



On the move.  
With enthusiasm.  
Interim Report  
as of June 30, 2010



**Schindler**

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# Key figures as of June 30, 2010 – 1st half

<b>Elevators &amp; Escalators</b>				
In million CHF	2010 1st half	2009 1st half	Δ %	Δ % local currencies
Orders received	4 529	4 153	+9.1	+9.4
Operating revenue	4 036	4 020	+0.4	+1.0
Operating profit (EBIT)	487	482 <sup>1</sup>	+1.0 <sup>1</sup>	+0.6
in %	12.1	12.0 <sup>2</sup>		

	30.06.2010	31.12.2009	Δ %	Δ % local currencies
Order backlog	6 715	6 200	+8.3	+9.6
Personnel at end of period (number)	42 635	41 962	+1.6	

<sup>1</sup>Includes a non-recurring accounting gain of CHF 39 million;  
adjusted EBIT: CHF 443 million, Δ %: +9.9

<sup>2</sup>Adjusted EBIT margin: 11.0%

<b>ALSO</b>				
In million CHF	2010 1st half	2009 1st half	Δ %	Δ % local currencies
Orders received	2 060	1 922	+7.2	+11.3
Operating revenue	1 999	1 949	+2.6	+6.4
Operating profit (EBIT)	24	22	+9.1	+9.1
in %	1.2	1.1		
Net profit	11	9	+22.2	

	30.06.2010	31.12.2009	Δ %	Δ % local currencies
Personnel at end of period (number)	1 434	1 475	-2.8	

The different reporting structure along with elimination effects may cause individual values and percentages to differ slightly from the figures reported by ALSO.

<b>Group</b>				
In million CHF	2010 1st half	2009 1st half	Δ %	Δ % local currencies
Orders received	6 589	6 075	+8.5	+10.0
Operating revenue	6 035	5 969	+1.1	+2.7
Operating profit (EBIT)	496	490	+1.2	+0.8
in %	8.2	8.2		
Profit before taxes	473	447	+5.8	
Net profit	339	320 <sup>1</sup>	+5.9 <sup>1</sup>	
Cash flow <sup>2</sup>	421	364 <sup>1</sup>	+15.7 <sup>1</sup>	
Capital expenditure	73	52	+40.4	

	30.06.2010	31.12.2009	Δ %	Δ % local currencies
Order backlog	6 917	6 341	+9.1	+10.4
Consolidated shareholders' equity	2 584	2 521	+2.5	
Personnel at end of period (number)	44 069	43 437	+1.5	

<sup>1</sup>Includes a non-recurring accounting gain of CHF 31 million;  
adjusted net profit: CHF 289 million, Δ %: +17.3  
adjusted cash flow: CHF 333 million, Δ %: +26.4

<sup>2</sup>Cash flow: Net profit + depreciation/amortization +/- change in provisions

# Key figures as of June 30, 2010 – 2nd quarter

<b>Elevators &amp; Escalators</b>				
In million CHF	<b>2010</b> 2nd quarter	2009 2nd quarter	$\Delta$ %	$\Delta$ % local currencies
Orders received	<b>2 389</b>	2 163	+10.4	+10.7
Operating revenue	<b>2 089</b>	2 068	+1.0	+1.7
Operating profit (EBIT)	<b>257</b>	228	+12.7	+13.2
in %	<b>12.3</b>	11.0		
	<b>30.06.2010</b>	31.03.2010		
Order backlog	<b>6 715</b>	6 540	+2.7	+4.5
Personnel at end of period (number)	<b>42 635</b>	42 229	+1.0	

The different reporting structure along with elimination effects may cause individual values and percentages to differ slightly from the figures reported by ALSO.

<b>ALSO</b>				
In million CHF	<b>2010</b> 2nd quarter	2009 2nd quarter	$\Delta$ %	$\Delta$ % local currencies
Orders received	<b>985</b>	895	+10.1	+16.2
Operating revenue	<b>930</b>	905	+2.8	+8.5
Operating profit (EBIT)	<b>10</b>	9	+11.1	+11.1
in %	<b>1.1</b>	1.0		
Net profit	<b>4</b>	4		
	<b>30.06.2010</b>	31.03.2010		
Personnel at end of period (number)	<b>1 434</b>	1 424	+0.7	

