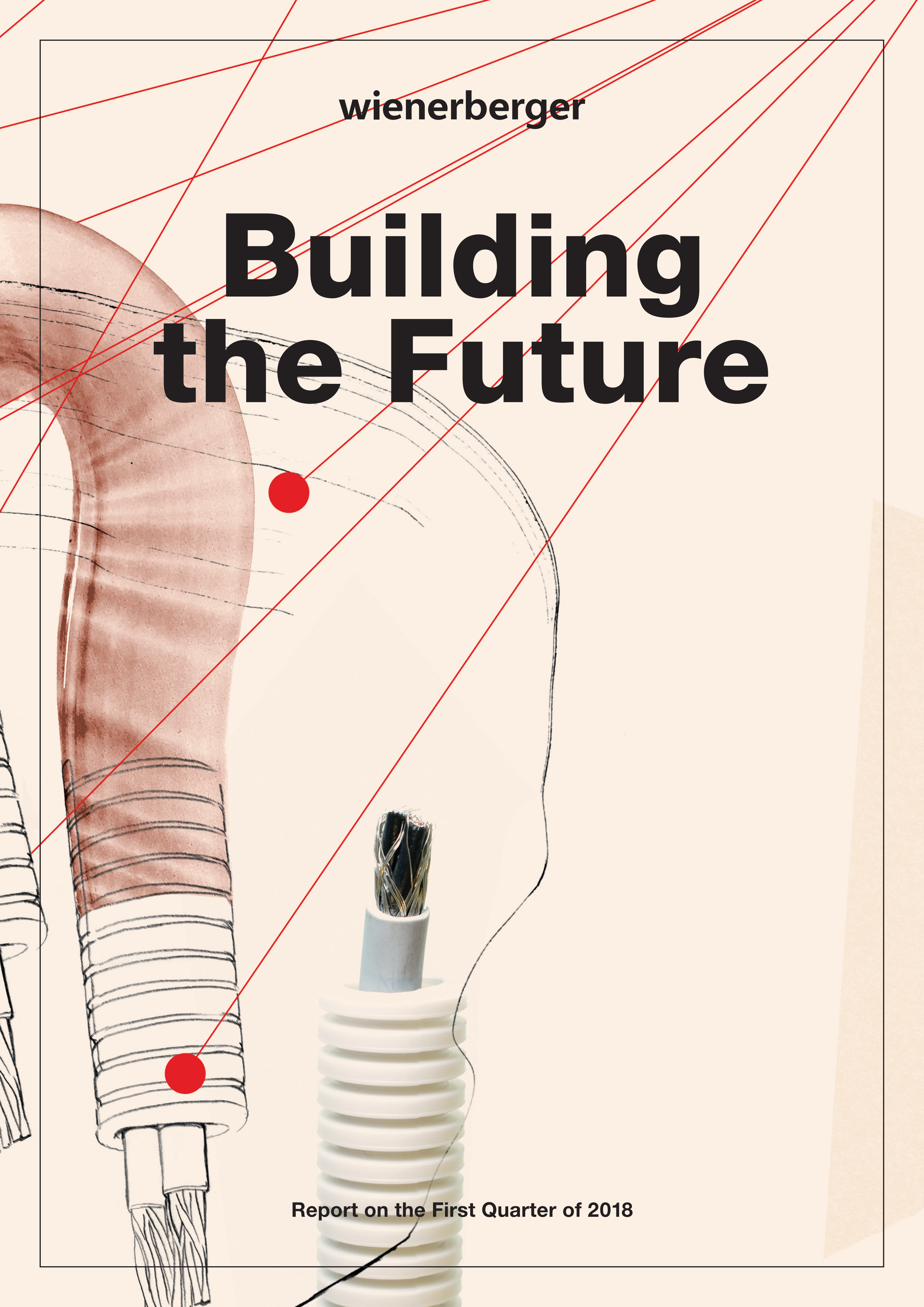
wienerberger

Building the Future



Report on the First Quarter of 2018

Earnings Data		1-3/2017	1-3/2018	Chg. in %	Year-end 2017
Revenues	*in MEUR*	659.6	**675.1**	+2	3,119.7
EBITDA LFL [1)]	*in MEUR*	46.1	**59.7**	+30	-
EBITDA	*in MEUR*	46.1	**44.1**	-4	415.0
Operating EBIT	*in MEUR*	-1.4	**-1.9**	-36	194.2
Profit before tax	*in MEUR*	-10.7	**-9.3**	+13	144.9
Net result	*in MEUR*	-17.5	**-19.6**	-12	123.2
Earnings per share	*in EUR*	-0.15	**-0.17**	-13	1.05
Free cash flow [2)]	*in MEUR*	-219.7	**-200.9**	+9	152.5
Normal capex	*in MEUR*	28.5	**29.3**	+3	147.5
Growth capex	*in MEUR*	0.0	**32.4**	>100	58.8
Ø Employees	*in FTE*	16,038	**16,609**	+4	16,297

Balance Sheet Data		31/12/2017	31/3/2018	Chg. in %
Equity [3)]	*in MEUR*	1,911.2	**1,836.9**	-4
Net debt	*in MEUR*	566.4	**847.5**	+50
Capital employed	*in MEUR*	2,459.2	**2,662.3**	+8
Total assets	*in MEUR*	3,659.9	**3,695.1**	+1
Gearing	*in %*	29.6	**46.1**	-

Stock Exchange Data		1-12/2017	1-3/2018	Chg. in %
Share price high	*in EUR*	22.45	**22.34**	0
Share price low	*in EUR*	16.85	**19.69**	+17
Share price at end of period	*in EUR*	20.17	**20.32**	+1
Shares outstanding (weighted) [4)]	*in 1,000*	116,956	**116,745**	0
Market capitalization at end of period	*in MEUR*	2,370.5	**2,388.1**	+1

Divisions 1-3/2018 *in MEUR and %* [5)]	Clay Building Materials Europe		Pipes & Pavers Europe		North America		Holding & Others		Reconciliation
External revenues	388.2	*(+4%)*	219.1	*(+4%)*	65.2	*(-12%)*	2.2	*(-10%)*	
Inter-company revenues	0.5	*(>100%)*	0.0	*(-32%)*	0.0	*-*	3.7	*(+15%)*	-3.9
Revenues	388.7	*(+4%)*	219.2	*(+4%)*	65.2	*(-12%)*	5.9	*(+4%)*	-3.9
EBITDA	47.5	*(+15%)*	-9.0	*(<-100%)*	9.9	*(>100%)*	-4.2	*(+24%)*	
Operating EBIT	20.0	*(+67%)*	-20.7	*(<-100%)*	3.8	*(>100%)*	-4.9	*(+21%)*	
Total investments	49.0	*(>100%)*	10.2	*(+9%)*	1.7	*(-16%)*	0.9	*(+31%)*	
Capital employed	1,651.6	*(-2%)*	640.3	*(+2%)*	370.4	*(+3%)*	0.0	*(-97%)*	
Ø Employees (in FTE)	10,795	*(+4%)*	4,224	*(+2%)*	1,371	*(+4%)*	219	*(+6%)*	

1) Adjusted for effects from consolidation, FX, sale of non-operating assets and operating assets as well as structural adjustments // 2) Cash flow from operating activities less cash flow from investing activities plus growth capex excluding changes in non-controlling interests // 3) Equity including non-controlling interests and hybrid capital // 4) Adjusted for treasury stock // 5) Changes in % to the comparable prior year period are shown in brackets

Explanatory notes to the report: *Operating EBIT* are adjusted for impairment charges to goodwill and assets as well as the reversal of impairment charges to assets. // Rounding differences may arise from the automatic processing of data.

Chief Executive's Review

Ladies and Gentlemen,

The Wienerberger Group started the business year 2018 with a dynamic first quarter. With revenues up by 2% to € 675 million, our adjusted EBITDA for the period from January to March 2018 improved significantly by 30% to € 60 million at Group level. This clearly shows that we are on a path of growth.

We are particularly happy to report that the implementation of all our projects is on track. An important first step aimed at optimizing our portfolio was taken through the divestment of our Austrian concrete paver business with an enterprise value of approx. € 30 million. After the competition authority gave us the green light in mid-April, the transaction was closed at the beginning of May. In total, we expect to generate proceeds of up to € 100 million through portfolio adjustments by the end of 2019.

In the first quarter we also implemented a number of measures within the framework of our Operational Excellence program with the aim of enhancing efficiency and optimizing costs. On the one hand, we further improved our overhead structures and optimized the plant portfolio of the German and Austrian brick business. On the other hand, we initiated structural adjustments in our ceramic pipe operations, including the closure of a production site, the concentration of the product portfolio and the streamlining of distribution and administration.

It was precisely this resolute, successful implementation as well as our growth course that once again convinced the financial market to invest in Wienerberger on a long-term basis. In April of this year, we successfully placed a new bond with a volume of € 250 million. The bond met with great interest in the market and was oversubscribed nearly three times. This is a clear sign that investors value Wienerberger's positive development and endorse the company's strategic orientation.

As far as market developments are concerned, we expect a continuation of the positive trends seen almost everywhere. In Eastern Europe, in particular, we anticipate a further increase in the number of new housing starts and in infrastructure spending. This will benefit not only our brick business, but also our operations in the fields of pipes and pavers. Against this background, our long-standing presence in the region, our high level of expertise and our leading market positions constitute a strong platform for future growth. In Western Europe, we expect to see slight overall growth in the brick business, even though the current diverging market trends are projected to continue. In the infrastructure sector, we foresee market growth and an improvement of international project business. Improved cost structures and our new operations in prewired electro conduits will contribute positively to the performance in this segment. Moreover, both residential construction and the pipe business in North America should be gaining momentum in the course of the year.

Today, the Wienerberger Group is better positioned than ever to further pursue its growth course. We have the financial flexibility to take advantage of development opportunities, strong platforms in all our business areas, and a clear strategy to actively advance the company. Therefore, I am absolutely confident that we will meet our target for 2018 – an adjusted EBITDA between € 450 million and € 470 million at Group level.

