



Innovative and attractive
products worldwide.

Interim Report
as of June 30, 2012



Schindler

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Key figures as of June 30, 2012 – 1st half

| Group | | | | |
|--|-------------------|--------------------|------------|-----------------------------|
| | 2012 | 2011 | | |
| In CHF million | 1st half | 1st half | Δ % | Δ % local currencies |
| Orders received | 4 537 | 4 235 | +7.1 | +9.2 |
| Revenue | 3 971 | 3 806 | +4.3 | +6.4 |
| Operating profit (EBIT) – Elevators & Escalators | 484 | 456 ¹ | +6.1 | +10.5 |
| in % | 12.2 | 12.0 | | |
| Operating profit (EBIT) – Group | 464 | 434 ¹ | +6.9 | +11.5 |
| Net income from financing and investing activities | 3 | 3 ¹ | | |
| Profit before taxes | 467 | 437 ¹ | +6.9 | |
| Profit from continuing operations | 339 | 313 ¹ | +8.3 | |
| Profit of the disposal group ALSO | – | 35 | | |
| Net profit | 339 | 348 ¹ | –2.6 | |
| of which non-controlling interests | 13 | 13 | | |
| Cash flow from operating activities | 378 | 364 | +3.8 | |
| Investments in property, plant, and equipment | 68 | 60 | +13.3 | |
| | 30.06.2012 | 31.12.2011 | | |
| Order backlog | 7 232 | 6 438 | +12.3 | +12.5 |
| Equity | 2 434 | 2 651 ¹ | –8.2 | |
| Headcount at end of period | 44 397 | 44 387 | +0.0 | |

¹ Retrospective adjustment due to early adoption of IAS 19 – Employee Benefits (revised) as of January 1, 2012

Key figures as of June 30, 2012 – 2nd quarter

| Group | | | | |
|--|--------------------|------------------|------------|-----------------------------|
| | 2012 | 2011 | | |
| In CHF million | 2nd quarter | 2nd quarter | Δ % | Δ % local currencies |
| Orders received | 2 344 | 2 154 | +8.8 | +8.9 |
| Revenue | 2 067 | 1 960 | +5.5 | +5.6 |
| Operating profit (EBIT) – Elevators & Escalators | 260 | 244 ¹ | +6.6 | +9.8 |
| in % | 12.6 | 12.4 | | |
| Operating profit (EBIT) – Group | 250 | 233 ¹ | +7.3 | +10.7 |
| Net income from financing and investing activities | – | –9 ¹ | | |
| Profit before taxes | 250 | 224 ¹ | +11.6 | |
| Profit from continuing operations | 183 | 161 ¹ | +13.7 | |
| Profit of the disposal group ALSO | – | 4 | | |
| Net profit | 183 | 165 ¹ | +10.9 | |
| of which non-controlling interests | 6 | 7 | | |
| Cash flow from operating activities | 47 | –3 | | |
| Investments in property, plant, and equipment | 42 | 32 | +31.3 | |
| | 30.06.2012 | 31.03.2012 | | |
| Order backlog | 7 232 | 6 795 | +6.4 | +4.4 |
| Equity | 2 434 | 2 394 | +1.7 | |
| Headcount at end of period | 44 397 | 44 314 | +0.2 | |

¹ Retrospective adjustment due to early adoption of IAS 19 – Employee Benefits (revised) as of January 1, 2012

Good performance in a challenging environment

In a challenging economic environment, Schindler generated a 7.1% increase in orders received to CHF 4 537 million and a 4.3% rise in revenue to CHF 3 971 million. In local currencies, orders received grew by 9.2% and revenue rose by 6.4%.

Net profit totaled CHF 339 million, representing a marginal decline of 2.6% compared to the same period of the previous year. Adjusted for the one-off accounting gain of CHF 35 million recorded in the first half of 2011, however, net profit from continuing operations exceeded the result for the same period of the previous year by 8.3%.

The elevators and escalators business recorded an EBIT margin of 12.2%. In a challenging environment, it thus improved its profitability by 0.2 percentage points compared to the first half of 2011 thanks to continued operational improvements.

