

INDUSTRIAL CRANES
COMPONENTS
NUCLEAR CRANES
PORT CRANES
LIFTTRUCKS
CRANE SERVICE
MACHINE TOOL SERVICE
PORT SERVICE
MODERNIZATIONS
PARTS

KONECRANES[®]
Lifting Businesses[™]

**Continued order growth, 2011
operating profit forecasted to
be approximately on 2010 level**
Interim Report January–September 2011

Q3



CONTINUED ORDER GROWTH, 2011 OPERATING PROFIT FORECASTED TO BE APPROXIMATELY ON 2010 LEVEL

Figures in brackets, unless otherwise stated, refer to the same period a year earlier

Third quarter highlights

- Order intake EUR 458.5 million (373.4), +22.8 percent; Service +3.5 percent and Equipment +31.7 percent.
- Order book EUR 1,040.1 million (679.7) at end-September, 53.0 percent higher than a year ago, 6.0 percent higher than at end-June 2011.
- Sales EUR 450.9 million (393.6), +14.6 percent; Service +13.2 percent and Equipment +9.9 percent.
- Operating profit EUR 26.0 million (34.3), 5.8 percent of sales (8.7).
- Earnings per share (diluted) EUR 0.31 (0.39).
- Net cash flow from operating activities EUR -1.6 million (32.1).
- Net debt EUR 203.3 million (0.7) and gearing 49.7 percent (0.2).

January–September highlights

- Order intake EUR 1,422.2 million (1,058.3), +34.4 percent; Service +13.3 percent and Equipment +48.8 percent.
- Sales EUR 1,298.2 million (1,076.9), +20.6 percent; Service +13.1 percent and Equipment +22.3 percent.
- Operating profit EUR 69.7 million (66.6), 5.4 percent of sales (6.2). Comparison period included restructuring costs of EUR 2.7 million.
- Earnings per share (diluted) EUR 0.70 (0.80).
- Net cash flow from operating activities EUR -31.2 million (26.2).

Market outlook

Forecasting the demand continues to be challenging due to the macroeconomic uncertainties caused by the budget deficits and the level of public debt in Europe and the US. We have started to see signs of a weakening demand, but the level of new inquiries is still reasonably good.

Financial guidance

We forecast the 2011 operating profit, excluding possible restructuring costs, to be approximately on the same level as in 2010. Sales are expected to be higher than in 2010.

Business Area Service operating profit in 2011 is expected to fall short of 2010 level. The 2011 operating profit of the Business Area Equipment is forecasted to increase from 2010.

KEY FIGURES

	Third quarter			January - September		R12M	2010
	7-9/2011	7-9/2010	Change %	1-9/2011	1-9/2010		
Orders received, MEUR	458.5	373.4	22.8	1,422.2	1,058.3	1,899.9	1,536.0
Order book at end of period, MEUR	1,040.1	679.7	53.0	1,040.1	679.7		756.2
Sales total, MEUR	450.9	393.6	14.6	1,298.2	1,076.9	1,767.6	1,546.3
EBITDA, MEUR	35.5	42.1	-15.5	97.0	89.7	150.8	143.6
EBITDA, %	7.9 %	10.7 %		7.5 %	8.3 %	8.5 %	9.3 %
Operating profit excluding restructuring costs, MEUR	26.0	34.3	-24.0	69.7	69.2	115.5	115.1
Operating margin excluding restructuring costs, %	5.8 %	8.7 %		5.4 %	6.4 %	6.5 %	7.4 %
Operating profit including restructuring costs, MEUR	26.0	34.3	-24.0	69.7	66.6	115.5	112.4
Operating margin including restructuring costs, %	5.8 %	8.7 %		5.4 %	6.2 %	6.5 %	7.3 %
Profit before taxes, MEUR	26.3	32.7	-19.7	60.1	65.9	105.6	111.3
Net profit for the period, MEUR	18.3	23.0	-20.2	42.0	46.3	73.9	78.2
Earnings per share, basic, EUR	0.31	0.39	-21.4	0.71	0.80	1.26	1.35
Earnings per share, diluted, EUR	0.31	0.39	-21.8	0.70	0.80	1.25	1.34
Gearing, %				49.7 %	0.2 %		-3.8 %
Return on capital employed %, Rolling 12 Months (R12M)						19.0 %	24.2 %
Average number of personnel during the period				10,834	9,677		9,739

PRESIDENT AND CEO PEKKA LUNDMARK,

“I am obviously not satisfied with our third quarter as a whole, and the main concern is lower-than-planned operating profit in Service. We have invested a lot in growth: system and technology development, service network expansion and training in order to be able to deliver higher value services and higher volumes. These are all good investments, but now when the realized growth is lagging behind expectations we are reconsidering certain parts of our plan. We will initiate actions in the fourth quarter to lower fixed costs in the Service business, especially in Europe.

On balance, there is a lot of positive news in the quarter as well. Our total order intake, EUR 459 million, is 23 percent higher than a year ago. I am satisfied with the margin level in these orders. In general, our equipment business is progressing according to the plan and the strong order book in that business gives us visibility and some time to adjust should the recent negative trend in the world economy continue.”

KONECRANES PLC INTERIM REPORT JANUARY – SEPTEMBER 2011

Market review

Coupled with continuously accommodative monetary policies and low interest rates, the global economic situation was generally buoyant in the first half of 2011. However, a sustained concern about the budget deficits and the level of public debt in Europe and the US started to impede the private sector's optimism towards the end of the second quarter, and this rising pessimism started to take over in the third quarter. China and India maintained high growth rates, but this meant the increase of inflationary pressures, against which the governments took measures in order to slow down the progress.

In line with the general economic situation, the industrial capacity utilization in Europe and the US leveled off having nearly reached the level that prevailed before the start of the financial crisis in 2008. Having broken multi-year highs in the first quarter, the purchasing managers' indexes also fell back in the second and third quarters. Currently, they are indicating stable or slightly contracting business activity.

Compared to the previous year, the demand for new equipment improved as the economic growth has eliminated much of the overcapacity within manufacturing industries. The accelerated decision-making for industrial investments boosted the demand for industrial cranes in the first half of the year, while the demand slackened off somewhat in the third quarter. Nevertheless, price competition remained intense.

Global container traffic showed further signs of strength as it grew by about 7 percent in the first seven months of the year. This resulted in continued high level of project activity with container ports.

The demand for lifting equipment services improved in the first half of the year due to the higher capacity utilization in Konecranes' customer industries. In the third quarter, the service market showed signs of stabilization. New types of services utilizing the latest IT and measurement technologies have proved increasingly attractive.

Earlier commodity price inflation caused an upward pressure on the input costs, particularly on components. Also, there have been availability issues of certain components. After peaking up in the first quarter, the steel price eased in the second quarter due the slower economic growth and this trend continued in the third quarter. The EUR appreciated against the USD during the first quarter, but has depreciated since then.

Note: Unless otherwise stated, the figures in brackets in the sections below refer to the same period in the previous year.

Orders received

January-September orders received totaled EUR 1,422.2 million (1,058.3), representing an increase of 34.4 percent compared with previous year. Orders received grew by 13.3 percent in Service and by 48.8 percent in Equipment compared to a year before. Orders received increased in all geographic areas. Order growth was strongest in the Americas. Acquisitions contributed about 5 percent to the orders received in January-September.

Third-quarter order intake rose by 22.8 percent from a year before and totaled EUR 458.5 million (373.4). Order intake increased in Service by 3.5 and in Equipment by 31.7 percent. Orders received rose in all geographic areas. Order growth was strongest in EMEA.

Order book

The value of the order book at end-September totaled EUR 1,040.1 million. The order book increased by 53.0 percent from the last year's comparison figure of EUR 679.7 million, and by 6.0 percent from end-June 2011 when it stood at EUR 981.0 million. Service accounted for EUR 136.5 million (13 percent) and Equipment for EUR 903.6 million (87 percent) of the total end-September order book.

Sales

Group sales in January-September increased by 20.6 percent from the previous year level and totaled EUR 1,298.2 million (1,076.9). Sales in Service rose by 13.1 percent and in Equipment by 22.3 percent. Acquisitions contributed about 4 percent to sales in January-September.

Third-quarter sales rose by 14.6 percent from a year ago and totaled EUR 450.9 million (393.6). Sales increased in Service by 13.2 percent and in Equipment by 9.9 percent.

At end-September, calculated on a rolling 12 months basis, the regional breakdown was as follows: EMEA 52 (53), Americas 29 (30) and APAC 20 (17) percent.