Yours

Interim Management Report
Financial Review

Earnings

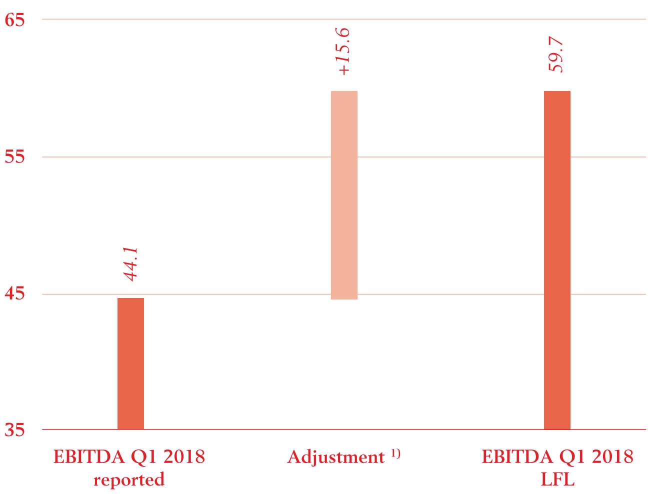
During the first three months of the year, Wienerberger increased its revenues at Group level by 2% to € 675.1 million (Q1 2017: € 659.6 million). Foreign exchange effects burdened revenues by € 15.8 million, with the most significant negative effects resulting from the US dollar, the Turkish lira, the British pound and the Norwegian crown; these were partly offset by positive differences against the Czech crown and the Polish zloty.

Despite the weather-related slowdown of activities in March, the Clay Building Materials Europe Division reported higher sales volumes at improved prices for the first three months of the year. Business in Eastern Europe resulted in significant growth in revenues and earnings. In contrast, the business performance in Western Europe suffered from unfavorable weather conditions. Revenues and earnings therefore remained approximately at the previous year's level. Overall, first-quarter external revenues increased by 4% to € 388.2 million (Q1 2017: € 372.2 million), while EBITDA grew significantly by 15% to € 47.5 million (Q1 2017: € 41.1 million).

The Pipes & Pavers Europe Division generated moderately increased external revenues of € 219.1 million in the reporting period (Q1 2017: 210.5 million), with diverging developments observed in the individual business areas. In its plastic pipes business, Wienerberger generated substantially higher revenues and a significant year-on-year increase in EBITDA. Alongside a positive development of demand, this increase was primarily due to the improved earnings of the restructured French pipe business, as expected, as well as to the contribution by the acquired business with prewired electro conduits, and the improvement of the international project business. External revenues of Wienerberger's business with ceramic sewage pipe systems remained almost stable, while EBITDA declined due to the one-off effects of the closure of a production site. Contrasting with the previous year, activities in the field of concrete pavers recorded growing demand in the Central and Eastern European core markets, but weather-related delays in construction projects resulted in a drop in the segment's operating result. Overall, EBITDA of the Pipes & Pavers Europe Division dropped to € -9.0 million (Q1 2017: € +6.7 million), which was primarily due to structural adjustment costs in the amount of € 16.1 million.

In North America, brick sales were lower than at the beginning of the prior year as a result of cold and wet weather conditions, but selling prices improved. Moreover, consolidation effects and the divestment of two distribution outlets had a positive impact on the Division's operating result. In the plastic pipe business, revenues remained stable, while earnings increased significantly thanks to substantial selling price increases. Overall, the segment's EBITDA improved notably to € 9.9 million (Q1 2017: € 3.8 million), despite significant negative foreign exchange effects.

EBITDA Q1 2018
in MEUR



1) Earnings effects from the sale of operating and non-operating assets, consolidation, FX and structural adjustments

At Group level, Wienerberger's EBITDA remained below the previous year's level in the first three months of the year, declining from € 46.1 million to € 44.1 million. Included in this amount are the costs of structural adjustments in the ceramic pipe business and the European brick business totaling € 18.9 million as well as negative foreign exchange effects in the amount of € 2.1 million. These were partly offset by book gains from real estate sales and the divestment of two distribution outlets in the

USA in a total amount of € 5.2 million as well as the positive impact of consolidation effects. Corrected for the aforementioned effects, EBITDA rose significantly by 30% to € 59.7 million.

Despite negative one-off effects in a total amount of € 15.6 million, operating earnings before interest and tax (operating EBIT) remained nearly stable at € -1.9 million (Q1 2017: € -1.4 million) in the first quarter. Taking into account the reversals of asset impairments of € 3.2 million (Q1 2017: impairment charges of € 1.3 million), EBIT increased to € 1.3 million (Q1 2017: € -2.6 million).

The financial result of € -10.7 million (Q1 2017: € -8.1 million) primarily comprises a net interest expense of € -8.9 million (2017: € -8.7 million). Income from investments in associates and joint ventures amounted to € -0.9 million (Q1 2017: € -0.6 million); the other financial result amounted to € -0.9 million (Q1 2017: € +1.2 million) and primarily included bank charges and valuation effects.

While the result before tax in the reporting period improved slightly to € -9.3 million (Q1 2017: € -10.7 million), the after-tax result of € -16.7 million fell short of the previous year's value of € -14.2 million due to lower deferred tax effects. This development was also reflected in the Group's net result of € -19.6 million (Q1 2017: € 17.5 million), which in turn led to slightly reduced earnings per share of € -0.17 (Q1 2017: € -0.15).

Cash Flow

Gross cash flow declined from € 30.8 million in the comparable period of the previous year to € 17.0 million in the first quarter of 2018, the main reason being higher income taxes paid. Moreover, a stronger increase in working capital resulted in a reduction in cash flow from operating activities from € -194.8 million in the previous year to € -212.2 million in the reporting period.

During the first three months of the year, a total amount of € 29.5 million (Q1 2017: € 28.5 million) was spent on maintenance and technological improvements of production processes as well as on plant extensions. Moreover, € 2.1 million was paid for an acquisition made by the Clay Building Materials Eastern Europe Division, a transaction that was announced in 2017 and closed at the beginning of 2018. Proceeds from real estate sales and the realization of other non-current assets amounted to € 23.9 million (Q1 2017: € 1.5 million), including asset sales in the reporting period as well as inflows of funds from the sale of non-core assets realized in the previous year.

Cash flow from financing activities came to € 107.6 million in the reporting period and was mainly due to short-term funding raised to meet seasonal needs. This inflow of cash stood against the payment of the hybrid coupon in the amount of € 13.6 million (Q1 2017: € 29.9 million) and a cash outflow of € 30.1 million for the acquisition of the non-controlling interests in our Eastern European roof tile business. Moreover, a total of € 5.4 million was spent within the framework of the share buyback program announced in 2017.

Assets and Financial Position

As at 31/3/2018, the Group's equity was € 74.4 million below the 2017 year-end value. The main reasons for the decline in equity, besides the negative total comprehensive income after tax, were the payment of the hybrid coupon, the buy-out of non-controlling interests and the pro-rata share buyback. For seasonal reasons, the Group's net debt increased to € 847.5 million, up by € 281.1 million from the value reported as at 31/12/2017.

Operating Segments

Clay Building Materials Europe

The Clay Building Materials Europe Division delivered a positive performance in the first quarter of 2018:

- Positive market environment led to higher sales and improved average prices
- Revenues increased by 4% to € 388.2 million (Q1 2017: € 372.2 million)
- EBITDA rose significantly by 15% to € 47.5 million (Q1 2017: € 41.1 million)

Outlook

For the business year 2018, we foresee a continuation of slight growth in our core markets. We expect to see significant growth in almost all Eastern European markets with a resultant further improvement of earnings. In contrast, Western Europe will still be marked by diverging market trends. In Great Britain, we expect demand to remain high in our relevant regions. In France, Belgium and the Netherlands we anticipate increasing numbers of new housing starts, whereas we project that demand will remain stable in Germany, Italy and Switzerland. The renovation market, an essential driver of our roof tile business in Western Europe, is still characterized by investment restraint.

Overall, we expect to see higher sales volumes in the Clay Building Materials Europe Division, which should result in a significant increase in revenues and earnings in 2018.

Clay Building Materials Europe		1-3/2017	1-3/2018	Chg. in %
External revenues	*in MEUR*	372.2	**388.2**	+4
EBITDA	*in MEUR*	41.1	**47.5**	+15
Operating EBIT	*in MEUR*	11.9	**20.0**	+67
Total investments	*in MEUR*	16.5	**49.0**	>100
Capital employed	*in MEUR*	1,688.7	**1,651.6**	-2
Ø Employees	*in FTE*	10,358	**10,795**	+4

Clay Building Materials Western Europe

Business in Western Europe remained nearly stable at the previous year's level, with revenues of € 268.9 million and EBITDA of € 29.6 million. Given that weather conditions were less favorable than in 2017, we were not able to take full advantage of the positive development of demand in the first quarter to achieve a corresponding increase in earnings. In Great Britain, the ongoing Brexit negotiations have not yet had any negative impact on demand in our core regions. As construction activity remained strong, we were able to sell significantly higher volumes at moderately increased prices. In Belgium, the availability of PUR/PIR insulating materials is approaching normalized conditions, but the prices of these materials remain high, which puts construction projects under cost pressure. In this environment, we nevertheless succeeded in generating a moderate increase in earnings. In Germany, residential construction activities in the single-family home segment were stable, while slight growth was seen in the construction of multi-family homes. We succeeded in generating earnings growth both in France and in the Netherlands.

Clay Building Materials Western Europe		1-3/2017	1-3/2018	Chg. in %
External revenues	*in MEUR*	271.9	**268.9**	-1
EBITDA	*in MEUR*	29.0	**29.6**	+2
Operating EBIT	*in MEUR*	10.9	**13.5**	+24
Total investments	*in MEUR*	8.7	**9.3**	+7
Capital employed	*in MEUR*	1,171.6	**1,139.0**	-3
Ø Employees	*in FTE*	5,956	**6,244**	+5

Clay Building Materials Eastern Europe

In Eastern Europe, construction activities were stimulated by strong economic growth, a high level of employment and rising incomes. Against this background, the positive development of Wienerberger's business continued throughout the first quarter in almost all core markets in the region. In this environment, we were able to generate significant earnings growth through an increase in average prices and a substantial increase in sales volumes.

Overall, we increased revenues by 19% to € 119.3 million and EBITDA by 47% to € 17.9 million in the first three months of the year.

