



KONE Q1 2025

Philippe Delorme, President & CEO
Ilkka Hara, CFO

APRIL 30, 2025

INTERIM REPORT JANUARY-MARCH 2025

Dedicated to
People Flow™

Q1 2025: Solid start to the year

- Healthy growth in Service, excellent development in Modernization
- Good growth momentum outside China
- Consistent profitability improvement
- Strategy execution on track

8.5%

Growth in
Service sales*

~20%

Growth in
Modernization orders
and sales*

~15% | **>10%**

Decline in
Greater China
orders* | Growth in
rest of world
orders*

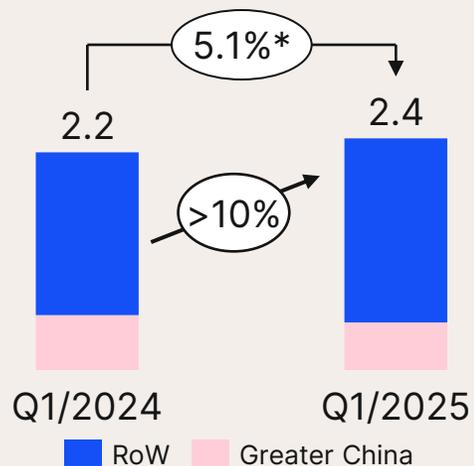
25bps

Improvement in
adjusted EBIT%

Q1 2025 financial highlights: growth in all key metrics

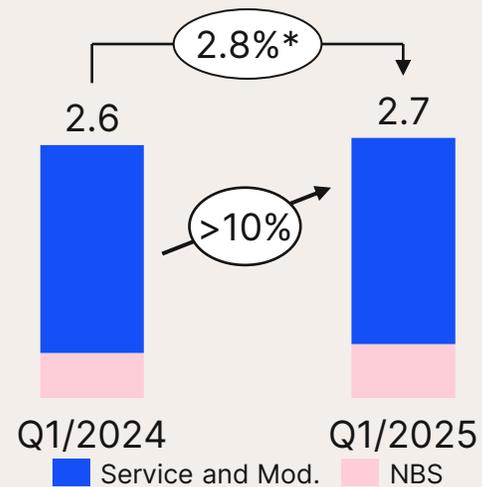
Order growth >10% outside China;
strong momentum in
Modernization

Orders received, EUR bn



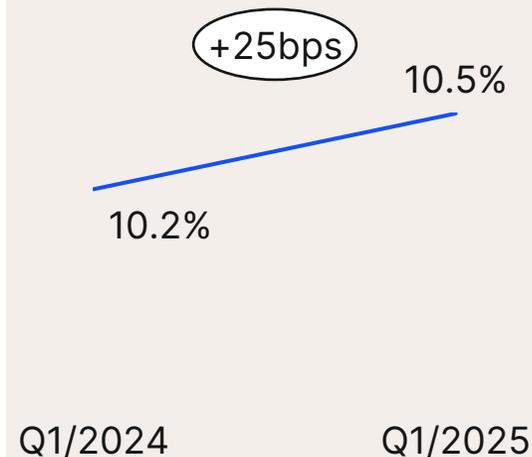
Sales growth driven
by Service and
Modernization

Sales, EUR bn



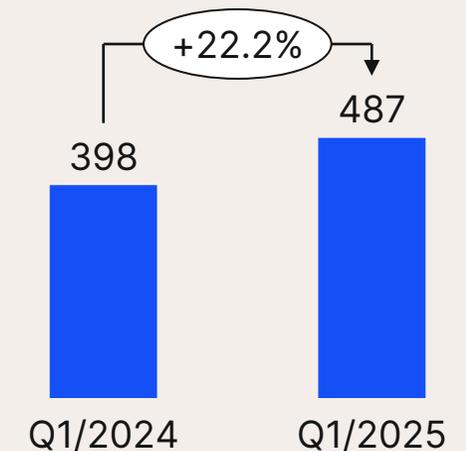
Consistent
improvement in
adjusted EBIT-%

Adjusted EBIT margin, % of
sales



Earnings growth and
working capital drove
increased **cash flow**

Cash flow from operations,
EUR mn



Exciting customer references across the world



Modernization

Kunshan government-backed modernization project, Suzhou, China



Modernization

City Tower building, Prague, Czech Republic



New Building Solutions & Modernization

Capital One Arena Transformation, Washington D.C., U.S.

Q1 business highlights: steady execution on strategy



Service: accelerated deployment of digital solutions

- Connectivity rate reached ~36%
- Dynamic Maintenance Planning live in 22 countries, Remote Service in 15



Modernization: good progress in driving partial modernization

- KONE MonoSpace DX Upgrade orders increased by nearly 30% in Europe
- A-rating achieved in energy efficiency measurements

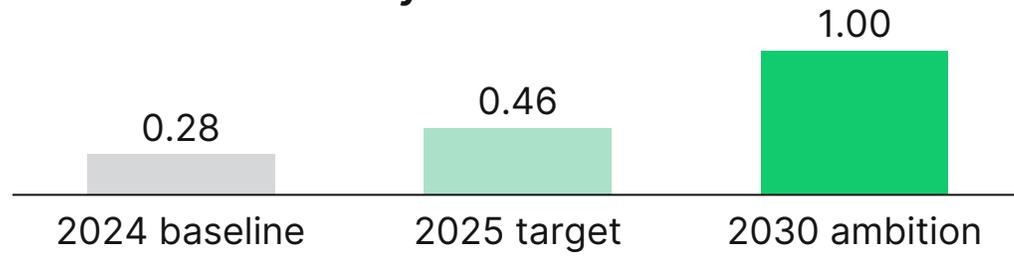


New Building Solutions: strengthening our position in low-rise residential

- KONE MonoSpace 100 DX now available in 19 countries with positive customer response

Good progress in sustainability metrics

KONE Sustainability index



Recognitions for our sustainability leadership



Included in CDP's prestigious A List for environmental transparency and action for climate

Q1 highlights

- Clear step up in demand for regenerative drive, share of sold equipment exceeded 50%



80th place and only E&E company on the Clean200 list, the largest 200 public companies ranked by clean revenue

