

KONE'S CAPITAL MARKETS DAY 2010

Americas review

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Agenda



- Americas market review
 - New equipment market
 - Modernization market
 - Maintenance market

- KONE's response to market trends

- Operational Excellence

- Conclusions

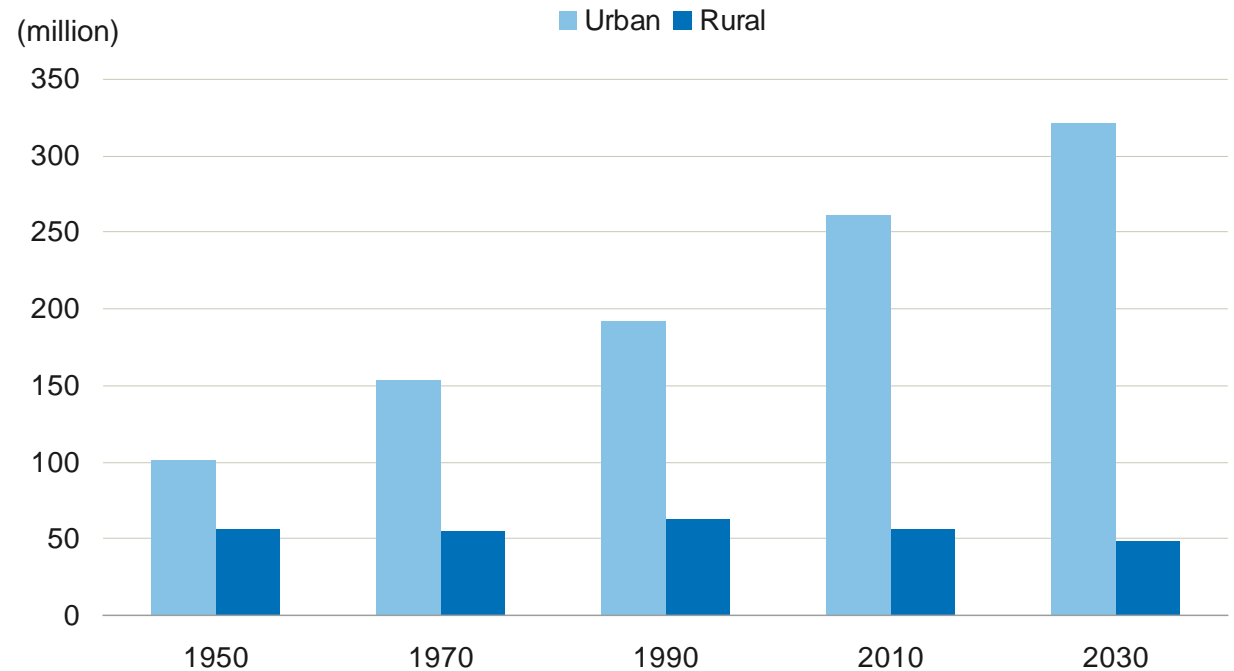


Americas market review

Urbanization drives construction



USA growth in urban areas



A million people add 500+ million square ft. of building space

New equipment market continues to be weak, but is stabilizing



- Non-residential building construction forecasted to grow at 4% (2011-2013 CAGR)*
- Positive signs for general economy
 - U.S. GDP has been positive for three quarters
- Elevator and escalator market is stabilizing
 - Design activity declines stabilizing
 - Infrastructure strong; Hotel, Office weaker
- Shift to energy-efficient machine-room-less technology gaining momentum

Modernization market provides good opportunities



- Major building retrofit market (projects over USD 1 million) is forecasted to grow by more than 20% in five years*
- Today's building stock includes some extremely inefficient buildings
 - Increase in green retrofit activity expected
 - Majority of existing building elevators are 20+ years old
- Deferred capital investments are starting to move forward
 - Safety
 - Reliability
 - Green building retrofit and renovation
 - Building image

Maintenance market continues to be fed by new equipment installations



- Market size will continue to expand as units from the recent building boom turn over to customers
- The maintenance market will continue to develop well
- KONE's position on the maintenance market: conversion and retention rate high



KONE's response to market trends

KONE's response to market trends



Market trends

KONE response

Demand for Green Buildings



KONE provides a complete range of energy efficient machine-room-less (MRL) solutions and has discontinued the production of hydraulic elevators