New installations product range expanded

The new installations product range was further expanded with the introduction of the Schindler 5500 elevator for commercial buildings as well as the Schindler 3600 elevator for the affordable housing market in China. The product range now covers all important market segments.

Although market developments varied significantly from region to region, Schindler succeeded in growing its orders received across all geographies – with the strongest increase in Asia/Pacific, followed by the North, Central, and South America region.

The most important projects secured by Schindler include the order for 106 elevators, including 78 Schindler 7000 high-rise elevators, for Barangaroo South, a new city quarter in an area of Sydney harbor in Australia. The elevators have an “A” energy efficiency rating and are equipped with Schindler’s PORT technology, which moves passengers throughout the entire building complex and transports them to their destination rapidly and easily. Schindler also secured a major order for the 450-meter high World One building in Mumbai – the world’s highest residential tower. It will be supplied with 18 Schindler 7000 high-rise elevators as well as 7 machine-roomless elevators.

Orders received amounted to CHF 4 537 million, an increase of 7.1% compared to the first half of 2011. In local currencies, growth of 9.2% was recorded. The positive developments in previous quarters have thus continued.

The order backlog reached CHF 7 232 million, representing an increase of 12.3% compared to the end of 2011 (+12.5% in local currencies).

Revenue

Revenue grew by 4.3% to CHF 3 971 million (+6.4% in local currencies). Lower exchange rates had a negative impact in the amount of CHF 80 million. The increase in revenue was achieved primarily in the new installations business in growth markets.

Operating profit

The elevators and escalators business generated a 6.1% increase in operating profit (EBIT) to CHF 484 million. Lower exchange rates reduced the EBIT by CHF 20 million.

Despite considerable pricing and cost pressure, a further improvement in the EBIT margin was recorded thanks to increased productivity and an enhanced cost structure. In the first half of 2012, it was 12.2% (first half of 2011: 12.0%). In the second quarter, the EBIT margin was 12.6% (second quarter of 2011: 12.4%).

The package of measures referred to as LEAP (Leading in Execution and Accelerating Performance) is being implemented as planned.

Net income from financing and investing activities

Net income from financing and investing activities totaled CHF 3 million, in line with the same period of the previous year.

Net profit and cash flow from operating activities

Net profit of CHF 339 million was 2.6% lower than the net profit of CHF 348 million generated in the first half of 2011. Adjusted for the one-off accounting gain of CHF 35 million recorded in the first half of 2011, however, net profit from continuing operations exceeded the result for the same period of the previous year by 8.3%.

Cash flow from operating activities rose to CHF 378 million (first half of 2011: CHF 364 million). This positive development was mainly attributable to a further improvement in net working capital.

Schindler's sound balance sheet will continue to ensure its strategic flexibility and long-term independence in the future. As of June 30, 2012, cash and cash equivalents totaled CHF 2 230 million (December 31, 2011: CHF 2 403 million). The equity ratio as of the closing date was 31.8% (December 31, 2011: 35.0%).

Outlook for 2012

In view of the good order backlog, Schindler expects to achieve further revenue growth in the second half of 2012. LEAP will deliver additional operational improvements but they are expected to be partly offset by negative pricing and cost impacts.

Excluding any unforeseeable events, Schindler expects net profit for 2012 to be close to CHF 700 million.

Handwritten signatures of Alfred N. Schindler and Luc Bonnard in black ink.

Alfred N. Schindler
Chairman of the Board
of Directors

Luc Bonnard
Vice Chairman of the Board
of Directors

Important product introductions

Schindler expanded its new installations product range in 2012 with the Schindler 5500 elevator for commercial buildings, which is gradually being introduced worldwide. This high-performance elevator – with its spacious car, quiet running, modern design, and low energy consumption – meets the very highest standards.

In China, Schindler is further strengthening its market presence with the introduction of the Schindler 3600 elevator. This new line is based on Schindler's proven state-of-the-art technology and will be used in the affordable housing segment, which is an important area of the market.

A new product in the Indian market is the Schindler 3100 elevator which meets local needs in the rapidly growing residential construction segment.