Appointments to the Executive Board

Nicolas Alchal

Nicolas Alchal appointed Executive Vice President, Commercial & Operations



Kaori Uehigashi

Kaori Uehigashi continues as Executive Vice President, Strategy & Transformation

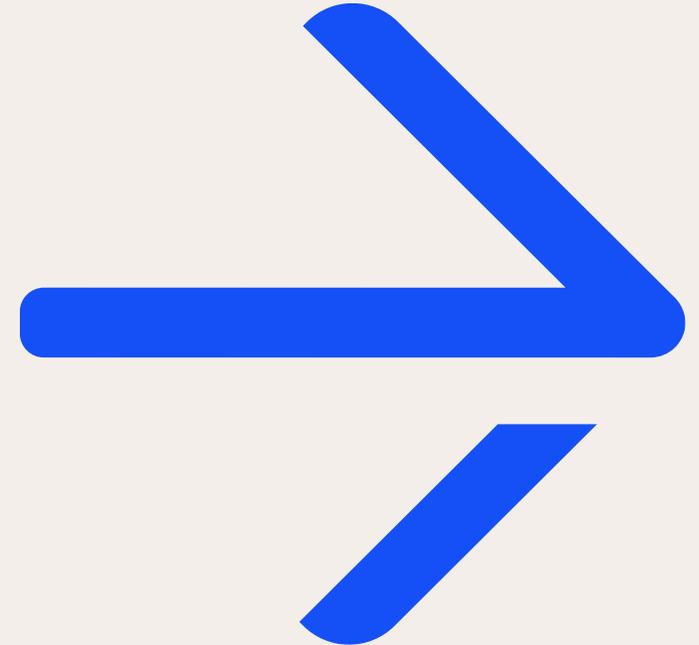


Karla Lindahl

Karla Lindahl returns from parental leave to her role as Executive Vice President, Europe



Market development



KONE's growth faster than markets

KONE's market position and market share development

	North America		Europe		APMEA		Greater China	
	Position	Share	Position	Share	Position	Share	Position	Share
New Building Solutions in units	#4	↘	#2	↗	#1	↗	#2	↗
Service in units	#4	↗	#3	↗	#2	↗	#2	→
Modernization in monetary value	#3	↗	#1	↗	#1	↗	#3	↗

Global E&E markets in 2024

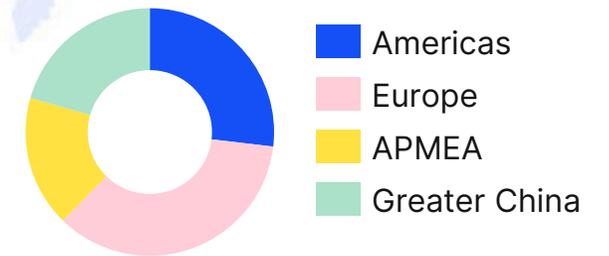
- Global installed base ~25 million units; LSD growth
- ~10 million ageing units >15 years old
- New Building Solutions market <1 million units; LSD decline

Based on KONE's estimates. Market shares have been calculated for regions where KONE has presence. Service market share includes both service base and units in first service.

Market development in Q1 2025

	North America	Europe	APMEA	Greater China
New Building Solutions in units	--	+	++	---
Service in units	+	+	++	+
Modernization in monetary value	+++	++	+++	+++

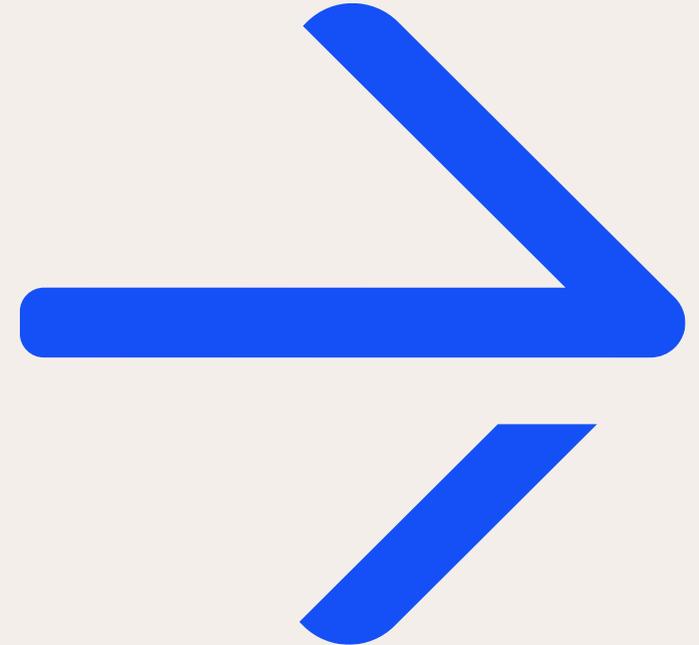
KONE's indicative orders received split*



* Covers orders received from New Building Solutions, Modernization and Service, but not Service contracts

