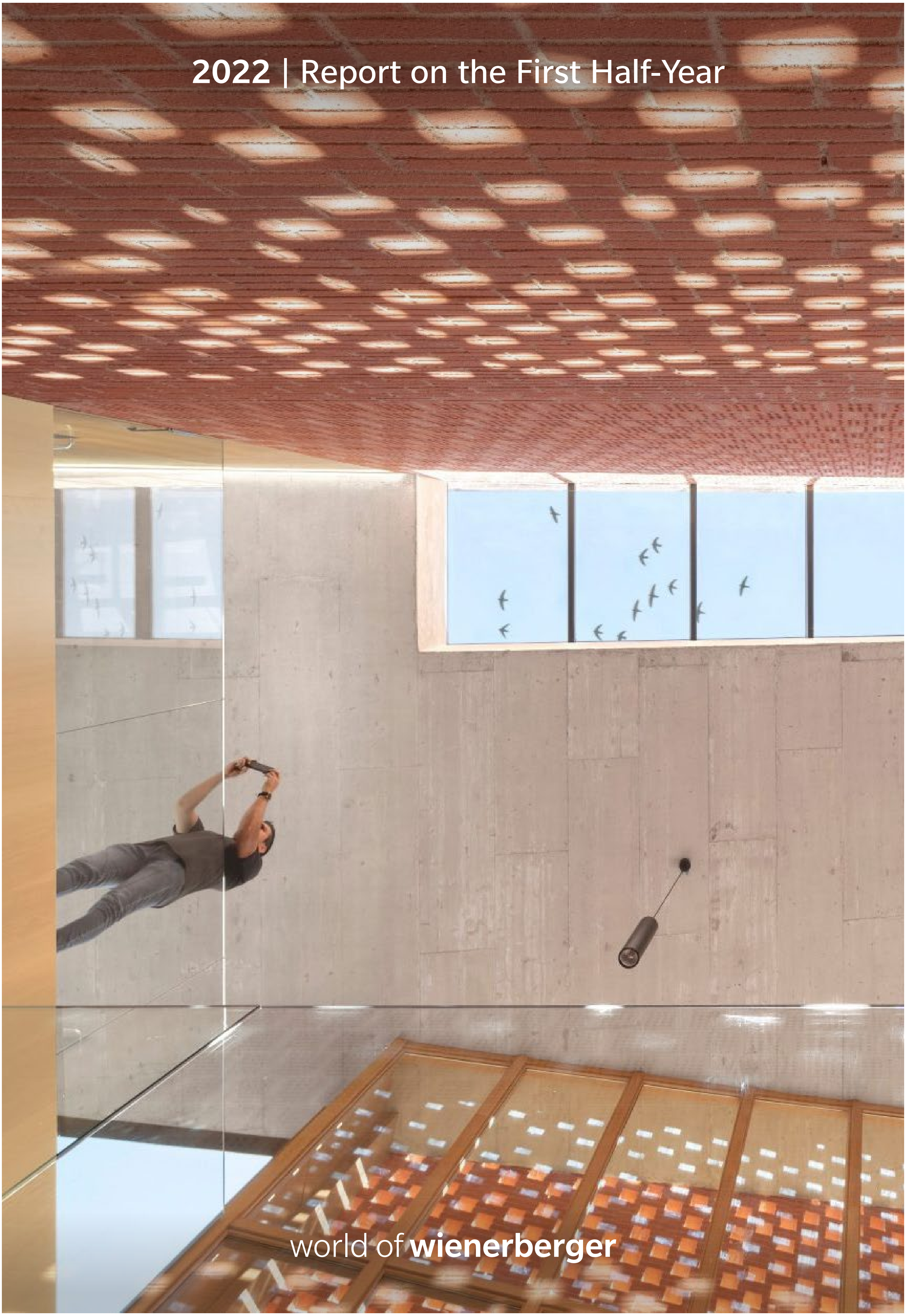
2022 | Report on the First Half-Year



world of wienerberger

Key Performance Indicators

Earnings Data		1-6/2022	1-6/2021	Chg. in %	1-12/2021
Revenues	in MEUR	**2,571.9**	1,867.5	+38	3,971.3
Operating EBITDA [1]	in MEUR	**545.4**	305.0	+79	693.9
EBITDA	in MEUR	**548.8**	307.0	+79	694.3
Operating EBIT	in MEUR	**408.3**	181.3	>100	431.2
Impairment charges to assets	in MEUR	**-14.8**	0.0	<-100	0.0
Impairment charges to goodwill	in MEUR	**0.0**	-10.7	>100	-10.7
EBIT	in MEUR	**393.5**	170.6	>100	420.4
Profit before tax	in MEUR	**373.8**	144.7	>100	374.3
Net result	in MEUR	**320.9**	112.6	>100	310.7
Earnings per share	in EUR	**2.84**	1.00	>100	2.75
Free cash flow [2]	in MEUR	**130.9**	44.2	>100	420.6
Maintenance Capex	in MEUR	**43.8**	43.3	+1	120.4
Special Capex	in MEUR	**54.4**	32.0	+70	159.4
Ø Employees	in FTE	**19,002**	17,180	+11	17,624

Balance Sheet Data		30/6/2022	31/12/2021	Chg. in %
Equity [3]	in MEUR	**2,288.3**	2,149.1	+6
Net debt	in MEUR	**1,273.0**	1,134.5	+12
Capital employed	in MEUR	**3,525.6**	3,248.1	+9
Total assets	in MEUR	**5,133.4**	4,903.8	+5
Gearing	in %	**55.6**	52.8	-

Stock Exchange Data		1-6/2022	1-12/2021	Chg. in %
Share price high	in EUR	**34.04**	35.34	-4
Share price low	in EUR	**20.06**	26.16	-23
Share price at end of period	in EUR	**20.48**	32.34	-37
Shares outstanding (weighted) [4]	in 1,000	**113,131**	113,105	0
Market capitalization at end of period	in MEUR	**2,359.0**	3,725.2	-37

Operating Segments 1-6/2022 in MEUR and % [5]	Wienerberger Building Solutions	Wienerberger Piping Solutions	North America	Group eliminations	Wienerberger Group
External revenues	1,358.3 (+22%)	742.2 (+30%)	470.6 (>100%)		2,571.1 (+38%)
Inter-company revenues	0.8 (-65%)	0.2 (+76%)	0.0 (0%)	-0.1	0.8 (-64%)
Revenues	1,359.1 (+22%)	742.3 (+30%)	470.6 (>100%)	-0.1	2,571.9 (+38%)
Operating EBITDA [1]	341.4 (+56%)	92.7 (+56%)	111.2 (>100%)		545.4 (+79%)
EBITDA	344.5 (+56%)	92.5 (+52%)	111.7 (>100%)		548.8 (+79%)

1) Adjusted for effects from sale of core and non core assets as well as structural adjustments // 2) 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 // 3) Equity including non controlling interests // 4) Adjusted for treasury stock // 5) Changes in % to the comparable prior year period are shown in brackets // Explanatory notes to the report: Rounding differences may arise from automatic processing of data.

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CEO Letter

Dear Shareholders,

In the first half of 2022, the Wienerberger Group succeeded in significantly increasing its revenues at Group level by 38% to € 2,572 million and generated EBITDA in the amount of € 549 million, up by 79% compared to the previous year. This strong performance of Wienerberger confirms the success of our sustainable business model and is particularly noteworthy in the current volatile environment marked by military conflict in Europe, high cost inflation, rising interest rates, and growing public debt.

The basis of our excellent performance is twofold: on the one hand, the hard and consequent work of all our employees, and on the other hand, the successful transformation of our business model. Today, our operations are far more diversified in terms of geography and end markets. Given our significant exposure to the renovation and infrastructure markets, we have become clearly more resilient. We are determined to further pursue this course and will adhere to our proven growth strategy.

Through our continuous focus on innovation and system solutions, we again generated strong organic growth. Additionally, our targeted optimization measures resulted in a contribution to EBITDA in the amount of € 27 million in the first half of 2022. M&A activities and portfolio optimization measures round out our growth strategy. The integration of the companies taken over in Europe and North America in the previous year is progressing faster than expected; these acquisitions have already delivered a contribution to earnings of € 46 million. Strategic acquisitions will further strengthen our systems solutions approach and renovation exposure.

We are aware of the current, challenging situation and the associated negative media coverage. However, our business performed well in the first half of the year, and we recorded high demand across all markets and product groups. Our top priority, therefore, has been to operate our plants at full capacity in order to supply our customers with all the products and solutions required.