Net sales by region, MEUR

	7-9/2011	7-9/2010	1-9/2011	1-9/2010	Change % at comparable		R12M	2010
					Change percent	currency rates		
EMEA*	238.5	198.5	656.9	558.7	17.6	17.3	910.6	812.4
AME	128.4	122.0	374.2	332.4	12.6	18.3	510.1	468.2
APAC*	83.9	73.1	267.0	185.7	43.8	41.7	347.0	265.6
Total	450.9	393.6	1,298.2	1,076.9	20.6	21.9	1,767.6	1,546.3

*Sales to India has been reported in EMEA during 2010 and 2011. In Q3/2011 reporting, it has been transferred from EMEA to APAC. The comparison figures in year 2011 and 2010 have been changed accordingly.

Currency rate effect

In a year-on-year comparison, the currency rates had a small negative effect on the orders and sales in January-September. The reported order intake rose by 34.4 percent and by 36.0 percent at comparable currency rates. Reported sales rose by 20.6 percent and by 21.9 percent at comparable currency rates.

The reported order intake rose in Service by 13.3 percent and by 15.4 percent at comparable currency rates. In Equipment, the reported order intake increased by 48.8 percent and by 50.2 percent at comparable currency rates. Reported sales increased in Service by 13.1 percent or by 14.9 percent at comparable currency rates. The corresponding figures in Equipment sales were +22.3 percent and +23.4 percent.

The currency rate differences had a slightly negative impact on the operating margin.

Financial result

The consolidated operating profit in January-September totaled EUR 69.7 million (66.6), increasing in total by EUR 3.3 million. The comparison period's second quarter operating profit included EUR 2.7 million restructuring costs. The consolidated operating margin fell to 5.4 percent (6.2). The operating margin in Service declined to 6.2 percent (8.1), but increased in Equipment to 6.2 percent (5.6).

The consolidated operating profit in the third quarter totaled EUR 26.0 million (34.3). The consolidated operating margin in the third quarter fell to 5.8 percent (8.7). The operating margin in Service decreased to 6.6 percent (8.4) and in Equipment to 6.6 percent (8.7).

In January-September, both business areas benefited from higher volumes compared to the previous year. However, the operating profit was held back by the higher business development spending related to the technology and IT. Also, sales mix was less favorable than a year ago in both business areas.

In Service, the costs of expanding the branch network through organic efforts as well as through acquisitions, taxed the operating profit. Furthermore, certain modernization projects have suffered from execution bottlenecks.

Product price increases lagged the input cost development in Industrial Cranes and Lift Trucks, which had an adverse impact on Equipment's operating profit in the second quarter, while the situation slightly improved in the third quarter.

In January-September, depreciation and impairments totaled EUR 27.3 million (23.1). The amortization arising from purchase price allocations for acquisitions represented EUR 10.7 million of it (5.9).

In January-September, the share of the result of associated companies and joint ventures was EUR 2.7 million (1.3).

Net financial expenses totaled EUR 12.2 million (2.0). Net interest expenses were EUR 4.4 million (2.3) of it, and the remainder was mainly attributable to unrealized exchange rate differences related to the hedging of future cash flows that are not included in the hedge accounting.

The January-September profit before taxes was EUR 60.1 million (65.9).

Income taxes in January-September were EUR -18.2 million (-19.6). The Group's estimated effective tax rate was 30.2 percent (29.8).

Net profit for January-September was EUR 42.0 million (46.3).

Diluted earnings per share for January-September were EUR 0.70 (0.80).

On a rolling twelve-month basis, return on capital employed was 19.0 percent (18.8) and return on equity 17.9 percent (14.8).

Balance sheet

The consolidated balance sheet, which at end-September stood at EUR 1,406.0 million, was EUR 265.2 million more than at September 30, 2010 and EUR 90.2 million more than

at June 30, 2011. Total equity at the end of the report period was EUR 409.2 million (415.7). Total equity attributable to equity holders of the parent company at September 30 was EUR 403.8 million (410.9) or EUR 7.06 per share (6.97).

Net working capital amounted to EUR 286.1 million at end-September, representing an increase of EUR 102.7 million from a year ago and an increase of EUR 54.0 million from June 30, 2011. Compared to a year ago, net working capital rose due to higher inventories and receivables, as well as lower advances received.

Cash flow and financing

Net cash from operating activities in January-September was EUR -31.2 million (26.2), representing EUR -0.51 per diluted share (0.44). Net cash from operations in the third quarter was EUR -1.6 million (32.1).

Cash flow before financing activities was EUR -133.9 million (-28.6). Cash flow before financing activities in the third quarter was EUR -43.1 million (21.2).

Interest-bearing net debt was EUR 203.3 million (0.7) on September 30, 2011. Solidity was 32.6 percent (42.9) and gearing 49.7 percent (0.2).

Konecranes Plc repurchased own shares worth EUR 51.3 million in the third quarter, which reduced equity by the same amount. The corresponding cash flow impact in the third quarter was EUR -43.3 million while the rest will be paid in the fourth quarter.

The Group's liquidity remained healthy. At the end of the third quarter, cash and cash equivalents amounted to EUR 113.5 million (103.3). Konecranes had EUR 60 million of the EUR 200 million committed back-up financing facility in use at the end of the period.

Capital expenditure

January-September capital expenditure excluding acquisitions and investments in associated companies amounted to EUR 22.5 million (11.3). This amount consisted of investments in machines, equipment, properties and information technology. Capital expenditure including acquisitions and investments in associated companies was EUR 100.1 million (46.5).

Acquisitions

Capital expenditure on acquisitions and investments in associated companies was EUR 77.7 million (35.1). During January-September, Konecranes made six acquisitions in Chile, India, Austria, Germany, Spain and Saudi Arabia. The net assets of the acquisitions were recorded at EUR 44.8 million and goodwill of EUR 29.6 million was booked from the acquisitions.

On October 11, 2010, Konecranes announced that it had entered into an agreement to acquire the Indian crane company WMI Cranes Ltd. ("WMI"). Konecranes received the required regulatory approvals during first quarter of 2011 and WMI has been consolidated into Konecranes' financial reporting from February 1, 2011.

Konecranes acquired WMI's shares in two phases. In the first phase in February, Konecranes acquired 51 percent of the shares in the company. In the second phase finalized in August, Konecranes acquired the remaining 49 percent of the shares. The total price for 100 percent of the shares in WMI amounted to INR 3,438 million (EUR 54.4 million). In addition an equity investment amounting to INR 140 million (EUR 2.3 million) has been made into WMI's equity in accordance with the share purchase agreement.

The acquisition marks an important step in strengthening Konecranes' position in the growing Indian crane market. In 2010, WMI's net sales exceeded EUR 30 million and it has a strong order book to support further net sales growth in 2011. The acquisition is expected to have a neutral impact on EPS in 2011.

In June, Konecranes acquired 100 percent of the Saudi Arabian crane manufacturer Saudi Cranes & Steel Works Factory Company Limited ("Saudi Cranes"). Saudi Cranes is headquartered in Al Jubail Industrial City and the company has approximately 100 employees. Saudi Cranes' core business is the design, manufacturing and sales of industrial cranes. The company previously had a license agreement with Konecranes. Saudi Cranes net sales in 2010 were approximately EUR 17 million. The acquisition creates an excellent base for establishing and developing services in the Saudi Arabian market.

Personnel

In January-September, the Group employed an average of 10,834 people (9,677). At 30 September, the headcount was 11,427 (9,795). At end September, the number of personnel by Business Area was as follows: Service 5,901 employees (5,125), Equipment 5,476 employees (4,626) and Group staff 50 (44). The Group had 6,071 employees (5,562) working in EMEA, 2,476 (2,217) in the Americas and 2,880 (2,016) in the APAC region.

Almost half of the personnel increase came from the acquisitions.

BUSINESS AREAS

Service

	7-9/2011	7-9/2010	1-9/2011	1-9/2010	Change percent	R12M	2010
Orders received, MEUR	157.8	152.4	511.3	451.3	13.3	665.7	605.7
Order book, MEUR	136.5	111.7	136.5	111.7	22.2		103.3
Contract base value, MEUR	157.6	146.6	157.6	146.6	7.5		145.7
Net sales, MEUR	196.2	173.2	561.3	496.5	13.1	772.6	707.8
EBITDA, MEUR	15.6	17.4	42.0	48.5	-13.4	66.7	73.2
EBITDA, %	8.0 %	10.0 %	7.5 %	9.8 %		8.6 %	10.3 %
Depreciation and amortization, MEUR	-2.6	-2.8	-7.2	-8.1	-11.3	-9.8	-10.7
Operating profit (EBIT), MEUR	13.0	14.6	34.8	40.4	-13.8	56.9	62.5
Operating profit (EBIT), %	6.6 %	8.4 %	6.2 %	8.1 %		7.4 %	8.8 %
Restructuring costs, MEUR	0.0	0.0	0.0	0.0		0.0	0.0
Operating profit (EBIT) excluding restructuring costs, MEUR	13.0	14.6	34.8	40.4	-13.8	56.9	62.5
Operating profit (EBIT) excluding restructuring costs, %	6.6 %	8.4 %	6.2 %	8.1 %		7.4 %	8.8 %
Capital employed, MEUR	200.1	152.7	200.1	152.7	31.1		163.3
ROCE%						32.3 %	42.5 %
Capital expenditure, MEUR	2.1	1.7	5.8	5.8	-0.5	11.3	11.3
Personnel at the end of period	5,901	5,125	5,901	5,125	15.1		5,397

January-September orders received totaled EUR 511.3 million (451.3), showing an increase of 13.3 percent. New orders grew in all geographic regions and in all business units. The order book increased by 22.2 percent to EUR 136.5 million (111.7) from a year before, but declined by 5.4 percent from end-June 2011. Sales increased by 13.1 percent to EUR 561.3 million (496.5). Operating profit was EUR 34.8 million (40.4) and the operating margin 6.2 percent (8.1). Growth in deliveries has been slower than originally planned, which affects fixed cost absorption in the expanded service network. Growth in capacity utilization within key customer groups has stagnated, affecting spare parts demand and thus profitability.

