wienerberger

WIENERBERGER AG

(a joint stock corporation under the laws of Austria, registered number FN 77676f)

as Issuer

EUR 400,000,000 2.750% 2020-2025 Bonds
ISIN AT0000A2GLA0

This document ("**Prospectus**") constitutes a prospectus within the meaning of Article 6.3 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017, as amended (the "**Prospectus Regulation**") and is drawn up in accordance with Annex 7 and Annex 15 of Commission Delegated Regulation (EU) 2019/980 of March 14, 2019. Wienerberger AG, Wienerbergerplatz 1, 1100 Vienna, Austria (the "**Issuer**" or the "**Company**" and, together with its consolidated subsidiaries, "**Wienerberger**" or the "**Group**") will issue on June 4, 2020 (the "**Issue Date**") EUR 400,000,000 2.750% 2020-2025 Bonds, ISIN AT0000A2GLA0, (the "**Bonds**"), which will be governed by the laws of the Republic of Austria ("**Austria**") and will be issued in bearer form in a denomination of EUR 100,000 each. To the extent not previously redeemed in whole or in part or repurchased and cancelled in accordance with their Terms and Conditions, the Bonds will be redeemed on June 4, 2025 (the "**Maturity Date**").

Application has been made to the Vienna Stock Exchange for the Bonds to be admitted to the Official Market (*Amtlicher Handel*) of the Vienna Stock Exchange (the "**Official Market**"), a regulated market pursuant to Directive 2014/65/EU of the European Parliament and of the Council of May 15, 2014, as amended (Markets in Financial Instruments Directive II – "**MiFID II**"). The Prospectus conforms to the requirements of the Austrian Capital Market Act 2019 (*Kapitalmarktgesetz* – the "**Capital Market Act**") and the Austrian Stock Exchange Act 2018, as amended (*Börsegesetz 2018* – the "**Stock Exchange Act**"). This Prospectus, any supplement thereto and all documents incorporated by reference therein will be published in electronic form on the Issuer's website (www.wienerberger.com).

The Bonds will bear interest from (and including) June 4, 2020 to (but excluding) the Maturity Date at a rate of 2.750% *per annum*. Interest on the Bonds is payable annually in arrears on an unadjusted basis on June 4 of each year, commencing on June 4, 2021. The issue price of the Bonds is 99.425% of their principal amount of the Bonds. Unless previously repurchased or redeemed, the Bonds will be redeemed at their principal amount on June 4, 2025, which is the maturity date. The Bonds are subject to redemption in whole at their principal amount at the option of the Issuer at any time in the event of certain changes affecting taxation in Austria or – at the option of the Issuer – subject to the payment of the higher of (i) the principal amount per Bond and (ii) the Make-Whole Amount (as defined hereinafter). The "**Make-Whole Amount**" will be an amount calculated in accordance with § 6 (*Redemption*) para 3 of the terms and conditions of the Bonds (the "**Terms and Conditions**"). In addition, §6 (*Redemption*) para 4 of the Terms and Conditions provides for an early redemption of Bonds at the option of the Issuer at par, entitling the Issuer, upon prior notice, redeem the Bonds in whole, but not in part within the period from (and including) March 4, 2025 to the Maturity Date at the Early Redemption Amount (as defined in § 6 (*Redemption*) para 2 of the Terms and Conditions).

MiFID II product governance: Solely for the purpose of the product approval process of each co-manufacturer the target market assessment in respect of the Bonds has led to the conclusion, that (i) the target market for the Bonds is eligible counterparties and professional clients (each as defined in MiFID II); and (ii) all channels of distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (each a "**Distributor**") should take into consideration the manufacturer's target market assessment; however a Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (either through adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable.

Prospective investors should be aware that an investment in the Bonds involves a high degree of risk and that, if certain risks, in particular those described in the chapter "Risk Factors" materialize, the investors may lose all or a substantial part of their investment and of their interest claims. The Bonds should be bought and traded only by persons knowledgeable in investment matters.

This Prospectus has been approved by the Austrian Financial Market Authority (*Finanzmarktaufsichtsbehörde*, the "**FMA**") **in its capacity as competent authority under the Prospectus Regulation and the Capital Market Act. The accuracy of the information contained in this Prospectus does not fall within the scope of examination by the FMA under applicable Austrian law. The FMA examines the Prospectus only in respect of its completeness, coherence and comprehensibility of the information pursuant to Article 20.4 of the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer and the quality of the Bonds that are subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Bonds.**

This Prospectus is a listing prospectus and may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. The Bonds have not been and will not be registered under the United States Securities Act of 1933 (the "**Securities Act**"*)*.

Joint Lead Managers

BNP PARIBAS **Raiffeisen Bank International AG** **UniCredit Bank Austria AG**

The date of this Prospectus is May 29, 2020

RESPONSIBILITY STATEMENT

Wienerberger AG, with its seat in Vienna, Austria, is solely responsible for the information given in this Prospectus. The Issuer declares that the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and makes no omissions likely to affect the import of this Prospectus.

NOTICE

This Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "*Documents Incorporated by Reference*"). This Prospectus should be read and construed on the basis that such documents are deemed to be incorporated by reference and form part of the Prospectus.

The Issuer has confirmed to (i) BNP Paribas, 10 Harewood Avenue, London NW1 6AA, England, (ii) Raiffeisen Bank International AG, Am Stadtpark 9, 1030 Vienna, Austria, and (iii) UniCredit Bank Austria AG, Rothschildplatz 1, 1020 Vienna, Austria (each of them a "**Joint Lead Manager**" and together the "**Joint Lead Managers**"), that this Prospectus contains all information which is necessary to enable investors to make an informed assessment of the assets and liabilities, profit and losses, financial position, and prospects of the Issuer, the rights attaching to the Bonds and the reasons for the issuance and its impact on the Issuer which is material in the context of the issue and offering of the Bonds; that any opinions and intentions expressed in the Prospectus are honestly held and based on reasonable assumptions; that there are no other facts with respect to the Issuer or the Bonds, the omission of which would make this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading; that the Issuer has made all reasonable enquiries to ascertain all facts material for the purposes aforesaid.

Any significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus which may affect the assessment of the Bonds and which arises or is noted between the approval of this Prospectus by the FMA and the commencement of trading of the Bonds on the Official Market, which is expected for June 4, 2020, will be published in a supplement to this Prospectus in accordance with Article 23 of the Prospectus Regulation. Such supplement must be approved in the same way as this Prospectus by the FMA and must be published in the same way as this Prospectus. **The validity of this Prospectus will expire after commencement of trading of the Bonds on the Official Market or, at the latest, on June 6, 2020**. Investors should be aware that the obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when this Prospectus is no longer valid.

No person is or was authorized to give any information which is not contained in or not consistent with this Prospectus or any other document entered into in relation to the issuance of the Bonds or any information supplied by the Issuer or such other information as in the public domain and, if given or made, such information must not be relied upon as having been authorized by the Issuer. Neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the financial situation of the Issuer or the Group since the date of this Prospectus, or, as the case may be, the date on which this Prospectus has been most recently supplemented, or that the information herein is correct at any time since the date of this Prospectus or, as the case may be, the date on which this Prospectus has been most recently supplemented.

The Issuer is responsible for the accuracy of the information and statements contained in this Prospectus and the parts of the Documents Incorporated by Reference (as defined on page 79 of this Prospectus) which are incorporated into this Prospectus, and to the extent permitted by the laws of any relevant jurisdiction, neither any Joint Lead Manager nor any other person mentioned in this Prospectus, excluding the Issuer, accepts any responsibility for the accuracy and completeness of the information contained in any of these documents.

This Prospectus has been prepared by the Issuer solely for the purpose of complying with the listing requirements for a listing on the Official Market of the Vienna Stock Exchange. Each investor contemplating purchasing any of the Bonds should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of the Issuer. In making an investment decision regarding the Bonds, such investor must rely on its own examination, including, without limitation, of the merits and risks involved. This Prospectus does not constitute an offer of Bonds or an invitation by or on behalf of the Issuer or the Joint Lead Managers to purchase any Bonds.

The contents of this Prospectus are not to be construed as legal, business or tax advice or as a recommendation by any of the Issuer or the Joint Lead Managers to a recipient that such recipient should purchase any Bonds. Each prospective investor should consult its own lawyer, financial adviser or tax adviser for legal, financial or tax advice.

This Prospectus contains statements regarding the market position of Wienerberger. Unless specified otherwise, such statements regarding Wienerberger's market or competitive position are based on Wienerberger's internal market research. Where information has been sourced from a third party, Wienerberger confirms that this information has been accurately reproduced and that as far Wienerberger is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Where such information has been included in this Prospectus, the source is indicated.

The legally binding language of this Prospectus is English; except for the Terms and Conditions where the German language is legally binding. The English version of the Terms and Conditions is shown in the Prospectus for additional information only.

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy Bonds in any jurisdiction where such offer or solicitation is unlawful. The distribution of this Prospectus and the offering, sale and delivery of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required to inform themselves about and observe any such restrictions. **In particular, the Bonds have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States; subject to certain exceptions, the Bonds may not be offered or sold within the United States of America or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act).**

This Prospectus is a listing prospectus and may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

ROUNDING ADJUSTMENTS

Rounding adjustments have been made in calculating and displaying some of the financial information included in this Prospectus and are exact arithmetic aggregations of the actual figures. Accordingly, in certain cases, the sum of the numbers presented in a column in a table may not conform to the total figure given for such column. Percentages included in this Prospectus were calculated not on the basis of rounded figures but of actual figures (before approximation).

PROHIBITION OF SALES TO EEA RETAIL INVESTORS

The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4 para (1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4 para (1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

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DEFINITIONS

In this Prospectus, unless the context otherwise requires,

- "**Adjusted Taxes**" refers to tax effects (25%) from financial result excluding at-equity results.
- "**Articles of Association**" refers to the Issuer's articles of association (*Satzung*) as of the date of this Prospectus.
- "**Audited Consolidated Financial Statements**" refers to the audited consolidated financial statements of the Issuer as of, and for the years ended, December 31, 2019 and December 31, 2018, including the notes thereto, prepared in accordance with IFRS and in German language.
- "**Austria**" refers to the Republic of Austria.
- "**BNP Paribas**" refers to BNP Paribas, 10 Harewood Avenue, London NW1 6AA, England.
- "**Bondholder**" means a holder of the Bonds pursuant to § 2 para (4) of the Terms and Conditions.
- "**Bonds**" refers to the EUR 400,000,000 2.750% 2020-2025 Bonds of the Issuer.
- "**capital employed**" refers to equity plus interest-bearing debt (incl. net inter-company balance) less liquid funds and financial assets; it represents the sum of capital engaged in a company.
- "**capital expenditure**" or "**capex**" refers to "total investments including financial assets" based on the addition of (i) maintenance capex, (ii) special capex and (iii) M&A.
- "**Clearstream**" refers to Clearstream Banking, société anonyme, 42 Avenue JF Kennedy, 1855, Luxembourg.
- "**Clearstream Banking AG**" refers to Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, Germany.
- "**Company**" or "**Issuer**" refers to Wienerberger AG, Wienerbergerplatz 1, 1100 Vienna, Austria.
- "**Distributor**" refers to any person subsequently offering, selling or recommending the Bonds.
- "**EBIT**" refers to earnings before interest and taxes, or operating profit.
- "**EBITDA**" refers to earnings before interest, taxes, depreciation and amortization, or Operating EBIT before depreciation and amortization.
- "**EBITDA LFL**" (EBITDA like for like) refers to EBITDA adjusted for effects from consolidation, foreign currency effects, sale of non-strategic and non-operating assets as well as structural adjustments.
- "**EEA**" refers to the European Economic Area.
- "**EU**" refers to the European Union.
- "**Euroclear**" refers to Euroclear Bank S.A./N.V., Boulevard Du Roi Albert II, 1210 Brussels, Belgium.
- "**EUR**" or "**Euro**" refers to the currency introduced at the start of the third stage of the European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No. 974/98 of May 3, 1998 on the introduction of the Euro, as amended.
- "**FMA**" refers to the Austrian Financial Market Authority (*Finanzmarktaufsichtsbehörde*)

- "**free cash flow**" refers to the cash flow from operating activities less cash flow from investing activities and cash outflows from the repayment of lease liabilities plus special capex and net payments made for the acquisition of companies.

- "**gearing**" refers to net debt divided by equity including non-controlling interests.

- "**IFRS**" refers to International Financial Reporting Standards, including International Accounting Standards ("IASs") and interpretations published by the International Accounting Standards Board, as adopted by the EU.

- "**Joint Lead Managers**" refers to BNP Paribas, RBI and UniCredit.

- "**LLLD**" refers to long length large diameter, related to plastic pipes with a diameter of up to 2.5 meters and a length of up to 600 meters.

- "**maintenance capex**" refers to investments for maintenance of the industrial base.

- "**Managing Board**" refers to the Issuer's managing board (*Vorstand*).

- "**MiFID II**" refers to the Directive 2014/65/EU of the European Parliament and of the Council of May 15, 2014, as amended.

- "**Moody's**" refers to the credit rating agency Moody's Investor Services, Inc.

- "**M&A**" refers to payments made for the acquisitions of companies.

- "**net debt**" refers to the net sum of financial liabilities, cash and cash at bank, securities and other financial assets.

- "**NOPAT**" refers to net operating profit after tax, or Operating EBIT less taxes and Adjusted Taxes.

- "**Non-Audited Consolidated Financial Statements**" means the non-audited consolidated financial statements as of, and for the three months ended March 31, 2020 in German language, with comparative figures for the three months ended March 31, 2019.

- "**OeKB**" refers to OeKB CSD GmbH, Strauchgasse 1-3, 1010 Vienna, Austria.

- "**Operating EBIT**" refers to EBIT adjusted for impairment charges to goodwill and assets as well as the reversal of impairment charges to assets.

- "**Paying Agent**" refers to Raiffeisen Bank International AG, Am Stadtpark 9, 1030 Vienna, Austria, in its capacity as initial paying agent for the Bonds.

- "**Pipelife**" refers to PIPELIFE International GmbH, Wienerbergerplatz 1, 1100 Vienna, Austria, and its subsidiaries.

- "**Prospectus**" refers to this document.

- "**Prospectus Regulation**" refers to Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017, as amended.

- "**RBI**" refers to Raiffeisen Bank International AG, Am Stadtpark 9, 1030 Vienna, Austria.

- "**ROCE**" refers to return on capital employed (after tax).

- "**Semmelrock**" refers to Semmelrock International GmbH, Wienerbergerplatz 1, 1100 Vienna, Austria and its subsidiaries.

- "**special capex**" refers to payments made for enhancement and extension of plants and for improvements to the product portfolio (development of new products and digitalization).

- "**Steinzeug**" or "**Steinzeug-Keramo**" refers to Steinzeug-Keramo GmbH, Alfred-Nobel-Straße 17, 50226 Frechen, Germany, and its subsidiaries.
- "**Supervisory Board**" refers to the Issuer's supervisory board (*Aufsichtsrat*).
- "**Terms and Conditions**" refers to the terms and conditions (*Anleihebedingungen*) of the Bonds as set out in this Prospectus.
- "**Tondach Gleinstätten**" refers to Tondach Gleinstätten AG, Graschach 38, 8443 Gleinstätten, Austria, and its subsidiaries.
- "**UniCredit**" refers to UniCredit Bank Austria AG, Rothschildplatz 1, 1020 Vienna, Austria.
- "**Wienerberger**" or the "**Group**" refers to Wienerberger AG and its consolidated subsidiaries at the relevant time taken as a whole.
- "**working capital**" refers to the sum of inventories, net trade receivables and trade payables.

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain forward-looking statements relating to the Group's business, financial condition, results of operations and strategies, and the industry in which it operates. Forward-looking statements concern future circumstances and results and include other statements that are not historical facts, sometimes identified by the words "might", "will", "should", "believes", "expects", "predicts", "intends", "projects", "plans", "estimates", "aims", "foresees", "anticipates", "targets", "seeks", "pursues", "goal" and similar expressions. Such statements reflect the Group's current views with respect to future events and are subject to risks and uncertainties. In this Prospectus, forward-looking statements include, *inter alia*, statements relating to the Group's implementation of its strategic initiatives, the development of aspects of the Group's results of operations, the Group's competitive position, certain financial targets the Group has set for itself, the Group's expectations relating to the impact of risks that affect its business, including those set forth below under "*Risk Factors*", future developments in the building materials industry (including demand and prices), the Group's future business development, financial condition and economic performance, and general economic trends and developments.

The managing board of the Issuer (the "**Managing Board**") bases these forward-looking statements on its current plans, estimates, projections and expectations. These statements are based on certain assumptions that, although reasonable at this time, may prove to be erroneous. Any forward-looking statement speaks only as of the date on which it is made. Investors should not place undue reliance on these forward-looking statements. Many factors could cause the Group's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. These factors include, *inter alia*, changes in general economic and business conditions, levels of demand and pricing, changes and volatility in currency exchange rates and interest rates, changes in housing starts or residential construction markets, changes in raw material and product prices and inability to pass price increases on to customers, changes in governmental policy, laws and regulations and political and social conditions, changes in the competitive environment, the success of the Group's recent acquisitions and divestitures, natural disasters and adverse weather conditions, other factors that are discussed in more detail under "*Risk Factors*" below; and factors that are not known to the Group at this time.

Should one or more of these factors or uncertainties materialize, or should the assumptions underlying the forward-looking statements included in this Prospectus prove incorrect, events described in this Prospectus might not occur or actual results may deviate materially from those described in this Prospectus as anticipated, believed, estimated or expected, and the Group may not be able to achieve its financial targets and strategic objectives. Other than as required by law, the Issuer does not intend, and does not assume any obligation, to update the forward-looking statements set forth in this Prospectus.

ALTERNATIVE PERFORMANCE MEASURES

This Prospectus contains certain measures and ratios, such as Operating EBIT, ROCE, capex (or capital expenditure), special capex, maintenance capex, M&A, net debt, free cash flow, and EBITDA, which are financial measures used by investors to evaluate the performance and financial condition of a company. Such measures and ratios are not required by, or defined in and are not recognized as financial measures under, IFRS. These alternative industry measures are explained in this Prospectus and investors should review such explanations to understand fully how they have been prepared. Potential investors should further take into consideration that these financial measures are neither standardized nor applied in a consistent manner by companies, and that other companies may calculate such measures differently than the Issuer. Such financial measures have limitations as analytical tools and should only be considered together with their most directly comparable IFRS financial measures and should not be considered in isolation or as a substitute for analysis of the Group's operating results as reported under IFRS.

I. RISK FACTORS

*Prospective investors should carefully review the following risk factors in conjunction with the other information contained in this Prospectus before making an investment decision and deciding to purchase the Bonds. Should one or more of the risks described below individually or together with other circumstances materialize, this may have a material adverse effect on the business, prospects, shareholders' equity, net assets, financial condition and results of operations (Vermögens-, Finanz- und Ertragslage) or general affairs of the Issuer or the Group. Moreover, if any of these risks occur, the market price of the Bonds and the likelihood that the Issuer will be in a position to fulfil its payment obligations under the Bonds may decrease, in which case the holders of the Bonds (the "**Bondholders**" and each of them a "**Bondholder**") could lose all or part of their investments in the Bonds. Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Bonds are also described below.*

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Bonds, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Bonds may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to the Issuer or which it may not currently be able to anticipate. Additional risks of which the Issuer is not presently aware could also affect the business operations of the Group and have a material adverse effect on the Group's business activities and financial condition and results of operations. Prospective investors should read the detailed information set out elsewhere in this Prospectus (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision.

The following risk factors are organized in categories depending on their respective nature. In each category, the most material risk factors, based on the probability of their occurrence and the expected magnitude of their negative impact, are mentioned first. The order in which the other risks under a category are presented does not provide an indication on the probability of their occurrence and the expected magnitude of their negative impact.

Operating risks relating to the industry of the Group and the Group's markets

As a producer of building materials, the Group is subject to the cyclicality of the building materials industry. It materially depends on macroeconomic factors, the construction activity both, in the residential and public sector, and renovation activity. The impacts of the novel coronavirus (COVID-19) outbreak might affect the Group as a late-cyclical company significantly longer than other industries.

The Group operates in the cyclical building materials industry and belongs to the group of late cyclical companies that usually follow general economic cycles with a delay. The Group is affected by the level of construction activity, including residential construction, non-residential construction, renovation, public infrastructure investment as well as other trends, which in turn are influenced by a number of factors beyond the Group's control, including:

- developments of the world economy and, in particular, developments of the national economies in the 30 countries in which the Group operates, as well as the markets into which the Group exports its products;

- policies of transnational institutions and organizations, such as the European Commission, the European Central Bank, the US Federal Reserve System (Fed) or the International Monetary Fund, that influence the developments of national economies in many of the countries in which the Group operates;

- monetary and other government policies in each of the countries in which the Group operates that have the effect of encouraging or discouraging residential housing construction, such as long-term interest and/or foreign exchange rates, tax policies, policies encouraging labor mobility and migration, availability of financing, subsidies and safety regulations that encourage and/or discourage the use of certain materials and products; and

- the level of demand in residential and non-residential construction activity, which in turn is influenced by macroeconomic factors, demographic trends, the unemployment rate and consumer confidence.

The economic cycles in the construction industry that influence the Group's business are considerably longer than in other areas, with timing delays that also differ by market. Unfavorable developments with respect to any or all of these factors can have a significant impact on the demand for the Group's products, both, in terms of decreased sales volumes which may in particular lead to overcapacities, and lower price levels.

Because the building materials industry is cyclical, periods of high demand are typically followed by downturns. As the building materials industry is characterized by a high share of fixed costs as a percentage of total costs due to its capital-intensive nature, a decrease in volumes and resulting overcapacities and/or a decrease in prices can have a highly negative impact on the Group's operating margins and earnings. Some examples illustrate this risk that past years' positive trends will not be prolonged and that due to the cyclicality, there are risks that might negatively influence the Group's business: Residential construction in the USA slowly recovered since 2012 and, in particular, developed positively from 2017 to 2019, with a rise in building permits by 3.9% in 2019, compared to 2018 (source: U.S. Census Bureau, monthly new residential construction, released on January 17, 2020). In the Eastern European markets, the Czech Republic, Hungary, Poland and Slovakia, in 2019, the trend in increases in weighted infrastructure expenses continued, recognizing an increase by 11.6% compared to 2018 (2018: increase of weighted infrastructure expenses by 17.4%, compared to 2017) (sources: Euroconstruct, data for November 2019) primarily attributable to the increased take-up of EU funds for infrastructure projects.

The Group expects that these trends in the building materials industry will, for the time being, be overruled by the impact of the current situation caused by the outbreak of the coronavirus. Since December 2019, a novel strain of coronavirus known as SARS-CoV-2 has spread worldwide, starting in China and has reached the status of a pandemic (COVID-19). Quarantines and curfews for Austria and many other countries worldwide have been imposed. Irrespective of first signs of easement of the strict lockdown measures in some European countries and some US states, there is a risk that it will be necessary that further countries, regions or municipalities in several countries of the world or countries that have reduced strict lockdown measures impose new or stricter temporary quarantines and curfews or prolong imposed quarantines and curfews. In several countries the Group is active in, quarantines and curfews have led to severely negative effects on or a complete halt of parts of industry and trade, including in particular also construction activities, with the effects depending mostly on the government measures taken. As of the date of this Prospectus, for Wienerberger Building Solutions the situation is particularly challenging in Italy, Switzerland, North Macedonia and Ireland, where currently government-imposed shutdowns are in place and all plants are closed. France and United Kingdom, which were severely impacted by shutdowns since mid-March 2020, slowly started a phased ramp-up of production mid of May 2020. In Austria, where there have been temporary plant closures caused by regulation concerning the COVID-19 pandemic as well, restrictions have been lifted and facilities are mostly back in production. The Eastern and Northern European countries have, for the time being, been impacted less severely by the ongoing COVID-19 pandemic and operate rather normal at this point with adjusted capacities, where necessary (e.g. Slovakia). This also applies, by way of example, for Denmark or the Czech Republic. At the same time, the Group has implemented measures like short-time work in countries where viable and supported by the government, as for example in Italy or Austria for the time of full shutdowns.

In the business unit Wienerberger Piping Solutions, the picture in Europe depends on the situation in the respective country. As of the date of this Prospectus, the Group's Scandinavian region was only minorly impacted with business almost at normal levels. Operations in the Eastern region could be continued without any interruptions. Operations in the Western region, especially in Italy, France and Belgium were partly affected by government-imposed shut downs. Nevertheless, short-term work is implemented in the Piping Solution business as well where applicable, and backed by the government, in order to meet reduced demand. Plant shutdowns have only been necessary in Ireland and temporarily in Austria. Cash preservation measures are implemented across the Wienerberger Piping Solutions business unit. In the business unit North America, mandatory shutdowns have occurred in North-Eastern US and Canada. However, the plant in Pennsylvania could slowly restart as of mid-April 2020. The Cambridge plant in Canada was slowly ramping up in May 2020, adapting to lower market activities. Demand in this region remains volatile, due to economic uncertainties that come along with COVID-19 pandemic. It is currently not foreseeable how long the COVID-19 pandemic will last and whether or when the negative impacts on business transactions and social life will be halted or reduced.

The outbreak of the pandemic resulted in a triggering event to evaluate the assets on the balance sheet as of March 31, 2020. Consequently, the Group recorded non-recurrent, non-cash impairment charges driven by the COVID-19 pandemic. Faced with a changing market environment, the Group had to adjust its assumptions for future developments in some of its markets, which resulted in valuation adjustments of about EUR 116 million in the first quarter of 2020, the major part of approx. EUR 94 million being attributable to the full write-off of goodwill in North America. Wienerberger takes various scenarios for 2020 into consideration. It is assumed that both revenues and, even more significant, EBITDA for the financial year 2020 will be negatively affected to a significant extent, with negative effects on the EBITDA for the Group's operations in particular in relation to operations with less variable cost structures.

Given the current economic market disruptions following the coronavirus outbreak and the anticipated recession in several of the Group's core markets, it cannot be excluded that the unfavorable macroeconomic trends will continue or intensify; as the Group is to be considered as being late-cyclical, the Group would be exposed to the effects of further deteriorating macroeconomic environments later than other business sectors and would take significantly longer to recover from downturns. Usually, cyclical developments take place in different phases on different markets. In view of the global outbreak of the COVID-19 pandemic, a number of the Group's main markets have been negatively affected. In downturns, it is important to quickly adapt production capacities to market demand and to carefully manage cost structures to reflect the subdued business activity. In times of cyclical downturns, the construction industry tends to suffer from overcapacities. Consequently, the Group is likely to be subject to idle capacities itself, which may negatively affect its profitability if it does not adapt its production capacities to the lower demand level or cannot outweigh negative impacts of reduced demand by measures of temporary or permanent plant stoppages or closings, short-time work or relocation of production to more efficient facilities. This could give rise to restructuring costs or costs of mothballing production facilities. If production cannot be adequately adapted to lower market demand, this may lead to an inability to balance the Group's inventory stock and therefore increase working capital, with significantly negative consequences on the Group's liquidity position. The Group may also not be able to outweigh this trend via its selling prices or might be further exposed to price aggressive competitors. If such risks materialize, the Group could be exposed to the risk of losses in market shares.

Prolonged or intensified economic downturns in markets important to the Group's operations, in particular in the Group's European markets, where the Group generated approx. 85% of its revenues and profit in 2019, with most of the 2019 revenues being generated in Great Britain, the Netherlands, Belgium, Germany, Poland and Austria, as well as in the US market may have an increasingly negative impact on the Group's sales volumes, realized sales prices and margin and may therefore negatively affect the Group's business, results of operations and financial condition.

The Group operates in a seasonal industry and is subject to revenue and earnings fluctuations throughout the year.

The building materials industry is subject to seasonal fluctuations in sales, whereby substantially higher volumes are sold during the months from April through October than in the rest of the year. The Group's revenues tend to correspond to such seasonal variation, with higher revenues in the second and third quarters and with inventory build-up and increased working capital in the first half year. By way of example, in 2019, working capital increased significantly in the first quarter 2019 with a negative cash flow from working capital of EUR -210.1 million and recorded a moderate increase in the second quarter 2019 (negative cash flow from working capital of EUR -26.3 million), followed by a slightly positive cash flow from working capital in the third quarter of 2019 of EUR 9.1 million and a significantly positive cash flow from working capital in the fourth quarter of 2019 in an amount of EUR 181.5 million. In addition, severe adverse weather conditions such as rain, hurricanes or storms, extreme cold or snow (by way of example, the snowy winter during the first four months of 2013, the flooding in Central Europe during the early summer 2013 or the devastating hurricanes in the USA in 2017) can reduce demand by disrupting or curtailing outdoor construction activity or render transport or delivery of the Group's products to its customers impossible, thus materially affecting the Group's sales volumes and, consequently, its results of operations. In March and April 2020, the South-Eastern region of North America has experienced unfavorable weather and storms, which had a negative effect on the Group's business in the region. Further, in case that downturns in sales would commence or last in the second and third quarters of the financial year, negative effects on the Group's results of operations and financial condition can be expected.

The Group is subject to risks resulting from the substitution of products.

The Group is exposed to the risk of the substitution of the Group's products by other building materials, including concrete, wood, limestone, glass, steel or aluminum. Any significant replacement of the Group's products in key markets by substitutes which the Group does not produce could materially adversely impact the Group's market share, sales and results of operations in these markets. Insufficient product research and development investments may disable the Group to timely respond to customer requirements and result in a competitive advantage of other market participants in terms of product innovation. Competitive pressure, including industry overcapacity and low-price strategies of competitors, could lead to pricing pressure in the Group's markets. Further, as a consequence of the COVID-19 pandemic, negative impacts on the employment rate and the respective decline in purchasing power, there is a risk that less sustainable and/or higher quality products are purchased or are replaced by products of inferior quality, which are not offered by the Group. All of these substitution risks could materially adversely affect the Group's market share, sales and results of operations. The particular substitution risk of a Group product depends on the relevant product category and can be summarized as follows:

- The Group's bricks compete with other building products that the Group does not produce. Facing bricks compete with other materials that can be used for the cladding of a house, such as vinyl, plaster, render, wood, stucco, natural stone, aluminum siding, glass and other materials, depending on local traditions, available raw materials, local taste and the price of substitute products. The Group's sales in the facing brick segment depend in part on its ability to anticipate and respond to changing fashion trends and consumer preferences in a timely manner. Accordingly, any failure by the Group to identify and respond to emerging trends could materially adversely affect consumer acceptance of the Group's facing brick products and, accordingly, the Group's sales of facing brick products.

- Clay blocks compete with other products in a broader market for materials used in the construction of load-bearing walls and non-load-bearing inner walls. Possible substitute products include aerated concrete blocks, prefabricated concrete panels, cast concrete, calcium silicate and timber, depending on local traditions, available raw materials, the price of substitute products and, significantly, technical characteristics such as thermal and sound insulation, load-bearing capacity, frost protection and water proofing capacity, the specifications for which are often mandated by local, national and EU regulations. There is the risk that such regulations change, which might support substitute products. More generally, buildings constructed with bricks also compete with prefabricated houses. In addition to competition from producers of brick substitute products, the Group continually faces competition by other brick, roof tile, pavers and pipe manufacturers. This is illustrated by the following example: Most of the clay block manufacturers that compete with the Group are local. The primary competitive factors are product range, technical properties, price, quality, manufacturing flexibility, availability, delivery time, logistics and customer service. The relative importance of these factors depends on the characteristics of particular products and particular markets, which could result in favoring substitute and/or products from competitors.

- Also in its roofing operations, the Group faces competition from manufacturers of substitute products. Roof tiles are used only for pitched roofs and are not commonly used for flat roofs. In particular in

Western Europe, flat roofs have recorded a stronger trend than in Eastern Europe. Therefore, to the extent flat roofs become more popular in any of the Group's markets, the demand for roof tiles is likely to decrease. With respect to pitched roofs, clay and concrete roof tiles compete with substitute products such as fiber cement slates, natural slates, metal coverings and other products. Substitute products could gain significant market shares from clay or concrete roof products and the demand for the Group's roof tiles could decrease.

- In its paving operations, the Group produces pavers as clinkers made of clay or concrete and slabs. These materials are used by homeowners as well as in public areas. To the extent other materials such as asphalt, wood or aggregates become more popular in these areas in the Group's markets, the demand for the Group's pavers would likely decrease.

- In its pipe operations, the Group offers both ceramic products and plastic products. The primary area of ceramic products is infrastructure, especially sewage; plastic products are also used in this area, but also in the utilities, building and industrial specialities area. Therefore, to the extent other materials, production methods or systems become more popular in these areas of application in the Group's markets, the demand for ceramic and plastic pipes would likely decrease.

The Group is subject to risks associated with inadequate insurance.

The Group maintains several insurance programs. By way of example, Wienerberger has entered into a Global Trade Credit Insurance Program, certain Global Property- and Casualty Insurance Programs and Global Financial Lines Insurance Programs. There is a risk that the insurance programs in place do not in fact provide for adequate insured amounts and coverage. In addition, there are risks which are not insurable or, if insurable, not at reasonable insurance premiums. By way of example, this includes Insurance against acts of war and terrorism, radioactivity, nuclear weapons material, ionising radiations or hostile biological or chemical release, pandemics as well as full warranty (product) insurance or non-damage business interruption insurance. There can be no assurance, however, that Wienerberger will not incur losses or that no claims will be made which exceed the amounts agreed under its insurance contracts. The incurrence of losses for which no or only insufficient insurance coverage exists could have a materially adverse effect on the Group's results of operations and its financial condition.

Strategic risks relating to the Group's business

The Group is exposed to the risk that acquisitions or divestments may turn out not to be as successful as intended. Any goodwill impairment could have a significant impact on the Group's income and equity.

Wienerberger has completed a number of acquisitions in the past. By way of example, in 2016 and 2017, the Group completed the acquisitions of two clay block plants in Poland and Romania and of the US facing brick producer Columbus Brick Company. Also in 2017, the Group took over 100% of Preflex Group, a Belgian manufacturer of pre-wired conduits for electrical installations. For the acquisitions of Columbus Brick Company and Preflex Group, Wienerberger paid purchase prices of in total EUR 43 million in cash. In 2018, Wienerberger increased its share in Tondach Gleinstätten AG to 100% and purchased Watsontwon Brick Company, a brick producer based in Pennsylvania, USA. Also in 2019, the Group conducted external acquisitions, e.g. by acquiring two facing brick producers Vesterled Teglvaerk A/S and Helligsö Teglvaerk A/S and a distributor in Denmark, 100% of BPD Group, a British producer specializing in roofing accessories, and 100% of Reddy S.A., a Belgian specialist producer of electrical accessories, and spent a total of EUR 47.9 million (2018: EUR 73.1 million). In contrast, in 2019, proceeds from divestments and other, which mostly included the disposal of non-core real estate and other assets, totalled EUR 39.3 million.

Acquisitions raise significant management and financial challenges, including:

- the need to integrate the acquired company's infrastructure, including management information systems, risk and asset-liability management systems;

- the resolution of outstanding legal, regulatory, contractual or labor issues arising from the acquisition, including potential litigations and/or arbitrations; further, this includes the risk of administrative fines if e.g. merger control applications are not filed in jurisdictions judged to be of minor significance or where the legal situation is unclear;

- the integration of marketing, customer service and product offerings;

- the integration of different company and management cultures; and

- the realization of targeted synergies.

Moreover, integrating and consolidating acquired operations, personnel and information systems requires the dedication of management resources that may divert attention from its day-to-day business and disrupt key operating activities, difficulties that may be increased by the necessity of coordinating geographically separated organizations in view of the Group's broad geographical diversification. There can be no assurance that Wienerberger will be able to identify future acquisition targets that acquired businesses will be fully integrated into the Group or that expected cost savings and revenue generation opportunities will be realised. Therefore, the Group's past or future acquisitions may not achieve the initially defined goals and consequently may become part of portfolio optimisations including, but not limited to, divestment considerations. By way of example, in 2018 Wienerberger sold the Austrian business activities of Semmelrock by way of an asset deal to German Rohrdorfer Group. The Group had held a participation in Semmelrock since 1996 and acquired 25% in 2010, which increased the shareholding to 100%. Wienerberger generated approx. EUR 83.3 million within 2018 and approx. EUR 39.3 million in 2019 by means of divestments and other. Also, divestments may turn out to be less successful than intended. Less successful acquisitions or divestments could have a materially adverse effect on the Group's cash flow, its results of operations and financial condition.

Further, an acquisition generates goodwill to the extent that the price paid by Wienerberger exceeds the fair value of the net assets acquired. The Group's past acquisitions generated substantial goodwill. Additional goodwill may arise as a result of further acquisitions. Under IFRS, intangible assets with indefinite useful life (such as goodwill) are not amortized but are subject to impairment tests annually or more frequently if warranted. A goodwill impairment does not affect cash flow. As of December 31, 2019, the carrying amount of goodwill amounted to approximately EUR 509.1 million, thus a full write-down would have resulted in a charge to income and a reduction in equity to this extent. Downturns on sales and profitability can trigger impairment testing and lead to impairment charges.

Economic, political, regulatory and local business risks associated with international sales and operations could adversely affect the Group's business, particularly in Central and Eastern Europe.

The Group operates mainly in the European Union, in Great Britain, in countries in Eastern Europe outside the European Union, the United States and Canada as well as in Turkey, India and Russia. The economies of these countries are in different stages of socioeconomic development. Further, in some of the Group's important markets, in the past years changes have occurred to the political leaderships as well as to the future status of jurisdictions (e.g. in relation to their membership in supra-national unions). By way of example, after the signing of the withdrawal agreement between Great Britain and the European Union on January 31, 2020, the transitional phase began, which is scheduled to last until the end of 2020; during that time, a new trade agreement between Great Britain and the European Union should be negotiated. As a result of any such developments, the Group's sales and results could be materially affected by a variety of factors, including:

- changes in a specific country's or region's political or economic conditions, particularly in the Eastern and Southeastern European markets in which the Group operates as well as in Turkey, India and Russia;

- macroeconomic effects following the separations of regions from certain countries or of countries from supra-national unions (e.g. the leave of the United Kingdom of the European Union on January 31, 2020, known as Brexit, the macroeconomic effects of which are still not foreseeable);

- potentially negative consequences from changes in tax laws or the interpretation of existing tax laws, which is in particular a risk in the markets of Russia and India;

- tightening of labor regulations;

- difficulty in managing international operations because of geographic distances as well as language and cultural differences;

- changes in regulatory requirements (including those affecting the utilization of raw materials, product requirements, environmental or safety and health standards or regulations regarding taxation of energy);

- changes to applicable customs legislations and the introduction of new tariffs or of a levy;

- expropriation of production equipment without proper compensation, which is in particular a risk in the markets of Russia and India;

- potential acts of terrorism; and

- state-imposed restrictions on repatriation of profits, whether through tax policies or otherwise.

