

Zardoya Otis, S.A.

QUARTERLY INFORMATION RELATED TO

3rd QUARTER F.Y. 2014

FISCAL YEAR: DECEMBER 1, 2013 - NOVEMBER 30, 2014

1. BUSINESS EVOLUTION

Sales

Total consolidated sales for the third quarter of 2014 were 539.7 million Euros, a figure 2.9% lower than the one obtained in the same period of 2013.

The value of work completed in New Installations: 29.4 million Euros dropped by 29.4% in relation to the same period of 2013.

Service Sales reached 404.5 million Euros representing a 6.6% (7.4% at the end of the first semester) reduction over the figure obtained in the third quarter of 2013, affected by the moderation of level of consumer prices and the lower volume of completed modernization and repair projects.

Consolidated Net Export Sales, was 105.9 million Euros, with a 30.9% increase over same period of last year.

Results

The amount of EBITDA obtained in the third quarter of 2014 was 175.5 million euros, 4.3% lower than the 183.3 million Euros obtained in 2013.

The consolidated profit before tax amounted to 161.3 million, 4.6% lower than the 169.0 million Euros obtained last year.

After tax profit is 113.2 million Euros dropped by 4.4% over the same period of 2013.

Orders received

New Installations orders received in the third quarter are 58.6 million euros, representing an increase of 0.3% over 2013. Also, at the end of the third quarter of 2014, backlog of unfilled orders increase by 3.3% compared with the same period of last year.

During the third quarter of 2014 the activity of New Equipment Installations contributed with 5.4% of total consolidates Sales.

Units under maintenance

At the end of the third quarter of 2014, the maintenance portfolio reaches 283,085 units, 0.8% below the figure of the same period of 2013.

2. KEY DATA

At the end of the third quarter of 2014 (December 1, 2013 – August 31, 2014), to date consolidated figures and its comparison with last year ones, are as follows:

Key Data, at 3rd Quarter 2014

Consolidated figures in millions of euros

Results	2.014	2.013	% variance 14/13
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EBITDA	175,5	183,3	(4,3)
Profit before tax	161,3	169,0	(4,6)
Profit after tax	113,2	118,4	(4,4)

Sales Data	2.014	2.013	% variance 14/13
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New Installations	29,4	41,6	(29,4)
Service	404,5	433,1	(6,6)
Exports	105,9	80,9	30,9
Total	539,7	555,7	(2,9)

New Installations	2.014	2.013	% variance 14/13
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Orders received	58,6	58,4	0,3
Backlog	79,5	77,0	3,3

Service Data	2.014	2.013	% variance 14/13
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Units under maintenance	283.085	285.496	(0,8)
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3. DIVIDENDS

At the end of the third quarter of 2014, two quarterly dividends and a partial distribution of share premium have been paid:

Date	Gross per share	Charge to	Shares entitled to dividend	Total gross
Dividends:				
January, 10th	0.09 euros	3 rd interim dividend 2013	418,241,060	37,641,695.40 €
Treasury Stock			(29,176)	(2,625.84) €
Total			418,211,884	37,639,069.56 €
April 10th	0.09 euros	1st interim dividend 2014	418,241,060	37,641,695.40 €
Treasury Stock			(10,676)	(960.84) €
Total			418,230,384	37,640,734.56 €
Partial distribution of Share Premium:				
July 10th	0.08 euros	Share Premium	418,241,060	33,459,284.80 €
Treasury Stock			(10,676)	(854.08) €
Total			418,230,384	33,458,430.72 €
Total Received by Equity Shareholders				108,738,234.84 €

As mentioned in note 6 of this report, the Board of Directors of Zardoya Otis S.A. has agreed in its meeting of September 26th, 2014 the distribution of the second interim dividend on account of fiscal year 2014:

Date	Gross per share	Charge to	Shares entitled to dividend	Total gross
October 10	0.09 euros	2 nd interim dividend 2014	434,970,702	39,147,363.18 €
Treasury stock			(11,103)	(999.27) €
			434,959,599	39,146,363.91 €
Total Received by Equity Shareholders in 2014				147,884,598.75 €

4. SHARE CAPITAL INCREASE: BONUS SHARES

The capital increase approved by the General Meeting of Shareholders on May 26, 2014 -by means of bonus shares in the proportion of one new share for each twenty five old outstanding ones- took place from July 15, 2014 until July 30, 2014.

This increase in share capital is number 38 of those issued through bonus shares.

Once the Share Capital increase has been completed, the Capital Stock is 43,497,070.20 Euros, is represented by 434,970,702 ordinary shares, with a par value of 0.10 euros each.

The new shares were authorized for trade on the Madrid, Barcelona, Valencia and Bilbao Stock Exchanges, on September 12, 2014.

5. TREASURY SHARES

As of August, 31 2014 Zardoya Otis, S.A keep 11,103 treasury shares (29,176 at 2013 year-end). Due to the non-controlling interest transaction mentioned in Note 6, Zardoya Otis exchanged 18,500 treasury stock. The 11,103 treasury stock includes 427 the treasury stock received in the bonus issue.

6. SIGNIFICANT EVENTS AT AUGUST 31, 2014 AND SUBSEQUENT EVENTS

In January, 2014 Zardoya Otis, S.A. acquired the remaining 8.33% of the non-controlling interest of the company Admotion, S.L., thus completing the 100% ownership of such company. The payment was done using the treasury stock (18.500 shares).

In May 2014, the subsidiary Acresa Cardellach, S.L. carried out a capital increase through a non-monetary contribution of EThs 8.084 which was subscribed by the entirety of the shareholders of the subsidiary Montoy S.L., which after the capital increase is 100% owned by Acresa Cardellach, S.L.. This transaction resulted in a change of participation by Zardoya Otis, S.A. in the mentioned subsidiary Acresa Cardellach S.L. holding directly the 94,57% of shares and indirectly the same percentage on Montoy S.L.

In June, 2014 Zardoya Otis, S.A. acquired 3.66% of the non-controlling interest of the company Puertas Automáticas Portis S.L., for an amount of Eths 1.432, this transaction represents a change in the Zardoya Otis S.A. participation that increases to 93.83% ownership of such company.

Zardoya Otis, S.A.

In September 2014, Zardoya Otis, S.A. has acquired 90% of the share capital of Electromecánica Hemen Elevadores, S.L. and 100% de Ascensores Hemen, S.L., both companies dedicated to the maintenance and repair of elevators in the provinces of Álava, Guipúzcoa, Burgos and Navarra. The total cost of the business combination is pending the assessment of the main net assets by an independent expert, the signature of the agreement included an initial payment of EThs 4 032.

Transactions with non-controlling interests are included in the financial statements of the fiscal year started as of December 1, 2013, in accordance with the Group policy, therefore not impacting the consolidated profit for the year.

In February 2014, the Company has appealed at the Audiencia Nacional, as a result of the resolution against several companies including Zardoya Otis S.A. dictated by the “Consejo de la Comisión Nacional de la Competencia” in September 2013; This is has required the presentation of a bank guarantee amounting to 2.8 million euros that will be maintained until the resolution of the same.

On September 23, 2014 Zardoya Otis, S.A declared the third dividend corresponding to 2014, second on account of the fiscal year profit, for an amount of 0.09 Euros gross per share, resulting in a total dividend gross of EThs. 39 147. Payment of the dividend took place on october 10, 2014.