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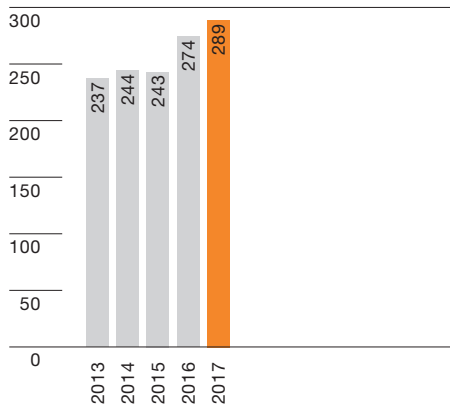


# Financial Summary

in CHF million	1st half 2017	1st half 2016	Change
Net sales	288.5	273.9	5.3%
Operating income before interest, taxes, depreciation, amortization (EBITDA) in percent of net sales	61.1 21.2%	58.6 21.4%	4.3%
Operating income before interest and taxes (EBIT) in percent of net sales	49.1 17.0%	46.9 17.1%	4.6%
Net income in percent of net sales	38.4 13.3%	37.8 13.8%	1.5%
Investments in property, plant and equipment and intangible assets	11.4	6.3	81.5%
Cash flow from operating activities in percent of net sales	35.3 12.2%	50.8 18.6%	-30.5%
Free cash flow in percent of net sales	24.1 8.4%	44.7 16.3%	-46.1%
in CHF			
Earnings per share	62.40	61.47	1.5%
Number of employees (FTE's, six-month average)	1 452	1 401	3.6%

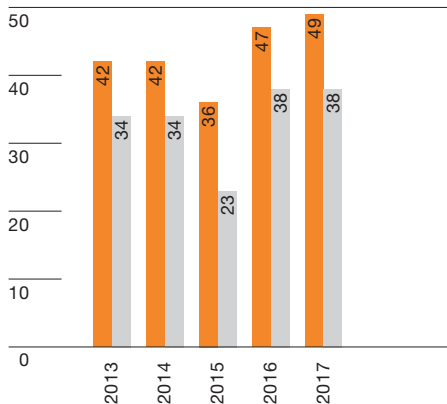
## Sales 1st half 2013–2017

in CHF million



## Income 1st half 2013–2017

in CHF million



■ Operating income (EBIT)  
■ Net income

# Solid Growth

Dear Shareholders

The Belimo Group remains on a solid, organic course for growth. In the first half-year 2017, sales rose by 5.3 percent compared to the very strong previous year, to CHF 288.5 million, adjusted for currencies by 5.6 percent. In local currencies, Europe grew by 5.3, the Americas by 4.6, and Asia Pacific by 10.9 percent.

Operating income before interest and taxes (EBIT) rose by 4.6 percent to CHF 49.1 million, which equates to an operating margin of 17.0 percent (comparison period 2016 17.1 percent). At CHF 38.4 million, net income was 1.5 percent above the previous year's level of CHF 37.8 million. Earnings per share rose from CHF 61.47 to CHF 62.40.

Free cash flow amounted to CHF 24.1 million (CHF 44.7 million). At the end of June 2017, Belimo reported a net liquidity of some CHF 82 million and an equity ratio of 81 percent.

## Europe

Sales in the market region Europe grew by 3.0, or 5.3 percent on a currency-adjusted basis. The market for heating, ventilation, and air conditioning (HVAC) applications demonstrated steady demand. While sales in the Netherlands, in Germany, Italy, and Spain developed positively, they declined in Switzerland. France did not reach previous year's sales level. A rise in investment activity was seen in the Middle East, which had a particularly positive impact on sales in Saudi Arabia. The satisfactory growth in Russia suggests an economic upturn.

The market position in Europe was strengthened. This success is primarily due to the rising demand for water applications as a re-

sult of strong business with the contracting customer segment. Innovative products like the Belimo Energy Valve™ and the zone application Belimo ZoneTight™ were in particularly high demand. The Original Equipment Manufacturer (OEM) customer segment did not see such strong development.

## Americas

Sales in the market region Americas grew by 6.8, or 4.6 percent on a currency-adjusted basis. In the United States and Canada, the Belimo Group profited from the strong demand for energy-saving HVAC systems. Air applications contributed more to the sales growth than water applications. The product range, which is consistently geared towards customer needs, and the launch of the next generation of the Belimo Energy Valve™ strengthened the market position of Belimo in the region. The major projects successfully realized included the company headquarters of Land O'Lakes, an agricultural cooperative of American dairy farmers based in Minneapolis-St. Paul ([www.belimo.com/en\\_US/land-o-lakes-committed.html](http://www.belimo.com/en_US/land-o-lakes-committed.html)), and the renovation of the Chrysler Building in New York. In Brazil, sales stagnated due to the ongoing instability in the economic and political situation.

