



Wienerberger H1 Results

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Cautionary note regarding forward-looking statements

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Wienerberger's growth path continues to deliver...

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Innovation & Digitalization

Organic growth in all key markets by further **focusing on innovation, digitalization and ESG**



Operational Excellence

Self-help program **well on track** including Operational Excellence initiatives and investments in ESG



M&A and Portfolio Optimization

Further growth through **M&A activities in all our core markets** as well as **portfolio optimization**

Revenues

€ 1,867.5 mn

(H1 2020: € 1,641.5 mn | Δ : 14%)

EBITDA LFL

€ 308.4 mn

(H1 2020: € 254.1 mn | Δ : 21%)

FY2021 EBITDA LFL

€ 620-640 mn

(upgraded FY 2021 guidance)

... and is well on track to meet its ESG targets 2023

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Decarbonization

Promising decrease in CO₂ emissions across the entire portfolio **well in plan** across all Business Units

**CO₂ reductions
> 5%**

(latest estimate FY 2021 versus 2020)

Target 2023: -15%



Circular Economy

Ongoing **initiatives and R&D projects** such as **EcoCorr** (100% recycled PE pipes) **put us perfectly on track**

New products reusable or recyclable

Target 2023: 100%



Biodiversity

Implementation of biodiversity projects well on track with specific **Biodiversity Action Plans**

Biodiversity programs for all sites

Target 2023: 100%

Our Sustainability ratings



More information in our Sustainability Report





Market environment H1

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Market environment

New build market moving towards more robust levels in all our key markets

- › In many markets, we saw an **increase in building permits in the first half of the year**, also supporting in-house solutions, although not everywhere back at pre-crisis levels

Western Europe



Market rebound in **Western Europe**, especially in **UK** and **Belgium**

Central & Eastern Europe



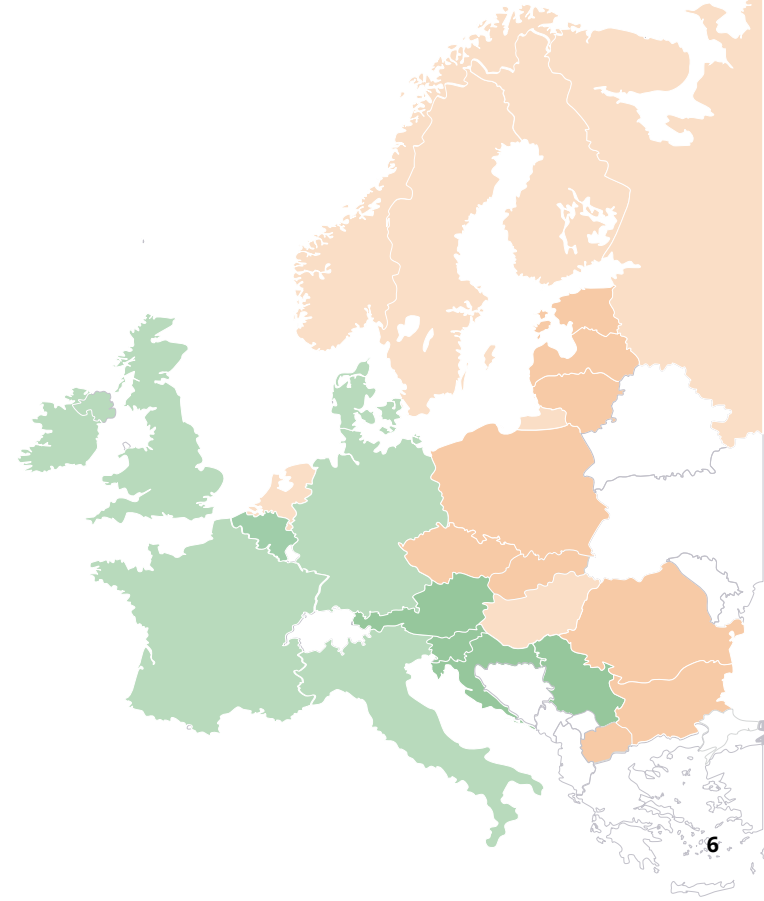
Overall, market developments in **Eastern Europe** were **moderate** but varied across countries. While **Poland** and **Czech Republic** are still **below pre-crisis levels**, we see a **strong rebound** in **Austria** and some **South Eastern Countries**

Nordics



Solid demand levels in **Nordics** and other markets in the first half of the year

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Market environment

Renovation activities overall at high level in our key markets

- › **Strong renovation activity** in **all our key markets** leads to **high demand** and strong utilization levels, especially in roofing segment
- › We see impacts of **labour shortages** which are expected to persist in the market throughout the year

Western Europe



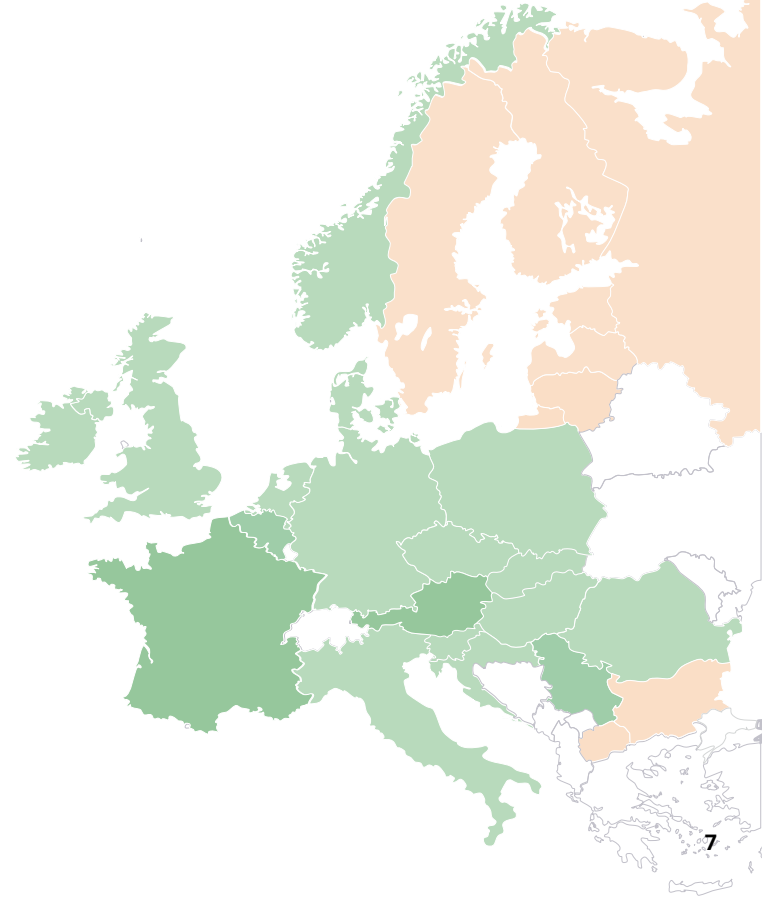
High demand for **renovation solutions** in Western Europe. **Belgium** and **France** in particular have **benefited** from **increasing government focus** on **sustainable building solutions**

Central & Eastern Europe



Strong demand in Austria for **innovative renovation solutions**. Hungary, the Czech Republic and Poland also benefitting from **governmental subsidies** and **high volumes**

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Market environment

Infrastructure segment records strong demand

- › Performance was characterized by exceptionally **high volumes** in all markets, especially in the second quarter of 2021.
- › Overall market environment **impacted by raw material price increases** and **limited availability**.

