

9M 2017 Results



31 October 2017

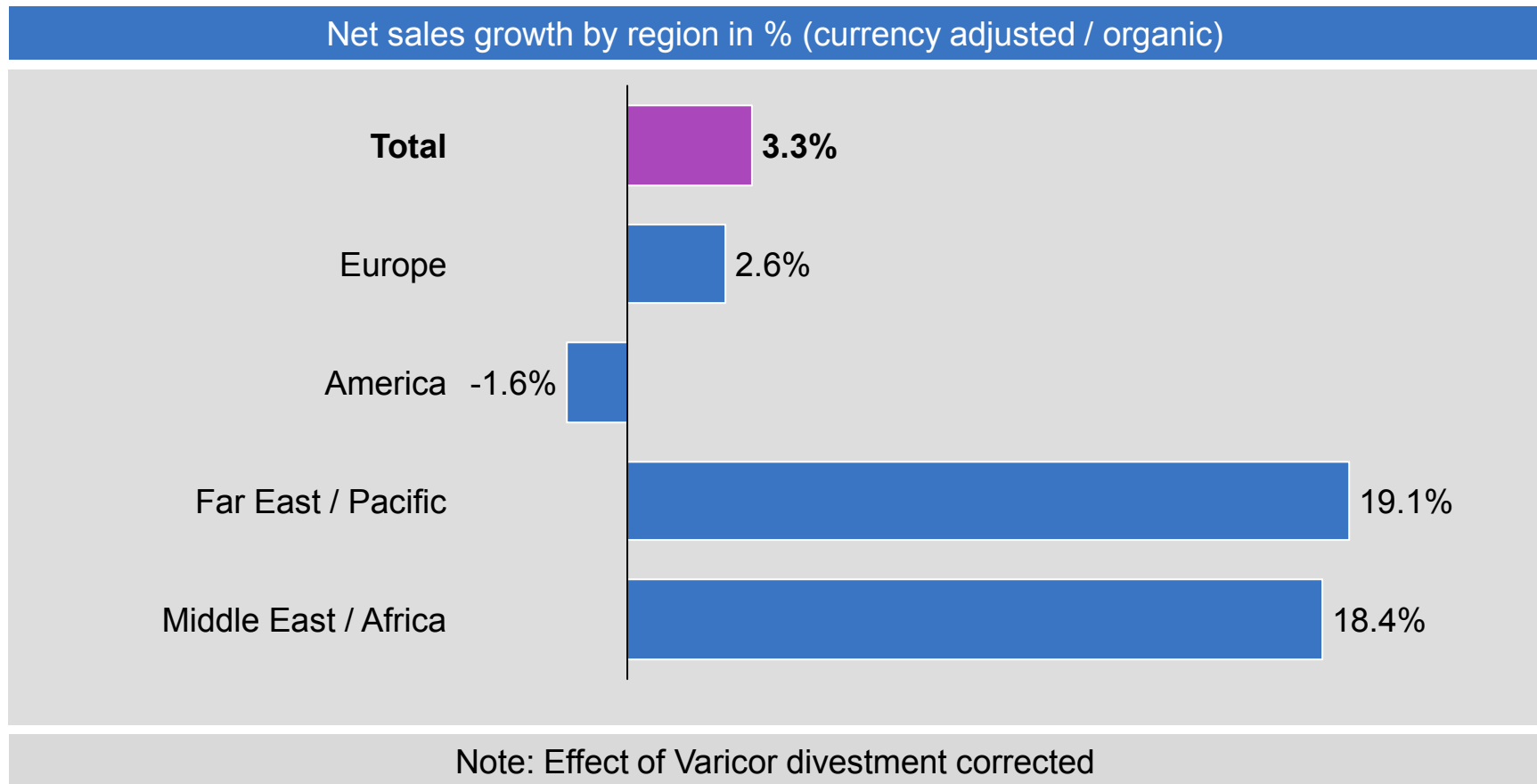
Agenda

- **Q3 2017 key figures**
- 9 months 2017 results
- Construction market outlook
- Outlook

Third quarter results

- Net sales increase of 5.8% to CHF 733 million
- Organic, currency adjusted net sales growth of 3.3%
- Adj. EBITDA increase of 3.9%, reaching adj. EBITDA margin of 29.7%
- Adj. net income increase of 4.9%, adj. net income margin reached 22.6%
- Adj. earnings per share increased by 4.9% to CHF 4.51

Strong net sales growth in Far East / Pacific and Middle East / Africa



Q3 2017 net sales development by region

Region	Net sales CHF million	Variance to prior year	
		% CHF	% c.a. / org.
Geberit Group	733.0	5.8%	3.3%
Total Europe	664.3	5.3%	2.6%
Germany	224.6	5.8%	2.6%
Nordic Region	77.0	9.2%	5.3%
Central- / Eastern Europe	72.5	9.9%	6.2%
Switzerland	72.0	-2.5%	-2.4%
Benelux	53.6	3.4%	-0.3%
Italy	46.3	14.1%	10.4%
France	41.5	7.6%	6.2%
Austria	45.7	12.4%	8.3%
UK / Ireland	26.5	-18.0%	-16.5%
Iberian Peninsula	4.6	13.0%	9.2%
Total America	23.3	-2.9%	-1.6%
Total Far East / Pacific	24.5	18.9%	19.1%
Total Middle East / Africa	20.9	21.1%	18.4%

