



Macquarie Bank Headquarters, Sydney, Australia
Winner of 2015 Project of the Year award by Elevator World magazine
Category 1: Elevators, New Construction

Schindler

Annual Results Presentation 2014

Lucerne, February 13, 2015



Highlights 2014

Growth agenda delivered: Solid growth and increased profits

Financials

- Accelerated growth in orders and revenue
- High net profits and strong cash flow
- Strong Q4:
 - Orders and revenue at unprecedented levels
 - EBIT margin at 11% before restructuring cost / impairment
- Negative FX impact on revenue (CHF –206 million) and EBIT (CHF –30 million)

Products & markets

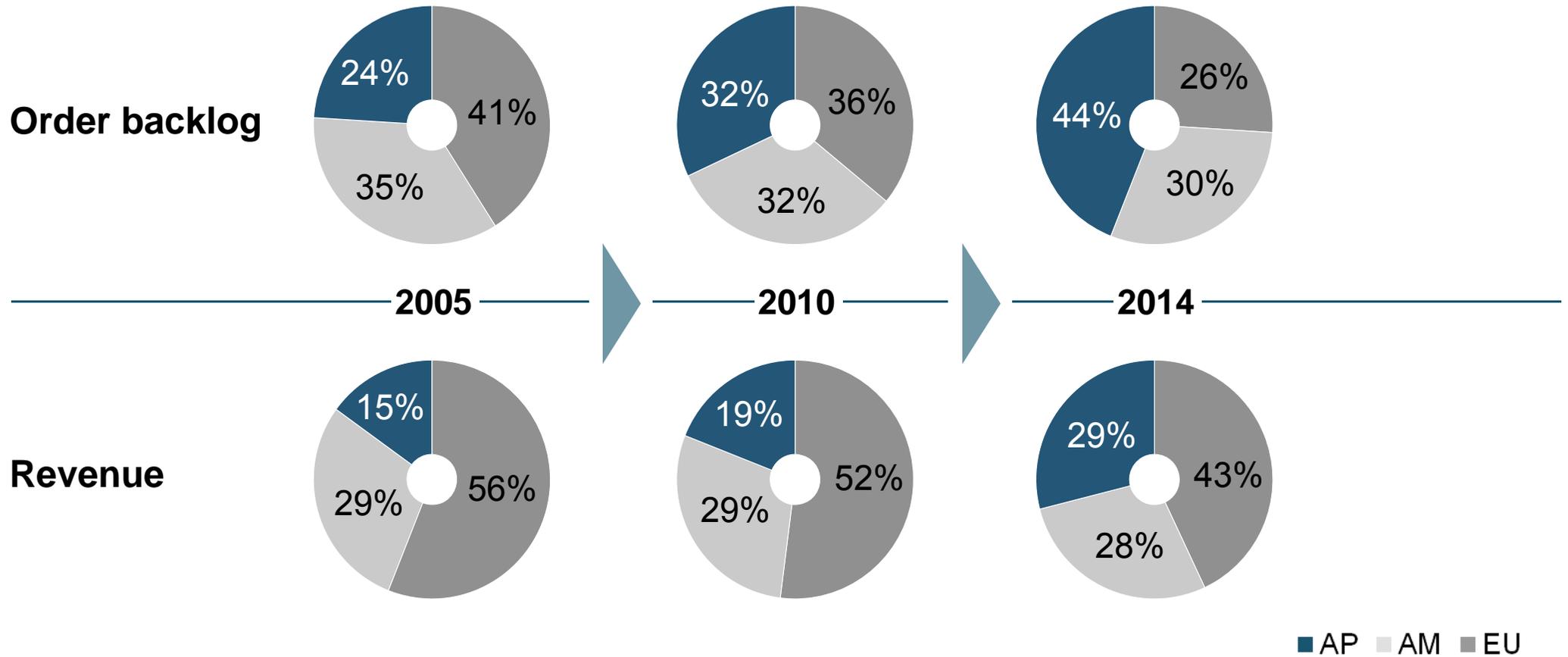
- New factories completed on time and fully operational
- New products: Schindler 3600, myPORT
- Growth markets:
 - Strong growth in China and India
 - XJ-Schindler consolidation

