KONE H1 2026

Half-year financial report

Dedicated to
People Flow™

KONE's January–June 2026 review:

Strong growth in orders, continued margin expansion

April–June 2026

- Orders received grew by 10.6% to EUR 2,562.3 (4–6/2025: 2,316.2) million. At comparable exchange rates, orders grew by 10.9%.
- Sales grew by 3.1% to EUR 2,937.6 (2,850.1) million. At comparable exchange rates, sales grew by 3.4%.
- Operating income (EBIT) was EUR 322.2 (338.0) million or 11.0% (11.9%) of sales. Adjusted EBIT was EUR 369.9 (347.2) million or 12.6% (12.2%) of sales. [1]
- Cash flow from operations (before financing items and taxes) was EUR 436.4 (364.4) million.

January–June 2026

- Orders received grew by 4.2% to EUR 4,893.7 (1–6/2025: 4,694.6) million. At comparable exchange rates, orders grew by 7.4%.
- Sales grew by 2.2% to EUR 5,645.9 (5,522.4) million. At comparable exchange rates, sales grew by 5.0%.
- Operating income (EBIT) was EUR 605.2 (614.7) million or 10.7% (11.1%) of sales. The adjusted EBIT was EUR 663.5 (626.7) million or 11.8% (11.3%) of sales. [1]
- Cash flow from operations (before financing items and taxes) was EUR 936.5 (851.1) million.

Business outlook for 2026 (unchanged)

KONE expects its sales to grow 3-6% at comparable exchange rates in 2026 and its adjusted EBIT margin to be in the range of 12.3-13.0%. Assuming that foreign exchange rates remain at the July 2026 level, the impact of foreign exchange rates on the adjusted EBIT margin would be limited.

[1] KONE presents adjusted EBIT as an alternative performance measure to enhance comparability of business performance between reporting periods. In January–June 2026, items affecting comparability amounted to EUR 58.3 million consisting of EUR 25.8 million costs relating to the TKE transaction as well as costs related to restructuring and the resettlement of a defined benefit pension plan. In the comparison period, items affecting comparability amounted to EUR 12.0 million consisting mainly of costs related to the separation of the KONE Door Business under its own legal and operative structure.

Key figures

		4–6/2026	4–6/2025	Change	1–6/2026	1–6/2025	Change	1–12/2025
Orders received	MEUR	2,562.3	2,316.2	10.6%	4,893.7	4,694.6	4.2%	9,087.4
Order book [1]	MEUR				9,630.8	8,577.3	12.3%	8,693.0
Sales	MEUR	2,937.6	2,850.1	3.1%	5,645.9	5,522.4	2.2%	11,245.2
Operating income	MEUR	322.2	338.0	-4.7%	605.2	614.7	-1.5%	1,336.2
Operating income margin	%	11.0	11.9		10.7	11.1		11.9
Adjusted EBIT [2]	MEUR	369.9	347.2	6.6%	663.5	626.7	5.9%	1,369.3
Adjusted EBIT margin [2]	%	12.6	12.2		11.8	11.3		12.2
Income before tax	MEUR	315.8	359.6	-12.2%	594.4	639.3	-7.0%	1,326.8
Net income	MEUR	240.2	276.9	-13.3%	454.7	492.2	-7.6%	991.9
Basic earnings per share	EUR	0.46	0.53	-13.1%	0.87	0.94	-7.5%	1.89
Cash flow from operations (before financing items and taxes)	MEUR	436.4	364.4		936.5	851.1		1,761.3
Interest-bearing net debt [3]	MEUR				-245.5	-300.4		-699.8
Equity ratio	%				33.4	34.3		39.9
Return on equity	%				35.3	38.1		34.7
Net working capital (including financing items and taxes) [3]	MEUR				-877.0	-842.8		-797.6
Gearing	%				-10.5	-13.2		-24.8

[1] Comparison period 2025 has been restated. More information is available in the Other notes section.

[2] KONE presents adjusted EBIT as an alternative performance measure to enhance comparability of business performance between reporting periods. In January–June 2026, items affecting comparability amounted to EUR 58.3 million consisting of EUR 25.8 million costs relating to the TKE transaction as well as costs related to restructuring and the resettlement of a defined benefit pension plan. In the comparison period, items affecting comparability amounted to EUR 12.0 million consisting mainly of costs related to the separation of the KONE Door Business under its own legal and operative structure.

[3] Interest-bearing net debt includes non-current derivative liabilities of EUR 79.7 million and non-current deferred assets of EUR 31.1 million, both related to the TKE transaction. Other derivatives arising from operational activities, presented within current assets and liabilities, are included in net working capital.

Philippe Delorme, President and CEO:

“**We delivered a strong second quarter, highlighted by order growth of more than 10%.** Particularly encouraging was the re-acceleration of modernization, with double-digit growth across all regions. Sales development was solid, and our adjusted EBIT margin improved by 40 basis points, demonstrating continued progress toward our mid-term targets. At the same time, we have taken proactive actions to safeguard future performance amid rising inflationary pressures. I would like to take this opportunity to thank our employees for their strong engagement and consistent execution.

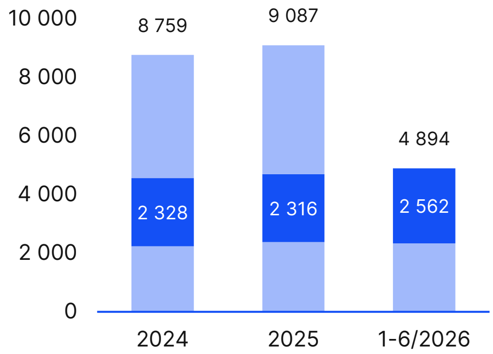
The defining event of the quarter was the announcement of our planned combination with TKE to create a world-class company in the elevator and escalator industry. This represents a unique opportunity to bring together two exceptional and highly complementary businesses, creating substantial value for our customers, our people and our shareholders alike. Since the announcement, we have reached the important milestone of securing shareholder approvals, while the regulatory review process is progressing as planned, with filings submitted or underway in all key jurisdictions. We have also begun working together on integration planning, and the highly constructive collaboration has strengthened our conviction in the significant value creation potential of the transaction.

While preparing for this combination, our focus remains firmly on delivering our objectives as a standalone company. We continue to make excellent progress in executing our strategy. In Modernization, our emphasis on maximizing customer value through faster delivery, minimal disruption, and extended asset lifecycles is producing clear results, reflected in sustained strong growth and increasing customer loyalty. In Service, connectivity continues to expand rapidly, and we are simultaneously deploying field productivity tools across key geographies. Together, these initiatives drive tangible customer benefits through greater transparency, predictive insights, and faster response times.

Despite ongoing geopolitical uncertainty, we are well positioned to capture the opportunities in our markets. By staying focused on disciplined strategy execution, fostering a high-performance culture, and creating value for our customers every day, I am confident in our ability to continue delivering sustainable long-term success.”

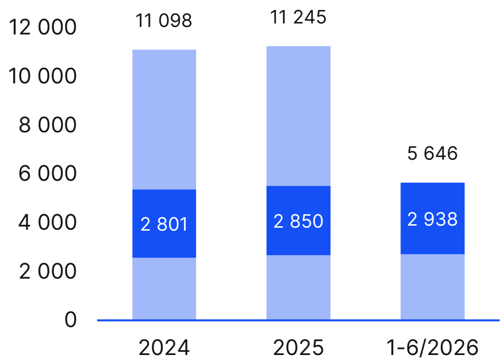
Key figures

Orders received (MEUR)



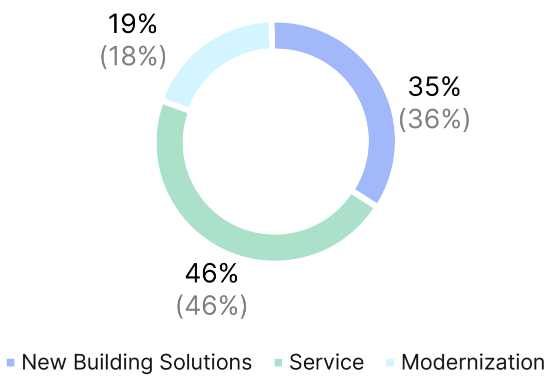
- **In April–June 2026**, orders received grew by 10.6% (at comparable exchange rates, orders received grew by 10.9%).
- At comparable rates, New Building Solutions orders received grew clearly with stable development in the volume business and significant growth in major projects. In Modernization, orders received grew significantly with significant growth in the volume business and clear growth in major projects.
- The margin of orders received decreased slightly year-on-year.
- **In January–June 2026,** orders received grew by 4.2% (grew by 7.4% at comparable exchange rates).