The Schindler 7000, which has already been introduced globally, satisfies the complex requirements of the high-rise market. This elevator technology has now been extended to cater for high-end residential buildings. Schindler's unique PORT technology offers additional benefits in terms of traffic management and building security – which represent key advantages in this field. PORT (Personal Occupant Requirement Terminal) is essentially a transit management system based on the hall call destination concept that interconnects the entire building and thus makes an important contribution towards optimal building planning and usage.

The high level of demand for its products demonstrates that Schindler continuously succeeds in meeting the needs of individual market segments through its high-quality, innovative mobility solutions. This offering is supplemented by an extensive global service network that customers can access 24 hours a day.





Consolidated interim financial statements 2012

Income statement

| In CHF million | 2012 | | 2011 | |
|--|------------|-------------|-----------------------------------|-------|
| | 1st half | % | 1st half Restated ¹ | % |
| Revenue | 3 971 | 100.0 | 3 806 | 100.0 |
| Operating expenses | 3 507 | 88.3 | 3 372 | 88.6 |
| Operating profit | 464 | 11.7 | 434 | 11.4 |
| Net income from financing and investing activities | 3 | 0.1 | 3 | 0.1 |
| Profit before taxes | 467 | 11.8 | 437 | 11.5 |
| Income taxes | 128 | 3.3 | 124 | 3.3 |
| Profit from continuing operations | 339 | 8.5 | 313 | 8.2 |
| Profit of the disposal group ALSO | – | – | 35 | 0.9 |
| Net profit | 339 | 8.5 | 348 | 9.1 |
| Net profit attributable to: | | | | |
| The owners of Schindler Holding Ltd. | 326 | | 335 | |
| Non-controlling interests | 13 | | 13 | |

Earnings per share and participation certificate in CHF

| | | |
|-----------|------|------|
| Undiluted | 2.81 | 2.83 |
| Diluted | 2.79 | 2.81 |

Earnings per share and participation certificate from continuing operations in CHF

| | | |
|-----------|------|------|
| Undiluted | 2.81 | 2.53 |
| Diluted | 2.79 | 2.52 |

¹ See note 3

Statement of comprehensive income

| In CHF million | 2012 | 2011 |
|---------------------------------------|-------------|-----------------------------------|
| | 1st half | 1st half Restated ¹ |
| Net profit | 339 | 348 |
| Other comprehensive income: | | |
| Exchange differences | –14 | –70 |
| Hedging transactions | –9 | –11 |
| Financial assets available for sale | –130 | –1 |
| Remeasurements employee benefits | –104 | –57 |
| Taxes on other comprehensive income | 49 | 17 |
| Total comprehensive income | –208 | –122 |
| Comprehensive income | 131 | 226 |
| Comprehensive income attributable to: | | |
| The owners of Schindler Holding Ltd. | 118 | 212 |
| Non-controlling interests | 13 | 14 |

¹ See note 3

Balance sheet

| In CHF million | 30.06.2012 | | 31.12.2011 | | 30.06.2011 | |
|-------------------------------------|--------------|--------------|-----------------------|--------------|-----------------------|--------------|
| | | % | Restated ¹ | % | Restated ¹ | % |
| Cash and cash equivalents | 2 230 | 29.2 | 2 403 | 31.8 | 2 016 | 30.0 |
| Other current assets | 2 963 | 38.7 | 2 695 | 35.6 | 2 534 | 37.6 |
| Total current assets | 5 193 | 67.9 | 5 098 | 67.4 | 4 550 | 67.6 |
| Non-current assets | 2 459 | 32.1 | 2 471 | 32.6 | 2 179 | 32.4 |
| Total assets | 7 652 | 100.0 | 7 569 | 100.0 | 6 729 | 100.0 |
| Current liabilities | 3 579 | 46.8 | 3 345 | 44.2 | 3 275 | 48.7 |
| Non-current liabilities | 1 639 | 21.4 | 1 573 | 20.8 | 984 | 14.6 |
| Total liabilities | 5 218 | 68.2 | 4 918 | 65.0 | 4 259 | 63.3 |
| Equity | 2 434 | 31.8 | 2 651 | 35.0 | 2 470 | 36.7 |
| Total liabilities and equity | 7 652 | 100.0 | 7 569 | 100.0 | 6 729 | 100.0 |