Structure

- New organizational set-up: Positioning for 2015 and beyond

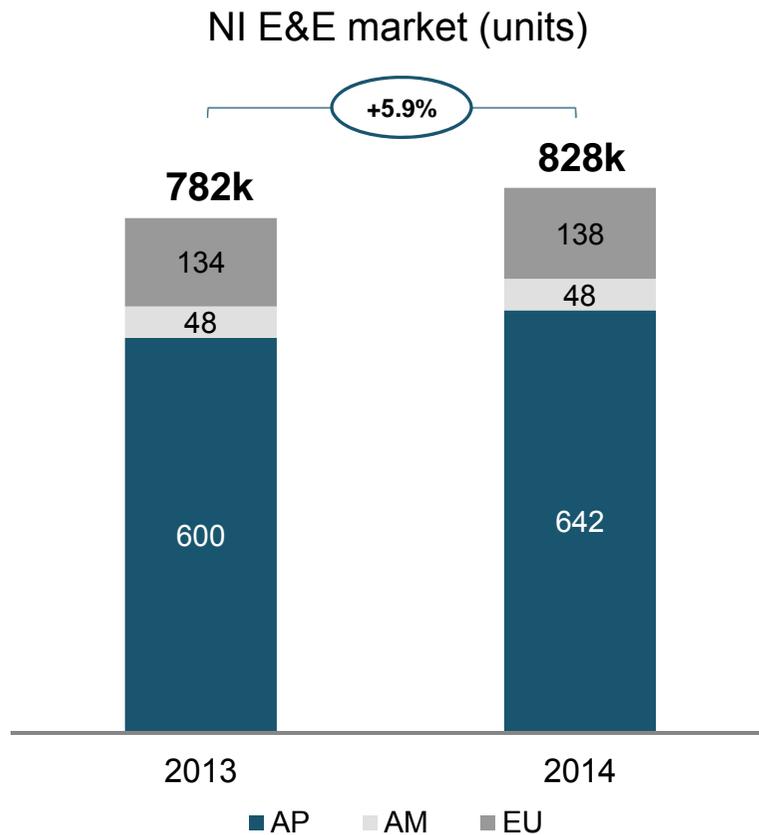
Growth agenda at work

Major shift of orders and revenue to Asia-Pacific



Global New Installations market with ~6% growth in 2014

Plus 46 000 units: Lion's share from China



- China +28k units
- Asia Pacific (ex. China) +14k units
- Europe +4k units
- Americas stable

- Total +46k units

“Second Planet” Hubs: Platform for growth

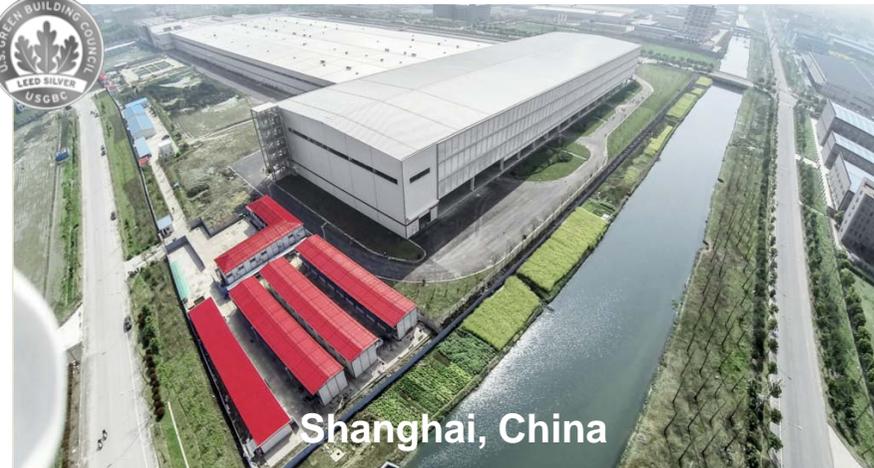


Pune, India

- Elevator factory (November 2014) ✓
- R&D Center and Test Tower (Q2 2015)

