# Q1 2024 Report


Anders Svensson, President and CEO
Teo Ottola, CFO

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# Agenda

**Anders Svensson**
President and CEO

**Teo Ottola**
CFO

# Q1 2024 – Record-high Q1 Profitability

**Demand environment remained healthy in Q1**

- Orders -29.0% Y/Y (comp. FX) against a strong comparison period

**Sales €913 million, +2.5% Y/Y (comp. FX)**

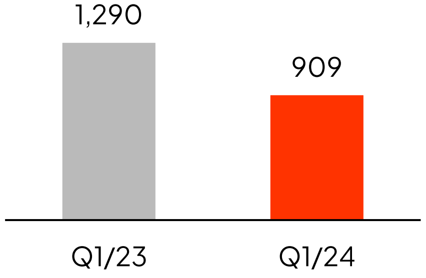
**Record-high comparable EBITA-% of 11.1%**

- Y/Y profitability improvement driven by higher productivity and pricing
- Profitability improved in Service and Port Solutions

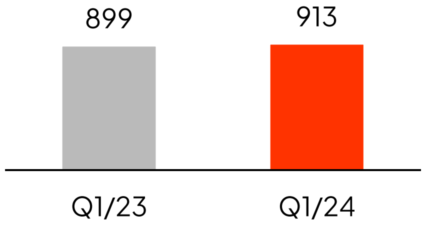
**Operational highlights**

- Konecranes X-series crane launched in March

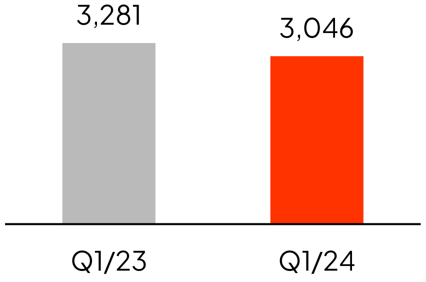
**Order intake**
(MEUR)
**-30%**



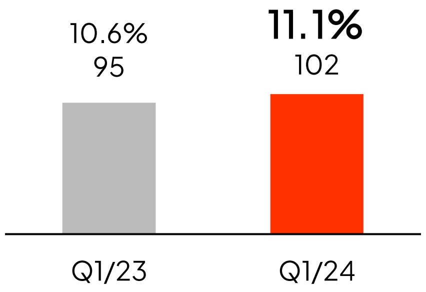

**Net sales**
(MEUR)
**+2%**




**Order book**
(MEUR)
**-7%**




**Comparable EBITA-%**
(% and MEUR)

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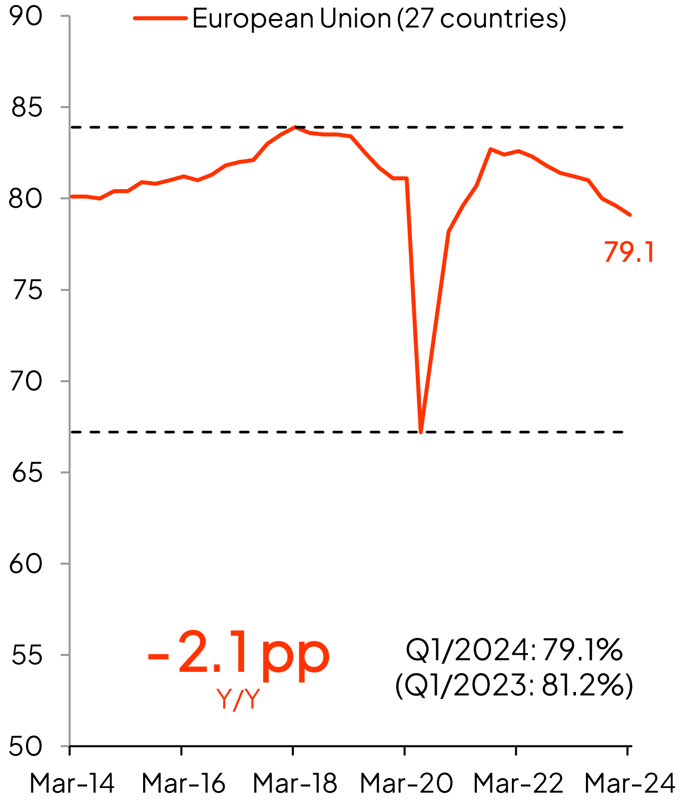
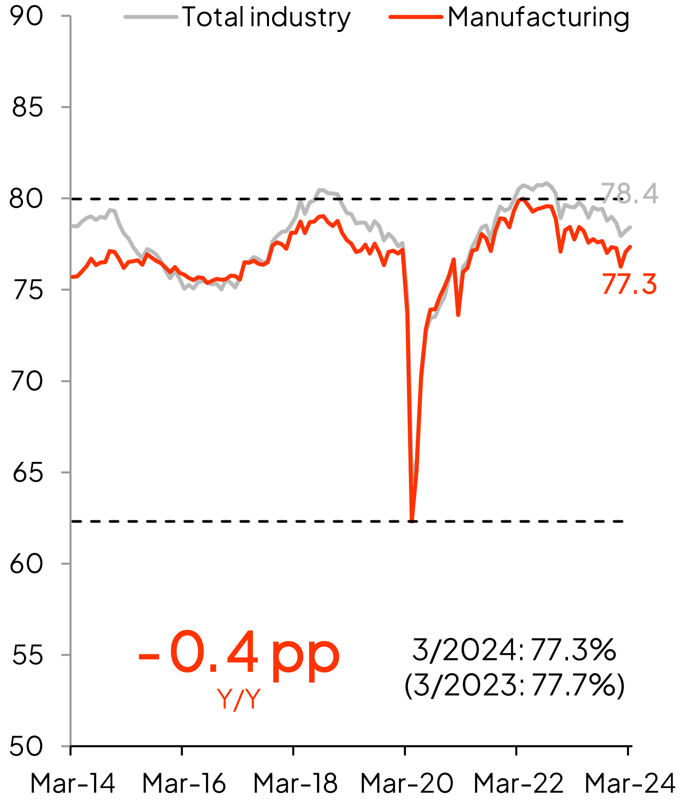
# Market environment – Service and Industrial Equipment

