

**KONE**



# KONE Q4 2025

Financial Statement Bulletin

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People Flow™

# KONE's January–December 2025 review:

## Solid end to the year, pivot to Service and Modernization delivering results

### October–December 2025

- Orders received grew by 6.3% to EUR 2,253.4 (10–12/2024: 2,119.0) million. At comparable exchange rates, orders grew by 12.2%.
- Sales declined by 0.5% to EUR 2,960.8 (2,975.6) million. At comparable exchange rates, sales grew by 4.3%.
- Operating income (EBIT) was EUR 387.1 (332.5) million or 13.1% (11.2%) of sales. Adjusted EBIT was EUR 401.9 (386.5) million or 13.6% (13.0%) of sales.<sup>1</sup>
- Cash flow from operations (before financing items and taxes) was EUR 465.9 (533.7) million.

### January–December 2025

- Orders received grew by 3.8% to EUR 9,087.4 (1–12/2024: 8,758.9) million. At comparable exchange rates, orders grew by 6.8%.
- Sales grew by 1.3% to EUR 11,245.2 (11,098.4) million. At comparable exchange rates, sales grew by 4.0%.
- Operating income (EBIT) was EUR 1,336.2 (1,249.0) million or 11.9% (11.3%) of sales. The adjusted EBIT was EUR 1,369.3 (1,303.0) million or 12.2% (11.7%) of sales.<sup>1</sup>
- Cash flow from operations (before financing items and taxes) was EUR 1,761.3 (1,589.3) million.
- Dividend proposal of EUR 1.80 for each class B share and EUR 1.7975 for each class A share

### Business outlook for 2026

KONE expects its sales to grow 2-6% at comparable exchange rates in 2026 and its adjusted EBIT margin to be in the range of 12.3-13.0%. The negative impact of foreign exchange rates on the adjusted EBIT margin is expected to be approximately 10 basis points, assuming rates remain at the January 2026 level.

<sup>1</sup> KONE presents adjusted EBIT as an alternative performance measure to enhance comparability of business performance between reporting periods. In January–December 2025, items affecting comparability amounted to EUR 33 million consisting of costs related to the separation of KONE Door Business under its own legal and operative structure and restructuring costs. In the comparison period, items affecting comparability amounted to EUR 54 million including EUR 36 million restructuring costs and EUR 18 million expensed development costs as a result of redirecting development activities in alignment with KONE's new strategy.

## Key figures

		10–12/2025	10–12/2024	Change	1–12/2025	1–12/2024	Change
Orders received	MEUR	2,253.4	2,119.0	6.3%	9,087.4	8,758.9	3.8%
Order book	MEUR				8,804.3	9,058.6	-2.8%
Sales	MEUR	2,960.8	2,975.6	-0.5%	11,245.2	11,098.4	1.3%
Operating income	MEUR	387.1	332.5	16.4%	1,336.2	1,249.0	7.0%
Operating income margin	%	13.1	11.2		11.9	11.3	
Adjusted EBIT <sup>1</sup>	MEUR	401.9	386.5	4.0%	1,369.3	1,303.0	5.1%
Adjusted EBIT margin <sup>1</sup>	%	13.6	13.0		12.2	11.7	
Income before tax	MEUR	380.6	329.5	15.5%	1,326.8	1,254.1	5.8%
Net income	MEUR	272.8	244.5	11.6%	991.9	961.0	3.2%
Basic earnings per share	EUR	0.52	0.47	10.7%	1.89	1.84	3.0%
Cash flow from operations (before financing items and taxes)	MEUR	465.9	533.7		1,761.3	1,589.3	
Interest-bearing net debt	MEUR				-699.8	-831.2	
Equity ratio	%				39.9	39.8	
Return on equity	%				34.7	33.8	
Net working capital (including financing items and taxes)	MEUR				-797.6	-827.2	
Gearing	%				-24.8	-28.7	

<sup>1</sup> KONE presents adjusted EBIT as an alternative performance measure to enhance comparability of business performance between reporting periods. In January–December 2025, items affecting comparability amounted to EUR 33 million consisting of costs related to the separation of KONE Door Business under its own legal and operative structure and restructuring costs. In the comparison period, items affecting comparability amounted to EUR 54 million including EUR 36 million restructuring costs and EUR 18 million expensed development costs as a result of redirecting development activities in alignment with KONE's new strategy.

## Philippe Delorme, President and CEO:

**"The fourth quarter marked a solid finish to 2025,** a year defined by good progress in our transition toward Service and Modernization. Our financial performance in the quarter developed in line with expectations. Order momentum was robust, with growth well distributed across our businesses. New Building Solutions in China was the exception, as the property market continued to face significant pressure with no signs of recovery. It was encouraging to see that our efforts to strengthen competitiveness in the residential segment paid off, supporting order growth across several regions. Asia Pacific, the Middle East and Africa stood out, with excellent customer traction, especially in India.

**A highlight for me this year was the consistent double-digit growth in Modernization and the continued expansion of Service,** which has now become our largest business. Together, these developments supported steady margin improvement and further strengthened our resilience in a complex operating environment.

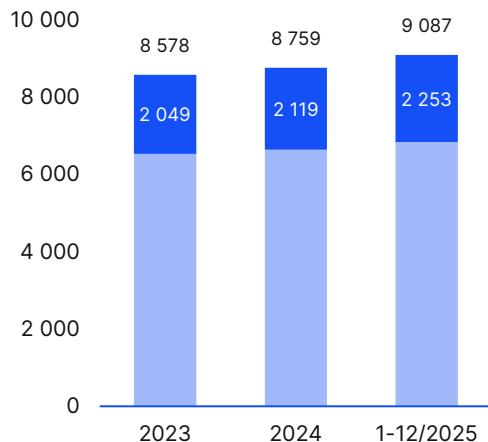
**We have made meaningful progress in executing our Rise strategy in its first year.** I am especially pleased with our advancements in digitalization. Our connectivity rate now exceeds 40% and we deployed field productivity tools to nearly 30 countries during the year, representing a clear acceleration in our transformation. We also made significant strides in industrializing our modernization approach and offering. Partial modernization grew at more than twice the rate of full replacement and now represents the largest business within our modernization portfolio. Moreover, customer response to this modular solution, and the benefits it offers in the form of optimized cost and minimized disruption, has been very positive.

**Sustainability continues to be one of our strategic priorities.** We saw several noteworthy developments in 2025, including a significant step forward in our cybersecurity performance and a strong ramp up of regenerative drive sales to support customers' progress towards their climate targets. I am pleased with our achievements and proud of the external recognition our efforts have received. Today, our impact revenue represents over half of KONE sales, growing by 20% during the year. To me, this is a clear illustration of how the progress we make in sustainability directly enhances business performance.

**We move into 2026 with a healthy foundation for growth and clear opportunities to deliver consistent profitability improvement toward our mid-term targets.** Maintaining momentum in strategy execution continues to be our top priority, alongside ensuring that our performance initiatives in the areas of procurement efficiency and sales & operations excellence deliver the intended results. I would like to express my appreciation to the entire KONE team for their dedication and commitment in driving our performance and advancing our strategy."

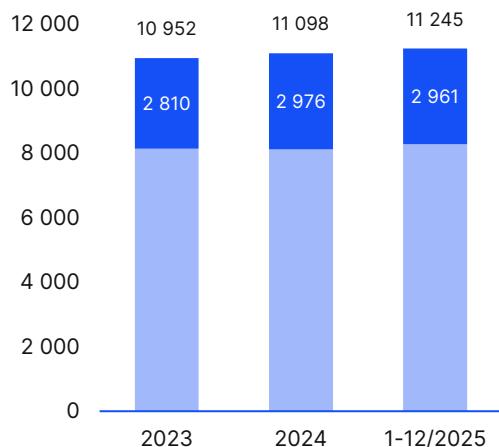
## Key figures

### Orders received (MEUR)



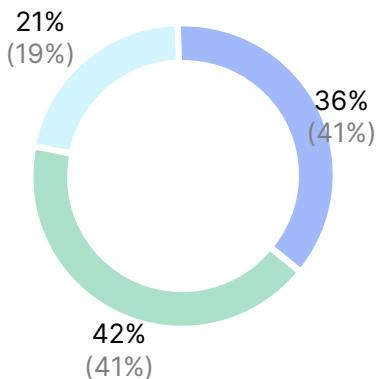
- In October–December 2025, orders received grew by 6.3% (at comparable exchange rates, orders received grew by 12.2%).
- At comparable rates, New Building Solutions orders received grew significantly with slight growth in the volume business and significant growth in major projects. In Modernization, orders received grew significantly with significant growth in the volume business and significant growth in major projects.
- The margin of orders received was stable year-on-year.
- In January–December 2025, orders received grew by 3.8% (grew by 6.8% at comparable exchange rates).

### Sales (MEUR)



- In October–December 2025, sales declined by 0.5%. At comparable exchange rates sales grew by 4.3% as growth in Service and Modernization more than compensated for the slight decline in New Building Solutions sales.
- New Building Solutions sales declined by 8.7% (declined by 3.1% at comparable exchange rates) driven by lower deliveries in Greater China and, to a lesser extent, in the Americas. Service sales grew by 2.2% (grew by 6.0% at comparable rates) and Modernization sales grew by 10.1% (grew by 14.9% at comparable rates).
- In the Americas Area, sales declined by 1.8% (grew by 6.1% at comparable rates). Sales in the Europe Area grew by 5.0% (grew by 5.0% at comparable rates). In the Asia-Pacific, Middle East and Africa (APMEA) Area, sales grew by 12.4% (grew by 22.9% at comparable rates). In the Greater China Area, sales declined by 18.7% (declined by 12.9% at comparable rates).
- In January–December 2025, sales grew by 1.3% (grew by 4.0% at comparable exchange rates).