Western Europe



Strong demand for **infrastructure projects**, coupled with **catch-up effects** due to the governments Covid-19 measures in the previous year

Central & Eastern Europe



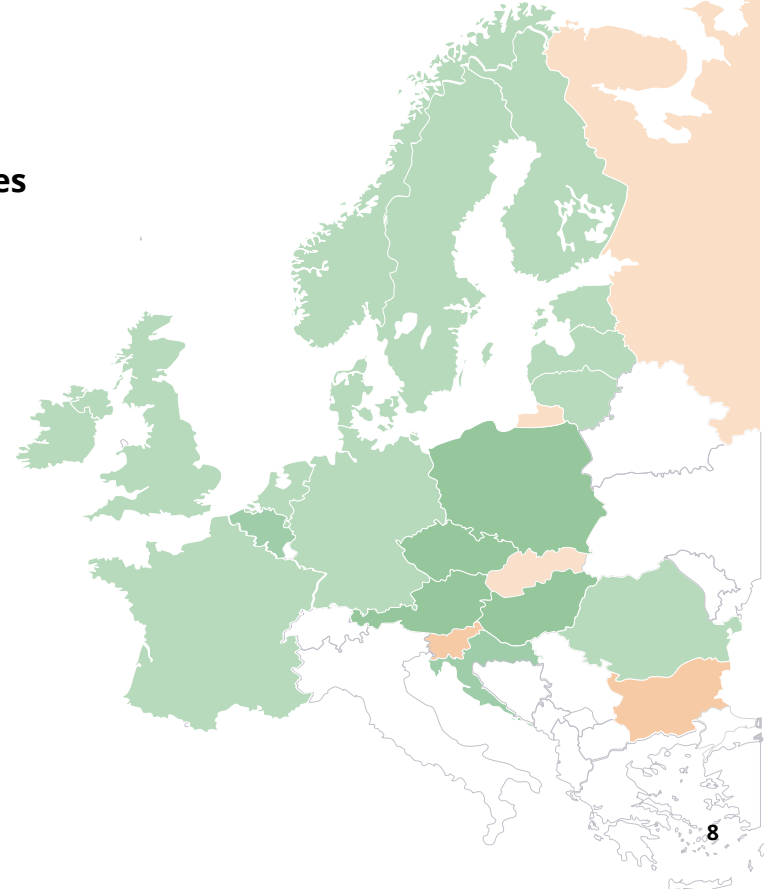
High demand levels across the markets, which we were able to cover by **excellent supply chain management**. Eastern European countries are profiting from **high needs for infrastructure renovation** and EU programs

Nordics



Northern European markets show **solid demand levels** with increased needs for specialty piping products and system solutions

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Market environment

Strong demand levels in all segments in North America

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- › **Strong demand in new build** which was shaped by a surge in housing starts, reaching its highest level since 15 years in March in the U.S.
- › **High demand for infrastructure solutions supported by public programs** led to **high volumes** in the first half of the year

New build

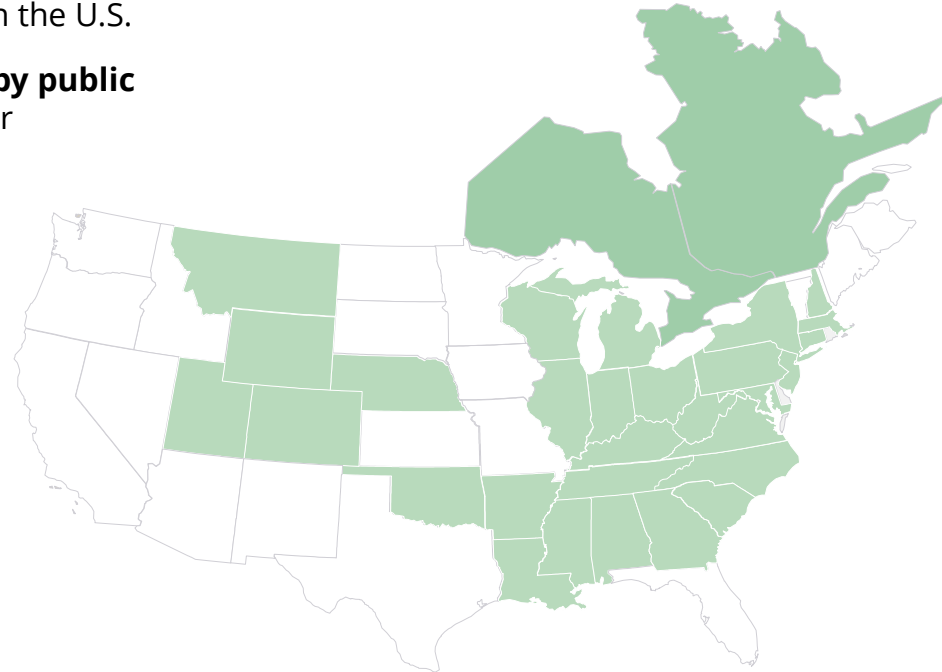


Strong housing activity in our markets also benefitting from **beneficial mortgage rates**

Infrastructure



Strong infrastructure activity was supported by public programs; difficult raw material market environment driven by Force-Majeure of suppliers in the first months of the year



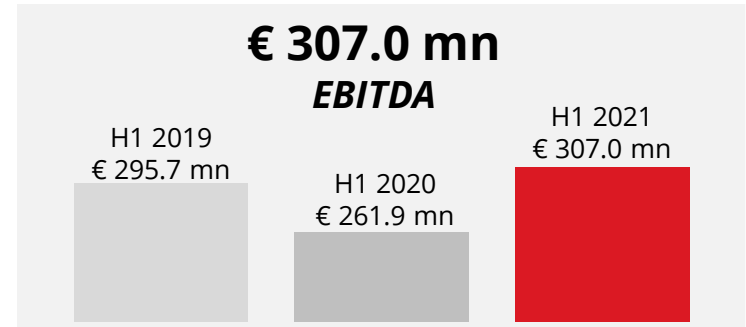
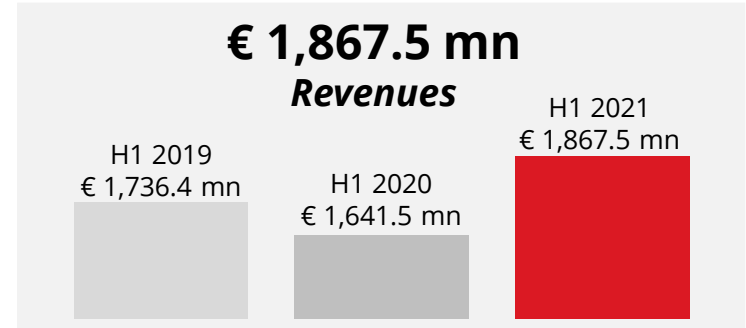


