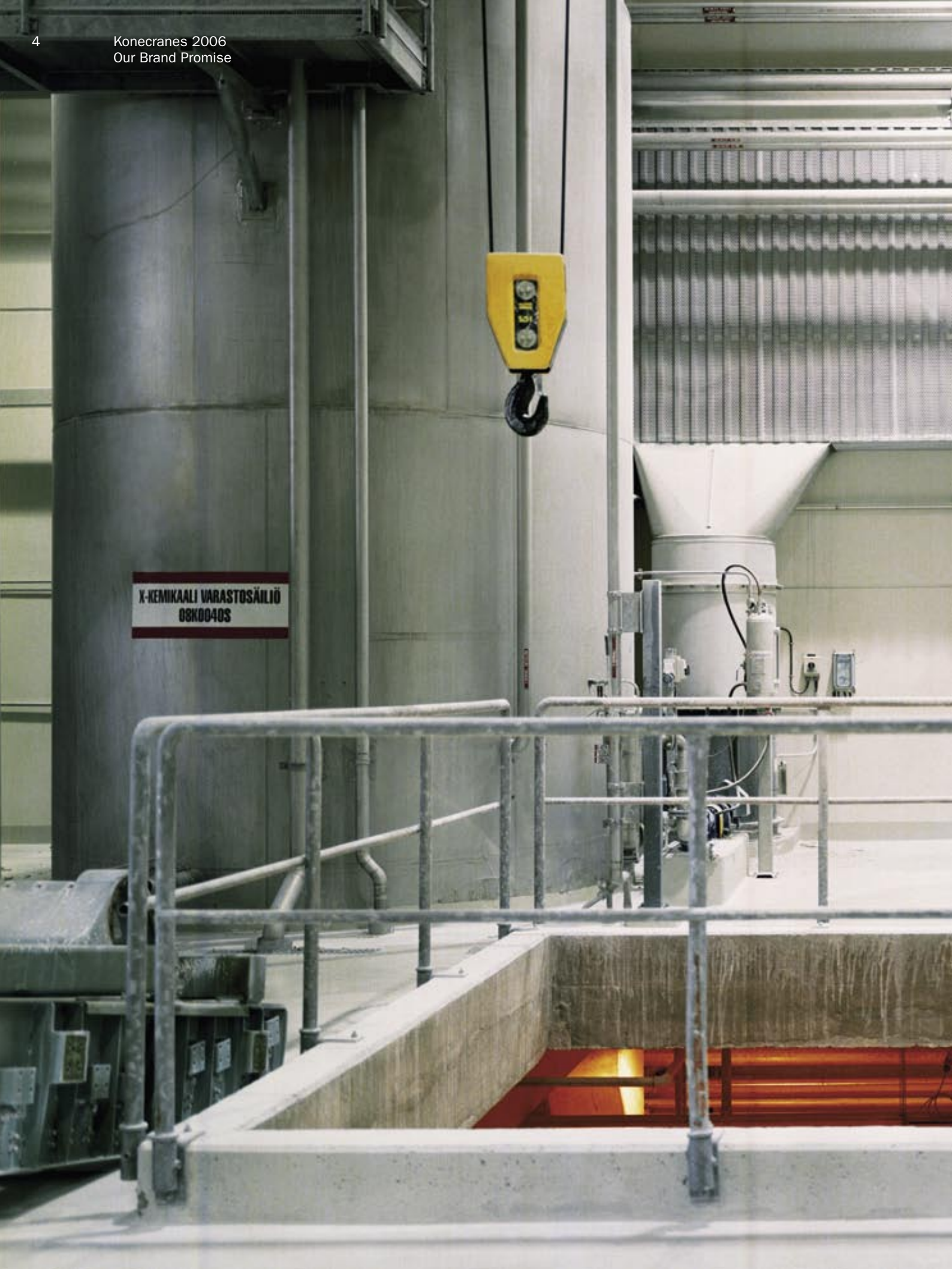
**Konecranes Annual Review 2006** contains information on Konecranes' goals, strategy, Business Areas, R&D, corporate responsibility, personnel development, and Group management.

**Konecranes Financial Review 2006** contains information on the Group's corporate governance, the consolidated and parent company financial statements and their notes.

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# **LIFTING BUSINESSES**

# **LIFTING BUSINESSES**

**Konecranes is an industry-shaping Group of dynamic Lifting Businesses™.**

**We have a strong commitment to provide our customers with products and services of unrivalled quality, safety, and reliability, which results in improved efficiency and performance of their businesses.**

**Through applying both our unique knowledge and technology, and responsive service attitude of never letting the customer down, we are able to develop innovative and integrated lifting solutions that our customers can trust.**

**These solutions help increase customers' productivity and profitability, thus showing that we are not just lifting things, but entire businesses.**





# HIGHLIGHTS 2006

## Highlights

- > Record year in sales, orders, and profits
- > Profitability improved in all Business Areas; long term EBIT-margin target met in Service
- > Capital return rates at record-high level
- > Biggest ever acquisition completed successfully
- > Konecranes renewed its brand strategy and identity, and adopted the brand promise "Lifting Businesses™"
- > Konecranes renamed its three business areas: Service, Standard Lifting, and Heavy Lifting
- > Four-for-one share split helped to improve share liquidity
- > Konecranes market capitalization doubled

## Broadened presence both geographically and in new customer industries through acquisitions and strong organic growth

- > The acquisition of US-based Morris Material Handling Inc., a renowned over 100 year-old company with the recognized P&H brand, strengthened Konecranes' position in North America and broadened the product offering with new technology for nuclear power plant solutions.
- > In operative terms, the acquired Stahl Crane Systems and P&H exceeded expectations

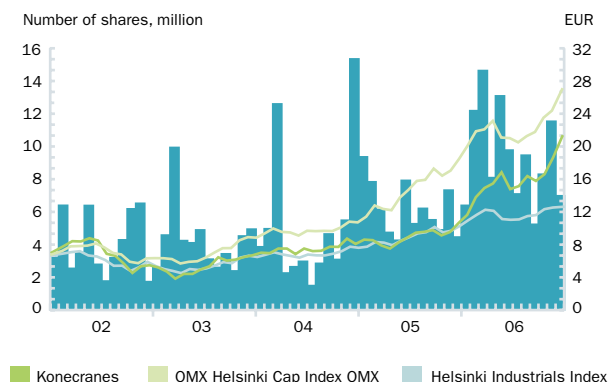
- > Konecranes' first own offices in Spain and India
- > Strong market demand in the emerging markets China, Russia, and India, and in Germany and USA
- > General manufacturing, steel, and harbor sectors were active throughout the year and Konecranes gained several significant orders – good examples being an order for four hot metal ladle cranes from Bushan Steel in India, two coker cranes for Reliance Industries in India and a 50 MUSD order for four STS container cranes and 15 RTG cranes to Port of Savannah, Georgia, USA.
- > First RTG crane order for port terminal in Japan
- > Expansion of our service network continued with 43 new branch offices, now totaling 376.
- > The creation of a service network in Russia and Spain started.

## Improved efficiency of the supply chain pays off

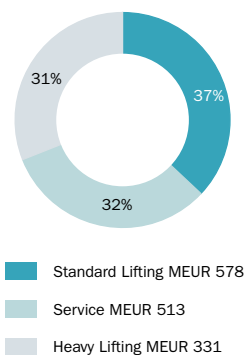
- > Heavy Lifting doubled production volumes in China
- > Konecranes started lift trucks production in China
- > Profitability improvement in the equipment businesses following structural changes made in recent years
- > Productivity improved in all Business Areas

## Monthly trading volume and share price 2002–2006

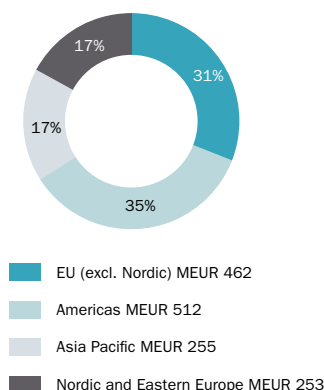
Konecranes shares are listed on the OMX Helsinki Stock Exchange



