

9M 2018 Results

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Agenda

- **Q3 2018 key figures**
- **9 months 2018 results**
- **Building industry outlook**
- **Outlook**



Q3 2018 results

Sales growth
(reported)

+1.1%

Sales growth
(in local currencies)

+0.7%

EBITDA margin

28.8%

(-90 bp vs. PY adj.)

Adj. earning per share
growth

-6.9%

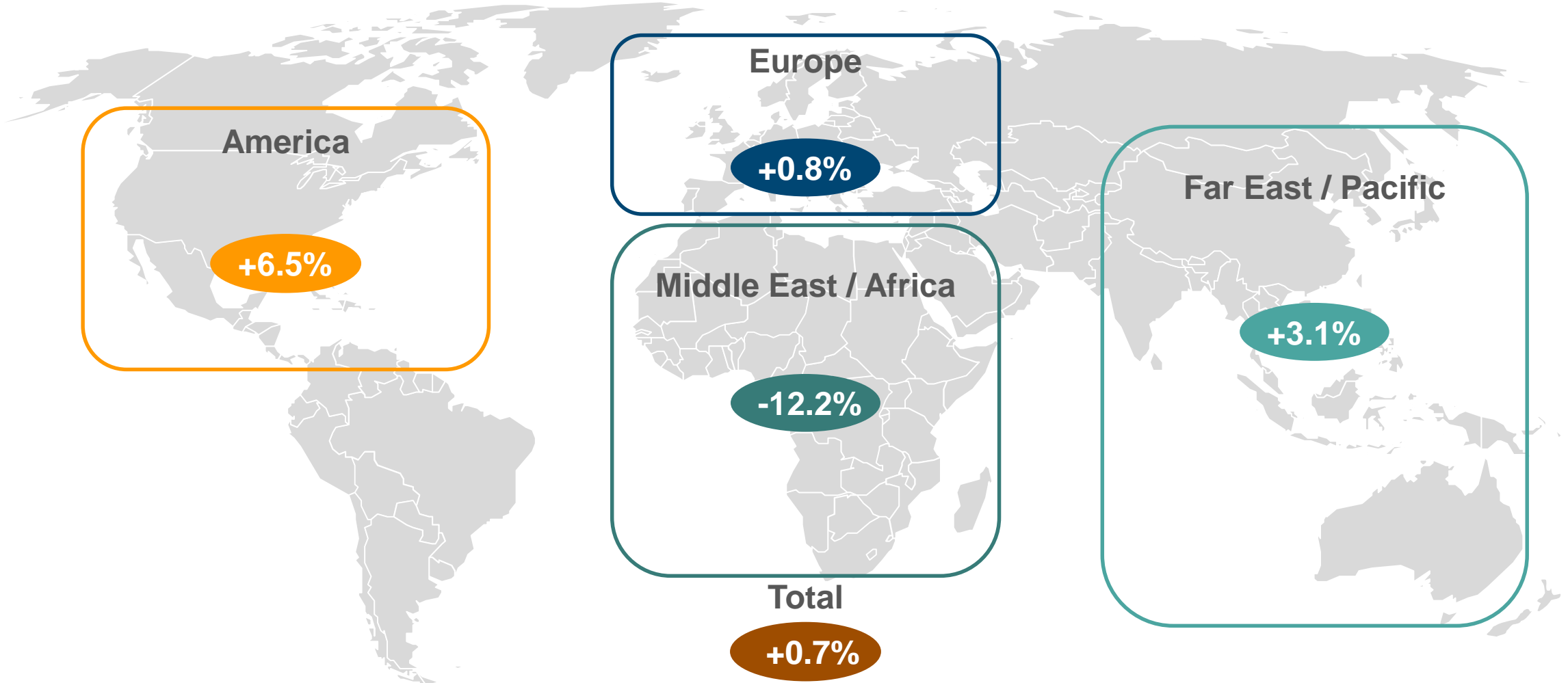
Free cashflow growth

+16.0%

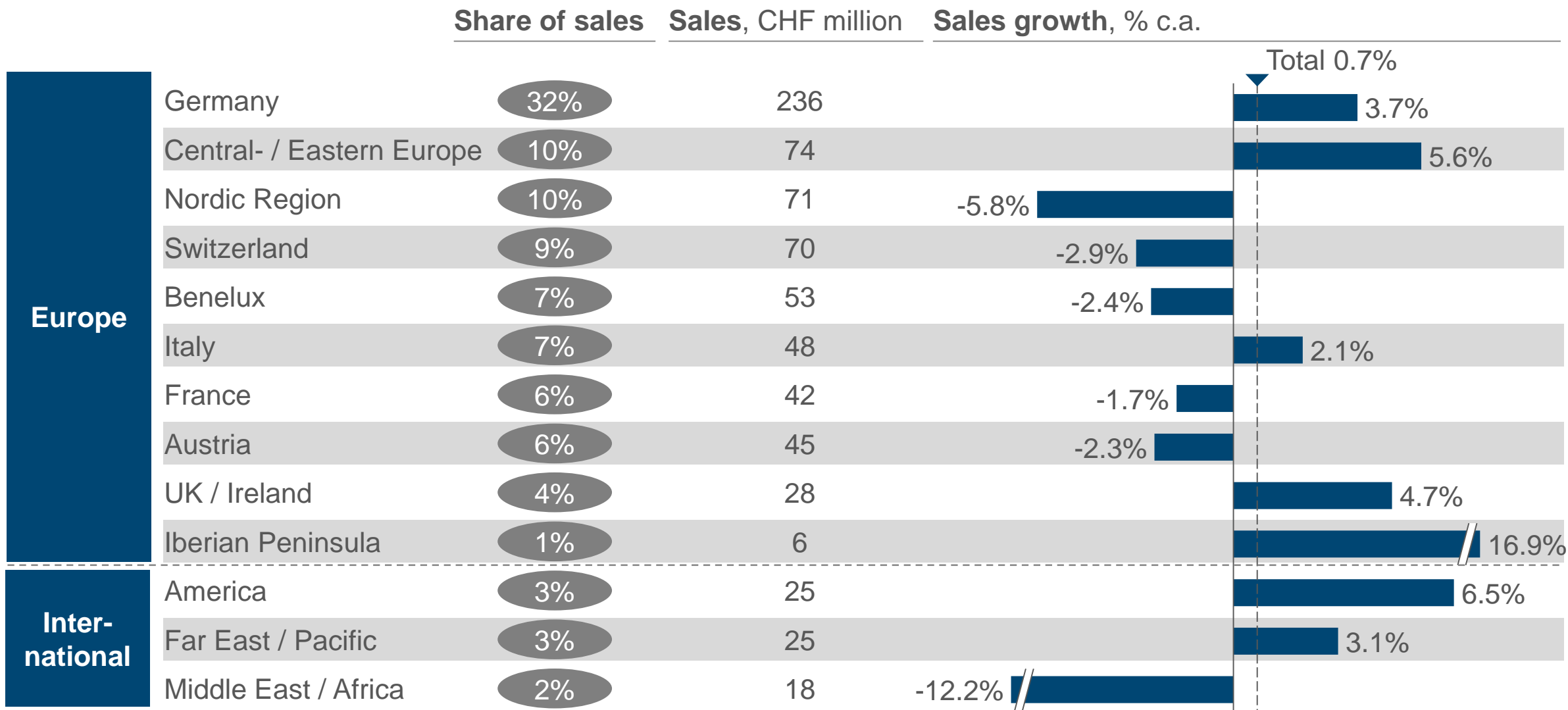
One-off cost related to
Sanitec acquisition of
CHF 7 million on net
income level

Sales Q3 2018 – Mixed picture across different regions

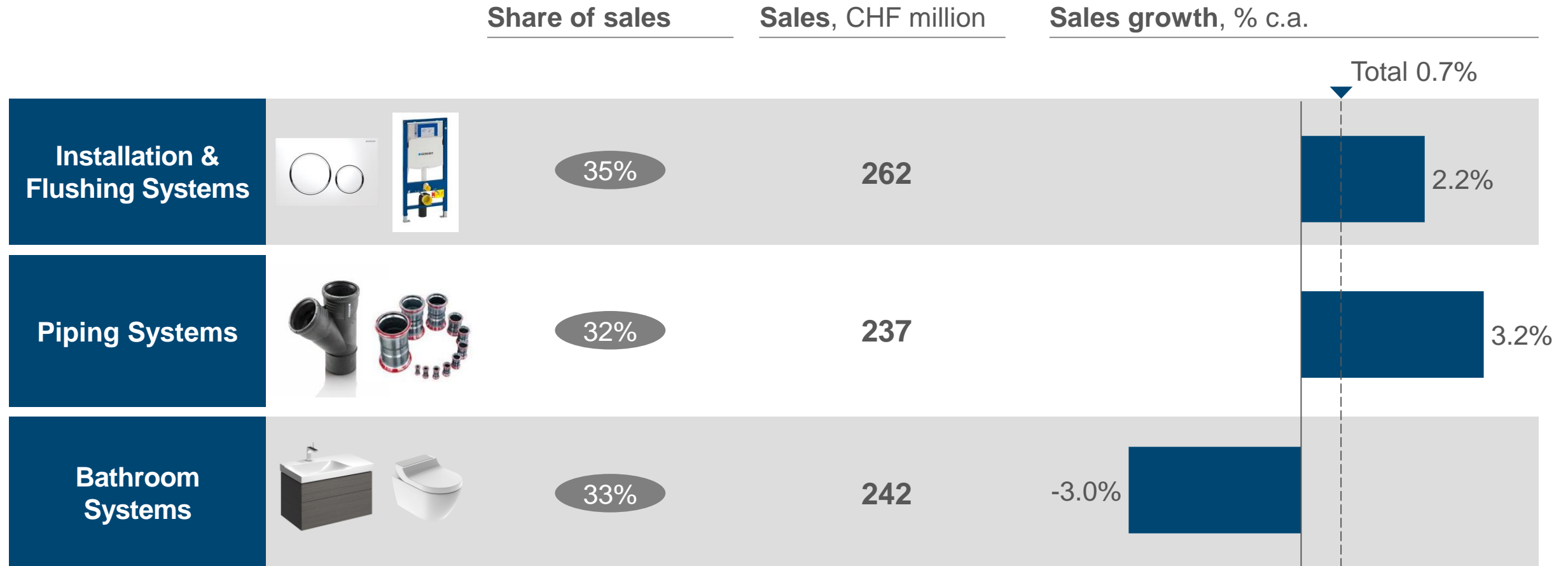
Currency adjusted sales growth Q3 2018 by region, in %