This year, to date, we have seen lively demand in the new build segment, especially for our solutions for the construction of single- and two-family houses. In the first half of this year, however, the underlying markets in this segment have shown a certain degree of decline compared to the same period of last year. In the renovation segment, we saw consistently high growth, primarily driven by the ambitious CO_2 reduction targets, the attainment of which depends on the modernization of the European building stock. As regards our infrastructure business, the availability of raw materials for pipe production was secured at all times, and we managed to more than offset the high inflation of plastic granulate prices. In this segment, demand for our solutions for safe and secure potable water supply was particularly good.

Since the outbreak of the Russia-Ukraine conflict, the supply of natural gas to all our markets has been secured. We are keeping a close eye on the situation, are cooperating intensively with the national authorities, and have elaborated corresponding contingency plans. Wienerberger has successfully reduced its dependence on Russian gas to less than 20%, and is fully in line with the current EU policy to further decrease gas consumption by 15%. We are stepping up our investments in the conversion of production to sustainable energy sources. Depending on local availability, electricity, hydrogen, biogas or synthetic gas can be used. At the same time, within the framework of our ambitious decarbonization strategy we are focusing on process improvements aimed at continuously reducing our energy consumption.

HEIMO SCHEUCH
CEO

In the second half of the year we expect to see a normalization of the new build demand at the level of recent years. In this segment, markets are not overbuilt and demand for housing remains high. In the renovation and infrastructure end markets, there is an urgent need for modernization of the European building stock as well as of the water supply networks in Europe and the USA, two sectors that are benefiting from comprehensive goverment support programs. Our operating EBITDA guidance 2022 is > € 900 million.

Heimo Scheuch

Chairman of the Managing Board of Wienerberger AG

Interim Management Report Financial Review

Earnings

Despite a difficult market environment, the Wienerberger Group recorded consistently high demand in all its markets and outperformed its own expectations in the first half of 2022, generating revenues of € 2,571.9 million, up by 38 % from the same period of the previous year (2021: € 1,867.5 million). Revenues include contributions from the consolidation of companies acquired in the second half of 2021 in the amount of € 268.1 million. In the first half of the year, positive currency translation effects came to a total of € 4.8 million, primarily attributable to the appreciation of the US dollar, the British pound, and the Czech crown and partly offset by effects from the devaluation of the Turkish lira and the Hungarian forint.

Regardless of the challenging and volatile market environment, EBITDA reported increased significantly to € 548.8 million compared to the previous year's level of € 307.0 million. EBITDA reported includes contributions to earnings from the companies acquired in 2021 in the amount of € 45.7 million and positive foreign exchange effects of € 5.6 million. To determine operating EBITDA, the total was adjusted for income from the sale of non-core land and real estate of € 3.5 million and structural adjustment costs of € -0.1 million. Given the material amounts of contributions from companies acquired in 2021 (in particular Meridian Brick in North America and FloPlast / Cork Plastics in Great Britain and Ireland), these are reported separately in the 2022 financial year. As of 2022, therefore, EBITDA LFL is no longer reported, while the main indicator referred to in steering the Wienerberger Group, alongside revenue and EBITDA reported, is operating EBITDA.

The operating result before interest and tax (operating EBIT) more than doubled to € 408.3 million, as compared to the previous year's value of € 181.3 million. In the first half of 2022, EBIT amounted to € 393.5 million (2021: € 170.6 million), with impairment charges to assets of € 14.8 million (2021: 0) taken into account. In the first quarter of 2022, the outbreak of the conflict between Russia and Ukraine was a triggering event for the performance of impairment tests of our operational brick business in Russia and the operationally dependent facing brick business in Estonia. Driven by lowered long-term earnings expectations and increasing costs of capital, an impairment of € 14.8 million was identified. Despite rising financing costs, the financial result improved from € -25.9 million in 2021 to € -19.7 million in the reporting year, which is primarily due to the impairment of an at-equity participation booked in the previous year. Considering the tax expense of € -52.7 million (2021: € -31.1 million), Wienerberger generated an after-tax result of € 321.1 million (2021: € 113.6 million). Earnings per share amounted to € 2.84 in the reporting period (2021: € 1.00).

Cash Flow

Given the Group's strong operating performance, gross cash flow increased from € 236.9 million in the previous year to € 483.6 million in the reporting period. Cash flow from operating activities also improved from the previous year's level of € 90.7 million to € 192.8 million. In the first half of the year, cash flow from investing activities amounted to € -102.6 million (2021: € -61.7 million), the major part of which was spent on investments in tangible and intangible non-current assets. These investments comprised € 43.8 million in maintenance capex and € 54.4 million for the optimization of production processes, the development of new products, and expenditure on digitalization, innovation, and sustainability (special capex).

On account of the buyback of own shares in the amount of € -150.9 million and the payout of € -83.9 million in dividends, cash flow from financing activities is negative at € -247.0 million (2021: € -246.5 million). In total, the Group's cash position declined by € -156.9 million from the 2021 year-end value (2021: € -217.6 million) to € 209.6 million.

Assets and Financial Position

The increase in net debt from € 1,134.5 million to € 1,273.0 million in the first half of 2022 was primarily attributable to the usual seasonal build-up of working capital, the buyback of own shares, and the payout of dividends. At the same time, the Group's equity increased by € 139.2 million over the 2021 year-end value to € 2,288.3 million.

In the preparation of this Interim Report, any information available regarding potential risks and economic effects resulting from the outbreak of the conflict between Russia and Ukraine in February 2022 (such as delivery restrictions due to EU sanctions, inflationary cost increases) were taken into account in the valuation of the Group's assets and liabilities. However, many of the potential direct and indirect effects cannot yet be reliably assessed. Moreover, the current economic and macro-economic developments are extremely volatile, so that further consequences for the Wienerberger Group, such as bottlenecks in energy supply, interruptions of supply chains, cost increases, changes in interest parameters, or additional sanction or counter-sanctions on the part of Russia cannot be ruled out.

Operating Segments

Wienerberger Building Solutions

In the first half of 2022, the Wienerberger Building Solutions Business Unit delivered highly satisfactory results:

- Substantial 22% increase in revenues to € 1,358.3 million (2021: € 1,115.4 million)
- Robust 56% growth of operating EBITDA to € 341.4 million (2021: € 218.8)
- High demand across all markets and product groups
- Availability of raw materials and energy at all times, enabling all production sites to operate at full capacity

Wienerberger Building Solutions		1-6/2022	1-6/2021	Chg. in %
External revenues	in MEUR	**1,358.3**	1,115.4	+22
Operating EBITDA	in MEUR	**341.4**	218.8	+56
Operating EBITDA margin	in %	**25.1%**	19.6%	-
EBITDA	in MEUR	**344.5**	220.3	+56

The excellent performance seen in the first quarter of 2022 continued throughout the second quarter. On the basis of high demand and a full order book, the Wienerberger Building Solutions Business Unit generated extremely strong growth in revenues and earnings in the first half of 2022. External revenues rose by 22% to € 1,358.3 million (2021: € 1,115.4 million) in the first six months of the year. Operating EBITDA increased steeply by 56% to € 341.4 million (2021: € 218.8 million) over the same period.

Such strong growth was generated across all regions, business areas, and product groups. In terms of sales, we recorded continued strong renovation activities in all our key markets, driven not only by rising energy costs, but also by financial support granted within the framework of the Green Deal of the EU. In the new-build segment, we saw slightly decreasing markets at a high level. Despite rising mortgage rates and high cost inflation, demand for housing is high in both Western and Eastern Europe. The recent trend towards investment in home ownership continued, resulting in high demand for our innovative solutions for the entire building envelope.

Thanks to our consistently pursued forward-buying strategy in the energy market, the availability of energy was secured at all times and our production sites were working at full capacity. Wienerberger has successfully reduced its dependence on Russian gas to less than 20%, and is fully in line with the current EU policy to further decrease gas consumption by 15%. We were thus able to meet the high demand for our products, deliver on schedule, and position ourselves as a reliable partner even in a volatile environment.

Based on the continuous optimization of our product mix and the steady expansion of our range of services tailored to the needs of our customers, we intensified our focus on innovative and sustainable system solutions throughout the first half of the year. We take our strong growth and the highly satisfactory increase in profitability as confirmation of the success of our corporate strategy. Our ongoing self-help program aimed at earnings growth and efficiency enhancement again delivered a substantial contribution to our strong performance. With the successful acquisition of a prefabrication plant in Austria as of the end of the second quarter, we are continuing to pursue our value-accretive M&A strategy, the objective being to enlarge our current portfolio by broadening the range of innovative system solutions and, at the same time, addressing the persistent shortage of skilled labor in our markets.

