

**Ad hoc announcement pursuant to Art. 53 LR**

**Interim Report as of June 30, 2021**

Press release  
July 23, 2021

Schindler reports encouraging growth for the first half of 2021

**For the first half of 2021 and compared to a weak prior-year period, order intake rose by 12.8% to CHF 6 043 million and revenue increased by 10.4% to CHF 5 475 million. Operating profit reached CHF 607 million, corresponding to an EBIT margin of 11.1% (EBIT adjusted 11.7%). With these results, revenue and operating results broadly reached pre-pandemic levels, while order intake remained slightly below 2019 levels. Net profit amounted to CHF 455 million and cash flow from operating activities improved to CHF 721 million. The Top Speed 23 program has been ramping up with expenses starting to arise in the second half of the year and beyond.**

“We are encouraged by the positive trajectory of the first half of 2021. Looking ahead, we remain cautious due to the strong Swiss franc, increasing raw material costs, and delays of construction sites across the world,” said Thomas Oetterli, Schindler’s CEO. “With the Top Speed 23 program ramp-up, we are accelerating digital transformation and boosting product innovation with the objective to strengthen our position in key markets and address profitability gaps over the longer term.”

**Order intake and order backlog**

Order intake rose by 12.8% to CHF 6 043 million in the first half of 2021 (previous year: CHF 5 355 million), corresponding to an increase of 14.1% in local currencies – still remaining slightly below 2019 levels. All regions and product lines contributed to this growth. New installations remained robust, while the positive trends that could be seen towards the end of the first quarter in modernizations and repairs prevailed. Maintenance growth was solid. The Asia-Pacific region generated the highest growth rate, followed by the Americas and EMEA regions.

In the second quarter of 2021, order intake reached CHF 3 106 million (second quarter of 2020: CHF 2 635 million), corresponding to an increase of 17.9%, or 17.7% in local currencies.

As of June 30, 2021, the order backlog increased by 7.7% to CHF 9 623 million (previous year: CHF 8 936 million). In local currencies, the order backlog increased by 5.9%.

### **Revenue**

In the first half of 2021, revenue amounted to CHF 5 475 million (previous year: CHF 4 959 million), which is equivalent to an increase of 10.4% (11.6% in local currencies). It surpassed pre-pandemic levels, despite the unfavorable foreign currency developments over the last two years. Revenue increased in all regions. Asia-Pacific generated the highest growth rate, driven by new installations in China, followed by the EMEA and the Americas regions.

In the second quarter of 2021, revenue increased by 14.4% to CHF 2 873 million (previous year: CHF 2 512 million), corresponding to an increase of 14.3% in local currencies.

### **Operating profit (EBIT)**

In the first half of 2021, operating profit increased by 44.2% to CHF 607 million. The previous year's EBIT of CHF 421 million was significantly affected by extraordinary impacts. In local currencies, operating profit increased by 45.1%. The EBIT margin reached 11.1% (previous year: 8.5%), broadly in line with pre-pandemic levels. Restructuring costs totaled CHF 15 million (previous year: CHF 77 million) and expenses for the Top Speed 23 program amounted to CHF 4 million.

Adjusted operating profit reached CHF 638 million (previous year: CHF 507 million), supported by topline growth, cost optimization, and the introduction of modular products. The adjusted EBIT margin was 11.7% (previous year: 10.2%).

In the second quarter of 2021, operating profit amounted to CHF 319 million (previous year: CHF 255 million). The EBIT margin was 11.1% (previous year: 10.2%). The adjusted EBIT margin reached 11.7% (previous year: 11.4%).

### **Net profit and cash flow from operating activities**

Net profit totaled CHF 455 million (previous year: CHF 313 million) for the first half of 2021. Cash flow from operating activities increased to CHF 721 million (previous year: CHF 636 million) also thanks to lower net working capital.

### **Environment, Social, and Governance (ESG)**

With the release of the 2020 Corporate Responsibility Report last month, Schindler announced its commitment to science-based targets (SBT).

