

21 October, 2003

KONE Interim Report: January – September, 2003

Consistent Profit and Growth Improvement

- The value of orders received rose to MEUR 3,355 (Jan.-Sept, 2002: 2,099, of which KONE Materials Handling's orders of MEUR 500.9 consolidated for July-Sept.). KONE Elevators & Escalators accounted for MEUR 1,505 (1,598) and KONE Materials Handling for MEUR 1,851 (1,743). At comparable exchange rates order intake rose 1.5 percent in Elevators & Escalators and 14 percent in Materials Handling.
- Net sales totaled MEUR 3,783 (2,681, of which Materials Handling's sales of MEUR 621.5 consolidated for July-Sept.). Elevators & Escalators' sales accounted for MEUR 1,939 (2,059) and Materials Handling for MEUR 1,844 (1,767). At comparable exchange rates, sales rose 1.6 percent in Elevators & Escalators and 11 percent in Materials Handling.
- Operating income before goodwill amortization (EBITA) was MEUR 284.8 (224.4, of which Materials Handling's EBITA of MEUR 29.4 consolidated for July-Sept.). In Elevators & Escalators, EBITA was MEUR 197.7 (195.0), or 10.2 (9.5) percent of net sales. Materials Handling's EBITA was MEUR 97.8 (59.2), or 5.3 (3.3) percent of net sales. Unallocated corporate costs accounted for MEUR 10.7 (0.0).
- Cash flow from operations before financial items and taxes was MEUR 358.7 (343.7, of which Materials Handling's cash flow of MEUR 48.8 consolidated for July-Sept.). Elevators & Escalators accounted for MEUR 263.5 (294.9) and Materials Handling for MEUR 104.4 (58.7).
- Interest-bearing net debt decreased to MEUR 857.8 (end of 2002: 1,252)
- Net income amounted to MEUR 125.9 (111.4).
- Earnings per share rose to EUR 2.00 from EUR 1.85.
- KONE signed an agreement for the sale of the Tractors business and is in the process of divesting the Forest Machines businesses.

The figures for Materials Handling were consolidated into KONE's figures as of July 1, 2002, and the comparison figures for January-September 2002 are, therefore, consolidated for the period July-September. The comparison figures in Materials Handling are calculated at the exchange rate for the comparison period and do not include Nordkalk and Paroc, which have been sold.



KONE Chairman of the Board Antti Herlin in Conjunction with the Interim Report:

“During the third quarter of 2003, KONE’s business progressed in line with the first half of the year, and the financial result is on track with our expectations for the full year.

“We reached an agreement with AGCO for the sale of Valtra, which is positive for all parties involved. The divestment of Forest Machines is progressing, and we expect to reach an agreement in the near future.

“In Elevators & Escalators there was no major change in the challenging market for new equipment. Our elevator and escalator maintenance base has now clearly exceeded the 500,000 milestone, and the number of automatic doors under service is over 200,000. Modernization operations continued to develop favorably.

“The organic sales and order growth in KONE Materials Handling continued strong in the third quarter. Profitability has improved significantly during the year and is on track to reach the EBITA margin target for the year. The improvement is partly contributable to the restructuring of the container and load handling businesses. The restructuring process is continuing.

When the planned divestments are finalized, our financial latitude to develop Elevators & Escalators, and Container and Load Handling will have improved considerably.”

Sender:

KONE Corporation

Aimo Rajahalme
Executive Vice President,
Finance and Information Services

Outi-Maria Liedes
Senior Vice President,
Corporate Communications & IR

For further information please contact:

Aimo Rajahalme, Executive Vice President, Finance and Information Services,
tel. +358 (0)204 75 4484

KONE is a global service and engineering company that specializes in moving people and goods. Annual net sales total EUR 5,500 million, and we employ nearly 35,000 people. KONE's B shares are listed on the Helsinki Exchanges.

www.kone.com

Acquisitions and Changes in Group Structure

Redemption of Partek Shares

A court of arbitration confirmed on April 2, 2003, that Kone Finance Oy has, in accordance with the Finnish Companies Act, Chapter 14, Paragraph 19, an undisputed right to redeem the minority shareholders' shares in Partek Corporation at market price.