Sales (MEUR)



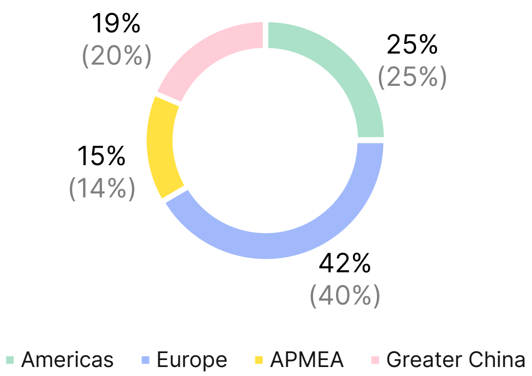
- **In April–June 2026**, sales grew by 3.1% (grew by 3.4% at comparable exchange rates). Growth (at comparable exchange rates) in Service and Modernization more than compensated for the slight decline in New Building Solutions.
- New Building Solutions sales declined by 1.1% (declined by 0.7% at comparable exchange rates) driven by lower deliveries in Greater China Area. Service sales grew by 5.3% (grew by 5.6% at comparable rates) and Modernization sales grew by 6.3% (grew by 6.7% at comparable rates). [1]
- In the Americas Area, sales grew by 3.6% (grew by 5.6% at comparable rates). Sales in the Europe Area grew by 5.8% (grew by 5.1% at comparable rates). In APMEA Area, sales grew by 8.0% (grew by 12.3% at comparable rates). In the Greater China Area, sales declined by 5.8% (declined by 7.7% at comparable rates).
- **In January–June 2026**, sales grew by 2.2% (grew by 5.0% at comparable exchange rates).

Sales by business [1]



1–6/2026 (1–6/2025)

Sales by Area

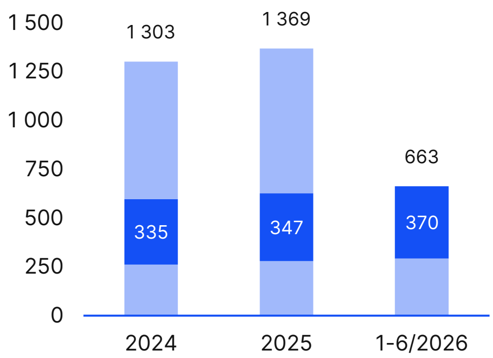


1–6/2026 (1–6/2025)

[1] Comparison period 2025 has been restated. More information is available in the Other notes section.

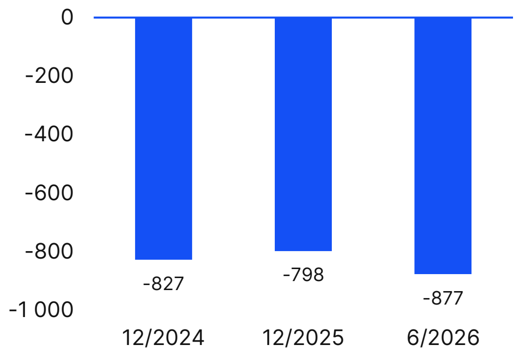
Terminology: slight <5%, clear 5–10%, significant >10%

Adjusted EBIT (MEUR)



- **In April–June 2026**, operating income was 11.0% of sales (4–6/2025: 11.9%). Adjusted EBIT margin was 12.6% (12.2%).
- Profitability improved thanks to a favorable business mix and fixed cost leverage. 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 0.3 million.
- **In January–June 2026**, operating income was 10.7% of sales (1–6/2025: 11.1%). The adjusted EBIT margin was 11.8% (11.3%).

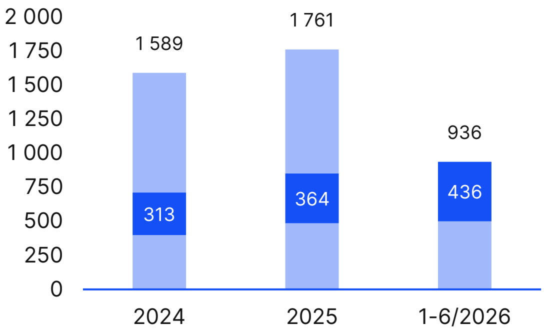
Net working capital [2] (MEUR)



- **At the end of June 2026**, net working capital improved from the beginning of the year driven by timing of accounts payable and increased advances received.

[2] Including financing items and taxes

Cash flow [3] (MEUR)



- **In April–June 2026**, cash flow was EUR 436.4 million.
- Cash flow was positively impacted by changes in net working capital.
- **In January–June 2026,** cash flow improved to EUR 936.5 million.

[3] Cash flow from operations before financing items and taxes

KONE’s January–June 2026 review

KONE’s operating environment

	New Building Solutions market in units		Service market in units		Modernization market in monetary value	
	4–6/2026	1–6/2026	4–6/2026	1–6/2026	4–6/2026	1–6/2026
Total market	-	-	+	+	+++	+++
North America	-	++	+	+	+++	+++
Europe	+	+	+	+	++	++
Asia-Pacific, Middle East and Africa	+++	+++	++	++	+++	+++
China	---	---	+	+	+++	+++

– – – Significant decline (>10%), – – Clear decline (5–10%), – Slight decline (<5%), Stable,
+ Slight growth (<5%), ++ Clear growth (5–10%), +++ Significant growth (>10%)

April–June 2026

The global New Building Solutions market declined slightly during the second quarter due to the continued weak market conditions **in China**. The market **in North America** declined slightly from a high comparison point. **In Europe**, the market grew slightly. **In Asia-Pacific, Middle East and Africa**, the market grew significantly, driven in particular by healthy momentum in the Middle East, where activity was strong despite the geopolitical tensions.

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–June 2026

The demand environment was favorable in many areas in the global **New Building Solutions** market during the first half of 2026. The market **in North America** grew clearly. **In Europe**, the market grew slightly, mainly driven by the residential segment. **In Asia-Pacific, Middle East and Africa**, activity grew significantly, supported by strong growth in India, Australia and in the Middle East. **In China**, activity declined significantly as construction activity remained weak.

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.

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

Orders received and order book

Orders received, MEUR	4–6/2026	4–6/2025	Change	Comparable change [1]	1–6/2026	1–6/2025	Change	Comparable change [1]	1–12/2025
Orders received [2]	2,562.3	2,316.2	10.6%	10.9%	4,893.7	4,694.6	4.2%	7.4%	9,087.4

Order book, MEUR	Jun 30, 2026	Jun 30, 2025	Change	Comparable change [1]	Dec 31, 2025
Order book [3]	9,630.8	8,577.3	12.3%	8.9%	8,693.0

[1] Change at comparable foreign exchange rates

[2] 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.

[3] Comparison period 2025 has been restated. More information is available in the Other notes section.

April–June 2026

Orders received grew by 10.6% as compared to April–June 2025 and totaled EUR 2,562.3 million. At comparable exchange rates, KONE's orders received grew by 10.9%.

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

The margin of orders received decreased slightly year-on-year.

Orders received in the Americas Area grew significantly at comparable rates as compared to April–June 2025. New Building Solutions orders grew significantly and Modernization orders grew significantly in the Area.

Orders received in the Europe Area grew significantly at comparable exchange rates as compared to April–June 2025. New Building Solutions orders grew significantly and Modernization orders grew significantly in the Area.

Orders received in the Asia-Pacific, Middle East and Africa (APMEA) Area grew significantly at comparable rates as compared to April–June 2025. 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 April–June 2025. New Building Solutions orders declined slightly in units and declined significantly in monetary value. Modernization orders grew significantly in the Area.

January–June 2026

Orders received grew by 4.2% as compared to January–June 2025 and totaled EUR 4,893.7 million. At comparable exchange rates, KONE's orders received grew by 7.4%.

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

Orders received in the Americas Area grew clearly at comparable rates as compared to January–June 2025. New Building Solutions orders grew clearly and Modernization orders were stable in the Area.

Orders received in the Europe Area grew significantly at comparable exchange rates as compared to January–June 2025. New Building Solutions orders grew significantly and Modernization orders grew significantly in the Area.

Orders received in the Asia-Pacific, Middle East and Africa (APMEA) Area grew significantly at comparable rates as compared to January–June 2025. 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 January–June 2025. New Building Solutions orders were stable in units and declined significantly in monetary value. Modernization orders grew significantly in the Area.

