



# Wienerberger Results Q1 2021

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## Q1 2021 - Highlights

# Strong Q1 results despite late start to construction season in some regions

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### Revenues

**€ 796.5 mn**

(Q1 2020: € 793.3 mn | 0%)

### EBITDA LFL <sup>1)</sup>

**€ 107.2 mn**

(Q1 2020: € 107.7 mn | 0%)

### Net result

**€ 27.3 mn**

(Q1 2020: € -106.3 mn | >100%)

### EBITDA LFL margin <sup>1)</sup>

**13.2%**

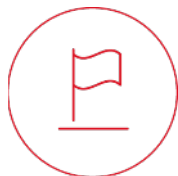
(Q1 2020: 13.7% | -0.5ppt)

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

**Q1 2021**

# **Q1 performance at pre-Covid levels**

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**Successful set of results** despite weather-related project delays



**Strong demand for innovative and sustainable product solutions** driven by intensified renovation activities



**Excellent procurement, inventory and supply chain management** compensating for raw material headwinds

## **External revenues**

in € mn

	1-3/2021	1-3/2020	Chg. in %
Wienerberger Building Solutions	<b>478.5</b>	500.4	-4
Wienerberger Piping Solutions	<b>240.7</b>	220.7	9
North America	<b>76.5</b>	71.4	7
<b>Wienerberger Group</b>	<b>795.7</b>	792.4	0

## **EBITDA LFL<sup>1)</sup>**

in € mn

	1-3/2021	1-3/2020	Chg. in %
Wienerberger Building Solutions	<b>76.8</b>	83.9	-8
Wienerberger Piping Solutions	<b>21.2</b>	18.7	13
North America	<b>9.2</b>	5.1	81
<b>Wienerberger Group</b>	<b>107.2</b>	<b>107.7</b>	<b>0</b>

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



Q1 2021

# Our end markets in the first quarter

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## New build



- › **Strong recovery in March**
- › **Weather conditions at the beginning of the year** affecting construction activity in local markets
- › Overall **healthy market environment**

## Renovation



- › **Strong increase in renovation activity** over all markets
- › **EU Green Deal** to maintain positive market sentiment

## Infrastructure



- › **Strong demand** in European core markets
- › Headwinds from **increasing raw material prices**
- › **Excellent supply chain management** secured ability to deliver and led to **increase of market share**

## North America



- › **Surge of US Housing market** to nearly a 15-year high in March
- › **Strong demand** for **infrastructure** solutions

# Sustainable demand in new build and renovation

in € mn	Q1 2021	Q1 2020	Chg. in %
External revenues	478.5	500.4	-4
EBITDA LFL	76.8	83.9	-8
EBITDA	78.0	81.9	-5
EBITDA LFL Margin	15.8%	17.1%	-1.2pt

- > **Sustainable demand in new construction and renovation** supported satisfactory results
- > **Strong level of demand in March** after harsh winter held back activity at the beginning of 2021
- > Successful in **recovering cost inflation** throughout almost all of our markets



# Strong demand leading to successful set of results

in € mn	Q1 2021	Q1 2020	Chg. in %
External revenues	240.7	220.7	9
EBITDA LFL	21.2	18.7	13
EBITDA	21.2	18.7	14
EBITDA LFL Margin	8.6%	8.5%	0.2pt

- › **Successful result** due to strong demand for our innovative infrastructure and in-house solutions
- › Strengthened market position thanks to **optimized supply chain, long-term supplier relationships** and **successful inventory management**, which underpinned our ability to deliver on time for our customers
- › Raw material price increases mostly offset by **proactive margin management**

*Note: Rounding differences may arise from automatic processing of data*



# Record result driven by new build and infrastructure

in € mn	Q1 2021	Q1 2020	Chg. in %
External revenues	76.5	71.4	7
EBITDA LFL	9.2	5.1	81
EBITDA	7.2	5.5	32
EBITDA LFL Margin	11.1%	7.2%	3.9pt

- › **Record result** despite USD devaluation and local weather-related project delays
- › **Strong results in infrastructure business** driven by high demand and commercial excellence measures
- › **Outstanding performance in Canada**
- › **Meridian Acquisition** subject to approval by competition authorities

*Note: Rounding differences may arise from automatic processing of data*





## Success story - Wienerberger Piping Solutions

# Reinforcing our strong position in the Nordics

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### Solutions for energy & water management