<b>Group</b>				
In million CHF	<b>2010</b> 2nd quarter	2009 2nd quarter	$\Delta$ %	$\Delta$ % local currencies
Orders received	<b>3 374</b>	3 058	+10.3	+12.3
Operating revenue	<b>3 019</b>	2 973	+1.5	+3.8
Operating profit (EBIT)	<b>260</b>	231	+12.6	+13.0
in %	<b>8.6</b>	7.8		
Profit before taxes	<b>260</b>	229	+13.5	
Net profit	<b>187</b>	164	+14.0	
Cash flow <sup>1</sup>	<b>227</b>	188	+20.7	
Capital expenditure	<b>30</b>	29	+3.4	
	<b>30.06.2010</b>	31.03.2010		
Order backlog	<b>6 917</b>	6 688	+3.4	+5.4
Consolidated shareholders' equity	<b>2 584</b>	2 438	+6.0	
Personnel at end of period (number)	<b>44 069</b>	43 653	+1.0	

<sup>1</sup> Cash flow: Net profit + depreciation/amortization +/- change in provisions

# Pleasing first half of 2010

The positive trend in Schindler's performance was confirmed in the second quarter and the company recorded a pleasing result for the first half of 2010. Net profit grew by 5.9% to CHF 339 million in the reporting period. In the elevators and escalators business, Schindler recorded a 9.1% increase in orders received (+9.4% in local currencies) and generated an EBIT margin of 12.1%.

## **Elevators and escalators business**

### **Strong demand for Schindler products**

Orders received rose by 9.1% to CHF 4 529 million compared to the first half of 2009 (+9.4% in local currencies). This increase was driven by all regions, particularly Asia/Pacific. Compared to the second quarter of 2009, orders received grew by 10.4% (+10.7% in local currencies).

The pleasing level of orders received is attributable to an upturn in the new installations business in various markets as well as to several major orders, including a USD 40 million contract to supply Los Angeles International Airport (LAX) with 70 Schindler escalators, elevators and moving walks. An order for 109 elevators for the Costanera Center in Santiago, Chile, is also worth around USD 40 million. In Riyadh, Saudi Arabia, the ITCC complex is being equipped with 40 Schindler 7000 high-rise elevators, a further 28 elevators and 16 escalators. In China, Schindler is supplying 157 escalators for the Beijing subway and a further 124 escalators for Zhejiang Commodity Town, a new shopping mall in Yi Wu.

In the modernization business, Asia/Pacific and South America achieved the highest growth rates. In the maintenance business, positive developments were reported in all regions.

The order backlog rose by 8.3% to CHF 6 715 million compared to the end of 2009 (+9.6% in local currencies).

### **Operating revenue and operating profit**

Operating revenue increased by 0.4% to CHF 4 036 million in the first half of 2010. Adjusted for foreign currencies, an increase of 1.0% was recorded.

Operating profit (EBIT) amounted to CHF 487 million. This corresponds to an EBIT margin of 12.1% compared to the margin of 12.0% reported in the first half of 2009. Excluding the non-recurring accounting gain of CHF 39 million realized on the sale of real estate, the EBIT margin for the first half of the previous year would have been 11.0%. A margin of 12.3% was generated in the second quarter of 2010.

The improvement in the result was mainly driven by efficiency measures as well as continued systematic cost discipline. No restructuring costs were incurred in the first half of 2010 (first half of 2009: CHF 13 million).

The different reporting structure along with elimination effects may cause individual values and percentages to differ slightly from the figures reported by ALSO.

### **ALSO**

#### **Marked increase in profit**

The slight economic upturn in Europe had a positive impact on the IT industry in the first half of 2010. Business customers, in particular, increased their spending on IT infrastructure compared to the previous year. Private consumption largely stagnated at last year's level.

In the first half of 2010, ALSO increased its net sales by 2.6% to CHF 1 999 million (+6.4% in local currencies). Operating profit rose by 9.1% to CHF 24 million due to a significant improvement in the performance of ALSO's subsidiaries in Northern and Eastern Europe. Net profit totaled CHF 11 million and was thus 22.2% higher than in the same period of 2009.

## **Group**

### **Orders received**

Consolidated orders received rose by 8.5% to CHF 6 589 million compared to the first half of 2009. This corresponds to an increase of 10.0% in local currencies.

### **Operating revenue**

Consolidated operating revenue improved by 1.1% to CHF 6 035 million compared to the first half of 2009 (+2.7% in local currencies).