Note: Prior year comparison in CHF includes Varicor in previous year

Q3 2017 net sales development by product line

Product areas / lines	Net sales CHF million	Variance to prior year	
		% CHF	% c.a. / org.
Total	733.0	5.8%	3.3%
Sanitary Systems	335.0	6.9%	4.3%
Installation Systems	210.8	12.2%	8.9%
Cisterns and Mechanisms	64.0	-8.0%	-10.0%
Faucets and Flushing Systems	32.1	-0.6%	-0.7%
Waste Fittings and Traps	28.1	19.0%	16.4%
Piping Systems	229.1	8.6%	5.7%
Supply Systems	142.3	6.9%	3.6%
Building Drainage Systems	86.8	11.6%	9.3%
Sanitary Ceramics	168.9	0.4%	-1.4%
Bathroom Ceramics	136.5	1.5%	0.1%
Ceramics Complementary Products	32.4	-4.2%	-7.2%

Note: Prior year comparison in CHF includes Varicor in previous year

Key figures Q3 2017

- Positive volume effect
- Higher raw-material prices
- Limited one-off costs related to Sanitec acquisition other than amortization of intangibles

CHF million	Q3 2017	Q3 2016	% YoY
Net sales	733.0	692.6	5.8%
Adj. EBITDA	218.0	209.9	3.9%
<i>Margin in % of net sales</i>	29.7%	30.3%	
EBITDA	217.6	211.6	2.8%
Adj. EBIT	188.8	184.1	2.6%
<i>Margin in % of net sales</i>	25.8%	26.6%	
EBIT	179.5	174.9	2.6%
Adj. net income	166.0	158.3	4.9%
<i>Margin in % of net sales</i>	22.6%	22.9%	
Net income	158.5	152.8	3.7%
Adj. EPS (CHF)	4.51	4.30	4.9%
EPS (CHF)	4.31	4.15	
Free cashflow	203.0	221.3	-8.3%
<i>Margin in % of net sales</i>	27.7%	32.0%	

