

July 26, 2024

# Q2 2024 Report

Anders Svensson, President and CEO  
Teo Ottola, CFO



**KONECRANES**

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# Agenda



Anders Svensson  
President and CEO

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Teo Ottola  
CFO

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Q&A

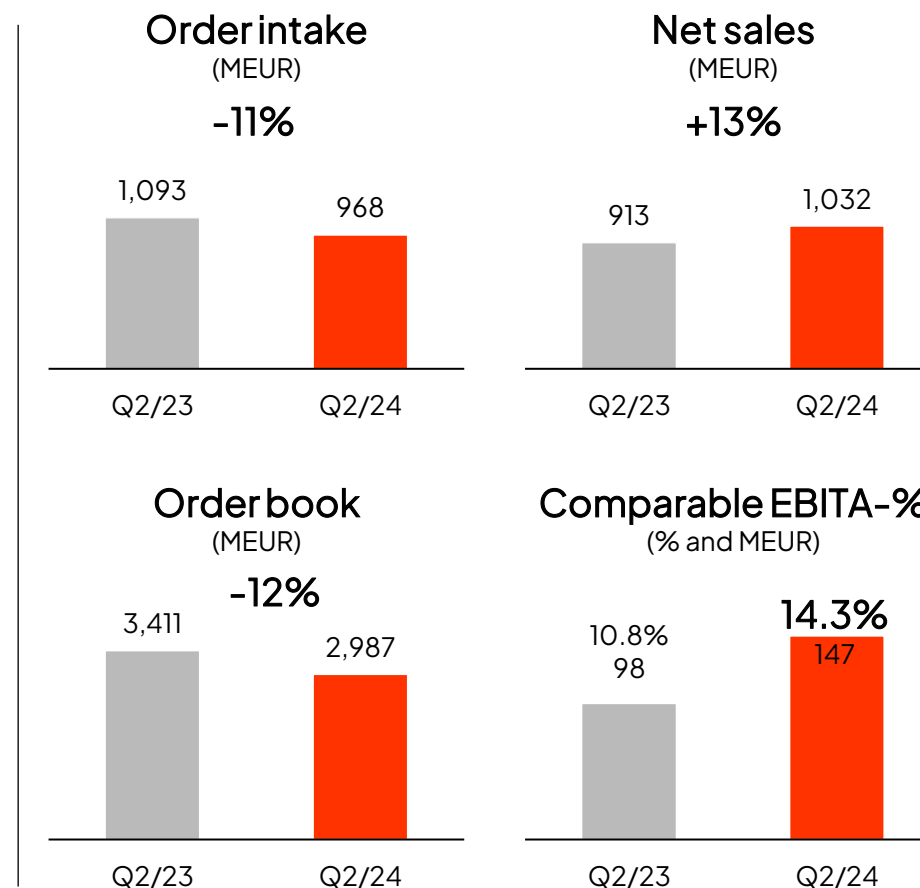
# Q2 2024 – Record-high comparable EBITA margin in all business segments

Demand environment remained healthy in Q2

- Orders -11.6% Y/Y (comp. FX)
- Sales €1,032 million, +13.0% Y/Y (comp. FX)

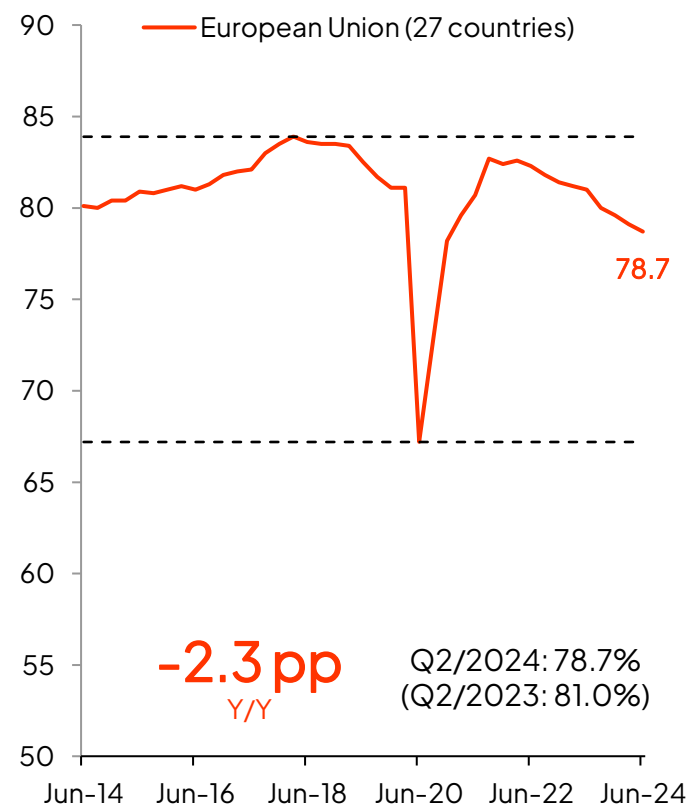
Record-high comparable EBITA-% of 14.3%

- Y/Y profitability improvement driven by pricing, higher volumes and good strategy execution
- Profitability improved in all segments

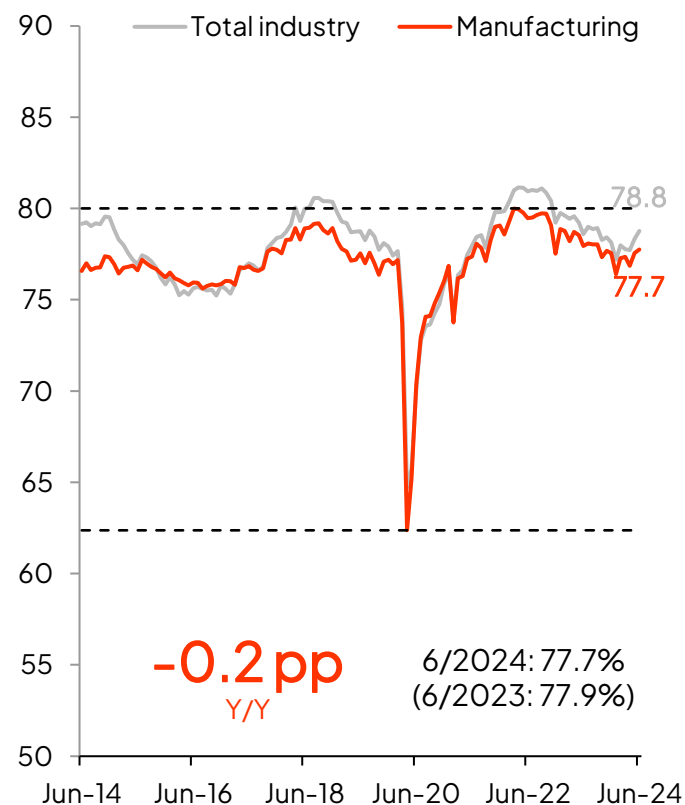


# Market environment – Service and Industrial Equipment

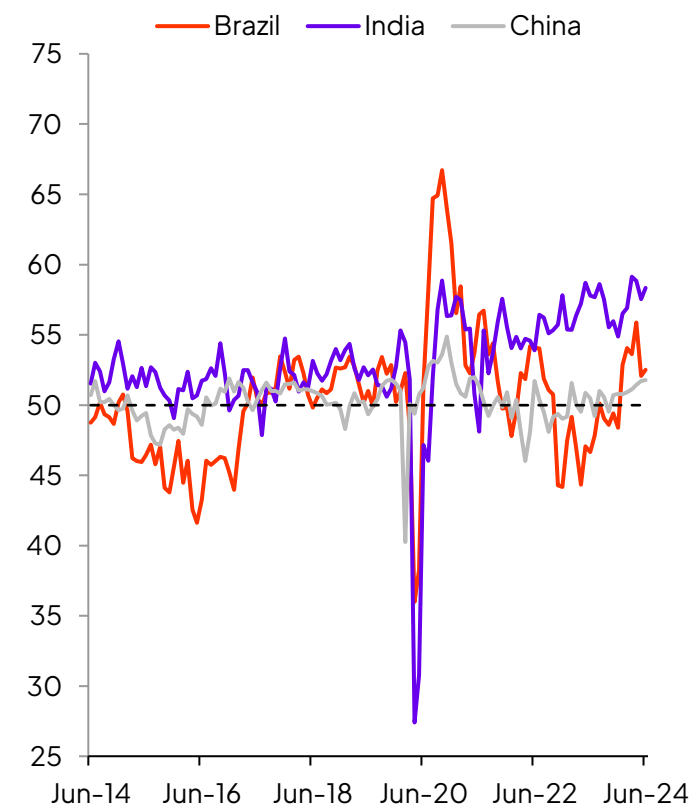
EU capacity utilization rate, %



US capacity utilization rate, %



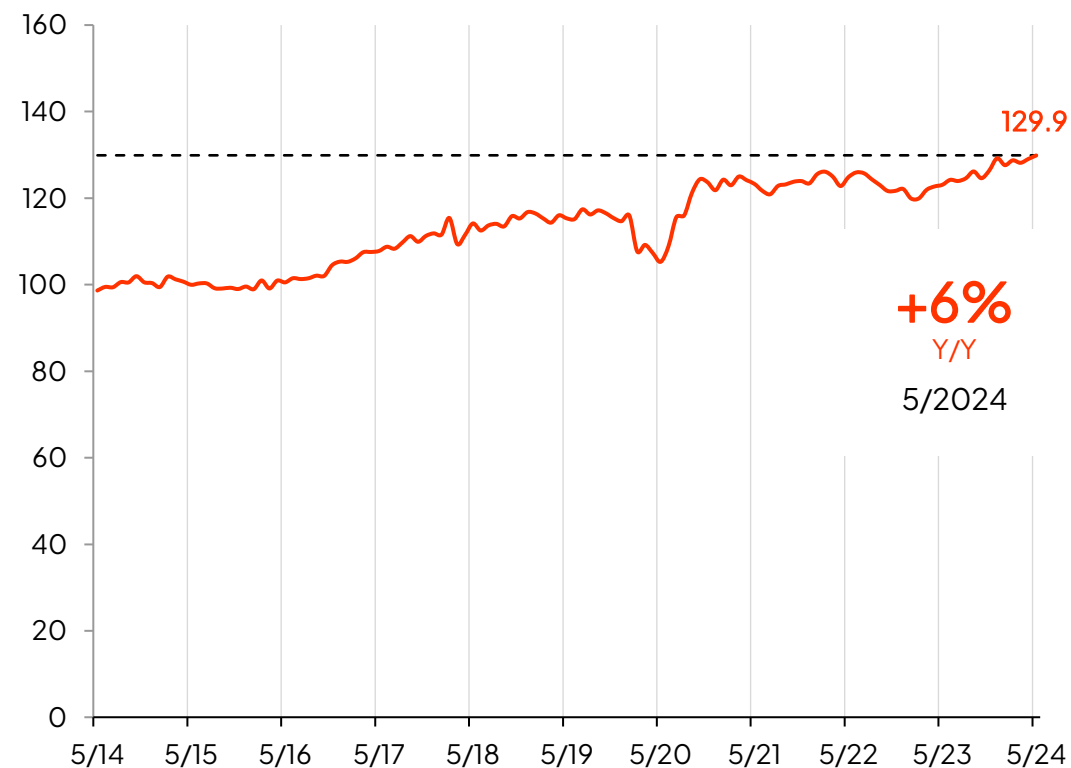
Manufacturing PMIs – Brazil, India & China