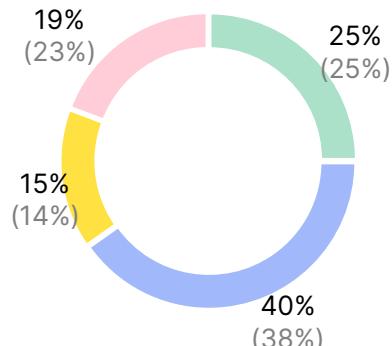
Sales by business



■ New Building Solutions ■ Service ■ Modernization

1-12/2025 (1-12/2024)

Sales by Area

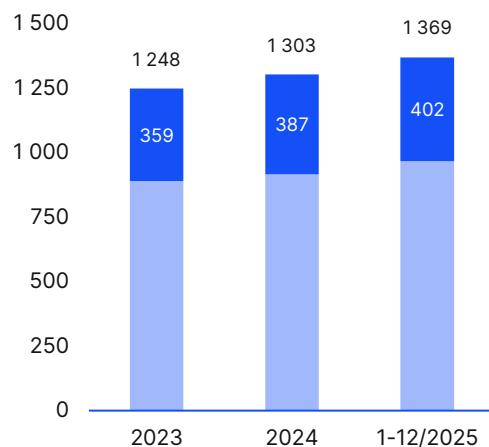


■ Americas ■ Europe ■ APMEA ■ Greater China

1-12/2025 (1-12/2024)

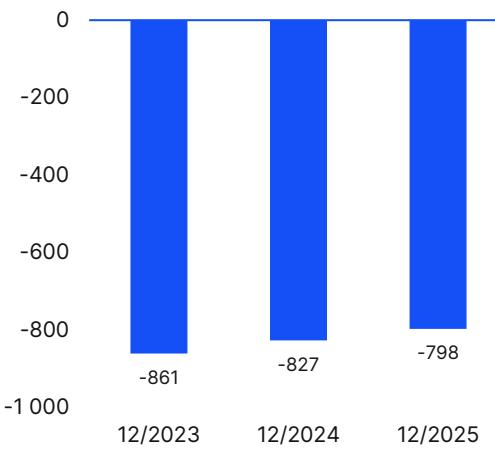
Terminology: slight <5%, clear 5–10%, significant >10%

## Adjusted EBIT (MEUR)



- In October–December 2025, operating income was 13.1% of sales (10–12/2024: 11.2%). Adjusted EBIT margin was 13.6% (13.0%).
- Profitability improved thanks to a favorable business mix. Margin pressure in the Chinese new equipment market remained the main headwind.
- With comparable exchange rates, the translation impact on operating income for the comparison period was EUR -10.6 million.
- In January–December 2025, operating income was 11.9% of sales (1–12/2024: 11.3%). The adjusted EBIT margin was 12.2% (11.7%).

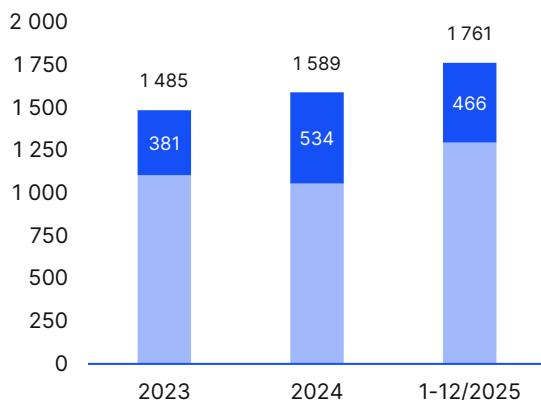
## Net working capital<sup>1</sup> (MEUR)



- At the end of December 2025, net working capital increased moderately compared to the beginning of the year.
- Foreign exchange rates had an approximately EUR 60 million negative impact on the net working capital. At comparable exchange rates, net working capital improved moderately.

<sup>1</sup> Including financing items and taxes

## Cash flow<sup>2</sup> (MEUR)

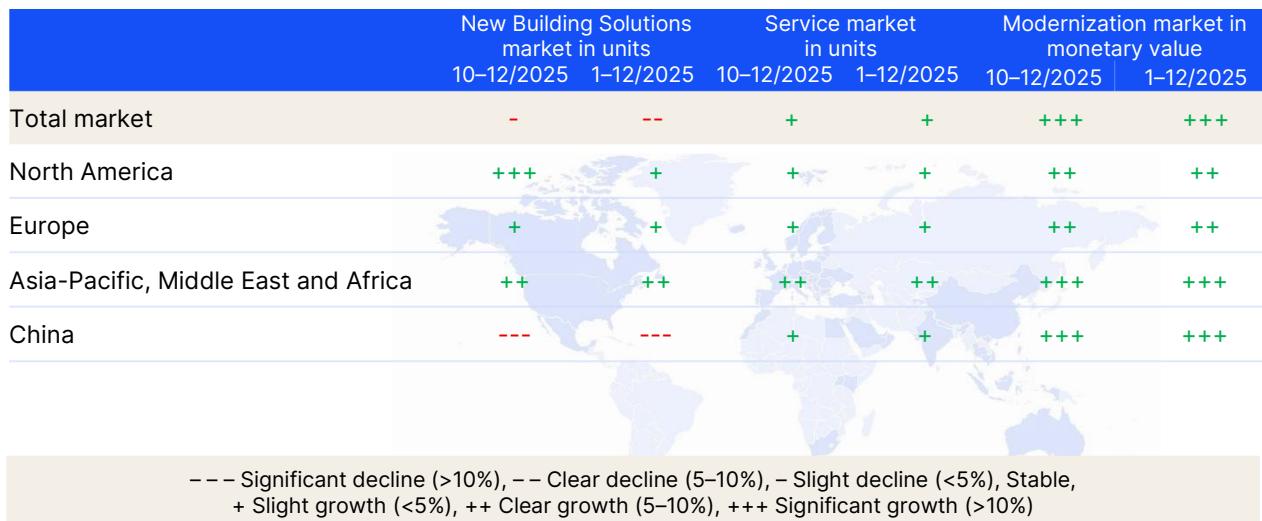


- In October–December 2025, cash flow was EUR 465.9 million.
- Cash flow was positively impacted by the increase in operating income. Net working capital had a slight negative impact on cash flow.
- In January–December 2025, cash flow amounted to EUR 1,761.3 million.

<sup>2</sup> Cash flow from operations before financing items and taxes

# KONE's January–December 2025 review

## KONE's operating environment



### October–December 2025

The global **New Building Solutions market** declined slightly during the fourth quarter. This was mainly due to the continued weak market conditions in **China**. In **North America**, the market grew significantly from a low comparison point. In **Asia-Pacific, Middle East and Africa**, the market grew clearly. In **Europe**, the market grew slightly, mainly due to positive development in the non-residential segment.

**Service and Modernization** markets offered the best growth opportunities. Both markets developed positively with growth across all regions.

Intense competition continued to impact the New Building Solutions **pricing environment** in **China**, while elsewhere pricing was more stable. In the Service and Modernization markets, the pricing environment was more favorable.

### January–December 2025

Regional differences in demand trends were visible in the global **New Building Solutions** market during 2025. In **North America**, trade policy impacts were visible early in the year, but activity rebounded towards the summer and continued on a healthy level throughout the rest of the year. In **Europe**, the market grew slightly. Weak activity in the Nordics was offset by growth elsewhere, particularly in Southern Europe. In **Asia-Pacific, Middle East and Africa**, activity grew clearly, supported by strong growth in India and in the Middle East. In **China**, activity declined significantly due to the property market downturn.

The **Service** market developed positively with growth across all regions. **Modernization** growth was strong globally, supported by the aging of equipment and the demand for improved energy efficiency.

Intense competition impacted the New Building Solutions **pricing environment** in **China**, while elsewhere pricing was more stable. In the Service and Modernization markets, the pricing environment was more favorable.

## Orders received and order book

Orders received, MEUR	10-12/2025	10-12/2024	Change	Comparable change <sup>1</sup>	1-12/2025	1-12/2024	Change	Comparable change <sup>1</sup>
Orders received <sup>2</sup>	2,253.4	2,119.0	6.3%	12.2%	9,087.4	8,758.9	3.8%	6.8%

Order book, MEUR	Dec 31, 2025	Dec 31, 2024	Change	Comparable change <sup>1</sup>
Order book	8,804.3	9,058.6	-2.8%	4.5%

<sup>1</sup> Change at comparable foreign exchange rates

<sup>2</sup> Orders received consist predominantly of New Building Solutions and Modernization orders. Service contracts are not included in orders received, but the figure includes orders related to the Service business, such as repairs.

### October–December 2025

Orders received grew by 6.3% as compared to October–December 2024 and totaled EUR 2,253.4 million. At comparable exchange rates, KONE's orders received grew by 12.2%.

At comparable rates, orders received in New Building Solutions grew significantly with slight growth in the volume business and significant growth in major projects. In Modernization, orders received grew significantly with significant growth in the volume business and significant growth in major projects.

The margin of orders received was stable year-on-year.

**Orders received in the Americas Area** grew significantly at comparable rates as compared to October–December 2024. New Building Solutions orders grew significantly and Modernization orders grew clearly in the Area.

**Orders received in the Europe Area** grew clearly at comparable exchange rates as compared to October–December 2024. New Building Solutions orders grew slightly and Modernization orders grew clearly in the Area.

**Orders received in the Asia-Pacific, Middle East and Africa (APMEA) Area** grew significantly at comparable rates as compared to October–December 2024. New Building Solutions orders grew significantly and Modernization orders grew significantly in the Area.

**Orders received in Greater China Area** declined clearly at comparable rates as compared to October–December 2024. New Building Solutions orders declined clearly in units and declined clearly in monetary value. Modernization orders grew significantly in the Area.

### January–December 2025

Orders received grew by 3.8% as compared to January–December 2024 and totaled EUR 9,087.4 million. At comparable exchange rates, KONE's orders received grew by 6.8%.

At comparable rates, orders received in New Building Solutions grew slightly with stable development in the volume business and significant growth in major projects. In Modernization, orders received grew significantly. Orders grew significantly in the volume business and grew significantly in major projects.

In the first quarter, the margin of orders received was slightly down driven by China, with more stable development elsewhere. From the second quarter onwards, the order margin was stable year-on-year.

KONE's orders received in New Building Solutions in elevator and escalator units amounted to approximately 154,000 units (2024: approximately 159,000).

**Orders received in the Americas Area** grew significantly at comparable rates as compared to January–December 2024. New Building Solutions orders grew significantly and Modernization orders grew clearly in the Area.

**Orders received in the Europe Area** grew clearly at comparable exchange rates as compared to January–December 2024. New Building Solutions orders grew slightly and Modernization orders grew clearly in the Area.