The Group also outlined new sustainability initiatives, including a full transition to renewable electricity by 2025 and a "no waste to landfill" target across all its sites globally by 2023.

In 2020, Schindler officially joined the UN Global Compact (UNGC), the world's largest corporate sustainability initiative. "As a participant of the UNGC, we reaffirm our commitment to align our operations and strategies to the UNGC's ten universally recognized principles in the areas of Human Rights, Labor, the Environment, and Anti-Corruption and collectively contribute to achieve a more sustainable world," says Thomas Oetterli.

**Outlook for 2021**

The Top Speed 23 program will generate costs estimated at CHF 40 million to CHF 60 million. In addition, negative impacts are expected from ongoing raw material cost inflation and delays of construction sites. Barring unexpected events, Schindler expects revenue growth of between 4% and 7% in local currencies. The full year 2021 net profit is expected to reach between CHF 840 million and CHF 900 million.

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Dial-in details to today's conference call at 10:00 am CET are available at:  
[www.schindler.com/com/internet/en/investor-relations/conference-call-details.html](http://www.schindler.com/com/internet/en/investor-relations/conference-call-details.html)

**Key figures as of June 30, 2021**  
**1st half: January to June**

In CHF million	2021	2020	Δ %	Δ % local currencies
Order intake	<b>6 043</b>	5 355	12.8	14.1
Revenue	<b>5 475</b>	4 959	10.4	11.6
Operating profit (EBIT)	<b>607</b>	421	44.2	45.1
in %	<b>11.1</b>	8.5		
Operating profit (EBIT), adjusted	<b>638<sup>1</sup></b>	507 <sup>2</sup>	25.8	26.6
in %	<b>11.7</b>	10.2		
Financing and investing activities	<b>-24</b>	-11		
Profit before taxes	<b>583</b>	410	42.2	
Income taxes	<b>128</b>	97		
Net profit	<b>455</b>	313	45.4	
Earnings per share and participation certificate in CHF	<b>4.00</b>	2.73	46.5	
Cash flow from operating activities	<b>721</b>	636	13.4	
Investments in property, plant, and equipment	<b>57</b>	66	-13.6	
	<b>30.6.2021</b>	31.12.2020		
Order backlog	<b>9 623</b>	8 687	10.8	6.3
Number of employees	<b>67 234</b>	66 674	0.8	

<sup>1</sup> Adjusted for Top Speed 23 costs (CHF 4 million), restructuring costs (CHF 15 million), and expenses for BuildingMinds (CHF 12 million)

<sup>2</sup> Adjusted for restructuring costs (CHF 77 million) and expenses for BuildingMinds (CHF 9 million)

**2nd quarter: April to June**

In CHF million	2021	2020	Δ %	Δ % local currencies
Order intake	<b>3 106</b>	2 635	17.9	17.7
Revenue	<b>2 873</b>	2 512	14.4	14.3
Operating profit (EBIT)	<b>319</b>	255	25.1	23.5
in %	<b>11.1</b>	10.2		
Operating profit (EBIT), adjusted	<b>337<sup>1</sup></b>	286 <sup>2</sup>	17.8	16.4
in %	<b>11.7</b>	11.4		
Financing and investing activities	<b>-11</b>	-9		
Profit before taxes	<b>308</b>	246	25.2	
Income taxes	<b>66</b>	58		
Net profit	<b>242</b>	188	28.7	
Earnings per share and participation certificate in CHF	<b>2.12</b>	1.65	28.5	
Cash flow from operating activities	<b>264</b>	313	-15.7	
Investments in property, plant, and equipment	<b>27</b>	35	-22.9	
	<b>30.6.2021</b>	30.6.2020		
Order backlog	<b>9 623</b>	8 936	7.7	5.9
Number of employees	<b>67 234</b>	65 627	2.4	

<sup>1</sup> Adjusted for Top Speed 23 costs (CHF 4 million), restructuring costs (CHF 7 million), and expenses for BuildingMinds (CHF 7 million)

<sup>2</sup> Adjusted for restructuring costs (CHF 26 million) and expenses for BuildingMinds (CHF 5 million)