¹ See note 3

Cash flow statement

| In CHF million | 2012 | 2011 |
|--|-------------|-----------------------------------|
| | 1st half | 1st half Restated ¹ |
| Net profit | 339 | 348 |
| Depreciation and amortization | 55 | 54 |
| Change of provisions | -54 | -11 |
| Other non-cash items | 34 | -5 |
| Employee benefits | -33 | -7 |
| Change in remaining net working capital | 37 | -15 |
| Cash flow from operating activities | 378 | 364 |
| Investments in property, plant, and equipment, net | -56 | -53 |
| Investments in intangible assets and acquisitions, net | -5 | -72 |
| Change of securities and financial assets | -211 | -117 |
| Outflow of cash related to deconsolidation of ALSO | - | -14 |
| Cash flow from investing activities | -272 | -256 |
| Change in other financial debts | 72 | 80 |
| Additions/disposals treasury shares | -110 | -78 |
| Dividends paid to the owners of Schindler Holding Ltd. | -232 | -355 |
| Dividends paid to non-controlling interests | -15 | -12 |
| Cash flow from financing activities | -285 | -365 |
| Translation exchange differences | 6 | -47 |
| Change in cash and cash equivalents | -173 | -304 |
| Opening balance cash and cash equivalents | 2 403 | 2 320 ² |
| Closing balance cash and cash equivalents | 2 230 | 2 016 |

¹ See note 3

² Of which CHF 10 million from the disposal group ALSO

Statement of changes in equity

| In CHF million | Share and PC capital | Other reserves | Retained earnings | Total owners of Schindler Holding Ltd. | Non- controlling interests | Total Group |
|---|-------------------------|----------------|----------------------|---|----------------------------------|-------------|
| December 31, 2010 | 12 | -486 | 3 189 | 2 715 | 104 | 2 819 |
| Restatement | | | -74 | -74 | - | -74 |
| January 1, 2011 | 12 | -486 | 3 115 | 2 641 | 104 | 2 745 |
| Net profit ¹ | | | 335 | 335 | 13 | 348 |
| Other comprehensive income ¹ | | -82 | -41 | -123 | 1 | -122 |
| Comprehensive income ¹ | | -82 | 294 | 212 | 14 | 226 |
| Dividends | | | -355 | -355 | -12 | -367 |
| Additions/disposals treasury shares | | -66 | 3 | -63 | - | -63 |
| Deconsolidation of disposal group ALSO | | | | - | -71 | -71 |
| Juni 30, 2011¹ | 12 | -634 | 3 057 | 2 435 | 35 | 2 470 |
| December 31, 2011 | 12 | -663 | 3 433 | 2 782 | 35 | 2 817 |
| Restatement | | | -162 | -162 | -4 | -166 |
| January 1, 2012 | 12 | -663 | 3 271 | 2 620 | 31 | 2 651 |
| Net profit | | | 326 | 326 | 13 | 339 |
| Other comprehensive income | | -128 | -80 | -208 | - | -208 |
| Comprehensive income | | -128 | 246 | 118 | 13 | 131 |
| Dividends | | | -232 | -232 | -15 | -247 |
| Cancellation of treasury stock | - | 204 | -204 | - | - | - |
| Additions/disposals treasury shares | | -98 | -3 | -101 | - | -101 |
| June 30, 2012 | 12 | -685 | 3 078 | 2 405 | 29 | 2 434 |

¹ Restated, see note 3

Notes to the consolidated interim financial statements

1 Basis of presentation

The Schindler Group is one of the world's leading suppliers of elevators, escalators, and moving walks. It is active in the areas of production, installation, maintenance, and modernization. The registered shares and participation certificates of Schindler Holding Ltd. are traded on the SIX Swiss Exchange.

The consolidated interim financial statements as of June 30, 2012, are based on the International Financial Reporting Standards (IFRS) and have been prepared in condensed form in accordance with IAS 34 Interim Financial Reporting. The interim financial statements are unaudited.