Clay Building Materials Eastern Europe		1-3/2017	1-3/2018	Chg. in %
External revenues	*in MEUR*	100.3	**119.3**	+19
EBITDA	*in MEUR*	12.2	**17.9**	+47
Operating EBIT	*in MEUR*	1.0	**6.4**	>100
Total investments	*in MEUR*	7.8	**39.6**	>100
Capital employed	*in MEUR*	517.1	**512.6**	-1
Ø Employees	*in FTE*	4,402	**4,551**	+3

Pipes & Pavers Europe

Owing to unfavorable weather conditions and ongoing optimization measures, the positive market dynamics seen in the region were not fully reflected in the development of business in the Pipes & Pavers Europe Division:

- Positive development of demand, but cold weather weighted on the development of business through delays in project execution
- Successful integration of operations in prewired electro conduits
- Repositioning of French plastic pipe business on schedule
- Structural adjustments in ceramic pipe business depressed earnings by € 16.1 million
- First-quarter revenues up by 4% to € 219.1 million (Q1 2017: € 210.5 million)
- EBITDA dropped to € -9.0 million in the reporting period (Q1 2017: € 6.7 million)

Pipes & Pavers Europe		1-3/2017	1-3/2018	Chg. in %
External revenues	in MEUR	210.5	219.1	+4
EBITDA	in MEUR	6.7	-9.0	<-100
Operating EBIT	in MEUR	-4.9	-20.7	<-100
Total investments	in MEUR	9.3	10.2	+9
Capital employed	in MEUR	627.5	640.3	+2
Ø Employees	in FTE	4,155	4,224	+2

Outlook

For 2018, we continue to expect a strong upward trend in revenues and adjusted EBITDA in the Pipes & Pavers Europe Division. Despite weather-related delays of construction projects at the beginning of the year, we anticipate slight market growth in Western Europe. In particular, we will benefit from improved cost structures. In Eastern Europe, we foresee a significant increase in demand, given that private spending is on the increase and public-sector customers are increasingly taking up EU funding. All in all, we anticipate notable improvements in revenues and adjusted EBITDA in both reporting segments.

Pipes & Pavers Western Europe

In the Pipes & Pavers Western Europe segment, we recorded a satisfactory development of business in the first three months of the year, despite cold weather, which was particularly severe in the Nordic core markets. Revenues increased by 5% to € 139.0 million in the first quarter (Q1 2017: € 132.9 million). Over the same period, EBITDA dropped to € -7.6 million (Q1 2017: € +6.9 million) as a result of restructuring costs in the ceramic pipe business.

Pipes & Pavers Western Europe		1-3/2017	1-3/2018	Chg. in %
External revenues	in MEUR	132.9	139.0	+5
EBITDA	in MEUR	6.9	-7.6	<-100
Operating EBIT	in MEUR	0.8	-13.8	<-100
Total investments	in MEUR	3.4	4.4	+31
Capital employed	in MEUR	334.0	340.1	+2
Ø Employees	in FTE	1,837	1,909	+4

The Western European plastic pipe business delivered a satisfactory first-quarter performance. The growth in earnings was primarily due to the contribution of the recently acquired operations in prewired electro conduits, the improvement of international project business, and a significant increase of earnings in France, where we are in the process of consistently implementing the previously announced optimization measures. Given the positive development of demand in our Nordic core markets, we expect to see earnings growth after the weather-related slow start into the construction season. In Ireland and the Netherlands, the strong market dynamics observed in the previous year continued.

In our ceramic pipe business, we recorded a satisfactory development in the first quarter. Sales in the European core markets remained almost stable at notably improved average prices. Moreover, we initiated extensive restructuring measures, including the closure of a production site in Germany, the streamlining of our product portfolio and the restructuring of distribution and administration. Through this step, we are adjusting our organization to current market conditions and expect a substantial increase in profitability in the medium term. The resultant restructuring costs in the amount of € 16.1 million were fully recognized in the first quarter.

Pipes & Pavers Eastern Europe

In the Eastern European region, we observed rising demand and an increasing number of public-sector tenders in the first three months of the year. At the same time, however, weather-related delays in project execution had a negative impact on the volume of products supplied. As a result, revenues increased by 3% to € 80.1 million, while EBITDA came to € -1.4 million, thus remaining slightly below the operating result reported for the same period of the previous year (Q1 2017: € -0.2 million).

Our Eastern European plastic pipe operations were unable to take full advantage of the positive market environment of the first three months and therefore generated only moderate earnings growth. We observed a continuing recovery of EU-funded infrastructure spending, especially in Poland and Hungary, and sold higher volumes in the growing Turkish market. Most of the other Eastern European markets were not able to match the performance of the first quarter of 2017, which had the benefit of mild winter weather.

In our business with concrete pavers, the expected increase in demand materialized. After the late start of the construction season, we therefore expect earnings to improve noticeably in the course of the year. Moreover, by selling our Austrian concrete paver business, we have taken a major strategic step forward in the development of this line of business. From now on, we will focus on our core markets in Central and Eastern Europe, which have an above-average potential for growth and generate satisfactory margins.

Pipes & Pavers Eastern Europe		1-3/2017	1-3/2018	Chg. in %
External revenues	*in MEUR*	77.6	**80.1**	+3
EBITDA	*in MEUR*	-0.2	**-1.4**	<-100
Operating EBIT	*in MEUR*	-5.7	**-6.9**	-21
Total investments	*in MEUR*	6.0	**5.8**	-3
Capital employed	*in MEUR*	293.5	**300.2**	+2
Ø Employees	*in FTE*	2,318	**2,315**	0

North America

The North America Division reported a substantial increase in earnings in the first quarter of 2018:

- Organic growth in all business areas
- Successful integration of facing brick producer Columbus Brick
- EBITDA increased to € 9.9 million (Q1 2017: € 3.8 million)

In the first quarter, residential construction activity in the USA was characterized by wet and cold weather conditions. Against this background, we had to accept a drop in facing brick sales despite the growing number of new housing starts. However, we succeeded in obtaining slightly improved average prices and increased our organic earnings. Moreover, Columbus Brick, the facing brick producer taken over in the previous year, made a significant contribution to earnings after its successful integration. At the same time, the book gain from the divestment of two distribution outlets was offset almost completely by foreign exchange effects. In Canada, we took advantage of the positive development of demand to increase our average prices and step up our sales volumes. We also recorded a highly satisfactory development in our North American plastic pipe business in the first three months of the year. Overall, the North America Division generated significantly increased earnings of € 9.9 million (Q1 2017: € 3.8 million), despite a currency-related 12% decline in revenues.

Outlook

We expect to see a continuation of the positive trend in the construction of new single- and two-family homes in the USA in the course of the year, which will enable us to increase our sales volumes. We therefore anticipate an improved operating result in our brick business, despite competitive pricing in the US brick industry. For Canada, we project continued high demand in the first half of the year, but it is likely that the government's measures aimed at stricter regulation of the real estate market will have a dampening effect on our business performance in the course of the year. In our plastic pipe business we expect a further improvement of results. In the North America Division as a whole, we expect to see an increase in revenues and growth of organic earnings in 2018.

North America		1-3/2017	1-3/2018	Chg. in %
External revenues	in MEUR	74.3	**65.2**	-12
EBITDA	in MEUR	3.8	**9.9**	>100
Operating EBIT	in MEUR	-2.2	**3.8**	>100
Total investments	in MEUR	2.0	**1.7**	-16
Capital employed	in MEUR	358.2	**370.4**	+3
Ø Employees	in FTE	1,318	**1,371**	+4

Holding & Others

Besides the holding company of the Group, the Holding & Others Division includes our brick business in India, which we manage from a clay block production site in the Bangalore region. The muted development of business in India was clearly offset through proceeds from the sale of non-core assets by the holding company. Overall, the Division's EBITDA improved by 24% to € -4.2 million in the first quarter.

Holding & Others		1-3/2017	1-3/2018	Chg. in %
External revenues	*in MEUR*	2.4	**2.2**	-10
EBITDA	*in MEUR*	-5.6	**-4.2**	+24
Operating EBIT	*in MEUR*	-6.2	**-4.9**	+21
Total investments	*in MEUR*	0.7	**0.9**	+31
Capital employed	*in MEUR*	0.7	**0.0**	-97
Ø Employees	*in FTE*	207	**219**	+6

Condensed Interim Financial Statements (IFRS) Wienerberger Group

Consolidated Income Statement

in TEUR	1-3/2018	1-3/2017
Revenues	675,059	659,625
Cost of goods sold	-461,458	-464,175
Gross profit	**213,601**	**195,450**
Selling expenses	-143,743	-139,582
Administrative expenses	-52,699	-49,571
Other operating income:		
Reversal of impairment charges to assets	3,214	0
Other	10,281	4,276
Other operating expenses:		
Impairment charges to assets	0	-1,263
Other	-29,312	-11,950
Operating profit/loss (EBIT)	**1,342**	**-2,640**
Income from investments in associates and joint ventures	-853	-566
Interest and similar income	1,340	1,440
Interest and similar expenses	-10,263	-10,185
Other financial result	-895	1,224
Financial result	**-10,671**	**-8,087**
Profit/loss before tax	**-9,329**	**-10,727**
Income taxes	-7,379	-3,498
Profit/loss after tax	**-16,708**	**-14,225**
Thereof attributable to non-controlling interests	-477	-503
Thereof attributable to hybrid capital holders	3,356	3,803
Thereof attributable to equity holders of the parent company	**-19,587**	**-17,525**
Earnings per share (in EUR)	**-0.17**	**-0.15**
Diluted earnings per share (in EUR)	**-0.17**	**-0.15**

Consolidated Statement of Comprehensive Income

in TEUR	1-3/2018	1-3/2017
Profit/loss after tax	**-16,708**	**-14,225**
Foreign exchange adjustments	-13,427	9,465
Foreign exchange adjustments to investments in associates and joint ventures	5	0
Changes in the fair value of available-for-sale financial instruments [1)]	0	32
Changes in hedging reserves	1,848	-851
Other comprehensive income [2)]	**-11,574**	**8,646**
Total comprehensive income after tax	**-28,282**	**-5,579**
Thereof comprehensive income attributable to non-controlling interests	-397	-502
Thereof attributable to hybrid capital holders	3,356	3,803
Thereof comprehensive income attributable to equity holders of the parent company	**-31,241**	**-8,880**

1) Available-for-sale financial instruments refers to the classification of financial instruments according to IAS 39, which no longer applies in the reporting year due to the initial application of IFRS 9. // 2) The components of other comprehensive income are reported net of tax and will be recycled in future periods.

