

Press release of the Belimo Group – Hinwil, August 6, 2012, 5:30 p.m. (after close of trading)

Belimo records convincing profit

Belimo recorded sales of CHF 217.5 million in the first half of 2012, which is equivalent to year-on-year growth of 0.7 percent, and 3.5 percent in local currencies.

The operating margin before interest and taxes (EBIT) was 16.5 percent (comparison period 2011 18.5 percent). As a result of more stable foreign exchange rates, net income increased by 12.1 percent to CHF 29.6 million (comparison period 2011 CHF 26.4 million).

In local currencies, the year-on-year growth was 4.5 percent for Europe, 2.6 percent for the Americas and 0.8 percent for Asia/Pacific. Converted into Swiss francs, the breakdown of sales by market region was 54 percent for Europe, 36 percent for the Americas and 10 percent for Asia/Pacific. In local currencies, sales of air applications were up by 2.3 percent, and sales of water applications by 5.4 percent.

Europe

Sales in the European market region grew by 4.5 percent in the first half-year on a currency-adjusted basis. Business performances varied greatly from region to region. While Central Europe proved to be robust, parts of Northern and Southern Europe were affected by the challenging economic situation.

The good order situation in Germany, the strongest European market in terms of sales, helped create solid growth. Several major projects were awarded, particularly in the contracting segment. Large projects involving characterized control valves in water applications helped to achieve excellent growth. The Austrian market developed well in the heating sector and the Polish market also enjoyed strong growth. Sales in the Southern European countries continued to be adversely affected by the debt crisis.

The products for water and variable volumetric flow applications reported very solid growth.

Americas

Sales in the Americas market region grew by 2.6 percent on a currency-adjusted basis. In light of the slowly recovering construction industry in the United States and the strong growth in the previous year, this is a satisfactory result. The first half-year was mixed for North America. While the United States saw cautious growth, Canada performed below expectations. In contrast, sales in Latin America were up sharply.

Sales of water applications outperformed those of air applications. Since being launched into the market last year, the EF spring-return actuator has shown extremely positive development. Customer reactions to the newly launched Energy Valve™ have also been excellent.

In Danbury (USA), property close to the current location was purchased. Over the next two years, a new building will be constructed on this piece of land to allow further growth.

Asia/Pacific

The currency-adjusted growth in sales of only 0.8 percent in the Asia/Pacific market region was disappointing.

Sales of water applications increased while sales of air applications fell slightly. China, the strongest sales market in Asia/Pacific, was adversely affected by the restrictive lending policies of banks, causing delays in several major projects. Sales in the Hong Kong and South Korean market regions grew solidly, but the other markets experienced slower economic growth. Customer reactions to new application solutions were encouraging.

Net sales by region

in CHF 1,000	1st half 2012	Share in %	Growth in local cur- rencies in %	1st half 2011	Share in %
Europe	117,160	54	4.5	117,109	54
Americas	79,139	36	2.6	77,941	36
Asia/Pacific	21,242	10	0.8	20,956	10
Total	217,541	100	3.5	216,006	100

Net sales by application

in CHF 1,000	1st half 2012	Share in %	Growth in local cur- rencies in %	1st half 2011	Share in %
Air	133,831	62	2.3	134,829	62
Water	83,710	38	5.4	81,177	38
Total	217,541	100	3.5	216,006	100

Innovation

The Energy Valve™ was the first product in the market to be launched with built-in sensor technology and integrated intelligence. The product combines state-of-the-art electronics and software with up-to-date application expertise from the building energy technology sector. Thanks to this control valve, customers are able to save energy and therefore also save on operating costs and investments. At the same time, the product is environmentally friendly and increases operational safety.

Data communication is becoming increasingly important in building technology. Last year, the Shared Logic platform was modified to include additional standard bus systems, which were used for the first time in the Energy Valve™.

Belimo is gradually introducing the latest generation of integrated electronic circuits (ASIC) into products, which will ensure increased functionality while keeping costs low.

Group Executive Committee

Matthias Haas, Head of Asia/Pacific and Member of the Group Executive Committee, left Belimo in the middle of 2012. Gary Economides has been named his successor. He possesses profound specialist knowledge and many years of professional experience. He will take over on November 1, 2012 and be stationed in Hong Kong. Further information on Mr. Economides and his career history can be found in the appendix.

Outlook

Economic prospects in Europe are still uncertain. The euro crisis and cost-cutting measures could have a negative impact on investments in construction, particularly in the Southern European countries. Construction activity in the United States is forecast to continue rising, but Belimo is not expecting to benefit from the positive effects until next year. In the Asia/Pacific region the economic trend could be rather modest. The regulations of the Chinese government concerning energy savings in particular should mean that construction activity will intensify. In light of this and major projects scheduled for completion, Belimo is hoping for growth in the second half-year.

Issues such as urbanization and energy efficiency will continue to be relevant and may lead to increased investment in building technology. Thanks to its innovative products, Belimo sees further potential for profitable growth.

Belimo Group key figures

in CHF 1,000 (unless specified otherwise)	1st half 2012	1st half 2011	Change in %
Net sales	217,541	216,006	0.7
Operating income (EBIT) in percent of net sales	35,982 16.5%	40,063 18.5%	-10.2
Net income in percent of net sales	29,645 13.6%	26,440 12.2%	12.1
Cash flow from operating activities in percent of net sales	41,084 18.9%	30,218 14.0%	36.0
Free cash flow in percent of net sales	29,493 13.6%	25,055 11.6%	17.7
Earnings per share in CHF	48.61	43.40	12.0
Investments	12,377	5,671	118.3
Number of employees (FTEs, six-month average)	1,187	1,120	6.0

The Belimo Group is a leading global manufacturer of innovative electrical actuator solutions for heating, ventilation and air-conditioning systems. The Group generated sales of CHF 416 million in 2011 and employs more than 1,200 people. Information regarding the company and its products is available on the internet at www.belimo.com/investorrelations.

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

[Link to the 2012 semiannual report \(PDF\)](#)

Contact	Beat Trutmann, CFO	Phone +41 43 843 62 65
Key dates	2012 Semiannual report	August 6, 2012 after close of trading
	Publication of 2012 preliminary results	February 14, 2013
	Media information session/ publication of 2012 Annual Report	March 11, 2013
	Annual General Meeting 2013	April 8, 2013

Appendix

Gary Economides



Personal details

Age	42
Nationality	Australian
Place of residence	Shanghai, China
Marital status	Married, 1 child
Degree	Master of Business Administration from the Australian Graduate School of Management (AGSM), Hong Kong

Education

2000 – 2002	Master of Business Administration from the Australian Graduate School of Management (AGSM), Hong Kong
1989 – 1994	Bachelor of Mechanical Engineering from the University of Technology, Sydney, Australia

Professional experience

Since 2009	Carel Electronic Suzhou, China Chief Executive Officer
2005 – 2009	Carel Asia, Hong Kong Managing Director
2002 – 2005	Siemens Building Technologies, Hong Kong Business Development Manager, Asia Pacific Head of Marketing, Asia Pacific HVAC Division
1999 – 2002	Siemens Building Technologies, Hong Kong Sales and Marketing Manager, Asia Pacific HVAC Division
1998 – 1999	Siemens Building Technologies, Hong Kong Product Manager, Asia Pacific
1994 – 1997	Staefa Control Systems, Sydney Product/OEM Sales Manager, Sydney