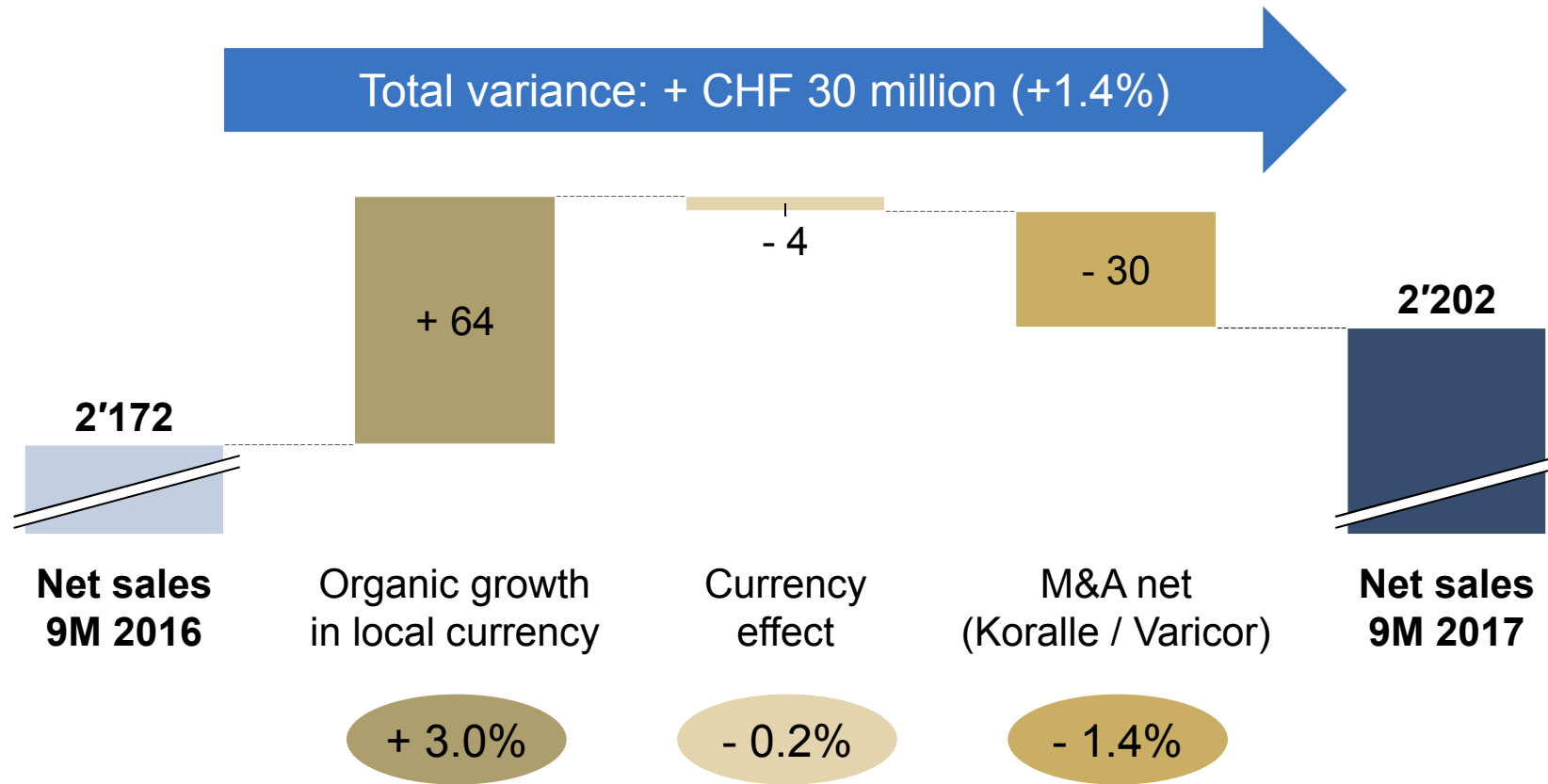
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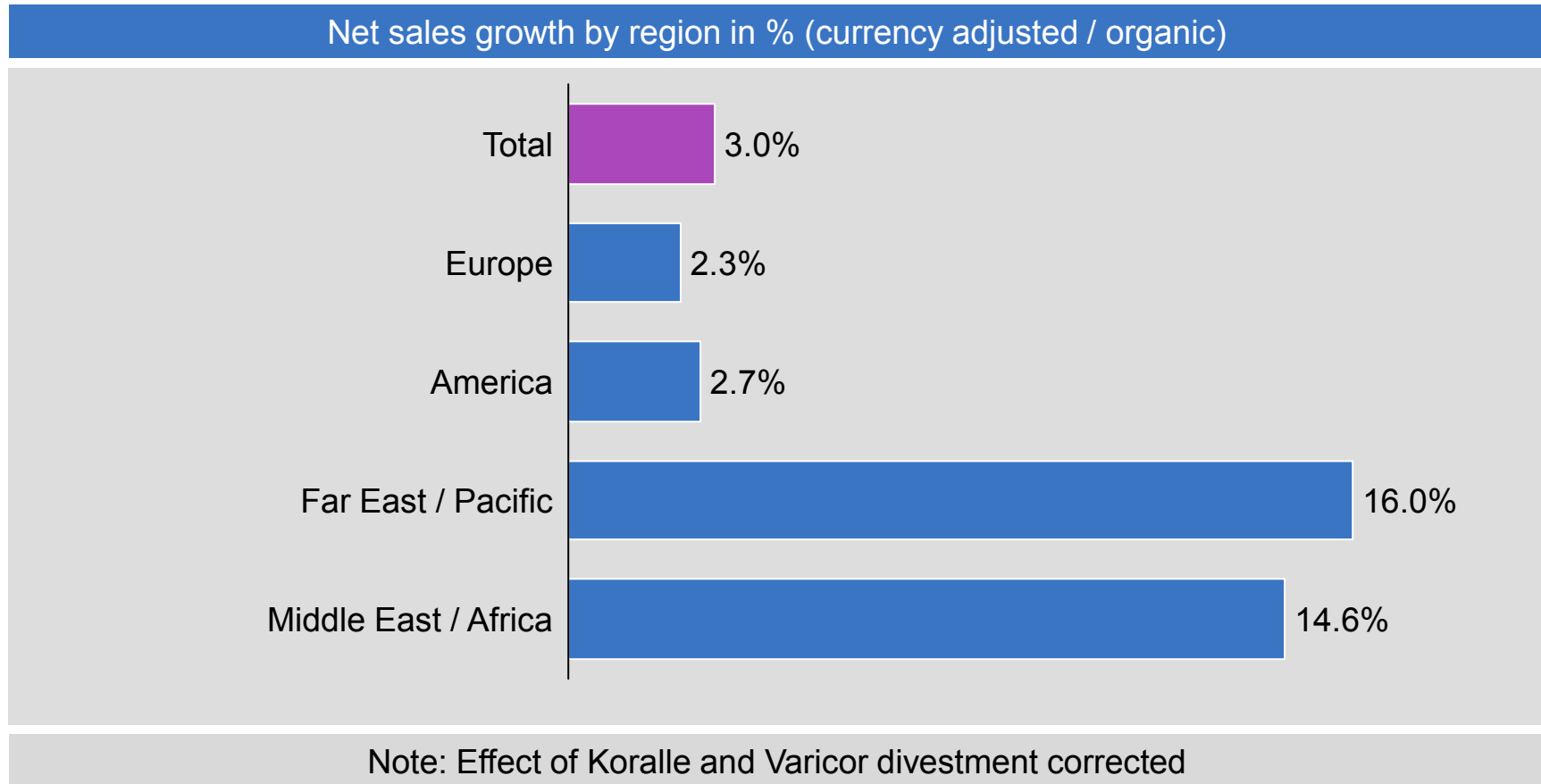
9M results

- Net sales increase of 1.4% to CHF 2'202 million
- Organic, currency adjusted net sales growth of 3.0%
- Adj. EBITDA increase of 0.2%, reaching adj. EBITDA margin of 29.7%
- Adj. net income decrease of 1.1%, adj. net income margin reached 22.1%
- Adj. earnings per share decrease of 1.0% to CHF 13.20
- M&A, integration and restructuring related one-time costs of CHF 69 million on net income level

Solid organic growth



Positive net sales development in all regions



9M 2017 net sales development by region

Region	Net sales CHF million	Variance to prior year	
		% CHF	% c.a. / org.
Geberit Group	2'202.3	1.4%	3.0%
Total Europe	2'003.9	0.5%	2.3%
Germany	671.8	-1.6%	0.2%
Nordic Region	233.2	2.5%	2.9%
Central- / Eastern Europe	211.2	7.8%	6.7%
Switzerland	210.8	-5.4%	0.2%
Benelux	172.2	3.1%	3.3%
Italy	151.0	7.3%	7.6%
France	134.8	1.0%	3.4%
Austria	121.9	6.6%	8.5%
UK / Ireland	81.4	-15.5%	-7.8%
Iberian Peninsula	15.6	11.6%	11.9%
Total America	72.9	3.2%	2.7%
Total Far East / Pacific	63.8	15.6%	16.0%
Total Middle East / Africa	61.7	19.0%	14.6%

Note: Prior year comparison in CHF includes 6 months of sales from Koralle (January to June) and 9 months from Varicor in previous year – neither Koralle nor Varicor contributed to sales in 2017