Rising production costs, in particular costs of raw materials, personnel, packaging, and energy, were covered through successfully implemented price increases. As these adjustments were passed on to the market step by step, we once again proved to be a predictable and reliable partner for our end customers even in an environment marked by a high degree of uncertainty.

In the first half of 2022, our performance in the Western European markets was strong. This development was seen in both new build and in renovation. We benefited not only from governmental support for housing construction, but also from the general trend toward sustainable housing construction and renovation. The increasingly strict regulations on the energy efficiency of buildings, which are gradually being introduced in a number of European countries, are a contributing factor toward the consistently high demand for our high-quality system solutions for walls, façades, and roofs.

Through smaller investments at individual plants and optimized production planning, we succeeded in slightly increasing our production capacities, which were already at a high level the previous year, thus ensuring that our customers' demand could be met at all times.

This development is also reflected in our Eastern European markets, where high demand for our innovative product solutions seen in the first six months of the year resulted in our plants working at full capacity. In this market environment, our concrete pavers business also delivered a sound contribution to earnings.

Wienerberger Piping Solutions

The Wienerberger Piping Solutions Business Unit delivered a strong performance and generated excellent results:

- Strong 30% external revenue growth to € 742.2 million (2021: € 569.7 million)
- Highly satisfactory 56% increase in operating EBITDA to € 92.7 million (2021: € 59.4 million)
- Continuation of the positive trend with consistently strong growth in plastic pipe business

Wienerberger Piping Solutions		1-6/2022	1-6/2021	Chg. in %
External revenues	in MEUR	742.2	569.7	+30
Operating EBITDA	in MEUR	92.7	59.4	+56
Operating EBITDA margin	in %	12.5%	10.4%	-
EBITDA	in MEUR	92.5	60.9	+52

In the plastic pipe business, availability along the supply chains eased in the first half of 2022 and we continued our successful growth trend. In the infrastructure secctor, in particular, we again recorded strong demand for our full-range of system solutions for water and energy management in the first six months of the year. For our in-house solutions business, we recorded stable demand at a satisfactory level.

The dynamic development of plastic granulate prices already seen in the previous year levelled off to a certain extent in the reporting period. However, given the generally high level of inflation, the costs of other input factors increased notably, which means that the management of input costs remained challenging. The Wienerberger Piping Solutions business unit requires only electricity for the production process. We again succeeded in offsetting the impact of rising production costs through forward-looking margin management. Moreover, within the framework of our strategy aimed at increasing the percentage of system solutions in total sales, our focus remained on high-quality solutions tailored to the needs of our end customers. This approach contributed to the strong performance of the first half of 2022. Through targeted inventory management, long-term supplier relations, and an optimized supply chain, we again succeeded in meeting our customers' requirements and further strengthening our market position as a reliable partner.

We successfully exited our piping business in France, Russia and Greece and some further export markets with lower margin. As a result, the volume development in the first half of 2022 is lower than in the previous year.

In Northern Europe, we recorded a satisfactory development of business in the first six months of the year. Performance was particularly good in Norway. We benefited from an improved product mix and robust demand from the infrastructure sector, supported by government investments. Our activities in the Baltic States also made a solid contribution to earnings.

In Western Europe, too, sound demand in our in-house business, combined with a satisfactory level of incoming orders for infrastructure projects, resulted in a notable contribution to earnings. In Great Britain and Ireland, we recorded good growth in earnings in the first half of the year, also in connection with the companies FloPlast and Cork Plastics acquired last year. Their integration made good progress and released additional production capacities.

In Eastern Europe, we delivered a strong performance in the first half of the year, with excellent results above all in the first quarter. In our in-house business, demand normalized in the second quarter. Thanks to our consistent focus on innovative, high-quality pipe systems we achieved significant earnings growth. High demand for infrastructure and full-range solutions for large-scale projects, as well as dynamic developments in the segment of products for agriculture, also contributed to the highly satisfactory results. Public investments in Eastern Europe continued to benefit from funding for the expansion and modernization of pipeline networks provided within the framework of the EU cohesion policy.

North America

Operating in a favorable market environment, the North America Business Unit again reported an outstanding increase in revenues and earnings in the first half of the year, a performance attributable to organic growth as well as the acquisition of Meridian Brick:

- External revenues more than doubled to € 470.6 million in the reporting period (2021: € 180.2 million)
- Operating EBITDA extraordinarily strong at € 111.2 million (2021: € 26.8 million)
- Excellent result due to consistently strong development of plastic pipe business, good performance of brick activities, and highly satisfactory contributions from Meridian Brick

North America		1-6/2022	1-6/2021	Chg. in %
External revenues	in MEUR	**470.6**	180.2	>100
Operating EBITDA	in MEUR	**111.2**	26.8	>100
Operating EBITDA margin	in %	**23.6%**	14.9%	-
EBITDA	in MEUR	**111.7**	25.7	>100

Against the background of a favorable market environment, the North America Business Unit saw a high level of demand in the field of infrastructure and in the new build segment. We thus recorded a highly satisfactory increase in revenues and earnings in our business with both plastic pipes and facing bricks in our core regions in the USA and Canada. The acquisition of Meridian Brick in the fourth quarter of 2021 resulted in a particularly strong contribution to earnings. Our plastic pipe solutions, especially in the field of water management, from municipal potable water supply to sewage pipes and sanitation and irrigation systems, continued to meet with lively, stable demand.

During the first six months of the year, the number of new housing starts in our core US markets remained at a good level. This resulted in strong demand for our durable façade solutions, which we met by running our plants at a very high level of capacity utilization. In some regions we faced a challenging situation along our supply chains and felt the impact of labor shortages. The significantly increased production costs were covered successfully through price adjustments and improved input cost management. Owing to the acquisition of Meridian Brick, we benefited from a broader geographic footprint, especially in regions with high immigration in the south of the USA, such as Texas and Oklahoma. This enlarged presence is helping to diversify our business and make it more resilient to extreme weather events and regional developments.

In a consistently positive market environment, our plastic pipe business in the USA continued to benefit from stable demand for infrastructure solutions. We succeeded in securing the availability of plastic granulates at all times. However, the dynamic trend of raw material costs continued on account of supply bottlenecks resulting from high demand for secondary raw materials. Thanks to our proactive procurement and margin management, our US operations again delivered extraordinary contributions to earnings.

Alongside our operational business, we focused above all on the integration of Meridian Brick in the first half of the year. Given that the integration process is progressing faster than expected, we are confident of running all plants on the basis of a uniform IT landscape in the course of the next business year. This step will not only further advance our continuous efforts aimed at enhancing efficiency in terms of costs and in our sales activities, but also tap substantial synergies.

The production processes in our North America Business Unit are independent of Russian gas. Moreover, in North America as well as in other markets, we are pursuing our proven, long-term forward-buying strategy for energy.

Financials of Second Quarter 2022

In the second quarter of 2022, Wienerberger recorded a strong performance in each of its three business units, surpassing the excellent results of the second quarter of the previous year and setting a new record:

- External revenues increased by 32% to € 1,414.8 million (2021: € 1,069.6 million)
- Over the same period, EBITDA rose by 60% to € 320.4 million (2021: € 200.6 million), driven by good performance in all business areas
- The availability of raw materials and energy was secured at all times in all our markets, enabling our plants to operate at full capacity and meet our customers' high demand

External revenues in MEUR	**4-6/2022**	**4-6/2021**	**Chg. in %**
Wienerberger Building Solutions	**740.6**	636.8	+16
Wienerberger Piping Solutions	**411.1**	329.0	+25
North America	**263.1**	103.7	>100
Wienerberger Group	**1,414.8**	**1,069.6**	**+32**

EBITDA in MEUR	**4-6/2022**	**4-6/2021**	**Chg. in %**
Wienerberger Building Solutions	**196.1**	142.3	+38
Wienerberger Piping Solutions	**56.2**	39.7	+42
North America	**68.1**	18.5	>100
Wienerberger Group	**320.4**	**200.6**	**+60**

The favorable market environment seen in the first quarter continued throughout the second quarter of 2022. We recorded high demand in all business areas and again generated excellent quarterly results across all business units. This development was attributable, above all, to strong organic growth supported by high demand for our product solutions in the roof, wall, and façade segments and in the field of plastic pipes as well as the consistent implementation of our self-help program. Additionally, highly satisfactory contributions to earnings came from the companies acquired in the 2021 business year.