The order book grew by 12.3% compared to the end of June 2025 and stood at a strong level of EUR 9,630.8 million at the end of the reporting period. At comparable rates, the order book grew by 8.9%.

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

Sales

By business, MEUR	4–6/2026	4–6/2025	Change	Comparable change [1]	1–6/2026	1–6/2025	Change	Comparable change [1]	1–12/2025
New Building Solutions	1,058.6	1,070.9	-1.1%	-0.7%	1,957.9	1,999.9	-2.1%	1.0%	4,097.7
Service [2]	1,324.4	1,257.3	5.3%	5.6%	2,619.0	2,516.5	4.1%	6.6%	5,054.6
Modernization [2]	554.6	521.9	6.3%	6.7%	1,069.0	1,006.0	6.3%	8.8%	2,092.9
Total	**2,937.6**	**2,850.1**	**3.1%**	**3.4%**	**5,645.9**	**5,522.4**	**2.2%**	**5.0%**	**11,245.2**

By Area, MEUR	4–6/2026	4–6/2025	Change	Comparable change [1]	1–6/2026	1–6/2025	Change	Comparable change [1]	1–12/2025
Americas	721.8	696.7	3.6%	5.6%	1,407.8	1,393.1	1.1%	7.2%	2,812.1
Europe	1,189.9	1,125.2	5.8%	5.1%	2,347.4	2,223.2	5.6%	5.3%	4,524.4
APMEA	450.5	417.3	8.0%	12.3%	841.4	789.2	6.6%	14.1%	1,742.7
Greater China	575.4	611.0	-5.8%	-7.7%	1,049.3	1,116.9	-6.1%	-4.3%	2,166.0
Total	**2,937.6**	**2,850.1**	**3.1%**	**3.4%**	**5,645.9**	**5,522.4**	**2.2%**	**5.0%**	**11,245.2**

[1] Change at comparable foreign exchange rates

[2] Comparison period 2025 has been restated. More information is available in the Other notes section.

April–June 2026

KONE's sales grew by 3.1% as compared to April–June 2025, and totaled EUR 2,937.6 million. At comparable exchange rates, KONE's sales grew by 3.4%. Growth (at comparable exchange rates) in Service and Modernization more than compensated for the slight decline in New Building Solutions.

New Building Solutions sales declined by 0.7% at comparable exchange rates due to lower deliveries in Greater China Area. Service sales grew by 5.6% at comparable exchange rates. Modernization sales grew by 6.7% at comparable exchange rates.

In the Americas Area, sales grew by 3.6% and totaled EUR 721.8 million. At comparable exchange rates, sales grew by 5.6%. New Building Solutions sales grew slightly, Service sales grew clearly and Modernization sales grew clearly in the Area.

Sales in the Europe Area grew by 5.8% and totaled EUR 1,189.9 million. At comparable exchange rates, sales grew by 5.1%. New Building Solutions sales grew clearly, Service sales grew clearly and Modernization sales grew slightly in the Area.

In the Asia-Pacific, Middle East and Africa (APMEA) Area, sales grew by 8.0% and totaled EUR 450.5 million. At comparable exchange rates, sales grew by 12.3%. New Building Solutions sales grew significantly, Service sales grew significantly and Modernization sales grew clearly in the Area.

Sales in the Greater China Area declined by 5.8% and totaled EUR 575.4 million. At comparable exchange rates, sales declined by 7.7%. New Building Solutions sales declined significantly, Service sales were stable and Modernization sales grew significantly in the Area.

January–June 2026

KONE's sales grew by 2.2% as compared to January–June 2025, and totaled EUR 5,645.9 million. At comparable exchange rates, KONE's sales grew by 5.0%. All businesses contributed to the growth.

New Building Solutions sales grew by 1.0% at comparable exchange rates. Service sales grew by 6.6% at comparable exchange rates, driven by service base growth (including inorganic), repairs, pricing and value-added services. Modernization sales grew by 8.8% at comparable exchange rates.

In the Americas Area, sales grew by 1.1% and totaled EUR 1,407.8 million. At comparable exchange rates, sales grew by 7.2%. New Building Solutions sales grew slightly, Service sales grew clearly and Modernization sales grew significantly in the Area.

Sales in the Europe Area grew by 5.6% and totaled EUR 2,347.4 million. At comparable exchange rates, sales grew by 5.3%. 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 6.6% and totaled EUR 841.4 million. At comparable exchange rates, sales grew by 14.1%. New Building Solutions sales grew significantly. Service sales grew significantly and Modernization sales grew clearly in the Area.

Sales in the Greater China Area declined by 6.1% and totaled EUR 1,049.3 million. At comparable exchange rates, sales declined by 4.3%. New Building Solutions sales declined significantly, Service sales were stable and Modernization sales grew significantly in the Area.

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

Financial result

		4–6/2026	4–6/2025	Change	1–6/2026	1–6/2025	Change	1–12/2025
Operating income	MEUR	322.2	338.0	-4.7%	605.2	614.7	-1.5%	1,336.2
Operating income margin	%	11.0	11.9		10.7	11.1		11.9
Adjusted EBIT	MEUR	369.9	347.2	6.6%	663.5	626.7	5.9%	1,369.3
Adjusted EBIT margin	%	12.6	12.2		11.8	11.3		12.2
Income before taxes	MEUR	315.8	359.6	-12.2%	594.4	639.3	-7.0%	1,326.8
Net income	MEUR	240.2	276.9	-13.3%	454.7	492.2	-7.6%	991.9
Basic earnings per share	EUR	0.46	0.53	-13.1%	0.87	0.94	-7.5%	1.89

April–June 2026

KONE's operating income (EBIT) was EUR 322.2 million or 11.0% of sales. Adjusted EBIT was EUR 369.9 million or 12.6% of sales. Profitability improved thanks to a favorable business mix and fixed cost leverage. Margin pressure in the Chinese New Building Solutions market remained the main headwind.

In April-June 2026, items affecting comparability amounted to EUR 47.7 million consisting of EUR 24.3 million costs relating to the TKE transaction as well as costs related to restructuring and the resettlement of a defined benefit pension plan.

In the comparison period, items affecting comparability amounted to EUR 9.2 million consisting mainly of costs related to the separation of the KONE Door Business under its own legal and operative structure.

With comparable exchange rates, the translation impact on operating income for the comparison period was EUR 0.3 million.

Basic earnings per share was EUR 0.46.

January–June 2026

KONE's operating income (EBIT) was EUR 605.2 million or 10.7% of sales. Adjusted EBIT was EUR 663.5 million or 11.8% of sales. Profitability improved thanks to a favorable business mix and fixed cost leverage. Margin pressure in the Chinese New Building Solutions market remained the main headwind.

In January–June 2026, items affecting comparability amounted to EUR 58.3 million consisting of EUR 25.8 million costs relating to the TKE transaction as well as costs related to restructuring and the resettlement of a defined benefit pension plan.

In the comparison period, items affecting comparability amounted to EUR 12.0 million consisting mainly of costs related to the separation of the KONE Door Business under its own legal and operative structure.

With comparable exchange rates, the translation impact on operating income for the comparison period was EUR -17.2 million.

Basic earnings per share was EUR 0.87.

Cash flow and financial position

		4–6/2026	4–6/2025	1–6/2026	1–6/2025	1–12/2025
Cash flow from operations (before financing items and taxes)	MEUR	436.4	364.4	936.5	851.1	1,761.3
Net working capital (including financing items and taxes) [1]	MEUR			-877.0	-842.8	-797.6
Interest-bearing net debt [1]	MEUR			-245.5	-300.4	-699.8
Gearing	%			-10.5	-13.2	-24.8
Equity ratio	%			33.4	34.3	39.9
Equity per share	EUR			4.44	4.34	5.40

[1] Interest-bearing net debt includes non-current derivative liabilities of EUR 79.7 million and non-current deferred assets of EUR 31.1 million, both related to the TKE transaction. Other derivatives arising from operational activities, presented within current assets and liabilities, are included in net working capital.

KONE's financial position was strong at the end of June 2026.

In January–June 2026 cash flow from operations (before financing items and taxes) increased to EUR 936.5 million.

Net working capital (including financing items and taxes) was EUR -877.0 million at the end of June 2026. Net working capital improved from the beginning of the year driven by timing of accounts payable and increased advances received.

