

Annual Report 2017

manage
energy
better

Landis+Gyr



At a Glance

DEVICES INSTALLED GLOBALLY

300+

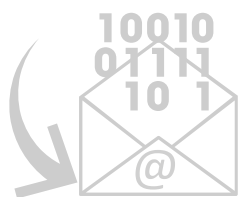
MILLION



DAILY METER READ TRANSFERS

1+

BILLION



Landis+Gyr is the leading global provider of integrated energy management solutions for the utility sector. Offering one of the broadest portfolios of products and services to address complex industry challenges, the Company delivers comprehensive solutions for the foundation of a smarter grid, including smart metering, distribution network sensing and automation tools, grid management, load control and analytics. Landis+Gyr operates in over 30 countries across five continents. With sales of over USD 1.7 billion, the Company employs approximately 6'000 people with the sole mission of helping the world manage energy better. More information is available at www.landisgyr.com

R&D IN % OF SALES

9.4%



SITES IN 30 + COUNTRIES

72



Landis+Gyr

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Key Figures

(in million USD, unless otherwise indicated)	Fiscal Year ended March 31,		CHANGE	
	2018	2017	USD	Constant Currency
Order Intake	1'574.4	1'325.5	18.8%	16.0%
Committed Backlog	2'389.0	2'491.4	(4.1%)	(7.1%)
Net revenue	1'737.8	1'659.2	4.7%	2.6%
Adjusted Gross Profit	597.3	620.2	(3.6%)	(5.0%)
Adjusted EBITDA	212.0	212.0	0.0%	(0.6%)
As % of net revenue	12.2%	12.8%	–	–
Net income (loss) attributable to Landis+Gyr Group AG Shareholders	46.4	(62.6)	–	–
Basic and diluted earnings per share (USD)	1.57	(2.12)	–	–
Net cash provided by (used in) operating activities	124.7	95.1	31.1%	31.1%
Free Cash Flow ¹	87.5	53.1	64.7%	67.2%
Net Debt	40.5	126.8	(68.1%)	(68.9%)

1 Net cash provided by operating activities, minus net cash used in investing activities, excluding merger & acquisition activities.

BACKLOG

Americas	1'679.0	1'768.9	(5.1%)	(4.5%)
EMEA	654.1	681.8	(4.1%)	(15.3%)
Asia Pacific	55.9	40.7	37.3%	36.3%
Total	2'389.0	2'491.4	(4.1%)	(7.1%)

In addition to the committed backlog shown above, contingent backlog represents an amount of USD 395 million as of March 31, 2018, versus an amount of USD 530 million as of March 31, 2017.

NET REVENUE TO EXTERNAL CUSTOMERS

Americas	972.2	931.2	4.4%	4.1%
EMEA	627.2	587.8	6.7%	1.7%
Asia Pacific	138.4	140.2	(1.3%)	(3.4%)
Total	1'737.8	1'659.2	4.7%	2.6%

ADJUSTED GROSS PROFIT

Americas	409.2	414.0	(1.2%)	(1.2%)
EMEA	155.9	174.0	(10.4%)	(14.1%)
Asia Pacific	28.3	31.9	(11.3%)	(13.2%)
Inter-segment eliminations	3.9	0.3	–	–
Total	597.3	620.2	(3.7%)	(5.0%)

ADJUSTED EBITDA

Americas	199.4	195.0	2.3%	2.3%
EMEA	(8.8)	1.0	–	–
Asia Pacific	(9.6)	(2.6)	(269.2%)	(231.0%)
Corporate unallocated	31.0	18.6	–	–
Total	212.0	212.0	0.0%	(0.6%)

ADJUSTED EBITDA % OF NET REVENUE TO EXTERNAL CUSTOMERS

Americas	20.5%	20.9%		
EMEA	(1.4%)	0.2%		
Asia Pacific	(6.9%)	(1.9%)		
Group	12.2%	12.8%		

Comprehensive financial information can be found in the Financial Report 2017.

ADJUSTED EBITDA IN MILLION USD

2017
212

2016
212

FREE CASH FLOW IN MILLION USD

2017
87.5

2016
53.1

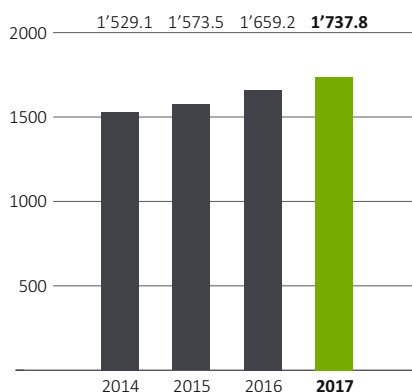
EPS IN USD

2017
1.57

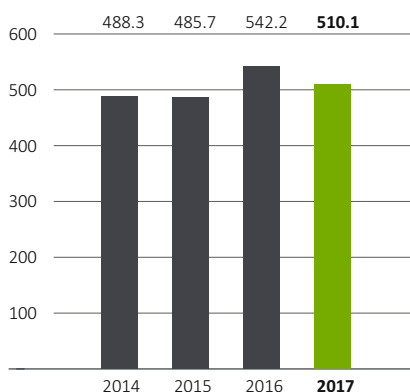
2016
(2.12)

NET REVENUE

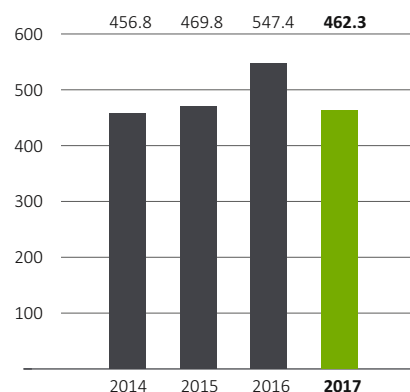
in million USD

**GROSS PROFIT**

in million USD

**OPERATING EXPENSES**

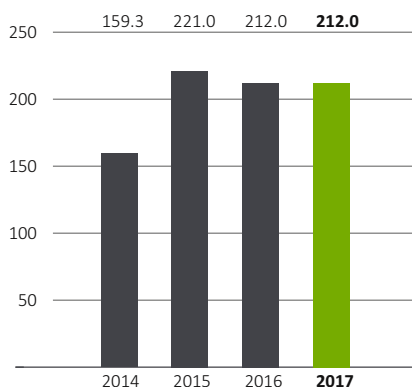
in million USD



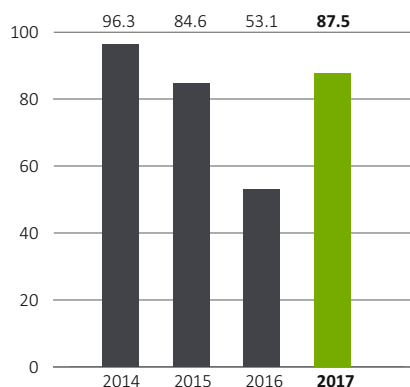
Operating expenses includes goodwill impairments of USD 34 million in FY 2015 and USD 60 million in FY 2016.

ADJUSTED EBITDA

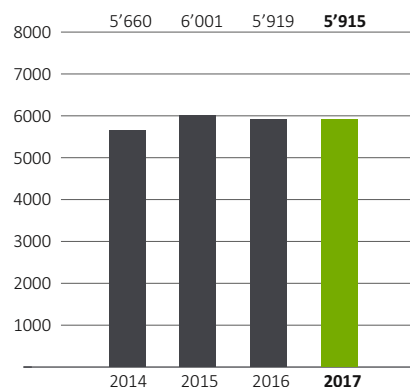
in million USD

**FREE CASH FLOW**

in million USD

**EMPLOYEES**

Number of fulltime employees



Company Milestones

1896



LANDIS & GYR IS FOUNDED

In 1896, Richard Theiler and Adelrich Gyr founded the “Electrotechnisches Institut Theiler & Co.” in Zug to produce electricity meters, telephone inductors and phonographs. In 1904, Karl Heinrich Gyr becomes a partner in the Company, which changes name into “Landis & Gyr” in 1905.



1956



LANDIS & GYR GOES PUBLIC

In 1956 the Company reorganizes its financing and lists on the Zurich Stock Exchange.

1987/95

CHANGE OF OWNERSHIP

In 1987, the heirs of Karl Heinrich Gyr sell their shares to Swiss industrialist Stephan Schmidheiny, who sells his majority interest in Landis & Gyr in 1995 to Electrowatt AG.

1998



SIEMENS TAKES OVER LANDIS & GYR

In 1998, Siemens AG acquires the industrial activities of Electrowatt AG, which includes the metering business grouped under the name Landis & Gyr Utilities. The new owner merges its metering operations with Landis & Gyr's and calls the new entity “Siemens Metering AG”.

2002

REBIRTH OF LANDIS+GYR

In 2002 Siemens AG decides to divest its electricity metering business, which operates again under the name Landis+Gyr. The buyer is US private equity company Kohlberg Kravis Roberts & Co (KKR).

2004



BECOMING THE GLOBAL LEADER IN SMART METERING

In 2004, the Australian investment firm Bayard Capital purchases Landis+Gyr to build the global leader in Smart Metering. In the period to 2011, Bayard invests USD 1.2 billion in a series of acquisitions to grow the Landis+Gyr portfolio, especially in the network communications space.

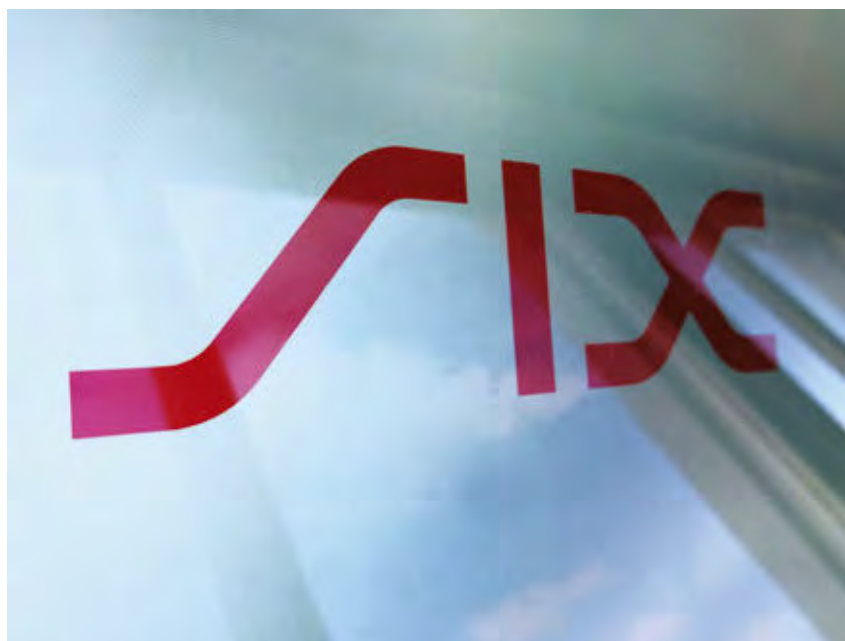
2011

AN INDEPENDENT GROWTH PLATFORM

Toshiba Corporation (60%) and Innovation Network Corporation of Japan (INCI, 40%) acquire Landis+Gyr for USD 2.3 billion to run the business as an independent growth platform.

JULY 21, 2017

LISTING ON THE SIX SWISS EXCHANGE



On July 21, 2017, Landis+Gyr was welcomed back to the Swiss public markets after a 20-year hiatus, thus adding an important, new chapter to Landis+Gyr's rich 122-year history. The listing further enhances the positioning of Landis+Gyr as the global leader in transforming how energy is managed and delivered.

Key Data of the IPO Transactions

Listing

SIX Swiss Exchange
(International Reporting Standard)

Ticker symbol

LAND

Swiss security number

37115349

ISIN

CH0371153492

Offer price

CHF 78

First trading day

July 21, 2017

Offer size

29'428'055 million registered shares with a nominal value of CHF 10.00 offered by the selling shareholders: Toshiba Corporation (owning 60% of Landis+Gyr's share capital) and INCJ (owning the remaining 40%)

Landis+Gyr Group AG is again a listed company after the initial public offering (IPO) and listing on the SIX Swiss Stock Exchange. The offering consisted of 29.4 million existing shares of Landis+Gyr, representing 100% of the combined holdings of the selling shareholders Toshiba Corporation (owning 60% of Landis+Gyr's share capital) and INCJ (owning the remaining 40%).

Longstanding Tradition as Listed Company

Landis+Gyr has a long history in which the Company has shown its ability to adapt to new market trends and realities. It is great to open this new chapter of Landis+Gyr as a public company – once again, after a long absence from the stock market. The Board of Directors and the Management sincerely thank the new shareholders for the trust they put in Landis+Gyr and look forward to continuing the Group's success story with a broad shareholder base supporting the Company.

Highlights 2017

APRIL

NEXT GENERATION PREPAY SOLUTION

The new edge intelligence solution enables consumers to manage energy usage and account balances with real-time information. Clients can quickly react to energy costs and pay on their own terms.

CONTRACT WITH SEATTLE CITY LIGHT

The US public power electric utility selects Landis+Gyr's Advanced Grid Analytics (AGA) suite for its grid modernization program to be completed by the summer 2018. The operational efficiencies, reliability improvement and improved capacity planning offered by the AGA platform were key for the selection.

JUNE

COMPLETION OF 10 MW ENERGY STORAGE PROJECT

The Iron Horse Energy Storage & Solar Project supports Tucson Electric Power in its goal of reliably integrating additional renewable energy onto its electric distribution system.

