

## **Geberit records significant increase in results**

Zurich, 21 March 2001. **Today the Geberit Group, Jona, has published its financial statements for the year 2000. For the year under review the company recorded consolidated sales of MCHF 1,208.5, an increase of 1.5% against the prior year; after currency adjustments the rise in sales amounted to 3.0%. The operating profit (EBIT) rose by 7.5% to MCHF 189.7. Net income amounted to MCHF 104.4 and almost doubled against the prior year. Adjusted earnings per share increased to CHF 35.16. A 25% increase of the dividend to CHF 10.00 will be proposed to the general meeting. For the current fiscal year the management anticipates an improved sales growth and progressive increase in net income and earnings per share.**

### **Moderate sales growth**

In the financial year 2000 the Geberit Group generated a slight sales growth of 1.5% to MCHF 1,208.5, which was mainly the result of a downturn in consumer sentiment and in the construction industry, in particular in Germany where sales declined by 4.9% in local currency. However, in Italy, the Group's second largest market, a 13.7% rise was recorded. The markets in the United Kingdom, Austria and the Netherlands also saw an above-average growth. Outside the eight core markets sales rose by 15.5% and contributed a 10.3% share to Group sales (prior year: 9%).

### **High operating results**

Operating results were on a high level. The operating profit (EBIT) amounted to MCHF 189.7 corresponding to a progressive growth of 7.5%. The EBIT margin improved to 15.7% from 14.8% in the previous year. The operating cash flow (EBITDA) of MCHF 297.5 declined by 2% against the prior year figure. The EBITDA margin amounted to 24.6%.

### **Net income almost doubled**

In the year under review Geberit generated net income of MCHF 104.4, corresponding to a 92.3% increase. The return on net sales rose to 8.6%. Earnings per share increased by 93.5% to CHF 25.72. After amortisation of goodwill and intangible assets, earnings per share rose by 7.1% to CHF 35.16.

## **Sound financial base**

The net cash flow rose by 11.3% against the prior year to MCHF 207.5. The free cash flow amounted to MCHF 117.2. The equity ratio rose to 34.1%. In the year under review the Geberit Group generated return on equity of 21.2%.

In view of the sound financial base and excellent earnings position, the Board of Directors will propose to the general meeting on

26 April 2001 the distribution of a dividend of CHF 10.00 per share, an increase of 25% over the previous year.

## **Outlook**

In the fiscal year 2001 the economic environment will remain difficult, in particular in Germany. Nevertheless, the management anticipates a sound organic growth. In view of the further decline in amortisation, an improved financial result and a lower tax rate, management expects a progressive improvement of net income and earnings per share.

As European market leader the Geberit Group is a global provider in the area of sanitary technology and employs a staff of approximately 4,250 worldwide.