## Sales by Business Area



## Sales by Market



## Key figures

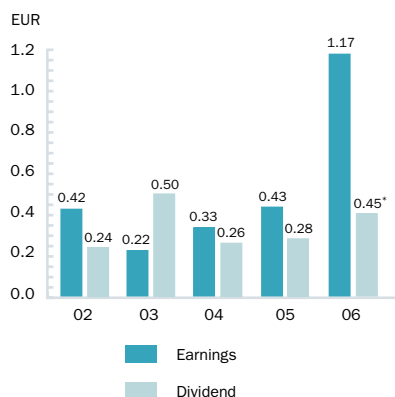
MEUR	2006	2005	Change
Orders received	1,472.8	1,061.2	38.8%
Order book, Dec 31	571.6	432.1	32.3%
Sales	1,482.5	970.8	52.7%
Operating income EBIT	105.5	49.3	113.8%
Operating margin EBIT, %	7.1	5.1	
Net income	68.6	24.1	184.5%
Earnings per share, EUR	1.17	0.43	175.3%
Cash flow from operating activities per share, EUR	1.39	0.85	61.6%
Dividend per share, EUR	0.45*	0.28	63.6%
ROCE %	29.5	17.2	
ROE %	36.5	16.6	
Net gearing %	57.3	88.1	
Personnel, Dec 31	7,549	5,923	27.5%

\*Board's proposal to the AGM

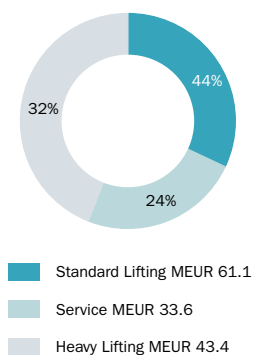
## Brand

Our new brand identity, logo and brand promise were launched on 1 September, 2006. Lifting Businesses™ is the outcome of a renewed brand strategy and identity initiative, which also included dropping 'KCI' from the brand name. By using Lifting Businesses™ to give our company a clear direction, we are well on our way in creating a brand worthy of being an industry shaper.

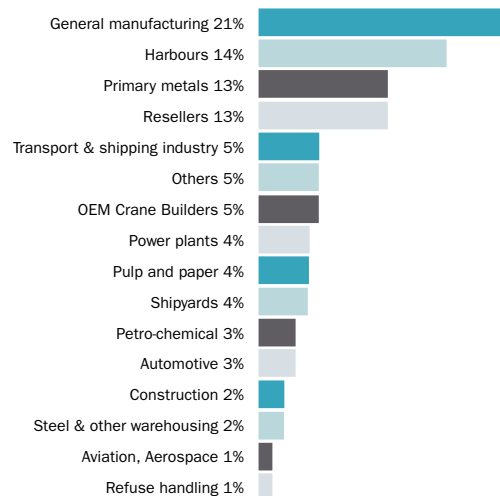
## Earnings and dividend per share



## Operating Income by Business Area



## Sales by Customer Industry



# AN UPLIFTING YEAR FOR KONECRANES

**It is with great pride that I write the review for the year 2006. Konecranes is enjoying a unique combination of three dynamic factors – extremely strong growth, improving operating margins and high capital returns. I am truly proud of the some 7,500-employee team that has made this happen. The year 2006 has put us in a great position for the future.**

We have positioned ourselves as a growth company, targeting both organic growth and value-creating acquisitions. In 2006, we consolidated the two single biggest acquisitions in our history. The growth of both Stahl CraneSystems and Morris Material Handling Inc, or P&H as the brand name is known, accelerated after the acquisitions, and our expectations regarding the synergy benefits were met.

Growth was further boosted by an organic growth of 27%, making the total growth in 2006 as high as 53%, clearly exceeding the 20% growth target anticipated at the beginning of the year. In the last two years, we have thereby more than doubled our size. The strong demand in most of our key markets boosted our sales growth, which clearly exceeded the market growth. The growth was also well balanced: all Business Areas and geographical regions delivered healthy growth numbers. Thanks to the growth, we were able to create 590 new jobs during the year, in addition to the personnel increase that came through the acquisitions.

Higher volumes gave clear economies of scale, but they were not the sole reason for better margins. Our supply chain efficiency programs improved our overall productivity by 7%. The combination of higher volumes and productivity increased the operating margin to 7.1% from 5.1% in 2005. All Business Areas' operating margins improved significantly and Service exceeded its published long-term target of 8%. Standard Lifting improved from 9.1% to 10.6% and Heavy Lifting recovered from the disappointing 4.6% margin in 2005 to a more reasonable level of 6.8%.

We have paid a lot of attention to working capital management and we were able to significantly improve the working capital rotation, which, together with higher operating profit, resulted in a 29.5% return on capital employed and 36.5% return on equity. These figures demonstrate our fast progress: the corresponding returns were 17.2% and 16.6% in 2005.

In 2006, we also renewed our brand strategy and identity, and adopted a new global tagline to better reflect our value proposition to customers. In addition to delivering state-of-the art lifting solutions, we have a company-wide commitment to deliver service that helps increase our customers' productivity and profitability, thus showing that we're not just about lifting things, but entire businesses. In short, Konecranes is about Lifting Businesses. We dropped 'KCI' from our new logo to focus on the core brand equity, which lies in the Konecranes name.

We are in a promising position for the future. Our most important strategic goal is to provide the best customer service in the industry. This strategy is supported by a substantial R&D investment to secure our product and technology leadership also in the future. Furthermore, we will continue to restructure our supply chain with a goal to continuously push down unit costs. High quality standards are of key importance in our supply chain. This is especially important in cases where manufacturing or sourcing is moving to lower cost countries. And finally, since our market is still highly fragmented, our strategy is also to continue to pursue acquisition opportunities to complement organic growth.

It would not be prudent to expect that the very fast organic growth rates we have seen during the past two years will continue at the same pace. However, we do expect organic growth to continue in the coming years. At the same time, we are confident that the 7.1% operating margin achieved in 2006 can be further improved. This is why we have set new mid-term operating margin targets for each Business Area: 12% in Service, 12% in Standard Lifting, and 10% in Heavy Lifting. Achieving these targets would result in a Group margin level of approximately 10%.

Dear customers, shareholders, and colleagues, thank you for your support during 2006! We will continue to do everything we can to meet your expectations in the future.

Pekka Lundmark, President and CEO





Pekka Lundmark, President and CEO



Stig Gustavsson, Chairman of the Board

#### Chairman's Letter

**The year 2006 was an exceptionally strong growth year for Konecranes. The company grew both on its own merits and as a consequence of two good acquisitions during the year. Organic growth was rapid, partly on the back of solid growth in the economy in most of our important markets.**

The big question going forward is whether market growth will continue, and if so, at what level.

It appears fairly easy to agree on most analysts' view on continuing solid growth in Asia. The growth fundamentals are all in place, and both big Asian economies, China and Japan, act as motors. Also, China's biggest "customer", the US, is apparently not in for a hard landing.

Most of our growth outside Japan, is related to investments into social and production infrastructure. This is particularly good for the materials handling industry, as this feeds directly into our order books.

In Europe, the German economy carries the biggest industrial weight. Here, during 2006 we saw a strong performance. In particular, industrial exports from Germany made it the largest exporter in the world. Again, this favours the producers of materials handling equipment. We believe the German momentum to carry forward into the coming years.

Most analysts predict a gradual cooling of the US economy, only some predict a dramatic change. Both scenarios suit Konecranes well. In America, over two thirds of our business is related to service. In a less hectic business climate, our customers, the manufacturing industry, pay more attention to maintenance.

On a whole, we feel confident that market growth will continue in 2007. Naturally, it would be difficult for Konecranes to continue growing organically at the same rate as in 2006. However, all elements necessary for constituting Konecranes as a growth company are there: a modern, competitive product range, a global presence, good but not dominant market shares, and a healthy, growing economy.

Stig Gustavson, Chairman of the Board



# LIFTING BUSINESSES WORLDWIDE THROUGH A HIGH-CLASS OPERATION

## VISION

We want to be the undisputed leader of the lifting industry, and a benchmark for business performance and customer service.

## MISSION

We are not just lifting things, but entire businesses.

