

## KONE Corporation

## Restated 2017

Key Figures		Q1	Q2	Q3	Q4	1-12/2017
Orders received	MEUR	1,913.0	2,056.2	1,739.0	1,845.8	7,554.0
Order book	MEUR	7,960.5	7,749.2	7,473.5	7,357.8	7,357.8
Sales	MEUR	1,943.4	2,337.2	2,209.7	2,306.3	8,796.7
Operating income	MEUR	245.8	335.8	317.9	292.8	1,192.3
Operating income margin	%	12.6	14.4	14.4	12.7	13.6
Adjusted EBIT	MEUR	245.8	335.8	321.3	302.6	1,205.5
Adjusted EBIT margin	%	12.6	14.4	14.5	13.1	13.7
Income before tax	MEUR	271.8	346.5	330.2	301.9	1,250.4
Net income	MEUR	208.7	266.1	253.6	231.8	960.2
Basic earnings per share	EUR	0.40	0.52	0.49	0.45	1.86
Equity per share	EUR	4.58	4.94	5.38	5.85	5.85
Cash flow from operations (before financing items and taxes)	MEUR	305.3	320.4	302.7	335.0	1,263.3
Interest-bearing net debt	MEUR	-1,182.8	-1,302.1	-1,464.9	-1,690.2	-1,690.2
Equity ratio	%	42.5	44.5	47.7	50.0	50.0
Return on equity	%	31.4	34.5	33.9	32.1	32.1
Return on capital employed	%	27.6	30.5	30.2	28.8	28.8
Net working capital (including financing items and taxes)	MEUR	-995.3	-861.7	-782.2	-772.6	-772.6
Gearing	%	-49.9	-50.8	-52.5	-55.8	-55.8

## Net sales by region

MEUR		Q1	Q2	Q3	Q4	1-12/2017
EMEA		785.0 40 %	907.3 39 %	896.7 41 %	1,005.6 44 %	3,594.5 41 %
Americas		463.4 24 %	450.8 19 %	431.3 20 %	432.9 19 %	1,778.5 20 %
Asia-Pacific		695.0 36 %	979.1 42 %	881.8 40 %	867.8 38 %	3,423.7 39 %
Total		1,943.4	2,337.2	2,209.7	2,306.3	8,796.7

## Net sales by business

MEUR		Q1	Q2	Q3	Q4	1-12/2017
New equipment		939.0 48 %	1,299.7 56 %	1,207.6 55 %	1,207.5 52 %	4,653.9 53 %
Services		1,004.4 52 %	1,037.5 44 %	1,002.1 45 %	1,098.8 48 %	4,142.8 47 %
Maintenance		719.7 37 %	717.6 31 %	705.9 32 %	744.0 32 %	2,887.3 33 %
Modernization		284.7 15 %	319.9 14 %	296.2 13 %	354.9 15 %	1,255.6 14 %
Total		1,943.4	2,337.2	2,209.7	2,306.3	8,796.7

## Reported 2017

	Q1	Q2	Q3	Q4	1-12/2017
Orders received	1,913.0	2,056.2	1,739.0	1,845.8	7,554.0
Order book	9,129.0	8,905.1	8,703.0	8,240.2	8,240.2
Sales	1,810.3	2,284.4	2,190.8	2,656.9	8,942.4
Operating income	217.7	326.4	307.3	365.7	1,217.1
Operating income margin	12.0	14.3	14.0	13.8	13.6
Adjusted EBIT	217.7	326.4	310.6	375.6	1,230.3
Adjusted EBIT margin	12.0	14.3	14.2	14.1	13.8
Income before tax	243.7	337.1	319.6	374.8	1,275.2
Net income	187.7	259.5	246.1	281.8	975.1
Basic earnings per share	0.36	0.50	0.48	0.55	1.89
Equity per share	4.25	4.61	5.06	5.62	5.62
Cash flow from operations (before financing items and taxes)	305.3	320.4	302.7	335.0	1,263.3
Interest-bearing net debt	-1,182.8	-1,302.1	-1,464.9	-1,690.2	-1,690.2
Equity ratio	40.7	42.8	46.2	49.0	49.0
Return on equity	30.1	34.5	34.2	34.2	34.2
Return on capital employed	26.2	30.3	30.3	30.4	30.4
Net working capital (including financing items and taxes)	-1,148.0	-1,015.1	-933.3	-875.6	-875.6
Gearing	-53.9	-54.5	-56.0	-58.1	-58.1

