GEBERIT

GEBERIT GROUP

HALF-YEAR REPORT 2018

SALES

+4.3%

Currency-adjusted growth

OPERATING CASHFLOW (EBITDA)

+11.6%

versus prior year

ADJUSTED EARNINGS PER SHARE

+13.9%

versus prior year

FINANCIAL SITUATION

45.9%

Equity ratio

KEY FIGURES FIRST HALF OF 2018

MCHF	2018
Sales	**1,630**
Change in %	+11.0
Operating cashflow (EBITDA)	**485**
Change in %	+11.6
Margin in % of sales	29.8
Adjusted* operating profit (EBIT)	**423**
Change in %	+11.5
Margin in % of sales	26.0
Adjusted* net income	**362**
Change in %	+13.1
Margin in % of sales	22.2
Adjusted* earnings per share (CHF)	**9.90**
Change in %	+13.9
Free cashflow	**191**
Change in %	+19.0
Net debt	**783**
Equity	**1,701**
Equity ratio in %	45.9
Number of employees (FTE; 30.6.)	**11,910**

* Adjusted for costs in connection with the Sanitec acquisition and integration

THE HIGHLIGHTS
IN THE FIRST HALF OF 2018

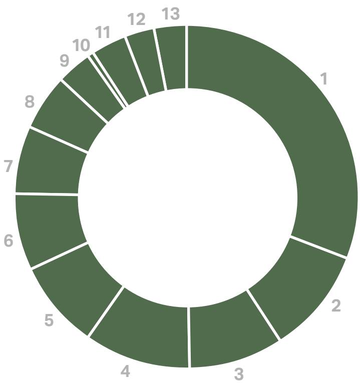
- Increase in currency-adjusted sales
- Increase in operating results, above all attributable to higher sales volumes, price increases, positive effects of the closure of the two plants in France as well as to continuous enhancements in efficiency
- Slightly disproportionate increase in adjusted earnings per share compared with the adjusted operating profit
- Continued solid financial situation
- Shareholder-friendly distribution policy continued

OUTLOOK

- Positive situation in the construction industry overall
- Europe: continuing recovery, but with the individual regions performing differently
- Forecast for the markets outside Europe to be largely positive
- Expectations for the full year:
  - Currency-adjusted sales growth of around four percent
  - Operating cashflow margin at previous year's level

AT A GLANCE

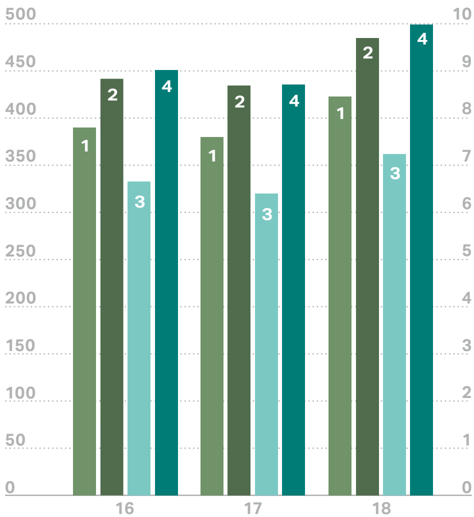
SALES BY MARKETS/REGIONS FIRST HALF-YEAR 2018



1 Germany (30.9%)
2 Nordic Countries (10.0%)
3 Switzerland (9.0%)
4 Central/Eastern Europe (9.9%)
5 Benelux (8.3%)
6 Italy (7.4%)
7 France (6.3%)
8 Austria (5.2%)
9 United Kingdom/ Ireland (3.3%)
10 Iberian Peninsula (0.8%)
11 America (3.1%)
12 Far East/Pacific (3.0%)
13 Middle East/ Africa (2.8%)

