

**BELIMO Holding Ltd.**  
Guyer-Zeller-Strasse 6  
CH-8620 Wetzikon / Switzerland  
Tel. +41 (0)43 843 61 11  
Fax +41 (0)43 843 62 41  
investor.relation@belimo.ch  
www.belimo.ch

**Press release – Wetzikon, March 17, 2003, 7:00 AM**

## **Information for the press and financial analysts regarding the Belimo Group's business year 2002**

### **Belimo Group remains on successful course**

The Belimo Group, a global leader in the area of electric actuators for use in heating, ventilation and air conditioning systems, looks back on a successful business year 2002 in which it achieved good results compared with the industry. Net sales rose by 3.8 percent to CHF 237.9 million. Operating income (EBIT) could be increased by 2.4 percent to CHF 33.6 million, and the still high return on sales (ROS) amounts to 14.1 percent. The return on capital is 21.0 percent.

Cost reduction programs showed results during the second half of 2002, so that the operating profit for the year was much better than what could have been expected based on the results of the first six months. Nevertheless, largely due to the negative financial results, net income declined by 13.1 percent to CHF 20.2 million. As a result of the drop in the US dollar and the weakness of other currencies compared with the Swiss franc, exchange and translation losses of some CHF 2.9 million reduced net income.

### **Market position further strengthened**

In the area of electric damper actuators for individual room air control systems, the Group's leading position could be expanded, and its role in the valve and valve actuator business could be strengthened. Retrofitting of vents again developed particularly well. Overall, sales increases exceeded market growth, although the Group was not fully able to meet its goals. Sales of new window ventilation systems, recorded for the first time, were satisfactory but nevertheless below expectations.

In spite of a difficult business environment, the continued development of the European market for valves and valve actuators was successful in most countries. In the American market, sales expectations were met – partially due to the new fire actuators, which play a role in security and protection systems. Asia once again reported an increase in sales, and the build-up of this market progressed well. In particular, a strong sales organization could be established in China, which will better support the penetration of this growth market. The high start-up costs, however, also impacted the results of this region.

*Gross sales by business units:*

<i>in CHF 1'000</i>	<b>2002</b>	<b>%</b>	2001	%
European business unit	<b>119'023</b>	<b>49</b>	113'872	48
American business unit	<b>114'795</b>	<b>47</b>	115'375	48
Asian business unit	<b>10'625</b>	<b>4</b>	10'566	4
Total	<b>244'443</b>	<b>100</b>	239'813	100

Expressed in local currencies, the growth in 2002 was 4.9% in Europe, 8.9% in America, and 33.9% in Asia.

*Gross sales by application:*

<i>in CHF 1'000</i>	<b>2002</b>	<b>%</b>	2001	%
Air applications	<b>178'608</b>	<b>73</b>	180'324	75
Water applications	<b>65'375</b>	<b>27</b>	59'457	25
Window ventilation systems	<b>460</b>	<b>0</b>	32	0
Total	<b>244'443</b>	<b>100</b>	239'813	100

In local currencies, sales of air applications rose by 4.3%, water applications by 32.7%, and overall by 8.0%.

### **Strengthening the lead position in technology**

Belimo's position as leader in technology could be confirmed as a whole with 20 new market relevant products. This achievement was largely based on research and development, in which Belimo invested some CHF 13.3 million in 2002. The corresponding expenses were charged fully against the income statement.

### **Outlook**

Belimo will maintain the growth strategy which has until now been successfully managed, whereby the Group's earnings potential has top priority. New actuators and innovative valve solutions will further expand the high-growth water applications market in 2003.

Belimo is optimistic regarding the American market and believes that growth is possible with new products, in spite of economic forecasts predicting overall downward trends. The new, pressure independent control ball valve will, in particular, set a new standard in America. It may be assumed that this product will enjoy the same success that the simple control ball valve did after its introduction in 1999.

Very diverse market developments are expected for Europe. While Germany, France and England are more likely to remain stagnant, a continued positive development in the markets in northern and eastern European countries is expected. With new products and expanded functions in the area of signal communication, it will be possible to expand Belimo's position in the European market.

In Asia, Belimo will strengthen its distribution network in the existing markets, and expand into further areas. Thereby, enhancing the product assortment with solutions designed to meet the needs of the individual regions will play an important role, and the new installations business stands in the foreground. Special opportunities could arise in Japan, where the market is increasingly opening up to the outside.

Overall, moderate growth is expected for business activities. The new infrastructure in Switzerland will lead to improved processes, and thereby enable a higher level of delivery capability at less expense.

### Key figures of the Belimo Group for the business year 2002

<i>in CHF 1'000</i>	<b>2002</b>	<b>2001</b>	<b>Change</b>
Net sales	<b>237'884</b>	229'094	+3.8%
Operating income (EBIT) - as a percent of net sales (ROS)	<b>33'566</b> <b>14.1%</b>	32'778 14.3%	+2.4%
Net income	<b>20'152</b>	23'178	-13.1%
Earnings per share in CHF	<b>31</b>	36	-13.1%
Dividends per share in CHF*	<b>* 15</b>	17	-11.8%
Capital expenditures	<b>49'018</b>	29'835	+ 64.3%
Research and development expense	<b>13'281</b>	13'811	-3.8%
Number of employees (year-end)	<b>732</b>	712	+2.8%

\* Proposal to the shareholders' meeting on April 7, 2003

*(end of text)*

*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)*

*The 2002 financial results will be the subject of a press conference to be held today in Hotel Widder in Zurich (beginning at 10:30), as well as a presentation for financial analysts (beginning at 14:30).*

**Contact:** Mr. B. Trutmann, CFO Telephone: +41 (0)43 843 62 64

**Agenda:**

Annual shareholders' meeting	April 7, 2003
Letter to the shareholders regarding the semi-annual closing	July 2003
Publication of the first results of 2003	January 2004
Information for the financial press	March 22, 2004
Annual shareholders' meeting	April 26, 2004