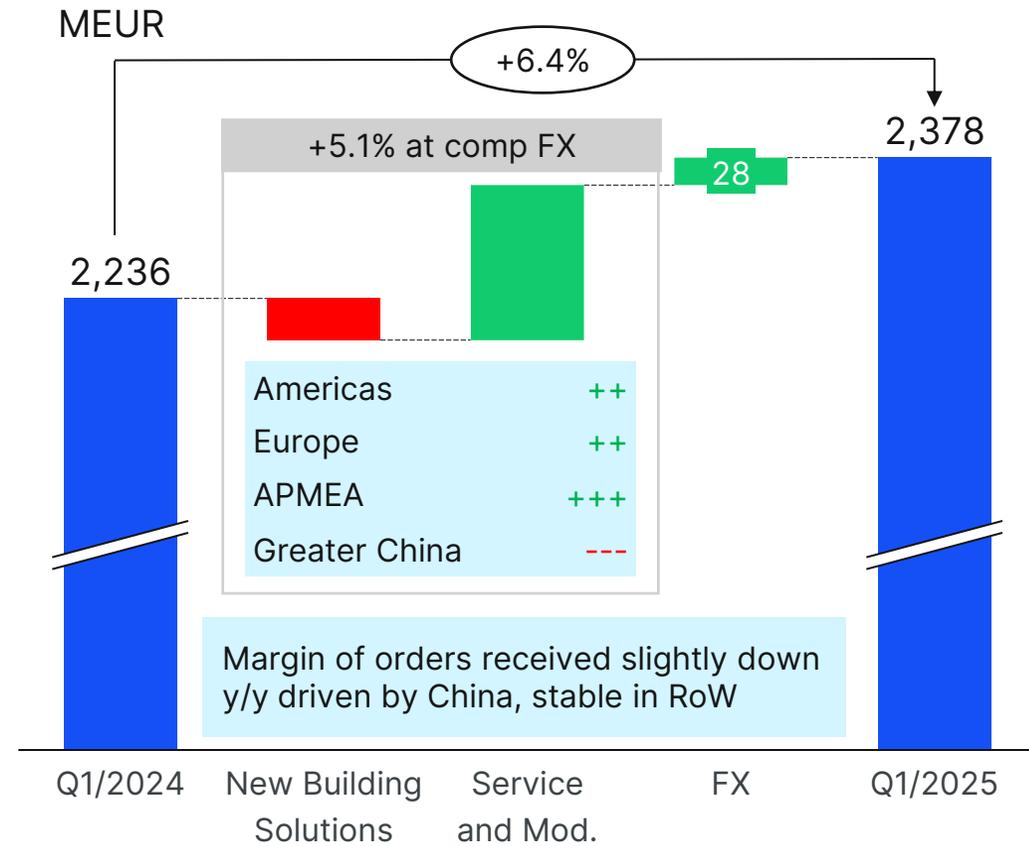
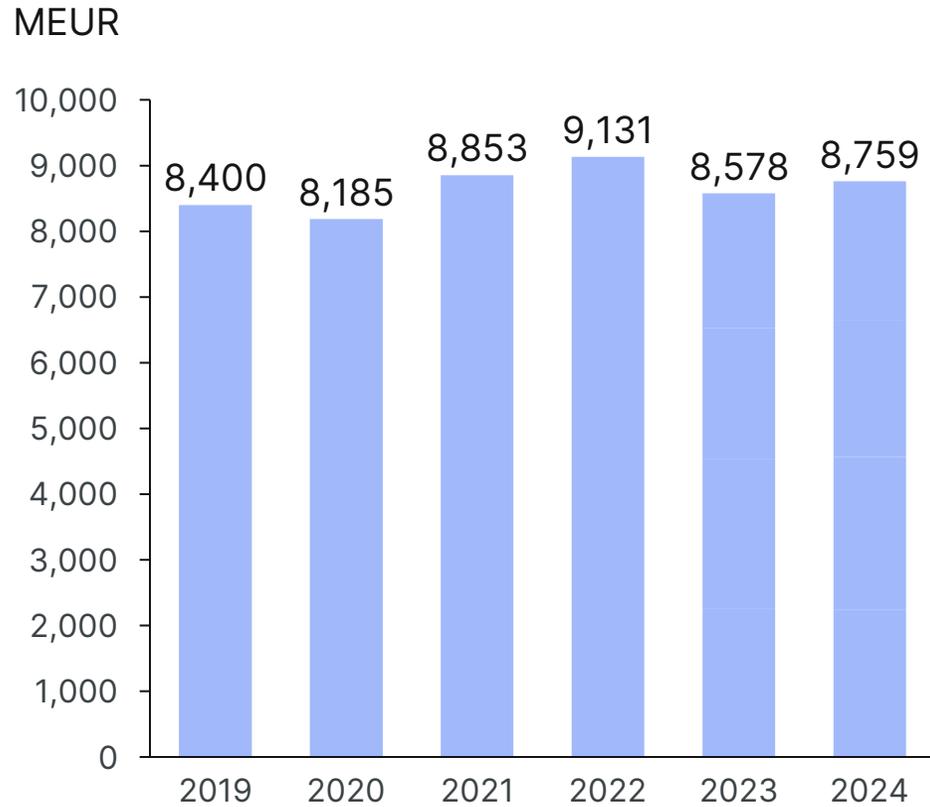
--- Significant decline (>10%), -- Clear decline (5-10%), - Slight decline (<5%), Stable, + Slight growth (<5%), ++ Clear growth (5-10%), +++ Significant growth (>10%).
The development of the operating environment compared to the corresponding period last year. Based on KONE's estimate.

Q1 Financials



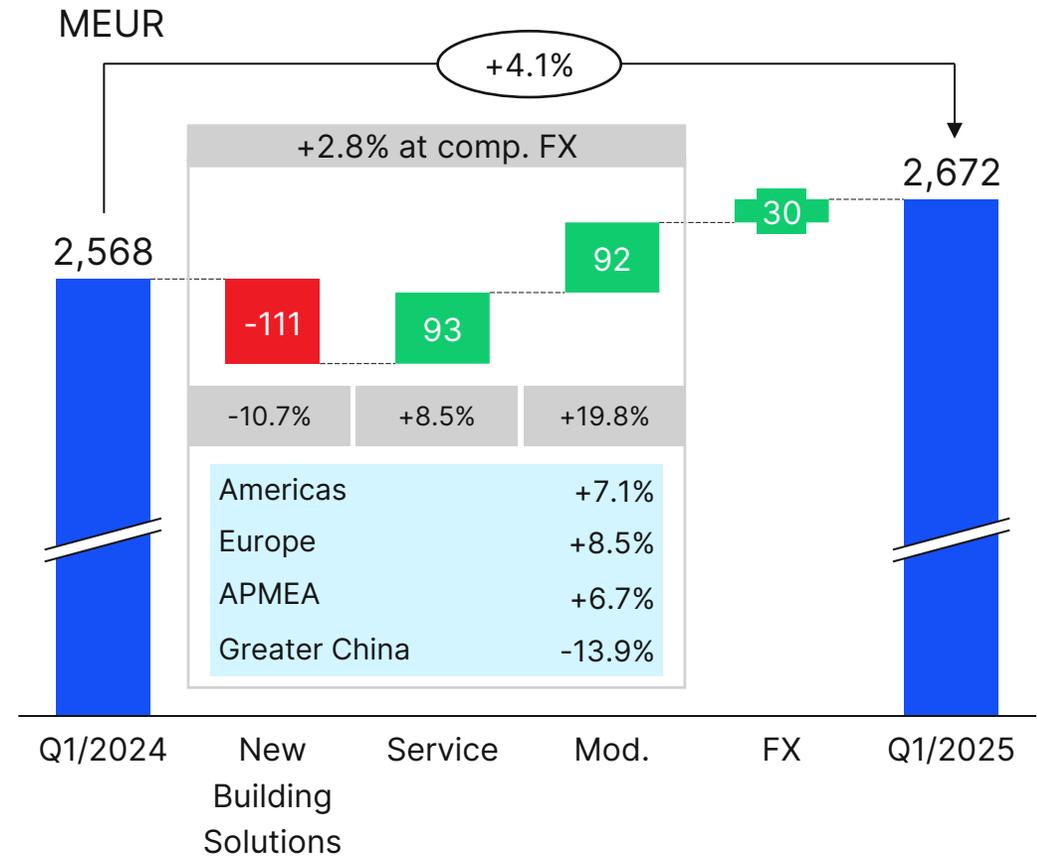
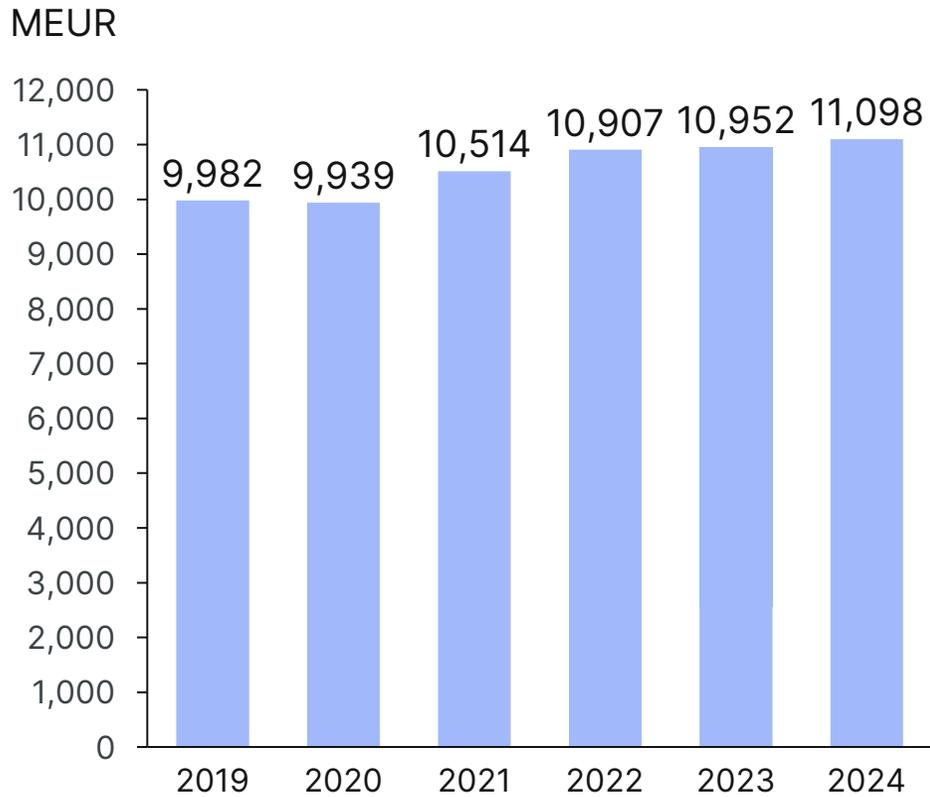
Orders received

