



To the shareholders of BELIMO Holding AG

Wetzikon, November 11, 1998

Positive business development and unchanged stock price potential of BELIMO

Ladies and gentlemen

Good, long-term performance

If you consider the development of the BELIMO share since we went public in November of 1995, its value has almost doubled in a matter of three years. While BELIMO's stock exchange capitalization was CHF 146 million on November 10, 1995, its current value is approx. CHF 290 million.

At the end of the third quarter: Good business results are expected for 1998

The decisive factor for the success of the BELIMO share on the stock exchange was primarily the continuous, good business development. After the first three quarters of 1998, we again expect good year-end results with sales and earnings growth of about 10 percent. We do not have to revise the current nor the expected earnings figures for Belimo.

Continued good development - investments in the future

To assure that the shares of BELIMO Holding AG will continue to be a promising investment, also in the future, our group structure has been adapted to market requirements in the course of the current year, and the development of innovative products for new areas of application have been pushed forward. These measures will enable us to respond flexibly to changing competitive situations and to successfully defend our market position. In line with the above, the economic review "BILANZ" has ranked us in the 26th position in their evaluation of the 100 top Swiss companies.

The 1999 outlook continues to be good

Also for the coming years and, in particular, for 1999, we may expect continuous growth in the range of the 1998 figures. The new, market-driven management structure with a group executive committee and four business units has proven its value and optimally matches the requirements for a modern company quoted on the stock exchange.

BELIMO shares have potential

Based on BELIMO's excellent anchoring in the market and its clear strategy - in keeping with the long-term strategic basic values, growth, stability and continuity - we shall achieve the proposed entrepreneurial and financial targets. The shares of BELIMO Holding AG will continue to be a promising investment with considerable potential, also in the future.

We thank you sincerely for your trust in our company.

With best regards

BELIMO Holding AG

Prof. Dr. Hans Peter Wehrli
Chairman of the Board

Walter Burkhalter
CEO

The next information and events:

Key figures, annual account:

mid-January 1999

Balance sheet media conference:

April 12, 1999

General Assembly:

May 12, 1999