Next step

- Escalator factory



Shanghai, China

- Escalator factory (May 2014) ✓
- Elevator factory and Test Tower (Q4 2015)

Next steps

- R&D Center
- Schindler City

Q4 2014: Key figures

Improving performance

In CHF million	Q4/2014	Q4/2013	Δ%	Δ% in LC
Orders received	2 569	2 256	+13.9	+11.1
Revenue	2 593	2 367	+9.5	+7.6
Operating profit (EBIT) before impairment	259¹	214	+21.0	+19.6
in %	10.0	9.0		
Operating profit (EBIT) reported	238	214	+11.2	+9.8
in %	9.2²	9.0		
Net income from financing and investing activities	26	3		
Hyundai impairment	–	–64		
Income taxes	65	58		
Net profit	199	95	+109.5	
Net profit before exceptional items	217³	159	+36.5	

¹ Before taxes: Impairment of intangible assets: CHF –21 million

² EBIT margin at 11.0% before impairment of intangible assets and restructuring cost

³ After taxes: Impairment of intangible assets: CHF –18 million

Full year 2014: Key figures

Solid growth and increased profit

In CHF million	2014	2013	Δ%	Δ% in LC
Orders received	9 979	9 456	+5.5	+7.8
Revenue	9 246	8 813	+4.9	+7.3
Operating profit (EBIT) before one-offs	932¹	896	+4.0	+7.4
in %	10.1	10.2		
Operating profit (EBIT) reported	1 138	896	+27.0	+30.4
in %	12.3	10.2		
Net income from financing and investing activities	51	23		
Hyundai impairment	-40	-219		
Income taxes	247	237		
Net profit	902	463	+94.8	
Net profit before exceptional items	740²	682	+8.5	

¹ Before taxes: Mall of Switzerland: CHF 82 million, XJ-Schindler revaluation: CHF 145 million, intangible assets impairment: CHF -21 million

² After taxes: Mall of Switzerland: CHF 75 million, XJ-Schindler revaluation: CHF 145 million, intangible assets impairment: CHF -18 million, Hyundai impairment: CHF -40 million

Full year 2014: Key figures

Double-digit growth in order backlog

In CHF million	2014	2013	Δ%	Δ% in LC
Cash flow from operating activities	902	808	+11.6	
Investments in property, plant, and equipment	183	252	-27.4	
	31.12.2014	31.12.2013		
Order backlog	9 263	7 722	+20.0	+15.4
Number of employees	54 209	48 169	+12.5	

Action Plan 2015

Fast Forward

Objectives

- Strategy execution: Growth above market
- Growth in Operating Revenue and EBIT
- Focus on margins

Operational Excellence

- Customer centricity
- Quality
- Simplification
- Efficiency
- Pricing

Growth Markets

- China
- India
- Southeast Asia

Global Delivery

- Cost competitiveness
- New supply chain
- NI/EI Business Management
- New products
- Digitization