Interest-bearing net debt was EUR -245.5 million at the end of June 2026. KONE's cash and cash equivalents together with current deposits and loan receivables were EUR 1,130.6 (Dec 31, 2025: 1,708.9) million at the end of the reporting period. Interest-bearing liabilities were EUR 935.0 (Dec 31, 2025: 1,028.3) million, including a pension liability of EUR 170.9 (Dec 31, 2025: 158.7) million and lease liabilities of EUR 472.6 (Dec 31, 2025: 455.5) million. Additionally, KONE had an asset on employee benefits amounting to EUR 13.4 (Dec 31, 2025: 13.9) million. Gearing was -10.5% and the equity ratio was 33.4% at the end of June 2026.

Equity per share was EUR 4.44.

Capital expenditure and acquisitions

MEUR	4–6/2026	4–6/2025	1–6/2026	1–6/2025	1–12/2025
On fixed assets	30.1	26.2	52.6	51.1	153.9
On leasing agreements	40.1	52.5	103.7	99.1	224.1
On acquisitions	9.7	31.6	22.5	46.2	117.7
Total	**79.9**	**110.4**	**178.8**	**196.4**	**495.8**

KONE's capital expenditure and acquisitions totaled EUR 178.8 million in January–June 2026. 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 22.5 million in January–June 2026. KONE completed several service-related acquisitions in Europe.

Research and development

		4–6/2026	4–6/2025	Change	1–6/2026	1–6/2025	Change	1–12/2025
R&D expenditure	MEUR	60.2	62.8	-4.1%	116.8	121.5	-3.9%	233.9
As percentage of sales	%	2.1	2.2		2.1	2.2		2.1

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 116.8 million, representing 2.1% of sales in January–June 2026. R&D expenditure includes the development of new products and service concepts as well as further development of existing solutions and services.

During the second quarter of 2026, KONE continued to strengthen its offering across key markets by advancing both new equipment and modernization solutions. In China and the Asia-Pacific region, the company enhanced its portfolio by introducing new digital capabilities to its elevator offering. The KONE Villa home elevator solution was further refined and extended in China. In Europe, KONE continued to develop its mid-range offering by improving space efficiency in both new elevator installations and modernization projects. The MonoSpace 4 offering, which focuses on increased flexibility and further space efficiency improvements, was also advanced. In the Americas, the focus was on improving competitiveness by refining the offering to better meet market requirements.

At the end of June, the share of connected elevators in KONE's service base amounted to 44%. The AI Assistant tool for technicians has been deployed in 56 countries and had over 13,000 users at the end of the reporting period. The tool enables AI supported troubleshooting, contributing to faster issue resolution and reduced downtime. The company also continued the roll out of Dynamic Maintenance Planning to increase field productivity, with seven new countries onboarded during the second quarter.

During the second quarter, KONE spun out its Station Twin innovation into the new start-up VAELLA. The initiative represents KONE's first exploration of alternative models for scaling innovations beyond its core business, leveraging external partnerships and funding.

KONE has been recognized with the following design award during the second quarter of 2026:

Award	KONE's solution	Description
Red Dot Product Design Award	KONE Interact 20 elevator signalization	KONE Interact 20 advances sustainable modernization by improving efficiency and accessibility, with a durable, updatable design that enables material reuse and responsible end of life circularity.

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 performance

During the second quarter of 2026, KONE updated and validated its near-term science-based targets with 2022 as the base year and validated its target to achieve net zero emissions across its value chain by 2050. KONE's near term target for Scope 1 and 2 greenhouse gas (GHG) emissions is an absolute reduction of 46% by 2030 from the base year 2022. For product and value chain related Scope 3 GHG emissions, KONE targets a reduction of 40% by 2030 from the base year 2022. In the event of a KONE-TKE combination, SBTi targets would be revisited to reflect the new business scope, as required by SBTi.

The 2025 carbon footprint calculations were finalized during the first quarter of 2026. In 2025, KONE reached a 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 the base year 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, ratings and recognitions

KONE's offering combines energy-efficient technology, optimized material use and transparent environmental performance data for its products. KONE has a wide range of best-in-class energy performance references across building types, market areas and product specifications. Currently, KONE has a total of 32 best-in-class energy efficiency references for elevator and escalator platforms according to the ISO 25745 standard for the energy performance of lifts, escalators and moving walks.

During the second quarter of 2026, KONE published three externally verified Environmental Product Declarations (EPDs), one Health Product Declaration (HPDs) and three Product Environmental Profiles (PEP). Further information on valid product declarations is available on KONE's website.

During 2026, KONE has received the following sustainability ratings and recognitions:

Sustainability recognitions	KONE's score	Industry performance	Published
TIME & Statista World's Most Sustainable Companies 2026	#371	Amongst highest scoring elevator and escalator companies	Q2/2026
CDP's Supplier Engagement Assessment Leaderboard	A	Amongst the highest-performing companies on the leaderboard	Q2/2026
EcoVadis 2025	Platinum	Top 1% of all assessed companies	Q1/2026
Corporate Knights' Global 100 Most Sustainable Companies list	54th place	Recognition of KONE's strong global leadership in sustainability and its portfolio of high-performing solutions and products	Q1/2026
Corporate Knights' Europe 50 Most Sustainable Companies list	28th place	Only elevator and escalator company on the list	Q1/2026
Corporate Knights' Carbon Clean 200 list	72nd place	8th consecutive year and the only elevator and escalator company on the list	Q1/2026
Sustainalytics ESG Risk Rating		KONE continues to be an ESG Leader with a low ESG risk rating	Q1/2026
ISS ESG Corporate Rating	B-	Prime status in the industry	Q1/2026

Social sustainability

KONE employees	1–6/2026	1–6/2025	1–12/2025
Average number of employees	**64,948**	**63,984**	**64,294**
Number of employees at the end of period	**64,907**	**64,036**	**64,978**
Americas	8,069	8,003	8,021
Europe	22,091	21,834	22,119
APMEA	13,516	12,592	13,138
Greater China	21,231	21,607	21,701

People are at the core of KONE's strategy. Alongside its four strategic shifts, KONE is strengthening its core by investing in engaged and skilled employees, whose close collaboration with customers is key to creating value. Through improved processes and courage, speed, and simplicity, KONE aims to be the easiest company to work for and work with.

During the second quarter of 2026, KONE completed its annual employee engagement survey Pulse, achieving an engagement score of 8.0, which is above external benchmarks. The result reflects strong employee commitment and organizational health. Leaders are accountable for reviewing the results and implementing actions to further improve engagement and performance.

Conducted annually in the second quarter, KONE's Leadership and Talent Review (LTR) process aims at strengthening succession pipelines and aligning leadership capabilities with business priorities. During the second quarter, leadership expectations were further clarified to reinforce a high-performance culture and support execution of the Rise strategy.

Safety is a top priority for KONE, supported by continuous efforts to strengthen safety culture, reporting capabilities, and data-driven decision-making. During the second quarter, KONE advanced the rollout of its new global KONE Safety Solution (KSS), supporting more efficient, data-driven and proactive safety management. The new platform improves reporting, data visibility, workflow management, and subcontractor coverage, while strengthening integration with core enterprise systems. The rollout is progressing successfully, and full implementation is expected during the course of 2026.

Combination of KONE and TKE

On April 29, 2026, KONE announced that it had entered into an agreement with a consortium led by Advent and Cinven to combine KONE and TKE in a cash and share transaction. Under the agreement, KONE would acquire TKE for EUR 5 billion in cash and a maximum of 270 million newly issued KONE class B shares. In addition, the majority of TKE's existing interest-bearing net debt, amounting to approximately EUR 9.2 billion, would be refinanced. KONE has fully committed financing facilities in place to fund the transaction. Information on the accounting treatment of the related instruments can be found in the Notes to the interim report. The combined group is expected to receive a solid investment grade credit rating.

By bringing KONE and TKE together, customers would benefit from faster innovation, improved installation and services, and greater ability to deliver safe and sustainable modernization across an aging global elevator and escalator base. For employees, the combination would offer broader development opportunities across a larger, more diverse, and truly global company with strong prospects.

The transaction is expected to generate approximately EUR 700 million in annual run-rate pre-tax cost synergies by the end of year three after completion. The related cumulative one-off costs are estimated to be approximately 1-1.2 times expected run-rate synergies, incurred over a two-year period.

On an illustrative basis for the last financial year, the combined group would have had approximately EUR 20.5 billion in annual sales, of which approximately 65% in Service and Modernization, more than EUR 2.7 billion in adjusted EBIT, excluding synergies, and approximately 3.2 million units under maintenance.

KONE's shareholders approved the transaction-related proposals at the Extraordinary General Meeting held on June 3, 2026. Completion remains subject to regulatory approvals and is anticipated to occur earliest in the second quarter of 2027. The regulatory review process is progressing as planned, with filings submitted or underway in all key jurisdictions.