The response of the North American market to the launch of the new range of sensors was positive. This rounds off the selection of field devices and gives the customer the advantage of a more comprehensive product range for the procurement process. The growth in the OEM and contracting business developed steadily in the first half-year 2017. The product range expansion with the room and zone application Belimo ZoneTight™ triggered further growth momentum.

## Asia Pacific

Sales in the market region Asia Pacific grew by 10.2, or 10.9 percent on a currency-adjusted basis. The HVAC market developed positively in the region. The trend towards energy-efficient buildings and the rapid pace of urbanization were the main growth drivers. Water applications especially enjoyed a rising demand. China, Australia, Hong Kong, India and South Korea contributed significantly to the growth in the region. In China, the sales increase was primarily the result of investments in data centers and in public transport infrastructure. For the Xi'an Subway project, for example, more than 2000 Belimo actuators were installed. Hong Kong and South Korea benefited from various major projects with high demand for pressure-independent control valves. In Japan and Malaysia, sales were down on the previous year.

## Innovation

In the reporting period, Belimo launched the first product linked to the cloud. Upon request, the third generation of the Belimo Energy Valve™ can be connected to the Belimo Cloud via the Internet. The operation of the valve is then continuously monitored and compared to other valves operating under similar conditions. Customers receive regular energy reports that include data on trends, energy, and performance. In addition, technical support from Belimo can give customers better and faster advice thanks to the available data.

The product range of the new generation butterfly valves (PR) was expanded and stands out for its simple installation, high degree of flexibility in application, and lon-

gevity. Thanks to a low construction height and reduced weight, PR actuators can be installed quickly and easily. The combination of valve and actuator reduces energy consumption by 80 percent and enables considerable energy savings.

With the new range of sensors launched at the beginning of April 2017, Belimo broadened its core business. The sensors are used for measuring temperature, humidity, air quality, volumetric flow, and pressure, and guarantee seamless compatibility with all important building automation systems. The data recorded by the sensors is analyzed by decentralized logic or cloud technologies, and improves comfort and energy efficiency.

The new actuator solution for variable air volume control, VAV ZoneEase™, is suitable for controlling indoor comfort. VAV ZoneEase™ reduces overall system costs and, thanks to the smartphone app and cloud function, simplifies the commissioning process and support. With this step, Belimo is adding a complete zone solution to its product range that can be integrated into common building automation systems.

## Market presence and trade fairs

In March 2017, Belimo took part in the ISH (International Sanitary Systems and Heating Trade Fair) in Frankfurt. The ISH Frankfurt is the world's leading trade fair for building, energy, and air conditioning technology. At its very well-attended stand, Belimo impressed trade visitors with numerous product and application innovations. At the most important trade fair platform in North America, the AHR EXPO (The International Air-Conditioning, Heating, Refrigerating Exposition) in Las

Vegas, as well as at China Refrigeration in Shanghai and other trade fairs in South Korea and Taiwan, the innovations presented met with great interest from the industry professionals.

At the end of June in Germany, Belimo won the award for the Ventilation, Air Conditioning, and Refrigeration Business (LüKK) in the category Measurement and Control Technology Components. 70 manufacturers faced the judgment of consulting engineers, mechanical contractors and facility managers. Besides satisfaction with the technology and products, the award judges the quality of support and service.

## Outlook

In the market region Europe, Belimo expects construction activity to continue developing satisfactorily in the most important countries. However, the current political situation in the Middle East is causing uncertainty.

The market region Americas should also develop well up to the end of the year. There are no concrete plans as yet for the infrastructure investment program announced by the government of the United States.

In the market region Asia Pacific, the forecasts for the construction industry are satisfying.

On the whole, sales are expected to further develop positively in the second half-year 2017.

Because of the strengthening of the sensor product range and the opportunities offered to Belimo by digitalization, expenditure for research and development will increase, as

already communicated, and our innovative capacity will increase accordingly.

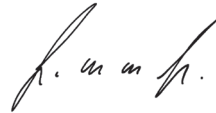
The goal of Belimo remains sustainable market development, so that it can focus on raising comfort, energy efficiency and safety in buildings.

