

Half-year results

Positive development of the Belimo Group in the first half of 1999

The Belimo Group has continued its steady growth in the first half of 1999. Compared to the first semester of the previous year, consolidated net sales increased by 8% to CHF 83.5 million. With the introduction of valve actuators, the forecast, two-digit growth rates will be reached by the end of the year. At 15%, the return on sales remained stable. Net earnings increased by 6.9% to CHF 8.6 million. The influence of exchange rate is negligible in comparison to the previous year.

Sales growth was primarily achieved in the traditional business sector of damper actuators for ventilation and air-conditioning plants. The latest developments by Belimo, in particular, as well as the novel actuator solutions in the area of fire protection and volume control, met with positive market response. The further development of damper actuators for "multifunctional" and "intelligent" applications in ventilation and air-conditioning systems continues to be of top priority.

Sales in the new business line of valve actuators were developing positively in the USA, after its delayed introduction in the second quarter. In Europe, valve actuators will be available as of the second half of the year.

Expansion in the USA

Sales again registered a commendable growth rate of 16% in US currency. The business with valve actuators was initiated in the second quarter of the year. Local production currently corresponds to 32% of US sales. The number of employees increased by 30%. The US share in total sales is now 42%, its market share 39%. In Europe, where Belimo with its market share of more than 60% is also the market leader, sales increased by 3%. Spain, Italy, Austria, and Finland registered two-digit growth rates. In the Middle East and in Asia sales could be incremented. The percentage of total sales, however, remained comparatively low at 4%.

Distinct sales and earnings growth expected for 1999

The market outlook in Belimo's main markets and in the new business sector of valve actuators is good. Assuming that foreign exchange rates will be stable, Belimo expects worldwide a distinct sales and earnings growth for 1999.

Regarding the Y2K problem, all necessary measures have been taken. Belimo is ready for the critical new year.

New President of the Executive Committee

As of August 1st, 1999, Dr. Andreas Steiner, formerly a Member of the Executive Committee with ABB Switzerland, will take over the function of President of the Executive Committee and CEO from Mr. Walter Burkhalter. W. Burkhalter, a founding member of Belimo, is retiring from operational business for reasons of age but will continue to be available to Belimo as a member of the Board of Directors.

Key figures (consolidated statements)

in CHF 1'000	1 st half-year 1999	1 st half-year 1998
Net sales	83,502	77,139
Earnings before interest and taxes (EBIT)	12,519	12,049
<i>as a percent of net sales</i>	<i>15.0</i>	<i>15.6</i>
Net profit	8,568	8,017
<i>as a percent of net sales</i>	<i>10.3</i>	<i>10.4</i>
Cash flow	10,491	10,772
<i>as a percent of net sales</i>	<i>12.6</i>	<i>14.0</i>
Balance sheet total	94,814	91,074

Equity	57,038	47,214
<i>as a percentage of total assets</i>	<i>60.2</i>	<i>51.8</i>
<hr/>		
Number of employees (average)	482	437
<hr/>		
Investments in tangible assets	2,053	2,857
<hr/>		

Wetzikon, July 13, 1999

For further information, please contact:

Prof. Dr. Hans Peter Wehrli, Chairman of the Board of Directors

Telephone ++ 41 1 933 12 84, Facsimile ++ 41 1 933 12 88

Barbara Müller-Junker, Member of the Executive Committee, CFO, Investor Relations

Telephone ++ 41 1 933 12 64, Facsimile ++ 41 1 933 12 41

Important dates

January 25, 2000

Publication of first results of the business year 1999

March 27, 2000

Balance sheet media conference / presentation to analysts

April 17, 2000

General Meeting

July 01, 2000

25 years of Belimo