### Enhanced plants & improved network



### Digitalization as market potential



✓ **Wienerberger's Strategy 2023** aims to position the company as a **provider of comprehensive system solutions for energy and water management in the Nordic markets**

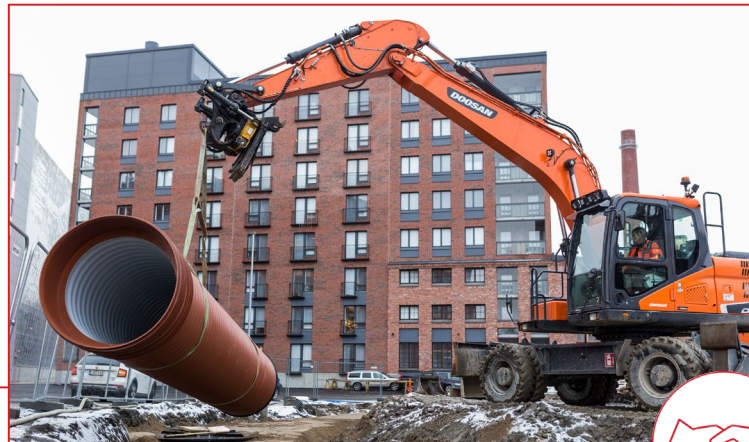
✓ Wienerberger is **fully committed to ambitious ESG targets** and consequently **supports European climate goals** to create a better future for everyone

## Success story - Wienerberger Piping Solutions

# Offering complete water management solutions

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- > **High demand for stormwater management systems** such as **Raineo** due to climate-related increase in floods and droughts
- > **Enhanced portfolio to meet rising demand** including more XL pipes with larger diameters, bigger retention tanks and **digitally enhanced solutions** such as remotely monitored pumping stations



### Snapshot: „One Planet Living“ project

- > Kangas in Finland as a **smart city / district** with new living ecosystem for 5,000 people
- > **Healthy living environment** within natural limits of our planet incl. **stringent self-assigned sustainability goals** in production and product development
- > Wienerberger is the **perfect cooperation partner** for helping to meet many of **the principles of One Planet Living**:



Equity & local economy  
land & nature



sustainable water  
materials & products



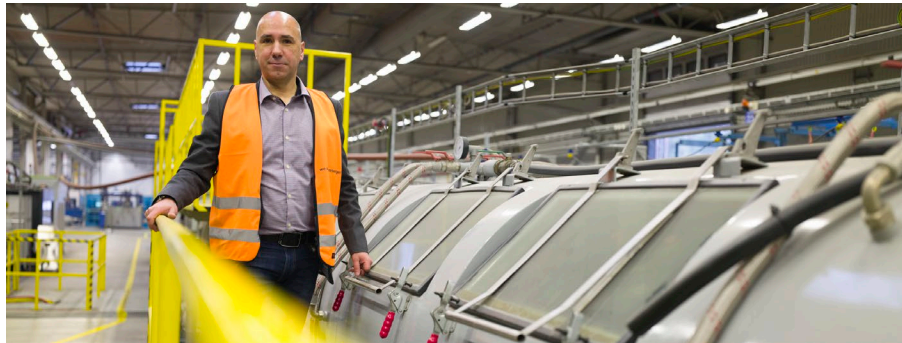
zero waste  
zero carbon energy



## Success story - Wienerberger Piping Solutions

# Enhanced plants and improved network in the Nordics

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- > **Ljung in Sweden** to become **largest flagship pipe plant in the Nordics** by mid-2023
- > **Triple production capacity** to reach 75% of Norway's, Sweden's and Denmark's population
- > Accommodate **increasing need for piping systems in urban areas**



- > Brand-new **specialty production site** in **Vantaa, Finland**
- > New plant close to Helsinki to focus on the **manufacturing of specialized products**, such as smart pumping stations, device chambers and tanks of up to 3.6 meters in diameter

## Success story - Wienerberger Piping Solutions

# Digitalization as market potential

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- > **Growing complexity of water management** in urban areas due to larger cities and climate change
- > **Digital solutions** for monitoring and controlling to be implemented on a large-scale
- > **First complete all-in-one solution by single supplier** available through successful integration of **Inter Act**
  - > comprises the assets as well as the technology, the software and cloud services
  - > offers holistic smart solutions and tailored specialty products
  - > improved convenience for public as well as private clients