### **Net income from financing and investing**

Net income from financing and investing improved significantly from CHF –43 million in the first half of 2009 to CHF –23 million. This result primarily reflects a better foreign exchange result related to operational hedging transactions as well as a slightly lower net interest charge. The value adjustment recorded on the participation in Hyundai Elevators Co. Ltd. led to a CHF 6 million reduction in net income from investing.

### **Profit and cash flow**

Net profit improved by 5.9% to CHF 339 million (+17.3% excluding the non-recurring accounting gain of CHF 31 million in the first half of 2009). Cash flow rose substantially (+15.7%) to CHF 421 million (+26.4% excluding the above-mentioned book gain).

Cash and cash equivalents totaled CHF 2 024 million as of June 30, 2010 (as of June 30, 2009: CHF 1 532 million).

### **Personnel numbers**

The Group had 44 069 employees as of June 30, 2010. The number of employees in the elevators and escalators business increased by 1.6% to 42 635, mainly reflecting the first-time consolidation of Saudi Elevator Co. Ltd. and the expansion of business activities in Asia. Personnel numbers were reduced slightly in several European countries as well as in North America. ALSO had 1 434 employees, a decrease of 41 employees or 2.8% from December 31, 2009.

## Outlook

### Elevators & Escalators

It remains difficult to predict how the economy will develop. However, we still expect the markets in China, India and Latin America to remain strong in the second half of the year and we anticipate that economic conditions in Europe and North America will recover more slowly. Capacity and costs will have to be reduced further in weaker markets that are not expected to recover. Consequently, restructuring costs of approximately CHF 20 million will be incurred in these markets in the second half of 2010.

### ALSO

Excluding any unforeseeable events, ALSO currently expects to report a significantly higher net profit than in 2009.

### Group

The company is well positioned globally to continue the pleasing performance it achieved in the first half of the year. However, its financial results will be impacted by restructuring costs and lower exchange rates.

Excluding any unforeseeable events, Schindler expects net profit for 2010 to be approximately in line with the previous year's good result.



Alfred N. Schindler  
Chairman of the Board  
of Directors

Luc Bonnard  
Vice Chairman of the Board  
of Directors



### 2010 world exhibition in Shanghai

Expo 2010 Shanghai is the largest world exhibition to date. Its theme "Better City, Better Life" reflects the character of the host city. The exhibition focuses on the search for ways and means of improving urban living spaces and of creating more attractive living conditions for their inhabitants. With the proportion of the world's population that lives in cities having risen to 55% in 2010, the theme of the event couldn't be more appropriate.

As an innovative global provider of vertical and horizontal mobility solutions, Schindler is a perfect example of how the theme of the exhibition can be translated into reality; the company is committed to the intelligent and energy-efficient structuring of urban spaces. At Expo 2010, for example, up to 550 000 visitors use more than 100 Schindler elevators and escalators each day. Schindler's products are thus a key component of the transport concept of this world exhibition.

### The Swiss Pavilion: a symbiosis of architecture and nature

The Swiss Pavilion offers a unique interpretation of future urban living that captivates visitors to the site. The multifaceted, multimedia building is rich in contrasts, with "urban" and "innovative" aspects coming together with "ecologically sensitive" elements and the concept of being "close to nature".

The Swiss Pavilion at Expo 2010, Shanghai  
Up to 550 000 visitors to the world exhibition  
use Schindler products each day.

Photo: Katarina Stuebe  
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# Interim financial statements 2010 – Group

## Profit and loss statement 1st half

In million CHF	2010		2009	
	1st half	%	1st half	%
Operating revenue	6 035	100.0	5 969	100.0
Operating expenses	5 539	91.8	5 479	91.8
<b>Operating profit</b>	<b>496</b>	<b>8.2</b>	490	8.2
Net income from financing and investing activities	-23	-0.4	-43	-0.7
Profit before taxes	473	7.8	447	7.5
Income taxes	134	2.2	127	2.1
<b>Net profit</b>	<b>339</b>	<b>5.6</b>	320	5.4
Of which attributable to:				
the shareholders of Schindler Holding Ltd.	322		305	
the non-controlling interests	17		15	

## Earnings per share and participation certificate in CHF

Basic earnings per share and participation certificate	2.70	2.58
Diluted earnings per share and participation certificate	2.69	2.57