**Orders received in the Asia-Pacific, Middle East and Africa (APMEA) Area** grew significantly at comparable rates as compared to January–December 2024. New Building Solutions orders grew significantly and Modernization orders grew significantly in the Area.

**Orders received in Greater China Area** declined significantly at comparable rates as compared to January–December 2024. New Building Solutions orders declined clearly in units and declined significantly in monetary value. Modernization orders grew significantly in the Area.

The **order book** declined by 2.8% compared to the end of December 2024 and stood at a strong level of EUR 8,804.3 million at the end of the reporting period. At comparable rates, the order book grew by 4.5%.

The order book margin continued to be at a healthy level. Customer cancellations were at a very low level.

# Sales

By business, MEUR	10-12/2025	10-12/2024	Change	Comparable change <sup>1</sup>	1-12/2025	1-12/2024	Change	Comparable change <sup>1</sup>
New Building Solutions	1,077.6	1,179.8	-8.7%	-3.1%	4,097.7	4,506.9	-9.1%	-5.9%
Service	1,215.1	1,189.0	2.2%	6.0%	4,753.6	4,503.6	5.6%	7.6%
Modernization	668.2	606.8	10.1%	14.9%	2,394.0	2,088.0	14.7%	17.4%
<b>Total</b>	<b>2,960.8</b>	<b>2,975.6</b>	<b>-0.5%</b>	<b>4.3%</b>	<b>11,245.2</b>	<b>11,098.4</b>	<b>1.3%</b>	<b>4.0%</b>

By Area, MEUR	10-12/2025	10-12/2024	Change	Comparable change <sup>1</sup>	1-12/2025	1-12/2024	Change	Comparable change <sup>1</sup>
Americas	727.4	741.0	-1.8%	6.1%	2,812.1	2,727.1	3.1%	7.5%
Europe	1,209.3	1,152.0	5.0%	5.0%	4,524.4	4,233.8	6.9%	6.6%
APMEA	519.7	462.2	12.4%	22.9%	1,742.7	1,609.3	8.3%	15.0%
Greater China	504.3	620.5	-18.7%	-12.9%	2,166.0	2,528.2	-14.3%	-11.1%
<b>Total</b>	<b>2,960.8</b>	<b>2,975.6</b>	<b>-0.5%</b>	<b>4.3%</b>	<b>11,245.2</b>	<b>11,098.4</b>	<b>1.3%</b>	<b>4.0%</b>

<sup>1</sup> Change at comparable foreign exchange rates

## October–December 2025

KONE's sales declined by 0.5% as compared to October–December 2024, and totaled EUR 2,960.8 million. At comparable exchange rates, KONE's sales grew by 4.3%. Growth (at comparable exchange rates) in Service and Modernization more than compensated for the slight decline in New Building Solutions sales.

New Building Solutions sales declined by 3.1% at comparable exchange rates due to lower deliveries in Greater China and, to a lesser extent, in the Americas. Service sales grew by 6.0% at comparable exchange rates, thanks to growth in service base (including some inorganic growth) and service repairs, improved pricing and continued momentum in value-added services. Modernization sales grew by 14.9% at comparable exchange rates.

In the Americas Area, sales declined by 1.8% and totaled EUR 727.4 million. At comparable exchange rates, sales grew by 6.1%. New Building Solutions sales declined clearly, Service sales grew clearly and Modernization sales grew significantly in the Area.

Sales in the Europe Area grew by 5.0% and totaled EUR 1,209.3 million. At comparable exchange rates, sales grew by 5.0%. New Building Solutions sales grew slightly, Service sales grew clearly and Modernization sales grew clearly in the Area.

In the Asia-Pacific, Middle East and Africa (APMEA) Area, sales grew by 12.4% and totaled EUR 519.7 million. At comparable exchange rates, sales grew by 22.9%. New Building Solutions sales grew significantly, Service sales grew significantly and Modernization sales grew significantly in the Area.

Sales in the Greater China Area declined by 18.7% and totaled EUR 504.3 million. At comparable exchange rates, sales declined by 12.9%. New Building Solutions sales declined significantly,

Service sales declined slightly and Modernization sales grew significantly in the Area.

## January–December 2025

KONE's sales grew by 1.3% as compared to January–December 2024, and totaled EUR 11,245.2 million. At comparable exchange rates, KONE's sales grew by 4.0%. Growth (at comparable exchange rates) in Service and Modernization more than compensated for the decline in New Building Solutions.

New Building Solutions sales declined by 5.9% at comparable exchange rates. Service sales grew by 7.6% at comparable exchange rates, thanks to service base growth (including some inorganic growth), growth in service repairs, improved pricing and continued momentum in value-added services. Modernization sales grew by 17.4% at comparable exchange rates, with double-digit growth in all areas.

KONE's elevator and escalator service base continued to grow and consisted of approximately 1.8 million units at the end of 2025 (well over 1.7 million units at the end of 2024).

The growth of the service base was driven, in particular, by a continued good level of conversions of new equipment deliveries to the service base. Bolt-on acquisitions contributed positively to the growth. In 2025, the balance of service contracts that were won from or lost to competition was slightly negative outside China. In China, competition balance was adversely affected by actions taken to drive Service business performance.

The largest individual countries in terms of sales were the United States (21%), China (18%), Germany (8%) and France (6%).

In the Americas Area, sales grew by 3.1% and totaled EUR 2,812.1 million. At comparable

exchange rates, sales grew by 7.5%. New Building Solutions sales declined slightly, Service sales grew significantly and Modernization sales grew significantly in the Area.

Sales in the Europe Area grew by 6.9% and totaled EUR 4,524.4 million. At comparable exchange rates, sales grew by 6.6%. New Building Solutions sales were stable, Service sales grew clearly and Modernization sales grew significantly in the Area.

In the Asia-Pacific, Middle East and Africa (APMEA) Area, sales grew by 8.3% and totaled EUR 1,742.7 million. At comparable exchange rates, sales grew by 15.0%. New Building Solutions sales grew significantly. Service sales grew significantly and Modernization sales grew significantly in the Area.

Sales in the Greater China Area declined by 14.3% and totaled EUR 2,166.0 million. At comparable exchange rates, sales declined by 11.1%. New Building Solutions sales declined significantly, Service sales were stable and Modernization sales grew significantly in the Area.

## Financial result

		10-12/2025	10-12/2024	Change	1-12/2025	1-12/2024	Change
Operating income	MEUR	387.1	332.5	16.4%	1,336.2	1,249.0	7.0%
Operating income margin	%	13.1	11.2		11.9	11.3	
Adjusted EBIT	MEUR	401.9	386.5	4.0%	1,369.3	1,303.0	5.1%
Adjusted EBIT margin	%	13.6	13.0		12.2	11.7	
Income before taxes	MEUR	380.6	329.5	15.5%	1,326.8	1,254.1	5.8%
Net income	MEUR	272.8	244.5	11.6%	991.9	961.0	3.2%
Basic earnings per share	EUR	0.52	0.47	10.7%	1.89	1.84	3.0%

### October–December 2025

KONE's operating income (EBIT) was EUR 387.1 million or 13.1% of sales. Adjusted EBIT was EUR 401.9 million or 13.6% of sales. Profitability improved thanks to a favorable business mix, which offset continued margin pressure in the Chinese new equipment market.

In October–December 2025, items affecting comparability amounted to EUR 15 million consisting of costs related to the separation of KONE Door Business under its own legal and operative structure and restructuring costs.

With comparable exchange rates, the translation impact on operating income for the comparison period was EUR -10.6 million.

Basic earnings per share was EUR 0.52.

new equipment market and increased investments into R&D and strategic growth areas.

In January–December 2025, items affecting comparability amounted to EUR 33 million consisting of costs related to the separation of KONE Door Business under its own legal and operative structure and restructuring costs.

In the comparison period, items affecting comparability amounted to EUR 54 million including EUR 36 million restructuring costs and EUR 18 million expensed development costs as a result of redirecting development activities in alignment with KONE's new strategy.

With comparable exchange rates, the translation impact on operating income for the comparison period was EUR -23.0 million.

KONE's income before taxes was EUR 1,326.8 million. Taxes totaled EUR 334.8 (293.1) million. This represents an effective tax rate of 25.2% for the full financial year. The effective tax rate from the operations for the financial year 2025 was 23.4% excluding one-off items related to legal entity restructurings. Net income for the period was EUR 991.9 million.

Basic earnings per share was EUR 1.89.

### January–December 2025

KONE's operating income (EBIT) was EUR 1,336.2 million or 11.9% of sales. Adjusted EBIT was EUR 1,369.3 million or 12.2% of sales. Profitability improved thanks to a favorable business mix. This offset the continued margin pressure in the Chinese

## Cash flow and financial position

		10-12/2025	10-12/2024	1-12/2025	1-12/2024
Cash flow from operations (before financing items and taxes)	MEUR	465.9	533.7	1,761.3	1,589.3
Net working capital (including financing items and taxes)	MEUR			-797.6	-827.2
Interest-bearing net debt	MEUR			-699.8	-831.2
Gearing	%			-24.8	-28.7
Equity ratio	%			39.9	39.8
Equity per share	EUR			5.40	5.54

KONE's financial position was strong at the end of December 2025.

In January–December 2025 cash flow from operations (before financing items and taxes) increased to EUR 1,761.3 million.

Net working capital (including financing items and taxes) was EUR -797.6 million at the end of December 2025. Net working capital increased moderately compared to the beginning of the year. Foreign exchange rates had an approximately EUR

60 million negative impact on the net working capital. At comparable exchange rates, net working capital improved moderately.

Interest-bearing net debt was EUR -699.8 million at the end of December 2025. KONE's cash and cash equivalents together with current deposits and loan receivables were EUR 1,708.9 (Dec 31, 2024: 1,799.0) million at the end of the reporting period. Interest-bearing liabilities were EUR 1,028.3 (Dec 31, 2024: 987.1) million, including a pension liability

of EUR 158.7 (Dec 31, 2024: 141.4) million and lease liabilities of EUR 455.5 (Dec 31, 2024: 432.6) million. Additionally, KONE had an asset on employee benefits amounting to EUR 13.9 (Dec 31, 2024: 15.0)

million. Gearing was -24.8% and the equity ratio was 39.9% at the end of December 2025.

