

Tencent Seafont Tower, Shenzhen, China, office building
62 Schindler 7000, 10 Schindler 5400 elevators, 4 Schindler 9300AE escalators,
PORT technology



Welcome to Schindler

**Selected key figures
as of September 30, 2014**

**Conference Call on
October 21, 2014**



Summary July to September, 2014

Continuing on a growth path

Growth

- Orders received grew by 5.3% in local currencies; +4.6% in CHF
- Revenue was up by 6.3% in local currencies; +5.4% in CHF
- XJ-Schindler consolidated since mid August
- Strong sales of Schindler 3600 and Schindler 5500 elevator products

Profitability

- EBIT amounts to CHF 376 million (PY: CHF 212 million)
- EBIT before revaluation of XJ-Schindler reached CHF 231 million; +10.4% in local currencies
- EBIT-margin reached 16.2% or 10.0% before revaluation of XJ-Schindler
- Net profit of CHF 332 million (PY: CHF 162 million)
- Net profit before revaluation of XJ-Schindler reached CHF 187 million; +15.4%
- Strong cash flow of CHF 205 million; +51.9%

Key figures as of September 30

July – September

| In CHF million | 2014 | 2013 | Δ% | Δ% in LC |
|--|--------------|-------|-------|----------|
| Orders received | 2 448 | 2 340 | +4.6 | +5.3 |
| Revenue | 2 314 | 2 196 | +5.4 | +6.3 |
| Operating profit (EBIT) before revaluation XJ-Schindler ¹ | 231 | 212 | +9.0 | +10.4 |
| in % | 10.0 | 9.7 | | |
| Operating profit (EBIT) | 376 | 212 | +77.4 | +78.8 |
| in % | 16.2 | 9.7 | | |
| Net income from financing and investing activities | 19 | 1 | | |
| Income taxes | 63 | 51 | | |
| Net profit | 332 | 162 | | |
| Net profit before revaluation XJ-Schindler ¹ | 187 | 162 | +15.4 | |

¹ Revaluation XJ-Schindler: CHF 145 million

Key figures as of September 30

July – September

| In CHF million | 2014 | 2013 | Δ% | Δ% in LC |
|---|-------------------|------------|-------|----------|
| Cash flow from operating activities | 205 | 135 | +51.9 | |
| Investments in property, plant, and equipment | 39 | 49 | -20.4 | |
| | 30.09.2014 | 30.06.2014 | | |
| Order backlog | 9 429 | 8 627 | +9.3 | +6.2 |
| Headcount at end of period | 53 617 | 49 751 | +7.8 | |

Summary January to September, 2014

Continuing on a growth path

Growth

- Orders received grew by 6.7% in local currencies; +2.9% in CHF
- Revenue was up by 7.1% in local currencies; +3.2% in CHF
- Revenue suffered from negative translation impact of CHF –253 million
- Order backlog at record high of CHF 9 429 million; +18.4% in local currencies; +22.1% in CHF

Profitability

- EBIT amounts to CHF 900 million (PY: CHF 682 million)
- EBIT before Mall of Switzerland (MoS) and revaluation of XJ-Schindler reached CHF 673 million; +3.5% in local currencies
- EBIT-margin reached 13.5% or 10.1% before exceptional items
- Net profit of CHF 703 million (PY: CHF 368 million)
- Net profit before MoS, Hyundai impairment and revaluation of XJ-Schindler was CHF 523 million (unchanged to PY)

Key figures as of September 30

January – September

| In CHF million | 2014 | 2013 | Δ% | Δ% in LC |
|---|--------------|-------|-------|----------|
| Orders received | 7 410 | 7 200 | +2.9 | +6.7 |
| Revenue | 6 653 | 6 446 | +3.2 | +7.1 |
| Operating profit (EBIT) before exceptional items ¹ | 673 | 682 | -1.3 | +3.5 |
| in % | 10.1 | 10.6 | | |
| Operating profit (EBIT) | 900 | 682 | +32.0 | +36.8 |
| in % | 13.5 | 10.6 | | |
| Net income from financing and investing activities | 25 | 20 | | |
| Hyundai impairment | -40 | -155 | | |
| Income taxes | 182 | 179 | | |
| Net profit | 703 | 368 | | |
| Net profit before exceptional items ² | 523 | 523 | - | |

