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Interim Report for January-March 2006

KONE's Order Intake Extraordinarily Strong

- First quarter order intake growth of 39%, 34% at comparable exchange rates, was extraordinarily strong in all markets for both new equipment and modernizations.
- Order book margin (%) is at the same level as a year ago.
- Net sales grew 13% to EUR 735 million; at comparable exchange rates growth was 9%.
- Operating income improved 33% to EUR 51.7 (39.0¹⁾) million.
- KONE reiterates its outlook for 2006 sales and operating income.

Key Figures

		1-3/2006	pro forma 1-3/2005	pro forma 1-12/2005	previous accounting period 6-12/2005
Orders received	MEUR	840.3	604.1	2,639.2	1,622.1
Order book	MEUR	2,654.0	2,023.1	2,326.8	2,326.8
Sales	MEUR	735.0	649.3	3,242.2	2,101.4
Operating income	MEUR	51.7	39.0 ¹⁾	272.0 ¹⁾	194.7
Cash flow from operations (before financial items and taxes)	MEUR	117.3	68.8	329.4	215.4
Net income	MEUR	31.8	-40.0	108.8	124.0
Net debt	MEUR	129.7	31.3	99.3	99.3
Total equity/total assets	%	26.8	32.5	31.2	31.2
Gearing	%	22.6	4.6	14.8	14.8

¹⁾ Excluding a EUR 89.2 million provision for the development and restructuring program. Operating income, including the provision, was EUR 182.8 million in 2005 and EUR -50.2 million for the period 1-3/2005.

KONE President, Matti Alahuhta, in conjunction with the review:

"The first quarter financial results were according to plan. The market continued to be strong globally. KONE's extraordinarily strong order intake and simultaneous profitability improvement reflect good progress in our development projects, which are starting to produce more and more concrete results.

"We are gradually becoming more customer focused, and our initiatives to rapidly improve our product competitiveness in North America and the Asia-Pacific region have been successful. The development actions we are taking in our service business will support and simplify the work of our field people.

"We are currently developing new strengths to complement our traditional competences. I am very pleased with our progress."

Review for January-March 2006 (unaudited)

The Interim Report has been prepared in accordance with International Financial Accounting Standards (IFRS), as described in the Financial Statements for the accounting period 1 June, 2005–31 December, 2005.

In order to facilitate the evaluation of the financial performance and status of the company, pro forma comparable data for 2005 have been included. The pro forma information has been compiled according to the business and corporate structure prevailing after the Kone Corporation's demerger in 2005. The accounting principles have been described in KONE Corporation's listing particular, which can be found at www.kone.com. In addition, the audited June-December 2005 figures have been provided.

KONE's Operating Environment during January-March

The market for new equipment, especially with respect to major projects, continued to be strong globally.

In Europe, the Middle East and Africa (EMEA), the business environment continued to be relatively strong. Commercial project development in the U.K. and Russia as well as residential markets in Scandinavia, Belgium, France and Spain were drivers for Europe's new equipment business. Development in infrastructure projects was also strong in several countries. The market in the Middle East continued to be strong due to strong construction growth in most segments.

In North America, the new equipment market continued to be strong but very competitive. Machine-room-less solutions continued to gain ground during the first quarter.

In the Asia-Pacific region, markets maintained the same high activity level as the end of 2005. The Chinese market continued to be good. In Australia, the residential market slowed down. Noticeable in the Asia-Pacific region was the active promotion of machine-room-less (MRL) solutions, by all main competitors.

The pricing environment for new elevators and escalators remains highly competitive. The increasing impact of escalator imports from China continued to depress the market price of standard equipment, especially in the Middle East.

The maintenance market continued to be tough, partly due to increasing service labor cost and partly to normal competitive pressure. The European Safety Norms for

Existing Lifts (SNEL) have created a favorable environment for modernization business to grow. The North American modernization market also continued to show good growth during the first quarter. The growing modernization market is increasingly attracting the attention of both local and global players.

Orders Received and Order Book

The value of orders received during January-March 2006, excluding the value of maintenance contracts, increased by approximately 39 percent and totaled EUR 840.3 (1-3/2005: 604.1) million. At comparable exchange rates, the growth was approximately 34 percent. The order book increased from the end of 2005 by 14 percent and stood at EUR 2,654 (31 December, 2005: 2,327) million at the end of March. Compared with the order book on 31 March, 2005 there was an increase of approximately 31 percent. At comparable exchange rates, the growth was about 27 percent. KONE's largest orders during the first quarter were to supply all elevators for the old London Stock Exchange Building, to modernize escalators and walkways in the Roman metro system over several years and major projects for the Madrid Metro.

