

First information on 2020

Sales growth despite crisis

Geberit AG, Rapperswil-Jona, 14 January 2021

In 2020, the sales development of the Geberit Group was impacted by the COVID-19 pandemic and negative currency developments. In the second quarter in particular, restrictions enforced due to COVID-19 resulted in a significant sales decrease in the individual markets, although this was offset in the second half of the year. While net sales of the Geberit Group decreased by 3.1% to CHF 2986 million in Swiss francs in 2020, growth of 1.3% was achieved after currency adjustments. As a result, it was possible to increase sales despite the crisis and gain further market shares. In terms of results, Management expects an operating cashflow margin of around 31% in 2020. The financial statements and annual report for 2020 will be released on 10 March 2021.

Consolidated net sales

In 2020, the Geberit Group's net sales fell by 3.1% to CHF 2986 million. This development includes negative currency effects of CHF 136 million. In local currencies, this resulted in an increase of 1.3%. This currency-adjusted growth – and thus the gain of further market shares – was achieved despite the significant sales decrease seen in the second quarter as a result of COVID-19. This favourable performance was down to the strong market position, prudent crisis management and the conscious decision to not furlough employees in order to also maintain the levels of contact with customers during the lockdown periods.

Net sales in the fourth quarter reached CHF 724 million, which is equivalent to an increase of 3.2% in Swiss francs and a currency-adjusted increase of 6.8%. This follows on from slight growth of 1.5% in the first quarter, a drop of 10.7% in the second quarter and growth of 8.5% in the third quarter in local currencies.

Net sales by market and product area

In the first half of the year, the construction industry in Europe was negatively impacted by the effects of the COVID-19 pandemic from mid-March to May. In the second half of the year, catch-up effects, the renewed build-up of inventories at wholesalers and government stimulus programmes – especially the temporary VAT reduction seen in Germany – led to strong sales growth. Sales development in individual countries varied greatly depending on the extent and length of the lockdown seen in the construction industry in spring. In Germany (+7.3%), Austria (+5.0%), Switzerland (+4.1%), Eastern Europe (+3.2%) and the Nordic Countries (+2.9%), construction sites saw only limited restrictions and pleasing growth in currency-adjusted net sales was achieved across the year as a whole. Due to more restricted construction activities in Belgium, the Benelux Countries remained at the previous year's level. In contrast, the markets most seriously affected by the building site closures – the United Kingdom/Ireland (-15.7%), the Iberian Peninsula (-10.9%), Italy (-8.3%) and France (-6.9%) – still saw a significant drop in currency-adjusted net sales after twelve months. The negative impacts of the COVID-19 pandemic continued to be felt in regions outside Europe – in the Middle East/Africa (-14.1%) and Far East/Pacific (-7.2%). Net sales in America rose by 1.7%.

In the product areas, net sales in local currencies increased by 2.3% in Bathroom Systems and by 2.1% in Installation and Flushing Systems, with a slight fall of 0.8% in Piping Systems due to weaker new construction and project business.

Increased expectations for the operating margin for 2020 as a whole

As a result of the positive sales development, lower marketing and travel expenses due to COVID-19 and lower raw material prices, Management expects an operating cashflow margin (EBITDA margin) of around 31% for 2020.

The complete financial statements and annual report for 2020 will be released at the analyst and media conference in Zurich on 10 March 2021.

Please visit our website www.geberit.com for additional information.

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About Geberit

The globally operating Geberit Group is a European leader in the field of sanitary products. Geberit operates with a strong local presence in most European countries, providing unique added value when it comes to sanitary technology and bathroom ceramics. The production network encompasses 29 production facilities, of which 6 are located overseas. The Group is headquartered in Rapperswil-Jona, Switzerland. With around 12,000 employees in around 50 countries, Geberit generated net sales of CHF 3.0 billion in 2020. The Geberit shares are listed on the SIX Swiss Exchange and have been included in the SMI (Swiss Market Index) since 2012.