

Hinwil, March 13, 2017, 07:00 a.m.

Press release of the Belimo Group

Belimo with solid growth and increased innovative capacity

Belimo can look back at a successful year. Sales in Swiss francs increased 8.2 percent to CHF 533.7 million. In currency-adjusted terms, this equals organic growth of 6.8 percent. As expected, the higher growth seen in the first half-year of 2016 could not be continued in the second half. Not only sales growth, but also continuous investments in efficiency improvements over the past few years contributed to a solid operating income (EBIT) of CHF 87.0 million (EBIT margin 16.3 percent). Net income rose by 24.1 percent year-on-year to CHF 69.8 million. Currency effects had a negative impact on the net income of previous year. Earnings per share were CHF 113.51.

Return on equity (ROE) was 19.8 percent and return on invested capital (ROIC) 23.8 percent. Cash flow from operating activities rose by 28.3 percent to CHF 90.3 million, the free cash flow by 102.9 percent to CHF 75.2 million. In the previous year, the investments in the expansion of the logistics building in Hinwil lowered the free cash flow.

The Board of Directors proposes a dividend of CHF 75 per share to the annual general meeting on Monday, April 3, 2017.

Regional development:

Europe. Sales in the Europe market region grew by 6.2 percent and in currency-adjusted terms by 5.3 percent. Germany, the United Kingdom, Italy, the Netherlands and Poland made excellent contributions to growth. Water applications saw strong growth. Particularly sales of the new products for zone and pressure-independent applications developed better than average. For air applications the market reacted very well to the new product range of fire damper actuators.

Americas. Sales in the Americas market region grew by 9.4 percent and in currency-adjusted terms by 7.1 percent. All markets contributed to this positive result. The HVAC market in the United States and Canada fared better than the general economy. Among other things, it benefited from continued interest on the part of facility owners to invest in energy-saving HVAC system upgrades in existing buildings. Products for air and water applications demonstrated healthy increases.

Asia/Pacific. Sales in the Asia/Pacific market region grew by 12.5 percent and in currency-adjusted terms by 12.1 percent. Belimo has achieved good growth in the entire region in spite of the difficult market environment. Growth was supported by the increasing number of environmentally friendly new buildings and the implementation of energy-saving regulations in the region. Performance was particularly good in India, which benefited from government investments in infrastructure. In China, the contracting business and regional sales in Southern China developed very positively. Pressure-independent valves, butterfly valves and characterized control valves were the main growth contributors in water applications.

BELIMO Holding AG
Brunnenbachstrasse 1
8340 Hinwil
Switzerland
Phone +41 43 843 61 11
Fax +41 43 843 62 41
ir@belimo.ch
www.belimo.com

Net sales by region

in CHF 1,000	2016	%	Growth in local currencies in %	2015	%
Europe	259,175	49	5.3	244,029	49
Americas	209,957	39	7.1	191,902	39
Asia/Pacific	64,518	12	12.1	57,368	12
Group	533,650	100	6.8	493,299	100

Net sales by application

in CHF 1,000	2016	%	Growth in local currencies in %	2015	%
Air	305,911	57	5.7	286,138	58
Water	227,739	43	8.3	207,161	42
Total	533,650	100	6.8	493,299	100

Innovation. To reach its full potential, the Internet of Things requires a network of sensors to record and analyze data based on decentralized logic or cloud technologies. A product range of sensors for air and water applications will be launched in 2017. Belimo will also soon introduce the third generation of the Belimo Energy Valve™. The integrated cloud function is the most important innovation. For its use the energy valve is connected to the internet, which allows an automatic optimization of operations. The new butterfly valves and PR actuators convince with their reduced weight and their high energy savings potential compared to similar products. VAV ZoneEase™ was developed for the Asian market. This is a zone solution for demand controlled variable air volume applications.

Outlook. The long-term trends of urbanization, energy efficiency, safety and digitization that are affecting building technology will continue and are being effectively leveraged by Belimo to promote growth. Digital communication with damper actuators, control valves and sensors will gain in importance, allowing their efficient integration in building automation. This development is clearly reflected in the features of the named products that are currently being launched on the market.

In the Europe market region, the development of the economy as well as private and public building activities is expected to remain satisfactory in countries most important to Belimo. Based on various key indicators expectations are positive for the Americas market region and also in the Asia/Pacific market region, the trend towards the optimization of operating costs in buildings and the growing demand for innovative and high-quality components promise a positive outlook.

Given the strengthening of the sensor product range and the opportunities offered to Belimo by digitization, expenses for research and development will be increased in relation to sales in order to improve innovative capacity.

Belimo is aiming for sustainable and profitable growth with its strategy of a strong regional presence and the constant expansion of its market leadership through innovation.

Key figures of the Belimo Group for the 2016 financial year

in CHF 1,000 (unless indicated otherwise)	2016	2015	Change in %
Net sales	533,650	493,299	8.2
Operating income (EBIT) in percent of net sales	86,964 16.3%	74,630 15.1%	16.5
Net income in percent of net sales	69,753 13.1%	56,229 11.4%	24.1
Cash flow from operating activities in percent of net sales	90,282 16.9%	70,371 14.3%	28.3
Free cash flow in percent of net sales	75,151 14.1%	37,038 7.5%	102.9
Earnings per share, in CHF	113.51	91.52	24.0
Dividend per share, in CHF	75*	65	15.4
Investments in property, plant and equipment and intangible assets	15,796	34,031	-53.6
Research and development in percent of net sales	37,721 7.1%	34,653 7.0%	8.9
Number of employees as at December 31 (FTE's)	1,440	1,409	2.2

* Proposal to the annual general meeting on April 3, 2017.

The Belimo Group is a leading global manufacturer of innovative electrical actuator solutions, valve systems and sensors for heating, ventilation and air conditioning systems. The Company generated sales of CHF 534 million in 2016 and employs close to 1500 people. Information about the Company and its products is available on the Internet at www.belimo.com/investorrelations.

The shares of BELIMO Holding AG have been traded on the SIX Swiss Exchange since 1995 (BEAN).

There will be a media and financial analysts conference on the 2016 financial statements at the WIDDER HOTEL in Zurich today, starting at 10:00 a.m.

[Link to Annual Report 2016 \(PDF\)](#)

Contact	Beat Trutmann, CFO	Phone +41 43 843 62 65
Agenda	Publication of Annual Report 2016/ Media and Financial Analysts Conference	March 13, 2017
	Annual General Meeting 2017	April 3, 2017
	Dividend Payment	April 7, 2017
	Publication of Semiannual Report 2017	August 3, 2017
	Publication of Sales 2017	January 25, 2018
	Publication of Annual Report 2017/ Media and Financial Analysts Conference	March 12, 2018
	Annual General Meeting 2018	April 9, 2018