CLP'S AMI PLATFORM IN HONG KONG GOES LIVE

The advanced metering infrastructure (AMI) platform enables timely access to electricity consumption information via smart meters and over time will provide key enabling technologies for the development of Hong Kong as a smart city.

SIGNING OF MAJOR AMI SERVICE CONTRACT WITH CARUNA OY

Starting in Autumn 2018, Landis+Gyr will operate 650'000 smart metering points for Caruna Oy, Finland's largest DSO. The contract underpins Landis+Gyr's strategy to expand its presence in managed services further.

2017 GRID EDGE AWARD WINNER FOR DEMAND MANAGER PROJECT

Landis+Gyr's business for the Americas is selected as a winner for an innovative project to better control energy usage based on both the needs of home owners and the local electricity grid.

JULY

LANDIS+GYR LISTS ITS SHARES ON THE SIX SWISS EXCHANGE

As of July 21, 2017 Landis+Gyr is a listed company (ticker symbol: LAND). The IPO, with a market capitalization of CHF 2.3 billion, was marked by a strong demand from both Swiss and international investors.

PARTNERSHIP WITH MUELLER SYSTEMS TO DEVELOP WATER AMI MODULE

The aim is to integrate Landis+Gyr's latest RF Mesh IP communications technology in Mueller Systems advanced water AMI module. As a result, utilities using Landis+Gyr's Gridstream® AMI solution will be provided with a new choice for advanced water metering.

AUGUST

JOINT PROGRAM WITH TRUST-POWER TO DEPLOY AMI IN NEW ZEALAND

intelliHUB, Landis+Gyr's fully operational and independent subsidiary offering metering services in Australia & New Zealand, will conduct a pilot

enabling Trustpower to integrate, over time, multiple technology solutions by leveraging a shared communications and data management platform.

SEPTEMBER

LANDIS+GYR & TATA POWER-DDL PARTNER TO DEPLOY SMART METERING INFRASTRUCTURE IN DELHI

Encompassing 200'000 single phase and three phase smart meters, the project is a follow up to the contract for India's first AMI with radio frequency canopy. The deployment will be an important foundation for building a truly smart grid in India's capital city.

AGREEMENT WITH TOKYO ELECTRIC POWER COMPANY TO LEVERAGE IOT NETWORK

Landis+Gyr and TEPCO will jointly explore the full IoT potential to develop other ways to monetize technology investments and open new revenue streams.

LANDIS+GYR PART OF THE CONSORTIUM WINNING WIENER NETZE'S SMART METERING ROLLOUT

The contract for the modernization of the Vienna electricity grid started in August 2017 and will be completed by 2020. Landis+Gyr will provide about one third of the 1.2 million measuring points.

OCTOBER

NEW MANAGED SERVICES OFFERING FOR EUROPEAN CUSTOMERS

During the European Utility Week in Amsterdam, Landis+Gyr showcases its new Managed Services. The offering is a response to the expectation that utilities will increase their smart grid investments in services and software applications in the coming years.

FIRST 'NEXT GENERATION' UK SMART METER INSTALLATION

Landis+Gyr and British Gas launch the first of a new standard in smart technology that complies with SMETS2. The national roll-out of the meters started in 2018 and will enable seamless switching between suppliers.

NOVEMBER

FROST & SULLIVAN'S COMPANY OF THE YEAR 2017 AWARD

For the fourth time, Landis+Gyr is awarded the prize for its groundbreaking technologies that bring distributed intelligence and connectivity to all points on the distribution grid.

JANUARY

RELEASE OF COMMAND CENTER 7.2

The latest version of the operating platform supporting Landis+Gyr's AMI offerings lays the groundwork for the next generation of IoT connectivity on the grid and also enables enhanced integration with other utility software products.

LAUNCH OF GRIDSTREAM® CONNECT DURING DISTRIBUTECH 2018

The next-generation IoT platform supports the growing connectivity needs of utilities and smart cities. A diverse sensor ecosystem, flexible communication options and an application community lay the foundation for changing utility distribution strategies and growth.

Letter to Shareholders



Dear Shareholders,

Landis+Gyr's mission to manage energy better is underlined by our core values of customer focus, trusted partner, innovative spirit and committed to quality. To achieve our mission, driving growth and strengthening market leadership are essential. These traits are accomplished through relentless execution, pioneering technologies and the introduction of new products, all of which bring shareholder value.

Successful Initial Public Offering

The highlight of the year was the initial public offering (IPO), which took place in July 2017 on the SIX Swiss Exchange. The Company was welcomed back to the Swiss public markets after a 20-year absence, thus adding an important, new chapter to Landis+Gyr's rich 122-year history. The 100% share sales by Toshiba (former 60% owner) and INCJ (Innovation Network Corporation of Japan, former 40% owner) created tremendous interest in Switzerland and internationally, and the IPO was oversubscribed multiple times.

Since the Spring of 2017, the management team has been led by Richard Mora, who has spent 18 years at Landis+Gyr and previously held management positions at Siemens and GE Capital. The Board of Directors is chaired by Andreas Umbach, who has been with the Company for 18 years and was Richard Mora's predecessor as CEO. Landis+Gyr has assembled a Board consisting of five independent Board members with the requisite sector, financial and board experience. The Board of Directors strives to further enhance its industry and market insights for the Americas market and will therefore propose an enlargement to the Annual General Meeting of June 28, 2018, under the agenda item elections.

IPO Guidance Met or Exceeded

In the fiscal year 2017 (FY 2017; April 1, 2017 to March 31, 2018), Landis+Gyr made significant progress on many fronts and strengthened its market leadership.

FY 2017 net revenues grew 4.7% (2.6% in constant currency), meeting guidance provided at the time of the IPO, to reach USD 1'737.8 million despite facing some supply chain challenges towards the end of the year. Adjusted EBITDA remained flat with the previous year level at USD 212.0 million, as guided, with the Company experiencing some margin compression despite a reduction in Adjusted Operating Expenses of USD 22.9 million. Free cash flow grew strongly to USD 87.5 million, above guidance, as a result of tight balance sheet control. The Board of Directors proposes for FY 2017 to distribute a dividend, to be paid out of capital reserves, of CHF 2.30 per share which equates to approximately USD 71 million, at the year-end exchange rate. For more discussion of the Company's financial performance in FY 2017 see the Group's Financial Report.

These results demonstrate Landis+Gyr's ability to deliver top line growth and solid cash flow. Nevertheless our sales were impacted by supply chain limitations which dampened second half results. Adjusted EBITDA performance for FY 2017 was driven by strong execution in the Americas region, offsetting below target performance in the other two regions. More work is required in 2018 to improve performance in both EMEA and AP.

Technology and Innovation

To secure growth and innovation in the years to come, investments into Research and Development (R&D) remain a key focus. In FY 2017, spending reached USD 163.8 million, equivalent to 9.4% of the Company's annual sales. While essentially flat in absolute dollars spent year over year, Landis+Gyr's ability to improve productivity means that the Company will continue to further strengthen our state-of-the-art offering aimed at supplying customers with game-winning solutions for today's and future business challenges. The current focus is on identifying and developing solutions aimed at increasing Internet of Things (IoT) enablement and leveraging the use of big data and advanced data analytics to improve forecasting, network modelling, resource management strategies and system reliability. Consequently, almost 75% of our R&D investments are software related and reflect the strategic importance of software and firmware in our offering.

Thanks to our strong R&D capabilities, we have introduced new products and technologies in our key markets. As an example: in October, we announced the introduction of the next generation of smart meters for electricity and gas in the UK. Building on our longstanding presence in the UK metering market, Landis+Gyr has worked with British Gas to launch the first of a new standard in smart metering technology.

We employ more than 1'400 software and hardware engineers and research professionals located in four major global development centers, coupled with an additional 18 local engineering sites dedicated to regional customizations and assisting our customers with whom we have

long-standing, trusted local relationships. We believe this represents not only one of the industry's largest research and development teams, but also an operational structure uniquely tailored for success in our diverse multinational markets.

Performance and Relentless Execution

Cost reductions and constantly driving productivity are pillars of our strategy, and we currently have two major cost reduction programs underway in EMEA. In Project Phoenix, we are reducing our cost base by unifying various back office functions and improving productivity in all functions. We expect to realize savings of approximately USD 20.0 million per annum from Project Phoenix, with full savings expected to be achieved by March 31, 2019. Overall, Project Phoenix delivered savings in FY 2017 of USD 15.8 million, at constant currency ahead of the targeted amount of USD 13.0 million. Project Lightfoot – another strategic initiative – is aimed at bundling manufacturing activities to enhance production efficiencies, lower supply chain costs, and further reduce capital intensity. We expect to realize savings of approximately USD 25 million per annum from Project Lightfoot, with full savings expected to be achieved by March 31, 2021.

Solving Complex Utility Needs around the Globe

To help utilities, consumers and society manage energy better we must continuously innovate as well as drive and apply technologies that solve complex utility problems around the globe. This requires a breadth of offering, from the most advanced open standards based, multi-technology network solution in the industry – being deployed in the TEPCO project in Japan today – to leading hardware, services and software capabilities, that allow Landis+Gyr to execute its proven strategy. This capability and flexibility in providing critical ecosystem ingredients, from IoT networks to connected intelligent devices and related managed services, is part of what makes Landis+Gyr unique, and we think best positioned to capture the coming growth in utility infrastructure upgrade programs.

The markets Landis+Gyr participates in developed positively in FY 2017. Driven by continued deployment of Smart Grid projects internationally, with associated increases in Smart Metering content, the Company continued to experience growth. This trend towards increased utility infrastructure spending was global in nature and reflects the importance of Landis+Gyr's products, solutions and services to utilities.

Here are a few examples from FY 2017 as evidence for Landis+Gyr's strong positioning across the globe:

- In April 2017, Seattle City Light (USA) expanded its relationship with Landis+Gyr by deploying our Advanced Grid Analytics (AGA) platform in support of their grid modernization program.
- In July 2017 Landis+Gyr signed a contract to provide Metering as a Service to Caruna Oy, Finland's largest distribution system operator (DSO), under which the Company will be responsible for operating 650'000 smart metering points starting in Autumn 2018.
- In September 2017, Tata Power Delhi Distribution Ltd (Tata Power-DDL) selected Landis+Gyr to supply 200'000 Smart Meters for the first tranche of their project, following earlier selection of Landis+Gyr's Radio Frequency (RF) network for 500'000 endpoints.
- Early 2018, Landis+Gyr signed an agreement with Wisconsin Public Service Company (USA) to provide a multi-purpose AMI network platform for smart metering and grid modernization.
- In May 2018, Landis+Gyr and Pacific Equity Partners (PEP) announced an agreement to form a joint venture in Australia for the acquisition of Acumen from Origin Energy Limited.

Looking through the activity that has surrounded Landis+Gyr for the year, we are certain that we have the right strategy, technology, products, and people to continue to be the global leader in this exciting industry. Very few firms retain leadership when industries transition from the analog to the digital world, but Landis+Gyr has done just that, and now offers our customers the most advanced networking and IoT solutions in the industry. Proving that Landis+Gyr has been structured not just to weather global and industrial cycles, but to help drive them.

2018 Outlook

For FY 2018, we expect Landis+Gyr's sales growth to be approximately 3% – 6%, Group Adjusted EBITDA to be between USD 222 million and USD 232 million and free cash flow¹ between USD 95 million and USD 105 million. Given some of the supply chain challenges currently being experienced in the industry and the timing of product cost reductions in EMEA, Landis+Gyr expects the first half of FY 2018 to be weaker than the second half.

Well Positioned

Keeping pace with an evolving industry is key to innovation, identifying new revenue streams, and providing exceptional customer service. Working each day to fulfil this promise, and deliver value for our shareholders, are 6'000 dedicated employees as well as key business partners, and we thank both groups for their hard work and contributions. We seek to be active and engaged corporate citizens in the communities in which we operate. We

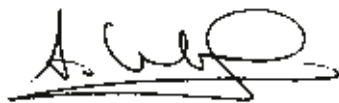
¹ Excluding merger and acquisition activities

promote a long-term vision and contribute constructively through the products and services we provide. The changes in our industry over the last few years have reminded all of us at Landis+Gyr that we must be agile and able to adjust our focus when needed. That flexibility, while also staying anchored to our core principles, is critical to our success.

We distinguish ourselves across the energy management value chain, assisting utilities in tackling the various and complex challenges they face, from billing and revenue assurance to distributed energy resource management and demand response.

We thank you, our shareholders, for the support and ownership of Landis+Gyr.

Yours sincerely,

Handwritten signature of Andreas Umbach in black ink.

Andreas Umbach
Chairman

Handwritten signature of Richard Mora in black ink.

Richard Mora
CEO

Business Model

Landis+Gyr's primary customers are energy utilities, as they require products and services to manage revenue assurance, improve reliability and efficiency of their networks, as well as to contribute to a sustainable use of resources.

The global utility industry is currently going through a transformation process driven by three main market trends. Digitalization, decentralization and decarbonization are disrupting the traditional utility business model, requiring distribution system operators to find new ways to deliver energy efficiently, reliably and securely and to improve consumer interaction and management processes. These trends are driving the next step in the evolution from Smart Grid to an entire ecosystem of connected intelligent devices, encompassing technology which can deliver a full suite of sophisticated utility Internet of Things (IoT) networks and business processes for energy flexibility, distribution automation and consumer engagement.