Strong growth of largest product line Installation Systems in 9M 2017

Product areas / lines	Net sales CHF million	Variance to prior year	
		% CHF	% c.a. / org.
Total	2'202.3	1.4%	3.0%
Sanitary Systems	1'037.4	5.9%	5.9%
Installation Systems	666.7	8.6%	8.6%
Cisterns and Mechanisms	191.1	-4.1%	-3.8%
Faucets and Flushing Systems	97.6	4.0%	3.8%
Waste Fittings and Traps	82.0	12.4%	12.3%
Piping Systems	654.2	3.2%	3.3%
Supply Systems	404.8	0.8%	1.1%
Building Drainage Systems	249.4	7.3%	7.3%
Sanitary Ceramics	510.7	-8.6%	-2.9%
Bathroom Ceramics	410.5	-5.3%	-2.4%
Ceramics Complementary Products	100.2	-19.8%	-4.6%

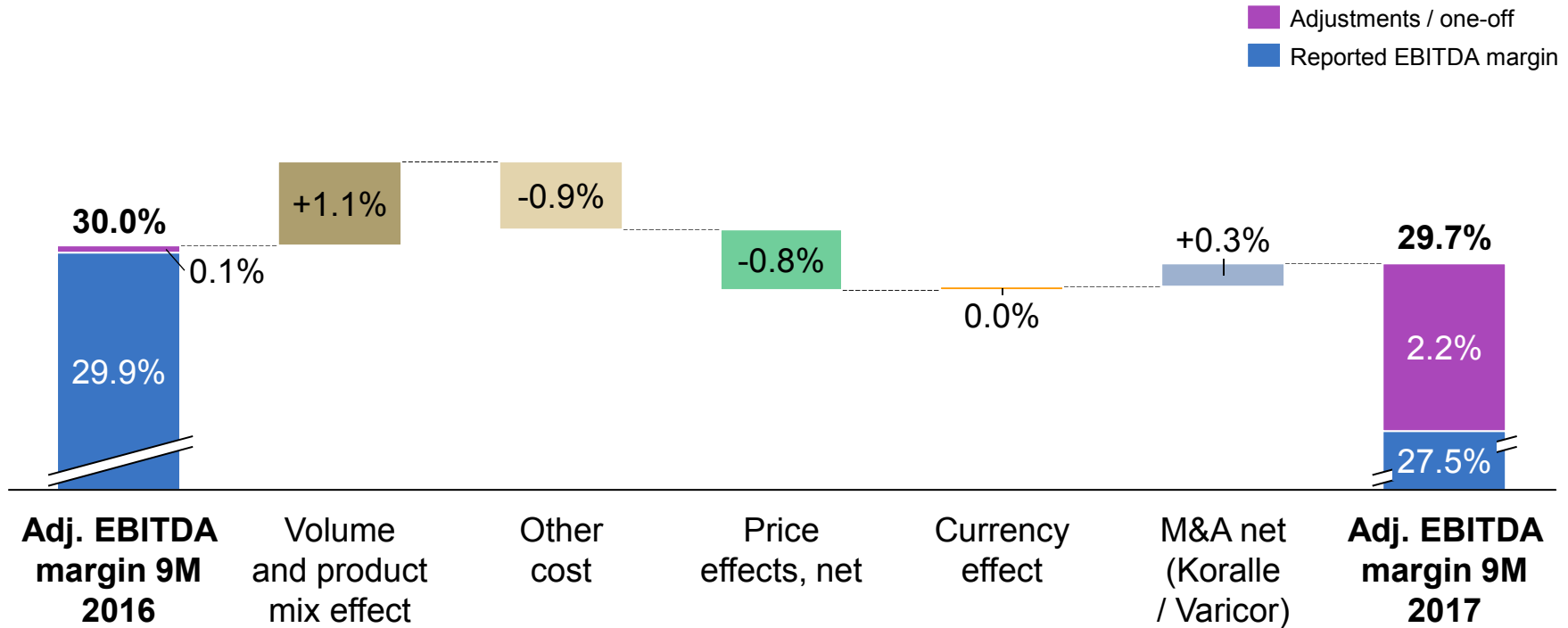
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9M 2017 results

- Positive volume and product mix effect
- Higher raw-material prices
- Further synergies from Sanitec integration captured
- One-time restructuring charges of CHF 45 million due to 2 plant closures in France

CHF million	9M 2017	9M 2016	% YoY
Net sales	2'202.3	2'172.4	1.4%
Adj. EBITDA	653.0	651.8	0.2%
<i>Margin in % of net sales</i>	29.7%	30.0%	
EBITDA	605.0	649.9	-6.9%
Adj. EBIT	568.5	574.5	-1.0%
<i>Margin in % of net sales</i>	25.8%	26.4%	
EBIT	494.0	544.4	-9.3%
Adj. net income	485.9	491.5	-1.1%
<i>Margin in % of net sales</i>	22.1%	22.6%	
Net income	416.7	469.1	-11.2%
Adj. EPS (CHF)	13.20	13.34	-1.0%
EPS (CHF)	11.32	12.73	-11.1%
Free cashflow	361.3	408.2	-11.5%
<i>Margin in % of net sales</i>	16.4%	18.8%	

EBITDA margin analysis



- Positive impact from volume and mix
- Higher raw-material prices leading to negative net price effect
- Tariff increases and higher expense for marketing
- CHF 45 million one-off cost from closure of two ceramic production plants in France