The third quarter order intake increased by 3.5 percent and totaled EUR 157.8 million (152.4). Orders were higher than a year ago in all regions. Changes in the currency exchange rate mainly due to US dollar, had a negative impact of almost 5%-points on the growth rate. Moderniza-

tion orders were lower than a year ago as well as below the second quarter level. Third quarter sales totaled EUR 196.2 million (173.2) and were 13.2 percent higher than a year ago. Operating profit was EUR 13.0 million (14.6) and the operating margin 6.6 percent (8.4). The operating profit was held back by the same factors as in the first half. Additionally, certain modernization projects suffered from execution bottlenecks.

The total number of equipment included in the maintenance contract base increased to 394,123 at end-September from 376,523 a year before and from 389,200 at end-June, 2011. The annual value of the contract base amounted to EUR 157.6 million compared to 146.6 MEUR a year ago and 151.2 MEUR at end-June, 2011.

The number of service technicians at end-September was 3,735, which is 449 or 13.7 percent more than at the end of September 2010.

Equipment

	7-9/2011	7-9/2010	1-9/2011	1-9/2010	Change percent	R12M	2010
Orders received, MEUR	315.9	240.0	975.5	655.7	48.8	1,324.6	1,004.9
Order book, MEUR	903.6	585.6	903.6	585.6	54.3		652.9
Net sales, MEUR	277.6	252.6	807.0	660.1	22.3	1,095.5	948.6
EBITDA, MEUR	25.3	27.0	70.6	52.0	35.9	103.4	84.7
EBITDA, %	9.1 %	10.7 %	8.8 %	7.9 %		9.4 %	8.9 %
Depreciation and amortization, MEUR	-7.0	-4.9	-20.4	-14.7	38.7	-25.7	-20.0
Operating profit (EBIT), MEUR	18.3	22.0	50.3	37.3	34.8	77.7	64.7
Operating profit (EBIT), %	6.6 %	8.7 %	6.2 %	5.6 %		7.1 %	6.8 %
Restructuring costs, MEUR	0.0	0.0	0.0	-2.7		0.0	-2.7
Operating profit (EBIT) excluding restructuring costs, MEUR	18.3	22.0	50.3	39.9	25.8	77.7	67.4
Operating profit (EBIT) excluding restructuring costs, %	6.6 %	8.7 %	6.2 %	6.1 %		7.1 %	7.1 %
Capital employed, MEUR	386.3	223.7	386.3	223.7	72.7		243.1
ROCE%						25.5 %	28.6 %
Capital expenditure, MEUR	5.4	0.4	16.7	5.5	202.5	22.2	11.0
Personnel at the end of period	5,476	4,626	5,476	4,626	18.4		4,600

January-September orders received totaled EUR 975.5 million (655.7), showing an increase of 48.8 percent. Orders grew in all regions. The growth was particularly high in the Americas, followed by EMEA. Orders for Industrial Cranes accounted for approximately 45 percent of the orders received and were higher than a year ago. Components generated approximately 25 percent of the new orders and were above last year's level. The combined orders for the other business units (Nuclear Cranes, Port Cranes and Lift Trucks) amounted to approximately 30 percent of the orders received and were higher than a year ago. The order intake included large port crane orders in the first and third quarters.

The order book increased by 54.3 percent from a year before to EUR 903.6 million (585.6) and by 8.0 percent from the end-June 2011. Sales rose by 22.3 percent to EUR 807.0 million (660.1). Operating profit was EUR 50.3 million (37.3) and 6.2 percent of the sales (5.6). Operating profit in the second quarter of the comparison period included restructuring

costs of EUR 2.7 million. Profitability improved due to higher volumes, but it was held back by the higher business development spending related to the new products and IT. Also, the sales mix was less favorable than a year ago. In addition, product price increases lagged the input cost development in Industrial Cranes and Lift Trucks, which had an adverse impact on the operating profit in the second quarter, while the situation slightly improved in the third quarter.

The third quarter order intake rose by 31.7 percent and totaled EUR 315.9 million (240.0). Orders grew in all regions compared to a year ago. Orders rose in Industrial Cranes, Components and Port Cranes, but fell in Lift Trucks compared to a year ago.

The third-quarter sales totaled EUR 277.6 million (252.6) and were 9.9 percent more than a year ago. Third-quarter operating profit was EUR 18.3 million (22.0), and the operating margin 6.6 percent (8.7). The operating profit was held back by the same factors as in the first half.

Group Overheads

Unallocated Group overhead costs and eliminations in the reporting period were EUR –15.4 million (–11.1), representing 1.2 percent of sales (1.0).

Administration

Decisions of the Annual General Meeting

The resolutions of Konecranes Annual General Meeting and the organizing meeting of the Board of Directors have been published in the stock exchange releases dated March 31, 2011.

Changes in Group Management

The Board of Directors of Konecranes Plc has made the following appointments, effective January 1, 2012:

As planned earlier, Harry Ollila will step down from his position as a Head of Market Operations and member of the Group Executive Board. However, Mr. Ollila (b. 1950) has agreed to be available for special assignments on a consultancy basis, as agreed separately.

Mikko Uhari, currently Executive Vice President and Head of Business Area Equipment, will succeed Harry Ollila as an Executive Vice President and a Head of Market Operations. Mr. Uhari (b. 1957) will be responsible for Konecranes' regional and country organizations covering the entire Konecranes offering to various industry segments. He will also be responsible for the global account management.

Hannu Rusanen (b. 1957), currently Executive Vice President and Head of Business Area Service, will succeed Mikko Uhari as an Executive Vice President and a Head of Business Area Equipment.

Fabio Fiorino, currently Vice President, Head of Service, Region Americas, will succeed Hannu Rusanen as an Executive Vice President and a Head of Business Area Service. He will also become a member of the Group Executive Board. Mr. Fiorino (b. 1967) has wide and diverse experience within Konecranes since 1995.

As of January 1, 2012, the Group Executive Board (GXB) will consist of the following members:

- Pekka Lundmark, President and CEO, and Chairman of the Group Executive Board
- Mikko Uhari, Market Operations
- Hannu Rusanen, Business Area Equipment
- Fabio Fiorino, Business Area Service
- Teo Ottola, Finance and headquarter functions
- Pekka Lettijeffer, Procurement
- Ari Kiviniitty, Technology

Share capital and shares

The company's registered share capital on September 30, 2011 totaled EUR 30.1 million. On September 30, 2011, the number of shares including treasury shares totaled 63,241,427.

On September 30, 2011, Konecranes Plc was in the possession of 5,524,760 own shares directly and 517,696 own shares indirectly through KCR Management Oy, which corresponds to 9.6 percent of the total number of shares, and which at that date had a market value of EUR 91.8 million.

Konecranes Plc repurchased 3,000,000 own shares in public trading on the NASDAQ OMX Helsinki in the third quarter, which corresponds to 4.7 percent of the total number of shares. The consideration paid for the shares amounted to EUR 51.3 million, which reduced equity by the same amount.

A total of 281,007 new shares subscribed in the Konecranes Plc's share issue directed to the shareholders of KCR Management Oy, following the share swap announced on December 14, 2010, were entered into the Trade Register on January 13, 2011.

Shares registered under stock option rights

Pursuant to Konecranes Plc's stock option plans, 958,300 new shares were subscribed and registered in the Finnish Trade Register in January-September 2011. As a result of these subscriptions, the total number of Konecranes Plc's shares, including treasury shares, rose to 63,241,427.

The stock options issued under Konecranes Plc's ongoing stock option plans (2007 and 2009) at end-September 2011 entitle the holders to subscribe to a total of 3,168,700 shares, which would increase the total number of Konecranes Plc's shares, including treasury shares, to 66,410,127. The option programs include approximately 220 key persons.

All shares carry one vote per share and equal rights to dividends.

