

Hinwil, August 4, 2015, 07:00 a.m.

Press release of the Belimo Group

Belimo with pleasant operating income

The Belimo Group increased its sales in the first half-year 2015 by 3.1 percent on a currency-adjusted basis to CHF 242.6 million. In Swiss francs, that equated to a decline of 0.6 percent.

Earnings before interest and taxes (EBIT) for the first half-year amounted to CHF 35.8 million, which equates to an operating margin of 14.7 percent (comparison period 2014 17.2 percent). The depreciation of the new building in the United States affects the EBIT as from the current financial year. As expected, the appreciation of the Swiss franc had a material impact on Belimo's sales and profitability. The company was nevertheless able to achieve a satisfactory operating result thanks to efficiency gains.

The financial result of CHF -7.8 million mainly consists of losses from the valuation of foreign currency balance sheet items and considerably reduced net income to CHF 23.0 million (comparison period 2014 CHF 33.6 million).

Europe. Sales in the Europe market region were down 1.9 percent on a currency-adjusted basis (11.3 percent in Swiss francs). The strength of the Swiss franc had a significant impact on sales and made price concessions necessary. Belimo managed to perform convincingly in France, Poland and the United Kingdom, achieving double-digit growth rates. In France, Belimo won a number of major projects with zone applications, among them the "Le Nuovo" office building, which will be equipped with more than 2600 6-way valves. In Russia, Germany and the Czech Republic, however, performance remained below expectations. Russia and its neighboring countries suffered from the devaluation of the ruble and the resulting investment freeze.

Belimo was able to expand its market share in zone applications in particular. The new fire protection actuators and pressure-independent valves were very well received by the market.

Americas. Sales in the Americas market region grew by 13.9 percent, or 10.1 percent on a currency-adjusted basis. All the main regions significantly contributed to achieving successful growth. The United States achieved an above-average performance in the contracting business, with growth rates in double digits. Several major projects in the United States and Canada led to a high level of growth such as a complex of buildings in California, with floor space of more than 250'000 m². This project involves the installation of more than 20 000 actuators or control valves from Belimo. There was also encouraging growth in Latin America, especially in Mexico and Brazil, where the high growth achieved in earlier years was maintained.

Water applications performed outstandingly well thanks to the greater focus on OEM customers for the water product range and a number of major orders in the area of system engineering.

Asia/Pacific. Sales in the Asia/Pacific market region grew by 10.5 percent, or 7.5 percent on a currency-adjusted basis. Belimo achieved good growth contributions in Japan, China and Hong Kong. Growth in Japan was encouraging, not least thanks to a major project involving variable air volume actuators. In China, sales of water applications increased at a double-digit rate thanks to Belimo's ability to build on its market share with OEMs in air-conditioning units. Hong Kong convinced in retrofit and data center projects. In Malaysia, Belimo has been selected to fit out the "Sunway Pyramid" hotel complex.

Sales of air applications, especially of variable air volume and fire and smoke products, developed well. There was an encouraging increase, among water applications, in the sales of electronic pressure-independent valves and Belimo Energy Valves™.

Net sales by region

in CHF 1,000	1st half 2015	%	Growth in local currencies in %	1st half 2014	%
Europe	121,688	50	-1.9	137,200	56
Americas	94,651	39	10.1	83,071	34
Asia/Pacific	26,289	11	7.5	23,790	10
Group	242,628	100	3.1	244,061	100

Net sales by application

in CHF 1,000	1st half 2015	%	Growth in local currencies in %	1st half 2014	%
Air	141,794	58	-1.1	150,662	62
Water	100,834	42	9.7	93,399	38
Total	242,628	100	3.1	244,061	100

Outlook. The large number of orders placed suggests higher sales in Europe in the second half-year. However, both the Euro exchange rate and the performance of Russia's economy are major causes of uncertainty. In the Americas the building industry in the main market United States should further develop positively in the second half-year. Investments by institutions are projected to slowly start increasing again. In the Asia/Pacific market region, we expect among others further growth in China and India. As a consequence of the trend towards urbanization, digitization and energy efficiency, the building automation sector is going to become more important. This is a development from which Belimo, with its great innovative capacity and its customer focus, should be able to benefit.

Despite the negative influence of exchange rates on the result, we still aim to continue our successful growth strategy.

Belimo Group key figures

in CHF 1,000 (unless indicated otherwise)	1st half 2015	1st half 2014	Change in %
Net sales	242,628	244,061	-0.6
Operating income (EBIT) in percent of net sales	35,774 14.7%	41,954 17.2%	-14.7
Net income in percent of net sales	23,032 9.5%	33,600 13.8%	-31.5
Cash flow from operating activities in percent of net sales	35,598 14.7%	33,613 13.8%	5.9
Free cash flow in percent of net sales	19,905 8.2%	6,407 2.6%	210.7
Earnings per share, in CHF	37.49	54.84	-31.6
Investments	15,884	27,449	-42.1
Number of employees (FTEs, six-month average)	1,375	1,339	2.7

The Belimo Group is a leading global manufacturer of innovative electrical actuator solutions and valve systems for heating, ventilation and air-conditioning systems. The Group generated sales of CHF 494 million in 2014 and employs close to 1450 people. Information about 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 2015 Semiannual Report \(PDF\)](#)

Contact	Beat Trutmann, CFO	Phone +41 43 843 62 65
Agenda	Semiannual Report 2015	August 4, 2015
	Publication of 2015 preliminary results	February 10, 2016
	Media information session/ Publication of 2015 Annual Report	March 21, 2016
	Annual General Meeting 2016	April 25, 2016
