

Landis+Gyr Group AG
Theilerstrasse 1
Postfach 260
6301 Zug
Switzerland

Landis+Gyr Comments on US Tax Reform

Zug, 23 January 2018 – Landis+Gyr (LAND.SW), a global leader in transforming the way energy is delivered and managed, today issued the following statement.

At the end of 2017 the US government signed into law the Tax Cuts and Jobs Act (the Act). Initial assessment of the Act's impact on Landis+Gyr's tax positions and future tax guidance has been completed. The ultimate impact of the Act is still subject to complex provisions in the legislation, with some further guidance and clarifications expected from US tax authorities. Landis+Gyr will continue our review of this guidance and will provide more detailed information with the publication of 2017 Annual Results, currently planned for June 5, 2018. However, due to the extraordinary interest caused by the Act, Landis+Gyr has decided by way of exception to comment at this time.

Pursuant to the Act, Landis+Gyr will revalue its existing US deferred tax asset and liability balances for the current financial year to reflect the decrease in the US federal corporate income tax rate from 35 percent to 21 percent beginning January 1, 2018. This revaluation is expected to decrease the company's net deferred tax liability by approximately USD 22 million, which will result in a credit to the Consolidated Statement of Operations of the same amount.

From January 1, 2018, Landis+Gyr will also incur lower US income tax expenses. Given that there will only be one quarter of lower income taxes in FY17 (ending March 31, 2018), the impact in the current financial year is not expected to be significant. Thereafter, due to the lower US income tax expenses, Landis+Gyr expects an increase in free cash flow of approximately USD 15 – 20 million per annum.

About Landis+Gyr

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, load control, analytics and energy storage. Landis+Gyr operates in over 30 countries across five continents. With sales of approximately USD 1.7 billion, the company employs c. 6,000 people with the sole mission of helping the world manage energy better. More information is available at www.landisgyr.com.

Contact

For further details, please contact:

Martin Meier-Pfister
IRF Communications
Phone: +41 43 244 81 40
Email: martin.meier-pfister@irfcom.ch

Disclaimer

This publication may contain specific forward-looking statements, e.g., statements including terms like "believe", "assume", "expect", "forecast", "project", "may", "could", "might", "will" or similar expressions. Such forward-looking statements are subject to known and unknown risks, uncertainties and other factors which may result in a substantial divergence between the actual results, financial situation, development or performance of Landis+Gyr Group AG and those explicitly or implicitly presumed in these statements. Against the background of these uncertainties, readers should not rely on forward-looking statements. Landis+Gyr Group AG assumes no responsibility to update forward-looking statements or to adapt them to future events or developments.