



Welcome to Schindler

Selected key figures  
as of September 30, 2015

Publication on  
October 23, 2015



**Salvador Subway, Salvador City; Bahia State, Brazil**  
24 Schindler 5500 elevators, 53 Schindler 9300 escalators



## Highlights: January – September 2015

Continued growth and improved profitability

### **Markets**

- Overall no growth
- Slight decline in China and growth in rest of Asia and North America
- Unchanged trends in other markets

### **Schindler's growth strategy on track**

- Continued growth on top and bottom line
- Accelerating negative currency impacts
- Improving margins and profit

# Key figures as of September 30, 2015

## Q3: July – September

In CHF million	2015	2014	Δ%	Δ% in LC
Orders received	2 384	2 448	-2.6	+4.3
Revenue	2 310	2 314	-0.2	+7.0
Operating profit (EBIT), comparable	249	231	+7.8	+20.8
in %	10.8	10.0		
Net profit, comparable	195	187	+4.3	
<b>Including exceptional items 2014</b>				
Operating profit (EBIT)	249	376 <sup>1</sup>	-33.8	-25.8
in %	10.8	16.2		
Net income from financing and investing activities	10	19		
Income taxes	64	63		
Net profit	195	332 <sup>1</sup>	-41.3	

<sup>1</sup> Revaluation XJ-Schindler (Xuchang) Elevator Co. Ltd: CHF 145 million

# Key figures as of September 30, 2015

## Q3: July – September

In CHF million	2015	2014	Δ%	Δ% in LC
Cash flow from operating activities	227	205	+10.7	
Investments in property, plant, and equipment	51	39	+30.8	
	<b>30.09.2015</b>	30.06.2015		
Order backlog	9 519	9 191	+3.6	+2.4
Number of employees	56 347	55 234	+2.0	

# Key figures as of September 30, 2015

## January to September

In CHF million	2015	2014	Δ%	Δ% in LC
Orders received	7 361	7 410	-0.7	+3.9
Revenue	6 802	6 653	+2.2	+7.3
Operating profit (EBIT), comparable	725	673	+7.7	+16.8
in %	10.7	10.1		
Net profit, comparable	553	523	+5.7	
<b>Including exceptional items 2014</b>				
Operating profit (EBIT)	725	900 <sup>1</sup>	-19.4	-12.7
in %	10.7	13.5		
Net income from financing and investing activities	10	-15 <sup>2</sup>		
Income taxes	182	182		
Net profit	553	703 <sup>3</sup>	-21.3	

<sup>1</sup> Revaluation XJ-Schindler (Xuchang) Elevator Co. Ltd.: CHF 145 million; gain on sale of Mall of Switzerland development project: CHF 82 million

<sup>2</sup> Hyundai Elevator Co. Ltd. impairment: CHF -40 million

<sup>3</sup> Revaluation XJ-Schindler (Xuchang) Elevator Co. Ltd.: CHF 145 million, Mall of Switzerland: CHF 75 million, Hyundai Elevator Co. Ltd. impairment: CHF -40 million

# Key figures as of September 30, 2015

## January to September

In CHF million	2015	2014	Δ%	Δ% in LC
Cash flow from operating activities	699	606	+15.3	
Investments in property, plant, and equipment	128	142	-9.9	
	<b>30.09.2015</b>	<b>31.12.2014</b>		
Order backlog	9 519	9 263	+2.8	+11.2
Number of employees	56 347	54 209	+3.9	

# Asia-Pacific: Development in Q3/2015

## **Mixed market development**

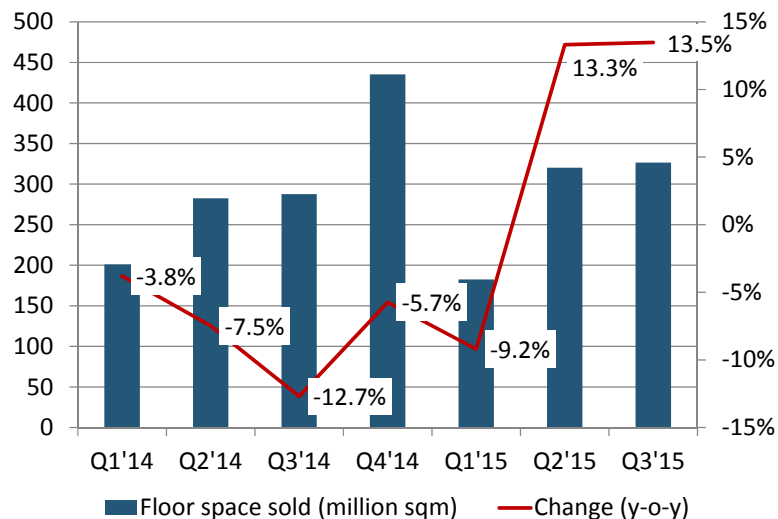
- China: slightly declining market, driven by lower tier cities
- India: strong growth but below potential
- Southeast Asia: slowdown in commodity driven countries, growth in other markets