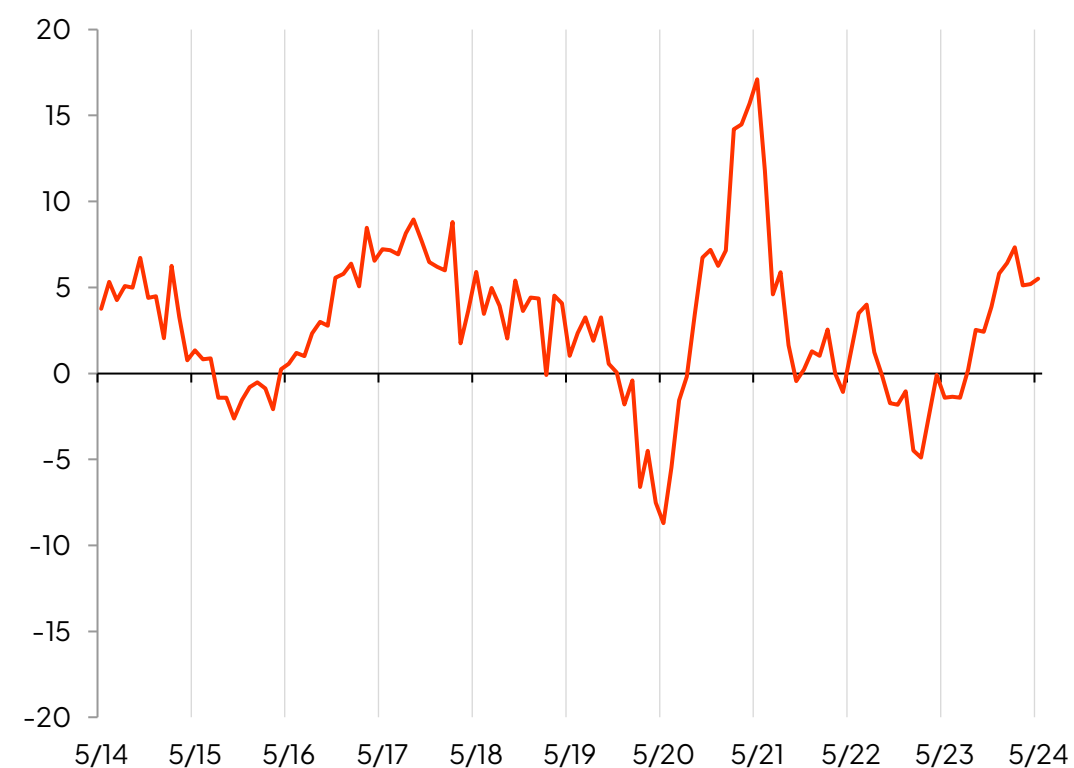
Source: Eurostat, Federal Reserve Economic Data, S&P Global

# Market environment – Port Solutions

RWI/ISL Container Throughput Index(2015 = 100)



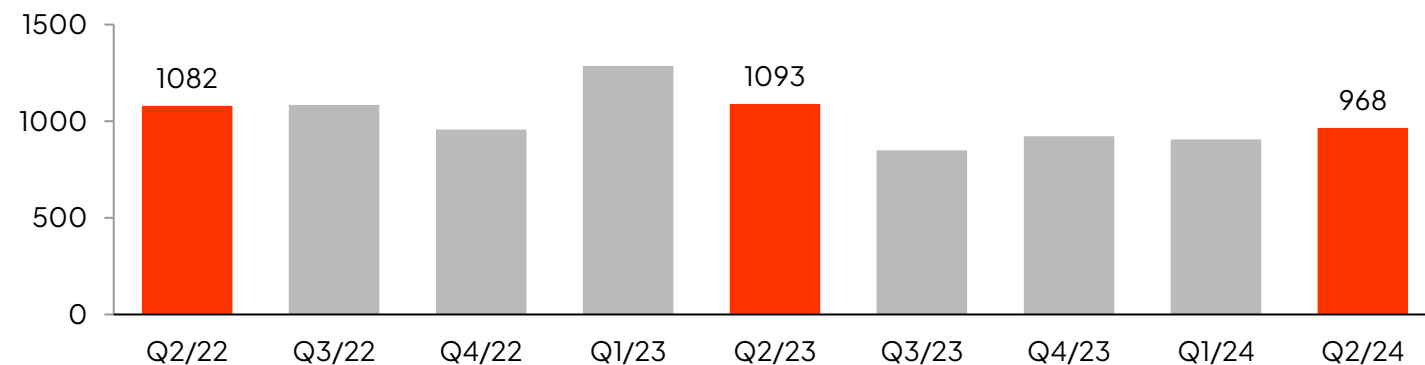
Monthly index change Y/Y, %



Source: RWI/ISL

# Group order intake and net sales

Order intake, MEUR<sup>(1)</sup>



Order intake

**-11.5%**

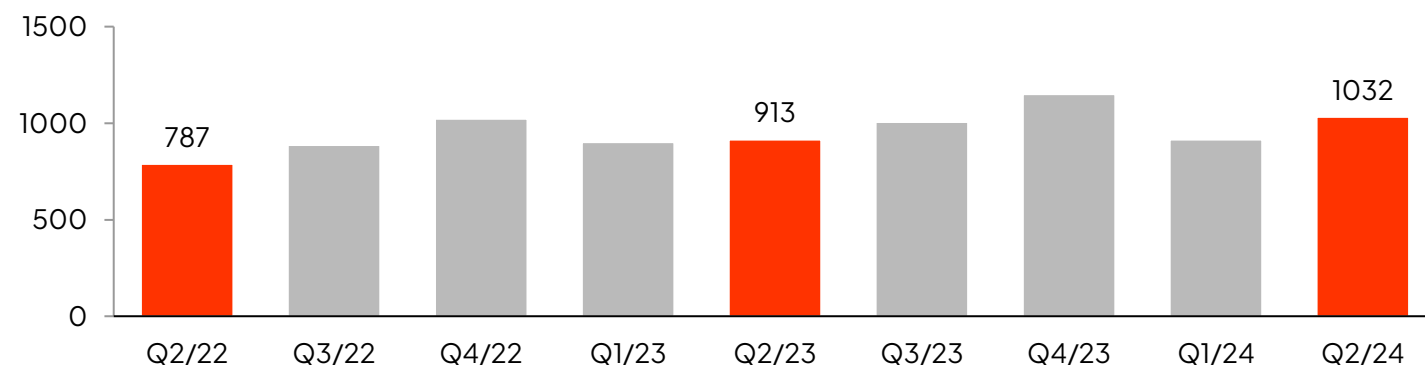
Y/Y reported

**-11.6%**

Y/Y comp. FX

- EUR 967.7 million
- Increase in Service, decrease in Industrial Equipment and Port Solutions
- Increase in APAC, decrease in EMEA and in the Americas