## VALUES

- > **Trust in People**  
We want to be known for our great people
- > **Total Service Commitment**  
We want to be known for always keeping our promises
- > **Sustained Profitability**  
We want to be known as a financially sound company

## STRATEGIC CORNERSTONES

**Konecranes' Group Strategy is based on the combination of capitalizing on our extensive service network, leading technology, fast paced industrial consolidation, and a focus on efficient supply chains, giving us growth and higher EBIT margins.**

- > Best customer service
- > Product and service innovation
- > Demand driven, cost-efficient supply chain
- > Value-creating acquisitions

### **Best customer service**

Konecranes is committed to always offering the best customer service in the industry. To us, quality of service is based on safety, reliability, and high-performing technology with which we improve customers' efficiency and productivity. Even in developed outsourcing markets, an estimated two thirds of all service of lifting equipment is still carried out in-house. Outsourcing this service offers benefits such as improved cost efficiency, safety, and increased uptime, and has created a genuine growth market that fuels our organic growth. Our strategy is optimized for tapping into the service industry's global growth potential.

#### **Product and service innovation**

Konecranes is committed to developing industry-shaping technologies for both lifting equipment and their service. Using the vast knowledge that we have accumulated by having the world's largest service organization, we know what customers need and how to develop the solutions for different environments. By combining our service knowledge and new technologies, we create lifting solutions that maximize value to our customers. We minimize downtime and optimize the total cost of ownership.

#### **Demand driven, cost-efficient supply chain**

An efficient supply chain and continuous optimization of operational efficiency is pivotal for Konecranes. We are transforming us from a regional buy-make-sell model to a global buy-move-make-move-sell anywhere model. We are geared to respond efficiently to changes in market demand throughout the chain. Our products are based on modularity and standardization, and make use of the latest technology and designs with an efficient use of raw materials. Maintaining a globally uniform product platform gives us valuable flexibility in terms of capacity utilization and resource allocation. Increased production in expanding markets such as Asia and Eastern Europe offers great opportunities to improve both our competitiveness and cost levels. This has involved increasing outsourcing in low-cost countries and outsourcing of own manufacturing. The role of quality management has therefore become of even greater importance.

#### **Value-creating acquisitions**

The crane industry is still, today, very fragmented, and Konecranes has the financial and managerial resources to lead the consolidation of the industry. The Konecranes growth strategy is based on continued organic growth in markets where we are established – paired with an aggressive plan for acquisitions to enter new geographical markets or to fill a gap in our product portfolio. Well recognized local or regional brands, with large installed bases, remain the primary target for Konecranes' acquisition policy.

## **THE SYNERGETIC BUSINESS MODEL**

Konecranes' three business areas are interlinked by a high degree of synergy. Every service customer relationship creates sales opportunities for the other business areas. Also, every crane sold creates opportunities for providing service. The solutions provided by both Heavy Lifting and Standard Lifting complement each other and enable the customers to satisfy most of their lifting needs through one supplier.

## **KEY INVESTMENT CONSIDERATIONS**

- > Operating in a genuine growth market
- > Global leader in areas of focus
- > Advantage through largest crane service network worldwide and unique service concept
- > High degree of synergy between Business Areas
- > Strong organic growth
- > Strong acquisition track record; well positioned to drive industry consolidation
- > Increasing scale advantage
- > Unmatched R&D input
- > High returns of capital management
- > Effects of cyclical swings reduced by multi-industry customer base, global presence, and extensive service operations



# ONE AND A HALF MILLION SERVICE CALLS – AND COUNTING

**During the past year, Konecranes has continued to maintain its position as the global market leader in crane service. This comes from our determination to lift customers' businesses by minimizing downtime and increasing productivity in their production processes.**

## Service operations

Konecranes Service covers all activities needed to provide safe, reliable, and uninterrupted lifting operations. From spare part services, repairs, on-calls, and crane inspections to full-scale preventive service programs, performance upgrades, and modernizations. In Finland and Sweden, the Service offering has been expanded also to cover machine tools, enabling us to grow even further.

Our Service customers range from repair shops and general manufacturing sites with only a few cranes, to large paper and steel mills with hundreds of cranes, and harbors, which require 24-hour crane functionality.

To cater for this wide diversity, Konecranes operates through an unprecedented network of more than 2,700 service professionals from more than 370 service locations in 41 countries.

## Service concept

The best evidence of our customers' trust in us is the fact that of the 263,000 cranes and hoists in our Service contract base, less than one fifth have been manufactured by Konecranes. This enables a systematic collection of data from both Konecranes' own equipment and other makes of cranes, placing us in a unique position to lead the development of lifting equipment and service technologies.

As today's high tech cranes play an integral part of our customers' production processes, improper service can disable an entire production line. Konecranes' service approach builds upon the view that planned and preventive service reduces downtime in our customers' production processes and keeps the overall cost of ownership at a minimum.

## Market drivers

Today an estimated two-thirds of all crane service is carried out by the crane owner. The key drivers fuelling demand for outsourcing crane service are related to companies' need to become more competitive and keep costs in control, the increased complexity of crane technology, and safety concerns. This means that Konecranes, even as the market leader, has virtually unlimited growth opportunities in this genuine growth market.

Our Service operation is a significant sales channel for the Group's lifting equipment operations, and vice versa.

## Highlights 2006

The strong increase in equipment sales in 2005 and 2006 contributed to higher service sales. The long-term EBIT margin target of eight percent in Service was exceeded. The profitability improvement is mainly attributable to higher sales, improved service contract retention rates, and a higher proportion of spare part sales. Our contract base increased from roughly 242,000 to 263,000 cranes and hoists. Konecranes continued to expand its Machine Tool Service business in countries where the penetration of the maintenance market is high. The acquisition of P&H contributed to Service revenue growth and opened opportunities to expand our Service contract business. Service expanded its network with 43 new service branches in 2006.

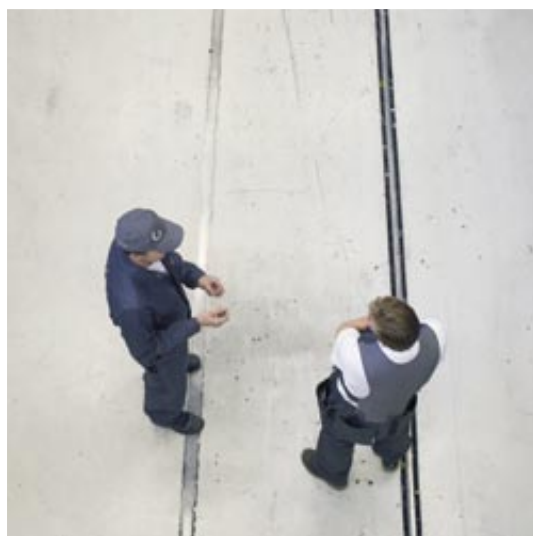
## Key figures

	Part of group total %	2006	2005	Change
Sales, MEUR	32	512.6	406.5	21.6%
Operating income, MEUR	32	43.4	29.4	47.7%
Operating margin, %		8.5	7.2	
Order intake, MEUR	28	433.8	364.5	19.0%
Personnel	52	3,923	2,999	30.8%

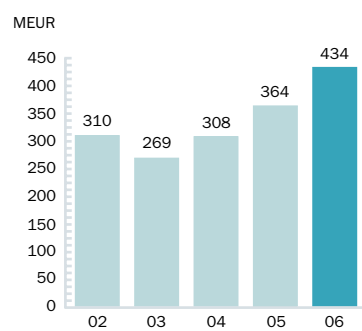


Top left: Jussi Laine, Konecranes Service Technician, Finland

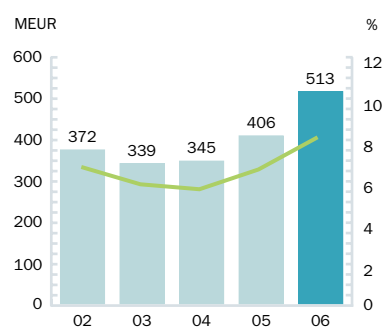
Bottom left: Simo Ranta (left), Keijo Lehtovirta (right), Konecranes Service Technicians, Finland



### Order Intake



### Sales and EBIT Margin



# LIFTING ABOVE EVERY STANDARD

**Konecranes Standard Lifting Business Area lifts customers' businesses by providing modern industrial cranes and lifting systems with capacities ranging from 100 kg to 100 tonnes. Konecranes is the world's largest producer of industrial cranes and wire rope hoists, and the fastest growing supplier of workstation cranes and chain hoists.**

## Standard Lifting operations

Standard Lifting products are used for through-the-air lifting and transportation purposes as part of the customers' production processes. Our Standard Lifting offering covers a wide range of products; from industrial cranes, wire rope and chain hoists, and workstation cranes to jib cranes, monorail and light crane systems, and explosion-proof lifting equipment.