## Success story - Wienerberger Piping Solutions

# We actively contribute to Europe's climate goals

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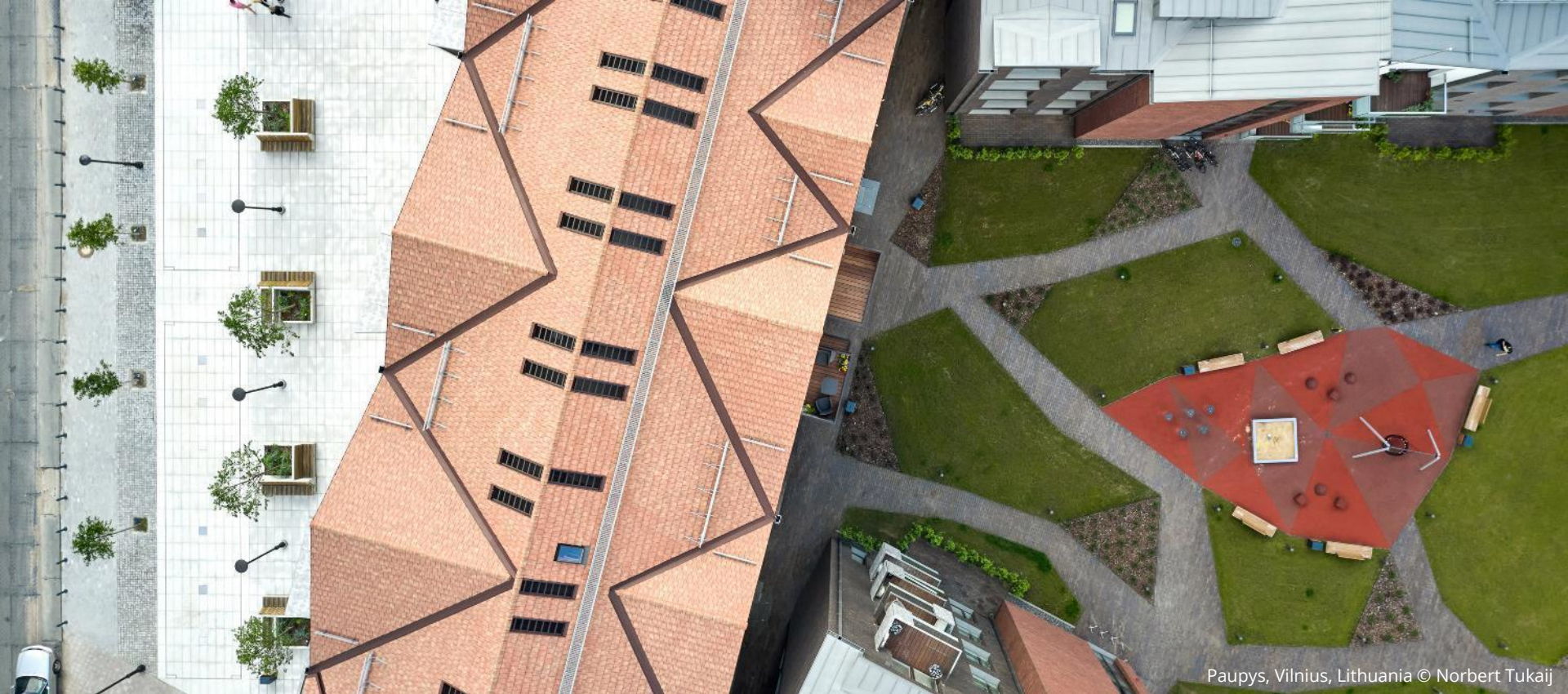
We will be even closer to customers and strengthen our position as a local and sustainable partner. Furthermore our Strategy 2023 is **fully in line with the EU Climate Adaption Strategy**.

### New EU Climate Adaption Strategy

- > Increased **climate adaption measures** such as flood and drought management
- > **Decrease losses from climate-related damage** (approx. € 12 bn)
- > Improve knowledge and availability of **climate data**

### Wienerberger Strategy 2023

- > Become a **full-range provider of system solutions for energy & water management** (e.g. Raineo)
- > **Innovations, R&D and convenient solutions** tailored to our customer's needs
- > Fully focused on **ESG aspects** such as **decarbonization, biodiversity** and **circular economy**



## Financial Highlights Q1 2021

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## Q1 2021 - Highlights

# Strong set of results paired with a solid balance sheet

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Revenues

**€ 796.5 mn**

(Q1 2020: € 793.3 mn | 0%)