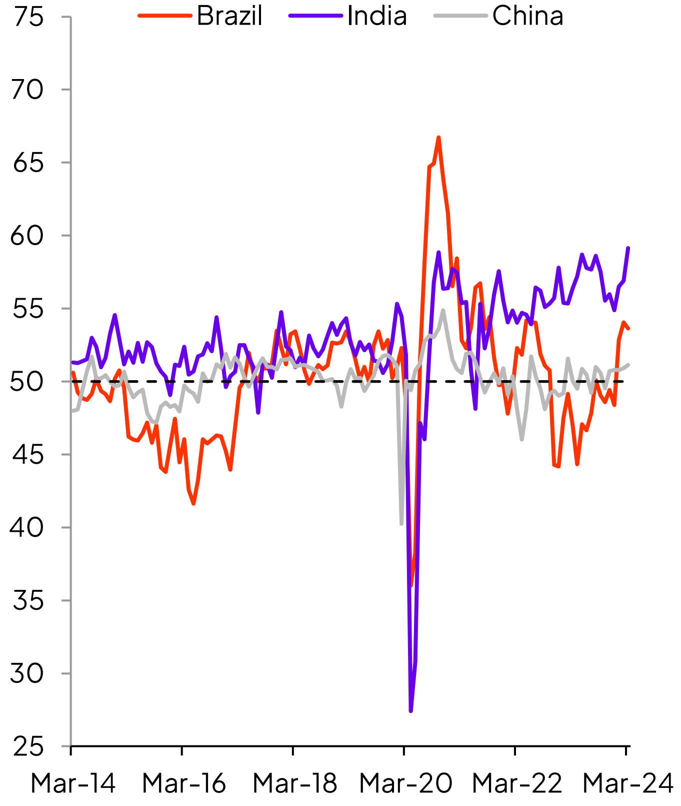
EU capacity utilization rate, %




US capacity utilization rate, %



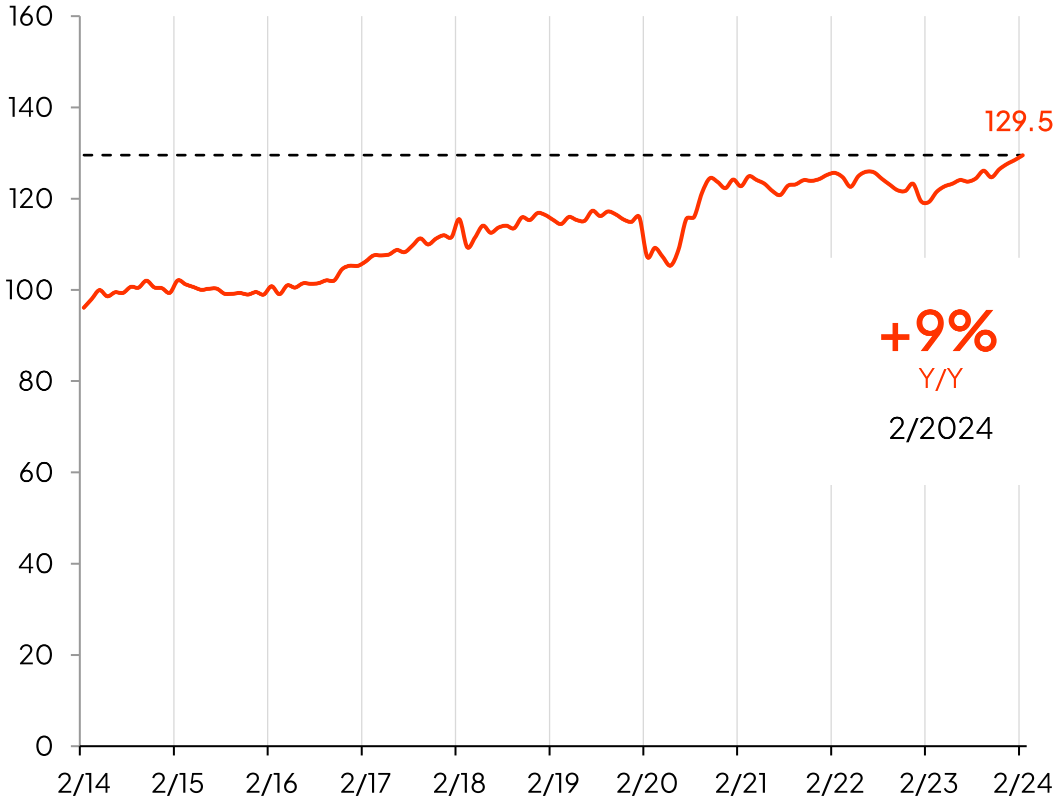

Manufacturing PMIs – Brazil, India & China



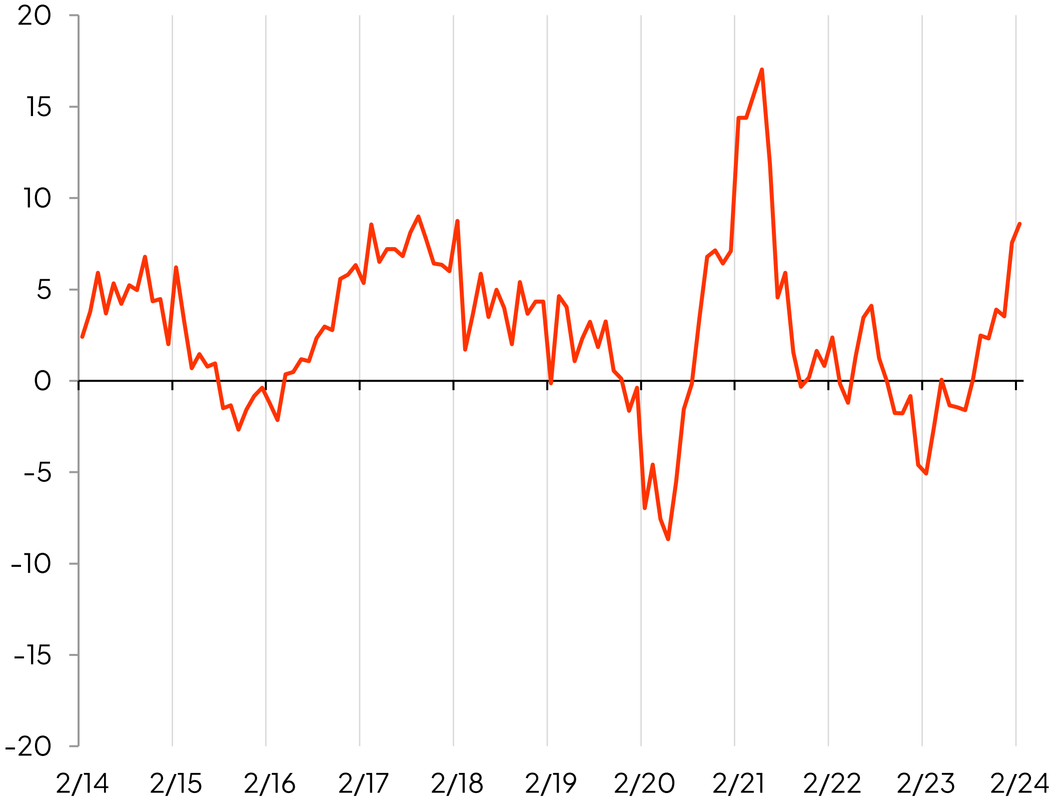

Source: Eurostat, Federal Reserve Economic Data, S&P Global

# Market environment – Port Solutions

RWI/ISL Container Throughput Index (2015 = 100)



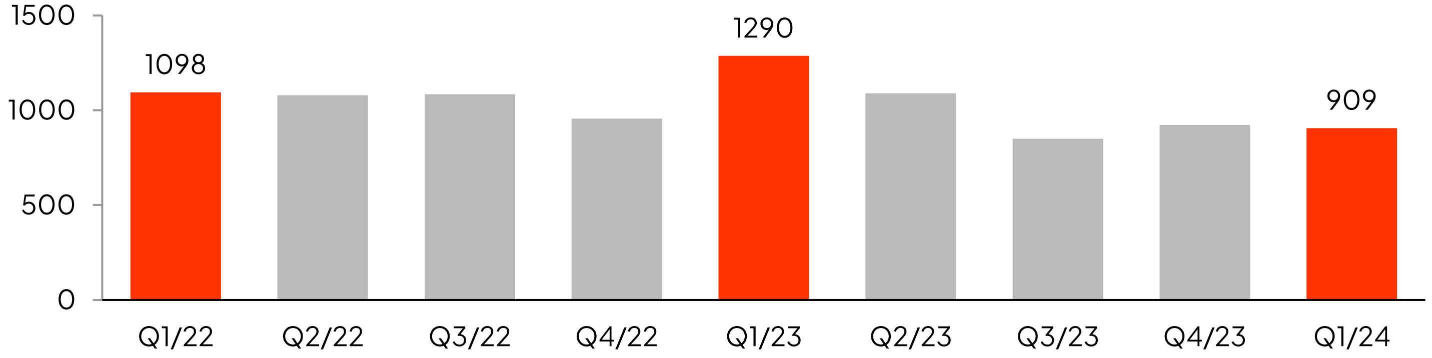

Monthly index change Y/Y, %



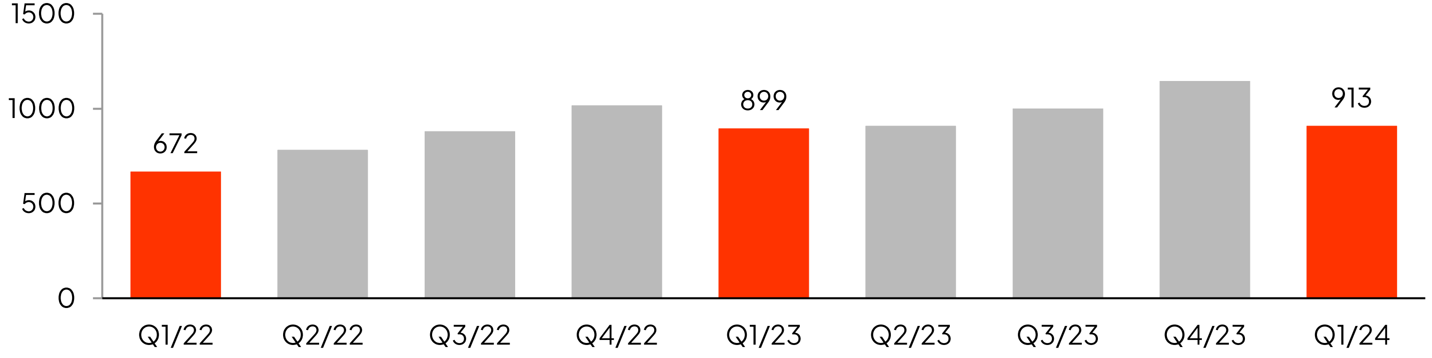

Source: RWI/ISL

# Group order intake and net sales

Order intake, MEUR[1]




Net sales, MEUR




## Order intake

**-29.5%** Y/Y reported

**-29.0%** Y/Y comp. FX

- EUR 909.1 million
- Decrease in Port Solutions and Industrial Equipment, increase in Service
- Decrease in all regions