New equipment and modernization order intake continued to be strong in EMEA. The U.K., Spain and Italy recorded especially strong growth. In the escalator business, KONE's improved competitiveness resulted in strong order intake growth.

KONE achieved strong order intake in the North American new equipment business due to the success of the KONE extended machine-room-less (MRL) offerings and good escalator demand in the public transportation segment. Order intake in modernizations was good as a result of additional solutions that have been developed and released.

In the Asia-Pacific region, the market for new equipment continued to be at a high level, resulting once more in very strong order intake, especially in China. The investments in the Chinese urban real estate sector continued to increase, compared to the same period last year. Development actions carried out in China also contributed to KONE's growth.

Sales by geographical areas MEUR

	1-3/2006		pro forma 1-3/2005		pro forma 1-12/2005		previous accounting period 6-12/2005	
	MEUR	%	MEUR	%	MEUR	%	MEUR	%
EMEA ¹⁾	464.4	63	431.5	66	2,149.4	66	1,388.6	66
Americas	178.7	24	142.9	22	696.8	22	452.7	22
Asia-Pacific	91.9	13	74.9	12	396.0	12	260.1	12
Total	735.0		649.3		3,242.2		2,101.4	

¹⁾ EMEA = Europe, Middle East, Africa

Net Sales

In comparison to the corresponding reporting period a year earlier, KONE's net sales increased by approximately 13 percent and totaled EUR 735.0 (649.3) million. Growth at comparable currency rates was approximately nine (9) percent. New equipment sales in January-March accounted for EUR 254.3 (226.8) million of the total and represented an approximately 12 percent improvement over the comparison period. Service sales increased by almost 14 percent and totaled EUR 480.7 (422.5) million.

All market areas reported good growth during the period under review.

Result

KONE's operating income improved in comparison to the first three months of 2005 and was EUR 51.7 (39.0) million or 7.0 (6.0) percent of net sales (the 2005 figure excludes the EUR 89.2 million provision made in the first quarter of 2005). Net financial expenses were EUR 0.2 (2.1) million.

KONE's profit before taxes was EUR 51.3 (-51.8) million. Taxes totaled EUR 19.5 (-11.8) million.

Net income for the period was EUR 31.8 (-40.0) million, when taxes proportionate to the amount estimated for the financial year are taken into account. Earnings per share were EUR 0.25 (-0.31).

Cash Flow and Financing

In the first quarter, KONE's cash flow from operations (before financial items and taxes) was EUR 117.3 million (68.8). At the end of March, net working capital was negative at EUR -224.3 (31 December, 2005: -158.0) million including financial items and taxes.

Net debt totaled EUR 129.7 (31 December, 2005: 99.3) million. Gearing was 22.6 percent compared with 14.8 percent at the end of the previous accounting period. KONE's total equity/total assets ratio was 26.8 (31 December, 2005: 31.2) percent at the end of March.

Capital Expenditures

KONE's capital expenditure, including acquisitions, totaled EUR 26.7 (64.2) million. Acquisitions accounted for EUR 15.2 (50.9) million of this figure.

KONE continued to acquire small elevator service companies. In Germany, KONE increased its shareholding in Lödige Aufzugstechnik to 85 percent. The company employs approximately 100 people and has 5,500 units under maintenance contract.

Research and Product Development

Product development expenses in the first quarter totaled EUR 9.6 (9.9) million, representing 1.3 (1.5) percent of net sales. Several modernization solutions for elevators and escalators have recently been developed and released.

The product offering for the North American machine-room-less market has systematically been developed, and KONE's MRL solutions now cover most hydraulic elevator segments.

In the Asian market, KONE has continued to increase its product-offering flexibility, visual offering coverage and features.

Review for January-March 2006

Significant Events during the Reporting Period

In February, KONE and HP signed a seven-year agreement covering IT infrastructure services. Under this agreement, HP will consolidate and maintain KONE's servers and local area networks, operate help desks, and harmonize desktop computing environments in KONE's global network. According to the terms of the agreement, approximately 100 KONE Global Information Services employees moved to HP worldwide.

The construction of a Mexican facility for the manufacture of elevator doors and cabins for the North American market, which was announced during the third quarter 2005, continued during the reporting period. Production will begin in the second quarter of 2006.