EBITDA LFL <sup>1)</sup>

**€ 107.2 mn**

(Q1 2020: € 107.7 mn | 0%)

Net Debt / EBITDA

**1.9x**

(Q1 2020: 1.8x)

EBITDA LFL margin <sup>1)</sup>

**13.2%**

(Q1 2020: 13.7% | -0.5ppt)

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

## Q1 2021 – Income statement

# Strong performance by focusing on our core segments

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in € mn	1-3/2021	1-3/2020	Chg. in %
<b>Revenues</b>	<b>796.5</b>	<b>793.3</b>	<b>0</b>
<b>EBITDA LFL</b>	<b>107.2</b>	<b>107.7</b>	<b>0</b>
<b>EBITDA</b>	<b>106.4</b>	<b>106.1</b>	<b>0</b>
<b>Operating EBIT</b>	<b>48.8</b>	<b>40.5</b>	<b>20</b>
Impairment charges to assets	0.0	-22.5	>100
Impairment charges to goodwill	0.0	-93.6	>100
<b>EBIT</b>	<b>48.8</b>	<b>-75.5</b>	<b>&gt;100</b>
Financial result	-9.1	-8.7	-4
<b>Profit before tax</b>	<b>39.7</b>	<b>-84.2</b>	<b>&gt;100</b>
Income taxes	-11.4	-19.1	40
<b>Profit/loss after tax</b>	<b>28.3</b>	<b>-103.4</b>	<b>&gt;100</b>
Hybrid coupon and non-controlling interests	-1.1	-2.9	63
<b>Net result</b>	<b>27.3</b>	<b>-106.3</b>	<b>&gt;100</b>

Note: Rounding differences may arise from automatic processing of data



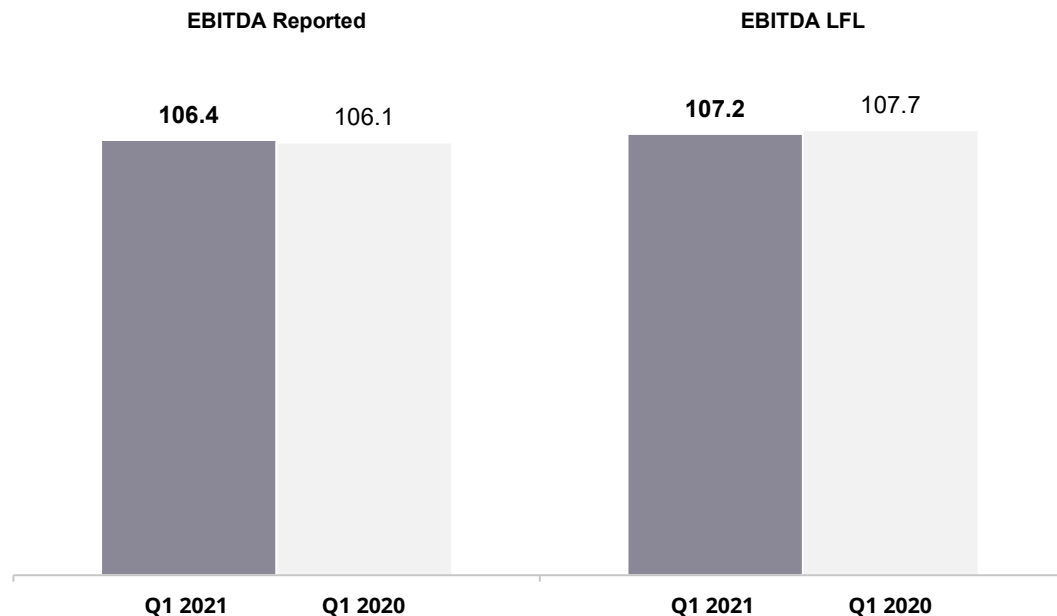
**Q1 2021**

# Strong profitability on pre-Covid levels

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## EBITDA Development

in € mn



## EBITDA adjustments

in € mn

	1-3/2021	1-3/2020
<b>EBITDA reported</b>	<b>106.4</b>	<b>106.1</b>
FX	2.5	-
Consolidation	-0.3	0.0
Sale of assets <sup>1)</sup>	-3.1	-0.5
Structural adjustments <sup>2)</sup>	1.7	2.1
<b>Total adjustments</b>	<b>0.8</b>	<b>1.6</b>
<b>EBITDA LFL</b>	<b>107.2</b>	<b>107.7</b>