The redemption price of 15.30 euros per share, and an interest of five percent per annum on the redemption price from December 18, 2002, up to the day of payment, was paid during the second quarter.

Finalized and Planned Divestments

The sales of Nordkalk Corporation and Paroc Group Oy Ab were finalized on February 12, 2003.

The transaction price for Nordkalk, after reduction of minority interests, was EUR 270 million. The price for the shares was EUR 140 million.

The debt-free price for the 38 percent holding in Paroc was approximately EUR 75 million, including the price for the shares and the repayment of loans.

In April, KONE sold the real estate company Cellit Oy Ab to the management of the company. The value of Cellit's real estate holding was approximately EUR 12 million.

The production and marketing of hydraulic cylinders and tipping hydraulics was outsourced to Sweden's Hydraulauto Group. The annual sales of the business total EUR 28 million. The units concerned employ approximately 270 people.

On June 26, KONE announced that new owners are being sought for the Tractors and Forest Machines businesses.

On September 10, 2003 KONE signed an agreement for the sale of its tractor business, Valtra, including its Sisu Diesel subsidiary, to U.S.-based AGCO Corporation. In accordance with the agreement, the purchase price is EUR 600 million. The transaction is subject to relevant competition authority approval.

The divestment of Tractors and Forest Machines gives KONE a clearer business structure that is focused on the elevator and escalator, container handling and load handling businesses. When concluded, the divestments will give KONE the opportunity to decrease gearing and net debt substantially, thereby improving the capability to develop and grow the remaining businesses through complementary acquisitions and investments.

On October 1, KONE disclosed that it is selling all of its holdings in Polar Kiinteistöt Oyj to German IVG Immobilien AG for EUR 0.75 per share. KONE has a direct holding in Polar of



10,904,801 shares and an indirect holding through Cervuctum Oy, of which KONE owns 25 percent. Cervuctum is selling all of its 47,343,950 shares in Polar. The transaction, which will not significantly affect KONE's financial result, is subject to competition authority approval.

KONE Elevators & Escalators

Markets, Orders Received and Order Book

Total demand for new elevators and escalators continued to weaken in Europe as construction activity fell. The office building sector suffered most, but residential construction also eased in countries most affected by the weak economy. Strong growth continued in China and Australia. The North American construction market remained sluggish although signs increasingly pointed toward an economic recovery.

Price competition in orders for new equipment has increased as a consequence of the continuing decrease in construction volumes in Europe and North America. KONE, however, is maintaining its premium pricing policy and order-book margins. Further price pressure is expected if demand for new equipment continues to decline, and achieving higher profitability in the future could become more difficult.

Sales and profitability in maintenance and modernization operations progressed steadily. The number of elevators and escalators under service contract rose during the third quarter and is now solidly above the 500,000 milestone. The number of automatic doors under service is over 200,000.

Orders received, excluding the value of maintenance contracts, totaled EUR 1,505 (January-September 2002: 1,598) million. At comparable exchange rates, order intake increased 1.5 percent.

Order intake in Europe surpassed the level for January-September 2002 as the residential sector held up fairly well on many markets and modernization activity rose. In North America the value of orders rose, supported by increasing modernization and escalator orders. Asia-Pacific recorded double-digit growth in the third quarter with continued strong contributions from China and Australia.

The order book at the end of September stood at EUR 1,932 (end of September 2002: 1,984) million, representing five percent growth at comparable exchange rates.

Significant Elevator & Escalator Orders During the Third Quarter

KONE was awarded an order comprising 54 escalators for the German National Railway's new central railway station in Berlin from a consortium formed by Strabag Berlin and Heitkamp Berlin. Installation will begin in August 2004 and is scheduled for completion in June 2005. The station, the former "Lehrter Bahnhof", is the most important construction project in Berlin. It will be opened in 2006.



KONE was chosen to provide 20 elevators, 13 escalators, three autowalks and two ramps for Phase II of the Montreal-Dorval International Airport expansion project in Canada. KONE recently installed 11 escalators and four autowalks in the airport's new "Transborder" terminal, and the new order is scheduled for completion in early 2006.