## Net sales

**+1.5%** Y/Y reported

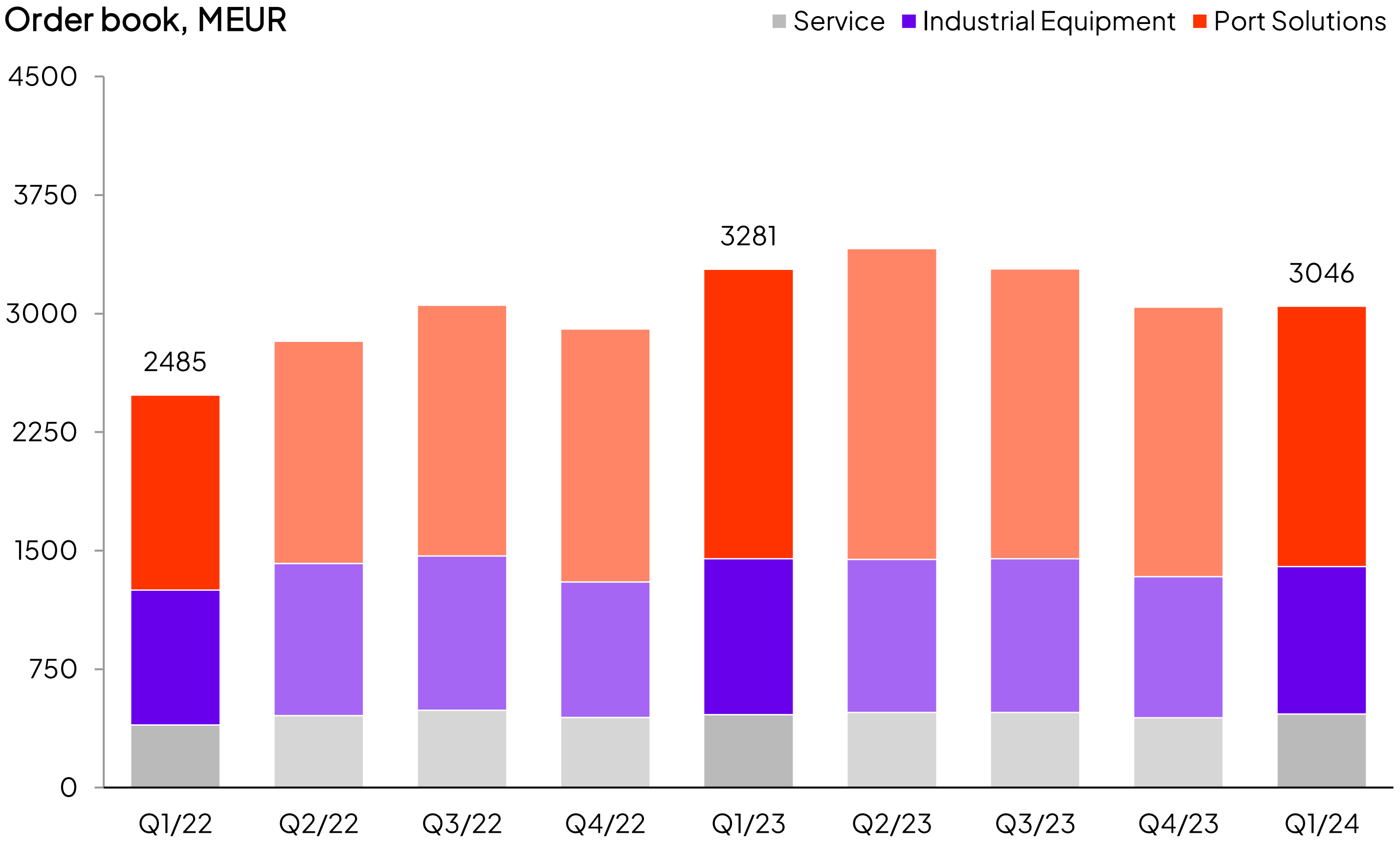
**+2.5%** Y/Y comp. FX

- EUR 913.1 million
- Increase in Service and Port Solutions, decrease in Industrial Equipment
- Increase in the Americas, decrease in EMEA and APAC

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

# Group order book

Order book, MEUR




## Order book

**-7.2%**
Y/Y reported

**-6.8%**
Y/Y comp. FX

- EUR 3,046.4 million
- Increase in Service, decrease in Industrial Equipment and Port Solutions

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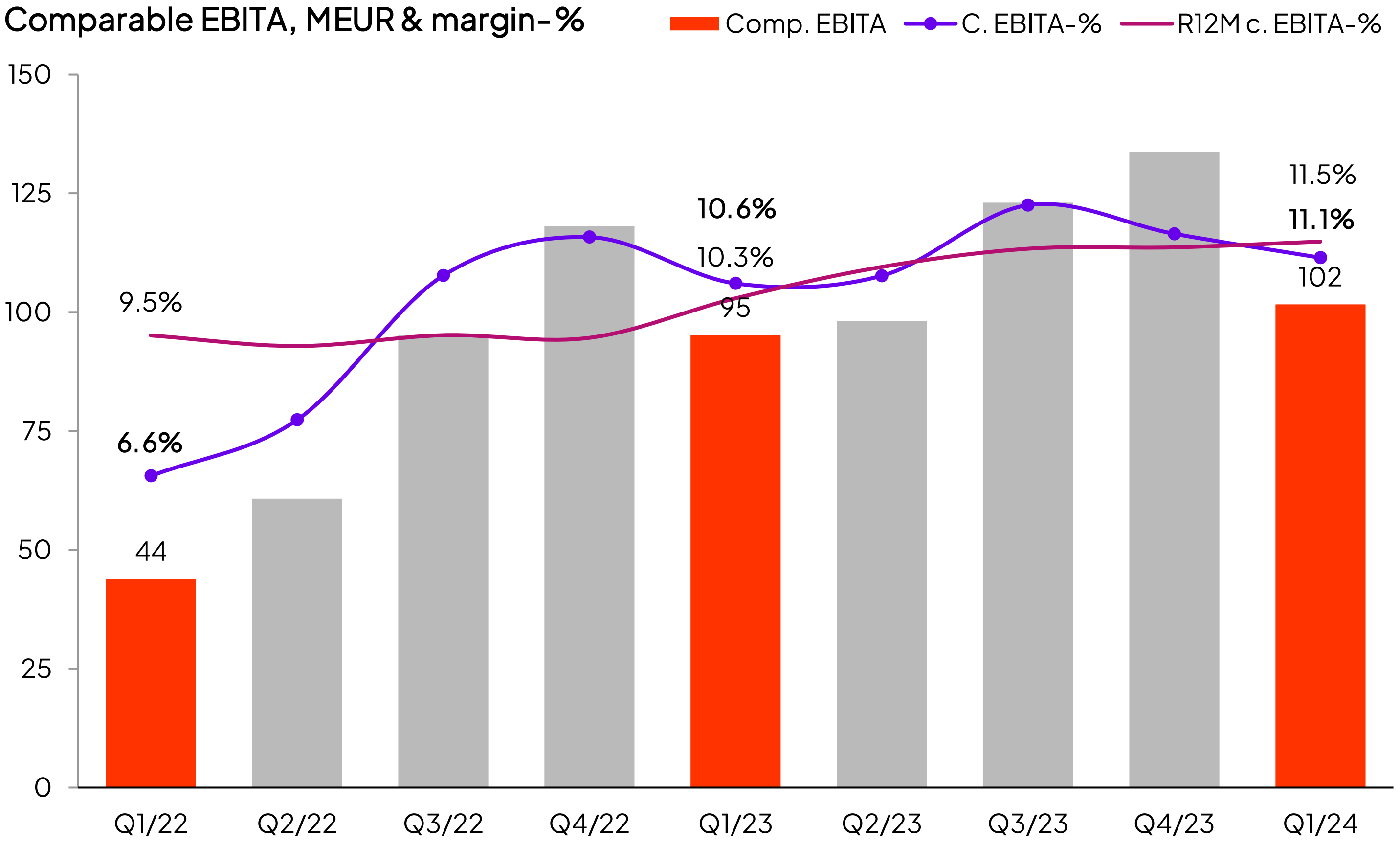
# Group comparable EBITA

## Comparable EBITA, MEUR & margin-%




## Comparable EBITA

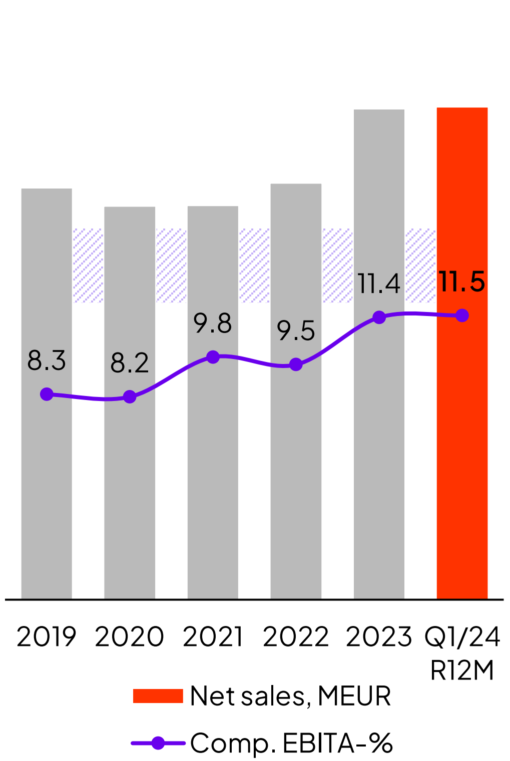
**11.1%** margin

**+0.5 pp** Y/Y

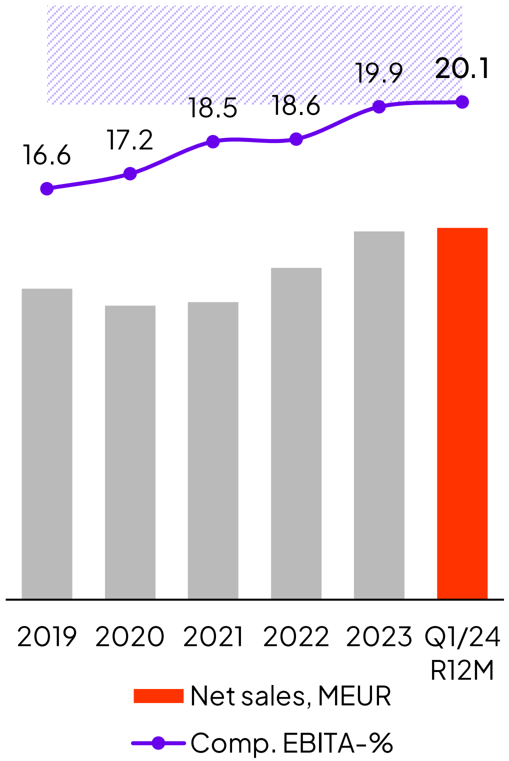
- EUR 101.8 million
- Comparable EBITA-% increase in Service and Port Solutions, decrease in Industrial Equipment
- Comparable EBITA-% increase mainly attributable to improved productivity and pricing
- Gross margin improved year-on-year