One-off costs related to former Sanitec business

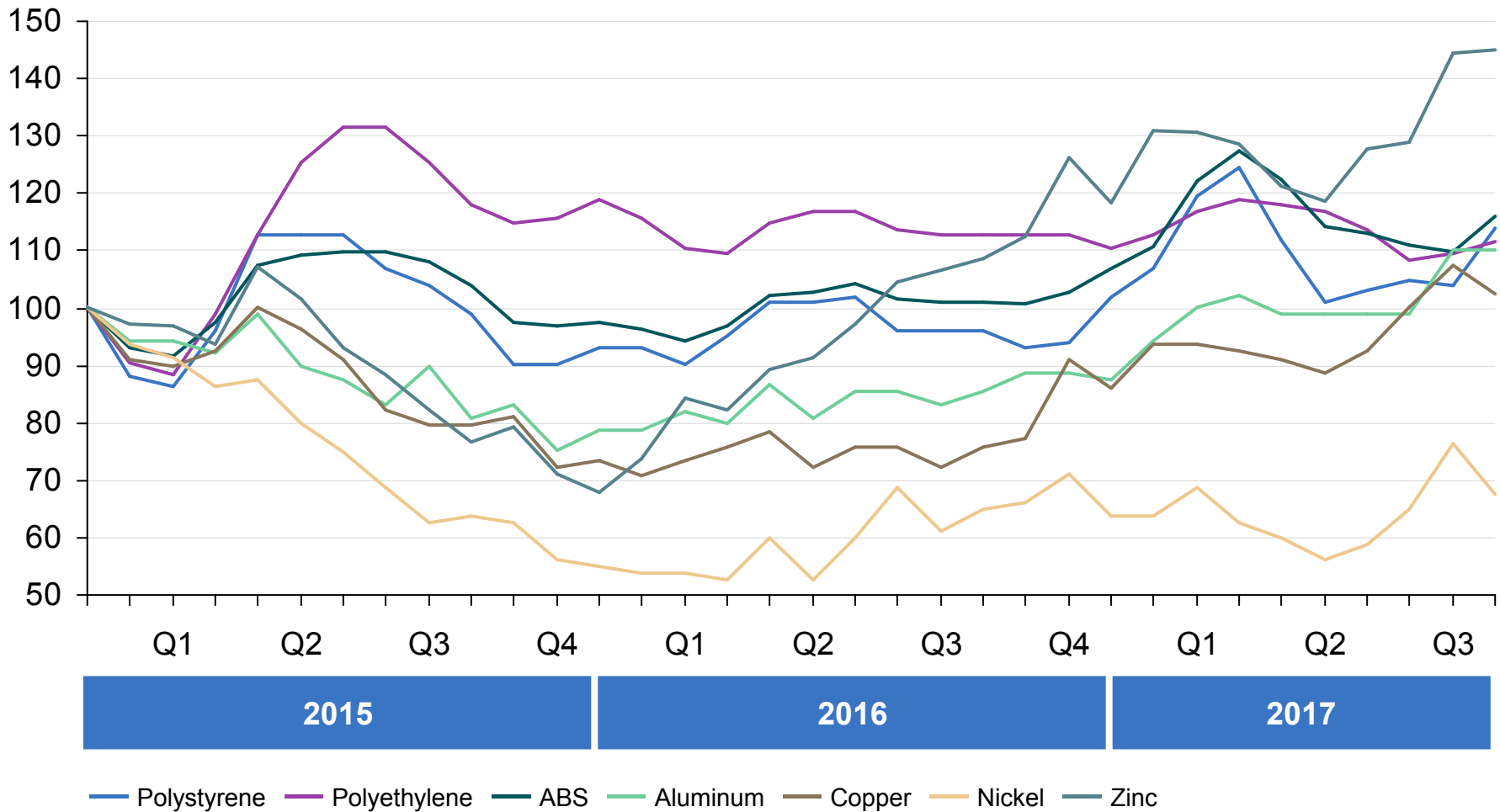
One-off costs ¹⁾	9M 2017 CHF million	2017 outlook CHF million
Integration cost	2	5
One-off loss from Varicor divestment	1	1
Restructuring costs ²⁾	45 ²⁾	45 ²⁾
Total cost on EBITDA level	48	51
Depreciation related to integration	1	1
Amortization charges for intangibles ³⁾	26	34
Total cost on EBIT level	75	86
Tax benefit	6	
Total cost on net income level	69	