In March 2006, KONE submitted its reply to the European Commission concerning its investigation of localized anticompetitive practices in the elevator and escalator industry in Belgium, Germany, Luxembourg and the Netherlands. KONE received a Statement of Objections on 10 October, 2005. Since the initiation of the investigation in January 2004, KONE has fully cooperated with the European Commission.

Personnel

KONE had 27,737 (31 December, 2005: 27,238) employees at the end of March 2006. The average number of employees during January-March 2006 was 27,638 (25,418).

The geographical distribution of KONE employees was 59 percent in EMEA, 19 percent in Americas and 22 percent in Asia-Pacific.

Appointment to the Executive Board

KONE Corporation appointed M.Sc. (Computer Science) Juho Malmberg as Executive Vice President, Development and a member of the Executive Board as of 1 February, 2006.

Annual General Meeting

KONE Corporation's Annual General Meeting in Helsinki on 27 February, 2006 decided to maintain the number of members of the Board of Directors at eight (8). Sirpa Pietikäinen was elected as a new member of the Board. Re-elected as full members of the Board were Matti Alahuhta, Jean-Pierre Chauvarie, Reino Hanhinen, Antti Herlin, Sirkka Hämäläinen-Lindfors, Masayuki Shimono and Iiro Viinanen. The Board's term expires at the next Annual General Meeting. At its meeting held after the Annual General Meeting, the Board of Directors elected Antti Herlin as its Chairman and Sirkka Hämäläinen-Lindfors as Vice Chairman of the Board.

In addition, the Board of Directors' proposal that the Annual General Meeting authorize it to repurchase KONE's own shares with assets distributable as profit was approved. Altogether no more than 12,785,000 shares may be repurchased, of which no more than 1,905,000 are to be class A shares and 10,880,000 class B shares, taking into consideration the provisions of the Companies Act regarding the maximum amount of own shares that the Company is allowed to possess. The proposed amount corresponds to nearly 10 percent of the share capital of the Company and the total voting rights.

In addition, the Board of Directors was authorized, with respect to the distribution of the repurchased shares, to decide to whom and in which order the repurchased shares will be distributed. The Board of Directors may decide on the distribution of repurchased shares otherwise than in proportion to the existing pre-emptive right of shareholders to purchase the Company's own shares. The repurchased shares may be used as compensation in acquisitions and in other arrangements as well as to implement the Company's share-based incentive plans in the manner and to the extent decided by the Board of Directors. These authorizations shall remain in effect for a period of one (1) year from the date of decision of the Annual General Meeting.

In addition, the Annual General Meeting nominated authorized public accountants Heikki Lassila and Price-waterhouseCoopers Oy as auditors.

Review for January-March 2006

Dividend

The Annual General Meeting approved the Board's proposal for a dividend of EUR 0.99 per class A share and EUR 1.00 per class B share or in total EUR 127.3 million. The date of the dividend payment was set to 9 March, 2006. The rest of the distributable equity, EUR 1,078 million, was retained and carried forward.

Option Subscription and Share Capital

KONE 2005A and 2005B option rights based on the KONE Corporation option program 2005 were listed on the main list of the Helsinki Stock Exchange on 1 June, 2005. Each option right entitles to subscription for six (6) class B shares at a price of EUR 8.04 per share.

As of 31 March 2006, 428,970 shares have been subscribed for with the option rights, raising KONE's share capital to EUR 63,969,240.00, comprising 108,886,302 listed class B shares and 19,052,178 unlisted class A shares.

The remaining 2005A option rights entitle the holders to subscribe for 289,080 class B shares, and the remaining 2005B option rights for 590,460 class B shares. The series A option rights share subscription period ends on 31 March, 2008 and the series B option rights subscription period on 31 March, 2009.

Repurchase of KONE Shares

On the basis of the Annual General Meeting's authorization, KONE Corporation's Board of Directors decided to commence repurchasing shares at the earliest on 7 March, 2006. The repurchasing of shares will continue until otherwise announced.

During the first quarter, KONE did not use its authorization to buy back own shares. At the end of March, the group had 774,840 class B shares in its possession. The

shares in the group's possession represent 0.7 percent of the total number of class B shares. This corresponds to 0.3 percent of the total voting rights.

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 for 2006

KONE reiterates its outlook in terms of sales and operating income. At comparable exchange rates, KONE's target is to achieve an approximate 10 percent increase in 2006 net sales, compared to the 2005 pro forma figure. The operating income (EBIT) target is to achieve growth of approximately 20 percent from the comparable 2005 pro forma figure of EUR 272 million.