EBIT, EBITDA, NET INCOME, EARNINGS PER SHARE (EPS) FIRST HALF-YEAR 2016–2018

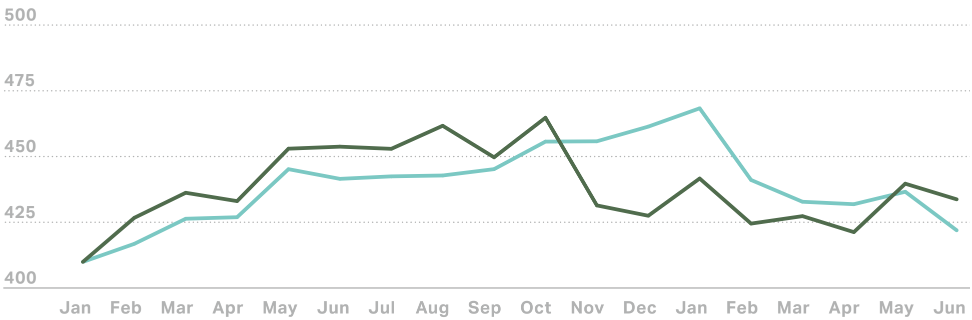
(in CHF million) (EPS: in CHF)



1 EBIT* 2 EBITDA* 3 Net income* 4 EPS*

* Adjusted for costs in connection with the Sanitec acquisition and integration (excl. EBITDA 2018)

SHARE PRICE DEVELOPMENT 1 JANUARY 2017 UNTIL 30 JUNE 2018



Geberit share Swiss Market Index (SMI) indexed

Source: Thomson Reuters

TO OUR SHAREHOLDERS

The Geberit Group posted very good results in the first half of 2018. Overall, sales increased by 11.0% to CHF 1,630 million in the first six months of the year. Currency-adjusted sales improved by 4.3%. Operating cashflow increased by 11.6% to CHF 485 million and adjusted net income grew by 13.1% to CHF 362 million. For 2018 as a whole, Management expects to achieve currency-adjusted sales growth of around 4% and an operating cashflow margin at the previous year's level.

CONSOLIDATED SALES

In the first half of 2018, the Geberit Group's sales increased by 11.0% to CHF 1,630 million. This includes positive currency effects of CHF 98 million. The increase in local currencies was 4.3%. In the year-on-year comparison, a positive – although still mixed – environment in the construction industry as well as successful market activities by Geberit led to this positive sales growth.

Sales for the second quarter improved by 10.3% to CHF 807 million, an increase of 3.9% in currency-adjusted terms.

SALES BY MARKET AND PRODUCT AREA

Currency-adjusted sales in Europe, the largest region, rose by 3.7% in the first half of the year, with Central/Eastern Europe (+10.7%) posting double-digit growth. The Iberian Peninsula (+9.5%), Italy (+6.8%) as well as Switzerland and the Benelux Countries (each +5.2%) also made strong gains, with Germany (+3.8%), Austria (+2.7%) and France (+0.8%) also recording increases. However, sales were down in the United Kingdom/Ireland (-8.4%) and in the Nordic Countries (-1.5%). Double-digit sales growth was posted in the Far East/Pacific region (+20.5%). Middle East/Africa (+9.5%) and America (+3.6%) also recorded positive sales growth.

In the product areas, sales in local currencies increased by 5.1% in Installation and Flushing Systems, 5.2% in Piping Systems and 2.6% in Bathroom Systems.

RESULTS

In comparison with previous years, the operating cashflow (EBITDA) is no longer impacted in 2018 by one-off costs related to the Sanitec acquisition. For better comparability, adjusted figures are only shown for operating profit and net income, as well as for earnings per share. EBITDA increased by 11.6% to CHF 485 million, which corresponds to an EBITDA margin of 29.8% (adjusted EBITDA margin in 2017: 29.6%). Adjusted operating profit (adj. EBIT) increased by 11.5% to CHF 423 million, which corresponds to an adjusted EBIT margin of 26.0% (previous year 25.8%). The increased year-on-year operating results were above all attributable to higher sales volumes, price increases, positive effects of the closure of the two plants in France in the previous year as well as to continuous enhancements in efficiency, while higher raw material prices as well as tariff- and capacity-related increases in personnel expenses had a negative impact. Due to the optimised natural hedging, currency fluctuations did not have a major impact on the operating margins. Adjusted net income rose – slightly above the level seen in the operating results – by 13.1% to CHF 362 million, with an adjusted return on sales of 22.2% (previous year 21.8%). Adjusted earnings per share grew by 13.9% to CHF 9.90 (previous year CHF 8.69).