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

**Q1 2021**

# Strong balance sheet ratios proving resilience of our business model

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in € mn	31.3.2021	31.3.2020	Chg. in %	31.12.2020
ROCE	5.2%	2.7%	2.5pt	8.9%
Equity <sup>1)</sup>	1,802.6	1,892.6	-5	1,749.0
Equity ratio	42.6%	46.2%	-	40.4%
Net debt	1,047.6	1,072.5	-2	882.1
<b>Net debt / EBITDA <sup>2)</sup></b>	<b>1.9</b>	<b>1.8</b>	<b>-</b>	<b>1.6</b>
Gearing	58.1%	56.7%	-	50.4%
<b>Working Capital</b>	<b>730.8</b>	<b>809.4</b>	<b>-10</b>	<b>503.8</b>
Working Capital / External Revenues <sup>2)</sup>	21.8%	23.2%	-	15.0%

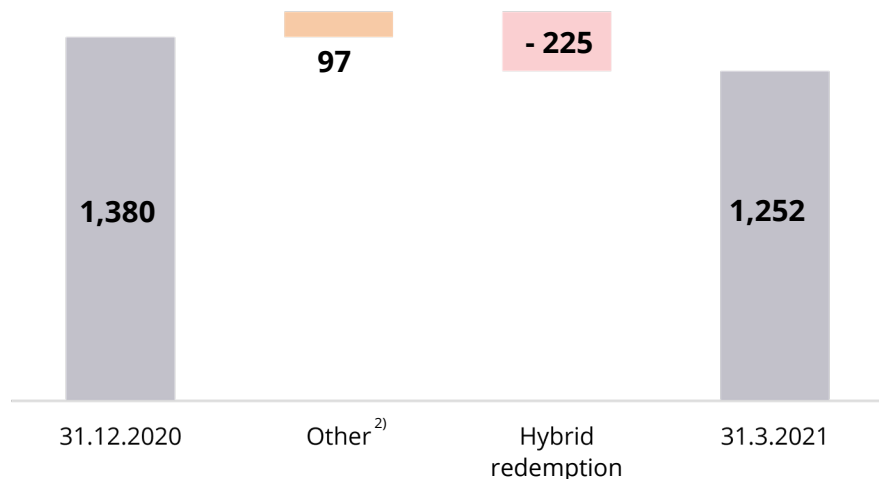
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# Balanced maturity profile with comfortable financial headroom

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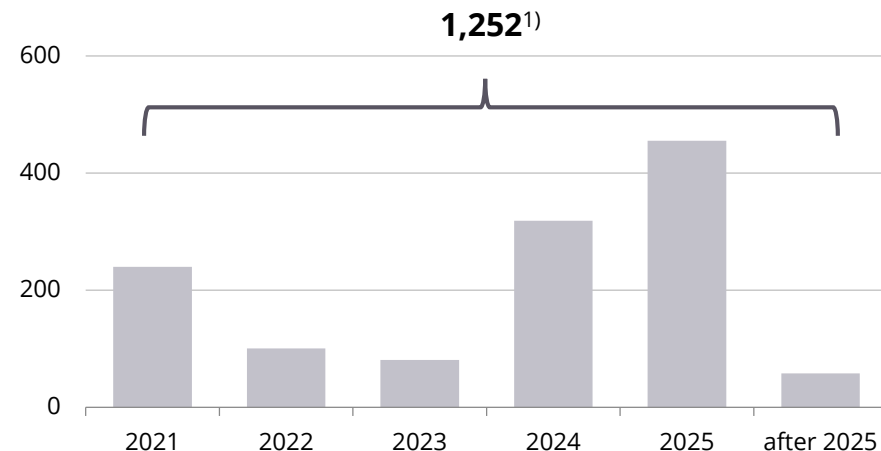
## Total financial liabilities<sup>1)</sup>

in € mn



## Maturity profile per 31.3.2021

in € mn



- > **Hybrid Bond** was redeemed on 9th February 2021 **from cash**
- > Available RCF headroom of € 371 mn; **current total liquidity reserve of ~€ 750mn**

1) Excluding Leasing liabilities // 2) includes short-term financial liabilities, other local financings, interest accruals and valuation effects

# Our Self Help program embodies the strategic focus areas of our Business Units

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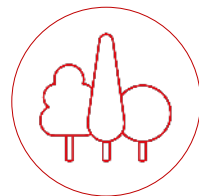
## Operational Excellence