Helsinki, 25 April, 2006

KONE Corporation

Board of Directors

This review is unaudited.

KONE Corporation's first financial reporting period was 1 June–31 December, 2005. KONE's reporting period will follow the calendar year from 2006.

Consolidated Statement of Income

MEUR	1-3/2006		pro forma 1-3/2005		pro forma 1-12/2005		previous accounting period 6-12/2005	
		%		%		%		%
Sales	735.0		649.3		3,242.2		2,101.4	
Costs and expenses	-668.6		-684.8		-3,000.4		-1,871.9	
Depreciation	-14.7		-14.7		-59.0		-34.8	
Operating income	51.7	7.0	-50.2	-7.7	182.8	5.6	194.7	9.3
Share of associated companies' income	-0.2		0.5		1.5		0.9	
Financing income and expenses	-0.2		-2.1		-6.4		-2.1	
Income before taxes	51.3	7.0	-51.8	-8.0	177.9	5.5	193.5	9.2
Taxes	-19.5		11.8		-69.1		-69.5	
Net income	31.8	4.3	-40.0	-6.2	108.8	3.4	124.0	5.9
Net income attributable to:								
Shareholders of the parent company	32.1		-39.8		110.2		124.8	
Minority interests	-0.3		-0.2		-1.4		-0.8	
Total	31.8		-40.0		108.8		124.0	
Earnings per share for profit attributable to the shareholders of the parent company, EUR								
Earnings per share	0.25		-0.31		0.87		0.98	
Diluted earnings per share	0.25		-		-		0.97	

Consolidated Balance Sheet

Assets MEUR	31.3.2006	pro forma 31.3.2005	previous accounting period 31.12.2005
Non-current assets			
Intangible assets	574.0	514.1	551.6
Tangible assets	217.2	213.9	217.7
Loans receivable and other interest-bearing assets	55.6	68.7	53.1
Other non interest-bearing assets	130.5	126.0	130.1
Investments	137.7	189.9	157.2
Total	1,115.0	1,112.6	1,109.7
Current assets			
Inventories	654.8	561.4	584.9
Advance payments received	-528.3	-401.7	-464.2
Loans receivable and other interest-bearing assets	0.6	0.5	0.6
Accounts receivable and other non interest-bearing assets	710.1	714.6	706.7
Cash and bank	193.3	112.2	206.8
Total	1,030.5	987.0	1,034.8
Total assets	2,145.5	2,099.6	2,144.5
Equity and liabilities MEUR	31.3.2006	pro forma 31.3.2005	previous accounting period 31.12.2005
Equity	574.9	681.8	669.2
Non-current liabilities			
Loans	140.0	91.7	144.2
Deferred tax liabilities	27.6	19.4	24.7
Employee benefits and other liabilities	151.9	147.3	148.9
Total	319.5	258.4	317.8
Provisions	100.8	198.0	112.0
Current liabilities			
Loans	239.2	121.0	215.6
Accounts payable and other liabilities	911.1	840.4	829.9
Total	1,150.3	961.4	1,045.5
Total equity and liabilities	2,145.5	2,099.6	2,144.5

Consolidated Statement of Changes in Equity

MEUR	Share capital	Share premium account	Fair value and other reserves	Translation differences	Retained earnings	Minority interests	Total equity
1 Jan, 2006	63.9	96.4	-5.1	9.9	501.3	2.8	669.2
Net income for the period					32.1	-0.3	31.8
Items booked directly into equity:							
Transactions with shareholders and minority shareholders:							
Dividends paid					-126.9		-126.9
Issue of shares (option rights)	0.1	0.6					0.7
Purchase of own shares							-
Sales of own shares							-
Change in minority interests						0.0	0.0
Cash flow hedge			1.6				1.6
Translation differences				-3.2			-3.2
Hedging of foreign subsidiaries				-0.4			-0.4
Tax impact of hedging				0.1			0.1
Option and share based compensation					2.0		2.0
31 Mar, 2006	64.0	97.0	-3.5	6.4	408.5	2.5	574.9
pro forma MEUR							
1 Jan, 2005	63.7	91.6	11.0	-1.7	539.6	22.6	726.8
Dividends paid					-127.3		-127.3
Issue of shares (option rights)	0.2	4.8					5.0
Purchase of own shares					-21.9		-21.9
Sales of own shares							-
Cash flow hedge			-16.1				-16.1
Change in translation differences				11.8			11.8
Change in minority interests						-18.4	-18.4
Option and share based compensation					0.5		0.5
Net income for the period					110.2	-1.4	108.8
31 Dec, 2005	63.9	96.4	-5.1	10.1	501.1	2.8	669.2