Over 10% growth outside China



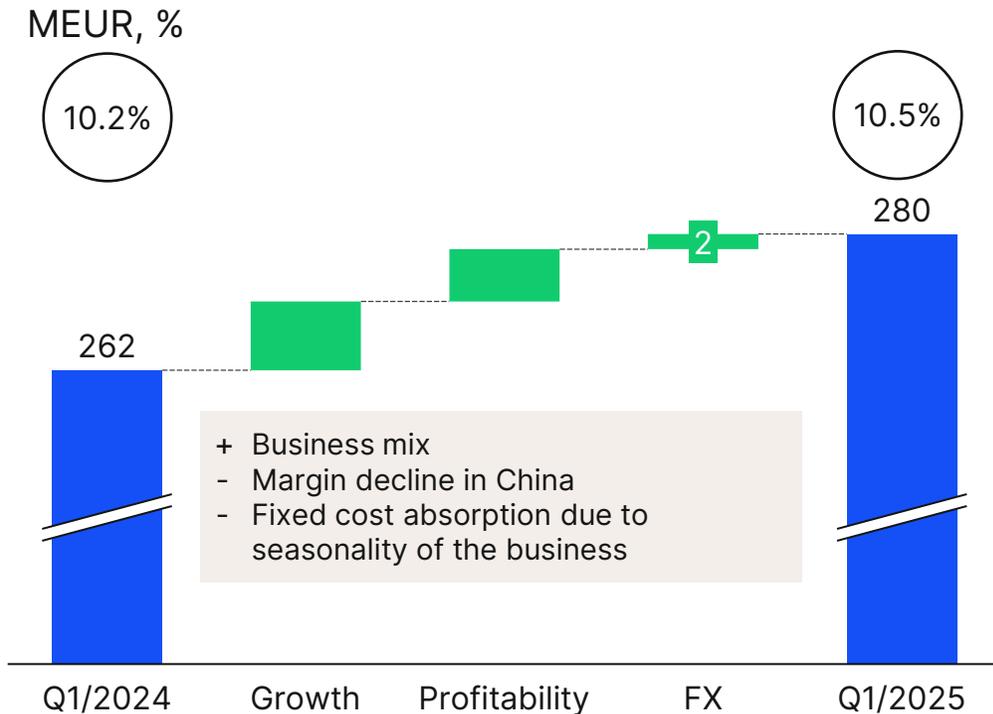
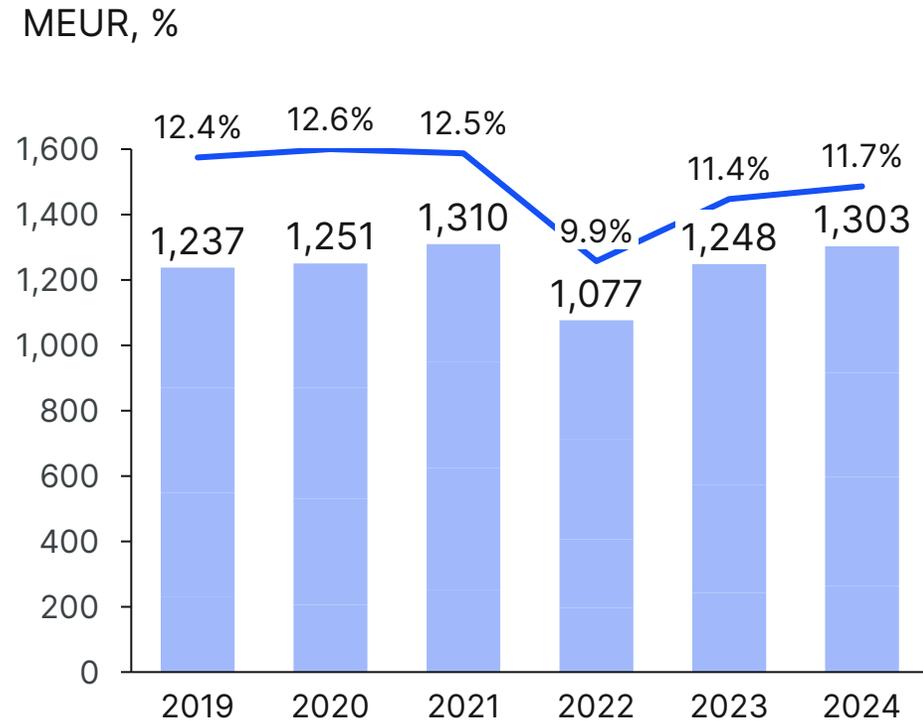
Sales