Wienerberger Building Solutions

With external revenues in a total amount of € 740.6 million (2021: € 636.8 million), the Wienerberger Building Solutions Business Unit generated strong EBITDA of € 196.1 million (2021: € 142.3 million). The demand in our European ceramic business was good across all product groups and slightly below the very strong second quarter of the previous year. Thanks to the availability of raw materials and energy at all times, our plants were working at full capacity, which enabled us to meet our customers' high demand.

Wienerberger Piping Solutions

In the second quarter of 2022, the Wienerberger Piping Solutions Business Unit recorded strong growth in revenues and earnings. While external revenues increased by 25% to € 411.1 million (2021: € 329.0 million), EBITDA rose by 42% to € 56.2 million (2021: € 39.7 million). This satisfactory development was driven by the continued expansion of our product mix through the addition of high-quality product solutions in our core regions in Northern, Eastern, and Western Europe – although sales volumes declined slightly from the extraordinarily high volume seen in the same quarter of the previous year.

In June 2022, we signed the contract to take over Vargon d.o.o., the leading provider for piping systems solutions in Croatia. With the expansion of our solution competence in the in-house area for plastic pipe systems and the increase in our value added in the region of Southeastern Europe, we are consistently continuing our growth course. The transaction is expected to be completed in the second half of 2022, subject to the necessary antitrust approvals and the fulfillment of other typical transaction conditions.

North America

With external revenues of € 263.1 million (2021: € 103.7 million) and EBITDA of € 68.1 million (2021: € 18.5 million), the North America Business Unit achieved an excellent second-quarter result. In the USA and Canada we benefited from high demand for our façade solutions. The acquisition of Meridian Brick and the resultant expansion of our geographic presence as well as our production capacities contributed substantially to the business unit’s growth performance. In our US plastic pipe business, we again succeeded in offsetting the dynamic price trend, especially in secondary raw materials, through our procurement and margin management, and were therefore able to satisfy the solid demand for infrastructure solutions.

Outlook for 2022

Given the persistent geopolitical and economic instability, visibility remains limited. We are aware of the fact that markets currently anticipate recessionary trends. We have made a deliberate effort to diversify our business model and are therefore now resiliently positioned and are flexible enough to react swiftly to changes in the market environment. In terms of our end markets, we do not see ourselves operating in overbuilt new build markets, and demand for housing remains at a high level. In the renovation segment, considerable amounts of funding are available within the framework of the Green Deal of the EU, as well as through national initiatives, to enhance the energy efficiency of the aging building stock and thus reduce CO_2 emissions. In the field of infrastructure, too, substantial funding is being provided for the modernization and repair of pipeline networks in the water and energy sectors both in Europe and in North America.

The strong organic growth of recent years is attributable to the successful transformation of our business model. Wienerberger has evolved from a volume-oriented producer of building materials into a customer-oriented provider of system solutions. By expanding our business portfolio to include infrastructure and increasing our focus on renovation, we are now more diversified and resilient than ever. We are continuously investing in the maintenance of our plants and taking targeted measures to enhance their efficiency. A consistently optimized procurement process ensures planning certainty in the fields of raw materials and energy. Given the wealth of experience available within the company, we are able to react swiftly to changing market developments. Evidence of our capacity to react instantly to changing conditions and the adaptability of our business model was seen most recently in the 2020 business year, which we closed successfully despite major Covid-19-related restrictions.

In the second half of the year, we expect to see a certain decline in the newbuild markets in Europe and the US, which should be in line with the first half of this year. We foresee relatively stable development of demand in the renovation and infrastructure segments, given that the attainment of the ambitious CO_2 targets of the European Green Deal calls for intensified renovation activities in the long term. At the same time, there is an urgent need for modernization of water supply networks in Europe and the USA.

With regard to our energy use in production, we assume that the availability of gas in our brick production will also be secured in the coming months. We are cooperating closely with the national authorities and have elaborated corresponding contingency plans. Potential uncertainties currently remain in Germany only. Based on our ambitious ESG strategy, we are accelerating our capital expenditure program aimed at the conversion of our production plants to sustainable energy sources, such as electricity, hydrogen, biogas, and synthetic gas. Our efforts are focused on local energy procurement, which will however vary from country to country, given the differences in supply infrastructure.

Wienerberger intends to consistently pursue its growth strategy, even in a volatile environment. The guidance for operating EBITDA is > € 900 million. In addition, we are continuing our M&A activities with a focus on enhancing the segments infrastructure and renovation.

Condensed Interim Financial Statements (IFRS) Wienerberger Group

Consolidated Income Statement

in TEUR	4-6/2022	4-6/2021	1-6/2022	1-6/2021
Revenues	**1,415,268**	1,071,028	**2,571,906**	1,867,541
Cost of goods sold	**-847,869**	-678,527	**-1,565,544**	-1,207,891
Gross profit	**567,399**	**392,501**	**1,006,362**	**659,650**
Selling expenses	**-227,439**	-176,223	**-430,582**	-326,898
Administrative expenses	**-79,773**	-67,472	**-152,023**	-132,009
Other operating income	**7,850**	7,274	**15,831**	14,736
Other operating expenses				
Impairment charges to assets	**-1,605**	0	**-14,821**	0
Impairment charges to goodwill	**0**	-10,747	**0**	-10,747
Other	**-19,969**	-23,539	**-31,246**	-34,166
Operating profit/loss (EBIT)	**246,463**	**121,794**	**393,521**	**170,566**
Income from investments in associates and joint ventures	**2,932**	1,918	**2,882**	1,362
Interest and similar income	**1,079**	521	**1,670**	1,106
Interest and similar expenses	**-11,842**	-9,576	**-22,988**	-19,156
Other financial result	**-176**	-9,688	**-1,293**	-9,192
Financial result	**-8,007**	**-16,825**	**-19,729**	**-25,880**
Profit/loss before tax	**238,456**	**104,969**	**373,792**	**144,686**
Income taxes	**-30,118**	-19,712	**-52,706**	-31,112
Profit/loss after tax	**208,338**	**85,257**	**321,086**	**113,574**
Thereof attributable to non-controlling interests	**151**	-56	**203**	-170
Thereof attributable to hybrid capital holders	**0**	0	**0**	1,176
Thereof attributable to equity holders of the parent company	**208,187**	**85,313**	**320,883**	**112,568**
Earnings per share (in EUR)	**1.86**	**0.76**	**2.84**	**1.00**
Diluted earnings per share (in EUR)	**1.86**	**0.76**	**2.84**	**1.00**

Consolidated Statement of Comprehensive Income

in TEUR	4-6/2022	4-6/2021	1-6/2022	1-6/2021
Profit/loss after tax	**208,338**	**85,257**	**321,086**	**113,574**
Foreign exchange adjustments	**18,781**	4,709	**28,577**	30,876
Foreign exchange adjustments to investments in associates and joint ventures	**-22**	32	**7**	37
Changes in hedging reserves	**4,011**	-697	**11,398**	-1,580
Items to be reclassified to profit or loss	**22,770**	**4,044**	**39,982**	**29,333**
Actuarial gains/losses	**8,534**	8,836	**8,534**	8,836
Items not to be reclassified to profit or loss	**8,534**	**8,836**	**8,534**	**8,836**
Other comprehensive income [1)]	**31,304**	**12,880**	**48,516**	**38,169**
Total comprehensive income after tax	**239,642**	**98,137**	**369,602**	**151,743**
Thereof comprehensive income attributable to non-controlling interests	**138**	-43	**205**	-155
Thereof attributable to hybrid capital holders	**0**	0	**0**	1,176
Thereof comprehensive income attributable to equity holders of the parent company	**239,504**	**98,180**	**369,397**	**150,722**

1) The components of other comprehensive income are reported net of tax.