Wienerberger performance and focus areas

Strong H1 2021 performance due to focus on growth

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- › **Strongest half-year results** despite **partly muted developments** in core markets and **slow returns** to pre-crisis levels
- › **Outstanding developments in all our business areas**, even **exceeding pre-crisis level**
- › **Continuous growth** driven by focus on our **innovative product solutions** and **operational excellence program**
- › **Excellent supply chain management** supported margin improvement despite **challenging raw materials environment**



H1 2021 - Business Unit Overview

Strong results in all three business units confirm resilience of business model

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Building Solutions



in € mn	H1 2021	H1 2020	Chg. in %
External revenues	1,115.4	1,014.4	10
EBITDA LFL	219.2	184.4	19
EBITDA	220.3	191.0	15
EBITDA LFL Margin	19.6%	18.6%	1.0pt

- > **Continued high demand** in all markets, especially for roof solutions, although slower recovery to pre-crisis levels
- > **Catch-up effects of weather-related challenges in Q1**

Piping Solutions



in € mn	H1 2021	H1 2020	Chg. in %
External revenues	569.7	470.3	21
EBITDA LFL	60.0	53.0	13
EBITDA	60.9	53.4	14
EBITDA LFL Margin	10.5%	11.4%	-0.9pt

- > **Excellent supply chain management and successful procurement initiatives** ensured the availability of our products despite the overall difficult raw material situation
- > **Higher volumes** in infrastructure

North America



in € mn	H1 2021	H1 2020	Chg. in %
External revenues	180.2	154.9	16
EBITDA LFL	29.2	16.8	74
EBITDA	25.7	17.4	48
EBITDA LFL Margin	14.9%	10.8%	4.1pt

- > **Results** were especially driven by a **high demand for piping products**
- > **Good operational performance in Canada**



Wienerberger continues to focus on growth by investing in the future



Operational Excellence

- › Operational excellence and **continuous improvement** as part of **Wienerberger's DNA**
- › Continuous **upgrade of our industrial set-up**



Innovation & Digitalization

- › Transform into a **full system solutions provider**
- › Expansion into **digital services**
- › Development of **new products** and designs
- › Supporting the Wienerberger **sustainability targets**



Sustainability & ESG

- › Roll out of existing technologies and new technologies to **reduce energy consumption and CO₂ emissions**
- › Increase the share of **recyclable and reusable products**
- › Enhance **biodiversity** across all our production sites

Investments in Innovation & Digitalization

New technologies contributing to our ESG targets

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New technology for heat recovery



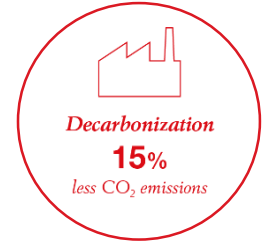
- › **DryFiciency** addresses the challenge of the **huge quantities of unused waste heat**
- › Wienerberger tested the **new heat pump technology** in Austria, which showed **energy reductions in the drying process of up to 80%**



Innovative solutions in Virtual Labs



- › **Electron microscopes** analyze brick microstructures in order to **reduce product weight, produce at lower firing temperatures and improve thermal insulation**
- › This can **reduce energy consumption** in production **by up to 15%** and **improve thermal insulation**



Decarbonization
15%
less CO₂ emissions

Innovations supporting our decarbonization goal by 2023

Investments in Plant Optimization

Enhanced plants and improved network in the Nordics...

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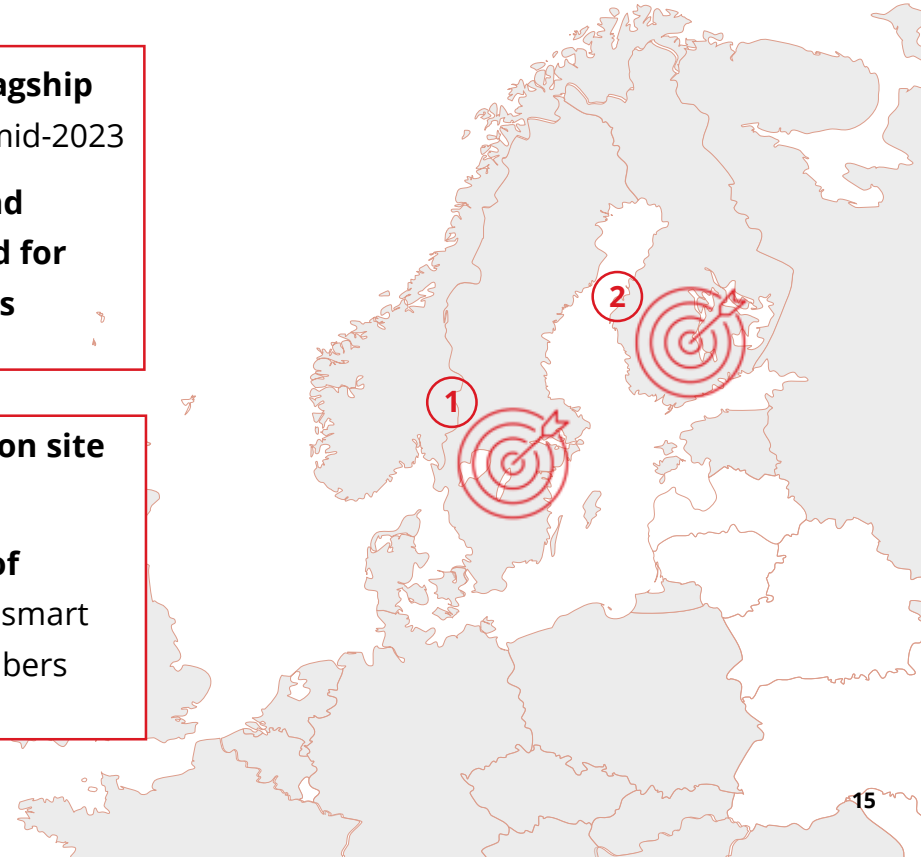
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- > **Ljung in Sweden** as largest flagship pipe plant in the Nordics by mid-2023
- > Triple production capacity and accommodate increasing need for piping systems in urban areas



2

- > Brand-new specialty production site in **Vantaa, Finland**
- > Focus on the manufacturing of specialized products, such as smart pumping stations, device chambers and XL-tanks



... to strengthen the market position of Wienerberger Piping Solutions in the Nordic market

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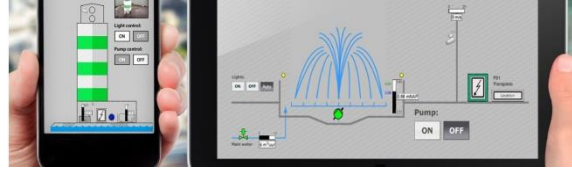
Enhanced portfolio