Net sales, MEUR



Net sales

**+13.0%**

Y/Y reported

**+13.0%**

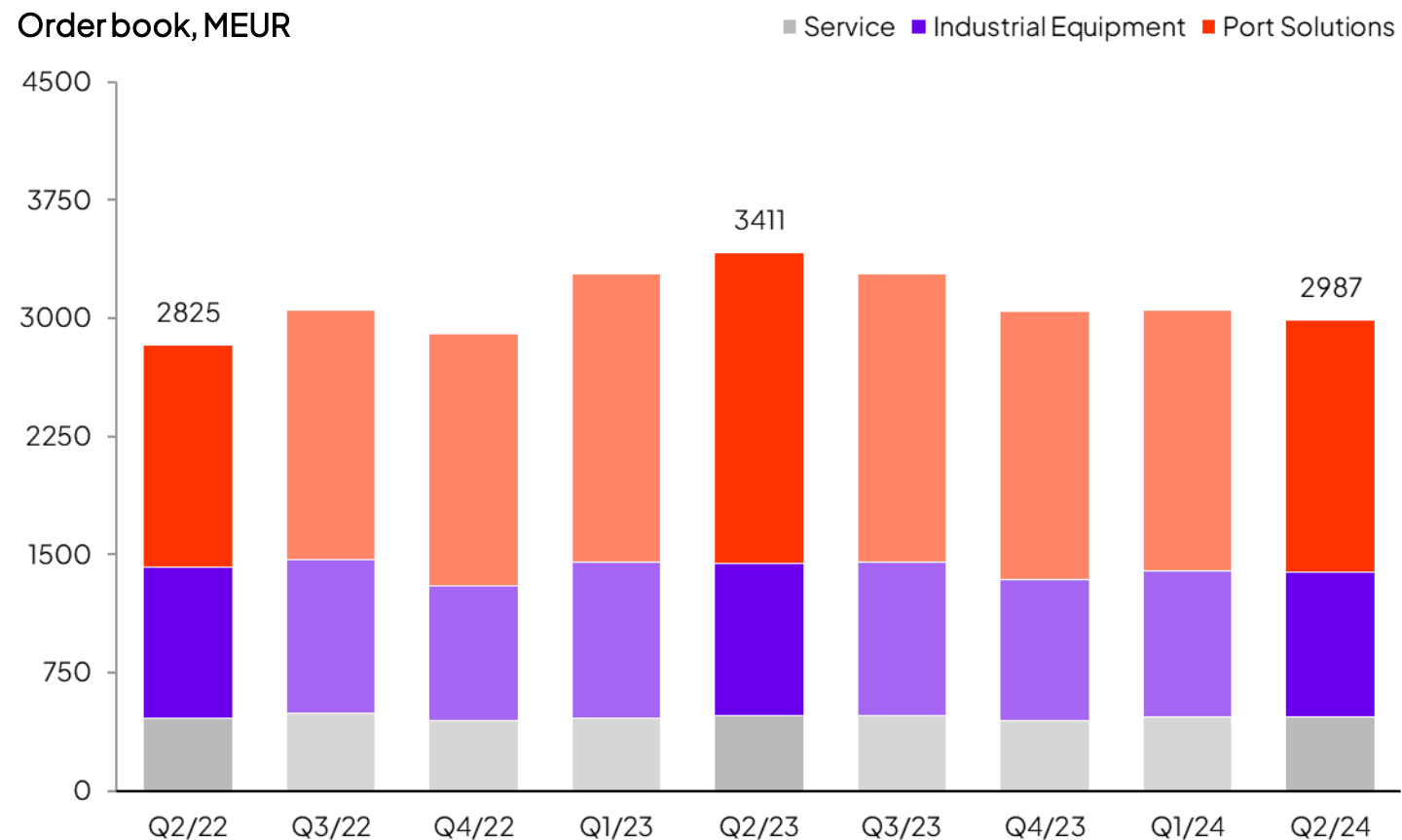
Y/Y comp. FX

- EUR 1,031.5 million
- Increase in all segments
- Increase in EMEA and in the Americas, decrease in APAC

Note (1): Agreement base included in orders received from Q1 2023 onwards and historical figures are restated

# Group order book

Orderbook, MEUR



Orderbook

**-12.4%**

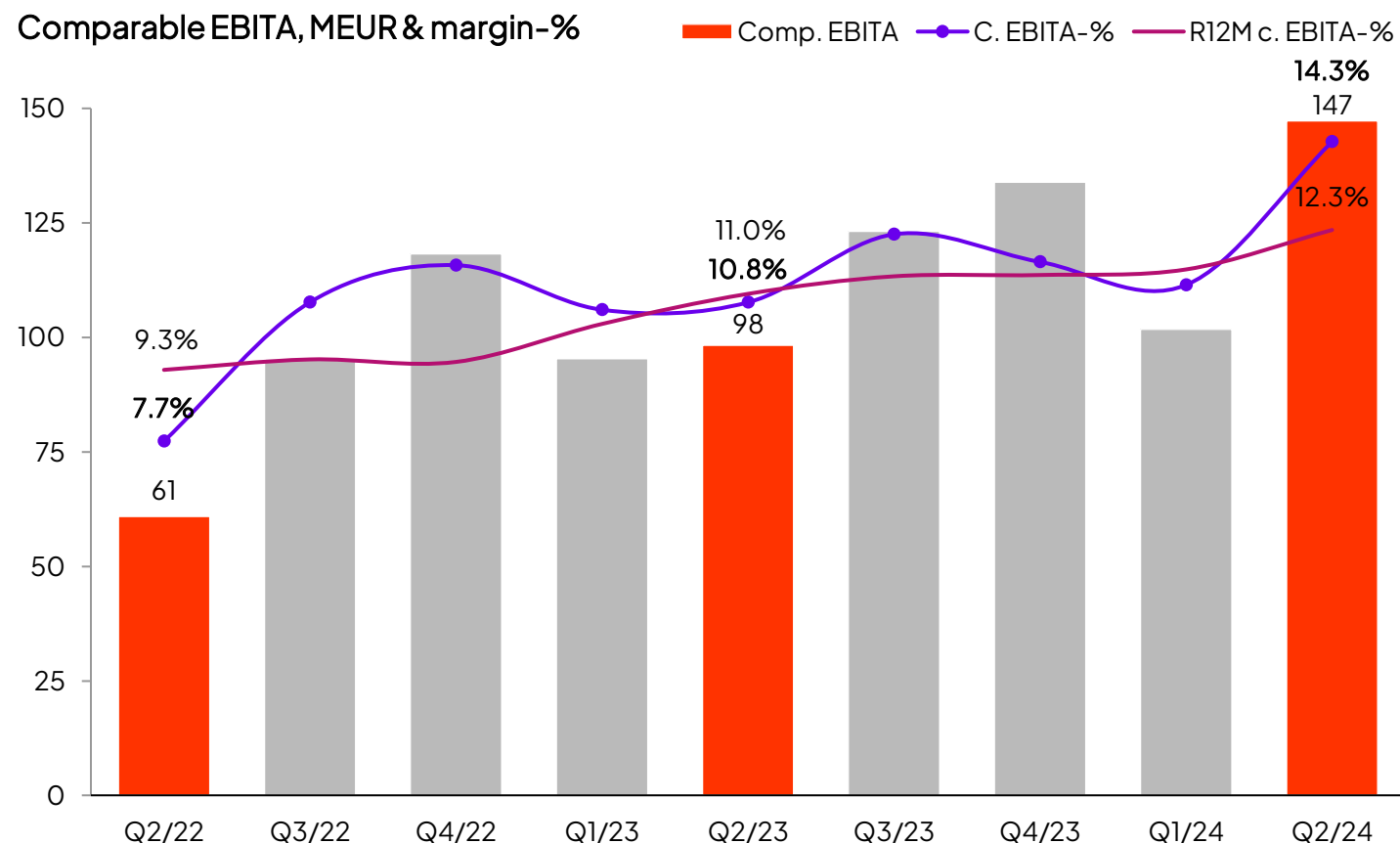
Y/Y reported

**-12.8%**

Y/Y comp. FX

- EUR 2,987.1 million
- Decrease in Service, Industrial Equipment and Port Solutions

# Group comparable EBITA



## Comparable EBITA

**14.3%**  
margin

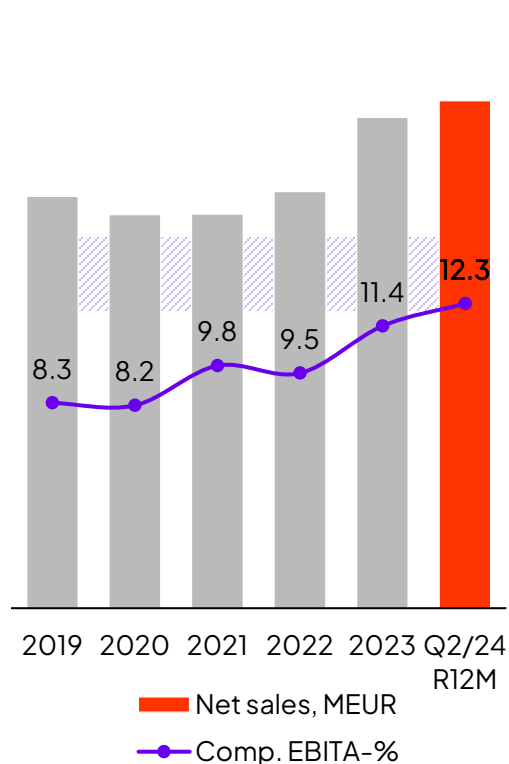
**+3.5 pp**  
Y/Y

- EUR 147.3 million
- Comparable EBITA-% increase in Service, Industrial Equipment and Port Solutions
- Comparable EBITA-% increase mainly attributable to pricing and higher volumes
- Gross margin improved year-on-year