One-off costs arising from the Sanitec acquisition/integration amounted to CHF 19 million as regards EBIT and CHF 15 million as regards net income.

Despite negative effects from the growth-related increase in net working capital, further payments from the restructuring provisions and higher investments in property, plant and equipment, the considerably higher operating cashflow led to an increase in free cashflow of 19.0% to CHF 191 million.

FINANCIAL SITUATION

The Geberit Group's financial situation remains very solid. As a result of the dividend payment and the ongoing share buyback programme, net debt (debt less liquid funds) increased as planned from CHF 483 million as at 31 December 2017 to CHF 783 million despite the positive cashflow. Accordingly, the equity ratio also decreased from 49.1% as at the end of 2017 to 45.9%.

The share buyback programme, launched on 6 June 2017, was continued. As part of this programme, shares to the value of up to CHF 450 million are to be repurchased, less withholding tax, over a maximum period of three years. The shares are repurchased via a separate trading line on the SIX Swiss Exchange for the purpose of a capital reduction. By 30 June 2018, around 380,150 shares, or 1.0% of the share capital currently entered in the Commercial Register, had been acquired at a sum of CHF 166 million, thereof CHF 74 million in the first six months of 2018.

The General Meeting of 4 April 2018 approved a dividend of CHF 10.40, a 4.0% increase over that of 2017. The payout ratio of 63.4% of adjusted net income is in the upper range of the 50% to 70% corridor defined by the Board of Directors, thus continuing the shareholder-friendly distribution policy.

NUMBER OF EMPLOYEES

At the end of June 2018, the Geberit Group employed 11,910 people worldwide, which is 201 employees or 1.7% more than at the end of 2017 (11,709). The majority of this is attributable to seasonal increases in employees in the production plants and to various sales companies expanding in connection with specific sales activities.

INVESTMENTS IN PROPERTY, PLANT AND EQUIPMENT

CHF 55 million (previous year CHF 44 million) was invested in property, plant and equipment in the first six months of 2018. This equates to 3.4% of sales (previous year 3.0%), with the bulk of this spending used for capacity expansions and to further increase production efficiency.

R&D EXPENSES

Research and development (R&D) expenditures amounted to CHF 38 million (previous year CHF 36 million), equalling 2.3% of sales (previous year 2.5%).

OUTLOOK FOR THE FULL YEAR 2018

The forecasts for the construction industry have not changed significantly in the first six months of 2018. Overall, the markets should be favourable in 2018. However, the individual regions and sectors will perform differently. In Europe, the recovery should continue. Despite healthy demand, growth potential in Germany is likely to remain limited due to capacity constraints of installers. A favourable market environment is expected for Austria, France and the Benelux Countries, although the indicators for residential construction have weakened in France. The construction industry in Switzerland should remain stable at a high level. In the Nordic Countries, the situation for the individual countries is expected to be mixed, with the market predicted to stagnate overall. The Eastern European markets are also predicted to perform differently, with a positive environment expected in Poland and a stabilisation anticipated in Russia, for example. An easing of the market environment is expected in Italy, whereas a downward trend is foreseeable in the United Kingdom as a result of the uncertainty in relation to Brexit. In North America, a moderate recovery is predicted in the institutional construction industry – which is important to Geberit's business in the USA – along with growth in residential construction. In the Far East/Pacific region, the Chinese residential construction sector has been performing better since the beginning of the second half of 2017; the construction industry in Australia is expected to stagnate and the business climate in India is likely to become more challenging. In terms of the Middle East/Africa region, the Gulf States should recover. However, the construction market in South Africa is likely to stagnate.

Fluctuations in the Swiss francs compared to the other important currencies used by the Geberit Group have virtually no impact on operating margins due to natural currency hedging. Uncertainties related to raw material markets have increased but raw material prices are likely to continue to rise in the third quarter of 2018 and exceed their prior-year level in the second half of 2018.

The results achieved by the Geberit Group in the first six months are reason enough to be confident about 2018 as a whole, with positive results, a strong performance across the entire sanitary product business and in all markets and, as in previous years, market share gains. The effect of increased raw material prices will continue to present a challenge. For 2018 as a whole, Management expects to achieve currency-adjusted sales growth of around 4% and an operating cashflow margin at the previous year's level.