## **Growing order intake across all markets**

- China: growth led by successful new product introductions, geographical expansion and key account gains
- India: growth led by residential segment, new product introductions, and factory ramp-up
- Southeast Asia and Australia: reinforced leadership based on growth across all product lines

# China: market update

## Floor space sold in China



Source: National Bureau of Statistics of China, October 2015

## Opportunities

- Urbanization and infrastructure investment continue unabated
- Shift to service-led economy and development of service culture
- Several stimulus measures deployed to prop up market
- Strong pick-up in *floor space sold*
- Prices for new residential property climbed 11.4% in Q3
- Tier-1 cities with low vacancy rates in commercial property
- Tightening of safety regulations
- On-going market consolidation

## Risks

- Growing local governments' debt burden
- *Land area purchased by developers* decreased by 33.8% YTD
- *Floor space started* down 12.6% YTD; **up 15.3% in September**
- Residential property inventory levels decreasing but still high
- Delays in order down-payments
- Continued pricing pressure

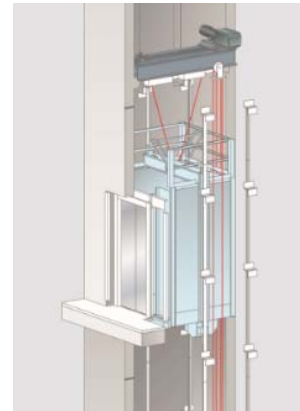


# Innovation: new product launches

Made in China for China with global scope



New generation of Schindler 9300 escalator



New Schindler 3300 MMR elevator



New Schindler 5400 elevator for mid-rise residential



Launch of Schindler 5500 elevator in China



# Outlook 2015

Status as of October 23, 2015

## **Market**

- Overall no growth

## **Financials (unchanged)**

- Revenue expected to increase by 6% to 8% in local currencies
- Net profit 2015 in the range of CHF 700 million to CHF 750 million

# Additional Charts

# Balance sheet

In CHF million	30.09.2015	in %	31.12.2014 <sup>1</sup>	in %
Cash and cash equivalents	2 085	24.9	2 722	30.5
Other current assets	3 686	44.0	3 401	38.1
<b>Total current assets</b>	<b>5 771</b>	<b>68.9</b>	<b>6 123</b>	<b>68.6</b>
Non-current assets	2 603	31.1	2 802	31.4
<b>Total assets</b>	<b>8 374</b>	<b>100.0</b>	<b>8 925</b>	<b>100.0</b>
<hr/>				
Current liabilities	4 363	52.1	4 326	48.5
Non-current liabilities	1 550	18.5	1 628	18.2
<b>Total liabilities</b>	<b>5 913</b>	<b>70.6</b>	<b>5 954</b>	<b>66.7</b>
Equity	2 461	29.4	2 971	33.3
<b>Total liabilities and equity</b>	<b>8 374</b>	<b>100.0</b>	<b>8 925</b>	<b>100.0</b>
<b>Net working capital</b>	<b>-650</b>		<b>-706</b>	
<b>Net liquidity</b>	<b>1 950</b>		<b>2 375</b>	

<sup>1</sup> Restated for IAS 19: CHF 25 million employee benefits

## Quarterly overview 2015/2014

In CHF million	2015			2014			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Orders received	<b>2 384</b>	2 534	2 443	2 569	2 448	2 520	2 442
Revenue	<b>2 310</b>	2 355	2 137	2 593	2 314	2 292	2 047
Operating profit (EBIT), comparable	<b>249</b>	254	222	259	231	237	205
in %	<b>10.8</b>	10.8	10.4	10.0	10.0	10.3	10.0
Net profit, comparable	<b>195</b>	190	168	217	187	176	160
<b>Including exceptional items 2014</b>							
Operating profit (EBIT)	<b>249</b>	254	222	238 <sup>1</sup>	376 <sup>2</sup>	319 <sup>3</sup>	205
in %	<b>10.8</b>	10.8	10.4	9.2	16.2	13.9	10.0
Financing activities	<b>9</b>	0	-9	25	4	-13	-11
Investing activities (associates)	<b>1</b>	0	9	1	15	13	17
Hyundai impairment	-	-	-	-	-	-40	-
Income taxes	<b>64</b>	64	54	65	63	68	51
Net profit	<b>195</b>	190	168	199	332 <sup>2</sup>	211 <sup>4</sup>	160
in %	<b>8.4</b>	8.1	7.9	7.7	14.3	9.2	7.8