# Progress towards Konecranes' financial targets

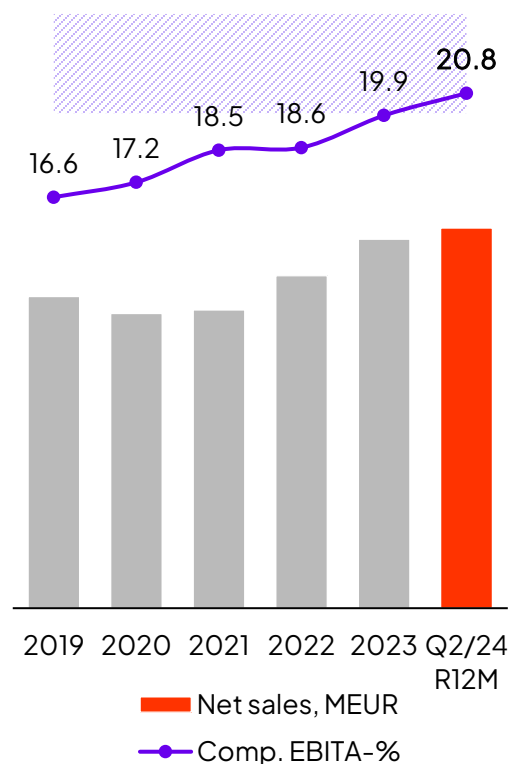
## Group

Target: 12-15%<sup>(1)</sup>



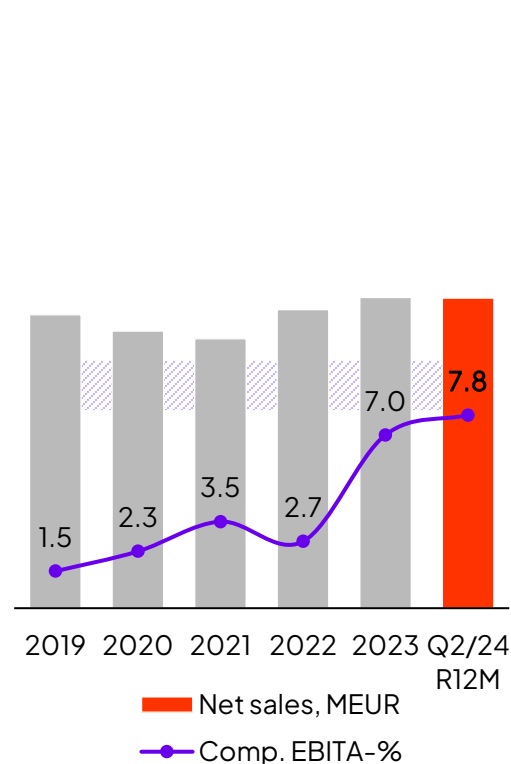
## Service

Target: 20-24%<sup>(1)</sup>



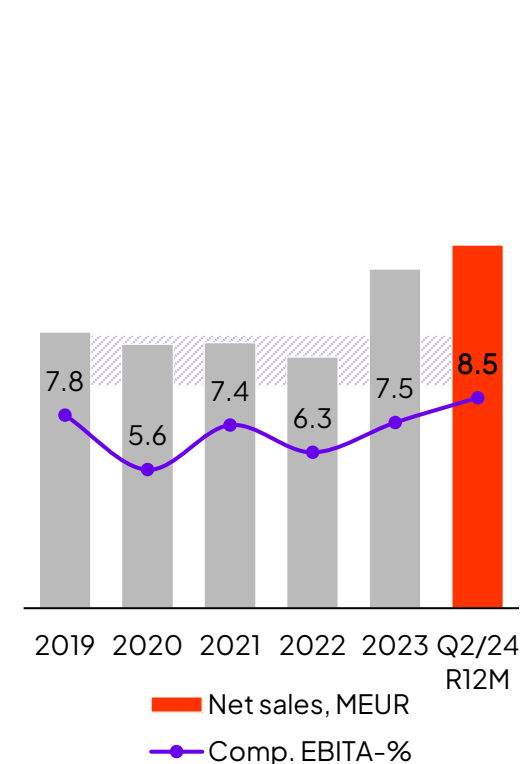
## Industrial Equipment

Target: 8-10%<sup>(1)(2)</sup>



## Port Solutions

Target: 9-11%<sup>(1)</sup>

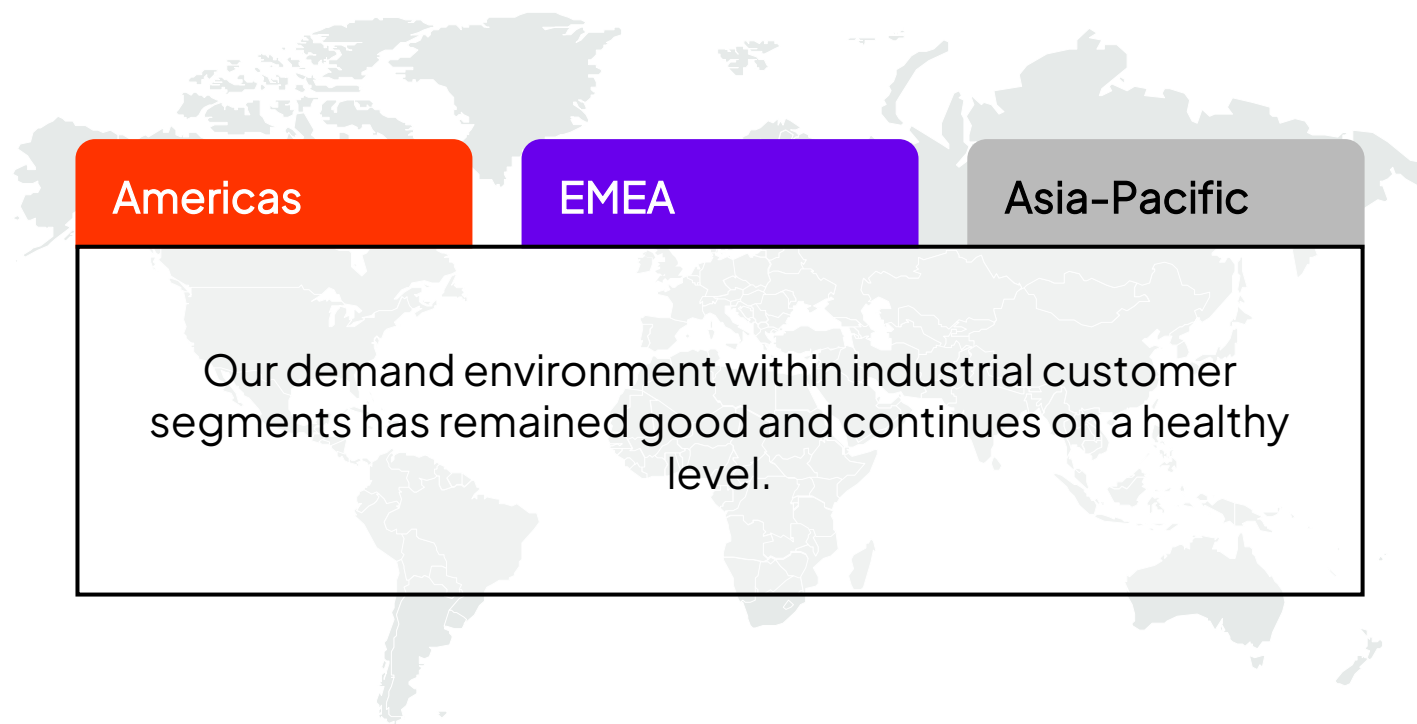


Note (1): Profitability range, depending on the cycle

Note (2): Konecranes has made changes in reporting Industrial Equipment's order intake and net sales. The change also impacts Industrial Equipment's profitability. The previous year's figures presented in this report have been restated and are fully comparable with the current year figures.

# Demand outlook

Within industrial customer segments:



Within port customers:

Global container throughput continues on a high level, and long-term prospects related to global container handling remain good overall.





## Financial guidance for 2024

**Net sales** expected to remain approximately on the same level or to increase in 2024 compared to 2023.

**Comparable EBITA margin** expected to improve in 2024 compared to 2023.

# Agenda



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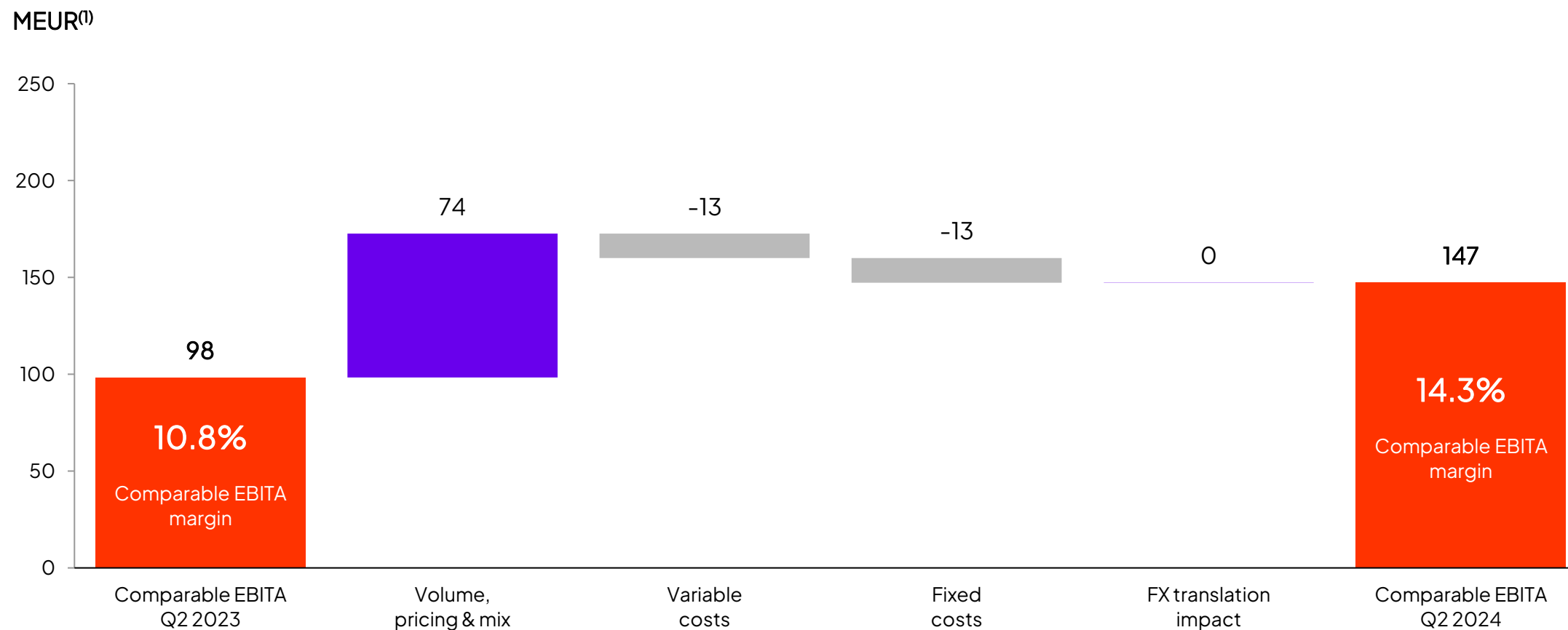


Teo Ottola  
CFO

5. **Group profitability bridge** **p. 14**
6. Business segments p. 15
7. Net working capital & free cash flow p. 18
8. Gearing & return on capital employed p. 19