14 August 2018

Albert M. Baehny
Chairman

Christian Buhl
CEO

CONSOLIDATED BALANCE SHEETS

MCHF	Note	30.6.2017	31.12.2017	30.6.2018
Assets				
Current assets				
Cash and cash equivalents		273.8	412.7	265.9
Trade accounts receivable		276.2	201.7	306.0
Other current assets and current financial assets		169.7	122.3	185.1
Inventories		290.9	313.3	318.4
Total current assets		**1,010.6**	**1,050.0**	**1,075.4**
Non-current assets				
Property, plant and equipment	**11**	716.2	812.8	800.9
Deferred tax assets		92.7	96.1	88.4
Other non-current assets and non-current financial assets		31.0	35.0	36.9
Goodwill and intangible assets		1,677.5	1,748.9	1,707.6
Total non-current assets		**2,517.4**	**2,692.8**	**2,633.8**
Total assets		**3,528.0**	**3,742.8**	**3,709.2**

MCHF	Note	30.6.2017	31.12.2017	30.6.2018
Liabilities and equity				
Current liabilities				
Short-term debt		3.6	4.5	2.7
Trade accounts payable		115.8	126.1	126.8
Tax liabilities and tax provisions		103.2	101.8	98.7
Other current liabilities		266.1	286.4	284.1
Current provisions		55.0	52.7	38.1
Total current liabilities		**543.7**	**571.5**	**550.4**
Non-current liabilities				
Long-term debt		958.2	890.7	1,045.9
Accrued pension obligations	**2**	311.5	309.2	290.7
Deferred tax liabilities		86.3	76.5	70.8
Other non-current liabilities		6.3	9.6	4.9
Non-current provisions		56.8	48.1	45.7
Total non-current liabilities		**1,419.1**	**1,334.1**	**1,458.0**
Shareholders' equity				
Capital stock		3.7	3.7	3.7
Reserves	**8**	1,996.7	2,194.7	2,081.0
Cumulative translation adjustments		-435.2	-361.2	-383.9
Total equity		**1,565.2**	**1,837.2**	**1,700.8**
Total liabilities and equity		**3,528.0**	**3,742.8**	**3,709.2**

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED INCOME STATEMENTS

MCHF	Note	Six months 1.1.–30.6. 2017	2018
Net sales	**11**	**1,469.3**	**1,630.4**
Cost of materials		411.8	466.2
Personnel expenses		395.1	392.1
Depreciation		51.3	52.5
Amortisation of intangible assets		21.6	27.9
Other operating expenses, net	**9**	275.0	286.8
Total operating expenses, net		1,154.8	1,225.5
Operating profit (EBIT)		**314.5**	**404.9**
Financial expenses		-5.9	-6.3
Financial income		0.5	1.1
Foreign exchange loss (-) /gain		0.1	-1.2
Financial result, net		-5.3	-6.4
Profit before income tax expenses		**309.2**	**398.5**
Income tax expenses		51.0	51.4
Net income		**258.2**	**347.1**
– Attributable to shareholders of Geberit AG		258.2	347.1
EPS (CHF)	**10**	7.01	9.49
EPS diluted (CHF)	**10**	6.99	9.48

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

MCHF		Six months 1.1.–30.6.	
	Note	2017	2018
Net income according to the income statement		**258.2**	**347.1**
Cumulative translation adjustments		18.2	-22.8
Income tax expenses		0.0	0.1
Cumulative translation adjustments, net of tax		**18.2**	**-22.7**
Total other comprehensive income to be reclassified to the income statement in subsequent periods, net of tax		**18.2**	**-22.7**
Remeasurements of pension plans	**2**	22.7	21.7
Income tax expenses		-4.3	-3.8
Remeasurements of pension plans, net of tax		**18.4**	**17.9**
Total other comprehensive income not to be reclassified to the income statement in subsequent periods, net of tax		**18.4**	**17.9**
Total other comprehensive income, net of tax		**36.6**	**-4.8**
Total comprehensive income		**294.8**	**342.3**
– Attributable to shareholders of Geberit AG		294.8	342.3