¹ Mall of Switzerland: CHF 82 million, revaluation XJ-Schindler: CHF 145 million

² Mall of Switzerland: CHF 75 million, revaluation XJ-Schindler: CHF 145 million, and Hyundai impairment

Key figures as of September 30 January – September

| In CHF million | 2014 | 2013 | Δ% | Δ% in LC |
|---|-------------------|-------------------|-------|----------|
| Cash flow from operating activities | 606 | 613 | -1.1 | |
| Investments in property, plant, and equipment | 142 | 138 | +2.9 | |
| | 30.09.2014 | 31.12.2013 | | |
| Order backlog | 9 429 | 7 722 | +22.1 | +18.4 |
| Headcount at end of period | 53 617 | 48 169 | +11.3 | |

Asia/Pacific and Middle East

Development as of September 30, 2014

Strong growth continued in emerging markets

- Construction market in China delivered solid growth despite clear signs of slow-down
- Rebound of Indian market since May elections
- Continued growth in South-East Asia and the Middle East

Schindler achieved growth rates above market levels

- Strong order intake in China, India and South-East Asia both in large projects and in the residential segment
- Accelerated market share gains in residential segment: strong order intake for Schindler 3600 and Schindler 5500 elevators
- Escalator plant in Jiading, China, operating full steam
- Production ramp-up of elevator plant in India

Americas

Development as of September 30, 2014

Mixed market growth in Americas

- North American market grew at healthy rate
- Encouraging price development both in the new installation and service businesses in North America
- Latin America showed growth despite slowing market in Brazil

Schindler maintained its strong market position

- Strong sales of large projects in North America
- Latin America developed above market rates

Europe

Development as of September 30, 2014

Difficult market conditions continued

- Sustained growth in northern and eastern Europe
- Continued decline in southern countries
- Price pressure in the service business

Schindler performed well in demanding environment

- Overall order intake grew in spite of challenging conditions
- Large project wins in commercial and infrastructure projects

Market outlook 2014

Status as of October 21, 2014

Solid market fundamentals on the back of urbanization trends

- Market growth in the region Asia/Pacific and Middle East
- Some slow-down signs in China's residential market
- Market growth in North America with positive pricing development
- Mixed environment in Europe

Outlook 2014

Status as of October 21, 2014

Guidance for FY/2014

Revenue growth: Revenue growth of 6% to 8% in local currencies

Net profit: CHF 815 million to CHF 865 million

CHF 635 million to CHF 685 million
before exceptional items¹

¹ Exceptional items:

Revaluation XJ-Schindler: CHF 145 million, Mall of Switzerland: CHF 75 million, Hyundai impairment: CHF –40 million

Additional Charts

Balance sheet

| In CHF million | 30.09.2014 | % | 31.12.2013 | % |
|-------------------------------------|--------------|--------------|--------------|--------------|
| Cash and cash equivalents | 2 622 | 28.8 | 2 228 | 28.5 |
| Other current assets | 3 841 | 42.3 | 3 260 | 41.9 |
| Total current assets | 6 463 | 71.1 | 5 488 | 70.4 |
| Non-current assets | 2 622 | 28.9 | 2 309 | 29.6 |
| Total assets | 9 085 | 100.0 | 7 797 | 100.0 |
| Current liabilities | 4 770 | 52.5 | 3 974 | 51.0 |
| Non-current liabilities | 1 459 | 16.1 | 1 298 | 16.6 |
| Total liabilities | 6 229 | 68.6 | 5 272 | 67.6 |
| Equity | 2 856 | 31.4 | 2 525 | 32.4 |
| Total liabilities and equity | 9 085 | 100.0 | 7 797 | 100.0 |
| Net working capital | -648 | | -537 | |
| Net liquidity | 2 268 | | 2 115 | |