Q3 2018 – Sales development by region



Q3 2018 – Sales development by product area



Key figures Q3 2018

CHF million	Q3 2018	Q3 2017	% YoY
Sales	741	733	1.1%
Adj. EBITDA	213	218	-2.2%
<i>Margin</i>	28.8%	29.7%	
EBITDA	213	218	-2.0%
Adj. EBIT	183	189	-3.0%
<i>Margin</i>	24.7%	25.8%	
EBIT	174	180	-3.0%
Adj. net income	153	166	-8.0%
<i>Margin</i>	20.6%	22.6%	
Net income	146	159	-8.1%
Adj. EPS (CHF)	4.20	4.51	-6.9%
EPS (CHF)	4.00	4.31	-7.2%
Free cashflow	227	195	16.0%
<i>Margin</i>	30.6%	26.7%	

- Negative currency impact of 30 bp on EBITDA margin mainly due to Turkish Lira, Russian Ruble and South African Rand
- Higher raw material prices fully compensated by sales price increases
- Higher personnel tariffs
- Efficiency improvements
- One-off cost related to Sanitec acquisition of CHF 7 million on net income level

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9M results

Sales growth
(reported)

+7.7%

Sales growth
(in local currencies)

+3.1%

EBITDA margin

29.5%

(-20 bp vs. PY adj.)