Foster High-Performance Culture

E&E industry keeps the growth momentum

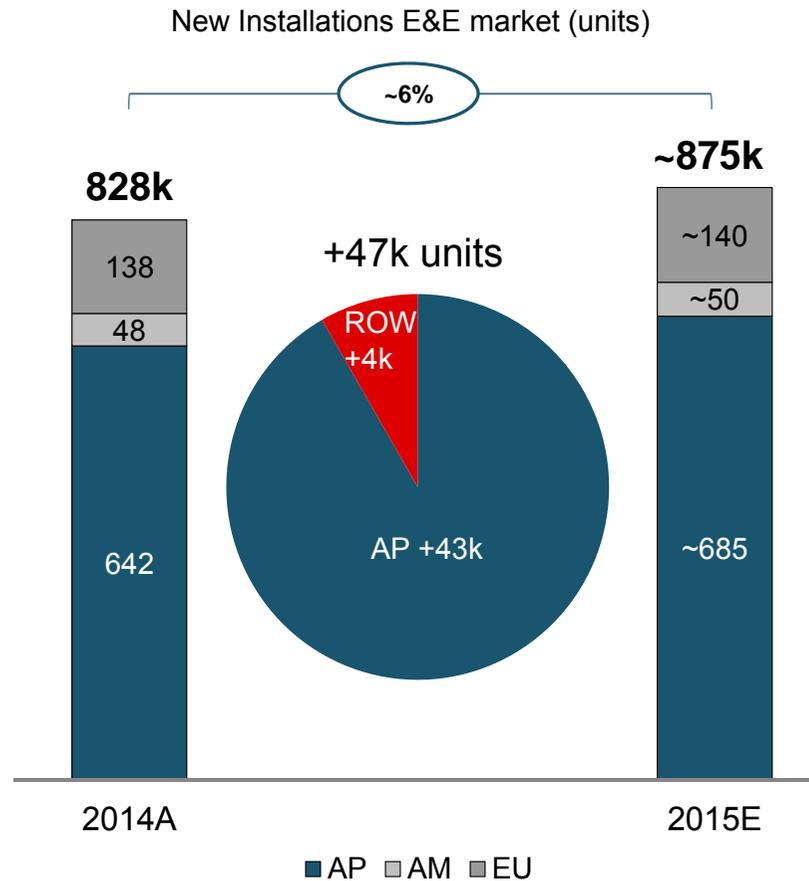
Market trends

Europe

Americas

Asia-Pacific

- Uncertainty undermining growth
- USA recovery drives regional growth
- China
- India & Southeast Asia



VS

Global GDP growth 2015
+3.5%

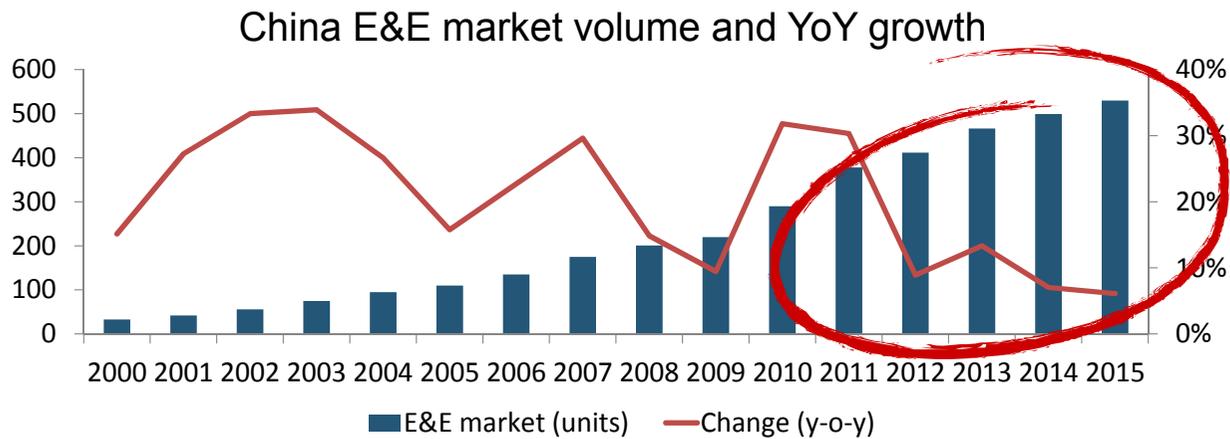
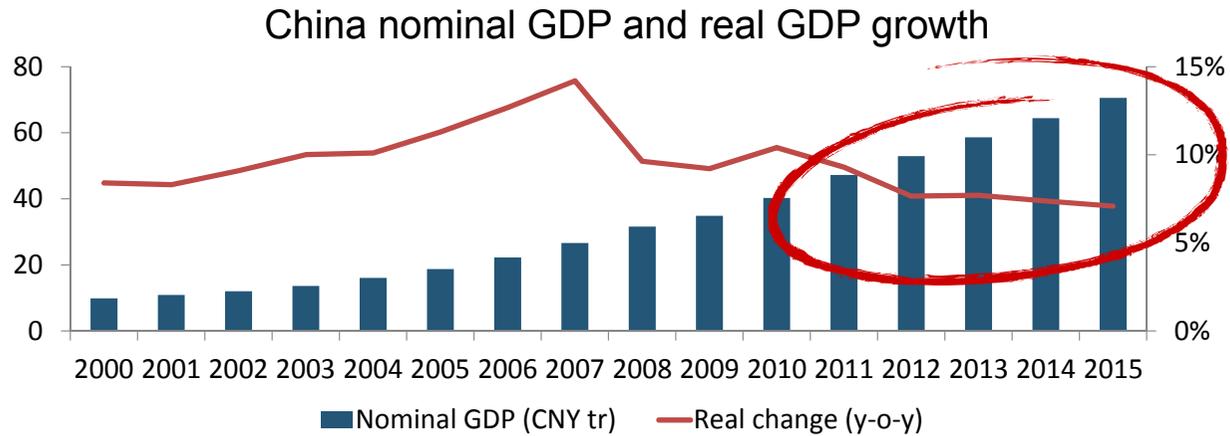
Global cement sales 2015
+2.8%

