



# KONE H1 2025

Philippe Delorme, President & CEO  
Ilkka Hara, CFO

JULY 18, 2025

HALF-YEAR FINANCIAL REPORT JANUARY-JUNE 2025

Dedicated to  
People Flow™

# Q2 2025: Strategy execution delivering results

- Continued strength in resilient Service and Modernization businesses
- Consistent profitability improvement
- Good progress in key strategic metrics

**8.6%**

Growth in  
Service sales\*

**~20%**

Growth in  
Modernization sales\*

**~10% | HSD**

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

**25bps**

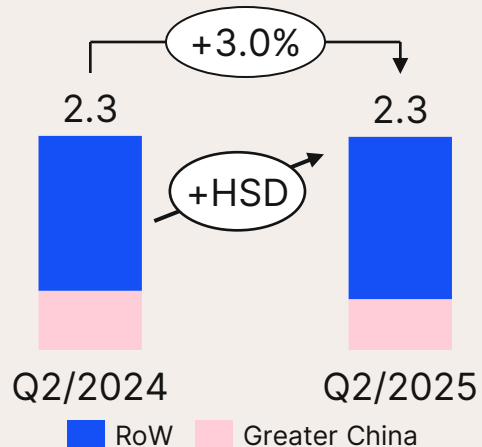
Improvement in  
adjusted EBIT-%

\* at comparable exchange rates

# Q2 2025 financial highlights: growth in all key metrics

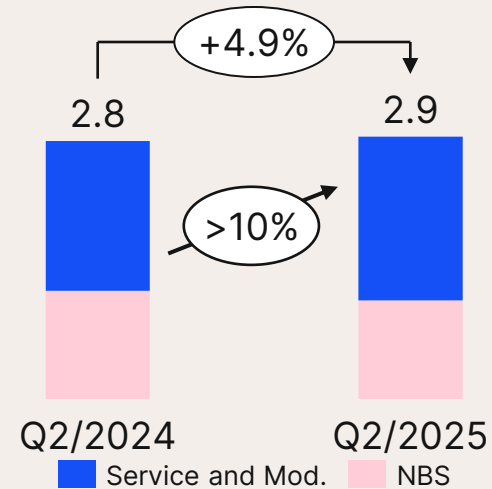
**Order** momentum solid,  
with high single-digit  
growth outside China

Orders received\*, EUR bn



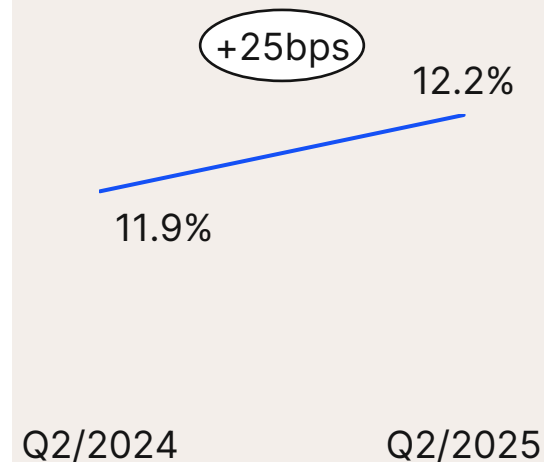
**Sales** growth driven  
by Service and  
Modernization

Sales\*, EUR bn



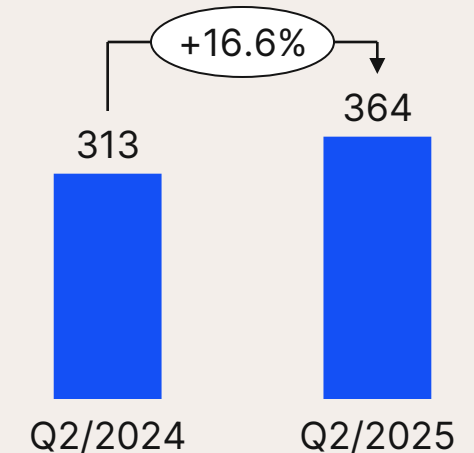
**Profitability** improvement  
driven by favorable  
business mix

Adjusted EBIT margin, % of  
sales



Steady progress in  
**cash generation**

Cash flow from operations,  
EUR mn



# Exciting customer references across the world



## Modernization

Im Tiergarten apartments,  
Zurich, Switzerland



## Service

Hong Kong MTR, Hong Kong, China



## New Building Solutions

Jakarta Annex Center Phase 1,  
Indonesia

# Executing our strategy with speed and precision

## Accelerate Digital

- ~38% connectivity in maintenance base
- Field productivity tools live in 30 countries

## Drive Modernization

- ~20% sales growth year-to-date
- ~30% order growth for the KONE MonoSpace Upgrade partial modernization solution

## Easiest to work for and work with

- High level of employee engagement
- Areas of improvement in customer satisfaction
- Consistent quarterly margin improvement

## Win Residential

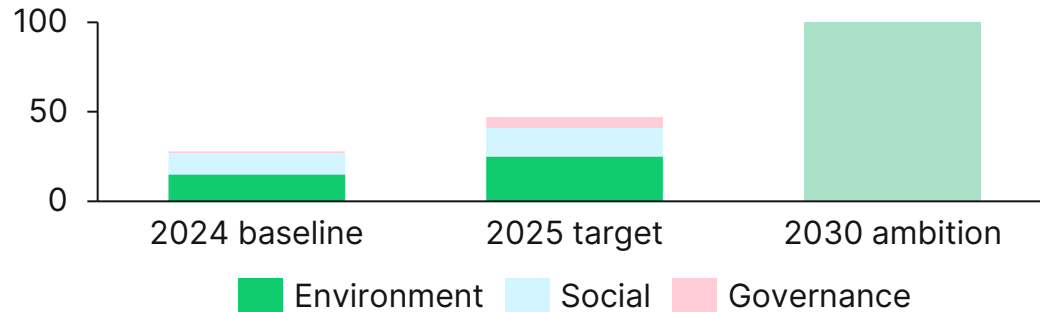
- Improved offering competitiveness
- New Building Solutions market share gains in three of four areas

## Cut Carbon

- 29% reduction in absolute Scope 1 & 2 emissions\*
- 12.8% reduction in Scope 3 emissions relative to products ordered\*
- ~60% of deliveries equipped with regenerative drives

# Important recognition for our sustainability leadership

## KONE Sustainability index



## Highlights

- Scaling energy-efficient solutions
- Improvement in customer perception of KONE's sustainability leadership

Highest scoring E&E company on Time and Statista's list of the world's most sustainable companies



