

Selected key figures as of September 30, 2017

Press release
October 24, 2017

Increase in revenue and profit

In the first nine months of 2017, Schindler continued its growth and at the same time improved its profitability. Orders received were up 5.3% at CHF 8 083 million, equivalent to an increase of 5.4% in local currencies. Revenue rose by 4.3% to CHF 7 359 million (4.1% in local currencies). The operating profit (EBIT) grew by 10.1% to CHF 860 million (8.8% in local currencies), while the EBIT margin improved to 11.7% (first nine months of 2016: 11.1%). Net profit increased by 10.6% to CHF 648 million.

Increase in orders received and order backlog

In the first nine months of 2017, orders received were up 5.3% at CHF 8 083 million (first nine months of 2016: CHF 7 675 million), corresponding to an increase of 5.4% in local currencies. Orders received rose in all regions. Europe recorded the highest growth, followed by the Asia-Pacific and Americas regions. Although the Chinese market for new installations remained challenging, orders received increased, supported by several large-scale infrastructure projects.

Orders received during the third quarter of 2017 climbed by 5.6% to CHF 2 737 million (third quarter of 2016: CHF 2 592 million), equivalent to an increase of 4.8% in local currencies. The biggest contribution came from China. As of September 30, 2017, the order backlog stood at CHF 10 766 million. This represents an increase of 7.6% compared to the order backlog of CHF 10 004 million as of December 31, 2016, and is equivalent to growth of 8.2% in local currencies.

Accelerated revenue growth in the third quarter

In the first nine months of 2017, revenue rose by 4.3% to CHF 7 359 million (first nine months of 2016: CHF 7 054 million), corresponding to an increase of 4.1% in local currencies. The biggest contribution came from the Europe region, followed by the Americas and Asia-Pacific regions. Revenue in China reached the previous year's level.

In the third quarter of 2017, revenue improved by 7.5% to CHF 2 590 million (third quarter of 2016: CHF 2 409 million), equivalent to an increase of 6.3% in local currencies. All the regions recorded accelerated revenue growth in the third quarter.

Increase in operating profit

Schindler is consistently implementing its strategy of profitable growth. Operational progress and the strongly growing service business made up for the pressure on prices and higher cost of materials. Operating profit (EBIT) rose by 10.1% to CHF 860 million in the first nine months of 2017 (first nine months of 2016: CHF 781 million), corresponding to an increase of 8.8% in local currencies. The EBIT margin improved to 11.7% (first nine months of 2016: 11.1%). Before restructuring costs of CHF 20 million (first nine months of 2016: CHF 18 million), the EBIT margin reached 12.0% (first nine months of 2016: 11.3%).

Operating profit reached CHF 302 million in the third quarter of 2017 (third quarter of 2016: CHF 277 million), which is equivalent to an increase of 9.0% in Swiss francs, or 6.5% in local currencies. The EBIT margin improved to 11.7% (third quarter of 2016: 11.5%). Before restructuring costs, the EBIT margin was 12.0% (third quarter of 2016: 11.7%).

Improved net profit

Due mainly to the stronger operating result, net profit rose by 10.6% to CHF 648 million in the first nine months of 2017 (first nine months of 2016: CHF 586 million). Cash flow from operating activities amounted to CHF 544 million (first nine months of 2016: CHF 659 million) resulting from an increase in net working capital mainly in the third quarter.

Outlook for 2017

For the full year 2017 – excluding any unforeseeable events – Schindler continues to expect revenue growth of between 3% and 5% in local currencies, and a net profit of between CHF 840 million and CHF 880 million.

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Dial-in details to today's conference call at 10.00 CET:
[www.schindler.com/Investor Relations/Conference Calls](http://www.schindler.com/Investor%20Relations/Conference%20Calls)

Selected key figures

January to September

In CHF million	2017	2016	Δ %	Δ % local currencies
Orders received	8 083	7 675	5.3	5.4
Revenue	7 359	7 054	4.3	4.1
Operating profit (EBIT)	860	781	10.1	8.8
in %	11.7¹	11.1 ²		
Net income from financing and investing activities	-15	-10		
Profit before taxes	845	771	9.6	
Income taxes	197	185		
Net profit	648	586	10.6	
Cash flow from operating activities	544	659	-17.5	
Investments in property, plant, and equipment	141	113	24.8	
	30.9.2017	31.12.2016		
Order backlog	10 766	10 004	7.6	8.2
Number of employees	60 232	58 271	3.4	

¹ Before restructuring costs (CHF 20 million) 12.0%

² Before restructuring costs (CHF 18 million) 11.3%

3rd quarter: July to September

In CHF million	2017	2016	Δ %	Δ % local currencies
Orders received	2 737	2 592	5.6	4.8
Revenue	2 590	2 409	7.5	6.3
Operating profit (EBIT)	302	277	9.0	6.5
in %	11.7¹	11.5 ²		
Net income from financing and investing activities	1	7		
Profit before taxes	303	284	6.7	
Income taxes	74	70		
Net profit	229	214	7.0	
Cash flow from operating activities	103	232	-55.6	
Investments in property, plant, and equipment	54	44	22.7	
	30.9.2017	30.6.2017		
Order backlog	10 766	10 340	4.1	1.6
Number of employees	60 232	59 055	2.0	

¹ Before restructuring costs (CHF 8 million) 12.0%

² Before restructuring costs (CHF 5 million) 11.7%

Balance sheet

In CHF million	30.9.2017	%	31.12.2016	%
Cash and cash equivalents	1 590	18.8	1 988	23.9
Other current assets	3 723	44.1	3 432	41.4
Total current assets	5 313	62.9	5 420	65.3
Non-current assets	3 129	37.1	2 883	34.7
Total assets	8 442	100.0	8 303	100.0
Current liabilities	4 406	52.2	4 290	51.7
Non-current liabilities	1 094	13.0	1 166	14.0
Total liabilities	5 500	65.2	5 456	65.7
Equity	2 942	34.8	2 847	34.3
Total liabilities and equity	8 442	100.0	8 303	100.0

Information per share and participation certificate

In CHF	2017	2016	Δ %
Earnings per share and participation certificate: Jan.–Sept.	5.68	5.09	+11.6
Earnings per share and participation certificate: July–Sept.	2.01	1.86	+8.1
Ordinary dividend per share and participation certificate	3.00	2.70	11.1
Additional dividend per share and participation certificate	2.00	–	–
Dividend in CHF million	535	289	85.1

Exchange rates

			2017		2016		
			Closing rate as of September 30	Average rate Jan.–Sept.	Closing rate as of December 31	Closing rate as of September 30	Average rate Jan.–Sept.
Eurozone	EUR	1	1.15	1.10	1.07	1.09	1.09
USA	USD	1	0.97	0.99	1.02	0.97	0.99
Brazil	BRL	100	30.62	30.93	31.26	29.96	27.80
China	CNY	100	14.58	14.46	14.65	14.58	14.96