# Progress towards Konecranes' financial targets

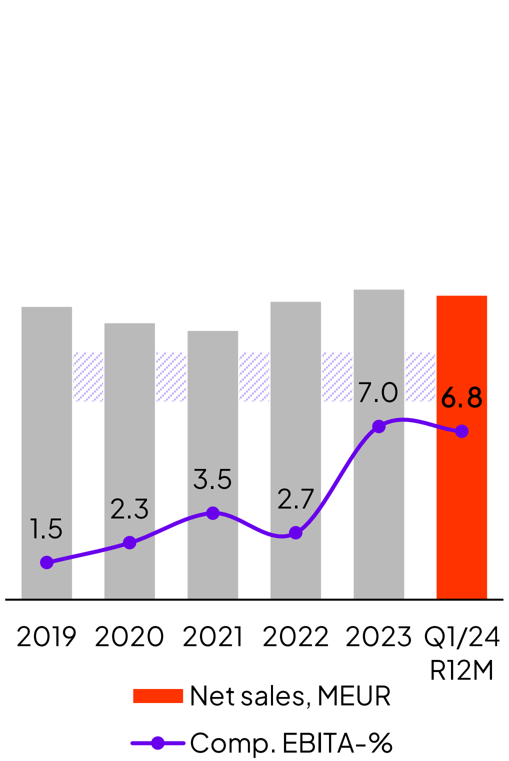
### Group
Target: 12-15%[1]



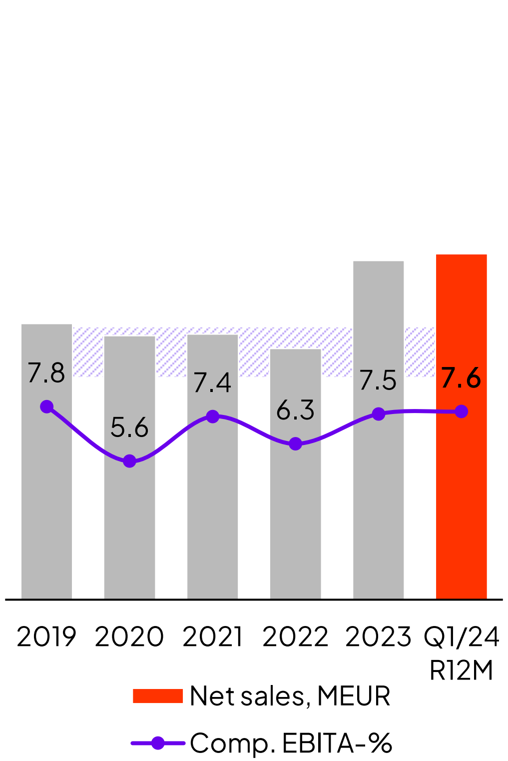

### Service
Target: 20-24%[1]




### Industrial Equipment
Target: 8-10%[1][2]




### Port Solutions
Target: 9-11%[1]




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

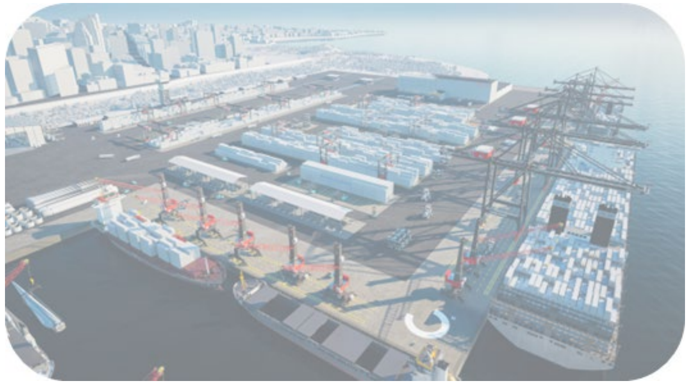
### Within industrial customer segments:

Americas | EMEA | Asia-Pacific

Our demand environment within industrial customer segments has remained good and continues on a healthy level.

### 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 remain approximately on the same level or to improve in 2024 compared to 2023.

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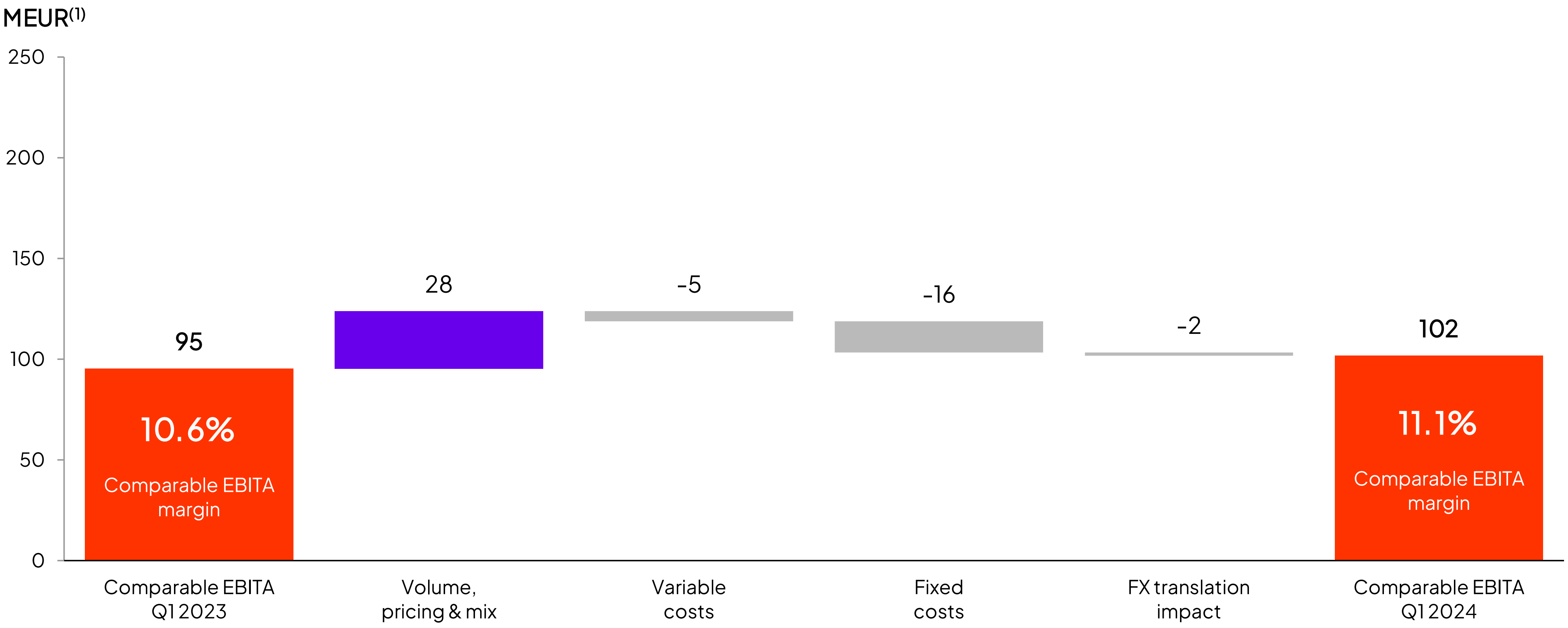
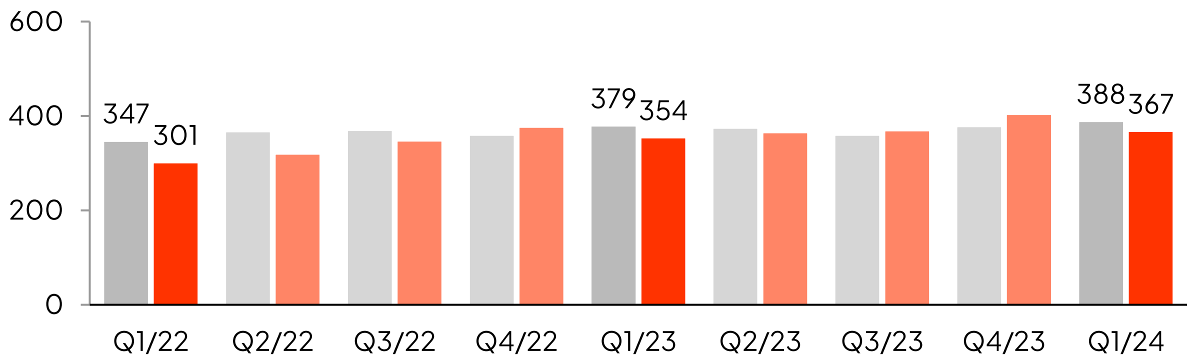
# Q1 2024 comparable EBITA bridge



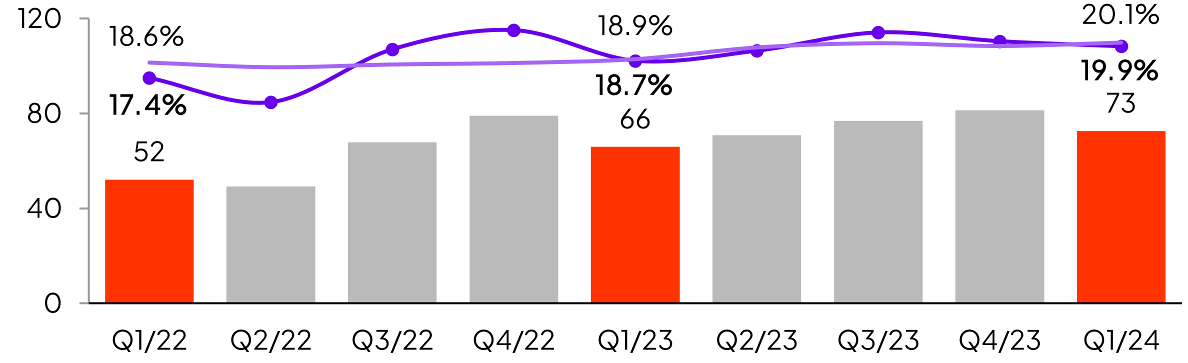

Note (1): Volume, pricing & mix, Variable costs, and Fixed costs effects do not include the FX translation impact component

