

Ad hoc announcement pursuant to Art. 53 LR

Interim Report as of June 30, 2024

Press release
July 19, 2024

Delivering on commitments

- **Service and Modernization markets robust; persisting challenges in New Installation markets**
- **Growth in order intake and revenue in local currencies**
- **EBIT margin 11.0%, EBIT adjusted margin 11.4%; six consecutive quarters of margin improvement**
- **Solid improvement in cash flow from operating activities: up 30%**
- **Successful product introductions: new standardized modular platform gaining traction; new US mid-rise product launched**
- **2024 guidance confirmed**

In the first six months of 2024, order intake and revenue reached CHF 5 768 million and CHF 5 593 million, equivalent to a growth in local currencies of 1.0% and 1.4%, respectively. Operating profit increased to CHF 618 million, corresponding to an EBIT margin of 11.0%. The EBIT adjusted margin reached 11.4%. Net profit rose to CHF 494 million, corresponding to a net profit margin of 8.8%. Cash flow from operating activities increased by 30% to CHF 676 million.

“With continuous margin improvements over six consecutive quarters, we’ve delivered on our commitment to drive profitability,” said Silvio Napoli, Schindler Chairman and CEO. “Enhancing our competitiveness is more essential than ever in the current market environment. Accelerating organizational efficiency combined with innovative new products and digital services for our customers will make the difference.”

Order intake and order backlog

In the first half of 2024, order intake reached CHF 5 768 million (previous year: CHF 5 938 million), corresponding to a year-on-year reduction of 2.9% and a growth of 1.0% in local currencies. Foreign exchange headwinds had an impact of CHF –228 million. New Installations declined, notably in China, whilst Modernization and Service both continued to grow.

In the second quarter of 2024, order intake reached CHF 2 977 million (previous year: CHF 3 049 million), corresponding to a year-on-year reduction of 2.4% and 0.4% in local currencies.

As of June 30, 2024, order backlog was CHF 9 109 million (previous year: CHF 9 491 million), corresponding to a year-on-year decline of 4.0% and 2.6% in local currencies.

New standardized modular platform gaining traction; new US mid-rise product launched

During the first six months of the year, the new standardized modular elevator platform was introduced in selected European markets, where it already accounts for more than 70% of new elevator units ordered.

The new mid-rise product for the US was launched, leveraging the global standardized modular platform, to enhance Schindler's product offering in the local commercial and high-end residential segments.

Revenue

In the first half of 2024, revenue reached CHF 5 593 million (previous year: CHF 5 722 million), corresponding to a year-on-year reduction of 2.3% and a growth of 1.4% in local currencies. Foreign exchange headwinds had an impact of CHF –210 million.

In local currencies, the decline in New Installations revenue was more than offset by growth in Modernization and Service. Regionally, revenue grew in local currencies in EMEA, the Americas, and in Asia-Pacific, partly offset by a decline in China.

In the second quarter of 2024, revenue reached CHF 2 920 million (previous year: CHF 2 926 million), corresponding to a year-on-year reduction of 0.2% and growth of 1.7% in local currencies.

Operating profit (EBIT)

In the first half of 2024, operating profit reached CHF 618 million (previous year: CHF 602 million), corresponding to an EBIT margin of 11.0% (previous year: 10.5% including a CHF 32 million real estate gain). The EBIT adjusted margin reached 11.4% (previous year: 10.6%), driven primarily by operational efficiencies, pricing effects, and mix change.

In the second quarter of 2024, operating profit amounted to CHF 326 million (previous year: CHF 320 million). The EBIT margin was 11.2% (previous year: 10.9%). The adjusted EBIT margin reached 11.6% (previous year: 11.4%).

Net profit

Net profit increased to CHF 494 million, against the previous year's result of CHF 463 million. The net profit margin amounted to 8.8%.

Cash flow from operating activities

In the first half of 2024, cash flow from operating activities reached CHF 676 million (previous year: CHF 521 million), corresponding to an increase of 30%, mainly driven by improved profitability and lower net working capital.

2024 guidance confirmed

For 2024, barring unexpected events, Schindler expects low single-digit revenue growth in local currencies and an EBIT reported margin of 11%, including restructuring costs of up to CHF 80 million, consistent with the previously communicated objective to drive organizational efficiency.



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

Key figures as of June 30, 2024
1st half: January to June

In CHF million	2024	2023	Δ %	Δ % local currencies
Order intake	5 768	5 938	-2.9	1.0
Revenue	5 593	5 722	-2.3	1.4
Operating profit (EBIT)	618	602	2.7	6.5
in %	11.0	10.5		
Operating profit (EBIT), adjusted	637 ¹	606 ²	5.1	8.9
in %	11.4	10.6		
Financing and investing activities	16	-6		
Profit before taxes	634	596	6.4	
Income taxes	140	133		
Net profit	494	463	6.7	
Earnings per share and participation certificate in CHF	4.32	3.99	8.3	
Cash flow from operating activities	676	521	29.8	
Investments in property, plant, and equipment	48	42	14.3	
	30.06.2024	31.12.2023		
Order backlog	9 109	8 655	5.2	1.5
Number of employees	70 406	70 406	0.0	

¹ Adjusted for restructuring costs (CHF 7 million), and expenses for BuildingMinds (CHF 12 million)

² Adjusted for Top Speed 23 costs (CHF 19 million), restructuring costs (CHF 7 million), real estate gain (CHF -32 million), and expenses for BuildingMinds (CHF 10 million)

2nd quarter: April to June

In CHF million	2024	2023	Δ %	Δ % local currencies
Order intake	2 977	3 049	-2.4	-0.4
Revenue	2 920	2 926	-0.2	1.7
Operating profit (EBIT)	326	320	1.9	3.8
in %	11.2	10.9		
Operating profit (EBIT), adjusted	339¹	334 ²	1.5	3.3
in %	11.6	11.4		
Financing and investing activities	12	2		
Profit before taxes	338	322	5.0	
Income taxes	76	71		
Net profit	262	251	4.4	
Earnings per share and participation certificate in CHF	2.27	2.15	5.6	
Cash flow from operating activities	169	240	-29.6	
Investments in property, plant, and equipment	27	23	17.4	
	30.06.2024	30.06.2023		
Order backlog	9 109	9 491	-4.0	-2.6
Number of employees	70 406	69 737	1.0	

¹ Adjusted for restructuring costs (CHF 7 million), and expenses for BuildingMinds (CHF 6 million)

² Adjusted for Top Speed 23 costs (CHF 10 million), restructuring costs (CHF 5 million), real estate gain (CHF -6 million), and expenses for BuildingMinds (CHF 5 million)