The terms and conditions of the stock option programs are available on Konecranes' website at www.konecranes.com.

Market capitalization and trading volume

The closing price for Konecranes Plc's shares on September 30, 2011 was EUR 15.19. The volume-weighted average share price in January-September was EUR 25.52, the highest price being EUR 34.17 in February and the lowest EUR 15.08 in September. In January–September, the trading volume on the NASDAQ OMX Helsinki totaled 93.1 million Konecranes Plc shares, corresponding to a turnover of

approximately EUR 2,374 million. The average daily trading volume was 489,755 shares, representing an average daily turnover of EUR 12.5 million.

On September 30, 2011, the total market capitalization of Konecranes Plc's shares was EUR 961 million including the treasury shares. The market capitalization was EUR 869 million excluding the treasury shares.

Flagging notifications

On January 5, 2011, BlackRock, Inc. informed Konecranes that their holding had exceeded 10 percent. BlackRock Inc. held 6,441,109 shares in Konecranes Plc on January 4. The holding corresponds to 10.39 percent of Konecranes Plc's shares and votes.

On January 13, 2011, HTT 2 Holding Oy Ab informed Konecranes that their holding had decreased below 10 percent. HTT 2 Holding Oy Ab held 6,215,568 shares in Konecranes Plc on January 13, 2011, which is 9.98 percent of Konecranes Plc's shares and votes. K. Hartwall Invest Oy Ab, Fyrklöver-Invest Oy Ab and Ronnas Invest AG, who will in practice cooperate with HTT 2 Holding Oy Ab in matters concerning their ownership in Konecranes Plc, held 6,347,968 shares on January 13, 2011, which is 10.19 percent of the shares and votes in Konecranes Plc.

On January 14, 2011, HTT 2 Holding Oy Ab informed Konecranes that their holding had exceeded 10 percent. HTT 2 Holding Oy Ab held 6,230,568 shares in Konecranes Plc on January 14, 2011, which is 10.00 percent of Konecranes Plc's shares and votes. K. Hartwall Invest Oy Ab, Fyrklöver-Invest Oy Ab and Ronnas Invest AG, who will in practice cooperate with HTT 2 Holding Oy Ab in matters concerning their ownership in Konecranes Plc, held 6,362,968 shares on January 14, 2011, which is 10.22 percent of the shares and votes in Konecranes Plc.

On March 4, 2011, Konecranes received a disclosure according to which, the holding of BlackRock, Inc. in Konecranes Plc had decreased below 10 percent. BlackRock, Inc. held 6,121,545 Konecranes Plc's shares on March 3, 2011, which is 9.83 percent of Konecranes Plc's shares and votes.

On March 8, 2011, Konecranes received a disclosure according to which the holding of BlackRock, Inc. in Konecranes Plc had exceeded 10 percent. BlackRock, Inc. held 6,362,798 Konecranes Plc's shares on March 7, 2011, which is 10.21 percent of Konecranes Plc's shares and votes.

On March 9, 2011, Konecranes received a disclosure according to which, the holding of BlackRock, Inc. in Konecranes Plc had decreased below 10 percent. BlackRock, Inc. held 6,093,644 Konecranes Plc's shares on March 8,

2011, which is 9.78 percent of Konecranes Plc's shares and votes.

On August 18, 2011, Konecranes disclosed that its total holding of Konecranes Plc had exceeded 5 percent as a result of the repurchase of the company's own shares. Konecranes Plc was in the possession of 2,683,000 own shares directly and 517,696 own shares indirectly through KCR Management Oy on August 17, 2011, which is 5.06 percent of Konecranes Plc's shares and votes.

On August 23, 2011, Konecranes disclosed that its direct holding of Konecranes Plc had exceeded 5 percent as a result of the repurchase of the company's own shares. Konecranes Plc was directly in the possession of 3,196,813 own shares on August 22, 2011, which is 5.05 percent of Konecranes Plc's shares and votes. In addition, Konecranes Plc was in the possession of 517,696 own shares indirectly through KCR Management Oy on August 22, 2011, which is 0.82 percent of Konecranes Plc's shares and votes.

On September 29, 2011, Konecranes received a disclosure according to which, the holding of BlackRock, Inc. in Konecranes Plc has decreased below 5 percent. BlackRock, Inc. held 3,135,985 Konecranes Plc's shares on September 28, 2011, which is 4.96 percent of Konecranes Plc's shares and votes.

Events after the end of the reporting period

On October 5, 2011, Konecranes received a disclosure according to which, the holding of BlackRock, Inc. in Konecranes Plc has exceeded 5 percent. BlackRock, Inc. held 3,172,115 Konecranes Plc's shares on October 4, 2011, which is 5.02 percent of Konecranes Plc's shares and votes.

On October 10, Konecranes announced that its 2011 operating profit, excluding possible restructuring costs, is forecast to be approximately on the same level as in 2010 due to weaker-than-expected growth in Service.

In the same announcement, Konecranes informed that the management will initiate actions to reduce costs and to improve operational efficiency within the Group. Due to these actions, Konecranes may incur restructuring costs in the fourth quarter of 2011, which are not taken into account in the financial guidance.

On October 12, 2011, Konecranes received a disclosure according to which the holding of BlackRock, Inc. in Konecranes Plc has decreased below 5 percent. BlackRock, Inc. held 3,110,058 Konecranes Plc's shares on October 11, 2011, which is 4.92 percent of Konecranes Plc's shares and votes.

On October 13, Konecranes announced that it has signed a new EUR 100 million five-year Bank Term Loan with Pohjola Bank. The loan will be used for general corporate purposes and to prolong the maturity profile of the Group's financial liabilities.

Risks and uncertainties

Principal short-term risks and uncertainties of the Group derive from a possible renewed downturn in the world economy, due, for example, to the sovereign credit crisis. A decrease in demand for Konecranes' products and services may have a negative effect on the Group's pricing power and result in decrease in profits, a possible impairment of goodwill and other assets, or inventory obsolescence.

The economic growth has had an inflationary impact on the raw material prices, which may have an effect on Konecranes' profits, if product sales prices could not be correspondingly adjusted due, for example, to intense competition. In addition to Konecranes' own assembly operations, the lack of raw materials and components may cause bottlenecks, which may consequently result in delays of deliveries and increased costs.

Finnish Metalworkers' Union, salaried workers' union Pro and the Federation of Professional and Managerial Staff YTN have declared a ban on overtime in the technology industry as a result of the interrupted collective bargaining negotiations. The overtime ban started on October 4. At the same time, the Metalworkers' Union and Pro have issued a strike warning on 44 companies including Konecranes. The initial phase of the industrial action would start on October 21. YTN shall begin the strike in the same companies on November 1. The collective action is planned to end on November 7 if no solution is reached in the negotiations before that. To mitigate the adverse effects of the possible industrial action, Konecranes has already started to move its deliveries from Finland to its other supply units outside Finland. This results in additional costs. The strike, if realized, could cause delivery postponements and it would put pressure on reaching the financial guidance for 2011.

Group's other risks have remained unchanged and the pivotal risks are presented in the Annual Report 2010.

Market outlook

Forecasting the demand continues to be challenging due to the macroeconomic uncertainties caused by the budget deficits and the level of public debt in Europe and the US. We have started to see signs of a weakening demand, but the level of new inquiries is still reasonably good.

Financial guidance

We forecast the 2011 operating profit, excluding possible restructuring costs, to be approximately on the same level as in 2010. Sales are expected to be higher than in 2010.

Business Area Service operating profit in 2011 is expected to fall short of 2010 level. The 2011 operating profit of the Business Area Equipment is forecasted to increase from 2010.

Helsinki, October 20, 2011
Konecranes Plc
Board of Directors

Disclaimer

It should be noted that certain statements in this report, which are not historical facts, including, without limitation, those regarding

- expectations for general economic development and market situation,
- expectations for general developments in the industry,
- expectations regarding customer industry profitability and investment willingness,
- expectations for company growth, development and profitability,
- expectations regarding market demand for the company's products and services,
- expectations regarding the successful completion of acquisitions on a timely basis and our ability to achieve the set targets and synergies,
- expectations regarding competitive conditions,
- expectations regarding cost savings,
- and statements preceded by "believes," "expects," "anticipates," "foresees" or similar expressions, are forward-looking statements. These statements are based on current expectations, decisions and plans and currently known facts. Therefore, they involve risks and uncertainties, which may cause actual results to materially differ from the results currently expected by the company. Such factors include, but are not limited to,
- general economic conditions, including fluctuations in exchange rates and interest levels,
- the competitive situation, especially significant products or services developed by our competitors,
- industry conditions,
- the company's own operating factors, including the success of production, product development, project management, quality, and timely delivery of our products and services and their continuous development,
- the success of pending and future acquisitions and restructurings.