# Service

Order intake and net sales, MEUR[1]




Comp. EBITA, MEUR & margin-%




**Order intake**

+2.6%
Y/Y reported

+3.7%
Y/Y comp. FX

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

**Agreement base:**

- EUR 326.0 million , +4.8% Y/Y
- +5.3% Y/Y comp. FX

**Net sales**

+3.9%
Y/Y reported

+5.1%
Y/Y comp. FX

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

**Order book:**

- EUR 466.0 million , 0.9% Y/Y

**Comp. EBITA**

19.9%
margin

+1.1 pp
Y/Y

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

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

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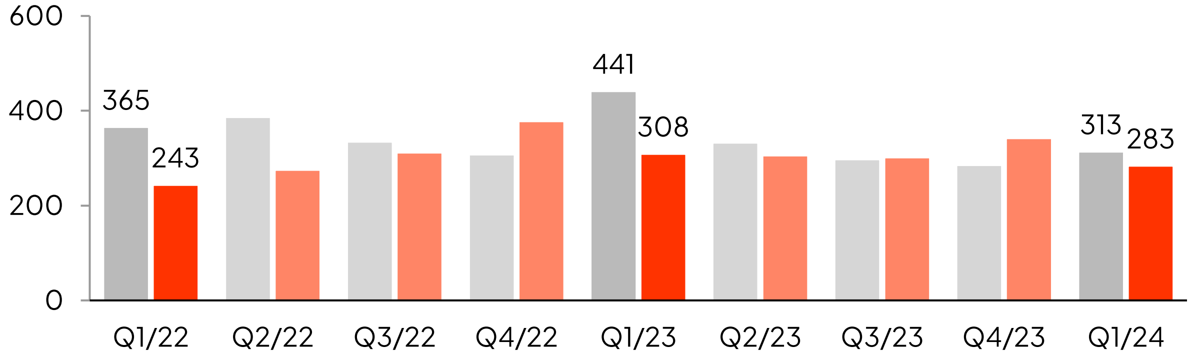
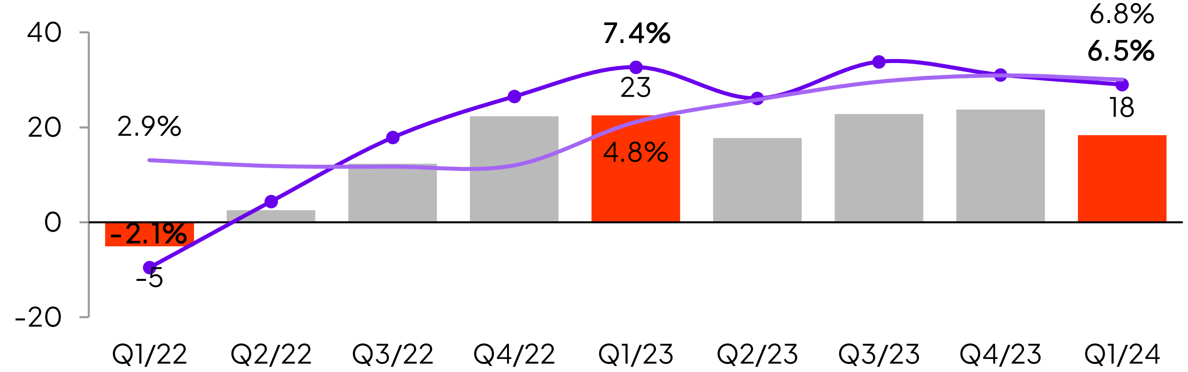
# Industrial Equipment

Order intake and net sales, MEUR[1]




Comp. EBITA, MEUR & margin-%




**Order intake**

**-29.0%** Y/Y reported

**-28.3%** Y/Y comp. FX

- External orders -29.7% Y/Y comp. FX
- Decrease in standard cranes, process cranes and components[2]
- Decrease in EMEA, Americas and APAC

**Net sales**

**-8.2%** Y/Y reported

**-7.1%** Y/Y comp. FX

- External sales -7.6% Y/Y comp. FX
- Decrease in process cranes and standard cranes, increase in components[2]
- Decrease in EMEA, Americas and APAC

**Order book:** EUR 932.2 million, -5.5% Y/Y

**Comp. EBITA**

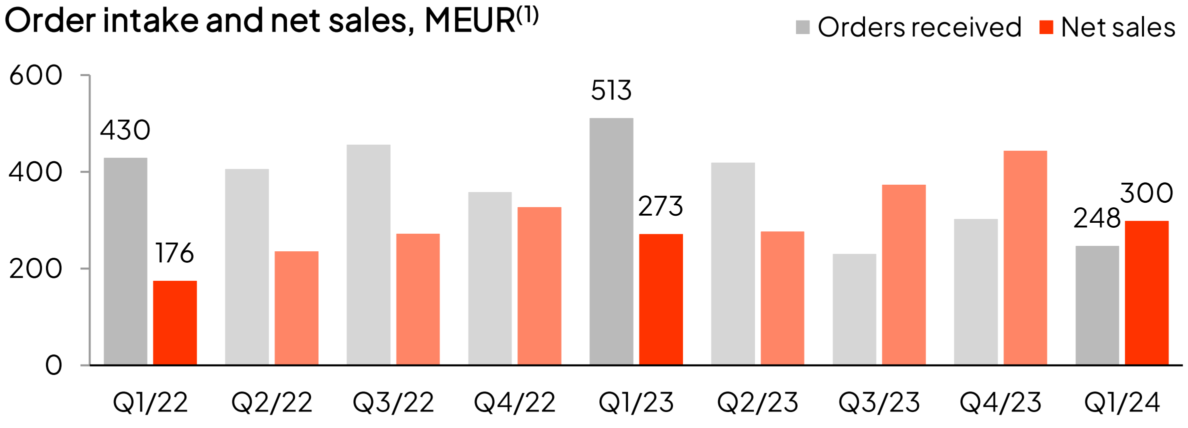
**6.5%** margin

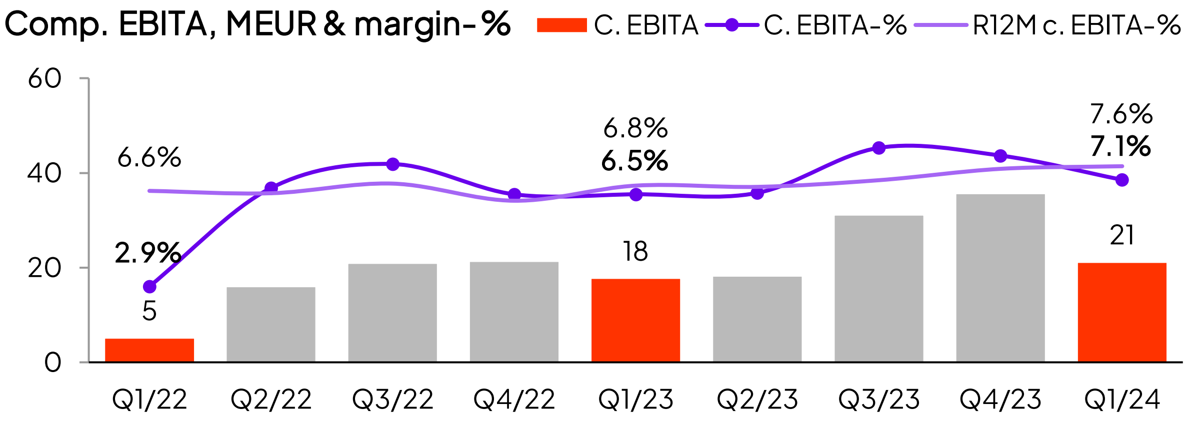
**-0.8 pp** Y/Y

- Comparable EBITA-% decrease mainly attributable to lower sales volumes
- Gross margin increased

Note (1): Agreement base included in orders received from Q1 2023 onwards and historical figures are restated
Note (2):Orders received and sales were negatively impacted by the divestment of MHE-Demag's Industrial Products business

# Port Solutions




**Order intake**

**-51.6%**
Y/Y reported

**-51.4%**
Y/Y comp. FX

- Decrease in EMEA, Americas and APAC
- Good order intake in Mobile Harbor Cranes