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASHFLOWS

MCHF	Six months 1.1.–30.6.	
	2017	2018
Cash provided by operating activities		
Net income	258.2	347.1
Depreciation and amortisation	72.9	80.4
Financial result, net	5.3	6.4
Income tax expenses	51.0	51.4
Other non-cash income and expenses	46.6 [1]	-4.4
Operating cashflow before changes in net working capital and income taxes	434.0	480.9
Income taxes paid	-78.4	-61.7
Changes in trade accounts receivable	-174.6	-213.6
Changes in inventories	-12.7 [1]	-10.7
Changes in trade accounts payable	2.5	2.9
Changes in other positions of net working capital	36.2 [1]	51.4
Net cash from/used (-) provided by operating activities	**207.0**	**249.2**
Cash from/used (-) in investing activities		
Sales of subsidiaries	9.1	0.0
Purchase of property, plant & equipment and intangible assets	-43.8	-55.0
Proceeds from sale of property, plant & equipment and intangible assets	2.6	1.7
Other, net	-0.4	-0.8
Net cash from/used (-) in investing activities	**-32.5**	**-54.1**

[1] Following a reclassification in 2018, the prior-year figures relating to net cash from operating activities were adjusted accordingly in the interests of comparability.

MCHF	Six months 1.1.–30.6. 2017	2018
Cash from/used (-) in financing activities		
Proceeds from borrowings	70.0	390.1
Repayments of borrowings	-96.2	-234.6
Interest paid	-5.3	-5.1
Distribution	-368.4	-380.8
Share buyback programme	-6.7	-72.3
Purchase (-)/Sale of treasury shares	-3.8	-37.2
Financing cost paid	-0.2	-0.2
Other, net	-0.4	-0.7
Net cash from/used (-) in financing activities	**-411.0**	**-340.8**
Effects of exchange rates on cash and cash equivalents	0.6	-1.1
Net increase/decrease (-) in cash and cash equivalents	**-235.9**	**-146.8**
Cash and cash equivalents at beginning of year	509.7	412.7
Cash and cash equivalents at end of year	**273.8**	**265.9**

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

MCHF	Attributable to shareholders of Geberit AG					
	Ordinary shares	Reserves	Treasury shares	Pension plans	Cum. translation adjustments	Total equity
Balance at 31.12.2016	**3.7**	**2,344.1**	**-79.4**	**-179.8**	**-453.4**	**1,635.2**
Net income		258.2				258.2
Other comprehensive income				18.4	18.2	36.6
Distribution		-368.4				-368.4
Share buyback programme			-10.3			-10.3
Purchase (-)/Sale of treasury shares		7.4	12.4			19.8
Management option plans		-5.9				-5.9
Balance at 30.6.2017	**3.7**	**2,235.4**	**-77.3**	**-161.4**	**-435.2**	**1,565.2**
Balance at 31.12.2017	**3.7**	**2,506.2**	**-156.4**	**-155.1**	**-361.2**	**1,837.2**
Net income		347.1				347.1
Other comprehensive income				17.9	-22.7	-4.8
Distribution		-380.8				-380.8
Share buyback programme			-74.3			-74.3
Purchase (-)/Sale of treasury shares		4.9	-22.7			-17.8
Management option plans		-5.8				-5.8
Balance at 30.6.2018	**3.7**	**2,471.6**	**-253.4**	**-137.2**	**-383.9**	**1,700.8**

NOTES TO THE HALF-YEAR REPORT

1. GENERAL INFORMATION

The unaudited consolidated interim report for the first half-year 2018 was prepared according to IAS 34. The financial figures were determined in accordance with the same valuation principles as the audited financial statements as at 31 December 2017. The consolidated interim report for the first half-year does not include all disclosures as stated in the consolidated annual financial report and therefore this report should be read in connection with the consolidated annual financial report as at 31 December 2017.

At each balance sheet date, Geberit assesses if there are any indications for an impairment of assets. If there are any indications, an impairment test is carried out and the valuation of the asset is corrected if needed. Furthermore, goodwill and intangible assets from acquisitions with an indefinite useful life are tested for impairment on an annual basis. As at 30 June 2018, no indications exist which point to an impairment loss of goodwill and intangible assets.