The same accounting policies have been applied as in the consolidated financial statements as of December 31, 2011, with the exception of the new or amended accounting standards and interpretations adopted as of January 1, 2012, as described in note 2 below. The accounting policies that are unchanged compared to the previous year are explained in detail in the Financial Statements 2011.

The consolidated interim financial statements contain assumptions and estimates that affect the figures stated in this Interim Report. The definitive results may differ from these estimates.

2 Main changes in accounting principles

- Various new IFRS standards were applied with effect from January 1, 2012:
- IFRS 1 – First-time Adoption of International Financial Reporting Standards: Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters (Amendment)
 - IFRS 7 – Financial Instruments: Disclosures – Transfers of Financial Assets (Amendment)
 - IAS 12 – Income Taxes: Deferred Tax: Recovery of Underlying Assets (Amendment)
 - IAS 19 – Employee Benefits (revised); early adoption

With the exception of the early adoption of IAS 19 – Employee Benefits (revised) (referred to below as IAS 19R), the individual changes do not have any material effect on accounting practices or are not applicable.

The application of all implemented changes did not have any material impacts on the Schindler Group's financial position, results of operations, and cash flows with the exception of the early adoption of IAS 19R.

3 Early adoption of IAS 19 – Employee Benefits (revised)

The material impacts of the early adoption of IAS 19R on the Schindler Group's financial reporting are as follows:

- Elimination of the corridor approach: It is no longer possible to defer recognition of actuarial gains and losses using the corridor approach. They must now be recognized immediately in other comprehensive income.
- Calculation of pension costs: The previous practice of recognizing the expected return on plan assets and of calculating the interest expense on the defined benefit obligation are now replaced by the recognition of net interest on the net defined benefit liability (asset).
- Past service costs are recognized immediately through profit or loss when they occur.
- Risk sharing: The new provision on sharing risk between employees and the employer has various impacts on the defined benefit obligation and the allocation of service costs.

Upon the early adoption of IAS 19R, the presentation of the income statement was adapted to reflect these changes. Net interest is now shown under the financial result (previously under personnel expenses). This presentation is a better reflection of the nature of net interest since it corresponds to the compounding effect of the long-term net defined benefit liability (asset). In the past, the expected return on plan assets reflected the individual performance of the plan assets, which were regarded as part of the operating activities. The change was applied retrospectively in accordance with IAS 8.

The early adoption of IAS 19R as well as the change in the presentation of the income statement led to the restatement of prior periods.

For the actuarial mortality assumptions in the case of Swiss pension plans, the BVG generation tables are being used from 2012 instead of the BVG periodic tables including an appropriate longevity margin. This change of assumption resulted in an increase in the defined benefit obligation in the current period and consequently had a negative effect on other comprehensive income. The negative result from the remeasurements employee benefits is largely due to this adjustment.

The impacts on the relevant positions in the income statement, statement of comprehensive income, balance sheet, cash flow statement, statement of changes in equity, and earnings per share for prior periods are shown below:

Income statement – 1st half 2011

| In CHF million | Reported | Adjustment | Restated |
|---|------------|------------|------------|
| Operating expenses ¹ | 3 373 | -1 | 3 372 |
| Operating profit | 433 | 1 | 434 |
| Net income from financing and investing activities ² | 11 | -8 | 3 |
| Profit before taxes | 444 | -7 | 437 |
| Income taxes | 126 | -2 | 124 |
| Net profit | 353 | -5 | 348 |
| Net profit attributable to: | | | |
| The owners of Schindler Holding Ltd. | 340 | -5 | 335 |
| Non-controlling interests | 13 | - | 13 |

Earnings per share and participation certificate in CHF

| | Reported | Adjustment | Restated |
|-----------|----------|------------|----------|
| Undiluted | 2.87 | -0.04 | 2.83 |
| Diluted | 2.85 | -0.04 | 2.81 |

