

Interim results as of June 30, 2019

August 14, 2019

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Highlights January – June 2019

Growth and strategic investments

- Growth across all regions and product lines; strategic investments on track
- Noteworthy development in major projects, particularly in the public-transport segment in North America and China
- Higher material costs, wage inflation, foreign currency impacts and the planned increase in strategic investments weighed on operating profit
- Improving margins in order intake and order backlog

Ongoing growth, profitability impacted as expected

- Order intake increased by 3.8% (+5.8% in local currencies)
- Revenue rose by 3.3% (+5.4% in local currencies)
- EBIT reached CHF 596 million (2018: CHF 613 million), sequential increase in EBIT margin
- Net profit was CHF 436 million (2018: before one-time tax refund CHF 461 million)

Asia-Pacific

Significant growth in China and India

Continued overall positive new installations market environment

- China: Slightly positive market in the first half-year
- India: Ongoing strong growth driven by residential and infrastructure segments
- Southeast Asia: Mixed picture

Schindler performance

- New installations: Good performance in major markets supported by large project wins
- Existing installations: Strong growth in service and modernization

Americas

Sustained growth across the region

Stable new installations markets

- North America: Broadly stable on a high level; growth in large public-transport; low-/mid-rise segment trending towards less activity
- Latin America: Overall stable; Brazil still with challenging environment

Schindler performance

- North America: Slight decline in new installations business; bottleneck of qualified field labor
- Latin America: Overall good new installations growth despite still muted development in Brazil
- High growth in existing installations business across the region

EMEA

Solid markets

New installations markets on a high level

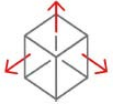
- Northern Europe: Continued solid markets on a high level
- Southern Europe: Slight market contraction, especially driven by Turkey

Schindler performance

- New installations: Slightly negative development year on year
- Existing installations: Continued strong portfolio development
- Availability of qualified labor is an issue across the region

Strategic investments on track

Impacting our results



Modularity

- Reducing complexity with modular products:
 - ✓ Harmonized cars and car deco
 - ✓ Hoistway materials
 - ✓ Controller components
 - Doors and door drives
 - Elevator systems
 - Tools and processes
 - Machines



Digitization

- New products launched:
 - ✓ Ahead SmartMirror
 - ✓ Ahead AdScreen
- Global roll-out and connectivity according to plan
- Top notch cyber security features



BuildingMinds

- Core team set up
- Collaboration with Microsoft established
- First customer solutions being developed

Key figures as of June 30, 2019

April to June

In CHF million	Q2 2019	Q2 2018	Δ%	Δ% in LC
Order intake	3 122	3 047	2.5	5.1
Revenue	2 849	2 782	2.4	5.0
Operating profit (EBIT)	322	332	-3.0	-0.3
in %	11.3	11.9		
Operating profit (EBIT), adjusted	334 ¹⁾	337 ²⁾	-0.9	1.8
in %	11.7	12.1		
Financing and investing activities	-17	20 ⁴⁾		
Profit before taxes	305	352	-13.4	
Income taxes	66	44 ⁴⁾		
Net profit	239	308 ⁴⁾	-22.4	
Earnings per share and participation certificate in CHF	2.08	2.72	-23.5	
Cash flow from operating activities	85 ³⁾	104	-18.3	

1) Adjusted for restructuring costs (CHF 7 million) and expenses for BuildingMinds (CHF 5 million)

2) Adjusted for restructuring costs (CHF 5 million)

3) Before IFRS 16 – Leases CHF 53 million

4) One-time tax refund of CHF 55 million (income taxes CHF 30 million, net interest income CHF 25 million)

Key figures as of June 30, 2019

January to June

In CHF million	1H 2019	1H 2018	Δ%	Δ% in LC
Order intake	6 090	5 869	3.8	5.8
Revenue	5 431	5 255	3.3	5.4
Operating profit (EBIT)	596	613	-2.8	-0.7
in %	11.0	11.7		
Operating profit (EBIT), adjusted	616 ¹⁾	622 ²⁾	-1.0	1.1
in %	11.3	11.8		
Financing and investing activities	-32	11 ⁴⁾		
Profit before taxes	564	624	-9.6	
Income taxes	128	108 ⁴⁾		
Net profit	436	516 ⁴⁾	-15.5	
Earnings per share and participation certificate in CHF	3.79	4.54	-16.5	
Cash flow from operating activities	348 ³⁾	434	-19.8	

1) Adjusted for restructuring costs (CHF 11 million) and expenses for BuildingMinds (CHF 9 million)

2) Adjusted for restructuring costs (CHF 9 million)