Complete crane solutions are predominantly marketed under the corporate brand Konecranes to end-users. Also the P&H and Stahl CraneSystems brands are sold to end-users. Components are marketed to crane producers under the free-standing power brands: Morris, SWF, Verlinde, R&M, and Meiden. Standard Lifting products are manufactured at plants in Finland, China, U.S.A., France, Germany, and the UK.

Standard Lifting customers represent virtually all manufacturing industries - most typically workshops in the general manufacturing sector, automotive, warehousing, entertainment, and petrochemical industries.

## Standard Lifting concept

The innovative design applied in the Standard Lifting product ranges continues to attract customers. We provide the most compact design available, step-less speed control and a functionality superior to its peers.

Day-to-day customer contacts, through our service organization with over 2,700 field technicians, are also an important growth driver for this business area. Konecranes has clearly outpaced its competitors in terms of organic growth, indicating increased market shares.

## Market drivers

Key drivers for the demand of Standard Lifting products are related to global industrial output and rationalization of customers' production processes. Customers seek faster, safer, and more efficient lifting systems as part of improving their own supply chain. Konecranes is capitalizing on this development by utilizing its broad market presence, leveraged by its own service network, global product platform, independent dealers, technical innovation, multi-brand portfolio, and an active acquisition policy.

## Highlights 2006

Konecranes extended its offering based on a common product platform, and, combined with the acquired operations of Stahl CraneSystems and P&H, further increased its scale benefits. Standard Lifting clearly extended its market share lead through organic growth and acquisitions. Previously completed and ongoing relocation and reorganization of the supply chain, involving reduced Euro-based high cost production in favor of production in rapidly expanding markets in China, resulted in clear profitability improvements and competitiveness. The acquisition of Stahl CraneSystems strengthened our access to customer segments such as the automotive and petrochemical industries. We also improved our portfolio of explosion proof applications.

## Key figures

	Part of group total %	2006	2005	Change
Sales, MEUR	37	577.8	318.0	81.7%
Operating income, MEUR	44	61.1	28.8	111.8%
Operating margin, %		10.6	9.1	
Order intake, MEUR	39	612.6	322.1	90.2%
Personnel	31	2,333	1,898	22.9%

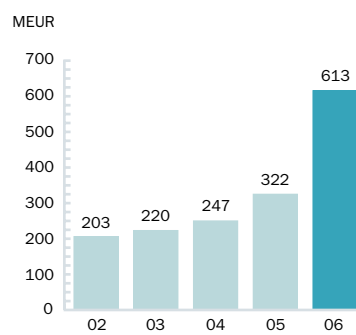




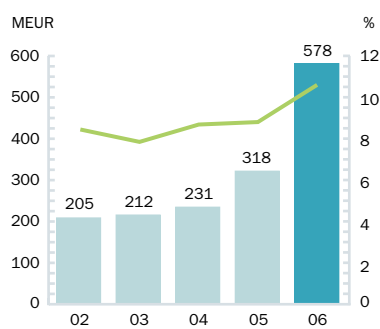
Right: CXT wire rope hoist at Ruukki in Hämeenlinna, Finland



### Order Intake



### Sales and EBIT Margin



# A WISE INVESTMENT WITH HEAVY RETURNS

**Konecranes is the world's leading provider of heavy-duty cranes for process industries and shipyards, and a significant global supplier of port cranes and high-capacity lift trucks. The Heavy Lifting Business Area lifts businesses in process industries, ports and terminals, and shipyards worldwide by delivering high-capacity equipment backed up by world-class service.**

## Heavy Lifting operations

Our Heavy Lifting product range includes process cranes, shipyard gantry cranes, ship-to-shore container cranes, shipboard gantry cranes, RTG (rubber tired gantry) and RMG (rail mounted gantry) cranes, reach stackers, straddle carriers, empty container handlers, and heavy-duty forklift trucks. We have manufacturing plants located in Finland, China, UK, U.S.A., and Sweden. Strategic manufacturing partners are mainly located in China, Poland, Ukraine, and Estonia.

Heavy Lifting's industrial customers include large manufacturing workshops, steel and aluminium producers, pulp and paper, automotive plants, as well as companies in the waste-to-energy, energy utilities, petrochemical, shipbuilding, and warehousing industries. In addition, Heavy Lifting provides container and bulk handling equipment to ports and intermodal terminals worldwide.

## Heavy Lifting concept

The core target of Heavy Lifting is to develop innovative products, which enhance the customers' productivity and profitability by providing innovative solutions and excellent service, which ensure the lowest total lifetime cost of ownership.

To maximize supply chain flexibility, Heavy Lifting products make use of modular product platforms, which enable product components to be manufactured in-house on three continents or by external partners. As the leader in process industry cranes, Heavy Lifting has been able to leverage this know-how in the area of container-handling equipment and achieve scale advantages by utilizing common components.

## Market drivers

Key drivers fuelling the demand for Konecranes Heavy Lifting equipment are related to the trend towards increased globalization, more containerization, the transfer of production to new countries, and companies' ongoing search for greater cost efficiencies.

## Highlights 2006

Streamlining measures to develop the supply chain continued throughout the year. Previously completed actions materialized in improved competitiveness and profitability. Organic growth was exceptionally strong organic at over 42 percent. The acquisition of P&H broadened the product range and created access to new customers, such as the nuclear power generating industry. The product range in the container-handling business was broadened through an entry into the straddle carrier segment. The steel and harbor segments were the most active customer industries, and several significant orders were won from new customers in regions where Konecranes has not been well represented, such as Japan and Spain.

## Key figures

	Part of group total %	2006	2005	Change
Sales, MEUR	31	490.8	331.1	48.3%
Operating income, MEUR	24	33.6	15.2	121.5%
Operating margin, %		6.8	4.6	
Order intake, MEUR	33	519.2	463.3	12.0%
Personnel	15	1,131	890	27.1%

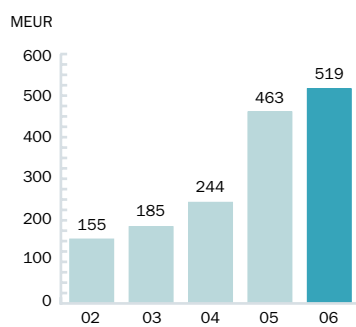




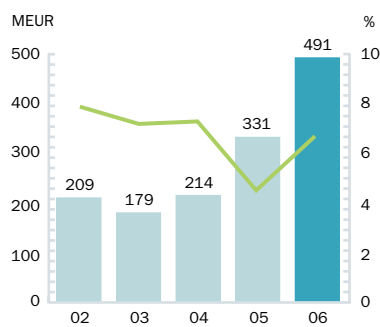
Left: Konecranes Process crane at M-Real paper mill, Kirkniemi, Finland  
 Right: Konecranes RTG-cranes at APM Terminals in Los Angeles, U.S.A.



### Order Intake



### Sales and EBIT Margin





# THIS SYSTEM HAS THE POWER TO RAISE CUSTOMERS PRODUCTIVITY

**Konecranes' R&D function works as a resource developing the technology and product platforms of each business line. Our R&D is also involved in Service-driven programs for the development of maintenance service concepts. Konecranes is pioneering the development of new crane technology by observing and analyzing the demands in the material handling market. In particular, we focus on areas such as advanced automation, predictive service, remote monitoring, product design, operator ergonomics and safety, as well as environmentally sound solutions. By applying concurrent engineering principles in our R&D, we have always been able to launch new products to the benefit of cost-efficient and safe operations for our customers.**

A recent example of an innovation, in line with these ideas, is the development of the Konecranes CMS (Crane Management System) – a user-friendly computer application that collects and analyzes crane data, and then provides clear reports for evaluating the use and productivity of the crane. This high-performance, stand-alone application was designed with modern tools especially for crane applications. And with extensive real-time measurement and diagnostics data, it dramatically improves the reliability and availability of a crane.