During January–June 2026, KONE recognized EUR 25.8 million of acquisition-related costs, which were reported as items affecting comparability.

Further information and materials on the combination of KONE and TKE are available on KONE's deal site at rise-together.kone.com.

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 June 2026 (March 31, 2026: EUR 30.5 million). KONE's position is that the claims are without merit. No provision has been made.

The strategic review of the Doors business 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.

During the second quarter, KONE recognized a provision of EUR 18 million related to the decision to terminate the KONE Inc. Employees' Retirement Plan in the United States. The pension obligation for the defined benefit plan is expected to be settled or transferred to a third-party provider by the end of the year.

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 activity in the New Building Solutions market remains subdued.

Geopolitical risks and tensions, business environment unpredictability and disruptions in global supply chains may impact KONE's main markets and expose KONE to business disruptions and profitability risks. Increased geopolitical risks may also impact global supply chains, leading to higher logistics costs and increased volatility in ocean freight, which could expose KONE to further business disruptions, order rescheduling, and margin pressure. Despite the war in the Middle East, KONE was able to continue its business in the region with limited impacts during the second quarter.

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.

The planned combination of TKE and KONE, announced during the second quarter, is subject to risks and uncertainties typical of a transaction of this magnitude. The ongoing regulatory approval process is proceeding as planned, however, the primary uncertainty relates to the timing of obtaining the required approvals and the resulting closing date of the transaction.

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 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. In the second quarter, tariffs and export restrictions imposed on specific materials and components continued to have some negative impacts on KONE's operations. 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. Geopolitical tensions and crisis escalations may lead to cyber, hybrid and even conventional attacks causing local and global disruptions 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 suppliers. 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 a 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 result 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 in the consolidated Financial Statements.

As part of the planned TKE transaction, KONE has secured EUR 14.3 billion committed financing facilities to fund the cash component of the consideration and the refinancing of the majority of TKE's interest-bearing net debt. This exposes KONE to foreign exchange and interest rate risks, which are mitigated through hedging instruments. KONE has entered into deal-contingent forward and interest rate contracts to hedge against currency fluctuation related to the refinancing of TKE's USD-denominated debt and to lock in interest rates.

Decisions of the Annual General Meeting

KONE Corporation held an Annual General Meeting in Helsinki on March 5, 2026. 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, 2025.

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

At its meeting held after the Annual General Meeting, 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.

Timo Ihamuotila was elected as Chair of the Nomination and Compensation Committee and Susan Duinhoven, Antti Herlin and Jussi Herlin as members of the Nomination and Compensation Committee. Timo Ihamuotila 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 2027.

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, however so that the Board of Directors may issue up to a maximum of 4,531,000 class B shares as part of the company's incentive schemes, which corresponds to approximately 0.86 percent of all the shares in the company. The authorization will be valid until the conclusion of the following Annual General Meeting, however, at the latest until 30 June 2027.

Audit firm Ernst & Young Oy was re-elected as the auditor for the term 2026. Ernst & Young Oy was also elected as the company's sustainability reporting assurer for the term 2026.

Decisions of the Extraordinary General Meeting

KONE Corporation held an Extraordinary General Meeting in Helsinki on June 3, 2026. The General Meeting approved the proposed resolutions related to the acquisition of TKE: an authorization to issue class B shares and the election of two new members to the Board of Directors.

The General Meeting authorized the Board of Directors to resolve, on one or several occasions, upon the issuance of up to a maximum of 270,000,000 new class B shares in deviation from the shareholders' pre-emptive rights (directed share issue). The authorization may be used only for the issuance of the share consideration to the seller in connection with the acquisition of all shares in Vertical Topco II S.A. pursuant to the terms of the Share Purchase Agreement. The Board of Directors was authorized to decide on all other terms relating to the issuance of new class B shares, including the issuance of class B shares against consideration in kind or set-off. The authorization is valid until June 3, 2031 and does not revoke the authorization to resolve upon a share issue granted to the Board of Directors by the Annual General Meeting held on March 5, 2026.

Furthermore, the General Meeting resolved to increase the number of Members of the Board of Directors from eight to ten. Ranjan Sen and Bruno Schick were elected as new Members of the Board. The resolutions regarding the increase in the number of Members of the Board and the election of the new Members are conditional upon the completion of the transaction, i.e., the resolutions will enter into force on the date on which completion of the transaction occurs. The current eight Members of the Board elected by the Annual General Meeting on March 5, 2026, Banmali Agrawala, Matti Alahuhta, Susan Duinhoven, Marika Fredriksson, Anna Herlin, Antti Herlin, Jussi Herlin and Timo Ihamuotila, will continue in their positions until the conclusion of the next Annual General Meeting.

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 2026-2028, 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 2026 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.

On 28 April 2026, the Board of Directors decided on a new tranche under the Restricted Share Plan 2026 to support the completion of the TKE transaction announced on 29 April 2026.

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	Jun 30, 2026	Dec 31, 2025
Number of class B shares	453,187,148	453,187,148
Number of class A shares	76,208,712	76,208,712
Total shares	**529,395,860**	**529,395,860**
Treasury shares	11,112,228	11,537,238
Share capital, EUR	66,174,483	66,174,483
Accounting par value	0.125	0.125
Market capitalization, MEUR [1]	25,790	31,362

[1] 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	1–6/2026
Treasury shares at the beginning of the period	11,537,238
Changes in treasury shares during the period	-425,010
Treasury shares at the end of the period	**11,112,228**

At the end of June 2026, the Group's parent company KONE Oyj had 11,112,228 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		1–6/2026	1–6/2025	1–12/2025
Shares traded on the Nasdaq Helsinki Ltd., millions		95.0	66.8	128.6
Average daily trading volume		778,320	547,380	514,342
Volume-weighted average share price	EUR	55.36	52.17	54.36
Highest share notation	EUR	64.42	57.10	60.82
Lowest share notation	EUR	47.92	45.42	45.42
Share notation at the end of the period	EUR	49.76	55.88	60.56

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 104,866 at the beginning of the review period and 114,574 at its end. The number of private households holding shares totaled 109,725 at the end of the period, which corresponds to approximately 11.9% of the listed B shares. At the end of June 2026, a total of 50.9% of the B shares were owned by nominee-registered and non-Finnish investors.

Market outlook 2026 (unchanged)

	North America	Europe	Asia-Pacific, Middle East and Africa	China
New Building Solutions in units	+	+	++	– –
Service in units	+	+	++	+
Modernization in monetary value	+++	++	+++	+++

– – – Significant decline (>10%), – – Clear decline (5–10%), – Slight decline (<5%), Stable,
+ Slight growth (<5%), ++ Clear growth (5–10%), +++ Significant growth (>10%)

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 (unchanged)

KONE expects its sales to grow 3-6% at comparable exchange rates in 2026 and its adjusted EBIT margin to be in the range of 12.3-13.0%.

Assuming that foreign exchange rates remain at the July 2026 level, the impact of foreign exchange rates on the adjusted EBIT margin would be limited.

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 and increased contribution from performance initiatives. The challenging New Building Solutions market in China and continued wage inflation are expected to impact profitability negatively. Geopolitical tensions are adding to inflationary pressure.

Helsinki, July 21, 2026

KONE Corporation’s Board of Directors

Interim financial statements

Consolidated statement of income

MEUR	4–6/2026	%	4–6/2025	%	1–6/2026	%	1–6/2025	%	1–12/2025	%
Sales	**2,937.6**		**2,850.1**		**5,645.9**		**5,522.4**		**11,245.2**	
Costs and expenses	-2,532.1		-2,435.0		-4,872.9		-4,752.6		-9,589.2	
Depreciation and amortization	-83.3		-77.1		-167.8		-155.2		-319.9	
Operating income	**322.2**	**11.0**	**338.0**	**11.9**	**605.2**	**10.7**	**614.7**	**11.1**	**1,336.2**	**11.9**
Financing income	6.6		34.2		16.0		48.4		41.5	
Financing expenses	-12.9		-12.6		-26.5		-23.8		-49.7	
Share of result of associated companies	-0.1		-		-0.2		-		-1.2	
Income before taxes	**315.8**	**10.7**	**359.6**	**12.6**	**594.4**	**10.5**	**639.3**	**11.6**	**1,326.8**	**11.8**
Taxes	-75.6		-82.7		-139.7		-147.0		-334.8	
Net income	**240.2**	**8.2**	**276.9**	**9.7**	**454.7**	**8.1**	**492.2**	**8.9**	**991.9**	**8.8**
Net income attributable to:										
Shareholders of the parent company	238.0		273.7		450.2		486.3		980.1	
Non-controlling interests	2.2		3.2		4.6		5.9		11.9	
Total	**240.2**		**276.9**		**454.7**		**492.2**		**991.9**	
Earnings per share for profit attributable to the shareholders of the parent company, EUR										
Basic earnings per share, EUR	0.46		0.53		0.87		0.94		1.89	
Diluted earnings per share, EUR	0.46		0.53		0.87		0.94		1.89	