SUMMARY FINANCIAL STATEMENTS AND NOTES

Accounting principles

The presented financial information is prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the EU.

To hedge sales cash flows for certain large crane projects Konecranes applies hedge accounting compatible with IAS 39. From the beginning of 2011 the Group applies hedge accounting also to purchases related to large crane projects. Currently only USD-denominated projects are included in the hedge accounting. Otherwise Konecranes applies the same

accounting policies as were applied in the 2010 annual financial statements. The year 2011 new and amended IFRS standards have immaterial impact on future financial statements.

The figures presented in the tables below have been rounded to one decimal, which should be taken into account when reading the sum figures.

The numbers stated in this bulletin have not been subject to audit.

Consolidated statement of income

EUR million	7-9/2011	7-9/2010	1-9/2011	1-9/2010	Change %	1-12/2010
Sales	450.9	393.6	1,298.2	1,076.9	20.6	1,546.3
Other operating income	0.8	0.8	2.2	2.4		3.6
Depreciation and impairments	-9.5	-7.8	-27.3	-23.1		-31.1
Other operating expenses	-416.2	-352.3	-1,203.4	-989.6		-1,406.3
Operating profit	26.0	34.3	69.7	66.6	4.7	112.4
Share of associates' and joint ventures' result	0.2	0.3	2.7	1.3		2.5
Financial income and expenses	0.1	-1.8	-12.2	-2.0		-3.6
Profit before taxes	26.3	32.7	60.1	65.9	-8.8	111.3
Taxes	-7.9	-9.7	-18.2	-19.6		-33.1
NET PROFIT FOR THE PERIOD	18.3	23.0	42.0	46.3	-9.3	78.2
Net profit for the period attributable to:						
Shareholders of the parent company	18.4	23.1	42.4	47.1		79.4
Non-controlling interest	0.0	-0.1	-0.4	-0.8		-1.2
Earnings per share, basic (EUR)	0.31	0.39	0.71	0.80	-11.1	1.35
Earnings per share, diluted (EUR)	0.31	0.39	0.70	0.80	-11.5	1.34

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR million	7-9/2011	7-9/2010	1-9/2011	1-9/2010	Change %	1-12/2010
Net profit for the period	18.3	23.0	42.0	46.3	-9.3	78.2
Other comprehensive income for the period, net of tax						
Exchange differences on translating foreign operations	6.2	-14.3	-5.9	14.7		19.4
Cash flow hedges	-5.2	2.7	0.6	-3.6		-2.4
Income tax relating to components of other comprehensive income	1.4	-0.7	-0.1	0.9		0.6
Other comprehensive income for the period, net of tax	2.4	-12.3	-5.5	12.1		17.6
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	20.7	10.7	36.4	58.3	-37.5	95.8
Total comprehensive income attributable to:						
Shareholders of the parent company	20.3	11.4	36.7	59.3		96.6
Non-controlling interest	0.4	-0.7	-0.2	-1.0		-0.8

CONSOLIDATED BALANCE SHEET

EUR million			
ASSETS	30.9.2011	30.9.2010	31.12.2010
Non-current assets			
Goodwill	112.7	76.3	84.4
Intangible assets	86.3	63.5	68.3
Property, plant and equipment	118.2	96.1	99.1
Advance payments and construction in progress	30.4	20.6	19.0
Investments accounted for using the equity method	34.3	32.2	31.9
Available-for-sale investments	1.4	1.6	1.4
Long-term loans receivable	0.5	3.4	0.3
Deferred tax assets	40.4	44.5	40.7
Total non-current assets	424.0	338.1	345.2
Current assets			
Inventories			
Raw material and semi-manufactured goods	147.6	118.5	120.6
Work in progress	193.6	149.7	139.0
Advance payments	16.8	11.3	10.3
Total inventories	357.9	279.6	269.9
Accounts receivable	353.2	264.4	315.8
Loans receivable	0.6	2.1	1.8
Other receivables	35.2	24.8	28.8
Deferred assets	121.5	128.5	115.6
Cash and cash equivalents	113.5	103.3	98.5
Total current assets	982.0	802.6	830.3
TOTAL ASSETS	1,406.0	1,140.7	1,175.5

CONSOLIDATED BALANCE SHEET

EUR million	30.9.2011	30.9.2010	31.12.2010
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent company			
Share capital	30.1	30.1	30.1
Share premium account	39.3	39.3	39.3
Share issue	0.0	0.0	8.7
Fair value reserves	1.0	-0.4	0.5
Translation difference	-5.6	-3.5	0.5
Paid in capital	43.7	10.5	10.5
Retained earnings	253.0	287.9	281.4
Net profit for the period	42.4	47.1	79.4
Total equity attributable to equity holders of the parent company	403.8	410.9	450.5
Non-controlling interest	5.4	4.8	5.7
Total equity	409.2	415.7	456.2
Liabilities			
Non-current liabilities			
Interest-bearing liabilities	89.6	39.2	32.9
Other long-term liabilities	56.7	57.1	57.0
Deferred tax liabilities	25.2	18.1	18.1
Total non-current liabilities	171.5	114.4	107.9
Provisions	45.4	53.2	50.1
Current liabilities			
Interest-bearing liabilities	228.3	70.3	50.2
Advance payments received	151.3	170.8	154.0
Progress billings	14.0	11.9	24.9
Accounts payable	132.4	89.1	117.2
Other short-term liabilities (non-interest bearing)	24.7	14.8	23.2
Accruals	229.2	200.4	191.7
Total current liabilities	779.9	557.4	561.2
Total liabilities	996.7	725.0	719.2
TOTAL EQUITY AND LIABILITIES	1,406.0	1,140.7	1,175.5

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Equity attributable to equity holders of the parent company

EUR million	Share capital	Share premium account	Share issue	Cash flow hedge	Translation difference
Balance at 1 January, 2011	30.1	39.3	8.7	0.5	0.5
Options exercised					
Share issue			-8.7		
Dividends paid to equity holders					
Share based payments recognized against equity					
Purchase of treasury shares					
Business combinations					
Total comprehensive income				0.4	-6.1
Balance at 30 September, 2011	30.1	39.3	0.0	1.0	-5.6
Balance at 1 January, 2010	30.1	39.3	0.0	2.3	-18.4
Options exercised					
Share issue					
Dividends paid to equity holders					
Share based payments recognized against equity					
Business combinations					
Donations*					
Total comprehensive income				-2.7	14.9
Balance at 30 September, 2010	30.1	39.3	0.0	-0.4	-3.5

Equity attributable to equity holders of the parent company

EUR million	Paid in capital	Retained earnings	Total	Non-controlling interest	Total equity
Balance at 1 January, 2011	10.5	360.8	450.5	5.7	456.2
Options exercised	24.6		24.6		24.6
Share issue	8.6		-0.1		-0.1
Dividends paid to equity holders		-60.0	-60.0		-60.0
Share based payments recognized against equity		3.4	3.4		3.4
Purchase of treasury shares		-51.3	-51.3		-51.3
Business combinations		0.1	0.1	-0.1	-0.1
Total comprehensive income		42.4	36.7	-0.2	36.4
Balance at 30 September, 2011	43.7	295.4	403.8	5.4	409.2
Balance at 1 January, 2010	9.0	340.2	402.5	4.6	407.1
Options exercised	1.4		1.4		1.4
Share issue			0.0		0.0
Dividends paid to equity holders		-53.5	-53.5	0.5	-53.0
Share based payments recognized against equity		2.7	2.7		2.7
Business combinations		-0.6	-0.6	0.7	0.1
Donations*		-0.9	-0.9		-0.9
Total comprehensive income		47.1	59.3	-1.0	58.3
Balance at 30 September, 2010	10.5	335.0	410.9	4.8	415.7

* Donations (after taxes) to Finnish Universities based on the decision made by AGM