Acquisitions

KONE continued aggressively to acquire elevator service companies during the period under review. In total more than 20 companies were purchased. The acquisitions include the elevator service companies Peters Aufzüge GbmH in Germany, Baxter Elevator Company and Staley Elevator Company in the U.S., and ATS Ascenseurs SA in France, in addition to several automatic door service companies.

Sales

Sales totaled EUR 1,939 (2,059) million. At comparable exchange rates, sales rose by 1.6 percent. Europe accounted for 66 (59) percent, North America for 23 (30) percent and Asia-Pacific for 11 (10) percent of net sales. In the U.S.A, Australia and several European countries, a greater percentage of the year's new elevator and escalator installation projects are scheduled for completion during the fourth quarter than was the case in 2002. Also the level of installation work in progress at the end of September was higher than at the same period a year earlier. The 2003 sales target for new equipment is to achieve the 2002 level at comparable exchange rates.

At comparable exchange rates sales growth in maintenance and modernizations is consistent with the five percent target set for the full year.

Sales by market area (MEUR)

	1-9/2003	1-9/2002	7-9/2003	7-9/2002	1-12/2002
Europe	1,276.9	1,224.2	436.4	402.4	1,798.1
North America	448.7	614.6	173.9	198.6	851.1
Asia Pacific	207.3	199.9	87.7	74.9	292.2
Others	6.0	20.3	3.1	5.5	28.7
Total	1,938.9	2,059.0	701.1	681.4	2,970.1

Financial Result, Assets Employed and Cash Flow

Operating income before goodwill amortization (EBITA) in KONE Elevators & Escalators was EUR 197.7 (195.0) million or 10.2 (9.5) percent of net sales.

Net working capital decreased from year-end level and was negative at EUR -103.8 (end of 2002: -84.5) million at the end of September. Tangible fixed assets without goodwill were EUR 176.1 (end of 2002: 186.6) million.

Cash flow from operating activities before financial items and taxes totaled EUR 263.5 (294.9) million.

Capital Expenditure and Product Development

Capital expenditure in production facilities, field operations and information systems totaled EUR 36.6 (37.9) million.

Product development expenditures totaled EUR 28.6 (28.9) million or 1.5 (1.4) percent of net sales.

Outlook

At comparable exchange rates, orders for new elevators and escalators are anticipated to achieve at least the 2002 level. The target for comparable new equipment sales is to reach the 2002 level.

At exchange rates comparable to those a year earlier, maintenance and modernization revenue is expected to increase by approximately five percent and door service revenue by 20 percent during the year under review.

The EBITA margin is expected to exceed 10 percent, and net working capital remain negative.

KONE Materials Handling

Markets, Orders Received and Order Book

The market for container-handling equipment and services in ports and terminals continued to improve during the third quarter, supported by the increase in container throughput. No significant change in demand for terminal tractors occurred during the third quarter, but the market for heavy forklifts was challenging due to general weakness of the European economy.

Demand for load-handling equipment continued at a good level in North America while weak markets in France, Germany and the Benelux countries weighed on total European demand. Despite continuing weak truck sales, which is a key indicator for on-road load handling equipment, order intake rose in the third quarter, supported by increased orders for truck-mounted forklifts.

The European tractor market was somewhat weaker. Strong tractor demand continued in Latin America. Valtra achieved increased order intake with strong contributions from new market areas. Demand for forest machines continued at a somewhat higher level than in the corresponding period last year.

The value of order intake increased six percent to EUR 1,851 (1,743) million. At comparable exchange rates, order intake rose 14 percent.

**Orders by business area
(MEUR)**

	1-9/2003	1-9/2002	7-9/2003	7-9/2002	1-12/2002
Container Handling	596.2	525.5	190.0	155.6	708.5
Load Handling*	475.9	477.8	129.4	128.5	639.2
Forest machines*	178.5	178.0	62.8	56.1	245.4
Tractors	619.4	581.8	174.5	166.8	810.8
Eliminations	(19.5)	(20.1)	(4.5)	(6.1)	(29.4)
Total	1,850.5	1,743.0	552.2	500.9	2,374.5

*The forest cranes operations, comprising the sector's leading brands, Loglift and Jonsered, were transferred to the Load Handling business area from Forest Machines during the third quarter, and comparison figure have been adjusted accordingly.