Global auto sales 2015
+4.0%

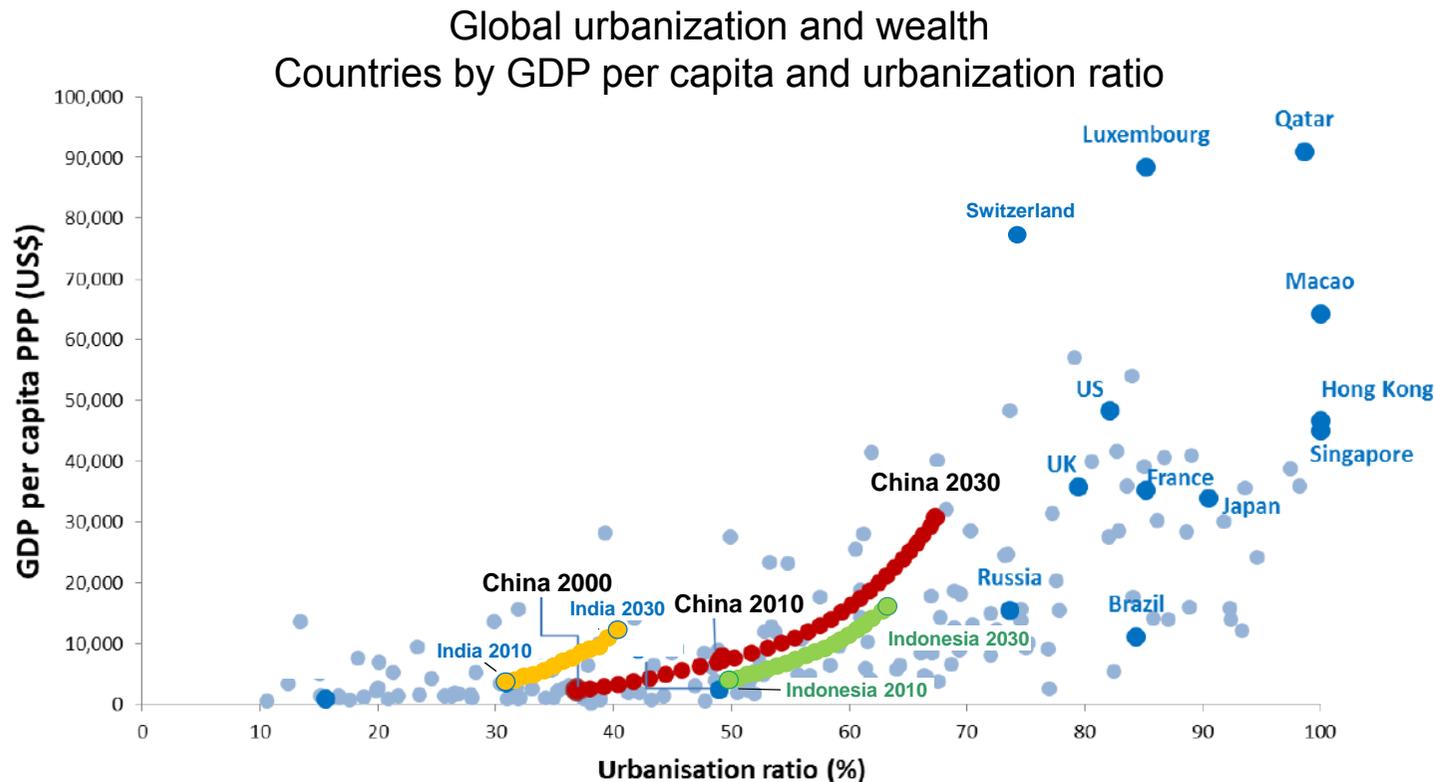
Source: IMF, Morgan Stanley, Scotiabank, Schindler estimates, 2015