Consolidated Balance Sheet

in TEUR	30/6/2022	31/12/2021
Assets		
Intangible assets and goodwill	**833,649**	857,371
Property, plant and equipment	**2,120,920**	2,116,153
Investment property	**40,845**	43,905
Investments in associates and joint ventures	**18,124**	18,166
Other financial investments and non-current receivables	**22,968**	22,110
Deferred tax assets	**72,287**	74,127
Non-current assets	**3,108,793**	**3,131,832**
Inventories	**990,063**	883,301
Trade receivables	**600,240**	343,416
Receivables from current taxes	**8,600**	10,718
Other current receivables	**126,330**	118,563
Securities and other financial assets	**62,514**	40,313
Cash and cash equivalents	**209,596**	364,307
Current assets	**1,997,343**	**1,760,618**
Non-current assets held for sale	**27,258**	**11,335**
Total assets	**5,133,394**	**4,903,785**
Equity and liabilities		
Issued capital	**115,188**	115,188
Share premium	**1,069,751**	1,069,751
Retained earnings	**1,431,116**	1,189,703
Other reserves	**-170,521**	-219,035
Treasury shares	**-158,331**	-7,439
Controlling interests	**2,287,203**	**2,148,168**
Non-controlling interests	**1,105**	900
Equity	**2,288,308**	**2,149,068**
Deferred taxes	**118,193**	107,269
Employee-related provisions	**89,684**	100,174
Other non-current provisions	**97,770**	98,670
Long-term financial liabilities	**1,337,415**	1,326,108
Other non-current liabilities	**18,555**	29,569
Non-current provisions and liabilities	**1,661,617**	**1,661,790**
Current provisions	**41,603**	44,566
Payables for current taxes	**24,271**	18,154
Short-term financial liabilities	**207,700**	212,995
Trade payables	**441,068**	423,078
Other current liabilities	**451,478**	394,134
Current provisions and liabilities	**1,166,120**	**1,092,927**
Liabilities in connection with assets held for sale	**17,349**	**0**
Total equity and liabilities	**5,133,394**	**4,903,785**

Consolidated Statement of Cash Flows

in TEUR	1-6/2022	1-6/2021
Profit/loss before tax	**373,792**	144,686
Depreciation and amortization	**136,858**	115,137
Impairment charges to goodwill	**0**	10,747
Impairment charges to assets and other valuation effects	**24,807**	20,253
Increase/decrease in non-current provisions	**-2,490**	-5,447
Income from investments in associates and joint ventures	**-2,882**	-1,362
Gains/losses from the disposal of fixed and financial assets	**-3,824**	-5,060
Interest result	**21,318**	18,050
Interest paid	**-28,315**	-25,381
Interest received	**453**	199
Income taxes paid	**-39,817**	-34,964
Other non-cash income and expenses	**3,712**	0
Gross cash flow	**483,612**	**236,858**
Increase/decrease in inventories	**-117,444**	-13,632
Increase/decrease in trade receivables	**-255,570**	-229,636
Increase/decrease in trade payables	**20,865**	37,106
Increase/decrease in other net current assets	**61,349**	59,965
Cash flow from operating activities	**192,812**	**90,661**
Proceeds from the sale of assets (including financial assets)	**10,646**	15,469
Payments made for property, plant and equipment and intangible assets	**-98,175**	-75,228
Dividend payments from associates and joint ventures	**2,931**	2,704
Increase/decrease in securities and other financial assets	**-3,559**	2,132
Net payments made for the acquisition of companies	**-14,473**	-6,826
Cash flow from investing activities	**-102,630**	**-61,749**
Cash inflows from the increase in short-term financial liabilities	**57,945**	126,235
Cash outflows from the repayment of short-term financial liabilities	**-57,301**	-57,097
Cash inflows from the increase in long-term financial liabilities	**15,235**	2,629
Cash outflows from the repayment of long-term financial liabilities	**0**	-2,030
Cash outflows from the repayment of lease liabilities	**-28,152**	-23,557
Dividends paid by Wienerberger AG	**-83,871**	-67,359
Hybrid coupon paid	**0**	-10,732
Repayment/Buyback hybrid capital	**0**	-214,630
Purchase of treasury shares	**-150,892**	0
Cash flow from financing activities	**-247,036**	**-246,541**
Change in cash and cash equivalents	**-156,854**	**-217,629**
Effects of exchange rate fluctuations on cash held	**2,143**	1,084
Cash and cash equivalents at the beginning of the year	**364,307**	666,148
Cash and cash equivalents at the end of the period	**209,596**	**449,603**

Consolidated Statement of Changes in Equity

in TEUR	Issued capital	Share premium/ treasury stock	Retained earnings	Other reserves	Controlling interests	Non-controlling interests	Total
Balance on 1/1/2022	**115,188**	**1,062,312**	**1,189,703**	**-219,035**	**2,148,168**	**900**	**2,149,068**
Total comprehensive income			320,883	48,514	**369,397**	205	**369,602**
Dividend			-83,871		**-83,871**		**-83,871**
Effects from hyperinflation IAS 29			4,401		**4,401**		**4,401**
Changes in treasury shares		-150,892			**-150,892**		**-150,892**
Balance on 30/6/2022	**115,188**	**911,420**	**1,431,116**	**-170,521**	**2,287,203**	**1,105**	**2,288,308**

in TEUR	Issued capital	Share premium/ treasury stock	Retained earnings	Other reserves	Controlling interests	Non-controlling interests	Total
Balance on 1/1/2021	**115,188**	**978,870**	**946,176**	**-291,934**	**1,748,300**	**685**	**1,748,985**
Total comprehensive income			113,744	38,154	**151,898**	-155	**151,743**
Dividend			-67,359		**-67,359**		**-67,359**
Changes in treasury shares		1,287			**1,287**		**1,287**
Balance on 30/6/2021	**115,188**	**980,157**	**992,561**	**-253,780**	**1,834,126**	**530**	**1,834,656**

Operating Segments

1-6/2022 in TEUR	Wienerberger Building Solutions	Wienerberger Piping Solutions	North America	Group eliminations	Wienerberger Group
External revenues	1,358,330	742,174	470,594		**2,571,098**
Inter-company revenues	780	157	0	-129	**808**
Total revenues	1,359,110	742,331	470,594	-129	**2,571,906**
EBITDA	344,533	92,520	111,703		**548,756**
Operating EBIT	261,558	57,611	89,173		**408,342**
Impairment charges to assets	-14,821	0	0		**-14,821**
EBIT	246,737	57,611	89,173		**393,521**
Profit/loss after tax	197,805	40,546	83,011	-276	**321,086**
Capital employed	1,890,550	1,038,058	597,000		**3,525,608**
Total investments	57,269	29,455	11,451		**98,175**
Ø Employees (in FTE)	12,647	3,941	2,414		**19,002**

1-6/2021 in TEUR	Wienerberger Building Solutions	Wienerberger Piping Solutions	North America	Group eliminations	Wienerberger Group
External revenues	1,115,383	569,719	180,185		**1,865,287**
Inter-company revenues	2,211	89	0	-46	**2,254**
Total revenues	1,117,594	569,808	180,185	-46	**1,867,541**
EBITDA	220,306	60,931	25,729		**306,966**
Operating EBIT	139,182	28,757	13,374		**181,313**
Impairment charges to goodwill	0	-10,747	0		**-10,747**
EBIT	139,182	18,010	13,374		**170,566**
Profit/loss after tax	99,204	5,581	8,789		**113,574**
Capital employed	1,817,334	621,909	313,331		**2,752,574**
Total investments	50,399	19,285	5,544		**75,228**
Ø Employees (in FTE)	12,312	3,436	1,432		**17,180**

Revenues broken down by country are as follows:

Revenues in TEUR	**Wienerberger Building Solutions** 1-6/2022	1-6/2021
Great Britain	**248,501**	200,024
Belgium	**150,654**	130,114
Germany	**128,411**	115,145
Netherlands	**127,443**	121,486
Czech Republic	**104,771**	66,948
Poland	**102,179**	84,645
France	**100,467**	92,164
Austria	**64,600**	59,555
Romania	**58,136**	46,441
Other countries	**273,942**	201,064
Total	**1,359,104**	**1,117,586**

Revenues in TEUR	**Wienerberger Piping Solutions** 1-6/2022	1-6/2021
Austria	**90,643**	82,367
Norway	**80,612**	65,883
Netherlands	**75,623**	61,259
Sweden	**66,850**	54,522
Belgium	**60,715**	55,618
Great Britain	**57,734**	6,019
Poland	**51,320**	37,634
Finland	**44,766**	35,237
Turkey	**34,722**	26,839
Other countries	**179,223**	144,393
Total	**742,208**	**569,771**

Revenues in TEUR	**North America** 1-6/2022	1-6/2021
USA	**434,065**	164,940
Canada	**36,529**	15,244
Total	**470,594**	**180,184**

Condensed Notes to the Interim Financial Statements

Accounting and valuation principles

The interim financial report as of June 30, 2022 was prepared in accordance with the principles set forth in International Financial Reporting Standards, Interim Financial Reporting (IAS 34). The major judgements and estimates used to prepare the consolidated financial statetments for 2021 as well as the accounting and valuation methods in effect on December 31, 2021 remain unchanged, with the exception of the IFRSs requiring mandatory application as of January 1, 2022, as well as first-time application of IAS 29, as described below. The Interim Report should therefore be read in conjunction with the consolidated financial statements as at December 31, 2021.