Wienerberger enhanced its portfolio to **meet rising demand of large urban infrastructures** (e.g. XL pipes with larger diameters, bigger retention tanks)



Digital solutions



Digitally enhanced solutions (e.g. Smart probe or Inter Act) to **remotely control and monitor** increasingly complex water management infrastructure



Stormwater management



Stormwater management systems such as Raineo **prevent flooding during excessive rain and store water** to be used during droughts



Become a provider of **comprehensive system solutions** for **energy and water management** in the European market



Fully **committed to ambitious ESG targets** and **support European climate goals**

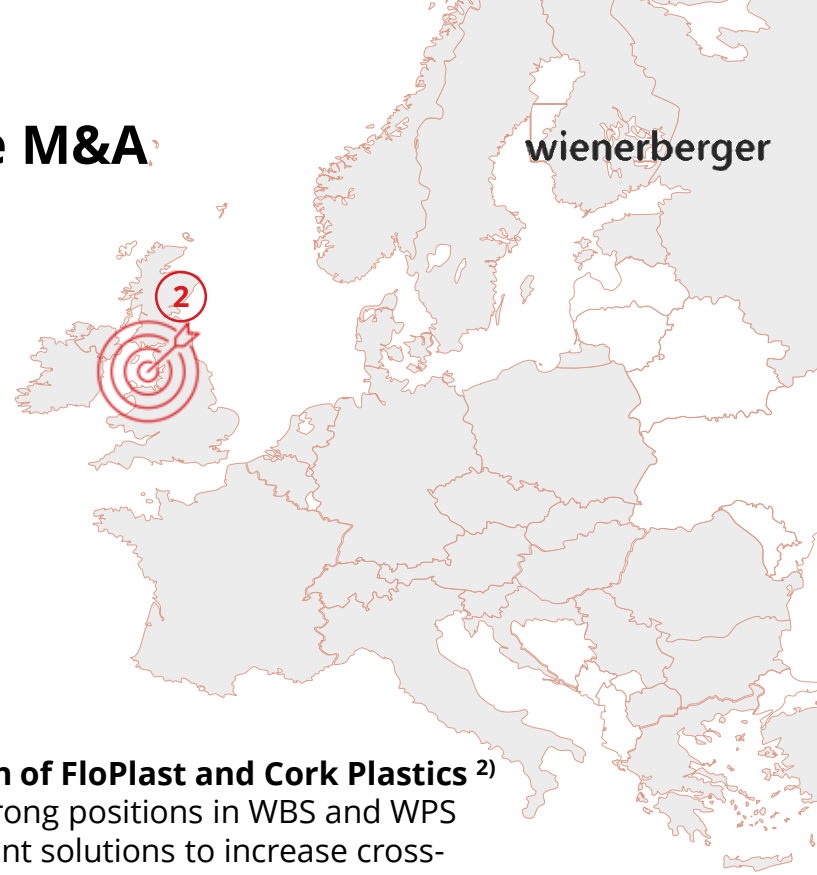
Investment in M&A

Driving value creation through selective M&A

- 1 **Acquisition of Meridian brick** ¹⁾
Potential to further grow and strengthen our position in the North American brick markets



- 2 **Acquisition of FloPlast and Cork Plastics** ²⁾
Build on strong positions in WBS and WPS with adjacent solutions to increase cross-selling and further improve our **system competence**



1) Good progress continues to be made with the appropriate authorities and closing of the transaction is expected over the course of Q3 2021 // 2) Closed beginning of July 2021

Acquisition of FloPlast and Cork Plastics

A perfect strategic fit: “From Rain to Drain”

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- > FloPlast and Cork Plastics have a **strong foothold in the UK and Ireland** with a well established product portfolio
- > **More than 90% of revenue** in the **non-cyclical renovation** segment
- > **Large exposure** to the fast growing **click-and-collect merchants**

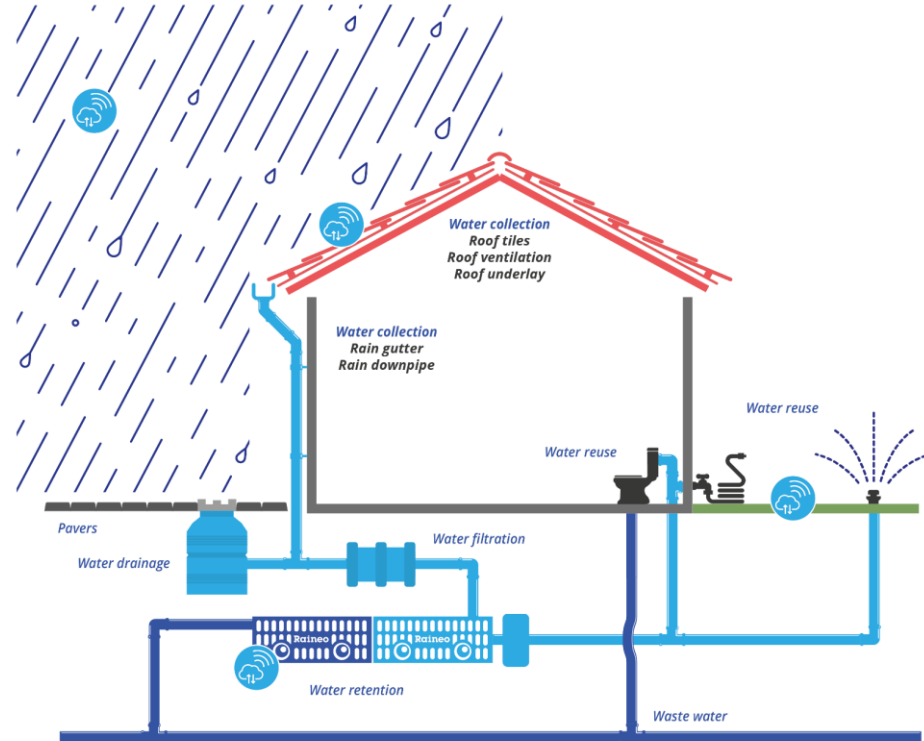
Rainwater and roofline products (c. 50% of revenues)
as well as **drainage and inhouse soil & waste water**
(c. 40% of revenues)

connected and extended

with current Wienerberger portfolio

to create **high quality, climate-friendly and affordable designed**

smart inhouse system solutions



To get a better understanding of **how our water management solutions work** refer to: <https://www.youtube.com/watch?v=wVvkl1Aelt4>

Acquisition of FloPlast and Cork Plastics

Highly value generating acquisition enlarges our footprint in UK and Ireland

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REVENUES

€ ~100 mn in 2021 (combined sales of FloPlast and Cork Plastics)

PROFITABILITY AND SYNERGIES

Clearly margin accretive (>20% EBITDA margin)

Attractive synergies and **cross-selling opportunities** further support margin improvement