Ongoing Transition to Advanced Metering Infrastructure

Over the last ten years, many utilities have transitioned from standalone meters to intelligent devices with two-way communications technologies for near real-time measurement, management and control of energy distribution and consumption. Smart Metering technology serves, in turn, as a building block in the development of the Smart Grid and Smart Communities where utilities are able to measure and control production, transmission and distribution of energy resources more efficiently through the use

of state-of-the-art Information Communication Technology (ICT).

Once mandated by the regulator or driven by business case returns, utilities invest in AMI replacing stand-alone metering. Such AMI roll-outs often require more than a year of preparation and validation by the customers and are implemented over 3 to 5 years, compared to a more standard 5% replacement rate for their installed base of stand-alone devices. Since solution specifications vary from country to country, and can include utility specific requirements, Landis+Gyr manages R&D in a decentralized manner: 4 global R&D centers in the Americas, EMEA and Asia Pacific regions focus on platforms and new technologies, while a network of 20 localized, dedicated engineering centers secure timely adaptation and customization of the solutions to local needs and regulatory requirements.

Analytics and Software Offer New Added Value

While this transition to Smart Metering and Smart Grid has in large part been driven by national policies and regulatory mandates, there is an increasing impetus among Landis+Gyr's utility customers to accelerate these deployments. Grid efficiency benefits derived from connectivity, control and analytics become more evident, supporting a variety of business cases, built on millions of data sets, which deliver valuable

information about infrastructure bottlenecks and consumption patterns. These data allow for capturing added value by implementing advanced data analytics and other software applications for forecasting, demand response, renewable integration and management of storage capacity to name a few.

Portfolio of End-to-End Solutions

Today, Landis+Gyr is a leading global provider of smart metering solutions for electricity, heat/cold and gas. The current portfolio of end-to-end integrated AMI solutions includes connected intelligent devices, multi-protocol communications networks, data collection and management

systems, analytics, and other software applications. The tailored suite of offerings facilitates multiple deployment options that are both cost effective and scalable — not only addressing the utility customers' service levels today, but also maintaining the flexibility for future functionalities to meet new end-customer needs.

Landis+Gyr's solutions can operate from the grid-edge back to the utility, as well as behind the meter into the home, providing near real-time, unprecedented access to energy usage data and enable utilities and energy retailers to measure, monitor, control and optimize their business processes and asset management as well as create greater engagement of end-customers.

Data Validation and Analysis

Meter data build the basis for billing purposes. They also allow for various simulations and forecasting.

Monitoring and Control

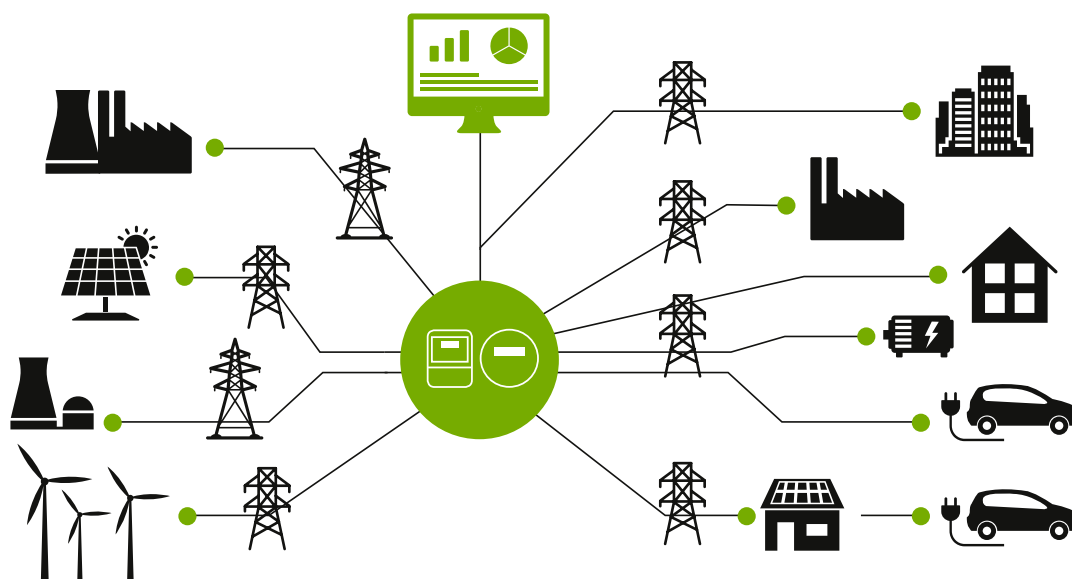
Near real-time information allow for monitoring and control of the distribution network and assets.

Planning and Supervision

Stable and secure energy supply calls for infrastructure supervision and timely planning to avoid bottlenecks

Automation and Operation

Smart grid and IoT combines demand and supply, generation and consumption to manage energy better at lower cost.



Standalone Devices

We sell some of our devices as stand-alone products without integrated communication capabilities:

- Non-AMI electricity meters
- Heat/cold meters
- Stand-alone gas meters

Connected Intelligent Devices

These devices form the basis of AMI networks, providing utilities with near real-time access to information from the grid-edge:

- Residential AMI meters
- Industrial, commercial & grid metering
- Smart gas metering
- Advanced load management
- Other devices

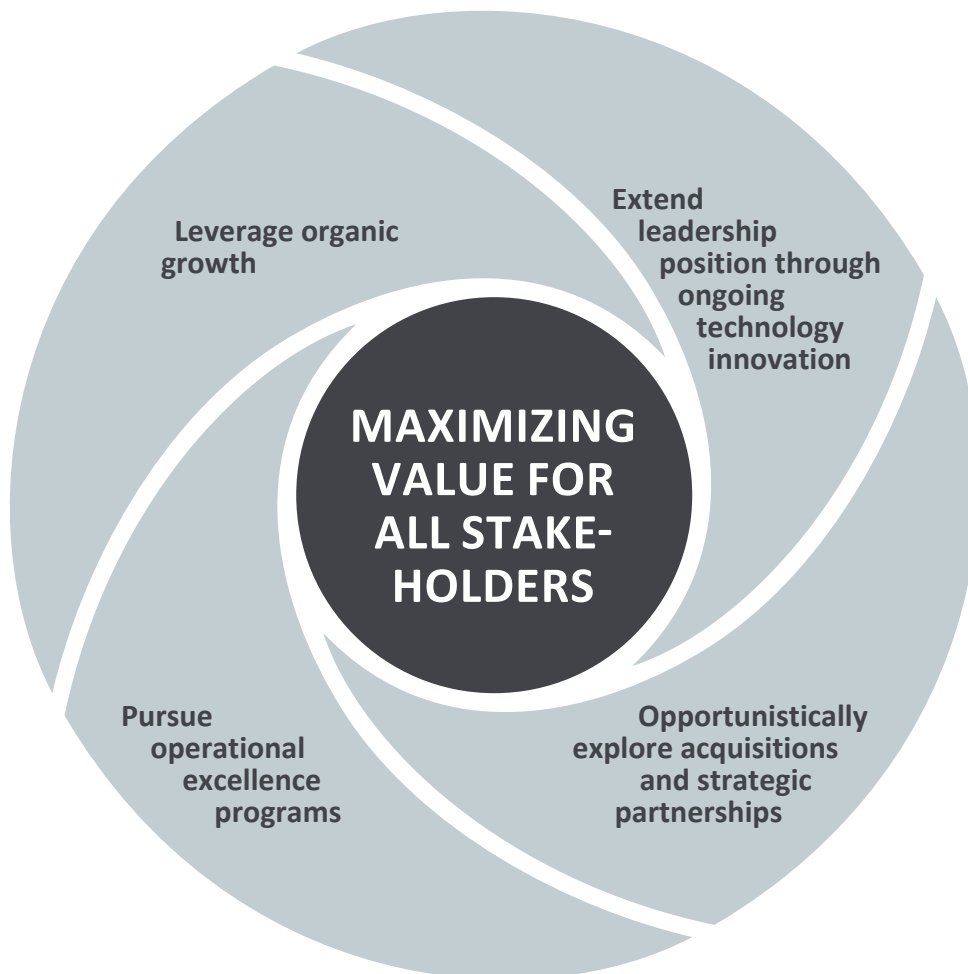
Software & Services

An industry-leading suite of Smart Metering and Smart Grid enterprise IT-grade software and analytics and a spectrum of Managed Services solutions:

- Services
- Head-End-Systems and Network Management Solution
- Meter Data Management software
- Advanced Grid Analytics tools

Strategy

Landis+Gyr seeks to constantly improve the technological capabilities of the product offering enabling utilities to adjust their business models and processes towards Smart Metering and Smart Grid.



Landis+Gyr's global leadership position in Smart Metering has been underpinned by a dedication to applied technology for the utility and energy retail customers.

The Company's strategic intent is framed by:

- Strengthening the core business in Smart Metering and Smart Grid solutions
- Creating an ecosystem of connected intelligent devices in the context of utility IoT
- Maximizing the value of this connected space for the utility and energy retail customers.

In particular, for IoT as it applies to utilities, Landis+Gyr continues to support open standards so that third-party devices and software can integrate with this ecosystem, deployed as part of the utility's essential infrastructure.

Landis+Gyr is currently undertaking the following activities in pursuit of these objectives:

Leverage Organic Growth

The plan is to leverage the industry leading positions in AMI and Smart Grid solutions in global key markets, those with attractive regulatory frameworks, sophisticated technological requirements and large sales potential, across the Americas, EMEA and Asia Pacific. Landis+Gyr will continue to cultivate close customer relationships through regional and local presence, to benefit from opportunities that develop as markets transition to Smart Grid and onto the next generation of Smart Meters, advanced analytics solutions and other Smart Grid applications. Landis+Gyr will also continue to explore the potential of complementary product adjacencies for electricity, heat and gas and along the energy management solutions value chain, such as sub-metering, energy storage systems and other solutions in energy flexibility for the integration and management of renewables.

Extend Leadership Position through ongoing Technology Innovation

The Company will maintain its significant investment in R&D to reinforce its leading technology position through enhancements to existing, as well as the introduction of new products and solutions that provide energy utilities and retailers with compelling functionality, flexibility and value. Focus is on the connectivity, communication and security of the products and solutions with concentrated research and development of software, embedded software and hardware.

Pursue Operational Excellence Programs

Landis+Gyr will continue to drive cost optimization and other operational excellence initiatives. Specifically, in connection with Project Phoenix in EMEA, the plan includes unifying back office functions across smaller markets, while maintaining a focus on key growth markets. To optimize R&D expenses the Company will continue to invest in platforms for devices, applications and networks. Using the benefit of scale, the Group procurement and supply chain organization works to benefit the operations globally and to ensure sourcing of the most competitively-priced components, sub-assemblies and materials. Finally, the operational excellence initiative, Project Lightfoot, aimed at optimizing the global manufacturing footprint, will continue to be implemented. Landis+Gyr has adopted an "asset light" manufacturing model, whereby the share of purchased manufactured components and sub-assemblies are being increased and the manufacturing footprint is being reduced, thus further strengthening the Company's cost position.

Opportunistically Explore Acquisitions and Strategic Partnerships

Landis+Gyr has a solid track record of identifying, acquiring and integrating companies. Such opportunities may include naturally adjacent segments as well as complementary technologies and skills along the energy management value chain, such as grid management, consumer analytics, utility software, systems integration and services related to meter parks. The Company is exploring potential acquisitions, strategic partnerships and joint ventures on an ongoing basis, particularly in geographic markets where capturing of new opportunities requires complementary skills and further resources.

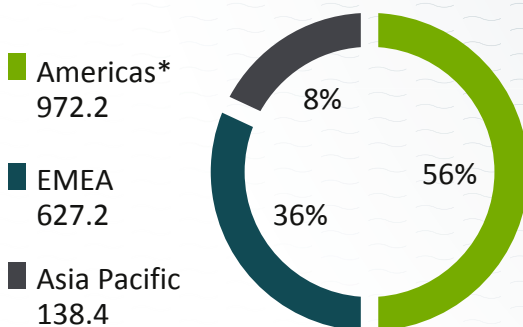
Performance Review

As the market leader in the Smart Metering space, Landis+Gyr is well positioned to benefit from the ongoing deployment of advanced technologies and solutions across the world as Smart Grids and Smart Communities take form.

Sales in million USD

* including Japan

Landis+Gyr Group
1'737.8



Another successful year in top-line growth and strong cash flow generation for Landis+Gyr! In the fiscal year 2017 (FY 2017; April 1, 2017 to March 31, 2018), Landis+Gyr benefited from energy infrastructure deployments and new contract wins mainly in the US and in Europe as well as from the advancements in the Group's operational set-up world-wide.

Top Line Growth

Based on continued demand for Smart Metering products and solutions, net revenues for Landis+Gyr Group reached USD 1'738 million in FY 2017, up 4.7% compared to the FY 2016, or 2.6% on a constant currency basis. While the Americas and EMEA regions contributed to higher sales – Americas with 4.4% or 4.1% in constant



currencies, EMEA with 6.7% or 1.7% in constant currencies – sales in Asia Pacific declined by 1.3% or 3.4% in constant currencies, as utilities in Australia and New Zealand delayed smart meter purchases due to impending regulatory change. The Company did experience some significant industry wide supply chain constraints for certain electronic component availability towards the end of the fiscal year, which impacted shipments and will carry over into FY 2018. Order intake reached USD 1'574 million in FY 2017, an increase of 18.8% or 16.0% on a constant currency basis compared to last year, reflecting the trust which customers continue to place in the technological excellence of the Group's market leading portfolio. Committed backlog was USD 2'389 million at the end of FY 2017.