All numbers in this interim financial report are expressed in thousands of euro, with only a few marked exceptions.

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

Standards/Interpretations		Published by IASB	Mandatory first-time adoption
	Annual Improvements to IFRS 2018 - 2020 Cycle	May 2020	1/1/2022 1)
IAS 16	Property, Plant and Equipment - Amendments	May 2020	1/1/2022 1)
IAS 37	Provisions - Amendments	May 2020	1/1/2022 1)
IFRS 3	Business Combinations - Amendments	May 2020	1/1/2022 1)
IAS 1	Disclosure of Accounting policies - Amendments	February 2021	1/1/2023 1)
IAS 8	Definition of Accounting Estimates - Amendments	February 2021	1/1/2023 1)
IFRS 17	Insurance Contracts	May 2017	1/1/2023 1)
IAS 1	Classification of liabilities as current or non-current - Amendments	January 2020	1/1/2023
IAS 12	Deferred Tax related to leases and decommissioning obligations - Amendments	May 2021	1/1/2023
IFRS 17	Insurance Contracts -Amendments	December 2021	1/1/2023

1) Mandatory effective date according to European Union directive

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

In May 2020 the IASB published the IFRS 2018-2020 improvement cycle and clarifications on IAS 16 Property, Plant and Equipment, IAS 37 Provisions, Contingent Liabilities and Contingent Assets and IFRS 3 Business Combinations. IAS 16 clarifies how the sale of products from the test phase of production equipment is to be recognized in the financial statements. IAS 37 defines which costs can be taken into account in the case of an onerous contract. IFRS 3 receives an update to the conceptual framework. These amendments have no impact on Wienerberger's financial statements.

Amendments to IAS 1 and IAS 8 were published in February 2021. The amendments to IAS 1 require companies to disclose their material accounting policy information rather than their significant accounting policies. The amendments to IAS 8 contain clarifications on changes in accounting estimates in order to improve the distinction from changes in accounting methods. The amendments are to be applied on a mandatory basis as of January 1, 2023.

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

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

In January 2020 amendments to IAS 1 were published. These amendments introduce a more generally valid approach to the classification of liabilities as short-term according to IAS 1, which is based on the contractual arrangements in effect as of the balance sheet date. The amendments are to be applied on a mandatory basis as of January 1, 2023.

In May 2021, amendments to IAS 12 were published. The amendments clarify how companies account for deferred taxes relating to assets and liabilities arising from a single transaction (such as leases). The amendments are to be applied on a mandatory basis as of January 1, 2023.

In December 2021, the IASB published amendments to IFRS 17. The amendments enable companies applying both IFRS 17 and IFRS 9 for the first time to disclose comparative information on a financial asset in a way as if the classification and measurement rules of IFRS 9 had already been previously applied to the financial asset in question. The amendments are to be applied on a mandatory basis as of January 1, 2023. Given that Wienerberger holds neither insurance nor reinsurance contracts as an insurer, the new standard is of no relevance to the Consolidated Financial Statements.

IAS 29 Financial Reporting in Hyperinflationary Economies

The standard is to be applied if the functional currency of an entity is the currency of a hyperinflationary economy. In this Interim Report, the standard applies to a subsidiary in Turkey, as the cumulative inflation over three years has led to the classification of Turkey as a hyperinflationary economy within the meaning of IAS 29.

IAS 29 prescribes a restatement of financial statements through the application of a general price index:

- Monetary balance sheet items are not restated.
- Non-monetary balance sheet items that are measured at cost or amortized cost are restated through adjustment to the price changes in the reporting year based on a price index measuring the purchasing power before translation into the Group currency.
- All items of the statement of comprehensive income as well as all components of equity are also restated on the basis of a suitable price index.
- Gains or losses on the net monetary position are reported as a separate item of the financial result on the consolidated income statement.
- According to IAS 21.42 (b), prior year figures were not restated.

The financial statements of the Turkish subsidiary, previously based on the historical acquisition and production costs, were restated for the first time according to the criteria of IAS 29 as at June 30, 2022.

The consumer price index CPI 2003 published by the Turkish Statistical Institute, the national institute for statistics, was used as a suitable price index.

As at June 30, 2022, the price index stood at 977.90. The index change in the 2022 business year can be derived from the following table:

Date	Index CPI 2003	Monthly Change
31/12/2021	686.95	
31/1/2022	763.23	11.1 %
28/2/2022	799.93	4.8 %
31/3/2022	843.64	5.5 %
30/4/2022	904.79	7.3 %
31/5/2022	931.76	3.0 %
30/6/2022	**977.90**	**5.0 %**

The effects on this Interim Financial Statements are immaterial.

Consolidated companies

The consolidated financial statements include all major domestic and foreign companies in which Wienerberger AG directly or indirectly holds the majority of shares. In accordance with IFRS 11, Schlagmann Poroton GmbH & Co KG, Silike keramika, spol. s.r.o. and TV Vanheede-Wienerberger are classified as joint ventures, because they are managed jointly with an equal partner. Consequently, these companies are accounted for at equity (50%). TONDACH BOSNA I HERCEGOVINA d.o.o., in which Wienerberger holds 80% of the shares, is subject to joint management on account of the distribution of voting rights and is accounted for at equity. Moreover, Wienerberger holds a 30% stake in Fornaci Giuliane S.r.l, which are also classified as a joint venture on account of its joint management.

In May 2022, the 30% participation in Interbran Baustoff GmbH was sold. The result of the sale was recognized in the other financial result.

In June 2022, Wienerberger acquired Walzer Bausysteme GmbH, a producer of prefabricated parts. In the course of the preliminary purchase price allocation, goodwill of TEUR 1,230 was identified which is recognized in the Wienerberger Building Solutions segment.

Net cash outflow for the acquisition of the company in the reporting year amounted to a total of TEUR 3,787. Purchase price liabilities of TEUR 373 were recognized in other liabilities, which depend on the attainment of defined targets. Furthermore, purchase price liabilities of TEUR 10,686 were paid for acquisitions from prior years.

Seasonality

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

Notes to the Consolidated Income Statement

Group revenues amounted to TEUR 2,571,906 for the first sixth months of 2022 (2021: TEUR 1,867,541), which is 38% higher than the comparable period of the previous year.

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

1-6/2022 in TEUR	**Wienerberger Building Solutions**	**Wienerberger Piping Solutions**	**North America**	**Wienerberger Group**
Wall	505,099	0	14,809	**519,908**
Facade	412,567	0	330,264	**742,831**
Roof	375,049	0	0	**375,049**
Pavers	65,559	0	268	**65,827**
Pipes	0	742,146	125,236	**867,382**
Other	56	28	17	**101**
Total	**1,358,330**	**742,174**	**470,594**	**2,571,098**

1-6/2021 in TEUR	Wienerberger Building Solutions	Wienerberger Piping Solutions	North America	Wienerberger Group
Wall	393,886	0	11,049	**404,935**
Facade	349,124	0	112,475	**461,599**
Roof	317,280	0	0	**317,280**
Pavers	55,030	0	322	**55,352**
Pipes	0	569,698	56,328	**626,026**
Other	63	21	11	**95**
Total	**1,115,383**	**569,719**	**180,185**	**1,865,287**

EBITDA amounted to TEUR 548,756 which is higher than the comparable prior year value of TEUR 306,966. EBIT amounted to TEUR 393,521 for the reporting period, compared to TEUR 170,566 in 2021.

As at June 30, 2022, Wienerberger held 6,431,450 treasury shares (31/12/2021: 381,910), which were deducted for the calculation of earnings per share. The weighted number of shares outstanding from January 1, 2022 to June 30, 2022 was 113,131,798. The number of shares issued amounted to 115,187,982 as at June 30, 2022.

In the reporting year, a dividend of EUR 0.75 per share on the issued capital of EUR 115,187,982.00, that is EUR 86,390,986.50 minus a pro-rata amount for own shares of EUR 2,520,333.75, i. e. EUR 83,870,652.75, was resolved upon and paid out.

For the first six months of 2022, depreciation in the amount of TEUR 29,640 (2021: TEUR 23,673) for right-of-use assets and TEUR 2,455 (2021: TEUR 1,887) for interest expenses for lease liabilities were taken into account in the Consolidated Income Statement.