VALUATION

Attractive synergized EV/EBITDA multiple of ~7x after three years

DEAL FINANCING

Via free cash flow generation and existing credit lines

Solid liquidity position; net debt / EBITDA ratio of 1.6x as of June 30, 2021

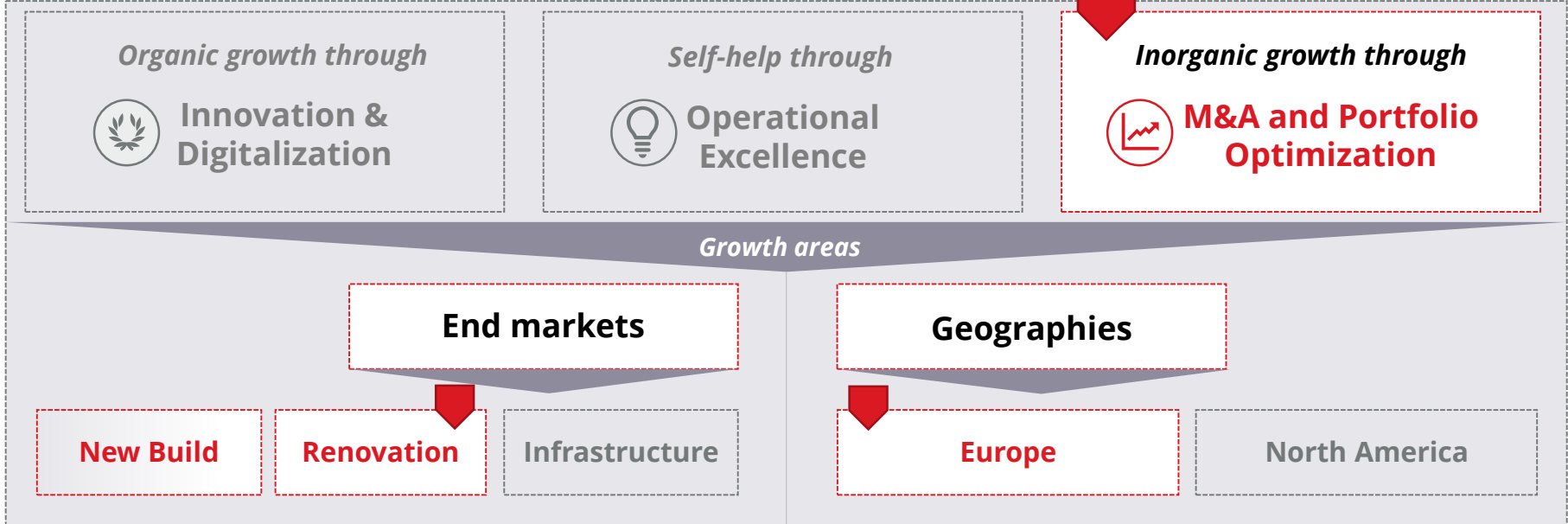
» Creating a **unique platform for smart system solutions** to generate sustainable and profitable growth through **increasing our share in the building envelope**

Acquisition of FloPlast and Cork Plastics

Acquisition is fully in line with Wienerberger's growth strategy ...

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Strategy 2023



»» Further strengthening our share in the **non-cyclical renovation segment in the highly attractive UK and Irish residential market**

... and supports the right solution to face the challenges of current megatrends...

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Impact of climate change

Climate change creates more unpredictable weather conditions (e.g. heavy rainfalls and rising sea levels), leading to **water scarcity** and **flooding** at the same time.



Impact of population growth

Population growth **increases housing demand** and puts greater emphasis on the availability of clean water and its management.



Impact of rapid urbanization

Urbanization puts **increased load on water management systems**. Urban areas have an **increased difficulty in diverting, storing & using rainwater sustainably**.

By creating in-house rainwater management systems for residents we can decrease the load on water treatment systems, use water sustainably and decrease running expenses.



Wienerberger, FloPlast and Cork Plastics to offer solutions for using one of our most precious resources in a non-wasteful way while saving costs in the long run.

Acquisition of FloPlast and Cork Plastics

... as well as our strong ESG strategy and commitment

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... growing and developing in a way that is **fully in line with our ambitious ESG strategy**

... **providing solutions** for renovation and new built to support the **net zero GHG emissions goal** in line with the EU Green Deal 2050 and UK targets

... recognizing **the topic of water as a major focus area for the further development of Wienerberger** by investing in smart solutions around water management

... focus on water retention in residential and urban areas to **promote non-wasteful usage (“from rain to drain”)** and therefore become more independent and decrease costs of heating and treated water



Creating **sustainable, affordable and long-lasting homes** that actively contribute to **increased quality of life**



We continuously pursue **ambitious ESG targets** to actively contribute to the **UN Social Development Goals (SDGs)** also reflecting it in our growth initiatives



Our vision

We improve people's quality of life

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By consequently following our strategic pillars and focusing on the right investments...

1 ... we **actively take responsibility for our environment** and society and **ensure that future generations have the same opportunities as we have today**

2 ... we build a **platform for further growth** and we are consequently driving **innovation and digitalization** as well as improving the offering of **sustainable system solutions**





Kinderhospiz Balthasar (c) Wienerberger & Frank
Reichmann - Bildagentur Rundblick

Financial Highlights H1 2021

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Financial Highlights

Record results and improving profitability; solid balance sheet lays the ground for further growth

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Revenues

€ 1,867.5 mn

(H1 2020: € 1,641.5 mn | Δ: 14%)

EBITDA LFL ¹⁾

€ 308.4 mn

(H1 2020: € 254.1 mn | Δ: 21%)

Net Debt / EBITDA

1.6x

(H1 2020: 1.6x)

ROCE

10.9%

(H1 2020: 7.1% | Δ: 3.8ppt)

1) Adjusted for effects from consolidation, sale of core and non-core assets, FX and structural adjustments

Income Statement

Excellent operative performance translates to strong profit generation

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in € mn	1-6/2021	1-6/2020	Chg. in %
Revenues	1,867.5	1,641.5	14
EBITDA LFL	308.4	254.1	21
EBITDA	307.0	261.9	17
Operating EBIT	181.3	136.5	33
Impairment charges to assets	0.0	-23.3	>100
Impairment charges to goodwill	-10.7	-93.5	89
EBIT	170.6	19.7	>100
Financial result	-25.9	-11.1	<-100
Profit before tax	144.7	8.6	>100
Income taxes	-31.1	-32.2	3
Profit/loss after tax	113.6	-23.6	>100
thereof hybrid coupon and non-controlling interests	1.0	5.9	-83
Net result	112.6	-29.4	>100