1) Acquisition, divestment, integration and restructuring related costs

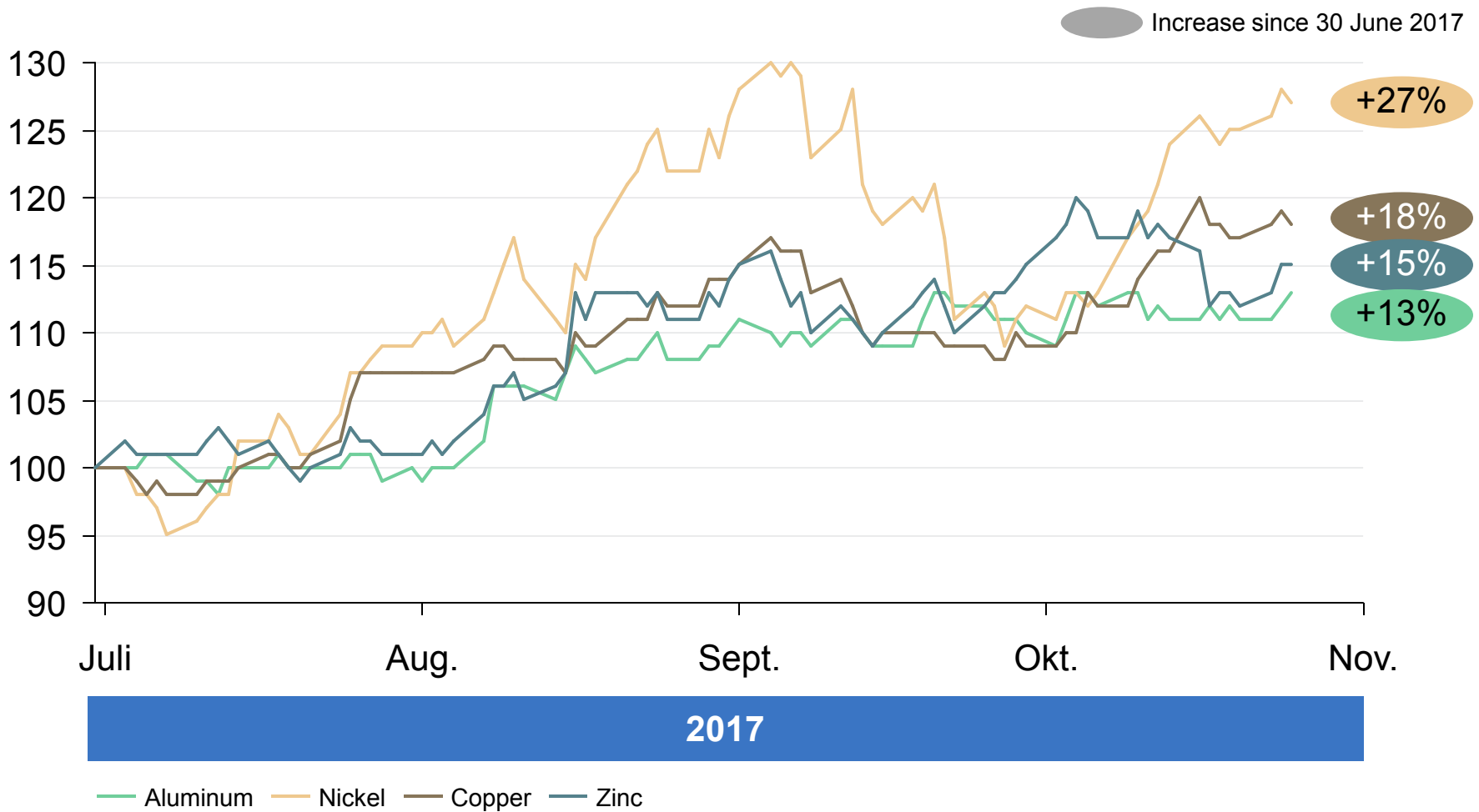
2) Closure of two ceramic production plants in France – deviation to value communicated with H1 2017 results (CHF 44 million) due to currency fluctuation

3) Related to purchase price allocation

Raw materials price development



Substantial increase of metal spot prices in H2 2017



Index: June 30 2017 = 100 (based on London Metal Exchange prices in USD / t)

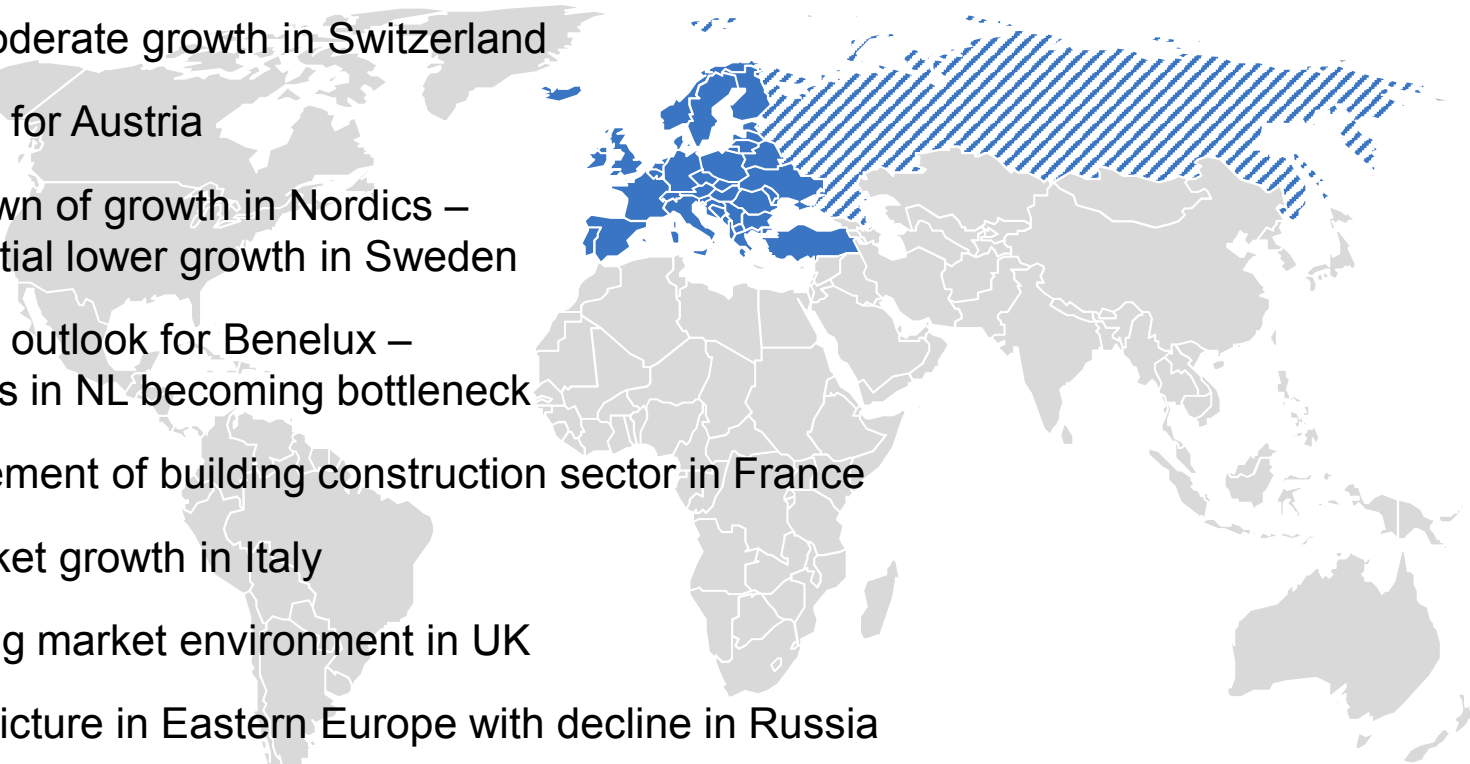
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Europe