Notes to the Consolidated Statement of Comprehensive Income

Currency translation differences of TEUR 34,376 (2021: TEUR 33,229) resulted, above all, from the US dollar, Canadian dollar, and the British pound. After consideration of deferred taxes of TEUR -5,792 (2021: TEUR -2,316), a net amount of TEUR 28,584 (2021: TEUR 30,913) is shown in other comprehensive income. The hedging reserve changed equity by TEUR 11,398 (2021: TEUR -1,580). This amount includes deferred taxes of TEUR -3,799 (2021: TEUR 527). The measurement of defined pension plans and similar post-employment benefits resulted in actuarial gains of TEUR 8,534 (2021: TEUR 8,836). Deferred taxes included in this amount came to TEUR -1,706 (2021: TEUR -1,455). Profit after tax reported for the first six months of 2022 increased equity by TEUR 321,086 (2021: TEUR 113,574). Total comprehensive income after tax increased equity by TEUR 369,602 for the reporting period (2021: TEUR 151,743).

Notes to the Consolidated Statement of Cash Flows

Gross cash flow increased to TEUR 483,612 (2021: TEUR 236,858) primarily as a result of the Group's positive operating performance. In the reporting year, the impairment tests performed according to IAS 36 resulted in impairment charges to property, plant and equipment and intangible asstes of TEUR 14,821 reported under impairments to assets and other valuation effects. This item also includes the inventory valuation adjustment amounted to TEUR -6,198 (2021: TEUR -2,940).

Cash flow from operating activities amounted to TEUR 192,812 (2021: TEUR 90,661), i. e. TEUR 102,151 above the comparable value of the previous period, which was primarily due to an increase in gross cash flow.

Cash outflows of TEUR 112,648 (2021: TEUR 82,054) for investments in non-current assets (incl. financial assets) and acquisitions included TEUR 43,818 (2021: TEUR 43,257) of maintenance capex and TEUR 54,357 (2021: TEUR 31,971) for plant extensions, innovation and sustainability (special capex). For acquisitions and investments in financial assets TEUR 14,473 were spent (2021: TEUR 6,826).

Proceeds from the disposal of non-current assets totaled TEUR 10,646 (2021: TEUR 15,469) and included the sale of investment property.

In the reporting year, negative cash flow from financing activties in the amount of TEUR -247,036 (2021: TEUR -246,541) mainly resulted from the payout of the dividend of TEUR 83,871 (2021: TEUR 67,359) and the buy-back of own shares in the amount of TEUR 150,892 (2021: TEUR 0). In the previous year, the repayment of the hybrid bond resulted in an additional cash outflow of TEUR 214,630.

Notes to the Consolidated Balance Sheet

Maintenance and special capex for the first six months of 2022 (excl. acquisitions) increased non-current assets by TEUR 98,175 (2021: TEUR 75,228). Net debt rose by TEUR 138,522 over the level of December 31, 2021 to TEUR 1,273,005 due to the seasonal increase in working capital.

Property, plant and equipment recognized in the Consolidated Balance Sheet as of June 30, 2022 include right-of-use assets according to IFRS 16 of TEUR 231,206 (31/12/2021: TEUR 235,290); financial liabilities include lease liabilities of TEUR 240,993 (31/12/2021: TEUR 245,273).

Commitments for the purchase of property, plant and equipment totaled TEUR 81,950 as at the balance sheet date (31/12/2021: TEUR 52,279).

As at June 30, 2022, “Non-current assets held for sale” comprise inventories and non-core land and buildings in the amount of TEUR 27,258 (31/12/2021: TEUR 11,335), of which TEUR 18,065 are accoutned for by assets in connection with the sale of the Group’s Russian operations. Debts in connection with assets held for sale, amounting to TEUR 17,349 as of June 30, 2022, concern the sale of the Russian operations (disposal group).

On account of the increase in guarantees for third parties, contingent liabilities and guarantees increased to TEUR 18,254 (31/12/2021: TEUR 16,807).

Disclosures on Financial Instruments

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

in TEUR	Accounting method 1)	Fair Value Level 1	Fair Value Level 2	Fair Value Level 3	Carrying amount as at 30/6/2022
Assets					
Investments in subsidiaries and other investments	FV			17,581	**17,581**
Stock	FV	64			**64**
Shares in funds	FV	5,396			**5,396**
Other	FV		12	367	**379**
Financial instruments at fair value through profit or loss		**5,460**	**12**	**17,948**	**23,420**
Other receivables	**AC**		**28,947**		**28,947**
Derivatives from cash flow hedges	FV		20,897		**20,897**
Derivatives from net investment hedges	FV		2,541		**2,541**
Other derivatives	FV		2,043		**2,043**
Derivatives with positive market value			**25,481**		**25,481**
Liabilities					
Derivatives from cash flow hedges	FV		329		**329**
Derivatives from net investment hedges	FV		11,095		**11,095**
Derivatives from fair value hedges	FV		893		**893**
Other derivatives	FV		408		**408**
Derivatives with negative market value			**12,725**		**12,725**
Long-term loans	AC		493,219		**500,744**
Roll-over	AC		41,296		**41,582**
Short-term loans	AC		98,756		**99,787**
Financial liabilities owed to financial institutions			**633,271**		**642,113**
Bonds	AC	622,960			**646,494**
Bonds – short-term	AC	1,592			**1,592**
Long-term loans	AC		868		**898**
Short-term loans	AC		264		**264**
Finance leases – long-term	AC		189,278		**189,278**
Finance leases – short-term	AC		51,715		**51,715**
Financial liabilities owed to subsidiaries	AC		36		**36**
Financial liabilities owed to non-banks		**624,552**	**242,161**		**890,277**
Purchase price liability	**AC/FV**		**1,409**	**950**	**2,359**

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

in TEUR	Accounting method [1]	Fair Value Level 1	Fair Value Level 2	Fair Value Level 3	Carrying amount as at 31/12/2021
Assets					
Investments in subsidiaries and other investments	FV			17,319	**17,319**
Stock	FV	64			**64**
Shares in funds	FV	5,881			**5,881**
Other	FV			340	**340**
Financial instruments at fair value through profit or loss		**5,945**		**17,659**	**23,604**
Other receivables	**AC**		**29,871**		**29,871**
Derivatives from cash flow hedges	FV		1,893		**1,893**
Derivatives from net investment hedges	FV		876		**876**
Other derivatives	FV		1,748		**1,748**
Derivatives with positive market value			**4,517**		**4,517**
Liabilities					
Derivatives from cash flow hedges	FV		2,428		**2,428**
Derivatives from net investment hedges	FV		5,301		**5,301**
Derivatives from fair value hedges	FV		448		**448**
Other derivatives	FV		534		**534**
Derivatives with negative market value			**8,711**		**8,711**
Long-term loans	AC		484,901		**486,425**
Roll-over	AC		34,739		**34,644**
Short-term loans	AC		107,742		**107,616**
Financial liabilities owed to financial institutions			**627,382**		**628,685**
Bonds	AC	693,353			**655,488**
Long-term loans	AC		910		**898**
Short-term loans	AC		48		**48**
Leasingverbindlichkeiten	AC		245,273		**245,273**
Financial liabilities owed to non-banks		**693,353**	**246,231**		**901,707**
Purchase price liability	**AC/FV**		**1,708**	**13,945**	**15,653**

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

The valuation of financial instruments classified under level 3 is shown in the following table:

in TEUR	Investments 2022	Investments 2021	Other securities 2022	Other securities 2021	Contingent purchase price liability 2022	Contingent purchase price liability 2021
Balance on 1/1	**17,319**	**13,159**	**340**	**679**	**13,945**	**17,558**
Change in consolidation range	**0**	0	**35**	0	**0**	0
Results from valuation in income statement	**263**	156	**-8**	-15	**-3,501**	43
Disposals	**-1**	0	**0**	0	**-9,494**	-1,638
Balance on 30/6	**17,581**	**13,315**	**367**	**664**	**950**	**15,963**

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

The fair value of shares in funds, corporate bonds, stocks and the bonds issued by Wienerberger was determined on the basis of market prices (level 1). Other securities include short-term investments of liquidity, which are measured on the basis of interest rates observable in the market and therefore classified as level 2 instruments. Reinsurance for pension obligations, which must not be netted against the pension provision, are allocated mainly to level 3 of the valuation hierarchy and reported under other securities.

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

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

Risk Report

Throughout the Group, Wienerberger focuses on the early identification and active management of risks in its operating environment. To this end, regular surveys are being performed among the Managing Board as well as the Business Unit managers and Corporate Function heads in charge in order to update the existing risk catalogue and to identify new risks. In the course of this process, strategic and operational risks are identified along the entire value chain. The impact of these risks on cash flow is assessed and appropriate risk mitigation strategies and measures are adopted and implemented.