Consolidated Statement of Changes in Equity

MEUR	Share capital	Share premium account	Fair value and other reserves	Translation differences	Retained earnings	Minority interests	Total equity
1 Jun, 2005	63.8	93.8	-2.2	0.0	397.9	22.9	576.2
Net income for the period					124.8	-0.8	124.0
Items booked directly into equity:							
Transactions with shareholders and minority shareholders:							
Dividends paid							-
Issue of shares (option rights)	0.1	2.6					2.7
Purchase of own shares					-21.9		-21.9
Sales of own shares							-
Change in minority interests						-19.3	-19.3
Cash flow hedge			-2.9				-2.9
Translation differences				15.2			15.2
Hedging of foreign subsidiaries				-7.1			-7.1
Tax impact of hedging				1.8			1.8
Option and share based compensation					0.5		0.5
31 Dec, 2005	63.9	96.4	-5.1	9.9	501.3	2.8	669.2

Consolidated Cash Flow

MEUR	1-3/2006	pro forma 1-3/2005	pro forma 1-12/2005	previous accounting period 6-12/2005
Operating income	51.7	-50.2	182.8	194.7
Change in working capital	50.9	104.3	87.6	-14.1
Depreciation	14.7	14.7	59.0	34.8
Cash flow from operations	117.3	68.8	329.4	215.4
Cash flow from financial items and taxes	-11.1	-62.5	-163.4	-140.7
Cash flow from operating activities	106.2	6.3	166.0	74.7
Cash flow from investing activities	-22.7	-99.4	-182.5	-65.6
Purchase and sales of own shares	-	-	-21.9	-22.0
Share issue	0.7	0.4	5.0	2.7
Dividends paid	-114.6	-	-127.3	-
Change in net debt	-30.4	-92.7	-160.7	-10.2
Net debt in the beginning of period	99.3	-61.4	-61.4	89.1
Net debt in the end of period	129.7	31.3	99.3	99.3
Change in net debt	-30.4	-92.7	-160.7	-10.2

Key figures		1-3/2006	pro forma	pro forma	previous
			1-3/2005	1-12/2005	accounting period 6-12/2005
Basic earnings per share	EUR	0.25	-0.31	0.87	0.98
Diluted earnings per share	EUR	0.25	-	-	0.97
Equity per share	EUR	4.50	5.18	5.24	5.24
Interest bearing net debt	MEUR	129.7	31.3	99.3	99.3
Total equity/total assets	%	26.8	32.5	31.2	31.2
Gearing	%	22.6	4.6	14.8	14.8
Return on equity	%	20.4	neg.	15.6	34.1
Return on capital employed	%	21.2	neg.	18.3	36.4
Total assets	MEUR	2,145.5	2,099.6	2,144.5	2,144.5
Assets employed	MEUR	704.6	713.1	768.5	768.5
Working capital (including financing and tax items)	MEUR	-224.3	-204.8	-158.0	-158.0

Sales by geographical areas	MEUR	1-3/2006		pro forma 1-3/2005		pro forma 1-12/2005		previous accounting period 6-12/2005	
			%		%		%		%
EMEA ¹⁾	464.4	63	431.5	66	2,149.4	66	1,388.6	66	
Americas	178.7	24	142.9	22	696.8	22	452.7	22	
Asia-Pacific	91.9	13	74.9	12	396.0	12	260.1	12	
Total	735.0		649.3		3,242.2		2,101.4		

¹⁾ EMEA = Europe, Middle East, Africa

		pro forma	pro forma	previous accounting period
Orders received MEUR	1-3/2006	1-3/2005	1-12/2005	6-12/2005
	840.3	604.1	2,639.2	1,622.1

		pro forma	previous accounting period
Order book MEUR	31.3.2006	31.3.2005	31.12.2005
	2,654.0	2,023.1	2,326.8

		pro forma	pro forma	previous accounting period
Capital expenditure MEUR	1-3/2006	1-3/2005	1-12/2005	6-12/2005
In fixed assets	10.2	9.7	47.5	26.4
In leasing agreements	1.3	3.6	10.0	3.0
Total	11.5	13.3	57.5	29.4

		pro forma	pro forma	previous accounting period
Expenditure for R&D MEUR	1-3/2006	1-3/2005	1-12/2005	6-12/2005
	9.6	9.9	41.4	24.7
Expenditure for R&D as percentage of sales	1.3	1.5	1.3	1.2

		pro forma	pro forma	previous accounting period
Number of employees	1-3/2006	1-3/2005	1-12/2005	6-12/2005
Average	27,638	25,418	26,405	27,016
At the end of the period	27,737	25,672	27,238	27,238