Quarterly overview 2014/2013

| In CHF million | 2014 | | | | 2013 | | |
|-------------------------------------|-------------------------|-------------------|-------|-------|-------|-------|-------|
| | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 |
| Orders received | 2 448 | 2 520 | 2 442 | 2 256 | 2 340 | 2 503 | 2 357 |
| Revenue | 2 314 | 2 292 | 2 047 | 2 367 | 2 196 | 2 270 | 1 980 |
| Operating profit (EBIT) | 376¹ | 319 ² | 205 | 214 | 212 | 253 | 217 |
| in % | 16.2¹ | 13.9 ² | 10.0 | 9.0 | 9.7 | 11.1 | 11.0 |
| Financing activities | 4 | -13 | -11 | -10 | -7 | 3 | -7 |
| Investing activities (associates) | 15 | 13 | 17 | 13 | 8 | 8 | 15 |
| Hyundai (HE) impairment | | -40 | | -64 | | -155 | |
| Income taxes | 63 | 68 | 51 | 58 | 51 | 69 | 59 |
| Net profit | 332 | 211 | 160 | 95 | 162 | 40 | 166 |
| in % | 14.3 | 9.2 | 7.8 | 4.0 | 7.4 | 1.8 | 8.4 |
| Net profit before exceptional items | 187 | 176 | | 159 | | 195 | |

¹ Before XJ-Schindler:

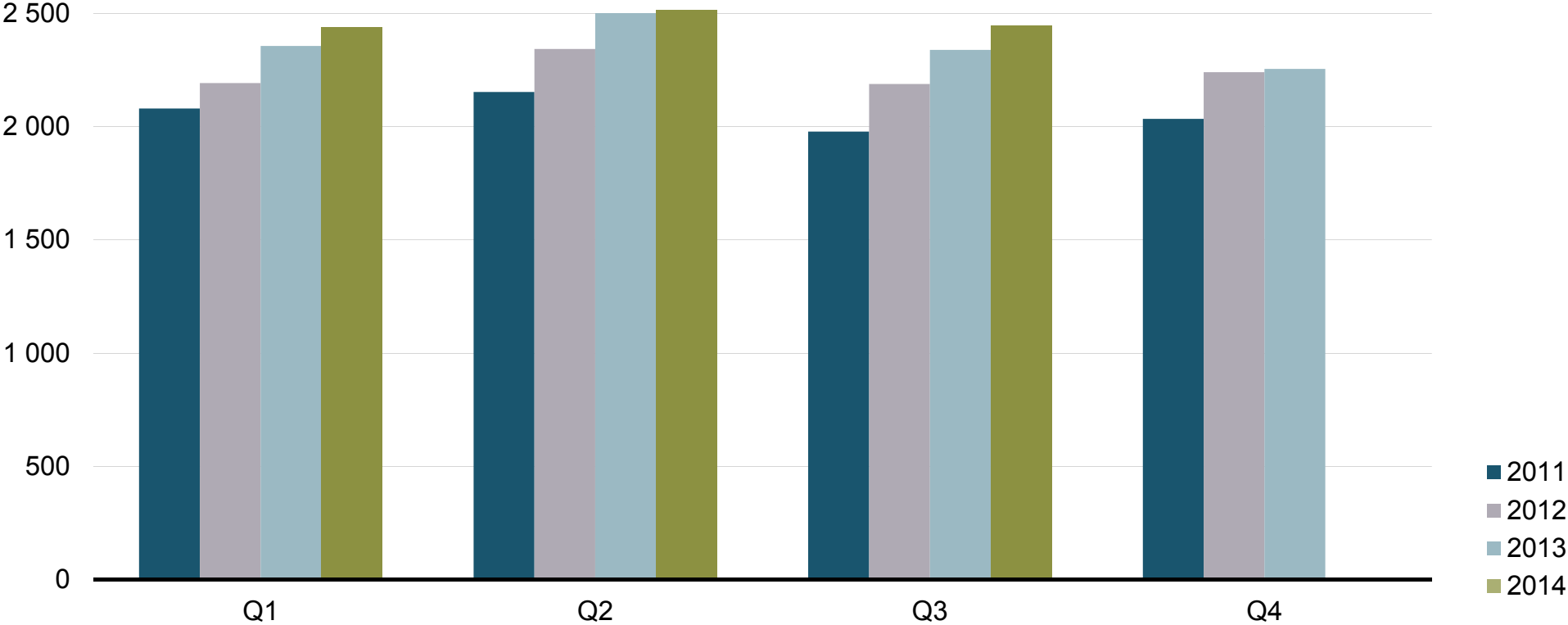
EBIT: CHF 231 million; EBIT-margin: 10.0%

