



Schindler

Repurchase of a maximum of 4 100 000 registered shares and a maximum of 4 100 000 bearer participation certificates through a fixed-price repurchase offer for the purpose of capital reduction

Launch of a fixed-price repurchase offer within the ongoing repurchase program

Schindler Holding AG, Seestrasse 55, Hergiswil («Schindler» or the «Company») has started, with public announcement of 3 January 2013, to repurchase a maximum of 9.5% of its capital stock by way of two separate trading lines on SIX Swiss Exchange (the «ongoing repurchase program»). Within the limits of the ongoing repurchase program, the Board of Directors is empowered to repurchase a maximum of 4 273 284 registered shares, corresponding to 3.6% of the capital stock and 6.0% of the voting rights, and a maximum of 9 378 960 participation certificates, corresponding to 7.9% of the capital stock. Until 11 October 2013, Schindler has repurchased 156 600 registered shares and 321 400 participation certificates.

During the ongoing repurchase program, a shareholder being member of the shareholder pool of the families Schindler and Bonnard has offered to sell up to 2 366 697 registered shares to Schindler. Schindler intends to repurchase this block of shares as part of the ongoing repurchase program. Due to requirements of the Swiss Takeover Commission, the ongoing repurchase program will therefore be modified as follows:

- The ongoing repurchase program at market prices by way of two separate trading lines on SIX Swiss Exchange will be suspended from 18 October 2013 through 14 November 2013.
- Schindler will launch a repurchase offer for up to 5.8% of the registered shares and up to 8.9% of the participation certificates in issue at a fixed price (the «fixed-price repurchase offer»). The fixed-price repurchase offer extends to up to 4 100 000 registered shares and to up to 4 100 000 participation certificates.
- The fixed-price repurchase offer will remain open for acceptance from 1 November 2013 to 14 November 2013, 17.00 CET. If the number of tendered registered shares or participation certificates exceeds the maximum number of equity securities to be repurchased in the fixed-price repurchase offer, Schindler will reduce the acceptance declarations on a pro rata basis.
- The suspension of the ongoing repurchase program will end after expiry of the fixed-price repurchase offer period, i.e. as of 15 November 2013.

The share capital as currently recorded in the Commercial Register amounts to CHF 7 088 764.50, divided into 70 887 645 registered shares each of CHF 0.10 par value. The participation capital amounts to CHF 4 617 190.90, divided into 46 171 909 participation certificates with a par value of CHF 0.10 each. Motions will be put to future general meetings that the repurchased registered shares and participation certificates be cancelled in order to reduce capital.

Trading in Schindler shares and participation certificates

Ordinary trading in registered shares (security number 2.463.821) and participation certificates (security number 2.463.819) of Schindler on the regular trading line will not be affected by this measure and will continue as usual. Shareholders or holders of participation certificates wishing to sell their registered shares or participation certificates have, during the offer period, the choice to sell them on the regular trading line to other market participants or to tender them to Schindler in the fixed-price repurchase offer.

Offer price

The offer price for equity securities tendered during the fixed-price repurchase offer period amounts to CHF 129.00 per registered share and CHF 129.80 per participation certificate. Swiss federal withholding tax is levied at 35% on the difference between the repurchase price and the par value.

Duration of the offer (offer period)

The fixed-price repurchase offer is open from **1 November 2013 to 14 November 2013, 17.00 CET.**

Publication of the result of the fixed-price repurchase offer

The result of the offer will be published on the day after expiry of the offer period, i.e. on 15 November 2013, by publication on the website of Schindler and distribution to two electronic media services which distribute stock exchange information.