¹ Personnel expenses

² Financial expenses

Statement of comprehensive income – 1st half 2011

| In CHF million | Reported | Adjustment | Restated |
|---------------------------------------|------------|------------|------------|
| Net profit | 353 | -5 | 348 |
| Other comprehensive income: | | | |
| Remeasurements employee benefits | - | -57 | -57 |
| Taxes on other comprehensive income | - | 16 | 16 |
| Comprehensive income | 272 | -46 | 226 |
| Comprehensive income attributable to: | | | |
| The owners of Schindler Holding Ltd. | 258 | -46 | 212 |
| Non-controlling interests | 14 | - | 14 |

Balance sheet as of June 30, 2011

| In CHF million | Reported | Adjustment | Restated |
|--------------------------------------|----------|------------|----------|
| Non-current assets ¹ | 2 227 | -48 | 2 179 |
| Non-current liabilities ² | 912 | 72 | 984 |
| Equity | 2 590 | -120 | 2 470 |
| Owners of Schindler Holding Ltd. | 2 555 | -120 | 2 435 |
| Non-controlling interests | 35 | - | 35 |

¹ Deferred tax assets (CHF 34 million), employee benefits (CHF -82 million)

² Deferred tax liabilities (CHF -19 million), employee benefits (CHF 91 million)

Balance sheet as of December 31, 2011

| In CHF million | Reported | Adjustment | Restated |
|--------------------------------------|----------|------------|----------|
| Non-current assets ¹ | 2 546 | -75 | 2 471 |
| Non-current liabilities ² | 1 482 | 91 | 1 573 |
| Equity | 2 817 | -166 | 2 651 |
| Owners of Schindler Holding Ltd. | 2 782 | -162 | 2 620 |
| Non-controlling interests | 35 | -4 | 31 |

¹ Deferred tax assets (CHF 31 million), employee benefits (CHF -106 million)

² Deferred tax liabilities (CHF -37 million), employee benefits (CHF 128 million)

Cash flow statement –1st half 2011

| In CHF million | Reported | Adjustment | Restated |
|--|------------|------------|------------|
| Net profit | 353 | -5 | 348 |
| Other non-cash items | -10 | 5 | -5 |
| Cash flow from operating activities | 364 | - | 364 |

Statement of changes in equity as of June 30, 2011

| In CHF million | Reported | Adjustment | Restated |
|---|--------------|-------------|--------------|
| Owners of Schindler Holding Ltd. | | | |
| January 1¹ | 2 715 | -74 | 2 641 |
| Net profit | 340 | -5 | 335 |
| Other comprehensive income | -82 | -41 | -123 |
| Comprehensive income | 258 | -46 | 212 |
| June 30 | 2 555 | -120 | 2 435 |
| Non-controlling interests | | | |
| January 1 | 104 | - | 104 |
| Net profit | 13 | - | 13 |
| Other comprehensive income | 1 | - | 1 |
| Comprehensive income | 14 | - | 14 |
| June 30 | 35 | - | 35 |

¹ Retained earnings

4 Segment reporting

The Schindler Group consists of the Elevators & Escalators operating segment for which reports are submitted to the Executive Committee of the Board of Directors (Chief Operating Decision Maker). These reports form the basis for the evaluation of performance and the allocation of resources.

The operating segment comprises an integrated business that specializes in the production and installation of new elevators and escalators, as well as the modernization, maintenance, and repairs of existing installations.

The column Finance comprises the expenses of Schindler Holding Ltd., as well as centrally managed financial assets and financial liabilities that have been entered into for Group financing purposes.

In addition to segment information, other selected information is published as part of a voluntary continuing disclosure.

