

Geberit Group – Quarterly Report as of 30 September 2001

Good Earnings Level despite Decline in Sales

Jona, 30 October 2001 – **In a continuously difficult market environment, the Geberit Group has generated consolidated sales of CHF 920 million in the first nine months 2001, a decline against the prior year of 3.4% expressed in Swiss Francs and of 0.8% in local currencies. At CHF 149.9 million and with a margin of 16.3%, the operating profit was on a high level. Return on sales amounted to 10.0% representing a slight rise over the prior year. Net income was CHF 91.6 million. For the total year 2001, management anticipates a moderate decline in sales and a good earnings position.**

Mainly as a result of the weak month of September, the hopes for a recovery in the third quarter were not fulfilled. Quarterly sales declined against the prior year by 3.7% (1.8% in local currencies) and amounted to CHF 293.2 million.

As of the end of September this resulted in a 3.4% decrease in sales to CHF 919.7 million (prior year: CHF 952.1 million). Excluding currency effects sales declined by 0.8%.

As of end of September, sales in local currencies developed positively in the Netherlands (+7.5%), France (+6.0%), Switzerland (+4.0%), Belgium (+3.6%), Italy (+3.5%) and Austria (+1.4%) whereas they declined against the prior year in Germany (-8.4%) and the United Kingdom (-0.8%). Outside these core markets, the positive trend continued with a cumulative rise in sales of 8.2%. Outside Germany, Geberit sales rose by 4.2% in the first nine months.

The operating cashflow (EBITDA) amounted to CHF 226.5 million against CHF 251.6 million in the first nine months 2000. The EBITDA margin was 24.6%.

Media release

Due to the continuously high funding provided for market and product development, non-recurrent expenses for the introduction of new products and as a result of the decline in sales and the strength of the Swiss Franc, the operating profit (EBIT) decreased by 11.9% to CHF 149.9 million (prior year: CHF 170.2 million). The EBIT margin reached 16.3%.

Due to the positive impact of the financial result and taxes, net income declined only by 3.1% to CHF 91.6 million. Return on sales was 10.0%, slightly above the prior year figure. Earnings per share amounted to CHF 22.84.

In the first nine months, the Group's financial position has again improved against 31 December 2000. Net financial debt was reduced from CHF 495.7 million to CHF 429.0 million as of 30 September 2001. The equity ratio rose from 34.1% to 37.1%.

Management does not anticipate any significant improvement in the fourth quarter and expects a moderate decline in sales and a good earnings position for the total year 2001.

As European market leader the Geberit Group is a global provider in the area of sanitary technology and employs a staff of approximately 4,200 worldwide.

(See page 3 for key financial figures)

Key Financial Figures as of 30 September 2001

Millions of CHF ¹⁾	1/01 - 9/01	1/00 - 9/00
Sales	919.7	952.1
YoY in %	-3.4	2.7
Operating profit (EBIT)	149.9	170.2
YoY in %	-11.9	6.5
In % of sales	16.3	17.9
Net income	91.6	94.5
YoY in %	-3.1	98.6
In % of sales	10.0	9.9
Operating cashflow (EBITDA)	226.5	251.6
YoY in %	-10.0	-1.3
In % of sales	24.6	26.4
Shareholders' equity	542.2	492.5 ²⁾
Equity ratio in %	37.1	34.1 ²⁾
Earnings per share - basic (CHF)	22.84	23.18
Earnings per share - adjusted (CHF)	29.30	30.46
Average number of employees	4'199	4'277

¹⁾ except where otherwise indicated

²⁾ as of 31 December 2000