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| Payment of the net price and delivery of the securities | The net price (repurchase price less Swiss Federal withholding tax on the difference between the repurchase price and par value) will be paid, and the registered shares and participation certificates delivered with value date 21 November 2013. Schindler will inform of any reduction of the acceptance declarations if the repurchase volume is exceeded by publication on its website and distribution to two electronic media services which distribute stock exchange information. |
| Mandated bank | Schindler has mandated UBS Investment Bank, a business division of UBS AG, to conduct the fixed-price repurchase offer. |
| Tender | Shareholders and participants wishing to sell are asked to contact their own bank or UBS AG. |
| Tendered registered shares and participation certificates | Registered shares and participation certificates which have been tendered will be blocked by the respective depository bank and cannot be traded anymore. |
| Own holdings | As of 11 October 2013, Schindler held 799 579 of its own registered shares and 1 013 632 participation certificates, representing 1.55% of the capital stock currently listed in the Commercial Register and 1.13% of the voting rights. |
| Significant shareholders | As of 30 June 2013, the Schindler and Bonnard families and persons associated with them held, under the terms of a shareholders' agreement, 50 082 861 registered shares, representing 70.65% of the voting rights pursuant to the listing in the Commercial Register. |
| Taxes and deductions | <p>A company's repurchase of its own registered shares and participation certificates for the purpose of reducing capital is treated, for the purposes of both Swiss Federal withholding tax and of direct taxes, as the partial liquidation of the company in question. The following consequences result for the shareholders and holders of participation certificates who sell their respective securities:</p> <ol style="list-style-type: none"> 1. Swiss Federal withholding tax Swiss Federal withholding tax amounts to 35% of the difference between the repurchase prices of the registered shares or participation certificates and their par values. The tax is deducted from the repurchase price by the company buying back or by the bank mandated by it and remitted to the Swiss Federal Tax Administration. Persons domiciled in Switzerland may claim reimbursement of Swiss Federal withholding tax if, at the time of the buyback, they had the right to use the registered shares or participation certificates (Article 21 of the Swiss Federal Law on Withholding Tax). Persons domiciled outside Switzerland may reclaim Swiss Federal withholding tax subject to the provisions of the relevant Double Taxation Agreement. 2. Fees and duties No stamp duty is levied when a company buys back its own registered shares or participation certificates for the purpose of reducing capital. 3. Direct taxes The following remarks refer to the imposition of direct Federal taxes. Cantons and municipalities generally adopt the same practice. <ol style="list-style-type: none"> <i>a) Registered shares and participation certificates held as private assets:</i> Where registered shares or participation certificates are repurchased by the company, the difference between their repurchase price and their par value constitutes taxable income (capital contribution principle). <i>b) Registered shares and participation certificates held as business assets:</i> Where registered shares or participation certificates are repurchased by the company, the difference between the securities' repurchase price and their book value constitutes taxable income (book value principle). <p>Holders of shares and participation certificates domiciled outside Switzerland for tax purposes will pay tax in accordance with the laws of the country in which they are domiciled.</p> |
| Non-public information | In accordance with the current regulations, Schindler confirms that, at present, it is not in possession of any non-public information that could significantly influence the decision of the holders of the shares and participation certificates. |
| Decree of the Swiss Takeover Board | <p>The Swiss Takeover Board, in accordance with Section 5.3 of the Swiss Takeover Board Circular No. 1 of 26 February 2010, issued the following decree on 26 July 2013:</p> <ol style="list-style-type: none"> 1. Within the limits of the ongoing repurchase program, Schindler Holding AG may repurchase a block of shares of a pool shareholder of maximum 2 366 697 Schindler shares by means of a fixed-price repurchase offer, subject to the condition that the repurchase volume be determined and the following conditions and requirements be complied with: <ul style="list-style-type: none"> — Schindler Holding AG shall suspend the repurchases of Schindler shares and Schindler participation certificates at market prices for the duration of the fixed-price repurchase offer. — The fixed-price repurchase offer shall only be launched ten trading days after the directive is published. — The offer period of the fixed-price repurchase offer shall be at least ten trading days. |