CONSOLIDATED CASH FLOW STATEMENT

EUR million	1-9/2011	1-9/2010	1-12/2010
Cash flow from operating activities			
Net income	42.0	46.3	78.2
Adjustments to net income			
Taxes	18.2	19.6	33.1
Financial income and expenses	12.6	2.2	3.8
Share of associates' and joint ventures' result	-2.7	-1.3	-2.5
Dividend income	-0.4	-0.2	-0.2
Depreciation and impairments	27.3	23.1	31.1
Profits and losses on sale of fixed assets	-0.2	-0.1	-0.6
Other adjustments	1.8	0.1	0.6
Operating income before change in net working capital	98.6	89.7	143.5
Change in interest-free short-term receivables	-21.8	4.5	-49.7
Change in inventories	-72.8	-18.7	-7.2
Change in interest-free short-term liabilities	6.8	-0.9	10.8
Change in net working capital	-87.8	-15.1	-46.1
Cash flow from operations before financing items and taxes	10.7	74.6	97.4
Interest received	6.1	1.7	2.1
Interest paid	-7.6	-4.2	-5.8
Other financial income and expenses	-5.5	-3.2	-5.0
Income taxes paid	-34.9	-42.7	-31.3
Financing items and taxes	-41.9	-48.4	-40.0
Net cash from operating activities	-31.2	26.2	57.4
Cash flow from investing activities			
Acquisition of Group companies, net of cash	-70.1	-9.2	-11.5
Divestment of Group companies, net of cash	0.0	0.0	0.9
Acquisition of shares in associated companies	0.0	-27.0	-27.0
Capital expenditures	-33.8	-19.8	-29.2
Proceeds from sale of fixed assets	0.8	1.0	1.6
Dividends received	0.4	0.2	0.2
Net cash used in investing activities	-102.7	-54.8	-65.0
Cash flow before financing activities	-133.9	-28.6	-7.5
Cash flow from financing activities			
Proceeds from options exercised and share issues	24.5	1.1	1.2
Purchase of treasury shares	-43.3	0.0	0.0
Proceeds from long-term borrowings	60.9	2.8	0.3
Repayments of long-term borrowings	-4.2	-3.8	-8.4
Proceeds from (+), payments of (-) short-term borrowings	172.6	39.0	17.7
Change in long-term receivables	-0.2	-0.9	1.4
Change in short-term receivables	1.2	1.2	0.0
Dividends paid to equity holders of the parent	-60.0	-53.0	-53.0
Net cash used in financing activities	151.5	-13.6	-40.8
Translation differences in cash	-2.4	7.9	9.3
Change of cash and cash equivalents	15.1	-34.3	-39.1
Cash and cash equivalents at beginning of period	98.5	137.5	137.5
Cash and cash equivalents at end of period	113.5	103.3	98.5
Change of cash and cash equivalents	15.1	-34.3	-39.1

The effect of changes in exchange rates has been eliminated by converting the beginning balance at the rates current on the last day of the reporting period.

SEGMENT INFORMATION

1. BUSINESS SEGMENTS

EUR million

Orders received by Business Area	1-9/2011	% of total	1-9/2010	% of total	1-12/2010	% of total
Service ¹⁾	511.3	34	451.3	41	605.7	38
Equipment	975.5	66	655.7	59	1,004.9	62
./. Internal	-64.6		-48.7		-74.6	
Total	1,422.2	100	1,058.3	100	1,536.0	100

1) Excl. Service Contract Base

Order book total ²⁾	30.9.2011	% of total	30.9.2010	% of total	31.12.2010	% of total
Service	136.5	13	111.7	16	103.3	14
Equipment	903.6	87	585.6	84	652.9	86
./. Internal	0.0		-17.6		0.0	
Total	1,040.1	100	679.7	100	756.2	100

2) Percentage of completion deducted

Sales by Business Area	1-9/2011	% of total	1-9/2010	% of total	1-12/2010	% of total
Service	561.3	41	496.5	43	707.8	43
Equipment	807.0	59	660.1	57	948.6	57
./. Internal	-70.1		-79.7		-110.1	
Total	1,298.2	100	1,076.9	100	1,546.3	100

Operating profit (EBIT) by Business Area excluding restructuring costs	1-9/2011	EBIT %	1-9/2010	EBIT %	1-12/2010	EBIT %
	MEUR		MEUR		MEUR	
Service	34.8	6.2	40.4	8.1	62.5	8.8
Equipment	50.3	6.2	39.9	6.1	67.4	7.1
Group costs and eliminations	-15.4		-11.1		-14.8	
Total	69.7	5.4	69.2	6.4	115.1	7.4

Operating profit (EBIT) by Business Area including restructuring costs	1-9/2011	EBIT %	1-9/2010	EBIT %	1-12/2010	EBIT %
	MEUR		MEUR		MEUR	
Service	34.8	6.2	40.4	8.1	62.5	8.8
Equipment	50.3	6.2	37.3	5.6	64.7	6.8
Group costs and eliminations	-15.4		-11.1		-14.8	
Total	69.7	5.4	66.6	6.2	112.4	7.3

Capital Employed and ROCE%	30.9.2011	30.9.2010	31.12.2010	ROCE %
	MEUR	MEUR	MEUR	
Service	200.1	152.7	163.3	42.5
Equipment	386.3	223.7	243.1	28.6
Unallocated Capital Employed	140.7	148.8	132.9	
Total	727.2	525.2	539.3	24.2

Personnel by Business Area (at the end of the period)	30.9.2011	% of total	30.9.2010	% of total	31.12.2010	% of total
Service	5,901	52	5,125	52	5,397	54
Equipment	5,476	48	4,626	47	4,600	46
Group staff	50	0	44	0	45	0
Total	11,427	100	9,795	100	10,042	100

SEGMENT INFORMATION

2. GEOGRAPHICAL SEGMENTS

EUR million

Sales by market	1-9/2011	% of total	1-9/2010	% of total	1-12/2010	% of total
Europe-Middle East-Africa (EMEA)*	656.9	51	558.7	52	812.4	53
Americas (AME)	374.2	29	332.4	31	468.2	30
Asia-Pacific (APAC)*	267.0	21	185.7	17	265.6	17
Total	1,298.2	100	1,076.9	100	1,546.3	100

*Sales to India has been reported in EMEA during 2010 and 2011. In Q3/2011 reporting, it has been transferred from EMEA to APAC. The comparison figures in year 2011 and 2010 have been changed accordingly.

Personnel by region

(at the end of the period)	30.9.2011	% of total	30.9.2010	% of total	31.12.2010	% of total
Europe-Middle East-Africa (EMEA)	6,071	53	5,562	57	5,751	57
Americas (AME)	2,476	22	2,217	23	2,259	22
Asia-Pacific (APAC)	2,880	25	2,016	21	2,032	20
Total	11,427	100	9,795	100	10,042	100

NOTES

KEY FIGURES	30.9.2011	30.9.2010	Change %	31.12.2010
Earnings per share, basic (EUR)	0.71	0.80	-11.1	1.35
Earnings per share, diluted (EUR)	0.70	0.80	-11.5	1.34
Return on capital employed %, Rolling 12 Months (R12M)	19.0	18.8		24.2
Return on equity %, Rolling 12 Months (R12M)	17.9	14.8		18.1
Equity per share (EUR)	7.06	6.97	1.3	7.64
Current ratio	1.2	1.3	-7.7	1.4
Gearing %	49.7	0.2		-3.8
Solidity %	32.6	42.9		44.7
EBITDA, EUR million	97.0	89.7	8.1	143.6
Investments total (excl. acquisitions), EUR million	22.5	11.3	98.4	22.3
Interest-bearing net debt, EUR million	203.3	0.7		-17.4
Net working capital, EUR million	286.1	183.3	56.0	191.6
Average number of personnel during the period	10,834	9,677	12.0	9,739
Average number of shares outstanding, basic	59,582,689	58,909,006	1.1	58,922,329
Average number of shares outstanding, diluted	60,162,574	59,205,578	1.6	59,274,012
Number of shares outstanding	57,198,971	58,959,664	-3.0	58,959,664

The period end exchange rates*:	25.9.2011	26.9.2010	Change %	31.12.2010
USD - US dollar	1.343	1.341	-0.1	1.336
CAD - Canadian dollar	1.386	1.380	-0.4	1.332
GBP - Pound sterling	0.872	0.853	-2.2	0.861
CNY - Chinese yuan	8.580	8.997	4.9	8.822
SGD - Singapore dollar	1.752	1.776	1.4	1.714
SEK - Swedish krona	9.313	9.207	-1.1	8.966
NOK - Norwegian krone	7.886	7.948	0.8	7.800
AUD - Australian dollar	1.384	1.405	1.5	1.314

The period average exchange rates*:	25.9.2011	26.9.2010	Change %	31.12.2010
USD - US dollar	1.408	1.314	-6.7	1.326
CAD - Canadian dollar	1.375	1.361	-1.0	1.366
GBP - Pound sterling	0.872	0.857	-1.6	0.858
CNY - Chinese yuan	9.153	8.945	-2.3	8.973
SGD - Singapore dollar	1.754	1.819	3.7	1.806
SEK - Swedish krona	9.005	9.657	7.2	9.539
NOK - Norwegian krone	7.804	7.990	2.4	8.006
AUD - Australian dollar	1.354	1.467	8.4	1.443

*Konecranes applies a weekly calendar in its financial reporting. The presented exchange rates are determined by rates on the last Friday of the period.

NOTES

CONTINGENT LIABILITIES AND PLEDGED ASSETS

EUR million	30.9.2011	30.9.2010	31.12.2010
For own commercial obligations			
Guarantees	415.0	344.8	347.2
Leasing liabilities			
Next year	28.9	30.0	30.3
Later on	63.7	68.3	69.7
Other	0.0	0.1	0.1
Total	507.5	443.1	447.3

Leasing contracts comply with normal practices in the countries concerned.