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



## Innovation & Digitalization

- › Transform to a **full system provider**
- › Expansion into **(digital) services**
- › Development of **new products** and designs
- › Increase the share of **recyclable and reusable products**



## Sustainability ESG

- › Roll out of existing technologies and new technologies to **reduce energy consumption and CO<sub>2</sub> emissions**
- › Supporting the Wienerberger **sustainability targets**
- › Enhance **biodiversity** across all our production sites



**Self help**

# Our new Self Help program with a clear financial ambition wienerberger

## Growth investments 2021-2023

**€ 60mn p.a.**

### ESG Capex

in circular economy, biodiversity and the reduction of CO<sub>2</sub> emissions

**€ 80mn p.a.**

### Special Capex

in recyclability, innovative product designs and broadening the range of system solutions

## Financial target 2023

**€ 135mn**

**Total Enhancement to  
annual EBITDA**  
vs. 2020 baseline

## Self help

# Self Help program already delivering € 8mn in Q1 2021

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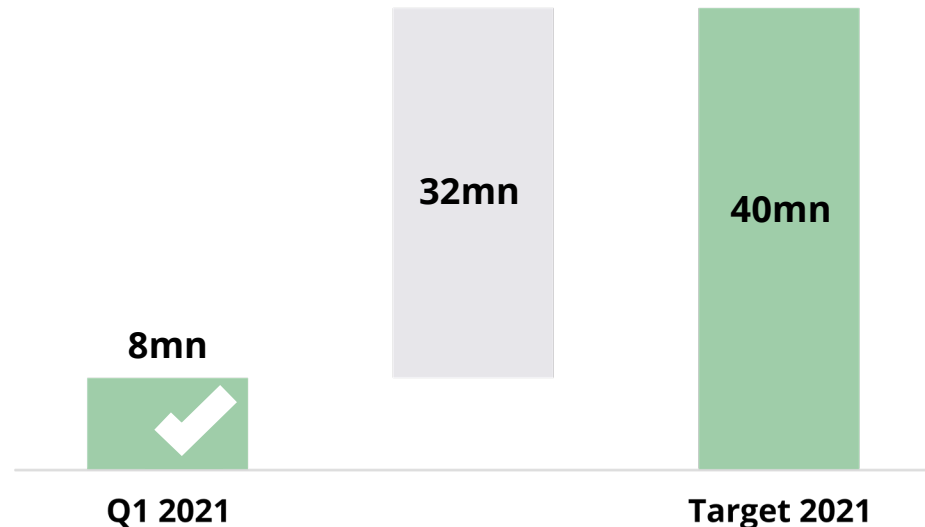
New self help program already **delivering € 8mn EBITDA contribution** in Q1 2021

EBITDA contribution from self help  
in €



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

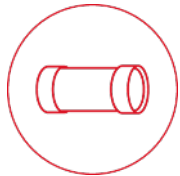
- > Major drivers for Q1 achievement have been **manufacturing** and **commercial excellence** projects
- > Dedicated **annual growth investments of € 140mn**, already supporting strong Q1 performance
- > Total target of **€ 135mn EBITDA enhancement** through self-help measures **until 2023**



# We take the right measures to safeguard our margins

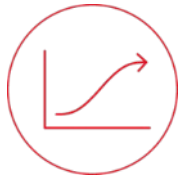


**Price increases to cover cost inflation** (~2-3% on avg.) have already been **successfully implemented** in most of our markets in Q1 2021



**Active margin management to counter strong price increases of plastic granulate in the piping business**

- > Optimized supply chain and inventory management
- > **Long-term supplier contracts** ensure the availability of raw material



**Active hedging** of energy prices and electricity in all business units

- > **Benefitting from attractive price levels** of the prior year which were locked-in
- > **Large parts of future** energy and electricity **needs** are **already hedged** (> 90% of 2021 volumes; ~70% of 2022 volumes)



New construction single family in Frasnez-les-Buisseres  
Architect: Martens Van Calmere Architecten, Gent

# Outlook 2021

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## Outlook 2021 – Wienerberger estimates