Solid Adjusted EBITDA

Adjusted gross profit for the reporting period was USD 597.3 million, a USD 22.9 million decrease from the USD 620.2 million delivered in FY 2016 as the Company experienced margin compression in some key markets due to product mix and delays in approvals for cost optimized products. Offsetting this performance, Adjusted Operating Expenses were reduced by USD 22.9 million, mainly as a result of the measures implemented as part of Project Phoenix in EMEA which realized savings of USD 15.8 million. FY 2017 Adjusted EBITDA reached USD 212.0 million, as guided at the time of the IPO, being equal to the previous year's level.

Reduction to Adjustments in H2

Management made a number of adjustments to EBITDA in FY 2017 totalling USD 66.9 million; these mainly related to IPO expenses of USD 24.2 million, restructuring charges of USD 14.7 million, mainly in EMEA, as well as warranty adjustments of USD 24.2 million, the latter primarily reflecting a significant increase in warranty adjustments in the Americas due to a legacy component issue. In the second half of FY 2017, the total of adjustments made to EBITDA was USD 1.3 million compared to USD 65.7 million in the first half of FY 2017, reflecting management's commitment to reduce the number and value of adjustments.

Overall, the Adjusted EBITDA margin slightly decreased to 12.2% from 12.8% in the previous year.

Strong Increase to Net Income and Favourable Tax Benefits

Net income for FY 2017 was USD 46.4 million, or USD 1.57 per share and compares to a net loss of USD 62.6 million, or a loss of USD 2.12 per share, for FY 2016. Net income benefited from a release of deferred tax liabilities of USD 17.3 million following changes to corporate tax laws in the US (USD 22.0 million arising from the revaluation of deferred tax balances as at March 31, 2017 less USD 4.7 million impact from the revaluation of deferred tax balances arising during FY 2017). At the end of 2017 the US government signed into law the Tax Cuts and Jobs Act. Pursuant to this law, Landis+Gyr Group has revalued its existing US deferred tax asset and liability balances for FY 2017 to reflect the decrease in the US federal corporate income tax rate from 35 percent to 21 percent beginning January 1, 2018. In addition, and more importantly, from January 1, 2018, onwards Landis+Gyr will incur lower US cash taxes.

Strong Cash Flow Further Reducing Net Debt

Free cash flow, defined as cash flow provided by operating activities (including changes in net working capital) minus cash flow used by investing activities (capital expenditures and intangible assets), excluding merger and acquisition activities, reached USD 87.5 million in FY 2017, an increase of USD 34.4 million from FY 2016. Net debt fell by USD 86.3 million compared to March 31, 2017 and Landis+Gyr ended the period with net debt of USD 40.5 million, a ratio of net debt to FY 2017 Adjusted EBITDA of 0.2. The Company expects to maintain the net debt to Adjusted EBITDA ratio below 1.5x.

Continued Strength in the Americas Market

Sales in the Americas and EMEA regions continued to grow despite the challenging business environment and the disruptive forces that are transforming energy markets. In the Americas region, sales grew by 4.4% (4.1% in constant currency), thanks to accelerated deployments and driven by new business opportunities in connection with digital technologies and the need for North American utilities of all sizes to increase the share of renewable energy sources in their energy mix. Sales in the EMEA region increased by 6.7% (1.7% in constant currency). Even though the EU reaffirmed in 2016 its stated goal of

replacing at least 80% of installed electricity meters with Smart Meters by 2020, the implementation of some large-scale Smart Meter rollouts in the region were delayed. In the Asia Pacific region, sales declined by 1.3% (3.4% in constant currency) compared to the previous year due to pending regulatory change in key markets such as Australia. In a challenging environment Landis+Gyr strengthened its strong partnerships with clients and further developed intelliHUB, the business unit offering comprehensive services solutions to energy retail customers in Australia.

Guided and supported by Landis+Gyr's North American technology teams the Tokyo Electric Power Company (TEPCO) landmark project reached a new milestone as deployment of the Gridstream® solution on the utility's Internet of Things (IoT) network surpassed 16 million installed endpoints by the end of the fiscal year. When the project is completed in three years' time, it will include more than 27 million meters and millions of other devices transmitting 1.3 billion interval data packets daily that will all be processed by Landis+Gyr's head-end system and meter data management solution. Based on this project being currently ahead of schedule and the existing excellent collaboration, TEPCO and Landis+Gyr signed an agreement in September 2017 to jointly explore the full IoT potential of Landis+Gyr's state-of-the-art Advanced Metering Infrastructure (AMI) technology.

Further major new contract wins for Smart Grid technology and services include 46 public power utilities in the US, including Seattle City Light. Key milestones in Europe, where utilities are modernizing their infrastructure to meet regulatory requirements, included a major milestone with British Gas in the UK for the deployment of advanced Smart Meters and new contracts with Caruna (Finland), Wiener Netze (Austria), Liechtensteinische Kraftwerke and Syd Energi Net (Denmark). Other project highlights in the Asia Pacific region included new deals signed with Tata Power-DDL in India, operational completion of China Light & Power AMI platform in Hong Kong as well as the pilot of a joint program with Trustpower to deploy AMI in New Zealand.

Outlook: Favorable Regulatory Environment to Sustain Growth

As a global company with the world's largest installed base in electricity metering and Advanced Metering Infrastructure, Landis+Gyr is well positioned to capture new opportunities driven by decentralized energy management and generation, digitalization and new trends such as enhanced consumer engagement. A favorable regulatory environment is expected to pave the way for accelerated AMI roll-outs, especially across North America and Europe and 'Power Of Choice' going into effect in Australia, underpinning Landis+Gyr's future top-line growth and setting the stage for further value-creating opportunities beyond smart metering. While continuing to serve the needs of utilities, management has identified further potential in the expansion of software & services activities and is continuously evaluating strategic acquisitions that would allow the Group to enter adjacent product categories or new geographic markets.

In North America, Landis+Gyr is well positioned to maintain industry leadership and to capture growth in Latin America. In the EMEA region, major AMI roll-outs in France, the UK, the Netherlands and elsewhere signal favorable growth prospects. In Asia Pacific, the Group expects the Australian market to be a key driver of growth and it aims to strengthen its leadership position in the higher value-added electricity segment across the region by introducing the Company's AMI offering to Asia's emerging markets.

CSR Creates Value

In FY 2017 Landis+Gyr launched a revised Corporate Social Responsibility (CSR) initiative to meet the needs of today's communities without compromising those of future generations.

Landis+Gyr commits with its mission to help customers, consumers and society to 'Manage energy better'. However, also as an organization, Landis+Gyr has a major interest in the sustainable development of the Group and its activities. This allows the Company to create value by managing corporate reputation, mitigating operational risks related to climate change, and by responding to regulatory constraints or opportunities. Correspondingly, Landis+Gyr long ago established processes that reduce emissions and waste streams for making and delivering its products and services. This latest effort looks to build on the Company's past successes.

Landis+Gyr's carbon footprint and environmental profile prove the Group's significant achievements over the last 10 years. As an example, Landis+Gyr has lowered its CO₂ emissions on a per-turnover basis by 46% from 2.8 to 1.5 kg per USD 100 since the Company began measuring its carbon footprint in 2007. Beyond these efforts, Landis+Gyr also looks at the broader ecosystem including its suppliers and their practices to manage and mitigate risks as well as to meet growing customer interest and demand.

The Journey Goes On

It is important to continue all CSR activities and initiatives currently in place to attract new customers and investors that are conscious about the environmental, social and governance impact of the organizations they are doing business with or are invested in. In the past, Landis+Gyr was part of Toshiba Corporation, fully consolidated in their figures, but also in their Environmental and CSR initiatives, programs and reports. Today, as an independent public company, the Landis+Gyr Executive

Management Team has decided to define its own environmental and CSR strategy reshaping the Group's sustainability vision and roadmap. As first steps the following tasks will be completed by the end of FY 2018:

- Constitution of an ad-hoc cross-functional and cross-regional Sustainability Committee;
- Identification and prioritization of key sustainability topics from an internal and external point of view
- Setting ambitions for all relevant topics or action areas including current and future actions, deliverables, KPIs, budgets and responsibilities.

The current Landis+Gyr CSR achievements and initiatives are presented and summarized in the Group's Sustainability Report 2016/17 available on the corporate website. The publication of an update is planned together with the release of the half-year results 2018 on October 26, 2018.

Performance Review Americas

The Americas region had another successful year. Second wave Smart Meter rollouts and new opportunities in grid and IoT connectivity fostered demand for Landis+Gyr's state-of-the-art AMI technology in the US and in Canada. Latin America announced new contract wins.

In FY 2017, the transformation of the American energy sector continued, driven by new business opportunities, the adoption of digital technologies and the growth of generation from renewable energy sources. In this dynamic market, Landis+Gyr North America signed a number of new contracts for Smart Grid solutions and services with existing and new customers, across investor-owned, as well as municipal and cooperative utilities known together as public power. Growth in North America stands in contrast with tough sales development in the South American markets. However, wins such as the first AMI projects in COPEL (Brazil) and Landis+Gyr's successful conclusion of the systems acceptance tests for Light (Brazil) encourage business prospects in the region. In Japan, the world's largest AMI project at TEPCO continues to be deployed faster than planned - and with excep-

tional technical performance; this achievement underpins the agreement signed with TEPCO to exploit the IoT capabilities of the network.

New Record Sales and Profitability

Sales to external customers in the Americas region rose to a new record high of USD 972.2 million in FY 2017, up 4.4% from FY 2016, notwithstanding some impact in H2 from supply chain constraints. FY 2017 Adjusted EBITDA amounted to USD 199.4 million compared to USD 195.0 million in the prior year, an increase of 2.3%. Adjusted EBITDA margin was 20.5% compared to 20.9% in the prior year.

In FY 2017, Landis+Gyr North America again won important customer contracts in addition to managing ongoing projects. More than 46 municipal and cooperative utilities, covering over

350'000 endpoints, selected Landis+Gyr for projects that included AMI, load management, distribution automation, smart city and services, among them Nebraska Public Power District, Tallahatchie Valley, Lawrenceburg Utility in Tennessee, Conway Corp in Arkansas, and Wild Rice Electric Co-op in Minnesota to name a few. Landis+Gyr also signed extensions with our current trusted partners Jacksonville Electric Authority, Colorado Springs Utilities and Arizona Public Services demonstrating that activity in the North Americas utility sector is strong.

In addition to expanding its client portfolio, the Americas team continued to support the largest AMI deployment worldwide at TEPCO (Japan). With 16 million endpoints installed and an average of 500'000 new devices added each month, TEPCO's AMI roll-out of 27 million meters and devices is the world's largest project of this kind. Based on the high satisfaction with over 600 million daily reads, TEPCO and Landis+Gyr signed an agreement in September 2017 to jointly explore the full IoT potential of Landis+Gyr's state-of-the-art AMI technology.

As part of the North American business development efforts, the Group expanded its footprint in the Managed Services and water business which offers the Company new growth opportunities. Landis+Gyr signed a managed services agreement with Wisconsin Public Service Company (WPS) to provide a multi-purpose AMI network platform for advanced metering and grid modernization as well as signing managed service contract extensions with Kansas City Power and Light and Colorado Springs Utility. In July 2017, Landis+Gyr entered into an agreement with Mueller Systems to integrate Landis+Gyr's latest RF Mesh IP communications technology in Mueller Systems advanced water AMI module.

New Life in Latin America

Despite the slowdown of proposals from CFE in Mexico, Landis+Gyr won its fair share of AMI projects and successfully deployed them to expand our footprint in the country. The Company also strengthened its product portfolio enabling Landis+Gyr to pursue emerging opportunities in the Latin America third party energy sales market.

South American countries are in earlier stages of AMI adoption, with national rollout programs of first generation Smart Metering infrastructure still to be implemented. Sales to external customers in South America for the reporting period increased 8.2% (5.6% in constant currency) compared to the previous year, as Brazilian utilities began increasing investment in their infrastructure. Among the latest encouraging prospects are Inmetro's certification of Landis+Gyr's intelligent, multiple-tariff residential meters and new automated data management and measurements contracts with State Electricity Distribution Company in Brazil. In Central America Landis+Gyr won three contracts to supply residential and commercial meters from Electrica de Guatemala S.A. in Guatemala, DELSUR in El Salvador and Elektra Noreste S.A. in Panama.

Contributing to the advancement of the electrical power distribution sector in South America, in August 2017 Landis+Gyr held the second Bienial South America meeting in Sao Paulo. The conference brought together executives from energy distribution companies and industry experts in the areas of regulation, innovation and technology to exchange experiences and discuss trends in this market.

Committed backlog in the Americas region was USD 1.68 billion as of March 31, 2018 compared to USD 1.77 billion in the prior year.

Segment Performance Americas

in million USD	2017	2016	2015	2014
Net revenue to external customers	972.2	931.2	893.9	829.9
Adjusted Gross Profit	409.2	414.0	391.0	336.5
Adjusted EBITDA	199.4	195.0	192.3	146.9

Performance Review Europe, Middle East and Africa

New project wins across the region and important service contracts confirmed Landis+Gyr's position as the partner of choice for energy retailers and distribution system operators, as they modernize infrastructure and transform their business models.

