

**Geberit – excellent results for the first half of 1999
Growth of 12.6% in sales – 30% in operating profits**

Geberit AG's successful IPO at the end of the first half of 1999 is the culmination of an extremely positive development over the first six months of the current fiscal year. Sales increased by 12.6%; operating profits grew approximately 30%.

Strong growth in sales

Geberit successfully sustained its positive sales trend of the last few years through the first half of the current fiscal year. Sales over this period amounted to CHF 606.5 million (CHF 538.8 million), an increase of 12.6%. Currency-adjusted sales grew 13.3%. Organic sales growth was 7.1%.

In local currency terms the Netherlands once again posted the highest growth rate among the Company's core markets with an increase of 24.4%, followed by Italy with 13% growth and France with 9.4%. Sales increased by 3.3% in Germany and 2% in Switzerland.

Following the acquisition of Caradon Terrain Ltd., the UK accounted for 4.3% of Group sales in the first half of the year. Consequently the UK has now joined the group of Geberit's eight core markets, led by Germany, which accounts for 42.6% of Group sales.

Management believes that the consistent implementation of the Company's internationalisation strategy contributed to strong sales growth in regions outside existing core markets. In particular Eastern European countries once again achieved an impressive growth rate of 43.8%.

All product lines contributed to the positive development of Geberit's sales. Drainage systems ranked first with an increase of 21.6% or CHF 34.6 million, CHF 29.2 million of which resulted from the acquisition of Geberit Terrain. Water supply systems achieved the strongest internal growth rate, 19.8%. Installation systems sales increased 9%, flushing systems 2.5% and shower toilets 4%.

Excellent operating results

Earnings before interest and taxes (EBIT) for the first half of 1999 rose 30.1% to CHF 100.8 million. Operating cash flow (EBITDA) grew by CHF 28.2 million to CHF 162.8 million, an increase of 21%. Geberit attributes the growth primarily to the successful launch of new products, but also to the substantial influence of the Company's ongoing cost reduction and optimisation programmes.

One-time impact on net income from refinancing

Net income for the first half of 1999 amounted to CHF 18.1 million following a one-time net deduction of CHF 24.0 million incurred as a result of a refinancing of the Group's indebtedness. Without this non-recurring expense, adjusted for tax effects, the Company's adjusted net income for the first half of 1999 totalled CHF 42.1 million, compared to CHF 27.4 million for the same period last year (+53.6%).

Investing in the future

Geberit's capital expenditure amounted to CHF 38 million in the first half of 1999. The largest single investment (CHF 5.4 million) was related to Geberit's new logistics centre in Pfullendorf, Germany.

Also in the first half of 1999 Geberit acquired 100% of the capital stock of Caradon Terrain Ltd. (now Geberit Terrain Ltd.) as of February 1, 1999. Geberit also raised its shareholding in FAE Fluid Air Energy SA from 40% to 70% as of June 30.

Outlook

Management expects the Company's substantial growth in sales and earnings compared to the same period in the previous year to be reflected in its full year results in view of sustained overall market stability. However, the results for the first half of the year cannot be extrapolated to the complete fiscal year, since the Company historically has experienced somewhat stronger results in the first half than in the second half of the fiscal year.

For a complete version of the half-year report please go to www.geberit.com on the internet.