China output growing despite deceleration

Sub-10% growth on a massive base is the “new normal”



Accelerating urbanization the growth engine for the E&E industry



- Strong correlation between urbanization and economic growth
- China followed by India, Indonesia and other growth markets
- With Asia's urbanization ratio still below 50%, plenty of room for future growth

Source: The Economist Intelligence Unit, United Nations Population Division, 2014

Schindler captures digital opportunities

Internet of Things meets the elevator industry

Customers



New Customer Portal
→ Customer Loyalty

Products



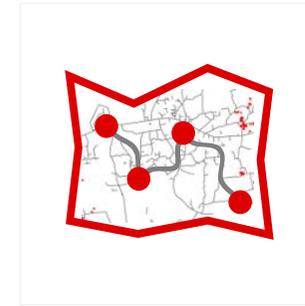
Smart Products
+
Remote Monitoring
=
Predictive Maintenance

People



18'000+ Field Staff
digitized supporting
day-to-day business

Processes



Driving Service Efficiency
through proprietary Apps

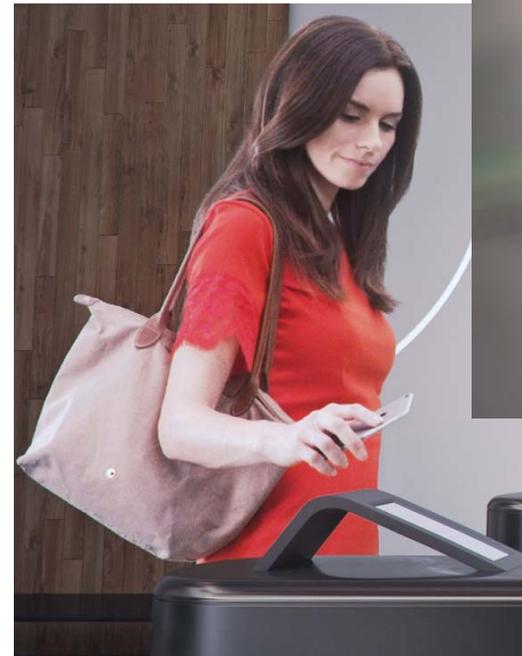
Enabled through Schindler's Global Business Process Platform