In FY 2017, the favorable regulatory framework fostered business prospects in the EMEA region. Positive advances in AMI deployments were observed in the UK, France and the Netherlands. This, combined with nationwide rollouts in several smaller countries, led to significant Smart Meter shipments in the reporting period. However, several smart meter rollouts in some countries were delayed, especially in Sweden and Germany. Market reports see further significant growth of the shipments in the upcoming years and predict a Smart Meter penetration rate of 58% in Europe by the end of 2020 (vs. 39% at the end of 2017).

Sales to external customers in the EMEA region rose to USD 627.2 million in FY 2017, up 6.7% compared to the FY 2016, or 1.7% on a constant currency basis with the sales development

in the second half somewhat dampened by industry wide supply chain limitations. FY 2017 Adjusted EBITDA amounted to USD (8.8) million compared to USD 1.0 million in the prior year; the largest single contributor driving this reduction was the lack of benefit from product cost reduction programs on the next generation meters being shipped to customers in the UK, France and the Netherlands; these delays impacted gross profit by ca 3.6% relative to the Company's expectation for FY 2017. These will be realized in FY 2018, principally in the second half. Project Phoenix benefits were above the USD 13 million plan for FY 2017 at USD 15.8 million on a currency adjusted basis with the balance of the USD 20 million run rate savings materializing in FY 2018. Furthermore, Project Lightfoot targets benefits from supply chain and manufacturing rationalization in

the EMEA region. Landis+Gyr expect to realize savings of approximately USD25 million per annum, with full savings expected to be achieved by March 31, 2021.

Strong Utility Partnerships Across EMEA

In the UK, the partnership with British Gas achieved a major milestone in leading the smart revolution with the deployment of the next generation Smart Meters allowing seamless switching between energy suppliers. The cooperation and partnership with the remaining key energy retailers were expanded with Landis+Gyr being a partner for further smart meter roll-outs. In other European countries Landis+Gyr won new contracts, among them a Gridstream® AMI solution for Syd Energi Net in Denmark, a pilot project on Advanced Grid Analytics with Liechtensteinische Kraftwerke and a Smart Metering rollout for Wiener Netze in Austria.

As part of the transformation of the solutions business, Landis+Gyr's strategy is to expand the Managed Services in EMEA, responding to the growing needs of utilities in this area. Depending on a utility's preferences, the service scope ranges from support for daily operations to a fully managed IoT operating service. In the reporting period, the EMEA Landis+Gyr organization secured an important Managed Service contract from Caruna Oy, Finland's largest distribution system operator (DSO), putting Landis+Gyr in charge of operating 650'000 Smart Metering points starting in autumn 2018. Furthermore, Managed Services was the main showcase at the most important trade fair in the region, the European Utility Week in Amsterdam in October 2017.

Attractive Growth Perspectives

EMEA, the largest and fastest growing region in the smart electricity metering sector, offers at-

tractive growth prospects with deployment plans in France, the UK, the Netherlands, Sweden and elsewhere which are either underway or are shortly expected to see increasing AMI penetration rates. EMEA's smart gas metering sector is also forecasted to deliver growth in the medium term. Landis+Gyr's highest priority is on rebuilding profitability through the execution of high-volume large AMI projects in key markets and to capture a significant share of national smart meter rollouts in high potential markets while maintaining a sustainable business with standardized products elsewhere.

In EMEA, as of March 31, 2018 committed backlog amounted to USD654 million compared to USD682 million in the prior year. In addition, in EMEA, Landis+Gyr had contingent backlog, representing the portion of an awarded firm volume contract that relies on meeting performance criteria in order to trigger the customer order, in an amount of USD395 million as of March 31, 2018 compared to USD530 million in the prior year. The decrease of USD134.8 million is primarily attributable to the transfer into committed backlog of amounts previously included within contingent backlog, in respect of which the Company has met the performance criteria.

Segment Performance EMEA

in million USD	2017	2016	2015	2014
Net revenue to external customers	627.2	587.8	537.9	524.7
Adjusted Gross Profit	155.9	174.0	176.3	179.3
Adjusted EBITDA	(8.8)	1.0	10.3	5.4



Performance Review Asia Pacific

In an ongoing challenging environment, the Landis+Gyr Asia Pacific teams made headway on several fronts, winning new contracts and preparing the ground for future growth by adapting their organization to the changing landscape in several key markets.

In FY 2017, Landis+Gyr Asia Pacific achieved major accomplishments in key markets and laid the groundwork for future growth. The teams built strong partnerships with their customer base supporting them in their transition to the smart management of their assets. intelliHUB, the services subsidiary serving energy retail customers in Australia and New Zealand, gained traction. Thanks to its market presence in India and China and other Southeast Asian markets as well as its high-quality solutions offering, Landis+Gyr is well prepared to tap into growth pockets of this dynamic region despite tough competition from local and international players.

Sales to external customers in the Asia Pacific region reached USD 138.4 million in FY 2017, down 1.3% compared to the FY 2016, or down 3.4% on a constant currency basis. FY 2017

Adjusted EBITDA was USD (9.6) million compared to USD (2.6) million in the prior year. Our projects in Hong Kong and the Indian federal government's rural electrification efforts partly offset near term weakness in Australia, which experienced a market slowdown due to the impending Power of Choice program.

Among the major contract wins in the period was the award of 100% of the meter volume in stage 1 of the AMI rollout for China Light & Power (CLP). Landis+Gyr supported CLP in delivering its Smart City vision for Hong Kong. In India, Landis+Gyr partnered with Tata Power-DDL to deploy Smart Metering infrastructure in Delhi. The project includes the design, supply, installation, testing, commissioning and maintenance of a single RF Mesh Gridstream® network platform that will support the utility with distribution

automation, automated demand response, management of distributed energy resources and street lighting. In New Zealand, Landis+Gyr, through its intelliHUB business platform, took the first steps in a joint pilot program with Trustpower to transition the multi-utility's nationwide electricity customer base to AMI solutions.

intelliHUB

Landis+Gyr's Australia team strengthened their local presence, adapting the organization to the market's emerging needs. Many customers are interested in metering as a service, as opposed to the large-scale purchase of a technology suite in a constantly evolving market environment. Over the past years, the team has worked hard to build its intelliHUB business, which provides an end-to-end Smart Energy infrastructure service tailored to the individual needs of retail customers, as well as the safe and reliable installation and maintenance of metering assets. By addressing new and emerging opportunities such as consumer and grid analytics, smart load control, prepay and smart cities, and offering it as a service to utilities via intelliHUB, Landis+Gyr ensures its customers that they have access to the latest technology. Local management expects business to pick up, in response to national electricity regulations requiring all new or replaced meters for residential customers to be smart, as of December 1, 2017, the so-called Power of Choice program.

In May 2018, Landis+Gyr and Pacific Equity Partners announced an agreement to form a joint

venture in Australia for the acquisition of Acumen from Origin Energy, Australia's largest energy retailer. Today, Acumen has already deployed 170'000 meters and, under the ownership of the joint venture, expects to undertake major roll outs of smart meters for multiple utility customers across Australia and New Zealand. As part of the agreement, Landis+Gyr will contribute its intelliHUB business to the joint venture.

Tailwinds Expected also in Various Asian markets

Based on the proven benefits of modernized energy grids equipped with Smart Meters, China intends to install 380 million Smart Meters by 2020, and the Indian government, in conjunction with India's Smart Grid Task Force, is aiming to have 130 million Smart Meters installed by 2021, and Landis+Gyr has developed the business model to appropriately participate in the regional growth. Additionally, countries in the region are looking to develop Smart City models as they upgrade their infrastructure and leverage technology.

Committed backlog in Asia Pacific was USD55.9 million as of March 31, 2018 compared to USD40.7 million in the prior year.

Segment Performance APAC

in million USD				
	2017	2016	2015	2014
Net revenue to external customers	138.4	140.2	141.7	174.5
Adjusted Gross Profit	28.3	31.9	34.5	47.5
Adjusted EBITDA	(9.6)	(2.6)	0.9	11.2

Innovation & Quality

Landis+Gyr invests substantially into R&D to strengthen its state-of-the-art offering. Core elements are software, metering and communication technologies that promote connectivity and interoperability and ensure data security.

In the fiscal year 2017 (FY 2017; April 1, 2017 to March 31, 2018) Research and Development (R&D) spending summed up to USD 163.8 million, equivalent to 9.4% of the Company's annual sales (FY 2016: USD 162.8; 9.8%). 74% of the research and development expenditures were dedicated to the development of embedded- or application-software reflecting Landis+Gyr's evolution from a pure hardware company to an integrated end-to-end utilities solutions business. Consequently, the share of R&D investments directed at software projects remained high.

One of the Industry's most Competitive R&D Teams

Landis+Gyr's global R&D organization focuses on four major global development centers and an additional 18 local engineering sites. These are dedicated to regional customizations and assisting local customers.

In FY 2017, management continued the Company's global R&D realignment initiative. Key measures include progressively moving head-count to lower cost countries, increasing productivity through improvements in processes and tools (mainly through simplification and further automation) and the development of product platforms for devices, applications and networks.

Growing Importance of Connectivity

Landis+Gyr's current R&D strategy acknowledges the growing importance of connectivity among intelligent devices. As such, the organization is focused on the connectivity, communications technology and security of its products and solutions, with concentrated research and development of software, embedded software and hardware.

For the year ended March 31, 2018, Landis+Gyr committed USD 118.6 million for the development of new product introductions, re-

flecting 71% of total R&D investment, with the remaining USD48.0 million or 29% focusing on refreshing existing core offerings. Breaking down total R&D expenses by product category, USD42.6 million or 26% was dedicated to hardware products, USD 76.8 million or 46% was dedicated to software products and USD47.2 million or 28% was dedicated to embedded software. The R&D investment towards platforms comprised 14%, with product development and customizations comprising 68% and 18%, respectively.

In the year under review, major launches included Gridstream® Connect and Command Center 7.2, both in January 2018. The Gridstream® Connect platform is an IoT enabler for utilities, that is built to seamlessly and securely integrate devices from a diverse set of vendors, using a variety of communication protocols and enables an application community that facilitate growth. It allows utilities distribute intelligence to the grid edge for smart community and smart home applications, while preparing for changing distribution strategies that must support decision making at the local, community and system level. Command Center 7.2, the operating software of Landis+Gyr's AMI networks, lays the groundwork for the next Gridstream® Connect, building in support for new devices and management of peer-to-peer communications on the network. It also manages connectivity and control of electric, water and gas AMI networks.

Dedicated Multi-Disciplinary Teams

The Landis+Gyr Devices R&D team is developing communications, device architecture and platforms and mechanical design.

Alongside the global R&D organization the Information Security specialists develop secure software and hardware solutions for the entire product portfolio. Examples are utilizing industry leading encryption and advanced security methodologies, SDLC development practices and leading-edge technologies. Landis+Gyr has a dedicated team in place responsible for all certifications, compliance and regulations requirements.

Over time, Landis+Gyr has assembled a strong portfolio of patents and other intellectual property rights; this is vital as part of our continuous commitment to innovation and technology leadership. The Company currently owns 696 patents

and has 502 patent applications pending throughout the world (FY 2016: 873, 484 respectively), comprising in excess of 280 different issued or pending patent families.


Committed to the Highest Quality

One focus of Landis+Gyr's quality improvement initiatives is on promoting the Company's Zero Defects Initiative. Zero Defects describes Landis+Gyr's ambition to meet the commitments it makes and consists of an overall process approach aimed at achieving quality leadership in markets worldwide.

In line with the commitment to quality, the Group Procurement team secures high availability of key components by strengthening the partnership with key suppliers. Regular audits keep quality levels high. Furthermore, close cooperation with strategic partners allows us to secure favorable conditions, essential to sustain the competitiveness of Landis+Gyr's material costs.

Coveted Awards

Based on the Group's outstanding achievements in promoting innovation and quality, in November 2017 Landis+Gyr received the 2017 Frost & Sullivan Global Company of the Year Award for the fourth time. And in June 2017, Landis+Gyr was named a 2017 Grid Edge Award winner by Greentech Media for its distributed intelligence application that increases energy efficiency, supports renewables integration and empowers consumer to manage energy better.



Portrait – Smart Partner of Utilities



Smart Partner of Utilities



The growing population and pressure on urban areas create a significant challenge in how to build and operate cities and improve the quality of life for billions of people worldwide. Smart City planners are currently rapidly exploring the technological options available. These include data analytics and IoT, to meet the new requirements in this fast-changing and dynamic environment. Technology is being viewed as an enabler to improve city transport links, energy usage, waste and water management and a range of other services that are integrated with urban living.

The changing utility landscape offers utilities a historic opportunity to revolutionize their business models, as innovative technologies enable the integration of new capabilities and multi-energy resources into the grid. The Internet of Things (IoT) has already begun to establish an automated network of intelligent and interconnected devices that exchange, process and generate data, offering new opportunities for operational enhancements and service offerings. The proliferation of devices and the data they provide enable a more efficient and sustainable utilization of grid assets and provide the foundation for a more reliable energy system. While intelligence derived from massively growing data enlightens utilities and helps streamline processes, upgrading grid infrastructure to make the best use of the information is still needed. These improvements will enable utilities to offer intelligent services, dynamically balance energy demand and supply, and create solutions tailored to the specific needs of their customers. This capability allows for increasing customer engagement, satisfaction, and loyalty.