The Group's overall performance as an international business depends, in part, upon its ability to succeed in these differing and sometimes fast-changing economic, regulatory, social and political environments in its core business covering clay blocks, roof tiles and facing bricks as well as pavers and pipe systems. The Group's most important customer group is the building materials sector. Further market adjustments in this sector, in particular in the above mentioned core markets, would increase pressure on prices in the future; in addition, specific market developments in one or more of the Group's core countries, e.g. as a result of the outbreak of the coronavirus (COVID-19 pandemic) or in case of political developments similar to the Brexit in other countries, would further increase such risks. The Group is not able to quantify the probability of occurrence or the extent of these potential risks.

The Issuer does not control some of the companies of which it is a shareholder and actions taken by such companies may not be aligned with the strategy and interests of the Group.

The Issuer does not have a controlling interest in some of the companies through which it conducts its business and may make future investments in companies in which it will not have a controlling interest. Examples of Group companies in which Wienerberger only holds a 50% shareholding are Schlagmann Poroton GmbH & Co KG, Silike keramika, spol. s.r.o. and TV Vanheede-Wienerberger. Further, in 2018, Wienerberger has also invested in the joint venture Interbran Baustoff GmbH, specializing in the development of mineral, non-combustible insulating materials; Wienerberger holds 30% of the shares but the company is classified as joint venture on account of its joint management. In relation to TONDACH BOSNA I HERCEGOVINA d.o.o, Wienerberger, with effect as of December 31, 2019, holds a participation of 80% but the classification of the company as a joint venture applies. Some key matters, such as the approval of business plans and the timing and amount of cash distributions, require the consent of the other shareholders. Consequently, the strategy of such companies may not always be aligned with the Group's interests. These and other limitations arising from investments in businesses the Issuer does not control may prevent the Issuer from achieving its objectives for these investments and may have a material adverse effect on the Group's business, results of operations and financial condition.

Operational risks of the Group

The Group may experience business interruption, production curtailment or loss of assets.

Due to the high fixed-cost nature of the building materials business, interruptions in production at a facility may cause the productivity and results of operations of such facility to decline significantly during the affected period. The manufacturing processes of producers of building materials and related services are dependent upon critical pieces of equipment such as kilns, extruders, drying chambers, grinders and others. On occasion, this equipment may be out of service as a result of strikes, unanticipated failures, accidents or force majeure events, including also acts of terrorism. In addition, there is a risk that equipment or production facilities may be damaged or destroyed by such events. Any damages or destructions of equipment or production facilities would have an adverse effect on such asset. In case damages or destructions occur in relation to several assets of the Group this could have a material adverse effect on the Group's business, results of operations and financial condition. Further, if notable parts of the Group's business would be interrupted by acts of terrorism, this could also have a material adverse effect on the Group's business, results of operations and financial condition.

Changes in input and energy costs, energy supply disruptions or insufficient availability of raw materials could have a material impact on the Group's results of operations.

The Group's cost structure depends on the costs of raw materials and other resources used in the production of the Group's products as well as on the availability of raw materials. Higher input costs are one of the major risks identified by the Issuer. Moreover, the cost of energy for firing of bricks represents a significant percentage of the Group's cost structure. In 2019, energy costs for the Group totaled EUR 276.2 million (2018: EUR 262.9 million), or 8.0% of the Group's revenues (2018: 8.0% of the Group's revenues) and comprised primarily costs of natural gas (60%) and electricity (33%). Any significant increase in the international and local market prices with respect to the Group's raw material (in particular polymers used in the plastic pipe production) or energy (in particular, natural gas and electricity) demand, which are not hedged by the Group, would increase the Group's operating costs and may negatively affect the Group's results of operations, as the Group may not be in a position to pass the increased costs on to customers through price increases.

The plastic pipe business is, in addition to the dependency on the supply and demand balance for raw materials and resources, particularly influenced by the development of the main upstream feedstock costs, namely oil, naphtha and gas. It is a fact that the polymer prices correlate to a certain extent with the price of crude oil and, consequently, to naphtha which comprise a major part of the production cost for polymers and hence on the plastic pipes as such. The volatility of raw material prices has increased considerably in recent years and has been further reinforced, because of the COVID-19 pandemic. In particular oil prices have recorded significant drops in the Brent oil price from levels of more than USD 60 per barrel ("**/bbl**") to below USD 20/bbl in mid-April 2020. In the same time, prices for high-density polyethylene ("**HDPE**"), for polypropylene ("**PP**") and for polyvinyl chloride ("**PVC**") have also dropped but have recorded significantly lower price decreases compared to the extent of the price reduction in Brent oil price. Fear of global recession, of supply chain disruption and of plant closure as efforts to contain the outbreak are being ramped up and are all heavily weighing negatively on the industry participants. Consequently, there is a risk that the Group fails to outweigh strong fluctuations within individual months, which would require flexible pricing to limit the effects of these price changes and/or pass them on to the market. Furthermore, increased concentration of raw material suppliers could negatively impact Pipelife's future raw material prices. The most important input factor at Pipelife is plastic granulate. In addition to the above-mentioned price risks, to which these granulates are subject, the Group has limited storage capacity in the plants for plastic granulate, which leads to the risk that supplies or in stock capacities of this key raw material may not be sufficient to cover production requirements. Further, the Group's attempts to detect potential shortages in other raw material supply may fail. A longer-lasting interruption in supplies would invariably disrupt production if the Group fails to adequately develop alternative suppliers for raw materials.

The Group's exposure to energy price risk can only partly be hedged by concluding futures contracts or long-term or medium-term based fixed-price agreements with national and international suppliers; its results of operations have been negatively affected by significant increases in the price of natural gas and electricity in the past. In a limited number of East European countries (in total, roughly 10% of the Group's energy costs) the prices for natural gas are regulated by the federal government. In relation to energy and raw material prices, it has to be noted that even in case of hedging several risks exist. In particular if the Group decides to enter into significant hedging transactions, there is a risk that the Group cannot benefit from price decreases of the energy and/or raw material prices due to the fact that a significant amount of its demand has been hedged.

Furthermore, energy supplies are subject to disruption in connection with blackouts and other occurrences, such as the suspension of gas or electrical deliveries. An interruption in gas or energy supply would invariably lead to the standstill of production and could have a material adverse effect on the Group's operating profit.

Financial risks relating to the Group's business

The capital-intensive nature of the Group's business requires significant financing.

The building materials industry is capital-intensive. In order to continue to be competitive, the Group needs modern plants and equipment, which involves substantial capital expenditures for maintenance, which amounted to EUR 140.1 million in 2019 (2018: EUR 130.3 million) and corresponded to 56% of the Group's depreciation in 2019 (2018: 67% of the Group's depreciation) and potential expansion on greenfield operations.

The Group has historically funded capital expenditures and acquisitions with internally generated cash flows, bank loans, senior and hybrid bonds, and proceeds from the sale of non-operating assets and has financed acquisitions through the issuance of new shares. By way of example, in 2018, Wienerberger AG issued a bond in an aggregate principal amount of EUR 250 million (ISIN AT0000A20F93). In 2018, a EUR 400 million syndicated revolving credit facility was entered into. Further, in 2019, the Group entered into a EUR 170 million syndicated loan with an interest linked not only to the usual financial leverage ratio, but also to the development of the Group's sustainability rating awarded by Ecovadis, an international sustainability rating agency. In April 2020, the Issuer entered into an Austrian law governed EUR 300 million Revolving Liquidity Backstop Facility Agreement with a term of 18 months to be used for general corporate purposes as liquidity backstop facility. As of 30 April 2020, out of available credit lines of in aggregate EUR 700 million under syndicated revolving credit facilities, approx. EUR 310 million were drawn, with approx. EUR 390 million being undrawn (source: internal data). The issue of the Bonds will result in a mandatory cancellation of the Revolving Liquidity Backstop Facility. Cash and cash equivalents of the Group as of 30 April 2020 amounted to approx. EUR 129 million. In the future, the Group intends to continue using these sources of financing subject to their availability. In turn, the Group used available funds also for buy-backs of its shares and the cancellation of bought-back shares, for the redemption of the EUR 300 million corporate bond issued in 2013 in April 2020 (ISIN AT0000A100E2) as well as for a partial redemption and cancellation of the Group's outstanding hybrid bond (DE000A1ZN206) in an amount of EUR 27.1 million in 2019. Should the Group be unable to finance its capital expenditures and acquisitions in the contemplated manner or at favorable terms, the Group's business, results of operations and financial condition could be materially adversely affected.

As a holding company the Issuer depends on its subsidiaries.

The Issuer is a holding company and the operating business of the Group is generated by a number of direct or indirect subsidiaries. As of December 31, 2019, the Group comprised in total 168 Group companies (162 of which are fully consolidated and six are consolidated at-equity). To cover its operating costs, the Issuer relies on payments for licenses and services rendered by the Issuer for Group companies, distributions that it receives from its subsidiaries, as well as other investment interests or, as the case may be, scheduled repayments of loans it has granted to its subsidiaries. The distributions by the subsidiaries depend, in turn, on the subsidiaries' operating results and their ability to make those distributions. In relation to payments for services and licenses, the Issuer *inter alia* charges subsidiaries for certain trademark uses, the provision of technical know-how, IT licenses or project related costs as well as a portion of the total costs for group functions (e.g. treasury) allocated to the respective Group companies.

Certain license costs depend on the revenues of the respective subsidiary and are, therefore, lower in case of decreasing revenues. It cannot be assured that such funds to be received by the Issuer from Group companies will always be sufficient in the future to satisfy all of the Issuer's payment obligations. If the funds are insufficient, the Issuer would need to obtain additional funds. This could have a material adverse effect on the Group's business, net assets, financial condition, cash flow and results of operations.

Downgrades in the rating or a decline in the credit metrics of the Group, its inability to obtain new financing and breaches of clauses in existing and/or new financing agreements could increase refinancing costs and impair the Group's liquidity and profitability.

As of May 5, 2020, Moody's Investor Services, Inc. ("**Moody's**"), a credit rating agency registered under Regulation (EC) No. 1060/2009 of the European Parliament and of Council of September 16, 2009 on credit rating agencies as amended by Regulation (EU) No 513/2011 as a registered rating agency, has affirmed the Issuer's corporate family rating of Ba1 as well as the Issuer's senior unsecured rating of Ba1 but changed the outlook for the Issuer from stable to negative. Possible future downgrades in the financial rating of the Group could impair the Group's ability to refinance at favourable terms and could have a material adverse effect on the Group's business, results of operations and financial condition. Further, any rating downgrades could also have negative effects on the Bonds' market price.

A portion of the Group's cash flow from operations is dedicated to the payment of interest on its indebtedness and will not be available for other purposes. If the Group's credit metrics were to decline, the interest it pays under some of its credit facilities would increase, leading to an increase in the cost of additional financing that the Group may need, thereby negatively affecting the Group's business, results of operations and financial condition.

The Group continues to depend on future financing and refinancing in the credit and capital markets and may not always be successful in securing such financing at favourable terms. Access to financing is dependent on a variety of financial, macroeconomic and other factors, which are beyond the Group's control. By way of example, it cannot be excluded that the downturn in capital markets, credit markets and the general economy caused by the novel strain of coronavirus known as SARS-CoV-2 may lead to significantly higher refinancing costs and/or a shortage in available financing options for the Group. It is possible that the Group's liquid funds and existing undrawn committed lines of credit will not be sufficient to cover the Group's refinancing and operational needs and that the Group will not obtain additional financing on favorable terms or at all. If such additional financing cannot be obtained at on favorable terms or not at all, this may have a material adverse effect on the Group's business, results of operations and financial condition.

There is a risk that covenants contained in the Group's financing arrangements could limit the Group's ability to finance its future operations and capital needs. Cross-default provisions may lead to termination of existing financing arrangements.

Covenants contained in the Group's financing arrangements could limit the Group's ability to finance its future operations and capital needs. These factors include covenants in the existing and future debt arrangements of the Group as well as the maintenance of the current rating. According to applicable covenants, the ratio of net debt to EBITDA of the Group may not exceed 3.9 years; this indicator equalled 1.4 years as of December 31, 2019. It should nevertheless be taken into account that due to the seasonality of the Group's business, the ratio of net debt to EBITDA of the Group is usually higher throughout the year than at year-end. Further, the Group estimates the ratio to be partially affected by the impacts of the COVID-19 pandemic and its effects on business. If the Group breaches such covenants or is subject to a deterioration of its rating and is unable to cure the breach or obtain a waiver from the lenders, interest expense could rise due to an increase in the credit risk premium and lead to higher financing costs and lower cash flow. The Group could also be in default under the terms of the respective arrangement, potentially resulting in a loan becoming due immediately. A default under any single financing arrangement could result in a default under other financing arrangements due to cross-default provisions and could cause lenders under such other arrangements to accelerate such financing arrangements, in which case amounts under those arrangements would become due as well. In addition, in an event of default, the lenders under the Group's credit lines could terminate their commitments to extend credit to it or cease making loans, and the Group could be forced into bankruptcy or liquidation. This would have an immediate material adverse effect on the Group's liquidity and may have a material adverse effect on the Group's business, results of operations and financial condition.

A significant portion of the Group's revenues and earnings is generated in currencies other than the Euro. Adverse changes in foreign exchange rates relative to the Euro could materially adversely affect the Group's reported earnings and cash flow.

A significant portion of the Group's revenues and earnings is generated by subsidiaries whose headquarters are not located in the Eurozone, including the United States, Canada, India, Poland, Hungary, Bulgaria, the Czech Republic, Serbia, Croatia, Macedonia, Romania, Russia, Ukraine, Turkey, Denmark, Sweden, Norway, Great Britain and Switzerland. For the year ended December 31, 2019, approximately 53% of the Group's revenues were denominated in currencies other than the Euro (2018: 52%), predominantly the Eastern European currencies (23%; 2018: 23%), the British pound (11%; 2018: 10%) and the U.S. dollar (9%; 2018: 8%). By way of example, as at December 31, 2019 and based on the Group's sensitivity analysis, a change by one annual volatility of the exchange rate of the Euro against the British pound would affect the Group's consolidated statement of comprehensive income at the EUR/GBP annual volatility of 7.52% by +/- EUR 7.3 million. As a result, adverse changes in the exchange rates used to translate foreign currencies into Euro, the Group's reporting currency, may impact the Group's results of operations or financial position as reported in Euro.

The Group is exposed to credit risks. A significant default by a financial institution counterparty or a customer could adversely affect the Group's business, results of operations and financial condition.

Cash deposits and other financial instruments held with or through financial institutions entail credit risk represented by the loss that would be recognized should the financial institution counterparty fail to perform as contracted. In addition, the Group faces credit risk in the normal course of business with customers who buy its products and with other counterparties. Trade receivables consist primarily of receivables due from building material retailers and large customers. If an amount is overdue for more than 360 days, default is assumed, and the receivable is written off in its entirety. Receivables are derecognized by the Group when there is a legal basis for the assumptions that no more payments will be received. The economic and financial uncertainty following the financial crisis as well as the Eurozone sovereign debt crisis led to an increase in credit risk due to the deterioration of creditworthiness of a number of financial institutions and customers. It cannot be excluded that the downturn in capital markets, credit markets and the general economy caused by the novel strain of coronavirus known as SARS-CoV-2, which caused the COVID-19 pandemic, may lead to similar effects and defaults of the Group's financial counterparties or customers. A significant default by the Group's financial counterparties or customers, in particular as a result of the effects of the COVID-19 crisis, could cause significant write-offs and may have a material adverse effect on the Group's business, results of operations and financial condition.

Movements in interest rates may increase the Group's interest expense.

Interest rate risk is comprised of two components: the relevant value of the average term for the Group's financing and the separation into fixed and variable interest rates. Approximately 41.3% of the interest on the Group's financial debt (including derivative instruments) as of December 31, 2019 is indexed at a spread to benchmark rates such as the Euro Interbank Offered Rate ("**Euribor**"). Such variable interest rates are associated with the risk of increasing interest rates while the risk associated with fixed interest rates lies in a possible decline in interest rate levels. As of December 31, 2019, for example, a parallel upward shift of 100 basis points in interest rates would have increased profit after tax by EUR 0.5 million (2018: increase of EUR 1.3 million) and equity in the same amount, whereas a decrease of 100 basis points in interest rates would have decreased (2018: decreased) the Group's profit after tax and equity by the same amount. Nevertheless, should the Group change its fixed-floating mix of its debt, movements in interest rates could have an impact on the Group's interest expense in respect to its indebtedness and may have a material adverse effect on the Group's results of operations and financial condition.

The Group is exposed to risks associated with inadequate hedging transactions.

The Group is actively managing its risk exposures caused by fluctuating foreign exchange rates (transactional and translational risk), interest rates and commodity prices (CO_2, raw materials, energy). For this purpose, the Group regularly enters into fixed rate contracts, forward agreements, currency swaps or other derivative hedging transactions to shape the risk profile (cash flow / value at risk) taking into account the relating hedging costs. As of December 31, 2019, the Group held foreign exchange forward contracts that were concluded to hedge transaction risks for a period of up to 12 months. Plan changes, prohibitive hedging costs, or plan deviations of the future underlying business (e.g. volume of raw material purchases in foreign currency, actual demand of natural gas) as well as inappropriate hedging decisions could lead to over-hedge or under-hedge positions. Such positions could have a material adverse effect on the Group's business, results of operations and financial condition.

The Group is exposed to liquidity risks.

The Group's strategy foresees the protection of liquidity and the preservation of a healthy financial base. The maximization of free cash flow through cost reduction, active working capital management and a cutback in investments to the necessary minimum are usually used as instruments for pursuing this strategy. Liquidity risks arise, above all, when cash flows from revenues fall below expectations because of weaker demand and the measures to reduce working capital and cash outflows for fixed costs (active capacity management) are not sufficient or can only be implemented by the Group with a delay. The following examples illustrate how liquidity is analyzed: Liquidity is managed by the Group on a regular basis, among others, on the basis of rolling quarterly liquidity planning as well as a regular analysis of the cash conversion cycle, which is based on average accounts payable turnover, inventory turnover and receivables conversion. The Group's receivables conversion period averaged 23 days in 2019 (2018: 23 days), the inventory turnover period averaged 91 days in 2019 (2018: 92 days) and the payable turnover period averaged 37 days in 2019 (2018: 37 days). In 2019, this resulted in a cash conversion cycle of 77 days (2018: 78 days). In case of a lack of appropriate liquidity, available funds may not be sufficient to meet the Group's payments obligations when due and the Group could be forced into bankruptcy or liquidation. The materialization of any of the risks have a material adverse effect on the Group's business, results of operations and financial condition as well as on the fulfilment of its obligations under the Bonds.

Geographical risks relating to the Group's business

Economic instability in jurisdictions where the Group operates, in particular in Eastern and South-Eastern Europe, India, Turkey or Russia may adversely affect the Group's business, results of operations and financial condition.

The countries in Eastern and South-Eastern Europe have political, economic and legal systems that are in different stages of transformation towards EU standards. Political or economic disruption or changes in laws and their application may harm the Group's production sites and business activities. This may impair the value of these investments. In 2019, the Group generated 26% of its revenues in Eastern Europe (not considering Austria for this purpose), where risks of gross domestic product ("**GDP**") volatility, foreign exchange instability, foreign exchange controls, inflation and political instability may be higher than in the more developed countries in which the Group operates.

Many European, but in particular Eastern European countries, which have been severely hit by the financial market and economic crisis, have not yet fully recovered since then, even though particularly Eastern Europe was considered the fastest growing region in Europe in 2019 (source: IMF, World Economic Outlook, October 2019 and January 2020). Such countries may be subject to even worse effects resulting from the downturn in capital markets, credit markets and the general economy caused by the novel strain of coronavirus known as SARS-CoV-2, which led to the COVID-19 pandemic. The Group cannot ascertain if at all and when the economy in these markets will recover to historical levels. In turn, the Group considers the markets in Central and Eastern Europe as long-term growth markets due to the high pent-up demand for new residential construction and infrastructure. Were any of the following factors, which have been characteristic for the economy in some or all states of Eastern and South-Eastern Europe at various times during some of recent years, to recur, this could have a negative influence on the investment climate in Eastern Europe, lead to weaker demand and increased pressure on prices in these markets and may, hence, increase the risk of a negative impact on the Group's business, results of operations and financial condition:

- restrictions on transfers of hard currency outside of the countries within Eastern Europe;
- significant declines in the gross domestic product;
- high levels of inflation;
- unstable local currencies;
- high government debt relative to GDP;
- a weak banking system providing limited liquidity to domestic enterprises;
- significant use of barter transactions and illiquid promissory notes to settle commercial transactions;
- widespread tax evasion;
- growth of a black and grey market economy;
- pervasive capital flight;
- corruption and extensive penetration of organized crime into the economy;
- significant increases in unemployment and underemployment;
- emigration of well-trained individuals leading to shortage in skilled labor; and
- impoverishment of a large portion of the population.

Several of these risks also apply to the non-EEA countries India, Turkey and Russia the Group is active in. Any materialization of such risks in these countries may also have a negative impact on the Group's business, results of operations and financial condition.

The Group faces legal risks in certain countries where it operates and its property may not be protected comprehensively in each of those countries.

The legal systems in the countries where the Group operates are in different stages of development and may either not grant sufficient protection or the wrong application of laws may harm companies of the Group. Moreover, changes in laws may negatively impact the Group. Most countries in the regions where the Group operates have in place legislation to protect property against expropriation and nationalization which provides for fair compensation in case of expropriation or nationalization of property. In turn, by way of example, the markets in Russia and India carry an increased risk for the Group that production equipment may be expropriated without proper compensation. There can also be no certainty that any protection offered would in fact be enforced. It is possible that, due to a lack of experience in enforcing these provisions or due to political change, legislative protection may not be enforced in the event of an attempted expropriation or nationalization. Insufficient legal systems, expropriation or nationalization of any of the Group's assets, potentially with little or no compensation, could have a material adverse effect on the Group's business, results of operations, financial conditions and prospects. Further, lengthy court and/or administrative proceedings could have a material adverse effect on the Group's business, results of operations, financial conditions and prospects.

Risks related to the environment relevant for the Group

The Group is subject to stringent environmental and health and safety laws, regulations and standards

which result in costs related to compliance and remediation efforts that may adversely affect the Group's business, results of operations and financial condition.

The Group is subject to a broad and increasingly stringent range of environmental and health and safety laws, regulations and standards in the jurisdictions in which it operates. This results in significant compliance costs and exposes the Group to liability. Environmental claims or the failure to comply with any present or future regulations could result in the assessment of damages or imposition of administrative fines against the Group, suspension of production or a cessation of operations caused by the suspension of operating permits.

New regulations could require the Group to acquire costly equipment, refit existing plants or redesign products or to incur other significant expenses. The laws, regulations and standards relate to, among other things, air noise emissions, carbon dioxide ("**CO_2**") emissions, sulfur flue gas emissions, waste water discharges, avoidance of soil and groundwater contamination, regulations on silica, the use and handling of hazardous materials, waste disposal practices and standards relating to construction materials.

Generally, many of the Group's manufacturing sites have a history of industrial use: Soil and groundwater contamination occurred in the past at a limited number of sites. Such contamination might occur or be discovered at other sites in the future and the Group may face remediation liabilities and legal proceedings concerning environmental matters. As the Group expanded into the Eastern European countries, it both acquired and built plants on existing industrial sites. In many cases, very limited information, if any, was available with regard to environmental pollution on those sites.

The Group's landfills (exhausted clay pits used as building waste disposal) in Austria, which were viewed as potentially presenting a risk, were sold together with non-core assets of the Group to ANC Privatstiftung. However, because laws and regulations may hold prior owners of property liable for discovered environmental damage, there can be no assurance that the Group will not be liable for remediation costs or potential future claims related to the real estate sold to the ANC Privatstiftung. Other jurisdictions in which the Group operates provide for a legal obligation to recultivate exhausted clay pits. There can be no assurance that the Group's recultivation provisions will be sufficient to cover all future costs, especially in some Eastern European countries where regulatory policy on recultivation is still evolving, so that provisions may need to be revised as local policy develops. Recultivation costs significantly exceeding established provisions might have a material adverse effect on the Group's business, results of operations and financial condition.

The Group cannot predict environmental matters with certainty, and the Group's budgeted amounts and established reserves may not be adequate for all purposes. In addition, the development or discovery of new facts, events, circumstances or conditions, including future decisions to close plants, which may trigger remediation liabilities, and other developments such as changes in law or increasingly strict enforcement could result in increased costs and liabilities, prevent or restrict some of the Group's operations and have a material adverse effect on the Group's business, results of operations and financial condition.

Changes in building laws, regulations and standards could materially adversely affect the Group's business, results of operations and financial condition.

The Group is subject to a broad and increasingly stringent range of building laws, regulations and standards in the jurisdictions in which it operates. The laws, regulations and standards cover both the technical standards that need to be met and the procedures that need to be followed and relate to, among other things, structure, fire safety, toxic substances, ventilation, hygiene, drainage and waste disposal and electrical safety. This results in significant compliance costs and exposes the Group to liability. Additional legal requirements could be adopted in the future that would render compliance more burdensome or that could discriminate the Group's products against competing materials. New regulations could require the Group to acquire costly equipment, refit existing plants or redesign products or to incur other significant expenses. The failure to comply with any present or future regulations or standards could result in the assessment of damages or imposition of fines against the Group or the loss of market shares. As a consequence, any change in building laws, regulations and standards could materially adversely affect the Group's business, results of operations and financial condition.

Changes in the European Union emissions trading scheme and other local emissions allowance systems could lead to reduced free emission right allocations and limited free transferability of emissions allowances and would increase the Group's production costs.

The Group's kilns produce substantial amounts of CO_2, a gas believed to be partly responsible for the greenhouse effect. In most European countries where the Group operates, regulations taxing or limiting CO_2 emissions have been enacted. Such regulations could increase the Group's production costs resulting from the necessary purchase of emissions allowances or the implementation of emissions reduction measures or due to increased energy prices. Therefore, regulations on CO_2 could negatively impact the production cost of the Group's plants, adversely affecting the Group's business and results of operations. In January 2005, the European Union implemented an emissions trading system ("**ETS**"), under which any CO_2 emissions beyond the free allocation must be covered by additional CO_2 allowances that must be purchased from third parties. The rules in the emission trading scheme were tightened for the phase 2013 to 2020 and no longer provide for 100% free allocation, but rather foresee a gradual decline in freely allocated emission rights. Businesses operating in industry sectors that are considered to be highly exposed to international trade and whose businesses are prone to moving outside of the EU ("**carbon leakage**") are allocated with a higher amount of free emission rights. The ETS phase 4, which covers the period 2021 to 2030, aims at reducing the free allocations of CO_2 between 3% to 24% for the period 2021 to 2025 and 4% to 32% for the period 2026 to 2030. This could lead to increased production costs for the Group. Based on a further qualitative evaluation performed in 2018, the brick industry has been included in the new carbon leakage catalogue for the fourth trading period, basically providing for the Group to enjoy carbon leakage status until 2030 and therefore being allocated the major part of the CO_2 certificates required free of charge. There is a risk that the carbon leakage status could be lost and competitors' products could obtain such status. This could result in a loss of market shares of Group products. If the bricks and roof tiles industry cease to be included in the carbon leakage catalogue, the Issuer would not be allocated the major part of the CO_2 certificates required free of charge and may gradually be obliged to purchase CO_2 certificates in auctions. The Issuer bought CO_2 certificates from external markets in the past five years in order to cover the future gap expected to occur in different countries. A significant under-allocation of certificates to the Group and/or the introduction of a fee for emission allowances could have a material adverse effect on the Group's business, results of operations and financial condition.

The Group's digitalization strategy may be less successful than intended. Further, the Group may be less competitive in terms of digitalization than its peers and may be subject to a higher dependency on IT infrastructure.

Digitalization is an important trend in almost all different industries and also in the Group's business areas. The Group is exposed to the risks associated with the fact that marketing and selling activities increasingly depend on digital communication with customers and the attractiveness of digital solutions to be offered by the Group. The Group currently offers its Building Information Modelling ("**BIM**"), an integrated planning process for customers aimed at foreseeing and creating value over the entire life cycle of a building. Further, Wienerberger assumes that electronic access to product availability data may be a next required step in digitalization. Wienerberger already relies to a certain extent on digital sales channels for its products, with such digital sales channels potentially becoming even more important in the future. There is a risk that the Group's currently planned digitalization strategy turns out to be less successful than intended or that the Group may be less competitive in terms of digitalization than its peers. This could have a material adverse effect on the Group's business, results of operations and financial condition. In addition, if the Group's digitalization business and demand by customers increase, the dependency of the Group on uninterrupted and protected IT infrastructure will significantly increase as well. Any interruptions of the IT infrastructure, including by technical problems, cybercrime attacks or force majeure events could have a material adverse effect on the Group's business, results of operations and financial condition.

Risks relating to the Bonds

Prospective Bondholders of the Bonds, which are the subject of this Prospectus, should consider the following risk factors, which are specific to the Bonds and which are material for taking an informed investment decision and should make such decision only on the basis of this Prospectus as whole.

No person should acquire Bonds without a thorough understanding of the mechanism of the relevant Bonds and without being aware of the potential risk of loss. Any prospective Bondholder should carefully examine whether an investment in the Bonds is appropriate given his or her personal circumstances and financial situation.

Prospective investors should also read the detailed information set out elsewhere in this Prospectus and should consult with their own professional advisers (including their financial, accounting, legal and tax advisers) and reach their own views prior to making any investment decision.

Words and expressions defined in the section entitled "Terms and Conditions of the Bonds" shall have the same meanings in this section "Risks relating to the Bonds".

The risk factors herein are organised into the following categories below depending on their nature (with the most material risk factors mentioned first in each of the following categories):

Risk factors regarding the structure of the interest rate of the Bonds

Bondholders of Bonds with a fixed interest rate are exposed to the risk that the market price of such Bonds falls as a result of changes in the market interest rate.

A Bondholder of Bonds with a fixed interest rate is exposed to the risk that the market price of such Bonds falls as a result of changes in the market interest rate. While the nominal interest rate of Bonds with a fixed interest rate as specified in the Prospectus is fixed during the life of such Bonds, the current interest rate on the capital market for issues of the same maturity (the "**market interest rate**") typically changes on a daily basis. As the market interest rate changes, the market price of Bonds with a fixed interest rate also changes, but in the opposite direction. If the market interest rate increases, the market price of Bonds with a fixed interest rate typically falls, until the yield of such Bonds is approximately equal to the market interest rate. If the market interest rate falls, the market price of Bonds with a fixed interest rate typically increases, until the yield of such Bonds is approximately equal to the market interest rate.

Risk factors regarding the investment in the Bonds

Credit ratings of the Issuer and/or Bonds (if any) may not adequately reflect all risks of the investment in such Bonds, credit rating agencies could assign unsolicited credit ratings, and credit ratings may be suspended, downgraded or withdrawn, all of which could have an adverse effect on the market price and trading price of the Bonds.

Moody's assigned to (i) certain of the Issuer's outstanding long-term debts, including senior unsecured bonds, a long-term rating of Ba1 (last update: rating affirmation at Ba1 as of May 5, 2020) as well as (ii) the subordinated hybrid bonds 2014 of the Issuer a Ba3 rating (last update: rating affirmation at Ba3 as of May 5, 2020). The Issuer has ordered a rating to be assigned to the Bonds by Moody's. The rating is expected to be Ba1. Investors should note that in the course of its rating affirmation for the Issuer's Corporate Family Rating of Ba1 as of May 5, 2020, Moody's has changed the outlook from stable to negative. A credit rating of the Issuer and/or Bonds may not adequately reflect all risks of the investment in such Bonds. Credit rating agencies could decide to assign credit ratings to the Bonds on an unsolicited basis. Equally, credit ratings may be suspended, downgraded or withdrawn. Any such unsolicited credit rating, suspension, downgrading or withdrawal may have an adverse effect on the market price and trading price of the Bonds. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the credit rating agency at any time.

Bondholders have restricted abilities to influence the Issuer.

The Bonds are debt financial instruments and represent no participation, information or voting rights with respect to general meetings (*Hauptversammlungen*) of the Issuer. Consequently, the Bondholders cannot influence any decisions by the Issuer's shareholders, including decisions concerning the capital structure or any other matters relating to the Issuer or its business.

Purchases of Bonds financed by loans substantially increase the possible amount of losses and are generally to be discouraged.

The Issuer strongly recommends refraining from any loan financed purchases of Bonds. Payments under the Bonds may be below any possible loan interest rates. There is no assurance that the yield or the redemption price of the Bonds will be sufficient to pay back loan obligations (including interest). In case of a purchase of Bonds financed by loans and a subsequent delay or default of payment by the Issuer or a material decrease in the market price of the Bonds, the investor must not only bear the related loss, but also service and repay the loan. Purchases of Bonds financed by loans substantially increase the possible amount of losses.

Risk factors regarding certain provisions of the Terms and Conditions of the Bonds

In the event that any Bonds are redeemed prior to their maturity, a Bondholder of such Bonds may be exposed to the risk that his investment will have a lower than expected yield.

In the event (i) of the occurrence of a reason for early termination (termination for cause, as provided for in § 10 (*Termination*) of the Terms and Conditions of the Bonds) or (ii) that the Issuer would be obliged (as set out in § 9 (*Taxation*) of the Terms and Conditions of the Bonds) to increase the amounts payable in respect of any Bonds as a result of any change in, or amendment to, the laws or regulations of Austria or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date, the Bonds may be redeemed prior to maturity in accordance with the Terms and Conditions. In addition, the Issuer is entitled to early termination options pursuant to § 6 (*Redemption*) para 3 and para 4 of the Terms and Conditions. In all of these cases, Bondholders are exposed to the risk that a Bondholder's investment in the Bonds will have a lower than expected yield.

The Issuer may decide to early redeem the Bonds. In case of an early redemption of any Bonds, there is a risk that Bondholders may not be able to reinvest proceeds from the Bonds in such a way that they earn the same rate of return.

Bondholders may be subject to the risk that any return earned from an investment in the Bonds may not in the event of an early redemption of any Bonds be able to be reinvested in such a way that they earn the same rate of return as the redeemed Bonds. By way of example, § 6 (*Redemption*) para 3 of the Terms and Conditions provide for an early redemption of all Bonds at the Issuer's discretion, subject to payment of the higher of (i) the redemption amount per Bond and (ii) the Make-Whole Amount calculated in accordance with the formula provided for in the Terms and Conditions.

Risk factors regarding subordination

There is a risk of structural subordination.

The Issuer is subject to stricter rules (e.g. with respect to termination events) under other financial instruments than the Bonds. This may e.g. lead to the situation where the Issuer's creditors under such other financial instruments under certain circumstances, contrary to the Bondholders, are entitled to terminate the respective contracts for cause and ask for immediate repayment or that third creditors of the Issuer receive security in the Issuer's or its subsidiaries' assets in the liquidation proceeds of which the

Bondholders do not participate. In such case the Bondholders are exposed to the risk that the Issuer will not have sufficient funds to service the Bonds upon having (partly) satisfied the other creditors' claims. Investors would suffer a total loss.

The Bonds may have a longer tenor than other financial instruments of the Issuer. Thus, due to any longer tenor claims of Bondholders rank junior to the other creditors' claims since the Bondholders' claims in case of ordinary redemption are to be redeemed later than the creditors' claims under other financial instruments.

The Issuer may incur additional indebtedness ranking pari passu with the Bonds.

The Issuer has not entered into any restrictive covenants in connection with the issuance of the Bonds regarding its respective ability to incur additional indebtedness ranking equally with the obligations under or in connection with the Bonds. Incurring any additional indebtedness may increase the likelihood of a deferral of coupon payments under the Bonds and/or may reduce the amount recoverable by Bondholders in the event of insolvency or liquidation of the Issuer.

<u>Risk factors regarding tax and legal matters</u>

The Bonds are governed by Austrian law, and changes in applicable laws, including tax laws, regulations or regulatory policies may have an adverse effect on the Issuer, the Bonds and the Bondholders.

The Terms and Conditions of the Bonds will be governed by Austrian law. Bondholders should thus note that the governing law may not be the law of their own home jurisdiction and that the law applicable to the Bonds may not provide them with similar protection as their own law. Furthermore, the impact of any possible judicial decision or change to Austrian law, including tax laws, possibly with retrospective effect, or administrative practice after the date of this Prospectus is unclear could adversely affect the market price of the Bonds. Any such change may cause the tax treatment of the relevant Bonds to change from what the purchaser understood the position to be at the time of purchase.

Bondholders may be required to pay taxes and other charges or duties. The tax impact of an investment in the Bonds should be carefully considered.

Potential investors of the Bonds should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Bonds are transferred to or other jurisdictions and should consult their own independent tax advisers, if they are in any doubt as to their tax position.

If a payment were to be made or collected through a paying agent established in any state which applies a withholding tax system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor any other person would be obliged to pay additional amounts to the Bondholders or to otherwise compensate Bondholders for the reductions in the amounts that they will receive as a result of the imposition of such withholding tax.

Further, potential investors are advised not to rely upon the tax overview contained in this Prospectus but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, sale and redemption of the Bonds. Only these advisers are in a position to duly consider the specific situation of the potential investor.

An Austrian court could appoint a trustee for the Bonds to exercise the rights and represent the interests of Bondholders on their behalf in which case the ability of Bondholders to pursue their rights under the Bonds individually may be limited.

Pursuant to the Austrian Bonds Trustee Act (*Kuratorengesetz*) and the Austrian Bonds Trustee Supplementation Act (*Kuratorenergänzungsgesetz*), a trustee (*Kurator*) could be appointed by an Austrian court upon the request of any interested party (e.g. a Bondholder) or upon the initiative of a competent court, for the purposes of representing the common interests of the Bondholders in matters concerning their collective rights to the extent the rights are endangered due to a lack of joint representation. In particular, this may occur if insolvency proceedings are initiated against the Issuer, in connection with any amendments to the Terms and Conditions of the Bonds or changes relating to the Issuer, or under other similar circumstances. If a trustee is appointed, it will exercise the collective rights and represent the interests of the Bondholders and will be entitled to make statements on their behalf which shall be binding on all Bondholders. Where a trustee represents the interests of and exercises the rights of Bondholders, this may conflict with or otherwise adversely affect the interests of individual or all Bondholders.