The order book at the end of September rose in all business areas and totaled EUR 522.4 (470.2) million. At comparable exchange rates, the order book rose 16 percent compared with the end of September, 2002.

Sales

Sales rose to EUR 1,844 (1,767) million. At comparable exchange rates, sales rose 11 percent. Container and Load Handling recorded sales totaling EUR 976.2 (968.3) million.

In Container Handling, sales of yard equipment, in particular reachstackers, continued to improve. The new reachstacker models introduced in late 2002 have been very well received. In particular, sales in Germany increased, giving Kalmar a stronger foothold on this key European market. Sales of terminal tractor were stable. Sales of industrial forklifts held up well, considering the low level of industrial investment, thanks to increased orders of newly introduced models.

In Load Handling, solid sales in North America continued, but sales in Europe suffered from the general weakness of the economy.

Strong sales growth in Tractors continued in the third quarter as a consequence of partial and completed deliveries of large orders received from China and other new markets.

Sales by business area (MEUR)

	1-9/2003	1-9/2002	7-9/2003	7-9/2002	1-12/2002
Container Handling	518.6	506.9	158.8	161.0	719.3
Load Handling*	464.1	469.4	144.0	144.9	632.8
Forest Machines*	164.6	158.4	53.1	52.6	234.9
Tractors	626.6	554.4	197.9	172.1	761.7
Eliminations	(19.7)	(19.8)	(4.0)	(6.3)	(29.2)
Total	1,754.2	1,669.3	549.8	524.3	2,319.5



Financial Result, Assets Employed and Cash Flow

Operating income before goodwill amortization (EBITA) rose to EUR 97.8 (59.2) million, or 5.3 (3.3) percent of net sales.

Net working capital at the end of September was EUR 395.4 (end of 2002: 371.9) million. The value of tangible fixed assets was EUR 216.4 (end of 2002: 461.9) million.

Cash flow from operations before financial items and taxes was EUR 104.4 (Jan-Sept, 2002: 58.7) million.

Capital Expenditure and Product Development

Capital expenditure in production facilities, field operations and information systems totaled EUR 25.7 (33.0) million.

Research and development expenditure totaled EUR 35.1 (34.9) million, which is 1.9 (2.0) percent of net sales.

Outlook

In KONE Materials Handling, sales and order intake is expected to increase from the previous year's level, when comparable exchange rates are applied.

The EBITA margin in KONE Materials Handling, as well as in Container and Load Handling combined, is expected to exceed five percent.

KONE Financial Result, Balance Sheet, Cash Flow and Personnel

KONE's operating income before goodwill amortization (EBITA) totaled EUR 284.8 (224.4) million, or 7.5 (8.4) percent in the period under review.

KONE Elevators & Escalators' EBITA was EUR 197.7 (195.0) million, and KONE Materials Handling's EBITA totaled EUR 97.8 (59.2) million. Total EBITA includes EUR 10.7 (0.0) million of non-allocated corporate costs.

January-September net income totaled EUR 125.9 (111.4) million, when taxes proportionate to the amount due for the full year are taken into account. Earnings per share rose to EUR 2.00 (1.85).

Cash flow from operations (before financial items and taxes on the corporate level) totaled EUR 358.7 (343.7) million. Consolidated cash flow from operating activities was EUR 277.7 (289.7) million. Net cash flow from investment activities, including acquisitions, divestments and transferred capital loans, totaled EUR 209.8 (-828.5) million.



KONE's net debt at the end of the period was EUR 857.8 (end of 2002: 1,252) million. Total equity as a share of total assets was 27.1 (25.3) percent. Gearing was 83 (147) percent.

KONE employed 34,510 people (end of 2002: 35,864) at the end of September. The average number of employees during January-September was 34,513.

KONE Shareholder Meetings and Board of Directors

In February, the Annual General Meeting (AGM) of KONE Corporation confirmed the number of members of the Board of Directors at seven. Pekka Herlin was re-elected chairman of the Board. Re-elected as full members of the Board were KONE CEO Antti Herlin, Gerhard Wendt, Iiro Viinanen, Jean-Pierre Chauvarie, and President and CEO of Toshiba Elevator and Building Systems Corporation, Hiroshi Nishioka. The President of Nokia Mobile Phones, Matti Alahuhta, was elected as a new member of the Board.

