

Hinwil, August 6, 2018, 07:00 a.m.

Press release of the Belimo Group

First half-year with strong sales growth

Belimo is reporting a dynamic first half-year 2018 with double-digit sales growth of 12.7 percent, in currency-adjusted terms 10.8 percent. Sales in the first six months of the current financial year amounted to CHF 325.1 million.

Operating income before interest and taxes (EBIT) rose to CHF 59.5 million (comparison period 2017 CHF 49.1 million). The EBIT margin was 18.3 percent (17.0 percent). This resulted in a net income of CHF 47.6 million (CHF 38.4 million) and earnings per share of CHF 77.40 (CHF 62.40).

Europe. Supported by the good economic situation in Europe and the appreciation of the Euro against the Swiss franc, the biggest market region of the Belimo Group recorded sales growth of 19.7 percent, in currency-adjusted terms 12.6 percent. Demand for heating, ventilation and air conditioning technology (HVAC) from Belimo developed correspondingly positively in almost all countries in the region. Particularly noteworthy are the high growth contributions in Switzerland, Germany, Russia, France and Poland. The investments made in the sales organizations in Turkey and Sweden over recent years also led to favorable growth rates in 2018.

Both air and water applications reported double-digit sales growth. The former benefited significantly from new customers in the OEM business. In the area of water applications, the growth rates can be attributed to the innovative expansion of the product range over recent years.

Americas. The continuing trend to upgrade existing buildings with energy-saving HVAC systems and the stable demand for new building projects meant that sales in the market region Americas increased by 4.1 percent, in currency-adjusted terms 7.6 percent. All subsidiaries contributed to this successful result, with market share gains achieved particularly in the United States and Canada. In Brazil, there were signs of recovery after the stagnation of recent years.

Investments in the construction of data centers have been conducive to growth in air applications, which grew faster overall than water applications. Both the OEM and contracting business enjoyed favorable development due to the continuing good overall economic situation and the broad product range of Belimo.

Asia Pacific. Sales in the market region Asia Pacific grew by 13.8 percent, in currency-adjusted terms 14.2 percent. In China in particular, Belimo had a strong first half-year with a good order volume for infrastructure projects and data centers. India and Australia also achieved convincing double-digit growth rates.

The recently launched products designed for the Asian market, such as the new damper actuator for variable air volume control VAV ZoneEase™ or the pressure-independent flow limiter valve (PIFLV), met with great interest.

Net sales by market regions

in CHF 1,000	1st half 2018	%	Growth in local currencies in %	1st half 2017	%
Europe	164,315	51	12.6	137,302	48
Americas	121,507	37	7.6	116,675	40
Asia Pacific	39,281	12	14.2	34,506	12
Group	325,103	100	10.8	288,483	100

Net sales by applications

in CHF 1,000	1st half 2018	%	Growth in local currencies in %	1st half 2017	%
Air	188,062	58	11.8	164,129	57
Water	137,041	42	9.4	124,354	43
Total	325,103	100	10.8	288,483	100

Outlook. Provided that political and economic conditions do not deteriorate, Belimo is confident about the further course of the financial year. However, it will probably not be possible to maintain the high growth rate of the first half-year 2018. The good economic situation makes a favorable forecast for the market region Europe possible. Despite the long expansion phase, there are also signs of a sustained positive economic environment in the market region Americas. The outlook for the market region Asia Pacific remains good due to the construction industry and the growth strategy focused on Asia.

Belimo Group key figures

in CHF 1,000 (unless indicated otherwise)	1st half 2018	1st half 2017	Change in %
Net sales	325,103	288,483	12.7
Operating income (EBIT) in percent of net sales	59,525 18.3%	49,066 17.0%	21.3
Net income in percent of net sales	47,584 14.6%	38,350 13.3%	24.1
Cash flow from operating activities in percent of net sales	56,954 17.5%	35,319 12.2%	61.3
Free cash flow in percent of net sales	49,644 15.3%	24,108 8.4%	105.9
Earnings per share, in CHF	77.40	62.40	24.0
Investments in property, plant and equipment and intangible assets	7,710	11,382	-32.3
Number of employees (FTEs, six-month average)	1,558	1,452	7.3

The Belimo Group is a leading global manufacturer of innovative actuator, valve, and sensor solutions for heating, ventilation, and air conditioning systems. The Company reported sales of CHF 580 million in 2017 and has around 1,700 employees. Information about the company and its products is available on the Internet at www.belimo.com.

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

Link to the Semiannual Report 2018: www.belimo.com/financial-reports

Contact	Beat Trutmann, CFO	Phone +41 43 843 62 65
Agenda	Publication of Semiannual Report 2018	August 6, 2018
	Publication of Sales 2018	January 24, 2019
	Publication of Annual Report 2018/ Media and Financial Analysts Conference	March 11, 2019
	Annual General Meeting 2019	April 1, 2019