



Belimo increases sales in the first six months of 1998

New Group Executive Committee - Continued success in the USA

The Belimo group of companies, active in the development, the assembly and sale of electrical damper actuators for ventilation and air-conditioning systems continued its steady growth, also in the first six months of 1998. Consolidated sales increased by 11 percent over the previous year. Due to future investments, earnings before interest and taxes (EBIT) of CHF 12 million are slightly below the extraordinarily high result of the previous year.

Belimo, the world's market leader, improved its net sales with 765'000 actuators sold to CHF 77 million. Investments went primarily into the creation of new fields of business activity such as valve and window positioning actuators, but also into the introduction of the holding structure and the group-wide implementation of a new IT strategy.

Growth market Americas

As in the past years, the region of the Americas registered high growth rates. Belimo achieves 40 percent of its gross sales in this region. Compared to the previous year, the turnover increased by 19 percent. Belimo took over the lead in the North American market within 10 years only. Management expects a further market share increase in the coming year. In order to further expand its strong market presence, Belimo moved part of its production to the USA, last fall. In the first six months of 1998, 31'770 actuators of the US production were sold.

In Europe, Belimo increased its sales by 6 percent to CHF 45 million, with different growth rates in individual countries. The rise is primarily due to the growing demand for safety and fire damper actuators. In this field, Belimo increased the number of units sold by 15 percent.

Expansion of the business activities' fields

The expansion of the business field of valve actuators for heating, ventilating and air-conditioning plants continued. Lineg SA which was acquired in December 1997, sold 25'000 mixing actuators, and thus increased its sales by 35 percent, compared to the previous year.

New, market-driven group structure

The Belimo Group is adjusting its management structure to the needs of a market leading group of companies, active world-wide. Effective July 1, 1998, the management organization has been newly structured into a group executive committee and four business units. The group executive committee consists of the following persons:

Walter Burkhalter	Chairman of the Group Executive Committee (CEO)
Werner Buck	Business Unit Americas
Walter Linsi	Business Unit Development and Manufacturing Europe
Barbara Müller-Junker	Business Unit Finance / Administration (CFO)
Jörg Zielasek	Business Unit Sales and Marketing Europe / Asia

Werner Buck is the first managing director of a foreign subsidiary, who has been elected member of the top management body. Walter Linsi will continue to concentrate on managing the Business Unit Development and Manufacturing Europe. He did not wish to take on the position of Chairman of the Group Executive Committee and CEO for personal, private reasons.

Prospects are good

Due to the continuous development in all major markets, the planning for the second half of the year looks good. After closing the accounts of the first six months as per June 30, 1998, Belimo expects to achieve about 10 percent growth in sales and profits. This corresponds to consolidated net sales of CHF 157 million. For 1999, as well, market prospects are to be judged positive.

Key figures (Consolidated accounts)

in CHF 1'000	1st half-year 1998	1st half-year 1997
Net sales	77'139	69'415
Earnings before interest and taxes (EBIT)	12'049	13'153
as a percentage of net sales	15.6	18.9
Consolidated profit	8'017	8'098
as a percentage of net sales	10.4	11.7
Cash-flow	10'772	11'061
as a percentage of net sales	14.0	15.9
Balance sheet total	91'074	89'226
Equity	47'214	43'850
as a percentage of total assets	51.8	49.1
Number of employees (average)	437	412
Investments in tangible assets	2'857	1'906