We appreciate your trust in Belimo.

Sincerely  
BELIMO Holding AG



Hans Peter Wehrli  
Chairman of the Board of Directors



Lars van der Haegen  
CEO

# Consolidated Financial Statements

## Consolidated Income Statement

in CHF 1 000	1 <sup>st</sup> half 2017	%*	1 <sup>st</sup> half 2016	%*
Net sales	288 483	100.0	273 856	100.0
Other operating income	644	0.2	626	0.2
Material expenses	-118 245	-41.0	-113 265	-41.4
Personnel expenses	-77 796	-27.0	-73 417	-26.8
Other operating expenses	-32 028	-11.1	-29 245	-10.7
Depreciation and amortization	-11 992	-4.2	-11 641	-4.3
<b>Operating income (EBIT)</b>	<b>49 066</b>	<b>17.0</b>	<b>46 914</b>	<b>17.1</b>
Financial income	821	0.3	758	0.3
Financial expenses	-3 176	-1.1	-1 609	-0.6
<b>Financial result</b>	<b>-2 355</b>	<b>-0.8</b>	<b>-851</b>	<b>-0.3</b>
<b>Income before taxes (EBT)</b>	<b>46 711</b>	<b>16.2</b>	<b>46 063</b>	<b>16.8</b>
Income taxes	-8 361	-2.9	-8 291	-3.0
<b>Net income</b>	<b>38 350</b>	<b>13.3</b>	<b>37 772</b>	<b>13.8</b>
Attributable to shareholders of BELIMO Holding AG	38 350	13.3	37 772	13.8
<b>Earnings per share in CHF</b>	<b>62.40</b>		<b>61.47</b>	

There are no options or other instruments that could have a dilutive effect.

\* in percent of net sales

## Consolidated Statement of Comprehensive Income

in CHF 1 000	1 <sup>st</sup> half 2017	1 <sup>st</sup> half 2016
<b>Net income</b>	<b>38 350</b>	<b>37 772</b>
Translation differences	-5 536	-1 497
<b>Items that are or may be reclassified subsequently to the income statement</b>	<b>-5 536</b>	<b>-1 497</b>
Remeasurements of post-employment benefits	9 192	-17 570
Tax effect	-1 370	2 472
<b>Items that will not be reclassified subsequently to the income statement</b>	<b>7 822</b>	<b>-15 098</b>
<b>Other comprehensive income, net of tax</b>	<b>2 286</b>	<b>-16 595</b>
<b>Total comprehensive income</b>	<b>40 636</b>	<b>21 177</b>
Attributable to shareholders of BELIMO Holding AG	40 636	21 177

# Consolidated Financial Statements

## Consolidated Balance Sheet

in CHF 1 000	06.30.2017	12.31.2016
Cash and cash equivalents	81 555	103 670
Trade receivables	94 390	74 501
Inventories	84 573	80 182
Other assets	8 728	8 256
Current tax assets	3 815	403
<b>Current assets</b>	<b>273 061</b>	<b>267 012</b>
Property, plant and equipment	162 566	166 925
Intangible assets	11 659	11 751
Financial assets	1 866	1 827
Deferred tax assets	2 989	4 354
<b>Non-current assets</b>	<b>179 080</b>	<b>184 857</b>
<b>Assets</b>	<b>452 141</b>	<b>451 869</b>
Trade payables	22 378	16 443
Other liabilities	42 063	34 593
Current tax liabilities	3 421	2 500
<b>Current liabilities</b>	<b>67 862</b>	<b>53 536</b>
Provisions	5 232	5 491
Post-employment benefits	5 377	14 023
Deferred tax liabilities	9 307	9 854
<b>Non-current liabilities</b>	<b>19 916</b>	<b>29 368</b>
<b>Liabilities</b>	<b>87 778</b>	<b>82 904</b>
Share capital	615	615
Treasury shares	-262	-521
Capital reserves	23 224	22 629
Retained earnings	340 786	346 242
<b>Shareholders' equity</b>	<b>364 363</b>	<b>368 965</b>
<b>Liabilities and shareholders' equity</b>	<b>452 141</b>	<b>451 869</b>