Consolidated Balance Sheet

in TEUR	31/3/2018	31/12/2017
Assets		
Intangible assets and goodwill	690,244	690,897
Property, plant and equipment	1,495,805	1,521,572
Investment property	64,912	65,918
Investments in associates and joint ventures	7,484	11,371
Other financial investments and non-current receivables	24,222	16,708
Deferred tax assets	43,107	44,049
Non-current assets	**2,325,774**	**2,350,515**
Inventories	795,944	741,597
Trade receivables	301,954	214,277
Receivables from current taxes	9,611	2,297
Other current receivables	96,418	98,934
Securities and other financial assets	63,242	79,008
Cash and cash equivalents	73,604	169,259
Current assets	**1,340,773**	**1,305,372**
Non-current assets held for sale	**28,589**	**3,977**
Total assets	**3,695,136**	**3,659,864**
Equity and liabilities		
Issued capital	117,527	117,527
Share premium	1,075,421	1,086,017
Hybrid capital	265,985	265,985
Retained earnings	650,292	674,923
Other reserves	-262,522	-251,842
Treasury stock	-10,297	-4,862
Controlling interests	**1,836,406**	**1,887,748**
Non-controlling interests	472	23,491
Equity	**1,836,878**	**1,911,239**
Deferred taxes	68,980	71,630
Employee-related provisions	152,668	154,992
Other non-current provisions	79,091	76,453
Long-term financial liabilities	485,991	493,948
Other non-current liabilities	5,983	6,023
Non-current provisions and liabilities	**792,713**	**803,046**
Current provisions	53,005	39,114
Payables for current taxes	10,944	11,399
Short-term financial liabilities	493,362	320,724
Trade payables	255,578	321,533
Other current liabilities	244,377	252,809
Current provisions and liabilities	**1,057,266**	**945,579**
Liabilities in connection with assets held for sale	**8,279**	**0**
Total equity and liabilities	**3,695,136**	**3,659,864**

Consolidated Statement of Cash Flows

in TEUR	1-3/2018	1-3/2017
Profit/loss before tax	-9,329	-10,727
Depreciation and amortization	45,511	46,290
Impairment charges to assets and other valuation effects	3,281	1,367
Reversal of impairment charges to assets	-3,214	0
Increase/decrease in non-current provisions	-1,776	-1,799
Income from investments in associates and joint ventures	853	566
Gains/losses from the disposal of fixed and financial assets	-5,867	-83
Interest result	8,923	8,745
Interest paid	-4,160	-5,484
Interest received	146	399
Income taxes paid	-17,347	-8,482
Gross cash flow	**17,021**	**30,792**
Increase/decrease in inventories	-68,207	-58,371
Increase/decrease in trade receivables	-90,191	-107,116
Increase/decrease in trade payables	-65,967	-38,788
Increase/decrease in other net current assets	-4,852	-21,357
Cash flow from operating activities	**-212,196**	**-194,840**
Proceeds from the sale of assets (including financial assets)	23,938	1,474
Payments made for property, plant and equipment and intangible assets	-29,481	-28,474
Dividend payments from associates and joint ventures	3,039	6,521
Increase/decrease in securities and other financial assets	13,575	-4,406
Net payments made for the acquisition of companies	-2,142	0
Cash flow from investing activities	**8,929**	**-24,885**
Cash inflows from the increase in short-term financial liabilities	192,949	398,981
Cash outflows from the repayment of short-term financial liabilities	-36,305	-333,620
Cash inflows from the increase in long-term financial liabilities	210	150,295
Cash outflows from the repayment of long-term financial liabilities	-65	-26
Hybrid coupon paid	-13,609	-29,898
Purchase of non-controlling interests	-30,100	0
Purchase of treasury stock	-5,436	0
Cash flow from financing activities	**107,644**	**185,732**
Change in cash and cash equivalents	**-95,623**	**-33,993**
Effects of exchange rate fluctuations on cash held	-32	370
Cash and cash equivalents at the beginning of the year	169,259	197,016
Cash and cash equivalents at the end of the period	**73,604**	**163,393**

Consolidated Statement of Changes in Equity

in TEUR	Issued capital	Share premium/ treasury stock	Hybrid capital	Retained earnings	Other reserves	Controlling interests	Non-controlling interests	Total
Balance on 1/1/2018	**117,527**	**1,081,155**	**265,985**	**674,923**	**-251,842**	**1,887,748**	**23,491**	**1,911,239**
Adjustments [1]				**5,209**	**974**	**6,183**		**6,183**
Balance on 1/1/2018 adjusted	**117,527**	**1,081,155**	**265,985**	**680,132**	**-250,868**	**1,893,931**	**23,491**	**1,917,422**
Total comprehensive income				-16,231	-11,654	**-27,885**	-397	**-28,282**
Hybrid coupon				-13,609		**-13,609**		**-13,609**
Decrease in non-controlling interests		-10,595				**-10,595**	-22,622	**-33,217**
Changes in treasury stock		-5,436				**-5,436**		**-5,436**
Balance on 31/3/2018	**117,527**	**1,065,124**	**265,985**	**650,292**	**-262,522**	**1,836,406**	**472**	**1,836,878**

1) The balance on January 1 was restated due to the initial application of IFRS 9 and IFRS 15.

in TEUR	Issued capital	Share premium/ treasury stock	Hybrid capital	Retained earnings	Other reserves	Controlling interests	Non-controlling interests	Total
Balance on 1/1/2017	**117,527**	**1,081,155**	**265,985**	**586,961**	**-222,503**	**1,829,125**	**19,831**	**1,848,956**
Total comprehensive income				-13,722	8,645	**-5,077**	-502	**-5,579**
Hybrid coupon				-17,692		**-17,692**		**-17,692**
Balance on 31/3/2017	**117,527**	**1,081,155**	**265,985**	**555,547**	**-213,858**	**1,806,356**	**19,329**	**1,825,685**

Operating Segments

1-3/2018 *in TEUR*	Clay Building Materials Eastern Europe	Clay Building Materials Western Europe	Pipes & Pavers Eastern Europe	Pipes & Pavers Western Europe	North America	Holding & Others [1]	Reconciliation [2]	Wienerberger Group
External revenues	119,263	268,938	80,134	139,011	65,243	2,153		**674,742**
Inter-company revenues	1,850	3,931	3,058	996	0	3,715	-13,233	**317**
Total revenues	121,113	272,869	83,192	140,007	65,243	5,868	-13,233	**675,059**
EBITDA	17,879	29,572	-1,432	-7,594	9,897	-4,208		**44,114**
Operating EBIT	6,440	13,521	-6,869	-13,836	3,761	-4,889		**-1,872**
Impairment charges/ Reversal of impairment charges	0	0	0	0	0	3,214		**3,214**
EBIT	6,440	13,521	-6,869	-13,836	3,761	-1,675		**1,342**
Profit/loss after tax	1,666	3,054	-9,127	-16,818	1,513	1,980	1,024	**-16,708**
Total investments	39,642	9,331	5,773	4,430	1,674	873		**61,723**
Capital employed	512,566	1,139,009	300,232	340,096	370,377	24		**2,662,304**
Ø Employees	4,551	6,244	2,315	1,909	1,371	219		**16,609**

1-3/2017 *in TEUR*	Clay Building Materials Eastern Europe	Clay Building Materials Western Europe	Pipes & Pavers Eastern Europe	Pipes & Pavers Western Europe	North America	Holding & Others [1]	Reconciliation [2]	Wienerberger Group
External revenues	100,298	271,903	77,643	132,852	74,322	2,405		**659,423**
Inter-company revenues	1,846	1,924	2,458	1,862	0	3,237	-11,125	**202**
Total revenues	102,144	273,827	80,101	134,714	74,322	5,642	-11,125	**659,625**
EBITDA	12,169	28,962	-204	6,863	3,849	-5,559		**46,080**
Operating EBIT	1,026	10,912	-5,680	785	-2,223	-6,197		**-1,377**
Impairment charges/ Reversal of impairment charges	0	0	0	0	0	-1,263		**-1,263**
EBIT	1,026	10,912	-5,680	785	-2,223	-7,460		**-2,640**
Profit/loss after tax	-1,797	-96	-7,081	-3,100	-4,602	1,603	848	**-14,225**
Total investments	7,778	8,693	5,965	3,378	1,995	665		**28,474**
Capital employed	517,067	1,171,612	293,530	333,997	358,239	715		**2,675,160**
Ø Employees	4,402	5,956	2,318	1,837	1,318	207		**16,038**

1) The Holding & Others segment includes the business activities in India and the costs of the corporate headquarters. // 2) The reconciliation column includes eliminations between Group companies.

Condensed Notes to the Interim Financial Statements

Basis of preparation

The interim financial report as of March 31, 2018 was prepared in accordance with the principles set forth in the International Financial Reporting Standards, Interim Financial Reporting (IAS 34). The major judgements and estimates used to prepare the consolidated financial statements for 2017 as well as the accounting and valuation methods in effect on December 31, 2017 remain unchanged, with the exception of the IFRSs that require mandatory application as of January 1, 2018.

The following table provides an overview of the new standards and interpretations published by the IASB as of the balance sheet date:

Standards/Interpretations		Published by IASB	Mandatory first-time adoption	
	Annual Improvements to IFRSs 2014 - 2016 Cycle	December 2016	1/1/2017 / 1/1/2018	1)
IFRS 9	Financial Instruments	July 2014	1/1/2018	1)
IFRS 15	Revenue from Contracts with Customers	May 2014/ September 2015	1/1/2018	1)
IFRS 15	Revenue from Contracts with Customers – Clarification	April 2016	1/1/2018	1)
IFRS 2	Share-based Payments – Amendments	June 2016	1/1/2018	1)
IFRS 4	Insurance Contracts – Amendments	September 2016	1/1/2018	1)
IAS 40	Investment Property: Amendments	December 2016	1/1/2018	1)
IFRIC 22	Foreign Currency Transactions and Advance Consideration	December 2016	1/1/2018	1)
IFRS 16	Leases	January 2016	1/1/2019	1)
IFRS 9	Financial Instruments – Amendments	October 2017	1/1/2019	1)
IFRIC 23	Uncertainty over Income Tax Treatments	June 2017	1/1/2019	
IAS 28	Long-term Interests in Associates and Joint Ventures – Amendments	October 2017	1/1/2019	
	Annual Improvements to IFRSs 2015 - 2017 Cycle	December 2017	1/1/2019	
IAS 19	Employee Benefits – Amendments	February 2018	1/1/2019	
Framework	Framework – Amendments	March 2018	1/1/2020	
IFRS 17	Insurance Contracts	May 2017	1/1/2021	
IFRS 10, IAS 28	Sale of Assets between an Investor and its Associate or Joint Venture – Amendments	September 2014/ December 2015	-	

1) Mandatory effective date according to European Union directive.

New and amended standards and interpretations published that were adopted by the EU

The 2014 - 2016 improvements cycle comprises clarifications in connection with investments in other entities and in associates according to IFRS 12 and IAS 28. In addition, certain exemptions under IFRS 1 for first-time adopters, which are not relevant for Wienerberger, were deleted. The amendments to IFRS 12 are effective for annual periods beginning on or after January 1, 2017; amendments to IFRS 1 and IAS 28 are effective for annual periods beginning on or after January 1, 2018.