**Net sales**

**+9.9%**
Y/Y reported

**+10.2%**
Y/Y comp. FX

**Order book:**

- EUR 1,648.2 million, -10.1% Y/Y

**Comp. EBITA**

**7.1%**
margin

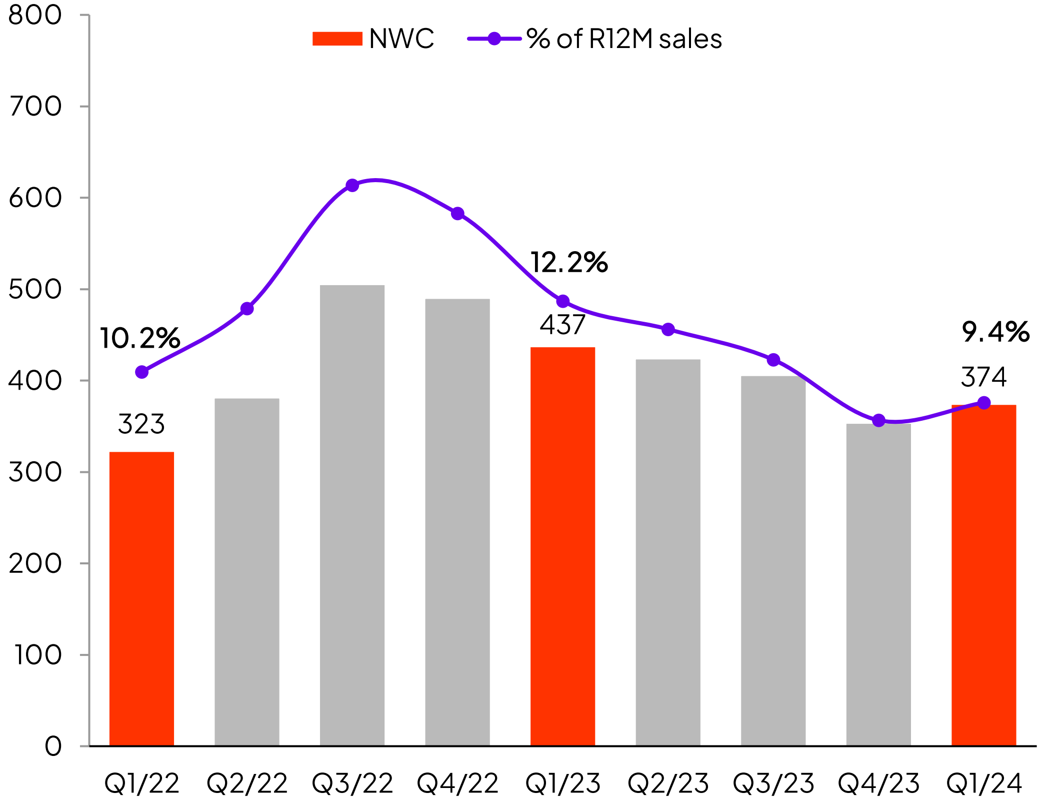
**+0.6 pp**
Y/Y

- Comparable EBITA-% increase mainly attributable to higher sales volumes and an R&D subsidy of EUR 2.1 million
- Gross margin increased

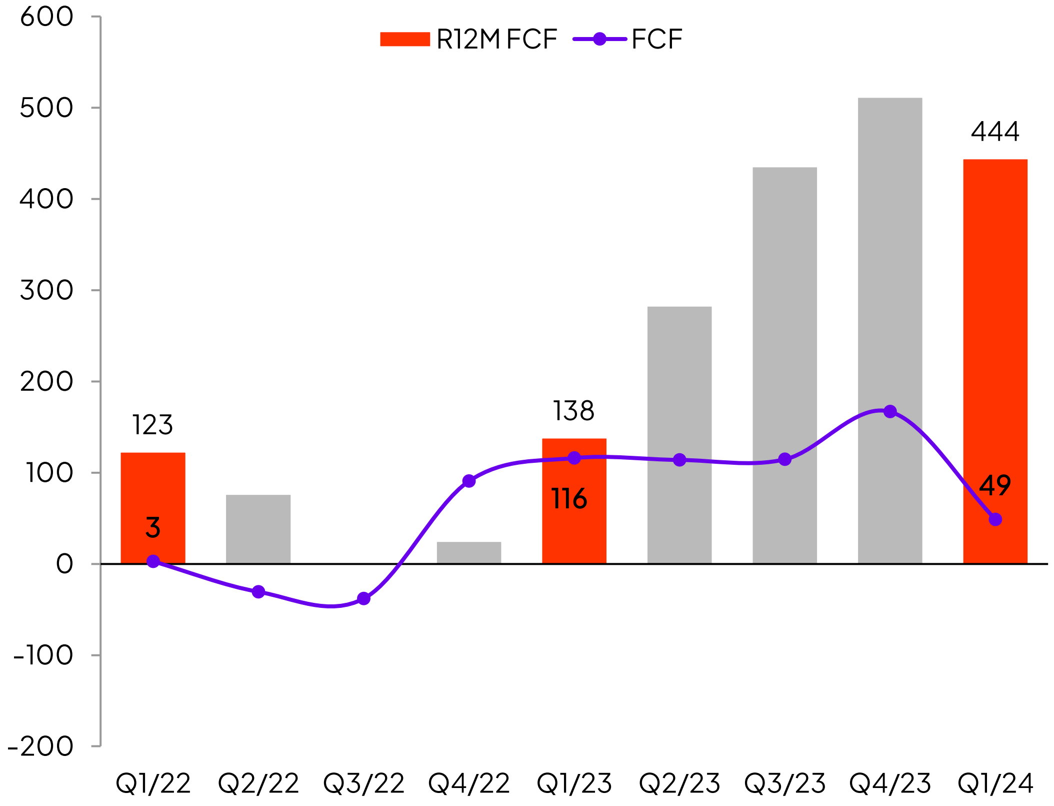
Note (1): Agreement base included in orders received from Q1 2023 onwards and historical figures are restated

# Net working capital and free cash flow

Net working capital, MEUR and percentage of sales[(1)(2)]



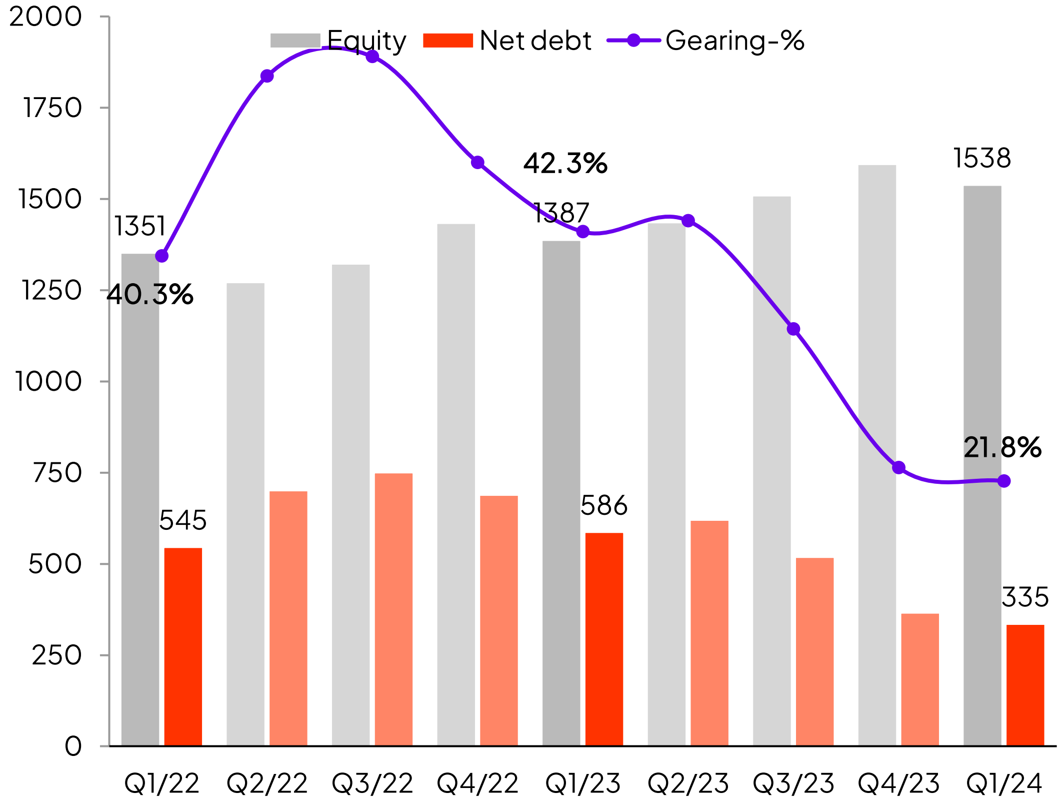

Free cash flow, MEUR



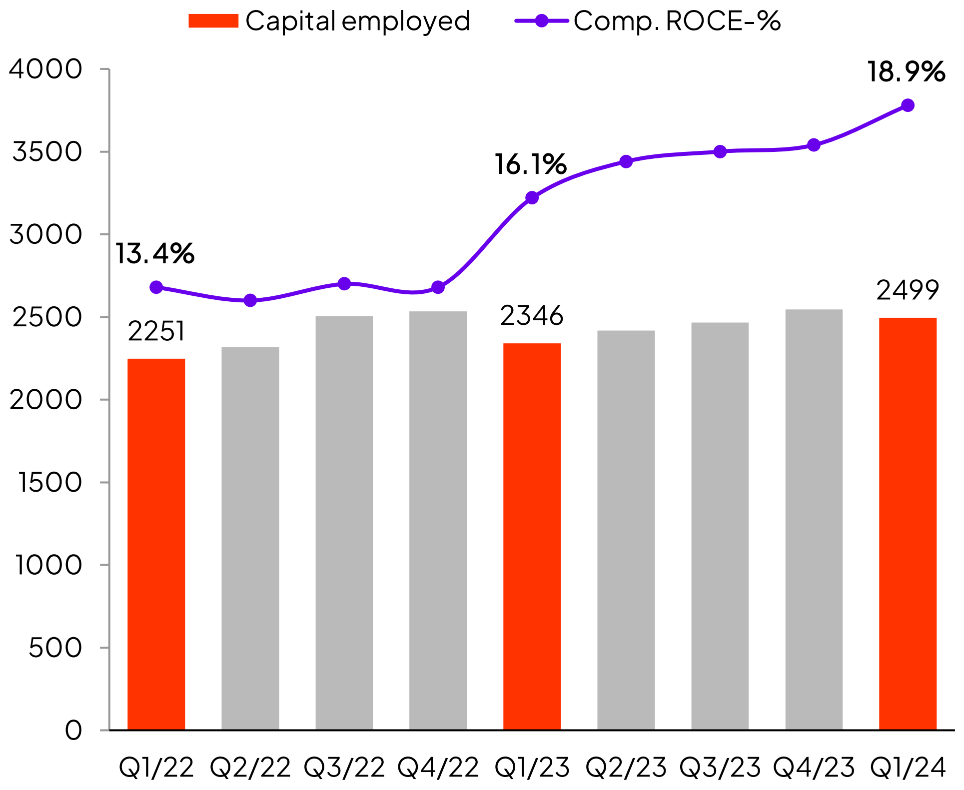

Note (1): NWC formula changed from Q1 2023 onwards and historical figures are restated
Note (2): Q1/24 excluding dividend payable of EUR 106.9 million, Q1/23 excluding dividend payable of EUR 99.0 million and an acquisition advance in deferred assets.