KONE ranked the 15th most sustainable company in Europe by Corporate Knights



KONE listed on the CDP's 2024 Supplier Engagement Assessment (SEA) A-list

# Appointment to the Executive Board

## Michelle Wen

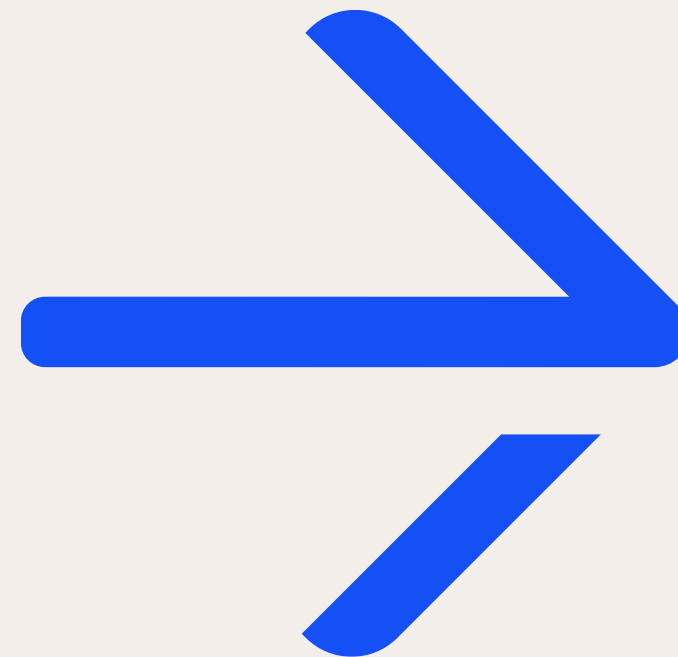
Michelle Wen appointed Executive Vice President, Procurement as of August 1, 2025.

Michelle has held several global leadership positions in procurement, purchasing, supply chain, and supplier quality across various industries in Europe, Asia and the United States.





# Market development



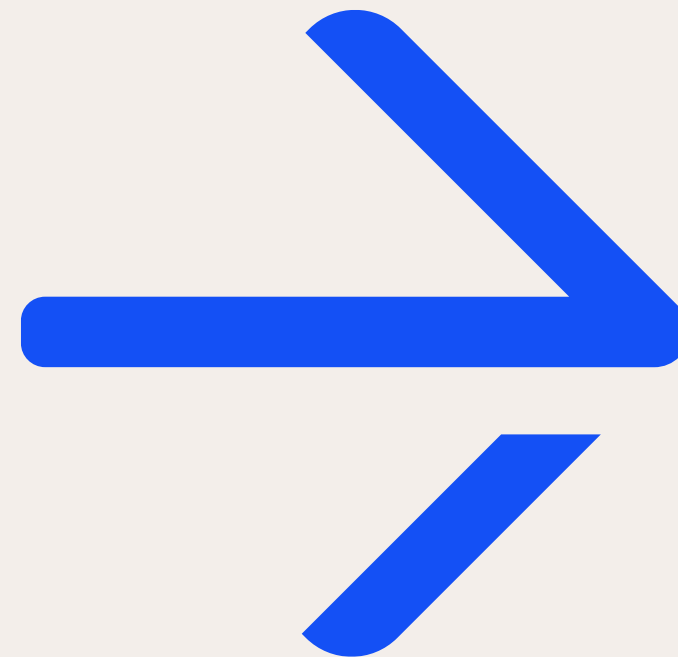


# Market development in Q2 2025



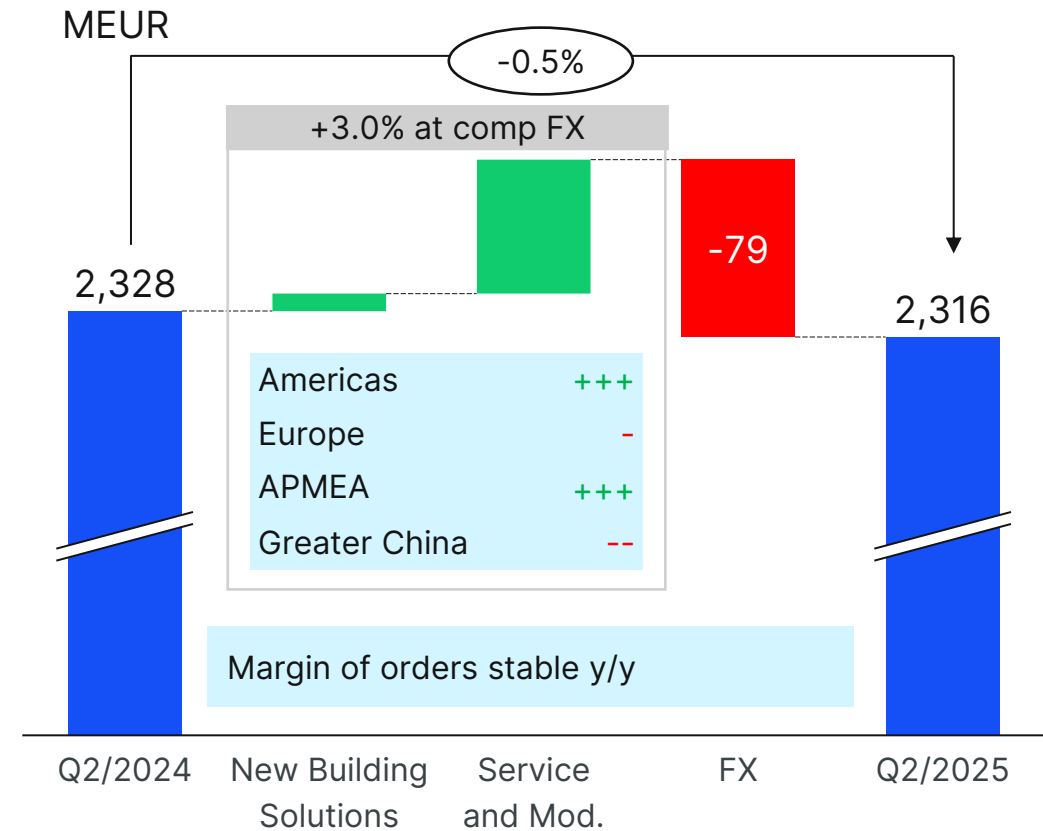
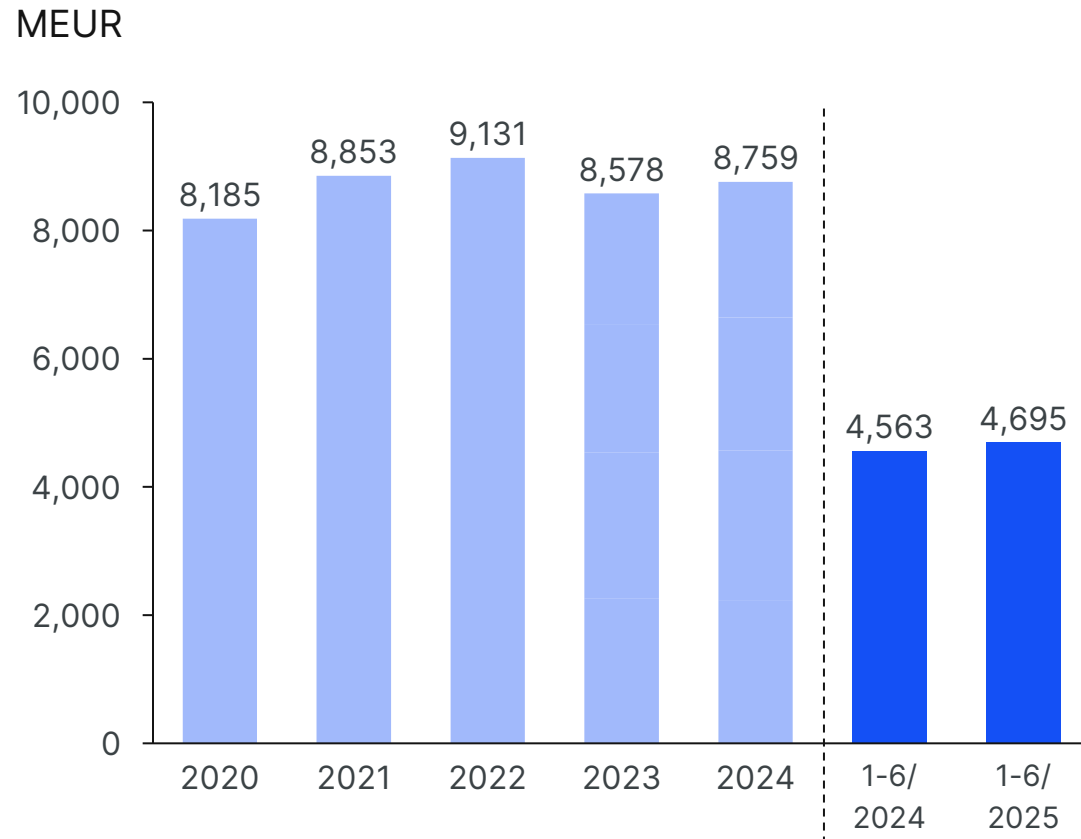
--- Significant decline (>10%), -- Clear decline (5-10%), - Slight decline (<5%), Stable, + Slight growth (<5%), ++ Clear growth (5-10%), +++ Significant growth (>10%).  
The development of the operating environment compared to the corresponding period last year. Based on KONE's estimate.