Q&A

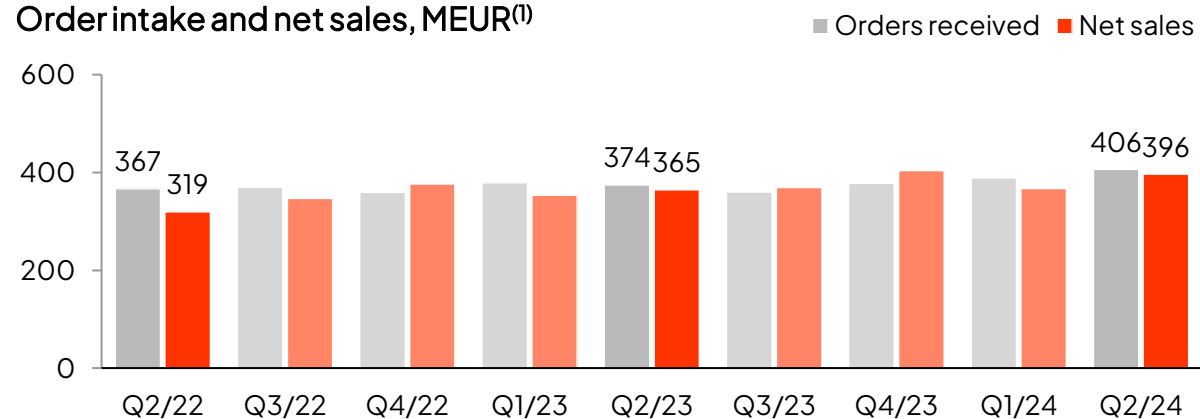
# Q2 2024 comparable EBITA bridge



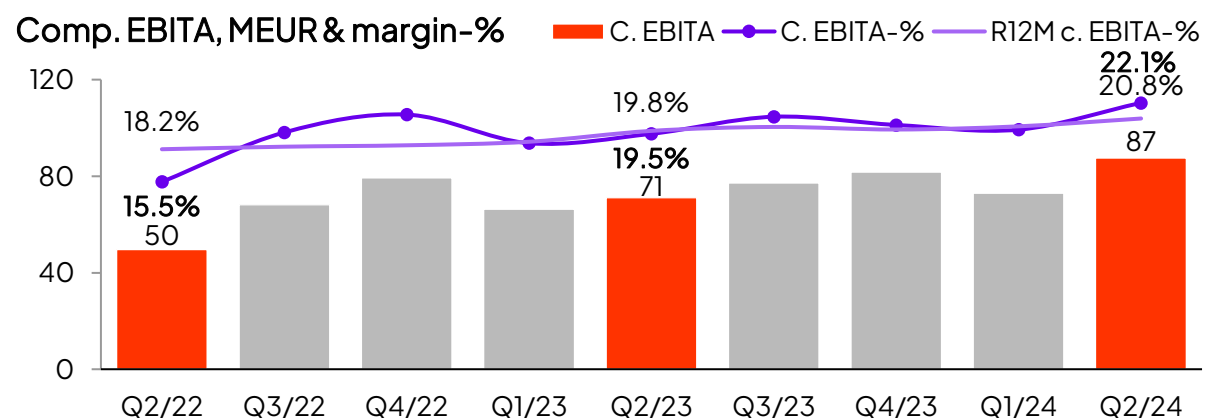
Note (1): Volume, pricing & mix, Variable costs, and Fixed costs effects do not include the FX translation impact component

# Service

Order intake and net sales, MEUR<sup>(1)</sup>



Comp. EBITA, MEUR & margin-%



## Order intake

**+8.5%**

Y/Y reported

**+8.5%**

Y/Y comp. FX

- Increase in field service and parts
- Increase in the Americas and EMEA, decrease in APAC

## Agreement base:

- EUR 331.8 million, +5.7% Y/Y
- +5.9% Y/Y comp. FX

## Net sales

**+8.7%**

Y/Y reported

**+8.8%**

Y/Y comp. FX

- Increase in field service and parts
- Increase in all regions

## Orderbook:

- EUR 470.9 million, -1.3% Y/Y

## Comp. EBITA

**22.1%**  
margin

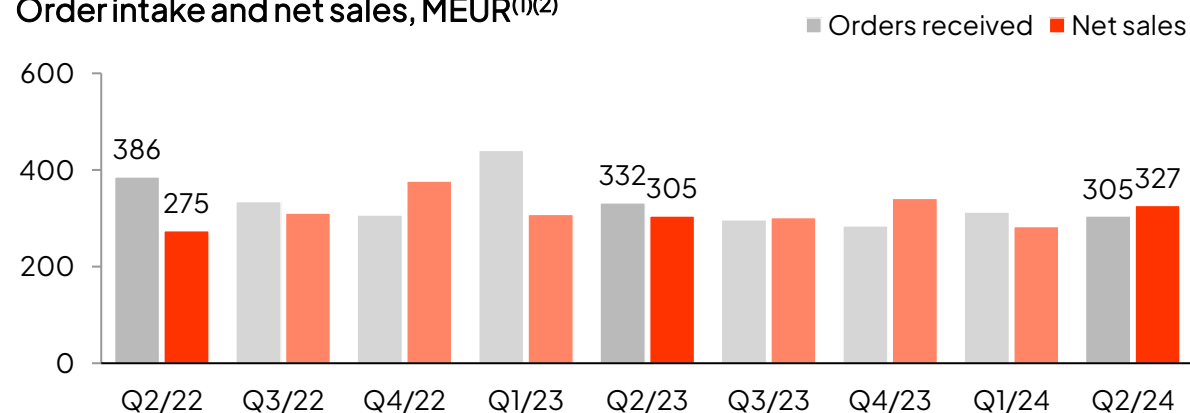
**+2.6 pp**  
Y/Y

- Comparable EBITA-% increase mainly attributable to pricing and higher volumes
- Gross margin increased

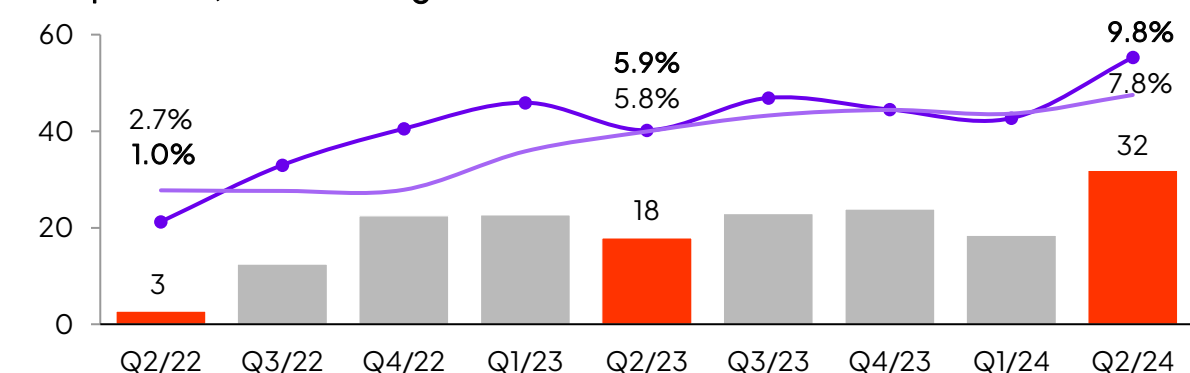
Note (1): Agreement base included in orders received from Q1 2023 onwards and historical figures are restated

# Industrial Equipment

Order intake and net sales, MEUR<sup>(1)(2)</sup>



Comp. EBITA, MEUR & margin-%



## Order intake

**-8.3%**  
Y/Y reported

**-8.5%**  
Y/Y comp. FX

- External orders -10.9% Y/Y comp. FX
- Increase in standard cranes and components, decrease in process cranes<sup>(2)</sup>
- Decrease in EMEA, Americas and APAC

## Net sales

**+7.1%**  
Y/Y reported

**+7.2%**  
Y/Y comp. FX

- External sales +6.8% Y/Y comp. FX
- Increase in standard cranes, process cranes and components<sup>(2)</sup>
- Increase in EMEA and Americas, decrease in APAC

**Orderbook:** EUR 912.0 million, -5.8% Y/Y

## Comp. EBITA

**9.8%**  
margin

**+3.9 pp**  
Y/Y

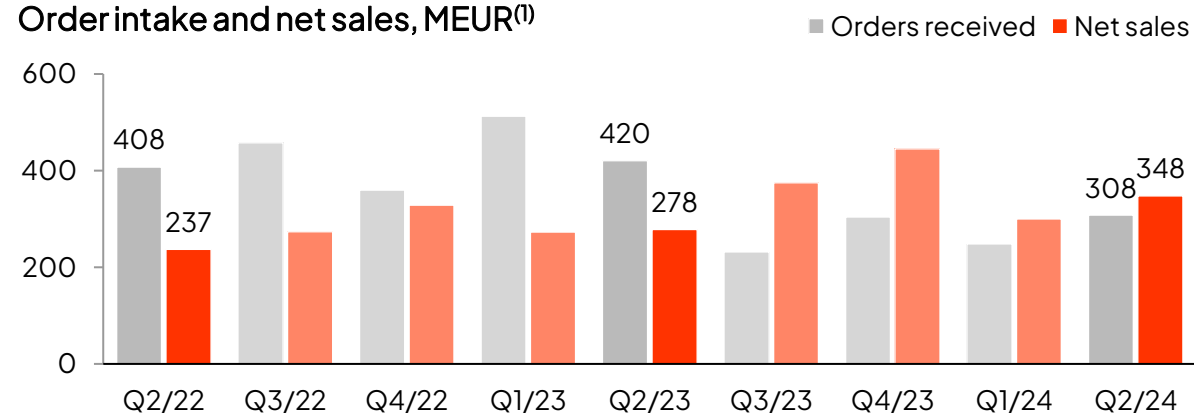
- Comparable EBITA-% increase mainly attributable to volume growth and good strategy execution
- Gross margin increased

Note (1): Agreement base included in orders received from Q1 2023 onwards and historical figures are restated

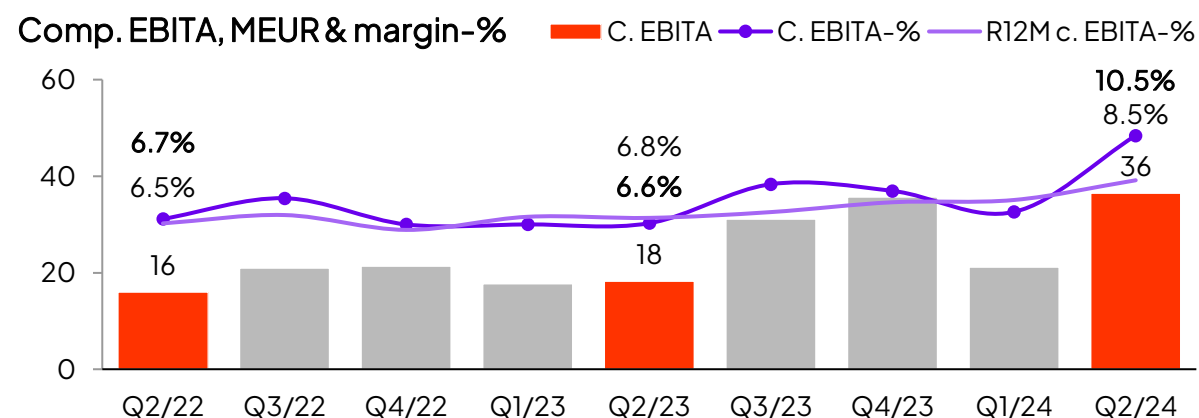
Note (2): Konecranes has made changes in reporting Industrial Equipment's order intake and net sales. The change also impacts Industrial Equipment's profitability. The previous year's figures presented in this report have been restated and are fully comparable with the current year figures.

