Dear readers

The integration of the ceramics business will continue to accompany the Geberit Group in the 2017 financial year. It is of particular importance to us that the sales teams in the countries grow together even more. Central tasks will also include the ongoing harmonisation of systems and processes, the further development of the product range and continuous improvements in the ceramics manufacturing.

Just as important will be the focus on our daily business. Our objective is to perform strongly in all markets and, as in previous years, gain market shares. We will pay particular attention to certain aspects here: Marketing of the new products launched in the past few years will be intensified, the markets in which Geberit products or technologies are still under-represented will receive more attention, and the promising shower toilet business will be expanded further.

In line with the Geberit strategy, these measures shall be accompanied by efforts to continuously optimise business processes.

The combination of technology "behind the wall" and design expertise "in front of the wall" offers opportunities that we shall also seize resolutely in 2017. I am convinced that we are ready for these and all other challenges.

Christian Buhl, CEO

Important dates in 2017

5 April:
General Meeting
11 April:
Dividend payment
2 May:
Interim report first quarter
17 August:
Half-year report
31 October:
Interim report third quarter

Outlook
Brief profile

Leader in the field of sanitary products

The globally operating Geberit Group is a European leader in the field of sanitary products. Geberit offers a unique range of products and solutions both in the sanitary technology sector and in the area of bathroom ceramics.

### Key figures

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>MCHF 2,593.7</td>
<td>MCHF 2,809.0</td>
</tr>
<tr>
<td>Operating cashflow (EBITDA)</td>
<td>MCHF 693.5*</td>
<td>MCHF 794.9*</td>
</tr>
<tr>
<td>Margin in % of net sales</td>
<td>% 26.7*</td>
<td>% 28.3*</td>
</tr>
<tr>
<td>Operating profit (EBIT)</td>
<td>MCHF 590.9*</td>
<td>MCHF 686.5*</td>
</tr>
<tr>
<td>Margin in % of net sales</td>
<td>% 22.8*</td>
<td>% 24.4*</td>
</tr>
<tr>
<td>Net income</td>
<td>MCHF 493.1*</td>
<td>MCHF 584.0*</td>
</tr>
<tr>
<td>Margin in % of net sales</td>
<td>% 19.0*</td>
<td>% 20.8*</td>
</tr>
<tr>
<td>Earnings per share</td>
<td>CHF 13.23*</td>
<td>15.85*</td>
</tr>
<tr>
<td>Equity ratio</td>
<td>% 41.7</td>
<td>45.4</td>
</tr>
<tr>
<td>Number of employees</td>
<td>12,126</td>
<td>11,592</td>
</tr>
</tbody>
</table>

* Adjusted for acquisition, divestment and integration costs and income relating to the Sanitec transaction.

### Share price development 1 January until 31 December 2016

- **Geberit share**
- **Swiss Market Index (SMI)**

Source: Thomson Reuters

### Management (as of 1 January 2017)

**Group Executive Board**

- **Christian Buhl**, Chief Executive Officer (CEO)
- **Roland Iff**, Finance (CFO)
- **Michael Reinhard**, Operations
- **Egon Renfordt-Sasse**, Product Management & Innovation
- **Karl Spachmann**, Sales Europe
- **Ronald van Triest**, Sales International
- **Martin Baumüller**, Marketing & Brands

**Board of Directors**

- Albert M. Baehny, Chairman
- Hartmut Reuter, Vice Chairman
- Regi Aalstad
- Felix R. Ehrat
- Thomas M. Hübner
- Jørgen Tang-Jensen
Global presence

Geberit generates sales in more than 120 countries and has employees in around 50 countries. The Group has more than 30 production facilities, the majority of which are located in Europe.
**Brief profile**

**Comprehensive product range**

The product range comprises the entire sanitary technology behind the wall – from supply and discharge pipes to flushing systems and installation technology – as well as a broad range of sanitary products in front of the wall, such as bathroom ceramics, bathroom furniture, showers and bathtubs. Geberit’s innovative and eco-efficient branded products are used in new buildings as well as in renovation and modernisation projects.