# Q2 Financials



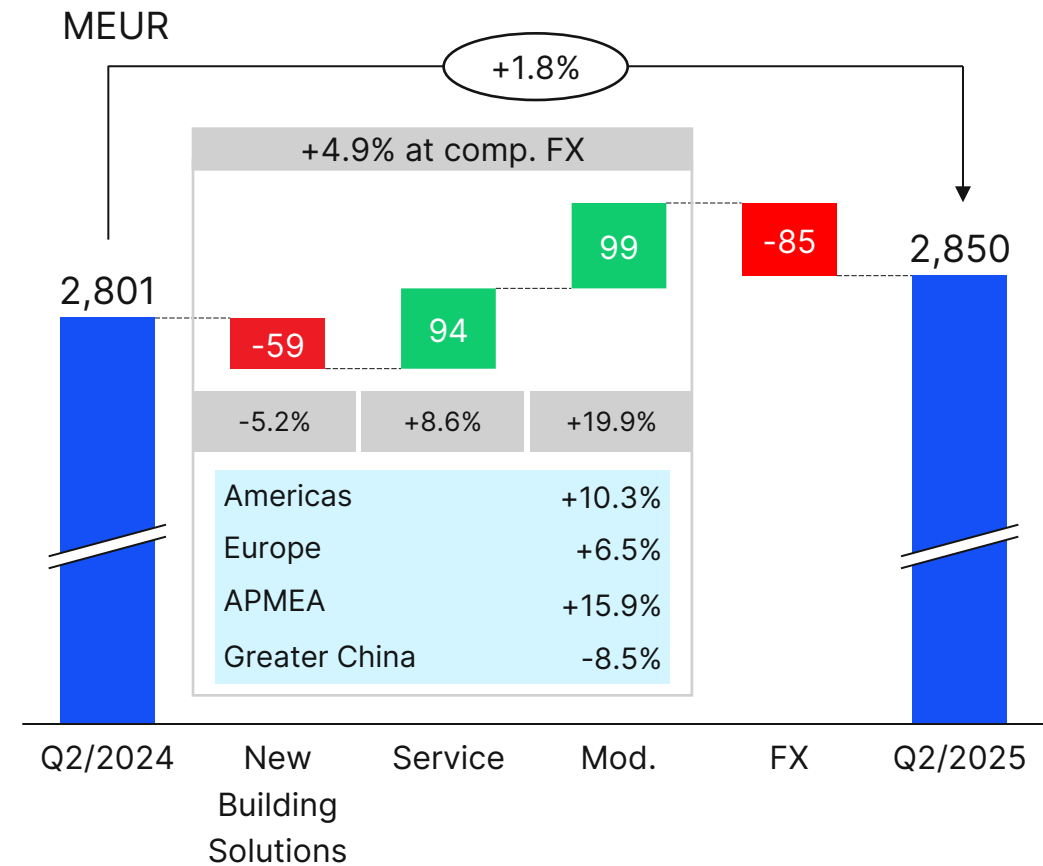
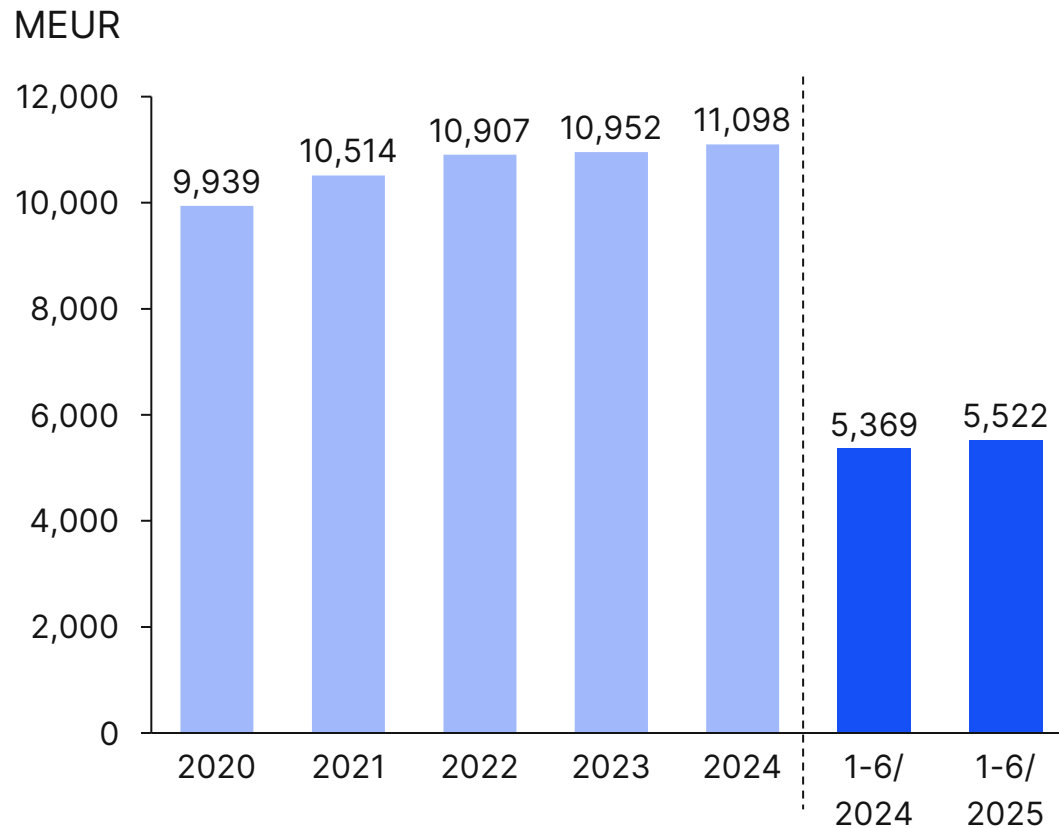
# Orders received