Legal investment considerations may restrict certain investments.

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Those laws and regulations may restrict certain investments for individual investors. Furthermore, investors might not be able to claim (or only to claim partial) indemnification for damage that has been caused to them due to certain exclusions or restrictions of the Issuer's or other parties' (e.g. the Paying Agent, etc) liability for negligent acts or omissions in connection with the Bonds (or calculations thereof).

Risk factors regarding the pricing of, costs associated with, market in and the settlement of the Bonds

Bondholders are exposed to the risk of partial or total inability of the Issuer to make interest and/or redemption payments under the Bonds.

Bondholders are subject to the risk of a partial or total inability of the Issuer to make interest and/or redemption payments that the Issuer is obliged to make under the Bonds. Any deterioration of the creditworthiness of the Issuer would increase the risk of loss for Bondholders. A materialisation of the credit risk may result in partial or total inability of the Issuer to make interest and/or redemption payments.

The Bonds are unsecured and the Bondholders have no privileged position compared to other creditors of the Issuer, which have secured positions and/or have claims which are mandatorily preferred by law. In case of insolvency, the Issuer may not be able to fulfill its obligations under the Bonds and Bondholders could lose all or a part of their investment. The Bonds are not covered by the statutory bank deposit insurance scheme.

Bondholders assume the risk that the credit spread of the Issuer widens resulting in a decrease in the market price of the Bonds.

A credit spread is the margin payable by the Issuer to the Bondholder of an instrument as a premium for the assumed credit risk. Credit spreads are offered and sold as premiums on current risk-free interest rates or as discounts on the price.

Factors influencing the credit spread include, among other things, the creditworthiness and credit rating of the Issuer, probability of default, recovery rate, remaining term to maturity of the Bonds and obligations under any collateralisation or guarantee and declarations as to any preferred payment or subordination. The liquidity situation of the market, the general level of interest rates, overall economic developments, and the currency, in which the relevant obligation is denominated may also have a negative effect.

Bondholders are exposed to the risk that the credit spread of the Issuer widens resulting in a decrease in the market price of the Bonds.

The Bondholder may be exposed to the risk that due to future money depreciation (inflation), the real yield of an investment may be reduced.

Inflation risk describes the possibility that the market price of assets such as the Bonds or income therefrom will decrease as higher (expected) inflation reduces the purchasing power of a currency. Higher (expected) inflation causes the rate of return to decrease in value. If the inflation rate exceeds the interest paid on any Bonds (if any) the yield on such Bonds will become negative.

Bondholders are exposed to the risk of an unfavourable development of market prices of their Bonds which materialises if the Bondholder sells the Bonds prior to the final maturity of such Bonds.

The development of market prices of the Bonds depends on various factors, such as changes of market interest rate levels, the policies of central banks, overall economic developments, inflation rates or the lack of or excess demand for the relevant type of Instrument. The Bondholder is therefore exposed to the risk of an unfavourable development of market prices of its Bonds which materialises if the Bondholder sells the Bonds prior to the final maturity of such Bonds. Bondholders should also be aware that Bonds may be issued at a price higher than the market price at issue and/or the redemption amount. This will increase the impact that unfavourable market price developments may have on the Bonds. If the Bondholder decides to hold the Bonds until final maturity, the Bonds will be redeemed at the amount set out in the Final Terms.

A liquid secondary market for the Bonds may not develop or, if it does develop, it may not continue. In an illiquid market, a Bondholder may not be able to sell his Bonds at fair market prices.

An application for admission to trading of the Bonds on the Official Market (*Amtlicher Handel*) of the Vienna Stock Exchange will be made.

There can be no assurance that a liquid secondary market for the Bonds will develop or, if it does develop, that it will continue. The fact that the Bonds will be listed does not necessarily lead to greater liquidity as compared to unlisted Bonds. In an illiquid market, a Bondholder might not be able to sell its Bonds at any time at fair market prices or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Bonds that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. Generally, these types of Bonds would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a material adverse effect on the market price of Bonds. The possibility to sell the Bonds might additionally be restricted by country-specific reasons.

There is a risk that trading in the Bonds will be suspended, interrupted or terminated, which may have an adverse effect on the market price of such Bonds.

The listing of such Bonds may – depending on the rules applicable to such stock exchange - be suspended or interrupted by the respective stock exchange or a competent regulatory authority upon the occurrence of a number of reasons, including violation of price limits, breach of statutory provisions, occurrence of operational problems of the stock exchange or generally if deemed required in order to secure a functioning market or to safeguard the interests of Bondholders. Furthermore, trading in the Bonds may be terminated, either upon decision of the stock exchange, a regulatory authority or upon application by the Issuer. Bondholders should note that the Issuer has no influence on trading suspension or interruptions (other than where trading in the Bonds is terminated upon the Issuer's decision) and that Bondholders in any event must bear the risks connected therewith. In particular, Bondholders may not be able to sell their Bonds where trading is suspended, interrupted or terminated, and the stock exchange quotations of such Bonds may not adequately reflect the market price of such Bonds. Finally, even if trading in Bonds is suspended, interrupted or terminated, Bondholders should note that such measures may neither be sufficient nor adequate nor in time to prevent price disruptions or to safeguard the Bondholders' interests; for example, where trading in Bonds is suspended after price-sensitive information relating to such Bonds has been published, the market price of such Bonds may already have been adversely affected. All these risks would, if they materialise, have a material adverse effect on the Bondholders.

Incidental costs related in particular to the purchase and sale of the Bonds may have a significant impact on the profit potential of the Bonds.

When Bonds are purchased or sold, several types of incidental costs (including transaction fees and commissions) may be incurred in addition to the purchase or sale price of the Bonds. These incidental costs may significantly reduce or eliminate any profit from holding the Bonds. Financial intermediaries may charge commissions which are either fixed minimum commissions or pro-rata commissions, depending on the order value. To the extent that additional - domestic or foreign - parties are involved in the execution of an order, including but not limited to domestic dealers or brokers in foreign markets, Bondholders may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs).

In addition to such costs directly related to the purchase of Bonds (direct costs), investors must also take into account any follow-up costs (such as custody fees). Investors should inform themselves about any additional costs incurred in connection with the purchase, custody or sale of the Bonds before investing in the Bonds.

Potential investors should note that the purchase price applicable to the Bonds on a given day will often include a bid-ask spread so that the purchase price will be higher than the price at which Bondholders are able to sell any such Bonds on that given day.

Bondholders have to rely on the functionality of the clearing system and there is the risk that due to the use of the clearing system any credits on the Bondholders' account will not be processed, will not be processed within the time expected by the Bondholder or will be delayed.

The Bonds are purchased and sold through the clearing system of the OeKB CSD. The Issuer does not assume any responsibility for to whether the Bonds are actually transferred to the securities portfolio of the relevant Bondholder. Bondholders have to rely on the functionality of the clearing system. There is the risk that due to the use of the clearing system any credits on the Bondholders' account will not be processed at all, will not be processed within the time expected by the Bondholder or will be delayed. Thus, the Bondholder may suffer economic disadvantages.

Risk factor regarding currencies

Exchange rate risks may occur, if a Bondholder's financial activities are denominated in a currency or currency unit other than Euro in which the Issuer will make principal and interest payments. Furthermore, government and monetary authorities may impose exchange controls that could adversely affect an applicable exchange rate.

The Issuer will pay principal and interest on the Bonds in Euro. This presents certain risks relating to currency conversions if a Bondholder's financial activities are denominated principally in a currency or currency unit ("**Bondholder's Currency**") other than Euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Euro or revaluation of the Bondholder's Currency) and the risk that authorities with jurisdiction over the Bondholder's Currency may impose or modify exchange controls. An appreciation in the value of the Bondholder's Currency relative to the Euro would decrease (i) the Bondholder's Currency-equivalent yield on the Bonds, (ii) the Bondholder's Currency-equivalent value of the principal payable on the Bonds, and (iii) the Bondholder's Currency-equivalent market price of the Bonds.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, Bondholders may receive less interest or principal than expected, or no interest or principal.

Risk factor regarding conflicts of interest

The Issuer and the Joint Lead Managers may engage in transactions which are not in the interest of the Bondholders or, for other reasons, conflicts of interest may arise between the Issuer and the Bondholders.

The interests of the Issuer and those of the Bondholders are different. In case the Issuer increases its debt financing, the Issuer's indebtedness may also increase; this may have a negative impact on the market price of the Bonds and reduce the funds from which redemption of the Bonds occurs in the event of the Issuer's insolvency. This can have adverse effects for investors. As lender of the Issuer, credit institutions, including the Joint Lead Managers, could be in conflict of interest with the Bondholders. This may adversely affect the Bondholders.

II. SELECTED CONSOLIDATED FINANCIAL DATA

The following selected consolidated financial data of the Group as presented in the tables of this Selected Consolidated Financial Data section (unless stated otherwise) have been taken from the Audited Consolidated Financial Statements, which are incorporated into this Prospectus by reference as of the years ended December 31, 2018 and December 31, 2019, and from the Non-Audited Consolidated Interim Financial Statements for the three months ended March 31, 2020. The Audited Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards, as adopted by the European Union ("**IFRS**"), and the additional requirements pursuant to § 245a Austrian Company Code (*Unternehmensgesetzbuch*, UGB). The Non-Audited Consolidated Interim Financial Statements do not represent a complete set of consolidated interim financial statements in accordance with IFRS. For more detailed information on the Group's financial information, please refer to the Audited Consolidated Financial Statements and the Non-Audited Consolidated Interim Financial Statements.

Group reporting

Financial years 2018 and 2019

	Year ended December 31,	
	2019	**2018**
	audited, unless otherwise indicated **(in EUR million, unless otherwise indicated)**	
Consolidated Statement of Income Data		
Revenues	3,466.3	3,305.1
Cost of goods sold	-2,211.5	-2,146.3
Gross profit	**1,254.8**	**1,158.8**
Selling expenses	-657.7	-637.2
Administrative expenses	-227.4	-217.6
Reversal of impairment charges to assets	0.0	4.3
Other operating income	48.1	54.2
Impairment charges to assets	0.0	-12.7
Other operating expenses	-55.2	-110.0
Operating profit/loss (EBIT)	**362.7**	**239.8**
Income from investments in associates and joint ventures	3.6	1.7
Interest and similar income	2.7	4.4
Interest and similar expenses	-42.0	-43.7
Other financial results	-11.6	-6.9
Financial results	**-47.4**	**-44.5**
Profit/loss before tax	**315.3**	**195.3**
Income taxes	-52.5	-48.5
Profit/loss after tax	**262.8**	**146.9**
Thereof attributable to non-controlling interest	0.5	-0.2
Thereof attributable to hybrid capital holders	13.1	13.6
Thereof attributable to equity holders of the parent company	**249.1**	**133.5**
Other Financial Data		
EBITDA(1)	610.0	442.6
EBITDA LFL(2)(3)	587.5	475.3
Operating EBIT(4)	362.7	248.2
EBIT	362.7	239.8
NOPAT(5)(3)	297.4	188.2
Capital employed(6)	2,912.2	2,536.7
ROCE(7)(3) (in %)	10.6	7.5
Net debt(8)	871.4	631.6
Net debt / EBITDA(9)	1.4	1.4
Gearing(10)(3) (in %)	42.0	32.6
EBITDA / interest result(11)(3)	15.5	11.3
EBITDA Margin(12)(3) (in %)	17.6	13.4
Total investments including financial assets (capex)(13)	303.3	295.0
Maintenance capex(14)	140.1	130.3
Special capex(15)	115.4	85.6
M&A(16)	47.9	79.2
Maintenance capex / revenues(17)(3) (in %)	4.0	3.9
Free cash flow(18)(3)	286.0	272.5
Working capital(19)(3)	586.0	548.9
Earnings per share (in EUR)	2.18	1.15
Dividend per share proposed/declared for the period (in EUR)	0.60	0.50

	Year ended December 31, 2019	2018
	audited, unless otherwise indicated (in EUR million, unless otherwise indicated)	
Consolidated Cash Flow Data		
Gross cash flow	476.7	326.5
Cash flows from operating activities	429.8	319.4
Cash flows from investing activities	-264.1	-211.7
Cash flows from financing activities	-201.2	-113.7

(1) EBITDA refers to earnings before interest, taxes, depreciation and amortization, or Operating EBIT before depreciation and amortization. For the calculation of EBITDA, see "*Alternative Performance Measures–EBITDA*" below.

(2) EBITDA LFL (like for like) refers to EBITDA adjusted for effects from consolidation, foreign currency effects, sale of non-strategic and non-operating assets as well as structural adjustments. For the calculation of EBITDA like for like, see "*Alternative Performance Measures–EBITDA like for like*" below.

(3) Unaudited.

(4) Operating EBIT refers to EBIT adjusted for impairment charges to goodwill and assets as well as the reversal of impairment charges to assets. For the calculation of Operating EBIT, see "*Alternative Performance Measures–Operating EBIT*" below.

(5) NOPAT refers to net operating profit after tax, or Operating EBIT less taxes and Adjusted Taxes (tax effects (25%) from financial result excluding at-equity result). For the calculation of NOPAT, see "*Alternative Performance Measures–NOPAT*" below.

(6) Capital employed refers to equity plus interest-bearing debt (incl. net inter-company balance) less liquid funds and financial assets as at the balance sheet date. For the calculation of capital employed, see "*Alternative Performance Measures–Capital employed*" below.

(7) ROCE refers to return on capital employed (after tax). For the calculation of ROCE, see "*Alternative Performance Measures–ROCE*" below.

(8) Net debt refers to the net sum of financial liabilities, cash and cash at bank, securities and other financial assets. For the calculation of net debt, see "*Alternative Performance Measures–Net debt*" below.

(9) Net debt / EBITDA refers to net debt divided by EBITDA. For the calculation of net debt / EBITDA, see "*Alternative Performance Measures– net debt / EBITDA*" below.

(10) Gearing refers to net debt divided by equity including non-controlling interests. For the calculation of gearing, see "*Alternative Performance Measures–Gearing*" below.

(11) EBITDA / interest result refers to EBITDA divided by the interest result. For the calculation of EBITDA / interest result, see "*Alternative Performance Measures–EBITDA / interest result*" below.

(12) EBITDA Margin refers to earnings before interest, taxes, depreciation and amortization, or Operating EBIT before depreciation and amortization, divided by external revenues. For the calculation of EBITDA Margin, see "*Alternative Performance Measures–EBITDA Margin*" below.

(13) Total investments including financial assets (capex) refers to "total investments including financial assets" based on the addition of (i) maintenance capex, (ii) special capex and (iii) M&A. For the calculation of capex, see "*Alternative Performance Measures–Capex (maintenance capex, special capex, M&A)*" below.

(14) Maintenance capex refers to investments for maintenance of the industrial base.

(15) Special capex refers to payments made for enhancement and extension of plants and for improvements to the product portfolio (development of new products and digitalization).

(16) M&A refers to payments made for the acquisitions of companies. For the calculation of M&A, see "*Alternative Performance Measures– Capex (maintenance capex, special capex, M&A)*" below.

(17) Maintenance capex / revenues refers to maintenance capex divided by revenues. For the calculation of maintenance capex / revenues, see "*Alternative Performance Measures–Maintenance capex / revenues*" below.

(18) Free cash flow refers to the cash flow from operating activities less cash flow from investing activities and cash outflows from the repayment of lease liabilities plus special capex and net payments made for the acquisition of companies. For the calculation of free cash flow, see "*Alternative Performance Measures–Free cash flow*" below.

(19) Working capital refers to the sum of inventories, net trade receivables and trade payables. For the calculation of working, see "*Alternative Performance Measures–Working capital*" below.

Source: Audited Consolidated Financial Statements, internal data.

	As of December 31, 2019	2018
	audited (in EUR million)	
Consolidated Balance Sheet Data		
Non-current assets	2,811.7	2,461.6
Current assets	1,317.9	1,280.0
Thereof securities and other financial assets	36.3	42.8
Thereof cash and cash equivalents	128.8	163.1
Non-current assets held for sale	3.0	1.3
Total assets	**4,132.6**	**3,742.9**
Equity	2,076.8	1,939.1
Non-current provisions and liabilities	897.8	1,008.5
Thereof long-term financial liabilities	576.2	710.6
Current provisions and liabilities	1,158.0	795.4
Thereof short-term financial liabilities	460.2	126.9
Total equity and liabilities	**4,132.6**	**3,742.9**

Source: Audited Consolidated Financial Statements.

First three months of 2019 and 2020

	Three months ended March 31, 2020	2019
	unaudited (in EUR million, unless otherwise indicated)	
Consolidated Statement of Income Data		
Revenues	793.3	776.8
Cost of goods sold	-522.2	-505.9
Gross profit	**271.1**	**270.8**
Selling expenses	-158.4	-153.3
Administrative expenses	-60.7	-57.9
Reversal of impairment charges to assets	0.0	0.0
Other operating income	4.7	3.8
Impairment charges to assets	-22.5	0.0
Impairment charges to assets	-93.6	0.0
Other operating expenses / other	-16.2	-10.3
Operating profit/loss (EBIT)	**-75.5**	**53.1**
Income from investments in associates and joint ventures	-0.3	-0.9
Interest and similar income	0.6	0.7
Interest and similar expenses	-9.6	-10.1
Other financial results	0.6	0.3
Financial results	**-8.7**	**-10.0**
Profit/loss before tax	**-84.2**	**43.1**
Income taxes	-19.1	-13.0
Profit/loss after tax	**-103.4**	**30.1**
Thereof attributable to non-controlling interest	0.0	0.0
Thereof attributable to hybrid capital holders	2.9	3.3
Thereof attributable to equity holders of the parent company	**-106.3**	**26.8**
Other Financial Data		
EBITDA(1)	106.1	109.8
EBITDA LFL (2)	105.2	109.3
Operating EBIT(3)	40.5	53.1
EBITDA Margin(4) (in %)	13.4	14.1
Working capital(5)	809.4	801.0
Earnings per share (in EUR)	-0.94	0.23
Consolidated Cash Flow Data		
Gross cash flow	74.3	83.6
Cash flows from operating activities	-129.8	-145.4
Cash flows from investing activities	-33.9	-38.6
Cash flows from financing activities	184.0	137.7

(1) EBITDA refers to earnings before interest, taxes, depreciation and amortization, or Operating EBIT before depreciation and amortization. For the calculation of EBITDA, see "*Alternative Performance Measures–EBITDA*" below.

(2) EBITDA LFL (like for like) refers to EBITDA adjusted for effects from consolidation, foreign currency effects, sale of non-strategic and non-operating assets as well as structural adjustments. For the calculation of EBITDA like for like, see "*Alternative Performance Measures–EBITDA like for like*" below.

(3) Operating EBIT refers to EBIT adjusted for impairment charges to goodwill and assets as well as the reversal of impairment charges to assets. For the calculation of Operating EBIT, see "*Alternative Performance Measures–Operating EBIT*" below.

(4) EBITDA Margin refers to earnings before interest, taxes, depreciation and amortization, or Operating EBIT before depreciation and amortization, divided by external revenues. For the calculation of EBITDA Margin, see "*Alternative Performance Measures–EBITDA Margin*" below.

(5) Working capital refers to the sum of inventories, net trade receivables and trade payables. For the calculation of working, see "*Alternative Performance Measures–Working capital*" below.

Source: Non-Audited Consolidated Interim Financial Statements, internal data.

	As of March 31, 2020	2019
	unaudited (in EUR million)	
Consolidated Balance Sheet Data		
Non-current assets	2,619.0	2,811.7
Current assets	1,470.9	1,317.9
Thereof securities and other financial assets	49.0	36.3
Thereof cash and cash equivalents	147.0	128.8
Non-current assets held for sale	3.0	3.0
Total assets	**4,092.9**	**4,132.6**

	As of March 31, 2020	2019
	unaudited	
	(in EUR million)	
Equity	1,892.6	2,076.8
Non-current provisions and liabilities	1,051.3	897.8
Thereof long-term financial liabilities	739.0	576.2
Current provisions and liabilities	1,148.9	1,158.0
Thereof short-term financial liabilities	529.4	460.2
Total equity and liabilities	**4,092.9**	**4,132.6**

Source: Non-Audited Consolidated Interim Financial Statements.

Material adverse change

There has been a material adverse change in the prospects of the Group since December 31, 2019 in view of the COVID-19 pandemic. Further, there were significant changes in the financial or trading position of the Group subsequent to December 31, 2019 due to the COVID-19 pandemic.

Quarantines and curfews for Austria and many other countries worldwide have been imposed. Although there are first signs of easement of the strict lockdown measures in some European countries and some US states, there is a risk that it will be necessary that further countries, regions or municipalities in several countries of the world or countries that have reduced strict lockdown measures impose new or stricter temporary quarantines and curfews or prolong imposed quarantines and curfews. In several countries the Group is active in, quarantines and curfews have led to severely negative effects on or a complete halt of parts of industry and trade, including in particular also construction activities, with the effects depending mostly on the government measures taken. For a detailed description on the current status of effects of the COVID-19 pandemic on the Group, see "*III. Business of Wienerberger—Recent developments*".

It is currently not foreseeable how long the current COVID-19 pandemic will last and whether or when the negative impacts on business transactions and social life will be halted or reduced. In the first three months of the financial year 2020, the Group recorded non-recurrent, non-cash impairment charges driven by the COVID-19 pandemic. Faced with a changing market environment, the Group had to adjust its assumptions for future developments in some of its markets, which resulted in valuation adjustments of about EUR 116 million in the first quarter of 2020, the major part of approx. EUR 94 million being attributable to the full write-off of goodwill in North America.

The Group expects the second quarter of the current financial year ending 2020 to be the period most severely affected by the COVID-19 pandemic due to lock-downs in key markets. As governments are beginning to ease their restrictions, the Group expects that the lockdowns will be lifted step by step and economic activities will slowly return to normal. Given the persistent lack of visibility, the magnitude of the impact on the Group's financial results for the financial year ending December 31, 2020 cannot be quantified at this stage, whilst the timing and profile of recovery from the pandemic remains uncertain. Wienerberger takes various scenarios into consideration. The full year outturn for the financial year ending December 31, 2020 will in particular depend on how quickly governments proceed to ease restrictions and thus permit a step-by-step return to normality as well as the level of demand for Group products by the market in the remaining months of 2020. It is, however, assumed that both revenues and, even more significant, EBITDA for the financial year 2020 will be negatively affected to a significant extent, with negative effects on the EBITDA for the Group's operations in particular in relation to operations with less variable cost structures.

In addition, there have been no recent events particular to the Issuer which are to a material extent relevant for the evaluation of the Issuer's solvency.

Segment reporting

The Group's operations are divided into the three segments (i) Wienerberger Building Solutions, (ii) Wienerberger Piping Solutions and (iii) North America. Additionally, secondary segment reporting is used by management to collect additional information on the Group's product groups: wall, facade, roof, surface, pipes and miscellaneous.

Financial years 2018 and 2019

The following table sets forth certain income statement data broken down according to the primary segments of the Group for the financial years ended December 31, 2019 and December 31, 2018:

	Year ended December 31,	
	2019	**2018**
	audited, unless otherwise indicated **(in EUR million)**	
Wienerberger Building Solutions		
External revenues	2,170.6	2,050.7
EBITDA[(1)]	468.6	351.9
EBITDA LFL[(2)(3)]	455.4	369.1
EBIT	307.9	212.0
Operating EBIT[(4)]	307.9	222.3
EBITDA Margin[(5)(3)] (in %)	21.6	17.2
Capital employed	1,927.7	1,656.1
Wienerberger Piping Solutions		
External revenues	959.4	946.4
EBITDA[(1)]	98.2	54.0
EBITDA LFL[(2)(3)]	100.0	70.1
EBIT	46.4	16.2
Operating EBIT[(4)]	46.4	14.8
EBITDA Margin[(5)(3)] (in %)	10.2	5.7
Capital employed	553.6	469.6
North America		
External revenues	335.7	306.8
EBITDA[(1)]	43.2	36.7
EBITDA LFL[(2)(3)]	32.1	36.1
EBIT	8.3	11.7
Operating EBIT[(4)]	8.3	11.2
EBITDA Margin[(5)(3)] (in %)	12.9	12.0
Capital employed	430.9	411.0

(1) EBITDA refers to earnings before interest, taxes, depreciation and amortization, or Operating EBIT before depreciation and amortization.

(2) EBITDA LFL (like for like) refers to EBITDA adjusted for effects from consolidation, foreign currency effects, sale of non-strategic and non-operating assets as well as structural adjustments. For the calculation of EBITDA like for like, see "*Alternative Performance Measures–EBITDA like for like*" below.

(3) Unaudited.

(4) Operating EBIT refers to EBIT adjusted for impairment charges to goodwill and assets as well as the reversal of impairment charges to assets. For the calculation of Operating EBIT, see "*Alternative Performance Measures–Operating EBIT*" below.

(5) EBITDA Margin refers to earnings before interest, taxes, depreciation and amortization, or Operating EBIT before depreciation and amortization, divided by external revenues. For the calculation of EBITDA Margin, see "*Alternative Performance Measures–EBITDA Margin*" below.

Source: Audited Consolidated Financial Statements, internal data.

The following table sets forth the Group's external revenues for the years 2018 and 2019 broken down according to the most important products of the Group:

	As of December 31,	
	2019	2018
	audited (in EUR million)	
Wall	829.8	806.1
Facade	889.2	813.3
Roof	585.5	543.2
Pavers	125.0	121.9
Pipes	1,036.2	1,019.4
Miscellaneous	0.0	0.1
Group	**3,465.6**	**3,304.0**

Source: Audited Consolidated Financial Statements.

First three months of 2019 and 2020

The following table sets forth certain income statement data broken down according to the primary segments of the Group for the first three months of 2019 and 2020:

	Three months ended March 31,	
	2020	2019
	unaudited (in EUR million)	
Wienerberger Building Solutions		
External revenues	500.4	476.6
EBITDA[(1)]	81.9	85.6
EBIT	21.2	48.3
Capital employed	2,002.1	1,910.7
Wienerberger Piping Solutions		
External revenues	220.7	224.0
EBITDA[(1)]	18.7	17.4
EBIT	-0.9	5.2
Capital employed	581.5	591.1
North America		
External revenues	71.4	75.9
EBITDA[(1)]	5.5	6.8
EBIT	-95.9	-0.4
Capital employed	347.7	439.3

(1) EBITDA refers to earnings before interest, taxes, depreciation and amortization, or Operating EBIT before depreciation and amortization.

Source: Non-Audited Consolidated Interim Financial Statements.

Alternative Performance Measures

In addition to the IFRS financial measures, the Issuer uses alternative performance measures, not defined under IFRS ("**APM**"), as it believes that these APM provide investors with additional information to measure the economic performance of business activities of the Group. APM are not defined terms under IFRS and should not be considered as an alternative to the applicable IFRS financial measures. The APM are not audited and are not measures of financial performance under IFRS and should not be considered as a replacement for any IFRS financial measure. Moreover, such measures, as defined by the Issuer, may not be comparable to other similarly titled measures used by other companies, as the APM are not defined under IFRS; other companies may calculate them in a different manner than the Issuer, which limits their usefulness as comparative measures. APM have limitations and should not be considered in isolation, or as substitutes for financial information as reported under IFRS. Accordingly, undue reliance should not be placed on APM presented in this Prospectus.

EBITDA

EBITDA refers to earnings before interest, taxes, depreciation and amortization, or Operating EBIT before depreciation and amortization. It represents the Group's gross cash flow. The Issuer considers

EBITDA an indicator for its operating performance.

The Group's EBITDA for the financial years ended December 31, 2019 and 2018 is calculated as follows:

	Year ended December 31, 2019	2018
	audited (in EUR million)	
Operating EBIT	362.7	248.2
+ depreciation and amortization including special write-offs	247.3	194.4
EBITDA	**610.0**	**442.6**

Source: Audited Consolidated Financial Statements, internal data.

The Group's EBITDA for the three months ended March 31, 2020 and 2019 is calculated as follows:

	Three months ended March 31, 2020	2019
	unaudited (in EUR million)	
Operating EBIT	40.5	53.1
+ depreciation and amortization including special write-offs	65.6	56.7
EBITDA	**106.1**	**109.8**

Source: Non-Audited Interim Consolidated Financial Statements, internal data.

EBITDA LFL

EBITDA LFL (like for like) refers to EBITDA adjusted for effects from consolidation, foreign currency effects, sale of non-strategic and non-operating assets as well as structural adjustments. The Issuer considers EBITDA LFL an indicator for its operating performance, which, compared to EBITDA, excluded effects of foreign exchange and consolidation, results from sales of non-strategic and non-core assets and structural adjustments.

The Group's EBITDA LFL for the financial years ended December 31, 2019 and 2018 is calculated as follows:

	Year ended December 31, 2019(1)	2018
	unaudited, unless otherwise indicated (in EUR million)	
EBITDA(2)	610.0	442.6
Foreign exchange effects	-0.1	0.0
Consolidation effects	-13.7	0.0
Result from the sale of non-strategic and non-core assets	-8.7	-23.2
Structural adjustments	0.0	55.8
EBITDA LFL	**587.5**	**475.3**

(1) For 2019 including the effect on earnings from the first-time adoption of IFRS 16 Leases.
(2) Audited.

Source: Audited Consolidated Financial Statements, internal data.

The Group's EBITDA LFL for the three months ended March 31, 2020 and 2019 is calculated as follows:

	Three months ended March 31, 2020	2019
	unaudited (in EUR million)	
EBITDA	106.1	109.8
Foreign exchange effects	0.5	0.0
Consolidation effects	-3.0	0.0
Result from the sale of non-strategic and non-core assets	-0.5	-0.5
Structural adjustments	2.1	0.0
EBITDA LFL	**105.2**	**109.3**

Source: Non-Audited Interim Consolidated Financial Statements, internal data.

Operating EBIT

Operating EBIT refers to EBIT adjusted for impairment charges to goodwill and assets as well as the reversal of impairment charges to assets. The Issuer considers Operating EBIT an indicator for its profitability, which leaves out impairments for a better comparison between single years.

The Group's Operating EBIT for the financial years ended December 31, 2019 and 2018 is calculated as follows:

	Year ended December 31, 2019	2018
	audited, unless otherwise indicated (in EUR million)	
EBIT	362.7	239.8
+ (plus) Impairments / reversals of impairment charges on assets	0.0	8.4
Operating EBIT	**362.7**	**248.2**

Source: Audited Consolidated Financial Statements, internal data.

Operating EBIT for the Group for first three months ended March 31, 2020 and 2019 is calculated as follows:

	Three months ended March 31, 2020	2019
	unaudited (in EUR million)	
EBIT	-75.5	53.1
+ (plus) Impairments / reversals of impairment charges on assets	22.5	0.0
+ (plus) Impairments / reversals of impairment charges on goodwill	93.6	0.0
Operating EBIT	**40.5**	**53.1**

Source: Non-Audited Interim Consolidated Financial Statements, internal data.

NOPAT

NOPAT refers to net operating profit after tax, or Operating EBIT less taxes and Adjusted Taxes (tax effects (25%) from financial result excluding at-equity result). The Issuer considers NOPAT an indicator for the Group's operating earning capacity. NOPAT for the Group for the financial years ended December 31, 2019 and 2018 is calculated as follows:

	Year ended December 31, 2019	2018
	unaudited, unless otherwise indicated (in EUR million)	
Operating EBIT[(1)]	362.7	248.2
Taxes on income[(1)]	-52.5	-48.5
Adjusted taxes	-12.7	-11.5
NOPAT	**297.4**	**188.2**

(1) Audited.

Source: Audited Consolidated Financial Statements, internal data.

Capital employed

Capital employed refers to equity plus interest-bearing debt (incl. net inter-company balance) less liquid funds and financial assets as at the balance sheet date. Capital employed as of December 31, 2019 and 2018 as well as average capital employed for the financial year ending December 31, 2019 and 2018 for the Group are calculated as follows:

	As of /for the year ended December 31, 2019	**2018**
	audited, unless otherwise indicated **(in EUR million)**	
Equity and non-controlling interests	2.076.8	1.939.1
Financial liabilities and finance leases	1.036.5	837.5
Securities and other financial assets	-36.3	-42.8
Cash and cash equivalents	-128.8	-163.1
At equity and other investments	-36.1	-34.0
Capital employed	**2,912.2**	**2,536.7**
Average capital employed (for the financial year ending December 31, 2019 and 2018, respectively)(3)	**2,802.2(1)**	**2,498.0(2)**

(1) Average capital employed for the financial year ended December 31, 2019 is calculated as follows (unaudited, in EUR million):

Adjustments IFRS 16 to retained earnings as of January 1, 2019	-5.1
+ (plus) lease liabilities discounted at the incremental borrowing rate of the date of initial application as of 1 January 2019 (EUR 160.5 million)	160.5
+ (plus) capital employed as of December 31, 2018	2.536.7
(calculatory interim result)	**2,692.1**
+ (plus) capital employed as of December 31, 2019	2,912.2
(calculatory interim result)	**5,604.3**
/ (divided by) 2	
Average capital employed for the financial year ending December 31, 2019	**2,802.2**

(2) The calculation of average capital employed for the financial year ended December 31, 2018 cannot be shown as no figures for financial years before 2018 are stated in this Prospectus.

(3) Unaudited.

Source: Audited Consolidated Financial Statements, internal data.

ROCE

ROCE refers to return on capital employed (after tax). ROCE compares earnings with the capital employed in the company to assess profitability. The Group's ROCE for the financial years ended December 31, 2019 and 2018 is calculated as follows:

	Year ended December 31, 2019	**2018**
	unaudited **(in EUR million, unless otherwise indicated)**	
NOPAT	297.4	188.2
Average capital employed	2,802.2	2,498.0
ROCE (in %)	**10.6**	**7.5**

Source: Audited Consolidated Financial Statements, internal data.

Net debt

Net debt refers to the net sum of financial liabilities, cash and cash at bank, securities and other financial assets. The Issuer considers net debt an indicator for the total net debt of the Group. Net debt of the Group as of December 31, 2019 and 2018 is calculated as follows:

	As of December 31, 2019	**2018**
	audited **(in EUR million)**	
Long-term interest-bearing financial liabilities	400.4	709.6
Short-term interest-bearing financial liabilities	421.0	126.9
Liabilities from finance leases	215.0	1.0

- thereof securities and other financial assets	-36.3	-42.8
- thereof cash and cash equivalents	-128.8	-163.1
Net debt(1)	**871.4**	**631.6**

(1) Excluding the 2014 hybrid bond, which is recognized in equity according to IFRS.

Source: Audited Consolidated Financial Statements, internal data.

Net debt / EBITDA

Net debt / EBITDA refers to net debt, i.e. the net sum of financial liabilities, cash and cash at bank, securities and other financial assets, divided by EBITDA, i.e. earnings before interest, taxes, depreciation and amortization, or Operating EBIT before depreciation and amortization. The Issuer considers net debt / EBITDA an indicator for the theoretical debt repayment time (financial leverage). Net debt / EBITDA of the Group as of December 31, 2019 and 2018 is calculated as follows:

	As of December 31,	
	2019	**2018**
	audited **(in EUR million, unless otherwise indicated)**	
Net debt(1)	871.4	631.6
/ (divided by) EBITDA	610.0	442.6
Net debt / EBITDA (ratio)	**1.4**	**1.4**

(1) Excluding the 2014 hybrid bond, which is recognized in equity according to IFRS.

Source: Audited Consolidated Financial Statements, internal data.

Gearing

Gearing as of the balance sheet date is calculated as net debt as of the balance sheet date divided by equity including non-controlling interests as of the respective balance sheet date. The Issuer considers gearing an indicator for financial security. Gearing for the Group for the financial years ended December 31, 2019 and 2018 is calculated as follows:

	Year ended December 31,	
	2019	**2018**
	unaudited, unless otherwise indicated **(in EUR million, unless otherwise indicated)**	
Net debt(1) (2)	871.4	631.6
/ (divided by) equity and non-controlling interests(2)	2,076.8	1,939,1
Gearing (in %)	**42.0**	**32.6**

(1) Excluding the 2014 hybrid bond, which is recognized in equity according to IFRS.
(2) Audited.

Source: Audited Consolidated Financial Statements, internal data.

EBITDA / interest result

EBITDA / interest result refers to earnings before interest, taxes, depreciation and amortization, or Operating EBIT before depreciation and amortization, divided by the interest result. It indicates the number of times operating income covers the interest result. The Group's EBITDA / interest result for the financial years ended December 31, 2019 and 2018 is calculated as follows:

	Year ended December 31,	
	2019	**2018**
	unaudited, unless otherwise indicated **(in EUR million, unless otherwise indicated)**	
EBITDA(1)	610.0	442.6
/ (divided by) interest result(1)	-39.3	-39.3
EBITDA / interest result (ratio)	**15.5**	**11.3**

(1) Audited.

Source: Audited Consolidated Financial Statements, internal data.

EBITDA Margin

EBITDA Margin refers to earnings before interest, taxes, depreciation and amortization, or Operating EBIT before depreciation and amortization, divided by external revenues. It indicates the relation between EBITDA and external revenues.

The Group's EBITDA Margin for the financial years ended December 31, 2019 and 2018 is calculated as follows:

	Year ended December 31,	
	2019	**2018**
	unaudited, unless otherwise indicated **(in EUR million, unless otherwise indicated)**	
EBITDA[1]	610.0	442.6
/ (divided by) external revenues[1]	3,466.3	3,305.1
EBITDA Margin (in %)	**17.6**	**13.4**

(1) Audited.

Source: Audited Consolidated Financial Statements, internal data.

EBITDA Margin for the financial years ended December 31, 2019 and 2018 for Wienerberger Building Solutions is calculated as follows:

	Year ended December 31,	
	2019	**2018**
	unaudited, unless otherwise indicated **(in EUR million, unless otherwise indicated)**	
EBITDA[1]	468.6	351.9
/ (divided by) external revenues[1]	2,170.6	2,050.7
EBITDA Margin (in %)	**21.6**	**17.2**

Source: Audited Consolidated Financial Statements, internal data.

EBITDA Margin for the financial years ended December 31, 2019 and 2018 for Wienerberger Piping Solutions is calculated as follows:

	Year ended December 31,	
	2019	**2018**
	unaudited, unless otherwise indicated **(in EUR million, unless otherwise indicated)**	
EBITDA[1]	98.2	54.0
/ (divided by) external revenues[1]	959.4	946.4
EBITDA Margin (in %)	**10.2**	**5.7**

(1) Audited.

