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Information for the press and financial analysts regarding the Belimo Group's semiannual report 2003

Belimo Group remains successful in spite of difficult market conditions

Expressed in local currencies, sales increased by 3.3 percent. Net sales in Swiss francs declined during the first half of 2003 by 4.4 percent, to CHF 115.2 million. In contrast, net income rose by CHF 2.1 million, to CHF 10.2 million. The return on sales amounted to 13.0 percent (comparable period 12.1 percent).

In an overall unfavourable economic environment, the Belimo Group achieved good results during the first half of 2003. While all regions contributed to the improved return on sales, the sales trends differed widely by geographical region. In local currencies, America reported a 7 percent growth in sales, and Asia / Pacific 53 percent. In Europe on the other hand, sales in local currencies declined by 2 percent. The total overall growth was primarily attributable to the high share of new products and replacement business. This development offset the strong negative trends in the European and American markets. Only the Asian / Pacific markets reported significant increases, in particular as a result of the continuing positive developments in the Peoples' Republic of China.

The drop in sales in Swiss francs is a direct result of the 18 percent decline in the US dollar versus the comparable period. Expenditures for research and development increased slightly. In connection with a significant project to improve global supply chain structure, the first operating and tax improvements could be realized.

Key consolidated figures ¹⁾

in CHF 1,000	1st six months 2003	1st six months 2002
Net sales	115,226	120,482
Operating income	14,953	14,606 ²⁾
in % of net sales	13.0%	12.1% ²⁾
Net income	10,168	8,054
in % of net sales	8.8%	6.7%
Cash flow	14,455	11,580
in % of net sales	12.5%	9.6%
Total assets	200,825	184,682
Shareholders' equity	98,194	86,960
in % of total assets	48.9%	47.1%
Number of employees (FTE, six-month average)	682	683
Capital expenditures (gross)	2,721	28,957

¹⁾ unaudited amounts according to Swiss GAAP ARR

²⁾ Since the 2002 Annual Report, the impact of the translation of foreign currencies is shown under financial income. Operating income for the comparable period has been adjusted accordingly.

Small growth in air applications

Sales in local currencies of the traditional products - damper actuators - increased by a slight 1 percent compared with the prior year period. This growth is even more satisfying in view of the fact that demand has been weak since 2001, reflecting the global economic situation. Belimo was able to gain market shares and strengthen its position. This was accomplished mainly thanks to new, innovative products and a strong position in the replacement business.

Above-average growth in water valve actuators

This growth was achieved with actuators and valves for water applications in heating, ventilation and air conditioning business. In a highly competitive market environment, sales in local currencies increased by more than 13 percent.

Disappointing development in window ventilation systems

Due to weak demand for the new window ventilation systems, the break-even point could not yet be achieved. The legally autonomous BELIMO Fensterlüftungssysteme AG was merged into BELIMO Automation AG retroactively as of January 1, 2003.

Different developments in Europe, America and Asia / Pacific

During the first six months, Europe was able to expand in the area of actuators and accompanying valves for water applications. America gained ground in both air and water applications. In the Asian / Pacific region, intensive marketing efforts played a decisive role in the very pleasing growth in sales, which exceeded 50 percent.

In Swiss francs, Europe accounted for 50 percent of consolidated sales, America for 45 percent, and Asia / Pacific for 5 percent. By attaining a level of around 50 percent of sales from refurbishments and replacements, the Belimo Group has reduced its dependency upon cyclical influences.

Belimo Group expects a market turnaround beginning in 2004

The Board of Directors assumes that the willingness of customers to invest in security and comfort systems will again show increases only during 2004. With this background – and assuming relatively stable exchange rates – the Belimo Group expects to achieve an increase in net income in 2003 through operational improvements, and a moderate sales growth in local currencies.

(text end)

The Belimo Group is a global leader in the supply of innovative electrical actuator solutions in heating, ventilation and air conditioning technologies. The Group achieved sales of some CHF 240 million in 2002 and employs over 700 individuals. Information regarding the corporation and its products can be obtained in the internet under <http://www.belimo.ch>.

BELIMO Holding AG's shares have been traded on the Swiss stock exchange since 1995. (SWX: BEAN)

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Agenda: Publication of the first results of 2003 February 2004
Information for the financial press March 22, 2004
Annual shareholders' meeting April 26, 2004