# Port Solutions

Order intake and net sales, MEUR<sup>(1)</sup>



Comp. EBITA, MEUR & margin-%



Note (1): Agreement base included in orders received from Q1 2023 onwards and historical figures are restated

## Order intake

**-26.7%**

Y/Y reported

**-26.9%**

Y/Y comp. FX

- Increase in APAC, decrease in EMEA and Americas
- Good order intake in Mobile Harbor Cranes and Straddle Carriers

## Net sales

**+25.0%**

Y/Y reported

**+25.0%**

Y/Y comp. FX

## Orderbook:

- EUR 1,604.2 million, -18.4% Y/Y

## Comp. EBITA

**10.5%**

margin

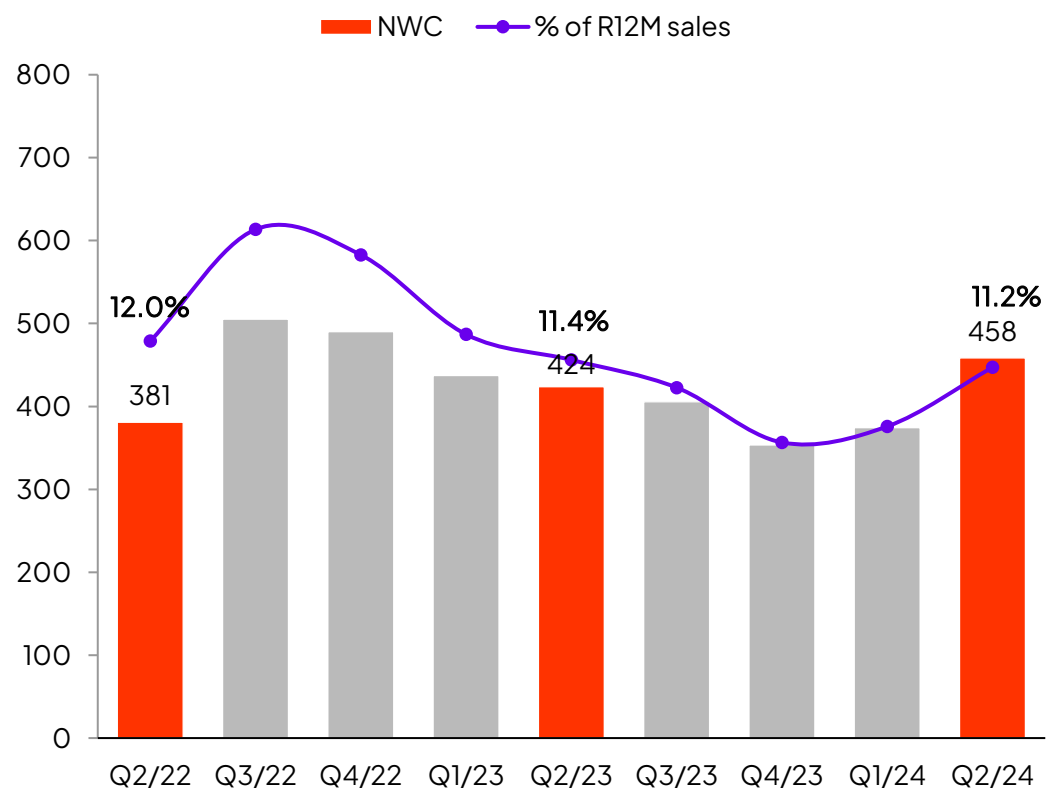
**+3.9 pp**

Y/Y

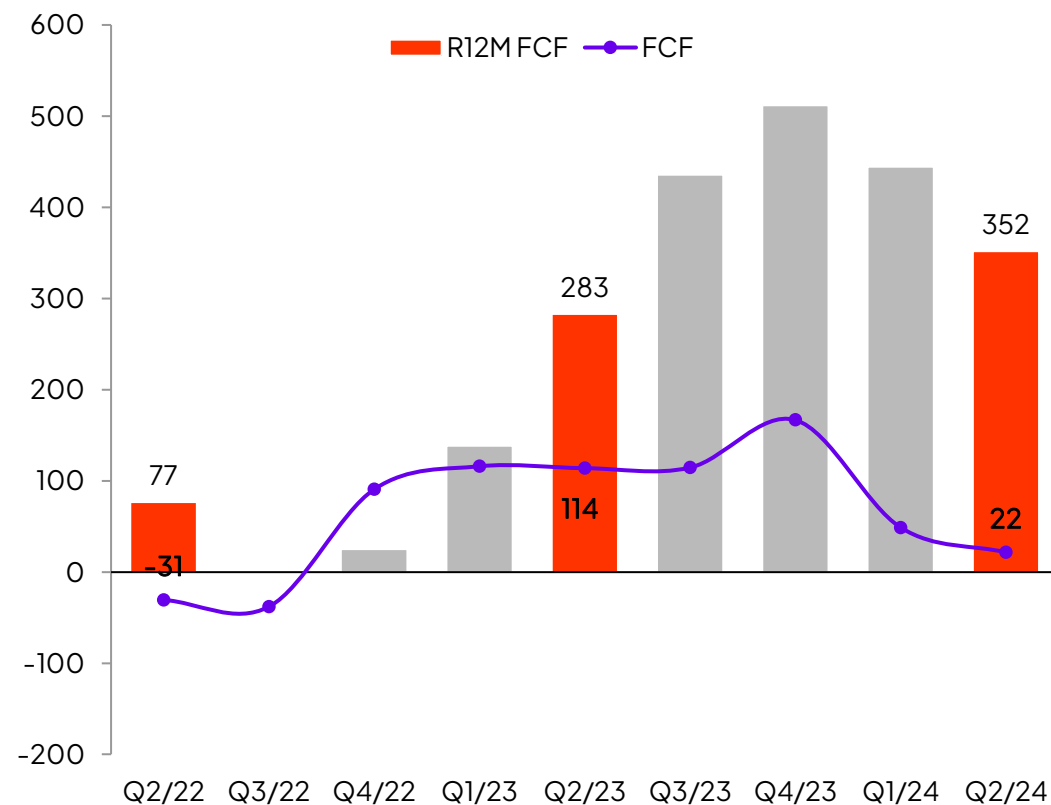
- Comparable EBITA-% increase mainly attributable to pricing, higher volumes and mix
- Gross margin increased

# Net working capital and free cash flow

Net working capital, MEUR and percentage of sales<sup>(1)(2)</sup>



Free cash flow, MEUR

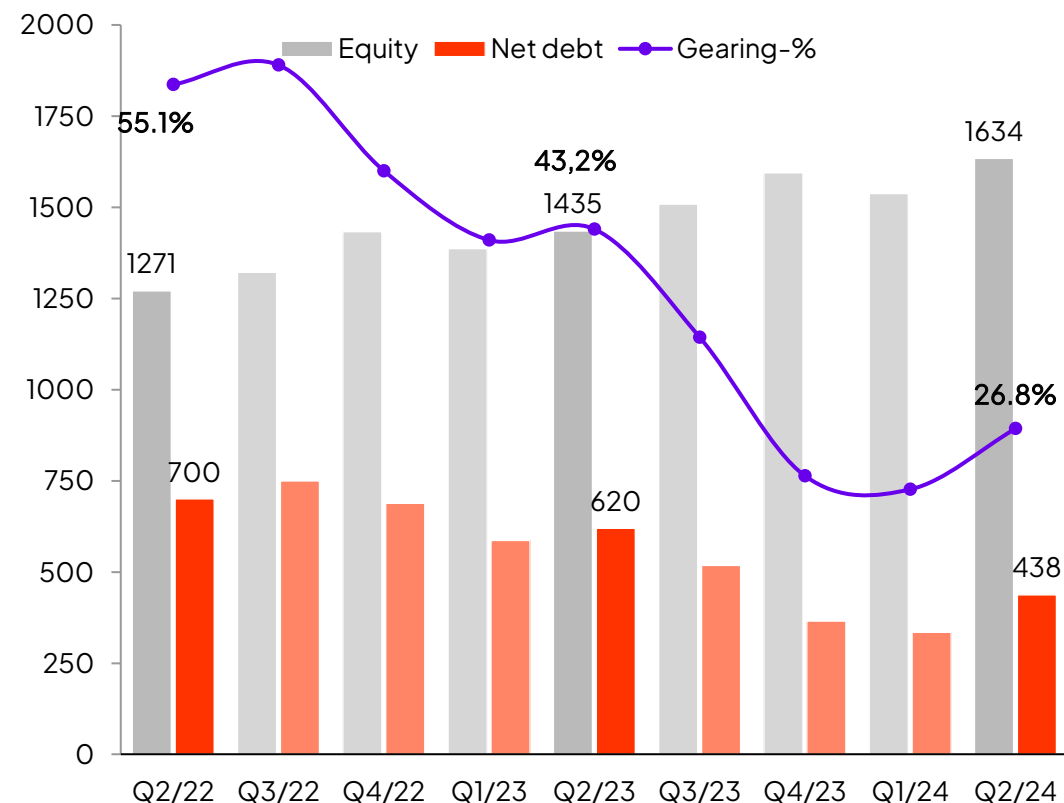


Note (1): NWC formula changed from Q1 2023 onwards and historical figures are restated