# Overall healthy environment in our core regions

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



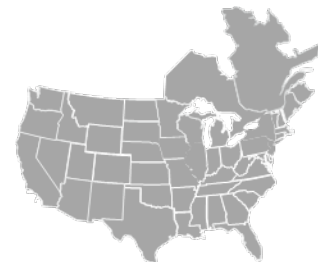
**Western Europe**



**Central & Eastern Europe**



**Nordics**



**North America**

**New build**



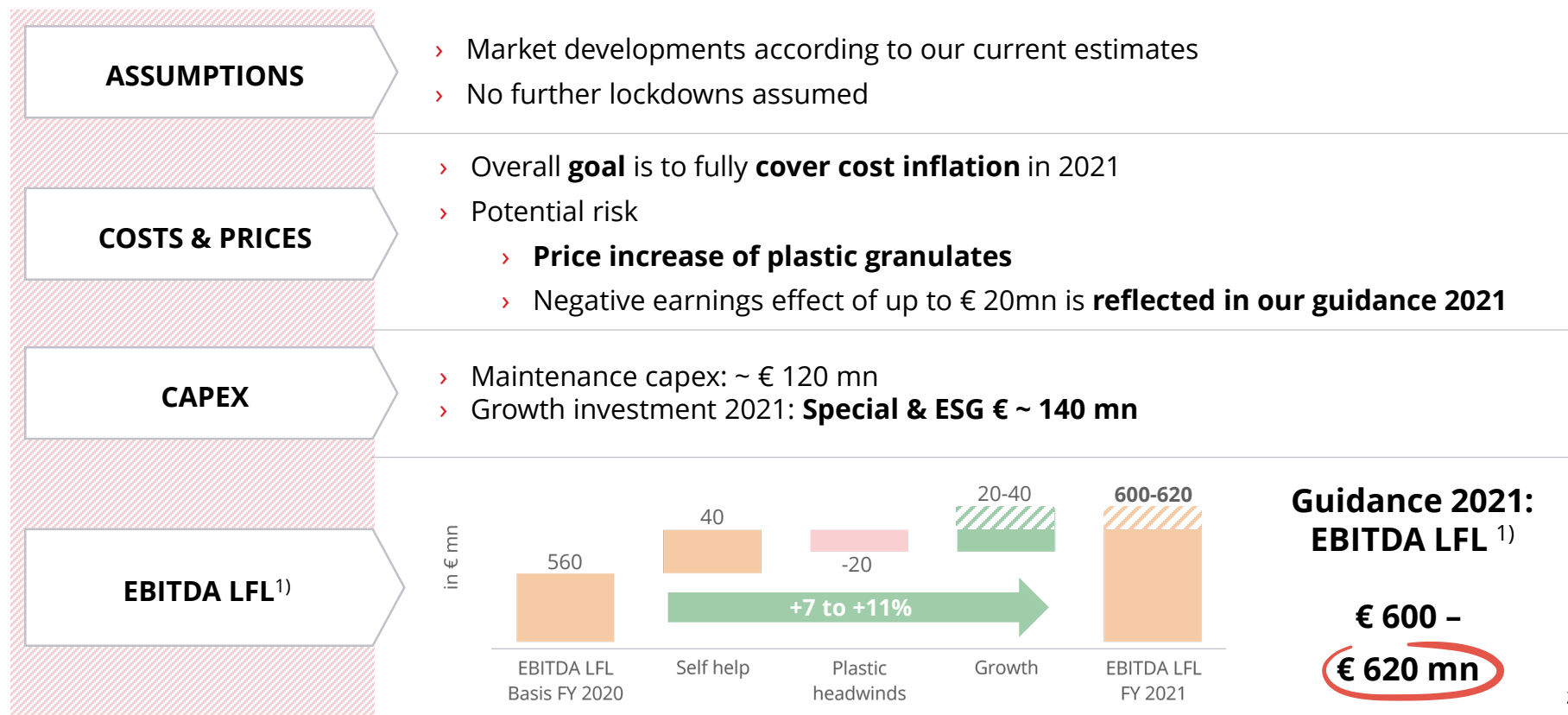
**Renovation**



**Infrastructure**



# FY 2021 Guidance reconfirmed



**Guidance 2021:**  
**EBITDA LFL<sup>1)</sup>**

€ 600 –

**€ 620 mn**

1) No contribution from Meridian considered

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## Appendix – Financial update