Note: Rounding differences may arise from automatic processing of data

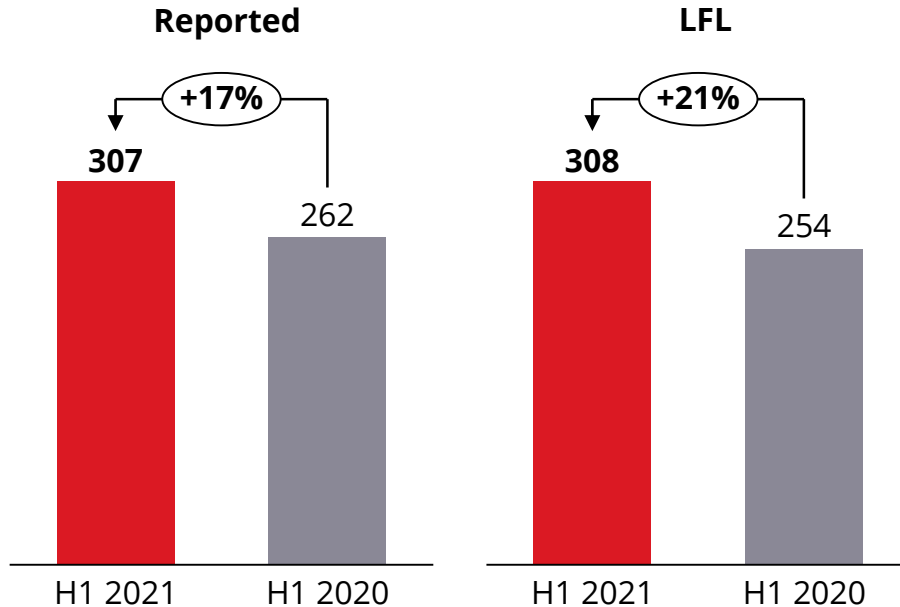
EBITDA

Strong profitability above pre-Covid levels

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EBITDA Development

in € mn



EBITDA adjustments

in € mn

	1-6/2021	1-6/2020
EBITDA reported	307.0	261.9
FX	4.3	-
Consolidation	-0.9	-1.7
Sale of assets ¹⁾	-5.1	-10.2
Structural adjustments ²⁾	3.1	4.2
Total adjustments	1.5	-7.7
EBITDA LFL	308.4	254.1

1) Sale of non-core assets

2) Costs related to repositioning and restructuring of selected businesses

Note: Rounding differences may arise from automatic processing of data

Overall rise in **cost inflation** is also impacting our business but **we are well-positioned** and **we took the right measures**



- > **Active centralized procurement**, which enabled us to counteract pro-active and fast
 - > **Optimized supply chain and inventory management**
 - > **Long-term supplier contracts** ensured the availability of raw material
 - > **Large parts** of our **energy and electricity** needs are **hedged**
- > **Self-help** program is **well on track**, especially operational excellence



- > **Price increases to cover cost inflation** were **successfully implemented** in our building solutions markets in H1 2021
- > **Active margin management** enabled us to **minimize negative impacts from the surge of plastic granulate prices** in the piping business

Focus Topic – Self-help

Self-help program already delivered € 20 mn in H1 2021

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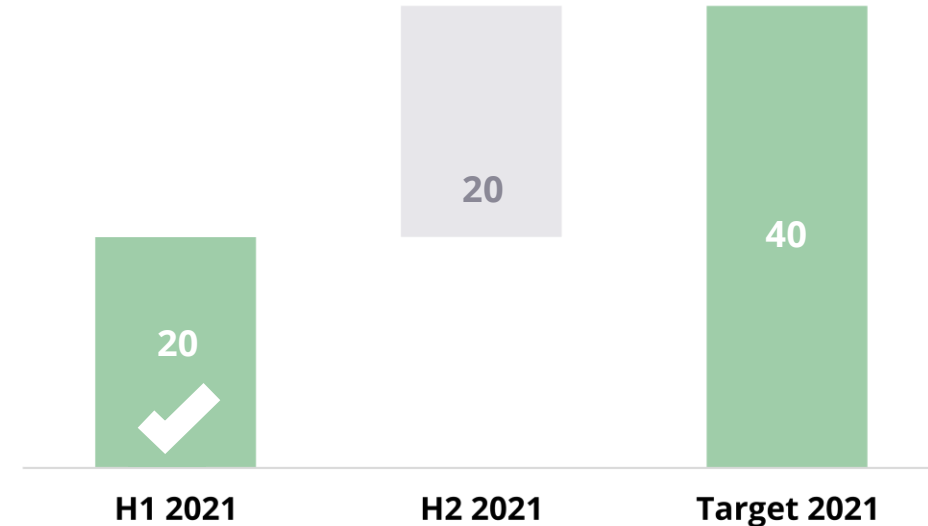
New Self-help program already **delivered**
€ 20 mn EBITDA contribution in H1 2021



Target for **FY 2021**:
EBITDA contribution of € 40 mn

- > Major drivers for H1 achievement have been **innovation, manufacturing** and **procurement** projects
- > Financial target of **€ 135 mn EBITDA enhancement** through self-help measures **until 2023** vs. 2020 baseline

EBITDA contribution from Self-help
in € mn



Clear capital allocation guidelines and a strong operating model support long-term growth ambitions

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Strong operating model and sound balance sheet management forms the base

Strong operational performance and cash flow generation
with a constant expansion of profitability

EBITDA CAGR 15-20: +9%

ROCE target: >10%

Clear target for financial discipline:

Net debt

EBITDA
< 2.5x ¹⁾



1.6x (June 30, 2021)

1) Measured at year-end

Smart CAPEX spending to foster further growth

- > **ESG CAPEX of € ~60 mn p.a.**
- > **Special CAPEX of ~80 mn p.a.**
- > **Value-creating M&A transactions**



Capex program well on track



Acquisition of **FloPlast/Cork Plastics** (closed in July 2021) and **Meridian Brick** (closing expected during Q3 2021)

Reliable shareholder remuneration

20-40% of Free Cash Flow distributed by means of a progressive dividend



Total payout to investors of € ~300 mn in 2021

Cash Flow Statement

Strong free cashflow generation provides the basis for further growth investments

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in € mn	1-6/2021	1-6/2020	Chg. in € mn	Chg. in %	1-12/2020
Gross cash flow	236.9	187.8	49.1	26	440.6
Change in working capital	-146.2	-153.2	7.0	5	64.1
Maintenance capex	-43.3	-46.1	2.8	6	-125.9
Divestments and other	20.3	-25.6	45.9	>100	63.7
Lease payments	-23.6	-22.9	-0.7	-3	-45.2
Free cash flow	44.2	-60.0	104.2	>100	397.3
Special capex	-32.0	-21.9	-10.1	-46	-75.2
M&A	-6.8	-2.0	-4.8	<-100	-10.5
Dividend & share buyback ¹⁾	-67.4	-19.7	-47.7	<-100	-87.5
Hybrid coupon & buyback	-225.4	-40.7	-184.7	<-100	-45.7
Net cash flow	-287.4	-144.3	-143.1	-99	178.4

1) Including dividends paid to non-controlling interests // Note: Rounding differences may arise from automatic processing of data