Equity per share was EUR 5.40

## Capital expenditure and acquisitions

MEUR	10-12/2025	10-12/2024	1-12/2025	1-12/2024
On fixed assets	60.4	73.8	153.9	164.3
On leasing agreements	67.2	68.4	224.1	232.7
On acquisitions	43.4	12.8	117.7	125.6
<b>Total</b>	<b>171.0</b>	<b>154.9</b>	<b>495.8</b>	<b>522.5</b>

KONE's capital expenditure and acquisitions totaled EUR 495.8 million in January–December 2025.

Capital expenditure excluding acquisitions is mainly related to manufacturing and R&D facilities, IT licenses, connectivity devices, as well as tools and equipment in R&D. Capital expenditure on leases

consists mainly of maintenance vehicles and office facilities.

Acquisitions totaled EUR 117.7 million in January–December 2025. KONE completed several service-related acquisitions predominantly in Europe.

## Research and development

		10-12/2025	10-12/2024	Change	1-12/2025	1-12/2024	Change
R&D expenditure	MEUR	55.8	52.3	6.7%	233.9	203.6	14.9%
As percentage of sales	%	1.9	1.8		2.1	1.8	

KONE's R&D activities focus on developing smart and sustainable solutions that respond to future needs. KONE supports its customers in achieving their sustainability goals throughout the building lifecycle and develops a variety of partnerships to further enhance its customer-focused solutions. Research and development expenditure totaled EUR 233.9 million, representing 2.1% of sales in January–December 2025. R&D expenditure includes the development of new products and service concepts as well as further development of existing solutions and services.

During the fourth quarter of 2025, KONE continued the roll-out of KONE MonoSpace 4, the next-generation elevator with fewer and lighter components. KONE also continued the roll-out of KONE MonoSpace 100 DX, a cost-competitive solution for the low-rise market. At the end of December, the share of connected elevators in KONE's service base amounted to over 40%. The company also continued the rapid roll out of Dynamic Maintenance Planning to increase field productivity, with almost 30 countries onboarded during 2025.

KONE has, during 2025, been recognized with the design awards presented in the table.

Award	KONE's solution	Description
Red Dot Award winner for Brands and Communication Design 2025	KONE Flow Design System, Ecosystem of interactions	A unique, multi-platform framework that unifies the brand experience across physical and digital touchpoints into one cohesive journey, considering every step as people navigate urban landscapes
Red Dot Award winner for Brands and Communication Design 2025	The Beat of KONE	A dashboard showcasing real-time data from KONE-connected equipment in a dynamic and engaging format tailored for lobbies, showrooms, and keynote presentations.
ICONIC Award Winner and Red Dot winner for Interior Design Elements Category	KONE Entrance	Programmable guiding light for elevator doorways, using animated colors to support intuitive wayfinding and smooth people flow in tall buildings.
Red Dot winner for Sustainable Design	KONE Interact 30	Destination operating panel that produces significantly less CO2 emissions compared to comparative models
American Architecture Award 2025, Best Tall Building Americas CTBUH Award of Excellence 2025 and 2025 Green Good Design Award-Chicago Athenaeum	KONE Lane	KONE supported the award-winning 1900 Lawrence building in Denver with its KONE Lane entrance system, which uses 90% less material than conventional solutions, significantly reducing environmental impact

Key performance indicator		Target	2025 results	2024 results
Environmental matters	Greenhouse gas emissions from own operations (Scope 1 and 2) <sup>1</sup>	Near-term target (2030): 50% reduction in absolute emissions from 2018, carbon neutral operations	Carbon neutral manufacturing units achieved in 2023	Carbon neutral manufacturing units achieved in 2023.
		Carbon neutral manufacturing units	KONE's net Scope 1 and 2 emissions reduced by 30% compared to 2018 (154,700 tCO2e)	KONE's net Scope 1 and 2 emissions reduced by 29% compared to 2018 (154,700 tCO2e)
	Product-related greenhouse gas emissions (Scope 3) <sup>1</sup>	Near-term target (2030): 40% reduction in product-related Scope 3 emissions relative to ordered products	KONE's Scope 3 emissions per product ordered decreased by 12.9% compared to 2024 (63.4 tCO2e/order) by 22.6% compared to 2018 (71.4 tCO2e/order)	KONE's Scope 3 emissions per product ordered (62.0 tCO2e/order) decreased by 9% compared to 2023 (68.2 tCO2e/order) and by 12.8% compared to 2018 (71.4 tCO2e/order)
Personnel and social matters	Share of renewable electricity used in our facilities, %	Near-term target 2030: 100%	99.6%	98.1% <sup>5</sup>
	Number of products covered by Environmental Product Declarations		24	27
	Industrial Injury Frequency Rate (IIFR), employees <sup>2</sup>	2025 target: -11% from 2024 2026 target: -7% from 2025 2030 target: 0.6	IIFR 0.8	IIFR 1.3
Business conduct	Total rolling 12-month turnover rate, % <sup>3</sup>		12.2%	11.5%
	Share of women in director level positions, %	35% of director level positions occupied by women by 2030	27.6%	27.4%
	% of total employees who have completed Code of Conduct training during the year <sup>4</sup>	2025 target: 97%	97%	96%
	% of KONE's total spend with regular trade suppliers and installation subcontractors that is covered by KONE Supplier Code of Conduct or equivalent accepted by KONE	2025 target: 87% 2026 target: 89% 2030 target: 90%	89%	87%
	% of distributors who have signed the Distributor Code of Conduct	2026 target: 100% 2030 target: 100%	100%	97%

<sup>1</sup> The greenhouse gas emissions from our own operations and value chain have been calculated in accordance with ISO 14064 and the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and Corporate Value Chain (Scope 3) Accounting and Reporting Standard. The Scope 2 emissions have been calculated according to the dual reporting principles of the GHG Protocol Scope 2 Guidance (market- and location-based method).

<sup>2</sup> Number of severe and moderate work-related employee incidents divided by the number of total employee theoretical hours worked, multiplied by 1 000 000

<sup>3</sup> Total turnover 2025 (12.2%) = Permanent employee + Expatriate leavers (7,632) divided by average headcount in last 12 months (62,665). Fixed term and Trainee employees (530) are not counted in the turnover.

<sup>4</sup> In 2025, the Code of Conduct e-learning was updated and re-issued globally to all employees, including the Board of Directors.

<sup>5</sup> The 2024 data has been restated to reflect updated realized renewable energy consumption. The previously reported figure was based on an estimate.

# Environmental sustainability

One of KONE's key strategic ambitions is to lead the industry in sustainability. To achieve this ambition, KONE has defined Cut Carbon as one of its four strategic shifts to drive customer value and differentiation.

## Environmental targets and outcomes

KONE announced its climate pledge in 2020. KONE's long-term target for Scope 1 and 2 greenhouse gas (GHG) emissions is an absolute reduction of 50% by 2030 from the base-year 2018. For product and value chain related Scope 3 GHG emissions, KONE targets a reduction of 40% by 2030, relative to ordered products from the base-year 2018. In addition, KONE has pledged to have carbon neutral operations by 2030.

Good progress on environmental targets was made during 2025. In 2025, KONE reached net Scope 1 and 2 emission reduction of 30%, and Scope 3 (product and value chain) emissions per product ordered decreased by 22.6% compared to 2018. Detailed emissions data and further information on environmental targets and outcomes are available in KONE's 2025 Sustainability Statement and Sustainability Supplement.

## KONE's sustainable offering and recognitions

KONE supports sustainable and green buildings through an energy-efficient and innovative offering, the use of functional and sustainable materials, as well

as a transparent documentation of the environmental impact of its products. KONE has a wide range of best-in-class energy performance references for its products in various building types, market areas, and product specifications. Currently, KONE has a total of 41 best-in-class energy efficiency references for elevator and escalator platforms according to the international ISO 25745 standard for the energy performance of lifts, escalators and moving walks.

During the fourth quarter of 2025, externally verified Environmental Product Declarations (EPDs) were published for the KONE Monospace® Upgrade Asia-Pacific, Middle East and Africa modernization package, as well as the KONE TranSys™ DX and the KONE MiniSpace® DX elevators. KONE also received the MyHIJAU environmental product certificate for KONE MonoSpace® DX elevator and renewed the Singapore Green Building Product (SGBP) certification for KONE TravelMaster™ 110 escalator.

During 2025, KONE published five EPDs (2024: six), bringing the total to 24 (2024: 27). KONE also released three Health Product Declarations (HPDs), increasing the total to eight (2024: six), and had a total of four Product Environmental Passports (PEPs) (2024: six).

KONE received the following sustainability recognitions during the year:

Sustainability recognitions in 2025	KONE's score	Industry performance
Corporate Knights' Global 100 Most Sustainable Companies list	54 <sup>th</sup> place	Recognition of KONE's strong global leadership in sustainability and its portfolio of high-performing solutions and products
CDP 2025 Climate change list	A	13th consecutive year, KONE is among the few companies that have achieved an 'A' out of nearly 25,000 companies scored.
EcoVadis 2025	Gold	Top 2% of all assessed companies
World Business Council for Sustainable Development (WBCSD)	Updated membership criteria	Featured as best practice example in WBCSD's Reporting Matters 2025 for clear CSRD and DMA disclosure alignment
Sustainalytics ESG Risk Rating Report	20.1	Improved medium risk rating (23.9 in previous full update in 2024)
China Green Spot Award	Award	Recognition of KONE innovations and technology pioneering of Regenerative Drive Technology
UN Global Compact Communication on Progress (CoP)	Updated membership criteria	KONE continues to support the UN's Sustainable Development Goals (SDGs) through the update CoP
CDP Supplier Engagement Assessment 2024	A	Among the leading companies in Supply Chain engagement on climate issues
Clean200 list (by Corporate Knights and California-based shareholder advocates As You Sow)	80th place	Only elevator and escalator company on the list
MSCI	AA	KONE is a leader in the industrial machinery industry
ISS	B-	Prime status in the industry
Financial Times' Europe's best employers 2025' list	426 <sup>th</sup> place	Highest ranking of all elevator and escalator companies on the list
Fortune China ESG Impact List	On list	Only elevator and escalator company on the list
Financial Times' and Statista's Europe's Climate Leaders list	70.6 points	Highest scoring elevator and escalator company
TIME & Statista World's Most Sustainable Companies 2025	180 <sup>th</sup> place	Highest scoring elevator and escalator company

## Social sustainability

KONE employees	1-12/2025	1-12/2024
<b>Average number of employees</b>	<b>64,294</b>	<b>64,072</b>
<b>Number of employees at the end of period</b>	<b>64,978</b>	<b>64,663</b>
Americas	8,021	7,970
Europe	22,119	21,346
APMEA	13,138	12,383
Greater China	21,701	22,964

People are at the core of KONE's strategy. In addition to the four strategic shifts, KONE is continuously strengthening its core by empowering employees whose collaboration with customers is essential to delivering value. With improved processes and courage, speed, and simplicity, KONE aims to be the easiest company to work for and work with.