2. RETIREMENT BENEFIT PLANS

The actuarial calculations at 31 December 2017 were extrapolated as per 30 June 2018. Thereby, the discount rate for Swiss pension plans was increased from 0.6% to 0.8%, the discount rate for German pension plans from 1.45% to 1.6% and for the British pension plan from 2.6% to 2.7% compared to 31 December 2017. The other parameters remain unchanged. The resulting adjustment of the pension obligation is shown in the consolidated statements of comprehensive income.

3. DISTRIBUTION

The General Meeting approved a dividend of CHF 10.40 per share for the year 2017. The distribution took place in April 2018.

4. PROVISIONS

In 2017, ceramic production at the plant in Digoin was discontinued, and the plant in La Villeneuve-au-Chêne was closed. The costs of the closure had a negative impact of MCHF 44.0 on the result of the Geberit Group in the second quarter of 2017. A restructuring provision for this case was raised as at 30 June 2017. The payout from this provision amounted to MCHF 12.1 in 2017 and MCHF 9.3 as at June 2018.

5. BRAND STRATEGY

The Board of Directors approved the new brand strategy on 7 March 2018. This strategy will see some of the former Sanitec brands being integrated into the Geberit brand in respective markets. Consequently, the affected brands will now have a finite useful life causing annual amortisation of around MCHF 8.0 over the remaining useful life.

6. CHANGES IN THE GROUP ORGANISATION

In the first half-year 2018 there were no material changes in Group organisation.

7. CONTINGENT LIABILITIES

The Group is currently involved in a number of legal disputes that arose in the ordinary course of business. However, the Group is convinced that none of these proceedings, neither individually nor together, will have a material adverse effect on its financial position or performance. The Group is insured against claims arising from product liability. Provisions are also raised for warranty claims.

The Group operates in many countries where it is subject to the local tax laws. The nature of its operations and ongoing significant restructuring programmes result in complex legal structures for the Group and its subsidiaries. Although the Group believes that it conducts its business operations in compliance with local tax laws, it cannot exclude future disputes with the local tax authorities. The Group is not aware of any dispute which may either individually or together have a material adverse effect on its financial position or performance.

8. TREASURY SHARES

pcs.	30.6.2017	30.6.2018
Stock of treasury shares		
From share buyback programmes	22,750	380,150
Other treasury shares	193,233	224,636
Total treasury shares as per June 30	**215,983**	**604,786**

Geberit AG launched a share buyback programme on 6 June 2017. Over a maximum period of three years, shares amounting to a total of a maximum of MCHF 450.0 will be repurchased, less withholding tax. Based on the closing price of Geberit registered shares on 30 June 2018 and taking into account the shares already repurchased by this date, this corresponds to around 1,050,000 registered shares or 2.8% of the share capital currently entered in the Commercial Register. The shares will be repurchased via a separate trading line on the SIX Swiss Exchange for the purpose of a capital reduction. By 30 June 2018, 380,150 shares had been repurchased for a total value of MCHF 166.1.

The entire stock of treasury shares on 30 June 2018 amounted to 604,786 (30 June 2017: 215,983) with a carrying amount of MCHF 253.4 (30 June 2017: MCHF 77.3). Treasury shares are deducted from equity at historical cost.

9. OTHER OPERATING EXPENSES, NET

MCHF	Six months 1.1.–30.6.	
	2017	2018
Outbound freight costs and duties	53.5	58.5
Energy and maintenance expenses	65.0	67.7
Marketing expenses	50.6	54.5
Administration expenses	34.5	38.7
Other operating expenses	80.4	85.5
Other operating income	-9.0	-18.1
Total other operating expenses, net	**275.0**	**286.8**

In 2018, the "Other operating expenses" position contains the costs of a claim that is almost exclusively covered by insurance. The corresponding income is included in the "Other operating income" position. In addition, the "Other operating expenses" position comprises the release of a provision no longer required.

10. EARNINGS PER SHARE

Earnings per share are calculated by dividing the net income attributable to ordinary shareholders by the weighted average number of ordinary shares issued and outstanding during the year, excluding the weighted average number of ordinary shares purchased by the Group and held as treasury shares.

