

Selected key figures as of March 31, 2018

Press release
April 26, 2018

Growth on track

Schindler started the year 2018 with robust order intake, revenue and net profit. In the first quarter, order intake increased by 8.2% to CHF 2 822 million (+7.6% in local currencies). Revenue rose by 9.4% to CHF 2 473 million (+8.9% in local currencies). Operating profit (EBIT) grew by 8.1% to CHF 281 million (+7.3% in local currencies) and the EBIT margin was 11.4% (first quarter of 2017: 11.5%). Net profit increased by 16.2% to CHF 208 million and cash flow from operating activities totaled CHF 330 million (first quarter of 2017: CHF 356 million).

Results and their comparability with previous periods should be considered in light of the first-time application of new accounting standards (IFRS 9 and IFRS 15).

Significant increase in order intake and order backlog

In the first quarter of 2018, order intake rose by 8.2% to CHF 2 822 million (first quarter of 2017: CHF 2 607 million), corresponding to an increase of 7.6% in local currencies.

Substantial increases were recorded across all business lines and regions, with the Asia-Pacific region achieving the strongest growth, followed by the Americas and EMEA (Europe, Middle East, Africa) regions.

Consistent with IFRS 15, the order backlog is now reported net of work in progress and reached CHF 8 481 million as of March 31, 2018. Compared to the adjusted figure of CHF 7 915 million for the first quarter of the previous year, the order backlog increased by 7.2% (+6.6% in local currencies).

Rise in revenue

Revenue rose by 9.4% to CHF 2 473 million (first quarter of 2017: CHF 2 260 million), corresponding to an increase of 8.9% in local currencies, where the first-time application of IFRS 15 had an impact of 2.5%. It is expected that the impact for the full year will be immaterial. The largest contribution to growth was generated by the EMEA region, followed by the Asia-Pacific and the Americas regions.

Increased operating profit

Operating profit (EBIT) totaled CHF 281 million (first quarter of 2017: CHF 260 million), equivalent to an increase of 8.1%, or 7.3% in local currencies.

The EBIT margin was 11.4% (first quarter of 2017: 11.5%). Before restructuring costs of CHF 4 million (first quarter of 2017: CHF 5 million), the EBIT margin was 11.5% (first quarter of 2017: 11.7%). The first-time application of the new accounting standards had no impact on the EBIT margin.

Higher net profit

Net profit grew by 16.2% to CHF 208 million. In the same period last year, net profit reached CHF 179 million and was reduced by a temporary revaluation loss of CHF 16 million on the ALSO exchangeable bond. Cash flow from operating activities was CHF 330 million (first quarter of 2017: CHF 356 million).

Outlook for 2018

Barring unforeseen circumstances, Schindler continues to expect revenue growth of 3% to 5% for 2018, measured in local currencies. In accordance with the established policy, the net profit forecast for 2018 will be provided with the publication of the half-year results.

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Dial-in details to today's conference call at 10.00 CET are available at:
<https://www.schindler.com/com/internet/en/investor-relations/conference-call-details.html>

Selected key figures

1st quarter: January to March

In CHF million	2018	2017	Δ %	Δ % local currencies
Order intake	2 822	2 607	8.2	7.6
Revenue	2 473	2 260	9.4	8.9
Operating profit (EBIT)	281	260	8.1	7.3
in %	11.4¹	11.5 ²		
Net income from financing and investing activities	-9	-32		
Profit before taxes	272	228	19.3	
Income taxes	64	49		
Net profit	208	179	16.2	
Earnings per share and participation certificate in CHF	1.82	1.55	17.4	
Cash flow from operating activities	330	356	-7.3	
Investments in property, plant, and equipment	46	33	39.4	
As of March 31				
Order backlog ³	8 481	7 915	7.2	6.6
Number of employees	61 798	58 570	5.5	

¹ Before restructuring costs (CHF 4 million) 11.5%

² Before restructuring costs (CHF 5 million) 11.7%

³ With the implementation of IFRS 15 – Revenue from Contracts with Customers the order backlog is reported net of work in progress as of January 1, 2018. Previous year figures have been restated accordingly.

Balance sheet

In CHF million	31.3.2018	%	1.1.2018 ¹	%	31.12.2017	%
Cash and cash equivalents	1 516	16.8	1 709	19.2	1 709	19.8
Other current assets	4 148	46.0	3 991	44.9	3 771	43.7
Total current assets	5 664	62.8	5 700	64.1	5 480	63.5
Non-current assets	3 348	37.2	3 192	35.9	3 146	36.5
Total assets	9 012	100.0	8 892	100.0	8 626	100.0
Current liabilities	5 036	55.9	4 774	53.7	4 379	50.8
Non-current liabilities	997	11.0	990	11.1	979	11.3
Total liabilities	6 033	66.9	5 764	64.8	5 358	62.1
Equity	2 979	33.1	3 128	35.2	3 268	37.9
Total liabilities and equity	9 012	100.0	8 892	100.0	8 626	100.0

¹ Restatement following the implementation of IFRS 15 – Revenue from Contracts with Customers, and IFRS 9 – Financial Instruments

Exchange rates

			2018		2017		
			Closing rate as of March 31	Average rate 1st quarter	Closing rate as of December 31	Closing rate as of March 31	Average rate 1st quarter
Eurozone	EUR	1	1.18	1.17	1.17	1.07	1.07
USA	USD	1	0.96	0.95	0.98	1.00	1.01
Brazil	BRL	100	28.78	29.18	29.43	31.66	31.75
China	CNY	100	15.22	14.99	15.00	14.53	14.56