Adj. earning per share
growth

+6.8%

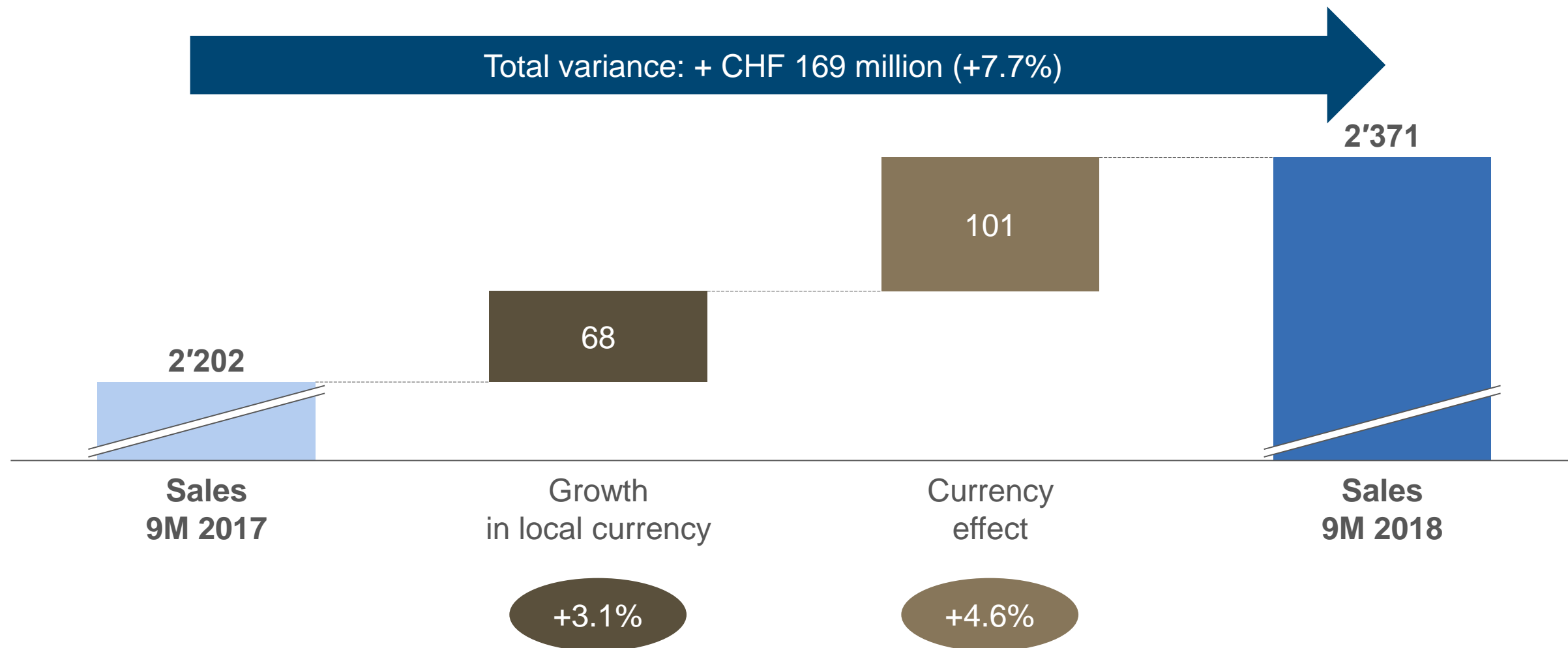
Free cashflow growth

+17.3%

One-off cost related to
Sanitec acquisition of
CHF 22 million on net
income level