Innovations like this, however, are no small task. The Konecranes CMS was developed using extensive experience and know-how. With thousands of engineering hours spent on the software and the electrical design, it combines the latest computer technology with an integrated crane control system. And being a Konecranes product, it comes with assured continuity and our full support.

Our vast knowledge and commitment to international technology standards provide us with a solid source for detailed information about design principles, applicable in modern lifting equipment. The information gathered from our service operations of around 265,000 cranes, supplements the understanding of equipment behavior in different conditions and allows us to provide tailor-made lifting solutions that result in increased efficiency, life-time related crane safety, and productivity gains for our customers. Our technological solutions are always created with the crane operator in mind and are based on advantages in terms of user-friendliness, ergonomics, and safety.

Our R&D projects are run through a systematic program that ensures a high quality end result, and extensive product testing in both our laboratories and in our customers' surroundings is an essential part of this development. Taking environmental efficiency aspects into account is increasingly important, as it keeps our business activities focused on making use of raw materials and natural resources in an economical manner. The minimization of pollution and the reduction of energy consumption are given high priority in many of our R&D projects and set the base for cost control, production efficiency, and sustainable development within the Group.

Konecranes R&D is enhanced through a close collaboration with universities and research institutes. This adds to our spirit of innovation and enables us to lead the way in the development of crane technology in the future.





Konecranes Crane Management System (CMS) provides detailed reports for analyzing and raising the productivity of Port and Process cranes. The picture shows a Konecranes STS-crane at Kotka harbor in Finland which features Konecranes CMS-system.

# HIGHLIGHTING CORPORATE RESPONSIBILITY

**Konecranes bases its corporate governance and business management on the company values: trust in people, total service commitment, and sustained profitability. They are also based on the general principles of sustainable development, which emphasize the integration of economic, social, and ecological goals in business activities. Such responsible business practices are essential for ensuring competitive performance and profitability.**

We also commit ourselves to being a reliable and responsible partner to our stakeholders and personnel. The company follows the principles of good corporate citizenship and aims to use only subcontractors and suppliers who are committed to compliance with ethical operating policies and legislation.

## Company Values

Konecranes' values reflect the Group's common goals and responsible attitude to its business. Our values guide us in our operations and day-to-day activities.

We trust in people, and want to be known for the quality and expertise of our personnel. We want to have a workplace in which employees feel that their contribution is valued and where people treat each other fairly and equally. We treat and respect all our customers, employees, owners, and partners in an equal way. We do not approve of any form of discrimination based on gender, age, race, origin, religious belief, or political opinion, or the use of child or forced labor.

Another essential value is our commitment to customer service; we want to be known as a company that keeps its promises. We work continuously to develop all aspects of our operations, to ensure that our customers recognize us for the high quality of our products and the comprehensive range of our services. We want to give our customers overall satisfying experience in all customer interactions.

Sustained profitability is also a key value, and we are committed to being a financially successful business. We can only be such a business if our customers succeed in theirs, and that is why we develop products and services specifically tailored to offer true added value to our customers. Konecranes is responsible for the financial success of its business not only to its owners, but also to its employees and community as a whole. Profitability and well-managed growth are essential factors that contribute to the development of society and the workplace.

## Corporate Responsibility

In 2006, Konecranes started to fine-tune the Group's main target areas of corporate responsibility. In this development work, the company is using the voluntary Global Reporting Initiative's (GRI) three-dimensional approach of economic, social, and environmental responsibility.



### **Economic responsibility**

Konecranes supports the continuous development of its customers' business operations. We also want our shareholders, investors, and other stakeholders to view the company as a stable investment target. The company's growth and profitability ensure that we remain a good, preferred employer for employees and attention is also paid to the profitability of the supply network. We believe that leading technology and efficient functions in all our processes enable long-term profitability.

### **Social responsibility**

Konecranes develops uniform operating models for work safety and job satisfaction. At the same time, the know-how of our personnel is developed further. We strive to have equal opportunities and fair treatment of people in different career phases and recruiting situations, regardless of any social characteristics.

Konecranes respects employees' freedom to organize their collective labor agreements, and acts responsibly in situations where layoffs are necessary. In our own operations, and in the operations of our suppliers and subcontractors, we take into account the internationally accepted guidelines and principles of human rights.

Sponsorship in Konecranes is considered to be a supportive activity, which is expected to produce results in Konecranes' corporate image. We sponsor groups or clubs where our employees or their families participate, activities in the local community in which we operate, and students or student organizations within disciplines of importance for our Group.

### **Environmental responsibility**

Konecranes pays attention to the environmental impact throughout the life cycle of the company's products. In other words, we aim to improve our customers' operational efficiency while at the same time mitigating environmental effects, e.g. energy and space efficiency and low emissions. Our service activities reduce our customers' environmental effects by ensuring them trouble-free processes.

At the same time we aim to guide the supplier network to be environmentally responsible in their operations and in the usage of raw materials, components and logistics.

### **Business Conduct principles**

In our Business Conduct principles, we have outlined to our organization how to implement the corporate responsibility. We have put a lot of effort into the requirements and guidelines for how we do our business. The principles guide our personnel in issues like compliance, competition law, corruption and bribery, and several other issues to guarantee the highest ethical performance throughout our organization.

Konecranes continues to develop its corporate responsibility awareness through on-going internal training on the subject.

# A GREAT PLACE TO GROW IN

**To fulfill our promise of Lifting Businesses™, there is a clear need for innovative thinking and motivated people. Inspiring our employees is a key area for our personnel management. Making Konecranes a great place to work at is an ongoing project. In addition, we strive to develop new initiatives to attract the best people in the industry.**

The main target of Konecranes' personnel management is to support the Group's business targets and strategies through having skilful, capable, committed, and motivated personnel. The growing global organization of Konecranes offers challenging and interesting positions and opportunities for further development and training, including possibilities for job rotation.

## Group-wide cooperation

As an employer, Konecranes upholds the freedom to organize and the right to collective bargaining.

Konecranes' European Works Council (EWC) is a joint body, which brings together representatives from the Group's management and personnel, and it acts as a forum for exchanging views on topical issues and promoting cooperation Europe-wide. Personnel in EU countries appoint representatives for three-year terms of office.

The 2006 EWC Meeting was held in Hämeenlinna, Finland and focused on the Group's financial performance, governance, and corporate responsibility. Also, our new Human Capital System was reviewed and accepted by the Council.

The annual Konecranes Conference is an event where top management meets to discuss topical items vital to Konecranes' business development. Participants are responsible for communicating the theme message within their respective organizations. In 2006, the Conference was held in

Copenhagen, Denmark. A large number of senior managers and representatives of our personnel attended the event, which focused on the Group's future direction and new brand identity.

## Remuneration systems

A large number of Konecranes employees have individual incentive programs driven by personal performance and the performance of the immediate teams to which they belong. The Konecranes Group also has four ongoing stock option programs (1997, 1999, 2001, and 2003) issued for senior managers and key personnel. More details on the stock option programs are available in the Financial Statement Report.

## A safe workplace

Konecranes is committed to protecting the health and safety of each employee. This is the overriding priority of the organization. There is no job so important and no service so urgent that we cannot take the time to perform our work safely and correctly. We do not compromise an individual's health and safety in anything we do. Konecranes upholds its position as a global leader by promoting occupational health and safety excellence. Also, Konecranes' risk management principles support continuous activities in providing protection against personal injuries and safeguarding our business assets.





# RAISING THE EXPECTATIONS OF A STRONG WORKFORCE

**At Konecranes, we believe that a company is only as good as its people. Therefore, we invest a lot of energy into implementing initiative programs, which ensure our employees are getting the best possible opportunities to expand their knowledge and develop their skills. In other words, we prioritize taking care of the development of our staff.**

And we're not only focusing on current employees. With 2006 being a year of many new developments and advancements, we have seen a lot of fresh faces across the entire company. We feel it is our responsibility to see that these new members not only excel in their specialized fields, but by doing so, contribute to the growth and success of Konecranes in the future.

## Competence development

A common goal of our extensive range of training programs is to expose personnel to operations and opportunities across the Group, and create a common sense of purpose to which people can commit.

Training for Konecranes' largest single group of employees, our service technicians, is arranged annually at training centers worldwide. In 2006, several local and business-specific training events were held across the Group, covering areas such as safety, managerial skills, teamwork, IT, and our new brand identity.