Notes on the Consolidated Financial Statements

Commitments MEUR	31.3.2006	pro forma 31.3.2005	previous accounting period
			31.12.2005
Mortgages			
Group and parent company	30.7	30.7	30.7
Pledged assets			
Group and parent company	5.7	5.8	5.8
Guarantees			
Associated companies	2.0	5.3	2.0
Others	9.4	22.3	23.6
Operating leases	113.8	98.9	118.9
Total	161.6	163.0	181.0

The future minimum lease payments under non-cancellable operating leases	31.3.2006	pro forma 31.3.2005	previous accounting period
			31.12.2005
Less than 1 year	30.5	26.2	31.2
1-5 years	70.2	60.1	72.2
Over 5 years	13.1	12.6	15.5
Total	113.8	98.9	118.9

Derivatives				net fair value	
	positive fair value 31.3.2006	negative fair value 31.3.2006	net fair value 31.3.2006	net fair value pro forma 31.3.2005	previous accounting period 31.12.2005
Fair values of derivative financial instruments					
MEUR					
FX Forward contracts	5.8	6.8	-1.0	3.0	-6.1
Currency options	0.2	0.1	0.1	0.0	0.0
Cross-currency swaps	35.1	-	35.1	37.1	32.6
Interest rate swaps	-	-	-	-0.5	-
Electricity derivatives	1.3	-	1.3	0.4	0.7
Total	42.4	6.9	35.5	40.0	27.2

Nominal values of derivative financial instruments MEUR	31.3.2006	pro forma 31.3.2005	previous accounting period
			31.12.2005
FX Forward contracts	596.7	1,532.1	859.3
Currency options	48.5	52.0	7.4
Cross-currency swaps	173.8	173.8	173.8
Interest rate swaps	-	75.0	-
Electricity derivatives	2.0	3.0	2.4
Total	821.0	1,835.9	1,042.9

pro forma

Quarterly figures		Q1/2006	Q4/2005	Q3/2005	Q2/2005	Q1/2005	Q4/2004	Q3/2004	Q2/2004	Q1/2004
Orders received	MEUR	840.3	700.4	646.4	688.3	604.1	568.5	505.3	543.7	518.3
Order book	MEUR	2,654.0	2,326.8	2,371.7	2,264.7	2,023.1	1,796.1	1,938.6	1,959.5	1,907.5
Sales	MEUR	735.0	1,008.4	801.4	783.1	649.3	896.0	746.3	695.1	557.1
Operating income	MEUR	51.7	94.1	78.1	60.8	39.0 ¹⁾	92.3 ²⁾	72.4	42.5	27.4
Operating income	%	7.0	9.3	9.7	7.8	6.0 ¹⁾	10.3 ²⁾	9.7	6.1	4.9

¹⁾ Excluding MEUR 89.2 provision for the development and restructuring program.

²⁾ Disregarding MEUR 15.3 non-recurring income due to a provision reversal regarding disability pensions.

Shares and shareholders

31 March, 2006	Class A shares	Class B shares	Total
Number of shares	19,052,178	108,886,302	127,938,480
Own shares in possession ¹⁾		774,840	
Share capital, EUR			63,969,240
Market capitalization, MEUR			4,346
Number of shares traded, million, 1-3/2006		20.9	
Value of shares traded, MEUR, 1-3/2006		707	
Number of shareholders	3	14,215	14,215
	Close	High	Low
Class B share price, EUR, 1-3/2006	33.97	36.50	31.14

¹⁾ During the first quarter 2006, KONE Corporation did not repurchase own shares. During the accounting period 1 June–31 December, 2005, KONE Corporation purchased a total of 374,840 own class B shares. In addition, relating to the shares-based incentive plan, a company included in the consolidated financial statements acquired 400,000 KONE class B shares in December 2005.

KONE Corporation

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KONE is one of the world's leading elevator and escalator companies. It provides its customers with industry-leading elevators and escalators and innovative solutions for their maintenance and modernization. KONE also provides maintenance of automatic building doors. In 2005, KONE had annual net sales of EUR 3.2 billion and about 27,000 employees. Its class B shares are listed on the Helsinki Stock Exchange.