

Ad hoc announcement pursuant to Art. 53 LR

Key figures as of March 31, 2023

Press release
April 20, 2023

Staying the course

- **New installation markets: weakening trend globally; uncertainty persists**
- **Order intake: decrease in New Installation reflecting weakening global markets; growth in Service**
- **Revenue: growth across all regions and product lines**
- **Operating profit: year-on-year improvement, both in absolute and relative terms**
- **EBIT and net profit: rebound supplemented by one-off real estate gain of CHF 26 million**
- **Change to the Group Executive Committee: CTO succession**

In the first quarter of 2023, revenue increased by 6.2% to CHF 2 796 million, while order intake decreased by 8.7% to CHF 2 889 million. Operating profit reached CHF 282 million, corresponding to an EBIT margin of 10.1% (EBIT adjusted 9.7%). Net profit amounted to CHF 212 million, or CHF 186 million excluding the real estate gain, and cash flow from operating activities reached CHF 281 million.

“Real estate and construction industries are being affected by site delays and by the uncertainty in global capital markets, despite the continued strong demand in the residential segment. Notwithstanding the challenging environment, Schindler achieved revenue growth across all regions and product lines,” said Silvio Napoli, Schindler’s Chairman and CEO. “We continue to make progress on the disciplined execution of our strategic priorities.”

Order intake and order backlog

Order intake decreased by 8.7% to CHF 2 889 million (previous year: CHF 3 164 million), corresponding to –5.0% in local currencies. All regions contracted due to slowing New Installations and Modernization, while order intake margins continued to recover. The Service business remained very robust and continued to grow.

As of March 31, 2023, order backlog decreased by 5.3% to CHF 9 640 million (previous year: CHF 10 175 million). In local currencies, the order backlog growth was almost flat at –0.2%.

Revenue

Revenue increased by 6.2%, equivalent to CHF 2 796 million (previous year: CHF 2 632 million), and by +10.0% in local currencies. All regions recorded growth in local currencies.

Operating profit (EBIT)

Operating profit increased to CHF 282 million (previous year: CHF 211 million), supplemented by a one-off gain from the land sale of our former factory in Suzhou, China, resulting in a capital gain of CHF 26 million. The EBIT margin reached 10.1% (previous year: 8.0%).

EBIT adjusted (EBIT before real estate gain, restructuring costs, Top Speed 23 program, and BuildingMinds) increased by 15.3% to CHF 272 million (previous year: CHF 236 million) for an adjusted EBIT margin of 9.7%, resulting in a year-on-year operational improvement of 0.7 percentage points.

Net profit and cash flow from operating activities

Net profit reached CHF 212 million compared to the previous year's result of CHF 144 million. Excluding the real estate gain, net profit totaled CHF 186 million, equivalent to a year-on-year improvement of 29.2%.

Cash flow from operating activities totaled CHF 281 million (previous year: CHF 286 million), resulting from higher net working capital requirements that could not be fully offset by improved operating profit.

Outlook for 2023

Despite the uncertainty surrounding markets, Schindler's revenue outlook for 2023 remains unchanged. As in previous years, net profit guidance will be provided with the publication of the half-year results.

Change to the Group Executive Committee

The Board of Directors has appointed Donato Carparelli, currently Head Global Product Governance, as Chief Technology Officer (CTO) on the Group Executive Committee, effective May 1, 2023. He will succeed Karl-Heinz Bauer who will retire after eight years on the Group Executive Committee.

As of May 1, 2023, the Group Executive Committee will be composed of the following members: Silvio Napoli (Chairman and CEO), Paolo Compagna (COO and Deputy CEO), Julio Arce (Europe South), Matteo Attrovio (CIO), Donato Carparelli (CTO), Carla De Geyseler (CFO), Meinolf Pohle (Europe North), Robert Seakins (Asia-Pacific), Tobias B. Staehelin (Human Resources), and Daryoush Ziai (China and Escalators).

Positive conclusion of derivative lawsuit in the Republic of Korea

On March 30, 2023, after almost ten years of litigation through all instances, the Supreme Court of the Republic of Korea issued a final verdict in favor of Schindler's shareholder derivative lawsuit against a number of Board members of Hyundai Elevator. Schindler welcomes this landmark court ruling that duly affirms the legitimate rights of all Hyundai Elevator shareholders.

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Dial-in details for today's conference call at 10:00am CET are available at:
group.schindler.com/en/investor-relations/events.html

Key figures

1st quarter: January to March

In CHF million	2023	2022	Δ %	Δ % local currencies
Order intake	2 889	3 164	-8.7	-5.0
Revenue	2 796	2 632	6.2	10.0
Operating profit (EBIT)	282	211	33.6	39.8
in %	10.1	8.0		
Operating profit (EBIT), adjusted	272 ¹	236 ²	15.3	20.8
in %	9.7	9.0		
Financing and investing activities	-8	-23		
Profit before taxes	274	188	45.7	
Income taxes	62	44		
Net profit	212	144	47.2	
Earnings per share and participation certificate in CHF	1.84	1.24	48.4	
Cash flow from operating activities	281	286	-1.7	
Investments in property, plant, and equipment	19	24	-20.8	
	31.03.2023	31.03.2022		
Order backlog	9 640	10 175	-5.3	-0.2
Number of employees	69 755	69 308	0.6	

¹ Adjusted for Top Speed 23 costs (CHF 9 million), restructuring costs (CHF 2 million), real estate gains (CHF -26 million), and expenses for BuildingMinds (CHF 5 million)

² Adjusted for Top Speed 23 costs (CHF 16 million), restructuring costs (CHF 3 million), and expenses for BuildingMinds (CHF 6 million)

Balance sheet

In CHF million	31.03.2023	%	31.12.2022	%	31.03.2022	%
Cash and cash equivalents	2 390	19.4	2 153	18.2	2 648	22.2
Other current assets	6 199	50.5	5 956	50.5	5 356	45.0
Total current assets	8 589	69.9	8 109	68.7	8 004	67.2
Non-current assets	3 705	30.1	3 699	31.3	3 910	32.8
Total assets	12 294	100.0	11 808	100.0	11 914	100.0
Current liabilities	6 940	56.5	6 252	53.0	6 150	51.6
Non-current liabilities	1 124	9.1	1 111	9.4	1 598	13.4
Total liabilities	8 064	65.6	7 363	62.4	7 748	65.0
Equity	4 230	34.4	4 445	37.6	4 166	35.0
Total liabilities and equity	12 294	100.0	11 808	100.0	11 914	100.0

Exchange rates

			2023		2022	
			Closing rate March 31	Average rate March 31	Closing rate December 31	Average rate March 31
Eurozone	EUR	1	1.00	0.99	0.98	1.03
USA	USD	1	0.91	0.93	0.92	0.92
Brazil	BRL	100	17.94	17.86	17.46	17.69
China	CNY	100	13.32	13.45	13.28	14.56
India	INR	100	1.11	1.12	1.12	1.23

Non-GAAP measures

The key figures comprise certain non-GAAP measures that are not defined by International Financial Reporting Standards (IFRS). The Group's definitions of these non-GAAP items are available at: group.schindler.com – Investors – Results – Non-GAAP definitions (group.schindler.com/en/investor-relations/results/definition-on-non-gaap-items.html).