Nearly 300 employees had graduated from the Konecranes Academy at the end of 2006. Konecranes Academy focuses on middle management and experts globally. Its aim is to ensure that Konecranes has skilled and qualified management, which is capable of performing the management tasks needed in the future. It is also a tool to create a strong link between the Group's objectives and daily management activities.

The Academy curriculum is continuously tailored and developed to meet the changing needs for management training. The Academy Plus program

is offered to graduates of the Konecranes Academy for continued development and awareness of ongoing trends in business and leadership skills.

A new program, Konecranes Master, is offered to graduates of the Academy program and managers who have served a long time in the Group. The program is designed for managers with growing responsibilities, number of employees, and bigger decisions to make.

Konecranes top executive program has been renewed and is called Konecranes Champion. The program focuses both on developing individual leadership skills and abilities to anticipate and manage changes in the business environment.

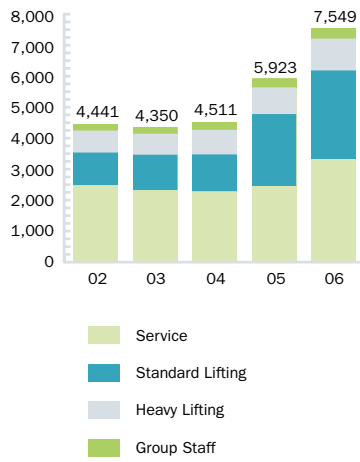
The Group also employs a number of diploma students working on a variety of topics relevant to Konecranes' business. The Group's active participation in student events and diploma work, together with our good relations with local schools, represent a valuable investment in Konecranes' future recruitment needs.

## Human Capital System

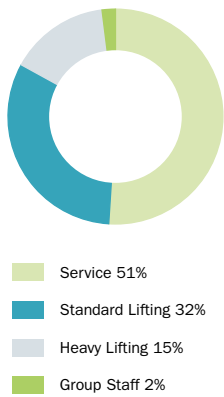
Every Konecranes manager is responsible for having annual TPP Development discussions (Trust–People–Performance) with his or her subordinates. These discussions help guarantee that everyone is familiar with the Group's goals and can commit to them. The discussions also provide the opportunity to set personal goals and determine further development needs.

In 2006, Konecranes started to implement a Group-wide Human Capital System to manage the company's human resources and employees' career development. The system aims to ensure that people have the right knowledge in the right fields and focuses efforts on developing the skills that will promote profitable business.

### Personnel 2002–2006



### Personnel by Business Area



Jussi Laine, Service Technician, Finland

# EXECUTIVE BOARD



- |                    |                   |
|--------------------|-------------------|
| 1 Teuvo Rintamäki  | 8 Arto Juosila    |
| 2 Pierre Boyer     | 9 Mikko Uhari     |
| 3 Mikael Wegmüller | 10 Pekka Lundmark |
| 4 Sirpa Poitsalo   | 11 Harry Ollila   |
| 5 Peggy Hansson    | 12 Edward Yakos   |
| 6 Ari Kiviniitty   | 13 Tom Sothard    |
| 7 Hannu Rusanen    | 14 Pekka Pääkilä  |



**Teuvo Rintamäki** b. 1955  
Chief Financial Officer. Member of the Executive Board since 1994. Employed 1981. M.Sc. (Econ.)  
**Primary working experience**  
Vice President, Region Western Europe 1997–1999, Finance Director, KONE Cranes Division 1988–1994, Vice President, R&M Materials Handling Inc., U.S.A. 1986–1988; Other current key positions of trust: Member of the Advisory Council of Nordea Bank Finland Plc  
**Shares** 89,600  
**Option to acquire** 132,000 shares

**Pierre Boyer** b. 1959  
President, EMEA (Europe, Middle East & Africa). Employed 2006. MBA  
**Primary working experience**  
Various positions at Carrier Corporation, a division of United Technologies Corporation: Director, Commercial Refrigeration, EMEA 2005–; Managing Director, Carrier-ERD Distribution, Netherlands and France 2004–; Managing Director, Carrier-Fincoil Oy, Finland 2001–2003; Director, Marketing and Product Planning, Carrier Refrigeration Operations, USA 1999–2001; Director, Sales and Marketing, Carrier Transcold Europe, France 1995–1999. Prior to joining Carrier, Boyer worked at the Groupe Legris Industries' mobile crane division, PPM.  
**Shares** –  
**Options to acquire shares** –

**Mikael Wegmüller** b. 1966  
Director, Marketing and Communications. Employed 2006. M.Sc. (Econ.)  
**Primary working experience**  
Chief Operating Officer, Publicis Helsinki Oy 2003–2006; Director, SEK & GREY Oy 2000–2003; Planning Group Director, Publicis Törmä Oy 1997–2000; Sales and Marketing Manager, Finelcor Oy (now L'Oreal Finland Oy) 1993–1997; Product Group Manager, Chips Abp 1991–1993  
**Shares** 500  
**Option to acquire shares** –

**Sirpa Poitsalo** b. 1963  
Director, General Counsel  
Member of the Executive Board since 1999. Employed 1988. LL.M.  
**Primary working experience**  
Assistant General Counsel 1997–1998. Legal Counsel, KCI Konecranes/Kone Corporation 1988–1997  
**Shares** 400  
**Options to acquire** 80,000 shares

**Peggy Hansson** b. 1967  
Director, Competence Development. Member of the Executive Board since 2003. Employed 1991. M.Sc. (Adult Education)  
**Primary working experience**  
Manager, Knowledge and Personnel Development, 1998–2003, Manager, Internal Development, 1995–1997. Other current key positions of trust: Member of Technology Industries of Finland Working Group for Education, Training and Labour; Member of the Board of Directors of Edutech – The Centre for Continuing Education at Tampere University of Technology  
**Shares** 2,500  
**Option to acquire** 16,000 shares

**Ari Kiviniitty** b. 1957  
Chief Technology Officer (CTO)  
Member of the Executive Board since 2005. Employed 1983. M.Sc. (Eng.)  
**Primary working experience**  
Vice President, Standard Lifting Equipment, 2004–2005, Managing Director, Hoist factory, 2002–2004, R&D Manager 1999–2001, Technical Director, Components, Singapore, 1996–1998. Other current key positions of trust: Member FEM (The European Federation of Materials Handling Equipment Manufacturers), Member of Technology Industries of Finland Business and Technology Working Group  
**Shares** 1,500  
**Option to acquire** 23,200 shares

**Hannu Rusanen** b. 1957  
President, Service Business Area and Country Executive, Nordic Region. Member of the Executive Board since 2004. Employed 2003. M.Sc. (Eng.)  
**Primary working experience**  
Vice President, Service, ABB Finland, 1995–2002. Various management positions at Tampella Oy 1982–1995 in Finland and in the U.S.A.  
**Shares** 5,500  
**Option to acquire** 24,000 shares

**Arto Juosila** b. 1955  
Group Vice President, Administration and Business Development  
Member of the Executive Board since 1994. Employed 1980. M.Sc. (Econ.)  
**Primary working experience**  
Chief Executive, Region Asia-Pacific, 2003–2005, President, Standard Lifting Equipment, 1998–2003. Various positions within the Hoist Group, 1990–1998, Managing Director, Verlinde S.A., France 1988–1990, Vice President, R&M Materials Handling Inc., U.S.A., 1983–1986  
**Shares** 32,000  
**Option to acquire** 36,000 shares

**Mikko Uhari** b. 1957  
President, Heavy Lifting. Member of the Executive Board since 1997. Employed 1997. Lic. Sc. (Eng.)  
**Primary working experience**  
President, Harbour and Shipyard Cranes, 1997–2003. Various managerial positions Wood Handling Division, KONE Corporation 1982–1997 (Andritz as of 1996–), including: Director, Wood Handling Unit, Finland 1990–1992, Group Vice President, Project Business 1992–1996, Group Vice President, Marketing 1996–1997  
**Shares** 36,200  
**Option to acquire** 52,000 shares

**Pekka Lundmark** b. 1963  
President & CEO. Member of the Executive Board since 2004. Employed 2004. M.Sc. (Eng.)  
**Primary working experience**  
Group Executive Vice President, KCI Konecranes, 2004–2005  
CEO, Hackman Abp, 2002–2004, Managing Partner, Startupfactory, 2000–2002. Various executive positions, Nokia Corporation, 1990–2000.  
**Shares** 110,000  
**Option to acquire** 132,000 shares