During 2025, KONE strengthened its people-centric strategy that reinforced engagement, development, and equitable pay practices. Reflecting these efforts, the Employee Engagement

Index stayed consistently at a high level of 78% in 2025, which indicates strong engagement above benchmark averages and underscores KONE's commitment to building an inclusive and supportive workplace. KONE was also recognized for the sixth consecutive time as one of Forbes' World's Best Employers, rising to 180th place globally in 2025. This is a testament to the dedication and collaboration of KONE's over 60,000 employees and KONE's ongoing commitment to being a great place to work.

## Changes in the Executive Board

On February 5, 2025, KONE announced two appointments to the Executive Board.

Nicolas Alchal was appointed Executive Vice President, Commercial & Operations as of April 1, 2025. He continues to be part of the KONE Executive Board, reporting to Philippe Delorme, President and CEO. Nicolas succeeds Axel Berkling who decided to step down from his position as Executive Vice President. Axel continued to serve the company as an Executive Advisor until the end of August 2025.

Kaori Uehigashi was appointed Executive Vice President, Strategy & Transformation as of early May 2025. She continues to be a member of the Executive Board, reporting to Philippe Delorme, having served as the interim leader for the Strategy & Transformation organization since January 2024.

On June 3, 2025, KONE announced the appointment of Michelle Wen as Executive Vice President, Purchasing and member of the Executive Board as of August 1, 2025.

## Other events

In 2007, a decision was issued by the European Commission concerning alleged local anticompetitive practices before early 2004 in Germany, Luxembourg, Belgium and the Netherlands by leading elevator and escalator companies, including KONE's local subsidiaries. As previously announced by KONE, a number of civil damage claims by certain companies and public entities relating to the 2007 decision are pending in related countries. The claims have been made against various companies concerned by the decision, including certain KONE companies. All claims are independent and are progressing procedurally at different stages. The total capital

amount claimed jointly and severally from all of the defendants together was EUR 30.5 million at the end of December 2025 (September 30, 2025: EUR 43 million). KONE's position is that the claims are without merit. No provision has been made.

As part of the strategic review announced in 2024, the separation of its Door Business into its own legal and operative structure has been largely completed during 2025. The strategic review is ongoing, and any related actions are subject to local legal requirements and consultation of employee representatives. In 2025, the KONE Door Business accounted for approximately 2% of KONE's revenue.

# Most significant risks

KONE is exposed to risks that may arise from its operations or changes in the operating environment. The most significant risk factors described below can potentially have an adverse effect on KONE's business operations and financial position and, as a result, on the value of the company. Other risks, which are currently either unknown or considered immaterial to KONE may, however, become material in the future. Further information on KONE's risk management is available in KONE's Annual Review.

## Strategic risks

The demand for KONE's products and services and the competitive environment are impacted by the general economic cycles and especially the level of activity within the construction industry. The uncertain economic outlook, and its impacts on construction markets, represents a risk to KONE's business and profitability. This applies especially to China, where market activity remains subdued. In 2025, KONE's New Building Solutions sales in China continued to decline.

Geopolitical risks and tensions, export restrictions and tariffs, business environment unpredictability and disruptions in global supply chains may impact KONE's main markets and expose KONE to business disruptions and profitability risks. In addition to the level of market demand, the competitiveness of KONE's offering is a key driver for growth and profitability. A failure to anticipate or address changes in customer requirements and in competitors' offerings, ecosystems and business models or in the regulatory environment could result in a deterioration of the competitiveness of KONE's offering. Furthermore, structural changes in the competitive landscape of the elevator and escalator industry, such as increased competition and customer consolidation, could affect market dynamics and KONE's market share.

## Operational risks

With business models and ways of working changing in the elevator and escalator industry, KONE needs new organizational capabilities, as well as new competencies and talent on the individual employee level in different fields, such as in digitalization. At the same time, labor scarcity and competition over talent, such as skilled field workforce, is increasing. Securing the needed resources and their competence management is critical. A failure to develop, retain and attract the required capabilities could have an adverse impact on KONE's growth and profitability.

The majority of components used in KONE's supply chain are sourced from external suppliers, a significant number of which are located in China. KONE also subcontracts a significant amount of installation activity, outsources certain business support processes and works with partners in e.g. digital services and logistics. This may expose KONE to supply chain and logistics constraints, risks

related to component and subcontracted labor availability and cost as well as to continuity risk in partnerships.

During 2025, tariffs and export restrictions imposed on specific materials and components had some negative impacts on KONE's operations and financial result. A failure to secure the needed materials, components or resources, or quality issues within these, could cause business disruptions, rescheduling of orders and cost increases. Labor availability constraints may also impact progress at construction sites and performance of maintenance and repair services.

As one of the leading companies in the industry, KONE has a strong brand and reputation. Issues that impact the company's reputation or brand could affect KONE's business and financial performance. Such reputational risks could materialize in the case of e.g. safety, cybersecurity or ethical and regulatory non-compliance incidents, major delivery issues or product or service quality issues.

## Hazard, security and incidental risks

The operations of KONE, its suppliers and customers, utilize information technology extensively and KONE's business is dependent on the quality, integrity, availability and confidentiality of information. Thus, KONE is exposed to IT disruption and cybersecurity risks, as operational information systems and products may be vulnerable to interruption, loss or manipulation of data, or malfunctions which can result in disruptions in processes and equipment availability.

Continued geopolitical tensions and escalations may lead to cyber, hybrid and even conventional attacks causing local and global disturbances that may impact KONE, our customers and our suppliers.

A breach of sensitive employee or customer data may result in significant penalties as well as reputational damage. Such incidents could be caused by, including but not limited to, cyber-crime, cyber-attacks, ransomware, information theft, fraud, or inadvertent actions from our employees and vendors.

Physical damage caused by fire, extreme weather conditions, natural catastrophes or terrorism, among other things, could also cause business interruption for KONE or its suppliers. KONE places very strong emphasis on employee safety. Certain worker groups, especially those working on construction or maintenance sites, face elevated exposure to occupational hazards due to the nature of their work.

## Financial risks

The majority of KONE's sales and financial results are denominated in currencies other than the euro, which exposes KONE to risks arising from foreign exchange rate fluctuations. KONE is also exposed to counterparty risks related to financial institutions, through the significant amounts of liquid funds

deposited with financial institutions, in the form of financial investments and in derivatives.

Additionally, KONE is exposed to risks related to liquidity and payment discipline of its customers, which may impact cash flow or lead to credit losses, especially in China. Significant changes in local financial or taxation regulation could also have an impact on KONE's financial performance, liquidity, and cash flow. For further information on financial risks, please refer to the notes to the consolidated financial statements.

## Decisions of the Annual General Meeting

KONE Corporation's Annual General Meeting was held in Helsinki on March 5, 2025.

The meeting approved the financial statements and the Remuneration Report and discharged the Members of the Board and the President and CEO from liability for the financial period January 1–December 31, 2024.

The number of Members of the Board of Directors was confirmed as nine. Matti Alahuhta, Susan Duinhoven, Marika Fredriksson, Antti Herlin, Iiris Herlin, Jussi Herlin, Timo Ihamuotila and Krishna Mikkilineni were re-elected as Members of the Board. Banmali Agrawala was elected as a new Member of the Board.

At its meeting held after the Annual General Meeting, on March 5, 2025, the Board of Directors of KONE Corporation elected from among its members Antti Herlin as its Chairman and Jussi Herlin as Vice Chair.

Marika Fredriksson was elected as Chair of the Audit Committee and Susan Duinhoven, Jussi Herlin and Timo Ihamuotila as members of the Audit Committee. Marika Fredriksson, Susan Duinhoven and Timo Ihamuotila are independent of both the company and of significant shareholders.

Jussi Herlin was elected as Chair of the Nomination and Compensation Committee and Matti Alahuhta, Susan Duinhoven and Antti Herlin as members of the Nomination and Compensation Committee. Matti Alahuhta and Susan Duinhoven are independent of both the company and of significant shareholders.

The General Meeting confirmed an annual compensation of EUR 220,000 for the Chairman of the Board, EUR 125,000 for the Vice Chairman and EUR 110,000 for Board Members. Of the annual compensation 40 percent will be paid in class B shares of KONE Corporation and the rest in cash. In addition, the General Meeting confirmed a separate annual compensation to the members of the board committees: Chairman of the Audit Committee: EUR 20,000 and members of the Audit Committee: EUR 10,000, and Chairman of the Nomination and Compensation Committee: EUR 20,000 and members of the Nomination and Compensation Committee: EUR 10,000. The annual compensation of the members of the board committees is paid in cash. In addition, it was resolved that annual compensation is not paid to a Board Member who is employed by the company.

The General Meeting approved the authorization of the Board of Directors to repurchase KONE's own shares. Altogether no more than 52,930,000 shares may be repurchased, of which no more than 7,620,000 may be class A shares and 45,310,000 class B shares. The authorization will be valid until the conclusion of the following Annual General Meeting, however, at the latest until 30 June 2026.

Furthermore, the General Meeting authorized the Board of Directors to decide on the issuance of shares as well as the issuance of options and other special rights entitling to shares referred to in Chapter 10, Section 1 of the Limited Liability Companies Act. The number of shares to be issued

based on this authorization shall not exceed 7,620,000 class A shares and 45,310,000 class B shares. The Board of Directors was authorized to decide on all the conditions of the issuance of shares and of special rights entitling to shares. The authorization concerns both the issuance of new shares as well as the transfer of treasury shares either for consideration or without consideration. The issuance of shares and of special rights entitling to shares may be carried out in deviation from the shareholders' pre-emptive rights (directed issue), if there is a weighty financial reason for the company, such as using shares as consideration in potential corporate acquisitions or other arrangements related to the company's business, financing investments, developing the company's capital structure, or implementing the company's incentive schemes. The authorization will be valid until the conclusion of the following Annual General Meeting, however, at the latest until 30 June 2026.