Source: Audited Consolidated Financial Statements, internal data.

EBITDA Margin for the financial years ended December 31, 2019 and 2018 for North America is calculated as follows:

	Year ended December 31, 2019	2018
	unaudited, unless otherwise indicated **(in EUR million, unless otherwise indicated)**	
EBITDA[1]	43.2	36.7
/ (divided by) external revenues[1]	335.7	306.8
EBITDA Margin (in %)	**12.9**	**12.0**

(1) Audited.

Source: Audited Consolidated Financial Statements, internal data.

EBITDA Margin for the Group for the three months ended March 31, 2020 and 2019 is calculated as follows:

	Three months ended March 31, 2020	2019
	unaudited **(in EUR million, unless otherwise indicated)**	
EBITDA	106.1	109.8
/ (divided by) external revenues	792.4	776.5
EBITDA Margin (in %)	**13.4**	**14.1**

Source: Non-Audited Interim Consolidated Financial Statements, internal data.

Capex (maintenance capex, special capex, M&A)

Total investments including financial assets (capex) refers to "total investments including financial assets" based on the addition of (i) maintenance capex, (ii) special capex and (iii) M&A. Maintenance capex refers to investments for maintenance of the industrial base, special capex refers to payments made for enhancement and extension of plants and for improvements to the product portfolio (development of new products and digitalization) and M&A refers to payments made for the acquisitions of companies. Capex and M&A for the financial years ended December 31, 2019 and 2018 for the Group are calculated as follows:

	Year ended December 31, 2019	2018
	audited **(in EUR million)**	
Maintenance capex	140.1	130.3
Special capex	115.4	85.6
M&A	47.9	79.2
- thereof net payments made for the acquisition of companies	47.9	73.1
- thereof payments made for investments in financial assets	0	6.1
Capex	**303.3**	**295.0**

Source: Audited Consolidated Financial Statements, internal data.

Maintenance capex / revenues

Maintenance capex / revenues refers to maintenance capex divided by revenues. It relates to the ratio between maintenance capex, i.e. investments for maintenance of the industrial base, in relation to Group revenues. Maintenance capex / revenues for the Group for the financial years ended December 31, 2019 and 2018 is calculated as follows:

	Year ended December 31,	
	2019	**2018**
	unaudited, unless otherwise indicated **(in EUR million, unless otherwise indicated)**	
Maintenance capex[1]	140.1	130.3
Revenues[1]	3,466.3	3,305.1
Maintenance capex / revenues (in %)	**4.0**	**3.9**

(1) Audited.

Source: Audited Consolidated Financial Statements, internal data.

Free cash flow

Free cash flow refers to the cash flow from operating activities less cash flow from investing activities and cash outflows from the repayment of lease liabilities plus special capex and net payments made for the acquisition of companies. The Issuer considers free cash flow an indicator for the efficiency in generating cash. Free cash flow is used to pay out a dividend to shareholders, subject to the Group's strategy of limiting any dividend payments to 20% up to 40% of free cash flow, to manage the balance sheet (e.g. repayment of financial liabilities), and to invest in value-enhancing growth projects. Free cash flow for the Group for the financial years ended December 31, 2019 and 2018 is calculated as follows:

	Year ended December 31,	
	2019	**2018**
	unaudited, unless otherwise indicated **(in EUR million)**	
Gross cash flow[1]	**476.7**	**326.5**
Change in working capital and other[2]	-46.9	-7.1
Cash flow from operating activities[1]	**429.8**	**319.4**
Maintenance capex[1]	-140.1	-130.3
Special capex[1]	-115.4	-85.6
M&A[1]	-47.9	-79.2
Divestments and other[3]	39.3	83.3
Cash flow from investing activities[1]	**-264.1**	**-211.7**
Special capex and M&A[1]	163.3	164.8
Leasing payments[1]	-42.9	0.0
Free cash flow	**286.0**	**272.5**

(1) Audited.

(2) Change in working capital and other refers to increase/decrease in inventories, trade receivables, trade payables and other net current assets.

(3) Divestments and other refers to proceeds from the sale of assets (incl. financial assets), increase/decrease in securities and other financial investments, net proceeds from the sale of companies and dividend payments from associates and joint ventures.

Source: Audited Consolidated Financial Statements, internal data.

Working capital

Working capital refers to the sum of inventories, net trade receivables and trade payables. The Issuer considers working capital an indicator for the short-term liquidity.

Working capital for the Group as of December 31, 2019 and 2018 is calculated as follows:

	As of December 31,	
	2019	**2018**
	unaudited, unless otherwise indicated **(in EUR million)**	
Inventories[(1)]	827.6	761.7
Net trade receivables[(2)]	94.0	113.4
Trade payables[(1)]	-335.6	-326.2
Working capital	**586.0**	**548.9**

(1) Audited.

(2) Net trade receivables refers to trade receivables netted with customers bonuses, customers with credit balances and prepayments received.

Source: Audited Consolidated Financial Statements, internal data.

Working capital for the Group as of March 31, 2020 and 2019 is calculated as follows:

	As of March 31,	
	2020	**2019**
	unaudited **(in EUR million)**	
Inventories	839.1	818.7
Net trade receivables[(1)]	259.9	269.0
Trade payables	-289.7	-286.7
Working capital	**809.4**	**801.0**

(1) Net trade receivables refers to trade receivables netted with customers bonuses, customers with credit balances and prepayments received.

Source: Audited Consolidated Financial Statements, internal data.

III. BUSINESS OF WIENERBERGER

Overview

The Group divides its business currently into the following three segments, according to management responsibilities: (i) Wienerberger Building Solutions, which comprises business in ceramic solutions for the building envelope and the Group's concrete paver activities, (ii) Wienerberger Piping Solutions, comprising the Group's European plastic pipe business and ceramic pipe activities and (iii) North America, which comprises all of the Group's North America business. The activities of the holding companies are allocated to the segments on the basis of the capital employed of the business areas.

In 2019, Wienerberger changed its internal organizational structure and the composition of its reporting segments; figures as of and for the financial year ending December 31, 2018 were therefore restated accordingly in the Audited Consolidated Financial Statements 2019. Until 2019, Wienerberger had divided its business into six reporting segments according to management responsibilities (i) Clay Building Materials Eastern Europe, (ii) Clay Building Materials Western Europe, (iii) Pipes & Pavers Eastern Europe, (iv) Pipes & Pavers Western Europe, (v) North America and (vi) Holding & Others, which comprised the Issuer as holding company of the Group and the Group's brick business in India.

Products are marketed mainly under the Group's umbrella brand "Wienerberger" and the assortment brands "Porotherm" (outside of Germany) and "POROTON" (Germany only) for clay blocks, "Terca", "Argeton", "Columbus" and "General Shale" for facing bricks, "Penter" for clay pavers, "Arriscraft" for manufactured stone, "Koramic" (mainly in Western Europe), "Sandtoft" (in Great Britain) and "Tondach" (mainly in Central and Southeastern Europe) for clay roof tiles, "Semmelrock" for concrete pavers and "Steinzeug-Keramo", "Preflex" and "Pipelife" for clay and plastic pipes respectively. In addition to products produced by the Group, it offers innovative systems solutions such as non-ceramic accessories for roofs, prefabricated wall systems and special masonry glue for walls as well as pre-wired conduits for electrical installations ("Preflex"). For more details, see "*—Products—Building Solutions*" and "*—Products—Piping Solutions* below. The Group's Piping Solutions, in Europe (as part of the segment Piping Solutions) as well as in North America (in North America, Wienerberger only produces and sells plastic pipes), comprises ceramic pipes manufactured by the Steinzeug Group and plastic pipes by Pipelife. Further, products of Wienerberger Piping Solutions also comprise electrical accessories produced by Reddy S.A. These activities reduce the dependency of the Group's business development on new residential construction and strengthen the focus on renovation and infrastructure.

According to management's estimates, the Group is the world's largest brick producer as well as the market leader for clay roof tiles in Europe. The Group further considers itself to be number one in facing bricks in Europe and to hold a leading position in the USA. The Group is according to management estimates also one of the leading suppliers of plastic pipes and the market leader for ceramic pipes in Europe. It further considers itself as market leader for concrete pavers in Central-East Europe. In North America, Wienerberger's portfolio inter alia comprises premium façade solutions and plastic piping solutions for infrastructure applications. According to management's estimates, the Group considers itself to hold a number one market position in the relevant US core markets east of the Mississippi.

Wienerberger's primary geographic areas of activity are Europe (excluding the Iberian Peninsula) and North America. Further, the Group has operations in India and Turkey. The Group has in total 201 production sites in 30 countries. In Europe, it operates in aggregate 187 production plants, including 64 for clay blocks, 39 for facing bricks, 32 for roof systems, 32 for plastic pipes and ceramic pipes and 20 for pavers. In North America, the Group operates in total 14 production plants, including 11 for facing bricks, one for concrete products, one for plastic pipes and one for calcium silicate.

With an average of 17,234 employees (thereof in average 12,466 employees attributable to Wienerberger Building Solutions, 3,318 employees attributable to Wienerberger Piping Solutions and 1,450 employees attributable to North America) in 2019, Wienerberger generated total revenues of EUR 3,466.3 million (2018: EUR 3,305.1 million) and an EBITDA of EUR 610.0 million (2018: EUR 442.6 million). The Wienerberger Building Solutions segment contributed EUR 2,171.5 million (or 62.6%) to the Group's 2019 total revenues and EUR 468.6 million (or 76.8%) to the 2019 Group EBITDA, the Wienerberger

Piping Solutions segment EUR 959.5 million (or 27.7%) to the Group's 2019 total revenues and EUR 98.2 million (or 16.1%) to the Group's 2019 EBITDA, and the North America segment EUR 335.7 million (or 9.7%) to the Group's 2019 total revenues and EUR 43.2 million (or 7.1%) to the Group's 2019 EBITDA. A significant portion of the Group's revenues and earnings is generated by subsidiaries whose headquarters are not located in the Eurozone, including the United States, Canada, India, Poland, Hungary, Bulgaria, the Czech Republic, Serbia, Croatia, Macedonia, Romania, Russia, Ukraine, Turkey, Denmark, Sweden, Norway, Great Britain and Switzerland. For the year ended December 31, 2019, approximately 53% of the Group's revenues were denominated in currencies other than the Euro (2018: 52%), predominantly the Eastern European currencies (23%; 2018: 23%), the British pound (11%; 2018: 10%) and the U.S. dollar (9%; 2018: 8%).

In terms of revenues and EBITDA, the year 2019 recorded increases in the Group's financials. External revenues increased from EUR 3,304.0 million in 2018 to EUR 3,465.6 million in 2019, with an EBITDA increase from EUR 442.6 million in 2018 to EUR 610.0 million in 2019. The operating EBIT increased from EUR 248.2 million in 2018 to EUR 362.7 million in 2019. Profit after tax improved from EUR 146.9 million in 2018 to EUR 262.8 million in 2019, mainly driven by the significant leap in operating EBIT between 2018 and 2019. In terms of revenues for the financial year 2019, Wienerberger's rough estimate is that approx. 60% are attributable to the residential market, approx. 25% are attributable to the infrastructure market and approx. 15% are attributable to the non-residential market (source: internal estimates).

In the first three months of 2020, total revenues of the Group amounted to EUR 793.3 million, a slight increase compared to EUR 776.8 million in the first three months of 2019, despite the first negative effects of the COVID-19 pandemic in the reporting period. This development was primarily due to demand for high-value product solutions and our proactive pricing policy to cover cost inflation. The Group's EBITDA slightly decreased in the first three months of 2020 to EUR 106.1 million, compared to EUR 109.8 million in the first three months of 2019. Positive effects of the continued implementation of efficiency enhancing measures within the framework of the Group's Fast Forward program were slowed down by the initial negative impact of the COVID-19 pandemic. The operating EBIT recorded a notable decrease by approx. 24% from EUR 53.1 million for the first three months of 2019 to EUR 40.5 million for the first three months of 2020, mainly driven by operational developments and the market valuation of CO_2 certificates. The average number of employees in the first three months of 2020 amounted to 17,192, after 16,706 in the first three months of 2019.

It is currently not foreseeable how long the current COVID-19 pandemic will last and whether or when the negative impacts on business transactions and social life will be halted or reduced. The Group expects the second quarter of the financial year ending December 31, 2020 to be the period most severely affected by the COVID-19 pandemic due to lock-downs in key markets. As governments are beginning to ease their restrictions, the Group expects that the lockdowns will be lifted step by step and economic activities will slowly return to normal. Given the persistent lack of visibility, the magnitude impact on the Group's financial results for the financial year ending December 31, 2020 cannot be quantified at this stage, whilst the timing and profile of recovery from the pandemic remains uncertain. Wienerberger takes various scenarios into consideration. The full year outturn for the financial year ending December 31, 2020 will in particular depend on how quickly governments proceed to ease restrictions and thus permit a step-by-step return to normality as well as the level of demand for Group products by the market in the remaining months of 2020. It is, however, assumed that both revenues and, even more significant, EBITDA for the financial year 2020 will be negatively affected to a significant extent, with negative effects on the EBITDA for the Group's operations in particular in relation to operations with less variable cost structures.

Products

Wienerberger Building Solutions

Wienerberger Building Solutions comprises a varied portfolio of products and system solutions. Clay blocks and roof tiles as well as pavers can be used for a great of applications – for roofs, facades, walls, patios, public spaces and gardens.

Wall – clay blocks

Clay blocks are used for load-bearing exterior and interior walls as well as for non-load-bearing partition walls or fillwork. A wall made of clay blocks is normally not seen after completion because it is covered with plaster or paneling. Such walls have a high compressive strength, provide thermal insulation and heat accumulation, a sound insulation, a high fire resistance (nonflammable) and a moisture regulation. Clay blocks used for walls can usually achieve a lifespan of over 100 years and support an economical approach. A solid building made of clay blocks and facing bricks (see below) usually saves energy because brick walls keep rooms cool in summer and warm in winter and regulate the temperatures and air humidity in the interior.

Clay blocks marketed under "Porotherm W.i." have an integrated insulation. The voids in this product are filled with thermal insulation in the form of mineral wool which eliminates the need for additional insulation on the outside of the house and makes the construction more energy-efficient.

Façade – facing bricks

Facing bricks are used in visible brick architecture (facades and interior walls) as architectural stylistic devices. The necessary functions of the load-bearing walls are provided by clay blocks or other building materials. The Group's facing bricks and manufactured stone products are sold under the "Terca", "Argeton", "Arriscraft" and "General Shale" brands. Design alternatives vary broadly through the combination of colors, shapes and surface structures. As with other clay building materials, facing bricks are seen as ecological and sustainable. Facing bricks have a lifespan of more than 100 years, require hardly any maintenance and are therefore seen as economical.

Façade systems

Wienerberger's clay façade panel system was developed for modern buildings as a back-ventilated façade cladding made from clay with an aim to create a timeless modern façade with the unmistakable character of clay as a natural product. The façade panel system provides for a ceramic cladding, based on the principle of the ventilated cavity, using natural clay panels attached to a substructure. The panels are manufactured in a variety of colors and can be smooth faced, profiled, textured, engobed or glazed.

Roof – clay roof tiles

Clay roof tiles are used to cover pitched roofs and for facade design and achieve a lifespan of over 100 years. A roof covered with clay roof tiles is used for protecting the house and the facade from the weather and moisture and also as a design element. The Group offers a variety of forms, colors and shapes of clay and concrete roof tiles. The Group's clay roof tiles are sold in Western Europe under the "Koramic" brand and in Eastern Europe under the "Tondach" brand.

Wienerberger offers a one-stop-shop solution for roofs in which each model (type of tile) is accompanied by a full line of tiles as well as ceramic and technical accessories. These clay roof tiles are marketed together with a complete line of system components. The introduction of over-rafter insulation products for thermal renovation made the Group a full system provider for roofs. Increasingly extreme wind and weather conditions have also led to growing demands on the resistance of roofs which the Group tries to meet with the patented Sturmfix system, which uses special fixation hooks to protect roof tiles from storms.

The Group's Building Information Modelling ("**BIM**") is an integrated process intended for creating value over the entire life cycle of a building. 3D models are generated, aggregated and exchanged, providing access to all stakeholders who are able to define, share and analyze the desired specifications via digital channels. BIM is designed for facilitating coordination, ensuring precisely defined work flows and documentation, providing more accurate cost estimates and faster project completion.

Pavers – clay and concrete pavers

Clay and concrete pavers are used in many different applications – from infrastructure projects, public areas, streets and roads to private homes and gardens. Clay pavers can only absorb minimum quantities of water and are, hence, resistant to frost, dirt, environmental pollution, chemicals, and forces of nature. Concrete pavers can be refined with a surface protection technology, which counteracts the effects of soiling and weathering. The product line includes concrete pavers and slabs, wall and fencing systems, design elements such as steps, palisades and edgings as well as an extensive infrastructure program. Several of the Group's concrete pavers are equipped with a special interlocking system, which was developed especially for surfaces with heavy traffic volumes and high loads. Continuous optimization and improvement are the focus for these products. Innovation is directed at producing digital panning tools to its customers and to product differentiation in terms of surface design.

Wienerberger Piping Solutions

Wienerberger Piping Solutions comprises the Group's plastic and ceramic pipe products for buildings and infrastructure, which are produced at 32 sites in 17 countries. Products of Wienerberger Piping Solutions provide system solutions for in-house installation, fresh water supply and irrigation, waste water and rain water management, drainage, energy supply and data transfer, as well as special products for industrial applications.

Plastic pipes

Plastic pipes are suitable for a wide range of applications. The product portfolio of the Group offers solutions for the segments sewage, in-house, agriculture, electro, gas, water pressure, cable protection and specialties. Wienerberger's subsidiary Pipelife is one of the world's leading producers of plastic pipe systems. It is present in 26 countries in Europe and the USA and offers a wide range of pipes, pipe systems and pipe fittings made from high-quality plastics with more than 10,000 products in the range that can be combined. The plastic pipe business is dependent on the supply and demand balance for raw materials and resources, particularly influenced by the development of the main upstream feedstock costs, namely oil, naphtha and gas. Polymer prices correlate to a certain extent with the price of crude oil and consequently to naphtha which comprise a major part of the production cost for polymers and hence on the plastic pipes as such.

Climate change and the increasing development of green areas have led to a growing incidence of flooding in inner city areas. Under the brand "Raineo", the Group has developed a system to solve this problem with its "Stormbox" as key element, a plastic water storage container that is installed below ground. A click and stack system allows for the construction of underground water storage facilities in various sizes. When the rain is heavy, the water overload is collected in the box – where it is gradually released into the connected sewerage system and, in this way, prevents flooding.

Long Length Large Diameter pipes ("**LLLD**") for industrial facilities are an emerging trend. Management believes that Pipelife is currently the only producer in the world that can manufacture pipes with a diameter of up to 2.5 meters and a length of up to 600 meters in an extrusion process. These pipes are extruded directly into the sea and transported by barges to operating sites around the globe (e.g. Morocco, Ghana, Ukraine and South America, Asia). Another special product, the "Soluforce Pipe", was developed especially for high pressure applications in the oil and gas industry. Synthetic fiber or steel wire reinforcement makes these pipes extremely pressure-resistant.

Ceramic pipes

Steinzeug-Keramo produces glazed ceramic pipes, fittings, shafts and accessories for use in open and closed sewerage systems. These pipes are characterized by stability, easy maintenance and resistance against wastewater. Their life cycle is estimated to be more than 150 years. Steinzeug-Keramo concentrates on optimizing the technical properties of the products. One example is the supply of ceramic jacking pipes that are suitable for trenchless installation. The pipes are inserted into a starting shaft and then pushed to the target shaft by means of a tunneling machine, thus avoiding any excavation. This allows the pipes to be installed with only minimal earth movements and without disturbing the existing infrastructure. This technique can also be used to replace existing sewage systems without digging new trenches.

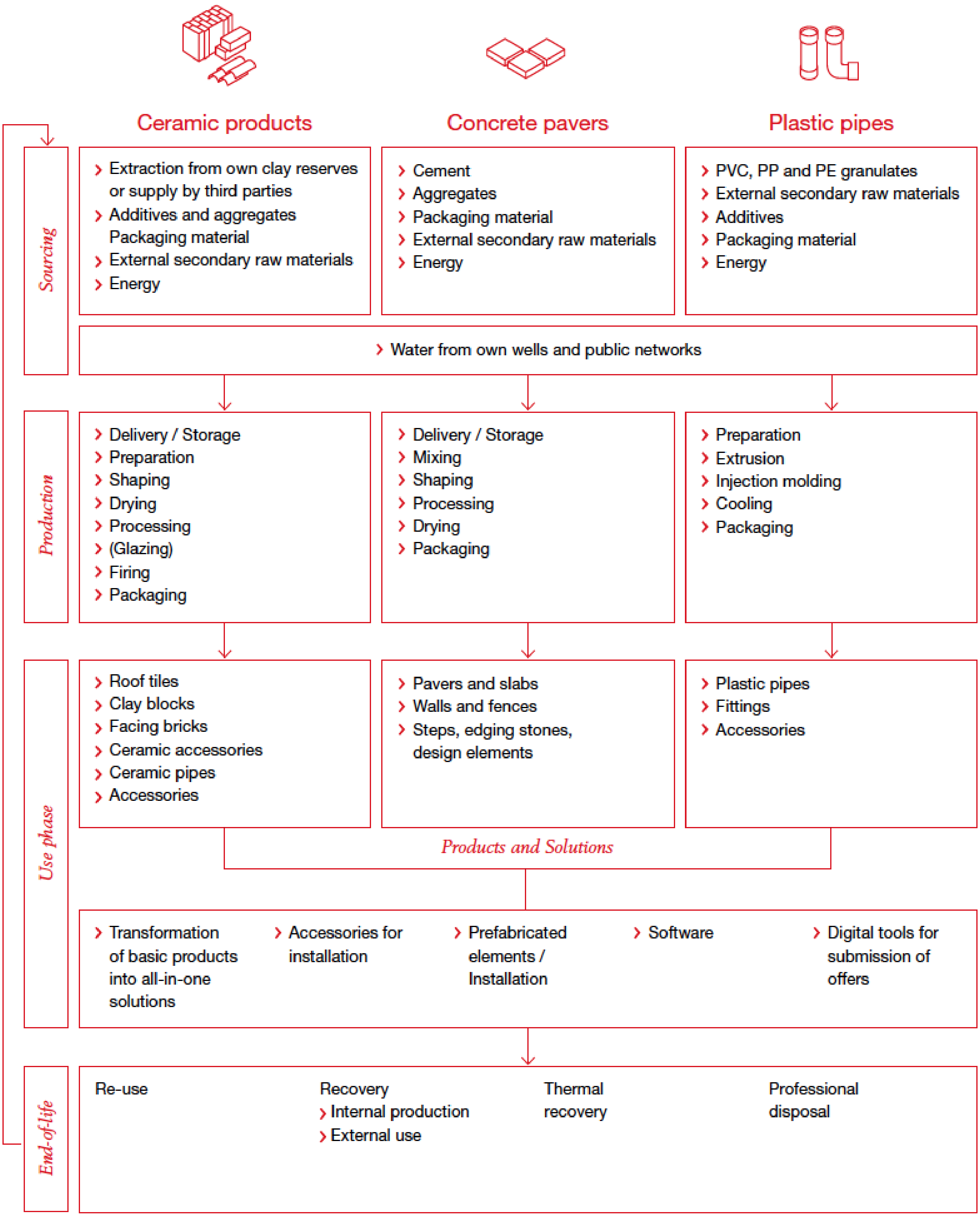
Ceramic pipes of the Group are seen as sustainable as they are made exclusively of natural and recyclable raw materials. The Group considers Steinzeug-Keramo as the only supplier that is currently certified for the whole product cycle under the criteria of Cradle to Cradle® (as certified by the Cradle to Cradle Products Innovation Institute), a strategy of sustainable production that mimics the regenerative cycle of nature in which waste is reused, as both a manufacturer and for a complete range of vitrified clay pipes and fittings. The parts used are 100% recyclable after use.

Distribution Channels

The Group relies on a mix of distribution channels for the sale of its products. The Group's most important channel is the wholesaler market, which takes-off the Group's products and acts as intermediary between the Group and the end customer. In some countries, the Group operates direct distribution outlets (e.g. in the United States for bricks, in Poland or in Austria for pipes). These outlets provide an add-on of trading products (mortar, accessories). Furthermore, the Group sells its products to smaller dealers and, in some cases, is directly involved in projects, especially in paving as well as the industrial specialties in the piping solutions segment.

Life cycle of Wienerberger products

The following chart illustrates the levels of (i) sourcing, (ii) production, (iii) the use phase and (iv) the end of life of the materials and products used for Wienerberger's ceramic products, concrete pavers and plastic pipes:



(Source: Internal data)

The Group aims at combining (i) sourcing, (ii) production, (iii) the use phase and (iv) the end of life of the materials and products in a contribution to circular economy for the purpose of sustainability:

- At sourcing level, it applies sustainability criteria in the supplier management, uses internal and external secondary raw materials and aims at resource efficiency, biodiversity and responsible extraction of raw materials.
- In the production stage, the Group pursues the strategic pillars of decarbonization, circular economy, biodiversity, digitalization and innovation to contribute to sustainability.
- During the use phase of the products, in particular, innovation, durability, digitalization, energy efficiency and contribution to decarbonization are the main pillars of the strategy.
- At the end of life of products, the strategy of the Group foresees the reuse, the recycling in internal production, the external recycling of used products as material and for thermal use as well as professional disposal. As far as possible, raw materials and energy are then again used for sourcing.

Organization and performance of the business segments

The Issuer is the holding company of the Group which directly or indirectly holds all participations of the Group as shown in the Audited Consolidated Financial Statements. As a holding company, the Issuer does not have any material operating activities but provides certain Group functions also to its subsidiaries and, therefore, depends on contributions, license and service payments as well as distributions by its affiliates. In relation to payments for services and licenses, the Issuer *inter alia* charges subsidiaries for certain trademark uses, the provision of technical know-how, IT licenses or project related costs as well as a portion of the total costs for group functions (e.g. treasury) allocated to the respective Group companies.

Wienerberger Building Solutions

The segment Wienerberger Building Solutions comprises the Group's clay blocks, facing bricks, clay roof tile and concrete pavers activities for all worldwide markets except North America (which comprises the USA and Canada). Wienerberger Building Solutions operates about 155 plants in Europe and acts as local partner for customers in 28 countries.

Wienerberger intends providing also all-in solutions such as the Wienerberger e4 brick house, which is intended to combine "ecology, economy, energy, emotion". Pre-fabricated wall elements, novel bricks that can be handled by masonry robots and laid more quickly, the use of robots in production with a view to achieve a higher degree of precision and reduce potential hazards as well as the roll out of digital system solutions including services and other features are key elements of the strategy of the Wienerberger Building Solutions business unit.

For 2019, the single largest markets for the Wienerberger Building Solutions segment according to external revenues were Great Britain (accounting for approx. 17% of external revenues of the segment), the Netherlands (accounting for approx. 11% of external revenues of the segment), Germany (accounting for approx. 11% of external revenues of the segment), Belgium (accounting for approx. 10% of external revenues of the segment), Poland (accounting for approx. 9% of external revenues of the segment), France (accounting for approx. 7% of external revenues of the segment), the Czech Republic (accounting for approx. 6% of external revenues of the segment) and Austria (accounting for approx. 5% of external revenues of the segment).

Developments of the segment in 2019

In 2019, Wienerberger Building Solutions recorded a strong performance irrespective of a mostly flat market environment. External revenues of the segment increased from EUR 2,050.7 million in 2018 by 6% to EUR 2,170.6 million, influenced *inter alia* by an early start into the construction season due to favorable weather conditions and a normalized demand in the second half of 2019 in line with the Group's expectations. The increase in revenues of the segment from 2018 to 2019 was further attributable to an increase in the share of premium products in total revenues. Wienerberger Business Solutions generated an EBITDA of EUR 468.6 million in 2019, an increase by 33% compared to EUR 351.9 million in 2018, mainly due to a higher level of productivity and the ability to cover cost inflation through improved average prices. In addition, the faster than expected implementation of the Group's "Fast Forward program" generated a higher contribution to the segment's earnings in 2019. The 2019 figures included a positive effect of EUR 29.3 million due to the first-time adoption of IFRS 16, but no longer comprised any structural adjustment costs, which totaled EUR 36.1 million in 2018. In 2019, the average number of employees (full time equivalents) of the segment Wienerberger Building Solutions increased by 5% from 11,912 in 2018 to 12,466 in 2019.The relevant markets of the Group for its Wienerberger Building Solutions showed diverging regional trends in 2019. Residential construction in Great Britain continued at a stable level despite the considerable political and economic uncertainty and declined slightly in the fourth quarter of 2019. Wienerberger increased its average prices to cover cost inflation and significantly increased external revenues of the segment in Great Britain from EUR 322.7 million in 2018 to EUR 375.0 million in 2019 in generating significant growth in revenues and earnings. A specialist in roofing accessories acquired by Wienerberger in the first half of the year 2019 delivered a satisfactory contribution to earnings.

In the Netherlands, the second largest single market for Wienerberger Building Solutions according to external revenues in 2019, based on the Dutch emission legislation, authorities issued fewer new building permits, especially from the second half of 2019 onward. Despite the strong contribution to earnings generated by the producers of facing bricks taken over by Wienerberger in 2018, the decline in demand triggered by regulations resulted in a decline of earnings, whereas external revenues slightly increased from EUR 215.7 million in 2018 to EUR 230.0 million in 2019. In contrast, Wienerberger recorded stable demand in the Belgian residential construction market.

For Germany, external revenues of Wienerberger Building Solutions slightly decreased from EUR 234.9 million in 2018 to EUR 226.3 million in 2019.

Residential construction in Austria remained stable at a high level, with external revenues of the segment for Austria remaining almost stable a EUR 103.8 million in 2019 after EUR 104.6 million in 2018. Optimization measures implemented, aimed at leaner cost structures and a more effective sales approach, resulted in a significant increase in earnings for Austria.

In France, cuts in government support programs for residential construction had a dampening effect on demand, whereas Wienerberger's external revenues only marginally decreased from EUR 164.8 million in 2018 to EUR 162.1 million in 2019.

The acquisition of Vesterled and Helligsø, two Danish facing brick producers, and Egernsund, a distributor of one of a recognized brick brands in Denmark, in the fourth quarter of 2019 expanded the Group's position in the Nordic facade market, already generating a notable contribution to earnings in the first two months since consolidation.

In the Group's Eastern European core markets, economic growth and low unemployment created a favorable environment in 2019 for the construction of new single- and two-family homes. Growing demand for solutions for the building envelope and the focus on new and innovative products resulted in significant growth in revenues and earnings. By way of example, external revenues in Romania increased from EUR 78.3 million in 2018 to EUR 94.2 million in 2019.

Wienerberger recorded a satisfactory development of its concrete paver activities in 2019, observing an upward trend in demand for modern open-space solutions from both private individuals and public-sector projects, the latter benefiting from the increased take-up of EU funding for infrastructure projects.

Developments in the first quarter of 2020

In the first three months of 2020, Wienerberger Building Solutions recorded increased external revenues of EUR 500.4 million, compared to EUR 476.9 million in the first three months of 2019. This was mainly the result of a strong revenue stream in the first two months of 2020. With few exceptions, the Group's core markets recorded strong demand for solutions for the building envelope and outdoor surfaces and, at the same time, benefited from mild weather conditions. Starting in March 2020, most of the Western European core markets began to feel the first negative effects of COVID-19. The Wienerberger Building

Solutions segment's EBITDA for the three months period ending March 31, 2020 dropped accordingly to EUR 81.9 million, after EUR 85.6 million in the first three months of 2019, while Wienerberger Building Solutions' operating EBIT fell from EUR 48.3 million in the first quarter of 2019 to EUR 38.0 million for the first three months of 2020.

Strategic priorities in 2020

Wienerberger anticipates the environment to be challenging, in particular in view of the current and potential future impacts of the COVID-19 pandemic. Wienerberger has implemented proactive measures in March 2020, which *inter alia* foresee reviewing the Group's cost structures and all investments to ensure that its strategy is fully aligned with changing market conditions. In addition to immediate measures to be taken as a consequence of the COVID-19 pandemic, it is intended to continue to implement the Group's strategic priorities by steadily improving the product mix and working on the further development of its product range, aiming to position the Group as a full-range provider of solutions for the entire building envelope. Further optimization measures by consistently implemented Fast Forward projects are another priority of the Group. For Wienerberger Building Solutions, the countries most affected by the COVID-19 pandemic since March 2020 have been Great Britain, Belgium, France, Austria and Italy, where the government imposed a lockdown across the entire country. The impact of these restrictions varies from country to country. Wienerberger expects that these countries will gradually ease their lockdown measures and that economic activity will slowly return to normal.

Wienerberger Piping Solutions

As of the date of this Prospectus, the Wienerberger Piping Solutions comprises the European business activities of Wienerberger with Pipelife plastic pipes and Steinzeug-Keramo ceramic pipes. Until 2019, these business activities formed part of the division Pipes & Pavers Europe with the two segments Pipes & Pavers Western Europe and Pipes & Pavers Eastern Europe. The division's product portfolio covers system solutions for building installations, fresh water supply, irrigation, wastewater and rainwater management, drainage, energy supply and data transfer as well as special products for industrial applications.

According to the split of 2019 external revenues, Austria was the biggest market with a 14% share of total external revenues of the segment. The Netherlands with a 12% share and Norway with a share of 11% follow. Sweden and Belgium each accounted for 9% of the total external revenues of the Wienerberger Piping Solutions segment in 2019.

Developments of the segment in 2019

In 2019, the plastic pipe business recorded a notable increase in earnings in a stable market environment, which was facilitated by a strong focus on innovative and high-end product solutions and the implementation of optimization projects within the scope of Wienerberger's Fast Forward program. In terms of external revenues, this led to a slight increase by 1% from EUR 946.4 million in 2018 to EUR 959.4 million in 2019, whereas EBITDA of the segment significantly rose by 82% from EUR 54.0 million in 2018 to EUR 98.2 million in 2019. This includes a positive effect of EUR 14.1 million for 2019 from the first-time adoption of IFRS 16. The structural adjustment costs of EUR 18.0 million from 2018 were no longer applicable for the segment in 2019. Moreover, proactive pricing helped the Group counter cost inflation.

Wienerberger's in-house business with electrical and heating installations as well as water supply pipes recorded significant increases from 2018 to 2019. Reddy S.A., the Belgian manufacturer of electrical accessories, which was acquired in the spring of 2019, made a strong contribution to the segment. In Eastern Europe, Wienerberger recorded a rising demand, particularly in infrastructure solutions and water management, supported by EU-funded infrastructure projects and a positive construction market, which led to a notable increase in earnings in comparison with 2018. In the international project business with special pipes, the growing demand in the energy sector allowed the Group to increase earnings significantly.

Regional developments showed a stable continuation of the relevant trends for Wienerberger Piping Solutions in 2019 and confirmed the Group's market expectations. In Wienerberger's Nordic core markets a stable market development at a high level took place, leading to increased earnings despite decreased revenues such as the decrease for Norway from EUR 120.1 million in 2018 to EUR 107.1 million in 2019.

In the Netherlands, the second largest market of the segment in terms of external revenues, Wienerberger compensated for the decline in gas activities caused by the regulatory framework with the continued expansion of the electro business, thus recording a pronounced improvement in earnings. The segment's external revenues for the Netherlands increased significantly from EUR 89.1 million in 2018 to EUR 115.1 million in 2019.

In the Austrian market, which was marked by growing competitive pressure in 2019, Wienerberger was able to increase external revenues from EUR 123.3 million in 2018 to EUR 131.8 million in 2019 and to improve earnings by implementing efficiency-enhancing measures.

In the relatively small plastic pipe business in Germany, which saw decreasing revenues from EUR 43.8 million in 2018 to EUR 36.7 million in 2019, the strategic decision was taken in the third quarter 2019 to focus on the profitable in-house segment and on water management applications. The resulting restructuring costs of EUR 2.8 million were recorded in the third quarter 2019.

In Eastern Europe, a significant improvement in earnings was primarily achieved in the markets of Hungary, the Czech Republic and Poland, but a plus in earnings was also recorded in South Eastern Europe, driven by EU-funded infrastructure projects.

In the Turkish growth market Wienerberger maintained satisfactory profitability in a challenging environment due to its high-end product portfolio. However, the result in the financial year 2019 was affected by the devaluation of the Turkish Lira, the local currency.

In the ceramic pipe business, the market environment in Western Europe was largely stable and the Eastern European export markets recorded a revived demand in infrastructure. The restructuring measures of the Group, which were finalized in the second half of 2018, resulted in a sound improvement in earnings for the ceramic pipe business in 2019, with a positive impact on profitability. As a result of additional measures aimed at increasing the share of accessories, as well as an attractive pricing policy to balance cost inflation, the operating result was markedly improved.

Developments in the first quarter of 2020

Wienerberger Piping Solutions' external revenues only slightly decreased to EUR 220.7 million in the first three months of 2020, after EUR 224.0 million in the first quarter of 2019. With revenues remaining stable, Wienerberger achieved an increase in earnings and profitability by consistently implementing its strategy with focus on higher value products. Additionally, mild weather conditions supported an early start to the construction season and uninterrupted progress of major infrastructure projects. Wienerberger Piping Solutions continued to benefit from government-funded investments in large infrastructure projects, which increased sales volumes, especially in the Eastern European markets. In the most relevant markets, the first effects of COVID-19 were only seen toward the end of the first quarter 2020 in Western Europe. Overall, owing to the outbreak of the COVID-19 pandemic, developments in the individual regions showed a differentiated picture. Whereas the segment's EBITDA increased in the year-to-year comparison for the first three months from EUR 17.4 million for the relevant 2019 period to EUR 18.7 million for the first quarter of 2020 due to the implementation of the Group's strategy and efficiency enhancing measures within the framework of the Fast Forward program, Operating EBIT decreased from EUR 5.2 million for the first three months of 2019 to EUR 4.8 million for the first three months of 2020.

Strategic priorities in 2020

In view of the current and potential future impacts of the COVID-19 pandemic, Wienerberger has implemented proactive measures in March 2020, which *inter alia* foresee reviewing the Group's cost structures and all investments to ensure that its strategy is fully aligned with changing market conditions.