Large installed building base continues to age



KONE's innovative modernization solutions range from small upgrades to the full replacement of the equipment

End User Safety



KONE Care for Life™ is a unique service which helps KONE customers decide what, when and how to modernize

Space efficient elevator solutions



KONE was the space saving pioneer with the 1996 release of the machine-room-less-elevator (MonoSpace MRL)

How we make our elevators energy efficient



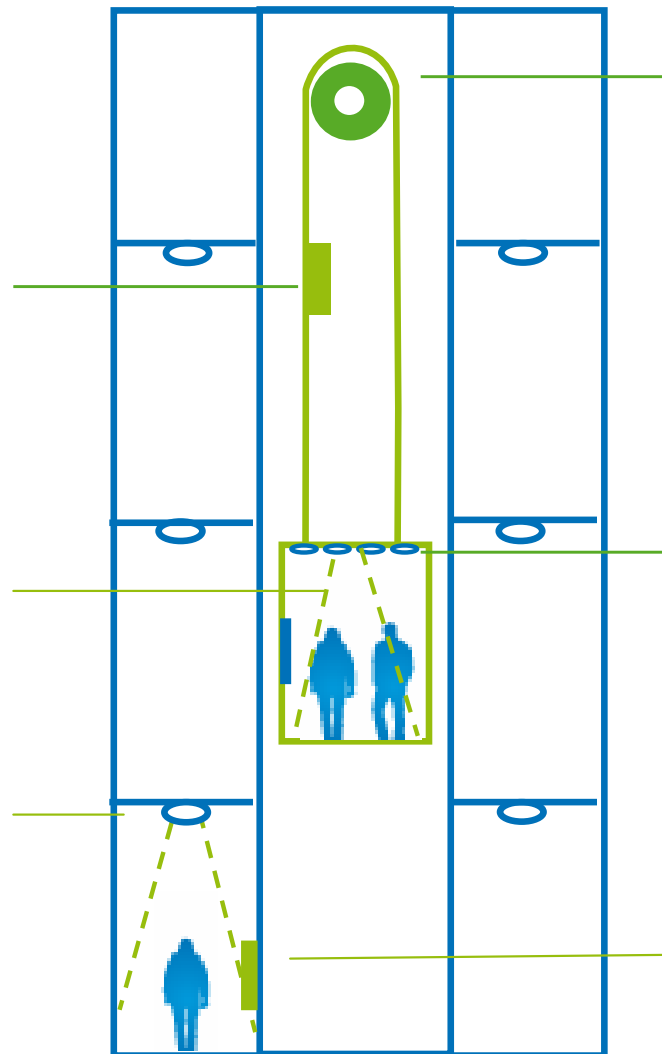
Regenerative drive

Recovers excess braking energy from the elevator and feeds it back to the network saving 25% of the energy consumed by an elevator

Standby solutions

Car lights, fan and the elevator drive are turned off and signalization is dimmed when the elevator is not in use

Corridor illumination control illuminates the floor where the car is stopping reducing energy consumption in the building



A green hoisting system

KONE EcoDisc® consumes 50% less energy than a geared two-speed traction elevator and 70% less than a hydraulic elevator

Eco-efficient lighting

Eco-efficient fluorescent and LED lights save 50-80% energy and last up to 10 times longer

Destination control system

The KONE Polaris™ destination control system saves energy by optimizing traffic; an elevator group using the system requires less transportation devices compared to one using a conventional control system.

Emily Morgan Hotel, USA



Electrical consumption cut by 45%

- Energy usage was studied to determine consumption before and after modernization
- KONE ReSolve™ with Unity Regenerative Drive also improved passenger handling capacity

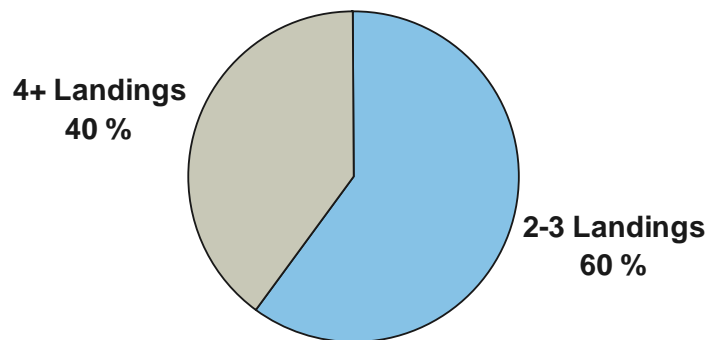
“The energy savings this product delivers is a windfall for us. It wasn’t on our radar. We were used to paying our electric bill and were interested in an upgrade to improve service and reliability. KONE showed us we could have more.”

