

Media Release 8/2016

Sale of factory premises in China with positive one-off effect in 2016

Gränichen/Switzerland, 23 September 2016 – The Zehnder Group is expecting a positive one-off effect on its operating result (EBIT) for the 2016 financial year amounting to about EUR 40 million, after completing the sale of its former factory premises in China. The transfer of use and risk to the buyer is intended to take place before the end of 2016.

The Zehnder Group took its new development and production plant in Dachang (Hebei Province) into operation at the end of 2013. A contract of sale was signed at the end of 2014 for the old factory premises in Beijing and the associated right to use the land; this asset was no longer required for production. Total payments amounting to about EUR 14 million had been paid in instalments up to January 2015, although the remaining payments remained outstanding. New negotiations resulting from the payment delays combined with a positive trend in real estate prices in China led to the sale price being higher than originally agreed.

It is expected that the transfer of use and risk as well as the authority to dispose can be passed to the buyer by the end of 2016. The positive one-off effect expected for the 2016 financial year on the operating result (EBIT) is about EUR 40 million, while the effect on the net profit will be around EUR 25-30 million (before minority interests).

Next dates to note

Announcement of sales for 2016
Annual results 2016 and Media/Analyst Conference
Annual General Meeting 2017

13 January 2017
3 March 2017
6 April 2017

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For this and further information about Zehnder Group, please visit www.zehndergroup.com. This media release is published in German and English. The German version is binding.

Company profile

Operating worldwide, the Zehnder Group improves quality of life by providing outstanding indoor climate solutions. It develops and manufactures its products in 14 of its own factories, 5 of which are located in China and North America. Its sales activities, spanning more than 70 countries, take place through local sales companies and representative offices.

Zehnder's products and systems for heating and cooling, comfort indoor ventilation, and interior air purification feature outstanding energy efficiency and excellent design. With brands such as Zehnder, Runtal, Acova, Bisque, Greenwood, Paul and dPoint, the Zehnder Group is a market and technology leader in its business areas.

The Zehnder Group has had its headquarters in Gränichen, Switzerland, since 1895. It employs around 3000 people worldwide and achieved sales of EUR 533 million in 2015. The company is listed on the SIX Swiss Exchange (symbol ZEHN/number 27 653 461). The unlisted registered shares B are held by the Zehnder family and persons closely associated with them.