

Half-Year Report as of June 30, 2009

Geberit: Sustained operating margin

Geberit AG, Rapperswil-Jona, August 11, 2009

The Geberit Group is reporting a convincing close to the first half of 2009 in an exceptionally difficult environment. Sales in almost all Geberit markets were characterized by the effects of the worldwide economic crisis. Consolidated sales reached CHF 1099.1 million, which corresponds to a decrease of 14.9% in Swiss francs or 9.4% after currency adjustments. Operating cashflow (EBITDA) declined by 15.5% to CHF 307.8 million, operating profit by 17.6% to CHF 267.5 million. Net income was CHF 202.9 million, 20.7% less than for the same period in the prior year. For the year 2009 as a whole, Management is expecting operating results in the upper range of medium-term targets.

Geberit Group sales in the first six months of 2009 amounted to CHF 1099.1 million, as compared to CHF 1291.6 million in the prior year. This represents a decrease of 14.9% in Swiss francs. Included in this were significant currency losses, primarily from the Euro. In local currency, this amounted to a decline of 9.4%.

Sales fell in the second quarter by 15.6%, as compared to 14.2% in the previous quarter. After currency adjustments, the decline amounted to 10.5%, 8.3% in the previous quarter.

The declines in sales in the established markets of the Group were considerably more moderate than those in the developing markets. In Europe, sales after currency adjustments fell by 9.0%. The core markets of Germany (-2.4%), Austria (-2.8%), the Benelux countries (-5.0%) and Switzerland (-8.2%) registered below-average drops in sales, as was also the case for France (-3.5%). Italy (-16.0%) was the only one of these reporting a significant decrease. The Nordic countries (-18.6%), the United Kingdom/Ireland (-18.8%), Central/Eastern Europe (-20.9%) and the Iberian peninsula (-32.5%) also experienced similarly heavy declines. Various project stops or cancellations resulted in a fall in sales in the Middle East/Africa region of 11.5% and of 17.0% in the Far East/Pacific region. In America, following the initial effects on private residential construction, the crisis is now being felt in the commercial building activities, the area of main relevance for Geberit, a fact which has led to a decline in sales of 15.9% for the first half of 2009.

In the product area Sanitary Systems, sales declined by 13.4% (after currency adjustments: -8.1%) to CHF 639.4 million, and by 16.9% (after currency adjustments -11.2%) to CHF 459.7 million in the product area Piping Systems. Sales figures for all product lines are considerably lower than prior year levels.

Profitability remained at a high level for the first half of 2009. In terms of operating results, the lower sales volume, negative currency effects and increased personnel costs were partially compensated for by lower raw material prices and strict cost management. Operating cashflow (EBITDA) declined compared to the record prior year figure by 15.5% to CHF 307.8 million. At 28.0%, the EBITDA margin reached almost the same level as in 2008 (28.2%). Operating profit (EBIT) decreased by 17.6% to CHF 267.5 million, corresponding to an EBIT margin of 24.3% (prior year 25.1%). A lower financial result caused by unfavorable foreign currency developments led to a decrease in net income of 20.7%, to CHF 202.9 million. The return on sales was 18.5%, following 19.8% in the prior year. In comparison with net income, earnings per share fell somewhat under proportionately by 20.1%, to CHF 5.20.

The financial position of the Group remains very sound. Following the dividend payment in May, the net cash amount as per mid-year 2009 was reduced according to plan by CHF 93.9 million to CHF 56.4 million. The equity ratio again rose slightly, from 63.9% as of the end of 2008 to 65.3%.

At the end of June 2009, the Geberit Group employed a workforce of 5567 worldwide. This was 130 or 2.3% fewer than at the end of 2008. This reduction is accounted for mainly by reductions in the numbers of direct production personnel – primarily temporary staff – as a reaction to the decreased sales volume.

Investments in property, plant and equipment in the first half of 2009 totaled CHF 40.9 million (prior year CHF 57.1 million). Despite the difficult environment, the Group maintained its commitments to the larger investment projects that had been planned. The bulk of investments was required for important infrastructure projects, e.g. the expansion of the Group Logistics Center in Pfullendorf (DE) or the new construction of the Asia Headquarters in Shanghai (CN), in addition to the procurement of tools and molds for new products.

Expenditure on research and development (R&D) fell slightly, following the large R&D projects of the preceding two years, to CHF 21.0 million (prior year CHF 23.9 million), corresponding to 1.9% of sales.

The global economic crisis and the related uncertainty in prognoses for the near future mean that predictions are still very difficult. Nevertheless, overall economic trends can be recognized. The decline in the building industry will continue. Construction volumes are regressing further in most of the geographical markets that are important to Geberit; no recovery can be realistically expected before 2011. New housing construction is the most severely affected by the crisis, but the remaining sectors – including the renovation business – cannot fully escape the downward trend either. It is very difficult to issue quantitative prognoses for Geberit in 2009. For the year 2009 as a whole, Management is expecting operating results in the upper range of medium-term EBITDA targets of between 23 and 25 percent of sales. The Geberit Group is well equipped for the coming challenges and it will emerge strengthened from this difficult global economic phase.

As the European market leader in the field of sanitary technology, the Geberit Group is a global provider with sales of CHF 2.5 billion. It employs 5,600 people in 41 countries around the world.

Financial key figures as of June 30, 2009

| CHF million | 1/1 – 30/06/2009 | 1/1 – 30/06/2008 |
|-----------------------------|------------------|------------------|
| Sales | 1099.1 | 1291.6 |
| Change in % | -14.9 | -1.5 |
| Operating cashflow (EBITDA) | 307.8 | 364.2 |
| Change in % | -15.5 | +5.1 |
| Margin in % | 28.0 | 28.2 |
| Operating profit (EBIT) | 267.5 | 324.6 |
| Change in % | -17.6 | +6.3 |
| Margin in % | 24.3 | 25.1 |
| Net income | 202.9 | 255.8 |
| Change in % | -20.7 | +12.3 |
| Margin in % | 18.5 | 19.8 |
| Earnings per share (CHF) | 5.20 | 6.51 |
| Change in % | -20.1 | +13.2 |
| | 30/06/2009 | 31/12/2008 |
| Equity | 1363.1 | 1311.9 |
| Equity ratio in % | 65.3 | 63.9 |
| Liquid funds, less debt | 56.4 | 150.3 |
| Number of employees | 5567 | 5697 |

For further information please contact:

Geberit AG
Schachenstrasse 77, CH-8645 Jona

Albert M. Baehny, CEO
Roland Iff, CFO
Roman Sidler, Corporate Communications

Tel. +41 (0) 55 221 63 46
Tel. +41 (0) 55 221 66 39
Tel. +41 (0) 55 221 69 47