In addition to immediate measures to be taken as a consequence of the COVID-19 pandemic, the Group aims at continuing to focus on the expansion of the profitable in-house business with electrical and heating installations as well as water supply pipes. Moreover, a focus will be on raising the contribution of accessories to revenues. Alongside the further development of the product portfolio, the implementation of optimization projects under the Fast Forward program is intended. The further expansion of Wienerberger Piping Solutions is intended in the three strategic core business areas in-house solutions, smart infrastructure and irrigation systems for agriculture. For the rest of 2020, Wienerberger expects work on most of the large infrastructure projects to continue. Demand in the in-house segment is expected to decline slightly. Due to noticeable climate changes like increasing frequency of extreme weather events, such as droughts and flooding, the Group expects to see a positive development of the business in irrigation and drainage solutions for agriculture in the future.

North America

The Group's North America segment comprises the Group's business activities in the North American brick and pipe business.

Developments of the segment in 2019

The North America segment achieved a notable increase in external revenues by 9% from EUR 306.8 million in 2018 to EUR 335.7 million in 2019. Also the segment's EBITDA increased by 18% from EUR 36.7 million in 2018 to EUR 43.2 million in 2019, whereas EBIT significantly decreased by 28% from EUR 11.7 million in 2018 to EUR 8.3 million in 2019. The average number of employees (full time equivalents) rose by 4% from 1,399 in 2018 to 1,450 in 2019.

After a late start into the construction season 2019 due to poor weather conditions at the beginning of the year, demand in the Group's US brick business normalized at the level expected. Despite a challenging competitive structure, Wienerberger achieved a notable increase in earnings, mainly due to the expected strong contribution to earnings from Watsontown Brick, the US facing brick producer acquired in 2018, which broadened the Group's presence in the north-east of the USA and Canada and opened up markets. Additionally, the consistent implementation of Fast Forward projects led to further efficiency enhancements.

In the Group's Canadian facing brick business, the measures taken by the Canadian government aimed at stricter regulation of the real estate market had a dampening effect on demand throughout the year 2019. Brighter market sentiment and the stabilization of the leading indicators during the second half of the year 2019 did not result in notable catch-up effects. Wienerberger therefore recorded a decline in earnings despite positive contributions from the implementation of automation projects.

In the North American plastic pipe business, measures aimed at improving performance in production and distribution were successfully implemented in 2019, resulting in satisfactory contributions to earnings from special pipes. Nevertheless, given the weather-related delays in project implementation in the first half of the year 2019, the previous year's results could not be achieved.

Developments in the first quarter of 2020

In the first three months of 2020, the Group's North America segment generated external revenues of EUR 71.4 million, after EUR 75.9 million in the first quarter of 2019. The business in North America was negatively impacted by unfavorable weather conditions and the beginning effects of the COVID-19 pandemic. Under the influence of these events, demand for bricks weakened in the USA. When the weather improved in March 2020, ongoing projects were resumed and prices were adjusted as planned. However, the market dynamics were slowed down by the COVID-19 pandemic. Given the differences in US state government responses, most of Wienerberger's plants remained in operation. In Canada, demand for facing bricks only picked up slowly at the beginning of the year 2020. The restrictive measures taken by the Canadian government in response to COVID-19 led to the closure of the Group's production site in Cambridge and the resultant loss of revenues and earnings. The segment's EBITDA decreased from EUR 6.8 million in the first quarter of 2019 to EUR 5.5 million in the first quarter of 2020, with a negative operating EBIT of EUR -2.3 million for the first three months of 2020 after EUR -0.4 million for the first three months of 2019.

Strategic priorities in 2020

In view of the current and potential future impacts of the COVID-19 pandemic, Wienerberger has implemented proactive measures in March 2020, which *inter alia* foresee reviewing the Group's cost structures and all investments to ensure that its strategy is fully aligned with changing market conditions. In addition to immediate measures to be taken as a consequence of the COVID-19 pandemic, in view of an increasingly competitive environment in the US brick business, the Group will continue to focus on premium products and optimization measures under the Fast Forward program. Wienerberger expects a temporary decline in demand in the single and multi-family home segment due to the economic consequences of the pandemic. In turn, the plastic pipe business could be influenced by investments planned by the US government to improve the country's infrastructure. With regards to a reopening of the economy, Wienerberger expects the USA to ease its measures in the near future, while the Canadian government is likely to proceed less progressively.

Principal markets

The Group is active in 30 countries with own production facilities. In addition, it services various export markets. The markets differ in their relative weight of the Group's turnover as well as in their economic development. On a third-party revenue basis, based on the figures as of and for the financial year ended December 31, 2019, Great Britain was the biggest market of the Group, accounting for approx. 11% of the Group's external revenues, followed by the Netherlands (approx. 9% of the Group's external revenues), USA (approx. 9% of the Group's external revenues), Belgium (approx. 9% of the Group's external revenues), Germany (approx. 8% of the Group's external revenues), Poland (approx. 7% of the Group's external revenues) and Austria (approx. 7% of the Group's external revenues).

While in the ceramic business, the Group's key markets from a current perspective are predominantly Great Britain, The Netherlands, Germany, Belgium, Poland and the United States of America, the plastic pipe division shows a different pattern with important markets in Austria, The Netherlands, Norway and Sweden.

In addition to the mature markets the Group is active in, the last years have also shown varying contributions from the two emerging markets Russia and India.

Raw material supply

The main raw material of the Group is clay, used in the Wienerberger Building Solutions segment. Wienerberger owns about two thirds of the clay reserves needed for production. Further, clay is also sourced from leased quarries. These reserves are typically located close to the production plants. To cover the remaining demand the Group usually enters into long-term extraction contracts. Wienerberger Building Solutions in particular sources additives needed in production (saw dust, paper sludge, engobes) externally on local markets. The supply of raw materials for the production of plastic pipes and concrete pavers includes a diversified supplier structure. Wienerberger Piping Solutions sources polymer raw materials in the form of granulate from a number of international groups. Raw materials are stored in silos at the production site, which allows Wienerberger Piping Solutions to produce for a limited number of two to three weeks before new raw material is needed.

To minimize the consumption of raw materials, the Group constantly experiments with modified product properties in terms of weight and design; also regular measures are taken to diminish the amount of waste, breakage and scrap.

Trend information

Current situation in view of the COVID-19 pandemic

In the current environment, the main trend information relevant for the Group is the further development of the novel strain of coronavirus known as SARS-CoV-2 and the impacts by the COVID-19 pandemic on the relevant markets and on social life as well as the governments' measures in reaction to the COVID-19 pandemic. Quarantines and curfews for Austria and many other countries worldwide have been imposed. Although there are first signs of easement of the strict lockdown measures in some European countries and some US states, there is a risk that it will be necessary that further countries, regions or municipalities in several countries of the world or countries that have reduced strict lockdown measures impose new or stricter temporary quarantines and curfews or prolong imposed quarantines and curfews. In several countries the Group is active in, quarantines and curfews have led to severely negative effects on or a complete halt of parts of industry and trade, including in particular also construction activities, with the effects depending mostly on the government measures taken.

It is currently not foreseeable how long the current COVID-19 pandemic will last and whether or when the negative impacts on business transactions and social life will be halted or reduced. In the first three months of the financial year 2020, the Group recorded non-recurrent, non-cash impairment charges driven by the COVID-19 pandemic. Faced with a changing market environment, the Group had to adjust its assumptions for future developments in some of its markets, which resulted in valuation adjustments of about EUR 116 million in the first quarter of 2020, the major part of approx. EUR 94 million being attributable to the full write-off of goodwill in North America.

The Group expects the second quarter of the financial year ending December 31, 2020 to be the period most severely affected by the COVID-19 pandemic due to lock-downs in key markets. As governments are beginning to ease their restrictions, the Group expects that the lockdowns will be lifted step by step and economic activities will slowly return to normal. Given the persistent lack of visibility, the magnitude of the impact on the Group's financial results for the financial year ending December 31, 2020 cannot be quantified at this stage, whilst the timing and profile of recovery from the pandemic remains uncertain. Wienerberger takes various scenarios into consideration. The full year outturn for the financial year ending December 31, 2020 will in particular depend on how quickly governments proceed to ease restrictions and thus permit a step-by-step return to normality as well as the level of demand for Group products by the market in the remaining months of 2020. It is, however, assumed that both revenues and, even more significant, EBITDA for the financial year 2020 will be negatively affected to a significant extent, with negative effects on the EBITDA for the Group's operations in particular in relation to operations with less variable cost structures.

Other relevant trend information

Aside from the current COVID-19 pandemic, the following trends are important factors for the Group and could, as far as currently foreseeable, become of relevance again in the future as soon as the impacts of the COVID-19 pandemic decrease:

Weather conditions

The weather is an important external factor determining the demand pattern, especially in the first and fourth quarter of the year. Weather conditions provide for relevant trends for the Group, as favorable weather conditions usually keep stable or even increase the demand for Group products. Adverse weather conditions such as long frost and rain periods regularly shorten the construction season in the Group's markets and have an adverse impact on construction activity and, hence, on demand for Group products. By way of example, in the North America business, in the fourth quarter of 2019 favorable weather conditions accounted for a stable demand after a late start in the construction season 2019 due to adverse weather conditions; in turn, the North America segment saw a downturn in the Canadian market in 2019 due to weather-related delays in pipe business. Also in 2019, the Wienerberger Building Solutions segment recorded an early start into the construction season due to favorable weather conditions.

Macroeconomic drivers

The construction sector (in particular residential construction, which accounts for a large part of brick and roof tile demand worldwide according to management estimates) is subject to typical macroeconomic drivers such as GDP growth rate, consumer spending, consumer confidence levels, infrastructure programs and public spending and, to a lesser extent, long-term interest rates (i.e., mortgage rates). In the past years and before the COVID-19 pandemic, the global economy recorded significant upturns but already lost momentum in 2019. In 2019, the global economic growth amounted to 2.9% according to the International Monetary Fund (IMF), after 3.6% in 2018 (source: IMF, World Economic Outlook, October 2019, and World Economic Outlook Update, January 20, 2020). Diverging trends were observed in Europe and North America, the core regions of the Group. For the Eurozone, the IMF forecasted a further slowdown in GDP growth to 1.2% in 2019 from 1.9% in 2018 (source: IMF, World Economic Outlook, October 2019, and World Economic Outlook Update, January 20, 2020). The rates of economic growth in several European countries such as Germany and Italy were below such rate or around the average number of 1.2%. Economic growth also slowed down in the economies of Eastern Europe, another core region of the Group. Nevertheless, the IMF still projected a rate of growth of 1.8% for Eastern Europe in 2019 (2018: 3.1%). For the USA, the GDP growth amounted to 2.3% in 2019 after 2.9% in 2018 (source: IMF, World Economic Outlook, October 2019, and World Economic Outlook Update, January 20, 2020). Currently, it is not foreseeable to which extent the GDPs in countries relevant for the Group will decrease as a consequence of the COVID-19 pandemic and how long any such decreases may last.

In addition, political factors such as the withdrawal of Great Britain from the European Union or the long phase of escalation in the trade conflict between the USA and China during 2019 as well as monetary policies by the US Federal Reserve System (Fed), lowering its federal funds rate in three steps during 2019, and by the European Central Bank, which continued its approach of expansionary monetary policy and restarted its bond purchase program, were of relevance for the macroeconomic situation in the Group's core markets in 2019 and are expected to continue to be of relevance in the future.

Construction and housing trends

- Residential construction trends in Europe: In the residential building market in Europe, most important indicators for the analysis and projection of residential construction activities are the numbers of building permits issued, new housing starts and housing completions. In 2019, such market was reasonably doing well (Source: internal data for Wienerberger Building Solutions, based on Euroconstruct data for November 2019). Renovation activity in the residential segment is another relevant indicator for the Group's business development, which, in 2019, increased slightly in the Group's core markets (Source: internal data for Wienerberger Building Solutions, based on Euroconstruct data for November 2019).
- Infrastructure trends in Europe: 2019 was a year marked by a favorable environment for capital expenditure on infrastructure projects in Europe. In the Group's relevant countries of Western Europe, infrastructure expenditure increased in 2019. Also particular growth could be observed in four Eastern European markets, i.e. the Czech Republic, Hungary, Poland and Slovakia, where the 2018 trend continued and the growth compared to 2018 was significant (source: internal data for Wienerberger Piping Solutions, based on Euroconstruct data for November 2019). But also for all European markets relevant to the Group a growth of total infrastructure expenditure was recorded, with the fastest growth rate being recorded in the energy segment, followed by investments in transport infrastructure, in road construction and in the telecommunication segment (source: internal data for Wienerberger Piping Solutions, based on Euroconstruct data for November 2019).
- US housing market trends: Overall, in 2019, the US housing market presented a positive picture in the reporting year. According to the U.S. Census Bureau, the number of building permits rose by 3.9% in 2019 (source: U.S. Census Bureau, monthly new residential construction, released on January 17, 2020). While the multi-family home segment grew significantly, the construction of new single-family homes remained stable year on year. Housing starts increased notably in 2019 to 1.29 million units, with growth in particular accounted for by the multi-family home segment and only minorly by the single-family home segment (source: U.S. Census Bureau, monthly new residential

construction, released on January 17, 2020). Also housing completions rose in 2019, compared to 2018, particularly driven by single-family homes completed while completions of multi-family homes were lagging behind (source: U.S. Census Bureau, monthly new residential construction, released on January 17, 2020).

Currently, it is not foreseeable to which extent such construction and housing trends will decrease as a consequence of the COVID-19 pandemic and how long any such decreases may last.

Strategy

Current situation in view of the COVID-19 pandemic (short-term)

The strategy of the Issuer is currently under review in view of the impacts of the COVID-19 pandemic.

In this respect, on March 19, 2020, the Issuer notified of proactive measures taken by the Group, including (i) supporting interactions with customers and partners and ensuring uninterrupted deliveries of products based on the Group's digital solutions, (ii) aiming at operating from a financial position of strength, (iii) assessing critical decision inputs on a real-time basis, including reviewing the Group's cost structures and investments to ensure that its strategy is fully aligned with changing market conditions, and (iv) implementing the respective government-imposed measures throughout the Group, inter alia with the help of a newly established Business Resilience Team. Adjustments to the Group's production are intended to be made on a market-by-market basis as necessary. In addition, any investment decisions for maintenance capex and special capex as well as M&A are currently under review by the Group in view of the impacts of the COVID-19 pandemic. The outbreak of the pandemic resulted in a triggering event to evaluate the assets on the balance sheet as of March 31, 2020. Consequently, the Group recorded non-recurrent, non-cash impairment charges driven by the COVID-19 pandemic. Faced with a changing market environment, the Group had to adjust its assumptions for future developments in some of its markets, which resulted in valuation adjustments of about EUR 116 million in the first quarter of 2020, the major part of approx. EUR 94 million being attributable to the full write-off of goodwill in North America.

Mid-term and long-term strategic pillars

The mid-term and long-term strategy of the Issuer, which is currently under review in view of the COVID-19 pandemic, mainly consists of the following pillars defining the framework of the Group's business activities. It is currently not foreseeable when and to which extent the Group can re-commence the further implementation and processing of these strategic priorities:

Sustainability Strategy 2020+

The Group has implemented a new "Sustainability Strategy 2020+" for the future development of its sustainability footprint. Within the framework of the Sustainability Strategy 2020+, the Group in particular focuses on the three central topics (i) biodiversity, (ii) circular economy and (iii) decarbonization.

- Biodiversity: The Group's strategy provides for a commitment to and an active preservation of biodiversity. Under this strategic pillar, the Group summarizes all actions to positively contribute to increasing biodiversity in the regions where the Group is active. By way of example, recultivating depleted clay pits aims at creating valuable habitats for plants and animals.
- Circular economy: The Group's strategy under "circular economy" foresees a commitment to resource efficiency and an encouragement that all products produced by the Group are either reusable or fully recyclable.
- Decarbonization: In terms of the sustainability pillar "decarbonization", the Group aims at ensuring that all Group products, during their life cycle, will positively contribute to the decarbonization and enable a negative carbon footprint.

For further information on the implementation of the Group's sustainability strategy, see *"Business of Wienerberger–Products–Life cycle of Wienerberger products"*

Organic growth

The Group's strategy under the pillar "organic growth" includes the evolvement of the Group from a manufacturer of sustainable building materials into a provider of system solutions. The Group considers innovative solutions, such as its electrical spider concept, a pre-fabricated electrical power supply based on a digital plan, an important pillar of this strategy. The Group aims at transforming its business model to focus more intensively on customer and market proximity, value creation, environmental protection and the broadening of the potential market. An example is the first climate positive infill brick developed by the Group, which aims at providing high thermal insulation value, sound insulation and healthy indoor climate. Further, in view of the growing complexity of building and infrastructure projects, the Group has identified customer proximity as an important factor for its strategy. The Group's strategy foresees providing tailor-made solutions to customers, offering end-to-end advisory ancillary services, employing digital tools such as the Wienerberger Building platform and the "All4Roof" tool and supporting projects from the planning phase until execution. In terms of its strategy, the Group also aims at tackling shortage of skilled labor, for example by offering prefabricated brick walls as well as digital transformation and building of construction plans according to customer needs.

Operational excellence

In addition, the Group's strategy includes the continuous improvement of internal processes. Measures aimed at enhancing efficiency and at improving profitability throughout the Group are summarized in the Group's "Fast Forward" program. Fast Forward seeks to generate improvements along the entire work chain by means of cost savings along the work streams manufacturing excellence, commercial excellence, procurement, supply chain management, general administration and turnaround cases. The program in particular includes measures for the optimization of procurement, for the implementation of improved production processes, digitalized stockyards, automated back-office processes and new ways of interacting with customers.

Growth projects and portfolio optimization

The strategic pillar "growth projects and portfolio optimization" mainly foresees the implementation of value-enhancing growth investments. This includes the selective takeover in existing markets and regions of individual plants and the acquisition of small to medium-sized companies by the Group at EBITDA multiples the Group deems reasonable. All eligible growth projects are assessed by means of the Group's strict value management criteria and are only pursued in case the Group considers that the respective project enhances the Group's competence as a provider of solutions and services and that it strengthens its platforms. The Group therefore focuses on the acquisition of companies which can be swiftly integrated into the existing industrial network of the Group and which fit into the Group's business framework. In North America, Wienerberger, for the mid- and long-term, envisages to actively participate in market consolidations and target in particular acquisitions in the pipe business, whereas currently, in view of COVID-19, all M&A projects are on hold.

Further, the Group applies measures to regularly review its portfolio and to dispose of assets which do not meet its profitability targets or do not comply with the sustainability principles and strategic priorities.

Investments and acquisitions

Investments in property, plant and equipment as well as intangible assets including investment for acquisitions (M&A) (collectively, "**capital expenditure**" or "**capex**") totaled EUR 255.5 million in 2019, after EUR 215.8 million in 2018. The Group applies a distinction between "**special capex**", which consists of payments made for enhancement and extension of plants and for improvements to the product portfolio (development of new products and digitalization), and "**maintenance capex**", which represents payments for the replacement of machinery to keep the industrial potential (maintenance capital expenditure).

In 2019, EUR 115.4 million (2018: special capex of EUR 85.6 million) was spent on special capex. Investments for acquisitions (M&A) totaled EUR 47.9 million in 2019, after EUR 79.2 million in 2018. Maintenance capex amounted to EUR 140.1 million in 2019 (2018: maintenance capex of EUR 130.3 million), corresponding to 56% of depreciation (2018: 67% of depreciation). Maintenance capex for Wienerberger Building Solutions increased from EUR 85.2 million in 2018 to EUR 100.7 million in 2019, whereas Wienerberger Piping Solutions maintenance capex recorded a slight decrease from EUR 31.6 million in 2018 to EUR 28.7 million in 2019. In 2019, also maintenance capex of North America decreased to EUR 10.6 million after EUR 13.5 million in 2018. Increases in special capex from 2018 to 2019 were driven by increases in all of the three segments Wienerberger Building Solutions, Wienerberger Piping Solutions and North America.

The breakdown of total investments in 2019 shows that 69% was accounted for by Wienerberger Building Solutions, 23% by Wienerberger Piping Solutions, and 8% by North America. Total investments and acquisitions (M&A) amounted to EUR 303.3 million in 2019 (2018: EUR 295.0 million), with 46% being attributable to maintenance capex (2018: 44%), 38% being attributable to special capex (2018: 29%) and 16% being attributable to M&A (2018: 27%).

In the first three months of 2020, total investments by the Group amounted to EUR 34.4 million (first three months of 2019: EUR 37.5 million), with contributions of EUR 23.1 million by Wienerberger Building Solutions (first three months of 2019: EUR 27.7 million), of EUR 8.1 million by Wienerberger Piping Solutions (first three months of 2019: EUR 6.5 million) and of EUR 3.2 million by the North America segment (first three months of 2019: EUR 3.3 million).

Future investments are financed by the cash flow generated from the Group's operations and available liquid funds. Any investment decisions for maintenance capex and special capex as well as M&A are currently under review by the Group in view of the impacts of the COVID-19 pandemic. Except as disclosed in this Prospectus, there are currently no principal future investments on which the Issuer's management bodies have already made firm commitments.

Recent developments

On January 14, 2020, the Issuer announced that the Group has prematurely secured the refinancing of the Issuer's EUR 300 million 4% corporate bond maturing in April 2020 (i) in an amount of EUR 130 million to be redeemed from the Issuer's liquidity reserve and (ii) in an amount of EUR 170 million by means of a sustainability-oriented form of finance through a syndicated bank loan funded via Oesterreichische Kontrollbank. The interest payable on the loan is linked not only to the usual financial leverage ratio, but also to the Issuer's sustainability rating, and amounts to under 1% annually as of the date of this Prospectus. The calculatory annual finance cost reduction in view of the exchange of the EUR 300 million 4% corporate bond maturing in April 2020 by the EUR 170 million syndicated bank loan funded via Oesterreichische Kontrollbank and available cash and cash equivalents amounts to approx. EUR 10 million.

On January 20, 2020, the Issuer announced its intention to cancel in aggregate 1,163,514 own shares, which had been bought back under a share buyback program between September 10, 2019 and November 29, 2019. These shares were cancelled effective as of February 18, 2020. As of February 19, 2020 (upon the start of trading of the Issuer's shares on the Vienna Stock Exchange) the cancelled shares were no longer admitted to the Official Market of the Vienna Stock Exchange. Based on the cancellation of these own shares, the Issuer's share capital was reduced by a total of EUR 1,163,514 effective as of February 18, 2020 and amounted to EUR 115,187,982.00, divided into 115,187,982 no-par value shares.

On March 17, 2020, the Issuer announced the Managing Board's decision to buy back up to 1,151,879 shares, corresponding to 1.00% of the Issuer's share capital, at a price between EUR 1.00 and EUR 44.12 during the period from March 20, 2020, up to and including June 30, 2020. The decision was based on the authorization granted by the 149th annual general meeting on June 14, 2018. As of May 21, 2020, share buybacks of in total 743,845 shares (approx. 0.65% of the Issuer's share capital) have been executed on the basis of the Managing Board's decision of March 17, 2020.

On April 17, 2020, the Issuer entered into a EUR 300 million Revolving Liquidity Backstop Facility Agreement with a term of 18 months to be used for general corporate purposes as liquidity backstop facility (the "**Revolving Liquidity Backstop Facility**"). The Revolving Liquidity Backstop Facility was arranged by the Joint Lead Managers and provides for the possibility of the Issuer to draw loans in EUR and other currencies during an availability period of 17 months following the signing date. As of the date of this Prospectus, no loans under the Revolving Liquidity Backstop Facility have been drawn. The issue of the Bonds will result in a mandatory cancellation of the Revolving Liquidity Backstop Facility.

In April and May 2020, the Issuer entered with two credit institutions into long-term loan agreements as borrower for a total amount of EUR 95 million.

On May 5, 2020, the Issuer's 151st annual general meeting took place. Among other topics, the annual general meeting resolved on new authorizations to buy back shares of the Issuer and to dispose of treasury shares, both of which replace the respective former authorizations granted by the 149th annual general meeting on June 14, 2018, as well as amendments of certain sections of the Issuer's Articles of Association (*Satzung*).

Since December 2019, a novel strain of coronavirus known as SARS-CoV-2 has spread worldwide, starting in China and has reached the status of a pandemic (COVID-19). Quarantines and curfews for Austria and many other countries worldwide have been imposed. Although there are first signs of easement of the strict lockdown measures in some European countries and some US states, there is a risk that it will be necessary that further countries, regions or municipalities in several countries of the world or countries that have reduced strict lockdown measures impose new or stricter temporary quarantines and curfews or prolong imposed quarantines and curfews. In several countries the Group is active in, quarantines and curfews have led to severely negative effects on or a complete halt of parts of industry and trade, including in particular also construction activities, with the effects depending mostly on the government measures taken. As of the date of this Prospectus, for Wienerberger Building Solutions the situation is particularly challenging in Italy, Switzerland, North Macedonia and Ireland, where currently government-imposed shutdowns are in place and all plants are closed. France and United Kingdom, which were severely impacted by shutdowns since mid-March 2020, slowly started a phased ramp-up of production mid of May 2020. In Austria, where there have been temporary plant closures caused by regulation concerning the COVID-19 pandemic as well, restrictions have been lifted and facilities are mostly back in production. The Eastern and Northern European countries have, for the time being, been impacted less severely by the ongoing COVID-19 pandemic and operate rather normal at this point with adjusted capacities, where necessary (e.g. Slovakia). This also applies, by way of example, for Denmark or the Czech Republic. At the same time, the Group has implemented measures like short-time work in countries where viable and supported by the government, as for example in Italy or Austria for the time of full shutdowns.

In the business unit Wienerberger Piping Solutions, the picture in Europe depends on the situation in the respective country. As of the date of this Prospectus, the Group's Scandinavian region was only minorly impacted with business almost at normal levels. Operations in the Eastern region could be continued without any interruptions. Operations in the Western region, especially in Italy, France and Belgium were partly affected by government-imposed shut downs. Nevertheless, short-term work is implemented in the Piping Solution business as well where applicable, and backed by the government, in order to meet reduced demand. Plant shutdowns have only been necessary in Ireland and temporarily in Austria. Cash preservation measures are implemented across the Wienerberger Piping Solutions business unit. In the business unit North America, mandatory shutdowns have occurred in North-Eastern US and Canada. However, the plant in Pennsylvania slowly restarted as of mid-April 2020. The Cambridge plant in Canada was slowly ramping up in May 2020, adapting to lower market activities. Demand in this region remains volatile, due to economic uncertainties that come along with COVID-19 pandemic. It is currently not foreseeable how long the COVID-19 pandemic will last and whether or when the negative impacts on business transactions and social life will be halted or reduced.

The outbreak of the pandemic resulted in a triggering event to evaluate the assets on the balance sheet as of March 31, 2020. Consequently, the Group recorded non-recurrent, non-cash impairment charges driven by the COVID-19 pandemic. Faced with a changing market environment, the Group had to adjust its assumptions for future developments in some of its markets, which resulted in valuation adjustments of about EUR 116 million in the first quarter of 2020, the major part of approx. EUR 94 million being attributable to the full write-off of goodwill in North America.

In this respect, already on March 19, 2020, the Issuer had notified of proactive measures taken by the Group, including (i) supporting interactions with customers and partners and ensuring uninterrupted deliveries of products based on the Group's digital solutions, (ii) aiming at operating from a financial position of strength, (iii) assessing critical decision inputs on a real-time basis, including reviewing the Group's cost structures and investments to ensure that its strategy is fully aligned with changing market conditions, and (iv) implementing the respective government-imposed measures throughout the Group, inter alia with the help of a newly established Business Resilience Team. Adjustments to the Group's production are intended to be made on a market-by-market basis as necessary. Measures taken by Wienerberger as a reaction to the COVID-19 pandemic in particular included (i) reductions of maintenance capex and special capex to minimum levels and putting acquisition projects on hold, (ii) relying on state support measures where applicable and implementing 20% temporary salary cuts on executive and top management levels, and (iii) increasing the liquidity situation through new bank commitments, focusing on cash preservation and securing additional funding and shifting a dividend payment for 2019 to October 2020.

The Group expects the second quarter of the financial year ending December 31, 2020 to be the period most severely affected by the COVID-19 pandemic due to lock-downs in key markets. As governments are beginning to ease their restrictions, the Group expects that the lockdowns will be lifted step by step and economic activities will slowly return to normal. Given the persistent lack of visibility, the impact on the Group's financial results for the financial year ending December 31, 2020 cannot be quantified at this stage, whilst the timing and profile of recovery from the pandemic remains uncertain. Wienerberger takes various scenarios into consideration. The full year outturn for the financial year ending December 31, 2020 will in particular depend on how quickly governments proceed to ease restrictions and thus permit a step-by-step return to normality as well as the level of demand for Group products by the market in the remaining months of 2020. It is, however, assumed that both revenues and, even more significant, EBITDA for the financial year 2020 will be negatively affected to a significant extent, with negative effects on the EBITDA for the Group's operations in particular in relation to operations with less variable cost structures.

On 14 May 2020, the Issuer published the results for the first three months of 2020. The outbreak of the COVID-19 pandemic in the Group's markets represented a triggering event that led to an impairment test in accordance with IFRS for all assets as of March 31, 2020. The changed market dynamics made it necessary to adjust the Group's assumptions about future developments in some of its markets. Taking various scenarios into account, this review resulted in a total impairment of EUR 116.1 million, which was largely due to the full write-off of EUR 93.6 million goodwill in North America. In addition, impairment losses for the first three months of 2020 were recognized for the same reason on various tangible assets in Russia and selected European markets of the Group totaling EUR 22.5 million. As a result, the Group's operating EBIT fell by 24% to EUR 40.5 million in the first three months of 2020 after EUR 53.1 million the first three months of 2019. Earnings before interest and taxes (EBIT) resulted in a loss of EUR -75.5 million for the first three months of 2020, after a profit of EUR 53.1 million in the first three months of 2019. The impairment lead to a decrease of profit before tax to EUR -84.2 million (first three months of 2019: EUR 43.1 million). Income tax of EUR -19.1 million for the first quarter of 2020 was higher compared to the previous year due to the reduced recognition of tax loss carryforwards. The net result (profit/loss after tax attributable to equity holders of the parent company) turned negative to EUR -106.3 million after EUR 26.8 million for the first quarter of 2019. Taking the impairment into account, earnings per share amounted to EUR -0.94 in the first three months of 2020.

Term structure and liquidity

As of 30 April 2020, out of the Group's available credit lines (available under the Revolving Liquidity Backstop Facility as well as a EUR 400 million syndicated revolving credit facility entered into in 2018) of in aggregate EUR 700 million under syndicated revolving credit facilities, approx. EUR 310 million were drawn, with approx. EUR 390 million being undrawn (source: internal data). Cash and cash equivalents of the Group as of 30 April 2020 amounted to approx. EUR 129 million.

The term structure of financial liabilities (excluding IFRS 16 leases) can be summarized as follows:

	Maturities of financial liabilities (excluding IFRS 16 leases)	**Voluntary maturity under Hybrid Bond 2014**
	***unaudited* (in EUR million)**	***unaudited* (in EUR million)**
2020	116.2	-
2021	80.7	222.2[(1)]
2022	66.0	-
2023	66.3	-
2024 (alternative 1, in case the maturity of the EUR 400 million syndicated revolving credit facility 2018 is extended until 2025)[(2)]	318.3	-
2024 (alternative 2, no extension of the maturity of the EUR 400 million syndicated revolving credit facility 2018 until 2025)[(2)]	628.3	-
2025 (alternative 1, in case the maturity of the EUR 400 million syndicated revolving credit facility 2018 is extended until 2025)[(2)]	339.7	-
2025 (alternative 2, no extension of the maturity of the EUR 400 million syndicated revolving credit facility 2018 until 2025)[(2)]	29.7	-
2026	28.3	-
after 2026	29.6	-

(1) The Hybrid Bond 2014 provide for a first call date in 2021. The Issuer is entitled but not obliged to call the Hybrid Bond 2014. In case the Issuer exercises its call option on the first call date, the amount stated would become payable.

(2) Based on the terms of the EUR 400 million syndicated revolving credit facility 2018, the Issuer is entitled to apply for an extension of the maturity of the credit facility to 2025.

Source: internal data.

Material contracts and insurance

In the ordinary course of its business, the Group enters into numerous contracts with various other entities.

On April 17, 2020, the Issuer entered into the Revolving Liquidity Backstop Facility, i.e. an Austrian law governed EUR 300 million Revolving Liquidity Backstop Facility Agreement, with a term of 18 months to be used for general corporate purposes as liquidity backstop facility. The Revolving Liquidity Backstop Facility was arranged by the Joint Lead Managers and provides for the possibility of the Issuer to draw loans in EUR and other currencies during an availability period of 17 months following the signing date. The Revolving Liquidity Backstop Facility provides for interest payment obligations of the Issuer on the basis of an interest rate benchmark (in case of EUR: EURIBOR) and the agreed margin. The Revolving Liquidity Backstop Facility provides for customary representations to be given by the Issuer, customary cancellation options and for financial covenants to be maintained by the Group (as also included in other of the Group's financing agreements, the ratio of net debt to EBITDA of the Group may not exceed 3.9 years according to the terms of the Revolving Liquidity Backstop Facility, whereas the Issuer's strategy foresees maintaining a level of below 2.5 years at the respective year-ends of financial year). As of the date of this Prospectus, no loans under the Revolving Liquidity Backstop Facility have been drawn. The issue of the Bonds will result in a mandatory cancellation of the Revolving Liquidity Backstop Facility.

Unless disclosed above, the Group has not, however, entered into any material contracts outside the ordinary course of its business, which could result in any Group member being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Bondholders in respect of the Bonds being issued.

Insurance policies have been concluded to cover claims resulting from general liability including product liability, directors' and officers' liability as well as against property damage and business interruptions. The scope of these insurance policies is analyzed regularly based on the maximum cost associated with the insured risk and the relevant insurance premium.

Legal proceedings and investigations

The Issuer and its subsidiaries are party to certain lawsuits and administrative proceedings before various courts and governmental agencies arising from the ordinary course of business involving various contractual, labor and other matters. Legal risks arising from increasingly strict environmental, health and safety standards may result in penalties or claims for damages if these standards are not met. During the 12 months preceding the date of this Prospectus there were no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatening of which the Issuer is aware), which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer or the Group.

IV. INFORMATION ABOUT THE ISSUER

Legal and commercial name, history, company details, LEI

The Issuer is a stock corporation established under Austrian law for an indefinite period, with its registered seat in Vienna, registered with the commercial register at the Commercial Court Vienna under FN 77676 f and its business address at Wienerbergerplatz 1, 1100 Vienna, Austria. The Issuer may be reached at its business address, by phone (+43 (1) 60192-10221) or on its website under www. wienerberger.com.

The Issuer's as well as the Group's commercial name is Wienerberger.

In 1819, the Issuer was founded as "Wienerberger Ziegel-Fabriks und Bau-Gesellschaft" by Alois Miesbach, who purchased the state-owned brickworks at Wienerberg in south Vienna. The Issuer was first registered in the commercial register on April 9, 1869. Also in 1869, with an initial public offering of the Issuer on the Vienna Stock Exchange, the Issuer's capital markets history commenced. In the years of economic regeneration after the Second World War, the Group focused on pioneering work, including the installation of new tunnel kiln systems, and the development of larger bricks as well as new standards in heat insulation for its products. In 1986, the Group commenced its internalization and, following the takeover of the German Oltmanns Group, expanded into Eastern Europe, UK, France, Belgium, Luxembourg and the Netherlands in the 1990s. In 1999, the Group entered the US market, in 2007 the Canadian market and in 2009, a manufacturing site was opened in India. Following on from the global economic crisis, Wienerberger set out a new course of action in 2009, including a comprehensive restructuring to adapt to the new market environment. With the acquisition of 100% of Semmelrock in 2010, the full takeover of Pipelife in 2012 and the acquisition of Tondach Gleinstätten, accompanied by several other purchases, the Group increased its group of companies since 2010. In 2019, the Group celebrated 200 years of existence.

The Issuer's financial year is identical with the calendar year.

The Issuer's legal entity identifier (LEI) is 529900VXIFBHO0SW2I31.

Share capital and major shareholders

The Issuer has a stated and fully-paid share capital of EUR 115,187,982.00, divided into 115,187,982 no-par value ordinary voting bearer shares (*auf Inhaber lautende Stückaktien*), each representing a calculated notional amount of EUR 1.00 of the share capital. Only this class of shares exists. The Issuer's share capital was decreased in 2019 and 2020, following cancellations of previously repurchased own shares: In February 2019, a total of 1,175,268 own shares were cancelled, by which the Issuer's share capital was reduced by a total of EUR 1,175,268.00 effective as of February 18, 2019 to EUR 116,351,496.00. In February 2020, a total of 1,163,514 own shares were cancelled, leading to a further reduction of the Issuer's share capital by a total of EUR 1,163,514.00 effective as of February 18, 2020 to EUR 115,187,982.00.

The Issuer's shares are listed on the Official Market, assigned to trading in the prime market segment, of the Vienna Stock Exchange. No convertible debt securities, exchangeable debt securities or warrant instruments have been issued by the Issuer.

The Issuer is a pure free float company and has no core shareholder. The Issuer assumes that approx. 80% of its shareholders are institutional investors. In accordance with § 130 et seq. of the Austrian Stock Exchange Act 2018, which requires the reporting of changes in significant investments, the Issuer received the following considerable notifications of shareholders:

On August 14, 2018, US-based FMR LLC notified the Issuer of a holding by controlled undertakings of in aggregate 10,267,626 shares/voting rights in the Issuer, representing 8.92% of the total shares/voting rights in the Issuer. The chain of controlled undertakings (portfolio management companies) includes FIAM Holdings Corp, FIAM LLC, Fidelity Institutional Asset Management Trust Company, Fidelity

Management & Research Company, Fidelity Management & Research (Japan) Limited, FMA Co., Inc., Fidelity Management & Research (U.K.) Inc, and FMR Investment Management (UK) Limited. The portfolio management companies do not directly hold the respective shares.

UK-based Marathon Asset Management LLP notified that as of October 1, 2019, a number of funds and accounts managed by portfolio managers (Bank of New York Mellon, BNP Paribas, Brown Brothers Harriman, JP Morgan Chase, Northern Trust, Royal Bank of Canada and State Street Bank & Trust Company, Boston) under the control of Marathon Asset Management LLP collectively hold 5,509,286 voting rights (4.74% of voting rights at that time) of the Issuer and have crossed the 4% threshold of voting rights. According to the notification, Marathon Asset Management LLP controls a total of 6,030,813 shares on behalf of underlying investors but only has authority to vote in connection with 5,509,286 shares.

