

Information on the First Half 2000

Significant Earnings Growth at Geberit

Jona, August 3, 2000. **The Geberit Group continues to grow. In the first six months 2000 the Company has increased its sales by 6.7% to CHF 647.4 million and its operating profit by 16.4% to CHF 117.3 million. In the absence of non-recurring financing costs of the comparable prior year period, net income has tripled to CHF 61.4 million. With respect to the whole year this effect will be diminished. Overall, the Group Executive Board expects a continuing sales growth with a progressive rise in operating profit and an increase in net income by approx. 100% for the fiscal year 2000.**

In the first half 2000 Geberit generated sales of CHF 647.4 million representing an increase against the prior year (CHF 606.5 million) of 6.7%. As exchange rate differences were in balance, the currency adjusted growth rate is the same.

Compared to the prior year, the course of operations in the first two quarters experienced strong fluctuations. Following a sharp rise in invoiced sales by 12.4% (10.9% net of currency effects) in the first quarter, in the second quarter sales slowed down markedly with a moderate 1.3% increase (2.5% net of currency effects). In particular, sales were below expectations during the month of June.

While in Great Britain (+29.5%), Italy (+17.8%), Belgium (+8.9%), Austria (+8.3%), in the Netherlands (+7.2%) as well as in Southern Europe, Asia and in the U.S. currency adjusted sales showed a positive development, sales remained at -0.2% in Germany due to the unexpected weak economic development in the new Federal States.

The operating cash flow (EBITDA) increased in line with sales to CHF 173.7 million. This represents a 26.8% margin, the same as in the first half 1999. Higher prices of raw materials were set off by ongoing internal efficiency improvements. The operating result (EBIT) rose by 16.4% to CHF 117.3 million. The EBIT margin at 18.1% was significantly above the comparable prior year figure (16.6%), mainly as a result of decreasing amortisations of intangible assets such as patents and know-how.

Net income in the first half 2000 has more than tripled and reached CHF 61.4 million (prior year CHF 18.1 million). The return on sales for the period under review is 9.5% (prior year 3%). The reasons for this strong increase are the improvement of the operating result and the absence of non-recurrent refinancing costs of the second quarter 1999 as well as the further reduction of current interest expenses.

Thanks to the positive development of the net result, the equity ratio remained at almost 32%, although approx. 100,000 own shares were purchased as "acquisition funds" during the accounting period.

Management anticipates an overall positive development for the second half of the year. A 6 to 8% organic growth for the whole year is expected. Net income is expected to rise by approx. 100% over the previous year.

As European market leader the Geberit Group is a global provider in the area of sanitary technology and employs a staff of approx. 4,300 worldwide.

(See page 3 for a table of financial ratios)

Key Figures

CHF in millions

	Accumulated figures	
	1/1999 - 6/1999	1/2000 - 6/2000
Sales	606.5	647.4
Increase (in %)	12.6 ¹⁾	6.7
Operating profit (EBIT)	100.8	117.3
Increase (in %)	30.1	16.4
Margin (in %)	16.6	18.1
Net income	18.1	61.4
Increase (in %)	-33.9 ²⁾	239.2
Margin (in %)	3.0	9.5
Operating Cash Flow (EBITDA)	162.8	173.7
Increase (in %)	21.0	6.7
Margin (in %)	26.8	26.8
Shareholders' equity (30.6.)	460.4	470.1
Equity ratio (in %)	29.1	31.6
Earnings per share - basic (CHF)	3.63	14.97
Earnings per share - adjusted ³⁾ (CHF)	16.83	20.10
Number of employees (half year average)	4091	4279

1) incl. acquisitions (organic 7.1%)

2) includes a one time financial expense in the 2nd quarter 1999

3) adjusted for amortisations and nonrecurring financial expenses

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