² Before Mall of Switzerland:

EBIT: CHF 237 million; EBIT-margin: 10.3%

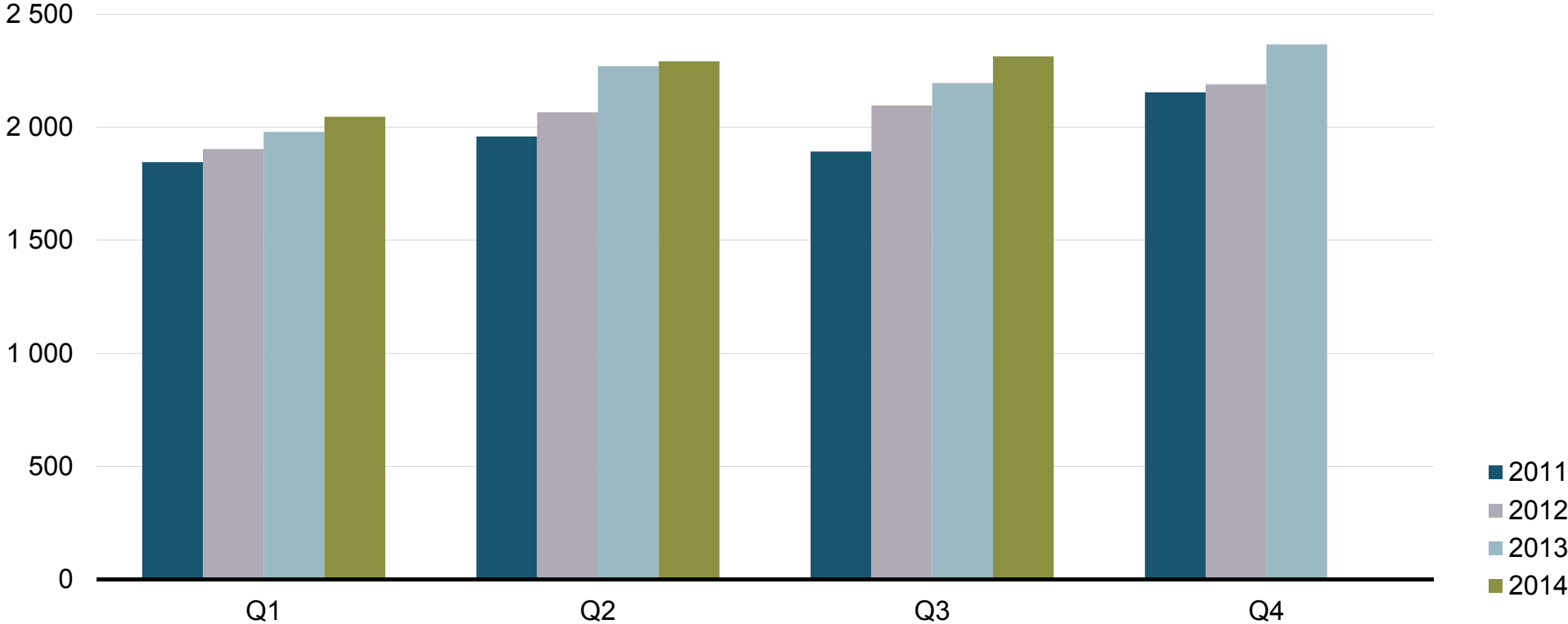
Quarterly development of orders received: 2011 – 2014