The new standards IFRS 15 Revenue from Contracts with Customers and the clarifications on IFRS 15 as well as IFRS 9 Financial Instruments have to be applied for the first time for reporting periods beginning on or after January 1, 2018. Details on the effects of these standards are contained in the chapters "First-time adoption of IFRS 15 Revenue from Contracts with Customers" and "First-time adoption of IFRS 9 Financial Instruments".

The amendments to IFRS 2 Share-based Payment concern the consideration of settlement conditions within the framework of the measurement of share-based payments with cash settlement. Share-based payments providing for net settlement of taxes to be withheld are classified as equity-settled share-based payments. Moreover, the amendments clarify the recognition of a change in conditions, if it changes the classification from cash-settled payment to equity-settled payment.

The amendments to IFRS 4 Insurance Contracts, addressing issues arising from the implementation of IFRS 9 Financial Instruments in insurance contracts, were published in September 2016. These amendments are of no relevance to Wienerberger.

In December 2016, amendments to IAS 40 were published, which clarify the requirements on transfers to, or from, investment property so that now an investment property under construction may also fall under the rules of IAS 40. These amendments are effective for periods beginning on or after January 1, 2018.

Moreover, IFRIC 22 Foreign Currency Transactions and Advance Consideration was issued in December 2016. This interpretation clarifies that the date of transaction, for the purpose of determining the exchange rate of a non-monetary asset, is the date of initial recognition. This interpretation is effective for annual reporting periods beginning on or after January 1, 2018.

IFRS 16 Leases was published in January 2016 and will replace IAS 17 Leases, IFRIC 4 Determining whether an Arrangement Contains a Lease, SIC 15 Operating Leases – Incentives, and SIC 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. Wienerberger will adopt the new standard as of January 1, 2019 and elect to apply the modified retrospective approach as a transitional method. The cumulative impact of applying the new standard is recognized in retained earnings in the opening balance and a restatement of the comparative period 2018 is not required. The objective of the new standard is to ensure that all leases and the related contractual rights and obligations are recognized on the lessee's balance sheet, which will eliminate the need to distinguish between operating leases and financing leases in the future. A first assessment of the impact on the consolidated annual statements showed, as expected, an increase in non-current assets and financial liabilities due to existing operating leases. The main non-current asset item concerned by the change will be land and buildings on account of longer-term rental and lease contracts for office premises, warehouses and production sites. However, the actual extent of the impact at the time of transition will depend on various factors, such as rental and lease contracts in force at that time, the exercise of elective rights, the assessment of options and the prevailing interest landscape.

The amendments to IFRS 9 Financial Instruments were published in October 2017 and provide for adjustments to the assessment criteria for the classification of financial assets. Under certain conditions, financial assets with prepayment features with negative compensation may be accounted for at amortized cost or at fair value in other comprehensive income. Moreover, the amendment clarifies that the amortized cost of modified financial liabilities, which do not lead to derecognition, have to be adjusted directly in profit or loss. The amendments are to be applied retroactively as of January 1, 2019.

New and amended standards and interpretations published, but not yet adopted by the EU

IFRIC 23 Uncertainty over Income Tax Treatments, containing additional provisions on IAS 12 Income Taxes, was published in June 2017. This interpretation clarifies uncertainties over the treatment of income taxes in financial statements prepared according to IFRS.

The amendments to IAS 28 clarify that IFRS 9 has to be applied to long-term investments in associates or joint ventures not accounted for at equity. Subject to adoption by the EU, these amendments also have to be applied as of January 1, 2019.

The 2015 - 2017 improvements cycle contains clarifications regarding business combinations according to IFRS 3 and joint arrangements according to IFRS 11. In detail, the clarifications relate to the remeasurement of previously held interests upon transfer of control or joint management of a business in which an interest was previously held within the framework of a joint activity. Moreover, the improvements cycle contains clarifications on IAS 12 Income Taxes regarding the fiscal consequences of dividend payments and on IAS 23 Borrowing Costs regarding the determination of borrowing rates. Subject to adoption by the EU, these amendments will be effective as of January 1, 2019.

The amendments to IAS 19 Employee Benefits, published in February 2018, clarify that after plan amendments, curtailments or settlements the current service cost and the net interest for the rest of the period are to be recognized on the basis of updated assumptions. Subject to adoption by the EU, the amendments are to be applied as of January 1, 2019.

A revised Conceptual Framework for Financial Reporting was published in March 2018. It is intended to help preparers of financial statements to develop accounting methods for transactions not covered by IFRS standards and interpretations. Moreover, it is to assist the IASB in developing standards and interpretations that are based on consistent concepts.

In May 2017 the IASB published IFRS 17 Insurance Contracts, a new standard which replaces IFRS 4 and clarifies the accounting treatment of insurance and reinsurance contracts. Given that Wienerberger holds neither insurance nor reinsurance contracts, the new standard is of no relevance to the financial statements of the Group.

The amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates, entitled Sale or Contribution of Assets between an Investor and its Associate or Joint Venture, provide for the effect on the result to depend on whether or not a business operation is transferred. In the event of loss of control of a business operation, the result is to be recognized in its entirety. The date of first adoption has been deferred indefinitely by the IASB.

First-time adoption of IFRS 15 Revenue from Contracts with Customers

IFRS 15 Revenue from Contracts with Customers defines the timing and the amount of revenue recognition, regardless of different types of contracts and performance obligations. Revenue is determined on the basis of a five-step process, starting with the identification of the contract and the performance obligations contained therein. After the determination of the transaction price and its allocation to the separate performance obligations, the time of satisfaction of the performance obligation must be determined in order to recognize the revenue.

Wienerberger applied IFRS 15 Revenue from Contracts with Customers for the first time on the basis of the cumulative method. The cumulative effect of first-time adoption as of January 1, 2018 was recognized in retained earnings and concerned contracts not yet concluded at the balance sheet date of December 31, 2017. Therefore, the comparative period of 2017 was not restated. The equity-increasing effect recognized in retained earnings amounted to TEUR 315 after tax. It resulted entirely from earlier revenue recognition from products without alternative use according to IFRS 15.35 lit. c).

The following table shows the effects of first-time adoption of IFRS 15 Revenue from Contracts with Customers on the opening balance as at January 1, 2018.

in TEUR	31/12/2017	Adjustments IFRS 15	1/1/2018
Assets			
Inventories	741,597	-739	**740,858**
Trade receivables	214,277	1,161	**215,438**
Deferred tax assets	44,049	-39	**44,010**
Equity and liabilities			
Retained earnings	674,923	315	**675,238**
Deferred taxes	71,630	68	**71,698**

According to the new standard, revenue is recognized at the time of transfer of control of the goods or services to the customer. For production contracts according to IFRS 15.35 lit. c), the transfer of control occurs upon production, as the customer acquires control of the unfinished goods already during the production process. According to IFRS 15, revenue from such contracts is recognized over a period of time, as the products manufactured are customer-specific and have no alternative use, and Wienerberger has an enforceable right to payment against the customer. In brick and ceramic pipe business as well as in concrete paver business, the production period of such construction contracts usually extends over a few days to several weeks.

In plastic pipe operations, revenue and costs resulting from contracts for the production of LLLD (long-length-large-diameter) pipes were recognized according to IAS 11 up to December 31, 2017, depending on the percentage of completion. According to IFRS 15 as well, revenue from such production contracts is to be recognized over a period of time, which means that the adoption of the new standard has not entailed a change in accounting.

Apart from the sale of products, Wienerberger also provides services for customers. Within the framework of Building Information Modeling, for instance, 3D models for building design are generated. Wienerberger receives an all-in service fee for services provided within the framework of Building Information Modeling projects, such as noise measurement or landscape valuation. According to IFRS 15, revenue from Building Information Modelling projects is to be recognized over a period of time, as Wienerberger has no alternative use for the asset produced and has an enforceable right to payment for services already provided.

Up to December 31, 2017, a provision was set up at the end of the year for returnable pallets in the amount of the profit contribution of the expected returns through a revenue adjustment. According to IFRS 15, variable consideration, such as expected returns, is allowed to be recognized in revenue only to the extent to which it is highly probable that no significant reversal of such revenue will occur in the future. Returns therefore have to be estimated and revenue has to be reduced by a refund liability in the amount of the expected payments to the customer. At the same time, a return asset is recognized from expected returns at the former book value less expected costs to recover the goods and potential impairments. Compared to the accounting logic previously applied, this results in a higher reduction in revenue, which is, however, offset by an adjustment of the cost of goods sold. Recognition in gross amounts results in an increase in total assets. The refund liability is shown under other current liabilities, whereas the asset for the right to recover products from customers is reported under other current receivables.

In contracts with wholesalers, above all, contributions to advertising costs were identified which, according to

IFRS 15, have to be recognized as revenue reductions, unless they concern distinct goods or services. This results in a shift between selling expenses and revenues and therefore in a change in presentation in the consolidated income statement, as compared to the previously applied rules.

The following tables show the effects of these changes on the interim financial statements as at March 31, 2018. The effects on the consolidated statement of cash flows as at March 31, 2018 are immaterial.

1-3/2018 *in TEUR*	As reported	Adjustments IFRS 15	Without adoption of IFRS 15
Revenues	675,059	2,272	**677,331**
Cost of goods sold	-461,458	-2,327	**-463,785**
Gross profit	213,601	-55	**213,546**
Selling expenses	-143,743	-269	**-144,012**
Operating profit/loss (EBIT)	1,342	-324	**1,018**
Profit/loss before tax	-9,329	-324	**-9,653**
Profit/loss after tax	-16,708	-324	**-17,032**
Total comprehensive income after tax	-28,282	-324	**-28,606**

31/3/2018 *in TEUR*	As reported	Adjustments IFRS 15	Without adoption of IFRS 15
Deferred tax assets	43,107	39	**43,146**
Non-current assets	**2,325,774**	**39**	**2,325,813**
Inventories	795,944	1,508	**797,452**
Trade receivables	301,954	-2,254	**299,700**
Other current receivables	96,418	-6,503	**89,915**
Current assets	**1,340,773**	**-7,249**	**1,333,524**
Total assets	**3,695,136**	**-7,210**	**3,687,926**
Retained earnings	650,292	-638	**649,654**
Equity	**1,836,878**	**-638**	**1,836,240**
Deferred taxes	68,980	-69	**68,911**
Non-current provisions and liabilities	**792,713**	**-69**	**792,644**
Current provisions	53,005	2,013	**55,018**
Other current liabilities	244,377	-8,516	**235,861**
Current provisions and liabilities	**1,057,266**	**-6,503**	**1,050,763**
Total equity and liabilities	**3,695,136**	**-7,210**	**3,687,926**