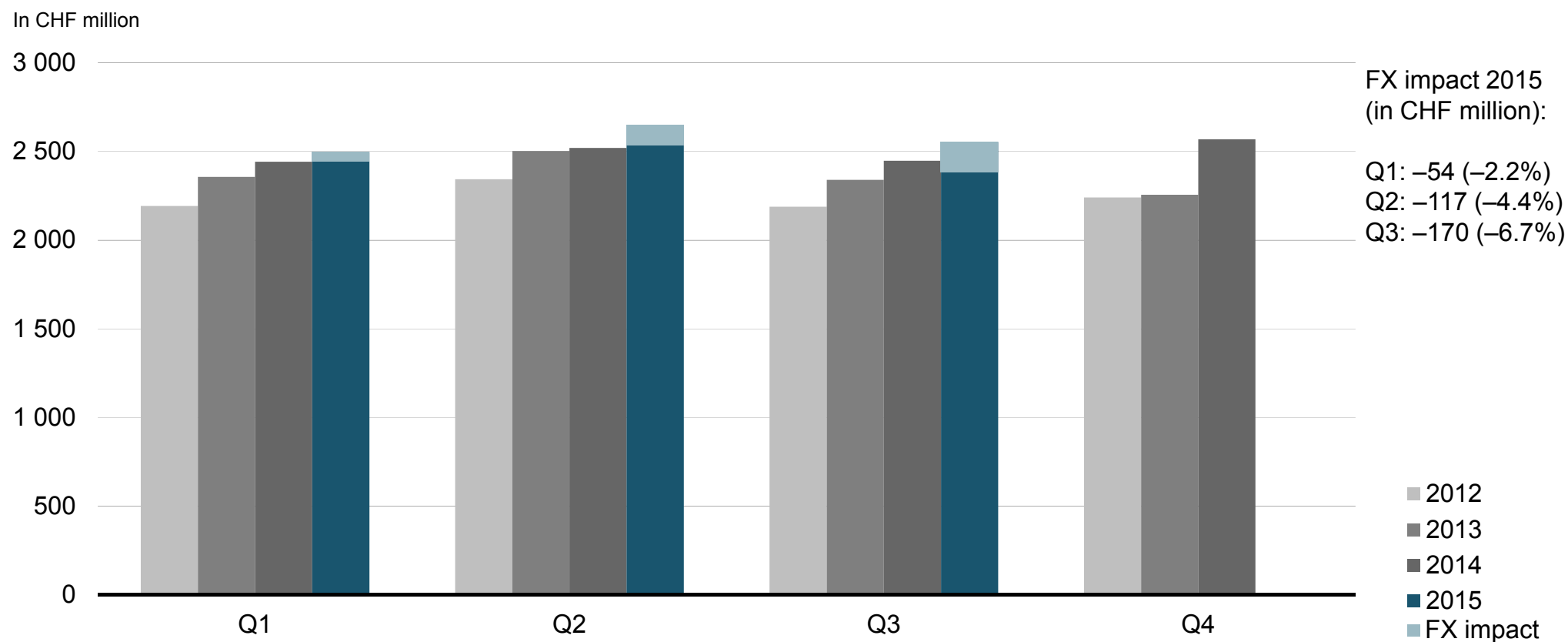
<sup>1</sup> Impairment of intangible assets