Over 10% growth in Service and Modernization



Adjusted EBIT and profitability

Continued margin growth driven by favorable business mix

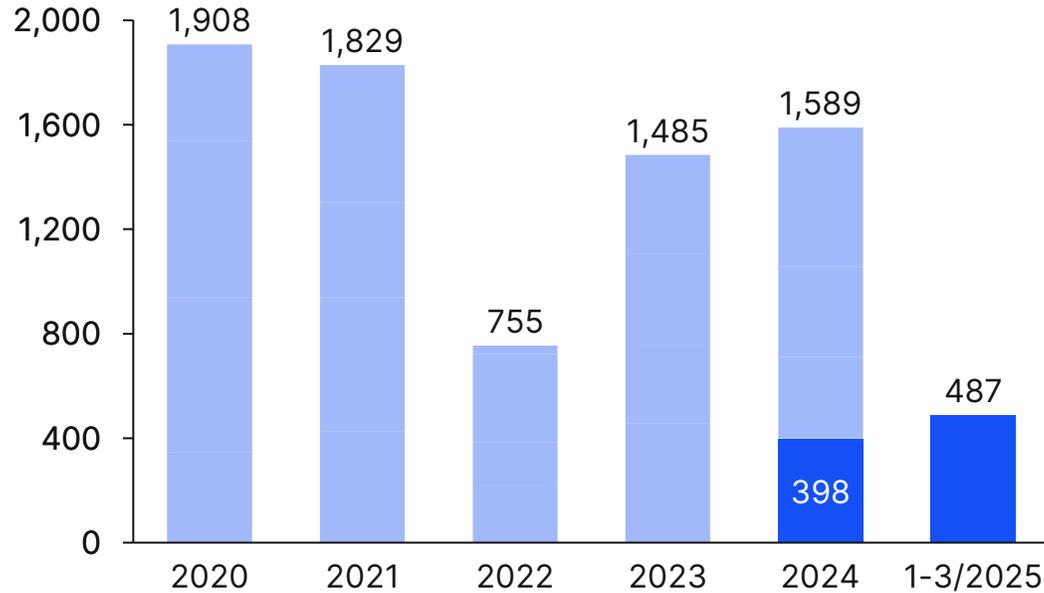


KONE presents adjusted EBIT as an alternative performance measure to enhance comparability of business performance between reporting periods. In January-March 2025, items affecting comparability amounted to EUR 2.8 million consisting of costs related to the separation of KONE Door Business under its own legal structure.

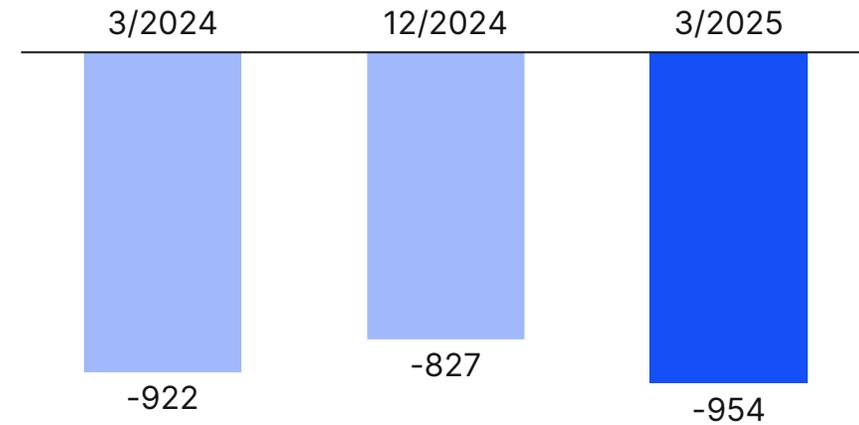
Cash flow from operations and net working capital

Cash flow improved due to earnings growth and changes in working capital

Cash flow from operations*, MEUR



Net working capital**, MEUR

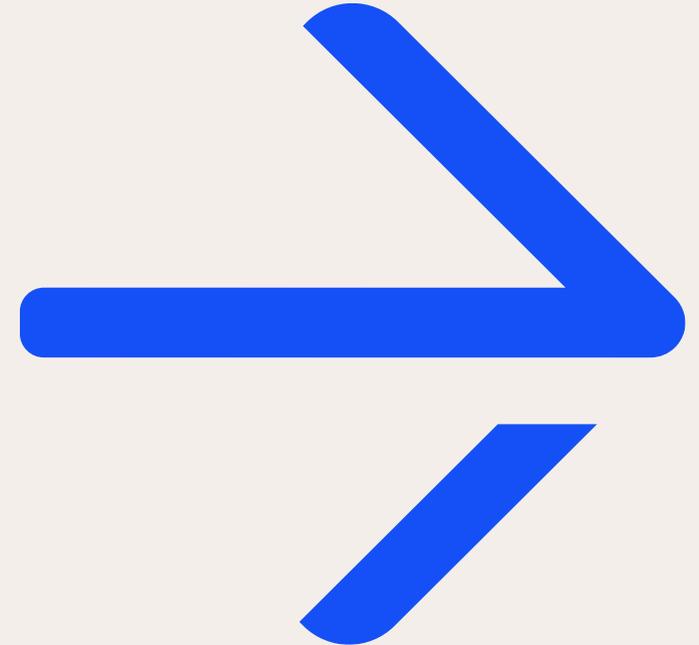


- + Service invoicing cycle
- + Advance payments
- Timing of accounts payable

* Before financing items and taxes.

** Including financing items and taxes.

Market and business outlook



Market outlook for 2025 (updated)

Resilient growth outlook in Service and Modernization



--- Significant decline (>10%), -- Clear decline (5-10%), - Slight decline (<5%), Stable, + Slight growth (<5%), ++ Clear growth (5-10%), +++ Significant growth (>10%).
The development of the operating environment compared to the corresponding period last year. Based on KONE's estimate.

