

Annual results 2002**Geberit with excellent results**

Zurich, 20 March 2003 – **Thanks to organic growth and as a result of acquisitions, the Geberit Group grew by 9.3% to MCHF 1,273 (prior year MCHF 1,165) in 2002. The operating profit and net income rose to MCHF 186.3 and MCHF 118.1, respectively, corresponding to growth rates of 18.6% and 28.2%. At MCHF 295.7, the operating cashflow (EBITDA) also rose markedly against the prior year. The distribution to shareholders is to be increased to CHF 14.00 (prior year CHF 10.00). Management see good chances for the current year to achieve moderate sales growth and to maintain results at an above-average level.**

Significant rise in total sales

Following the decline in 2001, Geberit grew by 9.3% to MCHF 1,273.0 in the past fiscal year. In local currencies, the increase amounted to 12.2%. The internal growth rate was 3.4% respective 6.4% currency adjusted. The companies acquired in 2002 contributed 5.9% to total growth.

Progressing internationalisation ¹⁾

Sales in the major European markets increased by 5.3%, in the other European markets, including Central and Eastern Europe, they rose by 19.8%. In America, an organic growth of 13.8% was generated. The Asia region expanded, however from a still moderate level, by 67.8%. Therefore, the trend towards higher growth outside the major European markets that has been evident for years continued in 2002.

Growth in the product areas

The product area Sanitary Systems contributed 64% to total sales and achieved a growth of 13.6% with new products and the acquisitions. With a 2.3% sales growth, the product area Piping Systems generated 36% of Group Sales.

1) Growth rates of the markets in local currency

Significant increase in profitability

As a result of a rise in volume, successful product launches and efficient cost control, the Geberit Group was able to significantly increase its profitability in the fiscal year 2002. The operating cashflow (EBITDA) rose by 13.0% to MCHF 295.7 against the prior year. This corresponds to an EBITDA margin of 23.2%. Operating income (EBIT) rose by 18.6% to MCHF 186.3 (14.6% margin). Net income increased by 28.2% to MCHF 118.1. Return on sales amounted to 9.3%. Earnings per share were CHF 29.22, a 27.0% rise against the prior year.

Strengthened equity base and balance sheet structure

Thanks to a 40.1% rise in free cashflow to MCHF 200.1, the balance sheet structure of the Geberit Group improved further. Net debt was reduced by MCHF 109.3 to MCHF 294.5. The equity ratio rose to 42.0% in 2002. In terms of average shareholders' equity, the Group generated return on equity of 20.1% in the year under review.

In view of the good earnings situation and sound financial structure, the distribution to shareholders is to be increased substantially. The Board of Directors will propose to the general meeting a repayment of par value of CHF 9.00 per share as well as a dividend of CHF 5.00 per share, i.e. a total distribution of CHF 14.00 per share (prior year CHF 10.00).

Outlook

Management expect the geopolitical and economic environment to be difficult in 2003. The Geberit Group intends to take advantage of the existing growth impetus in the renovation sector and to further expand its market position. All in all, management see a good chance for the current fiscal year to build on the achievements of the year 2002, to generate moderate sales growth, to maintain operating results at an above-average level and to further increase per share earnings.

As European market leader, the Geberit Group is a global provider in the area of sanitary technology with sales of CHF 1.3 billion and employs a staff of 4,500 worldwide.