	Q1	Q2	Q3	Q4	1-12/2017
EMEA	744.5 41 %	880.0 39 %	883.8 40 %	1,123.4 42 %	3,631.7 41 %
Americas	391.0 22 %	410.5 18 %	426.7 19 %	586.6 22 %	1,814.8 20 %
Asia-Pacific	674.7 37 %	993.9 44 %	880.2 40 %	947.0 36 %	3,495.9 39 %
Total	1,810.3	2,284.4	2,190.8	2,656.9	8,942.4

	Q1	Q2	Q3	Q4	1-12/2017
New equipment	846.0 47 %	1,265.2 55 %	1,188.6 54 %	1,467.8 55 %	4,767.7 53 %
Services	964.2 53 %	1,019.2 45 %	1,002.1 46 %	1,189.2 45 %	4,174.7 47 %
Maintenance	719.7 40 %	717.6 31 %	705.9 32 %	744.0 28 %	2,887.3 32 %
Modernization	244.5 14 %	301.5 13 %	296.2 14 %	445.2 17 %	1,287.5 14 %
Total	1,810.3	2,284.4	2,190.8	2,656.9	8,942.4

KONE Corporation  
Consolidated statement of income

Restated 2017

MEUR	Q1	%	Q2	%	Q3	%	Q4	%	1-12/2017	%
<b>Sales</b>	1,943.4		2,337.2		2,209.7		2,306.3		8,796.7	
Costs and expenses	-1,669.2		-1,973.3		-1,863.5		-1,984.1		-7,490.1	
Depreciation and amortization	-28.4		-28.2		-28.3		-29.5		-114.3	
<b>Operating income</b>	245.8	12.6	335.8	14.4	317.9	14.4	292.8	12.7	1,192.3	13.6
Share of associated companies' net income	0.3		0.0		-0.2		-0.3		-0.2	
Financing income	28.5		14.8		16.2		12.7		72.2	
Financing expenses	-2.8		-4.1		-3.7		-3.3		-13.9	
<b>Income before taxes</b>	271.8	14.0	346.5	14.8	330.2	14.9	301.9	13.1	1,250.4	14.2
Taxes	-63.1		-80.4		-76.6		-70.1		-290.2	
<b>Net income</b>	208.7	10.7	266.1	11.4	253.6	11.5	231.8	10.0	960.2	10.9
<b>Net income attributable to:</b>										
Shareholders of the parent company	206.5		265.1		252.9		231.2		955.8	
Non-controlling interests	2.3		0.9		0.7		0.5		4.4	
<b>Total</b>	208.7		266.1		253.6		231.8		960.2	
<b>Earnings per share for profit attributable to the shareholders of the parent company, EUR</b>										
Basic earnings per share, EUR	0.40		0.52		0.49		0.45		1.86	
Diluted earnings per share, EUR	0.40		0.52		0.49		0.45		1.86	

Reported 2017

MEUR	Q1	%	Q2	%	Q3	%	Q4	%	1-12/2017	%
<b>Sales</b>	1,810.3		2,284.4		2,190.8		2,656.9		8,942.4	
Costs and expenses	-1,564.2		-1,929.9		-1,855.2		-2,261.7		-7,611.0	
Depreciation and amortization	-28.4		-28.2		-28.3		-29.5		-114.3	
<b>Operating income</b>	217.7	12.0	326.4	14.3	307.3	14.0	365.7	13.8	1,217.1	13.6
Share of associated companies' net income	0.3		0.0		-0.2		-0.3		-0.2	
Financing income	28.5		14.8		16.2		12.7		72.2	
Financing expenses	-2.8		-4.1		-3.7		-3.3		-13.9	
<b>Income before taxes</b>	243.7	13.5	337.1	14.8	319.6	14.6	374.8	14.1	1,275.2	14.3
Taxes	-56.1		-77.5		-73.5		-93.0		-300.1	
<b>Net income</b>	187.7	10.4	259.5	11.4	246.1	11.2	281.8	10.6	975.1	10.9
<b>Net income attributable to:</b>										
Shareholders of the parent company	185.4		257.7		244.9		280.0		968.0	
Non-controlling interests	2.2		1.8		1.2		1.8		7.1	
<b>Total</b>	187.7		259.5		246.1		281.8		975.1	
<b>Earnings per share for profit attributable to the shareholders of the parent company, EUR</b>										
Basic earnings per share, EUR	0.36		0.50		0.48		0.55		1.89	
Diluted earnings per share, EUR	0.36		0.50		0.48		0.54		1.88	