Segment information

| In CHF million | Group | Finance | Elevators & Escalators (E & E) | Additional information to the E&E segment | | | |
|---|-------|---------|--------------------------------------|---|--|-------------------------------|-------------------|
| | | | | Europe | North, Central, and South America | Asia, Australia, Africa | Elimi- nations |
| 1st half 2012 | | | | | | | |
| Revenue from third parties | 3 971 | – | 3 971 | 1 843 | 1 179 | 949 | – |
| Revenue from other regions | – | – | – | 125 | 5 | 69 | –199 |
| Total revenue | 3 971 | – | 3 971 | 1 968 | 1 184 | 1 018 | –199 |
| Operating profit | 464 | –20 | 484 | | | | |
| Additions of property, plant, and equipment, and intangible assets | 73 | – | 73 | 25 | 22 | 26 | – |
| Total depreciation and amortization | 55 | – | 55 | 26 | 16 | 13 | – |
| of which impairment | – | – | – | – | – | – | – |
| Share in profits of associated companies | 11 | – | 11 | | | | |
| 1st half 2011 | | | | | | | |
| Revenue from third parties | 3 806 | – | 3 806 | 1 935 | 1 082 | 789 | – |
| Revenue from other regions | – | – | – | 140 | – | 41 | –181 |
| Total revenue | 3 806 | – | 3 806 | 2 075 | 1 082 | 830 | –181 |
| Operating profit ¹ | 434 | –22 | 456 | | | | |
| Additions of property, plant, and equipment, and intangible assets | 67 | – | 67 | 36 | 21 | 10 | – |
| Total depreciation and amortization | 54 | – | 54 | 27 | 15 | 12 | – |
| of which impairment | – | – | – | – | – | – | – |
| Share in profits of associated companies | 5 | – | 5 | | | | |

¹ Restated, see note 3

| In CHF million | Group | Finance | Elevators & Escalators (E & E) | Additional information to the E & E segment | | |
|-------------------------------|--------------|---------|--------------------------------------|---|--|-------------------------------|
| | | | | Europe | North, Central, and South America | Asia, Australia, Africa |
| 30.06.2012 | | | | | | |
| Assets | 7 652 | 2 594 | 5 058 | 2 311 | 1 365 | 1 382 |
| Associated companies | 286 | – | 286 | 181 | – | 105 |
| Accounts payable | 5 218 | 786 | 4 432 | 2 419 | 1 090 | 923 |
| 31.12.2011 | | | | | | |
| Assets ¹ | 7 569 | 2 697 | 4 872 | 2 139 | 1 400 | 1 333 |
| Associated companies | 278 | – | 278 | 187 | – | 91 |
| Accounts payable ¹ | 4 918 | 777 | 4 141 | 2 213 | 1 070 | 858 |

¹ Restated, see note 3

5 Scope of consolidation

The scope of consolidation as of June 30, 2012, is unchanged compared to December 31, 2011.

The Schindler Group acquired 100% of H. Henseler AG, Switzerland, in December 2011. The definitive purchase price allocation is expected to be concluded in the second half of 2012.

6 Impairment test

The Schindler Group tests goodwill positions for impairment in the third quarter of each year based on the value in use. If there is objective evidence that an impairment may have occurred, additional impairment tests are carried out. There was no such evidence during the reporting period.

Available for sale financial instruments are assessed at each balance sheet date to determine whether there is objective evidence that the value of a financial instrument is impaired. In the case of available for sale equity instruments, objective evidence would include significant or prolonged reductions in market prices relative to the purchase value. Judgement is required to determine what is significant or prolonged. When making this judgement, the Schindler Group evaluates factors such as the duration and extent to which the price has declined below the purchase value, as well as historical price movements. No significant or prolonged reductions in market prices were identified in the interim financial statements.

7 Statement of comprehensive income

The negative impact of available for sale financial assets on other comprehensive income in the amount of CHF 130 million was mainly attributable to the decline in the value of the investment in Hyundai Elevator. In the financial year 2011, a positive impact of CHF 73 million was recorded.

The negative result from the remeasurements employee benefits is mainly due to the adjustment of actuarial mortality assumptions. See note 3.

8 Dividend

In accordance with the decision of the General Meeting of Schindler Holding Ltd. of March 19, 2012, an ordinary dividend for the financial year 2011 of CHF 2.00 (previous year: ordinary dividend of CHF 2.00 and additional dividend of CHF 1.00) per registered share and participation certificate was paid on March 29, 2012.