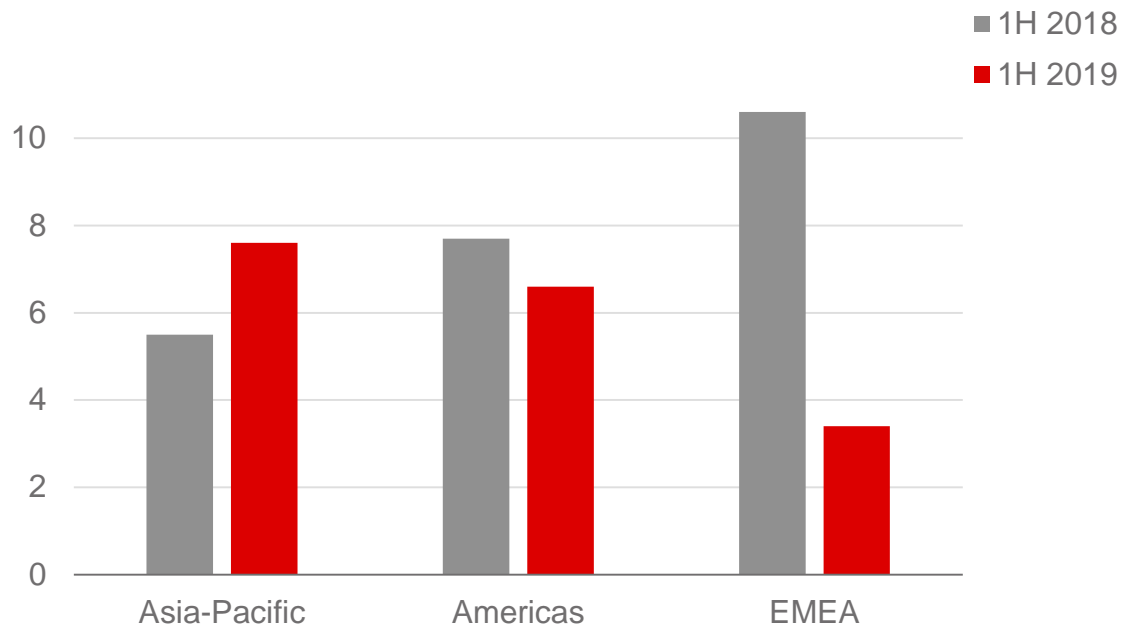
3) Before settlement of pension obligations (CHF -157 million), and IFRS 16 – Leases (CHF 61 million) CHF 444 million

4) One-time tax refund of CHF 55 million (income taxes CHF 30 million, net interest income CHF 25 million)