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**Product areas and product lines**

<table>
<thead>
<tr>
<th>Sanitary Systems (45.0%)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Installation Systems (28.1%)*</td>
</tr>
<tr>
<td>Cisterns and Mechanisms (9.1%)*</td>
</tr>
<tr>
<td>Faucets and Flushing Systems (4.4%)*</td>
</tr>
<tr>
<td>Waste Fittings and Traps (3.4%)*</td>
</tr>
<tr>
<td>Piping Systems (29.3%)*</td>
</tr>
<tr>
<td>Building Drainage Systems (10.7%)*</td>
</tr>
<tr>
<td>Sanitary Ceramics (25.7%)*</td>
</tr>
<tr>
<td>Bathroom Ceramics (20.0%)*</td>
</tr>
<tr>
<td>Supply Systems (18.6%)*</td>
</tr>
<tr>
<td>Ceramics Complementary Products (5.7%)*</td>
</tr>
</tbody>
</table>

* In % of net sales 2016
New products

For today and for tomorrow

Every year, Geberit invests more than two per cent of its net sales in the development and improvement of processes, products and technologies. In the 2016 financial year, these investments totalled CHF 72.3 million. The product developments always go through an established innovation process that ensures that the Group’s resources are used to the optimum extent and that new products focus on the needs of the market. Customer benefits and a systematic approach are of central importance here. The development projects of the acquired sanitary ceramics business area also follow this process.

Roof drainage system

Geberit has completely redesigned the two most widely installed Pluvia roof outlets in Europe, namely those with a discharge rate of 12 and 25 litres/second. They now have a more compact design and are easier to install. The entire Pluvia range has also been streamlined.

- Outlet grating with easy-to-use rotating lock bar
- Suitable outlet for almost every roof structure

The roof drainage system has proved itself for decades and works according to the principle of negative pressure. It requires fewer outlets, pipes with smaller dimensions and fewer stacks than a conventional roof drainage system.

A compact all-rounder

The Geberit AquaClean Tuma shower toilet is sold as a complete solution with a rimless WC ceramic appliance. The compact yet timeless and elegant system has a range of familiar functions from other Geberit shower toilets:
- WhirlSpray shower technology for optimum hygiene
- Ergonomically designed, heatable WC seat
- Odour extraction unit and warm-air dryer

The shower toilet is also available as a compact WC enhancement solution that can be combined with already installed ceramic appliances.
New products

Easy-care shower surface

The Geberit Setaplano shower surface is made of a high-quality solid surface material which has a smooth and warm feel and is non-slip even when wet. As many components are pre-assembled at the factory, the time required for installation is reduced considerably.

- Pre-applied foil for reliable sealing
- Easy-to-clean drain area where no dirt deposits can build up

This shower surface is suitable for both new buildings and renovations.

Versatile bathroom series

The Acanto bathroom series comprises everything that a modern bathroom has to offer nowadays in terms of solutions: washbasins in different sizes, rimless WC ceramic appliances, acrylic bathtubs as well as mirror cabinets, tall cabinets, washbasin cabinets and much more.

- Made from moisture-resistant materials such as glass, metal and high-compressed three-layer chipboard
- Top-quality accessories such as drawer inserts, floating shelves and magnet boards

The furniture elements can be individually combined. They are highly functional and offer a lot of storage space.
New products

Clever tap system

Electronic washbasin taps for public sanitary facilities can be slim and elegant, yet still robust and safe to use. With the exception of the infrared sensor, all the electronic components as well as the mixer, valves and power supply are housed in a function box that is installed in the prewall in an easily accessible position.

- Sophisticated installation technology facilitates an error-free installation at the first attempt
- Wall-mounted and deck-mounted tap housing models in two different designs
- Choice between connection to mains supply, battery operation or self-sustaining power supply system

The modular tap system impresses thanks to its attractive price-performance ratio.

Smart supply system

The Geberit Volex supply system is based on multilayer pipes and press connections, two technologies that have proved to be reliable, efficient and reasonably priced. Volex offers clever improvements and is suitable for drinking water supply systems as well as radiator and underfloor heating systems.