Consolidated statement of comprehensive income

MEUR	4–6/2026	4–6/2025	1–6/2026	1–6/2025	1–12/2025
Net income	**240.2**	**276.9**	**454.7**	**492.2**	**991.9**
Other comprehensive income, net of tax:					
Translation differences	18.6	-123.2	41.8	-198.2	-184.3
Net investment hedge of foreign subsidiaries	-1.1	-4.1	-4.5	10.2	28.8
Cash flow hedges	-57.5	-2.4	-53.2	3.3	9.1
Items that may be subsequently reclassified to statement of income	**-40.1**	**-129.7**	**-15.9**	**-184.7**	**-146.5**
Changes in fair value	-4.3	-3.7	-3.7	-2.9	-14.8
Remeasurements of employee benefits	-9.0	-0.2	-3.7	-1.3	14.0
Items that will not be reclassified to statement of income	**-13.3**	**-3.9**	**-7.5**	**-4.2**	**-0.8**
Total other comprehensive income, net of tax	**-53.4**	**-133.6**	**-23.4**	**-188.8**	**-147.3**
Total comprehensive income	**186.8**	**143.3**	**431.4**	**303.4**	**844.7**
Total comprehensive income attributable to:					
Shareholders of the parent company	184.6	140.1	426.8	297.5	832.8
Non-controlling interests	2.2	3.2	4.6	5.9	11.9
Total	**186.8**	**143.3**	**431.4**	**303.4**	**844.7**

Condensed consolidated statement of financial position

Assets, MEUR		Jun 30, 2026	Jun 30, 2025	Dec 31, 2025
Non-current assets				
Goodwill		1,585.1	1,511.1	1,552.9
Other intangible assets		333.7	334.2	336.7
Tangible assets		957.9	865.0	942.5
Employee benefit assets	I	13.4	13.5	13.9
Deferred assets	I	31.1	-	-
Deferred tax assets	II	396.3	349.9	365.7
Shares and other non-current assets	I/II	135.8	173.3	158.9
Total non-current assets		**3,453.1**	**3,247.0**	**3,370.6**
Current assets				
Inventories	II	888.0	835.2	843.1
Accounts receivable	II	2,560.8	2,331.8	2,350.7
Deferred assets [1]	II	788.8	710.7	657.4
Income tax receivables	II	171.9	137.9	102.9
Deposits and other current assets	I	690.5	908.2	1,268.4
Derivative assets [1]	II	41.1	32.2	18.3
Cash and cash equivalents	I	440.1	359.5	440.5
Total current assets		**5,581.2**	**5,315.5**	**5,681.4**
Total assets		**9,034.4**	**8,562.5**	**9,052.0**

Equity and liabilities, MEUR		Jun 30, 2026	Jun 30, 2025	Dec 31, 2025
Equity		**2,333.3**	**2,275.3**	**2,826.8**
Non-current liabilities				
Loans and other interest-bearing liabilities	I	526.7	490.2	514.6
Employee benefit liabilities	I	170.9	147.4	158.7
Deferred tax liabilities	II	98.3	93.4	102.4
Derivative liabilities	I	79.7	-	-
Total non-current liabilities		**875.7**	**730.9**	**775.6**
Provisions	II	**197.7**	**158.6**	**176.4**
Current liabilities				
Loans and other interest-bearing liabilities	I	157.7	347.7	355.1
Advances received and deferred revenue	II	2,057.1	1,922.4	1,965.2
Accounts payable	II	1,162.1	959.0	967.6
Accruals [1]	II	2,083.7	1,952.3	1,827.7
Income tax payables	II	131.3	151.6	138.8
Derivative liabilities [1]	II	35.7	64.7	18.8
Total current liabilities		**5,627.7**	**5,397.8**	**5,273.1**
Total equity and liabilities		**9,034.4**	**8,562.5**	**9,052.0**

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

Items designated " II " comprise net working capital.

[1] Derivative assets and liabilities have been reclassified from deferred assets and accruals, respectively.

Consolidated statement of changes in equity

MEUR	Share capital	Share premium account	Paid-up unrestricted equity reserve	Fair value and other reserves	Translation differences	Remeasurements of employee benefits	Retained earnings	Non-controlling interests	Total equity
	Attributable to the equity holders of the parent								
Jan 1, 2026	**66.2**	**100.3**	**245.7**	**-31.1**	**-20.2**	**-91.2**	**2,527.6**	**29.4**	**2,826.8**
Net income for the period	-	-	-	-	-	-	450.2	4.6	**454.7**
Other comprehensive income:									
Translation differences	-	-	-	-	41.8	-	-	-	**41.8**
Net investment hedge of foreign subsidiaries	-	-	-	-	-4.5	-	-	-	**-4.5**
Cash flow hedges	-	-	-	-53.2	-	-	-	-	**-53.2**
Changes in fair value	-	-	-	-3.7	-	-	-	-	**-3.7**
Remeasurements of employee benefits	-	-	-	-	-	-3.7	-	-	**-3.7**
Transactions with shareholders and non-controlling interests:									
Profit distribution	-	-	-	-	-	-	-932.7	-	**-932.7**
Change in non-controlling interests	-	-	-	-	-	-	0.8	-0.6	**0.2**
Share-based compensation	-	-	-	-	-	-	7.6	-	**7.6**
Jun 30, 2026	**66.2**	**100.3**	**245.7**	**-88.1**	**17.1**	**-94.9**	**2,053.6**	**33.4**	**2,333.3**

MEUR	Share capital	Share premium account	Paid-up unrestricted equity reserve	Fair value and other reserves	Translation differences	Remeasurements of employee benefits	Retained earnings	Non-controlling interests	Total equity
	Attributable to the equity holders of the parent								
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	-	-	-	-	-	-	486.3	5.9	**492.2**
Other comprehensive income:									
Translation differences	-	-	-	-	-198.2	-	-	-	**-198.2**
Net investment hedge of foreign subsidiaries	-	-	-	-	10.2	-	-	-	**10.2**
Cash flow hedges	-	-	-	3.3	-	-	-	-	**3.3**
Changes in fair value	-	-	-	-2.9	-	-	-	-	**-2.9**
Remeasurements of employee benefits	-	-	-	-	-	-1.3	-	-	**-1.3**
Transactions with shareholders and non-controlling interests:									
Profit distribution	-	-	-	-	-	-	-931.3	-	**-931.3**
Change in non-controlling interests	-	-	-	-	-	-	-1.8	-4.0	**-5.8**
Share-based compensation	-	-	-	-	-	-	16.0	-	**16.0**
Jun 30, 2025	**66.2**	**100.3**	**245.7**	**-24.9**	**-52.7**	**-106.4**	**2,018.9**	**28.2**	**2,275.3**

MEUR	Attributable to the equity holders of the parent: Share capital	Share premium account	Paid-up unrestricted equity reserve	Fair value and other reserves	Translation differences	Remeasurements of employee benefits	Retained earnings	Non-controlling interests	**Total equity**
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**
Net investment hedge 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**

Condensed consolidated statement of cash flows

MEUR	4–6/2026	4–6/2025	1–6/2026	1–6/2025	1–12/2025
Operating income	322.2	338.0	605.2	614.7	1,336.2
Change in net working capital	30.9	-50.7	163.4	81.2	105.3
Depreciation and amortization	83.3	77.1	167.8	155.2	319.9
Cash flow from operations before financing items and taxes	**436.4**	**364.4**	**936.5**	**851.1**	**1,761.3**
Cash flow from financing items and taxes [1]	-125.7	-159.9	-241.7	-239.4	-445.3
Cash flow from operating activities	**310.8**	**204.4**	**694.8**	**611.7**	**1,316.0**
Cash flow from investing activities	-40.7	-46.8	-74.5	-93.9	-284.0
Cash flow after investing activities	**270.1**	**157.6**	**620.2**	**517.7**	**1,032.0**
Profit distribution	-137.9	-116.8	-932.7	-931.3	-931.9
Change in deposits and loans receivable, net	138.1	-41.7	592.5	299.9	-51.6
Change in loans payable and other interest-bearing debt	-238.8	-54.8	-283.8	-74.4	-150.0
Changes in non-controlling interests	-6.6	-1.2	-6.8	-1.4	-6.0
Cash flow from financing activities	**-245.2**	**-214.4**	**-630.8**	**-707.2**	**-1,139.5**
Change in cash and cash equivalents	**24.9**	**-56.8**	**-10.5**	**-189.5**	**-107.5**
Cash and cash equivalents at beginning of period	410.3	433.5	440.5	576.0	576.0
Translation difference	4.9	-17.2	10.1	-27.1	-28.0
Cash and cash equivalents at end of period	**440.1**	**359.5**	**440.1**	**359.5**	**440.5**

In January–June 2026, repayments of lease liabilities included in cash flow from financing activities were EUR 79.9 (1–6/2025: 75.5) million and interest payments of lease liabilities included in cash flow from financing items and taxes were EUR 14.9 (13.4) million.