Business outlook for 2025 (specified)

Sales

- KONE expects its sales to grow 1-6% at comparable exchange rates

Adjusted EBIT

- The adjusted EBIT margin is expected to be in the range of 11.8-12.4%
- Assuming that rates remain at the April 2025 level, the negative impact of foreign exchange rates on the adjusted EBIT is expected to be approximately EUR 50 million

Supporting our performance

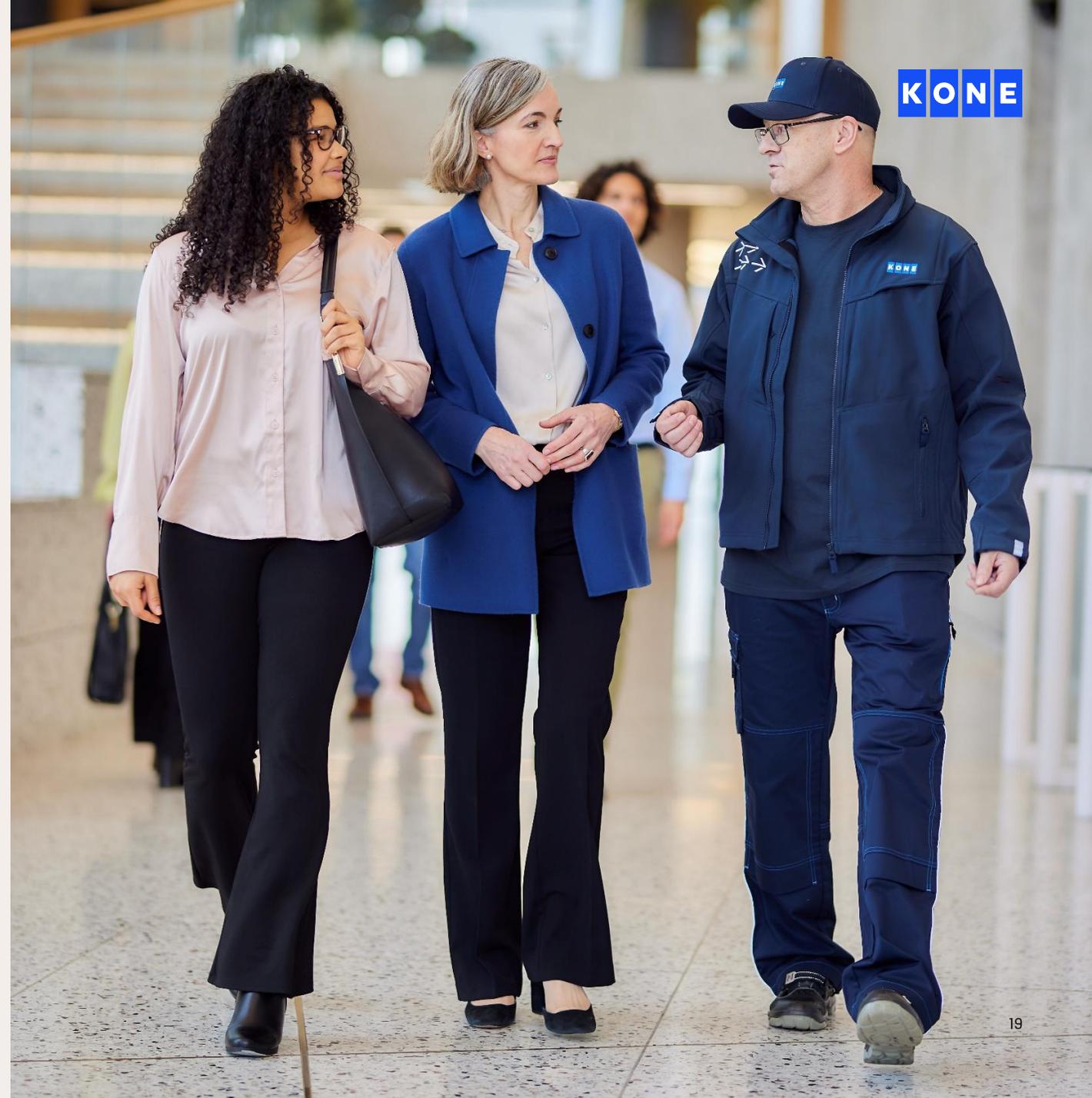
- Strong growth in Service and Modernization
- Strong order book
- Ramp up of performance initiatives

Burdening our performance

- China New Building Solutions market under pressure
- Slight decline in 2024 order margins
- Limited tariff impact

Summary

- Solid start to the year
- Consistent strategy execution delivering results
- Service and Modernization growth demonstrates resilience
- Well-placed to deliver on financial targets



A woman with curly hair, wearing a white blouse and black pants, is walking on a staircase. She is smiling and looking to her right. The background is a blurred indoor setting with greenery. The word "KONE" is overlaid in large, white, sans-serif capital letters across the center of the image.

K

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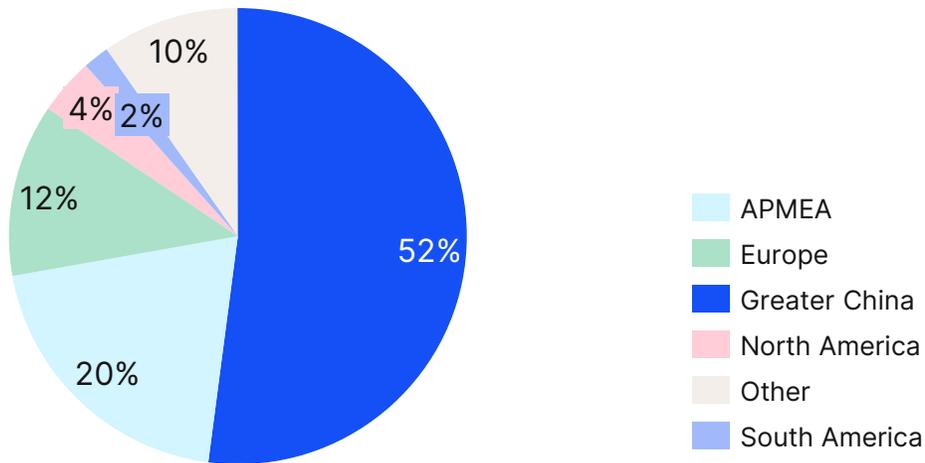
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Appendix