- The fixed-price repurchase offer of Schindler Holding AG shall, in an adequately proportional manner, extend to Schindler shares and Schindler participation certificates.
 - The prices offered for Schindler shares and for Schindler participation certificates shall be determined in an adequately proportional manner.
 - To the extent Schindler Holding AG is unable to satisfy all acceptance declarations (including the envisaged block trade), it shall satisfy them, for each type of equity security, on a pro rata basis.
 - The Schindler shares and the Schindler participation certificates repurchased within the scope of the fixed-price repurchase offer shall be deducted from the repurchase volume of the ongoing repurchase program at market prices.
2. To obtain the definitive exemption in relation to the contemplated fixed-price repurchase offer, Schindler Holding AG shall be required to submit the form "notification of a share repurchase program," together with the draft share repurchase announcement.
 3. Schindler Holding AG shall be required to indicate in the share repurchase announcement the information relating to the fixed-price repurchase offer, to the suspension of the repurchase of own shares at market prices, to the provisions of the decree of the Swiss Takeover Board, and to the period and the terms subject to which a shareholder may have standing to raise an objection against this decree. The share repurchase announcement shall be published pursuant to the articles 6 to 6b of the Ordinance of the Takeover Board on Public Takeover Offers.
 4. This decree shall be made public on the Swiss Takeover Board's website on the date of publication of Schindler's announcement of its fixed-price repurchase offer.
 5. The fee payable by Schindler Holding AG amounts to CHF 40 000.

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| Right to appeal | Objection (Article 58 of the Swiss Takeover Board Ordinance SR 954.195.1): A shareholder providing evidence of a holding of at least 3 percent of the voting rights in the target company, irrespective of whether they are exercisable or not (a qualified shareholder, article 56 of the Swiss Takeover Board Ordinance) and who has not yet participated in the proceedings, may file an objection to this decree. The objection must be filed with the Swiss Take-over Board (Selnaustrasse 30, Postfach, CH-8021 Zürich, counsel@takeover.ch, telefax: +41 58 499 22 91) within 5 trading days after the publication of the decree. The period starts on the first trading day after the publication. The objection must contain a petition, a summary of the legal grounds and evidence regarding the shareholding pursuant to Article 56 of the Swiss Takeover Board Ordinance. | | |
| Applicable law and place of jurisdiction | Swiss law. The sole place of jurisdiction is Zurich. | | |
| Securities numbers and ISINs | Participation certificate of CHF 0.10 par value | 2.463.819 | CH0024638196 |
| | Registered share of CHF 0.10 par value | 2.463.821 | CH0024638212 |
| Place and date | Hergiswil, 18 October 2013 | | |
| Offer Restrictions | <p>The ability of holders of shares and participation certificates of Schindler who are not resident in Switzerland to accept the repurchase offer may be affected by the laws of the relevant jurisdiction in which they are located or of which they are citizens. Therefore, persons in jurisdictions outside of Switzerland should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions.</p> <p>This notice does not constitute a listing advertisement in accordance with the SIX Swiss Exchange's Listing Rules or an issuing prospectus within the meaning of Article 652a and 1156 of the Swiss Code of Obligations.</p> <p>The repurchase offer described herein is not made, directly or indirectly, in any country or jurisdiction in which such offer would be considered unlawful, or would in any way violate any applicable law or regulation, or which would require Schindler to amend the terms and conditions of the buyback offer in any way, or would require doing any additional filing with, or taking any additional action in regard to any governmental, regulatory or legal authority. It is not intended to extend the buyback offer to any such country or jurisdiction. Documents relating to the buyback offer may neither be distributed in such countries or jurisdictions nor sent into such countries or jurisdictions. Such documents may not be used for purposes of soliciting the purchase of any securities of Schindler by any person or entity in such countries or jurisdictions.</p> <p>This offer is not made in the United States of America and to US persons and may be accepted only by Non-US persons and outside the United States. Offering materials with respect to this offer may not be distributed in or sent to the United States and may not be used for the purpose of solicitation of an offer to purchase or sell any securities in the United States.</p> | | |