Solid growth momentum outside China



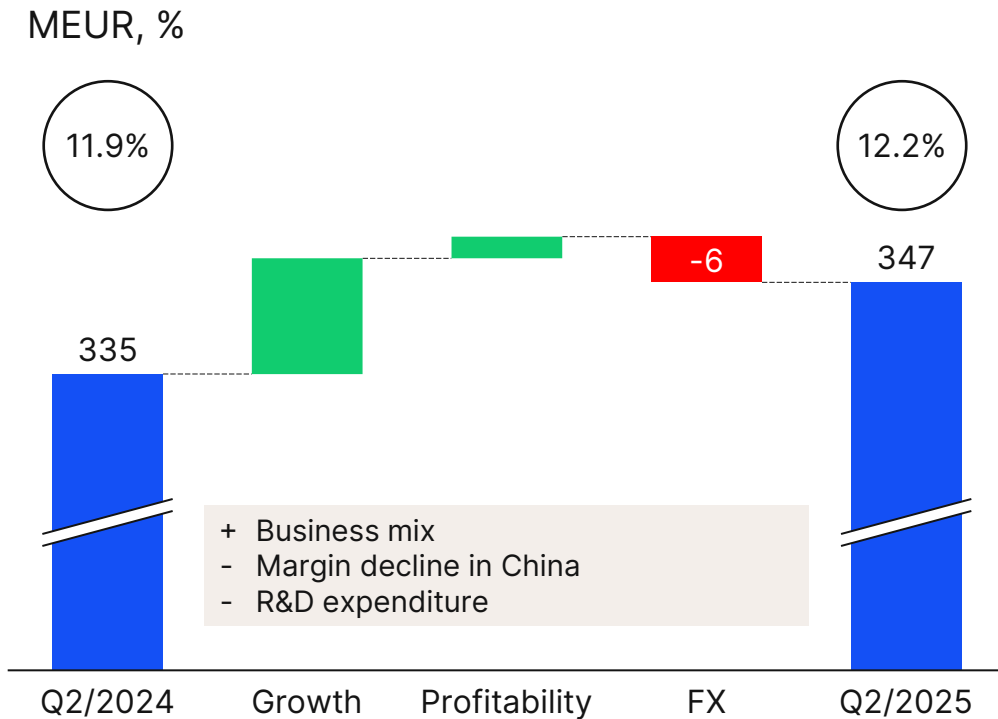
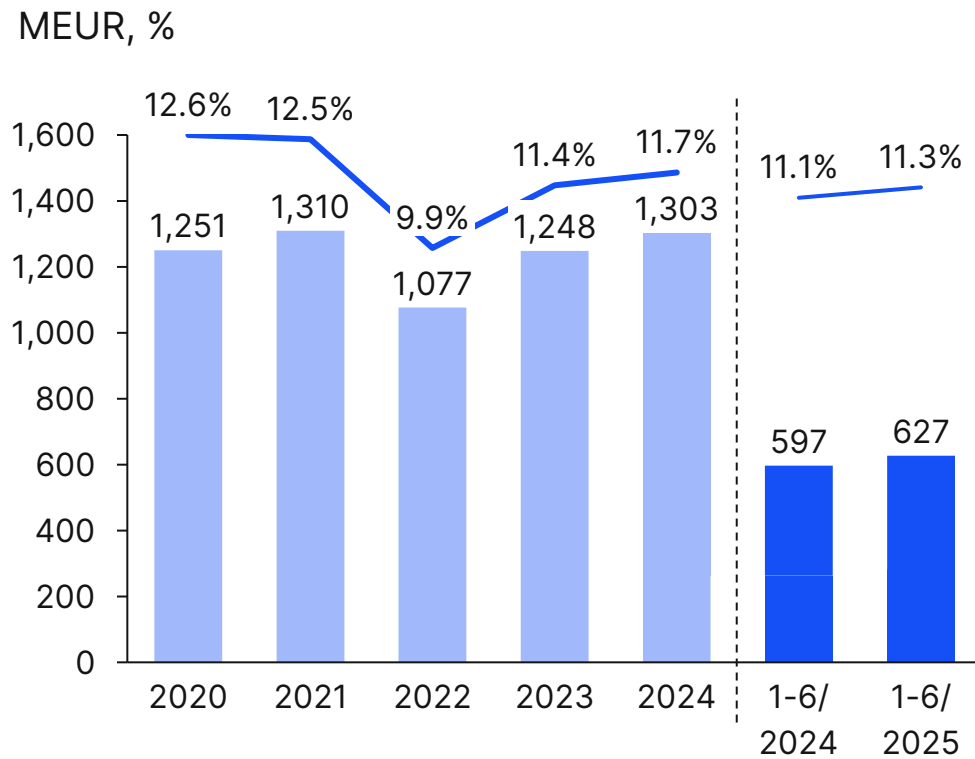
# Sales