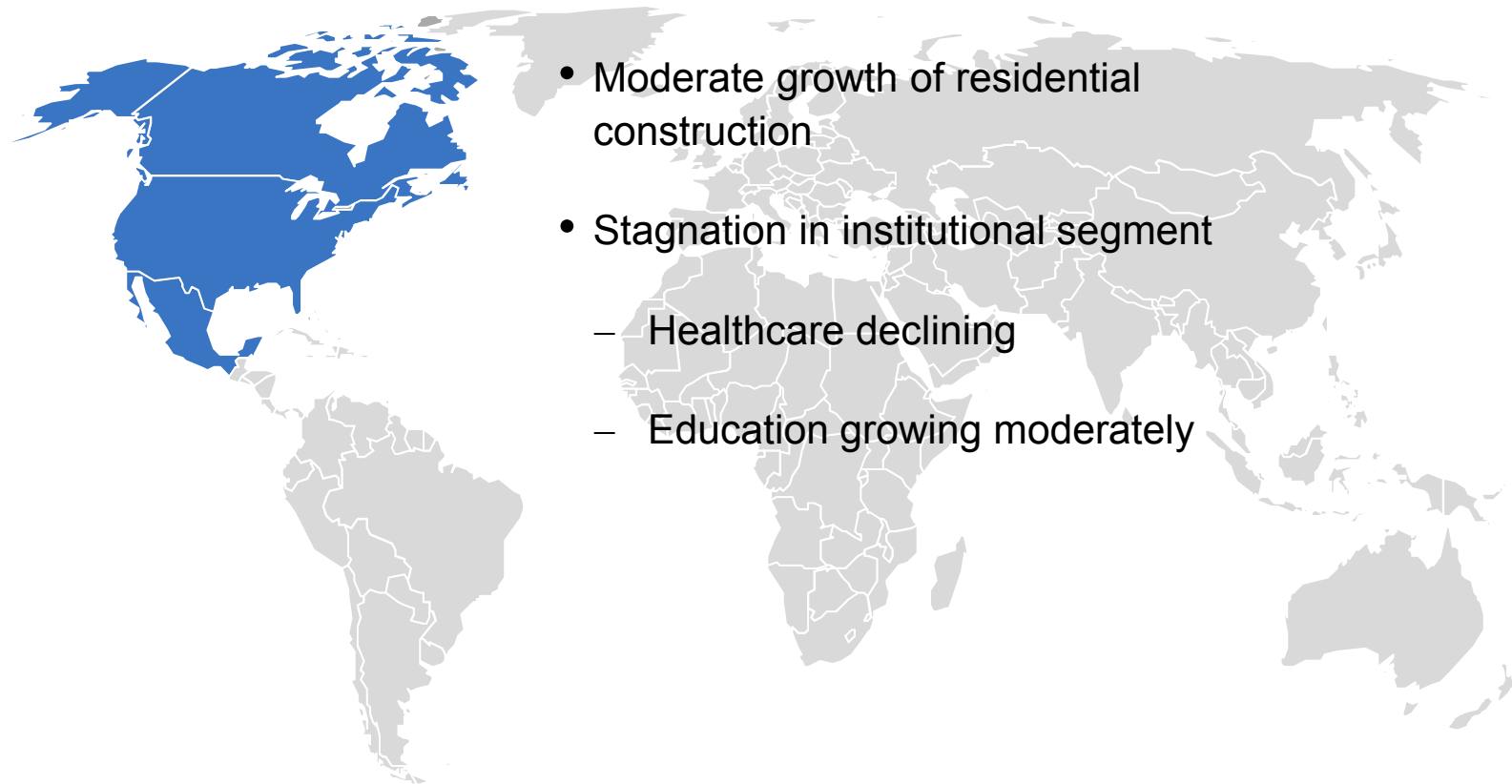
Favourable but mixed market environment

- Bottleneck of installers limiting growth in Germany
- Only moderate growth in Switzerland
- Positive for Austria
- Slowdown of growth in Nordics – substantial lower growth in Sweden
- Positive outlook for Benelux – installers in NL becoming bottleneck
- Improvement of building construction sector in France
- No market growth in Italy
- Declining market environment in UK
- Mixed picture in Eastern Europe with decline in Russia
- Recovery on Iberian Peninsula from low level