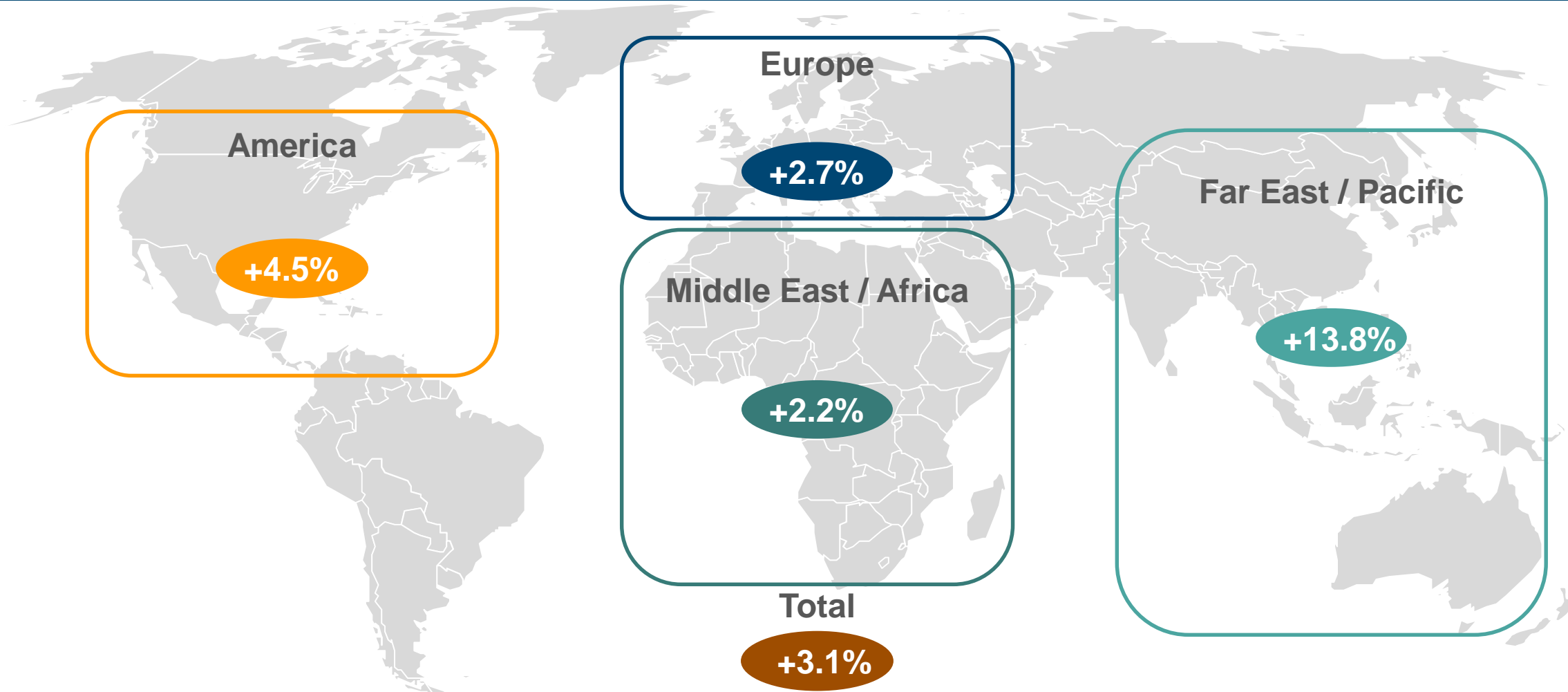
Sales 9M 2018

In CHF million

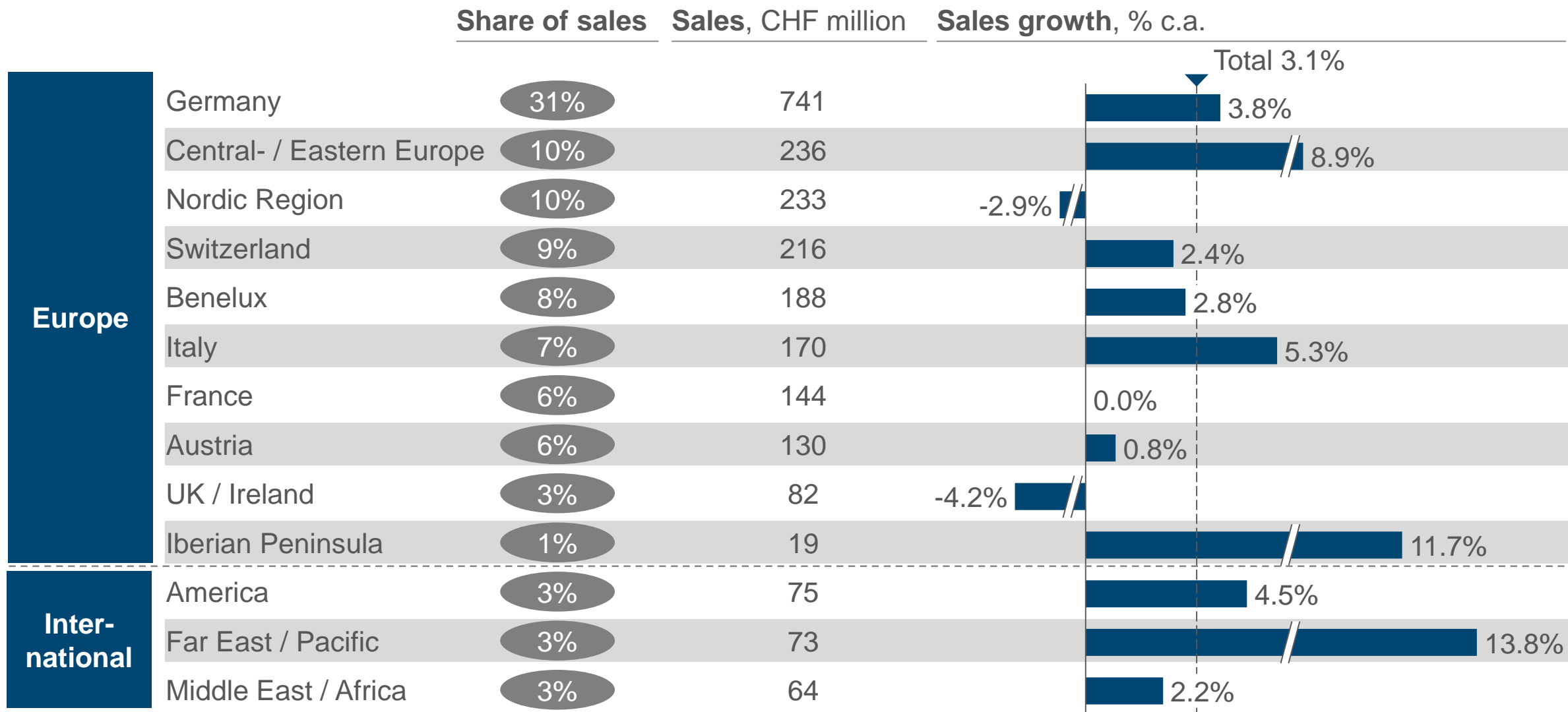