[1] Cash flow from financing items include EUR 31.1 million paid fees for the committed funding of the TKE transaction.

Notes to the interim report

Accounting principles

KONE Corporation's interim report for January–June 2026 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 interim report as in its financial statements for 2025 except for accounting of cost of hedging and commitment and facility fees.

KONE has previously recognized hedging costs directly in the consolidated statement of income. In 2026, KONE revised its accounting policy to recognize cost of hedging, including changes in forward points and contingency premiums related to deal-contingent hedges, in other comprehensive income (OCI) and to accumulate such amounts in a separate Cost of hedging reserve within equity. Amounts accumulated in the Cost of hedging reserve are reclassified to profit or loss when the hedged cash flows affect profit or loss. This aligns hedging costs with the hedged item, improving transparency in the presentation of risk management activities. A dedicated Cost of hedging reserve is included in reserves under Fair value and other reserves in the consolidated statement of changes in equity. Given the immaterial impact of the cost of hedging accounting treatment on prior periods, comparative periods have not been restated.

In addition, KONE has adopted the following accounting policy for facility and commitment fees related to committed funding arrangements. Fees incurred in securing loan facilities are capitalized when it is probable that the facilities will be drawn down. Such fees are recognized as prepayment for liquidity services and amortized over the contractual term of the related facility.

KONE has extended the use of cash flow hedge accounting to cover deal contingent hedging instruments, which are used to mitigate new financial risks arising from the TKE transaction. For further information, refer to note Financial risks and instruments below.

In applying cash flow hedge accounting, management exercises significant judgement in assessing whether the hedged cash flows are highly probable. Based on a comprehensive assessment of the financing strategy for the TKE transaction, management has concluded that the foreign currency cash flows are highly probable. These cash flows are expected to arise as a direct and necessary consequence of reaching the desired capital structure and financing terms.

The information presented in this interim report has not been audited.

Significant events during the reporting period

The announced TKE transaction has impacted KONE's financial result and other comprehensive income in the second quarter of 2026 through costs related to the planned acquisition as well as fair value changes related to hedging of the planned financing structure. Further information is provided in the note Financial risks and instruments.

Key figures

		1–6/2026	1–6/2025	1–12/2025
Basic earnings per share	EUR	0.87	0.94	1.89
Diluted earnings per share	EUR	0.87	0.94	1.89
Equity per share	EUR	4.44	4.34	5.40
Interest-bearing net debt [1]	MEUR	-245.5	-300.4	-699.8
Equity ratio	%	33.4	34.3	39.9
Gearing	%	-10.5	-13.2	-24.8
Return on equity	%	35.3	38.1	34.7
Return on capital employed	%	27.3	28.9	26.9
Total assets	MEUR	9,034.4	8,562.5	9,052.0
Assets employed	MEUR	2,087.8	1,974.9	2,127.0
Net working capital (including financing and tax items) [1]	MEUR	-877.0	-842.8	-797.6

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

[1] Interest-bearing net debt includes non-current derivative liabilities of EUR 79.7 million and non-current deferred assets of EUR 31.1 million, both related to the TKE transaction. Other derivatives arising from operational activities, presented within current assets and liabilities, are included in net working capital.

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–June 2026, items affecting comparability amounted to EUR 58.3 million consisting of EUR 25.8 million costs relating to the TKE transaction as well as costs related to restructuring and the resettlement of a defined benefit pension plan.

Reconciliation of alternative performance measure		4–6/2026	4–6/2025	1–6/2026	1–6/2025	1–12/2025
Operating income	MEUR	322.2	338.0	605.2	614.7	1,336.2
Operating income margin	%	11.0	11.9	10.7	11.1	11.9
Items affecting comparability	MEUR	47.7	9.2	58.3	12.0	33.1
Adjusted EBIT	MEUR	369.9	347.2	663.5	626.7	1,369.3
Adjusted EBIT margin	%	12.6	12.2	11.8	11.3	12.2

Quarterly figures

		Q2/2026	Q1/2026	Q4/2025	Q3/2025	Q2/2025	Q1/2025
Orders received	MEUR	2,562.3	2,331.4	2,253.4	2,139.5	2,316.2	2,378.4
Order book [1]	MEUR	9,630.8	9,208.6	8,693.0	8,717.7	8,577.3	9,116.2
Sales	MEUR	2,937.6	2,708.3	2,960.8	2,762.0	2,850.1	2,672.3
Operating income	MEUR	322.2	283.0	387.1	334.4	338.0	276.7
Operating income margin	%	11.0	10.4	13.1	12.1	11.9	10.4
Adjusted EBIT [2]	MEUR	369.9	293.6	401.9	340.7	347.2	279.6
Adjusted EBIT margin [2]	%	12.6	10.8	13.6	12.3	12.2	10.5
Items affecting comparability	MEUR	47.7	10.6	14.8	6.3	9.2	2.8

		Q4/2024	Q3/2024	Q2/2024	Q1/2024	Q4/2023	Q3/2023	Q2/2023	Q1/2023
Orders received	MEUR	2,119.0	2,076.6	2,327.6	2,235.7	2,049.2	1,989.9	2,275.5	2,263.1
Order book	MEUR	9,058.6	9,001.2	9,326.6	9,133.0	8,715.7	8,839.5	9,041.9	9,176.2
Sales	MEUR	2,975.6	2,753.6	2,801.0	2,568.2	2,809.9	2,749.9	2,835.9	2,556.6
Operating income	MEUR	332.5	319.4	334.7	262.4	362.1	316.5	283.2	238.3
Operating income margin	%	11.2	11.6	11.9	10.2	12.9	11.5	10.0	9.3
Adjusted EBIT [2]	MEUR	386.5	319.4	334.7	262.4	358.6	315.9	332.0	241.9
Adjusted EBIT margin [2]	%	13.0	11.6	11.9	10.2	12.8	11.5	11.7	9.5
Items affecting comparability	MEUR	54.0	-	-	-	-3.6	-0.5	48.8	3.6

		Q4/2022	Q3/2022	Q2/2022	Q1/2022	Q4/2021	Q3/2021	Q2/2021	Q1/2021
Orders received	MEUR	1,944.2	2,155.5	2,609.0	2,422.6	2,155.1	2,211.1	2,410.7	2,075.9
Order book	MEUR	9,026.1	9,890.5	10,000.4	9,255.4	8,564.0	8,436.9	8,272.5	8,180.4
Sales	MEUR	2,911.5	2,998.2	2,555.1	2,441.9	2,766.8	2,610.0	2,810.8	2,326.4
Operating income	MEUR	367.1	303.9	189.0	171.1	351.9	326.5	367.1	249.8
Operating income margin	%	12.6	10.1	7.4	7.0	12.7	12.5	13.1	10.7
Adjusted EBIT [2]	MEUR	365.0	305.8	209.3	196.5	359.4	326.5	374.0	249.8
Adjusted EBIT margin [2]	%	12.5	10.2	8.2	8.0	13.0	12.5	13.3	10.7
Items affecting comparability	MEUR	-2.1	1.9	20.3	25.4	7.5	-	7.0	-

		Q4/2020	Q3/2020	Q2/2020	Q1/2020	Q4/2019	Q3/2019	Q2/2019	Q1/2019
Orders received	MEUR	2,068.7	1,931.7	2,075.4	2,109.3	1,988.3	2,007.3	2,310.1	2,094.1
Order book	MEUR	7,728.8	7,914.4	8,307.3	8,386.4	8,051.5	8,399.8	8,407.1	8,454.7
Sales	MEUR	2,621.2	2,587.0	2,532.1	2,198.3	2,684.6	2,557.6	2,540.8	2,198.8
Operating income	MEUR	367.1	333.1	315.5	197.2	356.4	314.2	306.5	215.4
Operating income margin	%	14.0	12.9	12.5	9.0	13.3	12.3	12.1	9.8
Adjusted EBIT [2]	MEUR	380.6	339.8	324.6	205.6	367.5	321.9	319.6	228.4
Adjusted EBIT margin [2]	%	14.5	13.1	12.8	9.4	13.7	12.6	12.6	10.4
Items affecting comparability	MEUR	13.5	6.7	9.1	8.4	11.1	7.7	13.1	13.1

[1] Comparison period 2025 has been restated. More information is available in the Other notes section.