U.S.-based Teachers Insurance and Annuity Association of America ("**TIAA**") notified that on January 9, 2020, collectively the shareholders College Retirement Equities Fund, TIAA-CREF International Equity Fund, TIAA-CREF Life International Equity Fund, and TIAA-CREF Qnt Intl Small-Cap Equity Fund with attributable shareholdings to TIAA reached the 4% threshold of voting rights in the Issuer and in aggregate held 4,654,064 shares (4.00% of voting rights in the Issuer).

On February 6, 2020, UK based Impax Asset Management Group plc notified that, as of January 31, 2020, the threshold of 4% of voting rights in the Issuer was reached. According to the notification, all 4,655,307 shares held in the Issuer (approx. 4.00% of the Issuer 's share capital) are indirectly attributable to Impax Asset Management Group plc and are held by the shareholders BNP Paribas Aqua (Lux) and BNP Paribas Aqua (France).

Canada-based investment management company Black Creek Investment Management Inc. ("**Black Creek**") reported that, as of March 26, 2020, Black Creek crossed the 4% threshold of voting rights in the Issuer by means of attribution of in aggregate 4,616,810 shares/voting rights (4.01% of shares/voting rights in the Issuer), of which 511,811 (0.44% of shares/voting rights in the Issuer) are directly attributable and 4,104,999 (3.56% of shares/voting rights in the Issuer) are indirectly attributable. The shares are beneficially owned by fourteen separate accounts which Black Creek advises regarding their investment portfolios. None of the funds by itself reaches or exceeds the 4% threshold. The accounts give proxy to Black Creek who can exercise voting rights for the shares in its own discretion pursuant to an investment advisory agreement. According to Black Creek's notification, the shares for which Black Creek exercises voting rights are held by Black Creek Absolute Return Fund, Black Creek Global Focus SMID Fund, Black Creek International Focus Fund, Black Creek International Equity Fund LP, Black Creek Global Balanced Fund, Black Creek Global Balanced Corporate Class, Black Creek International Equity Fund, International Equity Alpha Corporate Class, Select International Equity Managed Fund, Select International Equity Managed Corporate Class, International Equity Alpha Private Pool, Global Equity Alpha Private Pool, Black Creek International Equity CIT and Comcast Corporation Retirement Investment Plan.

Eleva UCITS Fund reported that, on May 21, 2020, Eleva UCITS Fund crossed the 4% threshold of voting rights in the Issuer. According to the notification, Eleva UCITS Fund directly controls 4.785.682 shares/voting rights (4.15% of shares/voting rights in the Issuer).

The remaining shares in the Issuer are held by various investment funds and individuals holding below 4% each. To management's best knowledge, there are no arrangements, the operation of which may at a subsequent date result in a change of control in the Issuer.

The Company itself holds 2,514,134 treasury shares (approx. 2.18% of the total shares issued) as of May 21, 2020. On March 17, 2020, the Issuer announced the Managing Board's decision to buy back up to 1,151,879 shares, corresponding to 1.00% of the Issuer 's share capital, at a price between EUR 1.00 and EUR 44.12 during the period from March 20, 2020, up to and including June 30, 2020. The decision was based on the authorization granted by the 149th annual general meeting on June 14, 2018, which was replaced by a new authorization to buy back shares of the Issuer granted by the Issuer's 151st annual general meeting on May 5, 2020. As of May 21, 2020, share buybacks of in total 743,845 shares (approx. 0.65% of the Issuer's share capital) have been executed on the basis of the Managing Board's decision of

March 17, 2020.

Group of companies

As of December 31, 2019, the Group comprised in total 168 Group companies (162 of which are fully consolidated and six are consolidated at-equity).

Articles of Association and corporate purpose

The Company's business objectives as stated in section 2 of its Articles of Association (as of February 2020; an amendment of certain sections – but not section 2 – of the Articles of Association was resolved by the Issuer's 151st annual general meeting on May 5, 2020 and will enter into force upon registration in the companies register) (the "**Articles of Association**") include:

- the exercise of holding company functions related to companies under its control as a corporate group in accordance with § 15 of the Austrian Stock Corporation Act. The object of business of these group companies comprises in particular the production, purchase and sale of all types of building materials, the pursuance of activities in the construction sector and the operation of filling stations;
- the acquisition of and investment in other companies and corporations, in particular industrial companies, with the same or similar object of business as well as the establishment of branches and subsidiaries in Austria and other countries;
- the performance of administrative, management and consulting duties (in particular in the areas of organization, data processing, insurance, etc.) for other companies and corporations;
- the automatic processing of personal data;
- trade in goods of all kinds.

The Issuer is entitled to engage in any and all transactions that are deemed necessary or expedient for realizing the objects of business, in particular transactions in areas that are similar or related to the objects of its business.

In the Issuer's Articles of Association, the threshold for the qualification of a controlling stake (*kontrollierende Beteiligung*) pursuant to § 22 para 2 of the Austrian Takeover Act (*Übernahmegesetz*) has been lowered in accordance with § 27 para 1 no 1 Austrian Takeover Act from 30% to 20%.

Management

The Issuer has a two-tier board structure, consisting of a Managing Board (*Vorstand*) and a Supervisory Board (*Aufsichtsrat*) (the "**Supervisory Board**"). The business address of the members of the Managing Board and the Supervisory Board is the Issuer's registered office at Wienerbergerplatz 1, 1100 Vienna, Austria. All members of the Managing Board and of the Supervisory Board can be reached at the Issuer's registered office.

Managing Board

Members of the Managing Board are appointed by the Supervisory Board for a maximum period of five years and may be re-appointed. Only those persons may be appointed to the Managing Board who have not reached their 65th birthday on the date of appointment or reappointment. Pursuant to the Articles of Association of the Issuer, the Managing Board consists of up to four members. Currently, the Issuer has three Managing Board members.

The Managing Board is responsible for the executive management and represents the Issuer vis-à-vis third parties. If the Managing Board consists of more than one member, the Issuer is represented either by two members of the Managing Board acting jointly, or by any one member of the Managing Board acting together with an authorized signatory holding a general power of attorney (Prokurist). Subject to statutory restrictions, the Issuer may also be represented by two such authorized signatories.

The following are the names and functions of the Issuer's Managing Board members and their principal business activities performed outside the Issuer with respect to potential conflicts of interest:

Name	Function	Principal business activities performed outside the Issuer
Heimo Scheuch.............	Chairman, Chief Executive Officer (CEO)	Chairman of the Supervisory Board of Wiener Börse AG, Senior Vice President of Construction Products Europe, President of Association of Vienna Stock Exchange Issuers.
Carlo Crosetto	Member, Chief Financial Officer (CFO)	None.
Solveig Menard-Galli	Member, Chief Performance Officer (CPO)	None.

Source: Internal data.

Heimo Scheuch's appointment as member of the Managing Board lasts until (and including) March 31, 2023. Carlo Crosetto has been appointed as member of the Managing Board until (and including) February 28, 2023 and Solveig Menard-Galli's term of appointment last until (and including) May 31, 2022.

Supervisory Board

The Supervisory Board consists of three to ten members elected by the shareholders' meeting (*Hauptversammlung*). In addition, the Issuer's works council has a right to delegate Supervisory Board members under Austrian co-determination rules (one works council member for every two members elected by the general meeting). The Supervisory Board is responsible for supervising the management and internal controls of the Issuer.

The following are the names and functions of the Issuer's current Supervisory Board members and their principal business activities performed outside the Issuer with respect to potential conflicts of interest:

Name	Function	Principal business activities performed outside the Issuer
Peter Johnson................	Chairman	Chairman of the board of directors of Electrocomponents plc, chairman of the remuneration committee of St Edmund Hall, University of Oxford.
Peter Steiner	First Deputy Chairman	Member of the board of directors, chairman of the audit committee and member of the executive committee of Clariant AG, deputy chairman of the supervisory board and chairman of the audit committee of Zeal Network SE, chairman of the supervisory board of Lotto 24 AG, member of the supervisory board of RKW SE, member of the board of directors of RKW Holding SARL.
Myriam Meyer..............	Second Deputy Chairwoman	Member of the supervisory board of KUKA AG, Member of the supervisory board of Lufthansa Technik AG, Member of the board of directors of Bedag Informatik AG, Member of the board of trustees of the Swisscontact Foundation, Member of the industry advisory board of ETH Zurich/ Department of Mechanical Engineering.
David Davies................	Member	Non-executive director and chair of audit committee of Uniper SE, member of the board of directors and chairman of the audit committee and Petrofac Limited, member of the advisory committee of First Alpha Energy LLP.
Regina Prehofer............	Member	Second vice-chairwoman of the supervisory board of AT&S Austria Technologie & Systemtechnik AG, chairwoman of the supervisory board of Wiener Sozialdienste Förderung & Begleitung GmbH, member of the supervisory boards of SPAR Holding AG and SPAR Österreichische Warenhandels-AG and 6B47 Real Estate Investors AG, member of the shareholders' committee of Vamed Engineering GmbH, member of the advisory board of the AWS Venture Capital Initiative, member of the presidents' conference of Österreichisches Rotes Kreuz and member of the board of the foundation Karlheinz und Agnes Essl Privatstiftung, chairwoman of the supervisory body of the Wiener Krankenanstaltenverbund.
Christian Jourquin	Member	Member of the Royal Academy of Belgium, honorary chairman of the executive committee of SOLVAY S.A., chairman of the board of directors of KNDS, honorary member of ING Belgium, member of the board of Innovation Circle, chairman of the board of Theravet and Graftys.

Name	Function	Principal business activities performed outside the Issuer
Oswald Schmid.............	Member	Founder and owner of Sinigual Consulting GmbH, chief operating officer (COO) at Bekaert SA.
Wolfgang Wallner	Member[(1)]	Vice-chairman of the Group Works Council of the Issuer, foreman and works council member at Pipelife Austria GmbH & Co KG.
Claudia Schiroky	Member[(1)]	Chairwoman of the Works Council of the Issuer and of the Central Works Council of the Issuer, vice-chairwoman of the Group Works Council.
Gerhard Seban	Member[(1)]	Chairman of the Works Council at the Hennersdorf plant (Austria), Chairman of the Central Works Council of Wienerberger Österreich GmbH, the Group Works Council and the European Works Council of the Issuer.

(1) Works Council representative.

Source: Internal data.

Peter Johnson and David Davies have both been appointed to serve as members of the Issuer's Supervisory Board until the Issuer's 152nd Annual General Meeting in 2021. The appointment of Peter Steiner and Christian Jourquin, each, last until the Issuer's 153rd Annual General Meeting in 2022. Regina Prehofer, Myriam Meyer and Oswald Schmid have all been appointed as members of the Supervisory Board until the Issuer's 154th Annual General Meeting in 2023.

Conflicts of interest

There are no potential conflicts of interest between the duties of the Managing Board and Supervisory Board members to the Issuer and their private interests or other duties.

Corporate Governance

In accordance with the Articles of Association, the Supervisory Board has established an Audit and Risk Committee which is responsible for (i) monitoring the Group's system of accounting and the effectiveness of its internal control, audit and risk management systems, (ii) monitoring the audit process in a preparatory capacity for the Supervisory Board, and (iii) verifying the independence of the external auditor on an annual basis. One member of the Audit and Risk Committee must be a financial expert with special knowledge and practical experience in finance, accounting and reporting (*Finanzexperte*). Persons who were members of the Managing Board, executives or auditors of the Issuer or persons having certified the consolidated financial statements of the Issuer within the last three years may not be financial expert or chairman of the Audit and Risk Committee. The current members of the Audit Committee are David Davies (chairman), Regina Prehofer, Oswald Schmid and Gerhard Seban.

Further committees of the Supervisory Board include the Remuneration Committee (consisting of Peter Steiner (Chairman), Peter Johnson, Regina Prehofer and Gerhard Seban), which (i) deals with all matters concerning the remuneration of Managing Board and Supervisory Board members, (ii) monitors the remuneration practices and related incentive structures and (iii) develops the remuneration policy for the members of the Managing Board and the Supervisory Board, as well as the Nomination Committee (consisting of Peter Johnson (chairman), Myriam Meyer, Peter Steiner, Christian Jourquin, David Davies and Gerhard Seban) and the Sustainability and Innovation Committee (consisting of Myriam Meyer (chairwoman), Christian Jourquin, Oswald Schmid and Gerhard Seban).

The Nominations Committee is responsible for (i) ensuring compliance of the Supervisory Board structure with national and international legal provisions, (ii) evaluating the qualification of candidates for the Managing Board and the Supervisory Board, (iii) dealing with succession management, (iv) elaborating on proposals for the election of capital representatives to the Supervisory Board on the basis of a defined requirements profile, and (v) preparing decisions on appointments to the Managing Board. The Sustainability and Innovation Committee (i) supports the Managing Board in revising and further developing the Group's sustainability and innovation strategy, (ii) discusses new provisions and global trends in sustainability and innovation management, and (iii) monitors the implementation of the Group's sustainability and innovation strategy.

The Austrian Corporate Governance Code ("**ACGC**") was published by the Austrian Working Group on Corporate Governance, a group of private organizations and individuals in 2002 and was amended most recently in January 2020. The ACGC primarily applies to Austrian stock market-listed companies that undertake to adhere to its principles. The ACGC is based on statutory provisions of Austrian corporate law, securities law and capital markets law ("**Legal Requirements**", "**L Rules**"), which must be complied with. In addition, the ACGC contains rules considered to be a part of common international practice, such as the principles set out in the OECD Principles of Corporate Governance and the recommendations of the European Commission. Rules an issuer should comply with are so-called "Comply or Explain" rules ("**C Rules**"); reasons and explanations for deviations from C Rules must be provided in order to ensure compliance with the ACGC. In addition, the ACGC provides for voluntary rules seen as recommendations only, deviations of which do not require explanations ("**Recommendation**", "**R Rules**"). In 2019, the Issuer complied with the ACGC, including its R Rules, except for two C-Rules ("**Comply or explain**"), where the Issuer deviated slightly from the requirements of the ACGC. For deviations from C-Rule 27 related to the principles of Managing Board compensation and from C Rule 43 related to the chairman of the remuneration committee, the following explanations apply:

C Rule 27 of the ACGC

The Issuer's Supervisory Board aims at designing a transparent and comprehensible remuneration system for the Managing Board of the Issuer and to align the incentive structure with the creation of sustainable values and the achievement of central corporate targets. The definition of the targets for the variable remuneration components therefore hinges on their relevance to the further development of the Group and their measurability. Wienerberger has defined individual targets and measures for the various activities of the Group, which take the specific nature of its business into account. The determination of uniform non-financial targets for the Group as benchmarks for variable remuneration is to meet the following criteria:

(i) The criteria selected should be of high relevance within the framework of a detailed materiality analysis. The materiality analysis serves as a standardized tool for the presentation of non-financial factors within the framework of a company's sustainability communication. It illustrates the influence of external factors, such as the environment, political decisions and technology, in relation to the company and its stakeholders.

(ii) Moreover, the criteria are closely examined for their conformity with the current corporate strategy of the Issuer.

(iii) For a meaningful assessment of target attainment, the criteria must be clearly measurable.

In the course of an update of the materiality analysis in 2020, Wienerberger will elaborate clear non-financial targets for the remuneration of the Managing Board as of 2021. For 2019, the Supervisory Board limited the targets for the variable components of Managing Board remuneration to purely financial indicators, with special emphasis on the long-term development of EBITDA through measures supporting the creation of sustainable values.

C Rule 43 of the ACGC

The provision according to which the Remuneration Committee shall be chaired by the Chairman of the Supervisory Board was nearly complied with. Since the reorganization of the committees of the Supervisory Board in October 2019, the Remuneration Committee has no longer been chaired by the Chairman of the Supervisory Board, but by his First Deputy Peter Steiner. However, Supervisory Board Chairman Peter Johnson is a member of the Remuneration Committee. This decision was taken in the interest of good corporate governance. On the one hand, it was motivated by linguistic reasons, as it was felt that a German-speaking Chairman would be able to conduct contract negotiations with members of the Managing Board more efficiently. On the other hand, it takes account of the fact that Peter Johnson has served on the Supervisory Board for more than ten years, whereas Peter Steiner has been a member for only two years. The decision on a potential deviation from this practice will be taken after the annual evaluation by the Nomination Committee on the basis of the latter's recommendation, depending on the future composition of the Supervisory Board.

Rating of the Issuer

Moody's assigned to the Issuer a "corporate family rating" of Ba1 with a negative outlook (last update: rating affirmation as of May 5, 2020, with a changed outlook from stable to negative).

Ratings are forward-looking opinions about credit risk. General information regarding the meaning of ratings and the qualifications which have to be observed in connection therewith can be found on Moody's website (www. moodys .com). Moody's is registered under Regulation (EC) No. 1060/2009 of the European Parliament and of Council of September 16, 2009 on credit rating agencies as amended by Regulation (EU) No 513/2011 (credit rating agency regulation, the "**CRA Regulation**") as a registered rating agency. Moody's is listed on an updated version of the list of registered credit rating agencies published by the European Securities and Markets Authority on its website (www. esma.europa. eu/supervision/credit-rating-agencies/risk).

A rating is not a recommendation to buy, sell or hold securities and may be suspended, changed or withdrawn at any time by the assigning rating agency.

V. DISCLOSURE FOR THE SECURITIES

Terms and Conditions of the Bonds

The Bonds which are the subject matter of this Prospectus are denominated in Euro in a denomination of EUR 100,000 per Bond. The Bonds constitute unsecured, unconditional and unsubordinated obligations of the Issuer ranking *pari passu* among themselves and with all other present or future unsecured and unsubordinated obligations of the Issuer except for any obligations preferred by mandatory law.

The form and contents of the Bonds and the rights and obligations of the Bondholders and the Issuer shall be governed exclusively by, and construed in accordance with, Austrian law excluding the mandatory provisions of Austrian international private law. To the extent permissible under mandatory Austrian consumer protection laws, the Commercial Court of Vienna shall have exclusive jurisdiction for all disputes which may arise out of or in connection with the Bonds.

Interest on the Bonds will be payable annually, for a period starting on June 4, 2020 (the "**Issue Date**") (inclusive) to (but excluding) the maturity of the Bonds (June 4, 2025). Interest is payable in arrears at June 4 of each calendar year (each an "**Interest Payment Date**"). The first interest payment is due on June 4, 2021 (see § 5 (*Interest*) para (1) of the Terms and Conditions).

During the tenor of these Bonds, the Issuer undertakes, but no longer than until settlement of all amounts for the interest and principal on the Bonds, for certain other present and future indebtedness (see the definition of "**Relevant Debt**" in § 4 (*Negative Pledge*) of the Terms and Conditions) including guarantees or liabilities therefore,

(i) not to create any mortgage, charge, pledge, lien or other form of encumbrance or security interest upon any of its present or future undertaking, assets or revenues; or

(ii) procure that no third parties provide any mortgage, charge, pledge, lien or other form of encumbrance or security interest on the assets of the third party to secure the issued or guaranteed Bonds of the Issuer,

unless, at the same time, the Bondholders are secured equally and ratably by such security.

The Bondholders are creditors of the Issuer with all rights and obligations as can be derived from the statutory provisions and those of the Terms and Conditions. The rights of the Bondholders include the right to annual interest payments and redemption payments by the Issuer at the maturity date. The Bondholders are not entitled to any ordinary termination right but may prematurely terminate the Bonds for cause in case of events described in § 10 (*Termination*) of the Terms and Conditions. The payment of interest and the repayment of principal shall be made by way of crediting the respective amounts to an account held with the respective Bondholder's custodian bank.

The Issuer is entitled to early redeem the Bonds in whole but not in part on any date specified by it (each a "**Call Redemption Date**") pursuant to § 6 (*Redemption*) para 3 of the Terms and Conditions, upon not less than 45 days' nor more than 60 days' prior irrevocable notice of redemption given to the Paying Agent and published in accordance with § 14 of the Terms and Conditions. The redemption must be made at the Call Redemption Amount (as defined below) together with any unpaid interest accrued to (but excluding) the Call Redemption Date (but excluding accrued interest accounted for in the Call Redemption Amount). The "**Call Redemption Amount**" per Bond means the higher of (i) the principal amount per Bond and (ii) the Make-Whole Amount per Bond. The Make-Whole Amount will be an amount calculated by the Paying Agent on the Redemption Calculation Date, which is the tenth Business Day prior to the date on which the Bonds are early redeemed, by discounting the principal amount and the remaining interest payments to the Maturity Date (as defined hereinafter) on an annual basis, assuming a 365-day year or a 366-day year, as the case may be, and the actual number of days elapsed in such year and using the Bund Rate (as defined in the Terms and Conditions) plus 50 basis points.

In addition, §6 (*Redemption*) para 4 of the Terms and Conditions provides for an early redemption at the option of the Issuer at par, entitling the Issuer, upon prior notice, redeem the Bonds in whole, but not in part within the period from (and including) March 4, 2025 to the Maturity Date at the Early Redemption Amount (as defined in § 6 (*Redemption*) para 2 of the Terms and Conditions). Notice of redemption shall be given by the Issuer to the Bondholders in accordance with § 14 of the Terms and Conditions. Such notice shall specify the date fixed for redemption, which shall be not less than 30 nor more than 60 days after the date on which notice is given by the Issuer to the Bondholders.

To the extent not previously redeemed in whole or in part or repurchased and cancelled in accordance with § 6 (*Redemption*) para 2 and § 13 (*Further Issues, Purchases and Cancellation*) para 2 and 3 of the Terms and Conditions, the Bonds shall be redeemed at their final redemption amount on June 4, 2025 (the "**Maturity Date**") at its principal amount and shall be repaid via the account holder for the respective Bondholder (see the repayment provision described in § 6 (*Redemption*) para 1 of the Terms and Conditions). The calculation of the interest on the Bonds is based on actual/actual (pursuant to the calculation method defined by ICMA).

Representation of Bondholders

The Terms and Conditions contain no provisions on the representation of the Bondholders. Under certain conditions, a bondholder trustee (*Kurator*) may be appointed by the competent court upon the request of any interested party (e.g., a bondholder) or upon the initiative of the competent court to represent the joint interests of Bondholders in matters concerning their collective rights in accordance with the Austrian Notes Trustee Act, as amended (*Kuratorengesetz*) as supplemented by the Austrian Notes Trustee Supplementation Act (*Kuratorenergänzungsgesetz*), as amended. In particular, this may occur if insolvency proceedings are initiated against an issuer, in connection with any amendments to the terms and conditions of bonds or changes relating to such issuer, or under other similar circumstances. If a trustee is appointed, it will exercise the collective rights and represent the interests of bondholders and will be entitled to make statements on their behalf which shall be binding on all bondholders.

Denomination, representation and delivery of Bonds

The minimum amount for subscription corresponds to the minimum denomination of the Bonds which is EUR 100,000. For the Bonds, no maximum subscription amount has been set. The Bonds are bearer bonds which will be delivered to those investors who have provided the respective funds required on the Issue Date with their custodian bank (*Depotbank*). Delivery of the Bonds will be made by crediting the allotted Bonds on the respective investors' deposit accounts on the Issue Date (June 4, 2020). In line with § 2 (*Form, Representation, Clearing System and ISIN*) para 2 of the Terms and Conditions, the Bonds will be represented by a modifiable global note (global note pursuant to § 24 lit b Securities Custody Act) (the "**Global Note**"). The Global Note for the Bonds will be deposited with OeKB CSD GmbH, Strauchgasse 1-3, 1010 Vienna, Austria, for the tenor of the Bonds. The Bondholders are entitled to joint ownership stakeholdings in the Global Note which can be transferred within Austria pursuant to the general terms and conditions of OeKB and outside of Austria pursuant to the terms and conditions of Clearstream Banking AG, Clearstream and Euroclear. Bondholders have no right to request individual bond certificates.

ISIN, Paying Agent

The ISIN (International Securities Identification Number) for the Bonds is AT0000A2GLA0.

Raiffeisen Bank International AG, Am Stadtpark 9, 1030 Vienna, Austria, is appointed as Paying Agent for the Bonds and will assume calculation responsibilities in connection with the Bonds as provided for in § 10 (*Termination*) of the Terms and Conditions. The depository agent for the Global Notes of the Bonds is OeKB CSD GmbH, Strauchgasse 1-3, 1010 Vienna, Austria.

Authorisations

The Bonds will be issued by virtue of resolutions (i) by the Issuer's Managing Board dated May 25, 2020 and dated May 28, 2020, and (ii) by the Supervisory Board dated March 27, 2020.

Listing, admission to trading

Application has been made to the Vienna Stock Exchange for the Bonds to be listed and admitted for trading on the Official Market (*Amtlicher Handel*) of the Vienna Stock Exchange, a regulated market pursuant to MiFID II, which is expected to take place on or about June 4, 2020.

The Issuer estimates the total costs and expenses for listing and admission of the Bonds for trading on the Official Market (*Amtlicher Handel*) of the Vienna Stock Exchange will amount to approx. EUR 5,500. The Issuer will not charge any costs, expenses or taxes directly to any investor in connection with the Bonds.

The following table sets forth the bonds issued by the Issuer which are currently listed on regulated markets, taking into account that the Issuer has repaid its EUR 300 million Bond 2013-2020 (ISIN AT0000A100E2) on April 17, 2020:

Instruments	Total amount	Term	Coupon	ISIN	Market
Wienerberger Bond 2018-2024	EUR 250,000,000	2018-2024 (6 years)	2.000%	AT0000A20F93	Vienna Stock Exchange
Wienerberger Hybrid Bond 2014	EUR 272,188,000[(1)]	Indefinite term	Floater, initial coupon 6.50%	DE000A1ZN206	Vienna Stock Exchange

[(1)] The Hybrid Bond 2014 has already been partially bought back. As of the date of this Prospectus, the outstanding principal amount of the Hybrid Bond 2014 amounts to EUR 222,230,000.

Source: Internal Issuer data.

No entities have firm commitments to act as intermediaries in secondary trading.

Subscription of Bonds

BNP Paribas, RBI and UniCredit act as Joint Lead Managers.

A subscription agreement will be entered into between the Issuer and the Joint Lead Managers on June 2, 2020 (the "**Subscription Agreement**"). In the Subscription Agreement, the Issuer will agree to issue and sell to the Joint Lead Managers, and the Joint Lead Managers will agree, subject to certain customary closing conditions, to subscribe and pay for the Bonds on June 4, 2020. The Issuer and the Joint Lead Managers have agreed on a management fee of 0.30% of the principal amount of the Bonds for the Joint Lead Managers and, if applicable, a discretionary fee of up to 0.05% of the principal amount of the Bonds. In addition, the Issuer has agreed to reimburse the Joint Lead Managers in respect of certain of their costs and expenses. The Subscription Agreement may be terminated in certain circumstances prior the Issue Date. In such event, no Bonds will be delivered to investors. Furthermore, the Issuer has agreed to indemnify the Joint Lead Managers against certain liabilities it may incur in connection with the offer and sale of the Bonds.

Interests of natural and legal persons involved in the issue of the Bonds

The Joint Lead Managers are participating in the issue of the Bonds in their ordinary course of business in order to generate management fees and selling fees (see "– *Subscription of Bonds*" above). The Joint Lead Managers and their affiliates have provided and/or may in the future provide various banking, financial advisory and/or similar services to the Group in the ordinary course, and maintain normal business relationships with the Group in their capacity as credit institutions or as lenders under credit facilities for which they have received and may continue to receive customary fees and expenses. On April 17, 2020, the Issuer entered into the Revolving Liquidity Backstop Facility arranged by the Joint Lead Managers. As of the date of this Prospectus, no loans under the Revolving Liquidity Backstop

Facility have been drawn. The issue of the Bonds will result in a mandatory cancellation of the Revolving Liquidity Backstop Facility.

In the ordinary course of their business activities, the Joint Lead Managers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer. The Joint Lead Managers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. Accordingly, it cannot be excluded that the Joint Lead Managers may in the future face conflicts of interest with Bondholders' interests.

There are no interests of natural and legal persons other than the Issuer involved in the issue, including conflicting ones that are material to the issue.

Reasons for the offering of the Bonds and use of proceeds

In connection with the offering of the Bonds, the Issuer expects to receive net proceeds of approx. EUR 396,500,000. The net proceeds of the offering of the Bonds shall in particular be used for general corporate purposes.

Yield of the Bonds

Based on the issue price for the Bonds of 99.425% of their nominal amount, the yield for Bondholders is 2.875% on an annual basis. Such yield is calculated in accordance with the ICMA (International Capital Markets Association) method and based on the issue price of the Bonds. The ICMA method determines the effective interest rate of bonds taking into account accrued interest on a daily basis.

Ratings of the Issuer's debt

Moody's assigned to (i) certain of the Issuer's outstanding long-term debts, including senior unsecured bonds, a long-term rating of Ba1 (last update: rating affirmation as of May 5, 2020) as well as (ii) the subordinated hybrid bonds 2014 of the Issuer a Ba3 rating (last update: rating affirmation at Ba3 as of May 5, 2020).

The Issuer has ordered a rating to be assigned to the Bonds by Moody's. The rating is expected to be Ba1.

Investors should note that in the course of its rating affirmation for the Issuer's Corporate Family Rating of Ba1 as of May 5, 2020, Moody's has changed the outlook from stable to negative.

Ratings are forward-looking opinions about credit risk. General information regarding the meaning of ratings and the qualifications which have to be observed in connection therewith can be found on Moody's website (www. moodys .com). Moody's is registered under Regulation (EC) No. 1060/2009 of the European Parliament and of Council of September 16, 2009 on credit rating agencies as amended by Regulation (EU) No 513/2011 (credit rating agency regulation, the "**CRA Regulation**") as a registered rating agency. Moody's is listed on an updated version of the list of registered credit rating agencies published by the European Securities and Markets Authority on its website (www. esma.europa. eu/supervision/credit-rating-agencies/risk).

A rating is not a recommendation to buy, sell or hold securities and may be suspended, changed or withdrawn at any time by the assigning rating agency.

Selling restrictions

General selling restrictions

Each financial intermediary represents, warrants and undertakes that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Bonds or possesses, distributes or publishes the Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Bonds under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor the Joint Lead Managers shall have any responsibility therefor.

Public offer selling restriction in the EEA

Each of the Joint Lead Managers has represented, warranted and undertaken that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds to any retail investor in the EEA. For the purposes of this provision, the expression "retail investor" means a person who is one (or more) of the following:

a) a retail client as defined in Article 4(1) no. 11 MiFID II; or

b) a customer within the meaning of Directive (EU) 2016/97, as amended (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in Article 4(1) no. 10 MiFID II.

For the purposes of this provision, the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Bonds.

United States

The Bonds have not been and will not be registered under the Securities Act. The Bonds may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons. Each financial intermediary agrees that it will not offer or sell the Bonds as part of their distribution at any time within the United States or to, or for the account or benefit of, U.S. persons and that it will have sent to each dealer to which it sells any Bonds during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S under the Securities Act ("**Regulation S**").

The Bonds will be offered and sold in reliance on Regulation S outside of the United States and to non-United States persons. An offer or sale of Bonds within the United States by a financial intermediary could violate the registration requirements under the Securities Act.

It is assumed that each holder of Bonds has declared that he is aware of the fact that the sale of Bonds takes place under an exemption of the registration requirement provided in Regulation S.

Finally, the Bonds are bearer bonds falling under the provisions of the U.S. tax law. Apart from certain exceptions, Bonds must not be offered, sold or delivered within the United States or to U.S. persons.

United Kingdom of Great Britain and Northern Ireland

Each Joint Lead Manager has represented and agreed that:

a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**")) received by it in connection with the issue or sale of the Bonds in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

VI. TAXATION

The following is a general overview of certain tax consequences under the tax laws of Austria in connection with the Bonds. Information is included herein solely for information purposes. This overview does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase the Bonds. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular purchaser, relates only to the position of persons who are absolute beneficial owners of the Bonds and may not apply to certain classes of persons such as dealers, certain professional investors or persons connected with the Issuer. This overview is based on the laws of Austria (including the practice of the respective tax authorities of such jurisdiction) currently in force and as applied on the date of this Prospectus, which are subject to change, possibly with retroactive or retrospective effect. It is not intended to be, nor should it be construed to be, legal or tax advice.

The Issuer does not assume any responsibility for Austrian withholding tax (Kapitalertragsteuer) in relation to the Bonds at source. Tax risks resulting from the Bonds shall in any case be borne by the investors. For the purposes of the following it is assumed that the Bonds are offered legally and factually to an indefinite number of persons.

General remarks

Individuals having a domicile (*Wohnsitz*) and/or their habitual abode (*gewöhnlicher Aufenthalt*), both as defined in § 26 of the Austrian Federal Fiscal Procedures Act (*Bundesabgabenordnung*), in Austria are subject to income tax (*Einkommensteuer*) in Austria on their worldwide income (unlimited income tax liability; *unbeschränkte Einkommensteuerpflicht*). Individuals having neither a domicile nor their habitual abode in Austria are subject to income tax only on income from certain Austrian sources (limited income tax liability; *beschränkte Einkommensteuerpflicht*).

Corporations having their place of management (*Ort der Geschäftsleitung*) and/or their legal seat (*Sitz*), both as defined in § 27 of the Austrian Federal Fiscal Procedures Act, in Austria are subject to corporate income tax (*Körperschaftsteuer*) in Austria on their worldwide income (unlimited corporate income tax liability; *unbeschränkte Körperschaftsteuerpflicht*). Corporations having neither their place of management nor their legal seat in Austria are subject to corporate income tax only on income from certain Austrian sources (limited corporate income tax liability; *beschränkte Körperschaftsteuerpflicht*).

Special tax rules apply in case the Bonds are held by an investor via an entity which qualifies as a domestic or foreign investment fund. These rules are not discussed herein.

Both in case of unlimited and limited (corporate) income tax liability, Austria's right to tax may be restricted by applicable double taxation treaties.

Austrian tax aspects of the Bonds

Pursuant to § 27 para (1) of the Austrian Income Tax Act (*Einkommensteuergesetz*), the term investment income (*Einkünfte aus Kapitalvermögen*) in particular comprises:

- income from the letting of capital (*Einkünfte aus der Überlassung von Kapital*) pursuant to § 27 para (2) of the Austrian Income Tax Act, including dividends and interest; the tax basis is the amount of the earnings received (§ 27a para (3) no (1) of the Austrian Income Tax Act); and

- income from realized increases in value (*Einkünfte aus realisierten Wertsteigerungen*) pursuant to § 27 para (3) of the Austrian Income Tax Act, including gains from the sale, redemption and other realization of assets that lead to income from the letting of capital; the tax basis amounts to the sales proceeds or the redemption amount minus the acquisition costs, in each case including accrued interest (§ 27a para (3) no (2) lit (a) of the Austrian Income Tax Act).

Also the withdrawal of the Bonds from a securities account (*Depotentnahme*) and circumstances leading to a restriction of Austria's taxation right regarding the Bonds *vis-à-vis* other countries, e.g. a relocation from Austria (*Wegzug*), are in general deemed to constitute a sale (*cf.* § 27 para (6) of the Austrian Income Tax Act). The tax basis in this case amounts to the fair market value minus the acquisition costs (§ 27a para (3) no (2) lit (b) of the Austrian Income Tax Act).

Resident individual Bondholders

Individuals subject to unlimited income tax liability in Austria holding the Bonds as non-business assets are subject to income tax on all resulting investment income pursuant to § 27 para (1) of the Austrian Income Tax Act. In case of investment income from the Bonds with an Austrian nexus (*inländische Einkünfte aus Kapitalvermögen*), basically meaning income paid by an Austrian paying agent (*auszahlende Stelle*) or an Austrian custodian agent (*depotführende Stelle*), the income is subject to withholding tax (*Kapitalertragsteuer*) at a flat rate of 27.5%; no additional income tax is levied over and above the amount of tax withheld (final taxation pursuant to § 97 para (1) of the Austrian Income Tax Act). In case of investment income from the Bonds without an Austrian nexus, the income must be included in the investor's income tax return and is subject to income tax at the flat rate of 27.5%. In both cases upon application the option exists to tax all income subject to income tax at a flat rate pursuant to § 27a para (1) of the Austrian Income Tax Act at the lower progressive income tax rate (option to regular taxation pursuant to § 27a para (5) of the Austrian Income Tax Act). The acquisition costs must not include ancillary acquisition costs (*Anschaffungsnebenkosten;* § 27a para (4) no (2) of the Austrian Income Tax Act). Expenses with a direct economic nexus to income subject to a flat income tax rate pursuant to § 27a para (1) of the Austrian Income Tax Act, such as bank charges and custody fees, must not be deducted (§ 20 para (2) of the Austrian Income Tax Act); this also applies if the option to regular taxation is exercised. § 27 para (8) of the Austrian Income Tax Act, *inter alia*, provides for the following restrictions on the offsetting of losses: negative income from realized increases in value and from derivatives may be neither offset against interest from bank accounts and other non-securitized claims *vis-à-vis* credit institutions (except for cash settlements and lending fees) nor against income from private foundations, foreign private law foundations and other comparable legal estates (*Privatstiftungen, ausländische Stiftungen oder sonstige Vermögensmassen, die mit einer Privatstiftung vergleichbar sind*); income subject to income tax at a flat rate pursuant to § 27a para (1) of the Austrian Income Tax Act may not be offset against income subject to the progressive income tax rate (this equally applies in case of an exercise of the option to regular taxation); negative investment income not already offset against positive investment income may not be offset against other types of income. The Austrian custodian agent has to effect the offsetting of losses by taking into account all of a taxpayer's securities accounts with the custodian agent, in line with § 93 para (6) of the Austrian Income Tax Act, and to issue a written confirmation to the taxpayer to this effect.