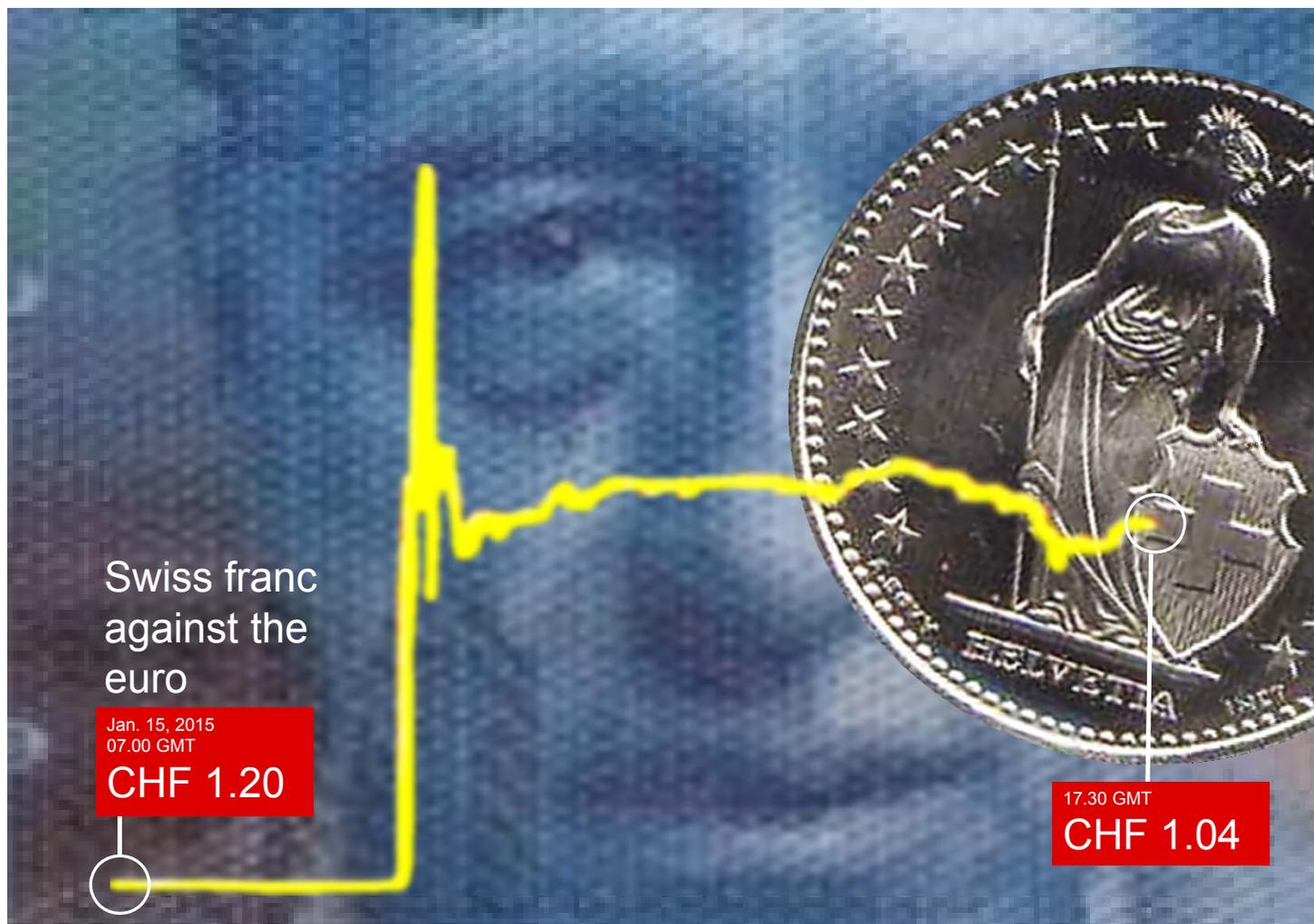
myPORT – innovative smartphone-based technology

Mobility, security and seamless access

- 4-step “e-Banking” security
- Visitor access via smartphone
- Addressing special mobility needs