KONE Corporation  
Condensed consolidated statement of financial position

Restated

Assets MEUR	Q4/16	Q1/17	Q2/17	Q3/17	Q4/17
<b>Non-current assets</b>					
Goodwill	1,371.8	1,369.9	1,333.2	1,324.1	1,325.5
Other intangible assets	292.9	287.2	276.8	272.4	274.5
Tangible assets	368.3	369.7	365.8	368.5	377.0
Loan receivables and other interest-bearing assets	I 7.4	7.3	7.3	0.5	0.7
Investments	150.1	155.1	145.4	140.0	134.3
Employee benefits	I -	-	-	-	11.5
Deferred tax assets	II 302.7	295.5	283.8	276.9	263.3
<b>Total non-current assets</b>	<b>2,493.1</b>	<b>2,484.7</b>	<b>2,412.3</b>	<b>2,382.3</b>	<b>2,386.9</b>
<b>Current assets</b>					
Inventories	II 558.0	617.7	611.8	638.5	626.8
Accounts receivable	II 1,901.9	1,813.0	1,866.1	1,779.5	1,910.8
Deferred assets	II 454.7	485.1	452.3	483.7	404.5
Income tax receivables	II 61.4	60.5	79.5	95.3	67.5
Current deposits and loan receivables	I 1,496.6	1,053.3	1,098.8	1,284.0	1,568.8
Cash and cash equivalents	I 589.2	536.6	607.9	558.7	496.5
<b>Total current assets</b>	<b>5,061.7</b>	<b>4,566.1</b>	<b>4,716.4</b>	<b>4,839.7</b>	<b>5,075.0</b>
<b>Total assets</b>	<b>7,554.8</b>	<b>7,050.8</b>	<b>7,128.8</b>	<b>7,222.0</b>	<b>7,461.9</b>
<b>Equity and liabilities</b>					
<b>MEUR</b>	<b>Q4/16</b>	<b>Q1/17</b>	<b>Q2/17</b>	<b>Q3/17</b>	<b>Q4/17</b>
<b>Equity</b>	2,945.4	2,369.4	2,561.6	2,787.7	3,028.9
<b>Non-current liabilities</b>					
Loans	I 203.1	203.9	208.3	204.2	194.7
Employee benefits	I 176.7	179.9	175.7	153.3	152.2
Deferred tax liabilities	II 160.1	160.4	164.1	161.9	143.8
<b>Total non-current liabilities</b>	<b>539.9</b>	<b>544.2</b>	<b>548.1</b>	<b>519.5</b>	<b>490.7</b>
<b>Provisions</b>	II 179.6	158.7	141.1	129.9	137.9
<b>Current liabilities</b>					
Loans	I 25.8	30.6	27.9	20.7	40.5
Advance payments received and deferred revenue	II 1,428.6	1,474.4	1,376.8	1,376.7	1,404.6
Accounts payable	II 743.3	644.2	735.1	690.2	705.1
Accruals	II 1,609.7	1,756.8	1,653.4	1,610.9	1,569.2
Income tax payables	II 82.5	72.5	84.8	86.4	85.1
<b>Total current liabilities</b>	<b>3,890.0</b>	<b>3,978.5</b>	<b>3,878.0</b>	<b>3,784.9</b>	<b>3,804.4</b>
<b>Total equity and liabilities</b>	<b>7,554.8</b>	<b>7,050.8</b>	<b>7,128.8</b>	<b>7,222.0</b>	<b>7,461.9</b>

Items designated " I " comprise interest-bearing net debt.  
Items designated " II " comprise net working capital.