Individuals subject to unlimited income tax liability in Austria holding the Bonds as business assets are subject to income tax on all resulting investment income pursuant to § 27 para (1) of the Austrian Income Tax Act. In case of investment income from the Bonds with an Austrian nexus, the income is subject to withholding tax at a flat rate of 27.5%. While withholding tax has the effect of final taxation for income from the letting of capital, income from realized increases in value and income from derivatives must be included in the investor's income tax return (nevertheless income tax at the flat rate of 27.5%). In case of investment income from the Bonds without an Austrian nexus, the income must always be included in the investor's income tax return and is subject to income tax at the flat rate of 27.5%. In both cases upon application the option exists to tax all income subject to income tax at a flat rate pursuant to § 27a para (1) of the Austrian Income Tax Act at the lower progressive income tax rate (option to regular taxation pursuant to § 27a para (5) of the Austrian Income Tax Act). Expenses with a direct economic nexus to income subject to a flat income tax rate pursuant to § 27a para (1) of the Austrian Income Tax Act, such as bank charges and custody fees, must not be deducted (§ 20 para (2) of the Austrian Income Tax Act); this also applies if the option to regular taxation is exercised. Pursuant to § 6 para (2) lit (c) of the Austrian Income Tax Act, depreciations to the lower fair market value and losses from the sale, redemption and other realization of financial assets and derivatives in the sense of § 27 paras (3) and (4) of the Austrian Income Tax Act, which are subject to income tax at the flat rate of 27.5%, are primarily to be offset against income from realized increases in value of such financial assets and derivatives and with appreciations in value of such assets within the same business unit (*Wirtschaftsgüter desselben*

Betriebes); only 55% of the remaining negative difference may be offset against other types of income.

Resident corporate Bondholders

Pursuant to § 7 para (2) of the Austrian Corporate Income Tax Act (*Körperschaftsteuergesetz*), corporations subject to unlimited corporate income tax liability in Austria are subject to corporate income tax on income in the sense of § 27 para (1) of the Austrian Income Tax Act from the Bonds at a rate of 25%. In the case of income in the sense of § 27 para (1) of the Austrian Income Tax Act from the Bonds with an Austrian nexus, the income is subject to withholding tax at a flat rate of 27.5%. However, a 25% rate may pursuant to § 93 para (1a) of the Austrian Income Tax Act be applied by the withholding agent, if the debtor of the withholding tax is a corporation. Such withholding tax can be credited against the corporate income tax liability. Under the conditions set forth in § 94 para (5) of the Austrian Income Tax Act withholding tax is not levied in the first place. Losses from the sale of the Bonds can be offset against other business income.

Non-resident Bondholders

Individuals and corporations subject to limited (corporate) income tax liability in Austria are taxable on investment income from the Bonds if they have a permanent establishment (*Betriebsstätte*) in Austria and the Bonds as well as the income from the Bonds are attributable to such permanent establishment (*cf.* § 98 para (1) no (3) of the Austrian Income Tax Act, § 21 para (1) no (1) of the Austrian Corporate Income Tax Act). Individuals subject to limited income tax liability in Austria are also taxable on Austrian interest within the meaning of § 27 para (2) no (2) of the Austrian Income Tax Act and Austrian accrued interest within the meaning of § 27 para (6) no (5) of the Austrian Income Tax Act if withholding tax is levied on such (accrued) interest (*cf.* § 98 para (1) no (5) lit (b) of the Austrian Income Tax Act). This will not apply, inter alia, to individuals resident in a state with which Austria maintains automatic exchange of information (residence in such state will have to be proven by presentation of a residence certificate). Austrian (accrued) interest within the present context is generally constituted if the debtor of the interest has a residence, place of effective management or seat in Austria or is an Austrian branch of a non-Austrian credit institution, or the securities are issued by an Austrian issuer. Under applicable double taxation treaties, relief from Austrian income tax might be fully or partially available. However, Austrian credit institutions must not provide for such relief at source; instead, the investor may file an application for repayment of tax with the competent Austrian tax office.

Austrian inheritance and gift tax

Austria does not levy inheritance or gift tax.

Certain gratuitous transfers of assets to private law foundations and comparable legal estates (*privatrechtliche Stiftungen und damit vergleichbare Vermögensmassen*) are subject to foundation transfer tax (*Stiftungseingangssteuer*) pursuant to the Austrian Foundation Transfer Tax Act (*Stiftungseingangssteuergesetz*) if the transferor and/or the transferee at the time of transfer have a domicile, their habitual abode, their legal seat or their place of management in Austria. Certain exemptions apply in cases of transfers *mortis causa* of financial assets within the meaning of § 27 paras (3) and (4) of the Austrian Income Tax Act (except for participations in corporations) if income from such financial assets is subject to income tax at a flat rate pursuant to § 27a para (1) of the Austrian Income Tax Act. The tax basis is the fair market value of the assets transferred minus any debts which are economically linked to the assets transferred, calculated at the time of transfer. The tax rate generally is 2.5%, with a higher rate of 25% applying in special cases. Special provisions apply to transfers of assets to entities falling within the scope of the tax treaty between Austria and Liechtenstein.

In addition, there is a special notification obligation for gifts of money, receivables, shares in corporations, participations in partnerships, businesses, movable tangible assets and intangibles if the donor and/or the donee have a domicile, their habitual abode, their legal seat or their place of management in Austria. Not all gifts are covered by the notification obligation: In case of gifts to certain related parties, a threshold of EUR 50,000 per year applies; in all other cases, a notification is obligatory if the value of gifts made exceeds an amount of EUR 15,000 during a period of five years. Furthermore, gratuitous transfers to foundations falling under the Austrian Foundation Transfer Tax Act described above are also exempt from the notification obligation. Intentional violation of the notification obligation may trigger fines of up to 10% of the fair market value of the assets transferred.

Further, gratuitous transfers of the Bonds may trigger income tax at the level of the transferor pursuant to § 27 para (6) of the Austrian Income Tax Act (see above).

VII. DOCUMENTS INCORPORATED BY REFERENCE, MARKET DATA, WEBSITES

Financial Statements

Parts of (i) the German language audited consolidated financial statements of the Issuer as of, and for the years ended, December 31, 2018 and 2019 prepared in accordance with IFRS (including the notes thereto, the "**Audited Consolidated Financial Statements**") and the respective German language auditor's report and (ii) the German language non-audited consolidated interim financial statements as of, and for the three months ended March 31, 2020 (the "**Non-Audited Consolidated Interim Financial Statements**") as well as the English translations of the Audited Consolidated Financial Statements together with the English translations of the respective auditors reports and of the Non-Audited Consolidated Interim Financial Statements are incorporated by reference into this Prospectus and are defined herein as the "**Documents Incorporated by Reference**". This Prospectus should be read and construed in conjunction with the Documents Incorporated by Reference which have been previously published and which have been filed with FMA and shall form part of this Prospectus.

The Issuer has prepared the German language Audited Consolidated Financial Statements and the German language Non-Audited Consolidated Interim Financial Statements in accordance with IFRS. The German language Audited Consolidated Financial Statements as of and for the year ending December 31, 2018 and 2019 were audited by Deloitte Audit Wirtschaftsprüfungs GmbH, Renngasse 1 / Freyung, 1010 Vienna, Austria ("**Deloitte**"), certified public auditors and members of the Austrian Chamber of Tax Advisors and Public Accountants (*Kammer der Steuerberater und Wirtschaftsprüfer*). Deloitte rendered an unqualified audit opinion on the Audited Consolidated Financial Statements as of and for the year ending December 31, 2018 on March 15, 2019 and Deloitte rendered an unqualified audit opinion on the Audited Consolidated Financial Statements as of and for the year ending December 31, 2019 on March 23, 2020. The Consolidated Financial Statements and the respective audit reports are translations of the original German language documents. The Non-Audited Consolidated Interim Financial Statements have not been audited or reviewed (*einer prüferischen Durchsicht unterzogen*).

Cross reference list

The Documents Incorporated by Reference are available at the Issuer's registered office during usual business hours for twelve months from the date of publication of this Prospectus, see *"Documents Available for Inspection"*, and may also be inspected on its website (www.wienerberger.com) under the icons "Investor Relations", "Download Center" (www. wienerberger. com / en / investors / download-center.html). The following sections of the Annual Reports 2019 and 2018 as well as of the Report on the First Quarter of 2020 are incorporated by reference into this Prospectus:

- Wienerberger Management Report and consolidated financial statements (*Lagebericht und konsolidierter Konzernabschluss*) 2019 (German language; https://www.wienerberger.com/content/dam/corp/corporate-website/downloads/investors-downloads/2019/Lagebericht%20und%20konsolidierter%20Konzernabschluss%202019.pdf) and German language auditor's report: (i) the audited annual consolidated financial statements as of, and for the year ended, December 31, 2019 (the "**Audited Annual Consolidated Financial Statements 2019**"): *Konzern-Gewinn- und Verlustrechnung* (consolidated income statement), page 40; *Konzern-Gesamtergebnisrechnung* (consolidated statement of comprehensive income), page 41; *Konzern-Cashflow Statement* (consolidated statement of cash flows), page 42; *Konzernbilanz* (consolidated balance sheet), page 43; *Entwicklung des Konzerneigenkapitals* (consolidated statement of changes in equity), pages 44 to 45; *Konzernanhang* (notes to the consolidated financial statements), pages 46 to 120; *Konzernunternehmen* (group companies), pages 122 to 125; *Bestätigungsvermerk* (independent auditor's report) dated March 23, 2020, pages 126 to 129; and (ii) the sub-sections *Ergebnis- und Bilanzanalyse* (financial review), pages 11 to 19, and *Value Management* (value management), pages 20 to 21, provided for in the *Lagebericht* (Management Report).
- Wienerberger Annual Report (*Geschäftsbericht*) 2018 (German language; https://www.wienerberger.com/content/dam/corp/corporate-website/downloads/investors-

downloads/2018/2018-Wienerberger-Bericht-Jahresergebnisse_DE.pdf) and German language auditor's report: the audited annual consolidated financial statements as of and for the year ended, December 31, 2018 (the "**Audited Annual Consolidated Financial Statements 2018**"): *Konzern-Gewinn- und Verlustrechnung* (consolidated income statement), page 122; *Konzern-Gesamtergebnisrechnung* (consolidated statement of comprehensive income), page 123; *Konzern-Cashflow* Statement (consolidated statement of cash flows), page 124; *Konzernbilanz* (consolidated balance sheet), page 125; *Entwicklung des Konzerneigenkapitals* (consolidated statement of changes in equity), pages 126 to 127; *Konzernanhang* (notes to the consolidated financial statements), pages 128 to 211; *Konzernunternehmen* (group companies), pages 212 to 215; *Bestätigungsvermerk* (independent auditor's report) dated March 15, 2018, page 216 to 218; and (ii) the sub-sections *Ergebnis- und Bilanzanalyse* (financial review), pages 91 to 100, and *Value Management* (value management), page 101, each as provided for in the *Lagebericht* (management report).

- Wienerberger Report on the First Quarter of 2020 (*Bericht zum 1. Quartal 2020*) (German language; https://www.wienerberger.com/content/dam/corp/corporate-website/downloads/investors-downloads/2020/Wienerberger_Q1_2020_Bericht.pdf): *Konzern-Gewinn- und Verlustrechnung* (consolidated income statement), page 13; *Konzernbilanz* (consolidated balance sheet), page 14; *Konzern-Cashflow* Statement (consolidated statement of cash flows), page 15; and *Geschäftssegmente* (operating segments), page 16.

- Wienerberger Management Report and consolidated financial statements (English language translation; https://www.wienerberger.com/content/dam/corp/corporate-website/downloads/investors-downloads/2019/Management%20Report%20and%20Consolidated%20Financial%20Statements%202019.pdf) and English language translation of auditor's report: (i) the audited annual consolidated financial statements as of, and for the year ended, December 31, 2019 (the "**Audited Annual Consolidated Financial Statements 2019**"): consolidated income statement, page 40; consolidated statement of comprehensive income, page 41; consolidated statement of cash flows, page 42; consolidated balance sheet, page 43; consolidated statement of changes in equity, pages 44 to 45; notes to the consolidated financial statements, pages 46 to 120; group companies, pages 122 to 125; independent auditor's report dated March 23, 2020, pages 126 to 129; and (ii) the sub-sections financial review, pages 11 to 19, and value management, pages 20 to 21, each provided for in the Management Report.

- Wienerberger Annual Report 2018 (English language; https://www.wienerberger.com/content/dam/corp/corporate-website/downloads/investors-downloads/2018/2018-Wienerberger-Bericht-Jahresergebnisse_EN.pdf) and English language translation of auditor's report: the audited annual consolidated financial statements as of and for the year ended, December 31, 2018 (the "**Audited Annual Consolidated Financial Statements 2018**"): consolidated income statement, page 122; consolidated statement of comprehensive income, page 123; consolidated statement of cash flows, page 124; consolidated balance sheet, page 125; consolidated statement of changes in equity, pages 126 to 127; notes to the consolidated financial statements, pages 128 to 211; group companies, pages 212 to 215; independent auditor's report dated March 15, 2019, page 216 to 218; and (ii) the sub-sections financial review, pages 91 to 100, and value management, page 101, each provided for in the Management Report.

- Wienerberger Report on the First Quarter of 2020 (English language; https://www.wienerberger.com/content/dam/corp/corporate-website/downloads/investors-downloads/2020/Wienerberger_Q1_2020_Report.pdf): consolidated income statement, page 11; consolidated balance sheet, page 12; consolidated statement of cash flows, page 13; and operating segments, page 14.

Information in the documents above which is not explicitly included in the above list of the Documents Incorporated by Reference is either not relevant for the investor or covered already elsewhere in this Prospectus.

Market and industry data and ratings

This Prospectus includes information regarding market position and industry data for the Group's lines of business, which consists of estimates based on data and reports compiled by third parties and on the Group's knowledge of its sales and markets. In many cases there is no readily available external information (whether from trade associations, government bodies or other organizations) to validate market-related analyses and estimates, requiring the Issuer to rely on internally developed estimates. The Issuer believes that such data are useful in helping investors understand the industry in which the Group operates and the Group's position within the industry.

This Prospectus also presents the Group's credit rating from Moody's. Moody's Investors Service Ltd is established in the European Union and has been registered in accordance with Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended, since October 31, 2011 (credit rating agency regulation, the "**CRA Regulation**"). The European Securities and Markets Authority publishes on its website (www. esma.europa. eu/supervision/credit-rating-agencies/risk) a list of credit rating agencies registered in accordance with the CRA Regulation. A rating is not a recommendation to buy, sell or hold securities and may be suspended, reduced or withdrawn at any time by the assigning rating agency.

The Issuer confirms that the information provided by third parties was accurately reproduced. So far as the Issuer is aware and was able to ascertain from information published by such third parties, no facts were omitted which would render the reproduced information inaccurate or misleading. However, the Issuer has not independently verified such data. In many cases there is also no readily available external information (e.g. by authorities, federations or other organizations) to confirm market related analyses and assumptions which is the reason why the Issuer has to rely on internal estimates. While the Managing Board believes its internal research to be accurate, such research has not been verified by any independent sources and accordingly the Issuer cannot assume any responsibility for its correctness. Management believes that such data is useful to help to understand the business in which the Group operates and the Group's position within its business. Therefore, neither the Issuer nor the Joint Lead Managers assume any responsibility for the correctness of any market share, market position, industry or other data included in this Prospectus. In addition, while the Issuer believes its internal research to be reliable, such research was not verified by any independent sources, including the Joint Lead Managers.

Websites

For the avoidance of doubt, the content of the websites www.wienerberger.com and www.moodys.com and www.esma.europa.eu do not form part of this Prospectus.

VIII. DOCUMENTS AVAILABLE FOR INSPECTION

This Prospectus will be published by making available free of charge copies at the Issuer's registered office at Wienerbergerplatz 1, 1100 Vienna, Austria (Tel: +43 (1) 60192-10221), during usual business hours. Copies of the following documents will be available free of charge at the Issuer's registered office until the end of the validity of the Prospectus:

- the Articles of Association of Wienerberger AG;
- the Prospectus; and
- the Documents Incorporated by Reference.

The information displayed on the Issuer's website other than the Documents Incorporated by Reference do not form a part of this Prospectus nor are they incorporated by reference in this Prospectus, unless explicitly otherwise stated in this Prospectus. The Documents Incorporated by Reference and the Prospectus will also be available on the website of the Issuer (www. wienerberger. com/ en /investors.html).

IX. TERMS AND CONDITIONS OF THE BONDS

EUR 400,000,000 2.750% 2020-2025 Bonds

THE GERMAN TEXT OF THE CONDITIONS OF ISSUE IS LEGALLY BINDING.
THE ENGLISH TRANSLATION IS FOR CONVENIENCE ONLY.

ANLEIHEBEDINGUNGEN

§ 1

EMITTENTIN, GESAMTNENNBETRAG UND STÜCKELUNG

Diese Schuldverschreibungen (die "**Schuldverschreibungen**") der Wienerberger AG (die "**Emittentin**") werden in EUR im Gesamtnennbetrag von EUR 400.000.000 (in Worten: Euro vierhundert Millionen) in einer Stückelung von je EUR 100.000 gemäß diesen Anleihebedingungen (die "**Anleihebedingungen**") begeben.

TERMS AND CONDITIONS

§ 1

ISSUER, AGGREGATE PRINCIPAL AMOUNT AND DENOMINATION

These Bonds (the "**Bonds**") of Wienerberger AG (the "**Issuer**") are being issued in EUR in the aggregate principal amount of EUR 400,000,000 (in words: Euro four hundred million) in denominations of EUR 100,000 pursuant to these terms and conditions (the "**Terms and Conditions**").

§ 2

FORM, VERBRIEFUNG, CLEARINGSYSTEM UND ISIN

(1) *Inhaberschuldverschreibungen*. Die Schuldverschreibungen lauten auf den Inhaber.

(2) *Globalurkunde*. Die Schuldverschreibungen werden zur Gänze durch eine veränderbare Globalurkunde (Sammelurkunde gemäß § 24 lit b Depotgesetz) (die "**Globalurkunde**") verbrieft. Die Globalurkunde ist von vertretungsbefugten Vertretern der Emittentin firmenmäßig gezeichnet und ist von der gemäß diesen Anleihebedingungen bestellten Zahlstelle mit einer Kontrollunterschrift versehen. Der Anspruch auf Ausfolgung einzelner Schuldverschreibungen oder einzelner Zinsscheine ist ausgeschlossen.

(3) *Wertpapiersammelbank*. Die Globalurkunde wird solange von der OeKB CSD GmbH ("**OeKB**") oder einer Rechtsnachfolgerin als Wertpapiersammelbank verwahrt, bis sämtliche Verbindlichkeiten der Emittentin aus den Schuldverschreibungen erfüllt sind.

(4) *Anleihegläubiger, Übertragbarkeit, Clearing System*. Den Inhabern der Schuldverschreibungen (die "**Anleihegläubiger**") stehen Miteigentumsanteile an der Globalurkunde zu, die gemäß den Allgemeinen Geschäftsbedingungen der OeKB und außerhalb der Republik Österreich ausschließlich gemäß den Vorschriften von

§ 2

FORM, REPRESENTATION, CLEARING SYSTEM AND ISIN

(1) *Bearer Bonds*. The Bonds are being issued in bearer form.

(2) *Global Note*. The Bonds are entirely represented by a modifiable global note (global note pursuant to § 24 lit b Austrian Securities Custody Act (*Depotgesetz*)) (the "**Global Note**"). The Global Note shall be signed by authorized representatives of the Issuer and shall be authenticated by the appointed Paying Agent. The right to have definitive Bonds or interest coupons issued is excluded.

(3) *Central depository*. The Global Note will be kept in custody by OeKB CSD GmbH ("**OeKB**") or its legal successor until all obligations of the Issuer under the Bonds have been satisfied.

(4) *Holder of Bonds, Transferability, Clearing System*. The holders of Bonds (the "**Holders**") hold proportionate co-ownership interests in the Global Note, which are transferable pursuant to the general terms and conditions of OeKB and outside the Republic of Austria exclusively pursuant to the conditions of Clearstream

Clearstream Banking AG, Frankfurt am Main, Clearstream Banking, S.A., Luxemburg, Euroclear Bank S.A./N.V. Brüssel, als Betreiberin des Euroclear Systems (Euroclear) (zusammen mit OEKB, das "**Clearingsystem**") übertragen werden können.

(5) *ISIN*. Die International Securities Identification Number oder ISIN lautet AT0000A2GLA0.

§ 3

STATUS

Die Schuldverschreibungen begründen nicht besicherte, unbedingte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen gegenwärtigen oder künftigen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind, mit Ausnahme von Verbindlichkeiten, die nach geltendem zwingenden Recht vorrangig sind.

§ 4

NEGATIVVERPFLICHTUNG

Solange Schuldverschreibungen ausstehen,

(a) wird die Emittentin kein dingliches Sicherungsrecht, keine Hypothek, Belastung, Verpfändung, oder eine andere Belastung oder Sicherungsrecht ("**Sicherheit**") über ihr Unternehmen, gegenwärtiges oder zukünftiges Vermögen oder Einkünfte, zur Gänze oder teilweise, schaffen oder erlauben, dass solche fortbestehen, um eine Relevante Verbindlichkeit oder eine Garantie oder Schadloshaltungsverpflichtung im Hinblick auf eine Relevante Verbindlichkeit zu sichern;

(b) wird die Emittentin dafür sorgen, dass niemand eine Sicherheit über sein Unternehmen, gegenwärtiges oder zukünftiges Vermögen oder Einkünfte, zur Gänze oder teilweise, schafft oder erlaubt, dass eine solche bestehen bleibt, um (i) eine Relevante Verbindlichkeit der Emittentin oder einer Wesentlichen Tochtergesellschaft, oder eine Garantie oder Schadloshaltungsverpflichtung im Hinblick auf eine Relevante Verbindlichkeit der Emittentin oder

Banking AG, Frankfurt am Main, Clearstream Banking, S.A., Luxembourg, Euroclear Bank S.A./N.V. Brussels, as operator of the Euroclear System (Euroclear) (together with OeKB, the "**Clearing System**").

(5) *ISIN*. The ISIN Code (International Securities Identification Number or ISIN) is AT0000A2GLA0.

§ 3

STATUS

The obligations under the Bonds constitute unsecured, unconditional and unsubordinated obligations of the Issuer ranking *pari passu* among themselves and with all other present or future unsecured and unsubordinated obligations of the Issuer except for any obligations preferred by mandatory law.

§ 4

NEGATIVE PLEDGE

So long as any Bonds have not been redeemed,

(a) the Issuer will not create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest ("**Security**") upon the whole or any part of its undertaking, assets or revenues present or future to secure any Relevant Debt, or any guarantee of or indemnity in respect of any Relevant Debt,

(b) the Issuer will procure that no other person creates or permits to subsist any Security upon the whole or any part of the undertaking, assets or revenues present or future of that other person to secure (i) any of the Issuer's Relevant Debt or any Material Subsidiary's Relevant Debt, or any guarantee of or indemnity in respect of any of the Issuer's Relevant Debt or any Material Subsidiary's Relevant Debt, or (ii) where the person in question is a Material einer Wesentlichen Tochtergesellschaft zu besichern, oder (ii) sofern die betroffene Person eine Wesentliche Tochtergesellschaft ist, eine Relevante Verbindlichkeit einer Person, die keine Wesentliche Tochtergesellschaft ist, oder eine Garantie von oder Schadloshaltungsverpflichtung für eine solche Relevante Verbindlichkeit, zu besichern, und

(c) wird die Emittentin dafür sorgen, dass niemand eine Garantie oder Schadloshaltungserklärung für eine Relevante Verbindlichkeit abgibt,

außer, die Verpflichtungen der Emittentin aus den Schuldverschreibungen werden gleichzeitig oder bereits zuvor (i) in gleicher Weise und anteilsmäßig gesichert oder erhalten eine Garantie oder Schadloshaltungsverpflichtung zu im wesentlichen gleichartigen Konditionen, oder (ii) erhalten den Vorteil einer solchen anderen Sicherheit, Garantie oder Schadloshaltung.

"**Relevante Verbindlichkeit**" bedeutet jede gegenwärtige oder zukünftige Verbindlichkeit in der Form von oder verkörpert durch Anleihen, Schuldverschreibungen, Renten, Obligationsanleihen oder andere Wertpapiere, gelistet oder ungelistet, welche zu diesem Zeitpunkt an einer Wertpapierbörse, außerbörslich oder in anderen Wertpapiermärkten notieren oder ordentlich gehandelt werden oder ordentlich notieren oder gehandelt werden könnten sowie Schuldscheindarlehen und Namensschuldverschreibungen (zur Klarstellung: dies beinhaltet keine Kredite).

"**Tochtergesellschaft**" bedeutet ein Unternehmen, das zum jeweiligen Zeitpunkt mittelbar oder unmittelbar unter beherrschendem Einfluss der Emittentin steht oder dessen Nennkapital (oder gleichwertiges) zu mehr als 50% im wirtschaftlichen Eigentum der Emittentin und/oder einer oder mehrerer ihrer Tochtergesellschaften steht. Unter "**beherrschendem Einfluss**" eines anderen Unternehmens zu stehen bedeutet, dass das andere Unternehmen (gleichgültig, ob mittelbar oder unmittelbar, durch Eigentum von Nennkapital, durch den Besitz von Stimmrechten, vertraglich oder auf sonst andere Weise) das Recht hat, alle oder die Mehrheit der Vorstandsmitglieder oder eines anderen Leitungsorgans des beherrschten Unternehmens zu ernennen und/oder sie

Subsidiary, any of the Relevant Debt of any person other than that Material Subsidiary, or any guarantee of or indemnity in respect of any such Relevant Debt and

(c) the Issuer will procure that no other person gives any guarantee of, or indemnity in respect of, any of its Relevant Debt,

unless, at the same time or prior thereto, the Issuer's obligations under the Bonds (i) are secured equally and rateably therewith or benefit from a guarantee or indemnity in substantially identical terms thereto, as the case may be, or (ii) have the benefit of such other security, guarantee or indemnity.

"**Relevant Debt**" means any present or future indebtedness in the form of, or represented by, bonds, notes, debentures, loan stock or other securities, listed or unlisted, which are for the time being, or are capable of being, quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other securities market and promissory note loans (*Schuldscheindarlehen*) and registered bonds (*Namensschuldverschreibungen*) (for the avoidance of doubt, this does not include loans).

"**Subsidiary**" means, at any particular time, a company which is then directly or indirectly controlled, or more than 50% of whose issued equity share capital (or equivalent) is then beneficially owned, by the Issuer and/or one or more of its Subsidiaries. For a company to be "**controlled**" by another means that the other (whether directly or indirectly and whether by the ownership of share capital, the possession of voting power, contract or otherwise) has the power to appoint and/or remove all or the majority of the members of the Board of Directors or other governing body of that company or otherwise controls or has the power to control the affairs and policies of that company.

abzuberufen, oder auf andere Weise beherrschenden Einfluss auszuüben, oder die Möglichkeit hat, die Angelegenheiten und Zielsetzungen des Unternehmens zu bestimmen.

"**Wesentliche Tochtergesellschaft**" bedeutet, für Zwecke dieses § 4 (*Negativverpflichtung*), zu jeder Zeit eine Tochtergesellschaft der Emittentin, (i) deren Umsatzerlöse oder deren Gesamtvermögen (jeweils konsolidiert im Falle, dass eine Tochtergesellschaft ihrerseits eine Tochtergesellschaft hat) nicht weniger als 5% der konsolidierten Gesamtumsatzerlöse bzw. des konsolidierten Gesamtvermögens der Emittentin zusammen mit ihren konsolidierten Tochtergesellschaften darstellen, wobei die jeweiligen Berechnungen mit Hinblick auf die, zum jeweiligen Zeitpunkt, zuletzt geprüften Jahresabschlüsse der Tochtergesellschaft (konsolidiert oder nicht konsolidiert) und die zuletzt geprüften, konsolidierten Jahresabschlüsse der Emittentin und ihrer konsolidierten Tochtergesellschaften durchgeführt werden, oder (ii) der der gesamte oder im Wesentlichen der gesamte Betrieb und das gesamte Vermögen einer Tochtergesellschaft der Emittentin übertragen wird, vorausgesetzt die übertragende Tochtergesellschaft war zum Zeitpunkt der Übertragung ihrerseits eine Wesentliche Tochtergesellschaft.

"**Material Subsidiary**" means, for the purpose of this § 4 (*Negative Pledge*), at any particular time, a Subsidiary of the Issuer (i) whose revenues (consolidated in the case of a Subsidiary which itself has Subsidiaries) or whose total assets (consolidated in the case of a Subsidiary which itself has Subsidiaries) represent not less than 5% of the total consolidated revenues or, as the case may be, consolidated total assets of the Issuer and its consolidated Subsidiaries taken as a whole, all as calculated respectively by reference to the then latest audited accounts (consolidated or, as the case may be, unconsolidated) of the Subsidiary and the then latest audited consolidated accounts of the Issuer and its consolidated Subsidiaries, or (ii) to which is transferred the whole or substantially the whole of the undertaking and assets of a Subsidiary of the Issuer which immediately before the transfer is a Material Subsidiary.

§ 5
ZINSEN

(1) *Zinssatz und Zinszahlungstage*. Die Schuldverschreibungen werden bezogen auf ihren Nennbetrag verzinst, und zwar vom 4. Juni 2020 (der "**Ausgabetag**") (einschließlich) bis zum Fälligkeitstag (wie in § 6(1) definiert) (ausschließlich) mit jährlich 2,750%. Die Zinsen sind nachträglich am 4. Juni eines jeden Jahres zahlbar (jeweils ein "**Zinszahlungstag**"). Die erste Zinszahlung erfolgt am 4. Juni 2021.

(2) *Auflaufende Zinsen*. Falls die Emittentin die Schuldverschreibungen bei Fälligkeit nicht zurückzahlt, endet die Verzinsung der Schuldverschreibungen nicht am Tag der Fälligkeit, sondern erst zu dem Zeitpunkt, an dem Kapital und Zinsen aus oder im Zusammenhang mit den Schuldverschreibungen tatsächlich (rück)bezahlt werden.

(3) *Berechnung der Zinsen für Teile von Zeiträumen*. Sofern Zinsen für einen

§ 5
INTEREST

(1) *Rate of Interest and Interest Payment Dates*. The Bonds shall bear interest on their principal amount from (and including) June 4, 2020 (the "**Issue Date**") to (but excluding) the Maturity Date (as defined in § 6(1)) at the rate of 2.750% per annum. Interest shall be payable in arrears on June 4 of each year (each such date, an "**Interest Payment Date**"). The first payment of interest shall be made on June 4, 2021.

(2) *Accrual of Interest*. If the Issuer fails to redeem the Bonds when due, the Bonds shall not cease to bear interest on the due date, but on the date when (re)payment of the principal amount and interest from or in connection with the Bonds is effected.

(3) *Calculation of Interest for Partial Periods*. If interest is required to be calculated for a

Zeitraum von weniger als einem Jahr zu berechnen sind, erfolgt die Berechnung auf der Grundlage des Zinstagequotienten (wie nachfolgend definiert).

period of less than a full year, such interest shall be calculated on the basis of the Day Count Fraction (as defined below).

(4) *Zinstagequotient*. "**Zinstagequotient**" bedeutet die tatsächliche Anzahl der Tage im relevanten Zeitraum ab dem letztvorangegangenen Zinszahlungstag (oder, wenn es keinen solchen gibt, dem Ausgabetag) (jeweils einschließlich) bis zum relevanten Zahlgeschäftstag (ausschließlich) geteilt durch die Anzahl der Tage (365 bzw. 366) im Zeitraum vom letzten Zinszahlungstag (oder, wenn es keinen solchen gibt, dem Ausgabetag) (jeweils einschließlich) bis zum nächstfolgenden Zinszahlungstag (ausschließlich) (Actual/Actual (ICMA)).

(4) *Day Count Fraction*. "**Day Count Fraction**" means the actual number of days in the relevant period from the preceding Interest Payment Date (or, if there is no preceding Interest Payment Date, the Issue Date) (each inclusive) to the relevant Payment Business Date (exclusive) divided by the number of days (365 or 366) in the period from the preceding Interest Payment Date (or, if there is no preceding Interest Payment Date, the Issue Date) (each inclusive) to the following Interest Payment Date (exclusive) (Actual/Actual (ICMA)).

§ 6
RÜCKZAHLUNG

(1) *Rückzahlung bei Endfälligkeit*. Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Schuldverschreibungen zu ihrem Rückzahlungsbetrag am 4. Juni 2025 (der "**Fälligkeitstag**") zurückgezahlt. Der "**Rückzahlungsbetrag**" entspricht dem Nennbetrag der Schuldverschreibungen. Die Schuldverschreibungen können durch die Emittentin nur in Übereinstimmung mit diesem § 6 zurückgezahlt werden.

(2) *Rückzahlung aus steuerlichen Gründen*. Die Schuldverschreibungen können jederzeit zur Gänze, jedoch nicht teilweise, nach Wahl der Emittentin, mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen gegenüber den Anleihegläubigern (mit unwiderruflicher Benachrichtigung) zum Vorzeitigen Rückzahlungsbetrag zurückgezahlt werden, wenn (i) die Emittentin verpflichtet ist oder verpflichtet sein wird, zusätzliche Beträge, wie in § 9(1) vorgesehen oder auf die in § 9(1) hingewiesen wird, zu bezahlen, sofern diese Zahlung das Ergebnis einer Veränderung oder Abänderung von Gesetzen oder Rechtsvorschriften in Österreich oder einer politischen Untereinheit oder einer ihrer Behörden, welche die Befugnis hat, Steuern einzuheben, ist, oder eine Änderung in der Anwendbarkeit oder offiziellen Auslegung von solchen Gesetzen und Rechtsvorschriften erfolgt, und (ii) diese Verpflichtung durch die

§ 6
REDEMPTION

(1) *Redemption at Maturity*. Unless previously redeemed in whole or in part or purchased and cancelled, the Bonds shall be redeemed at their Final Redemption Amount on June 4, 2025 (the "**Maturity Date**"). The "**Final Redemption Amount**" shall be the principal amount of the Bonds. The Bonds may not be redeemed at the option of the Issuer other than in accordance with this § 6.

(2) *Redemption for taxation reasons*. The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Holders (which notice shall be irrevocable), at their Early Redemption Amount, if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in § 9(1) as a result of any change in, or amendment to, the laws or regulations of Austria or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it.

Emittentin nicht durch die Ergreifung von vernünftigen Maßnahmen, die ihr zur Verfügung stehen, abgewendet werden kann.

Eine solche Benachrichtigung über die Rückzahlung soll nicht früher als 90 Tage vor dem frühesten Termin, an dem die Emittentin verpflichtet wäre, solche zusätzlichen Beträge zu bezahlen, erfolgen, falls eine Zahlung im Hinblick auf die Schuldverschreibungen dann fällig ist.

No such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due.

Vor der Veröffentlichung einer Bekanntgabe der Rückzahlung gemäß diesem § 6 soll die Emittentin an die Zahlstelle eine von zwei zeichnungsberechtigten Vertretern der Emittentin unterzeichnete Bestätigung liefern, in welcher festgehalten wird, dass die Emittentin berechtigt ist, die Rückzahlung durchzuführen und in der eine Darstellung der Tatsachen enthalten ist, wonach die aufschiebenden Bedingungen im Hinblick auf das Recht der Emittentin, die Schuldverschreibungen zurückzuzahlen, eingetreten sind, sowie ein Gutachten eines unabhängigen anerkannten Steuerrechtsexperten dahingehend, dass die Emittentin verpflichtet ist oder sein wird, solche zusätzlichen Beträge als Ergebnis einer solchen Änderung oder Abänderung zu bezahlen.

Prior to the publication of any notice of redemption pursuant to this § 6, the Issuer shall deliver to the Paying Agent a certificate signed by two authorized signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent tax expert of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

Der "**Vorzeitige Rückzahlungsbetrag**" einer Schuldverschreibung entspricht dem Rückzahlungsbetrag zuzüglich bis zum Tag (ausschließlich) der vorzeitigen Rückzahlung aufgelaufener Zinsen.

"**Early Redemption Amount**" of a Bond shall be the Final Redemption Amount, including interest accrued to the date (exclusive) of early redemption.

(3) *Vorzeitige Rückzahlung nach Wahl der Emittentin (Make Whole)*. Die Emittentin kann die Schuldverschreibungen insgesamt, jedoch nicht teilweise, nach ihrer Wahl mit einer Kündigungsfrist von mindestens 45 und höchstens 60 Tagen durch Erklärung gegenüber der Zahlstelle und gemäß § 14 gegenüber den Anleihegläubigern kündigen und an einem von ihr anzugebenden Tag (dem jeweiligen "**Wahl-Rückzahlungstag (Call)**") zu ihrem Wahl-Rückzahlungsbetrag (Call) (wie nachstehend definiert) zusammen mit allen nicht gezahlten Zinsen zurückzahlen, die bis zum Wahl-Rückzahlungstag (Call) (ausschließlich) (aber ohne aufgelaufene Zinsen, die in dem Wahl-Rückzahlungsbetrag (Call) berücksichtigt sind) aufgelaufen sind. Die

(3) *Early Redemption at the option of the Issuer (Make Whole)*. The Issuer may, upon not less than 45 days' nor more than 60 days' prior notice of redemption given to the Paying Agent and, in accordance with § 14, to the Bondholders, redeem on any date specified by it (each a "**Call Redemption Date**"), at its option, the Bonds in whole but not in part, at their Call Redemption Amount (as defined below) together with any unpaid interest accrued to (but excluding) the Call Redemption Date (but excluding accrued interest accounted for in the Call Redemption Amount). Any such notice shall be given in accordance with § 14. It shall be irrevocable and must specify the Call

Mitteilung einer solchen Kündigung hat gemäß § 14 zu erfolgen. Sie ist unwiderruflich und muss den Wahl-Rückzahlungstag (Call) angeben, an dem die betreffenden Schuldverschreibungen zurückgezahlt werden.

Redemption Date on which such Bonds are to be redeemed.

Der "**Wahl-Rückzahlungsbetrag (Call)**" je Schuldverschreibung entspricht (i) dem Nennbetrag je Schuldverschreibung oder (ii), falls höher, dem Abgezinsten Marktpreis (*Make-Whole Amount*) je Schuldverschreibung.

The "**Call Redemption Amount**" per Bond means the higher of (i) the principal amount per Bond and (ii) the Make-Whole Amount per Bond.

Der "**Abgezinste Marktpreis (Make-Whole Amount)**" wird von der Zahlstelle am Rückzahlungs-Berechnungstag berechnet, indem der Nennbetrag und die verbleibenden Zinszahlungen bis zum Fälligkeitstag auf jährlicher Basis unter Zugrundelegung eines Jahres mit 365 bzw. 366 Tagen und der Zahl der tatsächlich in dem Jahr verstrichenen Tage und mit der Bund-Rendite (wie nachstehend definiert) plus 50 Basispunkte abgezinst werden.