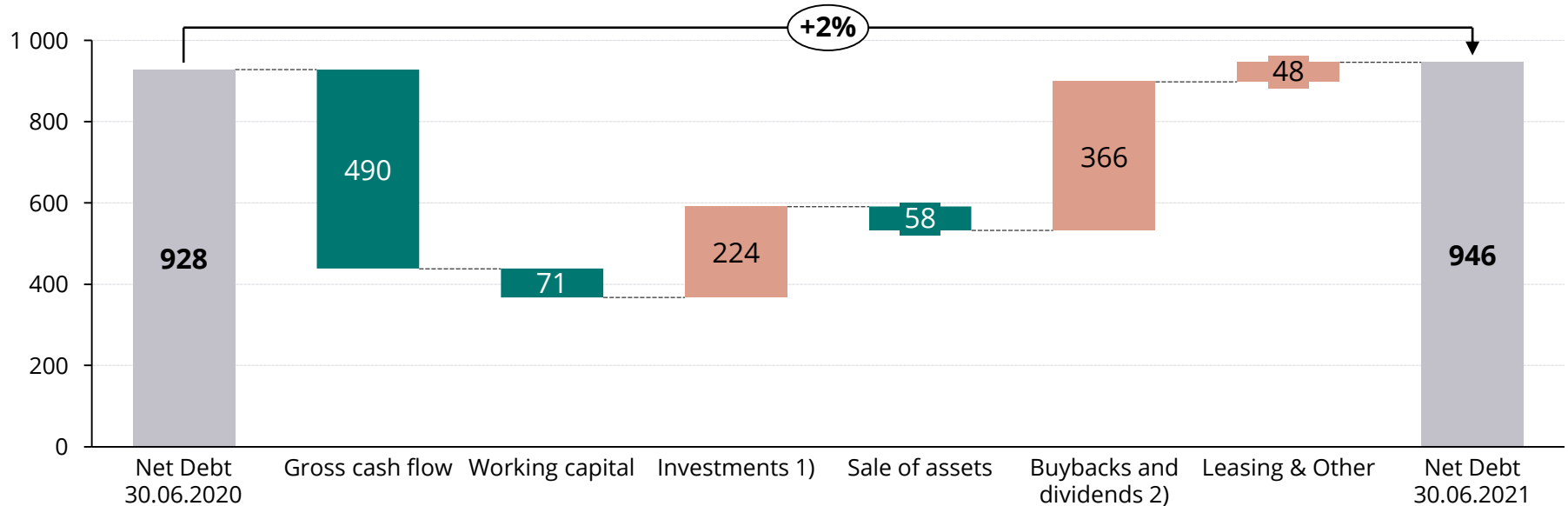
Net Debt

Investments, hybrid buyback and dividend payments were covered by strong cash flow generation

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Net debt development

in € mn



1) Includes Total CAPEX and M&A // 2) Includes share and hybrid buybacks (incl. coupons), dividend payments for 2019 and 2020 // 3) Includes IFRS 16 non-cash lease additions, non-cash valuation // Note: Rounding differences may arise from automatic processing of data

Balance Sheet

Our focus on long-term value creation is reflected in strong performance and balance sheet ratios

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in € mn	30.06.2021	30.06.2020	Chg. in %	31.12.2020
ROCE	10.9%	7.1%	3.8pt	8.9%
Equity ¹⁾	1,834.7	1,875.6	-2	1,749.0
Equity ratio	42.3%	43.0%	-	40.4%
Net debt	946.1	928.2	2	882.1
Net debt / EBITDA ²⁾	1.6	1.6	-	1.6
Gearing	51.6%	49.5%	-	50.4%
Working Capital	708.4	773.7	-8	503.8
Working Capital / External Revenues	19.8%	23.0%	-	15.0%

» **Solid financial position with low net debt to EBITDA ratio of 1.6x** provides a comfortable headroom for growth investments and M&A transactions

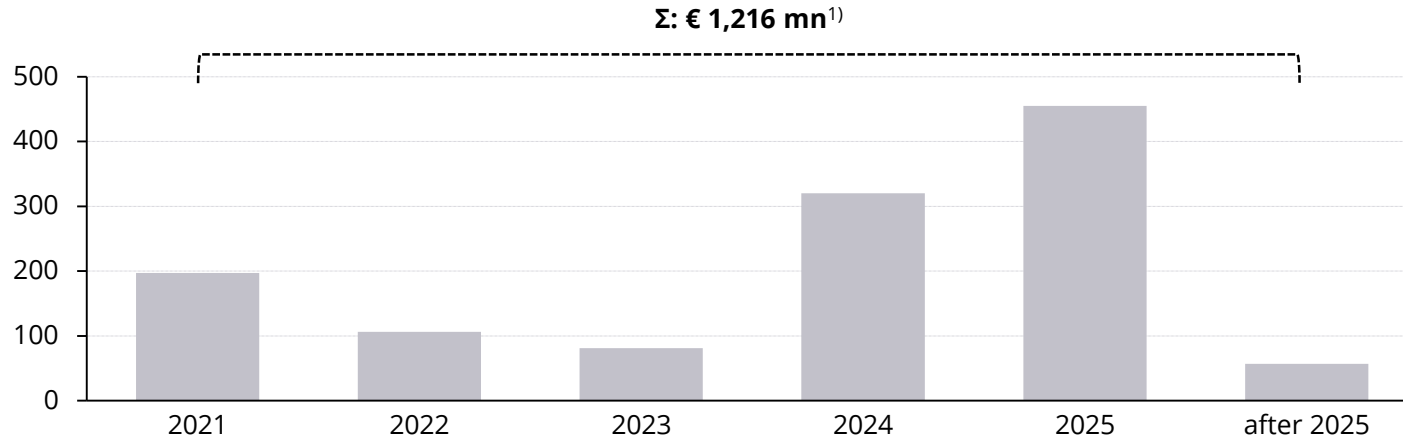
Maturity Profile

Balanced maturity profile and convenient liquidity position enables financial flexibility

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Maturity profile as of June 30, 2021

in € mn



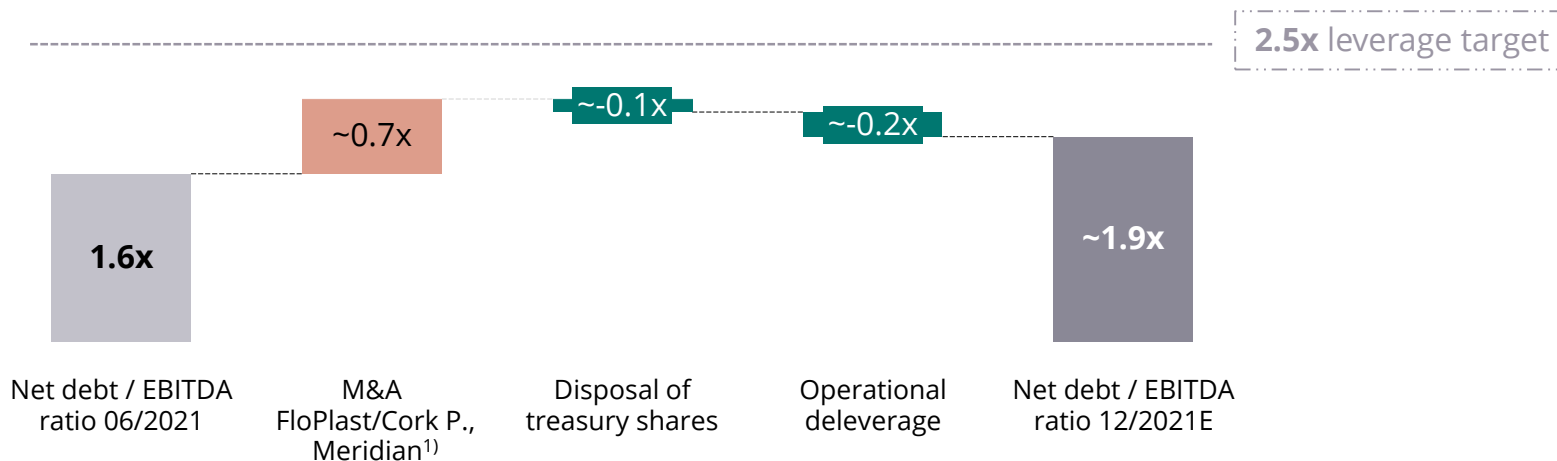
- › Cash and cash equivalents as of June 30, 2021: € 450 mn
- › Available RCF headroom of € 371 mn