**Harry Ollila** b. 1950  
President, Northeast Asia (China, Korea and Japan). Member of the Executive Board since 1994. Employed 1991. M.Sc. (Eng.)  
**Primary working experience**  
Group Vice President, Group Development, 2001–2005, Country Executive, Europe, 1997–2001, Technical Director, 1994–1997. Various positions at A. Ahlström Osakeyhtiö, 1972–1991, including: Technical Director, Ahlström Pyropower 1986–1991; Director of Projects and Engineering, Pyropower Corp., U.S.A. 1981–1986.  
**Shares** 128,000  
**Option to acquire** 108,000 shares

**Edward Yakos** b. 1959  
President, Southeast Asia Pacific (Australia, New Zealand, Singapore, Thailand, Malaysia, Indonesia, Vietnam, Philippines, and India). Member of the Executive Board since 2005. Employed 1992. B.Sc. (Eng.), MBA  
**Primary working experience**  
Managing Director, Konecranes Pty Ltd (Australia) 1998–2005, Marketing Manager, Maintenance Services, North America 1992–1998, Various managerial positions: Harnischfeger Industries, Inc. 1978–1992  
**Shares** –  
**Option to acquire shares** 30,000

**Tom Sothard** b. 1957  
President, Region Americas. Member of the Executive Board since 1995. Employed 1983. B.Sc. (Marketing)  
**Primary working experience**  
President, Global Maintenance Services, 2001–2006. Group Vice President, North America, 1995–2002, President, Maintenance Services, North America 1989–2001, Vice President, Maintenance Services, North America, 1984–1988, District Manager, Robbins and Myers, 1980–1984  
**Shares** 2,000  
**Option to acquire** 52,000 shares

**Pekka Pääkkilä** b. 1961  
President, Standard Lifting. Member of the Executive Board since 2003. Employed 1987–1998, 2001–. B.Sc. (Eng.)  
**Primary working experience**  
Director, Industrial Cranes & Components, 2002–2003, Director, Branded Products, Standard Lifting Equipment, 2001–2002, Sales Manager, Naval Oy, Finland 1998–2001, Regional Manager, Hoists & Components Center, Springfield, U.S.A., 1993–1998  
**Shares** 2,000  
**Option to acquire** 68,000 shares

# BOARD OF DIRECTORS



1 Malin Persson  
2 Stig Gustavson  
3 Stig Stendahl  
4 Timo Poranen

5 Lennart Simonsen  
6 Björn Savén  
7 Matti Kavetvuo  
8 Svante Adde

**Svante Adde** b. 1956  
Board member since 2004 and member of the Audit Committee since 2004. Independent of the Company. B.Sc. (Econ. and Business Administration)  
**Primary working experience**  
Managing Director of Compass Advisers, London 2005–; Chief Financial Officer of Ahlstrom Corporation 2003–2005; Managing Director of Lazard London 2000–2003; Director of Lazard London 1989–2000; Other current key positions of trust: Member of the Boards of Metso 2005– and Brammer Plc 2005–.  
**Shares** 1,736

**Stig Gustavson** b. 1945  
Chairman of the Board  
Deemed to be dependent of the company, since he was President and CEO of the company until 17 June, 2005. M.Sc. (Eng.), Dr.Tech. (hon.)  
**Primary working experience**  
President and CEO of KCI Konecranes Plc 1994–2005 and President of KONE Cranes division 1988–1994. Holder of various executive positions at KONE Corporation 1982–1988, Sponsor Oy 1978–1982, RAY (Raha-Automaattiyhdistys) 1976–1978, Wärtsilä Oy Ab 1970–1976; Other current key positions of trust: Chairman of the Boards of Oy Mercantile Ab, Handelsbanken Regional Bank Finland, Dynea Oy, Eitel Group Oy, Tammet Oy, Arcada Foundation; Vice-Chairman of the Board of Cramo Oy; Member of the Boards of Vaisala Oyj, Fastems Oy, and Technology Industries of Finland (also Executive Committee member); Chairman of the Supervisory Board of Tampere University of Technology; Member of the Supervisory Board of Varma Mutual Pension Insurance Company  
**Shares** 1,929,420  
**Option to acquire** 52,000 shares

**Matti Kavetvuo** b. 1944  
Board member since 2001 and member of the Audit Committee since 2004. Independent of the Company. M.Sc. (Eng.), B.Sc. (Econ.)  
**Primary working experience**  
CEO of Pohjola Group Plc 2000–2001; CEO of Valio Ltd 1992–1999; CEO of Orion Corporation 1985–1991; President of Instrumentarium Corp. 1979–1984; Other current key positions of trust: Chairman of the Boards of Orion Corporation and Metso Corporation; Vice Chairman of the Board of Alma Media Corporation; Member of the Board of Marimekko and Corporation Member of the Finnish Association of Professional Board Members  
**Shares** 1,736

**Malin Persson** b. 1968  
Board member since 2005 and member of the Nomination and Compensation Committee since 2005. Independent of the Company. M.Sc. (Eng.)  
**Primary working experience**  
Vice President, Corporate Strategy and Business Development, AB Volvo since 2000. Holder of various positions including Vice President, Business & Logistics Development, Manager, Environmental Affairs at Volvo Logistics Corp 1995–2000; Other current key positions of trust: Chairman of the Council of Technology Management and Economics at the Chalmers University of Technology; Member of the Boards of Green Cargo AB, Volvo Trucks AB, Volvo Technology Transfer AB and Volvo Maroc  
**Shares** 736

**Timo Poranen** b. 1943  
Board member since 1994 and member of the Nomination and Compensation Committee since 2004. Independent of the Company. M.Sc. (Eng.)  
**Primary working experience**  
President, Finnish Forest Industries Federation 1998–2005, Vice President, Metsäliitto-Yhtymä 1996–1997, CEO, Metsä-Serla Corporation 1990–1996. Holder of various executive positions at Oy Metsä-Botnia Ab within production and management 1974–1990; Other current key positions of trust: Member of the Board of FACTE, the Finnish Academies of Technology; Deputy member of the Board of Varma Mutual Pension Insurance Company; Member of the Supervisory Board of Finnish Fair Corporation; Member of the Finnish Association of Professional Board Members  
**Shares** 1,736

**Björn Savén** b. 1950  
Vice Chairman of the Board since 17 June 2005, Chairman of the company's Board 1994–2005, and Chairman of the Nomination and Compensation Committee since 2004. Independent of the Company. M.Sc. (Econ.), MBA, Dr.Econ. h.c.  
**Primary working experience**  
Chairman and Chief Executive at Industri Kapital since 1989. Holder of various executive positions within the Esselte Group in Sweden, the U.K. and the U.S.A. 1976–1988; Other current key positions of trust: Chairman of Consolis Bonna Sabla SA; Deputy Chairman of Dynea International Oy and Deutsch-Swedische Handelskammer; Member of the Boards of Eitel Networks Oy, Gardena AG, Finnish-Swedish Chamber of Commerce, IVA Royal Swedish Academy of Engineering Sciences  
**Shares:** –

**Lennart Simonsen** b. 1960  
Secretary to the Board (not a member) 1995–2004, 2005–. Member of the Konecranes Board in 2004. LL.M.  
**Primary working experience**  
Attorney, Managing Partner, Roschier, Attorneys Ltd.  
**Shares** –

**Stig Stendahl** b. 1939  
Board member since 1999 and Chairman of the Audit Committee since 2004. Independent of the Company. M.Sc. (Chem. Eng.)  
**Primary working experience**  
President & CEO of Fiskars Oyj Abp 1992–2000, President of Abloy Security Limited 1987–1992, President of LKB Produkter AB 1979–1987; Other current key positions of trust: Chairman of the Supervisory Board of Åbo Akademi University Foundation; Member of The Swedish Academy of Engineering Sciences in Finland (STV); Foreign member of IVA, the Royal Swedish Academy of Engineering Sciences; Member of the Finnish Association of Professional Board Members  
**Shares** 2,536

The members of the Board of Directors of KCI Konecranes Plc are elected at each Annual General Meeting for a term of one year. Board members (except Konecranes' former President and CEO Stig Gustavson) do not have options. Shareholdings are listed as per December 31, 2006.