Contingent liabilities relating to litigation

Various legal actions, claims and other proceedings are pending against the Group in various countries. These actions, claims and other proceedings are typical for this industry and consistent with a global business offering that encompasses a wide range of products and services. These matters involve contractual disputes, warranty claims, product liability (including design defects, manufacturing defects, failure to warn and asbestos legacy), employment, vehicles and other matters involving claims of general liability.

While the final outcome of these matters cannot be predicted with certainty Konecranes is of the opinion, based on the information available to date and considering the grounds presented for such claims, the available insurance coverage and the reserves made, that the outcome of such actions, claims and other proceedings, if unfavorable, would not have a material, adverse impact on the financial condition of the Group.

NOMINAL AND FAIR VALUES OF DERIVATIVE FINANCIAL INSTRUMENTS

EUR million	30.9.2011		30.9.2010		31.12.2010	
	Nominal value	Fair value	Nominal value	Fair value	Nominal value	Fair value
Foreign exchange forward contracts	398.3	-0.1	217.1	-0.9	397.2	2.1
Currency options	41.9	-0.1	0.0	0.0	0.0	0.0
Electricity derivatives	2.1	0.0	1.9	0.0	2.4	0.4
Total	442.2	-0.1	219.0	-0.9	399.6	2.5

Derivatives are used for hedging currency and interest rate risks, as well as the risk of electricity price fluctuations. The Company applies hedge accounting on the derivatives used to hedge cash flows in large projects in Business Area Equipment.

NOTES

ACQUISITIONS

On October 11, 2010, Konecranes announced that it had entered into an agreement to acquire the Indian crane company WMI Cranes Ltd. (“WMI”). Konecranes has received the required regulatory approvals during first quarter of 2011 and WMI has been consolidated into Konecranes’ financial reporting from February 1, 2011.

Konecranes acquired WMI’s shares in two phases. In the first phase in February, Konecranes acquired 51 percent of the shares in the company. In the second phase finalized in August, Konecranes acquired the remaining 49 percent of the shares. The total price for 100 percent of the shares in WMI amounted to INR 3,438 million. In addition an equity investment amounting to INR 140 million has been made into WMI’s equity in accordance with the share purchase agreement.

The acquisition marks an important step in strengthening Konecranes’ position in the growing Indian crane market. In 2010, WMI’s net sales exceeded EUR 30 million and it has a strong order book to support further net sales growth in 2011. The acquisition is expected to have a neutral impact on the EPS in 2011.

The fair values of the identifiable assets and liabilities of the acquired business at date of acquisition are summarized below.

EUR million	30.9.2011 Recognized on acquisition	30.9.2011 Fair value adjustments	30.9.2011 Acquired carrying value
Intangible assets			
Clientele	8.3	8.3	0.0
Technology	9.9	9.8	0.0
Other intangible assets	4.6	4.6	0.0
Property, plant and equipment	5.8	0.0	5.8
Inventories	11.9	0.6	11.4
Account receivables and other assets	19.2	0.0	19.2
Cash and cash equivalents	0.2	0.0	0.2
Total assets	60.0	23.3	36.6
Deferred tax liabilities	8.1	7.6	0.5
Long- and short-term interest bearing debts	3.3	0.0	3.3
Account payables and other current liabilities	20.3	0.0	20.3
Total liabilities	31.6	7.6	24.1
Net assets	28.3	15.7	12.6
Purchase consideration transferred**	56.3		
Goodwill	28.0		
Cash outflow on acquisition**			
Purchase consideration, paid in cash	54.4		
Transactions costs*	0.6		
Cash and cash equivalents in acquired companies	-0.2		
Net cash flow arising on acquisition	54.7		

*Transaction costs of EUR 0.6 million have been expensed and are included in other operating expenses.

**Cash outflow on acquisition differs from purchase consideration due to the currency rate differences.

NOTES

In addition, Konecranes completed five other acquisitions during January -September 2011.

In early January 2011 Konecranes acquired Gruas Koman Limitada, the former licensee of Konecranes in Recoleta, Santiago, Chile. The acquisition also includes the Peruvian start-up subsidiary, Koman Gruas Peru S.R.L. The companies specialize in providing advanced overhead lifting solutions and maintenance services in Chile, Peru, and Bolivia.

In March 2011 Konecranes acquired the assets and operations of lift truck service company Zeiss Staplerservice GmbH, headquartered in Sommerein, Austria. The company is specialized in lift truck maintenance service, and the sales and rental of lift trucks.

During June 2011 Konecranes finalized three acquisitions. At the beginning of the month Konecranes acquired the assets of German machine tool service company Schneider Werkzeugmaschinen GmbH in Heilbronn, Baden-Württemberg in south-west Germany. The company is specialized in maintenance services of machine tools in the engineering industry in western Germany. Schneider Werkzeugmaschinen's net sales is approximately EUR 2 million and the company has 16 full time employees.

Later in June Konecranes made an acquisition of the service business assets of Spanish crane and service company Eleve S.L. The company is located in Badalona, 5 kilometers north of Barcelona, in Catalonia. The service business has approximately 20 employees. Eleve S.L. had net sales of approximately EUR 3 million in 2010.

At the end of June Konecranes acquired 100 percent of the Saudi Arabian crane manufacturer Saudi Cranes & Steel Works Factory Company Limited ("Saudi Cranes"). Saudi Cranes is headquartered in Al Jubail Industrial City and the company has approximately 100 employees. Saudi Cranes' core business is designing, manufacturing and selling industrial cranes. The company previously had a license agreement with Konecranes. Saudi Cranes net sales in 2010 were approximately EUR 17 million.

During the third quarter 2011 Konecranes made no acquisitions.

The fair values of the identifiable assets and liabilities of these acquired businesses at the date of acquisitions are summarized below as consolidated figures, since none of them alone has relevance if treated as separate entities.

EUR million	30.9.2011 Recognized on acquisition	30.9.2011 Fair value adjustments	30.9.2011 Acquired carrying value
Intangible assets			
Clientele	9.3	9.3	0.0
Technology	0.0	0.0	0.0
Other intangible assets	0.0	0.0	0.0
Property, plant and equipment	5.1	0.0	5.1
Inventories	7.1	0.6	6.5
Account receivables and other assets	5.3	0.0	5.3
Cash and cash equivalents	1.0	0.0	1.0
Total assets	27.8	9.9	17.9
Deferred tax liabilities	2.1	2.1	0.0
Long- and short-term interest bearing debts	0.7	0.0	0.7
Account payables and other current liabilities	7.1	0.0	7.1
Total liabilities	10.0	2.1	7.8
Net assets	17.8	7.7	10.1
Purchase consideration transferred	21.4		
Goodwill	3.6		
Cash outflow on acquisition			
Purchase consideration, paid in cash	16.9		
Transactions costs*	0.5		
Cash and cash equivalents in acquired companies	-1.0		
Net cash flow arising on acquisition	16.4		
Purchase consideration:			
Purchase consideration, paid in cash	16.9		
Purchase consideration, liabilities assumed	4.5		
Contingent consideration liability	0.0		
Total purchase consideration	21.4		

*Transaction costs of EUR 0.5 million have been expensed and are included in other operating expenses.

QUARTERLY FIGURES

CONSOLIDATED STATEMENT OF INCOME, QUARTERLY

EUR million	Q3/2011	Q2/2011	Q1/2011	Q4/2010	Q3/2010	Q2/2010	Q1/2010
Sales	450.9	459.5	387.8	469.4	393.6	377.0	306.3
Other operating income	0.8	0.8	0.5	1.1	0.8	0.8	0.8
Depreciation and impairments	-9.5	-9.2	-8.6	-8.0	-7.8	-7.6	-7.3
Restructuring costs	0.0	0.0	0.0	0.0	0.0	-2.7	0.0
Other operating expenses	-416.2	-426.0	-361.2	-416.7	-352.3	-346.8	-288.2
Operating profit	26.0	25.1	18.5	45.8	34.3	20.7	11.6
Share of associates' and joint ventures' result	0.2	1.9	0.6	1.2	0.3	0.9	0.1
Financial income and expenses	0.1	-4.9	-7.3	-1.6	-1.8	-0.9	0.7
Profit before taxes	26.3	22.0	11.8	45.4	32.7	20.8	12.4
Taxes	-7.9	-6.7	-3.5	-13.5	-9.7	-6.2	-3.7
Net profit for the period	18.3	15.3	8.3	31.9	23.0	14.5	8.8