On April 4, 2003 the long-standing chairman of the Board of Directors of KONE Corporation, Pekka Herlin, passed away after a lengthy illness. On June 18, an Extraordinary Meeting of Shareholders elected CEO and deputy chairman of the Board of Directors Antti Herlin chairman of the Board. The number of Board members was ratified at six and no new Board members were elected.

The Board of Directors' proposal that the AGM authorize the Board of Directors to repurchase KONE's own shares with assets distributable as profit was approved. The number of shares to be repurchased shall not exceed 3,173,180 shares (maximums: 476,304 class A shares and 2,696,876 class B shares).

In addition, the Board of Directors' proposal that the Annual General Meeting authorize the Board of Directors to decide on the distribution of any shares repurchased by the company was approved. The authorizations are in effect for a period of one year from the date of decision of the AGM.

As the result of share transactions during the period, the share of votes in KONE Corporation controlled by Antti Herlin has decreased to below two thirds.

Repurchase of KONE shares

During the period under review, KONE did not repurchase any of its own shares.

On the basis of the AGM's authorization, KONE Corporation's Board of Directors decided on April 23 to commence repurchasing shares at the earliest on April 30, 2003. The repurchased shares are to be used as compensation in possible acquisitions and in other arrangements as well as to develop the company's capital structure.

At the end of the reporting period, KONE's Board of Directors had no current authorization to raise the share capital or to issue convertible or warrant loans.



Outlook

At current exchange rates, KONE's net sales are anticipated to total approximately EUR 5.3-5.4 billion in 2003. This takes into account the contingency that the divestment of Tractors and Forest Machines would be finalized late in 2003 or early in 2004. Earnings before amortization of goodwill are seen clearly exceeding EUR 400 million. The improvement in profits is estimated to result in earnings per share approaching the level of EUR 3.

Disregarding the impact of the divestment of Tractors and Forest Machines, gearing is expected to decrease to 70 percent, net debt to fall below EUR 800 million, and the equity ratio to increase to nearly 30 percent.

Helsinki, 21 October 2003

KONE Corporation
Board of Directors

Unaudited



CONSOLIDATED STATEMENT OF INCOME (MEUR)

	1-9/2003	%	1-9/2002	%	1-12/2002	%
Sales	3,783.3		2,680.5		4,341.8	
Costs and expenses	(3,436.9)		(2,405.4)		(3,926.0)	
Depreciation without goodwill amortization	(61.6)		(50.7)		(75.6)	
Operating income before goodwill amortization (EBITA)	284.8	7.5	224.4	8.4	340.2	7.8
Goodwill amortization	(64.3)		(41.2)		(65.0)	
Operating income	220.5	5.8	183.2	6.8	275.2	6.3
Share of associated companies' net income	2.7		4.3		5.9	
Financing income and expenses	(21.4)		(10.8)		(24.9)	
Income before taxes	201.8	5.3	176.7	6.6	256.2	5.9
Taxes	(74.2)		(63.1)		(95.5)	
Minority share	(1.7)		(2.2)		(3.6)	
Net income	125.9	3.3	111.4	4.2	157.1	3.6

Taxes proportionate to the amount due for the full year are taken into account.

CONSOLIDATED BALANCE SHEET (MEUR)

Assets	30/9/2003	30/9/2002	31/12/2002
Fixed assets and other long-term investments			
Intangible assets	1,027.0	1,130.0	1,120.2
Tangible assets	392.7	648.7	648.7
Investments	219.5	239.8	234.0
Total	1,639.2	2,018.5	2,002.9
Current assets			
Inventories	549.4	524.1	530.4
Receivables	1,202.4	1,314.8	1,207.2
Deposits and cash	438.3	388.6	419.7
Total	2,190.1	2,227.5	2,157.3
Total assets	3,829.3	4,246.0	4,160.2
Shareholders' equity and liabilities	30/9/2003	30/9/2002	31/12/2002
Equity	1,027.7	1,075.2	1,109.3
Minority shares	27.7	20.6	20.1
Provision for liabilities and charges	219.8	231.9	247.0
Long-term debt	765.4	1,043.1	975.8
Current liabilities	1,788.7	1,875.2	1,808.0
Total shareholders' equity and liabilities	3,829.3	4,246.0	4,160.2