William P. Brendel, General Manager, Emily Morgan Hotel

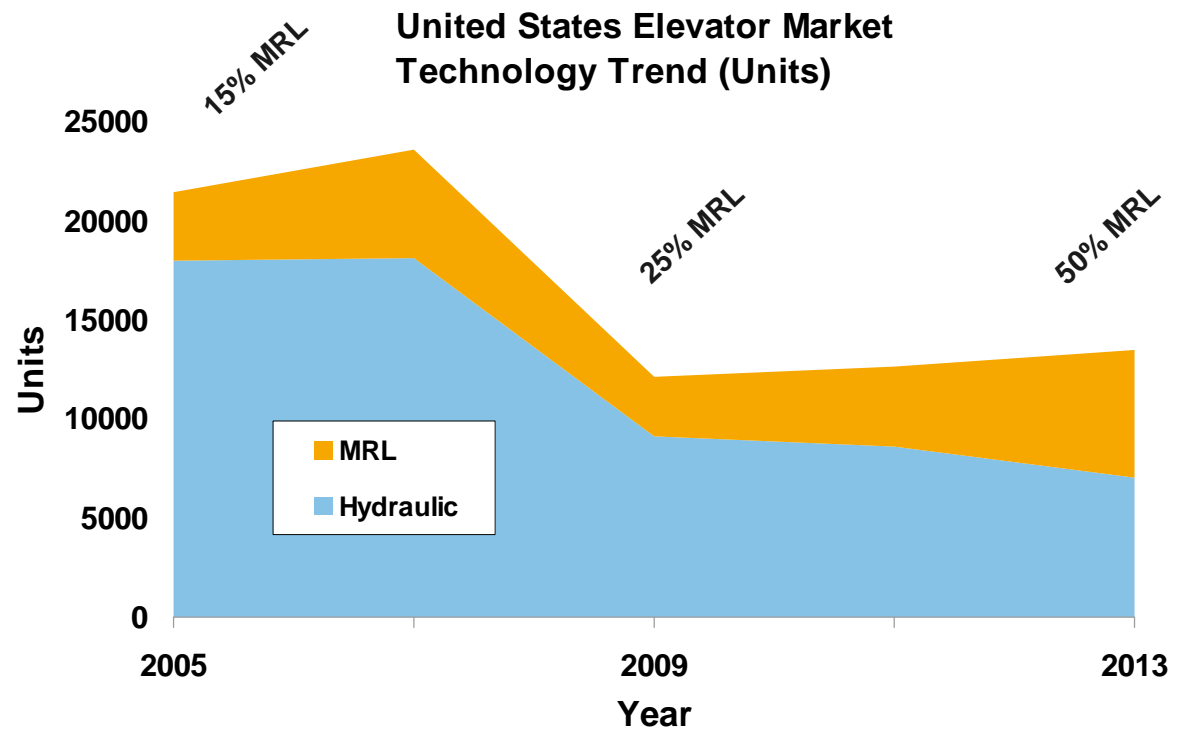
Market split between MRL and hydraulic elevators



United States Elevator Market by Number of Landings (Units)



United States Elevator Market Technology Trend (Units)



The Americas elevator market is quickly moving to energy efficient and space saving MRL technology

KONE's position in the Americas market



- KONE's market share in the new equipment business has improved every year since 2005
- KONE modernization order intake is developing well
- KONE is well positioned for steady maintenance growth



Operational Excellence

Operational Excellence



- Dynamic Scheduling
 - Provides you with the best possible response time
 - Prioritizes the importance of the work to be performed
- KONE Mapping Technology
 - Efficient route structures to ensure optimum response
 - Immediate information available to technician to ensure they are knowledgeable about your individual equipment
- Safety Locator
 - Capability to dispatch the closest KONE technician to your facility in the event of an emergency

Industry leading technician response time

Superior equipment availability rates

Call out rates trending down

Conclusions



- Construction markets remain weak but are stabilizing
- Modernization investments will continue to grow
- Customer driven service delivery will differentiate KONE
- KONE is well positioned to capitalize on market trends in the Americas



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