Audit firm Ernst & Young Oy was re-elected as the auditor for the term 2025. Ernst & Young Oy was also elected as the company's sustainability reporting assurer for the term 2025.

## Share-based incentive plans

KONE has two separate share-based incentive structures, a performance-based long-term incentive plan structure and a restricted share plan structure.

The performance-based long-term incentive plan structure emphasizes profitable growth and sustainability. It consists of annually commencing individual share plans, each with a three-year rolling performance period. The plans vest and are delivered in one portion after the three years, based on accumulated outcomes of each performance year. If the participant's employment or service relationship with KONE Group terminates before the end of the performance period, the participant, as a rule, forfeits the share award without compensation.

The target group and targets for each annually commencing long-term incentive plan as well as the rewards are decided upon annually by the Board. As a part of the long-term incentive plan for the top management, a long-term target for their ownership has been set. For the Executive Board members, the long-term ownership target is that the members have an ownership of KONE shares corresponding to at least five years' annual base salary. For other selected top management positions, the ownership target is at least two years' base salary.

For the performance period 2025-2027, the plan includes approximately 600 top leaders and

selected key employees, including the President and CEO and members of the Executive Board. The performance criteria applied to the year 2025 are based on adjusted EBIT margin, sales growth (jointly 80%) and a sustainability index (20%), which measures progress in diversity, carbon emission reduction, safety performance and cybersecurity.

The restricted share plan structure serves as a complementary incentive structure used as a commitment instrument for retention and recruitment purposes for top management (excluding the President and CEO) and other selected key employees. The restricted share plan structure does not have a performance condition. Each annually commencing plan has a commitment period of up to three years, after which the potential share awards will be paid to the participant, provided that their employment or service relationship with KONE Group is in force at the time of payment.

Pursuant to the share-based incentive plan rules, the potential rewards are settled as a combination of KONE class B shares and/or cash when the criteria set in the terms and conditions for the plan are met. The number of shares earned by participants under the share-based incentive plans are determined on a gross basis with a deduction for taxes made when applicable before the delivery of the shares to the participants. Share-based incentive plans are classified as equity settled transactions.

## Shares and share capital

Share capital and market capitalization	Dec 31, 2025	Dec 31, 2024
Number of class B shares	453,187,148	453,187,148
Number of class A shares	76,208,712	76,208,712
<b>Total shares</b>	<b>529,395,860</b>	<b>529,395,860</b>
Treasury shares	11,537,238	11,867,752
Share capital, EUR	66,174,483	66,174,483
Accounting par value	0.125	0.125
<b>Market capitalization, MEUR<sup>1</sup></b>	<b>31,362</b>	<b>24,324</b>

<sup>1</sup> Market capitalization is calculated on the basis of both the listed B shares and the unlisted A shares excluding treasury shares. Class A shares are valued at the closing price of the class B shares at the end of the reporting period.

Treasury shares	1-12/2025
Treasury shares at the beginning of the period	11,867,752
Changes in treasury shares during the period	-330,514
<b>Treasury shares at the end of the period</b>	<b>11,537,238</b>

At the end of December 2025, the Group's parent company KONE Oyj had 11,537,238 class B treasury shares. The treasury shares represent 2.5% of the

total number of class B shares. This corresponds to 0.9% of the total voting rights.

Shares traded on Nasdaq Helsinki		1-12/2025	1-12/2024
Shares traded on the Nasdaq Helsinki Ltd., millions		128.6	139.4
Average daily trading volume		514,342	555,351
Volume-weighted average share price	EUR	54.36	47.16
Highest share notation	EUR	60.82	54.78
Lowest share notation	EUR	45.42	41.33
Share notation at the end of the period	EUR	60.56	47.00

In addition to the Nasdaq Helsinki Ltd., KONE's class B share is traded on various alternative trading platforms.

The number of registered shareholders was 106,659 at the beginning of the review period and 104,866 at its end. The number of private

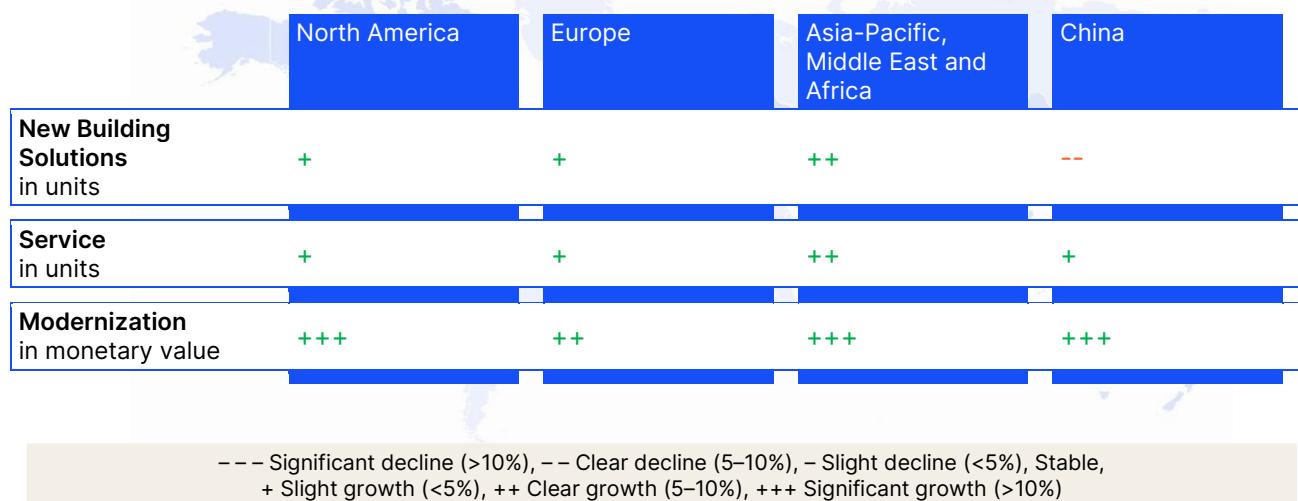
households holding shares totaled 100,306 at the end of the period, which corresponds to approximately 11.7% of the listed B shares. At the end of December 2025, a total of 53.3% of the B shares were owned by nominee-registered and non-Finnish investors.

## Flagging notifications

During January–December 2025, BlackRock, Inc. announced nine notices in accordance with the Finnish Securities Market Act Chapter 9, Section 5. The notices have been released as stock exchange releases and are available on KONE Corporation's internet pages at [www.kone.com](http://www.kone.com). According to the latest notification, the total number of KONE Corporation shares owned by BlackRock, Inc. and its funds amounted to 5.57% of the total number of shares of KONE Corporation on July 1, 2025.

Transaction date	Shareholder	Threshold
January 29, 2025	BlackRock, Inc.	Below 5%
January 30, 2025	BlackRock, Inc.	Above 5%
January 31, 2025	BlackRock, Inc.	Below 5%
February 24, 2025	BlackRock, Inc.	Above 5%
February 27, 2025	BlackRock, Inc.	Above 5%
February 28, 2025	BlackRock, Inc.	Below 5%
March 10, 2025	BlackRock, Inc.	Above 5%
March 12, 2025	BlackRock, Inc.	Above 5%
July 1, 2025	BlackRock, Inc.	Above 5%

## Market outlook 2026



Activity in the New Building Solutions market is expected to vary regionally in 2026. The market is expected to grow slightly in North America and in Europe. In Asia-Pacific, Middle East and Africa, activity is expected to grow clearly. In China, the market is expected to decline clearly.

Modernization markets are expected to grow in all regions supported by an aging equipment base as well as the focus on sustainability and adaptability of buildings. Service markets are expected to grow clearly in Asia-Pacific, Middle East and Africa and grow slightly in other regions.

## Business outlook 2026

KONE expects its sales to grow 2–6% at comparable exchange rates in 2026 and its adjusted EBIT margin to be in the range of 12.3–13.0%.

The negative impact of foreign exchange rates on the adjusted EBIT margin is expected to be approximately 10 basis points, assuming rates remain at the January 2026 level.

Key drivers for sales growth are the positive outlook for Service and Modernization and the solid

order book. The declining New Building Solutions market in China is a headwind.

The key drivers of EBIT margin expansion are sales growth in Service and Modernization, an increased contribution from performance initiatives and good progress in product cost reductions. The challenging New Building Solutions market in China and continued inflationary pressure on wages are expected to impact profitability negatively.

## The Board's proposal for the distribution of profit

The parent company's distributable profit on December 31, 2025 is EUR 3,655,182,389.87 of which the net income for the financial year is EUR 1,376,397,495.16.

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 1.7975 be paid on the outstanding 76,208,712 class A shares and EUR 1.80 on the outstanding 441,649,910 class B shares, resulting in a total amount of proposed

dividend of EUR 931,954,997.82. The Board of Directors further proposes that the distributable profits, EUR 2,723,227,392.05, be retained and carried forward.

The Board proposes that the dividends be payable from March 16, 2026. All the shares existing on the dividend record date are entitled to dividend for the year 2025 except for the treasury shares held by the parent company.

## Annual General Meeting 2026

KONE Corporation's Annual General Meeting will be held on Thursday March 5, 2026, at 11.00 a.m. at Finlandia Hall, Mannerheimintie 13 E, in Helsinki, Finland.