Sales 9M 2018 – Positive sales growth in all regions

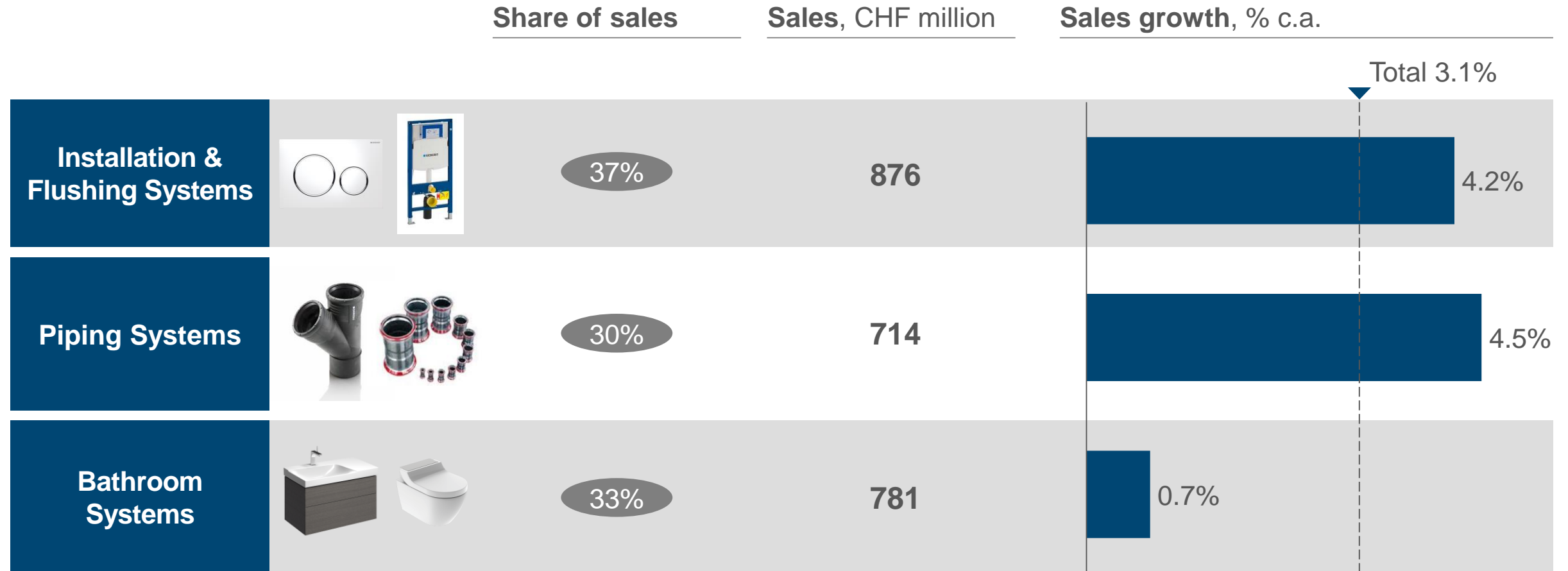
Currency adjusted sales growth 9M 2018 by region, in %