External revenues, broken down by the most important product groups – after reconciliation to the reporting segments – are as follows:

1-3/2018 *in TEUR*	Clay Building Materials Eastern Europe	Clay Building Materials Western Europe	Pipes & Pavers Eastern Europe	Pipes & Pavers Western Europe	North America	Holding & Others	Wienerberger Group
Wall	84,849	69,955	0	0	3,463	1,988	**160,255**
Facade	2,841	123,053	0	0	44,567	37	**170,498**
Roof	31,482	75,930	0	0	0	80	**107,492**
Pavers	0	0	13,075	0	103	0	**13,178**
Pipes	91	0	67,059	139,011	17,110	0	**223,271**
Other	0	0	0	0	0	48	**48**
Total	**119,263**	**268,938**	**80,134**	**139,011**	**65,243**	**2,153**	**674,742**

1-3/2017 *in TEUR*	Clay Building Materials Eastern Europe	Clay Building Materials Western Europe	Pipes & Pavers Eastern Europe	Pipes & Pavers Western Europe	North America	Holding & Others	Wienerberger Group
Wall	68,504	73,044	0	0	4,208	2,123	**147,879**
Facade	3,410	115,710	0	0	50,185	172	**169,477**
Roof	28,338	83,149	0	0	0	51	**111,538**
Pavers	0	0	14,212	0	135	0	**14,347**
Pipes	46	0	63,431	132,852	19,794	0	**216,123**
Other	0	0	0	0	0	59	**59**
Total	**100,298**	**271,903**	**77,643**	**132,852**	**74,322**	**2,405**	**659,423**

First-time adoption of IFRS 9 Financial Instruments

In November 2009, the project of replacing IAS 39 Financial Instruments by IFRS 9 Financial instruments resulted in a first publication dealing with the recognition and measurement of financial instruments. Further IFRS 9 rules followed in 2010 and 2013, and the final version was published in July 2014. After the adoption of IFRS 9 by the EU at the end of 2016, the new standard is to be applied for the first time to reporting periods starting on or after January 1, 2018. Wienerberger applies the changes resulting from IFRS 9 prospectively, with changes in the value of financial assets recognized in retained earnings in the opening balance as at January 1, 2018.

The following table shows the effects of first-time adoption of IFRS 9 Financial Instruments on the opening balance as at January 1, 2018:

in TEUR	31/12/2017	Adjustments IFRS 9	1/1/2018
Assets			
Other financial investments and non-current receivables	16,708	7,570	**24,278**
Trade receivables	214,277	-1,724	**212,553**
Securities and other financial assets	79,008	-108	**78,900**
Equity and liabilities			
Retained earnings	674,923	4,894	**679,817**
Other reserves	-251,842	974	**-250,868**
Deferred taxes	71,630	-130	**71,500**

The most important changes concern the classification and subsequent measurement of financial assets. According to the new allocation criteria, the characteristics of the financial instrument are of primary importance, as they determine the method of measurement of debt and equity instruments as well as derivatives. Another criterion is the business model underlying the financial instrument: a distinction is to be made between financial instruments held for trading and those held to maturity. The following methods of classification and measurement are applied, depending on the characteristics of the financial instrument: measurement at fair value through profit or loss (FVTPL), measurement at fair value through other comprehensive income (FVTOCI), and measurement at amortized cost (AC).

The classification and measurement of financial instruments according to IAS 39 and IFRS 9 are presented in the table below:

Financial instrument *in TEUR*	Classification and measurement according to IAS 39	Classification and measurement according to IFRS 9	Carrying amount IAS 39 31/12/2017	Revaluation	Carrying amount IFRS 9 1/1/2018
Investments in subsidiaries and other investments	Available-for-sale financial instruments at AC	FVTPL	7,026	7,571	**14,597**
Other non-current receivables	Loans and receivables at AC	AC	3,250	-1	**3,249**
Loans granted	Loans and receivables at AC	AC	25,328	-108	**25,220**
Trade receivables	Loans and receivables at AC	AC	214,277	-1,724	**212,553**
Shares in funds	Available-for-sale financial instruments at FVTOCI	FVTPL	28,370	0	**28,370**
Corporate bonds	Available-for-sale financial instruments at FVTOCI	FVTOCI - with recycling	42	0	**42**
Stock	Available-for-sale financial instruments at FVTOCI	FVTPL	13	0	**13**
Other	Available-for-sale financial instruments at FVTOCI	FVTPL	790	0	**790**

Non-current, non-consolidated investments as well as strategic investments are recognized in 'Investments in subsidiaries and other investments'. Under IAS 39, such financial instruments were allocated to the available-for-sale category and measured at amortized cost. According to IFRS 9, equity instruments must be measured at fair value through profit or loss, which resulted in an upward adjustment by TEUR 7,571. According to IFRS 9 an entity may make an election to present in other comprehensive income the changes in the fair value of an investment in an equity instrument that is not held for trading. Wienerberger did not elect to make use of this option.

Securities and other financial assets recognized in current assets comprise shares in investment funds, corporate bonds, stocks and other financial instruments held for short-term investment of liquidity and to cover pension and severance obligations. Under IAS 39, such financial instruments were classified at fair value as available for sale; changes in value, except for permanent impairments, were recognized in other comprehensive income. Under IFRS 9, stocks, shares in funds and other financial instruments are measured at fair value through profit or loss and recognized in the financial result. Corporate bonds are usually measured at fair value through other comprehensive income, as under IAS 39. However, if a debt instrument is held for trading, the changes in the fair value are recognized through profit or loss and reported in the financial result. As at 31/12/2017, no financial instrument held for trading was identified at Wienerberger.

Trade receivables and loans granted are measured at amortized cost and are subject to the new and extended IFRS 9 impairment rules, according to which current as well as future-oriented information on expected credit loss is to be taken into account for recognition and measurement. The adjustment of trade receivables by expected credit loss over the entire term of these financial instruments was performed through application of an impairment matrix, in which the expected defaults, depending on payment arrears, were weighted with the probability of occurrence of economic scenarios. Overall, the extended calculation led to an adjustment of trade receivables by TEUR -1,724. As regards loans granted, the general impairment rules apply, according to which an expected default initially has to be calculated for the coming 12 months. If the debtor's credit risk increases significantly, an expected default has to be determined over the entire term of the financial instrument. For the portfolio of loans granted and other non-current receivables as at December 31, 2017, an additional impairment charge of TEUR -109 was recognized, which exclusively refers to the coming 12 months.

Another major change resulting from IFRS 9 concerns the revised hedge accounting rules. Proof of effectiveness is no longer subject to the range of 80% to 125% as specified by the standard setter according to IAS 39, but can be justified by the entity in qualitative terms. Wienerberger initially applied the hedge accounting rules according to IFRS 9 together with the rules on classification and measurement as well as the impairment rules of IFRS 9. The change had no impact on the opening balance as at January 1, 2018.

Consolidated companies

The consolidated financial statements include all major Austrian and foreign companies in which WienerbergerAG directly or indirectly holds the majority of shares. In accordance with IFRS 11, Schlagmann Group, Silike keramika, spol. s.r.o. and TV Vanheede-Wienerberger are classified as joint ventures, because they are managed jointly with an equal partner. Consequently, these companies are accounted for at equity (50%).

In January 2018, Wienerberger acquired the Austrian clay block plant Brenner. In the course of a preliminary purchase price allocation, goodwill of TEUR 1,818 was identified and recognized in the Clay Building Materials Eastern Europe reporting segment.

Effective as of February 15, 2018, the option for the acquisition of the non-controlling interests in Tondach Gleinstätten AG was exercised. The purchase price for the remaining 17.81% of the shares amounted to TEUR 30,100 and was recognized in equity as the disposal of non-controlling interests in the amount of TEUR 22,622. The derecognition of the positively valued derivative via the purchase option for the non-controlling interests totaling TEUR 10,595 was booked against the capital reserve.

Seasonality

Due to the impact of weather conditions on construction activity, the sales volumes reported by Wienerberger for the first and last months of the year are lower than at mid-year. These seasonal fluctuations are reflected in the figures reported for the first and fourth quarters of the year, which generally are lower than those reported for the second and third quarters.

Wienerberger Hybrid Capital

The hybrid capital is reported as a component of equity, while the coupon payment is shown as part of the use of earnings in the Statement of Changes in Equity.

As part of an exchange offer, the 2014 hybrid bond replaced the 2007 bond to the extent of TEUR 272,188; it is a perpetual bond subordinated to all other creditors with a coupon of 6.5% until 9/2/2017 and a coupon of 5% until 9/2/2021, the year in which the issuer for the first time has the right to call the bond.

For the first three months of 2018, accrued pro-rata coupon payments of TEUR 3,356 were taken into account in the calculation of earnings per share. As a result, earnings per share declined by EUR 0.03.

Notes to the Consolidated Income Statement

Group revenues amounted to TEUR 675,059 for the first three months of 2018 (2017: TEUR 659,625), which is 2% higher than the comparable period of the previous year. EBITDA amounted to TEUR 44,114, which is lower than the comparable prior year value of TEUR 46,080. EBIT amounted to TEUR 1,342 for the reporting period, compared with TEUR -2,640 in 2017.

As at March 31, 2018, Wienerberger held 830,789 treasury shares, which were deducted for the calculation of earnings per share. The weighted number of shares outstanding from January 1, 2018 to March 31, 2018 was 116,744,945. The number of shares issued remained unchanged at 117,526,764 as at March 31, 2018. In the first quarter of 2018, 260,500 Wienerberger shares were bought back at a price of TEUR 5,436 within the framework of the authorization granted by the Annual General Meeting.

Notes to the Consolidated Statement of Comprehensive Income

Negative income from foreign exchange differences of TEUR -13,422 (2017: TEUR 9,465) resulted, above all, from the US dollar. The hedging reserve increased equity by TEUR 1,848 (2017: TEUR -851) after tax.

Profit after tax reported for the first three months of 2018 decreased equity by TEUR -16,708 (2017: TEUR -14,225). Total comprehensive income after tax decreased equity by TEUR -28,282 for the reporting period (2017: TEUR -5,579).

Notes to the Consolidated Statement of Cash Flows

Cash flow from operating activities of TEUR -212,196 was TEUR 17,356 lower than in the prior period (2017: TEUR -194,840), which was primarily due to the increase in taxes paid in the amount of TEUR -17,347 (2017: TEUR -8,482) and a change in inventories of TEUR -68,207 (2017: TEUR -58,371) as well as trade payables in the amount of TEUR -65,967 (2017: TEUR -38,788). Of the total amount shown under impairment charges to assets and other measurement effects, TEUR -2,475 (2017: TEUR -2,406) was accounted for by an impairment of inventories. Reversals of impairment charges to assets in the amount of TEUR 3,214 resulted from the valuation of the portfolio of purchased CO_2 certificates.