The major risks identified include competition from substitution products, such as concrete, wood, limestone, glass, steel and aluminum, and the related pressure on prices. Management sees further relevant risks in higher input costs and volatile raw material prices for plastics. We aim to minimize these risks by means of our strong position as a quality leader and through the development of premium products. These developments primarily concern improvements in terms of construction physics and the cost-efficiency of our products.

Wienerberger regularly monitors the risks in its operating environment as part of its corporate risk management program and takes appropriate actions to counter these risks. The development of the construction industry and major indicators of the demand for building materials are watched closely to permit the timely adjustment of capacity in the plant network to reflect changing market conditions. The price levels on local markets are also monitored regularly, and pricing strategies are adjusted, if necessary. Wienerberger counters the risk of rising input costs by establishing fixed procurement prices at an early point in time and by concluding long-term supply contracts. The risks associated with rising energy costs are reduced through the Group's hedging strategy. The risks expected by Wienerberger during the second half of this year are linked to higher input costs, uncertainty over further developments in the construction industry and continued pressure on prices in individual markets. To counter the risk of interruptions of operations due to Covid-19 infections, Wienerberger has introduced stricter hygiene measures and shift work in its plants.

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

In addition to price risk Wienerberger is also exposed to energy supply risk (natural gas and electricity), in particular with respect to the current conflict between Russia and Ukraine. A disruption in supply inevitably results in a loss of production and can therefore have a negative effect on operating results if demand cannot be met from inventories.

The protection of liquidity and the preservation of a healthy financial base represent the focal points of the Wienerberger strategy. The most important instruments in this respect are the maximization of free cash flow through cost reduction, active working capital management and a cutback in investments to the necessary minimum.

Wienerberger is subject to extensive and increasingly strict environmental, health and safety laws (environment social governance, ESG) in many countries, which can lead to investments for compliance with these regulations. Failure to comply with these regulations could result in administrative fines, claims for damages or the withdrawal of operating permits.

In 2014, Wienerberger was granted carbon leakage status for its European brick operations. Based on a further qualitative evaluation performed in 2018, the brick industry has been included in the new carbon leakage list for the fourth trading period. This means that Wienerberger will enjoy carbon leakage status and therefore be allocated the major part of the CO_2 certificates required free of charge.

A detailed description of the impact of climate change on the business model of the Wienerberger Group can be found in the Annual and Sustainability Report 2021. These statements are still valid.

Related party transactions

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

The ANC Private Foundation operates landfill activities in Austria that were transferred by Wienerberger AG in 2001 and owns a limited amount of assets (in particular real estate and securities). The managing board of the ANC Private Foundation consists of three members, two of whom are part of the Wienerberger top management. This allows Wienerberger to exercise control over the foundation. In accordance with IFRS 10, the ANC Private Foundation cannot be consolidated because the shareholders of Wienerberger AG, and not the company itself, are entitled to the variable cash flows from the foundation. The total assets of ANC Private Foundation amounted to TEUR 34,257 (31/12/2021: TEUR 32,853) and consist primarily of land and buildings totaling TEUR 6,958 (31/12/2021: TEUR 7,350) and securities and liquid funds of TEUR 21,272 (31/12/2021: TEUR 21,189). The foundation had provisions of TEUR 13,056 (31/12/2021: TEUR 11,071) and no financial liabilities as of June 30, 2022.

Wienerberger AG and its subsidiaries finance associates, joint ventures and non-consolidated subsidiaries through loans granted at ordinary market conditions. The outstanding loan receivables due from joint ventures amounted to TEUR 19,416 as of June 30, 2022 (31/12/2021: TEUR 16,494), while the comparable amount for non-consolidated subsidiaries was TEUR 4,675 (31/12/2021: TEUR 4,912). Revenues in the amount of TEUR 808 (2021: TEUR 2,254) were recognized with joint ventures during the first six months of the year.

Significant events after the balance sheet date

As of July 1, 2022, the Wienerberger Group acquired the company Mayr Dachkeramik GmbH with a production site at Salching (Bavaria), which broadens the Group's product portfolio in the field of roofing accessories.

Waiver of Audit Review

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

Statement by the Managing Board

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

Vienna, August 10, 2022

The Managing Board of Wienerberger AG

Heimo Scheuch	Gerhard Hanke	Solveig Menard-Galli	Harald Schwarzmayr
Chief Executive Officer	*Chief Financial Officer*	*COO Wienerberger Building Solutions*	*COO Wienerberger Piping Solutions*

Financial Calendar

October 18, 2022	*Start of the Quiet Period*
November 10, 2022	Results on the First Three Quarters 2022

Information on the Company and the Wienerberger Share

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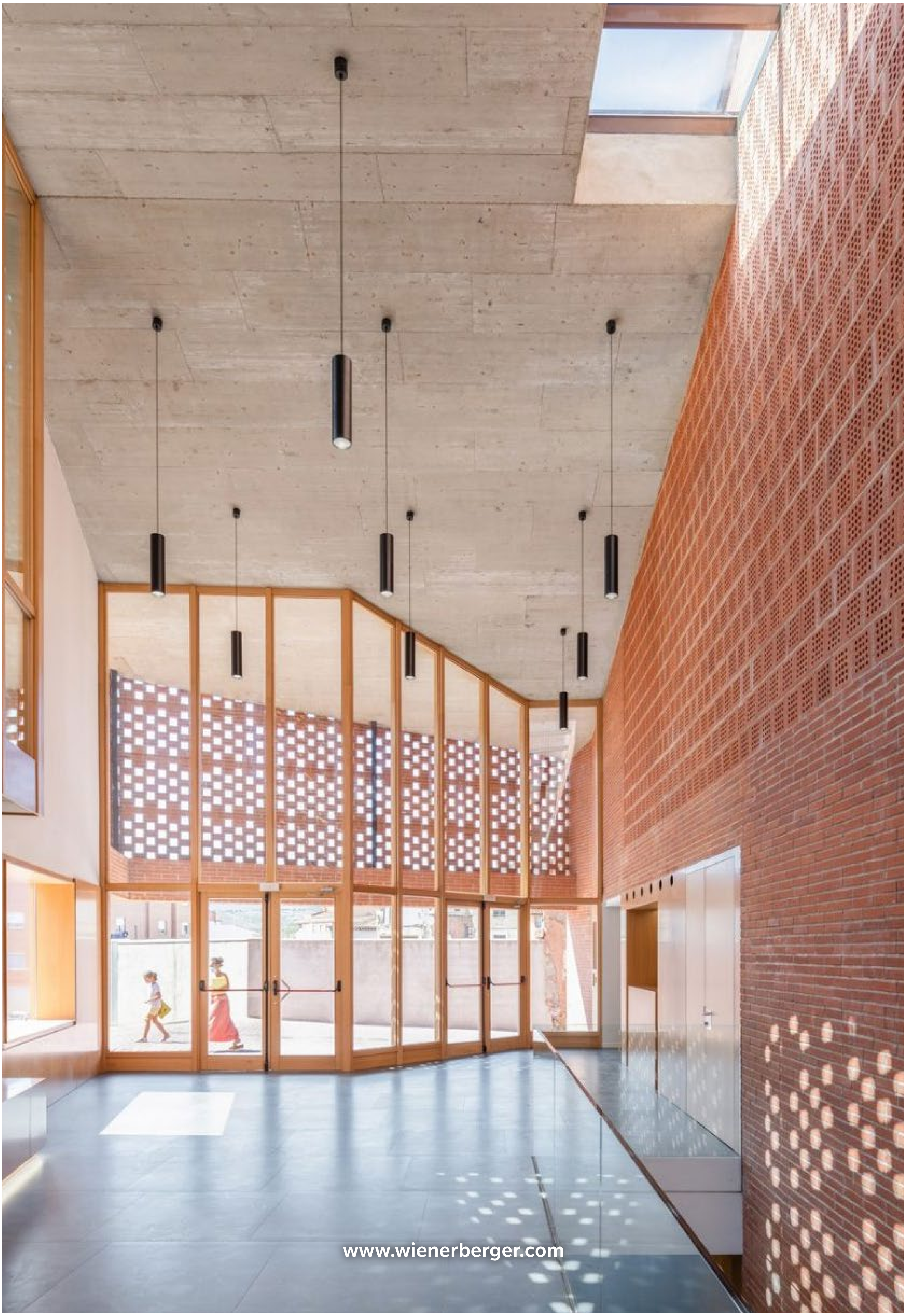
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