9M 2018 – Sales development by region



9M 2018 – Sales development by product area

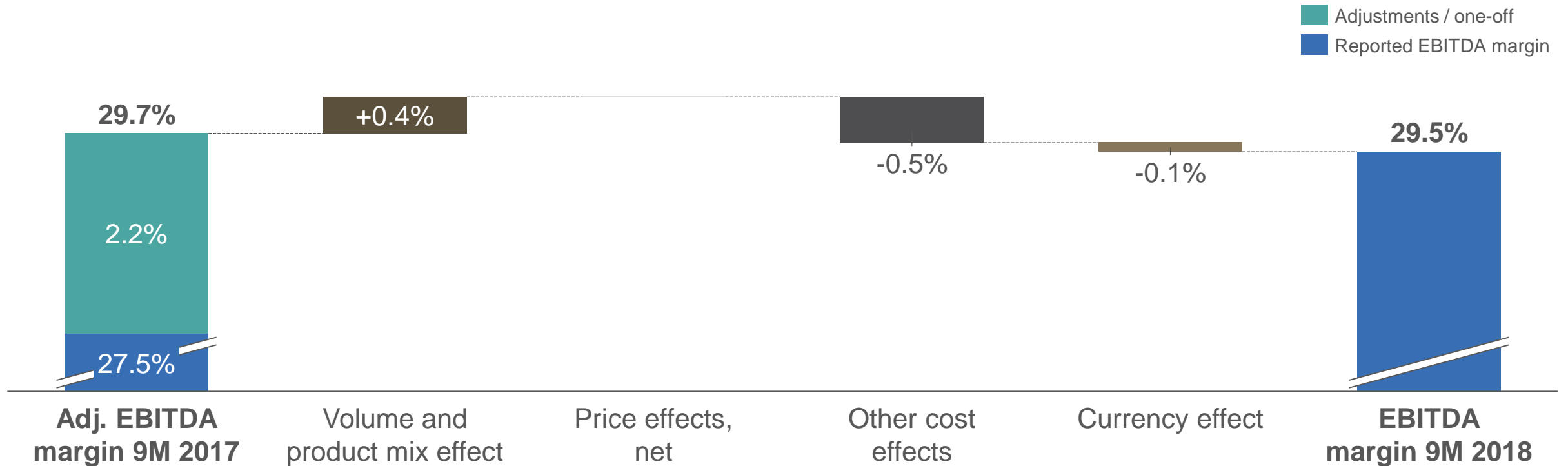


Key figures 9M 2018

CHF million	9M 2018	9M 2017	% YoY
Sales	2'371	2'202	7.7%
Adj. EBITDA	699	653	7.0%
<i>Margin</i>	29.5%	29.7%	
EBITDA	699	605	15.5%
Adj. EBIT	607	569	6.7%
<i>Margin</i>	25.6%	25.8%	
EBIT	579	494	17.2%
Adj. net income	515	486	5.9%
<i>Margin</i>	21.7%	22.1%	
Net income	493	417	18.2%
Adj. EPS (CHF)	14.10	13.20	6.8%
EPS (CHF)	13.50	11.32	19.3%
Free cashflow	417	356	17.3%
<i>Margin</i>	17.6%	16.2%	

- EBITDA margin kept at industry leading level
- Higher raw material prices and tariffs compensated by
 - Sales price increases
 - Volume growth
 - Benefit from site closures in France
 - Continuous efficiency improvements
- No one-off cost related to Sanitec acquisition on EBITDA level as of 2018
- One-off cost related to Sanitec acquisition of CHF 22 million on net income level
- Strong increase of free cashflow

EBITDA margin 9M 2018 – Profitability on high level despite headwinds



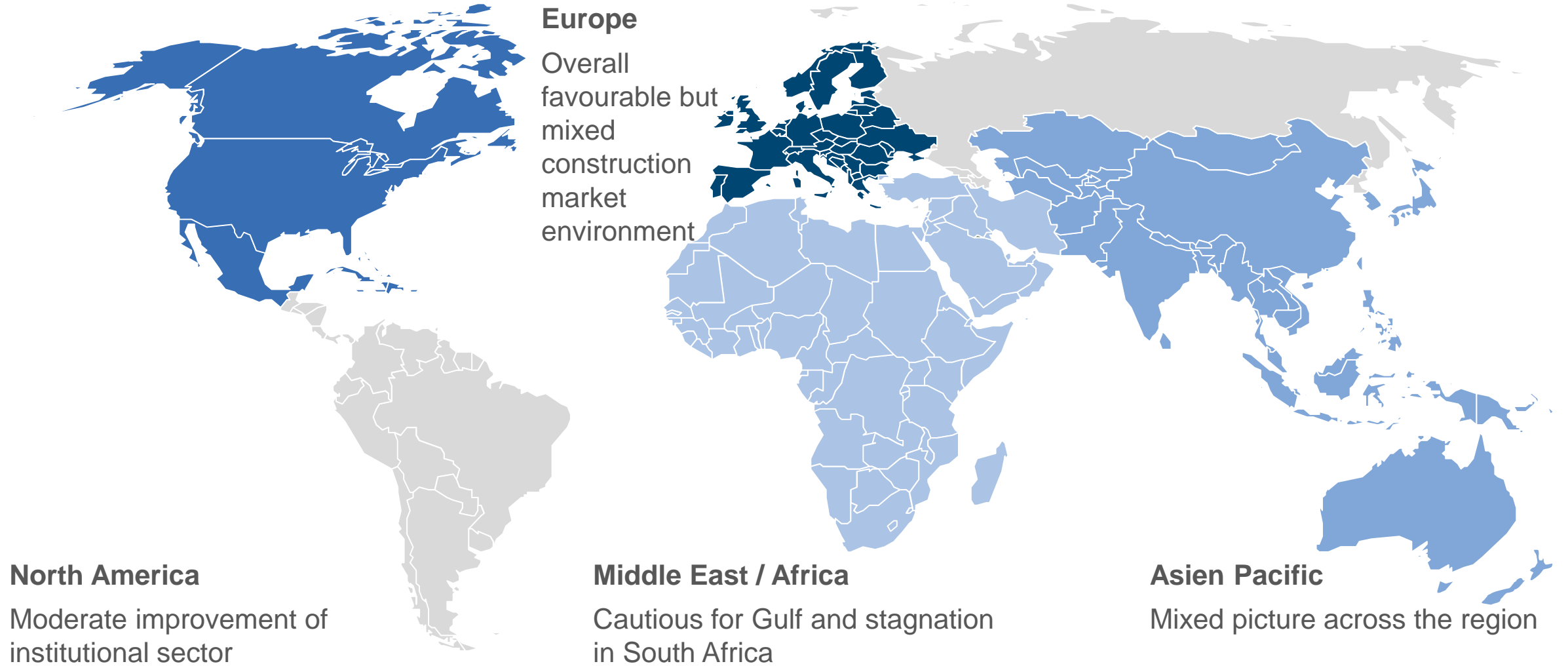
- Positive impact from volume effect
- Higher raw-material prices fully compensated by price increases
- Negative other cost effects due to tariff increases
- No significant currency effect due to efficient natural hedge
- No one-off adjustments on EBITDA level as of 2018

