

Wienerberger foresees accelerated pace of growth and increases its medium-term targets

- › EBITDA forecast for 2018 specified
- › Upward revision of EBITDA target for 2020 to approx. € 680 million
- › Accelerated growth through optimization program
- › Additional positive effects from continuous investments and organic growth

Vienna, October 2, 2018 – On the occasion of this year’s Capital Markets Day for international investors and analysts, the Wienerberger Group specified its earnings forecast for 2018 at adjusted EBITDA of € 460 to 470 million. At the same time, Wienerberger published details of its optimization program.

“Our growth strategy is based on three pillars: organic growth, operational excellence and growth projects alongside portfolio optimization measures. In each of these areas, execution of the strategy is progressing successfully. We will consistently use opportunities to acquire value-oriented companies and exit from business areas that are strategically less attractive. Moreover, we will intensify our activities to boost our profitability. We have therefore combined all our current initiatives into a comprehensive program to enhance their impact. Hence, we are very optimistic to exceed our original growth and earnings target in the medium term”, said Wienerberger CEO Heimo Scheuch at the Capital Markets Day.

The Wienerberger Managing Board is confident to generate significantly higher adjusted EBITDA (excluding one-off expenses and earnings) of approx. € 680 million in 2020. Previously, EBITDA of more than € 600 million had been projected for 2020. The major part of the increase will be accounted for by earnings improvements of around € 120 million expected to result from the optimization program in the business years 2018 to 2020. This will be achieved through upgraded production processes at all sites, enhanced energy efficiency, optimization in purchasing, new distribution structures, improvements in supply chain management and in internal services, as well as targeted restructuring measures.

Non-recurrent capital expenditure required to implement this program is estimated at approx. € 50 million. Further improvements in EBITDA up to 2020 will result from organic growth, bolt-on acquisitions and the implementation of new accounting rules (IFRS 16).

Product innovations and digitalization

Organic growth is being consistently pursued with a strong emphasis on digitalization, especially with a view to innovative ways of networking with customers. Wienerberger used the occasion of the Capital Markets Day to

present several innovations, such as pipe elements equipped with sensors for flow metering, novel 3D software solutions, prefabricated hollow brick elements, and the use of brick-laying robots.

Growth investments and portfolio optimization

The process of portfolio optimization through the divestment of entities which do not fit into the strategic portfolio or no longer meet the Group's growth targets is being continued. The income-generating potential of this process is estimated at up to € 150 million. At the same time, targeted growth steps are being taken. As the Managing Board confirmed at the Capital Markets Day, a budget of approx. € 200 million has been earmarked for acquisitions in 2018. The Group's strategic objective is to extend the value chain through additions to the product portfolio, including diversification into new materials.

Wienerberger Group

Wienerberger is the world's largest producer of bricks (Porotherm, Terca) and the market leader in clay roof tiles (Koramic, Tondach) in Europe as well as concrete pavers (Simmelrock) in Central and Eastern Europe. In pipe systems (Steinzeug-Keramo ceramic pipes and Pipelife plastic pipes), the company is one of the leading suppliers in Europe. With its total of 193 production sites, the Wienerberger Group generated revenues of € 3,120 million and EBITDA of € 415 million in 2017.

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