Cash outflows of TEUR 31,623 (2017: TEUR 28,474) for investments in non-current assets (incl. financial assets) and acquisitions included TEUR 29,290 (2017: TEUR 28,474) of normal capex for maintenance and investments in technical upgrades as well as TEUR 2,333 (2017: TEUR 0) of growth capex for acquisitions and plant expansions. Another TEUR 30,100 was accounted for by the purchase of the remaining 17.81% of the non-controlling interests in Tondach Gleinstätten AG. This cash outflow was reported under cash flow from financing activities.

Proceeds from the disposal of non-current assets totaled TEUR 23,938 (2017: TEUR 1,474) and were generated primarily by the sale of investment property.

Notes to the Consolidated Balance Sheet

Non-current assets held for sale primarily comprise the assets of Austria-based Semmelrock Stein + Design GmbH & CoKG reported in the Pipes & Pavers Eastern Europe segment, for the planned disposal of which a contract was signed on 9/3/2018. As the closure of the transaction is considered to be highly probable, it was reported separately according to IFRS 5. The liabilities related to the assets were also reported separately.

Normal and growth capex for the first three months of 2018 (excl. acquisitions) increased non-current assets by TEUR 29,481 (2017: TEUR 28,474). Net debt rose by TEUR 281,102 over the level of December 31, 2017 to TEUR 847,507 due to the seasonal increase in working capital. Commitments for the purchase of property, plant and equipment totaled TEUR 28,091 as at the balance sheet date (31/12/2017: TEUR 19,505).

Disclosures on Financial Instruments

The following table shows the financial assets and liabilities carried at fair value or at amortized cost by Wienerberger and their classification under the three hierarchy levels defined by IFRS 13. No items were reclassified between hierarchy levels during the reporting period.

in TEUR	Accounting method [1]	Fair Value Level 1	Fair Value Level 2	Fair Value Level 3	Carrying amount as at 31/3/2018
Assets					
Investments in subsidiaries and other investments	FV			14,597	14,597
Stock	FV	13			13
Other	FV		14	756	770
Financial instruments at fair value through profit or loss [2]		**13**	**14**	**15,353**	**15,380**
Shares in funds	FV	5,684			5,684
Corporate bonds	FV	29			29
Financial instruments at fair value through other comprehensive income [2]		**5,713**			**5,713**
Other receivables	**AC**		**4,919**		**4,919**
Derivatives from cash flow hedges	FV		1,723		1,723
Derivatives from net investment hedges	FV		21,142		21,142
Other derivatives	FV		1,235		1,235
Derivatives with positive market value			**24,100**		**29,019**
Liabilities					
Derivatives from cash flow hedges	FV		917		917
Derivatives from net investment hedges	FV		3,248		3,248
Other derivatives	FV		4,502		4,502
Derivatives with negative market value			**8,667**		**8,667**
Long-term loans	AC		190,569		186,286
Roll-over	AC		85,057		85,199
Short-term loans	AC		156,279		156,654
Financial liabilities owed to financial institutions			**431,905**		**428,139**
Bonds – long-term	AC	323,568			298,837
Bonds – short-term	AC	116,388			115,268
Long-term loans	AC		209		206
Commercial paper – short-term	AC		127,010		127,317
Short-term loans	AC		8		9
Finance leases – long-term	AC		663		663
Finance leases – short-term	AC		233		233
Financial liabilities owed to subsidiaries	AC		14		14
Financial liabilities owed to non-banks		**439,956**	**128,137**		**542,547**
Other liabilities	**AC**		**1,966**		**1,966**

1) FV (Fair Value): financial assets and financial liabilities carried at fair value
AC (Amortized Cost): financial assets and financial liabilities carried at amortized cost
2) Due to the initial application of IFRS 9, the classification of financial instruments was restated.

in TEUR	Accounting method [1]	Level 1	Level 2	Level 3	Carrying amount as at 31/12/2017
			Fair Value		
Assets					
Shares in funds	FV	28,370			28,370
Corporate bonds	FV	42			42
Stock	FV	13			13
Other	FV		13	777	790
Available-for-sale financial instruments		**28,425**	**13**	**777**	**29,215**
Other receivables	**AC**		**4,948**		**4,948**
Derivatives from cash flow hedges	FV		2,000		2,000
Derivatives from net investment hedges	FV		18,354		18,354
Other derivatives	FV		1,022	3,089	4,111
Derivatives with positive market value			**21,376**	**3,089**	**24,465**
Liabilities					
Derivatives from cash flow hedges	FV		354		354
Derivatives from net investment hedges	FV		3,065		3,065
Other derivatives	FV		5,184		5,184
Derivatives with negative market value			**8,603**		**8,603**
Long-term loans	AC		199,520		194,486
Roll-over	AC		83,360		83,449
Short-term loans	AC		106,543		106,435
Financial liabilities owed to financial institutions			**389,423**		**384,370**
Bonds – long-term	AC	326,516			298,700
Bonds – short-term	AC	113,619			110,957
Long-term loans	AC		10		11
Commercial paper – short-term	AC		11,010		10,962
Finance leases – long-term	AC		751		751
Finance leases – short-term	AC		302		302
Financial liabilities owed to subsidiaries	AC		16		16
Financial liabilities owed to non-banks		**440,135**	**12,089**		**421,699**
Other liabilities	**AC**		**1,966**		**1,966**

1) FV (Fair Value): financial assets and financial liabilities carried at fair value
AC (Amortized Cost): financial assets and financial liabilities carried at amortized cost

Investments in subsidiaries and other investments constitute financial instruments to be held in the long term. According to IFRS 9, equity instruments are recognized at their fair value. As the measurement of these financial instruments is based on measurement parameters not observable in the market, they are allocated to level 3 of the fair value hierarchy. The fair values are determined by a procedure based on the income approach as the present values of the total of future cash inflows, with the weighted average cost of capital after tax derived from external sources in accordance with recognized mathematical procedures.

The fair value of shares in funds, corporate bonds, stocks and the bonds issued by Wienerberger was determined on the basis of market prices (level 1). Other securities recognized at fair value are classified mainly in level 3 of the valuation hierarchy. They serve as reinsurance for pension obligations and netting against the provision is not permitted.

Derivatives were valued with net present value methods based on input factors observable in the market, e.g. yield curves and foreign exchange parities (level 2).

The fair value of other non-current receivables and non-quoted financial liabilities carried at amortized cost was also determined with net present value methods based on current yield curves (level 2). Fair value adjustments to financial liabilities are made by modifying the counterparty risk.

Risk Report

Throughout the Group, Wienerberger focuses on the early identification and active management of risks in its operating environment. To this end, regular surveys are being performed among the Managing Board as well as the Business Unit managers and Corporate Function heads in charge in order to update the existing risk catalogue and to identify new risks. In this process, strategic and operational risks along the entire value chain are being identified and their impact on cash flow is differentiated based on a medium-term (up to five years) and a long-term (six to ten years) time horizon. The major risks identified include competition from substitution products, such as concrete, steel, wood, limestone, glass or aluminum, and the related pressure on prices. Management sees further relevant risks in higher input costs and volatile raw material prices for plastics. Wienerberger regularly monitors the risks in its operating environment as part of its corporate risk management program and takes appropriate actions to counter these risks. The development of the construction industry and major indicators of the demand for building materials are watched closely to permit the timely adjustment of capacity in the plant network to reflect changing market conditions. The price levels on local markets are also monitored regularly, and pricing strategies are adjusted, if necessary. Wienerberger counters the risk of rising input costs by establishing fixed procurement prices at an early point in time and by concluding long-term supply contracts. The risks associated with rising energy costs are reduced through the Group's hedging strategy. The risks expected by Wienerberger during the remaining months of this year are linked to higher input costs, uncertainty over further developments in the construction industry and continued pressure on prices in individual markets.

The plastic pipe business is substantially influenced by the development of raw material prices. Synthetic polymers account for a major part of the production costs for plastic pipes. The volatility of raw material prices has increased considerably in recent years. Strong fluctuations within individual months require flexible pricing to limit the effects of these price changes and/or pass them on to the market. Fast price management is also a decisive factor for the sustainable protection of earnings. In addition to the price risk, this business is exposed to a raw material supply risk. Any interruption in supplies would invariably disrupt production. Possible shortages on the raw materials market are countered by extensive measures in procurement, production and sales as well as price management.

Wienerberger is exposed to legal risks in connection with increasingly strict environmental, health and safety regulations, which could result in the Group being liable for penalties or claims to compensation for damages in the event of non-compliance.

Related party transactions

The following companies and persons are considered to be related parties of Wienerberger: the members of the Supervisory and Managing Boards as well as their close relatives, associated companies, joint ventures and non-consolidated subsidiaries of Wienerberger AG as well as the ANC Private Foundation and its subsidiaries. Transactions with companies in which members of the Supervisory Board of Wienerberger AG are active are conducted on arm's length conditions.

The ANC Private Foundation operates landfill activities in Austria that were transferred by Wienerberger AG in 2001 and owns a limited amount of assets (in particular real estate and securities). The managing board of the ANC Private Foundation consists of three members, two of whom are part of the Wienerberger top management. This allows Wienerberger to exercise control over the foundation. In accordance with IFRS 10, the ANC Private Foundation cannot be consolidated because the shareholders of Wienerberger AG, and not the company itself, are entitled to the variable cash flows from the foundation. The total assets of ANC Private Foundation amounted to TEUR 36,954 as of March 31, 2018 (31/12/2017: TEUR 36,878) and consist primarily of land and buildings totaling TEUR 8,450 (31/12/2017: TEUR 8,346) and securities and liquid funds of TEUR 25,516 (31/12/2017: TEUR 25,955). The foundation had provisions of TEUR 8,058 (31/12/2017: TEUR 8,009) and no financial liabilities as of March 31, 2018.

Wienerberger AG and its subsidiaries finance associates, joint ventures and non-consolidated subsidiaries through loans granted at ordinary market conditions. The outstanding loan receivables due from joint ventures amounted to TEUR 16,460 as of March 31, 2018 (31/12/2017: TEUR 13,236), while the comparable amount for non-consolidated subsidiaries was TEUR 7,144 (31/12/2017: TEUR 7,249).

Significant events after the balance sheet date

On April 23, 2018, a corporate bond with a volume of TEUR 250,000 and a coupon of 2% per year was issued. The tenor of the bond is 6 years.