## Q1 2021 – Cash flow statement

# Gross cash flow increase shows strong operational performance and seasonal working capital build-up

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in € mn	1-3/2021	1-3/2020	Chg. in € mn	Chg. in %
<b>Gross cash flow</b>	<b>84.3</b>	<b>74.3</b>	<b>10.0</b>	<b>14</b>
Change in working capital	-203.6	-204.1	0.5	0
Maintenance capex	-21.6	-22.9	1.3	6
Divestments and other	14.7	2.5	12.2	>100
Lease payments	-12.1	-12.1	0.0	0
<b>Free cash flow</b>	<b>-138.2</b>	<b>-162.2</b>	<b>24.0</b>	<b>15</b>
Special capex	-12.2	-11.5	-0.7	-6
M&A	-2.2	-2.0	-0.1	-6
Non-controlling interests	0.0	0.0	0.0	0
Dividend & share buyback <sup>1)</sup>	0.0	-2.1	2.1	<100
Hybrid coupon & buyback	-225.4	-37.9	-187.5	>100
<b>Net cash flow</b>	<b>-378.0</b>	<b>-215.7</b>	<b>-162.3</b>	<b>-75</b>

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



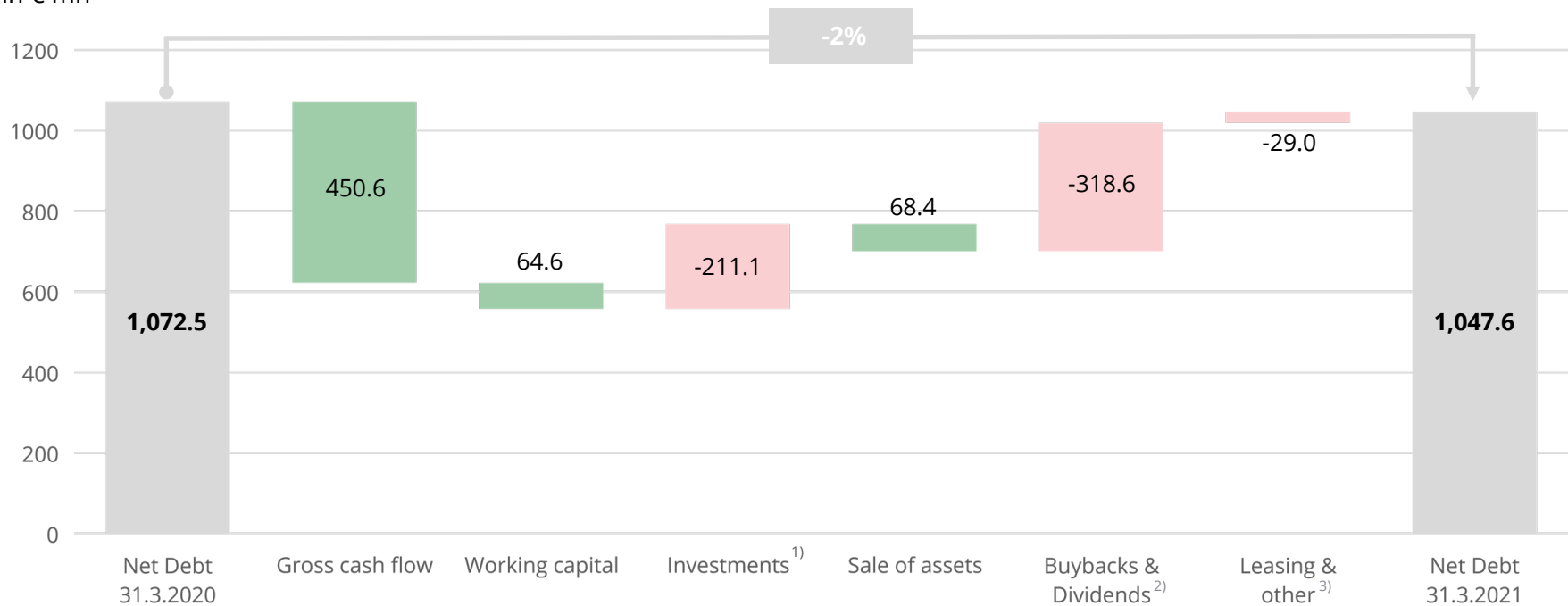
**Q1 2021**

# Net debt decrease despite redemption of hybrid bond and dividend payments

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## Net debt development

in € mn



1) Includes Total investment and M&A // 2) Includes share and hybrid buybacks, dividend and coupon payments // 3) Includes IFRS 16 non-cash lease additions, non-cash valuation effects, FX and others // Note: Rounding differences may arise from automatic processing of data