

Articles of Association of new KONE Oyj

[Appendix 1]

§ 1 Business Name and Domicile

The business name of the company is KONE Oyj and in English, KONE Corporation. Its domicile is Helsinki.

§ 2 Line of Activity

The company's line of activity is the metal industry, primarily the mechanical engineering and electrical engineering industries, trade in the products of the metal industry, and industrial and business activities related to these. In addition, the company can engage in the practice of buying, selling, owning and administration of property and securities.

§ 3 Share Capital and Number of Shares

The minimum capital of the company is sixty million (60,000,000) euros, and its maximum capital two hundred and sixty million (260,000,000) euros, within which limits the share capital may be increased or decreased without amendment of the Articles of Association.

The company has a minimum of one (1) and a maximum of (260,000,000) shares. The shares have no nominal value.

§ 4 Classes of Shares

The shares of the company are divided into class A and class B shares, of which there are in total at maximum 260,000,000. The number of class A shares is at maximum 260,000,000 and the number of class B shares at maximum 260,000,000.

Increase of the Share Capital

In a new issue, either shares of both classes or only B-series shares may be issued in accordance with a decision of a General Meeting of Shareholders.

In a new issue in which shares of both classes of shares are issued, as well as in a bonus issue, the increase of the share capital is divided in the previous proportion between the two classes of shares, in which case the class A shares entitle to subscribe only to class A shares and the class B shares only to class B shares.

Dividend on Class B Shares

In a distribution of dividends, the dividend paid on the class B shares is higher than that on the class A shares. The difference between the dividends paid on the different classes of shares is at minimum one (1) percent and at maximum two and one half (2.5) percent, calculated from the accounting par value of the share.

Right to Vote pertaining to Shares

In a General Meeting of Shareholders, each class A share shall entitle its holder to one vote and each full ten class B shares shall entitle their holder to one vote, but each shareholder shall have at minimum one vote.

Conversion of an Class A Share to a Class B Share

Upon an offer by the Board of Directors, the holder of a class A share shall have the right to present a claim that the class A share owned by him be converted to a class B share at a ratio of 1:1. The offer by the Board of Directors is to be communicated to the holders of class A shares by letter to their addresses registered in the company's Register of Shareholders. Any claim regarding conversion shall be presented in writing to the company's Board of Directors. Those shares, the conversion of which is desired, shall be specified in the claim. After the period of the offer has expired, the Board of Directors shall forthwith carry out the conversions based on the claims presented. Thereafter, a notification of the conversion shall forthwith be made to the Trade Register for registration. The conversion has been put into effect when the registration has been made.

§ 5 Paperless Book-Entry Securities System

The shares of the company are in the paperless book-entry securities system.

The right to receive funds distributed from the company and the right to subscribe when the share capital is being increased shall be held only by:

- one who, on the matching day, has been entered as a shareholder into the Register of Shareholders;
- one whose right to receive a remittance has, on the matching day, been entered into the securities account of a shareholder entered into the Register of Shareholders, and has been entered into the Register of Shareholders; or
- if a share has been nominee registered, the one onto whose securities account the share has been entered on the matching day and the manager of whose shares has, on the matching day, been entered as manager of the shares into the Register of Shareholders.

§ 6 Board of Directors

The Board of Directors of the company shall include at minimum five (5) and at maximum eight (8) other regular members, as well as at maximum three (3) alternate members.

The Board of Directors shall jointly choose the Chairman of the Board and the Deputy Chairman.

The term of office of the Board of Directors shall expire at the end of the first Annual General Meeting of Shareholders following the election.

The Board of Directors is deemed to have a quorum present when more than a half of its members are present.

§ 7 Managing Director

The Board of Directors of the company shall appoint a Managing Director.

§ 8 Signing of the Business Name

The business name of the company is signed by the Chairman of the Board of Directors and by the President, either one of them alone, and by the members and alternate members of the Board of Directors, any two of them jointly.

§ 9 Powers of Procuration

The Board of Directors shall decide on the granting of powers of procuration.

§ 10 Audit

The company shall have at least one (1) and a maximum of three (3) Auditors. The Auditors shall be authorized public accountants.

The assignment of the Auditors shall expire at the end of the first Annual General Meeting of Shareholders following the election.

§ 11 Summons to a General Meeting

A Summons to a General Meeting of Shareholders shall be published in at least two daily newspapers, decided upon by the Board of Directors and appearing in the Helsinki region, no earlier than two months before the last date according to § 12 for the declaration of the intention to attend, and no later than one week before the fixed date referred to in Chapter 3 a, Section 11, paragraph 1, of the Companies Act.

§ 12 Declaration of Intention to Attend a General Meeting

In order to be permitted to participate in a General Meeting of Shareholders, a shareholder shall, no later than the date designated by the Board of Directors and mentioned in the summons to the Meeting, which date may be no earlier than ten (10) days before the Meeting, declare to the company her/his intention to attend.

§ 13 General Meeting of Shareholders

The Annual General Meeting of Shareholders shall be held annually within three months after the closing of the accounting period, on a day designated by the Board of Directors.

At the Meeting shall be:

presented

- the financial statements, which shall comprise the Income Statement, the Balance Sheet, and the Annual Report, as well as the consolidated financial statements comprising the Consolidated Income Statement and the Consolidated Balance Sheet;
- the Auditors' Report, as well as the Auditors' Report concerning the whole group of companies;

decided

- the approval of the Income Statement and the Balance Sheet, as well as the Consolidated Income Statement and the Consolidated Balance Sheet;
- any measures occasioned by the profit or loss according to the approved Consolidated

Balance Sheet;

- granting release from liability to the members of the Board of Directors and to the President;
- the number of members and, if needed, deputy members of the Board of Directors, and their remunerations;
- the number of Auditors, and their remunerations; and

elected

- the Board of Directors' regular members and, if needed, deputy members;
- one or several Auditors.

§ 14 Financial Period

The financial period of the company is the calendar year.

§ 15 Arbitration

Any disputes between the company on the one hand and the Board of Directors, any member of the Board of Directors, the President, any Auditor, or any shareholder on the other hand, regarding the application of the Companies Act or the present Articles of Association, shall be settled by arbitration procedure, as prescribed in the Companies Act and in the Act regarding Arbitration.