# Gearing and return on capital employed

Equity & net debt, MEUR and gearing, %




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

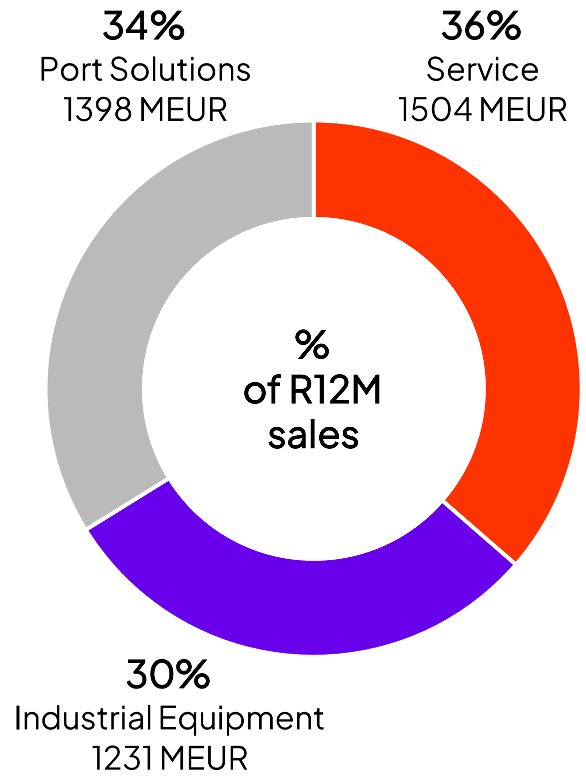


# Q&A

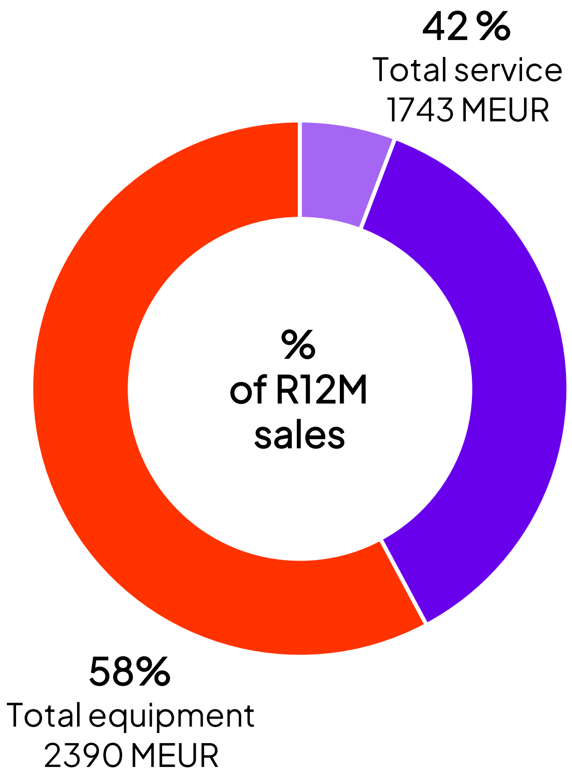
# Appendix

# Group R12M sales split

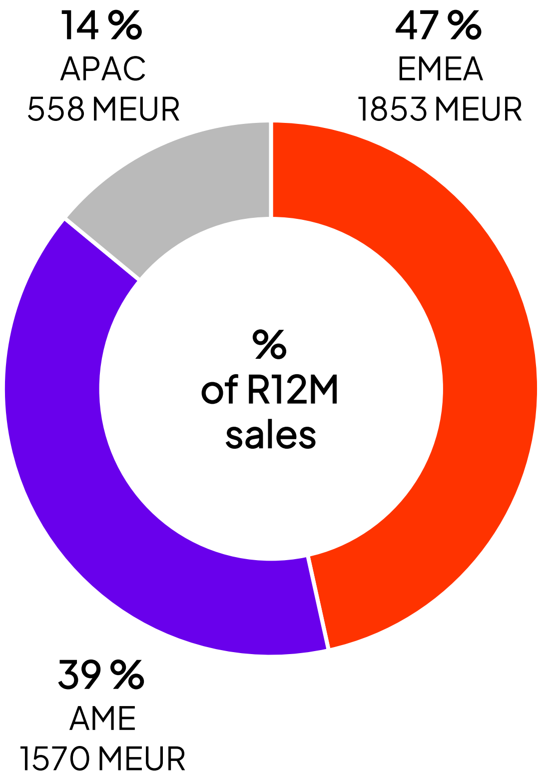
## Group R12M sales by segment




## Group R12M sales by offering type[1]




## 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





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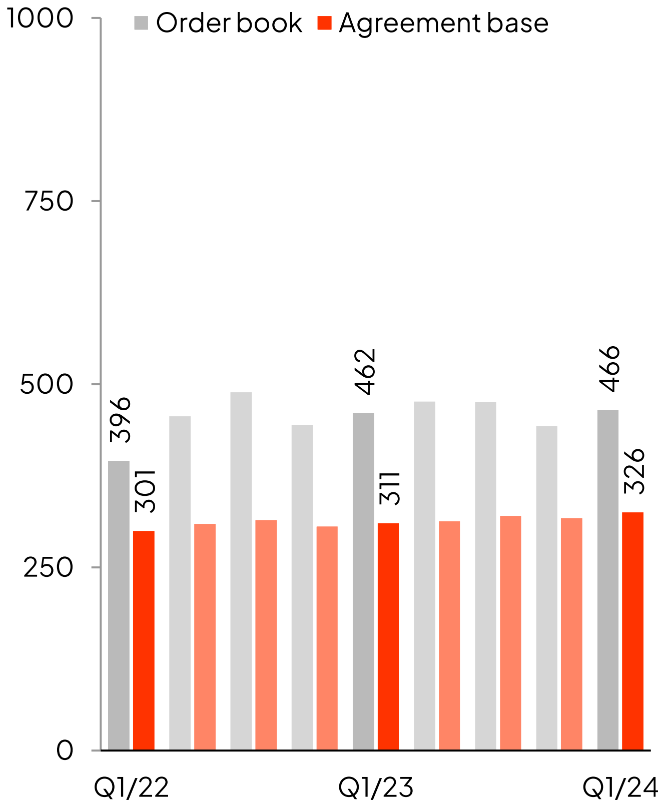
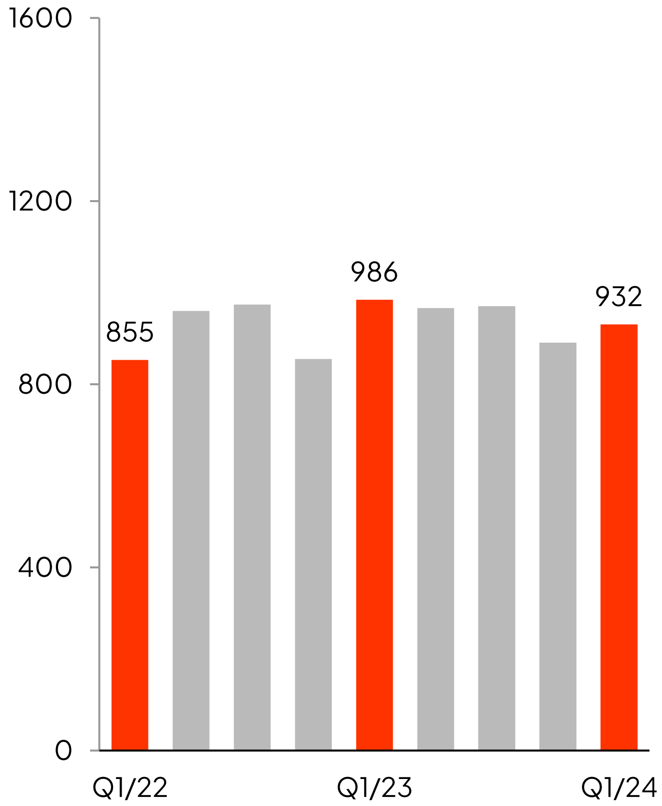
# Service agreement base and order book by segment