## Profit and loss statement 2nd quarter

In million CHF	2010		2009	
	2nd quarter	%	2nd quarter	%
Operating revenue	3 019	100.0	2 973	100.0
Operating expenses	2 759	91.4	2 742	92.2
<b>Operating profit</b>	<b>260</b>	<b>8.6</b>	231	7.8
Net income from financing and investing activities	-	-	-2	-0.1
Profit before taxes	260	8.6	229	7.7
Income taxes	73	2.4	65	2.2
<b>Net profit</b>	<b>187</b>	<b>6.2</b>	164	5.5
Of which attributable to:				
the shareholders of Schindler Holding Ltd.	178		157	
the non-controlling interests	9		7	

## Earnings per share and participation certificate in CHF

Basic earnings per share and participation certificate	1.49	1.33
Diluted earnings per share and participation certificate	1.48	1.32

## Balance sheet

In million CHF	30.06.2010	%	31.12.2009	%	30.06.2009	%
Cash and cash equivalents	2 024	27,1	1 919	27,1	1 532	22,4
Other current assets	3 281	44,0	3 184	45,0	3 387	49,4
Non-current assets	2 153	28,9	1 977	27,9	1 931 <sup>1</sup>	28,2
<b>Total assets</b>	<b>7 458</b>	<b>100,0</b>	<b>7 080</b>	<b>100,0</b>	<b>6 850</b>	<b>100,0</b>
Current liabilities	3 770	50,5	3 466	49,0	3 545	51,8
Non-current liabilities	1 104	14,8	1 093	15,4	1 091 <sup>1</sup>	15,9
Total liabilities	4 874	65,3	4 559	64,4	4 636	67,7
Equity of shareholders of Schindler Holding Ltd.	2 475	33,2	2 412	34,1	2 097 <sup>1</sup>	30,6
Non-controlling interests	109	1,5	109	1,5	117	1,7
Consolidated shareholders' equity	2 584	34,7	2 521	35,6	2 214	32,3
<b>Total liabilities and shareholders' equity</b>	<b>7 458</b>	<b>100,0</b>	<b>7 080</b>	<b>100,0</b>	<b>6 850</b>	<b>100,0</b>

<sup>1</sup> Retrospective adjustment to take account of the new ruling of IFRIC 14 (see shareholders' equity as of June 30, page 12)

## Cash flow statement

In million CHF	2010 1st half	2009 1st half
Net profit	339	320
Depreciation and amortization	78	61
Change of provision	4	-17
Other items with no effect on liquidity	24	-29
Change of remaining net working capital	163	172
<b>Cash flow from operating activities</b>	<b>608</b>	<b>507</b>
Investments in fixed assets, net	-70	-46
Investments in intangible assets and subsidiaries, net	-102	-18
Non-current assets held for sale	-	56
Change of securities and financial assets	-102	249
<b>Cash flow from investing activities</b>	<b>-274</b>	<b>241</b>
Repayment 3½% debenture 1999-2009	-	-300
Change in other financial debts	59	43
Additions/disposals treasury stock	-21	1
Dividends paid to shareholders of Schindler Holding Ltd.	-238	-238
Dividends paid to minority shareholders	-11	-9
<b>Cash flow from financing activities</b>	<b>-211</b>	<b>-503</b>
Exchange differences	-18	33
<b>Change in cash and cash equivalents</b>	<b>105</b>	<b>278</b>
Cash and cash equivalents at start of period	1 919	1 254
Cash and cash equivalents at end of period	2 024	1 532

## Statement of comprehensive income 1st half

In million CHF	2010			2009		
	Share-holders Schindler Holding Ltd.	Non- controlling interests	Group	Share- holders Schindler Holding Ltd.	Non- controlling interests	Group
Net profit	322	17	339	305	15	320
Other comprehensive income:						
Exchange differences	-28	-5	-33	101	1	102
Hedging transactions:						
unrealized	13	-1	12	-1	-1	-2
realized	-5	-	-5	-	-	-
Financial assets available for sale:						
unrealized	4	-	4	1	-	1
realized	-	-	-	-	-	-
Taxes other comprehensive income	-	-	-	-	-	-
<b>Comprehensive income</b>	<b>306</b>	<b>11</b>	<b>317</b>	<b>406</b>	<b>15</b>	<b>421</b>