Helsinki, February 5, 2026

KONE Corporation's Board of Directors

## Consolidated statement of income

MEUR	10-12/2025	%	10-12/2024	%	1-12/2025	%	1-12/2024	%
<b>Sales</b>	<b>2,960.8</b>		<b>2,975.6</b>		<b>11,245.2</b>		<b>11,098.4</b>	
Costs and expenses	-2,487.9		-2,566.4		-9,589.2		-9,557.3	
Depreciation and amortization	-85.8		-76.7		-319.9		-292.2	
<b>Operating income</b>	<b>387.1</b>	<b>13.1</b>	<b>332.5</b>	<b>11.2</b>	<b>1,336.2</b>	<b>11.9</b>	<b>1,249.0</b>	<b>11.3</b>
Financing income	8.6		8.6		41.5		48.3	
Financing expenses	-14.0		-11.6		-49.7		-43.1	
Share of result of associated companies	-1.2		-		-1.2		-	
<b>Income before taxes</b>	<b>380.6</b>	<b>12.9</b>	<b>329.5</b>	<b>11.1</b>	<b>1,326.8</b>	<b>11.8</b>	<b>1,254.1</b>	<b>11.3</b>
Taxes	-107.7		-85.1		-334.8		-293.1	
<b>Net income</b>	<b>272.8</b>	<b>9.2</b>	<b>244.5</b>	<b>8.2</b>	<b>991.9</b>	<b>8.8</b>	<b>961.0</b>	<b>8.7</b>
<b>Net income attributable to:</b>								
Shareholders of the parent company	269.1		242.9		980.1		951.3	
Non-controlling interests	3.7		1.6		11.9		9.7	
<b>Total</b>	<b>272.8</b>		<b>244.5</b>		<b>991.9</b>		<b>961.0</b>	
<b>Earnings per share for profit attributable to the shareholders of the parent company, EUR</b>								
Basic earnings per share, EUR	0.52		0.47		1.89		1.84	
Diluted earnings per share, EUR	0.52		0.47		1.89		1.84	

## Consolidated statement of comprehensive income

MEUR	10-12/2025	10-12/2024	1-12/2025	1-12/2024
<b>Net income</b>	<b>272.8</b>	<b>244.5</b>	<b>991.9</b>	<b>961.0</b>
<b>Other comprehensive income, net of tax:</b>				
Translation differences	9.5	107.7	-184.3	78.4
Hedging of foreign subsidiaries	-1.5	-19.0	28.8	-12.8
Cash flow hedges	-0.2	-5.2	9.1	-3.7
<b>Items that may be subsequently reclassified to statement of income</b>	<b>7.7</b>	<b>83.5</b>	<b>-146.5</b>	<b>61.9</b>
Changes in fair value	-6.5	-0.6	-14.8	-1.6
Remeasurements of employee benefits	17.5	-20.4	14.0	-8.7
<b>Items that will not be reclassified to statement of income</b>	<b>11.1</b>	<b>-20.9</b>	<b>-0.8</b>	<b>-10.3</b>
<b>Total other comprehensive income, net of tax</b>	<b>18.8</b>	<b>62.5</b>	<b>-147.3</b>	<b>51.6</b>
<b>Total comprehensive income</b>	<b>291.6</b>	<b>307.0</b>	<b>844.7</b>	<b>1,012.6</b>
<b>Total comprehensive income attributable to:</b>				
Shareholders of the parent company	287.9	305.4	832.8	1,002.9
Non-controlling interests	3.7	1.6	11.9	9.7
<b>Total</b>	<b>291.6</b>	<b>307.0</b>	<b>844.7</b>	<b>1,012.6</b>

# Condensed consolidated statement of financial position

Assets, MEUR		Dec 31, 2025	Dec 31, 2024
<b>Non-current assets</b>			
Goodwill		1,552.9	1,558.4
Other intangible assets		336.7	333.3
Tangible assets		942.5	898.5
Employee benefit assets	I	13.9	15.0
Deferred tax assets	II	365.7	365.7
Shares and other non-current assets	I/II	158.9	150.3
<b>Total non-current assets</b>		<b>3,370.6</b>	<b>3,321.2</b>
<b>Current assets</b>			
Inventories	II	843.1	856.7
Accounts receivable	II	2,350.7	2,494.8
Deferred assets	II	675.8	693.6
Income tax receivables	II	102.9	119.0
Deposits and other current assets	I	1,268.4	1,223.0
Cash and cash equivalents	I	440.5	576.0
<b>Total current assets</b>		<b>5,681.4</b>	<b>5,963.1</b>
<b>Total assets</b>		<b>9,052.0</b>	<b>9,284.3</b>
Equity and liabilities, MEUR			
<b>Equity</b>		<b>2,826.8</b>	<b>2,893.1</b>
<b>Non-current liabilities</b>			
Loans and other interest-bearing liabilities	I	514.6	700.5
Employee benefit liabilities	I	158.7	141.4
Deferred tax liabilities	II	102.4	87.3
<b>Total non-current liabilities</b>		<b>775.6</b>	<b>929.3</b>
<b>Provisions</b>	II	<b>176.4</b>	<b>185.9</b>
<b>Current liabilities</b>			
Loans and other interest-bearing liabilities	I	355.1	145.1
Advances received and deferred revenue	II	1,965.2	2,016.9
Accounts payable	II	967.6	982.9
Accruals	II	1,846.5	1,986.6
Income tax payables	II	138.8	144.4
<b>Total current liabilities</b>		<b>5,273.1</b>	<b>5,275.9</b>
<b>Total equity and liabilities</b>		<b>9,052.0</b>	<b>9,284.3</b>

Items designated " I " comprise interest-bearing net debt.

Items designated " II " comprise net working capital.

# Consolidated statement of changes in equity

MEUR	Attributable to the equity holders of the parent								Non-controlling interests	Total equity
	Share capital	Share premium account	Paid-up unrestricted equity reserve	Fair value and other reserves	Translation differences	Remeasurements of employee benefits	Retained earnings			
Jan 1, 2025	66.2	100.3	245.7	-25.3	135.3	-105.2	2,449.7	26.3	2,893.1	
Net income for the period	-	-	-	-	-	-	980.1	11.9	991.9	
Other comprehensive income:										
Translation differences	-	-	-	-	-184.3	-	-	-	-184.3	
Hedging of foreign subsidiaries	-	-	-	-	28.8	-	-	-	28.8	
Cash flow hedges	-	-	-	9.1	-	-	-	-	9.1	
Changes in fair value	-	-	-	-14.8	-	-	-	-	-14.8	
Remeasurements of employee benefits	-	-	-	-	-	14.0	-	-	14.0	
Transactions with shareholders and non-controlling interests:										
Profit distribution	-	-	-	-	-	-	-931.9	-	-931.9	
Change in non-controlling interests	-	-	-	-	-	-	-1.8	-8.8	-10.6	
Share-based compensation	-	-	-	-	-	-	31.6	-	31.6	
Dec 31, 2025	66.2	100.3	245.7	-31.1	-20.2	-91.2	2,527.6	29.4	2,826.8	

MEUR	Attributable to the equity holders of the parent								Non-controlling interests	Total equity
	Share capital	Share premium account	Paid-up unrestricted equity reserve	Fair value and other reserves	Translation differences	Remeasurements of employee benefits	Retained earnings			
Jan 1, 2024	66.2	100.3	245.7	-20.0	69.7	-96.5	2,386.6	33.9	2,786.0	
Net income for the period	-	-	-	-	-	-	951.3	9.7	961.0	
Other comprehensive income:										
Translation differences	-	-	-	-	78.4	-	-	-	78.4	
Hedging of foreign subsidiaries	-	-	-	-	-12.8	-	-	-	-12.8	
Cash flow hedges	-	-	-	-3.7	-	-	-	-	-3.7	
Changes in fair value	-	-	-	-1.6	-	-	-	-	-1.6	
Remeasurements of employee benefits	-	-	-	-	-	-8.7	-	-	-8.7	
Transactions with shareholders and non-controlling interests:										
Profit distribution	-	-	-	-	-	-	-905.5	-	-905.5	
Change in non-controlling interests	-	-	-	-	-	-	-8.4	-17.3	-25.7	
Share-based compensation	-	-	-	-	-	-	25.6	-	25.6	
Dec 31, 2024	66.2	100.3	245.7	-25.3	135.3	-105.2	2,449.7	26.3	2,893.1	

## Condensed consolidated statement of cash flows

MEUR	10-12/2025	10-12/2024	1-12/2025	1-12/2024
Operating income	387.1	332.5	1,336.2	1,249.0
Change in net working capital	-7.0	124.6	105.3	48.1
Depreciation and amortization	85.8	76.7	319.9	292.2
<b>Cash flow from operations before financing items and taxes</b>	<b>465.9</b>	<b>533.7</b>	<b>1,761.3</b>	<b>1,589.3</b>
 Cash flow from financing items and taxes	 -100.8	 -62.2	 -445.3	 -340.0
<b>Cash flow from operating activities</b>	<b>365.0</b>	<b>471.6</b>	<b>1,316.0</b>	<b>1,249.3</b>
 Cash flow from investing activities	 -96.0	 -98.7	 -284.0	 -287.4
<b>Cash flow after investing activities</b>	<b>269.1</b>	<b>372.9</b>	<b>1,032.0</b>	<b>962.0</b>
 Profit distribution	 -	 -	 -931.9	 -905.5
Change in deposits and loans receivable, net	-70.9	-374.2	-51.6	72.4
Change in loans payable and other interest-bearing debt	-44.7	158.4	-150.0	39.6
Changes in non-controlling interests	-4.7	-17.2	-6.0	-19.5
<b>Cash flow from financing activities</b>	<b>-120.3</b>	<b>-233.0</b>	<b>-1,139.5</b>	<b>-813.0</b>
 <b>Change in cash and cash equivalents</b>	 <b>148.7</b>	 <b>139.9</b>	 <b>-107.5</b>	 <b>149.0</b>
 Cash and cash equivalents at beginning of period	 293.6	 426.0	 576.0	 424.5
Translation difference	-1.8	10.1	-28.0	2.5
<b>Cash and cash equivalents at end of period</b>	<b>440.5</b>	<b>576.0</b>	<b>440.5</b>	<b>576.0</b>

In January–December 2025, repayments of lease liabilities included in cash flow from financing activities were EUR 150.5 (1–12/2024: 138.3) million and interest payments of lease liabilities included in cash flow from financing items and taxes were EUR 27.5 (23.4) million.

# Notes to the interim report

## Accounting principles

KONE Corporation's financial statement bulletin for January–December 2025 has been prepared in line with IAS 34, 'Interim Financial Reporting' and should be read in conjunction with KONE's financial statements for 2025, published on February 6, 2026.

KONE has applied the same accounting principles in the preparation of this financial statement bulletin as in its financial statements for 2025. The information presented in this financial statement bulletin has been audited.