## Consolidated Statement of Changes in Equity

in CHF 1 000	Share capital	Treasury shares	Capital reserves	Retained earnings	Shareholders' equity
<b>As at January 1, 2016</b>	<b>615</b>	<b>-536</b>	<b>22 222</b>	<b>314 655</b>	<b>336 956</b>
<b>Total comprehensive income</b>				<b>21 177</b>	<b>21 177</b>
Purchase of treasury shares		-42			-42
Sale of treasury shares		39	71		110
Dividends				-39 937	-39 937
<b>As at June 30, 2016</b>	<b>615</b>	<b>-539</b>	<b>22 293</b>	<b>295 894</b>	<b>318 263</b>
<b>As at January 1, 2017</b>	<b>615</b>	<b>-521</b>	<b>22 629</b>	<b>346 242</b>	<b>368 965</b>
<b>Total comprehensive income</b>				<b>40 636</b>	<b>40 636</b>
Sale of treasury shares		259	594		853
Dividends				-46 092	-46 092
<b>As at June 30, 2017</b>	<b>615</b>	<b>-262</b>	<b>23 224</b>	<b>340 786</b>	<b>364 363</b>

# Consolidated Financial Statements

## Consolidated Statement of Cash Flows

in CHF 1 000	1 <sup>st</sup> half 2017	1 <sup>st</sup> half 2016
Net income	38 350	37 772
Income taxes	8 361	8 291
Interest result	-115	-132
Depreciation of property, plant and equipment	9 659	9 171
Amortization of intangible assets	2 333	2 470
Gain on sale of property, plant and equipment	-133	-143
Other non-cash items	-77	-471
Change in receivables and other current assets	-21 270	-18 458
Change in inventories	-4 582	-2 217
Change in payables and other current liabilities	14 594	19 356
Change in provisions	-261	97
Income taxes paid	-11 541	-4 894
<b>Cash flow from operating activities</b>	<b>35 319</b>	<b>50 842</b>
Investments in property, plant and equipment	-9 155	-5 485
Investments in intangible assets	-2 227	-785
Purchase of financial assets	-179	-386
Sale of property, plant and equipment	189	332
Interest received	161	191
<b>Cash flow used in investing activities</b>	<b>-11 211</b>	<b>-6 133</b>
Purchase of treasury shares		-42
Sale of treasury shares	853	110
Dividends paid	-46 092	-39 937
Interest paid	-23	-26
<b>Cash flow used in financing activities</b>	<b>-45 262</b>	<b>-39 895</b>
Translation differences arising from cash and cash equivalents	-961	-195
<b>Change in cash and cash equivalents</b>	<b>-22 115</b>	<b>4 619</b>
Cash and cash equivalents at beginning of period	103 670	67 687
<b>Cash and cash equivalents at end of period</b>	<b>81 555</b>	<b>72 306</b>

# Notes to the Consolidated Financial Statements

## 1 General

### 1.1 Corporate Information

The Belimo Group (hereinafter referred to as “Belimo” or “the Group”) is a leading global manufacturer of innovative electrical actuator solutions, valve systems and sensors for heating, ventilation and air conditioning systems. The shares of BELIMO Holding AG have been traded on the SIX Swiss Exchange since 1995 (BEAN). The registered office is in Hinwil, Switzerland.

The business activities of Belimo are not subject to any significant seasonal fluctuations.

### 1.2 Statement of Compliance

The unaudited consolidated interim financial statements 2017 have been prepared in accordance with IAS 34 Interim Financial Reporting.

### 1.3 Basis of Preparation

The consolidated financial statements are presented in Swiss francs (CHF), rounded to the nearest thousand. Due to rounding, amounts presented throughout this report may not add up precisely to the totals provided. All ratios and variances are calculated using the underlying amount rather than the presented rounded amount.

The same accounting policies, estimates and assumptions as in the consolidated annual financial statements 2016 were applied. Income taxes were calculated using the expected tax rate for the 2017 reporting year.

The revised standards (see consolidated financial statements 2016) applied for the first time in 2017 have had no impact on these consolidated interim financial statements. In 2016, Belimo reassessed the presentation of the consolidated financial statements in accordance with the Disclosure Initiative (Amendments to IAS 1). The present interim financial statements were adapted accordingly.