## Statement of shareholders' equity as of June 30

In million CHF	2010			2009		
	Share- holders Schindler Holding Ltd.	Non- controlling interests	Group	Share- holders Schindler Holding Ltd.	Non- controlling interests	Group
<b>January 1, before adjustment</b>	<b>2 412</b>	<b>109</b>	<b>2 521</b>	1 907	111	2 018
Application of IFRIC 14 <sup>1</sup>						
Employee benefits				22	-	22
Deferred tax liabilities				-4	-	-4
<b>January 1, after adjustment</b>	<b>2 412</b>	<b>109</b>	<b>2 521</b>	1 925	111	2 036
Net profit	322	17	339	305	15	320
Other comprehensive income	-16	-6	-22	101	-	101
Comprehensive income	306	11	317	406	15	421
Dividends	-238	-11	-249	-238	-9	-247
Additions/disposals treasury stock	-11	-	-11	1	-	1
Options for participation plan (fair value)	6	-	6	3	-	3
<b>June 30</b>	<b>2 475</b>	<b>109</b>	<b>2 584</b>	2 097	117	2 214

<sup>1</sup> Retrospective adjustment to take account of the new ruling of IFRIC 14 (see Financial Statements 2009, pages 7 and 11)

# Segment information

In million CHF	Group	Finance/ Elimi- nations	Segments		Additional information to the E & E segment			
			ALSO	Elevators & Escalators (E & E)	Europe	North, Central, and South America	Asia, Australia, Africa	Elimi- nations
<b>1st half 2010</b>								
Operating revenue third parties	6 035	–	1 999	4 036	2 117	1 180	739	–
Revenue with other regions	–	–	–	–	133	6	30	–169
Total operating revenue	6 035	–	1 999	4 036	2 250	1 186	769	–169
Operating profit	496	–15	24	487				
Additions of property, plant, and equipment, and intangible assets	82	–	7	75	28	40	7	–
Total depreciation and amortization	78	–	6	72	29	16	27	–
of which impairment	13	–	–	13	–	–	13	–
Share in profits of associated companies	–6	–	–	–6				

## 1st half 2009

Operating revenue third parties	5 969	–	1 949	4 020	2 164	1 218	638	–
Revenue with other regions	–	–	–	–	115	6	20	–141
Total operating revenue	5 969	–	1 949	4 020	2 279	1 224	658	–141
Operating profit	490	–14	22	482				
Additions of property, plant, and equipment, and intangible assets	67	–	8	59	32	14	13	–
Total depreciation and amortization	61	–	7	54	30	14	10	–
of which impairment	–	–	–	–	–	–	–	–
Share in profits of associated companies	6	–	–	6				

In million CHF	Group	Finance/ Elimi- nations	Segments		Additional information to the E & E segment		
			ALSO	Elevators & Escalators (E & E)	Europe	North, Central, and South America	Asia, Australia, Africa
<b>30.06.2010</b>							
Assets	7 458	1 758	654	5 046	2 390	1 439	1 217
Investments in associated companies	169	–	–	169	24	–	145
Liabilities	4 874	113	468	4 293	2 473	1 073	747
Personnel at end of period (number)	44 069	–	1 434	42 635	20 769	11 630	10 236

## 31.12.2009

Assets	7 080	1 525	812	4 743	2 394	1 391	958
Investments in associated companies	178	–	–	178	20	–	158
Liabilities	4 559	29	617	3 913	2 346	979	588
Personnel at end of period (number)	43 437	–	1 475	41 962	20 894	11 751	9 317

# Notes to the consolidated interim financial statements

## General principles

The unaudited consolidated interim financial statements as of June 30, 2010, have been prepared on the basis of IAS 34 "Interim Financial Reporting". In principle, the same accounting policies have been applied as in the consolidated financial statements as of December 31, 2009, which are fully explained in the Financial Report 2009.

As from January 1, 2010, various new IFRSs were introduced. Changes have resulted from adoption of the following amendments:

- IFRS 3 Revised – Business Combinations
- IAS 27 Revised – Consolidated and Separate Financial Statements.