North America

Stagnation in institutional sector

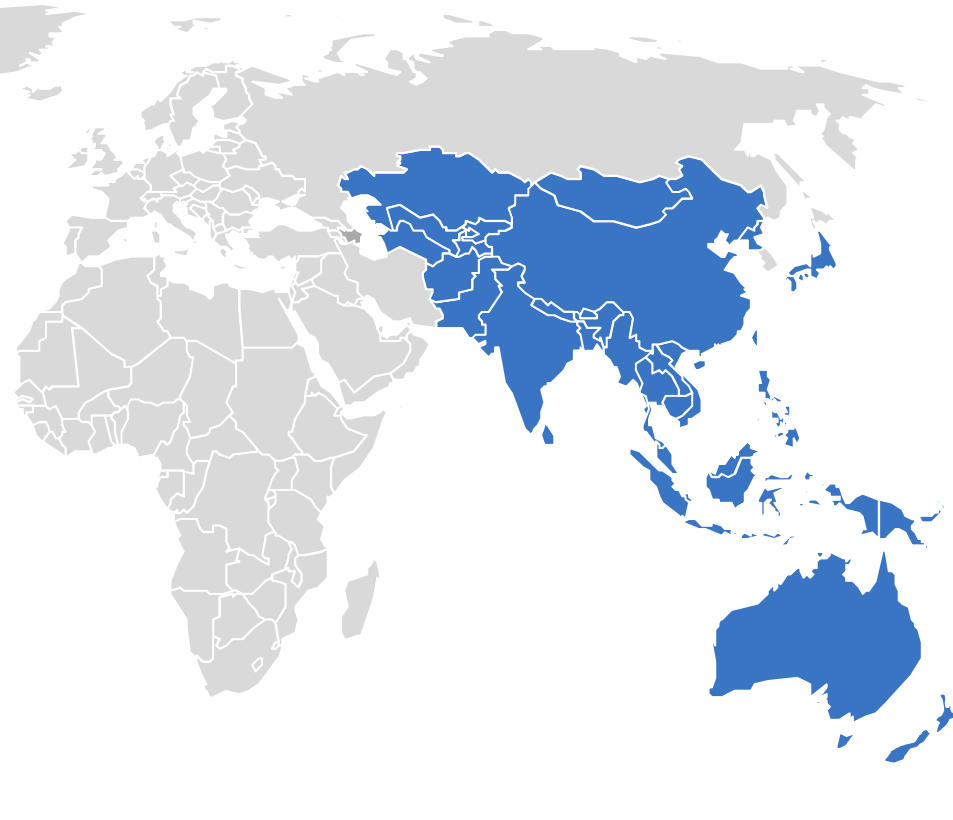


- Moderate growth of residential construction
- Stagnation in institutional segment
 - Healthcare declining
 - Education growing moderately

Asia / Pacific

Moderate increase of residential sector in China

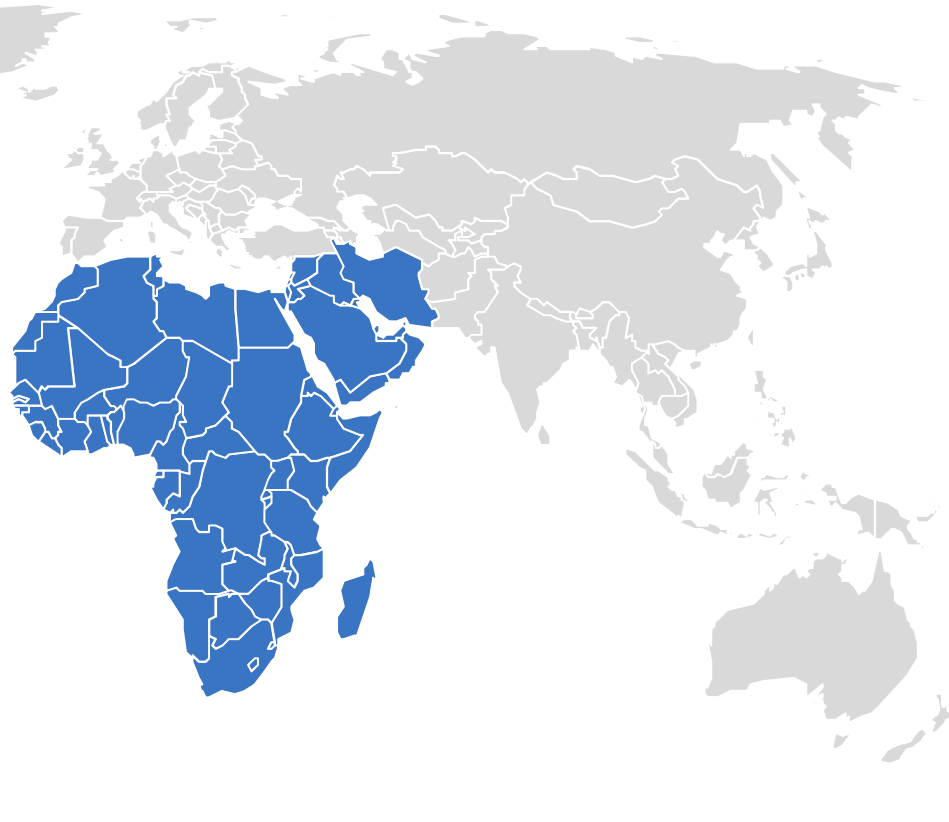
- Moderate increase of residential construction sector in China since H2 2017
- India remains positive
- Market growth in Australia
- Mixed picture in South East Asia



Middle East / Africa

Stable market in Gulf region

- Stable construction market in the Gulf region
- Only sideways development of construction sector in South Africa
- Continued political uncertainty in Northern Africa / Near East



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- **Outlook**

Outlook Geberit 2017

- Full year organic net sales growth in local currencies of around 3%
- Full year adjusted EBITDA-margin around 28%
- Further increasing raw material prices in Q4 2017

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All financial information included is unaudited and is prepared under the same recognition and measurement principles applied for the audited annual financial statements for the year ended 31 December, 2016.