CASH FLOW (MEUR)

	1-9/2003	1-9/2002	1-12/2002
Cash flow from operations before taxes and financing items:			
KONE Elevators & Escalators	263.5	294.9	460.7
KONE Materials Handling (7-12/02)	104.4	48.8	154.9
Unallocated corporate costs	(9.2)	0.0	0.0
Total	358.7	343.7	615.6
Cash flow from taxes and financing items	(81.0)	(54.0)	(118.7)
Cash flow from (investments)/divestments	209.8	(828.5)	(887.7)
Dividends paid	(93.8)	(42.5)	(42.3)
Change in net debt	393.7	(581.3)	(433.1)
Partek net debt on 1 July 2002*		866.0	866.0
Net debt at the beginning of period	1,251.5	(47.6)	(47.6)
Net debt at the end of period*	857.8	1,399.7	1,251.5

* Incl. capital loans

KEY FIGURES

		1-9/2003	1-9/2002	1-12/2002
Earnings/share	EUR	2.00	1.85	2.54
Equity/share	EUR	16.0	17.3	15.7
Interest bearing net debt*	MEUR	858	1,400	1,252
Total equity/total assets	%	27.1	25.3	24.2
Gearing*	%	83	147	125

* Capital loans are included in debt

ORDERS RECEIVED (MEUR)

	1-9/2003	1-9/2002	1-12/2002
KONE Elevators & Escalators	1,504.7	1,598.4	2,128.6
KONE Materials Handling	1,850.5	500.9	1,132.4
Total	3,355.2	2,099.3	3,261.0

ORDER BOOK (MEUR)

	30/9/2003	30/9/2002	31/12/2002
KONE Elevators & Escalators	1,931.9	1,983.9	1,791.8
KONE Materials Handling	522.4	470.2	447.7
Total	2,454.3	2,454.1	2,239.5

SALES (MEUR)

	1-9/2003	1-9/2002	1-12/2002
KONE Elevators & Escalators	1,938.9	2,059.0	2,970.1
KONE Materials Handling	1,844.4	621.5	1,371.7
Total	3,783.3	2,680.5	4,341.8

CAPITAL EXPENDITURE (MEUR)

	1-9/2003	1-9/2002	1-12/2002
KONE Elevators & Escalators	36.6	37.9	51.1
KONE Materials Handling	25.7	20.6	41.7
Total	62.3	58.5	92.8

EXPENDITURE FOR R&D (MEUR)

	1-9/2003	1-9/2002	1-12/2002
KONE Elevators & Escalators	28,6	28,9	40,2
KONE Materials Handling	35,1	11,1	23,1
Total	63,7	40,0	63,3

AVERAGE NUMBER OF EMPLOYEES

	1-9/2003	1-9/2002	1-12/2002
	34,513	27,323	29,407

NUMBER OF EMPLOYEES

	30/9/2003	30/9/2002	31/12/2002
KONE Elevators & Escalators	23,870	23,214	23,317
KONE Materials Handling	10,640	12,607	12,547
Total	34,510	35,821	35,864



SALES BY MARKET AREA (MEUR)

KONE Corporation

	1-9/2003	%	1-9/2002	%	1-12/2002	%
Europe	2,423.4	65	1,621.6	60	2,715.4	63
North America	768.3	20	711.9	27	1,059.3	24
Asia Pacific	348.7	9	249.7	9	391.7	9
Others	242.9	6	97.3	4	175.4	4
Total	3,783.3		2,680.5		4,341.8	

KONE Elevators & Escalators

	1-9/2003	%	1-9/2002	%	1-12/2002	%
Europe	1,276.9	66	1,224.2	59	1,798.1	60
North America	448.7	23	614.6	30	851.1	29
Asia Pacific	207.3	11	199.9	10	292.2	10
Others	6.0	0	20.3	1	28.7	1
Total	1,938.9		2,059.0		2,970.1	