The individual Improvements to IFRSs for 2008 and 2009, which are applicable from 2010, have no material effect on the accounting practices. Further amendments of no practical relevance are:

- IFRS 1 – First-time Adoption of International Financial Reporting Standards: Structural Amendment
- IFRS 1 – First-time Adoption of International Financial Reporting Standards: Additional Exemptions for First-time Adopters (Amendment)
- IFRS 2 – Share-based Payment: Group Cash-settled Share-based Payment Transactions (Amendment)
- IAS 39 – Financial Instruments: Recognition and Measurement: Eligible Hedged Items (Amendment)
- IFRIC 17 – Distributions of Non-cash Assets to Owners.

No other changes are known that will become effective for the consolidated financial statements 2010.

Potential effects of the following new or revised IFRSs that will become effective for subsequent consolidated financial statements are being evaluated:

- IFRS 1 – First-time Adoption of International Financial Reporting Standards: Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters (Amendment) (applicable from 2011)
- IFRS 9 – Financial Instruments (applicable from 2013)
- IAS 24 Revised – Related Party Disclosures (applicable from 2011)
- IAS 32 – Financial Instruments: Presentation: Classification of Rights Issues (Amendment) (applicable from 2011)
- Improvements to IFRSs for 2010 (applicable from 2011)
- IFRIC 19 – Extinguishing Financial Liabilities with Equity Instruments (applicable from 2011).



Application of all of the adopted changes has not had any material effects on the capital, financial, income, or cash flow situation of Schindler. This is also expected to be the case for the pending changes mentioned above. Schindler applies the new rules for the first time as of the dates stated in the respective standards.

The interim financial statements based on IFRS contain assumptions and estimates that affect the figures stated in this interim report. The definitive results may differ from these estimates.

### **Segment reporting**

The Schindler Group comprises the two operating segments Elevators & Escalators and ALSO. These are the organizational units for which reporting takes place to the management of the Group and based on which performance is evaluated and resources are allocated. Since the internal and external reporting are based on the same principles of valuation, the need for reconciliation of the management reporting figures to the financial reporting figures does not arise.

In addition to the segment information – in the sense of continuous disclosure – selected information relating to the individual regions of the Elevators & Escalators segment is published on a similar basis to the earlier reporting.

### **Scope of consolidation**

Relative to June 30, 2009, and December 31, 2009, the scope of the consolidation newly includes Saudi Elevator Co. Ltd., Jeddah, Saudi Arabia. Schindler has increased its interest in the Group company from 20% to 100% and, since February 3, 2010, has complete control of the company.

The new affiliated company is an operating unit of the Elevators & Escalators segment and is active in new installations as well as in modernization, maintenance, and repair of existing installations. The purchase strengthens the position of Schindler in the largest market of the Gulf region.

Cash of CHF 87 million was paid for the acquisition. In the course of the business combination, the previously held interests in the Group company (20%) were upwardly revalued by CHF 14 million to their fair value of CHF 22 million. The revaluation was recognized as other income in operating profit (EBIT).

The following assets and liabilities were consolidated at their fair values as at the date of the acquisition:

In million CHF	Fair value at acquisition date
Current assets	37
Intangible assets	54
Other non-current assets	30
Current liabilities	-48
Non-current liabilities	-21
Net assets	52
Goodwill	57
Cost of the acquisition	109
Fair value of previously held interests	-22
Cash and cash equivalents acquired	-1
Net cash outflow	86

The gross amount of the trade accounts receivable was CHF 34 million, on which an allowance for bad debts of CHF 10 million was formed. Further receivables, which are mainly recognized in non-current assets, amounted to CHF 13 million. The fair value of all acquired receivables was therefore CHF 37 million.

The newly purchased company contributed CHF 19 million to the consolidated operating revenue. If the purchase of this company had already been completed on January 1, 2010, the Group would have gained additional operating revenue of CHF 4 million.

The contribution to net profit before upward revaluation of the previously held interests by CHF 14 million and the impairment of goodwill of CHF 13 million amounts to CHF -1 million. The contribution for January 2010 would have been insignificant (under CHF 1 million).

The impairment made on the goodwill of Saudi Elevator Co. Ltd. is a component of the amortization and therefore included in the operating cost. The amount has the character of a market entry premium, which was not covered by the recoverable amount in the impairment test. The test was performed using the usual Group policies, based on the value in use. The amount was calculated using a discount factor of 12.3%, an inflation rate of 3%, and a real growth rate of 0%.

The remaining goodwill as of June 30, 2010, of CHF 46 million mainly reflects the expected synergy effects of interregional activities and the introduction of Group products and processes. It is assumed that the goodwill does not represent a deductible expense for income tax purposes.

