

Geberit expands its Piping Systems Division

Jona, 12 December 2003 – **On 11 December 2003, the Geberit Group has entered into an agreement with an affiliate of Lindsay Goldberg & Bessemer L.P. on the acquisition of all interests in Mapress Holding GmbH, Langenfeld, Germany. Mapress is a leading European provider of press fitting systems and drainage solutions, mainly made of stainless steel. The company generates sales of approx. 230 million Euro with 921 employees. The operating profit margins of approx. 23% are on the Geberit level. The purchase price amounts to 372.5 million Euro. With this acquisition, the Geberit Group expands its Piping Systems division, broadens its geographic presence and opens up further potential for an improvement of its sales and results. In its current business segments, based on the positive development in October and November, Management expects a growth of slightly more than 9% as well as a marked increase of the operating results and earnings per share for the total financial year 2003.**

The Mapress Group is a pioneer and one of the leading European providers of high-quality metal press fitting systems and drainage solutions made of stainless steel, carbon steel and copper for a broad variety of applications. The main areas of application are water supply and heating for residential buildings, building drainage, fire sprinkler systems, gas distribution, industrial applications as well as marine. With its own distribution organisations in Germany, Italy, Austria and France, Mapress operates within the classical distribution channels and, via Blücher Metal ApS (Denmark) acquired in 2002, has a strong position in Scandinavia. In the other parts of Europe and overseas, the company mainly cooperates with independent distributors. Production units are located in Langenfeld, Germany, as well as in Vildbjerg and Vojens, Denmark. The Mapress Group has 921 employees and generates sales of approx. 230 million Euro (CHF 362 million). The company is highly profitable and has been achieving substantial EBITDA margins on the same level as Geberit for years.

Geberit acquires Mapress at a price of 372.5 million Euro (less net debt) from an affiliate of Bessemer Holdings L.P., which together with its successor Lindsay Goldberg & Bessemer L.P., a US-based private equity investment fund, is advised by Bessemer Vogel & Treichl GmbH in German speaking Europe. The price corresponds to 6.9 times the operating cashflow (EBITDA). The transaction will be financed from available cash, drawings on existing credit facilities and by raising a new loan. The purchase contract is subject to the approval of the competition authorities.

The acquisition and subsequent integration is a major strategic expansion of Geberit's Piping Systems division, adding complementary and high-quality brand products. Geberit acquires a well managed and very profitable company with growth potential which can be rapidly integrated into the existing Geberit business processes. On a 2003 pro-forma basis, the acquisition creates a company with sales of over CHF 1.7 billion, operating cashflow (EBITDA) of more than CHF 400 million, 5'420 employees and a sound finance structure with a 34% equity ratio. The geographic distribution of sales will be further broadened. The contribution of Germany to Group sales will initially rise to 34%. The share of Piping Systems of Group sales will increase to approx. 50% as a result of the acquisition.

In view of the significant strategic benefits, this acquisition is apt to trigger a sustainable increase in the Geberit Group's value.

The current business of the Geberit Group continued its positive development also in October and November. As of 30 November 2003, consolidated sales at CHF 1'328 million exceeded the comparable prior year figure by 9.9% (in organic terms 5.6%). On this basis, Management anticipates a growth of slightly over 9% and a significant increase in the operating results and earnings per share for the total financial year 2003.