High single-digit growth in Service, Modernization increased nearly 20%



# Adjusted EBIT and profitability

Margin expansion supported by favorable business mix

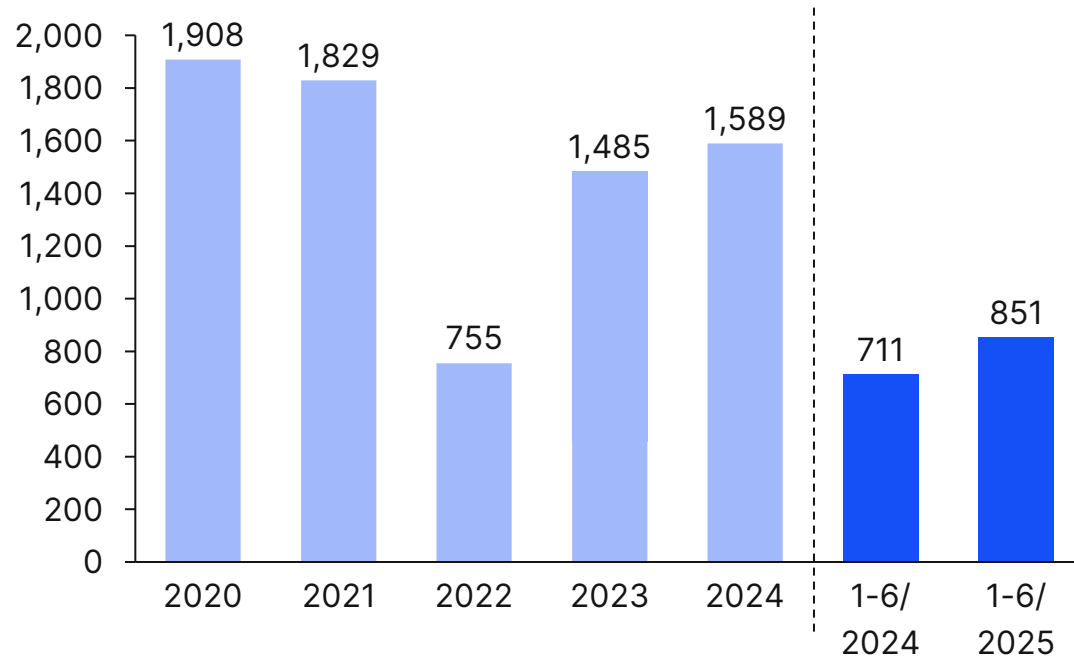


KONE presents adjusted EBIT as an alternative performance measure to enhance comparability of business performance between reporting periods. In January–June 2025, items affecting comparability amounted to EUR 12.0 million consisting mainly of costs related to the separation of the KONE Door Business under its own legal and operative structure.

# Cash flow from operations and net working capital

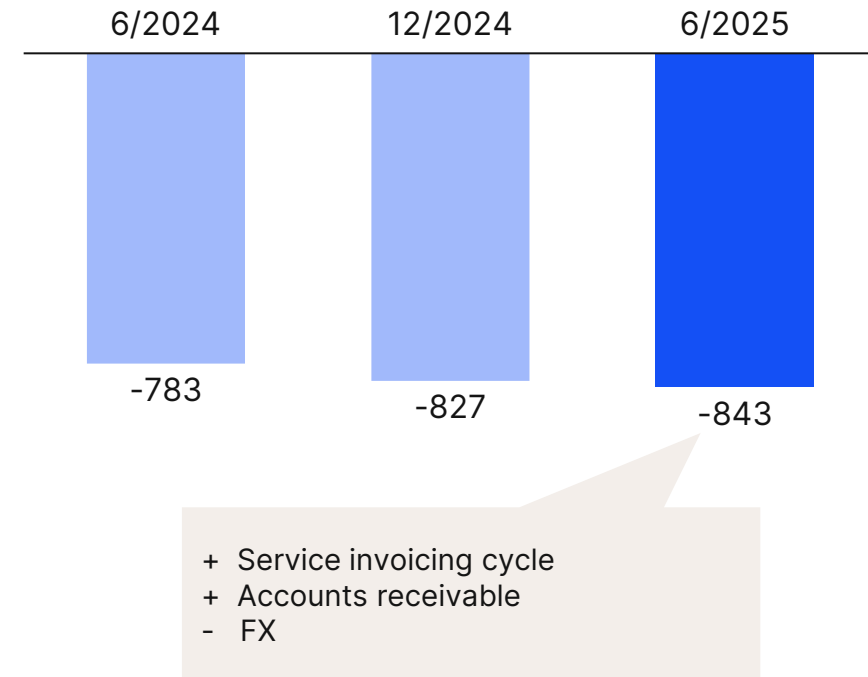
Cash flow improved due to earnings growth and changes in working capital

Cash flow from operations\*, MEUR



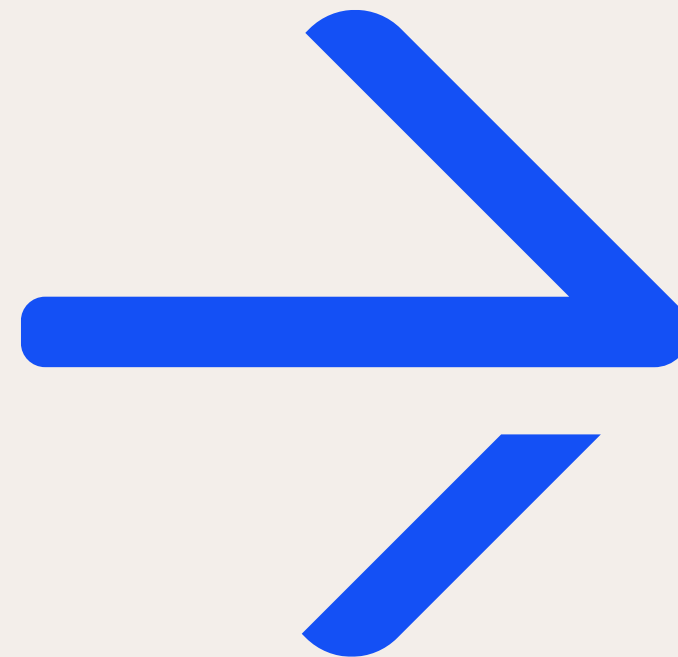
\* Before financing items and taxes.

Net working capital\*\*, MEUR



\*\* Including financing items and taxes.