<b>Goodwill (Group)</b>			
In million CHF	New: Saudi Elevator Co. Ltd.	Others	<b>Total</b>
Gross carrying amount as of December 31, 2009		609	<b>609</b>
Accumulated impairments		–	–
Net carrying amount as of December 31, 2009		609	<b>609</b>
Addition	57	–	<b>57</b>
Exchange differences	2	–18	<b>–16</b>
Impairments	–13	–	<b>–13</b>
Net carrying amount as of June 30, 2010	46	591	<b>637</b>

### Translation of foreign currency

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

		<b>Exchange rates</b>					
		<b>Closing rate as of June 30</b>	<b>2010 Average rate for first half-year</b>	Closing rate as of December 31	Closing rate as of June 30	2009 Average rate for first half-year	
Eurozone	EUR	1	<b>1.32</b>	<b>1.43</b>	1.48	1.52	1.50
USA	USD	1	<b>1.08</b>	<b>1.08</b>	1.03	1.08	1.12
United Kingdom	GBP	1	<b>1.62</b>	<b>1.65</b>	1.66	1.80	1.67
Brazil	BRL	100	<b>60.01</b>	<b>59.99</b>	59.17	55.32	50.84
China	CNY	100	<b>15.96</b>	<b>15.78</b>	15.08	15.83	16.36

### Income taxes

The income tax expense recognized in the interim financial statements is based on the best possible current estimate of the income tax rate for 2010.

For reasons of materiality, the taxes on the other comprehensive income are not shown by item. For each item of other comprehensive income, they amount to less than CHF 1 million.

### Dividend

As decided by the General Meeting of Schindler Holding Ltd. of March 15, 2010, a dividend for the financial year 2009 of CHF 2.00 (previous year: CHF 2.00) per registered share and participation certificate was paid on March 22, 2010.

### Share capital/participation capital

Relative to December 31, 2009 (and June 30, 2009), the share capital and participation capital of Schindler Holding Ltd. is unchanged and its composition is as follows:

	Number	Nominal value	In CHF Capital
Share capital	71 776 700	0.10	7 177 670
Participation capital	48 609 400	0.10	4 860 940
<b>Total share capital and participation capital</b>			<b>12 038 610</b>

### Contingent liabilities

The contingent liabilities are described in detail in the notes to the annual financial statements 2009. As at the balance sheet date of June 30, 2010, the following material change applies:

Subsequent to a decision by the higher regional court in Vienna of December 14, 2007, applying monetary fines, several claims for damages have been lodged since February 2010 with the commercial court in Vienna against various elevator companies, including Austrian subsidiaries of Schindler. Considering the nature of the alleged infringements and the facts, Schindler takes the position that the claims are without merit. Consequently, no provisions have been made.

**Release of the interim financial statements for publication**

These interim financial statements as of June 30, 2010, were approved and released for publication by the Board of Directors of Schindler Holding Ltd. on August 16, 2010.

**Events after balance sheet date**

On August 13, 2010, the planned merger of ALSO and Actebis was announced. Actebis GmbH, a subsidiary of Droege International Group AG, and ALSO Holding AG, a stock exchange-listed subsidiary of Schindler Holding Ltd. (64% holding), intend to combine their activities. Implementation of the merger depends on the completion and positive outcome of due diligence, conclusion of a merger contract, approval by the responsible competition authorities, and a fairness opinion, as well as the agreement of the shareholders of ALSO and the governing bodies of Droege Group AG. Schindler and Droege are, however, optimistic that the striven-for merger will take place, and plan its implementation before the end of the year.

For further details, please refer to the press release of August 13, 2010, at [www.schindler.com](http://www.schindler.com)

# Financial calendar

	2010	2011
Annual results media conference	February 18	February 17
Ordinary General Meeting Schindler Holding Ltd.	March 15	March 15
First trading date ex-dividend	March 17	March 17 <sup>1</sup>
Date of Schindler Holding Ltd. dividend payment	March 22	March 22 <sup>1</sup>
Publication of selected key figures as of March 31	April 23	April 19
Publication of Interim Report as of June 30	August 17	August 16
Publication of selected key figures as of September 30	October 26	October 26

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

The Schindler Group's Interim Report 2010 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 Report, press releases and details of its current share price are available at:  
[www.schindler.com](http://www.schindler.com)

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

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