- Multilayer, stable and corrosion-resistant metal pipes (aluminium core coated with plastic on both sides)
- Solid brass fittings with stainless steel pressing sleeves
- Transparent, robust plastic ring for checking the insertion depth

In addition to the multilayer pipes, Geberit also offers flexible single-layer pipes made from plastic.

↑ The press connections are reliable and leakproof, and make it possible to work efficiently on the construction site.

↑ It is now possible to install a wall-mounted tap perfectly at the first attempt. An X-ray view through the prewall shows that the tap is firmly anchored to a Geberit installation element.

↑ The electronic Geberit Brenta (left) and Piave (right) washbasin taps are available as deck-mounted or wall-mounted models.

↑ The transparent plastic rings on the Volex press fittings make it easy to check the correct insertion depth.
Knowledge in ten core areas

These skills make the difference

Every sanitary product designed by Geberit is based on the know-how of many different disciplines. In essence, qualified specialists work every day on finding better solutions for customers and partners in ten different technological areas.

- **Where everything flows**
  Water should flow reliably wherever it is used in buildings. However, the situation for a single family house differs radically from skyscrapers and industrial buildings. In order to meet all possible requirements, practical tests are carried out in a waste water tower that is 24 metres high.

- **Approval testing**
  Choosing the best product material is crucial if a product is expected to work reliably for decades. Geberit therefore carefully investigates every material and uses state-of-the-art methods to analyse its chemical, mechanical and thermal properties. Only then is it – in an ideal situation – ready for series production.

- **Materials technology**

- **Hydraulics**

- **Peace and quiet**
  With all due respect for design and functionality, sanitary products first and foremost have to do their job quietly. This is why Geberit has a unique acoustics laboratory, which has been built so that virtually any construction situation can be copied and acoustically analysed with the help of high-precision measurement technology.

- **Sound insulation**

- **To the limit and beyond**
  According to the EU standard, a WC has to be able to bear a weight of 400 kg – the weight of a Harley-Davidson! Countless statics tests are carried out on the computer and afterwards in Geberit’s building technology and acoustics laboratory to see how products react to different loads.

- **Statics**

- **Perfectly sealed off**
  Heaven help us if fire and smoke should escape into neighbouring rooms through the points at which pipes pass through walls and ceilings. To delay this horror scenario as much as possible, Geberit uses a fire protection sleeve. The requirements are strict and products have to be able to withstand many tests at temperatures of more than 1,000 degrees Celsius before the requisite certificates can be issued.

- **Fire protection**

- **Clean solutions**
  It goes without saying that maximum hygiene is of central importance where WCs, urinals and taps are often used. But this is also the case when pipes go unused for a longer time. Innovative solutions are needed here, such as the sanitary flush, which prevents germs from forming in water supply lines.

- **Hygiene**

- **Knowledge in ten core areas**
High-tech in the bathroom
The sanitary demands are high when it comes to electronics – and so too are the benefits. Equipped with sensors and more and more electronic intelligence, Geberit’s products offer maximum comfort and fulfill the most exacting demands in terms of design and function.

Electronics

More than just a pretty face
Where, if not in the bathroom, do look and feel come into their own? The surfaces of all Geberit products are constantly optimised to ensure that dirt and limescale deposits can be removed easily. The bathroom ceramics are coated with a glaze so they continue to shine for many years to come.

Surface technology

From the idea to the product
Geberit approves a product for series production at the earliest when it knows in detail how and with what tools the production process can be managed best. This economic and sustainable approach has no expiry date: Geberit is always looking for ways in which to further improve its product quality and make production even more efficient and ecologically sound.

Process engineering

Virtually checked
In specialised simulation programs, virtual water is flushed through virtual installations. The flow and turbulence as well as the pressure and velocity distribution of the water are monitored, as is the development of noise. Only after an intense analysis is a prototype for a new product built. Thanks to the procedures shown on screen, this is already optimised in terms of its mechanical, hydraulic and acoustic properties.