[2] Operating income excluding items affecting comparability.

Other notes

Net working capital, MEUR	Jun 30, 2026	Jun 30, 2025	Dec 31, 2025
Inventories	888.0	835.2	843.1
Advances received and deferred revenue	-2,057.1	-1,922.4	-1,965.2
Accounts receivable	2,560.8	2,331.8	2,350.7
Deferred assets and income tax receivables [1]	1,001.8	880.8	778.7
Accruals and income tax payables [1]	-2,250.7	-2,168.6	-1,985.3
Provisions	-197.7	-158.6	-176.4
Accounts payable	-1,162.1	-959.0	-967.6
Other non-current assets	42.1	61.4	60.9
Net deferred tax assets/liabilities	297.9	256.5	263.4
Total [1]	**-877.0**	**-842.8**	**-797.6**

Change in interest-bearing net debt, MEUR [1]	4–6/2026	4–6/2025	1–6/2026	1–6/2025	1–12/2025
Interest-bearing net debt at beginning of period	-208.3	-335.7	-699.8	-831.2	-831.2
Interest-bearing net debt at end of period	-245.5	-300.4	-245.5	-300.4	-699.8
Change in interest-bearing net debt	**-37.2**	**35.3**	**454.3**	**530.8**	**131.4**

[1] Interest-bearing net debt includes non-current derivative liabilities of EUR 79.7 million and non-current deferred assets of EUR 31.1 million, both related to the TKE transaction. Other derivatives arising from operational activities, presented within current assets and liabilities, are included in net working capital.

Depreciation and amortization, MEUR	4–6/2026	4–6/2025	1–6/2026	1–6/2025	1–12/2025
Depreciation and amortization of fixed assets	70.7	64.9	142.5	130.7	266.7
Amortization of acquisition-related intangible assets	12.7	12.2	25.3	24.4	53.2
Total	**83.3**	**77.1**	**167.8**	**155.2**	**319.9**

		1–6/2026		1–6/2025	
Key exchange rates		Average rate	End rate	Average rate	End rate
Chinese yuan	EUR/CNY	8.0202	7.7314	7.9086	8.3970
US dollar	EUR/USD	1.1673	1.1394	1.0920	1.1720
British pound	EUR/GBP	0.8684	0.8618	0.8393	0.8555
Indian rupee	EUR/INR	108.5891	107.8565	93.7165	100.5605
Australian dollar	EUR/AUD	1.6720	1.6544	1.7275	1.7948

Service repair sales previously reported under the Modernization business have been reclassified to the Service business. Accordingly, the comparison period 2025 has been restated in certain business entities to align local practices with global standards and to better reflect the underlying nature of the business.

Service repair sales restatement for 2025, MEUR	Q1/2025	Q2/2025	Q3/2025	Q4/2025	1-12/2025
Order book, previously reported	**9,253.2**	**8,699.4**	**8,839.2**	**8,804.3**	**8,804.3**
Order book, restated	**9,116.2**	**8,577.3**	**8,717.7**	**8,693.0**	**8,693.0**
Sales, previously reported					
New Building Solutions	929.0	1,070.9	1,020.2	1,077.6	4,097.7
Service	1,188.7	1,181.4	1,168.4	1,215.1	4,753.6
Modernization	554.6	597.8	573.4	668.2	2,394.0
Total	**2,672.3**	**2,850.1**	**2,762.0**	**2,960.8**	**11,245.2**
Sales, restated					
New Building Solutions	929.0	1,070.9	1,020.2	1,077.6	4,097.7
Service	1,259.2	1,257.3	1,241.8	1,296.3	5,054.6
Modernization	484.1	521.9	500.0	586.9	2,092.9
Total	**2,672.3**	**2,850.1**	**2,762.0**	**2,960.8**	**11,245.2**

Financial risks and instruments

During the reporting period, KONE signed a share purchase agreement to combine with TKE. The transaction is expected to close no earlier than Q2 2027, subject to regulatory approvals. KONE has secured committed funding of EUR 14.3 billion and has entered into deal-contingent foreign currency and interest rate hedging arrangements to hedge risks associated with the financing package. Cash flow hedge accounting is applied to these instruments. Information on the hedging instruments is presented in the tables below.

	Jun 30, 2026			Jun 30, 2025	Dec 31, 2025
Fair values of derivatives, MEUR	Positive fair value	Negative fair value	Fair value, net	Fair value, net	Fair value, net
Foreign exchange derivatives, current					
in cash flow hedge accounting	22.9	-20.8	2.1	-3.9	-1.8
in net investment hedge accounting	-	-7.5	-7.5	3.3	1.0
not in hedge accounting	14.5	-6.5	7.9	-29.4	2.3
Foreign exchange derivatives, non-current					
in cash flow hedge accounting	3.7	-9.6	-5.9	-2.6	-2.0
Interest rate derivatives, non-current					
in cash flow hedge accounting	-	-71.0	-71.0	-	-

Nominal values of derivatives, MEUR	Jun 30, 2026	Jun 30, 2025	Dec 31, 2025
Foreign exchange forward contracts and swaps	7,331.0	2,849.3	2,727.8
Interest rate swaps	6,388.3	-	-
Total	13,719.3	2,849.3	2,727.8

Changes in level 3 financial derivatives measured at fair value, MEUR	4-6/2026	4-6/2025	1-6/2026	1-6/2025	1-12/2025
Fair value at beginning of period	-	-	-	-	-
Fair value at end of period	-79.7	-	-79.7	-	-
Change in fair value	**-79.7**	**-**	**-79.7**	**-**	**-**

Cash flow hedge reserve, MEUR [1]	Cost of hedging reserve	Reserve for cash flow hedges foreign currency derivatives	Reserve for cash flow hedges interest rate swaps	Total, net of tax
Balance as of Jan 1, 2025	**-**	**-17.8**	**-**	**-15.4**
Change in fair value of hedging instruments	-	10.0	-	10.0
Settlement	-	-6.3	-	-6.3
Change in deferred taxes on cash flow hedge reserve	-	-	-	-0.4
Balance as of Jun 30, 2025	**-**	**-14.1**	**-**	**-12.1**
Change in fair value of hedging instruments	-	0.7	-	0.7
Settlement	-	5.2	-	5.2
Change in deferred taxes on cash flow hedge reserve	-	-	-	-0.1
Balance as of Dec 31, 2025	**-**	**-8.3**	**-**	**-6.3**
Change in fair value of hedging instruments	-	21.1	-9.5	11.6
Hedging costs deferred	-70.2	-	-	-70.2
Settlement	-	-10.2	-	-10.2
Change in deferred taxes on cash flow hedge reserve	-	-	-	15.6
Balance as of Jun 30, 2026	**-70.2**	**2.6**	**-9.5**	**-59.5**

[1] Cash flow hedge reserve within Fair value and other reserves in equity.

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), whereas the deal contingent interest rate and foreign exchange derivatives related to transaction-specific funding arrangements are measured using valuation techniques incorporating significant unobservable inputs (fair value hierarchy level 3).

The fair values are presented 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.

Of the total fair value of derivative financial instruments, EUR 71.0 million relates to interest rate derivatives and EUR 8.7 million relates to foreign exchange derivatives classified within fair value hierarchy level 3. The valuation of these instruments is subject to estimation uncertainty, as the timing of the closing of the TKE transaction is unknown, requiring management to apply significant judgement in determining the expected timing of the underlying transaction and estimating the applicable interest rate curve and forward rate. The closing date of the acquisition will also impact the actual cost of hedging (contingency premiums). A one-year reduction in the assumed time horizon would have resulted in the fair value of the derivate contracts being approximately EUR 10.5 million lower, with all other assumptions held constant.

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 2,135.8 (December 31, 2025: 1,735.4) million as of June 30, 2026.

Events after the reporting period

There were no significant events after the reporting period.

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