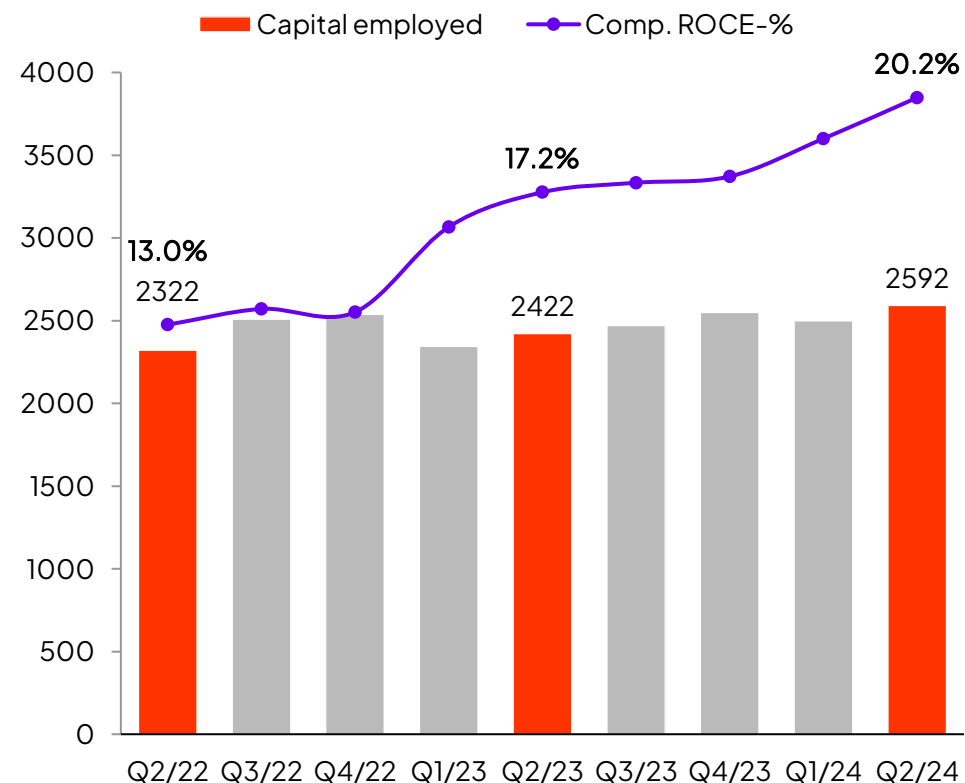
Note (2): Q1/24 excluding dividend payable of EUR 106.9 million, Q1/23 excluding dividend payable of EUR 99.0 million and an acquisition advance in deferred assets.

# Gearing and return on capital employed

Equity & net debt, MEUR and gearing, %



Capital employed, MEUR and comp. return on capital employed, %



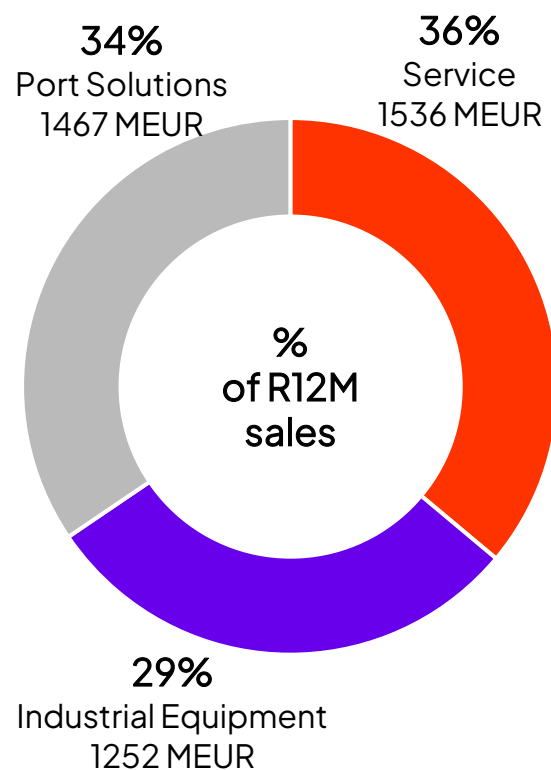
# Q&A



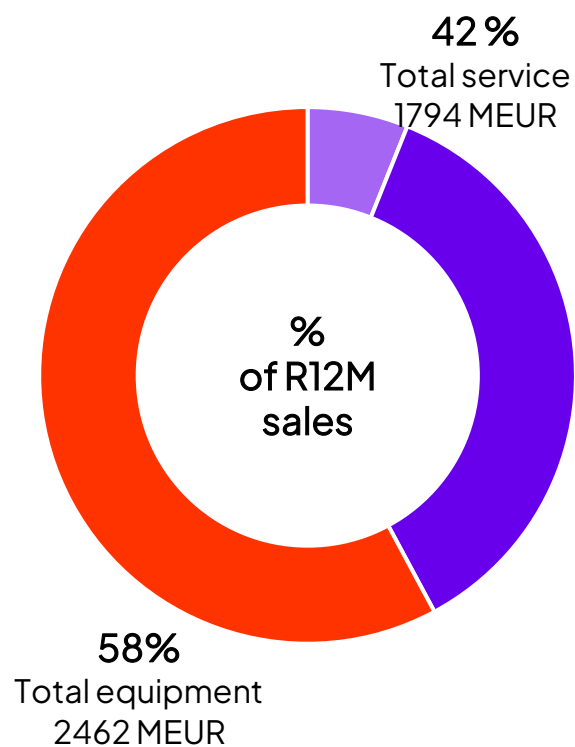
# Appendix

# Group R12M sales split

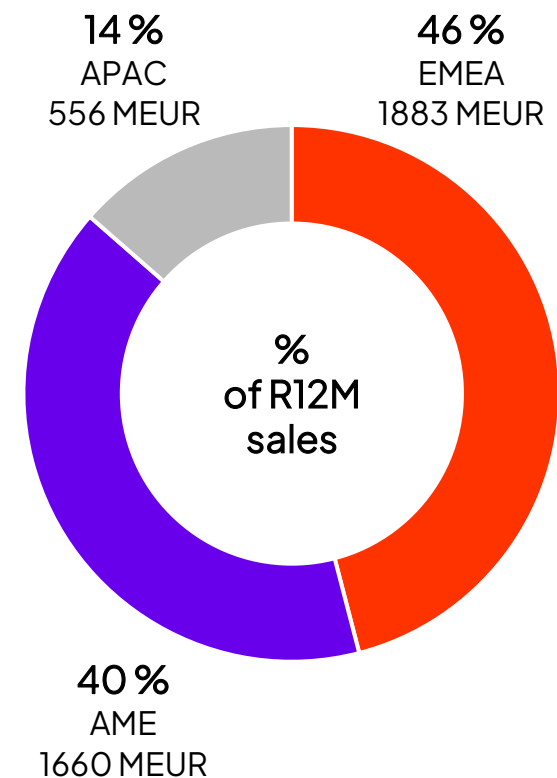
Group R12M sales by segment



Group R12M sales by offering type<sup>(1)</sup>



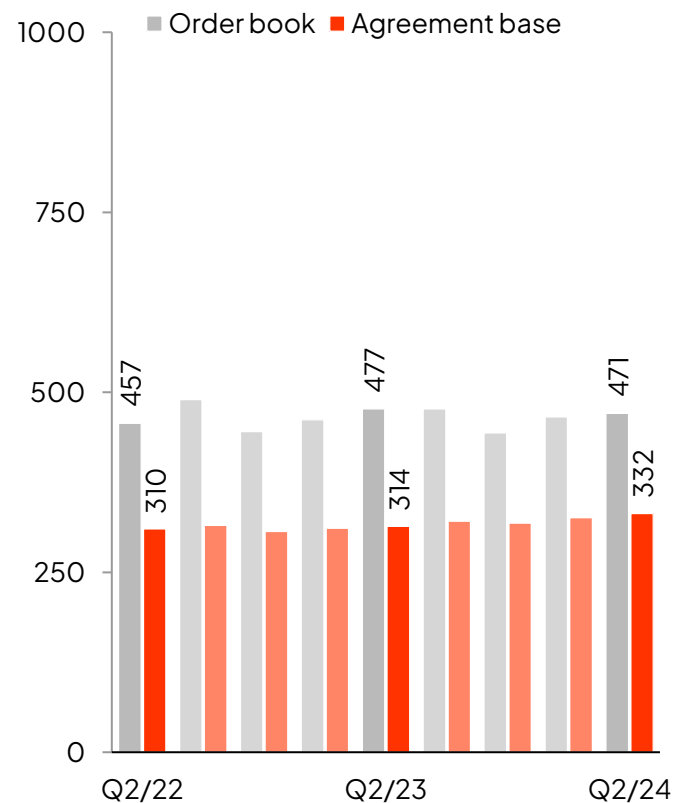
Group R12M sales by region



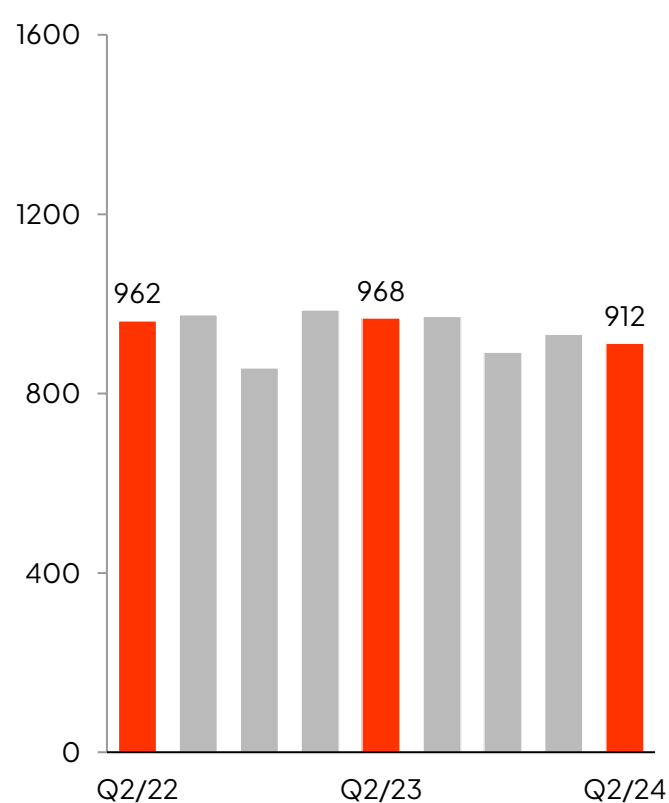
Note (1): Total service includes Service and Port Solutions' service sales, Total equipment includes Industrial Equipment and Port Solutions excluding Port Solutions' service sales