	Six months 1.1.–30.6.	
	2017	2018
Attributable net income according to income statement (MCHF)	258.2	347.1
Weighted average number of ordinary shares outstanding (thousands)	36,826	36,569
Total earnings per share (CHF)	**7.01**	**9.49**

For the diluted earnings per share, the weighted average number of ordinary shares issued is adjusted to assume conversion of all potentially dilutive ordinary shares. The Group has considered the share options granted to the management to calculate the potentially dilutive ordinary shares.

	Six months 1.1.–30.6.	
	2017	2018
Attributable net income according to income statement (MCHF)	258.2	347.1
Weighted average number of ordinary shares outstanding (thousands)	36,826	36,569
Adjustments for share options (thousands)	95	39
Weighted average number of ordinary shares outstanding (thousands)	36,921	36,608
Total diluted earnings per share (CHF)	**6.99**	**9.48**

11. SEGMENT REPORTING

The Geberit Group consists of one single business unit, the purpose of which is to develop, produce and distribute sanitary products and systems for the residential and commercial construction industry. The major part of the products is distributed through the wholesale channel in general to plumbers, who resell the products to the end users. Products are produced by plants that specialise in particular production processes. As a general rule, one specific article is produced at only one location. Distribution is carried out by country or regional distribution subsidiaries, which sell to wholesalers. A distribution subsidiary is always responsible for the distribution of the whole range of products in its sales area. The main task of the distribution companies is local market development, which contains as a main focus the support of installers, sanitary planners, architects, wholesalers and other sales partners. Research and development of the whole range of products is carried out centrally by Geberit International AG. All corporate tasks are also centralised at Geberit International AG. Due to the unity and focus of the business, the top management (Group Executive Board) and the management structure of the Geberit Group are organised by function (Overall Management, Sales Europe, Sales International, Marketing & Brands, Operations, Product Management & Innovation, Finance). The financial management of the Group by the Board of Directors and the Group Executive Board is based on net sales by markets and product areas and on the consolidated income statements, balance sheets and statements of cashflows.

Segment reporting is therefore prepared according to IFRS 8.31 et seq. (one single reportable segment), and the valuation is made according to the same principles as the consolidated financial statements. The basis for revenue recognition is the same for all markets and product areas. The geographical allocation of net sales is based on the domicile of the customers.

The information is as follows:

MCHF	Six months 1.1.–30.6.	
	2017	2018
Net sales by product areas		
Installation and Flushing Systems	546.3 [1]	613.6
Piping Systems	425.1	477.0
Bathroom Systems	497.9 [1]	539.8
Total net sales	**1,469.3**	**1,630.4**

[1] Following a reclassification in 2018, the prior-year figures were adjusted accordingly in the interests of comparability.

MCHF	Six months 1.1.–30.6.	
	2017	2018
Net sales by markets		
Germany	447.3	504.6
Switzerland	138.8	146.1
Nordic Countries	156.2	162.8
Central/Eastern Europe	138.6	162.2
Benelux	118.5	135.4
Italy	104.8	121.6
France	93.4	102.2
Austria	76.1	85.0
United Kingdom/Ireland	54.9	53.4
Iberian Peninsula	11.0	13.1
Other markets	129.7	144.0
Total net sales	**1,469.3**	**1,630.4**

MCHF	Six months 1.1.–30.6.	
	2017	2018
Share of net sales by customers		
Customers with more than 10% of net sales: customer A	225.8	255.8
Total > 10%	**225.8**	**255.8**
Remaining customers with less than 10% of net sales	1,243.5	1,374.6
Total net sales	**1,469.3**	**1,630.4**

MCHF	30.6.2017	30.6.2018
Property, plant and equipment by markets		
Germany	248.0	299.6
Switzerland	156.3	159.1
Nordic Countries	35.2	37.4
Central/Eastern Europe	110.4	126.1
Benelux	5.3	6.2
Italy	48.7	55.7
France	8.2	9.9
Austria	39.7	40.2
United Kingdom/Ireland	2.4	2.4
Iberian Peninsula	11.8	12.8
Other markets	50.2	51.5
Total property, plant and equipment	**716.2**	**800.9**

