

press release

CAREL ANNOUNCES ITS 2016 FINANCIAL RESULTS: CONSOLIDATED SALES HIT 231 MILLION EUROS, AN INCREASE OF 13.5% OVER 2015

At the heart of the company's innovation are improved efficiency and sustainability in the air-conditioning and refrigeration sectors, with increasing attention to connectivity

Brugine (Padova), 13 June 2017 – CAREL, a multinational specialising in control solutions for air-conditioning, refrigeration and air humidification, has announced its consolidated results for the 2016 financial year, confirming and indeed improving the positive trend in earnings recorded over the last five years.

As of 31 December 2016 CAREL Group consolidated sales totalled **231 million euros, an increase of 13.5%** over the 203.5 million euros posted in 2015, with positive trends in all business areas.

“The focus of our innovation continues to be improved efficiency and sustainability in the air-conditioning and refrigeration sectors”, commented **Francesco Nalini, CAREL Group Managing Director**. “Our growth in 2016 is the result of the most innovative solutions in these areas, and shows how our R&D efforts are focused in the right direction. We have also seen very positive results from our systems designed for **new refrigerants with a low environmental impact, especially natural refrigerants**. In 2017 we intend to continue investing in all of these solutions, with even greater attention to **connectivity**, envisioning the added value we can offer our customers through **machine learning** algorithms”.

Export sales for 2016 accounted for 80% of the Group total: analysis of earnings by geographical region shows how growth in terms of markets was **driven by Europe**, with an overall average increase of 19%, as well as good performance in Asian markets (+8%).

The growth recorded in 2016 was moreover accompanied by an **increase in staff numbers** across the Group: the number of employees grew by 132, bringing the total to 1222. Worth highlighting is the significant increase in employment at the new CAREL manufacturing site in Croatia, inaugurated in 2016, from 18 to 76 people.

Again underscoring the strategic importance Research and Development has always played in maintaining the Group's leadership in the HVAC/R market, with the aim of ensuring differentiation and offering customers technologically-innovative solutions at increasingly competitive costs, in 2016 **6.4% of sales were invested** back into R&D, a 4.6% increase over 2015.

As part of the Group's international expansion strategy, in 2016 two new sales offices were opened in Thailand and Korea, so as to strengthen CAREL's Asian presence. Finally, to boost

production capacity, the Group's fourth foreign manufacturing plant was inaugurated in Labin, Croatia, second only to headquarters in terms of size.

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About CAREL

CAREL is a world leader in control solutions for air-conditioning, refrigeration and heating, and systems for humidification and evaporative cooling. Our products are designed to bring energy saving and reduce the environmental impact of equipment and systems. Our solutions are used in commercial, industrial and residential applications. CAREL has 19 fully-owned subsidiaries and 7 production sites, as well as partners and distributors in a further 75 countries.

For further information, go to www.carel.com