# Notes to the Consolidated Financial Statements

## 2 Segment Reporting

Belimo has four reportable operating segments, which performed as follows:

in CHF 1 000	Europe	Americas	Asia Pacific	Shared Services	Elimination	Total
<b>1st half 2017</b>						
<b>Income statement</b>						
Net sales to third parties	137 302	116 675	34 506			288 483
Other operating income				553		553
Personnel and other operating expenses	-19 853	-17 883	-7 468	-69 087	4 467	-109 824
Depreciation and amortization	-946	-2 032	-127	-8 888		-11 992
<b>Segment profit</b>	<b>116 503</b>	<b>96 760</b>	<b>26 911</b>	<b>-77 421</b>	<b>4 467</b>	<b>167 220</b>
Unallocated other operating income						91
Unallocated material expenses						-118 245
Unallocated financial result						-2 355
<b>Income before taxes (EBT)</b>						<b>46 711</b>
<b>1st half 2016</b>						
<b>Income statement</b>						
Net sales to third parties	133 292	109 262	31 302			273 856
Other operating income				98		98
Personnel and other operating expenses	-19 035	-16 089	-6 384	-65 893	4 739	-102 662
Depreciation and amortization	-1 228	-1 951	-130	-8 333		-11 641
<b>Segment profit</b>	<b>113 029</b>	<b>91 222</b>	<b>24 789</b>	<b>-74 128</b>	<b>4 739</b>	<b>159 651</b>
Unallocated other operating income						528
Unallocated material expenses						-113 265
Unallocated financial result						-851
<b>Income before taxes (EBT)</b>						<b>46 063</b>

Sales development compared to the previous year in the market regions was as follows:

	CHF	Local currencies
Europe	3.0%	5.3%
Americas	6.8%	4.6%
Asia Pacific	10.2%	10.9%
<b>Group</b>	<b>5.3%</b>	<b>5.6%</b>

Overall, movements in exchange rates had an effect of –0.3 percentage points on net sales (comparison period 2016 2.7 percentage points).

Europe contributed 48 percent (49 percent), Americas 40 percent (40 percent) and Asia Pacific 12 percent (11 percent) to the Group net sales.

The sales by applications were as follows:

in CHF 1 000	1st half 2017	Share	1st half 2016	Share
Air	164 129	57%	157 387	57%
Water	124 354	43%	116 469	43%
<b>Total</b>	<b>288 483</b>	<b>100%</b>	<b>273 856</b>	<b>100%</b>

In local currencies, net sales of air applications grew by 4.9 percent and net sales of water applications by 6.6 percent.

### 3 Dividend

As per the resolution of the Annual General Meeting of BELIMO Holding AG held on April 3, 2017, a dividend of CHF 75 per registered share was paid out on April 7, 2017.

# Notes to the Consolidated Financial Statements

## 4 Foreign Exchange Rates

The consolidated financial statements used the following closing and average exchange rates (rounded) for the main currencies euro and US dollar:

in CHF	Closing rates			Average rates		
	06.30.2017	12.31.2016	Change	1 <sup>st</sup> half 2017	1 <sup>st</sup> half 2016	Change
EUR	1.09	1.07	2.0%	1.07	1.09	-1.9%
USD	0.96	1.02	-6.1%	1.00	0.99	1.8%

## 5 Events after the Reporting Date

The consolidated interim financial statements were authorized for issue by the Board of Directors on July 21, 2017.

No events took place between June 30, 2017, and July 21, 2017, that would require adjustments to the carrying amounts of the assets and liabilities in these consolidated interim financial statements or would need to be disclosed here.

## **Publications and Agenda**

Publication of Semiannual Report 2017	August 3, 2017
Publication of Sales 2017	January 25, 2018
Publication of Annual Report 2017/ Media and Financial Analysts Conference	March 12, 2018
Annual General Meeting 2018	April 9, 2018

## **Further information for shareholders**

[www.belimo.com/investorrelations](http://www.belimo.com/investorrelations)

This report contains comments relating to future developments which are based on assumptions and estimates of BELIMO Holding AG. Although the company assumes the expectations of these prospective comments to be realistic, they contain risks. These can lead to the actual results being significantly different from the prospective comments. Among the factors which can cause such differences are changes in the economic and business environment, exchange rate and interest rate changes, the introduction of competing products, inadequate acceptance of new products or services and changes in the business strategy.

BELIMO Holding AG neither plans nor commits itself to keep these prospective comments up to date.

**BELIMO Holding AG**  
**Brunnenbachstrasse 1**  
**8340 Hinwil**  
**Switzerland**  
**Phone +41 43 843 61 11**

**[www.belimo.com](http://www.belimo.com)**

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**Credits**

Concept/editing: BELIMO Holding AG, Hinwil

Design/composition: Daniel Stähli, dast Visuelle Kommunikation, Zurich

The semiannual report 2017 is published in German and English.  
The English version is binding.