# KONECRANES IN A SNAPSHOT

- > HEAD OFFICE AND SHARE LISTING IN FINLAND
- > MARKET LEADER IN INDUSTRIAL CRANES AND THEIR SERVICE
- > 7,500 EMPLOYEES
- > PRODUCTION FACILITIES IN NINE COUNTRIES
- > SALES IN MORE THAN 40 COUNTRIES
- > INDUSTRY LEADING TECHNOLOGY AND GLOBAL MODULAR PRODUCT PLATFORMS

## MARKET POSITION

Global market share estimated at 13%; strong position in the Nordic countries, Germany, France, the UK, U.S.A., Canada, Australia, Russia, Ukraine, many smaller EU countries, as well as many in the Middle East and Asia-Pacific region. We have the largest presence in China of all western competitors.

## COMPETITION

### Service

Competitors are mostly regional or local companies. The biggest competitors in crane service are the customers themselves, who service the cranes in-house. No other global player apart from Konecranes.

### Industrial solutions

Due to the still fragmented market, competitors are mostly regional or local companies. Larger competitors include Demag Cranes & Components GmbH (Germany), Abus Kransysteme GmbH (Germany), and the Columbus McKinnon Corporation (U.S.A.).

### Container Handling

More consolidated market with a few global companies providing a large range of different equipment. Konecranes' focus is on high-end products in chosen market segments and geographical areas. The main competitors include ZPMC (China), Kalmar (part of Cargotec Corporation, Finland), Fantuzzi Group (Italy), Svedtruck (Sweden), Liebherr (Ireland), and Taylor (U.S.A.).

## BUSINESS AREAS

### Service

Service is provided for all makes of industrial cranes and port cranes, as well as for lift trucks and machine tools. There are 376 Service depots across 41 countries and a total of 3,913 employees.

**Market position.** Market leader in crane service and the world's most extensive crane service network.

**Products.** Inspections, preventive maintenance programs and contracts, modernizations, repairs, on-calls and spare parts.

**Service contract base.** More than 263,000 cranes and hoists; less than one-fifth manufactured by Konecranes.

### Standard Lifting

Marketed through a multi-brand portfolio: the corporate brand Konecranes and free-standing power brands P&H, Stahl CraneSystems, Morris, SWF, Verlinde, R&M, and Meiden. Standard Lifting has a total of 2,328 employees with sales representation in more than 40 countries.

**Market position.** The world's largest producer of industrial cranes and wire rope hoists, and the fastest growing supplier of workstation cranes and chain hoists.

**Products.** Industrial EOT cranes, electric chain and wire rope hoists, light crane systems, crane drives, and a variety of components. Lifting capacities are typically up to 50 tons.

**Annual production.** More than 20,000 cranes and wire rope hoists, and tens of thousands of chain hoists.

### Heavy Lifting

Marketed under the Konecranes and P&H brands, and sales representation in more than 40 countries. Heavy Lifting has 1,126 employees.

**Market position.** Global leader in engineered and heavy-duty cranes for process industries and in shipyard Goliath Gantry cranes. Global supplier of lift trucks and harbor cranes for containers and bulk materials, with a leading position for certain products.

**Products.** Process EOT cranes, shipyard gantry cranes for open-hatch bulk carriers, STS cranes, RTG and RMG cranes, straddle carriers, shipboard cranes, reachstackers, top lifters, empty container handlers, forklift trucks, crane automation, crane control systems and heavy-duty components. Lifting capacities typically range from 50 tonnes up to 1000 tonnes.

**Annual Production.** 500 heavy-duty cranes and hoisting trolleys, and 350 heavy-duty lift trucks.

# PRODUCT OVERVIEW



## SERVICE AND MODERNIZATION

activities are aimed at maximizing the availability of the equipment, while minimizing the ownership costs.



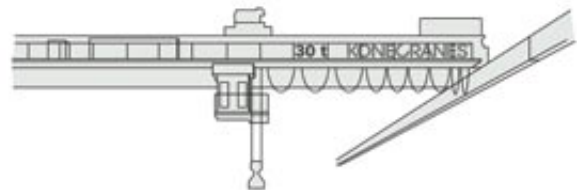
## LIGHT LIFTING SYSTEMS

are used for productive and ergonomic handling of loads up to 7,500 kg.



## INDUSTRIAL CRANES

feature the CXT hoist for lifting capacities up to 100 tons.



## PROCESS CRANES

are engineered for severe duty lifting up to 1,000 tons or more.



## FORKLIFT TRUCKS

with lifting capacities of 10 to 60 tons are used for transporting materials in process industries and ports.



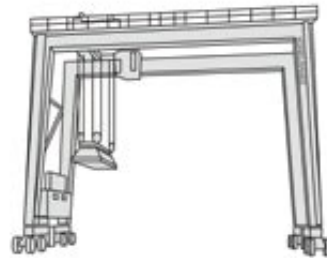
## REACH STACKERS

are used to stack containers in small and medium sized terminals and railroad terminals.



### **STRADDLE CARRIERS**

are used for transporting containers from the shipside to the container yard, and to the loading area.



### **YARDCRANES**

include RTG and RMG cranes used for stacking containers high and wide in ports and intermodal terminals.



### **SHIP-TO-SHORE CRANES**

are used for loading and unloading containers from ship to quay.



### **GOLIATH SHIPYARD CRANES**

span over 150 m and are used for handling ship sections in the shipbuilding process.



# ADDRESSES

## Corporate Headquarters

KCI Konecranes Plc  
P.O. Box 661 (Koneenkatu 8)  
FI-05801 Hyvinkää, Finland  
Tel +358 20 427 11  
Fax +358 20 427 2099

## Global Business Area Headquarters

### Service

Konecranes Service Corporation  
P.O. Box 135, (Koneenkatu 8)  
FI-05801 Hyvinkää, Finland  
Tel +358 20 427 11  
Fax +358 20 427 4099

### Heavy Lifting

Konecranes Heavy Lifting Corporation  
P.O. Box 662, (Koneenkatu 8)  
FI-05801 Hyvinkää, Finland  
Tel +358 20 427 11  
Fax +358 20 427 2599  
(Harbor and Shipyard cranes)  
Fax +358 20 427 2299 (EOT Process cranes)

### Standard Lifting

Konecranes Standard Lifting Corporation  
Ruunumyllyntie 13  
FI-13210 Hämeenlinna, Finland  
Tel +358 20 427 11  
Fax +358 20 427 3399

## Regional Headquarters

### Americas

Konecranes, Inc.  
4401 Gateway Blvd.  
Springfield, OH 45502  
Tel +1 937 525 5533  
Fax +1 937 322 2832

### Europe, Middle East & Africa

Konecranes EMEA  
P.O. Box 668 (Koneenkatu 8)  
FI-05801 Hyvinkää, Finland  
Tel +358 20 427 11  
Fax +358 20 427 2099

### Northeast Asia

Konecranes (Shanghai) Co., Ltd.  
No. 789 Suid Road, Putuo District  
SHANGHAI, 200331, China  
Tel +86 21 6284 8282  
Fax +86 21 6363 5724, 6363 9462

### Southeast Asia-Pacific

Konecranes Pty Ltd  
26 Williamson Road  
INGLEBURN, NSW 2565, Australia  
Tel +61 2 8796 7666  
Fax +61 2 9605 4336

**Konecranes has operations in 41 countries.  
For a comprehensive listing of addresses by  
country, we welcome you to visit our web site  
at [www.konecranes.com](http://www.konecranes.com)**

**KONECRANES®**  
Lifting Businesses™

The Group's brand strategy is based on the corporate and master brand, Konecranes, complemented with freestanding power brands – these include R&M Materials Handling, Stahl CraneSystems, SWF Krantechnik, Verlinde, Morris Material Handling and P&H.



Konecranes is a world-leading group of Lifting Businesses™ offering lifting equipment and services that improve productivity to a wide variety of industries. The company is listed on the OMX Helsinki Stock Exchange (KCIIV) and in 2006, sales totalled EUR 1,483 million. With 7,500 employees at over 370 locations in 41 countries, we have the resources, technology, and determination to deliver on the promise of Lifting Businesses™

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