

Initial information on the 1999 financial year

Geberit: Accelerated sales growth

For the year of its initial public offering, the Geberit Group, Europe's innovative market leader in sanitary technology, reports consolidated total sales of CHF 1,191 million. With a strong upswing in the fourth quarter of 1999, sales for the whole year increased by 15.4%. Currency-adjusted sales grew by 16%. Organic growth amounts to 8.8%. The Group Executive Board expects earnings for the 1999 financial year to grow faster than sales. The annual financial results will be announced at the financial media conference scheduled for 29 March 2000.

With accumulated sales of CHF 1,190.7 million, the Geberit Group continued its strong development in 1999. Compared to the previous year, sales increased by 15.4%. Adjusted for the acquisition of Caradon Terrain, organic sales growth for 1999 is 8.8%. Owing to the slight increase of the Swiss franc compared to the euro during the year under review, currency-adjusted sales growth is reported at 16.0%. Organic growth adjusted for currency effects is 9.6%.

Sales showed a strong upswing in the second half of the year. While sales in the third quarter grew organically by 9.0% (or 10.8% when adjusted for currency effects), the increase for the fourth quarter was 12.8% (or 12.6% when adjusted for currency effects).

Sales growth for 1999 in Geberit's European core markets in local currency is +6.5% for Germany, +15.9% for Italy, +3.9% for Switzerland, +5.9% for Austria, +21.9% for the Netherlands, +12.4% for France and +7.5% for Belgium. In the United Kingdom, owing to the acquisition of Geberit Terrain, the total sales of CHF 59.1 million cannot be compared to the previous year. Particularly high growth rates were again reported for Eastern Europe and the non-European countries.

Of the product lines, sales in drainage systems (+28.2%) and water supply systems (+23.8%) grew strongest. While sales in installation systems (+10.3%) also showed a healthy increase, the growth rates for flushing systems (+2.6%) and shower toilets (+1.3%) remained below average.

Geberit's Group Executive Board expects significant earnings growth for 1999. Based on information available today, both operative results and net earnings will grow faster than sales. The annual financial statements for 1999 and further information on the past financial year will be disclosed at the financial media conference in Zurich scheduled for 29 March 2000.

The economic parameters have generally improved, especially for the core markets Germany and Switzerland. Geberit's internal conditions for a continuation of the economic success are very good. For the 2000 financial year, the Group Executive Board expects continued growth in sales and earnings.