CONSOLIDATED BALANCE SHEET, QUARTERLY

EUR million	Q3/2011	Q2/2011	Q1/2011	Q4/2010	Q3/2010	Q2/2010	Q1/2010
ASSETS							
Goodwill	112.7	115.1	111.9	84.4	76.3	73.9	72.8
Intangible assets	86.3	89.8	88.3	68.3	63.5	65.3	66.5
Property, plant and equipment	118.2	113.5	103.0	99.1	96.1	99.4	96.1
Other	106.9	100.4	92.7	93.3	102.3	97.2	89.5
Total non-current assets	424.0	418.8	395.9	345.2	338.1	335.7	324.9
Inventories	357.9	316.6	291.0	269.9	279.6	288.3	271.1
Receivables and other current assets	510.5	486.6	449.6	461.9	419.8	426.4	395.5
Cash and cash equivalents	113.5	93.8	98.2	98.5	103.3	95.1	121.1
Total current assets	982.0	897.0	838.9	830.3	802.6	809.8	787.8
Total assets	1,406.0	1,315.8	1,234.9	1,175.5	1,140.7	1,145.5	1,112.7
EQUITY AND LIABILITIES							
Total equity	409.2	438.5	417.2	456.2	415.7	405.1	373.7
Non-current liabilities	171.5	115.6	115.4	107.9	114.4	113.2	111.8
Provisions	45.4	46.5	46.8	50.1	53.2	59.3	58.6
Advance payments received	151.3	134.6	153.3	154.0	170.8	178.4	183.4
Other current liabilities	628.6	580.5	502.2	407.2	386.6	389.5	385.3
Total liabilities	996.7	877.3	817.7	719.2	725.0	740.4	739.0
Total equity and liabilities	1,406.0	1,315.8	1,234.9	1,175.5	1,140.7	1,145.5	1,112.7

QUARTERLY FIGURES

CONSOLIDATED CASH FLOW STATEMENT - QUARTERLY

EUR million	Q3/2011	Q2/2011	Q1/2011	Q4/2010	Q3/2010	Q2/2010	Q1/2010
Operating income before change in net working capital	35.8	35.4	27.4	53.8	41.2	29.2	19.3
Change in net working capital	-28.9	-44.3	-14.7	-31.0	-2.9	-23.0	10.8
Financing items and taxes	-8.5	-18.6	-14.8	8.4	-6.3	-12.5	-29.6
Net cash from operating activities	-1.6	-27.5	-2.1	31.2	32.1	-6.3	0.5
Cash flow from investing activities	-41.6	-24.3	-36.9	-10.2	-10.9	-9.0	-35.0
Cash flow before financing activities	-43.1	-51.7	-39.0	21.0	21.2	-15.3	-34.5
Proceeds from options exercised and share issues	0.0	3.9	20.6	0.1	0.0	0.2	0.9
Purchase of treasury shares	-43.3	0.0	0.0	0.0	0.0	0.0	0.0
Change of interest-bearing debt	104.9	103.5	22.0	-27.4	-6.3	34.6	10.0
Dividends paid to equity holders of the parent	0.0	-60.0	0.0	0.0	0.0	-53.0	0.0
Net cash used in financing activities	61.5	47.4	42.5	-27.2	-6.3	-18.2	10.9
Translation differences in cash	1.3	-0.1	-3.7	1.3	-6.7	7.6	7.1
Change of cash and cash equivalents	19.7	-4.4	-0.2	-4.8	8.2	-26.0	-16.5
Cash and cash equivalents at beginning of period	93.8	98.2	98.5	103.3	95.1	121.1	137.5
Cash and cash equivalents at end of period	113.5	93.8	98.2	98.5	103.3	95.1	121.1
Change of cash and cash equivalents	19.7	-4.4	-0.2	-4.8	8.2	-26.0	-16.5

QUARTERLY FIGURES

QUARTERLY SEGMENT INFORMATION

EUR million

Orders received by Business Area	Q3/2011	Q2/2011	Q1/2011	Q4/2010	Q3/2010	Q2/2010	Q1/2010
Service ¹⁾	157.8	186.3	167.2	154.4	152.4	159.1	139.8
Equipment	315.9	295.8	363.8	349.2	240.0	219.6	196.2
./. Internal	-15.3	-29.3	-20.1	-25.9	-19.0	-14.3	-15.4
Total	458.5	452.8	510.9	477.7	373.4	364.4	320.6

1) Excl. Service Contract Base

Order book by Business Area	Q3/2011	Q2/2011	Q1/2011	Q4/2010	Q3/2010	Q2/2010	Q1/2010
Service	136.5	144.3	125.8	103.3	111.7	106.5	87.7
Equipment	903.6	836.7	830.8	652.9	585.6	598.3	558.2
./. Internal	0.0	0.0	0.0	0.0	-17.6	-19.5	-4.6
Total	1,040.1	981.0	956.6	756.2	679.7	685.2	641.3

Sales by Business Area	Q3/2011	Q2/2011	Q1/2011	Q4/2010	Q3/2010	Q2/2010	Q1/2010
Service	196.2	194.2	170.9	211.3	173.2	175.2	148.0
Equipment	277.6	288.9	240.5	288.5	252.6	221.6	185.8
./. Internal	-22.9	-23.6	-23.6	-30.4	-32.3	-19.8	-27.6
Total	450.9	459.5	387.8	469.4	393.6	377.0	306.3

Operating profit (EBIT)

by Business Area

excluding restructuring costs	Q3/2011	Q2/2011	Q1/2011	Q4/2010	Q3/2010	Q2/2010	Q1/2010
Service	13.0	12.7	9.1	22.1	14.6	16.0	9.8
Equipment	18.3	18.0	14.0	27.4	22.0	11.9	6.0
Group costs and eliminations	-5.3	-5.5	-4.6	-3.7	-2.3	-4.5	-4.3
Total	26.0	25.1	18.5	45.8	34.3	23.4	11.6

Operating margin, (EBIT %) by

Business Area excluding restructuring costs

	Q3/2011	Q2/2011	Q1/2011	Q4/2010	Q3/2010	Q2/2010	Q1/2010
Service	6.6 %	6.5 %	5.3 %	10.5 %	8.4 %	9.1 %	6.6 %
Equipment	6.6 %	6.2 %	5.8 %	9.5 %	8.7 %	5.4 %	3.3 %
Group EBIT % total	5.8 %	5.5 %	4.8 %	9.8 %	8.7 %	6.2 %	3.8 %

Personnel by Business Area

(at the end of the period)

	Q3/2011	Q2/2011	Q1/2011	Q4/2010	Q3/2010	Q2/2010	Q1/2010
Service	5,901	5,772	5,546	5,397	5,125	4,938	4,926
Equipment	5,476	5,349	5,104	4,600	4,626	4,583	4,586
Group staff	50	49	48	45	44	49	50
Total	11,427	11,170	10,698	10,042	9,795	9,570	9,562

QUARTERLY FIGURES

Sales by market	Q3/2011	Q2/2011	Q1/2011	Q4/2010	Q3/2010	Q2/2010	Q1/2010
Europe-Middle East-Africa (EMEA)*	238.5	219.3	199.0	253.7	198.5	188.1	172.2
Americas (AME)	128.4	127.2	118.5	135.8	122.0	123.8	86.6
Asia-Pacific (APAC)*	83.9	112.9	70.2	79.9	73.1	65.1	47.5
Total	450.9	459.5	387.8	469.4	393.6	377.0	306.3

*Sales to India has been reported in EMEA during 2010 and 2011. In Q3/2011 reporting, it has been transferred from EMEA to APAC. The comparison figures in year 2011 and 2010 have been changed accordingly.

Personnel by region (at the end of the period)	Q3/2011	Q2/2011	Q1/2011	Q4/2010	Q3/2010	Q2/2010	Q1/2010
Europe-Middle East-Africa (EMEA)	6,071	5,901	5,648	5,751	5,562	5,431	5,466
Americas (AME)	2,476	2,470	2,366	2,259	2,217	2,170	2,171
Asia-Pacific (APAC)	2,880	2,799	2,684	2,032	2,016	1,969	1,925
Total	11,427	11,170	10,698	10,042	9,795	9,570	9,562

Analyst and press briefing

An analyst and press conference will be held at restaurant Savoy's Salicabinet (address Eteläesplanadi 14, 7th floor) at 11.00 a.m. Finnish time. The Interim Report will be presented by Konecranes' President and CEO Pekka Lundmark and CFO Teo Ottola.

A live webcast of the conference will begin at 11.00 a.m. at www.konecranes.com. Please see the stock exchange release of October 6, 2011, for the conference call details.

Next report

Konecranes' Financial Statements Bulletin 2011 will be published on February 2, 2012.

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Konecranes is a world-leading group of Lifting Businesses™, serving a broad range of customers, including manufacturing and process industries, shipyards, ports and terminals. Konecranes provides productivity-enhancing lifting solutions as well as services for lifting equipment and machine tools of all makes. In 2010, Group sales totaled EUR 1,546 million. The Group has 11,400 employees at 578 locations in 46 countries. Konecranes is listed on the NASDAQ OMX Helsinki (symbol: KCR1V).