

#### Service business





## Drivers for maintenance growth KONE Care™ customized maintenance solutions

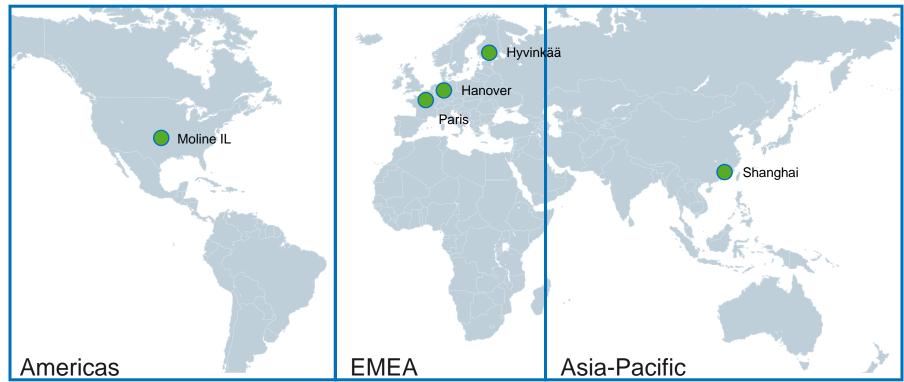


Repair sales Sales revenue Repair sales KONE Care™ Premium > Authority Service > Entrapment Rescue Service KONE Care™ Plus Repair sales > Voice Link Service > Voice Link Service > KONE eOptimum™ > KONE eOptimum™ > Call-out Service > Call-out Service > Service Repair > Service Repair KONE Care™ Standard > KONE Modular Based Maintenance™ > KONE Modular Based Maintenance™ > KONE Modular Based Maintenance™ > KONE Customer Care Center™ > KONE Customer Care Center™ > KONE Customer Care Center™

Enhanced service scope and service level

# Drivers for maintenance growth - 3rd party competence development



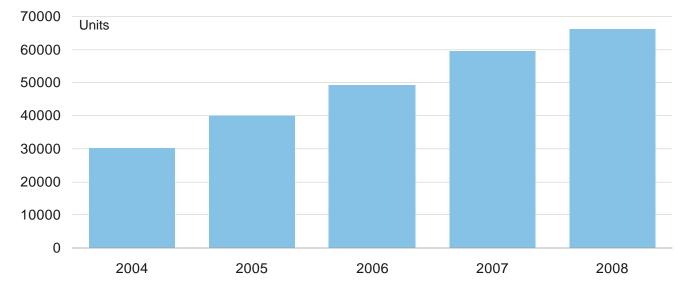


## Drivers for maintenance growth





High growth of new equipment in orders received in the past years



## How to improve maintenance productivity Proximity







24/7 Performance reports
Customer eOptimum





Real time info Technician Field Mobility

**Proximity Network** 



24/7 Service Center
Service center
Konect





24/7 Monitoring
Technical helpdesk
Remote Monitoring



### How to improve maintenance productivity





- Service excellence program
- KONE Modular Based Maintenance<sup>™</sup>
- Call-out reduction program
- Leadership in operations

#### Profitable growth continues in maintenance

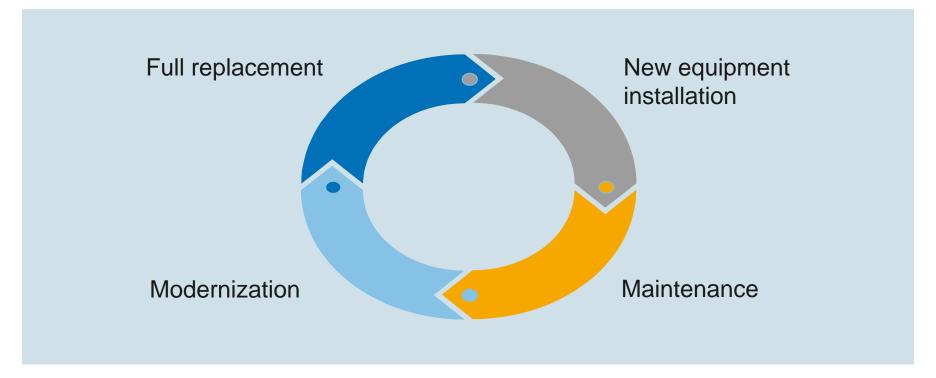




- Growth 7-8% per year
- Sales margin at the same level or better
- Increase in non-contract sales

## Modernization is the next step in the full life-cycle of the equipment





#### Modernization market





Total Market EUR > 6 billion

Europe & Middle East
 EUR 2.7 billion

North America
 EUR 1.8 billion

Asia-Pacific
 EUR 0.9 billion

Rest of the worldEUR < 1 billion</li>

 Market in 2009 will be on the same level or slightly lower than in 2008

Market size is not fixed

## Business drivers in modernization – KONE solutions





#### **Drivers**

- Aging population
- Aging elevator base
- Tightening safety norms
- Sustainability

#### **KONE** solutions

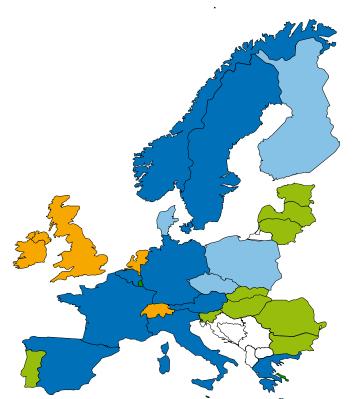
- Range from small upgrades to the full replacement of the equipment
- Improve safety, accessibility, performance, aesthetic appeal and ecoefficiency

## SNEL - Overview of national legislations in EU+EFTA





- National laws have been introduced
- National laws in preparation
- Existing national laws cover part or all of SNEL points
- Preparation for national laws to be started



## KONE's selling approach





- KONE Care for Life<sup>TM</sup>
  - Consultative selling
  - Selling value
  - Modular solutions

### Offering added value to the customer



Customer's business benefits

Optimized life-cycle costs

Increased revenues and building value

Ease of doing business

Best people flow experience

Accessibility

Safety

**Aesthetics** 

Performance

**Eco-efficiency** 

## Productivity - Industrialization of modernization





- New order and tendering process
  - Improved sales productivity
  - Reduced engineering capacity
- New project management method
  - Reduction of lead-time
  - Reduction of work-in-process
- New flexible and single man installation methods
  - Increased safety for customers and employees
  - Increased productivity
  - Reduced disturbance of people flow
- Improved logistics
  - Better complete-on-time deliveries

#### Modernization wrap up





- Market on the same level or slightly lower
- Market not fixed
- Sales margin to remain on same healthy level

