

# Wienerberger reports successful Q1 2022 with steep revenue growth

## Highlights

- › Steep 45% increase in revenues to € 1,157 million in Q1 2022 (Q1 2021: € 797 million)
- › Despite a volatile environment, EBITDA more than doubled to € 228 million (Q1 2021: € 106 million) thanks to proactive margin management, a forward-looking procurement policy, and ongoing efficiency enhancement measures

## Outlook for 2022

- › Further growth expected for Q2 2022
- › Wienerberger confirms its EBITDA guidance of € 750-770 million for 2022 despite geopolitical instability

Vienna, May 12, 2022 – In the first quarter of 2022, the Wienerberger Group delivered an outstanding result, continuing the strong performance of the previous year. Owing to consistently high demand in all markets, Wienerberger's revenues increased significantly by 45% to € 1,157 million (Q1 2021: € 797 million). Despite a volatile environment, EBITDA more than doubled to € 228 million in the first quarter of 2022, as compared to € 106 million in Q1 2021, thanks to the Group's forward-looking procurement and pricing policy and ongoing efficiency enhancement measures.

*“During the first three months of 2022, we succeeded in seamlessly continuing the very good performance of the previous year and generated the best first-quarter result in the history of our company. This confirms that Wienerberger has taken the right decisions and that our business model, focused on new build, renovation, and infrastructure in 28 markets, has become much more diversified and resilient. Developments in the first quarter were characterized by consistently high demand, especially in the renovation segment, across almost all our markets and product groups. Our plants were therefore working at a high level of capacity in order to meet our customers' strong demand. We saw particularly high demand for our innovative product and system solutions, which have been continuously added to our product portfolio in recent years”,* says Heimo Scheuch, Chairman of the Managing Board of Wienerberger AG.

Wienerberger recorded a steep increase in revenues and earnings in all its business units, especially in North America. Thanks to its focus on new build, renovation, and infrastructure as the Group's core segments, Wienerberger succeeded in reaffirming its excellent market position across all business units. Irrespective of wide-spread speculation, the volume of gas delivered to Europe was higher in the first quarter of 2022 than in Q1 2021 and the security of gas supply was assured throughout the reporting period.

Commenting on the issue of gas supply, Heimo Scheuch says, “For years, Wienerberger has been pursuing a forward-buying strategy in the field of energy. Based on the projected production quantities, forward purchases of gas and electricity were continuously made with major energy suppliers. 90% of the gas volume required by the Wienerberger Group for 2022 has thus been secured in advance. Nevertheless, in order to be prepared for the exceptional situation

of a limited availability of natural gas in Europe, we elaborated emergency plans for our markets, which can be swiftly adjusted to changing local conditions.”

### **Performance of the Business Units**

The Wienerberger Building Solutions Business Unit continued to benefit from the positive market sentiment carried over from the last quarter of the previous year, recording steep growth in revenues and earnings compared to the first quarter of 2021. Relative to the same period of the previous year, external revenues increased by 29% to € 617.7 million in the first three months of 2022 (Q1 2021: € 478.5 million). Over the same period, operating EBITDA improved by an impressive 92% to € 145.6 million (Q1 2021: € 75.7 million). This growth performance was based on consistently strong demand in almost all our core regions. In both new build and renovation, Wienerberger benefited from high demand for its innovative solutions for the entire building envelope.

For the Wienerberger Piping Solutions Business Unit, the positive trend of the previous year continued during the first months of the current year. Given persistent tension along the supply chains, Wienerberger Piping Solutions saw a sharply upwards development of input costs. Overall, the business unit again reported satisfactory growth. External revenues increased to a total of € 331.1 million, which corresponds to a 38% increase compared to the previous year (Q1 2021: € 240.7 million) and operational EBITDA grew to € 36.5 million (Q1 2021: € 20.8 million).

In the first three months of the current business year, the North America Business Unit significantly outperformed the previous record of the first quarter of 2021. In line with the trend already observed in the second half of the previous year, the market environment and the volume of demand remained highly satisfactory. Owing to the successful takeover of Meridian Brick, the business unit was able to derive an added benefit from this positive market sentiment. Overall, external revenues more than doubled in the reporting period from € 76.5 million to € 207.5 million. Operating EBITDA grew even more strongly, rising steeply from € 8.5 million to € 43.3 million. Alongside an improved performance of the façade segment, the plastic pipe segment delivered a significant contribution to earnings in the USA.

### **Outlook for 2022**

In the first three months of 2022, Wienerberger delivered an extremely satisfactory result, outperforming its own expectations. Proactive measures have already been taken with a view to the rest of the year. Operating in a strong market environment, Wienerberger currently expects to see a further slightly increase in demand in the second quarter of the year. With its plants working at a high level of capacity, Wienerberger is confident of being able to satisfy the demand of our markets.

Considering that the steep increase in input costs began already in the second half of the previous year, we expect to see a bit lower upward trend in the course of 2022. Wienerberger’s objective is to offset cost inflation through its proactive pricing policy, while always remaining a reliable and predictable partner for all its customers.

Our ongoing self-help program aimed at earnings growth and efficiency enhancement is well on track to reach its full-year target of a € 45 million contribution to EBITDA, despite the tense situation at suppliers.

In the interest of a secure supply of natural gas and electricity, Wienerberger will consistently pursue its proven forward-buying strategy in the energy market. For 2022, about 90% of the gas volume required by the Wienerberger Group has already been secured, the corresponding ratios for 2023 and 2024 being 81% and 69% respectively. Irrespective of wide-spread speculation, we take it that in the second quarter of 2022 sufficient natural gas will be available in Europe, so that we can meet the demand for our innovative solutions. Thanks to continuous forward purchasing of gas and electricity, the prices of the hedged volumes are significantly below the current spot market prices.

On the demand side, Wienerberger expects to see a continuation of the positive trend in the European renovation market, which is attributable, among other factors, to the need for notable improvements in the energy efficiency of the European building stock, if the targets of the European Green Deal are to be met. In the field of infrastructure, the numerous economic stimulus programs in both Europe and North America will generate further solid demand for energy and water management solutions.

Owing to the current geopolitical instability and the related implications, visibility for the second half of the year is extremely low. As far as possible, precautions have been taken to minimize the direct and indirect negative impact of the conflict between Russia and Ukraine, rising inflation and high interest rates on the Wienerberger Group, although a reliable projection of the consequences is impossible from today's perspective. Wienerberger is closely monitoring the developments and continuously reassessing the situation. Nevertheless, based on our strong and resilient business model, we confirm our EBITDA guidance of € 750 -770 million for 2022 as a whole.

For the complete report on the first quarter of 2022, please visit <https://www.wienerberger.com/en>.

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### **Wienerberger Group**

The Wienerberger Group is a leading international provider of smart solutions for the entire building envelope and for infrastructure. 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 (Semmelrock) in Eastern Europe. In pipe systems (Steinzeug-Keramo ceramic pipes and Pipelife plastic pipes), the company is one of the leading suppliers in Europe. By acquiring Meridian Brick, Wienerberger further strengthened its position as a leading supplier of facade products in North America. With its total of 215 production sites, the Wienerberger Group generated revenues of € 4.0 billion and EBITDA LFL of € 671 million in 2021.

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