New Consumer Needs Disrupting the Energy Sector

There is an increasingly complex framework of intersecting regulatory, business and consumer demands in the market, including the growth of distribution system operators and more competitive

markets. Energy consumers of tomorrow will expect new services that go beyond the traditional supply of kilowatts. Utilities will need access to the latest communication technologies and consumption information. Big data allows providers to create new offerings, providing consumers with enhanced solutions that help control and optimize their energy consumption and costs. To meet these changing requirements, utilities need an innovative and trusted partner who speaks their language; a partner who can help them develop new capabilities and allows them to meet the rapidly changing requirements of their markets.

Gridstream®, Landis+Gyr's comprehensive energy management solution, provides flexible ingredients that can be tailored to meet the unique needs of utilities. The platform grows and adapts with their business model, helping deliver a more connected and sustainable future by empowering people around the world to embrace secure and reliable energy. Landis+Gyr's ambition is to be the partner of choice for utilities, providing the technology that enables them to manage energy better and paves the way for the smart energy revolution. As a leading provider of intelligent networks and distribution solutions, Landis+Gyr offers unparalleled expertise and experience, including measurement and communication technology, Big Data analysis, resource management as well as customized solutions and services.





AMI Technology

Meters & Sensors

Precise and reliable measurement as the basis for intelligent applications

300001

Landis+Gyr

Communication Technology & Networks

Securing a bi-directional data flow between connected intelligent devices, energy providers and consumers



Software

Powerful master station software capable to handle billions of data sets



AMI Technology



Today's energy infrastructure must operate within a dynamic and fast-changing environment. The growth of distributed energy resources and the emergence of new consumer behavioral patterns have contributed to a shift from one-directional grid infrastructure to bi-directional flows combining multi energy and commodity sources as well as new consumer preferences.



Improving utility operations and service starts with the digital sensing and two-way communications provided by Landis+Gyr's Smart Metering technology. By delivering near real-time data and advanced metrics, Smart Meters provide crucial insights that enable utilities to transform customer service, lower operating costs, and make more informed asset investment decisions. By combining information, communication and metering technology, Smart Grids offer the flexibility to manage a fast changing universe, while ensuring data privacy and security.

Proven Partner of Choice

With more than 25 years of experience in advanced metering infrastructure, Landis+Gyr is the partner of choice for utilities, providing the technology and expertise to enable them to manage energy better. Balancing increasing demand for service quality, control, and sustainability and faced with numerous differences between existing and new network architecture, an evolving mix of power sources, and varied consumer preferences, utilities continue to look for the appropriate solution at every voltage level.

Modernizing the Grid to a Multi-Network System

For example, when laying the foundations for developing a smart city, interconnectivity between electricity, water, and gas is key. Landis+Gyr's

advanced metering infrastructure allows for Smart Water Metering, Gas Metering, and Electric Metering, all to be managed efficiently. Landis+Gyr's latest Gridstream® technology offers utilities more flexibility and control than ever before. With applications for data collection, load management, home area networking, outage management, and more, this wireless, peer-to-peer network consolidates a variety of tasks into one reliable system. Landis+Gyr's proven, state-of-the-art, comprehensive AMI, distribution and customer Intelligence solution, is designed to modernize the entire grid infrastructure. The Gridstream® suite ensures reliable energy management and full interoperability among multi-network systems, meters, and communication technologies.

The background is a dark blue field filled with various digital and data-related visual elements. There are numerous horizontal and diagonal light trails in shades of blue, green, and orange. Some of these trails appear as thin, jagged lines, while others are thicker and more blurred. In the center-right, there is a cluster of vertical white lines that resemble a barcode or a data matrix. The overall effect is one of dynamic movement and high-tech data processing.

Advanced Analytics

Big Data Management

Validating and processing billions of data sets and converting them into added value



Visibility

Translating data into relevant business information



Decision Making Support

Relevant information and near real-time visibility for smart business decisions



Advanced Analytics

The number of Smart Meters and sensors deployed and the data they collect continues to grow world-wide. Ever more, utilities become data centric companies. Data can be collected, analyzed and used to improve grid stability, manage assets and plan investments more sustainably, engage with consumers, improve reliability and security, and create new services and offerings.

Big Data, the IoT and efficient analytic tools have become an integral element of utility business models. Using data from the AMI and sensors spread over the distribution network provides utilities unprecedented planning capabilities and accurate real-time optimization insights. Data-analytic solutions provide a unique insight by supporting more efficient processes, improve infrastructure management and planning, and result in a more reliable power supply.

Building the Grid of the Future

Landis+Gyr's advanced technologies identify current issues, predict future problems, and provide proactive strategies for improving the grid. Landis+Gyr's analytics solution enables utilities to leverage existing Smart Grid investments and more efficiently plan and operate the grid. Employing a customized technology platform, Landis+Gyr's comprehensive Advanced Grid Analytics applications harness the power of data to effectively respond to and meet the demands of a fast-evolving grid. Visualization and insights to

help integrate and manage a growing fleet of distributed energy resources are a key benefit to the market. Landis+Gyr's utility analytics software offers a large number of applications, including a voltage visualization system, revenue protection functionality and a reliability planner, among others.

Converting Data into Actionable Insight

Employing physics-based algorithms, the analytics platform identifies and helps resolve potential system bottlenecks and applies scenario analyses to perform forward-looking planning studies. As a result, Landis+Gyr's offers a toolbox to convert collected grid data into actionable insights, in turn helping utilities to optimize operations, extend the life of their assets, and plan for new investments addressing upcoming consumer needs.





Utility IoT

Flexible Communications

Backbone for efficient infrastructure monitoring, control and demand response management.



Distributed Resource Management

Insight and control to balance energy and capacity for maximum reliability and efficiency.



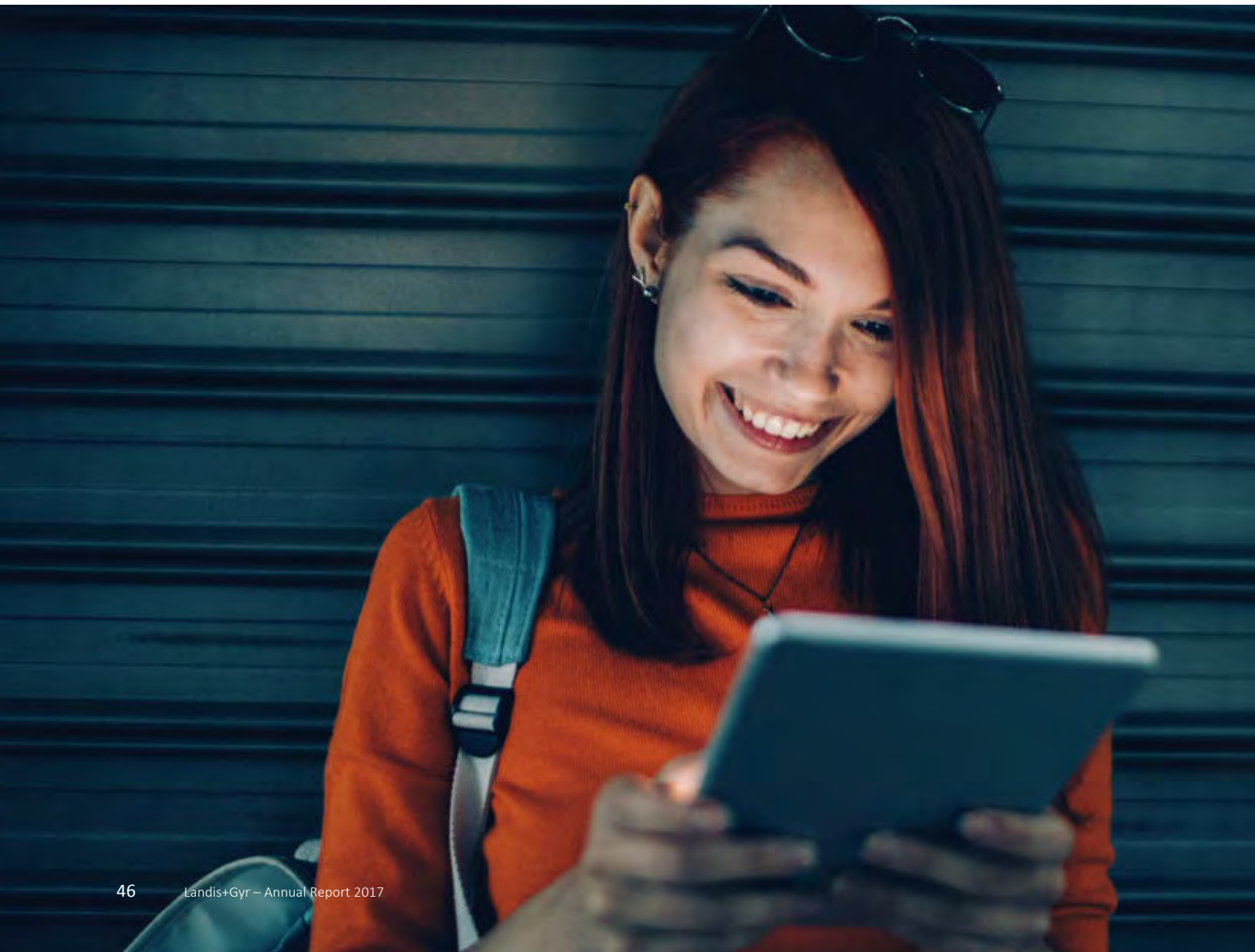
New Applications

Developing innovative solutions based on existing IoT infrastructure to meet new customer needs



Utility IoT

The IoT unlocks huge potential in the way consumers employ technology and data, connecting Smart Cities, buildings and devices while open markets and new power sources will stimulate demand for resiliency and more tailored services.



To meet the unique needs of its customers, Landis+Gyr has developed a suite of technologies and solutions that enable utilities to embrace the wide-ranging opportunities that will come with data analysis and communication technology, including automatized systems that create a variety of new technical and commercial strategies for distribution system operators.

Modernizing the Grid for the Digital World

Innovations in digital technology have helped connect the world. More than ever, making smart investments in future-proof solutions that can easily adapt to the ever-changing environment is imperative for keeping critical infrastructure reliable, efficient and secure. Landis+Gyr offers a flexible network solution for uniting communications across all network devices and every point of the grid. The platform extends the value of a utility's assets, creates room for growth, and is fully scalable to accommodate future changes in technology.

Highly Flexible IoT Platform

Landis+Gyr's Gridstream® Connect platform integrates new communications technologies as needed – which means utilities achieve connectivity to every mile of their network. The system offers a comprehensive and accurate view of the energy network featuring real-time data. It provides utilities greater options to deploy layered intelligence with connected computing power at the grid edge, at the community level and across the distribution system. Networked meters, sensors and devices can run applications and interface autonomously with third-party devices and software platforms to control streetlights, EV charging stations, solar invertors and environmental sensors, along with an array of distribution assets. This enables utilities to push sensor technology to the grid edge for Smart Community and Smart Home applications, while preparing for changing distribution strategies.



Customized Services

Meter Park Management and Field Operations

Efficient, reliable and secure operations of core activities



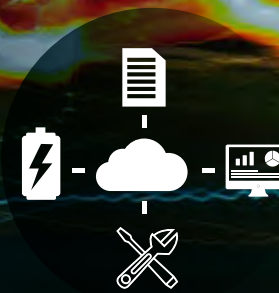
AMI Operations

Allowing customers to optimize their core processes and focusing on new end-user needs



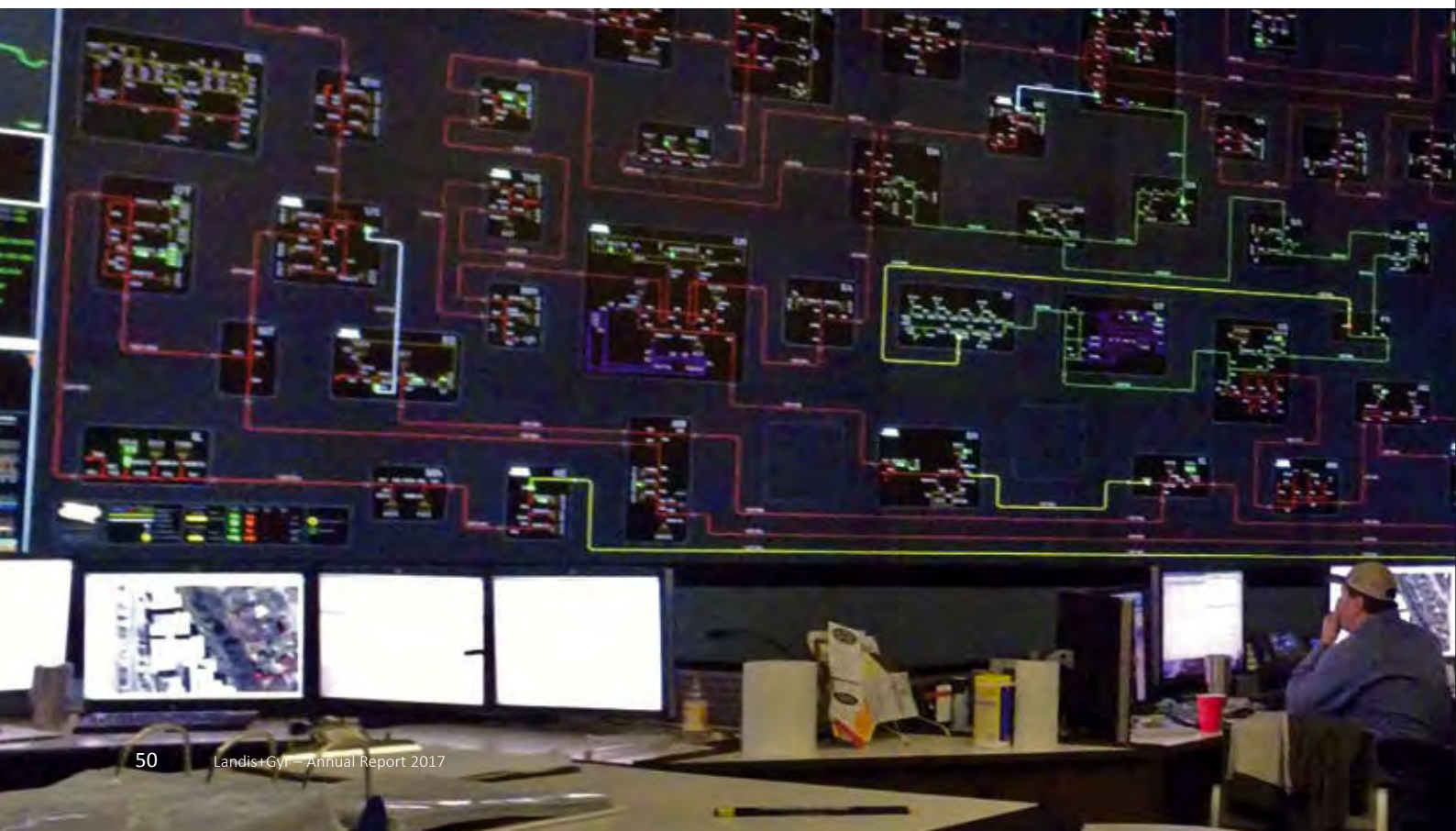
Software as a Service

Software packages, SaaS and cloud solutions – all tailored to specific customer needs