Virtual engineering

In action for a good cause
Apprentices at work

Since 2008, more than 100 apprentices have worked around the world on a Geberit social project. These projects always focus on the core topic of water and sanitary installations. Geberit not only donates money or materials – its contribution of know-how and, above all, the services of its apprentices on the ground are supporting pillars of these annual projects.

Partnership in action
Employees roll up their sleeves

Many hands make light work. The ditches have been dug and the water reservoir built.

Geberit has been supporting the Swiss development organisation Helvetas and its water projects for many years. To make this partnership tangible, a group of 17 employees travelled to Nepal in autumn 2016. Together with the local people, they installed a drinking water supply for a village in the west of Nepal.

Video featuring our employees in Nepal:
www.geberit.com/nepal2016
(only available in German)

Find out more about our know-how:
www.geberit.com/know-how
A brilliant achievement
The history of Mera ceramic appliances

Since March 2016, a Geberit ceramics factory in Wesel (DE) near Düsseldorf has therefore been producing the ceramic appliances for the AquaClean Mera shower toilet. Before arriving at this point, the team of CAD developers, model builders, plastic mould builders and mechanical engineers joined forces with the engineers from company headquarters in Rapperswil-Jona (CH) to accomplish a truly brilliant feat. Not only did they have to develop a manufacturing process for a highly complex ceramic appliance, they also had to do so in the shortest possible time. Less than twelve months later, the team had pulled it off: The first Mera ceramic appliances were sent to Jona, where the shower toilets were then completed.

The Geberit AquaClean Mera shower toilet was first presented officially in 2015. The enthusiasm that welcomed this flagship shower toilet was followed by record orders. It soon became clear: In addition to an external supplier, added production capacities were needed in order to meet the great demand.
The Radcliffe Observatory Quarter, or ROQ, is an honourable address in the heart of the famous university city of Oxford (UK). Surrounded by its illustrious neighbours, the Blavatnik School of Government is now providing a breath of fresh air. Following traditional building typologies, the Swiss architects Jacques Herzog and Pierre de Meuron interpreted the interior courtyard – a characteristic feature of the local colleges – as a central forum that plays a pivotal role within the building. All building sections – from the areas on the ground floor that are partly open to the public right up to the offices and seminar rooms on the higher levels – are connected to this forum. This breathes life into the school’s ethos of openness and transparency. Geberit’s Duofix installation system was used in this building, which has been awarded a BREEAM Excellent green building certificate.

Additional reference objects can be found here: → www.geberit.com/references

Precision work
The manufacture of ceramic sanitary appliances is a complex task, particularly at a plant such as Wesel that specialises in traditional production – the exact opposite of high-pressure casting. This is particularly true for a product such as the AquaClean Mera, where much of the work involves painstaking detail. For example, the model builders and equipment builders have to build the model exactly twelve per cent larger than the end product. This is because the slip – a mixture of quartz, kaolin, clay and feldspar – contains a lot of water that is lost during the drying process and causes the product to shrink accordingly.

A sought-after product
In Wesel, three production lines have since commenced operation. Efforts will continue to improve productivity and the processes for manufacturing the Mera ceramic appliances. After all, the top-of-the-range shower toilet is in great demand – it can be found not only in many private households, but now also in renowned buildings such as the Baur au Lac luxury hotel in Zurich (CH).

For more information, please visit: → www.geberit.com/ceramicsproduction

Reference

New kid on the block

The Radcliffe Observatory Quarter, or ROQ, is an honourable address in the heart of the famous university city of Oxford (UK). Surrounded by its illustrious neighbours, the Blavatnik School of Government is now providing a breath of fresh air. Following traditional building typologies, the Swiss architects Jacques Herzog and Pierre de Meuron interpreted the interior courtyard – a characteristic feature of the local colleges – as a central forum that plays a pivotal role within the building. All building sections – from the areas on the ground floor that are partly open to the public right up to the offices and seminar rooms on the higher levels – are connected to this forum. This breathes life into the school’s ethos of openness and transparency. Geberit’s Duofix installation system was used in this building, which has been awarded a BREEAM Excellent green building certificate.

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