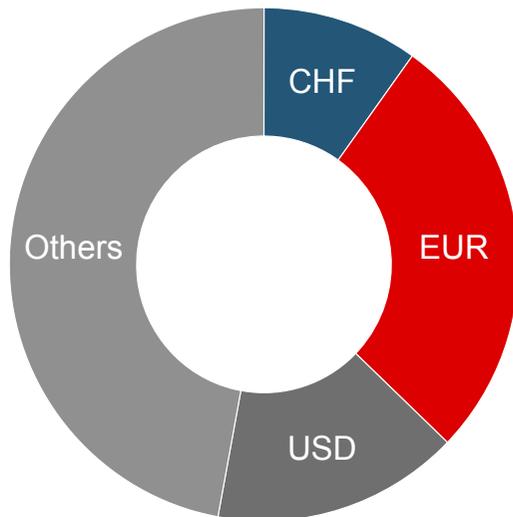
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Schindler generates >90% of revenues outside Switzerland

Limited transaction risk but large translation impact

Revenue 2014 by functional currency



Transaction exposure

- Good match of revenue and cost in functional currencies in operating companies
- 100% hedging policy for transaction exposure

Translation exposure

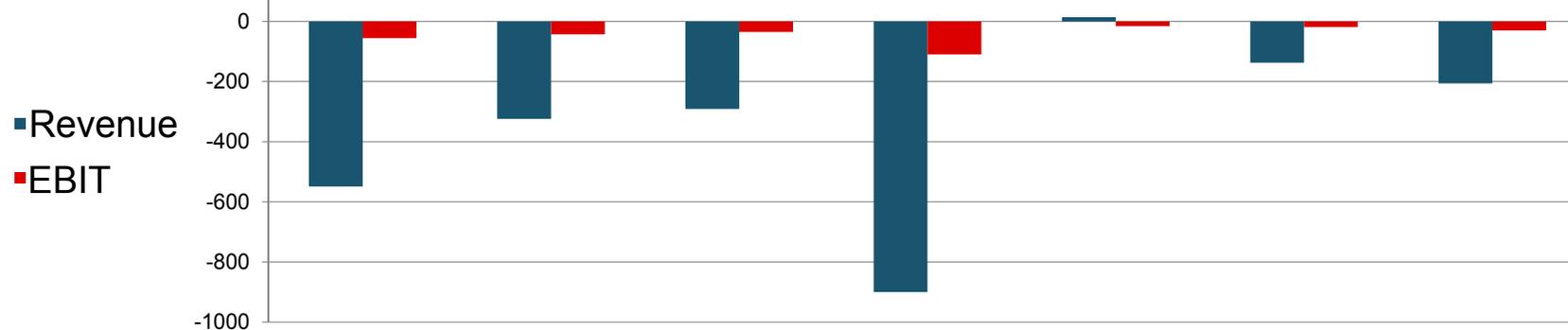
- Swiss franc is the reporting currency for Group accounts
- Negative translation impact on revenue 2015 estimated at ~10% or ~ CHF 1.0 bn (based on EUR/CHF 1.03 and USD/CHF 0.90)
- Exposure from Corporate functions in Switzerland leads to higher impact on EBIT

Strong Swiss franc impact

Top line loss of CHF 2.4 bn over the last seven years

Translation impact of exchange rates

In CHF million	2008	2009	2010	2011	2012	2013	2014	Total
Revenue	-549	-324	-291	-900	14	-137	-206	-2 393
EBIT	-56	-43	-35	-110	-16	-19	-30	-309



Outlook 2015

- Macroeconomic uncertainties
- Market growth opportunities
- Growth strategy reinforcement
- Fast Forward deployment A circular icon with a grey gradient and a red double arrow pointing to the right, indicating a fast-forward or skip function.
- Revenue expected to increase by 7-9% in local currencies
- Negative translation impact of ~10% on revenue
- Net profit 2015 forecast to be issued with publication of half-year results

Thank you.

Financial calendar

2015

Ordinary General Meeting Schindler Holding Ltd.	March 20
Selected key figures as of March 31, 2015	April 28
Interim Report as of June 30, 2015	August 14
Selected key figures as of September 30, 2015	October 23

Corporate Communications

Dr. Barbara Schmidhauser, Chief Communications Officer

Tel. +41 41 445 30 60

Fax +41 41 445 31 44

corporate.communications@schindler.com

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