In CHF million



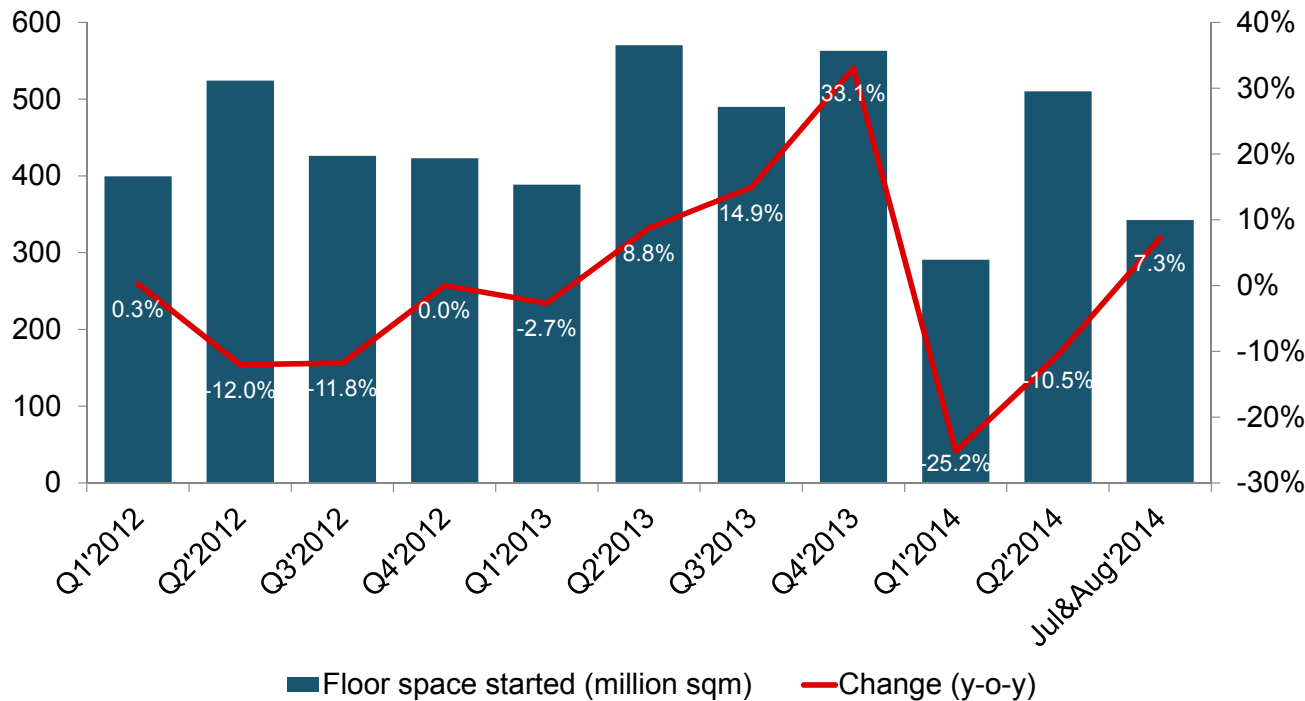
Quarterly development of revenue: 2011 – 2014

In CHF million



China: Newly started floor space

Signs of recovery in the past few months



January to August (y-o-y):

- 10.5% decrease of floor space started overall
- Biggest drop in the residential segment (-14.4%)
- Commercial buildings down slightly (-0.5%)
- Office construction up 10.7%

Source: National Bureau of Statistics of China

Megatrends impacting the E&E business

Medium-term outlook supports Schindler's growth objectives

Megatrends

Urbanization

Wealth creation in emerging markets

Energy efficiency

Demographic change

E&E market implications

- Emerging markets will continue to drive E&E growth > GDP
- Continuous innovation needed to adapt products and services to new markets and new requirements
- Sustainability critical in product development and operations
- Increased importance of safety and reliability, opportunities in modernization and replacements

Thank you.

Next publication dates

| | |
|---|-------------------|
| Full-year results 2014 | February 13, 2015 |
| Key figures as of March 31, 2015 | April 28, 2015 |
| Interim Report as of June 30, 2015 | August 14, 2015 |
| Selected key figures as of September 30, 2015 | October 22, 2015 |

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