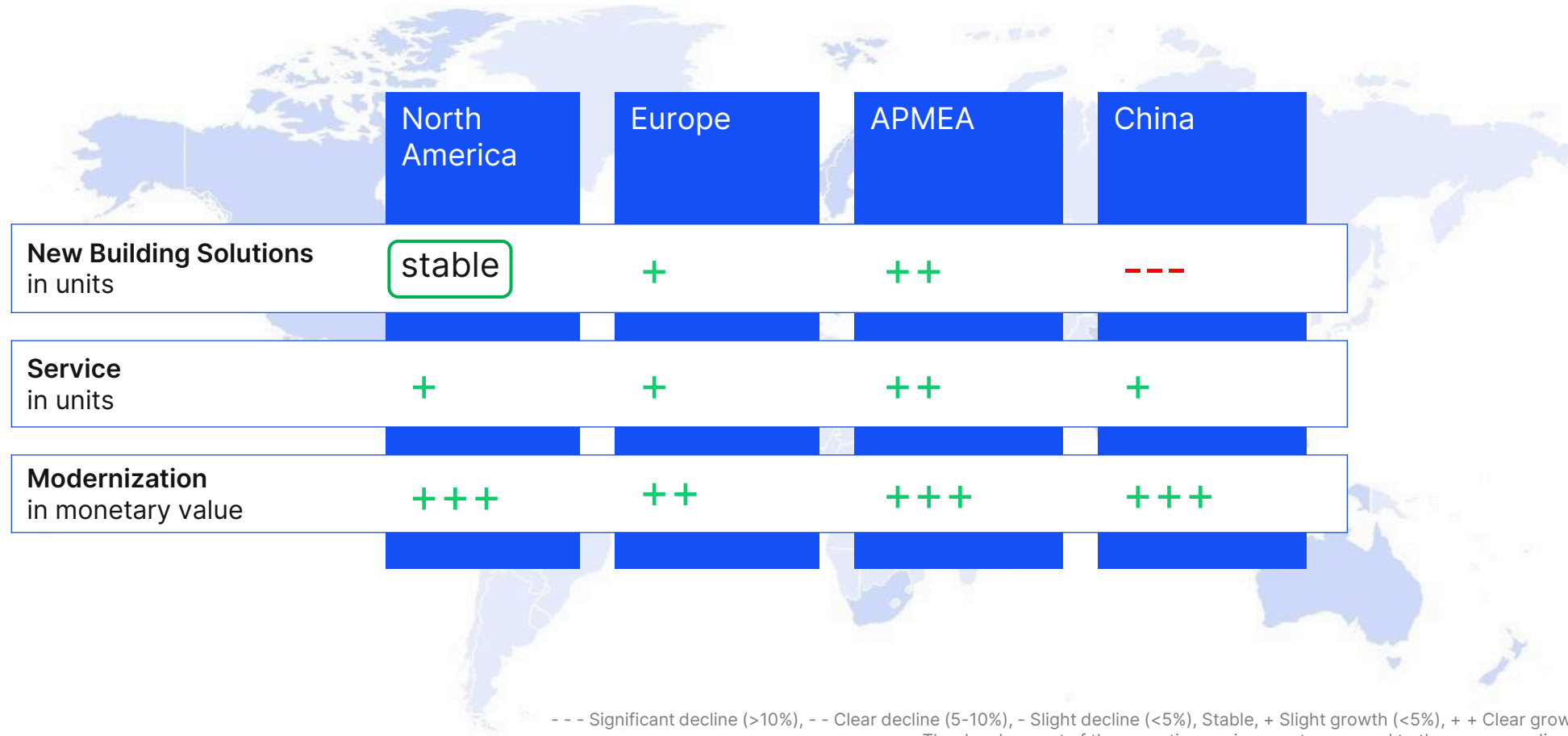
# Market and business outlook





# Market outlook for 2025 (updated)

Resilient growth outlook in Service and Modernization



# Business outlook for 2025 (specified)

## Sales

- KONE expects its sales to grow 2-5% at comparable exchange rates

## Adjusted EBIT

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

### Supporting our performance

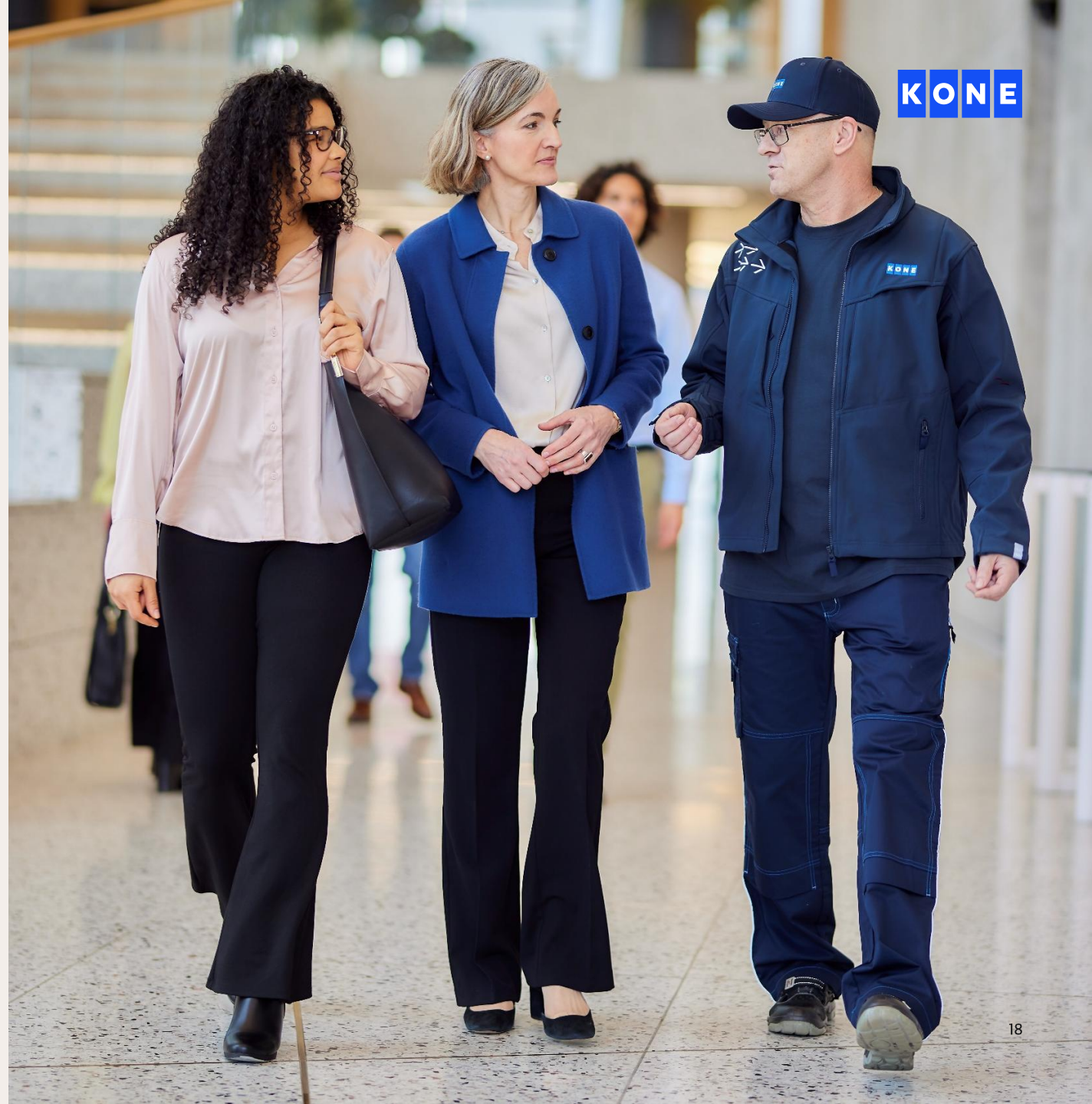
- Strong growth in Service and Modernization
- Solid order book
- Ramp up of performance initiatives

### Burdening our performance

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

# Summary

- Service and Modernization growth demonstrates resilience
- Good progress in strategic metrics driven by consistent execution
- On-track to delivering on financial targets