Reported

MEUR	Q4/16	Q1/17	Q2/17	Q3/17	Q4/17
<b>Non-current assets</b>					
Goodwill	1,371.8	1,369.9	1,333.2	1,324.1	1,325.5
Other intangible assets	292.9	287.2	276.8	272.4	274.5
Tangible assets	368.3	369.7	365.8	368.5	377.0
Loan receivables and other interest-bearing assets	7.4	7.3	7.3	0.5	0.7
Investments	129.9	134.2	125.8	121.2	115.8
Employee benefits	-	-	-	-	11.5
Deferred tax assets	318.4	319.5	305.1	299.4	268.3
<b>Total non-current assets</b>	<b>2,488.5</b>	<b>2,487.8</b>	<b>2,414.0</b>	<b>2,386.1</b>	<b>2,373.4</b>
<b>Current assets</b>					
Inventories	1,373.5	1,516.2	1,511.2	1,527.7	1,244.6
Accounts receivable	1,573.7	1,502.5	1,557.9	1,484.2	1,608.7
Deferred assets	368.4	427.5	404.6	401.9	378.3
Income tax receivables	61.4	60.5	79.5	95.3	67.5
Current deposits and loan receivables	1,496.6	1,053.3	1,098.8	1,284.0	1,568.8
Cash and cash equivalents	589.2	536.6	607.9	558.7	496.5
<b>Total current assets</b>	<b>5,462.8</b>	<b>5,096.5</b>	<b>5,259.9</b>	<b>5,351.8</b>	<b>5,364.4</b>
<b>Total assets</b>	<b>7,951.3</b>	<b>7,584.3</b>	<b>7,673.9</b>	<b>7,737.9</b>	<b>7,737.8</b>
<b>Equity and liabilities</b>					
<b>MEUR</b>	<b>Q4/16</b>	<b>Q1/17</b>	<b>Q2/17</b>	<b>Q3/17</b>	<b>Q4/17</b>
<b>Equity</b>	2,795.6	2,195.8	2,388.7	2,617.8	2,907.4
<b>Non-current liabilities</b>					
Loans	203.1	203.9	208.3	204.2	194.7
Employee benefits	176.7	179.9	175.7	153.3	152.2
Deferred tax liabilities	154.2	155.9	153.2	148.9	136.1
<b>Total non-current liabilities</b>	<b>534.0</b>	<b>539.7</b>	<b>537.2</b>	<b>506.5</b>	<b>483.0</b>
<b>Provisions</b>	183.2	163.4	146.4	135.1	142.3
<b>Current liabilities</b>					
Loans	25.8	30.6	27.9	20.7	40.5
Advance payments received and deferred revenue	1,976.9	2,182.7	2,098.6	2,072.1	1,806.1
Accounts payable	743.3	644.2	735.1	690.2	705.1
Accruals	1,610.0	1,755.5	1,655.2	1,609.2	1,568.3
Income tax payables	82.5	72.5	84.8	86.4	85.1
<b>Total current liabilities</b>	<b>4,438.5</b>	<b>4,685.4</b>	<b>4,601.6</b>	<b>4,478.5</b>	<b>4,205.0</b>
<b>Total equity and liabilities</b>	<b>7,951.3</b>	<b>7,584.3</b>	<b>7,673.9</b>	<b>7,737.9</b>	<b>7,737.8</b>

KONE Corporation  
Condensed consolidated statement of cash flows

Restated 2017

MEUR	Q1	Q2	Q3	Q4	1-12/2017
Operating income	245.8	335.8	317.9	292.8	1,192.3
Change in working capital before financing items and taxes	31.1	-43.6	-43.5	12.7	-43.3
Depreciation and amortization	28.4	28.2	28.3	29.5	114.3
<b>Cash flow from operations before financing items and taxes</b>	<b>305.3</b>	<b>320.4</b>	<b>302.7</b>	<b>335.0</b>	<b>1,263.3</b>
Cash flow from financing items and taxes	-50.0	-84.5	-107.7	-57.5	-299.6
<b>Cash flow from operating activities</b>	<b>255.3</b>	<b>235.9</b>	<b>195.0</b>	<b>277.5</b>	<b>963.7</b>
Cash flow from investing activities	-27.0	-30.1	-39.2	-47.2	-143.5
<b>Cash flow after investing activities</b>	<b>228.4</b>	<b>205.8</b>	<b>155.8</b>	<b>230.2</b>	<b>820.2</b>
Purchase of own shares	-	-	-	-	-
Increase in equity (option rights)	-	14.5	7.1	3.3	24.9
Profit distribution	-729.8	-65.6	-	-	-795.4
Change in deposits and loans receivable, net	443.1	-66.8	-174.5	-284.2	-82.4
Change in loans payable and other interest-bearing debt	4.7	-1.1	-27.7	-9.1	-33.2
Changes in non-controlling interests	-	-0.4	-2.7	-2.4	-5.5
<b>Cash flow from financing activities</b>	<b>-282.0</b>	<b>-119.5</b>	<b>-197.8</b>	<b>-292.4</b>	<b>-891.7</b>
<b>Change in cash and cash equivalents</b>	<b>-53.6</b>	<b>86.4</b>	<b>-42.0</b>	<b>-62.2</b>	<b>-71.5</b>
Cash and cash equivalents at beginning of period	589.2	536.6	607.9	558.7	589.2
Translation difference	1.0	-15.0	-7.1	0.0	-21.1
<b>Cash and cash equivalents at end of period</b>	<b>536.6</b>	<b>607.9</b>	<b>558.7</b>	<b>496.5</b>	<b>496.5</b>

