

First information on the year 2005

## **Geberit with excellent year 2005**

Geberit AG, Jona, 19 January 2006

**In the year 2005, the Geberit Group generated sales of CHF 1'922.9 million (prior year CHF 1'906.8 million). This corresponds to a growth of 0.8% in Swiss Francs and of 0.5% after currency adjustments. The organic growth amounted to 5.4% or 5.0% in local currencies. For the entire year, Management expects operating results to remain on the high prior year level as well as a marked increase in earnings per share. The 2005 financial statements and annual report will be published on the occasion of the analysts' and media conference on 16 March in Zurich. Management has adopted a share buyback in the aggregate amount of CHF 200 million for 2006.**

### **Positive sales development in the 4<sup>th</sup> quarter**

With CHF 436.0 million and a 3.5% increase (1.8% after currency adjustments), the satisfactory sales development continued in the 4<sup>th</sup> quarter. The organic growth was 9.3% (7.5% after currency adjustments).

This development also had a positive impact on sales for the entire year 2005. Sales of the Geberit Group amounted to CHF 1'922.9 million which corresponds to a rise against the prior year of 0.8% (0.5% after currency adjustments). The growth rate after adjustments for disinvestments effects was 5.4% in Swiss Francs and 5.0% in local currencies.

### **Satisfactory development of the markets<sup>1)</sup>**

With a 5.3% growth, the development of the European markets continued to be remarkable. Two-digit growth rates were recorded in the United Kingdom (+14.4%), France (+11.4%) and Austria (+10.1%). Satisfactory sales growth was generated in Belgium (+9.4%), Switzerland (+8.8%), the Netherlands (+8.2%) and Italy (+3.3%). Germany (-1.0%) competed remarkable in a difficult market environment. The other European markets boasted a 15.3% growth. Even more significant increases were recorded in the Middle East/Africa (+20.0%) and Far East/Pacific (+42.4%) regions. Only America posted a disappointing 7.0% decline.

### **Results remaining on the high prior year level**

Based on the solid sales growth, Management expects operating results for the entire year 2005 to remain on the high prior year level as well as a significant increase in earnings per share, mainly due to the discontinuation of goodwill amortization.

The financial statements and complete annual report for 2005 will be published on the occasion of the analysts' and media conference on 16 March 2006 in Zurich.

1) in organic terms and in local currencies

**Repurchase of shares resolved for 2006**

Management resolved to implement a share buyback in 2006. Shares in an aggregate amount of up to CHF 200 million are to be repurchased via a separate trading line, deducting the withholding tax. As of today no decision has been made with respect to the use of such repurchased shares. Possible options are a capital reduction, acquisitions or a resale.

**Changes on the Board of Directors and Group Executive Board**

Rudolf Maag will not be available for re-election to the Board of Directors. The Board of Directors regrets this very much and would like to express its thanks to Rudolf Maag for his strong commitment and valuable contribution to the success of the Geberit Group over the past six years.

After 27 years of successful work on the Group Executive Board, the Head of the Group Division "Products", Randolph Hanslin (64), expressed the wish to retire in the 1<sup>st</sup> half-year 2006. The Board of Directors complied with this request but asked Randolph Hanslin to continue to make his valuable experience available to the Company as a member of the Board of Directors. A corresponding proposal will be submitted to the 2006 general meeting. The follow-up regulation is currently being discussed.

**Disinvestment of the product line Underground Piping Systems successfully completed**

Deriplast S.p.a. (Italy) was subdivided in connection with the disinvestment of the product line Underground Piping Systems. The Underground Piping Systems segment was sold to private investors. The production of PE and acoustic-optimized pipes as well as special piping components will, however, remain with Geberit and be continued at the former location as part of the product line Drainage Systems. Thus the disinvestment of the product line Underground Piping Systems was successfully completed as of the year-end 2005 as planned.

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As European market leader, the Geberit Group is a global provider in the area of sanitary technology with sales of approximately CHF 1.9 billion and a staff of 5,200 in about 40 countries worldwide.