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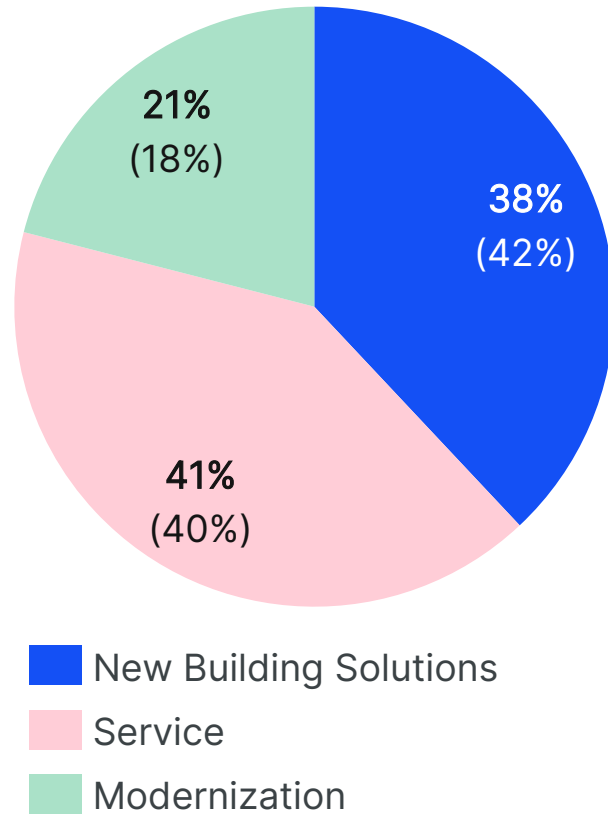
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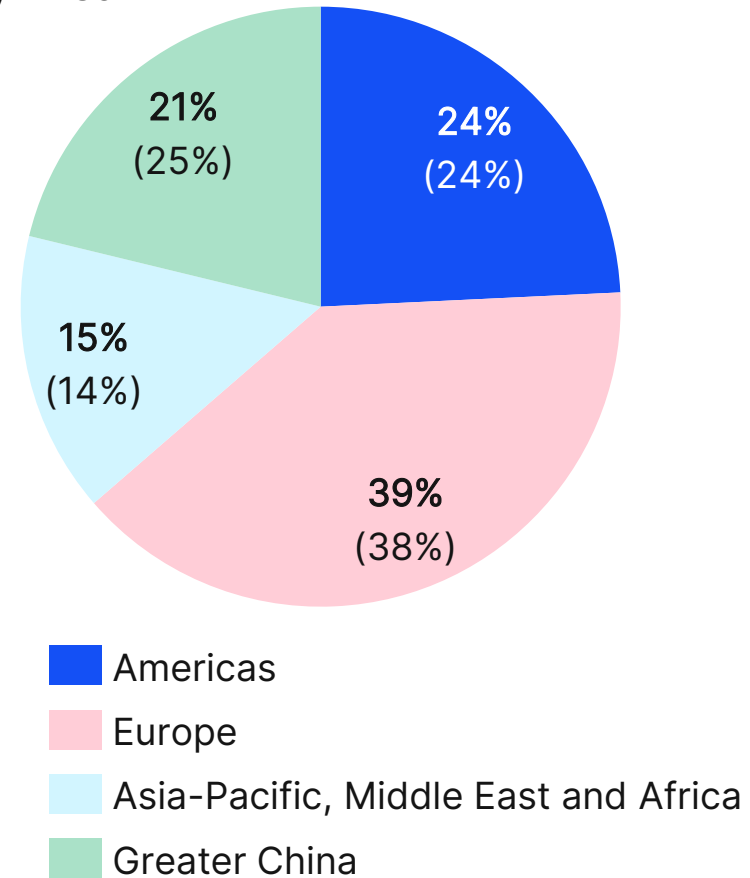
# Appendix

# 4-6/2025 Sales split

By business



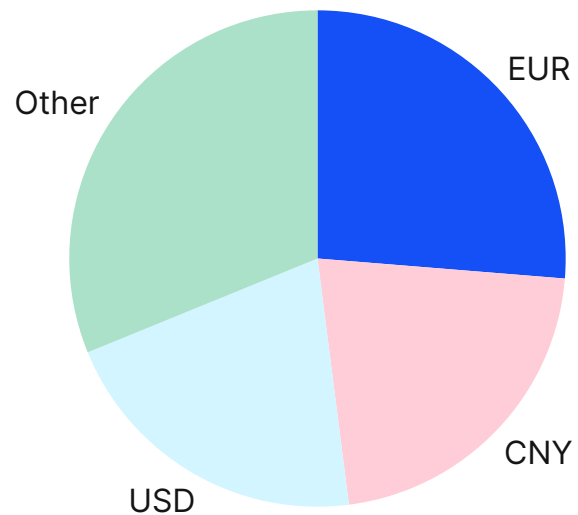
By Area



4-6/2024 figures in brackets. Figures in charts are rounded and at historical exchange rates.

# Currencies

## Sales by currencies 4-6/2025



## Currency impact\*

MEUR	Q2	FY
Sales	-85	ca. -310
EBIT	-6	ca. -50
Orders received	-79	ca. -280

## Main currencies

MEUR	Q2/2025 average	Q2/2024 average	2024 average
EUR / CNY	7.9086	7.8038	7.7793
EUR / USD	1.0920	1.0828	1.0826
EUR / GBP	0.8393	0.8557	0.8469
EUR / INR	93.7165	90.1398	90.6243
EUR / AUD	1.7275	1.6406	1.6424

\* Impact of retranslating the comparison period with comparable exchange rates. Full year impact estimated based on July 10, 2025 rates.



# Q2 2025 key figures

		Q2/2025	Q2/2024	Change	Comparable change
Orders received	MEUR	2,316.2	2,327.6	-0.5%	3.0%
Order book	MEUR	8,699.4	9,326.6	-6.7%	-0.9%
Sales	MEUR	2,850.1	2,801.0	1.8%	4.9%
Operating income (EBIT)	MEUR	338.0	334.7	1.0%	
Operating income margin (EBIT margin)	%	11.9	11.9		
Adjusted EBIT	MEUR	347.2	334.7	3.7%	
Adjusted EBIT margin	%	12.2	11.9		
Cash flow from operations (before financing items and taxes)	MEUR	364.4	312.6		
Basic earnings per share	EUR	0.53	0.50	5.8%	

# 1-6/2025 key figures

		1-6/2025	1-6/2024	Change	Comparable change
Orders received	MEUR	<b>4,694.6</b>	4,563.3	2.9%	4.0%
Order book	MEUR	<b>8,699.4</b>	9,326.6	-6.7%	-0.9%
Sales	MEUR	<b>5,522.4</b>	5,369.3	2.9%	3.9%
Operating income (EBIT)	MEUR	<b>614.7</b>	597.0	3.0%	
Operating income margin (EBIT margin)	%	<b>11.1</b>	11.1		
Adjusted EBIT	MEUR	<b>626.7</b>	597.0	5.0%	
Adjusted EBIT margin	%	<b>11.3</b>	11.1		
Cash flow from operations (before financing items and taxes)	MEUR	<b>851.1</b>	710.8		
Basic earnings per share	EUR	<b>0.94</b>	0.89	5.3%	