Change in interest-bearing net debt

MEUR	Q1	Q2	Q3	Q4	1-12/2017
Interest-bearing net debt at beginning of period	-1,687.6	-1,182.8	-1,302.1	-1,464.9	-1,687.6
Interest-bearing net debt at end of period	-1,182.8	-1,302.1	-1,464.9	-1,690.2	-1,690.2
<b>Change in interest-bearing net debt</b>	<b>504.8</b>	<b>-119.3</b>	<b>-162.8</b>	<b>-225.3</b>	<b>-2.6</b>

Reported 2017

MEUR	Q1	Q2	Q3	Q4	1-12/2017
Operating income	217.7	326.4	307.3	365.7	1,217.1
Change in working capital before financing items and taxes	59.2	-34.2	-32.9	-60.3	-68.1
Depreciation and amortization	28.4	28.2	28.3	29.5	114.3
<b>Cash flow from operations before financing items and taxes</b>	<b>305.3</b>	<b>320.4</b>	<b>302.7</b>	<b>335.0</b>	<b>1,263.3</b>
Cash flow from financing items and taxes	-50.0	-84.5	-107.7	-57.5	-299.6
<b>Cash flow from operating activities</b>	<b>255.3</b>	<b>235.9</b>	<b>195.0</b>	<b>277.5</b>	<b>963.7</b>
Cash flow from investing activities	-27.0	-30.1	-39.2	-47.2	-143.5
<b>Cash flow after investing activities</b>	<b>228.4</b>	<b>205.8</b>	<b>155.8</b>	<b>230.2</b>	<b>820.2</b>
Purchase of own shares	-	-	-	-	-
Increase in equity (option rights)	-	14.5	7.1	3.3	24.9
Profit distribution	-729.8	-65.6	-	-	-795.4
Change in deposits and loans receivable, net	443.1	-66.8	-174.5	-284.2	-82.4
Change in loans payable and other interest-bearing debt	4.7	-1.1	-27.7	-9.1	-33.2
Changes in non-controlling interests	-	-0.4	-2.7	-2.4	-5.5
<b>Cash flow from financing activities</b>	<b>-282.0</b>	<b>-119.5</b>	<b>-197.8</b>	<b>-292.4</b>	<b>-891.7</b>
<b>Change in cash and cash equivalents</b>	<b>-53.6</b>	<b>86.4</b>	<b>-42.0</b>	<b>-62.2</b>	<b>-71.5</b>
Cash and cash equivalents at beginning of period	589.2	536.6	607.9	558.7	589.2
Translation difference	1.0	-15.0	-7.1	-0.0	-21.1
<b>Cash and cash equivalents at end of period</b>	<b>536.6</b>	<b>607.9</b>	<b>558.7</b>	<b>496.5</b>	<b>496.5</b>

MEUR	Q1	Q2	Q3	Q4	1-12/2017
Interest-bearing net debt at beginning of period	-1,687.6	-1,182.8	-1,302.1	-1,464.9	-1,687.6
Interest-bearing net debt at end of period	-1,182.8	-1,302.1	-1,464.9	-1,690.2	-1,690.2
<b>Change in interest-bearing net debt</b>	<b>504.8</b>	<b>-119.3</b>	<b>-162.8</b>	<b>-225.3</b>	<b>-2.6</b>