12. NEW OR REVISED IFRS STANDARDS AND INTERPRETATIONS 2018 AND THEIR ADOPTION BY THE GROUP

Standard/ Interpretation	Enact-ment	Relevance for Geberit	Intro-duction
IFRS 2 – Share-based Payment	1.1.2018	The amendment clarifies the accounting treatment of: 1) The effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments (clarification that the valuation is not in the scope of IFRS 13 Fair Value Measurement) 2) Share-based payment transactions with a net settlement feature for withholding tax obligations 3) Modifications to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. This amendment has no impact on the consolidated financial statements.	1.1.2018
IFRS 9 – Financial Instruments	1.1.2018	Geberit adopted IFRS 9 early as of 1 January 2017. The Group elected to apply the limited exemption in IFRS 9 relating to transition for classification and measurement and impairment, and accordingly has not restated comparative periods. The nature of the main changes resulting from the new standard is as follows: 1) Classification and measurement of financial instruments: Financial assets are classified and subsequently measured at amortised cost or fair value through income statement based on both the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The classification of financial liabilities does not follow the approach used for the financial assets and remains unchanged. 2) Impairment of financial assets: The new impairment model is an expected credit loss ("ECL") model which implies both an earlier recognition of impairment losses and a disclosure of more timely and forward-looking information. A simplified approach must be applied for trade receivables or contract assets that result from transactions within the scope of IFRS 15 and that do not contain a significant financing component. With this approach no changes in credit risk are tracked, but instead a loss allowance is recognised based on lifetime ELCs at each reporting date. 3) Hedge accounting: The new hedge accounting model is less rules-based, aligning accounting more closely with the Group's risk management practices and enabling a wider range of different economic hedging strategies. The early adoption of IFRS 9 did not have a material impact on the consolidated financial statements, and no adjustment was required to equity at 1 January 2017.	1.1.2017

IFRS 15 – Revenue from Contracts with Customers	1.1.2018	IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers. Revenue shall be recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring goods or services. The Group focuses on sanitary technology and bathroom ceramics in the sanitary industry. The products are primarily sold through the wholesale channel for which revenue is recognised at a point in time according to the different terms of delivery. Certain contracts include variable consideration components such as discounts or sales-based rebates. Based on an analysis, the Group reallocated certain payments to customers to the standard sales deductions, but this does not have any material impact on the consolidated financial statements. The new standard does not have any material impact on recognition and measurement of revenue. IFRS 15 mainly results in increased disclosures.	1.1.2018
IFRIC 22 – Foreign Currency Transactions and Advance Considerations	1.1.2018	The interpretation clarifies the recognition of a non-monetary asset or non-monetary liability arising from the pre-payment or receipt of advance consideration denominated in a foreign currency, before the related asset, expense or income is recognised. It determines that the applicable exchange rate shall be the date of the transaction on which the Group initially recognises the non-monetary pre-payment asset or non-monetary deferred liability. If there are multiple payments or receipts in advance, the entity must determine a date of the transactions for each payment or receipt of advance consideration. The amendment has no impact on the consolidated financial statements.	1.1.2018
Annual improvements of IFRS	various	The ordinary annual clarifications and minor amendments of various standards have no material impact on the consolidated financial statements.	various

No new or revised IFRS standards effective from 1 January 2018 were put into effect that were not already included in the 2017 annual report.

13. EVENTS AFTER THE BALANCE SHEET DATE

There were no material events after the balance sheet date.

TIME SCHEDULE

	2018
Interim report 3rd quarter	30 October

	2019
First information on the year 2018	17 January
Results full year 2018	12 March
Annual General Meeting	3 April
Dividend payment	9 April
Interim report 1st quarter	2 May
Half-year report	15 August
Interim report 3rd quarter	31 October

(Subject to minor changes)

This half-year report is published in German and English. The German version is binding. Please find further information on half-year results 2018 at www.geberit.com.

The annual report 2017 is available online in German and English at www.geberit.com/annualreport.

The statements in this review relating to matters that are not historical facts are forward-looking statements that are not guarantees of future performance and involve risks and uncertainties, including, but not limited to: future global economic conditions, foreign exchange rates, regulatory rules, market conditions, the actions of competitors and other factors beyond the control of the company.

Geberit AG
Schachenstrasse 77
CH-8645 Jona

T +41 (0) 55 221 64 81
F +41 (0) 55 221 62 42

corporate.communications@geberit.com
www.geberit.com
www.geberit.com/halfyearreport