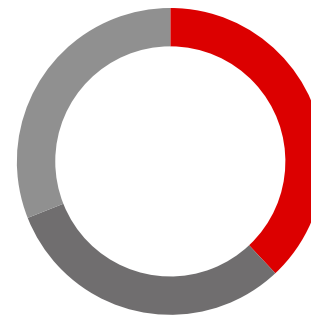
Order backlog and revenue by region

Robust order backlog provides solid base for future growth

Revenue growth by region (in LC) in %



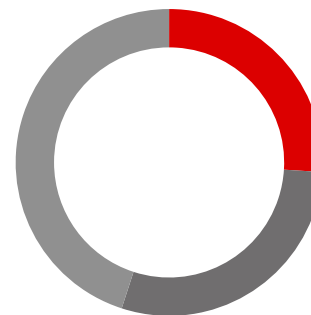
Order backlog



1H 2019: CHF 9 217 million (+9.3% in LC)
1H 2018: CHF 8 708 million

	2019	2018
■ Asia-Pacific	38%	39%
■ Americas	31%	29%
■ EMEA	31%	32%

Revenue



1H 2019: CHF 5 431 million (+5.4% in LC)
1H 2018: CHF 5 255 million

	2019	2018
■ Asia-Pacific	26%	26%
■ Americas	29%	28%
■ EMEA	45%	46%

Outlook 2019

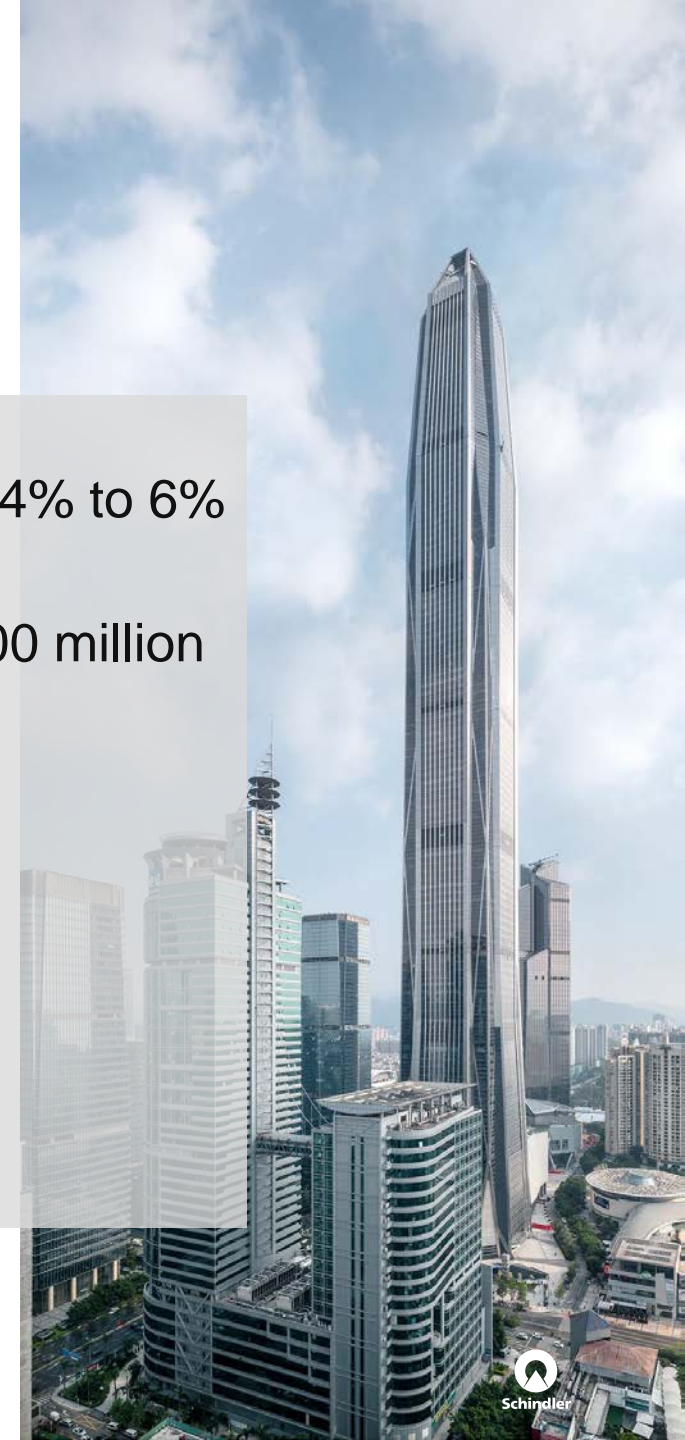
Status as of August 14, 2019

Business environment

- Long-term growth drivers remain intact
- Persistent political and economic uncertainties:
 - Foreign currency effects
 - Trade war
 - Material cost and wage inflation
- Markets may slightly weaken for the remainder of the year
- Qualified field labor shortage

Schindler guidance for FY 2019

- Revenue growth of between 4% to 6% in local currencies
- Net profit of between CHF 900 million and CHF 940 million



Financial calendar

	2019	2020
Publication of selected key figures as of September 30	October 24	
Annual results media conference		February 14
Ordinary General Meeting Schindler Holding Ltd.		March 19

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Additional charts



IFRS 16 – Leases

Changes and impacts

Until end of 2018: Costs for most of the lease contracts have been expensed in other operating expenses

Starting from 2019: Lease contracts will be recognized in the balance sheet as a right-of-use asset and related lease liability

Transition: Schindler applies the modified retrospective approach; no restatement of previous year's figures

Balance sheet (as of January 1, 2019)

- Increase of assets by CHF 401 million
- Increase of lease liabilities by CHF 409 million (negatively impacting net liquidity)
- Negative impact on equity by CHF 8 million

Cash flow statement (as of June 30, 2019)

- Increase of cash flow from operating activities by CHF 61 million
- Decrease of cash flow from financing activities by CHF 61 million

Income statement (as of June 30, 2019)

- Insignificant impact on net profit

Balance sheet

In CHF million	30.6.2019 ¹⁾	in %	31.12.2018	in %	30.6.2018	in %
Cash and cash equivalents	2 036	19.8	2 248	22.5	1 992	20.5
Other current assets	4 457	43.4	4 252	42.7	4 320	44.4
Total current assets	6 493	63.2	6 500	65.2	6 312	64.9
Non-current assets	3 782	36.8	3 476	34.8	3 409	35.1
Total assets	10 275	100.0	9 976	100.0	9 721	100.0
Current liabilities	5 223	50.8	4 807	48.2	4 959	51.0
Non-current liabilities	1 395	13.6	1 426	14.3	1 485	15.3
Total liabilities	6 618	64.4	6 233	62.5	6 444	66.3
Equity	3 657	35.6	3 743	37.5	3 277	33.7
Total liabilities and equity	10 275	100.0	9 976	100.0	9 721	100.0
Net working capital	-480		-455		-474	
Net liquidity	1 482		2 231		1 924	

1) First-time application of IFRS 16 – Leases and IFRIC 23 – Uncertainty over Income Tax Treatments, prior-year figures were not restated

Quarterly overview 2019/2018

In CHF million		2019				2018	
	Q2	Q1	Q4	Q3	Q2	Q1	
Order intake	3 122	2 968	3 016	2 784	3 047	2 822	
Revenue	2 849	2 582	2 940	2 684	2 782	2 473	
Operating profit (EBIT)	322	274	343	313	332	281	
in %	11.3	10.6	11.7	11.7	11.9	11.4	
Financing activities	-17	-14	-3	-16	24	-9	
Investing activities (associates)	-	-1	-11	2	-4	-	
Profit before taxes	305	259	329	299	352	272	
Income taxes	66	62	67	69	44	64	
Net profit	239	197	262	230	308	208	
in %	8.4	7.6	8.9	8.6	11.1	8.4	
Cash flow from operating activities	85	263	289	282	104	330	
Investments in property, plant, and equipment	68	49	77	57	65	46	