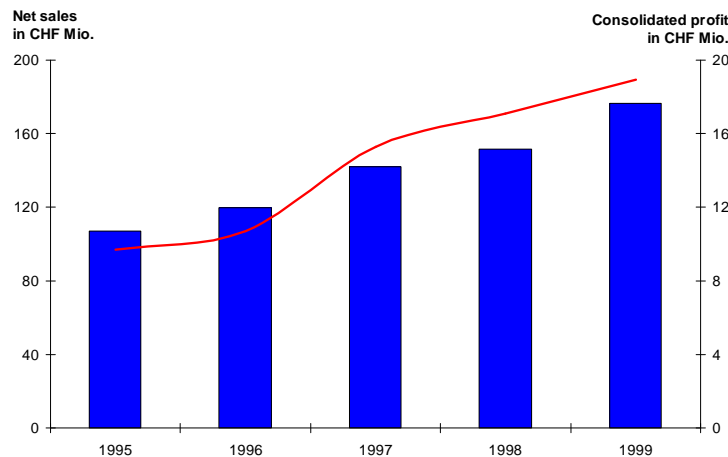


## Balance Sheet and Analysis at March 27, 2000

### Adding value for shareholders

1999 was a very successful year for the Belimo Group. Net sales increased by 16.4 % to CHF 176.4 million compared with the previous year and consolidated profit rose by 10.9 % to CHF 19.0 million.



Net sales and consolidated profit

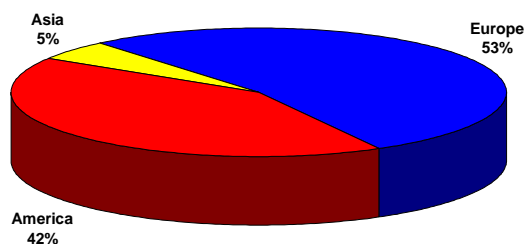
A 28.4 % return on equity (ROE) was achieved and the return on investment (ROI) was 24.2 %. Against this background the stockmarket capitalisation for the year under review rose by 33 % to CHF 397 million.

### Extending market leadership

In its core business - electric actuators for heating, ventilation and air-conditioning systems - the Belimo Group is clearly the world market-leader. The number of actuators sold during 1999 increased by 11.5 % over the previous year to a total of 1.8 million.

Despite the low market growth of only 2 % in Europe the Belimo Group still managed to achieve a 9 % increase in sales in the region. As a result, although its existing market share was already substantially above 60 %, the company has again found it possible to win an even greater share. In the USA the Group's market share is now 46 % and sales have increased by 27 %. The greatest increase of all in sales was a remarkable 29 % achieved by Belimo in Asia.

Net sales of the Belimo Group can be broken down by region as follows:



Net sales profit by region

## **Adding value for customers**

A continual series of new developments and improvements to existing products have maintained the Belimo Group's convincing lead in the field of innovation. In the year under review the Group invested 6.2 % of net sales in research and development.

The launch of our new valve actuators, especially those for motorised control ball valves, has been very well received by the market. Strong growth is anticipated in this sector of our business. Last year saw water systems applications already accounting for 9 % of sales in the USA.

The first actuators to be incorporated into an installation employing digital signal transmission by means of a bus system was delivered in the spring of 1999. This means that Belimo is now well-positioned to cope with the accelerating demand for actuators with a greater number of more sophisticated functions. This type of actuator can be controlled either by conventional analogue signals or by binary signals.

## **Adding value for the workforce**

Belimo takes its workforce very seriously indeed as real human beings. And there is little doubt either that it is the interesting nature of the tasks demanded of them, carried out in a dynamic international environment and requiring high levels of expertise and responsibility - and not forgetting a harmonious corporate culture, that explains the above-average commitment of the staff that has clearly been responsible for Belimo's long-term success.

## **New management**

Dr. Andreas E. Steiner took over as Chief Executive of the Belimo Group on August 1, 1999. His declared aim is that Belimo should continue its policy of above-average investment in products, markets and staff. This is how the Belimo Group is intending to achieve its demanding growth targets. It is expected that gross sales in 2000 will break the CHF 200 million barrier.

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Wetzikon, March 27, 2000

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### **Note:**

- Annual General Meeting April 17, 2000
- Half-year results Mid July 2000