The "**Make-Whole Amount**" will be an amount calculated by the Paying Agent on the Redemption Calculation Date by discounting the principal amount and the remaining interest payments to the Maturity Date on an annual basis, assuming a 365-day year or a 366-day year, as the case may be, and the actual number of days elapsed in such year and using the Bund Rate (as defined below) plus 50 basis points.

"**Bund-Rendite**" meint den Durchschnittswert von vier Quotierungen von Referenzbanken für die Mid-market Jahresrendite der Referenzverbindlichkeit (wie nachstehend definiert) am vierten Geschäftstag vor dem Rückzahlungs-Berechnungstag um 11.00 Uhr Mitteleuropäischer Zeit.

The "**Bund Rate**" shall be the average of the four quotations given by the Reference Dealers of the mid-market annual yield to maturity of the Reference Security on the fourth (4th) Business Day preceding the Make-Whole Redemption Date at 11.00 a.m. (Central European time (CET))

Sofern die Referenzverbindlichkeit zu diesem Zeitpunkt nicht mehr aussteht, wird die Zahlstelle am dritten Geschäftstag vor dem Rückzahlungs-Berechnungstag um 11.00 Uhr Mitteleuropäischer Zeit ein Ähnliches Wertpapier (wie nachstehend definiert) bestimmen und die Emittentin und die Anleihegläubiger gemäß § 14 davon informieren.

If the Reference Security is no longer outstanding, a Similar Security will be chosen by the Principal Paying Agent at 11.00 a.m. (CET) on the third (3rd) business day in London preceding the Make-Whole Redemption Date, quoted in writing by the Paying Agent to the Issuer and notified to the Bondholders in accordance with § 14.

"**Referenzbanken**" meint vier von der Zahlstelle bestimmte Kreditinstitute, die erstklassige Händler Europäischer Staatsanleihen sind.

"**Reference Dealers**" means each of the four banks selected by the Paying Agent which are primary European government security dealers.

"**Referenzverbindlichkeit**" meint die 0,0% deutsche Bundesanleihe fällig am 11. April 2025.

"**Reference Security**" means the 0.0% German Bundesanleihe due on April 11, 2025.

"**Ähnliches Wertpapier**" meint eine Schuldverschreibung mit einer tatsächlichen oder interpolierten Laufzeit, die der

"**Similar Security**" means a reference bond or reference bonds having an actual or interpolated maturity comparable with

Restlaufzeit der Schuldverschreibungen entspricht und die zum Auswahlzeitpunkt nach üblicher Finanzpraxis verwendet werden würde, um Neuemissionen von Unternehmensanleihen mit einer der Restlaufzeit der Schuldverschreibungen vergleichbaren Laufzeit zu bepreisen.

the remaining term of the Bonds that would be used, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Bonds.

"**Rückzahlungs-Berechnungstag**" ist der zehnte Geschäftstag vor dem Tag, an dem die Schuldverschreibungen gemäß diesem Absatz (3) zurückgezahlt werden.

"**Redemption Calculation Date**" means the tenth Business Day prior to the date on which the Bonds are redeemed in accordance with this paragraph (3).

(4) *Vorzeitige Rückzahlung nach Wahl der Emittentin (Pari)*. Die Emittentin kann, nachdem sie gemäß nachstehendem Absatz gekündigt hat die Schuldverschreibungen insgesamt, jedoch nicht teilweise innerhalb des Zeitraums vom 4. März 2025 (einschließlich) bis zum Fälligkeitstag zum Vorzeitigen Rückzahlungsbetrag (wie in § 6 (2) definiert) zurückzahlen.

(4) *Early Redemption at the option of the Issuer (at par)*. The Issuer may, upon notice given as set out below, redeem the Bonds in whole, but not in part within the period from (and including) March 4, 2025 to the Maturity Date at the Early Redemption Amount (as defined in § 6 (2)).

Die Kündigung ist den Anleihegläubigern durch die Emittentin gemäß § 14 bekanntzugeben. Sie beinhaltet die Angabe des für die Rückzahlung festgesetzten Tages, der nicht weniger als 30 und nicht mehr als 60 Tage nach dem Tag der Kündigung durch die Emittentin gegenüber den Anleihegläubigern liegen darf.

Notice of redemption shall be given by the Issuer to the Bondholders in accordance with § 14. Such notice shall specify the date fixed for redemption, which shall be not less than 30 nor more than 60 days after the date on which notice is given by the Issuer to the Bondholders.

§ 7
ZAHLSTELLE

§ 7
PAYING AGENT

(1) *Bestellung*. Die anfänglich gemäß gesonderter Zahlstellenvereinbarung bestellte "**Zahlstelle**" mit ihrer anfänglich bezeichneten Geschäftsstelle lautet wie folgt:

Raiffeisen Bank International AG, Am Stadtpark 9, 1030 Vienna, Austria

(1) *Appointment.* The initial "**Paying Agent**" with its initial specified business address which was appointed pursuant to a separate paying agency agreement is:

Raiffeisen Bank International AG, Am Stadtpark 9, 1030 Vienna, Austria

(2) *Änderung der Bestellung oder Abberufung*. Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Zahlstelle zu ändern oder zu beenden und ein anderes Kreditinstitut mit Sitz im Inland, das nach den Vorschriften des österreichischen Bankwesengesetzes konzessioniert ist und dessen Bestimmungen unterliegt, als Zahlstelle zu bestellen. Die Emittentin wird zu jedem Zeitpunkt eine Zahlstelle unterhalten und, solange die Schuldverschreibungen an der Wiener Börse

(2) *Variation or Termination of Appointment*. The Issuer reserves the right at any time to vary or terminate the appointment of the Paying Agent and to appoint another credit institution with its seat in Austria, which is duly licensed in accordance with the Austrian Banking Act (*Bankwesengesetz*) and subject to the provisions of the Austrian Banking Act, as Paying Agent. The Issuer shall at all times maintain a Paying Agent and, as long as the Bonds are listed on the Vienna Stock Exchange, the

notieren, hat dies eine Zahlstelle zu sein, die den Regeln der Wiener Börse entspricht. Eine Änderung, Abberufung, Bestellung oder ein sonstiger Wechsel der Zahlstelle wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Anleihegläubiger hierüber gemäß § 14 vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen informiert wurden.

Paying Agent has to be selected as requested by the rules of the Vienna Stock Exchange. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Holders in accordance with § 14.

(3) *Beauftragte der Emittentin*. Die Zahlstelle handelt ausschließlich als Beauftragte der Emittentin und übernimmt keinerlei Verpflichtungen gegenüber den Anleihegläubigern. Es wird kein Auftrags- oder Treuhandverhältnis zwischen ihr und den Anleihegläubigern begründet.

(3) *Agents of the Issuer*. The Paying Agent acts solely as agent of the Issuer and does not have any obligations towards the Holders. No relationship of agency or trust shall be constituted between the Paying Agent and the Holders.

§ 8

ZAHLUNGEN

(1) *Zahlung von Kapital*. Zahlungen von Kapital auf die Schuldverschreibungen erfolgen nach Maßgabe des nachstehenden Absatzes (6) (*Zahlgeschäftstag*) über die Zahlstelle zur Weiterleitung an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems.

(2) *Zahlung von Zinsen*. Die Zahlung von Zinsen auf Schuldverschreibungen erfolgt nach Maßgabe von Absatz (6) (*Zahlgeschäftstag*) über die Zahlstelle zur Weiterleitung an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems.

(3) *Zahlungsweise*. Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften erfolgen zu leistende Zahlungen auf die Schuldverschreibungen in EUR.

(4) *Erfüllung*. Die Emittentin wird von ihrer Zahlungspflicht befreit, sobald die jeweilige Zahlung über die Zahlstelle an das Clearingsystem auf dem Konto des Anleihegläubigers gutgeschrieben wurde.

(5) *Depotführende Stelle*. Die Gutschrift der Zins- und Tilgungszahlungen erfolgt über die jeweilige für den Anleihegläubiger depotführende Stelle.

§ 8

PAYMENTS

(1) *Payment of Principal*. Payment of principal in respect of Bonds shall be made, subject to paragraph (6) (*Payment Business Date*), via the Paying Agent to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.

(2) *Payment of Interest*. Payment of interest on Bonds shall be made, subject to paragraph (6) (*Payment Business Date*), via the Paying Agent to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.

(3) *Manner of Payment*. Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Bonds shall be made in EUR.

(4) *Discharge*. The Issuer shall be discharged once the respective payment to, or to the order of, the Clearing System via the Paying Agent, is credited to the account of the Holder.

(5) *Custodian Bank*. Principal and interest on the Bonds will be credited through the individual custodian banks of the Holders.

(6) *Zahlgeschäftstag.* Fällt der Fälligkeitstag einer Zahlung in Bezug auf eine Schuldverschreibung auf einen Tag, der kein Zahlgeschäftstag ist, dann hat der Anleihegläubiger keinen Anspruch auf Zahlung vor dem nächsten Zahlgeschäftstag am jeweiligen Geschäftsort. Der Anleihegläubiger ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund dieser Verspätung zu verlangen.

Für diese Zwecke bezeichnet "**Zahlgeschäftstag**" einen Tag (außer einem Samstag oder Sonntag) an dem das Clearingsystem sowie alle betroffenen Bereiche des Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET2) betriebsbereit sind, um die betreffende Zahlung in Euro abzuwickeln.

(6) *Payment Business Day*. If the date for payment of any amount in respect of any Bond is not a Payment Business Day then the Holder shall not be entitled to payment until the next such Payment Business Day in the relevant place. A Holder shall not be entitled to further interest or other payment in respect of such delay.

For these purposes, "**Payment Business Day**" means a day (other than a Saturday or a Sunday) on which the Clearing System and all relevant parts of the Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET2) are operational to forward the relevant payment in Euro.

§ 9
STEUERN

(1) Alle in Bezug auf die Schuldverschreibungen von der Emittentin zahlbaren Kapital- oder Zinsbeträge werden ohne Einbehalt oder Abzug an der Quelle für oder wegen gegenwärtiger oder zukünftiger Steuern, Abgaben oder Gebühren bzw. Veranlagungen gleich welcher Art gezahlt, die von Österreich oder einer politischen Untergliederung oder einer Steuerbehörde Österreichs im Wege des Einbehalts oder des Abzugs auferlegt, einbehalten oder erhoben werden, es sei denn, die Emittentin ist zu einem solchen Einbehalt oder Abzug gesetzlich verpflichtet. In diesem Fall wird die Emittentin diejenigen zusätzlichen Beträge ("**Zusätzliche Beträge**") zahlen, die erforderlich sind, damit die den Anleihegläubigern zufließenden Nettobeträge nach diesem Einbehalt oder Abzug jeweils den Beträgen an Kapital und Zinsen entsprechen, die ohne einen solchen Einbehalt oder Abzug oder Einbehalt von den Anleihegläubigern erhalten worden wären; jedoch sind solche Zusätzlichen Beträge nicht zu zahlen, falls:

(a) Steuern, Abgaben oder Gebühren auf andere Weise als durch Abzug oder Einbehalt durch die Emittentin an der Quelle für Zahlungen auf die Schuldverschreibungen zu entrichten sind; oder

(b) Steuern, Abgaben oder Gebühren deswegen zu entrichten sind, weil ein

§ 9
TAXATION

(1) All payments of principal and interest in respect of the Bonds by the Issuer shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Austria or any authority therein or thereof having power to tax, unless the Issuer is required by law to make such withholding or deduction. In that event, the Issuer shall pay such additional amounts (the "**Additional Amounts**") as shall result in receipt by the Holders of such amounts as would have been received by them had no such withholding or deduction been required, except that no Additional Amounts shall be payable with respect to any Bonds if:

(a) taxes, duties or charges are to be paid otherwise than by withholding or deduction at the source by the Issuer for payments under the Bonds; or

(b) taxes, duties or charges are to be paid as a result of the fact that a Holder has

Anleihegläubiger zur Republik Österreich eine andere aus steuerlicher Sicht relevante Verbindung hat oder zum Zeitpunkt des Erwerbs der Schuldverschreibungen hatte, als den bloßen Umstand, dass er Anleihegläubiger ist oder dies zum Zeitpunkt des Erwerbs der Schuldverschreibungen war; oder

no relationship to the Republic of Austria from a tax perspective or having had such relationship at the time of purchase of the Bonds other than the mere holding of the Bonds, and is thus liable to pay duties and taxes; or

(c) die in der Republik Österreich geltende Kapitalertragsteuer in ihrer jeweiligen Form (oder eine an deren Stelle tretende Steuer) von einer Zahlstelle einbehalten wird; oder

(c) the withholding tax (or any other tax replacing such tax) applicable in the Republic of Austria is being withheld by a paying agent; or

(d) Steuern, Abgaben oder Gebühren nicht zahlbar wären, wenn der Anleihegläubiger den Anspruch auf die betreffende Zahlung von Kapital oder Zinsen ordnungsgemäß innerhalb von 30 Tagen nach dem jeweiligen Fälligkeitstag geltend gemacht hätte; oder

(d) taxes, duties or charges were not payable had the Holder duly claimed the respective payment of principal or interest within 30 days after the date of the respective payment was due; or

(e) Steuern, Abgaben oder Gebühren nach Zahlung durch die Emittentin im Rahmen des Transfers an die jeweiligen Anleihegläubiger abgezogen oder einbehalten werden; oder

(e) taxes, duties or charges are withheld or deducted after payment by the Issuer in the course of the transfer to the relevant Holder; or

(f) Steuern, Abgaben oder Gebühren aufgrund von Rechtsnormen der Republik Österreich, einer EU-Richtlinie oder EU-Verordnung oder eines internationalen Abkommens oder eines informellen Abkommens, dessen Partei(en) die Republik Österreich und/oder die Europäische Union ist/sind, rückerstattbar oder an der Quelle entlastbar wären; oder

(f) taxes, duties or charges are reimbursable or dischargeable at source pursuant to the laws of the Republic of Austria, an EU directive or EU regulation or an international treaty or informal treaty to which the Republic of Austria and/or the European Union is/are a party; or

(g) Steuern, Abgaben oder Gebühren wegen einer Rechtsänderung einbehalten oder abgezogen werden, die später als 30 Tage nach Fälligkeit der betreffenden Zahlung, oder – wenn die Zahlung später erfolgt – nach ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß § 14 (*Mitteilungen*) der Anleihebedingungen, wirksam wird; oder

(g) taxes, duties or charges are withheld or deducted due to a change of law, such change becoming effective later than 30 days after the due date of the respective payment, or in case such payment is made later, after duly provision of all due amounts and a respective notice in accordance with § 14 (*Notices*) of the Terms and Conditions; or

(h) Steuern, Abgaben oder Gebühren von einer auszahlenden Stelle aufgrund der

(h) taxes, duties or charges were withheld or deducted by a vom Rat der Europäischen Union am 3. Juni 2003 erlassenen Richtlinie im Bereich der Besteuerung von Zinserträgen (Richtlinie 2003/48/EG des Rates) oder einer zukünftig erlassenen Richtlinie, die eine vergleichbare Besteuerung vorsieht einbehalten oder abgezogen wurden, oder aufgrund von Rechts- und Verwaltungsvorschriften, welche zur Umsetzung solcher Richtlinien erlassen wurden – eine der EU-Quellensteuer ähnliche Steuer ist daher jedenfalls keine Steuer, für die seitens der Emittentin Zusätzliche Beträge zu zahlen sind; oder

(i) Steuern, Abgaben oder Gebühren von einer auszahlenden Stelle einbehalten oder abgezogen werden, wenn die Zahlung von einer anderen auszahlenden Stelle ohne den Einbehalt oder Abzug hätte vorgenommen werden können; oder

(j) ein Anleihegläubiger Steuern, Abgaben oder Gebühren nicht unterläge, sofern er zumutbarer Weise Steuerfreiheit oder eine Steuererstattung oder eine Steuervergütung hätte erlangen können; oder

(l) jegliche Kombination der vorstehenden Absätze (a)-(j).

disbursement agent pursuant to Council Directive 2003/48/EC of June 3, 2003 on the taxation of savings income in the form of interest payments or any newly issued directive, which provides for a similar taxation, or due to statutory or administrative provisions enacted for the implementation of such directive – tax similar to EU withholding tax in any case does not constitute tax for which the Issuer is obliged to pay Additional Amounts; or

(i) taxes, duties or charges are withheld or deducted by a disbursement agent, if such payment could have been effected by another disbursement agent without such withholding or deduction; or

(j) taxes, duties or charges would not have to be paid by a Holder if it could have obtained tax exemption, tax restitution or tax rebate in a reasonable way; or

(l) any combination of items (a)-(j) above.

§ 10
KÜNDIGUNG

(1) *Kündigungsrecht*. Ein ordentliches Kündigungsrecht der Anleihegläubiger besteht nicht. Das Recht zur außerordentlichen Kündigung aus wichtigem Grund bleibt hiervon unberührt.

(2) *Außerordentliche Kündigung*. Jeder Anleihegläubiger ist berechtigt, seine Schuldverschreibungen aus wichtigem Grund zu kündigen und deren sofortige Rückzahlung zum Vorzeitigen Rückzahlungsbetrag zu verlangen. Im Fall von Absatz (i) ist jeder Anleihegläubiger berechtigt, die Rückzahlung zum Erhöhten Rückzahlungsbetrag zu verlangen. Ein wichtiger Grund ist insbesondere gegeben, falls:

§ 10
TERMINATION

(1) *Termination right*. Holders have no ordinary right to terminate the Bonds. The right to terminate the Bonds for cause shall remain unaffected.

(2) *Termination for cause*. Each Holder shall be entitled to declare his Bonds due for good cause and demand immediate redemption thereof at the Early Redemption Amount. In case of paragraph (i), each Holder shall be entitled to demand immediate redemption at the Increased Redemption Amount. A good cause, without limitation, exists if:

(a) die Emittentin Kapital oder Zinsen nicht innerhalb von 14 Tagen nach dem jeweiligen Fälligkeitstag zahlt; oder

(b) die Emittentin eine wesentliche Verpflichtung aus den Schuldverschreibungen nicht erfüllt und diese Nichterfüllung länger als 45 Tage nachdem die Zahlstelle hierüber eine Benachrichtigung von einem Anleihegläubiger erhalten hat fortdauert; oder

(c) (i) irgendeine gegenwärtige oder zukünftige Verbindlichkeit der Emittentin oder einer ihrer wesentlichen Konzerngesellschaften für oder in Bezug auf ausgeliehene oder aufgenommene Gelder vor der angegebenen Fälligkeit durch ein tatsächliches oder mögliches Versäumnis oder ähnliches (wie auch immer beschrieben) fällig und zahlbar wird oder für fällig und zahlbar erklärt werden kann, oder (ii) irgendeine Verbindlichkeit der Emittentin oder einer ihrer Tochtergesellschaften bei Fälligkeit oder innerhalb einer anwendbaren Nachfrist nicht bezahlt wird, oder (iii) die Emittentin oder eine ihrer Tochtergesellschaften bei Fälligkeit fällige Beträge, zahlbar von ihr unter gegenwärtigen oder zukünftigen Garantien oder Schadloshaltungen in Bezug auf ausgeliehene oder aufgenommene Gelder nicht bezahlt, vorausgesetzt, dass die Summe der betroffenen Verbindlichkeiten, Garantien und Schadloshaltungen, hinsichtlich derer ein oder mehrere Ereignisse in diesem Absatz (c) eingetreten sind, den Betrag von EUR 10.000.000 oder dem Gegenwert (auf der Basis des mittleren Devisen-Kassa-Kurses für die betreffende Währung gegen den Euro durch die Berechnung einer führenden Bank an jenem Tag) entspricht oder übersteigt; oder

(d) die Emittentin oder eine wesentliche Konzerngesellschaft ihre Zahlungen einstellt oder ihre Zahlungsunfähigkeit oder Überschuldung allgemein bekannt gibt, oder ihren Gläubigern eine allgemeine Regelung zur Bezahlung ihrer Schulden anbietet; oder

(a) the Issuer has failed to pay principal or interest within 14 days, following the due date for payment; or

(b) the Issuer breaches any material provision of the Bonds and such breach has not been remedied within 45 days after the Paying Agent has received such notification from a Holder; or

(c) (i) any other present or future indebtedness of the Issuer or any of its Material Group Companies for or in respect of moneys borrowed or raised becomes, or becomes capable of being declared, due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or (ii) any such indebtedness of the Issuer or any of its Subsidiaries is not paid when due or, as the case may be, within any applicable grace period, or (iii) the Issuer or any of its Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph (c) have occurred equals or exceeds EUR 10,000,000 or its equivalent (on the basis of the middle spot rate for the relevant currency against the Euro as quoted by any leading bank on the day on which this paragraph operates); or

(d) the Issuer or a Material Group Company suspends payments or publicly announces its illiquidity or over-indebtedness, or offers its creditors a general arrangement for the payment of its obligations; or

(e) ein Gericht ein Insolvenzverfahren gegen die Emittentin oder eine wesentliche Konzerngesellschaft eröffnet und ein solches Verfahren nicht innerhalb von 60 Tagen aufgehoben oder ausgesetzt wird oder ein solches Insolvenzverfahren mangels kostendeckenden Vermögens abgelehnt wird; oder

(e) any order shall be made by a court to open insolvency proceedings against the Issuer or a Material Group Company and such proceedings are not rescinded or suspended within 60 days or such insolvency proceedings are declined for lack of cost covering assets; or

(f) die Emittentin oder eine wesentliche Konzerngesellschaft (i) ihre Geschäftstätigkeit ganz oder im Wesentlichen einstellt, wobei die vorübergehende Schließung von Werken mit der Möglichkeit diese wieder zu eröffnen keine Einstellung der Geschäftstätigkeit darstellt, oder (ii) ihr gesamtes Vermögen oder den wesentlichen Teil ihres Vermögens anderweitig abgibt oder veräußert, oder (iii) nicht fremdübliche Geschäfte mit verbundenen Unternehmen im Sinne des Unternehmensgesetzbuchs (UGB) abschließt, und sich jeweils die Vermögens-, Finanz- und Ertragslage der Emittentin dadurch wesentlich verschlechtert; oder

(f) the Issuer or a Material Group Company (i) ceases all or substantially all of its business operations, which does not comprise the mothballing of plants with the possibility to re-open such plants, or (ii) sells or disposes of its assets or the substantial part thereof, or (iii) concludes agreements, which are not at arm's length, with affiliated companies as defined by the Austrian Commercial Code (*UGB*), and this, in each case, has a material adverse effect on its economic, financial and profit situation; or

(g) die Emittentin oder eine wesentliche Konzerngesellschaft in Liquidation tritt; oder

(g) the Issuer or a Material Group Company enters into liquidation; or

(h) die Emittentin gegen eine ihrer Verpflichtungen nach § 4 (*Negativverpflichtung*) dieser Anleihebedingungen verstößt; oder

(h) the Issuer violates its obligations pursuant to § 4 (*Negative Pledge*) of these Terms and Conditions; or

(i) ein Kontrollwechsel (wie unten definiert) erfolgt. Die Emittentin wird einen Kontrollwechsel unverzüglich gemäß § 14 (*Mitteilungen*) bekannt machen. Eine Kündigung nach diesem Unterabsatz (i) ist nur gültig, wenn die entsprechende Kündigungserklärung gemäß Absatz (4) innerhalb von 30 Tagen nach der Bekanntmachung des Kontrollwechsels erfolgt.

(i) a change of control (as defined below) occurs. The Issuer will announce a change of control immediately pursuant to § 14 (*Notices*). A Holder may declare Bonds due pursuant to this subparagraph (i) only if the notice pursuant to paragraph (4) occurs within 30 days from the announcement of the change of control.

Als "**wesentliche Konzerngesellschaft**" im Sinne dieses § 10 (*Kündigung*) gilt ein Konzernunternehmen (iSd § 15 AktG) der Emittentin, dessen Umsatz im letzten Geschäftsjahr mehr als 10% des konsolidierten Konzernumsatzes der Emittentin erreicht hat.

A "**Material Group Company**" pursuant to this § 10 (*Termination*) is a subsidiary (in the sense of § 15 Austrian Stock Corporation Act) of the Issuer, the turnover of which in the preceding business year exceeded 10% of the Issuer's consolidated turnover.

Als "**Kontrollwechsel**" im Sinne dieses § 10 gilt, wenn eine Person oder mehrere Personen, die abgestimmt handeln, oder einer oder mehrere Dritte, die im Auftrag einer solchen Person oder Personen handeln, zu irgendeinem Zeitpunkt mittelbar oder unmittelbar eine kontrollierende Beteiligung im Sinne der Satzung der Emittentin (Beteiligung von mehr als 20% der stimmberechtigten Aktien), die ein Pflichtangebot nach dem Übernahmegesetz auslöst, erworben hat oder haben.

A "**Change of Control**" will be deemed to have occurred if any person or persons acting in concert or any third person or persons acting on behalf of such person(s) at any time acquire(s) directly or indirectly a controlling participation pursuant to the Articles of Association of the Issuer (participation exceeding 20% of the voting shares) which triggers a mandatory take over bid pursuant to the Austrian Takeover Act (*Übernahmegesetz*).

Der "**Erhöhte Rückzahlungsbetrag**" einer Schuldverschreibung entspricht dem Vorzeitigen Rückzahlungsbetrag oder, falls höher, 105% des Nennbetrags der Schuldverschreibungen zuzüglich bis zum Rückzahlungstag (ausschließlich) aufgelaufener Zinsen.

"**Increased Redemption Amount**" of a Bond shall be the Early Redemption Amount or, if greater, 105% of the principal amount of the Bonds plus accrued interest until the date of redemption (exclusive).

(3) *Erlöschen des Kündigungsrechts, Wirksamkeit*. Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor wirksamer Ausübung des Rechts geheilt wurde. Die Kündigung wird mit Zugang der Mitteilung der Kündigung gemäß Absatz (4) wirksam.

(3) *Cease of termination rights, effectiveness*. The right to declare Bonds due shall terminate if the situation giving rise to it has been cured before the right is exercised. The notice declaring Bonds due shall become effective upon receipt of the notice pursuant to paragraph (4).

(4) *Benachrichtigung*. Alle Mitteilungen der Anleihegläubiger an die Zahlstelle, insbesondere eine Kündigung der Schuldverschreibungen gemäß Absatz (2), sind schriftlich in deutscher oder englischer Sprache an die Zahlstelle zu übermitteln. Mitteilungen werden (vorbehaltlich des Absatzes (3)) mit Zugang an die Zahlstelle wirksam. Der Mitteilung ist ein Nachweis darüber beizufügen, dass der betreffende Anleihegläubiger zum Zeitpunkt der Mitteilung Inhaber der betreffenden Schuldverschreibungen ist. Der Nachweis kann durch eine Bescheinigung der Depotbank oder auf andere geeignete Weise erbracht werden.

(4) *Notices*. Any notices of the Holders addressed to the Paying Agent, in particular any notice declaring Bonds due in accordance with paragraph (2) above shall be made by means of a written declaration in the German or English language delivered to the Paying Agent. Notwithstanding paragraph (3), notices become effective upon receipt by the Paying Agent. The notice shall be accompanied by a proof that such Holder at the time of such notice is a holder of the relevant Bonds. The proof can be a certificate of the custodian bank or in any other appropriate manner.

§ 11
VERJÄHRUNG

Ansprüche auf die Zahlung von Zinsen verjähren nach drei Jahren, Ansprüche auf die Zahlung von Kapital verjähren nach dreißig Jahren ab Fälligkeit.

§ 11
PRESCRIPTION

Entitlement to payment of interest prescribes three years, entitlement to payment of principal prescribes thirty years after the date when such payment was due.

§ 12
BÖRSENOTIERUNG

Die Zulassung der Schuldverschreibungen zum Handel im Amtlichen Handel an der Wiener Börse wird beantragt werden.

§ 12
STOCK EXCHANGE LISTING

Application for listing of the Bonds on the Official Market (*Amtlicher Handel*) of the Vienna Stock Exchange will be made.

§ 13
BEGEBUNG WEITERER SCHULDVERSCHREIBUNGEN, ANKAUF, ENTWERTUNG

(1) *Begebung weiterer Schuldverschreibungen*. Die Emittentin ist – neben der Emission weiterer Schuldverschreibungen, die mit diesen Schuldverschreibungen keine einheitliche Serie bilden – berechtigt, jederzeit ohne Zustimmung der Anleihegläubiger weitere Schuldverschreibungen mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Tages der Emission, des Verzinsungsbeginns und des Ausgabepreises) in der Weise zu emittieren, dass sie mit diesen Schuldverschreibungen eine einheitliche Serie bilden. In der Begebung weiterer Anleihen ist die Emittentin frei.

(2) *Ankauf*. Die Emittentin ist berechtigt, Schuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach Wahl der Emittentin von ihr gehalten, weiterverkauft oder bei der Zahlstelle zwecks Entwertung eingereicht werden.

(3) *Entwertung*. Sämtliche vollständig zurückgezahlten Schuldverschreibungen sind unverzüglich zu entwerten und können nicht wieder emittiert oder wieder verkauft werden.

§ 13
FURTHER ISSUES, PURCHASES AND CANCELLATION

(1) *Further Issues*. The Issuer may – in addition to the issuance of bonds which do not form a single Series with the Bonds – from time to time, without the consent of the Holders, issue further bonds having the same terms and conditions as the Bonds in all respects (or in all respects except for the issue date, interest commencement date and/or issue price) so as to form a single Series with the Bonds. The Issuer is free to issue further bonds.

(2) *Purchases*. The Issuer may at any time purchase Bonds in the open market or otherwise and at any price. Bonds purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Paying Agent for cancellation.

(3) *Cancellation*. All Bonds redeemed in full shall be cancelled forthwith and may not be reissued or resold.

§ 14
MITTEILUNGEN

(1) *Mitteilungen in elektronischer Form*. Falls die Schuldverschreibungen zum Handel an einer Börse zugelassen oder in ein multilaterales Handelssystem einbezogen werden, gelten sämtliche Mitteilungen an die Anleihegläubiger als ordnungsgemäß bekannt gemacht, wenn sie durch elektronische Mitteilungsformen mit Verbreitung innerhalb der Europäischen Union und in dem Staat einer jeden Wertpapierbörse, an der die Schuldverschreibungen notiert sind, durch elektronische Veröffentlichung veröffentlicht werden, solange diese Notierung fortdauert und die Regeln der jeweiligen Börse dies erfordern. Jede Mitteilung gilt mit dem siebenten Tag nach der Veröffentlichung als bekannt gemacht; falls eine Veröffentlichung in mehr als einer elektronischen Mitteilungsform vorgeschrieben ist, ist der Tag maßgeblich, an dem die Bekanntmachung erstmals in allen erforderlichen elektronischen Mitteilungsformen erfolgt ist.

(2) *Mitteilungen an das Clearingsystem*. Mitteilungen an die Anleihegläubiger können anstelle der Veröffentlichung durch elektronische Mitteilungsform nach Maßgabe des Absatz (1) (vorbehaltlich anwendbarer Börsenvorschriften bzw. -regeln) solange eine die Schuldverschreibungen verbriefende Globalurkunde durch OeKB oder einen Rechtsnachfolger gehalten wird, durch Abgabe der entsprechenden Bekanntmachung an das Clearingsystem zur Weiterleitung an die Anleihegläubiger ersetzt werden.

(3) *Sonstige Mitteilungen*. In allen anderen Fällen erfolgen alle die Schuldverschreibungen betreffenden Mitteilungen an die Anleihegläubiger im Amtsblatt zur Wiener Zeitung oder, falls diese ihr Erscheinen einstellt, in einer anderen Tageszeitung mit Verbreitung in ganz Österreich. Jede derartige Mitteilung gilt am siebenten Tag nach der Veröffentlichung als wirksam erfolgt.

§ 14
NOTICES

(1) *Notice via electronic means*. If the Bonds are admitted for trading on any stock exchange or are included in a multilateral trading system, notices to the Holders will be deemed to be validly effected if they are published through electronic means having general circulation within the European Union and in the jurisdiction of any stock exchange on which the Bonds may be listed from time to time, for so long as the Bonds are listed on the respective exchange and the rules of any such exchange so require. Any such notice shall be deemed to have been given on the seventh day after publication or, when required to be published by more than one electronic means, on the date on which the notice has first been published by all required electronic means.

(2) *Notification to Clearing System*. Notices to Holders may (subject to applicable stock exchange rules and requirements), as long as any Global Note representing the Bonds is held on behalf of OeKB or any legal successor, be given in lieu of publication by electronic means pursuant to paragraph (1) by delivery of the relevant notice to the Clearing System for communication to the Holders.

(3) *Other notices*. In all other cases, all notices to the Holders relating to the Bonds shall be published in the Federal Gazette (*Amtsblatt*) of the Wiener Zeitung or, if the latter ceases to be published, in another daily newspaper with circulation throughout Austria. Any such notice shall be deemed effective on the seventh day following its publication.

§ 15
ANWENDBARES RECHT, GERICHTSSTAND, TEILNICHTIGKEIT

(1) *Anwendbares Recht.* Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Anleihegläubiger und der Emittentin bestimmen sich in jeder Hinsicht nach österreichischem Recht unter Ausschluss der Verweisungsnormen des österreichischen internationalen Privatrechts, soweit sie zur Anwendbarkeit fremden Rechts führen würde. Erfüllungsort ist Wien.

(2) *Gerichtsstand*.

(a) Für alle Rechtsstreitigkeiten aus oder im Zusammenhang mit den Schuldverschreibungen (einschließlich allfälliger Streitigkeiten im Zusammenhang mit außervertraglichen Schuldverhältnissen, die sich aus oder im Zusammenhang mit den Schuldverschreibungen ergeben) ist das für Handelssachen jeweils zuständige Gericht in Wien, Innere Stadt, ausschließlich zuständig, soweit dies nach den anwendbaren zwingenden Konsumentenschutzgesetzen zulässig ist.

(b) Für alle Rechtsstreitigkeiten eines Verbrauchers aus oder im Zusammenhang mit den Schuldverschreibungen (einschließlich allfälliger Streitigkeiten im Zusammenhang mit außervertraglichen Schuldverhältnissen, die sich aus oder im Zusammenhang mit den Schuldverschreibungen ergeben) gegen die Emittentin ist nach Wahl des Verbrauchers das sachlich und örtlich zuständige Gericht am Wohnsitz des Verbrauchers oder am Sitz der Emittentin oder ein sonstiges, aufgrund der gesetzlichen Bestimmungen zuständiges Gericht zuständig.

Der für Rechtsstreitigkeiten eines Verbrauchers bei Zeichnung der Schuldverschreibungen gegebene allgemeine Gerichtsstand in Österreich bleibt auch dann erhalten, wenn der Verbraucher nach Zeichnung seinen Wohnsitz ins Ausland verlegt und österreichische gerichtliche Ent-

§ 15
APPLICABLE LAW, PLACE OF JURISDICTION AND PARTIAL INVALIDITY

(1) *Governing law*. The form and contents of the Bonds and the rights and obligations of the Holders and the Issuer shall be governed exclusively by, and construed in accordance with, Austrian law excluding the conflict of law rules of the Austrian international private law insofar as such rules would lead to the application of foreign law. Place of performance is Vienna.

(2) *Jurisdiction.*

(a) For all legal disputes which arise out of or in connection with the Bonds (including any disputes in connection with non-contractual obligations, which arise out of or in connection with the Bonds) the court competent for commercial disputes in Vienna, inner city, shall exclusively be competent to the extent permissible under applicable Austrian mandatory consumer protection laws.

(b) For all legal disputes of a consumer and the Issuer arising out of or in connection with the Bonds (including any and all disputes in connection with non-contractual obligations arising out of or in connection with the Bonds) at the consumer's option the competent court where it or the Issuer is domiciled, or another competent court on the basis of statutory legal provisions, shall be competent.

The general place of jurisdiction for consumers in Austria due to subscription of the Bonds remains upheld, if the consumer after subscription transfers its place of abode abroad and Austrian legal rulings are enforceable in such jurisdiction.

scheidungen in diesem Land vollstreckbar sind.

(3) *Teilnichtigkeit.* Sollten irgendwelche Bestimmungen dieser Bedingungen ganz oder teilweise rechtsunwirksam sein oder werden, so bleiben die übrigen Bestimmungen dieser Bedingungen in Kraft. Rechtsunwirksame Bestimmungen sind, soweit rechtlich zulässig, dem Sinn und Zweck dieser Anleihebedingungen entsprechend durch wirksame Bestimmungen zu ersetzen, die in ihren wirtschaftlichen Auswirkungen denjenigen der unwirksamen Bestimmungen so nahe kommen wie rechtlich möglich.

(4) *Sprache.* Diese Anleihebedingungen sind in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigefügt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.

(3) *Partial Invalidity*. If a provision in these Terms and Conditions becomes legally invalid, in whole or in part, the remaining provisions shall remain in effect. Invalid provisions shall, to the extent licit under applicable laws, be replaced in accordance with the meaning and purpose of these Terms and Conditions by effective provisions, whose economic effects are as close as possible to those of the ineffective provisions as legally possible.

(4) *Language*. These Terms and Conditions are written in the German language and provided with an English language translation. The German text shall be controlling and binding. The English language translation is provided for convenience only.

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Signaturwert	Y8e6z8pen43xpaPJqAf05kS2hZdCYHV6mH/bCJZKDIXREp1/IMnpxbK7/Mu3pk633qhp0OF9UOjKiKjt3xRRqO17KRh0J8aA/VRAWKe1nALweqBdT3hQf1JjHJ9GbWXpb7RP1tElXjgEPuxBzS/TJQvlcWjTAKlAVlDbfADt5xXcW3yoDcIU800LKKSiBS7Ia/nYQzsEzxI1HIbON1NZN6jwuiC1MSTSCT6z5+Fo0KzKmtzb0AOlldt7Srl2auQBYnPRU/tnFu2C84S7sp+e3ni6c8e0itI2S0LSd5F+3wGKBeadpDga/V4GTvzaDT8yX5sNyDYWiLearR9eyipIrQ==	
	Unterzeichner	Österreichische Finanzmarktaufsichtsbehörde
	Datum/Zeit-UTC	2020-05-29T11:04:19Z
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	Serien-Nr.	532114608
	Methode	urn:pdfsigfilter:bka.gv.at:binaer:v1.1.0
Prüfinformation	Informationen zur Prüfung des elektronischen Siegels bzw. der elektronischen Signatur finden Sie unter: http://www.signaturpruefung.gv.at	
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