# Service agreement base and order book by segment

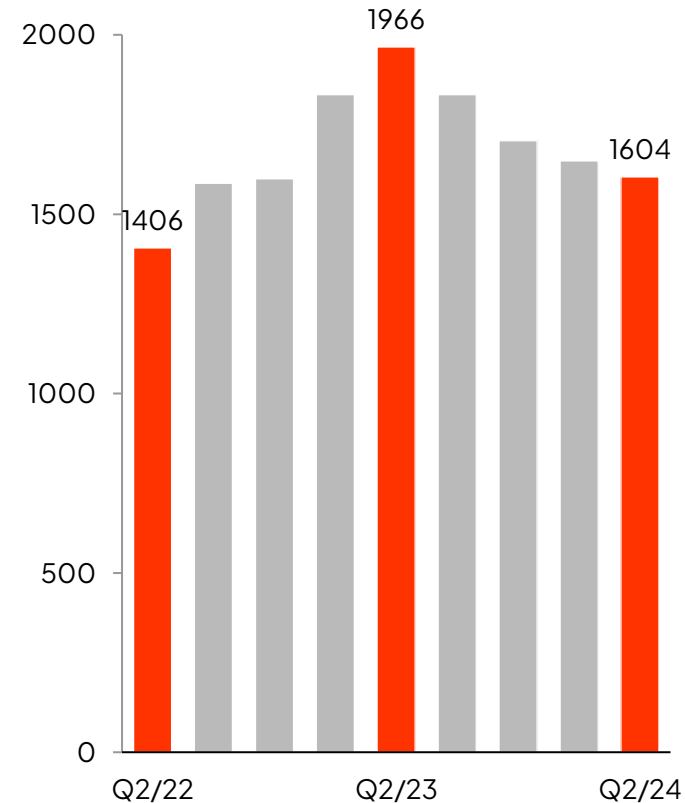
Service agr. base & order book, MEUR



Industrial Equipment order book, MEUR



Port Solutions order book, MEUR



# Group key figures 1/2

EUR million	4-6/ 2024	4-6/ 2023	Change %	Change % Comp. FX	1-6/ 2024	1-6/ 2023	Change %	Change % Comp. FX	1-12/ 2023
Orders received, MEUR	967.7	1092.9	-11.5	-11.6	1876.8	2382.5	-21.2	-21.0	4,161.4
Order book at end of period, MEUR					2987.1	3411.4	-12.4		3,040.8
Sales total, MEUR	1031.5	913.0	13.0	13.0	1944.6	1812.3	7.3	7.8	3,966.3
Comparable EBITDA, MEUR	168.9	118.7	42.4		293.3	236.5	24.0		535.0
Comparable EBITDA, %	16.4%	13.0%			15.1%	13.1%			13.5%
Comparable EBITA, MEUR	147.3	98.3	49.8		249.0	193.7	28.6		450.7
Comparable EBITA, %	14.3%	10.8%			12.8%	10.7%			11.4%
Operating profit (EBIT), MEUR	137.8	98.0	40.6		226.9	183.7	23.5		402.5
Operating margin (EBIT), %	13.4%	10.7%			11.7%	10.1%			10.1%
Net profit for the period, MEUR	99.7	56.6	76.2		159.0	109.3	45.5		275.6
Earnings per share, basic (EUR)	1.26	0.71	76.2		2.01	1.38	45.5		3.48
Earnings per share, diluted (EUR)	1.26	0.71	76.2		2.00	1.38	45.5		3.46
Free cash flow, MEUR	21.5	114.0			70.3	230.0			511.4
Gearing, %					26.8%	43.2%			22.9%
Comparable ROCE, %. (R12M)					20.2%	17.2%			17.7%

## Group key figures 2/2

EUR million	1-6/ 2024	1-6/ 2023	Change %	1-12/ 2023
ROCE, %, (R12M)	19.2	15.5	23.9	16.4
Return on equity, %, (R12M)	21.2	17.9	18.4	18.2
Equity per share (EUR)	20.63	18.12	13.9	20.14
Net debt / Comparable EBITDA, (R12M)	0.7	1.3	-43.1	0.7
Equity to asset ratio, %	41.7	38.9	7.2	41.1
Investments total (excl. acquisitions), MEUR	23.9	20.4	17.5	54.4
Interest-bearing net debt, MEUR	437.7	619.8	-29.4	365.8
Net working capital, MEUR	458.3	423.9	8.1	353.6
Average number of personnel during the period	16 587	16,477	0.7	16,503
Average number of shares outstanding, basic	79,209,043	79,190,629	0.0	79,196,487
Average number of shares outstanding, diluted	79,391,794	79,370,280	0.0	79,583,067
Number of shares outstanding	79,209,118	79,202,250	0.0	79,202,250

# Key figures by segment

EUR million	4-6/ 2024	4-6/ 2023	Change %	Change % Comp. FX	1-6/ 2024	1-6/ 2023	Change %	Change % Comp. FX	1-12/ 2023
<b>Service</b>									
Orders received, MEUR	406.4	374.5	8.5	8.5	794.9	753.3	5.5	6.2	1,490.7
Agreement base value, MEUR	331.8	313.9	5.7	5.9	331.8	313.9	5.7	5.9	318.3
Sales, MEUR	396.3	364.5	8.7	8.8	763.6	718.1	6.3	7.0	1,490.4
Comparable EBITA, MEUR	87.5	71.1	23.0		160.4	137.4	16.8		296.2
Comparable EBITA, %	22.1%	19.5%			21.0%	19.1%			19.9%
<b>Industrial Equipment</b>									
Orders received, MEUR	304.5	332.0	-8.3	-8.5	617.5	772.7	-20.1	-19.8	1,354.4
of which external	277.6	310.8	-10.7	-10.9	566.8	726.0	-21.9	-21.6	1,261.8
Sales, MEUR	326.6	304.8	7.1	7.2	609.7	613.1	-0.6	0.0	1,255.8
of which external	306.3	287.1	6.7	6.8	568.2	573.8	-1.0	-0.4	1,173.8
Comparable EBITA, MEUR	31.9	17.9	78.1		50.4	40.6	24.1		87.4
Comparable EBITA, %	9.8%	5.9%			8.3%	6.6%			7.0%
<b>Port Solutions</b>									
Orders received, MEUR	308.0	420.4	-26.7	-26.9	556.3	932.9	-40.4	-40.3	1,468.5
Sales, MEUR	347.6	278.0	25.0	25.0	647.5	550.8	17.5	17.7	1,370.8
Comparable EBITA, MEUR	36.4	18.2	99.8		57.6	36.0	60.2		102.7
Comparable EBITA, %	10.5%	6.6%			8.9%	6.5%			7.5%

# Statement of income

EUR million	4-6/ 2024	4-6/ 2023	Change %	1-6/ 2024	1-6/ 2023	Change %	1-12/ 2023
<b>Sales</b>	<b>1031.5</b>	<b>913.0</b>	<b>13.0</b>	<b>1944.6</b>	<b>1812.3</b>	<b>7.3</b>	<b>3,966.3</b>
Other operating income	3.1	2.9		7.7	5.8		9.5
Materials, supplies and subcontracting	-436.7	-385.4		-796.6	-764.3		-1,820.3
Personnel cost	-312.3	-292.3		-640.3	-583.6		-1,186.6
Depreciation and impairments	-29.2	-28.3		-59.4	-57.8		-114.9
Other operating expenses	-118.6	-112.0		-229.1	-228.7		-451.5
<b>Operating profit</b>	<b>137.8</b>	<b>98.0</b>	<b>40.6</b>	<b>226.9</b>	<b>183.7</b>	<b>23.5</b>	<b>402.5</b>
Share of associates' and joint ventures' result	0.3	0.5		0.3	0.5		0.8
Financial income	6.1	10.5		13.5	15.9		32.0
Financial expenses	-12.3	-31.5		-29.3	-50.5		-67.7
<b>Profit before taxes</b>	<b>131.9</b>	<b>77.5</b>	<b>70.3</b>	<b>211.4</b>	<b>149.7</b>	<b>41.2</b>	<b>367.6</b>
Taxes	-32.2	-20.9		-52.4	-40.4		-92.0
<b>Profit for the period</b>	<b>99.7</b>	<b>56.6</b>	<b>76.2</b>	<b>159.0</b>	<b>109.3</b>	<b>45.5</b>	<b>275.6</b>

# Balance sheet

EUR million	30 Jun 2024	30 Jun 2023
<b>Non-current assets</b>	<b>2007.4</b>	<b>2006.4</b>
Goodwill	1044.3	1,038.7
Intangible assets	451.8	475.7
Property, plant and equipment	358.9	342.4
Other	152.3	149.6
<b>Current assets</b>	<b>2571.1</b>	<b>2,379.9</b>
Inventories	1092.9	1,122.3
Accounts receivable	557.6	544.4
Receivables and other current assets	402.6	350.5
Cash and cash equivalents	518.1	362.7
Assets held for sale	0.0	0.0
<b>Total Assets</b>	<b>4578.4</b>	<b>4,386.3</b>

EUR million	30 Jun 2024	30 Jun 2023
<b>Total Equity</b>	<b>1633.7</b>	<b>1,434.8</b>
<b>Non-current liabilities</b>	<b>808.4</b>	<b>1,278.2</b>
Interest-bearing liabilities	428.9	907.9
Other long-term liabilities	230.8	217.1
Other	148.8	153.2
<b>Current liabilities</b>	<b>2136.3</b>	<b>1,673.3</b>
Interest-bearing liabilities	529.1	79.5
Advance payments received	662.8	696.5
Accounts payable	322.0	319.0
Provisions	99.8	82.6
Other current liabilities	522.5	495.6
Liabilities directly attributable to assets held for sale	0.0	0.0
<b>Total Equity and Liabilities</b>	<b>4578.4</b>	<b>4,386.3</b>

# Cash flow statement

EUR million	1-6/ 2024	1-6/ 2023	1-12/ 2023
Operating income before change in net working capital	277.6	237.7	520.7
Change in net working capital	-99.5	52.8	121.9
<b>Cash flow from operations before financing items and taxes</b>	<b>178.1</b>	<b>290.5</b>	<b>642.6</b>
Financing items and taxes	-83.1	-37.4	-85.3
<b>Net cash from operating activities</b>	<b>95.0</b>	<b>253.1</b>	<b>557.3</b>
Net cash used in investing activities	-25.5	-52.3	-75.4
<b>Cash flow before financing activities</b>	<b>69.5</b>	<b>200.8</b>	<b>481.9</b>
Net cash used in financing activities	-137.6	-248.1	-303.6
Translation differences in cash	-0.4	-3.9	-5.6
<b>Change of cash and cash equivalents</b>	<b>-68.5</b>	<b>-51.1</b>	<b>172.7</b>
<b>Free cash flow</b>	<b>70.3</b>	<b>230.0</b>	<b>511.4</b>

# Thank you

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