9 Share capital and participation capital

After the legally binding capital reduction (effective May 29, 2012), the share capital and participation capital of Schindler Holding Ltd. changed as follows relative to June 30, 2011, and December 31, 2011:

Share and participation capital

| | Number | Nominal value | in CHF Capital |
|--|-------------------|---------------|---------------------|
| Share capital | | | |
| June 30, 2011 | 71 776 700 | 0.10 | 7 177 670.00 |
| December 31, 2011 | 71 776 700 | 0.10 | 7 177 670.00 |
| Legally binding reduction (as of May 29, 2012) | -336 644 | 0.10 | -33 664.40 |
| June 30, 2012 | 71 440 056 | 0.10 | 7 144 005.60 |
| Participation capital | | | |
| June 30, 2011 | 48 609 400 | 0.10 | 4 860 940.00 |
| December 31, 2011 | 48 609 400 | 0.10 | 4 860 940.00 |
| Legally binding reduction (as of May 29, 2012) | -1 714 600 | 0.10 | -171 460.00 |
| June 30, 2012 | 46 894 800 | 0.10 | 4 689 480.00 |

Treasury stock

| In CHF million | Registered shares | | Participation certificates | |
|---|-------------------|------------|----------------------------|------------|
| | Number | Value | Number | Value |
| January 1, 2012 | 1 388 971 | 114 | 2 543 219 | 251 |
| Cancellation | -336 644 | -35 | -1 714 600 | -169 |
| Purchase | 605 211 | 66 | 608 891 | 65 |
| Disposal | -11 000 | -1 | -11 000 | -1 |
| Share-based payments | - | - | -46 242 | -5 |
| Exercise of options and Performance Share Units | -332 943 | -22 | -15 211 | -1 |
| Difference in value due to disposals | | -3 | | - |
| June 30, 2012 | 1 313 595 | 119 | 1 365 057 | 140 |

10 Translation of foreign currencies

The exchange rates for foreign currencies that are of importance for the Schindler Group are shown in the table below.

Exchange rates

| | | | 2012 | | | | 2011 |
|----------------|-----|-----|----------------------------------|--|--------------------------------------|----------------------------------|--|
| | | | Closing rate as of June 30 | Average rate for first half-year | Closing rate as of December 31 | Closing rate as of June 30 | Average rate for first half-year |
| Eurozone | EUR | 1 | 1.20 | 1.20 | 1.22 | 1.22 | 1.27 |
| USA | USD | 1 | 0.96 | 0.93 | 0.94 | 0.84 | 0.90 |
| United Kingdom | GBP | 1 | 1.49 | 1.46 | 1.45 | 1.35 | 1.45 |
| Brazil | BRL | 100 | 46.44 | 49.73 | 50.38 | 53.99 | 55.36 |
| China | CNY | 100 | 15.05 | 14.67 | 14.93 | 13.01 | 13.73 |

11 Contingent liabilities and commitments

Contingent liabilities are described in detail in the notes to the annual Financial Statements 2011. No changes had occurred as of the balance sheet date of June 30, 2012.

The European Commission's decision of February 21, 2007, regarding fines under competition law resulted in further claims for damages being filed with the Belgian courts. The Schindler companies concerned consider the claims to be without merit. Consequently, no provisions have been recorded.

12 Release of the consolidated interim financial statements for publication

These consolidated interim financial statements as of June 30, 2012, were approved and released for publication by the Board of Directors of Schindler Holding Ltd. on August 13, 2012.

Financial calendar, contact

| | 2012 | 2013 |
|--|-------------|-----------------------|
| Annual results media conference | February 21 | February 19 |
| Ordinary General Meeting Schindler Holding Ltd. | March 19 | March 26 |
| First trading date ex-dividend | March 21 | March 28 ¹ |
| Date of Schindler Holding Ltd. dividend payment | March 26 | April 4 ¹ |
| Publication of selected key figures as of March 31 | April 19 | April |
| Publication of Interim Report as of June 30 | August 14 | August |
| Publication of selected key figures as of September 30 | October 23 | October |

¹ Subject to approval of a dividend payment by the General Meeting of Schindler Holding Ltd.

The Schindler Group's Interim Report 2012 is published in English, French, and German. The original German-language report is the authoritative version.

General information about the Group as well as its Annual Reports, press releases, and details of its current share price are available at: www.schindler.com

Interested parties can also obtain further information directly from the company by contacting the following people:

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Modernization of elevators with the state-of-the-art access control system Schindler ID