¹⁾ Excluding Leasing liabilities

Leverage

Our leverage target comfortably accommodates our announced M&A transactions

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- > Inorganic growth is supported by a **solid financial profile**
- > Strong operational cash generation will be additionally supported by funds from the **disposal of treasury stock** (2.5 mn shares in an accelerated private placement)

1) The acquisition of Meridian Brick is subject to approval by competition authorities
Calculations based on proforma figures and company estimates. Rounding differences may arise from automatic processing of data.



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Outlook 2021

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Outlook 2021 – Wienerberger Estimates

Continuous solid developments expected

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- Market growth (>2%)
- Stable development
- Market decline (<-2%)



Western Europe



Central & Eastern Europe



Nordics



North America

New build



Renovation



Infrastructure



Key market developments impacting our operations



RAW MATERIAL

Shortages of various raw materials and price increases expected to continue in the second half
Although **some signs of easing** on the supply side

- The **tight situation** on the **markets** for various building materials is **successfully tackled** thanks to **great procurement management**
- Our **active purchasing** and **supply chain management especially for granulates** have successfully shown their importance in this challenging time



FREIGHT COSTS

Impact of COVID-19 on logistics and pricing due to **constrained availability of transport and shipping capabilities**

- With a **local business model** and **well-managed logistics**, we are able to deal with the challenging environment



ENERGY & GAS

Energy and gas prices on the rise

- Thanks to **forward-looking hedging** and **long-term contracts**, we are able to balance out the increases



LABOUR

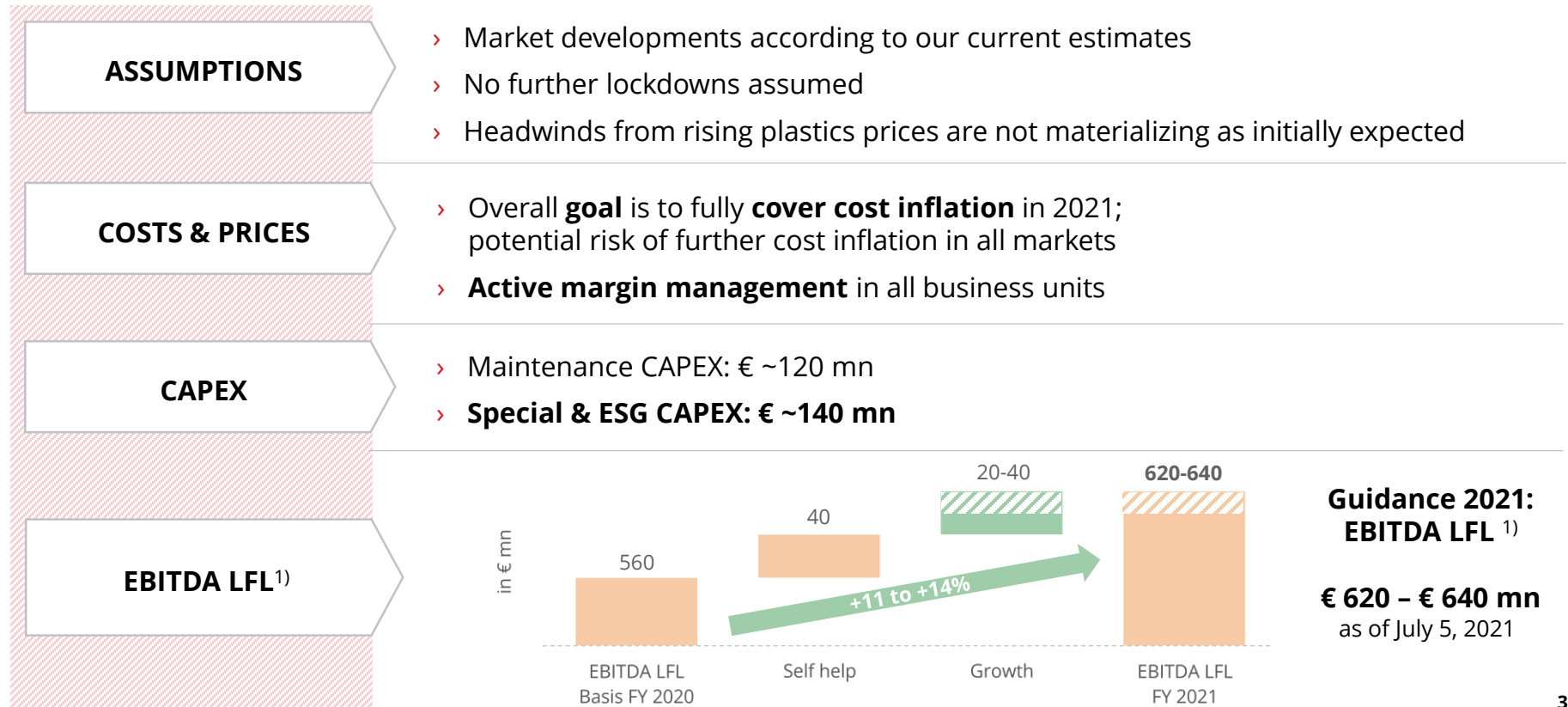
Labour shortage is an imminent topic for the whole industry

- With **easy-to-install, innovative and convenient solutions**, we support our clients to be able to handle the changing environment

Outlook 2021

FY 2021 Guidance

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Guidance 2021:
EBITDA LFL ¹⁾

€ 620 – € 640 mn
as of July 5, 2021

- ASSUMPTIONS**
 - › Market developments according to our current estimates
 - › No further lockdowns assumed
 - › Headwinds from rising plastics prices are not materializing as initially expected
- COSTS & PRICES**
 - › Overall **goal** is to fully **cover cost inflation** in 2021; potential risk of further cost inflation in all markets
 - › **Active margin management** in all business units
- CAPEX**
 - › Maintenance CAPEX: € ~120 mn
 - › **Special & ESG CAPEX: € ~140 mn**

¹⁾ No contribution from Meridian and acquisition of FloPlast and Cork Plastics considered

wienerberger