KONE's market position in 2024

New Building Solutions market in 2024

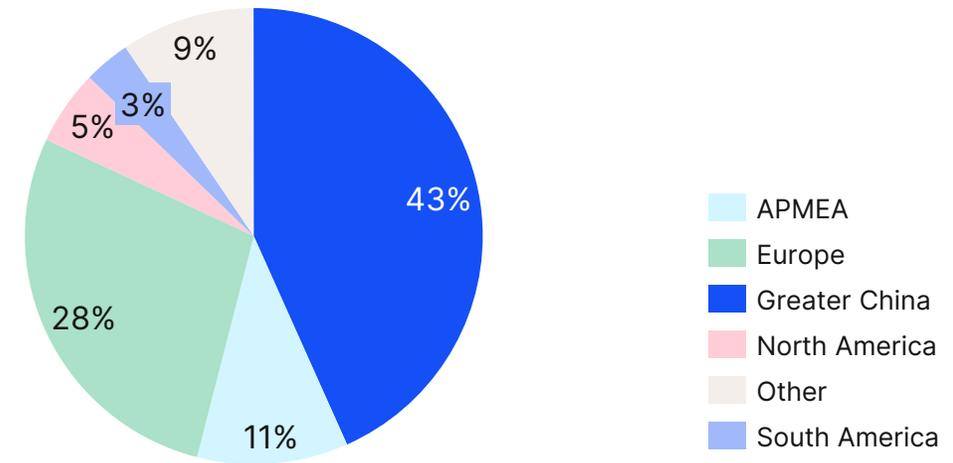
<1 million units



In New Building Solutions market KONE is a market leader with close to 20%* share.

Equipment base in 2024

~25 million units



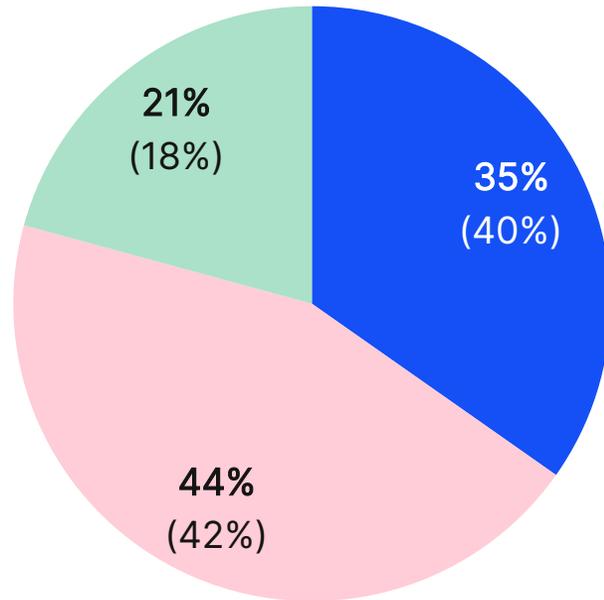
In Service market KONE continued to be a challenger with close to 10%* share.

Based on KONE's estimated. Figures have been rounded.

* In regions where KONE has presence. Service market share includes both service base and units in first service. Market share has been calculated with a re-assessed market size.

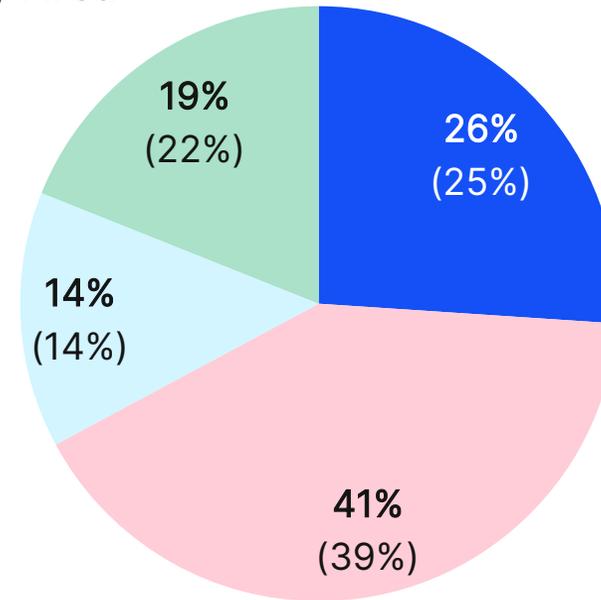
1-3/2025 Sales split

By business



- New Building Solutions
- Service
- Modernization

By Area

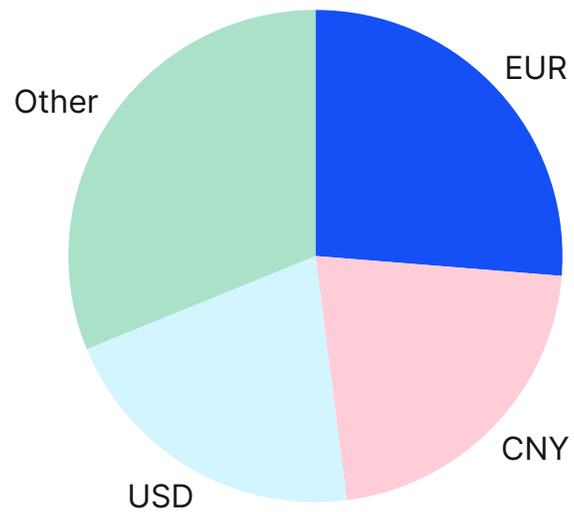


- Americas
- Europe
- Asia-Pacific, Middle East and Africa
- Greater China

1-3/2024 figures in brackets. Figures in charts are rounded and at historical exchange rates.

Currencies

Sales by currencies 1-3/2025



Currency impact*

MEUR	Q1	FY
Sales	30	ca. -250
EBIT	2	ca. -50
Orders received	28	ca. -270

Main currencies

MEUR	Q1/2025 average	Q1/2024 average	2024 average
EUR / CNY	7.6355	7.8083	7.7793
EUR / USD	1.0502	1.0881	1.0826
EUR / GBP	0.8317	0.8588	0.8469
EUR / INR	90.5736	90.4470	90.6243
EUR / AUD	1.6883	1.6506	1.6424

* Impact of retranslating the comparison period with comparable exchange rates. Full year impact estimated based on April 24, 2025 rates.