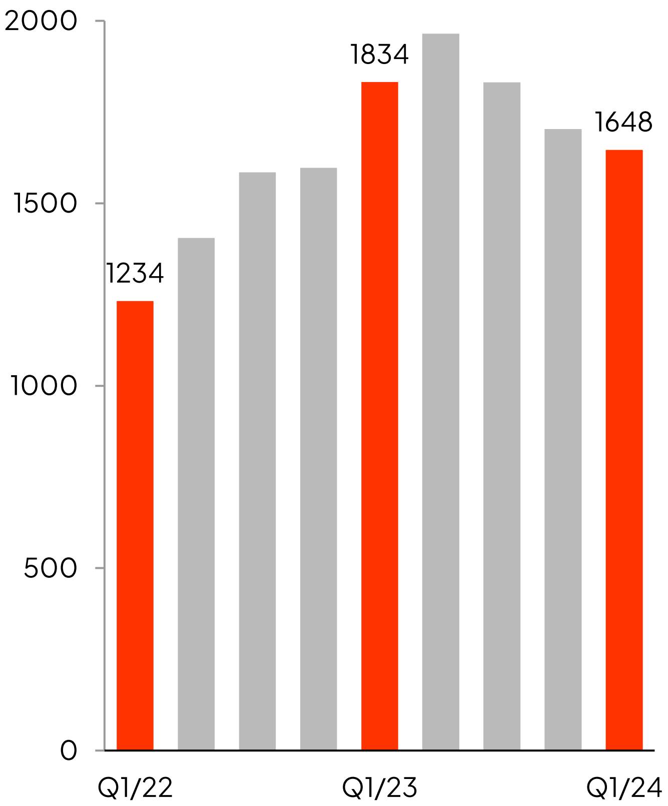
Service agr. base & order book, MEUR




Industrial Equipment order book, MEUR




Port Solutions order book, MEUR

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# Group key figures 1/2

| EUR million | 1-3/ 2024 | 1-3/ 2023 | Change % | Change % Comp. FX | 1-12/ 2023 |
|---|---|---|---|---|---|
| Orders received, MEUR | 909.1 | 1 289.6 | -29.5 | -29.0 | 4,161.4 |
| Order book at end of period, MEUR | 3,046.4 | 3,281.4 | -7.2 | -6.8 | 3,040.8 |
| Sales total, MEUR | 913.1 | 899.3 | 1.5 | 2.5 | 3,966.3 |
| Comparable EBITDA, MEUR | 124.4 | 117.9 | 5.5 | | 535.0 |
| Comparable EBITDA, % | 13.6 % | 13.1 % | | | 13.5% |
| Comparable EBITA, MEUR | 101.8 | 95.4 | 6.7 | | 450.7 |
| Comparable EBITA, % | 11.1 % | 10.6 % | | | 11.4% |
| Operating profit (EBIT), MEUR | 89.1 | 85.8 | 3.9 | | 402.5 |
| Operating margin (EBIT), % | 9.8 % | 9.5 % | | | 10.1% |
| Net profit for the period, MEUR | 59.3 | 52.7 | 12.5 | | 275.6 |
| Earnings per share, basic (EUR) | 0.75 | 0.67 | 12.5 | | 3.48 |
| Earnings per share, diluted (EUR) | 0.75 | 0.66 | 12.5 | | 3.46 |
| Free cash flow, MEUR | 48.8 | 116.0 | | | 511.4 |
| Gearing, % | 21.8 % | 42.3 % | | | 22.9% |
| Comparable ROCE, %. (R12M) | 18.9 % | 16.1 % | | | 17.7% |

# Group key figures 2/2

| EUR million | 1-3/ 2024 | 1-3/ 2023 | Change % | 1-12/ 2023 |
|---|---|---|---|---|
| ROCE, %, (R12M) | 17.6 | 14.0 | 25.7 | 16.4 |
| Return on equity, %, (R12M) | 19.3 | 15.5 | 24.5 | 18.2 |
| Equity per share (EUR) | 19.41 | 17.51 | 10.9 | 20.14 |
| Net debt / Comparable EBITDA, (R12M) | 0.6 | 1.3 | -53.8 | 0.7 |
| Equity to asset ratio, % | 39.5 | 37.5 | 5.3 | 41.1 |
| Investments total (excl. acquisitions), MEUR | 11.5 | 9.4 | 22.8 | 54.4 |
| Interest-bearing net debt, MEUR | 334.7 | 586.1 | -42.9 | 365.8 |
| Net working capital, MEUR | 267.2 | 375.1 | -28.8 | 353.6 |
| Average number of personnel during the period | 16,570 | 16,551 | 0.1 | 16,503 |
| | | | | |
| Average number of shares outstanding, basic | 79,208,967 | 79,178,879 | 0.0 | 79,196,487 |
| Average number of shares outstanding, diluted | 79,406,550 | 79,381,748 | 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 | 1-3/ 2024 | 1-3/ 2023 | Change % | Change % Comp. FX | 1-12/ 2023 |
|---|---|---|---|---|---|
| **Service** | | | | | |
| Orders received, MEUR | 388.5 | 378.8 | 2.6 | 3.7 | 1,490.7 |
| Agreement base value, MEUR | 326.0 | 311.1 | 4.8 | 5.3 | 318.3 |
| Sales, MEUR | 367.2 | 353.6 | 3.9 | 5.1 | 1,490.4 |
| Comparable EBITA, MEUR | 72.9 | 66.2 | 10.1 | | 296.2 |
| Comparable EBITA, % | 19.9% | 18.7% | | | 19.9% |
| **Industrial Equipment** | | | | | |
| Orders received, MEUR | 313.0 | 440.6 | -29.0 | -28.3 | 1,354.4 |
| of which external | 289.2 | 415.2 | -30.4 | -29.7 | 1,261.8 |
| Sales, MEUR | 283.1 | 308.3 | -8.2 | -7.1 | 1,255.8 |
| of which external | 261.9 | 286.7 | -8.7 | -7.6 | 1,173.8 |
| Comparable EBITA, MEUR | 18.5 | 22.7 | -18.6 | | 87.4 |
| Comparable EBITA, % | 6.5% | 7.4% | | | 7.0% |
| **Port Solutions** | | | | | |
| Orders received, MEUR | 248.3 | 512.6 | -51.6 | -51.4 | 1,468.5 |
| Sales, MEUR | 299.9 | 272.8 | 9.9 | 10.2 | 1,370.8 |
| Comparable EBITA, MEUR | 21.2 | 17.7 | 19.4 | | 102.7 |
| Comparable EBITA, % | 7.1% | 6.5% | | | 7.5% |

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# Statement of income

| EUR million | 1-3/ 2024 | 1-3/ 2023 | Change % | 1-12/ 2023 |
|---|---|---|---|---|
| **Sales** | **913.1** | **899.3** | **1.5** | **3,966.3** |
| Other operating income | 4.6 | 2.9 | | 9.5 |
| Materials, supplies and subcontracting | -359.8 | -378.9 | | -1,820.3 |
| Personnel cost | -328.0 | -291.3 | | -1,186.6 |
| Depreciation and impairments | -30.3 | -29.5 | | -114.9 |
| Other operating expenses | -110.5 | -116.7 | | -451.5 |
| **Operating profit** | **89.1** | **85.8** | **3.9** | **402.5** |
| Share of associates' and joint ventures' result | 0.0 | 0.0 | | 0.8 |
| Financial income | 7.5 | 5.4 | | 32.0 |
| Financial expenses | -17.0 | -19.0 | | -67.7 |
| **Profit before taxes** | **79.5** | **72.2** | **10.1** | **367.6** |
| Taxes | -20.2 | -19.5 | | -92.0 |
| **Profit for the period** | **59.3** | **52.7** | **12.5** | **275.6** |

# Balance sheet

| EUR million | 31 Mar 2024 | 31 Mar 2023 |
|---|---|---|
| **Non-current assets** | **1,998.7** | **1,959.7** |
| Goodwill | 1,040.1 | 1,017.9 |
| Intangible assets | 454.7 | 466.9 |
| Property, plant and equipment | 361.6 | 337.9 |
| Other | 142.3 | 137.0 |
| **Current assets** | **2,599.9** | **2,360.4** |
| Inventories | 1046.7 | 1052.3 |
| Accounts receivable | 538.1 | 541.0 |
| Receivables and other current assets | 391.3 | 398.8 |
| Cash and cash equivalents | 623.8 | 368.4 |
| Assets held for sale | 0.0 | 23.5 |
| **Total Assets** | **4,598.5** | **4,343.6** |

| EUR million | 31 Mar 2024 | 31 Mar 2023 |
|---|---|---|
| **Total Equity** | **1,537.7** | **1,387.0** |
| **Non-current liabilities** | **1,111.3** | **1,274.3** |
| Interest-bearing liabilities | 731.0 | 904.8 |
| Other long-term liabilities | 231.1 | 217.3 |
| Other | 149.2 | 152.2 |
| **Current liabilities** | **1,949.6** | **1,670.7** |
| Interest-bearing liabilities | 229.9 | 53.8 |
| Advance payments received | 702.7 | 636.4 |
| Accounts payable | 316.6 | 322.0 |
| Provisions | 96.9 | 91.7 |
| Other current liabilities | 603.4 | 566.8 |
| Liabilities directly attributable to assets held for sale | 0.0 | 11.5 |
| **Total Equity and Liabilities** | **4,598.5** | **4,343.6** |

# Cash flow statement

KONECRANES

| EUR million | 1-3/ 2024 | 1-3/ 2023 | 1-12/ 2023 |
|---|---|---|---|
| Operating income before change in net working capital | 113.8 | 112.1 | 520.7 |
| Change in net working capital | -18.4 | 12.1 | 121.9 |
| **Cash flow from operations before financing items and taxes** | **95.4** | **124.3** | **642.6** |
| Financing items and taxes | -33.7 | 4.4 | -85.3 |
| **Net cash from operating activities** | **61.7** | **128.6** | **557.3** |
| Net cash used in investing activities | -12.9 | -12.6 | -75.4 |
| **Cash flow before financing activities** | **48.8** | **116.0** | **481.9** |
| Net cash used in financing activities | -11.1 | -160.1 | -303.6 |
| Translation differences in cash | -0.4 | -1.4 | -5.6 |
| **Change of cash and cash equivalents** | **37.3** | **-45.5** | **172.7** |
| | | | |
| **Free cash flow** | **48.8** | **116.0** | **511.4** |

# Thank you

## Contact information

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