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Building industry outlook 2018



North America

Moderate improvement of institutional sector

Europe

Overall favourable but mixed construction market environment

Middle East / Africa

Cautious for Gulf and stagnation in South Africa

Asien Pacific

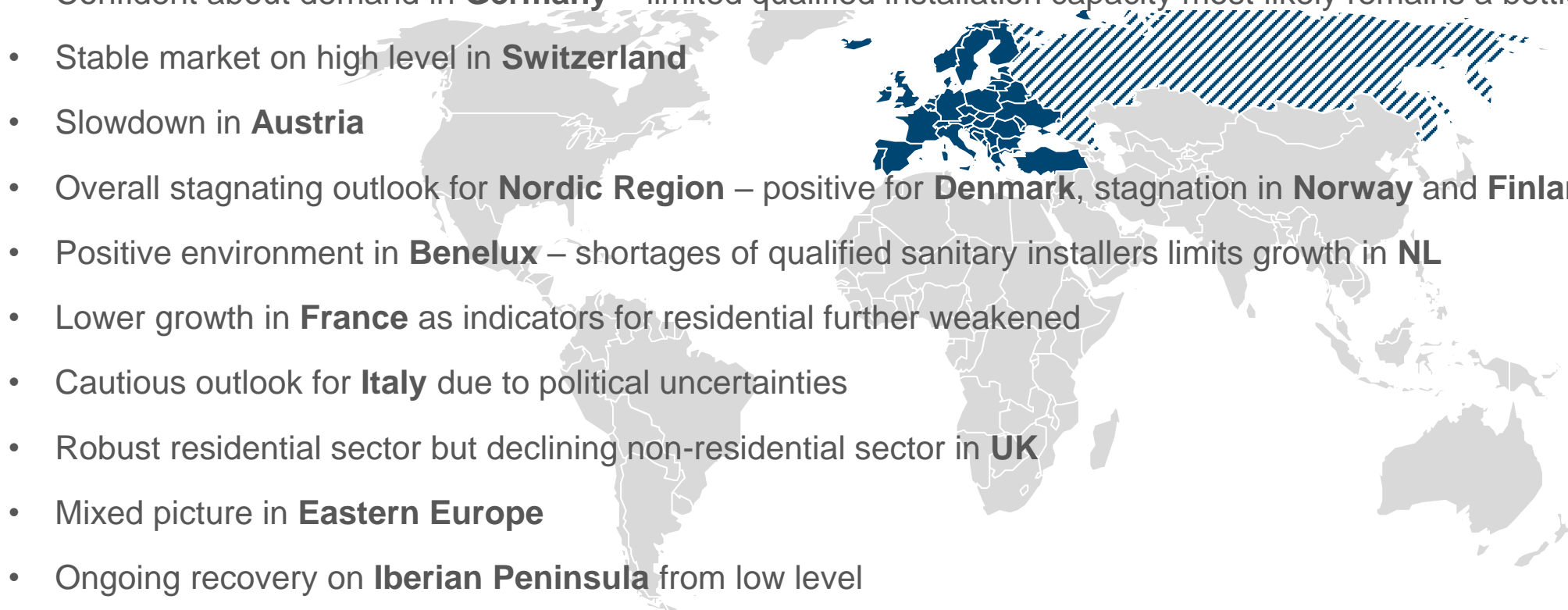
Mixed picture across the region



Building industry outlook 2018 – Europe

Overall favorable but mixed construction market environment

- Confident about demand in **Germany** – limited qualified installation capacity most likely remains a bottleneck
- Stable market on high level in **Switzerland**
- Slowdown in **Austria**
- Overall stagnating outlook for **Nordic Region** – positive for **Denmark**, stagnation in **Norway** and **Finland**, decline in **Sweden**
- Positive environment in **Benelux** – shortages of qualified sanitary installers limits growth in **NL**
- Lower growth in **France** as indicators for residential further weakened
- Cautious outlook for **Italy** due to political uncertainties
- Robust residential sector but declining non-residential sector in **UK**
- Mixed picture in **Eastern Europe**
- Ongoing recovery on **Iberian Peninsula** from low level



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Outlook Geberit 2018

- Full year sales growth in local currencies of around 3%
- Full year EBITDA-margin of around 28%
- CAPEX of around CHF 170 million



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