## Key figures

		1–12/2025	1–12/2024
Basic earnings per share	EUR	1.89	1.84
Diluted earnings per share	EUR	1.89	1.84
Equity per share	EUR	5.40	5.54
Interest-bearing net debt	MEUR	-699.8	-831.2
Equity ratio	%	39.9	39.8
Gearing	%	-24.8	-28.7
Return on equity	%	34.7	33.8
Return on capital employed	%	26.9	27.2
Total assets	MEUR	9,052.0	9,284.3
Assets employed	MEUR	2,127.0	2,061.9
Net working capital (including financing and tax items)	MEUR	-797.6	-827.2

The calculation formulas of key figures are presented in KONE's Financial Statements for 2025.

## Alternative performance measure

KONE reports an alternative performance measure, adjusted EBIT, to enhance the comparability of business performance between reporting periods. Adjusted EBIT is calculated by excluding from EBIT items affecting comparability such as significant restructuring costs and income and expenses incurred outside the ordinary course of business of KONE.

In January–December 2025, items affecting comparability amounted to EUR 33 million consisting

of costs related to the separation of KONE Door Business under its own legal and operative structure and restructuring costs. In the comparison period, items affecting comparability amounted to EUR 54 million including EUR 36 million restructuring costs and EUR 18 million expensed development costs as a result of redirecting development activities in alignment with KONE's new strategy.

Reconciliation of alternative performance measure	10–12/2025	10–12/2024	1–12/2025	1–12/2024
Operating income	MEUR	387.1	332.5	1,336.2
Operating income margin	%	13.1	11.2	11.9
Items affecting comparability	MEUR	14.8	54.0	33.1
Adjusted EBIT	MEUR	401.9	386.5	1,369.3
Adjusted EBIT margin	%	13.6	13.0	12.2

## Quarterly figures

KONE has adopted IFRS 16 standard effective January 1, 2019, using the modified retrospective approach and comparative figures have not been restated.

		Q4/2025	Q3/2025	Q2/2025	Q1/2025	Q4/2024	Q3/2024	Q2/2024	Q1/2024
Orders received	MEUR	2,253.4	2,139.5	2,316.2	2,378.4	2,119.0	2,076.6	2,327.6	2,235.7
Order book	MEUR	8,804.3	8,839.2	8,699.4	9,253.2	9,058.6	9,001.2	9,326.6	9,133.0
Sales	MEUR	2,960.8	2,762.0	2,850.1	2,672.3	2,975.6	2,753.6	2,801.0	2,568.2
Operating income	MEUR	387.1	334.4	338.0	276.7	332.5	319.4	334.7	262.4
Operating income margin	%	13.1	12.1	11.9	10.4	11.2	11.6	11.9	10.2
Adjusted EBIT <sup>1</sup>	MEUR	401.9	340.7	347.2	279.6	386.5	319.4	334.7	262.4
Adjusted EBIT margin <sup>1</sup>	%	13.6	12.3	12.2	10.5	13.0	11.6	11.9	10.2
Items affecting comparability	MEUR	14.8	6.3	9.2	2.8	54.0	-	-	-

		Q4/2023	Q3/2023	Q2/2023	Q1/2023	Q4/2022	Q3/2022	Q2/2022	Q1/2022
Orders received	MEUR	2,049.2	1,989.9	2,275.5	2,263.1	1,944.2	2,155.5	2,609.0	2,422.6
Order book	MEUR	8,715.7	8,839.5	9,041.9	9,176.2	9,026.1	9,890.5	10,000.4	9,255.4
Sales	MEUR	2,809.9	2,749.9	2,835.9	2,556.6	2,911.5	2,998.2	2,555.1	2,441.9
Operating income	MEUR	362.1	316.5	283.2	238.3	367.1	303.9	189.0	171.1
Operating income margin	%	12.9	11.5	10.0	9.3	12.6	10.1	7.4	7.0
Adjusted EBIT <sup>1</sup>	MEUR	358.6	315.9	332.0	241.9	365.0	305.8	209.3	196.5
Adjusted EBIT margin <sup>1</sup>	%	12.8	11.5	11.7	9.5	12.5	10.2	8.2	8.0
Items affecting comparability	MEUR	-3.6	-0.5	48.8	3.6	-2.1	1.9	20.3	25.4

		Q4/2021	Q3/2021	Q2/2021	Q1/2021	Q4/2020	Q3/2020	Q2/2020	Q1/2020
Orders received	MEUR	2,155.1	2,211.1	2,410.7	2,075.9	2,068.7	1,931.7	2,075.4	2,109.3
Order book	MEUR	8,564.0	8,436.9	8,272.5	8,180.4	7,728.8	7,914.4	8,307.3	8,386.4
Sales	MEUR	2,766.8	2,610.0	2,810.8	2,326.4	2,621.2	2,587.0	2,532.1	2,198.3
Operating income	MEUR	351.9	326.5	367.1	249.8	367.1	333.1	315.5	197.2
Operating income margin	%	12.7	12.5	13.1	10.7	14.0	12.9	12.5	9.0
Adjusted EBIT <sup>1</sup>	MEUR	359.4	326.5	374.0	249.8	380.6	339.8	324.6	205.6
Adjusted EBIT margin <sup>1</sup>	%	13.0	12.5	13.3	10.7	14.5	13.1	12.8	9.4
Items affecting comparability	MEUR	7.5	-	7.0	-	13.5	6.7	9.1	8.4

		Q4/2019	Q3/2019	Q2/2019	Q1/2019	Q4/2018	Q3/2018	Q2/2018	Q1/2018
Orders received	MEUR	1,988.3	2,007.3	2,310.1	2,094.1	1,937.9	1,831.9	2,118.6	1,908.7
Order book	MEUR	8,051.5	8,399.8	8,407.1	8,454.7	7,950.7	7,791.6	7,915.3	7,786.6
Sales	MEUR	2,684.6	2,557.6	2,540.8	2,198.8	2,443.4	2,288.7	2,330.6	2,008.0
Operating income	MEUR	356.4	314.2	306.5	215.4	292.5	258.0	280.5	211.5
Operating income margin	%	13.3	12.3	12.1	9.8	12.0	11.3	12.0	10.5
Adjusted EBIT <sup>1</sup>	MEUR	367.5	321.9	319.6	228.4	319.6	273.7	300.4	218.3
Adjusted EBIT margin <sup>1</sup>	%	13.7	12.6	12.6	10.4	13.1	12.0	12.9	10.9
Items affecting comparability	MEUR	11.1	7.7	13.1	13.1	27.1	15.7	19.9	6.9

<sup>1</sup> Operating income excluding items affecting comparability

## Other notes

Net working capital, MEUR	Dec 31, 2025	Dec 31, 2024
Inventories	843.1	856.7
Advances received and deferred revenue	-1,965.2	-2,016.9
Accounts receivable	2,350.7	2,494.8
Deferred assets and income tax receivables	778.7	812.5
Accruals and income tax payables	-1,985.3	-2,131.0
Provisions	-176.4	-185.9
Accounts payable	-967.6	-982.9
Other non-current assets	60.9	47.0
Net deferred tax assets/liabilities	263.4	278.4
<b>Total</b>	<b>-797.6</b>	<b>-827.2</b>

Change in interest-bearing net debt, MEUR	10-12/2025	10-12/2024	1-12/2025	1-12/2024
Interest-bearing net debt at beginning of period	-479.5	-560.1	-831.2	-1,013.4
Interest-bearing net debt at end of period	-699.8	-831.2	-699.8	-831.2
<b>Change in interest-bearing net debt</b>	<b>-220.3</b>	<b>-271.1</b>	<b>131.4</b>	<b>182.2</b>

Depreciation and amortization, MEUR	10-12/2025	10-12/2024	1-12/2025	1-12/2024
Depreciation and amortization of fixed assets	69.4	65.3	266.7	245.5
Amortization of acquisition-related intangible assets	16.4	11.4	53.2	46.7
<b>Total</b>	<b>85.8</b>	<b>76.7</b>	<b>319.9</b>	<b>292.2</b>

Key exchange rates		1-12/2025		1-12/2024	
		Average rate	End rate	Average rate	End rate
Chinese yuan	EUR/CNY	8.0693	8.2262	7.7793	7.5833
US dollar	EUR/USD	1.1243	1.1750	1.0826	1.0389
British pound	EUR/GBP	0.8546	0.8726	0.8469	0.8292
Indian rupee	EUR/INR	98.0741	105.5965	90.6243	88.9335
Australian dollar	EUR/AUD	1.7484	1.7581	1.6424	1.6772

## Derivatives

	Dec 31, 2025		Dec 31, 2024	
	Derivative assets	Derivative liabilities	Fair value, net	Fair value, net
Fair values of derivatives, MEUR				
Foreign exchange forward contracts and swaps	18.3	-18.8	-0.5	-0.1
Nominal values of derivatives, MEUR		Dec 31, 2025		Dec 31, 2024
Foreign exchange forward contracts and swaps		2,727.8	3,395.2	

The fair values of foreign exchange forward contracts and swaps are measured based on price information derived from active markets and commonly used valuation methods (fair value hierarchy level 2).

The fair values are represented on the balance sheet on a gross basis and can be set off on conditional terms. No collaterals or pledges have been given as a security against any liabilities or received

against any assets arising from derivatives or other financial instruments. Financial contracts are executed only with counterparties that have high credit ratings. The credit risk of these counterparties as well as the present creditworthiness of KONE are considered when calculating the fair values of outstanding financial assets and liabilities.

## Investments

Shares and other non-current assets include a 19.9% holding in Toshiba Elevator and Building Systems Corporation (TELC). TELC is an investment in equity instruments that does not have a quoted price in an active market. Investments also include other non-current financial assets which involve smaller holdings in other companies without public quotation.

The shares are classified as investments measured at fair value through other comprehensive income and the fair value is measured using income or market approach valuation techniques under fair value hierarchy level 3.

## Commitments

Commitments include guarantees issued by banks and financial institutions for obligations arising in the ordinary course of business of KONE companies up to

a maximum of EUR 1,735.4 (December 31, 2024: 1,891.8) million as of December 31, 2025.

## Events after the reporting period

There were no significant events after the reporting period.

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This report contains forward-looking statements that are based on the current expectations, known factors, decisions and plans of the management of KONE. Although the management believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be correct. Accordingly, results could differ materially from those implied in the forward-looking statements as a result of, among other factors, changes in economic, market and competitive conditions, changes in the regulatory environment and other government actions as well as fluctuations in exchange rates.

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