<sup>2</sup> Revaluation of XJ-Schindler

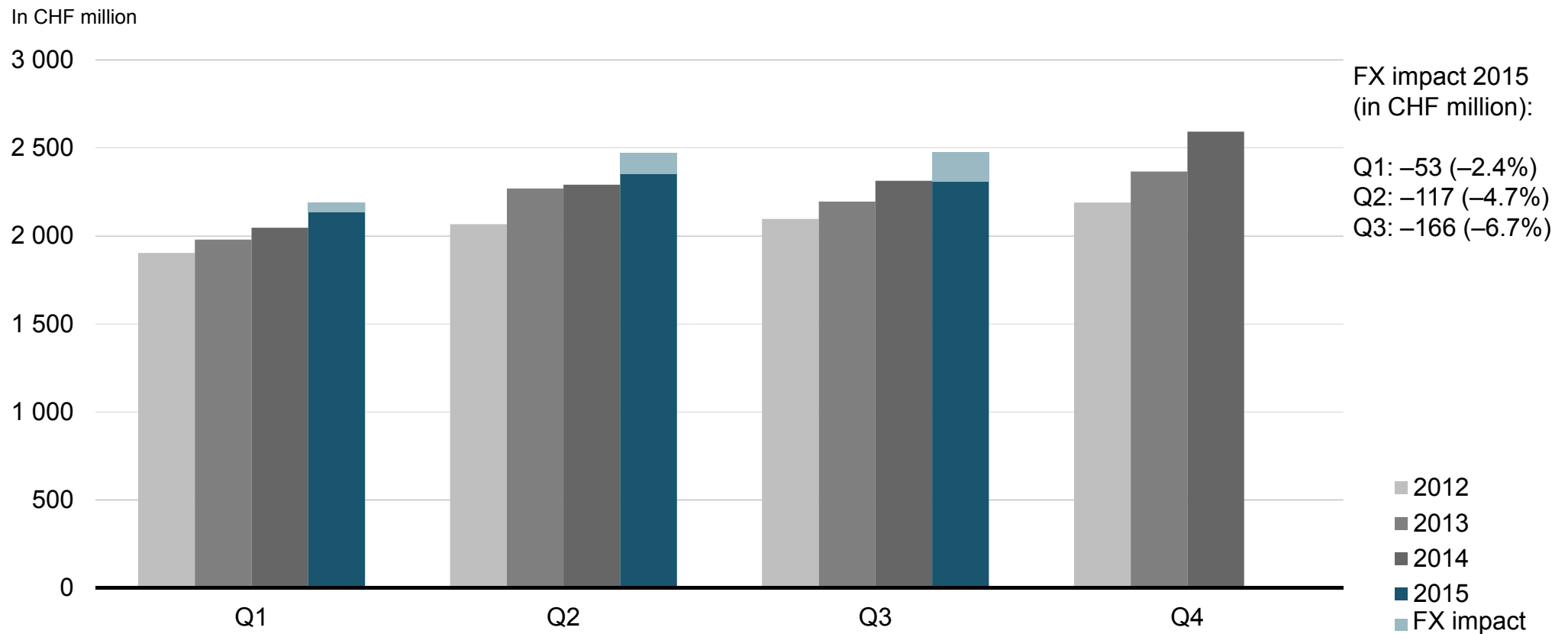
<sup>3</sup> Mall of Switzerland

<sup>4</sup> Mall of Switzerland and Hyundai impairment

## Quarterly development of orders received: 2012 – 2015



# Quarterly development of revenue: 2012 – 2015



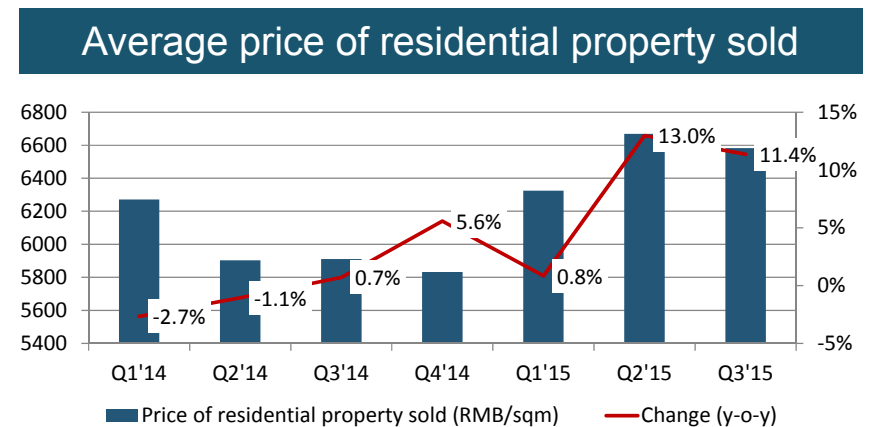
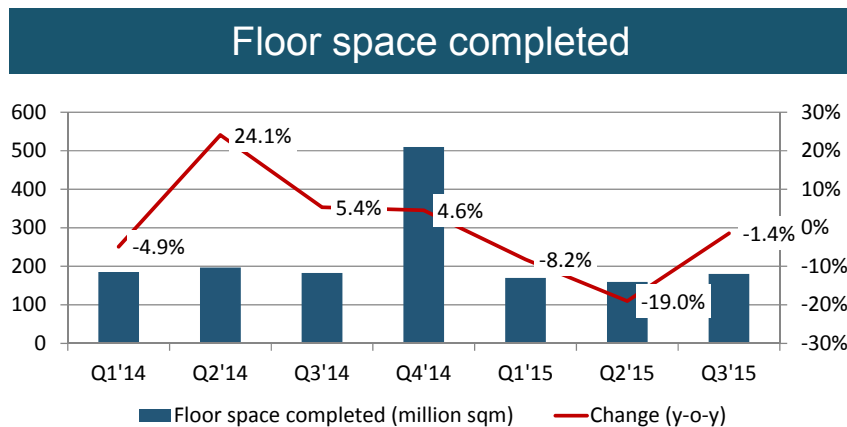
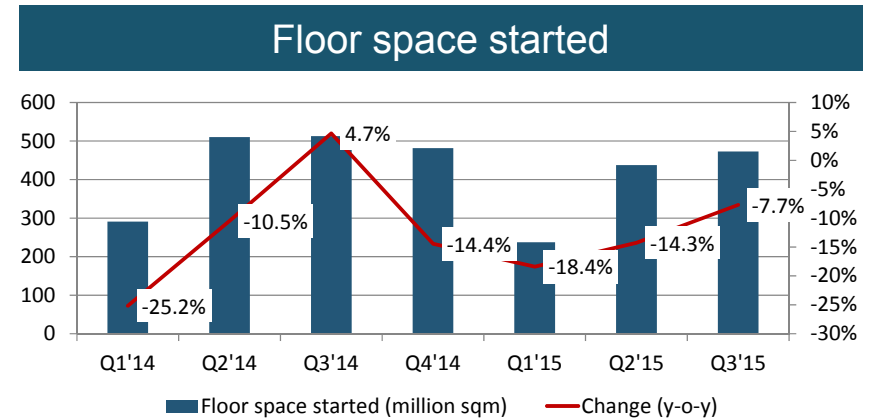
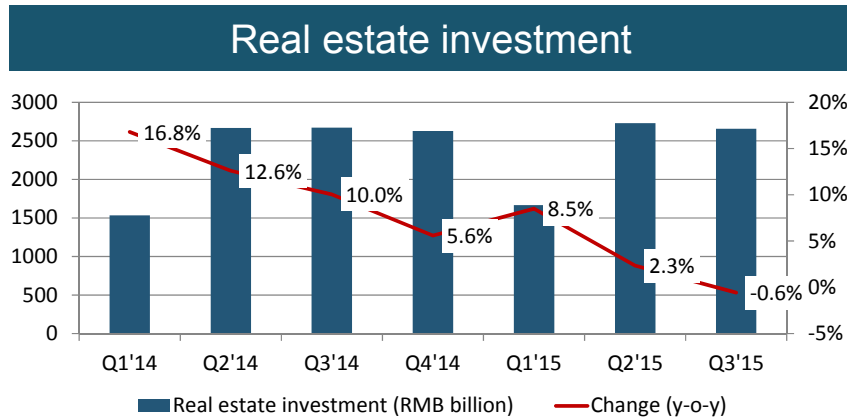
## Share buyback program – 2<sup>nd</sup> trading line as of September 30, 2015

	Registered shares	Participation certificates
Number of securities purchased in 2015	723 900	2 532 502
Number of securities cancelled in 2015	-118 550	-382 222
Number of securities held as of September 30, 2015 <sup>1</sup>	679 350	2 399 480

<sup>1</sup> To be proposed for cancellation in 2016; subject to approval by the AGM 2016



# China: Prices for residential property climbed 11.4% y-o-y in Q3/2015



Source: National Bureau of Statistics of China, October 2015

# Thank you.

<b>Financial calendar</b>	<b>2016</b>
Full-year results 2015	February 12
Selected key figures as of March 31, 2016	April 28
Interim Report as of June 30, 2016	August 16
Selected key figures as of September 30, 2016	October 25

## Your contact:

Barbara Zäch, Head Investor Relations; Tel. +41 41 445 30 61, [investor.relations@schindler.com](mailto:investor.relations@schindler.com)

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