The purchase contract regarding the business of Austria-based Semmelrock Stein + Design GmbH & CoKG was successfully concluded on 2/5/2018. As of this date, the assets and liabilities reported on the balance sheet under "non-current assets held for sale" and "liabilities in connection with assets held for sale" are derecognized.

Waiver of Audit Review

This interim report by Wienerberger AG was neither audited nor reviewed by a certified public accountant.

Statement by the Managing Board

We confirm to the best of our knowledge that these interim financial statements (interim financial report according to IFRS) present a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the Group management report presents a true and fair view of the important events that occurred during the first three months of the financial year and their impact on the interim financial statements, of the principal risks and uncertainties for the remaining nine months of the financial year and of the major related party transactions to be disclosed.

Vienna, May 9, 2018

The Managing Board of Wienerberger AG

Heimo Scheuch
Chief Executive Officer

Willy Van Riet
Chief Financial Officer

Financial Calendar

January 29, 2018	*Start of the quiet period*
February 28, 2018	Results of 2017: Presentation of the Results in Vienna
March 29, 2018	Publication of the 2017 Annual Report on the Wienerberger Website
April 23, 2018	*Start of the quiet period*
May 9, 2018	Results for the First Quarter of 2018
June 4, 2018	Record date 149th Annual General Meeting
June 14, 2018	149th Annual General Meeting in the Austria Center Vienna
June 18, 2018	Deduction of dividends for 2017 (ex-day)
June 19, 2018	Record date for 2017 dividends
June 20, 2018	Payment day for 2017 dividends
June 28, 2018	Publication of the Sustainability Report 2017
July 30, 2018	*Start of the quiet period*
August 16, 2018	Results for the First Half-Year of 2018: Presentation of the Results in Vienna
September 12-13, 2018	Capital Markets Day 2018
October 22, 2018	*Start of the quiet period*
November 8, 2018	Results for the First Three Quarters of 2018

Information on the Company and the Wienerberger Share

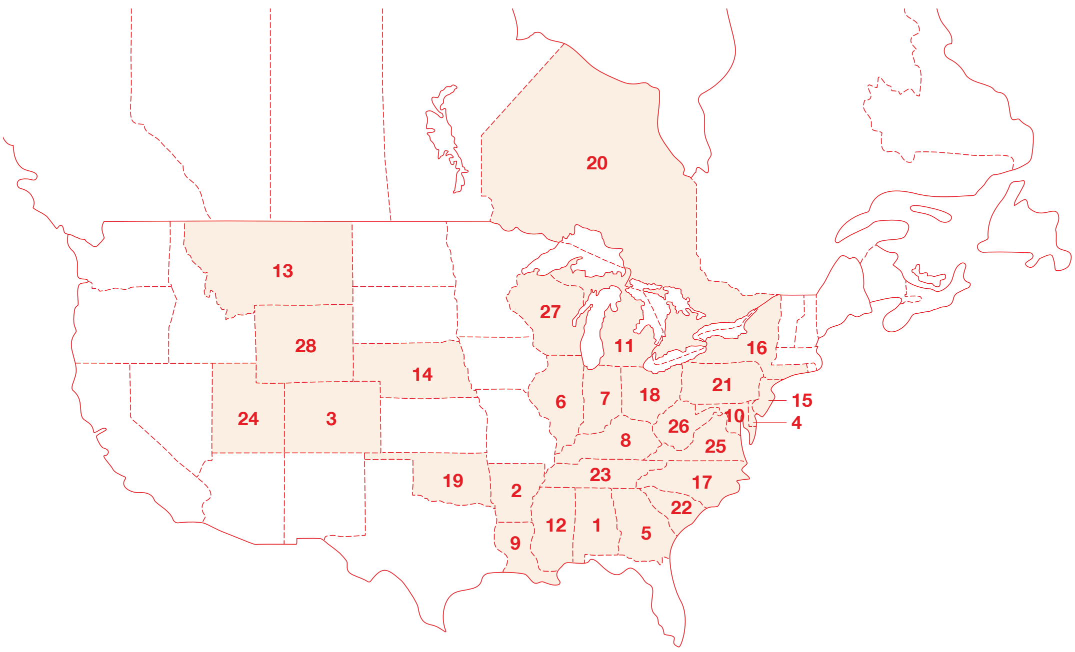
Head of Investor Relations	Klaus Ofner
Shareholders' Telephone	+43 1 601 92 10221
E-Mail	investor@wienerberger.com
Internet	www.wienerberger.com
Vienna Stock Exchange	WIE
Thomson Reuters	WBSV.VI; WIE-VI
Bloomberg	WIE AV
Datastream	O: WNBA
ADR Level 1	WBRBY
ISIN	AT0000831706

Wienerberger Online Annual Report 2017:
http://annualreport.wienerberger.com

Production Sites and Market Positions

Wienerberger is the only multinational producer of bricks, roof tiles, concrete pavers and pipe systems with a total of 197 production sites in 30 countries and activities in international export markets. We are the world's largest producer of bricks and number one on the clay roof tile market in Europe. Furthermore we hold leading positions in pipe systems in Europe and concrete pavers in Central-East Europe.

Wienerberger Markets in North America



Market positions

1 *Facing Bricks*

Number of sites

1 *Facing Bricks*
1 *Concrete Products*
1 *Distribution Outlets*
1 *Plastic Pipes*
1 *Calcium Silicate*

1	*Alabama*	3			1		
2	*Arkansas**	4				1	
3	*Colorado*	1	1		1		
4	*Delaware**	5					
5	*Georgia*	1	2				
6	*Illinois*	3			2		
7	*Indiana*	1	1		2		
8	*Kentucky*	1			2		
9	*Louisiana**	2					
10	*Maryland**	2					
11	*Michigan*	2			2		
12	*Mississippi*	1	1				
13	*Montana*	1			1		
14	*Nebraska**	6					
15	*New Jersey**	3					
16	*New York**	3					
17	*North Carolina*	1	1		4		
18	*Ohio**	2					
19	*Oklahoma**	6					
20	*Ontario*						1
21	*Pennsylvania**	3					
22	*South Carolina*	4			1		
23	*Tennessee*	1	1	1	6		
24	*Utah**	2					
25	*Virginia*	1	1		1		
26	*West Virginia**	1					
27	*Wisconsin**	5					
28	*Wyoming*	1			1		

** Markets are served through exports from neighboring states.*

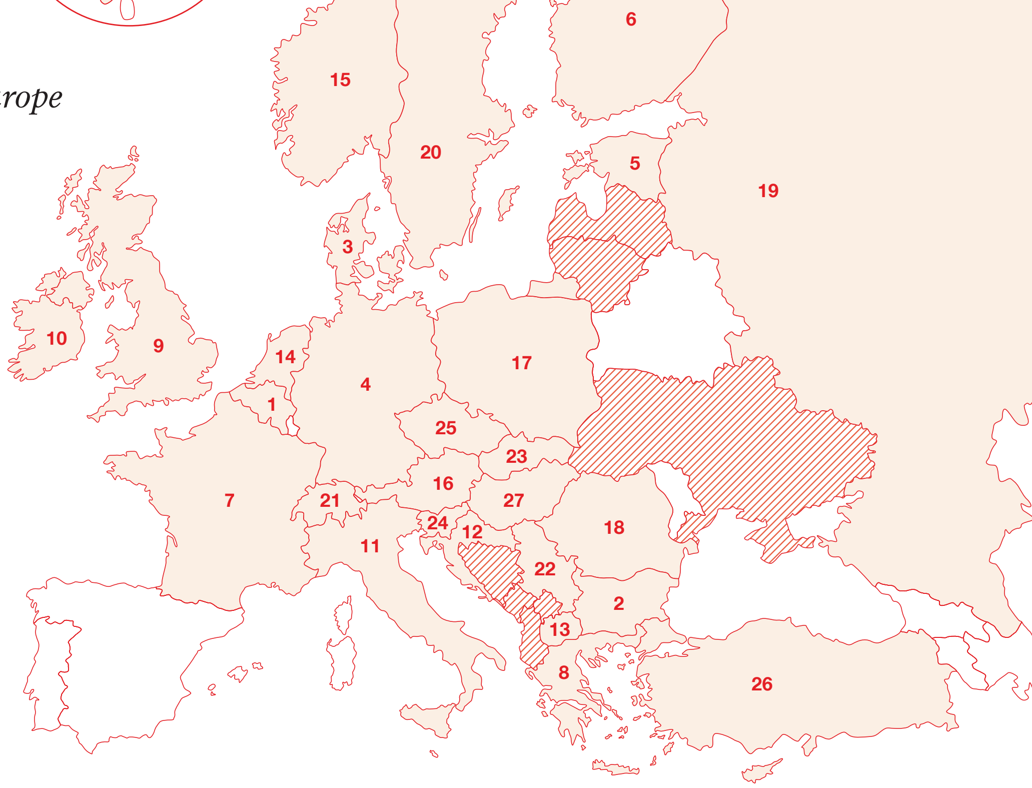
Status March 2018

Wienerberger in India

Number of sites

1 Clay Blocks

Wienerberger Markets in Europe



Markets with production sites

Export markets

Market positions

1 Clay Blocks and/or Facing Bricks

1 Clay Roof Tiles

Number of sites

1 Clay Blocks

1 Facing Bricks

1 Roofing Systems

1 Pavers

1 Plastic Pipes

1 Ceramic Pipes

1	Belgium	1	1	3	6	2		2	1
2	Bulgaria	1	2	1			1	1	
3	Denmark*				2				
4	Germany	1	4	15	3	4	1	1	2
5	Estonia	1			1			1	
6	Finland*				1			4	
7	France	2	4	4	1	3		2	
8	Greece							1	
9	Great Britain	2	1		9	4			
10	Ireland							1	
11	Italy	1		4					
12	Croatia	1	1	1		2	1		
13	Macedonia		1			1			
14	Netherlands	1	1	1	7	3	5	2	
15	Norway*							2	
16	Austria	1	1	8	1	2	4	1	
17	Poland	1	2	7	1	1	5	2	
18	Romania	1	1	4			2		
19	Russia	1		2				1	
20	Sweden*				2			2	
21	Switzerland	3	1	1		2			
22	Serbia		1			1			
23	Slovakia	1	1	2			1		
24	Slovenia	1	1	1		1			
25	Czech Republic	1	1	7		3	1	2	
26	Turkey							1	
27	Hungary	1	1	6		2	2	1	

* In the clay business the Nordic markets (Denmark, Finland, Norway and Sweden), in which we hold a Nr. 2 market position, are managed by a regional management.

Status March 2018