KONE Materials Handling

	1-9/2003	%	1-9/2002	%	7-12/2002	%
Europe	1,146.6	62	397.4	64	917.3	67
North America	319.6	17	97.3	16	208.2	15
Asia Pacific	141.3	8	49.8	8	99.5	7
Others	236.9	13	77.0	12	146.7	11
Total	1,844.4		621.5		1,371.7	

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENT (MEUR)

Contingent liabilities and pledged assets	30/9/2003	30/9/2002	31/12/2002
Assets pledged to secure loans	19.2	42.3	26.4
Pledged assets	14.5	43.2	22.7
Guarantees			
Associated companies	7.1	3.0	4.1
Others	67.4	13.6	19.6
Leasing liabilities	139.9	180.9	178.2
Other contingent liabilities	91.4	97.2	111.4
Total	339.5	380.2	362.4

Guarantees for others include MEUR 26.3 (Dec. 31, 2002 MEUR 10.3) customer finance arrangements where the sold machines form security, and other contingent liabilities include repurchase commitments for sold products to a value of MEUR 60.5 (Dec. 31, 2002 MEUR 71.7).

Derivatives	30/9/2003	30/9/2002	31/12/2002
Forward contracts	924.9	1,182.0	983.9
Currency options	178.5	126.2	83.2
Currency swaps	173.8	153.8	153.8
Interest rate swaps	140.0	279.3	276.6
Total	1,417.2	1,741.3	1,497.5



QUARTERLY FIGURES

KONE Corporation

		Q3/2003	Q2/2003	Q1/2003	Q4/2002	Q3/2002	Q2/2002
Orders received	MEUR	1,038.6	1,161.3	1,155.3	1,161.7	991.5	607.6
Order book	MEUR	2,454.3	2,472.1	2,416.5	2,239.5	2,454.1	1,956.5
Sales	MEUR	1,279.7	1,356.9	1,146.7	1,661.3	1,302.9	746.6
Operating income before goodwill amortization (EBITA)	MEUR	107.2	108.3	69.3	115.8	107.1	72.3
Operating income before goodwill amortization (EBITA)	%	8.4	8.0	6.0	7.0	8.2	9.7

KONE Elevators & Escalators

		Q3/2003	Q2/2003	Q1/2003	Q4/2002	Q3/2002	Q2/2002
Orders received	MEUR	486.4	515.5	502.8	530.2	490.6	607.6
Order book	MEUR	1,931.9	1,950.9	1,890.2	1,791.8	1,983.9	1,956.5
Sales	MEUR	701.1	674.7	563.1	911.1	681.4	746.6
Operating income before goodwill amortization (EBITA)	MEUR	80.2	69.9	47.6	92.0	77.7	72.3
Operating income before goodwill amortization (EBITA)	%	11.4	10.4	8.5	10.1	11.4	9.7

KONE Materials Handling

		Q3/2003	Q2/2003	Q1/2003	Q4/2002	Q3/2002	Q2/2002
Orders received	MEUR	552.2	645.8	652.5	631.5	500.9	
Order book	MEUR	522.4	521.2	526.3	447.7	470.2	
Sales	MEUR	578.6	682.2	583.6	750.2	621.5	
Operating income before goodwill amortization (EBITA)	MEUR	30.7	44.9	22.2	34.8	29.4	
Operating income before goodwill amortization (EBITA)	%	5.3	6.6	3.8	4.6	4.7	

SHARES AND SHAREHOLDERS

	A shares	B shares	Total
Number of shares, Sept. 30	9,526,089	53,937,531	63,463,620
Share capital, MEUR, Sept. 30			63.5
Market capitalization, MEUR, Sept. 30	403	2,284	2,687
Number of shares traded, Jan-Sept.		23,808,754	
Value of shares traded, MEUR, Jan-Sept.		801	
Number of shareholders, Sept. 30	3	8,830	8,830
	Close	High	Low
Share price, EUR, Jan-Sept.	42.34	45.70	26.70

From the beginning of the year KONE's share price rose by 47 percent to the end of September.