Customized Services

As AMI becomes an integrated part of utility operations, the volume of data is exploding, offering new opportunities for customized and complementary services to a utility. To help its customers keep their focus, Landis+Gyr has enlarged its services offerings, allowing a high level of customization tailored to utilities specific needs.



Landis+Gyr offers utilities a broad range of customized services including Managed Services contracts to completely outsource the AMI operations beside comprehensive training, installation and software design support. The offering is complemented by post customer services primarily related to software licenses, cloud services and Software as a Service (SaaS).

For many distribution system operators, it is not economically reasonable to invest into capabilities and resources to plan, install and operate in-house AMI and Smart Grid solutions. Utilities want to take advantage of actionable, high-quality data and be fully confident in the efficiency and security of their operational models. Also, predictability of costs and minimizing risks related to AMI and Smart Grid technology, integration and deployment play an important role in their decision making.

Expanding Managed Services Offering

Depending on a utility's preferences, Landis+Gyr's service offering varies from fully hosted services to hybrid ownership models tailored to each operator's individual business needs and regulatory requirements. These mandates can range from support for daily operations to a fully managed operating service on the basis of long-term agree-

ments or in connection with specific projects. These capabilities can include connected intelligent device supply, AMI solution planning and network design, project deployment management, and installation, operation and maintenance of the hosted software and field installed equipment.

Currently, Landis+Gyr offers its outsourced managed services predominantly in North America and is capturing opportunities in EMEA with first project wins in Finland and Asia Pacific via the newly established service platform IntelliHub. Landis+Gyr's network operations centers in the US monitor more than 15 million meter points and are in secure environments with 24-hour monitoring and controlled access, as well as cooling and fire suppression systems to support consistent operations. In compliance with industry best-practices, there are data protection, back-up and disaster recovery measures and policies in place.



A Team of Experts

Landis+Gyr shares its expertise and knowledge on technology advances, market trends and insight as well as own research results on a regular basis with interested parties. Landis+Gyr contributes to the current transformation process of the energy industry by actively participate at conferences and publishing topical White Papers and opinion pieces.

T.J. LaPorte

Senior Product Manager,
Gridstream® Security



Smart Grid Security: Preparing for the Standards-Based Future Without Neglecting the Needs of Today

Are you prepared for future data and infrastructure security challenges?

Michael Demeter

(CISSP, CSSLP), Security Architect



Stephen Chasko

(CISSP), Solutions Director, Security



Stopping the Next Breach: Non-Proprietary, Standards-Based solutions

Learn more about how a suite of sophisticated solutions helps utilities to manage energy better.

Laurie Dally

Product Manager Network Communications



Evaluating the Communications Component of Your Smart Grid Solution

What communications technologies are in your utility's five-year plan?

Jarno Suomela

Head of SW & Devices Platform Portfolio



Foundation for the next generation Energy IoT – power of platforms based for ecosystem

Maximizing the power of platform based for ecosystem.

Tim Weidenbach

VP Product Management



Ensuring AMI Scalability: 5 Dos and Don'ts

Is your utility ready for tomorrow's advanced smart grid applications?

Barbara Jeol-Pieters

Portfolio Manager

Complex challenges require not complex, but suitable solutions

Understanding a problem is the first step to resolve it.



Joe Andrews

Senior Product Manager



Sustainable product design – much more than the cultivation of one’s image

Smart Meter design allows for increased sustainability and economic benefits.



Soorya Kuloor

Practice Director Advanced Data Analytics



Data is good, but only as relevant business information it becomes valuable

How to efficiently operate the networks, improve reliability and recognize new end-customer needs?

Igor Dremelj

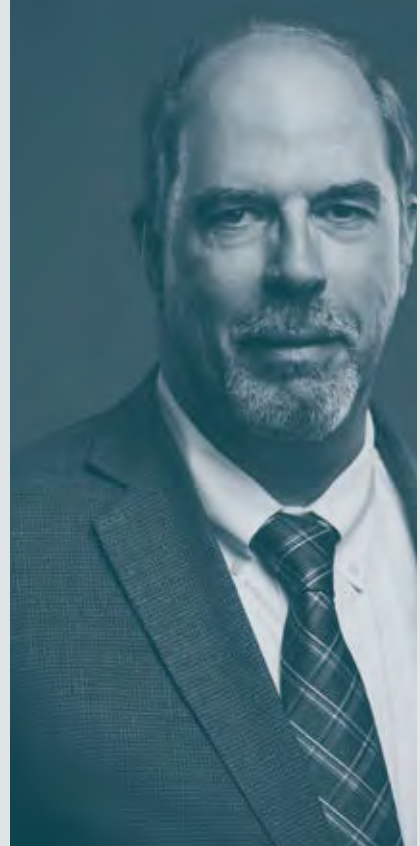
Vice President Strategic Solution Sales

Every problem is individual

Intelligent answers and solutions architecture solve a problem by offering new opportunities.

Larry Dickerman

Senior Director, Public Policy



Natural Disasters and Improving Community Resiliency: Proactive Energy Approaches

How can utilities proactively improve resiliency before disaster strikes?

Jamal Cheema

General Manager South East Asia



Solution design starts with listening to customers and understanding their challenges

How tailor-made solution designs best anticipate the customers' needs in light of utility industry dynamics, including regulation and market changes, environmental awareness and technological progress?

Andrew Marshall

Ph.D., Practice Director, Distributed Energy Resource Management



Energy Storage: A Delicious, Non-Decadent Tool

How energy storage solutions enhance the flexibility in energy management and integration of renewables.

Mikko Niemi

Solutions Director



Advanced Load Management: Challenges and Solutions

How does a multi-purpose network compare to load management alternatives?

Annina Blaas

R&D Team Lead



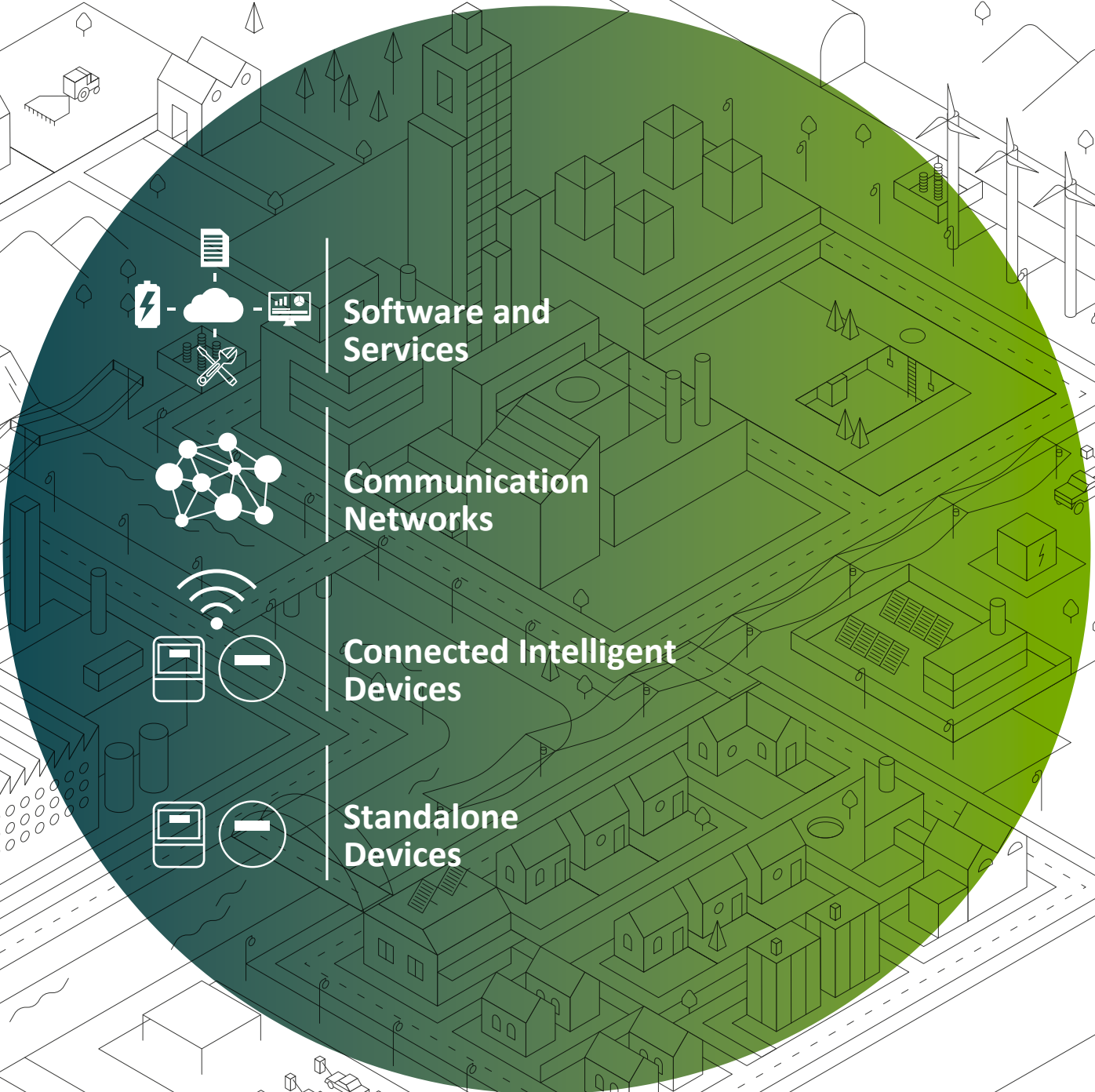
Our R&D combines outstanding knowledge with latest trends.

Today's meters' accuracy and devices' security rely on well-engineered interaction between hardware and software. Our R&D teams are prepared to and keen on tackling the challenges in device development.

Portfolio – The most comprehensive range of the industry

Landis+Gyr is the leading global provider of Smart Metering solutions helping 3'500 utilities and energy retailers around the globe to manage their billing for revenue assurance, improve the efficiency of their networks, upgrade energy delivery infrastructures, reduce energy costs and contribute to a sustainable use of resources.





Software and Services

Communication Networks

Connected Intelligent Devices

Standalone Devices

Landis+Gyr's offering, the most comprehensive portfolio in the industry, includes:

Standalone Devices

Landis+Gyr sells some of its meters as standalone devices.

- Non-AMI Electricity Meters: Landis+Gyr has many decades of experience designing and producing standalone electricity meters.
- Standalone Gas Meters: Landis+Gyr designs and produces gas meters that are available for residential and prepayment applications.
- Heat/Cold Meters and Other Solutions: Landis+Gyr designs and produces heat/cold meters used for heat-allocation or district-heat applications mainly in Europe and China.

Connected Intelligent Devices

Connected Intelligent Devices form the basis of AMI networks, providing utilities with comprehensive, near real-time access to information from the grid-edge. Landis+Gyr's range of intelligent products enables utilities to build modular communication platforms to create an ecosystem of connected intelligent devices on their distribution grids.

Smart Electricity Meters

Landis+Gyr offers the industry-leading set of Smart Meters for the residential, industrial, commercial and grid segments.

- Landis+Gyr has built its residential Smart Meters to enable sophisticated functions beyond consumption information including remote service connect/disconnect, robust

data storage, increased usage resolution, innovative pricing schedules, and anti-theft and anti-fraud features including remote firmware upgrades

- Landis+Gyr's series of electric prepayment meters offer the benefit of an electronic meter with a variety of sophisticated payment and control options
- Landis+Gyr's accompanying software application is scalable with open interfaces
- Industrial, commercial and grid electricity meters measure and monitor electricity usage and power quality for higher voltage applications, conventional and non-conventional voltage transformers and current transformers for transmission and generation.