# Balance sheet – assets employed

MEUR	Jun 30, 2025	Jun 30, 2024	Dec 31, 2024
<b>Assets employed</b>			
Goodwill	1,511.1	1,509.9	1,558.4
Other intangible assets	334.2	316.0	333.3
Tangible assets	865.0	823.1	898.5
Shares and other non-current financial assets	107.4	86.4	98.9
Net working capital	-842.8	-782.8	-827.2
<b>Assets employed total</b>	<b>1,974.9</b>	<b>1,952.5</b>	<b>2,061.9</b>
<b>Financed by</b>			
Equity	2,275.3	2,370.2	2,893.1
Interest-bearing net debt	-300.4	-417.7	-831.2
<b>Equity and interest-bearing net debt total</b>	<b>1,974.9</b>	<b>1,952.5</b>	<b>2,061.9</b>

# Net working capital\*

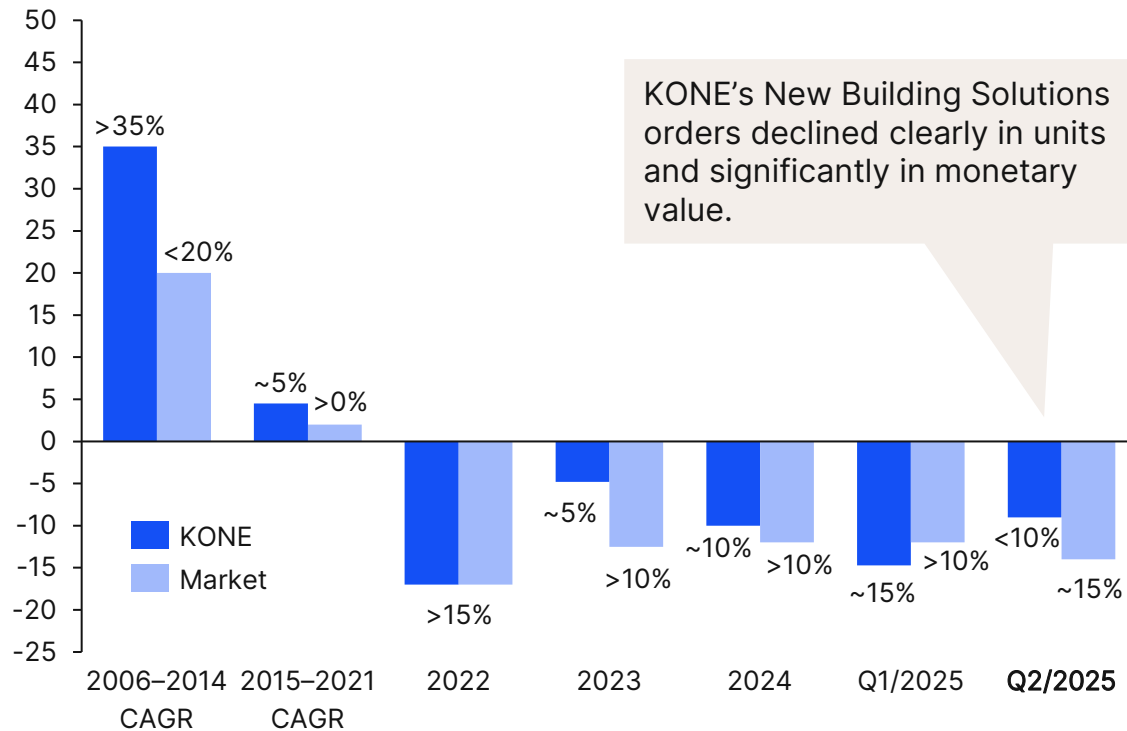
MEUR	Jun 30, 2025	Jun 30, 2024	Dec 31, 2024
<b>Net working capital</b>			
Inventories	835.2	845.4	856.7
Advance payments received and deferred revenue	-1,922.4	-1,924.2	-2,016.9
Accounts receivable	2,331.8	2,530.7	2,494.8
Deferred assets and income tax receivables	880.8	846.4	812.5
Accruals and income tax payables	-2,168.6	-2,197.6	-2,131.0
Provisions	-158.6	-190.2	-185.9
Accounts payable	-959.0	-962.8	-982.9
Other non-current assets	61.4	36.0	47.0
Net deferred tax assets / liabilities	256.5	233.4	278.4
<b>Net working capital total</b>	<b>-842.8</b>	<b>-782.8</b>	<b>-827.2</b>

\* Including financial items and taxes.

# KONE in Greater China

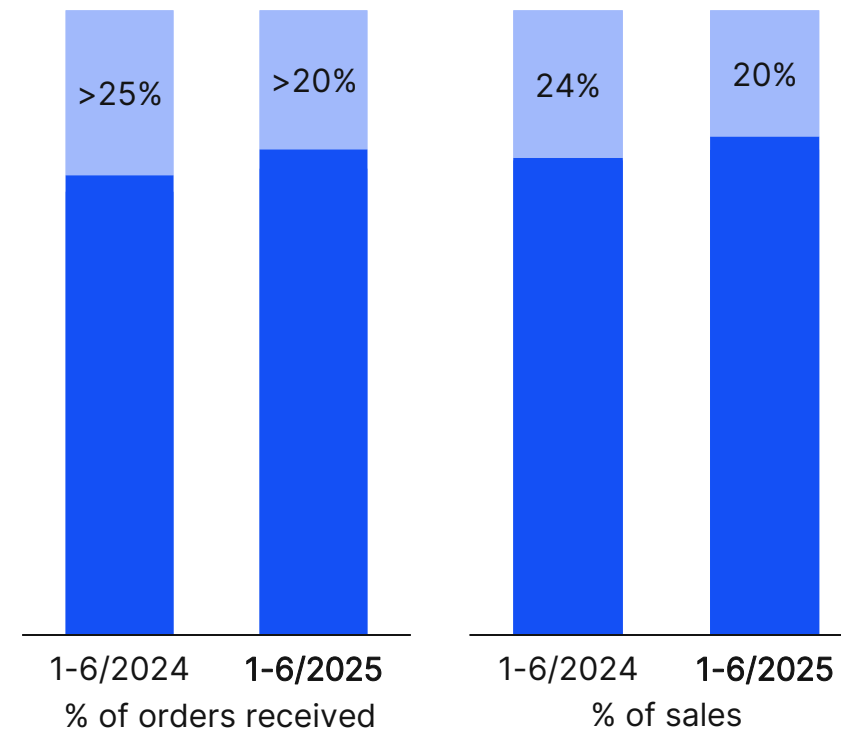
## New Building Solutions market

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

Construction activity under pressure, growth opportunities in Service and Modernization



	Q2 2025 y/y	H1 2025 y/y
Real estate investment	-12.1%	-11.2%
Residential sales volume	-5.2%	-3.7%
New starts	-16.4%	-20.0%
Completion	-15.5%	-14.8%
New home prices in 70 largest cities (June)	-3.7%	-4.7%