Q1 2025 key figures

		Q1/2025	Q1/2024	Change	Comparable change
Orders received	MEUR	2,378.4	2,235.7	6.4%	5.1%
Order book	MEUR	9,253.2	9,133.0	1.3%	1.9%
Sales	MEUR	2,672.3	2,568.2	4.1%	2.8%
Operating income (EBIT)	MEUR	276.7	262.4	5.5%	
Operating income margin (EBIT margin)	%	10.4	10.2		
Adjusted EBIT	MEUR	279.6	262.4	6.6%	
Adjusted EBIT margin	%	10.5	10.2		
Cash flow from operations (before financing items and taxes)	MEUR	486.7	398.2		
Basic earnings per share	EUR	0.41	0.39	4.7%	

Balance sheet – assets employed

MEUR	Mar 31, 2025	Mar 31, 2024	Dec 31, 2024
Assets employed			
Goodwill	1,533.7	1,500.5	1,558.4
Other intangible assets	332.4	306.2	333.3
Tangible assets	883.5	800.4	898.5
Shares and other non-current financial assets	109.2	91.7	98.9
Net working capital	-954.0	-921.8	-827.2
Dividend withholding tax payable	-116.8	-120.3	-
Assets employed total	1,788.1	1,656.7	2,061.9
Financed by			
Equity	2,123.8	2,094.6	2,893.1
Interest-bearing net debt	-335.7	-437.9	-831.2
Equity and interest-bearing net debt total	1,788.1	1,656.7	2,061.9

Net working capital*

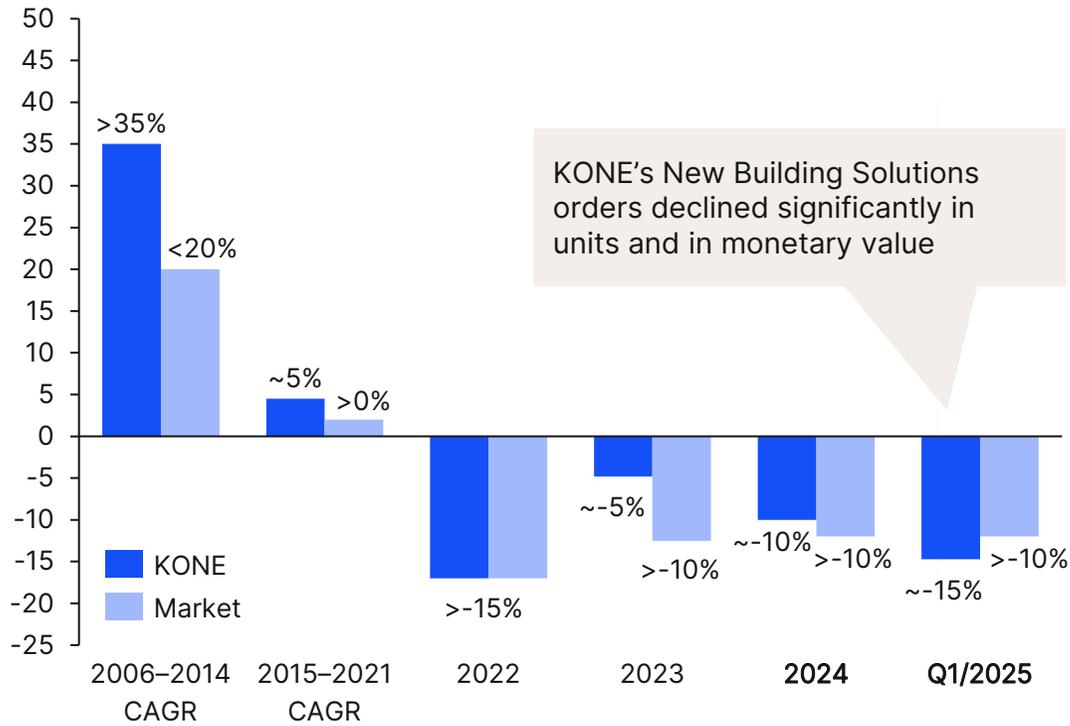
MEUR	Mar 31, 2025	Mar 31, 2024	Dec 31, 2024
Net working capital			
Inventories	857.5	819.1	856.7
Advance payments received and deferred revenue	-2,029.8	-1,916.4	-2,016.9
Accounts receivable	2,397.2	2,459.3	2,494.8
Deferred assets and income tax receivables	862.5	841.4	812.5
Accruals and income tax payables	-2,316.2	-2,348.6	-2,131.0
Provisions	-169.7	-192.8	-185.9
Accounts payable	-869.5	-836.2	-982.9
Other non-current assets	44.2	18.6	47.0
Net deferred tax assets / liabilities	269.8	233.6	278.4
Net working capital total	-954.0	-921.8	-827.2

* Including financial items and taxes.

KONE in Greater China

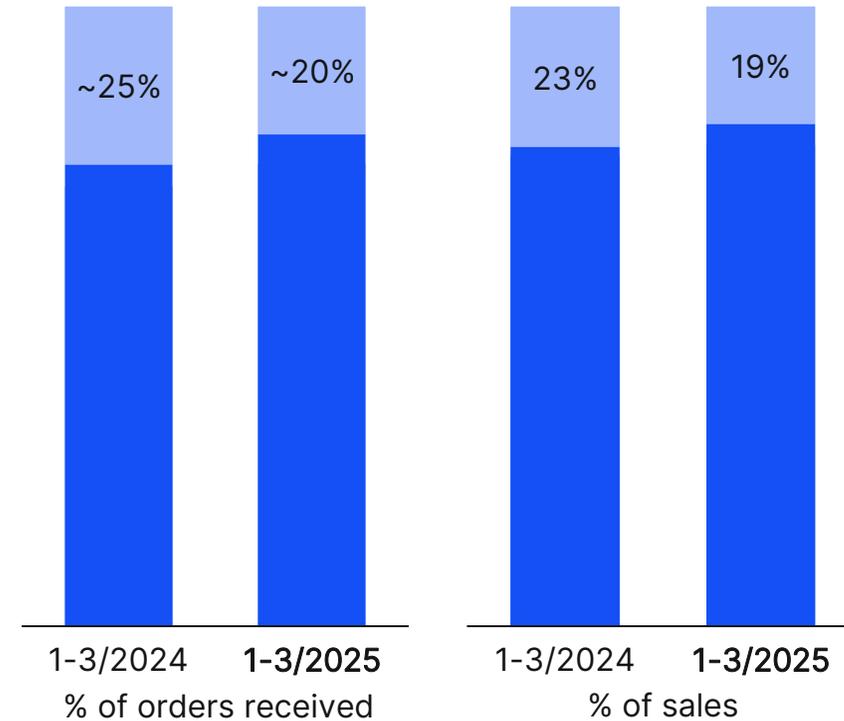
New Building Solutions market

New Building Solutions orders received in units vs. market development



Greater China's share of KONE's orders received and sales

Monetary value (at comp. FX)



Market activity in China



- New construction activity remained under pressure, liquidity improving slightly; policy actions and improved sentiment key to recovery
- New Building Solutions pricing environment characterized by intense competition
- Growth opportunities in Service and Modernization markets



	Q1 2025 y/y	Q4 2024 y/y
Real estate investment	-9.9%	-12.4%
Residential sales volume	+2.0%	+2.7%
New starts	-24.4%	-25.4%
Completion	-14.3%	-30.7%
New home prices in 70 largest cities (March)	-5.2%	-5.7%