Smart Gas Meters

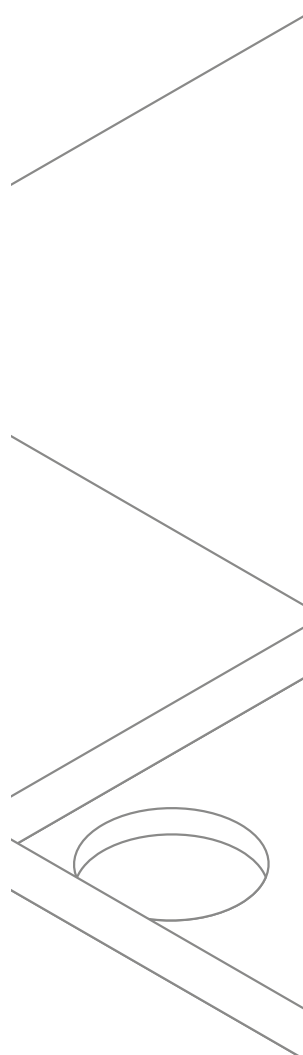
Landis+Gyr designs and produces the industry's leading ultrasonic smart gas meters for the residential segment. The smart gas meters are based on ultrasonic measurement technology to ensure accuracy, durability and precision over the meter's life span and offer a digital alternative to mechanical gas meters.

Advanced Load Management

Managing load capacity effectively requires harnessing the full potential of the grid. Landis+Gyr's innovative toolset can help utilities save money by reducing the amount of energy needed to meet demand and preventing renewables and aging or stressed assets from overloading the system.

Distribution Automation

Landis+Gyr's distribution infrastructure solutions



reach from the host application to the end device, with a resilient communication network in between. Designed for seamless integration into an existing network, the distribution automation system and sensors send information to a central control station and remotely respond to changes in demand.

DER Management

Utilities around the globe must address a growing pool of Distributed Energy Resources (DER). Whether customer, community or utility owned assets, there is a need for utilities to have visibility and control of supply and demand to minimize risk and maximize opportunity of DER across the entire distribution system. Landis+Gyr offers so-

lutions that enable grid stabilization elements to facilitate, among other things, voltage variation compensation and reactive power management.

Software and Services

Landis+Gyr offers an industry-leading suite of Smart Metering and Smart Grid enterprise software and analytics and a spectrum of Managed Services solutions.

Head-end Systems and Network Management

A head-end systems (HES) receives the stream of Smart Metering and Smart Grid data brought back to the service provider through the AMI net-



Standalone Devices

Meters for electricity, gas, heat/cold including prepayment solutions



Connected Intelligent Devices

Smart devices with modular and integrated communication allowing for near-realtime data flow



work. Landis+Gyr's software manages the AMI communications networks and the network device remotely. The HES can aggregate data from multiple communication technologies, as well as multi-utility metering in electricity, gas and water. Furthermore, it can be fully integrated with our Meter Data Management System (MDMS) to manage Distribution Automation. Open architecture enables seamless operation with other systems including billing, customer service, engineering analysis, outage management, demand response, load management and field service applications.

Meter Data Management

Landis+Gyr's Meter Data Management System is an interconnected enterprise IT solution that stores and validates data, automates business processes and uses analytics to apply logic to large volumes of data received from intelligent devices on the grid.

Advanced Grid Analytics

Landis+Gyr's Advanced Grid Analytics (AGA) solution is a software application that enables the utility's network operations, planning, asset management and customer service organizations to efficiently and safely manage its distribution grid. The Group's full suite of applications will seamlessly integrate into an existing system to generate an extremely accurate model of the distribution network and deliver unprecedented planning capabilities and real-time optimization.

Services

Landis+Gyr offers a comprehensive portfolio of services to help energy utilities reduce operating costs, deliver faster and more effective results for end customers and streamline operations. Landis+Gyr's service offerings are tailored to individual customer needs and include cloud hosting, disaster recovery, smart grid maintenance, technical support, system integration, employee training and more tailored to each utility's individual business needs and regulatory requirements.

- Metering as a Service (MaaS): Providing Managed Services and meter park operations for utilities
- Software as a Service (SaaS): Landis+Gyr further leverages its utility experience by also offering its customers subscription-based out-

sourcing for Smart Metering and Smart-Grid software and grid management applications.

- System deployment and integration services: Landis+Gyr offers full deployment, installation and integration services for all our products and solutions.

Communications Networks and Security

Communications Networks

Communications networks are one of the most essential components in building a Smart Grid and creating an ecosystem of connected intelligent devices. Landis+Gyr's communications technologies can be deployed across

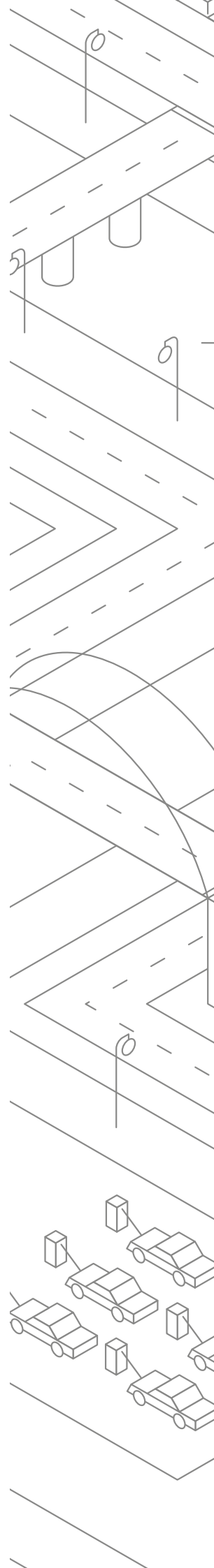
- Field Area Networks (FAN) for utility field operations (e.g. for smart metering)
- Wide Area Networks (WAN) for communications from the grid-edge to the utility or for remote / isolated metering points
- Home Area Networks (HAN) for in-home devices that form part of the utility network.

All communications technologies can be integrated into Landis+Gyr's head-end systems, for secure near real-time communication with and remote management of all connected intelligent devices. The offering includes

- network management systems (optimized for data transport, traffic reliability and security)
- remote device management systems (to ensure the right levels of application specific control and management for endpoints)
- applications (tied to business processes, such as consumer services, analytics, grid management, aggregation and demand response).

End-to-End Security

Landis+Gyr meets industry standard network security requirements and offer network solutions which deliver comprehensive end-to-end security through encryption and authentication of data transported over the network, supported by advanced software and hardware security solutions.



Software and Services

Software solutions and
tailormade service
options meeting
different needs



Communication networks

Blending different
communication
technologies to provide
flexibility and
performance



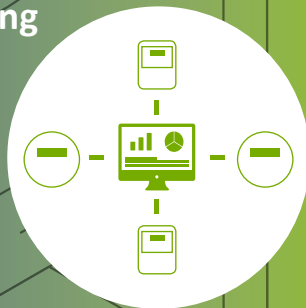
Gridstream®

Gridstream® is Landis+Gyr's branded solution for the Group's integrated, standards-based Smart Metering and Smart Grid portfolio of products, solutions and services. Currently, over 70 million connected intelligent devices are deployed or under contract. Gridstream® is customizable, interoperable and builds the backbone for utility's Internet of Things (IoT):

- Advanced Metering Infrastructure (AMI): Gridstream® AMI focuses on bringing together appropriate smart devices, communications networks and head-end systems, enabling utilities to manage their metering data and billing more efficiently and, thus, providing revenue assurance.
- Distribution Intelligence (DI): Gridstream® DI provides comprehensive near real-time access to information from the edge of the distribution network, empowering utilities with the data they need to make fast decisions and take actions.

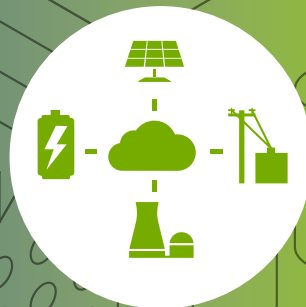
Advanced Metering Infrastructure (AMI)

Intelligent devices connected in a communication network and managed by a head-end system.



Distribution Intelligence

Enabling monitoring and intelligent management of distribution assets



- Customer Intelligence (CI): Consumers want freedom and flexibility, and utilities strive for a better long-term relationship with their customers. Landis+Gyr’s consumer engagement products accomplish both. Through Gridstream® CI, utilities can further increase consumer engagement through online portals where consumers can access information about their consumption, get online payment and budgeting options and therewith more freedom to manage their energy consumption in a more sustainable way.
- Gridstream® Connect is the only utility IoT networking solution designed to work with today’s communications technologies and those of the future. Gridstream® Connect is a secure, scalable, and flexible single platform to enable utility IoT operations even in an ever-changing environment. This communications platform sets a perfect foundation for utilities’ IoT.

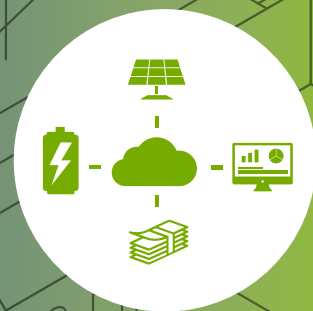
Gridstream® Connect

A powerful communication network as backbone for all kind of IoT applications



Customer Intelligence

Information to allow for consumer engagement and a sustainable use of energy at lower cost



Extended Executive Management

Prasanna Venkatesan,
Executive Vice President
Americas

Oliver Iltisberger,
Executive Vice President
EMEA

Jonathan Elmer,
Executive Vice President
and Chief Financial Officer

Adriana Paun,
Senior Vice President
Global HR

Ellie Doyle,
Executive Vice President
Asia Pacific

Bodo Zeug,
Executive Vice President
Supply Chain and Operations



Richard Mora,
Chief Executive Officer

Roger Amhof,
Executive Vice President
and Chief Strategy Officer

Charlie Pelissier,
Group General Counsel

Jyoti Mahurka Thombre,
Executive Vice President &
Chief Technology Officer

Hans Sonder,
Senior Vice President
Business Transformation



Board of Directors





1 Pierre Alain Graf,
Independent Member

2 Christina Stercken,
Independent Member

3 Andreas Umbach,
Chairman

4 Dave Geary,
Independent Member

5 Eric Elzvik,
Lead Independent Director

6 Andreas Spreiter,
Independent Member

Share Information

CAPITAL STRUCTURE

	31.03.2018	31.03.2017
Par value per share (CHF)	10.00	10.00
Total registered shares	29'510'000	29'510'000
Number of dividend-bearing shares	29'510'000	29'510'000
Registered capital (CHF)	295'100'000	295'100'000
Conditional capital (CHF)	4'500'000	–
Number of registered shareholders	11'925	2

The par value, the total registered shares, and the number dividend-bearing shares at March 31, 2017 were restated in connection with the reverse stock split related to the IPO. For further information refer to the notes in the consolidated financial statements in the Financial Report FY 2017.

KEY STOCK EXCHANGE FIGURES

	21.07.2017 – 31.03.2018
Share price high (CHF)	80.90
Share price low (CHF)	67.10
Closing share price (31.03.2018, CHF)	73.95
Average volume per trading day (number of shares) ¹	151'761
Market capitalization in CHF billion (31.03.2018)	2.182

1 Excluding day of IPO.

KEY FIGURES PER SHARE

	31.03.2018	31.03.2017
Earnings per share—basic and diluted (USD)	1.57	(2.12)
Free cash flow ¹ per share (USD)	2.96	1.80
Dividend per share (CHF)	2.30 ²	n/a
Equity per share (USD)	61.15	58.63

1 Calculated as net cash provided by operating activities, minus net cash used in investing activities, excluding merger and acquisition activities. For more information refer to the Financial Report 2017.

2 Proposed to the Annual General Meeting on June 28, 2018.

SHARE PRICE PERFORMANCE LANDIS+GYR



Listing	SIX Swiss Exchange (International Reporting Standard)
Ticker symbol	LAND
Swiss Security Number	37115349
ISIN	CH37115349
Nominal value	CHF 10.00
Issued shares	29'510'000
Placement price	CHF 78.00
1st trading day	July 21, 2017
Indices	SPI, SPI Extra, SPI ex SLI, Swiss All Share Index, UBS 100 Index, Ethos Swiss Governance Index
Accounting standard	US GAAP

SHAREHOLDERS STRUCTURE¹

As of March 31, 2018, there were 11'925 shareholders entered in the share register. The following shareholders held 3% or more of the outstanding share capital of Landis+Gyr Group AG:

Holder	Filing Date	Percentage
Rudolf Maag, Binningen BL, Switzerland	July 24, 2017	10.17
Franklin Resources, Inc., United States	February 5, 2018	6.18
Kristiansen Group, Denmark	February 6, 2018	5.13

¹ For more details see Corporate Governance Report 2017, chapter 1.2 Significant Shareholders.

Information Policy

The Landis+Gyr Group maintains an open dialog with all internal and external stakeholders. Our information policy is based on consistent, effective, open, honest and timely communication. Matters affecting the share price are published immediately in accordance with the ad hoc publicity rules of the SIX Swiss Exchange.

Contact Investor Relations

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 Email: share.register@computershare.ch

CORPORATE CALENDAR

Ordinary General Meeting 2018	June 28, 2018
Release of Half-year Results 2018	October 26, 2018
Release Sustainability Report	October 26, 2018
Release of Results for Financial Year 2018	May 29, 2019
Ordinary General Meeting 2019	June 25, 2019

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Landis+Gyr Equip. de Medição Ltda.
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